

**City of Philomath  
Annual Budget  
Fiscal Year 2012-13**

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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

## 2012-13 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 2012-13. 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 2013-14 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 2012-13 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 2012-13 and estimated 2013-14 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 general fiscal condition of cities in 2012 is best described in a January League of Oregon Cities study which finds "Oregon's cities have yet to bottom out from the recent economic recession, and many are pessimistic about a rebound in the near future. The collapse of the housing market, combined with suffocating property tax limitations, have financially hamstrung cities and caused many to make significant cuts to basic services, such as public safety, while deferring needed infrastructure and maintenance projects."

The League study, which Philomath participated in, reveals that "More than 42 percent of cities report being less able to address their financial needs this year than they were the year prior, and near half of survey respondents believe that they will be even less able to meet financial needs next year."

Willamette Valley cities are specifically identified as being most pessimistic about property tax revenues being able to meet current service level needs.

Against this back-drop of unpleasant news, I wish to again affirm that Philomath's budget situation remains positive. Staff's attitude is such that we refuse to look at our situation as a negative development but rather an opportunity to discover new ways to improve service efficiencies within our available funding sources. We continue to look for ways to employ new technologies to make staff more productive in order to avoid or even reduce personnel costs which remain our single largest budget expense.

Staff is not proposing any new General Fund fees, increases to existing fees or property tax levies to support City services. The City will also continue with the construction of scheduled capital infrastructure improvements to insure our ability to deliver basic services in the most cost effective and efficient manner over the long term.

We believe that the fiscal discipline that has been exercised by the Budget Committee in past years has been instrumental in helping the City craft a budget that reflects the harsh realities of our current economic state. This budget is in keeping with that reality 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 2012-13  
GENERAL FUND**

	ACTUAL OPERATIONS 2008-09	ACTUAL OPERATIONS 2009-10	ACTUAL OPERATIONS 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>REVENUES</b>							
Cash Balance Forward	315,742	231,125	268,163	256,000	300,000	305,000	17%
Interest Income	6,973	3,683	4,895	4,000	5,400	5,600	35%
Property Tax - Current Year	1,165,545	1,190,134	1,236,760	1,267,000	1,314,500	1,354,000	4%
Property Tax - Prior Years	16,291	20,871	23,051	23,000	31,000	32,000	35%
Cigarette and Liquor Tax	62,377	59,001	61,501	63,100	66,610	67,500	6%
State Revenue Sharing	38,088	36,597	37,679	39,400	42,150	43,000	7%
Building & Electrical Permits	43,726	42,576	146,461	65,000	58,000	70,000	-11%
Planning and Zoning Fees	4,655	4,030	3,275	3,000	4,000	4,500	33%
Franchise Fees	197,314	248,242	279,460	271,500	302,800	303,000	12%
Municipal Court Revenue	250,697	234,491	279,167	270,000	280,000	285,000	4%
Bus User Fees	11,518	10,852	12,458	11,600	14,700	15,000	27%
Lien Search Fees	3,195	3,340	3,740	3,500	4,000	4,100	14%
Miscellaneous Receipts	22,508	24,194	20,067	21,308	10,870	11,975	-49%
Sidewalk Liens	13,429	8,022	2,850	0	0	0	
Administrative Overhead	233,580	221,868	248,964	286,092	280,320	288,730	-2%
Grants	101,377	86,511	52,585	0	0	0	
<b>TOTAL REVENUES</b>	<b>2,487,014</b>	<b>2,425,537</b>	<b>2,681,076</b>	<b>2,584,500</b>	<b>2,714,350</b>	<b>2,789,405</b>	<b>5%</b>
<b>EXPENDITURES</b>							
Administration/Planning	209,981	206,624	221,257	246,100	259,340	265,980	5%
Building Permit Dept	46,917	45,491	119,682	104,500	59,940	68,850	-43%
Finance	219,025	224,566	251,997	276,400	271,320	279,590	-2%
Municipal Court	172,621	147,268	187,307	194,700	220,280	226,330	13%
Police	1,038,409	1,042,299	1,089,217	1,193,000	1,248,320	1,297,650	5%
Buildings & Grounds	91,844	83,299	106,549	106,200	116,810	111,315	10%
Parks	65,592	55,838	76,334	75,800	79,340	81,690	5%
Non-Departmental	282,000	262,589	260,710	190,800	216,000	193,000	13%
Subtotal department expenditures	<b>2,126,389</b>	<b>2,067,974</b>	<b>2,313,053</b>	<b>2,387,500</b>	<b>2,471,350</b>	<b>2,524,405</b>	<b>4%</b>
<b>TRANSFERS</b>							
To Land, Building & Equip Fund	129,500	89,400	90,000	97,000	100,000	90,000	3%
Subtotal transfers	<b>129,500</b>	<b>89,400</b>	<b>90,000</b>	<b>97,000</b>	<b>100,000</b>	<b>90,000</b>	<b>3%</b>
Contingency	0	0	0	0	50,000	75,000	100%
<b>TOTAL EXPENDITURES</b>	<b>2,255,889</b>	<b>2,157,374</b>	<b>2,403,053</b>	<b>2,484,500</b>	<b>2,621,350</b>	<b>2,689,405</b>	<b>6%</b>
UNAPPROPRIATED ENDING BAL	0	0	0	100,000	93,000	100,000	-7%
Excess Revenues Over Expenditures	231,125	268,163	278,023	0	0	0	

**CITY OF PHILOMATH  
GENERAL FUND REVENUES  
2012-13 BUDGET NARRATIVE**

Item	Category	Amount	Description
3001	<b>CASH BALANCE FORWARD</b>	<b>300,000</b>	Estimated cash balance at June 30, 2012
<b><u>INTEREST INCOME</u></b>			
3020	Investment interest	1,500	Estimated interest income
3030	Interest on tax collections	3,900	Interest earned on tax collections before they are turned over to the City.
		<u>5,400</u>	
3110	<b>PROPERTY TAX - CURRENT YEAR</b>	<b>1,314,500</b>	Estimated 3% increase over 2011-12 tax levy. The collections are estimated at 95% of taxes imposed.
3115	<b>PROPERTY TAX - PRIOR YEARS</b>	<b>31,000</b>	Property tax receipts collected for prior years
<b><u>CIGARETTE &amp; LIQUOR TAX</u></b>			
3130	Cigarette tax	6,360	\$1.38 per capita, estimated population of 4,610
3140	Liquor tax	60,250	\$13.07 per capita
		<u>66,610</u>	
3150	<b>STATE REVENUE SHARING</b>	<b>42,150</b>	14% of state liquor tax collections allocated to qualified cities
<b><u>BUILDING &amp; ELECTRICAL PERMITS</u></b>			
3310	Building permits	50,000	Building and electrical permits issued within the City
3315	Electrical permits	8,000	
		<u>58,000</u>	
3330	<b>PLAN ACTIONS &amp; ZONING COMPLIANCE</b>	<b>4,000</b>	Processing land use & zoning compliance applications
<b><u>FRANCHISE FEES</u></b>			
3410	Consumers Power	45,300	Franchise revenue based on estimated 2012-13 receipts
3430	Northwest Natural Gas	48,000	
3440	PacifiCorp	209,500	
		<u>302,800</u>	
<b><u>MUNICIPAL COURT REVENUE</u></b>			
3505	Court fines	235,500	Court fines imposed by the municipal court judge
3510	Benton County court	4,000	Municipal court collections for Benton County jail facility
3515	State court fees	38,000	Municipal court collections for unitary fees, LEMLA and IDPF
3535	Defense attorney reimbursement	2,500	Reimbursement to the city for defense attorney costs
		<u>280,000</u>	
3605	<b>BUS USER FEES</b>	<b>14,700</b>	\$7,100 from bus fares \$7,600 from OSU student and faculty contracts
3642	<b>LIEN SEARCH FEES</b>	<b>4,000</b>	Fee charged for processing city lien searches
<b><u>MISCELLANEOUS RECEIPTS</u></b>			
3625	Fingerprinting	700	Fingerprinting school district employees and others
3650	Miscellaneous receipts	6,670	
3675	Other permits & licenses	3,500	Liquor license renewals, amusement device permits etc.
		<u>10,870</u>	

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**CITY OF PHILOMATH  
GENERAL FUND REVENUES  
2012-13 BUDGET NARRATIVE**

**CONTINUED:**

Item	Category	Amount	Description
	<b><u>ADMINISTRATIVE OVERHEAD</u></b>		
3910	Street Fund	51,480	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	12,000	
3920	Water Fund	114,120	
3925	Sewer Fund	<u>102,720</u>	
		<b><u>280,320</u></b>	
	<b>TOTAL GENERAL FUND REVENUES</b>	<b><u><u>2,714,350</u></u></b>	

## **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 2012-13  
GENERAL FUND - ADMINISTRATION/PLANNING**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>PERSONNEL SERVICES</b>							
10 1 4110 City Manager	86,280	88,008	94,880	92,904	93,840	95,717	1%
10 1 4130 City Recorder	33,096	33,751	36,383	35,633	36,338	37,065	2%
10 1 4257 Planner	12,384	12,624	13,068	13,332	13,560	13,831	2%
10 1 4360 Incentive Pay	1,176	1,176	1,176	1,176	2,100	2,100	79%
10 1 4366 Longevity Pay	0	0	0	11,072	11,201	11,425	1%
10 1 4370 Sick Leave Conversion	2,347	2,810	3,029	3,222	2,166	2,209	-33%
10 1 4500 Social Security	10,005	10,203	11,108	12,037	12,179	12,423	1%
10 1 4520 PERS	20,212	17,854	19,194	27,867	28,194	28,758	1%
10 1 4540 Workers' Compensation	211	201	265	220	294	300	34%
10 1 4560 Workers' Benefit Fund Assmt	47	48	47	50	50	50	0%
10 1 4620 Deferred Compensation	7,374	7,544	8,128	8,638	8,739	8,914	1%
10 1 4640 Health Insurance	20,793	21,209	21,922	21,331	23,652	25,545	11%
10 1 4660 Dental Insurance	3,149	2,919	2,892	3,088	3,363	3,620	9%
10 1 4670 Health Reimbursement Account	2,975	142	850	1,629	1,700	1,700	4%
10 1 4680 Life Insurance	186	218	233	246	246	256	0%
10 1 4820 Sick & Vacation Accrual	0	0	0	2,000	10,000	10,000	100%
Subtotal Personnel Services	<b>200,236</b>	<b>198,707</b>	<b>213,175</b>	<b>234,445</b>	<b>247,622</b>	<b>253,912</b>	<b>6%</b>
<b>MATERIALS AND SERVICES</b>							
10 1 5015 Advertising and Legal Notices	1,106	1,352	1,266	1,300	1,500	1,545	15%
10 1 5143 Computer Line Charges	163	146	193	180	0	0	-100%
10 1 5233 Dues	339	352	371	400	400	412	0%
10 1 5245 Education & Training	1,735	625	710	1,200	1,200	1,236	0%
10 1 5305 Gas and Oil	0	65	0	300	300	309	0%
10 1 5325 Insurance	822	1,076	550	510	900	927	76%
10 1 5390 Miscellaneous	472	10	190	105	128	130	22%
10 1 5413 Office Supplies	1,699	1,132	1,449	1,800	1,600	1,648	-11%
10 1 5454 Planning Expense	0	0	0	400	400	412	0%
10 1 5465 Postage	626	358	370	700	600	618	-14%
10 1 5505 Recording Fee	0	267	0	400	400	412	0%
10 1 5563 Small Tools & Equipment	275	691	584	860	750	773	-13%
10 1 5603 Telephone	1,107	1,100	1,153	1,200	1,240	1,277	3%
10 1 5665 Travel and Meals	1,401	673	1,148	1,300	1,300	1,339	0%
10 1 5745 Vehicle Repair and Maintenance	0	70	98	1,000	1,000	1,030	0%
Subtotal Materials and Services	<b>9,745</b>	<b>7,917</b>	<b>8,082</b>	<b>11,655</b>	<b>11,718</b>	<b>12,068</b>	<b>1%</b>
<b>TOTAL ADMIN/PLANNING BUDGET</b>	<b>209,981</b>	<b>206,624</b>	<b>221,257</b>	<b>246,100</b>	<b>259,340</b>	<b>265,980</b>	<b>5%</b>

**CITY OF PHILOMATH  
GENERAL FUND - ADMINISTRATION/PLANNING  
2012-13 BUDGET NARRATIVE**

**PERSONNEL SERVICES**

City Manager	93,840	
City Recorder	36,338	
City Planner	<u>13,560</u>	
TOTAL SALARIES	143,738	
<p>City Manager salary includes a 1% cost-of-living increase. The City Recorder and Planner 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	2,100	
<p>Each employee may receive up to \$300 per month based on acquiring specialized skills.</p>		
LONGEVITY PAY	11,201	
<p>Management employees receive 5% after 10 years of service and 10% after 15 years of service</p>		
SICK LEAVE CONVERSION	2,166	
<p>50% of excess sick leave for department heads who choose to cash out sick time.</p>		
SOCIAL SECURITY	12,179	
<p>Calendar year 2012 rate is 7.65%</p>		
PERS	28,194	
<p>The City pays both the employer and employee contributions. For fiscal year 2012-13 the employer rate is 12.22% and the employee rate is 6%.</p>		
WORKERS' COMPENSATION	294	
WORKERS' BENEFIT FUND ASSESSMENT	50	
<p>Required by Oregon Dept of Revenue</p>		
DEFERRED COMPENSATION	8,739	
<p>6% retirement benefit for management employees</p>		
HEALTH INSURANCE	23,652	
<p>\$1,000 deductible plan, 7% increase over 2011-12 premium</p>		
DENTAL INSURANCE	3,363	
<p>9% increase over 2011-12 premium</p>		
HEALTH REIMBURSEMENT ACCOUNT	1,700	
<p>Employee account to help offset medical deductible</p>		
LIFE INSURANCE	246	
<p>Basic life and AD&amp;D policy. \$30,000 coverage</p>		
SICK & VACATION ACCRUAL	<u>10,000</u>	
<p>Liability for unused vacation and sick leave payable upon termination</p>		
<b>TOTAL PERSONNEL SERVICES</b>	<b><u><u>247,622</u></u></b>	

**CITY OF PHILOMATH  
GENERAL FUND - ADMINISTRATION/PLANNING  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES**

Advertising and Legal Notices	1,500	Advertising of legal notices
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	900	Administration portion of City liability insurance
Miscellaneous	128	Incidental expenses
Office Supplies	1,600	Copier cost, paper and other office supplies
Planning Expense	400	Incidental planning costs
Postage	600	Postage and mailing costs
Recording Fee	400	Fee to record City documents with Benton County
Small Tools & Equipment	750	Purchase of small office equipment
Telephone	1,240	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
<b>TOTAL MATERIALS AND SERVICES</b>	<b><u>11,718</u></b>	

## **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 2012-13  
GENERAL FUND - BUILDING PERMIT**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE	
<b>PERSONNEL SERVICES</b>								
10 2 4130	City Recorder	9,456	9,643	10,395	10,181	10,382	10,590	2%
10 2 4360	Incentive Pay	336	336	336	336	600	600	79%
10 2 4366	Longevity Pay	0	0	0	509	518	528	2%
10 2 4370	Sick Leave Conversion	197	223	240	247	0	0	-100%
10 2 4500	Social Security	764	781	839	862	880	898	2%
10 2 4520	PERS	1,548	1,373	1,476	2,054	2,096	2,138	2%
10 2 4540	Workers' Compensation	16	15	20	16	24	24	50%
10 2 4560	Workers' Benefit Fund Assmt	5	5	5	5	5	5	0%
10 2 4620	Deferred Compensation	600	612	658	676	690	704	2%
10 2 4640	Health Insurance	2,446	2,114	2,150	2,116	2,312	2,496	9%
10 2 4660	Dental Insurance	370	263	238	254	275	296	8%
10 2 4670	Health Reimbursement Account	350	17	100	192	200	200	4%
10 2 4680	Life Insurance	20	13	16	17	18	21	6%
10 2 4820	Sick and Vacation Accrual	0	0	0	1,000	1,000	1,000	0%
	Subtotal Personnel Services	<b>16,108</b>	<b>15,395</b>	<b>16,473</b>	<b>18,465</b>	<b>19,000</b>	<b>19,500</b>	<b>3%</b>
<b>MATERIALS AND SERVICES</b>								
10 2 5165	County Bldg & Elect Inspections	30,495	29,793	102,881	85,500	40,600	49,000	-53%
10 2 5390	Miscellaneous	0	0	0	195	0	0	-100%
10 2 5603	Telephone	314	303	328	340	340	350	0%
	Subtotal Materials and Services	<b>30,809</b>	<b>30,096</b>	<b>103,209</b>	<b>86,035</b>	<b>40,940</b>	<b>49,350</b>	<b>-52%</b>
<b>TOTAL BUILDING PERMIT BUDGET</b>		<b>46,917</b>	<b>45,491</b>	<b>119,682</b>	<b>104,500</b>	<b>59,940</b>	<b>68,850</b>	<b>-43%</b>

**CITY OF PHILOMATH  
GENERAL FUND - BUILDING PERMIT  
2012-13 BUDGET NARRATIVE**

**PERSONNEL SERVICES**

City Recorder	10,382
20% of the City Recorders' time and corresponding benefits are allocated to the issuance and processing of building permits.	
INCENTIVE PAY	600
Each employee may receive up to \$300 per month based on acquiring specialized skills.	
LONGEVITY PAY	518
Management employees receive 5% after 10 years of service and 10% after 15 years of service	
SOCIAL SECURITY	880
Calendar year 2012 rate is 7.65%	
PERS	2,096
The City pays both the employer and employee contributions. For fiscal year 2012-13 the employer rate is 12.22% and the employee rate is 6%.	
WORKERS' COMPENSATION	24
WORKERS' BENEFIT FUND ASSESSMENT	5
Required by Oregon Dept of Revenue	
DEFERRED COMPENSATION	690
6% retirement benefit for management employees	
HEALTH INSURANCE	2,312
\$1,000 deductible plan, 7% increase over 2011-12 premium	
DENTAL INSURANCE	275
9% increase over 2011-12 premium	
HEALTH REIMBURSEMENT ACCOUNT	200
Employee account to help offset medical deductible	
LIFE INSURANCE	18
Basic life and AD&D policy. \$30,000 coverage	
SICK & VACATION ACCRUAL	1,000
Liability for unused vacation and sick leave payable upon termination	
<b>TOTAL PERSONNEL SERVICES</b>	<b><u>19,000</u></b>

**CITY OF PHILOMATH  
GENERAL FUND - BUILDING PERMIT  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES**

County Bldg & Electrical Inspections	40,600	70% of building and electrical permit revenue is paid to Benton County for plan review and inspections
Telephone	<u>340</u>	Telephone and long distance charges
<b>TOTAL MATERIALS AND SERVICES</b>	<b><u>40,940</u></b>	

## **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 2012-13  
GENERAL FUND - FINANCE**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>PERSONNEL SERVICES</b>							
10 3 4120 Finance Director	70,584	72,000	80,740	76,008	77,520	79,458	2%
10 3 4172 Finance Staff	45,638	49,208	54,363	57,380	44,954	45,853	-22%
10 3 4254 Accounting Clerk	4,911	7,231	7,399	7,000	9,700	9,894	39%
10 3 4320 Overtime	0	0	185	0	0	0	
10 3 4360 Incentive Pay	3,846	4,799	5,160	5,160	7,966	7,966	54%
10 3 4366 Longevity Pay	0	0	0	7,601	7,752	7,946	2%
10 3 4370 Sick Leave Conversion	1,357	1,315	79	1,929	1,789	1,834	-7%
10 3 4500 Social Security	9,452	10,109	11,089	11,864	11,450	11,736	-3%
10 3 4520 PERS	16,764	16,304	18,421	24,454	23,480	24,067	-4%
10 3 4540 Workers' Compensation	193	193	266	217	276	284	27%
10 3 4560 Workers' Benefit Fund Assmt	65	67	68	68	70	70	3%
10 3 4620 Deferred Compensation	4,460	4,543	4,993	5,276	5,507	5,645	4%
10 3 4640 Health Insurance	24,547	27,551	30,692	28,683	27,920	30,212	-3%
10 3 4660 Dental Insurance	3,459	3,622	4,159	4,130	3,980	4,378	-4%
10 3 4670 Health Reimbursement Acct	4,025	192	1,150	2,203	2,000	2,000	-9%
10 3 4680 Life Insurance	219	194	193	202	186	195	-8%
10 3 4820 Sick & Vacation Accrual	0	0	0	3,000	4,000	4,000	33%
Subtotal Personnel Services	<b>189,522</b>	<b>197,328</b>	<b>218,957</b>	<b>235,175</b>	<b>228,550</b>	<b>235,538</b>	<b>-3%</b>
<b>MATERIALS AND SERVICES</b>							
10 3 5057 Credit Card Fees-Utility Payment:	0	0	1,011	2,300	2,350	2,420	2%
10 3 5137 Computer Support	4,268	4,268	4,742	5,100	5,200	5,356	2%
10 3 5138 Computer Support-Utility Billing	2,028	2,028	2,727	2,500	4,200	4,326	68%
10 3 5143 Computer Line Charges	163	176	192	185	0	0	-100%
10 3 5233 Dues	705	885	825	850	835	860	-2%
10 3 5245 Education & Training	2,144	1,637	1,495	1,800	1,800	1,854	0%
10 3 5246 Education & Training-Utility	213	0	0	600	600	618	0%
10 3 5325 Insurance	478	416	276	350	485	500	39%
10 3 5380 Lien Search Fee	1,310	1,300	1,330	1,400	1,600	1,648	14%
10 3 5390 Miscellaneous	1,074	179	431	1,125	500	515	-56%
10 3 5413 Office Supplies	2,812	2,082	2,066	2,900	3,100	3,193	7%
10 3 5414 Office Supplies - Utility Billing	1,458	1,435	510	700	750	773	7%
10 3 5465 Postage	314	727	732	900	1,100	1,133	22%
10 3 5466 Postage - Utility Billing	4,382	5,276	3,103	1,500	1,500	1,545	0%
10 3 5505 Recording Fee	825	1,192	617	1,200	900	927	-25%
10 3 5563 Small Tools & Equipment	838	629	399	850	850	876	0%
10 3 5603 Telephone	1,557	1,403	1,342	1,425	1,450	1,494	2%
10 3 5604 Telephone - Utility Billing	694	746	711	740	750	773	1%
10 3 5665 Travel and Meals	3,735	2,859	3,681	2,900	2,700	2,781	-7%
10 3 5666 Travel and Meals-Utility Billing	506	0	452	600	600	618	0%
10 3 5722 Utility Bill Printing/Mailing	0	0	2,968	9,300	9,300	9,579	0%
10 3 5730 Utility Online Service	0	0	3,430	2,000	2,200	2,266	10%
Subtotal Materials & Services	<b>29,503</b>	<b>27,238</b>	<b>33,040</b>	<b>41,225</b>	<b>42,770</b>	<b>44,052</b>	<b>4%</b>
<b>TOTAL FINANCE BUDGET</b>	<b>219,025</b>	<b>224,566</b>	<b>251,997</b>	<b>276,400</b>	<b>271,320</b>	<b>279,590</b>	<b>-2%</b>

**CITY OF PHILOMATH  
GENERAL FUND - FINANCE  
2012-13 BUDGET NARRATIVE**

**PERSONNEL SERVICES**

Finance Director	77,520
Finance Staff	44,954
Accounting Clerk	<u>9,700</u>
TOTAL SALARIES	132,174
<p>Salaries include a 2% cost-of-living increase. The two Finance staff positions are allocated between the Finance Department and the Municipal Court. The Accounting Clerk works approximately 8 hours per week.</p>	
INCENTIVE PAY	7,966
<p>Each employee may receive up to \$300 per month based on acquiring specialized skills.</p>	
LONGEVITY PAY	7,752
<p>Management employees receive 5% after 10 years of service and 10% after 15 years of service</p>	
SICK LEAVE CONVERSION	1,789
<p>50% of excess sick leave for department heads who choose to cash out sick time.</p>	
SOCIAL SECURITY    Calendar year 2012 rate is 7.65%	11,450
PERS	23,480
<p>The City pays both the employer and employee contributions. For fiscal year 2012-13 the Tier 1 &amp; 2 employer rate is 12.22%, OPSRP rate is 8.02%, and the employee rate is 6%.</p>	
WORKERS' COMPENSATION	276
WORKERS' BENEFIT FUND ASSESSMENT    Required by Oregon Dept of Revenue	70
DEFERRED COMPENSATION    6% retirement benefit for management employees	5,507
HEALTH INSURANCE    \$1,000 deductible plan, 7% increase over 2011-12 premium	27,920
DENTAL INSURANCE    9% increase over 2011-12 premium	3,980
HEALTH REIMBURSEMENT ACCOUNT    Employee account to help offset medical deductible	2,000
LIFE INSURANCE    Basic life and AD&D policy. \$30,000 coverage	186
SICK & VACATION ACCRUAL    Liability for unused vacation and sick leave payable upon termination	<u>4,000</u>
<b>TOTAL PERSONNEL SERVICES</b>	<b><u>228,550</u></b>

**CITY OF PHILOMATH  
GENERAL FUND - FINANCE  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES**

Credit Card Fees	2,350	Credit Card fees for on-line utility bill payment
Computer Support	5,200	Maintenance contract and support for accounting software
Computer Support - Utility Billing	4,200	Maintenance contract and support for utility software
Dues	835	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	485	Finance portion of City liability insurance
Lien Search Fee	1,600	Fee for web based searches of City liens. Fee is reimbursed to City by title companies and others using the lien service.
Miscellaneous	500	Incidental expenses
Office Supplies	3,100	Copier cost, paper and other office supplies
Office Supplies - Utility Billing	750	Office supplies used in the billing and collection of water and sewer accounts
Postage	1,100	Postage for mailing accounts payable payments, etc.
Postage - Utility Billing	1,500	Postage for mailing correspondence from water department
Recording Fee	900	Fee to record liens with Benton County
Small Tools and Equipment	850	Purchase of small office equipment
Telephone	1,450	Telephone and long distance charges
Telephone - Utility Billing	750	Telephone costs for utility clerk
Travel and Meals	2,700	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>2,200</u>	Monthly service fees for Web based software which customers can use to pay their utility bills on-line
<b>TOTAL MATERIALS AND SERVICES</b>	<b><u>42,770</u></b>	

## **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.

In an effort to standardize traffic fines, the State developed a schedule of fines on violations. This schedule went into effect on January 1, 2012. \$60 of each citation is turned over to the State. The new flat fee replaced a variety of State and County surcharges that were previously collected.

**CITY OF PHILOMATH ANNUAL BUDGET  
FISCAL YEAR 2012-13  
GENERAL FUND - MUNICIPAL COURT**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>PERSONNEL SERVICES</b>							
10 4 4130 City Recorder	4,728	4,822	5,198	5,090	5,191	5,321	2%
10 4 4172 Finance Staff	26,541	26,799	31,192	32,070	46,294	47,220	44%
10 4 4251 Judge	13,992	16,200	17,040	17,892	24,120	24,723	35%
10 4 4320 Overtime	0	0	431	0	0	0	
10 4 4360 Incentive Pay	1,617	1,659	1,848	1,848	3,540	3,540	92%
10 4 4366 Longevity Pay	0	0	0	255	260	267	2%
10 4 4370 Sick Leave Conversion	98	111	120	123	0	0	-100%
10 4 4500 Social Security	3,313	3,660	4,137	4,382	6,057	6,190	38%
10 4 4520 PERS	6,527	5,248	5,957	7,945	10,912	11,152	37%
10 4 4540 Workers' Compensation	76	68	92	77	149	90	94%
10 4 4560 Workers' Benefit Fund Assmt	26	22	28	26	35	35	35%
10 4 4620 Deferred Compensation	300	306	329	338	345	354	2%
10 4 4640 Health Insurance	9,787	10,517	11,154	10,806	15,916	17,132	47%
10 4 4660 Dental Insurance	1,440	1,483	1,561	1,667	2,333	2,417	40%
10 4 4670 Health Reimbursement Account	1,400	67	400	766	1,100	800	44%
10 4 4680 Life Insurance	54	29	31	33	55	56	67%
10 4 4820 Sick & Vacation Accrual	0	0	0	2,000	2,000	2,000	0%
Subtotal Personnel Services	<b>69,900</b>	<b>70,991</b>	<b>79,518</b>	<b>85,318</b>	<b>118,307</b>	<b>121,296</b>	<b>39%</b>
<b>MATERIALS AND SERVICES</b>							
10 4 5057 Credit Card Fees	2,638	3,092	2,826	3,100	3,300	3,399	6%
10 4 5115 Collection Agency	0	0	5,577	0	2,000	2,060	100%
10 4 5137 Computer Support	1,169	1,169	1,216	1,200	1,300	1,339	8%
10 4 5143 Computer Line Charges	163	175	192	180	0	0	-100%
10 4 5173 Court Fees - State	39,721	34,565	34,140	38,500	38,000	39,140	-1%
10 4 5174 Court Fees - Benton County	13,433	11,568	11,332	14,000	2,800	2,884	-80%
10 4 5215 Defense Attorney	9,320	7,386	6,680	9,800	9,800	10,094	0%
10 4 5233 Dues	50	50	50	50	50	52	0%
10 4 5245 Education and Training	468	0	0	500	500	515	0%
10 4 5325 Insurance	173	196	133	170	225	232	32%
10 4 5345 Interpreter	882	792	1,045	1,000	1,400	1,442	40%
10 4 5363 Jury Fees	228	209	199	500	550	567	10%
10 4 5390 Miscellaneous	7	8	3	147	148	159	1%
10 4 5413 Office Supplies	1,610	2,178	1,997	2,060	2,200	2,261	7%
10 4 5465 Postage	1,687	1,247	593	1,750	1,300	1,339	-26%
10 4 5475 Prisoner Care	29,310	12,585	41,130	35,000	37,000	38,110	6%
10 4 5495 Publications	141	148	117	150	150	155	0%
10 4 5603 Telephone	516	695	549	625	600	618	-4%
10 4 5665 Travel and Meals	1,166	214	0	500	500	515	0%
10 4 5775 Witness Fees	40	0	10	150	150	155	0%
Subtotal Materials & Services	<b>102,721</b>	<b>76,277</b>	<b>107,789</b>	<b>109,382</b>	<b>101,973</b>	<b>105,034</b>	<b>-7%</b>
<b>TOTAL MUNICIPAL COURT</b>	<b>172,621</b>	<b>147,268</b>	<b>187,307</b>	<b>194,700</b>	<b>220,280</b>	<b>226,330</b>	<b>13%</b>

**CITY OF PHILOMATH  
GENERAL FUND - MUNICIPAL COURT  
2012-13 BUDGET NARRATIVE**

**PERSONNEL SERVICES**

City Recorder	5,191
Finance Staff	46,294
Judge	<u>24,120</u>
TOTAL SALARIES	<u>75,605</u>
10% of the City Recorders' position, 70% of the Utility Clerks' position and 20% of the Accounting Clerks' position are allocated to the Court.	
INCENTIVE PAY Each employee may receive up to \$300 per month based on acquiring specialized skills.	3,540
LONGEVITY PAY Management employees receive 5% after 10 years of service and 10% after 15 years of service	260
SOCIAL SECURITY Calendar year 2012 rate is 7.65%	6,057
PERS The City pays both the employer and employee contributions. For fiscal year 2012-13 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate is 8.02%, and the employee rate is 6%.	10,912
WORKERS' COMPENSATION	149
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue	35
DEFERRED COMPENSATION 6% retirement benefit for management employees	345
HEALTH INSURANCE \$1,000 deductible plan, 7% increase over 2011-12 premium	15,916
DENTAL INSURANCE 9% increase over 2011-12 premium	2,333
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible	1,100
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000.	55
SICK & VACATION ACCRUAL Liability for unused vacation and sick leave payable upon termination	<u>2,000</u>
<b>TOTAL PERSONNEL SERVICES</b>	<b><u><u>118,307</u></u></b>

**CITY OF PHILOMATH  
GENERAL FUND - MUNICIPAL COURT  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES**

Credit Card Fees	3,300	The court allows fines to be paid with credit cards to encourage payoff of large balances and past due amounts
Collection Agency	2,000	Fee paid for collections on delinquent accounts
Computer Support	1,300	Maintenance contract on court software
Court Fees -- State	38,000	State mandated fees collected as part of court fines
Court Fees -- Benton County	2,800	Fee for the county jail, collected on citations issued before January 1, 2012. 30% of collections are retained by the City for administrative costs.
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	225	Court portion of City liability insurance
Interpreter	1,400	Court interpreter if defendant does not speak English
Jury Fees	550	20 jurors are called for each jury trial. Fee is \$10 per call to report.
Miscellaneous	148	Incidental expenses
Office Supplies	2,200	Copier cost, paper and other office supplies
Postage	1,300	Postage for court correspondence
Prisoner Care	37,000	Payment to Benton County jail when the judge orders jail time as part of a court sentencing
Publications	150	Legal and court publications
Telephone	600	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
<b>TOTAL MATERIALS &amp; SERVICES</b>	<b><u><u>101,973</u></u></b>	

## The Philomath 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.

Last April, Philomath's K-9, Ilox, was found deceased in his kennel. Ilox lived with his handler, Officer David Gurski and his family. Ilox was taken to the Oregon State University Veterinary Diagnostic Laboratory for a necropsy. OSU was able to determine that Ilox had died of natural causes.

After a lengthy discussion with the Police Committee, it was decided not to get another dog. This decision was based upon the impact upon the budget. Not continuing this program will result in considerable savings to the police budget but at the same time we will be losing a considerable asset.



The Philomath Police Dept. recently purchased a prescription drug disposal unit where residents can drop off unwanted or expired prescription drugs. Our drug disposal service is intended to complement the work of the Benton County Sheriff's Office and its partners who offer an annual prescription drug take back event. The unit cost \$1000 and was purchased after we noticed an increase in prescription drugs turned in by Philomath residents at the annual drug take back event.

The police budget for this year represents a status quo budget. We are not adding any new project or programs. While this may appear as a negative situation, it is a situation that many cities in Oregon would love to emulate. In many of the jurisdictions around us, budgets are being cut and positions are being eliminated or simply not being filled.

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

**CITY OF PHILOMATH ANNUAL BUDGET  
FISCAL YEAR 2012-13  
GENERAL FUND - POLICE**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>PERSONNEL SERVICES</b>							
10 5 4120 Police Chief	73,428	74,904	77,520	79,056	81,600	83,640	3%
10 5 4152 Sergeant	65,503	62,596	69,055	70,800	78,000	79,950	10%
10 5 4162 Police Officers	308,052	328,911	347,998	365,618	380,850	390,371	4%
10 5 4174 Administrative Secretary	36,397	36,336	39,476	42,296	45,544	46,683	8%
10 5 4259 Extra Hire	866	994	110	1,100	500	513	-55%
10 5 4310 Holiday Pay	11,144	10,300	11,112	13,326	12,130	12,433	-9%
10 5 4320 Overtime	30,884	22,832	23,165	37,200	30,031	30,782	-19%
10 5 4321 Overtime - Training	4,582	5,415	5,809	6,000	3,200	3,280	-47%
10 5 4330 Shift Differential	4,682	4,823	5,097	0	0	0	
10 5 4348 Boot Allowance	0	1,200	0	1,200	0	1,050	-100%
10 5 4350 Uniform Allowance	4,305	3,360	3,360	3,360	2,940	2,940	-13%
10 5 4360 Incentive Pay	600	600	600	2,600	2,000	2,000	-23%
10 5 4362 Special Assignment Pay	0	0	0	0	5,400	5,400	100%
10 5 4366 Longevity Pay	0	0	0	2,961	0	0	-100%
10 5 4370 Sick Leave Conversion	0	0	233	1,893	0	0	-100%
10 5 4500 Social Security	42,583	42,241	44,522	48,000	50,849	52,120	6%
10 5 4520 PERS	75,117	66,750	70,836	95,602	83,910	86,009	-12%
10 5 4540 Workers' Compensation	18,778	16,511	16,652	18,070	17,000	18,360	-6%
10 5 4560 Workers' Benefit Fund Assmt	275	271	273	280	280	280	0%
10 5 4620 Deferred Compensation	6,151	6,745	7,095	7,643	25,234	25,234	100%
10 5 4640 Health Insurance	93,625	101,755	109,967	107,528	129,886	140,298	21%
10 5 4660 Dental Insurance	13,987	14,254	15,478	16,870	19,994	21,510	19%
10 5 4670 Health Reimbursement Account	20,500	750	4,500	8,622	9,000	9,000	4%
10 5 4680 Life Insurance	724	599	612	660	770	801	17%
10 5 4820 Sick & Vacation Accrual	17,395	0	0	14,000	12,200	13,000	-13%
Subtotal Personnel Services	<b>829,577</b>	<b>802,147</b>	<b>853,471</b>	<b>944,685</b>	<b>991,318</b>	<b>1,025,653</b>	<b>5%</b>
<b>MATERIALS AND SERVICES</b>							
10 5 5010 Accreditation	850	556	550	560	720	742	29%
10 5 5015 Advertising & Legal Notices	1,554	445	148	450	1,300	1,339	100%
10 5 5075 Bike Olympics	720	686	530	800	750	773	-6%
10 5 5102 Car Wash	456	247	428	325	450	464	38%
10 5 5137 Computer Support	1,223	0	70	0	0	0	
10 5 5143 Computer Line Charges	243	175	1,863	2,000	3,100	3,193	55%
10 5 5160 Coroner Investigation	0	4,921	4,921	5,300	4,921	5,069	-7%
10 5 5233 Dues	1,197	1,164	1,289	1,300	1,300	1,339	0%
10 5 5245 Education & Training	940	2,452	2,553	3,700	3,000	3,090	-19%
10 5 5283 Equipment Repair/Maintenance	2,332	960	1,393	2,500	1,400	1,442	-44%
10 5 5300 Firearms Training	4,198	3,309	3,290	3,400	3,500	3,605	3%
10 5 5305 Gas & Oil	15,022	17,572	23,601	22,000	25,000	25,750	14%
10 5 5325 Insurance	16,123	17,767	11,152	12,300	17,360	17,881	41%
10 5 5365 K-9	1,762	2,064	1,637	1,800	0	0	-100%
10 5 5367 Labor Consultant	3,398	0	0	0	0	0	
10 5 5377 LEDS/NCIC Teletype Service	260	260	260	260	360	371	38%
10 5 5379 Lexipol	2,950	2,950	2,950	2,950	2,950	3,039	0%
10 5 5383 Maintenance Agreement	700	1,900	172	2,800	1,900	1,957	-32%
10 5 5387 Medical Expenses	1,188	895	141	845	600	618	-29%
10 5 5390 Miscellaneous	3,626	2,903	2,791	3,968	3,171	3,269	-20%
10 5 5407 9-1-1 Center	92,820	118,970	118,440	118,500	128,290	139,420	8%
10 5 5413 Office Supplies	6,838	6,865	6,387	7,400	7,000	7,210	-5%
10 5 5465 Postage	1,332	659	443	1,200	800	824	-33%
10 5 5475 Prisoner Care	3,000	1,185	1,575	2,000	1,600	1,648	-20%
10 5 5498 RAIN	1,133	1,235	1,241	895	930	958	4%
10 5 5507 Records Management System	3,050	3,050	3,050	3,050	3,050	3,142	0%

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**CITY OF PHILOMATH ANNUAL BUDGET  
FISCAL YEAR 2012-13  
GENERAL FUND - POLICE**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>MATERIALS AND SERVICES (CONTINUED)</b>							
10 5 5510 Reserves	1,946	1,915	721	2,000	2,000	2,060	0%
10 5 5563 Small Tools & Equipment	5,155	8,148	7,224	6,400	6,800	7,004	6%
10 5 5587 Supplies	978	870	2,229	2,300	1,300	1,339	-43%
10 5 5603 Telephone	6,726	8,077	7,595	7,800	6,500	6,695	-17%
10 5 5645 Tires	533	1,270	2,171	1,800	1,800	1,854	0%
10 5 5665 Travel, Meals, Hotel	3,786	3,433	3,001	3,800	3,900	4,017	3%
10 5 5703 Uniforms	7,804	5,580	3,343	5,400	4,500	4,635	-17%
10 5 5745 Vehicle Repair & Maintenance	11,853	14,641	16,089	14,500	13,000	13,390	-10%
10 5 5765 Willamette Criminal Justice Cncl	512	512	512	512	750	773	46%
10 5 5797 Youth Services	2,623	2,516	1,987	3,500	3,000	3,090	-14%
Subtotal Materials and Services	<b>208,832</b>	<b>240,152</b>	<b>235,746</b>	<b>248,315</b>	<b>257,002</b>	<b>271,996</b>	<b>3%</b>
<b>TOTAL POLICE BUDGET</b>	<b>1,038,409</b>	<b>1,042,299</b>	<b>1,089,217</b>	<b>1,193,000</b>	<b>1,248,320</b>	<b>1,297,650</b>	<b>5%</b>

**CITY OF PHILOMATH  
GENERAL FUND - POLICE  
2012-13 BUDGET NARRATIVE**

**PERSONNEL SERVICES**

Police Chief	81,600
Police Sergeant	78,000
7 Police Officers	380,850
Administrative Secretary	45,544
TOTAL SALARIES	585,994
Management salaries include a 2% cost-of-living increase. Officer salaries include a 2.5% cost-of-living increase.	
EXTRA HIRE To fill in shifts when necessary	500
HOLIDAY PAY	12,130
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.	
OVERTIME Extra stay beyond normal shift, monthly staff meetings, and court appearances	30,031
OVERTIME - TRAINING Allows officers to train on their days off rather than during their patrol duty	3,200
UNIFORM ALLOWANCE \$35 monthly cleaning allowance paid to all officers	2,940
INCENTIVE PAY Physical fitness incentive for police officers	2,000
SPECIAL ASSIGNMENT PAY Special duties assigned to certain officers such as Evidence Custodian, Firearms Instructor etc. Officers may receive up to a maximum of \$100 per month.	5,400
SOCIAL SECURITY Calendar year 2012 rate is 7.65%	50,849
PERS	83,910
The City pays both the employer and employee contributions. For fiscal year 2012-13 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate is 10.73%, and the employee rate is 6%.	
WORKERS' COMPENSATION	17,000
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue	280
DEFERRED COMPENSATION 6% retirement benefit for management employees other than the Police Chief who will receive a 457 contribution in lieu of other retirement benefits.	25,234
HEALTH INSURANCE \$1,000 deductible plan, 7% increase over 2011-12 premium	129,886
DENTAL INSURANCE 9% increase over 2011-12 premium	19,994
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible	9,000
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000.	770
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination	12,200
<b>TOTAL PERSONNEL SERVICES</b>	<b>991,318</b>

**CITY OF PHILOMATH  
GENERAL FUND - POLICE  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES**

Accreditation	720	Annual fee to Oregon Accreditation Alliance to help the department with policy development and training.
Advertising & Legal Notices	1,300	Advertising for unclaimed property, job postings
Bike Olympics	750	Prizes and supplies for bike safety programs held at the elementary and middle schools
Car Wash	450	Car wash police vehicles
Computer Line Charges	3,100	Internet provider fee
Coroner Investigation	4,921	City's contribution towards County coroner's salary
Dues	1,300	Dues to various professional organizations
Education and Training	3,000	Continuing education and training
Equipment Repair and Maintenance	1,400	Repair of police and office equipment
Firearms Training	3,500	Firearms training supplies for officers and reserves
Gas & Oil	25,000	Gasoline and oil changes for police vehicles
Insurance	17,360	Police portion of city liability and auto insurance
LEDS/NCIC Teletype Service	360	Teletype access to LEDS, NCIC and DMV
Lexipol	2,950	Policy manual
Maintenance Agreement	1,900	Maintenance agreement on building security locks, cameras and security alarm
Medical Expense	600	Medical and psychological examinations for new hires, Hepatitis B shots and follow-ups
Miscellaneous	3,171	Small items that do not fall into other categories
9-1-1 Center	128,290	City share of 911 Center operating costs
Office Supplies	7,000	Office, computer and copier supplies
Postage	800	Stamps, registered mail and mailing of evidence to crime lab
Prisoner Care	1,600	Cost to book and house prisoners at the Benton County jail
RAIN	930	Criminal justice information system throughout the state of Oregon
Records Management System	3,050	Maintenance contract on police department software
Reserves	2,000	Incidental expenses for reserve officers
Small Tools and Equipment	6,800	Purchase of equipment costing less than \$1,000

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**CITY OF PHILOMATH  
GENERAL FUND - POLICE  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES (CONTINUED)**

Supplies	1,300	Departmental supplies
Telephone	6,500	Telephone, cellular phones and pagers
Tires	1,800	Purchase and repair of vehicle tires
Travel, Meals and Hotel	3,900	Meals and lodging when officers attend training classes and conferences or to transport prisoners or conduct background investigations
Uniforms	4,500	New and replacement uniforms
Vehicle Repair and Maintenance	13,000	Routine repairs and maintenance of police vehicles
Willamette Criminal Justice Council	750	Willamette Criminal Justice Council dues
Youth Services	<u>3,000</u>	Advertising and promotional material targeted towards youth in the community
<b>TOTAL MATERIALS AND SERVICES</b>	<b><u>257,002</u></b>	

**CITY OF PHILOMATH ANNUAL BUDGET  
FISCAL YEAR 2012-13  
GENERAL FUND - BUILDINGS AND GROUNDS**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>PERSONNEL SERVICES</b>							
10 6 4120 Public Works Director	465	622	676	724	775	795	7%
10 6 4155 Public Works Supervisor	590	411	557	2,985	3,196	3,383	7%
10 6 4164 Utility Maintenance Workers	6,855	7,235	7,161	7,840	8,052	8,254	3%
10 6 4176 Office Specialist	0	0	0	792	0	0	-100%
10 6 4250 Custodian	11,941	7,548	9,433	10,350	12,355	12,355	19%
10 6 4258 Seasonal/Part Time	0	0	0	980	976	996	0%
10 6 4320 Overtime	51	31	26	53	26	14	-51%
10 6 4340 On-Call Time	162	175	180	234	182	182	-22%
10 6 4360 Incentive Pay	592	296	323	635	600	600	-6%
10 6 4500 Social Security	1,580	1,251	1,404	1,881	2,001	2,033	6%
10 6 4520 PERS	3,225	1,180	1,669	3,176	3,254	3,324	2%
10 6 4540 Workers' Compensation	692	584	1,034	900	760	830	-16%
10 6 4560 Workers' Benefit Fund Assmt	16	14	15	20	20	20	0%
10 6 4620 Deferred Compensation	65	64	76	234	249	262	6%
10 6 4640 Health Insurance	6,851	2,510	2,253	3,080	3,199	3,449	4%
10 6 4660 Dental Insurance	884	318	282	438	456	490	4%
10 6 4670 Health Reimbursement Account	1,393	20	98	220	210	210	-5%
10 6 4680 Life Insurance	79	22	18	27	23	23	-15%
10 6 4820 Sick & Vacation Accrual	0	36	0	236	304	116	29%
Subtotal Personnel Services	<b>35,441</b>	<b>22,317</b>	<b>25,205</b>	<b>34,805</b>	<b>36,638</b>	<b>37,336</b>	<b>5%</b>
<b>MATERIALS AND SERVICES</b>							
10 6 5095 Building Repair & Maintenance	8,797	11,796	20,440	12,000	20,000	12,000	67%
10 6 5285 Equipment Repair & Maintenance	0	0	4,690	0	500	515	100%
10 6 5305 Gas and Oil	286	410	0	300	0	0	-100%
10 6 5315 Grounds Maintenance	3,696	3,062	11,925	11,200	7,000	7,210	-38%
10 6 5325 Insurance	3,828	3,728	3,688	4,100	5,470	5,634	33%
10 6 5375 Landscape Maintenance	0	0	0	0	5,400	5,562	100%
10 6 5383 Maintenance Agreements	3,217	4,864	1,200	3,000	1,500	1,545	-50%
10 6 5390 Miscellaneous	639	2,405	1,529	795	1,202	1,240	51%
10 6 5535 Security Alarm/Remote Monitor	397	388	610	2,000	800	824	-60%
10 6 5587 Supplies	9,850	8,762	8,858	9,000	8,800	9,064	-2%
10 6 5715 Utilities	25,676	25,567	28,395	28,500	29,000	29,870	2%
10 6 5740 Vandalism	17	0	9	500	500	515	0%
Subtotal Materials & Services	<b>56,403</b>	<b>60,982</b>	<b>81,344</b>	<b>71,395</b>	<b>80,172</b>	<b>73,979</b>	<b>12%</b>
<b>TOTAL BUILDINGS AND GROUNDS BUDGET</b>	<b>91,844</b>	<b>83,299</b>	<b>106,549</b>	<b>106,200</b>	<b>116,810</b>	<b>111,315</b>	<b>10%</b>

**CITY OF PHILOMATH  
GENERAL FUND - BUILDINGS & GROUNDS  
2012-13 BUDGET NARRATIVE**

<b>PERSONNEL SERVICES</b>	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	1%	775
Public Works Supervisor	5%	3,196
Utility Maintenance Workers	4%	8,052
Custodian	90%	12,355
Seasonal/Part Time	8%	<u>976</u>
TOTAL SALARIES		25,354
<p>The time allocation is based on estimated needs of this department for fiscal year 2012-13. Salaries include a 2% cost-of-living increase for management and a 2.5% increase for Utility Maintenance Workers. The Custodian works to clean city buildings for approximately 16 hours per week.</p>		
OVERTIME		26
ON-CALL TIME		182
Prorated portion of weekly payment for public works crew member on standby during off duty time		
INCENTIVE PAY		600
Each employee may receive up to \$300 per month based on acquiring specialized skills		
SOCIAL SECURITY Calendar year 2012 rate is 7.65%		2,001
PERS		3,254
The City pays both the employer and employee contributions. For fiscal year 2012-13 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate is 8.02% and the employee rate is 6%.		
WORKERS' COMPENSATION		760
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue		20
DEFERRED COMPENSATION 6% retirement benefit for management employees		249
HEALTH INSURANCE \$1,000 deductible plan, 7% increase over 2011-12 premium		3,199
DENTAL INSURANCE 9% increase over 2011-12 premium		456
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		210
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000		23
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination		<u>304</u>
<b>TOTAL PERSONNEL SERVICES</b>		<b><u><u>36,638</u></u></b>

**CITY OF PHILOMATH  
GENERAL FUND - BUILDINGS AND GROUNDS  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES**

Building Repair and Maintenance	20,000	Repairs to city buildings, including \$9,000 to paint library
Gas & Oil	500	Prorated share of vehicle fuel costs
Grounds Maintenance	7,000	Cost of grounds maintenance
Insurance	5,470	Buildings and grounds share of city liability policy
Landscape Maintenance	5,400	Contractor to maintain landscaping at city hall, PD & library
Maintenance Agreements	1,500	Maintenance agreement on heating and cooling systems
Miscellaneous	1,202	Incidental expenses
Security Alarm & Remote Monitoring	800	Fee for monitoring security system at city hall, police dept., and library
Supplies	8,800	Restroom supplies, light bulbs, cleaning supplies, etc.
Utilities	29,000	Electricity, natural gas and water for city hall, police building and library
Vandalism	<u>500</u>	Cost to remove or repair damage due to vandalism
<b>TOTAL MATERIALS &amp; SERVICES</b>	<b><u><u>80,172</u></u></b>	

**CITY OF PHILOMATH ANNUAL BUDGET  
FISCAL YEAR 2012-13  
GENERAL FUND - PARKS**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>PERSONNEL SERVICES</b>							
10 7 4120 Public Works Director	465	622	676	724	775	795	7%
10 7 4155 Public Works Supervisor	590	411	557	4,775	5,114	5,412	7%
10 7 4164 Utility Maintenance Workers	11,774	12,476	12,261	9,530	9,842	10,088	3%
10 7 4176 Office Specialist	0	0	0	1,583	0	0	-100%
10 7 4250 Custodian	7,961	607	1,048	1,150	1,373	1,373	19%
10 7 4258 Seasonal/Part Time	6,075	5,349	8,164	7,410	7,632	7,647	3%
10 7 4320 Overtime	73	50	34	62	20	11	-68%
10 7 4340 On-Call Time	279	299	310	286	222	222	-22%
10 7 4360 Incentive Pay	630	450	487	776	717	717	-8%
10 7 4500 Social Security	2,131	1,552	1,800	2,012	1,966	2,010	-2%
10 7 4520 PERS	3,419	1,837	1,844	3,142	2,959	3,057	-6%
10 7 4540 Workers' Compensation	1,001	1,045	967	1,000	1,600	1,760	60%
10 7 4560 Workers' Benefit Fund Assmt	24	16	19	21	20	20	-5%
10 7 4620 Deferred Compensation	65	64	76	348	371	390	7%
10 7 4640 Health Insurance	6,130	3,619	3,659	4,132	3,901	4,208	-6%
10 7 4660 Dental Insurance	820	461	447	580	563	605	-3%
10 7 4670 Health Reimbursement Account	1,270	31	160	335	310	310	-7%
10 7 4680 Life Insurance	70	30	28	31	24	24	-23%
10 7 4820 Sick & Vacation Accrual	0	24	0	315	267	126	-15%
Subtotal Personnel Services	<b>42,777</b>	<b>28,943</b>	<b>32,539</b>	<b>38,212</b>	<b>37,676</b>	<b>38,775</b>	<b>-1%</b>
<b>MATERIALS AND SERVICES</b>							
10 7 5095 Building Repair & Maintenance	192	1,240	1,003	1,300	1,400	1,442	8%
10 7 5107 Certification Costs	0	57	0	500	0	0	-100%
10 7 5147 Contracted Services	0	0	5,061	0	0	0	
10 7 5245 Education and Training	0	176	359	275	300	309	9%
10 7 5285 Equipment Repair/Maintenance	1,134	1,165	1,335	1,200	1,700	1,751	42%
10 7 5305 Gas & Oil	1,904	1,875	1,387	2,000	2,000	2,060	0%
10 7 5315 Grounds Maintenance	3,688	3,402	13,868	12,000	12,000	12,360	0%
10 7 5325 Insurance	1,957	1,780	1,395	1,400	1,760	1,813	26%
10 7 5390 Miscellaneous	586	124	905	513	1,004	1,035	96%
10 7 5515 Safety Equipment	0	0	512	0	300	309	100%
10 7 5563 Small Tools & Equipment	663	794	387	800	1,200	1,236	50%
10 7 5587 Supplies	3,050	3,548	4,585	3,600	6,500	6,695	81%
10 7 5715 Utilities	8,547	10,819	12,582	13,000	12,500	12,875	-4%
10 7 5740 Vandalism	1,094	1,915	418	1,000	1,000	1,030	0%
Subtotal Materials & Services	<b>22,815</b>	<b>26,895</b>	<b>43,795</b>	<b>37,588</b>	<b>41,664</b>	<b>42,915</b>	<b>11%</b>
<b>TOTAL PARKS BUDGET</b>	<b>65,592</b>	<b>55,838</b>	<b>76,334</b>	<b>75,800</b>	<b>79,340</b>	<b>81,690</b>	<b>5%</b>

**CITY OF PHILOMATH  
GENERAL FUND - PARKS  
2012-13 BUDGET NARRATIVE**

<b>PERSONNEL SERVICES</b>	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	1%	775
Public Works Supervisor	8%	5,114
Utility Maintenance Workers	4%	9,842
Custodian	10%	1,373
Seasonal/Part Time	100%	<u>7,632</u>
TOTAL SALARIES		24,736
<p>The time allocation is based on estimated needs of this department for fiscal year 2012-13. Salaries include a 2% cost-of-living increase for management and a 2.5% increase for Utility Maintenance Workers. The seasonal employee mows lawns and helps with other park maintenance duties.</p>		
OVERTIME		20
ON-CALL TIME		222
Prorated portion of weekly payment for public works crew member on standby during off duty time		
INCENTIVE PAY		717
Each employee may receive up to \$300 per month based on acquiring specialized skills		
SOCIAL SECURITY Calendar year 2012 rate is 7.65%		1,966
PERS		2,959
The City pays both the employer and employee contributions. For fiscal year 2012-13 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate is 8.02%, and the employee rate is 6%.		
WORKERS' COMPENSATION		1,600
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue		20
DEFERRED COMPENSATION 6% retirement benefit for management employees		371
HEALTH INSURANCE \$1,000 deductible plan, 7% increase over 2011-12 premium		3,901
DENTAL INSURANCE 9% increase over 2011-12 premium		563
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		310
LIFE INSURANCE Basis Life and AD&D policy. Employee coverage \$30,000		24
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination		<u>267</u>
<b>TOTAL PERSONNEL SERVICES</b>		<b><u>37,676</u></b>

**CITY OF PHILOMATH  
GENERAL FUND - PARKS  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES**

Building Repair and Maintenance	1,400	Painting & minor repairs to park shelters and other structures
Education and Training	300	Pesticide application, play equipment inspection
Equipment Repair and Maintenance	1,700	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	1,760	Prorated share of city commercial liability and property insurance
Miscellaneous	1,004	Incidental expenses
Safety Equipment	300	Protective clothing, equipment and raingear
Small Tools and Equipment	1,200	Purchase of small tools
Supplies	6,500	Restroom supplies, cleaning supplies
Utilities	12,500	Cost of electricity, water and disposal fees for park facilities
Vandalism	<u>1,000</u>	Cost to remove or repair damage due to vandalism
<b>TOTAL MATERIALS AND SERVICES</b>	<b><u>41,664</u></b>	

## **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 2012-13  
GENERAL FUND - NON-DEPARTMENTAL**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>PERSONNEL SERVICES</b>							
10 8 4860	0	7,753	0	0	15,800	0	100%
10 8 4865	0	1,568	0	0	0	0	
	<b>0</b>	<b>9,321</b>	<b>0</b>	<b>0</b>	<b>15,800</b>	<b>0</b>	<b>100%</b>
<b>MATERIALS &amp; SERVICES</b>							
10 8 5015	407	5,345	5,866	1,500	1,500	1,545	0%
10 8 5033	31,800	32,640	32,808	33,108	34,140	35,164	3%
10 8 5034	0	1,358	20,446	15,000	10,000	5,000	-33%
10 8 5045	8,500	7,500	9,750	10,000	11,000	11,330	10%
10 8 5098	39,433	40,643	42,757	46,000	59,300	53,869	29%
10 8 5132	3,996	5,224	6,376	5,700	6,500	6,695	14%
10 8 5133	13,000	16,000	13,000	13,000	16,000	16,000	23%
10 8 5146	0	4,800	1,200	0	0	0	
10 8 5155	9,000	9,450	11,200	9,850	14,750	15,050	50%
10 8 5166	33,440	2,556	1,189	2,000	2,500	2,500	25%
10 8 5233	1,360	1,470	987	1,500	1,000	1,030	-33%
10 8 5234	4,096	4,336	4,335	4,450	4,450	4,584	0%
10 8 5235	3,352	3,411	3,468	3,520	3,484	3,589	-1%
10 8 5245	1,300	0	355	1,000	500	515	-50%
10 8 5255	111	202	0	10,250	250	258	-98%
10 8 5258	0	0	0	0	1,150	1,185	100%
10 8 5290	0	421	336	422	350	361	-17%
10 8 5319	0	0	0	1,000	1,000	1,030	0%
10 8 5325	996	654	182	600	270	280	-55%
10 8 5367	980	105	9,100	0	0	0	
10 8 5390	7,600	14,570	10,271	8,200	6,006	6,186	-27%
10 8 5395	0	620	1,182	650	1,200	1,236	85%
10 8 5401	4,100	11,769	6,913	9,000	7,000	7,210	-22%
10 8 5403	1,205	2,467	1,244	2,600	2,200	2,266	-15%
10 8 5413	626	371	1,351	700	700	721	0%
10 8 5465	191	979	555	800	800	824	0%
10 8 5553	2,300	0	3,345	6,000	5,000	5,150	-17%
10 8 5567	250	250	250	250	250	258	0%
10 8 5665	195	627	512	700	900	927	29%
10 8 5687	1,524	0	12,200	3,000	8,000	8,240	100%
10 8 5755	1,040	0	1,560	0	0	0	
10 8 5770	11,196	0	0	0	0	0	
10 8 5919	100,000	85,500	57,972	0	0	0	
	<b>282,000</b>	<b>253,268</b>	<b>260,710</b>	<b>190,800</b>	<b>200,200</b>	<b>193,000</b>	<b>5%</b>
<b>TOTAL NON-DEPARTMENTAL BUDGET</b>	<b>282,000</b>	<b>262,589</b>	<b>260,710</b>	<b>190,800</b>	<b>216,000</b>	<b>193,000</b>	<b>13%</b>

**CITY OF PHILOMATH  
GENERAL FUND - NON-DEPARTMENTAL  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES**

Advertising & Legal Notices	1,500	Required legal advertising in local newspapers
Attorney Retainer	34,140	Retainer fee for legal services, attendance at council meetings and representation for the City in Municipal Court
Attorney Non Contractual Services	10,000	Provides for additional attorney services
Audit Fees	11,000	Fee for CPA firm to prepare annual audit
Bus Operations	59,300	Bus driver, fuel, maintenance and other operating costs. Philomath shares a bus grant with the city of Corvallis. This amount represents half of the operating cost. The other half is paid for through the transit grant with the City of Corvallis.
Community Appearance	6,500	Annual community spring clean up. Cost to haul dumpsters.
Community Organization Support	16,000	\$10,000 for Philomath Downtown Association, \$6,000 towards full sponsorship of Philomath Frolic fireworks display
Contributions	14,750	Council policy to make available 25% of anticipated state revenue sharing dollars to local social service agencies. Increased to 35% for fiscal year beginning July 2012.
Couplet Projects	2,500	City median and entrance area improvements and maintenance
Dues	1,000	City dues to various organizations
Dues - COG	4,450	Dues to Council of Governments
Dues - LOC	3,484	Dues to League of Oregon Cities. Pays for various services and lobbying efforts on behalf of City concerns.
Education and Training	500	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 Flexible Benefit Fee	1,150	Cost to provide Sec. 125 Cafeteria plan to employees
Ethics Commission Fee	350	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	270	Liability insurance not allocated to a specific department
Miscellaneous	6,006	Incidental expenses
Municipal Code Updates	1,200	Code Publishing charge when Ordinances are created or amended

Continued

**CITY OF PHILOMATH  
GENERAL FUND - NON-DEPARTMENTAL  
2012-13 BUDGET NARRATIVE**

**CONTINUED:**

Network Consultants	7,000	Contract with Council of Governments to provide technical expertise regarding City networks and computer systems
Newsletter/Web page	2,200	\$1,600 cost to print monthly newsletter and \$600 annual web maintenance fee
Office Supplies	700	General office supplies
Postage	800	Postage for Council activities or projects
Sidewalk Enforcement Program	5,000	To enforce sidewalk ordinance. Cost to hire a contractor to put in sidewalk when property owner has not done so by specified time.
State Filing Fee	250	Fee required to file City audit
Travel and Meals	900	City council member travel expenses to League of Oregon Cities meetings and seminars
Tree Maintenance	<u>8,000</u>	Hazardous tree removal, pruning and tree assessment Street tree, median and entrance area maintenance
<b>TOTAL MATERIALS AND SERVICES</b>	<b><u>193,200</u></b>	

**CITY OF PHILOMATH ANNUAL BUDGET  
FISCAL YEAR 2012-13  
GENERAL FUND - TRANSFERS AND CONTINGENCY**

		ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>TRANSFERS</b>								
10 9 8500	To Land Building & Equip Fund	129,500	89,400	90,000	97,000	100,000	90,000	3%
<b>TOTAL TRANSFERS</b>		<b>129,500</b>	<b>89,400</b>	<b>90,000</b>	<b>97,000</b>	<b>100,000</b>	<b>90,000</b>	<b>3%</b>
10 9 9000	<b>CONTINGENCY</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>75,000</b>	<b>100%</b>

## **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.

**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 2012, 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.

**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 and sanding. 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.

**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, two facilities operators, six field representatives, a part-time custodial engineer and part-time GIS technician. 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 2012-13**

<b>PERSONNEL</b>	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14
Public Works Director	46,527	62,196	67,585	72,384	77,520	79,458
Public Works Supervisor	59,033	41,155	55,728	59,692	63,920	67,650
Utility Maintenance Workers	226,905	238,856	235,416	260,408	268,416	275,124
Water/Wastewater Operator	42,202	45,564	49,524	92,526	97,777	103,564
Office Specialist	34,668	37,488	38,813	39,576	0	0
Custodian	19,902	8,155	10,481	11,500	13,728	13,728
Seasonal/Part Time	29,932	31,939	33,156	18,926	19,100	19,350
Overtime	2,808	3,257	2,600	4,251	4,150	3,850
On-Call Time	6,690	6,690	6,920	10,200	9,200	9,200
Incentive Pay	14,289	15,436	16,793	20,400	21,480	21,480
Level 3 Certification	772	911	991	1,015	1,051	1,088
Social Security	37,005	37,615	39,626	45,202	44,090	45,479
PERS	70,548	59,172	62,725	93,309	89,776	92,682
Workers' Compensation	15,793	16,584	19,686	19,600	19,060	20,957
Workers Benefit Fund Assmt	291	303	301	344	316	316
Deferred Compensation	6,482	6,374	7,608	8,206	8,753	9,099
Health Insurance	87,595	96,248	110,432	122,525	127,611	137,660
Dental Insurance	12,607	12,898	14,082	17,345	18,008	19,355
Health Reimbursement Account	18,499	1,167	4,959	10,537	10,000	10,000
Life Insurance	979	813	905	1,071	845	845
Sick and Vacation Accrual	0	60	0	9,002	8,800	4,100
<b>Total Personal Services</b>	<b>733,527</b>	<b>722,881</b>	<b>778,331</b>	<b>918,019</b>	<b>903,601</b>	<b>934,985</b>
<b>MATERIALS &amp; SERVICES</b>	<b>698,679</b>	<b>830,997</b>	<b>930,936</b>	<b>972,988</b>	<b>982,995</b>	<b>1,004,357</b>
<b>CAPITAL IMPROVEMENTS</b>	<b>4,125</b>	<b>0</b>	<b>3,789</b>	<b>56,000</b>	<b>10,000</b>	<b>35,000</b>
<b>DEBT SERVICE</b>	<b>99,930</b>	<b>576,343</b>	<b>357,900</b>	<b>365,973</b>	<b>378,724</b>	<b>362,158</b>
<b>TRANSFERS TO RESERVES</b>						
Equipment Reserve	104,400	77,400	54,800	75,000	87,700	87,000
Street Infrastructure	50,000	0	0	50,000	40,000	40,000
Sewer Infrastructure	215,000	0	0	0	0	0
Water Infrastructure	20,000	30,000	40,000	60,000	40,000	40,000
Storm Drain Infrastructure	8,000	5,000	12,500	10,000	0	0
Public Works Office Equipment	4,000	2,000	2,000	10,000	15,000	5,000
Public Works Building Reserve	16,200	60,000	71,200	25,400	25,000	25,000
To Street Fund	13,000	12,400	13,800	20,100	18,500	19,100
To SDC Fund	0	0	0	0	24,500	24,500
<b>Total Transfers to Reserves</b>	<b>430,600</b>	<b>186,800</b>	<b>194,300</b>	<b>250,500</b>	<b>250,700</b>	<b>240,600</b>
<b>CONTINGENCY</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>70,000</b>	<b>55,000</b>	<b>26,000</b>
<b>TOTAL PUBLIC WORKS DEPARTMENTS</b>	<b>1,966,861</b>	<b>2,317,021</b>	<b>2,265,256</b>	<b>2,633,480</b>	<b>2,581,020</b>	<b>2,603,100</b>

**CITY OF PHILOMATH ANNUAL BUDGET  
FISCAL YEAR 2012-13  
STREET FUND**

		ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED	ESTIMATED	%
		EXPENDED	EXPENDED	EXPENDED	BUDGET	BUDGET	BUDGET	CHANGE
		2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	
<b>REVENUE</b>								
21 0 3001	Cash Balance Forward	71,675	89,216	98,639	93,000	60,000	60,000	-35%
21 0 3020	Interest On Investments	918	452	219	200	200	240	0%
21 0 3120	State Highway Tax	174,349	190,351	225,174	263,000	256,100	259,000	-3%
21 0 3215	Street Utility Fee	52,554	52,543	52,541	52,600	52,600	52,600	0%
21 0 3420	Franchise Fee - Allied Waste	26,103	26,032	26,293	26,100	27,000	27,000	3%
21 0 3450	Franchise Fee - Pioneer Telephone	23,733	20,555	18,063	18,000	15,700	15,000	-13%
21 0 3460	Franchise Fee - Comcast	40,443	41,593	40,533	41,600	41,000	41,000	-1%
21 0 3650	Miscellaneous Income	142	9,369	12,228	0	1,000	1,000	100%
21 0 3990	Transfer-Storm Drain Fund	13,000	12,400	13,800	20,100	18,500	19,100	-8%
<b>TOTAL REVENUES</b>		<b>402,917</b>	<b>442,511</b>	<b>487,490</b>	<b>514,600</b>	<b>472,100</b>	<b>474,940</b>	<b>-8%</b>
<b>EXPENDITURES</b>								
<b>PERSONNEL SERVICES</b>								
21 0 4120	Public Works Director	7,910	10,392	11,489	12,305	13,178	13,508	7%
21 0 4155	Public Works Supervisor	5,903	4,115	5,573	16,714	17,898	18,942	7%
21 0 4164	Utility Maintenance Worker	52,014	54,712	54,248	72,762	75,156	77,035	3%
21 0 4176	Office Specialist	6,934	7,498	7,762	15,039	0	0	-100%
21 0 4258	Seasonal/Part Time	4,972	3,143	2,509	3,063	3,050	3,113	0%
21 0 4320	Overtime	438	222	243	240	162	102	-33%
21 0 4340	On-Call Time	1,243	1,325	1,345	2,184	1,697	1,697	-22%
21 0 4360	Incentive Pay	2,428	2,691	3,150	4,634	4,045	4,045	-13%
21 0 4500	Social Security	6,261	6,433	6,603	9,711	8,812	9,060	-9%
21 0 4520	PERS	12,112	10,480	10,785	20,595	18,359	18,893	-11%
21 0 4540	Workers' Compensation	4,041	4,516	7,501	6,400	7,000	7,700	9%
21 0 4560	Workers' Benefit Fund Assmt	49	51	49	74	63	63	-15%
21 0 4620	Deferred Compensation	850	892	1,049	1,814	1,933	2,015	7%
21 0 4640	Health Insurance	15,573	17,977	19,977	27,165	25,252	27,224	-7%
21 0 4660	Dental Insurance	2,177	2,301	2,490	3,640	3,530	3,792	-3%
21 0 4670	Health Reimbursement Account	3,092	187	913	2,500	2,230	2,230	-11%
21 0 4680	Life Insurance	177	180	194	243	177	177	-27%
21 0 4820	Sick & Vacation Accrual	0	0	0	2,259	1,964	1,024	-13%
Subtotal Personnel Services		<b>126,174</b>	<b>127,115</b>	<b>135,878</b>	<b>201,342</b>	<b>184,506</b>	<b>190,620</b>	<b>-8%</b>
<b>MATERIALS AND SERVICES</b>								
21 0 5012	Administrative Overhead	41,688	38,856	43,116	50,280	51,480	53,024	2%
21 0 5015	Advertising & Legal Notices	0	136	0	500	200	206	-60%
21 0 5053	Bad Debt Write-Off	343	239	379	500	300	309	-40%
21 0 5095	Building Repair & Maintenance	603	1,415	2,297	4,000	2,500	2,575	-38%
21 0 5143	Computer Line Charges	292	360	801	1,100	500	515	-55%
21 0 5195	Crushed Rock/Asphalt	7,413	18,375	3,246	9,000	9,300	9,579	3%
21 0 5233	Dues	164	233	438	500	400	412	-20%
21 0 5238	Dump Fees/Excavation	0	0	215	0	300	309	100%
21 0 5245	Education and Training	236	686	590	400	500	515	25%
21 0 5265	Engineering	2,060	586	106	4,000	4,000	4,120	0%
21 0 5285	Equipment Repair & Maintenance	1,062	732	2,919	5,000	5,000	5,150	0%
21 0 5305	Gas & Oil	5,977	5,499	9,254	8,300	12,500	12,875	51%
21 0 5325	Insurance	2,649	2,568	1,671	1,000	2,700	2,781	100%
21 0 5375	Landscape Maintenance	0	0	1,455	1,600	1,600	1,648	0%
21 0 5383	Maintenance Agreements	1,603	1,053	199	0	200	206	100%
21 0 5387	Medical Expense	248	439	480	600	500	515	-17%
21 0 5390	Miscellaneous	881	715	3,523	1,208	2,354	2,598	95%
21 0 5413	Office Supplies	575	1,469	671	1,350	1,200	1,236	-11%
21 0 5423	Oil Mat/Crack & Slurry Seal	0	0	35,442	24,000	7,700	7,931	-68%
21 0 5465	Postage	42	53	41	60	60	62	0%

Continued Next Page

**CITY OF PHILOMATH ANNUAL BUDGET  
FISCAL YEAR 2012-13  
STREET FUND**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE	
<b>MATERIALS &amp; SERVICES (CONTINUED)</b>								
21 0 5515	Safety Equipment	1,786	2,325	1,088	1,800	1,800	1,854	0%
21 0 5535	Security Alarm & Remote Monitoring	103	207	1,453	210	0	0	-100%
21 0 5557	Sidewalk Improvement	200	0	18,249	12,000	6,000	6,180	-50%
21 0 5563	Small Tools & Equipment	801	2,400	1,777	2,000	2,000	2,060	0%
21 0 5577	Street Lights/Traffic Signals	33,941	36,815	40,338	40,000	44,000	45,320	10%
21 0 5583	Street Signs	4,667	8,029	7,208	8,000	6,000	6,180	-25%
21 0 5587	Supplies	3,010	5,452	6,297	8,000	6,500	6,695	-19%
21 0 5603	Telephone	161	875	424	400	1,500	1,545	100%
21 0 5645	Tires	0	0	485	400	400	412	0%
21 0 5665	Travel and Meals	0	282	662	700	700	721	0%
21 0 5703	Uniforms	759	846	767	800	800	824	0%
21 0 5704	Uniform Cleaning	329	1,363	1,280	1,350	1,400	1,442	4%
21 0 5715	Utilities	5,056	4,163	4,671	5,000	5,200	5,356	4%
21 0 5740	Vandalism	15	0	0	500	500	515	0%
21 0 5745	Vehicle Repair & Maintenance	4,963	7,386	4,575	2,500	5,000	5,150	100%
	<b>Subtotal Materials &amp; Services</b>	<b>121,627</b>	<b>143,557</b>	<b>196,118</b>	<b>197,058</b>	<b>185,094</b>	<b>190,820</b>	<b>-6%</b>
<b>TRANSFERS</b>								
21 0 8520	To LBE Fund - Equipment	15,900	23,200	16,300	16,200	17,500	17,500	8%
21 0 8540	To LBE Fund - Infrastructure	50,000	0	0	50,000	40,000	40,000	-20%
21 0 8560	To LBE Fund - P/W Building	0	50,000	50,000	0	0	0	
	<b>Subtotal Transfers</b>	<b>65,900</b>	<b>73,200</b>	<b>66,300</b>	<b>66,200</b>	<b>57,500</b>	<b>57,500</b>	<b>-13%</b>
21 0 9000	Contingency	0	0	0	30,000	25,000	16,000	-17%
	<b>TOTAL EXPENDITURES</b>	<b>313,701</b>	<b>343,872</b>	<b>398,296</b>	<b>494,600</b>	<b>452,100</b>	<b>454,940</b>	<b>-9%</b>
21 0 9500	UNAPPROPRIATED ENDING BAL	0	0	0	20,000	20,000	20,000	0%
	<b>Excess Revenues Over Expenditures</b>	<b>89,216</b>	<b>98,639</b>	<b>89,194</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**CITY OF PHILOMATH  
STREET FUND  
2012-13 BUDGET NARRATIVE**

<b>PERSONNEL SERVICES</b>	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	17%	13,178
Public Works Supervisor	28%	17,898
Utility Maintenance Workers	28%	75,156
Seasonal/Part Time	25%	<u>3,050</u>
TOTAL SALARIES		109,282
The time allocation is based on estimated needs of this fund for fiscal year 2012-13. Salaries include a 2% cost-of-living increase for management and a 2.5% increase for Utility Maintenance Workers. The part time GIS technician maps street upgrades and records street maintenance.		
OVERTIME		162
ON-CALL TIME		1,697
Prorated portion of weekly payment for public works crew member on standby during off duty time		
INCENTIVE PAY		4,045
Each employee may receive up to \$300 per month based on acquiring specialized skills		
SOCIAL SECURITY Calendar year 2012 rate is 7.65%		8,812
PERS		18,359
The City pays both the employer and employee contributions. For fiscal year 2012-13 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate is 8.02%, and the employee rate is 6%.		
WORKERS' COMPENSATION		7,000
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue		63
DEFERRED COMPENSATION 6% retirement benefit for management employees		1,933
HEALTH INSURANCE \$1,000 deductible plan, 7% increase over 2011-12 premium		25,252
DENTAL INSURANCE 9% increase over 2011-12 premium		3,530
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		2,230
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000		177
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination		<u>1,964</u>
<b>TOTAL PERSONNEL SERVICES</b>		<b><u>184,506</u></b>

**CITY OF PHILOMATH  
STREET FUND  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES**

Administrative Overhead	51,480	Transfer to General Fund to pay for Street Fund portion of accounting and other administrative expenses
Advertising and Legal Notices	200	Advertising for bids, sale of surplus equipment, and employment positions
Bad Debt Write-Off	300	To write-off uncollectible customer accounts
Building Repair and Maintenance	2,500	Prorated cost of painting and minor repairs for public works buildings
Computer Line Charges	500	Internet provider fees
Crushed Rock and Asphalt	9,300	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	400	Membership in professional organizations
Dump fees/Excavation	300	\$1 per yard for disposal of excavation materials
Education and Training	500	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	12,500	Prorated share of vehicle fuel costs
Insurance	2,700	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
Maintenance Agreements	200	Service agreements on City assets
Medical Expenses	500	Prorated share of mandatory CDL physical, drug and alcohol testing and required vaccinations
Miscellaneous	2,354	Incidental expenses
Office Supplies	1,200	Copier cost, paper and other office supplies
Oil Mat/Crack & Slurry Seal	7,700	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
Sidewalk Improvement	6,000	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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04/17/12

**CITY OF PHILOMATH  
STREET FUND  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES (CONTINUED)**

Street Lights and Traffic Signals	44,000	Cost of electricity to operate street lights and traffic signals
Street Signs	6,000	Replacement or installation of street, regulatory and informational signs
Supplies	6,500	Traffic paint and related supplies
Telephone	1,500	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	1,400	Prorated cost of laundry for coveralls and shop rags
Utilities	5,200	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>5,000</u>	Prorated cost of repairs to vehicles
<b>TOTAL MATERIALS &amp; SERVICES</b>	<b><u>185,094</u></b>	

**TRANSFERS**

To LBE Fund - Equipment	17,500	Set aside for future equipment replacement
To LBE Fund - Infrastructure	<u>40,000</u>	Reserve to support capital improvement plan
<b>TOTAL TRANSFERS</b>	<b><u>57,500</u></b>	

**CITY OF PHILOMATH ANNUAL BUDGET  
FISCAL YEAR 2012-13  
WATER FUND**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>REVENUES</b>							
51 0 3001 Cash Balance Forward	79,414	102,549	132,360	114,400	61,300	62,000	-46%
51 0 3020 Interest on Investments	804	506	354	400	300	325	-25%
51 0 3201 Metered Water Sales	770,739	795,817	819,576	860,000	867,300	870,000	1%
51 0 3202 Fire Line Fee	675	1,620	1,620	1,620	1,800	1,890	11%
51 0 3220 Water Meter Installations	7,560	8,881	5,050	4,500	4,380	6,130	-3%
51 0 3230 New Account Set Up Fee	695	790	740	790	820	820	4%
51 0 3235 Shut Off Notice Fee	9,473	9,068	7,607	9,100	7,900	7,900	-13%
51 0 3240 Late Fees	4,009	4,041	3,549	4,100	4,050	4,050	-1%
51 0 3650 Miscellaneous Receipts	5,946	7,973	2,885	2,000	3,000	3,000	50%
<b>TOTAL REVENUES</b>	<b>879,315</b>	<b>931,245</b>	<b>973,741</b>	<b>996,910</b>	<b>950,850</b>	<b>956,115</b>	<b>-5%</b>
<b>EXPENDITURES</b>							
<b>PERSONNEL SERVICES</b>							
51 0 4120 Public Works Director	19,076	25,682	27,710	29,677	31,783	32,578	7%
51 0 4155 Public Works Supervisor	28,336	19,557	26,750	19,101	20,454	21,648	7%
51 0 4164 Utility Maintenance Workers	98,092	103,695	102,701	102,487	105,577	108,215	3%
51 0 4166 Water/Wastewater Operator	25,321	27,338	29,714	47,162	49,623	52,307	5%
51 0 4176 Office Specialist	13,867	14,995	15,523	13,060	0	0	-100%
51 0 4258 Seasonal/Part Time	14,754	17,841	15,021	4,655	4,636	4,731	0%
51 0 4320 Overtime	1,349	1,741	1,387	2,148	2,177	2,033	1%
51 0 4340 On-Call Time	3,111	3,047	3,201	4,268	3,954	3,954	-7%
51 0 4360 Incentive Pay	6,058	6,836	7,330	8,414	9,142	9,142	9%
51 0 4365 Level 3 Certification	772	911	991	1,015	1,051	1,088	4%
51 0 4500 Social Security	16,121	16,956	17,620	17,716	17,440	17,997	-2%
51 0 4520 PERS	30,324	26,934	28,396	37,413	36,512	37,680	-2%
51 0 4540 Workers' Compensation	7,966	8,764	8,230	9,200	8,000	8,800	-13%
51 0 4560 Workers' Benefit Fund Assmt	125	136	131	129	120	120	-7%
51 0 4620 Deferred Compensation	2,909	2,805	3,364	3,022	3,225	3,344	7%
51 0 4640 Health Insurance	35,553	43,312	50,553	49,651	53,109	57,298	7%
51 0 4660 Dental Insurance	5,221	5,868	6,463	7,100	7,536	8,101	6%
51 0 4670 Health Reimbursement Account	7,597	536	2,240	4,119	3,970	3,970	-4%
51 0 4680 Life Insurance	382	333	384	435	357	358	-18%
51 0 4820 Sick & Vacation Accrual	0	0	0	3,618	3,846	1,590	6%
Subtotal Personnel Services	<b>316,936</b>	<b>327,287</b>	<b>347,710</b>	<b>364,390</b>	<b>362,512</b>	<b>374,954</b>	<b>-1%</b>
<b>MATERIALS AND SERVICES</b>							
51 0 5012 Administrative Overhead	96,288	91,320	102,576	124,776	114,120	117,544	-9%
51 0 5015 Advertising & Legal Notices	1,556	971	1,720	1,550	1,000	1,030	-35%
51 0 5053 Bad Debt Write-Off	7,571	5,918	6,544	7,500	6,000	6,180	-20%
51 0 5095 Building Repair & Maintenance	5,147	1,837	4,297	15,000	8,000	8,240	-47%
51 0 5107 Certification Costs	0	0	460	800	700	721	-13%
51 0 5137 Computer Support	2,369	1,818	1,452	1,500	0	0	-100%
51 0 5143 Computer Line Charges	352	711	1,257	1,300	1,300	1,339	0%
51 0 5145 Concrete Sidewalk/Curb	3,425	3,770	1,936	5,500	4,000	4,120	-27%
51 0 5155 Contributions	1,000	2,000	3,000	3,000	3,000	3,000	0%
51 0 5185 Cross Connection Control	300	420	477	500	500	515	0%
51 0 5195 Crushed Rock/Asphalt	6,507	3,393	11,316	10,000	12,000	12,360	20%
51 0 5225 DEQ Discharge Permit	435	435	448	450	470	484	4%
51 0 5233 Dues	1,554	3,158	1,323	2,000	1,800	1,854	-10%
51 0 5238 Dump fee/Excavation	0	0	24	500	500	515	0%
51 0 5245 Education & Training	2,346	1,003	1,253	1,500	1,400	1,442	-7%
51 0 5265 Engineering	3,134	1,233	322	4,000	4,000	4,120	0%
51 0 5275 Equipment Rental	0	660	282	1,100	1,100	1,133	0%
51 0 5285 Equipment Repair & Maintenance	17,424	26,391	17,826	18,000	25,000	25,750	39%

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**CITY OF PHILOMATH ANNUAL BUDGET  
FISCAL YEAR 2012-13  
WATER FUND**

			ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED	ESTIMATED	%	
			EXPENDED	EXPENDED	EXPENDED	BUDGET	BUDGET	BUDGET	CHANGE	
			2008-09	2009-10	2010-11	2011-12	2012-13	2013-14		
<b>MATERIALS &amp; SERVICES (CONTINUED)</b>										
51 0 5305	Gas & Oil		4,381	4,083	6,325	6,000	7,900	8,137	32%	
51 0 5325	Insurance		11,859	11,360	6,908	5,600	10,850	11,176	94%	
51 0 5373	Laboratory Analysis		11,958	27,647	7,696	20,000	13,000	13,390	-35%	
51 0 5375	Landscape Maintenance		0	0	8,614	8,800	8,800	9,064	0%	
51 0 5383	Maintenance Agreements		1,679	6,700	199	0	80	82	100%	
51 0 5387	Medical Expenses		247	439	512	500	525	541	5%	
51 0 5390	Miscellaneous		2,600	6,123	3,046	1,379	2,637	3,166	91%	
51 0 5413	Office Supplies		1,484	1,988	1,986	1,900	1,900	1,957	0%	
51 0 5445	Pipes/Fittings/Mechanical		7,803	8,307	34,480	12,000	13,000	13,390	8%	
51 0 5465	Postage		261	715	623	400	600	618	50%	
51 0 5513	Rock Creek Water Purchase		6,930	15,757	8,686	24,300	16,000	16,480	-34%	
51 0 5515	Safety Equipment		2,008	2,052	1,779	2,100	2,800	2,884	33%	
51 0 5535	Security Alarm & Remote Monitoring		1,338	705	1,453	300	0	0	-100%	
51 0 5563	Small Tools & Equipment		2,849	5,524	2,270	4,000	4,300	4,429	8%	
51 0 5587	Supplies		4,771	9,522	12,822	10,000	11,500	11,845	15%	
51 0 5597	System Supplies & Maintenance		7,815	23,329	17,163	12,000	30,000	30,900	150%	
51 0 5603	Telephone		4,598	4,712	3,018	3,500	4,500	4,635	29%	
51 0 5645	Tires		0	335	741	620	800	824	29%	
51 0 5665	Travel and Meals		2,455	1,475	1,602	1,650	1,650	1,700	0%	
51 0 5685	Treatment Chemicals		29,675	27,423	29,036	32,000	32,000	32,960	0%	
51 0 5703	Uniforms		1,091	1,010	733	800	850	876	6%	
51 0 5704	Uniform Cleaning		454	1,351	1,280	1,340	1,400	1,442	4%	
51 0 5715	Utilities		37,702	36,893	41,553	40,500	46,000	47,380	14%	
51 0 5745	Vehicle Repair & Maintenance		6,383	4,955	4,858	5,000	5,000	5,150	0%	
	Subtotal Materials & Services		<b>299,750</b>	<b>347,443</b>	<b>353,898</b>	<b>393,665</b>	<b>400,982</b>	<b>413,371</b>	<b>2%</b>	
<b>CAPITAL OUTLAY</b>										
51 0 6463	Water Equipment		683	0	0	21,000	5,000	5,000	-76%	
51 0 6467	Water Infrastructure		3,442	0	3,789	30,000	5,000	30,000	-83%	
	Subtotal Capital Outlay		<b>4,125</b>	<b>0</b>	<b>3,789</b>	<b>51,000</b>	<b>10,000</b>	<b>35,000</b>	<b>-80%</b>	
<b>DEBT SERVICE</b>										
51 0 7142	OECD Loan Principal		24,146	25,626	27,197	28,864	30,634	0	6%	
51 0 7144	Contact Chamber Principal		5,637	6,003	6,393	6,809	7,251	16,369	6%	
51 0 7542	OECD Loan Interest		8,365	6,885	5,314	3,647	1,878	0	-49%	
51 0 7544	Contact Chamber Loan Interest		12,807	12,441	12,051	11,635	11,193	10,721	-4%	
	Subtotal Debt Service		<b>50,955</b>	<b>50,955</b>	<b>50,955</b>	<b>50,955</b>	<b>50,956</b>	<b>27,090</b>	<b>0%</b>	
<b>TRANSFERS</b>										
51 0 8520	TO LBE Fund - Equipment		74,900	37,200	38,500	39,200	41,400	40,700	6%	
51 0 8540	TO LBE Fund - Infrastructure		20,000	30,000	40,000	60,000	40,000	40,000	-33%	
51 0 8555	TO LBE Fund - P/W Office Equip		2,000	1,000	1,000	5,000	7,500	2,500	50%	
51 0 8560	TO LBE Fund - P/W Building		8,100	5,000	10,600	12,700	12,500	12,500	-2%	
	Subtotal Transfers		<b>105,000</b>	<b>73,200</b>	<b>90,100</b>	<b>116,900</b>	<b>101,400</b>	<b>95,700</b>	<b>-13%</b>	
51 0 9000	Contingency		0	0	0	20,000	25,000	10,000	25%	
	<b>TOTAL EXPENDITURES</b>		<b>776,766</b>	<b>798,885</b>	<b>846,452</b>	<b>996,910</b>	<b>950,850</b>	<b>956,115</b>	<b>-5%</b>	
51 0 9500	UNAPPROPRIATED ENDING BAL		0	0	0	0	0	0		
	Excess Revenues Over Expenditures		102,549	132,360	127,289	0	0	0		

**CITY OF PHILOMATH  
WATER FUND  
2012-13 BUDGET NARRATIVE**

<b>PERSONNEL SERVICES</b>	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	41%	31,783
Public Works Supervisor	32%	20,454
Utility Maintenance Workers	38%	105,577
Water/Wastewater Operator	50%	49,623
Seasonal/Part Time	38%	<u>4,636</u>
TOTAL SALARIES		212,073
The time allocation is based on estimated needs of this fund for fiscal year 2012-13. Salaries include a 2% COLA increase for management, 2.5% increase for Utility Maintenance Workers and a 3.5% increase for Water/Wastewater Operators. The part time GIS technician maps and records utility lines, service connections, repairs and maintenance.		
OVERTIME		2,177
ON-CALL TIME		3,954
Prorated portion of weekly payment for public works crew member on standby during off duty time		
INCENTIVE PAY		9,142
Each employee may receive up to \$300 per month based on acquiring specialized skills		
LEVEL 3 CERTIFICATION		1,051
2% incentive to Water/Wastewater operator to maintain a level 3 water treatment certification		
SOCIAL SECURITY Calendar year 2012 rate is 7.65%		17,440
PERS		36,512
The City pays both the employer and employee contributions. For fiscal year 2012-13 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate us 8.02% and the employee rate is 6%.		
WORKERS' COMPENSATION		8,000
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue		120
DEFERRED COMPENSATION 6% retirement benefit for management employees		3,225
HEALTH INSURANCE \$1,000 deductible plan, 7% increase over 2011-12 premium		53,109
DENTAL INSURANCE 9% increase over 2011-12 premiums		7,536
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		3,970
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000		357
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination		<u>3,846</u>
<b>TOTAL PERSONNEL SERVICES</b>		<b><u><u>362,512</u></u></b>

**CITY OF PHILOMATH  
WATER FUND  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES**

Administrative Overhead	114,120	Transfer to General Fund to pay Water Fund portion of accounting and other administrative expenses
Advertising and Legal Notices	1,000	Advertising for bids, sale of surplus equipment, and employment positions
Bad Debt Write-Off	6,000	To write-off uncollectible customer accounts
Building Repair & Maintenance	8,000	Prorated cost of painting and minor repairs to shop and public works buildings. Water treatment plant building maintenance
Certification Costs	700	Employee water certifications
Computer Line Charges	1,300	Internet provider fees
Concrete Sidewalk/Curb	4,000	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	12,000	Crushed rock and asphalt needed to backfill and patch utility cuts
DEQ Discharge Permit	470	Mandated Department of Environmental Quality fee
Dues	1,800	Membership in professional organizations
Dump Fees/Excavation	500	\$1 per yard for disposal of excavation materials
Education & Training	1,400	Workshops and seminars to maintain certifications and train employees
Engineering	4,000	Engineering fees
Equipment Rental	1,100	Rental of equipment
Equipment Repair & Maintenance	25,000	Equipment repairs to maintain water system and water plant
Gas and Oil	7,900	Prorated share of vehicle fuel costs
Insurance	10,850	Water Fund share of commercial and vehicle liability, auto physical damage and property insurance
Laboratory Analysis	13,000	Cost of analyzing water samples by an outside certified lab to comply with state requirements
Landscape Maintenance	8,800	Contract landscaping at water treatment plant, water tower and portion of public works office. Testing of backflow prevention devices.

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**CITY OF PHILOMATH  
WATER FUND  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES (CONTINUED)**

Maintenance Agreements	80	Service agreements on City assets
Medical Expenses	525	Prorated share of mandatory CDL physical, drug and alcohol testing and required vaccinations
Miscellaneous	2,637	Incidental expenses
Office Supplies	1,900	Prorated supplies used by public works office
Pipes, Fittings, Mechanical	13,000	Purchase of corporation and curb stops, copper and PVC pipe, and related items
Postage	600	Prorated postage for public works office use
Rock Creek Water Purchase	16,000	Agreement with City of Corvallis to purchase treated water
Safety Equipment	2,800	Protective clothing and equipment
Small Tools and Equipment	4,300	Replace worn-out hand tools & small equipment
Supplies	11,500	Miscellaneous supplies and small parts
System Supplies and Maintenance	30,000	Supplies required to maintain and operate the water system. Includes \$10,000 repair to reservoir and \$6,000 for leak detection
Telephone	4,500	Prorated telephone cost at public works office
Tires	800	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	850	Prorated cost of shirts, pants, boots and coats.
Uniform Cleaning	1,400	Prorated cost of laundry for coveralls and shop rags
Utilities	46,000	Utility cost at water treatment plant and prorated cost of electricity, natural gas and water at public works office/shops
Vehicle Repair & Maintenance	<u>5,000</u>	Prorated cost of repairs to vehicles
<b>TOTAL MATERIALS &amp; SERVICES</b>	<b><u><u>400,982</u></u></b>	

**CITY OF PHILOMATH  
WATER FUND  
2012-13 BUDGET NARRATIVE**

**CAPITAL OUTLAY**

Water Equipment	5,000	Miscellaneous large equipment
Water Infrastructure	<u>5,000</u>	Small infrastructure projects
<b>TOTAL CAPITAL OUTLAY</b>	<b><u>10,000</u></b>	

**DEBT SERVICE**

OECD Loan Principal	30,634	Payment on OECD loan for water reservoir
Contact Chamber Principal	7,251	Payment on OECD loan for contact chamber
OECD Loan Interest	1,878	Interest portion of OECD loan payment
Contact Chamber Interest	<u>11,193</u>	Interest portion of contact chamber loan
<b>TOTAL DEBT SERVICE</b>	<b><u>50,956</u></b>	

**TRANSFERS**

To LBE Fund - Equipment	41,400	Set aside for future equipment replacement
To LBE Fund - Infrastructure	40,000	Reserve to support capital improvement plan
To LBE Fund - P/W Office Equipment	7,500	Furniture and office equipment for public works building
To LBE Fund - P/W Building	<u>12,500</u>	Reserve for future construction/expansion of public works facilities
<b>TOTAL TRANSFERS</b>	<b><u>101,400</u></b>	

**CITY OF PHILOMATH ANNUAL BUDGET  
FISCAL YEAR 2012-13  
SEWER FUND**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE	
<b>REVENUES</b>								
52 0 3001	Cash Balance Forward	80,710	123,944	102,913	63,000	49,000	50,000	-22%
52 0 3020	Interest on Investments	750	712	498	500	200	210	-60%
52 0 3205	Sewer User Fees	697,800	696,323	691,736	730,700	800,000	820,000	9%
52 0 3225	Sewer Permits and Inspections	528	513	321	400	280	390	-30%
52 0 3230	New Account Set Up Fee	695	791	740	790	820	820	4%
52 0 3235	Shut Off Notice Fee	7,790	7,590	6,372	7,400	6,500	6,500	-12%
52 0 3240	Late Fee	3,270	3,367	2,971	3,300	3,340	3,340	1%
52 0 3280	Farm Lease	17,680	17,680	15,980	14,280	12,200	12,200	-15%
52 0 3650	Miscellaneous Receipts	3,227	9,934	5,206	2,000	2,000	2,000	0%
52 0 3985	Transfer from SDC Fund	0	250,000	60,000	90,000	50,000	45,000	-44%
	<b>TOTAL REVENUES</b>	<b>812,449</b>	<b>1,110,854</b>	<b>886,737</b>	<b>912,370</b>	<b>924,340</b>	<b>940,460</b>	<b>1%</b>
<b>EXPENDITURES</b>								
<b>PERSONNEL SERVICES</b>								
52 0 4120	Public Works Director	18,611	24,878	27,034	28,954	31,008	31,783	7%
52 0 4155	Public Works Supervisor	23,614	16,661	22,291	16,117	17,258	18,266	7%
52 0 4164	Utility Maintenance Workers	58,170	60,738	59,045	67,789	69,788	71,532	3%
52 0 4166	Water/Wastewater Operator	16,881	18,226	19,810	45,364	48,154	51,257	6%
52 0 4176	Office Specialist	13,867	14,995	15,523	9,102	0	0	-100%
52 0 4258	Seasonal/Part Time	4,131	5,606	7,462	2,818	2,806	2,864	0%
52 0 4320	Overtime	897	1,213	913	1,748	1,766	1,691	1%
52 0 4340	On-Call Time	1,895	1,844	1,884	3,228	3,146	3,146	-3%
52 0 4360	Incentive Pay	4,581	5,163	5,503	5,941	6,976	6,976	17%
52 0 4500	Social Security	10,912	11,423	12,199	13,882	13,871	14,378	0%
52 0 4520	PERS	21,468	18,741	20,031	28,983	28,692	29,730	-1%
52 0 4540	Workers' Compensation	2,093	1,675	1,954	2,100	1,700	1,865	-19%
52 0 4560	Workers' Benefit Fund Assmt	77	86	87	100	94	94	-6%
52 0 4620	Deferred Compensation	2,593	2,549	3,043	2,788	2,975	3,082	7%
52 0 4640	Health Insurance	23,486	28,830	33,990	38,497	42,150	45,481	9%
52 0 4660	Dental Insurance	3,505	3,950	4,400	5,587	5,922	6,367	6%
52 0 4670	Health Reimbursement Account	5,147	393	1,548	3,363	3,280	3,280	-2%
52 0 4680	Life Insurance	271	248	281	335	264	264	-21%
52 0 4820	Sick and Vacation Accrual	0	0	0	2,574	2,419	1,244	-6%
	Subtotal Personnel Services	<b>212,198</b>	<b>217,219</b>	<b>236,999</b>	<b>279,270</b>	<b>282,269</b>	<b>293,300</b>	<b>1%</b>
<b>MATERIALS AND SERVICES</b>								
52 0 5012	Administrative Overhead	85,548	81,792	92,472	99,468	102,720	105,802	3%
52 0 5015	Advertising & Legal Notices	712	136	0	600	200	206	-67%
52 0 5053	Bad Debt Write-Off	5,376	3,812	6,086	6,500	4,000	4,120	-38%
52 0 5095	Building Repair & Maintenance	2,560	1,834	2,170	4,000	3,500	3,605	-13%
52 0 5107	Certification Costs	0	62	460	500	500	515	0%
52 0 5143	Computer Line Charges	371	0	783	850	600	618	-29%
52 0 5145	Concrete Sidewalks/curb	0	0	338	1,000	700	721	-30%
52 0 5147	Contracted Services	0	0	3,397	0	0	0	
52 0 5155	Contributions	3,000	2,000	3,000	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	2,016	1,376	859	2,500	3,500	3,605	40%
52 0 5225	DEQ Discharge Permit	1,493	1,433	1,476	1,500	1,510	1,555	1%
52 0 5233	Dues	770	855	541	850	700	721	-18%
52 0 5245	Education & Training	1,434	533	947	1,400	1,200	1,236	-14%
52 0 5265	Engineering	2,085	2,178	279	3,500	3,500	3,605	0%
52 0 5285	Equipment Repair & Maintenance	4,984	30,294	24,424	20,000	15,000	15,450	-25%
52 0 5305	Gas & Oil	3,806	4,899	7,507	7,600	8,700	8,961	14%
52 0 5325	Insurance	9,285	9,230	5,958	6,200	9,000	9,270	45%
52 0 5373	Laboratory Analysis	5,587	7,197	9,589	10,300	14,800	15,000	44%

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**CITY OF PHILOMATH ANNUAL BUDGET  
FISCAL YEAR 2012-13  
SEWER FUND**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE	
<b>MATERIALS &amp; SERVICES (CONTINUED)</b>								
52 0 5375	Landscape Maintenance	0	797	1,455	1,600	1,600	1,648	0%
52 0 5383	Maintenance Agreements	2,470	1,810	205	0	80	82	100%
52 0 5387	Medical Expenses	249	511	586	650	650	670	0%
52 0 5390	Miscellaneous	1,898	6,989	1,508	4,004	2,228	2,603	-44%
52 0 5413	Office Supplies	1,128	1,587	1,336	1,600	1,000	1,030	-38%
52 0 5465	Postage	308	98	70	250	70	72	-72%
52 0 5489	Property Lease	441	469	507	525	535	551	2%
52 0 5490	Property Tax	1,919	1,910	1,997	2,060	2,110	2,173	2%
52 0 5515	Safety Equipment	1,910	2,280	1,606	2,100	2,400	2,472	14%
52 0 5535	Security Alarm/Remote Monitoring	1,606	1,304	2,194	850	150	155	-82%
52 0 5545	Sewer Main Repair	495	28,421	26,151	13,000	15,000	15,450	15%
52 0 5563	Small Tools & Equipment	1,824	3,577	3,516	3,500	3,700	3,811	6%
52 0 5587	Supplies	2,260	2,203	3,613	3,500	3,500	3,605	0%
52 0 5597	System Supplies & Maintenance	4,389	6,500	1,262	4,500	2,000	2,060	-56%
52 0 5603	Telephone	2,724	3,127	2,305	2,300	3,500	3,605	52%
52 0 5645	Tires	522	308	656	600	700	721	17%
52 0 5665	Travel and Meals	40	556	793	600	800	824	33%
52 0 5685	Treatment Chemicals	15,135	11,465	15,068	17,500	17,500	18,025	0%
52 0 5695	TV Inspection	0	0	230	2,000	2,000	2,060	0%
52 0 5703	Uniforms	1,234	1,100	733	800	750	773	-6%
52 0 5704	Uniform Cleaning	373	1,360	1,280	1,375	1,400	1,442	2%
52 0 5715	Utilities	13,600	17,235	20,548	21,000	23,500	24,205	12%
52 0 5745	Vehicle Repair & Maintenance	5,081	1,096	2,750	1,500	2,000	2,060	33%
	<b>Subtotal Materials &amp; Services</b>	<b>188,631</b>	<b>242,334</b>	<b>250,653</b>	<b>255,782</b>	<b>260,503</b>	<b>268,292</b>	<b>2%</b>
<b>CAPITAL OUTLAY</b>								
52 0 6477	Sewer Infrastructure	0	0	0	5,000	0	0	-100%
	<b>Subtotal Capital Outlay</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>0</b>	<b>0</b>	<b>-100%</b>
<b>DEBT SERVICE</b>								
52 0 7160	B of A - Principal	30,000	200,000	0	0	0	0	
52 0 7175	Bond Principal	0	0	65,000	75,000	90,000	100,000	20%
52 0 7560	B of A - Interest	18,975	1,421	0	0	0	0	
52 0 7575	Bond Interest	0	323,967	241,945	240,018	237,768	235,068	-1%
	<b>Subtotal Debt Service</b>	<b>48,975</b>	<b>525,388</b>	<b>306,945</b>	<b>315,018</b>	<b>327,768</b>	<b>335,068</b>	<b>4%</b>
<b>TRANSFERS</b>								
52 0 8520	To LBE Fund - Equipment	13,600	17,000	0	19,600	28,800	28,800	47%
52 0 8540	To LBE Fund - Infrastructure	215,000	0	0	0	0	0	
52 0 8555	To LBE Fund - P/W Office Equipment	2,000	1,000	1,000	5,000	7,500	2,500	50%
52 0 8560	To LBE Fund - P/W Building	8,100	5,000	10,600	12,700	12,500	12,500	-2%
	<b>Subtotal Transfers</b>	<b>238,700</b>	<b>23,000</b>	<b>11,600</b>	<b>37,300</b>	<b>48,800</b>	<b>43,800</b>	<b>31%</b>
52 0 9000	Contingency	0	0	0	20,000	5,000	0	-75%
	<b>TOTAL EXPENDITURES</b>	<b>688,505</b>	<b>1,007,941</b>	<b>806,197</b>	<b>912,370</b>	<b>924,340</b>	<b>940,460</b>	<b>1%</b>
52 0 9500	UNAPPROPRIATED ENDING BAL	0	0	0	0	0	0	
	Excess Revenues Over Expenditures	123,944	102,913	80,540	0	0	0	

**CITY OF PHILOMATH  
SEWER FUND  
2012-13 BUDGET NARRATIVE**

<b>PERSONNEL SERVICES</b>	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	40%	31,008
Public Works Supervisor	27%	17,258
Utility Maintenance Workers	26%	69,788
Water/Wastewater Operator	50%	48,154
Seasonal/Part Time	23%	<u>2,806</u>
TOTAL SALARIES		169,014
The time allocation is based on estimated needs of this fund for fiscal year 2012-13. Salaries include a 2% COLA increase for management, 2.5% increase for Utility Maintenance Workers and a 3.5% increase for Water/Wastewater Operators. The part time GIS technician maps and records utility lines, service connections, repairs and maintenance.		
OVERTIME		1,766
ON-CALL TIME		3,146
Prorated portion of weekly payment for public works crew member on standby during off duty time		
INCENTIVE PAY		6,976
Each employee may receive up to \$300 per month based on acquiring specialized skills		
SOCIAL SECURITY Calendar year 2012 rate is 7.65%		13,871
PERS		28,692
The City pays both the employer and employee contributions. For fiscal year 2012-13 the Tier 1 & 2 employer rate is 12.22%, OPSRP rate is 8.02%, and the employee rate is 6%.		
WORKERS' COMPENSATION		1,700
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept of Revenue		94
DEFERRED COMPENSATION 6% retirement benefit for management employees		2,975
HEALTH INSURANCE \$1,000 deductible plan, 7% increase over 2011-12 premium		42,150
DENTAL INSURANCE 9% increase over 2011-12 premium		5,922
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		3,280
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000		264
SICK & VACATION ACCRUAL Liability for unused sick and vacation leave payable upon termination		<u>2,419</u>
<b>TOTAL PERSONNEL SERVICES</b>		<b><u>282,269</u></b>

**CITY OF PHILOMATH  
SEWER FUND  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES**

Administrative Overhead	102,720	Transfer to General Fund to pay for Sewer Fund portion of accounting and other administrative expenses
Advertising and Legal Notices	200	Advertising for bids, sale of surplus equipment, and employment positions
Bad Debt Write-Off	4,000	To write-off uncollectible customer accounts
Building Repair and Maintenance	3,500	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	600	Internet provider fees
Concrete Sidewalks/curb	700	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	3,500	Crushed rock and asphalt needed to backfill and patch utility cuts
D.E.Q. Discharge Permit	1,510	Water quality tests required by state to insure compliance and obtain NPDES permit
Dues	700	Membership in professional organizations
Education and Training	1,200	Workshops and seminars to maintain certifications and train employees
Engineering	3,500	Engineering fees
Equipment Repair and Maintenance	15,000	Cost of repairs to equipment
Gas and Oil	8,700	Prorated share of vehicle fuel costs
Insurance	9,000	Sewer Fund share of commercial and vehicle liability, auto physical damage, and property insurance
Laboratory Analysis	14,800	Waste water quality testing required by DEQ for plant discharge
Landscape Maintenance	1,600	Prorated share of landscape maintenance at Public Works Office
Maintenance Agreements	80	Service agreements on City assets
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  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES (CONTINUED)**

Miscellaneous	2,228	Incidental expenses
Office Supplies	1,000	Copier cost, paper and other office supplies
Postage	70	Prorated postage for public works office use
Property Lease	535	Lease on Gilbert Faxon land equal to annual property tax
Property Tax	2,110	Property tax on 176 acres near sewer lagoons which is leased to farmer
Safety Equipment	2,400	Protective clothing and equipment
Security Alarm & Remote Monitoring	150	Alarm system for sewer facilities
Sewer Main Repair	15,000	Repair of services, laterals, and sections of pipe
Small Tools and Equipment	3,700	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	2,000	Supplies required to maintain the collection system and operate the department
Telephone	3,500	Prorated telephone cost at public works office
Tires	700	Prorated cost of tires and tire repair for equipment
Travel and Meals	800	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	750	Prorated cost of shirts, pants, boots and coats
Uniform Cleaning	1,400	Prorated cost of laundry for coveralls and shop rags
Utilities	23,500	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>2,000</u>	Prorated cost of repairs to vehicles
<b>TOTAL MATERIALS &amp; SERVICES</b>	<b><u>260,503</u></b>	

**CITY OF PHILOMATH  
SEWER FUND  
2012-13 BUDGET NARRATIVE**

**DEBT SERVICE**

Bond Principal	90,000	Principal payment on \$6.125 million bond issue
Bond Interest	<u>237,768</u>	Interest on bond issue
<b>TOTAL DEBT SERVICE</b>	<b><u>327,768</u></b>	

**TRANSFERS**

To LBE Fund - Equipment	28,800	Set aside for future replacement of equipment
To LBE Fund - P/W Office Equipment	7,500	Furniture and office equipment for public works building
To LBE Fund - P/W Building	<u>12,500</u>	Reserve for future construction/expansion of public works facilities
<b>TOTAL TRANSFERS</b>	<b><u>48,800</u></b>	

**CITY OF PHILOMATH ANNUAL BUDGET  
FISCAL YEAR 2012-13  
STORM DRAIN FUND**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE	
<b>REVENUES</b>								
53 0 3001	Cash Balance Forward	17,581	30,014	25,832	15,000	26,000	16,000	73%
53 0 3020	Interest on Investments	380	164	85	100	80	80	-20%
53 0 3211	Storm Drain User Fees	42,506	22,840	21,258	42,500	42,500	42,500	0%
	<b>TOTAL REVENUES</b>	<b>60,467</b>	<b>53,018</b>	<b>47,175</b>	<b>57,600</b>	<b>68,580</b>	<b>58,580</b>	<b>19%</b>
<b>EXPENDITURES</b>								
<b>MATERIALS AND SERVICES</b>								
53 0 5053	Bad Debt Write Off	258	183	175	300	600	618	100%
53 0 5147	Contracted Services	200	0	227	1,900	300	309	-84%
53 0 5195	Crushed Rock/Asphalt	550	1,339	42	3,000	1,500	1,545	-50%
53 0 5225	DEQ Discharge Permit	765	765	788	800	825	578	3%
53 0 5233	Dues	84	155	256	200	300	309	50%
53 0 5245	Education and Training	1,535	1,155	278	1,500	1,300	1,339	-13%
53 0 5265	Engineering	1,589	475	106	1,000	1,100	1,133	10%
53 0 5305	Gas and Oil	175	120	0	200	0	0	-100%
53 0 5390	Miscellaneous	971	166	199	750	405	652	-46%
53 0 5413	Office Supplies	86	340	294	300	200	206	-33%
53 0 5445	Pipes, Fittings, Mechanical	0	1,267	1,135	3,000	2,600	2,678	-13%
53 0 5465	Postage	422	385	0	450	400	412	-11%
53 0 5515	Safety Equipment	0	0	137	0	200	206	100%
53 0 5563	Small Tools and Equipment	51	376	436	600	450	464	-25%
53 0 5587	Supplies	454	810	178	500	1,400	1,442	100%
53 0 5597	System Supply & Maintenance	2,313	2,250	877	3,000	3,000	3,090	0%
	Subtotal Materials & Services	<b>9,453</b>	<b>9,786</b>	<b>5,128</b>	<b>17,500</b>	<b>14,580</b>	<b>14,980</b>	<b>-17%</b>
<b>TRANSFERS</b>								
53 0 8100	To Street Fund	13,000	12,400	13,800	20,100	18,500	19,100	-8%
53 0 8540	To LBE Fund - Infrastructure	8,000	5,000	12,500	10,000	0	0	
53 0 8600	To SDC Fund	0	0	0	0	24,500	24,500	100%
	Subtotal Transfers	<b>21,000</b>	<b>17,400</b>	<b>26,300</b>	<b>30,100</b>	<b>43,000</b>	<b>43,600</b>	<b>43%</b>
	<b>TOTAL EXPENDITURES</b>	<b>30,453</b>	<b>27,186</b>	<b>31,428</b>	<b>47,600</b>	<b>57,580</b>	<b>58,580</b>	<b>21%</b>
53 0 9500	<b>UNAPPROPRIATED ENDING BAL</b>	0	0	0	10,000	11,000	0	10%
	Excess Revenues Over Expenditures	30,014	25,832	15,747	0	0	0	

**CITY OF PHILOMATH  
STORM DRAIN FUND  
2012-13 BUDGET NARRATIVE**

**MATERIALS AND SERVICES**

Bad Debt Write-Off	600	To write-off uncollectible customer accounts
Contracted Services	300	Consultant to help implement federal regulations and/or hire a contractor to assist city crews in specialized projects.
Crushed Rock and Asphalt	1,500	Crushed rock and asphalt to backfill and patch utility cuts
DEQ Discharge Permit	825	Mandated Department of Environmental Quality fee
Dues	300	Dues related to storm water maintenance
Education and Training	1,300	Training on identifying illicit discharges, containment etc.
Engineering	1,100	Engineering of storm drain projects
Miscellaneous	405	Incidental expenses
Office Supplies	200	Prorated share of Public Works office supplies
Pipes, Fittings, Mechanical	2,600	Purchase of catch basins, manholes, pipe and related items
Postage	400	Postage for mailing brochures, notices, etc.
Small Tools and Equipment	200	Hand tools and small equipment
Supplies	450	Supplies needed for storm water maintenance
System Supplies and Maintenance	1,400	Supplies required to maintain the storm water collection system and operate the department
Vehicle Repair and Maintenance	<u>3,000</u>	Prorated share of vehicle repair and maintenance
<b>TOTAL MATERIALS &amp; SERVICES</b>	<b><u><u>14,580</u></u></b>	

**TRANSFERS**

To Street Fund	18,500	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 SDC Fund	<u>24,500</u>	Transfer to pay storm drain debt service
<b>TOTAL TRANSFERS</b>	<b><u><u>43,000</u></u></b>	

## **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 2012-13  
LAND, BUILDING AND EQUIPMENT FUND**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>REVENUES</b>							
41 0 3001 Cash Balance Forward	1,126,407	6,497,792	5,358,501	4,877,820	1,990,000	1,061,720	-59%
41 0 3020 Investment Interest	51,954	36,831	23,987	8,000	8,000	5,000	0%
41 0 3040 Interest on Accounts	7,835	18,666	2,700	0	0	0	
41 0 3125 Bike/Footpath Revenue	1,761	1,923	2,275	2,640	2,600	2,620	-2%
41 0 3190 Urban Renewal Reimbursement	1,293,620	0	0	0	0	0	
41 0 3580 Citation Assessment for Police Equip	14,322	12,496	12,525	13,500	12,500	12,800	-7%
41 0 3610 Donations	5,808	75	225	180	0	0	-100%
41 0 3646 Loan	5,998,057	333,000	135,000	0	0	0	
41 0 3650 Miscellaneous Income	8,202	3,560	0	0	0	0	
41 0 3685 Sale of Equipment/Building	0	6,251	7,828	0	0	0	
41 0 3740 Justice Building Mortgage Payments	7,775	2,412	8,864	12,120	12,120	12,120	0%
41 0 3770 Sewer Lateral Reimbursement	11,413	7,709	5,245	1,680	0	0	-100%
41 0 3814 FTA Bus Grant	0	104,984	0	0	0	0	
<b>TRANSFERS</b>							
41 0 3941 General Fund - Admin Equipment	24,000	0	0	0	10,300	1,000	100%
41 0 3942 General Fund - City Manager Car	0	0	1,000	300	400	400	33%
41 0 3943 General Fund - Finance Equipment	16,000	2,000	5,000	6,100	0	1,900	-100%
41 0 3945 General Fund - Court Equipment	0	0	0	0	600	1,000	100%
41 0 3951 General Fund - Police Vehicle	17,000	19,000	16,000	16,000	11,000	16,000	-31%
41 0 3952 General Fund - B & G Vehicle	7,900	0	3,300	3,300	0	0	-100%
41 0 3953 General Fund - Park Equipment	9,000	11,900	7,300	3,600	5,000	5,000	39%
41 0 3955 General Fund - Park Infrastructure	0	0	0	0	9,000	1,000	100%
41 0 3960 General Fund - City Hall Reserve	17,400	18,200	18,900	21,800	20,100	20,100	-8%
41 0 3962 General Fund - Police Bldg Reserve	18,600	18,300	18,400	20,200	20,200	20,200	0%
41 0 3964 General Fund - Library Reserve	19,600	20,000	20,100	23,700	23,400	23,400	-1%
41 0 3965 General Fund - Sidewalk	0	0	0	2,000	0	0	-100%
41 0 3971 Street Fund - Equipment	15,900	23,200	16,300	16,200	17,500	17,500	8%
41 0 3973 Street Fund - Infrastructure	50,000	0	0	50,000	40,000	40,000	-20%
41 0 3976 Water Fund - Equipment	74,900	37,200	38,500	39,200	41,400	40,700	6%
41 0 3978 Water Fund - Infrastructure	20,000	30,000	40,000	60,000	40,000	40,000	-33%
41 0 3982 Sewer Fund - Equipment	13,600	17,000	0	19,600	28,800	28,800	47%
41 0 3984 Sewer Fund - Infrastructure	215,000	0	0	0	0	0	
41 0 3990 Storm Drain Fund - Infrastructure	8,000	5,000	12,500	10,000	0	0	-100%
41 0 3985 W & S Fund - P/W Office Equip	4,000	2,000	2,000	10,000	15,000	5,000	50%
41 0 3986 W & S Fund - P/W Buildings	16,200	10,000	21,200	25,400	25,000	25,000	-2%
41 0 3987 Street Fund - P/W Buildings	0	50,000	50,000	0	0	0	
<b>TOTAL REVENUE</b>	<b>9,074,254</b>	<b>7,289,499</b>	<b>5,827,650</b>	<b>5,243,340</b>	<b>2,332,920</b>	<b>1,381,260</b>	<b>-56%</b>

**CITY OF PHILOMATH ANNUAL BUDGET  
FISCAL YEAR 2012-13  
LAND, BUILDING AND EQUIPMENT FUND**

		ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>EXPENDITURES</b>								
<b>CAPITAL OUTLAY</b>								
41 0 6403	Administration Equipment	2,566	131,590	7,394	11,000	14,000	2,000	27%
41 0 6411	Finance Equipment	1,163	1,920	29,449	3,000	1,000	2,000	-67%
41 0 6415	Court Equipment	0	1,952	0	1,800	0	2,000	-100%
41 0 6422	Police Office Equipment	0	0	0	4,000	4,000	2,000	0%
41 0 6424	Police Equipment	16,471	10,342	7,546	25,000	13,000	5,000	-48%
41 0 6426	Police Vehicles	35,318	0	36,825	0	62,000	0	100%
41 0 6432	Park Equipment	0	0	28,597	0	0	0	
41 0 6434	Park Infrastructure	0	0	0	0	20,000	0	100%
41 0 6441	City Hall Improvement	30,092	0	18,227	30,000	25,000	5,000	-17%
41 0 6443	Police Building Improvement	0	3,415	41,444	5,000	5,000	5,000	0%
41 0 6447	Library Improvement	36,183	0	16,944	25,000	5,000	5,000	-80%
41 0 6455	Street Equipment	25,627	50,244	2,890	0	0	0	
41 0 6457	Street Infrastructure	0	0	0	0	145,000	0	100%
41 0 6459	Bike/Footpath Construction	0	11,278	0	14,540	17,200	2,700	18%
41 0 6463	Water Equipment	0	58,797	103,033	0	18,000	48,000	100%
41 0 6467	Water Infrastructure	25,123	20,211	0	20,000	100,000	0	100%
41 0 6473	Sewer Equipment	66,186	0	19,712	0	0	0	
41 0 6477	Sewer Infrastructure	572,686	1,619,395	653,900	3,900,000	816,000	0	-79%
41 0 6490	Public Works Office Equipment	3,427	1,556	16,829	0	16,000	5,000	100%
41 0 6493	Public Works Office/Buildings	0	16,911	127,756	40,000	10,000	30,000	-75%
41 0 6503	Records Storage/Covered Parking	0	3,387	64,445	0	0	0	
41 0 6510	Urban Renewal Projects	1,293,620	0	0	0	0	0	
	<b>Total Capital Outlay</b>	<b>2,108,462</b>	<b>1,930,998</b>	<b>1,174,989</b>	<b>4,079,340</b>	<b>1,271,200</b>	<b>113,700</b>	<b>-69%</b>
	<b>TOTAL EXPENDITURES</b>	<b>2,108,462</b>	<b>1,930,998</b>	<b>1,174,989</b>	<b>4,079,340</b>	<b>1,271,200</b>	<b>113,700</b>	<b>-69%</b>
41 0 9500	RESERVE FOR FUTURE EXPENDITURE	0	0	0	1,164,000	1,061,720	1,267,560	-9%
	Excess Revenues Over Expenditures	6,965,792	5,358,501	4,652,661	0	0	0	

**CITY OF PHILOMATH  
LAND, BUILDING AND EQUIPMENT FUND  
2012-13 BUDGET NARRATIVE**

**REVENUES**

Cash Balance Forward	1,990,000	Estimated Cash Balance at June 30, 2012
Investment Interest	8,000	Interest income on cash balance
Bike/Footpath Revenue	2,600	1% of highway fuel tax allocated for bike and footpath construction
Citation Assessment for Police Equipment	12,500	\$10 fee added to each traffic citation. Funds are designated for purchase of police equipment.
Justice Building Mortgage Collections	<u>12,120</u>	The City took back a note for the sale of the old City Hall/Police Building. The Loan balance at July 1, 2012 is \$98,900. Interest is at 6.5%.
<b>Subtotal Revenue Before Transfers</b>	<b><u>2,025,220</u></b>	

**TRANSFERS**

General Fund

Administration Equipment	10,300	Purchase new copy machine for City Hall
Administration Vehicle	400	Future replacement of City Manager vehicle
Court Equipment	600	Future equipment replacement
Police Vehicle	11,000	Per the police vehicle replacement schedule
Park Equipment	5,000	Specified in Capital Improvement Plan
Park Infrastructure	9,000	To provide funds for new park shelter
City Hall Reserve	20,100	Specified in Capital Improvement Plan
Police Building Reserve	20,200	Specified in Capital Improvement Plan
Library Reserve	<u>23,400</u>	Specified in Capital Improvement Plan
	<b>100,000</b>	
Street Fund		
Equipment	17,500	Specified in Capital Improvement Plan
Infrastructure	<u>40,000</u>	Specified in Capital Improvement Plan
	<b>57,500</b>	
Water Fund		
Equipment	41,400	Specified in Capital Improvement Plan
Infrastructure	40,000	Specified in Capital Improvement Plan
Public Works Office Equipment	7,500	Office equipment for the Public Works staff
Public Works Buildings	<u>12,500</u>	Specified in Capital Improvement Plan
	<b>101,400</b>	
Sewer Fund		
Equipment	28,800	Specified in Capital Improvement Plan
Public Works Office Equipment	7,500	Office equipment for the Public Works staff
Public Works Buildings	<u>12,500</u>	Specified in Capital Improvement Plan
	<b>48,800</b>	
<b>TOTAL REVENUE</b>	<b><u><u>2,332,920</u></u></b>	

**CITY OF PHILOMATH  
LAND, BUILDING AND EQUIPMENT FUND  
2012-13 BUDGET NARRATIVE**

**CAPITAL OUTLAY**

Administration Equipment	14,000	Replace City Hall copy machine
Finance Equipment	1,000	Computer and office equipment
Police Office Equipment	4,000	Computer and office equipment
Police Equipment	13,000	Police equipment
Police Vehicle	62,000	Replace patrol car and Chief's vehicle
Park Infrastructure	20,000	Architect fees and building permits for new shelter at City Park
City Hall	25,000	\$15,000 to replace roof and other miscellaneous improvements
Police Building Improvement	5,000	Miscellaneous building improvement
Library Improvement	5,000	Miscellaneous building improvement
Street Infrastructure	145,000	Applegate Street improvements, pave from 23rd St. to 31st St.
Bike/Footpath Construction	17,200	Bike or footpath improvement or construction
Water Equipment	18,000	Replace PW Director truck
Water Infrastructure	100,000	Applegate Street improvements, replace water line from 23rd St. to 30th St.
Sewer Infrastructure	816,000	\$320,000 to complete lagoon project. \$100,000 to riprap west side of old lagoons. \$396,000 Applegate Street improvements, upsize sewer line.
Public Works Office Equipment	16,000	Purchase asset management software
Public Works Office/Buildings	<u>10,000</u>	Replace office carpet and flooring
<b>TOTAL CAPITAL OUTLAY</b>	<b><u>1,271,200</u></b>	

**CITY OF PHILOMATH  
LAND, BUILDING AND EQUIPMENT FUND  
FISCAL YEAR 2012-13**

	ADMIN		FINANCE	COURT	POLICE			PARKS	PARKS	NONDEPARTMENTAL			SUBTOTAL GENERAL FUND
	Equipment	Vehicle	Equipment	Equipment	Office Equip	Equipment	Vehicle	Equipment	Infrastructure	City Hall	Police Bldg	Library	
Est Balance 7/1/12	3,750	10,150	1,300	(550)	4,050	650	51,000	19,300	11,200	99,250	88,300	172,950	461,350
2012-13 Transfers	10,300	400	0	600	0	0	11,000	5,000	9,000	20,100	20,200	23,400	100,000
Interest Income	0	80	2	0	0	1	0	184	2	716	878	1,453	3,318
Other Income	0	0	0	0	0	12,500	0	0	0	0	12,120	0	24,620
Appropriations	<u>(14,000)</u>	<u>0</u>	<u>(1,000)</u>	<u>0</u>	<u>(4,000)</u>	<u>(13,000)</u>	<u>(62,000)</u>	<u>0</u>	<u>(20,000)</u>	<u>(25,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>(149,000)</u>
Balance 6/30/12	<u>50</u>	<u>10,630</u>	<u>302</u>	<u>50</u>	<u>50</u>	<u>151</u>	<u>0</u>	<u>24,484</u>	<u>202</u>	<u>95,066</u>	<u>116,498</u>	<u>192,803</u>	<u>440,288</u>

	STREET			WATER		SEWER		STORM DRAIN	PUBLIC WORKS	PUBLIC WORKS	K-9	FUND TOTALS
	Equipment	Infrastructure	Bike Path	Equipment	Infrastructure	Equipment	Infrastructure	Infrastructure	Office Equip	Building		
Est Balance 7/1/12	91,600	309,200	14,600	76,500	60,100	57,050	816,400	25,400	1,000	72,400	4,400	1,990,000
2012-13 Transfers	17,500	40,000	0	41,400	40,000	28,800	0	0	15,000	25,000	0	307,700
Interest Income	828	1,550	0	758	1	652	3	193	0	664	33	8,000
Other Income	0	0	2,600	0	0	0	0	0	0	0	0	27,220
Appropriations	<u>0</u>	<u>(145,000)</u>	<u>(17,200)</u>	<u>(18,000)</u>	<u>(100,000)</u>	<u>0</u>	<u>(816,000)</u>	<u>0</u>	<u>(16,000)</u>	<u>(10,000)</u>	<u>0</u>	<u>(1,271,200)</u>
Balance 6/30/12	<u>109,928</u>	<u>205,750</u>	<u>0</u>	<u>100,658</u>	<u>101</u>	<u>86,502</u>	<u>403</u>	<u>25,593</u>	<u>0</u>	<u>88,064</u>	<u>4,433</u>	<u>1,061,720</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 2012-13  
SYSTEMS DEVELOPMENT FUND**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>REVENUES</b>							
42 0 3001 Cash Balance Forward	716,212	708,277	694,853	691,900	627,000	77,100	-9%
42 0 3020 Interest on Investments	14,135	3,685	3,134	3,300	2,800	500	-15%
42 0 3051 Interest on Deferred SDC Liens	15,318	10,366	1,135	500	0	0	-100%
42 0 3351 Park Improvement Charges	8,467	11,777	3,828	5,400	3,900	5,500	-28%
42 0 3353 Street Improvement Charges	23,440	42,215	14,546	18,400	13,500	18,800	-27%
42 0 3354 Street Reimbursement Charges	11,647	20,984	6,483	9,100	6,700	9,400	-26%
42 0 3355 Water Improvement Charges	31,650	68,488	23,167	28,100	20,600	28,800	-27%
42 0 3356 Water Reimbursement Charges	23,194	51,456	17,286	21,000	15,400	21,500	-27%
42 0 3357 Sewer Improvement Charges	33,317	66,224	25,696	30,400	22,300	31,200	-27%
42 0 3358 Sewer Reimbursement Charges	15,983	31,865	12,363	14,700	10,700	15,000	-27%
42 0 3359 Storm Drain Improvement Charges	14,049	42,558	6,442	8,500	6,200	8,700	-27%
42 0 3809 Grants	0	0	0	50,000	0	0	-100%
42 0 3990 Transfer-Storm Drain Fund	0	0	0	0	24,500	24,500	100%
<b>TOTAL REVENUES</b>	<b>907,412</b>	<b>1,057,895</b>	<b>808,933</b>	<b>881,300</b>	<b>753,600</b>	<b>241,000</b>	<b>-14%</b>
<b>EXPENDITURES</b>							
<b>CAPITAL OUTLAY</b>							
42 0 6815 Park Improvement Outlay	54,720	39,072	12,499	70,000	0	0	-100%
42 0 6825 Street Improvement Outlay	0	0	0	0	150,000	0	100%
42 0 6829 Street Reimbursement Outlay	0	0	0	0	62,000	0	100%
42 0 6835 Water Improvement Outlay	22,811	0	0	0	250,000	0	100%
42 0 6839 Water Reimbursement Outlay	0	0	0	0	140,000	0	100%
42 0 6845 Sewer Improvement Outlay	97,105	0	0	41,000	0	0	-100%
42 0 6849 Sewer Reimbursement Outlay	0	0	0	4,601	0	0	-100%
42 0 6855 Storm Drain Improvement Outlay	0	49,471	0	0	0	0	
<b>TOTAL CAPITAL OUTLAY</b>	<b>174,636</b>	<b>88,543</b>	<b>12,499</b>	<b>115,601</b>	<b>602,000</b>	<b>0</b>	<b>100%</b>
<b>DEBT SERVICE</b>							
42 0 7142 OECD Loan Principal	9,644	10,223	10,836	11,486	12,175	12,906	6%
42 0 7542 OECD Loan Interest	14,855	14,276	13,663	13,013	12,324	11,593	-5%
<b>TOTAL DEBT SERVICE</b>	<b>24,499</b>	<b>24,499</b>	<b>24,499</b>	<b>24,499</b>	<b>24,499</b>	<b>24,499</b>	<b>0%</b>
<b>TRANSFERS</b>							
42 0 8700 To Sewer Fund	0	250,000	60,000	90,000	50,000	45,000	-44%
<b>TOTAL DEBT SERVICE</b>	<b>0</b>	<b>250,000</b>	<b>60,000</b>	<b>90,000</b>	<b>50,000</b>	<b>45,000</b>	<b>-44%</b>
<b>TOTAL EXPENDITURES</b>	<b>199,135</b>	<b>363,042</b>	<b>96,998</b>	<b>230,100</b>	<b>676,499</b>	<b>69,499</b>	<b>100%</b>
42 0 9500 RESERVE FOR FUTURE EXPENDITURE	0	0	0	651,200	77,101	171,501	-88%
Excess Revenues Over Expenditures	708,277	694,853	711,935	0	0	0	

**CITY OF PHILOMATH  
SYSTEMS DEVELOPMENT FUND  
2012-13 BUDGET NARRATIVE**

**REVENUE**

Cash Balance Forward	627,000	Estimated cash balance at June 30, 2012
Interest on Investments	2,800	Interest earnings
Park Improvement Charges	3,900	Estimate based on 5 new single family homes
Street Improvement Charges	13,500	Estimate based on 5 new single family homes
Street Reimbursement Charges	6,700	Estimate based on 5 new single family homes
Water Improvement Charges	20,600	Estimate based on 5 new single family homes
Water Reimbursement Charges	15,400	Estimate based on 5 new single family homes
Sewer Improvement Charges	22,300	Estimate based on 5 new single family homes
Sewer Reimbursement Charges	10,700	Estimate based on 5 new single family homes
Storm Drain Improvement Charges	6,200	Estimate based on 5 new single family homes
Transfer - Storm Drain Fund	<u>24,500</u>	Funds to pay debt service
<b>TOTAL REVENUE</b>	<b><u>753,600</u></b>	

**CAPITAL OUTLAY**

Street Improvement Outlay	150,000	Applegate Street improvements, pave from 23rd Street to 31st Street
Street Reimbursement Outlay	62,000	Applegate Street improvements, pave from 23rd Street to 31st Street
Water Improvement Outlay	250,000	Applegate Street improvements, replace water line from 23rd Street to 30th Street
Water Reimbursement Outlay	<u>140,000</u>	Applegate Street improvements, replace water line from 23rd Street to 30th Street
<b>TOTAL CAPITAL OUTLAY</b>	<b><u>602,000</u></b>	

**DEBT SERVICE**

OECD - Principal	12,175	Principal portion of OECD storm drain loan
OECD - Interest	<u>12,324</u>	Interest portion of OECD storm drain loan
<b>TOTAL DEBT SERVICE</b>	<b><u>24,499</u></b>	

**TRANSFERS**

To Sewer Fund	<u>50,000</u>	Transfer sewer SDC's held in this fund to Sewer Fund to help pay annual bond payments
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**CITY OF PHILOMATH  
SYSTEM DEVELOPMENT CHARGES FUND  
FISCAL YEAR 2012-13**

	<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 7/1/12	39,400	140,200	72,000	230,700	125,400	23,600	(3,900)	(400)	627,000
SDC Fees	3,900	13,500	6,700	20,600	15,400	22,300	10,700	6,200	99,300
Interest Income	173	614	314	1,004	563	4	7	121	2,800
Appropriations	0	(150,000)	(62,000)	(250,000)	(140,000)	0	0	0	(602,000)
Debt Service	0	0	0	0	0	0	0	(24,499)	(24,499)
Transfers In/(Out)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(45,000)</u>	<u>(5,000)</u>	<u>24,500</u>	<u>(25,500)</u>
Balance 6/30/13	<u>43,473</u>	<u>4,314</u>	<u>17,014</u>	<u>2,304</u>	<u>1,363</u>	<u>904</u>	<u>1,807</u>	<u>5,922</u>	<u>77,101</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 2012-13  
COMMUNITY DEVELOPMENT FUND**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE	
<b>REVENUES</b>								
22 0 3001	Cash Balance Forward	109,908	106,575	111,999	128,060	133,560	137,410	4%
22 0 3020	Interest Income	2,405	679	590	600	600	610	0%
22 0 3730	Repayment of 1992 Loans	9,091	0	10,123	10,000	10,000	10,000	0%
22 0 3731	Repayment of 1993 Loans	23,242	4,361	0	25,000	25,000	25,000	0%
22 0 3732	Repayment of 1997 Loans	0	0	0	25,000	25,000	25,000	0%
22 0 3760	Downtown Loan Repayment	3,458	3,739	5,351	4,902	3,252	0	-34%
	<b>TOTAL REVENUES</b>	<b>148,104</b>	<b>115,354</b>	<b>128,063</b>	<b>193,562</b>	<b>197,412</b>	<b>198,020</b>	<b>2%</b>
<b>EXPENDITURES</b>								
<b>MATERIALS AND SERVICES</b>								
22 0 5820	Downtown Revolving Loan Fund	11,150	3,355	0	20,000	20,000	20,000	0%
22 0 5914	Rehabilitation Loan	24,303	0	0	138,000	142,000	142,400	3%
22 0 5915	Program Management	6,076	0	0	35,562	35,412	35,620	0%
	Subtotal Materials and Services	<b>41,529</b>	<b>3,355</b>	<b>0</b>	<b>193,562</b>	<b>197,412</b>	<b>198,020</b>	<b>2%</b>
	<b>TOTAL EXPENDITURES</b>	<b>41,529</b>	<b>3,355</b>	<b>0</b>	<b>193,562</b>	<b>197,412</b>	<b>198,020</b>	<b>2%</b>
	Excess Revenues Over Expenditures	106,575	111,999	128,063	0	0	0	

**CITY OF PHILOMATH  
COMMUNITY DEVELOPMENT FUND  
2012-13 BUDGET NARRATIVE**

**REVENUES**

Cash Balance Forward	133,560	Estimated cash balance at June 30, 2012
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>3,252</u>	Annual payment on façade improvement loan
<b>TOTAL REVENUES</b>	<b><u>197,412</u></b>	

**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	142,000	Loans made for owner occupied rehabilitation.
Program Management	<u>35,412</u>	25% of each rehab loan is paid to the Community Services Consortium to administer the loan program.
<b>TOTAL MATERIALS &amp; SERVICES</b>	<b><u>197,412</u></b>	

## **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 2012-13  
ECONOMIC DEVELOPMENT FUND**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>REVENUES</b>							
32 0 3001 Cash Balance Forward	10,583	10,793	10,920	11,077	11,135	11,185	1%
32 0 3020 Investment Interest	144	70	37	35	50	50	43%
32 0 3050 Interest on Bonded Liens	25,877	25,303	24,703	24,096	23,270	22,439	-3%
32 0 3115 Prior Years Levy	8	2	5	0	0	0	
32 0 3710 Bancroft Lien Principal Collections	48	48	117	0	0	0	
32 0 3711 Advanced Financing Principal Coll	18,291	18,394	18,504	23,618	23,745	23,876	1%
<b>TOTAL REVENUES</b>	<b>54,951</b>	<b>54,610</b>	<b>54,286</b>	<b>58,826</b>	<b>58,200</b>	<b>57,550</b>	<b>-1%</b>
<b>EXPENDITURES</b>							
<b>DEBT SERVICE</b>							
32 0 7143 Principal - OECDD	18,291	18,394	18,504	23,618	23,745	23,876	1%
32 0 7543 Interest - OECDD	25,867	25,296	24,698	24,096	23,270	22,439	-3%
Subtotal Debt Service	<b>44,158</b>	<b>43,690</b>	<b>43,202</b>	<b>47,714</b>	<b>47,015</b>	<b>46,315</b>	<b>-1%</b>
<b>TOTAL EXPENDITURES</b>	<b>44,158</b>	<b>43,690</b>	<b>43,202</b>	<b>47,714</b>	<b>47,015</b>	<b>46,315</b>	<b>-1%</b>
32 0 9500 UNAPPROPRIATED ENDING BAL	0	0	0	11,112	11,185	11,235	1%
Excess Revenues Over Expenditures	10,793	10,920	11,084	0	0	0	

**CITY OF PHILOMATH  
ECONOMIC DEVELOPMENT FUND  
2012-13 BUDGET NARRATIVE**

**REVENUES**

Cash Balance Forward	11,135	Estimated cash balance at June 30, 2012
Investment Interest	50	Estimated interest income
Interest on Bonded Liens	23,270	Reimbursement from Lakeside Industrial Park for OECDD loan
Advanced Financing Principal Coll	<u>23,745</u>	Reimbursement from Lakeside Industrial Park for OECDD loan
<b>TOTAL REVENUES</b>	<b><u><u>58,200</u></u></b>	

**DEBT SERVICE**

Principal - OECDD	23,745	Principal portion of loan payment
Interest - OECDD	<u>23,270</u>	Interest portion of loan payment
<b>TOTAL DEBT SERVICE</b>	<b><u><u>47,015</u></u></b>	

**Urban Renewal Agency  
Annual Budget  
Fiscal Year 2012-13**

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# **URBAN RENEWAL AGENCY 2012-13 BUDGET MESSAGE**

## **City of Philomath**

The 2012-13 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 with the consulting engineer, Murray Smith & Associates, to complete the construction-ready plans that will compliment the future highway reconstruction work anticipated by ODOT. Public review and comment on the proposed design should take place this fall prior to final adoption of 90% construction-ready plans in December 2012.

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 7<sup>th</sup> Street to 15<sup>th</sup> 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 2012-13  
GENERAL FUND**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE
<b>REVENUE</b>							
23 0 3001 Cash Balance Forward	240,153	27,031	7,113	12,400	47,000	60,000	100%
23 0 3020 Interest on Investments	2,251	134	29	18	400	410	100%
23 0 3646 Loan Proceeds	550,000	0	0	0	0	0	
23 0 3997 Transfer from Urban Renewal-Debt	560,000	0	32,000	100,000	370,000	0	100%
<b>TOTAL REVENUE</b>	<b>1,352,404</b>	<b>27,165</b>	<b>39,142</b>	<b>112,418</b>	<b>417,400</b>	<b>60,410</b>	<b>100%</b>
<b>EXPENDITURES</b>							
<b>MATERIALS AND SERVICES</b>							
23 0 5012 Administrative Overhead	10,056	9,900	10,800	11,568	12,000	12,360	4%
23 0 5015 Advertising and Legal Notices	0	0	2,301	0	0	0	
23 0 5045 Audit Fees	2,000	3,500	2,250	3,000	3,000	3,300	0%
23 0 5146 Consultant Fee	0	5,136	11,754	50,000	350,000	0	100%
23 0 5390 Miscellaneous	19,657	1,266	1,132	2,600	2,150	2,500	-17%
23 0 5567 State Filing Fee	40	250	20	250	250	250	0%
Subtotal Materials and Services	<b>31,753</b>	<b>20,052</b>	<b>28,257</b>	<b>67,418</b>	<b>367,400</b>	<b>18,410</b>	<b>100%</b>
<b>CAPITAL OUTLAY</b>							
23 0 6160 Urban Renewal Project	1,845	0	0	0	0	0	
23 0 6164 Sewer Projects	1,291,775	0	0	0	0	0	
Subtotal Capital Outlay	<b>1,293,620</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>TOTAL EXPENDITURES</b>	<b>1,325,373</b>	<b>20,052</b>	<b>28,257</b>	<b>67,418</b>	<b>367,400</b>	<b>18,410</b>	<b>100%</b>
23 0 9500 UNAPPROPRIATED ENDING BAL	0	0	0	45,000	50,000	42,000	11%
Excess Revenues Over Expenditures	27,031	7,113	10,885	0	0	0	

**PHILOMATH URBAN RENEWAL AGENCY  
2012-13 BUDGET NARRATIVE  
GENERAL FUND**

**REVENUE**

Cash Balance Forward	47,000	Estimated cash balance at June 30, 2012
Interest on Investments	400	Estimated interest income
Transfer from Urban Renewal Debt	<u>370,000</u>	Transfer to General Fund to pay operating expenses
<b>TOTAL REVENUE</b>	<b><u>417,400</u></b>	

**MATERIALS AND SERVICES**

Administrative Overhead	12,000	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	350,000	Engineering consultant to create construction-ready plans for future improvements in conjunction with ODOT's proposed reconstruction of Main Street
Miscellaneous	2,150	Miscellaneous expenses
State Filing Fee	<u>250</u>	Fee required to file Urban Renewal Agency audit
<b>TOTAL MATERIALS AND SERVICES</b>	<b><u>367,400</u></b>	

**PHILOMATH URBAN RENEWAL AGENCY  
FISCAL YEAR 2012-13  
DEBT SERVICE FUND**

	ACTUAL EXPENDED 2008-09	ACTUAL EXPENDED 2009-10	ACTUAL EXPENDED 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	ESTIMATED BUDGET 2013-14	% CHANGE	
<b>REVENUE</b>								
24 0 3001	Cash Balance Forward	399,223	50,715	2,842	33,000	315,000	380,000	100%
24 0 3020	Interest on Investments	5,425	248	534	960	4,000	5,000	100%
24 0 3030	Interest on Tax Collections	770	785	1,187	940	1,500	1,600	60%
24 0 3110	Property Tax Increment	387,633	387,017	431,452	442,100	419,100	431,200	-5%
24 0 3115	Prior Year Tax Increment	5,609	7,003	7,576	7,500	10,400	10,600	39%
	<b>TOTAL REVENUE</b>	<b>798,660</b>	<b>445,768</b>	<b>443,591</b>	<b>484,500</b>	<b>750,000</b>	<b>828,400</b>	<b>55%</b>
<b>DEBT SERVICE</b>								
24 0 7180	Key Bank - Principal	80,000	80,000	227,000	50,000	0	0	-100%
24 0 7080	City of Philomath - Principal	82,000	333,000	135,000	0	0	0	
24 0 7580	Key Bank - Interest	18,110	11,260	7,986	2,500	0	0	-100%
24 0 7550	City of Philomath - Interest	7,835	18,666	2,700	0	0	0	
	Subtotal Debt Service	<b>187,945</b>	<b>442,926</b>	<b>372,686</b>	<b>52,500</b>	<b>0</b>	<b>0</b>	<b>-100%</b>
<b>TRANSFERS</b>								
24 0 8900	Urban Renewal - General Fund	560,000	0	32,000	100,000	370,000	0	100%
	Subtotal Debt Service	<b>560,000</b>	<b>0</b>	<b>32,000</b>	<b>100,000</b>	<b>370,000</b>	<b>0</b>	<b>100%</b>
	<b>TOTAL EXPENDITURES</b>	<b>747,945</b>	<b>442,926</b>	<b>404,686</b>	<b>152,500</b>	<b>370,000</b>	<b>0</b>	<b>100%</b>
24 0 9500	UNAPPROPRIATED ENDING BAL	0	0	0	332,000	380,000	828,400	14%
	Excess Revenues Over Expenditures	50,715	2,842	38,905	0	0	0	

**PHILOMATH URBAN RENEWAL AGENCY  
2012-13 BUDGET NARRATIVE  
DEBT SERVICE FUND**

**REVENUE**

Cash Balance Forward	315,000	Estimated cash balance at June 30, 2012
Interest on Investments	4,000	Estimated interest income
Interest on Tax Collections	1,500	Interest on tax collections held at Benton County before they are turned over to the City
Current Year Property Tax Increment	419,100	Estimated property tax increment. Assume collection rate of 95%
Prior Year Property Tax Increment	<u>10,400</u>	Collection of prior years tax increment
<b>TOTAL REVENUE</b>	<b><u>750,000</u></b>	

**TRANSFERS**

To Urban Renewal - General Fund	<u>370,000</u>	Transfer to cover operating costs of the Urban Renewal Agency
<b>TOTAL TRANSFERS</b>	<b><u>370,000</u></b>	

## TAX SUMMARY

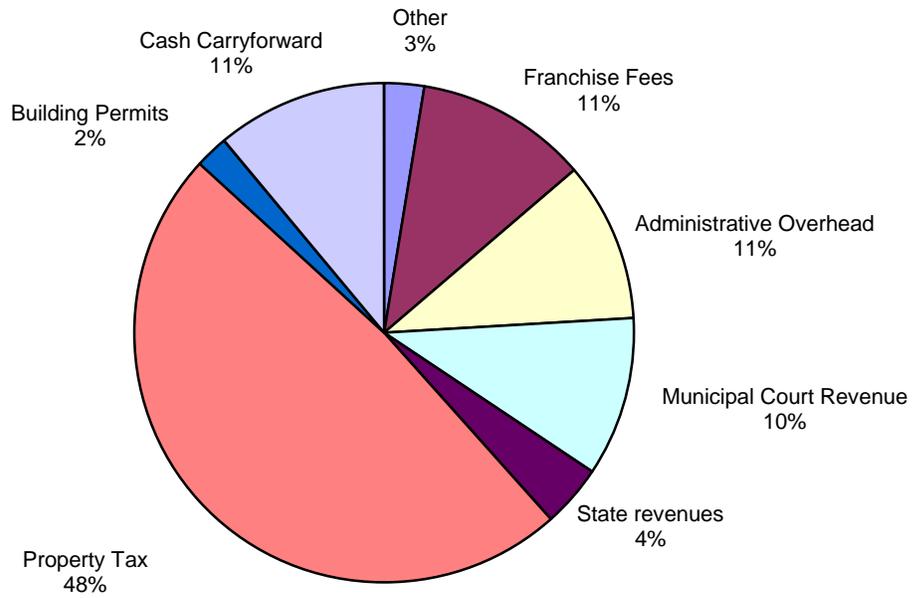
<b><u>Budget Year</u></b>	<b><u>General Fund Tax Levied</u></b>	<b><u>Total City Tax Rate</u></b>	<b><u>Assessed Valuation</u></b>	<b><u>General Fund Budget</u></b>
2003-04	954,126	6.35	196,711,899	1,866,911
2004-05	1,011,519	6.33	208,719,602	2,045,058
2005-06	1,059,141	5.30	218,262,373	2,216,600
2006-07	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
2011-12	1,343,333	5.30	278,890,870	2,484,500

<b><u>City Population</u></b>		<b><u>% Change</u></b>	<b><u># of City FTE Employees/1000 (calendar year)</u></b>
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
2012-13	4,610	-2.1%	5.4

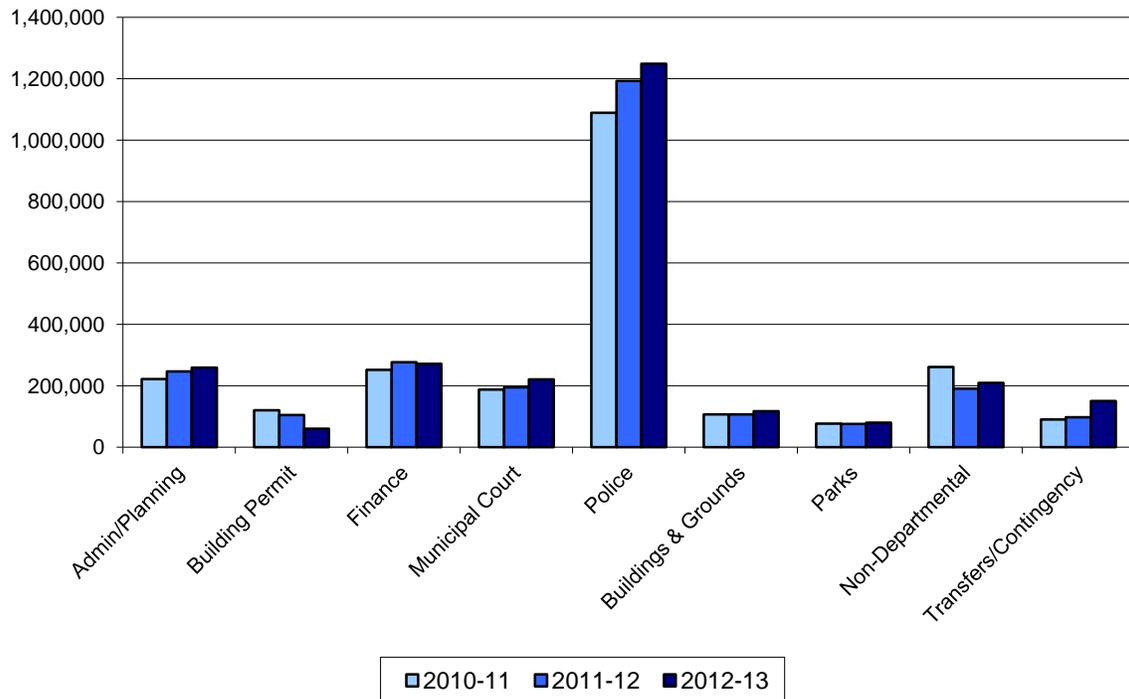
## Utility Connections

	<b><u>Water</u></b>	<b><u>Increase</u></b>	<b><u>Sewer</u></b>	<b><u>Increase</u></b>
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
2011-12	1562	1	1527	2

# City of Philomath 2012-13 General Fund Revenues



## General Fund Appropriations



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

	<u>ADOPTED BUDGET 2011-12</u>	<u>PROPOSED BUDGET 2012-13</u>	<u>Percent Change</u>
General Fund	2,484,500	2,614,350	5%
Street Fund	494,600	452,100	-9%
Water Fund	996,910	950,850	-5%
Sewer Fund	912,370	924,340	1%
Storm Drain Fund	47,600	57,580	21%
Land, Bldg & Equipment Fund	4,079,340	1,271,200	-69%
Systems Development Fund	230,100	676,499	100%
Community Development Fund	193,562	197,412	2%
Economic Development Fund	<u>47,714</u>	<u>47,015</u>	<u>-1%</u>
Total Budget	<u><u>9,486,696</u></u>	<u><u>7,191,346</u></u>	<u><u>-24%</u></u>

**CITY OF PHILOMATH  
2012-13 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	247,622	11,718	0	0	0	0	0	0	259,340
Building Permit	19,000	40,940	0	0	0	0	0	0	59,940
Finance	228,550	42,770	0	0	0	0	0	0	271,320
Municipal Court	118,307	101,973	0	0	0	0	0	0	220,280
Police	991,318	257,002	0	0	0	0	0	0	1,248,320
Buildings & Grounds	36,638	80,172	0	0	0	0	0	0	116,810
Parks	37,676	41,664	0	0	0	0	0	0	79,340
Non-departmental	15,800	193,200	0	0	0	0	0	0	209,000
Transfers/Contingency	0	0	0	0	100,000	0	50,000	0	150,000
Unappropriated balance	0	0	0	0	0	0	0	100,000	100,000
<b>Total General fund</b>	<b>1,694,911</b>	<b>769,439</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>50,000</b>	<b>100,000</b>	<b>2,714,350</b>
Street fund	184,506	185,094	0	0	57,500	0	25,000	20,000	472,100
Water fund	362,512	400,982	10,000	50,956	101,400	0	25,000	0	950,850
Sewer fund	282,269	260,503	0	327,768	48,800	0	5,000	0	924,340
Storm Drain fund	0	14,580	0	0	0	43,000	0	11,000	68,580
<b>Total Public Works</b>	<b>829,287</b>	<b>861,159</b>	<b>10,000</b>	<b>378,724</b>	<b>207,700</b>	<b>43,000</b>	<b>55,000</b>	<b>31,000</b>	<b>2,415,870</b>
<b>Total Operating Costs</b>	<b>2,524,198</b>	<b>1,630,598</b>	<b>10,000</b>	<b>378,724</b>	<b>307,700</b>	<b>43,000</b>	<b>105,000</b>	<b>131,000</b>	<b>5,130,220</b>
Land, Building & Equip	0	0	1,271,200	0	0	0	0	1,061,720	2,332,920
Systems Development	0	0	602,000	24,499	0	50,000	0	77,101	753,600
Community Development	0	197,412	0	0	0	0	0	0	197,412
Economic Development	0	0	0	47,015	0	0	0	11,185	58,200
<b>Total Non-Operating</b>	<b>0</b>	<b>197,412</b>	<b>1,873,200</b>	<b>71,514</b>	<b>0</b>	<b>50,000</b>	<b>0</b>	<b>1,150,006</b>	<b>3,342,132</b>
<b>TOTAL CITY</b>	<b>2,524,198</b>	<b>1,828,010</b>	<b>1,883,200</b>	<b>450,238</b>	<b>307,700</b>	<b>93,000</b>	<b>105,000</b>	<b>1,281,006</b>	<b>8,472,352</b>
PERCENT OF TOTAL	29.8%	21.7%	22.2%	5.3%	3.6%	1.1%	1.2%	15.1%	100.0%

budget/budget recap  
04/17/12