

Council Adopted Budget

Fiscal Year 2009 - 2010



Keizer Art Walk

Oregon and Pacific Northwest Artists were showcased through the year as public art.

City of Keizer

Marion County, Oregon

CITY OF KEIZER

FISCAL YEAR 2009-2010

Lore Christopher
Mayor

Members of the Budget Committee

Council Members:

Lore Christopher, Mayor
James Taylor, President
Mark Caillier
Cathy Clark
David McKane
Brandon Smith
Richard Walsh

Public Members:

Ronald Bersin
Donna Bradley
David Dempster
Terry Gordon
Elliot Groeneveld
Sandi King
David Lapof

Chris Eppley, City Manager
Shannon Johnson, City Attorney

Management Team:

H. Marc Adams, Chief of Police
Nathan Brown, Community Development Director
Tracy Davis, City Recorder
Machell DePina, Human Resources Director
Susan Gahlsdorf, Finance Director
Rob Kissler, Public Works Director
Kevin Watson, Assistant to the City Manager

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

FISCAL YEAR 2009-10 Budget Quotes on Democracy

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

Sydney J. Harris

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

Walter H. Judd

All, too, will bear in mind this sacred principle, that though the will of the majority is in all cases to prevail, that will, to be rightful, must be reasonable; that the minority possess their equal rights, which equal laws must protect, and to violate would be oppression.

Thomas Jefferson

To make democracy work, we must be a nation of participants, not simply observers. One who does not vote has no right to complain.

Louis L'Amour

Freedom is when the people can speak. Democracy is when the government listens.

Alastair Farrugia

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BUDGET OVERVIEW

Welcome to the City of Keizer's Fiscal Year 2009-2010 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.

FISCAL YEAR 2009-10 BUDGET CALENDAR

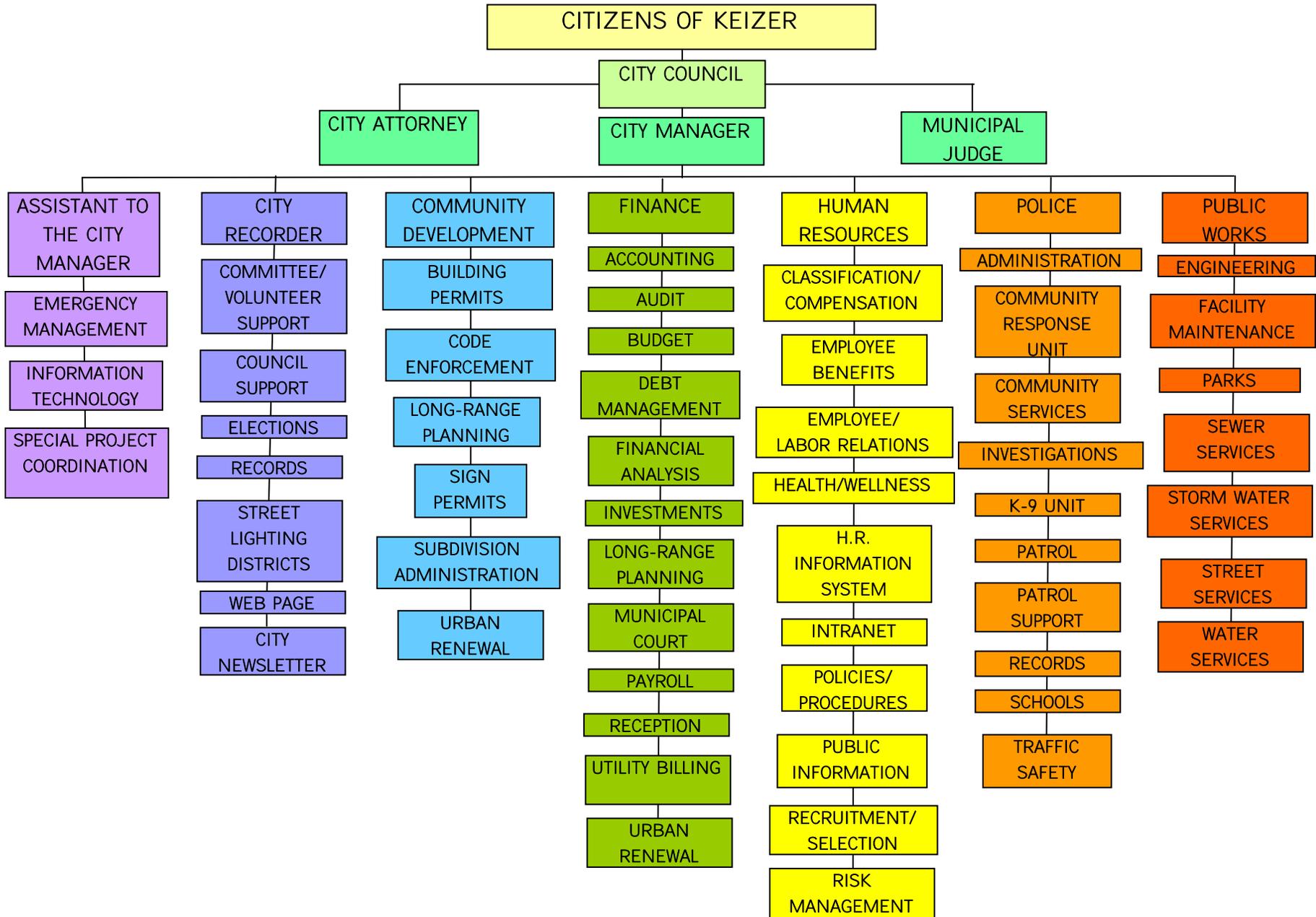
Tuesday, April 14 th	Notice of Budget Committee meeting on City Budget to Keizertimes for publication on April 17 th and April 24 th for meeting on Tuesday, May 5 th at 5:45 p.m.
Tuesday, April 14 th	Notice of Budget Committee meeting on Urban Renewal Budget to Keizertimes for publication on April 17 th and April 24 th for meeting on Tuesday, May 12 th at 5:45 p.m.
Wednesday, April 29 th	City Budget Document distributed to Budget Committee
Tuesday, May 5 th	Urban Renewal Budget Document distributed to Budget Committee
Tuesday, May 5 th – 5:45 p.m.	City Budget Committee Meeting <ul style="list-style-type: none"> ◆ Introductions ◆ Election of City of Keizer Budget Committee Chair ◆ Approval of Budget Calendar ◆ Public Testimony ◆ Presentation of City of Keizer Budget Message ◆ Staff presentations & discussion of Internal Services Fund ◆ Staff presentations & discussion of General Fund
Thursday, May 7 th – 5:45 p.m.	City Budget Committee Meeting <ul style="list-style-type: none"> ◆ Public Testimony ◆ Continuation of discussion from May 5th as needed ◆ Staff presentation & discussion of Special Revenue Funds (Streets, Revenue Sharing et al) ◆ Staff presentation & discussion of Enterprise Funds (Water, Sewer, Storm et al)
Tuesday, May 12 th – 5:45 p.m.	Urban Renewal Budget Committee Meeting <ul style="list-style-type: none"> ◆ Election of Urban Renewal Budget Committee Chair ◆ Approval of Urban Renewal Budget Calendar ◆ Public Testimony ◆ Presentation of Keizer Urban Renewal District Budget Message ◆ Discussion of Urban Renewal Agency Budget

FISCAL YEAR 2009-10 BUDGET CALENDAR

continued

<p>Tuesday, May 12th – 5:45 p.m. (continued)</p>	<p>City Budget Committee Meeting</p> <ul style="list-style-type: none"> ◆ Continuation of discussion from May 7th as needed ◆ Presentation and discussion of General Fund long-range plan ◆ Budget recommendations to Council and Urban Renewal Board
<p>Tuesday, May 19th – 5:45 p.m.</p>	<p>Alternate meeting to complete City or Urban Renewal Budgets (if needed)</p>
<p>Tuesday, June 2nd</p>	<p>Financial Summaries and notice of budget hearing in the Keizertimes for publication on Friday, June 5th.</p>
<p>Monday June 15th – 6:30 p.m.</p>	<p>Public hearing on Urban Renewal Budget. Board adoption of Budget.</p>
<p>Monday June 15th – 7:00 p.m.</p>	<p>Public hearing on City Budget. Council adoption of Budget.</p>
<p>Monday June 22nd – 7:00 p.m.</p>	<p>Alternate public hearing on City Budget and/or Urban Renewal Budget (if needed)</p>

ORGANIZATIONAL STRUCTURE



2009-2011 City Council Goals

Adopted March 2, 2009

Short Term Goals

- Complete City Personnel Policies
- Urban Renewal Grants – Develop Prioritization and Solicit Outreach Strategy for Urban Renewal Grants for River Road sidewalk, facade, and frontage improvements with involvement from Traffic Safety Commission and Keizer Urban Renewal Board
- Transportation - Complete Transportation Systems Plan
 - Develop a Congestion Management Plan
 - Develop Capital Improvement Plan to Address Substandard Streets and Sidewalks on Major Routes
- Parks – Continue Development of Level of Service Plan and Organizational Structure
- Continue Participation in the Interchange Area Management Process until completion
- Parks – Expand Patrol for Parks
- Urban Growth Boundary – Explore and Determine Policy and Direction for Urban Growth Boundary
- Explore and Initiate Programs/Plan to Enhance Economic Development and Tourism
 - Event/Volunteer Coordinator for Community Center
 - Facility Use Plan for Community Center
 - Support Chamber Visitor Center
 - Support Chamber in Tournament/Festival Identity
 - Develop Parking Plan for Keizer Rapids Park – Amphitheatre
- Enhance E-Government
- Establish a Recreational Needs Task Force for Building/Community Center and Recreation Space
- Initiate a Task Force to make recommendations regarding sustainability and initially focus on Water, Waste, Fuel, and Power

Long Term Goals

- Complete and End Urban Renewal District on or before 2012
- Parks – Determine Recreational Programming
- Parks – Explore Additional Parks lands and/or facilities or Partnerships to support Parks Master Plan and future needs
- Parks – Explore Opportunities for additional linear parks, green space or path opportunities
- Water – Increase back up Agreement with Salem to 10 million gallons per day through an intergovernmental agreement
- Water - Update a source water management plan
- Support Library Efforts/Grant Opportunities
- Explore Possible Expansion of Keizer Rapids Park
- Resolution of Land Acquisition
- Develop Transportation Funding Strategy with Cooperation of Regional Partners
- Develop Informational Campaign for promoting neighborhood local improvement districts for sidewalks, curbs, gutters, and lighting in high blight and high crime areas.

“PRIDE, SPIRIT, AND VOLUNTEERISM”

Motto of the City of Keizer

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

Some of the most prevalent and dedicated volunteers are the members of the City Council. Each of these seven elected officials volunteer numerous hours attending City Council meetings, work sessions, committee meetings, community gatherings, as well as meeting with residents to discuss concerns, ideas, and other important issues facing the community. As one Council member noted, “We really don’t view ourselves as politicians, only neighbors who care about the community, working together as a team to do what is best for the citizens.” During our 26-year history, Keizer has elected 5 Mayors and 34 individuals to serve as Councilors.

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

The City of Keizer is also fortunate to have a variety of volunteers who assist the City staff in the daily operations of the City. These volunteer hours save the City thousands of dollars in additional personnel costs. Some examples of these volunteer efforts include the citizens who assist in the police records department, enforce the handicap parking laws within the City, and review/oversee the emergency operations plan.

Additionally, volunteerism has enriched our community in a number of other ways. Local volunteers and service clubs have been instrumental in development of the Keizer Rapids Park; building such amenities as the amphitheatre, dog park, and sand volleyball courts. Members of the River Road Renaissance Committee and Keizer Urban Renewal Board continue to pursue beautification projects along River Road. In addition, the Keizer Public Arts Committee formed this last year, bringing volunteers with an interest in art together. They sought grants, held fundraising events and successfully placed five beautiful art pieces throughout the City. It is projects such as these that truly show the pride, spirit and volunteerism of our community. These are just a few examples of current volunteer projects.

A heartfelt thanks to all of those volunteers who have built a community that each and every resident should be proud to be a part of. Volunteerism in the City of Keizer is alive, healthy and growing. ***THANK YOU KEIZER VOLUNTEERS!!!***

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 a minimum 2.5% of General Fund Budgeted Revenues (net grants and other dedicated revenues) 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.
- 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 12th largest city in Oregon with a population of 19,650.

Presently, at a population of greater than 35,000, Keizer is the 14th largest city in Oregon. It is nestled in the center of the Willamette Valley and is recognized as the "*Iris Capital of the World*." The City is bordered on the western edge by the Willamette River, southern edge by the City of Salem, eastern edge by Interstate 5, and the northern edge by rural portions of Marion County. In the 1990's, the City experienced a rapid amount of new residential building and growth, establishing Keizer as one of the fastest growing cities in Oregon. In spite of this growth, the community continues to preserve its small-town pride by supporting the largest volunteer youth baseball program in Oregon and community-wide events, such as the Keizer Iris Festival and the annual Miracle of Christmas lighting display. Opening for the first season in 1997, the Keizer Stadium is home to the Volcanoes, a Minor League baseball team affiliated with the San Francisco Giants.

The City of Keizer has 19 community and neighborhood parks, which includes the Keizer Little League Park. In addition, the City, in conjunction with Marion County, the City

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

In the summer of 1999, a 20,000 square foot skate park was opened. The Carlson Skate Park was constructed largely by volunteer labor and donations. Volunteers help maintain several of the parks in the community and Keizer Rotary Club often donates time and materials to construct park shelters, big toys, and the like throughout our park system.

2009 marks the grand opening of the new City Hall / Police Department / Community Center that will be a jewel for the community. This building is 68,500 square feet and includes the 9,000 square foot community center which is available to the public for community use. It is a LEED (Leadership in Energy Efficient Design) credentialed building and is designed to meet our organizational growth needs for at least 20-years.

CITY OF KEIZER HISTORY

Continued

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

The water supply for the City of Keizer is provided by 16 underground wells. Keizer sits on one of the largest aquifers on the Northwest coast. Since 1983, water service connections have grown from 5,200 to nearly 10,000

services and in 1998 the first water reservoir was constructed. On an average, the City uses approximately 3 million gallons of water per day.

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

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

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



City of Keizer

April 24, 2009

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

The City of Keizer 2009-2010 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 decrease in the City's FY09-10 budget over FY08-09 projections is \$2 million. As shown on the adjacent table, the decrease is primarily from the City's Water utility operations. Major construction of the water system will be completed by the end of FY08-09. FY09-10 capital improvements are approximately half that expended in FY08-09.

Net Change by Fund	
General Fund	\$ (556,200)
Internal Services Fund	1,354,900
Street Fund	(427,800)
Housing Fund	35,100
Revenue Sharing Fund	(83,600)
9-1-1 Fund	700
PEG Fund	38,900
Keizer Station LID Fund	8,800
Park Imp Fund	(350,500)
Transportation Imp Fund	(298,500)
Sewer Fund	110,700
Sewer Reserve Fund	(236,100)
Water Fund	(912,000)
Water Facility Fund	(806,900)
Street Light Fund	7,000
Storm Utility Fund	(54,300)
Law Enforcement Fund	50,000
Total All Funds	\$ (2,119,800)

Revenues

The largest decrease in resources is in working capital Carryforward. The City will start FY09-10 with \$2 million less than the beginning balances in FY08-09. Projected FY08-09 beginning balances came in higher than budgeted primarily due to capital construction projections coming in below budget. Many of these projects will carryover to FY09-10 for completion.

Intergovernmental revenues reflect the largest increase from FY08-09 due to the anticipation of federal grants to fund three police officer positions and two community development projects.

Expenditures/Expenses

Personal Services

The City anticipates an 10% increase in Personnel Services over FY08-09 projections. This increase includes:

- ◆ cost-of-living increases (3% based on the Portland Consumer Price Index for wage earners)
- ◆ annual merit increases
- ◆ a 9% increase in health insurance premiums and a 6.6% increase in dental insurance premiums. The City pays 95% of these monthly premiums as part of its employee benefit package
- ◆ two additional police officer positions (funded with federal grants)

- ◆ bringing the City Attorney's office in house with one attorney and one legal assistant. The City Attorney was previously a contracted service accounted for in Materials & Services.

The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.

Materials and Services

In FY08-09 the City committed to a three-year "Retro Plan" agreement on its liability insurance premiums. Premium contributions reduced to 65% with a maximum exposure of 117.5%. An additional \$5,000 was added in FY09-10 for coverage of the new Civic Center. Auto insurance premiums are paid from the Police Operating budget and Public Works budgets.

City-wide utility costs are for the Civic Center facilities and are expected to be higher in the new building. Costs in the Parks Fund include power to run the irrigation system and the Parks facility. The Water Fund includes costs to run water facilities such as pump stations.

Postage and printing costs have increased to reflect the US Postal Service's 5% increase in the cost of postage stamps.

The following are highlights from those funds with significant budget changes from the previous fiscal year.

GENERAL FUND

Resources: Revenues are expected to increase 2% over FY08-09 projections. The net increase is primarily from federal grants anticipated in FY09-10 to fund three police officer positions and two community development projects.

Expenditures & Transfers: Total General Fund expenditures and transfers-out decreased 1% from FY08-09 projections. FY08-09 expenditures included a one-time expense for furnishing the new civic center.

INTERNAL SERVICES FUND

An Internal Services Fund has been established to better account for City-wide administrative costs.

The FY08-09 budget included \$665,500 in interfund transfers from the City's operating funds and \$20,600 from the Urban Renewal District to pay for furnishings for the new civic center.

The FY09-10 budget includes City-wide administrative costs for General Services, City Manager's Office, The Assistant to the City Manager and IT Department, City Attorney's Office, City Recorder's Office, Human Resources, Finance and Civic Center Facilities.

STREET FUND

Resources: The City begins FY09-10 with a \$150,000 decrease in Working Capital Carryforward primarily because State Fuel Tax revenues are expected to come in \$170,000 less than anticipated. The fund borrowed approximately \$180,000 in FY08-09 to pay final costs of property acquired at Keizer Station. No interfund borrowings are anticipated in FY09-10.

Expenditures & Transfers: Expenditures and transfers combined for FY09-10 nearly equal projections for FY08-09. Personnel Services and Materials & Services decreased in FY09-10 and transfers to the Internal Services Fund increased by a like amount due to the change in accounting for City-wide administrative costs.

PARK IMPROVEMENT FUND

The decrease in the Park Improvement Fund is due to capital outlay expenditures in FY08-09 and FY09-10 above revenue projections, which consist primarily of system development fees.

TRANSPORTATION IMPROVEMENT FUND

The decrease in the Transportation Improvement Fund is due interfund loans made in FY08-09 and capital outlay expenditures in FY08-09 and FY09-10 above revenue projections, which consist primarily of system development fees.

SEWER RESERVE FUND

The decrease in the Sewer Reserve Fund is due to capital outlay expenditures in FY08-09 and FY09-10 above revenue projections, which consist primarily of system development fees.

WATER FUND

Revenues: Water sales projections for FY08-09 are approximately 10% below budget most likely due to water conservation by system users. Despite this decline, the City does not anticipate a rate increase in FY09-10. Most of the major system improvements will be completed by the end of FY08-09 and reserves are sufficient to pay capital improvement costs scheduled for the upcoming year.

Due to the recent economic downturn, the City has made a conscientious decision to delay rate increases to fund future capital improvements. The average annual rate increase, between 3% and 5%, is anticipated for FY10-11 as provided for in the City's Cost of Services rate model.

Transfers: The transfer to the Water Facility Replacement Reserve Fund is approximately \$1 million below the transfer made in FY08-09 due to the decline in capital improvements scheduled for the upcoming year.

WATER FACILITY FUND

The decrease in the Water Facility Replacement Reserve Fund reflect the \$1 million decrease in the transfer from the Water Fund.

SUMMARY

The FY09-10 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 38% 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 3% of assessed value plus growth from new construction. The FY09-10 district net value is expected to increase 3% overall. Property Tax Revenues City-wide continue to increase at a declining rate. As the City builds out to its urban growth boundaries, property tax revenues will be limited to no more than a 3%-increase in future years. The remaining 62% of General Fund Revenues are expected to increase at a much slower rate; less than 1% per year. This creates a disparity with the cost of doing business, which has typically increased at 3% per year (based on Portland Oregon's Cost of Living Index).

Franchise and License Fees make up 26% of General Fund revenues. Such fees are now set at the maximum allowed by Oregon Law. The City continues to monitor the General Fund Long-Range Plan to test the impact of decisions and circumstances over the long-term.

The FY09-10 Manager's Recommended Budget projects \$21 million in revenues and \$12 million as beginning reserves and working capital. These resources will be used to maintain service levels expected to cost \$25 million, holding over \$3 million for reserve requirements, leaving over \$4 million in ending fund balance to provide working capital for the following year.

We would like to compliment and thank everyone involved in the development of the FY09-10 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 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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RESOURCES

1	\$ 10,145,610	\$ 10,226,952	\$ 12,993,500	\$ 14,284,200	<i>Working Capital Carryforward</i>	\$ 12,083,300	\$ 12,061,700	\$ 12,182,300
2	3,639,570	5,948,263	5,159,000	4,556,600	Taxes & Assessments	4,665,800	4,665,800	4,665,800
3	2,893,616	3,532,599	3,277,000	3,065,300	Licenses & Fees	3,014,800	3,014,800	3,045,400
4	7,273,400	3,047,712	3,143,050	2,914,950	Intergovernmental	3,357,100	3,356,900	3,373,400
5	654,136	652,000	689,200	589,300	Fines & Forfeits	571,600	571,600	571,600
6	7,434,305	7,057,279	7,516,300	7,080,200	Charges for Services	7,196,500	7,196,500	7,196,500
7	-	26,810,000	-	-	Bond Proceeds	-	-	-
8	1,694,791	1,495,482	2,714,700	2,096,900	Miscellaneous	1,916,800	1,928,800	1,918,800
9	1,040,229	307,047	2,893,000	2,741,200	Transfers In	2,436,400	2,435,700	2,446,100
10	\$ 34,775,657	\$ 59,077,334	\$ 38,385,750	\$ 37,328,650	TOTAL RESOURCES	\$ 35,242,300	\$ 35,231,800	\$ 35,399,900

REQUIREMENTS

EXPENDITURES

15	\$ 6,651,975	\$ 7,202,160	\$ 8,081,300	\$ 7,921,400	Personnel Services	\$ 8,704,800	\$ 8,697,200	\$ 8,697,200
16	7,379,446	7,988,719	8,855,900	8,061,400	Materials & Services	8,641,500	8,657,500	8,670,000
17	8,005,563	4,070,937	7,860,950	3,716,300	Capital Outlay	4,524,700	4,752,100	4,806,500
18	1,368,072	25,227,023	2,873,700	2,706,100	Debt Service	2,706,100	2,706,100	2,706,100
19	-	-	264,300	-	Contingency	265,500	265,500	352,600
20	\$ 23,405,056	\$ 44,488,839	\$ 27,936,150	\$ 22,405,200	TOTAL EXPENDITURES	\$ 24,842,600	\$ 25,078,400	\$ 25,232,400

22	1,040,229	307,046	2,893,000	2,741,200	Transfers Out	2,436,400	2,435,700	2,446,100
23	103,392	-	-	-	Special Payment to Urban Renewal	-	-	-

FUND BALANCE

26	-	-	3,293,500	3,286,000	Restricted Fund Balance	3,387,800	3,387,800	3,387,800
27	10,226,980	14,281,449	4,263,100	8,896,250	Unrestricted Ending Fund Balances	4,575,500	4,329,900	4,333,600
28	\$ 10,226,980	\$ 14,281,449	\$ 7,556,600	\$ 12,182,250	TOTAL FUND BALANCE	\$ 7,963,300	\$ 7,717,700	\$ 7,721,400

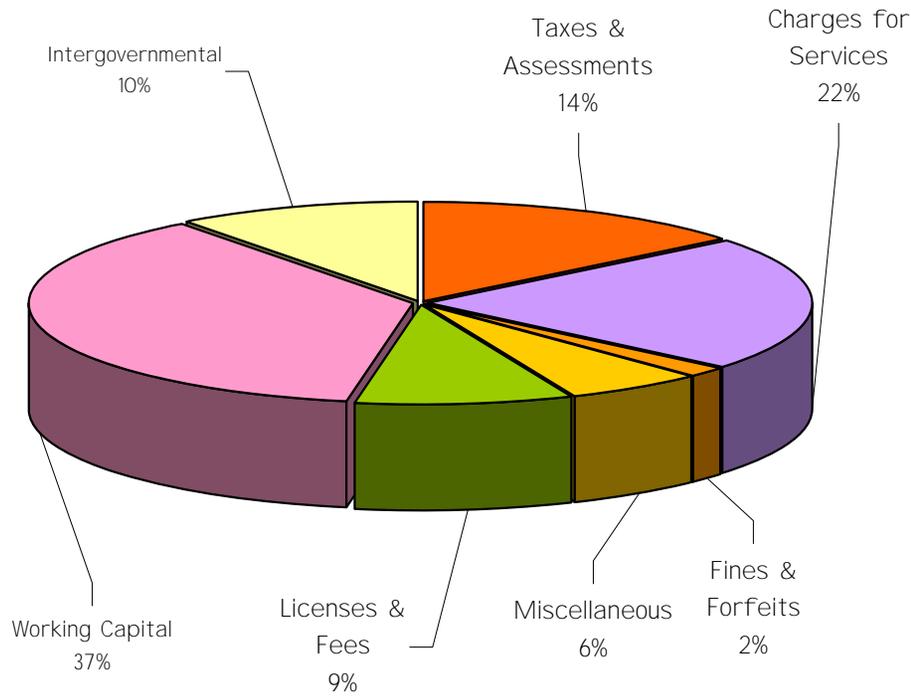
30	\$ 34,775,657	\$ 59,077,334	\$ 38,385,750	\$ 37,328,650	TOTAL REQUIREMENTS	\$ 35,242,300	\$ 35,231,800	\$ 35,399,900
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CITY OF KEIZER

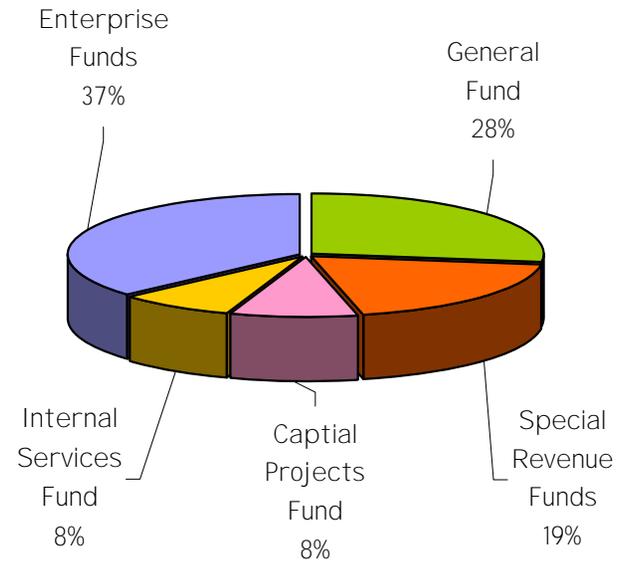
ALL FUNDS - ALLOCATION OF RESOURCES

FISCAL YEAR 2009-2010

Resources



Expenditures



GENERAL FUND

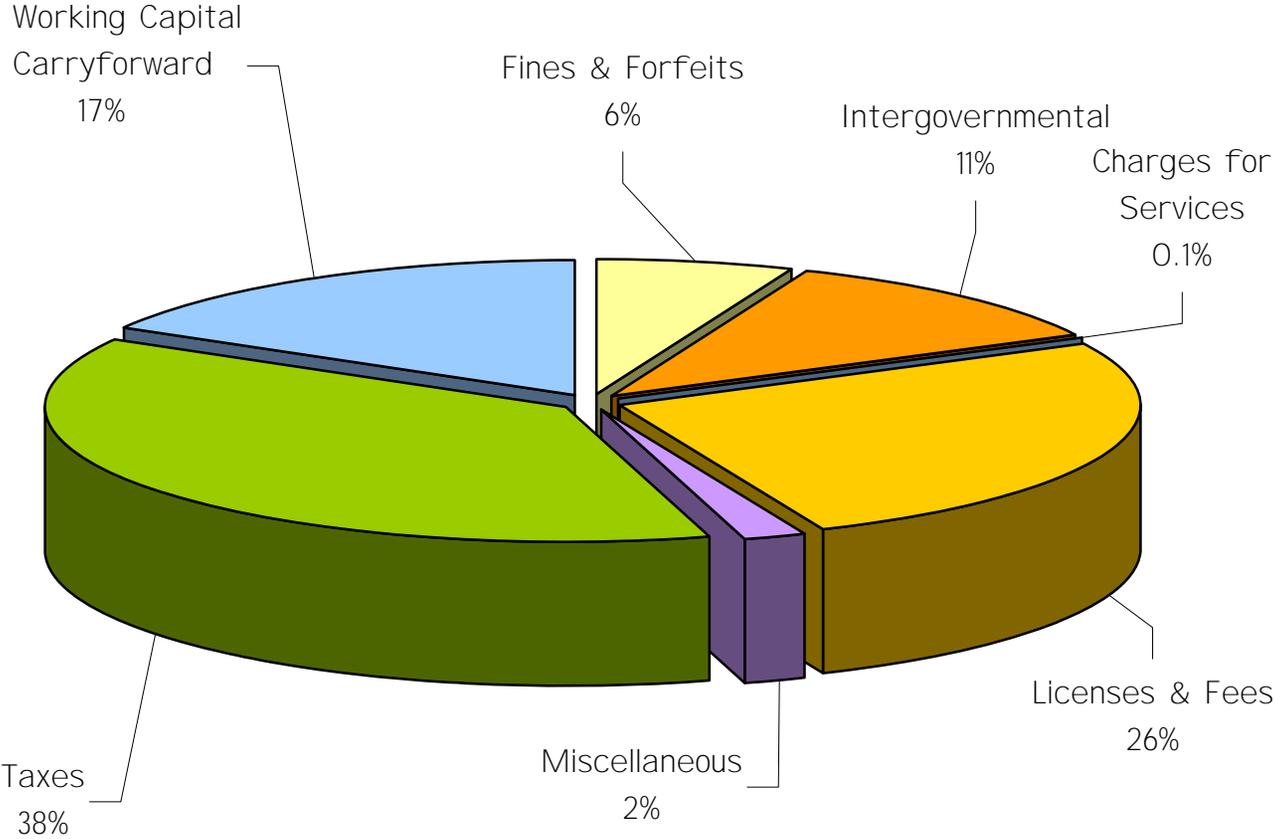
The General Fund is the chief operating fund of the city and accounts for all financial resources except those required to be accounted for in another fund. Principal sources of revenue are property taxes, franchise fees, and intergovernmental revenues such as Cigarette and Liquor Tax.

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

GENERAL FUND SUMMARY

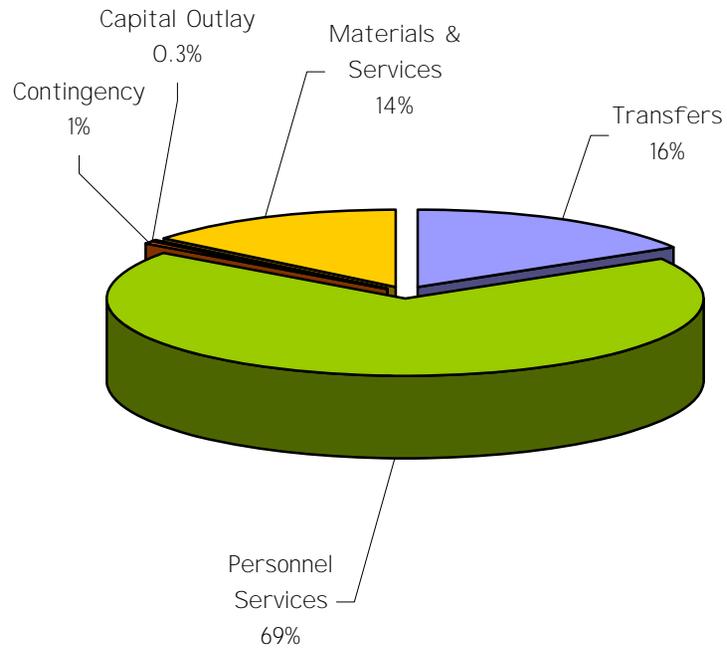
	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
1	RESOURCES							
2								
3	\$ 1,469,416	\$ 1,968,775	\$ 1,983,300	\$ 2,291,200	<i>Working Capital Carryforward</i>	\$ 1,551,200	\$ 1,529,600	\$ 1,551,200
4	3,228,652	3,323,281	3,448,300	3,430,300	Taxes & Assessments	3,505,400	3,505,400	3,505,400
5	2,387,069	2,450,654	2,480,900	2,451,400	Licenses & Fees	2,403,000	2,403,000	2,433,600
6	9,857	11,006	19,800	10,000	Charges for Services	10,000	10,000	10,000
7	735,656	770,233	791,800	758,400	Intergovernmental	1,051,200	1,051,200	1,051,200
8	654,136	652,000	689,200	589,300	Fines & Forfeits	571,600	571,600	571,600
9	281,450	301,892	275,000	193,500	Miscellaneous	170,700	182,700	172,700
10	5,247	-	-	49,600	Transfers In	-	-	-
11								
12	\$ 8,771,483	\$ 9,477,841	\$ 9,688,300	\$ 9,773,700	TOTAL RESOURCES	\$ 9,263,100	\$ 9,253,500	\$ 9,295,700
13								
14	REQUIREMENTS							
15								
16	<i>EXPENDITURES</i>							
17	\$ 5,143,648	\$ 5,572,103	\$ 6,043,000	\$ 5,905,300	Personnel Services	\$ 5,616,200	\$ 5,609,500	\$ 5,609,500
18	1,397,552	1,545,942	1,606,700	1,410,500	Materials & Services	1,126,000	1,142,000	1,152,000
19	30,880	17,000	56,500	53,200	Capital Outlay	25,400	27,500	27,500
20	-	-	17,000	-	Contingency	30,000	30,000	48,000
21	\$ 6,572,080	\$ 7,135,045	\$ 7,723,200	\$ 7,369,000	TOTAL EXPENDITURES	\$ 6,797,600	\$ 6,809,000	\$ 6,837,000
22								
23	\$ 230,599	\$ 51,540	\$ 898,200	\$ 853,500	<i>TRANSFERS OUT</i>	\$ 1,336,100	\$ 1,335,600	\$ 1,345,100
24								
25	<i>FUND BALANCE</i>							
26	-	-	32,800	25,300	Restricted Fund Balance	45,900	45,900	45,900
27	1,968,804	2,291,256	1,034,100	1,525,900	Unrestricted Ending Fund Balances	1,083,500	1,063,000	1,067,700
28								
29	\$ 8,771,483	\$ 9,477,841	\$ 9,688,300	\$ 9,773,700	TOTAL REQUIREMENTS	\$ 9,263,100	\$ 9,253,500	\$ 9,295,700

CITY OF KEIZER
GENERAL FUND RESOURCES
FISCAL YEAR 2009-2010

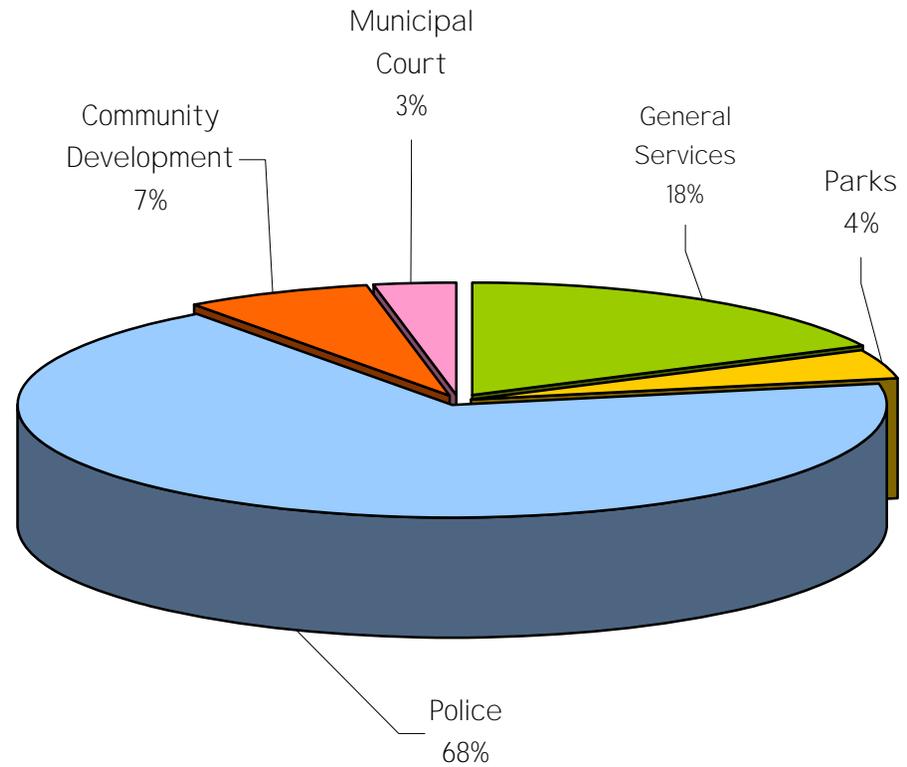


CITY OF KEIZER GENERAL FUND EXPENDITURES FISCAL YEAR 2009-2010

Expenditures by Category



Expenditures by Program/Department



CITY OF KEIZER
2009-2010 Property Tax Revenue Estimates

City Property Tax Revenues

- 1 District Assessed Value
- 2 Urban Renewal Increment (see below)
- 3 District Net Value w/o Urban Renewal
- 4
- 5 Permanent Tax Rate per \$ 1,000
- 6
- 7 Gross Property Tax Revenues
- 8 Penalties/Compression/Adjustments
- 9
- 10 Property Tax Revenues
- 11 Uncollectables and Discounts (7.5% FY08-09 & 8% FY09-10)
- 12
- 13 Net Anticipated Tax Collected
- 14 2008-09 Tax Revenues
- 15 Increase over 2008-09 Revenues

2008-09 Actual Tax Revenues	Maximum Assessed Value Increase 3%	\$4,073,935 New Construction 0.2%
\$1,938,758,271	\$1,996,921,019	\$2,000,994,954
(265,432,379)	(273,395,350)	(273,709,682)
\$1,673,325,892	\$1,723,525,669	\$1,727,285,272
\$2.0838	\$2.0838	\$2.0838
\$3,486,876	\$3,591,483	\$3,599,317
1,164	1,198	1,201
\$3,488,040	\$3,592,681	\$3,600,518
(\$261,040)	(286,835)	(287,460)
\$3,227,000	\$3,305,847	\$3,313,058
		3,227,000
		\$86,058

16

Urban Renewal Tax Increment Revenues

- 17 Assessed Value inside Keizer's Plan Area
- 18 Assessed Value (frozen)
- 19 Increment Value
- 20
- 21 Tax Rate per \$1,000 Increment Value
- 22 Adjustments
- 23 Division of Tax Revenues
- 24 Uncollectables and Discounts (7.4% FY08-09 & 7.9% FY09-10)
- 25
- 26 Net Anticipated Tax Collected

	Maximum Assessed Value Increase 3%	\$314,332 New Construction 0.1%
\$310,760,972	\$310,760,972	\$314,332
45,328,593	45,328,593	0.1%
\$265,432,379	\$273,395,350	\$273,709,682
\$15.0916	\$15.0916	\$15.0916
(1,519)	(1,519)	(1,519)
\$4,004,280	\$4,125,973	\$4,130,717
(296,080)	(325,708)	(326,082)
\$3,708,200	\$3,800,265	\$3,804,635

GENERAL FUND

GENERAL SUPPORT RESOURCES

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
1	\$ 1,451,931	\$ 1,918,264	\$ 1,970,000	\$ 2,270,600	<i>Working Capital Carryforward</i>	\$ 1,529,100	\$ 1,507,500	\$ 1,529,100
2								
3					<i>TAXES</i>			
4	\$ 75,964	\$ 79,710	\$ 79,200	\$ 76,300	Hotel/Motel Tax	\$ 76,300	\$ 76,300	\$ 76,300
5	125,295	110,634	112,500	127,000	Prior Year Taxes	116,000	116,000	116,000
6	3,027,393	3,132,937	3,256,600	3,227,000	Tax Base	3,313,100	3,313,100	3,313,100
7	<u>\$ 3,228,652</u>	<u>\$ 3,323,281</u>	<u>\$ 3,448,300</u>	<u>\$ 3,430,300</u>	TOTAL TAXES	<u>\$ 3,505,400</u>	<u>\$ 3,505,400</u>	<u>\$ 3,505,400</u>
8								
9					<i>LICENSES & FEES</i>			
10	\$ 258,995	\$ 268,936	\$ 288,000	\$ 267,100	Salem Electric Franchise Tax	\$ 267,100	\$ 267,100	\$ 267,100
11	580,987	671,435	675,000	667,100	PGE Franchise Tax	667,100	667,100	667,100
12	449,793	447,183	449,700	469,300	NW Natural Franchise Tax	438,700	438,700	469,300
13	157,849	134,939	137,400	116,500	Telephone Franchise Tax	99,000	99,000	99,000
14	308,741	315,969	306,900	344,900	Cable Television Franchise Tax	344,900	344,900	344,900
15	105,000	105,664	107,200	103,400	Loren's Sanitation Franchise Tax	103,400	103,400	103,400
16	81,236	83,132	83,900	80,100	Valley Recycling Franchise Tax	80,100	80,100	80,100
17	126,766	129,124	132,600	125,200	Water Sales Assessments	125,200	125,200	125,200
18	214,601	228,925	235,400	235,800	Sewer License Fee	230,800	230,800	230,800
19	2,365	2,810	2,500	2,500	Liquor Licenses	2,500	2,500	2,500
20	36,590	18,766	16,700	15,200	Lien Search Fee	15,200	15,200	15,200
21	<u>\$ 2,322,923</u>	<u>\$ 2,406,883</u>	<u>\$ 2,435,300</u>	<u>\$ 2,427,100</u>	Total Licenses & Fees	<u>\$ 2,374,000</u>	<u>\$ 2,374,000</u>	<u>\$ 2,404,600</u>

Notes:

- ⁵ Property tax revenues are expected to increase 3% over current year actual receipts. This includes 3% for increases in valuation (the maximum allowed by Ballot Measure 50), .02% (two-tenths of one percent) for new development less 7.5% estimated uncollected by fiscal year end. FY08-09 uncollected taxes equal 8.0% of amounts levied; up from 6.5% in FY07-08 likely due to the economic downturn.
- ⁹ Franchise revenues steadily increased over the past several years, peaked in FY07-08 and are down slightly in FY08-09. FY09-10 projections anticipate revenues to be equal to FY08-09, except as noted below.
- ¹³ Telephone franchise revenues continue to decline (15% per year for the past two years) as more users switch from landlines to cellular phones which are not subject to franchise tax. FY09-10 revenue projections are based on a 15% reduction over FY08-09 projected revenues.
- ¹⁷ Water sales assessments are 5% of water sales (see Water Fund). The City does not anticipate a rate increase in FY09-10.
- ¹⁸ The sewer license fee applies to Salem sewer payments and administrative fees (see Sewer Fund) and represents 5% of those revenues.
- ²⁰ Lien search fee revenues are based on current year actuals projected to year-end. Revenues are down because of the downturn in the housing market.

GENERAL FUND

GENERAL SUPPORT RESOURCES

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
INTERGOVERNMENTAL								
22								
23	\$ 10,278	\$ 7,035	\$ 5,000	5,000	Peer Court JABG Grant	5,000	5,000	5,000
24	-	31,500	-	-	Library Grant	-	-	-
25	63,420	57,852	57,100	55,500	Cigarette Tax	53,200	53,200	53,200
26	402,528	401,383	405,000	417,900	Liquor Tax	401,500	401,500	401,500
27	\$ 476,226	\$ 497,770	\$ 467,100	\$ 478,400	Total Intergovernmental	\$ 459,700	\$ 459,700	\$ 459,700
28								
29	MISCELLANEOUS							
30	\$ 1,760	\$ 1,173	\$ 1,000	\$ 700	KARE Donations	\$ -	\$ -	\$ -
31	-	-	6,300	4,100	Peer Court Donations & Diversion Fees	5,800	5,800	5,800
32	57,425	61,812	58,300	44,800	Stadium Rent	44,800	44,800	44,800
33	151,280	141,238	156,200	79,700	Interest	79,700	79,700	79,700
34	3,083	1,461	-	-	Rentals	-	-	-
35	8,706	9,166	9,100	9,300	Cell Tower Rent	9,600	9,600	9,600
36	-	-	-	3,900	Art Walk Revenue	-	12,000	12,000
37	-	-	-	-	Civic Center Contributions	10,000	10,000	-
38	-	-	-	100	Systems Development Admin Fee - Sewer	-	-	-
39	6,398	35,420	4,600	3,300	Systems Development Admin Fee - Parks	3,300	3,300	3,300
40	1,621	7,415	2,000	21,700	Miscellaneous Revenue	2,000	2,000	2,000
41	\$ 230,273	\$ 257,685	\$ 237,500	\$ 167,600	Total Miscellaneous	\$ 155,200	\$ 167,200	\$ 157,200
42								
43	TRANSFERS IN							
44	\$ 1,067	\$ -	\$ -	\$ -	Transfer from PEG Fund	\$ -	\$ -	\$ -
45	-	-	130,000	49,600	Transfer from Transportation Fund	-	-	-
46	4,180	-	-	-	Transfer from Park Improvement Fund	-	-	-
47	\$ 5,247	\$ -	\$ 130,000	\$ 49,600	Total Transfers	\$ -	\$ -	\$ -
48								
49	\$ 7,715,252	\$ 8,403,883	\$ 8,688,200	\$ 8,823,600	TOTAL RESOURCES	\$ 8,023,400	\$ 8,013,800	\$ 8,056,000

- Notes:
- 25 Cigarette tax apportionments are expected to decline 4% from FY08-09 per the League of Oregon Cities. FY09-10 estimates are based on FY08-09 projections.
 - 26 FY08-09 liquor tax revenues increased 4% over FY08. FY09-10 revenues are expected to decrease 4% from FY08-09 per the League of Oregon Cities.
 - 31 FY09-10 revenues include \$ 1,500 from Keizer United, \$ 1,000 from Keizer Rotary, \$ 2,800 in diversion fees, \$ 500 for fundraising. The FY09-10 City match is \$ 8,000
 - 33 City funds are pooled and held at the Oregon State Treasury and a local bank. Interest rates dropped from 3.2% in July 2008 to 1.4% in March 2009.
 - 37 The Civic Center Contributions are from the Keizer Rotary Foundation.
 - 40 Miscellaneous revenues include one-time revenues that are not characterized by line-item descriptions. In FY08-09 PERS refunded the City \$ 16,000 for overpayments on retirement contributions.
 - 45 The General Fund borrowed funds from the Transportation Fund to help finance the cost of furnishing the new Civic Center. The General Fund's share of the cost was budgeted at \$ 459,700. The City plans to repay the loan in FY10-11.

**GENERAL FUND
GENERAL SERVICES**

ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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RESOURCES

1	\$ 948,502	\$ 840,805	\$ 1,752,700	\$ 1,656,300	GENERAL SUPPORT	\$ 1,413,900	\$ 1,429,500	\$ 1,458,000
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REQUIREMENTS

PERSONNEL SERVICES

6	\$ 28,363	\$ 30,590	\$ 32,500	\$ 32,500	City Manager (2)	\$ -	\$ -	\$ -
7	-	3,611	29,100	29,100	Assistant to City Manager (4)	-	-	-
8	46,690	46,260	46,000	46,000	City Recorder (5)	-	-	-
9	84,898	88,088	86,100	82,700	Administrative Support Staff (5)-(7)	-	-	-
10	34,413	36,739	38,000	38,000	Network Administrator (4)	-	-	-
11	59,586	82,692	52,400	54,800	Human Resources Director (6)	-	-	-
12	19,575	19,269	19,900	19,900	Finance Director (7)	-	-	-
13	7,207	7,694	8,200	8,200	Facility Maintenance Worker (8)	-	-	-
14	90	700	500	500	Overtime (3), (5), (6), (7)	-	-	-
15	2,576	2,576	2,600	2,600	Vehicle Allowance/Tuition Assistance (2)	-	-	-
16	-	-	-	1,100	Cell Phone Stipend	-	-	-
17	4,347	4,907	4,900	4,900	Medicare (2)-(8)	-	-	-
18	53,056	57,557	68,600	58,100	Retirement (2)-(8)	-	-	-
19	56,698	45,385	58,400	58,400	Insurance Benefits (2)-(8)	-	-	-
20	563	840	700	700	Workers Compensation (2)-(8)	-	-	-
21	\$ 398,062	\$ 426,908	\$ 447,900	\$ 437,500	TOTAL PERSONNEL SERVICES	\$ -	\$ -	\$ -

Notes:

5 Personnel Services related to general administration are now budgeted in the Internal Services Fund as follows:

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

GENERAL FUND
GENERAL SERVICES

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
	MATERIALS & SERVICES							
22	\$	\$	\$	12,300	Materials & Supplies	\$ 13,300	\$ 13,300	\$ 13,300
23	12,907	8,863	13,000	12,300	Safety & Wellness (6)	-	-	-
24	4,025	1,368	2,400	2,400	KARE Expenses	900	900	900
25	1,170	745	900	900	Postage & Printing (1)	-	-	-
26	30,606	22,992	35,300	28,200	Association Membership (1)	-	-	-
27	28,077	32,137	39,600	39,600	Training & Travel (2)-(8)	-	-	-
28	8,175	11,202	15,100	14,700	City Council Expenses (1)	-	-	-
29	4,689	5,213	5,500	5,500	Advertising	2,000	2,000	2,000
30	2,231	5,630	3,400	3,400	Art Walk Display	3,000	12,000	12,000
31	-	-	-	3,000	Legal Services (3)	-	-	-
32	35,500	38,015	35,900	57,400	Labor Attorney (6)	-	-	-
33	6,562	10,035	10,700	3,200	Contractual Services	16,200	16,200	16,200
34	28,734	28,501	28,300	9,800	Audit (7)	-	-	-
35	4,254	6,540	8,100	8,100	Janitorial (8)	-	-	-
36	9,187	9,073	7,500	7,900	Utilities (8)	-	-	-
37	4,201	4,198	4,100	4,400	Telephone (4)	-	-	-
38	2,285	2,507	2,500	2,500	Insurance - Liability (1)	-	-	-
39	7,899	7,972	9,300	7,100	Computer Software & Maintenance (4)	-	-	-
40	44,615	40,387	64,400	57,700	Office Equipment Maintenance (4)	-	-	-
41	6,800	6,416	7,400	7,400	Facility Maintenance (8)	-	-	-
42	17,103	9,461	13,900	13,900	Peer Court	18,900	18,900	18,900
43	18,071	17,871	19,300	19,300	Medical & Pre-Employment Testing	-	-	-
44	459	44	500	-	Fire District - Hotel/Motel Tax	15,300	15,300	15,300
45	15,193	15,942	15,900	15,300	KAVA - Hotel/Motel Tax	15,300	15,300	15,300
46	15,193	15,942	15,900	15,300	Chamber Holiday Lights	3,300	3,300	3,300
47	-	3,300	3,300	3,300				

Notes:

22 Materials & Services related to general administration are now budgeted in the Internal Services Fund as follows:

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

30 Advertising costs are for notices for liquor license renewals.

34 Contractual services includes the cost of providing Lien Search WEB access to title companies. The cost is offset by Lien Search Fee Revenues. \$6,400 is allocated for maintaining the focal point.

43 Peer Court is a youth program where those charged voluntarily agree to have their case heard and decided by their peers. See Peer Court narrative for expenditure details.

45 Fire District payments are based on 20% of the Hotel/Motel Tax Revenues by Council Resolution.

46 KAVA payments are based on 20% of the Hotel/Motel Tax Revenues by Council Resolution.

GENERAL FUND
GENERAL SERVICES

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
MATERIALS & SERVICES - CONTINUED								
48	2,465	2,532	3,500	3,000	Neighborhood Association Expense	3,500	4,500	4,500
49	-	6,000	6,000	6,000	No Meth Task Force	-	-	-
50	847	664	1,000	1,000	Volunteer Recognition	1,500	1,500	1,500
51	578	36,400	-	-	Library Grant	-	-	-
52	-	3,500	1,700	1,700	Library Stipend	1,700	1,700	1,700
53	-	-	-	-	Library Ballot Measure	19,200	19,200	19,200
54	2,000	2,000	3,000	3,000	Power - Salem Keizer School District	3,000	3,000	4,000
55	938	2,077	2,200	2,000	Miscellaneous Expense	1,000	1,000	1,000
56	5,077	4,830	10,000	6,000	Emergency Management Expense	5,000	8,000	8,000
57	-	-	-	-	Civic Center Art	-	3,000	3,000
58	\$ 319,841	\$ 362,357	\$ 389,600	\$ 365,300	TOTAL MATERIALS & SERVICES	\$ 123,100	\$ 139,100	\$ 140,100
59								
60	-	-	17,000	-	Contingency	30,000	30,000	48,000
61								
62	TRANSFERS OUT							
63	\$ 3,960	\$ 540	\$ -	\$ -	To Street Fund	\$ -	\$ -	\$ -
64	122,700	-	127,000	105,300	To Revenue Sharing Fund	-	-	-
65	81,800	51,000	238,700	247,800	To 9-1-1 Fund	244,900	244,900	244,900
66	-	-	22,300	22,300	To Transportation Fund	-	-	-
67	-	-	18,500	18,400	To Sewer Reserve Fund	-	-	-
68	22,139	-	491,700	459,700	To Internal Services Fund	1,015,900	1,015,500	1,025,000
69	\$ 230,599	\$ 51,540	\$ 898,200	\$ 853,500	TOTAL TRANSFERS OUT	\$ 1,260,800	\$ 1,260,400	\$ 1,269,900
70								
71	\$ 948,502	\$ 840,805	\$ 1,752,700	\$ 1,656,300	TOTAL REQUIREMENTS	\$ 1,413,900	\$ 1,429,500	\$ 1,458,000

Notes:

- ⁴⁸ Expenditures are limited to \$2,000 per recognized neighborhood association; 90% for communications and 10% for recognition. Additional funds are appropriated so that new organizations can apply to the City Council to support related programs.
- ⁵³ The Friends of the Library organization plans to place a library measure on the November 2009 ballot and is raising funds to pay one-half of the cost. Should the organization raise the funds, the City anticipates contributing one-half the cost of the ballot measure.
- ⁵⁵ Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.
- ⁶⁰ The contingency is set aside for unanticipated liability insurance claims and partial funding for a library ballot measure estimated at \$19,200.
- ⁶⁴ Capital Outlay items used for general government purposes are tracked in the Revenue Sharing Fund (except Parks and the K-9 Dog). An annual transfer is needed because Revenue Sharing Funds are not sufficient to cover the entire Capital Outlay needs of the City's General Government Programs.
- ⁶⁵ A transfer is needed since projected expenditures exceed projected revenues in the 9-1-1 Fund in FY09-10. The WVCC bill for FY09-10 is \$420,200 compared to \$410,700 in FY08-09. 9-1-1 related costs are paid from the 9-1-1 Fund and business calls are paid from the Police Operating Budget. Beginning in FY08-09, the allocation changed to more accurately track 9-1-1 related expenses. Overall, the General Fund is not impacted; the increase in the transfer in FY08-09 is offset by the decrease in the WVCC expense in the Police Operating Budget.
- ⁶⁶ The FY08-09 transfer to the Transportation Fund is repayment for receipts received in prior fiscal years that belong to the Transportation Improvement Fund.
- ⁶⁷ The FY08-09 transfer to the Sewer Reserve Fund is repayment for receipts received in prior fiscal years that belong to the Sewer Reserve Fund.
- ⁶⁸ The transfer to the Internal Services Fund is to pay the General Fund - General Service's share of City-wide administrative costs.

PARK OPERATIONS

The Parks Division is funded by general fund revenues and managed by the Public Works Department. The Parks Division provides clean, safe open spaces and river access for structured and unstructured recreation. The Parks Department has two full-time employees. Four seasonal employees help maintain the City parks during the summer months.

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

PROJECTS COMPLETED

Improvements completed in fiscal year 08-09 included:

Various Parks

Replaced Park Toys

Bair Park

Installed ADA Path

Installed Table and Benches

Bob Newton Family Park

Replaced Basketball Standards

Northview Terrace Park

Replaced Slide

PROJECTS COMPLETED: (continued)

Palma Ciea Park

Created Parking Area

Created Unpaved Trail to River

Wallace House Park

Completed Improvements to Upper Area of park including Play Structure, Parking Area, Irrigation and Lawn, and Paved Pathways.

PROJECTS PROPOSED

Bair Park

Install New Sign

Install Additional Benches

Clearlake Park

Install Drinking Fountain

Hidden Creek Park

Install New Sign

Mike Whittam Park

Install Water Service

Palma Ciea Park

Install New Sign

Install Benches and Tables

**GENERAL FUND
PARK OPERATIONS**

ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10	
RESOURCES								
<i>Fees</i>								
1								
2	\$ 3,200	\$ 2,350	\$ 2,500	\$ 2,000	Park Reservation Fees	\$ 2,500	\$ 2,500	\$ 2,500
3								
4	3,200	2,350	2,500	2,000	TOTAL ACTIVITY GENERATED	2,500	2,500	2,500
5	169,909	228,501	325,100	309,000	GENERAL SUPPORT RESOURCES	311,400	313,700	313,700
6	<u>\$ 173,109</u>	<u>\$ 230,851</u>	<u>\$ 327,600</u>	<u>\$ 311,000</u>	TOTAL RESOURCES	<u>\$ 313,900</u>	<u>\$ 316,200</u>	<u>\$ 316,200</u>
7								

REQUIREMENTS								
<i>PERSONNEL SERVICES</i>								
11	\$ 1,877	\$ 2,023	\$ 2,100	\$ 2,100	Public Works Director	\$ 2,200	\$ 2,200	\$ 2,200
12	3,677	3,963	4,100	4,100	Public Works Superintendent	4,300	4,300	4,300
13	41,108	61,895	82,100	82,100	Municipal Utility Workers	85,700	85,700	85,700
14	3,642	4,039	4,300	4,300	Administrative Support	-	-	-
15	15,517	26,503	42,000	37,000	Seasonal Help	41,000	41,000	41,000
16	-	65	-	-	Overtime	4,300	4,300	4,300
17	-	-	-	500	Clothing Allowances	300	500	500
18	998	1,512	2,100	2,100	Medicare	2,400	2,400	2,400
19	8,657	11,785	16,500	16,500	Retirement	19,200	19,200	19,200
20	10,619	21,613	25,800	25,800	Insurance Benefits	27,100	27,100	27,100
21	127	208	-	-	Unemployment	-	-	-
22	890	1,156	2,500	2,500	Workers Compensation	2,100	2,100	2,100
23	<u>\$ 87,112</u>	<u>\$ 134,762</u>	<u>\$ 181,500</u>	<u>\$ 177,000</u>	TOTAL PERSONNEL SERVICES	<u>\$ 188,600</u>	<u>\$ 188,800</u>	<u>\$ 188,800</u>

Notes:

- ⁶ Parks General Support Resources equal at least 2.5% of General Fund budgeted revenues as provided for by a vote of the Budget Committee. The FY09-10 budget is over 4% of budgeted revenues.
- ¹⁰ Salaries are projected to increase 3% plus step increases for eligible employees per Council policy.
- ¹⁴ Administrative Support Staff costs are tracked in the Internal Services Fund - City Recorder budget beginning in FY09-10.
- ¹⁷ Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.
- ¹⁸ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- ¹⁹ The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.
- ²⁰ The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.
- ²¹ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.

GENERAL FUND
PARK OPERATIONS

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
24	MATERIALS & SERVICES							
25	<i>Operations:</i>							
26	\$ 207	\$ 246	\$ 500	\$ 500	Office Materials & Supplies	\$ 500	\$ 500	\$ 500
27	9,996	17,884	15,500	16,000	Parks Materials & Supplies	18,000	18,000	18,000
28	-	2,009	500	100	Postage & Printing	500	500	500
29	1,143	1,941	1,300	1,500	Travel & Training	1,200	1,200	1,200
30	-	801	-	-	Advertising	-	-	-
31	9,858	9,944	24,000	24,000	Legal Services	-	-	-
32	-	-	1,100	-	Labor Attorney	100	100	100
33	30,312	29,708	30,000	35,000	Contractual Services	30,000	30,000	30,000
34	1,800	992	2,000	2,000	Engineering Services	2,000	2,000	2,000
35	2,006	2,429	2,400	2,400	Utilities	16,500	16,500	16,500
36	1,143	1,987	2,500	2,100	Telephone	2,300	2,300	2,300
37	3,788	6,740	5,000	6,500	Gasoline	6,800	6,800	6,800
38	480	485	1,500	1,000	Vehicle Maintenance	1,500	1,500	1,500
39	2,597	3,448	3,000	1,500	Equipment Maintenance	4,500	4,500	4,500
40	115	475	300	200	Medical Testing	300	300	300
41	<u>\$ 63,445</u>	<u>\$ 79,089</u>	<u>\$ 89,600</u>	<u>\$ 92,800</u>	TOTAL MATERIALS & SERVICES	<u>\$ 84,200</u>	<u>\$ 84,200</u>	<u>\$ 84,200</u>
42	CAPITAL OUTLAY							
43	15,002	-	3,100	3,100	Field Equipment	2,500	2,500	2,500
44	7,550	17,000	53,400	38,100	Capital Improvements	18,700	20,800	20,800
45	<u>\$ 22,552</u>	<u>\$ 17,000</u>	<u>\$ 56,500</u>	<u>\$ 41,200</u>	TOTAL CAPITAL OUTLAY	<u>\$ 21,200</u>	<u>\$ 23,300</u>	<u>\$ 23,300</u>
46	-	-	-	-	Transfer to Internal Services Fund	18,700	18,700	18,700
47	-	-	-	-	Restricted for 27th pay period FY15-16	1,200	1,200	1,200
48								
49								
50								
51	<u>\$ 173,109</u>	<u>\$ 230,851</u>	<u>\$ 327,600</u>	<u>\$ 311,000</u>	TOTAL REQUIREMENTS	<u>\$ 313,900</u>	<u>\$ 316,200</u>	<u>\$ 316,200</u>

Notes:

- ³¹ Legal services costs are tracked in the Internal Services Fund - City Attorney budget beginning in FY09-10.
- ³² Labor Attorney costs are for Union negotiations. The City's Local 320 contract expires on June 30, 2009.
- ⁴⁵ Capital Improvements are for projects listed in the narrative preceding this page.
- ⁴⁸ The transfer to the Internal Services Fund is to pay the Department's share of administrative support staff and City Attorney costs.
- ⁴⁹ The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

GENERAL FUND
PARK DONATIONS

ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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RESOURCES

1												
2	\$	-	\$	681	\$	1,800	\$	2,000				
3		1,668		733		-		2,300				
4		2,918		2,918		2,900		3,000				
5		7,861		7,862		2,900		3,700				
6		-		-		-		-				
7	\$	12,447	\$	12,194	\$	7,600	\$	11,000				
8												
9												
10	\$	930	\$	14,295	\$	-	\$	200				
11		460		437		-		600				
12		111		5		-		-				
13		918		614		-		200				
14		-		-		-		-				
15	\$	2,419	\$	15,351	\$	-	\$	1,000				
16												
17	\$	14,866	\$	27,545	\$	7,600	\$	12,000				
18												
19												
20												
21												
22	\$	249	\$	13,024	\$	1,800	\$	1,800				
23		936		2,622		-		-				
24		-		-		2,900		-				
25		-		2,473		2,900		2,900				
26		-		-		-		-				
27	\$	1,185	\$	18,119	\$	7,600	\$	4,700				
28												
29	\$	1,185	\$	18,119	\$	7,600	\$	4,700				

REQUIREMENTS

21												
22	\$	249	\$	13,024	\$	1,800	\$	1,800				
23		936		2,622		-		-				
24		-		-		2,900		-				
25		-		2,473		2,900		2,900				
26		-		-		-		-				
27	\$	1,185	\$	18,119	\$	7,600	\$	4,700				
28												
29	\$	1,185	\$	18,119	\$	7,600	\$	4,700				

Notes:

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

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

¹⁹ Costs in the Donation Program are for special projects funded by citizen and developer donations. Funding for these projects will come from donations received through FY08-09 and unexpended at year-end.

COMMUNITY DEVELOPMENT

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

Accomplishments

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

Community Development Department has continually improved its efficiency and customer service, providing services such as land use planning, building permit processing, internet mapping and zoning information, design review and code enforcement. The department also administers ordinances to improve infill development, address noxious weeds, floodplain management and is responsible for reviewing and processing land use applications for residential and commercial development. Enforcing City codes, which affect the community's livability and quality of life, continues to be a high priority for the Community Development Department.

The Department also is proactive in seeking out and developing partnerships in the region and community with organizations, businesses, and individuals such as the Chamber of Commerce and private property owners.

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

The number of land use applications has declined in the past year, consistent with the state of the global economy. Residential applications have seen a sharp decline, however commercial building permits have continued to be issued at a steady, albeit reduced rate.

COMMUNITY DEVELOPMENT

Year	Total Land Use Applications Processed	Total Building Permits Reviewed
1999	73	529
2000	68	453
2001	68	346
2002	69	438
2003	49	348
2004	57	311
2005	39	289
2006	45	324
2007	45	325
2008	25	238

Future Goals

Staff has established the goal of reviewing the current Infill Standards to assess the impact upon surrounding properties and the burdens on property owners. As a result, the department will make recommendations for code changes. The department will also stay actively involved in coordinating the development of the Keizer Station Area.

Currently the City is in the process of updating its Transportation System Plan in partnership with the Department of Land Conservation and Development and ODOT, through a Transportation Growth Management grant. This project should be completed and adopted sometime late in 2008.

Continued

The Community Development Department has also begun work with DLCD to start the State mandated periodic review process which analyzes and updates the citywide Comprehensive Plan. This process is necessary to plan for future development in the City and ensure there are adequate policies and goals in place to guide decisions regarding transportation, land supply issues (such as infill requirements and Urban Growth Boundary expansion), economic development, and public facilities needs for the next 20 year planning period.

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

The department continues the process of updating sections of the Keizer Development Code with several text amendment projects outlined with the Planning Commission.

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

GENERAL FUND

COMMUNITY DEVELOPMENT											
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ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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RESOURCES

LICENSES & FEES

1	\$	80	\$	240	\$	200	\$	900	Sign Permits	\$	1,000	\$	1,000	\$	1,000
2		32,830		15,376		15,300		11,600	Land Use Application Fees		12,600		12,600		12,600
3		9,401		9,409		9,100		6,500	Building Fees - Zoning		7,100		7,100		7,100
4		21,835		18,746		21,000		5,300	Permit Fees		5,800		5,800		5,800
5	\$	64,146	\$	43,771	\$	45,600	\$	24,300	Total Licenses & Fees	\$	26,500	\$	26,500	\$	26,500

CHARGES FOR SERVICES

8	\$	1,142	\$	1,180	\$	10,000	\$	10,000	Nuisance Abatement	\$	10,000	\$	10,000	\$	10,000
9		8,715		9,826		9,800		-	Developers Tree Reimbursement		-		-		-
10	\$	9,857	\$	11,006	\$	19,800	\$	10,000	Total Charges for Services	\$	10,000	\$	10,000	\$	10,000

INTERGOVERNMENTAL

13	\$	466	\$	-	\$	-	\$	-	Transportation Grants	\$	-	\$	-	\$	-
14		-		-		50,000		50,000	Land Conservation Grant		140,000		140,000		140,000
15	\$	466	\$	-	\$	50,000	\$	50,000	Total Intergovernmental	\$	140,000	\$	140,000	\$	140,000

17	\$	65,754	\$	44,951	\$	105,600	\$	84,300	TOTAL ACTIVITY GENERATED	\$	176,500	\$	176,500	\$	176,500
18		297,396		340,005		373,600		378,600	GENERAL SUPPORT RESOURCES		404,800		404,700		404,700
19	\$	363,150	\$	384,956	\$	479,200	\$	462,900	TOTAL RESOURCES	\$	581,300	\$	581,200	\$	581,200

Notes:

⁹ Developer Tree Reimbursement revenue has moved to the Parks Donation budget.

¹⁴ The City anticipates \$70,000 for a Transportation Growth Management grant and \$70,000 for a Department of Land Conservation and Development grant.

GENERAL FUND

COMMUNITY DEVELOPMENT

ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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REQUIREMENTS

				<i>PERSONNEL SERVICES</i>				
20								
21	\$ 52,792	\$ 58,049	\$ 61,700	\$ 61,700	Community Development Director	\$ 65,500	\$ 65,500	\$ 65,500
22	-	41,820	43,800	43,800	Associate Planner	47,900	47,900	47,900
23	66,835	34,944	37,200	37,200	Code Enforcement/Zoning Technician	37,200	37,200	37,200
24	51,611	50,666	53,800	53,800	Senior Planner	57,100	57,100	57,100
25	44,807	45,910	47,700	47,700	Administrative Support	40,300	40,300	40,300
26	-	-	-	600	Cell Phone Stipend	800	800	800
27	-	-	2,000	2,000	Overtime	2,100	2,100	2,100
28	3,317	3,556	3,800	3,800	Medicare	3,900	3,900	3,900
29	35,137	39,828	42,500	42,500	Retirement	40,100	40,100	40,100
30	49,399	43,358	52,000	52,000	Insurance Benefits	54,100	54,100	54,100
31	455	509	400	400	Workers Compensation	400	400	400
32	\$ 304,353	\$ 318,640	\$ 344,900	\$ 345,500	TOTAL PERSONNEL SERVICES	\$ 349,400	\$ 349,400	\$ 349,400

- Notes:
- ²⁰ Salaries are projected to increase 3% plus step increases for eligible employees per Council policy.
 - ²⁵ Administrative Support Staff costs are tracked in the Internal Services Fund - City Recorder budget beginning in FY09-10.
 - ²⁶ Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.
 - ²⁸ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
 - ²⁹ The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.
 - ³⁰ The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.
 - ³¹ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.

GENERAL FUND

COMMUNITY DEVELOPMENT

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
32					MATERIALS & SERVICES			
33	\$ 2,816	\$ 2,220	\$ 3,800	\$ 2,200	Materials & Supplies	\$ 2,800	\$ 2,800	\$ 2,800
34	434	427	1,200	500	Mapping Supplies & Services	1,200	1,200	1,200
35	1,321	511	5,300	-	Postage & Printing	5,400	5,400	5,400
36	943	5,648	5,800	5,800	Travel & Training	5,100	5,100	5,100
37	2,322	1,219	2,000	2,000	Legal Advertising	2,000	2,000	2,000
38	31,618	41,212	41,800	32,500	Legal Services	-	-	-
39	8,472	1,432	2,800	4,000	Contractual Services	3,000	3,000	3,000
40	8,400	7,643	9,000	3,000	Hearings Officer	9,000	9,000	9,000
41	-	4,471	-	-	Developers Tree Expense	-	-	-
42	-	-	1,000	1,000	Engineering Services	1,000	1,000	1,000
43	664	560	700	700	Telephone	700	700	700
44	684	576	800	600	Gasoline	800	800	800
45	1,088	397	10,000	10,000	Nuisance Abatement	10,000	10,000	10,000
46	35	-	100	-	Medical Testing	-	-	-
47	-	-	50,000	55,100	Grant Expenses	140,000	140,000	140,000
48	<u>\$ 58,797</u>	<u>\$ 66,316</u>	<u>\$ 134,300</u>	<u>\$ 117,400</u>	TOTAL MATERIALS & SERVICES	<u>\$ 181,000</u>	<u>\$ 181,000</u>	<u>\$ 181,000</u>
49								
50	-	-	-	-	- To Internal Services Fund	48,000	47,900	47,900
51	-	-	-	-	- Restricted for 27th pay period FY15-16	2,900	2,900	2,900
51								
52	<u>\$ 363,150</u>	<u>\$ 384,956</u>	<u>\$ 479,200</u>	<u>\$ 462,900</u>	TOTAL REQUIREMENTS	<u>\$ 581,300</u>	<u>\$ 581,200</u>	<u>\$ 581,200</u>

- Notes:
- 35 Postage & Printing costs provide for a mass mailing should legal mandates require one in FY10. Postage costs are expected to increase 5% in FY10.
 - 38 Legal services costs are tracked in the Internal Services Fund - City Attorney budget beginning in FY09-10.
 - 39 Contractual Services are for a dual purpose contract with the Council of Governments for street naming and GIS support.
 - 41 Developers Tree Expense has been moved to the Parks Donation budget.
 - 43 The Department provides a cell phone for staff use during business hours and for day and overnight travel while on business.
 - 47 Grant expense includes \$70,000 for a Transportation Growth Management grant and \$70,000 for a Department of Land Conservation and Development grant (see Resources section).
 - 50 The transfer to the Internal Services Fund is to pay the Department's share of administrative support staff and City Attorney costs.
 - 51 The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

MUNICIPAL COURT

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

Accomplishments

Municipal Court staff had a successful year continuing their commitment to customer service and adapting to change. With the exciting start of the New Civic Center Construction in 2008, the Municipal Court Office had to shrink to half its previous size. Court staff developed efficient systems to manage the workload and organize sensitive information in a very small space.

In October of 2008, the Municipal Court Clerk II was appointed to the Oregon Association of Court Administration Board of Directors. Also in the fall of 2008, the Keizer Police Department began issuing electronic citations and reinstated its traffic team, which increased the volume of citations received by the Court. The electronic citations required Court staff, and the Judge, to explore alternative ways to process judgments to meet Oregon Law and DMV requirements. The final leg of the electronic citation project is to implement the Report Beam software with the Full Court software used by the Municipal Court. This last piece of the puzzle will be a great benefit to the Municipal Court and court customers.

The Municipal Court has been impacted this past year by the troubled economy. The Court has put much effort into conveying the message to our customers that we acknowledge and understand the hardships people are facing. For the majority of court customers, receiving a citation is not a common occurrence. Imposed fines are an unplanned expense and result in hardships for many people. The Court staff has implemented ways to encourage customers to stay in compliance with manageable payment schedules and opportunities to fulfill their court orders and requirements.

Court Staff are members of the Oregon Association of Court Administration and attend two conferences a year to continue education and professional training. This training keeps staff current on changing laws and requirements for the State of Oregon.

Future Goals

The Municipal Court will be taking up residence in the brand new Civic Center. Court staff is eager to use the new workspace and courtroom to provide even better customer service and justice to the citizens of Keizer.

In addition, the Court looks forward to implementing the Full Court/Report Beam interface, making the Court even more efficient and adaptable.

GENERAL FUND
MUNICIPAL COURT

ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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RESOURCES

<i>FINES & FORFEITS</i>										
1										
2	\$ 327,683	\$ 344,788	\$ 349,200	\$ 304,400	Municipal Court Fines	\$	304,400	\$	304,400	\$ 304,400
3	240,693	223,679	247,200	192,800	Collections - Past Due		192,800		192,800	192,800
4	\$ 568,376	\$ 568,467	\$ 596,400	\$ 497,200	Total Fines & Forfeits	\$	497,200	\$	497,200	\$ 497,200
5										
6	\$ 351,035	\$ 309,957	\$ 326,800	\$ 245,200	AVAILABLE FOR GENERAL SUPPORT	\$	250,900	\$	250,900	\$ 250,900
7										
<i>PERSONNEL SERVICES</i>										
8										
9	\$ 15,099	\$ 7,605	\$ 8,100	\$ 8,100	Administrative Support	\$	-	\$	-	\$ -
10	35,488	76,257	79,900	79,900	Court Clerks		82,800		82,800	82,800
11	264	432	500	500	Overtime		500		500	500
12	782	1,296	1,400	1,300	Medicare		1,300		1,300	1,300
13	8,645	14,330	15,100	15,100	Retirement		12,400		12,400	12,400
14	14,079	22,399	26,700	26,700	Insurance Benefits		26,200		26,200	26,200
15	106	193	200	200	Workers Compensation		100		100	100
16	\$ 74,463	\$ 122,512	\$ 131,900	\$ 131,800	TOTAL PERSONNEL SERVICES	\$	123,300	\$	123,300	\$ 123,300

- Notes:
- ⁴ Total revenue projections for FY08-09 are below the amended budget primarily due to police staff shortages in the traffic team at the beginning of the fiscal year. Budget projections also take into consideration the economic downturn and individuals' ability to pay court fines.
 - ⁹ Administrative Support Staff costs are tracked in the Internal Services Fund - Finance Department budget beginning in FY09-10.
 - ¹⁰ Salaries are projected to increase 3% plus step increases for eligible employees per Council policy. Beginning in FY07-08, the Court office is staffed with 2 FTE Court Clerks.
 - ¹² Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
 - ¹³ The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.
 - ¹⁴ The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.
 - ¹⁵ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.

GENERAL FUND
MUNICIPAL COURT

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
17					<i>MATERIALS & SERVICES</i>			
18	\$ 1,524	\$ 1,166	\$ 2,000	\$ 2,000	Materials & Supplies	\$ 2,000	\$ 2,000	\$ 2,000
19	364	1,387	7,400	5,000	Travel & Training	1,800	1,800	1,800
20	4	97	100	100	Legal Services	-	-	-
21	16,812	16,944	19,000	17,400	Professional Services - Judge	19,000	19,000	19,000
22	3,534	4,179	3,000	3,500	Contractual Services	3,500	3,500	3,500
23	15,348	8,670	9,000	5,400	Collections Cost	6,000	6,000	6,000
24	26,389	26,737	25,100	23,200	CC Assessments	24,900	24,900	24,900
25	78,903	76,818	72,100	63,600	Unitary Assessments	64,600	64,600	64,600
26	\$ 142,878	\$ 135,998	\$ 137,700	\$ 120,200	TOTAL MATERIALS & SERVICES	\$ 121,800	\$ 121,800	\$ 121,800
27								
28	-	-	-	-	- Transfer to Internal Services Fund	200	200	200
29	-	-	-	-	- Restricted for 27th pay period FY15-16	1,000	1,000	1,000
30								
31	\$ 217,341	\$ 258,510	\$ 269,600	\$ 252,000	TOTAL REQUIREMENTS	\$ 246,300	\$ 246,300	\$ 246,300

Notes:

- ²⁰ Legal services costs are tracked in the Internal Services Fund - City Attorney budget beginning in FY09-10.
- ²³ Prior to House Bill 2055, the City's contract with its collection agency provided for a 25% fee on amounts collected. The revised contract allows the collection agency to collect and retain its fee prior to turning the proceeds over to the City. This cost is expected to decline in future years and eventually go away altogether.
- ²⁴ County assessments are 5% of municipal court fine revenues (including past due fines).
- ²⁵ State assessments are 13% of municipal court fine revenues (including past due fines).
- ²⁸ The transfer to the Internal Services Fund is to pay the Department's share of City Attorney costs.
- ²⁹ The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

POLICE

The submitted Keizer Police Department budget is based on attaining staffing levels for the department to effectively, efficiently and safely meet the demands for service required by the citizens of Keizer. Our goal is to provide the best level of police service possible based on the resources provided.

In Review

The Police Department continued to stay very, very busy this past year. It has been a year of changes for the department. We had the very positive, yet stressful, experience of constructing and moving into a new facility. The process proved to be much more time consuming than we expected, but the final product has been well worth the effort. During this time of change, we experienced a continued demand for police service. We provided emergency response to 9-1-1 calls, strategic police patrols, traffic safety patrols, school resource officers, criminal investigations of major crimes, combated a resurgence of gang activity, conducted proactive investigations of organized drug organizations and investigated illegal street-level drug distribution and use. This past year we began the rebuilding of our community outreach/crime prevention programs.

In addition to the law enforcement duties, we also continue a very aggressive and necessary training program for our

officers and support staff. Police work requires that officers constantly study new laws, conduct skill maintenance training, review critical policies and procedures and maintain physical fitness.

The Police Department experienced some personnel changes this year that have impacted our workload. One CRU Sergeant resigned and moved to a lieutenant's position with the Polk County Sheriff's Office; One Captain resigned to take over as Chief of Police for the City of Dallas, Oregon, and we had one officer resign to change careers.

The department currently provides police service to over 36,000 residents and protects over \$1.5 billion worth of property.

The Future

The resignation of one Captain created an opportunity to examine the current staffing and deployment of police department personnel. The growth of the city's population and police department staffing has resulted in workload issues for the captains and some sergeant positions that need to be addressed. A plan has been developed to reorganize the department, in order to address these issues. The plan will improve our ability to safely, efficiently and effectively meet the department mission.

The Future (continued)

The reorganization changes will be temporary and evaluated semi-annually for up to three years. The plan will require that we hire three entry-level police officers (one to fill the vacancy caused by Captain Teague's resignation, one for a new Crime Prevention Officer position and one for patrol). I have applied for all three positions under the CHRP Grant. If the budget committee approves and we are successful in our grant request, the

grant will pay for the first three years of the entry-level salary, thus the proposal for up to three years to evaluate the changes.

The reorganization will allow us to continue current programs and add a Crime Prevention Officer – boosting our community outreach – and will back-fill patrol when we add a third Traffic Safety Unit officer in July.

GENERAL FUND
POLICE

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
RESOURCES								
1					<i>Working Capital Carryforward:</i>			
2	\$ 1,746	\$ 1,746	\$ 1,200	\$ 1,700	Cadet Donations	\$ 700	\$ 700	\$ 700
3	(58)	399	-	700	Reserve Donations	-	-	-
4	3,350	3,372	4,500	4,700	K-9 Donations	-	-	-
5	-	32,800	-	2,500	Meth Task Force Grant	-	-	-
6	\$ 5,038	\$ 38,317	\$ 5,700	\$ 9,600	Total Working Capital Carryforward	\$ 700	\$ 700	\$ 700
7								
INTERGOVERNMENTAL								
8								
9	\$ 6,593	\$ 8,820	\$ 5,000	\$ 5,000	Special Duty Officers	\$ 6,000	\$ 6,000	\$ 6,000
10	164,512	165,938	174,700	174,700	School Resource Officer Contract	189,700	189,700	189,700
11	-	-	-	-	CHRP Grant	230,800	230,800	\$ 230,800
12	-	-	25,000	25,000	Overtime Grants	25,000	25,000	25,000
13	60,000	30,000	20,000	20,000	Meth Task Force Grant	-	-	-
14	27,859	67,705	50,000	5,300	Materials & Services Grants	-	-	-
15	\$ 258,964	\$ 272,463	\$ 274,700	\$ 230,000	Total Intergovernmental	\$ 451,500	\$ 451,500	\$ 451,500
16								
FINES & FORFEITS								
17								
18	\$ 83,161	\$ 83,048	\$ 82,800	\$ 64,000	Impound Fees	64,000	64,000	64,000
19	2,599	485	10,000	28,100	Civil/Criminal Forfeitures	10,400	10,400	10,400
20	\$ 85,760	\$ 83,533	\$ 92,800	\$ 92,100	Total Fines & Forfeits	\$ 74,400	\$ 74,400	\$ 74,400
21								
MISCELLANEOUS								
22								
23	\$ -	\$ -	\$ 1,000	\$ -	Cadet Donations	\$ -	\$ -	\$ -
24	457	450	1,000	200	Reserve Officer Donations	-	-	-
25	20	10,110	20,000	400	Police Donations	-	-	-
26	8,350	1,338	3,000	7,300	K-9 Donations	4,200	4,200	4,200
27	36,731	14,608	10,000	15,000	Miscellaneous	10,000	10,000	10,000
28	\$ 45,558	\$ 26,506	\$ 35,000	\$ 22,900	Total Miscellaneous	\$ 14,200	\$ 14,200	\$ 14,200
29								
30	\$ 395,320	\$ 420,819	\$ 408,200	\$ 354,600	TOTAL ACTIVITY GENERATED	\$ 540,800	\$ 540,800	\$ 540,800
31	4,704,072	5,032,525	5,384,000	5,181,000	GENERAL SUPPORT RESOURCES	5,060,700	5,053,800	5,062,800
32	\$ 5,099,392	\$ 5,453,344	\$ 5,792,200	\$ 5,535,600	TOTAL RESOURCES	\$ 5,601,500	\$ 5,594,600	\$ 5,603,600

Notes:

10 Funds are from the Salem/Keizer School District which partially pay for School Resource Officers plus related overhead costs.

11 The CHRP Grant (Cops Hiring Recovery Program) funds 3 FTE step one Police Officers, all of which are new positions in FY09-10. The grant pays for salary and benefits (step one) for 3 years; beginning in FY12-13 the City is required to pick up the full cost of these positions.

12 Overtime grants fund specific regional programs which require overtime costs.

19 Civil/Criminal Forfeitures are dedicated revenues. The corresponding expenditure is in Materials & Services.

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

GENERAL FUND

POLICE

ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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33

EXPENDITURES

34

35

PERSONNEL SERVICES

36	\$ 7,207	\$ 7,695	\$ 8,200	\$ 8,200	Facility Maintenance Worker	\$ -	\$ -	\$ -
37	93,854	103,092	109,600	109,600	Chief of Police	112,900	112,900	112,900
38	162,137	178,104	189,400	189,400	Captain(s)	97,600	97,600	97,600
39	423,197	545,785	549,300	549,300	Sergeants	640,100	640,100	640,100
40	1,722,521	1,820,827	1,863,000	1,849,800	Police Officers	2,048,300	2,048,300	2,048,300
41	44,661	47,263	50,200	50,200	Community Service Officer	51,800	51,800	51,800
42	309,898	323,222	333,700	333,700	Administrative Support	342,900	342,900	342,900
43	1,843	1,564	5,000	5,000	Background Investigations Officer	1,000	1,000	1,000
44	3,217	1,673	7,500	7,500	Reserve Officers	7,500	7,500	7,500
45	201,294	207,468	266,300	206,000	Overtime	220,300	220,300	220,300
46	-	-	8,200	30,800	Cell Phone - Clothing Allowances	40,900	35,500	35,500
47	45,358	49,329	51,900	51,900	Medicare	50,800	50,800	50,800
48	764,069	754,584	822,600	804,100	Retirement	641,800	640,300	640,300
49	455,349	490,392	583,900	583,900	Insurance Benefits	663,700	663,700	663,700
50	-	287	-	-	Unemployment Insurance	-	-	-
51	45,053	37,996	88,000	34,100	Workers Compensation	35,300	35,300	35,300
52	\$ 4,279,658	\$ 4,569,281	\$ 4,936,800	\$ 4,813,500	TOTAL PERSONNEL SERVICES	\$ 4,954,900	\$ 4,948,000	\$ 4,948,000

Notes:

³⁵ Salaries are projected to increase 3% plus step increases for eligible employees per Council policy.

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

³⁸ The Department does not plan to fill the vacant Captain position and will hire an entry-level Police Officer to be funded with the CHRP Grant.

⁴⁵ The need for overtime depends on the number and complexity of crimes. Overtime costs are approximately 8% of sworn-represented staff salaries.

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

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

⁴⁸ Sworn Police Officers participate in the Oregon Public Employee's Retirement System (PERS). Employer contribution rates are scheduled to decrease beginning in FY09-10. The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.

⁴⁹ The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.

⁵¹ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.

GENERAL FUND
POLICE

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
53					MATERIALS & SERVICES			
54	\$ 10,927	\$ 9,126	\$ 14,000	\$ 14,000	Materials & Supplies	\$ 14,000	\$ 14,000	\$ 14,000
55	-	526	2,000	2,000	Cadet Program	2,000	2,000	2,000
56	3,535	5,121	6,000	6,000	Reserve Officer Program	6,000	6,000	6,000
57	28,793	30,959	34,000	34,000	Clothing	32,500	32,500	32,500
58	3,030	695	10,000	28,100	Civil/Criminal Forfeiture	10,400	10,400	10,400
59	4,764	9,978	6,000	6,000	K-9 Supplies	8,000	8,000	8,000
60	11,182	10,680	15,200	10,000	Postage & Printing	12,000	12,000	12,000
61	21,497	34,816	34,200	34,200	Travel & Training	36,000	36,000	36,000
62	2,338	1,334	4,000	4,000	Tuition Reimbursement	5,000	5,000	5,000
63	2,444	-	-	-	Testing	-	-	-
64	2,080	615	2,000	2,000	Advertising - Employee Recruitments	2,000	2,000	2,000
65	7,374	5,723	5,000	5,300	Legal Services	-	-	-
66	4,215	2,778	15,000	15,000	Labor Attorney	5,000	5,000	5,000
67	9,969	12,949	13,000	13,000	Contractual Services	16,000	16,000	16,000
68	-	21,495	27,500	27,500	Crime Analyst Contract	29,000	29,000	29,000
69	12,866	12,601	28,500	19,500	Janitorial	-	-	-
70	17,170	17,731	19,600	19,600	Utility	-	-	-
71	36,511	34,232	23,200	23,200	Telephone	25,000	25,000	25,000
72	72,322	72,199	83,900	57,600	Insurance - Liability	16,500	16,500	16,500
73	35,813	38,034	-	-	Vehicle Lease	-	-	-
74	11,848	17,720	10,000	10,000	Vehicle & Equipment Rental	-	-	9,000
75	77,663	104,683	100,000	80,000	Gasoline	80,000	80,000	80,000
76	25,862	31,071	36,200	30,000	Maintenance-Vehicles	36,000	36,000	36,000
77	8,436	4,989	30,600	30,600	Maintenance-Equipment	10,000	10,000	10,000
78	2,600	1,446	5,000	5,000	Community Services Unit	5,000	5,000	5,000
79	22,667	19,513	28,000	28,000	Operating Materials	28,000	28,000	28,000

Notes:

- ⁵⁸ Civil/Criminal Forfeitures are for the expenditure of Civil/Criminal Forfeiture Revenue. These funds are restricted for uses directly related to crime fighting.
- ⁶⁰ Postage rates are scheduled to increase 5% in FY09-10.
- ⁶⁵ Legal services costs are tracked in the Internal Services Fund - City Attorney budget beginning in FY09-10. These costs are City Attorney costs for representing the Department in the occasional Municipal Court case.
- ⁶⁶ Labor attorney costs are for union negotiations including dispute resolution. The KPA contract expires June, 30 2009. Negotiations are expected to continue into FY09-10.
- ⁶⁷ Contract with Crisis Chaplaincy Services for Emergency Chaplaincy Services funded by all Police agencies within Marion County. The increase in FY07-08 is for the Lexipol Policy and Procedure Training and Update service.
- ⁶⁸ The Police Department contracts with the City of Salem to provide Crime Data Analysis services to the City of Keizer. Funds appropriated will support 1/3 of the cost of this position.
- ⁶⁹ Janitorial costs are tracked in the Internal Services Fund - Civic Center Facilities budget beginning in FY09-10.
- ⁷⁰ Utility costs are tracked in the Internal Services Fund - Civic Center Facilities budget beginning in FY09-10.
- ⁷² Liability insurance costs for the City's facilities are tracked in the Internal Services Fund - Civic Center Facilities budget beginning in FY09-10. The FY09-10 budget includes the Department's share of auto insurance premiums.
- ⁷³ Beginning in FY08-09, all Police vehicle leases are funded in the Revenue Sharing Fund to better track the Department's lease program.
- ⁷⁸ Community Services costs include community related activities such as National Night Out.

GENERAL FUND
POLICE

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
MATERIALS & SERVICES - CONTINUED								
80	31,052	11,509	13,000	13,000	Ammo/Weapons	14,000	14,000	14,000
81	209,392	229,347	58,000	58,000	Willamette Valley Communication Center	60,700	60,700	60,700
82	28,562	28,465	46,500	31,000	Radio & Mobile Systems Support	33,900	33,900	33,900
83	82,882	90,842	72,500	73,300	RAIN/PRIORS	74,200	74,200	74,200
84	18,960	9,243	20,000	20,000	Investigations	20,000	20,000	20,000
85	1,078	1,156	4,000	4,000	Crime Prevention	6,000	6,000	6,000
86	-	-	50,000	-	Grants	-	-	-
87	-	9,518	20,000	200	Police Donation Expenses	-	-	-
88	3,412	2,523	10,000	5,000	Medical & Pre-Employment Testing	5,000	5,000	5,000
89	162	446	1,000	1,000	Miscellaneous	1,000	1,000	1,000
90	\$ 811,406	\$ 884,063	\$ 847,900	\$ 710,100	TOTAL MATERIALS AND SERVICES	\$ 593,200	\$ 593,200	\$ 602,200
91								
92	CAPITAL OUTLAY							
93	\$ 8,328	\$ -	\$ -	\$ 12,000	K-9 Dog	\$ 4,200	\$ 4,200	\$ 4,200
94	\$ 8,328	\$ -	\$ -	\$ 12,000	TOTAL CAPITAL OUTLAY	\$ 4,200	\$ 4,200	\$ 4,200
95								
96	-	-	-	-	Transfer to Internal Services Fund	8,400	8,400	8,400
97	-	-	-	-	Restricted for 27th pay period FY15-16	40,800	40,800	40,800
98	-	-	7,500	-	Restricted for K-9 Dog	-	-	-
99								
100	\$ 5,099,392	\$ 5,453,344	\$ 5,792,200	\$ 5,535,600	TOTAL EXPENDITURES & RESERVES	\$ 5,601,500	\$ 5,594,600	\$ 5,603,600

Notes:

- ⁸¹ The total WVCC bill for FY09-10 is \$420,200 compared to \$410,700 in FY09. The 9-1-1 related costs are paid from the 9-1-1 Fund. The business calls are paid from the Police Operating budget. Beginning in FY09, the allocation changed to more accurately track the 9-1-1 related portion of this bill. Overall the General Fund is not impacted because the transfer to the 9-1-1 Fund has been increased accordingly.
- ⁸² Beginning in FY09, Radio & Mobile Systems Support is funded in the Police Operating Budget. In prior years, this expense was partially funded in the 9-1-1 Fund. Overall the General Fund is not impacted because the transfer to the 9-1-1 Fund has been reduced accordingly.
- ⁸⁹ Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.
- ⁹³ K-9 costs for FY09-10 include training the new dog purchased in FY08-09.
- ⁹⁶ The transfer to the Internal Services Fund is to pay the Department's share of City Attorney costs.
- ⁹⁷ The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.
- ⁹⁸ The K-9 Dog Reserve is funded 100% from K-9 donations & includes funds carried over from previous years plus current year anticipated donations.

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. The Revenue Sharing Fund is used to track Capital Outlay items purchased for general government use.

**SPECIAL REVENUE FUND
REVENUE SHARING**

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
1	\$ 60,421	\$ 116,725	\$ 22,500	\$ 23,400	<i>Working Capital Carryforward</i>	\$ 13,400	\$ 13,400	\$ 13,400
2								
3					INTERGOVERNMENTAL			
4	204,238	225,244	228,300	243,500	State Revenue Sharing	234,000	234,000	234,000
5	2,865	31,574	17,000	22,100	Police Grants	67,400	67,400	83,800
6	<u>\$ 207,103</u>	<u>\$ 256,818</u>	<u>\$ 245,300</u>	<u>\$ 265,600</u>	Total Intergovernmental	<u>\$ 301,400</u>	<u>\$ 301,400</u>	<u>\$ 317,800</u>
7								
8					MISCELLANEOUS			
9	-	4,000	-	-	Police Miscellaneous Revenue	-	-	-
10								
11					TRANSFERS IN			
12	122,700	-	127,000	105,300	From General Fund			
13	<u>\$ 122,700</u>	<u>\$ -</u>	<u>\$ 127,000</u>	<u>\$ 105,300</u>	Total Transfers In	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
14								
15	<u>\$ 390,224</u>	<u>\$ 377,543</u>	<u>\$ 394,800</u>	<u>\$ 394,300</u>	TOTAL RESOURCES	<u>\$ 314,800</u>	<u>\$ 314,800</u>	<u>\$ 331,200</u>

Notes:

⁴ State Revenue Sharing apportionments are expected to decline 4% from FY08-09 per the League of Oregon Cities. FY09-10 estimates are based on FY08-09 projections.

⁵ The City anticipates receiving a \$32,900 grant which will be used to pay for Police Officer equipment (see expenditure section below).

¹² The Revenue Sharing Fund is used to track Capital Outlay items purchased for general government use. Transfers from the General Fund are needed because Revenue Sharing Funds are not sufficient to cover all General Government Capital Outlay needs.

**SPECIAL REVENUE FUND
REVENUE SHARING**

ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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REQUIREMENTS										
<i>CAPITAL OUTLAY</i>										
16										
17										
18										
19	\$ 77	\$ -	\$ -	\$ 5,000	Office Furniture & Equipment	\$ -	\$ -	\$ -	\$ -	
20	55,000	51,677	49,900	31,000	Computer Hardware(4)	-	-	-	-	
21	-	2,801	-	-	Signage & Identity	-	-	-	-	
22	23,040	23,585	-	-	Parks Vehicle & Equipment	-	-	-	-	
23	50	-	-	-	Photocopier	-	-	-	-	
24	7,028	-	10,500	10,500	Police Protective Vests	10,500	10,500	10,500	10,500	
25	10,725	50,948	20,000	24,200	Police Officer Equipment	67,400	67,400	83,800	83,800	
26	-	7,506	-	-	Motorcycles & Equipment Lease	22,000	22,000	22,000	22,000	
27	-	159,558	41,000	33,200	Police Vehicle Purchases	-	-	-	-	
28	177,579	-	218,900	222,500	Police Vehicle Leases	214,900	214,900	214,900	214,900	
29	-	56,237	51,500	51,500	E-Citation System	-	-	-	-	
30	-	1,810	3,000	3,000	Radar Equipment	-	-	-	-	
31	\$ 273,499	\$ 354,122	\$ 394,800	\$ 380,900	TOTAL CAPITAL OUTLAY	\$ 314,800	\$ 314,800	\$ 331,200	\$ 331,200	
32										
33										
34										
35	116,725	23,421	-	13,400	Unrestricted Ending Fund Balance	-	-	-	-	
36										
37	\$ 390,224	\$ 377,543	\$ 394,800	\$ 394,300	TOTAL REQUIREMENTS	\$ 314,800	\$ 314,800	\$ 331,200	\$ 331,200	

Notes:

- ²⁰ Computer hardware is now budgeted in the Internal Services Fund- Assistant to the City Manager & IT budget.
- ²⁵ Police officer equipment will be paid from federal grant funds as shown in the resources section of this budget.
- ²⁸ Motorcycle & Equipment includes \$11,000 for 3 LIDARS, \$6,000 for 3 hand held radars, and \$4,000 for 2 helmet communication sets.

5 cars	Lease through March 2011	\$ 54,100
6 Cars	Lease through June 2010	68,900
1 motorcycle	Lease through November 2010	7,100
CSO Truck	Lease through July 2012	8,900
3 Ad/Det cars	Lease through June 2010	14,400
2 Ad/Det cars	Lease through June 2011	9,700
3 Ad/Det cars		17,400
2 patrol cars		27,400
Carry over car		6,300
document fees		700
Total Leased Vehicles		<u>\$214,900</u>

PUBLIC EDUCATION GOVERNMENT FUND

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

Legislative action taken in fiscal year 2007-2008 continues to threaten PEG revenues. Should revenues cease by the end of fiscal year 2009-2010, the ending fund balance will be sufficient to pay monthly broadcasting expenses the following year.

SPECIAL REVENUE FUND

PUBLIC EDUCATION GOVERNMENT FUND									
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	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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RESOURCES

1	\$	31,492	\$	38,998	\$	68,400	\$	48,600	<i>Working Capital Carryforward</i>	\$	87,500	\$	87,500	\$	87,500
2															
3									<i>INTERGOVERNMENTAL</i>						
4		92,622		94,791		92,100		101,200	PEG Fees		101,200		101,200		101,200
5									<i>MISCELLANEOUS</i>						
6															
7		174		262		100		100	Interest Earnings		100		100		100
8															
9	\$	124,288	\$	134,051	\$	160,600	\$	149,900	TOTAL RESOURCES	\$	188,800	\$	188,800	\$	188,800

REQUIREMENTS

10															
11									<i>MATERIALS & SERVICES</i>						
12															
13															
14	\$	2,160	\$	351	\$	500	\$	200	Legal Services	\$	-	\$	-	\$	-
15		62,220		61,760		62,300		61,800	Broadcasting		61,800		61,800		61,800
16	\$	64,380	\$	62,111	\$	62,800	\$	62,000	TOTAL MATERIALS & SERVICES	\$	61,800	\$	61,800	\$	61,800
17															
18									<i>CAPITAL OUTLAY</i>						
19	\$	19,844	\$	23,294	\$	20,000	\$	400	Television Equipment	\$	-	\$	-	\$	-
20															
21		-		-		62,400		-	Contingency		60,000		60,000		60,000
22															
23									<i>TRANSFERS OUT</i>						
24		1,067		-		-		-	Transfer to General Fund		-		-		-
25		-		-		-		-	To Internal Services Fund		1,200		1,200		1,200
26	\$	1,067	\$	-	\$	-	\$	-	TOTAL TRANSFERS OUT	\$	1,200	\$	1,200	\$	1,200
27															
28									<i>FUND BALANCE</i>						
29		38,997		48,646		15,400		87,500	Unrestricted Ending Fund Balance		65,800		65,800		65,800
30															
31	\$	124,288	\$	134,051	\$	160,600	\$	149,900	TOTAL REQUIREMENTS	\$	188,800	\$	188,800	\$	188,800

Notes:

- ⁴ PEG Fees are franchise fees assessed on cable television bills.
- ¹⁶ Broadcasting costs are \$5,110 per month plus \$1,000 for maintenance and repair of equipment.
- ¹⁹ In FY08-09 the City updated its television equipment when it moved into the new Civic Center. Replacement equipment is not anticipated in FY09-10.
- ²⁵ The transfer to the Internal Services Fund is to pay the Fund's share of City Attorney costs related to PEG.
- ²⁹ Legislative action taken in FY07-98 continues to threaten PEG revenues. Should revenues cease by the end of FY09-10, the ending fund balance will be sufficient to pay monthly broadcasting expenses the following year.

9-1-1 COMMUNICATIONS FUND

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

During the FY07-08 budget process, the Budget Committee requested staff research the history of the allocation of 9-1-1 Excise Tax revenues among the City, Keizer Rural Fire Protection District (KRFPD) and Marion County Fire District #1 (MCFD#1). Beginning in 2000, the allocation has been 57%, 39%, and 4% respectively. During fiscal year 2007-2008, the three agencies met to discuss the allocation. Using data from the Willamette Valley Communication Center (WVCC), the agencies tentatively agreed to an allocation methodology, which changes each year based on activity from the preceding year. KRFPD requested a one-year delay in implementing the new methodology because the District's operating levy has expired, making for a difficult financial situation. The city anticipates the revised agreement will go into effect in fiscal year 2009-2010. Based on the new methodology the allocation is 60% City, 36% KRFPD and 4% MCFD#1 for fiscal year 2009-2010.

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

SPECIAL REVENUE FUND

9-1-1 COMMUNICATIONS FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10	
RESOURCES									
1	\$ (22,961)	\$ (2,722)	\$ -	\$ (2,800)	<i>Working Capital Carryforward</i>	\$ -	\$ -	\$ -	
2									
3	INTERGOVERNMENTAL								
4	185,204	224,800	205,100	190,300	9-1-1 Excise Tax	190,300	190,300	190,300	
5									
6	TRANSFERS IN								
7	81,800	51,000	238,700	247,800	Transfer from General Fund	244,900	244,900	244,900	
8									
9	\$ 244,043	\$ 273,078	\$ 443,800	\$ 435,300	TOTAL RESOURCES	\$ 435,200	\$ 435,200	\$ 435,200	
10									
11	REQUIREMENTS								
12									
13	MATERIALS & SERVICES								
14	\$ -	\$ 14	\$ -	\$ 800	Legal Services	\$ -	\$ -	\$ -	
15	19,804	19,781	-	-	Radio & Mobile Systems Support	-	-	-	
16	147,324	159,377	352,700	352,700	Emergency 9-1-1 and Dispatch Calls	359,500	359,500	359,500	
17	79,638	96,664	91,100	81,800	Distributions to 9-1-1 Agencies	75,700	75,700	75,700	
18	\$ 246,766	\$ 275,836	\$ 443,800	\$ 435,300	TOTAL MATERIALS & SERVICES	\$ 435,200	\$ 435,200	\$ 435,200	
19									
20	FUND BALANCE								
21	(2,723)	(2,758)	-	-	Unrestricted Ending Fund Balance	-	-	-	
22									
23	\$ 244,043	\$ 273,078	\$ 443,800	\$ 435,300	TOTAL REQUIREMENTS	\$ 435,200	\$ 435,200	\$ 435,200	

Notes:

- ⁴ 9-1-1 tax disbursements are expected to remain the same from FY08-09 per the League of Oregon Cities. The statutory authorization for the 9-1-1 tax was renewed during the 2007 Legislature, and is now scheduled to sunset 12/31/14.
- ⁵ A transfer from the General Fund is needed because 9-1-1 expenditures exceed revenues. The total WVCC bill for FY09-10 is \$420,200 compared to \$410,700 in FY08-09. The 9-1-1 related costs are paid from the 9-1-1 Fund. The business calls are paid from the Police Operating budget. Beginning in FY08-09, the allocation changed to more accurately track the 9-1-1 related portion of this bill. Overall the General Fund is not impacted because the transfer to the 9-1-1 Fund has been increased accordingly.
- ¹⁵ Beginning in FY08-09, Radio & Mobile Systems Support will be funded in the Police Operating Budget. In prior years, this expense was partially funded in the 9-1-1 Fund. Overall the 9-1-1 Fund is not impacted because the transfer to the 9-1-1 Fund has been reduced accordingly.
- ¹⁶ The total WVCC bill for FY09-10 is \$420,200 compared to \$410,700 in FY08-09. The 9-1-1 related costs are paid from the 9-1-1 Fund. The business calls are paid from the Police Operating budget. Beginning in FY08-09, the allocation changed to more accurately track the 9-1-1 related portion of this bill. Overall the General Fund is not impacted because the transfer to the 9-1-1 Fund has been increased accordingly.
- ¹⁷ Of the estimated \$190,100 to be received in 9-1-1 Excise Tax Revenues, 35.6% is to be remitted to the Keizer Rural Fire Protection District and 4% is to be remitted to the Marion County Fire District #1 using a formula agreed to by the two Fire Districts and the City. The formula is in the process of being formally adopted by each agency.

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 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
	<u>RESOURCES</u>							
1	\$ (2,730)	\$ (189)	\$ -	\$ (4,800)	<i>Working Capital Carryforward</i>	\$ -	\$ -	\$ -
2								
3					<u>INTERGOVERNMENTAL</u>			
4	30,674	20,334	50,000	4,800	Police Grants	50,000	50,000	50,000
5								
6					<u>MISCELLANEOUS</u>			
7	-	20	-	-	Interest/Donations	-	-	-
8								
9	<u>\$ 27,944</u>	<u>\$ 20,165</u>	<u>\$ 50,000</u>	<u>\$ -</u>	TOTAL RESOURCES	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
10								
11					<u>REQUIREMENTS</u>			
12								
13					<u>MATERIALS & SERVICES</u>			
14	\$ -	\$ 25,000	\$ 25,000	\$ -	Materials & Supplies	\$ 25,000	\$ 25,000	\$ 25,000
15								
16					<u>CAPITAL OUTLAY</u>			
17	28,133	-	25,000	-	Equipment	25,000	25,000	25,000
18								
19					<u>FUND BALANCE</u>			
20	(189)	(4,835)	-	-	Unrestricted Ending Fund Balance	-	-	-
21								
22	<u>\$ 27,944</u>	<u>\$ 20,165</u>	<u>\$ 50,000</u>	<u>\$ -</u>	TOTAL REQUIREMENTS	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>

Notes:

⁴ Each year the Police Department applies for and receives various Federal Grants for one-time purchases of Materials and Capital Outlay items.

HOUSING SERVICES FUND

The original source of revenues in the Housing Services Fund was from a State Community Development Block Grant. Uses were restricted to creating loans for housing rehabilitation projects. The original grant was completely expended in fiscal year 1998.

The Assistant to the City Manager is in the process of reestablishing the former program. Research indicated that “de-federalizing” these funds would be a lengthy process that wouldn’t yield effective results. City staff agreed that re-launching the former program over the current fiscal year will be a benefit to low/moderate income households within the Keizer community. City Staff is in the process of developing educational pieces to be displayed at City Hall. In addition, staff intends to educate the public of these opportunities through the City’s website, Keizer 23 channel, local newsletters, and other media.

SPECIAL REVENUE FUND
HOUSING SERVICES FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 10 2009	ADOPTED 2009-10
<u>RESOURCES</u>								
1	\$ 135,204	\$ 178,036	\$ 195,400	\$ 200,300	<i>Working Capital Carryforward</i>	\$ 225,400	\$ 225,400	\$ 225,400
2								
3	<i>MISCELLANEOUS</i>							
4	34,841	14,425	-	20,000	Loan Proceeds	30,000	30,000	30,000
5	7,991	7,801	7,900	5,100	Interest Revenue	5,100	5,100	5,100
6	<u>\$ 42,832</u>	<u>\$ 22,226</u>	<u>\$ 7,900</u>	<u>\$ 25,100</u>	<u>Total Miscellaneous</u>	<u>\$ 35,100</u>	<u>\$ 35,100</u>	<u>\$ 35,100</u>
7								
8	<u>\$ 178,036</u>	<u>\$ 200,262</u>	<u>\$ 203,300</u>	<u>\$ 225,400</u>	TOTAL RESOURCES	<u>\$ 260,500</u>	<u>\$ 260,500</u>	<u>\$ 260,500</u>
9								
<u>REQUIREMENTS</u>								
10								
11								
12	<i>MATERIALS & SERVICES</i>							
13	\$ -	\$ -	\$ -	\$ -	Contractual Services	\$ -	\$ -	\$ -
14	-	-	183,300	-	Housing Rehabilitation Services	260,500	260,500	260,500
15	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 183,300</u>	<u>\$ -</u>	<u>TOTAL MATERIALS & SERVICES</u>	<u>\$ 260,500</u>	<u>\$ 260,500</u>	<u>\$ 260,500</u>
16								
17	-	-	20,000	-	Contingency	-	-	-
18								
19	<i>FUND BALANCE</i>							
20	178,036	200,262	-	225,400	Unrestricted Ending Fund Balance	-	-	-
21								
22	<u>\$ 178,036</u>	<u>\$ 200,262</u>	<u>\$ 203,300</u>	<u>\$ 225,400</u>	TOTAL REQUIREMENTS	<u>\$ 260,500</u>	<u>\$ 260,500</u>	<u>\$ 260,500</u>

Notes:

- ¹ The original funds for this program were received through a Federal Grant. The working capital carryforward is from loan repayments and interest earned on these funds.
- ² The City currently has 15 loans outstanding for this program. The program typically receives 1-2 repayments each year. The average balance of each loan is approximately \$ 15,000.
- ³ City funds are pooled and held at the Oregon State Treasury and a local bank. Interest rates dropped from 3.2% in July 2008 to 1.4% in March 2009.
- ⁴ Staff is in the process of reestablishing this program and anticipates loaning funds beginning in FY09-10. Expenditures provide for loaning all available funds should demand for this program warrant.

PARK IMPROVEMENT FUND

Fiscal Year 2009/2010

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

Improvements Completed:

Bair Park

Installed ADA Path
Installed Tables and Bench

Keizer Rapids Park

Completed Parking Area by Dog Park
Installed ADA Pathways
Funded a Portion of Amphitheater Project

Northview Terrace Park

Replaced Slide

Palma Ciega Park

Created Parking Area
Constructed unpaved Trail to River

Wallace House Park

Completed Improvements to Upper Area of Park including Play Structure, Parking Area, Irrigation and Lawn, and Paved Pathways

Proposed Improvements:

Bair Park

Install New Signs
Install Benches

Claggett Creek Park

Construct Pathway Along Creek
Construct Picnic Shelter at North End of Park
Install Additional Table and Benches
Install Additional Bar-B-Que Grills

Clearlake Park

Install Drinking Fountain

Hidden Creek Park

Install New Sign

Keizer Rapids Park

Extend Roadway and Additional Parking Near Amphitheater

Mike Whittam Park

Install Water Service

Palma Ciega Park

Install New Sign
Install Benches and Tables

SPECIAL REVENUE FUND
PARK IMPROVEMENT FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
<u>RESOURCES</u>								
1	\$ 611,939	\$ 696,573	\$ 929,300	\$ 929,300	<i>Working Capital Carryforward</i>	\$ 732,300	\$ 732,300	\$ 732,300
2								
3	<i>INTERGOVERNMENTAL</i>							
4	152,000	153,640	101,250	101,250	Grants	-	-	-
5								
6	<i>LICENSES & FEES</i>							
7	48,542	254,123	41,700	24,600	System Development Fees	24,600	24,600	24,600
8								
9	<i>MISCELLANEOUS</i>							
10	29,531	33,852	34,300	20,500	Interest	16,400	16,400	16,400
11	-	15,000	-	20,000	Miscellaneous Revenue	-	-	-
12	<u>\$ 29,531</u>	<u>\$ 48,852</u>	<u>\$ 34,300</u>	<u>\$ 40,500</u>	TOTAL MISCELLANEOUS	<u>\$ 16,400</u>	<u>\$ 16,400</u>	<u>\$ 16,400</u>
13								
14	-	-	-	2,800	Transfer from Transportation Fund	-	-	-
15								
16	<u>\$ 842,012</u>	<u>\$ 1,153,188</u>	<u>\$ 1,106,550</u>	<u>\$ 1,098,450</u>	TOTAL RESOURCES	<u>\$ 773,300</u>	<u>\$ 773,300</u>	<u>\$ 773,300</u>

Notes:

⁷ FY09-10 SDC's are projected anticipating 22 new single family units and no multi-family units.

¹⁰ City funds are pooled and held at the Oregon State Treasury and a local bank. Interest rates dropped from 3.2% in July 2008 to 1.4% in March 2009.

SPECIAL REVENUE FUND
PARK IMPROVEMENT FUND

ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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REQUIREMENTS										
<i>MATERIALS & SERVICES</i>										
17										
18										
19										
20	\$ -	\$ 17,783	\$ 25,000	\$ 17,300	Legal Services	\$ -	\$ -	\$ -	\$ -	
21	-	571	-	2,400	Contractual Services	2,400	2,400	2,400	2,400	
22	\$ -	\$ 18,354	\$ 25,000	\$ 19,700	TOTAL MATERIALS & SERVICES	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	
23										
24										
25	\$ -	\$ -	\$ 67,500	\$ 67,500	<i>CAPITAL OUTLAY</i>					
26	141,259	-	-	4,300	Grant Expenditures	\$ -	\$ -	\$ -	\$ -	
27	-	208,349	310,200	274,700	Land Acquisition	-	-	-	-	
28	-	-	613,750	-	Improvements	191,400	199,800	199,800	199,800	
29	\$ 141,259	\$ 208,349	\$ 991,450	\$ 346,500	Unanticipated Expenses	445,000	445,000	445,000	445,000	
30					TOTAL CAPITAL OUTLAY	\$ 636,400	\$ 644,800	\$ 644,800	\$ 644,800	
31										
32	\$ 4,180	\$ -	\$ -	\$ -	<i>TRANSFERS OUT</i>					
33	-	-	-	-	Transfer to General Fund	\$ -	\$ -	\$ -	\$ -	
34	\$ 4,180	\$ -	\$ -	\$ -	Transfer to Internal Services Fund	20,900	20,900	20,900	20,900	
35					TOTAL TRANSFERS OUT	\$ 20,900	\$ 20,900	\$ 20,900	\$ 20,900	
36										
37	696,573	926,485	90,100	732,250	<i>FUND BALANCE</i>					
38					Unrestricted Ending Fund Balance	113,600	105,200	105,200	105,200	
39	\$ 842,012	\$ 1,153,188	\$ 1,106,550	\$ 1,098,450	TOTAL REQUIREMENTS	\$ 773,300	\$ 773,300	\$ 773,300	\$ 773,300	

Notes:

²⁰ Legal Services costs are now budgeted in the Internal Services Fund- City Attorney budget.

²⁷ Improvements are listed on the narrative on the preceding page.

³³ The transfer to the Internal Services Fund is to pay the Fund's share of City Attorney costs.

TRANSPORTATION IMPROVEMENT FUND

The Transportation Improvement Fund was established in Fiscal Year 2004-2005 to account for system development fees. The city currently charges a system development fee of \$1,241 per single-family dwelling unit and \$762 per each Multi Family Unit to help cover the cost of transportation improvements resulting from development. The system development fees are adjusted annually using CPI index.

Staff recommendations for expenditures in fiscal year 2009/2010 are as follows:

- Begin Engineering Design for the improvements to the I-5/Chemawa southbound on-ramp using an ODOT approved firm. Estimated cost includes permits and project management
- Begin construction of the on-ramp widening late summer 2009

SPECIAL REVENUE FUND

Transportation Improvement Fund

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
	RESOURCES							
1	\$ 854,007	\$ 1,192,556	\$ 1,502,600	\$ 1,618,000	<i>Working Capital Carryforward</i>	\$ 1,262,500	\$ 1,262,500	\$ 1,262,500
2								
3					LICENSES & FEES			
4	289,934	367,883	107,000	25,400	System Development Fees	27,300	27,300	27,300
5								
6					MISCELLANEOUS			
7	48,615	58,164	65,200	37,500	Interest	30,200	30,200	30,200
8								
9					TRANSFERS IN			
10	-	-	22,300	22,300	From General Fund	-	-	-
11	-	-	-	-	From Street Fund	90,600	90,600	90,600
12	-	-	-	-	From Community Center Fund	37,600	37,600	37,600
13	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,300</u>	<u>\$ 22,300</u>	TOTAL TRANSFERS IN	<u>\$ 128,200</u>	<u>\$ 128,200</u>	<u>\$ 128,200</u>
14								
15	<u>\$ 1,192,556</u>	<u>\$ 1,618,603</u>	<u>\$ 1,697,100</u>	<u>\$ 1,703,200</u>	TOTAL RESOURCES	<u>\$ 1,448,200</u>	<u>\$ 1,448,200</u>	<u>\$ 1,448,200</u>

Notes:

- ⁴ FY09-10 SDC's are projected anticipating 22 new single family units and no multi-family units.
- ⁷ City funds are pooled and held at the Oregon State Treasury and a local bank. Interest rates dropped from 3.2% in July 2008 to 1.4% in March 2009.
- ¹⁰ The FY08-09 transfer from the General Fund is repayment for receipts received in prior fiscal years that belong to the Transportation Improvement Fund.
- ¹¹ The transfer from the Street Fund is repayment for half of an interfund loan made in FY08-09. Funds were borrowed to pay final costs of property acquired at Keizer Station. The balance of the loan is scheduled for repayment in FY10-11.

SPECIAL REVENUE FUND

Transportation Improvement Fund

ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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16	REQUIREMENTS														
17															
18	<i>MATERIALS & SERVICES</i>														
19	\$	-	\$	520	\$	2,000	\$	600	Legal Services	\$	-	\$	-	\$	-
20		-		66		-		-	Contractual Services		-		-		-
21	\$	-	\$	586	\$	2,000	\$	600	TOTAL MATERIALS & SERVICES	\$	-	\$	-	\$	-
22															
23	<i>CAPITAL OUTLAY</i>														
24	\$	-	\$	-	\$	445,000	\$	7,500	Improvements	\$	440,000	\$	440,000	\$	440,000
25		-		-		832,600		-	Unanticipated Expenses		950,000		950,000		950,000
26	\$	-	\$	-	\$	1,277,600	\$	7,500	TOTAL CAPITAL OUTLAY	\$	1,390,000	\$	1,390,000	\$	1,390,000
27															
28	<i>TRANSFERS OUT</i>														
29	\$	-	\$	-	\$	-	\$	49,600	Interfund loan to General Fund	\$	-	\$	-	\$	-
30		-		-		181,100		181,100	Interfund loan to Street Fund		-		-		-
31		-		-		142,100		-	Interfund loan to Storm Water Fund		-		-		-
32		-		-		72,000		68,300	Interfund loan to Community Center		-		-		-
33		-		-		-		130,800	Transfer to Sewer Reserve Fund		-		-		-
34		-		-		-		2,800	Transfer to Park Improvement Fund		-		-		-
35		-		-		-		-	Transfer to Internal Services Funds		200		200		200
36	\$	-	\$	-	\$	395,200	\$	432,600	TOTAL TRANSFERS OUT	\$	200	\$	200	\$	200
37															
38	<i>FUND BALANCE</i>														
39	1,192,556	1,618,017	22,300	1,262,500	Unrestricted Ending Fund Balance	58,000	58,000	58,000							
40															
41	\$	1,192,556	\$	1,618,603	\$	1,697,100	\$	1,703,200	TOTAL REQUIREMENTS	\$	1,448,200	\$	1,448,200	\$	1,448,200

Notes:

¹⁹ Legal Services costs are now budgeted in the Internal Services Fund- City Attorney budget.

²⁰ Improvements include engineering design for the I-5/Chemawa southbound on-ramp using an ODOT approved firm. Costs include permits and project management. Construction will also begin on this project in late summer 2009.

³⁵ The transfer to the Internal Services Fund is to pay the Fund's share of City Attorney costs.

STREET FUND

The Street Fund is managed by the Public Works Department to provide quality streets, sidewalks, and bike paths. Drainage improvements for the City's street system will be consolidated into the new Stormwater Fund. The Street Fund's share of drainage maintenance and repairs will be an annual transfer to that fund. The primary revenue source is State Fuel Taxes, which are state apportionments based on population. Fuel tax revenues

are restricted by constitutional limits and are to be used for street maintenance (Const. **IX § 3**). The Street Division is staffed with one full time Municipal Utility Worker and a portion of various administrative staff to provide street maintenance services to the City. The City currently contracts striping and signing services with Marion County. Traffic Signal System operation and maintenance is contracted with the City of Salem.

Street Fund Capital Improvement Expenditures 2008-2009

- Completed Engineering on Traffic Signal fiber Interconnect on Lockhaven
- Completed acquisition of Right of Way for Chemawa Road NE to serve Keizer Station Transportation Mitigation
- Created reserve fund for matching future Transportation Enhancement Grant to improve Chemawa Road North of River Road to Keizer Rapids Park over the next three budget cycles.

Street Fund Capital Improvement Expenditures 2009-2010

- Increase reserve for matching the Transportation Enhancement Grant to improve Chemawa Road N. to Keizer Rapids Park
- Upgrade nine Traffic Signals to accept remote back up generator connections and purchase five generators
- Resurface Lockhaven from 14th to Trail, River Road to Windsor Island Road and Wheatland Road from 2nd Avenue to the North City Limits using Federal Stimulus funding.
- Improve Dearborn Avenue N. to Urban standards, which includes sidewalks, curbs, drainage, bike lanes and landscaping.
- Improve Manbrin Drive N. to Cedar adding sidewalks, drainage and resurfacing.

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
RESOURCES								
<i>WORKING CAPITAL CARRYFORWARD</i>								
1								
2	\$ 2,826,389	\$ 2,157,372	\$ 1,323,000	\$ 1,227,300	Working Capital Carryforward	\$ 1,026,800	\$ 1,026,800	\$ 1,125,800
3	1,022	854	-	1,200	Helmet Donations	1,200	1,200	1,200
4	\$ 2,827,411	\$ 2,158,226	\$ 1,323,000	\$ 1,228,500	TOTAL WORKING CAPITAL CARRYFORWARD	\$ 1,028,000	\$ 1,028,000	\$ 1,127,000
5								
<i>LICENSES & FEES</i>								
6								
7	\$ 52,983	\$ 6,241	\$ 4,000	\$ 4,100	Planning Construction Fees	\$ 4,000	\$ 4,000	\$ 4,000
8	3,115	5,953	2,500	2,700	Driveway Permit Fees	1,400	1,400	1,400
9	\$ 56,098	\$ 12,194	\$ 6,500	\$ 6,800	TOTAL LICENSES & FEES	\$ 5,400	\$ 5,400	\$ 5,400
10								
<i>INTERGOVERNMENTAL</i>								
11								
12	\$ 100,000	\$ -	\$ 100,000	\$ 92,600	Grants	\$ -	\$ -	\$ -
13	1,617,335	1,527,096	1,535,400	1,365,500	State Fuel Tax	1,381,900	1,381,900	1,381,900
14	\$ 1,717,335	\$ 1,527,096	\$ 1,635,400	\$ 1,458,100	TOTAL INTERGOVERNMENTAL	\$ 1,381,900	\$ 1,381,900	\$ 1,381,900
15								
<i>MISCELLANEOUS</i>								
16								
17	\$ 1,007	\$ 3,494	\$ -	\$ 1,600	Helmet Donations	\$ -	\$ -	\$ -
18	114,470	69,407	114,400	22,000	Interest	11,000	11,000	11,000
19	-	25,797	-	-	Property Sales	-	-	-
20	27,627	-	23,200	23,200	Rental Property	23,200	23,200	23,200
21	372	140	-	-	Developer Contributions	-	-	-
22	25,726	1,408	-	-	Miscellaneous Revenue	-	-	-
23	\$ 169,202	\$ 100,246	\$ 137,600	\$ 46,800	TOTAL MISCELLANEOUS	\$ 34,200	\$ 34,200	\$ 34,200
24								
<i>TRANSFERS IN</i>								
25								
26	\$ 23,487	\$ -	\$ -	\$ -	Transfer in from Keizer Station LID	\$ -	\$ -	\$ -
27	-	-	181,100	181,100	Transfer from Transportation Fund	-	-	-
28	3,960	540	-	-	Transfer in from General Fund	-	-	-
29	\$ 27,447	\$ 540	\$ 181,100	\$ 181,100	TOTAL TRANSFERS IN	\$ -	\$ -	\$ -
30								
31	\$ 4,797,493	\$ 3,798,302	\$ 3,283,600	\$ 2,921,300	TOTAL RESOURCES	\$ 2,449,500	\$ 2,449,500	\$ 2,548,500

Notes:

¹³ Fuel Tax revenue projections for FY08-09 are down 11% from budget. ODOT projects City apportionments to be approximately 1% above FY08-09 revenues. The FY09-10 budget is based on FY08-09 projections adjusted for the 1% increase as estimated by ODOT.

¹⁸ City funds are pooled and held at the Oregon State Treasury and a local bank. Interest rates dropped from 3.2% in July 2008 to 1.4% in March 2009.

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

²⁷ The FY08-09 transfer from the Transportation Fund is an interfund loan to pay final costs of property acquired at Keizer Station. The loan is scheduled to be repaid over the next two years.

SPECIAL REVENUE FUND

STREET FUND

ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10	
REQUIREMENTS								
PERSONNEL SERVICES								
32								
33	\$ 10,130	\$ 5,463	\$ 5,900	\$ 5,900	City Manager (2)	\$ -	\$ -	\$ -
34	-	722	5,900	5,900	Assistant to City Manager (4)	-	-	-
35	40,357	43,500	44,900	44,900	Public Works Director	46,300	46,300	46,300
36	25,738	23,777	24,600	24,600	Public Works Superintendent	25,300	25,300	25,300
37	6,670	7,117	7,100	7,100	City Recorder (5)	-	-	-
38	41,040	44,323	64,600	64,600	Municipal Utility Workers	66,500	66,500	66,500
39	4,551	5,004	5,400	5,400	Community Development Director	5,700	5,700	5,700
40	7,426	3,883	4,200	4,200	Code Enforcement/Zoning Technician	4,400	4,400	4,400
41	27,638	26,092	27,000	26,500	Administrative Support	18,700	18,700	18,700
42	1,966	2,099	1,700	1,700	Network Administrator (4)	-	-	-
43	3,405	4,725	2,400	2,400	Human Resources Director (6)	-	-	-
44	4,894	4,817	5,000	5,000	Finance Director (7)	-	-	-
45	7,207	7,695	8,200	8,200	Facility Maintenance Worker (8)	-	-	-
46	-	-	-	200	Cell Phone Stipend/Clothing Allowance	500	500	500
47	3,739	2,563	3,000	3,000	Overtime	4,300	4,300	4,300
48	-	-	-	-	Duty Pay	1,200	1,200	1,200
49	920	460	600	600	Vehicle Allowance/Tuition Assistance (2)	-	-	-
50	2,844	2,796	3,300	3,300	Medicare	2,600	2,600	2,600
51	37,207	33,990	41,300	40,700	Retirement	27,700	27,700	27,700
52	32,991	23,192	39,800	39,800	Insurance Benefits	35,500	35,500	35,500

Notes:

³² Personnel Services related to general administration are now budgeted in the Internal Services Fund as follows:

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

³² Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.

³² Salaries are projected to increase 3% plus step increases for eligible employees per Council policy.

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

⁵⁰ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

⁵¹ The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.

⁵² The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.

SPECIAL REVENUE FUND

STREET FUND

ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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PERSONNEL SERVICES - CONTINUED

53	1,752	1,468	3,400	3,400	Workers Compensation	1,800	1,800	1,800
54	\$ 260,475	\$ 243,686	\$ 298,300	\$ 297,400	TOTAL PERSONNEL SERVICES	\$ 240,500	\$ 240,500	\$ 240,500

MATERIALS & SERVICES

55	\$ 1,661	\$ 1,150	\$ 1,500	\$ 1,300	Office Materials & Supplies	\$ 1,300	\$ 1,300	\$ 1,300
56	184	53	100	100	Safety & Wellness (6)	-	-	-
57	1,175	3,184	1,200	1,600	Helmets	1,200	1,200	1,200
58	1,808	916	2,100	1,900	Postage & Printing	2,000	2,000	2,000
59	1,276	1,208	2,400	2,400	Association Memberships (1)	-	-	-
60	4,651	3,653	6,100	4,400	Travel & Training	2,900	2,900	2,900
61	264	177	300	300	City Council Expenses (1)	-	-	-
62	180	298	200	100	Advertising	100	100	100
63	19,631	24,153	22,000	17,600	Legal Services (3)	-	-	-
64	376	373	1,200	1,200	Labor Attorney	400	400	400
65	44,739	27,205	33,700	34,000	Contractual Services	35,000	35,000	35,000
66	1,072	3,132	2,700	2,700	Audit (7)	-	-	-
67	39,063	35,784	45,000	34,000	Engineering Services	34,000	34,000	34,000
68	3,313	1,560	5,000	8,000	Traffic Engineering SDC Review	6,000	6,000	6,000
69	1,472	1,007	2,200	1,600	Janitorial (8)	-	-	-
70	994	674	800	900	Gas & Electricity (8)	-	-	-
71	2,145	1,722	1,800	2,100	Telephone	2,100	2,100	2,100
72	13,868	13,347	15,500	10,000	Insurance - Liability	1,400	1,400	1,400
73	58	378	2,500	2,000	Gasoline/Diesel	2,000	2,000	2,000
74	2,590	1,827	2,700	2,400	Computer & Software Maintenance (4)	-	-	-
75	2,862	1,791	3,500	2,800	Equipment Maintenance	3,500	3,500	3,500
76	868	351	800	700	Facility Maintenance (8)	-	-	-
77	48	-	100	-	Office Equipment Maintenance	-	-	-

Notes:

⁵³ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.

⁵⁶ Materials & Services related to general administration are now budgeted in the Internal Services Fund as follows:

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

⁵⁸ Postage costs are expected to increase 5% in FY09-10.

⁶⁰ Travel & Training costs are for Public Works staff only. Travel & Training for Administrative staff has been moved to the Internal Services Fund.

⁷² Liability insurance costs for the City's facilities are tracked in the Internal Services Fund - Civic Center Facilities budget beginning in FY09-10. The FY09-10 budget includes the Street Fund's share of auto insurance premiums.

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
<i>MATERIALS & SERVICES - CONTINUED</i>								
78	11,655	-	10,000	9,000	Sidewalk Maintenance	7,000	7,000	7,000
79	7,622	6,876	8,000	8,000	Operating Materials and Supplies	10,000	10,000	10,000
80	21,638	-	-	-	Storm Drain Maintenance	-	-	-
81	81,824	94,791	99,000	95,100	Street Sweeping	97,000	97,000	97,000
82	171,891	151,134	165,000	165,000	Street Maintenance & Repair	165,000	165,000	165,000
83	54,567	53,531	55,000	60,000	Street Light Utilities	60,000	60,000	60,000
84	17,338	23,315	24,000	24,000	Traffic Light Utilities	24,000	24,000	24,000
85	16,252	6,160	-	-	Storm Drain Utilities	-	-	-
86	26	5	100	400	Medical Testing	400	400	400
87	6,552	2,820	4,000	8,100	Rental Property Expenses	3,000	3,000	3,000
88	5,723	6,050	6,400	6,400	MPO Support/ SKATS	6,700	6,700	6,700
89	13	58	-	-	Miscellaneous Expenses	-	-	-
90	1,586	497	5,000	600	Flood & Drainage Services	600	600	600
91	-	-	6,000	-	Contingency	-	-	-
92	\$ 540,985	\$ 469,180	\$ 535,900	\$ 508,700	TOTAL MATERIALS & SERVICES	\$ 465,600	\$ 465,600	\$ 465,600
<i>CAPITAL OUTLAY</i>								
93								
94	\$ 4	\$ 4,036	\$ -	\$ -	Office Furniture & Equipment	\$ -	\$ -	\$ -
95	2,778	1,569	3,600	3,200	Computer Hardware	-	-	-
96	-	-	64,600	64,600	Storm Sewer Maintenance Truck	-	-	-
97	6,569	10,865	-	-	Heavy Equipment/Vehicles	14,800	14,800	14,800
98	25,000	29,850	45,000	5,000	Bike Paths & Lanes	60,000	60,000	60,000
99	305,186	1,267,380	162,500	143,000	Street Improvements	443,000	443,000	443,000
100	5,861	-	25,000	25,000	Infill Sidewalk Completions	-	-	-
101	1,601	1,571	349,400	350,000	Property & Easement Acquisition	-	-	-
102	25,022	-	-	-	Storm Drains	-	-	-
103	14,044	113,417	-	-	Labish Area Bridge and Drainage	-	-	-
104	768,762	-	700,000	-	Street Resurfacing	-	-	99,000
105	363,947	5,055	-	-	Chemawa Road Bridge	-	-	-
106	-	-	134,000	10,000	Signage Signal Upgrades	-	-	-
107	102,733	56,765	-	-	Shop Addition	-	-	-
108	3,576	501	1,100	300	Field Equipment	12,200	12,200	12,200
109	-	-	-	-	Contingency	69,000	69,000	-
110	\$ 1,625,083	\$ 1,491,009	\$ 1,485,200	\$ 601,100	TOTAL CAPITAL OUTLAY	\$ 599,000	\$ 599,000	\$ 629,000

Notes:

- ⁹⁵ Computer hardware is now budgeted in the Internal Services Fund- Assistant to the City Manager & IT budget.
- ⁹⁷ Heavy Equipment/Vehicles costs are for the Street Funds share of new supervisor pick-up, placing a 1995 pick-up in reserve for Parks.
- ⁹⁹ Street improvements are for Dearborn and Manbrin North streets.

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
<i>DEBT SERVICE</i>								
111	\$ 145,000	\$ 151,000	\$ 157,000	\$ 157,000	Principal	\$ 163,000	\$ 163,000	\$ 163,000
112	65,288	59,486	53,500	53,500	Interest	47,200	47,200	47,200
113	\$ 210,288	\$ 210,486	\$ 210,500	\$ 210,500	TOTAL DEBT SERVICE	\$ 210,200	\$ 210,200	\$ 210,200
114								
115	<i>TRANSFERS OUT</i>							
116	\$ -	\$ -	\$ -	\$ -	Transportation Fund - Loan Repayment	\$ 90,600	\$ 90,600	\$ 90,600
117	-	6,406	-	-	Street Lighting District Fund	-	-	-
118	-	149,100	149,200	149,200	Storm Utility Fund	151,500	151,500	151,500
119	2,436	-	29,400	27,400	Internal Services Fund	118,600	118,500	118,600
120	\$ 2,436	\$ 155,506	\$ 178,600	\$ 176,600	TOTAL TRANSFERS OUT	\$ 360,700	\$ 360,600	\$ 360,700
121								
122	\$ -	\$ -	\$ -	\$ -	Contingency	\$ -	\$ -	\$ 69,000
123								
124	<i>FUND BALANCE</i>							
125	\$ -	\$ -	\$ 160,000	\$ 160,000	Restricted for Grants	\$ 220,000	\$ 220,000	\$ 220,000
126	-	-	1,200	1,200	Restricted for 27th pay period FY15-16	2,000	2,000	2,000
127	-	-	173,800	173,800	Restricted for Future Debt Service	173,800	173,800	173,800
128	2,158,226	1,228,435	240,100	792,000	Unrestricted Ending Fund Balance	177,700	177,800	177,700
129	\$ 2,158,226	\$ 1,228,435	\$ 575,100	\$ 1,127,000	TOTAL FUND BALANCE	\$ 573,500	\$ 573,600	\$ 573,500
130								
131	\$ 4,797,493	\$ 3,798,302	\$ 3,283,600	\$ 2,921,300	TOTAL REQUIREMENTS	\$ 2,449,500	\$ 2,449,500	\$ 2,548,500

Notes:

116 The transfer to the Transportation fund is repayment for half of an interfund loan made in FY08-09. Funds were borrowed to pay final costs of property acquired at Keizer Station. The balance of the loan is scheduled for repayment in FY10-11.

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

119 The transfer to the Internal Services Fund is to pay the Street Funds share of City-wide administrative costs.

125 The Grant Reserve is established to save funds for future improvements on Chemawa Road North.

126 The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

Keizer Rotary Amphitheater At Keizer Rapids Park

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

SPECIAL REVENUE FUND

KEIZER ROTARY AMPHITHEATER

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
1					RESOURCES			
2								
3	\$ -	\$ -	\$ -	\$ -	- WORKING CAPITAL CARRYFORWARD	\$ -	\$ -	\$ -
4								
5					CHARGES FOR SERVICES			
6	-	-	-	-	- Rental Fees	6,000	6,000	6,000
7	\$ -	\$ -	\$ -	\$ -	- TOTAL CHARGES FOR SERVICES	\$ 6,000	\$ 6,000	\$ 6,000
8								
9					MISCELLANEOUS			
10	-	-	-	-	- Donations	-	-	-
11	-	-	-	-	- Interest	-	-	-
12	\$ -	\$ -	\$ -	\$ -	- TOTAL MISCELLANEOUS REVENUE	\$ -	\$ -	\$ -
13								
14	\$ -	\$ -	\$ -	\$ -	- TOTAL RESOURCES	\$ 6,000	\$ 6,000	\$ 6,000
15								
16					REQUIREMENTS			
17								
18					MATERIALS & SERVICES			
19	-	-	-	-	- Operating Materials & Supplies	5,000	5,000	5,000
20	\$ -	\$ -	\$ -	\$ -	- TOTAL MATERIALS & SERVICES	\$ 5,000	\$ 5,000	\$ 5,000
21								
22					CAPITAL OUTLAY			
23	-	-	-	-	- Improvements	1,000	1,000	1,000
24	\$ -	\$ -	\$ -	\$ -	- TOTAL CAPITAL OUTLAY	\$ 1,000	\$ 1,000	\$ 1,000
25								
26	-	-	-	-	- Unrestricted Ending Fund Balance	-	-	-
27								
28	\$ -	\$ -	\$ -	\$ -	- TOTAL REQUIREMENTS	\$ 6,000	\$ 6,000	\$ 6,000

Notes:

- 6 Rental fees are for use of the amphitheater at Keizer Rapids Park
- 19 Operating Materials & Supplies are for garbage service, parking attendants, utility costs, portable toilets, security, ground maintenance, etc.

KEIZER STATION LOCAL IMPROVEMENT FUND

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

CAPITAL PROJECTS FUND

KEIZER STATION LOCAL IMPROVEMENT DISTRICT								
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ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09			RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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RESOURCES

1	\$ (518,476)	\$ (581,180)	\$ 2,696,200	\$ 3,388,800	<i>Working Capital Carryforward</i>	\$ 3,423,900	\$ 3,423,900	\$ 3,423,900
2								
3	4,150,000	-	-	-	Intergovernmental Loan from Urban Renewal	-	-	-
4								
5					<i>DEBT PROCEEDS</i>			
6	-	26,810,000	-	-	Long-Term Debt	-	-	-
7	<u>\$ -</u>	<u>\$ 26,810,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>Total Debt Proceeds</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
8								
9					<i>TAXES & ASSESSMENTS</i>			
10	-	2,200,000	1,276,700	682,400	Assessments	716,500	716,500	716,500
11								
12					<i>MISCELLANEOUS</i>			
13	926,915	777,605	80,400	83,600	Interest	57,300	57,300	57,300
14	-	-	1,894,100	1,534,900	Assessment Interest	1,500,800	1,500,800	1,500,800
15	-	4,042	-	-	Miscellaneous	-	-	-
16	<u>\$ 926,915</u>	<u>\$ 781,647</u>	<u>\$ 1,974,500</u>	<u>\$ 1,618,500</u>	<u>Total Miscellaneous</u>	<u>\$ 1,558,100</u>	<u>\$ 1,558,100</u>	<u>\$ 1,558,100</u>
17								
18	<u>\$ 4,558,439</u>	<u>\$ 29,210,467</u>	<u>\$ 5,947,400</u>	<u>\$ 5,689,700</u>	TOTAL RESOURCES	<u>\$ 5,698,500</u>	<u>\$ 5,698,500</u>	<u>\$ 5,698,500</u>

Notes:

¹³ City funds are pooled and held at the Oregon State Treasury and a local bank. Interest rates dropped from 3.2% in July 2008 to 1.4% in March 2009.

CAPITAL PROJECTS FUND

KEIZER STATION LOCAL IMPROVEMENT DISTRICT									
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	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
19	REQUIREMENTS							
20								
21	MATERIALS & SERVICES							
22	\$ -	\$ -	\$ 15,000	\$ 1,700	Legal Services - Bond Council	\$ 2,000	\$ 2,000	\$ 2,000
23	42,016	45,134	15,000	600	Contractual Services	-	-	-
24	4,601	203,381	-	600	Line of Credit Issuance Costs	-	-	-
25	<u>\$ 46,617</u>	<u>\$ 248,515</u>	<u>\$ 30,000</u>	<u>\$ 2,900</u>	TOTAL MATERIALS & SERVICES	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>
26								
27	CAPITAL OUTLAY							
28	\$ 4,047,173	\$ 789,952	\$ -	\$ -	Improvements	\$ -	\$ -	\$ -
29								
30	DEBT SERVICE							
31	\$ 918,951	\$ 23,720,000	1,605,500	\$ 1,432,900	Interest	1,339,000	1,339,000	1,339,000
32	-	1,063,239	825,000	830,000	Principal	925,000	925,000	925,000
33	<u>\$ 918,951</u>	<u>\$ 24,783,239</u>	<u>\$ 2,430,500</u>	<u>\$ 2,262,900</u>	TOTAL DEBT SERVICE	<u>\$ 2,264,000</u>	<u>\$ 2,264,000</u>	<u>\$ 2,264,000</u>
34								
35	TRANSFERS OUT							
36	\$ 23,487	\$ -	\$ -	\$ -	Street Fund	\$ -	\$ -	\$ -
37	-	-	-	-	Internal Services Fund	2,600	2,600	2,600
38	<u>\$ 23,487</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	TOTAL TRANSFERS OUT	<u>\$ 2,600</u>	<u>\$ 2,600</u>	<u>\$ 2,600</u>
39								
40	SPECIAL PAYMENTS							
41	103,392	-	-	-	Urban Renewal Project Fund	-	-	-
42								
43	FUND BALANCE							
44	-	-	2,681,000	2,681,000	Restricted for Future Debt Service	2,681,000	2,681,000	2,681,000
45	(581,181)	3,388,761	805,900	742,900	Unrestricted Ending Fund Balance	748,900	748,900	748,900
46								
47	<u>\$ 4,558,439</u>	<u>\$ 29,210,467</u>	<u>\$ 5,947,400</u>	<u>\$ 5,689,700</u>	TOTAL REQUIREMENTS	<u>\$ 5,698,500</u>	<u>\$ 5,698,500</u>	<u>\$ 5,698,500</u>

Notes:

37 The transfer to the Internal Services Fund is to pay the Fund's share of City Attorney costs.

STORMWATER FUND

The Stormwater Fund is a new fund managed by the Public Works Department to meet the Federal Clean Water Act administered by Oregon Department of Environmental Quality (DEQ). The City of Keizer has been identified as a Phase II City by DEQ. The City was issued a National Pollutant Discharge Elimination System (NPDES) permit to discharge stormwater into the Willamette River, and Claggett and Labish Creeks in March 2007. The City is currently in the second year of the five-year permit continuing

implementation of the Stormwater Management Plan (SWMP).

City Council established the appropriate utility fee structure to meet NPDES PH II permit requirements over the next five years and provide for Stormwater Systems maintenance and upgrades. The Street Fund will transfer money to fund its share of the cost for maintaining city owned impervious surfaces based on square footage, which is adjusted annually as new roads are dedicated to the Public.

Projects completed in FY08-09

- Received annual approval on SWMP implementation from DEQ who expressed using Keizer as the model for other Phase II Cities.
- Purchased a New Storm Sewer Jetting Truck and completed maintenance of 25% of the system.
- Established Stormwater Advisory Committee (SWAC) and developed Illicit Discharge Permit.
- Staff participating in the revitalized Claggett Creek Water Shed Council.
- Completed Storm Sewer System upgrade on Wheatland Road.

Division Goals for FY09-10

- Relocate and build new 18" Storm Sewer line to serve Aldine Sub-Division.
- Stormwater Division share of new service vehicle.
- Develop and implement an Underground Injection Control plan (UIC).
- SWAC will assist City Council in developing and adopting a new Construction Site Runoff Ordinance for sediment control.
- Clean and maintain additional 25% of Storm Sewer system as identified in the SWMP.
- Implement sections of the Willamette River TMDL as required by DEQ.

ENTERPRISE FUND
STORM WATER FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
RESOURCES								
1	\$ -	\$ -	\$ 319,300	\$ 306,300	<i>Working Capital Carry forward</i>	\$ 249,700	\$ 249,700	\$ 249,700
2								
3	LICENSES & FEES							
4	-	2,945	5,000	2,000	Planning & Construction Fees	2,000	2,000	2,000
5	-	364,186	559,200	528,000	Service Fees	528,000	528,000	528,000
6	-	367,131	564,200	530,000	TOTAL LICENSES & FEES	530,000	530,000	530,000
7								
8	MISCELLANEOUS							
9	-	5,992	6,500	1,000	Interest	1,000	1,000	1,000
10	-	5,992	6,500	1,000	TOTAL MISCELLANEOUS	1,000	1,000	1,000
11								
12	TRANSFERS IN							
13	-	-	142,100	-	Interfund Borrowing from Transportation Fund	-	-	-
14	-	149,100	149,200	149,200	Transfer from Street Fund	151,500	151,500	151,500
15	-	149,100	291,300	149,200	TOTAL TRANSFERS IN	151,500	151,500	151,500
16								
17								
18	\$ -	\$ 522,223	\$ 1,181,300	\$ 986,500	TOTAL RESOURCES	\$ 932,200	\$ 932,200	\$ 932,200

Notes:

⁵ The Service Fee Revenue is based on FY08-09 actual revenues which are approximately \$44,000 per month.

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

ENTERPRISE FUND
STORM WATER FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
	REQUIREMENTS							
	PERSONNEL SERVICES							
19								
20								
21								
22	\$ -	\$ 5,462	\$ 5,900	\$ 5,900	City Manager (2)	\$ -	\$ -	\$ -
23	-	722	5,900	5,900	Assistant to City Manager (4)	-	-	-
24	-	5,058	5,300	5,300	Public Works Director	16,200	16,200	16,200
25	-	3,963	4,100	4,100	Public Works Superintendent	4,300	4,300	4,300
26	-	712	800	800	City Recorder (5)	-	-	-
27	-	21,226	129,000	121,900	Municipal Utility Workers	123,300	123,300	123,300
28	-	-	-	-	Code Enforcement/Zoning Technician	2,200	2,200	2,200
29	-	15,798	47,300	47,300	Environmental Program Coordinator	56,400	56,400	56,400
30	-	9,744	12,800	12,700	Administrative Support	7,400	7,400	7,400
31	-	1,050	3,400	3,400	Network Administrator (4)	-	-	-
32	-	2,363	4,700	4,900	Human Resources Director (6)	-	-	-
33	-	2,890	3,000	3,000	Finance Director (7)	-	-	-
34	-	1,923	2,100	2,100	Facility Maintenance Worker (8)	-	-	-
35	-	-	4,000	-	Temporary Employee	20,000	20,000	20,000
36	-	40	2,100	2,100	Overtime	6,400	6,400	6,400
37	-	-	-	-	Duty Pay	1,200	1,200	1,200
38	-	460	400	400	Vehicle Allowance/Tuition Assistance (2)	-	-	-
39	-	-	-	1,000	Cell Phone - Clothing Allowances	800	800	800
40	-	1,110	3,400	3,400	Medicare	3,300	3,300	3,300
41	-	12,097	40,000	39,200	Retirement	35,200	35,200	35,200
42	-	46,553	56,800	56,800	Insurance Benefits	57,200	57,200	57,200
43	-	1,525	5,200	5,200	Workers Compensation	2,700	2,700	2,700
44	\$ -	\$ 132,696	\$ 336,200	\$ 325,400	TOTAL PERSONNEL SERVICES	\$ 336,600	\$ 336,600	\$ 336,600

Notes:

²¹ Personnel Services related to general administration are now budgeted in the Internal Services Fund as follows:

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

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

²¹ Salaries are projected to increase 3% plus step increases for eligible employees per Council policy.

³⁰ Beginning FY09-10, Administrative Support Staff includes Utility Billing staff only. General administrative staff are in the Internal Services Section of the budget.

³⁵ Temporary employee will assist in Underground Injection Control (UIC) inventory and registration.

³⁹ Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.

⁴⁰ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

⁴¹ The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.

⁴² The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.

⁴³ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.

ENTERPRISE FUND
STORM WATER FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
45					<i>MATERIALS & SERVICES</i>			
46	\$ -	\$ 1,908	\$ 1,400	\$ 1,400	Office Materials & Supplies	\$ 1,400	\$ 1,400	\$ 1,400
47	-	106	200	200	Safety & Wellness (6)	-	-	-
48	-	2,036	7,100	5,800	Postage & Printing	6,100	6,100	6,100
49	-	-	1,000	500	Concrete	1,000	1,000	1,000
50	-	296	1,000	500	Rock & Backfill	1,000	1,000	1,000
51	-	-	1,000	500	Paving	1,000	1,000	1,000
52	-	2,413	3,000	3,000	Association Memberships (1)	-	-	-
53	-	2,114	6,500	6,500	Travel & Training	8,000	8,000	8,000
54	-	367	400	400	City Council Expenses (1)	-	-	-
55	-	1,300	1,500	1,300	Advertising	1,000	1,000	1,000
56	-	3,011	6,000	5,000	Legal Services (3)	-	-	-
57	-	742	1,900	1,900	Labor Attorney (6)	1,000	1,000	1,000
58	-	18,008	27,800	10,000	Contractual Services	10,000	10,000	10,000
59	-	-	300	300	Audit (7)	-	-	-
60	-	3,864	15,000	11,000	Engineering Services	20,000	20,000	20,000
61	-	2,001	2,700	2,700	Janitorial (8)	-	-	-
62	-	1,317	1,400	1,400	Utilities (8)	-	-	-
63	-	8,096	13,000	4,200	Storm Drain Utilities	6,000	6,000	6,000
64	-	456	400	400	Telephone (4)	-	-	-
65	-	627	800	800	Insurance - Liability	3,000	3,000	3,000
66	-	-	15,900	-	Vehicle & Equipment Rental	-	-	-
67	-	200	2,000	1,000	Gasoline	2,000	2,000	2,000
68	-	200	3,000	3,000	Diesel Fuel	3,700	3,700	3,700
69	-	947	2,100	1,900	Computer & Software Maintenance (4)	-	-	-
70	-	-	1,500	1,300	Vehicle Maintenance	1,500	1,500	1,500
71	-	807	5,000	3,000	Equipment Maintenance	6,000	6,000	6,000
72	-	699	1,000	1,000	Facility Maintenance (8)	-	-	-
73	-	-	20,000	1,400	Storm Sewer Dumping Costs	5,000	5,000	5,000
74	-	-	300	-	Office Equipment Maintenance (4)	-	-	-

Notes:

⁴⁵ Materials & Services related to general administration are now budgeted in the Internal Services Fund as follows:

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

⁴⁸ Postage costs are expected to increase 5% in FY09-10.

⁵⁷ Labor attorney costs are for union negotiations including dispute resolution. The Local 320 contract expires June, 30 2009. Negotiations are expected to continue into FY09-10.

⁶⁰ Engineering services include costs to decommission UICs.

⁶⁵ Liability insurance costs for the City's facilities are tracked in the Internal Services Fund - Civic Center Facilities budget beginning in FY09-10. The FY09-10 budget includes the Storm Fund's share of auto insurance premiums.

ENTERPRISE FUND
STORM WATER FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
75					MATERIALS & SERVICES - CONTINUED			
76	-	-	-	-	MS4 Annual Permit Renewal/UIC Registration Fees	14,000	14,000	14,000
77	-	7,446	20,000	6,000	Plant Maintenance	10,000	10,000	10,000
78	-	10	5,000	10,200	Pump Maintenance	10,000	10,000	10,000
79	-	2,831	7,000	14,000	Operating Materials & Supplies	15,000	15,000	15,000
80	-	105	200	500	Medical Testing	500	500	500
81	-	38	1,000	2,100	Lab Tests	2,200	2,200	2,200
82	-	-	1,000	1,500	Consumer Confidence Report/ Public Education	1,700	1,700	1,700
83	-	75	100	-	Miscellaneous	-	-	-
84	\$ -	\$ 62,020	\$ 177,500	\$ 104,700	TOTAL MATERIALS & SERVICES	\$ 131,100	\$ 131,100	\$ 131,100
85					CAPITAL OUTLAY			
86								
87	\$ -	\$ -	\$ -	\$ -	Office Furniture & Equipment	\$ -	\$ -	\$ -
88	-	-	2,000	2,000	Field Equipment	9,500	9,500	9,500
89	-	1,356	2,900	2,600	Computer Hardware	-	-	-
90	-	-	-	-	Service Vehicle	22,000	22,000	22,000
91	-	-	242,100	242,800	Storm Sewer Maintenance Truck	-	-	-
92	-	-	50,000	-	Storm Water Master Plan Update	-	-	-
93	-	-	1,000	-	Lift Station Telemetry System	-	-	-
94	-	19,804	100,000	25,000	Storm Sewer Pipe Extension or Repair	55,000	55,000	55,000
95	\$ -	\$ 21,160	\$ 398,000	\$ 272,400	TOTAL CAPITAL OUTLAY	\$ 86,500	\$ 86,500	\$ 86,500
96					TRANSFERS OUT			
97								
98	\$ -	\$ -	\$ 36,700	\$ 34,300	To Internal Services Fund	\$ 74,100	\$ 74,100	\$ 74,300
99	\$ -	\$ -	\$ 36,700	\$ 34,300	TOTAL TRANSFERS OUT	\$ 74,100	\$ 74,100	\$ 74,300
100								
101	-	-	32,700	-	Contingency	50,000	50,000	50,000
102					FUND BALANCE			
103								
104	-	-	1,200	1,200	Restricted for 27th pay period FY15-16	2,500	2,500	2,500
105	-	306,347	199,000	248,500	Unrestricted Ending Fund Balance	251,400	251,400	251,200
106								
107	\$ -	\$ 522,223	\$ 1,181,300	\$ 986,500	TOTAL REQUIREMENTS	\$ 932,200	\$ 932,200	\$ 932,200

Notes:

⁷⁶ MS4 Annual Permit Renewal/UIC Registration Fees are required by DEQ.

⁸⁸ Field equipment includes \$8,500 for rehabilitation of the 2001 service truck cargo and tool compartments.

⁸⁹ Computer hardware is now budgeted in the Internal Services Fund- Assistant to the City Manager & IT budget.

⁹⁰ Service vehicle is the Storm Fund's share of a new full size pick-up replacing a 1996 mid-size, which will be used by the Parks Division.

⁹⁸ The transfer to the Internal Services Fund is to pay the Storm Fund's share of City-wide administrative costs.

¹⁰⁴ The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

UTILITY BILLING DIVISION

The Utility Billing Division operates within the Finance Department and maintains approximately 10,200 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.

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

Accomplishments

- Staff provided information to the public on the City's website. Information includes service rates, meter set costs, system development charges, tips on detecting water leaks and water conservation, payment options and a guide to understanding the water/sewer bill. Senior/disabled discount forms are also available online.
- Each staff member attended customer service seminars during the year in an ongoing effort to enhance our service to customers.

- Through a change in the billing process, staff reduced the number of accounts sent to Marion County's tax roll for collection on unpaid sewer service to just three accounts in 2008.

Future Goals

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

- Staff is working toward offering a Budget Billing option for our residential accounts. Our goal is to have this service available to our customers by the end of 2009.
- Staff is working with a local bank to determine whether we can provide an online bill pay option for our customers at a reasonable cost to the City.
- Utility Billing is cross training staff. Our objective is to have each member knowledgeable in completing the monthly and final billing processes.
- Staff is working with other Finance staff on implementing procedures for the City's Identity Theft Protection program.

**ENTERPRISE FUND
SEWER FUND**

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
RESOURCES								
1	\$ 138,767	\$ 442,014	\$ 177,000	\$ 481,200	<i>Working Capital Carryforward</i>	\$ 476,500	\$ 476,500	\$ 476,500
2								
3	CHARGES FOR SERVICES							
4	8,114	546	500	200	Planning/Construction Fees	200	200	200
5	4,118,776	4,060,164	4,362,600	4,204,100	Salem Sewer Billing	4,319,700	4,319,700	4,319,700
6	281,450	316,918	291,000	296,800	Sewer Administration Fee	296,800	296,800	296,800
7	4,408,340	4,377,628	4,654,100	4,501,100	TOTAL CHARGES FOR SERVICES	4,616,700	4,616,700	4,616,700
8								
9	MISCELLANEOUS							
10	5,462	5,124	6,000	5,200	Miscellaneous	5,000	5,000	5,000
11								
12	\$ 4,552,569	\$ 4,824,766	\$ 4,837,100	\$ 4,987,500	TOTAL RESOURCES	\$ 5,098,200	\$ 5,098,200	\$ 5,098,200

Notes:

⁵ The City of Salem is working with a revenue slope of 6.5% for rate changes beginning January 2009. Salem has agreed to phase out the 7.5% surcharge on the City of Keizer's rates at 1.5% in 2009 and 1% thereafter. FY09-10 rates are base on a net 5.5% rate increase.

⁶ Projections are based on approximately 10,200 sewer customers billed bi-monthly at \$4.85 per bill.

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

ENTERPRISE FUND
SEWER FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
13	REQUIREMENTS							
14	PERSONNEL SERVICES							
15	<i>PERSONNEL SERVICES</i>							
16	\$ 1,013	\$ 1,092	\$ 1,200	\$ 1,200	City Manager (2)	\$ -	\$ -	\$ -
17	-	180	1,500	1,500	Assistant to City Manager (4)	-	-	-
18	2,816	3,035	3,200	3,200	Public Works Director	3,300	3,300	3,300
19	3,676	3,963	4,100	4,100	Public Works Superintendent	4,300	4,300	4,300
20	-	1,423	1,500	1,500	City Recorder (5)	-	-	-
21	97,949	95,382	104,900	103,000	Administrative Support	84,200	84,200	84,200
22	1,966	1,575	1,700	1,700	Network Administrator (4)	-	-	-
23	3,405	3,544	2,400	2,400	Human Resources Director (6)	-	-	-
24	19,576	20,232	20,900	20,900	Finance Director (7)	-	-	-
25	1,802	1,924	2,100	2,100	Facility Maintenance Worker (8)	-	-	-
26	-	-	-	100	Cell Phone Stipend (2)-(8)	-	-	-
27	40	191	1,000	1,000	Overtime	1,900	1,900	1,900
28	92	92	200	200	Vehicle Allowance/Tuition Assistance (2)	-	-	-
29	2,027	2,039	2,300	2,300	Medicare	1,500	1,500	1,500
30	23,115	22,374	25,700	25,300	Retirement	14,100	14,100	14,100
31	29,887	22,963	35,700	35,700	Insurance Benefits	27,800	27,800	27,800
32	332	317	400	400	Workers Compensation	100	100	100
33	\$ 187,696	\$ 180,326	\$ 208,800	\$ 206,600	TOTAL PERSONNEL SERVICES	\$ 137,200	\$ 137,200	\$ 137,200

Notes:

¹⁵ Personnel Services related to general administration are now budgeted in the Internal Services Fund as follows:

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

¹⁵ Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.

¹⁵ Salaries are projected to increase 3% plus step increases for eligible employees per Council policy.

²⁷ Beginning FY09-10, Administrative Support Staff includes Utility Billing staff only. General administrative staff are in the Internal Services Section of the budget.

²⁹ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

³⁰ The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.

³¹ The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.

³² Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.

ENTERPRISE FUND
SEWER FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
34					<i>MATERIALS & SERVICES</i>			
35	\$ 2,400	\$ 1,869	\$ 1,900	\$ 1,500	Office Materials & Supplies	\$ 2,000	\$ 2,000	\$ 2,000
36	267	64	100	100	Safety & Wellness (6)	-	-	-
37	21,731	21,078	21,300	24,800	Postage & Printing	26,000	26,000	26,000
38	1,589	1,520	1,800	1,800	Association Memberships (1)	-	-	-
39	2,639	2,119	5,100	3,500	Travel & Training	2,400	2,400	2,400
40	238	227	200	200	City Council Expenses (1)	-	-	-
41	72	538	700	200	Advertising	500	500	500
42	6,984	2,558	2,400	6,300	Legal Services (3)	-	-	-
43	330	448	500	200	Labor Attorney (6)	-	-	-
44	1,793	2,150	2,500	2,000	Contractual Services	2,500	2,500	2,500
45	2,279	4,053	5,100	5,100	Audit (7)	-	-	-
46	15,407	18,071	10,000	7,300	Engineering Services	7,500	7,500	7,500
47	1,297	1,121	1,600	1,600	Janitorial (8)	-	-	-
48	874	734	800	800	Utilities (8)	-	-	-
49	493	770	800	700	Telephone (8)	-	-	-
50	12,123	12,182	13,600	9,300	Insurance - Liability (8)	-	-	-
51	9,023	5,412	7,600	6,800	Computer & Software Maintenance (4)	-	-	-
52	769	463	500	500	Equipment Maintenance (4)	-	-	-
53	774	405	600	500	Facility Maintenance (8)	-	-	-
54	3,834,210	4,083,897	4,362,600	4,204,100	Salem Sewer Payments	4,319,700	4,319,700	4,319,700
55	23	21	100	-	Medical Testing	-	-	-
56	113	127	200	100	Miscellaneous Expense	100	100	100
57	\$ 3,915,428	\$ 4,159,827	\$ 4,440,000	\$ 4,277,400	TOTAL MATERIALS & SERVICES	\$ 4,360,700	\$ 4,360,700	\$ 4,360,700

Notes:

34 Materials & Services related to general administration are now budgeted in the Internal Services Fund as follows:

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

37 Postage costs are expected to increase 5% in FY09-10.

38 Beginning FY10, Travel & Training is for Utility Billing staff only.

41 Advertising is for staff recruitments.

54 Salem Sewer Payments are pass-through expenses and equal Salem Sewer Billing revenues in the Resources section.

ENTERPRISE FUND
SEWER FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
58					<i>CAPITAL OUTLAY</i>			
59	\$ 5	\$ -	\$ -	\$ -	Office Furniture & Equipment	\$ -	\$ -	\$ -
60	4,127	3,345	7,200	6,400	Computer Hardware	-	-	-
61	\$ 4,132	\$ 3,345	\$ 7,200	\$ 6,400	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -
62								
63	-	-	12,800	-	Contingency	15,800	15,800	15,800
64								
65					<i>TRANSFERS OUT</i>			
66	3,299	-	22,100	20,600	Transfer to Internal Services Fund	136,900	136,900	137,100
67	\$ 3,299	\$ -	\$ 22,100	\$ 20,600	TOTAL TRANSFERS OUT	\$ 136,900	\$ 136,900	\$ 137,100
68								
69								
70					<i>FUND BALANCE</i>			
71	-	-	800	800	Restricted for 27th pay period FY15-16	1,100	1,100	1,100
72	442,014	481,268	145,400	475,700	Unrestricted Ending Fund Balance	446,500	446,500	446,300
73								
74	\$ 4,552,569	\$ 4,824,766	\$ 4,837,100	\$ 4,987,500	TOTAL REQUIREMENTS	\$ 5,098,200	\$ 5,098,200	\$ 5,098,200

Notes:

- ⁶⁰ Computer hardware is now budgeted in the Internal Services Fund- Assistant to the City Manager & IT budget.
- ⁶³ Contingency is 5% of total expenses less Salem Sewer Payments.
- ⁶⁶ The transfer to the Internal Services Fund is to pay the Sewer Funds share of City-wide administrative costs.
- ⁷¹ The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

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. City Council approved the staff recommendation to construct the 36" master sewer trunk line extension along McNary Estates Drive to Willow Lake Treatment Plant fulfilling distribution capacity agreements with the City of Salem.

ENTERPRISE FUND

SEWER RESERVE FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
RESOURCES								
3	\$ 818,693	\$ 974,129	\$ 1,045,100	\$ 1,058,800	<i>Working Capital Carryforward</i>	\$ 1,025,100	\$ 1,025,100	\$ 1,025,100
CHARGES FOR SERVICES								
6	154,002	84,565	-	36,000	Sewer System Development Fee	-	-	-
7	44,275	-	-	-	Storm Sewer Acreage Fee	-	-	-
8	\$ 198,277	\$ 84,565	\$ -	\$ 36,000	TOTAL CHARGES FOR SERVICES	\$ -	\$ -	\$ -
MISCELLANEOUS								
11	992	86	1,000	25,000	Interest	7,800	7,800	7,800
TRANSFERS IN								
14	-	-	18,500	18,400	General Fund	-	-	-
15	-	-	-	130,800	Transportation Fund	-	-	-
16	\$ -	\$ -	\$ 18,500	\$ 149,200	TOTAL TRANSFERS IN	\$ -	\$ -	\$ -
18	\$ 1,017,962	\$ 1,058,780	\$ 1,064,600	\$ 1,269,000	TOTAL RESOURCES	\$ 1,032,900	\$ 1,032,900	\$ 1,032,900
REQUIREMENTS								
MATERIALS & SERVICES								
23	\$ -	\$ -	\$ 20,000	\$ 43,900	Engineering	\$ -	\$ -	\$ -
24	\$ -	\$ -	\$ 20,000	\$ 43,900	TOTAL MATERIALS & SERVICES	\$ -	\$ -	\$ -
CAPITAL OUTLAY								
27	\$ -	\$ -	\$ 1,026,100	\$ 200,000	Sewer Line Extensions	\$ 816,000	\$ 816,000	\$ 816,000
28	43,833	-	-	-	Storm Drain Reimbursement	-	-	-
29	-	-	-	-	Unanticipated Expenses	-	216,900	216,900
30	\$ 43,833	\$ -	\$ 1,026,100	\$ 200,000	TOTAL CAPITAL OUTLAY	\$ 816,000	\$ 1,032,900	\$ 1,032,900
FUND BALANCE								
33	\$ 974,129	\$ 1,058,780	\$ 18,500	\$ 1,025,100	Unrestricted Ending Fund Balances	\$ 216,900	\$ -	\$ -
35	\$ 1,017,962	\$ 1,058,780	\$ 1,064,600	\$ 1,269,000	TOTAL REQUIREMENTS	\$ 1,032,900	\$ 1,032,900	\$ 1,032,900

Notes:

¹¹ City funds are pooled and held at the Oregon State Treasury and a local bank. Interest rates dropped from 3.2% in July 2008 to 1.4% in March 2009. Cash balances in the Sewer Reserve Fund will deplete throughout the year to pay for capital outlay construction.

¹⁴ The FY08-09 transfer from the General Fund is repayment for receipts received in prior fiscal years that belong in the Sewer Reserve Fund.

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

²⁷ Sewer line extension is for continuing construction along McNary Estates Drive to Willow Lake Treatment Plant per agreement with City of Salem.

WATER FUND

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

Accomplishments . . .

- Purchased a new pickup truck.
- Purchased Equipment for Monitoring Well & Distribution System Sampling

Future Goals . . .

- Replace Hydraulic Unit in Service Vehicle
- Continue Updating Distribution System to Ensure Adequate Volume and Pressure Delivery to Residents
- Replace Radios in 6 Service Vehicles to Comply with FCC Requirements for Digital Transition

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

ENTERPRISE FUND

WATER FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
RESOURCES								
1	\$ 1,162,061	\$ 928,875	\$ 1,233,700	\$ 1,228,900	<i>Working Capital Carryforward</i>	\$ 347,600	\$ 347,600	\$ 347,600
2								
3					TAXES & ASSESSMENTS			
4	705	705	-	700	Assessments	\$ 700	\$ 700	\$ 700
5								
6					LICENSES & FEES			
7	21,738	4,508	5,000	200	Planning & Construction Fees	200	200	200
8	32,755	33,755	39,700	300	Service Fees	300	300	300
9	19,886	28,900	22,000	26,600	Diesel Fuel Sales	24,000	24,000	24,000
10	37,594	13,451	10,000	-	Live Tap Reimbursement	-	-	-
11	<u>\$ 111,973</u>	<u>\$ 80,614</u>	<u>\$ 76,700</u>	<u>\$ 27,100</u>	TOTAL LICENSES & FEES	<u>\$ 24,500</u>	<u>\$ 24,500</u>	<u>\$ 24,500</u>
12								
13					CHARGES FOR SERVICES			
14	2,716,738	2,460,872	2,798,400	2,503,100	Water Sales	2,503,100	2,503,100	2,503,100
15								
16					MISCELLANEOUS			
17	105	91	-	100	Assessment Interest	100	100	100
18	70,352	43,031	70,400	27,600	Interest	24,600	24,600	24,600
19	7,897	43,460	-	10,400	Miscellaneous	-	-	-
20	<u>\$ 78,354</u>	<u>\$ 86,582</u>	<u>\$ 70,400</u>	<u>\$ 38,100</u>	TOTAL MISCELLANEOUS	<u>\$ 24,700</u>	<u>\$ 24,700</u>	<u>\$ 24,700</u>
21								
22					INTERGOVERNMENTAL			
23	-	-	-	14,700	Transfer from Urban Renewal	-	-	-
24								
25	<u>\$ 4,069,831</u>	<u>\$ 3,557,648</u>	<u>\$ 4,179,200</u>	<u>\$ 3,812,600</u>	TOTAL RESOURCES	<u>\$ 2,900,600</u>	<u>\$ 2,900,600</u>	<u>\$ 2,900,600</u>

Notes:

- ⁹ Diesel Fuel Sales is for fuel sold to the Keizer Fire District.
- ¹⁴ Water Sales Revenues are budgeted at FY08-09 projections.
- ¹⁸ City funds are pooled and held at the Oregon State Treasury and a local bank. Interest rates dropped from 3.2% in July 2008 to 1.4% in March 2009.
- ¹⁹ Miscellaneous Revenues include one-time revenues that are not characterized by line-item descriptions.
- ²³ The transfer from Urban Renewal was to pay for the fill station from Bailey Road to Rickman Road NE

ENTERPRISE FUND

WATER FUND

ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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REQUIREMENTS

PERSONNEL SERVICES

26									
27	\$ 10,130	\$ 10,925	\$ 11,700	\$ 11,700	City Manager (2)	\$ -	\$ -	\$ -	\$ -
28	-	1,354	10,900	10,900	Assistant to City Manager (4)	-	-	-	-
29	25,341	27,314	28,200	28,200	Public Works Director	29,100	29,100	29,100	29,100
30	33,091	35,665	36,800	36,800	Public Works Superintendent	33,700	33,700	33,700	33,700
31	-	1,423	1,500	1,500	City Recorder (5)	-	-	-	-
32	422,859	440,433	473,900	473,900	Municipal Utility Workers	495,500	495,500	495,500	495,500
33	1,821	2,002	2,200	2,200	Community Development Director	2,300	2,300	2,300	2,300
34	123,234	117,940	127,000	124,600	Administrative Support	93,600	93,600	93,600	93,600
35	8,849	8,922	9,000	9,000	Network Administrator (4)	-	-	-	-
36	15,322	20,082	12,400	12,900	Human Resources Director (6)	-	-	-	-
37	24,470	20,232	20,900	20,900	Finance Director (7)	-	-	-	-
38	7,207	5,771	6,200	6,200	Facility Maintenance Worker (8)	-	-	-	-
39	-	-	3,300	3,100	Cell Phone Stipend/Clothing Allowance	2,700	2,700	2,700	2,700
40	35,637	25,433	31,000	31,000	Overtime	27,100	27,100	27,100	27,100
41	10,400	10,600	10,400	10,400	Duty Pay	12,800	12,800	12,800	12,800
42	920	920	1,000	1,000	Vehicle Allowance/Tuition Assistance (2)	-	-	-	-
43	11,000	11,132	12,000	12,000	Medicare	10,300	10,300	10,300	10,300
44	123,841	119,928	140,400	138,200	Retirement	105,700	105,700	105,700	105,700
45	150,532	156,428	182,600	182,600	Insurance Benefits	177,200	177,200	177,200	177,200
46	7,415	6,060	14,400	14,400	Workers Compensation	7,900	7,900	7,900	7,900
47	\$ 1,012,069	\$ 1,022,564	\$ 1,135,800	\$ 1,131,500	TOTAL PERSONNEL SERVICES	\$ 997,900	\$ 997,900	\$ 997,900	\$ 997,900

Notes:

26 Personnel Services related to general administration are now budgeted in the Internal Services Fund as follows:

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

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

26 Salaries are projected to increase 3% plus step increases for eligible employees per Council policy.

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

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

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

44 The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.

45 The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.

46 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.

ENTERPRISE FUND

WATER FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
48					MATERIALS & SERVICES			
49	\$ 8,057	\$ 6,716	\$ 8,200	\$ 6,700	Office Materials & Supplies	\$ 7,000	\$ 7,000	\$ 7,000
50	1,159	437	600	600	Safety & Wellness (6)	-	-	-
51	28,673	26,251	28,700	31,200	Postage & Printing	32,700	30,100	32,700
52	4,249	2,907	5,000	7,000	Concrete	6,000	6,000	6,000
53	7,363	9,238	8,500	10,500	Rock & Backfill	10,500	10,500	10,500
54	7,148	3,957	7,000	6,000	Paving	7,000	7,000	7,000
55	9,184	12,563	11,000	14,500	Sequestering Agent	15,000	15,000	15,000
56	6,224	3,961	10,000	4,900	Fluoride	7,500	7,500	7,500
57	7,612	8,432	10,100	10,100	Association Memberships (1)	-	-	-
58	16,557	17,831	21,500	21,500	Travel & Training	16,900	17,400	16,900
59	1,200	1,320	1,400	1,500	City Council Expenses (5)	-	-	-
60	2,860	3,819	1,000	200	Advertising	1,000	1,000	1,000
61	13,557	12,504	10,300	7,600	Legal Services (3)	-	-	-
62	3,016	4,189	8,200	5,000	Labor Attorney	3,500	3,500	3,500
63	37,486	29,730	52,800	30,500	Contractual Services	50,000	50,000	50,000
64	1,005	2,395	2,500	2,500	Audit (7)	-	-	-
65	558	1,019	2,000	2,500	Flagging	3,000	3,000	3,000
66	22,167	16,878	25,000	15,000	Engineering Services	20,000	20,000	20,000
67	9,194	9,881	11,900	11,900	Janitorial (8)	-	-	-
68	3,010	2,923	500	3,900	Clothing	-	-	-
69	171,249	175,382	195,800	195,800	Gas & Electricity	201,600	201,600	201,600

Notes:

⁴⁸ Materials & Services related to general administration are now budgeted in the Internal Services Fund as follows:

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

⁵¹ Postage costs are expected to increase 5% in FY09-10.

⁵⁸ Travel & Training costs are for Public Works and Utility Billing staff only. Travel & training for Administrative staff has been moved to the Internal Services Fund.

⁶² Labor attorney costs are for union negotiations including dispute resolution. The Local 320 contract expires June, 30 2009. Negotiations are expected to continue into FY09-

⁶⁸ Clothing allowances are taxable fringe benefits and are therefore part of the Personnel Services section of the budget.

ENTERPRISE FUND

WATER FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
70					<i>MATERIALS & SERVICES - CONTINUED</i>			
71	9,069	8,062	9,500	7,500	Natural Gas	8,500	8,500	8,500
72	26,284	15,434	16,500	12,600	Telephone	15,000	15,000	15,000
73	2,660	1,800	10,000	8,500	Telemetry	10,000	10,000	10,000
74	49,596	49,894	57,900	39,800	Insurance - Liability	10,500	10,500	10,500
75	12,519	14,062	15,000	15,000	Gasoline	15,000	15,000	15,000
76	29,940	40,933	41,000	41,000	Diesel Fuel	37,400	37,400	37,400
77	12,783	10,892	12,000	12,000	Computer & Software Maintenance (4)	-	-	-
78	14,845	17,660	15,500	10,000	Vehicle Maintenance	12,000	12,000	12,000
79	11,597	12,240	13,000	13,000	Equipment Maintenance	15,000	15,000	15,000
80	3,910	2,477	3,500	3,500	Facility Maintenance (8)	-	-	-
81	348	-	400	400	Office Equipment Maintenance (4)	-	-	-
82	50,556	31,398	40,000	35,000	Plant Maintenance	40,000	40,000	40,000
83	25,735	13,760	10,000	5,000	Live Taps	10,000	10,000	10,000
84	17,090	31,111	20,000	23,000	Pump House Maintenance	25,000	25,000	25,000
85	36,097	30,145	30,000	35,000	Pump Maintenance	30,000	30,000	30,000
86	33,298	38,720	35,000	30,000	Operating Materials & Supplies	35,000	35,000	35,000
87	953	32	1,500	500	Medical Testing	1,500	1,500	1,500
88	29,121	2,487	25,000	9,000	Water Mains	15,000	15,000	15,000
89	3,910	4,092	4,100	4,100	Well Property Lease	4,100	4,100	4,100
90	41,732	40,494	77,000	66,000	Lab Tests	42,000	42,000	42,000
91	29,645	30,508	32,000	32,000	Contract Meter Reading	32,000	32,000	32,000
92	7,303	6,581	10,000	8,000	Consumer Confidence Report/ Public Education	10,000	10,000	10,000
93	179	342	-	-	Miscellaneous	-	-	-
94	\$ 810,698	\$ 755,457	\$ 900,900	\$ 800,300	TOTAL MATERIALS & SERVICES	\$ 749,700	\$ 749,700	\$ 749,700

Notes:

⁷⁰ Materials & Services related to general administration are now budgeted in the Internal Services Fund as follows:

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

⁷⁴ Liability insurance costs for the City's facilities are tracked in the Internal Services Fund - Civic Center Facilities budget beginning in FY09-10. The FY09-10 budget includes the Water Fund's share of auto insurance premiums.

⁹³ Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.

ENTERPRISE FUND

WATER FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
95					<i>CAPITAL OUTLAY</i>			
96	\$ 2,943	\$ 11,969	\$ -	\$ 1,300	Office Furniture & Equipment	\$ -	\$ -	\$ -
97	25,351	10,270	18,600	11,000	Field Equipment	11,300	11,300	11,300
98	15,873	9,402	13,500	11,900	Computer Hardware	-	-	-
99	14,657	42,330	35,000	33,400	Public Works Vehicle	-	-	-
100	28,161	20,834	25,000	10,000	Water Meters	15,000	15,000	15,000
101	-	-	16,200	16,200	Storm Sewer Maintenance Truck	-	-	-
102	202	-	-	-	Keizer Station Improvements	-	-	-
103	217,687	122,655	-	-	Shop Building Addition	-	-	-
104	<u>\$ 304,874</u>	<u>\$ 217,460</u>	<u>\$ 108,300</u>	<u>\$ 83,800</u>	TOTAL CAPITAL OUTLAY	<u>\$ 26,300</u>	<u>\$ 26,300</u>	<u>\$ 26,300</u>
105								
106					<i>DEBT SERVICE</i>			
107	\$ 135,000	\$ 135,000	\$ 140,000	\$ 140,000	Principal	\$ 145,000	\$ 145,000	\$ 145,000
108	103,833	98,298	92,700	92,700	Interest	86,900	86,900	86,900
109	<u>\$ 238,833</u>	<u>\$ 233,298</u>	<u>\$ 232,700</u>	<u>\$ 232,700</u>	TOTAL DEBT SERVICE	<u>\$ 231,900</u>	<u>\$ 231,900</u>	<u>\$ 231,900</u>
110								
111	-	-	107,400	-	Contingency	88,700	88,700	88,700
112								
113					<i>TRANSFERS OUT</i>			
114	\$ 6,783	\$ -	\$ 124,700	\$ 116,600	To Internal Services Fund	281,100	281,000	281,300
115	767,700	100,000	1,230,100	1,100,100	Transfer to Water Facility Replacement Reserve	150,000	150,000	150,000
116	<u>\$ 774,483</u>	<u>\$ 100,000</u>	<u>\$ 1,354,800</u>	<u>\$ 1,216,700</u>	TOTAL TRANSFERS OUT	<u>\$ 431,100</u>	<u>\$ 431,000</u>	<u>\$ 431,300</u>
117								\$ 2,525,800
118					<i>FUND BALANCE</i>			
119	-	-	4,500	4,500	Restricted for 27th pay period FY15-16	7,900	7,900	7,900
120	928,874	1,228,869	334,800	343,100	Unrestricted Ending Fund Balance	367,100	367,200	366,900
121								
122	<u>\$ 4,069,831</u>	<u>\$ 3,557,648</u>	<u>\$ 4,179,200</u>	<u>\$ 3,812,600</u>	TOTAL REQUIREMENTS	<u>\$ 2,900,600</u>	<u>\$ 2,900,600</u>	<u>\$ 2,900,600</u>

Notes:

⁹⁸ Computer hardware is now budgeted in the Internal Services Fund- Assistant to the City Manager & IT budget.

¹¹¹ Contingency is 5% of expenditures.

¹¹⁴ The transfer to the Internal Services Fund is to pay the Sewer Funds share of City-wide administrative costs.

¹¹⁹ The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

¹²⁰ The Fund Balance provides for a 60-day cash supply as provided for in the Cost of Service Analysis adopted by the City Council.

WATER FACILITY REPLACEMENT RESERVE

The Water Facility Replacement Reserve was established for replacement and construction of new facilities needed to provide water production, storage, and distribution. Revenue consists of System Development Charges, water usage charges transferred from the Water Operating Fund and revenue bonds. Expenditures listed in the 2009/2010 Capital Improvements are identified in the 2001 Water System Master Plan update. Construction of the needed storage and additional source will complete the water system serving the existing Urban Growth Boundary.

Projects Completed Fiscal Year 2008/2009

- 11,850 feet of Steel Waterline Replacements City-Wide
- Installed Additional Fluoride System at Delta Pump Station

Water Facility Fund Capital Improvements Fiscal Year 2009/2010

- Construct Well & Pump House to Complete Master Plan Recommendation
- Add Fluoride System at 17th Ave. Pump Station

ENTERPRISE FUND

WATER FACILITY REPLACEMENT RESERVE

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
RESOURCES								
1	\$ 2,376,357	\$ 1,907,199	\$ 1,274,600	\$ 1,267,100	<i>Working Capital Carryforward</i>	\$ 1,428,200	\$ 1,428,200	\$ 1,428,200
2								
3					TAXES & ASSESSMENTS			
4	221	1,267	1,400	1,500	Assessments	\$ 1,500	\$ 1,500	\$ 1,500
5								
6					CHARGES FOR SERVICES			
7	\$ 101,093	\$ 123,208	\$ 44,000	\$ 30,000	System Development Charges	\$ 18,700	\$ 18,700	\$ 18,700
8	-	-	-	-	Oversized Reimbursement Fees	-	-	-
9	<u>\$ 101,093</u>	<u>\$ 123,208</u>	<u>\$ 44,000</u>	<u>\$ 30,000</u>	TOTAL CHARGES FOR SERVICES	<u>\$ 18,700</u>	<u>\$ 18,700</u>	<u>\$ 18,700</u>
10								
11					MISCELLANEOUS			
12	\$ 106,225	\$ 80,291	\$ 106,200	\$ 29,500	Interest	\$ 23,500	\$ 23,500	\$ 23,500
13	5,000	21	-	600	Miscellaneous	-	-	-
14	<u>\$ 111,225</u>	<u>\$ 80,312</u>	<u>\$ 106,200</u>	<u>\$ 30,100</u>	TOTAL MISCELLANEOUS	<u>\$ 23,500</u>	<u>\$ 23,500</u>	<u>\$ 23,500</u>
15								
16					TRANSFERS IN			
17	767,700	100,000	1,230,100	1,100,100	Transfer from Water Fund	150,000	150,000	150,000
18								
19	<u>\$ 3,356,596</u>	<u>\$ 2,211,986</u>	<u>\$ 2,656,300</u>	<u>\$ 2,428,800</u>	TOTAL RESOURCES	<u>\$ 1,621,900</u>	<u>\$ 1,621,900</u>	<u>\$ 1,621,900</u>

Notes:

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

⁷ System Development Fees are based on 22 Single Family dwellings.

¹² City funds are pooled and held at the Oregon State Treasury and a local bank. Interest rates dropped from 3.2% in July 2008 to 1.4% in March 2009.

ENTERPRISE FUND

WATER FACILITY REPLACEMENT RESERVE

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
REQUIREMENTS								
MATERIALS & SERVICES								
23	\$ -	\$ 386	\$ -	\$ 600	Legal Services	\$ -	\$ -	\$ -
24	\$ -	\$ 386	\$ -	\$ 600	TOTAL MATERIALS & SERVICES	\$ -	\$ -	\$ -
CAPITAL OUTLAY								
27	\$ -	\$ -	\$ 5,000	\$ -	Repayment on Oversized Water Mains	\$ -	\$ -	\$ -
28	321,567	332,905	250,000	50,000	Supply/Treatment	450,000	450,000	450,000
29	36,230	319,832	650,000	940,000	Transmission & Distribution Mains	-	-	-
30	19,200	2,022	150,000	10,000	General Plant	10,000	10,000	10,000
31	1,072,400	289,764	-	-	Storage	-	-	-
32	-	-	200,000	-	Unanticipated Expenses	100,000	100,000	100,000
33	\$ 1,449,397	\$ 944,523	\$ 1,255,000	\$ 1,000,000	TOTAL CAPITAL OUTLAY	\$ 560,000	\$ 560,000	\$ 560,000
FUND BALANCE								
36	\$ -	\$ -	\$ 234,100	\$ 234,100	Restricted for Debt Service Requirements	\$ 234,100	\$ 234,100	\$ 234,100
37	1,907,199	1,267,077	1,167,200	1,194,100	Unrestricted Ending Fund Balance	827,800	827,800	827,800
38	\$ 1,907,199	\$ 1,267,077	\$ 1,401,300	\$ 1,428,200	TOTAL FUND BALANCE	\$ 1,061,900	\$ 1,061,900	\$ 1,061,900
40	\$ 3,356,596	\$ 2,211,986	\$ 2,656,300	\$ 2,428,800	TOTAL REQUIREMENTS	\$ 1,621,900	\$ 1,621,900	\$ 1,621,900

Notes:

²⁶ For detailed Capital Outlay projects see Water Facility Fund Summary immediately preceding this page.

³⁷ The Ending Fund Balance will be used in future years to pay for projects provided for in the Capital Improvement Program.

STREET LIGHTING DISTRICT FUND

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

ENTERPRISE FUND

STREET LIGHTING DISTRICT FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
	<u>RESOURCES</u>							
1	\$ 203,756	\$ 207,089	\$ 221,300	\$ 219,500	<i>Working Capital Carryforward</i>	\$ 226,500	\$ 226,500	\$ 226,500
2								
3					<i>TAXES & ASSESSMENTS</i>			
4	409,992	423,010	432,600	441,700	Lighting District Assessments	441,700	441,700	441,700
5								
6					<i>TRANSFERS IN</i>			
7	-	6,407	-	-	Transfer from Water Fund	-	-	-
8								
9	\$ 613,748	\$ 636,506	\$ 653,900	\$ 661,200	TOTAL RESOURCES	\$ 668,200	\$ 668,200	\$ 668,200

Notes:
⁴ The Street Lighting District Fund operates on a reimbursement basis. Electricity is paid in Year One and assessed on the tax roles in Year Two. FY08-09 includes an assessment for pole replacement for \$3,900 and street lighting maintenance costs for \$5,100.

ENTERPRISE FUND

STREET LIGHTING DISTRICT FUND

ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
REQUIREMENTS							
PERSONNEL SERVICES							
\$ 1,013	\$ 1,092	\$ 1,200	\$ 1,200	City Manager (2)	\$ -	\$ -	\$ -
-	180	1,500	1,500	Assistant to City Manager (4)	-	-	-
4,693	5,058	5,300	5,300	Public Works Director	5,400	5,400	5,400
3,677	3,963	4,100	4,100	Public Works Superintendent	4,300	4,300	4,300
6,670	7,117	7,100	7,100	City Recorder (5)	-	-	-
10,704	11,223	11,900	11,400	Administrative Support Staff (5)-(7)	4,400	4,400	4,400
491	525	600	600	Network Administrator (4)	-	-	-
851	1,181	800	800	Human Resources Director (6)	-	-	-
4,894	4,817	5,000	5,000	Finance Director (7)	-	-	-
1,802	1,924	2,100	2,100	Facility Maintenance Worker (8)	-	-	-
10	20	100	100	Overtime	300	300	300
92	92	200	200	Vehicle Allowance/Tuition Assistance (2)	-	-	-
-	-	-	100	Cell Phone Stipend/Clothing Allowance	-	-	-
533	569	700	700	Medicare	300	300	300
6,658	6,784	7,700	7,500	Retirement	2,400	2,400	2,400
5,880	6,077	10,700	7,300	Insurance Benefits	2,700	2,700	2,700
119	163	200	200	Workers Compensation	100	100	100
\$ 48,087	\$ 50,785	\$ 59,200	\$ 55,200	TOTAL PERSONNEL SERVICES	\$ 19,900	\$ 19,900	\$ 19,900

Notes:

¹² Personnel Services related to general administration are now budgeted in the Internal Services Fund as follows:

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

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

¹² Salaries are projected to increase 3% plus step increases for eligible employees per Council policy.

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

²⁷ The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.

²⁸ The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.

²⁹ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.

ENTERPRISE FUND

STREET LIGHTING DISTRICT FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
31					MATERIALS & SERVICES			
32	\$ 453	\$ 352	\$ 600	\$ 500	Materials & Supplies	\$ 600	\$ 600	\$ 600
33	111	14	100	100	Safety & Wellness (6)	-	-	-
34	333	237	500	400	Postage & Printing	500	500	500
35	386	316	600	600	Association Memberships (1)	-	-	-
36	758	951	1,100	1,100	Travel & Training (2)-(8)	-	-	-
37	47	48	100	100	City Council Expenses (1)	-	-	-
38	749	881	1,200	1,200	Advertising	1,200	1,200	1,200
39	121	973	1,000	600	Legal Services (3)	-	-	-
40	63	98	200	200	Labor Attorney (6)	-	-	-
41	111	133	200	200	Contractual Services	200	200	200
42	268	461	500	500	Audit (7)	-	-	-
43	248	264	500	500	Janitorial (8)	-	-	-
44	167	176	200	500	Utility (8)	-	-	-
45	219	269	300	300	Telephone (4)	-	-	-
46	275	358	400	400	Insurance - Liability (1)	-	-	-
47	919	609	1,800	1,600	Computer & Software Maintenance (4)	-	-	-
48	150	106	100	100	Equipment Maintenance (4)	-	-	-
49	150	92	200	200	Facility Maintenance (8)	-	-	-
50	2,836	6,065	7,400	2,000	Engineering Costs	3,000	3,000	3,000
51	348,652	348,566	357,600	355,400	Lighting Costs	355,400	355,400	355,400
52	-	4,526	5,100	5,100	Street Lighting Maintenance - Keizer Station Area A	5,100	5,100	5,100
53	4	10	100	-	Medical Testing	-	-	-
54	\$ 357,020	\$ 365,505	\$ 379,800	\$ 371,600	TOTAL MATERIALS & SERVICES	\$ 366,000	\$ 366,000	\$ 366,000

Notes:

33 Materials & Services related to general administration are now budgeted in the Internal Services Fund as follows:

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

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

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

ENTERPRISE FUND

STREET LIGHTING DISTRICT FUND

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
55					<i>CAPITAL OUTLAY</i>			
56	\$ -	\$ -	\$ -	\$ -	Office Furniture & Equipment	\$ -	\$ -	\$ -
57	873	723	1,100	1,000	Computer Hardware	-	-	-
58	\$ 873	\$ 723	\$ 1,100	\$ 1,000	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -
59								
60	-	-	12,000	\$ -	Contingency	\$ 21,000	\$ 21,000	\$ 21,100
61								
62					<i>TRANSFERS OUT</i>			
63	\$ 678	\$ -	\$ 7,400	\$ 6,900	Transfer to Internal Services Fund	\$ 35,000	\$ 35,000	\$ 35,100
64	\$ 678	\$ -	\$ 7,400	\$ 6,900	TOTAL TRANSFERS OUT	\$ 35,000	\$ 35,000	\$ 35,100
65								
66					<i>FUND BALANCE</i>			
67	\$ -	\$ -	\$ 200	\$ 200	Restricted for 27th pay period FY15-16	\$ 200	\$ 200	\$ 200
68	-	-	3,900	3,900	Restricted for Pole Replacement at Keizer Station Area A	7,800	7,800	7,800
69	207,090	219,493	190,300	222,400	Unrestricted Ending Fund Balance	218,300	218,300	218,100
70								
71	\$ 613,748	\$ 636,506	\$ 653,900	\$ 661,200	TOTAL REQUIREMENTS	\$ 668,200	\$ 668,200	\$ 668,200

Notes:

60 Contingency is 5% of total expenses.

63 The transfer to the Internal Services Fund is to pay the Sewer Funds share of City-wide administrative costs.

67 The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

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

COMMUNITY CENTER

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

Beginning in FY08-09, the City contracted with Class Act Event Coordinators to develop a tiered rate structure to accommodate community members and corporate clients, develop a business & marketing plan, promote the facility throughout the region, propose booking/reservation policies, and coordinate with logistical needs to include security,

janitorial, A/V, and catering services. In addition, Class Act will provide day-to-day management of the facility, which includes room scheduling, responding to event rental inquiries, promoting events, and guiding potential clients through the facility.

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

ENTERPRISE FUND
COMMUNITY CENTER

	ACTUAL 2006-07	ACTUAL 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
1	RESOURCES							
2								
3	\$ -	\$ -	\$ -	\$ -	- <i>WORKING CAPITAL CARRYFORWARD</i>	\$ -	\$ -	\$ -
4								
5	CHARGES FOR SERVICES							
6	-	-	-	-	- Rental Fees	42,000	42,000	42,000
7	\$ -	\$ -	\$ -	\$ -	- TOTAL CHARGES FOR SERVICES	\$ 42,000	\$ 42,000	\$ 42,000
8								
9	MISCELLANEOUS							
10	-	-	30,000	30,000	Donations	10,000	10,000	10,000
11	-	-	-	-	- Interest	-	-	-
12	\$ -	\$ -	\$ 30,000	\$ 30,000	TOTAL MISCELLANEOUS REVENUE	\$ 10,000	\$ 10,000	\$ 10,000
13								
14	-	-	72,000	68,300	Transfer from Transportation Fund for Interfund Loan	-	-	-
15								
16	\$ -	\$ -	\$ 102,000	\$ 98,300	TOTAL RESOURCES	\$ 52,000	\$ 52,000	\$ 52,000
17								
18	REQUIREMENTS							
19								
20	MATERIALS & SERVICES							
21	-	-	23,200	23,200	Contractual Services	14,400	14,400	14,400
22	\$ -	\$ -	\$ 23,200	\$ 23,200	TOTAL MATERIALS & SERVICES	\$ 14,400	\$ 14,400	\$ 14,400
23								
24	CAPITAL OUTLAY							
25	-	-	65,500	61,800	Tables and Chairs	-	-	-
26	-	-	13,300	13,300	Dance Floor	-	-	-
27	\$ -	\$ -	\$ 78,800	\$ 75,100	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -
28								
29	\$ -	\$ -	\$ -	\$ -	- Transfer to Transportation Fund to Repay Loan	\$ 37,600	\$ 37,600	\$ 37,600
30								
31	-	-	-	-	- Unrestricted Ending Fund Balance	-	-	-
32								
33	\$ -	\$ -	\$ 102,000	\$ 98,300	TOTAL REQUIREMENTS	\$ 52,000	\$ 52,000	\$ 52,000

- Notes:
- ⁶ The City has hired a consulting firm to create a business plan for the Community/Convention Center. The firm has given a preliminary revenue projection of \$42,000 for rental fees, noting that the facility will have low usage in the first few months.
 - ¹⁰ Donations are from the Keizer Rotary Foundation. The Foundation has agreed to pay \$100,000 as user fees for use of the rooms; \$30,000 in FY08-09 and \$10,000 for the next seven years. The proceeds are to be used to purchase furniture, equipment, audio/video equipment and other supplies and equipment to be used in the rooms.
 - ¹⁴ An interfund loan is needed to pay for furnishings, fixtures and consulting services to get the Center up and running. The City anticipates repaying the Transportation Fund, with interest, with rental fee income and donations over the next two years.
 - ²¹ Contractual services are for an event coordinator consulting service to create a business plan and get the center up and running.

INTERNAL SERVICES FUND

Beginning in FY09-10, an Internal Services Fund has been established to better track city-wide costs. Costs will be reimbursed by the various funds on a monthly basis using interfund transfers.

The components of the Internal Services Fund include:

- Administration (includes costs not specifically identified with any Department or fund).
- City Manager's Office
- City Attorney's Office
- Assistant to the City Manager and Information Technology
- City Records Department
- Human Resources Department
- Finance Department
- Civic Center Facilities

INTERNAL SERVICE FUND SUMMARY

	ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
	<u>RESOURCES</u>							
1	\$ 253	\$ 1,848	\$ 1,800	\$ 1,900	Working Capital Carryforward	\$ 5,500	\$ 5,500	\$ 5,500
2								
3	<u>INTERGOVERNMENTAL</u>							
4	2,806	-	22,100	20,600	Reimbursement from Urban Renewal	281,100	280,900	281,000
5								
6	39	77	-	5,500	Miscellaneous Revenue	-	-	-
7								
8	<u>TRANSFERS IN</u>							
9	22,139	-	491,700	459,700	General Fund	1,015,900	1,015,500	1,025,000
10	-	-	-	-	General Fund Parks	18,700	18,700	18,700
11	-	-	-	-	General Fund Community Development	48,000	47,900	47,900
12	-	-	-	-	General Fund Police	8,400	8,400	8,400
13	-	-	-	-	General Fund Municipal Court	200	200	200
14	2,436	-	29,400	27,400	Street Fund	118,600	118,500	118,600
15	-	-	-	-	PEG Fund	1,200	1,200	1,200
16	-	-	-	-	Keizer Station LID Fund	2,600	2,600	2,600
17	-	-	-	-	Park Improvement Fund	20,900	20,900	20,900
18	-	-	-	-	Transportation Improvement Fund	200	200	200
19	3,299	-	22,100	20,600	Sewer Fund	136,900	136,900	137,100
20	6,783	-	124,700	116,600	Water Fund	281,100	281,000	281,300
21	678	-	7,400	6,900	SLD Fund	35,000	35,000	35,100
22	-	-	36,700	34,300	Storm Water Fund	74,100	74,100	74,300
23	\$ 35,335	\$ -	\$ 712,000	\$ 665,500	TOTAL TRANSFERS IN	\$ 1,761,800	\$ 1,761,100	\$ 1,771,500
24								
25	\$ 38,433	\$ 1,925	\$ 735,900	\$ 693,500	TOTAL RESOURCES	\$ 2,048,400	\$ 2,047,500	\$ 2,058,000
26								
27	<u>REQUIREMENTS</u>							
28	<u>EXPENDITURES</u>							
29								
30	\$ -	\$ -	\$ -	\$ -	Personnel Services	\$ 1,356,500	\$ 1,355,600	\$ 1,355,600
31	-	-	-	-	Materials & Services	636,100	636,100	638,600
32	36,583	-	735,900	688,000	Capital Outlay	44,300	44,300	52,300
33	\$ 36,583	\$ -	\$ 735,900	\$ 688,000	TOTAL EXPENDITURES	\$ 2,036,900	\$ 2,036,000	\$ 2,046,500
34								
35	<u>FUND BALANCE</u>							
36	-	-	-	-	Restricted for 27th pay period FY15-16	11,500	11,500	11,500
37	1,850	1,925	-	5,500	Unrestricted Ending Fund Balances	-	-	-
38								
39	\$ 38,433	\$ 1,925	\$ 735,900	\$ 693,500	TOTAL REQUIREMENTS	\$ 2,048,400	\$ 2,047,500	\$ 2,058,000

INTERNAL SERVICES FUND

CITY-WIDE ADMINISTRATION

ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09
----------------------	----------------------	--------------------	----------------------

RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
------------------------	---------------------	--------------------

RESOURCES

1									
2									
3	\$	-	\$	-	\$	-	\$	-	\$
4									
5									
6									
7									
8									
9									
10									
11									
12	\$	-	\$	-	\$	-	\$	-	\$
13									
14	\$	-	\$	-	\$	-	\$	-	\$
15									

INTERNAL SERVICES FUND

CITY-WIDE ADMINISTRATION

ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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REQUIREMENTS										
MATERIALS & SERVICES										
16										
17										
18										
19	\$	-	\$	-	\$	-	\$	-	\$	-
20										
21										
22										
23										
24										
25										
26										
27	\$	-	\$	-	\$	-	\$	-	\$	-
28										
29	\$	-	\$	-	\$	-	\$	-	\$	-

Notes:

- ¹⁸ See "Summary of Certain Administrative Costs" for comparison with FY08-09 budgeted expenditures.
- ¹⁹ Association Memberships include organizations such as the Council of Governments, League of Oregon Cities, Chamber of Commerce, International City/County Management Association, & local newspaper subscriptions. The FY09-10 budget is 4% higher than FY08-09.
- ²⁰ Committee meeting expenses were previously absorbed in the Travel & Training budget. Costs are separated beginning in FY09-10.
- ²¹ Postage costs are expected to increase 5% in FY09-10.
- ²² In FY08-09 the City committed to a three-year "Retro Plan" agreement on its liability insurance premiums. Premium contributions reduced to 65% with a maximum exposure of 117.5%. An additional \$5,000 was added in FY09-10 for coverage of the new Civic Center. Auto insurance premiums are paid from the Police Operating budget and
- ²⁵ Contractual Services include courier services, credit card fees & costs for compilation of the Citizen Survey through the Willamette Valley Council of Governments.
- ²⁶ Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.

CITY MANAGER'S OFFICE

City Manager Position

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

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

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

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

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

Professional Code of Ethics

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

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

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

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

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

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

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

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

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

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

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

Tenet 11. Handle all matters of personnel on the basis of merit so that fairness and impartiality govern a member's

decisions, pertaining to appointments, pay adjustments, promotions, and discipline.

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

Organizational Accomplishments

FY 2008-09 continued to see large accomplishments as staff worked very hard to accomplish the adopted City Council goals. Keizer has seen a significant slowdown in the development community this year versus last year. The national economy has had an impact on the number of building permits being introduced and property valuations have flattened out, though they have not declined in Keizer like they have in other areas. The economic downturn has manifested in lower franchise fees, water sales, and other revenue streams, making the budgeting process for the 2009-10 budget a challenge. Unlike other areas, however, we are not anticipating any layoffs, or reductions in programs or service, which is something I'm very proud of.

- River Road Renaissance continues to make large progress with the creation of the Mayor's art walk program, where by various local artists have donated pieces of street art for public viewing along River Road.

- The Keizer Rapids Park has been master planned and construction of several items, including the City's first off-leash dog park and the Amphitheatre, have been completed. Additional amenities at Keizer Rapids Park will be in progress this next year as well. Finally, the new Civic Center is nearly done with the total project including park construction being scheduled for completion in mid-summer, 2009.
- The Keizer Station Area A continues to evolve with some retailers being replaced by others. The economy has been a significant factor this year on the rate of build out in Area A. Areas B and C are beginning to be reviewed by developers and I suspect activity will begin in these areas later 2009 or early 2010.
- The City's long-range financial plan continues to be updated each year as we continue to provide sound financial guidance to the City. This has been a magnificent tool that can be used annually to gauge our progress and fiscal health.
- Keizer Rapids Park has been opened for public use and will be in incremental development for the next several years. The off-leash dog park is a hit within

the community and I suspect other areas will be also as they are built and opened.

- We will be preparing the next annual Citizen Survey, which should go out to citizens early this summer. The feedback received in this process is used by the City Council to develop the community's short and long-term goals and, subsequently by staff as we prepare budgets to allocate resources toward the accomplishment of those goals.

Future Goals

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

INTERNAL SERVICES FUND
CITY MANAGER'S OFFICE

ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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RESOURCES

1								
2								
3	\$	-	\$	-	\$	-	\$	-
4								
5								
6								
7								
8								
9								
10								
11								
12	\$	-	\$	-	\$	-	\$	-
13								
14	\$	-	\$	-	\$	-	\$	-

INTERGOVERNMENTAL

- Reimbursement from Urban Renewal \$ 88,400 \$ 88,200 \$ 88,200

TRANSFERS IN

- General Fund 49,400 49,400 49,400
 - Street Fund 8,800 8,800 8,800
 - Sewer Fund 1,800 1,800 1,800
 - Water Fund 17,700 17,600 17,600
 - SLD Fund 1,800 1,800 1,800
 - Storm Water Fund 8,800 8,800 8,800
 - TOTAL TRANSFERS IN \$ 88,300 \$ 88,200 \$ 88,200

- **TOTAL RESOURCES** \$ 176,700 \$ 176,400 \$ 176,400

INTERNAL SERVICES FUND
CITY MANAGER'S OFFICE

ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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				REQUIREMENTS				
				<i>PERSONNEL SERVICES</i>				
15								
16								
17								
18	\$ -	\$ -	\$ -	\$ -	- City Manager	\$ 123,200	\$ 123,200	\$ 123,200
19	-	-	-	-	- Vehicle Allowance	4,200	4,200	4,200
20	-	-	-	-	- Cell Phone Stipend	1,600	1,400	1,400
21	-	-	-	-	- Medicare	2,000	2,000	2,000
22	-	-	-	-	- Retirement	24,800	24,700	24,700
23	-	-	-	-	- Insurance Benefits	13,100	13,100	13,100
24	-	-	-	-	- Workers Compensation	100	100	100
25	\$ -	\$ -	\$ -	\$ -	- TOTAL PERSONNEL SERVICES	\$ 169,000	\$ 168,700	\$ 168,700
26								
27								
28	\$ -	\$ -	\$ -	\$ -	- Travel & Training	\$ 5,900	\$ 5,900	\$ 5,900
29	-	-	-	-	- Liability Insurance	300	300	300
30	\$ -	\$ -	\$ -	\$ -	- TOTAL MATERIALS & SERVICES	\$ 6,200	\$ 6,200	\$ 6,200
31								
32	-	-	-	-	- Restricted for 27th pay period FY15-16	1,500	1,500	1,500
33								
34	\$ -	\$ -	\$ -	\$ -	- TOTAL REQUIREMENTS	\$ 176,700	\$ 176,400	\$ 176,400

Notes:

- 17 Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.
- 18 Salaries are projected to increase 3% plus step increases for eligible employees per Council policy.
- 20 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.
- 21 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- 22 The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.
- 23 The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.
- 24 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.
- 25 The City Manager's Travel & Training budget in FY08-09 is projected at \$4,900.
- 29 The City pays premiums on a "Public Officials" bond for the City Manager.
- 32 The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

ASSISTANT TO THE CITY MANAGER

Assistant to the City Manager's Office

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

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

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

Specific tasks include but are not limited to; supervision and management of the Information Technology Division within the City of Keizer, staff liaison for Keizer 23 Channel Committee, development of a sustainability committee to address sustainable processes and practices within the community, management of Housing Rehabilitation Program, assistance with the budget process, development and implementation on various organizational policies and development of a sidewalk education

program. The Assistant to the City Manager provides capacity to department heads on an as needed basis.

Information Technology

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

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

IT Goals for 2009-2010

With the move into the new civic center in March 2009, IT goals for the upcoming fiscal year are to provide a smooth transition for city hall and police while maintaining current services to all departments. Many new systems have been brought on line including new building security, fire monitoring and a campus wide wireless system for the public.

INTERNAL SERVICES FUND

ASSISTANT TO THE CITY MANAGER'S OFFICE - INFORMATION SYSTEMS

ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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RESOURCES

	ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
1								
2	\$ -	\$ -	\$ -	\$ -	- Reimbursement from Urban Renewal	\$ 19,300	\$ 19,300	\$ 19,300
3								
4								
5	-	-	-	-	- General Fund	242,400	242,100	250,100
6	-	-	-	-	- Street Fund	21,600	21,600	21,600
7	-	-	-	-	- Sewer Fund	24,400	24,400	24,400
8	-	-	-	-	- Water Fund	62,600	62,600	62,600
9	-	-	-	-	- SLD Fund	3,200	3,200	3,200
10	-	-	-	-	- Storm Water Fund	18,000	18,000	18,000
11	\$ -	\$ -	\$ -	\$ -	- TOTAL TRANSFERS IN	\$ 372,200	\$ 371,900	\$ 379,900
12								
13	\$ -	\$ -	\$ -	\$ -	- TOTAL RESOURCES	\$ 391,500	\$ 391,200	\$ 399,200
14								

INTERNAL SERVICES FUND

ASSISTANT TO THE CITY MANAGER'S OFFICE - INFORMATION SYSTEMS

ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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	<u>REQUIREMENTS</u>							
	<i>PERSONNEL SERVICES</i>							
15								
16								
17								
18	\$ -	\$ -	\$ -	\$ -	- Assistant to the City Manager	\$ 75,600	\$ 75,600	\$ 75,600
19	-	-	-	-	- Network Administrator	59,200	59,200	59,200
20	-	-	-	-	- Cell Phone Stipend	1,600	1,400	1,400
21	-	-	-	-	- Medicare	2,100	2,100	2,100
22	-	-	-	-	- Retirement	20,300	20,200	20,200
23	-	-	-	-	- Insurance Benefits	26,200	26,200	26,200
24	-	-	-	-	- Workers Compensation	100	100	100
25	\$ -	\$ -	\$ -	\$ -	- TOTAL PERSONNEL SERVICES	\$ 185,100	\$ 184,800	\$ 184,800

Notes:

- 17 Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.
- 17 Salaries are projected to increase 3% plus step increases for eligible employees per Council policy.
- 20 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.
- 21 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- 22 The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.
- 23 The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.
- 24 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.

INTERNAL SERVICES FUND

ASSISTANT TO THE CITY MANAGER'S OFFICE - INFORMATION SYSTEMS

	ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
26					<i>MATERIALS & SERVICES</i>			
27	\$ -	\$ -	\$ -	\$ -	- Travel & Training	\$ 6,900	\$ 6,900	\$ 6,900
28	-	-	-	-	- Contractual Services	1,300	1,300	1,300
29	-	-	-	-	- Telephone	13,400	13,400	13,400
30	-	-	-	-	- Office Equipment Maintenance	9,100	9,100	9,100
31	-	-	-	-	- Computer Software & Maintenance	129,800	129,800	129,800
32	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	- TOTAL MATERIALS & SERVICES	<u>\$ 160,500</u>	<u>\$ 160,500</u>	<u>\$ 160,500</u>
33								
34					<i>CAPITAL OUTLAY</i>			
35	-	-	-	-	- Computer Hardware	44,300	44,300	52,300
36	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	- TOTAL CAPITAL OUTLAY	<u>\$ 44,300</u>	<u>\$ 44,300</u>	<u>\$ 52,300</u>
37								
38	-	-	-	-	- Restricted for 27th pay period FY15-16	1,600	1,600	1,600
39								
40	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	- TOTAL REQUIREMENTS	<u>\$ 391,500</u>	<u>\$ 391,200</u>	<u>\$ 399,200</u>

- Notes:
- 27 The Assistant to the City Manager's Office Travel & Training budget in FY08-09 is projected at \$5,900.
 - 28 Contractual services include a fire alarm system for \$500 and a building security system for \$800.
 - 29 See "Summary of Certain Administrative Costs" for comparison with FY08-09 budgeted expenditures.
 - 30 Office equipment maintenance costs are approximately equal to FY08-09 projected costs.
 - 31 See "Summary of Certain Administrative Costs" for comparison with FY08-09 budgeted expenditures.
 - 35 See "Summary of Certain Administrative Costs" for comparison with FY08-09 budgeted expenditures.
 - 38 The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

CITY ATTORNEY'S OFFICE

City Attorney Position

For the first time since Keizer's incorporation, the City will have an in-house City Attorney beginning late June 2009.

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

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

Accomplishments

The City Attorney as outside counsel has assisted the City on several projects and day-to-day tasks such as:
Keizer Station Development

- Assisted and guided the City through the Development and Disposition Agreement negotiation
- Advised and guided the City through the Keizer Station – Area A Local Improvement District process in connection with bond counsel representation
- Assisted in multiple real estate transactions with the developer and other property owners in Keizer Station
- Represented the City in multiple land use matters in connection with the Keizer Station project, including two appeals to the Land Use Board of Appeals (LUBA), and one Court of Appeals case

Keizer Rapids Park

- Negotiated lease with State of Oregon
- Reviewed and advised regarding multiple title issues; reviewed title documents, easements and deeds
- Advised regarding land use issues on Keizer Rapids Park
- Reviewed and advised regarding funding alternatives
- Assisted regarding Keizer Rapids Park Master Plan process

Accomplishments (continued)

General Land Use Counsel

- Advised/assisted with text amendments, such as transit station, electronic signs, fence regulations, and mixed use zone with regard to larger retail stores
- Advised/assisted with individual quasi-judicial land use cases
- Answered day-to-day questions on code interpretation and process

General Legal Counsel

- Prosecuted traffic cases

- Advised/researched regarding code enforcement matters
- Reviewed and advised regarding public records/public meetings questions
- Assisted with system development charge development and process

Goals

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

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

INTERNAL SERVICES FUND
CITY ATTORNEY'S OFFICE

ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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RESOURCES

1									
2	\$	-	\$	-	\$	-	\$	-	\$
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19	\$	-	\$	-	\$	-	\$	-	\$
20									
21	\$	-	\$	-	\$	-	\$	-	\$

Notes:

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

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

**INTERNAL SERVICES FUND
CITY ATTORNEY'S OFFICE**

ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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REQUIREMENTS																	
<i>PERSONNEL SERVICES</i>																	
25	\$	-	\$	-	\$	-	\$	-	\$	-	Attorney	\$	112,300	\$	112,300	\$	112,300
26	-	-	-	-	-	-	-	-	-	-	Administrative Support	45,300	45,300	45,300	45,300	45,300	
27	-	-	-	-	-	-	-	-	-	-	Cell Phone Stipend	900	900	900	900		
28	-	-	-	-	-	-	-	-	-	-	Overtime	1,000	1,000	1,000	1,000		
29	-	-	-	-	-	-	-	-	-	-	Medicare	2,500	2,500	2,500	2,500		
30	-	-	-	-	-	-	-	-	-	-	Retirement	23,700	23,600	23,600	23,600		
31	-	-	-	-	-	-	-	-	-	-	Insurance Benefits	26,200	26,200	26,200	26,200		
32	-	-	-	-	-	-	-	-	-	-	Workers Compensation	200	200	200	200		
33	\$	-	\$	-	\$	-	\$	-	\$	-	TOTAL PERSONNEL SERVICES	\$	212,100	\$	212,000	\$	212,000
34																	
35	<i>MATERIALS & SERVICES</i>																
36	\$	-	\$	-	\$	-	\$	-	\$	-	Postage & Printing	\$	900	\$	900	\$	900
37	-	-	-	-	-	-	-	-	-	-	Travel & Training	8,300	8,300	8,300	8,300		
38	-	-	-	-	-	-	-	-	-	-	Contractual Services	4,000	4,000	4,000	4,000		
39	-	-	-	-	-	-	-	-	-	-	Legal Services Contracts	9,000	9,000	9,000	9,000		
40	-	-	-	-	-	-	-	-	-	-	Law Library Maintenance	3,700	3,700	3,700	3,700		
41	\$	-	\$	-	\$	-	\$	-	\$	-	TOTAL MATERIALS & SERVICES	\$	25,900	\$	25,900	\$	25,900
42																	
43	\$	-	\$	-	\$	-	\$	-	\$	-	Restricted for 27th pay period FY15-16	\$	1,800	\$	1,800	\$	1,800
44																	
45	\$	-	\$	-	\$	-	\$	-	\$	-	TOTAL REQUIREMENTS	\$	239,800	\$	239,700	\$	239,700

- Notes:
- 27 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.
 - 29 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
 - 30 The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.
 - 31 The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.
 - 32 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.
 - 38 Contractual services costs include outside law clerk assistance and temporary legal assistance in the absences of the City's in-house staff.
 - 39 Legal Services Contracts include outside legal assistance (not including Bond Counsel).
 - 43 The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

CITY RECORDER'S DEPARTMENT

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

The **Deputy City Recorder** gives administrative support, prepares minutes and agenda packets and attends meetings for most of the City's Boards, Commissions and Task Forces. In addition, the Deputy City Recorder coordinates the Records Management program and assists the City Recorder in preparation of minutes for the City Council, Urban Renewal Agency and Budget Committee. The Deputy City Recorder does the layout for the City's newsletter and coordinates the City's web site – www.keizer.org.

Accomplishments

In our continued effort to provide information to the citizens of Keizer, we continued production of *The Keizer Quarterly* newsletter. The newsletter featured information on the Keizer Civic Center, City Awards, Citizen Survey results, Volunteer Recognition, a "Know The Code" section and helpful

tips to utilize the information on the City's website. The City's webpage information continues to be updated and expanded. During the last year, several forms and other various documents have been converted to electronic format to allow the citizens to complete the form and submit electronically via the City's webpage. We will continue to utilize technological advances to keep the citizens of Keizer informed of their government's action. In the last year, we have recruited for several volunteer positions, provided volunteer training, and volunteer recognition. Volunteers are the backbone of our City and we strive to recognize their dedication and commitment to the City.

Future Goals

In the upcoming year, the **City Recorder** and **Deputy City Recorder** will remain focused on providing the elected officials, staff, and citizens of Keizer with information, both in an electronic and paper format, on current and past proceedings within their city. In addition, we will strive to provide our volunteers with the support and information they need to carry forth the goals and objectives of the City. Our new Civic Center provides a centralized records archives room and we will work with other departments to organize their records and continue to convert paper to electronic documents. We are excited to coordinate events such as the Mayor's Prayer Breakfast and the Civic Center Ribbon Cutting Open House. We look forward to serving all of you in 2009-2010.

INTERNAL SERVICES FUND

CITY RECORDER'S DEPARTMENT

ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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RESOURCES

	ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
1								
2	\$ -	\$ -	\$ -	\$ -	- Reimbursement from Urban Renewal	\$ 28,900	\$ 28,900	\$ 28,900
3								
4								
5	\$ -	\$ -	\$ -	\$ -	- General Fund	111,400	111,400	111,400
6	-	-	-	-	- Parks Operations	7,400	7,400	7,400
7	-	-	-	-	- Street Fund	12,600	12,600	12,600
8	-	-	-	-	- Sewer Fund	4,300	4,300	4,300
9	-	-	-	-	- Water Fund	4,300	4,300	4,300
10	-	-	-	-	- SLD Fund	7,400	7,400	7,400
11	-	-	-	-	- Storm Water Fund	1,800	1,800	1,800
12	\$ -	\$ -	\$ -	\$ -	- TOTAL TRANSFERS IN	\$ 149,200	\$ 149,200	\$ 149,200
13								
14	\$ -	\$ -	\$ -	\$ -	- TOTAL RESOURCES	\$ 178,100	\$ 178,100	\$ 178,100

INTERNAL SERVICES FUND
CITY RECORDER'S DEPARTMENT

	ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
15								
16					REQUIREMENTS			
17								
18					PERSONNEL SERVICES			
19	\$ -	\$ -	\$ -	\$ -	- City Recorder	\$ 72,800	\$ 72,800	\$ 72,800
20	-	-	-	-	- Administrative Support	45,600	45,600	45,600
21	-	-	-	-	- Overtime	1,000	1,000	1,000
22	-	-	-	-	- Medicare	1,900	1,900	1,900
23	-	-	-	-	- Retirement	17,700	17,700	17,700
24	-	-	-	-	- Insurance Benefits	26,200	26,200	26,200
25	-	-	-	-	- Workers Compensation	100	100	100
26	\$ -	\$ -	\$ -	\$ -	- TOTAL PERSONNEL SERVICES	\$ 165,300	\$ 165,300	\$ 165,300
27								
28					MATERIALS & SERVICES			
29	\$ -	\$ -	\$ -	\$ -	- Travel & Training	\$ 9,200	\$ 9,200	\$ 9,200
30	-	-	-	-	- Contractual Services	2,200	2,200	2,200
31	\$ -	\$ -	\$ -	\$ -	- TOTAL MATERIALS & SERVICES	\$ 11,400	\$ 11,400	\$ 11,400
32								
33	-	-	-	-	- Restricted for 27th pay period FY15-16	1,400	1,400	1,400
34								
35	\$ -	\$ -	\$ -	\$ -	- TOTAL REQUIREMENTS	\$ 178,100	\$ 178,100	\$ 178,100

- Notes:
- 16 Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.
 - 19 Salaries are projected to increase 3% plus step increases for eligible employees per Council policy.
 - 22 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
 - 23 The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.
 - 24 The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.
 - 25 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.
 - 26 The City Recorder's Travel & Training budget in FY08-09 is projected at \$7,100.
 - 30 Contractual service costs include meeting attendance and transcription services in the absence of in-house staff.
 - 33 The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

HUMAN RESOURCES

Human Resources

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

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

- Classification and compensation
- Employee benefits
- Employee and labor relations
- Health and Wellness
- Human Resources Information System (HRIS)
- Intranet
- Policies and procedures
- Recruitment and selection
- Risk management

The department provides these services with a staff of two. In addition, the department director also serves as the City's Public Information Officer.

HR Accomplishments

- Completed 4 recruitments resulting in 2 new hires, 2 promotions and 5 seasonal hires
- Processed 3 terminations/resignations
- Responded to multiple subpoenas and public records requests
- Audited numerous internal documentation processes and controls to ensure practices support policy and organization goals
- Supported Engineering Services RFQ process and facilitated related interview, selection and notification processes
- Worked with multiple Department Heads to review department organizational structure
- Conducted 5 classification reviews
- Established 3 new positions/classifications (City Attorney, Legal Assistant, Assistant Controller)
- Negotiated minimal medical benefit rate increases
- Updated department web page.
- Conducted Open Enrollment for employees' Health and Retirement benefits
- Received LOC/CCIS Silver Safety Award.
- Processed 7 Worker's Comp Claims

HR Accomplishments Continued

- Established new protocols for personnel, medical and general files and began transition.
- In partnership with Finance Director, lead transition to single PERS retirement plan for all City employees
- In partnership with Finance Director and Assistant to the City Manager, revised Travel Policy to include per diem.
- In partnership with Finance Director and City Recorder and Assistant to the City Manager, began development of the City's Identity Theft program
- Facilitated Annual hearing tests, CPR/AED training, forklift training, supervisor harassment training and the annual All Staff meeting/training on Ethics
- Successfully bargained 2 new labor contracts
- Developed new Personnel Policy Manual for the City of Keizer

HR Goals

- During the coming fiscal year, Human Resources will:
- Review and update the Performance Management program, simplifying the process wherever possible while ensuring effective tools for management & employee communication and development
- Fully implement the previously purchased HRIS system to determine ability to link with existing payroll system to provide the capacity to pull reports and track data without using time-consuming manual processes
- Develop and present new policy/procedure training
- Develop electronic process for candidates to express interest in future positions with the City
- Develop position-specific intranet information, communication and training tools.
- Continue to enhance employee access to information and tools to support ongoing development and ensure transparency in HR practice wherever possible. This includes providing additional on-line training opportunities
- Continue to audit internal documentation processes and controls to ensure practices support policy and organization goals
- Continue work on new file protocols including transition away from paper files to electronic records wherever possible
- Continue to systematically standardize processes wherever possible while keeping flexibility needed to meet individual department needs
- Continue activities including updating display materials and staffing City promotional events such as the Iris Festival, Marion County Fair and various grand opening events throughout the year, thus promoting Keizer as the City in which to Live... Work... and Play...

INTERNAL SERVICES FUND
HUMAN RESOURCES DEPARTMENT

	ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10	
RESOURCES									
<i>INTERGOVERNMENTAL</i>									
1									
2	\$ -	\$ -	\$ -	\$ -	- Reimbursement from Urban Renewal	\$ 7,300	\$ 7,300	\$ 7,400	
3									
4	<i>TRANSFERS IN</i>								
5	-	-	-	-	- General Fund	162,000	161,900	163,500	
6	-	-	-	-	- Street Fund	8,800	8,700	8,800	
7	-	-	-	-	- Sewer Fund	7,700	7,700	7,800	
8	-	-	-	-	- Water Fund	37,000	37,000	37,300	
9	-	-	-	-	- SLD Fund	1,200	1,200	1,300	
10	-	-	-	-	- Storm Water Fund	11,600	11,600	11,800	
11	\$ -	\$ -	\$ -	\$ -	- TOTAL TRANSFERS IN	\$ 228,300	\$ 228,100	\$ 230,500	
12									
13	\$ -	\$ -	\$ -	\$ -	- TOTAL RESOURCES	\$ 235,600	\$ 235,400	\$ 237,900	
14									
15	REQUIREMENTS								
16	<i>PERSONNEL SERVICES</i>								
17									
18	\$ -	\$ -	\$ -	\$ -	- Administrative Support	\$ 50,300	\$ 50,300	\$ 50,300	
19	-	-	-	-	- Human Resources Director	94,700	94,700	94,700	
20	-	-	-	-	- Overtime	1,100	1,100	1,100	
21	-	-	-	-	- Cell Phone Stipend	1,100	900	900	
22	-	-	-	-	- Medicare	2,300	2,300	2,300	
23	-	-	-	-	- Retirement	26,000	26,000	26,000	
24	-	-	-	-	- Insurance Benefits	26,200	26,200	26,200	
25	-	-	-	-	- Workers Compensation	100	100	100	
26	\$ -	\$ -	\$ -	\$ -	- TOTAL PERSONNEL SERVICES	\$ 201,800	\$ 201,600	\$ 201,600	

Notes:

- 17 Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.
- 17 Salaries are projected to increase 3% plus step increases for eligible employees per Council policy.
- 21 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance
- 22 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- 23 The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.
- 24 The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability
- 25 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.

INTERNAL SERVICES FUND
HUMAN RESOURCES DEPARTMENT

ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
MATERIALS & SERVICES							
27	\$ -	\$ -	\$ -	- Safety & Wellness	\$ 4,200	\$ 4,200	\$ 4,200
28	-	-	-	- Labor Attorney – City-wide	16,000	16,000	16,000
29	-	-	-	- Contractual Services	4,100	4,100	4,100
30	-	-	-	- Travel & Training - Human Resources Staff	7,800	7,800	7,800
31	-	-	-	- Travel & Training - City-wide	-	-	2,500
32	\$ -	\$ -	\$ -	- TOTAL MATERIALS & SERVICES	\$ 32,100	\$ 32,100	\$ 34,600
33							
34	-	-	-	- Restricted for 27th pay period FY15-16	1,700	1,700	1,700
35							
36	\$ -	\$ -	\$ -	- TOTAL REQUIREMENTS	\$ 235,600	\$ 235,400	\$ 237,900

- Notes:
- 27 Safety & Wellness costs include first aid station, hearing tests, publications, Health & Wellness Fair, and other incidentals. FY08-09 costs were budgeted at \$3,600.
 - 28 Labor Attorney costs include review of City Policies, assistance with transition to PERS, and employee issues not covered by union contracts.
 - 29 Contractual services include the Employee Assistance Program for \$2400 and Flexible Spending Account administration for \$1700
 - 30 The Department's Travel & Training budget in FY08-09 is projected at \$7,600.
 - 31 Costs include \$1,500 for all-staff meetings and \$1,000 for CD-ROMS and Materials.
 - 34 The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

FINANCE DEPARTMENT

The financial operations of the City are planned and directed by the Finance Department. It establishes and sustains controls over the City's financial activities, and provides accurate, timely financial information to Council and Management. 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, the Municipal Court office and the Reception area with a staff of ten employees.

Accomplishments

During the past year the Finance Department:

- Worked together with the Human Resources Department to:
 - transition retirement contributions for employees in 401(a) plans to PERS
 - implement the City's new Cell phone stipend policy through the payroll system
- Worked together with the Human Resources Department and Assistant to the City Manager to establish the City's new per diem policy for employee travel and training
- Revamped the city's capital asset program; streamlined the tracking process and improved accountability
- Created an internal service fund for City administrative costs, improving controls and financial reporting for goods and services provided to the City's operating funds
- Performed desk audits on various accounting processes improving efficiency, strengthening internal controls and enhancing back up of critical functions
- Received the Certificate of Achievement for Excellence in Financial Reporting, a nationally recognized honor, for the ninth consecutive year. In December, the city was given a clean audit opinion with no audit findings for its fiscal year ending June 30, 2008
- Issued debt to fund a portion of the new civic center. The debt will be repaid over the next three years with tax increment revenues in the Urban Renewal District
- Developed a compliance plan for the continuing disclosure requirements for the City's \$26,810,000 LID bond
- Initiated the City's investment program for investment of debt reserves
- Participated in drafting and negotiating the interagency Sewer Agreement with the City of Salem
- Negotiated a new 9-1-1 Interagency Agreement between the City, Keizer Rural Fire Protection District and Marion County Fire District No 1

Finance Department

continued

Accomplishments (continued)

- Initiated and researched the Identity Theft Red Flag Program for the City of Keizer to ensure compliance with federal mandates

Future Goals

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

- Continuing routine desk audits and system reviews over the primary functions in accounting, utility billing and municipal court to ensure adequate control and efficiency
- Recruit, hire and train the new Assistant Controller. Ensure adequate back up exists for critical functions in the absence of the Finance Director

- Research on-line receipting and systems integration between Utility Billing and the General Ledger
- Implement new financial reporting requirements (GASB 45) for the accounting and financial reporting over costs and liabilities associated with postemployment benefits (other than pension benefits)
- Together with Human Resources, Information Systems, and Records Management, research and develop Identity Theft Protection Act procedures to ensure compliance

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

INTERNAL SERVICES FUND
FINANCE DEPARTMENT

ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09
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RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
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REQUIREMENTS										
<i>PERSONNEL SERVICES</i>										
14										
15										
16										
17										
18	\$	-	\$	-	\$	-	\$	-	\$	-
19										
20										
21										
22										
23										
24										
25	\$	-	\$	-	\$	-	\$	-	\$	-
26										
27										
28	\$	-	\$	-	\$	-	\$	-	\$	-
29										
30	\$	-	\$	-	\$	-	\$	-	\$	-
31										
32										
33										
34	\$	-	\$	-	\$	-	\$	-	\$	-

- Notes:
- ¹⁵ Department costs exclude Municipal Court and Utility Billing which are located in the General Fund and the Water, Sewer and Storm Water Funds respectively.
 - ¹⁷ Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.
 - ¹⁷ Salaries are projected to increase 3% plus step increases for eligible employees per Council policy.
 - ²¹ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
 - ²² The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.
 - ²³ The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.
 - ²⁴ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.
 - ²⁸ The Department's Travel & Training budget in FY08-09 is projected at \$9,100 (excluding Municipal Court and Utility Billing).
 - ²⁹ Audit Fees for FY09-10 equal FY08-09 costs; no increase is anticipated.
 - ³² The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

CIVIC CENTER FACILITIES

The Civic Center Facility Fund accounted for operations and maintenance of the new Civic Center facilities. City staff moved to the new facilities in March 2009. The City plans to establish facility replacement reserves in fiscal year 2011-2012, when additional property tax revenues are anticipated from the dissolution of the North River Road Urban Renewal District.

INTERNAL SERVICES FUND
CIVIC CENTER FACILITIES

	ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
RESOURCES								
1	\$ 253	\$ 1,848	\$ 1,800	\$ 1,900	Working Capital Carryforward	\$ 5,500	\$ 5,500	\$ 5,500
2								
3	2,806	-	20,600	20,600	Reimbursement from Urban Renewal	5,800	5,800	5,800
4								
5	39	77	-	5,500	Miscellaneous Revenue	-	-	-
6								
7	TRANSFERS IN							
8	22,139	-	459,700	459,700	General Fund	128,700	128,700	128,700
9	2,436	-	27,400	27,400	Street Fund	7,000	7,000	7,000
10	3,299	-	20,600	20,600	Sewer Fund	6,200	6,200	6,200
11	6,783	-	116,600	116,600	Water Fund	29,400	29,400	29,400
12	678	-	6,900	6,900	SLD Fund	1,000	1,000	1,000
13	-	-	34,300	34,300	Storm Water Fund	9,300	9,300	9,300
14	\$ 35,335	\$ -	\$ 665,500	\$ 665,500	TOTAL TRANSFERS IN	\$ 181,600	\$ 181,600	\$ 181,600
15								
16	\$ 38,433	\$ 1,925	\$ 687,900	\$ 693,500	TOTAL RESOURCES	\$ 192,900	\$ 192,900	\$ 192,900

INTERNAL SERVICES FUND
CIVIC CENTER FACILITIES

	ESTIMATED 2006-07	ESTIMATED 2007-08	AMENDED 2008-09	PROJECTED 2008-09		RECOMMENDED 2009-10	APPROVED 2009-10	ADOPTED 2009-10
17	REQUIREMENTS							
18								
19	PERSONNEL SERVICES							
20	\$ -	\$ -	\$ -	\$ -	- Public Works Superintendent	\$ 4,300	\$ 4,300	\$ 4,300
21	-	-	-	-	- Facility Maintenance Worker	43,400	43,400	43,400
22	-	-	-	-	- Clothing Allowance	300	300	300
23	-	-	-	-	- Medicare	800	800	800
24	-	-	-	-	- Retirement	7,100	7,100	7,100
25	-	-	-	-	- Insurance Benefits	13,800	13,800	13,800
26	-	-	-	-	- Workers Compensation	700	700	700
27	\$ -	\$ -	\$ -	\$ -	- TOTAL PERSONNEL SERVICES	\$ 70,400	\$ 70,400	\$ 70,400
28								
29	MATERIALS & SERVICES							
30	\$ -	\$ -	\$ -	\$ -	- Travel & Training	\$ 1,000	\$ 1,000	\$ 1,000
31	-	-	-	-	- Contractual Services	70,600	70,600	70,600
32	-	-	-	-	- Janitorial Supplies	6,000	6,000	6,000
33	-	-	-	-	- Utilities	37,500	37,500	37,500
34	-	-	-	-	- Facility Maintenance Supplies	6,800	6,800	6,800
35	\$ -	\$ -	\$ -	\$ -	- TOTAL MATERIALS & SERVICES	\$ 121,900	\$ 121,900	\$ 121,900
36								
37	CAPITAL OUTLAY							
38	\$ 36,583	\$ -	\$ 687,900	\$ 688,000	Improvements	\$ -	\$ -	\$ -
39	\$ 36,583	\$ -	\$ 687,900	\$ 688,000	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -
40								
41	FUND BALANCE							
42	-	-	-	-	- Restricted for 27th pay period FY15-16	600	600	600
43	1,850	1,925	-	5,500	Unrestricted Ending Fund Balances	-	-	-
44								
45	\$ 38,433	\$ 1,925	\$ 687,900	\$ 693,500	TOTAL REQUIREMENTS	\$ 192,900	\$ 192,900	\$ 192,900

Notes:

- ¹⁹ Five-year comparative salary and fringe benefit information is in the Supplemental Information section of the budget document.
- ¹⁹ Salaries are projected to increase 3% plus step increases for eligible employees per Council policy.
- ²³ Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- ²⁴ The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.
- ²⁵ The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.
- ²⁶ Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.
- ³⁰ Travel & Training has not been separately budgeted prior to FY10.
- ³¹ Contractual services include \$60,000 for janitorial services plus \$10,600 for window washing, floor and rug cleaning and fire sprinkler annual maintenance.
- ⁴² The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

GENERAL FUND LONG RANGE FINANCIAL PLAN
PROJECTIONS FOR FY09-10

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

Fund Balance % of Revenues	20%	15%	6%	-6%	-13%	-22%	-33%	-46%
	Projected 2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
4 <i>Increase Population</i>			0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
5 <i>Increase Property Valuation</i> City-Wide			3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
7 RESOURCES:								
9 Working Capital Carryforward	\$ 2,291,200	\$ 1,529,600	\$ 1,136,300	\$ 470,400	\$ (443,400)	\$ (1,073,600)	\$ (1,856,300)	\$ (2,798,900)
11 Property Taxes:	3,354,000	3,429,100	3,532,000	3,638,000	3,747,100	3,859,500	3,975,300	4,094,600
12 Desolution of Urban Renewal District	-	-	-	-	680,300	700,700	721,700	743,400
14 Licenses & Fees: Based on population increase	2,420,800	2,403,000	2,409,000	2,415,000	2,421,000	2,427,100	2,433,200	2,439,300
16 Intergovernmental: Based on population increase	758,400	680,400	541,700	543,100	544,500	545,900	547,300	548,700
17 CHRP Police Grant		230,800	230,800	230,800				
18 Community Development Grants		140,000						
19 911 tax revenues sunset								(57,300)
21 Fines & Forfeits: Based on population increase	589,300	571,600	573,000	574,400	575,800	577,200	578,600	580,000
23 Miscellaneous: Based on population increase	305,000	257,000	257,600	258,200	258,800	259,400	260,000	260,700
25 Interfund Loan	49,600							
27 TOTAL RESOURCES	\$ 9,768,300	\$ 9,241,500	\$ 8,680,400	\$ 8,129,900	\$ 7,784,100	\$ 7,296,200	\$ 6,659,800	\$ 5,810,500

**GENERAL FUND LONG RANGE FINANCIAL PLAN
PROJECTIONS FOR FY09-10**

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

1 Fund Balance % of Revenues	20%	15%	6%	-6%	-13%	-22%	-33%	-46%
2	Projected							
3	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
28 Personnel Services Increase (3% CPI-W net 2% attrition)			1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
29 Medical Insurance Premium Increase			10%	10%	10%	10%	10%	10%
30 Materials & Services Increase			0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
31								
32 EXPENDITURES:								
33								
34 Personnel Services								
35 Costs excluding medical insurance premiums	\$ 5,158,500	\$ 4,845,100	\$ 4,893,600	\$ 4,942,500	\$ 4,991,900	\$ 5,041,800	\$ 5,092,200	\$ 5,143,100
36 Medical insurance premiums	746,800	771,100	848,200	933,000	1,026,300	1,128,900	1,241,800	1,366,000
37 Increase in retirement rates 6%				238,100	238,100	238,100	238,100	238,100
38								
39 Materials & Services	1,419,500	1,146,400	1,011,700	1,016,800	1,021,900	1,027,000	1,032,100	1,037,300
40 Overhead costs from Urban Renewal District					-	-	-	-
41								
42 Capital Outlay								
43 Police Department - K-9 Dog	12,000							
44 Park Improvements	41,200	5,900	35,000	35,200	35,400	35,600	35,800	36,000
45								
46 Transfers Out								
47 Repay interfund loan to Transportation Fund			49,600					
48 Transfer to 9-1-1 Fund	247,000	244,900	246,100	247,300	248,500	249,700	250,900	252,200
49 Transfer to Revenue Sharing Fund	113,300							
50 Transfer to Internal Services Fund	459,700	1,015,900	1,026,100	1,036,400	1,046,800	1,057,300	1,067,900	1,078,600
51 Transfer to Transportation Improvement	22,300	-	-	-	-	-	-	-
52 Transfer to Sewer Reserve	18,400	-	-	-	-	-	-	-
53								
54 TOTAL EXPENDITURES	\$ 8,238,700	\$ 8,029,300	\$ 8,110,300	\$ 8,449,300	\$ 8,608,900	\$ 8,778,400	\$ 8,958,800	\$ 9,151,300
55								
56 Contingency	-	30,000	30,200	30,400	30,600	30,800	31,000	31,200
57 Reserve for Personnel Services	25,300	45,900	69,500	93,600	118,200	143,300	168,900	195,000
58 Reserve for Facility Replacement					100,000	200,000	300,000	400,000
59 Fund Balance	1,504,300	1,136,300	470,400	(443,400)	(1,073,600)	(1,856,300)	(2,798,900)	(3,967,000)
60								
61 TOTAL EXPENDITURES & FUND BALANCE	\$ 9,768,300	\$ 9,241,500	\$ 8,680,400	\$ 8,129,900	\$ 7,784,100	\$ 7,296,200	\$ 6,659,800	\$ 5,810,500
62								
63 Beginning Working Capital	2,291,200	1,529,600	1,136,300	470,400	(443,400)	(1,073,600)	(1,856,300)	(2,798,900)
64 Cash Needed (15% of Revenues)	1,114,100	1,101,200	1,097,000	1,114,300	1,132,100	1,150,400	1,169,200	1,188,500
65								
66 Amount needed to be borrowed	none	none	none	643,900	1,575,500	2,224,000	3,025,500	3,987,400

City of Keizer

GENERAL FUND LONG-RANGE FINANCIAL PLAN

Purpose and Goals: Each year the Budget Committee reviews and adopts 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 FY09-10, which is based on detailed analysis and research, the Plan is based on broad assumptions. The goal of the forecast is to provide the City Council and the Budget Committee with reasonable information to help guide policy decisions about funding 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. Several 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.

Background: On May 20, 1997 voters approved Ballot Measure 50, which overturned Oregon's Tax Base System and, like all Oregon cities, Keizer was given a permanent 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 \$1,000 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, Community Development and

General Fund Long-Range Financial Plan

Continued

Administration. The City's property tax revenues represent approximately 38% of General Fund revenues. Increases are expected to be 3% of existing property values.

Each year the Long-Range Financial Plan assumes the full 3% increase in assessed value as allowed under Measure 50. This may be an overly optimistic assumption. Properties with assessed value equal to real market value will not increase 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. Historically, the City has received the full 3% valuation increase although the recent economic downturn could impact future values in Keizer.

The remaining 62% of General Fund revenues include Franchise Licenses & Fees, Fines, and Intergovernmental revenues. Historically these revenues have increased about 1% each year. Alternatively, operating expenditures increase an average of 3% annually (using the Portland Consumer Price Index for Urban Wage Earners). Personnel Services make up 68% of this total. This creates a disparity between revenues and expenditures because revenues increase an average of 2% per year while expenditures increase an average of 3% per year.

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 are 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.

Forecast Assumptions

Several key assumptions were used in developing the Long-Range Financial Plan.

Growth. Historically, Keizer has experienced one to two-percent growth. In FY08-09, growth from new construction was two-tenths of one-percent. As the City builds out to its urban growth boundaries, property tax revenues will be limited to the 3% increase in assessed value plus any redevelopment of existing housing, commercial or industrial property.

Alternatively, expenditures are adjusted for inflation or predicted cost increases. The Plan does not include additional staff or materials to handle increased population. Consequently, existing resources will be stretched to a larger group of citizens.

Property Taxes (line 11). Property tax revenues are expected to increase 3% for the increase in assessed value. Beginning in FY09-10 no new growth is anticipated. Beginning with FY11-12, additional tax revenues **(line 12)** will come into the City coffers when the Urban Renewal District reaches its maximum indebtedness and dissolves.

Licenses & Fees (line 14). Licenses & Fees are projected to increase based on population increases. Historically, Licenses & Fees have shown sporadic increases because of significant rate increases. Utility rates changes are unpredictable in the long-term; therefore, no changes are factored into the Plan.

Intergovernmental (line 16). Revenues include grants and state shared apportionments such as Cigarette and Liquor Taxes. State shared revenues are based on population and are expected to increase as population increases.

The City has applied for a three-year "CHRP" grant to fund three entry-level officers. After the third year, the City must sustain funding for these positions for one year.

FY09-10 Intergovernmental revenues include one-time Community Development Grants totaling \$140,000.

Fines and Forfeits (line 21). These revenues are projected to increase as population increases. With the new electronic ticketing system and the addition of one motorcycle officer, the City may see higher increases; however, for long-range planning purposes these projections were not included because the timing and impact of any increases is difficult to predict.

Miscellaneous (line 23). These revenues are small one-time receipts or inconsistent revenue streams, which make them difficult to forecast. These revenues are projected to increase as population increases.

Interfund Borrowing (line 25). During FY09-10, the City borrowed funds from the Transportation Improvement Fund to pay a portion of the cost of furnishings for the new civic center. Funds are scheduled for repayment in FY10-11.

Personnel Services (line 28). The Long-Range Plan is based on FY09-10 budgeted staffing levels of 97 full-time equivalents. 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.

Historically, actual Personnel Services costs have been 2% below budget due to attrition. The CPI-W, net attrition, averages an increase of 1% per year, excluding medical insurance premiums. Medical insurance premiums increases are estimated at 10% per year, which is the average increase in recent years **(line 36)**

FY09-10 Personnel Services are based on staff employed with the City at the time the budget is prepared and include projected step and cost-of-living increases effective July 1, 2009.

The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011. Beginning FY11-12, PERS staff predict contribution rates will increase 6% system-wide. This increase in rates is on **line 37**.

Materials & Services (line 39). 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.

In FY12-13, the Urban Renewal District is expected to reach its maximum indebtedness at which time the district will end. Overhead expenditures currently paid out of the Urban Renewal District will need to be allocated to the City's operating funds. FY012-13 costs are estimated at \$445,000; the General Fund's share is expected to be \$307,000 in current dollars **(line 40)**.

Capital Outlay (line 42). 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 such as the Police Department's K-9 Dog which is funded with donation revenues (**line 43**). Over the past five years, Capital Outlay in the Parks Operating fund has averaged \$35,000. This is the average anticipated over the life of the plan (**line 44**). Special levies could be considered as a method of funding large specific capital expenditures.

Transfers out (line 46). The interfund loan from the Transportation Improvement Fund is scheduled for repayment in FY10-11. Interest accrued on the loan is paid monthly from the current year budgets (**line 47**).

9-1-1 Excise Tax revenues have been insufficient in recent years to fund the program. Consequently, the General Fund subsidizes this fund at approximately \$250,000 per year (**line 48**).

Funds transferred to Revenue Sharing are for police vehicles and equipment (**line 49**).

An Internal Services Fund has been established in FY09-10 to better account for City-wide administrative costs including General Administration, City Manager's Office, Assistant to the City Manager & IT, City Attorney's Office, City Recorder's Office, Human Resources, Finance, and Civic Center Facilities. **Line 50** is the General Fund's share of these costs.

The transfers to the Transportation Improvement Fund and the Sewer Reserve Fund are one-time expenses to repay these funds for receipts received in prior fiscal years belonging to these funds (**lines 51 & 52**).

Contingency (line 56). The contingency has been set aside to cover unforeseen costs such as unanticipated liability insurance claims.

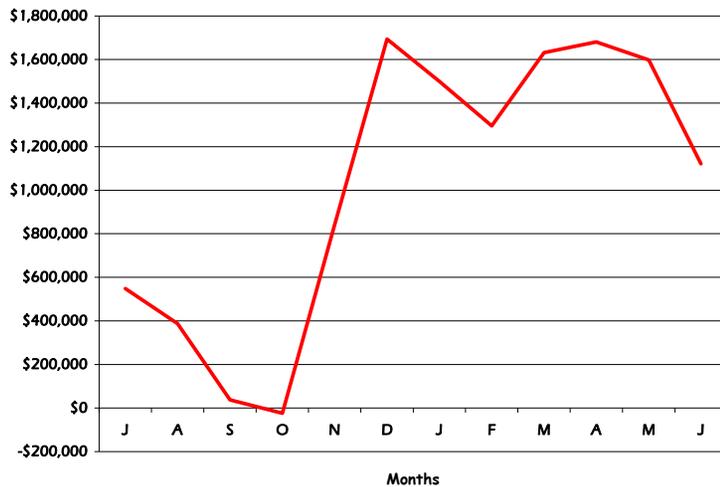
Reserve for Personnel Services (line 57). The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in FY15-16. A reserve has been established to set funds aside each year to pay this cost.

Reserve for Facility Replacement (line 58). The City anticipates building reserves for structural replacement and improvements to the civic center facilities when the North River Road Urban Renewal District sunsets.

Fund Balance (line 59). The ultimate goal of the Plan is to sustain an ending fund balance sufficient to cover cash flow needs prior to receipt of property tax revenues in late November. The Plan projects a sufficient ending fund balance in FY09-10.

Cash Flow Needs: Several years ago, the City 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 FY03-04. At the beginning of the year, the fund had a cash balance of \$975,000. General Fund expenditures support ongoing operating costs, such as Personnel Services, which were 77% of the General Fund's operating costs in FY03-04. Cash outlays are consistent from month to month and averaged approximately \$610,000 in FY03-04.

General Fund - Cash Flow Analysis
FY 2004



Monthly 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.

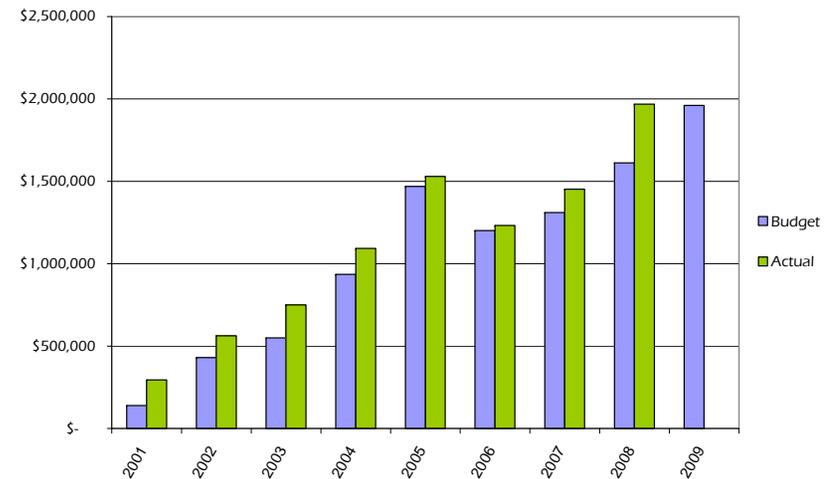
FY03-04 was the first year the General Fund did not need to borrow working capital to pay expenses. Borrowing money from other funds has consequences. Even though the money is repaid with interest, the cash borrowed in those funds becomes the corpus for the General Fund. The money cannot be spent for its intended purpose because it will be needed the following year to cover the cash needs of the General Fund.

Lines 63-66 summarize cash flow projections over the life of the plan. Line 66 represents the estimated amount to be borrowed for General Fund purposes.

The various assumptions made for projecting revenues and expenditures shows the General Fund going into a deficit by the end of FY11-12. Historically, the long-range plan has shown a deficit one to two years past the upcoming year's budget. However, the City's policy of maintaining a 15% Working Capital Carryforward through each budget cycle, has kept cash balances at levels sufficient to operate without interim borrowing to pay operating costs.

As the adjacent chart shows, Working Capital Carryforward has steadily increased over the past several years and has consistently come in above the amount budgeted for the year.

General Fund Working Capital



CITY OF KEIZER
SALARIES BY BUDGETED POSITION
FISCAL YEARS 2007 through 2010

LINE ITEM	FY06-07		FY07-08		FY08-09		FY09-10	
	ACTUAL	FTE	ACTUAL	FTE	PROJECTED	FTE	BUDGETED	FTE
ADMINISTRATIVE SUPPORT	\$ 674,807	16.5	\$ 683,176	16	\$ 705,400	16	\$ 798,500	17
ASSISTANT TO THE CITY MANAGER			9,026	1	73,000	1	75,600	1
ASSOCIATE PLANNER			46,467	1	48,700	1	53,300	1
ATTORNEY							112,300	1
CAPTAIN	162,137	2	178,104	2	189,400	2	97,600	1
CHIEF OF POLICE	93,854	1	103,092	1	109,600	1	112,900	1
CITY MANAGER	101,297	1	109,249	1	116,500	1	123,200	1
CITY RECORDER	66,700	1	71,169	1	71,100	1	72,800	1
CODE ENFORCEMENT/ZONING TECH	74,261	2	38,827	1	41,400	1	43,800	1
COMMUNITY DEVELOPMENT DIRECTOR	91,021	1	100,085	1	106,600	1	113,100	1
COMMUNITY SERVICES OFFICER	44,661	1	47,263	1	50,200	1	51,800	1
COURT CLERKS	35,488	1	76,257	2	79,900	2	82,800	2
ENVIRONMENTAL PROGRAM COORDINATOR			15,798	1	47,300	1	56,400	1

CITY OF KEIZER
SALARIES BY BUDGETED POSITION
FISCAL YEARS 2007 through 2010

LINE ITEM	FY06-07		FY07-08		FY08-09		FY09-10	
	ACTUAL	FTE	ACTUAL	FTE	PROJECTED	FTE	BUDGETED	FTE
FACILITY MAINTENANCE WORKER	36,035	1	38,473	1	41,200	1	43,400	1
FINANCE DIRECTOR	97,878	1	96,343	1	99,600	1	102,400	1
HUMAN RESOURCE DIRECTOR (1)	85,122	1	118,131	1	80,600	1	94,700	1
MUNICIPAL UTILITY WORKER	505,007	13	567,877	17	742,500	17	774,300	17
NETWORK ADMINISTRATOR	49,160	1	52,485	1	56,100	1	59,200	1
PERMIT SPECIALIST	75,771	2	80,517	2	84,600	2	88,500	2
POLICE OFFICER	1,722,521	31	1,820,827	31	1,849,800	31	2,035,300	34
PUBLIC WORKS DIRECTOR	93,855	1	101,162	1	104,700	1	107,900	1
PUBLIC WORKS SUPERINTENDENT	73,536	1	79,257	1	81,900	1	84,800	1
SERGEANT	423,197	7	545,785	7	549,300	7	640,100	7
SENIOR PLANNER	57,346	1	56,296	1	59,800	1	63,500	1
TOTAL SALARIES	<u>\$ 4,563,654</u>	<u>86.5</u>	<u>\$ 5,035,666</u>	<u>93.0</u>	<u>\$ 5,389,200</u>	<u>93.0</u>	<u>\$ 5,888,200</u>	<u>97.0</u>

(1) Includes retirement payout in FY07-08

CITY OF KEIZER
SUMMARY OF FRINGE BENEFITS
FISCAL YEARS 2006 through 2010

LINE ITEM	FY06	FY07	FY08	FY09	FY10
	ACTUAL	ACTUAL	ACTUAL	PROJECTED	BUDGETED
1 Vehicle Allowance/Tuition Assistance	\$ 9,200	\$ 9,200	\$ 9,200	\$ 4,200	\$ 4,200
2 Cell Phone Stipend/Clothing Allowance	0	0	0	37,800	46,100
3 Medicare	69,405	74,066	81,313	89,200	93,000
4 Retirement	1,028,619	1,100,821	1,113,804	1,233,000	1,069,800
5 Insurance Benefits	720,392	830,577	906,939	1,103,100	1,266,100
6 Workers Compensation	81,403	57,083	50,835	62,200	52,200
	<u>\$ 1,909,019</u>	<u>\$ 2,071,747</u>	<u>\$ 2,162,091</u>	<u>\$ 2,529,500</u>	<u>\$ 2,531,400</u>

Notes:

- 1 Vehicle Allowance/Tuition Assistance is for the City Manager as established in an employment contract
- 2 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.
- 3 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.
- 4 The City anticipates transitioning non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. A small number of employees near retirement will not be expected to change to PERS due to the 5-year vesting period. Research is in progress to identify these situations. PERS employer contribution rates are scheduled to decrease July 2009 resulting in an overall savings to the City. The new rates will be in effect through June 2011.
- 5 The City budget provides for 95% of insurance premiums to be paid by the City and 5% to be paid by the employee. In FY09-10, the City's health and dental insurance premiums are projected to increase approximately 9% and 6.6% respectively. The City pays the full cost of life insurance (\$60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY09-10.
- 6 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. All rates for City of Keizer classifications are expected to decrease 16% overall beginning July 2009 resulting in an overall savings to the City.

STAFFING HISTORY - FULL TIME EQUIVALENTS

	Actual FY05-06	Actual FY06-07	Actual FY07-08	Actual FY08-09	Budgeted 2009-10
CITY MANAGER					
City Manager	1.0	1.0	1.0	1.0	1.0
<i>Total</i>	1.0	1.0	1.0	1.0	1.0
ASSISTANT TO THE CITY MANAGER					
Assistant to City Manager	0.0	0.0	1.0	1.0	1.0
Network Administrator	1.0	1.0	1.0	1.0	1.0
<i>Total</i>	1.0	1.0	2.0	2.0	2.0
CITY ATTORNEY					
Attorney	0.0	0.0	0.0	0.0	1.0
Legal Assistant	0.0	0.0	0.0	0.0	1.0
<i>Total</i>	0.0	0.0	0.0	0.0	2.0
CITY RECORDER					
City Recorder	1.0	1.0	1.0	1.0	1.0
* Deputy City Recorder	1.0	1.0	1.0	1.0	1.0
<i>Total</i>	2.0	2.0	2.0	2.0	2.0
HUMAN RESOURCES					
Human Resources Director	1.0	1.0	1.0	1.0	1.0
* Administrative Assistant	1.0	1.0	1.0	1.0	1.0
<i>Total</i>	2.0	2.0	2.0	2.0	2.0

STAFFING HISTORY - FULL TIME EQUIVALENTS

	Actual FY05-06	Actual FY06-07	Actual FY07-08	Actual FY08-09	Budgeted 2009-10
FINANCE					
Finance Director	1.0	1.0	1.0	1.0	1.0
* Assistant Controller	0.0	0.0	0.0	0.0	1.0
* Accountant	1.0	1.0	1.0	1.0	0.0
* Accounting Technician	1.0	1.0	1.0	1.0	1.0
* Utility Billing Technician	1.0	1.0	1.0	1.0	1.0
* Utility Billing Clerks	3.0	3.0	3.0	3.0	3.0
Court Clerk I	0.5	0.5	1.0	1.0	1.0
Court Clerk II	1.0	1.0	1.0	1.0	1.0
* Office Assistant/Receptionist	1.0	1.0	1.0	1.0	1.0
<i>Total</i>	9.5	9.5	10.0	10.0	10.0
COMMUNITY DEVELOPMENT					
Community Development Director	1.0	1.0	1.0	1.0	1.0
Senior Planner	1.0	1.0	1.0	1.0	1.0
Associate Planner	0.0	1.0	1.0	1.0	1.0
Assistant Planner	0.5	0.0	0.0	0.0	0.0
Code Enforcement/Zoning Technician	1.5	1.0	1.0	1.0	1.0
* Permit Specialist	1.0	1.0	1.0	1.0	1.0
<i>Total</i>	5.0	5.0	5.0	5.0	5.0
PUBLIC WORKS					
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	2.0	2.0	2.0
Municipal Utility/ Streets	1.0	1.0	1.0	1.0	1.0
Municipal Utility/ Water	11.0	11.0	11.0	11.0	11.0
Municipal Utility/ Storm	0.0	0.0	3.0	3.0	3.0
Environmental Program Coordinator	0.0	0.0	1.0	1.0	1.0
Facility Maintenance	1.0	1.0	1.0	1.0	1.0
* Permit Specialist	1.0	1.0	1.0	1.0	1.0
<i>Total</i>	17.0	17.0	22.0	22.0	22.0

STAFFING HISTORY - FULL TIME EQUIVALENTS

	Actual FY05-06	Actual FY06-07	Actual FY07-08	Actual FY08-09	Budgeted 2009-10
POLICE					
Chief	1.0	1.0	1.0	1.0	1.0
Captain(s)	2.0	2.0	2.0	2.0	1.0
Sergeants	7.0	7.0	7.0	7.0	7.0
** Police Officers	22.0	24.0	24.0	24.0	27.0
Detectives	4.0	4.0	4.0	4.0	4.0
School Resource Officers	3.0	3.0	3.0	3.0	3.0
<i>Total Sworn Positions</i>	39.0	41.0	41.0	41.0	43.0
* Investigative Services Specialist	1.0	1.0	1.0	1.0	1.0
* Property & Evidence 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 Supervisor	1.0	1.0	1.0	1.0	1.0
* Police Support Specialists	3.0	3.0	3.0	3.0	3.0
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	49.0	49.0	49.0	51.0
<i>Grand Total</i>	84.5	86.5	93.0	93.0	97.0

* Classified as Administrative Support in budget document

** One Police Officer position was held vacant from FY00-01 through FY05-06 because of funding constraints. This position was put back into the budget beginning in FY06-07.

**CITY OF KEIZER
SALARY ALLOCATION
FY09-10 BUDGET**

TITLE	General Fund					Other Funds							TOTAL
	Admin	Parks	Comm Dev	Police	Muni Court	Street	Sewer	Water	SLD	Storm Water	Urban Renewal	Other	
	102	106	108	111	115	012	040	042	043	046	050		
CITY MANAGER													
City Manager	28%					5%	1%	10%	1%	5%	50%		100%
ASSISTANT TO CITY MANAGER													
Assistant to City Manager	56%					10%	4%	15%	1%	6%	8%		100%
Network Administrator	69%					4%	3%	15%	1%	5%	3%		100%
CITY ATTORNEY*													
Attorney	50%					12%	2%	6%	0%	1%	19%	10%	100%
Legal Assistant	50%					12%	2%	6%	0%	1%	19%	10%	100%
CITY RECORDER													
City Recorder	70%					10%	2%	2%	5%	1%	10%		100%
Deputy City Recorder	32%	10%		20%		3%	3%	3%	3%	1%	25%		100%
HUMAN RESOURCES													
Human Resources Director	69%					4%	3%	15%	1%	5%	3%		100%
Administrative Assistant	69%					4%	3%	15%	1%	5%	3%		100%
FINANCE													
Finance Director	20%					5%	21%	21%	5%	3%	25%		100%
Assistant Controller	35%					7%	20%	20%	5%	3%	10%		100%
Accounting Technician	35%					7%	20%	20%	5%	3%	10%		100%
Utility Billing Technician							48%	49%		3%			100%
Utility Billing Clerks							48%	49%		3%			100%
Court Clerk I					100%								100%
Court Clerk II					100%								100%
Receptionist/Administrative Assistant	20%					5%	21%	21%	5%	3%	25%		100%

*City Attorney's Office is based on billable hours.

CITY OF KEIZER
SALARY ALLOCATION
FY09-10 BUDGET

TITLE	General Fund					Other Funds							TOTAL
	Admin	Parks	Comm Dev	Police	Muni Court	Street	Sewer	Water	SLD	Storm Water	Urban Renewal	Other	
	102	106	108	111	115	012	040	042	043	046	050		
COMMUNITY DEVELOPMENT													
Community Development Director			58%			5%		2%			35%		100%
Senior Planner			90%								10%		100%
Assistant Planner			90%								10%		100%
Permit Specialist			90%								10%		100%
Code Enforcement/Zoning Technician			85%			10%				5%			100%
POLICE DEPARTMENT													
Chief				100%									100%
Captains				100%									100%
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%	15%	5%		100%
Public Works Superintendent		5%				30%	5%	45%	5%	5%	5%		100%
Permit Specialist						43%	12%	30%	10%	5%			100%
Facility Maintenance	69%					4%	3%	15%	1%	5%	3%		100%
Municipal Utility Worker (10)								100%					100%
Municipal Utility Worker (1)						40%				60%			100%
Municipal Utility Worker (2)		100%											100%
Municipal Utility Worker (1)						25%		60%		10%	5%		100%
Municipal Utility Worker (1)						75%				25%			100%
Municipal Utility Worker (2)										100%			100%
Environmental Program Manager										100%			100%
Municipal Utility Workers (#) = number of staff													

CITY OF KEIZER
CHANGES IN SALARY ALLOCATION
FY09-10 BUDGET

TITLE	Budgeted FY09-10											Budgeted FY08-09																			
	General Fund					Street	Utility	Water	SLD	Storm Water	Urban Renewal	TOTAL	General Fund					Street	Utility	Water	SLD	Storm Water	Urban Renewal	TOTAL							
	Gen S	Parks	CD	Police	Court								Gen S	Parks	CD	Police	Court														
ASSISTANT TO CITY MANAGER																															
Assistant to City Manager	56%					10%	4%	15%	1%	6%	8%	100%	40%											8%	2%	15%	2%	8%	25%	100%	
Network Administrator	69%					4%	3%	15%	1%	5%	3%	100%	68%											3%	3%	16%	1%	6%	3%	100%	
CITY RECORDER																															
City Recorder	70%					10%	2%	2%	5%	1%	10%	100%	65%											10%	2%	2%	10%	1%	10%	100%	
Deputy City Recorder	32%	10%	20%			3%	3%	3%	3%	1%	25%	100%	27%	10%	20%	5%								3%	3%	3%	3%	1%	25%	100%	
HUMAN RESOURCES																															
Human Resources Director	69%					4%	3%	15%	1%	5%	3%	100%	68%											3%	3%	16%	1%	6%	3%	100%	
Administrative Assistant	69%					4%	3%	15%	1%	5%	3%	100%	68%											3%	3%	16%	1%	6%	3%	100%	
FINANCE																															
Assistant Controller (Accountant)	35%					7%	20%	20%	5%	3%	10%	100%	35%											5%	19%	25%	5%	1%	10%	100%	
Accounting Technician	35%					7%	20%	20%	5%	3%	10%	100%	35%											5%	19%	25%	5%	1%	10%	100%	
Receptionist/Administrative Assistant	20%					5%	21%	21%	5%	3%	25%	100%	18%											25%	4%	8%	11%	2%	4%	28%	100%
COMMUNITY DEVELOPMENT																															
Code Enforcement/Zoning Technician			85%			10%					5%	100%			90%									10%						100%	
PUBLIC WORKS																															
Public Works Director		2%				43%	3%	27%	5%	15%	5%	100%		2%										43%	3%	27%	5%	5%	15%	100%	
Public Works Superintendent	5%	5%				30%	5%	40%	5%	5%	5%	100%		5%										30%	5%	45%	5%	5%	5%	100%	
Facility Maintenance	69%					4%	3%	15%	1%	5%	3%	100%	20%			20%								20%	5%	15%	5%	5%	10%	100%	
Municipal Utility Worker (I)						40%					60%	100%												75%			25%		100%		
Municipal Utility Worker (I)						25%		60%		10%	5%													25%		65%	10%		100%		

SUMMARY OF CERTAIN ADMINISTRATIVE COSTS
Fiscal Year 2009-10

	General Fund				Internal Services Fund	Street Fund	Sewer Fund	Water Fund	SLD Fund	Storm Fund	Urban Renewal Fund	FY 2009-10	FY 2008-09
	Parks	Com Dev	Police	Court									
1 Association Memberships					56,000							56,000	59,300
2 Audit					28,400							28,400	28,400
3 City Council Expenses					2,000							2,000	8,100
4 Computer & Software Maintenance					129,800							129,800	95,600
5 Computer Hardware					52,300							52,300	83,200
6 Facility Maintenance					6,800							6,800	20,600
7 Utilities (Gas, Electric, Water & Sewer)	16,500				37,500			201,600				255,600	225,900
8 Insurance - Liability			16,500		3,000	1,400		10,500		3,000		34,400	181,800
9 Janitorial					76,600							76,600	56,500
10 Labor Attorney	100		5,000		16,000	400		3,500		1,000		26,000	39,300
11 Legal Services					239,700							239,700	209,300
12 Postage & Printing	500	5,400	12,000		8,000	2,000	26,000	32,700	500	6,100	1,600	94,800	117,600
13 Telephone	2,300	700	25,000		13,400	2,100		15,000				58,500	50,400
14 Travel & Training	1,200	5,100	36,000	1,800	51,000	2,900	2,400	16,900		8,000	1,200	126,500	112,000

Notes:

- 1 Association Memberships include such organizations as the Council of Governments, League of Oregon Cities, Chamber of Commerce, International City/County Management Association, & local newspaper subscriptions.
- 2 Audit costs are allocated based on projected FY08-09 expenditures in each operating fund. Costs have increased due to new auditing requirements.
- 3 City Council expenses include travel & training & miscellaneous office supplies.
- 4 Computer & Software Maintenance costs are primarily for maintaining existing systems.
- 5 Computer equipment costs primarily include replacement equipment and equipment for new positions.
- 6 Facility Maintenance costs are for maintenance supplies. Costs are down due to the move to the new Civic Center since most maintenance costs will be covered under warrently.
- 7 City-wide utility costs are for the Civic Center facilities and are expected to be higher in the new building. Costs in the Parks Fund include power to run the irrigation system and the Parks facility. The Water Fund includes costs to run water facilities such as pump stations.
- 8 In FY08-09 the City committed to a three-year "Retro Plan" agreement on its liability insurance premiums. Premium contributions reduced to 65% with a maximum exposure of 117.5%. An additional \$5,000 was added in FY09-10 for coverage of the new Civic Center. Auto insurance premiums are paid from the Police Operating budget and Public Works budgets.
- 9 Janitorial costs include \$60,000 for janitorial services and \$10,600 for window washing, floor & rug cleaning, fire sprinkler annual maintenance and supplies.
- 10 Labor Attorney costs in the Internal Services Fund include review of City Policies, assistance with transition to PERS, and employee issues not covered by union contracts. Labor attorney costs in the Police and Public Works budgets are for union negotiations including dispute resolution. Union contracts expires June, 30 2009. Negotiations are expected to continue into FY09-10.
- 11 Effective June 2009, the City Attorney's office will no longer be a contracted service and staff will move in-house.
- 12 The US postal service increased postage costs 5% beginning in May 2008. FY09-10 costs are based on Fy08-09 projected expenditures, which are higher than anticipated in the FY08-09 Adopted Budget.
- 13 Telephone costs include both land-lines and cell phones City-wide. Increases are due to additional costs to maintain the system in the new facilities.
- 14 Travel & Training costs are budgeted by position and allocated based on each position's salary allocation. Increases are due to the addition of new staff and additional professional requirements.

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 1% minimum and a 3% maximum on salary increases. Salary surveys for all classifications are performed no less than every three (3) years.

The City pays salaries every two weeks, on Thursdays, which typically equates to 26 pay-periods per year. However, every eleven years there are 27 pay-periods. The City sets aside an appropriate amount each year to cover this expense, which will occur next in 2015-2016.

GENERAL FUND

Administration

Fines & Forfeits Revenues

Collections - Past Due. The City has a large amount of past due fines and forfeits on record. A few years ago, the Municipal Court office turned all of

these receivables over to a collection agency. City has since severed its relationship with this agency and Staff continues to work toward turning accounts over to the City's current collection agency. Oregon state statute allows City's to turn over past due accounts up to twenty years after they become due. This is a change from previous legislation which limited the time period to ten years.

Park Maintenance

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

Police Petty Cash Funds

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

GLOSSARY OF COMMON BUDGET TERMS

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

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

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

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

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

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

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

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

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

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

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

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

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

GLOSSARY OF COMMON BUDGET TERMS

continued

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

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

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

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

Department: An organizational unit of the City.

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

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

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

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

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

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

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

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

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

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

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

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

GLOSSARY OF COMMON BUDGET TERMS

continued

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.

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.

GLOSSARY OF COMMON BUDGET TERMS

continued

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.