

City of Keizer Marion County, OR



ADOPTED BUDGET

Fiscal Year 2011-2012



PRIDE SPIRIT VOLUNTEERISM

CITY OF KEIZER
FISCAL YEAR 2011-2012

Lore Christopher
Mayor

Members of the Budget Committee

Council Members:

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

Public Members:

JoAnne Beilke
Ronald Bersin
David Dempster
Kim Freeman
Joseph Gillis
Dale Henson
Sandi King

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
Rob Kissler, Public Works Director
Kevin Watson, Assistant to the City Manager

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

FISCAL YEAR 2011-12 BUDGET QUOTES ON DEMOCRACY

Democracy shows not only its power in reform ing governments, but in regenerating a race of men and this is the greatest blessing of free governments.

Andrew Jackson

Democracy is not so much a form of government as a set of principles.

Woodrow Wilson

The experience of de mocracy is like the experience of life itself – always changing, infinite in its variety, sometimes turbulent and all the more valuable for having been tested by adversity.

Jimmy Carter

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BUDGET OVERVIEW

Welcome to the City of Keizer's Fiscal Year 2011-2012 Budget Document. This document was prepared to assist you in understanding the financial plan and operation of City government. It is the financial tool which enables the City 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 function within the General Fund and by object within all other funds. Generally, the budget is prepared on a modified accrual basis. Revenues are recognized when they become measurable and available, and expenses are budgeted when they are incurred.

Enterprise Funds are budgeted on a full accrual basis (not only are expenses recognized when incurred, but revenues are also recognized when they are billed). This is essentially the same as the City's basis of accounting.

One exception is the treatment of depreciation in the Enterprise Funds. While the City 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 CAFR for Enterprise Funds. All appropriations lapse at fiscal year-end to the extent that they have not been expended or lawfully re-budgeted.

The City 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 City Council as well as formal newspaper publications of certain budgetary information must be conducted prior to the formal adoption of the budget by city resolution. The City Council may amend the budget to expend unforeseen receipts by supplemental appropriations. Supplemental Budgets require public hearings, newspaper publications and approval by the City Council 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 department for the General Fund and by object for all other 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 Budget Committee to establish comprehensive financial policies, update the long-range financial plan, as well as a plan for funding basic service levels and meeting the cash flow needs of the City.

The budget process includes input at the department level. Each employee is asked to provide a "needs" assessment for his or her position. Priorities and alternatives are discussed with the department Director and after careful analysis, the projections are presented to the City Manager. Each Director discusses the departmental budget over a series of meetings. After final approval by the City Manager, the draft budget documents are prepared for presentation to the budget committee.

CITY OF KEIZER

FISCAL YEAR 2011-2012 BUDGET CALENDAR

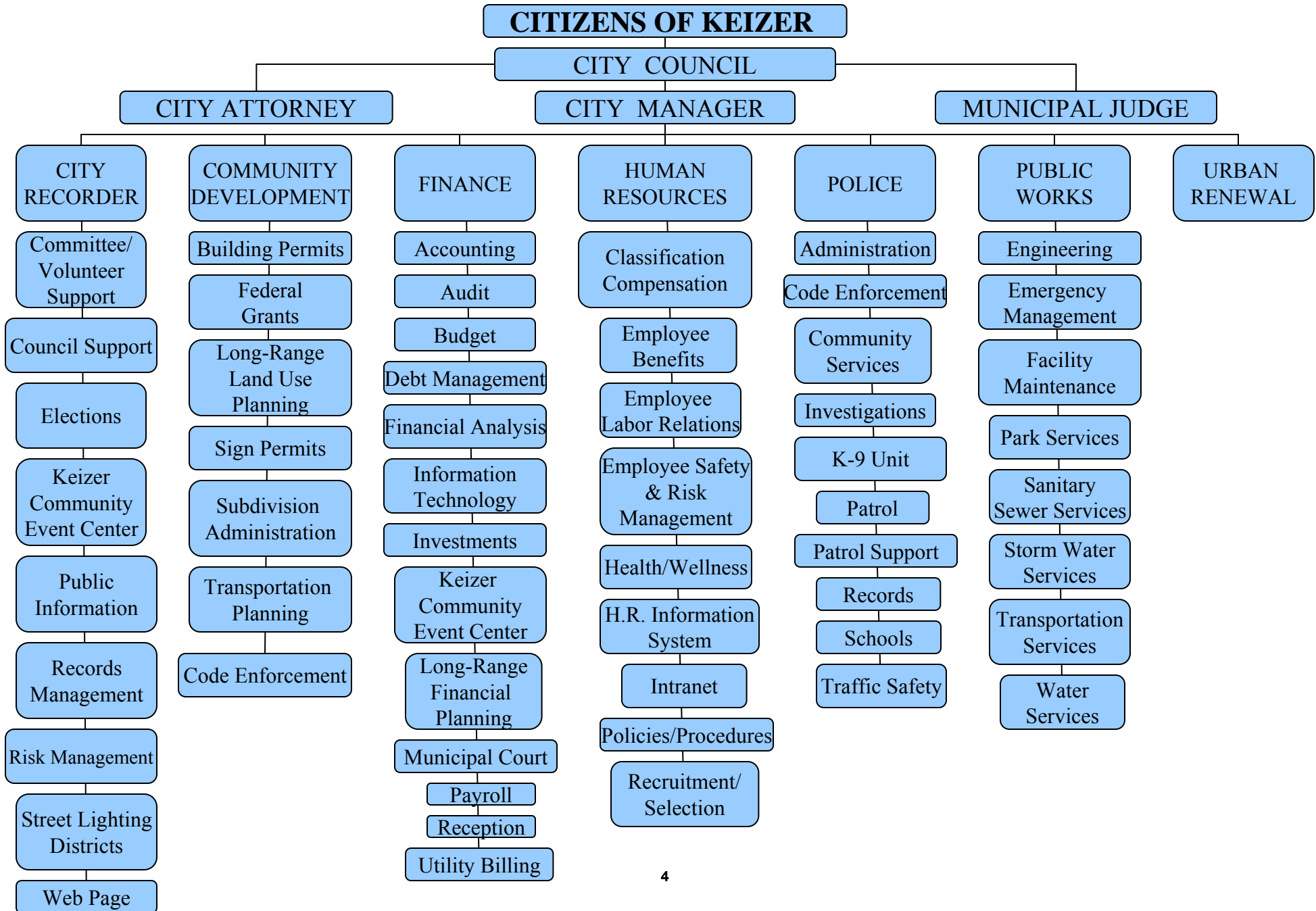
Tuesday, April 12 th	Notice of Budget Committee meeting on City Budget to Keizertimes for publication on April 15 th and April 22 nd for meeting on Tuesday, May 3 rd at 6:00 p.m.
Tuesday, April 12 th	Notice of Budget Committee meeting on Urban Renewal Budget to Keizertimes for publication on April 15 th and April 22 nd for meeting on Tuesday, May 10 th at 6:00 p.m.
Wednesday, April 27 th	City Budget Document distributed to Budget Committee
Tuesday, May 3 rd	Urban Renewal Budget Document distributed to Budget Committee
Tuesday, May 3 rd – 6:00 p.m.	City Budget Committee Meeting <ul style="list-style-type: none"> ◆ Introductions ◆ Election of City of Keizer Budget Committee Chair ◆ Approval of Budget Calendar ◆ Public Testimony ◆ Presentation of City of Keizer Budget Message ◆ Staff presentations & discussion of Administrative Services Fund ◆ Staff presentations & discussion of Public Works related Funds ◆ Staff presentations & discussion of Dedicated Funds
Thursday, May 5 th – 6:00 p.m.	City Budget Committee Meeting <ul style="list-style-type: none"> ◆ Public Testimony ◆ Continuation of discussion from May 3rd as needed ◆ Staff presentation & discussion of ◆ Presentation and discussion of <ul style="list-style-type: none"> ◆ General Fund long-range plan ◆ General Fund operations

CITY OF KEIZER
FISCAL YEAR 2011-12 BUDGET CALENDAR

continued

Tuesday, May 10 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 10 th – after Urban Renewal Agency Budget (continued)	City Budget Committee Meeting <ul style="list-style-type: none"> ◆ Continuation of discussion from May 5th as needed ◆ Budget recommendations to Council and Urban Renewal Board
Tuesday, May 17 th – 6:00 p.m.	Alternate meeting to complete City or Urban Renewal Budgets (if needed)
Tuesday, May 24 th	Financial Summaries and notice of budget hearing in the Keizertimes for publication on Friday, May 27 th .
Monday June 6 th – 6:30 p.m.	Public hearing on Urban Renewal Budget . Board adoption of Budget.
Monday June 6 th – 7:00 p.m.	Public hearing on City Budget . Council adoption of Budget.
Monday June 20 th – 7:00 p.m.	Alternate public hearing on City Budget and/or Urban Renewal Budget (if needed)

ORGANIZATIONAL STRUCTURE



2011-2013 CITY COUNCIL GOALS

Adopted March 21, 2011

Short Term Goals

- Enhance E-Government Services
 - Research online bill pay opportunities
 - Website upgrade
- Increase Economic Development
 - Development an Advisory Committee to the City Council
 - Initiate Council Approved Recommendations from Events and Festivals Task Force
 - Integrate and Set Goals as identified in Keizer Compass Plan
- Create a Reserve Fund for Facility Maintenance to protect Civic Center initial investment
- Sunset the Urban Renewal District – Anticipate 2012 end date
- Develop a communication plan for community outreach on federal mandates – potential to initiate a town forum.
- Update City Council Rules and Procedures – Establish a Task Force
- Develop a new Keizer Heritage Agreement

- Identify the necessary level of service from the Police Department – Identify funding mechanism and opportunities.
- 30 year community event – citizen appreciation after 30 years of incorporation of a City and recognition of the Wallace House bicentennial
- Dedicate Transient Occupancy Tax to fund community engagement opportunities.

Long Term Goals

- Citizen Volunteer Plan
 - Integration in police programs
 - Integration in park programs
 - Community Outreach to encourage volunteer opportunities
- Parks – Identify funding mechanism to support level of service plan
- Fund Facility Reserve Fund
- Parks – Keizer Rapids Park Master Plan Update
- Explore and determine policy, direction for the Urban Growth Boundary

“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 29-year history, Keizer has elected 5 Mayors and 35 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, River Road Renaissance Advisory Committee, 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. During the last year, citizen groups have participated in the Keizer Rotary Amphitheatre operation, Good Vibrations Motorcycle Event, and a newly formed Events and Festivals Task Force.

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 has organized 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. Other community events that City volunteers have assisted in this year were the Sustainability Summit, Claggett Creek Watershed projects, and the second annual Mayor’s Art Gala. Volunteers have also worked with City staff in the information technology area, records management, and police services. Services and projects such as these truly show the pride, spirit and volunteerism of our community.

A 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!!!!

FINANCIAL POLICIES

General

- The City shall keep City government costs and services to a minimum by providing City services to the community in a coordinated, efficient and least cost fashion.
- The City shall commit existing resources to continue developing a proactive Police Department with a strong Community Policing philosophy.
- The City shall aggressively seek Federal funding and local donations to support its public safety initiatives.

Revenue

- Revenue forecasts are based on actual historical data adjusted for any known changes in the underlying assumptions.
- The City will strive to maintain a diversified and stable revenue system to shelter the government from short-run fluctuations in any one revenue source.
- The City shall collect revenues aggressively, including past due bills of any type.
- Restricted revenue will only be used for the purposes legally permissible and in a fiscally responsible manner.
- One-time revenue will be used for one-time expenses whenever possible. If one-time revenue is considered for ongoing expenditures the City will balance the need for the additional ongoing expenditure with the on-going ability to pay prior to approving the program.

- The City shall commit a minimum 2.5% of General Fund Budgeted Revenues (net grants and other dedicated revenues) to the operation and maintenance of its Park system.
- Due to the unpredictable long-term nature of Revenue Sharing Funds, Council has elected to appropriate only Capital Outlay and one-time expenditures to this fund.
- Fees, licenses, permits and fines shall be set to recover the City's direct expense in providing the related service. A fee shall be charged for any service that benefits limited interests within the community, except for basic, unavoidable human needs type services provided to persons with limited ability to pay.
- Utility fees will be based on the cost of providing the service so that operating revenues of each utility are at least equal to its operating expenditures, reserves, debt coverage and planned infrastructure replacement.

Fund Balance

- Fund balance in each of the City's operating funds is projected to ensure that there is adequate cash on hand to meet the expected cash flow needs for that fund.
- The General Fund's ending fund balance is projected to ensure that there is adequate cash on hand to meet the expected cash flow needs from July until November when the bulk of the property tax revenue is received. In general ending fund balance is projected at 15% of annual revenues.

Accounting Policies

- The City shall 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 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.
- 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 City shall prepare and adopt an annual budget by June 30th of each year.
- The City 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).
- The City shall follow State adopted guidelines in setting fines and forfeiture amounts.

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

CITY OF KEIZER HISTORY

On November 2, 1982 an unincorporated area of Marion County – north of the City of Salem – 4713 acres or 7.36 square miles - was incorporated at the General Election. The seventh and final attempt resulted in a successful vote of 4440 to 3341. The City of Keizer became the 12th largest city in Oregon with a population of 19,650.

Presently, at a population of greater than 36,250, Keizer is the 14th largest city in Oregon. It is nestled in the center of the Willamette Valley and is recognized as the “*Iris Capital of the World*.” The City is bordered on the western edge by the Willamette River, southern edge by the City of Salem, eastern edge by Interstate 5, and the northern edge by rural portions of Marion County. In the 1990’s, the City experienced a rapid amount of new residential building and growth, establishing Keizer as one of the fastest growing cities in Oregon. In spite of this growth, the community continues to preserve its small-town pride by supporting the largest volunteer youth baseball program in Oregon and community-wide events, such as the Keizer Iris Festival and the annual Miracle of Christmas lighting display. Opening for the first season in 1997, the Keizer Stadium is home to the Volcanoes, a Minor League baseball team affiliated with the San Francisco Giants.

The City of Keizer has 19 community and neighborhood parks, which includes the Keizer Little League Park. In addition, the City, in conjunction with Marion County, the City of Salem and other regional partners are in the process of developing a large regional park (Keizer Rapids Park) along the banks of the Willamette that will provide more and more incredible opportunities for residents to recreate and connect with this Heritage River as development continues to occur. Keizer Rapids Park is the home of an enormously popular off-leash dog park that is used year round and a 400-seat amphitheatre recently built by volunteers and given to the City as our newest amenity for residents to enjoy. The combined value of the dog park and amphitheatre is estimated at \$450,000.

In the summer of 1999, a 20,000 square foot skate park was opened. The Carlson Skate Park was constructed largely by volunteer labor and donations.

Volunteers provide a great and active asset to the City. For example, the Keizer Rotary Club often donates time and materials to construct park shelters, big toys, and the like throughout our park system.

2010 marked the grand opening of the new City Hall / Police Department / Community Center that will be a jewel for the community. This building is 68,500 square feet and includes the 9,000 square foot community center which is available to the public for community use. It is a LEED (Leadership in Energy Efficient Design) Silver credentialed building and is designed to meet our organizational growth needs for at least 20-years.

The City of Keizer operates under a Council-Manager form of government. The City Council consists of a Mayor and six Councilors. The City Manager is the administrative head of City government and is appointed by the City Council. There are nearly 100 City employees working in seven departments: Administration, Finance, Human Resources, Public Works, Community Development, Municipal Court and Police Services.

The water supply for the City of Keizer is provided by a series of underground wells. Keizer sits on one of the largest aquifers on the Northwest coast. Since 1983, water service connections have grown from 5,200 to over 13,000 services and in 1998 the first water reservoir was constructed. On an average, the City uses approximately 3 million gallons of water per day.

In 1997, the City of Keizer was given an award for the “Best Tasting Ground Water in Oregon.”

The Keizer Fire District and Marion County Fire District #1 provide fire and emergency services for the City.

The citizens of Keizer can be proud of the progress of this great community. Pride, Spirit, and Volunteerism are alive and well in the City of Keizer.



City of Keizer

April 26, 2011

Honorable Mayor Christopher
City Councilors
Budget Committee
Citizens of Keizer

I am pleased to present the fiscal year 2011-12 Manager Recommended Budget.

Since incorporating in 1982 the City of Keizer (the “City”) has embraced the philosophy that the City should keep costs and services to a minimum by providing City services to the community in a coordinated, efficient and least cost fashion. This philosophy has enabled the City to continue to provide basic services, such as public safety and community development, while maintaining the City’s infrastructure (park, street, water, sewer and storm water) at a time when other Cities have been forced to make drastic cuts in response to the challenging economic environment facing our country. During fiscal year 2010-11, the City continued to experience the challenging economic environment that began during fiscal year 2009-10. Consistent with 2009-10 the City experienced a greater than anticipated decline in several key sources of revenue.

The continued decline has forced the City to continue with the cost reduction measures first implemented during the last half of fiscal year 2009-10 which included cuts in travel and training, non-emergency related overtime and nonessential services and programs and to continue

the salary freeze for non-represented employees that took effect in fiscal year 2010-11. In addition to those cost reduction measures the City laid off two additional administrative employees and held three police officer positions vacant through attrition. These expense reductions have been incorporated into the 2011-12 Manager Recommended Budget.

The following is a summary of the financial highlights of the 2011-12 fiscal year budget.

Revenues

Excluding the one-time revenue associated with selling certain real estate the City is expecting revenues to increase approximately 3% in fiscal year 2011-12 as compared to fiscal year 2010-11. The increase is attributed to an increase in property taxes and charges for services. Other revenue sources are expected to remain consistent with the prior year.

Property Taxes

Property tax revenues are the General Fund’s single most important revenue source and support operating programs such as Police, Municipal Court, Parks, Community Development and Administration. The City has a permanent tax rate of \$2.0838 per \$1,000 of assessed value, and cannot be increased under the current Oregon law. The City is expecting property tax revenue to increase approximately 3% in fiscal year 2011-12 as compared to 2010-11. This increase is attributed to an increase in the assessed value plus new development.

Charges for Services

Charges for services are expected to increase approximately 1.4%. The increase is attributed to the City implementing a 3% water rate increase and the City of Salem who manages the City's sewer infrastructure implementing a 2% sewer rate increase. Both go into effect January 2012.

Expenditures

In total the City's expenditures are expected to increase approximately 21% or \$5.2 million. The increase is primarily attributed to capital outlay which is expected to increase \$2.6 million and debt service which is expected to increase \$1.5 million as described below.

Personnel Services

Personnel Services includes employee salaries and wages, retirement benefits and health and welfare benefits. The City anticipates a \$75k or 2% decrease in personnel service expense in fiscal year 2011-12 as compared to fiscal year 2010-11.

Salaries and Wages

Employee salary and wages comprise the largest category of personnel services. Salaries and wages are expected to decrease \$150k or 2.5% in fiscal year 2011-12 as compared to fiscal year 2010-11.

The City is subject to collective bargaining agreements with the Keizer Police Association ("KPA") and the Laborers International Union of North America, Local 320 ("Local 320"). In accordance with those collective bargaining agreement's salaries and wages for employees who are members of the KPA is set to increase 2% and for employees who are members of the Local 320 will increase 1.8%. The KPA membership voted to forgo this increase as a cost saving measure to the Police Department budget. This resulted in a reduction of \$55k to the Police Department's Personnel Service budget. The City is in similar negotiations with the Local 320. A 1.8% salary increase costs the city over \$13k in total personnel service costs. During fiscal year 2010-11, 3 police officer positions became vacant through attrition resulting in a savings of \$115k. These positions will remain vacant during 2011-12, which would have cost the City \$280k in fiscal year 2011-12.

For employees not subject to the provisions of a collective bargaining agreement salaries and wages will not be adjusted but remain at the rates that went into effect July 1, 2009. In addition the City will be eliminating two administrative positions which will save the City an expected \$170k in salaries, wages and benefits.

This will reduce the employee headcount from 93 during fiscal year 2010-11 to 91 in fiscal year 2011-12.

Retirement Benefits

Retirement benefits provided to City employees are remaining the same but the cost of those benefits will increase \$160k in fiscal year 2011-12 as compared to fiscal year 2010-11. The primary reason for the increase in the cost of retirement benefits is that the Public Employees Retirement System (PERS), in which substantially all of the City's employees participate in, is increasing their employer contribution rates.

Health and Welfare Benefits

Health and welfare benefits provided to city employees will remain the same however the cost to provide those benefits is expected to increase 9% in fiscal year 2011-12 as compared to fiscal year 2010-11. The increase in the cost of health and welfare benefits is due to premium increases implemented by the City's third party service providers and are in line with overall industry trends. Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In fiscal year 2011-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums saving the City approximately \$35k. Represented employees will continue to pay 5%.

The City is limited in its ability to eliminate or reduce specific health and welfare benefits provided as doing so would be a violation of the terms of the collective bargaining agreement for represented employees. In addition given the total number of employees, creating separate health and welfare benefit packages for unrepresented employees in which the specific benefits could be modified would likely result in increased administrative costs that would offset any potential premium expense savings.

Materials and Services

Materials and services are expected to increase \$0.9 million from \$8.1 million in fiscal year 2010-11 to \$9.0 million in fiscal year 2011-12. Approximately \$0.4 million of the increase is due to implementing an energy efficiency and housing improvement program that will loan out money to low income homeowners for specific improvements. This program is funded by available cash on hand received from Federal Grants.

Capital Outlay

Capital outlay costs are expected to increase \$2.6 million from \$2.1 million in fiscal year 2010-11 to \$4.7 million in fiscal year 2011-12. The increase is due to a \$1.2 million increase in street related capital improvements including street resurfacing and signal upgrades. These improvements are being funded by available cash on hand received from the State Fuel Tax which is legally restricted and can only be used for street related projects. The remaining increase in capital outlay is associated with I-5/Chemawa southbound intersection improvement project. This project is being funded by available cash on hand received from system development fees collected in previous years and is legally restricted to fund this type of project.

Debt Service

Payments of principal and interest on the City's debt obligations is expected to increase by \$1.5 million from \$1.8 million in fiscal year 2010-11 to \$3.3 million in fiscal year 2011-12.. The increase is due to a

\$1.5 million principal payment on the Keizer Station Local Improvement District bond. This payment is funded by assessments owed by the property owners in the Keizer Station Local Improvement District. The assessment proceeds are legally restricted and can only be used to pay off the associated debt.

Like fiscal year 2010-11, fiscal year 2011-12 will continue to present the City with a challenging economic environment in which to operate. However the budget presented will ensure the City operates in a financially stable manner.

We would like to compliment and thank everyone involved in the development of the fiscal year 2011-12 Adopted Budget. We appreciated the thoughtfulness in which the Mayor, City Councilors, and Budget Committee take in reviewing this document, the important questions they ask and the requests for detail needed to understand and appreciate the City 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 city operate effectively and efficiently during the next fiscal year.

Respectfully submitted,

Chris Eppley
City Manager

Susan Gahlsdorf
Budget Officer

ALL FUNDS COMBINED

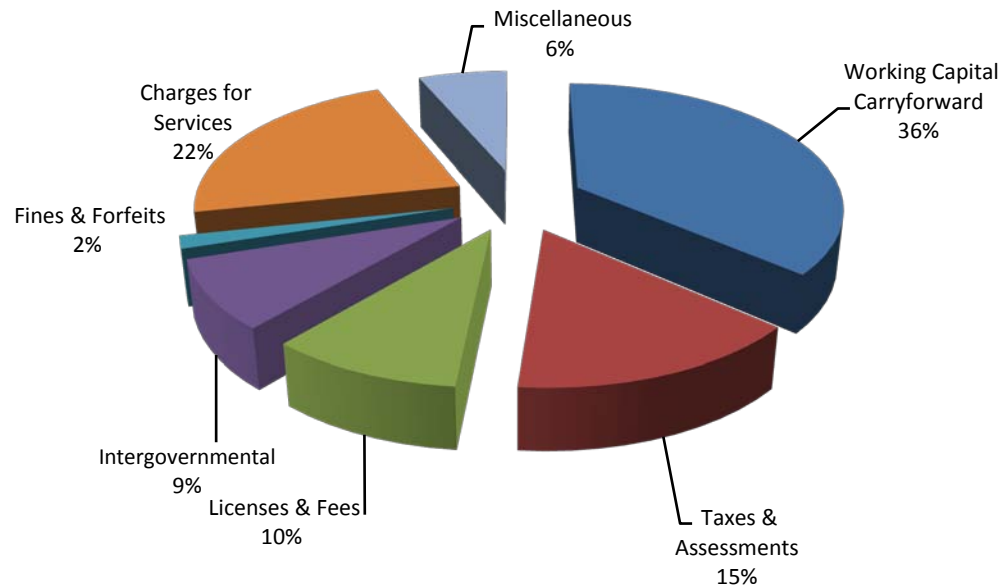
ACTUAL 2008-09		ACTUAL 2009-10		AMENDED 2010-11		PROJECTED 2010-11				RECOMMENDED 2011-12		APPROVED 2011-12		ADOPTED 2011-12		PERCENT INC (DEC) PROJECTED	
RESOURCES																	
\$	14,281,450	\$	12,951,884	\$	10,899,800	\$	11,332,400	<i>Working Capital Carryforward</i>	\$	12,579,800	\$	12,579,800	\$	12,562,500		10.85%	
	4,550,726		4,721,002		4,817,300		4,561,300	Taxes & Assessments		5,175,700		5,175,700		5,175,700		13.47%	
	3,143,201		3,254,108		3,555,400		3,383,600	Licenses & Fees		3,366,500		3,366,500		3,366,500		-0.51%	
	2,900,727		2,946,553		2,986,800		3,032,700	Intergovernmental		3,011,200		3,004,200		3,004,200		-0.94%	
	618,026		731,464		555,000		579,300	Fines & Forfeits		558,800		558,800		558,800		-3.54%	
	7,087,288		7,298,248		7,713,200		7,383,000	Charges for Services		7,598,700		7,589,400		7,589,400		2.80%	
	2,113,084		1,843,803		2,661,800		2,439,100	Miscellaneous		2,193,100		2,193,100		2,196,100		-9.96%	
	2,532,113		580,059		707,600		707,600	Transfers In		831,500		831,500		831,500		17.51%	
\$	37,226,615	\$	34,327,121	\$	33,896,900	\$	33,419,000	TOTAL RESOURCES	\$	35,315,300	\$	35,299,000	\$	35,284,700		5.58%	
REQUIREMENTS										45,744,800	45,728,500	45,693,900					
										(20,300)	(20,300)	-					
EXPENDITURES																	
\$	8,034,633	\$	7,016,643	\$	8,766,400	\$	8,619,400	Personnel Services	\$	8,590,100	\$	8,580,900	\$	8,580,900		-0.45%	
	8,145,672		9,168,361		8,902,900		8,133,700	Materials & Services		8,986,800		8,985,600		9,007,000		10.74%	
	3,686,353		2,013,966		5,578,200		1,623,500	Capital Outlay		5,324,300		5,324,300		5,324,300		227.95%	
	1,875,955		4,235,415		2,772,300		1,772,300	Debt Service		4,108,300		4,108,300		4,108,300		131.81%	
	-		-		316,400		-	Contingency		367,800		362,000		326,300			
\$	21,742,613	\$	22,434,385	\$	26,336,200	\$	20,148,900	TOTAL EXPENDITURES	\$	27,377,300	\$	27,361,100	\$	27,346,800		35.72%	
	2,532,116		580,059		707,600		707,600	Transfers Out		831,500		831,500		831,500		17.51%	
										-	-	-					
										-	-	-					
	4,250,757		2,720,710		4,028,500		4,588,500	Restricted Fund Balance		3,954,900		3,954,900		3,954,900		-13.81%	
	8,701,129		8,591,967		2,824,600		7,974,000	Unrestricted Ending Fund Balances		3,151,600		3,151,500		3,151,500		-60.48%	
\$	12,951,886	\$	11,312,677	\$	6,853,100	\$	12,562,500	TOTAL FUND BALANCE	\$	7,106,500	\$	7,106,400	\$	7,106,400		-43.43%	
										-	-	-					
\$	37,226,615	\$	34,327,121	\$	33,896,900	\$	33,419,000	TOTAL REQUIREMENTS	\$	35,315,300	\$	35,299,000	\$	35,284,700		5.58%	

CITY OF KEIZER

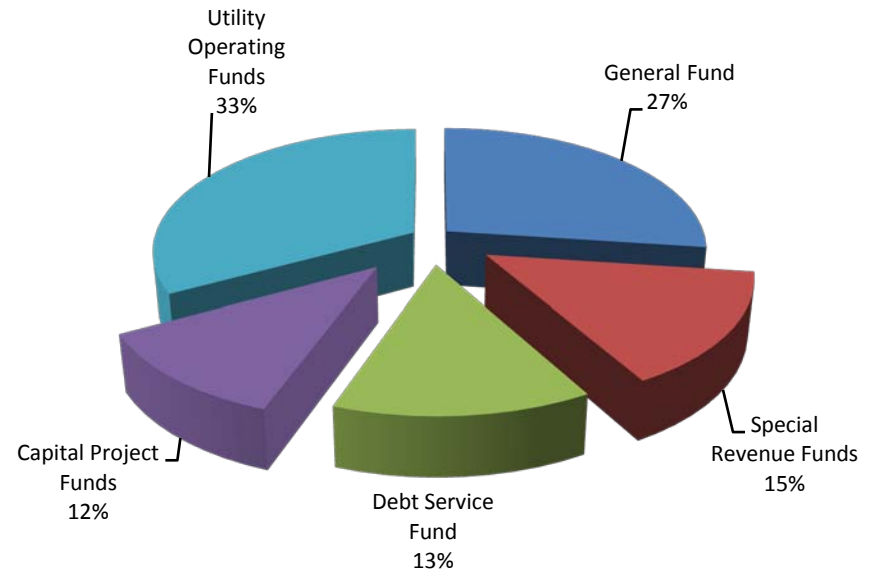
ALL FUNDS - ALLOCATION OF RESOURCES

FISCAL YEAR 2011-2012

Resources



Expenditures



ALL OPERATING FUNDS

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTE
<u>RESOURCES</u>								
\$ 6,020,405	\$ 4,099,732	\$ 4,260,300	\$ 4,594,800	<i>Working Capital Carryforward</i>	\$ 5,629,000	\$ 5,629,000	\$ 5,611,700	22.13%
3,866,307	3,987,591	4,042,900	4,048,600	Taxes & Assessments	4,104,900	4,104,900	4,104,900	1.39%
3,037,216	3,037,545	3,443,400	3,231,700	Licenses & Fees	3,233,900	3,233,900	3,233,900	0.07%
2,809,421	2,773,764	2,891,800	3,031,600	Intergovernmental	2,961,200	2,954,200	2,954,200	-2.55%
618,026	731,464	555,000	579,300	Fines & Forfeits	558,800	558,800	558,800	-3.54%
7,052,282	7,248,748	7,687,900	7,365,000	Charges for Services	7,581,900	7,572,600	7,572,600	2.82%
391,386	265,579	1,104,600	1,006,500	Miscellaneous	134,100	134,100	137,100	-86.38%
575,652	424,699	507,600	507,600	Transfers In	581,500	581,500	581,500	14.56%
\$ 24,370,695	\$ 22,569,122	\$ 24,493,500	\$ 24,365,100	TOTAL RESOURCES	\$ 24,785,300	\$ 24,769,000	\$ 24,754,700	1.60%
<u>REQUIREMENTS</u>								
<i>EXPENDITURES</i>								
\$ 8,034,633	\$ 7,016,643	\$ 8,766,400	\$ 8,619,400	Personnel Services	\$ 8,590,100	\$ 8,580,900	\$ 8,580,900	-0.45%
7,968,281	9,161,389	8,897,900	8,127,400	Materials & Services	8,946,800	8,945,600	8,967,000	10.33%
1,492,024	803,319	1,762,400	793,400	Capital Outlay	2,140,000	2,140,000	2,140,000	169.73%
443,109	441,995	505,600	505,600	Debt Service	439,600	439,600	439,600	-13.05%
-	-	316,400	-	Contingency	367,800	362,000	326,300	
\$ 17,938,047	\$ 17,423,346	\$ 20,248,700	\$ 18,045,800	TOTAL EXPENDITURES	\$ 20,484,300	\$ 20,468,100	\$ 20,453,800	13.34%
2,332,914	570,841	707,600	707,600	Transfers Out	831,500	831,500	831,500	17.51%
<i>FUND BALANCE</i>								
3,900	-	1,085,300	1,053,300	Restricted Fund Balance	1,026,200	1,026,200	1,026,200	-2.57%
4,095,834	4,574,935	2,451,900	4,558,400	Unrestricted Ending Fund Balances	2,443,300	2,443,200	2,443,200	-46.40%
\$ 4,099,734	\$ 4,574,935	\$ 3,537,200	\$ 5,611,700	TOTAL FUND BALANCE	\$ 3,469,500	\$ 3,469,400	\$ 3,469,400	-38.18%
\$ 24,370,695	\$ 22,569,122	\$ 24,493,500	\$ 24,365,100	TOTAL REQUIREMENTS	\$ 24,785,300	\$ 24,769,000	\$ 24,754,700	1.60%

Notes:

Operating Funds include General Fund, Administrative Services, Streets, Housing Rehabilitation, Energy Efficiency, Revenue Sharing, Law Enforcement Grants, 9-1-1 Communications, PEG, Amphitheater, Community Center, Sewer, Water, Street Lighting Districts, and Storm Water.

ALL NON-OPERATING FUNDS

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
RESOURCES									
1	\$ 8,261,045	\$ 8,852,152	\$ 6,639,500	\$ 6,737,600	<i>Working Capital Carryforward</i>	\$ 6,950,800	\$ 6,950,800	\$ 6,950,800	3.16%
2	684,419	733,411	774,400	512,700	Taxes & Assessments	1,070,800	1,070,800	1,070,800	108.86%
3	105,985	216,563	112,000	151,900	Licenses & Fees	132,600	132,600	132,600	-12.71%
4	91,306	172,789	95,000	1,100	Intergovernmental	50,000	50,000	50,000	4445.45%
5	-	-	-	-	Fines & Forfeits	-	-	-	
6	35,006	49,500	25,300	18,000	Charges for Services	16,800	16,800	16,800	-6.67%
7	1,721,698	1,578,224	1,557,200	1,432,600	Miscellaneous	2,059,000	2,059,000	2,059,000	43.72%
8	1,956,461	155,360	200,000	200,000	Transfers In	250,000	250,000	250,000	25.00%
9	\$ 12,855,920	\$ 11,757,999	\$ 9,403,400	\$ 9,053,900	TOTAL RESOURCES	\$ 10,530,000	\$ 10,530,000	\$ 10,530,000	16.30%
REQUIREMENTS									
<i>EXPENDITURES</i>									
14	\$ 177,391	\$ 6,972	\$ 5,000	\$ 6,300	Materials & Services	\$ 40,000	\$ 40,000	\$ 40,000	534.92%
15	2,194,329	1,210,647	3,815,800	830,100	Capital Outlay	3,184,300	3,184,300	3,184,300	283.60%
16	1,432,846	3,793,420	2,266,700	1,266,700	Debt Service	3,668,700	3,668,700	3,668,700	189.63%
17	\$ 3,804,566	\$ 5,011,039	\$ 6,087,500	\$ 2,103,100	TOTAL EXPENDITURES	\$ 6,893,000	\$ 6,893,000	\$ 6,893,000	227.75%
18									
19	199,202	9,218	-	-	Transfers Out	-	-	-	
20									
<i>FUND BALANCE</i>									
22	4,246,857	2,720,710	2,943,200	3,535,200	Restricted Fund Balance	2,928,700	2,928,700	2,928,700	-17.16%
23	4,605,295	4,017,032	372,700	3,415,600	Unrestricted Ending Fund Balances	708,300	708,300	708,300	-79.26%
24	\$ 8,852,152	\$ 6,737,742	\$ 3,315,900	\$ 6,950,800	TOTAL FUND BALANCE	\$ 3,637,000	\$ 3,637,000	\$ 3,637,000	-47.68%
25									
26	\$ 12,855,920	\$ 11,757,999	\$ 9,403,400	\$ 9,053,900	TOTAL REQUIREMENTS	\$ 10,530,000	\$ 10,530,000	\$ 10,530,000	16.30%

Notes:

Non-Operating Funds include Facility Reserve, Off-Site Transportation, Park Improvements, Transportation Improvements, Keizer Station Local Improvements, Sewer Reserve and Water Facility Funds.

GENERAL FUND

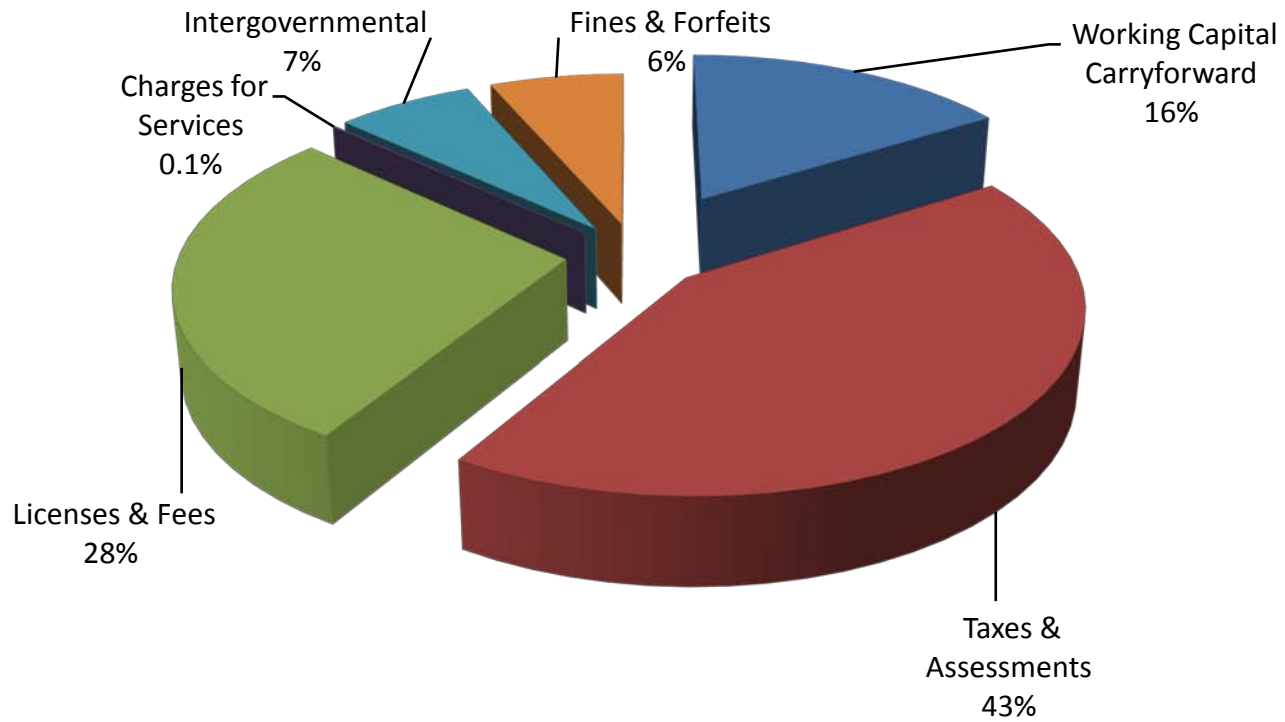
The General Fund is the chief operating fund of the city and accounts for all financial resources except those required to be accounted for in another fund. Principal sources of revenue are property taxes, franchise fees, and intergovernmental revenues such as Cigarette and Liquor Tax.

A General Fund looks different from City to City. For example, the Parks Department could be a separate district in some cities. In Keizer, the General Fund's primary expenditures are for Public Safety, Park Operations, Community Development and General Government. Beginning in FY09-10, the City's administrative costs are tracked through an internal services fund. The General Fund pays its share of these costs through Charges for Services from the City's Administrative Services Fund.

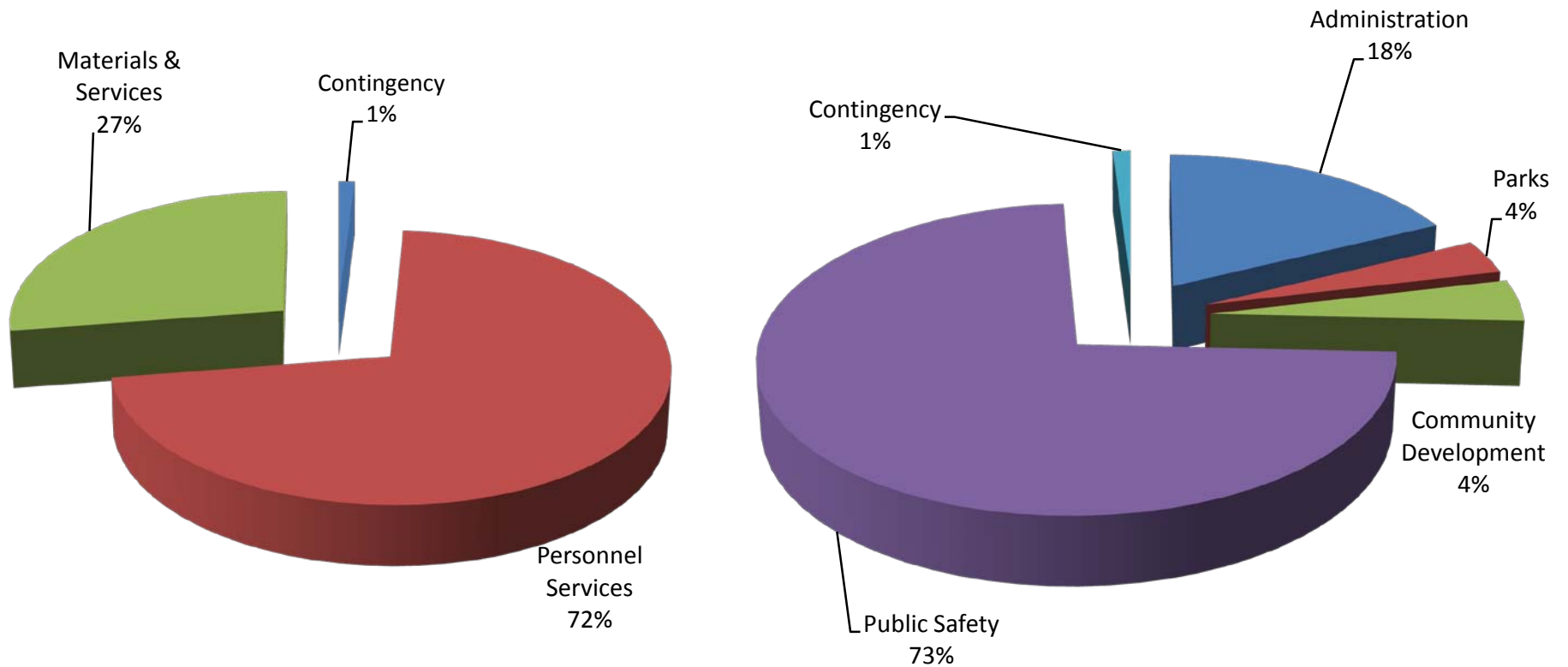
GENERAL FUND SUMMARY

ACTUAL 2008-09		ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					</				

**CITY OF KEIZER
GENERAL FUND RESOURCES
FISCAL YEAR 2011-12**



CITY OF KEIZER
GENERAL FUND EXPENDITURES
FISCAL YEAR 2011-12



CITY OF KEIZER

2011-2012 Property Tax Revenue Estimates

City Property Tax Revenues

- 1 District Assessed Value
- 2 Urban Renewal Increment (see below)
- 3 District Net Value w/o Urban Renewal
- 4
- 5 Permanent Tax Rate per \$1,000
- 6
- 7 Gross Property Tax Revenues
- 8 Penalties/Compression/Adjustments
- 9
- 10 Property Tax Revenues
- 11 Uncollectables and Discounts
- 12
- 13 Net Anticipated Tax Collected
- 14 2010--11 Tax Revenues
- 15 Increase over 2010-11 Revenues

2010-11 Actual Tax Revenues	2011-12 Estimated Tax Revenues 103.2%
\$2,066,274,196	\$2,131,764,529
(292,212,570)	(300,913,927)
\$1,774,061,626	\$1,830,850,602
\$2.0838	\$2.0838
\$3,696,790	\$3,815,126
252	260
\$3,697,042	\$3,815,387
(\$284,342)	(312,521)
\$3,412,700	\$3,502,866
	3,412,700
	\$90,166

16

Urban Renewal Tax Increment Revenues

- 17 Assessed Value inside Keizer's Plan Area
- 18 Assessed Value (frozen)
- 19 Increment Value
- 20
- 21
- 22 Tax Rate per \$1,000 Increment Value
- 23 Adjustments
- 24 Division of Tax Revenues
- 25 Uncollectables and Discounts
- 26 Net Anticipated Tax Collected

	2011-12 Estimated Tax Revenues 103.0%
\$337,541,163	
45,328,593	
\$292,212,570	\$300,913,927
\$14.3501	\$14.3501
(1,263)	
\$4,192,017	\$4,318,145
(313,917)	(344,953)
\$3,878,100	\$3,973,192

- 1 Assessed Value as of February 2011 provided by Marion County Assessor's Office
- 2 Urban Renewal assessed Value as of February 2011 provided by Marion County Assessor's Office

Comparative Tax Rate & FTE by City

FY 2010 - 2011

Jurisdiction	Pop	City Tax Rate/\$1,000	Fire District Tax Rate/\$1,000	Park & Rec Tax Rate/\$1,000	Total FTE	FTE/1,000 Residents	Total Tax Rate
Roseburg	21,790	8.4774	1.2746		161.3	7.4	9.7520
Beaverton	87,440	5.7168	1.7752	1.3073	552.0	6.3	8.7993
Klamath Falls	21,480	5.4423	2.8822		240.0	11.2	8.3245
Woodburn	23,150	6.4437	1.8285		189.34	8.1	8.2722
Albany	49,530	8.0584			424.9	8.6	8.0584
Pendleton	17,545	7.5446			137.5	7.8	7.5446
La Grande	13,085	7.4392			123.0	9.4	7.4392
Forest Grove	21,770	5.7168	1.4339		160.7	7.4	7.1507
Milwaukie	20,930	4.0681	2.4678	0.5382	243.0	11.6	7.0741
Eugene	157,845	7.0058			1467.3	9.3	7.0058
Oregon City	30,995	4.2817	2.4678		276.6	8.9	6.7495
Redmond	25,945	6.1643		0.3717	194.0	7.5	6.5360
Sherwood	16,705	3.9997	1.8852		121.3	7.3	5.8849
Salem	157,460	5.8300			1,194.9	7.6	5.8300
Mcminnville	32,930	5.7424			200.4	6.1	5.7424
Newberg	23,570	4.6947		0.9076	166.55	7.2	5.6023
Lake Oswego	36,845	5.5804			355.8	9.7	5.5804
Hillsboro	91,215	5.3865			689.0	7.6	5.3865
Medford	77,485	5.2900			482.0	6.2	5.2900
The Dalles	13,430	3.0155	2.1004		134.0	10.0	5.1159
Corvallis	55,370	5.1067			451.3	8.2	5.1067
Springfield	58,575	4.7403			437.5	7.5	4.7403
Tigard	47,595	2.7267	1.8852		291.6	6.1	4.6119
Wilsonville	18,095	2.6917	1.8852		211.9	11.7	4.5769
Tualatin	26,160	2.5317	1.8852		150.9	5.8	4.4169
West Linn	24,455	2.4522	1.8852		175.1	7.2	4.3374
Ashland	21,460	4.2865			250.2	11.7	4.2865
Bend	83,125	2.8035		1.4565	455.0	5.5	4.2600
Grants Pass	33,225	4.1335			238.8	7.2	4.1335
Keizer	36,295	2.0838	1.6054		116.5	3.2	3.6892
Average FTE						8.1	
Average Tax Rate for All Listed Cities							6.0433

Note: Tax rate calculation does not take into account Roadway Districts, Water Districts, Library Districts, or Port Authorities, which exist in a number of the above referenced cities.

Note: Source Documents include: 2010-2011 Tax Roll from County Assessor for Benton, Clackamas, Deschutes, Douglas, Jackson, Klamath, Lane, Linn, Marion, Multnomah, Union, Wasco, Washington, and Yamhill Counties

2010-11 Budget Documents for all listed Cities and Fire Districts (FTE data)

Note: Keizer FTE not reduced to reflect 3 layoffs. With reduction to 113.5, the FTE per 1,000 would be 3.1

GENERAL FUND

GENERAL SUPPORT RESOURCES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1	\$ 2,270,645	\$ 1,402,554	\$ 1,122,600	\$ 1,343,500	<i>Working Capital Carryforward</i>	\$ 1,366,800	\$ 1,366,800	\$ 1,353,200	0.72%
2									
3					TAXES				
4	\$ 68,917	\$ 61,190	\$ 57,600	\$ 59,400	Hotel/Motel Tax	\$ 57,700	\$ 57,700	\$ 57,700	-2.86%
5	132,886	143,719	112,500	119,500	Prior Year Taxes	122,600	122,600	122,600	2.59%
6	3,222,031	3,326,271	3,418,000	3,412,700	Tax Base	3,502,900	3,502,900	3,502,900	2.64%
7	<u>\$ 3,423,834</u>	<u>\$ 3,531,180</u>	<u>\$ 3,588,100</u>	<u>\$ 3,591,600</u>	TOTAL TAXES	<u>\$ 3,683,200</u>	<u>\$ 3,683,200</u>	<u>\$ 3,683,200</u>	<u>2.55%</u>
8									
9					LICENSES & FEES				
10	\$ 269,339	\$ 254,978	\$ 260,100	243,500	Salem Electric Franchise Tax	\$ 243,500	\$ 243,500	\$ 243,500	0.00%
11	672,937	723,336	739,000	677,600	PGE Franchise Tax	706,000	706,000	706,000	4.19%
12	446,971	370,970	396,600	358,500	NW Natural Franchise Tax	353,100	353,100	353,100	-1.51%
13	114,424	91,423	75,900	74,700	Telephone Franchise Tax	59,800	59,800	59,800	-19.95%
14	336,504	364,395	361,300	380,100	Cable Television Franchise Tax	380,100	380,100	380,100	0.00%
15	103,914	106,840	112,100	105,800	Loren's Sanitation Franchise Tax	105,800	105,800	105,800	0.00%
16	80,500	79,930	78,700	83,500	Valley Recycling Franchise Tax	83,500	83,500	83,500	0.00%
17	133,947	130,406	133,800	123,600	Water Sales Assessments	127,500	127,500	127,500	3.16%
18	239,853	249,064	372,600	269,700	Sewer License Fee	256,100	256,100	256,100	-5.04%
19	-	-	52,400	40,100	Storm Water Franchise Tax	37,800	37,800	37,800	-5.74%
20	-	-	11,300	11,300	Wireless Franchise Tax	10,000	10,000	10,000	-11.50%
21	2,420	2,490	2,400	2,400	Liquor Licenses	2,400	2,400	2,400	0.00%
22	16,216	18,874	20,800	22,500	Lien Search Fee	22,500	22,500	22,500	0.00%
23	<u>\$ 2,417,025</u>	<u>\$ 2,392,706</u>	<u>\$ 2,617,000</u>	<u>\$ 2,393,300</u>	Total Licenses & Fees	<u>\$ 2,388,100</u>	<u>\$ 2,388,100</u>	<u>\$ 2,388,100</u>	<u>-0.22%</u>

Notes:

- ⁶ Property values are expected to increase 3.2% to reflect increases in assessed value and new development, less 8.2% for uncollected taxes. According to Marion County, Keizer's value seem to hold up better than Salem for FY11-12. Salem also has more Urban Renewal areas and greater compression. Keizer had big growth with the Old Navy store, \$1.7 million, and new apartment at 1124 McGee Ct., \$3.6 million in RMV.
- ⁹ FY11-12 License & Fee projections anticipate revenues to be equal to FY10-11 projections, except as noted below.
- ¹¹ PGE increased their rates an estimated 4.2% effective January 2011.
- ¹² NW Natural decreased their rates an estimated 1.5% effective November 2010. This decrease will impact FY11-12 revenues. The revenue decline in FY10-11 reflects a decrease in consumption likely caused by housing vacancies, a mild winter & conservation related to the economic downturn.
- ¹³ Telephone franchise revenues continue to decline as more users switch from landlines to cellular phones which are not subject to franchise tax. FY11-12 revenue projections are based on a 20% reduction over FY10-11 projected revenues, consistent with the current downward trend.
- ¹⁴ Cable Television Franchise Taxes are fees assessed on Comcast cable television bills. Regarding the healthy revenue increases: "Our results mark the third consecutive quarter of accelerating growth in revenue and operating cash flow, driven by overall customer growth, a robust advertising market and continued strength in business services," Brian L. Roberts, the company's chairman and chief executive officer, said in a statement. www.philly.com 10/27/10.

GENERAL FUND

GENERAL SUPPORT RESOURCES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					INTERGOVERNMENTAL				
25	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	Peer Court JABG Grant	\$ 5,000	\$ 5,000	\$ 5,000	0.00%
26	56,286	52,941	55,700	51,800	Cigarette Tax	50,900	50,900	50,900	-1.74%
27	432,265	408,357	419,500	415,000	Liquor Tax	365,900	365,900	365,900	-11.83%
28	8,019	-	-	-	FEMA Reimbursement	-	-	-	
29	\$ 496,570	\$ 466,298	\$ 480,200	\$ 471,800	Total Intergovernmental	\$ 421,800	\$ 421,800	\$ 421,800	-10.60%
					MISCELLANEOUS				
32	\$ 733	\$ 300	\$ -	\$ 400	KARE Donations	-	-	-	-100.00%
33	-	400	-	-	EVAK Donations	-	-	-	
34	11,015	2,718	5,500	5,700	Peer Court Donations & Diversion Fees	6,300	6,300	6,300	10.53%
35	47,275	42,390	44,100	36,800	Stadium Rent	29,400	29,400	29,400	-20.11%
36	68,622	7,165	6,200	4,400	Interest	2,000	2,000	2,000	-54.55%
37	353	-	-	-	Rentals	-	-	-	
38	9,327	9,425	9,400	9,400	Cell Tower Rent	9,400	9,400	9,400	0.00%
39	2,500	3,890	-	-	Art Walk Revenue	-	-	3,000	
40	144	1,980	700	400	Systems Development Admin Fee - Sewer	400	400	400	0.00%
41	3,959	10,564	3,300	2,300	Systems Development Admin Fee - Parks	2,800	2,800	2,800	21.74%
42	23,649	8,902	2,000	4,300	Miscellaneous Revenue	4,300	4,300	4,300	0.00%
43	\$ 167,577	\$ 87,734	\$ 71,200	\$ 63,700	Total Miscellaneous	\$ 54,600	\$ 54,600	\$ 57,600	-9.58%
					TRANSFERS IN				
46	\$ 1,105	\$ -	\$ -	\$ -	Transfer from Transportation Fund	\$ -	-	-	
47	-	-	-	-	Transfer from Community Center Fund	75,000	75,000	75,000	
48	-	-	6,700	6,700	Transfer from Revenue Sharing Fund	8,500	8,500	8,500	26.87%
49	\$ 1,105	\$ -	\$ 6,700	\$ 6,700	Total Transfers	\$ 83,500	\$ 83,500	\$ 83,500	1146.27%
50									
51	\$ 8,776,756	\$ 7,880,472	\$ 7,786,500	\$ 7,870,600	TOTAL RESOURCES	\$ 7,998,000	\$ 7,998,000	\$ 7,987,400	1.48%

Notes:

³⁴ Peer Court Donations & Diversion Fees

	FY10-11	
Keizer United	1,500	
Keizer Rotary	1,000	
Diversion	2,500	(based on FY09-10 receipts)
Fundraising	500	
	<u>5,500</u>	

FY11-12
2,500
-
3,400
400
<u>6,300</u>

³⁵ Stadium rent is 5% of ticket sales and 20% of parking lot fees.

³⁶ City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

⁴¹ The Park SDC fee is based on 20 residential fees anticipated in FY11-12.

⁴² Miscellaneous revenues include one-time revenues that are not characterized by line-item descriptions. In FY08-09 PERS refunded the City \$16,000 for overpayments on retirement contributions.

⁴⁷ The transfer from the Community Center Fund utilizes revenue earned for on-going operating costs paid from the General Fund.

GENERAL FUND

GENERAL SERVICES

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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RESOURCES

1	\$	1,666,941	\$	1,331,356	\$	1,560,300	\$	1,486,300	GENERAL SUPPORT	\$	1,671,100	\$	1,663,900	\$	1,653,300	11.24%
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REQUIREMENTS

5									PERSONNEL SERVICES							
6	\$	33,349	\$	-	\$	-	\$	-	- City Manager (2)	\$	-	\$	-	\$	-	-
7		28,915		-		-		-	- Assistant to City Manager (4)		-		-		-	-
8		47,135		-		-		-	- City Recorder (5)		-		-		-	-
9		84,599		-		-		-	- Administrative Support Staff (5)-(7)		-		-		-	-
10		38,943		-		-		-	- Network Administrator (4)		-		-		-	-
11		57,095		-		-		-	- Human Resources Director (6)		-		-		-	-
12		20,417		-		-		-	- Finance Director (7)		-		-		-	-
13		8,387		-		-		-	- Facility Maintenance Worker (8)		-		-		-	-
14		21		-		-		-	- Overtime (3), (5), (6), (7)		-		-		-	-
15		2,576		-		-		-	- Vehicle Allowance/Tuition Assistance (2)		-		-		-	-
16		1,415		-		-		-	- Cell Phone Stipend		-		-		-	-
17		5,047		-		-		-	- Medicare (2)-(8)		-		-		-	-
18		56,007		-		-		-	- Retirement (2)-(8)		-		-		-	-
19		51,025		(957)		-		-	- Insurance Benefits (2)-(8)		-		-		-	-
20		401		-		-		-	- Workers Compensation (2)-(8)		-		-		-	-
21	\$	435,332	\$	(957)	\$	-	\$	-	TOTAL PERSONNEL SERVICES	\$	-	\$	-	\$	-	-

Notes:

5 Personnel Services and certain operating costs (as referenced in the Materials & Services section) related to general administration are now budgeted in the Administrative Services Fund as follows:

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

GENERAL FUND

GENERAL SERVICES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
22					MATERIALS & SERVICES				
23	\$ 14,772	\$ -	\$ -	-	- Materials & Supplies	\$ -	\$ -	\$ -	
24	1,328	-	-	-	- Safety & Wellness (6)	-	-	-	
25	471	1,104	2,000	1,000	- KARE Expenses	-	-	-	-100.00%
26	31,348	-	-	-	- Postage & Printing (1)	-	-	-	
27	36,839	-	-	-	- Association Membership (1)	-	-	-	
28	13,611	-	-	-	- Training & Travel (2)-(8)	-	-	-	
29	6,446	-	-	-	- City Council Expenses (1)	-	-	-	
30	2,564	217	-	400	- Advertising	400	400	400	0.00%
31	2,500	2,270	2,900	2,900	- Art Walk Display	-	-	3,000	3.45%
32	-	1,200	-	-	- Civic Center Art	-	-	-	
33	47,488	6,490	22,100	6,800	- Legal Services	10,000	10,000	10,000	47.06%
34	28,488	-	-	-	- Labor Attorney (6)	-	-	-	
35	-	994,123	1,081,900	1,097,400	- Administrative Services Charges	1,234,100	1,234,100	1,234,100	12.46%
36	13,874	10,394	9,800	9,800	- Contractual Services	9,800	9,800	9,800	0.00%
37	7,380	-	-	-	- Audit (7)	-	-	-	
38	13,553	-	-	-	- Janitorial (8)	-	-	-	
39	9,432	-	-	-	- Utilities (8)	-	-	-	
40	4,010	-	-	-	- Telephone (4)	-	-	-	
41	6,656	-	-	-	- Insurance - Liability (1)	-	-	-	
42	36,775	-	-	-	- Computer Software & Maintenance (4)	-	-	-	
43	5,930	-	-	-	- Office Equipment Maintenance (4)	-	-	-	
44	7,898	-	-	-	- Facility Maintenance (8)	-	-	-	

Notes:

- 33 Legal Services in FY10-11 and FY11-12 are for outside legal council, who specialize in telecom, to prepare a master telecom ordinance, inclusive of all telecom providers doing business in Keizer. The City currently has an exclusive agreement with Qwest and does not have a master telecom ordinance.
- 35 Materials & Services related to general administration are now 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. The increase from FY10-11 to FY11-12 is reflective of the change in allocation for the City Manager and Finance staff to reflect the shift in workload from Urban Renewal to General Service related projects net the elimination of the Assistant to the City Manager position.

(1)	\$ 162,700	City-Wide Administration	\$ 136,000	\$ 136,000	\$ 136,000	-16.41%
(2)	48,000	City Manager	110,300	110,300	110,300	129.79%
(3)	240,700	Assistant to the City Manager/IT	227,700	227,700	227,700	-5.40%
(4)	125,300	Attorney's Office	141,600	141,600	141,600	13.01%
(5)	113,900	City Recorder	108,500	108,500	108,500	-4.74%
(6)	145,000	Human Resources	154,100	154,100	154,100	6.28%
(7)	106,700	Finance	192,000	192,000	192,000	79.94%
(8)	155,100	Facility Maintenance	163,900	163,900	163,900	5.67%
	<u>\$ 1,097,400</u>	<u>Administrative Services Charges</u>	<u>\$ 1,234,100</u>	<u>\$ 1,234,100</u>	<u>\$ 1,234,100</u>	<u>12.46%</u>

- 36 Contractual services includes the cost of providing Lien Search WEB access to title companies. The cost is offset by Lien Search Fee Revenues.

GENERAL FUND

GENERAL SERVICES

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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MATERIALS & SERVICES - CONTINUED

45	19,688	18,224	18,900	18,900	Peer Court	19,300	19,300	19,300	2.12%
46	-	-	20,200	20,200	Election Expense	23,300	23,300	23,300	15.35%
47	-	976	-	-	Rental Property Expense	-	-	-	
48	13,783	12,238	11,600	11,900	Fire District - Hotel/Motel Tax	-	-	-	-100.00%
49	13,783	12,238	11,600	11,900	KAVA - Hotel/Motel Tax	-	-	-	-100.00%
50	3,300	3,300	-	-	Chamber Holiday Lights	-	-	-	
51	-	7,341	6,000	6,000	Off-Site Property Maintenance	3,000	3,000	6,000	0.00%
52	2,315	1,442	1,100	1,100	Neighborhood Association Expense	1,100	-	400	-63.64%
53	6,000	-	-	-	No Meth Task Force	-	-	-	
54	704	95	300	300	Volunteer Recognition	300	-	-	-100.00%
55	1,700	1,700	-	-	Library Stipend	-	-	-	
56	3,000	4,000	4,000	4,000	After School Programs	4,000	4,000	4,000	0.00%
57	381	1,893	800	800	Miscellaneous Expense	800	800	800	0.00%
58	7,574	2,168	2,500	2,500	Emergency Management Expense	2,500	2,500	2,500	0.00%
59	\$ 363,591	\$ 1,081,413	\$ 1,195,700	\$ 1,195,900	TOTAL MATERIALS & SERVICES	\$ 1,308,600	\$ 1,307,200	\$ 1,313,600	9.84%
60									
61	-	-	74,200	-	Contingency	75,000	69,200	52,200	

Notes:

- ⁴⁵ Peer Court is a youth program where those charged voluntarily agree to have their case heard and decided by their peers. The increase in cost from FY10-11 to FY11-12 is offset by a projected increase in revenue. See Peer Court narrative for expenditure details.
- ⁴⁶ A ballot measure restricting retail buildings bigger than 65,000 square feet went to voters in March 2011 costing the City \$20,000 in election expenses. The City anticipates another ballot measure in November 2011 to request funding for Police services.
- ⁴⁸ In previous years, Fire District payments are based on 20% of the Hotel/Motel Tax Revenues by Council Resolution. The City intends to repeal this resolution effective July 1, 2011.
- ⁴⁹ In previous years KAVA payments are based on 20% of the Hotel/Motel Tax Revenues. Beginning FY11-12 the City intends to retain all the TOT revenues.
- ⁵¹ FY09-10 expenditures include one-time costs for upgrading the focal point at Keizer Corner. FY11-12 include regular monthly operating costs for focal point fountains and mowing City property behind the Volcano Stadium.
- ⁵⁷ Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.
- ⁶¹ The contingency has been set aside to cover unforeseen costs that are not anticipated when the budget is adopted. The City typically uses \$50,000 to \$60,000 of its general fund contingency each year.

GENERAL FUND

GENERAL SERVICES

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
TRANSFERS OUT								
\$ 105,300	\$ -	\$ 20,500	\$ 20,500	To Revenue Sharing Fund	\$ -	\$ -	\$ -	-100.00%
248,404	250,900	269,900	269,900	To 9-1-1 Fund	287,500	287,500	287,500	6.52%
22,257	-	-	-	To Transportation Fund	-	-	-	
18,426	-	-	-	To Sewer Reserve Fund	-	-	-	
473,631	-	-	-	City Hall Facility	-	-	-	
\$ 868,018	\$ 250,900	\$ 290,400	\$ 290,400	TOTAL TRANSFERS OUT	\$ 287,500	\$ 287,500	\$ 287,500	-1.00%
\$ 1,666,941	\$ 1,331,356	\$ 1,560,300	\$ 1,486,300	TOTAL REQUIREMENTS	\$ 1,671,100	\$ 1,663,900	\$ 1,653,300	11.24%

Notes:

⁶⁴ Capital Outlay items used for general government purposes are tracked in the Revenue Sharing Fund (except Parks and the K-9 Dog). Transfers are needed because Revenue Sharing Funds are not sufficient to cover the entire Capital Outlay needs of the City's General Government Programs.

⁶⁵ A transfer to the 9-1-1 Fund is needed since projected expenditures exceed projected revenues each year. The WVCC cost for FY11-12 is \$453,500 compared to \$436,500 in FY10-11. The 4% increase is primarily related to the increase in PERS rates for WVCC staff beginning July 2011. 9-1-1 related costs are paid from the 9-1-1 Fund and business calls are paid from the Police Operating Budget.

⁶⁶ The FY08-09 transfer to the Transportation Fund is repayment for receipts received in prior fiscal years that belong to the Transportation Improvement Fund.

⁶⁷ The FY08-09 transfer to the Sewer Reserve Fund is repayment for receipts received in prior fiscal years that belong to the Sewer Reserve Fund.

⁶⁸ The transfer to the City Hall Facility Fund was to pay the General Fund - General Service's share of furnishings for the new civic center.

PARK OPERATIONS

The Public Works Department Parks Division is funded by City policy using general fund revenues at approximately 2.5% of total revenues. The proposed budget for FY11/12 equals 3.3% of general fund revenues and provides the same level of service as FY 10/11. The Parks Division goal is to continue providing clean, safe open spaces and river access for structured and unstructured recreation.

The Parks Division has two full-time employees supplemented with seasonal positions during the spring and summer months to assist in maintaining the 75 acres of developed Park land and 137 acres of undeveloped Park land. The primary focus of Parks Staff for FY11/12 will be on maintenance of the Parks system with emphasis on mowing, turf maintenance, garbage pick up and amenities repairs.

Equipment maintenance costs may increase this year due to aging equipment. The Splash Fountain located at Chalmers Jones Park will be operated this budget cycle with the same schedule as last year.

Capital improvements requiring 100%, or a matching portion of general fund revenues, for Park amenity replacements or upgrades will not occur this budget cycle. Amenity improvements using 100% of Park Improvement Funds may occur on a limited basis when staff time is available for project management.

NUMBER OF PARKS AND ACREAGE

	<u>Number</u>	<u>Acres</u>
Small City	11	38.1
Waterfront Parks	3	14.3
Large City Parks	1	10.6
Regional Parks	1	120.0
Special Use Area Parks	1	15.4
Natural Area/ Open Space Parks	2	13.2

GENERAL FUND
PARK OPERATIONS

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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RESOURCES

1	\$	2,844	\$	2,587	\$	2,100	\$	2,600	Park Reservation Fees	\$	2,500	\$	2,500	\$	2,500	-3.85%
2		-		45,913		-		-	Insurance Reimbursement		-		-		-	
3																
4		2,844		48,500		2,100		2,600	TOTAL ACTIVITY GENERATED		2,500		2,500		2,500	-3.85%
5		295,215		275,354		232,300		231,600	GENERAL SUPPORT RESOURCES		242,800		242,800		242,800	4.84%
6	\$	298,059	\$	323,854	\$	234,400	\$	234,200	TOTAL RESOURCES	\$	245,300	\$	245,300	\$	245,300	4.74%

² Insurance reimbursement is for damage to the Keizer Little League Park. The expenditure is in the Capital Outlay section.

⁵ Parks General Support Resources equal at least 2.5% of General Fund budgeted revenues as provided for by a vote of the Budget Committee. The FY11-12 budget is approximately 3% of budgeted revenues.

GENERAL FUND

PARK OPERATIONS

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
REQUIREMENTS								
PERSONNEL SERVICES								
\$ 2,143	\$ 2,158	\$ 1,100	\$ 1,100	Public Works Director	\$ 1,100	\$ 1,100	\$ 1,100	0.00%
4,197	4,227	3,400	4,300	Public Works Superintendent	4,300	4,300	4,300	0.00%
90,525	88,153	89,600	89,600	Municipal Utility Workers	91,400	91,400	91,400	2.01%
4,433	-	-	-	Administrative Support	-	-	-	-
28,297	29,879	26,300	17,200	Seasonal Help	-	-	-	-100.00%
-	-	-	-	Overtime	-	-	-	-
500	-	800	800	Clothing Stipends	800	800	800	0.00%
1,978	15,043	1,900	1,900	Medicare - Social Security	1,500	1,500	1,500	-21.05%
16,460	13,763	14,100	14,100	Retirement	14,600	14,600	14,600	3.55%
21,229	23,553	28,100	28,100	Insurance Benefits	29,600	29,600	29,600	5.34%
-	1,218	-	9,100	Unemployment	9,100	9,100	9,100	0.00%
902	2,024	1,900	1,900	Workers Compensation	1,500	1,500	1,500	-21.05%
\$ 170,664	\$ 180,018	\$ 167,200	\$ 168,100	TOTAL PERSONNEL SERVICES	\$ 153,900	\$ 153,900	\$ 153,900	-8.45%

Notes:

- ¹⁴ Administrative Support Staff costs are tracked in the Administrative Services Fund - City Recorder budget beginning in FY09-10.
- ¹⁵ Beginning In FY11-12 the cost for seasonal help is budgeted in Materials & Services - Contractual Services. A Temp Agency will be used to eliminate unemployment costs.
- ¹⁸ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- ¹⁹ The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.
- ²⁰ Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.
- ²² Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

GENERAL FUND

PARK OPERATIONS

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
MATERIALS & SERVICES								
<i>Operations:</i>								
\$ 364	\$ -	\$ -	\$ -	Office Materials & Supplies	\$ -	\$ -	\$ -	
15,244	14,167	16,400	16,400	Parks Materials & Supplies	16,400	16,400	16,400	0.00%
1,804	1,573	1,300	1,300	Travel & Training	1,300	1,300	1,300	0.00%
21,520	-	-	-	Legal Services	-	-	-	
-	177	200	200	Labor Attorney	400	400	400	100.00%
-	16,467	-	-	Administrative Services Charges	-	-	-	
30,674	26,220	32,500	32,000	Contractual Services	56,300	56,300	56,300	75.94%
1,454	2,565	-	-	Engineering Services	-	-	-	
4,341	2,185	3,100	2,800	Utilities	3,000	3,000	3,000	7.14%
2,092	1,321	1,100	1,200	Telephone	1,200	1,200	1,200	0.00%
-	535	600	800	Insurance	800	800	800	0.00%
6,422	6,313	6,300	6,300	Gasoline	6,500	6,500	6,500	3.17%
1,038	2,782	1,000	1,000	Vehicle Maintenance	1,000	1,000	1,000	0.00%
2,760	562	4,500	4,000	Equipment Maintenance	4,500	4,500	4,500	12.50%
195	80	200	100	Medical Testing	-	-	-	-100.00%
\$ 87,908	\$ 74,947	\$ 67,200	\$ 66,100	TOTAL MATERIALS & SERVICES	\$ 91,400	\$ 91,400	\$ 91,400	38.28%
CAPITAL OUTLAY								
\$ 3,032	\$ 373	\$ -	\$ -	Field Equipment	\$ -	\$ -	\$ -	
32,896	68,516	-	-	Capital Improvements	-	-	-	
\$ 35,928	\$ 68,889	\$ -	\$ -	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -	
\$ 1,787	\$ -	\$ -	\$ -	Transfer to Water Fund	-	-	-	
1,772	-	-	-	Transfer to Water Facility Fund	-	-	-	
\$ 3,559	\$ -	\$ -	\$ -	TOTAL TRANSFERS	\$ -	\$ -	\$ -	
\$ 298,059	\$ 323,854	\$ 234,400	\$ 234,200	TOTAL REQUIREMENTS	\$ 245,300	\$ 245,300	\$ 245,300	4.74%

Notes:

- ²⁹ Legal services costs are tracked in the Administrative Services Fund - City Attorney budget beginning in FY09-10.
- ³⁰ Labor attorney costs are for union negotiations including dispute resolution. The Local 320 contract expires June, 30 2012 therefore, costs for negotiations are anticipated in FY11-12.
- ³¹ Beginning in FY10-11, all General Fund Administrative Services Charges are tracked in the General Services Expenditure budget.
- ³² In FY11-12 Personnel Services - Seasonal Help has moved to the Contractual Services line-item. The City plans to use a Temp Agency to hire seasonal to eliminate unemployment costs.

GENERAL FUND

PARK DONATIONS

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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RESOURCES

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GENERAL FUND

PARK DONATIONS

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

MATERIALS & SERVICES

18	<u>REQUIREMENTS</u>															
19																
20																
21	<i>MATERIALS & SERVICES</i>															
22	\$	-	\$	-	\$	5,100	\$	3,500	Dog Park Projects	\$	8,600	\$	8,600	\$	8,600	145.71%
23		-		2,500		-		-	Skate Park Projects		-		-		-	
24		-		279		2,100		2,400	Recreation Projects		2,200		2,200		2,200	-8.33%
25		2,378		2,000		1,400		1,400	Park Projects		700		700		700	-50.00%
26		-		4,378		1,300		2,100	Developers Tree Expenses		7,600		7,600		7,600	261.90%
27	\$	2,378	\$	9,157	\$	9,900	\$	9,400	TOTAL MATERIALS & SERVICES	\$	19,100	\$	19,100	\$	19,100	103.19%
28																
29		-		-		8,400		-	Reserve for Developer Tree Expense		-		-		-	
30																
31	\$	2,378	\$	9,157	\$	18,300	\$	9,400	TOTAL REQUIREMENTS	\$	19,100	\$	19,100	\$	19,100	103.19%

Notes:

⁹ Donations are dedicated revenues and are restricted for use in the Parks operations and maintenance.

¹⁴ Developers Tree Reimbursements are contributions to pay for planting trees at City parks and public right-of-way when development has caused significant tree removal.

¹⁹ Costs in the Donation Program are for special projects funded by citizen and developer donations. Funding for these projects will come from donations received through FY10-11 and unexpended at year-end.

COMMUNITY DEVELOPMENT

The Community Development Department manages City development activities, Urban Renewal activities, community plans, building permit processes, and enforces City codes. Long-range planning activities include policy issues regarding management of the Comprehensive Plan, State Planning requirements, Transportation Planning, and development of other specific plans such as Master Plans, development code revisions and ordinance development. Current planning activities include services to the public for development relative to zoning, subdividing, and floodplain management. Code Enforcement regulates zoning violations, solid waste, noxious weeds and unsanitary housing. Building Permit Administration connects development permits with other appropriate staff and departments to address Keizer Development Code standards.

Accomplishments

The Community Development Department has had an integral involvement in the planning and ongoing development at Keizer Station and Keizer Rapids Park, with River Road Renaissance and the Keizer Urban Renewal Board. The Community Development Department is instrumental in region-wide planning and transportation issues such as the Salem-Keizer Transportation Study, the Mid-Willamette Valley Area Commission on Transportation and the I-5/Chemawa Rd Interchange Area Management Plan (IAMP). It is in these forums where the City is able to voice its concerns and needs regarding future growth and development.

The Community Development Department has continually improved its efficiency and customer service, providing services such as land use planning, building permit processing, internet mapping, zoning information, and design review and code enforcement. The department also administers ordinances to improve infill development, address noxious weeds, floodplain management and is responsible for

reviewing and processing land use applications for residential and commercial development. Along with providing excellent Customer Service, enforcing City codes, which affect the community's livability and quality of life, continues to be a high priority for the Community Development Department.

The Department also is proactive in seeking out and developing partnerships with community organizations, businesses, and individuals to identify issues facing the community and propose alternatives for consideration.

Year	Total Land Use Applications Processed	Total Building Permits Reviewed
2001	68	346
2002	69	438
2003	49	348
2004	57	311
2005	39	289
2006	45	324
2007	45	325
2008	25	216
2009	24	188
2010	19	209

Future Goals

The Department continues the process of updating sections of the Keizer Development Code with several Text Amendment projects outlined with the Planning Commission. These include Text Amendments to consider Health and Social Care Facilities, addressing urban chickens, changes to infill standards, parking standards and

Comprehensive Plan Amendments relating to the Economic Impact Analysis and Buildable Land projects. The Department will also stay actively involved in coordinating the development of the Keizer Station Area and the construction of a boat ramp at Keizer Rapids Park, made possible by a grant from the State of Oregon Marine Board.

The Community Development Department is also working on State mandated periodic review of the city's Comprehensive Plan. This process is necessary to plan for future development in the City and ensure there are adequate policies and goals in place to guide decisions regarding transportation, land supply issues (such as infill requirements and Urban Growth Boundary expansion), economic development, and public facilities needs for the next 20 year planning period. As part of this process, the City is currently participating in a

regional Economic Opportunity Analysis as well as a Buildable Lands Inventory and Housing Needs Analysis.

The Department intends to be proactive in pursuing the goals established in the projects of River Road Renaissance, as well as maintaining the high standards of the Keizer Station Development, addressing the issues surrounding Growth Management Boundary, and changes to the statewide planning goals.

The Community Development Department continues work on strengthening communication and coordination with other departments, agencies and jurisdictions to streamline the development process and ensure effective administration of development code provisions while delivering a high level of customer support and assistance.

GENERAL FUND

COMMUNITY DEVELOPMENT

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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RESOURCES

LICENSES & FEES									
1	\$ 450	\$ 2,415	\$ 1,800	\$ 4,000	Sign Permits	\$ 4,000	\$ 4,000	\$ 4,000	0.00%
2	10,573	13,208	6,300	10,700	Land Use Application Fees	11,700	11,700	11,700	9.35%
3	6,231	7,674	7,600	5,400	Building Fees - Zoning	10,800	10,800	10,800	100.00%
4	6,898	30,444	17,800	8,200	Permit Fees	8,200	8,200	8,200	0.00%
5	\$ 24,152	\$ 53,741	\$ 33,500	\$ 28,300	Total Licenses & Fees	\$ 34,700	\$ 34,700	\$ 34,700	22.61%
CHARGES FOR SERVICES									
8	\$ 110	\$ 699	\$ 5,000	\$ 5,000	Nuisance Abatement	\$ 5,000	\$ 5,000	\$ 5,000	0.00%
9	\$ 110	\$ 699	\$ 5,000	\$ 5,000	Total Charges for Services	\$ 5,000	\$ 5,000	\$ 5,000	0.00%
INTERGOVERNMENTAL									
12	\$ -	\$ -	\$ -	\$ -	Transportation Grants	\$ -	\$ -	\$ -	-
13	50,000	-	-	-	Land Conservation Grant	-	-	-	-
14	\$ 50,000	\$ -	\$ -	\$ -	Total Intergovernmental	\$ -	\$ -	\$ -	-
16	\$ 74,262	\$ 54,440	\$ 38,500	\$ 33,300	TOTAL ACTIVITY GENERATED	\$ 39,700	\$ 39,700	\$ 39,700	19.22%
17	381,403	342,464	316,000	308,500	GENERAL SUPPORT RESOURCES	285,700	285,900	285,900	-7.33%
18	\$ 455,665	\$ 396,904	\$ 354,500	\$ 341,800	TOTAL RESOURCES	\$ 325,400	\$ 325,600	\$ 325,600	-4.74%

Notes:

² Land Use Application Fee charges are expected to increase 10% over FY10-11 rates. The City will begin charging the applicant for direct costs associated with the application process such as mailing & advertising costs.

³ The City expects to double its charges for Building Fees from FY10-11 which is consistent with what other municipalities charge within this region.

GENERAL FUND

COMMUNITY DEVELOPMENT

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

PERSONNEL SERVICES											
19											
20	\$ 63,307	\$ 65,693	\$ 65,500	\$ 65,500	Community Development Director	\$ 65,500	\$ 65,500	\$ 65,500		0.00%	
21	46,287	48,029	47,900	47,900	Planner	47,900	47,900	47,900		0.00%	
22	38,080	37,324	37,200	37,200	Code Enforcement/Zoning Technician	-	-	-		-100.00%	
23	55,439	57,270	57,100	57,100	Senior Planner	57,100	57,100	57,100		0.00%	
24	48,933	40,356	24,200	24,200	Administrative Support	38,000	38,000	38,000		57.02%	
25	-	-	-	-	Overtime	-	-	-			
26	650	591	600	600	Cell Phone Stipend	1,400	1,400	1,400		133.33%	
27	3,879	3,830	3,600	3,600	Medicare	3,300	3,300	3,300		-8.33%	
28	43,470	44,069	39,100	39,100	Retirement	40,800	40,800	40,800		4.35%	
29	53,074	47,020	51,700	51,700	Insurance Benefits	47,600	47,600	47,600		-7.93%	
30	696	496	400	400	Workers Compensation	200	200	200		-50.00%	
31	-	-	-	-	Unemployment	13,000	13,000	13,000			
32	\$ 353,815	\$ 344,678	\$ 327,300	\$ 327,300	TOTAL PERSONNEL SERVICES	\$ 314,800	\$ 314,800	\$ 314,800		-3.82%	

Notes:

- ²² Due to funding constraints and a downturn in development, the Code Enforcement/Zoning Technician position has been eliminated beginning FY11-12. Certain duties have been reassigned, primarily to other Community Development staff.
- ²⁴ Administrative Support costs for the City Recorder staff are tracked in the Administrative Services Fund - City Recorder budget beginning in FY09-10. During the first half of FY10-11 Administrative Support staff was moved to the Utility Billing Department to help cover for a staff shortage. This was a 45% reduction in the position's personnel services costs to the Department. This position was reallocated back to the Community Development Department beginning in FY11-12.
- ²⁵ Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.
- ²⁶ Due to reassignment of duties after the layoff of the Code Enforcement/Zoning Technician an additional cell phone stipend is needed for the Planner to take calls in the field and after hours. These costs are offset by the reduction in the telephone line-item in the materials & services section.
- ²⁷ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- ²⁸ The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.
- ²⁹ Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.
- ³⁰ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

GENERAL FUND

COMMUNITY DEVELOPMENT

					RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11					
MATERIALS & SERVICES								
33								
34	\$ 2,523	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
35	144	100	200	-	-	-	-	
36	-	189	1,000	800	800	800	800	0.00%
37	5,683	717	1,400	700	1,400	1,400	1,400	100.00%
38	978	1,479	2,000	3,000	2,500	2,500	2,500	-16.67%
39	32,819	-	-	-	-	-	-	
40	-	42,175	-	-	-	-	-	
41	3,410	3,327	9,300	3,500	-	-	-	-100.00%
42	1,200	-	6,800	500	500	500	500	0.00%
43	628	631	700	400	-	-	-	-100.00%
44	-	213	-	200	-	200	200	0.00%
45	458	540	800	400	400	400	400	0.00%
46	100	2,855	5,000	5,000	5,000	5,000	5,000	0.00%
47	53,907	-	-	-	-	-	-	
48	\$ 101,850	\$ 52,226	\$ 27,200	\$ 14,500	\$ 10,600	\$ 10,800	\$ 10,800	-25.52%
49								
50	\$ 455,665	\$ 396,904	\$ 354,500	\$ 341,800	\$ 325,400	\$ 325,600	\$ 325,600	-4.74%

Notes:

- ³⁶ Postage & Printing costs provide for a mass mailing should legal mandates require one in FY11-12.
- ³⁷ A portion of Travel & Training has been re-established in the FY11-12 budget. The FY10-11 budget was increased during the year, unfortunately training opportunities had already passed earlier in the year.
- ³⁹ Legal Advertising is reduced because Area C is complete and no other major land use actions are anticipated for FY11-12.
- ³⁹ Legal services costs are tracked in the Administrative Services Fund - City Attorney budget beginning in FY09-10.
- ⁴⁰ Beginning in FY10-11, all General Fund Administrative Services Charges are tracked in the General Services Expenditure budget.
- ⁴¹ Contractual Services are for a dual purpose contract with the Council of Governments for street naming and GIS support.
- ⁴³ The Department provides a cell phone for staff use during business hours and for day and overnight travel while on business.

MUNICIPAL COURT

The Municipal Court administers the judicial system for the City of Keizer. The Court handles traffic infractions, limited juvenile status violations, and City code violations as enforced by the Keizer Police Department. Municipal Court arraignments and hearings are held each Wednesday. An independent contractor serves as the Municipal Court Judge.

Accomplishments

The Municipal Court has continued to feel the impact of the troubled economy. The Court has put much effort into conveying to our customers that we acknowledge and understand the hardships people are facing. For the majority of court customers, receiving a citation is not a common occurrence. Imposed fines are an unplanned expense and result in hardship for many people. The Court staff has encouraged customers to stay in compliance with manageable payment schedules and opportunities to fulfill their court orders and requirements.

On October 1, 2009, HB 2287 went into effect and is due to sunset on July 1, 2011. HB 2287 imposes a \$45.00 surcharge on all violations as described in ORS 153.008. In an already strained economic environment, the Court staff prepared for more difficulty executing court orders and collecting imposed fines. The Court has seen an increased amount of accounts processed for suspension and submitted for collection this past year. Those \$45.00 surcharges that *are* being paid, have helped offset the fines that are going unpaid. The Municipal Court has stayed just above revenue projections for the year.

The Court and Keizer Police Department have worked together to publicize the Vehicle Compliance Program that is offered for specific “correctable” violations. Defendants are informed by the citing officer, and it is noted on the citation, when a violation is “correctable”. This compliance program offers defendants the opportunity to have the charge dismissed by correcting the violation cited, having the correction verified by Police Department staff, and paying the Court a \$40.00 compliance

fee. This option educates our community members and puts safer vehicles on our roadways.

In October of 2010, the Municipal Court Clerk II was elected within the Oregon Association of Court Administration for the second consecutive year as Vice President of the ECHO Newsletter and By-Laws. With severely limited training budgets, the Court Clerk II volunteered to work at both OACA Conferences and the 2010 ODOT Judicial Education Conference in order to attend the conferences and gain education on current Court requirements, at little or no cost to the City. Keizer Municipal Court strives to be a leader in Municipal Court operations, and use of technology, including the processing of E-Cites.

Future Goals

The Municipal Court staff will continue to stay current on changing laws and requirements for the State of Oregon. This includes new State Legislation that could come from the current legislative session.

As of April 2011 the Municipal Court will be accepting and processing limited Juvenile status charges such as truancy and possession of tobacco. These cases will be minors that are found ineligible to participate in Peer Court. Juvenile cases will be heard by the Municipal Court the second Wednesday of each month at 10:00 AM.

A formal Request for Proposal will be completed by end of June 2011 for the City’s collections services. Our contracted collection agency plays a vital role in the recovery of fines due to the City of Keizer.

It is also the goal of the Municipal Court staff to continue to provide excellent customer service and justice to our community. Court Staff will continue to assist and encourage customers to stay in compliance and fulfill their Court orders and requirements.

GENERAL FUND

MUNICIPAL COURT

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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RESOURCES

1	FINES & FORFEITS															
2	\$	302,031	\$	318,366	\$	297,600	\$	354,300	Municipal Court Fines	\$	354,300	\$	354,300	\$	354,300	0.00%
3		191,796		200,055		209,400		171,500	Collections - Past Due		171,500		171,500		171,500	0.00%
4	\$	493,827	\$	518,421	\$	507,000	\$	525,800	Total Fines & Forfeits	\$	525,800	\$	525,800	\$	525,800	0.00%
5																
6	\$	244,555	\$	284,097	\$	262,400	\$	287,400	AVAILABLE FOR GENERAL SUPPORT	\$	284,100	\$	284,100	\$	284,100	-1.15%
7																
8	PERSONNEL SERVICES															
9	\$	8,288	\$	-	\$	-	\$	-	Administrative Support	\$	-	\$	-	\$	-	
10		81,114		82,927		82,800		82,800	Court Clerks		82,800		82,800		82,800	0.00%
11		729		251		-		-	Overtime		-		-		-	
12		1,386		1,279		1,300		1,300	Medicare		1,300		1,300		1,300	0.00%
13		15,322		12,348		10,500		10,500	Retirement		12,400		12,400		12,400	18.10%
14		21,230		22,771		27,400		27,400	Insurance Benefits		28,000		28,000		28,000	2.19%
15		162		164		100		100	Workers Compensation		100		100		100	0.00%
16	\$	128,231	\$	119,740	\$	122,100	\$	122,100	TOTAL PERSONNEL SERVICES	\$	124,600	\$	124,600	\$	124,600	2.05%

Notes:

- ² In FY09-10 the State Legislature imposed a \$45 surcharge on all municipal court fines. The surcharge will sunset on June 30, 2011. The City has not seen an appreciable increase in Fine revenues from this surcharge. The surcharge increased the cost of citations to the point where police officers now give more warnings than traffic tickets. Warning to ticket ratio prior to the surcharge was 25% warnings to 75% tickets, it is now 50% warnings to 50% tickets.
- ⁹ Administrative Support Staff costs are tracked in the Administrative Services Fund - Finance Department budget beginning in FY09-10.
- ¹² Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- ¹³ The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.
- ¹⁴ Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.
- ¹⁵ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

GENERAL FUND

MUNICIPAL COURT

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
17					MATERIALS & SERVICES				
18	\$ 2,000	\$ 350	\$ 700	\$ 700	Materials & Supplies	\$ 700	\$ 700	\$ 700	0.00%
19	4,547	1,206	1,400	800	Travel & Training	-	-	-	-100.00%
20	54	211	-	-	Administrative Services Charges	-	-	-	
21	15,022	15,030	20,000	18,800	Professional Services - Judge	20,000	20,000	20,000	6.38%
22	5,455	6,025	6,000	6,300	Contractual Services	6,300	6,300	6,300	0.00%
23	5,880	2,119	3,000	1,600	Collections Cost	2,000	2,000	2,000	25.00%
24	23,757	23,051	25,400	18,200	County Assessments	18,200	18,200	18,200	0.00%
25	64,326	66,592	66,000	69,900	Unitary Assessments	69,900	69,900	69,900	0.00%
26	\$ 121,041	\$ 114,584	\$ 122,500	\$ 116,300	TOTAL MATERIALS & SERVICES	\$ 117,100	\$ 117,100	\$ 117,100	0.69%
27									
28	\$ 249,272	\$ 234,324	\$ 244,600	\$ 238,400	TOTAL REQUIREMENTS	\$ 241,700	\$ 241,700	\$ 241,700	1.38%

Notes:

²⁰ Beginning in FY10-11, all General Fund Administrative Services Charges are tracked in the General Services Expenditure budget.

²³ Prior to House Bill 2055, the City's contract with its collection agency provided for a 25% fee on amounts collected. The revised contract allows the collection agency to collect and retain its fee prior to turning the proceeds over to the City. This cost is expected to decline in future years and eventually go away altogether.

²⁴ County assessments are 5% of municipal court fine revenues (including past due fines).

²⁵ State assessments are 13% of municipal court fine revenues (including past due fines).

POLICE

The Police Department continues to provide the best level of service we can based on the resources provided.

In review

In 1997 the Keizer Police Department was staffed with 37 sworn officers and 8 non-sworn support staff. In 1997 the population of Keizer was less than 30,000 and the only business district was along River Road. Today we have a population approaching 37,000, Keizer Station, three additional schools, multiple new neighborhoods and multi-family apartment complexes. Today we have regressed from a high of 41 officers and are back to 37 sworn officers and still only 8 non-sworn support staff.

The future

The economic downturn will continue to play a dual role for the police department. As in all economic crises, the crime rate tends to increase. Pressures of job loss and financial struggles tend to create increases in domestic violence, alcohol, drug, fraud and theft crimes.

Staffing continues to be a major issue. The requested budget leaves four police officer positions unfilled and revenue decreases in the budget may result in further cuts.

We have mothballed our Community Response Unit and as a result proactive investigations of street level narcotics trafficking has ceased.

Traffic safety and the management of traffic congestion continue to grow in importance to the citizens of Keizer. We have placed emphasis on traffic safety and we will continue to try and keep our three officer Traffic Safety Unit staffed.

The Salem-Keizer School District has pulled funding for one School Resource Officer at the middle school level so we will now have one officer covering two middle schools and all seven grade schools.

We have reduced all materials and services budget items to below needed amounts; reduced skills maintenance training for police officers to the minimum allowed by law; reduced our Investigations line item which will limit it out of area follow-up on major cases; cut the overtime budget eliminating staffing of non-emergency city events; eliminated funding that supports our Cadet Unit; frozen all vacant Reserve Police Officer positions; eliminated funding for Crime Prevention; eliminated funding for Community Service Unit activities; eliminated funding for recruitment; eliminated funding for pre-employment testing; and reduced funding for ammo/weapons (reduction in firearms training).

No matter the results of the final budget package or the results of any future votes for increased resources, the Police Department personnel are dedicated to provide the very best service we can with the resources allotted.

GENERAL FUND

POLICE

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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RESOURCES

1					<i>Working Capital Carryforward:</i>				
2	\$	1,746	\$	1,746	\$	-	\$	-	-100.00%
3		728		579		-		-	-100.00%
4		4,710		173		-		-	-100.00%
5		-		85		-		-	-100.00%
6		-		100		-		-	-100.00%
7		-		179,000		-		-	-100.00%
8	\$	9,697	\$	2,583	\$	181,000	\$	166,900	-100.00%
9									
10					<i>INTERGOVERNMENTAL</i>				
11	\$	5,572	\$	3,146	\$	5,600	\$	5,600	0.00%
12		173,815		189,707		193,500		193,100	-27.08%
13		2,632		36,074		-		-	-100.00%
14		15,000		-		-		-	-100.00%
15		17,850		-		-		-	-100.00%
16	\$	214,869	\$	228,927	\$	199,100	\$	221,800	-33.99%

Notes:

¹¹ The Salem/Keizer School District pays the City for Police Officer presence at school activities such as football games.

¹² The Salem Keizer School District announced its intention to reduce funding for School Resource Officers to help balance its budget. The District covers \$55,000 of an SRO's yearly salary, benefits & equipment needs and 25% of such costs for the sergeant who supervises the program.

¹³ Overtime grants pay overtime costs related to specific regional programs in which the City participates.

GENERAL FUND

POLICE

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
17					FINES & FORFEITS				
18	\$ 55,599	\$ 31,216	\$ 27,500	\$ 33,000	Impound Fees	\$ 33,000	\$ 33,000	\$ 33,000	0.00%
19	68,600	181,827	20,500	20,500	Civil/Criminal Forfeitures	-	-	-	-100.00%
20	\$ 124,199	\$ 213,043	\$ 48,000	\$ 53,500	Total Fines & Forfeits	\$ 33,000	\$ 33,000	\$ 33,000	-38.32%
21									
22					MISCELLANEOUS				
23	\$ -	\$ -	\$ -	\$ -	Cadet Donations	-	-	-	
24	150	350	200	-	Reserve Officer Donations	-	-	-	
25	422	253	-	-	Police Donations	-	-	-	
26	6,970	2,683	-	-	K-9 Donations	-	-	-	
27	26,531	22,590	15,000	8,100	Miscellaneous	8,100	8,100	8,100	0.00%
28	\$ 34,073	\$ 25,876	\$ 15,200	\$ 8,100	Total Miscellaneous	\$ 8,100	\$ 8,100	\$ 8,100	0.00%
29									
30	\$ 382,838	\$ 470,429	\$ 443,300	\$ 450,300	TOTAL ACTIVITY GENERATED	\$ 194,500	\$ 187,500	\$ 187,500	-58.36%
31	5,258,563	4,724,063	4,912,700	4,778,400	GENERAL SUPPORT RESOURCES	4,973,100	4,980,100	4,980,100	4.22%
32	\$ 5,641,401	\$ 5,194,492	\$ 5,356,000	\$ 5,228,700	TOTAL RESOURCES	\$ 5,167,600	\$ 5,167,600	\$ 5,167,600	-1.17%

Notes:

¹⁸ Due to a court ruling in FY08-09, KPD has modified its policy on towing of vehicles for violations of State law and City ordinances. The rulings greatly restricted the circumstances in which the police can tow a traffic violator's vehicle. This has caused a 40%-50% decrease in revenue from FY08-09.

¹⁹ Civil Forfeiture can only be used for equipment, training, etc. that will enhance the department's ability to conduct illegal narcotics investigations. Annual receipts are unpredictable, notification comes when funds are transferred to the City's bank account.

²⁷ Miscellaneous revenue includes receipts for police report requests, surplus sales, and one-time revenues.

GENERAL FUND

POLICE

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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EXPENDITURES

PERSONNEL SERVICES

33									
34									
35									
36	\$ 8,387	\$ -	\$ -	\$ -	Facility Maintenance Worker	\$ -	\$ -	\$ -	
37	112,425	113,328	112,900	112,900	Chief of Police	112,900	112,900	112,900	0.00%
38	192,549	97,901	97,600	97,600	Captain(s)	97,600	97,600	97,600	0.00%
39	-	-	179,100	179,100	Lieutenants	178,300	178,300	178,300	-0.45%
40	594,065	647,762	532,600	532,600	Sergeants	532,600	532,600	532,600	0.00%
41	1,926,338	1,918,956	1,866,700	1,792,700	Police Officers	1,691,700	1,691,700	1,691,700	-5.63%
42	51,503	51,922	52,800	52,800	Community Service Officer	52,800	52,800	52,800	0.00%
43	342,531	346,057	348,800	348,800	Administrative Support	348,800	348,800	348,800	0.00%
44	2,205	462	1,500	1,500	Reserve Officers	1,500	1,500	1,500	0.00%

Notes:

³⁶ Facility maintenance worker costs are tracked in the Administrative Services Fund - Civic Center Facilities budget beginning in FY09-10.

³⁸ The Department reorganized its staff in FY09-10. Captain positions reduced from 2 to 1 & Sergeant positions increased from 7 to 8, although two sergeants served as Acting Lieutenants during the year. Beginning FY10-11 the Department reclassified these positions as Lieutenants.

⁴¹ The reduction in Police Officer wages reflects a reduction associated with three police officer positions that became vacant during FY10-11, through attrition, and will remain vacant during FY11-12.

GENERAL FUND POLICE

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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PERSONNEL SERVICES - CONTINUED

45	214,258	183,934	203,300	203,300	Overtime	194,700	194,700	194,700	-4.23%
46	30,651	27,850	34,700	34,100	Clothing & Cell Phone Stipends	32,200	32,200	32,200	-5.57%
47	52,908	53,797	49,100	48,000	Medicare	46,500	46,500	46,500	-3.13%
48	808,391	608,090	634,100	621,400	Retirement & VEBA	699,700	699,700	699,700	12.60%
49	562,725	576,840	654,200	631,200	Insurance Benefits	653,300	653,300	653,300	3.50%
50	352	12,818	26,000	11,000	Unemployment Costs	13,000	13,000	13,000	18.18%
51	30,696	38,968	33,900	33,000	Workers Compensation	31,900	31,900	31,900	-3.33%
52	\$ 4,929,984	\$ 4,678,685	\$ 4,827,300	\$ 4,700,000	TOTAL PERSONNEL SERVICES	\$ 4,687,500	\$ 4,687,500	\$ 4,687,500	-0.27%

Notes:

⁴⁵ The need for overtime depends on the number and complexity of crimes. Overtime costs are approximately 8.75% of sworn-represented staff salaries. This is less than the 10% budgeted in previous years. Due to lowered staffing levels the Police Department will be unable to staff a booth at the Iris Festival, Good Vibrations or River Fest events in FY11-12. The Department will continue to provide traffic control during parades and major events on public roadways.

⁴⁶ Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.

⁴⁷ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

⁴⁸ The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

⁴⁹ Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

⁵¹ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

GENERAL FUND

POLICE

						RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11						
MATERIALS & SERVICES									
53									
54	\$ 10,539	\$ 8,594	\$ 12,000	\$ 12,000	Materials & Supplies	\$ 12,000	\$ 12,000	\$ 12,000	0.00%
55	401	2,267	500	500	Cadet Program	-	-	-	-100.00%
56	5,299	3,713	4,000	4,000	Reserve Officer Uniforms & Equipment	1,000	1,000	1,000	-75.00%
57	42,917	23,715	32,000	32,000	Clothing	32,000	32,000	32,000	0.00%
58	30,287	16,373	-	-	Civil/Criminal Forfeiture	-	-	-	
59	6,056	5,231	5,000	5,000	K-9 Supplies	4,000	4,000	4,000	-20.00%
60	9,672	6,544	7,000	7,000	Postage & Printing	7,000	7,000	7,000	0.00%
61	25,011	30,368	34,000	34,000	Travel & Training	10,000	10,000	10,000	-70.59%
62	3,754	1,151	1,000	1,000	Tuition Reimbursement	-	-	-	-100.00%
63	205	616	500	500	Advertising - Employee Recruitments	-	-	-	-100.00%
64	7,459	-	-	-	Legal Services	-	-	-	
65	29,913	4,859	5,000	5,000	Labor Attorney	25,000	25,000	25,000	400.00%
66	-	7,381	-	-	Administrative Services Charges	-	-	-	
67	10,019	9,436	16,000	16,000	Contractual Services	16,000	16,000	16,000	0.00%
68	29,694	30,423	29,000	29,000	Crime Analyst Contract	29,000	29,000	29,000	0.00%
69	16,177	-	-	-	Janitorial	-	-	-	
70	12,807	1,208	-	-	Utility	-	-	-	
71	29,939	25,685	23,000	23,000	Telephone	23,000	23,000	23,000	0.00%
72	54,360	14,629	16,500	16,500	Insurance - Liability	16,500	16,500	16,500	0.00%
73	5,235	12,174	12,000	12,000	Office Equipment Rental	2,900	2,900	2,900	-75.83%

Notes:

- 61 Travel & Training has been reduced to basic skills maintenance training required by DPSST. No leadership training, no out of town/state training, limited specialized training (K-9, Narcotics, Executive level National Conference Training.)
- 64 Legal services costs are tracked in the Administrative Services Fund - City Attorney budget beginning in FY09-10. These costs are City Attorney costs for representing the Department in the occasional Municipal Court case.
- 65 Labor attorney costs are for union negotiations including dispute resolution. The KPA contract expires June, 30 2012, therefore Labor Attorney expense will be needed to negotiate the new contract.
- 66 Beginning in FY10-11, all General Fund Administrative Services Charges are tracked in the General Services Expenditure budget.
- 67 Contracts include Crisis Chaplaincy Services for Emergency Chaplaincy Services which is funded by all Police agencies within Marion County and the Lexipol Policy and Procedure Training and Update service.
- 68 The Police Department contracts with the City of Salem to provide Crime Data Analysis services to the City of Keizer. Funds appropriated will support one-half of the cost of this
- 69 Janitorial costs are tracked in the Administrative Services Fund - Civic Center Facilities budget beginning in FY09-10.
- 70 Utility costs are tracked in the Administrative Services Fund - Civic Center Facilities budget beginning in FY09-10.
- 72 Liability insurance costs for the City's facilities are tracked in the Administrative Services Fund - Civic Center Facilities budget beginning in FY09-10. Beginning with the FY09-10 budget, insurance premiums are for the Department's share of auto insurance premiums. Insurance premiums are not expected to increase in FY11-12.
- 73 Office Equipment Rental is for photocopiers. Beginning in FY11-12, copier leases are budgeted in the Information Systems - software line item, Administrative Services Budget. FY11-12 costs are expected to remain consistent with FY10-11 costs.

GENERAL FUND

POLICE

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
MATERIALS & SERVICES - CONTINUED									
74	82,390	67,876	80,000	80,000	Gasoline	80,000	80,000	80,000	0.00%
75	30,382	22,372	32,000	32,000	Maintenance-Vehicles	32,000	32,000	32,000	0.00%
76	24,966	2,677	8,000	8,000	Maintenance of Equipment	4,000	4,000	4,000	-50.00%
77	1,253	1,737	1,000	1,000	Community Services Unit	1,000	1,000	1,000	0.00%
78	23,409	21,977	26,000	26,000	Operating Materials	26,000	26,000	26,000	0.00%
79	12,708	12,611	6,000	6,000	Ammo/Weapons	4,000	4,000	4,000	-33.33%
80	58,005	59,349	62,500	62,500	Willamette Valley Communication Center	57,100	57,100	57,100	-8.64%
81	31,164	31,248	33,900	33,900	Radio & Mobile Systems Support	32,300	32,300	32,300	-4.72%
82	73,349	61,668	59,800	59,800	RAIN/PRIORS	55,300	55,300	55,300	-7.53%
83	24,652	17,548	19,000	19,000	Investigations	10,000	10,000	10,000	-47.37%
84	1,870	1,592	1,000	1,000	Crime Prevention	-	-	-	-100.00%
85	150	-	-	-	Police Donation Expenses	-	-	-	-
86	5,834	6,050	2,000	2,000	Medical & Pre-Employment Testing	-	-	-	-100.00%
87	34	535	-	-	Miscellaneous	-	-	-	-
88	\$ 699,910	\$ 511,607	\$ 528,700	\$ 528,700	TOTAL MATERIALS AND SERVICES	\$ 480,100	\$ 480,100	\$ 480,100	-9.19%
89									
90	CAPITAL OUTLAY								
91	\$ 11,507	\$ 4,200	\$ -	\$ -	K-9 Dog	\$ -	\$ -	\$ -	-
92	\$ 11,507	\$ 4,200	\$ -	\$ -	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -	-
93									
94	\$ 5,641,401	\$ 5,194,492	\$ 5,356,000	\$ 5,228,700	TOTAL EXPENDITURES & RESERVES	\$ 5,167,600	\$ 5,167,600	\$ 5,167,600	-1.17%

Notes:

⁷⁷ The Community Services Unit costs are for materials used for National Night Out.

⁸⁰ The total Willamette Valley Communications Center (WVCC) bill for FY11-12 is \$453,500 compared to \$436,600 in FY09-10. The increase is primarily related to the increase in PERS retirement rates for WVCC staff. The 9-1-1 related costs are paid from the 9-1-1 Fund. The business calls are paid from the Police Operating budget.

⁸³ Due to funding cuts, the Department will expend less effort on crime investigations in FY11-12.

⁸⁴ Due to funding cuts, the Crime Prevention program will not operate in FY11-12.

REVENUE SHARING FUND

State Revenue Sharing Funds are state apportionments based on population. The primary use of funds is for general use; however, there are certain regulatory requirements in which the City must comply. Due to the unpredictable long-term nature of these funds, Council has elected to appropriate only capital outlay expenditures for general government use.

Fiscal Year 2011-12 listing of Police motorcycle and vehicle leases:

Vehicle	Program	Term of Lease	Amount
2 Motorcycles	Traffic	08/09 to 08/12	19,700
1 Motorcycle	Traffic	11/10 to 11/13	11,700
			Total \$31,400

Vehicle	Program	Term of Lease	Amount
2 Vehicles	Patrol	10/09 to 10/12	25,500
1 Vehicle	CSO	07/08 to 07/12	8,900
3 Vehicles	Detective/Adm	07/08 to 07/12	13,600
2 Vehicles	Patrol Sgts	07/10 to 07/13	31,500
2 Vehicles	Patrol K9	07/10 to 07/13	31,800
1 Vehicle	CSU	07/10 to 07/14	10,700
1 Vehicle	Patrol	07/10 to 07/13	12,800
1 Vehicle	Detective	07/10 to 07/14	4,700
2 Vehicles	Admin	07/10 to 07/14	10,900
3 Vehicle	Patrol	07/11 to 07/14	32,400
Contract Cost			400
			Total \$182,200

SPECIAL REVENUE FUND REVENUE SHARING

ACTUAL 2008-09		ACTUAL 2009-10		AMENDED 2010-11		PROJECTED 2010-11				RECOMMENDED 2011-12		APPROVED 2011-12		ADOPTED 2011-12		PERCENT INC (DEC) PROJECTED	
<u>RESOURCES</u>																	
1	\$	23,421	\$	29,810	\$	-	\$	11,200	<i>Working Capital Carryforward</i>	\$	19,400	\$	19,400	\$	19,400		73.21%
2																	
3	<i>INTERGOVERNMENTAL</i>																
4		244,273		230,241		225,200	\$	232,400	State Revenue Sharing	\$	204,900	\$	204,900	\$	204,900		-11.83%
5		15,741		4,200		4,900		3,600	Police Grants		1,500		1,500		1,500		-58.33%
6	\$	260,014	\$	234,441	\$	230,100	\$	236,000	Total Intergovernmental	\$	206,400	\$	206,400	\$	206,400		-12.54%
7																	
8	<i>MISCELLANEOUS</i>																
9		-		56		-		-	Miscellaneous Revenue	\$	-	\$	-	\$	-		
10																	
11	<i>TRANSFERS IN</i>																
12		105,300		-		20,500		20,500	From General Fund		-		-		-		-100.00%
13	\$	105,300	\$	-	\$	20,500	\$	20,500	Total Transfers In	\$	-	\$	-	\$	-		-100.00%
14																	
15	\$	388,735	\$	264,307	\$	250,600	\$	267,700	TOTAL RESOURCES	\$	225,800	\$	225,800	\$	225,800		-15.65%

Notes:

⁴ State Revenue Sharing apportionments are 54% of FY10-11 Liquor & Cigarette Tax receipts (tracked in the General Fund). FY11-12 revenue estimates are adjusted for the League of Oregon Cities forecasts which indicate a 12% decline in these revenues next year.

⁵ Police grants fund 50% of the cost for Protective Vests. The City anticipates the need for 4 new vests in FY11-12.

¹² The Revenue Sharing Fund is used to track Capital Outlay items purchased for general government use. The transfer from the General Fund in FY10-11 is Civil Forfeiture funds used to purchase 2 detective cars with leases ending June 2011.

SPECIAL REVENUE FUND REVENUE SHARING

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
REQUIREMENTS								
CAPITAL OUTLAY								
\$ 4,961	\$ -	\$ -	\$ -	Office Furniture & Equipment	\$ -	\$ -	\$ -	
31,907	-	-	-	Computer Hardware(4)	-	-	-	
3,520	4,550	9,800	7,200	Police Protective Vests	3,000	3,000	3,000	-58.33%
17,452	-	-	-	Police Officer Equipment	-	-	-	
-	36,909	31,400	31,700	Motorcycles & Equipment Lease	31,400	31,400	31,400	-0.95%
232,481	211,603	182,200	182,200	Police Vehicle Leases	182,900	182,900	182,900	0.38%
49,404	-	-	-	E-Citation System	-	-	-	
19,200	-	20,500	20,500	Police Vehicle Purchases	-	-	-	-100.00%
\$ 358,925	\$ 253,062	\$ 243,900	\$ 241,600	TOTAL CAPITAL OUTLAY	\$ 217,300	\$ 217,300	\$ 217,300	-10.06%
-	-	6,700	6,700	Transfer to General Fund	8,500	8,500	8,500	26.87%
FUND BALANCE								
29,810	11,245	-	19,400	Unrestricted Ending Fund Balance	-	-	-	-100.00%
\$ 388,735	\$ 264,307	\$ 250,600	\$ 267,700	TOTAL REQUIREMENTS	\$ 225,800	\$ 225,800	\$ 225,800	-15.65%

Notes:

- ²⁰ Computer hardware is now budgeted in the Administrative Services Fund- Assistant to the City Manager & IT budget.
²¹ The City anticipates the need for 4 new Protective Vests. A federal grant is anticipated to pay 50% of the costs.
²³ A listing of Motorcycle & Equipment Leases is on the narrative preceding the Revenue Sharing budget.
²⁴ A listing of Vehicle leases is on the narrative preceding the Revenue Sharing budget.

PUBLIC EDUCATION GOVERNMENT FUND

The Public Education Government Fund (PEG) is a Special Revenue Fund set up to account for franchise fees assessed on cable television bills. The fees are to be used exclusively for providing governmental cable programming.

Legislative action taken in fiscal year 2007-2008 continues to threaten PEG revenues. Should revenues cease by the end of the fiscal year, the ending fund balance will be sufficient to pay monthly broadcasting expenses the following year.

SPECIAL REVENUE FUND

PUBLIC EDUCATION GOVERNMENT FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED	
<u>RESOURCES</u>									
\$ 48,646	\$ 87,349	\$ 128,600	\$ 133,600	Working Capital Carryforward	\$ 139,100	\$ 139,100	\$ 139,100	4.12%	
<u>INTERGOVERNMENTAL</u>									
100,973	109,769	106,800	112,400	PEG Fees	112,400	112,400	112,400	0.00%	
<u>MISCELLANEOUS</u>									
429	589	500	400	Interest Earnings	400	400	400	0.00%	
\$ 150,048	\$ 197,707	\$ 235,900	\$ 246,400	TOTAL RESOURCES	\$ 251,900	\$ 251,900	\$ 251,900	2.23%	
<u>REQUIREMENTS</u>									
<u>MATERIALS & SERVICES</u>									
\$ 1,000	\$ -	\$ -	\$ -	Legal Services	\$ -	\$ -	\$ -		
-	1,054	1,800	1,800	Administrative Fee	1,800	1,800	1,800	0.00%	
-	-	-	-	Production Services	14,000	14,000	14,000		
61,321	60,000	78,500	78,500	Broadcasting	76,000	76,000	76,000	-3.18%	
\$ 62,321	\$ 61,054	\$ 80,300	\$ 80,300	TOTAL MATERIALS & SERVICES	\$ 91,800	\$ 91,800	\$ 91,800	14.32%	
<u>CAPITAL OUTLAY</u>									
\$ 378	\$ 3,050	\$ 27,000	\$ 27,000	Television Equipment	\$ 3,500	\$ 3,500	\$ 3,500	-87.04%	
-	-	50,000	-	Contingency	50,000	50,000	50,000		
<u>FUND BALANCE</u>									
87,349	133,603	78,600	139,100	Unrestricted Ending Fund Balance	106,600	106,600	106,600	-23.36%	
\$ 150,048	\$ 197,707	\$ 235,900	\$ 246,400	TOTAL REQUIREMENTS	\$ 251,900	\$ 251,900	\$ 251,900	2.23%	

Notes:

⁴ PEG Fees are franchise fees assessed on Comcast cable television bills. Regarding the healthy revenue increases: "Our results mark the third consecutive quarter of accelerating growth in revenue and operating cash flow, driven by overall customer growth, a robust advertising market and continued strength in business services," Brian L. Roberts, the company's chairman and chief executive officer, said in a statement. www.philly.com 10/27/10.

¹⁵ The Administrative Fee pays PEGs share of the City's network costs.

¹⁷ Costs are \$6,250 per month for cable broadcasting, plus \$1,000 for maintenance and repair of equipment.

²¹ Equipment purchases are to improve the program and enhance flexibility for in-the-field programming.

²³ Contingency is sufficient to cover a major equipment failure.

²⁶ Legislative action taken in FY07-08 continues to threaten PEG revenues. Should revenues cease by the end of FY11-12, the ending fund balance will be sufficient to pay monthly broadcasting expenses the following year.

9-1-1 COMMUNICATIONS FUND

The 9-1-1 Communications Fund is supported by the 9-1-1 Excise Tax: a State apportionment based on telephone bills. The primary use of funds is restricted by statute to be used for the Emergency Dispatch Program (ORS 401.842) and accordingly is distributed to the Police Department and the Fire Districts to support this purpose.

The City of Keizer has an interagency agreement with Keizer Rural Fire Protection District (KRFPD) and Marion County Fire District #1 (MCFD#1) for the apportionment of 9-1-1 Excise Tax revenues. Using data from the Willamette Valley Communication Center (WVCC), the agencies have agreed to an allocation methodology, which changes each year based on activity from the preceding year.

9-1-1 Excise Tax revenues have been insufficient in recent years to fully fund the Program. Consequently, the General Fund subsidizes this fund through an interfund transfer.

SPECIAL REVENUE FUND

9-1-1 COMMUNICATIONS FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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RESOURCES

1	\$	(2,758)	\$	-	\$	-	\$	-	<i>Working Capital Carryforward</i>	\$	1,700	\$	1,700	\$	1,700	
2																
3									<i>INTERGOVERNMENTAL</i>							
4		189,223		182,665		180,000		181,900	9-1-1 Excise Tax		179,700		179,700		179,700	-1.21%
5																
6									<i>TRANSFERS IN</i>							
7		248,404		250,900		269,900		269,900	Transfer from General Fund		287,500		287,500		287,500	6.52%
8																
9		434,869		433,565		449,900		451,800	TOTAL RESOURCES		468,900		468,900		468,900	3.78%

Notes:

⁴ Based on current wireless and landline trends, Oregon Emergency Management projects that the 9-1-1 tax revenue distributions to cities and counties should drop slightly and then remain constant for the next few fiscal years. The statutory authorization for the 9-1-1 tax was renewed during the 2007 Legislature, and is now scheduled to sunset 12/31/14. (2/11 issue of League of Oregon Cities, [Local Focus](#)).

⁷ A transfer from the General Fund is needed because 9-1-1 expenditures exceed revenues. The total Willamette Valley Communication Center bill for FY11-12 is \$453,500 compared to \$436,600 in FY10-11. The 9-1-1 related costs are paid from the 9-1-1 Fund. The business calls are paid from the Police Operating budget.

SPECIAL REVENUE FUND

9-1-1 COMMUNICATIONS FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

MATERIALS & SERVICES

10									
11									
12									
13	798	-	-	-	Legal Services	-	-	-	
14	-	-	-	200	Administrative Service Charges	200	200	200	0.00%
15	352,729	360,901	377,800	377,800	Emergency 9-1-1 and Dispatch Calls	396,400	396,400	396,400	4.92%
16	81,342	72,628	72,100	72,100	Distributions to 9-1-1 Agencies	72,300	72,300	72,300	0.28%
17	434,869	433,529	449,900	450,100	TOTAL MATERIALS & SERVICES	468,900	468,900	468,900	4.18%
18									
19									
20	-	36	-	1,700	Unrestricted Ending Fund Balance	-	-	-	-100.00%
21									
22	434,869	433,565	449,900	451,800	TOTAL REQUIREMENTS	468,900	468,900	468,900	3.78%

¹⁵ The total Willamette Valley Communications Center (WVCC) bill for FY11-12 is \$453,500 compared to \$436,600 in FY09-10. The increase is primarily related to the increase in PERS retirement rates for WVCC staff. The 9-1-1 related costs are paid from the 9-1-1 Fund. The business calls are paid from the Police Operating budget.

¹⁶ Of the estimated \$179,100 to be received in 9-1-1 Excise Tax Revenues, 36.18% is to be remitted to the Keizer Rural Fire Protection District and 4.04% is to be remitted to the Marion County Fire District #1 using a formula agreed to by the two Fire Districts and the City through an interagency agreement.

LAW ENFORCEMENT GRANT FUND

Revenues in the Law Enforcement Grant Fund are from federal grants. Uses are restricted to each specific grant received and have traditionally been for one-time purchases of operating materials and Police equipment.

SPECIAL REVENUE FUND

LAW ENFORCEMENT GRANT FUND

ACTUAL 2008-09		ACTUAL 2009-10		AMENDED 2010-11		PROJECTED 2010-11		RECOMMENDED 2011-12		APPROVED 2011-12		ADOPTED 2011-12		PERCENT INC (DEC) PROJECTED		
<u>RESOURCES</u>																
1	\$	(4,835)	\$	-	\$	-	\$	(200)	Working Capital Carryforward	\$	-	\$	-	\$	-	-100.00%
2																
3	<u>INTERGOVERNMENTAL</u>															
4		4,666		49,020		90,500		40,200	Police Grants		50,000		50,000		50,000	24.38%
5																
6	<u>MISCELLANEOUS</u>															
7		-		-		-		-	Interest/Donations		-		-		-	
8																
9	\$	(169)	\$	49,020	\$	90,500	\$	40,000	TOTAL RESOURCES	\$	50,000	\$	50,000	\$	50,000	25.00%
10																
11	<u>REQUIREMENTS</u>															
12																
13	<u>MATERIALS & SERVICES</u>															
14	\$	(169)	\$	914	\$	-	\$	-	Operating Materials	\$	25,000	\$	25,000	\$	25,000	
15																
16	<u>CAPITAL OUTLAY</u>															
17		-		48,259		90,500		40,000	Police Equipment		25,000		25,000		25,000	-37.50%
18																
19	<u>FUND BALANCE</u>															
20		-		(153)		-		-	Unrestricted Ending Fund Balance		-		-		-	
21																
22	\$	(169)	\$	49,020	\$	90,500	\$	40,000	TOTAL REQUIREMENTS	\$	50,000	\$	50,000	\$	50,000	25.00%

Notes:

- ⁴ Each year the Police Department applies for and receives various Federal Grants for one-time purchases of Materials and Capital Outlay items. Funds will not be expended until the grant award is received and approved by City Council.

HOUSING SERVICES FUND

The original source of revenues in the Housing Services Fund was from a State Community Development Block Grant. Uses were restricted to creating loans for housing rehabilitation projects. The original grant was completely expended in fiscal year 1998. The goal of the program is to preserve the existing supply of affordable low income housing and to ensure that the existing housing occupied by low income homeowners is safe, energy efficient and affordable to maintain.

The City is in the process of reestablishing the former program. Research indicated that “defederalizing” these funds would be a lengthy process that wouldn’t yield effective results. In addition, management of CDBG funds is complicated and staff has continued to educate itself over the previous fiscal year. City staff will continue efforts to effectively re-launch the former program over the current fiscal year and will be a benefit to low/moderate income households within the Keizer community. In addition, staff intends to educate the public of these opportunities through the City’s website, Keizer 23 channel, local newsletters, the City of Keizer Facebook page and other media.

SPECIAL REVENUE FUND
HOUSING SERVICES FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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RESOURCES

1	\$	200,262	\$	265,952	\$	281,900	\$	281,200	<i>Working Capital Carryforward</i>	\$	282,500	\$	282,500	\$	282,500	0.46%
2																
3																
4		61,200		13,520		30,000		-	Loan Proceeds		30,000		30,000		30,000	
5		4,490		1,921		2,400		1,300	Interest Revenue		1,300		1,300		1,300	0.00%
6	\$	65,690	\$	15,441	\$	32,400	\$	1,300	Total Miscellaneous	\$	31,300	\$	31,300	\$	31,300	2307.69%
7																
8	\$	265,952	\$	281,393	\$	314,300	\$	282,500	TOTAL RESOURCES	\$	313,800	\$	313,800	\$	313,800	11.08%
9																

Notes:

¹ The original funds for this program were received through a Federal Grant. The working capital carryforward is from loan repayments and interest earned on these funds.

⁴ The City currently has loans outstanding for this program totaling \$113,700. The program typically receives 1-2 repayments each year. The average balance of each loan is approximately \$15,000.

SPECIAL REVENUE FUND
HOUSING SERVICES FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

MATERIALS & SERVICES

\$	-	\$	-	\$	1,000	\$	-	Materials and Supplies	\$	1,000	\$	1,000	\$	1,000
	-		-		5,100		-	Administrative Fee		5,100		5,100		5,100
	-		164		298,000		-	Housing Rehabilitation Services		297,500		297,500		297,500
\$	-	\$	164	\$	304,100	\$	-	TOTAL MATERIALS & SERVICES	\$	303,600	\$	303,600	\$	303,600

FUND BALANCE

	-		-		10,200		-	Reserve for Administration		10,200		10,200		10,200	
	265,952		281,229		-		282,500	Unrestricted Ending Fund Balance		-		-		-	-100.00%
\$	265,952	\$	281,393	\$	314,300	\$	282,500	TOTAL REQUIREMENTS	\$	313,800	\$	313,800	\$	313,800	11.08%

Notes:

¹³ Materials & Supplies are for outreach, brochures, etc to inform potential recipients of the program.

¹⁴ The Administrative Fee is one-third of 10% of grant proceeds for staff time administering the program. The remaining two-thirds is held in reserve for years two and three.

¹⁵ Community Development staff is in the process of reestablishing this program and anticipates loaning funds beginning in FY11-12. Expenditures provide for loaning all available funds should demand for this program warrant.

¹⁹ The Reserve for Administrative Fee is Community Development staff's time for managing this program in years two and three.

ENERGY EFFICIENCY REVOLVING LOAN FUND

The City of Keizer has recently received funding from the Recovery Act – Energy Efficiency and Conservation Block Grant. Uses for these funds were restricted programs that improved energy efficiency within the community. The City elected to develop a revolving loan fund to complement the current Housing Rehabilitation loan program. The Energy Efficiency loans will be restricted to permanent enhancements that improve energy efficiency within the residential home of low/moderate income households.

City staff will manage the program by accepting and approving qualified applications. City staff coordinates funds from the Housing Rehabilitation program to enhance the reach of this new program. Staff educates the public of these opportunities through the City's website, Keizer 23 channel, local newsletters, the City of Keizer Facebook page and other media.

SPECIAL REVENUE FUND

RESIDENTIAL ENERGY EFFICIENCY REVOLVING LOANS

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED							
<u>RESOURCES</u>															
\$	-	\$	-	\$	-	Working Capital Carryforward	\$	139,100	\$	139,100	\$	139,100			
	-	-	138,500	138,500	Grant Funds		-	-	-	-100.00%					
<u>MISCELLANEOUS</u>															
	-	-	-	-	Loan Proceeds		-	-	-						
	-	-	-	600	Interest Revenue		600	600	600	0.00%					
\$	-	\$	-	\$	600	Total Miscellaneous	\$	600	\$	600	\$	600	0.00%		
\$	-	\$	-	\$	138,500	\$	139,100	TOTAL RESOURCES	\$	139,700	\$	139,700	\$	139,700	0.43%
<u>REQUIREMENTS</u>															
<u>MATERIALS & SERVICES</u>															
\$	-	\$	-	\$	1,000	\$	-	Materials and Supplies	\$	1,000	\$	1,000	\$	1,000	
	-	-	-	4,600	-	Administrative Fee		4,600	4,600	4,600					
	-	-	-	124,700	-	Energy Efficiency Loans		134,100	134,100	134,100					
\$	-	\$	-	\$	130,300	\$	-	TOTAL MATERIALS & SERVICES	\$	139,700	\$	139,700	\$	139,700	
<u>FUND BALANCE</u>															
	-	-	-	8,200	-	Reserved for Administration									
	-	-	-	-	139,100	Unrestricted Ending Fund Balance		-	-	-	-100.00%				
\$	-	\$	-	\$	138,500	\$	139,100	TOTAL REQUIREMENTS	\$	139,700	\$	139,700	\$	139,700	0.43%

Notes:

³ This is a new federal grant program to provide low-income homes with funds to make energy efficiency improvements.

¹⁵ Materials & Supplies are for outreach, brochures, etc to inform potential recipients of the program.

¹⁶ The Administrative Fee is one-third of 10% of grant proceeds for staff time administering the program. The remaining two-thirds is held in reserve for years two and three.

²² The Reserve is two-thirds of 10% of grant proceeds for staff time administering the program in years two and three.

PARK IMPROVEMENT FUND

Fiscal Year 2011/2012

The Park Improvement Fund was established to account for system development fees designated for park improvements.

Improvements Completed:

Keizer Rapids Park

Extended public waterline into park from
15th Ave. N

Funded installation of irrigation system and
seeding of dog park

Proposed Improvements:

No Improvements are proposed for
FY 11-12.

CAPITAL PROJECTS FUND
PARK IMPROVEMENT FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
<u>RESOURCES</u>									
1	\$ 926,485	\$ 692,433	\$ 622,500	\$ 669,200	<i>Working Capital Carryforward</i>	\$ 532,200	\$ 532,200	\$ 532,200	-20.47%
2									
3					<u>INTERGOVERNMENTAL</u>				
4	70,082	50,076	-	1,100	Grants	-	-	-	-100.00%
5									
6					<u>LICENSES & FEES</u>				
7	25,711	97,372	29,900	22,000	System Development Fees	29,400	29,400	29,400	33.64%
8									
9					<u>MISCELLANEOUS</u>				
10	17,462	4,635	5,600	2,900	Interest	2,900	2,900	2,900	0.00%
11	28,000	-	-	-	Miscellaneous Revenue	-	-	-	
12	<u>\$ 45,462</u>	<u>\$ 4,635</u>	<u>\$ 5,600</u>	<u>\$ 2,900</u>	TOTAL MISCELLANEOUS	<u>\$ 2,900</u>	<u>\$ 2,900</u>	<u>\$ 2,900</u>	0.00%
13									
14	2,822		-	-	Transfer from Transportation Fund	-	-	-	
15									
16	<u>\$ 1,070,562</u>	<u>\$ 844,516</u>	<u>\$ 658,000</u>	<u>\$ 695,200</u>	TOTAL RESOURCES	<u>\$ 564,500</u>	<u>\$ 564,500</u>	<u>\$ 564,500</u>	-18.80%

Notes:

⁷ Revenues are based on SDCs for 20 new single-family dwelling units.

¹⁰ City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

CAPITAL PROJECTS FUND

PARK IMPROVEMENT FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
REQUIREMENTS								
MATERIALS & SERVICES								
\$ 18,779	\$ -	\$ -	\$ -	Legal Services	\$ -	\$ -	\$ -	-
1,779	4,092	-	-	Contractual Services	-	-	-	-
\$ 20,558	\$ 4,092	\$ -	\$ -	TOTAL MATERIALS & SERVICES	\$ -	\$ -	\$ -	-
CAPITAL OUTLAY								
\$ 24,683	\$ 11,736	\$ -	\$ -	Grant Expenditures	\$ -	\$ -	\$ -	-
24,972	75,157	-	120,000	Land Acquisition	-	-	-	-100.00%
307,916	84,344	59,000	43,000	Improvements	-	-	-	-100.00%
-	-	581,000	-	Unanticipated Expenses	564,500	564,500	564,500	-
\$ 357,571	\$ 171,237	\$ 640,000	\$ 163,000	TOTAL CAPITAL OUTLAY	\$ 564,500	\$ 564,500	\$ 564,500	246.32%
FUND BALANCE								
692,433	669,187	18,000	532,200	Unrestricted Ending Fund Balance	-	-	-	-100.00%
\$ 1,070,562	\$ 844,516	\$ 658,000	\$ 695,200	TOTAL REQUIREMENTS	\$ 564,500	\$ 564,500	\$ 564,500	-18.80%

Notes:

²⁰ Legal Services costs are now budgeted in the Administrative Services Fund, City Attorney budget.

²⁶ Land Acquisition in FY10-11 includes option money on the Buchholtz property.

TRANSPORTATION IMPROVEMENT FUND

The Transportation Improvement Fund was established in Fiscal Year 2004-2005 to account for system development fees. The city currently charges a system development fee of \$1,215 per single-family dwelling unit and \$746 per each Multi Family Unit to help cover the cost of transportation improvements resulting from development. The system development fees are adjusted annually using a blended rate of CPI Construction index and the change in undeveloped land values in the area.

Staff recommendations for expenditures in fiscal year 2011/2012 are as follows:

- Begin Engineering Design for the improvements to the I-5/Chemawa Southbound on-ramp. ODOT is currently taking the lead planning and designing improvements. Estimated cost includes permits and project management
- Begin construction of the on-ramp widening late spring 2012

CAPITAL PROJECTS FUND

Transportation Improvement Fund

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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RESOURCES

1	\$ 1,618,017	\$ 1,544,970	\$ 1,666,200	\$ 1,674,000	<i>Working Capital Carryforward</i>	\$ 1,820,900	\$ 1,820,900	\$ 1,820,900	8.78%
2									
3					<i>LICENSES & FEES</i>				
4	79,623	118,061	75,300	74,000	System Development Fees	99,600	99,600	99,600	34.59%
5									
6					<i>MISCELLANEOUS</i>				
7	32,196	11,029	14,000	7,900	Interest	8,600	8,600	8,600	8.86%
8	-	-	23,600	65,000	Repayment of Community Center Loan	-	-	-	-100.00%
9	\$ 32,196	\$ 11,029	\$ 37,600	\$ 72,900	TOTAL MISCELLANEOUS	\$ 8,600	\$ 8,600	\$ 8,600	-88.20%
10									
11					<i>TRANSFERS IN</i>				
12	22,258	-	-	-	From General Fund	-	-	-	
13	\$ 22,258	\$ -	\$ -	\$ -	TOTAL TRANSFERS IN	\$ -	\$ -	\$ -	
14									
15	\$ 1,752,094	\$ 1,674,060	\$ 1,779,100	\$ 1,820,900	TOTAL RESOURCES	\$ 1,929,100	\$ 1,929,100	\$ 1,929,100	5.94%

Notes:

⁴ FY11-12 SDCs are projected anticipating two commercial developments in Keizer Station Area B.

⁷ City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

⁸ The transfer from the Community Center Fund in FY10-11 is repayment in full, plus interest, for an interfund loan made in FY08-09.

CAPITAL PROJECTS FUND

Transportation Improvement Fund

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

MATERIALS & SERVICES

\$ 709	\$ -	\$ -	\$ -	- Legal Services	\$ -	\$ -	\$ -	\$ -
\$ 709	\$ -	\$ -	\$ -	- TOTAL MATERIALS & SERVICES	\$ -	\$ -	\$ -	\$ -

CAPITAL OUTLAY

\$ 7,213	\$ -	\$ 440,000	\$ -	- Improvements	\$ 440,000	\$ 440,000	\$ 440,000	\$ -
-	-	1,300,000	-	- Unanticipated Expenses	1,100,000	1,100,000	1,100,000	-
\$ 7,213	\$ -	\$ 1,740,000	\$ -	- TOTAL CAPITAL OUTLAY	\$ 1,540,000	\$ 1,540,000	\$ 1,540,000	-

TRANSFERS OUT

\$ 1,105	\$ -	\$ -	\$ -	- Repayment to General Fund	\$ -	\$ -	\$ -	\$ -
64,502	-	-	-	- Interfund loan to Community Center	-	-	-	-
130,773	-	-	-	- Transfer to Sewer Reserve Fund	-	-	-	-
2,822	-	-	-	- Repayment to Park Improvement Fund	-	-	-	-
\$ 199,202	\$ -	\$ -	\$ -	- TOTAL TRANSFERS OUT	\$ -	\$ -	\$ -	\$ -

FUND BALANCE

1,544,970	1,674,060	39,100	1,820,900	Unrestricted Ending Fund Balance	389,100	389,100	389,100	-78.63%
\$ 1,752,094	\$ 1,674,060	\$ 1,779,100	\$ 1,820,900	TOTAL REQUIREMENTS	\$ 1,929,100	\$ 1,929,100	\$ 1,929,100	5.94%

Notes:

¹⁹ Legal Services costs are now budgeted in the Administrative Services Fund, City Attorney budget. The Transportation SDC methodology does not provide for a portion of SDCs to cover administrative costs.

²³ Improvements include beginning engineering design for 1-5/Chemawa southbound on-ramp including permits and project management. Also begin construction of the on-ramp widening in late FY11-12.

OFF-SITE TRANSPORTATION IMPROVEMENT FUND

Off-Site Transportation Fund was created for future transportation improvement projects. The resources are from developer fees required to be paid as set forth in the Keizer Station master plan orders.

SPECIAL REVENUE FUND

OFF-SITE TRANSPORTATION SYSTEM IMPROVEMENTS

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
<u>RESOURCES</u>								
<i>WORKING CAPITAL CARRYFORWARD</i>								
\$ -	\$ -	\$ -	\$ -	Working Capital Carryforward	\$ 52,000	\$ 52,000	\$ 52,000	
<i>LICENSES & FEES</i>								
-	-	-	52,000	Off-Site Transportation Fees				-100.00%
\$ -	\$ -	\$ -	\$ 52,000	TOTAL LICENSES & FEES	\$ -	\$ -	\$ -	-100.00%
<i>MISCELLANEOUS</i>								
-	-	-	-	Interest	100	100	100	
\$ -	\$ -	\$ -	\$ -	TOTAL MISCELLANEOUS	\$ 100	\$ 100	\$ 100	
\$ -	\$ -	\$ -	\$ 52,000	TOTAL RESOURCES	\$ 52,100	\$ 52,100	\$ 52,100	0.19%

Notes:

⁵ Off-Site Transportation Fees are charges on developers in lieu of constructing certain transportation improvements.

REQUIREMENTS

13	CAPITAL OUTLAY													
14	-	-	-	-	Off-Site Transportation Improvements	\$	52,100	\$	52,100	\$	52,100			
15	\$	-	\$	-	\$	-	TOTAL CAPITAL OUTLAY	\$	52,100	\$	52,100	\$	52,100	
16														
17														
18	FUND BALANCE													
19	-	-	-	52,000	Unrestricted Ending Fund Balance		-		-	-	-	-100.00%		
20	\$	-	\$	-	\$	52,000	TOTAL FUND BALANCE	\$	-	\$	-	\$	-	-100.00%
21														
22	\$	-	\$	-	\$	52,000	TOTAL REQUIREMENTS	\$	52,100	\$	52,100	\$	52,100	0.19%

Notes:

¹⁴ Off-Site Transportation Improvements are projects that are identified in the Keizer Station Area B and C master plan orders.

STREET FUND

The Street Fund is managed by the Public Works Department to provide quality streets, lighting, traffic signals, sidewalks, and bike paths. Drainage improvements for the City's street system, has been consolidated into the Stormwater Fund. The Street Fund's share of drainage maintenance and repairs will be an annual transfer to that fund. The primary revenue source is State Fuel Taxes, which are state apportionments based on population. Fuel tax revenues are restricted by constitutional limits and are to be used for street maintenance (Const. IX § 3). The Street Division is staffed with 2.5 full time maintenance employees and a portion of various administrative staff to provide total right of way maintenance services for the City. The City currently contracts striping and signing services with Marion County. Traffic Signal System operation and maintenance is contracted with the City of Salem.

Street Fund Capital Improvement Expenditures

2010-2011

- Began upgrade of school zone flasher systems city-wide.
- Upgraded ten Traffic Signals to accept remote back up generator connections and purchased two generators.
- Designed Signal Interconnect along Lockhaven from 14th Ave. to River Road.
- Presented for consideration to City Council construction of Pedestrian Crossing of River Road.
- Completed installation of Wheatland Road street lights from River Road to North City limits.
- Updated PCI (Pavement Condition Index) on all streets preparing for reestablishment of pavement preservation program.
- ODOT began Engineering, Planning and final design for Chemawa Road N. improvements.

- Completed Phase II installation of the ADA required sidewalk improvements in southwest Keizer.
- Completed resurfacing of a section of Chemawa Rd NE and a section of Dearborn NE using Federal Stimulus Funding.

Street Fund Capital Improvement Expenditures

2011-2012

- Phase I planning and design of shoulder widening along Delight Street from Chemawa to Cummings.
- Begin Planning and Preliminary Design on the Chemawa/Verda Roundabout and Lockhaven/14th signal.
- Construct area B access and drainage improvements as identified in property sales agreement.
- Resurface various streets as indicated from the Pavement Condition Index (PCI).
- ODOT to continue the Chemawa Road Improvement Project using awarded Federal Grants and local matching funds.
- Complete the Hornet Court and Sieberg Ave Local Improvement Districts (LID) as designed per Council approval.
- Complete installations of the School Zone Flasher systems and Signal interconnect along Lockhaven Dr.
- Install additional Streetlights along Lockhaven NE and Dearborn N.
- Continue citywide ADA sidewalk upgrades inside the Lockhaven/Verda/Chemawa triangle NE

SPECIAL REVENUE FUND

STREET FUND

						RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11						
RESOURCES									
WORKING CAPITAL CARRYFORWARD									
\$ 1,227,271	\$ 1,010,158	\$ 1,239,900	\$ 1,294,900	Working Capital Carryforward	\$ 2,230,000	\$ 2,230,000	\$ 2,229,500		72.18%
1,164	570	1,900	1,400	Bike Safety Donations	1,200	1,200	1,200		-14.29%
\$ 1,228,435	\$ 1,010,728	\$ 1,241,800	\$ 1,296,300	TOTAL WORKING CAPITAL CARRYFORWARD	\$ 2,231,200	\$ 2,231,200	\$ 2,230,700		72.08%
LICENSES & FEES									
\$ 8,131	\$ 1,215	\$ 3,000	\$ 3,500	Planning Construction Fees	\$ 3,000	\$ 3,000	\$ 3,000		-14.29%
3,095	6,070	2,600	1,500	Driveway Permit Fees	1,500	1,500	1,500		0.00%
\$ 11,226	\$ 7,285	\$ 5,600	\$ 5,000	TOTAL LICENSES & FEES	\$ 4,500	\$ 4,500	\$ 4,500		-10.00%
INTERGOVERNMENTAL									
\$ 92,685	\$ -	\$ -	\$ -	Grants	\$ -	\$ -	\$ -		
1,379,293	1,502,644	1,466,600	1,629,000	State Fuel Tax	1,837,500	1,837,500	1,837,500		12.80%
6,434	-	-	-	FEMA Reimbursement	-	-	-		
\$ 1,478,412	\$ 1,502,644	\$ 1,466,600	\$ 1,629,000	TOTAL INTERGOVERNMENTAL	\$ 1,837,500	\$ 1,837,500	\$ 1,837,500		12.80%
MISCELLANEOUS									
\$ 1,686	\$ 3,107	\$ 3,200	\$ 1,400	Bike Safety Donations	\$ -	\$ -	\$ -		-100.00%
21,782	7,830	10,300	5,200	Interest	5,200	5,200	5,200		0.00%
-	-	894,000	867,800	Property Sales	-	-	-		-100.00%
20,035	20,904	21,000	9,400	Rental Property	9,000	9,000	9,000		-4.26%
598	7,327	-	400	Miscellaneous Revenue	-	-	-		-100.00%
\$ 44,101	\$ 39,168	\$ 928,500	\$ 884,200	TOTAL MISCELLANEOUS	\$ 14,200	\$ 14,200	\$ 14,200		-98.39%
\$ 2,762,174	\$ 2,559,825	\$ 3,642,500	\$ 3,814,500	TOTAL RESOURCES	\$ 4,087,400	\$ 4,087,400	\$ 4,086,900		7.14%

Notes:

¹³ Fuel Tax revenue projections for FY10-11 are coming in above budget, reflecting the six-cent increase in state gas tax, increases in vehicle title and registration fees, & weight-mile fees paid by truckers beginning 1/1/11. FY11-12 estimates are based on FY10-11 projections plus a 12.8% increase as projected by the League of Oregon Cities & is reflective of a full-year's impact of the tax & fee increases.

¹⁹ City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

²² Miscellaneous Revenues are one-time revenues that are not characterized by line-item descriptions.

SPECIAL REVENUE FUND

STREET FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

PERSONNEL SERVICES

26									
27	\$	5,955	\$	-	\$	-	\$	-	
28	\$	5,783		-		-		-	
29		46,070		46,399		47,400		47,400	0.00%
30		25,184		25,363		25,300		25,300	0.00%
31		7,252		-		-		-	
32		57,833		70,198		69,400		69,400	2.16%
33		5,457		5,663		5,700		5,700	0.00%
34		4,231		4,391		4,400		4,400	-100.00%
35		26,959		18,711		18,700		18,700	0.00%
36		1,737		-		-		-	
37		2,519		-		-		-	
38		5,104		-		-		-	
39		8,387		-		-		-	
40		636		51		700		700	0.00%
41		4,301		1,222		2,200		2,300	4.55%
42		-		768		5,200		5,200	0.00%
43		460		-		-		-	

Notes:

²⁶ Personnel Services and certain operating costs (as referenced in the Materials & Services section) related to general administration are now budgeted in the Administrative Services Fund as follows:

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.

SPECIAL REVENUE FUND

STREET FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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PERSONNEL SERVICES - CONTINUED

44	3,207	2,629	2,700	2,700	Medicare	2,600	2,600	2,600	-3.70%
45	38,849	26,517	26,600	26,600	Retirement	30,100	30,100	30,100	13.16%
46	42,459	30,854	37,300	37,300	Insurance Benefits	37,500	37,500	37,500	0.54%
47	1,175	1,613	1,800	1,800	Workers Compensation	1,900	1,900	1,900	5.56%
48	\$ 293,558	\$ 234,379	\$ 247,400	\$ 247,400	TOTAL PERSONNEL SERVICES	\$ 248,300	\$ 248,300	\$ 248,300	0.36%

Notes:

- ⁴⁰ Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.
- ⁴⁴ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- ⁴⁵ The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.
- ⁴⁶ Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.
- ⁴⁷ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
MATERIALS & SERVICES									
49	\$	1,313	\$	-	\$	-	\$	-	
50		79		-		-		-	
51		2,280		2,252		1,200		1,200	-25.00%
52		1,876		177		500		500	66.67%
53		2,207		-		-		-	
54		3,242		2,394		2,500		2,500	66.67%
55		385		-		-		-	
56		213		101		500		500	-16.67%
57		16,578		-		-		-	-100.00%
58		1,701		118		400		400	300.00%
59		-		112,066		128,300		128,300	20.36%
60		31,642		28,213		41,000		41,000	17.14%
61		2,460		-		-		-	
62		24,915		25,315		30,000		30,000	3.45%
63		6,450		2,964		7,000		7,000	-46.15%
64		2,099		547		400		400	0.00%
65		1,799		782		-		-	
66		2,281		1,681		2,000		2,000	0.00%
67				2,000					

Notes:

⁴⁹ Materials & Services related to general administration are now 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. The increase from FY10-11 to FY11-12 primarily reflects a reallocation of staff from Urban Renewal to the other operating funds net of the elimination of the Assistant to the City Manager position.

(1)	\$	10,300	City-Wide Administration	\$	11,200	\$	11,200	\$	11,200	8.74%
(2)		8,600	City Manager		15,800		15,800		15,800	83.72%
(3)		13,200	Assistant to the City Manager/IT		11,900		11,900		11,900	-9.85%
(4)		22,200	Attorney's Office		20,300		20,300		20,300	-8.56%
(5)		12,200	City Recorder		15,600		15,600		15,600	27.87%
(6)		8,100	Human Resources		9,300		9,300		9,300	14.81%
(7)		23,300	Finance		34,400		34,400		34,400	47.64%
(8)		8,700	Facility Maintenance		9,800		9,800		9,800	12.64%
	\$	106,600	Administrative Services Charges	\$	128,300	\$	128,300	\$	128,300	20.36%

⁵⁵ Travel & Training costs are for Public Works staff only. Travel & Training for Administrative staff has been moved to the Administrative Services Fund.

⁵⁹ Labor attorney costs are for union negotiations including dispute resolution. The Local 320 contract expires June, 30 2012 therefore, costs for negotiations are anticipated in FY11-12.

⁶¹ Contractual services includes right of way maintenance and costs related to the sale of Area B property.

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
MATERIALS & SERVICES - CONTINUED									
68	10,043	483	1,400	500	Insurance - Auto Liability	500	500	500	0.00%
69	218	464	1,000	1,000	Gasoline/Diesel	1,500	1,500	1,500	50.00%
70	1,542	-	-	-	Computer & Software Maintenance (4)	-	-	-	
71	1,963	1,339	2,000	1,500	Equipment Maintenance	2,000	2,000	2,000	33.33%
72	563	-	-	-	Facility Maintenance (8)	-	-	-	
73	7,273	2,903	7,000	5,500	Sidewalk Maintenance	7,000	7,000	7,000	27.27%
74	8,542	5,728	8,000	8,000	Operating Materials and Supplies	8,000	8,000	8,000	0.00%
75	95,429	96,955	97,000	97,000	Street Sweeping	79,900	79,900	79,900	-17.63%
76	135,316	129,334	165,000	151,000	Street Maintenance & Repair	155,000	155,000	155,000	2.65%
77	58,054	61,912	63,000	64,000	Street Light Utilities	69,000	69,000	69,000	7.81%
78	21,657	21,883	25,000	22,000	Traffic Light Utilities	24,000	24,000	24,000	9.09%
79	239	-	200	200	Medical Testing	200	200	200	0.00%
80	7,031	10,698	6,000	7,400	Rental Property Expenses	3,000	3,000	3,000	-59.46%
81	6,350	6,675	6,700	7,100	MPO Support/ SKATS	7,400	7,400	7,400	4.23%
82	-	-	-	-	Miscellaneous Expenses	-	-	-	
83	1,219	79	-	-	Flood & Drainage Services	-	-	-	
84	\$ 456,959	\$ 515,063	\$ 603,700	\$ 555,400	TOTAL MATERIALS & SERVICES	\$ 571,300	\$ 571,300	\$ 571,300	2.86%

Notes:

⁶⁸ Liability insurance costs for the City's facilities are tracked in the Administrative Services Fund - Civic Center Facilities budget beginning in FY09-10. Beginning with FY09-10, liability insurance includes the Street Fund's share of auto insurance premiums.

⁷⁵ A portion of street sweeping costs are allocated to the storm fund to reflect NPDES PHII permit requirements.

SPECIAL REVENUE FUND

STREET FUND

						RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11						
					<i>CAPITAL OUTLAY</i>				
85									
86	\$ 296	\$ -	\$ -	\$ -	Office Furniture & Equipment	\$ -	\$ -	\$ -	
87	2,302	-	-	-	Computer Hardware	-	-	-	
88	64,749	-	14,800	14,800	Heavy Equipment/Vehicles	10,500	10,500	10,500	-29.05%
89	10,581	43,347	-	-	Bike Paths & Lanes	55,000	55,000	55,000	
90	145,024	104	500,000	249,000	Street Improvements	280,000	280,000	280,000	12.45%
91	22,953	-	30,000	27,000	Infill and ADA Sidewalk Completions	35,000	35,000	35,000	29.63%
92	351,595	1,694	-	-	Property & Easement Acquisition	-	-	-	
93	-	-	-	-	Arterial/Collector Street Light Improvements	85,000	85,000	85,000	
94	14,893	83,732	420,000	25,000	Street Resurfacing	750,000	750,000	750,000	2900.00%
95	-	-	-	-	Seiberg LID	33,000	33,000	33,000	
96	-	-	178,000	45,000	Signage Signal Upgrades	195,000	195,000	195,000	333.33%
97	-	-	-	-	Hornet CT LID	59,000	59,000	59,000	
98	-	-	-	-	Area B Development Costs	91,200	91,200	91,200	
99	656	6,305	-	-	Field Equipment	3,900	3,900	3,900	
100	\$ 613,049	\$ 135,182	\$ 1,142,800	\$ 360,800	TOTAL CAPITAL OUTLAY	\$ 1,597,600	\$ 1,597,600	\$ 1,597,600	342.79%

Notes:

⁸⁷ Computer hardware is now budgeted in the Administrative Services Fund- Assistant to the City Manager & IT budget.

⁸⁹ Phase 1 planning of new bike and pedestrian path along Delight Street.

⁹⁰ Street Improvements include the City's final match for Chemawa N and the City's match for design of Verda Chemawa roundabout/Lockhaven 14th signal and Shoreline Dr reconstruction.

⁹⁶ School Zone Flasher upgrade citywide; completion of the Lockhaven signal interconnect.

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
DEBT SERVICE									
101	\$ 157,000	\$ 163,000	\$ 169,000	\$ 169,000	Principal	\$ 176,000	\$ 176,000	\$ 176,000	4.14%
102	53,449	47,177	40,700	40,700	Interest	34,000	34,000	34,000	-16.46%
103	<u>\$ 210,449</u>	<u>\$ 210,177</u>	<u>\$ 209,700</u>	<u>\$ 209,700</u>	TOTAL DEBT SERVICE	<u>\$ 210,000</u>	<u>\$ 210,000</u>	<u>\$ 210,000</u>	0.14%
104									
105	TRANSFERS OUT								
106	\$ 28,231	\$ -	\$ -	\$ -	City Hall Facility Fund	\$ -	\$ -	\$ -	
107	149,200	169,941	210,500	210,500	Storm Utility Fund	210,500	210,500	210,500	0.00%
108	<u>\$ 177,431</u>	<u>\$ 169,941</u>	<u>\$ 210,500</u>	<u>\$ 210,500</u>	TOTAL TRANSFERS OUT	<u>\$ 210,500</u>	<u>\$ 210,500</u>	<u>\$ 210,500</u>	0.00%
109									
110	\$ -	\$ 62,700	\$ -	\$ -	Contingency	\$ 79,900	\$ 79,900	\$ 79,400	
111									
112	FUND BALANCE								
113	\$ -	\$ -	\$ 858,000	\$ 867,800	Reserve Proceeds from Property Sales	\$ 776,600	\$ 776,600	\$ 776,600	-10.51%
114	-	-	173,800	173,800	Restricted for Future Debt Service	173,800	173,800	173,800	0.00%
115	1,010,728	1,295,083	133,900	1,189,100	Unrestricted Ending Fund Balance	219,400	219,400	219,400	-81.55%
116	<u>\$ 1,010,728</u>	<u>\$ 1,295,083</u>	<u>\$ 1,165,700</u>	<u>\$ 2,230,700</u>	TOTAL FUND BALANCE	<u>\$ 1,169,800</u>	<u>\$ 1,169,800</u>	<u>\$ 1,169,800</u>	-47.56%
117									
118	<u>\$ 2,762,174</u>	<u>\$ 2,559,825</u>	<u>\$ 3,642,500</u>	<u>\$ 3,814,500</u>	TOTAL REQUIREMENTS	<u>\$ 4,087,400</u>	<u>\$ 4,087,400</u>	<u>\$ 4,086,900</u>	7.14%

Notes:

¹⁰⁷ The transfer to the Storm Utility Fund is for the Street Fund's share of Storm Water Maintenance and Improvements.

¹¹³ The reserve includes proceeds from the sale of Area B, less sales costs, will be held in a reserve until use of funds is identified.

KEIZER ROTARY AMPHITHEATER

At Keizer Rapids Park

Construction of the Keizer Rotary Amphitheater (KRA) was completed in spring of 2009. Funds from City Park System Development Charges, Keizer Rotary and other generous volunteer donations made this facility possible. The open outdoor KRA seats 550-600 guests for spring to fall venues having the capability for music, theatre, church services, weddings and many other diverse events. The City Public Works Department Parks Division currently manages the day-to-day operations, which include reservations, capital improvements, and general maintenance. Funding for continued maintenance and improvements on KRA will come from user fees. The City's General Fund may also supplement ongoing maintenance for the KRA in future years.

ENTERPRISE FUND

KEIZER ROTARY AMPHITHEATER

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
RESOURCES								
\$ -	\$ 325	\$ 2,600	\$ 4,000	WORKING CAPITAL CARRYFORWARD	\$ 4,700	\$ 4,700	\$ 4,700	17.50%
CHARGES FOR SERVICES								
325	5,380	2,100	2,400	Rental Fees	1,800	1,800	1,800	-25.00%
\$ 325	\$ 5,380	\$ 2,100	\$ 2,400	TOTAL CHARGES FOR SERVICES	\$ 1,800	\$ 1,800	\$ 1,800	-25.00%
MISCELLANEOUS								
-	-	-	-	- Donations	-	-	-	
-	20	-	-	- Interest	-	-	-	
\$ -	\$ 20	\$ -	\$ -	TOTAL MISCELLANEOUS REVENUE	\$ -	\$ -	\$ -	
\$ 325	\$ 5,725	\$ 4,700	\$ 6,400	TOTAL RESOURCES	\$ 6,500	\$ 6,500	\$ 6,500	1.56%
REQUIREMENTS								
MATERIALS & SERVICES								
-	1,658	2,000	1,700	Operating Materials & Supplies	3,000	3,000	3,000	76.47%
\$ -	\$ 1,658	\$ 2,000	\$ 1,700	TOTAL MATERIALS & SERVICES	\$ 3,000	\$ 3,000	\$ 3,000	76.47%
CAPITAL OUTLAY								
-	-	2,200	-	Improvements	3,500	3,500	3,500	
\$ -	\$ -	\$ 2,200	\$ -	TOTAL CAPITAL OUTLAY	\$ 3,500	\$ 3,500	\$ 3,500	
325	4,067	500	4,700	Unrestricted Ending Fund Balance	-	-	-	-100.00%
\$ 325	\$ 5,725	\$ 4,700	\$ 6,400	TOTAL REQUIREMENTS	\$ 6,500	\$ 6,500	\$ 6,500	1.56%

- Notes:
- ⁶ Rental fees are for use of the amphitheater at Keizer Rapids Park. City Council significantly reduced rental fee rates during FY09-10. This reduction is reflected in the FY10-11 revenue projections and the FY11-12 revenue forecast.
- ¹⁹ Operating Materials & Supplies are for garbage service, parking attendants, utility costs, portable toilets, security, ground maintenance, etc.
- ²³ Improvements are for the addition of a center-set walkway railing.

KEIZER STATION LOCAL IMPROVEMENT FUND

The Keizer Station Local Improvement Fund has been established to account for the improvements to the Keizer Station Development Project. Money expended in this fund was financed with a line-of-credit and an interfund loan during the construction phase of the project. Now that the project is complete, the City has arranged for long-term financing to pay off the line-of-credit and interfund loan. The cost of the improvements has been assessed to the property owners who directly benefit from the project. The assessments received will be used to pay off the long-term debt scheduled for maturity on June 1, 2031.

DEBT SERVICE FUND

KEIZER STATION LOCAL IMPROVEMENT DISTRICT

						RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11						
RESOURCES									
1	\$ 3,388,761	\$ 4,246,857	\$ 2,725,000	\$ 2,720,400	<i>Working Capital Carryforward</i>	\$ 3,284,500	\$ 3,284,500	\$ 3,284,500	20.74%
2									
3					TAXES & ASSESSMENTS				
4	682,359	722,239	764,400	507,700	Assessments	\$ 1,065,800	\$ 1,065,800	\$ 1,065,800	109.93%
5									
6					MISCELLANEOUS				
7	76,564	52,556	19,600	14,800	Interest	14,800	14,800	14,800	0.00%
8	1,534,929	1,495,048	1,452,900	1,186,100	Assessment Interest	1,899,600	1,899,600	1,899,600	60.16%
9	-	-	-	125,000	Assessment Penalty	125,000	125,000	125,000	0.00%
10	\$ 1,611,493	\$ 1,547,604	\$ 1,472,500	\$ 1,325,900	Total Miscellaneous	\$ 2,039,400	\$ 2,039,400	\$ 2,039,400	53.81%
11									
12	\$ 5,682,613	\$ 6,516,700	\$ 4,961,900	\$ 4,554,000	TOTAL RESOURCES	\$ 6,389,700	\$ 6,389,700	\$ 6,389,700	40.31%

Notes:

⁴ Twenty-four commercial property owners owe assessments on the Keizer Station property development. Five property owners are in default on these assessments totaling \$256,700 plus interest & penalties. Staff is currently analyzing the City's position and legal options. Currently, it is too speculative to predict a particular financial, legal, political (et al) position for the city. The budget projections assume the delinquencies will be caught up in FY11-12. If this happens, the City can proceed with calling bonds and will have the budget authority to do so.

⁷ Current CD rates are .1%-.2%; Funds are held at the Oregon State Treasury & currently earning 0.5%.

DEBT SERVICE FUND

KEIZER STATION LOCAL IMPROVEMENT DISTRICT

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
REQUIREMENTS								
MATERIALS & SERVICES								
\$ 1,784	\$ 160	\$ 2,000	\$ 1,600	Legal Services	\$ 30,000	\$ 30,000	\$ 30,000	1775.00%
-	2,320	2,200	-	Administrative Services Charges	-	-	-	
576	400	800	1,200	Contractual Services	10,000	10,000	10,000	733.33%
550	-	-	-	Line of Credit Issuance Costs	-	-	-	
\$ 2,910	\$ 2,880	\$ 5,000	\$ 2,800	TOTAL MATERIALS & SERVICES	\$ 40,000	\$ 40,000	\$ 40,000	1328.57%
DEBT SERVICE								
\$ -	\$ 2,450,000	\$ 1,000,000	\$ -	Principal	\$ 2,402,000	\$ 2,402,000	\$ 2,402,000	
1,432,846	1,343,420	1,266,700	1,266,700	Interest	1,266,700	1,266,700	1,266,700	0.00%
\$ 1,432,846	\$ 3,793,420	\$ 2,266,700	\$ 1,266,700	TOTAL DEBT SERVICE	\$ 3,668,700	\$ 3,668,700	\$ 3,668,700	189.63%
FUND BALANCE								
\$ 4,246,857	\$ 2,720,400	\$ 2,690,200	\$ 3,284,500	Restricted for Future Debt Service	\$ 2,681,000	\$ 2,681,000	\$ 2,681,000	-18.37%
\$ 5,682,613	\$ 6,516,700	\$ 4,961,900	\$ 4,554,000	TOTAL REQUIREMENTS	\$ 6,389,700	\$ 6,389,700	\$ 6,389,700	40.31%

Notes:

¹⁶ Legal Services in FY11-12 are for matters dealing with the property owners' assessment delinquencies. Staff will continue to analyze the City's position and legal options.

¹⁸ Contractual Services in FY11-12 are for potential Financial Advisory costs to refinance the City's debt should it be prudent to do so.

²³ The City's debt obligation provides for annual interest payments on it's outstanding debt each year through 2031 and one principal payment of \$24,360,000 due in 2031. The city may pay down the principal if funds are available. The City did not to make principal payments in FY10-11 as planned because five property owners fell delinquent on their assessments. The FY11-12 budget provides for principal payments in the event the property owners catch up on their assessments.

UTILITY BILLING DIVISION

The Utility Billing Division operates within the Finance Department and maintains approximately 10,200 accounts for water, sewer and storm water services, providing customer service to Keizer citizens. The staff includes one Utility Billing Technician and three Utility Billing Clerks.

The City of Keizer contracts with the City of Salem to provide sewer services to Keizer residences. Much of the activity in the fund is “passed through”; it is collected from the customer and paid to the City of Salem for sewer services. A portion of each billing receipt is retained in the fund to pay the cost of administering the bill.

Accomplishments

- Staff worked with Marion County Assessor’s office and Net Assets to ensure all map tax lot numbers in the city are reported to Conduits; thus lien searches are not limited to accounts listed in the Utility Billing system
- Implemented internal auditing step for the sewer adjustment spreadsheets
- Updated billing system to include the new License Fee on the Storm Water Utility, and individually modified each commercial and multiple account to bill correctly
- Staff developed a new procedure to process direct debit credit card batches, due to a change in financial service provider

- Prepared necessary exhibits and reports for the second annual City of Salem audit
- Assisted Public Works staff in auditing and updating the Fire Line accounts
- Modified the phone calling system to utilize the File Doctor software; increasing the number of past due customers notified each month

Future Goals

- Research options and cost of offering paperless billing
- Continue cross training Utility Billing staff. Our objective is to have each member knowledgeable in completing a variety of tasks, in order to provide full coverage during absences
- Set up tenant accounts to automatically notify landlord/property owner when the bill becomes past due
- Complete procedures manual
- The Utility Billing staff continues its commitment to providing excellent customer service

STORMWATER FUND

The Stormwater Fund is managed by the Public Works Department to meet the Federal Clean Water Act administered by Oregon Department of Environmental Quality (DEQ). The City of Keizer has been identified as a Phase II City by DEQ. The City was issued a National Pollutant Discharge Elimination System (NPDES) permit to discharge stormwater into the Willamette River, and Claggett and Labish Creeks in March 2007. The City is currently in the fourth year of the five-year permit cycle. All conditions of the permit must be met by February 28, 2012. The City will be negotiating for a new permit in 2012.

City Council established the appropriate utility fee structure to meet NPDES PH II permit requirements over the five year cycle and provide for Stormwater Systems maintenance and upgrades. The Street Fund will transfer money to fund its share of the cost for maintaining city owned impervious surfaces based on square footage, which is adjusted annually as new roads are dedicated to the Public. The City is required by DEQ to fully implement the Willamette River TMDL and finalize a WPCF permit regulating Underground Injection Control (UIC).

Projects completed in FY10-11

- Clean and maintain additional 60% of Storm Sewer catch basins as identified in the SWMP
- Benchmark calculations and Pollution Prevention Operations Manual for the new/current NPDES permit completed
- Awarded a \$750 grant from the Oregon Department of Fish and Wildlife for riparian restoration work

- 95% of the MS4 stormwater infrastructure has been added to the City's GIS mapping system
- All known UICs have been field verified, cleaned and added to the GIS mapping system
- Existing UICs have been categorized for risk assessment under state and federal law
- 22,000 feet of UIC pipe has been TV'd to identify condition and function
- Identified maintenance by US Army Corps Engineer inspections on Keizer River Wall completed
- Construction site runoff plans complete and ordinance pending Council approval

Division Goals for FY11-12

- Complete draft Post Construction Runoff ordinance to incorporate initial Low Impact Development concepts.
- TV remaining pipe footage for UICs.
- Complete revised Stormwater Management Plan and apply for new NPDES permit in July 2011.
- Prepare for negotiations of NPDES and WPCF permits
- UIC infrastructure repairs on all identified deficiencies from video inspections performed in budget year 2010/11
- Complete implementation of the Willamette River TMDL Implementation Plan
- Continue MS4 maintenance including annual outfall inspection and Storm System cleaning
- Continue education efforts with the Salem / Keizer School District and Claggett Creek Middle School

ENTERPRISE FUND

STORM WATER FUND

								RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED					
ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11													
RESOURCES																
1	\$	306,347	\$	205,694	\$	114,900	\$	131,500	Working Capital Carry forward	\$	359,200	\$	359,200	\$	358,400	172.55%
2																
3	LICENSES & FEES															
4	\$	1,456	\$	615	\$	-	\$	600	Planning & Construction Fees	\$	1,000	\$	1,000	\$	1,000	66.67%
5		526,738		531,226		749,100		755,600	Service Fees		755,600		755,600		755,600	0.00%
6	\$	528,194	\$	531,841	\$	749,100	\$	756,200	TOTAL LICENSES & FEES	\$	756,600	\$	756,600	\$	756,600	0.05%
7																
8	MISCELLANEOUS															
9	\$	1,195	\$	1,024	\$	1,600	\$	400	Interest	\$	400	\$	400	\$	400	0.00%
10		-		4,974		-		-	Miscellaneous Revenue		-		-		-	
11	\$	1,195	\$	5,998	\$	1,600	\$	400	TOTAL MISCELLANEOUS	\$	400	\$	400	\$	400	0.00%
12																
13	TRANSFERS IN															
14	\$	149,200	\$	169,941	\$	210,500	\$	210,500	Transfer from Street Fund	\$	210,500	\$	210,500	\$	210,500	0.00%
15	\$	149,200	\$	169,941	\$	210,500	\$	210,500	TOTAL TRANSFERS IN	\$	210,500	\$	210,500	\$	210,500	0.00%
16																
17																
18	\$	984,936	\$	913,474	\$	1,076,100	\$	1,098,600	TOTAL RESOURCES	\$	1,326,700	\$	1,326,700	\$	1,325,900	20.69%

Notes:

⁵ Current equivalent service unit (ESU) rate is \$7.65 per bi-monthly bill. ESU rates will remain at current levels for 2011/12.

¹⁴ The transfer from the Street Fund is for the Street Fund's share of storm water maintenance and improvements.

ENTERPRISE FUND

STORM WATER FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

PERSONNEL SERVICES

19								
20								
21								
22	\$ 5,955	\$ -	\$ -	\$ -	City Manager (2)	\$ -	\$ -	\$ -
23	5,783	-	-	-	Assistant to City Manager (4)	-	-	-
24	5,357	16,185	16,200	16,200	Public Works Director	16,200	16,200	16,200 0.00%
25	4,197	4,227	4,300	4,300	Public Works Superintendent	4,300	4,300	4,300 0.00%
26	725	-	-	-	City Recorder (5)	-	-	-
27	122,177	132,024	137,500	137,500	Municipal Utility Workers	142,300	142,300	142,300 3.49%
28	-	2,196	2,200	2,200	Code Enforcement/Zoning Technician	-	-	- -100.00%
29	53,482	56,538	56,400	56,400	Environmental Program Coordinator	56,400	56,400	56,400 0.00%
30	12,427	7,140	7,900	7,900	Administrative Support	19,500	19,500	19,500 146.84%
31	3,350	-	-	-	Network Administrator (4)	-	-	-
32	5,038	-	-	-	Human Resources Director (6)	-	-	-
33	-	-	85,600	85,600	Storm Water Technicians	85,600	85,600	85,600 0.00%
34	3,062	-	-	-	Finance Director (7)	-	-	-
35	2,097	-	-	-	Facility Maintenance Worker (8)	-	-	-
36	3,229	31,700	34,600	30,000	Temporary Employee	34,600	34,600	34,600 15.33%
37	5,739	2,628	6,900	6,900	Overtime	7,200	7,200	7,200 4.35%
38	-	768	5,200	5,200	Duty Pay	5,200	5,200	5,200 0.00%
39	460	-	-	-	Vehicle Allowance/Tuition Assistance (2)	-	-	-

Notes:

²¹ Personnel Services and certain operating costs (as referenced in the Materials & Services section) related to general administration are now budgeted in the Administrative Services Fund as follows:

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

²¹ Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.

²¹ Salaries are projected to increase 1.8% plus step increases for union represented employees per the Local 320 Contract. No increase is projected for non-union staff.

³⁰ Beginning FY09-10, Administrative Support Staff includes Utility Billing staff only. General administrative staff are in the Administrative Services Section of the budget. The increase from FY09-10 is Community Development staff assisting in utility billing to cover staff shortages for the first half of FY10-11.

³³ Two full time employees were added in FY10-11 to complete required compliance regulations of the NPDES PH II to meet the Federal Clean Water Act by Oct 2011.

³⁶ A temporary employee will assist in Underground Injection Control (UIC) inventory, registration & public outreach.

ENTERPRISE FUND

STORM WATER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
<i>PERSONNEL SERVICES - CONTINUED</i>									
40	1,000	-	1,200	1,200	Cell Phone - Clothing Allowances	1,200	1,200	1,200	0.00%
41	3,655	6,490	5,300	5,300	Medicare	5,600	5,600	5,600	5.66%
42	38,531	36,290	48,000	48,000	Retirement	61,400	61,400	61,400	27.92%
43	53,074	49,714	87,500	87,500	Insurance Benefits	94,200	94,200	94,200	7.66%
44	2,345	2,903	4,700	4,700	Workers Compensation	6,600	6,600	6,600	40.43%
45	-	-	-	-	Unemployment	-	-	-	-
46	\$ 331,683	\$ 348,803	\$ 503,500	\$ 498,900	TOTAL PERSONNEL SERVICES	\$ 540,300	\$ 540,300	\$ 540,300	8.30%

Notes:

⁴⁰ Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.

⁴¹ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

⁴² The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

⁴³ Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

⁴⁴ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ENTERPRISE FUND

STORM WATER FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
MATERIALS & SERVICES								
\$ 1,599	\$ -	\$ -	\$ -	Office Materials & Supplies	\$ -	\$ -	\$ -	
99	-	-	-	Safety & Wellness (6)	-	-	-	
3,637	2,277	4,000	2,000	Postage & Printing	2,500	2,500	2,500	25.00%
-	520	1,000	-	Concrete	1,500	1,500	1,500	
-	685	1,000	300	Rock & Backfill	2,000	2,000	2,000	566.67%
1,070	823	1,500	2,500	Paving	4,000	4,000	4,000	60.00%
2,759	-	-	-	Association Memberships (1)	-	-	-	
6,847	3,051	5,000	3,500	Travel & Training	3,000	3,000	3,000	-14.29%
481	-	-	-	City Council Expenses (1)	-	-	-	
138	145	1,500	200	Advertising	500	500	500	150.00%
6,002	-	-	-	Legal Services (3)	-	-	-	
2,126	251	400	100	Labor Attorney	1,000	1,000	1,000	900.00%
-	73,717	105,300	109,600	Administrative Services Charges	120,300	120,300	120,300	9.76%
5,606	6,120	30,000	29,000	Contractual Services	40,000	40,000	40,000	37.93%
274	-	-	-	Audit (7)	-	-	-	
15,478	2,717	20,000	9,500	Engineering Services	18,000	18,000	18,000	89.47%
2,802	1,218	600	900	Janitorial	900	900	900	0.00%
2,855	1,627	-	1,500	Utilities (8)	1,500	1,500	1,500	0.00%
4,392	4,315	4,000	3,300	Storm Drain Utilities	3,500	3,500	3,500	6.06%
2,394	2,534	2,000	2,000	Telephone	2,000	2,000	2,000	0.00%
518	1,074	2,700	-	Insurance - Liability	-	-	-	

Notes:

⁵⁹ Labor attorney costs are for union negotiations including dispute resolution. The Local 320 contract expires June, 30 2012 therefore, costs for negotiations are anticipated in FY11-12.

⁴⁷ Materials & Services related to general administration are now 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)	\$ 17,800	City-Wide Administration	\$ 22,700	\$ 22,700	\$ 22,700	27.53%
(2)	8,700	City Manager	3,500	3,500	3,500	-59.77%
(3)	33,900	Assistant to the City Manager/IT	20,900	20,900	20,900	-38.35%
(4)	3,400	Attorney's Office	4,400	4,400	4,400	29.41%
(5)	1,700	City Recorder	3,400	3,400	3,400	100.00%
(6)	15,400	Human Resources	18,700	18,700	18,700	21.43%
(7)	11,800	Finance	26,800	26,800	26,800	127.12%
(8)	16,900	Facility Maintenance	19,900	19,900	19,900	17.75%
	<u>\$ 109,600</u>	<u>Administrative Services Charges</u>	<u>\$ 120,300</u>	<u>\$ 120,300</u>	<u>\$ 120,300</u>	<u>9.76%</u>

⁶⁰ Administrative Service Charges are for City Administration; allocations are based on full-time equivalents. The Storm Water fund allocation increased to account for the two new technician positions.

⁶¹ Contractual Services are for camera inspections on 40% of the Storm system.

⁶³ Engineering services include costs to decommission or verify rule authorization of UICs.

⁶⁸ Liability insurance costs for the City's facilities are tracked in the Administrative Services Fund - Civic Center Facilities budget beginning in FY09-10. The FY09-10 budget includes the Storm Fund's share of auto insurance premiums.

ENTERPRISE FUND

STORM WATER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
69					MATERIALS & SERVICES - CONTINUED				
70	481	2,279	2,000	1,700	Gasoline	2,200	2,200	2,200	29.41%
71	5,094	6,440	7,500	7,000	Diesel Fuel	7,500	7,500	7,500	7.14%
72	1,199	-	-	-	Computer & Software Maintenance (4)	-	-	-	
73	1,180	1,575	1,700	1,700	Vehicle Maintenance	1,800	1,800	1,800	5.88%
74	3,176	7,154	7,500	13,000	Equipment Maintenance	13,000	13,000	13,000	0.00%
75	773	-	-	-	Facility Maintenance (8)	-	-	-	
76	1,400	1,000	5,000	1,800	Storm Sewer Dumping Costs	2,000	2,000	2,000	11.11%
77	-	12,153	10,000	4,500	MS4 Annual Permit Renewal/UIC Registration Fees	7,000	7,000	7,000	55.56%
78	5,919	9,561	10,000	10,000	Plant Maintenance	15,000	15,000	15,000	50.00%
79	8,295	2,651	10,000	-	Pump Maintenance	10,000	10,000	10,000	
80	13,567	13,377	15,000	13,000	Operating Materials & Supplies	15,000	15,000	15,000	15.38%
81	-	-	-	-	Street Sweeping	20,000	20,000	20,000	
82	471	40	400	200	Medical Testing	200	200	200	0.00%
83	2,264	2,809	6,000	-	Lab Tests	3,000	3,000	3,000	
84	-	821	1,800	1,000	Consumer Confidence Report/ Public Education	1,500	1,500	1,500	50.00%
85	\$ 102,896	\$ 160,934	\$ 255,900	\$ 218,300	TOTAL MATERIALS & SERVICES	\$ 298,900	\$ 298,900	\$ 298,900	36.92%
86									
87					CAPITAL OUTLAY				
88	\$ 370	\$ -	\$ 2,300	\$ -	Office Furniture & Equipment	\$ -	\$ -	\$ -	
89	1,864	9,678	2,700	1,000	Field Equipment	6,100	6,100	6,100	510.00%
90	1,854	-	-	-	Computer Hardware	-	-	-	
91	242,808	-	-	-	Storm Sewer Maintenance Truck	-	-	-	
92	-	-	22,000	22,000	Heavy Equipment/Service Vehicle	10,500	10,500	10,500	-52.27%
93	62,427	262,579	100,000	-	Storm Sewer Pipe Extension or Repair	130,000	130,000	130,000	
94	\$ 309,323	\$ 272,257	\$ 127,000	\$ 23,000	TOTAL CAPITAL OUTLAY	\$ 146,600	\$ 146,600	\$ 146,600	537.39%
95									
96					TRANSFERS OUT				
97	\$ 35,340	\$ -	\$ -	\$ -	To City Hall Facility Fund	\$ -	\$ -	\$ -	
98	\$ 35,340	\$ -	\$ -	\$ -	TOTAL TRANSFERS OUT	\$ -	\$ -	\$ -	
99									
100	\$ -	\$ -	\$ 41,000	\$ -	Contingency	\$ 70,000	\$ 70,000	\$ 69,200	
101									
102					FUND BALANCE				
103	-	-	15,000	-	Reserves	40,000	40,000	40,000	
104	205,694	131,480	133,700	358,400	Unrestricted Ending Fund Balance	230,900	230,900	230,900	-35.57%
105									
106	\$ 984,936	\$ 913,474	\$ 1,076,100	\$ 1,098,600	TOTAL REQUIREMENTS	\$ 1,326,700	\$ 1,326,700	\$ 1,325,900	20.69%

Notes:

77 MS4 Annual Permit Renewal/UIC Registration Fees are required by DEQ.

81 Storm funds share of ongoing street sweeping costs to meet State Permit obligations.

90 Computer hardware is now budgeted in the Administrative Services Fund- Assistant to the City Manager & IT budget.

92 Storm funds share of replacing a 1990 backhoe.

93 Install water quality infrastructure & replace storm water piping/outfall as annual video inspections continue.

100 State required Water Pollution Control Facility (WPCF) 10 year Permit issuance and the City's Construction Site Pollution Prevention Plan (CSPPP) implementation may require the need for additional staff resources. The existing Temporary position may need to become permanent during FY11-12.

103 The FY11-12 reserve is for the Storm Funds portion of a Storm Water Maintenance Truck.

ENTERPRISE FUND SEWER FUND

ACTUAL 2008-09		ACTUAL 2009-10		AMENDED 2010-11		PROJECTED 2010-11		RECOMMENDED 2011-12		APPROVED 2011-12		ADOPTED 2011-12		PERCENT INC (DEC) PROJECTED		
<u>RESOURCES</u>																
\$	481,269	\$	445,379	\$	365,900	\$	307,900	<i>Working Capital Carryforward</i>		\$	181,700	\$	181,700	\$	181,300	-41.12%
<i>CHARGES FOR SERVICES</i>																
583	-	-	-	Planning/Construction Fees				-	-							
4,252,847	4,482,913	4,827,600	4,645,200	Salem Sewer Billing				4,834,700	4,834,700	4,834,700	4,834,700					4.08%
286,508	288,732	288,200	288,100	Sewer Administration Fee				288,100	288,100	288,100	288,100					0.00%
4,539,938	4,771,645	5,115,800	4,933,300	TOTAL CHARGES FOR SERVICES				5,122,800	5,122,800	5,122,800	5,122,800					3.84%
<i>MISCELLANEOUS</i>																
5,210	5,370	5,400	5,500	Miscellaneous				5,000	5,000	5,000	5,000					-9.09%
-	1,878	10,700	500	Interest Earnings				500	500	500	500					0.00%
5,210	7,248	16,100	6,000	TOTAL MISCELLANEOUS				5,500	5,500	5,500	5,500					-8.33%
-	9,218	-	-	Transfer from Sewer Reserve Fund				-	-	-	-					
\$ 5,026,417	\$ 5,233,490	\$ 5,497,800	\$ 5,247,200	TOTAL RESOURCES				\$ 5,310,000	\$ 5,310,000	\$ 5,310,000	\$ 5,309,600					1.19%

Notes:

⁵ The City of Keizer is a part of a regional sewer system managed by the City of Salem. Salem sets the sewer rates for the regional system. Salem City Council passed a resolution in FY10-11 to increase Keizer's sewer rates 2% beginning January 2012. Other regional rates are increasing 3%. Salem has agreed to phase out the 7.5% surcharge on the City of Keizer's rates at 1.5% in 2009 and 1% thereafter. FY11-12 rates are base on a net 2% rate increase.

⁶ Projections are based on approximately 10,000 sewer customers billed bi-monthly at \$4.85 per bill.

¹⁰ Miscellaneous Revenues include one-time revenues that are not characterized by line-item descriptions. Historically, the fund has received at least \$5,000 annually in miscellaneous revenue.

¹¹ City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

ENTERPRISE FUND SEWER FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

PERSONNEL SERVICES

17								
18								
19								
20	\$ 1,191	\$ -	\$ -	\$ -	- City Manager (2)	\$ -	\$ -	\$ -
21	1,446	-	-	-	- Assistant to City Manager (4)	-	-	-
22	3,214	3,237	3,300	3,300	Public Works Director	3,300	3,300	3,300 0.00%
23	4,197	4,227	4,300	4,300	Public Works Superintendent	4,300	4,300	4,300 0.00%
24	1,450	-	-	-	- City Recorder (5)	-	-	-
25	104,779	84,651	93,200	93,200	Administrative Support	83,800	83,800	83,800 -10.09%
26	1,716	-	-	-	- Network Administrator (4)	-	-	-
27	2,519	-	-	-	- Human Resources Director (6)	-	-	-
28	21,438	-	-	-	- Finance Director (7)	-	-	-
29	2,097	-	-	-	- Facility Maintenance Worker (8)	-	-	-
30	260	37	-	-	- Overtime	-	-	-
31	163	-	-	-	- Vehicle Allowance/Tuition Assistance (2)	-	-	-

Notes:

¹⁹ Personnel Services and certain operating costs (as referenced in the Materials & Services section) related to general administration are now budgeted in the Administrative Services Fund as follows:

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

¹⁹ Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.

²⁵ Beginning FY09-10, Administrative Support Staff includes Utility Billing staff only. General administrative staff are in the Administrative Services Section of the budget.

ENTERPRISE FUND **SEWER FUND**

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
PERSONNEL SERVICES - CONTINUED									
32	2,222	1,414	1,600	1,600	Medicare	1,500	1,500	1,500	-6.25%
33	24,948	13,613	13,000	13,000	Retirement	13,900	13,900	13,900	6.92%
34	31,844	24,162	31,700	31,700	Insurance Benefits	29,400	29,400	29,400	-7.26%
35	251	174	200	200	Workers Compensation	100	100	100	-50.00%
36	\$ 203,735	\$ 131,515	\$ 147,300	\$ 147,300	TOTAL PERSONNEL SERVICES	\$ 136,300	\$ 136,300	\$ 136,300	-7.47%

Notes:

³² Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

³³ The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

³⁴ Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

³⁵ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ENTERPRISE FUND

SEWER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
37					MATERIALS & SERVICES				
38	\$ 2,003	\$ -	\$ -	\$ -	- Office Materials & Supplies	\$ -	\$ -	\$ -	
39	59	-	-	-	- Safety & Wellness (6)	-	-	-	
40	22,589	22,723	23,200	23,200	Postage & Printing	23,200	23,200	23,200	0.00%
41	1,655	-	-	-	- Association Memberships (1)	-	-	-	
42	1,937	305	500	500	Travel & Training	500	500	500	0.00%
43	289	-	-	-	- City Council Expenses (1)	-	-	-	
44	391	-	500	-	- Advertising	-	-	-	
45	5,577	-	-	-	- Legal Services (3)	-	-	-	
46	1,276	-	-	-	- Labor Attorney (6)	-	-	-	
47	-	129,417	135,000	136,000	Administrative Services Charges	89,300	89,300	89,300	-34.34%
48	1,784	21,510	2,500	20,600	Contractual Services	20,600	20,600	20,600	0.00%
49	4,647	-	-	-	- Audit (7)	-	-	-	
50	5,572	1,944	3,000	4,400	Engineering Services	5,000	5,000	5,000	13.64%
51	1,443	-	-	-	- Janitorial (8)	-	-	-	
52	835	-	-	-	- Utilities (8)	-	-	-	
53	717	95	-	-	- Telephone (8)	-	-	-	
54	8,812	-	-	-	- Insurance - Liability (8)	-	-	-	
55	4,340	-	-	-	- Computer & Software Maintenance (4)	-	-	-	
56	433	-	-	-	- Equipment Maintenance (4)	-	-	-	

Notes:

⁴⁷ Materials & Services related to general administration are now 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. The decrease from FY10-11 to FY11-12 is reflective of the change in allocation for the City Manager and Finance staff to reflect the shift in workload to General Service related projects net the elimination of the Assistant to the City Manager position.

(1)	\$ 10,000	City-Wide Administration	\$ 8,400	\$ 8,400	\$ 8,400	-16.00%
(2)	1,700	City Manager	3,500	3,500	3,500	105.88%
(3)	18,000	Assistant to the City Manager/IT	12,700	12,700	12,700	-29.44%
(4)	5,700	Attorney's Office	3,900	3,900	3,900	-31.58%
(5)	4,100	City Recorder	3,000	3,000	3,000	-26.83%
(6)	7,900	Human Resources	7,000	7,000	7,000	-11.39%
(7)	80,200	Finance	43,400	43,400	43,400	-45.89%
(8)	8,400	Facility Maintenance	7,400	7,400	7,400	-11.90%
	\$ 136,000	Administrative Services Charges	\$ 89,300	\$ 89,300	\$ 89,300	-34.34%

ENTERPRISE FUND **SEWER FUND**

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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MATERIALS & SERVICES - CONTINUED

57	356	-	-	-	Facility Maintenance (8)				
58	4,286,503	4,618,054	4,827,600	4,733,900	Salem Sewer Payments	4,834,700	4,834,700	4,834,700	2.13%
59	35	-	-	-	Miscellaneous Expense	-	-	-	
60	<u>\$ 4,351,253</u>	<u>\$ 4,794,048</u>	<u>\$ 4,992,300</u>	<u>\$ 4,918,600</u>	TOTAL MATERIALS & SERVICES	<u>\$ 4,973,300</u>	<u>\$ 4,973,300</u>	<u>\$ 4,973,300</u>	1.11%

CAPITAL OUTLAY

64	\$ 222	\$ -	\$ -	\$ -	Office Furniture & Equipment	\$ -	\$ -	\$ -	
65	4,604	-	-	-	Computer Hardware	-	-	-	
66	<u>\$ 4,826</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	TOTAL CAPITAL OUTLAY	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
67									
68	-	-	14,000	-	Contingency	13,700	13,700	13,300	

TRANSFERS OUT

71	21,224	-	-	-	Transfer to City Hall Facility Fund	-	-	-	
72	<u>\$ 21,224</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	TOTAL TRANSFERS OUT	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

FUND BALANCE

75	445,379	307,927	344,200	181,300	Unrestricted Ending Fund Balance	186,700	186,700	186,700	2.98%
76									
77	<u>\$ 5,026,417</u>	<u>\$ 5,233,490</u>	<u>\$ 5,497,800</u>	<u>\$ 5,247,200</u>	TOTAL REQUIREMENTS	<u>\$ 5,310,000</u>	<u>\$ 5,310,000</u>	<u>\$ 5,309,600</u>	1.19%

Notes:

58 Salem Sewer Payments are pass-through expenses and equal Salem Sewer Billing revenues in the Resources section. The increase in FY11-12 reflects the 2% rate increase approved by City of Salem in FY10-11 to go into effect January 2012.

65 Computer hardware is now budgeted in the Administrative Services Fund- Assistant to the City Manager & IT budget.

68 Contingency is 5% of total expenses less Salem Sewer Payments.

SANITARY SEWER RESERVE FUND

The Sanitary Sewer Reserve Fund was established in 1994 to cover areas not served by existing sewer lines. The Sewer Reserve is a system's development based fund used to reimburse developers for sewer trunk line improvement extensions and City constructed growth driven sewer capacity improvements outlined in the Sanitary Sewer Master Plan. Council approved the staff recommendation in 2010 to construct a portion of the 36" master sewer trunk line extension along McNary Estates Drive to Willow Lake Treatment Plant fulfilling part of the City's distribution capacity agreements with the City of Salem. Council has adopted a Resolution authorizing the final phase of the 36" Sanitary Sewer Trunk Line be constructed in late 2011 and early 2012 budget cycles to complete capacity upgrades.

CAPITAL PROJECTS FUND

SEWER RESERVE FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1					<u>RESOURCES</u>				
2									
3	\$ 1,058,780	\$ 955,330	\$ 298,600	\$ 309,400	<i>Working Capital Carryforward</i>	\$ 259,700	\$ 259,700	\$ 259,700	-16.06%
4									
5					<i>CHARGES FOR SERVICES</i>				
6	651	1,130	6,800	3,900	Sewer System Development Fee	3,600	3,600	3,600	-7.69%
7									
8					<i>INTERGOVERNMENTAL</i>				
9	-	122,713	95,000	-	City of Salem Reimbursement	50,000	50,000	50,000	
10									
11					<i>MISCELLANEOUS</i>				
12	74	3,622	5,400	1,400	Interest	1,400	1,400	1,400	0.00%
13									
14					<i>TRANSFERS IN</i>				
15	18,426	-	-	-	General Fund	-	-	-	
16	130,774	-	-	-	Transportation Fund	-	-	-	
17	<u>\$ 149,200</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	TOTAL TRANSFERS IN	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
18									
19	<u>\$ 1,208,705</u>	<u>\$ 1,082,795</u>	<u>\$ 405,800</u>	<u>\$ 314,700</u>	TOTAL RESOURCES	<u>\$ 314,700</u>	<u>\$ 314,700</u>	<u>\$ 314,700</u>	0.00%

CAPITAL PROJECTS FUND

SEWER RESERVE FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
REQUIREMENTS								
MATERIALS & SERVICES								
\$ 150,965	\$ -	\$ -	\$ -	Contractual Services	\$ -	\$ -	\$ -	-
\$ 150,965	\$ -	\$ -	\$ -	TOTAL MATERIALS & SERVICES	\$ -	\$ -	\$ -	-
CAPITAL OUTLAY								
\$ 58,626	\$ -	\$ -	\$ -	Engineering	\$ -	\$ -	\$ -	-
43,784	764,161	365,000	55,000	Sewer Line Extensions	304,000	304,000	304,000	452.73%
-	-	40,800	-	Unanticipated Expenses	10,700	10,700	10,700	-
\$ 102,410	\$ 764,161	\$ 405,800	\$ 55,000	TOTAL CAPITAL OUTLAY	\$ 314,700	\$ 314,700	\$ 314,700	472.18%
\$ -	\$ 9,218	\$ -	\$ -	Transfer to Sewer Fund	\$ -	\$ -	\$ -	-
FUND BALANCE								
\$ 955,330	\$ 309,416	\$ -	\$ 259,700	Unrestricted Ending Fund Balances	\$ -	\$ -	\$ -	-100.00%
\$ 1,208,705	\$ 1,082,795	\$ 405,800	\$ 314,700	TOTAL REQUIREMENTS	\$ 314,700	\$ 314,700	\$ 314,700	0.00%

Notes:

¹⁵ The FY08-09 transfer from the General Fund is repayment for receipts received in prior fiscal years that belong in the Sewer Reserve Fund.

¹⁶ The FY08-09 transfer from the Transportation Improvement Fund is repayment for receipts received in prior fiscal years that belong in the Sewer Reserve Fund.

²⁹ Council approved the staff recommendation in 2010 to construct a portion of the 36" master sewer trunk line extension along McNary Estates Drive to Willow Lake Treatment Plant fulfilling part of the City's distribution capacity agreements with the City of Salem. Staff is recommending the final phase of the 36" Sanitary Sewer Trunk Line be constructed in 2010/11 and 2011/12 to complete capacity upgrades.

WATER FUND

Revenues in the Water fund are derived from user charges. The City's charter designates this as a dedicated fund to be used solely for water related services. The water system is managed by the Public Works Department to provide safe, low cost, high quality drinking water that meets or exceeds state and federal regulations.

The Water Division is staffed with eleven Municipal Utility Workers, a Public Works Permit Specialist, a Public Works Superintendent and the Director of Public Works. The Finance Department manages the billing function and is staffed with three Utility Billing Clerks and a Utility Billing Technician. Expenses include the costs of customer service, billing, and water system maintenance, portions of facility maintenance, personnel services and administrative costs.

Accomplishments

- Purchased a new pickup truck
- Installed Additional Monitoring Wells for Source Water Protection
- Continued Updating Distribution System to Ensure Adequate Volume and Pressure Delivery to Residents

Future Goals

- Purchase a new backhoe to replace a 1991 model
- Continue Updating Distribution System to Ensure Adequate Volume and Pressure Delivery to Residents
- Install Additional Monitoring Wells for Source Water Protection

The Water Fund promotes public education and outreach through the annual Consumer Confidence Report, instruction at local grade schools, and also by hosting a Public Open House each year.

ENTERPRISE FUND

WATER FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED			
<u>RESOURCES</u>											
\$ 1,228,869	\$ 393,595	\$ 550,600	\$ 629,500	<i>Working Capital Carryforward</i>	\$ 570,200	\$ 570,200	\$ 568,300	-9.72%			
<i>TAXES & ASSESSMENTS</i>											
354	705	700	700	Assessments	700	700	700	0.00%			
<i>LICENSES & FEES</i>											
3,715	615	600	-	Planning & Construction Fees	-	-	-				
20,905	14,896	4,500	16,000	Service Fees	15,000	15,000	15,000	-6.25%			
26,925	26,914	26,000	26,000	Diesel Fuel Sales	27,500	27,500	27,500	5.77%			
2,230	6,960	5,000	4,300	Live Tap Reimbursement	5,000	5,000	5,000	16.28%			
\$ 53,775	\$ 49,385	\$ 36,100	\$ 46,300	TOTAL LICENSES & FEES	\$ 47,500	\$ 47,500	\$ 47,500	2.59%			
<i>CHARGES FOR SERVICES</i>											
2,511,909	2,445,468	2,479,100	2,333,000	Water Sales	2,361,000	2,351,700	2,351,700	0.80%			
<i>MISCELLANEOUS</i>											
40	62	100	100	Assessment Interest	100	100	100	0.00%			
22,946	5,175	7,000	2,500	Interest	2,500	2,500	2,500	0.00%			
12,540	18,352	19,000	22,300	Miscellaneous	5,000	5,000	5,000	-77.58%			
\$ 35,526	\$ 23,589	\$ 26,100	\$ 24,900	TOTAL MISCELLANEOUS	\$ 7,600	\$ 7,600	\$ 7,600	-69.48%			
<i>INTERGOVERNMENTAL</i>											
14,694	-	-	-	Reimbursement from Urban Renewal	-	-	-				
<i>TRANSFERS IN</i>											
5,360	(5,360)	-	-	Transfer from Park Improvement Fund	-	-	-				
1,787	-	-	-	Transfer from Park Operating Fund	-	-	-				
\$ 7,147	\$ (5,360)	\$ -	\$ -	TOTAL TRANSFERS IN	\$ -	\$ -	\$ -				
\$ 3,852,274	\$ 2,907,382	\$ 3,092,600	\$ 3,034,400	TOTAL RESOURCES	\$ 2,987,000	\$ 2,977,700	\$ 2,975,800	-1.93%			

Notes:

⁹ Diesel Fuel Sales is for fuel sold to the Keizer Fire District.

¹⁴ The City anticipates a 3% water rate increase effective January 2012.

¹⁸ City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

¹⁹ Miscellaneous Revenues include one-time revenues that are not characterized by line-item descriptions. Miscellaneous revenue in FY09-10 includes water sales to City of Salem and FY10-11 includes reimbursement from the City of Salem for Waterline replacement at Dearborn.

ENTERPRISE FUND

WATER FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

PERSONNEL SERVICES

31										
32	\$	11,910	\$	-	\$	-	\$	-	\$	-
33		10,843		-		-		-		-
34		28,927		29,134		29,100		29,100		29,100
35		37,776		33,818		34,600		33,700		33,700
36		1,450		-		-		-		-
37		480,812		484,251		503,700		516,900		509,600
38		2,183		2,265		2,300		2,300		2,300
39		127,001		94,138		103,100		85,100		85,100
40		9,174		-		-		-		-
41		13,434		-		-		-		-
42		21,438		-		-		-		-
43		6,291		-		-		-		-
44		-		-		11,900		-		-
45		30,636		23,390		28,300		29,200		28,700
46		10,683		15,064		10,400		10,400		10,400
47		920		-		-		-		-

Notes:

31 Personnel Services and certain operating costs (as referenced in the Materials & Services section) related to general administration are now budgeted in the Administrative Services Fund as follows:

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

31 Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.

31 Salaries are projected to increase 1.8% plus step increases for union represented employees per the Local 320 Contract. No increase is projected for non-union staff.

39 Beginning FY09-10, Administrative Support Staff includes Utility Billing staff only. General administrative staff are in the Administrative Services Section of the budget. The increase from FY09-10 is Community Development staff assisting in utility billing to cover staff shortages for the first half of FY10-11. The City anticipates limited Community Development's staff assistance in FY11-12; down from the effort expended in FY10-11.

44 A seasonal position was added on FY09-10 to accomplish fire hydrant maintenance previously done by the Keizer Fire District.

ENTERPRISE FUND

WATER FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
<i>PERSONNEL SERVICES - CONTINUED</i>								
3,176	20	4,300	4,300	Cell Phone/Clothing Allowance	4,300	4,300	4,300	0.00%
12,212	10,505	10,900	10,900	Medicare	10,600	10,500	10,500	-3.67%
133,801	100,819	98,300	98,300	Retirement	111,000	109,800	109,800	11.70%
180,451	154,009	188,600	188,600	Insurance Benefits	193,200	193,200	193,200	2.44%
805	434	-	1,000	Unemployment	3,000	3,000	3,000	200.00%
5,615	9,827	8,900	8,900	Workers Compensation	8,600	8,500	8,500	-4.49%
\$ 1,129,538	\$ 957,674	\$ 1,034,400	\$ 1,024,300	TOTAL PERSONNEL SERVICES	\$ 1,037,400	\$ 1,028,200	\$ 1,028,200	0.38%

Notes:

⁴⁸ Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.

⁴⁹ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

⁵⁰ The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

⁵¹ Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

⁵³ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ENTERPRISE FUND

WATER FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED	
MATERIALS & SERVICES									
\$ 6,260	\$ -	\$ -	\$ -	Office Materials & Supplies	\$ -	\$ -	\$ -		
337	-	-	-	Safety & Wellness (6)	-	-	-		
29,485	24,199	30,000	30,000	Postage & Printing	30,000	30,000	30,000	0.00%	
7,394	6,289	7,200	9,000	Concrete	8,500	8,500	8,500	-5.56%	
12,563	3,162	10,500	6,800	Rock & Backfill	8,000	8,000	8,000	17.65%	
5,210	13,065	7,000	11,500	Paving	10,000	10,000	10,000	-13.04%	
14,368	20,738	26,000	22,000	Sequestering Agent	25,000	25,000	25,000	13.64%	
6,462	9,643	15,000	10,700	Fluoride	14,000	14,000	14,000	30.84%	
9,379	-	-	-	Association Memberships (1)	-	-	-		
18,753	14,794	17,000	10,500	Travel & Training	14,400	14,400	14,400	37.14%	
1,635	-	-	-	City Council Expenses (5)	-	-	-		
600	97	1,000	-	Advertising	-	-	-		
8,754	-	-	-	Legal Services (3)	-	-	-		
7,228	929	1,700	-	Labor Attorney	7,300	7,300	7,300		
-	274,580	289,200	293,200	Administrative Services Charges	236,200	236,200	236,200	-19.44%	
38,344	12,410	99,000	32,000	Contractual Services	40,900	40,900	40,900	27.81%	
2,278	-	-	-	Audit (7)	-	-	-		
3,643	818	2,500	1,000	Flagging	2,500	2,500	2,500	150.00%	
13,958	16,617	20,000	20,000	Engineering Services	20,000	20,000	20,000	0.00%	
11,358	4,436	4,100	3,200	Janitorial (8)	3,200	3,200	3,200	0.00%	

Notes:

⁶⁵ Travel & Training costs are for Public Works and Utility Billing staff only. Travel & training for Administrative staff has been moved to the Administrative Services Fund.

⁶⁹ Labor attorney costs are for union negotiations including dispute resolution. The Local 320 contract expires June, 30 2012 therefore, costs for negotiations are anticipated in FY11-12.

⁷⁰ Materials & Services related to general administration are now 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. The decrease from FY10-11 to FY11-12 is reflective of the change in allocation for the City Manager and Finance staff to reflect the shift in workload to General Service related projects net the elimination of the Assistant to the City Manager position.

(1)	\$ 46,600	City-Wide Administration	\$ 45,000	\$ 45,000	\$ 45,000	-3.43%
(2)	17,200	City Manager	8,800	8,800	8,800	-48.84%
(3)	59,300	Assistant to the City Manager/IT	43,100	43,100	43,100	-27.32%
(4)	13,100	Attorney's Office	10,300	10,300	10,300	-21.37%
(5)	4,100	City Recorder	7,900	7,900	7,900	92.68%
(6)	36,600	Human Resources	37,100	37,100	37,100	1.37%
(7)	77,100	Finance	44,500	44,500	44,500	-42.28%
(8)	39,200	Facility Maintenance	39,500	39,500	39,500	0.77%
	<u>\$ 293,200</u>	<u>Administrative Service Charges</u>	<u>\$ 236,200</u>	<u>\$ 236,200</u>	<u>\$ 236,200</u>	<u>-19.44%</u>

ENTERPRISE FUND

WATER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
76					MATERIALS & SERVICES - CONTINUED				
77	190,072	181,651	214,000	180,000	Gas & Electricity	200,000	200,000	200,000	11.11%
78	6,008	3,216	7,500	2,800	Natural Gas	3,200	3,200	3,200	14.29%
79	12,504	8,084	7,500	7,000	Telephone	7,500	7,500	7,500	7.14%
80	7,206	4,653	10,000	10,000	Telemetry	10,000	10,000	10,000	0.00%
81	37,514	3,813	10,500	10,500	Insurance - Liability	10,500	10,500	10,500	0.00%
82	15,186	11,858	14,000	13,500	Gasoline	15,500	15,500	15,500	14.81%
83	37,201	36,900	36,000	35,500	Diesel Fuel	39,500	39,500	39,500	11.27%
84	6,993	-	-	-	Computer & Software Maintenance (4)	-	-	-	
85	11,050	11,185	12,000	12,000	Vehicle Maintenance	12,000	12,000	12,000	0.00%
86	15,986	10,004	15,000	10,500	Equipment Maintenance	15,000	15,000	15,000	42.86%
87	2,656	-	-	-	Facility Maintenance (8)	-	-	-	
88	44,029	45,733	40,000	44,500	Plant Maintenance	45,000	45,000	45,000	1.12%
89	2,175	11,880	10,000	2,200	Live Taps	10,000	10,000	10,000	354.55%
90	20,947	18,373	25,000	25,000	Pump House Maintenance	25,000	25,000	25,000	0.00%
91	36,262	55,736	35,000	35,000	Pump Maintenance	45,000	45,000	45,000	28.57%
92	34,138	24,712	30,000	23,000	Operating Materials & Supplies	30,000	30,000	30,000	30.43%
93	490	-	1,000	100	Medical Testing	1,000	1,000	1,000	900.00%
94	8,806	13,919	34,000	10,200	Water Mains	15,000	15,000	30,000	194.12%
95	4,261	4,283	4,100	4,300	Well Property Lease	4,300	4,300	4,300	0.00%
96	66,176	34,462	42,000	42,000	Lab Tests	39,000	39,000	39,000	-7.14%
97	31,664	32,239	33,500	33,500	Contract Meter Reading	33,500	33,500	33,500	0.00%
98	8,432	7,432	10,000	8,000	Consumer Confidence Report/ Public Education	10,000	10,000	10,000	25.00%
99	(81)	123	-	-	Miscellaneous	-	-	-	
100	\$ 797,684	\$ 922,033	\$ 1,121,300	\$ 959,500	TOTAL MATERIALS & SERVICES	\$ 991,000	\$ 991,000	\$ 1,006,000	4.85%

Notes:

76 Materials & Services related to general administration are now budgeted in the Administrative Services Fund as referenced below. Please see previous page for allocation.

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

81 Liability insurance costs for the City's facilities are tracked in the Administrative Services Fund - Civic Center Facilities budget beginning in FY09-10. The FY10-11 budget includes the Water Fund's share of auto insurance premiums.

94 The increase to the Water Main Adopted Budget allows the City to partially fund and install a new distribution system loop which will provide flexibility in adding a secondary water source to the Willow Lake Treatment Plant to avoid plant shut down. Currently the Plant is on a dead-end line which has shown to be problematic.

99 Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.

ENTERPRISE FUND

WATER FUND

ACTUAL 2008-09				ACTUAL 2009-10		AMENDED 2010-11		PROJECTED 2010-11		RECOMMENDED 2011-12		APPROVED 2011-12		ADOPTED 2011-12		PERCENT INC (DEC) PROJECTED	
CAPITAL OUTLAY																	
101																	
102	\$	1,259	\$	-	\$	-	\$	-	Office Furniture & Equipment	\$	-	\$	-	\$	-		
103		10,087		10,321		4,400		4,400	Field Equipment		16,500		16,500		16,500		275.00%
104		8,632		-		-		-	Computer Hardware		-		-		-		
105		33,357		-		35,000		32,000	Public Works Vehicle		-		-		-		-100.00%
106		9,041		6,041		15,000		15,000	Water Meters		20,000		20,000		20,000		33.33%
107		16,187		-		-		-	Storm Sewer Maintenance Truck		-		-		-		
108		-		-		-		-	Shop Building Addition		-		-		-		
109		-		-		25,000		-	Heavy Equipment		56,000		56,000		56,000		
110	\$	78,563	\$	16,362	\$	79,400	\$	51,400	TOTAL CAPITAL OUTLAY	\$	92,500	\$	92,500	\$	92,500		79.96%
111																	
112	DEBT SERVICE																
113	\$	140,000	\$	145,000	\$	150,000	\$	150,000	Principal	\$	155,000	\$	155,000	\$	155,000		3.33%
114		92,660		86,818		80,900		80,900	Interest		74,600		74,600		74,600		-7.79%
115	\$	232,660	\$	231,818	\$	230,900	\$	230,900	TOTAL DEBT SERVICE	\$	229,600	\$	229,600	\$	229,600		-0.56%
116																	
117		-		-		53,800		-	Contingency		53,000		53,000		36,100		
118																	
119	TRANSFERS OUT																
120		120,134		-		-		-	City Hall Facility Fund		-		-		-		
121		1,100,100		150,000		200,000		200,000	Transfer to Water Facility Replacement Reserve		250,000		250,000		250,000		25.00%
122	\$	1,220,234	\$	150,000	\$	200,000	\$	200,000	TOTAL TRANSFERS OUT	\$	250,000	\$	250,000	\$	250,000		25.00%
123																	
124	FUND BALANCE																
125		393,595		629,495		372,800		568,300	Unrestricted Ending Fund Balance		333,500		333,400		333,400		-41.33%
126																	
127	\$	3,852,274	\$	2,907,382	\$	3,092,600	\$	3,034,400	TOTAL REQUIREMENTS	\$	2,987,000	\$	2,977,700	\$	2,975,800		-1.93%

Notes:

¹⁰⁴ Computer hardware is now budgeted in the Administrative Services Fund- Assistant to the City Manager & IT budget.

¹¹⁷ The Committee Approved contingency is 2.5% of expenditures excluding debt service. The Adopted Contingency was reduced \$15,000 to cover the cost of repairing Water Main; the damage was not known at the time the budget was approved by the Committee. This amount may not be sufficient to cover unanticipated catastrophic equipment failures. The Cost of Service Analysis recommends 5% Contingency.

¹²⁵ The Fund Balance provides for a 60-day cash supply as provided for in the Cost of Service Analysis adopted by the City Council.

WATER FACILITY REPLACEMENT RESERVE

The Water Facility Replacement Reserve was established for replacement and construction of new facilities needed to provide water production, storage, and distribution. Revenue consists of System Development Charges, water usage charges transferred from the Water Operating Fund and revenue bonds. Expenditures listed in the 2011/2012 Capital Improvements are intended to enhance the ability to provide the water needed to serve the community within the existing Urban Growth Boundary consistent with the Council adopted 2001 Water System Master Plan Update Capital Improvement Plan.

Projects Completed Fiscal Year 2010/2011

- Completed Carlhaven East Replacement Well and Pump Station Modifications
- Drilled New Well at Carlhaven West Site
- Continued Steel Water Main Replacement Consisting of 4,000 Feet of Water Main in Southwest Keizer

Water Facility Fund Capital Improvements Fiscal Year 2011/2012

- Complete Replacement of Carlhaven West Well and Pump Station Modifications
- Replace 17th Ave Well and Modifications to the Pump Station
- Construct 12" Loop Waterline from Wiessner to Ridge Dr Pump Stations

CAPITAL PROJECTS FUND

WATER FACILITY REPLACEMENT RESERVE

						RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11						
<u>RESOURCES</u>									
1	\$ 1,267,077	\$ 1,412,562	\$ 1,327,200	\$ 1,364,300	<i>Working Capital Carryforward</i>	\$ 984,900	\$ 984,900	\$ 984,900	-27.81%
2									
3					<i>TAXES & ASSESSMENTS</i>				
4	2,060	11,172	10,000	5,000	Assessments	5,000	5,000	5,000	0.00%
5									
6					<i>CHARGES FOR SERVICES</i>				
7	35,006	49,500	25,300	18,000	System Development Charges	16,800	16,800	16,800	-6.67%
8									
9					<i>MISCELLANEOUS</i>				
10	24,331	11,260	13,200	6,600	Interest	6,600	6,600	6,600	0.00%
11	20	(236)	-	-	Miscellaneous	-	-	-	
12	\$ 24,351	\$ 11,024	\$ 13,200	\$ 6,600	TOTAL MISCELLANEOUS	\$ 6,600	\$ 6,600	\$ 6,600	0.00%
13									
14					<i>TRANSFERS</i>				
15	1,100,100	150,000	200,000	200,000	Transfer from Water Fund	250,000	250,000	250,000	25.00%
16	(5,360)	5,360	-	-	Transfer to Park Improvement Fund	-	-	-	
17	1,772	-	-	-	Transfer from Park Operating Fund	-	-	-	
18	\$ 1,096,512	\$ 155,360	\$ 200,000	\$ 200,000	TOTAL TRANSFERS IN	\$ 250,000	\$ 250,000	\$ 250,000	25.00%
19									
20									
21	\$ 2,425,006	\$ 1,639,618	\$ 1,575,700	\$ 1,593,900	TOTAL RESOURCES	\$ 1,263,300	\$ 1,263,300	\$ 1,263,300	-20.74%

Notes:

⁴ The Assessments are payments for new waterlines built by the City and repaid by the property owners.

⁷ In FY11-12, System Development Fees are based on 20 Single Family dwelling units.

¹⁰ City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

CAPITAL PROJECTS FUND

WATER FACILITY REPLACEMENT RESERVE

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

CAPITAL OUTLAY

25	\$	38,855	\$	238,057	\$	376,000	\$	340,000	Supply/Treatment	\$	400,000	\$	400,000	\$	400,000	17.65%
26		961,190		29,957		550,000		269,000	Transmission & Distribution Mains		210,000		210,000		210,000	-21.93%
27		9,558		7,235		-		-	General Plant		-		-		-	
28		2,841		-		-		-	Storage		-		-		-	
29		-		-		100,000		-	Unanticipated Expenses		100,000		100,000		100,000	
30	\$	1,012,444	\$	275,249	\$	1,026,000	\$	609,000	TOTAL CAPITAL OUTLAY	\$	710,000	\$	710,000	\$	710,000	16.58%
31																
32																
33	\$	-	\$	-	\$	234,100	\$	234,100	Restricted for Debt Service Requirements	\$	234,100	\$	234,100	\$	234,100	0.00%
34		1,412,562		1,364,369		315,600		750,800	Unrestricted Ending Fund Balance		319,200		319,200		319,200	-57.49%
35	\$	1,412,562	\$	1,364,369	\$	549,700	\$	984,900	TOTAL FUND BALANCE	\$	553,300	\$	553,300	\$	553,300	-43.82%
36																
37	\$	2,425,006	\$	1,639,618	\$	1,575,700	\$	1,593,900	TOTAL REQUIREMENTS	\$	1,263,300	\$	1,263,300	\$	1,263,300	-20.74%

Notes:

²⁴ For detailed Capital Outlay projects see Water Facility Fund Summary immediately preceding this page.

³⁴ The Ending Fund Balance will be used in future years to pay for projects provided for in the Capital Improvement Program as outlined in the narrative section of this budget.

STREET LIGHTING DISTRICT FUND

The Street Lighting District Fund accounts for the Street Lighting Districts and Local Improvement Districts from establishment and construction; through billing and recording the liens with the county tax collector. The City currently has approximately 180 Lighting Districts. The City Recorder, the Finance Department and the Public Works Department share the responsibility for managing the activities in this fund.

ENTERPRISE FUND
STREET LIGHTING DISTRICT FUND

						RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11						
<u>RESOURCES</u>									
1	\$ 219,493	\$ 225,592	\$ 251,000	\$ 259,400	<i>Working Capital Carryforward</i>	\$ 294,300	\$ 294,300	\$ 294,200	13.42%
2									
3					<i>TAXES & ASSESSMENTS</i>				
4	442,119	455,706	454,100	456,300	Lighting District Assessments	421,000	421,000	421,000	-7.74%
5									
6					<i>MISCELLANEOUS</i>				
7	-	1,767	1,600	1,300	Interest Earnings	1,300	1,300	1,300	0.00%
8									
9	\$ 661,612	\$ 683,065	\$ 706,700	\$ 717,000	TOTAL RESOURCES	\$ 716,600	\$ 716,600	\$ 716,500	-0.07%

Notes:

⁴ The Street Lighting District Fund operates on a reimbursement basis. Electricity is paid in Year One and assessed on the tax roles in Year Two. FY08-09 includes an assessment for pole replacement for \$3,900 and street lighting maintenance costs for \$5,100. The reduction in revenue from FY10-11 to FY11-12 reflects a reduction in the uncollectibles ratio from 8% to 4%, more in keeping with actual experience. This will reduce the ending fund balance which has increased above the amount needed for cash flow operations. This will also reduce proportionally the amount assessed on each homeowners lighting district assessment for FY11-12.

⁷ City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

ENTERPRISE FUND

STREET LIGHTING DISTRICT FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
REQUIREMENTS								
PERSONNEL SERVICES								
\$ 1,191	\$ -	\$ -	\$ -	City Manager (2)	\$ -	\$ -	\$ -	
1,446	-	-	-	Assistant to City Manager (4)	-	-	-	
5,357	5,395	5,400	5,400	Public Works Director	5,400	5,400	5,400	0.00%
4,197	4,227	4,300	4,300	Public Works Superintendent	4,300	4,300	4,300	0.00%
7,252	-	-	-	City Recorder (5)	-	-	-	
11,468	4,352	4,400	4,400	Administrative Support Staff (5)-(7)	4,400	4,400	4,400	0.00%
572	-	-	-	Network Administrator (4)	-	-	-	
840	-	-	-	Human Resources Director (6)	-	-	-	
5,104	-	-	-	Finance Director (7)	-	-	-	
2,097	-	-	-	Facility Maintenance Worker (8)	-	-	-	
2	-	-	-	Overtime	-	-	-	
92	-	-	-	Vehicle Allowance/Tuition Assistance (2)	-	-	-	
61	-	-	-	Cell Phone Stipend/Clothing Allowance	-	-	-	
609	212	300	300	Medicare	300	300	300	0.00%
7,248	2,152	2,200	2,200	Retirement	2,500	2,500	2,500	13.64%
10,615	2,347	2,800	2,800	Insurance Benefits	2,800	2,800	2,800	0.00%
(58)	92	100	100	Workers Compensation	100	100	100	0.00%
\$ 58,093	\$ 18,777	\$ 19,500	\$ 19,500	TOTAL PERSONNEL SERVICES	\$ 19,800	\$ 19,800	\$ 19,800	1.54%

Notes:

¹² Personnel Services and certain operating costs (as referenced in the Materials & Services section) related to general administration are now budgeted in the Administrative Services Fund as follows:

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

¹² Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.

²⁶ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

²⁷ The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

²⁸ Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

²⁹ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ENTERPRISE FUND

STREET LIGHTING DISTRICT FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					MATERIALS & SERVICES				
31									
32	\$ 501	\$ -	\$ -	\$ -	Materials & Supplies (1)	\$ -	\$ -	\$ -	
33	20	-	-	-	Safety & Wellness (6)	-	-	-	
34	467	-	-	-	Postage & Printing (2)	-	-	-	
35	552	-	-	-	Association Memberships (1)	-	-	-	
36	987	-	-	-	Travel & Training (2)-(8)	-	-	-	
37	96	-	-	-	City Council Expenses (1)	-	-	-	
38	870	1,189	1,200	1,200	Advertising	1,200	1,200	1,200	0.00%
39	673	-	-	-	Legal Services (3)	-	-	-	
40	425	-	-	-	Labor Attorney (6)	-	-	-	
41	-	33,383	35,000	34,800	Administrative Services Charges	20,100	20,100	20,100	-42.24%
42	38	-	-	-	Contractual Services	-	-	-	
43	456	-	-	-	Audit (7)	-	-	-	
44	481	-	-	-	Janitorial (8)	-	-	-	
45	279	-	-	-	Utility (8)	-	-	-	
46	312	94	-	-	Telephone (4)	-	-	-	
47	259	-	-	-	Insurance - Liability (1)	-	-	-	
48	1,028	-	-	-	Computer & Software Maintenance (4)	-	-	-	
49	144	-	-	-	Equipment Maintenance (4)	-	-	-	
50	120	-	-	-	Facility Maintenance (8)	-	-	-	
51	1,495	6,830	6,800	5,700	Engineering Costs	5,700	5,700	5,700	0.00%
52	355,327	357,094	355,400	356,500	Lighting Costs	371,500	371,500	371,500	4.21%
53	5,508	6,339	5,100	5,100	Street Lighting Maintenance - Keizer Station Area A	5,100	5,100	5,100	0.00%
54	4	-	-	-	Miscellaneous Expense	-	-	-	
55	\$ 370,042	\$ 404,929	\$ 403,500	\$ 403,300	TOTAL MATERIALS & SERVICES	\$ 403,600	\$ 403,600	\$ 403,600	0.07%

Notes:

³⁸ Advertising costs are for Street Lighting District Assessment public notices.

⁴¹ Materials & Services related to general administration are now 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. The decrease from FY10-11 to FY11-12 is reflective of the change in allocation of staff to reflect the shift in workload net the elimination of the Assistant to the City Manager position.

(1)	\$ 1,600	City-Wide Administration	\$ 1,100	\$ 1,100	\$ 1,100	-31.25%
(2)	1,700	City Manager	1,800	1,800	1,800	5.88%
(3)	2,700	Assistant to the City Manager/IT	1,400	1,400	1,400	-48.15%
(4)	700	Attorney's Office	1,600	1,600	1,600	128.57%
(5)	7,100	City Recorder	1,200	1,200	1,200	-83.10%
(6)	1,200	Human Resources	900	900	900	-25.00%
(7)	18,500	Finance	11,100	11,100	11,100	-40.00%
(8)	1,300	Facility Maintenance	1,000	1,000	1,000	-23.08%
	\$ 34,800	Administrative Services Charges	\$ 20,100	\$ 20,100	\$ 20,100	-42.24%

⁵² PGE increased electrical rates an estimated 4.2% beginning January 2011. FY11-12 projections anticipate a similar increase.

⁵³ The Keizer Station Area A Street Lighting District provides for \$5,100 annual maintenance per Council resolution.

ENTERPRISE FUND

STREET LIGHTING DISTRICT FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
56					CAPITAL OUTLAY				
57	\$ 74	\$ -	\$ -	\$ -	- Office Furniture & Equipment	\$ -	\$ -	\$ -	-
58	703	-	-	-	- Computer Hardware	-	-	-	-
59	<u>\$ 777</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>- TOTAL CAPITAL OUTLAY</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
60									
61	-	-	\$ 20,700	\$ -	- Contingency	\$ 21,200	\$ 21,200	\$ 21,100	
62									
63					TRANSFERS OUT				
64	7,108	-	-	-	- Transfer to City Hall Facility Fund	-	-	-	-
65									
66					FUND BALANCE				
67	3,900	-	11,700	11,700	Restricted for Pole Replacement at Keizer Station Area A	15,600	15,600	15,600	33.33%
68	-	-	-	-	Reserve for Pole Replacement for Option B Districts	10,000	10,000	10,000	
69	221,692	259,359	251,300	282,500	Unrestricted Ending Fund Balance	246,400	246,400	246,400	-12.78%
70									
71	<u>\$ 661,612</u>	<u>\$ 683,065</u>	<u>\$ 706,700</u>	<u>\$ 717,000</u>	TOTAL REQUIREMENTS	<u>\$ 716,600</u>	<u>\$ 716,600</u>	<u>\$ 716,500</u>	<u>-0.07%</u>

Notes:

⁶¹ Contingency is 5% of total expenses.

⁶⁷ The Keizer Station Area A Street Lighting District provides for \$3,900 annually for depreciation on poles per Council resolution. This amount is collected annually and set aside in a reserve for future use for pole replacement.

⁶⁸ Most Lighting Districts in the Keizer area are Option A districts whereby the electric company pays for pole replacement. However, in more recent years newer districts have formed as Option B districts whereby pole replacement is the responsibility of the property owners within the district. \$10,000 has been reserved for potential future pole replacement.

COMMUNITY CENTER

The City of Keizer Community Center is a state of the art facility intended to accommodate the cultural, educational, professional, recreational and economic needs of Keizer citizens and the community.

City staff manages the scheduling and marketing of the facility. Staff coordinates and/or facilitates logistical needs such as security, janitorial, A/V, and catering services. In addition, staff provides day-to-day management of the facility, which includes room scheduling, responding to event rental inquiries, promoting events, and guiding potential clients through the facility.

The City of Keizer will continue to evaluate the needs of the community and the facility and will make appropriate changes as becomes necessary.

ENTERPRISE FUND COMMUNITY CENTER

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
RESOURCES								
\$ -	\$ -	\$ 2,500	\$ 7,000	WORKING CAPITAL CARRYFORWARD	\$ 20,000	\$ 20,000	\$ 20,000	185.71%
CHARGES FOR SERVICES								
-	25,556	85,900	91,300	Rental Fees	91,300	91,300	91,300	0.00%
\$ -	\$ 25,556	\$ 85,900	\$ 91,300	TOTAL CHARGES FOR SERVICES	\$ 91,300	\$ 91,300	\$ 91,300	0.00%
MISCELLANEOUS								
30,000	10,000	10,000	10,000	Donations	10,000	10,000	10,000	0.00%
-	-	-	100	Interest	100	100	100	0.00%
\$ 30,000	\$ 10,000	\$ 10,000	\$ 10,100	TOTAL MISCELLANEOUS REVENUE	\$ 10,100	\$ 10,100	\$ 10,100	0.00%
64,496	-	-	-	Transportation Fund Interfund Loan	-	-	-	
\$ 94,496	\$ 35,556	\$ 98,400	\$ 108,400	TOTAL RESOURCES	\$ 121,400	\$ 121,400	\$ 121,400	11.99%

Notes:
 6 In FY10-11 the Community Center enjoyed its first full year of operations; rental fees have increased accordingly.
 10 Donations are from the Keizer Rotary Foundation. The Foundation has agreed to pay \$100,000 as user fees for use of the rooms; \$30,000 in FY08-09 and \$10,000 for the next seven years. The proceeds are to be used to purchase furniture, equipment, audio/video equipment and other supplies and equipment to be used in the rooms.

	Rotary Donations	Furnishings & Fixtures	
FY08-09	\$30,000	\$78,748	actual
FY09-10	10,000	393	actual
FY10-11	10,000	1,000	projected
FY11-12	10,000	1,600	budgeted
Cummulative	<u>\$60,000</u>	<u>\$81,741</u>	

ENTERPRISE FUND

COMMUNITY CENTER

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

PERSONNEL SERVICES

\$	-	\$ 3,331	\$ 5,000	\$ 5,000	Overtime Costs	\$	400	\$ 400	\$ 400	-92.00%
	-	-	10,000	10,000	Temporary Help		20,000	20,000	20,000	100.00%
\$	-	\$ 3,331	\$ 15,000	\$ 15,000	TOTAL PERSONNEL SERVICES	\$	20,400	\$ 20,400	\$ 20,400	36.00%

MATERIALS & SERVICES

\$	2,568	\$ -	\$ -	\$ -	Legal Services	\$	-	\$ -	\$ -	
	-	-	900	900	Administrative Services Charges		-	-	-	-100.00%
	-	-	2,500	2,500	Janitorial Services		1,000	1,000	1,000	-60.00%
	13,180	23,129	4,000	4,000	Contractual Services		8,000	8,000	8,000	100.00%
\$	15,748	\$ 23,129	\$ 7,400	\$ 7,400	TOTAL MATERIALS & SERVICES	\$	9,000	\$ 9,000	\$ 9,000	21.62%

CAPITAL OUTLAY

	78,748	2,058	1,000	1,000	Furnishings		1,600	1,600	1,600	60.00%
\$	78,748	\$ 2,058	\$ 1,000	\$ 1,000	TOTAL CAPITAL OUTLAY	\$	1,600	\$ 1,600	\$ 1,600	60.00%

DEBT SERVICE

	-	-	500	500	Interest on Interfund Loan		-	-	-	-100.00%
	-	-	64,500	64,500	Repay Portion of Transportation Fund Loan		-	-	-	-100.00%
\$	-	\$ -	\$ 65,000	\$ 65,000	TOTAL DEBT SERVICE	\$	-	\$ -	\$ -	-100.00%

\$	-	\$ -	\$ -	\$ -	Contingency	\$	5,000	\$ 5,000	\$ 5,000	
	-	-	-	-	Transfer to General Fund		75,000	75,000	75,000	
	-	7,038	10,000	20,000	Unrestricted Ending Fund Balance		10,400	10,400	10,400	-48.00%
\$	94,496	\$ 35,556	\$ 98,400	\$ 108,400	TOTAL REQUIREMENTS	\$	121,400	\$ 121,400	\$ 121,400	11.99%

- Notes:
- 22 During FY10-11 the City recruited and hired Temporary staff to oversee events held outside normal operating hours. This will help reduce staff overtime costs and provide better service to rental clients.
- 39 An interfund loan was made to pay for furnishings, fixtures and consulting services to get the Center up and running in FY08-09. The City anticipates paying off the Transportation Fund, with interest, with rental fee income and donations in FY10-11.
- 44 The Community Center operations are not currently self-supporting. General Service employees operate the Center, therefore excess funds are transferred to the General Fund to offset those costs.

ADMINISTRATIVE SERVICES FUND

The Administrative Services Fund is an Internal Service fund which is used to account for the financing of goods and/or services provided to various City funds on a cost-reimbursement basis.

Purpose: The Administrative Services Fund provides services to City funds as identified in the City's annual budget. Those services are provided by the following activities: City-wide Administration (City Council and Nondepartmental), City Manager's Office, Assistant to the City Manager and Information Technology, City Attorney's Office, City Recorder's Department, Human Resources Department, Finance Department and Civic Center Facilities (building maintenance).

The sources from which the fund shall be replenished: Each Operating fund is charged for the services provided by the Administrative Services Fund 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.

The appropriation or appropriations to be charged in order to provide the initial money for financing the fund: The Administrative Services Fund will receive one-twelfth of budgeted Charges for Services from each City fund as the initial money for financing the fund. At the end of the first month, the City shall return

the initial money to each operating fund and each operating fund shall thereafter reimburse the Administrative Services Fund for monthly costs as provided for in the cost allocation plans.

The methods for controlling of expenditures and encumbering of such funds: Each internal services activity is tracked in a separate cost center. City-wide Administration, Human Resources, the Network Administrator and Civic Center Facility costs are allocated to each operating fund based on the full-time equivalents (FTE) of that fund.

Costs directly attributed to the City Manager, Assistant to the City Manager, City Recorder's Department, City Attorney's Office and Finance Department are based on effort staff expects to expend in each program for the upcoming year. Information Technology is based on approved budgeted expenditures for each department. Auditing services are based on the current year's projected expenditures at the time the upcoming budget is prepared.

The method for handling any fiscal year end surplus or deficit: At fiscal yearend any excess revenues over total expenditures will be refunded Citywide using the same allocation proportion as when initially charged. An allowance for the estimated beginning balance of the new fiscal year will be considered when determining the amount of the refund. In a deficit situation significant additional charges would be approved and program expenditures appropriated by City Council action.

ADMINISTRATIVE SERVICE FUND SUMMARY

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED							
RESOURCES															
\$	-	\$	-	\$	-	\$	-	\$	-	-100.00%					
CHARGES FOR SERVICES															
	-	1,956,687	2,031,200	2,043,500	Charges for Services	1,994,700	1,994,700	1,994,700	-2.39%						
\$	-	\$	1,956,687	\$	2,031,200	\$	2,016,700	TOTAL RESOURCES	\$	1,994,700	\$	1,994,700	\$	1,994,700	-1.09%
ALLOCATION BY FUND															
	\$	1,097,400	General Fund		\$	1,234,100	\$	1,234,100	\$	1,234,100	12.46%				
		106,600	Street Fund			128,300		128,300		128,300	20.36%				
		136,000	Sewer Fund			89,300		89,300		89,300	-34.34%				
		293,200	Water Fund			236,200		236,200		236,200	-19.44%				
		34,800	SLD Fund			20,100		20,100		20,100	-42.24%				
		109,500	Storm Water			120,300		120,300		120,300	9.86%				
		262,800	Urban Renewal Agency			167,200		167,200		167,200	-36.38%				
		1,800	PEG			-		-		-	-100.00%				
		900	Community Center			-		-		-	-100.00%				
		200	9-1-1 Fund			-		-		-	-100.00%				
		300	Rounding			(800)		(800)		(800)	-366.67%				
	\$	2,043,500	Total Allocation by Fund		\$	1,994,700	\$	1,994,700	\$	1,994,700	-2.39%				

ADMINISTRATIVE SERVICE FUND SUMMARY

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

EXPENDITURES

Personnel Services

\$	-	\$ 167,630	\$ 169,100	\$ 167,700	City Manager	\$ 172,100	\$ 172,100	\$ 172,100	2.62%
	-	182,637	183,000	183,000	Assistant to the City Manager & IT	113,100	113,100	113,100	-38.20%
	-	204,926	211,500	211,500	City Attorney's Office	215,200	215,200	215,200	1.75%
	-	162,162	165,800	165,800	City Recorder's Office	169,600	169,600	169,600	2.29%
	-	210,495	200,200	199,800	Human Resources	205,000	205,000	205,000	2.60%
	-	347,898	355,800	355,800	Finance	360,400	360,400	360,400	1.29%
	-	68,724	70,000	65,900	Facility Maintenance	71,400	71,400	71,400	8.35%
\$	-	\$ 1,344,472	\$ 1,355,400	\$ 1,349,500	TOTAL PERSONNEL SERVICES	\$ 1,306,800	\$ 1,306,800	\$ 1,306,800	-3.16%

Materials & Services

\$	-	\$ 227,598	\$ 233,000	\$ 233,000	General Administration	\$ 230,900	\$ 230,900	\$ 230,900	-0.90%
	-	4,038	3,900	3,900	City Manager	3,000	3,000	3,000	-23.08%
	-	141,054	149,600	149,600	Assistant to the City Manager & IT	161,200	161,200	161,200	7.75%
	-	6,974	12,500	6,000	City Attorney's Office	8,000	8,000	8,000	33.33%
	-	3,441	4,800	4,800	City Recorder's Office	1,400	1,400	1,400	-70.83%
	-	23,114	21,000	21,000	Human Resources	27,300	27,300	27,300	30.00%
	-	29,099	30,000	30,000	Finance	28,000	28,000	28,000	-6.67%
	-	159,980	172,400	170,300	Facility Maintenance	175,700	175,700	175,700	3.17%
\$	-	\$ 595,298	\$ 627,200	\$ 618,600	TOTAL MATERIALS & SERVICES	\$ 635,500	\$ 635,500	\$ 635,500	2.73%

ADMINISTRATIVE SERVICE FUND SUMMARY

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
Capital Outlay								
\$ -	\$ 19,163	\$ -	\$ -	General Administration	\$ -	\$ -	\$ -	
-	24,577	48,600	48,600	Assistant to the City Manager & IT	52,400	52,400	52,400	7.82%
\$ -	\$ 43,740	\$ 48,600	\$ 48,600	TOTAL CAPITAL OUTLAY	\$ 52,400	\$ 52,400	\$ 52,400	7.82%
\$ -	\$ 1,983,510	\$ 2,031,200	\$ 2,016,700	TOTAL EXPENDITURES	\$ 1,994,700	\$ 1,994,700	\$ 1,994,700	-1.09%
FUND BALANCE								
-	(26,823)	-	-	Unrestricted Ending Fund Balances	-	-	-	
\$ -	\$ (26,823)	\$ -	\$ -	TOTAL FUND BALANCE	\$ -	\$ -	\$ -	
\$ -	\$ 1,956,687	\$ 2,031,200	\$ 2,016,700	TOTAL REQUIREMENTS	\$ 1,994,700	\$ 1,994,700	\$ 1,994,700	-1.09%
SUMMARY OF COSTS BY DEPARTMENT								
\$ 259,300				Administration	\$ 230,900	\$ 230,900	\$ 230,900	-10.95%
171,600				City Manager	175,100	175,100	175,100	2.04%
381,200				Assistant to the City Manager	326,700	326,700	326,700	-14.30%
217,500				City Attorney	223,200	223,200	223,200	2.62%
170,600				City Recorder	171,000	171,000	171,000	0.23%
220,800				Human Resources	232,300	232,300	232,300	5.21%
385,800				Finance	388,400	388,400	388,400	0.67%
236,200				Facilities	247,100	247,100	247,100	4.61%
(26,300)				Resources	-	-	-	-100.00%
-				Rounding	-	-	-	
\$ 2,016,700				TOTAL ADMINISTRATIVE SERVICES	\$ 1,994,700	\$ 1,994,700	\$ 1,994,700	-1.09%

ADMINISTRATIVE SERVICES FUND

CITY-WIDE ADMINISTRATION

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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RESOURCES

1	\$	-	\$	-	\$	-	\$	(26,800)	Working Capital Carryforward	\$	-	\$	-	\$	-	-100.00%
2		-		11		-		500	Miscellaneous (including Interest)							-100.00%

REQUIREMENTS

MATERIALS & SERVICES

7	\$	-	\$	19,019	\$	22,000	\$	22,000	Office Materials & Supplies	\$	22,000	\$	22,000	\$	22,000	0.00%
8				30,462		32,300		32,300	Postage & Printing		32,300		32,300		32,300	0.00%
9		-		54,082		57,900		57,900	Association Memberships		51,200		51,200		51,200	-11.57%
10		-		6,748		5,100		5,100	City Council Expenses		5,100		5,100		5,100	0.00%
11		-		508		1,000		1,000	Committee Meeting Expense		800		800		800	-20.00%
12		-		1,391		2,000		2,000	Advertising		2,000		2,000		2,000	0.00%
13		-		305		1,000		1,000	Contractual Services		1,000		1,000		1,000	0.00%
14		-		114,369		110,700		110,700	Liability Insurance		115,500		115,500		115,500	4.34%
15		-		714		1,000		1,000	Miscellaneous Expense		1,000		1,000		1,000	0.00%
16	\$	-	\$	227,598	\$	233,000	\$	233,000	TOTAL MATERIALS & SERVICES	\$	230,900	\$	230,900	\$	230,900	-0.90%

Notes:

- ⁹ Association Memberships include organizations such as the Council of Governments, League of Oregon Cities, Chamber of Commerce, & local newspaper subscriptions.
- ¹⁰ FY10-11 budget provides for 5 council members to attend the fall League of Oregon Cities conference and the Mayor to attend the annual Oregon Mayor's Association Conference.
- ¹¹ In FY08-09 the City committed to a three-year "Retro Plan" agreement on its liability insurance premiums. Premium contributions reduced to 65% with a maximum exposure of 117.5%. Auto insurance premiums are paid from the Police Operating budget and Public Works budgets. FY11-12 projections expect premium rates similar to FY09-10. Liability insurance includes insuring the following art pieces as part of the City's Art Walk Program. The premium is estimated at \$570 annually. The deductibles are based on the value. If the value of the art is \$7,500 or under, the City's deductible is \$2,500. If the value is over \$7,500, the deductible is \$5,000. Deductibles will be paid from General Fund resources.

	Value	Deductible
Summer Breeze	\$6,500	\$2,500
Trilat Relic	\$13,400	\$5,000
Praise	\$10,000	\$5,000
The Sentry	\$3,000	\$2,500
Twilight Reverence	\$25,000	\$5,000

- ¹³ Contractual Services include the ASCAP and BMI licenses. American Society of Composers, Authors & Publishers (ASCAP) licenses the right to perform songs and musical works created and owned by publishers who are ASCAP members. Broadcast Music, Inc. (BMI), a global leader in rights management, collects license fees from businesses that use music, which it distributes as royalties to songwriters, composers & music publishers. Licenses apply to the City's on-hold telephone music and Amphitheater performances.

CITY-WIDE ADMINISTRATION

RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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17	CAPITAL OUTLAY										
18	\$	-	\$	19,163	\$	-	-	Office Furniture & Equipment			
19	\$	-	\$	19,163	\$	-	\$	-	TOTAL CAPITAL OUTLAY	\$ - \$ - \$ -	
20											
21	\$	-	\$	246,761	\$	233,000	\$	259,300	TOTAL REQUIREMENTS	\$ 230,900 \$ 230,900 \$ 230,900 -10.95%	

SUMMARY OF CITY-WIDE ADMINISTRATIVE COSTS ALLOCATED BY FUND

\$	162,700	General Fund	\$	136,000	\$	136,000	\$	136,000	-16.41%
	10,300	Street Fund		11,200		11,200		11,200	8.74%
	10,000	Sewer Fund		8,400		8,400		8,400	-16.00%
	46,600	Water Fund		45,000		45,000		45,000	-3.43%
	1,600	SLD Fund		1,100		1,100		1,100	-31.25%
	19,600	Storm Water		22,700		22,700		22,700	15.82%
	8,400	Urban Renewal		6,400		6,400		6,400	-23.81%
	100	Rounding		100		100		100	0.00%
\$	259,300	TOTAL EXPENDITURES BY FUND	\$	230,900	\$	230,900	\$	230,900	-10.95%

CITY MANAGER'S OFFICE

City Manager Position

The **City Manager** is the administrative head of the City government as provided by the City Charter. This position provides the Mayor and City Councilors with information, implements policies adopted by the Council, and manages the City operations in an effective and efficient manner. The City Manager oversees all departments, which provide services to the citizens of Keizer. These departments consist of Police, Public Works, City Recorder, Municipal Court, Finance, Human Resources, and Community Development. Currently, staffing is comprised of 92 Full Time Equivalents (FTE). The City Manager also acts as the primary liaison with other local Municipal, State and Federal agencies.

Form of Government

The **Council-Manager** form of local government combines the strong political leadership of elected officials (in the form of a council, board, or other governing body) with the strong professional experience of an appointed Local Government Administrator. Under the Council-Manager form, power is concentrated in the elected council, which hires a professional administrator to implement its policies. This appointee serves at the pleasure of the Council and has responsibility for preparing the budget, directing day-to-day

Functioning much like a business organization's Chief Executive, the appointed Professional Manager administers the daily operations of the community. Through a professional staff, the Manager ensures the provision of services and enforces the policies adopted by the elected Council. He or she is selected by the Council on the basis of education, training, and experience. Qualifications and performance, not political savvy, are the characteristics that make an appointed Manager attractive to a Council.

operations, hiring and firing personnel, and serving as the Council's Chief Policy Advisor.

Since 1912, when Sumter, South Carolina, became the first community to adopt Council-Manager government and ran the first advertisement for a City Manager, the form has become the most popular system of local government for communities with populations of 5,000 or over. In 1935, the International City Manager's Association (now the International City/County Management Association), recognized 418 U.S. cities and 7 counties as operating under the Council-Manager form. By 1985, the number of Council-Manager communities had grown to 2,548 cities and 86 counties in the U.S. Today, more than 3,056 U.S. cities and 144 counties operate under this system of local government.

The Council-Manager form continues to gain popularity. During the past 12 years, an average of 44 U.S. cities annually have adopted the Council-Manager form, while an average of only two have abandoned it. The form also is flexible enough to meet the needs of larger communities, including Dallas, Texas (population 1,006,877); Kansas City, Missouri (435,146), Cincinnati, Ohio (364,040); Phoenix, Arizona (983,403); San Jose, California (782,248); and San Diego, California (1,110,549).

Appointed Local Government Managers have no guaranteed term of office or tenure. They can be dismissed by the Council at any time, for any reason. As a result, they constantly must respond to citizens and be dedicated to the highest ideals of honesty, integrity, and excellence in the management and delivery of public services. In short, appointed Managers are charged with providing government "for the people."

City Manager's Office

Professional Code of Ethics

Because caring for and tendering the public trust is of critical importance, Professional Managers are bound by a code of ethics that guides their actions on a daily basis. These ethical standards are listed below:

Tenet 1. Be dedicated to the concepts of effective and democratic local government by responsible elected officials and believe that Professional General Management is essential to the achievement of this objective.

Tenet 2. Affirm the dignity and worth of the services rendered by government and maintain a constructive, creative, and practical attitude toward local government affairs and a deep sense of social responsibility as a trusted public servant.

Tenet 3. Be dedicated to the highest ideals of honor and integrity in all public and personal relationships in order that the member may merit the respect and confidence of the elected officials, of other officials and employees, and of the public.

Tenet 4. Recognize that the chief function of local government at all times is to serve the best interests of all of the people.

Tenet 5. Submit policy proposals to elected officials; provide them with facts and advice on matters of policy as a basis for making decisions and setting community goals; and uphold and implement local government policies adopted by elected officials.

Tenet 6. Recognize that elected representatives of the people are entitled to the credit for the establishment of local government policies; responsibility for policy execution rests with the members.

continued

Tenet 7. Refrain from all political activities which undermine public confidence in professional administrators. Refrain from participation in the election of the members of the employing legislative body.

Tenet 8. Make it a duty to continually improve the member's professional ability and to develop the competence of associates in the use of management techniques.

Tenet 9. Keep the community informed on local government affairs; encourage communication between the citizens and all local government officers; emphasize friendly and courteous service to the public; and seek to improve the quality and image of public service.

Tenet 10. Resist any encroachment on professional responsibilities, believing the member should be free to carry out official policies without interference, and handle each problem without discrimination on the basis of principle and justice.

Tenet 11. Handle all matters of personnel on the basis of merit so that fairness and impartiality govern a member's decisions, pertaining to appointments, pay adjustments, promotions, and discipline.

Tenet 12. Seek no favor; believe that personal aggrandizement or profit secured by confidential information or by misuse of public time is dishonest.

Organizational Accomplishments

FY 2009-10 turned out to be a difficult year for a number of reasons. Most importantly, however, certain key and historically revenues came in significantly below projections, requiring significant mid-year spending modifications to preserve our ending fund balances. Keizer continues to experience a significant slowdown in construction, similar to the surrounding region but there are some signs of a slow recovery as more building permits were issued this year versus last

City Manager's Office

year and a number of commercial/office projects are on the near horizon. The economic downturn has manifested in lower franchise fees, water sales, and other revenue streams, making the budgeting process for the 2011-12 very challenging. This year will make the 2nd year in a row of wage freezes. We are also prioritizing services to evaluate possible force reductions in order to make the General Fund budget balance.

- The Keizer Rapids Park continues to be a very popular asset and has been provided with a volunteer built 400-seat amphitheatre that we anticipate will see significantly escalating usage in the years to come.
- The Keizer Station Area A continues to be impacted by the national economic slowdown, however, some new construction activity has been recently planned for this next building cycle (Spring/Summer 2012)
- The City's long-range financial plan continues to be updated each year as we provide sound financial guidance to the City.

continued

This year has seen a major reworking of this tool so that it will continue to be a useful asset into the future.

- The Community Center has seen a steady increase in use as citizens, businesses, and governmental agencies around us learn about it. We anticipate usage to continue to climb significantly as time goes on.

Future Goals

As the City heads into the next fiscal year and beyond, we shall be mindful of the goals set by Council so as to continue providing excellent service to the Citizens of Keizer. The Council Goals have been provided for you separately. Additionally, Staff will strive to accomplish the goals we have developed internally to promote a more effective and efficient organization. The staff goals are very simple and are as follows: **Provide exceptional customer service in all areas of our organization.**

ADMINISTRATIVE SERVICES FUND CITY MANAGER'S OFFICE

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

PERSONNEL SERVICES

\$	-	\$ 123,651	\$ 123,200	\$ 123,200	City Manager	\$ 123,200	\$ 123,200	\$ 123,200	0.00%
	-	4,200	4,200	4,200	Vehicle Allowance	4,200	4,200	4,200	0.00%
	-	1,320	1,400	-	Cell Phone Stipend	-	-	-	
	-	1,990	2,000	2,000	Medicare	2,000	2,000	2,000	0.00%
	-	24,950	24,500	24,500	Retirement	28,600	28,600	28,600	16.73%
	-	11,386	13,700	13,700	Insurance Benefits	14,000	14,000	14,000	2.19%
	-	133	100	100	Workers Compensation	100	100	100	0.00%
\$	-	\$ 167,630	\$ 169,100	\$ 167,700	TOTAL PERSONNEL SERVICES	\$ 172,100	\$ 172,100	\$ 172,100	2.62%

MATERIALS & SERVICES

\$	-	\$ 3,738	\$ 3,600	\$ 3,600	Travel & Training	\$ 2,700	\$ 2,700	\$ 2,700	-25.00%
	-	300	300	300	Liability Insurance	300	300	300	0.00%
\$	-	\$ 4,038	\$ 3,900	\$ 3,900	TOTAL MATERIALS & SERVICES	\$ 3,000	\$ 3,000	\$ 3,000	-23.08%
\$	-	\$ 171,668	\$ 173,000	\$ 171,600	TOTAL REQUIREMENTS	\$ 175,100	\$ 175,100	\$ 175,100	2.04%

Notes:

- ³ Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.
- ⁶ Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.
- ⁷ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- ⁸ The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.
- ⁹ Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.
- ¹⁰ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.
- ¹⁵ The City pays premiums on a "Public Officials" bond for the City Manager.

ADMINISTRATIVE SERVICES FUND

CITY MANAGER'S OFFICE

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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SUMMARY OF CITY MANAGER'S OFFICE ALLOCATED BY FUND

\$	48,000	General Fund	\$	110,300	\$	110,300	\$	110,300	129.79%
	8,600	Street Fund		15,800		15,800		15,800	83.72%
	1,700	Sewer Fund		3,500		3,500		3,500	105.88%
	17,200	Water Fund		8,800		8,800		8,800	-48.84%
	1,700	SLD Fund		1,800		1,800		1,800	5.88%
	8,600	Storm Water		3,500		3,500		3,500	-59.30%
	85,800	Urban Renewal		31,500		31,500		31,500	-63.29%
	-	Rounding		(100)		(100)		(100)	
\$	171,600	TOTAL EXPENDITURES BY FUND	\$	175,100	\$	175,100	\$	175,100	2.04%

INFORMATION SYSTEMS

Assistant to the City Manager's Office

The Assistant to the City Manager acts as a project coordinator across all departments, is a department head level position and reports directly to the City Manager. The City of Keizer continues to take on numerous significant projects of a very complex nature that often span several departments. The Assistant to the City Manager provides the coordination of these special projects.

The Assistant to the City Manager manages all aspects of these large, community based or regional, complex and multi-departmental special projects including coordination between departments, volunteer coordination, grant writing, working with City Councilors, other regional elected officials and governmental agencies, communicating the project status to the community and ensuring that the City of Keizer continues to be successful and innovative as we work toward the future.

This FTE is a department head level position for coordination purposes but does not have any supervisory authority over other department heads.

Specific tasks include but are not limited to; supervision and management of the Information Technology Division within the City of Keizer, management of the Community Center, staff liaison for Keizer 23 Channel Committee, staff liaison with selected management group for management of the Keizer Little League Fields, management of Housing Rehabilitation Program, assistance with the budget process, development and implementation on various organizational policies and development of a sidewalk education program. The Assistant to the City Manager provides capacity to department heads on an as needed basis.

Information Technology

The Information Technology Division supports the City's software, hardware, telephone systems, and security by providing the following critical services to the City:

- Network: Email, internet, intranet, network connectivity, backup, voice, and network security
- Application: IT planning, application programming and development, major software system implementation, software system maintenance and support
- Desktop Help: Assists employees and Councilors with laptop and personal computer hardware and software needs
- Telecommunications: Phone system administration, handset and station maintenance, and voicemail administration
- Wireless access: The new civic center will provide full wireless access for staff and visitors throughout the complex for data and voice

IT Goals for 2010-2011

With the recent move into the new civic center, IT goals continue to focus on ensuring the needs of the new building are being met for both City Hall and Police. Many new systems have been brought on line including new building security, fire monitoring and a campus wide wireless system for the public. IT will also be focused on updating the EOC and developing a help desk program through the network.

ADMINISTRATIVE SERVICES FUND

INFORMATION SYSTEMS DIVISION

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

PERSONNEL SERVICES

1												
2												
3												
4	\$	-	\$ 75,780	\$ 75,600	\$ 75,600	Assistant to the City Manager	\$ 12,600	\$ 12,600	\$ 12,600		-83.33%	
5		-	59,376	59,200	59,200	Network Administrator	59,200	59,200	59,200		0.00%	
6		-	1,320	1,400	1,400	Cell Phone Stipend	-	-	-		-100.00%	
7		-	2,098	2,100	2,100	Medicare	1,200	1,200	1,200		-42.86%	
8		-	21,111	17,200	17,200	Retirement	10,700	10,700	10,700		-37.79%	
9		-	22,771	27,400	27,400	Insurance Benefits	16,300	16,300	16,300		-40.51%	
10		-	181	100	100	Workers Compensation	100	100	100		0.00%	
11		-	-	-	-	Unemployment	13,000	13,000	13,000			
12	\$	-	\$ 182,637	\$ 183,000	\$ 183,000	TOTAL PERSONNEL SERVICES	\$ 113,100	\$ 113,100	\$ 113,100		-38.20%	

Notes:

- 3 Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.
- 4 Due to funding constraints, the Assistant to the City Manager position has been eliminated beginning September 1, 2011. Duties have been reassigned to various other City Departments.
- 6 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.
- 7 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- 8 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.
- 9 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.
- 10 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ADMINISTRATIVE SERVICES FUND

INFORMATION SYSTEMS DIVISION

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
13					MATERIALS & SERVICES				
14	\$ -	\$ 3,490	\$ 2,500	\$ 2,500	Travel & Training	\$ 200	\$ 200	\$ 200	-92.00%
15	-	869	100	100	Contractual Services	100	100	100	0.00%
16	-	28,580	28,400	28,400	Telephone	28,400	28,400	28,400	0.00%
17	-	92,833	104,700	104,700	Computer Software & Maintenance	119,500	119,500	119,500	14.14%
18	-	15,282	13,900	13,900	Office Equipment Maintenance	13,000	13,000	13,000	-6.47%
19	\$ -	\$ 141,054	\$ 149,600	\$ 149,600	TOTAL MATERIALS & SERVICES	\$ 161,200	\$ 161,200	\$ 161,200	7.75%
20									
21					CAPITAL OUTLAY				
22	-	24,577	48,600	48,600	Computer Hardware	52,400	52,400	52,400	7.82%
23	\$ -	\$ 24,577	\$ 48,600	\$ 48,600	TOTAL CAPITAL OUTLAY	\$ 52,400	\$ 52,400	\$ 52,400	7.82%
24									
25	\$ -	\$ 348,268	\$ 381,200	\$ 381,200	TOTAL REQUIREMENTS	\$ 326,700	\$ 326,700	\$ 326,700	-14.30%

Notes:

- 17 FY11-12 Computer software and maintenance costs are primarily for maintenance of the City's existing software license agreements. Beginning in FY11-12, costs also include photocopy leases which were previously budgeted in various operating funds.
- 22 FY11-12 Computer Hardware costs include replacement of five police car laptops totaling \$21,800.

SUMMARY OF INFORMATION SYSTEMS ALLOCATED BY FUND

\$ 240,700	General Fund	\$ 227,700	\$ 227,700	\$ 227,700	-5.40%
13,200	Street Fund	11,900	11,900	11,900	-9.85%
18,000	Sewer Fund	12,700	12,700	12,700	-29.44%
59,300	Water Fund	43,100	43,100	43,100	-27.32%
2,700	SLD Fund	1,400	1,400	1,400	-48.15%
32,600	Storm Water	20,900	20,900	20,900	-35.89%
14,200	Urban Renewal	9,300	9,300	9,300	-34.51%
-	Housing Rehabilitation Loan Fund	-	-	-	
-	Energy Efficiency Loan Fund	-	-	-	
500	PEG	-	-	-	-100.00%
-	Rounding	(300)	(300)	(300)	
\$ 381,200	TOTAL EXPENDITURES BY FUND	\$ 326,700	\$ 326,700	\$ 326,700	-14.30%

CITY ATTORNEY'S OFFICE

City Attorney Position

The **City Attorney** is a Charter officer, answering directly to the City Council. In addition to the Council, the City Attorney advises the Urban Renewal Agency, City staff, and citizen committees on various legal matters. These include reviewing contracts, regulations, statutes and answering questions regarding the impact of new laws and court decisions. The City Attorney attends City Council and Planning Commission meetings, and guides the City officials and employees through a myriad of situations, from complex real estate transactions to land use matters, from public records requests to code enforcement disputes, from municipal court traffic prosecution to drafting development agreements.

The **Legal Assistant** provides administrative support to the City Attorney. The Legal Assistant maintains records, calendars important dates/deadlines, prepares drafts of simple documents and prioritizes workload tasks.

Projects and Work Tasks

The City Attorney has assisted the City on several projects and day-to-day tasks such as:

Keizer Station Development

- Advised staff regarding on-going Area Local Improvement District process
- Assisted in multiple real estate transactions with the developer and other property owners in Keizer Station
- Assisted in multiple land use matters in connection with the Keizer Station project
- Assisted staff regarding Master Plan process
- Assisted staff regarding transportation/development issues

Keizer Rapids Park

- Negotiated and represented City regarding real estate transactions
- Advised regarding land use issues on Keizer Rapids Park
- Reviewed and advised regarding funding alternatives
- Assisted staff with amphitheatre policies
- Drafted documents and advised staff regarding amphitheatre

General Land Use Counsel

- Advised/assisted with text amendments, such as Keizer Station Master Plan, annexations, public water supply, junk, sign regulations, and a special agriculture zone
- Advised/assisted with individual quasi-judicial land use cases
- Answered day-to-day questions on code interpretation and process

General Legal Counsel

- Prosecuted traffic cases
- Assisted on City vehicle leases
- Advised/researched regarding code enforcement matters
- Drafted documents and advised staff regarding art program
- Reviewed and advised regarding public records/public meetings questions
- Prepared Ballot Titles for Initiative Petition and Referendum Petition
- Advised/researched regarding lease matters
- Negotiated settlements
- Drafted Resolutions, Ordinances and Orders

Goals

In the next fiscal year, the City Attorney's Office will:

- Continue to provide first class service to City Council, staff, citizen committees and the public
- Always treat citizens with respect and civility even when they have interests contrary to City interests
- Be proactive in identifying problem scenarios in advance

ADMINISTRATIVE SERVICES FUND CITY ATTORNEY'S OFFICE

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

PERSONNEL SERVICES

5	\$	-	\$	112,874	\$	113,900	\$	113,900	Attorney	\$	113,900	\$	113,900	\$	113,900	0.00%
6	-		45,330		46,000		46,000		Administrative Support		46,000		46,000		46,000	0.00%
7	-		-		-		-		Overtime		-		-		-	
8	-		220		1,100		1,100		Cell Phone Stipend		700		700		700	-36.36%
9	-		2,535		2,500		2,500		Medicare		2,500		2,500		2,500	0.00%
10	-		20,918		20,400		20,400		Retirement		23,900		23,900		23,900	17.16%
11	-		22,771		27,400		27,400		Insurance Benefits		28,000		28,000		28,000	2.19%
12	-		278		200		200		Workers Compensation		200		200		200	0.00%
13	\$	-	\$	204,926	\$	211,500	\$	211,500	TOTAL PERSONNEL SERVICES	\$	215,200	\$	215,200	\$	215,200	1.75%

Notes:

- ⁵ Increases in wages reflect contractual agreements between the City and both the City Attorney and Legal Assistant entered into prior to FY09-10 providing a step increase after initial 6 months as City employees. Step increases were given in December 2009 and are fully reflected in FY10-11.
- ⁸ Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.
- ⁹ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- ¹⁰ The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.
- ¹¹ Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.
- ¹² Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ADMINISTRATIVE SERVICES FUND

CITY ATTORNEY'S OFFICE

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
14					MATERIALS & SERVICES				
15	\$ -	\$ 88	\$ 200	\$ 200	Postage & Printing	\$ 200	\$ 200	\$ 200	0.00%
16	-	4,279	6,300	4,200	Travel & Training	3,800	3,800	3,800	-9.52%
17	-	750	4,500	1,100	Legal Services Contracts	3,000	3,000	3,000	172.73%
18	-	-	500	-	Contractual Services	-	-	-	
19	-	1,857	1,000	500	Law Library Maintenance	1,000	1,000	1,000	100.00%
20	\$ -	\$ 6,974	\$ 12,500	\$ 6,000	TOTAL MATERIALS & SERVICES	\$ 8,000	\$ 8,000	\$ 8,000	33.33%
21									
22	\$ -	\$ 211,900	\$ 224,000	\$ 217,500	TOTAL REQUIREMENTS	\$ 223,200	\$ 223,200	\$ 223,200	2.62%

Notes:
Effective June 2009, the City Attorney's office will no longer be a contracted service and staff will move in-house. A four-year comparison of costs prior to that time is as follows:

FY04-05	Actual	\$ 268,890
FY05-06	Actual	\$ 214,653
FY06-07	Actual	\$ 198,169
FY07-08	Actual	\$ 222,110

¹⁷ Legal Services Contracts include outside legal assistance (not including Bond Counsel).

¹⁸ Contractual services costs include outside law clerk assistance and temporary legal assistance in the absences of the City's in-house staff.

SUMMARY OF ATTORNEY'S OFFICE ALLOCATED BY FUND

\$ 125,300	General Fund	\$ 141,600	\$ 141,600	\$ 141,600	13.01%
22,200	Street Fund	20,300	20,300	20,300	-8.56%
5,700	Sewer Fund	3,900	3,900	3,900	-31.58%
13,100	Water Fund	10,300	10,300	10,300	-21.37%
700	SLD Fund	1,600	1,600	1,600	128.57%
3,300	Storm Water	4,400	4,400	4,400	33.33%
45,000	Urban Renewal	41,100	41,100	41,100	-8.67%
900	Community Center Fund	-	-	-	-100.00%
1,300	PEG	-	-	-	-100.00%
200	9-1-1 Fund	-	-	-	-100.00%
(200)	Rounding	-	-	-	-100.00%
\$ 217,500	TOTAL EXPENDITURES BY FUND	\$ 223,200	\$ 223,200	\$ 223,200	2.62%

CITY RECORDER

The **City Recorder** provides administrative support to the City Council, serves as Election Officer, Risk Manager, and Volunteer Coordinator. In addition, the City Recorder acts as a “hub” for many of the departments providing project research, procedural support for preparation of staff reports, ordinances, and resolutions, records management and oversees the public notification process. Other areas of responsibility include processing of public records requests, liquor license applications and street lighting district petitions. The City Recorder provides supervisory authority to the Deputy City Recorder.

The **Deputy City Recorder** gives administrative support, prepares minutes and agenda packets and attends meetings for most of the City’s Boards, Commissions and Task Forces. In addition, the Deputy City Recorder coordinates the Records Management program, the City’s webpage, and assists the City Recorder in preparation of minutes for the City Council, Urban Renewal Agency and Budget Committee. The Deputy City Recorder serves as pro tem during the absence of the City Recorder.

Accomplishments

During the last fiscal year, the City Recorder managed three different election processes. In November 2010 four positions on the City Council were elected. Councilor Joe Egli joined the Council for his first four-year term and Councilors Clark and Taylor were reelected for a second and third term respectively. Mayor Christopher was reelected for her sixth two-year term. In July, an Initiative Petition was filed, which resulted in a March 2011 special election. A referendum petition was filed in December 2010; however this measure did not require an election due to the repealing of the Ordinance by the City Council. Under the Risk Manager area of the department, a property appraisal and

review of the City’s equipment was conducted.

The City’s webpage information continues to be updated and expanded. The City has also developed a Facebook page which provides information to keep our citizens apprised of the issues in our community. We will continue to utilize technological advances to keep the citizens of Keizer informed of their government action. We continue to build our electronic records management system, adding in various documents as time permits. In addition, we have added new Task Forces and Committees that require our administrative support in the preparation of agenda and minutes. The Department has also handled several volunteer recruitments over the last year keeping all positions filled on our citizen volunteer committees, boards, and commissions. As in past years, organization of the annual volunteer recognition program occurred in April during National Volunteer Recognition month.

Future Goals

In the upcoming year, the **City Recorder** and **Deputy City Recorder** will remain focused on providing the elected officials, staff, and citizens of Keizer with information, both in an electronic and paper format, on current and past proceedings within their city. In addition, we will strive to provide our volunteers with the support and information they need to carry forth the goals and objectives of the City. We will continue to expand our electronic records database and provide information to the citizens we serve. During the upcoming year, the City Recorder will assist a newly formed Task Force in reviewing the City Council Policy and Procedures manual. If a ballot measure is placed on the November 2011 ballot, we will manage the election process.

We look forward to serving all of you in 2010-2011.

ADMINISTRATIVE SERVICES FUND

CITY RECORDER'S DEPARTMENT

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED	
<u>REQUIREMENTS</u>									
<i>PERSONNEL SERVICES</i>									
\$	-	\$ 73,042	\$ 72,800	\$ 72,800	City Recorder	\$ 72,800	\$ 72,800	\$ 72,800	0.00%
	-	45,706	45,600	45,600	Administrative Support	45,600	45,600	45,600	0.00%
	-	-	-	-	Overtime	-	-	-	
	-	1,826	1,900	1,900	Medicare	1,900	1,900	1,900	0.00%
	-	18,644	18,000	18,000	Retirement	21,200	21,200	21,200	17.78%
	-	22,771	27,400	27,400	Insurance Benefits	28,000	28,000	28,000	2.19%
	-	173	100	100	Workers Compensation	100	100	100	0.00%
\$	-	\$ 162,162	\$ 165,800	\$ 165,800	TOTAL PERSONNEL SERVICES	\$ 169,600	\$ 169,600	\$ 169,600	2.29%
<i>MATERIALS & SERVICES</i>									
\$	-	\$ 3,441	\$ 4,800	\$ 4,800	Travel & Training	\$ 1,400	\$ 1,400	\$ 1,400	-70.83%
	-	-	-	-	Contractual Services	-	-	-	
\$	-	\$ 3,441	\$ 4,800	\$ 4,800	TOTAL MATERIALS & SERVICES	\$ 1,400	\$ 1,400	\$ 1,400	-70.83%
\$	-	\$ 165,603	\$ 170,600	\$ 170,600	TOTAL REQUIREMENTS	\$ 171,000	\$ 171,000	\$ 171,000	0.23%

Notes:

- ³ Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.
- ⁷ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- ⁸ The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.
- ⁹ Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.
- ¹⁰ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.
- ¹⁵ Contractual service costs include meeting attendance and transcription services in the absence of in-house staff. Funding is not available in FY11-12 for this service.

ADMINISTRATIVE SERVICES FUND
CITY RECORDER'S DEPARTMENT

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11	RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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SUMMARY OF CITY RECORDER'S OFFICE ALLOCATED BY FUND

\$ 113,900	General Fund	\$ 108,500	\$ 108,500	\$ 108,500	-4.74%
12,200	Street Fund	15,600	15,600	15,600	27.87%
4,100	Sewer Fund	3,000	3,000	\$ 3,000	-26.83%
4,100	Water Fund	7,900	7,900	7,900	92.68%
7,100	SLD Fund	1,200	1,200	\$ 1,200	-83.10%
1,700	Storm Water	3,400	3,400	3,400	100.00%
27,500	Urban Renewal	31,500	31,500	\$ 31,500	14.55%
-	Rounding	(100)	(100)	(100)	
<u>\$ 170,600</u>	<u>TOTAL EXPENDITURES BY FUND</u>	<u>\$ 171,000</u>	<u>\$ 171,000</u>	<u>\$ 171,000</u>	<u>0.23%</u>

HUMAN RESOURCES

Human Resources

Service with integrity defines how we approach everything we do in the Human Resources Department! To be truly successful in providing the necessary services, it is critical that employees trust us to treat them with dignity and respect and to balance their best interests with the needs of the City as a whole. Our approach to maintaining and growing that trust is to operate with as much transparency as possible. We also strive to balance creativity and resourcefulness with professional standards and best practice to meet our customer's needs and ensure the highest fiscal responsibility to the citizens of Keizer.

The Human Resources Department develops, administers and provides service to staff and the public in the following areas:

- **Classification and Compensation**
- **Employee Benefits**
- **Employee and Labor Relations**
- **Health and Wellness**
- **Human Resources Information System (HRIS)**
- **Intranet**
- **Policies and Procedures**
- **Recruitment and Selection**
- **Risk Management**

Accomplishments

- Completed 5 recruitments resulting in 2 new regular status hires, 8 temporary status hires and 5 seasonal hires.
- Processed 4 terminations/resignations.
- Completed 2 classification reviews and began 1 additional review, established 1 new position/classification (Lieutenant).
- Responded to multiple public records requests.

- Negotiated medical benefit rate increases and Conducted Open Enrollment for employees' Health and Retirement benefits.
- Conducted annual hearing tests, partnered with Keizer Police Department (KPD) to deliver annual CPR/AED training.
- Developed procedures and forms for student internship program & initiated program with an HR intern focusing on Health and Wellness and the Fitness Center.
- Partnered with select staff members to participate in pilot assessment of online training through CIS. Established access to free on-line training for all employees.
- Held quarterly Personnel Policy Committee (PPC) meetings.
- Implemented new Personnel Policy Manual for the City of Keizer including informational meetings in each department.
- Processed 4 Worker's Comp & 8 FMLA/OFLA Claims.
- Held Retirement Seminars in partnership with City of Silverton & Salem-Keizer School District.
- Earned Grand Prize for City Display at Marion County Fair and designed/decorated Civic Center for TDK Event.

Goals

During the coming fiscal year, Human Resources will:

- Review and update the Performance Management program.
- Successfully negotiate collective bargaining agreements.
- Update and fully implement HRIS system.
- Establish Safety & Health Loss Prevention Program.
- Develop position-specific intranet information, communication and training tools.
- Continue to audit internal processes and controls to ensure practices support policy and organization goals.
- Continue documentation protocols including transition away from paper files to electronic records wherever possible.

ADMINISTRATIVE SERVICES FUND

HUMAN RESOURCES DEPARTMENT

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED	
<u>REQUIREMENTS</u>									
<i>PERSONNEL SERVICES</i>									
\$	-	\$ 50,381	\$ 53,200	\$ 52,800	Administrative Support	\$ 52,800	\$ 52,800	\$ 52,800	0.00%
	-	92,226	92,000	92,000	Human Resources Director	92,000	92,000	92,000	0.00%
	-	900	1,100	1,100	Cell Phone Stipend	900	900	900	-18.18%
	-	2,173	2,200	2,200	Medicare	2,300	2,300	2,300	4.55%
	-	41,864	24,200	24,200	Retirement	28,900	28,900	28,900	19.42%
	-	22,771	27,400	27,400	Insurance Benefits	28,000	28,000	28,000	2.19%
	-	180	100	100	Workers Compensation	100	100	100	0.00%
\$	-	\$ 210,495	\$ 200,200	\$ 199,800	TOTAL PERSONNEL SERVICES	\$ 205,000	\$ 205,000	\$ 205,000	2.60%

Notes:

- 3 Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.
- 6 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs.
- 7 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- 8 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.
- 9 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.
- 10 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ADMINISTRATIVE SERVICES FUND

HUMAN RESOURCES DEPARTMENT

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
MATERIALS & SERVICES								
\$ -	\$ 2,984	\$ 2,900	\$ 2,900	Safety & Wellness	\$ 2,800	\$ 2,800	\$ 2,800	-3.45%
-	4,572	4,000	4,000	Travel & Training	4,500	4,500	4,500	12.50%
-	10,481	10,000	10,000	Labor Attorney -- City-wide	15,000	15,000	15,000	50.00%
-	5,077	4,100	4,100	Contractual Services	5,000	5,000	5,000	21.95%
\$ -	\$ 23,114	\$ 21,000	\$ 21,000	TOTAL MATERIALS & SERVICES	\$ 27,300	\$ 27,300	\$ 27,300	30.00%
\$ -	\$ 233,609	\$ 221,200	\$ 220,800	TOTAL REQUIREMENTS	\$ 232,300	\$ 232,300	\$ 232,300	5.21%

- Notes:
- ¹³ Safety & Wellness costs include only required CPR/First Aid Training and Hearing Tests.
- ¹⁴ Travel & Training has actually declined in FY11-12 from FY10-11 from \$4,000 to \$3,000; the \$1500 difference is for the Local Government Personnel Institute membership that was previously budgeted in the Administrative Services Membership budget.
- ¹⁵ Labor Attorney - City-wide costs increase in FY11-12 for potential changes in employee benefits, layoffs, settlement agreements, etc. due to significant resource cuts in the coming fiscal year.
- ¹⁶ Contractual services include the Employee Assistance Program for \$2,400 and Flexible Spending Account administration for \$2,200.

SUMMARY OF HUMAN RESOURCE DEPARTMENT ALLOCATED BY FUND

\$ 145,000	General Fund	\$ 154,100	\$ 154,100	\$ 154,100	6.28%
8,100	Street Fund	9,300	9,300	9,300	14.81%
7,900	Sewer Fund	7,000	7,000	7,000	-11.39%
36,600	Water Fund	37,100	37,100	37,100	1.37%
1,200	SLD Fund	900	900	900	-25.00%
15,400	Storm Water	18,700	18,700	18,700	21.43%
6,600	Urban Renewal	5,300	5,300	5,300	-19.70%
-	Rounding	(100)	(100)	(100)	
\$ 220,800	TOTAL EXPENDITURES BY FUND	\$ 232,300	\$ 232,300	\$ 232,300	5.21%

FINANCE DEPARTMENT

The financial operations of the City are planned and directed by the Finance Department. It establishes and sustains controls over the City's financial activities, and provides accurate, timely financial information to Council and Management. The Finance Department coordinates the annual budget preparation and administration in accordance with Oregon Budget Law. The Department analyzes the City's financial condition, invests funds, coordinates bond financing, ensures compliance with tax laws and bond covenants, and recommends financial policies to the City Manager and Council. It maintains the integrity of the City's accounting records and facilitates the annual audit. The Department also manages the Utility Billing Division, the Municipal Court office and the Reception desk.

Accomplishments

During fiscal year 2010-11 the Finance Department:

- Issued the fiscal year 2009-10 Comprehensive Annual Financial Report, which received an unqualified audit opinion by the City's external financial auditors. In addition, the City received the Certificate of Achievement for Excellence in Financial Reporting, a nationally recognized honor, for the eleventh consecutive year.
- Mitigated an increase in external financial audit fees by drafting the Comprehensive Annual Financial Report in-house rather than relying on our third party auditors.
- Issued the fiscal year 2011-12 Council Adopted Budget document.
- Reduced bank and credit card fees by changing third party financial service providers.
- Reworked the General Fund Long-Range Plan into a comprehensive and collaborative process including staff, Council, Budget Committee members and citizens. (See details in the

General Fund Long-Range Planning section of the budget document.)

Future Goals

This coming year, the Department will continue focusing on customer service, streamlining processes and meeting City Council goals including:

- Research automating the cash application process in the utility billing system.
- Implement on-line utility billing payment options and research electronic utility billing invoice presentation options.
- Implement Government Accounting Standards Board's Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions.
- Facilitate the development and implementation of a sustainable General Fund revenues and services plan.
- Review and finalize the Urban Renewal District's collection of tax increment revenues.
- Document and refine as needed, existing financial and investment policies.
- Take on management of the City's Information Technology Division.
- Research possible debt restructuring for the Keizer Station Local Improvement District debt.
- Provide support for City Council Goal to generate Economic Development initiatives

Please refer to the Municipal Court summary and the Utility Billing Division summary for specific accomplishments and goals related to those Divisions.

ADMINISTRATIVE SERVICES FUND

FINANCE DEPARTMENT

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

PERSONNEL SERVICES

\$	-	\$ 155,057	\$ 156,200	\$ 156,200	Administrative Support	\$ 156,200	\$ 156,200	\$ 156,200	0.00%
	-	102,768	102,400	102,400	Finance Director	102,400	102,400	102,400	0.00%
	-	-	-	-	Overtime	-	-	-	
	-	4,032	4,000	4,000	Medicare	4,000	4,000	4,000	0.00%
	-	40,144	38,200	38,200	Retirement	41,700	41,700	41,700	9.16%
	-	45,542	54,800	54,800	Insurance Benefits	55,900	55,900	55,900	2.01%
	-	355	200	200	Workers Compensation	200	200	200	0.00%
\$	-	\$ 347,898	\$ 355,800	\$ 355,800	TOTAL PERSONNEL SERVICES	\$ 360,400	\$ 360,400	\$ 360,400	1.29%

MATERIALS & SERVICES

\$	-	\$ 2,490	\$ 3,300	\$ 3,300	Travel & Training	\$ 1,300	\$ 1,300	\$ 1,300	-60.61%
	-	26,609	26,700	26,700	Audit Fees	26,700	26,700	26,700	0.00%
\$	-	\$ 29,099	\$ 30,000	\$ 30,000	TOTAL MATERIALS & SERVICES	\$ 28,000	\$ 28,000	\$ 28,000	-6.67%
\$	-	\$ 376,997	\$ 385,800	\$ 385,800	TOTAL REQUIREMENTS	\$ 388,400	\$ 388,400	\$ 388,400	0.67%

Notes:

- ¹ Department costs exclude Municipal Court and Utility Billing which are located in the General Fund and the Water, Sewer and Storm Water Funds respectively.
- ³ Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.
- ⁴ Administrative support wages increase represent a step increase mid-year in FY09-10 for a newly hired employee after successfully completing probation in December 2009, consistent with compensation policy.
- ⁷ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- ⁸ The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.
- ⁹ Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.
- ¹⁰ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ADMINISTRATIVE SERVICES FUND

FINANCE DEPARTMENT

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11
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RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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SUMMARY OF FINANCE DEPARTMENT

\$	106,700	General Fund	\$	192,000	\$	192,000	\$	192,000	79.94%
	23,300	Street Fund		34,400		34,400		34,400	47.64%
	80,200	Sewer Fund		43,400		43,400		43,400	-45.89%
	77,100	Water Fund		44,500		44,500		44,500	-42.28%
	18,500	SLD Fund		11,100		11,100		11,100	-40.00%
	11,800	Storm Water		26,800		26,800		26,800	127.12%
	68,200	Urban Renewal		36,500		36,500		36,500	-46.48%
	-	Rounding		(300)		(300)		(300)	
\$	385,800	TOTAL EXPENDITURES BY FUND	\$	388,400	\$	388,400	\$	388,400	0.67%

CIVIC CENTER FACILITIES

The Civic Center Facility Fund accounts for operations and maintenance of the new Civic Center. City staff moved to the new facility in March 2009. Facility Maintenance staff will continue to maintain the facility at a level that allows maximum efficiency of all staff. There are no major maintenance needs forecasted in the upcoming year. Staff will continue to focus on refining the programming within the HVAC units and lighting systems to improve their efficiencies. One of the City Council's Long-Term goals is to establish a facility replacement reserve to pay ongoing maintenance and replacement costs for this facility.

ADMINISTRATIVE SERVICES FUND

CIVIC CENTER FACILITIES

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
REQUIREMENTS								
PERSONNEL SERVICES								
\$ -	\$ 4,227	\$ 4,300	\$ 200	Public Works Superintendent	\$ 4,300	\$ 4,300	\$ 4,300	2050.00%
-	43,915	43,400	43,400	Facility Maintenance Worker	43,400	43,400	43,400	0.00%
-	-	-	-	Overtime	-	-	-	-
-	-	400	400	Clothing Allowance	400	400	400	0.00%
-	745	800	800	Medicare	800	800	800	0.00%
-	7,213	6,100	6,100	Retirement	7,200	7,200	7,200	18.03%
-	11,994	14,400	14,400	Insurance Benefits	14,700	14,700	14,700	2.08%
-	630	600	600	Workers Compensation	600	600	600	0.00%
\$ -	\$ 68,724	\$ 70,000	\$ 65,900	TOTAL PERSONNEL SERVICES	\$ 71,400	\$ 71,400	\$ 71,400	8.35%

- Notes:
- 4 Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.
 - 5 At the beginning of FY10-11, Facilities management was reassigned to the Assistant to the City Manager. Due to funding constraints, the ATTCM position has been eliminated in FY11-12, therefore the facilities will be managed by the Public Works Superintendent.
 - 9 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
 - 10 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.
 - 11 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.
 - 12 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ADMINISTRATIVE SERVICES FUND

CIVIC CENTER FACILITIES

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
MATERIALS & SERVICES								
\$ -	\$ -	\$ 2,400	\$ -	Materials & Supplies	\$ -	\$ -	\$ -	
-	-	-	-	Travel & Training	-	-	-	
-	55,240	48,200	48,200	Janitorial Services	58,800	58,800	58,800	21.99%
-	91,056	100,300	100,300	Utilities	100,000	100,000	100,000	-0.30%
-	765	100	100	Vehicle Maintenance	100	100	100	0.00%
-	6,223	8,400	8,400	Maintenance Supplies	6,800	6,800	6,800	-19.05%
-	-	1,500	1,500	Contractual Services	1,000	1,000	1,000	-33.33%
-	6,696	11,500	11,800	Janitorial Supplies	9,000	9,000	9,000	-23.73%
\$ -	\$ 159,980	\$ 172,400	\$ 170,300	TOTAL MATERIALS & SERVICES	\$ 175,700	\$ 175,700	\$ 175,700	3.17%
\$ -	\$ 228,704	\$ 242,400	\$ 236,200	TOTAL REQUIREMENTS	\$ 247,100	\$ 247,100	\$ 247,100	4.61%

Notes:

- ¹⁷ Costs are for janitorial service twice per week for all of Civic Center facilities and one window washing. Costs do not include any additional cleaning costs (e.g. carpets, ground maintenance etc).
- ²² Janitorial Supplies have increased for increase use in the community center. These costs are recovered through the General Fund. Community Center revenues are transferred to the General Fund which pays the costs of operating the Community Center.

SUMMARY OF FACILITY MAINTENANCE ALLOCATED BY FUND

\$ 155,100	General Fund	\$ 163,900	\$ 163,900	\$ 163,900	5.67%
8,700	Street Fund	9,800	9,800	9,800	12.64%
8,400	Sewer Fund	7,400	7,400	7,400	-11.90%
39,200	Water Fund	39,500	39,500	39,500	0.77%
1,300	SLD Fund	1,000	1,000	1,000	-23.08%
16,500	Storm Water	19,900	19,900	19,900	20.61%
7,100	Urban Renewal	5,600	5,600	5,600	-21.13%
(100)	Rounding	-	-	-	-100.00%
\$ 236,200	TOTAL EXPENDITURES BY FUND	\$ 247,100	\$ 247,100	\$ 247,100	4.61%

ADMINISTRATIVE SERVICES FUND

CIVIC CENTER FACILITY RESERVE

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
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RESOURCES

1	\$	-	\$	-	\$	-	\$	-	Civic Center Improvements	\$	16,300	\$	16,300	\$	16,300	
2		-		-		300		300	Statue Maintenance		300		300		300	0.00%
3	\$	-	\$	-	\$	300		300	TOTAL WORKING CAPITAL CARRYFORWARD	\$	16,600	\$	16,600	\$	16,600	5433.33%
4																
5																
6									MISCELLANEOUS							
7		-		310		-		-	Statue Maintenance		-		-		-	
8		-		-		22,900		22,900	LEEDS Certification		-		-		-	-100.00%
9	\$	-	\$	310	\$	22,900	\$	22,900	TOTAL MISCELLANEOUS	\$	-	\$	-	\$	-	-100.00%
10																
11	\$	-	\$	310	\$	22,900	\$	23,200	TOTAL RESOURCES	\$	16,600	\$	16,600	\$	16,600	-28.45%

REQUIREMENTS

15									MATERIALS & SERVICES							
16		-		-		-		3,500	Office Equipment		-		-		-	-100.00%
17	\$	-	\$	-	\$	-	\$	3,500	TOTAL MATERIALS & SERVICES	\$	-	\$	-	\$	-	-100.00%
18																
19									CAPITAL OUTLAY							
20		-		-		4,000		3,100	Civic Center Improvements		3,000		3,000		3,000	-3.23%
21																
22		-		-		18,900		16,300	Reserve for Civic Center Improvements		13,300		13,300		13,300	-18.40%
23		-		310		-		300	Reserve for Statue Maintenance		300		300		300	0.00%
24	\$	-	\$	310	\$	18,900	\$	16,600	TOTAL RESERVES	\$	13,600	\$	13,600	\$	13,600	-18.07%
25																
26	\$	-	\$	310	\$	22,900	\$	23,200	TOTAL REQUIREMENTS	\$	16,600	\$	16,600	\$	16,600	-28.45%

CAPITAL PROJECTS FUND CITY HALL FACILITY

ACTUAL 2008-09				ACTUAL 2009-10				AMENDED 2010-11				PROJECTED 2010-11				RECOMMENDED 2011-12				APPROVED 2011-12				ADOPTED 2011-12			
<u>RESOURCES</u>																											
\$	1,925	\$	-	\$	-	\$	-	-	Working Capital Carryforward	\$	-	\$	-	\$	-	-	-	-	-	-	-	-	-	-			
	21,224		-		-		-	-	Reimbursement from Urban Renewal		-		-		-		-		-		-		-	-			
	8,122		-		-		-	-	Miscellaneous Revenue		-		-		-		-		-		-		-	-			
<i>TRANSFERS IN</i>																											
	473,631		-		-		-	-	General Fund		-		-		-		-		-		-		-	-			
	28,231		-		-		-	-	Street Fund		-		-		-		-		-		-		-	-			
	21,224		-		-		-	-	Sewer Fund		-		-		-		-		-		-		-	-			
	120,134		-		-		-	-	Water Fund		-		-		-		-		-		-		-	-			
	7,109		-		-		-	-	SLD Fund		-		-		-		-		-		-		-	-			
	35,340		-		-		-	-	Storm Water Fund		-		-		-		-		-		-		-	-			
\$	685,669	\$	-	\$	-	\$	-	-	TOTAL TRANSFERS IN	\$	-	\$	-	\$	-	-	-	\$	-	\$	-	\$	-	-			
\$	716,940	\$	-	\$	-	\$	-	-	TOTAL RESOURCES	\$	-	\$	-	\$	-	-	-	\$	-	\$	-	\$	-	-			
<u>REQUIREMENTS</u>																											
<i>MATERIALS & SERVICES</i>																											
\$	2,249	\$	-	\$	-	\$	-	-	Facility Maintenance Supplies	\$	-	\$	-	\$	-	-	-	\$	-	\$	-	\$	-	-			
\$	2,249	\$	-	\$	-	\$	-	-	TOTAL MATERIALS & SERVICES	\$	-	\$	-	\$	-	-	-	\$	-	\$	-	\$	-	-			
<i>CAPITAL OUTLAY</i>																											
\$	714,691	\$	-	\$	-	\$	-	-	Improvements	\$	-	\$	-	\$	-	-	-	\$	-	\$	-	\$	-	-			
\$	714,691	\$	-	\$	-	\$	-	-	TOTAL CAPITAL OUTLAY	\$	-	\$	-	\$	-	-	-	\$	-	\$	-	\$	-	-			
<i>FUND BALANCE</i>																											
	-		-		-		-	-	Unrestricted Ending Fund Balances		-		-		-		-		-		-		-	-			
\$	716,940	\$	-	\$	-	\$	-	-	TOTAL REQUIREMENTS	\$	-	\$	-	\$	-	-	-	\$	-	\$	-	\$	-	-			

Notes:

The City All Facility Fund was used to track one-time capital outlay improvements for the new civic center. This fund is no longer needed and has been closed.

CITY OF KEIZER

GENERAL FUND LONG RANGE PLANNING PROCESS

Early in fiscal year 2010-2011 the City began a comprehensive long-range planning process. The General Fund Long-Range Planning Task Force was established and staff developed a year-long process which is outlined on the flowchart and narrative following this introduction.

The Task Force held its first meeting in December 2010 to discuss the following agenda items:

1. Receive update from staff on year-to-date General Fund Revenue Status
2. Review Long-Range Planning Process
 - a. Identify Purpose of the Long-Range Plan which is to sustain services for 5 years based on relative uncertainty
 - b. Review the Flowchart and timelines
 - c. Review the Action steps
3. Discuss Sustaining Current Services
 - a. Staff introduced the variables to consider in developing the Long-Range Plan and provided forecast scenarios using the following risk factors:
 - i. Conservative
 - ii. Moderate
 - iii. Aggressive
 - b. Through a consensus exercise the Task Force agreed on the level to be used for each variable in forecasting

4. Staff provided the Task Force with additional information to consider for Council Goal setting in January 2011 and Long-Range Plan update in March 2011.
 - a. Staff Issues List
 - b. Citizen Survey Results

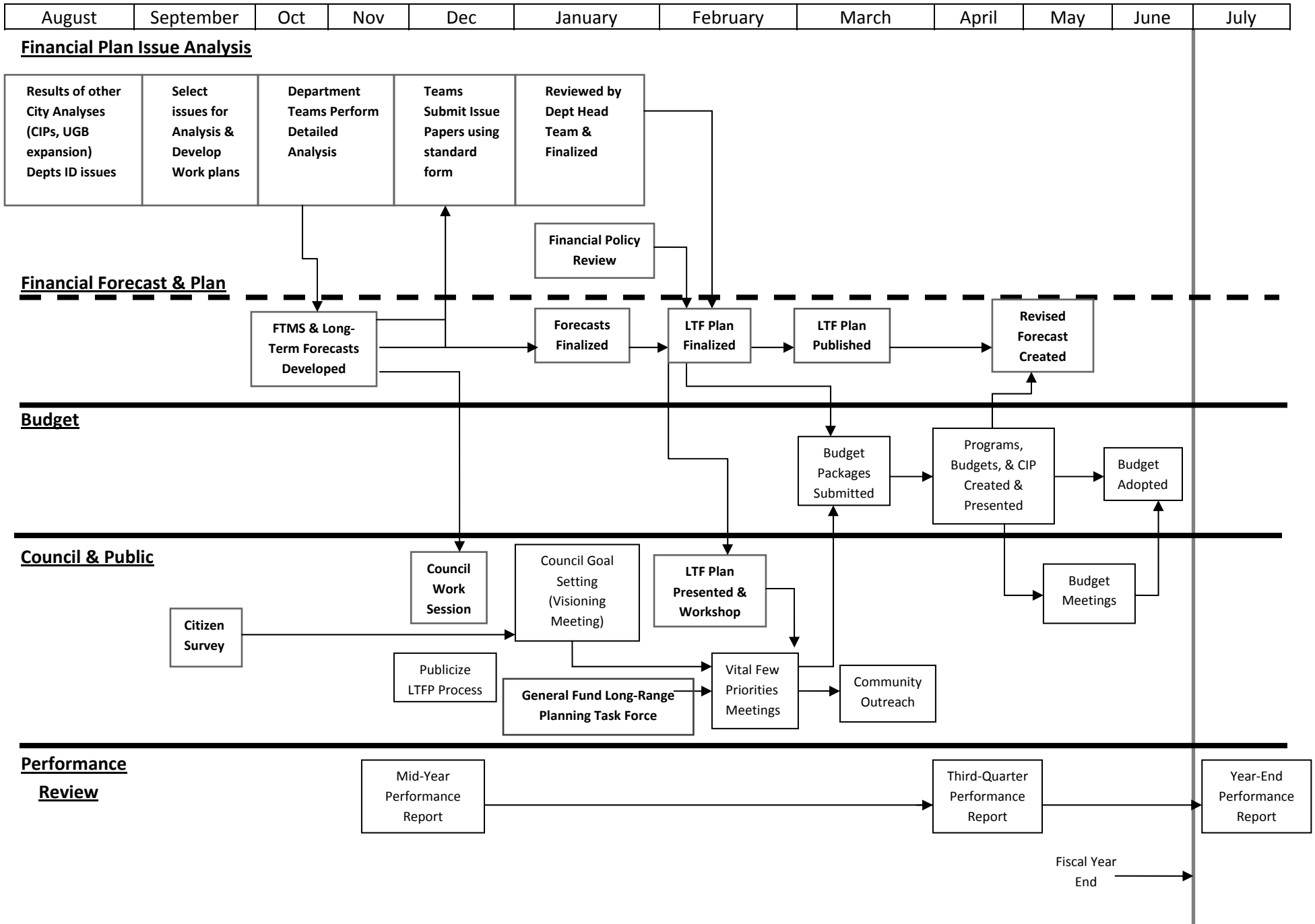
The Task Force met again in March 2011 to discuss the following agenda items:

1. Receive update on the General Fund Revenue Status & preliminary FY11-12 budget issues
2. Receive Staff presentations on General Fund Long-Range Issues
3. Task Force prioritize Issues

Also during fiscal year 2010-2011 the City held a series of Town Hall meetings to discuss Police Service levels with the community and to receive input on how best to fund these services.

The Task Force will continue its work in fiscal year 2011-2012, following the annual budget process. The results of the work completed to date are on the pages following this introduction.

CITY OF KEIZER
GENERAL FUND LONG-TERM PLANNING PROCESS FLOWCHART



CITY OF KEIZER

GENERAL FUND LONG RANGE PLANNING PROCESS NARRATIVE

FY 2011-2012

1. **Identify Issues for Analysis** – Department Heads suggest issues arising over the next five years to be analyzed as part of planning process.
2. **Identify Results of other City Analyses** – Review information from other formal city planning processes like master land-use plans and capital improvement plans.
3. **Finalize Issues for Analysis & Work Plans** – Finance compiles critical issues having fiscal impact (Liability Insurance plan, Civic Center facilities sinking fund, traffic safety, park maintenance, infill, telecom costs, urban renewal sunset).
4. **Citizen Survey** – Send out survey based on questions arising from Department Issues and council input.
5. **Department Teams Perform Analysis** – Departments carry out work plans; coordinating among departments when needed.
6. **Develop FTMS & Long-Term Forecasts** – Finance develops preliminary forecast.
7. **Teams Submit Issue Papers** – Objective, summary, background, conclusions, recommendations, fiscal impact for the issue studied.
8. **Publicize LTFP process** – Provide notices of meetings.
9. **Mid-Year Performance Report** – Give year-to-date budget to actual analysis; summarize progress of LTFP
10. **Department Head Team Review Issue Papers & Finalize**
11. **Review Financial Policy** – Assess City's compliance with its Financial Policies (e.g. State Shared Revenues for Police Fleet)
12. **Finalize Forecasts** – Complete long-term revenue/expenditure forecast based on new information
13. **Council Goal Setting** – Consider input from Staff Issues and Citizen Survey
14. **General Fund Long-range Planning Task Force** – Bring budget committee members together to reach consensus on long-range plan.
15. **Finalize Long-Term Financial Plan**
16. **Present Long-Term Financial Plan & Hold Workshop**
 - a. Enables council and staff to provide a vision to the city for how services will develop in coming years.
 - b. Feeds into the city's priority-setting process and resource allocation.
 - c. Brings financial issues to council's attention for prioritization.

- d. Reminds committee of finite resources with which to accomplish goals, provides a restraint against natural impulse to commit to expanded service levels that can accompany strategic planning initiative.
- 17. **Vital Few Priorities Meeting** – Council ranks potential projects and creates consensus on top priority projects. Staff subsequently formulates plans to address these projects in the budget. Decision packages are created to weigh various expenditure options against priorities.
- 18. **Publish Long-Term Financial Plan**
- 19. **Submit Budget Packages** – Department Budgets due to Finance for compilation into FY11-12 Budget
- 20. **Community Outreach** – Communicate results of LTFP and prioritization process to community.
- 21. **Third-Quarter Performance Report** – Provide year-to-date budget to actual; summarize progress of LTFP
- 22. **Create and Present Programs, Budgets, & CIPs**
- 23. **Revise Forecast** – Third quarter earnings, expenditure adjustments used to update LTFP.
- 24. **Budget Meetings**
- 25. **Budget Adopted**
- 26. **Year-End Performance Report** – Give summary of budget to actual analysis; summarize LTFP results

GENERAL FUND LONG RANGE FINANCIAL PLAN

REVENUE AND EXPENSE PROJECTIONS BASED ON FY11-12 BUDGET
BASED ON LONG RANGE PLANNING TASK FORCE VARIABLES

~ Long-range planning does not deal with future decisions, but with the future of present decisions ~

	2010-11 Projected	2011-12 Budgeted	2012-13 Forecasted	2013-14 Forecasted	2014-15 Forecasted	2015-16 Forecasted
1 Increase Population		0.00%	1.48%	1.48%	1.48%	1.48%
2 Change in City-wide Property Valuation		3.20%	2.50%	2.50%	2.50%	2.50%
3 Change in Urban Renewal Property Valuation		3.00%	1.00%	1.00%	1.00%	1.00%
4						
5 REVENUES:						
6 Property Taxes:	\$ 3,530,000	\$ 3,630,000	\$ 3,720,000	\$ 3,810,000	\$ 3,910,000	\$ 4,010,000
7 Taxes from Urban Renewal District	-		572,000	578,000	584,000	590,000
8						
9 Licenses & Fees:	2,430,000	2,430,000	2,470,000	2,510,000	2,550,000	2,590,000
10						
11 Intergovernmental:	690,000	570,000	578,400	587,000	595,700	604,500
12						
13 Fines & Forfeits:	580,000	560,000	568,300	576,700	585,200	593,900
14						
15 Miscellaneous:	150,000	200,000	203,000	206,000	209,000	212,100
16						
17 TOTAL RESOURCES	\$ 7,380,000	\$ 7,390,000	\$ 8,111,700	\$ 8,267,700	\$ 8,433,900	\$ 8,600,500
18						

Assumptions:

No new revenue sources with the exception of the City's share of urban renewal tax increment revenue beginning in FY12-13

GENERAL FUND LONG RANGE FINANCIAL PLAN

REVENUE AND EXPENSE PROJECTIONS BASED ON FY11-12 BUDGET
BASED ON LONG RANGE PLANNING TASK FORCE VARIABLES

~ Long-range planning does not deal with future decisions, but with the future of present decisions ~

	2010-11 Projected	2011-12 Budgeted	2012-13 Forecasted	2013-14 Forecasted	2014-15 Forecasted	2015-16 Forecasted
19 Personnel Services Increase			0.5%	0.5%	0.5%	0.5%
20 Retirement Rate Increases			16.0%	16.0%		16.0%
21 Medical Insurance Premium Increase		9.9%	14.0%	14.0%	14.0%	14.0%
22 Materials & Services; Capital Outlay Increase		5.9%	2.5%	2.5%	2.5%	2.5%
23 EXPENDITURES:						
24 Personnel Services						
25 Wages & Benefits	\$ 5,317,500	\$ 5,280,000	\$ 5,310,000	\$ 5,340,000	\$ 5,370,000	\$ 5,400,000
26 Health insurance premium increases*			170,000	270,000	380,000	500,000
27 Retirement Rate Increases*				270,000	270,000	440,000
28						
29 Materials & Services	1,916,000	2,030,000	2,081,000	2,133,000	2,186,000	2,241,000
30 Administrative costs from Urban Renewal District	-	-	240,000	241,000	242,000	243,000
31						
32 Capital Outlay						
33 Park Improvements	-	-	-	-	-	-
34						
35 Transfers Out						
36 Transfer to 9-1-1 Fund	290,000	288,000	295,000	302,000	310,000	316,000
37						
38 TOTAL EXPENDITURES	\$ 7,523,500	\$ 7,598,000	\$ 8,096,000	\$ 8,556,000	\$ 8,758,000	\$ 9,140,000
39						
40 Contingency		52,000	77,000	79,000	81,000	83,000
41						
42 TOTAL EXPENDITURES & RESERVES OVER REVENUES	(\$143,500)	(\$260,000)	(\$61,300)	(\$367,300)	(\$405,100)	(\$622,500)

*Increases are included in Wage & Benefit projections for FY10-11 & FY11-12

Assumptions:


The Materials & Services increase from FY10-11 to FY11-12 reflects increases in Administrative Services primarily due to allocation changes from Urban Renewal to the General Fund for Administrative Staff

No new services or programs are anticipated

No additional personnel (Police currently 4 FTE short of being considered fully staffed)

Beginning in FY11-12, 2 Administrative personnel positions have been eliminated

CITY OF KEIZER
GENERAL FUND LONG RANGE FINANCIAL PLAN
Staff's Issues List

Issue	Impact
<p>Add-back services cut in FY10-11 budget</p> <p>Administration: Safety & Wellness Legal Services Computer Hardware and Software Janitorial Services Emergency Management</p> <p>Parks: Seasonal Help Materials & Supplies Park Maintenance</p> <p>Community Development: Mapping Supplies & Services</p> <p>General Services: Quarterly Newsletter Civic Center Art Chamber Holiday Lights Focal Point Operations Neighborhood Association Support Volunteer Recognition Library Support</p> <p>Overtime Costs – all Departments</p> <p>Training – all Departments</p>	<p>Human resources risk Service delivery delays Information system risk Asset maintenance Disaster recovery risks</p> <p>Service levels</p>  <p>Cost deferral; quality of service risk</p>
<p>The City has begun an on-going discussion with the Keizer community on the level of police services the City should provide. Once the level of service is defined, the City will determine if additional revenues are needed to support these services. If additional funding is needed the City will review various funding options and refer the preferable option to the voters in November 2011.</p>	<p>Service levels</p>

Issue	Impact
Establish Reserve to fund the City's Liability Insurance – Retro Plan	Financial risk
Salary Survey RFP & Implementation of Results	Compliance requirement; Human resources risk
Parks Capital Improvement Program – General Fund Matching Funds with Park Improvement Fund	Service levels
Urban Growth Boundary Expansion	Community development (with potential tax revenue increase)
Computer Server Updates	Information systems risk
Facilities Maintenance & Replacement Fund	Asset preservation risk; financial planning
Website RFP & Service Contract	Service levels
Replace police rugged laptops used in patrol cars for essential data communication and on crime scene investigations	Service levels

Impact Definitions:

Asset maintenance – ability to maintain and operate existing assets (e.g. buildings, land, machinery and equipment)

Asset preservation risk – ability to plan for and set aside funds for future replacements and improvements; not setting funds aside now places the burden on future generations to pay for replacement of existing assets

Community Development – ability to improve the economic, social, cultural and environmental conditions of the community to improve the living standards of the citizens

Compliance requirements – ability to meet various directives established by federal, state and local governments and regulatory agencies

Cost deferral – costs are deferred to future years but cannot be eliminated without impacting the quality of services provided to the community

Disaster recovery risk – ability to prepare for a disaster before it occurs, respond to a disaster and support and rebuild after a disaster has occurred

Financial risk – ability to have sufficient funds to meet financial obligations as they come due

Human resources risk – the potential for loss arising from non-compliance with HR legislation and case law, ability to follow best practices that help avoid risks or mitigate risk by dealing with matter expeditiously and ability to confirm due diligence through effective policies, proven processes and consistent actions.

Information systems risk – ability to prevent unauthorized access, use, disclosure, disruption, modification, perusal, inspection, recording or destruction of information systems

Legal risk – the potential for loss arising from the uncertainty of legal proceedings and potential legal proceedings

Quality of service risk – limiting access to current events, updated technological information, professional developments and networking opportunities will impact the quality of services provided to the community

Service delivery delays – increasing workload without a corresponding increase in workforce will potentially cause delays in service delivery; projects may not be completed expeditiously resulting in lost opportunities and/or higher costs in the future

Service levels – the ability to provide a service either increases, diminishes or is eliminated

CITY OF KEIZER

LONG-RANGE PLANNING ISSUES

ADD BACK GENERAL FUND SERVICE LEVEL CUTS

Department Lead: Chris Eppley, City Manager

Issue: Add-back Service Level Cuts to the General Fund (excluding Police Department Service level cuts which are addressed as a separate issue).

Reductions in janitorial services and Parks materials and supplies impact the ability to maintain and operate existing assets (e.g. buildings, land, machinery and equipment).

Reductions in Community Development impact the ability to improve the economic, social, cultural and environmental conditions of the community to improve the living standards of our citizens.

Reductions in Administrative Services impact our ability to meet various directives established by federal, state and local governments and regulatory agencies.

Cost deferrals such as computer hardware and software upgrades are deferred to future years but cannot be eliminated without impacting the quality of services provided to the community.

Reductions in Emergency Management impact the City's ability to prepare for a disaster before it occurs, respond to a disaster and support and rebuild after a disaster has occurred.

Reductions in Administrative Services (e.g. City Manager, Legal, City Recorder, Human Resources, Finance) increase the potential for loss arising from non-compliance with legislation and case

law, ability to follow best practices that help avoid risks or mitigate risk by dealing with matters expeditiously and ability to confirm due diligence through effective policies, proven processes and consistent actions.

Reductions in information systems reduce the ability to prevent unauthorized access, use, disclosure, disruption, modification, perusal, inspection, recording or destruction of information systems.

Reductions in the Legal Department increase the potential for loss arising from the uncertainty of legal proceedings and potential legal proceedings.

Limiting access to current events and community support, updated technological information, professional developments, and networking opportunities will impact the quality of services provided to the community.

Increasing workload without a corresponding increase in workforce will potentially cause delays in service delivery; projects may not be completed expeditiously resulting in lost opportunities and/or higher costs in the future.

Work Plan:

Develop detailed list of line-items and service levels not funded in the FY10-11 budget.

Duration: Indefinite

Long-range planning issues – Add back General Fund service level cuts

continued

Funding needed: Current service level cuts approximately \$153K annually; includes the General Fund share of Administrative costs (approximately 65%) and 100% of general services program costs.

Revenue Source: Potential funding could include flat utility fee or increase in utility franchise fees.

Personnel Services: \$22K including Parks seasonal positions and staff overtime (see attached list for detail).

Materials and Services: \$131K including staff training, various contractual services, computer hardware, quarterly newsletter, community sponsorships (see attached list for detail).

City of Keizer
General Fund Service Level Cuts

	<u>FY10-11</u>	<u>Prior Funding</u>	<u>Change</u>
Administration:			
Overtime	-	1,900	(1,900)
Safety & Wellness	1,900	2,900	(1,000)
HR Contractual Services	-	900	(900)
Legal Services	2,500	5,300	(2,800)
Labor Attorney	6,600	10,500	(3,900)
Training	12,700	27,200	(14,500)
Computer Hardware	28,000	41,600	(13,600)
Janitorial Services	31,700	52,600	(20,900)
Emergency Management	2,500	8,000	(5,500)
Parks:			
Overtime	-	4,300	(4,300)
Seasonal Help	26,300	41,000	(14,700)
Infrastructure Replacement	-	20,000	(20,000)
Community Development:			
Overtime	-	2,100	(2,100)
Mapping Supplies & Services	200	1,200	(1,000)
Training	1,400	5,100	(3,700)
Municipal Court			
Overtime	-	500	(500)
Training	1,400	1,800	(400)
General Services:			
Quarterly Newsletter	-	27,000	(27,000)
Civic Center Art	-	3,000	(3,000)
Chamber Holiday Lights	-	3,300	(3,300)
Focal Point Operations	3,000	6,400	(3,400)
Neighborhood Association Support	1,100	4,500	(3,400)
Volunteer Recognition	300	1,500	(1,200)
Library Support	-	1,700	(1,700)
	<u>119,600</u>	<u>272,400</u>	<u>(152,800)</u>

CITY OF KEIZER

LONG RANGE PLANNING ISSUES

FROZEN POLICE OFFICER POSITIONS

Department Lead: H. Marc Adams, Chief of Police

Issue: Over the past two years three police officer positions have become vacant and, due to funding constraints, the positions remain unfilled.

The Community Response Unit has been shut down. No proactive illegal narcotics investigations can be conducted. The Department is unable to respond to drug house complaints in a timely manner.

Qualified applicants and reserve officers who were on the list to be hired to replace the departing officers have taken jobs with other departments or are in the recruitment process. This results in thousands of dollars in long-range planning being lost.

In the event of injury, long-term illness or resignation, overtime will be needed in order to meet daily patrol requirements.

Work Plan:

1. Identify number of police officers needed for the police patrol shifts
2. Identify number of police officers needed for the Criminal Investigations Unit
3. Identify number of police officers needed for Traffic Safety Unit

4. Identify number of police officers needed for School Resource Officer Unit
5. Identify number of police officers for Crime Prevention
6. Identify number of police officers needed for CRU (narcotics investigations, etc)
7. Identify number of support personnel needed
8. Identify number of supervisors needed
9. Identify number of Command Staff needed
10. Identify materials and services needed for 24/7 police operations

Duration: Indefinite

Revenue Source: General Fund. Potential funding options include:

- City Telecom Tax
- Assessment on City Utility Bills
- Increase utility franchise rates Operating Levy (currently 5 years with proposed legislation increasing to 10 years)

Personnel Services: The cost of police officer positions range from \$90,000 to \$113,400 (wages, benefits and overtime) with the average police officer position going into FY11-12 estimated at \$105,000. Filling three positions at step one will cost approximately \$270,000 in year one.

CITY OF KEIZER

LONG-RANGE PLANNING ISSUES

LIABILITY INSURANCE RESERVE FUND

Department Lead: Tracy Davis – City Recorder

Issue: Beginning with fiscal year 2008-09, the City made a three-year commitment to City County Insurance Services (CCIS) to participate in a Liability Retro Financing Plan for our general and auto liability insurance. The innovative pricing program allows eligible members who have a history of minimal claims to take on additional risk in exchange for reduced contributions/premiums. The City chose to pay 65% of our guaranteed cost contribution/premium and be responsible for the cost of claims and loss expenses above this minimum up to a maximum exposure of 117.5%. During the last two fiscal years, the City has experienced savings due to minimal claims. Although the Plan Years have not closed out, in the first year, we have saved approximately \$26,000 to date and in the second year, we've saved close to \$40,000 to date. These savings have not been reserved, but expended on other operating costs. However, if the City continues to participate in this program and a large claim is experienced, the only line item to cover the claim would be Contingency. The City may be forced into undesirable budget cuts should the contingency be depleted before a claim occurs. Establishing a reserve account for potential claims would be preferable.

Work Plan: Determine if the City of Keizer wishes to fund a reserve and if so establish the level of funding based on risk factors.

1. Identify the actual general and auto liability costs and savings for the three-year retro-plan period July 2008 through June 2011.

2. Estimate the projected cost savings to support continuation of the plan.
3. Based on the exposure, establish a reserve liability account to cover potential claims.

Duration: Indefinite; the City plans to continue participating in this program unless future claim losses are experienced rendering this program cost ineffective.

Funding needed: The liability contribution is based on the City's cost allocation plan. The General Fund share is approximately 65%.

Revenue Source: The resources available for these costs within the general fund are property taxes, licenses, fees, fines, and forfeiture revenues.

Three options to consider include:

1. Fund liability based on losses incurred and paid on first year of plan FY08-09 estimated at \$14,400 to date
2. Fund liability based on the 35% premium amount not paid at the beginning of the plan year \$28,700 (staff's recommendation)
3. Fund liability based on maximum exposure at approximately \$43,000

Should a portion or the entire reserve fund be depleted in any given year, the fund will be replenished the following year through the annual budget process.

CITY OF KEIZER

LONG-RANGE PLANNING ISSUES

SALARY SURVEY & IMPLEMENTATION OF RESULTS

Department Lead: Machell DePina, Human Resources Director

Issue: Salary Survey RFP & Implementation of Results

Work Plan:

1. Estimate cost of external salary survey
2. Estimate General Fund's share of cost based on staff levels
3. Recommend implementation year based on policy, ongoing research and review of comp cities' compensation activities
4. Discuss with City Leadership and determine whether internal, external or mixed-source approach to be used

Duration: Indefinite – policy requires salary surveys performed no less than every four years “subject to available funding and budget approval.” Based on last survey completion date, next survey due no later than FY 2011-12.

Revenue Source: Outsourcing salary survey to be paid from all operating funds based on expected allocation plan (FTE). General Fund share currently 65% of total cost.

Personnel Services: To be determined based on the results of the salary survey

Materials and Services: Anticipated RFP process resulting in contract to successful vendor - estimated amount of \$20,000*. General Fund share 65% or \$13,000.

Recommendation: Based on current economy/budget information at this time, recommend to City of Keizer Department Directors and the Personnel Policy Committee we postpone the salary survey for one more year. Regardless of postponement, we still need to complete an internal salary review of represented classifications in preparation for 2012 bargaining, once comparable cities currently bargaining settle their contracts this summer.

*12/09 Newberg reported rate of \$15-\$20,000 for LGPI survey (population 23,150 but FTE – 169.9 and classes include fire, 911, library and more PW), we paid HR Answers \$15K in '07, we paid LGPI \$10.9K in '08 to redo the same data...

CITY OF KEIZER

LONG-RANGE PLANNING ISSUES

PARKS MATCHING FUNDS

Department Lead: Rob Kissler, Public Works Director

Issue: Identify Parks Capital Improvement projects General Fund contributions needed over the next 5 years per January 2010 Methodology Update

Revenue:

1. Existing SDC funds collected from 4/1/10 to 2/28/11 - \$27,500
2. Estimated SDC funds to be collected over the next 5 years (20 units per year @ \$1,500 each) - \$150,000

Project Scenarios

1. Install play structure at Keizer Rapids Park
 - \$54,000 Total Project cost
 - \$7,300 SDC portion (13.5%)
 - \$46,700 General Fund

2. Complete projects to utilize current SDC fund balance

- \$204,000 Total Projects cost
- \$27,500 SDC portion (13.5%)
- \$176,500 General Fund portion

3. Complete projects to utilize estimated SDC collected over next 5 years

- \$1,110,000 Total Project costs
- \$150,000 SDC portion (13.5%)
- \$960,000 General Fund portion

Funding needed: General Fund revenue needed to utilize current SDC Funds and estimated SDC Funds to be collected over the next 5 years - \$1,136,500

Revenue Source: Options include capital improvement levy, fee on utility bill, grants, and donations

CITY OF KEIZER

LONG-RANGE PLANNING ISSUES

URBAN GROWTH BOUNDARY EXPANSION

Department Lead: Nate Brown, Community Development Director

Issue: Explore and determine policy and direction for urban growth boundary expansion

Work Plan:

1. Identify all costs associated with research
 - a. Consult with other jurisdictions with recent growth boundary expansions
 - b. Interview legal firms who specialize in growth boundary expansions
 - c. Consult with Department of Land Conservation Development
2. Estimate potential revenue stream from added assessed value, system development charge fees, building permit fees
3. Identify potential grant sources

Duration:

1. Research – 60 days from mid-September
2. Implementation – 2 years
3. Impact of expansion during first 3 years after implementation

Funding needed: To be determined after work plan completed

Revenue Source: Costs associated with research to be funded by General Fund (any grants – to be determined after work plan)

Revenue Generated: To be determined after work plan completed

Personnel Services: to be completed with existing staffing levels

Materials and Services:

1. Special Mailings for public notices (Number determined after work plan completed)
2. Legal Notices (Number determined after work plan completed)

CITY OF KEIZER

LONG-RANGE PLANNING ISSUES

SERVER UPDATES

Department Lead: Kevin Watson, Assistant to the City Manager

Issue: Over the next 5 years the City of Keizer will need to replace various network servers in order to maintain city service at a consistent level.

Work Plan:

1. Quote out cost for each server.
2. Plan order and delivery time line.

Duration: Server to replace and the estimated cost:

Server Keizermaster 1-2 years out \$4000, this server manages the network and Active directory services for the City of Keizer and City of Keizer Police.

Server Keizerarc 2-4 years out \$10000, This archives all email for the City of Keizer and City of Keizer Police.

Server Keizernas 2-4 years out \$6000, This server controls the backup of all data and information on all servers for the City of Keizer and City of Keizer Police.

Server Keizerpolice 4-5 years out \$8000. This server holds the all files and data for City of Keizer Police.

Server Keizerdata 2-4 years out \$8000, This server holds all the files and data for the City of Keizer.

Server Keizernm 3-5 years out \$4000, This server manages the secure remote connection for all of the mobile police units and cars.

Funding needed:

Fiscal Year	Server Description	Total Cost	GF Share	
FY12/13	Keizerarc	10,000	6,500	65%
FY13/14	Keizer Master & Keizernas	10,000	6,500	65%
FY14/15	Keizer Police	8,000	8,000	100%
FY14/15	Keizer Data	8,000	3,000	37%
FY15/16	Keizernm	4,000	4,000	100%

Revenue Source: All Operating Funds including General Fund with some potential revenue sharing funds to cover general fund share.

Personnel Services: All needed personal service will be supplied by the current Information Technology department.

Materials and Services: No additional materials or services will be needed.

Capital Outlay: See above.

CITY OF KEIZER

LONG-RANGE PLANNING ISSUES

FACILITY RESERVE FUND

Department Lead: Kevin Watson, Assistant to the City Manager

Issue: Develop Facility Repair and Replacement Plan to establish Civic Center Sinking Fund for future repairs and replacements to the civic center facility.

Work Plan:

1. Identify items that will need to be replaced over the next 3 to 25 years.
2. Receive quotes/estimates for these items identified.
3. Budget accordingly so that when the items need to be replaced, the funding is available to do so.

Duration: Replacement plan in place by 2013; begin setting aside funds each year into Sinking Fund for the cost of

replacement of items on a 25-year life or less. Replacement of building structure is not included in Plan Replacement costs. Community Center replacement costs are not included since rental income may be available for those replacement costs.

Funding needed: \$65K-\$70K annually to ensure adequate funds are available to replace and repair facilities. Total Replacement cost approximately \$1.6M. (Plan assumes interest earned on funds held in reserve will cover future inflationary replacement costs.)

Revenue Source: All operating funds based on expected allocation plan; General Fund share approximately 65% or \$43K-\$46K annually bringing total replacement cost to over \$1 million.

City of Keizer
General Fund Long-Range Financial Plan
Civic Center Facility Sinking Fund Costs

Sinking Fund Needs	Life Expectancy	Current Day Replacement Costs
Flooring - Carpet for heavy traffic areas	5 years ²	\$5,000
Flooring - Slate	25+ years	\$30,000
Slate Rock Maintenance	5 years ²	\$2,000
Roof (Window Weather striping)	20+ years	\$220,000
Parking Lot (Resurface)	25+ years	\$160,000
Lounge furniture (Break Room, Lobbies)	10+ years	\$50,000
Space Savers/Lockers (see attachment)	25+ years	\$230,500
Police Gates	25+ years replace the electrical	\$80,000
Sidewalks	25+ years ²	\$150,000
Supermarket Doors	15 years with regular maintenance	\$20,000
Trellis wood treatments/weather Treatments	3 years	\$1,000
Bark Dust around Civic Center Grounds	3 years	\$2,500
Generator	20+ with regular maintenance	\$160,000
Police Bathroom Remodel	20+ years	\$180,000
Police Training Room - wall replacement	20+ with regular maintenance	\$20,000
Power point system (AV Council Chambers)	12 years	\$65,000

City of Keizer

LONG-RANGE PLANNING ISSUES

CITY WEBSITE

Department Lead: Kevin Watson, Assistant to the City Manager

Issue: The City website is our window to the community and world. Staff is finding that our current website is cumbersome and increasingly less able to meet our needs/demands without significant costs from the current contractor. In addition, the Police Department does not use the current City of Keizer website causing a visual disconnect between Police and City Hall via the web. With increasing demands to use social media and means to communicate with the community, it's becoming necessary to have a website that can easily integrate these new tools.

Work Plan:

1. Receive quotes from municipal website providers.
2. Determine a need for ongoing maintenance of the website or whether this will be provided in-house.
3. Select a vendor to build, develop and maintain a website.

Duration: Staff found that a website hosted by a contractor is less expensive. Development of the website will be a one-time cost. In addition, there will be annual costs for hosting the website through contracted services.

Revenue Source: Shared costs between all funds. General Fund share is approximately 65%.

Personnel Services: None.

Materials and Services: Annual maintenance for a contractor hosted site is approximately \$2,400 - \$4,200 annually; General Fund share is \$1,560 – \$2,730 annually.

Capital Outlay:

Contractor Hosted Website:

Website Design \$30,000 - \$40,000 one-time cost; General Fund Share is \$19,500 - \$26,000

CITY OF KEIZER

LONG-RANGE PLANNING ISSUES

REPLACE POLICE DEPARTMENT LAP TOPS

Department Lead: Kevin Watson, Assistant to the City Manager

Issue: Over the next 5 years the City of Keizer will need to replace various police rugged laptops in order to maintain city services at a consistent level. Rugged laptops are used in the patrol cars for essential data communication and on crime scene investigations.

Work Plan:

1. Quote out cost for each rugged laptop
2. Plan order and delivery time line.

Duration: Five years

Funding needed:

The current plan is to replace 5 Rugged laptops a year over the next five years for a total of \$27,500 a year or \$137,500 over 5 years. The estimated cost for each laptop is currently \$5,500.

Revenue Source: General Fund with some potential revenue sharing funds

Personnel Services: All needed personal services will be supplied by the current Information Technology department.

Materials and Services: No additional materials or services will be needed.

Capital Outlay: See Above

City of Keizer																
General Fund Long Range Planning Task Force																
Results of Committee Members' Rating of Long-Range Issues																
ISSUE	Brandon Smith	Cathy Clark	Dale Hanson	David Dempster	David McKane	J.D. Gillis	Jim Taylor	JoAnne Beilke	Joe Egli	Kim Freeman	Lore Christopher	Mark Caillier	Ron Bersin	Sandi King	Total	Average
Frozen Police Officer Positions	5	4	5	A b s e n t	4	5	4	5	4	5	5	5	5	2	58	4.46
Replace Police Department Lap Tops	4	3	2		4	3	3	3	2	5	5	4	5	5	48	3.69
Computer Server Updates	4	5	3		4	4	1	4	3	5	5	4	0	5	47	3.62
Urban Growth Boundary Expansion	5	4	5		3	5	5	1	2	3	5	2	0	5	45	3.46
Add Back Service Level Cuts	5	5	5		2	2	0	5	3	3	1	5	0	2	38	2.92
Civic Center Facility Sinking Fund	3	2	3		2	2	3	4	3	5	1	4	0	4	36	2.77
Parks Matching Funds	3	2	1		2	3	5	4	4	3	1	2	5	1	36	2.77
Liability Insurance Reserve Fund	4	4	1		3	4	1	2	2	4	1	4	0	4	34	2.62
Website RFP & Service Contract	3	4	2		3	1	2	3	2	4	5	3	0	2	34	2.62
Salary Survey RFP & Implementation	3	5	1		1	0	1	1	2	3	1	3	0	1	22	1.69
Rate from very important (5) to not important at all (0)																

STAFFING HISTORY - FULL TIME EQUIVALENTS
AS OF JUNE 30, 2011

	Actual FY07-08	Actual FY08-09	Actual FY09-10	Actual FY10-11	Budget FY11-12	Monthly Salary Range (1.0 FTE)
CITY MANAGER						
City Manager	1.0	1.0	1.0	1.0	1.0	\$8,346 - \$10,891
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	1.0	0.0	5,931 - 7,739
Network Administrator	1.0	1.0	1.0	1.0	1.0	4,647 - 6,065
Total	2.0	2.0	2.0	2.0	1.0	
CITY ATTORNEY						
Attorney	0.0	0.0	1.0	1.0	1.0	7,949 - 10,371
Legal Assistant	0.0	0.0	1.0	1.0	1.0	3,304 - 4,311
Total	0.0	0.0	2.0	2.0	2.0	
CITY RECORDER						
City Recorder	1.0	1.0	1.0	1.0	1.0	4,647 - 6,065
* Deputy City Recorder	1.0	1.0	1.0	1.0	1.0	2,997 - 3,909
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	6,228 - 8,126
* Administrative Assistant	1.0	1.0	1.0	1.0	1.0	3,304 - 4,311
Total	2.0	2.0	2.0	2.0	2.0	
FINANCE						
Finance Director	1.0	1.0	1.0	1.0	1.0	6,540 - 8,533
* Assistant Controller	0.0	0.0	1.0	1.0	1.0	5,380 - 7,020
* Accountant	1.0	1.0	0.0	0.0	0.0	3,824 - 4,998
* Accounting Technician	1.0	1.0	1.0	1.0	1.0	2,997 - 3,909
* Utility Billing Technician	1.0	1.0	1.0	1.0	1.0	2,997 - 3,909
* Utility Billing Clerks	3.0	3.0	3.0	3.0	3.0	2,718 - 3,546
Court Clerk I	1.0	1.0	1.0	1.0	1.0	2,588 - 3,377
Court Clerk II	1.0	1.0	1.0	1.0	1.0	2,853 - 3,723
* Office Assistant/Receptionist	1.0	1.0	1.0	1.0	1.0	2,465 - 3,217
Total	10.0	10.0	10.0	10.0	10.0	

STAFFING HISTORY - FULL TIME EQUIVALENTS
AS OF JUNE 30, 2011

	Actual FY07-08	Actual FY08-09	Actual FY09-10	Actual FY10-11	Budget FY11-12	Monthly Salary Range (1.0 FTE)
COMMUNITY DEVELOPMENT						
Community Development Director	1.0	1.0	1.0	1.0	1.0	7,211 - 9,407
Senior Planner	1.0	1.0	1.0	1.0	1.0	4,427 - 5,775
Planner	1.0	1.0	1.0	1.0	1.0	3,824 - 4,989
Code Enforcement/Zoning Technician	1.0	1.0	1.0	1.0	0.0	3,146 - 4,105
* Permit Specialist	1.0	1.0	1.0	1.0	1.0	2,853 - 3,723
Total	5.0	5.0	5.0	5.0	4.0	
PUBLIC WORKS						
Public Works Director	1.0	1.0	1.0	1.0	1.0	6,867 - 8,960
Public Works Superintendent	1.0	1.0	1.0	1.0	1.0	5,380 - 7,020
Facility Maintenance (1)	1.0	1.0	1.0	1.0	1.0	2,853 - 3,723
Municipal Utility Worker I - Parks	1.0	1.0	1.0	1.0	1.0	2,935 - 3,831
Municipal Utility Worker II - Parks	1.0	1.0	0.0	0.0	0.0	3,084 - 4,021
Municipal Utility Worker I - General	8.0	8.0	8.0	8.0	8.0	3,084 - 4,021
Municipal Utility Worker II - Customer Service	1.0	1.0	1.0	1.0	1.0	3,238 - 4,222
Municipal Utility Worker II - General	3.0	3.0	3.0	3.0	3.0	3,399 - 4,434
Municipal Utility Worker III - Parks	0.0	0.0	1.0	1.0	1.0	3,824 - 4,989
Municipal Utility Worker III	3.0	3.0	3.0	3.0	3.0	4,215 - 5,500
Environmental Program Coordinator	1.0	1.0	1.0	1.0	1.0	4,427 - 5,775
Storm Water Technician	0.0	0.0	0.0	1.0	1.0	3,304 - 4,311
Senior Storm Water Technician	0.0	0.0	0.0	1.0	1.0	3,824 - 4,989
* Permit Specialist	1.0	1.0	1.0	1.0	1.0	2,853 - 3,723
Total	22.0	22.0	22.0	24.0	24.0	

STAFFING HISTORY - FULL TIME EQUIVALENTS
AS OF JUNE 30, 2011

	Actual FY07-08	Actual FY08-09	Actual FY09-10	Actual FY10-11	Budget FY11-12	Monthly Salary Range (1.0 FTE)
POLICE						
Chief	1.0	1.0	1.0	1.0	1.0	7,211 - 9,407
Captain(s)	2.0	2.0	1.0	1.0	1.0	6,228 - 8,126
Lieutenants	0.0	0.0	0.0	2.0	2.0	5,649 - 7,370
Sergeants	7.0	7.0	8.0	7.0	7.0	5,124 - 6,685
Police Officers	31.0	31.0	30.0	26.0	26.0	4,273 - 5,191
Total Sworn Positions	41.0	41.0	40.0	37.0	37.0	
* Administrative Assistant	1.0	1.0	1.0	1.0	1.0	3,304 - 4,311
* Investigative Services Specialist	1.0	1.0	1.0	1.0	1.0	3,276 - 4,273
Community Services Officer	1.0	1.0	1.0	1.0	1.0	3,276 - 4,273
* Property & Evidence Specialist	1.0	1.0	1.0	1.0	1.0	3,120 - 4,070
* Police Support Supervisor	1.0	1.0	1.0	1.0	1.0	2,969 - 3,874
* Police Support Specialists	3.0	3.0	3.0	3.0	3.0	2,694 - 3,513
Total Non-sworn Positions	8.0	8.0	8.0	8.0	8.0	
Total	49.0	49.0	48.0	45.0	45.0	
Grand Total	93.0	93.0	94.0	93.0	91.0	

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.

(1) * Classified as Administrative Support in budget document.

CITY OF KEIZER												
SALARY ALLOCATIONS												
FISCAL YEAR 2011-2012 BUDGET												
	General Fund					Other Funds						
	Admin	Parks	Comm Dev	Police	Muni Court	Street	Sewer	Water	SLD	Storm Water	Urban Renewal	
TITLE	102	106	108	111	115	012	040	042	043	046	050	TOTAL
CITY MANAGER*												
City Manager	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
CITY ATTORNEY*												
Attorney	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
Legal Assistant	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
CITY RECORDER*												
City Recorder	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
Deputy City Recorder	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
HUMAN RESOURCES**												
Human Resources Director	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%
Administrative Assistant	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%
FINANCE												
Finance Director*	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
Assistant Controller	35.0%					10.0%	20.0%	15.0%	5.0%	10.0%	5.0%	100%
Accounting Technician	35.0%					10.0%	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%
Receptionist/Administrative Assistant**	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%
INFORMATION SYSTEMS**												
Network Administrator	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	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 2011-2012 BUDGET												
	General Fund					Other Funds						
	Admin	Parks	Comm Dev	Police	Muni Court	Street	Sewer	Water	SLD	Storm Water	Urban Renewal	
TITLE	102	106	108	111	115	012	040	042	043	046	050	TOTAL
COMMUNITY DEVELOPMENT												
Community Development Director			58.0%			5.0%		2.0%			35.0%	100%
Senior Planner			90.0%								10.0%	100%
Planner			90.0%								10.0%	100%
Permit Specialist			85.0%				2.0%	2.0%	0.0%	1.0%	10.0%	100%
POLICE DEPARTMENT												
All Staff				100.0%								100%
PUBLIC WORKS												
Public Works Director		1.0%				44.0%	3.0%	27.0%	5.0%	18.0%	2.0%	100%
Public Works Superintendent	5.0%	5.0%				30.0%	5.0%	40.0%	5.0%	5.0%	5.0%	100%
Permit Specialist						43.0%	12.0%	30.0%	10.0%	5.0%		100%
Facility Maintenance	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	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%		60.0%		10.0%	5.0%	100%
Municipal Utility Worker III (1)								100.0%				100%
Environmental Program Manager										100.0%		100%
Storm Water Technician										100.0%		100%
Senior Storm Water Technician										100.0%		100%
**Hours are based on Full-Time Equivalents within each fund												
Municipal Utility Workers (#) = number of staff												

CITY OF KEIZER

CHANGES IN SALARY ALLOCATION

FISCAL YEAR 2011-2012 BUDGET

	Budgeted FY11-12										Budgeted FY10-11									
	General Fund							Storm	Urban		General Fund							Storm	Urban	
	Admin	Parks	CD	Street	Sewer	Water	SLD	Water	Renewal		Admin	Parks	CD	Street	Sewer	Water	SLD	Water	Renewal	
TITLE	TOTAL										TOTAL									
<i>CITY MANAGER</i>																				
City Manager	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	28.0%			5.0%	1.0%	10.0%	1.0%	5.0%	50.0%	100.0%
<i>CITY ATTORNEY</i>																				
Attorney	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	58.9%			10.2%	2.6%	6.0%		1.5%	20.8%	100.0%
Legal Assistant	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	58.9%			10.2%	2.6%	6.0%		1.5%	20.8%	100.0%
<i>CITY RECORDER</i>																				
City Recorder	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	70.0%			10.0%	2.0%	2.0%	5.0%	1.0%	10.0%	100.0%
Deputy City Recorder	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	62.0%			3.0%	3.0%	3.0%	3.0%	1.0%	25.0%	100.0%
<i>HUMAN RESOURCES</i>																				
Human Resources Director	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	65.6%			3.7%	3.6%	16.5%	0.6%	7.0%	3.0%	100.0%
Administrative Assistant	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	65.6%			3.7%	3.6%	16.5%	0.6%	7.0%	3.0%	100.0%
<i>FINANCE</i>																				
Finance Director	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	20.0%			5.0%	21.0%	21.0%	5.0%	3.0%	25.0%	100.0%
Assistant Controller	35.0%			10.0%	20.0%	15.0%	5.0%	10.0%	5.0%	100%	35.0%			7.0%	20.0%	20.0%	5.0%	3.0%	10.0%	100.0%
Accounting Technician	35.0%			10.0%	20.0%	15.0%	5.0%	10.0%	5.0%	100%	35.0%			7.0%	20.0%	20.0%	5.0%	3.0%	10.0%	100.0%
Utility Billing Technician					47.0%	43.0%		10.0%		100%					48.0%	49.0%		3.0%		100.0%
Utility Billing Clerks					47.0%	43.0%		10.0%		100%					48.0%	49.0%		3.0%		100.0%
Receptionist/Administrative Assistant	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	20.0%			5.0%	21.0%	21.0%	5.0%	3.0%	25.0%	100.0%
<i>INFORMATION SYSTEMS</i>																				
Network Administrator	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	65.6%			3.7%	3.6%	16.5%	0.6%	7.0%	3.0%	100.0%
<i>COMMUNITY DEVELOPMENT</i>																				
Permit Specialist			85.0%		2.0%	2.0%	0.0%	1.0%	10.0%	100%			54.0%		19.0%	20.0%		1.0%	6.0%	100.0%
<i>PUBLIC WORKS</i>																				
Public Works Director		1.0%		44.0%	3.0%	27.0%	5.0%	18.0%	2.0%	100%		1.0%		44.0%	3.0%	27.0%	5.0%	15.0%	5.0%	100.0%
Public Works Superintendent	5.0%	5.0%		30.0%	5.0%	40.0%	5.0%	5.0%	5.0%	100%	5.0%	4.0%		30.0%	5.0%	41.0%	5.0%	5.0%	5.0%	100%
Facility Maintenance	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	65.6%			3.7%	3.6%	16.5%	0.6%	7.0%	3.0%	100.0%

CITY OF KEIZER
SUMMARY OF FRINGE BENEFITS
FISCAL YEARS 2008 through 2012

LINE ITEM		FY07-08 ACTUAL	FY08-09 ACTUAL	FY09-10 Actual	FY10-11 Projected	FY11-12 Budgeted
1	Vehicle Allowance/Tuition Assistance	\$ 9,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200
2	Cell Phone Stipend/Clothing Allowance	0	37,800	32,630	46,100	43,100
3	Medicare	81,313	89,200	111,706	92,200	89,300
4	Retirement	1,113,804	1,233,000	1,046,163	1,033,900	1,164,400
5	Insurance Benefits	906,939	1,103,100	1,099,446	1,289,300	1,311,700
6	Workers Compensation	50,835	62,200	58,381	52,700	52,900
		<u>\$ 2,162,091</u>	<u>\$ 2,529,500</u>	<u>\$ 2,352,526</u>	<u>\$ 2,518,400</u>	<u>\$ 2,665,600</u>

Notes:

- 1 Vehicle Allowance/Tuition Assistance is for the City Manager as established in an employment contract.
- 2 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.
- 3 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- 4 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.
- 5 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.
- 6 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

BUDGET NOTES

ALL FUNDS

It is the City's policy to set the anniversary dates for all financially related decisions at July 1 of each year in its contractual agreements.

GENERAL FUND

Administration

Fines & Forfeits Revenues

Collections - Past Due. The City has a large amount of past due fines and forfeits on record. A few years ago, the Municipal Court office turned all of these receivables over to a collection agency. City has since severed its relationship with this agency and Staff continues to work toward turning accounts over to the City's current collection agency. Oregon state statute allows City's to turn over past due accounts up to twenty years after they become due. This is a change from previous legislation which limited the time period to ten years.

Park Maintenance

Parks General Support Resources equal at least 2.5% of General Fund budgeted revenues as provided for by a vote of the Budget Committee.

Police Petty Cash Funds

In FY06-07 the City Council established petty cash funds for the Police Department Community Services Unit for \$200 and the Community Response Unit for \$800. By Council resolution, the Department shall report an itemization of expenditures from each of these funds to the City Council and Budget Committee no later than May of each fiscal year.

URBAN RENEWAL DISTRICT

Public Art

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.

GLOSSARY OF COMMON BUDGET TERMS

Administration: The group of departments and positions including the City Manager, the Finance Department and the Human Resources Director.

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.

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: Written report showing the local government's comprehensive financial plan for one fiscal year. Must include a balanced statement of actual revenues and expenditures during each of the last two years, estimated revenues and expenditures for the current and upcoming year.

Budget Committee: The fiscal planning board of the agency, 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.

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.

GLOSSARY OF COMMON BUDGET TERMS

continued

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."

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

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.

GLOSSARY OF COMMON BUDGET TERMS

continued

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.