

# COUNCIL ADOPTED BUDGET

## Fiscal Year 2008-2009



City of Keizer  
Marion County, Oregon



CITY OF KEIZER

FISCAL YEAR 2008-2009

Lore Christopher  
Mayor

Members of the Budget Committee

Council Members:

Lore Christopher, Mayor  
Cathy Clark  
David McKane  
Jacque Moir  
Brandon Smith  
James Taylor  
Richard Walsh, President

Public Members:

Ronald Bersin  
Michael Lopez  
Terry Gordon  
David Lapof  
Donna Bradley  
Jim Gores  
Vacant

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!"

## DEMOCRACY

Democracy means government by discussion, but it is only effective if you can stop people talking.

- Clement Atlee

Always vote for principle, though you may vote alone, and you may cherish the sweetest reflection that your vote is never lost.

- John Quincy Adams

Your representative owes you, not his industry only, but his judgment; and he betrays, instead of serving you, if he sacrifices it to your sole opinion.

- Edmond Burke

Democracy is two wolves and a lamb voting on what to have for lunch. Liberty is a well-armed lamb contesting the vote!

- Benjamin Franklin

## TABLE OF CONTENTS

I.	Introduction	Page	IV.	Special Revenue Funds	Page
	Budget Overview .....	1-2		Revenue Sharing .....	67-71
	Budget Calendar .....	3-4		City Hall Facility .....	72-73
	Organization Chart .....	5		PEG .....	74-75
	Council Goals .....	6-16		9-1-1 Communications .....	76-77
	City Volunteers .....	17		Law Enforcement Grant .....	78-79
	Financial Policies .....	18-19		Housing Services .....	80-81
	City History .....	20-21		Park Improvements .....	82-83
II.	Budget Message .....	22-26		Transportation Improvement .....	84-85
	All Funds Combined .....	27-28		Streets .....	86-91
	City Manager's Office .....	29-33		Storm Water .....	92-96
	Information Systems .....	34	V.	Proprietary Funds	
	Human Resources Department .....	35-36		Utility Billing Division .....	97
	Finance Department .....	37		Sewer .....	98-101
	City Recorder's Department .....	38		Sewer Reserve .....	102-103
III.	General Fund			Water .....	104-109
	Summary .....	39-42		Water Facility Replacement Reserve .....	110-111
	Property Tax Revenue Estimates .....	43		Street Lighting Districts .....	112-115
	General Support Resources .....	44-45	VI.	Capital Projects Fund	
	Administration .....	46-49		Keizer Station Local Improvement District .....	116-118
	Parks .....	50-53	VII.	Budget Notes .....	119-120
	Community Development .....	54-58	VIII.	Long-Range Plan .....	121-127
	Municipal Court .....	59-61	IX.	Supplemental Information	
	Police .....	62-66		Staffing .....	128-135
				Allocation of Shared Overhead Costs .....	136
				Glossary of Common Budget Terms .....	137-140

## *BUDGET OVERVIEW*

Welcome to the City of Keizer's Fiscal Year 2008-2009 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 2008-09 BUDGET CALENDAR*

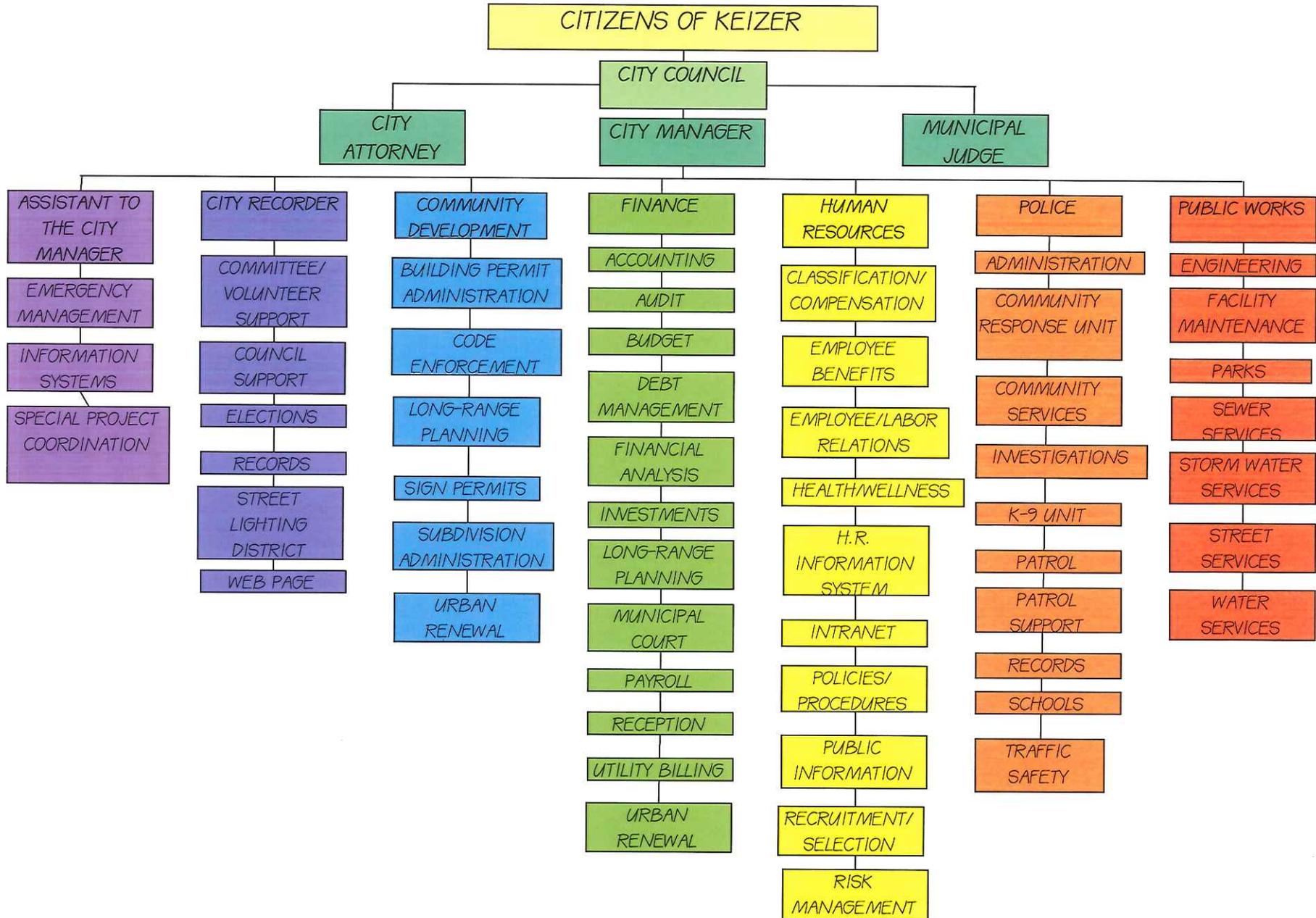
Friday, April 11 <sup>th</sup>	Notice of Budget Committee Meeting on City Budget to Keizertimes for publication on April 18 <sup>th</sup> and April 25 <sup>th</sup> for Meeting on Tuesday, May 6 <sup>th</sup> at 5:45 p.m.
Friday, April 18 <sup>th</sup>	Notice of Budget Committee meeting on Urban Renewal Budget to Keizertimes for publication on April 25 <sup>th</sup> and May 2 <sup>nd</sup> for meeting on Tuesday, May 13 <sup>th</sup> at 5:45 p.m.
Wednesday, April 30 <sup>th</sup>	City Budget Document distributed to Budget Committee
Tuesday, May 6 <sup>th</sup>	Urban Renewal Budget Document distributed to Budget Committee
Tuesday, May 6 <sup>th</sup> - 5:45 p.m.	<p>Budget Committee Meeting</p> <ul style="list-style-type: none"> <li>◆ Introductions</li> <li>◆ Election of City of Keizer Budget Committee Chair</li> <li>◆ Approval of Budget Calendar</li> <li>◆ Public Testimony</li> <li>◆ Presentation of City of Keizer Budget Message</li> <li>◆ Staff presentations - General Fund</li> </ul>
Thursday, May 8 <sup>th</sup> - 5:45 p.m.	<p>Budget Committee Meeting</p> <ul style="list-style-type: none"> <li>◆ Public Testimony</li> <li>◆ Discussion of General Fund Budget</li> <li>◆ Staff presentation - Special Revenue Funds (Streets, Revenue Sharing et al)</li> <li>◆ Discussion of Special Revenue Fund Budgets</li> <li>◆ Staff presentation of Capital Projects Funds</li> <li>◆ Discussion of Capital Projects Funds</li> </ul>
Tuesday May 13 <sup>th</sup> - 5:45 p.m.	<p>Budget Committee Meeting</p> <ul style="list-style-type: none"> <li>◆ Election of Urban Renewal Budget Committee Chair</li> <li>◆ Approval of Urban Renewal Budget Calendar</li> <li>◆ Public Testimony</li> <li>◆ Presentation of Keizer Urban Renewal District Budget Message</li> <li>◆ Discussion of Urban Renewal Agency Budget</li> <li>◆ Staff presentation - Water, Sewer, Street Lighting Programs</li> <li>◆ Discussion of Enterprise Fund Budgets (Water, Sewer, Street Lighting)</li> <li>◆ Budget Recommendations to Council and Urban Renewal Board</li> </ul>

*FISCAL YEAR 2008-09 BUDGET CALENDAR*

*continued*

<i>Thursday, May 22<sup>nd</sup> - 5:45 p.m.</i>	<i>Alternate meeting to complete City or Urban Renewal Agency Budgets (if needed)</i>
<i>Friday, May 30<sup>th</sup></i>	<i>City Financial Summary and notice of budget hearing in Keizertimes for publication on June 6<sup>th</sup></i>
<i>Monday June 16<sup>th</sup> - 6:30 p.m.</i>	<i>Public hearing on Urban Renewal Budget. Board adoption of Budget.</i>
<i>Monday June 16<sup>th</sup> - 7:00 p.m.</i>	<i>Public hearing on City Budget. Council adoption of Budget.</i>

# ORGANIZATIONAL STRUCTURE



## 2007-09 City Council Goals

### Business Plan for Completion within 24-months

Goal to Complete Civic Center Improvement Building Project: Complete design of, bid, and construct City Hall and Police Department Facilities.

- ◆ Complete design of City Hall and Police Department Facilities
- ◆ Complete Construction of New Facilities in a Timely Manner
- ◆ Let Bids for General Contractor to Construct Facilities

Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Complete Design of City Hall and Police Department	◆ Staff and Citizen Task Force work with Architects to develop Design and Construction Docs.	City Manager Project Manager Dept. Heads City Council Task Force	40	2007	11-19-07 - 90% documents are currently being reviewed and Bid Documents are being developed. For all intents and purposes, this task is complete.
✓	Let Bids for GC to Construct Facility	◆ Develop Construction Docs ◆ Pre-qualify potential GC firms ◆ Issue Bid Docs ◆ Let bid to successful GC	City Manager Project Manager Police Chief PW Director	50	2008	11-19-07 - Bid documents are set to be advertised in the middle of December of 2007. 2-21-08 - Bids have been received and an apparent low bidder has been selected. This task is complete.
	Complete Construction in a timely manner	◆ Work to complete construction on time and within budget	City Manager Project Manager PW Director Police Chief	10	08-09	4-22-08 - Construction is underway. Current estimates have the Building completed in February or March of 2009.
<u>Total % of Goal Completed to date</u>				90		

## 2007-09 City Council Goals

*Business Plan for Completion within 24-months*

Goal to Expand Current Programming of Keizer-23 PEG Channel: Goal for K-23 Task Force to further develop PEG programming offered to Keizer Citizens on Comcast Cable Channel 23.

- ◆ Develop PEG programming on K-23
- ◆ Dissolve task force and initiate standing committee to oversee K-23
- ◆ Develop guidelines for programming on K-23

Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Develop PEG programming on K-23	◆ K-23 Task Force meets periodically to explore additional programming possibilities for K-23	Task Force City Manager City Attorney City Council	33	2007	3-22-07 – Task force has met periodically and had developed a number of ideas to expand the amount and type of programming available on K-23.
✓	Develop guidelines and policies for programming on K-23	◆ K-23 Task Force meets periodically to develop a set of policies and guidelines for public use of K-23	Task Force City Manager City Attorney City Council	33	2007	12-03-07 – A draft policy was submitted to the City Council along with the final report of the task force. When the K23 Advisory Committee is formed, they will use these policies to accomplish their mission.
✓	Dissolve task force and initiate standing oversight Committee	◆ Dissolve existing task force ◆ Appoint new standing committee to provide long-term direction and oversight of the development of K-23 over time	Task Force City Manager City Attorney City Council	34	07-08	12-03-07 – The task force was dissolved in November of 2007 and the permanent Advisory Committee will be established by City Council Resolution in January of 2008.
✓	<u>Total % of Goal Completed to date</u>			100		

**2007-09 City Council Goals**  
*Business Plan for Completion within 24-months*

Goal to Complete a Library Survey and Determine Future Direction: Goal to hire a professional library consultant to determine citizen wants and level of support for various types of Library Services. Once Council has this information, they can determine our future direction in relation to a City Library.

- ◆ Develop RFP for Library Consultant
- ◆ Work with Consultant to complete Library Survey
- ◆ Interpret results of survey and determine future direction for Library service in Keizer

Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Develop RFP for Library Consultant	<ul style="list-style-type: none"> <li>◆ Develop RFP</li> <li>◆ Publish RFP</li> <li>◆ Evaluate proposals</li> <li>◆ Select consultant</li> </ul>	City Manager Library Task Force City Council	33	2007	12-03-07 – Ruth Metz and Associates was selected as the consultant for this project. This task is complete.
✓	Work with consultant to complete Library Survey	<ul style="list-style-type: none"> <li>◆ Work with consultant to develop and implement Library Survey to Keizer residents</li> </ul>	City Manager Library Task Force City Council	33	2007	12-03-07 – A survey has been developed and is slated to be administered to Keizer residents this month. This task is complete.
	Interpret results of survey	<ul style="list-style-type: none"> <li>◆ Task force makes recommendation to City Council</li> </ul>	Task Force City Council	34	07-08	2-21-08 – The survey has been completed and the consultant has presented results to the Library Task Force. The Library Task Force has made a recommendation to the City Council. Council has deliberated and voted on a course of action. This task is complete.
✓	<u>Total % of Goal Completed to date</u>			100		

*2007-09 City Council Goals  
Business Plan for Completion within 24-months*

*Goal to Complete and Adopt Updated Personnel Policies: Goal to work with the City Council Personnel Policy Committee to review and adopt an updated set of Personnel Policies for the City of Keizer.*

- ◆ Present Updated Personnel Policies to City Council Personnel Rules Committee
- ◆ Submit updated Personnel Policies to City Council for approval

*Next Steps:*

<i>✓</i>	<i><u>Task</u></i>	<i><u>Next Steps</u></i>	<i><u>Who</u></i>	<i><u>% Goal</u></i>	<i><u>FY</u></i>	<i><u>Update</u></i>
	Update existing Personnel Policies	◆ HR Director and Department Heads work with Council Personnel Policy Committee to review policies and recommend changes for Council adoption	HR Director City Manager Dept. Heads City Council	90	2007	12-03-07 – All policies have been submitted to the Personnel Rules Committee, and all but three have been approved to be sent to the full City Council.
	City Council approval of updated Personnel Policies	◆ City Council reviews and adopts changes to personnel policies	HR Director City Manager Dept. Heads City Council	10	2007	3-22-07 – Many of the reviewed policies have been reviewed and approved by City Council as they've been approved by the Personnel Rules Committee.
<i>✓</i>	<i>Total % of Goal Completed to date</i>			<i>85</i>		

*2007-09 City Council Goals  
Business Plan for Completion within 24-months*

Goal to Explore Opportunities to Improve Public Safety: Goal to look for opportunities as they arise to improve public safety through any and all means. This could be related to law enforcement, transportation, safety through environmental design, or other methods of improving public safety.

- ◆ Evaluate internal structure of PD and regional law enforcement partnerships that can enhance public safety
- ◆ Explore ways to improve the transportation system in Keizer to make it safer for the public
- ◆ Promote safety through environmental design as development occurs

Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Evaluate internal structure of PD and law enforcement partnerships	<ul style="list-style-type: none"> <li>◆ Continue to evaluate our internal structure and needs at the PD to provide effective policing</li> <li>◆ Continue to evaluate regional law enforcement partnerships we can be involved in that will provide improved public safety for Keizer residents</li> </ul>	Police Chief City Manager City Council Budget Committee	33	07-09	4-11-07 – Work is ongoing
✓	Promote safety through environmental design concepts	◆ Work with developers/builders to promote safety through environmental design concepts while evaluating building permit applications and subdivision plats.	Comm Dev Dir	33	07-09	4-11-07 – Work is ongoing

Goal to Explore Opportunities to Improve Public Safety

continued

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
	Explore ways to improve transportation system in Keizer	<ul style="list-style-type: none"> <li>◆ Update TSP</li> <li>◆ Work with Traffic Safety Commission to keep identifying ways we can improve system for safety</li> </ul>	Planning Comm Comm Dev Dir City Manager City Council Traffic Safety Com	34	07-08	12-7-07 – The TSP review is in process.
✓	<u>Total % of Goal Completed to date</u>			66		

## 2007-09 City Council Goals

*Business Plan for Completion within 24-months*

Goal to Complete Short-Term Projects in Public Works Master Plan: Develop a strategy to complete those items listed in the Public Works Master Plan in relation to Parks, Storm Water, Sewer and Transportation.

- ◆ Complete short-term goals listed in the Public Works Master Plan related to Parks
- ◆ Complete short-term goals listed in the Public Works Master Plan related to Storm Water
- ◆ Complete short-term goals listed in the Public Works Master Plan related to Sewers
- ◆ Complete short-term goals listed in the Public Works Master Plan related to Transportation

Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
	Complete short-term Parks goals	<ul style="list-style-type: none"> <li>◆ Adopt a Parks Level of Service Plan and Organizational Structure – Budget 2007</li> <li>◆ Explore funding plans and partnerships to support level of service</li> <li>◆ Adopt an up-dated Parks &amp; Recreation Master Plan</li> <li>◆ Open Keizer Rapids Park with improvements for safe public use – Soft Opening July 2007</li> <li>◆ Adopt prioritized Parks Project Schedule for two year period – Budget 2007</li> </ul>	PW Director City Manager City Council Parks Board	25	07-09	2-21-08 – The Parks Master Plan has been updated and adopted by City Council as of February, 2008. Keizer Rapids Park has been opened with minor improvements having been made. More improvements are being planned and completed annually. This task is complete.

Goal to complete Short-Term Projects in Public Works Master Plan

continued

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
	Complete short-term Storm Water goals	<ul style="list-style-type: none"> <li>◆ Adopt Level of Service plan for Storm Water – December 2007</li> <li>◆ Implement Storm Water Management Plan – December 2007</li> </ul>	PW Director City Manager City Council SW Task Force	25	07-09	2-21-08 – The Storm Water Management Plan has been completed and adopted. This task is complete.
	Complete short-term Sewer goals	<ul style="list-style-type: none"> <li>◆ Develop Level of Service Plan</li> <li>◆ Improve coordination and dialogue with Salem on future Sewer Capitol Improvement Projects (CIP)</li> <li>◆ Monitor surcharge issue and work towards elimination</li> </ul>	PW Director City Manager City Council	25	07-09	4-22-08 – The Salem City Council has voted to phase out the sewer surcharge on Keizer residents on a schedule that matches a proposal presented to them by Keizer staff.
	Complete short-term Transportation goals	<ul style="list-style-type: none"> <li>◆ Complete update of the Transportation Systems Plan (TSP) and identify options for additional north-south corridor and additional or enhanced freeway access. Enhance freeway access and connection to collector routes</li> <li>◆ Identify projects and timelines to meet Transportation Systems Plan</li> <li>◆ Support Third Bridge Concept that connects the Parkway to Highway 22</li> </ul>	City Manager PW Director Com. Dev. Dir. City Council Planning Comm	25	07-09	4-22-08 – Work on the Keizer TSP has begun. Keizer is well represented on the regional task force discussing the 3 <sup>rd</sup> bridge over the Willamette and discussions are continuing. Discussions with Marion County and ODOT regarding a northern I-5 interchange for Keizer occurs whenever practicable.
✓	<u>Total % of Goal Completed to date</u>			75		

## 2007-09 City Council Goals

### Business Plan for Completion within 24-months

Goal to Initiate a Something Special Task Force: Council to initiate Something Special Task Force to review options for and make recommendations to Council on options regarding community needs for a Community Center and kids recreational space, and options regarding use of 5-acre City owned parcel North of Stadium.

- ◆ Develop options to meet community need for Community Center
- ◆ Develop options to use 5-acre parcel owned by the City located just north of the Volcano Stadium in the Keizer Station area
- ◆ Develop options to meet community need for kids recreational space

Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
✓	Develop options for meeting community need for Community Center	<ul style="list-style-type: none"> <li>◆ Council initiates Something Special Task Force</li> <li>◆ Task Force meets to discuss options to meet stated community goal for Community Center space</li> <li>◆ Task Force makes recommendation to City Council</li> </ul>	Task Force City Council	33	2007	3-22-07 – Task Force has met and has formulated a recommendation that it will be presenting to the City Council shortly.
✓	Develop options for meeting community need for Kids recreational space	<ul style="list-style-type: none"> <li>◆ Task force meets to discuss options to meet stated community goal for kids recreational space</li> <li>◆ Task Force makes recommendation to City Council</li> </ul>	Task Force City Council	33	2007	12-07-07 – The Task Force has met and discussed all of the issues it was tasked to deliberate.
✓	Develop options for use for City owned property just north of Stadium	<ul style="list-style-type: none"> <li>◆ Task Force meets to discuss options to utilize 5-acre City owned parcel of ground just north of Volcano Stadium</li> <li>◆ Task Force makes recommendation to City Council</li> </ul>	Task Force City Council	34	07-08	12-07-07 – The Task Force has submitted a set of recommendations to the City Council. The City Council has accepted the recommendations for consideration. The task force has been disbanded having completed its mission.
✓	<u>Total % of Goal Completed to date</u>			100		

**2007-09 City Council Goals**  
*Business Plan for Completion within 24-months*

Goal to Develop Strategy to Prioritize and Solicit Specific Applications for Urban Renewal Grants on River Road:

Develop a strategy to identify and prioritize appropriate Urban Renewal Grant sites for sidewalk, landscaping and/or facade improvements within the River Road corridor that will further the goals developed by the River Road Renaissance Committee and the adopted Urban Renewal Plan.

- ◆ Identify and prioritize potential sites for Urban Renewal sidewalk, landscaping and/or Facade Improvement Grants
- ◆ Develop and execute an outreach program to encourage the owners of these specific sites to apply for said grants and make investment in their properties
- ◆ Prioritize these sites
- ◆ Issue grants until funding is exhausted

Next Steps:

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
	Identify potential grant sites	◆ Take inventory of properties within the Urban Renewal District along River Road that would benefit from investment and promote the goals of the River Road Renaissance Committee and the adopted Urban Renewal Plan	Planning Dir 3RAC KURB City Council	20	2007	12-07-07 – Work has not yet begun on this task.
	Prioritize identified potential grant sites	◆ Work with Urban Renewal Advisory Board and River Road Renaissance Committee to prioritize these potential sites	Planning Dir 3RAC KURB City Council	20	2007	12-07-07 – Work has not yet begun on this task.

Goal to Develop Strategy to Prioritize and Solicit Specific Applications for Urban Renewal Grants on River Road *continued*

✓	<u>Task</u>	<u>Next Steps</u>	<u>Who</u>	<u>% Goal</u>	<u>FY</u>	<u>Update</u>
	Create and execute outreach program	<ul style="list-style-type: none"> <li>◆ Determine the best way to contact the owners of those sites that are believed to be high-value projects</li> <li>◆ Make contact with site owners and attempt to gain approval for potential project partnerships</li> </ul>	Planning Dir 3RAC KURB City Council	20	07-08	12-07-07 – Work has not yet begun on this task.
	Issue grants until funding is exhausted	<ul style="list-style-type: none"> <li>◆ Work with KURB to negotiate grant proposals and enter into development contracts</li> </ul>	Planning Dir 3RAC KURB City Council	40	07-09	12-07-07 – Work has not yet begun on this task.
✓	<u>Total % of Goal Completed to date</u>			0		

# *"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 24-year history, Keizer has elected 5 Mayors and 33 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. Volunteers from national, regional, and local partners from public and private organizations have been working extremely hard on the development of a community park along the Willamette River; Keizer Rapids Park. The park was officially opened on July 26<sup>th</sup>, 2007. Current projects include the construction of an off-leash dog park, trail systems - including a BMX trail, and an amphitheatre. The first annual Keizer River Fair will be held at the park in the summer 2008. The River Road Renaissance Committee continues to pursue beautification projects along River Road. Several meandering sidewalks, benches, and water features have been placed along the City's main thoroughfare. It is projects such as these that truly show the pride, spirit and volunteerism of our community. These are just a few examples 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 approximately 2.5% of General Fund 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 3% of the total assessed value of property in the City, in accordance with Oregon State law (ORS 287.004).
- ◆ The City shall collect revenues aggressively, including past due bills of any type.
- ◆ The City shall follow State adopted guidelines in setting fines and forfeiture amounts.

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

## CITY OF KEIZER HISTORY

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

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

The City of Keizer has 19 community and neighborhood parks, which includes the Keizer Little League Park. In 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 along the banks of the Willamette that will provide incredible opportunities for residents to recreate and connect with this Heritage River. In the summer of 1999 a 20,000 square foot skate park was opened. The Carlson Skate Park was constructed largely by volunteer labor and donations. Neighborhood volunteers maintain several of the parks in the community and Keizer Rotary club often donates time and materials to construct park shelters, big toys, and the like throughout our park system.

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.

## *CITY OF KEIZER HISTORY*

*Continued*

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

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

One of the more recent volunteer projects is the development of an off-leash dog park and an amphitheatre at Keizer Rapids Park. This park encompasses nearly 130-acres along the Willamette River in West Keizer.

The bulk of the land for this great amenity has come from both a long-term lease for \$1/year from Oregon State Parks and Recreation Department and grants from the State of Oregon and Marion County.

The projected combined value of the dog park and amphitheatre is approximately \$300,000, with volunteer efforts, materials and cash contributions making up 90% of the cost. It is truly a portrait of Community Pride, Spirit and Volunteerism, the City's motto.

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 30, 2008

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

The City of Keizer 2008-2009 Manager's Recommended Budget focuses on committing resources to provide the best service to our customers while ensuring the fiscal integrity of public funds.

## ALL FUNDS COMBINED

The net increase in the City's FY08-09 budget is \$ 6,975,700. As shown on the adjacent table, the increase is primarily from the Keizer Station LID Fund, a Special Revenue Fund established to track the cost of infrastructure at Keizer Station. The Water Fund increase results from a transfer to the Water Facility Fund to be held in reserve for future capital improvements. The City Hall Replacement Fund increase results from capital improvements (furnishings) for the new civic center.

## Net Change by Fund

General Fund	\$	635,600
Revenue Sharing Fund		(900)
Street Fund		(661,800)
PEG Fund		24,200
9-1-1 Fund		184,800
Keizer Station LID		3,835,700
Housing Rehabilitation Fund		18,300
Park Improvement Fund		(29,700)
Transportation Fund		335,300
City Hall Replacement Fund		687,900
Sewer Fund		239,500
Water Fund		1,026,500
Water Facility Fund		287,800
Street Lighting District Fund		43,200
Storm Utility Fund		384,200
Sewer Reserve Fund		(34,900)
Total All Funds	\$	<u>6,975,700</u>

## Revenues

The largest increase in revenues is from Taxes and Assessments with a 38% increase over fiscal year 2007-2008. This increase is largely due to the new local improvement district assessments for the Keizer Station Area A properties. The primary source of revenue for this category is from property tax assessments, gas tax revenues, LID assessments and Street Lighting District assessments.

## Expenditures/Expenses

### Personal Services

The City anticipates a 6% increase in Personnel Services over FY07-08. This increase includes:

- ◆ cost-of-living increases (3.0% based on the Portland Consumer Price Index for wage earners).
- ◆ annual merit increases.
- ◆ salary adjustments based on the compensation study conducted in FY07-08.
- ◆ a 11% increase in Health Insurance premiums and an 4% increase in Dental Insurance premiums. The City pays 95% of these monthly premiums as part of its employee benefit package.

Sworn Police Officers, the City Manager, and the Public Works Director participate in the Oregon Public Employee's Retirement System (PERS). Employer contribution rates decreased from 16.65% in FY06 and FY07 to 13.32% for FY08 and FY09. All other employees participate in a private 401(a) plan at 12% for management staff and 11% for all other regular employees.

### Materials and Services

The City's Liability and Property Insurance premiums are expected to increase 4% over FY07-08 expenditures because of rate increases.

Postage and printing costs have increased to reflect the US Postal Service's 2% increase in the cost of postage stamps.

Gasoline prices continued to rise in FY07-08 which primarily impacts the General Fund Police budget and the Water Fund budget.

### Capital Outlay

The City plans to move into its new civic center in January 2009. The cost of the civic center is primarily funded from Urban Renewal Tax Increment Revenues. The furnishing costs are not an allowable use of tax increment revenues (except the district's proportionate share of the cost).

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

## GENERAL FUND

Resources: Revenues are projected to increase 3% over FY07-08. The City begins FY08-09 year with \$798,000 more in Working Capital Carryforward than was budgeted as Ending Fund Balance for FY07-08. Increased Working Capital (FY07-08), Taxes & Assessments, Licenses & Fees, and Fines & Forfeits, account for \$577,800.

Intergovernmental Revenues came in \$90,100 below budget primarily because the Transportation System Plan grant will not be remitted directly to the City but will be expended on the City's behalf. An additional \$367,400 in savings in Materials and Services, reduced transfers to the Revenue Sharing Fund and 9-1-1 Fund, and the General Fund Contingency which will remain largely unspent at the end of FY07-08.

The City expects a 4% increase in property tax revenues: 3% from an increase in assessed values as limited by Ballot Measure 50 and 1% from growth.

License & Fee increases are primarily from Franchise Fee Revenues which are based on a Utility's gross revenues. Overall this revenue category is expected to increase 3%.

Fines & Forfeits increased 14% above FY07-08 budget projections. Municipal Court Fine increases are attributed to increased staff effort in managing the municipal court office and prompt follow-up with defendants' to ensure fines are paid as ordered by the judge.

Expenditures: Total General Fund expenditures are essentially equivalent to FY07-08 expenditures.

Transfers: The increase in the transfer to the 9-1-1 Fund is the result of an allocation change to more accurately track 9-1-1 related expenses. Overall, the General Fund is not impacted; the increase in the transfer this year is offset by the decrease in the Willamette Valley Communication Center line-item expense in the Police Department budget.

## STREET FUND

Resources: The City begins FY08-09 with \$945,000 more in Working Capital Carryforward than projected as ending fund balance in FY07-08 primarily because Capital Improvement projects in FY07-08 were \$694,300 less than budgeted.

Expenditures: The City anticipates spending approximately \$1 million less on Capital Outlay construction in FY08-09 as was budgeted in FY07-08. Capital construction is primarily funded with Fuel Tax revenues.

## KEIZER STATION LID

The Keizer Station LID fund is a Capital Improvement fund set up to track expenditures for Keizer Station infrastructure. The City has established a local improvement district and assessed property owners for the cost of these improvements. The financial activity in the fund for the FY07-08 Projected column reflects the long-term financing that has occurred. FY08-09 reflects the beginning of assessment collections and the annual payment of long-term debt.

## TRANSPORTATION IMPROVEMENT FUND

The Transportation System Fund continues to grow as SDC revenues exceed budget projections. The City anticipates beginning the process of constructing the southbound on-ramp widening at the I-5 interchange.

## CITY HALL REPLACEMENT FUND

The FY08-09 budget anticipates \$665,500 in inter-fund 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 move in date is scheduled for January 2009.

## SEWER FUND

The \$239,500 increase in the Sewer Fund is primarily an increase in the Salem Sewer Billing revenues. These revenues are collected from customers and remitted to the City of Salem.

## WATER FUND

Revenues: Water sales are projected to increase 3.0% as planned for in the City's Rate Analysis completed in 2002. This increase is needed to pay to replace aging infrastructure, provide better fire protection, improve water quality, and increase storage capacity needed for new development.

Expenditures: Capital Outlay costs decreased approximately \$100,000 primarily because of a one-time expenditure for the Shop Addition in FY06-07.

The transfer to the Water Facility Replacement Reserve Fund is approximately \$900,000 higher in FY08-09 than in FY07-08 because working capital is \$360,000 above budget, FY07-08 revenues are \$270,000 above projections, FY08-09 revenues are \$350,000 above FY07-08 budgeted amounts and the \$120,000 contingency for FY07-08 was not expended.

## WATER FACILITY FUND

The increase in the Water Facility Replacement Reserve Fund reflect the \$900,000 increase in the transfer from the Water fund net a \$600,000 decrease in working capital carryforward.

## STORM UTILITY FUND

The Storm Water Fund is a new fund (beginning in FY07-08) managed by the Public Works Department to meet the Federal Clean Water Act administered by Oregon Department of Environmental Quality (DEQ).

The most significant change was in working capital carryforward. Because this fund started in FY07-08 it did not have any working capital. Beginning FY08-09 working capital is projected to be \$320,000.

## SUMMARY

The FY08-09 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 44% 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 FY08-09 district net value is expected to increase 4% overall and the Urban Renewal District value is expected to increase 7%. 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 56% of General Fund Revenues are expected to increase at a much slower rate; about 1% to 2% 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 33% 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 FY08-09 Manager's Recommended Budget projects \$22,152,500 in Revenues and \$12,803,400 as Beginning Reserves and Working Capital. These resources will be used to maintain service levels expected to cost \$26,119,100.

We would like to compliment and thank everyone involved in the development of the FY08-09 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

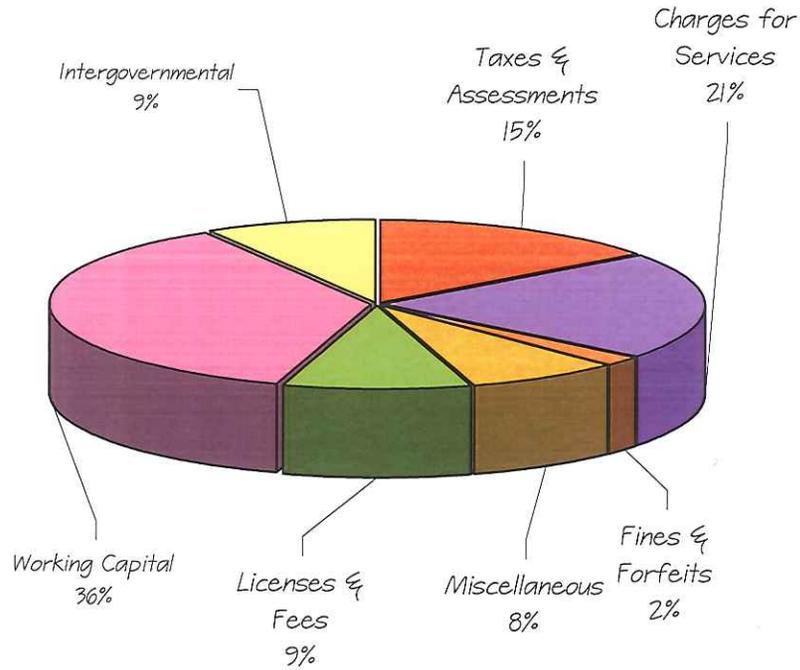
Susan Gahlsdorf  
Budget Officer

## ALL FUNDS COMBINED

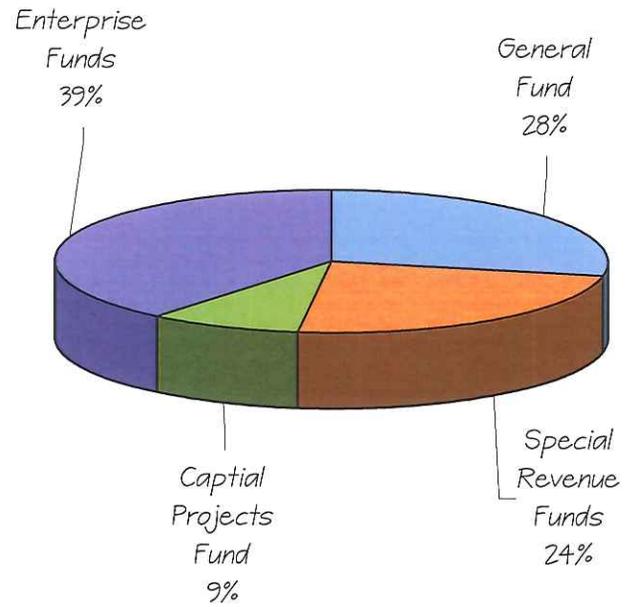
	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<b>RESOURCES</b>								
1	\$ 7,180,353	\$ 10,145,610	\$ 9,790,800	\$ 10,226,800	<i>Working Capital Carryforward</i>	\$ 12,803,400	\$ 12,909,600	\$ 12,909,600
2	3,383,433	3,639,570	3,745,200	5,952,300	Taxes & Assessments	5,150,000	5,159,000	5,159,000
3	3,485,716	2,948,262	3,314,600	3,645,900	Licenses & Fees	3,326,200	3,326,200	3,326,200
4	4,332,996	7,266,807	3,070,400	2,862,500	Intergovernmental	2,986,600	2,986,600	2,986,600
5	545,247	654,136	605,600	681,000	Fines & Forfeits	689,200	689,200	689,200
6	6,431,743	7,424,448	6,929,200	7,314,300	Charges for Services	7,351,500	7,351,500	7,351,500
7	23,908,000	-	1,764,700	28,625,400	Bond Proceeds	-	-	-
8	1,150,173	1,656,595	602,900	1,481,400	Miscellaneous	2,649,000	2,654,000	2,654,000
9	609,336	1,040,229	695,500	542,200	Transfers In	2,408,700	2,408,700	2,408,700
10	-	-	-	-	Interfund Borrowing	130,000	130,000	272,100
11	<u>\$ 51,026,997</u>	<u>\$ 34,775,657</u>	<u>\$ 30,518,900</u>	<u>\$ 61,331,800</u>	<b>TOTAL RESOURCES</b>	<u>\$ 37,494,600</u>	<u>\$ 37,614,800</u>	<u>\$ 37,756,900</u>
12	<b>REQUIREMENTS</b>							
13	<i>EXPENDITURES</i>							
14								
15								
16	\$ 6,207,431	\$ 6,651,974	\$ 7,570,300	\$ 7,465,300	Personnel Services	\$ 8,048,800	\$ 8,048,800	\$ 8,048,800
17	7,154,892	7,379,446	8,168,700	8,395,300	Materials & Services	8,409,800	8,577,900	8,577,900
18	25,330,510	8,005,564	9,507,400	4,208,400	Capital Outlay	6,455,100	7,578,200	7,578,200
19	452,269	1,368,072	453,800	27,674,800	Debt Service	2,873,700	2,873,700	2,873,700
20	-	-	347,800	136,600	Contingency	331,700	351,700	351,700
21	<u>\$ 39,145,102</u>	<u>\$ 23,405,056</u>	<u>\$ 26,048,000</u>	<u>\$ 47,880,400</u>	<b>TOTAL EXPENDITURES</b>	<u>\$ 26,119,100</u>	<u>\$ 27,430,300</u>	<u>\$ 27,430,300</u>
22								
23	609,336	1,143,621	695,500	541,800	Transfers Out	2,408,700	2,408,700	2,408,700
24	1,126,953	-	-	-	Special Payments	-	-	-
25	-	-	-	-	Interfund Borrowing	272,100	272,100	272,100
26								
27	<i>FUND BALANCE</i>							
28	-	-	407,900	3,088,900	Reserves	3,289,600	3,293,500	3,293,500
29	10,145,606	10,226,980	3,367,500	9,820,700	Unappropriated Ending Fund Balances	5,405,100	4,482,300	4,352,300
30	<u>\$ 10,145,606</u>	<u>\$ 10,226,980</u>	<u>\$ 3,775,400</u>	<u>\$ 12,909,600</u>	<b>TOTAL FUND BALANCE</b>	<u>\$ 8,694,700</u>	<u>\$ 7,775,800</u>	<u>\$ 7,645,800</u>
31								
32	<u>\$ 51,026,997</u>	<u>\$ 34,775,657</u>	<u>\$ 30,518,900</u>	<u>\$ 61,331,800</u>	<b>TOTAL REQUIREMENTS</b>	<u>\$ 37,494,600</u>	<u>\$ 37,614,800</u>	<u>\$ 37,756,900</u>

# CITY OF KEIZER ALL FUNDS - ALLOCATION OF RESOURCES FISCAL YEAR 2008-2009

Resources



Expenditures



## 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 2007-08 continued to see large accomplishments as staff worked very hard to accomplish the adopted City Council goals. Keizer has seen a large amount of development with a number of stores now open for business. All pieces of public infrastructure have now been accomplished including a 500,000 gallon elevated water storage tank and a pedestrian under crossing at Tepper Lane and the railroad tracks. River Road Renaissance continues to make large progress with several sidewalk/intersection improvements and the reconstruction of building facades at Keizer Plaza. The Keizer Rapids Park has been master planned and construction on several items, including the City's first off-leash dog park, has begun. Finally, The new City Hall and Police Department building is under construction with completion scheduled in early summer of 2009.

- ◆ The Keizer Station is being built out and the City's involvement in this project has switched this year to finalizing the permanent long-term financing through the establishment of a local improvement district. Now attention is turning to Areas B and C, which could see significant additional development over time.

- ◆ 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.
- ◆ The River Road Master Plan is being built upon. Now that several successful projects have been accomplished, an effort has been initiated to specifically target key and significant projects that can be used to spur additional investment in the River Road Corridor. The first intended project site is at the SE corner of River Road and Dearborn.
- ◆ Keizer Rapids Park has been tentatively opened for public use and will be in incremental development for the next several years. Additional grants are being applied for to construct many of the elements identified in the master plan and many volunteer groups are stepping up to participate in the construction of this awesome asset.
- ◆ 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 communities short and long term

goals and, subsequently by staff as we prepare budgets to allocate resources toward the accomplishment of those goals.

- ◆ The new City Hall and Police Department building is currently under construction with a completion time-line of early summer, 2009. This is a major milestone for the community and this new facility is anticipated to be a significant asset that the community will enjoy for many decades to come.

### 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.

## CITY MANAGER'S OFFICE

### Assistant to the City Manager Position

This position will act as a project coordinator across all departments, will be a department head level position and will report directly to the City Manager. As the City of Keizer continues to take on numerous significant projects of a very complex nature that often span several departments, it has become clear that the coordination of these projects is demanding a specifically dedicated person to manage them. Currently the department head within each department where a special project is being worked is responsible for managing the project. This, in many cases, is beginning to demand more time and staff resources than the department heads are able to allocate while still attending to their primary responsibilities within their department.

The Assistant to the City Manager will manage 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 will be a department head level position for coordination purposes but will not have any supervisory authority over other department heads.

## INFORMATION SYSTEMS

The Information Technology Division supports the City's software, hardware and telephone systems 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: New civic center will provide full wireless access for staff and visitors throughout the complex.*

### *IT Goals for 08-09*

*The IT goals for the upcoming fiscal year are to implement the electronic ticket process and provide a smooth transition for city hall and police to the new civic center while maintaining current services to all departments.*

# 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 2 Salary Surveys and implemented recommendations.
- Completed 10 recruitments resulting in 15 new hires.
- Processed 6 terminations/resignations.
- Created 4 new positions (MUNII-Parks, Storm Water Program Manager, MUNIII - Street & Storm Water Supervisor, Assistant to the City Manager).
- Conducted Open Enrollment for employees' Health and Retirement benefits.
- Organized a week-long Health & Wellness Fair. Thirteen vendors participated, including a massage therapist, fitness centers, and dental and medical carriers. Employees received health assessments for cholesterol, glucose screenings, blood pressure and/or BMI (body mass index).
- Annual hearing tests were held.
- Processed 3 Worker's Comp Claims (a significant reduction from last year's figure of 8 claims).
- Partnered with Public Works to implement new approach to improve efficiency & safety of Water Line Flushing Program.
- Updated Recruitment Binder materials to provide additional support and information to interview panels.

*HR Goals*

*During the coming fiscal year, Human Resources will:*

- *Continue to work with the Personnel Policy Committee to finalize Personnel Policies for adoption. This includes reviewing and updating prior drafts for changes due to new legislation.*
- *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.*
- *Fully implement the previously purchased HRIS system to provide the capacity to pull reports and track data without using time-consuming manual processes.*
- *Audit internal documentation processes and controls to ensure practices support policy and organization goals.*
- *Review and streamline all physical files and materials in preparation for the upcoming move to the new Civic Center. This will include transition from paper files to electronic records wherever possible.*
- *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, promoting Keizer as the City in which to Live... Work... and Play...*

## 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

- Finalized costs for the local improvement district assessments for the Keizer Station Development.
- Retired the short-term borrowing agreement and issuing long-term debt to fund the Keizer Station local improvement district. This involved obtaining the City's first bond rating.
- Established the Storm Drain Operating Fund into the budget, the accounting system, and the financial reporting process.
- Established the Storm Drain fee into the Utility Billing system.
- Assisted with the grant application, RFP process, and grant administration for the Library Feasibility Study.

- Worked with Marion County Fire District and Keizer Fire District on a fair and equitable allocation of 9-1-1 tax revenues to be shared among the three districts.
- Received the Certificate of Achievement for Excellence in Financial Reporting, a nationally recognized honor, for the eighth consecutive year. In December, the city was given a clean audit opinion with no audit findings for its fiscal year ending June 30, 2007.

### Future Goals

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

- Begin the process of scanning and electronically storing finance records.
- Revamping the city's capital asset program to streamline the process.
- Issuing debt to fund the new civic center. Financing will be needed for the next few years until tax increment revenues are sufficient to pay the cost from the Urban Renewal District. The District currently has approximately one-half of the funds needed as of fiscal year 2008.
- Developing a plan for complying with the continuing disclosure requirements for the City's \$26,810,000 LID bond.

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

## 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 city 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, preparation of 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](http://www.keizer.org).

### Accomplishments

In our continued effort to provide information to the citizens of Keizer, this last year we distributed four editions of *The Keizer Quarterly*. During this last year, the newsletter featured information on the Keizer Civic Center, City Awards, Citizen Survey results, Volunteer Recognition, 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 citizen to complete the form and submit electronically. Our newest electronic form is to report graffiti incidents. Our electronic records management program has expanded to include past City budget documents and City Council packets. We will continue to utilize technological advances to keep the citizens of Keizer informed of their government action.

In April and May of this year, current and future volunteers participated in a training event. Training topics included Oregon Public Meeting Laws, Parliamentary Procedures, Oregon Government Ethics Law, and an overview of the newly developed Keizer Volunteer Handbook.

### 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. Our support to the various volunteer Committees will continue. As we prepare for our move into the new civic center building, we will remain focused on reducing our paper record storage by relying on electronic media and microfilming formats for our documents. We will also strive to improve and add components to the City's website to assist citizen participation in their local government.

## GENERAL FUND

This fund accounts for the activities of the City, which are not accounted for in any other fund. Principal sources of Revenue are Property Taxes, Franchise Fees, other taxes such as Cigarette and Liquor Tax, and charges for Administrative Services from other funds. A General Fund looks different from City to City. For example, the Parks Department could be a separate district in some cities. In Keizer, the General Fund's primary expenditures are for Police protection, Parks, Community Development and General Government. The City's Administrative Budget includes the City Manager, Human Resources Department, City Recorder and a portion of the Finance Department.

### Revenues

#### Taxes

Property Tax Revenues for FY07-08 are projected at 4% above amounts received in FY06-07 to account for an increase in assessed value, plus 1% for new construction. A 6.5% allowance has been made to Gross Property Taxes assessed to account for discounts and uncollected Taxes.

#### Licenses & Fees

Revenue projections for FY08-09 are based on current year actual receipts. Projections have also been adjusted as appropriate for growth, fee increases and price increases as indicated by each franchise company.

#### Fines and Forfeits

Municipal Court fines, including past due collections, continue to increased over previous fiscal years. Increased efforts in processing citations and past due accounts have resulted in an increase in collection of these revenues.

#### Intergovernmental

Intergovernmental Revenues include Liquor and Cigarette Taxes and are distributed to the City by the Oregon Department of Administrative Services. Keizer's share of this statewide tax is based on the area's population during the 2005 Legislative session.

### Expenditures

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

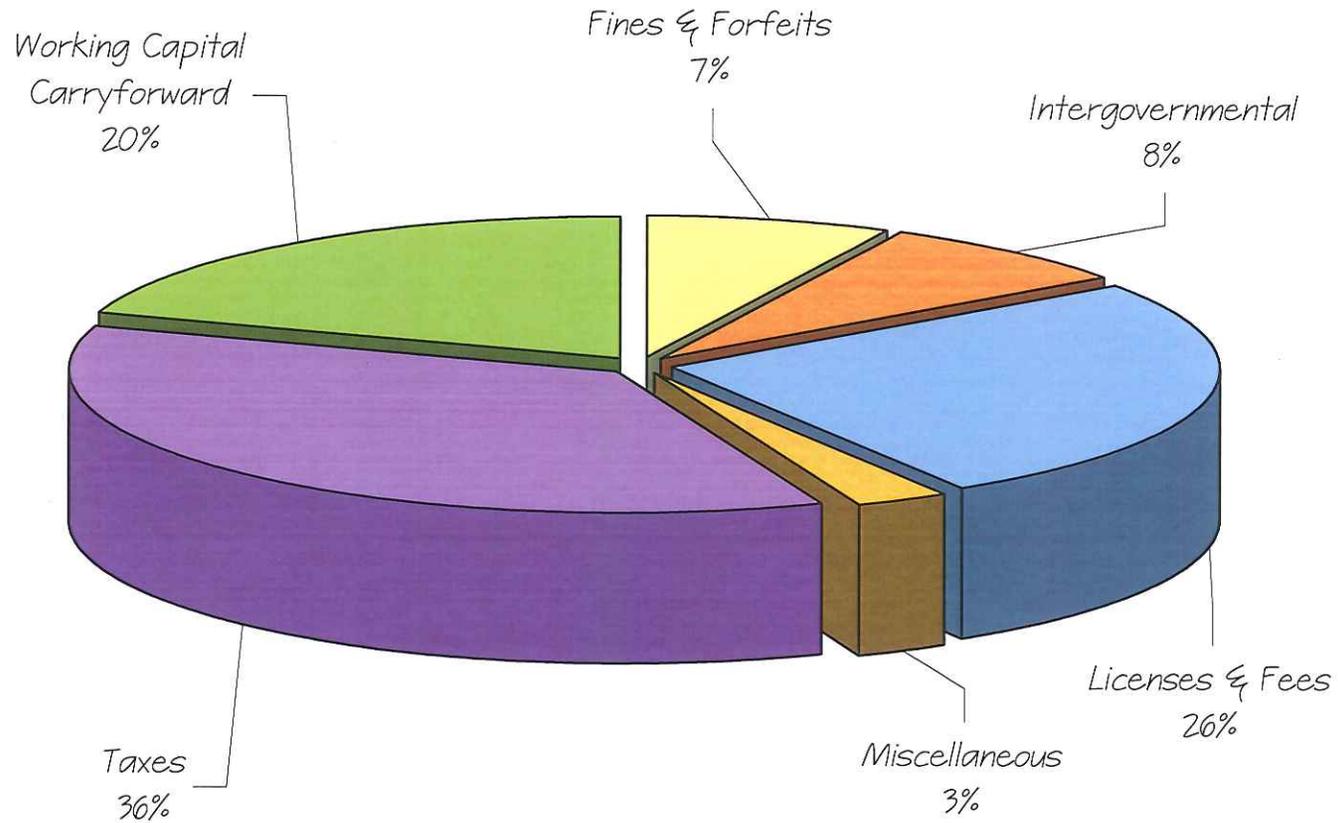
# GENERAL FUND SUMMARY

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
	<b>RESOURCES</b>							
1								
2								
3	\$ 1,243,622	\$ 1,469,416	\$ 1,611,300	\$ 1,968,700	Working Capital Carryforward	\$ 1,915,700	\$ 1,921,900	\$ 1,921,900
4	2,909,798	3,228,652	3,336,400	3,327,300	Taxes & Assessments	3,448,300	3,448,300	3,448,300
5	2,338,028	2,414,088	2,429,000	2,530,600	Licenses & Fees	2,506,900	2,506,900	2,506,900
6	598,942	729,063	833,200	730,800	Intergovernmental	743,100	743,100	743,100
7	545,247	654,136	605,600	681,000	Fines & Forfeits	689,200	689,200	689,200
8	223,647	270,881	244,600	257,300	Miscellaneous	262,500	267,500	267,500
9	-	5,247	-	-	Transfers In	-	-	-
10	-	-	-	-	Interfund Borrowing	130,000	130,000	130,000
11	<b>\$ 7,859,284</b>	<b>\$ 8,771,483</b>	<b>\$ 9,060,100</b>	<b>\$ 9,495,700</b>	<b>TOTAL RESOURCES</b>	<b>\$ 9,695,700</b>	<b>\$ 9,706,900</b>	<b>\$ 9,706,900</b>
12								
13					<b>REQUIREMENTS</b>			\$ (25,000)
14								
15					<b>EXPENDITURES</b>			
16	\$ 4,802,994	\$ 5,143,647	\$ 5,762,100	\$ 5,750,000	Personnel Services	\$ 6,032,500	\$ 6,032,500	\$ 6,032,500
17	1,342,858	1,397,552	1,780,800	1,589,600	Materials & Services	1,541,900	1,517,900	1,517,900
18	30,426	30,880	28,600	17,000	Capital Outlay	22,100	56,500	56,500
19	-	-	136,600	136,600	Contingency	79,600	79,600	79,600
20	<b>\$ 6,176,278</b>	<b>\$ 6,572,079</b>	<b>\$ 7,708,100</b>	<b>\$ 7,493,200</b>	<b>TOTAL EXPENDITURES</b>	<b>\$ 7,676,100</b>	<b>\$ 7,686,500</b>	<b>\$ 7,686,500</b>
21								
22					<b>TRANSFERS OUT</b>			
23	\$ -	\$ 3,960	\$ -	\$ -	To Street Fund	\$ -	\$ -	\$ -
24	41,300	122,700	153,600	30,100	To Revenue Sharing Fund	125,200	125,200	125,200
25	50,000	81,800	80,700	50,500	To 9-1-1 Fund	238,700	238,700	238,700
26	2,700	-	-	-	To PEG Fund	-	-	-
27	119,590	22,139	-	-	City Hall Facility Fund*	459,700	459,700	459,700
28	<b>\$ 213,590</b>	<b>\$ 230,599</b>	<b>\$ 234,300</b>	<b>\$ 80,600</b>	<b>TOTAL TRANSFERS OUT</b>	<b>\$ 823,600</b>	<b>\$ 823,600</b>	<b>\$ 823,600</b>
29								
30					<b>FUND BALANCE</b>			
31	\$ -	\$ -	\$ -	\$ -	Reserve for K-9 Dog	\$ 7,500	\$ 7,500	\$ 7,500
32	-	-	-	-	Reserve for 27th pay period FY15-16	25,300	25,300	25,300
33	1,469,416	1,968,805	1,117,700	1,921,900	Unappropriated Ending Fund Balance	1,163,200	1,164,000	1,164,000
34								
35	<b>\$ 7,859,284</b>	<b>\$ 8,771,483</b>	<b>\$ 9,060,100</b>	<b>\$ 9,495,700</b>	<b>TOTAL REQUIREMENTS</b>	<b>\$ 9,695,700</b>	<b>\$ 9,706,900</b>	<b>\$ 9,706,900</b>

**Notes:**

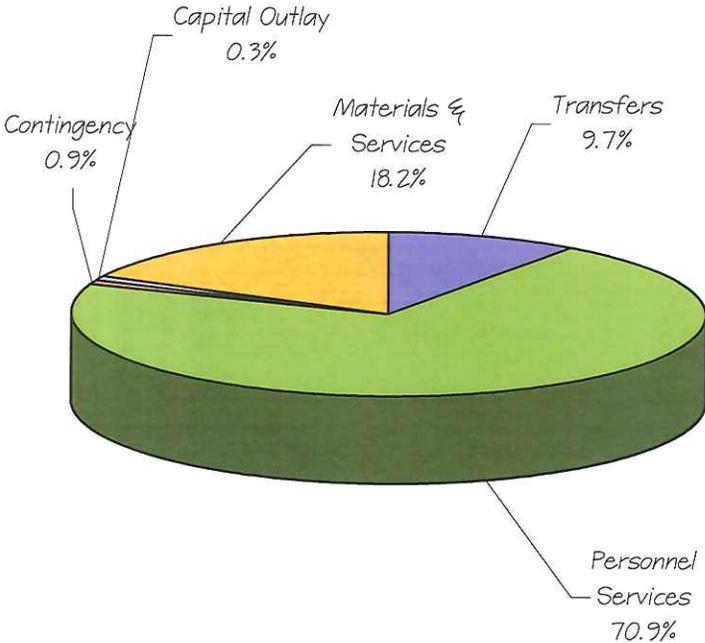
- \* Indicates a City-wide shared cost based on a pre-established allocation. Most allocations are based on FTE in each operating fund. See City-Wide Shared Costs in the Supplemental Information section of the document for details.
- 10 Interfund borrowing is needed from the Transportation Fund to help finance the cost of furnishing the new Civic Center. The General Fund's share of the cost is \$459,700 of which all but this borrowing can be paid in FY09. The City plans to repay this loan in FY10.
- 19 The Contingency is 1% of total Expenditures and Transfers excluding the transfer to the City Hall Facility Fund. Should this transfer be insufficient to pay the cost of furnishing the new Civic Center the City plans to increase the Interfund borrowing for the difference rather than use Contingency Funds.
- 24 Capital Outlay items used for General Government purposes are tracked in the Revenue Sharing Fund (except Parks). This transfer is needed because Revenue Sharing Funds are not sufficient in FY09 to cover the entire Capital Outlay needs of the City's General Government Programs.
- 25 A transfer is needed since projected Expenditures exceed projected Revenues in the 9-1-1 Fund for FY09. The total WVCC bill for FY09 is \$410,700 compared to \$388,700 in FY08. 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 FY09, the allocation has changed to more accurately track 9-1-1 related expenses. Overall, the General Fund is not impacted; the increase in the transfer in FY09 is offset by the decrease in the WVCC expense in the Police Operating Budget.
- 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 Fiscal Year 2015-2016. A reserve has been established to set funds aside each year for the next 8 years to pay this cost.

CITY OF KEIZER  
GENERAL FUND RESOURCES  
FISCAL YEAR 2008-2009

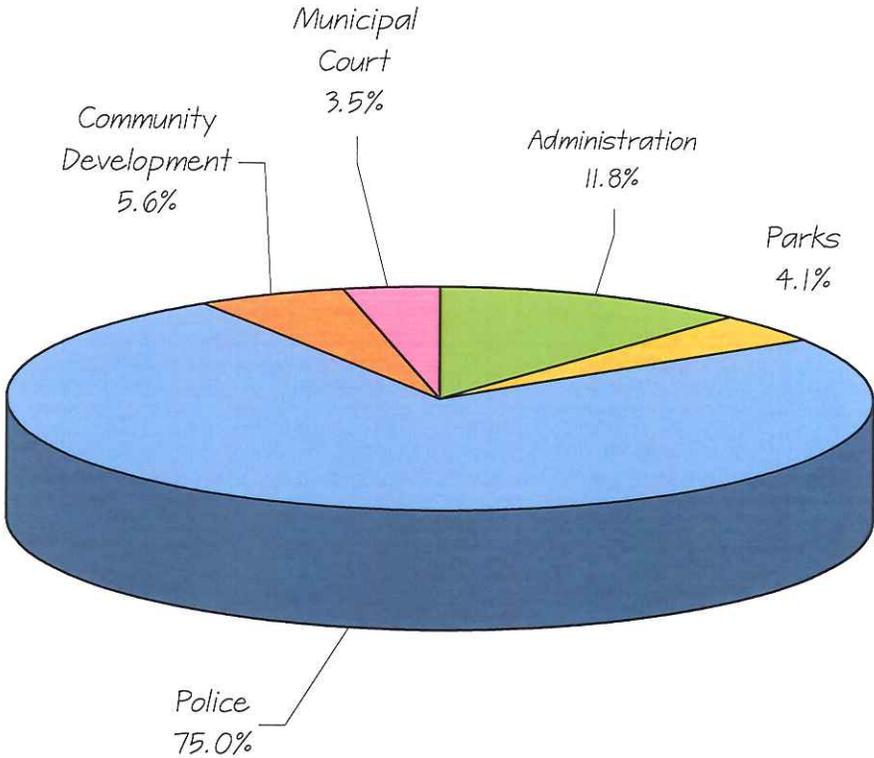


# CITY OF KEIZER GENERAL FUND EXPENDITURES FISCAL YEAR 2008-2009

*Expenditures by Category*



*Expenditures by Program/Department*



# CITY OF KEIZER

## 2008-2009 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 (6.5%)
- 12
- 13 Net Anticipated Tax Collected
- 14 2007-08 Tax Revenues
- 15 Increase over 2007-08 Revenues

2007-08 Actual Tax Revenues	Maximum Assessed Value Increase 3%	\$23,660,184 New Construction 101%
\$1,844,028,175	\$1,899,349,020	\$1,923,009,204
(235,295,966)	(242,354,845)	(252,619,499)
\$1,608,732,209	\$1,656,994,175	\$1,670,389,705
\$2.0838	\$2.0838	\$2.0838
\$3,352,276	\$3,452,844	\$3,480,758
810	834	1,679
\$3,353,086	\$3,453,679	\$3,482,437
(\$217,486)	(224,011)	(225,876)
\$3,135,600	\$3,229,668	\$3,256,561
		3,135,600
		\$120,961

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 (6.5%)
- 25
- 26 Net Anticipated Tax Collected

	Maximum Assessed Value Increase 3%	\$10,264,654 New Construction 4%
\$280,624,559	\$242,354,845	\$252,619,499
45,328,593		
\$235,295,966	\$242,354,845	\$252,619,499
\$15.3097	\$15.3097	\$15.3097
\$3,518,602	\$3,710,380	\$3,867,529
(227,302)	(239,691)	(249,843)
\$3,291,300	\$3,470,689	\$3,617,686

GENERAL FUND

**NON-DEPARTMENTAL RESOURCES**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
1	\$ 1,231,935	\$ 1,451,931	\$ 1,550,700	1,918,200	<i>Working Capital Carryforward</i>	\$ 1,902,400	\$ 1,908,600	\$ 1,908,600
2								
3					<i>TAXES</i>			
4	\$ 66,274	\$ 75,964	\$ 78,300	\$ 79,200	Hotel/Motel Tax	\$ 79,200	\$ 79,200	\$ 79,200
5	116,630	125,295	116,100	112,500	Prior Year Taxes	112,500	112,500	112,500
6	2,726,894	3,027,393	3,142,000	3,135,600	Tax Base	3,256,600	3,256,600	3,256,600
7	\$ 2,909,798	\$ 3,228,652	\$ 3,336,400	\$ 3,327,300	TOTAL TAXES	\$ 3,448,300	\$ 3,448,300	\$ 3,448,300
8								
9					<i>LICENSES &amp; FEES</i>			
10	\$ 229,988	\$ 258,995	\$ 233,700	\$ 288,000	Salem Electric Franchise Tax	\$ 288,000	\$ 288,000	\$ 288,000
11	565,245	580,987	602,600	675,000	PGE Franchise Tax	675,000	675,000	675,000
12	431,212	449,793	445,100	449,700	NW Natural Franchise Tax	449,700	449,700	449,700
13	146,006	157,849	183,600	137,400	Telephone Franchise Tax	137,400	137,400	137,400
14	285,771	308,741	306,300	306,900	Cable Television Franchise Tax	306,900	306,900	306,900
15	102,018	105,000	104,700	107,200	Loren's Sanitation Franchise Tax	107,200	107,200	107,200
16	74,695	81,236	80,300	83,900	Valley Recycling Franchise Tax	83,900	83,900	83,900
17	112,882	126,766	135,100	128,700	Water Sales Assessments	132,600	132,600	132,600
18	208,608	214,601	227,300	235,400	Sewer License Fee	235,400	235,400	235,400
19	8,406	8,706	9,000	9,000	Cell Tower Rent	9,100	9,100	9,100
20	132	-	-	-	Systems Development Admin Fee - Sewer	-	-	-
21	14,262	6,398	5,200	32,300	Systems Development Admin Fee - Parks	4,600	4,600	4,600
22	2,155	2,365	2,500	2,500	Liquor Licenses	2,500	2,500	2,500
23	45,540	36,590	34,700	16,700	Lien Search Fee	16,700	16,700	16,700
24	\$ 2,226,920	\$ 2,338,027	\$ 2,370,100	\$ 2,472,700	Total Licenses & Fees	\$ 2,449,000	\$ 2,449,000	\$ 2,449,000

Notes:

- <sup>6</sup> Property Tax Revenues are expected to increase 4% over current year actual receipts. The budget anticipates 3% for increases in valuation (the maximum allowed by Ballot Measure 50) and 1% for new development.
- <sup>11</sup> PGE anticipates a 7% to 9% increase in rates beginning January 2009. However, since franchise remittances are based on PGEs previous years revenue, increases will not impact the City's revenues until FY10.
- <sup>13</sup> Telephone Franchise Revenues continue to decline as more users switch from land lines to cellular phones which are not subject to Franchise Tax.
- <sup>17</sup> Water Sales Assessments are 5% of Water Sales (see Water Fund). The Cost of Services Analysis for Water Rates projects a 3% rate increase in FY08. FY09 Revenues are based on FY08 projections plus 3% for the rate increase.
- <sup>18</sup> The Sewer License Fee applies to Salem Sewer Payments and Administrative Fees (see Sewer Fund) and represents 5% of those revenues. The City of Salem revenue requirement for 2009 includes a 6.5% increase system-wide. However, no increase is projected because discussions of rate changes will not be held by the Salem Waste Water Task Force until September 2008.
- <sup>23</sup> 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**

<b>NON-DEPARTMENTAL RESOURCES</b>
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	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
25					<i>INTERGOVERNMENTAL</i>			
26	\$ 64,252	\$ 63,420	\$ 64,200	60,000	Cigarette Tax	\$ 57,100	\$ 57,100	\$ 57,100
27	358,843	402,528	408,900	394,800	Liquor Tax	405,000	405,000	405,000
28	-	-	-	31,500	Library Grant	-	-	-
29	10,672	10,278	16,000	15,000	Peer Court Grant	11,300	11,300	11,300
30	\$ 433,767	\$ 476,226	\$ 489,100	\$ 501,300	Total Intergovernmental	\$ 473,400	\$ 473,400	\$ 473,400
31								
32					<i>MISCELLANEOUS</i>			
33	\$ 56,798	\$ 57,425	\$ 63,700	\$ 58,300	Stadium Rent	\$ 58,300	\$ 58,300	\$ 58,300
34	2,215	3,083	3,000	1,300	Rentals	-	-	-
35	98,924	151,280	142,000	156,200	Interest	151,200	156,200	156,200
36	138	1,760	800	1,100	KARE Donations	1,000	1,000	1,000
37	13,355	1,621	2,600	6,600	Miscellaneous Revenue	2,000	2,000	2,000
38	\$ 171,430	\$ 215,169	\$ 212,100	\$ 223,500	Total Miscellaneous	\$ 212,500	\$ 217,500	\$ 217,500
39								
40					<i>TRANSFERS IN</i>			
41	\$ -	\$ 1,067	\$ -	\$ -	- Transfer from PEG Fund	\$ -	\$ -	\$ -
42	-	4,180	-	-	- Transfer from Park Improvement Fund	-	-	-
43	\$ -	\$ 5,247	\$ -	\$ -	- Total Transfers	\$ -	\$ -	\$ -
44								
45	\$ 6,973,850	\$ 7,710,005	\$ 7,958,400	\$ 8,443,000	<b>TOTAL RESOURCES</b>	\$ 8,485,600	\$ 8,496,800	\$ 8,496,800

Notes:

- 26 Cigarette Tax apportionments are expected to decline 5% from FY08 per the League of Oregon Cities. FY09 estimates are based on FY08 projections.
- 27 Liquor Tax Revenues are expected to increase 3% from FY08 per the League of Oregon Cities. FY09 estimates are based on FY08 projections.
- 29 Peer Court Revenue includes funds from a variety of local grants.
- 37 Miscellaneous Revenues include one-time revenues that are not characterized by line-item descriptions.

**GENERAL FUND  
ADMINISTRATION**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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RESOURCES

1	\$ 690,836	\$ 717,902	\$ 957,600	\$ 976,200	GENERAL SUPPORT	\$ 924,800	\$ 906,600	\$ 906,600
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REQUIREMENTS

*PERSONNEL SERVICES*

6	\$ 26,887	\$ 28,363	\$ 30,700	\$ 30,700	City Manager	\$ 32,500	\$ 32,500	\$ 32,500
7	-	-	26,900	4,500	Assistant to City Manager	29,100	29,100	29,100
8	45,513	46,689	44,600	44,600	City Recorder	46,000	46,000	46,000
9	74,962	84,898	83,200	83,200	Administrative Support Staff	86,100	86,100	86,100
10	32,575	34,413	39,800	39,800	Network Administrator	38,000	38,000	38,000
11	58,083	59,586	61,300	77,700	Human Resources Director	52,400	52,400	52,400
12	16,617	19,575	19,700	19,700	Finance Director	19,900	19,900	19,900
13	6,817	7,207	7,800	7,800	Facility Maintenance Worker	8,200	8,200	8,200
14	-	90	500	600	Overtime	500	500	500
15	1,176	1,176	900	1,200	Vehicle Allowance	1,200	1,200	1,200
16	1,400	1,400	1,400	1,400	Educational/Tuition Assistance	1,400	1,400	1,400
17	4,031	4,347	4,900	4,900	Medicare	4,900	4,900	4,900
18	47,193	53,056	57,800	59,000	Retirement	58,100	58,100	58,100
19	41,177	56,698	56,200	56,200	Insurance Benefits	58,400	58,400	58,400
20	565	563	1,400	700	Workers Compensation	700	700	700
21	\$ 356,996	\$ 398,061	\$ 437,100	\$ 432,000	TOTAL PERSONNEL SERVICES	\$ 437,400	\$ 437,400	\$ 437,400

Notes:

- <sup>5</sup> Personnel Services changes include a 3% cost-of-living increase City-wide, merit increases, and the implementation of a salary survey conducted in FY08. For more information, see Salaries by Budgeted Position in the Supplemental Information section of the budget document.
- <sup>18</sup> Sworn Police Officers, the City Manager, and the Public Works Director participate in the Oregon Public Employee's Retirement System (PERS). Employer contribution rates decreased from 16.65% in FY06 and FY07 to 13.32% for FY08 and FY09. All other employees participate in a private 401(a) plan at 12% for management staff and 11% for all other regular employees.
- <sup>19</sup> Beginning in FY07 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, the City's health and dental insurance premiums are expected to increase approximately 11% and 4% respectively. In FY06, the City began paying the full cost of life insurance premiums (\$60,000 in coverage per employee) which are not expected to increase in FY09.

**GENERAL FUND  
ADMINISTRATION**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
22					<i>MATERIALS &amp; SERVICES</i>			
23	\$ 14,198	\$ 12,907	\$ 13,800	\$ 9,900	Materials & Supplies	\$ 13,000	\$ 13,000	\$ 13,000
24	-	4,025	2,500	2,500	Safety & Wellness*	2,400	2,400	2,400
25	359	1,170	900	900	KARE Expenses	900	900	900
26	16,914	30,606	34,900	34,900	Postage & Printing*	35,300	35,300	35,300
27	24,649	28,077	31,800	31,800	Association Membership*	41,300	39,600	39,600
28	8,737	8,175	17,600	15,600	Training & Travel*	15,100	15,100	15,100
29	2,624	4,689	5,700	5,700	City Council Expenses*	5,500	5,500	5,500
30	2,065	2,231	3,400	7,200	Advertising	3,400	3,400	3,400
31	50,291	35,500	29,200	35,900	Legal Services	35,900	35,900	35,900
32	-	6,562	7,000	10,900	Labor Attorney*	10,700	10,700	10,700
33	21,613	28,734	28,000	28,300	Contractual Services*	28,300	28,300	28,300
34	6,348	4,254	7,100	7,100	Audit*	8,100	8,100	8,100
35	4,228	9,187	5,400	5,400	Janitorial*	7,500	7,500	7,500

*Notes:*

- \* Indicates a City-wide shared cost based on a pre-established allocation. Most allocations are based on FTE in each operating fund. See City-wide Shared Costs in the Supplemental Information section of the document for details.
- <sup>26</sup> The US Postal Service will increase the postage stamp from \$.41 to \$.42 beginning May 2008. Therefore the budget provides for a 2% increase in FY09, adjusted for changes in cost allocations between operating funds.
- <sup>27</sup> 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. The increase over FY08 includes increases in membership costs plus \$2,800 for the Iris Festival, \$5,000 for hosting the League of Oregon Cities Annual Conference, & \$650 for a new Ethic Commission Fee. These increases are allocated among all City operating funds.
- <sup>28</sup> Training & Travel costs are budgeted by position and allocated based on each position's salary allocation. FY09 budgeted expenditures are consistent with FY08 budgeted expenditures.
- <sup>29</sup> City Council Expenses include travel & training, miscellaneous office supplies & meetings during mealtimes.
- <sup>30</sup> Advertising costs are for staff recruitments and public notices.
- <sup>31</sup> Legal Services are based on FY08 projected costs.
- <sup>32</sup> Labor Attorney costs include employee dispute resolution, personnel policy review and related consultation matters.
- <sup>33</sup> Contractual Services include City-wide shared costs such as recording services, storage unit rental, courier services & compilation of the Citizen Survey. General Fund Expenses also include the cost of providing Lien Search WEB access to Title companies. The cost is offset by Lien Search Fee Revenues.
- <sup>34</sup> Audit costs are expected to increase in FY09 because of additional auditing requirements.
- <sup>35</sup> Janitorial costs are allocated based on FTE City-wide except the Police Department pays costs directly associated with the Police Department Facility and the Water Fund pays costs directly related to the Public Works Shop. Janitorial cost will double with the new Civic Center beginning January 2009.

**GENERAL FUND  
ADMINISTRATION**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<i>MATERIALS &amp; SERVICES - CONTINUED</i>								
36	3,990	4,201	4,900	4,000	Gas & Electricity*	4,100	4,100	4,100
37	9,582	2,285	2,500	2,500	Telephone*	2,500	2,500	2,500
38	8,221	7,899	8,900	8,900	Insurance - Liability*	9,300	9,300	9,300
39	38,659	44,615	59,700	59,700	Computer Software & Maintenance*	64,400	64,400	64,400
40	5,123	6,800	7,400	7,400	Office Equipment Maintenance	7,400	7,400	7,400
41	18,337	17,103	26,200	13,000	Facility Maintenance*	25,100	13,900	13,900
42	19,369	18,071	19,700	19,700	Peer Court	19,300	19,300	19,300
43	607	459	700	500	Medical & Pre-Employment Testing	500	500	500
44	40,515	-	-	-	Rental Property Expense	1,200	-	-
45	13,255	15,193	15,700	15,800	Fire District - Hotel/Motel Tax	15,900	15,900	15,900
46	13,255	15,193	19,000	19,100	KAVA - Hotel/Motel Tax	19,200	15,900	15,900
47	-	-	-	-	Chamber Holiday Lights	0	3,300	3,300

Notes:

<sup>36</sup> City-wide gas & electric costs are for City Hall Facilities. 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. PGE anticipates a 7%-9% increase in rates in January 2009.

<sup>37</sup> Telephone costs include both land-lines and cell phones City-wide.

<sup>38</sup> The City's insurance carrier projects a 4% increase in rates. Projections are based on the FY08 budgeted amount.

<sup>39</sup> Computer & Software Maintenance costs are primarily for maintaining existing systems.

<sup>41</sup> Facility Maintenance costs are allocated based on FTE City-wide. Staff plan to move into the new Civic Center in January 2009 and recommend a status quo budget until maintenance needs in the new Facility can be assessed.

<sup>42</sup> Peer Court is a youth program where those charged voluntarily agree to have their case heard and decided by their peers. Expenses include:

- Consulting/Coordination	\$ 18,000
- Volunteer Supplies	500
- Volunteer Appreciation Dinner	200
- Office Supplies/Materials	200
- Mailing/Postage	300
- Mileage	100
	<u>\$ 19,300</u>

<sup>44</sup> FY06 was the last year the City was required to pay Property Taxes for the Stadium property per the lease agreement.

<sup>45-46</sup> Payments are based on 20% of the Hotel/Motel Tax Revenues by Council Resolution.

**GENERAL FUND  
ADMINISTRATION**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<i>MATERIALS &amp; SERVICES - CONTINUED</i>								
48	1,286	2,465	6,000	3,000	Neighborhood Association Expense	6,000	3,500	3,500
49	-	-	6,000	6,000	No Meth Task Force	6,000	6,000	6,000
50	-	-	800	800	Neighbor to Neighbor	800	-	-
51	1,027	847	1,500	1,500	Volunteer Recognition	1,000	1,000	1,000
52	2,000	2,000	2,000	2,000	Power - Salem Keizer School District	2,000	3,000	3,000
53	800	-	-	-	Youth Compact	-	-	-
54	-	578	6,000	36,900	Library Grant	-	-	-
55	-	-	3,500	3,500	Library Stipend	3,500	1,700	1,700
56	759	938	1,100	2,200	Miscellaneous Expense	2,200	2,200	2,200
57	5,029	5,077	5,000	5,000	Emergency Management Expense	10,000	10,000	10,000
58	\$ 333,840	\$ 319,841	\$ 383,900	\$ 407,600	<b>TOTAL MATERIALS &amp; SERVICES</b>	\$ 407,800	\$ 389,600	\$ 389,600
59								
60	\$ -	\$ -	\$ 136,600	\$ 136,600	Contingency	\$ 79,600	\$ 79,600	\$ 79,600
61								
62	\$ 690,836	\$ 717,902	\$ 957,600	\$ 976,200	<b>TOTAL REQUIREMENTS</b>	\$ 924,800	\$ 906,600	\$ 906,600

Notes:

<sup>48</sup> Expenditures are limited to \$1,500 per recognized Neighborhood Association. Additional funds are appropriated so that new organizations can apply to the City Council to support related programs.

<sup>56</sup> Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.

<sup>57</sup> Emergency Management Expenses include:

- Database Maintenance	\$ 500
- Annual OEMA Dues	200
- Training	1,800
- Software & Equipment	2,500
- Program Expansion	5,000
	<u>\$ 10,000</u>

<sup>60</sup> The Contingency is 1% of total Expenditures and Transfers excluding the transfer to the City Hall Facility Fund. Should this transfer be insufficient to pay the cost of furnishing the new Civic Center the City plans to increase the interfund borrowing for the difference rather than use Contingency Funds.

## PARKS 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.

### PROJECTS PROPOSED

<u>Various Parks</u>		
Replace Park Toys		\$10,300
<u>Bair Park</u>		
Install Table and Benches		220
Install ADA Path		1,240
<u>Bob Newton Family Park</u>		
Replace Basketball Standards		1,800
<u>Northview Terrace Park</u>		
Replace Slide		2,940
<u>Palma Ciea Park</u>		
Create Parking Area		1,250
Create Unpaved Trail to River		250
<u>Wallace House Park</u>		
Install Play Structure		12,500
Install Basketball Court		7,500
Create ADA Trail in Upper Section		6,250
Create Parking Area		1,500
Clear Brush in Upper Area		625
Install Irrigation System and Lawn		6,250
Install Drinking Fountain		500
Install Bike Rack		125
Install Tables		150
<u>Total Park Improvements</u>		<u>\$53,400</u>

### NUMBER OF PARKS AND ACREAGE

<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

Fiscal year 07-08 saw the adoption of an updated Master Plan. Improvements consisted of constructing a lunchroom area inside the existing storage building. Paved pathways were completed in Country Glen Park.

**GENERAL FUND**  
**PARK OPERATIONS**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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RESOURCES

<i>LICENSES &amp; FEES</i>										
1										
2	\$ 2,780	\$ 3,200	\$ 2,000	\$ 2,500	Park Reservation Fees	\$	2,500	\$	2,500	\$ 2,500
3										
4	2,780	3,200	2,000	2,500	TOTAL ACTIVITY GENERATED		2,500		2,500	2,500
5	158,813	169,909	254,400	249,300	GENERAL SUPPORT RESOURCES		270,700		305,100	305,100
6	\$ 161,593	\$ 173,109	\$ 256,400	\$ 251,800	TOTAL RESOURCES	\$	273,200	\$	307,600	\$ 307,600

REQUIREMENTS

<i>PERSONNEL SERVICES</i>										
7										
8	\$ 1,829	\$ 1,877	\$ 2,000	\$ 2,000	Public Works Director	\$	2,100	\$	2,100	\$ 2,100
9	3,582	3,677	4,000	4,000	Public Works Superintendent		4,100		4,100	4,100
10	39,930	41,108	78,100	78,100	Municipal Utility Workers		82,100		82,100	82,100
11	3,340	3,642	4,100	4,100	Administrative Support Staff		4,300		4,300	4,300
12	15,672	15,517	42,000	35,000	Seasonal Help		42,000		42,000	42,000
13	973	998	2,000	2,000	Medicare		2,100		2,100	2,100
14	8,327	8,657	15,200	15,200	Retirement		16,500		16,500	16,500
15	9,863	10,619	24,500	24,500	Insurance Benefits		25,800		25,800	25,800
16	-	127	-	-	Unemployment		-		-	-
17	774	890	2,400	2,400	Workers Compensation		2,500		2,500	2,500
18	\$ 84,290	\$ 87,112	\$ 174,300	\$ 167,300	TOTAL PERSONNEL SERVICES	\$	181,500	\$	181,500	\$ 181,500

Notes:

- <sup>5</sup> General Support Resources equal at least 2.5% of General Fund Revenues as provided for by City Council policy.
- <sup>12</sup> Seasonal Help was increased in FY08 to provide for maintenance to Keizer Rapids Park.
- <sup>14</sup> Sworn Police Officers, the City Manager, and the Public Works Director participate in the Oregon Public Employee's Retirement System (PERS). Employer contribution rates decreased from 16.65% in FY06 and FY07 to 13.32% for FY08 and FY09. All other employees participate in a private 401(a) plan at 12% for management staff and 11% for all other regular employees.
- <sup>15</sup> Beginning in FY07 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, the City's health and dental insurance premiums are expected to increase approximately 11% and 4% respectively. In FY06, the City began paying the full cost of life insurance premiums (\$60,000 in coverage per employee) which are not expected to increase in FY09.

**GENERAL FUND**  
**PARK OPERATIONS**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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				<i>MATERIALS &amp; SERVICES</i>				
				<i>Operations:</i>				
19								
20								
21	\$ 283	207	\$ 400	\$ 300	Office Materials & Supplies	\$ 500	\$ 500	\$ 500
22	14,251	9,996	15,500	15,500	Parks Materials & Supplies	15,500	15,500	15,500
23	1,194	-	1,500	1,500	Postage & Printing	500	500	500
24	373	1,143	900	1,500	Travel & Training	1,300	1,300	1,300
25	7,913	9,858	4,000	4,100	Legal Services	4,000	4,000	4,000
26	-	-	500	-	Labor Attorney	1,100	1,100	1,100
27	25,553	30,312	30,000	30,000	Contractual Services	30,000	30,000	30,000
28	707	1,800	1,000	500	Engineering Services	2,000	2,000	2,000
29	367	2,006	2,000	2,200	Gas & Electricity	2,400	2,400	2,400
30	1,075	1,143	2,200	2,000	Telephone	2,500	2,500	2,500
31	2,985	3,788	3,200	4,800	Gasoline	5,000	5,000	5,000
32	585	480	1,500	1,500	Vehicle Maintenance	1,500	1,500	1,500
33	1,407	2,597	2,200	3,200	Equipment Maintenance	3,000	3,000	3,000
34	184	115	200	400	Medical Testing	300	300	300
35	<u>\$ 56,877</u>	<u>\$ 63,445</u>	<u>\$ 65,100</u>	<u>\$ 67,500</u>	<b>TOTAL MATERIALS &amp; SERVICES</b>	<u>\$ 69,600</u>	<u>\$ 69,600</u>	<u>\$ 69,600</u>
36								
37	\$ 20,426	\$ 7,550	\$ 13,000	\$ 13,000	Capital Improvements	\$ 19,000	\$ 53,400	\$ 53,400
38	-	15,002	4,000	4,000	Field Equipment	3,100	3,100	3,100
39	<u>\$ 20,426</u>	<u>\$ 22,552</u>	<u>\$ 17,000</u>	<u>\$ 17,000</u>	<b>TOTAL CAPITAL OUTLAY</b>	<u>\$ 22,100</u>	<u>\$ 56,500</u>	<u>\$ 56,500</u>
40								
41	<u>\$ 161,593</u>	<u>\$ 173,109</u>	<u>\$ 256,400</u>	<u>\$ 251,800</u>	<b>TOTAL REQUIREMENTS</b>	<u>\$ 273,200</u>	<u>\$ 307,600</u>	<u>\$ 307,600</u>

Notes:

- 23 Postage & Printing costs are for Master Plan update materials.
- 25 Legal expenses are anticipated for update of Master Plan and costs associated with Keizer Rapids Park.
- 26 Labor Attorney costs are for Union negotiations. The City's Local 320 contract expires on June 30, 2009.
- 28 Engineering Services are for survey costs and other services for Keizer Rapids Park.
- 29 Costs include power to run the irrigation system and the Parks facility. PGE anticipates a 7%-9% increase in rates in January 2009.
- 37 Capital Improvements are for projects listed in the narrative preceding this page.

**GENERAL FUND**  
**PARK DONATIONS**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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RESOURCES

1	<i>Working Capital Carryforward:</i>							
2	\$ -	\$ -	\$ -	\$ 700	Dog Park Working Capital	\$ 1,800	\$ 1,800	\$ 1,800
3	5,048	7,861	5,300	7,900	Park Working Capital	2,900	2,900	2,900
4	2,523	2,918	3,000	2,900	Recreation Working Capital	2,900	2,900	2,900
5	1,569	1,668	1,400	700	Skate Park Working Capital	-	-	-
6	\$ 9,140	\$ 12,447	\$ 9,700	\$ 12,200	Total Working Capital Carryforward	\$ 7,600	\$ 7,600	\$ 7,600
7								
8	<i>MISCELLANEOUS</i>							
9	\$ -	\$ 930	\$ -	\$ 1,100	Dog Park Donations	\$ -	\$ -	\$ -
10	2,823	460	-	300	Park Donations	-	-	-
11	395	111	-	-	Recreation Donations	-	-	-
12	99	918	-	600	Skate Park Donations	-	-	-
13	\$ 3,317	\$ 2,419	\$ -	\$ 2,000	Total Miscellaneous	\$ -	\$ -	\$ -
14								
15	\$ 12,457	\$ 14,866	\$ 9,700	\$ 14,200	<b>TOTAL RESOURCES</b>	<b>\$ 7,600</b>	<b>\$ 7,600</b>	<b>\$ 7,600</b>

REQUIREMENTS

17	<i>MATERIALS &amp; SERVICES</i>							
18								
19								
20	\$ -	\$ 249	\$ -	\$ -	Dog Park Projects	\$ 1,800	\$ 1,800	\$ 1,800
21	-	-	5,300	5,300	Park Projects	2,900	2,900	2,900
22	-	-	3,000	-	Recreation Projects	2,900	2,900	2,900
23	-	936	1,400	1,300	Skate Park Projects	-	-	-
24	\$ -	\$ 1,185	\$ 9,700	\$ 6,600	<b>TOTAL MATERIALS &amp; SERVICES</b>	<b>\$ 7,600</b>	<b>\$ 7,600</b>	<b>\$ 7,600</b>
25								
26	\$ -	\$ 1,185	\$ 9,700	\$ 6,600	<b>TOTAL REQUIREMENTS</b>	<b>\$ 7,600</b>	<b>\$ 7,600</b>	<b>\$ 7,600</b>

Notes:  
 9-12 Donations are dedicated revenues and are restricted for use in the Parks operations and maintenance. Additional Donation Revenues are not anticipated in FY09.  
 20-23 Costs in the Donation Program are for special projects funded by citizen donations. Funding for these projects will come from donations received in FY08 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 nine years.

The City of Keizer continues to develop despite a dwindling supply of available land. There has been some increase in Land Use Applications due to increased activity at Keizer Station. However, the number of subdivision and partition applications has remained roughly consistent.

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

*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.

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**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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RESOURCES

*LICENSES & FEES*

1	\$	-	\$	80	\$	-	\$	200	Sign Permits	\$	200	\$	200	\$	200
2		68,093		32,830		25,300		15,300	Land Use Application Fees		15,300		15,300		15,300
3		18,179		9,401		14,800		9,100	Building Fees - Zoning		9,100		9,100		9,100
4		22,056		21,835		16,800		21,000	Permit Fees		21,000		21,000		21,000
5		-		8,715		-		9,800	Developers Tree Reimbursement		9,800		9,800		9,800
6	\$	108,328	\$	72,861	\$	56,900	\$	55,400	Total Licenses & Fees	\$	55,400	\$	55,400	\$	55,400

*INTERGOVERNMENTAL*

9	\$	1,922	\$	466	\$	144,600	\$	-	Transportation Grants	\$	-	\$	-	\$	-
10		-		-		-		-	Community Development Grant		-		-		-
11	\$	1,922	\$	466	\$	144,600	\$	-	Total Intergovernmental	\$	-	\$	-	\$	-

*MISCELLANEOUS*

14	\$	15,444	\$	1,142	\$	5,000	\$	1,200	Nuisance Abatement	\$	10,000	\$	10,000	\$	10,000
16	\$	125,694	\$	74,469	\$	206,500	\$	56,600	TOTAL ACTIVITY GENERATED	\$	65,400	\$	65,400	\$	65,400
17		218,913		288,681		343,700		334,700	GENERAL SUPPORT RESOURCES		363,800		363,800		363,800
18	\$	344,607	\$	363,150	\$	550,200	\$	391,300	TOTAL RESOURCES	\$	429,200	\$	429,200	\$	429,200

Notes:

<sup>9</sup> The Transportation Grant budgeted in FY08 will be expended on the City's behalf rather than the funds coming directly to the City for expenditure.

**GENERAL FUND**

**COMMUNITY DEVELOPMENT**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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REQUIREMENTS

					<i>PERSONNEL SERVICES</i>			
19								
20	\$ 48,536	\$ 52,792	\$ 58,200	\$ 58,200	Community Development Director	\$ 61,700	\$ 61,700	\$ 61,700
21	-	-	41,000	41,000	Assistant Planner	43,800	43,800	43,800
22	48,457	66,835	35,000	35,000	Code Enforcement/Zoning Technician	37,200	37,200	37,200
23	62,140	51,611	50,700	50,700	Senior Planner	53,800	53,800	53,800
24	8,913	9,713	8,100	8,100	Administrative Support Staff	8,600	8,600	8,600
25	34,199	35,094	37,900	37,900	Permit Specialist	39,100	39,100	39,100
26	888	-	-	-	Seasonal Help	-	-	-
27	-	-	2,000	2,000	Overtime	2,000	2,000	2,000
28	3,099	3,317	3,600	3,600	Medicare	3,800	3,800	3,800
29	30,904	35,137	40,100	40,100	Retirement	42,500	42,500	42,500
30	43,733	49,399	49,400	49,400	Insurance Benefits	52,000	52,000	52,000
31	1,104	455	700	700	Workers Compensation	400	400	400
32	\$ 281,973	\$ 304,353	\$ 326,700	\$ 326,700	TOTAL PERSONNEL SERVICES	\$ 344,900	\$ 344,900	\$ 344,900

Notes:

<sup>29</sup> Sworn Police Officers, the City Manager, and the Public Works Director participate in the Oregon Public Employee's Retirement System (PERS). Employer contribution rates decreased from 16.65% in FY06 and FY07 to 13.32% for FY08 and FY09. All other employees participate in a private 401(a) plan at 12% for management staff and 11% for all other regular employees.

<sup>30</sup> Beginning in FY07 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, the City's health and dental insurance premiums are expected to increase approximately 11% and 4% respectively. In FY06, the City began paying the full cost of life insurance premiums (\$60,000 in coverage per employee) which are not expected to increase in FY09.

GENERAL FUND

**COMMUNITY DEVELOPMENT**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
33					<i>MATERIALS &amp; SERVICES</i>			
34	\$ 2,670	\$ 2,816	\$ 3,800	\$ 2,800	Materials & Supplies	\$ 3,800	\$ 3,800	\$ 3,800
35	172	434	700	600	Mapping Supplies & Services	1,200	1,200	1,200
36	1,382	1,321	6,300	800	Postage & Printing	5,300	5,300	5,300
37	3,166	943	4,600	4,600	Travel & Training*	5,800	5,800	5,800
38	5,455	2,322	2,800	1,200	Legal Advertising	2,000	2,000	2,000
39	37,028	31,618	35,700	41,800	Legal Services	41,800	41,800	41,800
40	4,540	8,472	2,800	2,000	Contractual Services	2,800	2,800	2,800
41	6,600	8,400	9,000	9,000	Hearings Officer	9,000	9,000	9,000
42	41	-	6,300	-	Engineering Services	1,000	1,000	1,000
43	643	664	1,000	600	Telephone	700	700	700
44	696	684	800	600	Gasoline	800	800	800
45	100	1,088	5,000	600	Nuisance Abatement	10,000	10,000	10,000
46	31	35	100	-	Medical Testing	100	100	100
47	-	-	144,600	-	Transportation Systems Plan	-	-	-
48	110	-	-	-	Grant Expenses	-	-	-
49	\$ 62,634	\$ 58,797	\$ 223,500	\$ 64,600	<b>TOTAL MATERIALS &amp; SERVICES</b>	\$ 84,300	\$ 84,300	\$ 84,300
50								
51	\$ 344,607	\$ 363,150	\$ 550,200	\$ 391,300	<b>TOTAL REQUIREMENTS</b>	\$ 429,200	\$ 429,200	\$ 429,200

Notes:

\* Indicates a city-wide shared cost based on a pre-established allocation. Most allocations are based on FTE in each operating fund. See City-Wide Shared Costs in the Supplemental Information section of the document for details.

<sup>36</sup> Postage & Printing costs provide for a mass mailing should legal mandates require one in FY09.

<sup>40</sup> Contractual Services include GIS support, ordinance writing and land use review.

# 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 continued research and implementation of features related to the Court's software system. This allowed staff to process and track citations more efficiently. By efficiently tracking past due and delinquent accounts, and processing them for collection, the Court office surpassed projected collection revenues by 20%.

The Court Staff was increased to two full-time employees in 2007. This has been a great benefit to the Court's daily function and to the customer. The Court staff strives to deliver excellent customer service and having staff available in the office and on the phone has increased positive interaction with the customers. Another feature established in 2007 was the use of PC Charge software, allowing secure credit/debit card transactions by phone.

This service has given customers another avenue of paying fines and staying in compliance.

## Future Goals

Municipal Court staff looks forward to implementing the electronic ticketing system (E-Cites). Citation information will automatically update from the electronic devices used by patrol officers, and be immediately available to the Court staff; enabling faster processing of citations and the ability to meet customer needs.

Transitioning to E-Cites will require new means of filing and retaining cases. The Court Staff looks forward to incorporating a modern, efficient filing system to store and access Court files upon moving into the new civic center, scheduled for January 2009.

It is the goal of The Municipal Court Staff to build positive community relationships. The Court recognizes that receiving a citation in the City of Keizer may be the only interaction the public may have with the Justice System, or City Government. The Court Staff strive to educate the public to have a positive understanding of Court processes and confidence in the justice system.

**GENERAL FUND  
MUNICIPAL COURT**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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RESOURCES

				<i>FINES &amp; FORFEITS</i>			
1							
2	\$ 302,669	\$ 327,683	\$ 314,600	\$ 349,200	Municipal Court Fines	\$ 349,200	\$ 349,200 \$ 349,200
3	177,700	240,693	206,700	247,200	Collections - Past Due	247,200	247,200 247,200
4	\$ 480,369	\$ 568,376	\$ 521,300	\$ 596,400	Total Fines & Forfeits	\$ 596,400	\$ 596,400 \$ 596,400
5							
6	\$ 280,291	\$ 351,035	\$ 239,500	\$ 336,500	<b>AVAILABLE FOR GENERAL SUPPORT</b>	\$ 326,800	\$ 326,800 \$ 326,800
7							
8					<i>PERSONNEL SERVICES</i>		
9	\$ 17,231	\$ 15,099	\$ 8,100	\$ 8,100	Administrative Support Staff	\$ 8,100	\$ 8,100 \$ 8,100
10	34,065	35,488	77,100	77,100	Court Clerks	79,900	79,900 79,900
11	-	264	500	500	Overtime	500	500 500
12	789	782	1,400	1,400	Medicare	1,400	1,400 1,400
13	8,721	8,645	14,600	14,600	Retirement	15,100	15,100 15,100
14	12,652	14,079	25,400	25,400	Insurance Benefits	26,700	26,700 26,700
15	132	106	200	200	Workers Compensation	200	200 200
16	\$ 73,590	\$ 74,463	\$ 127,300	\$ 127,300	<b>TOTAL PERSONNEL SERVICES</b>	\$ 131,900	\$ 131,900 \$ 131,900

- Notes:
- <sup>1</sup> During FY07, the State of Oregon increased Municipal Court Fines an average 3-5% over the previous fee structure. Additionally, the State imposed a new State Court Facilities Security Assessment. This assessment ranges from \$3-\$7 per violation.
  - <sup>3</sup> Past Due Collections have increased because accounts are now turned over to the collection agency after a defendant falls into default 90 days after the Judge's ruling. Additionally, an increase in staff efforts have resulted in timelier follow up on past due accounts.
  - <sup>9-10</sup> Beginning in FY08 the budget provides for 2 FTE Court Clerks and .25 FTE for Administrative Support Staff.
  - <sup>13</sup> Sworn Police Officers, the City Manager, and the Public Works Director participate in the Oregon Public Employee's Retirement System (PERS). Employer contribution rates decreased from 16.65% in FY06 and FY07 to 13.32% for FY08 and FY09. All other employees participate in a private 401(a) plan at 12% for management staff and 11% for all other regular employees.
  - <sup>14</sup> Beginning in FY07 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, the City's health and dental insurance premiums are expected to increase approximately 11% and 4% respectively. In FY06, the City began paying the full cost of life insurance premiums (\$60,000 in coverage per employee) which are not expected to increase in FY09.

**GENERAL FUND**  
**MUNICIPAL COURT**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
17					<i>MATERIALS &amp; SERVICES</i>			
18	\$ 1,719	\$ 1,524	\$ 4,200	\$ 1,200	Materials & Supplies	\$ 2,000	\$ 2,000	\$ 2,000
19	2,002	364	2,900	1,500	Travel & Training	7,400	7,400	7,400
20	389	4	400	-	Legal Services	100	100	100
21	14,760	16,812	20,600	18,900	Professional Services - Judge	19,000	19,000	19,000
22	3,627	3,534	3,600	2,900	Contractual Services	3,000	3,000	3,000
23	19,445	15,348	13,200	10,900	Collections Cost	9,000	9,000	9,000
24	16,985	26,389	20,900	25,100	CC Assessments	25,100	25,100	25,100
25	67,561	78,903	88,700	72,100	Unitary Assessments	72,100	72,100	72,100
26	\$ 126,488	\$ 142,878	\$ 154,500	\$ 132,600	TOTAL MATERIALS & SERVICES	\$ 137,700	\$ 137,700	\$ 137,700
27								
28	\$ 200,078	\$ 217,341	\$ 281,800	\$ 259,900	TOTAL REQUIREMENTS	\$ 269,600	\$ 269,600	\$ 269,600

Notes:

- 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.
- 24-25 State and County assessments are based on Municipal Court Fine Revenues. The City remits to these jurisdictions on a monthly basis. CC Assessments are 4% of Municipal Court Fine Revenues (including past due fines). Unitary Assessments are currently 12% of Municipal Court Fine Revenues (including past due fines), down from 14% in FY06 & FY07. As Fine Revenues increase, Assessment Expenditures increase proportionately.

## POLICE

The submitted Keizer Police Department budget is based on attaining staffing levels for the department that allow the Police 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 revenue provided.

### *In Review*

The Police Department personnel are some of the best to be found, but we struggle to keep up with the growing demand for police service. Our mission is broad ranging. We not only provide emergency response to 9-1-1 calls, we also continue strategic police patrols, traffic safety patrols, school resource officers, criminal investigations of major crimes and investigation of illegal drug distribution and use.

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 department currently provides police service to 35,000 residents and protects over \$1.5 billion worth of property.

### *The Future*

As the Keizer Civic Center is completed we will have a new state of the art police station. This new station will be an important tool in our effort to meet our mission and we thank

the citizens of Keizer for their support. We will continue to need their support in the future. We have been forced to reduce our Traffic Safety Unit staffing by two officers. The two officers were transferred to patrol duties. Our Investigations Unit continues to see an increase in major criminal case investigations. Recruiting of qualified police personnel is becoming increasingly difficult with demand out pacing supply. Our rookie officers now attend a 16 week basic training academy. The increased training time and the field training program required to prepare a new police officer for the job results in approximately a one year lag time from hiring a new officer to having a performing solo officer. When you combine the training time and the natural turn over of personnel we continuously run short of police personnel.

We will continue to partner with the Salem/Keizer School District to help pay for the three officers assigned full-time to the Keizer schools.

We continue to fully staff the Community Response Unit with the unit currently assigned full time to investigating street level methamphetamine dealers. We will continue this fiscal year to partner with all of Marion County police agencies in staffing a mid-level dealer methamphetamine task force. We also have assigned one officer to a DEA task force investigating major drug dealing organizations that impact Keizer.

**GENERAL FUND**

**POLICE**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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**RESOURCES**

1												
2	\$ 1,894	\$ 1,746	\$ 1,700	\$ 1,700	Working Capital Carryforward:							
3	653	(58)	-	400	Cadet Donations	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200			
4	-	3,350	11,600	3,400	Reserve Donations	-	-	-	-			
5	-	-	4,800	-	K-9 Donations	4,500	4,500	4,500	4,500			
6	-	-	32,800	32,800	MATT Grant	-	-	-	-			
7	\$ 2,547	\$ 5,038	\$ 50,900	\$ 38,300	Meth Task Force Grant	-	-	-	-			
8					Total Working Capital Carryforward	\$ 5,700	\$ 5,700	\$ 5,700	\$ 5,700			
9												
10	\$ 151,217	\$ 164,512	\$ 166,300	\$ 166,300	<b>INTERGOVERNMENTAL</b>							
11	-	-	6,000	-	School Resource Officer Contract	\$ 174,700	\$ 174,700	\$ 174,700	\$ 174,700			
12	-	60,000	27,200	30,000	Overtime Grants	25,000	25,000	25,000	25,000			
13	12,036	27,859	-	33,200	Meth Task Force Grant	20,000	20,000	20,000	20,000			
14	\$ 163,253	\$ 252,371	\$ 199,500	\$ 229,500	Materials & Services Grants	50,000	50,000	50,000	50,000			
15					Total Intergovernmental	\$ 269,700	\$ 269,700	\$ 269,700	\$ 269,700			
16												
17	\$ 64,600	\$ 83,161	\$ 81,700	\$ 82,800	<b>FINES &amp; FORFEITS</b>							
18	278	2,599	2,600	1,800	Impound Fees	82,800	82,800	82,800	82,800			
19	\$ 64,878	\$ 85,760	\$ 84,300	\$ 84,600	Civil/Criminal Forfeitures	10,000	10,000	10,000	10,000			
20					Total Fines & Forfeits	\$ 92,800	\$ 92,800	\$ 92,800	\$ 92,800			
21												
22	\$ -	\$ -	\$ 1,000	\$ -	<b>MISCELLANEOUS</b>							
23	900	457	1,000	500	Cadet Donations	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000			
24	10,025	20	-	14,000	Reserve Officer Donations	1,000	1,000	1,000	1,000			
25	100	8,350	-	1,100	Police Donations	20,000	20,000	20,000	20,000			
26	7,192	6,593	7,000	6,100	K-9 Donations	3,000	3,000	3,000	3,000			
27	15,239	36,731	18,500	8,900	Special Duty Officers	5,000	5,000	5,000	5,000			
28	\$ 33,456	\$ 52,151	\$ 27,500	\$ 30,600	Miscellaneous	10,000	10,000	10,000	10,000			
29					Total Miscellaneous	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000			
30	\$ 264,134	\$ 395,320	\$ 362,200	\$ 383,000	TOTAL ACTIVITY GENERATED	\$ 408,200	\$ 408,200	\$ 408,200	\$ 408,200			
31	4,515,030	4,704,072	5,290,200	5,224,400	GENERAL SUPPORT RESOURCES	5,363,500	5,365,200	5,365,200	5,365,200			
32	\$ 4,779,164	\$ 5,099,392	\$ 5,652,400	\$ 5,607,400	TOTAL RESOURCES	\$ 5,771,700	\$ 5,773,400	\$ 5,773,400	\$ 5,773,400			

Notes:

- 6 \$60,000 was received in FY07 which funds an Officer for 11 months. The Officer began February 2007, therefore 6 of the 11 months are carried over to FY08.
- 10 Funds are from the Salem/Keizer School District which partially pay for School Resource Officers plus related overhead costs.
- 11 Overtime Grant Funds are for a MATT Grant to fund specific program related overtime costs.
- 12 The Meth Task Force Grant is provided through the Guido Caldarazzo Methamphetamine Task Force, a private foundation.
- 13 Throughout the year the Police Department receives grants to fund specific materials and services. These grants are not specifically identified at the time the budget is prepared but are estimated to be approximately \$50,000 in FY09. The offsetting expenditure is in the Materials & Services section of the Budget.
- 17 Beginning in FY07 the City increased Impound Fees from \$100 to \$115.
- 18 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 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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EXPENDITURES

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
33					<u>EXPENDITURES</u>			
34					<i>PERSONNEL SERVICES</i>			
35								
36	\$ 37,219	\$ 39,319	\$ 42,500	\$ 42,500	Administrative Assistant	\$ 44,600	\$ 44,600	\$ 44,600
37	6,817	7,207	7,800	7,800	Facility Maintenance Worker	8,200	8,200	8,200
38	91,481	93,854	103,300	103,300	Chief of Police	109,600	109,600	109,600
39	158,052	162,137	178,600	178,600	Captains	189,400	189,400	189,400
40	409,763	423,197	532,800	532,800	Sergeants	549,300	549,300	549,300
41	234,764	242,576	248,400	248,400	Detectives	251,500	251,500	251,500
42	1,186,487	1,301,505	1,359,400	1,359,400	Police Officers	1,425,300	1,425,300	1,425,300
43	31,853	44,661	47,400	47,400	Community Service Officer	50,200	50,200	50,200
44	221,001	224,565	231,300	231,300	Support Specialists	241,300	241,300	241,300
45	173,768	178,440	180,700	180,700	School Resource Officers	186,200	186,200	186,200
46	44,001	46,014	46,500	46,500	Investigative Services Specialist	47,800	47,800	47,800
47	1,279	1,843	5,000	5,000	Background Investigations Officer	5,000	5,000	5,000
48	3,548	3,217	7,500	7,500	Reserve Officers	7,500	7,500	7,500
49	179,720	201,294	245,700	245,700	Overtime	266,300	266,300	266,300
50	42,441	45,358	49,500	49,500	Medicare	51,900	51,900	51,900
51	720,133	764,069	770,500	770,500	Retirement	822,600	822,600	822,600
52	395,793	455,349	555,300	555,300	Insurance Benefits	583,900	583,900	583,900
53	1,721	-	-	-	Unemployment Insurance	-	-	-
54	66,304	45,053	84,500	84,500	Workers Compensation	88,000	88,000	88,000
55	-	-	-	-	Cell Phone Stipend	8,200	8,200	8,200
56	\$ 4,006,145	\$ 4,279,658	\$ 4,696,700	\$ 4,696,700	TOTAL PERSONNEL SERVICES	\$ 4,936,800	\$ 4,936,800	\$ 4,936,800

Notes:

- 35 Personnel Services changes include a 3% cost of living increase City-wide, merit increases, and the implementation of a salary survey conducted in FY08. For more information, see Salaries by Budgeted Position in the Supplemental Information section of the budget document.
- 49 The need for overtime depends on the number and complexity of crimes. Overtime costs are approximately 10% of sworn-represented staff salaries. Additionally, \$25,000 has been budgeted to provide for special projects funded by Overtime Grants.
- 51 Sworn Police Officers, the City Manager, and the Public Works Director participate in the Oregon Public Employee's Retirement System (PERS). Employer contribution rates decreased from 16.65% in FY06 and FY07 to 13.32% for FY08 and FY09. All other employees participate in a private 401(a) plan at 12% for management staff and 11% for all other regular employees.
- 52 Beginning in FY07 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, the City's health and dental insurance premiums are expected to increase approximately 11% and 4% respectively. In FY06, the City began paying the full cost of life insurance premiums (\$60,000 in coverage per employee) which are not expected to increase in FY09.
- 55 The City is considering a cell phone stipend to allow the Department to contact Officers during off-duty hours. The policy is not currently in place but is estimated at \$8,200. It is a taxable benefit and therefore included in Personnel Services.

**GENERAL FUND**  
**POLICE**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
	<i>MATERIALS &amp; SERVICES</i>							
57								
58	\$ 10,608	\$ 10,927	\$ 21,000	\$ 11,000	Materials & Supplies	\$ 14,000	\$ 14,000	\$ 14,000
59	1,147	-	2,000	500	Cadet Program	2,000	2,000	2,000
60	6,611	3,535	6,000	6,000	Reserve Officer Program	6,000	6,000	6,000
61	26,225	28,793	29,000	29,000	Clothing	34,000	34,000	34,000
62	-	3,030	2,600	1,200	Civil/Criminal Forfeiture	10,000	10,000	10,000
63	3,654	4,764	10,000	10,000	K-9 Supplies	6,000	6,000	6,000
64	13,251	11,182	17,000	14,800	Postage & Printing	15,200	15,200	15,200
65	28,584	21,497	34,200	34,200	Travel & Training*	34,200	34,200	34,200
66	2,115	2,338	4,000	2,300	Tuition Reimbursement	4,000	4,000	4,000
67	-	2,444	-	-	Testing	-	-	-
68	2,117	2,080	3,000	600	Advertising - Employee Recruitments	2,000	2,000	2,000
69	-	7,374	-	4,100	Legal Services	5,000	5,000	5,000
70	44,340	4,215	18,000	3,400	Labor Attorney	15,000	15,000	15,000
71	6,526	9,969	12,100	12,100	Contractual Services	13,000	13,000	13,000
72	-	-	26,600	19,100	Crime Analyst Contract	27,500	27,500	27,500
73	13,075	12,866	19,700	14,700	Janitorial*	28,500	28,500	28,500
74	15,954	17,170	16,700	18,900	Gas & Electricity*	19,600	19,600	19,600
75	23,733	36,511	30,000	29,000	Telephone*	29,000	23,200	23,200
76	74,007	72,322	80,600	80,600	Insurance - Liability*	83,900	83,900	83,900

Notes:

- \* Indicates a City-wide shared cost based on a pre-established allocation. Most allocations are based on FTE in each operating fund. See City-Wide Shared Costs in the Supplemental Information section of the document for details.
- 61 The Department plans to change to new uniforms in FY09 which will be less expensive to maintain over the long run.
- 62 Civil/Criminal Forfeitures are for the expenditure of Civil/Criminal Forfeiture Revenue. These funds are restricted for uses directly related to crime fighting.
- 63 K-9 supplies doubled from FY07 because the Police Department began maintaining two dogs in FY08.
- 64 The US Postal Service will increase the postage stamp from \$.41 to \$.42 beginning May 2008. Therefore the budget provides for a 2% increase in FY09 over FY08 projections.
- 69 Legal Services are City attorney costs for representing the Department in the occasional Municipal Court case.
- 70 Labor Attorney costs are for Union negotiations including dispute resolution. The KPA contract expires in June 2009; negotiations are expected to begin early 2009.
- 71 Contract with Crisis Chaplaincy Services for Emergency Chaplaincy Services funded by all Police agencies within Marion County. The increase in FY08 is for the Lexipol Policy and Procedure Training and Update Service.
- 72 The Police Department expects to contract 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.
- 73 Janitorial costs are allocated based on FTE City-wide; except the Police Department pays costs directly associated with the Police Department facility and the Water Fund pays costs directly related to the Public Works shop. Janitorial cost will double with the new Civic Center beginning January 2009.
- 74 City-wide gas & electric costs are for City Hall facilities. 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. PGE anticipates a 7%-9% increase in rates in January 2009.
- 76 The City's insurance carrier projects a 4% increase in rates. Projections are based on the FY08 budgeted amount.

**GENERAL FUND  
POLICE**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<i>MATERIALS &amp; SERVICES - CONTINUED</i>								
77								
78	\$ 26,254	\$ 35,813	\$ 40,000	40,000	Vehicle Lease	\$ -	\$ -	\$ -
79	8,652	11,848	18,000	18,000	Vehicle & Equipment Rental	10,000	10,000	10,000
80	61,565	77,663	69,000	90,000	Gasoline	100,000	100,000	100,000
81	31,238	25,862	35,000	36,000	Maintenance-Vehicles	38,000	38,000	38,000
82	6,630	8,436	20,000	6,100	Maintenance-Equipment	10,000	10,000	10,000
83	3,620	2,600	5,000	2,500	Community Services Unit	5,000	5,000	5,000
84	12,819	22,667	28,000	24,800	Operating Materials	28,000	28,000	28,000
85	10,000	31,052	13,000	13,000	Ammo/Weapons	13,000	13,000	13,000
86	203,393	209,392	229,700	229,700	Willamette Valley Communication Center	58,000	58,000	58,000
87	27,663	28,562	25,500	25,500	Radio & Mobile Systems Support	46,500	46,500	46,500
88	74,339	82,882	96,000	96,000	RAIN/PRIORS	72,500	72,500	72,500
89	15,154	18,960	16,000	16,000	Investigations	20,000	20,000	20,000
90	1,298	1,078	4,000	2,000	Crime Prevention	4,000	4,000	4,000
91	-	-	-	14,000	Police Donation Expenses	20,000	20,000	20,000
92	7,406	3,412	11,400	5,000	Medical & Pre-Employment Testing	10,000	10,000	10,000
93	-	-	-	-	Grants	50,000	50,000	50,000
94	1,041	162	1,000	600	Miscellaneous	1,000	1,000	1,000
95	\$ 763,019	\$ 811,406	\$ 944,100	\$ 910,700	TOTAL MATERIALS AND SERVICES	\$ 834,900	\$ 829,100	\$ 829,100
96								
<i>CAPITAL OUTLAY</i>								
97								
98	\$ 10,000	\$ -	\$ -	-	Auto Video Cameras	\$ -	\$ -	\$ -
99	-	8,328	11,600	-	K-9 Dog	-	-	-
100	\$ 10,000	\$ 8,328	\$ 11,600	\$ -	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -
101								
102	\$ -	\$ -	\$ -	-	Reserve for K-9 Dog	\$ 7,500	\$ 7,500	\$ 7,500
103								
104	\$ 4,779,164	\$ 5,099,392	\$ 5,652,400	\$ 5,607,400	TOTAL EXPENDITURES & RESERVES	\$ 5,771,700	\$ 5,773,400	\$ 5,773,400

Notes:

- 78 Beginning in FY09, all Police vehicle leases are funded in the Revenue Sharing Fund to better track the Department's lease program.
- 80 The increase in gasoline reflects the increase in prices over the past year and additional anticipated increases in FY09.
- 83 Costs include community related activities such as National Night Out.
- 86 The total WAVCC bill for FY09 is \$410,700 compared to \$388,700 in FY08. 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 has changed to more accurately track the 9-1-1 related expense portion of this bill. Overall the General Fund is not impacted because the transfer to the 9-1-1 Fund has been increased accordingly.
- 87 Beginning in FY09, 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 General Fund is not impacted because the transfer to the 9-1-1 Fund has been reduced accordingly.
- 88 The high cost in FY08 resulted from the City of Salem back billing for their errors going back to FY05. FY09 expenditures are for current charges.
- 93 Throughout the year the Police Department receives grants to fund specific materials and services. These grants are not specifically identified at the time the budget is prepared but are estimated to be approximately \$50,000 in FY09. These expenditures will only be incurred up to the amount of Grant Revenue received.
- 94 Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.
- 102 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 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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RESOURCES

1	\$ 58,547	60,421	\$ -	\$ 116,700	<i>Working Capital Carryforward</i>	\$ -	\$ -	\$ -
2								
3					<i>INTERGOVERNMENTAL</i>			
4	220,101	204,238	215,100	219,400	State Revenue Sharing	228,300	228,300	228,300
5	5,942	2,865	-	33,000	Grants	17,000	17,000	17,000
6	<u>\$ 226,043</u>	<u>\$ 207,103</u>	<u>\$ 215,100</u>	<u>\$ 252,400</u>	<u>Total Intergovernmental</u>	<u>\$ 245,300</u>	<u>\$ 245,300</u>	<u>\$ 245,300</u>
7								
8					<i>MISCELLANEOUS</i>			
9	1,143	-	2,700	-	Police Miscellaneous Revenue	-	-	-
10								
11					<i>TRANSFERS IN</i>			
12	41,300	122,700	153,600	30,100	Transfer from General Fund	125,200	125,200	125,200
13								
14	<u>\$ 327,033</u>	<u>\$ 390,224</u>	<u>\$ 371,400</u>	<u>\$ 399,200</u>	<u>TOTAL RESOURCES</u>	<u>\$ 370,500</u>	<u>\$ 370,500</u>	<u>\$ 370,500</u>

Notes:

- <sup>4</sup> FY09 projections are based on FY08 actuals projected out to year-end. The State of Oregon anticipates a 4% increase in distributions for FY09.
- <sup>5</sup> The City anticipates receiving a \$50,000 grant from ODOT to help cover the cost of the E-Citation System. The grant is on a reimbursement basis with a portion received in FY08 and the balance to be received in FY09.
- <sup>12</sup> Capital Outlay items used for General Government purposes are tracked in the Revenue Sharing Fund. Transfers from the General Fund are needed because Revenue Sharing Funds are not sufficient in FY09 to cover all General Government Capital Outlay needs.

**SPECIAL REVENUE FUND  
REVENUE SHARING**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
15					<b>REQUIREMENTS</b>			
16					<b>CAPITAL OUTLAY</b>			
17								
18	\$ 5,483	\$ 77	\$ 5,700	\$ 5,700	Office Furniture & Equipment*	\$ -	\$ -	\$ -
19	5,607	50	-	-	Photocopier	-	-	-
20	117	-	-	-	Aerial Photos	-	-	-
21	85,805	55,000	57,600	57,600	Computer Hardware*	49,900	49,900	49,900
22	1,067	-	-	-	Television Equipment	-	-	-
23	-	23,040	23,500	23,500	Parks Vehicle & Equipment	-	-	-
24	-	-	-	-	Police Vehicles	41,000	41,000	41,000
25	9,618	7,028	5,500	5,500	Police Protective Vests	10,500	10,500	10,500
26	13,000	10,725	34,400	34,400	Police Officer Equipment	20,000	20,000	20,000
27	-	-	56,500	89,500	E-Citation System	29,000	29,000	29,000
28	-	-	8,000	2,800	Signage & Identity	-	-	-
29	-	-	2,100	2,100	Radar Equipment	3,000	3,000	3,000
30	145,916	177,579	178,100	178,100	Police Vehicle/Motorcycle Leases	217,100	217,100	217,100
31	\$ 266,613	\$ 273,499	\$ 371,400	\$ 399,200	<b>TOTAL CAPITAL OUTLAY</b>	\$ 370,500	\$ 370,500	\$ 370,500
32								
33					<b>FUND BALANCE</b>			
34								
35	60,420	116,725	-	-	Unappropriated Ending Fund Balance	-	-	-
36								
37	\$ 327,033	\$ 390,224	\$ 371,400	\$ 399,200	<b>TOTAL REQUIREMENTS</b>	\$ 370,500	\$ 370,500	\$ 370,500

Notes:

- \* Indicates a City-Wide shared cost based on a pre-established allocation. See City-Wide Shared Costs in the Supplemental Information section of the document for details.
- <sup>24</sup> Purchase 3 patrol cars & 3 Admin/Detective cars which the City has leased over the past 3 years; the leases were paid from the Police Operating Budget.
- <sup>25</sup> Costs include annual replacement of protective vests for \$5,500 plus two SWAT vests costing \$2,500 each.
- <sup>26</sup> The Police Officer Equipment for FY09 includes the following:
  - 27 Microphone/ear piece units for Patrol Officers. Total cost \$6,000.
  - Replacement of 41 Glock Pistols. Total cost \$10,000.
  - Replacement of 10 newer but used portable radios. In 4-5 years the City will need to replace the entire system due to interoperability changes. The City plans to make the change when City of Salem makes the change. Total cost is \$4,000.
- <sup>27</sup> Funding for the E-Citation System is carried over from FY08. An additional \$33,000 has been added to the FY08 projected expenditures to be paid from a \$50,000 ODOT Grant. FY09 includes the carryover of \$17,000 plus an additional \$12,000 for software and maintenance.
- <sup>30</sup> A detailed schedule of Police Vehicle & Motorcycle Leases is found on the Revenue Sharing - Police Vehicle Program Summary preceding the beginning of this budget section.

## REVENUE SHARING FUND

### Police Vehicle Lease and Purchase Program

#### Police Vehicle Leases

Quantity	Assigned	Payment	Payment Due	Lease Expires
Three	SRO	\$ 10,921.50	July 15, 2008	June 21, 2009
Three	Patrol	25,351.50	October 11, 2008	October 2, 2009
Six	Patrol	68,885.25	July 15, 2009	June 21, 2010
Five	Patrol	54,049.50	February 28, 2009	March 1, 2011
One	Motorcycle	7,094.50	November 5, 2008	January 23, 2011
One	CSO Truck*	8,382.75	July 1, 2008	July 1, 2012
One	CRU/DEA	3,888.60	324.05 monthly	March 26, 2012
Three	Admin/Detective	14,364.00	1197.00 monthly	June 19, 2010
One	Admin/Detective	4,836.96	403.08 monthly	June 13, 2011
One	Admin/Detective	4,845.85	403.82 monthly	June 13, 2011
Three	CRU/DEA**	14,400.00		
		\$ 217,020.41		

Note: All leases have a non-appropriation clause should funding not be available to continue the lease beyond the current year's budget authority.

\* Lease purchase over five years.

\*\* Funding for these vehicles is likely to be awarded as criminal forfeitures and not leased. Should this occur the City will not expend the \$14,400 appropriated for this lease.

#### Police Vehicle Purchases\*

Quantity	Assigned	Payment	Payment Due
Three	Admin/Detective	\$ 20,000	July 15, 2008
Three	SRO	21,000	June 21, 2009
		\$ 41,000	

- \* These leases were funded through the General Fund Police Operating Budget. The leases expire at the end of FY07-08. These vehicles are in good condition and the City has an opportunity to purchase them for less cost than leasing new vehicles.

*Reserve for Vehicles\**

Cost to lease three Admin/Detective vehicles (first year payment)	\$ 15,650
Purchase three Admin/Detective vehicles	(20,000)
Cost to lease three SRO vehicles (first year payment)	39,750
Purchase three SRO vehicles	(21,000)
Placed into Reserve	\$ 14,400

- \* By purchasing the six vehicles, the City will save approximately \$55,400 each year in fiscal years 2010 and 2011 —what would be years two and three of new leases—for a total savings of \$110,800. This savings will carry over to offset new leases beginning in fiscal year 2012. The City anticipates purchasing good condition, low-mileage vehicles as leases expire as a cost saving measure. This practice excludes patrol vehicles, which are run hard at least 12 hours per day, every day and need to be replaced when the lease expires.

*Four-Year Timeline—An Example*

	FY 2009	FY 2010	FY 2011	FY 2012
Vehicle Leases	\$ 217,021	\$ 238,862	\$ 260,054	\$ 293,499
Vehicle Purchases	*41,000	**24,000	***16,000	****3,500
Reserve	14,400	69,800	67,750	28,200
Use of Reserve		(58,000)	(67,750)	(22,000)
Program Costs	\$ 272,421	\$ 274,622	\$ 276,054	\$ 274,999

- \* Three Admin/Detective vehicles leases expire July 15, 2008; new leases begin FY 2011  
Three SRO vehicles leases expire June 21, 2009; new leases begin FY 2012
- \*\* Three Admin/Detective vehicles leases expire June 19, 2010; new leases begin FY 2013
- \*\*\* Two Admin/Detective vehicles leases expire June 13, 2011; new leases begin FY 2014
- \*\*\*\* CRU/DEA vehicle lease expires March 26, 2012

## *CITY HALL FACILITY FUND*

*The City Hall Facility Fund has been established to account for capital improvements and replacement reserves for City Hall facilities. In fiscal year 2008-2009 the City plans completion of a new civic center. Funds have been transferred from all City operating funds and from the Urban Renewal District for the purchase of furnishings.*

**SPECIAL REVENUE FUND**  
**CITY HALL FACILITY FUND**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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RESOURCES

1	\$ -	\$ 253	\$ -	\$ 1,800	<i>Working Capital Carryforward</i>	\$ 1,800	\$ 1,800	\$ 1,800
2								
3					<i>INTERGOVERNMENTAL</i>			
4	-	2,806	-	-	Intergovernmental Transfer from Urban Renewal	\$ 20,600	\$ 20,600	\$ 20,600
5								
6					<i>MISCELLANEOUS</i>			
7	117	39	-	-	Interest Revenue	-	-	-
8								
9					<i>TRANSFERS IN</i>			
10	119,590	22,139	-	-	Transfer from General Fund	459,700	459,700	459,700
11	1,980	2,436	-	-	Transfer from Street Fund	27,400	27,400	27,400
12	2,640	3,299	-	-	Transfer from Sewer Fund	20,600	20,600	20,600
13	4,180	6,783	-	-	Transfer from Water Fund	116,600	116,600	116,600
14	410	678	-	-	Transfer from SLD Fund	6,900	6,900	6,900
15	-	-	-	-	Transfer from Storm Water Fund	34,300	34,300	34,300
16	\$ 128,800	\$ 35,335	\$ -	\$ -	TOTAL TRANSFERS IN	\$ 665,500	\$ 665,500	\$ 665,500
17								
18	\$ 128,917	\$ 38,433	\$ -	\$ 1,800	TOTAL RESOURCES	\$ 687,900	\$ 687,900	\$ 687,900

REQUIREMENTS

19								
20					<i>CAPITAL OUTLAY</i>			
21								
22								
23	128,664	36,583	-	-	Improvements	\$ 687,900	\$ 687,900	\$ 687,900
24								
25					<i>FUND BALANCE</i>			
26	253	1,850	-	1,800	Unappropriated Ending Fund Balance	-	-	-
27								
28	\$ 128,917	\$ 38,433	\$ -	\$ 1,800	TOTAL REQUIREMENTS	\$ 687,900	\$ 687,900	\$ 687,900

Notes:

23 Improvements are for furnishings for the new Civic Center. The move in date is scheduled for January 2009.

## *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.*

*Recent legislative action is threatening continuation of PEG Revenues. Should Revenues cease by the end of FY08, Fund Balance plus Contingency (if unspent in FY08) will be sufficient to pay monthly broadcasting expenses through FY09.*

**SPECIAL REVENUE FUND**

**PUBLIC EDUCATION GOVERNMENT FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<b>RESOURCES</b>								
1	\$ 20,525	\$ 31,492	\$ 44,000	\$ 39,000	Working Capital Carryforward	\$ 68,400	\$ 68,400	\$ 68,400
2								
3	<b>INTERGOVERNMENTAL</b>							
4	85,731	92,622	92,400	92,100	PEG Fees	92,100	92,100	92,100
5								
6	<b>MISCELLANEOUS</b>							
7	179	174	-	100	Interest Earnings	100	100	100
8								
9	<b>TRANSFERS IN</b>							
10	2,700	-	-	-	Transfer from General Fund	-	-	-
11								
12	<b>\$ 109,135</b>	<b>\$ 124,288</b>	<b>\$ 136,400</b>	<b>\$ 131,200</b>	<b>TOTAL RESOURCES</b>	<b>\$ 160,600</b>	<b>\$ 160,600</b>	<b>\$ 160,600</b>
13								
14	<b>REQUIREMENTS</b>							
15								
16	<b>MATERIALS &amp; SERVICES</b>							
17	\$ -	\$ 2,160	\$ -	\$ 500	Legal Services	\$ 500	\$ 500	\$ 500
18	61,320	62,220	62,300	62,300	Broadcasting	62,300	62,300	62,300
19	<b>\$ 61,320</b>	<b>\$ 64,380</b>	<b>\$ 62,300</b>	<b>\$ 62,800</b>	<b>TOTAL MATERIALS &amp; SERVICES</b>	<b>62,800</b>	<b>62,800</b>	<b>62,800</b>
20								
21	<b>CAPITAL OUTLAY</b>							
22	\$ 16,323	\$ 19,844	\$ 20,000	\$ -	Television Equipment	\$ 20,000	\$ 20,000	\$ 20,000
23								
24	-	-	25,000	-	Contingency	62,400	62,400	62,400
25								
26	<b>TRANSFERS OUT</b>							
27	-	1,067	-	-	Transfer to General Fund	-	-	-
28								
29	<b>FUND BALANCE</b>							
30	31,492	38,997	29,100	68,400	Unappropriated Ending Fund Balance	15,400	15,400	15,400
31								
32	<b>\$ 109,135</b>	<b>\$ 124,288</b>	<b>\$ 136,400</b>	<b>\$ 131,200</b>	<b>TOTAL REQUIREMENTS</b>	<b>\$ 160,600</b>	<b>\$ 160,600</b>	<b>\$ 160,600</b>

Notes:

- 18 Broadcasting costs are \$5,110 per month plus \$1,000 for maintenance and repair of equipment.
- 27 The transfer in FY07 was to repay the General Fund for a loan made in FY06.
- 30 The Ending Fund Balance provides three months Operating Revenue as Working Capital for FY10.

## *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 to 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 FY07-08, 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. Based on the new methodology the allocation arrived at is 60.70% City, 35.35% KRFPD and 3.95% MCFD#1. The net effect of the allocation change is \$7,400 City, (\$7,300) KRFPD, and (\$100) MCFD#1 based on FY08-09 projected revenues. 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 this coming year.

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

**SPECIAL REVENUE FUND**

**9-1-1 COMMUNICATIONS FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED	
<b>RESOURCES</b>									
1	\$ 32,880	\$ (22,961)	\$ -	\$ (2,700)	Working Capital Carryforward	\$ -	\$ -	\$ -	
2									
3	<b>INTERGOVERNMENTAL</b>								
4	110,044	185,204	173,300	232,500	9-1-1 Excise Tax	200,100	200,100	200,100	
5									
6	<b>TRANSFERS IN</b>								
7	50,000	81,800	80,700	50,500	Transfer from General Fund	238,700	238,700	238,700	
8									
9	<u>\$ 192,924</u>	<u>\$ 244,043</u>	<u>\$ 254,000</u>	<u>\$ 280,300</u>	<b>TOTAL RESOURCES</b>	<u>\$ 438,800</u>	<u>\$ 438,800</u>	<u>\$ 438,800</u>	
10									
11	<b>REQUIREMENTS</b>								
12									
13	<b>MATERIALS &amp; SERVICES</b>								
14	\$ 18,298	\$ 19,804	\$ 20,200	\$ 21,100	Radio & Mobile Systems Support	\$ -	\$ -	\$ -	
15	135,596	147,324	159,200	159,200	Emergency 9-1-1 and Dispatch Calls	352,700	352,700	352,700	
16	61,991	79,638	74,600	100,000	Distributions to 9-1-1 Agencies	86,100	86,100	86,100	
17	<u>\$ 215,885</u>	<u>\$ 246,766</u>	<u>\$ 254,000</u>	<u>\$ 280,300</u>	<b>TOTAL MATERIALS &amp; SERVICES</b>	<u>\$ 438,800</u>	<u>\$ 438,800</u>	<u>\$ 438,800</u>	
18									
19	<b>FUND BALANCE</b>								
20									
21	(22,961)	(2,723)	-	-	Unappropriated Ending Fund Balance	-	-	-	
22									
23	<u>\$ 192,924</u>	<u>\$ 244,043</u>	<u>\$ 254,000</u>	<u>\$ 280,300</u>	<b>TOTAL REQUIREMENTS</b>	<u>\$ 438,800</u>	<u>\$ 438,800</u>	<u>\$ 438,800</u>	

- Notes:
- <sup>4</sup> During FY08 the City received a one-time extra payment of \$36,300 from the State of Oregon as distribution of a surplus in 9-1-1 Tax Revenues. The 9-1-1 Tax Revenue projections for FY08 are based on FY07 actual revenues plus the one-time surplus payment. FY09 Revenue projections are based on the four quarterly payments projected for FY08 and are adjusted for the League of Oregon Cities' estimated 2% increase in FY09.
  - <sup>7</sup> A transfer is needed from the General Fund since projected expenditures exceed projected revenues for FY09. The total WVCC bill for FY09 is \$410,700 compared to \$388,700 in FY08. The 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 FY09, the allocation has changed to more accurately track 9-1-1 related expenses. Overall, the 9-1-1 Fund is not impacted; the increase in the transfer this year is offset by the increase in the Emergency 9-1-1 and Dispatch Calls expense.
  - <sup>14</sup> Beginning in FY09, 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.
  - <sup>15</sup> The total WVCC bill for FY09 is \$410,800 compared to \$388,700 in FY08. 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 has changed to more accurately track 9-1-1 related expenses.
  - <sup>16</sup> Of the estimated \$200,100 to be received in 9-1-1 Excise Tax Revenues, 39% is to be remitted to the Keizer Rural Fire Protection District and 4% is to be remitted to the Marion County Fire District #1 as provided for in an intergovernmental agreement.

## *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 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED	
<b>RESOURCES</b>									
1	\$ -	\$ (2,730)	\$ -	\$ (200)	Working Capital Carryforward	\$ -	\$ -	\$ -	
2									
3	<b>INTERGOVERNMENTAL</b>								
4	88,565	30,674	50,000	25,200	Police Grants	50,000	50,000	50,000	
5									
6	<b>MISCELLANEOUS</b>								
7	-	-	-	-	Interest/Donations	-	-	-	
8									
9	<b>TRANSFERS IN</b>								
10	-	-	-	-	Transfer from General Fund	-	-	-	
11									
12	<u>\$ 88,565</u>	<u>\$ 27,944</u>	<u>\$ 50,000</u>	<u>\$ 25,000</u>	<b>TOTAL RESOURCES</b>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	
13									
14	<b>REQUIREMENTS</b>								
15									
16	<b>MATERIALS &amp; SERVICES</b>								
17	\$ 8,514	\$ -	\$ 25,000	\$ 25,000	Materials & Supplies	\$ 25,000	\$ 25,000	\$ 25,000	
18									
19	<b>CAPITAL OUTLAY</b>								
20	82,782	28,133	25,000	-	Equipment	25,000	25,000	25,000	
21									
22	<b>TRANSFERS OUT</b>								
23	-	-	-	-	Transfer to the General Fund	-	-	-	
24									
25	<b>FUND BALANCE</b>								
26	(2,731)	(189)	-	-	Unappropriated Ending Fund Balance	-	-	-	
27									
28	<u>\$ 88,565</u>	<u>\$ 27,944</u>	<u>\$ 50,000</u>	<u>\$ 25,000</u>	<b>TOTAL REQUIREMENTS</b>	<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.
- 26 The fund balance deficit in FY06 was caused by a coding error that went undetected during the audit process.

## *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 Community Development Department is researching the process needed to "defederalize" the loan payoff proceeds in this fund. Once "defederalized" the City plans to establish a program for reinvesting this money in rehabilitation projects in the Keizer area.*

**SPECIAL REVENUE FUND**  
**HOUSING SERVICES FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<b>RESOURCES</b>								
1	\$ 121,113	\$ 135,204	\$ 177,500	\$ 178,000	Working Capital Carryforward	\$ 195,400	\$ 195,400	\$ 195,400
2								
3	<b>MISCELLANEOUS</b>							
4	9,151	34,841	-	9,500	Loan Proceeds	-	-	-
5	4,940	7,991	7,500	7,900	Interest Revenue	7,900	7,900	7,900
6	\$ 14,091	\$ 42,832	\$ 7,500	\$ 17,400	Total Miscellaneous	\$ 7,900	\$ 7,900	\$ 7,900
7								
8	\$ 135,204	\$ 178,036	\$ 185,000	\$ 195,400	<b>TOTAL RESOURCES</b>	\$ 203,300	\$ 203,300	\$ 203,300
9								
<b>REQUIREMENTS</b>								
10								
11	<b>MATERIALS &amp; SERVICES</b>							
12								
13	\$ -	\$ -	\$ -	\$ -	Contractual Services	\$ -	\$ -	\$ -
14	-	-	-	-	Housing Rehabilitation Services	-	183,300	183,300
15	\$ -	\$ -	\$ -	\$ -	<b>TOTAL MATERIALS &amp; SERVICES</b>	\$ -	\$ 183,300	\$ 183,300
16								
17	-	-	-	-	Contingency	-	20,000	20,000
18								
19	<b>FUND BALANCE</b>							
20	135,204	178,036	185,000	195,400	Unappropriated Ending Fund Balance	203,300	-	-
21								
22	\$ 135,204	\$ 178,036	\$ 185,000	\$ 195,400	<b>TOTAL REQUIREMENTS</b>	\$ 203,300	\$ 203,300	\$ 203,300

Notes:  
 / The original funds were received through a Federal Grant. The Community Development Department is working towards "defederalizing" the Housing Rehabilitations Funds so they may be used for new loans. A new program is not currently available, therefore, no funds have been appropriated for FY09.

# PARK IMPROVEMENT FUND

Fiscal Year 2008/2009

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

## Capital Improvements Proposed

### Bair Park

Install Table and Benches	\$ 880
Install ADA Path	5,230

### Keizer Rapids Park

Install Play Structure by Dog Park	50,000
Complete Parking Area by Dog Park	45,000

### Northview Terrace Park

Replace Slide	1,575
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### Palma Ciea Park

Create Parking Area	3,750
Unpaved Trail to River	750

### Wallace House Park

Install play Structure	37,500
Install Basketball Court	22,500
ADA Trail in Upper Section	18,750
Parking Area	4,500
Brush Clearing in Upper Area	1,875
Irrigation System and Lawn	18,750
Drinking Fountain	1,500
Bike Rack	375
Tables	2,365

Total \$215,300

**SPECIAL REVENUE FUND**  
**PARK IMPROVEMENT FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED	
<b>RESOURCES</b>									
1	\$ 935,397	\$ 611,939	\$ 856,800	\$ 696,600	Working Capital Carryforward	\$ 929,300	\$ 929,300	\$ 929,300	
2									
<b>INTERGOVERNMENTAL</b>									
4	750,000	152,000	-	-	Community Development Grants	-	-	-	
5									
<b>LICENSES &amp; FEES</b>									
7	125,534	48,542	147,700	378,400	System Development Fees	41,700	41,700	41,700	
8									
<b>MISCELLANEOUS</b>									
10	22,074	29,531	30,500	34,300	Interest	34,300	34,300	34,300	
11	-	-	-	-	Miscellaneous Revenue	-	-	-	
12	\$ 22,074	\$ 29,531	\$ 30,500	\$ 34,300	TOTAL MISCELLANEOUS	\$ 34,300	\$ 34,300	\$ 34,300	
13									
14	\$ 1,833,005	\$ 842,012	\$ 1,035,000	\$ 1,109,300	TOTAL RESOURCES	\$ 1,005,300	\$ 1,005,300	\$ 1,005,300	
15									
<b>REQUIREMENTS</b>									
<b>CAPITAL OUTLAY</b>									
19	\$ 1,207,922	\$ 141,259	\$ -	\$ -	Land Acquisition	\$ -	\$ -	\$ -	
20	13,144	-	296,000	180,000	Improvements	43,200	191,500	215,200	
21	-	-	739,000	-	Contingency	-	700,000	700,000	
22	\$ 1,221,066	\$ 141,259	\$ 1,035,000	\$ 180,000	TOTAL CAPITAL OUTLAY	\$ 43,200	\$ 891,500	\$ 915,200	
23									
<b>TRANSFERS OUT</b>									
25	\$ -	\$ 4,180	\$ -	\$ -	Transfer to General Fund	\$ -	\$ -	\$ -	
26									
<b>FUND BALANCE</b>									
28	611,939	696,573	-	929,300	Unappropriated Ending Fund Balance	962,100	113,800	90,100	
29									
30	\$ 1,833,005	\$ 842,012	\$ 1,035,000	\$ 1,109,300	TOTAL REQUIREMENTS	\$ 1,005,300	\$ 1,005,300	\$ 1,005,300	

Notes:  
 7 The FY09 SDC's are projected anticipating 40 single family units and no apartment units.  
 20 Improvements are listed on the narrative on the preceding page.

## *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 \$1,158 per single-family dwelling unit and \$711 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 2008/2009 are as follows:

- Solicit a consultant to assist the City in revising the Systems Development Charges Capital Improvements Project list to include improvements along Chemawa Road NE and improvements to the Chemawa/I-5 southbound on-ramp. \$ 5,000
  - 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. 62,000
  - Begin construction of the on-ramp widening late spring 2009 378,000
- Total \$445,000

**SPECIAL REVENUE FUND**

**Transportation Improvement Fund**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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RESOURCES

1	\$ 117,010	\$ 854,007	\$ 1,167,500	\$ 1,192,600	<i>Working Capital Carryforward</i>	\$ 1,502,600	\$ 1,502,600	\$ 1,502,600
2								
3					<i>LICENSES &amp; FEES</i>			
4	715,168	289,934	126,000	244,800	System Development Fees	107,000	107,000	107,000
5								
6					<i>MISCELLANEOUS</i>			
7	21,829	48,615	46,000	65,200	Interest	65,200	65,200	65,200
8								
9	<u>\$ 854,007</u>	<u>\$ 1,192,556</u>	<u>\$ 1,339,500</u>	<u>\$ 1,502,600</u>	<b>TOTAL RESOURCES</b>	<u>\$ 1,674,800</u>	<u>\$ 1,674,800</u>	<u>\$ 1,674,800</u>

REQUIREMENTS

10								
11					<i>CAPITAL OUTLAY</i>			
12								
13								
14	\$ -	\$ -	\$ -	\$ -	Improvements	\$ 445,000	\$ 445,000	\$ 445,000
15	-	-	1,339,500	-	Contingency	1,099,800	1,099,800	957,700
16	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,339,500</u>	<u>\$ -</u>	<b>TOTAL CAPITAL OUTLAY</b>	<u>\$ 1,544,800</u>	<u>\$ 1,544,800</u>	<u>\$ 1,402,700</u>
17								
18					<i>Interfund Loans</i>			
19	-	-	-	-	Interfund Loan to General Fund	130,000	130,000	130,000
20					Interfund Loan to Storm Water Fund	142,100	142,100	142,100
21								
22					<i>FUND BALANCE</i>			
23	854,007	1,192,556	-	1,502,600	Unappropriated Ending Fund Balance	-	-	-
24								
25	<u>\$ 854,007</u>	<u>\$ 1,192,556</u>	<u>\$ 1,339,500</u>	<u>\$ 1,502,600</u>	<b>TOTAL REQUIREMENTS</b>	<u>\$ 1,674,800</u>	<u>\$ 1,674,800</u>	<u>\$ 1,674,800</u>

Notes:

<sup>4</sup> The FY09 SDC's are projected anticipating 40 single family units and 4 commercial developments City-wide.

<sup>15</sup> The City anticipates beginning the process of constructing the southbound on-ramp widening at the I-5 interchange.

## 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 Storm Water Fund. The Street Funds 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.

### Projects Completed in Budget Year 2007-2008

• Replace Chemawa Road Bridge over Claggett Creek	\$ 230,000
• Dearborn NE Street Improvements River Road to Claggett Park	1,100,000
• Complete the Chemawa Road NE Claggett Creek to Verda Street Improvements	380,000
• Add protected permissive left turn signal at River and Sam Orcutt Way	10,000
• Labish Creek drainage and widening improvements	180,000
• Other routine capital improvements	<u>309,700</u>
	<u>\$2,209,700</u>

### Street Fund Capital Improvement Expenditures 2008-2009

• Complete Traffic Signal fiber Interconnect on Lockhaven	\$120,000
• Reconstruct Shoreline Drive, portions of Lockhaven and various street resurfacing throughout the City	700,000
• Upgrade 9 Traffic Signals to accept remote back up generator connections and purchase 5 generators	14,000
• Create reserve fund for matching future Transportation Enhancement Grant to improve Chemawa North River Road to Keizer Rapids Park over the next three budget cycles.	160,000
• Other routine capital improvements	<u>159,700</u>
	<u>\$1,153,700</u>

**SPECIAL REVENUE FUND  
STREET FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<b>RESOURCES</b>								
1					<i>WORKING CAPITAL CARRYFORWARD</i>			
2	\$ 1,902,888	\$ 2,826,389	\$ 1,830,000	\$ 2,158,200	Working Capital Carryforward	\$ 1,223,000	\$ 1,323,000	\$ 1,323,000
3	-	1,022	-	-	Helmet Donations - Working Capital	-	-	-
4	\$ 1,902,888	\$ 2,827,411	\$ 1,830,000	\$ 2,158,200	<b>TOTAL WORKING CAPITAL CARRYFORWARD</b>	\$ 1,223,000	\$ 1,323,000	\$ 1,323,000
5								
6					<i>TAXES &amp; ASSESSMENTS</i>			
7	\$ 631	\$ -	\$ -	\$ -	Assessments	\$ -	\$ -	\$ -
8								
9					<i>LICENSES &amp; FEES</i>			
10	\$ 192,036	\$ 52,983	\$ 25,900	\$ 5,900	Planning Construction Fees	\$ 4,000	\$ 4,000	\$ 4,000
11	4,740	3,115	2,500	3,300	Driveway Permit Fees	2,500	2,500	2,500
12	16,700	27,627	20,500	23,200	Rental Property	23,200	23,200	23,200
13	\$ 213,476	\$ 83,725	\$ 48,900	\$ 32,400	<b>TOTAL LICENSES &amp; FEES</b>	\$ 29,700	\$ 29,700	\$ 29,700
14								
15					<i>INTERGOVERNMENTAL</i>			
16	\$ -	\$ 100,000	\$ 100,000	\$ -	Grants	\$ 100,000	\$ 100,000	\$ 100,000
17	1,673,671	1,617,335	1,606,400	1,529,500	State Fuel Tax	1,535,400	1,535,400	1,535,400
18	\$ 1,673,671	\$ 1,717,335	\$ 1,706,400	\$ 1,529,500	<b>TOTAL INTERGOVERNMENTAL</b>	\$ 1,635,400	\$ 1,635,400	\$ 1,635,400
19								
20					<i>MISCELLANEOUS</i>			
21	\$ 1,540	\$ 1,007	\$ 1,000	\$ 2,100	Donations	\$ -	\$ -	\$ -
22	12	-	-	-	Assessment Interest	-	-	-
23	111,715	114,470	78,000	114,400	Interest	114,400	114,400	114,400
24	178,055	-	-	-	Property Sales	-	-	-
25	-	372	-	100	Developer Contributions	-	-	-
26	17,205	25,726	-	1,400	Miscellaneous Revenue	-	-	-
27	\$ 308,527	\$ 141,575	\$ 79,000	\$ 118,000	<b>TOTAL MISCELLANEOUS</b>	\$ 114,400	\$ 114,400	\$ 114,400
28								
29					<i>BOND PROCEEDS</i>			
30	1,738,000	-	-	-	Bond Proceeds	-	-	-
31								
32					<i>TRANSFERS IN</i>			
33	19,346	23,487	-	-	Transfer in from Keizer Station LID	-	-	-
34	-	3,960	-	500	Transfer in from General Fund	-	-	-
35	19,346	27,447	-	500	<b>TOTAL TRANSFERS IN</b>	-	-	-
36								
37	\$ 5,856,539	\$ 4,797,493	\$ 3,664,300	\$ 3,838,600	<b>TOTAL RESOURCES</b>	\$ 3,002,500	\$ 3,102,500	\$ 3,102,500

Notes:

- <sup>16</sup> In FY09 the City anticipates collecting the balance of the Bike and Pedestrian Improvement Grant for Dearborn NE. The project will be completed after June 30, 2008.
- <sup>17</sup> ODOT projects Fuel Tax Revenue to be approximately 0.5% above FY08 Revenues. FY09 projections are based on FY08 actual revenues projected to year-end adjusted for the 0.5% increase as estimated by ODOT.
- <sup>26</sup> Miscellaneous Revenues are one-time revenues that are not characterized by line-item descriptions.
- <sup>30</sup> Bond Proceeds in FY06 were used to construct and acquire right-of-way for the Chemawa Road realignment in the Keizer Station Area C.
- <sup>33</sup> The FY07 transfer from the Keizer Station LID Fund is reimbursement for Attorney fees associated with Keizer Station property acquisitions charged to the Street Fund in FY05.

**SPECIAL REVENUE FUND**  
**STREET FUND**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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REQUIREMENTS

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
38					<i>PERSONNEL SERVICES</i>			
39	\$ 9,603	\$ 10,130	\$ 5,500	\$ 5,500	City Manager	\$ 5,900	\$ 5,900	\$ 5,900
40	-	-	5,400	900	Assistant to City Manager	5,900	5,900	5,900
41	39,337	40,357	41,500	41,500	Public Works Director	44,900	44,900	44,900
42	25,076	25,738	23,900	23,900	Public Works Superintendent	24,600	24,600	24,600
43	6,502	6,670	6,900	6,900	City Recorder	7,100	7,100	7,100
44	39,899	41,040	47,900	47,900	Municipal Utility Worker	64,600	64,600	64,600
45	4,184	4,551	5,100	5,100	Community Development Director	5,400	5,400	5,400
46	5,384	7,426	3,900	3,900	Code Enforcement/Zoning Technician	4,200	4,200	4,200
47	10,822	12,927	9,600	9,600	Administrative Support Staff	9,400	9,400	9,400
48	13,367	14,711	16,600	16,600	Public Works Permit Specialist	17,600	17,600	17,600
49	1,861	1,966	2,300	2,300	Network Administrator	1,700	1,700	1,700
50	3,319	3,405	3,600	4,400	Human Resources Director	2,400	2,400	2,400
51	4,154	4,894	5,000	5,000	Finance Director	5,000	5,000	5,000
52	6,817	7,207	7,800	7,800	Facility Maintenance Worker	8,200	8,200	8,200
53	511	3,739	3,000	3,000	Overtime	3,000	3,000	3,000
54	420	420	300	300	Vehicle Allowance Pay	300	300	300
55	500	500	300	300	Educational/Tuition Assistance	300	300	300
56	2,633	2,844	2,900	2,900	Medicare	3,300	3,300	3,300
57	34,788	37,207	36,300	35,800	Retirement	40,700	40,700	40,700
58	29,986	32,991	34,800	34,800	Insurance Benefits	39,800	39,800	39,800
59	1,691	1,752	3,100	3,100	Workers Compensation	3,400	3,400	3,400
60	\$ 240,854	\$ 260,475	\$ 265,700	\$ 261,500	TOTAL PERSONNEL SERVICES	\$ 297,700	\$ 297,700	\$ 297,700

Notes:

- 57 Sworn Police Officers, the City Manager, and the Public Works Director participate in the Oregon Public Employee's Retirement System (PERS). Employer contribution rates decreased from 16.65% in FY06 and FY07 to 13.32% for FY08 and FY09. All other employees participate in a private 401(a) plan at 12% for management staff and 11% for all other regular employees.
- 58 Beginning in FY07 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, the City's health and dental insurance premiums are expected to increase approximately 11% and 4% respectively. In FY06, the City began paying the full cost of life insurance premiums (\$60,000 in coverage per employee) which are not expected to increase in FY09.

**SPECIAL REVENUE FUND**

**STREET FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<i>MATERIALS &amp; SERVICES</i>								
61	\$ 1,879	\$ 1,661	\$ 1,900	\$ 1,200	Office Materials & Supplies	\$ 1,500	\$ 1,500	\$ 1,500
62	-	184	100	100	Safety & Wellness*	100	100	100
63	1,242	1,175	1,000	2,400	Helmets	1,200	1,200	1,200
64	1,349	1,808	1,500	1,200	Postage & Printing*	2,100	2,100	2,100
65	699	1,276	1,400	1,400	Association Memberships*	2,500	2,400	2,400
66	6,082	4,651	7,000	4,400	Travel & Training*	6,100	6,100	6,100
67	142	264	200	200	City Council Expenses*	300	300	300
68	384	180	100	200	Advertising	200	200	200
69	37,416	19,631	30,000	20,600	Legal Services*	22,000	22,000	22,000
70	-	376	800	400	Labor Attorney*	1,200	1,200	1,200
71	26,973	44,739	40,000	25,000	Contractual Services	35,700	35,700	35,700
72	1,074	1,072	3,400	3,400	Audit*	2,700	2,700	2,700
73	38,202	39,063	55,000	36,000	Engineering Services	45,000	45,000	45,000
74	3,852	3,313	5,000	1,500	Traffic Engineering SDC Review	5,000	5,000	5,000
75	930	1,472	1,100	1,000	Janitorial*	2,200	2,200	2,200
76	791	994	1,100	700	Gas & Electricity*	800	800	800
77	1,535	2,145	2,400	1,800	Telephone*	1,800	1,800	1,800
78	14,300	13,868	14,900	14,900	Insurance - Liability*	15,500	15,500	15,500
79	878	58	1,500	1,500	Gasoline/Diesel	2,500	2,500	2,500
80	1,909	2,590	2,700	2,700	Computer & Software Maintenance*	2,700	2,700	2,700
81	3,509	2,862	4,000	2,000	Equipment Maintenance	3,500	3,500	3,500
82	987	868	1,100	500	Facility Maintenance*	1,500	800	800
83	53	48	100	100	Office Equipment Maintenance	100	100	100
84	2,946	11,655	12,000	5,000	Sidewalk Maintenance	10,000	10,000	10,000
85	5,553	7,622	5,000	8,800	Operating Materials and Supplies	8,000	8,000	8,000
86	30,105	21,638	-	-	Storm Drain Maintenance	-	-	-
87	75,006	81,824	99,000	99,000	Street Sweeping	99,000	99,000	99,000
88	150,692	171,891	150,000	156,000	Street Maintenance & Repair	165,000	165,000	165,000
89	46,595	54,567	60,000	50,000	Street Light Utilities	55,000	55,000	55,000
90	13,451	17,338	22,000	22,500	Traffic Light Utilities	24,000	24,000	24,000
91	-	16,252	-	6,100	Storm Drain Utilities	-	-	-
92	63	26	100	-	Medical Testing	100	100	100
93	3,179	6,552	5,000	2,000	Rental Property Expenses	4,000	4,000	4,000
94	5,313	5,723	6,100	6,100	MPO Support/ SKATS	6,400	6,400	6,400
95	2,278	-	-	-	Bond Issue Costs	-	-	-
96	30	13	-	-	Miscellaneous Expenses	-	-	-
97	4,083	1,586	10,000	400	Flood & Drainage Services	5,000	5,000	5,000
98	-	-	6,000	-	Contingency	6,000	6,000	6,000
99	\$ 483,480	\$ 540,985	\$ 551,500	\$ 479,100	TOTAL MATERIALS & SERVICES	\$ 538,700	\$ 537,900	\$ 537,900

Notes:

- \* Indicates a City-wide shared cost based on a pre-established allocation. Most allocations are based on FTE in each operating fund. See City-Wide Shared Costs in the Supplemental Information section of the document for details.
- <sup>68</sup> Costs are for recruitments and public notices.
- <sup>70</sup> Labor Attorney costs include employee dispute resolution, Personnel Policy review and related consultation matters. In addition, the Local 320 (Municipal Utility Workers) contract is up for renewal July 1, 2009, therefore negotiation costs are included in the FY09 budget.
- <sup>71</sup> Contractual Services include \$25,000 for right-of-way landscape maintenance, \$10,000 for routine contracts and the remaining appropriation for City-wide contracts allocated to the Street Fund.
- <sup>98</sup> A 1% Materials & Services Contingency has been set aside for FY09.

**SPECIAL REVENUE FUND  
STREET FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
	<i>CAPITAL OUTLAY</i>							
100								
101	\$ 117	\$ -	\$ -		- Aerial Photos	\$ -	\$ -	\$ -
102	118	4	4,700		- Office Furniture & Equipment*	-	-	-
103	2,493	2,778	1,300	1,800	Computer Hardware*	3,600	3,600	3,600
104	-	25,000	40,000	30,000	Bike Paths	45,000	45,000	45,000
105	881,595	305,186	1,480,000	1,197,000	Street Improvements	62,500	162,500	162,500
106	12,125	5,861	25,000		- Infill Sidewalk Completions	25,000	25,000	25,000
107	1,246,075	1,601	-	1,600	Property & Easement Acquisition	-	-	-
108	-	25,022	-		- Storm Drains	-	-	-
109	3,022	-	-		- Keizer Station Improvements	-	-	-
110	65,367	14,044	180,000	114,000	Labish Area Bridge and Drainage	-	-	-
111	21,000	6,569	10,800	10,800	Heavy Equipment/Vehicles	-	-	-
112	18,053	768,762	-		- Street Resurfacing	700,000	700,000	700,000
113	-	363,947	230,000	6,800	Chemawa Road Bridge	-	-	-
114	365	-	-		- Signage Signal Upgrades	134,000	134,000	134,000
115	6,150	-	-		- City-Wide Traffic Count Update	-	-	-
116	13,626	102,733	48,000	52,800	Shop Addition	-	-	-
117	3,753	3,576	1,000	600	Field Equipment	1,100	1,100	1,100
118	-	-	13,900		- Storm Sewer Maintenance Truck	13,600	13,600	64,600
119	-	-	175,000		- Contingency	168,900	168,900	168,900
120	\$ 2,273,859	\$ 1,625,083	\$ 2,209,700	\$ 1,415,400	TOTAL CAPITAL OUTLAY	\$ 1,153,700	\$ 1,253,700	\$ 1,304,700

Notes:

- 104 Construct bike paths along Candlewood NE.
- 105 Left turn pockets for River Road and Lockhaven.
- 112 Reconstruct Shoreline Drive from Cummings to Wayne N and resurface various City streets.
- 114 Construct new Fiber Interconnect along Lockhaven and upgrade 9 signals to accept remote generators.
- 118 The City plans to purchase a new Storm Sewer Maintenance Truck over the next five years. The Storm Sewer Maintenance Truck will be used to jet clean the storm drain system. Annual lease payments are \$63,000. The cost will be allocated accordingly: Storm Utility Fund - 75%, Street Fund - 20% and Water Fund - 5%.
- 119 The Capital Outlay Contingency is 7% of Capital Outlay Expenditures.

**SPECIAL REVENUE FUND**

**STREET FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
121					<i>DEBT SERVICE</i>			
122	\$ -	\$ 145,000	\$ 151,000	\$ 151,000	Principal	\$ 157,000	\$ 157,000	\$ 157,000
123	28,955	65,288	59,500	59,500	Interest	53,500	53,500	53,500
124	\$ 28,955	\$ 210,288	\$ 210,500	\$ 210,500	TOTAL DEBT SERVICE	\$ 210,500	\$ 210,500	\$ 210,500
125								
126					<i>TRANSFERS OUT</i>			
127	\$ 1,980	\$ 2,436	\$ -	\$ -	Transfer to City Hall Facility Fund*	\$ 27,400	\$ 27,400	\$ 27,400
128	-	-	149,100	149,100	Transfer to Storm Utility Fund	149,200	149,200	149,200
129	\$ 1,980	\$ 2,436	\$ 149,100	\$ 149,100	TOTAL TRANSFERS OUT	\$ 176,600	\$ 176,600	\$ 176,600
130								
131					<i>FUND BALANCE</i>			
132	-	-	-	-	Grant Reserve	160,000	160,000	160,000
133	-	-	-	-	Reserve for 27th pay period FY15-16	1,200	1,200	1,200
134	-	-	173,800	173,800	Debt Service Reserve	173,800	173,800	173,800
135	2,827,411	2,158,226	104,000	1,149,200	Unappropriated Ending Fund Balance	290,300	291,100	240,100
136	\$ 2,827,411	\$ 2,158,226	\$ 277,800	\$ 1,323,000	TOTAL FUND BALANCE	\$ 625,300	\$ 626,100	\$ 575,100
137								
138	\$ 5,856,539	\$ 4,797,493	\$ 3,664,300	\$ 3,838,600	TOTAL REQUIREMENTS	\$ 3,002,500	\$ 3,102,500	\$ 3,102,500

Notes:

<sup>128</sup> The transfer to the Storm Utility Fund is for the Street Fund's share of Storm Water Maintenance and Improvements. Beginning FY08, this will be an annual transfer.

<sup>132</sup> Establish a Grant Reserve for improvements on Chemawa Road North.

<sup>133</sup> 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 fiscal year 2015-2016. A reserve has been established to set funds aside each year for the next 8 years to pay this cost.

## STORM WATER FUND

The Storm Water 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 and is required to establish a Storm Water Management Plan (SWMP) and apply for a National Pollutant Discharge Elimination System (NPDES) permit to discharge stormwater into the Willamette, Claggett Creek and Labish Creek. City Council passed a resolution adopting the SWMP in March 2004 which outlined the program to

meet the NPDES permit for the next five plan years. The City has received our NPDES PH II permit and has begun implementation of the SWMP.

City Council has established the appropriate utility fee structure to meet NPDES PH II permit requirements over the next five years and provide for Storm Water Systems maintenance and upgrades. The Street Fund will transfer revenue meeting the current impervious surface square footage which is adjusted annually as new roads are dedicated to the Public.

### Projects completed in Budget Year 2007-2008

- Recruitment of two full time employees to implement and manage the SWMP which includes annual reporting, Storm System cleaning and maintenance, and implementation of the six minimum control measures.
- Established Equivalent Service Unit (ESU) at 3,000 square feet. One ESU equals \$2.70
- Submitted completed Willamette River TMDL to DEQ and received approval preparing for implementation
- Full implementation of the five year SWMP is underway.

### Capital Improvement Projects Expenditures 2008-2009

- |   |                  |
|---|------------------|
| • Relocate and build new 18" Storm Sewer line to serve Aldine Sub-Division                    | \$100,000        |
| • Complete the Master Plan update to identify system deficiencies and update drainage basins. | 50,000           |
| • Purchase a new Storm Sewer Cleaning Truck over six years                                    | 47,300           |
| • Other capital improvements  | <u>5,900</u>     |
|   | <u>\$203,200</u> |

PROPRIETARY FUND

STORM WATER FUND

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<b>RESOURCES</b>								
1	\$ -	\$ -	\$ -	\$ -	- Working Capital Carry forward	\$ 319,300	\$ 319,300	\$ 319,300
2								
3					<i>LICENSES &amp; FEES</i>			
4	-	-	10,000	2,900	Planning & Construction Fees	5,000	5,000	5,000
5	-	-	490,900	382,100	Service Fees	559,200	559,200	559,200
6	-	-	500,900	385,000	TOTAL LICENSES & FEES	564,200	564,200	564,200
7								
8					<i>MISCELLANEOUS</i>			
9	-	-	5,000	6,500	Interest	6,500	6,500	6,500
10	-	-	-	-	Miscellaneous	-	-	-
11	-	-	5,000	6,500	TOTAL MISCELLANEOUS	6,500	6,500	6,500
12								
13					<i>INTERFUND BORROWING</i>			
14	-	-	-	-	Interfund Borrowing from Transportation Fund	-	-	142,100
15								
16					<i>TRANSFERS IN</i>			
17	-	-	149,100	149,100	Transfer from Street Fund	149,200	149,200	149,200
18								
19	\$ -	\$ -	\$ 655,000	\$ 540,600	TOTAL RESOURCES	\$ 1,039,200	\$ 1,039,200	\$ 1,181,300

Notes:

<sup>5</sup> The Service Fee Revenue is based on FY08 actual revenues which are approximately \$46,600 per month.

PROPRIETARY FUND

STORM WATER FUND

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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REQUIREMENTS

*PERSONNEL SERVICES*

20									
21									
22									
23	\$ -	\$ -	\$ 5,500	\$ 5,500	City Manager	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900
24	-	-	5,400	900	Assistant to City Manager	5,900	5,900	5,900	5,900
25	-	-	4,900	4,900	Public Works Director	5,300	5,300	5,300	5,300
26	-	-	4,000	4,000	Public Works Superintendent	4,100	4,100	4,100	4,100
27	-	-	700	700	City Recorder	800	800	800	800
28	-	-	77,000	25,800	Municipal Utility Workers	121,900	121,900	121,900	121,900
29	-	-	27,500	15,800	Storm Water Program Manager	47,300	47,300	47,300	47,300
30	-	-	8,400	8,400	Administrative Support Staff	10,700	10,700	10,700	10,700
31	-	-	2,000	2,000	Public Works Permit Specialist	2,100	2,100	2,100	2,100
32	-	-	1,200	1,200	Network Administrator	3,400	3,400	3,400	3,400
33	-	-	1,800	2,200	Human Resources Director	4,700	4,700	4,700	4,700
34	-	-	3,000	3,000	Finance Director	3,000	3,000	3,000	3,000
35	-	-	2,000	2,000	Facility Maintenance Worker	2,100	2,100	2,100	2,100
36	-	-	1,100	300	Overtime	2,100	2,100	2,100	2,100
37	-	-	100	300	Vehicle Allowance Pay	300	300	300	300
38	-	-	100	100	Educational/Tuition Assistance	100	100	100	100
39	-	-	2,300	1,100	Medicare	3,400	3,400	3,400	3,400
40	-	-	25,600	12,100	Retirement	39,200	39,200	39,200	39,200
41	-	-	36,400	36,400	Insurance Benefits	56,800	56,800	56,800	56,800
42	-	-	3,500	3,500	Workers Compensation	5,200	5,200	5,200	5,200
43	\$ -	\$ -	\$ 212,500	\$ 130,200	TOTAL PERSONNEL SERVICES	\$ 324,300	\$ 324,300	\$ 324,300	\$ 324,300

Notes:

- <sup>28</sup> The FY08 projections include hiring one FTE Municipal Utility Worker III in May 2008. The FY09 budget includes hiring two FTE Municipal Utility Worker I's to operate the flushing truck for Storm System Maintenance. These positions were budgeted in FY08 but due to timing hiring will not occur until FY09.
- <sup>29</sup> In February 2008 the City hired a full-time Program Manager to provide public outreach and regulation compliance relating to the City's NPDES PH 11 permit.
- <sup>40</sup> Sworn Police Officers, the City Manager, and the Public Works Director participate in the Oregon Public Employee's Retirement System (PERS). Employer contribution rates decreased from 16.65% in FY06 and FY07 to 13.32% for FY08 and FY09. All other employees participate in a private 401(a) plan at 12% for management staff and 11% for all other regular employees.
- <sup>41</sup> Beginning in FY07 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, the City's health and dental insurance premiums are expected to increase approximately 11% and 4% respectively. In FY06, the City began paying the full cost of life insurance premiums (\$60,000 in coverage per employee) which are not expected to increase in FY09.

**PROPRIETARY FUND**  
**STORM WATER FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
44					<i>MATERIALS &amp; SERVICES</i>			
45	\$ -	\$ -	\$ 500	\$ 1,400	Office Materials & Supplies	\$ 1,400	\$ 1,400	\$ 1,400
46	-	-	100	200	Safety & Wellness*	200	200	200
47	-	-	900	2,300	Postage & Printing*	7,100	7,100	7,100
48	-	-	500	500	Concrete	1,000	1,000	1,000
49	-	-	500	500	Rock & Backfill	1,000	1,000	1,000
50	-	-	1,000	500	Paving	1,000	1,000	1,000
51	-	-	900	2,300	Association Memberships*	3,100	3,000	3,000
52	-	-	3,700	2,500	Travel & Training	6,500	6,500	6,500
53	-	-	200	400	City Council Expenses*	400	400	400
54	-	-	1,000	1,600	Advertising	1,500	1,500	1,500
55	-	-	200	3,200	Legal Services*	6,000	6,000	6,000
56	-	-	1,000	700	Labor Attorney*	1,900	1,900	1,900
57	-	-	25,300	25,300	Contractual Services	27,800	27,800	27,800
58	-	-	-	-	Vehicle & Equipment Rental	27,000	27,000	27,000
59	-	-	-	-	Audit*	300	300	300
60	-	-	15,000	5,000	Engineering Services	15,000	15,000	15,000
61	-	-	700	2,100	Janitorial*	2,700	2,700	2,700
62	-	-	200	1,400	Gas & Electricity*	1,400	1,400	1,400
63	-	-	12,000	7,200	Storm Drain Utilities	13,000	13,000	13,000
64	-	-	300	400	Telephone*	400	400	400
65	-	-	700	700	Insurance - Liability*	800	800	800
66	-	-	200	200	Gasoline	2,000	2,000	2,000
67	-	-	200	200	Diesel Fuel	3,000	3,000	3,000
68	-	-	1,400	1,400	Computer & Software Maintenance*	2,100	2,100	2,100
69	-	-	30,000	-	Storm Sewer Dumping Costs	20,000	20,000	20,000
70	-	-	1,000	500	Vehicle Maintenance	1,500	1,500	1,500
71	-	-	5,000	1,000	Equipment Maintenance	5,000	5,000	5,000
72	-	-	700	700	Facility Maintenance*	1,900	1,000	1,000
73	-	-	300	-	Office Equipment Maintenance	300	300	300

Notes:

- \* Indicates a City-wide shared cost based on a pre-established allocation. Most allocations are based on FTE in each operating fund. See City-Wide Shared Costs in the Supplemental Information section of the document for details.
- <sup>56</sup> Labor Attorney costs include employee dispute resolution, Personnel Policy review and related consultation matters. In addition, the Local 320 (Municipal Utility Workers) contract is up for renewal July 1, 2009, therefore negotiation costs are included in the FY09 budget.
- <sup>58</sup> Equipment Rental Expenses are needed until the new flushing and jetting equipment is delivered.

**PROPRIETARY FUND**  
**STORM WATER FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<i>MATERIALS &amp; SERVICES - CONTINUED</i>								
74	-	-	23,000	9,500	Plant Maintenance	20,000	20,000	20,000
75	-	-	5,000	-	Pump Maintenance	5,000	5,000	5,000
76	-	-	2,000	1,600	Operating Materials & Supplies	7,000	7,000	7,000
77	-	-	100	100	Medical Testing	200	200	200
78	-	-	1,000	100	Lab Tests	1,000	1,000	1,000
79	-	-	1,000	1,000	Consumer Confidence Report/ Public Education	1,000	1,000	1,000
80	-	-	100	100	Miscellaneous	100	100	100
81	\$ -	\$ -	\$ 135,700	\$ 74,600	TOTAL MATERIALS & SERVICES	\$ 189,600	\$ 188,600	\$ 188,600
82								
83								
84					<i>CAPITAL OUTLAY</i>			
85	\$ -	\$ -	\$ 4,200	\$ -	Office Furniture & Equipment*	\$ -	\$ -	\$ -
86	-	-	1,000	-	Field Equipment	2,000	2,000	2,000
87	-	-	46,000	-	Storm Sewer Maintenance Truck	47,300	47,300	242,100
88	-	-	1,500	1,500	Computer Hardware*	2,900	2,900	2,900
89	-	-	50,000	-	Storm Water Master Plan Update	50,000	50,000	50,000
90	-	-	100,000	15,000	Storm Sewer Pipe Extension or Repair	100,000	100,000	100,000
91	-	-	1,000	-	Lift Station Telemetry System	1,000	1,000	1,000
92	\$ -	\$ -	\$ 203,700	\$ 16,500	TOTAL CAPITAL OUTLAY	\$ 203,200	\$ 203,200	\$ 398,000
93								
94	-	-	30,000	-	Contingency	35,900	35,900	35,900
95	-	-	-	-	Transfer to City Hall Facility Fund*	34,300	34,300	34,300
96								
97					<i>FUND BALANCE</i>			
98	-	-	-	-	Reserve for 27th pay period FY15-16	1,200	1,200	1,200
99	-	-	73,100	319,300	Unappropriated Ending Fund Balance	250,700	251,700	199,000
100								
101	\$ -	\$ -	\$ 655,000	\$ 540,600	TOTAL REQUIREMENTS	\$ 1,039,200	\$ 1,039,200	\$ 1,181,300

Notes:

74 Catch basin, manhole and pipe repairs on existing Storm Sewer System.

87 The City plans to purchase a new Storm Sewer Maintenance Truck over the next five years. The Storm Sewer Maintenance Truck will be used to jet clean the storm drain system. Annual lease payments are \$63,000. The cost will be allocated accordingly: Storm Utility Fund - 75%, Street Fund - 20% and Water Fund - 5%.

89 Storm Water Master Plan Update to replace the 1982 plan.

90 New Storm Water Pipe serving Aldine Subdivision replacing old concrete pipe on back property lines. This requires an easement from one property owner in Keizer Station Area B.

94 Contingency is 5% of expenditures

98 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 fiscal year 2015-2016. A reserve has been established to set funds aside each year for the next 8 years to pay this cost.

## UTILITY BILLING DIVISION

The Utility Billing Division operates within the Finance Department and maintains approximately 10,100 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

- ◆ Utility Billing staff worked closely with Public Works to implement the new Storm Water Utility rates. The staff spent numerous hours on this project. Research was completed to locate dwellings in Keizer that are not connected to City water or sewer, equivalent service unit measurements were manually input into each Multiple and Commercial account. The billing system required modifying to include the new charge. Lastly, audits were completed, verifying the accuracy of entries.

In October and November, customers received their first bills with Storm Water service.

- ◆ Our customers can apply for new service, change or cancel service by simply filling out the form on our website. In addition, they can find the "Auto-Pay" form online.
- ◆ The annual Keizer Citizen Survey for 2007 shows Utility Billing staff continues to rate high for their customer service skills.

### Future Goals

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

- ◆ Training dollars have been set aside for staff to continue to maintain their customer service skills
- ◆ Staff plans to implement an Image Based Payment Processing System. The system would significantly reduce operations and labor cost for processing checks. Remittance would allow us to electronically transmit check images and related information quickly. Checks would transmit electronically, providing the City with quicker access to the deposited funds.
- ◆ Staff is exploring the option of providing our customers with "Budget Billing". This would give our customers the opportunity to pay a more predictable water bill, by averaging the yearly cost of their service, and eliminating some of the highs and lows.

**PROPRIETARY FUND**

**SEWER FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<b>RESOURCES</b>								
1	\$ 124,732	\$ 138,767	\$ 159,800	\$ 442,000	<i>Working Capital Carryforward</i>	\$ 177,000	\$ 177,000	\$ 177,000
2								
3					<b>CHARGES FOR SERVICES</b>			
4	1,407	8,114	1,400	500	Planning/Construction Fees	500	500	500
5	3,651,503	4,118,776	4,000,400	4,124,800	Salem Sewer Billing	4,217,600	4,217,600	4,217,600
6	260,868	281,450	291,000	300,300	Sewer Administration Fee	291,000	291,000	291,000
7	3,913,778	4,408,340	4,292,800	4,425,600	<b>TOTAL CHARGES FOR SERVICES</b>	4,509,100	4,509,100	4,509,100
8								
9					<b>MISCELLANEOUS</b>			
10	6,214	5,462	-	6,000	Miscellaneous	6,000	6,000	6,000
11								
12	\$ 4,044,724	\$ 4,552,569	\$ 4,452,600	\$ 4,873,600	<b>TOTAL RESOURCES</b>	\$ 4,692,100	\$ 4,692,100	\$ 4,692,100

- Notes:
- <sup>5</sup> 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.
  - <sup>6</sup> Projections are based on approximately 10,000 sewer customers billed bi-monthly at \$4.85 per bill.
  - <sup>10</sup> Miscellaneous Revenues include one-time revenues that are not characterized by line-item descriptions.

**PROPRIETARY FUND**

**SEWER FUND**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08	MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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36

REQUIREMENTS

*PERSONNEL SERVICES*

\$ 960	\$ 1,013	\$ 1,100	\$ 1,100	City Manager	\$ 1,200	\$ 1,200	\$ 1,200
-	-	1,400	200	Assistant to City Manager	1,500	1,500	1,500
-	-	1,400	1,400	City Recorder	1,500	1,500	1,500
2,744	2,816	2,900	2,900	Public Works Director	3,200	3,200	3,200
3,583	3,676	4,000	4,000	Public Works Superintendent	4,100	4,100	4,100
88,059	94,271	96,400	96,400	Administrative Support Staff	99,900	99,900	99,900
3,342	3,678	4,700	4,700	Public Works Permit Specialist	5,000	5,000	5,000
1,861	1,966	1,800	1,800	Network Administrator	1,700	1,700	1,700
3,319	3,405	2,700	3,300	Human Resources Director	2,400	2,400	2,400
16,617	19,576	20,700	20,700	Finance Director	20,900	20,900	20,900
1,704	1,802	2,000	2,000	Facility Maintenance Worker	2,100	2,100	2,100
7	40	1,000	1,000	Overtime	1,000	1,000	1,000
42	42	100	100	Vehicle Allowance	100	100	100
50	50	100	100	Educational/Tuition Assistance	100	100	100
1,873	2,027	2,200	2,200	Medicare	2,300	2,300	2,300
20,887	23,115	24,400	24,400	Retirement	25,300	25,300	25,300
26,400	29,887	34,000	34,000	Insurance Benefits	35,700	35,700	35,700
917	-	-	-	Unemployment	-	-	-
322	332	400	400	Workers Compensation	400	400	400
<b>\$ 172,687</b>	<b>\$ 187,696</b>	<b>\$ 201,300</b>	<b>\$ 200,700</b>	<b>TOTAL PERSONNEL SERVICES</b>	<b>\$ 208,400</b>	<b>\$ 208,400</b>	<b>\$ 208,400</b>

Notes:

<sup>19</sup> The City Recorder's salary has been allocated to the Sewer Fund to recognize costs for Recording Services to this fund.

<sup>32</sup> Sworn Police Officers, the City Manager, and the Public Works Director participate in the Oregon Public Employee's Retirement System (PERS). Employer contribution rates decreased from 16.65% in FY06 and FY07 to 13.32% for FY08 and FY09. All other employees participate in a private 401(a) plan at 12% for management staff and 11% for all other regular employees.

<sup>33</sup> Beginning in FY07 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, the City's health and dental insurance premiums are expected to increase approximately 11% and 4% respectively. In FY06, the City began paying the full cost of life insurance premiums (\$60,000 in coverage per employee) which are not expected to increase in FY09.

**PROPRIETARY FUND**

**SEWER FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
37					<i><b>MATERIALS &amp; SERVICES</b></i>			
38	\$ 2,126	\$ 2,400	\$ 2,800	\$ 1,900	Office Materials & Supplies	\$ 1,900	\$ 1,900	\$ 1,900
39	-	267	100	100	Safety & Wellness*	100	100	100
40	21,632	21,731	24,900	21,400	Postage & Printing*	21,300	21,300	21,300
41	1,446	1,589	1,400	1,500	Association Memberships*	1,800	1,800	1,800
42	3,388	2,639	5,900	4,000	Travel & Training*	5,100	5,100	5,100
43	146	238	200	200	City Council Expenses*	200	200	200
44	212	72	100	700	Advertising	700	700	700
45	4,314	6,984	3,500	2,400	Legal Services*	2,400	2,400	2,400
46	-	330	300	500	Labor Attorney*	500	500	500
47	1,936	1,793	2,100	2,500	Contractual Services*	2,500	2,500	2,500
48	3,568	2,279	4,400	4,400	Audit*	5,100	5,100	5,100
49	14,776	15,407	17,300	9,700	Engineering Services	10,000	10,000	10,000
50	1,184	1,297	1,100	1,100	Janitorial*	1,600	1,600	1,600
51	881	874	1,000	800	Gas & Electricity*	800	800	800
52	878	493	600	800	Telephone*	800	800	800
53	468	12,123	13,600	13,600	Insurance - Liability*	13,600	13,600	13,600
54	6,695	9,023	8,000	8,000	Computer & Software Maintenance*	7,600	7,600	7,600
55	1,182	769	1,000	500	Equipment Maintenance	500	500	500
56	1,025	774	1,100	400	Facility Maintenance*	1,100	600	600
57	3,659,621	3,834,210	4,000,400	4,417,500	Salem Sewer Payments	4,217,600	4,217,600	4,217,600
58	40	23	100	-	Medical Testing	100	100	100
59	459	113	100	200	Collection Costs	200	200	200
60	\$ 3,725,977	\$ 3,915,428	\$ 4,090,000	\$ 4,492,200	<b>TOTAL MATERIALS &amp; SERVICES</b>	\$ 4,295,500	\$ 4,295,000	\$ 4,295,000

- Notes:
- \* Indicates a city-wide shared cost based on a pre-established allocation. Most allocations are based on FTE in each operating fund. See City-Wide Shared Costs in the Supplemental Information section of the document for details.
  - 44 Advertising is for staff recruitments.
  - 57 This is a pass-through expense and equals Salem Sewer Billing Revenues in the Resources section.

**PROPRIETARY FUND**

<b>SEWER FUND</b>
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	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
61								
62					<i><b>CAPITAL OUTLAY</b></i>			
63	\$ 147	\$ 5	\$ 200	\$ -	Office Furniture & Equipment*	\$ -	\$ -	\$ -
64	4,506	4,127	3,700	3,700	Computer Hardware*	7,200	7,200	7,200
65	\$ 4,653	\$ 4,132	\$ 3,900	\$ 3,700	<b>TOTAL CAPITAL OUTLAY</b>	\$ 7,200	\$ 7,200	\$ 7,200
66								
67	-	-	14,600	-	Contingency	14,700	14,700	14,700
68								
69					<i><b>TRANSFERS OUT</b></i>			
70	2,640	3,299	-	-	Transfer to City Hall Facility Fund*	\$ 20,600	\$ 20,600	\$ 20,600
71								
72					<i><b>FUND BALANCE</b></i>			
73	-	-	-	-	Reserve for 27th pay period FY15-16	800	800	800
74	138,767	442,014	142,800	177,000	Unappropriated Ending Fund Balance	144,900	145,400	145,400
75								
76	\$ 4,044,724	\$ 4,552,569	\$ 4,452,600	\$ 4,873,600	<b>TOTAL REQUIREMENTS</b>	\$ 4,692,100	\$ 4,692,100	\$ 4,692,100

- Notes:
- 67 Contingency is 5% of total expenses less Salem Sewer Payments.
  - 73 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 fiscal year 2015-2016. A reserve has been established to set funds aside each year for the next 8 years 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 staff is anticipating in the near future completing a sewer trunk line extension along McNary Estates Drive to Willow Lake Treatment Plant fulfilling distribution capacity agreements with the City of Salem.*

**PROPRIETARY FUND**  
**SEWER RESERVE FUND**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007 08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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RESOURCES

1	\$ 679,117	\$ 818,693	\$ 960,800	\$ 974,100	<i>Working Capital Carryforward</i>	\$ 1,045,100	\$ 1,045,100	\$ 1,045,100
2								
3					<i>CHARGES FOR SERVICES</i>			
4	302,792	154,002	119,000	74,000	Sewer System Development Fee	-	-	-
5	1,748	44,275	--	-	Storm Sewer Acreage Fee	-	-	-
6	<u>\$ 304,540</u>	<u>\$ 198,277</u>	<u>\$ 119,000</u>	<u>\$ 74,000</u>	<b>TOTAL CHARGES FOR SERVICES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
7								
8					<i>MISCELLANEOUS</i>			
9	1,559	992	1,200	1,000	Interest	1,000	1,000	1,000
10								
11	<u>\$ 985,216</u>	<u>\$ 1,017,962</u>	<u>\$ 1,081,000</u>	<u>\$ 1,049,100</u>	<b>TOTAL RESOURCES</b>	<u>\$ 1,046,100</u>	<u>\$ 1,046,100</u>	<u>\$ 1,046,100</u>

REQUIREMENTS

12								
13					<i>MATERIALS &amp; SERVICES</i>			
14								
15								
16	\$ 190	\$ -	\$ 5,000	\$ 4,000	Contractual Services	\$ -	\$ -	\$ -
17	21,862	-	-	-	Engineering	20,000	20,000	20,000
18	<u>\$ 22,052</u>	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 4,000</u>	<b>TOTAL MATERIALS &amp; SERVICES</b>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>
19								
20					<i>CAPITAL OUTLAY</i>			
21	\$ 119,152	\$ -	\$ 550,000	\$ -	Sewer Line Extensions	\$ 1,026,100	\$ 1,026,100	\$ 1,026,100
22	25,320	43,833	-	-	Storm Drain Reimbursement	-	-	-
23	-	-	150,000	-	Contingency	-	-	-
24	<u>\$ 144,472</u>	<u>\$ 43,833</u>	<u>\$ 700,000</u>	<u>\$ -</u>	<b>TOTAL CAPITAL OUTLAY</b>	<u>\$ 1,026,100</u>	<u>\$ 1,026,100</u>	<u>\$ 1,026,100</u>
25								
26					<i>FUND BALANCE</i>			
27	\$ 818,692	\$ 974,129	\$ 376,000	\$ 1,045,100	Unappropriated Ending Fund Balance	\$ -	\$ -	\$ -
28								
29	<u>\$ 985,216</u>	<u>\$ 1,017,962</u>	<u>\$ 1,081,000</u>	<u>\$ 1,049,100</u>	<b>TOTAL REQUIREMENTS</b>	<u>\$ 1,046,100</u>	<u>\$ 1,046,100</u>	<u>\$ 1,046,100</u>

Notes:

27 Anticipating Sewer Trunk 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 a new vehicle for customer service
- Constructed required elevator to complete construction of addition to Public Works facility
- Installed Additional Monitoring Wells for Source water Protection

### Future Goals . . .

- Purchase a new pickup truck.
- Purchase Equipment for monitoring Well & Distribution System Sampling

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.

PROPRIETARY FUND

WATER FUND

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<b>RESOURCES</b>								
1	\$ 1,234,614	\$ 1,162,061	\$ 570,600	\$ 928,900	Working Capital Carryforward	\$ 1,233,700	\$ 1,233,700	\$ 1,233,700
2								
3	<i>TAXES &amp; ASSESSMENTS</i>							
4	1,494	705	700	-	Assessments	\$ -	\$ -	\$ -
5								
6	<i>LICENSES &amp; FEES</i>							
7	28,477	21,738	10,000	5,000	Planning & Construction Fees	5,000	5,000	5,000
8	32,070	32,755	22,100	39,700	Service Fees	39,700	39,700	39,700
9	18,288	19,886	20,000	20,000	Diesel Fuel Sales	22,000	22,000	22,000
10	14,675	37,594	10,000	10,000	Live Tap Reimbursement	10,000	10,000	10,000
11	\$ 93,510	\$ 111,973	\$ 62,100	\$ 74,700	TOTAL LICENSES & FEES	\$ 76,700	\$ 76,700	\$ 76,700
12								
13	<i>CHARGES FOR SERVICES</i>							
14	2,070,959	2,716,738	2,447,700	2,716,900	Water Sales	2,798,400	2,798,400	2,798,400
15								
16	<i>MISCELLANEOUS</i>							
17	65	105	100	-	Assessment Interest	-	-	-
18	55,613	70,352	71,500	70,400	Interest	70,400	70,400	70,400
19	-	-	-	-	Reimbursement Agreement Application Fee	-	-	-
20	5,628	7,897	-	41,400	Miscellaneous	-	-	-
21	\$ 61,306	\$ 78,354	\$ 71,600	\$ 111,800	TOTAL MISCELLANEOUS	\$ 70,400	\$ 70,400	\$ 70,400
22								
23	<i>TRANSFERS IN</i>							
24	18,290	-	-	-	Transfer from LID Fund	-	-	-
25								
26	\$ 3,480,173	\$ 4,069,831	\$ 3,152,700	\$ 3,832,300	TOTAL RESOURCES	\$ 4,179,200	\$ 4,179,200	\$ 4,179,200

Notes:

<sup>9</sup> Diesel Fuel Sales is for fuel sold to the Keizer Fire District.

<sup>14</sup> Water Sales Revenues reflect an increase in consumption plus a 3% increase in rates as provided for in the Cost of Service Rate Model.

<sup>20</sup> Miscellaneous Revenues include one-time revenues that are not characterized by line-item descriptions.

PROPRIETARY FUND

WATER FUND

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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REQUIREMENTS

PERSONNEL SERVICES

27												
28												
29												
30	\$ 9,603	\$ 10,130	\$ 11,000	\$ 11,000	City Manager	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700
31	-	-	10,100	1,700	Assistant to City Manager	10,900	10,900	10,900	10,900	10,900	10,900	10,900
32	-	-	1,400	1,400	City Recorder	1,500	1,500	1,500	1,500	1,500	1,500	1,500
33	24,700	25,341	26,100	26,100	Public Works Director	28,200	28,200	28,200	28,200	28,200	28,200	28,200
34	32,240	33,091	35,800	35,800	Public Works Superintendent	36,800	36,800	36,800	36,800	36,800	36,800	36,800
35	386,633	422,859	444,100	444,100	Municipal Utility Workers	473,900	473,900	473,900	473,900	473,900	473,900	473,900
36	1,674	1,821	2,100	2,100	Community Development Director	2,200	2,200	2,200	2,200	2,200	2,200	2,200
37	101,506	112,201	111,100	111,100	Administrative Support Staff	114,700	114,700	114,700	114,700	114,700	114,700	114,700
38	10,025	11,033	11,600	11,600	Public Works Permit Specialist	12,300	12,300	12,300	12,300	12,300	12,300	12,300
39	8,376	8,849	9,700	9,700	Network Administrator	9,000	9,000	9,000	9,000	9,000	9,000	9,000
40	14,936	15,322	14,900	18,600	Human Resources Director	12,400	12,400	12,400	12,400	12,400	12,400	12,400
41	20,771	24,470	20,700	20,700	Finance Director	20,900	20,900	20,900	20,900	20,900	20,900	20,900
42	6,817	7,207	5,800	5,800	Facility Maintenance Worker	6,200	6,200	6,200	6,200	6,200	6,200	6,200
43	7,771	-	-	-	Seasonal Help	-	-	-	-	-	-	-
44	40,844	35,637	31,000	31,000	Overtime	31,000	31,000	31,000	31,000	31,000	31,000	31,000
45	10,400	10,400	10,400	10,400	Duty Pay	10,400	10,400	10,400	10,400	10,400	10,400	10,400
46	420	420	300	500	Vehicle Allowance Pay	500	500	500	500	500	500	500
47	500	500	500	500	Educational/Tuition Assistance	500	500	500	500	500	500	500
48	10,383	11,000	11,500	11,500	Medicare	12,000	12,000	12,000	12,000	12,000	12,000	12,000
49	114,277	123,841	129,100	128,900	Retirement	138,200	138,200	138,200	138,200	138,200	138,200	138,200
50	133,492	150,532	174,000	174,000	Insurance Benefits	182,600	182,600	182,600	182,600	182,600	182,600	182,600
51	1,163	-	-	-	Unemployment Insurance	-	-	-	-	-	-	-
52	9,883	7,415	13,800	13,800	Workers Compensation	14,400	14,400	14,400	14,400	14,400	14,400	14,400
53	\$ 946,414	\$ 1,012,069	\$ 1,075,000	\$ 1,070,300	TOTAL PERSONNEL SERVICES	\$ 1,130,300	\$ 1,130,300	\$ 1,130,300	\$ 1,130,300	\$ 1,130,300	\$ 1,130,300	\$ 1,130,300

- Notes:
- 32 Beginning in FY08, the City Recorder's salary has been allocated to the Water Fund to recognize costs for Recording Services to this fund.
  - 43 With the addition of two Municipal Utility Workers, the Seasonal Help line-item has been eliminated beginning in FY06.
  - 49 Sworn Police Officers, the City Manager, and the Public Works Director participate in the Oregon Public Employee's Retirement System (PERS). Employer contribution rates decreased from 16.65% in FY06 and FY07 to 13.32% for FY08 and FY09. All other employees participate in a private 401(a) plan at 12% for management staff and 11% for all other regular employees.
  - 50 Beginning in FY07 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, the City's health and dental insurance premiums are expected to increase approximately 11% and 4% respectively. In FY06, the City began paying the full cost of life insurance premiums (\$60,000 in coverage per employee) which are not expected to increase in FY09.

PROPRIETARY FUND

WATER FUND

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
54					<i>MATERIALS &amp; SERVICES</i>			
55	\$ 8,263	\$ 8,057	\$ 9,200	\$ 7,000	Office Materials & Supplies	\$ 8,200	\$ 8,200	\$ 8,200
56	-	1,159	600	600	Safety & Wellness*	600	600	600
57	26,182	28,673	32,000	28,300	Postage & Printing*	28,700	28,700	28,700
58	2,471	4,249	5,000	5,000	Concrete	5,000	5,000	5,000
59	6,848	7,363	7,000	8,500	Rock & Backfill	8,500	8,500	8,500
60	4,980	7,148	7,500	7,000	Paving	7,000	7,000	7,000
61	11,560	9,184	13,000	11,300	Sequestering Agent	11,000	11,000	11,000
62	5,494	6,224	13,000	6,000	Fluoride	10,000	10,000	10,000
63	7,276	7,612	8,200	8,200	Association Memberships*	10,600	10,100	10,100
64	16,466	16,557	23,000	18,200	Travel & Training	21,500	21,500	21,500
65	604	1,200	1,400	1,400	City Council Expenses*	1,400	1,400	1,400
66	2,371	2,860	1,000	1,300	Advertising	1,000	1,000	1,000
67	15,502	13,557	11,600	10,300	Legal Services*	10,300	10,300	10,300
68	-	3,016	5,900	2,900	Labor Attorney*	8,200	8,200	8,200
69	32,323	37,486	68,000	30,000	Contractual Services	52,800	52,800	52,800
70	1,550	1,005	2,600	2,600	Audit*	2,500	2,500	2,500
71	841	558	2,000	800	Flagging	2,000	2,000	2,000
72	26,476	22,167	28,000	14,000	Engineering Services	25,000	25,000	25,000
73	9,061	9,194	6,500	9,200	Janitorial*	11,900	11,900	11,900
74	3,358	3,010	3,800	3,800	Clothing	3,800	3,800	3,800
75	200,893	171,249	180,000	183,000	Gas & Electricity*	195,800	195,800	195,800

Notes:

- \* Indicates a City-wide shared cost based on a pre-established allocation. Most allocations are based on FTE in each operating fund. See City-Wide Shared Costs in the Supplemental Information section of the document for details.
- <sup>68</sup> Labor Attorney costs include employee dispute resolution, Personnel Policy review and related consultation matters. In addition, the Local 320 (Municipal Utility Workers) contract is up for renewal July 1, 2009, therefore negotiation costs are included in the FY09 budget.
- <sup>69</sup> Contracts include consultant costs for Groundwater Contamination Analysis and City-wide costs allocated to all Operating Funds.
- <sup>75</sup> Expenditures include costs to run water facilities, such as pump stations, & a portion of gas & electric costs for City Hall & the new Civic Center. Costs are expected to increase 7%-9% in FY09.

**PROPRIETARY FUND  
WATER FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<i>MATERIALS &amp; SERVICES - CONTINUED</i>								
76	8,326	9,069	10,200	9,000	Natural Gas	9,500	9,500	9,500
77	25,448	26,284	16,000	16,000	Telephone*	16,500	16,500	16,500
78	11,670	2,660	10,000	7,500	Telemetry	10,000	10,000	10,000
79	51,140	49,596	55,700	55,700	Insurance - Liability*	57,900	57,900	57,900
80	8,266	12,519	11,500	12,000	Gasoline	12,500	15,000	15,000
81	26,958	29,940	30,000	33,500	Diesel Fuel	34,000	41,000	41,000
82	11,928	12,783	16,100	16,100	Computer & Software Maintenance*	12,000	12,000	12,000
83	9,622	14,845	15,000	16,500	Vehicle Maintenance	15,500	15,500	15,500
84	13,009	11,597	12,000	12,000	Equipment Maintenance	13,000	13,000	13,000
85	4,255	3,910	6,700	6,700	Facility Maintenance*	6,300	3,500	3,500
86	390	348	400	-	Office Equipment Maintenance	400	400	400
87	36,546	50,556	40,000	40,000	Plant Maintenance	40,000	40,000	40,000
88	9,055	25,735	10,000	10,000	Live Taps	10,000	10,000	10,000
89	18,603	17,090	26,000	28,000	Pump House Maintenance	20,000	20,000	20,000
90	27,768	36,097	30,000	30,000	Pump Maintenance	30,000	30,000	30,000
91	36,992	33,298	35,000	35,000	Operating Materials & Supplies	35,000	35,000	35,000
92	1,526	953	1,800	1,000	Medical Testing	1,500	1,500	1,500
93	3,756	29,121	25,000	4,000	Water Mains	25,000	25,000	25,000
94	3,816	3,910	4,100	4,100	Well Property Lease	4,100	4,100	4,100
95	52,732	41,732	50,000	40,000	Lab Tests	77,000	77,000	77,000
96	29,369	29,645	30,000	30,000	Contract Meter Reading	32,000	32,000	32,000
97	7,430	7,303	10,000	8,000	Consumer Confidence Report/ Public Education	10,000	10,000	10,000
98	3,220	-	-	-	Bond Issue Costs	-	-	-
99	488	179	-	-	Miscellaneous	-	-	-
100	\$ 784,832	\$ 810,698	\$ 874,800	\$ 774,500	TOTAL MATERIALS & SERVICES	\$ 898,000	\$ 904,200	\$ 904,200

Notes:

76 Natural Gas costs are based on FY08 actuals projected to year-end, adjusted for an anticipated 5% price increase.

95 Lab Tests include required testing for Synthetic Organic Compounds, Lead and Copper sampling and monthly monitoring for Volatile Organic Compounds.

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

PROPRIETARY FUND

WATER FUND

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
101					<i>CAPITAL OUTLAY</i>			
102	\$ 58	\$ -	\$ -	\$ -	Aerial Photos	\$ -	\$ -	\$ -
103	1,060	2,943	10,900	10,900	Office Furniture & Equipment*	-	-	-
104	17,281	25,351	9,000	9,000	Field Equipment	18,600	18,600	18,600
105	17,257	15,873	10,400	10,400	Computer Hardware*	13,500	13,500	13,500
106	39,711	14,657	42,200	41,800	Public Works Vehicle	35,000	35,000	35,000
107	23,213	28,161	25,000	20,000	Water Meters	25,000	25,000	25,000
108	927	202	-	-	Keizer Station Improvements	-	-	-
109	27,749	217,687	102,000	116,300	Shop Building Addition	-	-	-
110	61,818	-	-	-	Heavy Equipment	-	-	-
111	-	-	3,200	-	Storm Sewer Maintenance Truck	3,200	3,200	16,200
112	\$ 189,074	\$ 304,874	\$ 202,700	\$ 208,400	TOTAL CAPITAL OUTLAY	\$ 95,300	\$ 95,300	\$ 108,300
113								
114					<i>DEBT SERVICE</i>			
115	\$ -	\$ 135,000	\$ 135,000	\$ 135,000	Principal	\$ 140,000	\$ 140,000	\$ 140,000
116	44,713	103,833	108,300	98,300	Interest	92,700	92,700	92,700
117	\$ 44,713	\$ 238,833	\$ 243,300	\$ 233,300	TOTAL DEBT SERVICE	\$ 232,700	\$ 232,700	\$ 232,700
118								
119	-	-	119,800	-	Contingency	117,800	117,800	117,800
120								
121					<i>TRANSFERS OUT</i>			
122	\$ 4,180	\$ 6,783	\$ -	\$ -	Transfer to City Hall Facility Fund*	\$ 116,600	\$ 116,600	\$ 116,600
123	348,900	767,700	312,100	312,100	Transfer to Water Facility Replacement Reserve	1,230,100	1,230,100	1,230,100
124	\$ 353,080	\$ 774,483	\$ 312,100	\$ 312,100	TOTAL TRANSFERS OUT	\$ 1,346,700	\$ 1,346,700	\$ 1,346,700
125								
126					<i>FUND BALANCE</i>			
127	-	-	-	-	Reserve for 27th pay period FY15-16	4,500	4,500	4,500
128	1,162,060	928,874	325,000	1,233,700	Unappropriated Ending Fund Balance	353,900	347,700	334,700
129								
130	\$ 3,480,173	\$ 4,069,831	\$ 3,152,700	\$ 3,832,300	TOTAL REQUIREMENTS	\$ 4,179,200	\$ 4,179,200	\$ 4,179,200

Notes:

106 The Public Works Vehicle is for a pickup truck to replace a 1992 pickup truck.

111 The City plans to purchase a new Storm Sewer Maintenance Truck over the next five years. The Storm Sewer Maintenance Truck will be used to jet clean the storm drain system. Annual lease payments are \$63,000. The cost will be allocated accordingly: Storm Utility Fund - 75%, Street Fund - 20% and Water Fund - 5%.

119 Contingency is 5% of Expenditures.

127 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 fiscal year 2015-2016. A reserve has been established to set funds aside each year for the next 8 years to pay this cost.

128 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 2008/2009 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 Budget Year 2007/2008*

- Construct Pump House at City Hall Well Site
- Steel Waterline Replacements City-Wide.

### *Water Facility Fund Capital Improvements Budget Year 2008/2009*

- Construct Well & Pump House at Carlhaven East Well Site
- Steel Waterline Replacements City-Wide over the next 2 Budget Cycles
- Energy Upgrades & Additional Fluoride Systems

**PROPRIETARY FUND**

**WATER FACILITY REPLACEMENT RESERVE**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
<b>RESOURCES</b>								
1	\$ 580,257	\$ 2,376,357	\$ 1,867,000	\$ 1,907,200	Working Capital Carryforward	\$ 1,274,600	\$ 1,274,600	\$ 1,274,600
2								
3					<b>TAXES &amp; ASSESSMENTS</b>			
4	-	221	4,900	1,400	Assessments	\$ 1,400	\$ 1,400	\$ 1,400
5								
6					<b>CHARGES FOR SERVICES</b>			
7	142,466	101,093	69,700	97,800	System Development Charges	44,000	44,000	44,000
8	-	-	-	-	Oversized Reimbursement Fees	-	-	-
9	\$ 142,466	\$ 101,093	\$ 69,700	\$ 97,800	TOTAL CHARGES FOR SERVICES	\$ 44,000	\$ 44,000	\$ 44,000
10								
11					<b>MISCELLANEOUS</b>			
12	101,843	106,225	114,800	106,200	Interest	106,200	106,200	106,200
13	-	5,000	-	-	Miscellaneous	-	-	-
14	\$ 101,843	\$ 111,225	\$ 114,800	\$ 106,200	TOTAL MISCELLANEOUS	\$ 106,200	\$ 106,200	\$ 106,200
15								
16					<b>BOND PROCEEDS</b>			
17	2,600,000	-	-	-	Bond Proceeds	-	-	-
18								
19					<b>TRANSFERS IN</b>			
20	348,900	767,700	312,100	312,000	Transfer from Water Fund	1,230,100	1,230,100	1,230,100
21								
22	\$ 3,773,466	\$ 3,356,596	\$ 2,368,500	\$ 2,424,600	TOTAL RESOURCES	\$ 2,656,300	\$ 2,656,300	\$ 2,656,300
23								
24					<b>REQUIREMENTS</b>			
25								
26					<b>CAPITAL OUTLAY</b>			
27	\$ 4,745	\$ -	\$ 5,000	\$ -	Repayment on Oversized Water Mains	\$ 5,000	\$ 5,000	\$ 5,000
28	488,689	321,567	220,000	345,000	Supply/Treatment	250,000	250,000	250,000
29	291,349	36,230	450,000	450,000	Transmission & Distribution Mains	650,000	650,000	650,000
30	34,742	19,200	140,000	5,000	General Plant	150,000	150,000	150,000
31	577,584	1,072,400	150,000	350,000	Storage	-	-	-
32	-	-	300,000	-	Contingency	200,000	200,000	200,000
33	\$ 1,397,109	\$ 1,449,397	\$ 1,265,000	\$ 1,150,000	TOTAL CAPITAL OUTLAY	\$ 1,255,000	\$ 1,255,000	\$ 1,255,000
34								
35					<b>FUND BALANCE</b>			
36	-	-	234,100	234,100	Debt Reserve Requirements	234,100	234,100	234,100
37	2,376,357	1,907,199	869,400	1,040,500	Unappropriated Ending Fund Balance	1,167,200	1,167,200	1,167,200
38	\$ 2,376,357	\$ 1,907,199	\$ 1,103,500	\$ 1,274,600	TOTAL FUND BALANCE	\$ 1,401,300	\$ 1,401,300	\$ 1,401,300
39								
40	\$ 3,773,466	\$ 3,356,596	\$ 2,368,500	\$ 2,424,600	TOTAL REQUIREMENTS	\$ 2,656,300	\$ 2,656,300	\$ 2,656,300

Notes:

- <sup>4</sup> The Assessments are payments for new waterlines built by the City and repaid by the property owners.
- <sup>7</sup> System Development Fees are based on 40 single family dwellings and 2 - 1/2" meters.
- <sup>26</sup> For detailed Capital Outlay Projects see Water Facility Fund Summary immediately preceding this page.
- <sup>37</sup> 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 the activities in this fund.*

**PROPRIETARY FUND**

<b>STREET LIGHTING DISTRICT FUND</b>									
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	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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RESOURCES

1	\$ 129,651	\$ 203,756	\$ 198,500	\$ 207,100	Working Capital Carryforward	\$ 221,300	\$ 221,300	\$ 221,300
2								
3					<i>TAXES &amp; ASSESSMENTS</i>			
4	471,510	409,992	403,200	423,600	Lighting District Assessments	423,600	432,600	432,600
5								
6	<b>\$ 601,161</b>	<b>\$ 613,748</b>	<b>\$ 601,700</b>	<b>\$ 630,700</b>	<b>TOTAL RESOURCES</b>	<b>\$ 644,900</b>	<b>\$ 653,900</b>	<b>\$ 653,900</b>

REQUIREMENTS

*PERSONNEL SERVICES*

11	\$ 960	\$ 1,013	\$ 1,100	\$ 1,100	City Manager	\$ 1,200	\$ 1,200	\$ 1,200
12	-	-	1,400	200	Assistant to City Manager	1,500	1,500	1,500
13	4,574	4,693	4,900	4,900	Public Works Director	5,300	5,300	5,300
14	3,582	3,677	4,000	4,000	Public Works Superintendent	4,100	4,100	4,100
15	6,501	6,670	6,900	6,900	City Recorder	7,100	7,100	7,100
16	6,404	7,026	7,700	7,700	Administrative Support Staff	7,800	7,800	7,800
17	3,342	3,678	3,900	3,900	Public Works Permit Specialist	4,100	4,100	4,100
18	465	491	600	600	Network Administrator	600	600	600
19	830	851	900	1,100	Human Resources Director	800	800	800
20	4,154	4,894	5,000	5,000	Finance Director	5,000	5,000	5,000
21	1,704	1,802	2,000	2,000	Facility Maintenance Worker	2,100	2,100	2,100
22	4	10	100	100	Overtime	100	100	100
23	42	42	100	100	Vehicle Allowance	100	100	100
24	50	50	100	100	Educational/Tuition Assistance	100	100	100
25	498	533	600	600	Medicare	700	700	700
26	6,158	6,658	7,200	7,100	Retirement	7,500	7,500	7,500
27	5,081	5,880	6,900	6,900	Insurance Benefits	7,300	7,300	7,300
28	133	119	300	300	Workers Compensation	200	200	200
29	<b>\$ 44,482</b>	<b>\$ 48,087</b>	<b>\$ 53,700</b>	<b>\$ 52,600</b>	<b>TOTAL PERSONNEL SERVICES</b>	<b>\$ 55,600</b>	<b>\$ 55,600</b>	<b>\$ 55,600</b>

- Notes:
- <sup>4</sup> The Street Lighting District Fund operates on a reimbursement basis. Electricity is paid in Year One and assessed on the tax roles in Year Two. In times of rising costs, the fund has operated in a deficit as was the case in FY04. To remedy this situation, in FY04 the City assessed an additional 14% on the tax roles to provide Working Capital for this fund. FY06 was the last year this additional assessment is needed. Beginning in FY07 assessments have been reduced accordingly. FY09 includes an assessment for pole replacement (\$3,900) and street lighting maintenance costs (\$5,100).
  - <sup>26</sup> Sworn Police Officers, the City Manager, and the Public Works Director participate in the Oregon Public Employee's Retirement System (PERS). Employer contribution rates decreased from 16.65% in FY06 and FY07 to 13.32% for FY08 and FY09. All other employees participate in a private 401(a) plan at 12% for management staff and 11% for all other regular employees.
  - <sup>27</sup> Beginning in FY07 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, the City's health and dental insurance premiums are expected to increase approximately 11% and 4% respectively. In FY06, the City began paying the full cost of life insurance premiums (\$60,000 in coverage per employee) which are not expected to increase in FY09.

PROPRIETARY FUND

**STREET LIGHTING DISTRICT FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
30					<i>MATERIALS &amp; SERVICES</i>			
31	\$ 581	\$ 453	\$ 600	\$ 400	Materials & Supplies	\$ 600	\$ 600	\$ 600
32	-	111	100	100	Safety & Wellness*	100	100	100
33	308	333	500	400	Postage & Printing*	500	500	500
34	357	386	500	500	Association Memberships*	600	600	600
35	809	758	1,700	1,500	Travel & Training*	1,100	1,100	1,100
36	37	47	100	100	City Council Expenses*	100	100	100
37	554	749	1,200	1,200	Advertising	1,200	1,200	1,200
38	149	121	200	1,000	Legal Services*	1,000	1,000	1,000
39	184	63	100	100	Labor Attorney*	200	200	200
40	379	111	200	200	Contractual Services	200	200	200
41	338	268	500	500	Audit*	500	500	500
42	217	248	400	300	Janitorial*	500	500	500
43	271	167	200	200	Gas & Electricity*	200	200	200
44	282	219	300	300	Telephone*	300	300	300
45	1,130	275	400	400	Insurance - Liability*	400	400	400
46	-	919	900	900	Computer & Software Maintenance*	1,800	1,800	1,800
47	288	150	200	100	Equipment Maintenance	100	100	100
48	256	150	400	100	Facility Maintenance*	400	200	200
49	-	-	-	-	Street Lighting Maintenance - Keizer Station Area A	-	5,100	5,100
50	2,650	2,836	4,500	7,400	Engineering Costs	7,400	7,400	7,400
51	342,242	348,652	366,800	340,300	Lighting Costs	352,200	352,200	352,200
52	13	4	100	-	Medical Testing	100	100	100
53	\$ 351,045	\$ 357,020	\$ 379,900	\$ 356,000	TOTAL MATERIALS & SERVICES	\$ 369,500	\$ 374,400	\$ 374,400

Notes:  
 \* Indicates a City-wide shared cost based on a pre-established allocation. Most allocations are based on FTE in each operating fund. See City-Wide Shared Costs in the Supplemental Information section of the document for details.

37 Advertising costs are for Street Lighting District Assessment public notices.  
 49 The Keizer Station Area A Street Lighting District provides for \$5,100 annual maintenance per Council resolution.  
 51 PGE anticipates a 7%-9% increase in rates beginning January 2009.

PROPRIETARY FUND

**STREET LIGHTING DISTRICT FUND**

	ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08		MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
54					<i>CAPITAL OUTLAY</i>			
55	\$ 30	\$ 1	\$ 100	\$ -	Office Furniture & Equipment*	\$ -	\$ -	\$ -
56	1,438	873	800	800	Computer Hardware*	1,100	1,100	1,100
57	\$ 1,468	\$ 874	\$ 900	\$ 800	TOTAL CAPITAL OUTLAY	\$ 1,100	\$ 1,100	\$ 1,100
58								
59	\$ -	\$ -	\$ 21,800	\$ -	Contingency	\$ 21,300	\$ 21,300	\$ 21,300
60								
61					<i>TRANSFERS OUT</i>			
62	\$ 410	\$ 678	\$ -	\$ -	Transfer to City Hall Facility Fund*	\$ 6,900	\$ 6,900	\$ 6,900
63								
64					<i>FUND BALANCE</i>			
65	-	-	-	-	Reserve for 27th pay period FY15-16	200	200	200
66	-	-	-	-	Reserve for Pole Replacement at Keizer Station Area A	-	3,900	3,900
67	203,756	207,089	145,400	221,300	Unappropriated Ending Fund Balance	190,300	190,500	190,500
68								
69	\$ 601,161	\$ 613,748	\$ 601,700	\$ 630,700	TOTAL REQUIREMENTS	\$ 644,900	\$ 653,900	\$ 653,900

Notes:

- <sup>59</sup> Contingency is 5% of total expenses.
- <sup>65</sup> 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 fiscal year 2015-2016. A reserve has been established to set funds aside each year for the next 8 years to pay this cost.
- <sup>66</sup> 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.

## *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 arraigned 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**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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RESOURCES

1	\$	-	\$ (518,476)	\$ 347,000	\$ (581,200)	<i>Working Capital Carryforward</i>	\$	2,696,200	\$	2,696,200	\$	2,696,200
2												
3						<i>INTERGOVERNMENTAL</i>						
4		800,000	-	-	-	Proceeds from Area D		-		-		-
5		-	4,150,000	-	-	Intergovernmental Loan from Urban Renewal		-		-		-
6	\$	800,000	\$ 4,150,000	\$ -	\$ -	Total Intergovernmental	\$	-	\$	-	\$	-
7												
8						<i>DEBT PROCEEDS</i>						
9		19,570,000	-	1,764,700	2,083,500	Loan Proceeds		-		-		-
10		-	-	-	26,541,900	Long-Term Debt		-		-		-
11	\$	19,570,000	\$ -	\$ 1,764,700	\$ 28,625,400	Total Debt Proceeds	\$	-	\$	-	\$	-
12												
13						<i>TAXES &amp; ASSESSMENTS</i>						
14		-	-	-	2,200,000	Assessments		1,276,700		1,276,700		1,276,700
15												
16						<i>MISCELLANEOUS</i>						
17		387,644	926,915	-	753,500	Interest		80,400		80,400		80,400
18		-	-	-	-	Assessment Interest		1,894,100		1,894,100		1,894,100
19		-	-	-	4,100	Miscellaneous		-		-		-
20	\$	387,644	\$ 926,915	\$ -	\$ 757,600	Total Miscellaneous	\$	1,974,500	\$	1,974,500	\$	1,974,500
21												
22	\$	20,757,644	\$ 4,558,439	\$ 2,111,700	\$ 31,001,800	<b>TOTAL RESOURCES</b>	\$	5,947,400	\$	5,947,400	\$	5,947,400

**CAPITAL PROJECTS FUND**

**KEIZER STATION LOCAL IMPROVEMENT DISTRICT**

ACTUAL 2005-06	ACTUAL 2006-07	AMENDED 2007-08	PROJECTED 2007-08
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MANAGER RECOMMENDED	COMMITTEE APPROVED	COUNCIL ADOPTED
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				<u>REQUIREMENTS</u>				
23								
24								
25	<i>MATERIALS &amp; SERVICES</i>							
26	\$ 148,880	\$ 42,016	\$ 9,700	\$ 47,000	Contractual Services	\$ 15,000	\$ 15,000	\$ 15,000
27	-	-	-	-	Legal Services	15,000	15,000	15,000
28	10,049	4,601	-	-	Line of Credit Issuance Costs	-	-	-
29	-	-	-	128,900	Underwriters' Discount	-	-	-
30	-	-	-	81,300	Long-term Debt Issuance Costs	-	-	-
31	<u>\$ 158,929</u>	<u>\$ 46,617</u>	<u>\$ 9,700</u>	<u>\$ 257,200</u>	<b>TOTAL MATERIALS &amp; SERVICES</b>	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 30,000</u>
32								
33	<i>CAPITAL OUTLAY</i>							
34	\$ 19,574,001	4,047,173	\$ 2,102,000	\$ 817,400	Improvements	\$ -	\$ -	\$ -
35								
36	<i>DEBT SERVICE</i>							
37	378,601	\$ 918,951	\$ -	\$ 1,427,500	Interest	1,605,500	1,605,500	1,605,500
38	-	-	-	25,803,500	Principal	825,000	825,000	825,000
39	<u>\$ 378,601</u>	<u>\$ 918,951</u>	<u>\$ -</u>	<u>\$ 27,231,000</u>	<b>TOTAL DEBT SERVICE</b>	<u>\$ 2,430,500</u>	<u>\$ 2,430,500</u>	<u>\$ 2,430,500</u>
40								
41								
42	<i>SPECIAL PAYMENTS</i>							
43	1,126,953	-	-	-	Repay Loan to Urban Renewal	-	-	-
44								
45	<i>TRANSFERS OUT</i>							
46	\$ 19,346	\$ 23,487	\$ -	\$ -	Transfer to Street Fund	\$ -	\$ -	\$ -
47	18,290	-	-	-	Transfer to Water Fund	-	-	-
48	-	103,392	-	-	Transfer to Urban Renewal	-	-	-
49	<u>\$ 37,636</u>	<u>\$ 126,879</u>	<u>\$ -</u>	<u>\$ -</u>	<b>TOTAL TRANSFERS OUT</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
50								
51	\$ -	\$ -	\$ -	\$ -	Contingency	\$ -	\$ -	\$ -
52								
53	<i>FUND BALANCE</i>							
54	-	-	-	2,681,000	Debt Reserve	2,681,000	2,681,000	2,681,000
55	(518,476)	(581,181)	-	15,200	Unappropriated Ending Fund Balance	805,900	805,900	805,900
56								
57	<u>\$ 20,757,644</u>	<u>\$ 4,558,439</u>	<u>\$ 2,111,700</u>	<u>\$ 31,001,800</u>	<b>TOTAL REQUIREMENTS</b>	<u>\$ 5,947,400</u>	<u>\$ 5,947,400</u>	<u>\$ 5,947,400</u>

# 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's most recent survey was implemented July 1, 2007.

The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, in fiscal year 04-05, this resulted in 27 pay-periods because of the way the calendar works. Since the City's budget is on a cash basis, it needs to budget for 27 pay-periods every eleven years. Beginning in fiscal year 08-09 a reserve has been established in each operating fund to set funds aside for the next 27<sup>th</sup> pay-period year which is fiscal year 15-16.

## GENERAL FUND

### Administration

#### Fines & Forfeits Revenues

Collections - Past Due. The City has over \$1,000,000 in past due fines and forfeits that are over ten years old. A few years ago, the Municipal Court office turned all of these receivables over to a collection agency. However, the City has since severed its relationship with this agency. Staff continues to work toward turning these accounts over to the City's current collection agency vendor. Recent legislation 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.

#### Materials & Services

By Council directive on July 18, 2000, the Youth Compact Facilitation Fee has been included in the Manager's Recommended Budget as a placeholder for discussion by the Budget Committee. Funds have not been expended for this purpose since fiscal year 05-06. The Manager's Recommended budget for fiscal year 07-08 included \$800 for Youth Compact. This amount did not pass committee and therefore has not been included in the Manager's Recommended Budget for fiscal year 08-09.

Park Maintenance

During the FY04 Budget Hearings, the Budget Committee voted to fund the General Fund Park Maintenance budget at 2.5% of total Budgeted General Fund expenditures. During the FY06 Budget Hearings the Budget Committee voted to use total General Fund revenues as the basis for allocating funds to the Parks budget. The 2.5% threshold is a minimum funding level.

Police Petty Cash Funds

In FY07 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 beginning 06-07.

GENERAL FUND LONG RANGE FINANCIAL PLAN  
PROJECTIONS FOR FY08-09

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

1 Fund Balance % of Revenues	15.00%	7.07%	0.33%	-2.69%	-6.40%	-10.85%	-16.37%
2	Projected						
3	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
4 Increase Population	1.59%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
5 Increase Property Valuation	City-Wide	4.00%	4.00%	4.00%	4.00%	3.50%	3.50%
6							
7 RESOURCES:							
8							
9 Beginning Fund Balance	\$ 1,915,700	\$ 1,163,200	\$ 522,400	\$ (36,300)	\$ (344,000)	\$ (741,200)	\$ (1,238,200)
10							
11 Property Taxes:	3,369,100	3,503,900	3,644,100	3,789,900	3,922,500	4,059,800	4,181,600
12 Dissolution of Urban Renewal District				659,900	683,000	706,900	728,100
13							
14 Licenses & Fees:	3% increase per year	2,506,900	2,582,100	2,659,600	2,739,400	2,821,600	2,993,400
15							
16 Intergovernmental:	Based on population increase	743,100	745,000	746,900	748,800	750,700	752,600
17							
18 Fines & Forfeits:	1% increase per year	689,200	696,100	703,100	710,100	717,200	724,400
19							
20 Miscellaneous:	1/2% increase per year	341,700	343,400	345,100	346,800	348,500	350,200
21							
22 Interfund Borrowing	130,000						
23							
24 TOTAL RESOURCES	\$ 9,695,700	\$ 9,033,700	\$ 8,621,200	\$ 8,958,600	\$ 8,899,500	\$ 8,758,900	\$ 8,503,000

GENERAL FUND LONG RANGE FINANCIAL PLAN  
PROJECTIONS FOR FY08-09

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

1 Fund Balance % of Revenues	15.00%	7.07%	0.33%	-2.69%	-6.40%	-10.85%	-16.37%
2	Projected						
3	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
23 CPI-W	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
24 Medical Insurance Premium Increase	11.0%	10%	10%	10%	10%	10%	10%
25 Materials & Services Increase		0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
26							
27 EXPENDITURES:							
28							
29 Personnel Services							
30 Costs excluding Medical Benefits CPI-W	\$ 5,285,700	\$ 5,444,300	\$ 5,607,600	\$ 5,775,800	\$ 5,949,100	\$ 6,127,600	\$ 6,311,400
31 Medical Insurance Benefits	746,800	821,500	903,700	994,100	1,093,500	1,202,900	1,323,200
32							
33 Materials & Services	1,541,900	\$ 1,549,600	\$ 1,557,300	\$ 1,565,100	\$ 1,572,900	\$ 1,580,800	\$ 1,588,700
34 Overhead Expenditures from Urban Renewal District				322,300	323,900	325,500	327,100
35 Library Ballot Expense		19,200					
36							
37 Capital Outlay							
38 Park Improvements	22,100	22,200	22,300	22,400	22,500	22,600	22,700
39 Repay Interfund Loan 5% interest		136,500					
40							
41 Transfer to Revenue Sharing	125,200	131,500	138,100	145,000	152,300	159,900	167,900
42 Transfer to 9-1-1 Fund	238,700	250,600	263,100	276,300	290,100	304,600	319,800
43 Transfer to City Hall Fund	459,700						
44							
45 TOTAL EXPENDITURES	\$ 8,420,100	\$ 8,375,400	\$ 8,492,100	\$ 9,101,000	\$ 9,404,300	\$ 9,723,900	\$ 10,060,800
46							
47 Contingency - 1% of Expenditures	79,600	83,800	84,900	91,000	94,000	97,200	100,600
48 Reserve for 27th pay-period	25,300	52,100	80,500	110,600	142,400	176,000	211,500
49 Reserve for K-9 Dog	7,500						
50 Fund Balance % of Revenues	1,163,200	522,400	(36,300)	(344,000)	(741,200)	(1,238,200)	(1,869,900)
51							
52 TOTAL EXPENDITURES & FUND BALANCE	\$ 9,695,700	\$ 9,033,700	\$ 8,621,200	\$ 8,958,600	\$ 8,899,500	\$ 8,758,900	\$ 8,503,000
53							
54 Beginning Fund Balance	1,915,700	1,163,200	522,400	(36,300)	(344,000)	(741,200)	(1,238,200)
55 Cash Needed (15% of Revenues)	1,167,000	1,180,600	1,214,800	1,349,200	1,386,500	1,425,000	1,461,200
56							
57 Amount needed to be Borrowed	none	17,400	692,400	1,385,500	1,730,500	2,166,200	2,699,400

# *City of Keizer*

## *GENERAL FUND LONG-RANGE FINANCIAL PLAN*

*Purpose and Goals:* The Budget Committee has reviewed and adopted a Long-Range Financial Plan for the City's General Fund for several years now. 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 fiscal year 2009, which is based on detailed analysis and research, the Plan is based on broad assumptions. The goal of this forecast is to provide the City Council and the Budget Committee with reasonable information to help guide policy decisions about 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 had a tax rate, replacing the existing tax base. Unlike most other Oregon cities, however, property tax revenues were sustained not reduced. Ballot Measure 50 also capped future increases at 3% of assessed value plus new construction. The tax rate is a permanent rate; \$2.0838 per \$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 Administration. The City's property tax revenues represent approximately 44% of General Fund revenues. Increases are expected to be 3% of existing property values plus a growth factor of 1% annually.

Each year the Long-Range Financial Plan assumes the full 3% increase in assessed value as allowed under Measure 50. It is important to note that this may be an overly optimistic assumption. Properties with assessed value equal to real market value will not be increased by 3% because assessed value cannot exceed real market value. At this time we do not know how many properties have equal assessed and real market values. Historically, the City has received the full 3% valuation increase.

The remaining 56% of General Fund revenues include Franchise Licenses and 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 71% of this total. This creates a disparity between revenues and expenditures because revenues increase an average of 2% while expenditures increase an average of 3%.

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

#### Forecast Assumptions

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

**Growth.** In recent years, Keizer has experienced 1% to 2% growth. 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 only adjusted for inflation or predicted cost increases. This approach does not include any additional staff or materials to handle increased population. Consequently, existing resources will be stretched to a larger group of citizens.

**Property Taxes (line 11).** Property tax revenues are expected to increase 3% for the increase in assessed value plus new growth anticipated at 1%.

Beginning with fiscal year 2012, 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).** Projected increases in Licenses and Fees include a 3% increase per year. Historically, Licenses & Fees have shown sporadic increases because of significant rate increases in the past few years. Utility rate increases and growth are factored into the 3% projection.

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

**Fines and Forfeits (line 18).** These revenues are projected at an increase of 1/2% per year. With the new electronic ticketing system 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 20).** These revenues are generally small one-time receipts or inconsistent revenue streams, which make them difficult to forecast. Due to the lack of more precise information, these revenues are forecasted to increase 1/2% per year.

**Personnel Services (line 29).** The Long-Range Plan is based on 2009 budgeted staffing levels of 93 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; therefore 3% is used to calculate Personnel Service costs over the long-term with the exception of Medical Benefits. Medical Benefits were projected based on insurance premium increases over the past two years which have averaged approximately 10%. Fiscal year 2009 Personnel Services were based on those employed with the City at the time the budget was prepared and include projected step and cost-of-living increases effective July 1, 2008. Projections for future years are based on less definitive assumptions.

**Materials & Services (line 33).** 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.

Beginning with fiscal year 2012 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. Currently these costs total \$467,000 of which the General Fund's share is estimated at \$322,300 in current dollars (line 34).

**Capital Outlay (line 37).** 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

## General Fund Long-Range Financial Plan

Continued

funded with donation revenues. Special levies could be considered as a method of funding large specific capital expenditures.

**Revenue Sharing Fund Transfer (line 41).** Funds transferred to Revenue Sharing are primarily for computer equipment and police vehicles and equipment.

**9-1-1 Transfer (line 42).** 9-1-1 Excise Tax revenues have been insufficient in recent years to fully fund the Program. Consequently, the General Fund subsidizes this fund at approximately \$240,000 in FY08-09.

**City Hall Fund Transfer (line 43).** This is a one-time transfer to pay the general fund's share of furnishings for the new civic center.

**Contingency (line 47).** A contingency amount of 1% of total expenditures for each year has been set aside to cover unforeseen costs.

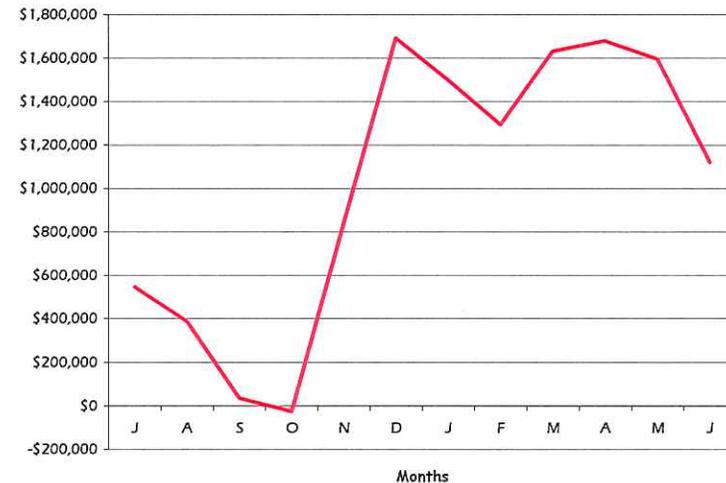
**Reserve for 27th pay-period (line 48).** The City pays salaries every two weeks, which typically equates to 26 pay-periods per year. However, every 11 years there are 27 pay-periods. The next time this will occur is in fiscal year 2015-2016. A reserve has been established to set funds aside each year for the next 8 years to pay this cost.

**Fund Balance (line 50).** The ultimate goal of the Plan is to sustain an ending fund balance sufficient to cover cash flow needs during the July - November period. The Plan projects a sufficient ending fund balance in fiscal years 2009. As

mentioned previously, additional tax revenues are anticipated after the Urban Renewal District ends which is expected in fiscal year 2012. This will help reduce the projected deficit but it does not eliminate the disparity between revenue and expenditure increases.

**Cash Flow Needs:** The City has traditionally used cash from other funds to meet the cash flow needs of the General Fund. For illustration, the graph below represents the cash balance of the General Fund in fiscal year 2004. At the beginning of the year, the fund had approximately \$975,000 in cash. General Fund expenditures support ongoing operating costs, in fact, 77% of the costs were for Personnel Services. Cash outlays are consistent from month to month and averaged approximately \$610,000 in 2004.

General Fund - Cash Flow Analysis  
FY 2004



## General Fund Long-Range Financial Plan

Continued

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.

Fiscal year 2004 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.

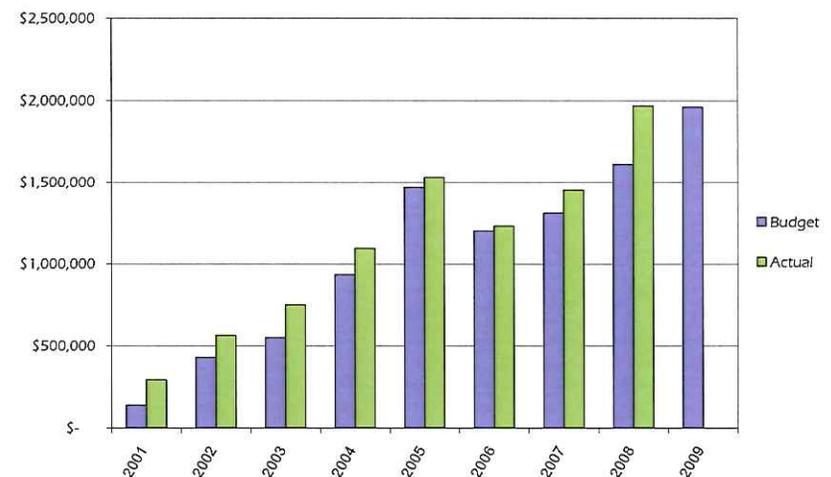
Lines 54-55 summarize cash flow projections over the life of the plan. Line 57 represents the estimated amount to be borrowed for General Fund purposes.

The various assumptions made for projecting revenues and expenditures shows the General Fund going into a deficit by the end of fiscal year 2015. Historically, the long-range plan has shown a deficit in one to two years past the current

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.

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



## STAFFING HISTORY - FULL TIME EQUIVALENTS

	Actual 2004-05	Actual 2005-06	Actual 2006-07	Actual 2007-08	Budgeted 2008-09
<b>CITY MANAGER</b>					
City Manager	1.0	1.0	1.0	1.0	1.0
Assistant to City Manager	0.0	0.0	0.0	1.0	1.0
Network Administrator	1.0	1.0	1.0	1.0	1.0
<i>Total</i>	2.0	2.0	2.0	3.0	3.0
<b>HUMAN RESOURCES</b>					
Human Resources Director	1.0	1.0	1.0	1.0	1.0
* Administrative Staff	1.0	1.0	1.0	1.0	1.0
<i>Total</i>	2.0	2.0	2.0	2.0	2.0
<b>FINANCE</b>					
Finance Director	1.0	1.0	1.0	1.0	1.0
* Accountant	1.0	1.0	1.0	1.0	1.0
* Accounting Technician	1.0	1.0	1.0	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 (previously Clerical Specialist)	0.5	0.5	0.5	1.0	1.0
Court Clerk II - Lead	1.0	1.0	1.0	1.0	1.0
* Receptionist	1.0	1.0	1.0	1.0	1.0
<i>Total</i>	9.5	9.5	9.5	10.0	10.0
<b>CITY RECORDER</b>					
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

## STAFFING HISTORY - FULL TIME EQUIVALENTS

	Actual 2004-05	Actual 2005-06	Actual 2006-07	Actual 2007-08	Budgeted 2008-09
<b>COMMUNITY DEVELOPMENT</b>					
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	0.5	0.0	0.0	0.0
Assistant Planner	0.0	0.0	1.0	1.0	1.0
Code Enforcement/Zoning Technician	1.5	1.5	1.0	1.0	1.0
Permit Specialist	1.0	1.0	1.0	1.0	1.0
<i>Total</i>	4.5	5.0	5.0	5.0	5.0
<b>PUBLIC WORKS</b>					
Public Works Director	1.0	1.0	1.0	1.0	1.0
Public Works Superintendent	1.0	1.0	1.0	1.0	1.0
Municipal Utility/ Parks	1.0	1.0	1.0	2.0	2.0
Municipal Utility/ Streets	1.0	1.0	1.0	1.0	1.0
Municipal Utility/ Water	9.0	11.0	11.0	11.0	11.0
Municipal Utility/ Storm	0.0	0.0	0.0	3.0	3.0
Storm Water Program Specialist	0.0	0.0	0.0	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>	15.0	17.0	17.0	22.0	22.0

## STAFFING HISTORY - FULL TIME EQUIVALENTS

	Actual 2004-05	Actual 2005-06	Actual 2006-07	Actual 2007-08	Budgeted 2008-09
<b>POLICE</b>					
Chief	1.0	1.0	1.0	1.0	1.0
Captain(s)	2.0	2.0	2.0	2.0	2.0
Sergeants	7.0	7.0	7.0	7.0	7.0
** Police Officers	22.0	22.0	24.0	24.0	24.0
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	39.0	41.0	41.0	41.0
Community Services Specialist	1.0	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0
Police Support Supervisor	1.0	1.0	1.0	1.0	1.0
Police Support Specialists	4.0	4.0	4.0	4.0	4.0
Community Services Officer	1.0	1.0	1.0	1.0	1.0
<i>Total Non-sworn Positions</i>	8.0	8.0	8.0	8.0	8.0
<i>Total</i>	47.0	47.0	49.0	49.0	49.0
<i>Grand Total</i>	82.0	84.5	86.5	93.0	93.0

\* Administrative Support Staff

\*\* One Police Officer position was held vacant from FY01 through FY05 because of funding constraints. This position was put back into the budget beginning in

CITY OF KEIZER  
SALARY ALLOCATION  
FY08-09 BUDGET

TITLE	General Fund					Other Funds						TOTAL
	Admin	Parks	Comm Dev	Police	Muni Court	Street	Utility	Water	SLD	Storm Water	Urban Renewal	
	102	106	108	111	115	012	040	042	043	046	050	
<b>CITY MANAGER</b>												
City Manager	28%					5%	1%	10%	1%	5%	50%	100%
Assistant to City Manager	40%					8%	2%	15%	2%	8%	25%	100%
Network Administrator	68%					3%	3%	16%	1%	6%	3%	100%
<b>HUMAN RESOURCES</b>												
Human Resources Director	68%					3%	3%	16%	1%	6%	3%	100%
Administrative Assistant	68%					3%	3%	16%	1%	6%	3%	100%
<b>FINANCE</b>												
Finance Director	20%					5%	21%	21%	5%	3%	25%	100%
Accountant	35%					5%	19%	25%	5%	1%	10%	100%
Accounting Technician	35%					5%	19%	25%	5%	1%	10%	100%
Utility Billing Technician							48%	49%		3%		100%
Utility Billing Clerks							48%	49%		3%		100%
Court Clerk I					100%							100%
Court Clerk II - Lead					100%							100%
Receptionist/Administrative Assistant	18%				25%	4%	8%	11%	2%	4%	28%	100%
<b>CITY RECORDER</b>												
City Recorder	65%					10%	2%	2%	10%	1%	10%	100%
Deputy City Recorder	27%	10%	20%	5%		3%	3%	3%	3%	1%	25%	100%
<b>COMMUNITY DEVELOPMENT</b>												
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			90%			10%						100%

CITY OF KEIZER  
SALARY ALLOCATION  
FY08-09 BUDGET

TITLE	General Fund					Other Funds						TOTAL
	Admin	Parks	Comm	Police	Muni	Street	Utility	Water	SLD	Storm	Urban	
	102	106	108	111	115	012	040	042	043	046	050	
<b>POLICE DEPARTMENT</b>												
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%
<b>PUBLIC WORKS</b>												
Public Works Director		2%				43%	3%	27%	5%	5%	15%	100%
Public Works Superintendent		5%				30%	5%	45%	5%	5%	5%	100%
Permit Specialist						43%	12%	30%	10%	5%		100%
Facility Maintenance	20%			20%		20%	5%	15%	5%	5%	10%	100%
Municipal Utility III - Streets, Water, Storm Water						25%		65%		10%		100%
Municipal Utility I - Streets/Storm						75%				25%		100%
Municipal Utility III - Storm/Streets						30%				70%		100%
Municipal Utility I - Parks		100%										100%
Municipal Utility - Water								100%				100%
Municipal Utility I - Storm										100%		100%
Storm Water Program Specialist										100%		100%

CITY OF KEIZER  
 CHANGES IN SALARY ALLOCATION  
 FY08-09 BUDGET

TITLE	Budgeted FY08-09								Budgeted FY07-08							
	General Fund	Street	Utility	Water	SLD	Storm Water	Urban Renewal	TOTAL	General Fund	Street	Utility	Water	SLD	Storm Water	Urban Renewal	TOTAL
	010	012	040	042	043	046	050	TOTAL	010	012	040	042	043	046	050	TOTAL
Human Resources Director	68%	3%	3%	16%	1%	6%	3%	100%	70%	4%	3%	17%	1%	2%	3%	100%
Administrative Assistant	68%	3%	3%	16%	1%	6%	3%	100%	70%	4%	3%	17%	1%	2%	3%	100%
Network Administrator	68%	3%	3%	16%	1%	6%	3%	100%	70%	4%	3%	17%	1%	2%	3%	100%

CITY OF KEIZER  
SALARIES BY BUDGETED POSITION  
FISCAL YEARS 2005 through 2009

LINE ITEM	FY05		FY06		FY07		FY08		FY09	
	COST	FTE								
ADMINISTRATIVE SUPPORT STAFF	\$ 315,598	9.5	\$ 338,800	9.5	\$ 358,400	9.5	\$ 369,700	9	\$ 383,700	9
ASSISTANT PLANNER							45,600	1	48,700	1
ASSISTANT TO CITY MANAGER							67,400	1	73,000	1
ASSOCIATE PLANNER			29,400	0.5	26,700	0.5				
BUILDING PERMIT SPECIALIST	36,096	1	38,000	1	39,200	1	42,200	1	43,500	1
CAPTAIN	154,632	2	158,200	2	162,400	2	178,600	2	189,400	2
CHIEF OF POLICE	89,496	1	91,500	1	93,900	1	103,300	1	109,600	1
CITY MANAGER	91,116	1	96,100	1	101,700	1	109,700	1	116,500	1
CITY RECORDER	63,600	1	65,000	1	66,900	1	68,800	1	71,100	1
CODE ENFORCEMENT	16,904	0.5	17,900	0.5	19,000	0.5				
CODE ENFORCEMENT/ZONING TECH							38,900	1	41,400	1
COMMUNITY DEVELOPMENT DIRECTOR	79,512	1	83,800	1	88,700	1	100,500	1	106,600	1
COMMUNITY SERVICES OFFICER	39,377	1	41,100	1	35,700	1	47,400	1	50,200	1
COURT CLERK	41,004	1	34,100	1	36,100	1	77,100	2	79,900	2
FACILITY MAINTENANCE WORKER	32,412	1	34,000	1	36,700	1	39,100	1	41,200	1
FINANCE DIRECTOR	81,192	1	83,200	1	85,400	1	98,700	1	99,600	1
HUMAN RESOURCE DIRECTOR	81,192	1	82,900	1	85,400	1	87,900	1	77,500	1

CITY OF KEIZER  
SALARIES BY BUDGETED POSITION  
FISCAL YEARS 2005 through 2009

LINE ITEM	FY05		FY06		FY07		FY08		FY09	
	COST	FTE	COST	FTE	COST	FTE	COST	FTE	COST	FTE
INVESTIGATIVE SERVICES SPECIALIST	43,459	1	44,000	1	45,200	1	46,500	1	47,800	1
MUNICIPAL UTILITY WORKER I	247,304	7	322,400	9	335,100	9	402,100	12	345,300	9
MUNICIPAL UTILITY WORKER II	83,033	2	84,900	2	87,200	2	133,200	3	228,600	5
MUNICIPAL UTILITY WORKER III	94,104	2	101,000	2	105,300	2	139,300	3	215,900	4
NETWORK ADMINISTRATOR	43,380	1	46,700	1	49,400	1	57,200	1	56,100	1
POLICE OFFICER	1,454,954	28	1,542,900	28.75	1,699,000	31	1,788,500	31	1,863,000	31
POLICE ADMINISTRATIVE ASSISTANT	37,644	1	36,200	1	39,400	1	42,500	1	44,600	1
POLICE SUPPORT SPECIALIST II	155,986	4	162,500	4	168,100	4	172,700	4	178,000	4
PUBLIC WORKS DIRECTOR	89,496	1	91,400	1	94,100	1	96,800	1	104,700	1
PUBLIC WORKS PERMIT SPECIALIST	31,752	1	33,300	1	36,700	1	38,800	1	41,100	1
PUBLIC WORKS SUPERINTENDENT	66,792	1	71,800	1	73,800	1	79,700	1	81,900	1
SERGEANT	459,972	7	475,600	7	492,300	7	532,800	7	549,300	7
SUPPORT SERVICES SUPERVISOR	50,808	1	53,500	1	54,900	1	56,500	1	61,100	1
SENIOR PLANNER	46,488	1	44,900	0.8	53,400	1	56,400	1	59,800	1
ZONING TECHNICIAN	36,048	1	38,000	1	40,300	1				
TOTAL SALARIES	\$ 4,063,351	81.0	\$ 4,343,100	84.1	\$ 4,610,400	86.5	\$ 5,117,900	93.0	\$ 5,409,100	93.0

**ALLOCATION OF SHARED COSTS**  
**Fiscal Year 2008-09**

	General Fund					Revenue Sharing Fund	Street Fund	Sewer Fund	Water Fund	SLD Fund	Storm Fund	Urban Renewal Fund	Total	FY 2007-08
	Admin	Parks	Com Dev	Police	Court									
1 Association Memberships	39,600						2,400	1,800	10,100	600	3,000	1,800	59,300	45,600
2 Audit	8,100						2,700	5,100	2,500	500	300	9,200	28,400	23,200
3 City Council Expenses	5,500						300	200	1,400	100	400	200	8,100	8,000
4 Computer & Software Maintenance	64,400						2,700	7,600	12,000	1,800	2,100	5,000	95,600	97,000
5 Computer Hardware						49,900	3,600	7,200	13,500	1,100	2,900	5,000	83,200	78,600
6 Facility Maintenance	13,900						800	600	3,500	200	1,000	600	20,600	37,300
7 Gas & Electricity	4,100	2,400		19,600			800	800	195,800	200	1,400	800	225,900	206,900
8 Insurance - Liability	9,300			83,900			15,500	13,600	57,900	400	800	400	181,800	175,200
9 Janitorial	7,500			28,500			2,200	1,600	11,900	500	2,700	1,600	56,500	36,000
10 Labor Attorney	10,700	1,100		15,000			1,200	500	8,200	200	1,900	500	39,300	33,900
11 Legal Services	35,900	4,000	41,800	5,000	100		22,000	2,400	10,300	1,000	6,000	45,300	173,800	148,200
12 Office Furniture & Equipment	459,700						27,400	20,600	116,600	6,900	34,300	20,600	686,100	26,000
13 Postage & Printing	35,300	500	5,300	15,200			2,100	21,300	28,700	500	7,100	1,600	117,600	121,000
14 Safety & Wellness	2,400						100	100	600	100	200	100	3,600	3,600
15 Telephone	2,500	2,500	700	23,200			1,800	800	16,500	300	400	1,700	50,400	56,400
16 Travel & Training	15,100	1,300	5,800	34,200	7,400		6,100	5,100	21,500	1,100	6,500	7,900	112,000	110,200

**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. The increase over FY08 includes increases in membership costs plus \$2,800 for the Iris Festival, \$5,000 for hosting the League of Oregon Cities annual conference, and \$650 for a new Ethic Commission fee.
- 2 Audit costs are allocated based on projected FY08 expenditures in each operating fund. Costs have increased due to new auditing requirements.
- 3 City Council Expenses include travel & training, miscellaneous office supplies & meetings during mealtimes.
- 4 Computer & Software Maintenance costs are primarily for maintaining existing systems.
- 5 Computer Hardware costs primarily include replacement equipment and equipment for new positions.
- 6 Facility Maintenance costs are allocated based on FTE City-wide. Staff plan to move into the new Civic Center in January 2009 and recommend a status quo budget until maintenance needs in the new facility can be assessed.
- 7 City-wide gas & electric costs are for City Hall facilities. 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. Portland General Electric anticipates a 7%-9% increase in rates in January 2009.
- 8 The City's Insurance carrier projects a 4% increase in rates. Projections are based on the FY08 budgeted amount.
- 9 Janitorial costs are allocated based on FTE City-wide, except the Police Department pays costs directly associated with the Police Department facility and the Water Fund pays costs directly related to the Public Works shop area. Staff anticipate janitorial cost will double with the new Civic Center beginning January 2009.
- 10 Labor Attorney costs include employee dispute resolution, Personnel Policy review and related consultation matters. In addition, both the KPA and Local 320 (Municipal Utility Workers) contracts are up for renewal July 1, 2009, therefore negotiation costs are included in the FY09 budget.
- 11 Legal Services are based on projected FY08 actual costs.
- 12 Office Furniture and Equipment includes furnishings for the new Civic Center. The cost is shared by each operating fund and shows up as a transfer in each fund.
- 13 The US Postal Service increased postage costs an average 2% beginning in May 2008. Costs for all programs and funds include some direct costs for related programs and activities.
- 14 Safety and Wellness includes \$300 for the First Aid Station; \$1,300 for industrial hearing tests, \$500 for publications, \$1,000 for the Health & Wellness Fair and \$500 for Miscellaneous Expenses.
- 15 Telephone costs include both land-lines and cell phones City-wide.
- 16 Travel & Training costs are budgeted by position and allocated based on each position's salary allocation. FY09 budgeted expenditures are consistent with FY08 budgeted expenditures.

## 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.

## GLOSSARY OF COMMON BUDGET TERMS

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

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

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

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

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

Department: An organizational unit of the City.

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

## CONTINUED

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.

## GLOSSARY OF COMMON BUDGET TERMS

CONTINUED

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

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

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

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

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

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.

## GLOSSARY OF COMMON BUDGET TERMS

CONTINUED

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

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

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

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

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

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

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

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

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

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