



2011-2012 BUDGET

**CITY OF PHILOMATH BUDGET
AND
URBAN RENEWAL AGENCY
BUDGET**

**City of Philomath
Annual Budget
Fiscal Year 2011-12**

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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

2011-12 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 2011-12. 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 2012-13 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 2011-12 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 2011-12 and estimated 2012-13 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 our current service levels.

Our focus with this budget is to provide for the operational needs of each representative City department, move forward with scheduled capital improvements and begin implementation of the adopted Council Goals for 2011-12. This budget recognizes and provides the necessary support for those planning oriented Council Goals that staff will begin to work on this fiscal year.

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 what I believe will be final agreement on a new 3-year labor contract 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.

I continue to be optimistic about Philomath's potential for new commercial and industrial development. Our ongoing efforts through the City Solutions pilot project has created a very positive atmosphere involving Oregon State, property owners, and local investors who are committed to creating new job opportunities in Philomath. 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 2011-12
GENERAL FUND**

	ACTUAL OPERATIONS 2007-08	ACTUAL OPERATIONS 2008-09	ACTUAL OPERATIONS 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
REVENUES							
Cash Balance Forward	264,037	315,742	231,125	296,000	256,000	278,000	-14%
Interest Income	14,599	6,973	3,683	3,800	4,000	4,100	5%
Property Tax - Current Year	1,122,742	1,165,545	1,190,134	1,225,000	1,267,000	1,300,000	3%
Property Tax - Prior Years	16,996	16,291	20,871	18,000	23,000	23,500	28%
Cigarette and Liquor Tax	58,735	62,377	59,001	71,200	63,100	64,400	-11%
State Revenue Sharing	36,110	38,088	36,597	44,800	39,400	40,400	-12%
Building & Electrical Permits	72,050	43,726	42,576	58,000	65,000	70,000	12%
Planning and Zoning Fees	13,006	4,655	4,030	4,000	3,000	3,500	-25%
Franchise Fees	207,189	197,314	248,242	250,000	271,500	272,000	9%
Municipal Court Revenue	249,913	250,697	234,491	260,000	270,000	275,000	4%
Bus User Fees	12,432	11,518	10,852	11,000	11,600	11,600	5%
Lien Search Fees	4,180	3,195	3,340	3,200	3,500	3,600	9%
Miscellaneous Receipts	25,067	22,508	24,194	17,024	21,308	22,025	25%
Sidewalk Liens	12,003	13,429	8,022	0	0	0	
Administrative Overhead	231,672	233,580	221,868	248,964	286,092	294,675	15%
Grants	93,290	101,377	86,511	100,000	0	0	-100%
TOTAL REVENUES	2,434,020	2,487,014	2,425,537	2,610,988	2,584,500	2,662,800	-1%
EXPENDITURES							
Administration/Planning	199,739	209,981	206,624	227,930	246,100	253,300	8%
Building Permit Dept	66,032	46,917	45,491	57,700	64,500	68,500	12%
Finance	233,669	219,025	224,566	253,050	276,400	285,300	9%
Municipal Court	131,221	172,621	147,268	178,400	194,700	200,700	9%
Police	954,088	1,038,409	1,042,299	1,122,500	1,193,000	1,259,400	6%
Buildings & Grounds	94,103	91,844	83,299	97,830	106,200	111,000	9%
Parks	64,147	65,592	55,838	67,678	75,800	79,300	12%
Non-Departmental	249,279	282,000	262,589	318,900	180,800	173,300	-43%
Subtotal department expenditures	1,992,278	2,126,389	2,067,974	2,323,988	2,337,500	2,430,800	1%
TRANSFERS							
To Land, Building & Equip Fund	126,000	129,500	89,400	90,000	97,000	97,000	8%
Subtotal transfers	126,000	129,500	89,400	90,000	97,000	97,000	8%
Contingency	0	0	0	50,000	50,000	50,000	0%
TOTAL EXPENDITURES	2,118,278	2,255,889	2,157,374	2,463,988	2,484,500	2,577,800	1%
UNAPPROPRIATED ENDING BAL	0	0	0	147,000	100,000	85,000	-32%
Excess Revenues Over Expenditures	315,742	231,125	268,163	0	0	0	

**CITY OF PHILOMATH
GENERAL FUND REVENUES
2011-12 BUDGET NARRATIVE**

Item	Category	Amount	Description
3001	CASH BALANCE FORWARD	256,000	Estimated cash balance at June 30, 2011
 <u>INTEREST INCOME</u>			
3020	Investment interest	1,200	Estimated interest income
3030	Interest on tax collections	2,800	Interest earned on tax collections before they are turned over to the City.
		<u>4,000</u>	
3110	PROPERTY TAX - CURRENT YEAR	1,267,000	Estimated 3% increase over 2010-11 tax levy. The collections are estimated at 95% of taxes imposed.
3115	PROPERTY TAX - PRIOR YEARS	23,000	Property tax receipts collected for prior years
 <u>CIGARETTE & LIQUOR TAX</u>			
3130	Cigarette tax	6,830	\$1.45 per capita, estimated population of 4,710
3140	Liquor tax	56,270	\$11.94 per capita
		<u>63,100</u>	
3150	STATE REVENUE SHARING	39,400	14% of state liquor tax collections allocated to qualified cities
 <u>BUILDING & ELECTRICAL PERMITS</u>			
3310	Building permits	57,000	Building and electrical permits issued within the City
3315	Electrical permits	8,000	
		<u>65,000</u>	
3330	PLAN ACTIONS & ZONING COMPLIANCE	3,000	Processing land use & zoning compliance applications
 <u>FRANCHISE FEES</u>			
3410	Consumers Power	44,800	Franchise revenue based on estimated 2011-12 receipts
3430	Northwest Natural Gas	46,100	
3440	PacifiCorp	180,600	
		<u>271,500</u>	
 <u>MUNICIPAL COURT REVENUE</u>			
3505	Court fines	209,000	Court fines imposed by the municipal court judge
3510	Benton County court	20,000	Municipal court collections for Benton County jail facility
3515	State court fees	38,500	Municipal court collections for unitary fees, LEMLA and IDPF
3535	Defense attorney reimbursement	2,500	Reimbursement to the city for defense attorney costs
		<u>270,000</u>	
3605	BUS USER FEES	11,600	\$4,420 from bus fares \$7,180 from OSU student and faculty contracts
3642	LIEN SEARCH FEES	3,500	Fee charged for processing city lien searches
 <u>MISCELLANEOUS RECEIPTS</u>			
3613	Copies	750	Charge for copies of city documents
3625	Fingerprinting	1,150	Fingerprinting school district employees and others
3650	Miscellaneous receipts	15,708	
3675	Other permits & licenses	3,700	Liquor license renewals, amusement device permits etc.
		<u>21,308</u>	

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**CITY OF PHILOMATH
GENERAL FUND REVENUES
2011-12 BUDGET NARRATIVE**

CONTINUED:

Item	Category	Amount	Description
	<u>ADMINISTRATIVE OVERHEAD</u>		
3910	Street Fund	50,280	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	11,568	
3920	Water Fund	124,776	
3925	Sewer Fund	<u>99,468</u>	
		<u>286,092</u>	
	TOTAL GENERAL FUND REVENUES	<u>2,584,500</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 City Recorder serves as the City records manager and elections' officer. The City Recorder is responsible for overseeing fulfillment of public records requests and for recording, distributing, filing and maintaining City records including ordinances, resolutions, contracts, and other legal records. The City Recorder answers citizens' 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 meeting agendas and informational packets and records and maintains official records of proceedings for City public meetings, including City Council, Planning Commission, Budget Committee, and standing committees.

This position is also responsible for performing confidential administrative and clerical work for the City Manager and providing secondary planning support, including answering incoming calls and acting as receptionist. Other responsibilities include maintenance of the city website and readerboard sign, 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 2011-12
GENERAL FUND - ADMINISTRATION/PLANNING**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
PERSONAL SERVICES							
10 1 4110 City Manager	82,176	86,280	88,008	91,080	92,904	94,762	2%
10 1 4130 City Recorder	31,517	33,096	33,751	34,927	35,633	36,346	2%
10 1 4257 Planner	11,784	12,384	12,624	13,056	13,332	13,599	2%
10 1 4259 Extra Hire	223	0	0	0	0	0	
10 1 4360 Incentive Pay	1,176	1,176	1,176	1,176	1,176	1,176	0%
10 1 4366 Longevity Pay	0	0	0	7,257	11,072	11,293	53%
10 1 4370 Sick Leave Conversion	1,817	2,347	2,810	3,075	3,222	3,286	5%
10 1 4500 Social Security	9,577	10,005	10,203	11,519	12,037	12,277	4%
10 1 4520 PERS	19,214	20,212	17,854	19,469	27,867	28,424	43%
10 1 4540 Workers' Compensation	183	211	201	248	220	260	-11%
10 1 4560 Workers' Benefit Fund Assmt	46	47	48	51	50	50	-2%
10 1 4620 Deferred Compensation	7,001	7,374	7,544	8,251	8,638	8,811	5%
10 1 4640 Health Insurance	19,399	20,793	21,209	21,933	21,331	23,464	-3%
10 1 4660 Dental Insurance	2,912	3,149	2,919	2,843	3,088	3,242	9%
10 1 4670 Health Reimbursement Account	5,100	2,975	142	850	1,629	1,629	92%
10 1 4680 Life Insurance	191	186	218	235	246	256	5%
10 1 4820 Sick & Vacation Accrual	0	0	0	0	2,000	2,000	100%
Subtotal Personal Services	192,316	200,236	198,707	215,970	234,445	240,875	9%
MATERIALS AND SERVICES							
10 1 5015 Advertising and Legal Notices	943	1,106	1,352	1,100	1,300	1,339	18%
10 1 5143 Computer Line Charges	206	163	146	190	180	185	-5%
10 1 5233 Dues	332	339	352	400	400	412	0%
10 1 5245 Education & Training	715	1,735	625	1,500	1,200	1,236	-20%
10 1 5305 Gas and Oil	0	0	65	300	300	309	0%
10 1 5325 Insurance	883	822	1,076	500	510	900	2%
10 1 5390 Miscellaneous	10	472	10	580	105	153	-82%
10 1 5413 Office Supplies	1,369	1,699	1,132	1,800	1,800	1,854	0%
10 1 5454 Planning Expense	0	0	0	400	400	412	0%
10 1 5465 Postage	592	626	358	900	700	721	-22%
10 1 5505 Recording Fee	107	0	267	400	400	412	0%
10 1 5563 Small Tools & Equipment	526	275	691	860	860	886	0%
10 1 5603 Telephone	1,025	1,107	1,100	1,230	1,200	1,236	-2%
10 1 5665 Travel and Meals	715	1,401	673	1,300	1,300	1,339	0%
10 1 5745 Vehicle Repair and Maintenance	0	0	70	500	1,000	1,030	100%
Subtotal Materials and Services	7,423	9,745	7,917	11,960	11,655	12,424	-3%
TOTAL ADMIN/PLANNING BUDGET	199,739	209,981	206,624	227,930	246,100	253,300	8%

**CITY OF PHILOMATH
GENERAL FUND - ADMINISTRATION/PLANNING
2011-12 BUDGET NARRATIVE**

PERSONAL SERVICES

	92,904	
City Manager	35,633	
City Recorder	13,332	
City Planner	<u>141,869</u>	
TOTAL SALARIES		
<p>Management salaries include a 2% cost-of-living increase. The City Recorder time is allocated 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>		
LONGEVITY PAY		11,072
<p>Management employees receive 5% after 10 years of service and 10% after 15 years of service</p>		
SICK LEAVE CONVERSION		3,222
<p>50% of excess sick leave for management employees who choose to cash out sick time.</p>		
SOCIAL SECURITY	Calendar year 2011 rate is 7.65%	12,037
PERS		27,867
<p>The City pays both the employer and employee contributions. For fiscal year 2011-12 the employer rate is 12.22% and the employee rate is 6%.</p>		
WORKERS' COMPENSATION		220
WORKERS' BENEFIT FUND ASSESSMENT	Required by Oregon Dept of Revenue	50
DEFERRED COMPENSATION	6% retirement benefit for management employees	8,638
HEALTH INSURANCE	\$1,000 deductible plan, no increase over 2010-11 premium	21,331
DENTAL INSURANCE	Estimated 7% increase over 2010-11 premium	3,088
HEALTH REIMBURSEMENT ACCOUNT	Employee account to help offset medical deductible	1,629
LIFE INSURANCE	Basic life and AD&D policy. \$30,000 coverage	246
SICK & VACATION ACCRUAL	Liability for unused vacation and sick leave payable upon termination	<u>2,000</u>
TOTAL PERSONAL SERVICES		<u><u>234,445</u></u>

**CITY OF PHILOMATH
GENERAL FUND - ADMINISTRATION/PLANNING
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Advertising and Legal Notices	1,300	Advertising of legal notices
Computer Line Charges	180	Internet provider fees
Dues	400	Dues to various professional organizations
Education & Training	1,200	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	510	Administration portion of City liability insurance
Miscellaneous	105	Incidental expenses
Office Supplies	1,800	Copier cost, paper and other office supplies
Planning Expense	400	Incidental planning costs
Postage	700	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	1,200	Telephone and long distance charges
Travel and Meals	1,300	Travel, meals and lodging for seminars and conferences
Vehicle Repair & Maintenance	<u>1,000</u>	City Manager vehicle
TOTAL MATERIALS AND SERVICES	<u>11,655</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 2011-12
GENERAL FUND - BUILDING PERMIT**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
PERSONAL SERVICES							
10 2 4130 City Recorder	9,005	9,456	9,643	9,979	10,181	10,385	2%
10 2 4360 Incentive Pay	336	336	336	336	336	336	0%
10 2 4366 Longevity Pay	0	0	0	499	509	519	2%
10 2 4370 Sick Leave Conversion	0	197	223	242	247	252	2%
10 2 4500 Social Security	715	764	781	848	862	879	2%
10 2 4520 PERS	1,447	1,548	1,373	1,487	2,054	2,095	38%
10 2 4540 Workers' Compensation	13	16	15	18	16	18	-11%
10 2 4560 Workers' Benefit Fund Assmt	5	5	5	6	5	5	-17%
10 2 4620 Deferred Compensation	560	600	612	663	676	690	2%
10 2 4640 Health Insurance	2,282	2,446	2,114	2,150	2,116	2,327	-2%
10 2 4660 Dental Insurance	343	370	263	234	254	267	9%
10 2 4670 Health Reimbursement Account	600	350	17	100	192	200	92%
10 2 4680 Life Insurance	23	20	13	14	17	18	21%
10 2 4820 Sick and Vacation Accrual	0	0	0	0	1,000	1,000	100%
Subtotal Personal Services	15,329	16,108	15,395	16,576	18,465	18,990	11%
MATERIALS AND SERVICES							
10 2 5165 County Bldg & Elect Inspections	50,435	30,495	29,793	40,600	45,500	49,000	12%
10 2 5390 Miscellaneous	0	0	0	184	195	160	6%
10 2 5603 Telephone	268	314	303	340	340	350	0%
Subtotal Materials and Services	50,703	30,809	30,096	41,124	46,035	49,510	12%
TOTAL BUILDING PERMIT BUDGET	66,032	46,917	45,491	57,700	64,500	68,500	12%

**CITY OF PHILOMATH
GENERAL FUND - BUILDING PERMIT
2011-12 BUDGET NARRATIVE**

PERSONAL SERVICES

City Recorder	10,181
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.	
LONGEVITY PAY	509
Management employees receive 5% after 10 years of service and 10% after 15 years of service	
SICK LEAVE CONVERSION	247
50% of excess sick leave for management employees who choose to cash out sick time.	
SOCIAL SECURITY	862
Calendar year 2011 rate is 7.65%	
PERS	2,054
The City pays both the employer and employee contributions. For fiscal year 2011-12 the employer rate is 12.22% and the employee rate is 6%.	
WORKERS' COMPENSATION	16
WORKERS' BENEFIT FUND ASSESSMENT	5
Required by Oregon Dept of Revenue	
DEFERRED COMPENSATION	676
6% retirement benefit for management employees	
HEALTH INSURANCE	2,116
\$1,000 deductible plan, no increase over 2010-11 premium	
DENTAL INSURANCE	254
Estimated 7% increase over 2010-11 premium	
HEALTH REIMBURSEMENT ACCOUNT	192
Employee account to help offset medical deductible	
LIFE INSURANCE	17
Basic life and AD&D policy. \$30,000 coverage	
SICK & VACATION ACCRUAL	1,000
Liability for unused vacation and sick leave payable upon termination	
TOTAL PERSONAL SERVICES	<u>18,465</u>

**CITY OF PHILOMATH
GENERAL FUND - BUILDING PERMIT
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES

County Bldg & Electrical Inspections	45,500	70% of building and electrical permit revenue is paid to Benton County for plan review and inspections
Miscellaneous	195	Incidental expenses
Telephone	<u>340</u>	Telephone and long distance charges
TOTAL MATERIALS AND SERVICES	<u>46,035</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 2011-12
GENERAL FUND - FINANCE**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
PERSONAL SERVICES							
10 3 4120 Finance Director	67,224	70,584	72,000	74,520	76,008	77,908	2%
10 3 4172 Finance Staff	48,667	45,638	49,208	54,363	57,380	58,528	6%
10 3 4254 Accounting Clerk	3,842	4,353	7,231	6,000	7,000	7,140	17%
10 3 4259 Extra Hire	1,022	558	0	0	0	0	
10 3 4360 Incentive Pay	2,806	3,846	4,799	5,160	5,160	5,160	0%
10 3 4366 Longevity Pay	0	0	0	6,684	7,601	7,791	14%
10 3 4370 Sick Leave Conversion	1,422	1,357	1,315	1,874	1,929	1,977	3%
10 3 4500 Social Security	10,221	9,452	10,109	11,369	11,864	12,137	4%
10 3 4520 PERS	19,080	16,764	16,304	18,272	24,454	25,016	34%
10 3 4540 Workers' Compensation	189	193	193	245	217	260	-11%
10 3 4560 Workers' Benefit Fund Assmt	68	65	67	72	68	68	-6%
10 3 4620 Deferred Compensation	4,263	4,460	4,543	5,129	5,276	5,408	3%
10 3 4640 Health Insurance	24,318	24,547	27,551	29,481	28,683	31,551	-3%
10 3 4660 Dental Insurance	3,080	3,459	3,622	3,801	4,130	4,337	9%
10 3 4670 Health Reimbursement Acct	7,150	4,025	192	1,150	2,203	2,300	92%
10 3 4680 Life Insurance	239	219	194	210	202	212	-4%
10 3 4820 Sick & Vacation Accrual	11,361	0	0	0	3,000	3,000	100%
Subtotal Personal Services	204,952	189,522	197,328	218,330	235,175	242,793	8%
MATERIALS AND SERVICES							
10 3 5015 Advertising & Legal Notices	1,008	0	0	0	0	0	
10 3 5057 Credit Card Fees-Utility Payment:	0	0	0	0	2,300	2,369	100%
10 3 5137 Computer Support	4,268	4,268	4,268	4,480	5,100	5,253	14%
10 3 5138 Computer Support-Utility Billing	2,028	2,028	2,028	2,600	2,500	2,575	-4%
10 3 5143 Computer Line Charges	206	163	176	180	185	191	3%
10 3 5233 Dues	820	705	885	850	850	876	0%
10 3 5245 Education & Training	1,335	2,144	1,637	2,200	1,800	1,854	-18%
10 3 5246 Education & Training-Utility	0	213	0	600	600	618	0%
10 3 5325 Insurance	468	478	416	500	350	425	-30%
10 3 5380 Lien Search Fee	1,574	1,310	1,300	1,500	1,400	1,442	-7%
10 3 5390 Miscellaneous	1,915	1,074	179	1,140	1,125	1,140	-1%
10 3 5413 Office Supplies	2,770	2,812	2,082	2,900	2,900	2,987	0%
10 3 5414 Office Supplies - Utility Billing	1,946	1,458	1,435	2,200	700	721	-68%
10 3 5465 Postage	1,036	314	727	700	900	927	29%
10 3 5466 Postage - Utility Billing	4,111	4,382	5,276	6,300	1,500	1,545	-76%
10 3 5505 Recording Fee	916	825	1,192	1,200	1,200	1,236	0%
10 3 5563 Small Tools & Equipment	130	838	629	1,240	850	876	-31%
10 3 5603 Telephone	1,467	1,557	1,403	1,400	1,425	1,468	2%
10 3 5604 Telephone - Utility Billing	621	694	746	730	740	762	1%
10 3 5665 Travel and Meals	2,100	3,735	2,859	3,200	2,900	2,987	-9%
10 3 5666 Travel and Meals-Utility Billing	0	506	0	800	600	618	-25%
10 3 5722 Utility Bill Printing/Mailing	0	0	0	0	9,300	9,579	100%
10 3 5730 Utility Online Service	0	0	0	0	2,000	2,060	100%
Subtotal Materials & Services	28,717	29,503	27,238	34,720	41,225	42,507	19%
TOTAL FINANCE BUDGET	233,669	219,025	224,566	253,050	276,400	285,300	9%

**CITY OF PHILOMATH
GENERAL FUND - FINANCE
2011-12 BUDGET NARRATIVE**

PERSONAL SERVICES

Finance Director	76,008
Finance Staff	57,380
Accounting Clerk	<u>7,000</u>
TOTAL SALARIES	140,388
Salaries include a 2% cost-of-living increase. The Utility Clerk position is allocated 30% to the Finance Department and 70% to the Municipal Court. The Accounting Clerk works approximately 8 hours per week.	
INCENTIVE PAY Each employee may receive up to \$200 per month based on acquiring specialized skills.	5,160
LONGEVITY PAY Management employees receive 5% after 10 years of service and 10% after 15 years of service	7,601
SICK LEAVE CONVERSION 50% of excess sick leave for management employees who choose to cash out sick time.	1,929
SOCIAL SECURITY Calendar year 2011 rate is 7.65%	11,864
PERS The City pays both the employer and employee contributions. For fiscal year 2011-12 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate is 8.02%, and the employee rate is 6%.	24,454
WORKERS' COMPENSATION	217
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue	68
DEFERRED COMPENSATION 6% retirement benefit for management employees	5,276
HEALTH INSURANCE \$1,000 deductible plan, no increase over 2010-11 premium	28,683
DENTAL INSURANCE Estimated 7% increase over 2010-11 premium	4,130
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible	2,203
LIFE INSURANCE Basic life and AD&D policy. \$30,000 coverage	202
SICK & VACATION ACCRUAL Liability for unused vacation and sick leave payable upon termination	<u>3,000</u>
TOTAL PERSONAL SERVICES	<u>235,175</u>

**CITY OF PHILOMATH
GENERAL FUND - FINANCE
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Credit Card Fees	2,300	Credit Card fees for on-line utility bill payment
Computer Support	5,100	Maintenance contract and support for accounting software
Computer Support - Utility Billing	2,500	Maintenance contract and support for utility software
Computer Line Charges	185	Internet provider fees
Dues	850	Dues to various professional organizations
Education & Training	1,800	Continuing education for employees
Education & Training - Utility Billing	600	Continuing education for the Utility Clerk
Insurance	350	Finance portion of City liability insurance
Lien Search Fee	1,400	Fee for web based searches of City liens. Fee is reimbursed to City by title companies and others using the lien service.
Miscellaneous	1,125	Incidental expenses
Office Supplies	2,900	Copier cost, paper and other office supplies
Office Supplies - Utility Billing	700	Office supplies used in the billing and collection of water and sewer accounts
Postage	900	Postage for mailing accounts payable payments, etc.
Postage - Utility Billing	1,500	Postage for mailing correspondence from water department
Recording Fee	1,200	Fee to record liens with Benton County
Small Tools and Equipment	850	Purchase of small office equipment
Telephone	1,425	Telephone and long distance charges
Telephone - Utility Billing	740	Telephone costs for utility clerk
Travel and Meals	2,900	Travel, meals and lodging for seminars and conferences
Travel and Meals - Utility Billing	600	Travel, meals and lodging for seminars and conferences
Utility Bill Printing/Mailing	9,300	Printing, mailing and postage for monthly utility bills
Utility Online Service	<u>2,000</u>	Monthly service fees for Web based software which customers can use to pay their utility bills on-line
TOTAL MATERIALS AND SERVICES	<u>41,225</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 2011-12
GENERAL FUND - MUNICIPAL COURT**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
PERSONAL SERVICES							
10 4 4130 City Recorder	4,502	4,728	4,822	4,987	5,090	5,217	2%
10 4 4172 Finance Staff	21,063	26,541	26,799	31,192	32,070	32,711	3%
10 4 4251 Judge	12,000	13,992	16,200	17,040	17,892	18,339	5%
10 4 4259 Extra Hire	2,385	0	0	0	0	0	
10 4 4360 Incentive Pay	579	1,617	1,659	1,848	1,848	1,848	0%
10 4 4366 Longevity Pay	0	0	0	252	255	261	1%
10 4 4370 Sick Leave Conversion	0	98	111	121	123	126	2%
10 4 4500 Social Security	2,986	3,313	3,660	4,243	4,382	4,478	3%
10 4 4520 PERS	5,570	6,527	5,248	5,911	7,945	8,120	34%
10 4 4540 Workers' Compensation	60	76	68	91	77	90	-15%
10 4 4560 Workers' Benefit Fund Assmt	24	26	22	26	26	26	0%
10 4 4620 Deferred Compensation	280	300	306	332	338	346	2%
10 4 4640 Health Insurance	8,680	9,787	10,517	11,160	10,806	11,887	-3%
10 4 4660 Dental Insurance	863	1,440	1,483	1,534	1,667	1,750	9%
10 4 4670 Health Reimbursement Account	2,400	1,400	67	400	766	800	92%
10 4 4680 Life Insurance	75	54	29	35	33	34	-6%
10 4 4820 Sick & Vacation Accrual	0	0	0	2,000	2,000	2,000	0%
Subtotal Personal Services	61,469	69,900	70,991	81,172	85,318	88,035	5%
MATERIALS AND SERVICES							
10 4 5057 Credit Card Fees	1,932	2,638	3,092	3,200	3,100	3,193	-3%
10 4 5137 Computer Support	1,048	1,169	1,169	1,250	1,200	1,236	-4%
10 4 5143 Computer Line Charges	206	163	175	180	180	185	0%
10 4 5173 Court Fees - State	36,907	39,721	34,565	40,500	38,500	39,655	-5%
10 4 5174 Court Fees - Benton County	10,810	13,433	11,568	13,700	14,000	14,420	2%
10 4 5215 Defense Attorney	7,598	9,320	7,386	9,800	9,800	10,094	0%
10 4 5233 Dues	50	50	50	90	50	52	-44%
10 4 5245 Education and Training	50	468	0	700	500	515	-29%
10 4 5325 Insurance	191	173	196	200	170	200	-15%
10 4 5345 Interpreter	327	882	792	570	1,000	1,030	75%
10 4 5363 Jury Fees	680	228	209	500	500	515	0%
10 4 5390 Miscellaneous	283	7	8	688	147	128	-79%
10 4 5413 Office Supplies	729	1,610	2,178	2,000	2,060	2,122	3%
10 4 5465 Postage	1,039	1,687	1,247	1,700	1,750	1,803	3%
10 4 5475 Prisoner Care	6,825	29,310	12,585	20,000	35,000	36,050	75%
10 4 5495 Publications	204	141	148	200	150	155	-25%
10 4 5603 Telephone	464	516	695	550	625	644	14%
10 4 5665 Travel and Meals	319	1,166	214	1,200	500	515	-58%
10 4 5775 Witness Fees	90	40	0	200	150	155	-25%
Subtotal Materials & Services	69,752	102,721	76,277	97,228	109,382	112,665	13%
TOTAL MUNICIPAL COURT	131,221	172,621	147,268	178,400	194,700	200,700	9%

**CITY OF PHILOMATH
GENERAL FUND - MUNICIPAL COURT
2011-12 BUDGET NARRATIVE**

PERSONAL SERVICES

	5,090	
City Recorder	5,090	
Finance Staff	32,070	
Judge	17,892	
TOTAL SALARIES	55,052	
10% of the City Recorders' position and 70% of the Utility Clerks' position are allocated to the Court.		
INCENTIVE PAY	1,848	
Each employee may receive up to \$200 per month based on acquiring specialized skills.		
LONGEVITY PAY	255	
Management employees receive 5% after 10 years of service and 10% after 15 years of service		
SICK LEAVE CONVERSION	123	
50% of excess sick leave for management employees who choose to cash out sick time.		
SOCIAL SECURITY	4,382	
Calendar year 2011 rate is 7.65%		
PERS	7,945	
The City pays both the employer and employee contributions. For fiscal year 2011-12 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate is 8.02%, and the employee rate is 6%.		
WORKERS' COMPENSATION	77	
WORKERS' BENEFIT FUND ASSESSMENT	26	
Required by Oregon Dept of Revenue		
DEFERRED COMPENSATION	338	
6% retirement benefit for management employees		
HEALTH INSURANCE	10,806	
\$1,000 deductible plan, no increase over 2010-11 premium		
DENTAL INSURANCE	1,667	
Estimated 7% increase over 2010-11 premium		
HEALTH REIMBURSEMENT ACCOUNT	766	
Employee account to help offset medical deductible		
LIFE INSURANCE	33	
Basic life and AD&D policy. Employee coverage \$30,000.		
SICK & VACATION ACCRUAL	2,000	
Liability for unused vacation and sick leave payable upon termination		
TOTAL PERSONAL SERVICES	85,318	

**CITY OF PHILOMATH
GENERAL FUND - MUNICIPAL COURT
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Credit Card Fees	3,100	The court allows fines to be paid with credit cards to encourage payoff of large balances and past due amounts
Computer Support	1,200	Maintenance contract on court software
Computer Line Charges	180	Internet provider fees
Court Fees -- State	38,500	State mandated fees for unitary, IDPF and LEMLA. The fees are collected from defendants as part of their court fines.
Court Fees -- Benton County	14,000	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	50	Court association and notary association
Education and Training	500	Classes and conferences on court operations and accounting software
Insurance	170	Court portion of City liability insurance
Interpreter	1,000	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	147	Incidental expenses
Office Supplies	2,060	Copier cost, paper and other office supplies
Postage	1,750	Postage for court correspondence
Prisoner Care	35,000	Payment to Benton County jail when the judge orders jail time as part of a court sentencing
Publications	150	Legal and court publications
Telephone	625	Telephone and long distance charges
Travel and Meals	500	Travel, meals and lodging for training classes
Witness Fees	<u>150</u>	Fee paid to persons subpoenaed to appear at court trials
TOTAL MATERIALS & SERVICES	<u>109,382</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.

The Oregon Legislature passed a bill requiring that interviews with serious offenders must be video recorded. This year we contracted with Alyrica Networks for the installation of a camera system for recording all interviews and interrogations. In the past, these interviews were tape recorded but a lot of information was lost without the video portion of the interview. We now have cameras in two rooms at the Police Dept. One camera is located in the interview room of the lobby. This allows for the recording of non-custodial interviews. The second camera is located in the booking room and is used to record the custodial interviews. This system has already proven to be very helpful with the prosecution of criminal cases.

Additionally we have added an alarm system to the Police Facility. The lobby area, conference room, and my office are all areas of concern since they are outside the parameter fencing. All of these areas are now alarmed. Another concern was the lack of smoke detectors within the building, especially in the server room. Smoke detectors were added to the server room and the hallways throughout the building.

Our 911 Dispatch cost share remained static for this year. This was due in large part to an increased activity level at the Sheriff's Office. They restored their patrol division to 24-7 status and increased their call volume in dispatch. The 911 Committee continues to explore the possibility of developing a 911 Special District that would completely fund the 911 Center and make the billing equitable among all the agencies currently using the system. Currently the law enforcement agencies in the Benton County are burdened with the majority of the cost associated with maintaining and running the 911 Center.

A new addition to the Police Facility is the Philomath Area Chamber of Commerce. They signed a short term agreement to move their office to the lobby of the Police Facility. They completed the move in March and are expected to be in this location for the next couple of years.

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

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2011-12
GENERAL FUND - POLICE**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
PERSONAL SERVICES							
10 5 4120 Police Chief	69,936	73,428	74,904	77,520	79,056	81,032	2%
10 5 4152 Sergeant	50,295	65,503	62,596	69,200	70,800	72,600	2%
10 5 4162 Police Officers	285,276	308,052	328,911	346,055	365,618	378,801	6%
10 5 4165 School Resource Officer	6,457	0	0	0	0	0	
10 5 4174 Administrative Secretary	37,466	36,397	36,336	39,476	42,296	45,516	7%
10 5 4259 Extra Hire	10,613	866	994	2,000	1,100	1,100	-45%
10 5 4310 Holiday Pay	10,306	11,144	10,300	13,150	13,326	14,040	1%
10 5 4320 Overtime	30,928	30,884	22,832	34,500	37,200	37,920	8%
10 5 4321 Overtime - Training	5,115	4,582	5,415	7,000	6,000	6,360	-14%
10 5 4330 Shift Differential	4,433	4,682	4,823	5,765	0	0	-100%
10 5 4348 Boot Allowance	0	0	1,200	0	1,200	0	100%
10 5 4350 Uniform Allowance	3,080	4,305	3,360	3,360	3,360	3,360	0%
10 5 4360 Incentive Pay	600	600	600	600	2,600	2,600	100%
10 5 4366 Longevity Pay	0	0	0	0	2,961	4,046	100%
10 5 4370 Sick Leave Conversion	0	0	0	0	1,893	1,940	100%
10 5 4500 Social Security	39,262	42,583	42,241	45,795	48,000	49,674	5%
10 5 4520 PERS	70,523	75,117	66,750	72,668	95,602	98,985	32%
10 5 4540 Workers' Compensation	14,382	18,778	16,511	18,611	18,070	22,100	-3%
10 5 4560 Workers' Benefit Fund Assmt	268	275	271	285	280	280	-2%
10 5 4620 Deferred Compensation	4,257	6,151	6,745	7,081	7,643	8,015	8%
10 5 4640 Health Insurance	88,959	93,625	101,755	107,404	107,528	118,281	0%
10 5 4660 Dental Insurance	11,721	13,987	14,254	14,670	16,870	17,714	15%
10 5 4670 Health Reimbursement Account	25,000	20,500	750	4,500	8,622	9,000	92%
10 5 4680 Life Insurance	762	724	599	660	660	686	0%
10 5 4820 Sick & Vacation Accrual	0	17,395	0	5,500	14,000	14,000	100%
Subtotal Personal Services	769,640	829,577	802,147	875,800	944,685	988,050	8%
MATERIALS AND SERVICES							
10 5 5010 Accreditation	4,770	850	556	850	560	577	-34%
10 5 5015 Advertising & Legal Notices	118	1,554	445	425	450	464	6%
10 5 5025 Animal Care	0	0	0	300	300	309	0%
10 5 5075 Bike Olympics	1,450	720	686	1,350	800	824	-41%
10 5 5102 Car Wash	149	456	247	300	325	335	8%
10 5 5137 Computer Support	0	1,223	0	1,200	0	0	-100%
10 5 5143 Computer Line Charges	552	243	175	250	2,000	2,060	100%
10 5 5160 Coroner Investigation	0	0	4,921	4,000	5,300	5,459	33%
10 5 5233 Dues	1,159	1,197	1,164	1,440	1,300	1,339	-10%
10 5 5245 Education & Training	3,698	940	2,452	3,800	3,700	3,811	-3%
10 5 5283 Equipment Repair/Maintenance	2,422	2,332	960	2,700	2,500	2,575	-7%
10 5 5295 Explorer Scouts	129	0	0	515	0	0	-100%
10 5 5300 Firearms Training	1,401	4,198	3,309	3,300	3,400	3,502	3%
10 5 5305 Gas & Oil	18,722	15,022	17,572	19,400	22,000	22,660	13%
10 5 5325 Insurance	17,112	16,123	17,767	12,000	12,300	17,000	2%
10 5 5365 K-9	1,104	1,762	2,064	2,000	1,800	1,854	-10%
10 5 5367 Labor Consultant	0	3,398	0	0	0	0	
10 5 5377 LEDS/NCIC Teletype Service	381	260	260	400	260	268	-35%
10 5 5379 Lexipol	0	2,950	2,950	3,000	2,950	3,039	-2%
10 5 5383 Maintenance Agreement	600	700	1,900	700	2,800	2,884	100%
10 5 5387 Medical Expenses	713	1,188	895	820	845	870	3%
10 5 5390 Miscellaneous	1,604	3,591	2,903	3,500	3,668	3,712	5%
10 5 5397 MVD Record Inquiries	245	35	0	250	0	0	-100%
10 5 5407 9-1-1 Center	72,943	92,820	118,970	118,440	118,500	133,390	0%
10 5 5413 Office Supplies	6,651	6,838	6,865	7,400	7,400	7,622	0%
10 5 5465 Postage	1,071	1,332	659	1,400	1,200	1,236	-14%

Continued Next Page

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2011-12
GENERAL FUND - POLICE**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
MATERIALS AND SERVICES (CONTINUED)							
10 5 5475 Prisoner Care	1,050	3,000	1,185	2,200	2,000	2,060	-9%
10 5 5498 RAIN	0	1,133	1,235	1,500	895	922	-40%
10 5 5507 Records Management System	3,050	3,050	3,050	3,050	3,050	3,142	0%
10 5 5510 Reserves	993	1,946	1,915	2,000	2,000	2,060	0%
10 5 5525 Safety Town	250	0	0	400	0	0	-100%
10 5 5563 Small Tools & Equipment	5,613	5,155	8,148	5,600	6,400	6,592	14%
10 5 5587 Supplies	2,699	978	870	2,000	2,300	2,369	15%
10 5 5603 Telephone	5,627	6,726	8,077	7,728	7,800	8,034	1%
10 5 5645 Tires	832	533	1,270	1,750	1,800	1,854	3%
10 5 5665 Travel, Meals, Hotel	3,718	3,786	3,433	4,120	3,800	3,914	-8%
10 5 5703 Uniforms	4,467	7,804	5,580	5,400	5,400	5,562	0%
10 5 5745 Vehicle Repair & Maintenance	15,141	11,853	14,641	14,000	14,500	14,935	4%
10 5 5765 Willamette Criminal Justice Cncl	512	512	512	512	512	512	0%
10 5 5770 Wireless Internet	0	0	0	3,300	0	0	-100%
10 5 5797 Youth Services	3,501	2,623	2,516	3,400	3,500	3,605	3%
Subtotal Materials and Services	184,448	208,832	240,152	246,700	248,315	271,349	1%
TOTAL POLICE BUDGET	954,088	1,038,409	1,042,299	1,122,500	1,193,000	1,259,400	6%

**CITY OF PHILOMATH
GENERAL FUND - POLICE
2011-12 BUDGET NARRATIVE**

PERSONAL SERVICES

Police Chief	79,056
Police Sergeant	70,800
7 Police Officers	365,618
Administrative Secretary	42,296
TOTAL SALARIES	557,770
Management salaries include a 2% cost-of-living increase. Officer salaries include a 3.75% cost-of-living increase.	
EXTRA HIRE To fill in shifts when necessary	1,100
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.	13,326
OVERTIME Extra stay beyond normal shift, monthly staff meetings, and court appearances	37,200
OVERTIME - TRAINING Allows officers to train on their days off rather than during their patrol duty	6,000
BOOT ALLOWANCE \$150 to each officer every two years	1,200
UNIFORM ALLOWANCE \$35 monthly cleaning allowance paid to all officers	3,360
INCENTIVE PAY Physical fitness incentive for police officers	2,600
LONGEVITY PAY Management employees receive 5% after 10 years of service and 10% after 15 years of service	2,961
SICK LEAVE CONVERSION 50% of excess sick leave for management employees who choose to cash out sick time	1,893
SOCIAL SECURITY Calendar year 2011 rate is 7.65%	48,000
PERS The City pays both the employer and employee contributions. For fiscal year 2011-12 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate is 10.73%, and the employee rate is 6%.	95,602
WORKERS' COMPENSATION	18,070
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue	280
DEFERRED COMPENSATION 6% retirement benefit for management employees	7,643
HEALTH INSURANCE \$1,000 deductible plan, no increase over 2010-11 premium	107,528
DENTAL INSURANCE Estimated 7% increase over 2010-11 premium	16,870
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible	8,622
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000.	660
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination	14,000
TOTAL PERSONAL SERVICES	944,685

**CITY OF PHILOMATH
GENERAL FUND - POLICE
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Accreditation	560	Annual fee to Oregon Accreditation Alliance to help the department with policy development and training.
Advertising & Legal Notices	450	Advertising for unclaimed property, job postings
Animal Care	300	Vet care and housing of animals picked up by the police dept
Bike Olympics	800	Prizes and supplies for bike safety programs held at the elementary and middle schools
Car Wash	325	Car wash police vehicles
Computer Line Charges	2,000	Internet provider fee
Coroner Investigation	5,300	City's contribution towards County coroner's salary
Dues	1,300	Dues to various professional organizations
Education and Training	3,700	Continuing education and training
Equipment Repair and Maintenance	2,500	Repair of police and office equipment
Firearms Training	3,400	Firearms training supplies for officers and reserves
Gas & Oil	22,000	Gasoline and oil changes for police vehicles
Insurance	12,300	Police portion of city liability and auto insurance
K-9	1,800	Incidental costs associated with the drug dog
LEDS/NCIC Teletype Service	260	Teletype access to LEDS, NCIC and DMV
Lexipol	2,950	Policy manual
Maintenance Agreement	2,800	Maintenance agreement on building security locks, cameras and security alarm
Medical Expense	845	Medical and psychological examinations for new hires, Hepatitis B shots and follow-ups
Miscellaneous	3,668	Small items that do not fall into other categories
9-1-1 Center	118,500	City share of 911 Center operating costs
Office Supplies	7,400	Office, computer and copier supplies
Postage	1,200	Stamps, registered mail and mailing of evidence to crime lab
Prisoner Care	2,000	Cost to book and house prisoners at the Benton County jail
RAIN	895	Criminal justice information system throughout the state of Oregon

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**CITY OF PHILOMATH
GENERAL FUND - POLICE
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES (CONTINUED)

Records Management System	3,050	Maintenance contract on police department software
Reserves	2,000	Incidental expenses for reserve officers
Small Tools and Equipment	6,400	Purchase of equipment costing less than \$1,000
Supplies	2,300	Departmental supplies
Telephone	7,800	Telephone, cellular phones and pagers
Tires	1,800	Purchase and repair of vehicle tires
Travel, Meals and Hotel	3,800	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	14,500	Routine repairs and maintenance of police vehicles
Willamette Criminal Justice Council	512	Willamette Criminal Justice Council dues
Youth Services	<u>3,500</u>	Advertising and promotional material targeted towards youth in the community
TOTAL MATERIALS AND SERVICES	<u>248,315</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2011-12
GENERAL FUND - BUILDINGS AND GROUNDS**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
PERSONAL SERVICES							
10 6 4120 Public Works Director	686	465	622	676	724	779	7%
10 6 4155 Public Works Supervisor	513	590	411	557	2,985	3,212	100%
10 6 4164 Utility Maintenance Workers	6,068	6,855	7,235	7,598	7,840	8,050	3%
10 6 4176 Office Specialist	0	0	0	0	792	807	100%
10 6 4250 Custodian	14,782	11,941	7,548	9,126	10,350	10,620	13%
10 6 4258 Seasonal/Part Time	0	0	0	0	980	1,005	100%
10 6 4320 Overtime	21	51	31	92	53	53	-42%
10 6 4340 On-Call Time	152	162	175	174	234	234	34%
10 6 4360 Incentive Pay	732	592	296	287	635	635	100%
10 6 4500 Social Security	1,756	1,580	1,251	1,415	1,881	1,943	33%
10 6 4520 PERS	3,577	3,225	1,180	1,716	3,176	3,287	85%
10 6 4540 Workers' Compensation	555	692	584	700	900	1,110	29%
10 6 4560 Workers' Benefit Fund Assmt	19	16	14	18	20	20	11%
10 6 4620 Deferred Compensation	73	65	64	76	234	251	100%
10 6 4640 Health Insurance	6,915	6,851	2,510	2,299	3,080	3,388	34%
10 6 4660 Dental Insurance	803	884	318	282	438	460	55%
10 6 4670 Health Reimbursement Account	2,400	1,393	20	100	220	230	100%
10 6 4680 Life Insurance	74	79	22	19	27	27	42%
10 6 4820 Sick & Vacation Accrual	0	0	36	180	236	245	31%
Subtotal Personal Services	39,126	35,441	22,317	25,315	34,805	36,356	37%
MATERIALS AND SERVICES							
10 6 5095 Building Repair & Maintenance	10,262	8,797	11,796	11,000	12,000	12,360	9%
10 6 5305 Gas and Oil	0	286	410	220	300	309	36%
10 6 5315 Grounds Maintenance	1,667	3,696	3,062	15,000	7,500	7,725	-50%
10 6 5325 Insurance	3,851	3,828	3,728	3,800	4,100	5,400	8%
10 6 5375 Landscape Maintenance	0	0	0	3,600	3,700	3,811	3%
10 6 5383 Maintenance Agreements	2,810	3,217	4,864	1,100	3,000	3,090	100%
10 6 5390 Miscellaneous	661	639	2,405	795	795	749	0%
10 6 5535 Security Alarm/Remote Monitor	605	397	388	1,500	2,000	2,060	33%
10 6 5587 Supplies	8,835	9,850	8,762	7,000	9,000	9,270	29%
10 6 5715 Utilities	26,286	25,676	25,567	28,000	28,500	29,355	2%
10 6 5740 Vandalism	0	17	0	500	500	515	0%
Subtotal Materials & Services	54,977	56,403	60,982	72,515	71,395	74,644	-2%
TOTAL BUILDINGS AND GROUNDS BUDGET	94,103	91,844	83,299	97,830	106,200	111,000	9%

**CITY OF PHILOMATH
GENERAL FUND - BUILDINGS & GROUNDS
2011-12 BUDGET NARRATIVE**

PERSONAL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	1%	724
Public Works Supervisor	5%	2,985
Utility Maintenance Workers	4%	7,840
Office Specialist	2%	792
Custodian	90%	10,350
Seasonal/Part Time	8%	980
TOTAL SALARIES		<u>23,671</u>
<p>The time allocation is based on estimated needs of this department for fiscal year 2011-12. Salaries include a 2% cost-of-living increase. The Custodian works to clean city buildings for approximately 16 hours per week.</p>		
OVERTIME		53
ON-CALL TIME		234
Prorated portion of weekly payment for public works crew member on standby during off duty time		
INCENTIVE PAY		635
Each employee may receive up to \$300 per month based on acquiring specialized skills		
SOCIAL SECURITY Calendar year 2011 rate is 7.65%		1,881
PERS		3,176
The City pays both the employer and employee contributions. For fiscal year 2011-12 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate is 8.02% and the employee rate is 6%.		
WORKERS' COMPENSATION		900
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue		20
DEFERRED COMPENSATION 6% retirement benefit for management employees		234
HEALTH INSURANCE \$1,000 deductible plan, no increase over 2010-11 premium		3,080
DENTAL INSURANCE Estimated 7% increase over 2010-11 premium		438
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		220
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000		27
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination		236
TOTAL PERSONAL SERVICES		<u><u>34,805</u></u>

**CITY OF PHILOMATH
GENERAL FUND - BUILDINGS AND GROUNDS
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Building Repair and Maintenance	12,000	Repairs to city buildings
Gas & Oil	300	Prorated share of vehicle fuel costs
Grounds Maintenance	7,500	Cost of grounds maintenance
Insurance	4,100	Buildings and grounds share of city liability policy
Landscape Maintenance	3,700	Contractor to maintain landscaping at city hall, PD & library
Maintenance Agreements	3,000	Maintenance agreement on heating and cooling systems
Miscellaneous	795	Incidental expenses
Security Alarm & Remote Monitoring	2,000	Fee for monitoring security system at city hall, police dept., and library
Supplies	9,000	Restroom supplies, light bulbs, cleaning supplies, etc.
Utilities	28,500	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>71,395</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2011-12
GENERAL FUND - PARKS**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
PERSONAL SERVICES							
10 7 4120 Public Works Director	686	465	622	676	724	779	7%
10 7 4155 Public Works Supervisor	513	590	411	557	4,775	5,139	100%
10 7 4164 Utility Maintenance Workers	10,374	11,774	12,476	13,100	9,530	9,839	-27%
10 7 4176 Office Specialist	0	0	0	0	1,583	1,615	100%
10 7 4250 Custodian	9,854	7,961	607	1,014	1,150	1,180	13%
10 7 4258 Seasonal/Part Time	5,849	6,075	5,349	4,000	7,410	7,654	85%
10 7 4320 Overtime	34	73	50	137	62	62	-55%
10 7 4340 On-Call Time	259	279	299	300	286	286	-5%
10 7 4360 Incentive Pay	762	630	450	446	776	776	74%
10 7 4500 Social Security	2,167	2,131	1,552	1,547	2,012	2,091	30%
10 7 4520 PERS	3,522	3,419	1,837	1,955	3,142	3,274	61%
10 7 4540 Workers' Compensation	939	1,001	1,045	1,100	1,000	1,240	-9%
10 7 4560 Workers' Benefit Fund Assmt	27	24	16	19	21	21	11%
10 7 4620 Deferred Compensation	73	65	64	76	348	374	100%
10 7 4640 Health Insurance	5,898	6,130	3,619	3,770	4,132	4,545	10%
10 7 4660 Dental Insurance	720	820	461	451	580	609	29%
10 7 4670 Health Reimbursement Account	2,190	1,270	31	185	335	350	81%
10 7 4680 Life Insurance	67	70	30	30	31	31	3%
10 7 4820 Sick & Vacation Accrual	0	0	24	243	315	315	30%
Subtotal Personal Services	43,934	42,777	28,943	29,606	38,212	40,180	29%
MATERIALS AND SERVICES							
10 7 5095 Building Repair & Maintenance	889	192	1,240	1,800	1,300	1,339	-28%
10 7 5107 Certification Costs	0	0	57	500	500	515	0%
10 7 5245 Education and Training	0	0	176	250	275	283	10%
10 7 5285 Equipment Repair/Maintenance	503	1,134	1,165	1,500	1,200	1,236	-20%
10 7 5305 Gas & Oil	1,747	1,904	1,875	2,060	2,000	2,060	-3%
10 7 5315 Grounds Maintenance	4,484	3,688	3,402	12,000	12,000	12,360	0%
10 7 5325 Insurance	1,957	1,957	1,780	2,100	1,400	1,900	-33%
10 7 5390 Miscellaneous	112	586	124	462	513	474	11%
10 7 5563 Small Tools & Equipment	2,134	663	794	900	800	824	-11%
10 7 5587 Supplies	1,091	3,050	3,548	4,000	3,600	3,708	-10%
10 7 5715 Utilities	7,295	8,547	10,819	11,500	13,000	13,390	13%
10 7 5740 Vandalism	0	1,094	1,915	1,000	1,000	1,030	0%
Subtotal Materials & Services	20,213	22,815	26,895	38,072	37,588	39,119	-1%
TOTAL PARKS BUDGET	64,147	65,592	55,838	67,678	75,800	79,300	12%

**CITY OF PHILOMATH
GENERAL FUND - PARKS
2011-12 BUDGET NARRATIVE**

PERSONAL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	1%	724
Public Works Supervisor	8%	4,775
Utility Maintenance Workers	4%	9,530
Office Specialist	4%	1,583
Custodian	10%	1,150
Seasonal/Part Time	100%	<u>7,410</u>
TOTAL SALARIES		25,172
<p>The time allocation is based on estimated needs of this department for fiscal year 2011-12. Salaries include a 2% cost-of-living increase. The seasonal employee mows lawns and helps with other park maintenance duties.</p>		
OVERTIME		62
ON-CALL TIME		286
Prorated portion of weekly payment for public works crew member on standby during off duty time		
INCENTIVE PAY		776
Each employee may receive up to \$300 per month based on acquiring specialized skills		
SOCIAL SECURITY Calendar year 2011 rate is 7.65%		2,012
PERS		3,142
The City pays both the employer and employee contributions. For fiscal year 2011-12 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate is 8.02%, and the employee rate is 6%.		
WORKERS' COMPENSATION		1,000
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue		21
DEFERRED COMPENSATION 6% retirement benefit for management employees		348
HEALTH INSURANCE \$1,000 deductible plan, no increase over 2010-11 premium		4,132
DENTAL INSURANCE Estimated 7% increase over 2010-11 premium		580
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		335
LIFE INSURANCE Basis Life and AD&D policy. Employee coverage \$30,000		31
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination		<u>315</u>
TOTAL PERSONAL SERVICES		<u><u>38,212</u></u>

**CITY OF PHILOMATH
GENERAL FUND - PARKS
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Building Repair and Maintenance	1,300	Painting & minor repairs to park shelters and other structures
Certification Costs	500	Pesticide certification
Education and Training	275	Pesticide application, play equipment inspection
Equipment Repair and Maintenance	1,200	Parts & repairs for department equipment
Gas and Oil	2,000	Prorated share of motor vehicle fuel
Grounds Maintenance	12,000	Maintain trails, plantings, etc. at city parks
Insurance	1,400	Prorated share of city commercial liability and property insurance
Miscellaneous	513	Incidental expenses
Small Tools and Equipment	800	Purchase of small tools
Supplies	3,600	Restroom supplies, cleaning supplies
Utilities	13,000	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>37,588</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 2011-12
GENERAL FUND - NON-DEPARTMENTAL**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE	
PERSONAL SERVICES								
10 8 4860	Unemployment Insurance	341	0	7,753	7,000	0	0	-100%
10 8 4865	COBRA Premium	0	0	1,568	0	0	0	
	Subtotal Personal Services	341	0	9,321	7,000	0	0	-100%
MATERIALS & SERVICES								
10 8 5015	Advertising & Legal Notices	1,968	407	5,345	2,000	1,500	1,545	-25%
10 8 5033	Attorney Retainer	30,600	31,800	32,640	32,808	33,108	34,101	1%
10 8 5034	Attorney Non Contractual Services	0	0	1,358	25,000	15,000	5,000	-40%
10 8 5045	Audit Fees	6,500	8,500	7,500	8,750	10,000	10,300	14%
10 8 5098	Bus Operations	35,522	39,433	40,643	45,000	46,000	47,380	2%
10 8 5132	Community Appearance	4,436	3,996	5,224	6,000	5,700	5,871	-5%
10 8 5133	Community Organization Support	17,697	13,000	16,000	13,000	13,000	13,000	0%
10 8 5146	Consultant - Scenic Byway	0	0	4,800	1,200	0	0	-100%
10 8 5155	Contributions	8,000	9,000	9,450	11,200	9,850	10,100	-12%
10 8 5166	Couplet Projects	6,910	33,440	2,556	10,000	2,000	0	-80%
10 8 5233	Dues	1,601	1,360	1,470	1,600	1,500	1,545	-6%
10 8 5234	Dues - COG	3,884	4,096	4,336	4,336	4,450	4,584	3%
10 8 5235	Dues - LOC	2,779	3,352	3,411	3,468	3,520	3,626	1%
10 8 5245	Education and Training	50	1,300	0	1,000	1,000	1,030	0%
10 8 5255	Election Fees	0	111	202	1,000	250	258	-75%
10 8 5260	Employee Recognition Program	64	0	0	200	200	206	0%
10 8 5290	Ethics Commission Fee	0	0	421	500	422	435	-16%
10 8 5319	Hazardous Materials Disposal	0	0	0	1,000	1,000	1,030	0%
10 8 5325	Insurance	170	240	286	280	230	280	-18%
10 8 5367	Labor Consultant	7,582	980	105	8,000	0	0	-100%
10 8 5390	Miscellaneous	5,168	7,600	14,570	6,088	8,000	8,247	31%
10 8 5395	Municipal Code Updates	0	0	620	800	650	670	-19%
10 8 5401	Network Consultant	3,458	4,100	11,769	6,000	9,000	9,270	50%
10 8 5403	Newsletter	1,752	1,205	2,467	2,000	2,000	2,060	0%
10 8 5413	Office Supplies	0	626	371	600	700	721	17%
10 8 5465	Postage	597	191	979	700	800	824	14%
10 8 5553	Sidewalk Enforcement Program	0	2,300	0	5,000	6,000	6,180	20%
10 8 5567	State Filing Fee	250	250	250	300	250	258	-17%
10 8 5593	Surety Bonds	756	756	368	370	370	370	0%
10 8 5665	Travel and Meals	102	195	627	700	700	721	0%
10 8 5687	Tree/Landscape Maintenance	695	1,524	0	13,000	3,000	3,090	-77%
10 8 5749	Web Page Maintenance	0	0	0	0	600	600	100%
10 8 5755	Wetlands Expense	5,199	1,040	0	0	0	0	
10 8 5770	Wireless Internet	13,200	11,196	0	0	0	0	
10 8 5919	Oregon Crafted Grant	90,000	100,000	85,500	100,000	0	0	-100%
	Subtotal Materials & Services	248,938	282,000	253,268	311,900	180,800	173,300	-42%
TOTAL NON-DEPARTMENTAL BUDGET		249,279	282,000	262,589	318,900	180,800	173,300	-43%

**CITY OF PHILOMATH
GENERAL FUND - NON-DEPARTMENTAL
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Advertising & Legal Notices	1,500	Required legal advertising in local newspapers
Attorney Retainer	33,108	Retainer fee for legal services, attendance at council meetings and representation for the City in Municipal Court
Attorney Non Contractual Services	15,000	Provides for additional attorney services
Audit Fees	10,000	Fee for CPA firm to prepare annual audit
Bus Operations	46,000	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	5,700	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
Contributions	9,850	Council policy to make available 25% of anticipated state revenue sharing dollars to local social service agencies.
Couplet Projects	2,000	City median and entrance area improvements and maintenance
Dues	1,500	City dues to various organizations
Dues - COG	4,450	Dues to Council of Governments
Dues - LOC	3,520	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	250	Estimated cost to cover one election
Employee Recognition Program	200	Recognize city employees for outstanding contributions
Ethics Commission Fee	422	State mandated charge to support Oregon Government Ethics Commission
Hazardous Materials Disposal	1,000	Potential clean-up costs for toxic spills within the city limits
Insurance	230	Liability insurance not allocated to a specific department
Miscellaneous	8,000	Incidental expenses

Continued

**CITY OF PHILOMATH
GENERAL FUND - NON-DEPARTMENTAL
2011-12 BUDGET NARRATIVE**

Continued:

Municipal Code Updates	650	Code Publishing charge when Ordinances are created or amended
Network Consultants	9,000	Contract with Council of Governments to provide technical expertise regarding City networks and computer systems
Newsletter	2,000	Editing, printing & distributing a newsletter to citizens four times a year
Office Supplies	700	General office supplies
Postage	800	Postage for Council activities or projects
Sidewalk Enforcement Program	6,000	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	250	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	3,000	Hazardous tree removal, pruning and tree assessment Street tree, median and entrance area maintenance
Web Page Maintenance	<u>600</u>	Annual cost to update and maintain City web page
TOTAL MATERIALS AND SERVICES	<u>180,800</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2011-12
GENERAL FUND - TRANSFERS AND CONTINGENCY**

		ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
TRANSFERS								
10 9 8500	To Land Building & Equip Fund	126,000	129,500	89,400	90,000	97,000	97,000	8%
TOTAL TRANSFERS		126,000	129,500	89,400	90,000	97,000	97,000	8%
10 9 9000	CONTINGENCY	0	0	0	50,000	50,000	50,000	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 2011-12**

PERSONNEL	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13
Public Works Director	67,224	46,527	59,232	67,584	72,384	77,829
Public Works Supervisor	51,265	59,033	50,448	55,727	59,692	64,136
Utility Maintenance Workers	200,466	226,905	197,768	251,313	260,408	268,343
Water/Wastewater Operator	39,012	42,202	95,636	71,568	92,526	97,950
Office Specialist	33,035	34,668	37,488	38,808	39,576	39,368
Custodian	24,636	19,902	11,700	10,140	11,500	11,800
Seasonal/Part Time	19,440	29,932	24,576	15,362	18,926	19,421
Overtime	2,403	2,808	5,400	4,902	4,251	4,305
On-Call Time	5,800	6,690	6,790	6,756	10,200	10,200
Sick Leave Conversion	1,358	0	0	0	0	0
Incentive Pay	16,456	14,289	12,360	15,899	20,400	20,400
Level 3 Certification	0	772	911	990	1,015	1,051
Social Security	35,722	37,005	38,286	41,236	45,202	47,123
PERS	68,110	70,548	58,965	64,983	93,309	97,198
Workers' Compensation	13,006	15,793	17,630	18,000	19,600	23,710
Workers Benefit Fund Assmt	304	291	348	346	344	345
Deferred Compensation	7,375	6,482	6,818	7,614	8,206	8,810
Health Insurance	88,478	87,595	97,921	111,389	122,525	134,778
Dental Insurance	11,983	12,607	12,603	13,941	17,345	18,212
Health Reimbursement Account	32,749	18,499	5,000	5,000	10,537	11,000
Life Insurance	1,043	979	784	905	1,071	1,093
Sick and Vacation Accrual	5,844	0	7,500	8,946	9,002	9,216
Total Personal Services	725,709	733,527	748,164	811,409	918,019	966,288
MATERIALS & SERVICES	744,916	698,679	899,082	979,106	972,988	1,009,121
CAPITAL IMPROVEMENTS	4,801	4,125	10,000	105,000	56,000	20,000
DEBT SERVICE	102,406	99,930	576,924	357,923	365,973	378,754
TRANSFERS TO RESERVES						
Equipment Reserve	77,700	104,400	77,400	72,600	75,000	75,000
Street Infrastructure	70,000	50,000	0	0	50,000	50,000
Sewer Infrastructure	210,000	215,000	0	0	0	0
Water Infrastructure	79,000	20,000	30,000	40,000	60,000	60,000
Storm Drain Infrastructure	16,400	8,000	5,000	12,500	10,000	10,000
Public Works Office Equipment	12,000	4,000	2,000	2,000	10,000	4,000
Public Works Building Reserve	14,000	16,200	60,000	71,200	25,400	25,400
To Street Fund	13,100	13,000	12,400	13,800	20,100	21,200
Total Transfers to Reserves	492,200	430,600	186,800	212,100	250,500	245,600
CONTINGENCY	0	0	95,000	90,000	70,000	39,000
TOTAL PUBLIC WORKS DEPARTMENTS	2,070,032	1,966,861	2,515,970	2,555,538	2,633,480	2,658,763

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2011-12
STREET FUND**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE	
REVENUE								
21 0 3001	Cash Balance Forward	73,947	71,675	89,216	83,000	93,000	89,000	12%
21 0 3020	Interest On Investments	1,894	918	452	500	200	300	-60%
21 0 3120	State Highway Tax	193,383	174,349	190,351	229,800	263,000	271,150	14%
21 0 3215	Street Utility Fee	51,899	52,554	52,543	52,800	52,600	52,600	0%
21 0 3420	Franchise Fee - Allied Waste	27,246	26,103	26,032	26,000	26,100	26,100	0%
21 0 3450	Franchise Fee - Pioneer Telephone	23,785	23,733	20,555	20,650	18,000	17,500	-13%
21 0 3460	Franchise Fee - Comcast	38,557	40,443	41,593	40,400	41,600	41,600	3%
21 0 3650	Miscellaneous Income	98	142	9,369	0	0	0	
21 0 3990	Transfer-Storm Drain Fund	13,100	13,000	12,400	13,800	20,100	21,200	46%
	TOTAL REVENUES	423,909	402,917	442,511	466,950	514,600	519,450	10%
EXPENDITURES								
PERSONAL SERVICES								
21 0 4120	Public Works Director	11,428	7,910	10,392	11,489	12,305	13,166	7%
21 0 4155	Public Works Supervisor	5,126	5,903	4,115	5,573	16,714	17,884	100%
21 0 4164	Utility Maintenance Worker	46,192	52,014	54,712	57,585	72,762	75,136	26%
21 0 4176	Office Specialist	6,607	6,934	7,498	7,762	15,039	15,340	94%
21 0 4258	Seasonal/Part Time	3,178	4,972	3,143	2,272	3,063	3,140	35%
21 0 4320	Overtime	172	438	222	739	240	240	-68%
21 0 4340	On-Call Time	1,159	1,243	1,325	1,322	2,184	2,184	65%
21 0 4360	Incentive Pay	2,907	2,428	2,691	2,743	4,634	4,634	69%
21 0 4370	Sick Leave Conversion	231	0	0	0	0	0	
21 0 4500	Social Security	5,914	6,261	6,433	6,846	9,711	10,091	42%
21 0 4520	PERS	11,528	12,112	10,480	11,228	20,595	21,389	83%
21 0 4540	Workers' Compensation	2,890	4,041	4,516	4,800	6,400	7,700	33%
21 0 4560	Workers' Benefit Fund Assmt	51	49	51	54	74	74	37%
21 0 4620	Deferred Compensation	1,036	850	892	1,049	1,814	1,946	73%
21 0 4640	Health Insurance	16,282	15,573	17,977	20,149	27,165	29,882	35%
21 0 4660	Dental Insurance	2,103	2,177	2,301	2,465	3,640	3,822	48%
21 0 4670	Health Reimbursement Account	5,507	3,092	187	800	2,500	2,610	100%
21 0 4680	Life Insurance	174	177	180	200	243	243	22%
21 0 4820	Sick & Vacation Accrual	292	0	0	1,656	2,259	2,304	36%
	Subtotal Personal Services	122,778	126,174	127,115	138,732	201,342	211,785	45%
MATERIALS AND SERVICES								
21 0 5012	Administrative Overhead	40,320	41,688	38,856	43,116	50,280	51,788	17%
21 0 5015	Advertising & Legal Notices	501	0	136	500	500	515	0%
21 0 5053	Bad Debt Write-Off	511	343	239	400	500	515	25%
21 0 5095	Building Repair & Maintenance	835	603	1,415	1,000	4,000	1,500	100%
21 0 5143	Computer Line Charges	320	292	360	400	1,100	1,133	100%
21 0 5195	Crushed Rock/Asphalt	2,493	7,413	18,375	9,000	9,000	9,270	0%
21 0 5233	Dues	486	164	233	500	500	515	0%
21 0 5245	Education and Training	0	236	686	300	400	412	33%
21 0 5265	Engineering	0	2,060	586	4,000	4,000	4,120	0%
21 0 5285	Equipment Repair & Maintenance	5,740	1,062	732	6,000	5,000	5,150	-17%
21 0 5305	Gas & Oil	7,658	5,977	5,499	6,500	8,300	8,549	28%
21 0 5325	Insurance	2,342	2,649	2,568	1,000	1,000	2,500	0%
21 0 5375	Landscape Maintenance	0	0	0	0	1,600	1,648	100%
21 0 5383	Maintenance Agreements	439	1,603	1,053	1,600	0	0	-100%
21 0 5387	Medical Expense	465	248	439	570	600	618	5%
21 0 5390	Miscellaneous	556	881	715	2,882	1,208	889	-58%
21 0 5413	Office Supplies	1,228	575	1,469	1,350	1,350	1,391	0%
21 0 5423	Oil Mat/Crack & Slurry Seal	14,812	0	0	46,000	24,000	24,720	-48%
21 0 5465	Postage	46	42	53	100	60	62	-40%

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**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2011-12
STREET FUND**

		ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
MATERIALS & SERVICES (CONTINUED)								
21 0 5515	Safety Equipment	655	1,786	2,325	1,800	1,800	1,854	0%
21 0 5535	Security Alarm & Remote Monitoring	165	103	207	170	210	216	24%
21 0 5557	Sidewalk Improvement	1,029	200	0	12,000	12,000	12,360	0%
21 0 5563	Small Tools & Equipment	1,017	801	2,400	1,200	2,000	2,060	67%
21 0 5577	Street Lights/Traffic Signals	32,238	33,941	36,815	42,000	40,000	41,200	-5%
21 0 5583	Street Signs	6,025	4,667	8,029	6,200	8,000	8,240	29%
21 0 5587	Supplies	7,801	3,010	5,452	9,000	8,000	8,240	-11%
21 0 5603	Telephone	127	161	875	400	400	412	0%
21 0 5645	Tires	227	0	0	400	400	412	0%
21 0 5665	Travel and Meals	0	0	282	0	700	721	100%
21 0 5703	Uniforms	1,157	759	846	800	800	824	0%
21 0 5704	Uniform Cleaning	1,313	329	1,363	1,230	1,350	1,391	10%
21 0 5715	Utilities	4,636	5,056	4,163	5,500	5,000	5,150	-9%
21 0 5740	Vandalism	0	15	0	500	500	515	0%
21 0 5745	Vehicle Repair & Maintenance	1,116	4,963	7,386	2,500	2,500	2,575	0%
	Subtotal Materials & Services	136,256	121,627	143,557	208,918	197,058	201,465	-6%
TRANSFERS								
21 0 8520	To LBE Fund - Equipment	23,200	15,900	23,200	16,300	16,200	16,200	-1%
21 0 8540	To LBE Fund - Infrastructure	70,000	50,000	0	0	50,000	50,000	100%
21 0 8560	To LBE Fund - P/W Building	0	0	50,000	50,000	0	0	-100%
	Subtotal Transfers	93,200	65,900	73,200	66,300	66,200	66,200	0%
21 0 9000	Contingency	0	0	0	30,000	30,000	25,000	0%
	TOTAL EXPENDITURES	352,234	313,701	343,872	443,950	494,600	504,450	11%
21 0 9500	UNAPPROPRIATED ENDING BAL	0	0	0	23,000	20,000	15,000	-13%
	Excess Revenues Over Expenditures	71,675	89,216	98,639	0	0	0	

**CITY OF PHILOMATH
STREET FUND
2011-12 BUDGET NARRATIVE**

PERSONAL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	17%	12,305
Public Works Supervisor	28%	16,714
Utility Maintenance Workers	28%	72,762
Office Specialist	38%	15,039
Seasonal/Part Time	25%	<u>3,063</u>
TOTAL SALARIES		119,883
<p>The time allocation is based on estimated needs of this fund for fiscal year 2011-12. Salaries include a 2% cost-of-living increase. The part time GIS technician maps street upgrades, records street maintenance and works with OSU interns gathering data.</p>		
OVERTIME		240
ON-CALL TIME		2,184
Prorated portion of weekly payment for public works crew member on standby during off duty time		
INCENTIVE PAY		4,634
Each employee may receive up to \$300 per month based on acquiring specialized skills		
SOCIAL SECURITY Calendar year 2011 rate is 7.65%		9,711
PERS		20,595
The City pays both the employer and employee contributions. For fiscal year 2011-12 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate is 8.02%, and the employee rate is 6%.		
WORKERS' COMPENSATION		6,400
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue		74
DEFERRED COMPENSATION 6% retirement benefit for management employees		1,814
HEALTH INSURANCE \$1,000 deductible plan, no increase over 2010-11 premium		27,165
DENTAL INSURANCE Estimated 7% increase over 2010-11 premium		3,640
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		2,500
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000		243
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination		<u>2,259</u>
TOTAL PERSONAL SERVICES		<u><u>201,342</u></u>

**CITY OF PHILOMATH
STREET FUND
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Administrative Overhead	50,280	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	500	To write-off uncollectible customer accounts
Building Repair and Maintenance	4,000	Prorated cost of painting and minor repairs for public works buildings
Computer Line Charges	1,100	Internet provider fees
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	400	Road maintenance classes
Engineering	4,000	Engineering fees
Equipment Repair and Maintenance	5,000	Prorated cost of repairs to shop and office equipment
Gas and Oil	8,300	Prorated share of vehicle fuel costs
Insurance	1,000	Street Fund share of commercial and vehicle liability, auto physical damage and property insurance
Landscape Maintenance	1,600	Prorated share of landscape maintenance at Public Works Office
Medical Expenses	600	Prorated share of mandatory CDL physical, drug and alcohol testing and required vaccinations
Miscellaneous	1,208	Incidental expenses
Office Supplies	1,350	Copier cost, paper and other office supplies
Oil Mat/Crack & Slurry Seal	24,000	Crack, slurry and chip seal projects in streets to be determined
Postage	60	Postage for public works office
Safety Equipment	1,800	Protective clothing, equipment and raingear
Security Alarm & Remote Monitoring	210	Prorated share of alarm monitoring at public works facility
Sidewalk Improvement	12,000	Replacement and repair of city owned sidewalks
Small Tools and Equipment	2,000	Purchase of new, and replacement of worn out hand tools and small equipment

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**CITY OF PHILOMATH
STREET FUND
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES (CONTINUED)

Street Lights and Traffic Signals	40,000	Cost of electricity to operate street lights and traffic signals
Street Signs	8,000	Replacement or installation of street, regulatory and informational signs
Supplies	8,000	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
Travel and Meals	700	Lodging and meals at out-of-town training
Uniforms	800	Prorated cost of shirts, pants, boots and coats
Uniform Cleaning	1,350	Prorated cost of laundry for coveralls and shop rags
Utilities	5,000	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>197,058</u>	

TRANSFERS

To LBE Fund - Equipment	16,200	Set aside for future equipment replacement
To LBE Fund - Infrastructure	<u>50,000</u>	Reserve to support capital improvement plan
TOTAL TRANSFERS	<u>66,200</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2011-12
WATER FUND**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE	
REVENUES								
51 0 3001	Cash Balance Forward	91,536	79,414	102,549	140,000	114,400	100,000	-18%
51 0 3020	Interest on Investments	966	804	506	450	400	450	-11%
51 0 3201	Metered Water Sales	759,666	770,739	795,817	835,000	860,000	865,000	3%
51 0 3202	Fire Line Fee	0	675	1,620	1,620	1,620	1,620	0%
51 0 3220	Water Meter Installations	9,590	7,560	8,881	8,500	4,500	8,800	-47%
51 0 3230	New Account Set Up Fee	830	695	790	790	790	800	0%
51 0 3235	Shut Off Notice Fee	7,866	9,473	9,068	9,800	9,100	9,200	-7%
51 0 3240	Late Fees	3,909	4,009	4,041	4,100	4,100	4,200	0%
51 0 3650	Miscellaneous Receipts	1,479	5,946	7,973	1,500	2,000	2,200	33%
	TOTAL REVENUES	875,842	879,315	931,245	1,001,760	996,910	992,270	0%
EXPENDITURES								
PERSONAL SERVICES								
51 0 4120	Public Works Director	27,562	19,076	25,682	27,709	29,677	31,942	7%
51 0 4155	Public Works Supervisor	24,607	28,336	19,557	26,749	19,101	20,556	-29%
51 0 4164	Utility Maintenance Workers	86,176	98,092	103,695	109,142	102,487	105,549	-6%
51 0 4166	Water/Wastewater Operator	23,407	25,321	27,338	29,714	47,162	49,691	59%
51 0 4176	Office Specialist	13,214	13,867	14,995	15,523	13,060	13,321	-16%
51 0 4258	Seasonal/Part Time	8,055	14,754	17,592	21,312	4,655	4,733	-78%
51 0 4320	Overtime	1,332	1,349	249	2,327	2,148	2,202	-8%
51 0 4340	On-Call Time	2,622	3,111	1,741	3,107	4,268	4,268	37%
51 0 4360	Incentive Pay	6,995	6,058	3,047	7,067	8,414	8,414	19%
51 0 4365	Level 3 Certification	0	772	6,836	990	1,015	1,051	3%
51 0 4370	Sick Leave Conversion	556	0	911	0	0	0	
51 0 4500	Social Security	15,194	16,121	16,956	18,608	17,716	18,459	-5%
51 0 4520	PERS	28,485	30,324	26,934	29,283	37,413	38,939	28%
51 0 4540	Workers' Compensation	6,630	7,966	8,764	9,000	9,200	11,200	2%
51 0 4560	Workers' Benefit Fund Assmt	125	125	136	155	129	129	-17%
51 0 4620	Deferred Compensation	3,243	2,909	2,805	3,367	3,022	3,245	-10%
51 0 4640	Health Insurance	35,172	35,553	43,312	50,882	49,651	54,616	-2%
51 0 4660	Dental Insurance	4,977	5,221	5,868	6,383	7,100	7,455	11%
51 0 4670	Health Reimbursement Account	13,354	7,597	536	2,330	4,119	4,300	77%
51 0 4680	Life Insurance	427	382	333	375	435	450	16%
51 0 4820	Sick & Vacation Accrual	4,091	0	0	4,059	3,618	3,727	-11%
	Subtotal Personal Services	306,224	316,936	327,287	368,082	364,390	384,246	-1%
MATERIALS AND SERVICES								
51 0 5012	Administrative Overhead	96,576	96,288	91,320	102,576	124,776	128,519	22%
51 0 5015	Advertising & Legal Notices	1,463	1,556	971	1,550	1,550	1,597	0%
51 0 5053	Bad Debt Write-Off	9,504	7,571	5,918	7,000	7,500	7,725	7%
51 0 5095	Building Repair & Maintenance	7,117	5,147	1,837	10,000	15,000	15,450	50%
51 0 5107	Certification Costs	0	0	0	1,000	800	824	-20%
51 0 5137	Computer Support	975	2,369	1,818	1,500	1,500	1,545	0%
51 0 5143	Computer Line Charges	338	352	711	600	1,300	1,339	100%
51 0 5145	Concrete Sidewalk/Curb	1,521	3,425	3,770	5,500	5,500	5,665	0%
51 0 5155	Contributions	1,000	1,000	2,000	3,000	3,000	3,000	0%
51 0 5185	Cross Connection Control	348	300	420	600	500	515	-17%
51 0 5195	Crushed Rock/Asphalt	3,544	6,507	3,393	12,000	10,000	10,300	-17%
51 0 5225	DEQ Discharge Permit	403	435	435	470	450	464	-4%
51 0 5233	Dues	1,299	1,554	3,158	2,500	2,000	2,060	-20%
51 0 5238	Dump fee - Excavation	0	0	0	0	500	515	100%
51 0 5245	Education & Training	1,417	2,346	1,003	2,500	1,500	1,545	-40%
51 0 5265	Engineering	0	3,134	1,233	4,000	4,000	4,120	0%
51 0 5275	Equipment Rental	518	0	660	1,100	1,100	1,133	0%
51 0 5285	Equipment Repair & Maintenance	20,408	17,424	26,391	20,600	18,000	18,540	-13%

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**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2011-12
WATER FUND**

			ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED	ESTIMATED	%	
			EXPENDED	EXPENDED	EXPENDED	BUDGET	BUDGET	BUDGET	CHANGE	
			2007-08	2008-09	2009-10	2010-11	2011-12	2012-13		
MATERIALS & SERVICES (CONTINUED)										
51 0 5305	Gas & Oil		5,783	4,381	4,083	5,500	6,000	6,180	9%	
51 0 5325	Insurance		12,546	11,859	11,360	8,000	5,600	10,400	-30%	
51 0 5373	Laboratory Analysis		11,198	11,958	27,647	22,000	20,000	20,600	-9%	
51 0 5375	Landscape Maintenance		0	0	0	7,000	8,800	9,064	26%	
51 0 5383	Maintenance Agreements		2,323	1,679	6,700	300	0	0	-100%	
51 0 5387	Medical Expenses		465	247	439	600	500	515	-17%	
51 0 5390	Miscellaneous		464	2,600	6,123	1,907	1,379	1,600	-28%	
51 0 5413	Office Supplies		1,266	1,484	1,988	1,600	1,900	1,957	19%	
51 0 5445	Pipes/Fittings/Mechanical		24,331	7,803	8,307	22,000	12,000	12,360	-45%	
51 0 5465	Postage		380	261	715	500	400	412	-20%	
51 0 5513	Rock Creek Water Purchase		442	6,930	15,757	20,000	24,300	29,000	22%	
51 0 5515	Safety Equipment		1,347	2,008	2,052	2,400	2,100	2,163	-13%	
51 0 5535	Security Alarm & Remote Monitoring		1,335	1,338	705	1,400	300	309	-79%	
51 0 5563	Small Tools & Equipment		1,988	2,849	5,524	4,000	4,000	4,120	0%	
51 0 5587	Supplies		6,051	4,771	9,522	7,200	10,000	10,300	39%	
51 0 5597	System Supplies & Maintenance		24,181	7,815	23,329	18,000	12,000	12,360	-33%	
51 0 5603	Telephone		4,176	4,598	4,712	5,400	3,500	3,605	-35%	
51 0 5645	Tires		470	0	335	620	620	639	0%	
51 0 5665	Travel and Meals		1,447	2,455	1,475	1,600	1,650	1,700	3%	
51 0 5685	Treatment Chemicals		34,979	29,675	27,423	36,000	32,000	32,960	-11%	
51 0 5703	Uniforms		1,457	1,091	1,010	800	800	824	0%	
51 0 5704	Uniform Cleaning		1,313	454	1,351	1,300	1,340	1,380	3%	
51 0 5715	Utilities		36,904	37,702	36,893	39,000	40,500	41,715	4%	
51 0 5745	Vehicle Repair & Maintenance		772	6,383	4,955	4,000	5,000	5,150	25%	
	Subtotal Materials & Services		322,048	299,750	347,443	387,623	393,665	414,168	2%	
CAPITAL OUTLAY										
51 0 6463	Water Equipment		3,300	683	0	50,000	21,000	5,000	-58%	
51 0 6467	Water Infrastructure		1,501	3,442	0	25,000	30,000	10,000	20%	
	Subtotal Capital Outlay		4,801	4,125	0	75,000	51,000	15,000	-32%	
DEBT SERVICE										
51 0 7142	OECD Loan Principal		22,752	24,146	25,626	27,197	28,864	30,634	6%	
51 0 7144	Contact Chamber Principal		5,293	5,637	6,003	6,393	6,809	7,251	7%	
51 0 7542	OECD Loan Interest		9,760	8,365	6,885	5,314	3,647	1,878	-31%	
51 0 7544	Contact Chamber Loan Interest		13,151	12,807	12,441	12,051	11,635	11,193	-3%	
	Subtotal Debt Service		50,956	50,955	50,955	50,955	50,955	50,956	0%	
TRANSFERS										
51 0 8520	TO LBE Fund - Equipment		20,400	74,900	37,200	38,500	39,200	39,200	2%	
51 0 8540	TO LBE Fund - Infrastructure		79,000	20,000	30,000	40,000	60,000	60,000	50%	
51 0 8555	TO LBE Fund - P/W Office Equip		6,000	2,000	1,000	1,000	5,000	2,000	100%	
51 0 8560	TO LBE Fund - P/W Building		7,000	8,100	5,000	10,600	12,700	12,700	20%	
	Subtotal Transfers		112,400	105,000	73,200	90,100	116,900	113,900	30%	
51 0 9000	Contingency		0	0	0	30,000	20,000	14,000	-33%	
	TOTAL EXPENDITURES		796,428	776,766	798,885	1,001,760	996,910	992,270	0%	
51 0 9500	UNAPPROPRIATED ENDING BAL		0	0	0	0	0	0		
	Excess Revenues Over Expenditures		79,414	102,549	132,360	0	0	0		

**CITY OF PHILOMATH
WATER FUND
2011-12 BUDGET NARRATIVE**

PERSONAL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	41%	29,677
Public Works Supervisor	32%	19,101
Utility Maintenance Workers	38%	102,487
Water/Wastewater Operator	50%	47,162
Office Specialist	33%	13,060
Seasonal/Part Time	38%	<u>4,655</u>
TOTAL SALARIES		216,142
<p>The time allocation is based on estimated needs of this fund for fiscal year 2011-12. Salaries include a 2% COLA increase. A second water/wastewater operator is proposed with this budget. This person is needed to keep up with additional regulatory and operational requirements. The part time GIS technician maps and records utility lines, service connections, repairs and maintenance.</p>		
OVERTIME		2,148
ON-CALL TIME		4,268
Prorated portion of weekly payment for public works crew member on standby during off duty time		
INCENTIVE PAY		8,414
Each employee may receive up to \$300 per month based on acquiring specialized skills		
LEVEL 3 CERTIFICATION		1,015
2% incentive to Water/Wastewater operator to maintain a level 3 water treatment certification		
SOCIAL SECURITY Calendar year 2011 rate is 7.65%		17,716
PERS		37,413
The City pays both the employer and employee contributions. For fiscal year 2011-12 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate us 8.02% and the employee rate is 6%.		
WORKERS' COMPENSATION		9,200
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue		129
DEFERRED COMPENSATION 6% retirement benefit for management employees		3,022
HEALTH INSURANCE \$1,000 deductible plan, no increase over 2010-11 premium		49,651
DENTAL INSURANCE Estimated 7% increase over 2010-11 premiums		7,100
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		4,119
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000		435
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination		<u>3,618</u>
TOTAL PERSONAL SERVICES		<u><u>364,390</u></u>

**CITY OF PHILOMATH
WATER FUND
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Administrative Overhead	124,776	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	7,500	To write-off uncollectible customer accounts
Building Repair & Maintenance	15,000	Prorated cost of painting and minor repairs to shop and public works buildings. Water treatment plant building maintenance
Certification Costs	800	Employee water certifications
Computer Support	1,500	Computer support for hand held meter reading devices
Computer Line Charges	1,300	Internet provider fees
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	500	Cost of implementing program. Tests required by state to ensure compliance.
Crushed Rock and Asphalt	10,000	Crushed rock and asphalt needed to backfill and patch utility cuts
DEQ Discharge Permit	450	Mandated Department of Environmental Quality fee
Dues	2,000	Membership in professional organizations
Dump Fees - Excavation	500	\$1 per yard for disposal of excavation materials
Education & Training	1,500	Workshops and seminars to maintain certifications and train employees
Engineering	4,000	Engineering fees
Equipment Rental	1,100	Rental of equipment
Equipment Repair & Maintenance	18,000	Equipment repairs to maintain water system and water plant
Gas and Oil	6,000	Prorated share of vehicle fuel costs
Insurance	5,600	Water Fund share of commercial and vehicle liability, auto physical damage and property insurance
Laboratory Analysis	20,000	Cost of analyzing water samples by an outside certified lab to comply with state requirements

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**CITY OF PHILOMATH
WATER FUND
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES (CONTINUED)

Landscape Maintenance	8,800	Contract landscaping at water treatment plant, water tower and portion of public works office. Testing of backflow prevention devices.
Medical Expenses	500	Prorated share of mandatory CDL physical, drug and alcohol testing and required vaccinations
Miscellaneous	1,379	Incidental expenses
Office Supplies	1,900	Prorated supplies used by public works office
Pipes, Fittings, Mechanical	12,000	Purchase of corporation and curb stops, copper and PVC pipe, and related items
Postage	400	Prorated postage for public works office use
Rock Creek Water Purchase	24,300	Agreement with City of Corvallis to purchase treated water
Safety Equipment	2,100	Protective clothing and equipment
Security Alarm & Remote Monitoring	300	Prorated share of public works alarm system
Small Tools and Equipment	4,000	Replace worn-out hand tools & small equipment
Supplies	10,000	Miscellaneous supplies and small parts
System Supplies and Maintenance	12,000	Supplies required to maintain the distribution system and operate the department
Telephone	3,500	Prorated telephone cost at public works office
Tires	620	Prorated cost of tires and tire repair for equipment
Travel and Meals	1,650	Cost of lodging and meals at out-of-town training
Treatment Chemicals	32,000	Alum, soda ash, polymers, chlorine and fluoride
Uniforms	800	Prorated cost of shirts, pants, boots and coats.
Uniform Cleaning	1,340	Prorated cost of laundry for coveralls and shop rags
Utilities	40,500	Utility cost at water treatment plant and prorated cost of electricity, natural gas and water at public works office/shops
Vehicle Repair & Maintenance	<u>5,000</u>	Prorated cost of repairs to vehicles
TOTAL MATERIALS & SERVICES	<u><u>393,665</u></u>	

**CITY OF PHILOMATH
WATER FUND
2011-12 BUDGET NARRATIVE**

CAPITAL OUTLAY

Water Equipment	21,000	\$16,000 replacement of 10 fire hydrants, \$5,000 other equipment
Water Infrastructure	<u>30,000</u>	\$20,000 contractor to complete sealing of reservoir leaks, \$10,000 for emergency or small infrastructure projects
TOTAL CAPITAL OUTLAY	<u>51,000</u>	

DEBT SERVICE

OECDL Loan Principal	28,864	Payment on OECDL loan for water reservoir
Contact Chamber Principal	6,809	Payment on OECDL loan for contact chamber
OECDL Loan Interest	3,647	Interest portion of OECDL loan payment
Contact Chamber Interest	<u>11,635</u>	Interest portion of contact chamber loan
TOTAL DEBT SERVICE	<u>50,955</u>	

TRANSFERS

To LBE Fund - Equipment	39,200	Set aside for future equipment replacement
To LBE Fund - Infrastructure	60,000	Reserve to support capital improvement plan
To LBE Fund - P/W Office Equipment	5,000	Furniture and office equipment for public works building
To LBE Fund - P/W Building	<u>12,700</u>	Reserve for future construction/expansion of public works facilities
TOTAL TRANSFERS	<u>116,900</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2011-12
SEWER FUND**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE	
REVENUES								
52 0 3001	Cash Balance Forward	85,891	80,710	123,944	110,000	63,000	42,000	-43%
52 0 3020	Interest on Investments	1,299	750	712	750	500	500	-33%
52 0 3205	Sewer User Fees	683,591	697,800	696,323	702,300	730,700	761,000	4%
52 0 3225	Sewer Permits and Inspections	703	528	513	500	400	515	-20%
52 0 3230	New Account Set Up Fee	830	695	791	790	790	800	0%
52 0 3235	Shut Off Notice Fee	6,561	7,790	7,590	8,000	7,400	7,600	-8%
52 0 3240	Late Fee	3,413	3,270	3,367	3,400	3,300	3,450	-3%
52 0 3280	Farm Lease	17,680	17,680	17,680	17,680	14,280	14,280	-19%
52 0 3650	Miscellaneous Receipts	471	3,227	9,934	400	2,000	2,000	100%
52 0 3985	Transfer from SDC Fund	0	0	250,000	60,000	90,000	90,000	50%
	TOTAL REVENUES	800,439	812,449	1,110,854	903,820	912,370	922,145	1%
EXPENDITURES								
PERSONAL SERVICES								
52 0 4120	Public Works Director	26,890	18,611	24,878	27,034	28,954	31,163	7%
52 0 4155	Public Works Supervisor	20,506	23,614	16,661	22,291	16,117	17,345	-28%
52 0 4164	Utility Maintenance Workers	51,656	58,170	60,738	63,888	67,789	69,769	6%
52 0 4166	Water/Wastewater Operator	15,605	16,881	18,226	19,810	45,364	48,259	100%
52 0 4176	Office Specialist	13,214	13,867	14,995	15,523	9,102	8,285	-41%
52 0 4258	Seasonal/Part Time	2,358	4,131	5,606	9,822	2,818	2,889	-71%
52 0 4320	Overtime	844	897	1,213	1,607	1,748	1,748	9%
52 0 4340	On-Call Time	1,609	1,895	1,844	1,853	3,228	3,228	74%
52 0 4360	Incentive Pay	5,060	4,581	5,163	5,356	5,941	5,941	11%
52 0 4370	Sick Leave Conversion	543	0	0	0	0	0	
52 0 4500	Social Security	10,691	10,912	11,423	12,820	13,882	14,539	8%
52 0 4520	PERS	20,998	21,468	18,741	20,801	28,983	30,309	39%
52 0 4540	Workers' Compensation	1,992	2,093	1,675	2,400	2,100	2,460	-13%
52 0 4560	Workers' Benefit Fund Assmt	82	77	86	100	100	102	0%
52 0 4620	Deferred Compensation	2,950	2,593	2,549	3,046	2,788	2,994	-8%
52 0 4640	Health Insurance	24,211	23,486	28,830	34,289	38,497	42,347	12%
52 0 4660	Dental Insurance	3,380	3,505	3,950	4,360	5,587	5,866	28%
52 0 4670	Health Reimbursement Account	9,298	5,147	393	1,585	3,363	3,510	100%
52 0 4680	Life Insurance	301	271	248	281	335	342	19%
52 0 4820	Sick and Vacation Accrual	1,461	0	0	2,808	2,574	2,625	-8%
	Subtotal Personal Services	213,647	212,198	217,219	249,674	279,270	293,721	12%
MATERIALS AND SERVICES								
52 0 5012	Administrative Overhead	85,044	85,548	81,792	92,472	99,468	102,455	8%
52 0 5015	Advertising & Legal Notices	316	712	136	620	600	618	-3%
52 0 5053	Bad Debt Write-Off	5,505	5,376	3,812	5,000	6,500	6,695	30%
52 0 5095	Building Repair & Maintenance	3,043	2,560	1,834	3,600	4,000	4,120	11%
52 0 5107	Certification Costs	0	0	62	500	500	515	0%
52 0 5137	Computer Support	0	100	325	400	0	0	-100%
52 0 5143	Computer Line Charges	320	371	0	410	850	876	100%
52 0 5145	Concrete Sidewalks/curb	0	0	0	1,000	1,000	1,030	0%
52 0 5155	Contributions	3,000	3,000	2,000	3,000	3,000	3,000	0%
52 0 5185	Cross Connection Control	0	0	0	200	200	206	0%
52 0 5195	Crushed Rock/Asphalt	1,680	2,016	1,376	4,000	2,500	2,575	-38%
52 0 5225	DEQ Discharge Permit	1,387	1,493	1,433	1,580	1,500	1,545	-5%
52 0 5233	Dues	854	770	855	400	850	876	100%
52 0 5245	Education & Training	711	1,434	533	1,700	1,400	1,442	-18%
52 0 5265	Engineering	35	2,085	2,178	4,000	3,500	3,605	-13%
52 0 5285	Equipment Repair & Maintenance	19,429	4,984	30,294	17,000	20,000	20,600	18%

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**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2011-12
SEWER FUND**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
MATERIALS & SERVICES (CONTINUED)							
52 0 5305 Gas & Oil	7,002	3,806	4,899	6,000	7,600	7,828	27%
52 0 5325 Insurance	9,568	9,285	9,230	6,700	6,200	8,600	-7%
52 0 5373 Laboratory Analysis	4,557	5,587	7,197	10,000	10,300	10,609	3%
52 0 5375 Landscape Maintenance	0	0	797	0	1,600	1,648	100%
52 0 5383 Maintenance Agreements	2,685	2,470	1,810	2,100	0	0	-100%
52 0 5387 Medical Expenses	465	249	511	640	650	670	2%
52 0 5390 Miscellaneous	3,312	1,798	6,664	5,011	4,004	4,287	-20%
52 0 5413 Office Supplies	1,006	1,128	1,587	1,200	1,600	1,648	33%
52 0 5465 Postage	31	308	98	225	250	258	11%
52 0 5489 Property Lease	406	441	469	480	525	541	9%
52 0 5490 Property Tax	1,765	1,919	1,910	1,970	2,060	2,122	5%
52 0 5515 Safety Equipment	820	1,910	2,280	2,000	2,100	2,163	5%
52 0 5535 Security Alarm/Remote Monitoring	3,064	1,606	1,304	800	850	876	6%
52 0 5545 Sewer Main Repair	493	495	28,421	20,000	13,000	9,000	-35%
52 0 5563 Small Tools & Equipment	2,108	1,824	3,577	2,450	3,500	3,605	43%
52 0 5587 Supplies	4,370	2,260	2,203	4,700	3,500	3,605	-26%
52 0 5597 System Supplies & Maintenance	4,047	4,389	6,500	5,000	4,500	4,635	-10%
52 0 5603 Telephone	2,446	2,724	3,127	3,800	2,300	2,369	-39%
52 0 5645 Tires	595	522	308	800	600	618	-25%
52 0 5665 Travel and Meals	779	40	556	760	600	618	-21%
52 0 5685 Treatment Chemicals	9,187	15,135	11,465	17,200	17,500	18,025	2%
52 0 5695 TV Inspection	0	0	0	2,000	2,000	2,060	0%
52 0 5703 Uniforms	840	1,234	1,100	800	800	824	0%
52 0 5704 Uniform Cleaning	1,401	373	1,360	1,260	1,375	1,416	9%
52 0 5715 Utilities	14,281	13,600	17,235	17,000	21,000	21,630	24%
52 0 5745 Vehicle Repair & Maintenance	982	5,081	1,096	3,000	1,500	1,545	-50%
Subtotal Materials & Services	197,532	188,631	242,334	251,778	255,782	261,355	2%
CAPITAL OUTLAY							
52 0 6477 Sewer Infrastructure	0	0	0	30,000	5,000	5,000	-83%
Subtotal Capital Outlay	0	0	0	30,000	5,000	5,000	-83%
DEBT SERVICE							
52 0 7160 B of A - Principal	30,000	30,000	200,000	0	0	0	
52 0 7175 Bond Principal	0	0	0	65,000	75,000	90,000	15%
52 0 7560 B of A - Interest	21,450	18,975	1,421	0	0	0	
52 0 7575 Bond Interest	0	0	323,967	241,968	240,018	237,768	-1%
Subtotal Debt Service	51,450	48,975	525,388	306,968	315,018	327,768	3%
TRANSFERS							
52 0 8520 To LBE Fund - Equipment	34,100	13,600	17,000	17,800	19,600	19,600	10%
52 0 8540 To LBE Fund - Infrastructure	210,000	215,000	0	0	0	0	
52 0 8555 To LBE Fund - P/W Office Equipment	6,000	2,000	1,000	1,000	5,000	2,000	100%
52 0 8560 To LBE Fund - P/W Building	7,000	8,100	5,000	10,600	12,700	12,700	20%
Subtotal Transfers	257,100	238,700	23,000	29,400	37,300	34,300	27%
52 0 9000 Contingency	0	0	0	30,000	20,000	0	-33%
TOTAL EXPENDITURES	719,729	688,505	1,007,941	897,820	912,370	922,145	2%
52 0 9500 UNAPPROPRIATED ENDING BAL	0	0	0	6,000	0	0	-100%
Excess Revenues Over Expenditures	80,710	123,944	102,913	0	0	0	

**CITY OF PHILOMATH
SEWER FUND
2011-12 BUDGET NARRATIVE**

PERSONAL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	40%	28,954
Public Works Supervisor	27%	16,117
Utility Maintenance Workers	26%	67,789
Water/Wastewater Operator	50%	45,364
Office Specialist	23%	9,102
Seasonal/Part Time	23%	<u>2,818</u>
TOTAL SALARIES		170,144
<p>The time allocation is based on estimated needs of this fund for fiscal year 2011-12. Salaries include a 2% COLA increase. A second water/wastewater operator is proposed with this budget. This person is needed to keep up with additional regulatory and operational requirements. The part time GIS technician maps and records utility lines, service connections, repairs and maintenance.</p>		
OVERTIME		1,748
ON-CALL TIME		3,228
Prorated portion of weekly payment for public works crew member on standby during off duty time		
INCENTIVE PAY		5,941
Each employee may receive up to \$300 per month based on acquiring specialized skills		
SOCIAL SECURITY Calendar year 2011 rate is 7.65%		13,882
PERS		28,983
The City pays both the employer and employee contributions. For fiscal year 2011-12 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate is 8.02%, and the employee rate is 6%.		
WORKERS' COMPENSATION		2,100
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue		100
DEFERRED COMPENSATION 6% retirement benefit for management employees		2,788
HEALTH INSURANCE \$1,000 deductible plan, no increase over 2010-11 premium		38,497
DENTAL INSURANCE Estimated 7% increase over 2010-11 premium		5,587
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		3,363
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000		335
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination		<u>2,574</u>
TOTAL PERSONAL SERVICES		<u>279,270</u>

**CITY OF PHILOMATH
SEWER FUND
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Administrative Overhead	99,468	Transfer to General Fund to pay for Sewer Fund portion of accounting and other administrative expenses
Advertising and Legal Notices	600	Advertising for bids, sale of surplus equipment, and employment positions
Bad Debt Write-Off	6,500	To write-off uncollectible customer accounts
Building Repair and Maintenance	4,000	Minor repairs to the sewer plant and prorated cost of repairs to the public works buildings
Certification Costs	500	Employee waste water certifications
Computer Line Charges	850	Internet provider fees
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	2,500	Crushed rock and asphalt needed to backfill and patch utility cuts
D.E.Q. Discharge Permit	1,500	Water quality tests required by state to insure compliance and obtain NPDES permit
Dues	850	Membership in professional organizations
Education and Training	1,400	Workshops and seminars to maintain certifications and train employees
Engineering	3,500	Engineering fees
Equipment Repair and Maintenance	20,000	Cost of repairs to equipment
Gas and Oil	7,600	Prorated share of vehicle fuel costs
Insurance	6,200	Sewer Fund share of commercial and vehicle liability, auto physical damage, and property insurance
Laboratory Analysis	10,300	Waste water quality testing required by DEQ for plant discharge
Landscape Maintenance	1,600	Prorated share of landscape maintenance at Public Works Office
Medical Expenses	650	Prorated share of mandatory CDL physical, drug and alcohol testing and required vaccinations

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**CITY OF PHILOMATH
SEWER FUND
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES (CONTINUED)

Miscellaneous	4,004	Incidental expenses
Office Supplies	1,600	Copier cost, paper and other office supplies
Postage	250	Prorated postage for public works office use
Property Lease	525	Lease on Gilbert Faxon land equal to annual property tax
Property Tax	2,060	Property tax on 176 acres near sewer lagoons which is leased to farmer
Safety Equipment	2,100	Protective clothing and equipment
Security Alarm & Remote Monitoring	850	Alarm system for sewer facilities
Sewer Main Repair	13,000	Repair of services, laterals, and sections of pipe
Small Tools and Equipment	3,500	Purchase of new, and replacement of worn out hand tools and small equipment
Supplies	3,500	Miscellaneous supplies and small parts
System Supplies and Maintenance	4,500	Supplies required to maintain the collection system and operate the department
Telephone	2,300	Prorated telephone cost at public works office
Tires	600	Prorated cost of tires and tire repair for equipment
Travel and Meals	600	Cost of lodging and meals at out-of-town training
Treatment Chemicals	17,500	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	1,375	Prorated cost of laundry for coveralls and shop rags
Utilities	21,000	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>1,500</u>	Prorated cost of repairs to vehicles
TOTAL MATERIALS & SERVICES	<u>255,782</u>	

**CITY OF PHILOMATH
SEWER FUND
2011-12 BUDGET NARRATIVE**

CAPITAL OUTLAY

Sewer Infrastructure	<u>5,000</u>	Emergency sewer line replacement or other small infrastructure project
TOTAL CAPITAL OUTLAY	<u>5,000</u>	

DEBT SERVICE

Bond Principal	75,000	Principal payment on \$6.125 million bond issue
Bond Interest	<u>240,018</u>	Interest on bond issue
TOTAL DEBT SERVICE	<u>315,018</u>	

TRANSFERS

To LBE Fund - Equipment	19,600	Set aside for future replacement of equipment
To LBE Fund - P/W Office Equipment	5,000	Furniture and office equipment for public works building
To LBE Fund - P/W Building	<u>12,700</u>	Reserve for future construction/expansion of public works facilities
TOTAL TRANSFERS	<u>37,300</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2011-12
STORM DRAIN FUND**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE	
REVENUES								
53 0 3001	Cash Balance Forward	18,397	17,581	30,014	27,000	15,000	17,000	-44%
53 0 3020	Interest on Investments	573	380	164	200	100	100	-50%
53 0 3211	Storm Drain User Fees	42,002	42,506	22,840	22,800	42,500	42,500	86%
	TOTAL REVENUES	60,972	60,467	53,018	50,000	57,600	59,600	15%
EXPENDITURES								
MATERIALS AND SERVICES								
53 0 5053	Bad Debt Write Off	388	258	183	300	300	309	0%
53 0 5147	Contracted Services	1,712	200	0	1,500	1,900	1,957	27%
53 0 5195	Crushed Rock/Asphalt	5,824	550	1,339	3,000	3,000	3,090	0%
53 0 5225	DEQ Discharge Permit	403	765	765	800	800	552	0%
53 0 5233	Dues	0	84	155	100	200	206	100%
53 0 5245	Education and Training	0	1,535	1,155	2,500	1,500	1,545	-40%
53 0 5265	Engineering	0	1,589	475	1,000	1,000	1,030	0%
53 0 5305	Gas and Oil	0	175	120	200	200	206	0%
53 0 5390	Miscellaneous	206	675	166	650	500	1,162	-23%
53 0 5413	Office Supplies	0	86	340	150	300	309	100%
53 0 5445	Pipes, Fittings, Mechanical	3,857	0	1,267	4,200	3,000	3,090	-29%
53 0 5465	Postage	0	422	385	600	450	464	-25%
53 0 5563	Small Tools and Equipment	920	51	376	400	600	618	50%
53 0 5587	Supplies	0	454	810	550	500	515	-9%
53 0 5597	System Supply & Maintenance	581	2,313	2,250	4,000	3,000	3,090	-25%
53 0 5745	Vehicle Repair and Maintenance	0	296	0	250	250	258	0%
	Subtotal Materials & Services	13,891	9,453	9,786	20,200	17,500	18,400	-13%
TRANSFERS								
53 0 8100	To Street Fund	13,100	13,000	12,400	13,800	20,100	21,200	46%
53 0 8540	To LBE Fund - Infrastructure	16,400	8,000	5,000	12,500	10,000	10,000	-20%
	Subtotal Transfers	29,500	21,000	17,400	26,300	30,100	31,200	14%
	TOTAL EXPENDITURES	43,391	30,453	27,186	46,500	47,600	49,600	2%
53 0 9500	UNAPPROPRIATED ENDING BAL	0	0	0	3,500	10,000	10,000	100%
	Excess Revenues Over Expenditures	17,581	30,014	25,832	0	0	0	

**CITY OF PHILOMATH
STORM DRAIN FUND
2011-12 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Bad Debt Write-Off	300	To write-off uncollectible customer accounts
Contracted Services	1,900	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	200	Dues related to storm water maintenance
Education and Training	1,500	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	500	Incidental expenses
Office Supplies	300	Prorated share of Public Works office supplies
Pipes, Fittings, Mechanical	3,000	Purchase of catch basins, manholes, pipe and related items
Postage	450	Postage for mailing brochures, notices, etc.
Small Tools and Equipment	600	Hand tools and small equipment
Supplies	500	Supplies needed for storm water maintenance
System Supplies and Maintenance	3,000	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>17,500</u>	

TRANSFERS

To Street Fund	20,100	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>10,000</u>	Set aside for future large storm drain projects
TOTAL TRANSFERS	<u>30,100</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 2011-12
LAND, BUILDING AND EQUIPMENT FUND**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
REVENUES							
41 0 3001 Cash Balance Forward	917,307	1,126,407	6,497,792	5,566,000	4,877,820	1,162,700	-12%
41 0 3020 Investment Interest	45,303	51,954	36,831	50,000	8,000	7,280	-84%
41 0 3040 Interest on Accounts	0	7,835	18,666	0	0	0	
41 0 3125 Bike/Footpath Revenue	1,954	1,761	1,923	2,320	2,640	2,740	14%
41 0 3190 Urban Renewal Reimbursement	67,171	1,293,620	0	0	0	0	
41 0 3580 Citation Assessment for Police Equip	14,738	14,322	12,496	13,000	13,500	13,800	4%
41 0 3610 Donations	1,511	5,808	75	200	180	200	-10%
41 0 3646 Loan	0	5,998,057	333,000	0	0	0	
41 0 3650 Miscellaneous Income	7,500	8,202	3,560	0	0	0	
41 0 3685 Sale of Equipment/Building	201,055	0	6,251	0	0	0	
41 0 3740 Justice Building Mortgage Payments	12,492	7,775	2,412	8,864	12,120	12,120	37%
41 0 3770 Sewer Lateral Reimbursement	842	11,413	7,709	0	1,680	0	100%
41 0 3814 FTA Bus Grant	0	0	104,984	105,000	0	0	-100%
TRANSFERS							
41 0 3941 General Fund - Admin Equipment	2,000	24,000	0	0	0	1,000	
41 0 3942 General Fund - City Manager Car	0	0	0	1,000	300	300	-70%
41 0 3943 General Fund - Finance Equipment	2,400	16,000	2,000	5,000	6,100	2,000	22%
41 0 3947 General Fund - Police Office Equip	2,000	0	0	0	0	0	
41 0 3951 General Fund - Police Vehicle	17,000	17,000	19,000	16,000	16,000	16,000	0%
41 0 3952 General Fund - B & G Vehicle	2,100	7,900	0	3,300	3,300	3,300	0%
41 0 3953 General Fund - Park Equipment	9,800	9,000	11,900	7,300	3,600	3,600	-51%
41 0 3955 General Fund - Park Buildings	7,500	0	0	0	0	0	
41 0 3960 General Fund - City Hall Reserve	19,600	17,400	18,200	18,900	21,800	21,900	15%
41 0 3962 General Fund - Police Bldg Reserve	45,000	18,600	18,300	18,400	20,200	20,200	10%
41 0 3964 General Fund - Library Reserve	18,600	19,600	20,000	20,100	23,700	23,700	18%
41 0 3965 General Fund - Sidewalk	0	0	0	0	2,000	2,000	100%
41 0 3971 Street Fund - Equipment	23,200	15,900	23,200	16,300	16,200	16,200	-1%
41 0 3973 Street Fund - Infrastructure	70,000	50,000	0	0	50,000	50,000	100%
41 0 3976 Water Fund - Equipment	20,400	74,900	37,200	38,500	39,200	39,200	2%
41 0 3978 Water Fund - Infrastructure	79,000	20,000	30,000	40,000	60,000	60,000	50%
41 0 3982 Sewer Fund - Equipment	34,100	13,600	17,000	17,800	19,600	19,600	10%
41 0 3984 Sewer Fund - Infrastructure	210,000	215,000	0	0	0	0	
41 0 3990 Storm Drain Fund - Infrastructure	16,400	8,000	5,000	12,500	10,000	10,000	-20%
41 0 3985 W & S Fund - P/W Office Equip	12,000	4,000	2,000	2,000	10,000	4,000	100%
41 0 3986 W & S Fund - P/W Buildings	14,000	16,200	10,000	21,200	25,400	25,400	20%
41 0 3987 Street Fund - P/W Buildings	0	0	50,000	50,000	0	0	-100%
TOTAL REVENUE	1,874,973	9,074,254	7,289,499	6,033,684	5,243,340	1,517,240	-13%

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2011-12
LAND, BUILDING AND EQUIPMENT FUND**

		ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
EXPENDITURES								
CAPITAL OUTLAY								
41 0 6403	Administration Equipment	1,457	2,566	131,590	122,000	11,000	2,000	-91%
41 0 6411	Finance Equipment	0	1,163	1,920	27,000	3,000	2,000	-89%
41 0 6415	Court Equipment	0	0	1,952	1,500	1,800	2,000	20%
41 0 6422	Police Office Equipment	0	0	0	30,000	4,000	2,000	-87%
41 0 6424	Police Equipment	1,484	16,471	10,342	8,000	25,000	10,000	100%
41 0 6426	Police Vehicles	0	35,318	0	37,000	0	37,500	-100%
41 0 6432	Park Equipment	16,521	0	0	25,000	0	0	-100%
41 0 6434	Park Land & Building	2,000	0	0	0	0	0	
41 0 6441	City Hall Improvement	34,484	30,092	0	5,000	30,000	5,000	100%
41 0 6443	Police Building Improvement	0	0	3,415	5,000	5,000	5,000	0%
41 0 6447	Library Improvement	0	36,183	0	5,000	25,000	5,000	100%
41 0 6455	Street Equipment	0	25,627	50,244	0	0	0	
41 0 6457	Street Infrastructure	152,287	0	0	0	0	0	
41 0 6459	Bike/Footpath Construction	0	0	11,278	11,900	14,540	2,740	22%
41 0 6463	Water Equipment	275,721	0	58,797	50,000	0	18,000	-100%
41 0 6467	Water Infrastructure	0	25,123	20,211	50,000	20,000	110,000	-60%
41 0 6473	Sewer Equipment	127,818	66,186	0	0	0	0	
41 0 6477	Sewer Infrastructure	69,069	572,686	1,619,395	2,100,000	3,900,000	0	86%
41 0 6490	Public Works Office Equipment	0	3,427	1,556	7,800	0	5,000	-100%
41 0 6493	Public Works Office/Buildings	0	0	16,911	150,000	40,000	0	-73%
41 0 6503	Records Storage/Covered Parking	554	0	3,387	76,300	0	0	-100%
41 0 6510	Urban Renewal Projects	67,171	1,293,620	0	0	0	0	
	Total Capital Outlay	748,566	2,108,462	1,930,998	2,711,500	4,079,340	206,240	50%
	TOTAL EXPENDITURES	748,566	2,108,462	1,930,998	2,711,500	4,079,340	206,240	50%
41 0 9500	RESERVE FOR FUTURE EXPENDITURE	0	0	0	3,322,184	1,164,000	1,311,000	-65%
	Excess Revenues Over Expenditures	1,126,407	6,965,792	5,358,501	0	0	0	

**CITY OF PHILOMATH
LAND, BUILDING AND EQUIPMENT FUND
2011-12 BUDGET NARRATIVE**

REVENUES

Cash Balance Forward	4,877,820	Estimated Cash Balance at June 30, 2011
Investment Interest	8,000	Interest income on cash balance
Bike/Footpath Revenue	2,640	1% of highway fuel tax allocated for bike and footpath construction
Citation Assessment for Police Equipment	13,500	\$10 fee added to each traffic citation. Funds are designated for purchase of police equipment.
Donations	180	To support drug dog program
Justice Building Mortgage Collections	12,120	The City took back a note for the sale of the old City Hall/Police Building. The Loan balance at July 1, 2011 is \$104,000. Interest is at 6.5%.
Sewer Lateral Reimbursement	<u>1,680</u>	Estimated repayments on private sewer laterals installed by the City
Subtotal Revenue Before Transfers	4,915,940	

TRANSFERS

General Fund

Administration Vehicle	300	Future replacement of City Manager vehicle
Finance Equipment	6,100	Purchase finance office equipment
Police Vehicle	16,000	Per the police vehicle replacement schedule
B & G Vehicle	3,300	Future replacement of custodian vehicle
Park Equipment	3,600	Specified in Capital Improvement Plan
City Hall Reserve	21,800	Specified in Capital Improvement Plan
Police Building Reserve	20,200	Specified in Capital Improvement Plan
Library Reserve	23,700	Specified in Capital Improvement Plan
Sidewalk	<u>2,000</u>	Specified in Capital Improvement Plan
	97,000	
Street Fund		
Equipment	16,200	Specified in Capital Improvement Plan
Infrastructure	<u>50,000</u>	Specified in Capital Improvement Plan
	66,200	
Water Fund		
Equipment	39,200	Specified in Capital Improvement Plan
Infrastructure	60,000	Specified in Capital Improvement Plan
Public Works Office Equipment	5,000	Office equipment for the Public Works staff
Public Works Buildings	<u>12,700</u>	Specified in Capital Improvement Plan
	116,900	
Sewer Fund		
Equipment	19,600	Specified in Capital Improvement Plan
Public Works Office Equipment	5,000	Office equipment for the Public Works staff
Public Works Buildings	<u>12,700</u>	Specified in Capital Improvement Plan
	37,300	
Storm Drain Fund		
Infrastructure	<u>10,000</u>	Set aside for future storm drain improvements
TOTAL REVENUE	<u>5,243,340</u>	

**CITY OF PHILOMATH
LAND, BUILDING AND EQUIPMENT FUND
2011-12 BUDGET NARRATIVE**

CAPITAL OUTLAY

Administration Equipment	11,000	\$4,000 web page design, \$4,700 Council Chamber sound system \$2,300 computer and office equipment
Finance Equipment	3,000	Computer and office equipment
Court Equipment	1,800	Computer and office equipment
Police Office Equipment	4,000	Computer and office equipment
Police Equipment	25,000	\$20,000 Justice Mobile Lite, system for officers to electronically enter citations, includes 5 mobile terminals for printing during traffic stops. \$5,000 for computer and other equipment.
City Hall	30,000	Replace HVAC system
Police Building Improvement	5,000	Miscellaneous building improvement
Library Improvement	25,000	Replace two HVAC units
Bike/Footpath Construction	14,540	Bike or footpath improvement or construction
Water Infrastructure	20,000	Completion of water meter upgrade
Sewer Infrastructure	3,900,000	Construction of new sewer lagoon and land application irrigation equipment
Public Works Office/Buildings	<u>40,000</u>	\$20,000 replace flooring, \$20,000 wash rack
TOTAL CAPITAL OUTLAY	<u>4,079,340</u>	

**CITY OF PHILOMATH
LAND, BUILDING AND EQUIPMENT FUND
FISCAL YEAR 2011-12**

	ADMIN		FINANCE	COURT	POLICE			PARKS	B & G	NONDEPARTMENTAL			SUBTOTAL GENERAL FUND
	Equipment	Vehicle	Equipment	Equipment	Office Equip	Equipment	Vehicle	Equipment	Vehicle	City Hall	Police Bldg	Library	
Est Balance 7/1/11	14,500	9,800	(3,100)	1,800	4,000	42,000	2,200	12,400	3,300	95,300	55,200	161,700	399,100
2011-12 Transfers	0	300	6,100	0	0	0	16,000	3,600	3,300	21,800	20,200	23,700	95,000
Interest Income	24	70	0	0	0	211	126	111	46	603	571	1,110	2,871
Other Income	0	0	0	0	0	13,500	0	0	0	0	12,120	0	25,620
Appropriations	<u>(11,000)</u>	<u>0</u>	<u>(3,000)</u>	<u>(1,800)</u>	<u>(4,000)</u>	<u>(25,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(30,000)</u>	<u>(5,000)</u>	<u>(25,000)</u>	<u>(104,800)</u>
Balance 6/30/12	<u>3,524</u>	<u>10,170</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>30,711</u>	<u>18,326</u>	<u>16,111</u>	<u>6,646</u>	<u>87,703</u>	<u>83,091</u>	<u>161,510</u>	<u>417,791</u>

	STREET			WATER		SEWER		STORM DRAIN	PUBLIC WORKS	PUBLIC WORKS	K-9	Sidewalk	FUND TOTALS
	Equipment	Infrastructure	Bike Path	Equipment	Infrastructure	Equipment	Infrastructure	Infrastructure	Office Equip	Building			
Est Balance 7/1/11	78,000	258,000	11,900	54,400	0	74,800	3,898,320	25,300	(9,000)	82,900	4,100	0	4,877,820
2011-12 Transfers	16,200	50,000	0	39,200	60,000	19,600	0	10,000	10,000	25,400	0	2,000	327,400
Interest Income	652	2,131	0	648	277	653	0	244	7	473	30	14	8,000
Other Income	0	0	2,640	0	0	0	1,680	0	0	0	180	0	30,120
Appropriations	<u>0</u>	<u>0</u>	<u>(14,540)</u>	<u>0</u>	<u>(20,000)</u>	<u>0</u>	<u>(3,900,000)</u>	<u>0</u>	<u>0</u>	<u>(40,000)</u>	<u>0</u>	<u>0</u>	<u>(4,079,340)</u>
Balance 6/30/12	<u>94,852</u>	<u>310,131</u>	<u>0</u>	<u>94,248</u>	<u>40,277</u>	<u>95,053</u>	<u>0</u>	<u>35,544</u>	<u>1,007</u>	<u>68,773</u>	<u>4,310</u>	<u>2,014</u>	<u>1,164,000</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 2011-12
SYSTEMS DEVELOPMENT FUND**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
REVENUES							
42 0 3001 Cash Balance Forward	708,566	716,212	708,277	649,000	691,900	651,200	7%
42 0 3020 Interest on Investments	38,363	14,135	3,685	3,499	3,300	3,000	-6%
42 0 3051 Interest on Deferred SDC Liens	11,777	15,318	10,366	1,000	500	500	-50%
42 0 3351 Park Improvement Charges	11,310	8,467	11,777	7,500	5,400	10,800	-28%
42 0 3353 Street Improvement Charges	39,468	23,440	42,215	25,500	18,400	36,800	-28%
42 0 3354 Street Reimbursement Charges	19,617	11,647	20,984	12,700	9,100	18,200	-28%
42 0 3355 Water Improvement Charges	62,124	31,650	68,488	39,000	28,100	56,200	-28%
42 0 3356 Water Reimbursement Charges	46,285	23,194	51,456	29,000	21,000	42,000	-28%
42 0 3357 Sewer Improvement Charges	70,891	33,317	66,224	42,200	30,400	60,800	-28%
42 0 3358 Sewer Reimbursement Charges	34,115	15,983	31,865	20,300	14,700	29,400	-28%
42 0 3359 Storm Drain Improvement Charges	32,490	14,049	42,558	11,800	8,500	17,000	-28%
42 0 3809 Grants	0	0	0	50,000	50,000	0	0%
TOTAL REVENUES	1,075,006	907,412	1,057,895	891,499	881,300	925,900	-1%
EXPENDITURES							
CAPITAL OUTLAY							
42 0 6815 Park Improvement Outlay	22,053	54,720	39,072	105,000	70,000	0	-33%
42 0 6825 Street Improvement Outlay	0	0	0	0	0	200,000	
42 0 6829 Street Reimbursement Outlay	0	0	0	0	0	85,001	
42 0 6835 Water Improvement Outlay	312,242	22,811	0	0	0	200,000	
42 0 6839 Water Reimbursement Outlay	0	0	0	0	0	100,000	
42 0 6845 Sewer Improvement Outlay	0	97,105	0	76,000	41,000	0	-46%
42 0 6849 Sewer Reimbursement Outlay	0	0	0	24,000	4,601	0	-81%
42 0 6855 Storm Drain Improvement Outlay	0	0	49,471	0	0	0	
TOTAL CAPITAL OUTLAY	334,295	174,636	88,543	205,000	115,601	585,001	-44%
DEBT SERVICE							
42 0 7142 OECDD Loan Principal	9,098	9,644	10,223	10,836	11,486	12,175	6%
42 0 7542 OECDD Loan Interest	15,401	14,855	14,276	13,663	13,013	12,324	-5%
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	250,000	60,000	90,000	90,000	50%
TOTAL DEBT SERVICE	0	0	250,000	60,000	90,000	90,000	50%
TOTAL EXPENDITURES	358,794	199,135	363,042	289,499	230,100	699,500	-21%
42 0 9500 RESERVE FOR FUTURE EXPENDITURE	0	0	0	602,000	651,200	226,400	8%
Excess Revenues Over Expenditures	716,212	708,277	694,853	0	0	0	

**CITY OF PHILOMATH
SYSTEMS DEVELOPMENT FUND
2011-12 BUDGET NARRATIVE**

REVENUE

Cash Balance Forward	691,900	Estimated cash balance at June 30, 2011
Interest on Investments	3,300	Interest earnings
Interest on Deferred SDC Liens	500	Interest on deferred SDC charges
Park Improvement Charges	5,400	Estimate based on 7 new single family homes
Street Improvement Charges	18,400	Estimate based on 7 new single family homes
Street Reimbursement Charges	9,100	Estimate based on 7 new single family homes
Water Improvement Charges	28,100	Estimate based on 7 new single family homes
Water Reimbursement Charges	21,000	Estimate based on 7 new single family homes
Sewer Improvement Charges	30,400	Estimate based on 7 new single family homes
Sewer Reimbursement Charges	14,700	Estimate based on 7 new single family homes
Storm Drain Improvement Charges	8,500	Estimate based on 7 new single family homes
Grant	<u>50,000</u>	State grant for park improvements
TOTAL REVENUE	<u><u>881,300</u></u>	

CAPITAL OUTLAY

Park Improvement Outlay	70,000	\$20,000 SDC funds and \$50,000 state grant to upgrade park equipment at E. Newton Creek Park
Sewer Improvement Outlay	41,000	Phase 2 sewer treatment upgrade
Sewer Reimbursement Outlay	<u>4,601</u>	Phase 2 sewer treatment upgrade
TOTAL CAPITAL OUTLAY	<u><u>115,601</u></u>	

DEBT SERVICE

OECD - Principal	11,486	Principal portion of OECD storm drain loan
OECD - Interest	<u>13,013</u>	Interest portion of OECD storm drain loan
TOTAL DEBT SERVICE	<u><u>24,499</u></u>	

TRANSFERS

To Sewer Fund	<u><u>90,000</u></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 2011-12**

	<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 7/1/11	39,800	133,300	68,500	220,200	118,200	70,400	19,900	21,600	691,900
SDC Fees	5,400	18,400	9,100	28,100	21,000	30,400	14,700	8,500	135,600
Interest Income	233	782	400	1,279	717	210	24	155	3,800
Appropriations	(70,000)	0	0	0	0	(41,000)	(4,601)	0	(115,601)
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>(60,000)</u>	<u>(30,000)</u>	<u>0</u>	<u>(90,000)</u>
Balance 6/30/12	<u><u>25,433</u></u>	<u><u>152,482</u></u>	<u><u>78,000</u></u>	<u><u>249,579</u></u>	<u><u>139,917</u></u>	<u><u>10</u></u>	<u><u>23</u></u>	<u><u>5,756</u></u>	<u><u>651,200</u></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 \$59,000 in outstanding loans and \$128,060 has been collected from paid loans.

Repayment of the 1993 and 1997 loans must be used for low-income housing rehabilitation. Currently, there is \$422,000 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 2011-12
COMMUNITY DEVELOPMENT FUND**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
REVENUES							
22 0 3001 Cash Balance Forward	82,764	109,908	106,575	112,000	128,060	133,600	14%
22 0 3020 Interest Income	4,987	2,405	679	700	600	650	-14%
22 0 3730 Repayment of 1992 Loans	0	9,091	0	10,000	10,000	10,000	0%
22 0 3731 Repayment of 1993 Loans	0	23,242	4,361	25,000	25,000	25,000	0%
22 0 3732 Repayment of 1997 Loans	21,000	0	0	25,000	25,000	25,000	0%
22 0 3760 Downtown Loan Repayment	3,007	3,458	3,739	5,352	4,902	3,252	-8%
TOTAL REVENUES	111,758	148,104	115,354	178,052	193,562	197,502	9%
EXPENDITURES							
MATERIALS AND SERVICES							
22 0 5820 Downtown Revolving Loan Fund	1,850	11,150	3,355	20,000	20,000	20,000	0%
22 0 5914 Rehabilitation Loan	0	24,303	0	126,000	138,000	141,000	10%
22 0 5915 Program Management	0	6,076	0	32,052	35,562	36,502	11%
Subtotal Materials and Services	1,850	41,529	3,355	178,052	193,562	197,502	9%
TOTAL EXPENDITURES	1,850	41,529	3,355	178,052	193,562	197,502	9%
Excess Revenues Over Expenditures	109,908	106,575	111,999	0	0	0	

**CITY OF PHILOMATH
COMMUNITY DEVELOPMENT FUND
2011-12 BUDGET NARRATIVE**

REVENUES

Cash Balance Forward	128,060	Estimated cash balance at 6/30/2011
Interest Income	600	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>4,902</u>	Annual payment on façade improvement loan
TOTAL REVENUES	<u>193,562</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	138,000	Loans made for owner occupied rehabilitation.
Program Management	<u>35,562</u>	25% of each rehab loan is paid to the Community Services Consortium to administer the loan program.
TOTAL MATERIALS & SERVICES	<u>193,562</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 2011-12
ECONOMIC DEVELOPMENT FUND**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
REVENUES							
32 0 3001 Cash Balance Forward	10,058	10,583	10,793	10,900	11,077	11,112	2%
32 0 3020 Investment Interest	472	144	70	47	35	38	-26%
32 0 3050 Interest on Bonded Liens	26,448	25,877	25,303	24,703	24,096	23,270	-2%
32 0 3115 Prior Years Levy	(7)	8	2	0	0	0	
32 0 3710 Bancroft Lien Principal Collections	48	48	48	48	0	0	-100%
32 0 3711 Advanced Financing Principal Coll	18,191	18,291	18,394	18,504	23,618	23,745	28%
TOTAL REVENUES	55,210	54,951	54,610	54,202	58,826	58,165	9%
EXPENDITURES							
DEBT SERVICE							
32 0 7143 Principal - OECDD	18,191	18,291	18,394	18,504	23,618	23,745	28%
32 0 7543 Interest - OECDD	26,436	25,867	25,296	24,698	24,096	23,270	-2%
Subtotal Debt Service	44,627	44,158	43,690	43,202	47,714	47,015	10%
TOTAL EXPENDITURES	44,627	44,158	43,690	43,202	47,714	47,015	10%
32 0 9500 UNAPPROPRIATED ENDING BAL	0	0	0	11,000	11,112	11,150	1%
Excess Revenues Over Expenditures	10,583	10,793	10,920	0	0	0	

**CITY OF PHILOMATH
ECONOMIC DEVELOPMENT FUND
2011-12 BUDGET NARRATIVE**

REVENUES

Cash Balance Forward	11,077	Estimated cash balance at June 30, 2011
Investment Interest	35	Estimated interest income
Interest on Bonded Liens	24,096	Reimbursement from Lakeside Industrial Park for OECDD loan
Advanced Financing Principal Coll	<u>23,618</u>	Reimbursement from Lakeside Industrial Park for OECDD loan
TOTAL REVENUES	<u>58,826</u>	

DEBT SERVICE

Principal - OECDD	23,618	Principal portion of loan payment
Interest - OECDD	<u>24,096</u>	Interest portion of loan payment
TOTAL DEBT SERVICE	<u>47,714</u>	

**Urban Renewal Agency
Annual Budget
Fiscal Year 2011-12**

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URBAN RENEWAL AGENCY 2011-12 BUDGET MESSAGE

City of Philomath

The 2011-12 budget has been prepared using estimated property tax revenue from the division of taxes only, and does not include any special levy.

2010 witnessed the completion of the steps to expand the existing Urban Renewal District and create a new vision of how Urban Renewal will be used to fund public improvements in the future. The Urban Renewal Agency and Philomath Downtown Association have come together in a partnership that is committed to making dramatic and very visible improvements to Philomath's downtown business area.

The proposed changes will begin with an 8-10 year planning phase that will involve coordination with the Oregon Department of Transportation for scheduled reconstruction of both Main and Applegate Streets. For this fiscal year, staff and the PDA will work on the selection of a consulting engineering firm to begin development of construction-ready plans that will compliment the future highway reconstruction work anticipated by ODOT.

The Urban Renewal District has proven to be an important tool in stimulating economic development and improving the livability of Philomath. We expect this new chapter of Urban Renewal activity to produce similar results.



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.

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.

In 1998 Measure 50 required the District to set a maximum indebtedness. The amount that would be necessary to complete the plan projects was set at \$4.3 million. In 2009 the final projects for the original District were completed.

In 2010 the Urban Renewal District was expanded to include the west end of Applegate Street from just west of 7th Street to 15th Street. The maximum indebtedness was increased to \$14.3 million. Inclusion of this property will allow the city and District to move forward with improvements designed to benefit the downtown business district and new west entrance to the City via Applegate Street.

**PHILOMATH URBAN RENEWAL AGENCY
FISCAL YEAR 2011-12
GENERAL FUND**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE
REVENUE							
23 0 3001 Cash Balance Forward	158,375	240,153	27,031	13,150	12,400	45,000	-6%
23 0 3020 Interest on Investments	11,846	2,251	134	30	18	163	-40%
23 0 3646 Loan Proceeds	0	550,000	0	0	0	0	
23 0 3997 Transfer from Urban Renewal-Debt	150,000	560,000	0	32,000	100,000	0	100%
TOTAL REVENUE	320,221	1,352,404	27,165	45,180	112,418	45,163	100%
EXPENDITURES							
MATERIALS AND SERVICES							
23 0 5012 Administrative Overhead	9,732	10,056	9,900	10,800	11,568	11,913	7%
23 0 5045 Audit Fees	2,000	2,000	3,500	2,500	3,000	3,500	20%
23 0 5146 Consultant Fee	0	0	5,136	16,000	50,000	20,000	100%
23 0 5390 Miscellaneous	1,015	19,657	1,266	280	2,600	2,500	100%
23 0 5567 State Filing Fee	150	40	250	250	250	250	0%
Subtotal Materials and Services	12,897	31,753	20,052	29,830	67,418	38,163	100%
CAPITAL OUTLAY							
23 0 6160 Urban Renewal Project	67,171	1,845	0	0	0	0	
23 0 6164 Sewer Projects	0	1,291,775	0	0	0	0	
Subtotal Capital Outlay	67,171	1,293,620	0	0	0	0	
TOTAL EXPENDITURES	80,068	1,325,373	20,052	29,830	67,418	38,163	100%
23 0 9500 UNAPPROPRIATED ENDING BAL	0	0	0	15,350	45,000	7,000	100%
Excess Revenues Over Expenditures	240,153	27,031	7,113	0	0	0	

**PHILOMATH URBAN RENEWAL AGENCY
2011-12 BUDGET NARRATIVE
GENERAL FUND**

REVENUE

Cash Balance Forward	12,400	Estimated cash balance at June 30, 2011
Interest on Investments	18	Estimated interest income
Transfer from Urban Renewal Debt	<u>100,000</u>	Transfer to General Fund to pay operating expenses
TOTAL REVENUE	<u>112,418</u>	

MATERIALS AND SERVICES

Administrative Overhead	11,568	To reimburse General Fund for cost of staff time and a portion of other administrative costs
Audit Fees	3,000	Annual audit of the Urban Renewal Agency
Consultant fee	50,000	Engineering consultant to create construction-ready plans for future improvements in conjunction with ODOT's proposed reconstruction of Main Street
Miscellaneous	2,600	Miscellaneous expenses
State Filing Fee	<u>250</u>	Fee required to file Urban Renewal Agency audit
TOTAL MATERIALS AND SERVICES	<u>67,418</u>	

**PHILOMATH URBAN RENEWAL AGENCY
FISCAL YEAR 2011-12
DEBT SERVICE FUND**

	ACTUAL EXPENDED 2007-08	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ADOPTED BUDGET 2010-11	PROPOSED BUDGET 2011-12	ESTIMATED BUDGET 2012-13	% CHANGE	
REVENUE								
24 0 3001	Cash Balance Forward	232,226	399,223	50,715	1,000	33,000	332,000	100%
24 0 3020	Interest on Investments	14,001	5,425	248	60	960	2,000	100%
24 0 3030	Interest on Tax Collections	885	770	785	840	940	950	12%
24 0 3110	Property Tax Increment	392,537	387,633	387,017	398,100	442,100	455,400	11%
24 0 3115	Prior Year Tax Increment	5,867	5,609	7,003	5,900	7,500	7,650	27%
	TOTAL REVENUE	645,516	798,660	445,768	405,900	484,500	798,000	19%
DEBT SERVICE								
24 0 7180	Key Bank - Principal	75,000	80,000	80,000	220,000	50,000	0	-77%
24 0 7080	City of Philomath - Principal	0	82,000	333,000	140,000	0	0	-100%
24 0 7580	Key Bank - Interest	21,293	18,110	11,260	10,900	2,500	0	-77%
24 0 7550	City of Philomath - Interest	0	7,835	18,666	3,000	0	0	-100%
	Subtotal Debt Service	96,293	187,945	442,926	373,900	52,500	0	-86%
TRANSFERS								
24 0 8900	Urban Renewal - General Fund	150,000	560,000	0	32,000	100,000	0	100%
	Subtotal Debt Service	150,000	560,000	0	32,000	100,000	0	100%
	TOTAL EXPENDITURES	246,293	747,945	442,926	405,900	152,500	0	-62%
24 0 9500	UNAPPROPRIATED ENDING BAL	0	0	0	0	332,000	798,000	100%
	Excess Revenues Over Expenditures	399,223	50,715	2,842	0	0	0	

**PHILOMATH URBAN RENEWAL AGENCY
2011-12 BUDGET NARRATIVE
DEBT SERVICE FUND**

REVENUE

Cash Balance Forward	33,000	Estimated cash balance at June 30, 2011
Interest on Investments	960	Estimated interest income
Interest on Tax Collections	940	Interest on tax collections held at Benton County before they are turned over to the City
Current Year Property Tax Increment	442,100	Estimated property tax increment. Assume collection rate of 95%
Prior Year Property Tax Increment	<u>7,500</u>	Collection of prior years tax increment
TOTAL REVENUE	<u><u>484,500</u></u>	

DEBT SERVICE

Key Bank - Principal	50,000	Final principal payment
Key Bank - Interest	<u>2,500</u>	Estimated interest portion of loan payment
TOTAL DEBT SERVICE	<u><u>52,500</u></u>	

TRANSFERS

To Urban Renewal - General Fund	<u>100,000</u>	Transfer to cover operating costs of the Urban Renewal Agency
TOTAL TRANSFERS	<u><u>100,000</u></u>	

TAX SUMMARY

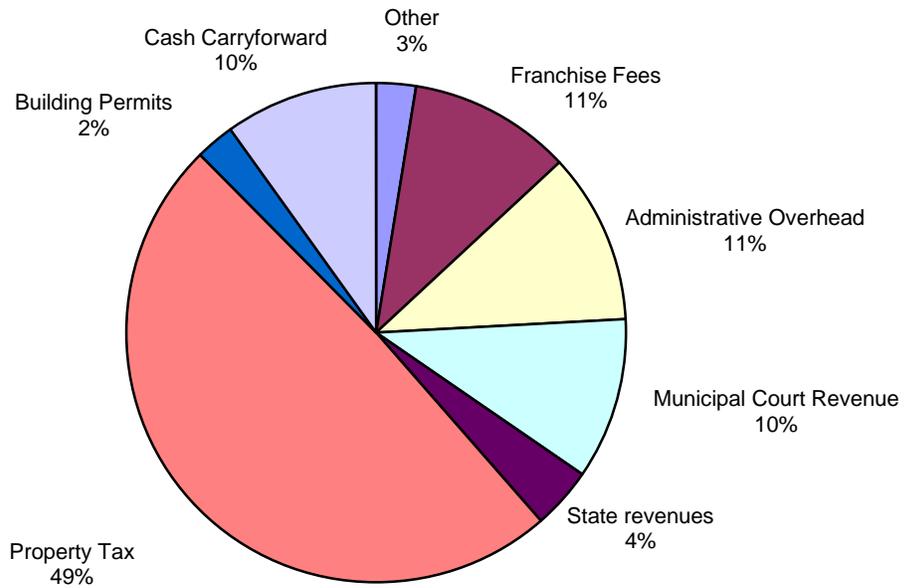
<u>Budget Year</u>	<u>General Fund Tax Levied</u>	<u>Total City Tax Rate</u>	<u>Assessed Valuation</u>	<u>General Fund Budget</u>
2002-03	936,390	6.70	190,557,217	1,626,873
2003-04	954,126	6.35	196,711,899	1,866,911
2004-05	1,011,519	6.33	208,719,602	2,045,058
2005-06	1,059,141	5.30	218,262,373	2,216,600
2006-07	1,107,374	5.30	229,465,110	2,171,200
2007-08	1,172,249	5.30	243,266,694	2,118,278
2008-09	1,223,149	5.30	252,798,608	2,255,889
2009-10	1,263,360	5.30	260,788,879	2,157,374
2010-11	1,301,971	5.30	270,815,918	2,463,988

<u>City Population</u>		<u>% Change</u>	<u># of City FTE Employees/1000 (calendar year)</u>
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
2011-12	4,710	1.5	5.3

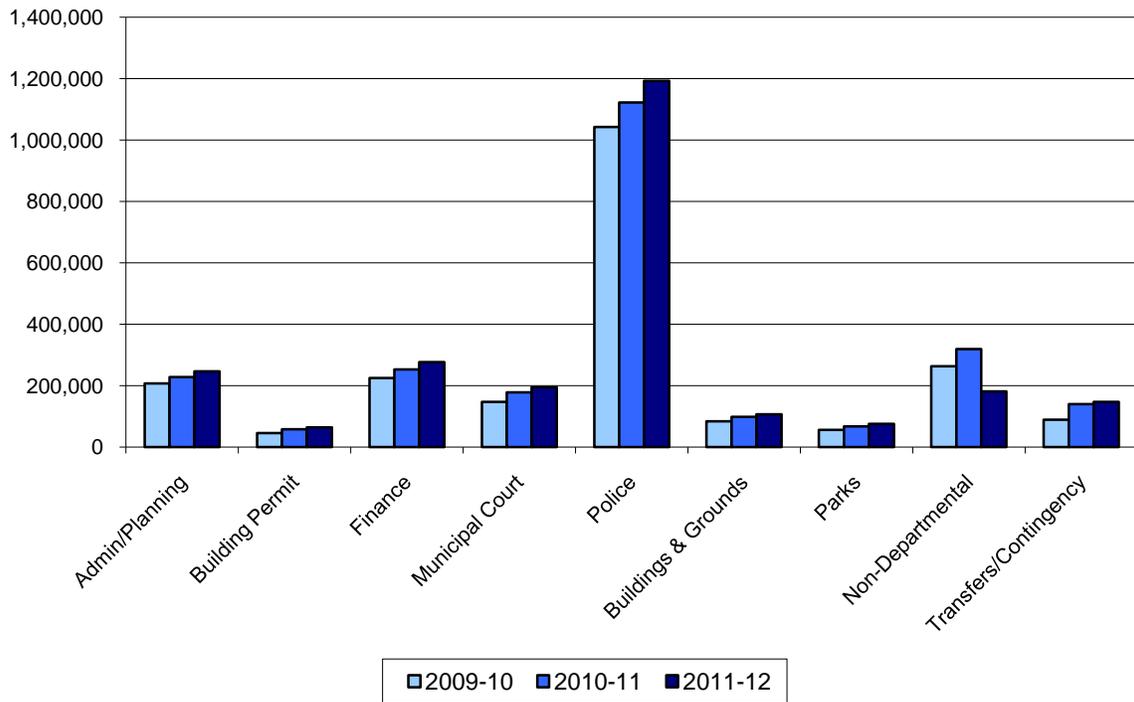
Utility Connections

	<u>Water</u>	<u>Increase</u>	<u>Sewer</u>	<u>Increase</u>
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
2010-11	1561	6	1525	3

City of Philomath 2011-12 General Fund Revenues



General Fund Appropriations



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

	<u>ADOPTED BUDGET 2010-11</u>	<u>PROPOSED BUDGET 2011-12</u>	<u>Percent Change</u>
General Fund	2,463,988	2,484,500	1%
Street Fund	443,950	494,600	11%
Water Fund	1,001,760	996,910	0%
Sewer Fund	897,820	912,370	2%
Storm Drain Fund	46,500	47,600	2%
Land, Bldg & Equipment Fund	2,711,500	4,079,340	50%
Systems Development Fund	289,499	230,100	-21%
Community Development Fund	178,052	193,562	9%
Economic Development Fund	<u>43,202</u>	<u>47,714</u>	<u>10%</u>
Total Budget	<u><u>8,076,271</u></u>	<u><u>9,486,696</u></u>	<u><u>17%</u></u>

**CITY OF PHILOMATH
2011-12 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	234,445	11,655	0	0	0	0	0	0	246,100
Building Permit	18,465	46,035	0	0	0	0	0	0	64,500
Finance	235,175	41,225	0	0	0	0	0	0	276,400
Municipal Court	85,318	109,382	0	0	0	0	0	0	194,700
Police	944,685	248,315	0	0	0	0	0	0	1,193,000
Buildings & Grounds	34,805	71,395	0	0	0	0	0	0	106,200
Parks	38,212	37,588	0	0	0	0	0	0	75,800
Non-departmental	0	180,800	0	0	0	0	0	0	180,800
Transfers/Contingency	0	0	0	0	97,000	0	50,000	0	147,000
Unappropriated balance	0	0	0	0	0	0	0	100,000	100,000
Total General fund	1,591,105	746,395	0	0	97,000	0	50,000	100,000	2,584,500
Street fund	201,342	197,058	0	0	66,200	0	30,000	20,000	514,600
Water fund	364,390	393,665	51,000	50,955	116,900	0	20,000	0	996,910
Sewer fund	279,270	255,782	5,000	315,018	37,300	0	20,000	0	912,370
Storm Drain fund	0	17,500	0	0	10,000	20,100	0	10,000	57,600
Total Public Works	845,002	864,005	56,000	365,973	230,400	20,100	70,000	30,000	2,481,480
Total Operating Costs	2,436,107	1,610,400	56,000	365,973	327,400	20,100	120,000	130,000	5,065,980
Land, Building & Equip	0	0	4,079,340	0	0	0	0	1,164,000	5,243,340
Systems Development	0	0	115,601	24,499	0	90,000	0	651,200	881,300
Community Development	0	193,562	0	0	0	0	0	0	193,562
Economic Development	0	0	0	47,714	0	0	0	11,112	58,826
Total Non-Operating	0	193,562	4,194,941	72,213	0	90,000	0	1,826,312	6,377,028
TOTAL CITY	2,436,107	1,803,962	4,250,941	438,186	327,400	110,100	120,000	1,956,312	11,443,008
PERCENT OF TOTAL	21.3%	15.8%	37.1%	3.9%	2.8%	1.0%	1.0%	17.1%	100.0%

budget/budget recap
04/13/11