



2010-2011 BUDGET

CITY OF PHILOMATH BUDGET AND URBAN RENEWAL AGENCY BUDGET

**City of Philomath
Annual Budget
Fiscal Year 2010-11**

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BUDGET PROCEDURES

The budget plays a different, much more formal role in government than it does in a household or a small business. Whereas a private sector budget is usually considered a guideline for spending, a City's budget provides elected officials with a means to control the operation of the government, since they are not involved in day-to-day management. Spending for each fund is limited to the amount budgeted for each general category.

Your budget book provides some very detailed plans for the expenditure of funds in the coming year in the line item budgets behind each of the tabs in the book. These expenditures have been summarized in the Summary Information section of the book, on page 90. The legally adopted budget, and the appropriation of funds, will be in summary form. Line item budgets are necessary for department heads to analyze and project their needs, and you may find them helpful in understanding just where the money goes. However, the summary isn't so cluttered with numbers and will give you a better overview.

After the budget is adopted by the City Council, Council has the authority to transfer appropriations around within the budget, usually by transferring money from contingencies to an area where there is a special need. No expenditures may be charged directly to contingencies; there must be a transfer to another line item.

HOW PROPERTY TAXES WORK IN OREGON

Ballot Measure 50 restructured the Constitutional limits on property taxes by replacing existing property tax limitation provisions with a new "rate value" system. Under the new system, a fixed operating tax rate is established for the City and then applied against the assessed value of each property within the City limits. The voter approved tax base which had been in existence since 1980 has effectively been eliminated and replaced by a permanent tax rate of \$5.30/\$1,000 of assessed valuation. This final tax rate was assigned to the City by the Oregon Department of Revenue and became effective on July 1, 1997.

Growth in assessed valuation is limited to 3% per year with exceptions allowed to account for new construction, subdivisions, remodeling or rezoning of property. The Constitution allows the City to levy annually the amount that can be raised by its rate limit without further authorization from City voters. The City may seek a local option levy from voters to raise additional revenues. These levies may be for general operations and last for a period of five years or for capital projects which can be authorized for up to ten years.

Finally, the property tax limitations approved by voters in 1991 under Ballot Measure 5 remain in effect. For governmental entities, this caps the maximum tax rate at \$10 per thousand dollars of real market value.

The total property tax you pay is the sum of the City levy and other levies for county government, schools, and the fire district. Each of those entities may also have a special levy to pay back bonded indebtedness.

Our procedure is usually to begin by having department heads present their own budgets and answer questions. It will probably take the better part of three meetings to cover all of the separate budgets. The Committee may make changes to the proposed budgets as we go along, or wait until all of the presentations are complete. When the Committee has a complete budget they are satisfied with, they will approve it and send it to the City Council, where there will be a public hearing in June and the final budget will be adopted.

Budget Committee meetings are open to the public and the public is invited to make suggestions and comments.

City of Philomath 2010-11 BUDGET MESSAGE

Members of the Budget Committee:

This budget document represents the requested financial support for the operation of the City of Philomath for the fiscal year 2010-11. It has been prepared by the Budget Officer and the City Manager after analyzing and evaluating the requests and needs of the various City departments.

The fiscal policy for the coming year is essentially the same as the current year. It is our intent to submit and allow the budget to be managed in the most open and straightforward manner possible that will allow consistent and careful management of all revenues and expenditures in accordance with City policy. The budget contains separate balanced resources and requirements for each fund.

Estimated 2011-12 budget figures are included only to make it easier to see the effects of current decisions a little farther into the future. The budget to be approved and adopted is for the 2010-11 year only.

Each budget section begins with a description of the activities performed by that fund, followed by a detailed line-item budget which presents a history of the last three completed years, the current year's budget, and the proposed 2010-11 and estimated 2011-12 budgets. The combined budgets of the Public Works departments are summarized in the Public Works section.

Behind each line item budget is a narrative that explains each expenditure. There will be opportunities during the budgeting process to ask questions and discuss proposed expenditures.

The City has fared quite well since we last met in terms of our ability to provide City services in what is proving to be a very difficult economic climate. The uneven nature of the recovery provides little clear direction as to exactly when the City might return to pre-recession conditions. Our forecast of revenue and expenditures for the new fiscal year suggests to us that the City is well positioned to maintain current service levels and even offer some higher levels of service to improve our community.

Our focus with this budget is to provide for the operational needs of each representative City department, move forward with scheduled capital improvements and complete the adopted Council Goals for 2009-10. Management has again been able to successfully craft an agreement with our represented employees to keep health insurance cost increases to a level that is within our means for the new budget year. This budget also provides the ability for the City to meet its contractual obligations for wage increases to each of our two represented labor

groups. As personnel costs are a major part of our budget, we appreciate the cooperation that we have received this year from the employees to put this budget together.

Compared to where we were one year ago, we are feeling a bit more optimistic about the prospects for new commercial and possibly some manufacturing development within the next several years. Residential growth may remain sluggish compared to what we saw in the late 90's through early 2000's but should again resume in due course.

We believe that the fiscal discipline that has been exercised by the Budget Committee in past years has been instrumental in helping the City weather the current economic decline without having to cut services or request additional funding from our citizens. This budget is in keeping with that tradition and we welcome the opportunity to present it to you at this time for your consideration.

As in years past, we appreciate the commitment that our citizen committee members provide in this important partnership with the City Council and staff. Your thoughtful feedback and comments in past years have been useful in shaping this document and we continue to welcome any thoughts you may have in this endeavor.

Respectfully submitted,

Randy Kugler
City Manager

Joan Swanson
Budget Officer

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
GENERAL FUND**

	ACTUAL OPERATIONS 2006-07	ACTUAL OPERATIONS 2007-08	ACTUAL OPERATIONS 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
REVENUES							
Cash Balance Forward	322,666	264,037	315,742	250,000	296,000	328,000	18%
Interest Income	18,140	14,599	6,973	6,500	3,800	4,000	-42%
Property Tax - Current Year	1,059,284	1,122,742	1,165,545	1,185,000	1,225,000	1,265,000	3%
Property Tax - Prior Years	16,805	16,996	16,291	16,500	18,000	18,200	9%
Cigarette and Liquor Tax	55,033	58,735	62,377	60,530	71,200	72,250	18%
State Revenue Sharing	32,461	36,110	38,088	37,800	44,800	45,600	19%
Building & Electrical Permits	114,286	72,050	43,726	50,000	58,000	65,000	16%
Planning and Zoning Fees	10,600	13,006	4,655	1,500	4,000	4,500	100%
Franchise Fees	198,021	207,189	197,314	191,000	250,000	252,000	31%
Municipal Court Revenue	186,384	249,913	250,697	250,000	260,000	265,000	4%
Bus User Fees	12,227	12,432	11,518	12,300	11,000	11,200	-11%
Lien Search Fees	6,190	4,180	3,195	3,500	3,200	3,300	-9%
Miscellaneous Receipts	19,165	25,067	22,508	16,702	17,024	16,593	2%
Sidewalk Liens	0	12,003	13,429	6,300	0	0	-100%
Administrative Overhead	199,332	231,672	233,580	221,868	248,964	256,433	12%
Grants	100,320	93,290	101,377	122,000	100,000	100,000	-18%
TOTAL REVENUES	2,350,914	2,434,020	2,487,014	2,431,500	2,610,988	2,707,076	7%
EXPENDITURES							
Administration/Planning	193,670	199,739	209,982	218,500	227,930	237,934	4%
Building Permit Dept	95,973	66,032	46,917	52,650	57,700	65,250	10%
Finance	214,800	233,669	219,025	233,930	253,050	269,630	8%
Municipal Court	121,226	131,221	172,621	177,350	178,400	185,160	1%
Police	873,529	954,088	1,038,409	1,101,500	1,122,500	1,206,650	2%
Buildings & Grounds	90,647	94,103	91,844	85,940	97,830	95,810	14%
Parks	67,274	64,147	65,592	55,930	67,678	67,742	21%
Non-Departmental	272,758	249,279	282,000	293,300	318,900	278,900	9%
Subtotal department expenditures	1,929,877	1,992,278	2,126,389	2,219,100	2,323,988	2,407,076	5%
TRANSFERS							
To Street Fund	7,000	0	0	0	0	0	
To Land, Building & Equip Fund	150,000	126,000	129,500	89,400	90,000	90,000	1%
Subtotal transfers	157,000	126,000	129,500	89,400	90,000	90,000	1%
Contingency	0	0	0	50,000	50,000	60,000	0%
TOTAL EXPENDITURES	2,086,877	2,118,278	2,255,889	2,358,500	2,463,988	2,557,076	4%
UNAPPROPRIATED ENDING BAL	0	0	0	73,000	147,000	150,000	100%
Excess Revenues Over Expenditures	264,037	315,742	231,125	0	0	0	

**CITY OF PHILOMATH
GENERAL FUND REVENUES
2010-11 BUDGET NARRATIVE**

Item	Category	Amount	Description
3001	CASH BALANCE FORWARD	296,000	Estimated cash balance at June 30, 2010
 <u>INTEREST INCOME</u>			
3020	Investment interest	1,300	Estimated interest income
3030	Interest on tax collections	2,500	Interest earned on tax collections before they are turned over to the City.
		3,800	
3110	PROPERTY TAX - CURRENT YEAR	1,225,000	Estimated 2% increase over 2009-10 tax levy. The collections are estimated at 95% of taxes imposed.
3115	PROPERTY TAX - PRIOR YEARS	18,000	Property tax receipts collected for prior years
 <u>CIGARETTE & LIQUOR TAX</u>			
3130	Cigarette tax	6,240	\$1.34 per capita, estimated population of 4,640
3140	Liquor tax	64,960	\$14.00 per capita
		71,200	
3150	STATE REVENUE SHARING	44,800	14% of state liquor tax collections allocated to qualified cities
 <u>BUILDING & ELECTRICAL PERMITS</u>			
3310	Building permits	48,000	Building and electrical permits issued within the City
3315	Electrical permits	10,000	
		58,000	
3330	PLAN ACTIONS & ZONING COMPLIANCE	4,000	Processing land use & zoning compliance applications
 <u>FRANCHISE FEES</u>			
3410	Consumers Power	33,600	Franchise revenue based on estimated 2010-11 receipts
3430	Northwest Natural Gas	46,100	
3440	PacifiCorp	170,300	
		250,000	
 <u>MUNICIPAL COURT REVENUE</u>			
3505	Court fines	208,200	Court fines imposed by the municipal court judge
3510	Benton County court	15,300	Municipal court collections for Benton County jail facility
3515	State court fees	32,000	Municipal court collections for unitary fees, LEMLA and IDPF
3530	Collection agency receipts	1,500	Net collection agency fee for fines that they have collected
3535	Defense attorney reimbursement	3,000	Reimbursement to the city for defense attorney costs
		260,000	
3605	BUS USER FEES	11,000	\$4,600 from bus fares \$6,400 from OSU student and faculty contracts
3642	LIEN SEARCH FEES	3,200	Fee charged for processing city lien searches
 <u>MISCELLANEOUS RECEIPTS</u>			
3613	Copies	700	Charge for copies of city documents
3625	Fingerprinting	1,300	Fingerprinting school district employees and others
3650	Miscellaneous receipts	11,724	
3675	Other permits & licenses	3,300	Liquor license renewals, amusement device permits etc.
		17,024	

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**CITY OF PHILOMATH
GENERAL FUND REVENUES
2010-11 BUDGET NARRATIVE**

CONTINUED:

Item	Category	Amount	Description
<u>ADMINISTRATIVE OVERHEAD</u>			
3910	Street Fund	43,116	Reimbursement to the General fund for administrative and accounting functions which support all funds. Costs allocated based on time and resources devoted to each fund.
3915	Urban Renewal Fund	10,800	
3920	Water Fund	102,576	
3925	Sewer Fund	<u>92,472</u>	
		<u>248,964</u>	
<u>GRANTS</u>			
3824	Oregon Crafted	<u>100,000</u>	State grant to provide training and technical assistance to local artists. Also provides for the formation of an art trail.
		<u>100,000</u>	
	TOTAL GENERAL FUND REVENUES	<u><u>2,610,988</u></u>	

PHILOMATH ADMINISTRATION (City Manager and City Recorder)

City Manager

The City Manager's office provides general administrative services for the management of the City to ensure that all City Council policies and directives are carried out, and supervises and coordinates the work of all City departments and employees.

Activities include liaison between the City Council, advisory boards/commissions and City staff; preparing the Council agenda materials for Council meetings; preparing regular and special management reports; processing citizen inquiries/complaints and service requests; working with citizens and the media for public relations and information programs; working with other agencies of government including the League of Oregon Cities, other municipalities, the Council of Governments, state and county governments, and with various federal agencies.

The City Manager is responsible for the enforcement of ordinances and expenditure of funds in accordance with the budget as adopted by the City Council. The Manager acts as the Planning Official in administering the City's land use program, supervises all purchases; operation of all City-owned facilities and property; executes all contracts; enforces the provisions of the City's personnel policies; and supervises the preparation of the annual budget. It is also the responsibility of the Manager to make recommendations to the Council on legislation, financial programs, capital improvements, and other administrative matters.

The City Manager's office also is responsible for coordinating with the Benton County Development Department and the Philomath Planning Commission to accomplish planning functions and services for the City and its urban growth area. Functions and services include processing land subdivisions, annexations, rezonings, comprehensive plan maintenance/review and compliance, system development charges, building permits and inspections, the Urban Renewal District and other land use and planning related functions.

City Recorder/Administrative Assistant

The office of the City Recorder is responsible for recording, distributing, filing and maintaining the City records including deeds, easements, ordinances, resolutions and other legal records. The Recorder serves as the City elections' officer, answers inquiries regarding City policy matters, ordinances, resolutions and other matters of record, and advises Council and staff of legislation, programs and regulations affecting city operations. The Recorder prepares agenda and informational packets and records, and maintains official records of proceedings for all City Council meetings.

This position is also responsible for performing specialized administrative and clerical work for the City Manager, answering incoming calls and acting as receptionist. Other responsibilities include preparation of correspondence, reports, scheduling of meetings and appointments, and directing citizens to appropriate departments for general information on questions, problems, or complaints.

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
GENERAL FUND - ADMINISTRATION/PLANNING**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
PERSONAL SERVICES							
10 1 4110 City Manager	78,240	82,176	86,280	88,008	96,590	98,522	10%
10 1 4130 City Recorder	30,005	31,517	33,096	33,751	36,674	37,407	9%
10 1 4257 Planner	11,232	11,784	12,384	12,624	13,056	13,317	3%
10 1 4259 Extra Hire	0	223	0	0	0	0	
10 1 4360 Incentive Pay	1,176	1,176	1,176	1,176	1,176	1,176	0%
10 1 4370 Sick Leave Conversion	1,805	1,817	2,347	2,810	3,075	3,137	9%
10 1 4500 Social Security	9,001	9,577	10,005	10,585	11,519	11,749	9%
10 1 4520 PERS	21,724	19,214	20,212	17,853	19,469	19,858	9%
10 1 4540 Workers' Compensation	164	183	211	244	248	253	2%
10 1 4560 Workers' Benefit Fund Assmt	49	46	47	52	51	51	-2%
10 1 4620 Deferred Compensation	6,673	7,001	7,374	7,545	8,251	8,416	9%
10 1 4640 Health Insurance	16,154	19,399	20,793	22,919	21,933	25,223	-4%
10 1 4660 Dental Insurance	2,945	2,912	3,149	3,317	2,843	2,985	-14%
10 1 4670 Health Reimbursement Account	5,100	5,100	2,975	850	850	850	0%
10 1 4680 Life Insurance	191	191	186	182	235	244	29%
10 1 4820 Sick & Vacation Accrual	0	0	0	4,823	0	2,000	-100%
Subtotal Personal Services	184,459	192,316	200,236	206,739	215,970	225,189	4%
MATERIALS AND SERVICES							
10 1 5015 Advertising and Legal Notices	268	943	1,106	1,100	1,100	1,133	0%
10 1 5137 Computer Support	390	0	0	200	200	206	0%
10 1 5143 Computer Line Charges	190	206	163	190	190	196	0%
10 1 5233 Dues	310	332	339	350	400	412	14%
10 1 5245 Education & Training	1,020	715	1,735	1,400	1,500	1,545	7%
10 1 5305 Gas and Oil	0	0	0	0	300	309	100%
10 1 5325 Insurance	979	883	822	900	500	950	-44%
10 1 5390 Miscellaneous	9	10	472	330	380	382	15%
10 1 5413 Office Supplies	1,725	1,369	1,699	2,300	1,800	1,854	-22%
10 1 5454 Planning Expense	0	0	0	400	400	412	0%
10 1 5465 Postage	869	592	626	921	900	927	-2%
10 1 5505 Recording Fee	491	107	0	400	400	412	0%
10 1 5563 Small Tools & Equipment	833	526	275	840	860	886	2%
10 1 5603 Telephone	1,263	1,025	1,107	1,230	1,230	1,267	0%
10 1 5665 Travel and Meals	864	715	1,401	1,200	1,300	1,339	8%
10 1 5745 Vehicle Repair and Maintenance	0	0	0	0	500	515	100%
Subtotal Materials and Services	9,211	7,423	9,746	11,761	11,960	12,745	2%
TOTAL ADMIN/PLANNING BUDGET	193,670	199,739	209,982	218,500	227,930	237,934	4%

**CITY OF PHILOMATH
GENERAL FUND - ADMINISTRATION/PLANNING
2010-11 BUDGET NARRATIVE**

PERSONAL SERVICES

	96,590
City Manager	36,674
City Recorder	13,056
City Planner	146,320
TOTAL SALARIES	
<p>Management salaries include a 3.5% cost-of-living increase. City Manager and City Recorder 70% to administration, 20% to building permits and 10% to municipal court.</p>	
INCENTIVE PAY	1,176
<p>Each employee may receive up to \$200 per month based on acquiring specialized skills.</p>	
SICK LEAVE CONVERSION	3,075
<p>50% of excess sick leave for management employees who choose to cash out sick time.</p>	
SOCIAL SECURITY Calendar year 2010 rate is 7.65%	11,519
PERS	19,469
<p>The City pays both the employer and employee contributions. For fiscal year 2010-11 the employer rate is 7.45% and the employee rate is 6%.</p>	
WORKERS' COMPENSATION	248
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue	51
DEFERRED COMPENSATION 6% retirement benefit for management employees	8,251
HEALTH INSURANCE \$500 deductible plan, 10% increase over 2009-10 premium	21,933
DENTAL INSURANCE Estimated 5% increase over 2009-10 premium	2,843
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible	850
LIFE INSURANCE Basic life and AD&D policy. \$30,000 coverage	235
SICK & VACATION ACCRUAL Liability for unused vacation and sick leave payable upon termination	0
TOTAL PERSONAL SERVICES	215,970

**CITY OF PHILOMATH
GENERAL FUND - ADMINISTRATION/PLANNING
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Advertising and Legal Notices	1,100	Advertising of legal notices
Computer Support	200	Outside computer support
Computer Line Charges	190	DSL charges
Dues	400	Dues to various professional organizations
Education & Training	1,500	Continuing education for staff. Pays for registration at conferences of League of Oregon Cities, Oregon Association of Municipal Recorders and other professional associations.
Gas & Oil	300	City Manager vehicle
Insurance	500	Administration portion of City liability insurance
Miscellaneous	380	Incidental expenses
Office Supplies	1,800	Copier cost, paper and other office supplies
Planning Expense	400	Incidental planning costs
Postage	900	Postage and mailing costs
Recording Fee	400	Fee to record City documents with Benton County
Small Tools & Equipment	860	Purchase of small office equipment
Telephone	1,230	Telephone and long distance charges
Travel and Meals	1,300	Travel, meals and lodging for seminars and conferences
Vehicle Repair & Maintenance	<u>500</u>	City Manager vehicle
TOTAL MATERIALS AND SERVICES	<u>11,960</u>	

BUILDING PERMIT DEPARTMENT

The Building Permit Department is responsible for issuing all construction, electrical, plumbing and mechanical permits for projects in the City and to certain properties in the Urban Growth Boundary. The City Recorder serves as the permit clerk, answers questions, accepts building plans and issues permits. Compliance with zoning regulations is checked at the time of application for a permit. Building plan reviews and inspections are accomplished under contract with the Benton County Development Department. Approximately 20% of the Recorder's time is spent on the permitting process.

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
GENERAL FUND - BUILDING PERMIT**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE	
PERSONAL SERVICES								
10 2 4130	City Recorder	8,573	9,005	9,456	9,643	10,478	10,688	9%
10 2 4360	Incentive Pay	336	336	336	336	336	336	0%
10 2 4370	Sick Leave Conversion	0	0	197	223	242	247	9%
10 2 4500	Social Security	681	715	764	780	848	866	9%
10 2 4520	PERS	1,629	1,447	1,548	1,372	1,487	1,517	8%
10 2 4540	Workers' Compensation	12	13	16	18	18	18	0%
10 2 4560	Workers' Benefit Fund Assmt	5	5	5	6	6	6	0%
10 2 4620	Deferred Compensation	535	560	600	612	663	676	8%
10 2 4640	Health Insurance	1,900	2,282	2,446	2,696	2,150	2,473	-20%
10 2 4660	Dental Insurance	348	343	370	390	234	246	-40%
10 2 4670	Health Reimbursement Account	600	600	350	100	100	100	0%
10 2 4680	Life Insurance	22	23	20	18	14	14	-22%
10 2 4820	Sick and Vacation Accrual	0	0	0	958	0	2,000	-100%
	Subtotal Personal Services	14,641	15,329	16,108	17,152	16,576	19,186	-3%
MATERIALS AND SERVICES								
10 2 5165	County Bldg & Elect Inspections	81,065	50,435	30,495	35,000	40,600	45,500	16%
10 2 5390	Miscellaneous	2	0	0	208	184	214	-12%
10 2 5603	Telephone	265	268	314	290	340	350	17%
	Subtotal Materials and Services	81,332	50,703	30,809	35,498	41,124	46,064	16%
TOTAL BUILDING PERMIT BUDGET		95,973	66,032	46,917	52,650	57,700	65,250	10%

**CITY OF PHILOMATH
GENERAL FUND - BUILDING PERMIT
2010-11 BUDGET NARRATIVE**

PERSONAL SERVICES

City Recorder	10,478
20% of the City Recorder time and corresponding benefits are allocated to the issuance and processing of building permits.	
INCENTIVE PAY	336
Each employee may receive up to \$200 per month based on acquiring specialized skills.	
SICK LEAVE CONVERSION	242
50% of excess sick leave for management employees who choose to cash out sick time.	
SOCIAL SECURITY Calendar year 2010 rate is 7.65%	848
PERS	1,487
The City pays both the employer and employee contributions. For fiscal year 2010-11 the employer rate is 7.45% and the employee rate is 6%.	
WORKERS' COMPENSATION	18
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue	6
DEFERRED COMPENSATION 6% retirement benefit for management employees	663
HEALTH INSURANCE \$500 deductible plan, 10% increase over 2009-10 premium	2,150
DENTAL INSURANCE Estimated 5% increase over 2009-10 premium	234
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible	100
LIFE INSURANCE Basic life and AD&D policy. \$30,000 coverage	14
SICK & VACATION ACCRUAL Liability for unused vacation and sick leave payable upon termination	0
TOTAL PERSONAL SERVICES	<u>16,576</u>

**CITY OF PHILOMATH
GENERAL FUND - BUILDING PERMIT
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES

County Bldg & Electrical Inspections	40,600	70% of building and electrical permit revenue is paid to Benton County for plan review and inspections
Miscellaneous	184	Incidental expenses
Telephone	<u>340</u>	Telephone and long distance charges
TOTAL MATERIALS AND SERVICES	<u>41,124</u>	

FINANCE

The Finance Department is responsible for all general accounting functions, including accounts payable, utility billings and receipts, assessment billing and collection, receipt of fines and fees, collection of delinquent accounts, cash management and investments, maintenance of lien ledgers and lien searches, foreclosures, budget preparation and monitoring, auditing and internal controls, general ledger posting, financial reports and special studies.

This department also maintains various personnel records and is responsible for the payroll functions for the city, as well as computer administration and park reservations.

The Finance Director administers grant funds.

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
GENERAL FUND - FINANCE**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
PERSONAL SERVICES							
10 3 4120 Finance Director	64,032	67,224	70,584	72,000	81,204	82,828	13%
10 3 4172 Finance Staff	46,813	48,667	45,638	49,043	54,363	59,256	11%
10 3 4254 Accounting Clerk	3,404	3,842	4,353	4,300	6,000	6,240	40%
10 3 4259 Extra Hire	3,142	1,022	558	0	0	0	
10 3 4360 Incentive Pay	2,796	2,806	3,846	4,404	5,160	5,160	17%
10 3 4370 Sick Leave Conversion	1,478	1,422	1,357	1,662	1,874	1,948	13%
10 3 4500 Social Security	9,207	10,221	9,452	10,053	11,369	11,890	13%
10 3 4520 PERS	20,479	19,080	16,764	16,284	18,272	19,368	12%
10 3 4540 Workers' Compensation	165	189	193	231	245	260	6%
10 3 4560 Workers' Benefit Fund Assmt	73	68	65	70	72	72	3%
10 3 4620 Deferred Compensation	4,075	4,263	4,460	4,564	5,129	5,232	12%
10 3 4640 Health Insurance	19,376	24,318	24,547	27,461	29,481	33,903	7%
10 3 4660 Dental Insurance	3,043	3,080	3,459	3,661	3,801	3,991	4%
10 3 4670 Health Reimbursement Acct	6,825	7,150	4,025	1,150	1,150	1,150	0%
10 3 4680 Life Insurance	229	239	219	206	210	210	2%
10 3 4820 Sick & Vacation Accrual	193	11,361	0	5,691	0	2,300	-100%
Subtotal Personal Services	185,330	204,952	189,522	200,780	218,330	233,808	9%
MATERIALS AND SERVICES							
10 3 5015 Advertising & Legal Notices	1,128	1,008	0	0	0	0	
10 3 5137 Computer Support	4,544	4,268	4,268	4,480	4,480	4,614	0%
10 3 5138 Computer Support-Utility Billing	1,991	2,028	2,028	2,130	2,600	2,678	22%
10 3 5143 Computer Line Charges	190	206	163	175	180	186	3%
10 3 5233 Dues	460	820	705	850	850	876	0%
10 3 5245 Education & Training	1,769	1,335	2,144	2,200	2,200	2,266	0%
10 3 5246 Education & Training-Utility	188	0	213	600	600	618	0%
10 3 5325 Insurance	650	468	478	530	500	515	-6%
10 3 5380 Lien Search Fee	2,112	1,574	1,310	1,600	1,500	1,545	-6%
10 3 5390 Miscellaneous	1,404	1,915	1,074	1,040	1,140	1,135	10%
10 3 5413 Office Supplies	2,724	2,770	2,812	3,400	2,900	2,987	-15%
10 3 5414 Office Supplies - Utility Billing	826	1,946	1,458	2,000	2,200	2,266	10%
10 3 5465 Postage	1,630	1,036	314	1,300	700	721	-46%
10 3 5466 Postage - Utility Billing	3,962	4,111	4,382	5,300	6,300	6,589	19%
10 3 5505 Recording Fee	0	916	825	925	1,200	1,236	30%
10 3 5563 Small Tools & Equipment	1,409	130	838	1,240	1,240	1,277	0%
10 3 5603 Telephone	1,263	1,467	1,557	1,220	1,400	1,442	15%
10 3 5604 Telephone - Utility Billing	641	621	694	640	730	752	14%
10 3 5665 Travel and Meals	2,049	2,100	3,735	2,900	3,200	3,296	10%
10 3 5666 Travel and Meals-Utility Billing	530	0	506	620	800	824	29%
Subtotal Materials & Services	29,470	28,717	29,503	33,150	34,720	35,823	5%
TOTAL FINANCE BUDGET	214,800	233,669	219,025	233,930	253,050	269,630	8%

**CITY OF PHILOMATH
GENERAL FUND - FINANCE
2010-11 BUDGET NARRATIVE**

PERSONAL SERVICES

Finance Director	81,204
Finance Staff	54,363
Accounting Clerk	<u>6,000</u>
TOTAL SALARIES	141,567
Salaries include a 3.5% cost-of-living increase. The Finance director will be eligible for 5% longevity pay effective July 1st. The Utility Clerk position is allocated 30% to the Finance Department and 70% to the Municipal Court. The Accounting Clerk works approximately 2 hrs per day.	
INCENTIVE PAY	5,160
Each employee may receive up to \$200 per month based on acquiring specialized skills.	
SICK LEAVE CONVERSION	1,874
50% of excess sick leave for management employees who choose to cash out sick time.	
SOCIAL SECURITY	11,369
Calendar year 2010 rate is 7.65%	
PERS	18,272
The City pays both the employer and employee contributions. For fiscal year 2010-11 the Tier 1 & 2 employer rate is 7.45%, OPSRP rate is 5.86%, and the employee rate is 6%.	
WORKERS' COMPENSATION	245
WORKERS' BENEFIT FUND ASSESSMENT	72
Required by Oregon Dept of Revenue	
DEFERRED COMPENSATION	5,129
6% retirement benefit for management employees	
HEALTH INSURANCE	29,481
\$500 deductible plan, 10% increase over 2009-10 premium	
DENTAL INSURANCE	3,801
Estimated 5% increase over 2009-10 premium	
HEALTH REIMBURSEMENT ACCOUNT	1,150
Employee account to help offset medical deductible	
LIFE INSURANCE	210
Basic life and AD&D policy. \$30,000 coverage	
SICK & VACATION ACCRUAL	<u>0</u>
Liability for unused vacation and sick leave payable upon termination.	
TOTAL PERSONAL SERVICES	<u><u>218,330</u></u>

**CITY OF PHILOMATH
GENERAL FUND - FINANCE
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Computer Support	4,480	Maintenance contract and support for accounting software
Computer Support - Utility Billing	2,600	Maintenance contract and support for utility software
Computer Line Charges	180	DSL charges
Dues	850	Dues to various professional organizations
Education & Training	2,200	Continuing education for employees
Education & Training - Utility Billing	600	Continuing education for the Utility Clerk
Insurance	500	Finance portion of City liability insurance
Lien Search Fee	1,500	Fee for web based searches of City liens. Fee is reimbursed to City by title companies and others using the lien service.
Miscellaneous	1,140	Incidental expenses
Office Supplies	2,900	Copier cost, paper and other office supplies
Office Supplies - Utility Billing	2,200	Office supplies used in the billing and collection of water and sewer accounts
Postage	700	Postage for mailing accounts payable payments, etc.
Postage - Utility Billing	6,300	Postage for mailing water and sewer bills
Recording Fee	1,200	Fee to record liens with Benton County
Small Tools and Equipment	1,240	Purchase of small office equipment
Telephone	1,400	Telephone and long distance charges
Telephone - Utility Billing	730	Telephone costs for utility clerk
Travel and Meals	3,200	Travel, meals and lodging for seminars and conferences
Travel and Meals - Utility Billing	<u>800</u>	Travel, meals and lodging for seminars and conferences
TOTAL MATERIALS AND SERVICES	<u><u>34,720</u></u>	

MUNICIPAL COURT

The municipal court hears cases involving violations of City ordinances, misdemeanor State statutes, and all traffic infractions and crimes except felonies.

Court is held twice a month, generally every other Monday. Trials are held in the morning with traffic arraignments and juvenile arraignments in the afternoon.

The judge can dismiss cases, impose fines, order restitution, issue arrest warrants, suspend drivers' licenses, and sentence offenders to jail, community service work, and rehabilitation programs.

State law requires that a portion of the fines and fees collected by all municipal courts be sent to the State and County. Approximately 20% of all court collections are remitted to fund State programs and the Benton County Jail.

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
GENERAL FUND - MUNICIPAL COURT**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
PERSONAL SERVICES							
10 4 4130 City Recorder	4,287	4,502	4,728	4,822	5,239	5,344	9%
10 4 4172 Finance Staff	22,070	21,063	26,541	28,700	31,192	32,440	9%
10 4 4251 Judge	0	12,000	13,992	16,200	17,040	17,381	5%
10 4 4259 Extra Hire	0	2,385	0	0	0	0	
10 4 4360 Incentive Pay	531	579	1,617	1,764	1,848	1,848	5%
10 4 4370 Sick Leave Conversion	0	0	98	111	121	123	9%
10 4 4500 Social Security	2,091	2,986	3,313	3,947	4,243	4,413	7%
10 4 4520 PERS	3,578	5,570	6,527	5,486	5,911	6,143	8%
10 4 4540 Workers' Compensation	40	60	76	91	91	95	0%
10 4 4560 Workers' Benefit Fund Assmt	21	24	26	27	26	26	-4%
10 4 4620 Deferred Compensation	267	280	300	306	332	345	8%
10 4 4640 Health Insurance	6,094	8,680	9,787	10,786	11,160	12,834	3%
10 4 4660 Dental Insurance	900	863	1,440	1,561	1,534	1,611	-2%
10 4 4670 Health Reimbursement Account	2,225	2,400	1,400	400	400	400	0%
10 4 4680 Life Insurance	70	75	54	32	35	35	9%
10 4 4820 Sick & Vacation Accrual	451	0	0	2,704	2,000	2,000	-26%
Subtotal Personal Services	42,625	61,469	69,900	76,937	81,172	85,037	6%
MATERIALS AND SERVICES							
10 4 5057 Credit Card Fees	1,062	1,932	2,638	2,500	3,200	3,296	28%
10 4 5137 Computer Support	1,157	1,048	1,169	1,250	1,250	1,288	0%
10 4 5143 Computer Line Charges	190	206	163	177	180	185	2%
10 4 5173 Court Fees - State	28,494	36,907	39,721	37,000	40,500	41,715	9%
10 4 5174 Court Fees - Benton County	7,624	10,810	13,433	12,400	13,700	14,111	10%
10 4 5215 Defense Attorney	7,084	7,598	9,320	9,500	9,800	10,094	3%
10 4 5233 Dues	85	50	50	85	90	93	6%
10 4 5245 Education and Training	337	50	468	700	700	721	0%
10 4 5325 Insurance	277	191	173	200	200	206	0%
10 4 5345 Interpreter	325	327	882	450	570	587	27%
10 4 5353 Judge	10,680	0	0	0	0	0	
10 4 5363 Jury Fees	320	680	228	500	500	515	0%
10 4 5390 Miscellaneous	54	33	7	156	188	172	21%
10 4 5413 Office Supplies	2,586	729	1,610	1,800	2,000	2,060	11%
10 4 5465 Postage	751	1,039	1,687	1,100	1,700	1,751	55%
10 4 5475 Prisoner Care	13,170	6,825	29,310	30,000	20,000	20,600	-33%
10 4 5495 Publications	213	204	141	275	200	206	-27%
10 4 5563 Small Tools & Equipment	2,157	250	0	500	500	515	0%
10 4 5603 Telephone	546	464	516	520	550	567	6%
10 4 5665 Travel and Meals	1,419	319	1,166	1,100	1,200	1,236	9%
10 4 5775 Witness Fees	70	90	40	200	200	206	0%
Subtotal Materials & Services	78,601	69,752	102,721	100,413	97,228	100,123	-3%
TOTAL MUNICIPAL COURT	121,226	131,221	172,621	177,350	178,400	185,160	1%

**CITY OF PHILOMATH
GENERAL FUND - MUNICIPAL COURT
2010-11 BUDGET NARRATIVE**

PERSONAL SERVICES

City Recorder	5,239	
Finance Staff	31,192	
Judge	<u>17,040</u>	
TOTAL SALARIES	53,471	
<p>10% of the City Recorders' position and 70% of the Utility Clerks' position are allocated to the Court.</p>		
INCENTIVE PAY	1,848	
<p>Each employee may receive up to \$200 per month based on acquiring specialized skills.</p>		
SICK LEAVE CONVERSION	121	
<p>50% of excess sick leave for management employees who choose to cash out sick time.</p>		
SOCIAL SECURITY Calendar year 2010 rate is 7.65%	4,243	
PERS	5,911	
<p>The City pays both the employer and employee contributions. For fiscal year 2010-11 the Tier 1 & 2 employer rate is 7.45%, OPSRP rate is 5.86%, and the employee rate is 6%.</p>		
WORKERS' COMPENSATION	91	
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue	26	
DEFERRED COMPENSATION 6% retirement benefit for management employees	332	
HEALTH INSURANCE \$500 deductible plan, 10% increase over 2009-10 premium	11,160	
DENTAL INSURANCE Estimated 5% increase over 2009-10 premium	1,534	
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible	400	
LIFE INSURANCE Basic life and AD&D policy.	35	
SICK & VACATION ACCRUAL Liability for unused vacation and sick leave payable upon termination	<u>2,000</u>	
TOTAL PERSONAL SERVICES	<u>81,172</u>	

**CITY OF PHILOMATH
GENERAL FUND - MUNICIPAL COURT
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Credit Card Fees	3,200	The court allows fines to be paid with credit cards to encourage payoff of large balances and past due amounts
Computer Support	1,250	Maintenance contract on court software and consultant for computer support
Computer Line Charges	180	DSL charges
Court Fees -- State	40,500	State mandated fees for unitary, IDPF and LEMLA. The fees are collected from defendants as part of their court fines.
Court Fees -- Benton County	13,700	State mandated fee for the county jail facility which is collected from the defendants. 30% of collections are retained by the City for administrative fees.
Defense Attorney	9,800	Defense council for those defendants that cannot afford to hire an attorney
Dues	90	Court association and notary association
Education and Training	700	Classes and conferences on court operations and accounting software
Insurance	200	Court portion of City liability insurance
Interpreter	570	Court interpreter if defendant does not speak English
Jury Fees	500	20 jurors are called for each jury trial. Fee is \$10 per call to report.
Miscellaneous	188	Incidental expenses
Office Supplies	2,000	Copier cost, paper and other office supplies
Postage	1,700	Postage for court correspondence
Prisoner Care	20,000	Payment to Benton County jail when the judge orders jail time as part of a court sentencing
Publications	200	Legal and court publications
Small Tools & Equipment	500	Small items of equipment
Telephone	550	Telephone and long distance charges
Travel and Meals	1,200	Travel, meals and lodging for training classes
Witness Fees	<u>200</u>	Fee paid to persons subpoenaed to appear at court trials
TOTAL MATERIALS & SERVICES	<u>97,228</u>	

POLICE DEPARTMENT



The Philomath Police Department is responsible for all law enforcement within the city limits of Philomath. We are proud to provide a complete range of law enforcement services as well as a wide variety of community services. This can only be accomplished through the dedicated work of our officers, support staff, and volunteers. Another key component to our continued success is the partnership with other police agencies in Benton County. Many of the crimes committed in Benton County cross

jurisdictional lines. Working as a team, ensures the successful investigation of the crimes and the successful prosecution of those responsible.

This year we completed the major goal of achieving Accreditation for the Philomath Police Department. Officer Grant Moser is recognized for his outstanding work as the Accreditation Manager for the Police Department. On March 11th and 12th, the Philomath Police Department completed an extensive two day accreditation audit conducted by Joe Simon of the Oregon Accreditation Alliance. Joe Simon stated the following in his report:

"It is the opinion and recommendation of the assessor that the Philomath Police Department be favorably nominated for state Accreditation to the Board of Directors of the Oregon Association Chiefs of Police at their next regularly scheduled meeting."

On April 8, 2010, Officer Grant Moser and I attended the Oregon Chief's Conference and received the Accreditation Award for the Philomath Police Department. The Accreditation is good for three years. In April of 2013 we will need to undergo another audit for Re-Accreditation.

With the help of a fine staff and community support, the Philomath Police Department has been completely transformed from what it was in 2001. They now have a new state of the art facility, a strategic plan in place, updated vehicles and equipment, a firearms training area, and finally, Accreditation.

As always, the Philomath Police Department remains committed to quality service in partnership with the community.



**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
GENERAL FUND - POLICE**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE	
PERSONAL SERVICES								
10 5 4120	Police Chief	66,600	69,936	73,428	74,892	77,520	82,946	4%
10 5 4152	Sergeant	59,169	50,295	65,503	68,000	69,200	70,584	2%
10 5 4162	Police Officers	259,591	285,276	308,052	332,175	346,055	359,897	4%
10 5 4165	School Resource Officer	0	6,457	0	0	0	0	
10 5 4174	Administrative Secretary	36,744	37,466	36,397	36,334	39,476	41,845	9%
10 5 4253	Computer Technician	7,053	0	0	0	0	0	
10 5 4259	Extra Hire	1,008	10,613	866	2,000	2,000	2,000	0%
10 5 4310	Holiday Pay	11,342	10,306	11,144	14,126	13,150	13,676	-7%
10 5 4320	Overtime	23,135	30,928	30,884	40,400	34,500	35,880	-15%
10 5 4321	Overtime - Training	7,603	5,115	4,582	5,400	7,000	7,280	30%
10 5 4330	Shift Differential	4,169	4,433	4,682	5,100	5,765	5,996	13%
10 5 4350	Uniform Allowance	2,940	3,080	4,305	3,360	3,360	4,860	0%
10 5 4360	Incentive Pay	600	600	600	600	600	600	0%
10 5 4370	Sick Leave Conversion	320	0	0	0	0	0	
10 5 4500	Social Security	36,741	39,262	42,583	44,553	45,795	47,634	3%
10 5 4520	PERS	71,139	70,523	75,117	70,571	72,668	75,575	3%
10 5 4540	Workers' Compensation	14,288	14,382	18,778	22,444	18,611	19,355	-17%
10 5 4560	Workers' Benefit Fund Assmt	266	268	275	285	285	285	0%
10 5 4620	Deferred Compensation	4,076	4,257	6,151	6,735	7,081	7,577	5%
10 5 4640	Health Insurance	70,520	88,959	93,625	101,451	107,404	123,515	6%
10 5 4660	Dental Insurance	11,659	11,721	13,987	14,408	14,670	15,404	2%
10 5 4670	Health Reimbursement Account	24,000	25,000	20,500	4,500	4,500	4,500	0%
10 5 4680	Life Insurance	755	762	724	660	660	686	0%
10 5 4820	Sick & Vacation Accrual	0	0	17,395	14,000	5,500	14,000	-61%
	Subtotal Personal Services	713,718	769,640	829,577	861,994	875,800	934,094	2%
MATERIALS AND SERVICES								
10 5 5010	Accreditation	1,800	4,770	850	850	850	876	0%
10 5 5015	Advertising & Legal Notices	354	118	1,554	400	425	438	6%
10 5 5025	Animal Care	0	0	0	300	300	309	0%
10 5 5075	Bike Olympics	640	1,450	720	1,300	1,350	1,391	4%
10 5 5102	Car Wash	180	149	456	150	300	309	100%
10 5 5137	Computer Support	2,620	0	1,223	0	1,200	1,236	100%
10 5 5143	Computer Line Charges	525	552	243	180	250	258	39%
10 5 5160	Coroner Investigation	0	0	0	0	4,000	4,120	100%
10 5 5233	Dues	934	1,159	1,197	1,400	1,440	1,483	3%
10 5 5245	Education & Training	985	3,698	940	3,700	3,800	3,914	3%
10 5 5283	Equipment Repair/Maintenance	2,822	2,422	2,332	2,700	2,700	2,781	0%
10 5 5295	Explorer Scouts	111	129	0	500	515	530	3%
10 5 5300	Firearms Training	1,466	1,401	4,198	3,000	3,300	3,399	10%
10 5 5305	Gas & Oil	15,129	18,722	15,022	18,900	19,400	19,982	3%
10 5 5325	Insurance	20,170	17,112	16,123	18,000	12,000	18,000	-33%
10 5 5365	K-9	2,963	1,104	1,762	2,200	2,000	2,060	-9%
10 5 5367	Labor Consultant	0	0	3,398	0	0	0	
10 5 5377	LEDS/NCIC Teletype Service	381	381	260	400	400	412	0%
10 5 5379	Lexipol	0	0	2,950	1,950	3,000	3,090	54%
10 5 5383	Maintenance Agreement	0	600	700	700	700	721	0%
10 5 5387	Medical Expenses	795	713	1,188	800	820	845	2%
10 5 5390	Miscellaneous	2,220	1,604	3,591	3,444	3,500	3,639	2%
10 5 5397	MVD Record Inquiries	184	245	35	250	250	258	0%
10 5 5407	9-1-1 Center	56,851	72,943	92,820	118,970	118,440	134,790	0%
10 5 5413	Office Supplies	6,550	6,651	6,838	7,200	7,400	7,622	3%
10 5 5465	Postage	885	1,071	1,332	1,400	1,400	1,442	0%

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**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
GENERAL FUND - POLICE**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
MATERIALS AND SERVICES (CONTINUED)							
10 5 5475 Prisoner Care	1,980	1,050	3,000	2,100	2,200	2,266	5%
10 5 5498 RAIN	0	0	1,133	1,150	1,500	1,545	30%
10 5 5507 Records Management System	3,050	3,050	3,050	3,050	3,050	3,142	0%
10 5 5510 Reserves	601	993	1,946	1,200	2,000	2,060	67%
10 5 5525 Safety Town	0	250	0	400	400	412	0%
10 5 5563 Small Tools & Equipment	7,454	5,613	5,155	5,000	5,600	5,768	12%
10 5 5587 Supplies	3,417	2,699	978	2,000	2,000	2,060	0%
10 5 5603 Telephone	4,953	5,627	6,726	5,800	7,728	7,960	33%
10 5 5645 Tires	1,590	832	533	1,700	1,750	1,803	3%
10 5 5665 Travel, Meals, Hotel	3,538	3,718	3,786	4,000	4,120	4,244	3%
10 5 5703 Uniforms	5,092	4,467	7,804	5,300	5,400	5,562	2%
10 5 5745 Vehicle Repair & Maintenance	7,616	15,141	11,853	12,000	14,000	14,420	17%
10 5 5765 Willamette Criminal Justice Cncl	512	512	512	512	512	512	0%
10 5 5770 Wireless Internet	0	0	0	3,300	3,300	3,399	0%
10 5 5797 Youth Services	1,443	3,501	2,623	3,300	3,400	3,502	3%
Subtotal Materials and Services	159,811	184,448	208,832	239,506	246,700	272,556	3%
TOTAL POLICE BUDGET	873,529	954,088	1,038,409	1,101,500	1,122,500	1,206,650	2%

**CITY OF PHILOMATH
GENERAL FUND - POLICE
2010-11 BUDGET NARRATIVE**

PERSONAL SERVICES

Police Chief	77,520
Police Sergeant	69,200
7 Police Officers	346,055
Administrative Secretary	39,476
TOTAL SALARIES	<u>532,251</u>
<p>Management salaries include a 3.5% cost-of-living increase. Officer salaries include a 2.7% cost-of-living increase.</p>	
EXTRA HIRE To fill in shifts when necessary	2,000
HOLIDAY PAY Police officers receive an additional 12 paid days per year. This is to compensate them for the overtime that they would earn on holidays when they are on duty.	13,150
OVERTIME Extra stay beyond normal shift, monthly staff meetings, and court appearances	34,500
OVERTIME - TRAINING Allows officers to train on their days off rather than during their patrol duty	7,000
SHIFT DIFFERENTIAL Premium paid to officers who work swing and graveyard shifts	5,765
UNIFORM ALLOWANCE \$35 monthly cleaning allowance paid to all officers	3,360
INCENTIVE PAY Physical fitness incentive for police officers	600
SICK LEAVE CONVERSION 50% of excess sick leave for management employees who choose to cash out sick time.	0
SOCIAL SECURITY Calendar year 2010 rate is 7.65%	45,795
PERS The City pays both the employer and employee contributions. For fiscal year 2010-11 the Tier 1 & 2 employer rate is 7.45%, OPSRP rate is 8.57%, and the employee rate is 6%.	72,668
WORKERS' COMPENSATION	18,611
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue	285
DEFERRED COMPENSATION 6% retirement benefit for management employees	7,081
HEALTH INSURANCE \$500 deductible plan, 10% increase over 2009-10 premium	107,404
DENTAL INSURANCE Estimated 5% increase over 2009-10 premium	14,670
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible	4,500
LIFE INSURANCE Basic life and AD&D policy. \$20,000 coverage for union employees and \$30,000 for management.	660
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination	<u>5,500</u>
TOTAL PERSONAL SERVICES	<u>875,800</u>

**CITY OF PHILOMATH
GENERAL FUND - POLICE
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Accreditation	850	Fee to Oregon Accreditation Alliance to help the department with policy development and training. One half of the cost will be paid by City County Insurance.
Advertising & Legal Notices	425	Advertising for unclaimed property, job postings
Animal Care	300	Vet care and housing of animals picked up by the police dept
Bike Olympics	1,350	Prizes and supplies for bike safety programs held at the elementary and middle schools
Car Wash	300	Car wash police vehicles
Computer Support	1,200	COG computer support specifically for police department
Computer Line Charges	250	DSL line charges
Coroner Investigation	4,000	Annual payment to County for use of coroner investigator
Dues	1,440	Dues to various professional organizations
Education and Training	3,800	Continuing education and training
Equipment Repair and Maintenance	2,700	Repair of police and office equipment
Explorer Scouts	515	Support for scouts and cost to send them to regional competitions
Firearms Training	3,300	Firearms training supplies for officers and reserves
Gas & Oil	19,400	Gasoline and oil changes for police vehicles
Insurance	12,000	Police portion of city liability and auto insurance
K-9	2,000	Incidental costs associated with the drug dog
LEDS/NCIC Teletype Service	400	Teletype access to LEDS, NCIC and DMV
Lexipol	3,000	Policy manual
Maintenance Agreement	700	Maintenance agreement on building security locks
Medical Expense	820	Medical and psychological examinations for new hires, Hepatitis B shots and follow-ups
Miscellaneous	3,500	Small items that do not fall into other categories
MVD Record Inquiries	250	Certified printouts of DMV records
9-1-1 Center	118,440	City share of 911 Center operating costs
Office Supplies	7,400	Office, computer and copier supplies

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**CITY OF PHILOMATH
GENERAL FUND - POLICE
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES (CONTINUED)

Postage	1,400	Stamps, registered mail and mailing of evidence to crime lab
Prisoner Care	2,200	Cost to book and house prisoners at the Benton County jail
RAIN	1,500	Criminal justice information system throughout the state of Oregon
Records Management System	3,050	Maintenance contract on police department software
Reserves	2,000	Incidental expenses for reserve officers
Safety Town	400	Educational supplies, gifts and awards for safety town
Small Tools and Equipment	5,600	Purchase of equipment costing less than \$1,000
Supplies	2,000	Departmental supplies
Telephone	7,728	Telephone, cellular phones and pagers
Tires	1,750	Purchase and repair of vehicle tires
Travel, Meals and Hotel	4,120	Meals and lodging when officers attend training classes and conferences or to transport prisoners or conduct background investigations
Uniforms	5,400	New and replacement uniforms
Vehicle Repair and Maintenance	14,000	Routine repairs and maintenance of police vehicles
Willamette Criminal Justice Council	512	Willamette Criminal Justice Council dues
Wireless Internet	3,300	Alyrica wireless network for police in-car computers
Youth Services	<u>3,400</u>	Advertising and promotional material targeted towards youth in the community
TOTAL MATERIALS AND SERVICES	<u>246,700</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
GENERAL FUND - BUILDINGS AND GROUNDS**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
PERSONAL SERVICES							
10 6 4120 Public Works Director	640	672	465	592	676	723	14%
10 6 4155 Public Works Supervisor	295	513	590	504	557	596	11%
10 6 4164 Utility Maintenance Workers	5,792	6,068	6,855	6,420	7,598	7,902	18%
10 6 4250 Custodian	14,426	14,782	11,941	11,700	9,126	9,491	-22%
10 6 4320 Overtime	11	21	51	83	92	96	11%
10 6 4340 On-Call Time	142	152	162	155	174	181	12%
10 6 4360 Incentive Pay	665	732	592	209	287	298	37%
10 6 4370 Sick Leave Conversion	15	14	0	0	0	0	
10 6 4500 Social Security	1,682	1,756	1,580	1,504	1,415	1,472	-6%
10 6 4520 PERS	3,799	3,577	3,225	995	1,716	1,784	72%
10 6 4540 Workers' Compensation	633	555	692	830	700	728	-16%
10 6 4560 Workers' Benefit Fund Assmt	21	19	16	15	18	18	20%
10 6 4620 Deferred Compensation	59	73	65	68	76	81	12%
10 6 4640 Health Insurance	5,924	6,915	6,851	1,809	2,299	2,644	27%
10 6 4660 Dental Insurance	820	803	884	224	282	296	26%
10 6 4670 Health Reimbursement Account	2,388	2,400	1,393	90	100	100	11%
10 6 4680 Life Insurance	73	74	79	17	19	19	12%
10 6 4820 Sick & Vacation Accrual	0	0	0	135	180	187	33%
Subtotal Personal Services	37,385	39,126	35,441	25,350	25,315	26,616	0%
MATERIALS AND SERVICES							
10 6 5095 Building Repair & Maintenance	10,667	10,262	8,797	10,500	11,000	11,330	5%
10 6 5305 Gas and Oil	0	0	286	200	220	227	10%
10 6 5315 Grounds Maintenance	2,586	1,667	3,696	5,200	15,000	10,000	100%
10 6 5325 Insurance	3,308	3,851	3,828	4,240	3,800	3,914	-10%
10 6 5375 Landscape Maintenance	0	0	0	0	3,600	3,708	100%
10 6 5383 Maintenance Agreements	3,010	2,810	3,217	2,300	1,100	1,133	-52%
10 6 5390 Miscellaneous	1,103	661	639	640	795	772	24%
10 6 5535 Security Alarm/Remote Monitor	602	605	397	610	1,500	1,545	146%
10 6 5587 Supplies	8,576	8,835	9,850	8,600	7,000	7,210	-19%
10 6 5715 Utilities	23,410	26,286	25,676	28,000	28,000	28,840	0%
10 6 5740 Vandalism	0	0	17	300	500	515	67%
Subtotal Materials & Services	53,262	54,977	56,403	60,590	72,515	69,193	20%
TOTAL BUILDINGS AND GROUNDS BUDGET	90,647	94,103	91,844	85,940	97,830	95,810	14%

**CITY OF PHILOMATH
GENERAL FUND - BUILDINGS & GROUNDS
2010-11 BUDGET NARRATIVE**

PERSONAL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	1%	676
Public Works Supervisor	1%	557
Utility Maintenance Workers	3%	7,598
Custodian	90%	<u>9,126</u>
TOTAL SALARIES		17,957
<p>The time allocation is based on estimated needs of this department for fiscal year 2010-11. Salaries include a 3.5% cost-of-living increase. The Custodian works to clean city buildings for approximately 15 hours per week.</p>		
OVERTIME		92
ON-CALL TIME		174
Prorated portion of weekly payment for public works crew member on standby during off duty time		
INCENTIVE PAY		287
Each employee may receive up to \$200 per month based on acquiring specialized skills		
SOCIAL SECURITY Calendar year 2010 rate is 7.65%		1,415
PERS		1,716
The City pays both the employer and employee contributions. For fiscal year 2010-11 the Tier 1 & 2 employer rate is 7.45%, OPSRP rate is 5.86% and the employee rate is 6%.		
WORKERS' COMPENSATION		700
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue		18
DEFERRED COMPENSATION 6% retirement benefit for management employees		76
HEALTH INSURANCE \$500 deductible plan, 10% increase over 2009-10 premium		2,299
DENTAL INSURANCE Estimated 5% increase over 2009-10 premium		282
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		100
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000		19
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination		<u>180</u>
TOTAL PERSONAL SERVICES		<u><u>25,315</u></u>

**CITY OF PHILOMATH
GENERAL FUND - BUILDINGS AND GROUNDS
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Building Repair and Maintenance	11,000	Repairs to city buildings
Gas & Oil	220	Prorated share of vehicle fuel costs
Grounds Maintenance	15,000	Cost of grounds maintenance
Insurance	3,800	Buildings and grounds share of city liability policy
Landscape Maintenance	3,600	Contractor to maintain landscaping at City Hall, PD & Library and perform backflow testing
Maintenance Agreements	1,100	Maintenance agreement on heating and cooling systems
Miscellaneous	795	Incidental expenses
Security Alarm & Remote Monitoring	1,500	Fee for monitoring security system at city hall, police depart., and library
Supplies	7,000	Restroom supplies, light bulbs, cleaning supplies, etc.
Utilities	28,000	Electricity, natural gas and water for city hall, police building and library
Vandalism	<u>500</u>	Cost to remove or repair damage due to vandalism
TOTAL MATERIALS & SERVICES	<u><u>72,515</u></u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
GENERAL FUND - PARKS**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
PERSONAL SERVICES							
10 7 4120 Public Works Director	640	672	465	592	676	723	14%
10 7 4155 Public Works Supervisor	294	513	590	504	557	596	11%
10 7 4164 Utility Maintenance Workers	9,857	10,374	11,774	10,851	13,100	13,624	21%
10 7 4250 Custodian	9,618	9,854	7,961	0	1,014	1,055	100%
10 7 4258 Seasonal/Part Time	3,619	5,849	6,075	5,376	4,000	4,160	-26%
10 7 4320 Overtime	23	34	73	110	137	142	25%
10 7 4340 On-Call Time	245	259	279	262	300	312	15%
10 7 4360 Incentive Pay	656	762	630	309	446	464	44%
10 7 4370 Sick Leave Conversion	15	14	0	0	0	0	
10 7 4500 Social Security	1,910	2,167	2,131	1,377	1,547	1,448	12%
10 7 4520 PERS	3,506	3,522	3,419	1,555	1,955	2,033	26%
10 7 4540 Workers' Compensation	1,121	939	1,001	1,100	1,100	1,144	0%
10 7 4560 Workers' Benefit Fund Assmt	25	27	24	18	19	19	6%
10 7 4620 Deferred Compensation	59	73	65	68	76	81	12%
10 7 4640 Health Insurance	5,054	5,898	6,130	2,902	3,770	4,336	30%
10 7 4660 Dental Insurance	735	720	820	348	451	474	30%
10 7 4670 Health Reimbursement Account	2,178	2,190	1,270	165	185	185	12%
10 7 4680 Life Insurance	67	67	70	27	30	30	11%
10 7 4820 Sick & Vacation Accrual	0	0	0	218	243	0	11%
Subtotal Personal Services	39,622	43,934	42,777	25,782	29,606	30,826	15%
MATERIALS AND SERVICES							
10 7 5095 Building Repair & Maintenance	7,373	889	192	1,800	1,800	1,854	0%
10 7 5107 Certification Costs	0	0	0	0	500	515	100%
10 7 5245 Education and Training	0	0	0	0	250	258	100%
10 7 5285 Equipment Repair/Maintenance	1,141	503	1,134	2,452	1,500	1,545	-39%
10 7 5305 Gas & Oil	962	1,747	1,904	2,000	2,060	2,122	3%
10 7 5315 Grounds Maintenance	6,221	4,484	3,688	7,960	12,000	10,000	51%
10 7 5325 Insurance	1,773	1,957	1,957	2,225	2,100	2,163	-6%
10 7 5390 Miscellaneous	224	112	586	741	462	538	-38%
10 7 5563 Small Tools & Equipment	400	2,134	663	900	900	927	0%
10 7 5587 Supplies	1,417	1,091	3,050	2,300	4,000	4,120	74%
10 7 5715 Utilities	8,141	7,295	8,547	9,270	11,500	11,845	24%
10 7 5740 Vandalism	0	0	1,094	500	1,000	1,030	100%
Subtotal Materials & Services	27,652	20,213	22,815	30,148	38,072	36,916	26%
TOTAL PARKS BUDGET	67,274	64,147	65,592	55,930	67,678	67,742	21%

**CITY OF PHILOMATH
GENERAL FUND - PARKS
2010-11 BUDGET NARRATIVE**

PERSONAL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	1%	676
Public Works Supervisor	1%	557
Utility Maintenance Workers	3%	13,100
Custodian	10%	1,014
Seasonal/Part Time	22%	<u>4,000</u>
TOTAL SALARIES		19,347
<p>The time allocation is based on estimated needs of this department for fiscal year 2010-11. Salaries include a 3.5% cost-of-living increase. The seasonal employee mows lawns and helps with other park maintenance duties.</p>		
OVERTIME		137
ON-CALL TIME		300
Prorated portion of weekly payment for public works crew member on standby during off duty time		
INCENTIVE PAY		446
Each employee may receive up to \$200 per month based on acquiring specialized skills		
SOCIAL SECURITY Calendar year 2010 rate is 7.65%		1,547
PERS		1,955
The City pays both the employer and employee contributions. For fiscal year 2010-11 the Tier 1 & 2 employer rate is 7.45%, OPSRP rate is 5.86%, and the employee rate is 6%.		
WORKERS' COMPENSATION		1,100
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue		19
DEFERRED COMPENSATION 6% retirement benefit for management employees		76
HEALTH INSURANCE \$500 deductible plan, 10% increase over 2009-10 premium		3,770
DENTAL INSURANCE Estimated 5% increase over 2009-10 premium		451
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		185
LIFE INSURANCE Basis Life and AD&D policy. Employee coverage \$30,000		30
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination		<u>243</u>
TOTAL PERSONAL SERVICES		<u><u>29,606</u></u>

**CITY OF PHILOMATH
GENERAL FUND - PARKS
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Building Repair and Maintenance	1,800	Painting & minor repairs to park shelters and other structures
Certification Costs	500	Pesticide certification
Education and Training	250	Pesticide application, play equipment inspection
Equipment Repair and Maintenance	1,500	Parts & repairs for department equipment
Gas and Oil	2,060	Prorated share of motor vehicle fuel
Grounds Maintenance	12,000	Maintain trails, plantings, etc. at city parks
Insurance	2,100	Prorated share of city commercial liability and property insurance
Miscellaneous	462	Incidental expenses
Small Tools and Equipment	900	Purchase of small tools
Supplies	4,000	Restroom supplies, cleaning supplies
Utilities	11,500	Cost of electricity, water and disposal fees for park facilities
Vandalism	<u>1,000</u>	Cost to remove or repair damage due to vandalism
TOTAL MATERIALS AND SERVICES	<u>38,072</u>	

NON-DEPARTMENTAL

Activities which cannot be charged to any one fund or department are accounted for in a General Fund department called Non-Departmental. Expenses for the council, city attorney, and elections are included here, as are the city newsletter, various membership fees.

ELECTIONS

The City is required to pay the costs for conducting both initiative and referendum elections on local issues. Also, any election required under the City Charter must be paid for out of this line item.

CITY COUNCIL

This fund tracks expenditures incurred specifically by the mayor and councilors during the course of their duties. Attendance at the League of Oregon Cities conference and associated travel expenses make up the majority of the expense.

CITY ATTORNEY

The city attorney provides legal assistance to the city council, the City Manager, and other city departments. At the City's request, he drafts and/or approves ordinances, resolutions, contracts, and other legal documents and represents the city in court actions. This office is currently a part-time position filled by contract.

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
GENERAL FUND - NON-DEPARTMENTAL**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
PERSONAL SERVICES							
10 8 4253 Computer Technician	0	113	0	0	0	0	
10 8 4860 Unemployment Insurance	3,609	228	0	8,700	7,000	8,000	-20%
10 8 4865 COBRA Premium	0	0	0	6,540	0	0	-100%
Subtotal Personal Services	3,609	341	0	15,240	7,000	8,000	-54%
MATERIALS & SERVICES							
10 8 5015 Advertising & Legal Notices	1,767	1,968	407	2,000	2,000	2,060	0%
10 8 5033 Attorney Retainer	29,640	30,600	31,800	32,640	32,808	33,792	1%
10 8 5034 Attorney Non Contractual Services	209	0	0	2,000	25,000	2,060	100%
10 8 5045 Audit Fees	6,500	6,500	8,500	8,750	8,750	9,013	0%
10 8 5098 Bus Operations	26,054	35,522	39,433	40,600	45,000	46,350	11%
10 8 5132 Community Appearance	6,042	4,436	3,996	6,200	6,000	6,180	-3%
10 8 5133 Community Organization Support	5,750	17,697	13,000	13,000	13,000	13,000	0%
10 8 5146 Consultant - Scenic Byway	0	0	0	0	1,200	0	100%
10 8 5155 Contributions	7,950	8,000	9,000	9,450	11,200	11,400	19%
10 8 5166 Couplet Projects	0	6,910	33,440	10,000	10,000	0	0%
10 8 5233 Dues	450	1,601	1,360	1,550	1,600	1,648	3%
10 8 5234 Dues - COG	3,740	3,884	4,096	4,219	4,336	4,466	3%
10 8 5235 Dues - LOC	2,741	2,779	3,352	3,411	3,468	3,572	2%
10 8 5245 Education and Training	330	50	1,300	1,000	1,000	1,030	0%
10 8 5255 Election Fees	0	0	111	2,000	1,000	1,030	-50%
10 8 5260 Employee Recognition Program	0	64	0	200	200	206	0%
10 8 5290 Ethics Commission Fee	0	0	0	0	500	515	100%
10 8 5319 Hazardous Materials Disposal	0	0	0	1,000	1,000	1,030	0%
10 8 5325 Insurance	307	170	240	260	280	288	8%
10 8 5367 Labor Consultant	0	7,582	980	0	8,000	0	100%
10 8 5390 Miscellaneous	12,216	5,168	7,600	5,514	6,088	6,307	10%
10 8 5395 Municipal Code Updates	0	0	0	0	800	824	100%
10 8 5401 Network Consultant	0	3,458	4,100	5,000	6,000	6,180	20%
10 8 5403 Newsletter/Web page	4,139	1,752	1,205	1,800	2,000	2,060	11%
10 8 5413 Office Supplies	1,428	0	626	1,060	600	618	-43%
10 8 5465 Postage	160	597	191	400	700	721	75%
10 8 5553 Sidewalk Enforcement Program	49,943	0	2,300	5,000	5,000	5,150	0%
10 8 5567 State Filing Fee	300	250	250	300	300	309	0%
10 8 5593 Surety Bonds	0	756	756	756	370	370	-51%
10 8 5665 Travel and Meals	63	102	195	350	700	721	100%
10 8 5687 Tree/Landscape Maintenance	7,220	695	1,524	3,000	13,000	10,000	100%
10 8 5755 Wetlands Expense	2,600	5,199	1,040	2,600	0	0	-100%
10 8 5770 Wireless Internet	0	13,200	11,196	0	0	0	
10 8 5919 Oregon Crafted Grant	99,600	90,000	100,000	100,000	100,000	100,000	0%
10 8 5921 Safe Routes to School Grant	0	0	0	14,000	0	0	-100%
Subtotal Materials & Services	269,149	248,938	282,000	278,060	311,900	270,900	12%
TOTAL NON-DEPARTMENTAL BUDGET	272,758	249,279	282,000	293,300	318,900	278,900	9%

**CITY OF PHILOMATH
GENERAL FUND - NON-DEPARTMENTAL
2010-11 BUDGET NARRATIVE**

PERSONAL SERVICES

Unemployment Insurance	<u>7,000</u>	The City pays actual cost of unemployment claims rather than contributing a portion of our payroll to the state pool.
TOTAL PERSONAL SERVICES	<u><u>7,000</u></u>	

MATERIALS AND SERVICES

Advertising & Legal Notices	2,000	Required legal advertising in local newspapers
Attorney Retainer	32,808	Retainer fee for legal services, attendance at council meetings and representation for the City in Municipal Court
Attorney Non Contractual Services	25,000	Provides for additional attorney services
Audit Fees	8,750	Fee for CPA firm to prepare annual audit
Bus Operations	45,000	Bus driver, fuel, maintenance and other operating costs. Philomath shares a bus grant with the city of Corvallis. This amount represents half of the operating cost. The other half is paid for through the transit grant with the City of Corvallis.
Community Appearance	6,000	Annual community spring clean up. Cost to haul dumpsters.
Community Organization Support	13,000	\$10,000 for Philomath Downtown Association, \$3,000 towards Philomath Frolic fireworks display
Consultant - Scenic Byway	1,200	Remaining balance to marketing consultant
Contributions	11,200	Council policy to make available 25% of anticipated state revenue sharing dollars to local social service agencies.
Couplet Projects	10,000	City median and entrance area improvements and maintenance
Dues	1,600	City dues to various organizations
Dues - COG	4,336	Dues to Council of Governments
Dues - LOC	3,468	Dues to League of Oregon Cities. Pays for various services and lobbying efforts on behalf of City concerns.
Education and Training	1,000	Training for city council members, including the League of Oregon Cities meeting in November and a sponsorship to Leadership Corvallis
Election Fees	1,000	Estimated cost to cover one election
Employee Recognition Program	200	Recognize city employees for outstanding contributions
Ethics Commission Fee	500	State mandated charge to support Oregon Government Ethics Commission

Continued

**CITY OF PHILOMATH
GENERAL FUND - NON-DEPARTMENTAL
2010-11 BUDGET NARRATIVE**

Continued:

Hazardous Materials Disposal	1,000	Potential clean-up costs for toxic spills within the city limits
Insurance	280	Liability insurance not allocated to a specific department
Labor Consultant	8,000	Consultant for Spring 2011 union negotiations
Miscellaneous	6,088	Incidental expenses
Municipal Code Updates	800	Code Publishing charge when Ordinances are created or amended
Network Consultants	6,000	Contract with Council of Governments to provide technical expertise regarding City networks and computer systems
Newsletter/web page	2,000	Editing, printing & distributing a newsletter to citizens four times a year. Consultant to help with web page updates.
Office Supplies	600	General office supplies
Postage	700	Postage for Council activities or projects
Sidewalk Enforcement Program	5,000	To enforce sidewalk ordinance. Cost to hire a contractor to put in sidewalk when property owner has not done so by specified time.
State Filing Fee	300	Fee required to file City audit
Surety Bonds	370	\$300,000 bond for commercial crime by city employees
Travel and Meals	700	City council member travel expenses to League of Oregon Cities meetings and seminars
Tree Maintenance	13,000	Hazardous tree removal, pruning and tree assessment Street tree, median and entrance area maintenance
Oregon Crafted Grant	<u>100,000</u>	Grant to provide training and technical assistance to low and moderate income artists.
TOTAL MATERIALS AND SERVICES	<u>311,900</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
GENERAL FUND - TRANSFERS AND CONTINGENCY**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
TRANSFERS							
10 9 8100 To Street Fund	7,000	0	0	0	0	0	
10 9 8500 To Land Building & Equip Fund	150,000	126,000	129,500	89,400	90,000	90,000	1%
TOTAL TRANSFERS	157,000	126,000	129,500	89,400	90,000	90,000	1%
CONTINGENCY							
10 9 9000	0	0	0	50,000	50,000	75,000	0%

PUBLIC WORKS DEPARTMENT

The Public Works Department is responsible for the management, operation and maintenance of the city's public infrastructure. This includes the transportation, wastewater, drinking water and storm water systems, parks & recreation, and building and grounds maintenance. Individual customer service has been identified as the department's number one priority.

Street Maintenance – The primary function of this activity is to maintain the transportation network. Street restoration responsibilities include sweeping, grading, base repair, crack and slurry sealing, pothole patching, sanding, snow and ice removal. Traffic control and public safety responsibilities include right-of-way maintenance, signs, and pavement markings. The administration and inspection services for the sidewalk program are also a function of this activity. Funding is provided by the city's portion of state gasoline taxes and franchise fees.

Wastewater Collection – This activity provides for the safe and efficient operation and maintenance of the wastewater collection piping system by regular cleaning, structural defect repairs, and manhole sealing. All service connections and laterals are inspected and maintained to individual property lines. A complete and accurate inventory of the collection system is maintained with recorded inspections and mapping updates. This activity is funded through sewer user fees.

Wastewater Treatment Facilities – These facilities pump and treat all the wastewater from the city. The facilities are operated within the strict guidelines established by state and federal agencies through a waste discharge permit for the discharge of plant effluent to the Mary's River. Routine wastewater sample collection for laboratory analysis is performed, and monthly reports are sent to the Department of Environmental Quality to insure regulatory compliance. Preventive and corrective maintenance is performed at three pumping stations throughout the collection system. Funding is provided through sewer user fees.

Water Distribution – This activity includes the operation and maintenance of the network of pipes, valves, meters, and fire hydrants that deliver drinking water to consumers at all times. Water meter reading is performed monthly, and utility billing field support occurs daily. The cross-connection control program is administered within this activity. To ensure compliance with the Federal Safe Drinking Water Act and the Oregon Health Division (OHD) rules and regulations, water is routinely tested at representative sites in the system. Monthly reports submitted to the OHD include results of six microbiological samples, daily turbidity measurements, and chlorine residuals. A complete analysis of all organic and inorganic compounds is done yearly, and water is tested for radiological contaminants every four years. Staff performs sampling and reporting, while laboratory analysis is contracted to a private lab. This activity is funded through water user fees.

Water Treatment Facilities – These facilities treat, pump, and store water for domestic, commercial and fire fighting purposes. The primary goal of this activity is meet or exceed water quality standards to remain in full compliance with state and federal regulations, while providing adequate quantity and pressure for fire fighting. The design capacity of the treatment plant is 1 million gallons per day (MGD). Average production was 0.5 MGD in 2002, while peak demand was 0.9 MGD. The storage capacity of the reservoir is 1.25 million gallons. Preventive and corrective maintenance is routinely performed at these facilities for safe and cost effective operations. Funding is provided through water user fees.

Storm Water Maintenance – To minimize or reduce the potential of neighborhood flooding during periods of high water, the storm water system provides for the transport of surface water. Maintenance activities include repair and cleaning of the public storm water piping system, culverts, manholes, catch basins and open channel ditches. Funding for storm water maintenance is provided by a storm water utility fee that is based on square footage of impervious surface. Philomath was identified by the 2000 census as a part of the Corvallis Urbanized Area and therefore subject to federal storm water regulations. As part of the permitting process, a storm water master plan was submitted to DEQ for their review and approval. Federal regulation of storm water will require additional expenditures in future years.

Parks & Recreation – Operation and maintenance of the city park system is a function of the Public Works Department. Five separate park locations comprise a total of approximately forty-two acres. Existing restroom facilities, shelters and playground equipment are cleaned and maintained as needed, while grounds maintenance and mowing is performed regularly throughout the peak festival months. State Revenue Sharing helps fund this activity with the balance coming from the General Fund. A new neighborhood park is scheduled for construction this year for the benefit of those residents in the northwest part of the city.

Buildings and Grounds – This activity provides janitorial services and supplies, grounds and building maintenance to the Library, City Hall, Justice Building, and Public Works Buildings. Funding for this activity at the Public Works compound is shared among the street, water and wastewater funds, while the General Fund supports the other buildings.

Customer Service – Identified as the department's highest priority, this area involves all employees and includes tasks such as: telephone and walk-in reception, development and plan review, dispensing information, inspection services, purchasing, underground utility locating, and interacting with a variety of external and internal Customers. Problem investigation and resolution frequently requires field representation and may involve water line flushing, sewer line cleaning, public safety concerns, or plumbing repairs at city owned facilities. Line locating, on the other hand, is a matter of complying with state law. Contractors and utilities are required to request line locates 48 hours prior to any excavation, while utility companies are required to locate and mark their respective lines, pipes and appurtenances in the field to prevent damage and/or interruption of service. CS is primarily funded through the water and wastewater funds.

Staffing – The department functions under the administration of the Director of Public Works. Operational staff includes one supervisor, one office specialist, one facilities operator, and six field representatives. Temporary seasonal employees are utilized during the summer months to accomplish a variety of programs. Personnel's funding is shared proportionally among the appropriate funds.

**CITY OF PHILOMATH
COMBINED PUBLIC WORKS EXPENDITURES
FISCAL YEAR 2010-11**

PERSONNEL	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12
Public Works Director	64,031	67,224	46,527	59,232	67,584	72,314
Public Works Supervisor	29,438	51,265	59,033	50,448	55,727	59,627
Utility Maintenance Workers	201,530	200,466	226,905	197,768	251,313	263,671
Water/Wastewater Operator	37,965	39,012	42,202	95,636	71,568	74,073
Office Specialist	32,253	33,035	34,668	37,488	38,808	40,166
Custodian	24,044	24,636	19,902	11,700	10,140	10,546
Seasonal/Part Time	6,566	19,440	29,932	24,576	15,362	15,920
Overtime	2,671	2,403	2,808	5,400	4,902	5,191
On-Call Time	5,648	5,800	6,690	6,790	6,756	6,775
Sick Leave Conversion	1,478	1,358	0	0	0	0
Incentive Pay	15,955	16,456	14,289	12,360	15,899	15,928
Level 3 Certification	0	0	772	911	990	1,025
Social Security	32,251	35,722	37,005	38,286	41,236	43,490
PERS	67,363	68,110	70,548	58,965	64,983	68,808
Workers' Compensation	12,460	13,006	15,793	17,630	18,000	19,692
Workers Benefit Fund Assmt	304	304	291	348	346	346
Deferred Compensation	5,865	7,375	6,482	6,818	7,614	7,977
Health Insurance	80,312	88,478	87,595	97,921	111,389	128,097
Dental Insurance	13,287	11,983	12,607	12,603	13,941	14,638
Health Reimbursement Account	31,750	32,749	18,499	5,000	5,000	5,000
Life Insurance	1,004	1,043	979	784	905	945
Sick and Vacation Accrual	0	5,844	0	7,500	8,946	8,710
Total Personal Services	666,175	725,709	733,527	748,164	811,409	862,939
MATERIALS & SERVICES	774,872	744,916	698,679	899,082	979,106	984,160
CAPITAL IMPROVEMENTS	4,719	4,801	4,125	10,000	105,000	105,000
DEBT SERVICE	99,468	102,406	99,930	576,924	357,923	365,973
TRANSFERS TO RESERVES						
Equipment Reserve	72,350	77,700	104,400	77,400	72,600	72,600
Street Infrastructure	90,000	70,000	50,000	0	0	50,000
Sewer Infrastructure	110,000	210,000	215,000	0	0	0
Water Infrastructure	79,000	79,000	20,000	30,000	40,000	40,000
Storm Drain Infrastructure	0	16,400	8,000	5,000	12,500	12,500
Public Works Office Equipment	1,000	12,000	4,000	2,000	2,000	2,000
Public Works Building Reserve	13,800	14,000	16,200	60,000	71,200	21,600
To Street Fund	12,500	13,100	13,000	12,400	13,800	14,800
Total Transfers to Reserves	378,650	492,200	430,600	186,800	212,100	213,500
CONTINGENCY	0	0	0	95,000	90,000	70,000
TOTAL PUBLIC WORKS DEPARTMENTS	1,923,884	2,070,032	1,966,861	2,515,970	2,555,538	2,601,572

**FISCAL YEAR 2010-11
STREET FUND**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE	
REVENUE								
21 0 3001	Cash Balance Forward	101,842	73,947	71,675	85,000	83,000	76,000	-2%
21 0 3020	Interest On Investments	3,263	1,894	918	1,000	500	600	-50%
21 0 3120	State Highway Tax	204,058	193,383	174,349	189,950	229,800	270,500	21%
21 0 3215	Street Utility Fee	50,799	51,899	52,554	52,600	52,800	53,000	0%
21 0 3420	Franchise Fee - Allied Waste	26,542	27,246	26,103	27,500	26,000	26,260	-5%
21 0 3450	Franchise Fee - Pioneer Telephone	22,021	23,785	23,733	23,700	20,650	20,500	-13%
21 0 3460	Franchise Fee - Comcast	35,842	38,557	40,443	41,500	40,400	40,600	-3%
21 0 3650	Miscellaneous Income	451	98	142	0	0	0	
21 0 3940	Transfer-General Fund	7,000	0	0	0	0	0	
21 0 3990	Transfer-Storm Drain Fund	12,500	13,100	13,000	12,400	13,800	14,800	11%
	TOTAL REVENUES	464,318	423,909	402,917	433,650	466,950	502,260	8%
EXPENDITURES								
PERSONAL SERVICES								
21 0 4120	Public Works Director	10,885	11,428	7,910	10,069	11,489	12,293	14%
21 0 4155	Public Works Supervisor	2,944	5,126	5,903	5,045	5,573	5,963	10%
21 0 4164	Utility Maintenance Worker	44,758	46,192	52,014	50,622	57,585	60,464	14%
21 0 4176	Office Specialist	6,451	6,607	6,934	7,498	7,762	8,034	4%
21 0 4258	Seasonal/Part Time	520	3,178	4,972	3,300	2,272	2,352	-31%
21 0 4320	Overtime	63	172	438	773	739	783	-4%
21 0 4340	On-Call Time	1,077	1,159	1,243	1,232	1,322	1,322	7%
21 0 4360	Incentive Pay	2,442	2,907	2,428	2,180	2,743	2,743	26%
21 0 4370	Sick Leave Conversion	251	231	0	0	0	0	
21 0 4500	Social Security	5,309	5,914	6,261	6,175	6,846	7,257	11%
21 0 4520	PERS	11,059	11,528	12,112	10,020	11,228	11,902	12%
21 0 4540	Workers' Compensation	2,855	2,890	4,041	4,500	4,800	5,280	7%
21 0 4560	Workers' Benefit Fund Assmt	51	51	49	60	54	54	-10%
21 0 4620	Deferred Compensation	872	1,036	850	935	1,049	1,122	12%
21 0 4640	Health Insurance	13,645	16,282	15,573	16,803	20,149	23,171	20%
21 0 4660	Dental Insurance	2,149	2,103	2,177	2,097	2,465	2,588	18%
21 0 4670	Health Reimbursement Account	5,395	5,507	3,092	750	800	800	7%
21 0 4680	Life Insurance	170	174	177	173	200	200	16%
21 0 4820	Sick & Vacation Accrual	0	292	0	1,305	1,656	1,656	27%
	Subtotal Personal Services	110,896	122,778	126,174	123,537	138,732	147,985	12%
MATERIALS AND SERVICES								
21 0 5012	Administrative Overhead	35,220	40,320	41,688	38,856	43,116	44,409	11%
21 0 5015	Advertising & Legal Notices	1,434	501	0	500	500	515	0%
21 0 5053	Bad Debt Write-Off	34	511	343	500	400	412	-20%
21 0 5095	Building Repair & Maintenance	864	835	603	1,030	1,000	1,030	-3%
21 0 5143	Computer Line Charges	365	320	292	400	400	412	0%
21 0 5195	Crushed Rock/Asphalt	3,409	2,493	7,413	9,000	9,000	9,270	0%
21 0 5233	Dues	960	486	164	970	500	515	-48%
21 0 5245	Education and Training	0	0	236	0	300	309	100%
21 0 5265	Engineering	0	0	2,060	5,000	4,000	4,120	-20%
21 0 5285	Equipment Repair & Maintenance	12,512	5,740	1,062	10,300	6,000	6,180	-42%
21 0 5305	Gas & Oil	6,063	7,658	5,977	8,800	6,500	6,695	-26%
21 0 5325	Insurance	3,421	2,342	2,649	2,900	1,000	3,200	-66%
21 0 5383	Maintenance Agreements	280	439	1,603	1,300	1,600	1,648	23%
21 0 5387	Medical Expense	512	465	248	570	570	587	0%
21 0 5390	Miscellaneous	1,526	556	881	3,010	2,882	3,968	-4%
21 0 5413	Office Supplies	1,323	1,228	575	1,300	1,350	1,391	4%
21 0 5423	Oil Mat/Crack & Slurry Seal	0	14,812	0	23,000	46,000	24,000	100%
21 0 5465	Postage	79	46	42	100	100	103	0%

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**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
STREET FUND**

		ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
MATERIALS & SERVICES (CONTINUED)								
21 0 5515	Safety Equipment	417	655	1,786	1,500	1,800	1,854	20%
21 0 5535	Security Alarm & Remote Monitoring	120	165	103	165	170	175	3%
21 0 5557	Sidewalk Improvement	38,209	1,029	200	12,000	12,000	12,360	0%
21 0 5563	Small Tools & Equipment	1,298	1,017	801	1,522	1,200	1,236	-21%
21 0 5577	Street Lights/Traffic Signals	27,139	32,238	33,941	37,000	42,000	43,260	14%
21 0 5583	Street Signs	7,003	6,025	4,667	6,500	6,200	6,386	-5%
21 0 5587	Supplies	9,756	7,801	3,010	9,000	9,000	9,270	0%
21 0 5603	Telephone	120	127	161	160	400	412	100%
21 0 5645	Tires	371	227	0	400	400	412	0%
21 0 5703	Uniforms	881	1,157	759	930	800	824	-14%
21 0 5704	Uniform Cleaning	1,121	1,313	329	1,200	1,230	1,267	2%
21 0 5715	Utilities	4,854	4,636	5,056	5,500	5,500	5,665	0%
21 0 5740	Vandalism	0	0	15	500	500	515	0%
21 0 5745	Vehicle Repair & Maintenance	684	1,116	4,963	3,000	2,500	2,575	-17%
	Subtotal Materials & Services	159,975	136,256	121,627	186,913	208,918	194,975	12%
TRANSFERS								
21 0 8520	To LBE Fund - Equipment	29,500	23,200	15,900	23,200	16,300	16,300	-30%
21 0 8540	To LBE Fund - Infrastructure	90,000	70,000	50,000	0	0	50,000	
21 0 8560	To LBE Fund - P/W Building	0	0	0	50,000	50,000	0	0%
	Subtotal Transfers	119,500	93,200	65,900	73,200	66,300	66,300	-9%
21 0 9000	Contingency	0	0	0	30,000	30,000	40,000	0%
	TOTAL EXPENDITURES	390,371	352,234	313,701	413,650	443,950	449,260	7%
21 0 9500	UNAPPROPRIATED ENDING BAL	0	0	0	20,000	23,000	53,000	15%
	Excess Revenues Over Expenditures	73,947	71,675	89,216	0	0	0	

**CITY OF PHILOMATH
STREET FUND
2010-11 BUDGET NARRATIVE**

PERSONAL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	17%	11,489
Public Works Supervisor	10%	5,573
Utility Maintenance Workers	27%	57,585
Office Specialist	20%	7,762
Seasonal/Part Time	13%	<u>2,272</u>
TOTAL SALARIES		84,681
<p>The time allocation is based on estimated needs of this fund for fiscal year 2010-11. Salaries include a 3.5% increase.</p>		
OVERTIME		739
ON-CALL TIME		1,322
Prorated portion of weekly payment for public works crew member on standby during off duty time		
INCENTIVE PAY		2,743
Each employee may receive up to \$200 per month based on acquiring specialized skills		
SOCIAL SECURITY Calendar year 2010 rate is 7.65%		6,846
PERS		11,228
The City pays both the employer and employee contributions. For fiscal year 2010-11 the Tier 1 & 2 employer rate is 7.45%, OPSRP rate is 5.86%, and the employee rate is 6%.		
WORKERS' COMPENSATION		4,800
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue		54
DEFERRED COMPENSATION 6% retirement benefit for management employees		1,049
HEALTH INSURANCE \$500 deductible plan, 10% increase over 2009-10 premium		20,149
DENTAL INSURANCE Estimated 5% increase over 2009-10 premium		2,465
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		800
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000		200
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination		<u>1,656</u>
TOTAL PERSONAL SERVICES		<u>138,732</u>

**CITY OF PHILOMATH
STREET FUND
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Administrative Overhead	43,116	Transfer to General Fund to pay for Street Fund portion of accounting and other administrative expenses
Advertising and Legal Notices	500	Advertising for bids, sale of surplus equipment, and employment positions
Bad Debt Write-Off	400	To write-off uncollectible customer accounts
Building Repair and Maintenance	1,000	Prorated cost of painting and minor repairs for public works buildings
Computer Line Charges	400	DSL charges
Crushed Rock and Asphalt	9,000	Crushed rock to place on existing gravel surface streets to keep them passable and asphalt needed to patch chuck holes in existing streets. Small paving projects.
Dues	500	Membership in professional organizations
Education and Training	300	Road maintenance classes
Engineering	4,000	Engineering fees
Equipment Repair and Maintenance	6,000	Prorated cost of repairs to shop and office equipment
Gas and Oil	6,500	Prorated share of vehicle fuel costs
Insurance	1,000	Street Fund share of commercial and vehicle liability, auto physical damage and property insurance
Maintenance Agreements	1,600	Prorated cost of maintenance agreements for diesel generators, HVAC, equipment, etc.
Medical Expenses	570	Prorated share of mandatory CDL physical, drug and alcohol testing and required vaccinations
Miscellaneous	2,882	Incidental expenses
Office Supplies	1,350	Copier cost, paper and other office supplies
Oil Mat/Crack & Slurry Seal	46,000	Crack, slurry and chip seal projects in streets to be determined
Postage	100	Postage for public works office
Safety Equipment	1,800	Protective clothing, equipment and raingear
Security Alarm & Remote Monitoring	170	Prorated share of alarm monitoring at public works facility
Sidewalk Improvement	12,000	Replacement and repair of city owned sidewalks

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**CITY OF PHILOMATH
STREET FUND
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES (CONTINUED)

Small Tools and Equipment	1,200	Purchase of new, and replacement of worn out hand tools and small equipment
Street Lights and Traffic Signals	42,000	Cost of electricity to operate street lights and traffic signals
Street Signs	6,200	Replacement or installation of street, regulatory and informational signs
Supplies	9,000	Traffic paint and related supplies
Telephone	400	Prorated telephone cost at public works office
Tires	400	Prorated cost of tires and tire repair for equipment
Uniforms	800	Prorated cost of shirts, pants, boots and coats
Uniform Cleaning	1,230	Prorated cost of laundry for coveralls and shop rags
Utilities	5,500	Prorated cost of electricity, natural gas and water for public works buildings
Vandalism	500	Cost to remove or repair damage due to vandalism
Vehicle Repair and Maintenance	<u>2,500</u>	Prorated cost of repairs to vehicles
TOTAL MATERIALS & SERVICES	<u>208,918</u>	

TRANSFERS

To LBE Fund - Equipment	16,300	Set aside for future equipment replacement
To LBE Fund - P/W Building	<u>50,000</u>	Reserve for construction of new building to store street equipment
TOTAL TRANSFERS	<u>66,300</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
WATER FUND**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
REVENUES							
51 0 3001 Cash Balance Forward	72,287	91,536	79,414	47,000	140,000	130,000	100%
51 0 3020 Interest on Investments	1,463	966	804	700	450	800	-36%
51 0 3201 Metered Water Sales	744,823	759,666	770,739	816,800	835,000	852,000	2%
51 0 3202 Fire Line Fee	0	0	675	0	1,620	1,620	100%
51 0 3220 Water Meter Installations	24,835	9,590	7,560	4,500	8,500	9,000	89%
51 0 3230 New Account Set Up Fee	905	830	695	850	790	800	-7%
51 0 3235 Shut Off Notice Fee	3,245	7,866	9,473	9,400	9,800	9,850	4%
51 0 3240 Late Fees	3,748	3,909	4,009	4,000	4,100	4,150	2%
51 0 3650 Miscellaneous Receipts	559	1,479	5,947	1,200	1,500	1,500	25%
TOTAL REVENUES	851,865	875,842	879,315	884,450	1,001,760	1,009,720	13%
EXPENDITURES							
PERSONAL SERVICES							
51 0 4120 Public Works Director	26,253	27,562	19,076	24,285	27,709	29,649	14%
51 0 4155 Public Works Supervisor	14,130	24,607	28,336	24,215	26,749	28,621	10%
51 0 4164 Utility Maintenance Workers	89,007	86,176	98,092	84,181	109,142	114,599	30%
51 0 4166 Water/Wastewater Operator	22,779	23,407	25,321	57,382	45,345	46,932	-21%
51 0 4176 Office Specialist	12,901	13,214	13,867	14,995	15,523	16,066	4%
51 0 4258 Seasonal/Part Time	1,387	8,055	14,754	11,000	5,681	5,880	-48%
51 0 4320 Overtime	1,522	1,332	1,349	2,696	2,327	2,467	-14%
51 0 4340 On-Call Time	2,617	2,622	3,111	3,250	3,107	3,107	-4%
51 0 4360 Incentive Pay	7,231	6,995	6,058	5,546	7,067	7,067	27%
51 0 4365 Level 3 Certification	0	0	772	911	990	1,025	9%
51 0 4370 Sick Leave Conversion	606	556	0	0	0	0	
51 0 4500 Social Security	13,650	15,194	16,121	17,312	18,608	19,724	7%
51 0 4520 PERS	28,619	28,485	30,324	27,258	29,283	31,040	7%
51 0 4540 Workers' Compensation	6,229	6,630	7,966	8,600	9,000	9,900	5%
51 0 4560 Workers' Benefit Fund Assmt	123	125	125	153	155	155	1%
51 0 4620 Deferred Compensation	2,529	3,243	2,909	3,020	3,367	3,434	11%
51 0 4640 Health Insurance	33,092	35,172	35,553	46,356	50,882	58,514	10%
51 0 4660 Dental Insurance	5,734	4,977	5,221	6,006	6,383	6,702	6%
51 0 4670 Health Reimbursement Account	12,929	13,354	7,597	2,395	2,330	2,330	-3%
51 0 4680 Life Insurance	410	427	382	331	375	398	13%
51 0 4820 Sick & Vacation Accrual	0	4,091	0	3,480	4,059	4,059	17%
Subtotal Personal Services	281,748	306,224	316,936	343,372	368,082	391,669	7%
MATERIALS AND SERVICES							
51 0 5012 Administrative Overhead	82,224	96,576	96,288	91,320	102,576	105,653	12%
51 0 5015 Advertising & Legal Notices	1,891	1,463	1,556	1,500	1,550	1,597	3%
51 0 5053 Bad Debt Write-Off	471	9,504	7,571	7,800	7,000	7,000	-10%
51 0 5095 Building Repair & Maintenance	5,864	7,117	5,147	7,000	10,000	6,397	43%
51 0 5107 Certification Costs	0	0	0	0	1,000	1,030	100%
51 0 5137 Computer Support	1,831	975	2,369	2,500	1,500	1,545	-40%
51 0 5143 Computer Line Charges	562	338	352	600	600	618	0%
51 0 5145 Concrete Sidewalk/Curb	0	1,521	3,425	5,000	5,500	5,665	10%
51 0 5155 Contributions	1,800	1,000	1,000	2,000	3,000	2,000	50%
51 0 5185 Cross Connection Control	440	348	300	500	600	618	20%
51 0 5195 Crushed Rock/Asphalt	6,143	3,544	6,507	10,000	12,000	12,360	20%
51 0 5225 DEQ Discharge Permit	391	403	435	450	470	484	4%
51 0 5233 Dues	1,958	1,299	1,554	2,000	2,500	2,575	25%
51 0 5245 Education & Training	1,374	1,417	2,346	3,500	2,500	2,575	-29%
51 0 5265 Engineering	2,996	0	3,134	4,000	4,000	4,120	0%
51 0 5275 Equipment Rental	1,593	518	0	1,100	1,100	1,133	0%
51 0 5285 Equipment Repair & Maintenance	33,522	20,408	17,424	20,000	20,600	21,218	3%

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**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
WATER FUND**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
MATERIALS & SERVICES (CONTINUED)							
51 0 5305 Gas & Oil	6,472	5,783	4,381	6,500	5,500	5,665	-15%
51 0 5325 Insurance	10,857	12,546	11,859	13,500	8,000	12,700	-41%
51 0 5373 Laboratory Analysis	7,846	11,198	11,958	16,000	22,000	22,660	38%
51 0 5375 Landscape Maintenance	0	0	0	0	7,000	7,210	100%
51 0 5383 Maintenance Agreements	2,508	2,323	1,679	2,580	300	309	-88%
51 0 5387 Medical Expenses	513	465	247	550	600	618	9%
51 0 5390 Miscellaneous	842	464	2,600	1,842	1,907	2,011	4%
51 0 5413 Office Supplies	1,082	1,266	1,484	1,200	1,600	1,648	33%
51 0 5445 Pipes/Fittings/Mechanical	30,776	24,331	7,803	26,000	22,000	22,000	-15%
51 0 5465 Postage	366	380	261	400	500	515	25%
51 0 5513 Rock Creek Water Purchase	0	442	6,930	20,000	20,000	24,500	0%
51 0 5515 Safety Equipment	1,904	1,347	2,008	2,300	2,400	2,472	4%
51 0 5535 Security Alarm & Remote Monitoring	993	1,335	1,338	1,350	1,400	1,442	4%
51 0 5563 Small Tools & Equipment	4,398	1,988	2,849	4,000	4,000	4,120	0%
51 0 5587 Supplies	7,415	6,051	4,771	7,000	7,200	7,416	3%
51 0 5597 System Supplies & Maintenance	25,236	24,181	7,815	21,000	18,000	18,540	-14%
51 0 5603 Telephone	4,041	4,176	4,598	5,400	5,400	5,562	0%
51 0 5645 Tires	546	470	0	620	620	639	0%
51 0 5665 Travel and Meals	1,427	1,447	2,455	1,700	1,600	1,648	-6%
51 0 5685 Treatment Chemicals	25,007	34,979	29,675	35,000	36,000	37,080	3%
51 0 5703 Uniforms	1,319	1,457	1,091	1,380	800	824	-42%
51 0 5704 Uniform Cleaning	1,121	1,313	454	1,230	1,300	1,339	6%
51 0 5715 Utilities	37,529	36,904	37,702	40,600	39,000	40,170	-4%
51 0 5745 Vehicle Repair & Maintenance	1,848	772	6,383	2,500	4,000	4,120	60%
Subtotal Materials & Services	317,106	322,048	299,750	371,922	387,623	401,796	4%
CAPITAL OUTLAY							
51 0 6463 Water Equipment	4,719	3,300	683	6,000	50,000	50,000	100%
51 0 6467 Water Infrastructure	0	1,501	3,442	4,000	25,000	25,000	100%
Subtotal Capital Outlay	4,719	4,801	4,125	10,000	75,000	75,000	100%
DEBT SERVICE							
51 0 7142 OECDD Loan Principal	21,437	22,752	24,146	25,626	27,197	28,864	6%
51 0 7144 Contact Chamber Principal	4,970	5,293	5,637	6,003	6,393	6,809	6%
51 0 7542 OECDD Loan Interest	11,074	9,760	8,365	6,886	5,314	3,647	-23%
51 0 7544 Contact Chamber Loan Interest	13,475	13,151	12,807	12,441	12,051	11,635	-3%
Subtotal Debt Service	50,956	50,956	50,955	50,956	50,955	50,955	0%
TRANSFERS							
51 0 8520 TO LBE Fund - Equipment	19,400	20,400	74,900	37,200	38,500	38,500	3%
51 0 8540 TO LBE Fund - Infrastructure	79,000	79,000	20,000	30,000	40,000	40,000	33%
51 0 8555 TO LBE Fund - P/W Office Equip	500	6,000	2,000	1,000	1,000	1,000	0%
51 0 8560 TO LBE Fund - P/W Building	6,900	7,000	8,100	5,000	10,600	10,800	100%
Subtotal Transfers	105,800	112,400	105,000	73,200	90,100	90,300	23%
51 0 9000 Contingency	0	0	0	35,000	30,000	0	-14%
TOTAL EXPENDITURES	760,329	796,428	776,766	884,450	1,001,760	1,009,720	13%
51 0 9500 UNAPPROPRIATED ENDING BAL	0	0	0	0	0	0	0%
Excess Revenues Over Expenditures	91,536	79,414	102,549	0	0	0	

**CITY OF PHILOMATH
WATER FUND
2010-11 BUDGET NARRATIVE**

PERSONAL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	41%	27,709
Public Works Supervisor	48%	26,749
Utility Maintenance Workers	37%	109,142
Water/Wastewater Operator	60%	45,345
Office Specialist	40%	15,523
Seasonal/Part Time	45%	<u>5,681</u>
TOTAL SALARIES		230,149
The time allocation is based on estimated needs of this fund for fiscal year 2010-11. Salaries include a 3.5% cost-of-living increase. Two part time employees help cover shifts and provide extra help in running the water and wastewater plants. A seasonal position is set up for a LBCC student in a work study program. The student works for 10 weeks to help operate the water/sewer facilities.		
OVERTIME		2,327
ON-CALL TIME		3,107
Prorated portion of weekly payment for public works crew member on standby during off duty time		
INCENTIVE PAY		7,067
Each employee may receive up to \$200 per month based on acquiring specialized skills		
LEVEL 3 CERTIFICATION		990
2% incentive to Water/Wastewater operator to maintain a level 3 water treatment certification		
SOCIAL SECURITY Calendar year 2010 rate is 7.65%		18,608
PERS		29,283
The City pays both the employer and employee contributions. For fiscal year 2010-11 the Tier 1 & 2 employer rate is 7.45%, OPSRP rate us 5.86% and the employee rate is 6%.		
WORKERS' COMPENSATION		9,000
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue		155
DEFERRED COMPENSATION 6% retirement benefit for management employees		3,367
HEALTH INSURANCE \$500 deductible plan, 10% increase over 2009-10 premium		50,882
DENTAL INSURANCE Estimated 5% increase over 2009-10 premiums		6,383
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		2,330
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000		375
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination		<u>4,059</u>
TOTAL PERSONAL SERVICES		<u>368,082</u>

**CITY OF PHILOMATH
WATER FUND
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Administrative Overhead	102,576	Transfer to General Fund to pay Water Fund portion of accounting and other administrative expenses
Advertising and Legal Notices	1,550	Advertising for bids, sale of surplus equipment, and employment positions
Bad Debt Write-Off	7,000	To write-off uncollectible customer accounts
Building Repair & Maintenance	10,000	Prorated cost of painting and minor repairs to shop and public works buildings. Water treatment plant building maintenance
Certification Costs	1,000	Employee water certifications
Computer Support	1,500	Prorated cost of computer support
Computer Line Charges	600	DSL charges
Concrete Sidewalk/Curb	5,500	Cost to repair or replace damage while working on water system
Contributions	3,000	Contribution to social service agencies that help customers who do not have money to pay their water bills
Cross Connection Control	600	Cost of implementing program. Tests required by state to ensure compliance.
Crushed Rock and Asphalt	12,000	Crushed rock and asphalt needed to backfill and patch utility cuts
DEQ Discharge Permit	470	Mandated Department of Environmental Quality fee
Dues	2,500	Membership in professional organizations
Education & Training	2,500	Workshops and seminars to maintain certifications and train employees
Engineering	4,000	Engineering fees
Equipment Rental	1,100	Rental of equipment
Equipment Repair & Maintenance	20,600	Equipment repairs to maintain water system and water plant
Gas and Oil	5,500	Prorated share of vehicle fuel costs
Insurance	8,000	Water Fund share of commercial and vehicle liability, auto physical damage and property insurance
Laboratory Analysis	22,000	Cost of analyzing water samples by an outside certified lab to comply with state requirements
Landscape Maintenance	7,000	Contract landscaping at water treatment plant, water tower and portion of public works office. Testing of backflow prevention devices.

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**CITY OF PHILOMATH
WATER FUND
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES (CONTINUED)

Maintenance Agreements	300	Prorated cost of maintenance agreements for diesel generators, HVAC, and equipment
Medical Expenses	600	Prorated share of mandatory CDL physical, drug and alcohol testing and required vaccinations
Miscellaneous	1,907	Incidental expenses
Office Supplies	1,600	Prorated supplies used by public works office
Pipes, Fittings, Mechanical	22,000	Purchase of corporation and curb stops, copper and PVC pipe, and related items
Postage	500	Prorated postage for public works office use
Rock Creek Water Purchase	20,000	Agreement with City of Corvallis to purchase treated water
Safety Equipment	2,400	Protective clothing and equipment
Security Alarm & Remote Monitoring	1,400	Prorated share of public works alarm system
Small Tools and Equipment	4,000	Replace worn-out hand tools & small equipment
Supplies	7,200	Miscellaneous supplies and small parts
System Supplies and Maintenance	18,000	Supplies required to maintain the distribution system and operate the department
Telephone	5,400	Prorated telephone cost at public works office
Tires	620	Prorated cost of tires and tire repair for equipment
Travel and Meals	1,600	Cost of lodging and meals at out-of-town training
Treatment Chemicals	36,000	Alum, soda ash, polymers, chlorine and fluoride
Uniforms	800	Prorated cost of shirts, pants, boots and coats.
Uniform Cleaning	1,300	Prorated cost of laundry for coveralls and shop rags
Utilities	39,000	Utility cost at water treatment plant and prorated cost of electricity, natural gas and water at public works office/shops
Vehicle Repair & Maintenance	<u>4,000</u>	Prorated cost of repairs to vehicles
TOTAL MATERIALS & SERVICES	<u>387,623</u>	

**CITY OF PHILOMATH
WATER FUND
2010-11 BUDGET NARRATIVE**

CAPITAL OUTLAY

Water Equipment	50,000	Purchase of new and replacement water meters, hydrants and large pieces of equipment
Water Infrastructure	<u>25,000</u>	Emergency water line replacement or other small infrastructure project
TOTAL CAPITAL OUTLAY	<u>75,000</u>	

DEBT SERVICE

OECDL Loan Principal	27,197	Payment on OECDL loan for water reservoir
Contact Chamber Principal	6,393	Payment on OECDL loan for contact chamber
OECDL Loan Interest	5,314	Interest portion of OECDL loan payment
Contact Chamber Interest	<u>12,051</u>	Interest portion of contact chamber loan
TOTAL DEBT SERVICE	<u>50,955</u>	

TRANSFERS

To LBE Fund - Equipment	38,500	Set aside for future equipment replacement
To LBE Fund - Infrastructure	40,000	Reserve to support capital improvement plan
To LBE Fund - P/W Office Equipment	1,000	Furniture and office equipment for public works building
To LBE Fund - P/W Building	<u>10,600</u>	Reserve for future construction/expansion of public works facilities
TOTAL TRANSFERS	<u>90,100</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
SEWER FUND**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE	
REVENUES								
52 0 3001	Cash Balance Forward	83,392	85,891	80,710	100,000	110,000	110,000	10%
52 0 3020	Interest on Investments	1,897	1,299	750	1,000	750	900	-25%
52 0 3205	Sewer User Fees	561,035	683,591	697,800	702,300	702,300	710,000	0%
52 0 3225	Sewer Permits and Inspections	1,485	703	528	400	500	515	25%
52 0 3230	New Account Set Up Fee	905	830	695	850	790	800	-7%
52 0 3235	Shut Off Notice Fee	2,696	6,561	7,790	7,200	8,000	8,100	11%
52 0 3240	Late Fee	3,166	3,413	3,270	3,500	3,400	3,450	-3%
52 0 3280	Farm Lease	17,680	17,680	17,680	17,680	17,680	17,680	0%
52 0 3650	Miscellaneous Receipts	321	471	3,227	400	400	400	0%
52 0 3985	Transfer from SDC Fund	0	0	0	250,000	60,000	80,000	-76%
	TOTAL REVENUES	672,577	800,439	812,449	1,083,330	903,820	931,845	-17%
EXPENDITURES								
PERSONAL SERVICES								
52 0 4120	Public Works Director	25,613	26,890	18,611	23,693	27,034	28,926	14%
52 0 4155	Public Works Supervisor	11,775	20,506	23,614	20,179	22,291	23,851	10%
52 0 4164	Utility Maintenance Workers	52,116	51,656	58,170	45,693	63,888	67,082	40%
52 0 4166	Water/Wastewater Operator	15,186	15,605	16,881	38,254	26,223	27,141	-31%
52 0 4176	Office Specialist	12,901	13,214	13,867	14,995	15,523	16,066	4%
52 0 4258	Seasonal/Part Time	1,040	2,358	4,131	4,900	3,409	3,528	-30%
52 0 4320	Overtime	1,052	844	897	1,738	1,607	1,703	-8%
52 0 4340	On-Call Time	1,567	1,609	1,895	1,892	1,853	1,853	-2%
52 0 4360	Incentive Pay	4,961	5,060	4,581	4,115	5,356	5,356	30%
52 0 4370	Sick Leave Conversion	591	543	0	0	0	0	
52 0 4500	Social Security	9,700	10,691	10,912	11,921	12,820	13,589	8%
52 0 4520	PERS	20,380	20,998	21,468	19,137	20,801	22,049	9%
52 0 4540	Workers' Compensation	1,622	1,992	2,093	2,600	2,400	2,640	-8%
52 0 4560	Workers' Benefit Fund Assmt	84	82	77	102	100	100	-2%
52 0 4620	Deferred Compensation	2,346	2,950	2,593	2,727	3,046	3,259	12%
52 0 4640	Health Insurance	22,597	24,211	23,486	30,050	34,289	39,432	14%
52 0 4660	Dental Insurance	3,849	3,380	3,505	3,928	4,360	4,578	11%
52 0 4670	Health Reimbursement Account	8,860	9,298	5,147	1,600	1,585	1,585	-1%
52 0 4680	Life Insurance	284	301	271	236	281	298	19%
52 0 4820	Sick and Vacation Accrual	0	1,461	0	2,363	2,808	2,808	19%
	Subtotal Personal Services	196,524	213,647	212,198	230,123	249,674	265,847	8%
MATERIALS AND SERVICES								
52 0 5012	Administrative Overhead	73,092	85,044	85,548	81,792	92,472	95,246	13%
52 0 5015	Advertising & Legal Notices	816	316	712	600	620	639	3%
52 0 5053	Bad Debt Write-Off	410	5,505	5,376	6,000	5,000	5,150	-17%
52 0 5095	Building Repair & Maintenance	1,712	3,043	2,560	3,502	3,600	3,708	3%
52 0 5107	Certification Costs	0	0	0	0	500	515	100%
52 0 5137	Computer Support	1,008	0	100	412	400	412	-3%
52 0 5143	Computer Line Charges	364	320	371	391	410	422	5%
52 0 5145	Concrete Sidewalks/curb	0	0	0	0	1,000	1,030	100%
52 0 5155	Contributions	1,000	3,000	3,000	2,000	3,000	2,000	50%
52 0 5185	Cross Connection Control	0	0	0	0	200	206	100%
52 0 5195	Crushed Rock/Asphalt	1,439	1,680	2,016	5,600	4,000	4,120	-29%
52 0 5225	DEQ Discharge Permit	568	1,387	1,493	1,545	1,580	1,627	2%
52 0 5233	Dues	931	854	770	900	400	412	-56%
52 0 5245	Education & Training	1,824	711	1,434	2,300	1,700	1,751	-26%
52 0 5265	Engineering	1,943	35	2,085	4,000	4,000	4,120	0%
52 0 5285	Equipment Repair & Maintenance	20,389	19,429	4,984	16,500	17,000	17,510	3%

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**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
SEWER FUND**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
MATERIALS & SERVICES (CONTINUED)							
52 0 5305 Gas & Oil	5,153	7,002	3,806	6,500	6,000	6,180	-8%
52 0 5325 Insurance	10,184	9,568	9,285	9,900	6,700	9,400	-32%
52 0 5373 Laboratory Analysis	3,540	4,557	5,587	5,400	10,000	10,300	85%
52 0 5383 Maintenance Agreements	5,421	2,685	2,470	3,000	2,100	2,163	-30%
52 0 5387 Medical Expenses	513	465	249	620	640	659	3%
52 0 5390 Miscellaneous	1,455	3,312	1,798	5,241	5,011	5,401	-4%
52 0 5413 Office Supplies	1,229	1,006	1,128	780	1,200	1,236	54%
52 0 5465 Postage	348	31	308	225	225	232	0%
52 0 5489 Property Lease	398	406	441	454	480	494	6%
52 0 5490 Property Tax	1,730	1,765	1,919	1,977	1,970	2,029	0%
52 0 5515 Safety Equipment	909	820	1,910	1,400	2,000	2,060	43%
52 0 5535 Security Alarm/Remote Monitoring	1,899	3,064	1,606	2,100	800	824	-62%
52 0 5545 Sewer Main Repair	8,845	493	495	9,200	20,000	20,000	100%
52 0 5563 Small Tools & Equipment	2,214	2,108	1,824	2,400	2,450	2,524	2%
52 0 5587 Supplies	3,370	4,370	2,260	4,700	4,700	4,841	0%
52 0 5597 System Supplies & Maintenance	9,299	4,047	4,389	7,000	5,000	5,150	-29%
52 0 5603 Telephone	2,398	2,446	2,724	2,600	3,800	3,914	46%
52 0 5645 Tires	783	595	522	800	800	824	0%
52 0 5665 Travel and Meals	437	779	40	740	760	783	3%
52 0 5685 Treatment Chemicals	15,902	9,187	15,135	17,000	17,200	17,716	1%
52 0 5695 TV Inspection	0	0	0	2,000	2,000	2,060	0%
52 0 5703 Uniforms	814	840	1,234	900	800	824	-11%
52 0 5704 Uniform Cleaning	1,121	1,401	373	1,260	1,260	1,298	0%
52 0 5715 Utilities	15,156	14,281	13,600	15,500	17,000	17,510	10%
52 0 5745 Vehicle Repair & Maintenance	2,186	982	5,081	3,000	3,000	3,090	0%
Subtotal Materials & Services	200,800	197,532	188,631	230,239	251,778	260,380	9%
CAPITAL OUTLAY							
52 0 6477 Sewer Infrastructure	0	0	0	0	30,000	30,000	100%
Subtotal Capital Outlay	0	0	0	0	30,000	30,000	100%
DEBT SERVICE							
52 0 7160 B of A - Principal	25,000	30,000	30,000	200,000	0	0	-100%
52 0 7175 Bond Principal	0	0	0	0	65,000	75,000	100%
52 0 7560 B of A - Interest	23,512	21,450	18,975	2,000	0	0	-100%
52 0 7575 Bond Interest	0	0	0	323,968	241,968	240,018	-25%
Subtotal Debt Service	48,512	51,450	48,975	525,968	306,968	315,018	-42%
TRANSFERS							
52 0 8520 To LBE Fund - Equipment	23,450	34,100	13,600	17,000	17,800	17,800	5%
52 0 8540 To LBE Fund - Infrastructure	110,000	210,000	215,000	0	0	0	
52 0 8555 To LBE Fund - P/W Office Equipment	500	6,000	2,000	1,000	1,000	1,000	0%
52 0 8560 To LBE Fund - P/W Building	6,900	7,000	8,100	5,000	10,600	10,800	100%
Subtotal Transfers	140,850	257,100	238,700	23,000	29,400	29,600	28%
52 0 9000 Contingency	0	0	0	30,000	30,000	30,000	0%
TOTAL EXPENDITURES	586,686	719,729	688,505	1,039,330	897,820	930,845	-14%
52 0 9500 UNAPPROPRIATED ENDING BAL	0	0	0	44,000	6,000	1,000	-86%
Excess Revenues Over Expenditures	85,891	80,710	123,944	0	0	0	

**CITY OF PHILOMATH
SEWER FUND
2010-11 BUDGET NARRATIVE**

PERSONAL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	40%	27,034
Public Works Supervisor	40%	22,291
Utility Maintenance Workers	30%	63,888
Water/Wastewater Operator	33%	26,223
Office Specialist	40%	15,523
Seasonal/Part Time	20%	<u>3,409</u>
TOTAL SALARIES		158,368

The time allocation is based on estimated needs of this fund for fiscal year 2010-11. Salaries include a 3.5% increase. Two part time employees help cover shifts and provide extra help in running the water and wastewater plants. A seasonal position is set up for a LBCC student in a work study program. The student works for 10 weeks to help operate the water and sewer facilities.

OVERTIME	1,607
ON-CALL TIME Prorated portion of weekly payment for public works crew member on standby during off duty time	1,853
INCENTIVE PAY Each employee may receive up to \$200 per month based on acquiring specialized skills	5,356
SOCIAL SECURITY Calendar year 2010 rate is 7.65%	12,820
PERS The City pays both the employer and employee contributions. For fiscal year 2010-11 the Tier 1 & 2 employer rate is 7.45%, OPSRP rate is 5.86%, and the employee rate is 6%.	20,801
WORKERS' COMPENSATION	2,400
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue	100
DEFERRED COMPENSATION 6% retirement benefit for management employees	3,046
HEALTH INSURANCE \$500 deductible plan, 10% increase over 2009-10 premium	34,289
DENTAL INSURANCE Estimated 5% increase over 2009-10 premium	4,360
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible	1,585
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000	281
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination	<u>2,808</u>
TOTAL PERSONAL SERVICES	<u><u>249,674</u></u>

**CITY OF PHILOMATH
SEWER FUND
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Administrative Overhead	92,472	Transfer to General Fund to pay for Sewer Fund portion of accounting and other administrative expenses
Advertising and Legal Notices	620	Advertising for bids, sale of surplus equipment, and employment positions
Bad Debt Write-Off	5,000	To write-off uncollectible customer accounts
Building Repair and Maintenance	3,600	Minor repairs to the sewer plant and prorated cost of repairs to the public works buildings
Certification Costs	500	Employee waste water certifications
Computer Support	400	Prorated cost of computer support
Computer Line Charges	410	DSL charges
Concrete Sidewalks/curb	1,000	Cost to repair or replace damage while working on sewer system
Contributions	3,000	Contribution to social service agencies that help customers who do not have money to pay their sewer bills
Cross Connection Control	200	Backflow testing for A Station, Timber Estates, Newton Creek pump stations
Crushed Rock and Asphalt	4,000	Crushed rock and asphalt needed to backfill and patch utility cuts
D.E.Q. Discharge Permit	1,580	Water quality tests required by state to insure compliance and obtain NPDES permit
Dues	400	Membership in professional organizations
Education and Training	1,700	Workshops and seminars to maintain certifications and train employees
Engineering	4,000	Engineering fees
Equipment Repair and Maintenance	17,000	Prorated cost of repairs to equipment
Gas and Oil	6,000	Prorated share of vehicle fuel costs
Insurance	6,700	Sewer Fund share of commercial and vehicle liability, auto physical damage, and property insurance
Laboratory Analysis	10,000	Waste water quality testing required by DEQ for plant discharge
Maintenance Agreements	2,100	Prorated cost of maintenance agreements for diesel generators, HVAC, and equipment

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**CITY OF PHILOMATH
SEWER FUND
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES (CONTINUED)

Medical Expenses	640	Prorated share of mandatory CDL physical, drug and alcohol testing and required vaccinations
Miscellaneous	5,011	Incidental expenses
Office Supplies	1,200	Copier cost, paper and other office supplies
Postage	225	Prorated postage for public works office use
Property Lease	480	Lease on Gilbert Faxon land equal to annual property tax
Property Tax	1,970	Property tax on 176 acres near sewer lagoons which is leased to farmer
Safety Equipment	2,000	Protective clothing and equipment
Security Alarm & Remote Monitoring	800	Alarm system for sewer facilities
Sewer Main Repair	20,000	Repair of services, laterals, and sections of pipe
Small Tools and Equipment	2,450	Purchase of new, and replacement of worn out hand tools and small equipment
Supplies	4,700	Miscellaneous supplies and small parts
System Supplies and Maintenance	5,000	Supplies required to maintain the collection system and operate the department
Telephone	3,800	Prorated telephone cost at public works office
Tires	800	Prorated cost of tires and tire repair for equipment
Travel and Meals	760	Cost of lodging and meals at out-of-town training
Treatment Chemicals	17,200	Chemicals used in waste water treatment plant
T V Inspection	2,000	Inspection of existing sewer lines to determine cause of problems in the lines
Uniforms	800	Prorated cost of shirts, pants, boots and coats
Uniform Cleaning	1,260	Prorated cost of laundry for coveralls and shop rags
Utilities	17,000	Utility cost for pump stations, and prorated cost of electricity, natural gas and water at public works office and shops
Vehicle Repair and Maintenance	<u>3,000</u>	Prorated cost of repairs to vehicles
TOTAL MATERIALS & SERVICES	<u>251,778</u>	

**CITY OF PHILOMATH
SEWER FUND
2010-11 BUDGET NARRATIVE**

CAPITAL OUTLAY

Sewer Infrastructure	<u>30,000</u>	Emergency sewer line replacement or other small infrastructure project
TOTAL CAPITAL OUTLAY	<u>30,000</u>	

DEBT SERVICE

Bond Principal	65,000	First principal payment on bond issue
Bond Interest	<u>241,968</u>	Interest on \$6.125 million bond issue
TOTAL DEBT SERVICE	<u>306,968</u>	

TRANSFERS

To LBE Fund - Equipment	17,800	Set aside for future replacement of equipment
To LBE Fund - P/W Office Equipment	1,000	Furniture and office equipment for public works building
To LBE Fund - P/W Building	<u>10,600</u>	Reserve for future construction/expansion of public works facilities
TOTAL TRANSFERS	<u>29,400</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
STORM DRAIN FUND**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE	
REVENUES								
53 0 3001	Cash Balance Forward	5,012	18,397	17,581	25,000	27,000	14,000	8%
53 0 3020	Interest on Investments	516	573	375	400	200	600	-50%
53 0 3211	Storm Drain User Fees	41,401	42,002	42,506	21,270	22,800	45,600	7%
53 0 3650	Miscellaneous Revenue	45	0	5	0	0	0	
	TOTAL REVENUES	46,974	60,972	60,467	46,670	50,000	60,200	7%
EXPENDITURES								
MATERIALS AND SERVICES								
53 0 5053	Bad Debt Write Off	34	388	258	300	300	309	0%
53 0 5147	Contracted Services	601	1,712	200	2,000	1,500	1,545	-25%
53 0 5195	Crushed Rock/Asphalt	2,495	5,824	550	3,000	3,000	3,090	0%
53 0 5225	DEQ Discharge Permit	0	403	765	765	800	824	5%
53 0 5233	Dues	0	0	84	100	100	103	0%
53 0 5245	Education and Training	0	0	1,535	2,500	2,500	2,575	0%
53 0 5265	Engineering	0	0	1,589	1,000	1,000	1,030	0%
53 0 5275	Equipment Rental	3,194	47	0	500	0	0	-100%
53 0 5305	Gas and Oil	0	0	175	250	200	206	-20%
53 0 5390	Miscellaneous	400	159	674	605	650	764	7%
53 0 5413	Office Supplies	0	0	88	0	150	155	100%
53 0 5445	Pipes, Fittings, Mechanical	8,440	3,857	0	4,200	4,200	4,326	0%
53 0 5465	Postage	0	0	422	600	600	618	0%
53 0 5563	Small Tools and Equipment	0	920	51	200	400	412	100%
53 0 5587	Supplies	0	0	454	500	550	567	10%
53 0 5597	System Supply & Maintenance	913	581	2,313	2,500	4,000	4,120	60%
53 0 5745	Vehicle Repair and Maintenance	0	0	296	250	250	258	0%
	Subtotal Materials & Services	16,077	13,891	9,453	19,270	20,200	20,900	5%
TRANSFERS								
53 0 8100	To Street Fund	12,500	13,100	13,000	12,400	13,800	14,800	11%
53 0 8540	To LBE Fund - Infrastructure	0	16,400	8,000	5,000	12,500	12,500	100%
	Subtotal Transfers	12,500	29,500	21,000	17,400	26,300	27,300	51%
	TOTAL EXPENDITURES	28,577	43,391	30,453	36,670	46,500	48,200	27%
53 0 9500	UNAPPROPRIATED ENDING BAL	0	0	0	10,000	3,500	12,000	-65%
	Excess Revenues Over Expenditures	18,397	17,581	30,014	0	0	0	

**CITY OF PHILOMATH
STORM DRAIN FUND
2010-11 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Bad Debt Write-Off	300	To write-off uncollectible customer accounts
Contracted Services	1,500	Consultant to help implement federal regulations and/or hire a contractor to assist city crews in specialized projects.
Crushed Rock and Asphalt	3,000	Crushed rock and asphalt to backfill and patch utility cuts
DEQ Discharge Permit	800	Mandated Department of Environmental Quality fee
Dues	100	Dues related to storm water maintenance
Education and Training	2,500	Training on identifying illicit discharges, containment etc.
Engineering	1,000	Engineering of storm drain projects
Gas and Oil	200	Gas and oil used during storm projects
Miscellaneous	650	Incidental expenses
Office Supplies	150	Prorated share of Public Works office supplies
Pipes, Fittings, Mechanical	4,200	Purchase of catch basins, manholes, pipe and related items
Postage	600	Postage for mailing brochures, notices, etc.
Small Tools and Equipment	400	Hand tools and small equipment
Supplies	550	Supplies needed for storm water maintenance
System Supplies and Maintenance	4,000	Supplies required to maintain the storm water collection system and operate the department
Vehicle Repair and Maintenance	<u>250</u>	Prorated share of vehicle repair and maintenance
TOTAL MATERIALS & SERVICES	<u>20,200</u>	

TRANSFERS

To Street Fund	13,800	Personnel time for work performed in the Storm Drain Fund is included in the Street Fund. This is to reimburse the Street Fund for the estimated personnel costs.
To LBE Fund - Infrastructure	<u>12,500</u>	Set aside for future large storm drain projects
	<u>26,300</u>	

LAND, BUILDING AND EQUIPMENT RESERVE FUND

Reserve funds have been established to accumulate money for use in future years. The intention is that we should have a systematic way to save each year for large capital purchases and to avoid loans or bond financing whenever possible.

The City has a Capital Improvement Plan that the City Council reviews and updates annually. The Plan identifies equipment and infrastructure needs as well as expected implementation dates. Costs for future expenditures are estimated.

The Plan is funded each year by contributions from the General Fund, Street, Water, Sewer and Storm Drain Funds. The funds are then segregated for use by those specific departments.

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
LAND, BUILDING AND EQUIPMENT FUND**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
REVENUES							
41 0 3001 Cash Balance Forward	722,054	917,307	1,126,407	7,445,800	5,566,000	5,000,000	-25%
41 0 3020 Investment Interest	37,975	45,303	51,954	100,000	50,000	30,000	-50%
41 0 3040 Interest on Accounts	0	0	7,835	0	0	0	
41 0 3125 Bike/Footpath Revenue	2,061	1,954	1,761	1,920	2,320	2,730	21%
41 0 3190 Urban Renewal Reimbursement	447,163	67,171	1,293,620	16,000	0	0	-100%
41 0 3580 Citation Assessment for Police Equip	10,768	14,738	14,322	13,500	13,000	13,500	-4%
41 0 3610 Donations	6,373	1,511	5,808	650	200	200	-69%
41 0 3646 Loan	0	0	5,998,057	0	0	0	
41 0 3650 Miscellaneous Income	15,253	7,500	8,202	0	0	0	
41 0 3685 Sale of Equipment/Building	1,837	201,055	0	0	0	0	
41 0 3740 Justice Building Mortgage Payments	12,492	12,492	7,775	10,002	8,864	12,120	-11%
41 0 3770 Sewer Lateral Reimbursement	0	842	11,413	0	0	0	
41 0 3814 FTA Bus Grant	0	0	0	105,000	105,000	0	0%
TRANSFERS							
41 0 3941 General Fund - Admin Equipment	3,000	2,000	24,000	0	0	1,000	
41 0 General Fund - City Manager Car	0	0	0	0	1,000	1,000	100%
41 0 3943 General Fund - Finance Equipment	2,400	2,400	16,000	2,000	5,000	1,000	100%
41 0 3945 General Fund - Court Equipment	1,000	0	0	0	0	1,300	
41 0 3947 General Fund - Police Office Equip	24,000	2,000	0	0	0	0	
41 0 3951 General Fund - Police Vehicle	17,000	17,000	17,000	19,000	16,000	18,000	-16%
41 0 3952 General Fund - B & G Vehicle	2,200	2,100	7,900	0	3,300	3,300	100%
41 0 3953 General Fund - Park Equipment	10,300	9,800	9,000	11,900	7,300	7,000	-39%
41 0 3955 General Fund - Park Buildings	0	7,500	0	0	0	0	
41 0 3960 General Fund - City Hall Reserve	14,500	19,600	17,400	18,200	18,900	18,900	4%
41 0 3962 General Fund - Police Bldg Reserve	56,500	45,000	18,600	18,300	18,400	18,400	1%
41 0 3964 General Fund - Library Reserve	19,100	18,600	19,600	20,000	20,100	20,100	0%
41 0 3971 Street Fund - Equipment	29,500	23,200	15,900	23,200	16,300	16,300	-30%
41 0 3973 Street Fund - Infrastructure	90,000	70,000	50,000	0	0	50,000	
41 0 3976 Water Fund - Equipment	19,400	20,400	74,900	37,200	38,500	38,500	3%
41 0 3978 Water Fund - Infrastructure	79,000	79,000	20,000	30,000	40,000	40,000	33%
41 0 3982 Sewer Fund - Equipment	23,450	34,100	13,600	17,000	17,800	17,800	5%
41 0 3984 Sewer Fund - Infrastructure	110,000	210,000	215,000	0	0	0	
41 0 3990 Storm Drain Fund - Infrastructure	0	16,400	8,000	5,000	12,500	12,500	100%
41 0 3985 W & S Fund - P/W Office Equip	1,000	12,000	4,000	2,000	2,000	2,000	0%
41 0 3986 W & S Fund - P/W Buildings	13,800	14,000	16,200	10,000	21,200	21,600	100%
41 0 3987 Street Fund - P/W Buildings	0	0	0	50,000	50,000	0	0%
TOTAL REVENUE	1,772,126	1,874,973	9,074,253	7,956,672	6,033,684	5,347,250	-24%

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
LAND, BUILDING AND EQUIPMENT FUND**

		ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED	ESTIMATED	%
		EXPENDED	EXPENDED	EXPENDED	BUDGET	BUDGET	BUDGET	CHANGE
		2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	
EXPENDITURES								
CAPITAL OUTLAY								
41 0 6403	Administration Equipment	0	1,457	2,566	143,700	122,000	2,000	-15%
41 0 6411	Finance Equipment	3,331	0	1,163	24,000	27,000	4,000	13%
41 0 6415	Court Equipment	0	0	0	2,000	1,500	2,000	-25%
41 0 6422	Police Office Equipment	19,637	0	0	3,000	30,000	2,000	900%
41 0 6424	Police Equipment	0	1,484	16,471	25,000	8,000	10,000	-68%
41 0 6425	Police K-9	41,742	0	0	0	0	0	
41 0 6426	Police Vehicles	32,569	0	35,318	0	37,000	0	100%
41 0 6432	Park Equipment	0	16,521	0	0	25,000	0	100%
41 0 6434	Park Land & Building	16,483	2,000	0	0	0	0	
41 0 6441	City Hall Improvement	34,405	34,484	30,092	5,000	5,000	5,000	0%
41 0 6443	Police Building Improvement	35,943	0	0	5,000	5,000	5,000	0%
41 0 6447	Library Improvement	21,735	0	36,183	5,000	5,000	5,000	0%
41 0 6455	Street Equipment	0	0	25,627	60,000	0	5,000	-100%
41 0 6457	Street Infrastructure	409,462	152,287	0	0	0	0	
41 0 6459	Bike/Footpath Construction	3,902	0	0	21,000	11,900	1,940	-43%
41 0 6463	Water Equipment	0	275,721	0	0	50,000	50,000	100%
41 0 6467	Water Infrastructure	125,026	0	25,123	45,000	50,000	30,000	11%
41 0 6473	Sewer Equipment	0	127,818	66,186	0	0	0	
41 0 6477	Sewer Infrastructure	2,030	69,069	572,686	2,500,000	2,100,000	2,400,000	-16%
41 0 6480	Storm Drain Infrastructure	33,478	0	0	0	0	0	
41 0 6490	Public Works Office Equipment	17,314	0	3,427	8,000	7,800	5,000	-3%
41 0 6493	Public Works Office/Buildings	0	0	0	0	150,000	0	100%
41 0 6502	Cedar Street House	57,762	554	0	0	0	0	
41 0 6503	Records Storage/Covered Parking	0	0	0	75,600	76,300	0	1%
41 0 6510	Urban Renewal Projects	0	67,171	1,293,620	16,000	0	0	-100%
	Total Capital Outlay	854,819	748,566	2,108,461	2,938,300	2,711,500	2,526,940	-8%
	TOTAL EXPENDITURES	854,819	748,566	2,108,461	2,938,300	2,711,500	2,526,940	-8%
41 0 9500	RESERVE FOR FUTURE EXPENDITURE	0	0	0	5,018,372	3,322,184	2,820,310	-34%
	Excess Revenues Over Expenditures	917,307	1,126,407	6,965,792	0	0	0	

**CITY OF PHILOMATH
LAND, BUILDING AND EQUIPMENT FUND
2010-11 BUDGET NARRATIVE**

REVENUES

Cash Balance Forward	5,566,000	Estimated Cash Balance at June 30, 2010
Investment Interest	50,000	Interest income on cash balance
Bike/Footpath Revenue	2,320	1% of highway fuel tax allocated for bike and footpath construction
Citation Assessment for Police Equipment	13,000	\$10 fee added to each traffic citation. Funds are designated for purchase of police equipment.
Donations	200	Annual fundraiser for police dog
Justice Building Mortgage Collections	8,864	The Justice building was sold April 5, 2005. The City took back a note. Terms have been renegotiated. Loan amount \$100,000. Interest at 6.5% for 15 years.
FTA Bus Grant	<u>105,000</u>	Federal Transit grant to purchase new bus
Subtotal Revenue Before Transfers	5,745,384	

TRANSFERS

General Fund

Administration Vehicle	1,000	Towards future replacement of City Manager vehicle
Finance Equipment	5,000	Purchase finance office equipment
Police Vehicle	16,000	Per the police vehicle replacement schedule
Park Equipment	7,300	Specified in Capital Improvement Plan
B & G Vehicle	3,300	Towards future replacement of custodian vehicle
City Hall Reserve	18,900	Specified in Capital Improvement Plan
Police Building Reserve	18,400	Specified in Capital Improvement Plan
Library Reserve	<u>20,100</u>	Specified in Capital Improvement Plan
	90,000	
Street Fund		
Equipment	16,300	Specified in Capital Improvement Plan
Public Works Buildings	<u>50,000</u>	Towards construction of new building for street equipment
	66,300	
Water Fund		
Equipment	38,500	Specified in Capital Improvement Plan
Infrastructure	40,000	Specified in Capital Improvement Plan
Public Works Office Equipment	1,000	To purchase office equipment for the Public Works staff
Public Works Buildings	<u>10,600</u>	Specified in Capital Improvement Plan
	90,100	
Sewer Fund		
Equipment	17,800	Specified in Capital Improvement Plan
Public Works Office Equipment	1,000	To purchase office equipment for the Public Works staff
Public Works Buildings	<u>10,600</u>	Specified in Capital Improvement Plan
	29,400	
Storm Drain Fund		
Infrastructure	<u>12,500</u>	Set aside for future storm drain improvements
TOTAL REVENUE	<u>6,033,684</u>	

budget\lbe revenue
06/16/10

**CITY OF PHILOMATH
LAND, BUILDING AND EQUIPMENT FUND
2010-11 BUDGET NARRATIVE**

CAPITAL OUTLAY

Administration Equipment	122,000	\$120,000 new bus to replace the Philomath Connection \$2,000 computer equipment
Finance Equipment	27,000	\$25,000 accounting software upgrade, \$2,000 office equipment
Court Equipment	1,500	Computer and office equipment
Police Office Equipment	30,000	\$13,000 video recording system for custody interviews, \$15,000 new evidence lockers, \$2,000 server
Police Equipment	8,000	2 car computers and other police equipment
Police Vehicle	37,000	Patrol vehicle
Park Equipment	25,000	Replace tractor
City Hall	5,000	Miscellaneous building improvement
Police Building Improvement	5,000	Miscellaneous building improvement
Library Improvement	5,000	Miscellaneous building improvement
Bike/Footpath Construction	11,900	Bike or footpath improvement or construction
Water Equipment	50,000	Replace flat bed dump truck
Water Infrastructure	50,000	Water reservoir maintenance
Sewer Infrastructure	2,100,000	\$100,000 smoke testing for illicit connections and repair defective lines found during testing, \$2,000,000 Phase 2 sewer treatment upgrade including new lagoon
Public Works Office Equipment	7,800	Copy machine and computer server
Public Works Office/Buildings	150,000	\$125,000 construct 5 bay storage building for large vehicles \$25,000 replace flooring at public works office
Records Storage/Covered Parking	<u>76,300</u>	\$58,000 addition to City Hall for records storage, \$18,300 to construct covered parking for police vehicles
TOTAL CAPITAL OUTLAY	<u>2,711,500</u>	

**CITY OF PHILOMATH
LAND, BUILDING AND EQUIPMENT FUND
FISCAL YEAR 2010-11**

	<u>ADMIN</u>	<u>ADMIN</u>	<u>FINANCE</u>	<u>COURT</u>	<u>POLICE</u>		<u>PARKS</u>	<u>B & G</u>	<u>NONDEPARTMENTAL</u>			<u>SUBTOTAL</u>	
	<u>Equipment</u>	<u>Vehicle</u>	<u>Equipment</u>	<u>Equipment</u>	<u>Office Equip</u>	<u>Equipment</u>	<u>Vehicle</u>	<u>Equipment</u>	<u>Vehicle</u>	<u>City Hall</u>	<u>Police Bldg</u>	<u>Library</u>	<u>GENERAL</u>
													<u>FUND</u>
Est Balance 7/1/10	26,000	8,700	22,400	1,700	4,000	50,000	21,000	31,100	0	75,900	60,800	144,500	446,100
2010-11 Transfers	0	1,000	5,000	0	0	0	16,000	7,300	3,300	18,900	18,400	20,100	90,000
Interest Income	138	148	6	3	61	382	0	205	50	1,372	1,269	2,439	6,073
Other Income	105,000	0	0	0	0	13,000	0	0	0	0	8,864	0	126,864
Appropriations	<u>(122,000)</u>	<u>0</u>	<u>(27,000)</u>	<u>(1,500)</u>	<u>0</u>	<u>(38,000)</u>	<u>(37,000)</u>	<u>(25,000)</u>	<u>0</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>(265,500)</u>
Balance 6/30/11	<u>9,138</u>	<u>9,848</u>	<u>406</u>	<u>203</u>	<u>4,061</u>	<u>25,382</u>	<u>0</u>	<u>13,605</u>	<u>3,350</u>	<u>91,172</u>	<u>84,333</u>	<u>162,039</u>	<u>403,537</u>

	<u>STREET</u>	<u>WATER</u>		<u>SEWER</u>		<u>STORM DRAIN</u>	<u>PUBLIC</u>	<u>PUBLIC</u>		<u>Cedar St</u>	<u>FUND</u>		
	<u>Equipment</u>	<u>Infrastructure</u>	<u>Bike Path</u>	<u>Equipment</u>	<u>Infrastructure</u>	<u>Equipment</u>	<u>Infrastructure</u>	<u>Infrastructure</u>	<u>Office Equip</u>	<u>Building</u>	<u>K-9</u>	<u>House</u>	<u>TOTALS</u>
Est Balance 7/1/10	61,200	256,400	9,600	61,500	12,500	54,500	4,417,000	12,700	5,800	148,500	3,900	76,300	5,566,000
2010-11 Transfers	16,300	0	0	38,500	40,000	17,800	0	12,500	2,000	71,200	0	0	288,300
Interest Income	1,184	3,918	0	764	38	1,105	35,404	385	0	1,065	63		50,000
Other Income	0	0	2,320	0	0	0	0	0	0	0	200		129,384
Appropriations	<u>0</u>	<u>0</u>	<u>(11,900)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>0</u>	<u>(2,100,000)</u>	<u>0</u>	<u>(7,800)</u>	<u>(150,000)</u>	<u>0</u>	<u>(76,300)</u>	<u>(2,711,500)</u>
Balance 6/30/11	<u>78,684</u>	<u>260,318</u>	<u>20</u>	<u>50,764</u>	<u>2,538</u>	<u>73,405</u>	<u>2,352,404</u>	<u>25,585</u>	<u>0</u>	<u>70,765</u>	<u>4,163</u>	<u>0</u>	<u>3,322,184</u>

SYSTEM DEVELOPMENT CHARGES

Systems Development Charges (SDC's) are charges assessed against new development in an attempt to recover some of the costs incurred by local government in providing the capital facilities required to serve the new development. SDC's are applied to new development to generate revenue for expansion or construction of municipal facilities located outside the boundaries of new development. This is different from local improvement districts (LID's) which are often used to assess the cost of constructing or expanding City services on-site, within the development.

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
SYSTEMS DEVELOPMENT FUND**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
REVENUES							
42 0 3001 Cash Balance Forward	348,593	708,566	716,212	669,300	649,000	585,800	-3%
42 0 3020 Interest on Investments	25,402	38,363	14,135	13,732	3,499	5,199	-75%
42 0 3051 Interest on Deferred SDC Liens	15,683	11,777	15,318	5,000	1,000	1,500	-80%
42 0 3351 Park Improvement Charges	21,741	11,310	8,467	5,173	7,500	11,300	45%
42 0 3353 Street Improvement Charges	76,332	39,468	23,440	17,619	25,500	38,200	45%
42 0 3354 Street Reimbursement Charges	37,953	19,617	11,647	8,757	12,700	19,000	45%
42 0 3355 Water Improvement Charges	109,392	62,124	31,650	26,992	39,000	58,500	44%
42 0 3356 Water Reimbursement Charges	79,878	46,285	23,194	20,111	29,000	43,600	44%
42 0 3357 Sewer Improvement Charges	128,987	70,891	33,317	29,197	42,200	63,300	45%
42 0 3358 Sewer Reimbursement Charges	61,976	34,115	15,983	14,049	20,300	30,400	44%
42 0 3359 Storm Drain Improvement Charges	38,664	32,490	14,049	8,169	11,800	17,700	44%
42 0 3809 Grants	25,000	0	0	0	50,000	0	100%
TOTAL REVENUES	969,601	1,075,006	907,412	818,099	891,499	874,499	9%
EXPENDITURES							
CAPITAL OUTLAY							
42 0 6815 Park Improvement Outlay	0	22,053	54,720	60,000	105,000	0	75%
42 0 6825 Street Improvement Outlay	177,905	0	0	0	0	0	
42 0 6829 Street Reimbursement Outlay	53,152	0	0	0	0	0	
42 0 6835 Water Improvement Outlay	0	312,242	22,811	33,000	0	0	-100%
42 0 6839 Water Reimbursement Outlay	0	0	0	17,000	0	0	-100%
42 0 6845 Sewer Improvement Outlay	0	0	97,105	0	76,000	0	100%
42 0 6849 Sewer Reimbursement Outlay	0	0	0	0	24,000	0	100%
42 0 6855 Storm Drain Improvement Outlay	5,479	0	0	50,000	0	0	-100%
TOTAL CAPITAL OUTLAY	236,536	334,295	174,636	160,000	205,000	0	28%
DEBT SERVICE							
42 0 7142 OECDD Loan Principal	8,583	9,098	9,644	10,223	10,836	11,486	6%
42 0 7542 OECDD Loan Interest	15,916	15,401	14,855	14,276	13,663	13,013	-4%
TOTAL DEBT SERVICE	24,499	24,499	24,499	24,499	24,499	24,499	0%
TRANSFERS							
42 0 8700 To Sewer Fund	0	0	0	250,000	60,000	60,000	-76%
TOTAL DEBT SERVICE	0	0	0	250,000	60,000	60,000	-76%
TOTAL EXPENDITURES	261,035	358,794	199,135	434,499	289,499	84,499	-33%
42 0 9500 RESERVE FOR FUTURE EXPENDITURE	0	0	0	383,600	602,000	790,000	57%
Excess Revenues Over Expenditures	708,566	716,212	708,277	0	0	0	

**CITY OF PHILOMATH
SYSTEMS DEVELOPMENT FUND
2010-11 BUDGET NARRATIVE**

REVENUE

Cash Balance Forward	649,000	Estimated cash balance at June 30, 2010
Interest on Investments	3,499	Interest earnings
Interest on Deferred SDC Liens	1,000	Interest on deferred SDC charges
Park Improvement Charges	7,500	Estimate based on 10 new single family homes
Street Improvement Charges	25,500	Estimate based on 10 new single family homes
Street Reimbursement Charges	12,700	Estimate based on 10 new single family homes
Water Improvement Charges	39,000	Estimate based on 10 new single family homes
Water Reimbursement Charges	29,000	Estimate based on 10 new single family homes
Sewer Improvement Charges	42,200	Estimate based on 10 new single family homes
Sewer Reimbursement Charges	20,300	Estimate based on 10 new single family homes
Storm Drain Improvement Charges	11,800	Estimate based on 10 new single family homes
Grant	<u>50,000</u>	State grant for park improvements
TOTAL REVENUE	<u>891,499</u>	

CAPITAL OUTLAY

Park Improvement Outlay	105,000	\$55,000 SDC funds and state grant to upgrade park facilities
Sewer Improvement Outlay	76,000	Phase 2 sewer treatment upgrade
Sewer Reimbursement Outlay	<u>24,000</u>	Phase 2 sewer treatment upgrade
TOTAL CAPITAL OUTLAY	<u>205,000</u>	

DEBT SERVICE

OECD - Principal	10,836	Principal portion of storm drain loan
OECD - Interest	<u>13,663</u>	Interest portion of storm drain loan
TOTAL DEBT SERVICE	<u>24,499</u>	

TRANSFERS

To Sewer Fund	<u>60,000</u>	Transfer sewer SDC's held in this fund to Sewer Fund to help pay annual bond payments
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**CITY OF PHILOMATH
SYSTEM DEVELOPMENT CHARGES FUND
FISCAL YEAR 2010-11**

	<u>Park Improvement</u>	<u>Street Improvement</u>	<u>Street Reimbursement</u>	<u>Water Improvement</u>	<u>Water Reimbursement</u>	<u>Sewer Improvement</u>	<u>Sewer Reimbursement</u>	<u>Storm Drain Improvement</u>	<u>TOTAL FUND</u>
Est Balance 7/1/10	47,500	115,500	60,400	188,000	94,400	70,200	35,500	37,500	649,000
SDC Fees	7,500	25,500	12,700	39,000	29,000	42,200	20,300	11,800	188,000
Interest Income	318	816	423	1,314	715	477	149	285	4,499
Appropriations	(105,000)	0	0	0	0	(76,000)	(24,000)	0	(205,000)
Grant/Debt Service	50,000	0	0	0	0	0	0	(24,499)	25,501
Transfers	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>0</u>	<u>(60,000)</u>
Balance 6/30/11	<u>318</u>	<u>141,816</u>	<u>73,523</u>	<u>228,314</u>	<u>124,115</u>	<u>6,877</u>	<u>1,949</u>	<u>25,086</u>	<u>602,000</u>

COMMUNITY DEVELOPMENT FUND

The Community Development Fund has been established to administer low-income housing rehabilitation grant money that the City receives and lends to local residents to fix up sub-standard homes. The Community Services Consortium administers the grant program on a contract basis.

The City has received three block grants. The first was in 1992, the second in 1993 and one in 1997.

Repayment of 1992 loans has no restrictions on use. There is currently \$69,100 in outstanding loans and approximately \$112,000 has been collected from paid loans.

Repayment of the 1993 and 1997 loans must be used for low-income housing rehabilitation. Currently, there is \$426,400 in outstanding loans and \$0 available for new loans.

The State is requiring new loans to be issued to non-profit agencies on behalf of the local governments. The Community Services Consortium has set up a non-profit corporation for this purpose. The City will be reviewing the possibility of applying for new loans through this non-profit organization, or turning our outstanding loans over to the organization for administration.

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
COMMUNITY DEVELOPMENT FUND**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE	
REVENUES								
22 0 3001	Cash Balance Forward	131,523	82,764	109,908	113,000	112,000	118,000	-1%
22 0 3020	Interest Income	7,403	4,987	2,405	3,000	700	800	-77%
22 0 3730	Repayment of 1992 Loans	32,927	0	9,091	10,000	10,000	10,000	0%
22 0 3731	Repayment of 1993 Loans	0	0	23,242	25,000	25,000	25,000	0%
22 0 3732	Repayment of 1997 Loans	18,174	21,000	0	25,000	25,000	25,000	0%
22 0 3760	Downtown Loan Repayment	1,369	3,007	3,458	4,189	5,352	4,902	28%
	TOTAL REVENUES	191,396	111,758	148,104	180,189	178,052	183,702	-1%
EXPENDITURES								
MATERIALS AND SERVICES								
22 0 5820	Downtown Revolving Loan Fund	4,217	1,850	11,150	20,000	20,000	20,000	0%
22 0 5914	Rehabilitation Loan	83,432	0	24,303	128,000	126,000	131,000	-2%
22 0 5915	Program Management	20,983	0	6,076	32,189	32,052	32,702	0%
	Subtotal Materials and Services	108,632	1,850	41,529	180,189	178,052	183,702	-1%
	TOTAL EXPENDITURES	108,632	1,850	41,529	180,189	178,052	183,702	-1%
	Excess Revenues Over Expenditures	82,764	109,908	106,575	0	0	0	

**CITY OF PHILOMATH
COMMUNITY DEVELOPMENT FUND
2010-11 BUDGET NARRATIVE**

REVENUES

Cash Balance Forward	112,000	Estimated cash balance at 6/30/2010
Interest Income	700	Estimated earnings on cash balance
Repayment of 1992 Loans	10,000	Repayment of loans made with the 1992 Block Grant
Repayment of 1993 Loans	25,000	Repayment of loans made with the 1993 Block Grant
Repayment of 1997 Loans	25,000	Repayment of loans made with the 1997 Block Grant
Repayment of Downtown loan	<u>5,352</u>	Annual payment on façade improvement loan
TOTAL REVENUES	<u>178,052</u>	

MATERIALS AND SERVICES

Downtown Revolving Loan Fund	20,000	Matching loan fund to help downtown businesses with façade improvements. Funds available from 1992 Grant repayments.
Rehab Loans - Owner Occupied	126,000	Loans made for owner occupied rehabilitation.
Program Management	<u>32,052</u>	25% of each rehab loan is paid to the Community Services Consortium to administer the loan program.
TOTAL MATERIALS & SERVICES	<u>178,052</u>	

ECONOMIC DEVELOPMENT FUND

This fund was previously titled the Bancroft Bond Fund. The final Bancroft bonds were paid in April 2003. This fund is now used to account for the Lakeside Development Advanced Funding District.

The City has completed construction of water and sewer infrastructure in the Lakeside Development. This will provide services to future businesses that will be located in the development.

Financing for the Lakeside project was through a loan from Oregon Economic and Community Development Department. The loan will be paid over a 20-year period. This project has been set up as an Advanced Funding District. Each year the City will bill the Lakeside Development an amount equal to that year's debt payment. Although the infrastructure will ultimately be paid for by the Lakeside Development owners, the infrastructure will be owned and maintained by the City of Philomath.

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2010-11
ECONOMIC DEVELOPMENT FUND**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
REVENUES							
32 0 3001 Cash Balance Forward	8,982	10,058	10,583	10,800	10,900	11,000	1%
32 0 3020 Investment Interest	462	472	144	145	47	149	-68%
32 0 3050 Interest on Bonded Liens	27,062	26,448	25,877	25,303	24,703	24,099	-2%
32 0 3115 Prior Years Levy	21	(7)	8	0	0	0	
32 0 3710 Bancroft Lien Principal Collections	509	48	48	48	48	48	0%
32 0 3711 Advanced Financing Principal Coll	18,099	18,191	18,291	18,394	18,504	23,618	1%
TOTAL REVENUES	55,135	55,210	54,951	54,690	54,202	58,914	-1%
EXPENDITURES							
DEBT SERVICE							
32 0 7143 Principal - OECDD	18,099	18,191	18,291	18,394	18,504	23,618	1%
32 0 7543 Interest - OECDD	26,978	26,436	25,867	25,296	24,698	24,096	-2%
Subtotal Debt Service	45,077	44,627	44,158	43,690	43,202	47,714	-1%
TOTAL EXPENDITURES	45,077	44,627	44,158	43,690	43,202	47,714	-1%
32 0 9500 UNAPPROPRIATED ENDING BAL	0	0	0	11,000	11,000	11,200	0%
Excess Revenues Over Expenditures	10,058	10,583	10,793	0	0	0	

**CITY OF PHILOMATH
ECONOMIC DEVELOPMENT FUND
2010-11 BUDGET NARRATIVE**

REVENUES

Cash Balance Forward	10,900	Estimated cash balance at June 30, 2010
Investment Interest	47	Estimated interest income
Interest on Bonded Liens	24,703	Reimbursement from Lakeside Industrial Park for OECDD loan and bancroft interest collections
Bancroft Lien Principal Collections	48	Principal collections on outstanding bancroft liens
Advanced Financing Principal Coll	<u>18,504</u>	Reimbursement from Lakeside Industrial Park for OECDD loan
TOTAL REVENUES	<u>54,202</u>	

DEBT SERVICE

Principal - OECDD	18,504	Principal portion of loan payment
Interest - OECDD	<u>24,698</u>	Interest portion of loan payment
TOTAL DEBT SERVICE	<u>43,202</u>	

**Urban Renewal Agency
Annual Budget
Fiscal Year 2010-11**

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**URBAN RENEWAL AGENCY
2010-11 BUDGET MESSAGE
City of Philomath**

The 2010-11 budget has been prepared using estimated property tax revenue from the division of taxes only, and does not include any special levy.

The 2010-11 budget year will serve as a transition period for Urban Renewal in Philomath. As the District enters its 20th year and the completion of many of its priority projects, a possible new phase of Urban Renewal is under discussion by the City Council. In conjunction with the Philomath Downtown Association (PDA), there is interest in expanding the Urban Renewal District boundaries and also changing the District's project priorities. While no final decisions have been made as of this writing, we believe the following months will be spent in additional discussions and possible start of the amendment process.

Regardless of the outcome of the current discussions, we can confirm that there will not be any new Urban Renewal projects proposed for the 2010-11 budget year. The Agency will continue as the funding entity to service the obligations of capital improvement projects already completed in prior years within the District. We forecast that the earliest that District monies will be available for new projects will be in the 2011-12 budget year.

We look forward to a successful outcome of the discussions now underway. Once the path forward has been determined, we will be prepared to seek guidance from the Budget Committee on how Urban Renewal will function in our community.

Randy Kugler
City Manager

Joan Swanson
Budget Officer

INFORMATION ABOUT the URBAN RENEWAL AGENCY

In 1990 the City formed an Urban Renewal Agency to provide improvements to blighted areas of the City through the use of tax increment financing. Under the plan, assessments on property within the Urban Renewal District were computed at the January 1, 1991 level. Taxes levied against subsequent increases to the district's total assessed value may go to the Agency constructing improvements listed in the Urban Renewal Plan.

Declining assessments on properties in the Renewal District interfered with revenue expectations, and it was not until 1993-94 that there was an increase in total assessed value on which to collect revenue for the district. The City chose not to collect any money for the district in 1994-95.

The Urban Renewal Agency will continue to reimburse the City's General Fund for administrative costs of operating the agency.

Measure 50 required the agency to make two certifications prior to June 30, 1998. The first was a maximum indebtedness. This is the amount that the Agency needs to complete projects in the existing plan. The maximum indebtedness has been estimated at \$4.3 million.

The second was to choose one of three taxing options. The Agency and the Philomath City Council have chosen taxing Option 1. This allows for the division of taxes which is the amount which has been available to the Agency in past years, and in addition allows for a special levy if the division of tax revenue is not sufficient.

**PHILOMATH URBAN RENEWAL AGENCY
FISCAL YEAR 2010-11
GENERAL FUND**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE
REVENUE							
23 0 3001 Cash Balance Forward	146,656	158,375	240,153	43,500	13,150	15,350	-70%
23 0 3020 Interest on Investments	10,199	11,846	2,251	850	30	0	-96%
23 0 3646 Loan Proceeds	0	0	550,000	0	0	0	
23 0 3997 Transfer from Urban Renewal-Debt	460,000	150,000	560,000	0	32,000	0	100%
TOTAL REVENUE	616,855	320,221	1,352,404	44,350	45,180	15,350	2%
EXPENDITURES							
MATERIALS AND SERVICES							
23 0 5012 Administrative Overhead	8,796	9,732	10,056	9,900	10,800	11,125	9%
23 0 5045 Audit Fees	1,900	2,000	2,000	2,050	2,500	2,600	22%
23 0 5146 Consultant Fee	0	0	0	0	16,000	0	100%
23 0 5390 Miscellaneous	471	1,015	19,657	1,250	280	1,375	-78%
23 0 5567 State Filing Fee	150	150	40	150	250	250	67%
Subtotal Materials and Services	11,317	12,897	31,753	13,350	29,830	15,350	100%
CAPITAL OUTLAY							
23 0 6160 Urban Renewal Project	0	67,171	1,845	16,000	0	0	-100%
23 0 6164 Sewer Projects	447,163	0	1,291,775	0	0	0	
Subtotal Capital Outlay	447,163	67,171	1,293,620	16,000	0	0	-100%
TOTAL EXPENDITURES	458,480	80,068	1,325,373	29,350	29,830	15,350	2%
23 0 9500 UNAPPROPRIATED ENDING BAL	0	0	0	15,000	15,350	0	2%
Excess Revenues Over Expenditures	158,375	240,153	27,031	0	0	0	

**PHILOMATH URBAN RENEWAL AGENCY
2010-11 BUDGET NARRATIVE
GENERAL FUND**

REVENUE

Cash Balance Forward	13,150	Estimated cash balance at June 30, 2010
Interest on Investments	30	Estimated interest income
Transfer from Urban Renewal Debt	<u>32,000</u>	
TOTAL REVENUE	<u>45,180</u>	

MATERIALS AND SERVICES

Administrative Overhead	10,800	To reimburse General Fund for cost of staff time and a portion of other administrative costs
Audit Fees	2,500	Annual audit of the Urban Renewal Agency
Consultant fee	16,000	Consultant to investigate the feasibility of a major plan amendment to the Urban Renewal Plan
Miscellaneous	280	Miscellaneous expenses
State Filing Fee	<u>250</u>	Fee required to file Urban Renewal Agency audit
TOTAL MATERIALS AND SERVICES	<u>29,830</u>	

**PHILOMATH URBAN RENEWAL AGENCY
FISCAL YEAR 2010-11
DEBT SERVICE FUND**

	ACTUAL EXPENDED 2006-07	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ADOPTED BUDGET 2009-10	PROPOSED BUDGET 2010-11	ESTIMATED BUDGET 2011-12	% CHANGE	
REVENUE								
24 0 3001	Cash Balance Forward	389,646	232,226	399,223	52,370	1,000	0	-98%
24 0 3020	Interest on Investments	13,953	14,001	5,425	1,200	60	200	-95%
24 0 3030	Interest on Tax Collections	1,066	885	770	830	840	840	1%
24 0 3110	Property Tax Increment	381,819	392,537	387,633	394,180	398,100	406,000	1%
24 0 3115	Prior Year Tax Increment	5,210	5,867	5,609	5,500	5,900	6,000	7%
	TOTAL REVENUE	791,694	645,516	798,660	454,080	405,900	413,040	-11%
DEBT SERVICE								
24 0 7180	Key Bank - Principal	75,000	75,000	80,000	80,000	220,000	50,000	100%
24 0 7080	City of Philomath - Principal	0	0	82,000	340,000	140,000	0	-59%
24 0 7580	Key Bank - Interest	24,468	21,293	18,110	16,000	10,900	1,040	-32%
24 0 7550	City of Philomath - Interest	0	0	7,835	13,560	3,000	0	-78%
	Subtotal Debt Service	99,468	96,293	187,945	449,560	373,900	51,040	-17%
TRANSFERS								
24 0 8900	Urban Renewal - General Fund	460,000	150,000	560,000	0	32,000	0	100%
	Subtotal Debt Service	460,000	150,000	560,000	0	32,000	0	
	TOTAL EXPENDITURES	559,468	246,293	747,945	449,560	405,900	51,040	-10%
24 0 9500	UNAPPROPRIATED ENDING BAL	0	0	0	4,520	0	362,000	-100%
	Excess Revenues Over Expenditures	232,226	399,223	50,715	0	0	0	

**PHILOMATH URBAN RENEWAL AGENCY
2010-11 BUDGET NARRATIVE
DEBT SERVICE FUND**

REVENUE

Cash Balance Forward	1,000	Estimated cash balance at June 30, 2010
Interest on Investments	60	Estimated interest income
Interest on Tax Collections	840	Interest on tax collections held at Benton County before they are turned over to the City
Current Year Property Tax Increment	398,100	Estimated property tax increment. Assume collection rate of 95%
Prior Year Property Tax Increment	<u>5,900</u>	Collection of prior years tax increment
TOTAL REVENUE	<u>405,900</u>	

DEBT SERVICE

Key Bank - Principal	220,000	Principal portion of loan payment for June 2011 is \$80,000, additional portion would pay down loan balance. There is no penalty for prepayment.
City of Philomath - Principal	140,000	Final payment on loan from City
Key Bank - Interest	10,900	Estimated interest portion of loan payment
City of Philomath - Interest	<u>3,000</u>	Estimated interest portion of loan payment
TOTAL DEBT SERVICE	<u>373,900</u>	

TRANSFERS

To Urban Renewal - General Fund	<u>32,000</u>	Transfer to cover operating costs of the Urban Renewal Agency
TOTAL TRANSFERS	<u>32,000</u>	

TAX SUMMARY

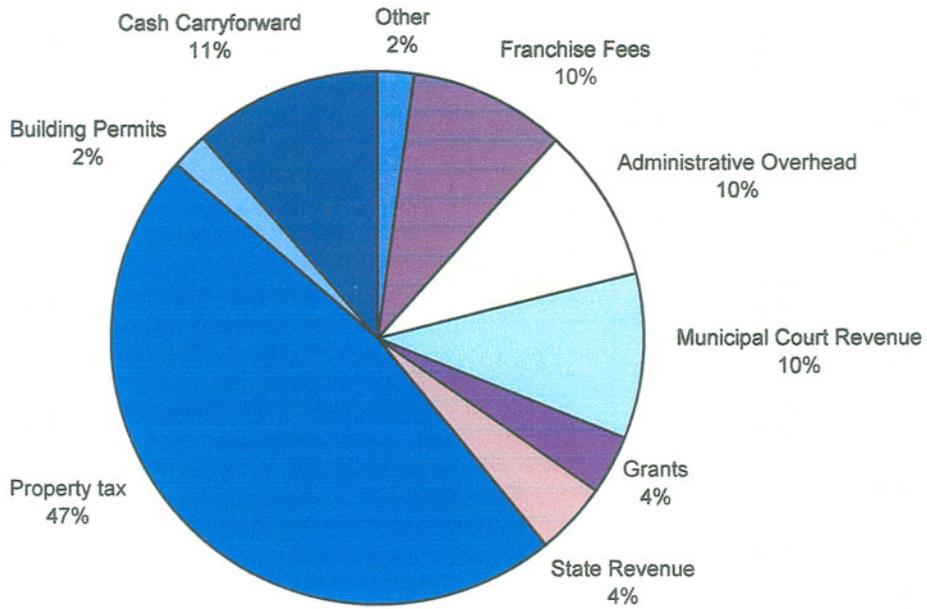
<u>Budget Year</u>	<u>General Fund Tax Levied</u>	<u>Total City Tax Rate</u>	<u>Assessed Valuation</u>	<u>General Fund Budget</u>
2001-02	871,296	6.94	173,772,235	1,640,873
2002-03	936,390	6.70	190,557,217	1,626,873
2003-04	954,126	6.35	196,711,899	1,866,911
2004-05	1,011,519	6.33	208,719,602	2,045,058
2005-06	1,059,141	5.30	218,262,373	2,216,600
2006-07	1,107,374	5.30	229,465,110	2,171,200
2007-08	1,172,249	5.30	243,266,694	2,297,467
2008-09	1,223,149	5.30	252,798,608	2,367,720
2009-10	1,263,360	5.30	260,788,879	2,358,500

<u>City Population</u>		<u>% Change</u>	<u># of City FTE Employees/1000 (calendar year)</u>
1997-98	3,380	2.4%	6.8
1998-99	3,792	11.5%	6.6
1999-00	3,890	2.6%	6.4
2000-01	3,995	2.7%	6.3
2001-02	4,010	.4%	6.2
2002-03	4,050	.7%	5.9
2003-04	4,200	3.7%	5.7
2004-05	4,310	2.6%	5.6
2005-06	4,340	.7%	5.5
2006-07	4,400	1.4%	5.7
2007-08	4,460	1.4%	5.6
2008-09	4,530	1.6%	5.7
2009-10	4,610	1.8%	5.4
2010-11	4,640	.7%	5.4

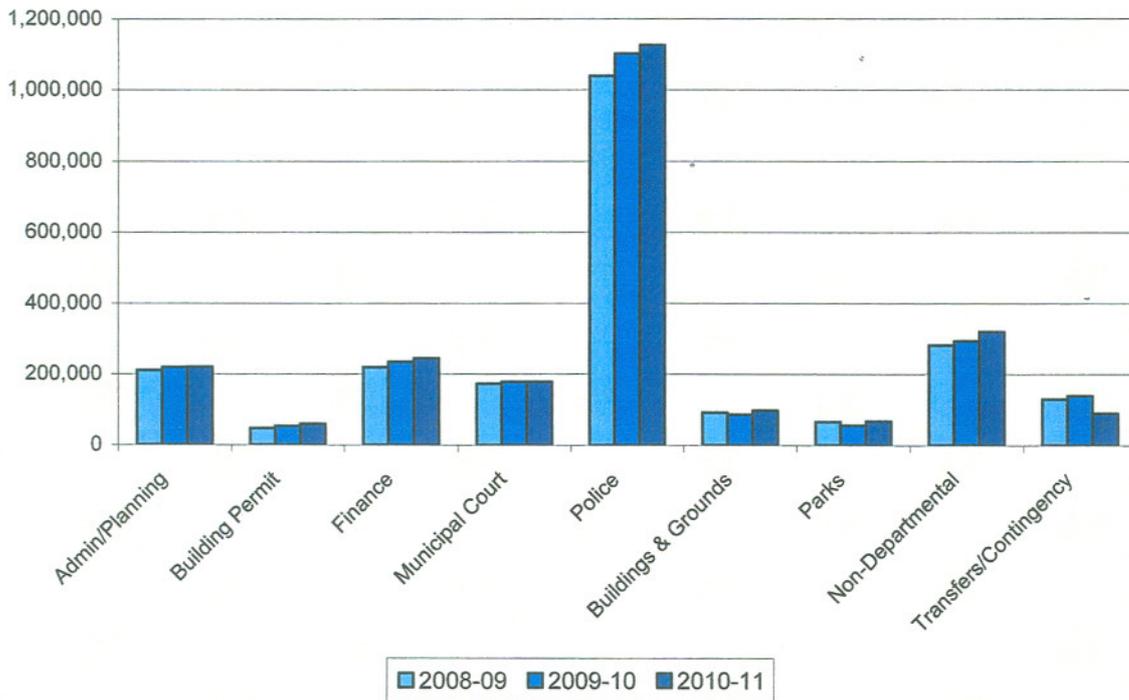
Utility Connections

	<u>Water</u>	<u>Increase</u>	<u>Sewer</u>	<u>Increase</u>
2001-02	1355	36	1325	32
2002-03	1391	36	1364	39
2003-04	1414	23	1386	22
2004-05	1445	31	1418	32
2005-06	1461	16	1430	12
2006-07	1490	29	1457	27
2007-08	1540	50	1508	51
2008-09	1548	8	1515	7
2009-10	1555	7	1522	7

City of Philomath 2010-11 General Fund Revenues



General Fund Appropriations



**CITY OF PHILOMATH
COMPARISON OF CURRENT YEAR FUND BUDGETS
TO PRIOR YEAR**

	<u>ADOPTED BUDGET 2009-10</u>	<u>PROPOSED BUDGET 2010-11</u>	<u>Percent Change</u>
General Fund	2,358,500	2,463,988	4%
Street Fund	413,650	443,950	7%
Water Fund	884,450	1,001,760	13%
Sewer Fund	1,039,330	897,820	-14%
Storm Drain Fund	36,670	46,500	27%
Land, Bldg & Equipment Fund	2,938,300	2,711,500	-8%
Systems Development Fund	434,499	289,499	-33%
Community Development Fund	180,189	178,052	-1%
Economic Development Fund	<u>43,690</u>	<u>43,202</u>	<u>-1%</u>
Total Budget	<u><u>8,329,278</u></u>	<u><u>8,076,271</u></u>	<u><u>-3%</u></u>

**CITY OF PHILOMATH
2010-11 BUDGET RECAP
SUMMARY OF EXPENDITURES BY CATEGORY AND FUND**

Department	Personal Services	Materials & Services	Capital Outlay	Debt Service	Transfers to Reserves	Transfers to Other Funds	Contingency	Unappropriated Ending Balance	Total
Administration/Planning	215,970	11,960	0	0	0	0	0	0	227,930
Building Permit	16,576	41,124	0	0	0	0	0	0	57,700
Finance	218,330	34,720	0	0	0	0	0	0	253,050
Municipal Court	81,172	97,228	0	0	0	0	0	0	178,400
Police	875,800	246,700	0	0	0	0	0	0	1,122,500
Buildings & Grounds	25,315	72,515	0	0	0	0	0	0	97,830
Parks	29,606	38,072	0	0	0	0	0	0	67,678
Non-departmental	7,000	311,900	0	0	0	0	0	0	318,900
Transfers/Contingency	0	0	0	0	90,000	0	50,000	0	140,000
Unappropriated balance	0	0	0	0	0	0	0	147,000	147,000
Total General fund	1,469,769	854,219	0	0	90,000	0	50,000	147,000	2,610,988
Street fund	138,732	208,918	0	0	66,300	0	30,000	23,000	466,950
Water fund	368,082	387,623	75,000	50,955	90,100	0	30,000	0	1,001,760
Sewer fund	249,674	251,778	30,000	306,968	29,400	0	30,000	6,000	903,820
Storm Drain fund	0	20,200	0	0	12,500	13,800	0	3,500	50,000
Total Public Works	756,488	868,519	105,000	357,923	198,300	13,800	90,000	32,500	2,422,530
Total Operating Costs	2,226,257	1,722,738	105,000	357,923	288,300	13,800	140,000	179,500	5,033,518
Land, Building & Equip	0	0	2,711,500	0	0	0	0	3,322,184	6,033,684
Systems Development	0	0	205,000	24,499	0	60,000	0	602,000	891,499
Community Development	0	178,052	0	0	0	0	0	0	178,052
Economic Development	0	0	0	43,202	0	0	0	11,000	54,202
Total Non-Operating	0	178,052	2,916,500	67,701	0	60,000	0	3,935,184	7,157,437
TOTAL CITY	2,226,257	1,900,790	3,021,500	425,624	288,300	73,800	140,000	4,114,684	12,190,955
PERCENT OF TOTAL	18.3%	15.6%	24.8%	3.6%	2.3%	0.6%	1.1%	33.8%	100.0%

budget/budget recap
07/14/10