

CITY OF KEIZER  
2004-2005 CITY BUDGET

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**"We're Building a Better Community - Together!"**

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# **INTRODUCTION**

## *BUDGET OVERVIEW*

Welcome to the City of Keizer's fiscal year 2004-2005 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 OVERVIEW*

*Continued*

### *BUDGET PROCESS*

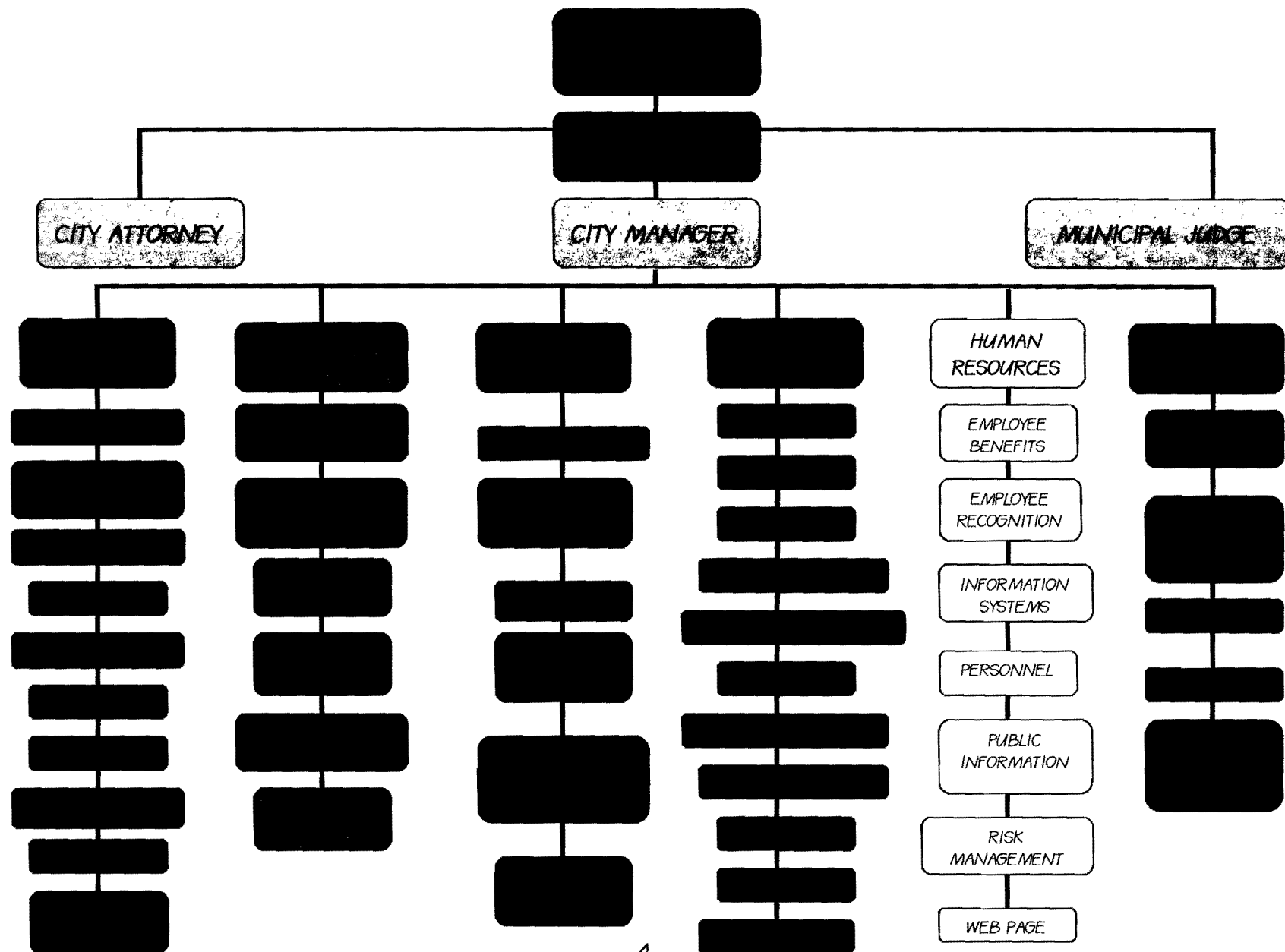
This document was prepared under the guidelines set forth under Oregon's Local Budget Law. This law establishes the standard procedures for preparing, presenting, and administering the budget. It also requires citizen involvement in the preparation and public disclosure before final adoption. Staff works 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.

## *BUDGET CALENDAR*

Friday April 9 <sup>th</sup>	Notice of Budget Committee meeting on City budget to Keizertimes for publication on April 16 <sup>th</sup> & April 23 <sup>rd</sup>
Friday April 30 <sup>th</sup>	City Budget Document distributed to Budget Committee
Tuesday May 4 <sup>th</sup> – 5:30 p.m.	Budget Committee Meeting <ul style="list-style-type: none"> <li>◆ Introductions</li> <li>◆ Election of Budget Committee Chair</li> <li>◆ Approval of Budget Calendar</li> <li>◆ Public Testimony (3 minutes @)</li> <li>◆ Presentation of Budget Message</li> <li>◆ Staff presentation - General Fund Programs (except Parks)</li> </ul>
Tuesday May 11 <sup>th</sup> – 5:30 p.m.	Budget Committee Meeting <ul style="list-style-type: none"> <li>◆ Public Testimony (3 minutes @)</li> <li>◆ Staff presentation – Parks Programs</li> <li>◆ Discussion of General Fund Budget</li> <li>◆ Discussion of Capital Project Funds (Park Improvement Fund)</li> <li>◆ Staff presentation - Special Revenue Fund Programs (Streets, Revenue Sharing et al)</li> <li>◆ Discussion of Special Revenue Fund Budgets</li> </ul>
Thursday May 13 <sup>th</sup> – 5:30 p.m.	Budget Committee Meeting <ul style="list-style-type: none"> <li>◆ Public Testimony (3 minutes @)</li> <li>◆ Staff presentation – Water, Sewer, Street Lighting Programs</li> <li>◆ Discussion of Enterprise Fund Budgets (Water, Sewer, Street Lighting)</li> <li>◆ Staff presentation of Urban Renewal Agency Projects</li> <li>◆ Discussion of Urban Renewal Agency Budget</li> <li>◆ City Budget Recommendation to Council</li> </ul>
Tuesday May 18 <sup>th</sup> – 5:30 p.m.	Alternate meeting to complete City or Urban Renewal Agency Budgets (if needed)
Friday May 21 <sup>st</sup>	City Financial Summary and notice of budget hearing in Keizertimes for publication on May 28 <sup>th</sup>
Monday June 21 <sup>th</sup> – 7:00 p.m.	Public Hearing on City Budget. Council adoption of budget and necessary Resolutions. Public Hearing and adoption of Urban Renewal budget.

## ORGANIZATIONAL STRUCTURE



## 2003-05 City Council Goals

### *Business Plan for Completion within 24-months*

#### Goal to Complete Storm Water Management Plan by March, 2004:

Meet the requirements outlined in Oregon's Phase II Municipal Storm Water program by developing a storm water management plan prior to March of 2004. Storm water management plans must address at least the following six issues:

- ♦ Pollution prevention in municipal operations
- ♦ Public education and outreach
- ♦ Public involvement and participation
- ♦ Illicit discharge detection and elimination
- ♦ Construction site run-off control
- ♦ Post-construction run-off control

#### Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	City Council appoints citizen task force	<ul style="list-style-type: none"> <li>♦ Develop a proposed task force structure and submit to City Council for input and adoption.</li> <li>♦ Mayor appoints task force members</li> </ul>	Public Works City Council	5	03	4-7-03 - Task force appointed by the Mayor. Several meetings have taken place and work is progressing.
✓	Submit for Permit	<ul style="list-style-type: none"> <li>♦ Complete Oregon Phase II storm water NPDES permit application and submit.</li> </ul>	Public Works	5	03	4-7-03 - Permit completed and submitted to DEQ
✓	Hire consultant	<ul style="list-style-type: none"> <li>♦ Develop an RFQ for hiring a consultant to help develop storm water management plan.</li> <li>♦ Task force selects consultant.</li> </ul>	Public Works Task force	5	03	8-4-03 - RFQ process completed. Task force has selected successful consultant. Consultant has been contracted with and process is underway.

## Goal to Complete Storm Water Management Plan by March, 2004

Continued

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Develop storm water management plan	<p>♦ Work with consultant to develop the City's storm water management plan that will address the six required issues and others. Some might include:</p> <p>Identifying permanent funding options for long-term operations and maintenance.</p> <p>Developing public infrastructure design standards to reduce pollution.</p> <p>Developing a CIP.</p> <p>Identifying staff and equipment levels needed to perform operations.</p> <p>Exploring regional cooperation with Salem and Marion County.</p>	Public Works Task Force City Council City Manager	65	03-04	4-26-04 - The Storm Water Management Plan has been adopted by the City Council and forwarded to DEQ for approval.

# Goal to Complete Storm Water Management Plan by March, 2004

Continued

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Present to City Council for adoption	<ul style="list-style-type: none"> <li>◆ Prepare task force recommendation to City Council on storm water management plan</li> <li>◆ Hold public hearing on proposed storm water management plan.</li> <li>◆ Adjust plan, if needed, based on public input.</li> <li>◆ City Council adopts storm water management plan</li> </ul>	Public Works Task force City Manager City Council	20	04	4-26-04 Completed.
✓	Total % of Goal Completed to Date			100		

## 2003-05 City Council Goals

### *Business Plan for Completion within 24 months*

#### Goal to Complete River Road Master Plan:

Utilize COG planning grant funds to develop a master plan for the River Road corridor taking into consideration elements of land use and transportation. This process will include but not be limited to the following activities:

- ♦ Creation of a River Road master plan task force
- ♦ Hiring a consultant to help develop master plan
- ♦ Public involvement and participation
- ♦ Develop master plan taking into consideration land use issues and the transportation system
- ♦ Adoption of master plan by Urban Renewal Agency and City Council
- ♦ Amend any ordinances and/or codes to enable master plan completion

#### Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	City Council appoints citizen task force	<ul style="list-style-type: none"> <li>♦ Develop a proposed task force structure and submit to City Council for input and adoption.</li> <li>♦ Mayor appoints task force members</li> </ul>	City Manager URA City Council	5	03	12-9-03 Mayor has appointed the task force.
✓	Hire consultant	<ul style="list-style-type: none"> <li>♦ Develop an RFQ for hiring a consultant to help develop River Road master plan as per grant work plan.</li> <li>♦ Task force selects consultant.</li> </ul>	Com. Dev. Dir. City Manager Task force	5	03	12-9-03 Spencer & Kupper has been selected and hired as the consultant team to work the project.

## Goal to Complete River Road Master Plan:

*Continued*

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Develop River Road Master plan	♦ Work with consultant and task force to develop key concepts of the master plan.	Com. Dev. Dir. City Manager Task force	40	03-04	4-26-04 – Work is ongoing. The next public forum and open house will be conducted in May. This project is scheduled for completion in June of 2004. The majority of the work on this step is nearing completion.
	Conduct citizen outreach and public participation process	♦ Develop and implement strategy to engage public and River Road merchants in reviewing the master plan key concepts and give feedback. ♦ Use feedback to adjust master plan key concepts where appropriate and create draft plan to present to the Urban Renewal Agency and City Council.	Com. Dev. Dir. City Manager Task force	30	04	4-26-04 – The next public forum and open house will be conducted in May. This project is scheduled for completion in June of 2004.
	Adoption by Urban Renewal Agency and City Council	♦ Present proposed River Road master plan to Urban Renewal Agency and City Council for consideration. ♦ Hold public hearing on proposed River Road master plan. ♦ Adjust master plan where appropriate based on public input. ♦ Adopt River Road master plan.	Com. Dev. Dir. City Manager Task Force URA City Council	15	04-05	4-7-03 – Work has not yet begun.



# Goal to Complete River Road Master Plan:

*Continued*

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
	Review and amend existing ordinances and/or codes to allow for successful completion of master plan	<ul style="list-style-type: none"> <li>◆ Review existing ordinances and the development code.</li> <li>◆ Identify if/where changes need to be made to allow for successful completion of master plan.</li> <li>◆ Amend ordinances/codes.</li> </ul>	Com. Dev. Dir. City Manager City Attorney URA City Council	5	05	4-7-03 - Work has not yet begun.
✓	Total % of Goal Completed to date			50		

## 2003-05 City Council Goals

### *Business Plan for Completion within 24-months*

#### Goal to Complete Civic Center Study and Forward Recommendation to City Council:

Hire a

consultant to work with the City on exploring existing and future City facility needs and develop options to meet those needs. At a minimum, the following four options should be explored:

- ◆ Status Quo (as a base standard)
- ◆ Remodel one or more of the existing facilities
- ◆ Remodel one or more of the existing facilities and add on new space
- ◆ Construct new facilities on existing site or on another site

#### Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	City Council appoints citizen task force	<ul style="list-style-type: none"><li>◆ Develop a proposed task force structure and submit to City Council for input and adoption.</li><li>◆ Mayor appoints task force members</li></ul>	5	03	4-7-03 - Task force structure has been solidified, chair has been appointed and members are being recruited.
✓	Hire consultant	<ul style="list-style-type: none"><li>◆ Develop an RFP for hiring a consultant to assess the City's facility needs (current and future) and develop options to meet them.</li><li>◆ Task force selects consultant.</li></ul>	5	03	8-4-03 - Arbuckle/Costic Architects has been contracted with and meetings are ongoing with the task force.

Goal to Complete Civic Center Study and Forward Recommendation to City Council:      Continued

✓	<u>Task</u>	<u>Next Steps</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Evaluate current and future facility needs	♦ Work with consultant and task force and staff to develop current and future facility needs.	30	03-04	12-9-03 - Space needs analysis has been completed.
	Evaluate existing structures and develop options	♦ Consultant will work with task force to evaluate the City's existing structures in relation to identified current and future needs. ♦ Consultant will work with task force to develop options for meeting identified current and future facility needs. At a minimum, these options will include remodeling existing structures, a combination of remodeling and new construction, and a totally new civic center. These option will be compared against the status quo.	30	04	12-9-03 - Consultant has completed space needs analysis of City Hall, PD and Public Works buildings and has presented the information to the Task Force. Work is progressing on developing options and a recommendation.
	Task force develops a recommendation to the City Council	♦ Task force evaluates the options for cost effectiveness and meeting current and future needs. ♦ Task force develops a recommendation to the City	15	04-05	4-7-03 - Work has not yet begun.

Goal to Complete Civic Center Study and Forward Recommendation to City Council:      *Continued*

✓	<u>Task</u>	<u>Next Steps</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
		Council.			
	Council evaluates task force recommendation and makes policy decision	<ul style="list-style-type: none"> <li>♦ City Council reviews task force recommendation.</li> <li>♦ City Council makes policy decision and directs staff as to the next steps.</li> </ul>	15	05	4-7-03 - Work has not yet begun.
✓	Total % of Goal Completed to date		40		

## 2003-05 City Council Goals

### *Business Plan for Completion within 24-months*

#### Goal to Begin Keizer Station Master Plan Development:

Work with developers to complete a master plan and break ground on the Keizer Station development. The following are necessary steps that need to be taken before development can begin:

- ♦ Enter into development disposition agreement (DDA) with developer
- ♦ City Council approves developer completed master plan
- ♦ Secure public financing and form Local Improvement District (LID)
- ♦ Assemble land and begin construction of infrastructure

#### Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Enter into DDA with developer	<ul style="list-style-type: none"> <li>♦ Develop a DDA that is acceptable to City and developer.</li> <li>♦ Council vote to enter into DDA with developer.</li> </ul>	City Manager City Attorney City Council	10	03	12-9-03 - A DDA has been entered into with NW National, LLC.
	Secure public financing and form LID	<ul style="list-style-type: none"> <li>♦ Hire a financial advisor to help with project.</li> <li>♦ Obtain appraisals of land within proposed LID to assess City's risk.</li> <li>♦ Agree on terms of public financing and form LID.</li> <li>♦ Issue bonds.</li> </ul>	Finance Director City Manager Financial Advisor City Attorney City Council	20	03	4-26-04 - Staff is prepared to begin the LID process when necessary.
	Master plan	<ul style="list-style-type: none"> <li>♦ Work with developer on preparing a</li> </ul>	City Manager	30	03-04	4-26-04 - Staff has been

## Goal to Begin Keizer Station Master Plan Development:

Continued

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
		master plan for Area A to be submitted to the council for review.	Com. Dev. Dir. City Attorney			working with NW National, LLC to develop an appropriate master plan for Area A of the Keizer Station Plan. The Developer has made initial submittals and the first public hearing at the City Council level will be scheduled in June, 2004.
		♦ Council approval of master plan after all issues have been resolved.	City Council			
	Assemble land and begin construction	<ul style="list-style-type: none"> <li>♦ Work with property owners to see if City can purchase "hold-out" parcels.</li> <li>♦ If "no" then begin condemnation process in Areas A and B for ROW purposes and to consolidate land in Area A for development.</li> <li>♦ Complete design of infrastructure.</li> <li>♦ Begin building infrastructure.</li> </ul>	Com. Dev. Dir. City Manager Task force City Manager City Attorney Public Works City Council	30	04	4-26-04 - The City has assembled some parcels from willing sellers. The Developer has made great strides on assembling ground in Area A. According to documents that staff has reviewed, the developer has secured the land from all but 3- property owners. I am hopeful that they will be successful in assembling 100% of the ground in Area A and the City will not be required to use imminent domain powers in this project. The Developer is aiming for a late fall, 2004 construction start.
✓	Total % of Goal Completed to date			10		

## 2003-05 City Council Goals

### *Business Plan for Completion within 24-months*

#### Goal to Complete a Number of "House Keeping" issues:

of "house keeping" issues currently in front of the City Council and staff. These issues are listed below:

Work as a group to complete number

- ◆ Explore Electronic City Council Packets
- ◆ Review and Update City Council Rules of Procedure
- ◆ Complete Personnel Rules
- ◆ Review and Update City Charter
- ◆ Adopt Keizer Futures Strategic Plan
- ◆ Support Staff Implementation of Keizer Internal Structure Analysis (KISA)

#### Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Explore electronic City Council Packets	<ul style="list-style-type: none"> <li>◆ Experiment with developing City Council packets on CD and in downloadable format on City's web page.</li> <li>◆ Explore cost of full implementation of electronic Council packets.</li> </ul>	City Recorder City Manager City Council	17	03	4-26-04 - Technology has been researched and funds have been placed in the Managers Recommended Budget for FY 2004-05. The equipment scheduled for purchase will allow us to implement paperless council packets as well as make them available for customers on a new commercial grade web site. In addition, e-government measures will be put into place to allow customers much greater access to their government remotely or during nontraditional business hours.

Goal to Complete a Number of "House Keeping" issues:

Continued

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Review and update City Council rules and procedures	<ul style="list-style-type: none"> <li>♦ Mayor appoints task force to review existing Council procedures and make recommended changes.</li> <li>♦ Draft procedures are presented to Council</li> <li>♦ Council adopts updated Council procedures after making any appropriate changes.</li> </ul>	City Recorder City Manager Task force	17	03	12-9-03 – Completed and adopted by Council on 12-1-03.
	Complete review and update of Personnel Rules	<ul style="list-style-type: none"> <li>♦ Complete review and update of Personnel Rules.</li> <li>♦ Present to City Council for review and adoption.</li> </ul>	HR Director City Manager Task force City Council	17	03-04	4-26-04 – Many of the more challenging personnel policies like recruitment and retention have been completed. After stalling for nearly a year, this project seems to be picking up speed now and completion is intended early this next fiscal year.
✓	Review City Charter	<ul style="list-style-type: none"> <li>♦ Mayor appoints task force to review City charter.</li> <li>♦ Task force reviews City charter and presents any recommended changes to City Council for review.</li> <li>♦ City Council reviews recommended changes, makes modifications and adopts.</li> </ul>	City Council City Attorney City Manager	17	03-04	The Mayor appointed a task force that has met and reviewed the Charter. The task force is in the process of developing a recommendation to the City Council, which will be delivered shortly. For all intents and purposes, this task is complete.



Goal to Complete a Number of "House Keeping" issues:

Continued

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Adopt Keizer Futures Strategic Plan	<ul style="list-style-type: none"> <li>◆ Keizer Futures task force reviews draft strategic plan.</li> <li>◆ Draft presented to Council for review and adoption.</li> </ul>	City Manager Task force City Council	16	03	8-4-03 Council adopted Keizer Futures Strategic Plan document in July, 2003.
✓	City Council support implementation of Keizer Internal Structure Analysis (KISA)	<ul style="list-style-type: none"> <li>◆ Review the organizational changes recommended by the KISA report.</li> <li>◆ Review budget allocation necessary to implement KISA over a 5-year time frame.</li> <li>◆ Support KISA organizational changes.</li> </ul>	City Manager Finance Director Public Works HR Director City Recorder Police Chief Com. Dev. Dir. City Council Budget Committee	16	04	4-26-04 - The KISA process has become an annual process and continual updates will be provided as appropriate.
✓	Total % of Goal Completed to date					83

## 2003-05 City Council Goals

### Business Plan for Completion within 24-months

Goal to Explore Library Issues: Work to explore all remaining library issues and develop a strategy to place on a future ballot for a public vote. In the interim, the following issues are to be explored and/or resolved.

- ♦ Support Reading Connection
- ♦ Prepare ballot measure for future public vote
- ♦ Resolve CCRLS Agreement for Keizer Gap Library

### Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Support Reading Connection	♦ Identify ways in which the City can provide support tot he Reading Connection. Support need not necessarily be monetary.	City Council	10	03	4-7-03 – The Council has continued to express an interest in supporting the Reading Connection as much as is possible without taking over the function monetarily.
✓	Resolve CCRLS Agreement for Keizer gap library	♦ Work with CCRLS and other agencies in the region to secure acceptance into the CCRLS system by a future gap library in Keizer	City Council City Manager	75	03	12-9-03 – Letter has been sent to CCRLS requesting a formal vote on allowing the 21 <sup>st</sup> Century Library concept into the CCRLS.
✓	Form ballot measure for future public vote	♦ Council works with City Attorney for form a ballot measure for future public vote. ♦ At the appropriate time, place Keizer library measure on ballot.	City Council City Manager City Attorney	15	03-04	12-9-03 – Council directed Staff at the 12-1-03 Council Meeting to begin preparation of a ballot measure to support a library in allowed into the CCRLS for the 2004 General Election.
✓	Total % of Goal Completed to date			100		

## 2003-05 City Council Goals

*Business Plan for Completion within 24-months*

### Goal to Explore Extraterritorial and Internal Transportation Issues:

on extraterritorial and internal transportation issues.

Work to develop position

- ◆ Develop Position on Extraterritorial Transportation issues
- ◆ Identify Solutions for Internal Traffic Issues

### Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
	Develop position on extraterritorial transportation issues	<ul style="list-style-type: none"> <li>◆ Mayor appoints task force to study the topic and form a position to recommend to Council.</li> <li>◆ Task force recommends a position on extraterritorial transportation to City Council.</li> <li>◆ City Council reviews recommended position, makes appropriate modifications and adopts.</li> </ul>	Task force City Manager Public Works Com. Dev. Dir. City Council	50	03-04	12-9-03 - The Planning Commission has been assigned the job of identifying additional external transportation systems of importance to Keizer as well as beginning a review of the adopted Keizer TSP.
✓	Identify solutions for internal traffic issues	<ul style="list-style-type: none"> <li>◆ Initiate review of TSP.</li> <li>◆ Mayor commissions Traffic Safety Commission with task of reviewing existing TSP and making recommendations for modification.</li> <li>◆ Recommended updates to the TSP are presented to the City Council for review, modification and adoption.</li> </ul>	TSC City Manager Public Works Com. Dev. Dir. City Council	50	04-05	4-26-04 - The Planning Commission has made a recommendation to the City Council on TSP updates. The recommendation will be to the City Council in May of 2004.
✓	Total % of Goal Completed to date			50		

## 2003-05 City Council Goals

### *Business Plan for Completion within 24-months*

Goal to Develop Regional Strategies: Work to develop strategies on regional issues that affect Keizer. The issues to be explored include but are not necessarily limited to those listed below:

- ◆ Establish Willamette River Task Force
- ◆ Establish Task Force to Improve Regional Communications

### Next Steps:

✓	Task	Next Steps	Who	% Goal	FY	Update
✓	Establish Willamette River task force	<ul style="list-style-type: none"> <li>◆ Mayor appoints task force.</li> <li>◆ Task force works to develop Keizer's vision of our interaction with the Willamette River.</li> <li>◆ Develop vision for 85-acre park along river currently owned by Oregon State Parks and Recreation.</li> <li>◆ Present vision statements to Council for review, modification and adoption.</li> </ul>	Task force City Manager Public Works City Council	50	03-05	4-26-04 - Work continues to progress on the 85-acre park project. Funds have been allocated in the Managers Recommended Budget for FY 04-05 in the Parks Development Fund to further this project.

## Goal to Develop Regional Strategies:

Continued

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Establish task force to improve regional communication	<ul style="list-style-type: none"> <li>♦ Mayor appoints task force to develop methods of improving regional communication on topics that impact the City of Keizer.</li> <li>♦ Strategies will be presented to City Council for review, modification and adoption.</li> <li>♦ City Council implements strategies.</li> </ul>	Task force City Council City Manager	50	03-04	4-26-04 - Though a task force was not developed, the City Council and staff have made great strides in working with the City of Salem and Marion County and communication is occurring freely at all levels. Keizer is also much more active on regional task forces and committees than has ever been the case. For all intents and purposes, this task has changed focus and has been completed.
✓	Total % of Goal Completed to date			100		

## 2003-05 City Council Goals

### *Business Plan for Completion within 24-months*

#### Goal to Develop Funding Strategies for a number of City Funds:

Work to develop funding strategies to stabilize revenue streams into a number of City funds, the Parks function and identify grant opportunities. The issues to be studied are listed below:

- ◆ General Fund
- ◆ Grants
- ◆ Parks
- ◆ Urban Renewal

#### Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	General Fund	<ul style="list-style-type: none"> <li>◆ Continue to work with Budget committee on updating the City's long-range financial plan.</li> <li>◆ Work with legislators on developing support for changes in the tax code that give greater local control back to municipalities.</li> </ul>	Finance Director City Manager Budget Committee City Council	10	03-05	4-7-03 - The staff continually works with the Budget Committee on updating the City's long-range financial plan. Staff and Council continually work with LOC, the COG and our state legislators on developing methods of stabilizing revenues through review of the existing state property tax system.

## Goal to Develop Funding Strategies for a number of City Funds

Continued

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Parks	<ul style="list-style-type: none"> <li>◆ Develop funding strategy for Parks that stabilizes revenues and takes the parks function out of the General Fund.</li> <li>◆ Form ballot measure to secure revenue stream to fund the parks function and be prepared to place it on the 2004 general election.</li> <li>◆ Parks Advisory Board works to develop public education campaign to inform citizens about the funding strategy and urge a positive vote on the ballot measure.</li> </ul>	Finance Director Public Works City Manager City Council Parks Board	75	03-04	12-9-03 – The Budget Committee and City Council have directed the City Manager to fund Parks at a level of 2.5% of the General Fund for the FY 2004-5 and subsequent budgets. Additional work on this issue has been postponed until directed otherwise.
	Grants	<ul style="list-style-type: none"> <li>◆ Mayor appoints task force to seek out and apply for grant opportunities.</li> </ul>	City Council	5	03-04	4-7-03 – Work has not yet begun.

## Goal to Develop Funding Strategies for a number of City Funds

Continued

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
	Urban Renewal	<ul style="list-style-type: none"> <li>♦ Initiate review of Urban Renewal Plan</li> <li>♦ KURB works with staff and City Council on developing strategy for future use of Urban Renewal District.</li> <li>♦ KURB makes recommendation to the Urban Renewal Agency on Urban Renewal District strategy.</li> <li>♦ Urban Renewal Agency reviews KURB recommendation, makes appropriate modifications and adopts strategy.</li> <li>♦ Staff is directed to carry out any steps necessary to successfully complete adopted strategy.</li> </ul>	KURB City Manager Public Works Finance Director Com. Dev. Dir. Urban Renewal Agency	10	04-05	4-26-04 - the Community Development Director has had initial discussions with KURB regarding this topic. KURB is going to review the results of the River Road Renaissance project and discuss the role the Urban Renewal District will play in the future.
✓	Total % of Goal Completed to date			85		



*"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 citizens, who tried seven times to incorporate this former rural area 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 the seven elected officials volunteer many 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 22-year history, Keizer has elected 5 Mayors and 30 individuals to serve as Councilors.

Assisting the City Council in setting policy and guiding the future development of the community are other volunteers who serve on the various boards and commissions. Those volunteers are members of the Planning Commission, Budget Committee, Keizer Urban Renewal Board, Bikeways Committee, Volunteer Coordinating Committee, Emergency Operations

Committee, Traffic Safety Commission, Parks Advisory Board, and Community Policing Committee. Most boards/commissions meet on a monthly basis gathering information and forming recommendations to assist the City Council in guiding the City.

The City of Keizer also is fortunate to have a variety of volunteers who assist the City staff with daily operations. These volunteer hours save the City thousands of dollars in additional personnel costs. Some examples of volunteer efforts include the citizens who assist in the police records department, and assist at City Hall, those who enforce the handicap parking laws within the City, and who assist in providing routine maintenance of police vehicles.

Additionally, volunteerism has enriched our community in a number of other ways. During this past year, when funding for the Parks Program was decreased, volunteers stepped up to mow the grass in several of the City Parks. A wetlands project spearheaded by the Claggett Creek Watershed Council drew over 100 volunteers to Claggett Creek Park to aid in the planting of trees and shrubs. 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 that each and every resident can be proud of. Volunteerism in the City of Keizer is alive, healthy and growing.

## FINANCIAL POLICIES

- ◆ 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 commit 2.5% of General Fund expenditures to the operation and maintenance of its Park system.
- ◆ The City shall aggressively seek federal funding and local donations to support its public safety initiatives.
- ◆ Due to the unpredictable long-term nature of Revenue Sharing funds, Council has elected to appropriate one-time only Capital Outlay expenditures to these funds.
- ◆ All operating funds will maintain an unrestricted and undesignated balance equal to annual revenue of at least 5% percent. This is the minimum needed to maintain the City's credit worthiness. At June 30 of each year sufficient reserves shall exist to adequately cover the cash flow needs of the fund and to adequately provide for economic uncertainties for the upcoming year. Should the fund balance fall below the targeted amount in a given fund, a plan for expenditure reductions and/or revenue increases shall be submitted to the City Council via the Budget Committee. If, at the end of a fiscal year, the fund balance falls below the target amount in a given fund, then the City shall develop a plan to restore the fund balance within the five-year planning period.
- ◆ The City shall maintain a strong system of internal Controls.
- ◆ All revenue forecasts shall be conservative.
- ◆ In accordance with Oregon State law, an independent annual audit shall be performed by a public accounting firm, which shall issue an opinion on the annual financial statements and present a management letter detailing areas for improvement.

## *FINANCIAL POLICIES*

*Continued*

- ◆ 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 collect revenues aggressively, including past due bills of any type.
- ◆ 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 12<sup>th</sup> largest city in Oregon with a population of 19,650.

Presently, at a population of 34,010, Keizer is the 14<sup>th</sup> 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 little league organization 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 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. Neighborhood volunteers maintain several of the parks in the community and recently a neighborhood park was the recipient of Keizer Rotary funds to build a new play structure.

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 83 city employees working in seven departments: Administration, Finance, Human Resources, Public Works, Community Development, Municipal Court and Police Services.

## *CITY OF KEIZER*

*Continued*

The water supply for the City of Keizer is provided by 15 underground wells. Keizer sits on one of the largest water aquifers on the northwest coast. Since 1983, water service connections have grown from 5,200 to 9,100 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.

One of the most recent volunteer projects was the development of Keizer Corner. This area, located at

the intersection of River Road and Chemawa Road, was once the site of a gas station. In the late 1990's, the City of Keizer purchased this property using Urban Renewal funds. What was once a barren lot now features beautiful trees, a water display, flags, and plaza. This \$157,000 improvement project was the result of countless hours of volunteer time, cash, materials, and service from the community. The plaza area was named Newton-McGee Plaza in honor of two long time volunteers for their dedicated service to the Keizer City government. The water feature includes the City's motto. It is truly a portrait of community pride, spirit and volunteerism.

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.

## A collection of quotes by *Thomas Jefferson*, author of the Declaration of Independence and third President of the United States

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"The essential principles of our Government... form the bright constellation which has gone before us and guided our steps through an age of revolution and reformation. The wisdom of our sages and blood of our heroes have been devoted to their attainment. They should be the creed of our political faith, the text of civic instruction, the touchstone by which to try the services of those we trust; and should we wander from them in moments of error or of alarm, let us hasten to retrace our steps and to regain the road which alone leads to peace, liberty and safety."  
— Thomas Jefferson, 1st Inaugural Address, 1801.

"To preserve the peace of our fellow citizens, promote their prosperity and happiness, reunite opinion, cultivate a spirit of candor, moderation, charity and forbearance toward one another, are objects calling for the efforts and sacrifices of every good man and patriot. Our religion enjoins it; our happiness demands it; and no sacrifice is requisite but of passions hostile to both." —Thomas Jefferson: to Rhode Island Assembly, 1801.

"The excellence of every government is its adaptation to the state of those to be governed by it." —Thomas Jefferson to Pierre Samuel Dupont de Nemours, 1816.

"There is a debt of service due from every man to his country, proportioned to the bounties which nature and fortune have measured to him." —Thomas Jefferson to Edward Rutledge, 1796.

"In a virtuous government... public offices are what they should be: burdens to those appointed to them, which it would be wrong to decline, though foreseen to bring with them intense labor and great private loss."  
—Thomas Jefferson to Richard Henry Lee, 1779.

"Public offices were [not] made for private convenience." —Thomas Jefferson to the Duchesse d'Auville, 1790.

# **BUDGET MESSAGE**



# City of Keizer

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April 30, 2004

Honorable Mayor Christopher, City Councilors, Budget Committee, and Citizens of Keizer:

The City of Keizer 2004-2005 Manager's Recommended Budget focuses on committing resources to provide the best service to our customers while ensuring the fiscal integrity of public funds.

## ALL FUNDS COMBINED

The net increase in the City of Keizer's FY05 budget is \$8,123,600 as follows:

## Summary of Budget Increase/Decrease by Fund

General Fund	\$ 400,400
Revenue Sharing Fund	121,000
Street Fund	1,352,500
PEG Fund	15,200
9-1-1 Fund	(5,900)
Housing Rehabilitation Fund	(400)
Law Enforcement Grant Fund	32,600
Park Improvements Fund	226,700
Utility Fund	749,400
Water Fund	583,100
Water Facility Fund	4,012,800
Street Lighting District Fund	50,900
Sewer Reserve Fund	585,300
TOTAL ALL FUNDS	<u>\$ 8,123,600</u>



## Expenditures/Expenses

### Personal Services

Council approved the following benefit changes for non-bargaining and utility workers' Local 320 represented employees. (Keizer Police Association contract is not settled.) These changes have reduced employee's costs for benefits as well as helped control the City's costs.

- ◆ The City will continue to use the Portland CPI-wage as a methodology for annual cost of living adjustments (COLA), and starting 7/01/04, Council approved a minimum of 1% and a maximum of 3% for COLAs. (Local 320 contract established a 1.5% minimum and 3% maximum).
- ◆ Short-term disability was eliminated and the medical Cap was not reduced.
- ◆ Effective 7/01/04, the City will pay the full premium of long-term disability, outside the cap. This establishes a new LTD Cap, adjusted each July 1 by the Portland CPI-wages for the previous year.
- ◆ Life insurance increased from \$40,000 to \$60,000. Effective 7/01/05, the City will pay the full premium, outside the cap. This establishes a new Life and LTD Cap that will be adjusted each July 1 by the Portland CPI-wages for the previous year.
- ◆ The methodology used to establish the City's contribution CAP for health insurance was modified from using the Portland CPI-wages to the National CPI-medical. Effective 7/01/04 the City's contribution amount will be subject to a minimum of 2% and a maximum of 6%.

The City's insurance carrier projects Workers Compensation costs will increase 18% over FY04.

### Materials and Services

The City's liability and property insurance premiums are expected to increase 5% over FY04 costs. This increase reflects an increase in the number of Police Vehicles covered, new land acquisitions, and a 2% increase in rates.

The City anticipates a five-percent increase in Personal Services for cost-of-living increases (1.6% based on the Portland consumer price index for wage earners), increases in medical benefits (4.2% based on the consumer price index for medical costs), annual merit increases, and labor contract collective bargaining agreements.

### Technology

The biggest emphasis this year is to support the City's overall mission of providing excellence in customer service. Technology will reduce the need to add more staff while ensuring we meet this mission.

Telephone System: The Manager's Recommended Budget proposes to replace the outdated telephone system. Customers will be able to call directly into whichever department they wish to contact without having to meander through a voice activated recorder. This will allow the receptionists more time to assist walk-in customers and will reduce the overall monthly telephone expense. An added benefit is portability should the City need to move it to another facility.

E-government: The Manager's Recommended Budget also proposes complete installation of E-government, including online City Council packets. E-government will allow the public access to city services via the Internet; reducing paperwork and materials needed to assemble Council packets and other documents. E-government will provide real-time reporting capabilities through electronic form submission and enable fast, error-free automation processing for on-line bill paying, permits, applications, employee time reporting and mapping.

#### GENERAL FUND - \$400,400 INCREASE

Resources: The overall increase in the General Fund is attributed to a \$354,400 carryover from FY04. The City anticipates an addition \$135,000 in property tax revenues, from increases in property valuation and new development.

The \$66,000 decrease in intergovernmental revenues is primarily because of a one-time transportation grant received in FY04. The City received \$84,000 less in Municipal Court Fines and Forfeit revenues in FY04. Fewer delinquent accounts were turned over to the collection agency and fewer citations were written. These revenues should stabilize in FY05. Other revenue increases totaling \$61,000 bring the net increase in the General Fund to \$400,400.

Expenditures: The Manager's Recommended Budget proposes a \$206,000 increase in Personal Services to pay for cost-of-living and merit increases, an additional \$110,400 transfer to the Revenue Sharing Fund to replace outdated equipment, a \$33,000 transfer to the 9-1-1 Fund to pay for emergency dispatch services, \$11,000 for Park Capital Improvements, Parks, \$2,000

increase in Materials and Services. The remaining \$38,000 increase is to be held in Reserves, Contingency and Fund Balance.

#### Technology

A wireless network system in the Police Department will allow Officers to access information in the field by replacing old radio modems that no longer have technical support. Strategically located wireless hotspots will be installed throughout the City. Officers will be able to receive the latest updates on alerts from other law enforcement agencies. This system also will allow Officers to remain in the field, where they will continue to protect and serve our citizens, without having to come back to the Department to process paperwork.

#### REVENUE SHARING - \$121,000 INCREASE

Resources: The Manager's Recommended Budget proposes a \$110,400 increase in transfers from the General Fund. \$13,600 is the estimated carry-over from FY04 and a \$3,000 net reduction from one-time revenues in FY04 make up the \$120,000 increase in this fund.

Expenditures: Capital Outlay increases include \$117,400 for computer equipment over amounts expended in FY04. Reductions in Patrol Vehicle leases (\$24,000), Mobile Computer Terminal leases (\$46,000), and \$5,400 other expenditure reductions will allow the City to invest \$79,000 of General Fund resources for a new telephone system.

## STREET FUND - \$1,352,500 INCREASE

Resources: \$226,000 is the projected carryover from FY04. State Fuel Tax revenues are expected to increase \$197,000 over FY04. The City anticipates receiving \$916,000 in grant funds from the State of Oregon's Transportation Improvement Program. The remaining \$13,500 increase is from rents and construction fees.

Expenditures: Operating expenditures are expected to decrease a net \$69,000 over FY04 (after the reclassification of the Street Resurfacing line-item to Capital Outlay). Major improvements are proposed increasing Capital Outlay \$1,400,500 over FY04. The remaining \$21,000 is added to the Reserve Fund for a new Shop Addition.

Major projects proposed for fiscal year 2004:

- ♦ Re-construct Chemawa Road Bike Lanes and Travel Lanes, replace Bridge, add new Sidewalks, Curb, Road Surface, Storm Drainage, Decorative Lighting, Street Trees, and Medians from 7<sup>th</sup> Ave NE to Verda NE. Budget reflects 50% of actual cost
- ♦ Identify and Construct Pedestrian Bridge over Labish Ditch
- ♦ Implement Pavement Management Preservation Program

## PUBLIC EDUCATION GOVERNMENT FUND (PEG) - \$15,200 INCREASE

Resources: The \$15,200 increase is primarily from funds carried over from FY04.

Expenditures: By law, PEG Funds are restricted for the use of government programming costs. The Manager's Recommended Budget proposes to spend \$61,600 in Capital Outlay over FY04 towards the purchase of new television equipment. This expenditure will reduce the Fund Balance \$46,400 by the end of FY05. Over the next three years, the total cost of the television equipment will be \$95,000 and includes \$59,500 for a Digital Server and \$35,500 for a Mobile Production Rack.

## PARK IMPROVEMENT FUND - \$226,700 INCREASE

Resources: The increase in the Park Improvement Fund is attributed to funds carried over from FY04.

Expenditures: Approximately \$325,000 has been allocated for land acquisition and park improvements; \$74,900 over FY04 expenditures increasing the Fund Balance \$151,800 by the end of FY05.

## UTILITY FUND - \$749,400 INCREASE

Resources: Sewer billings increased \$275,800, or 8%, over the FY04 budget. This increase is attributed to the 21% increase in consumption rates (sewer charges are based on water usage). In FY05 the City of Salem's Cost of Service Analysis projects a 12% increase in rates adding an additional \$434,400 in revenues over FY04. The remaining \$39,200 increase is primarily funds carried over from FY04.

Expenditures: The Utility Fund is essentially a "pass-through" account. The City of Keizer bills customers for sewer and remits the proceeds to the City of Salem. Therefore, the \$749,400

increase in expenditures is a result of \$275,800 increase in City of Salem payments in FY04 and an increase of \$434,400 in payments in FY05 over amounts budgeted in FY04. Most of the remaining \$39,200 is expected to be held in Fund Balance by the end of FY05.

#### WATER FUND - \$583,100 INCREASE

Revenues: The Manager's Recommended Budget projects \$369,000 to be carried over from FY04, an increase of \$226,300 in Water Sales and a decrease in Fee revenue of \$12,200 in FY05. The Water Sales increase is from a proposed four-percent water rate increase consistent with the cost of service analysis completed in 2002. This increase is needed to pay to replace aging infrastructure, provide better fire protection, improve water quality, and increase storage capacity needed for new development.

Expenditures: The \$583,100 will be used to cover \$182,200 increase in operating expenditures, a \$275,000 transfer increase to the Water Facility Fund, \$50,000 in the Shop Reserve Fund and a \$75,900 increase in Ending Fund Balance needed to meet cash flow requirements.

#### WATER FACILITY FUND - \$4,012,800 INCREASE

Resources: The City anticipates a \$218,500 carryover from FY04, \$60,900 increase in SDC's from development, \$275,000 increase in transfers from the Water Fund, \$3,447,500 in bond proceeds and \$10,900 from other Revenues.

Expenditures: The FY05 budget provides for an increase in Capital Outlay of \$3,294,300, and approximately \$292,900 to be held in reserve for debt service requirements. The remaining \$425,600 will be held in Ending Fund Balance to be used in FY06 for the Steel Waterline replacement project starting in FY05.

The major capital improvement projects include:

- ◆ Replace 13<sup>th</sup> and 17<sup>th</sup> Ave Wells with a new well at 17<sup>th</sup> Ave which meets the State's Ground Water Disinfection Rule.
- ◆ Improve the Delta Well with side drilling existing well and reseal well to 100'
- ◆ Install Bair Park Reservoir Tank and Pump Station
- ◆ Install Keizer Station Reservoir and Pump Station (also to be paid with Urban Renewal Funds)
- ◆ Install Wiessner Pump Station Pipeline Extension
- ◆ Upgrade Telemetry System to Radio Circuit Control
- ◆ Construct new Well at City Hall
- ◆ Replace Steel Waterlines City-wide
- ◆ Retrofit all Existing Turbine Electric Motors for Energy Efficiency
- ◆ Install Railroad Directional Bore Casing and Waterline

#### SEWER RESERVE FUND - \$585,300 INCREASE

Resources: New development is expected to increase Sanitary Sewer Acreage Fees \$487,800. Additional increases are from \$120,700 Working Capital Carryover less a \$23,200 decrease primarily from intergovernmental funds from the City of Salem.

Expenditures: Capital Outlay costs have increased \$120,000 for construction of Sewer Line Extensions and related costs. The

City expects a ~~\$23,600~~ decrease in Contractual Services leaving ~~\$488,900~~ in Fund Balance by fiscal year end.

The FY05 Manager's Recommended Budget continues to provide funding for an effective and low cost government that meets the identified City's needs. The Budget allocates the City's resources to provide services on a priority basis within tight fiscal constraints.

One of the biggest financial challenges facing the City is funding general government services. Property tax revenues make up approximately 39% of general fund revenues. The State of Oregon property tax system sets a permanent rate for each taxing district. Increases in property tax revenues are limited to three percent of assessed value plus growth from new construction. The FY04 district net value increased 6% overall with a 9% increase attributed to the Urban Renewal District. However, property tax revenues continue to increase at a declining rate. As the City builds out to its urban growth boundaries, property tax revenues will be limited to a potential three-percent increase in future years. The remaining 61% of general fund resources are expected to increase at a much slower rate; about one to two percent per year. This creates a disparity with the cost of doing business, which has typically increased at three percent per year (based on Portland Oregon's cost of living index).

To help align revenue and expenditure trends so that the City may continue funding basic services, the City has provided for a series of increases in franchise or license fee rates. The final such rate increase was the Sewer Utility License Fee, from 2% -5%, effective July 1, 2003. The

City continues to monitor the Long-Range Plan to test the impact of decisions over the long-term.

#### Summary

The FY05 Manager's Recommended Budget projects \$20,565,000 in revenues and \$5,701,000 as beginning reserves and fund balances. These resources will be used to essentially maintain service levels expected to cost \$22,509,000.

We would like to compliment and thank everyone involved in the development of the FY05 Manager's Recommended Budget. We appreciate 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 2001-02	ACTUAL 2002-03	ADOPTED 2003-04
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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## RESOURCES

\$ 3,073,235	\$ 3,404,785	\$ 4,037,178	Beginning Fund Balance	\$ 5,701,100	\$ 5,701,100	\$ 5,701,100
2,722,264	2,905,972	3,124,343	Taxes & Assessments	3,189,900	3,189,900	3,189,900
2,352,892	2,408,683	2,264,842	Licenses & Fees	2,873,300	2,873,300	2,873,300
2,390,806	2,270,721	2,260,066	Intergovernmental	3,312,900	3,317,900	3,317,900
410,119	444,744	446,028	Fines & Forfeits	362,500	362,500	362,500
4,857,665	5,108,435	5,443,624	Charges for Services	6,378,800	6,378,800	6,378,800
-	-	-	Bond Proceeds	3,447,500	3,447,500	3,447,500
243,052	197,737	237,789	Miscellaneous	252,600	260,600	260,600
41,172	280,480	328,574	Transfers In	747,400	747,400	747,400
<b>\$ 16,091,205</b>	<b>\$ 17,021,557</b>	<b>\$ 18,142,444</b>	<b>TOTAL RESOURCES</b>	<b>\$ 26,266,000</b>	<b>\$ 26,279,000</b>	<b>\$ 26,279,000</b>

## EXPENDITURES

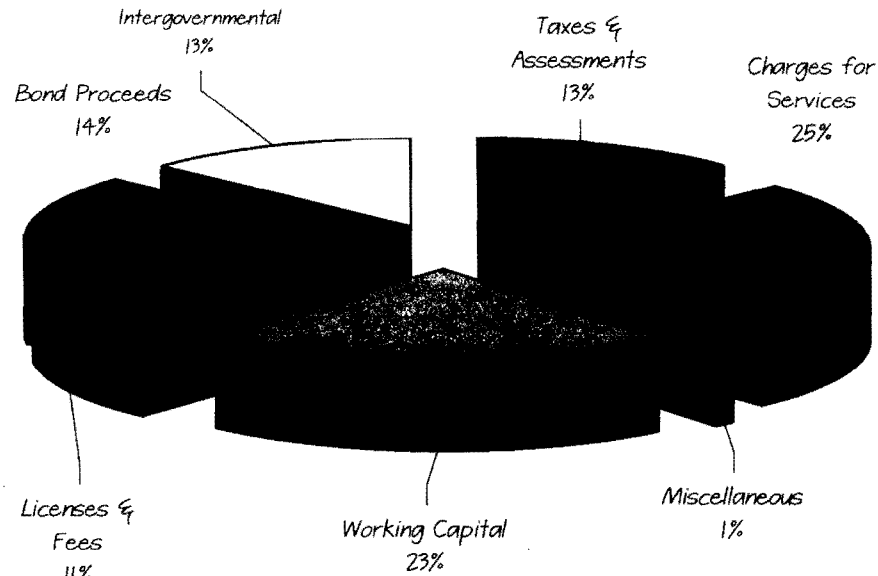
\$ 4,882,476	\$ 5,073,932	\$ 5,586,282	Personal Services	\$ 5,825,300	\$ 5,814,700	\$ 5,814,700
6,120,614	6,156,076	7,379,701	Materials & Services	7,659,500	7,656,000	7,656,000
1,526,903	770,456	2,524,680	Capital Outlay	7,948,600	8,098,000	8,098,000
8,330	12,563	11,538	Debt Service	146,300	146,300	146,300
<b>\$ 12,538,323</b>	<b>\$ 12,013,028</b>	<b>\$ 15,502,201</b>	<b>TOTAL EXPENDITURES</b>	<b>\$ 21,579,700</b>	<b>\$ 21,715,000</b>	<b>\$ 21,715,000</b>
148,098	282,920	378,574	Transfers Out	847,400	847,400	847,400

## FUND BALANCE

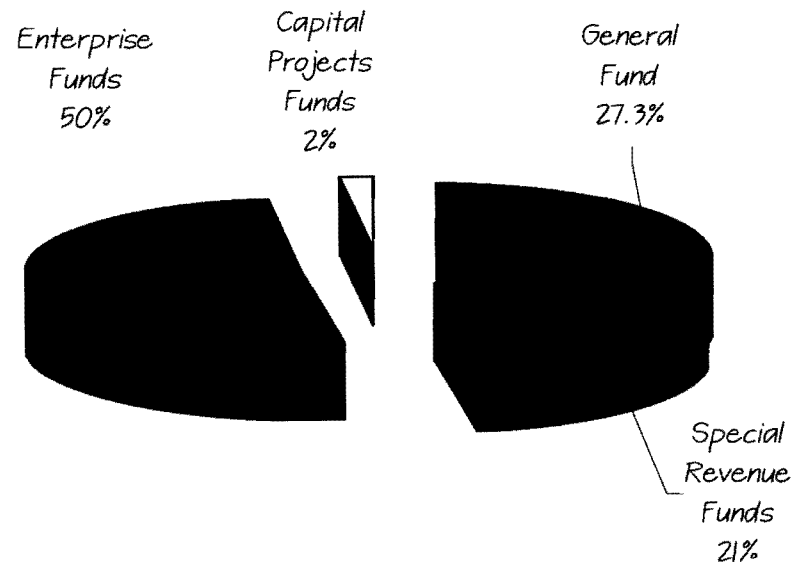
-	-	239,393	Contingency	177,100	170,300	170,300
-	-	-	Reserves	456,900	463,500	463,500
3,404,784	4,725,609	2,022,276	Undesignated Ending Fund Balances	3,204,900	3,082,800	3,082,800
<b>\$ 16,091,205</b>	<b>\$ 17,021,557</b>	<b>\$ 18,142,444</b>	<b>TOTAL EXPENDITURES &amp; FUND EQUITY</b>	<b>\$ 26,266,000</b>	<b>\$ 26,279,000</b>	<b>\$ 26,279,000</b>

# CITY OF KEIZER ALL FUNDS - ALLOCATION OF RESOURCES FISCAL YEAR 2005

## Resources



## Expenditures



## CITY MANAGER

### The 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 77 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 operations, hiring and firing personnel, and serving as the council's chief policy advisor.



## CITY MANAGER

Continued

Since 1912, when Sumter, South Carolina, became the first community to adopt council-manager government and ran the first advertisement for a city manager, this form has become the most popular system of local government for communities with populations of 5,000 or over. In 1935, the International City Managers 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 only an average of 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).

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. The manager 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.

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

## CITY MANAGER

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."

### 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

## Continued

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.

## CITY MANAGER

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.

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 continually to 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.

## Continued

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 2003-04 was another good year for the City, logging many accomplishments and taking steps to accomplish Council goals. Keizer Station

## CITY MANAGER

Continued

continues to be a major project for the City but there are a number of others that are all a close second. Some of those are the completion of a Storm Water Management Plan, as mandated by the Department of Environmental Quality (DEQ) and opening the building permits function of the Community Development department to customers all day instead of part time accomplishments are listed below:

- ◆ City staff have been working with Northwest National LLC to develop a master plan for the City Council to review. The Council will have their first look at this significant document in June, 2004. In addition, the developer and the City made good headway in acquiring ground within the development area. Construction is anticipated to begin on the Keizer Station Areas A, B and D in the fall of 2004.
- ◆ The City's long-range financial plan continues to be updated each year as we move toward the goals identified within it. This has been a magnificent tool that can be used annually to gauge our progress and fiscal health.
- ◆ The City Council initiated a master plan process for the River Road corridor called River Road Renaissance. This planning project has enjoyed significant participation by Chamber of Commerce members and the general public and will help define the look and feel of River Road during the next twenty years.
- ◆ Department heads and staff completed the 2nd internal organizational analysis (Keizer Internal Structural Analysis 2, or K2) with the single focus of improving customer service. A number of strategies were defined by staff, which will be implemented this next year. Some of these ideas include merging Court with the Finance Department,

## CITY MANAGER

developing a central cashier function, and making physical changes to the lobby City Hall lobby to make the layout more intuitively logical for customers.

- ◆ We received good feedback from the second annual community survey and will be developing the third annual survey to be administered this summer. The major focus of this year's survey will be to distribute it more widely to renters as well as single family home owners.
- ◆ The Civic Center task force worked with Arbuckle Costic Architects this last year to evaluate alternatives for the development of a Civic Center at the existing City Hall/PD site. The task force has made a series of recommendations to the City Council, which

Continued

will be evaluated in June. Public Hearings then will be scheduled to take citizen input prior to making final decisions on which direction to head.

## 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.) 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 Provide exceptional customer service in all areas of our organization.

## HUMAN RESOURCES

The Human Resources (H.R.) Department provides personnel services to comply with federal, state and local laws regarding recruitment and selection, compensation, personnel actions, performance, risk management and benefits administration.

The H.R. Director is the City's Safety Officer, responsible for ensuring safety policies and procedures are implemented and monitored. The City's Public Information Officer writes press releases and answers questions for the media; provides support to the Emergency Operations Committee and is staff liaison to EVAK. The receptionist provides friendly assistance greeting customers and responding to their questions. This is essential because the receptionist may be the first and only contact the customer has with the City. The H.R. department also manages the Information Systems division.

### *Human Resources Accomplishments . . .*

- Completed a three-year contract between the City and the Public Works utility workers' Laborer's International Union, Local 320.
- Completed the second annual Keizer Internal Structural Analysis or K-2. Input from all staff identified the need for greater communication between departments and for a more user-friendly front lobby for customers.
- Developed a policy on Health Insurance Portability and Accountability Act (HIPAA) to comply with the federal law.
- Revised 18 personnel policies, which were approved by the Personnel Policy Committee and City Council.
- Conducted 13 open recruitments and employee orientations.
- Evaluated benefit options to control premium costs to City and staff. This is an ongoing process requiring constant monitoring. Council approved the following benefit changes for non-bargaining and utility workers' Local 320 represented employees. (Keizer Police Association contract is not settled.) These changes reduced employees costs for benefits and helped control the City's costs.
- The City will continue to use the Portland CPI-wage as a methodology for annual cost of living adjustments (COLA), and starting 7/01/04, Council approved a minimum of 1% and a maximum of 3% for COLAs. (Local 320 contract established a 1.5% min. and 3% max).
- Short-term disability was eliminated and the medical Cap was not reduced.
- Effective 7/01/04, the City will pay the full premium of long-term disability, outside the cap. This establishes a

## HUMAN RESOURCES

Continued

new LTD Cap, adjusted each July 1 by the Portland CPI-wages for the previous year.

- Life insurance increased from \$40,000 to \$60,000. Effective 7/01/05, the City will pay the full premium, outside the cap. This establishes a new Life and LTD Cap that will be adjusted each July 1 by the Portland CPI-wages for the previous year.
- The methodology used to establish the City's contribution CAP for health insurance was modified from using the Portland CPI-wages to the National CPI-medical. Effective 7/01/04 the City's contribution amount will be subject to a minimum of 2% and a maximum of 6.0%.

### *Information Systems Accomplishments*

The City's information systems are coordinated through this department. In addition to responding to more than six service calls per day, the following was accomplished:

- Hired a full-time Information Systems Technician - thank you ☺
- Network support services that were contracted out ended nine months earlier than planned, saving over \$20,000.
- Upgraded network performance 65% by replacing obsolete equipment.

- Reduced incoming E-mail Spam by 95%.
- Designed and implemented a wireless network for the Police Department, which allows access to information while in the field.

### *Risk Management Accomplishments*

The City's workers' compensation rates have increased over the past three years and a 12% (approximate) increase is expected this year. In an effort to mitigate risks, the Safety Committee was divided into three components - Police, Public Works and City Hall. This allowed each department to focus on department-specific OSHA requirements and training. Efforts to reduce rates will continue.

Other accomplishments:

- Completed the Safety Manual in compliance with OR-OSHA regulations.
- An OR-OSHA inspection of City Hall found no violations.
- New Safety Committee members were selected and trained.
- Public Works Department conducts weekly Safety training. They also received additional training on lockout/tagout, forklift, and protective equipment.

## HUMAN RESOURCES

Continued

- Police Department conducts monthly in-service training and monthly roll-call training on various topics to ensure officer safety.

Indicators	1998	1999	2000	2001	2002	2003
Recruitments	14	9	6	7	4	13
Employee orientations	20	9	5	7	4	13
Safety Committee meetings	12	12	12	12	11	12
Worker's comp claims*	11	19	15	26	19	4
Computer issues	110	120	110	140	200	800
Media contacts	22	22	19	13	8	5

\* This figure represents seven months of activity by in-house staff. It reflects a larger number than previous years as the position responds daily to computer concerns, rather than waiting for vendor support every the other week.

### Future Goals...

- Continue to work with the Personnel Rules Committee to complete personnel policies.
- Complete Keizer Police Association bargaining unit contract.
- Expand the Orientation Program to include the City's priorities relating to ethics, customer service standards and the role of a public servant.
- Conduct and document safety training on updated policies.
- Develop a Wellness Program to enhance our safety mission.
- Purchase and install a new telephone system designed to enhance customer service by streamlining incoming calls through use of VoIP (voice over Internet Protocol and DID (Direct Inward Dialing). ; This will reduce the overall monthly telephone expense.
- Continue the progress toward citywide Wi-Fi for citizens and city use. By using radio waves, Wi-Fi connects to the City of Keizer network and the Internet without the restriction of wires or cables, allowing mobile access to police reports, files and e-mail. This process will take three years to complete. The goal is to establish five "hot spots" throughout Keizer this year.
- Complete installation of E-government, including online City Council packets. E-government allows the public to access city services via the Internet and reduces paperwork. E-government provides real-time reporting



## HUMAN RESOURCES

Continued

capabilities through electronic form submission and enables fast, error-free automation processing for on-line bill paying, permits, applications, employee time reporting and mapping.

- Since the classification of the Information System Technician was established in 2003, additional work was assigned to this position that requires a higher level of technical knowledge and understanding of network

systems. The duties—include a) performing system administration tasks on multiple network systems; b) developing new systems and programs that require analysis and design; and c) installing and configuring network infrastructure connectivity. The City no longer relies on outside vendor support for computer expertise. This classification will be reviewed and a market analysis scheduled to determine the appropriate range and salary.

# FINANCE

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. Finance 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 and will begin managing the Municipal Court office and reception area by July 1, 2004, increasing staff from seven employees to ten employees.

## *Accomplishments . . .*

Fiscal Year 2004 was an ambitious and productive year for the Finance Department. Major accomplishments include:

- Requested proposals for banking services to ensure the City was availing itself of the most comprehensive services at the least cost. The City changed banks and hired a courier service to help ensure the safe deposit of daily receipts.
- Updated the Water Fund cost-of-service analysis and water rate model. Fiscal year 2005 rates project a 4% increase over fiscal year 2004. This is 0.5% less than was projected one year ago.
- Implemented on-line lien search information to give Title Companies access to the City's database, as required by State Law.
- Implemented the Government Accounting Standards Board's pronouncement mandating compliance with new financial reporting standards (known as GASB 34).
- Participated in a citywide reorganization. Assumed responsibilities over Municipal Court and began assessment related procedures and practices.
- Provided various scenarios and cost analyses for union negotiations between the City and the Keizer Police Association and Local 320 (municipal utility workers) unions. The KPA contract settlement process may continue into fiscal year 2005.
- Successfully developed an accounting process for tracking program costs (see table of contents for Program Budgeting Section).
- Coordinated negotiations with the City of Salem regarding the interagency agreement for providing Sewer Services to citizens of Keizer. Negotiations likely will continue into fiscal year 2005.

## FINANCE

*Continued*

### *Future Goals . . .*

This coming year, the Department will continue streamlining processes and will meet City Council goals by:

- Coordinating debt issuance needed to fund \$3.5 million of water system infrastructure.
- Coordinating debt issuance needed to fund a \$13-\$14 million local improvement district at the Keizer Station.
- Incorporating the Municipal Court office into the Finance Department. (See Municipal Court summary).
- Expanding Program Budgeting accounting to include programs within other Departments of the city.
- Preparing requests for proposal for audit services and select an audit firm for the upcoming three-year period.

## *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, and oversees the public notification process. Other responsibilities include processing special event permits, noise variances, towing agreements, liquor license applications, and street lighting districts. The City Recorder supervises the Recording Secretary.

The Recording Secretary administratively supports most of the City's Boards and Commissions; by attending meetings and preparing minutes and agenda packets. In addition, the Recording Secretary coordinates the Records Management program and assists the City Recorder in preparation of minutes for the City Council, Urban Renewal Agency and Budget Committee.

### *Accomplishments*

Last fiscal year, the City Recorder participated in the Keizer Internal Structure Analysis (KISA) process. The results were that the Municipal Court function transferred from the City Recorder to the Finance Department. The City's webmaster function also transferred to the Information Technician Specialist. The City Recorder serves as the staff liaison to the City Council Rules of Procedure Task Force and the Charter Review Task Force meeting the City Council goals that were established in 2003. Research was gathered and a plan was established to change the City Council agenda packets to an electronic format. Implementation of the plan will occur in the upcoming fiscal year.

The Recording Secretary continues to support to the City's Boards and Commissions with the addition of the Civic Center Task Force, RIVERR Task Force, and the Community Oriented Policing Committee. In the past few months, the Recording Secretary enhanced the Records Management system and has helped to explore options for an electronic program that will provide the citizens of Keizer access to public records for through the City's web page.

## *CITY RECORDER*

*Continued*

### *Future Goals*

In the upcoming year, the City Recorder will implement a process for electronic City Council agenda packets; which includes citizen access to the agenda packet through the City's web page. In November 2004, three Council positions and the Mayor position will be up for election. An orientation process will be designed for new or returning members to the City Council.

The Recording Secretary will continue work on the City's Records Management program, which covers paper and electronic records. The focus for the coming year is to provide electronic access and assistance to the citizens of Keizer when apprising them of the issues facing the City Council. This will provide an open door to information about the operations of their city government.

# **GENERAL FUND**

## *General Fund*

This fund accounts for the activities of the City, which are not accounted for in any other fund. Principal sources of revenue are property taxes, franchise fees, other taxes such as cigarette and liquor tax, and charges for administrative services from other funds. 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 police protection, parks, community development and general government. The City's administrative budget includes the City Manager, Human Resources Department, City Recorder and a portion of the Finance Department.

### Revenues

#### Taxes

Property tax revenues for FY05 are projected at 3% above amounts received in FY04 to account for an increase in assessed value, plus 3% for new construction. An 8% allowance has been made to gross property taxes assessed to account for discounts and uncollected taxes.

#### Licenses & Fees

Revenue projections for FY05 are based on current

year actual receipts. Projections have also been adjusted as appropriate for growth, fee increases and price increases as indicated by each franchise company.

#### Fines and Forfeits

Municipal Court Fines were down in fiscal year 2004 because the Police Department had one motorcycle officer versus two in previous years due to staff turnover and the time necessary to train a new motorcycle officer. Past due fines are down because fewer delinquent accounts were turned over to collections compared to previous years.

#### Intergovernmental

Intergovernmental revenues include Liquor and Cigarette Taxes and are distributed to the City by the Oregon Department of Administrative Services. Keizer's share of this statewide tax is based on the area's population during the 2003 legislative session.

#### Expenditures

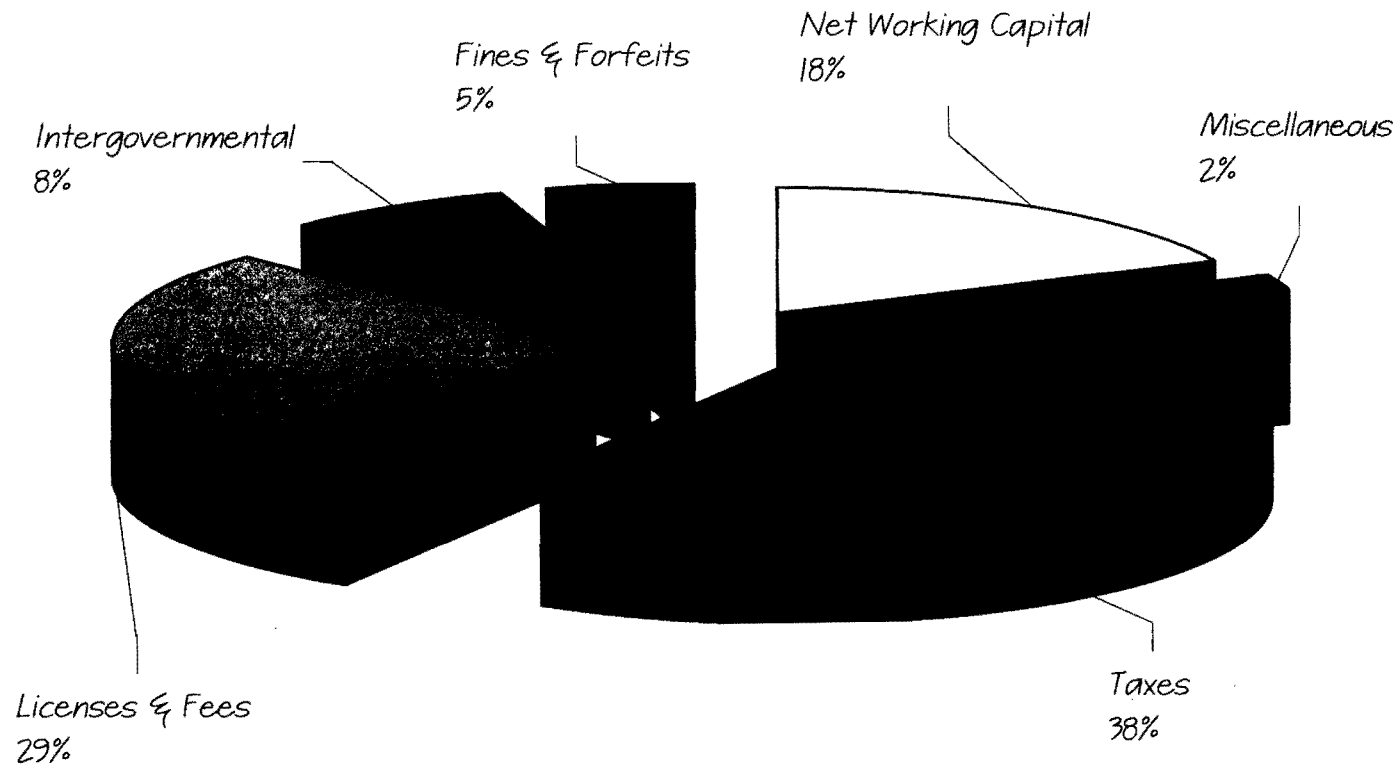
The changes in expenditure line items are explained in the footnotes of the budget document.

# GENERAL FUND SUMMARY

ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<b>RESOURCES</b>						
\$ 562,784	\$ 788,399	\$ 934,807	Working Capital Carryforward	\$ 1,289,200	\$ 1,289,200	\$ 1,289,200
2,415,967	2,513,209	2,626,335	Taxes	2,761,100	2,761,100	2,761,100
1,774,469	1,899,974	1,996,188	Licenses & Fees	2,039,800	2,039,800	2,039,800
527,960	580,429	598,521	Intergovernmental	532,300	537,300	537,300
410,119	444,744	446,028	Fines & Forfeits	362,500	362,500	362,500
159,455	105,127	100,885	Miscellaneous	118,300	126,300	126,300
<u>\$ 5,850,754</u>	<u>\$ 6,331,882</u>	<u>\$ 6,702,764</u>	<b>TOTAL RESOURCES</b>	<u>\$ 7,103,200</u>	<u>\$ 7,116,200</u>	<u>\$ 7,116,200</u>
<b>EXPENDITURES</b>						
\$ 3,799,292	\$ 3,983,133	\$ 4,324,745	Personal Services	\$ 4,531,000	\$ 4,522,400	\$ 4,522,400
1,250,142	1,182,724	1,347,071	Materials & Services	1,348,900	1,344,900	1,344,900
12,921	-	-	Capital Outlay	10,500	10,500	10,500
<u>\$ 5,062,355</u>	<u>\$ 5,165,857</u>	<u>\$ 5,671,816</u>	<b>TOTAL EXPENDITURES</b>	<u>\$ 5,890,400</u>	<u>\$ 5,877,800</u>	<u>\$ 5,877,800</u>
<b>TRANSFERS OUT</b>						
\$ -	\$ 30,706	\$ -	To PEG Fund	\$ -	\$ -	\$ -
-	-	-	To 9-1-1 Fund	33,400	33,400	33,400
-	2,440	-	To Urban Renewal Fund	-	-	-
-	49,774	78,574	To Revenue Sharing Fund	189,000	189,000	189,000
<u>\$ -</u>	<u>\$ 82,920</u>	<u>\$ 78,574</u>	<b>TOTAL TRANSFERS</b>	<u>\$ 222,400</u>	<u>\$ 222,400</u>	<u>\$ 222,400</u>
<b>FUND BALANCE</b>						
\$ -	\$ -	\$ 54,657	Contingency	\$ 84,800	\$ 78,000	\$ 78,000
-	-	-	Reserve for Parks Equipment Storage	4,000	10,600	10,600
788,399	1,083,105	897,717	Undesignated Ending Fund Balance	901,600	927,400	927,400
<u>\$ 5,850,754</u>	<u>\$ 6,331,882</u>	<u>\$ 6,702,764</u>	<b>TOTAL GENERAL FUND</b>	<u>\$ 7,103,200</u>	<u>\$ 7,116,200</u>	<u>\$ 7,116,200</u>



CITY OF KEIZER  
GENERAL FUND RESOURCES  
FISCAL YEAR 2005



# CITY OF KEIZER

## 2004-2005 Property Tax Revenue Estimates

### City Property Tax Revenues

- 1 District Net 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 (7.95%)
- 12 Net Anticipated Tax Collected
- 13 2003-04 Tax Revenues
- 14 Increase over 2003-04 Revenues
- 15

2003-04 Actual Tax Revenues	Maximum Assessed Value Increase 3%	<del>\$49,344,600</del> New Construction 3%
\$1,501,485,500	\$1,546,530,100	\$1,595,874,700
(231,261,800)	(238,199,700)	(252,611,900)
\$1,270,223,700	\$1,308,330,400	\$1,343,262,800
\$2.0838	\$2.0838	\$2.0838
\$2,646,800	\$2,726,300	\$2,799,100
2,100	2,200	2,200
\$2,648,900	\$2,728,500	\$2,801,300
(210,500)	(216,800)	(222,600)
\$2,438,400	2,511,700	2,578,700
	(2,438,400)	(2,438,400)
	73,300	\$140,300

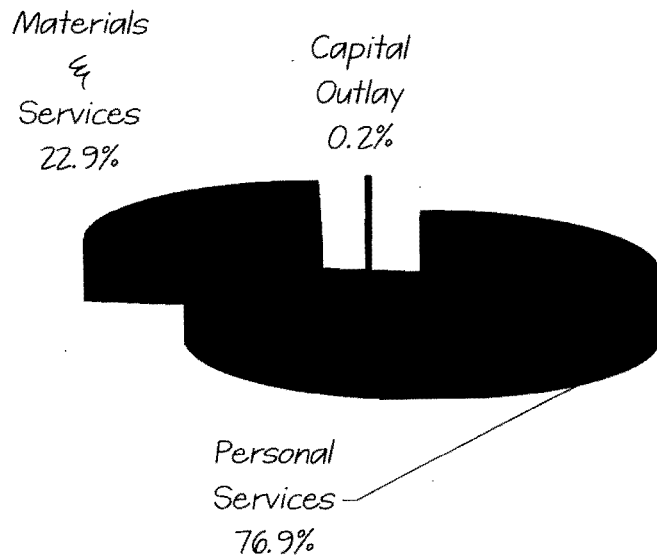
### Urban Renewal Property Tax Revenues

- 16
- 17
- 18 Assessed Value inside Keizer's Plan Area
- 19 Assessed Value (frozen)
- 20 Increment Value
- 21
- 22 Tax Rate per \$1,000 Increment Value
- 23 Adjustments
- 24 Division of Tax Revenues
- 25 Uncollectables and Discounts (8%)
- 26 Net Anticipated Tax Collected

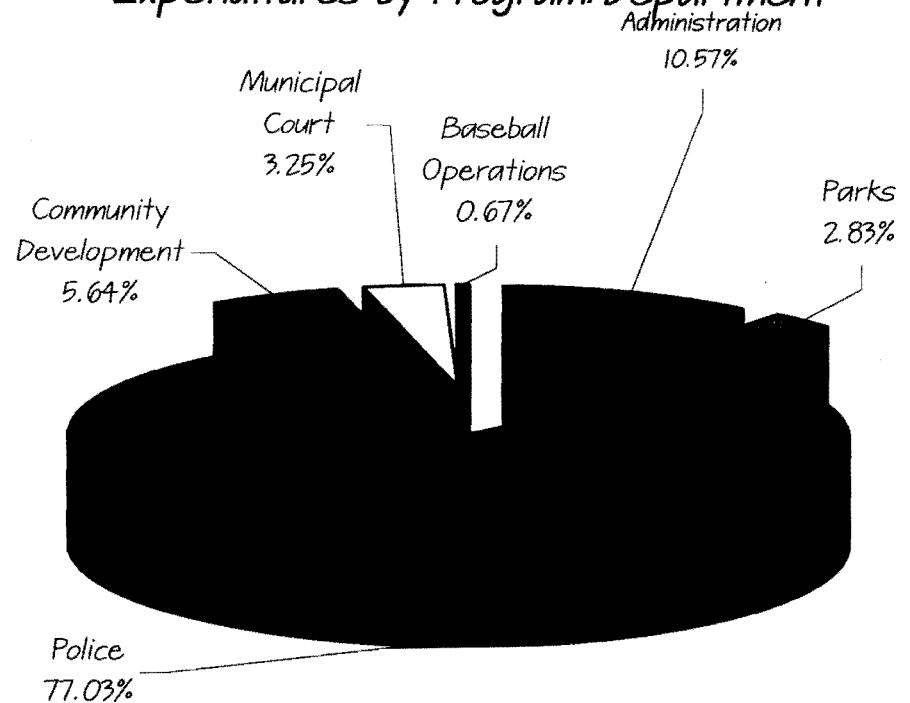
	Maximum Assessed Value Increase 3%	<del>\$14,412,200</del> New Construction 6%
\$294,528,700		
63,266,900		
\$231,261,800	\$238,199,700	\$252,611,900
\$15.8287	\$15.8287	\$15.8287
(82,100)		
\$3,578,500	\$3,770,400	\$3,998,500
(286,000)	(301,300)	(319,500)
\$3,292,500	\$3,469,100	\$3,679,000

# CITY OF KEIZER GENERAL FUND EXPENDITURES FISCAL YEAR 2005

*Expenditures by Category*



*Expenditures by Program/Department*



## GENERAL FUND

## GENERAL SUPPORT RESOURCES

ACTUAL 2001-02		ACTUAL 2002-03		ADOPTED 2003-04		MANAGER RECOMMENDED		COMMITTEE APPROVED		COUNCIL ADOPTED	
1	\$ 562,784	\$ 794,839	\$ 934,807	Working Capital Carryforward		\$ 1,282,300	\$ 1,282,300	\$ 1,282,300			
2											
3				<u>LICENSES &amp; FEES</u>							
4											
5	\$ 195,970	\$ 221,704	\$ 221,217	Salem Electric		221,700	221,700	\$ 221,700			
6	447,631	524,542	554,115	PGE		491,800	491,800	491,800			
7	302,043	276,947	272,594	NWNG		276,900	276,900	276,900			
8	180,088	202,412	190,000	QWest		192,600	192,600	192,600			
9	274,914	258,216	252,000	Cable Television		266,100	266,100	266,100			
10	51,692	89,801	89,548	Loren's Sanitation		95,000	95,000	95,000			
11	34,969	59,946	59,760	Valley Garbage		65,600	65,600	65,600			
12	88,541	91,068	91,931	Water Sales Assessments		103,200	103,200	103,200			
13	-	68,884	179,855	Sewer License Fee		215,400	215,400	215,400			
14	94,090	-	-	PEG Fees		-	-	-			
15	7,847	7,999	8,016	Cell Tower Rent		8,000	8,000	8,000			
16	-	564	100	Systems Development Admin Fee - Sewer		-	-	-			
17	18,289	21,353	5,610	Systems Development Admin Fee - Parks		16,300	16,300	16,300			
18	3,724	2,875	4,635	Licenses/Permits		1,700	1,700	1,700			
19	-	7,925	6,910	Lien Search Fee		26,500	26,500	26,500			
20	\$ 1,699,798	\$ 1,834,236	\$ 1,936,291	Total Licenses & Fees		\$ 1,980,800	\$ 1,980,800	\$ 1,980,800			

## Notes:

- <sup>20</sup> Overall Licenses & Fees are stable over FY04 budget. FY05 projections are based on year-to-date actuals for FY04.
- <sup>6</sup> PGE Franchise Revenues were below projections in FY04. PGE gave a 5% increase as a 'guide' for estimating FY04 revenues. Year-to-date information indicates a 6% decline. PGE explained that most cities are seeing this decline because FY03 was an unusually high revenue year.
- <sup>10&11</sup> Sanitation rates increased in FY04 over the budget projections. FY05 projections are based on FY04 actuals.
- <sup>12</sup> Water Sales Assessment is 5% of Water Sales (see Water Fund). The Cost of Services Analysis for Water Rates projects a 4% rate increase in FY05. The remaining portion of the revenue increase is from increased water sales.
- <sup>13</sup> Sewer License Fees increased from 2% to 5% on 7/1/03 as provided for in the Council approved long-range plan. The license fee applies to Salem Sewer Payments and Administrative Fee (See Utility Fund). The City of Salem's Cost of Service Analysis projects a 12% rate increase in FY05. The remaining portion of the revenue increase is from increased water sales which is used to set sewer charges.
- <sup>14</sup> Revenues are to be used exclusively for public television access related expenditures and have therefore been moved to a Special Revenue Fund.
- <sup>19</sup> During FY04 the City implemented on-line lien searches to give Title companies access to the City's lien information as required by law. Title companies are charged \$20 per hit to the City's database. Previously, Title companies were charged \$5 for staff time in providing this information over the telephone.

## GENERAL FUND

## GENERAL SUPPORT RESOURCES

ACTUAL 2001-02			ACTUAL 2002-03			ADOPTED 2003-04			MANAGER RECOMMENDED			COMMITTEE APPROVED			COUNCIL ADOPTED		
<u>INTERGOVERNMENTAL</u>																	
\$	257,061	\$	294,930	\$	274,244	Liquor Tax	\$	308,300	\$	308,300	\$	308,300	\$	308,300			
	64,491		63,863		61,166	Cigarette Tax		61,500		61,500		61,500		61,500			
\$	321,552	\$	358,793	\$	335,410	Total Intergovernmental	\$	369,800	\$	369,800	\$	369,800	\$	369,800			
<u>MISCELLANEOUS</u>																	
\$	1,645	\$	2,805	\$	2,400	Rentals	\$	2,400	\$	2,400	\$	2,400	\$	2,400			
	25,271		18,046		13,270	Interest		18,000		18,000		18,000		18,000			
	34,052		24,149		13,680	Misc. Revenue		2,900		2,900		2,900		2,900			
\$	60,968	\$	45,000	\$	29,350	Total Miscellaneous	\$	23,300	\$	23,300	\$	23,300	\$	23,300			
\$	2,645,102	\$	3,032,868	\$	3,235,858	TOTAL GENERAL SUPPORT RESOURCES	\$	3,656,200	\$	3,656,200	\$	3,656,200	\$	3,656,200			
<u>TAXES</u>																	
\$	42,368	\$	48,105	\$	42,368	Hotel/Motel Tax	\$	51,300	\$	51,300	\$	51,300	\$	51,300			
	115,316		125,585		124,504	Prior Year Taxes		131,100		131,100		131,100		131,100			
	2,258,283		2,339,519		2,459,463	Tax Base		2,578,700		2,578,700		2,578,700		2,578,700			
\$	2,415,967	\$	2,513,209	\$	2,626,335	TOTAL TAXES	\$	2,761,100	\$	2,761,100	\$	2,761,100	\$	2,761,100			
\$	5,061,069	\$	5,546,077	\$	5,862,193	TOTAL RESOURCES	\$	6,417,300	\$	6,417,300	\$	6,417,300	\$	6,417,300			

## Notes:

- 23 Liquor Tax Revenues are expected to increase 2% over FY04 per the League of Oregon Cities. This increase is attributed to an increase in population statewide. The City is not projecting an increase because it is not known what portion of the increase will be allocated to the City of Keizer. Therefore, projections are based on current year actuals.
- 24 Cigarette Tax apportionments are expected to equal FY04 per the League of Oregon Cities. The League knows of no plans to suspend Liquor or Cigarette Tax in the 2003-2005 State budget.
- 30 Interest revenue is based on FY04 earnings at 11/31/03 projected out to 6/30/04.
- 31 Miscellaneous Revenues include one-time revenues that are not characterized by line-item descriptions.
- 39 Occupancy rates are up at the City's only hotel over FY03 revenues. FY05 revenues are based on FY04 actuals projected out to year-end.
- 40 Since FY01 delinquent tax payments have increased. The FY05 budget reflects this trend. Delinquent taxes are estimated at 8% of amounts assessed.
- 41 Property Tax Revenues are expected to increase 3% for increases in valuation (the maximum allowed by Ballot Measure 50) and 3% for new development

## GENERAL FUND

## ADMINISTRATION

ACTUAL  
2001-02ACTUAL  
2002-03ADOPTED  
2003-04MANAGER  
RECOMMENDEDCOMMITTEE  
APPROVEDCOUNCIL  
ADOPTED

## RESOURCES

1	\$ 505,573	\$ 423,833	\$ 569,316	GENERAL SUPPORT	\$ 622,800	\$ 622,800	\$ 622,800
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## EXPENDITURES

## PERSONAL SERVICES

7	\$ 31,851	\$ 23,386	\$ 24,340	City Manager	\$ 25,500	\$ 25,500	\$ 25,500
8	-	-	43,764	City Recorder	44,500	44,500	44,500
9	35,694	33,415	57,739	Administrative Support Staff	70,300	70,300	70,300
10	-	-	26,123	Information Systems Technician	30,800	30,800	30,800
11	52,881	55,813	55,763	Human Resources Director	57,600	57,600	57,600
12	15,426	15,809	15,958	Finance Director	16,200	16,200	16,200
13	5,373	5,936	6,185	Facility Maintenance Worker	6,500	6,500	6,500
14	298	84	500	Overtime	500	500	500
15	2,182	2,063	3,533	Medicare	3,900	3,900	3,900
16	25,576	24,297	42,592	Retirement	46,300	46,300	46,300
17	17,147	7,375	30,136	Insurance Benefits	36,400	36,400	36,400
18	-	-	1,575	Unemployment Insurance	-	-	-
19	377	581	594	Workers Compensation	700	700	700
20	\$ 186,805	\$ 168,759	\$ 308,802	TOTAL PERSONAL SERVICES	\$ 339,200	\$ 339,200	\$ 339,200

## Notes:

8 & 9 The FY04 budget accounted for the City Recorder and Recording Secretary in the Administration budget. Previously, these positions were budgeted in the Municipal Court budget.

17 Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY04 costs were budgeted at a 0.85% increase. During the year the Council retroactively increased City paid premiums to 5.05% based on the CPI-Medical to more accurately reflect the increases in these costs. The FY05 CPI-Medical increase is 4.2%.

18 Unemployment Insurance is no longer budgeted. Costs, if any, are paid from salary savings.

19 Workers Compensation costs are expected to increase 18% in FY05. Budget estimates also changed because of allocation changes.

GENERAL FUND

ADMINISTRATION

	ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
21				<u>MATERIALS &amp; SERVICES</u>			
22							
23	\$ 7,656	5,361	\$ 6,838	Materials & Supplies	\$ 10,500	\$ 10,500	\$ 10,500
24	-	211	450	Safety Committee	-	-	-
25	-	-	-	KARE Expenses	100	100	100
26	6,734	7,908	7,171	Postage & Printing	9,200	9,200	9,200
27	20,909	24,251	27,075	Association Membership	32,500	32,500	32,500
28	3,553	6,223	6,857	Training & Travel	10,100	10,100	10,100
29	-	-	4,306	City Council Expenses	5,000	5,000	5,000
30	2,713	5,610	3,086	Advertising	3,400	3,400	3,400
31	46,187	63,639	61,376	Legal Services	51,800	51,800	51,800
32	3,953	13,618	28,817	Contractual Services	13,000	13,000	13,000
33	5,772	5,128	6,638	Audit	6,600	6,600	6,600
34	2,910	-	-	Engineering Services	-	-	-
35	6,271	5,982	4,760	Janitorial	5,200	5,200	5,200
36	3,607	2,673	2,666	Utilities	4,300	4,300	4,300
37	5,520	15,863	13,058	Telephone	12,600	12,600	12,600
38	5,402	7,018	8,326	Insurance	8,700	8,700	8,700

Notes:

- 23 Materials & Supplies have increased to reflect a change in cost allocation and the addition of new positions; the City Recorder and Recording Secretary are now budgeted in Administration and the City hired a Information Systems Technician.
- 27 Citywide costs are comprised of memberships to Council of Governments, League of Oregon Cities, Local Government Personnel Institute, local newspapers, Chamber of Commerce, SEDCOR, Rotary and International City/County Management Association. Costs are then allocated to each fund based on FTE.
- 26 Postage & Printing have increased to reflect a change in cost allocation and the addition of new positions; the City Recorder and Recording Secretary are now budgeted in Administration and the City hired a Information Systems Technician.
- 29 Costs include travel & training; misc. office supplies; meetings during mealtimes. These costs were previously charged to Training & Travel.
- 30 Costs are for recruitments and public notices.
- 31 Costs are based on current year actuals projected to 6/30/04. The City anticipates a 5% increase in City Attorney hourly fees.
- 32 FY05 includes cost for a Citizen Survey, copier leases, bank charges, courier services, salary surveys, etc. Contractual Service costs are reduced from last year's budget to account for the one-time City Hall study costs.
- 33 The contract with the City's audit firm expires in FY05. Absent new estimates, this line-item is consistent with FY04.
- 38 The City's Insurance carrier projects a 2% increase in rates plus an additional 3% to cover newly acquired property and additional police vehicles.

## GENERAL FUND

## ADMINISTRATION

	ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
39	-	-	-	Gasoline	100	100	100
40	1,432	7,646	5,514	Computer Software	26,400	26,400	26,400
41	-	34,844	17,514	Computer Maintenance	-	-	-
42	4,800	3,776	2,589	Equipment Maintenance	9,000	9,000	9,000
43	14,297	20,090	24,850	Facility Maintenance	42,900	42,900	42,900
44	148,074	-	-	PEG Expenses	-	-	-
45	8,474	9,621	8,474	Fire District - Hotel/Motel Tax	10,300	10,300	10,300
46	8,474	9,621	8,474	KAVA - Hotel/Motel Tax	10,300	10,300	10,300
47	-	-	-	TOT Tax Distribution	-	-	-
48	148	(10)	3,000	Neighborhood Association Expense	3,000	1,000	1,000
49	342	1,306	1,000	Volunteer Recognition	1,000	1,000	1,000
50	1,000	-	-	Power - Salem Keizer School District	-	2,000	2,000
51	-	-	750	Youth Compact	800	800	800
52	1,532	1,320	1,300	Miscellaneous Expense	1,500	1,500	1,500
53	9,008	3,375	5,625	Emergency Management Expense	5,300	5,300	5,300
54	\$ 318,768	\$ 255,074	\$ 260,514	TOTAL MATERIALS & SERVICES	\$ 283,600	\$ 283,600	\$ 283,600
55							
56							
57	\$ 505,573	\$ 423,833	\$ 569,316	TOTAL EXPENDITURES	\$ 622,800	\$ 622,800	\$ 622,800

## Notes:

- 42 Equipment Maintenance is primarily for photocopier maintenance and other office equipment.
- 44 PEG expenditures have been moved to a Special Revenue Fund.
- 44-45 Payments are based on 20% of the Hotel/Motel Tax Revenues by Council Resolution.
- 52 Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.
- 53 Emergency Management Expenses include:
- |                   |                |
|-------------------|----------------|
| Radios            | \$2,500        |
| Printing          | 200            |
| Professional Dues | 125            |
| Office Supplies   | 200            |
| EVAK Newsletter   | 600            |
| Training Exercise | 750            |
| Training Workshop | 700            |
| ID Badges         | 200            |
|                   | <u>\$5,275</u> |



## COMMUNITY DEVELOPMENT

The Community Development Department manages City development activities, future community plans, administers building permits, and enforces City codes. Current planning includes services to the public for development; relative to zoning, subdivision administration, and floodplain management. Long-range planning includes policy issues regarding management of the Comprehensive Plan, development of other specific plans and implementing ordinances. Code Enforcement regulates zoning violations, solid waste, noxious weeds and unsanitary housing. Building Permit Administration an aspect of the Department connects development and permits with accessible staff that addresses Keizer Development Code standards.

### *Accomplishments . . .*

The Community Development Department has had an integral involvement in the planning process of the Keizer Station Plan. The formation of the Community Development Director position ~~has~~ provided the City the opportunity to become more involved in region-wide planning. The City now is able to voice its concerns and needs towards future growth and development. The

The table below indicates the number of land use applications and building permits reviewed within the past six years.

The City of Keizer continues to develop despite a dwindling supply of available land. There has been some reduction in land use applications; however, the number of subdivision and partition applications has remained constant over the last three years.

Year	Total Land Use Applications Processed	Total Building Permits Reviewed
1999	73	529
2000	68	453
2001	68	304
2002	69	429
2003	44	246

### *Future Goals . . .*

Staff will be reviewing the recently adopted Infill Standards to assess the impact upon surrounding properties and, as a result, will make code change recommendations.

## *COMMUNITY DEVELOPMENT*

*Continued*

Community Development Department has continually improved its efficiency and customer service providing services such as land use planning, building permit processing, and code enforcement. The Department also administers ordinances to improve infill development, addresses noxious weeds, floodplain management and is responsible for reviewing and processing land use applications for residential and commercial development. 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 will stay actively involved in coordinating the processing of Keizer Station Plan with the expectation of completing the Master Plan process of Areas 'A', 'C' and 'D' within the current fiscal year.

The Community Development Department looks forward to continuing to enhance communication and to promoting a high level of customer service.

GENERAL FUND

COMMUNITY DEVELOPMENT

ACTUAL  
2001-02

ACTUAL  
2002-03

ADOPTED  
2003-04

MANAGER  
RECOMMENDED

COMMITTEE  
APPROVED

COUNCIL  
ADOPTED

RESOURCES

LICENSES & FEES

1	\$	23,674	\$	24,820	\$	22,973	Land Use Application Fees	\$	19,600	\$	19,600	\$	19,600
2		16,250		15,501		14,185	Building Fees - Zoning		21,200		21,200		21,200
3		25,561		19,169		16,245	Permit Fees		14,700		14,700		14,700
4		7,656		4,813		5,174	Driveway Permits		2,100		2,100		2,100
5	\$	73,141	\$	64,303	\$	58,577	Total Licenses & Fees	\$	57,600	\$	57,600	\$	57,600

INTERGOVERNMENTAL

9	\$	-	\$	-	\$	75,000	River Road Corridor Grant	\$	-	\$	-	\$	-
10	\$	-	\$	-	\$	75,000	Total Intergovernmental	\$	-	\$	-	\$	-

MISCELLANEOUS

14	\$	579	\$	452	\$	5,000	Nuisance Abatement	\$	5,000	\$	5,000	\$	5,000
17	\$	73,720	\$	64,755	\$	138,577	TOTAL ACTIVITY GENERATED	\$	62,600	\$	62,600	\$	62,600
19		166,946		198,756		251,884	GENERAL SUPPORT		287,800		269,700		269,700
20	\$	240,666	\$	263,511	\$	390,461	TOTAL RESOURCES	\$	350,400	\$	332,300	\$	332,300

Notes:

1-3 Fees are based on FY04 actuals projected to year-end.

4 In FY04 staff recommended this revenue be split 70% to the Street Fund and 30% to the Community Development Fund to more accurately allocate revenue by effort given.

GENERAL FUND

## COMMUNITY DEVELOPMENT

ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04	MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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## EXPENDITURES

24	\$	-	\$	-	\$	42,105	Community Development Director	\$	46,100	\$	46,100	\$	46,100
25		35,811		33,610		-	Planning Director		-		-		-
26		29,485		39,611		43,524	Associate Planner		-		-		-
27		27,426		29,734		30,370	Code Enforcement		30,400		15,200		15,200
28		-		-		-	Zoning Technician		32,400		32,400		32,400
29		-		3,493		16,463	Senior Planner		41,800		41,800		41,800
30		8,318		8,749		15,610	Administrative Support Staff		8,000		8,000		8,000
31		15,905		20,965		17,233	Permit Specialist		32,500		32,500		32,500
32		-		-		2,000	Overtime		2,000		2,000		2,000
33		1,754		2,047		2,541	Medicare		3,000		2,700		2,700
34		16,863		20,422		28,863	Retirement		33,300		30,700		30,700
35		19,390		20,228		25,697	Insurance Benefits		30,200		30,200		30,200
36		378		672		564	Workers Compensation		600		600		600
37	\$	155,330	\$	179,531	\$	224,970	TOTAL PERSONAL SERVICES	\$	260,300	\$	242,200	\$	242,200

Notes:

- <sup>23</sup> During FY04 the Community Development Department reorganized. The Code Enforcement/Zoning Technician position was split into a one FTE Zoning Technician and .5 FTE Code Enforcement Officer. The Permit Specialist position increased from .5 FTE to one FTE. During FY05 the City intends to reclassify the Associate Planner position to Senior Planner and eliminate the Associate Planner position.
- <sup>30</sup> The Citywide reorganization provided for more administrative support for the Community Development Department in FY04. However, with the increase in FTE for the Permit Specialist, the administrative support has been transferred to the Human Resources Department.
- <sup>35</sup> Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY04 costs were budgeted at a 0.85% increase. During the year the Council retroactively increased City paid premiums to 5.05% based on the CPI-Medical to more accurately reflect the increases in these costs. The FY05 CPI-Medical increase is 4.2%.
- <sup>36</sup> Workers Compensation costs are expected to increase 15% in FY04. Budget estimates also changed because of allocation changes.

GENERAL FUND

COMMUNITY DEVELOPMENT

	ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
38							
39				<b>MATERIALS &amp; SERVICES</b>			
40							
41	\$ 2,820	\$ 3,723	\$ 3,934	Materials & Supplies	\$ 3,900	\$ 3,900	\$ 3,900
42	226	385	784	Mapping Supplies & Services	600	600	600
43	2,758	731	1,695	Printing	2,700	2,700	2,700
44	2,143	3,167	5,633	Travel & Training	5,800	5,800	5,800
45	1,010	4,756	4,114	Legal Advertising	2,800	2,800	2,800
46	49,034	49,997	49,651	Legal Services	51,100	51,100	51,100
47	20,814	16,959	10,178	Contractual Services	3,900	3,900	3,900
48	4,000	4,000	6,600	Hearings Officer	6,600	6,600	6,600
49	-	-	2,902	Engineering Services	6,300	6,300	6,300
50	-	-	-	Telephone	700	700	700
51	-	-	-	Gasoline	400	400	400
52	1,987	-	-	Computer Software	300	300	300
53	544	262	5,000	Nuisance Abatement	5,000	5,000	5,000
54	-	-	75,000	Grant Expenses	-	-	-
55	\$ 85,336	\$ 83,980	\$ 165,491	<b>TOTAL MATERIALS &amp; SERVICES</b>	\$ 90,100	\$ 90,100	\$ 90,100
56							
57	\$ 240,666	263,511	\$ 390,461	<b>TOTAL EXPENDITURES</b>	\$ 350,400	\$ 332,300	\$ 332,300

Notes:

- 46 Costs are based on current year actuals projected to 6/30/04. The City anticipates a 5% increase in City Attorney hourly fees.
- 47 Costs include GIS support, ordinance writing and land use review.
- 49 Engineering Service costs increased 6.5% during FY04. FY05 projections are based on current year actuals projected to 6/30/04.

# Municipal Court

The Municipal Court administers the judicial system for the City of Keizer. The Court handles traffic infractions and City code violations resulting from the enforcement by the Keizer Police Department.

Municipal Court arraignments and hearings are held each Wednesday and are presided over by an independent contractor who serves as the Municipal Court Judge.

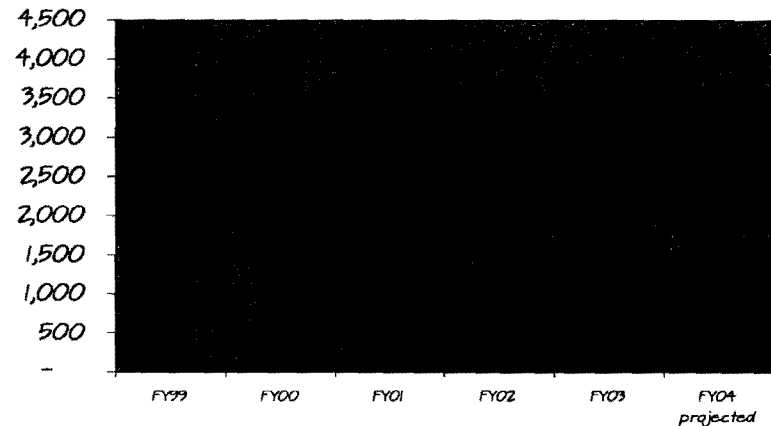
## Accomplishments . . .

FY04 was a year of transition for the Municipal Court office. The City started the year with a new half-time clerical specialist after a citywide reorganization left this position vacant. Staff continued conversion of the data from the DOS based program to the Full Court software program purchased in FY02. Because of the reallocation of staff and training related to the new hire, the conversion workload continues.

During the year, Court office hours were changed commensurate with staffing levels. The office opened from 9 a.m. until 1 p.m., Monday through Friday. Additionally, Municipal Court staff coordinated with Utility Billing staff to handle payments from walk-in customers and those requesting credit card payments over the telephone.

This helped maintain an essential level of customer service during City Hall hours of 8 a.m. until 5 p.m.

Citations Processed



## Future Goals . . .

The Municipal Court will continue their focus on creative sentencing options to assist in educating offenders on traffic safety issues and continue conversion of data to the Full Court software program. By moving the Municipal Court office into the Finance Department the City plans to enhance customer service by cross-training staff and centralizing the cash receipting process and opening Court hours to 8 a.m. until 5 p.m., Monday through Friday.

## GENERAL FUND

## MUNICIPAL COURT

ACTUAL  
2001-02ACTUAL  
2002-03ADOPTED  
2003-04MANAGER  
RECOMMENDEDCOMMITTEE  
APPROVEDCOUNCIL  
ADOPTED

## RESOURCES

1	\$	255,735	\$	274,167	\$	214,738	GENERAL SUPPORT	\$	191,700	\$	191,700	\$	191,700
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## EXPENDITURES

## PERSONAL SERVICES

6	\$	42,303	\$	43,355	\$	-	City Recorder	\$	-	\$	-	\$	-
7		17,665		22,306		13,188	Administrative Support Staff		13,700		13,700		13,700
8		39,085		41,390		40,296	Court Clerk		41,000		41,000		41,000
9		-		328		500	Overtime		500		500		500
10		1,515		1,644		822	Medicare		800		800		800
11		16,732		18,125		9,178	Retirement		9,400		9,400		9,400
12		13,257		15,018		13,514	Insurance Benefits		15,200		15,200		15,200
13		275		346		98	Workers Compensation		100		100		100
14	\$	130,832	\$	142,512	\$	77,596	TOTAL PERSONAL SERVICES	\$	80,700	\$	80,700	\$	80,700

## MATERIALS &amp; SERVICES

18	\$	3,178	\$	3,165	\$	1,250	Materials & Supplies	\$	2,000	\$	2,000	\$	2,000
19		3,146		3,389		1,400	Travel & Training		1,800		1,800		1,800
20		1,522		1,960		1,400	Legal Services		1,400		1,400		1,400
21		16,703		18,063		23,866	Professional Services - Judge		23,900		23,900		23,900
22		2,816		3,027		4,500	Contractual Services		3,500		3,500		3,500
23		2,599		-		-	Computer Software		2,400		2,400		2,400
24		13,842		11,825		15,697	Collections Cost		6,300		6,300		6,300
25		15,237		16,010		15,483	CC Assessments		12,100		12,100		12,100
26		65,860		74,216		73,546	Unitary Assessment		57,600		57,600		57,600
27	\$	124,903	\$	131,655	\$	137,142	TOTAL MATERIALS & SERVICES	\$	111,000	\$	111,000	\$	111,000
29	\$	255,735	\$	274,167	\$	214,738	TOTAL EXPENDITURES	\$	191,700	\$	191,700	\$	191,700

## Notes:

<sup>12</sup> Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY04 costs were budgeted at a 0.85% increase. During the year the Council retroactively increased City paid premiums to 5.05% based on the CPI-Medical to more accurately reflect the increases in these costs. The FY05 CPI-Medical increase is 4.2%.

<sup>13</sup> Workers Compensation costs are expected to increase 18% in FY05. Budget estimates also changed because of allocation changes.

<sup>23</sup> Software costs are for maintenance costs to support the Municipal Court system.

<sup>24</sup> Collection costs are 25% of Past Due Court Fines. Since Past Due Fine revenue is down, associated costs are also down.

<sup>26,27</sup> CC and Unitary Assessments are 4% and 19% of Municipal Court Fine revenue (including past due fines), respectively. Since Municipal Court Fine revenue is down, associated costs are also down.

## *POLICE*

The Police Department is focusing this budget on maintaining our current level of service to the community. Emphasis this year will focus on measures to prepare Keizer to be a vigilant, prepared and resilient community, meeting the National goals for Homeland Security.

The FY05 Budget is prepared to provide funding so that we provide traffic safety, law enforcement, crime prevention, neighborhood livability, homeland security and emergency operations. The budget anticipates new efforts to increase levels of individual preparedness for all hazards for our agency and our citizens.

### *. . . in review*

Keizer's population continued to grow this year, each new subdivision or infill project adds new customers to our work load. The State budget crisis and its resulting impacts on the Criminal Justice system are beginning to impact the City of Keizer. Methamphetamine driven theft and complex fraud cases continue to increase. Property crimes continue

to plague us and violence seems to be on the increase. Our current staffing is allowing for us to meet the "reactionary" role of policing, but we lack effectiveness and efficiency in proactive policing activities. In addition to traditional crime, we continue to work to meet the National vision for an all hazards approach to Homeland Security

### *The future . . .*

Failure of Measure 30 will result in Marion County continuing to slash the Sheriff's Department Corrections budget. Lack of jail space and lack of prosecution has increased our crime rate and is placing more demand on our officers.

Staffing continues to be a major issue. Our staff has not grown at the same rate as the population. This budget leaves one police officer position frozen for the fourth year. With each new apartment complex, infill development and the development of the Keizer Station we must continuously assess our needs to ensure adequate staffing levels.



## *POLICE*

*Continue*

This budget request funding for badly needed equipment as we continue our goal of being ready to respond with the right tools for the job. We have submitted grant request for Homeland Security dollars to replace old technology mobile data terminals with new mobile data computers and to establish a wireless data communication system that

will enhance our interoperability with other public safety agencies and information. Our goal is to maximize the productivity of our staff in order to keep the number of staff required at the minimum. We have also budgeted to continue our rotation of old patrol cars.

## GENERAL FUND

**POLICE**ACTUAL  
2001-02ACTUAL  
2002-03ADOPTED  
2003-04MANAGER  
RECOMMENDEDCOMMITTEE  
APPROVEDCOUNCIL  
ADOPTED**RESOURCES****INTERGOVERNMENTAL**

1	\$	129,934	\$	145,463	\$	150,111	SRO Contract	\$	162,500	\$	162,500	\$	162,500
2		76,474		76,173		38,000	Grants		-		5,000		5,000
3	\$	206,408	\$	221,636	\$	188,111	Total Intergovernmental	\$	162,500	\$	167,500	\$	167,500

**FINES & FORFEITS**

7	\$	297,028	\$	302,898	\$	324,297	Municipal Court Fines	\$	278,300		278,300	\$	278,300
8		19,364		27,529		12,495	Court Fine Admin Assmt		22,600		22,600		22,600
9		57,060		67,667		62,786	Collections - Past Due		25,100		25,100		25,100
10		36,667		46,650		46,450	Impoundment Fees		36,500		36,500		36,500
11	\$	410,119	\$	444,744	\$	446,028	Total Fines & Forfeits	\$	362,500	\$	362,500	\$	362,500

**MISCELLANEOUS**

15	\$	21,356	\$	7,543	\$	-	Peer Court Donations	\$	5,000		5,000	\$	5,000
16		-		-		-	Reserve Officer Donations		-		6,000		6,000
17		-		-		-	Cadet Donations		-		2,000		2,000
18		10,950		650		7,300	K-9 Donations		1,000		1,000		1,000
19		2,713		4,775		2,000	Special Duty Officers		3,000		3,000		3,000
20		-		2,040		-	Miscellaneous		20,300		20,300		20,300
21	\$	35,019	\$	15,008	\$	9,300	Total Miscellaneous	\$	29,300	\$	37,300	\$	37,300

23	\$	651,546	\$	677,939	\$	486,028	TOTAL ACTIVITY GENERATED	\$	554,300	\$	567,300	\$	567,300
24		3,256,938		3,382,450		3,848,685	GENERAL SUPPORT		3,978,600		3,971,100		3,971,100
25	\$	3,908,484	\$	4,060,389	\$	4,334,713	TOTAL RESOURCES	\$	4,532,900	\$	4,538,400	\$	4,538,400

## Notes:

- <sup>1</sup> Funds from the Salem/Keizer School District which partially pay for School Resource Officers plus related overhead costs. Increase in FY03 for new middle school.
- <sup>2</sup> The 3-year COPPS grant expired in FY02, which partially funded 6 police officers. Additional grant funds have been awarded to the City to help fund the new School Resource Officer position. FY04 was the final year of existing COPPS grant revenue. Grants for FY05 are for Peer Court.
- <sup>5</sup> Fines & Forfeits are based on FY04 actuals projected out to 6/30/04. Revenues decreased in FY04 because the Department had one motorcycle officer versus two in previous years due to staff turnover and the time necessary to train a new motorcycle officer. Past due fines are down because fewer delinquent accounts were turned over to collections compared to previous years.
- <sup>20</sup> Miscellaneous Revenue includes receipts for police report requests, surplus sales, and one-time revenues.

## GENERAL FUND

## POLICE

ACTUAL  
2001-02ACTUAL  
2002-03ADOPTED  
2003-04MANAGER  
RECOMMENDEDCOMMITTEE  
APPROVEDCOUNCIL  
ADOPTED

## EXPENDITURES

## PERSONAL SERVICES

31	\$	33,144	\$	36,097	\$	37,584	Administrative Assistant	\$	37,600	37600	\$	37,600	
32		5,373		5,936		6,185	Facility Maintenance Worker		6,500	6500		6,500	
33		85,040		87,136		87,960	Chief of Police		89,500	89500		89,500	
34		142,584		148,169		72,372	Captain(s)		154,600	154600		154,600	
35		448,949		503,648		512,340	Sergeants		460,000	460000		460,000	
36		225,998		232,002		208,019	Detectives		225,200	225200		225,200	
37		969,875		957,634		1,059,869	Police Officers		1,067,700	1067700		1,067,700	
38		23,422		34,717		36,124	Community Service Officer		39,400	39400		39,400	
39		182,955		195,211		200,263	Police Support Specialists		208,300	208300		208,300	
40		99,455		151,625		157,316	School Resource Officers		163,200	163200		163,200	
41		40,835		41,914		42,312	Community Services Specialist		43,500	43500		43,500	
42		6,591		6,751		3,000	Reserve Officers		3,000	7500		7,500	
43		-		-		-	Background Investigations Officer		-	5000		5,000	
43		135,039		108,003		148,713	Overtime		145,600	145600		145,600	
44		36,770		38,440		37,206	Medicare		40,600	40600		40,600	
45		453,514		472,309		634,193	Retirement		656,200	656200		656,200	
46		295,425		313,204		318,930	Insurance Benefits		359,900	359900		359,900	
47		6,446		10,327		1,575	Unemployment Insurance		-	0		-	
48		66,393		79,512		74,452	Workers Compensation		69,100	69100		69,100	
49	\$	3,257,808	\$	3,422,635	\$	3,638,413	TOTAL PERSONAL SERVICES	\$	3,769,900	\$	3,779,400	\$	3,779,400

## Notes:

- 32,35 In FY04, the Police Department reduced the number of Captains from 2 to 1 and increased the Patrol Officers from 20 to 21. In FY05, the Department reinstated the second Captain position and reduced the number of Sergeant positions from eight to seven. One Police Officer position remains "frozen" from FY02.
- 40 School Resource Officer positions increased from 2 officers in FY02 to 3 officers in FY03 to cover the new middle school.
- 43 The need for overtime depends on the number and complexity of crimes. Overtime costs are approximately 10% of sworn-represented staff salaries.
- 45 The PERS employer contribution went from 7.96% in FY03 to 13.89% in FY04.
- 46 Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY04 costs were budgeted at a 0.85% increase. During the year the Council retroactively increased City paid premiums to 5.05% based on the CPI-Medical to more accurately reflect the increases in these costs. The FY05 CPI-Medical increase is 4.2%.
- 48 Workers Compensation costs are expected to increase 15% in FY04. FY03 actuals were below budgeted amounts, therefore, the FY04 budget appears to show a reduction when in actuality this cost is expected to increase in FY04. Budget estimates also changed because of allocation changes.

## GENERAL FUND

## POLICE

	ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
50							
51				<u>MATERIALS &amp; SERVICES</u>			
52							
53	\$ 19,492	\$ 17,431	\$ 21,000	Materials & Supplies	\$ 21,000	\$ 21,000	\$ 21,000
54	-	6,048	-	Reserve Officer Program	6,000	6,000	6,000
55	-	-	-	Cadet Program	-	2,000	2,000
56	29,435	22,349	27,000	Clothing	27,000	27,000	27,000
57	16,269	5,086	12,300	K-9 Supplies	6,000	6,000	6,000
58	10,698	8,265	14,000	Postage & Printing	14,000	14,000	14,000
59	26,202	18,565	25,000	Travel & Training	25,000	25,000	25,000
60	1,636	2,383	4,000	Tuition Reimbursement	4,000	4,000	4,000
61	3,366	3,280	4,000	Testing	4,000	4,000	4,000
62	1,451	777	1,700	Advertising - Employee Recruitments	3,000	3,000	3,000
63	7,577	7,593	5,000	Legal	10,000	10,000	10,000
64	-	8,872	-	Contractual	-	-	-
65	10,762	11,709	19,380	Janitorial	19,800	19,800	19,800
66	14,932	18,077	16,000	Utilities	16,000	16,000	16,000
67	27,454	25,966	24,000	Telephone	24,000	24,000	24,000
68	48,996	63,056	75,406	Insurance	79,200	79,200	79,200
69	23,981	25,680	27,000	Vehicle Lease	28,000	28,000	28,000
70	6,171	4,767	4,500	Equipment Rental	4,500	4,500	4,500
71	29,975	33,693	35,000	Gasoline	38,000	42,000	42,000
72	25,222	-	-	Computer Software	6,500	6,500	6,500
73	26,050	33,717	30,000	Maintenance-Vehicles	30,000	30,000	30,000
74	25,226	19,784	19,000	Maintenance-Equipment	20,000	20,000	20,000
75	747	1,710	5,000	Community Services Unit	5,000	5,000	5,000
76	30,212	22,896	27,300	Operating Materials	28,000	28,000	28,000
77	5,029	9,686	5,500	Ammo/Weapons	9,600	9,600	9,600

## Notes:

57 The FY04 budget includes the purchase of a new K-9 dog. The FY05 budget is for dog food, medical costs, and related supplies.

63 Legal services are for union negotiations including dispute of an Unfair Labor Practice suit. Costs also include basic and hourly services provided by the City Attorney. Hourly costs will increase 5% over FY04.

68 The City's Insurance carrier projects a 2% increase in insurance costs plus an additional 3% to cover newly acquired property and additional police vehicles.

71 The increase in gasoline over FY04 reflects an increase in prices.

72 Software includes costs for replacing Mobile Computer Terminals, Case Management Software and Priors Crystal Reports Licenses.

72 Citywide costs have been moved to the General Fund Administration budget.

75 Costs include community related activities such as National Night Out.

## GENERAL FUND

## POLICE

	ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
78							
79	\$ 178,591	\$ 191,804	\$ 189,872	Salem Communications	\$ 198,700	\$ 198,700	\$ 198,700
80	-	-	25,142	Radio & Mobile Systems Support	24,200	24,200	24,200
81	52,272	59,009	68,000	RAIN	68,000	68,000	68,000
82	10,130	7,143	13,000	Investigations	13,000	13,000	13,000
83	4,231	2,735	-	Trading Cards/Badges	-	-	-
84	1,996	3,482	4,000	Crime Prevention	4,000	4,000	4,000
85	2,500	-	-	Peer Court	25,000	15,000	15,000
86	160	-	500	HEP-B Immunizations	500	500	500
87	1,432	2,192	1,000	Miscellaneous	1,000	1,000	1,000
88	\$ 642,195	\$ 637,755	\$ 703,600	TOTAL MATERIALS AND SERVICES	\$ 763,000	\$ 434,600	\$ 759,000
89							
90				<u>CAPITAL OUTLAY</u>			
91							
92	\$ 1,921	\$ -	\$ -	Office Furniture	\$ -	\$ -	\$ -
93	11,000	-	-	Uniforms/Equipment	-	-	-
94	\$ 12,921	\$ -	\$ -	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -
95							
96	\$ 3,908,484	4,060,390	\$ 4,342,013	TOTAL EXPENDITURES	\$ 4,532,900	\$ 4,214,000	\$ 4,538,400

## Notes:

<sup>79</sup> Costs are shared with the 9-1-1 fund and represent 60% of the total costs for dispatch services from the Willamette Valley Communications.

<sup>80</sup> Prior to FY04, costs for radio & mobile systems support were included in the Salem Communications line-item. Costs are separated in FY04 as a mechanism to better track these costs.

<sup>85</sup> Peer Court is a youth program where those charged voluntarily agree to have their case heard and decided by their peers. An increase in costs is anticipated due to an anticipated increase in donations to support the program.

<sup>87</sup> Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.

<sup>90</sup> Capital Outlay costs associated with the Police program are budgeted in the Revenue Sharing Fund.

CITY OF KEIZER  
POLICE DEPARTMENT  
PROGRAM BUDGET  
July 2003 through March 2004

	Personal	Materials	Capital	
	Services	Services	Outlay	Total
ADMINISTRATION	\$ 170,554	\$ 9,716	\$ -	\$ 180,269
ALL EMPLOYEES IN DEPARTMENT	54,766	321,756		376,522
CADETS/EXPLORERS	-	1,539	-	1,539
COMMUNITY RESPONSE UNIT	175,083	5,923	2,938	183,943
COMMUNITY SERVICES UNIT	259,827	9,475		269,302
DETECTIVES	339,174	22,239	1,215	362,628
K-9	108,405	10,339		118,744
PATROL	948,431	28,106	113,061	1,089,599
RESERVES	6,321	6,843		13,164
SUPPORT SERVICES	185,126	7,800		192,927
TRAFFIC UNIT	174,222	4,969	82	179,273
GRAND TOTAL	\$ 2,421,909	\$ 428,704	\$ 117,296	\$ 2,967,909

This data tracks expenditures from the General Fund, Revenue Sharing Fund and 9-1-1 Fund

## *STADIUM*

Stadium Operations account for the revenues received from the Volcanoes Ball Club for the City's portion of ticket sales and parking fees and events. Expenditures include property tax payments on the Stadium property. These revenues and expenditures are provided for in a contract between the Volcanoes Ball Club and the City of Keizer.

## GENERAL FUND

## STADIUM OPERATIONS

ACTUAL  
2001-02ACTUAL  
2002-03ADOPTED  
2003-04MANAGER  
RECOMMENDEDCOMMITTEE  
APPROVEDCOUNCIL  
ADOPTED

## RESOURCES

## MISCELLANEOUS

1	\$	62,889	\$	44,667	\$	57,235	Stadium Rent	\$	55,000	\$	55,000	\$	55,000
2	\$	62,889	\$	44,667	\$	57,235	TOTAL RESOURCES	\$	55,000	\$	55,000	\$	55,000

## EXPENDITURES

## MATERIALS &amp; SERVICES

8	\$	35,460	\$	36,300	\$	37,427	Property Tax	\$	39,600	\$	39,600	\$	39,600
9	\$	35,460	\$	36,300	\$	37,427	TOTAL MATERIALS & SERVICES	\$	39,600	\$	39,600	\$	39,600
11	\$	27,429	\$	8,367	\$	19,808	AVAILABLE FOR GENERAL SUPPORT	\$	15,400	\$	15,400	\$	15,400
12	\$	62,889	\$	44,667	\$	57,235	TOTAL EXPENDITURE & GENERAL SUPPORT	\$	55,000	\$	55,000	\$	55,000

## Notes:

<sup>1</sup> The Volcanoe Ball Club attributed the decrease in ticket sales FY02 to the economic downturn. Year-to-date actuals through April 2004 indicate revenues are slightly below budget projections. FY05 revenues are based on FY04 actuals projected out to year-end.

<sup>2</sup> Property Taxes are paid on the parking lot as provided in the lease agreement with the Volcanoes Ball Club. The City anticipates a 3% increase in assessed value, which is the maximum allowed under ballot measure 50. Actual payment in FY04 was \$39,593 less \$1,250 paid by the stadium, per the lease agreement.



## *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 one-time only expenditures to these funds. As the City progresses toward a program style budget, the Revenue Sharing Fund will be used to track Capital Outlay items purchased for general government use.

SPECIAL REVENUE FUND

REVENUE SHARING

ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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RESOURCES

1	\$	90,640	\$	18,683	\$	715	Beginning Fund Balance	\$	14,300	\$	14,300	\$	14,300
2		170,571		164,886		165,122	State Revenue Sharing		169,100		169,100		169,100
3		-		3,844		2,000	Federal Grants		-		-		-
4		-		-		5,000	Police Misc Revenue		-		-		-
5		-		49,774		78,574	Transfer from General Fund		189,000		189,000		189,000
6	\$	261,211	\$	237,187	\$	251,411	<b>TOTAL RESOURCES</b>	\$	372,400	\$	372,400	\$	372,400

Notes:

- 2 State Revenue Sharing projections are based on FY04 actuals projected out to year-end. The State of Oregon projects a 3% increase in these revenues statewide. However, no increase was projected because it is not known what portion of this increase will be allocated to the City of Keizer.
- 5 The City is working toward a program budget. Towards this end, Capital Outlay items used for general government purposes are tracked in the Revenue Sharing Fund. This transfer is needed because Revenue Sharing Funds are not sufficient in FY04 to cover the entire Capital Outlay needs of the City's general government programs.

SPECIAL REVENUE FUND

**REVENUE SHARING**

ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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**EXPENDITURES**

**MATERIALS & SERVICES**

\$	31,313	\$	-	\$	-	\$	-	\$	-	\$	-
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**CAPITAL OUTLAY**

\$	862	\$	1,359	\$	8,080	Office Furniture & Equipment	\$	2,000	\$	2,000	\$	2,000
-	-	-	-	-	-	Aerial Photos	5,000	5,000	5,000	5,000	5,000	5,000
-	-	-	-	-	-	Telephone System	79,200	79,200	79,200	79,200	79,200	79,200
9,244	45,654	47,270	47,270	47,270	47,270	Computer Equipment	164,700	164,700	164,700	164,700	164,700	164,700
-	20,182	-	-	-	-	Software	-	-	-	-	-	-
7,292	12,375	5,084	5,084	5,084	5,084	Vehicle Lease to Purchase	5,100	5,100	5,100	5,100	5,100	5,100
-	8,778	-	-	-	-	Mower	-	-	-	-	-	-
39,374	-	-	-	-	-	Police Motorcycles/Equipment	1,500	1,500	1,500	1,500	1,500	1,500
4,000	7,688	4,000	4,000	4,000	4,000	Police Protective Vests	-	-	-	-	-	-
90,434	-	-	-	-	-	Police Radios	-	-	-	-	-	-
-	2,204	3,600	3,600	3,600	3,600	Vehicle Equipment	1,500	1,500	1,500	1,500	1,500	1,500
-	-	-	-	-	-	Radar Equipment	14,600	14,600	14,600	14,600	14,600	14,600
-	93,236	122,875	122,875	122,875	122,875	Patrol Vehicles	98,800	98,800	98,800	98,800	98,800	98,800
-	7,764	14,723	14,723	14,723	14,723	Radio Modems	-	-	-	-	-	-
14,188	24,858	45,779	45,779	45,779	45,779	Police Mobile Computer Terminals	-	-	-	-	-	-
-	-	-	-	-	-	Patrol Equipment	-	-	-	-	-	-
\$	165,394	\$	224,098	\$	251,411	TOTAL CAPITAL OUTLAY	\$	372,400	\$	372,400	\$	372,400

Notes:

<sup>11</sup> Certain Materials & Services for General Fund operations were funded in the Revenue Sharing Fund in FY01. These costs are funded in the General Fund in FY02 and forward except for one-time costs.

<sup>16</sup> Aerial Photos are estimated to cost \$15,000 citywide; 1/3 to be funded from Revenue Sharing and Street Fund, each, and 1/6 to be funded from Water Fund and Urban Renewal, each

<sup>20</sup> Third year of 3-year lease for a Community Development Department vehicle.

<sup>26</sup> Purchase 6 radar units for patrol vehicles to replace outdated and broken equipment.

<sup>27</sup> Patrol Vehicle leases are as follows:

4 cars, lease expires 10/2004	6,400
2 cars, lease expires 04/2006	18,400
9 cars, lease expires 01/2006	41,500
4 cars, leased for 3 years	32,500
	<u>98,800</u>

<sup>29</sup> Mobile Computer Terminals are being replaced by a new "WiFi" system budgeted in the Computer Equipment line-item.

## REVENUE SHARING

COUNCIL  
ADOPTED

TRANSFERS OUT

FUND BALANCE

## *PEG 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. Prior to FY03 these funds were accounted for the in the General Fund. In FY03 the funds were moved to a separate and distinct fund to better track revenues and expenditures.

SPECIAL REVENUE FUND

**PUBLIC EDUCATION GOVERNMENT FUND**

ACTUAL  
2001-02

ACTUAL  
2002-03

ADOPTED  
2003-04

MANAGER  
RECOMMENDED

COMMITTEE  
APPROVED

COUNCIL  
ADOPTED

RESOURCES

1	\$	-	\$	-	\$	31,068	Beginning Fund Balance	\$	44,800	\$	44,800	\$	44,800
2		-		77,465		77,348	PEG Fees		78,600		78,600		78,600
3		-		30,706		-	Transfer from General Fund		-		-		-
4		-		125		-	Interest Earnings		200		200		200
5	\$	-	\$	108,296	\$	108,416	<b>TOTAL RESOURCES</b>	\$	123,600	\$	123,600	\$	123,600

EXPENDITURES

MATERIALS & SERVICES

11	\$	-	\$	60,000	\$	60,000	Broadcasting	\$	60,000	\$	60,000	\$	60,000
12	\$	-	\$	60,000	\$	60,000	<b>TOTAL MATERIALS &amp; SERVICES</b>	\$	60,000	\$	60,000	\$	60,000

CAPITAL OUTLAY

16	\$	-	\$	21,013	\$	2,000	Television Equipment	\$	63,600	\$	63,600	\$	63,600
17	\$	-	\$	21,013	\$	2,000	<b>TOTAL CAPITAL OUTLAY</b>	\$	63,600	\$	63,600	\$	63,600
19	\$	-	\$	81,013	\$	62,000	<b>TOTAL EXPENDITURES</b>	\$	123,600	\$	123,600	\$	123,600

FUND BALANCE

23		-		27,283		46,416	Undesignated Ending Fund Balance		-		-		-
25	\$	-	\$	108,296	\$	108,416	<b>TOTAL EXPENDITURE &amp; FUND BALANCE</b>	\$	123,600	\$	123,600	\$	123,600

Notes:

<sup>2</sup> Revenues are based on FY04 actuals projected to year-end.

<sup>3</sup> The transfer amount in FY03 equals unspent PEG revenues at 6/30/02 when PEG activity was moved to a Special Revenue Fund.

<sup>11</sup> Broadcasting costs are \$5,000 per month.

<sup>16</sup> The City plans to spend \$95,100 on a Digital Server (\$59,500) and a Mobile Production Rack (\$35,500). \$63,600 will be paid in FY05. The remaining \$31,500 will need to be paid in FY06 and FY07 as revenues come in.

## *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.

# SPECIAL REVENUE FUND

## 9-1-1 FUND

ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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### RESOURCES

1	\$	175,046	\$	126,546	\$	70,323	Beginning Fund Balance	\$	32,400	\$	32,400	\$	32,400
2		143,406		149,301		142,829	911 Excise Tax		142,800		142,800		142,800
3		-		1,253		1,648	Interest		300		300		300
4		-		-		-	Transfer from General Fund		33,400		33,400		33,400
5	\$	318,452	\$	277,100	\$	214,800	TOTAL RESOURCES	\$	208,900	\$	208,900	\$	208,900

### EXPENDITURES

#### MATERIALS & SERVICES

11	\$	121,380	\$	138,488	\$	122,438	Emergency 9-1-1 and Dispatch Calls	\$	131,500	\$	131,500	\$	131,500
12		-		-		16,210	Radio & Mobile Systems Support		16,000		16,000		16,000
13		70,526		50,546		61,416	Distributions to 9-1-1 Agencies		61,400		61,400		61,400
14	\$	191,906	\$	189,034	\$	200,064	TOTAL MATERIALS & SERVICES	\$	208,900	\$	208,900	\$	208,900
15													
16	\$	191,906	\$	189,034	\$	200,064	TOTAL EXPENDITURES	\$	208,900	\$	208,900	\$	208,900

### FUND BALANCE

20		-		-		14,736	Contingency		-		-		-
21		126,546		88,066		-	Undesignated Ending Fund Balance		-		-		-
22													
23	\$	318,452	\$	277,100	\$	214,800	TOTAL EXPENDITURE & FUND BALANCE	\$	208,900	\$	208,900	\$	208,900

#### Notes:

<sup>2</sup> 9-1-1 Tax Revenue projections are based on the League of Oregon Cities' projections for FY04.

<sup>3</sup> Interest Revenue is based on FY04 earnings at 11/31/03 projected out to 6/30/04.

<sup>11</sup> Of the estimated \$330,200 for the Salem Communications Center, Radio Fees and Mobile Data Terminal Fees, 40% is attributed to emergency phone service.

<sup>13</sup> Of the estimated \$142,829 to be received in 9-1-1 Excise Tax Revenues, 39% is to be remitted to the Keizer Fire District and 4% is to be remitted to the Marion County Fire District.



## *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 FY98. Currently, Housing Rehabilitation Services are funded using recycled loan proceeds when loans are repaid. Loans made are interest free and are not due until the property sells; therefore, loan proceeds are difficult to estimate.

\$80,000 has been projected for recycled fund revenues with a corresponding appropriation to provide adequate budget authority to "reloan" this money should funds become available. This program is operated through a contract with the City of Salem whereby Salem receives 10% on loans made to cover its Administrative costs.

## SPECIAL REVENUE FUND

## HOUSING FUND

ACTUAL 2001-02			ACTUAL 2002-03			ADOPTED 2003-04			MANAGER RECOMMENDED			COMMITTEE APPROVED			COUNCIL ADOPTED		
RESOURCES																	
1	\$	70,034	\$	80,943	\$	83,169	Beginning Fund Balance		\$	83,300	\$	83,300	\$	83,300	\$	83,300	
2		9,097		-		80,000	Loan Proceeds			80,000		80,000		80,000		80,000	
3		1,812		1,340		1,484	Interest Revenue			1,000		1,000		1,000		1,000	
4	\$	80,943	\$	82,283	\$	164,653	TOTAL RESOURCES		\$	164,300	\$	164,300	\$	164,300	\$	164,300	
EXPENDITURES																	
8	\$	-	\$	-	\$	16,465	Contractual Services		\$	16,400	\$	16,400	\$	16,400	\$	16,400	
9		-		-		148,188	Housing Rehabilitation Services			147,900		147,900		147,900		147,900	
10	\$	-	\$	-	\$	164,653	TOTAL MATERIALS & SERVICES		\$	164,300	\$	164,300	\$	164,300	\$	164,300	
12	\$	-	\$	-	\$	164,653	TOTAL EXPENDITURES		\$	164,300	\$	164,300	\$	164,300	\$	164,300	
FUND BALANCE																	
16		80,943		82,283		-	Undesignated Ending Fund Balance			-		-		-		-	
18	\$	80,943	\$	82,283	\$	164,653	TOTAL EXPENDITURE & FUND BALANCE		\$	164,300	\$	164,300	\$	164,300	\$	164,300	

## Notes:

- 2 Proceeds from loan repayments are difficult to forecast. \$80,000 has been budgeted to provide appropriation should funds become available.  
 8 This program is operated through a contract with the City of Salem whereby Salem receives 10% on loans made to cover its administrative costs.  
 9 Expenditure represents loans made from all available resources including Beginning Fund Balance should funds become available.

## *LAW ENFORCEMENT GRANT FUND*

Revenues in the Law Enforcement Grant Fund are from a federal grant. Uses are restricted to each specific grant received and have traditionally been for Police equipment. Each year the Police Department applies for and receives various Federal Grants for one-time purchases of Materials and Capital Outlay items.

SPECIAL REVENUE FUND

**LAW ENFORCEMENT GRANT FUND**

ACTUAL  
2001-02

ACTUAL  
2002-03

ADOPTED  
2003-04

MANAGER  
RECOMMENDED

COMMITTEE  
APPROVED

COUNCIL  
ADOPTED

RESOURCES

1	\$	11,545	\$	12,168	\$	-	Beginning Fund Balance	\$	3,600	\$	3,600	\$	3,600
2		25,025		-		22,023	Police Grants		50,000		50,000		50,000
3		20		-		-	Interest/Donations		1,000		1,000		1,000
4	\$	36,590	\$	12,168	\$	22,023	<b>TOTAL RESOURCES</b>	\$	54,600	\$	54,600	\$	54,600

EXPENDITURES

MATERIALS & SERVICES

11	\$	9,541	\$	-	\$	22,023	Materials & Supplies	\$	27,300	\$	27,300	\$	27,300
12	\$	9,541	\$	-	\$	22,023	<b>TOTAL MATERIALS &amp; SERVICES</b>	\$	27,300	\$	27,300	\$	27,300

CAPITAL OUTLAY

16	\$	14,882	\$	-	\$	-	Equipment	\$	27,300	\$	27,300	\$	27,300
17	\$	14,882	\$	-	\$	-	<b>TOTAL CAPITAL OUTLAY</b>	\$	27,300	\$	27,300	\$	27,300
19	\$	24,422	\$	-	\$	22,023	<b>TOTAL EXPENDITURES</b>	\$	54,600	\$	54,600	\$	54,600

FUND BALANCE

23		12,168		12,168		-	BUDGETED FUND BALANCE		-		-		-
25	\$	36,590		12,168	\$	22,023	<b>TOTAL EXPENDITURE &amp; FUND BALANCE</b>	\$	54,600	\$	54,600	\$	54,600

Notes:

Each year the Police Department applies for and receives various Federal Grants for one-time purchases of Materials and Capital Outlay items.

# **STREET FUND**

## *STREETS*

The Street Fund is managed by the Public Works Department to provide quality street, sidewalk, bike paths and drainage improvements. 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. IX3). The Street Division is staffed with one full time Municipal Utility Worker and a portion of various administrative staff to provide street maintenance services to the City.

### *Projects Completed in Budget Year 2003-2004*

Complete Storm Water Management Program and forward on to DEQ	125,000
Property and Easement Acquisition, Area C Keizer Station Plan	170,000
Identify and Construct small Infill Sidewalks.	25,000
Conduct Warrant Study on Traffic Signal at Plymouth and River Road	3,000
Upgraded 7 Traffic Signals with Red, Green, and Pedestrian LED style light bulbs in the PGE service area along River Road	26,000
Complete Brooks/Pleasantview Storm Drain extension	30,000
Upgraded 5 Traffic Signals with Red, Green, and Pedestrian LED style light bulbs in the Salem Electric service area along River Road	12,800

### *Street Fund Capital Improvement Expenditures 2004-2005*

Re-construct Chemawa Road Bike Lanes and Travel Lanes, replace Bridge, add new Sidewalks, Curb, Road Surface, Storm Drainage, Decorative Lighting, Street Trees, and Medians from 7 <sup>th</sup> Ave NE to Verda NE.	1,200,000
Identify and Construct Pedestrian Bridge over Labish Ditch	150,000
Pavement Management Preservation Program	310,000

# STREET FUND

- 7/30/2004 2:43 PM

## SPECIAL REVENUE FUND

## STREET FUND

ACTUAL  
2001-02ACTUAL  
2002-03ADOPTED  
2003-04MANAGER  
RECOMMENDEDCOMMITTEE  
APPROVEDCOUNCIL  
ADOPTED

## EXPENDITURES

## PERSONAL SERVICES

19	\$ 7,963	\$ 8,352	\$ 8,693	City Manager	\$ 9,100	\$ 9,100	\$ 9,100
20	28,864	30,464	39,582	Public Works Director	38,500	38,500	38,500
21	22,528	21,494	21,655	Public Works Superintendent	23,400	23,400	23,400
22	-	-	11,208	Public Works Permit Specialist	12,700	12,700	12,700
23	6,043	6,194	6,252	City Recorder	6,400	6,400	6,400
24	-	36,207	12,243	Municipal Utility Worker III	12,500	12,500	12,500
25	35,631	-	36,552	Municipal Utility Worker I	40,700	40,700	40,700
26	-	-	3,630	Community Development Director	4,000	4,000	4,000
27	-	3,636	-	Planning Director	-	-	-
28	5,897	-	-	Associate Planner	-	-	-
29	3,047	3,304	3,374	Code Enforcement	3,400	1,700	1,700
30	-	-	-	Zoning Technician	3,600	3,600	3,600
31	3,197	3,390	15,979	Senior Planner	-	-	-
32	18,326	17,955	13,347	Administrative Support Staff	10,200	10,200	10,200
33	-	-	1,451	Information Systems Technician	2,200	2,200	2,200
33	2,820	2,977	3,098	Human Resources Director	4,100	4,100	4,100
34	3,856	3,952	3,989	Finance Director	4,100	4,100	4,100
35	5,373	5,936	6,185	Facility Maintenance Worker	6,500	6,500	6,500
36	1,670	1,188	3,000	Overtime	3,000	3,000	3,000
37	2,219	2,213	2,878	Medicare	2,800	2,800	2,800
38	25,347	24,865	36,938	Retirement	36,000	35,700	35,700
39	22,063	21,611	26,151	Insurance Benefits	26,400	26,400	26,400
40	-	-	500	Unemployment	-	-	-
41	1,458	2,381	2,595	Workers Compensation	2,200	2,200	2,200
42	\$ 196,302	\$ 196,119	\$ 259,300	TOTAL PERSONAL SERVICES	\$ 251,800	\$ 249,800	\$ 249,800

## Notes:

- <sup>29</sup> In FY04 this position was split into 1 FTE Zoning Technician and one .5 FTE Code Enforcement Officer.
- <sup>32</sup> Administrative Support Staff has been reduced as part of the citywide reorganization. The Public Works Permit Specialist will help cover some of this work load.
- <sup>39</sup> Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY04 costs were budgeted at a 0.85% increase. During the year the Council retroactively increased City paid premiums to 5.05% based on the CPI-Medical to more accurately reflect the increases in these costs. The FY05 CPI-Medical increase is 4.2%.
- <sup>41</sup> Workers Compensation costs are expected to increase 18% in FY05. Budget estimates also changed because of allocation changes.



## SPECIAL REVENUE FUND

## STREET FUND

	ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
43							
44				<b>MATERIALS &amp; SERVICES</b>			
45							
46	\$ 1,871	\$ 1,755	\$ 1,500	Materials & Supplies	\$ 1,800	\$ 1,800	\$ 1,800
47	2,793	1,836	-	Helmets	-	-	-
48	1,976	1,884	2,453	Postage & Printing	2,400	2,400	2,400
49	1,332	1,695	1,907	Membership Dues	1,800	1,800	1,800
50	-	-	5,000	Travel & Training - Public Works	3,000	3,000	3,000
51	2,603	5,718	1,982	Travel & Training - Administrative Staff	2,000	2,000	2,000
52	-	-	303	City Council Expenses	300	300	300
53	78	613	840	Advertising	700	700	700
54	16,065	16,799	17,650	Legal Services	28,000	28,000	28,000
55	277	4,336	3,529	Contractual Services	4,000	4,000	4,000
56	-	-	-	MPO Support/ SKATS	5,100	5,100	5,100
57	1,770	1,688	2,185	Audit	2,200	2,200	2,200
58	73,488	54,503	75,000	Engineering Services	75,000	75,000	75,000
59	2,497	7,470	9,000	Traffic Engineering	6,000	6,000	6,000
60	425	1,608	1,700	Janitorial	1,700	1,400	1,400
61	-	512	530	Utilities	5,900	5,900	5,900
62	-	1,835	-	Telephone	2,300	2,300	2,300
63	9,212	12,137	14,536	Insurance	15,300	15,300	15,300
64	503	397	544	Computer Software	3,200	3,200	3,200
65	1,279	2,005	1,233	Computer Maintenance	-	-	-
66	4,666	2,985	4,000	Equipment Maintenance	4,000	4,000	4,000
67	3,403	1,316	1,750	Facility Maintenance	1,400	2,200	2,200
68	1,755	4,510	10,000	Sidewalk Maintenance	10,000	10,000	10,000

## Notes:

49 Citywide costs are comprised of memberships to Council of Governments, League of Oregon Cities, Local Government Personnel Institute, local newspapers, Chamber of Commerce, Rotary & International City/County Management Association. Costs are then allocated to each fund based on FTE.

52 Costs include travel & training; misc. office supplies; meetings during mealtimes. These costs were previously charged to Training & Travel.

53 Costs are for recruitments and public notices.

54 Legal Service costs will increase due to potential right-of-way acquisition on assorted projects throughout the City. Furthermore, the City anticipates a 5% increase in the City Attorney's hourly rate.

55 Costs are for a Citizen Survey, copier lease and Street Fund related costs.

56 Regional share of planning dollars for the MPO/SKATS program.

57 The contract with the City's audit firm expires in FY05. Absent new estimates, this line-item is consistent with FY04.

61 Utility costs for the Street Fund's share of City Hall Facilities was erroneously recorded in the Street Lighting line-item. This has been corrected for FY05.

63 The City's Insurance carrier projects a 2% increase in insurance costs plus an additional 3% to cover newly acquired property.

## SPECIAL REVENUE FUND

## STREET FUND

	ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
69	32,447	30,469	40,000	Storm Drain Maintenance	20,000	20,000	20,000
70	69,087	69,409	69,000	Street Sweeping	88,000	88,000	88,000
71	192,104	66,895	310,000	Street Resurfacing	-	-	-
72	106,151	85,454	115,000	Street Maintenance	110,000	110,000	110,000
73	41,503	43,131	55,000	Street Light Utilities	50,000	50,000	50,000
74	21,749	21,416	22,000	Traffic Light Utilities	18,000	18,000	18,000
75	10,921	3,537	10,000	Flood & Drainage Services	5,000	5,000	5,000
76	-	40	67,000	Contingency	4,800	4,800	4,800
77	\$ 599,955	\$ 445,953	\$ 843,642	TOTAL MATERIALS & SERVICES	\$ 471,900	\$ 176,600	\$ 472,400
78							
79				<u>CAPITAL OUTLAY</u>			
80							
81	\$ 1,281	\$ -	\$ -	GIS System	\$ -	\$ -	\$ -
82	231	696	569	Office Equipment & Furniture	100	100	100
83	1,042	4,702	3,329	Computer Equipment	4,100	4,100	4,100
84	-	-	-	Telephone System	-	4,400	4,400
84	1,500	-	-	Vehicle	-	-	-
85	-	5,594	125,000	Master Plan	33,000	33,000	33,000
86	-	-	71,000	Labish Wetlands & Drainage	-	-	-
87	80,000	4,145	80,000	Bike Paths	-	25,000	25,000
88	547,900	32,772	280,000	Street Improvements	1,200,000	1,200,000	1,200,000
89	-	-	-	Street Resurfacing	300,000	300,000	300,000
90	19,735	-	25,000	Infill Sidewalk Completions	5,000	25,000	25,000
91	15,301	-	-	School Zone Flasher Update	-	-	-
92	4,460	7,879	30,000	Storm Drains	10,000	10,000	10,000
93	-	135,000	-	Alder Drive Connection East of Schools	-	-	-
94	-	-	-	Chemawa Road Bridge	916,000	916,000	916,000
95	-	-	-	Signage	-	-	-

## Notes:

- 70 Reflects a cost increase from the Street Sweeping Contractor.
- 76 A one-percent Materials & Services contingency has been set aside for FY05.
- 85 Consultant cost to develop a Storm Water Ordinance with the Task Force.
- 88 Full improvements for Chemawa Road from Rickman to Veneta.
- 89 Street Resurfacing line-item has been relocated from Materials and Services section of the Budget.

SPECIAL REVENUE FUND

**STREET FUND**

ACTUAL 2001-02			ACTUAL 2002-03			ADOPTED 2003-04			MANAGER RECOMMENDED			COMMITTEE APPROVED			COUNCIL ADOPTED		
95	-		30,570	-		Neighborhood Traffic Management Plans	-		-		-		-		-		
96	-		-		26,000	Traffic Signal LED Upgrade	-		-		-		-		-		
97	-		137,691		170,000	Property & Easement Acquisition	-		-		-		-		-		
98	-		-		150,000	Construct Pedestrian Bridge - Labish	150,000		150,000		150,000		150,000		150,000		
99	-		1,500		4,400	Field Equipment	5,800		5,800		5,800		5,800		5,800		
100	-		-		-	Keizer Levee Construction	-		-		-		-		-		
101	-		-		-	Labish HMG Grant Expenditures	-		-		-		-		-		
102	-		-		-	Aerial Photos	5,000		5,000		5,000		5,000		5,000		
103	-		-		11,000	Mini Excavator	-		-		-		-		-		
104	-		-		83,000	Contingency	135,600		135,600		135,600		135,600		135,600		
105	\$	671,450	\$	360,549	\$	1,059,298	TOTAL CAPITAL OUTLAY	\$	2,764,600	\$	2,517,600	\$	2,814,000				
106																	
107																	
108	\$	1,467,707	\$	1,002,621	\$	2,162,240	TOTAL EXPENDITURES	\$	3,488,300	\$	3,239,800	\$	3,536,200				
109																	
110	TRANSFERS OUT																
111																	
112	\$	1,696	\$	-	\$	-	Transfer to Urban Renewal	\$	-	\$	-	\$	-				
113																	
114	FUND BALANCE																
115																	
116	-		-		40,000	Reserve for Shop Addition	60,000		60,000		60,000		60,000		60,000		
117	958,071		1,361,257		199,218	Undesignated Ending Fund Balance	205,700		454,200		157,800						
118																	
119	\$	2,427,474	\$	2,363,878	\$	2,401,458	TOTAL EXPENDITURE & FUND BALANCE	\$	3,754,000	\$	3,754,000	\$	3,754,000				

Notes:

- 98 Identify location and construct Pedestrian Bridge on Labish Ditch.
- 102 Aerial Photos are estimated to cost \$15,000 city-wide; 1/3 to be funded from Revenue Sharing and Street Fund, each, and 1/6 to be funded from Water Fund and Urban Renewal, each.
- 104 Capital Outlay contingency is 5% of Capital Outlay expenditures.

## *CITY HALL FACILITY FUND*

The City Hall Facility Fund was established to account for capital improvements and replacement reserves for City Hall facilities. In FY00 a \$100,000 transfer was made from the Urban Renewal Agency to provide reserves for City Hall improvements. The City has since learned that the Urban Renewal District can only pay a proportionate share of City Hall improvements, not the full cost.

The FY02 City budget provided for the repayment of the \$100,000, plus interest of \$11,797, to the Urban Renewal Agency, less the Agency's proportionate share of costs (\$1,108) for a net amount due of \$110,689. Interest was calculated at an interest rate of 6% for two years (the local government investment pool average).

The cash balance in the City Hall Facility Fund was approximately \$56,000 on June 30, 2002. The remaining amount due was paid proportionately from the City's other operating funds. Once this transfer was complete the City Hall Facility Fund was closed because there is no funding source for this purpose.

# SPECIAL REVENUE FUND

## CITY HALL FACILITY FUND

ACTUAL  
2001-02

ACTUAL  
2002-03

ADOPTED  
2003-04

MANAGER  
RECOMMENDED

COMMITTEE  
APPROVED

COUNCIL  
ADOPTED

### RESOURCES

1	\$ 53,568	\$	-	Beginning Fund Balance	\$	-	\$	-	\$	-
2	-			Interest		-		-		-
3	2,440			Transfer from Urban Renewal Project Fund		-		-		-
4	<u>\$ 56,008</u>	<u>\$</u>	<u>-</u>	<u>TOTAL RESOURCES</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>-</u>

### EXPENDITURES

9	\$ -	\$ -	\$ -	Improvements	\$	-	\$	-	\$	-
10	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>TOTAL EXPENDITURES</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>-</u>

### TRANSFERS OUT

14	\$ 56,008	\$	-	Transfer to Urban Renewal	\$	-	\$	-	\$	-
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### FUND BALANCE

18	-	-	-	Undesignated Ending Fund Balance		-		-		-
20	<u>\$ 56,008</u>	<u>\$</u>	<u>-</u>	<u>TOTAL EXPENDITURE &amp; FUND BALANCE</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>-</u>

**Notes:**

Due to the lack of a funding source, the City Hall Facility Fund has been closed.

## Park Improvement Fund 04/05 Capital Improvements Proposed

### Pleasantview Park

- ◆ Big Toy Play Structure \$2,700

### Northview Park

- ◆ Install Climbing Structure \$1,050

### Country Glen Park

- ◆ Install Picnic Tables \$850
- ◆ Plant 6 Trees \$500
- ◆ Install Drinking Fountain \$900

### Meadows Park

- ◆ Install Climbing Structure \$2,625

### Rivers Edge Park

- ◆ Install Benches and Table \$1,200

### Carlson Skate Park

- ◆ Pave Parking Lot \$15,000

### Land Acquisition West Keizer

- ◆ 10-15 Acres \$300,000

CAPITAL PROJECTS FUND

PARK IMPROVEMENT FUND

ACTUAL 2001-02			ACTUAL 2002-03			ADOPTED 2003-04			MANAGER RECOMMENDED			COMMITTEE APPROVED			COUNCIL ADOPTED		
RESOURCES																	
1	\$	400,246		473,628	\$	630,759	Working Capital Carryforward		\$	857,600	\$	857,600	\$	857,600			
2		10,893		9,497		9,644	Interest			9,500		9,500		9,500			
3		154,338		194,950		50,487	System Development Fees			50,500		50,500		50,500			
4		10,000		8,419		-	Miscellaneous Revenue			-		-		-			
5	\$	575,477	\$	686,494	\$	690,890	TOTAL RESOURCES		\$	917,600	\$	917,600	\$	917,600			
EXPENDITURES																	
CAPITAL OUTLAY																	
1	\$	24,743		1,722	\$	150,000	Land Acquisition		\$	300,000	\$	300,000	\$	300,000			
2		77,106		875		-	Improvements			24,900		24,900		24,900			
3		-		-		100,000	Contingency			-		100,000		100,000			
4	\$	101,849	\$	2,597	\$	250,000	TOTAL CAPITAL OUTLAY		\$	324,900	\$	424,900	\$	424,900			
FUND BALANCE																	
4		473,628		683,897		440,890	Undesignated Ending Fund Balance			592,700		492,700		492,700			
5	\$	575,477	\$	686,494	\$	690,890	TOTAL EXPENDITURE & FUND BALANCE		\$	917,600	\$	917,600	\$	917,600			

Notes:

- 6 Interest revenue is based on FY04 earnings at 11/31/03 projected out to 6/30/04.
- 11 Land purchase in West Keizer.
- 12 Improvements:
 

Pleasantview play structure	2,700
Northview climbing structure	1,100
Country Glen improvements	2,300
Meadows climbing structure	2,600
Skate Park paving	15,000
Rivers Edge improvements	1,200
	<u>24,900</u>

# **UTILITY FUND**



## UTILITY FUND

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.

The Utility Billing Division operates within the Finance Department and maintains approximately 9,500 accounts for water and sewer services providing needed customer service to Keizer citizens. The staff includes one Utility Billing Technician and three Utility Billing Clerks.

### Accomplishments . . .

- Implemented on-line lien search information to give Title Companies access to the City's database, as required by State Law.
- Coordinated negotiations with the City of Salem regarding the interagency agreement for providing Sewer Services to citizens of Keizer. Negotiations likely will continue into fiscal year 2005 and are focused on managing the sewer

system regionally rather than through interagency contracts.

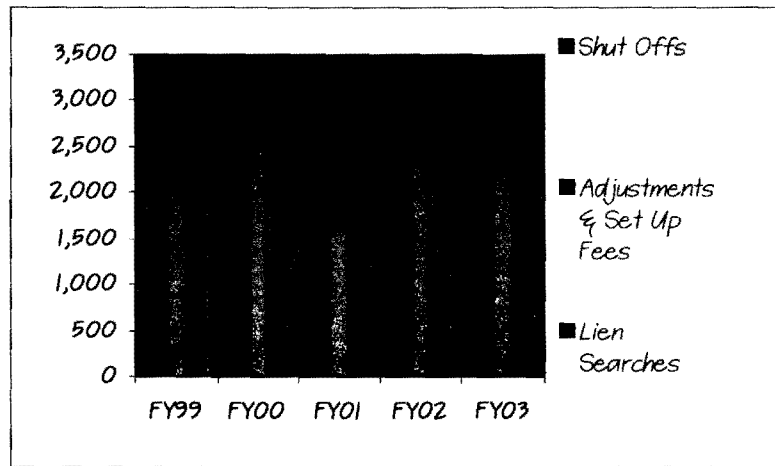
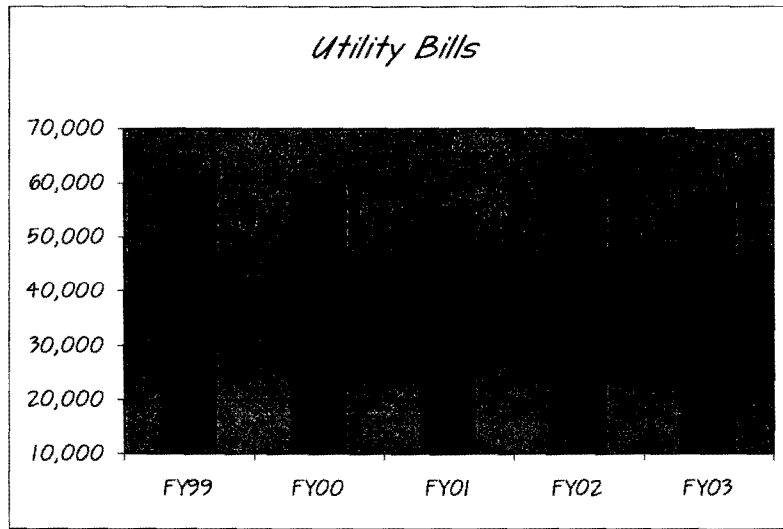
- Provided back up to the Reception-area to ensure walk-in customers received prompt service.
- Utility Billing staff backed up the Municipal Court office by processing payments from walk-in customers and those requesting to pay by credit card over the telephone. Bi-lingual staff provided interpretation between defendants and the Municipal Court office. This provided essential customer service to Municipal Court

Work load indicators for the past five years are as follows:

Utility Bills	59,843	59,537	54,711	56,803	56,316
Shut Offs	960	1,967	1,390	1,019	3,081
Adjustments & Set Up Fees	3,314	2,553	1,581	2,604	2,197
Lien Searches	2,156	1,214	1,275	1,340	1,469

## UTILITY FUND

Continued



### Future Goals . . .

The Utility Billing staff is committed to providing excellent customer service.

- ♦ Training dollars have been set aside to allow staff to attend customer service training.
- ♦ A new telephone notification system has been budgeted to help reduce the number of Shut-off accounts in the system.
- ♦ Staff will assist with the Receptionist and Municipal Court transition into the Finance Department, by providing customer service through staff coverage and by providing internal controls over the process.
- ♦ Staff will continue negotiations with the City of Salem regarding a regional management of the sewer system.

# ENTERPRISE FUNDS

## UTILITY FUND

ACTUAL 2001-02		ACTUAL 2002-03		ADOPTED 2003-04		MANAGER RECOMMENDED		COMMITTEE APPROVED		COUNCIL ADOPTED			
RESOURCES													
1	\$	32,537	\$	19,313	\$	14,770	Beginning Fund Balance	\$	50,900	\$	50,900	\$	50,900
2		2,824		903		1,000	Planning/Construction Fees		1,000		1,000		1,000
3		3,012,266		3,177,378		3,344,414	Salem Sewer Billing		4,054,600		4,054,600		4,054,600
4		214,759		215,426		252,693	Sewer Administration Fee		254,300		254,300		254,300
5		-		4,641		4,641	Oakwood Assessment		6,000		6,000		6,000
6													
7							MISCELLANEOUS						
8	\$	-	\$	2,269	\$	1,779	Oakwood Interest		1,900		1,900		1,900
9		7,799		9,572		-	Miscellaneous		-		-		-
10	\$	7,799	\$	11,841	\$	1,779	TOTAL MISCELLANEOUS	\$	1,900	\$	1,900	\$	1,900
11													
12													
13	\$	3,270,185	\$	3,429,502	\$	3,619,297	TOTAL RESOURCES	\$	4,368,700	\$	4,368,700	\$	4,368,700

Notes:

- <sup>3</sup> Increases include a 12% increase in sewer rates per the Salem Cost of Service Analysis. Rates are set by the City of Salem and have not been approved for FY05.
- <sup>4</sup> Projections are based on approximately 9,400 sewer customers billed bi-monthly at \$4.50 per bill.
- <sup>9</sup> Miscellaneous Revenues include one-time revenues that are not characterized by line-item descriptions.

# ENTERPRISE FUNDS

## UTILITY FUND

ACTUAL  
2001-02

ACTUAL  
2002-03

ADOPTED  
2003-04

MANAGER  
RECOMMENDED

COMMITTEE  
APPROVED

COUNCIL  
ADOPTED

### EXPENDITURES

#### PERSONAL SERVICES

\$	796	\$	835	\$	869	City Manager	\$	900	\$	900	\$	900
	12,370		13,056		2,639	Public Works Director		2,700		2,700		2,700
	-		5,945		3,094	Public Works Superintendent		3,300		3,300		3,300
	-		-		2,802	Public Works Permit Specialist		3,200		3,200		3,200
	1,279		1,454		-	Planning Director		-		-		-
	62,044		63,047		83,645	Administrative Support Staff		84,300		84,300		84,300
	-		1,431		1,546	Facility Maintenance Worker		1,600		1,600		1,600
	-		-		1,088	Information Systems Technician		1,700		1,700		1,700
	2,115		2,232		2,323	Human Resources Director		3,200		3,200		3,200
	15,426		15,809		15,958	Finance Director		16,200		16,200		16,200
	-		270		1,000	Overtime		1,000		1,000		1,000
	1,448		1,587		1,754	Medicare		1,800		1,800		1,800
	15,512		17,174		20,321	Retirement		20,600		20,600		20,600
	17,447		17,567		20,611	Insurance Benefits		23,300		23,300		23,300
	-		-		500	Unemployment		-		-		-
	278		497		301	Workers Compensation		400		400		400
\$	128,715	\$	140,904	\$	158,451	TOTAL PERSONAL SERVICES	\$	164,200	\$	164,200	\$	164,200

**Notes:**

<sup>32</sup> Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY04 costs were budgeted at a 0.85% increase. During the year the Council retroactively increased City paid premiums to 5.05% based on the CPI-Medical to more accurately reflect the increases in these costs. The FY05 CPI-Medical increase is 4.2%.

<sup>33</sup> Unemployment Insurance is no longer budgeted. Costs, if any, are paid from salary savings.

<sup>34</sup> Workers Compensation costs are expected to increase 18% in FY05. Budget estimates also changed because of allocation changes.

# ENTERPRISE FUNDS

## UTILITY FUND

	ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
37				<u>MATERIALS &amp; SERVICES</u>			
38							
39	\$ 3,389	\$ 2,123	\$ 1,997	Materials & Supplies	\$ 2,300	\$ 2,300	\$ 2,300
40	17,725	18,470	19,470	Postage & Printing	20,600	20,600	20,600
41	985	1,097	1,525	Membership Dues	1,800	1,800	1,800
42	2,216	2,191	2,973	Travel & Training	4,100	4,100	4,100
43	-	-	243	City Council Expenses	300	300	300
44	113	1,228	1,073	Advertising	200	200	200
45	3,528	3,103	2,900	Legal Services	4,000	4,000	4,000
46	1,606	1,543	1,624	Contractual Services	1,500	1,500	1,500
47	2,364	2,963	3,835	Audit	3,800	3,800	3,800
48	18,910	17,615	19,665	Engineering Services	17,100	17,100	17,100
49	-	1,394	1,360	Janitorial	1,400	1,400	1,400
50	1,028	493	525	Utilities	400	400	400
51	49	1,731	1,494	Telephone	1,100	1,100	1,100
52	8,277	10,916	13,103	Insurance	13,400	13,400	13,400
53	2,735	3,356	3,325	Computer Software	7,300	7,300	7,300
54	978	1,543	987	Computer Maintenance	-	-	-
55	1,089	1,254	1,272	Equipment Maintenance	600	600	600
56	3,490	816	1,400	Facility Maintenance	2,200	2,200	2,200
57	3,004,092	3,174,028	3,344,414	Salem Sewer Payments	4,054,600	4,054,600	4,054,600
58	-	-	-	Collection Costs	300	300	300
59	\$ 3,072,574	\$ 3,245,864	\$ 3,423,185	TOTAL MATERIALS & SERVICES	\$ 4,137,000	\$ 4,137,000	\$ 4,137,000
60							

**Notes:**

- 41 Citywide costs are comprised of memberships to Council of Governments, League of Oregon Cities, Local Government Personnel Institute, local newspapers, Chamber of Commerce, SEDCOR, Rotary and International City/County Management Association. Costs are then allocated to each fund based on FTE.
- 43 Costs include travel & training; misc. office supplies; meetings during mealtimes. These costs were previously charged to the Training & Travel line-item.
- 44 Advertising is for staff recruitments.
- 45 Legal Services are for basic and hourly services provided by the City Attorney. Hourly costs will increase 5% over FY04.
- 46 FY05 includes cost for a Citizen Survey, copier leases, bank charges, courier services, salary surveys, etc.
- 47 The contract with the City's audit firm expires in FY05. Absent new estimates, this line-item is consistent with FY04.
- 48 Engineering Service costs increased 6.5% during FY04. FY05 projections are based on current year actuals projected to 6/30/04.
- 52 The City's Insurance carrier projects a 2% increase in insurance premiums.
- 57 This is a pass through expense and equals Salem Sewer Billing revenues on line 6 above.

# ENTERPRISE FUNDS

## UTILITY FUND

ACTUAL  
2001-02

ACTUAL  
2002-03

ADOPTED  
2003-04

MANAGER  
RECOMMENDED

COMMITTEE  
APPROVED

COUNCIL  
ADOPTED

61	<u>CAPITAL OUTLAY</u>												
62													
63	\$	119	\$	5	\$	455	Office Furniture & Equipment	\$	100	\$	100	\$	100
64		-		-		-	Telephone System		6,500		6,500		6,500
65		405		4,804		2,663	Computer Equipment		3,300		3,300		3,300
66	\$	524	\$	4,809	\$	3,118	TOTAL CAPITAL OUTLAY	\$	9,900	\$	9,900	\$	9,900
67													
68	<u>DEBT SERVICE</u>												
69													
70	\$	5,000	\$	10,000	\$	10,000	Oakwood Principal	\$	10,000	\$	10,000	\$	10,000
71		3,330		2,563		1,538	Oakwood Interest		600		600		600
72	\$	8,330	\$	12,563	\$	11,538	TOTAL DEBT SERVICE	\$	10,600	\$	10,600	\$	10,600
73													
74	\$	3,210,143	\$	3,404,140	\$	3,596,292	TOTAL EXPENSES	\$	4,321,700	\$	4,321,700	\$	4,321,700
75													
76	<div>TRANSFERS OUT</div>												
77													
78		38,732		-		-	Transfer to Street Lighting District Fund		-		-		-
79		1,997		-		-	Transfer to Urban Renewal		-		-		-
80	\$	40,729	\$	-	\$	-	TOTAL TRANSFERS	\$	-	\$	-	\$	-
81													
82	<div>FUND BALANCE</div>												
83		-		-		10,000	Contingency		13,400		13,400		13,400
84		19,313		25,362		13,005	Undesignated Ending Fund Balance		33,600		33,600		33,600
85													
86	\$	3,270,185	\$	3,429,502	\$	3,619,297	TOTAL EXPENSES & FUND BALANCE	\$	4,368,700	\$	4,368,700	\$	4,368,700

### Notes:

- 64 Telephone equipment includes \$4,400 to replace the telephone system plus \$2,100 for an automated phone system to be used for delinquent account collections.

# **WATER FUND**

## WATER FUND

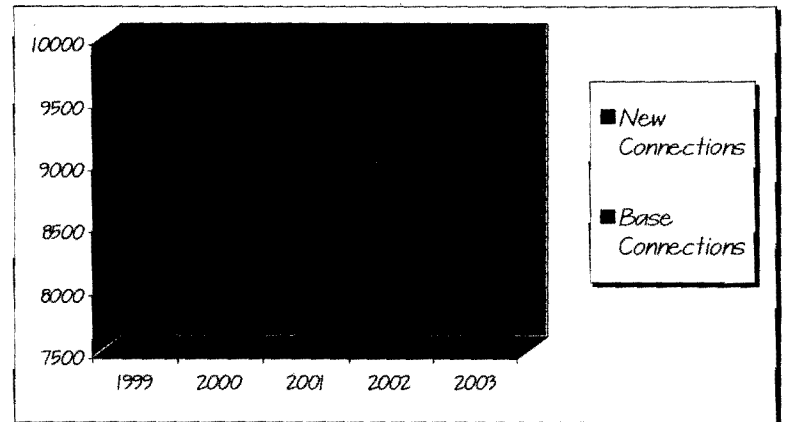
Revenues in the Water fund are derived from user charges. The City's charter designates this as a dedicated fund to be used solely for water related services. The water system is managed by the Public Works Department to provide safe, low cost, quality drinking water that meets state regulations. The Water Division is staffed with 9 Municipal Utility Workers, Public Works Permit Specialist, the Public Works Superintendent and the Director of Public Works. The Finance Department manages the billing function and is staffed with 3 Utility Billing Clerks and a Utility Billing Technician. Expenses include the costs of customer service, billing, and water and system maintenance.

### Accomplishments . . .

- Completed the Federal Mandated Water System Vulnerability assessment
- Purchased a new service vehicle and trade in 1983 pickup and 1992 Plymouth
- Purchased a mini excavator and traded in a 1981 John Deere backhoe.
- Increased the number of water sample stations to provide improved quality control.

### Future Goals . . .

- Down size existing pump at Carl Haven East well to prevent cavitations and air.
- Continue the Water Source Protection program by installing monitoring wells and geo probes.
- Install well probes to monitor groundwater levels.
- Purchase New service vehicle to replace 1986 GMC van.
- Complete federally mandated Emergency Operations Plan.
- Replace existing City phone system.





ENTERPRISE FUNDS

**WATER FUND**

ACTUAL 2001-02			ACTUAL 2002-03			ADOPTED 2003-04						MANAGER RECOMMENDED			COMMITTEE APPROVED			COUNCIL ADOPTED		
RESOURCES																				
1	\$	189,621	\$	473,432	\$	475,862	Beginning Fund Balance						\$	844,800	\$	844,800	\$	844,800		
2		12,875		3,593		975	Planning & Construction Fees							4,500		4,500		4,500		
3		1,627,210		1,708,511		1,838,610	Water Sales							2,064,900		2,064,900		2,064,900		
4		42,921		47,001		42,859	Service Fees							32,300		32,300		32,300		
5		4,337		7,554		7,914	Interest							5,700		5,700		5,700		
6		1,636		18,918		2,000	Miscellaneous							2,000		2,000		2,000		
7		3,430		7,120		7,907	Live Tap Reimbursement							5,000		5,000		5,000		
8	\$	1,882,030	\$	2,266,129	\$	2,376,127	TOTAL RESOURCES						\$	2,959,200	\$	2,959,200	\$	2,959,200		

Notes:

- <sup>3</sup> Water Sales Revenues reflect an increase in consumption plus a 4% increase in rates as provided for in the cost of service rate model.  
<sup>5</sup> Interest Revenue is based on FY04 earnings at 11/31/03 projected out to 6/30/04.  
<sup>6</sup> Miscellaneous Revenues include one-time revenues that are not characterized by line-item descriptions.

# WATER FUND

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ENTERPRISE FUNDS

WATER FUND

	ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
36							
37				<u>MATERIALS &amp; SERVICES</u>			
38							
39	\$ 10,205	\$ 7,940	\$ 10,250	Materials & Supplies	\$ 7,500	\$ 7,500	\$ 7,500
40	21,393	24,535	31,000	Postage & Printing	28,000	28,000	28,000
41	5,102	8,613	5,000	Concrete	5,000	5,000	5,000
42	4,169	8,635	6,000	Rock & Backfill	6,000	6,000	6,000
43	5,754	11,295	10,000	Paving	10,000	10,000	10,000
44	52,091	46,240	45,000	Sequestering Agent	45,000	45,000	45,000
45	12,148	6,963	12,000	Fluoride	12,000	12,000	12,000
46	8,765	5,726	6,101	Membership Dues	7,200	7,200	7,200
47	12,916	-	13,300	Travel & Training - Public Works	13,500	13,500	13,500
48	-	15,582	4,126	Travel & Training - Administrative Staff	6,000	6,000	6,000
49	-	-	970	City Council Expenses	1,100	1,100	1,100
50	319	2,582	1,000	Advertising	1,000	1,000	1,000
51	4,901	11,272	10,600	Legal Services	11,000	11,000	11,000
52	46,235	31,048	88,894	Contractual Services	80,000	80,000	80,000
53	1,785	1,661	2,151	Audit	2,200	2,200	2,200
54	1,170	143	2,000	Flagging	2,000	2,000	2,000
55	24,417	23,739	25,000	Engineering Services	26,600	26,600	26,600
56	7,029	6,671	5,440	Janitorial	5,500	5,500	5,500
57	2,588	2,529	3,500	Clothing	3,500	3,500	3,500
58	136,137	145,135	141,500	Utilities	143,000	143,000	143,000
59	8,398	7,961	7,500	Natural Gas	7,500	7,500	7,500
60	27,716	25,737	26,000	Telephone	26,000	26,000	26,000
61	6,163	10,190	10,000	Telemetry	10,000	10,000	10,000
62	33,632	43,458	52,140	Insurance	54,700	54,700	54,700
63	5,269	8,750	11,000	Gasoline	11,000	11,000	11,000
64	3,390	2,683	6,000	Diesel Fuel	6,000	6,000	6,000
65	5,095	4,451	4,308	Computer Software	11,300	11,300	11,300

Notes:

<sup>46</sup> Citywide costs are comprised of memberships to Council of Governments, League of Oregon Cities, Local Government Personnel Institute, local newspapers, Chamber of Commerce, SEDCOR, Rotary and International City/County Management Association. Costs are then allocated to each fund based on FTE.

<sup>49</sup> Costs include travel & training; misc. office supplies; meetings during mealtimes. These costs were previously charged to the Training & Travel line-item.

<sup>51</sup> Legal Services are for basic and hourly services provided by the City Attorney. Hourly costs will increase 5% over FY04.

<sup>52</sup> FY05 includes cost for citywide costs such as Citizen Survey, copier leases, bank charges, courier services, salary surveys and water related costs including \$50,000 for Source Water Assessment and Geo Probe Investigations and \$2,400 for copier lease at City Shops.

<sup>53</sup> The contract with the City's audit firm expires in FY05. Absent new estimates, this line-item is consistent with FY04.

<sup>55</sup> Engineering Service costs increased 6.5% during FY04. FY05 projections are based on current year actuals projected to 6/30/04.

<sup>62</sup> The City's Insurance carrier projects a 2% increase in insurance premiums.

ENTERPRISE FUNDS

**WATER FUND**

ACTUAL 2001-02		ACTUAL 2002-03		ADOPTED 2003-04		MANAGER RECOMMENDED		COMMITTEE APPROVED		COUNCIL ADOPTED			
66	\$	5,306	8,381	\$	3,947	Computer Maintenance	\$	14,700	\$	14,700	\$	14,700	
67		12,384	9,135		12,000	Vehicle Maintenance		12,000		12,000		12,000	
68		8,436	8,937		9,500	Equipment Maintenance		9,500		9,500		9,500	
69		10,659	4,015		5,600	Facility Maintenance		8,600		8,600		8,600	
70		27,898	51,716		32,000	Plant Maintenance		35,000		35,000		35,000	
71		3,600	9,340		5,000	Live Taps		5,000		5,000		5,000	
72		9,588	10,208		20,000	Pumphouse Maintenance		15,000		15,000		15,000	
73		23,980	24,324		30,000	Pump Maintenance		30,000		30,000		30,000	
74		29,517	38,586		30,000	Operating Materials & Supplies		32,000		32,000		32,000	
75		-	-		65,000	Watermains		65,000		65,000		65,000	
76		3,816	3,816		3,816	Well Property Lease		3,800		3,800		3,800	
77		34,984	35,666		40,000	Lab Tests		35,000		35,000		35,000	
78		19,263	20,593		21,000	Contract Meter Reading		21,800		21,800		21,800	
79		6,197	6,175		7,500	Consumer Confidence Report/ Public Education		7,500		7,500		7,500	
80		581	279		-	Miscellaneous		-		-		-	
81	\$	642,996	\$	694,710	\$	826,143	TOTAL MATERIALS & SERVICES	\$	837,500	\$	542,600	\$	837,500
82	<u>CAPITAL OUTLAY</u>												
83													
84	\$	-	-	\$	-	Aerial Photos	\$	2,500	\$	2,500	\$	2,500	
85		-	-		-	Telephone System		19,700		19,700		19,700	
86		546	135		1,821	Office Furniture & Equipment		2,000		2,000		2,000	
87		964	9,999		10,300	Field Equipment		13,400		13,400		13,400	
88		7,587	12,578		10,652	Computer Equipment		14,700		14,700		14,700	
89		4,500	-		30,000	Public Works Vehicle		40,000		40,000		40,000	
90		22,192	28,425		28,000	Water Meters		25,000		25,000		25,000	
91		-	-		44,000	Heavy Equipment		-		-		-	
92		-	7,380		10,000	Telemetry System		18,600		18,600		18,600	
93	\$	35,789	\$	58,517	\$	134,773	TOTAL CAPITAL OUTLAY	\$	135,900	\$	135,900	\$	135,900
Notes:													
77 Lab Tests include monthly monitoring for VOC's													
80 Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.													
78	<u>DEBT SERVICE</u>												
79													
80	\$	-	\$	-	\$	-	Debt Service	\$	135,700	\$	135,700	\$	135,700
94													
95	\$	1,404,754	\$	1,467,973	\$	1,762,974	TOTAL EXPENSES	\$	1,945,200	\$	1,945,200	\$	1,945,200

ENTERPRISE FUNDS

**WATER FUND**

	ACTUAL 2001-02	ACTUAL 2002-03	ADOPTED 2003-04		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
96				<b>TRANSFERS OUT</b>			
97							
98	\$ -	\$ 200,000	\$ 250,000	Transfer to Water Facility Replacement Reserve	\$ 525,000	\$ 525,000	\$ 525,000
99	3,844	-	50,000	Shop Reserve	100,000	100,000	100,000
100	\$ 3,844	\$ 200,000	\$ 300,000	<b>TOTAL TRANSFERS</b>	\$ 625,000	\$ 625,000	\$ 625,000
101							
102				<b>FUND BALANCE</b>			
103							
104	\$ -	\$ -	\$ 60,000	Contingency	\$ 60,000	\$ 60,000	\$ 60,000
105	473,432	598,156	253,153	Undesignated Fund Balance	329,000	329,000	329,000
106							
107	\$ 1,882,030	\$ 2,266,129	\$ 2,376,127	<b>TOTAL EXPENSES &amp; BUDGETED FUND BALANCE</b>	\$ 2,959,200	\$ 2,959,200	\$ 2,959,200

Notes:

- <sup>84</sup> Aerial Photos are estimated to cost \$15,000 city-wide; 1/3 to be funded from Revenue Sharing and Street Fund, each, and 1/6 to be funded from Water Fund and Urban Renewal, each.
- <sup>85</sup> Telephone equipment includes \$17,600 to replace the telephone system plus \$2,100 for an automated phone system to be used for delinquent account collections.
- <sup>89</sup> Replacement of a 1987 Public Works Vehicle including Hydraulic Power Pack.
- <sup>105</sup> The Ending Fund Balance provides for a 60-day cash supply.

## *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 and revenue bonds transferred from the Water Fund (the operation and maintenance fund). Expenditures listed in the 2004 through 2006 Capital Improvements Plan are identified in the 2001 Water System Master Plan update. Construction of the needed storage and addition source will complete the water system and sufficiently serve the existing Urban Growth Boundary.

### *Projects Completed Budget Year 2003/2004*

- |   |        |
|---|--------|
| • Install Reitz Well Pump and complete connection to distribution system and telemetry. | 54,900 |
| • Water distribution improvements to support new wells.                                 | 70,000 |
| • Abandoned Toni and Burnside Wells.  | 8,600  |

### *Water Facility Fund Capital Improvements Budget Years 2004/2006*

- |   |           |
|---|-----------|
| • Replace 13 <sup>th</sup> and 17 <sup>th</sup> Ave Wells with a new well at 17 <sup>th</sup> Ave which meets the State's Ground Water Disinfection Rule. | 100,000   |
| • Improve the Delta Well with side drilling existing well and reseal well to 100'   | 95,000    |
| • Bair Park Reservoir Tank and Pump Station   | 750,000   |
| • Keizer Station Reservoir and Pump Station City's share  | 600,000   |
| • Wiessner Pump Station Pipeline Extension  | 135,000   |
| • Upgrade Telemetry System to Radio Circuit Control   | 80,000    |
| • Construct new Well at City Hall   | 400,000   |
| • Steel Waterline Replacements City wide over the next 5 Budget Cycles  | 2,289,000 |
| • Retrofit all Existing Turbine Electric Motors for Energy Efficiency   | 60,000    |
| • Railroad Directional Bore Casing and Waterline  | 125,000   |

ENTERPRISE FUNDS

**WATER FACILITY FUND**

ACTUAL  
2001-02

ACTUAL  
2002-03

ADOPTED  
2003-04

MANAGER  
RECOMMENDED

COMMITTEE  
APPROVED

COUNCIL  
ADOPTED

**RESOURCES**

1	\$	323,766	\$	110,820	\$	335,585	Beginning Fund Balance	\$	554,100	\$	554,100	\$	554,100
2		6,298		4,128		3,332	Interest		6,000		6,000		6,000
3		69,729		91,909		38,448	Systems Development Fees		99,300		99,300		99,300
4		-		-		4,272	Oversized Reimbursement Fees		9,900		9,900		9,900
5		-		1,421		-	Marks Drive Assessments		2,600		2,600		2,600
6		-		-		-	Bond Proceeds		3,447,500		3,447,500		3,447,500
7		-		200,000		250,000	Transfer from Water Fund		525,000		525,000		525,000
8	\$	399,793	\$	408,278	\$	631,637	<b>TOTAL RESOURCES</b>	\$	4,644,400	\$	4,644,400	\$	4,644,400

**EXPENDITURES**

**CAPITAL OUTLAY**

14	\$	135,508	\$	40,085	\$	328,300	Supply/Treatment	\$	595,000	\$	595,000	\$	595,000
15							Pumping		-		-		-
16		153,465		-		70,000	Transmission & Distribution Mains		682,600		682,600		682,600
17							Storage		2,275,000		2,275,000		2,275,000
18							Meters & Services		-		-		-
19							Hydrants		-		-		-
20							General Plant		140,000		140,000		140,000
21		-		-		100,000	Contingency		100,000		100,000		100,000
22	\$	288,973	\$	40,085	\$	498,300	<b>TOTAL CAPITAL OUTLAY</b>	\$	3,792,600	\$	3,792,600	\$	3,792,600

**FUND BALANCE**

26		-		-		-	Debt Reserve Requirements		292,900		292,900		292,900
27		110,820		368,193		133,337	Undesignated Ending Fund Balance		558,900		558,900		558,900
29	\$	399,793	\$	408,278	\$	631,637	<b>TOTAL EXPENSES &amp; BUDGETED FUND BALANCE</b>	\$	4,644,400	\$	4,644,400	\$	4,644,400

Notes:

12 For detailed Capital Outlay projects see Water Facility Fund Summary.

## *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 the activities in this fund.*



## STREET LIGHTING DISTRICT FUND

<sup>2</sup> 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. In times of rising costs, the fund has operated in a deficit as is the case with FY03. To remedy this situation, in FY04 the City assessed an additional 14% on the tax roles to provide Working Capital for this fund.

ENTERPRISE FUNDS

**STREET LIGHTING DISTRICT FUND**

ACTUAL 2001-02			ACTUAL 2002-03			ADOPTED 2003-04			MANAGER RECOMMENDED			COMMITTEE APPROVED			COUNCIL ADOPTED		
EXPENDITURES																	
PERSONAL SERVICES																	
\$	796	\$	835	\$	869	City Manager	\$	900	\$	900	\$	900					
	8,247		8,704		4,398	Public Works Director		4,500		4,500		4,500					
	-		2,972		3,094	Public Works Superintendent		3,300		3,300		3,300					
	-		-		2,802	Public Works Permit Specialist		3,200		3,200		3,200					
	6,043		6,194		6,252	City Recorder		6,400		6,400		6,400					
	-		-		363	Information Systems Technician		400		400		400					
	-		-		774	Human Resources Director		800		800		800					
	4,040		5,258		6,875	Administrative Support Staff		5,900		5,900		5,900					
	3,857		3,952		3,989	Finance Director		4,100		4,100		4,100					
	1,343		1,484		1,546	Facility Maintenance Worker		1,600		1,600		1,600					
	75		14		50	Overtime		-		-		-					
	375		449		477	Medicare		500		500		500					
	4,417		5,281		5,883	Retirement		5,900		5,900		5,900					
	2,927		3,673		4,193	Insurance Benefits		4,500		4,500		4,500					
	78		215		163	Workers Compensation		200		200		200					
\$	32,198	\$	39,031	\$	41,728	TOTAL PERSONAL SERVICES	\$	42,200	\$	42,200	\$	42,200					

Notes:

- <sup>24</sup> Through the City's Personal Policy Committee, the City changed the process for allocation of insurance premiums. The costs are now pooled and allocated based on FTE in each fund. The City's insurance premiums increase each year by the CPI-Medical, within 1% to 6%. The FY04 costs were budgeted at a 0.85% increase. During the year the Council retroactively increased City paid premiums to 5.05% based on the CPI-Medical to more accurately reflect the increases in these costs. The FY05 CPI-Medical increase is 4.2%.
- <sup>25</sup> Workers Compensation costs are expected to increase 18% in FY05. Budget estimates also changed because of allocation changes.

ENTERPRISE FUNDS

**STREET LIGHTING DISTRICT FUND**

ACTUAL 2001-02			ACTUAL 2002-03			ADOPTED 2003-04			MANAGER RECOMMENDED			COMMITTEE APPROVED			COUNCIL ADOPTED		
MATERIALS & SERVICES																	
28																	
29																	
30	\$	488	\$	340	\$	371	Materials & Supplies		\$	400	\$	400	\$	400	\$	400	
31		257		305		326	Postage & Printing			200		200		200		200	
32		184		223		381	Membership Dues			500		500		500		500	
33		443		509		622	Travel & Training			800		800		800		800	
34		-		-		61	City Council Expenses			100		100		100		100	
35		10		16		-	Advertising			1,400		1,400		1,400		1,400	
36		99		113		120	Legal Services			100		100		100		100	
37		103		178		406	Contractual Services			500		500		500		500	
38		305		282		366	Audit			400		400		400		400	
39		-		265		340	Janitorial			300		300		300		300	
40		227		107		114	Utilities			100		100		100		100	
41		592		349		302	Telephone			300		300		300		300	
42		7		203		240	Insurance			300		300		300		300	
43		41		179		349	Computer Software			1,600		1,600		1,600		1,600	
44		174		289		247	Computer Maintenance			-		-		-		-	
45		212		298		311	Equipment Maintenance			200		200		200		200	
46		606		162		350	Facilities Maintenance			500		500		500		500	
47		3,797		4,188		3,908	Engineering costs			3,700		3,700		3,700		3,700	
48		314,642		329,785		390,506	Lighting Costs			322,300		322,300		322,300		322,300	
49	\$	322,187	\$	337,791	\$	399,320	TOTAL MATERIALS & SERVICES		\$	333,700	\$	333,700	\$	333,700	\$	333,700	

Notes:

- 32 Citywide costs are comprised of memberships to Council of Governments, League of Oregon Cities, Local Government Personnel Institute, local newspapers, Chamber of Commerce, SEDCOR, Rotary and International City/County Management Association. Costs are then allocated to each fund based on FTE.
- 34 Costs include travel & training; misc. office supplies; meetings during mealtimes. These costs were previously charged to the Training & Travel line-item.
- 35 Costs are street lighting district assessment public notices.
- 36 Costs are based on current year actuals projected to 6/30/04. The City anticipates a 5% increase in City Attorney hourly fees.
- 37 FY05 includes cost for a Citizen Survey, copier leases, bank charges, courier services, salary surveys, etc. Contractual Service costs are reduced from last year's budget to account for the one-time City Hall study costs.
- 38 The contract with the City's audit firm expires in FY05. Absent new estimates, this line-item is consistent with FY04.
- 42 The City's insurance carrier projects a 2% increase in insurance costs.
- 48 Electrical costs are based on FY04 actuals projected out to year-end. Electric companies expect rates to stay the same as in FY04.

ENTERPRISE FUNDS

**STREET LIGHTING DISTRICT FUND**

ACTUAL

2001-02

ACTUAL

2002-03

ADOPTED

2003-04

MANAGER

RECOMMENDED

COMMITTEE

APPROVED

COUNCIL

ADOPTED

50

51

52

53

54

55

56

57

58

59

60

61

62

63

64

65

66

CAPITAL OUTLAY

\$

25

\$

2

\$

114

Office Furniture & Equipment

\$

-

\$

-

\$

-

-

656

666

Computer Equipment

800

800

800

-

-

-

Telephone System

1,100

1,100

1,100

84

-

-

Software

-

-

-

-

2,500

-

Performance Bond Reimbursement

-

-

-

\$

109

\$

3,158

\$

780

TOTAL CAPITAL OUTLAY

\$

1,900

\$

1,900

\$

1,900

\$

354,494

\$

379,980

\$

441,828

TOTAL EXPENSES

\$

377,800

\$

377,800

\$

377,800

FUND BALANCE

-

-

-

Contingency

18,900

18,900

18,900

(13,068)

(5,093)

-

Undesignated Ending Fund Balance

96,000

96,000

96,000

\$

341,426

\$

374,887

\$

441,828

TOTAL EXPENSES & BUDGETED FUND BALANCE

\$

492,700

\$

492,700

\$

492,700

Notes:

63 Contingency is 5% of total expenses.

64 The SLD fund is a reimbursement fund where costs are incurred in Year One and paid in Year Two. In FY04 the City increased assessments to provide a Working Capital balance so that the fund could operate without short-term borrowing. Short-term borrowing is a more expensive method of funding in the long term.

## *SEWER RESERVE FUND*

The Sewer Reserve Fund was established in 1994 to cover areas not served by existing sewer lines. The Sewer Reserve is a systems development based fund used to reimburse developers for sewer trunk line improvements and storm drain reimbursements. Expenses are for sewer line extensions and storm drain reimbursements.

During FY04 the Sewer Reserve Fund track revenues and expenses for a major sewer line and lift station replacement project along Chemawa and Windsor Island Roads. The Chemawa/Windsor Sewer project completion is anticipated during the FY05 budget cycle, therefore tracking of expenses and revenues will continue one additional year.

ENTERPRISE FUNDS

SEWER RESERVE FUND

ACTUAL 2001-02		ACTUAL 2002-03		ADOPTED 2003-04		MANAGER RECOMMENDED		COMMITTEE APPROVED		COUNCIL ADOPTED		
RESOURCES												
\$	318,162	\$	355,850	\$	367,024	Beginning Fund Balance	\$	487,700	\$	487,700	\$	487,700
	260,973		31,739		52,220	Sanitary Sewer Acreage Fee		540,000		540,000		540,000
	11,663		53,735		-	Storm Sewer Acreage Fee		-		-		-
	-		-		93,600	Intergovernmental Agreement with City of Salem		70,000		70,000		70,000
	64		2,149		4,296	Interest		4,700		4,700		4,700
\$	590,862	\$	443,473	\$	517,140	TOTAL RESOURCES	\$	1,102,400	\$	1,102,400	\$	1,102,400
EXPENDITURES												
MATERIALS & SERVICES												
\$	-	\$	-	\$	93,600	Contractual Services	\$	70,000	\$	70,000	\$	70,000
CAPITAL OUTLAY												
\$	223,349	\$	1,895	\$	325,000	Sewer Line Extensions	\$	375,000	\$	375,000	\$	375,000
	11,663		53,735		-	Storm Drain Reimbursement		-		-		-
	-		-		-	Contingency		70,000		70,000		70,000
\$	235,012	\$	55,630	\$	325,000	TOTAL CAPITAL OUTLAY	\$	445,000	\$	445,000	\$	445,000
\$	235,012	\$	55,630	\$	418,600	TOTAL EXPENSES	\$	515,000	\$	515,000	\$	515,000
FUND BALANCE												
	355,850		387,843		98,540	Undesignated Ending Fund Balance		587,400		587,400		587,400
\$	590,862	\$	443,473	\$	517,140	TOTAL EXPENSES & BUDGETED FUND BALANCE	\$	1,102,400	\$	1,102,400	\$	1,102,400

Notes:

- 2 The City anticipates \$100,000 from citywide development and \$440,000 from the Keizer Station development.  
5 Interest Revenue is based on FY04 earnings at 11/31/03 projected out to 6/30/04.

# *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.

### *Personal Services*

The Portland, Oregon, Urban Wage Earners and Clerical Workers Index (CPI-W) will be used each year as the cost-of-living adjustment to the City's salary structure. There is a one-percent minimum and a three-percent maximum on salary increases. This includes all non-bargaining employees and Local 320 employees. The Keizer Police Association employees are currently in negotiations over their contract.

Salary surveys for all classifications will be performed on a schedule of no less than every three (3) years. The most recent survey was completed in 2003.

## *GENERAL FUND*

### *Administration*

#### *Materials & Services*

By Council directive on July 18, 2000, the Youth Compact Facilitation Fee will be included in the Manager's Recommended Budgets as a placeholder for discussion by the Budget Committee. The amount budgeted for FY05 is \$800. This amount is subject to change pending timely submission into the budget process.

#### *Fines & Forfeits Revenues*

Collections - Past Due. The City has over \$1,000,000 in past due fines and forfeits. The Municipal Court office has turned all of these receivables over to a collection agency. However, most of these delinquencies are several years old.

Under a contractual agreement, the City has agreed to pay 25% of the collected amounts to the collection agency. These charges are passed on to the delinquent account when submitted to the collection agency.

## BUDGET NOTES

## Contingency

### Park Maintenance

During the FY04 budget hearings, the Budget Committee voted to fund the General Fund Park Maintenance budget at 2.5% of total General Fund expenditures.

### Stadium Operations

Stadium Operations is an operating program within the General Fund. All revenues received from

Stadium rent are applied toward property tax payments and other materials and services.

Any residual funds revert to the General Fund and are available for general support.

The Keizer/Salem Volcanoes Baseball Stadium project was funded by the Keizer Urban Renewal Agency, a separate legal entity from the City of Keizer. Construction costs and the related debt issuance are included in a separate document within the Urban Renewal Agency Budget.



# **LONG RANGE PLAN**

# GENERAL FUND LONG RANGE FINANCIAL PLAN PROJECTIONS FOR FY05

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

1							
2							
3							
4	Increase Population		2.75%	1.20%	1.20%	1.20%	1.20%
5	Increase Property Valuation	City-wide	6.00%	5.00%	5.00%	5.00%	5.00%
6		Urban Renewal	9.00%	7.00%	7.00%	7.00%	7.00%
7	RESOURCES:						
8							
9	Beginning Fund Balance		\$ 1,289,200	\$ 938,000	\$ 618,500	\$ 677,600	\$ 781,000
10							
11	Property Taxes:		2,761,100	2,899,200	3,044,200	3,196,400	3,356,200
12	Dissolution of Urban Renewal District				554,800	593,600	635,200
13							
14	Licenses & Fees:	1/2% increase per year	2,039,800	2,050,000	2,060,300	2,070,600	2,081,000
15							
16	Intergovernmental:	Based on population increase	537,300	543,700	550,200	556,800	563,500
17							
18	Fines & Forfeits:	1/2% increase per year	362,500	364,300	366,100	367,900	369,700
19							
20	Miscellaneous:	1/2% increase per year	126,300	126,900	127,500	128,100	128,700
21							
22	TOTAL RESOURCES		\$ 7,116,200	\$ 6,922,100	\$ 7,321,600	\$ 7,591,000	\$ 7,915,300
23							

# GENERAL FUND LONG RANGE FINANCIAL PLAN PROJECTIONS FOR FY05

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

1							
2							
3							
24	CPI-W	1.6%	3%	3%	3%	3%	3%
25	CPI-M	4.2%	6%	6%	6%	6%	6%
26	Materials & Services Increase		0.5%	0.5%	0.5%	0.5%	0.5%
27							
28	EXPENDITURES:						
29							
30	Personal Services						
31	Costs excluding Medical Benefits	CPI-W	\$ 4,080,900	\$ 4,203,300	\$ 4,329,400	\$ 4,459,300	\$ 4,593,100
32	Medical Insurance Benefits	CPI-M	441,500	468,000	496,100	525,900	557,500
33							
34							
35	Materials & Services		1,344,900	1,351,600	1,358,400	1,365,200	1,372,000
36	Stadium Lease - Property Tax Payments				(40,000)	(40,200)	(40,400)
37	Pick up 9-1-1 Expenditures		33,400	66,100	66,400	66,700	67,000
38							
39	Capital Outlay						
40	Park Improvements		10,500	10,600	20,700	10,800	10,900
41	Technology Upgrades		189,000	80,400	80,800	81,200	81,600
42							
43	Expenditures from Urban Renewal				201,900	207,600	213,400
44							
45	TOTAL EXPENDITURES		\$ 6,100,200	\$ 6,180,000	\$ 6,513,700	\$ 6,676,500	\$ 6,855,100
46							
47	CONTINGENCY - 2% of Expenditures		78,000	123,600	130,274	133,530	137,102
48	RESERVES		10,600	9,400			
49	FUND BALANCE		927,400	609,100	677,626	780,970	923,098
50							
51	TOTAL EXPENDITURES & FUND BALANCE		\$ 7,116,200	\$ 6,922,100	\$ 7,321,600	\$ 7,591,000	\$ 7,915,300
52							
53	Beginning Fund Balance		1,289,200	938,000	618,500	677,600	781,000
54	Cash Needed (15% of Revenues)		874,050	897,615	1,005,465	1,037,010	1,070,145
55							
56	Amount needed to be Borrowed						

# *City of Keizer*

## *General Fund Long-Range Financial Plan*

### *Purpose and Goals*

This is the fourth year the Budget Committee has reviewed and adopted a long-range financial plan for the City's General Fund. The plan was originally developed in response to the Council's goal to create a five-year forecast to address long-term funding issues. The Plan is not intended to represent a multi-year budget. With the exception of FY05, which is based on detailed analysis and research, the Plan is based on broad assumptions. The goal of this forecast is to provide the City Council and the Budget Committee with reasonable information to help guide policy decisions about City programs and services.

A pivotal change occurred when the Plan was originated. It has been a long-standing practice for the City to borrow cash from other funds to meet General Fund cash flow needs. Three years ago the committee reviewed the implications of this practice and came to the consensus that it was best for the City as a whole to build a sufficient ending fund balance in the General

Fund. While the target ending fund balance varies from year to year, it is estimated to be approximately 15% of annual revenues.

1. *Long-Range Financial Planning:* The first goal of the Plan is to increase the Public and Budget Committee's awareness of General Fund expenditures and revenues over an extended period of time. The impact of financial decisions can be readily seen using a long-range perspective of the impacts and tradeoffs.
2. *Program Evaluation:* The Plan helps analyze program changes. The Budget Committee can see, for example, the future impact of raising fees or reducing services.
3. *Improve Policy Direction:* The Plan offers the City Council and the Budget Committee the opportunity to give staff policy direction at the outset of the budget process. When the annual budget is presented in May, it can better reflect the policies identified by the City Council and the Budget Committee.
4. *Improve Public Participation:* The Plan encourages citizens to participate at the very beginning of the budget process. They are able to discuss the

important financial issues facing the City and offer recommendations to the Budget Committee. Citizens can discuss programs they would like to see increased, reduced, modified, added or eliminated.

### Summary

When the Long-Range plan was first implemented it projected that the General Fund would meet the targeted ending fund balance by FY09. In FY03 the City reached its targeted ending fund balance with a projected \$934,807 at June 30, 2003.

Several factors contribute to the rising ending fund balance. First, the City began increasing various franchise fees in FY01. (Franchise/License fees were established to compensate the City for the use of public rights-of-way). Additional increases were made in FY02 and FY03. The final planned increase occurred in FY04 with the Sewer Utility License fee going from 2% of revenues to 5% of revenues. Second, both gas and electric utilities significantly increased their rates over the last three years. Franchise revenues are based on the franchisees gross revenues, consequently, rate increases increased the City's franchise revenue. Third, the cost-of-living index (Portland Consumer Price Index for Urban Wage Earners) was 0.85% in FY03, down 2.15% from the average 3%. This resulted in a "savings" in Personal Services cost of approximately \$90,000 in

FY04. The savings compounds itself each year afterwards.

**Background.** On May 20, 1997 voters approved Ballot Measure 50, which overturned Oregon's tax base system and, like all Oregon cities, Keizer had a tax rate, replacing the existing tax base. Unlike most other Oregon cities, however, property tax revenues were sustained not reduced. Ballot Measure 50 also capped future increases at 3% of assessed value plus new construction. The tax rate is a permanent rate; \$2.0838 per \$1000 assessed value, and cannot be increased under current Oregon law.

Property Tax revenues are the General Fund's single most important resource and support operating programs such as police, municipal court, parks, planning and administration. The City's property tax revenues represent approximately 39% of General Fund revenues. Increases are expected to be 6% of existing property values plus a growth factor of 2.75% in FY05 and 5% of property values plus a 1.2% growth factor in FY06 and FY07.

Each year the long-range financial plan assumes the full 3% increase in assessed value as allowed under Measure 50. It is important to note that this may be an overly optimistic assumption. Properties with assessed value equal to real market value will not be increased by 3%

because assessed value cannot exceed real market value. At this time we do not know how many properties have equal assessed and real market values.

The remaining 61% of General Fund revenues include franchise licenses and fees, fines, and intergovernmental revenues. Historically, these revenues have increased about 1% each year. Meanwhile, operating expenditures increase an average of 3% annually (using the Portland Consumer Price Index for Urban Wage Earners). Personal Services make up 77% of this total. This creates a disparity between revenues and expenditures because revenues increase an average of 2% while expenditures increase an average of 3%.

**Changes in Services.** The ultimate goal of the long-range plan is to stabilize the General Fund so that revenues match expenditures each year. Furthermore, the fund needs a sufficient ending balance to meet cash flow needs in the months from July 1 through late November, prior to the receipt of annual property tax revenues. No new services will be added in future years under the current plan. Consequently, as growth occurs, resources will be stretched to a larger population, which will diminish the level of services to Keizer citizens.

**Assessing Priorities.** Line 1 shows the percent of Beginning Fund Balance to total revenues for each year.

Over the course of the Plan, revenues exceed expenditures and the Fund Balance declines to 8.75% by the end of FY07.

A number of factors are within the control of the City Council which will have an impact on the General Fund.

Line 12 - The Council may choose to add projects to the Urban Renewal District's plan which would likely extend the life of the District. The Ending Fund Balance increases in FY08 with the assumption that the Urban Renewal District will sunset and property tax revenues will revert to the City. A one-year delay in the sunset of the Urban Renewal District will cause a decrease in the Ending Fund Balance from 8.75% to 3.85%.

However, if no action is taken, the District will dissolve in FY07 and the General Fund will receive an estimated \$554,800 in additional property tax revenue. An estimated \$201,900 in Personal Services and overhead expenditures will need to be absorbed by the General Fund for a net benefit of \$352,900.

Line 14 - The electricity companies experienced significant increases (e.g. 30%) in rates over the past few years. Keizer's major provider, PGE, anticipated a decline in revenues beginning in FY05. However, a revenue decline occurred in FY04 resulting in an \$89,000 budget shortfall last year.

Changes in expenditures from FY04 include:

**Line 32** – The Medical Insurance Benefits are based on the City's Last Best Offer to the Keizer Police Association (union). As of this writing, the Union Contract will go to arbitration in September 2004 for final resolution. Should the KPA's offer prevail, it could have a significant impact on the General Fund's financial condition. Preliminary estimates show an increase of \$79,000 in insurance costs beginning in FY05 up to \$494,000 in FY10.

**Line 35** – The Parks operating budget was scheduled to be pulled out of the General Fund in FY04 with plans to find another revenue source to fund this program. However, the failed ballot measure in November 2002 caused the Budget Committee to rethink this plan. During the FY04 budget process the Committee passed a motion to fund the City's park system in the General Fund indefinitely at 2.5% of revenues beginning in FY05. The Parks Operating budget will receive \$152,400 of General Fund support in FY05.

**Line 36** – The ground lease between the Volcanoes Ball Club and the City expires in FY06 and the City will not be required to pay the property taxes on the parking lot beginning in FY07.

**Line 37** – The reserves in the 9-1-1 Fund are expected to be depleted during FY05 because expenditures exceed the amount of 9-1-1 Excise tax received each year. After which, 9-1-1 services will need to be supplanted with General Fund revenues.

**Line 41** – Technology upgrades include a new telephone system estimated to cost \$110,000 of which \$79,200 is the General Fund's share. Additional costs are related to computer hardware upgrades.

**Line 43** – See Line 13 above.

#### Forecast Assumptions

Several key assumptions were used in developing the long-range financial plan.

**Growth.** Over the past several years, Keizer has experienced rapid growth, which has resulted in increased property tax revenues. However, these revenues are increasing at a declining rate. As the City builds out to its urban growth boundaries, property tax revenues will be limited to the three-percent increase in assessed value plus any redevelopment of existing housing, commercial or industrial property.

Alternatively, expenditures are only adjusted for inflation or predicted cost increases. This approach does not include any additional staff or materials to

handle increased population. Consequently, existing resources will be stretched to a larger group of citizens.

**Taxes (line 11 & 12).** Property tax revenues are expected to increase 3% for the increase in assessed value plus any new growth anticipated.

As mentioned earlier, the River Road Urban Renewal District projects are expected to be completed by FY07. If the District is closed, tax increment revenues previously dispersed to the District will be distributed to all overlapping districts. The City of Keizer's share of revenue is equal to its portion of all overlapping district rates combined ( $\$2.0838/\$15.52=13\%$ ).

**Licenses & Fees (line 14).** Projected increases in Licenses and Fees include a 1/2% increase for growth, per year, as has been the past trend. Franchise and License Fee rate increases are factored into these projections.

**Intergovernmental (line 16).** This revenue source includes grants and state shared revenues such as cigarette and liquor taxes. State shared revenues are expected to increase at the rate of growth for the City.

**Fines and Forfeits (line 18).** These revenues are expected to increase 1/2% per year.

**Miscellaneous (line 20).** These revenues are generally small one-time receipts or inconsistent revenue streams, which make them difficult to forecast. Due to the lack of more precise information, these revenues are forecasted to increase 1/2% per year.

**Personal Services (line 30).** For FY05 the City has budgeted 82 employees including two half-time positions. The Portland, Oregon, Urban Wage Earners and Clerical Workers Index (CPI-w) is used each year as the cost-of-living adjustment to the City's salary structure. This index averages 3% per year; therefore 3% was used to calculate Personal Service costs over the long term with the exception of Medical Benefits. Medical Benefits were projected based on the CPI-m (medical index) which averages 5% per year and has been capped at a maximum 6% per year by Council resolution. Any increases beyond the indexed amount become the responsibility of the employees.

FY05 Personal Services were based on those employed with the City at the time the budget was prepared and include projected step and cost-of-living increases effective July 1, 2004. Projections for future years are based on less definitive assumptions.

**Materials & Services (line 45).** A very modest 1/2% increase has been projected for Materials & Services



over the life of the plan. This has been the increase experienced in the recent past.

**Capital Outlay (line 39).** Capital outlay items are also projected at a modest 0.5% increase over the life of the plan with the exception of known one-time capital outlay items.

Annual State Revenue Sharing funds are used to purchase one-time capital outlay purchases to support General Fund programs. Revenues are projected to be \$169,100 in FY05. Neither the revenue nor the expenditures in this fund are reflected in the long-range plan. In recent years, Revenue Sharing funds have been used primarily to pay for replacement police vehicles and equipment and computer equipment. Special levies could be considered as a method of funding specific capital expenditures.

**Contingency (line 53).** A contingency amount of 2% of total expenditures for each year has been set aside to cover unforeseen costs.

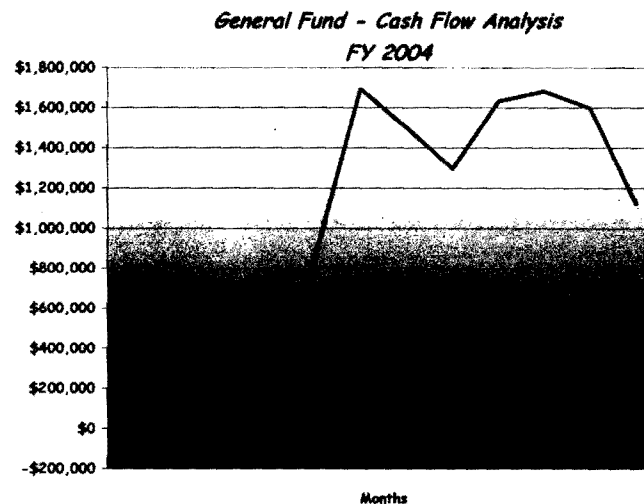
**Reserves (line 48).** A small reserve fund was established in FY05 to save for a storage shed for the Park Operating Fund.

**Fund Balance (line 54).** The ultimate goal of the Plan is to sustain an ending fund balance sufficient to cover

cash flow needs during the July - November period. The City has attained this goal in FY03, however, much discussion and work is needed to sustain cash flow over the life of the Plan.

### Cash Flow Needs

The City has traditionally used cash from other funds to meet the cash flow needs of the General Fund. The graph below represents the cash balance of the General Fund in FY04. At the beginning of the year, the fund had approximately \$974,671 in cash. General Fund expenditures support ongoing operating costs, in fact, 77% of the costs are for Personal Services. Consequently, cash outlays are consistent from month to month and average approximately \$610,000.



Revenues on the other hand fluctuate widely. The bulk of the property tax revenues come in late November. Most franchise receipts are paid quarterly and some are paid annually in the spring months. By year-end, the General Fund results in a positive ending fund balance. However, the disparity between the revenue stream and the expenditure stream results in a cash flow deficit in the first part of the fiscal year.

Cash from other funds has traditionally been used to supplant the General Fund cash balance. FY04 was the first year the General Fund did not need to borrow

working capital until property tax payments were received. Borrowing money from other funds has consequences. Even though the money is repaid with interest, the cash borrowed in those funds becomes the corpus for the General Fund. The money cannot be spent for its intended purpose because it will be needed the following year to cover the cash needs of the General Fund.

Lines 52-55 summarize cash flow projections over the life of the plan. Line 55 represents the estimated amount to be borrowed for General Fund purpose.

# **SUPPLEMENTAL INFORMATION**

## STAFFING HISTORY - FULL TIME EQUIVALENTS

	Actual 2000-01	Actual 2001-02	Actual 2002-03	Actual 2003-04	Budgeted 2004-05
<b>ADMINISTRATION</b>					
City Manager	1.0	1.0	1.0	1.0	1.0
<b>HUMAN RESOURCES</b>					
Human Resources Director	1.0	1.0	1.0	1.0	1.0
* Clerical Specialist	1.0	1.0	1.0	2.0	2.0
Information Systems Technician				1.0	1.0
<b>Total</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>4.0</b>	<b>4.0</b>
<b>FINANCE</b>					
Finance Director	1.0	1.0	1.0	1.0	1.0
* Accountant	1.0	1.0	1.0	1.0	1.0
* Accounting Technician	1.0			1.0	1.0
* Utility Billing Technician	1.0	1.0	1.0	1.0	1.0
* Utility Billing Clerks	3.0	4.0	4.0	3.0	3.0
Court Clerk					1.0
* Clerical Specialist					0.5
<b>Total</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>8.5</b>
<b>CITY RECORDER</b>					
City Recorder	1.0	1.0	1.0	1.0	1.0
* Recording Secretary	1.0	1.0	1.0	1.0	1.0
Court Clerk	1.0	1.0	1.0	1.0	
* Clerical Specialist	1.0	1.0	1.0	0.5	
<b>Total</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>3.5</b>	<b>2.0</b>

## STAFFING HISTORY - FULL TIME EQUIVALENTS

	Actual 2000-01	Actual 2001-02	Actual 2002-03	Actual 2003-04	Budgeted 2004-05
<b>COMMUNITY DEVELOPMENT</b>					
Community Development Director				1.0	1.0
Planning Director		1.0	1.0		
Senior Planner	1.0	0.0	1.0	1.0	1.0
Associate Planner	1.0	1.0	1.0	1.0	
Code Enforcement/Zoning Technician	1.0	1.0	1.0	1.0	
Code Enforcement					0.5
Zoning Technician					1.0
Permit Specialist	0.5	0.5	0.5	0.5	1.0
<b>Total</b>	<b>3.5</b>	<b>3.5</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>
<b>PUBLIC WORKS</b>					
Public Works Director	1.0	1.0	1.0	1.0	1.0
Public Works Superintendent	1.0	1.0	1.0	1.0	1.0
Municipal Utility/ Parks	1.0	1.0	1.0	1.0	1.0
Municipal Utility/ Streets	1.0	1.0	1.0	1.0	1.0
Municipal Utility/ Water	8.0	8.0	8.0	9.0	9.0
Facility Maintenance	1.0	1.0	1.0	1.0	1.0
Permit Specialist				1.0	1.0
<b>Total</b>	<b>13.0</b>	<b>13.0</b>	<b>13.0</b>	<b>15.0</b>	<b>15.0</b>

## STAFFING HISTORY - FULL TIME EQUIVALENTS

	Actual 2000-01	Actual 2001-02	Actual 2002-03	Actual 2003-04	Budgeted 2004-05
<b>POLICE</b>					
Chief	1.0	1.0	1.0	1.0	1.0
Captain		2.0	2.0	1.0	2.0
Lieutenant	2.0				
Sergeants	8.0	8.0	8.0	8.0	7.0
** Police Officers	22.0	21.0	21.0	22.0	22.0
Detectives	4.0	4.0	4.0	4.0	4.0
School Resource Officers	2.0	3.0	3.0	3.0	3.0
<i>Total Sworn Positions</i>	39.0	39.0	39.0	39.0	39.0
Community Services Specialist	1.0	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0
Police Support Specialists	5.0	5.0	5.0	5.0	5.0
Community Services Officer	1.0	1.0	1.0	1.0	1.0
<i>Total Non-sworn Positions</i>	8.0	8.0	8.0	8.0	8.0
<i>Total</i>	47.0	47.0	47.0	47.0	47.0
<i>Grand Total</i>	77.5	77.5	78.5	82.0	82.0

\* Administrative Support Staff

\*\* One Police Officer position will remain vacant in FY05 because of funding constraints.

CITY OF KEIZER  
SALARY ALLOCATION  
FY05 BUDGET

TITLE	General Fund					Other Funds					TOTAL
	Admin 102	Parks 106	Comm Dev 108	Police 111	Muni Court 115	Street 012	Utility 040	Water 042	SLD 043	Urban Renewal 050	
City Manager	28%					10%	1%	10%	1%	50%	100%
<b>HUMAN RESOURCES</b>											
Human Resources Director	71%					5%	4%	16%	1%	3%	100%
Clerical Specialist	67%		6%			7%	3%	8%	1%	8%	100%
Information Systems Technician	71%	0%				5%	4%	16%	1%	3%	100%
Receptionist	35%					10%	9%	37%	2%	7%	100%
<b>FINANCE</b>											
Finance Director	20%					5%	20%	25%	5%	25%	100%
Accountant	35%					5%	20%	25%	5%	10%	100%
Accounting Technician	35%					5%	20%	25%	5%	10%	100%
Utility Billing Technician							50%	50%			100%
Utility Billing Clerks							50%	50%			100%
Clerical Specialist					100%						100%
Court Clerk					100%						100%
<b>CITY RECORDER</b>											
City Recorder	70%					10%			10%	10%	100%
Recording Secretary	28%	10%	20%	5%		3%	3%	3%	3%	25%	100%
<b>COMMUNITY DEVELOPMENT</b>											
Community Development Director			58%			5%		2%		35%	100%
Senior Planner			90%							10%	100%
Permit Specialist			90%							10%	100%
Code Enforcement			90%			10%					100%
Zoning Technician			90%			10%					100%

CITY OF KEIZER  
SALARY ALLOCATION  
FY05 BUDGET

	General Fund					Other Funds					TOTAL
	Admin	Parks	Comm Dev	Police	Muni Court	Street	Utility	Water	SLD	Urban Renewal	
TITLE	102	106	108	111	115	012	040	042	043	050	

**POLICE DEPARTMENT**

Chief				100%							100%
Captain				100%							100%
Lieutenant											
Sergeants				100%							100%
Police Officers				100%							100%
Detectives				100%							100%
School Resource Officers				100%							100%
Community Services Coordinator				100%							100%
Community Services Specialist				100%							100%
Administrative Assistant				100%							100%
Police Support Specialists				100%							100%
Community Services Officer				100%							100%

**PUBLIC WORKS**

Public Works Director		2%				43%	3%	27%	5%	20%	100%
Public Works Superintendent		5%				35%	5%	45%	5%	5%	100%
Permit Specialist						40%	10%	30%	10%	10%	100%
Facility Maintenance	20%			20%		20%	5%	20%	5%	10%	100%
Municipal Utility/ Streets								100%			100%
Municipal Utility/ Parks		100%									100%
Municipal Utility/ Water								100%			100%



CITY OF KEIZER  
STAFFING ALLOCATION CHANGES  
FY05 BUDGET

	BUDGETED FY05							ACTUAL FY04						
	General Fund	Street Fund	Utility Fund	Water Fund	SLD Fund	Urban Renewal	Total	General Fund	Street Fund	Utility Fund	Water Fund	SLD Fund	Urban Renewal	Total
<b>Human Resources</b>														
Human Resource Director	71.0%	5.0%	4.0%	16.0%	1.0%	3.0%	100.0%	72.0%	4.0%	3.0%	17.0%	1.0%	3.0%	100.0%
Clerical Specialist	73.0%	7.0%	3.0%	8.0%	1.0%	8.0%	100.0%	44.0%	14.0%	6.0%	16.0%	3.0%	17.0%	100.0%
Receptionist	35.0%	10.0%	9.0%	37.0%	2.0%	7.0%	100.0%	44.0%	14.0%	6.0%	16.0%	3.0%	17.0%	100.0%
Information Systems Technician	71.0%	5.0%	4.0%	16.0%	1.0%	3.0%	100.0%	72.0%	4.0%	3.0%	17.0%	1.0%	3.0%	100.0%
<b>Community Development</b>														
Senior Planner	90.0%					10.0%	100.0%	34%	33%				33%	100%
Permit Specialist	90.0%					10.0%	100.0%	100%						100%

## 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 three-percent.

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.

## GLOSSARY OF COMMON BUDGET TERMS

**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.

**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.

## GLOSSARY OF COMMON BUDGET TERMS

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.

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.

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.

## GLOSSARY OF COMMON BUDGET TERMS

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