

Board Adopted Budget

Fiscal Year 2009 - 2010



Keizer Art Walk

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

Keizer Urban Renewal District

Marion County, Oregon

KEIZER URBAN RENEWAL AGENCY

FISCAL YEAR 2009-2010

Lore Christopher
Mayor

Members of the Budget Committee

Council Members:

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

Public Members:

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

Chris Eppley, City Manager
Shannon Johnson, City Attorney

Management Team:

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

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

FISCAL YEAR 2009-10 Budget Quotes on Democracy

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

Sydney J. Harris

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

Walter H. Judd

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

Thomas Jefferson

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

Louis L'Amour

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

Alastair Farrugia

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BUDGET OVERVIEW

Welcome to Keizer Urban Renewal Agency's Fiscal Year 2009-2010 Budget Document. This document was prepared to assist you in understanding the Financial Plan and Operation of the Agency. It is the financial tool which enables the Agency to allocate its resources, a policy tool to communicate decisions to the staff and citizens, and a communication tool to express the goals and priorities for the next fiscal year. The staff uses the budget document as an accounting tool to ensure financial integrity and as a management audit tool to measure performance. In summary, this budget document will serve many purposes.

BASIS OF BUDGETING

The budget is prepared on a line-item basis. However, the budget is adopted by object within all funds (e.g. Personnel Services, Materials & Services, Capital Outlay, Debt Service). Generally, the budget is prepared on a modified accrual basis. Revenues are recognized when they become measurable and available, and Expenditures are recognized when they are incurred. While the Agency reserves funds to replace equipment,

depreciation is not shown in the budget, although the full price of equipment and Capital Improvements is and the purchase of Capital Improvements is depreciated in the Annual Financial Report. All appropriations lapse at fiscal year-end to the extent that they have not been expended or lawfully re-budgeted.

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

BUDGET OVERVIEW

Continued

BUDGET PROCESS

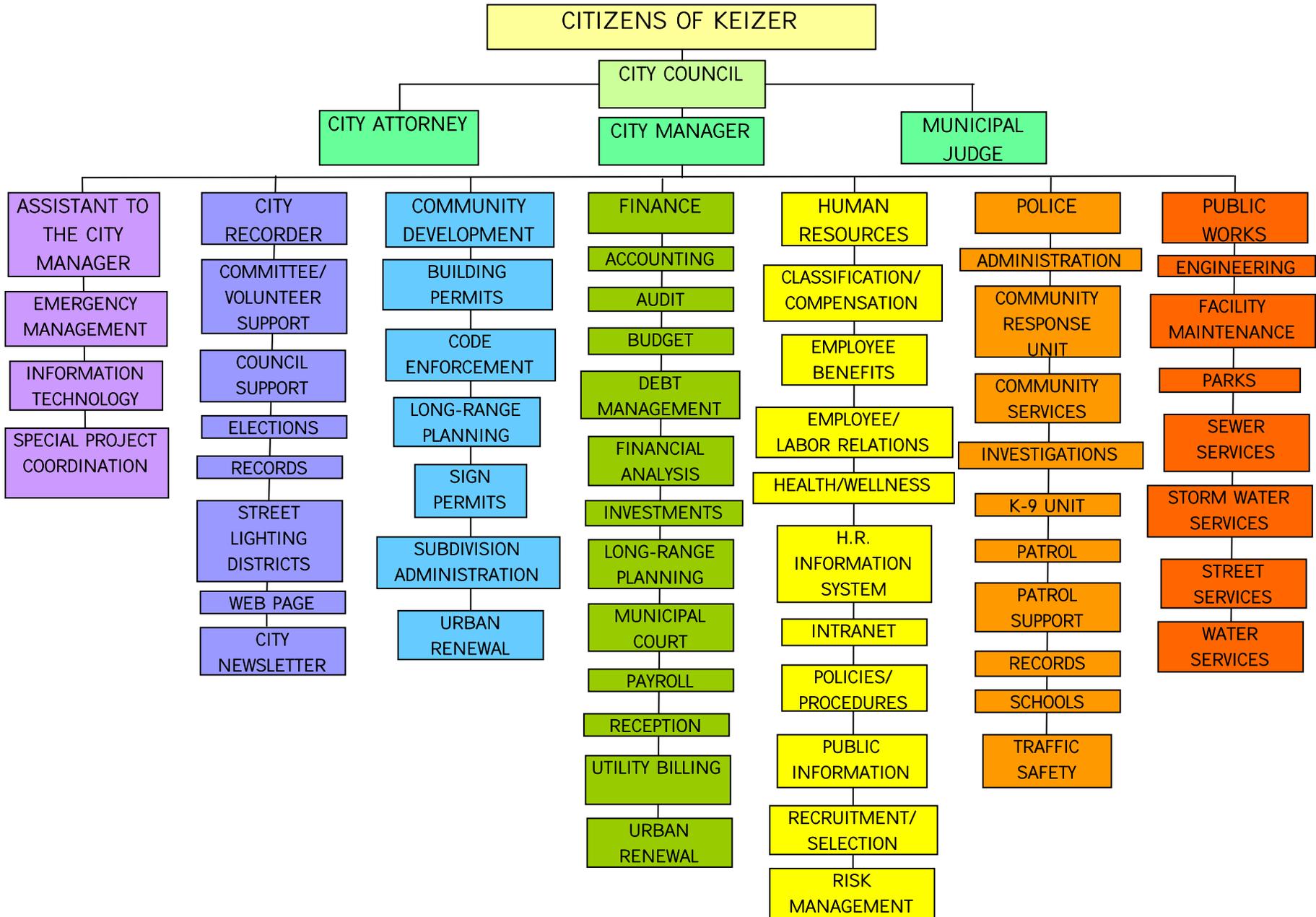
This document was prepared under the guidelines set forth under Oregon's Local Budget Law. This law establishes the standard procedures for preparing, presenting, and administering the budget. It also requires citizen involvement in the preparation and public disclosure before final adoption. Staff works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

with the City Manager to develop the annual City Manager's Recommended Budget taking into consideration the projects specified in the Urban Renewal Plan. Once complete, the document is presented to the Budget Committee for deliberation and approval, as amended.

FISCAL YEAR 2009-10 BUDGET CALENDAR

| | |
|---|---|
| Tuesday, April 14 th | Notice of Budget Committee meeting on Urban Renewal Budget to Keizertimes for publication on April 17 th and April 24 th for meeting on Tuesday, May 12 th at 5:45 p.m. |
| Tuesday, May 5 th | Urban Renewal Budget Document distributed to Budget Committee |
| Tuesday, May 12 th – 5:45 p.m. | Urban Renewal Budget Committee Meeting <ul style="list-style-type: none"> ◆ Election of Urban Renewal Budget Committee Chair ◆ Approval of Urban Renewal Budget Calendar ◆ Public Testimony ◆ Presentation of Keizer Urban Renewal District Budget Message ◆ Discussion of Urban Renewal Agency Budget |
| Tuesday, May 19 th – 5:45 p.m. | Alternate meeting to complete Urban Renewal Budget (if needed) |
| Tuesday, June 2 nd | Financial Summaries and notice of budget hearing in the Keizertimes for publication on Friday, June 5 th . |
| Monday June 15 th – 6:30 p.m. | Public hearing on Urban Renewal Budget. Board adoption of Budget. |
| Monday June 22 nd – 7:00 p.m. | Alternate public hearing on Urban Renewal Budget (if needed). Board adoption of Budget. |

ORGANIZATIONAL STRUCTURE



FINANCIAL POLICIES

- ◆ The Agency shall keep Government Costs and Services to a minimum by providing services to the community in a coordinated, efficient and least cost fashion.
- ◆ At June 30 of each year, sufficient reserves shall exist to adequately cover the cash flow needs of the fund and to adequately provide for economic uncertainties for the upcoming year. Should the fund balance fall below the targeted amount in a given fund, a plan for expenditure reductions and/or revenue increases shall be submitted to the Urban Renewal Board via the Budget Committee. If, at the end of a fiscal year, the fund balance falls below the target, then the Agency shall develop a plan to restore the fund balance.
- ◆ The City manages the Urban Renewal District and it is the City's policy to maintain a strong system of Internal Controls over its accounting functions.
- ◆ 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.
- ◆ 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."
- ◆ The Agency shall collect revenues aggressively, including past due bills of any type.

CITY OF KEIZER HISTORY

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

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

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

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

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

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

CITY OF KEIZER HISTORY

Continued

The City of Keizer operates under a Council-Manager form of government. The City Council consists of a Mayor and six Councilors. The City Manager is the administrative head of City government and is appointed by the City Council. There are 86 City employees working in seven departments: Administration, Finance, Human Resources, Public Works, Community Development, Municipal Court and Police Services.

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

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

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

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

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

“PRIDE, SPIRIT, AND VOLUNTEERISM”

Motto of the City of Keizer

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

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

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

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

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

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



Keizer Urban Renewal Agency

May 5, 2009

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

We are pleased to submit to you the Manager Recommended Budget for FY 2009-10. This budget will continue to strengthen the overall economic health of the commercial corridors, and enhance the aesthetic appeal and safety within the district.

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

Urban Renewal Districts in the state of Oregon are required to establish a maximum indebtedness which is the total cost to complete all of the projects in the Urban Renewal Plan. Once it reaches its maximum indebtedness the District has theoretically completed its purpose and stops collecting Tax Increment Revenue for new projects. After the outstanding debt has been repaid, the District dissolves. The District reached its maximum indebtedness of \$22,390,384 in FY 2004-05. In FY 2005-06 the District collected a sufficient amount of Tax Increment Revenue to pay off its existing debt.

In November 2005, the City Council passed the sixth amendment to the Keizer Urban Renewal District which increased the maximum indebtedness an additional \$23,500,000 extending the life of the District through FY 2011-12 (estimated). The sixth amendment also removed approximately one-third of the property values from the District boundaries, reducing the Tax Increment Revenue an estimated \$1.6 million. The two projects provided for in the sixth amendment include (1) a new Civic Center, which was substantially complete in March 2009 and (2) River Road Renaissance Projects, which will likely take several years to accomplish.

The following information highlights the major changes from the FY 2008-09 Budget:

PROJECT FUND

Revenues

Loan proceeds are from overnight debt issued from the Tax Increment Fund.

Expenditures

Personnel Services

Personnel Services related to general administration are now budgeted in the City of Keizer's Internal Services Fund. Personnel Services in the Urban Renewal Project Fund are for program staff including Community Development and

Public Works staff. Increases in Personnel Services over FY 2008-09 include:

- ◆ Cost-of-living increases (3.0% based on the Portland Consumer Price Index for wage earners).
- ◆ Annual merit increases.
- ◆ A 9% increase in Health Insurance Premiums and 6.6% increase in Dental Insurance Premiums. The City pays 95% of these premiums as part of its Employee Benefit Package.

Materials and Services

Materials & Services related to general administration are now budgeted in the City of Keizer's Internal Services Fund and are paid to the fund with an intergovernmental transfer.

Additional information for Personnel Services and Materials & Services line items is located in the "Staffing and Administrative Costs" section of the budget document. Details of the Internal Services Fund are located in the City of Keizer budget document.

Capital Outlay

The Capital Outlay projects for FY2009-10 support the 6th Amendment project activities as follows:

- ◆ Grant Program Expenses are matching funds to local businesses who participate in property enhancements such as landscaping.

- ◆ River Road Renaissance Projects include entryway, monumentation and gateway enhancements and enhancements to the five Renaissance Districts.
- ◆ Civic Center expenses include completion of the new building and construction of the Civic Center parking lot.

TAX INCREMENT FUND

Revenues

Tax increment revenues are expected to increase 2.6% over FY08-09 actual receipts. This includes 3% for increases in valuation, .01% (one-tenth of one percent) for new development less 7.9% estimated uncollected by fiscal year end. FY08-09 uncollected taxes are estimated to be 7.4% of amounts levied; up from 6.5% in FY07-08 likely due to the economic downturn.

Expenditures

Tax Increment Fund moneys are restricted for debt service payments. The loan payment in this fund is to pay off the overnight debt issued to bring cash into the Project Fund.

The bond principal payment is to pay down on the line-of-credit issued in FY09-10 to finance a portion of the Civic Center. The District expects to receive sufficient Tax Increment Revenues within the next four years to fully repay this debt.

Summary

The FY 2009-10 Manager's Recommended Budget projects **\$4,809,400** in revenues and **\$1,320,100** as Working Capital Carryover. These resources will be used to fund projects expected to cost **\$1,375,200** and to pay debt service of **\$4,650,000**.

We are pleased to recommend this budget for your consideration and adoption. We would like to compliment and thank everyone involved in the development of the FY 2009-10 Manager Recommended Budget. We appreciate the thoughtfulness that the Chair, Board Members, and Budget Committee take in reviewing this document, the important questions they ask and the requests for details needed to understand and appreciate the Agency services and to provide a document that is easily read by the citizens we serve.

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

Respectfully submitted,

Chris Eppley
City Manager

Susan Gahlsdorf
Budget Officer

*KEIZER URBAN RENEWAL DISTRICT
2009-2010 Tax Increment Revenue Estimates*

Urban Renewal Tax Increment Revenues

Assessed Value inside Keizer's Plan Area

Assessed Value (frozen)

Increment Value

Tax Rate per \$1,000 Increment Value
Adjustments

Division of Tax Revenues

Uncollectables and Discounts (7.4% FY08-09 & 7.9% FY09-10)

Net Anticipated Tax Collection

| | | |
|---------------------------|---------------------|------------------|
| 2008-09 Actual Revenue | Maximum Assessed | \$314,332 |
| \$310,760,972 | Value Increase | New Construction |
| 45,328,593 | 3% | 0.1% |
| \$265,432,379 | \$273,395,350 | \$273,709,682 |
| \$15.0916 (1,519) | \$15.0916 | \$15.0916 |
| \$4,004,280 | \$4,125,973 | \$4,130,717 |
| (296,080) | (325,708) | (326,082) |
| \$3,708,200 | \$3,800,265 | \$3,804,635 |

SPECIAL REVENUE FUNDS
URBAN RENEWAL AGENCY

| | ACTUAL 2006-07 | ACTUAL 2007-08 | AMENDED 2008-09 | PROJECTED 2008-09 | | RECOMMENDED 2009-10 | APPROVED 2009-10 | ADOPTED 2009-10 |
|------------------|--------------------------------|----------------------|----------------------|----------------------|---|------------------------|---------------------|---------------------|
| RESOURCES | | | | | | | | |
| 1 | \$ 1,852,354 | \$ 3,690,160 | \$ 1,174,300 | \$ 1,602,400 | <i>Working Capital Carryforward</i> | \$ 1,320,100 | \$ 1,320,100 | \$ 1,320,100 |
| 2 | | | | | | | | |
| 3 | TAXES & ASSESSMENTS | | | | | | | |
| 4 | 2,791,901 | 3,290,705 | 3,617,700 | 3,708,200 | Tax Increment Revenue | 3,804,600 | 3,804,600 | 3,804,600 |
| 5 | 146,524 | 118,773 | 103,500 | 141,600 | Prior Year Taxes | 133,200 | 133,200 | 133,200 |
| 6 | <u>\$ 2,938,425</u> | <u>\$ 3,409,478</u> | <u>\$ 3,721,200</u> | <u>\$ 3,849,800</u> | TOTAL TAXES & ASSESSMENTS | <u>\$ 3,937,800</u> | <u>\$ 3,937,800</u> | <u>\$ 3,937,800</u> |
| 7 | | | | | | | | |
| 8 | DEBT PROCEEDS | | | | | | | |
| 9 | - | 6,539,000 | 2,835,400 | - | Loan Proceeds | 850,000 | 850,000 | 850,000 |
| 10 | - | - | 9,505,700 | 12,260,000 | Bond Proceeds | - | - | - |
| 11 | <u>\$ -</u> | <u>\$ 6,539,000</u> | <u>\$ 12,341,100</u> | <u>\$ 12,260,000</u> | TOTAL DEBT PROCEEDS | <u>\$ 850,000</u> | <u>\$ 850,000</u> | <u>\$ 850,000</u> |
| 12 | | | | | | | | |
| 13 | MISCELLANEOUS | | | | | | | |
| 14 | 154,008 | 193,296 | 257,800 | 34,200 | Interest | 21,600 | 21,600 | 21,600 |
| 15 | <u>\$ 154,008</u> | <u>\$ 193,296</u> | <u>\$ 257,800</u> | <u>\$ 34,200</u> | TOTAL MISCELLANEOUS | <u>\$ 21,600</u> | <u>\$ 21,600</u> | <u>\$ 21,600</u> |
| 16 | | | | | | | | |
| 17 | INTERGOVERNMENTAL | | | | | | | |
| 18 | 103,392 | - | - | - | Reimbursement from Keizer Station LID Fund | - | - | - |
| 19 | | | | | | | | |
| 20 | <u>\$ 5,048,179</u> | <u>\$ 13,831,934</u> | <u>\$ 17,494,400</u> | <u>\$ 17,746,400</u> | TOTAL RESOURCES | <u>\$ 6,129,500</u> | <u>\$ 6,129,500</u> | <u>\$ 6,129,500</u> |
| 21 | | | | | | | | |
| 22 | REQUIREMENTS | | | | | | | |
| 23 | | | | | | | | |
| 24 | EXPENDITURES | | | | | | | |
| 25 | \$ 255,630 | \$ 273,515 | \$ 312,900 | \$ 310,400 | Personnel Services | \$ 93,900 | \$ 93,900 | \$ 93,900 |
| 26 | 102,231 | 70,757 | 90,600 | 84,000 | Materials & Services | 9,100 | 9,100 | 9,100 |
| 27 | 997,352 | 5,345,130 | 12,396,100 | 12,411,300 | Capital Outlay | 952,700 | 952,700 | 952,700 |
| 28 | - | 6,540,090 | 3,542,100 | 3,600,000 | Debt Service | 4,650,000 | 4,650,000 | 4,650,000 |
| 29 | - | - | 39,000 | - | Contingency | 38,400 | 38,400 | 38,400 |
| 30 | <u>\$ 1,355,213</u> | <u>\$ 12,229,492</u> | <u>\$ 16,380,700</u> | <u>\$ 16,405,700</u> | TOTAL EXPENDITURES | <u>\$ 5,744,100</u> | <u>\$ 5,744,100</u> | <u>\$ 5,744,100</u> |
| 31 | | | | | | | | |
| 32 | SPECIAL PAYMENTS | | | | | | | |
| 33 | 2,806 | - | 36,000 | 20,600 | Reimbursement to City of Keizer (Internal Services) | 281,100 | 280,900 | 281,000 |
| 34 | | | | | | | | |
| 35 | FUND BALANCE | | | | | | | |
| 36 | - | - | 674,500 | - | Restricted for Debt Service | - | - | - |
| 37 | 3,690,160 | 1,602,442 | 403,200 | 1,320,100 | Unrestricted Ending Fund Balance | 104,300 | 104,500 | 104,400 |
| 38 | | | | | | | | |
| 39 | <u>\$ 5,048,179</u> | <u>\$ 13,831,934</u> | <u>\$ 17,494,400</u> | <u>\$ 17,746,400</u> | TOTAL REQUIREMENTS | <u>\$ 6,129,500</u> | <u>\$ 6,129,500</u> | <u>\$ 6,129,500</u> |

CAPITAL PROJECTS FUND

| |
|-----------------------------------|
| URBAN RENEWAL PROJECT FUND |
|-----------------------------------|

| | | | |
|-------------------|-------------------|--------------------|----------------------|
| ACTUAL 2006-07 | ACTUAL 2007-08 | AMENDED 2008-09 | PROJECTED 2008-09 |
|-------------------|-------------------|--------------------|----------------------|

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

RESOURCES

| | | | | | | | | |
|----|---------------------|---------------------|----------------------|----------------------|--|---------------------|---------------------|---------------------|
| 1 | \$ 1,473,449 | \$ 265,043 | \$ 786,700 | \$ 1,163,000 | <i>Working Capital Carryforward</i> | \$ 602,700 | \$ 602,700 | \$ 602,700 |
| 2 | | | | | | | | |
| 3 | | | | | <i>DEBT PROCEEDS</i> | | | |
| 4 | - | 6,539,000 | 2,835,400 | - | Loan Proceeds | 850,000 | 850,000 | 850,000 |
| 5 | - | - | 9,505,700 | 12,260,000 | Bond Proceeds | - | - | - |
| 6 | \$ - | \$ 6,539,000 | \$ 12,341,100 | \$ 12,260,000 | TOTAL DEBT PROCEEDS | \$ 850,000 | \$ 850,000 | \$ 850,000 |
| 7 | | | | | | | | |
| 8 | | | | | <i>MISCELLANEOUS</i> | | | |
| 9 | 46,221 | 48,377 | 150,000 | 6,000 | Interest | 5,000 | 5,000 | 5,000 |
| 10 | \$ 46,221 | \$ 48,377 | \$ 150,000 | \$ 6,000 | TOTAL MISCELLANEOUS | \$ 5,000 | \$ 5,000 | \$ 5,000 |
| 11 | | | | | | | | |
| 12 | | | | | <i>INTERGOVERNMENTAL</i> | | | |
| 13 | 103,392 | - | - | - | Reimbursement from Keizer Station LID Fund | - | - | - |
| 14 | | | | | | | | |
| 15 | \$ 1,623,062 | \$ 6,852,420 | \$ 13,277,800 | \$ 13,429,000 | TOTAL RESOURCES | \$ 1,457,700 | \$ 1,457,700 | \$ 1,457,700 |

- Notes:
- 4 Loan proceeds are funds borrowed to help pay administrative costs and project expenses in the upcoming year. Tax increment revenues from the Tax Increment Fund are used to repay the debt.
 - 9 Urban Renewal cash balances are pooled with City funds and held at the Oregon State Treasury and a local bank. Interest rates dropped from 3.2% in July 2008 to 1.4% in March 2009.

CAPITAL PROJECTS FUND

| |
|-----------------------------------|
| URBAN RENEWAL PROJECT FUND |
|-----------------------------------|

| | | | |
|-------------------|-------------------|--------------------|----------------------|
| ACTUAL 2006-07 | ACTUAL 2007-08 | AMENDED 2008-09 | PROJECTED 2008-09 |
|-------------------|-------------------|--------------------|----------------------|

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

REQUIREMENTS

| | | | | | <i>PERSONNEL SERVICES</i> | | | | | | | | | | |
|----|----|---------|----|---------|---------------------------|---------|----|---------|--|----|--------|----|--------|----|--------|
| 16 | | | | | | | | | | | | | | | |
| 17 | \$ | 50,648 | \$ | 54,625 | \$ | 58,100 | \$ | 58,100 | City Manager (2) | \$ | - | \$ | - | \$ | - |
| 18 | | - | | 2,257 | | 18,200 | | 18,200 | Assistant to City Manager (4) | | - | | - | | - |
| 19 | | 18,771 | | 15,174 | | 15,700 | | 15,700 | Public Works Director | | 5,400 | | 5,400 | | 5,400 |
| 20 | | 3,677 | | 3,963 | | 4,100 | | 4,100 | Public Works Superintendent | | 4,300 | | 4,300 | | 4,300 |
| 21 | | - | | - | | - | | - | Municipal Utility Worker | | 3,300 | | 3,300 | | 3,300 |
| 22 | | 6,670 | | 7,117 | | 7,100 | | 7,100 | City Recorder (5) | | - | | - | | - |
| 23 | | 31,857 | | 35,030 | | 37,300 | | 37,300 | Community Development Director | | 39,600 | | 39,600 | | 39,600 |
| 24 | | - | | 4,647 | | 4,900 | | 4,900 | Associate Planner | | 5,400 | | 5,400 | | 5,400 |
| 25 | | 5,735 | | 5,630 | | 6,000 | | 6,000 | Senior Planner | | 6,400 | | 6,400 | | 6,400 |
| 26 | | 32,709 | | 34,448 | | 36,300 | | 35,300 | Administrative Support Staff | | 4,500 | | 4,500 | | 4,500 |
| 27 | | 1,475 | | 1,575 | | 1,700 | | 1,700 | Network Administrator (4) | | - | | - | | - |
| 28 | | 2,553 | | 3,544 | | 2,400 | | 2,400 | Human Resources Director (6) | | - | | - | | - |
| 29 | | 24,469 | | 24,086 | | 24,900 | | 24,900 | Finance Director (7) | | - | | - | | - |
| 30 | | 3,603 | | 3,847 | | 4,100 | | 4,100 | Facility Maintenance Worker (8) | | - | | - | | - |
| 31 | | - | | - | | 1,600 | | 1,400 | Cell Phone Stipend | | 500 | | 500 | | 500 |
| 32 | | 26 | | 171 | | 500 | | 500 | Overtime | | 400 | | 400 | | 400 |
| 33 | | 4,600 | | 4,600 | | 4,600 | | 4,600 | Vehicle Allowance/Tuition Assistance (2) | | - | | - | | - |
| 34 | | 2,860 | | 3,067 | | 3,500 | | 3,500 | Medicare | | 1,100 | | 1,100 | | 1,100 |
| 35 | | 40,436 | | 40,547 | | 47,100 | | 45,800 | Retirement | | 12,300 | | 12,300 | | 12,300 |
| 36 | | 25,143 | | 28,579 | | 34,100 | | 34,100 | Insurance Benefits | | 10,500 | | 10,500 | | 10,500 |
| 37 | | 398 | | 608 | | 700 | | 700 | Workers Compensation | | 200 | | 200 | | 200 |
| 38 | \$ | 255,630 | \$ | 273,515 | \$ | 312,900 | \$ | 310,400 | TOTAL PERSONNEL SERVICES | \$ | 93,900 | \$ | 93,900 | \$ | 93,900 |

Notes:

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

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

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

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

26 Beginning FY09-10, Administrative Support Staff includes Community Development staff only. General administrative staff are in the Internal Services Section of the budget.

CAPITAL PROJECTS FUND

| |
|-----------------------------------|
| URBAN RENEWAL PROJECT FUND |
|-----------------------------------|

| | ACTUAL 2006-07 | ACTUAL 2007-08 | AMENDED 2008-09 | PROJECTED 2008-09 | | RECOMMENDED 2009-10 | APPROVED 2009-10 | ADOPTED 2009-10 |
|----|-------------------|-------------------|--------------------|----------------------|--|------------------------|---------------------|--------------------|
| 39 | | | | | <i>MATERIALS & SERVICES</i> | | | |
| 40 | \$ 1,700 | \$ 1,769 | \$ 2,000 | 1,800 | Materials & Supplies | \$ 2,000 | \$ 2,000 | \$ 2,000 |
| 41 | 161 | 65 | 100 | 100 | Safety and Wellness (6) | - | - | - |
| 42 | 1,430 | 1,082 | 1,600 | 1,500 | Postage & Printing | 1,600 | 1,600 | 1,600 |
| 43 | 1,225 | 1,580 | 1,800 | 1,800 | Association Memberships (1) | - | - | - |
| 44 | - | - | 300 | 300 | Association Memberships* - Ethics Commission | 300 | 300 | 300 |
| 45 | 3,916 | 6,636 | 7,900 | 7,900 | Training & Travel (2)-(8) | 1,200 | 1,200 | 1,200 |
| 46 | 200 | 225 | 200 | 300 | Board Expenses (1) | - | - | - |
| 47 | 776 | 851 | 1,100 | 1,100 | Advertising | 1,100 | 1,100 | 1,100 |
| 48 | 35,287 | 30,964 | 45,300 | 45,300 | Legal Services (3) | - | - | - |
| 49 | 281 | 457 | 500 | 300 | Labor Attorney (6) | - | - | - |
| 50 | 18,569 | 5,031 | 4,300 | 1,100 | Contractual Services (1) | - | - | - |
| 51 | 6,291 | 7,540 | 9,200 | 9,200 | Audit (7) | - | - | - |
| 52 | 1,101 | 1,240 | 1,600 | 1,600 | Janitorial (8) | - | - | - |
| 53 | 691 | 815 | 800 | 800 | Gas & Electricity (8) | - | - | - |
| 54 | 923 | 1,476 | 1,700 | 1,700 | Telephone (4) | - | - | - |
| 55 | 275 | 358 | 400 | 300 | Liability Insurance (1) | - | - | - |
| 56 | 4,177 | 5,547 | 5,000 | 4,500 | Computer Software (4) | - | - | - |
| 57 | 649 | 498 | 800 | 800 | Equipment Maintenance (4) | - | - | - |
| 58 | 655 | 430 | 600 | 600 | Facility Maintenance (8) | - | - | - |
| 59 | 23,371 | 2,284 | 2,500 | 2,500 | Engineering | 2,500 | 2,500 | 2,500 |
| 60 | 20 | 11 | 100 | 100 | Medical Testing | - | - | - |
| 61 | 527 | 1,852 | 2,800 | 400 | Bond Issue Costs - Overnight Debt | 400 | 400 | 400 |
| 62 | 6 | 46 | - | - | Miscellaneous | - | - | - |
| 63 | \$ 102,231 | \$ 70,757 | \$ 90,600 | \$ 84,000 | TOTAL MATERIALS & SERVICES | \$ 9,100 | \$ 9,100 | \$ 9,100 |

Notes:

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

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

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

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

CAPITAL PROJECTS FUND

| |
|-----------------------------------|
| URBAN RENEWAL PROJECT FUND |
|-----------------------------------|

| | ACTUAL 2006-07 | ACTUAL 2007-08 | AMENDED 2008-09 | PROJECTED 2008-09 | | RECOMMENDED 2009-10 | APPROVED 2009-10 | ADOPTED 2009-10 |
|----|---------------------|---------------------|----------------------|----------------------|------------------------------------|------------------------|---------------------|---------------------|
| 64 | | | | | CAPITAL OUTLAY | | | |
| 65 | \$ 528 | \$ - | \$ - | \$ - | - Street Improvements | \$ - | \$ - | \$ - |
| 66 | (330) | - | 50,000 | 50,000 | Gateway/Signage (RRR) | 50,000 | 50,000 | 50,000 |
| 67 | - | - | - | - | - Crosswalks - ADA Standards | - | - | - |
| 68 | - | - | - | 300 | Aerial Photos | - | - | - |
| 69 | 3,099 | 2,983 | 5,000 | 4,400 | Computer Hardware | - | - | - |
| 70 | 153,470 | - | 200,000 | 200,000 | Grant Programs (RRR) | 200,000 | 200,000 | 200,000 |
| 71 | 262,531 | 36 | - | 100 | Property Acquisition & Development | - | - | - |
| 72 | 127,346 | 148,569 | 300,000 | 300,000 | River Road Renaissance Projects | 300,000 | 300,000 | 300,000 |
| 73 | 7,008 | 7,184 | - | - | - Master Plans | - | - | - |
| 74 | 443,700 | 5,186,358 | 11,841,100 | 11,856,500 | Civic Center | 402,700 | 402,700 | 402,700 |
| 75 | <u>\$ 997,352</u> | <u>\$ 5,345,130</u> | <u>\$ 12,396,100</u> | <u>\$ 12,411,300</u> | TOTAL CAPITAL OUTLAY | <u>\$ 952,700</u> | <u>\$ 952,700</u> | <u>\$ 952,700</u> |
| 76 | | | | | | | | |
| 77 | - | - | 39,000 | - | - Contingency | 38,400 | 38,400 | 38,400 |
| 78 | | | | | | | | |
| 79 | | | | | SPECIAL PAYMENTS | | | |
| 80 | 2,806 | - | 36,000 | 20,600 | Reimbursement to City of Keizer | 281,100 | 280,900 | 281,000 |
| 81 | <u>\$ 2,806</u> | <u>\$ -</u> | <u>\$ 36,000</u> | <u>\$ 20,600</u> | TOTAL SPECIAL PAYMENTS | <u>\$ 281,100</u> | <u>\$ 280,900</u> | <u>\$ 281,000</u> |
| 82 | | | | | | | | |
| 83 | | | | | FUND BALANCE | | | |
| 84 | 265,043 | 1,163,018 | 403,200 | 602,700 | Unrestricted Ending Fund Balance | 82,500 | 82,700 | 82,600 |
| 85 | | | | | | | | |
| 86 | <u>\$ 1,623,062</u> | <u>\$ 6,852,420</u> | <u>\$ 13,277,800</u> | <u>\$ 13,429,000</u> | TOTAL REQUIREMENTS | <u>\$ 1,457,700</u> | <u>\$ 1,457,700</u> | <u>\$ 1,457,700</u> |

- Notes:
- 66 Gateway/Signage expenses are part of the River Road Renaissance Project Costs.
 - 70 Grant programs are part of the River Road Renaissance project costs and are the District's matching funds to local businesses who participate in property enhancements such as landscaping.
 - 74 The Civic Center expenses for FY09-10 include completion of the new building and construction of the Civic Center parking lot.
 - 77 Contingency is 10% of Operating Costs (Personnel Services, Materials & Services and Special Payments) and is only to be used for unanticipated Operating Costs that were not known at the time the budget was adopted.
 - 81 The Special Payment to the City of Keizer Internal Services Fund is to pay the Urban Renewal Funds share of administrative costs.

SPECIAL REVENUE FUND

URBAN RENEWAL TAX INCREMENT FUND

| | ACTUAL 2006-07 | ACTUAL 2007-08 | AMENDED 2008-09 | PROJECTED 2008-09 | | RECOMMENDED 2009-10 | APPROVED 2009-10 | ADOPTED 2009-10 |
|------------------|--------------------------------|---------------------|---------------------|----------------------|--------------------------------------|------------------------|---------------------|---------------------|
| RESOURCES | | | | | | | | |
| 1 | \$ 378,905 | \$ 3,425,117 | \$ 387,600 | \$ 439,400 | <i>Working Capital Carryforward</i> | \$ 717,400 | \$ 717,400 | \$ 717,400 |
| 2 | | | | | | | | |
| 3 | TAXES & ASSESSMENTS | | | | | | | |
| 4 | 2,791,901 | 3,290,705 | 3,617,700 | 3,708,200 | Tax Increment Revenue | 3,804,600 | 3,804,600 | 3,804,600 |
| 5 | 146,524 | 118,773 | 103,500 | 141,600 | Prior Year Taxes | 133,200 | 133,200 | 133,200 |
| 6 | <u>2,938,425</u> | <u>3,409,478</u> | <u>3,721,200</u> | <u>3,849,800</u> | TOTAL TAXES & ASSESSMENTS | <u>\$3,937,800</u> | <u>\$3,937,800</u> | <u>3,937,800</u> |
| 7 | | | | | | | | |
| 8 | MISCELLANEOUS | | | | | | | |
| 9 | 107,787 | 144,919 | 107,800 | 28,200 | Interest | 16,600 | 16,600 | 16,600 |
| 10 | <u>\$ 3,425,117</u> | <u>\$ 6,979,514</u> | <u>\$ 4,216,600</u> | <u>\$ 4,317,400</u> | TOTAL RESOURCES | <u>\$ 4,671,800</u> | <u>\$ 4,671,800</u> | <u>\$ 4,671,800</u> |
| 11 | | | | | | | | |
| 12 | REQUIREMENTS | | | | | | | |
| 13 | | | | | | | | |
| 14 | DEBT SERVICE | | | | | | | |
| 15 | | | | | | | | |
| 16 | \$ - | \$ 1,090 | \$ 568,700 | \$ 100,000 | Interest | \$ 150,000 | \$ 150,000 | 150,000 |
| 17 | | 6,539,000 | 2,973,400 | - | Loan Payment | 850,000 | 850,000 | 850,000 |
| 18 | - | - | - | 3,500,000 | Bond Principal Payment | 3,650,000 | 3,650,000 | 3,650,000 |
| 19 | <u>\$ -</u> | <u>\$ 6,540,090</u> | <u>\$ 3,542,100</u> | <u>\$ 3,600,000</u> | TOTAL DEBT SERVICE | <u>\$ 4,650,000</u> | <u>\$ 4,650,000</u> | <u>\$ 4,650,000</u> |
| 20 | | | | | | | | |
| 21 | FUND BALANCE | | | | | | | |
| 22 | - | - | 674,500 | - | Restricted for Debt Service | - | - | - |
| 23 | 3,425,117 | 439,424 | - | 717,400 | Unrestricted Ending Fund Balance | 21,800 | 21,800 | 21,800 |
| 24 | | | | | | | | |
| 25 | <u>\$ 3,425,117</u> | <u>\$ 6,979,514</u> | <u>\$ 4,216,600</u> | <u>\$ 4,317,400</u> | TOTAL REQUIREMENTS | <u>\$ 4,671,800</u> | <u>\$ 4,671,800</u> | <u>\$ 4,671,800</u> |

Notes:

- 4 Tax increment revenues are expected to increase 2.6% over FY08-09 actual receipts. This includes 3% for increases in valuation, .01% (one-tenth of one percent) for new development less 7.9% estimated uncollected by fiscal year end. FY08-09 uncollected taxes are estimated to be 7.4% of amounts levied; up from 6.5% in FY07-08 likely due to the economic downturn.
- 5 Delinquent tax payments from property taxpayers increase each year with the amount of Tax Increment Revenue apportioned to Urban Renewal.
- 17 Tax Increment Fund moneys are restricted for debt service payments. Typically, each year overnight debt is issued to bring cash into the Project Fund. The debt is paid from the Tax Increment Fund.
- 18 The bond principal payment is to pay down on the line-of-credit issued in FY08-09 which partially funds the civic center.

BUDGET NOTES

TAX INCREMENT FUND

Revenues

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

Debt Service

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

Reserves

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

PROJECT FUND

Each year it is Council policy to give employees a cost-of-living increase equal to the Portland Consumer Price index for urban wage earners and clerical workers.

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

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

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

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

(1) Includes retirement payout in FY07-08

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

| LINE ITEM | FY06 | FY07 | FY08 | FY09 | FY10 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| | ACTUAL | ACTUAL | ACTUAL | PROJECTED | BUDGETED |
| 1 Vehicle Allowance/Tuition Assistance | \$ 9,200 | \$ 9,200 | \$ 9,200 | \$ 4,200 | \$ 4,200 |
| 2 Cell Phone Stipend/Clothing Allowance | 0 | 0 | 0 | 37,800 | 51,700 |
| 3 Medicare | 69,405 | 74,066 | 81,313 | 89,200 | 92,800 |
| 4 Retirement | 1,028,619 | 1,100,821 | 1,113,804 | 1,233,000 | 1,069,400 |
| 5 Insurance Benefits | 720,392 | 830,577 | 906,939 | 1,103,100 | 1,266,100 |
| 6 Workers Compensation | 81,403 | 57,083 | 50,835 | 62,200 | 52,000 |
| | <u>\$ 1,909,019</u> | <u>\$ 2,071,747</u> | <u>\$ 2,162,091</u> | <u>\$ 2,529,500</u> | <u>\$ 2,536,200</u> |

Notes:

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

STAFFING HISTORY - FULL TIME EQUIVALENTS

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

STAFFING HISTORY - FULL TIME EQUIVALENTS

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

STAFFING HISTORY - FULL TIME EQUIVALENTS

| | Actual FY05-06 | Actual FY06-07 | Actual FY07-08 | Actual FY08-09 | Budgeted 2009-10 |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| POLICE | | | | | |
| Chief | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Captain(s) | 2.0 | 2.0 | 2.0 | 2.0 | 1.0 |
| Sergeants | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |
| ** Police Officers | 22.0 | 24.0 | 24.0 | 24.0 | 27.0 |
| Detectives | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| School Resource Officers | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| <i>Total Sworn Positions</i> | 39.0 | 41.0 | 41.0 | 41.0 | 43.0 |
| * Investigative Services Specialist | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| * Property & Evidence Specialist | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| * Administrative Assistant | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| * Police Support Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| * Police Support Specialists | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Community Services Officer | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| <i>Total Non-sworn Positions</i> | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 |
| <i>Total</i> | 47.0 | 49.0 | 49.0 | 49.0 | 51.0 |
| <i>Grand Total</i> | 84.5 | 86.5 | 93.0 | 93.0 | 97.0 |

* Classified as Administrative Support in budget document

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

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

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

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

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

| TITLE | General Fund | | | | | Other Funds | | | | | | | TOTAL |
|---|--------------|-------|-------------|--------|---------------|-------------|-------|-------|-----|----------------|------------------|-------|-------|
| | Admin | Parks | Comm Dev | Police | Muni Court | Street | Sewer | Water | SLD | Storm Water | Urban Renewal | Other | |
| | 102 | 106 | 108 | 111 | 115 | 012 | 040 | 042 | 043 | 046 | 050 | | |
| COMMUNITY DEVELOPMENT | | | | | | | | | | | | | |
| Community Development Director | | | 58% | | | 5% | | 2% | | | 35% | | 100% |
| Senior Planner | | | 90% | | | | | | | | 10% | | 100% |
| Assistant Planner | | | 90% | | | | | | | | 10% | | 100% |
| Permit Specialist | | | 90% | | | | | | | | 10% | | 100% |
| Code Enforcement/Zoning Technician | | | 85% | | | 10% | | | | 5% | | | 100% |
| POLICE DEPARTMENT | | | | | | | | | | | | | |
| Chief | | | | 100% | | | | | | | | | 100% |
| Captains | | | | 100% | | | | | | | | | 100% |
| Sergeants | | | | 100% | | | | | | | | | 100% |
| Police Officers | | | | 100% | | | | | | | | | 100% |
| Detectives | | | | 100% | | | | | | | | | 100% |
| School Resource Officers | | | | 100% | | | | | | | | | 100% |
| Community Services Coordinator | | | | 100% | | | | | | | | | 100% |
| Community Services Specialist | | | | 100% | | | | | | | | | 100% |
| Administrative Assistant | | | | 100% | | | | | | | | | 100% |
| Police Support Specialists | | | | 100% | | | | | | | | | 100% |
| Community Services Officer | | | | 100% | | | | | | | | | 100% |
| PUBLIC WORKS | | | | | | | | | | | | | |
| Public Works Director | | 2% | | | | 43% | 3% | 27% | 5% | 15% | 5% | | 100% |
| Public Works Superintendent | | 5% | | | | 30% | 5% | 45% | 5% | 5% | 5% | | 100% |
| Permit Specialist | | | | | | 43% | 12% | 30% | 10% | 5% | | | 100% |
| Facility Maintenance | 69% | | | | | 4% | 3% | 15% | 1% | 5% | 3% | | 100% |
| Municipal Utility Worker (10) | | | | | | | | 100% | | | | | 100% |
| Municipal Utility Worker (1) | | | | | | 40% | | | | 60% | | | 100% |
| Municipal Utility Worker (2) | | 100% | | | | | | | | | | | 100% |
| Municipal Utility Worker (1) | | | | | | 25% | | 60% | | 10% | 5% | | 100% |
| Municipal Utility Worker (1) | | | | | | 75% | | | | 25% | | | 100% |
| Municipal Utility Worker (2) | | | | | | | | | | 100% | | | 100% |
| Environmental Program Manager | | | | | | | | | | 100% | | | 100% |
| Municipal Utility Workers (#) = number of staff | | | | | | | | | | | | | |

CITY OF KEIZER
CHANGES IN SALARY ALLOCATION
FY09-10 BUDGET

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

SUMMARY OF CERTAIN ADMINISTRATIVE COSTS
Fiscal Year 2009-10

| | General Fund | | | | Internal Services Fund | Street Fund | Sewer Fund | Water Fund | SLD Fund | Storm Fund | Urban Renewal Fund | FY 2009-10 | FY 2008-09 |
|--|--------------|---------|--------|-------|------------------------|-------------|------------|------------|----------|------------|--------------------|------------|------------|
| | Parks | Com Dev | Police | Court | | | | | | | | | |
| 1 Association Memberships | | | | | 61,500 | | | | | | | 61,500 | 59,300 |
| 2 Audit | | | | | 28,400 | | | | | | | 28,400 | 28,400 |
| 3 City Council Expenses | | | | | 8,000 | | | | | | | 8,000 | 8,100 |
| 4 Computer & Software Maintenance | | | | | 129,800 | | | | | | | 129,800 | 95,600 |
| 5 Computer Hardware | | | | | 44,300 | | | | | | | 44,300 | 83,200 |
| 6 Facility Maintenance | | | | | 6,800 | | | | | | | 6,800 | 20,600 |
| 7 Utilities (Gas, Electric, Water & Sewer) | 16,500 | | | | 37,500 | | | 201,600 | | | | 255,600 | 225,900 |
| 8 Insurance - Liability | | | 16,500 | | 97,200 | 1,400 | | 10,500 | | 3,000 | | 128,600 | 181,800 |
| 9 Janitorial | | | | | 76,600 | | | | | | | 76,600 | 56,500 |
| 10 Labor Attorney | 100 | | 5,000 | | 16,000 | 400 | | 3,500 | | 1,000 | | 26,000 | 39,300 |
| 11 Legal Services | | | | | 239,800 | | | | | | | 239,800 | 209,300 |
| 12 Postage & Printing | 500 | 5,400 | 12,000 | | 56,000 | 2,000 | 26,000 | 32,700 | 500 | 6,100 | 1,600 | 142,800 | 117,600 |
| 13 Telephone | 2,300 | 700 | 25,000 | | 13,400 | 2,100 | | 15,000 | | | | 58,500 | 50,400 |
| 14 Travel & Training | 1,200 | 5,100 | 36,000 | 1,800 | 51,000 | 2,900 | 2,400 | 16,900 | | 8,000 | 1,200 | 126,500 | 112,000 |

Notes:

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

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

CONTINUED

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

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

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

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

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

Department: An organizational unit of the City.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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.

GLOSSARY OF COMMON BUDGET TERMS

CONTINUED

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

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

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

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

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

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

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

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

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

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

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

