

2017-2018 BUDGET

City of Philomath and Urban Renewal Agency



MISSION: To promote ethical and responsive municipal government which provides its citizenry with high quality municipal services in an efficient and cost effective manner.

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**City of Philomath
Annual Budget
Fiscal Year 2017-18**

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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 89. 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

FISCAL YEAR 2017-18

BUDGET MESSAGE

Dear Members of the Budget Committee and Citizens of Philomath:

This budget document represents the requested financial support for the operation of the City of Philomath for fiscal year 2017-2018. It has been prepared by the City Budget Officer and Management Team.

We strive to manage the budget in an open and direct manner, allowing consistent and careful management of all revenues and expenditures in accordance with City policy as well as all State and Federal requirements.

The Budget Document

Each budget section begins with a description of the activities performed by that fund followed by a line-item budget for:

- previous three completed years
- current FY 2016-17 budget
- proposed FY 2017-18 budget
- estimated FY 2018-19 budget

The additional years' budget is provided for comparison sake and to help illustrate the effort this year's budget will have on next year; however, only the FY 2017-18 budget is up for approval and adoption.

Budget Highlights

This year's budget includes an estimated \$380,000 in new revenue generated from a proposed General Fund fee. The \$17 per month fee would be assessed on all industrial, commercial and residential utility customers. The purpose of this fee is to offset the ongoing trend of General Fund expenditures exceeding revenues, building up the ending fund balance, and reinitiating savings towards future large capital projects.

Outside of the General Fund, the budget is in a relatively good position. The City sold \$4.8 million of bonds to refinance the 2009 sewer bonds, resulting in a savings of almost \$600,000. The water and sewer funds are generating sufficient revenue to cover the cost of maintaining the treatment plants and pipes while transferring money into the Land, Building and Equipment Fund for large water and sewer capital projects in the future.

Budget Concerns

For at least the last three years staff has used this budget message to express concern over the short-term strategies being used to balance the General Fund and identified the need for sustained, natural growth and new construction as a means of expanding the tax base and bringing in new revenue. The City continues to hold spending levels to a minimum and increase workloads in lieu of hiring additional needed staff positions. At this point, a meaningful reduction in General Fund expenditures is only possible by cutting savings for future capital projects or cutting personnel within the police department.

With rejection of Chapel Drive annexation in November that would have led to development of new housing over the next ten-plus years, the City has reached a position of not being able to rely on future growth to pull the General Fund out of the recession. With no growth projected, current residents will have to decide whether to shoulder the increasing cost of providing basic municipal services or identify where cuts should be made.

Thank You

We wish to thank the members of the Budget Committee for the important role they have volunteered to take on in overseeing the budget process. We openly welcome your feedback and comments as you consider the FY 2017-18 Budget of the City of Philomath.

Respectfully submitted,

Chris Workman, City Manager

Joan Swanson, Budget Officer

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
GENERAL FUND**

	ACTUAL OPERATIONS 2013-14	ACTUAL OPERATIONS 2014-15	ACTUAL OPERATIONS 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
REVENUES							
Cash Balance Forward	193,610	151,499	134,199	140,000	100,000	240,000	-29%
Interest Income	4,438	4,661	4,409	4,660	5,200	7,000	12%
Property Tax - Current Year	1,234,003	1,369,083	1,415,806	1,464,000	1,505,000	1,550,000	3%
Property Tax - Prior Years	25,537	28,816	23,829	26,000	25,000	26,000	-4%
Cigarette and Liquor Tax	70,970	72,850	72,814	74,640	77,770	80,270	4%
State Revenue Sharing	41,191	42,624	43,069	44,200	46,200	47,950	5%
General Fund Fee	0	0	0	0	213,300	213,300	100%
Building & Electrical Permits	46,025	60,624	84,769	100,000	140,000	140,000	40%
Planning and Zoning Fees	3,515	8,023	24,780	15,000	18,000	18,000	20%
Franchise Fees	309,815	300,195	299,966	346,700	359,400	360,000	4%
Municipal Court Revenue	331,434	254,291	261,611	320,000	290,000	290,000	-9%
Bus User Fees	17,845	18,258	18,132	19,100	18,300	18,300	-4%
Flower Basket Revenue	0	0	7,230	7,300	8,500	8,500	16%
Lien Search Fees	4,445	4,790	7,670	7,500	6,000	6,500	-20%
Miscellaneous Receipts	13,338	26,978	37,663	24,500	27,510	27,111	12%
Administrative Overhead	280,271	284,388	284,424	309,900	331,620	341,569	7%
Grants	5,485	6,584	5,106	6,800	7,000	7,000	3%
Transfer-Community Develop Fund	120,000	0	0	20,700	0	0	-100%
TOTAL REVENUES	2,701,922	2,633,664	2,725,477	2,931,000	3,178,800	3,381,500	8%
EXPENDITURES							
Administration/Planning	273,737	224,153	251,317	249,800	256,100	270,400	3%
Building Permit Dept.	51,468	62,275	79,383	103,000	143,400	144,500	39%
Finance	276,661	286,713	303,671	331,900	346,800	365,600	4%
Municipal Court	223,778	192,416	198,109	231,000	231,200	237,700	0%
Police	1,300,236	1,323,655	1,397,670	1,406,600	1,491,600	1,580,400	6%
Buildings & Grounds	120,797	99,342	119,747	132,600	133,100	137,200	0%
Parks	79,496	99,586	89,972	107,600	93,000	96,000	-14%
City Council	184,250	160,325	170,404	206,600	193,600	199,700	-6%
Subtotal department expenditures	2,510,423	2,448,465	2,610,273	2,769,100	2,888,800	3,031,500	4%
TRANSFERS							
To Development Review Fund	0	0	0	30,000	0	0	-100%
To Land, Building & Equip Fund	40,000	51,000	27,300	11,900	50,000	50,000	100%
Subtotal transfers	40,000	51,000	27,300	41,900	50,000	50,000	100%
Contingency	0	0	0	50,000	50,000	50,000	0%
TOTAL EXPENDITURES	2,550,423	2,499,465	2,637,573	2,861,000	2,988,800	3,131,500	4%
UNAPPROPRIATED ENDING BAL	0	0	0	70,000	190,000	250,000	100%
Excess Revenues Over Expenditures	151,499	134,199	87,904	0	0	0	

**CITY OF PHILOMATH
GENERAL FUND REVENUES
2017-18 BUDGET NARRATIVE**

Item	Category	Amount	Description
3001	CASH BALANCE FORWARD	100,000	Estimated cash balance at June 30, 2017
	<u>INTEREST INCOME</u>		
3020	Investment interest	1,900	Estimated interest income
3030	Interest on tax collections	3,300	Interest earned on tax collections before they are turned over to the City.
		<u>5,200</u>	
3110	PROPERTY TAX - CURRENT YEAR	1,505,000	Estimated 3% increase over 2016-17 tax levy. The collections are estimated at 95% of taxes imposed.
3115	PROPERTY TAX - PRIOR YEARS	25,000	Property tax receipts collected for prior years
	<u>CIGARETTE & LIQUOR TAX</u>		
3130	Cigarette tax	5,600	\$1.20 per capita, estimated population of 4,665
3140	Liquor tax	72,170	\$15.47 per capita
		<u>77,770</u>	
3150	STATE REVENUE SHARING	46,200	14% of state liquor tax collections allocated to qualified cities
	GENERAL FUND FEE	213,300	\$10 per month fee for each developed property. Fee will be included on the utility bills. Multi-residential customers will be charged based on the number of residential units.
	<u>BUILDING & ELECTRICAL PERMITS</u>		
3310	Building permits	120,000	Building and electrical permits issued within the City
3315	Electrical permits	20,000	
		<u>140,000</u>	
3330	PLAN ACTIONS & ZONING COMPLIANCE	18,000	Processing land use & zoning compliance applications
	<u>FRANCHISE FEES</u>		
3410	Consumers Power	58,400	Franchise revenue based on estimated 2017-18 receipts
3430	Northwest Natural Gas	44,000	
3440	PacifiCorp	210,000	
3460	Comcast	47,000	
		<u>359,400</u>	
	<u>MUNICIPAL COURT REVENUE</u>		
3505	Court fines	228,000	Court fines imposed by the municipal court judge
3510	Benton County court	10,700	Municipal court collections for Benton County jail facility
3515	State court fees	46,300	Municipal court collections for the State Assessment
3535	Defense attorney reimbursement	5,000	Reimbursement to the city for defense attorney costs
		<u>290,000</u>	
3605	BUS USER FEES	18,300	\$5,322 from bus fares \$12,978 from OSU student and faculty contracts
3627	FLOWER BASKETS	8,500	Downtown flower basket program. 80 baskets at \$85 each. Two additional donations, one for \$500 and one for \$1,200
3642	LIEN SEARCH FEES	6,000	Fee charged for processing city lien searches

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**CITY OF PHILOMATH
GENERAL FUND REVENUES
2017-18 BUDGET NARRATIVE**

CONTINUED:

Item	Category	Amount	Description
<u>MISCELLANEOUS RECEIPTS</u>			
3625	Fingerprinting	1,000	Fingerprinting school district employees and others
3650	Miscellaneous receipts	17,510	
3675	Other permits & licenses	9,000	Park reservations and liquor license renewals
		<u>27,510</u>	
<u>ADMINISTRATIVE OVERHEAD</u>			
3910	Street Fund	53,580	Reimbursement to the General fund for administrative
3915	Urban Renewal Fund	42,720	and accounting functions which support all funds. Costs
3920	Water Fund	122,520	allocated based on time and resources devoted to each
3925	Sewer Fund	112,800	fund.
		<u>331,620</u>	
<u>Grants</u>			
3826	Crosswalk enforcement	2,000	ODOT crosswalk enforcement program
3818	Traffic safety grant	5,000	Officer overtime to enforce seatbelt and cell phone laws
		<u>7,000</u>	
	TOTAL GENERAL FUND REVENUES	<u>3,178,800</u>	

PHILOMATH ADMINISTRATION (City Manager and City Recorder)

City Manager

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

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

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

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

City Recorder/Administrative Assistant

The City Recorder serves as the City records manager and elections' officer. The City Recorder is responsible for overseeing fulfillment of public records requests and for recording, distributing, filing and maintaining City records including ordinances, resolutions, contracts, and other legal records. The City Recorder answers citizens' inquiries regarding City policy matters, ordinances, resolutions and other matters of record and advises Council and staff of legislation, programs and regulations affecting city operations. The Recorder prepares meeting agendas and informational packets and records and maintains official records of proceedings for City public meetings, including City Council, Planning Commission, Budget Committee, and standing committees.

This position is also responsible for performing confidential administrative and clerical work for the City Manager and providing secondary planning support, including answering incoming calls and acting as receptionist. Other responsibilities include maintenance of the city website and readerboard sign, scheduling of meetings and appointments, and directing citizens to appropriate departments for general information on questions, problems or complaints.

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
GENERAL FUND - ADMINISTRATION/PLANNING**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
PERSONNEL SERVICES							
10 1 4110 City Manager	116,627	78,108	84,456	91,296	98,712	106,721	8%
10 1 4130 City Recorder	37,078	43,219	44,083	39,346	34,402	35,090	-13%
10 1 4257 Planner	15,193	15,816	672	0	0	0	
10 1 4320 Overtime	0	0	2,436	0	0	0	
10 1 4360 Incentive Pay	2,101	2,400	2,400	2,100	1,800	1,800	-14%
10 1 4366 Longevity Pay	3,786	4,322	4,408	3,935	3,440	3,509	-13%
10 1 4370 Sick Leave Conversion	232	0	0	0	0	0	
10 1 4500 Social Security	13,187	10,927	10,397	10,456	10,584	11,255	1%
10 1 4520 PERS	15,922	20,599	22,368	21,842	27,127	28,690	24%
10 1 4540 Workers' Compensation	465	395	427	460	560	600	22%
10 1 4560 Workers' Benefit Fund Assmt	58	61	55	54	51	51	-6%
10 1 4620 Deferred Compensation	4,433	7,683	8,267	8,201	8,301	8,827	1%
10 1 4640 Health Insurance	23,350	25,272	26,893	26,935	26,576	27,905	-1%
10 1 4660 Dental Insurance	3,229	3,423	3,489	3,442	3,464	3,637	1%
10 1 4670 Health Reimbursement Account	2,550	2,700	2,700	2,550	2,400	2,400	-6%
10 1 4680 Life Insurance	223	155	155	158	120	126	-24%
10 1 4820 Sick & Vacation Accrual	24,735	0	0	0	0	0	
Subtotal Personnel Services	263,169	215,080	213,206	210,775	217,537	230,611	3%
MATERIALS AND SERVICES							
10 1 5015 Advertising and Legal Notices	0	352	5,302	3,000	3,000	3,090	0%
10 1 5147 Contracted Planner	0	0	21,756	23,000	23,000	23,690	0%
10 1 5233 Dues	1,022	205	1,117	1,200	1,300	1,339	8%
10 1 5245 Education & Training	1,650	1,320	1,889	2,000	2,000	2,060	0%
10 1 5325 Insurance	1,327	1,704	1,494	1,700	1,800	1,854	6%
10 1 5390 Miscellaneous	116	457	230	475	363	443	-24%
10 1 5413 Office Supplies	1,582	1,468	1,518	1,600	1,600	1,648	0%
10 1 5465 Postage	180	505	1,202	650	600	618	-8%
10 1 5563 Small Tools & Equipment	1,415	330	180	800	500	515	-38%
10 1 5603 Telephone	1,214	1,283	1,278	1,300	2,000	2,060	54%
10 1 5665 Travel and Meals	2,062	1,302	2,145	2,300	2,000	2,060	-13%
10 1 5745 Vehicle Repair and Maintenance	0	147	0	1,000	400	412	-60%
Subtotal Materials and Services	10,568	9,073	38,111	39,025	38,563	39,789	-1%
TOTAL ADMIN/PLANNING BUDGET	273,737	224,153	251,317	249,800	256,100	270,400	3%

**CITY OF PHILOMATH
GENERAL FUND - ADMINISTRATION/PLANNING
2017-18 BUDGET NARRATIVE**

PERSONNEL SERVICES

	98,712
City Manager	
City Recorder	<u>34,402</u>
TOTAL SALARIES	133,114
Salaries include a 2% cost-of-living increase. The City Recorder's time is allocated 60% to administration and 40% to building permits.	
INCENTIVE PAY	1,800
Each employee may receive up to \$300 per month based on acquiring specialized skills	
LONGEVITY PAY	3,440
Management employees receive 5% after 10 years of service, and 10% after 15 years of service	
SOCIAL SECURITY	10,584
Calendar year 2017 rate is 7.65%	
PERS	27,127
The City pays both the employer and employee contributions. For fiscal years 2017-19 the Tier 1 & 2 employer rate is 19.95%, OPSRP rate is 11.06%, and the employee rate is 6%.	
WORKERS' COMPENSATION	560
WORKERS' BENEFIT FUND ASSESSMENT	51
Required by Oregon Dept. of Revenue	
DEFERRED COMPENSATION	8,301
6% retirement benefit for management employees	
HEALTH INSURANCE	26,576
\$1,500 deductible plan, estimated 5% increase for 2018 premium	
DENTAL INSURANCE	3,464
Estimated 4.5% increase for 2018 premium	
HEALTH REIMBURSEMENT ACCOUNT	2,400
Employee account to help offset medical deductible	
LIFE INSURANCE	<u>120</u>
Basic life and AD&D policy. Employee coverage \$30,000.	
TOTAL PERSONNEL SERVICES	<u><u>217,537</u></u>

**CITY OF PHILOMATH
GENERAL FUND - ADMINISTRATION/PLANNING
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Advertising and Legal Notices	3,000	Advertising of legal notices
Contracted Planner	23,000	Jim Minard works for the City of Tangent. We contract with Tangent for his services.
Dues	1,300	Dues to various professional organizations
Education & Training	2,000	Continuing education for staff. Pays for registration at conferences of League of Oregon Cities, Oregon Association of Municipal Recorders and other professional associations.
Insurance	1,800	Administration portion of City liability insurance
Miscellaneous	363	Incidental expenses
Office Supplies	1,600	Copier cost, paper and other office supplies
Postage	600	Postage and mailing costs
Small Tools & Equipment	500	Purchase of small office equipment
Telephone	2,000	Telephone and long distance charges
Travel and Meals	2,000	Travel, meals and lodging for seminars and conferences
Vehicle Repair & Maintenance	<u>400</u>	City Manager vehicle
TOTAL MATERIALS AND SERVICES	<u>38,563</u>	

BUILDING PERMIT DEPARTMENT

The Building Permit Department is responsible for issuing all construction, electrical, plumbing and mechanical permits for projects in the City and to certain properties in the Urban Growth Boundary. The City Recorder serves as the permit clerk, answers questions, accepts building plans and issues permits. Compliance with zoning regulations is checked at the time of application for a permit. Building plan reviews and inspections are accomplished under contract with the Benton County Development Department. Approximately 40% of the Recorder's time is spent on the permitting process.

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
GENERAL FUND - BUILDING PERMIT**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
PERSONNEL SERVICES							
10 2 4130 City Recorder	10,594	10,805	11,021	16,862	22,934	23,393	36%
10 2 4360 Incentive Pay	600	600	600	900	1,200	1,200	33%
10 2 4366 Longevity Pay	795	1,081	1,102	1,686	2,293	2,339	36%
10 2 4500 Social Security	917	936	934	1,488	2,022	2,060	36%
10 2 4520 PERS	2,226	2,319	2,610	3,989	6,858	6,989	72%
10 2 4540 Workers' Compensation	29	34	38	55	100	112	82%
10 2 4560 Workers' Benefit Fund Assmt	6	6	6	10	13	13	30%
10 2 4620 Deferred Compensation	719	750	763	1,167	1,586	1,616	36%
10 2 4640 Health Insurance	2,284	2,358	2,508	3,952	5,467	5,740	38%
10 2 4660 Dental Insurance	264	269	275	423	591	621	40%
10 2 4670 Health Reimbursement Account	300	300	300	450	600	600	33%
10 2 4680 Life Insurance	22	24	23	39	40	42	3%
Subtotal Personnel Services	18,756	19,482	20,180	31,021	43,704	44,725	41%
MATERIALS AND SERVICES							
10 2 5057 Credit Card Fees	0	0	161	1,614	1,331	1,405	-18%
10 2 5165 County Bldg & Elect Inspections	32,297	42,437	58,691	70,000	98,000	98,000	40%
10 2 5603 Telephone	415	356	351	365	365	370	0%
Subtotal Materials and Services	32,712	42,793	59,203	71,979	99,696	99,775	39%
TOTAL BUILDING PERMIT BUDGET	51,468	62,275	79,383	103,000	143,400	144,500	39%

**CITY OF PHILOMATH
GENERAL FUND - BUILDING PERMIT
2017-18 BUDGET NARRATIVE**

PERSONNEL SERVICES

City Recorder	22,934
40% of the City Recorder's time and corresponding benefits are allocated to the issuance and processing of building permits	
INCENTIVE PAY Each employee may receive up to \$300 per month based on acquiring specialized skills	1,200
LONGEVITY PAY Management employees receive 5% after 10 years of service, and 10% after 15 years of service	2,293
SOCIAL SECURITY Calendar year 2017 rate is 7.65%	2,022
PERS The City pays both the employer and employee contributions. For fiscal years 2017-19 the employer rate is 19.95% and the employee rate is 6%.	6,858
WORKERS' COMPENSATION	100
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept. of Revenue	13
DEFERRED COMPENSATION 6% retirement benefit for management employees	1,586
HEALTH INSURANCE \$1,500 deductible plan, estimated 5% increase for 2018 premium	5,467
DENTAL INSURANCE Estimated 4.5% increase for 2018 premium	591
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible	600
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000.	<u>40</u>
TOTAL PERSONNEL SERVICES	<u><u>43,704</u></u>

**CITY OF PHILOMATH
GENERAL FUND - BUILDING PERMIT
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Credit Card Fees	1,331	Credit card fees for contractors to pay for building permits online
County Bldg. & Electrical Inspections	98,000	70% of building and electrical permit revenue is paid to Benton County for plan review and inspections
Telephone	<u>365</u>	Telephone and long distance charges
TOTAL MATERIALS AND SERVICES	<u>99,696</u>	

FINANCE

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

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

The Finance Director administers grant funds.

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
GENERAL FUND - FINANCE**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
PERSONNEL SERVICES							
10 3 4120 Finance Director	82,167	88,608	90,384	92,208	94,032	95,913	2%
10 3 4172 Finance Staff	45,408	46,776	43,736	38,928	41,590	42,406	7%
10 3 4254 Accounting Clerk	13,608	11,947	16,494	14,820	15,808	16,800	7%
10 3 4360 Incentive Pay	6,540	6,540	6,344	5,892	5,892	5,892	0%
10 3 4366 Longevity Pay	8,217	8,861	9,038	9,221	9,403	9,591	2%
10 3 4370 Sick Leave Conversion	1,132	2,045	2,086	2,128	2,170	2,213	2%
10 3 4500 Social Security	11,874	12,449	12,730	12,485	12,920	13,220	3%
10 3 4520 PERS	25,740	27,212	28,555	28,763	37,547	38,344	31%
10 3 4540 Workers' Compensation	396	443	515	600	690	746	15%
10 3 4560 Workers' Benefit Fund Assmt	76	76	80	74	74	74	0%
10 3 4620 Deferred Compensation	5,689	6,169	6,288	6,411	6,534	6,661	2%
10 3 4640 Health Insurance	26,778	27,629	29,401	30,887	32,043	33,645	4%
10 3 4660 Dental Insurance	3,626	3,693	3,763	3,865	4,055	4,258	5%
10 3 4670 Health Reimbursement Acct	3,000	3,000	3,000	3,000	3,000	3,000	0%
10 3 4680 Life Insurance	244	286	256	295	340	357	15%
10 3 4820 Sick & Vacation Accrual	0	0	0	30,000	20,000	30,000	-33%
Subtotal Personnel Services	234,495	245,734	252,670	279,577	286,098	303,120	2%
MATERIALS AND SERVICES							
10 3 5015 Advertising and Legal Notices	0	0	825	0	0	0	
10 3 5057 Credit Card Fees-Utility Payment:	4,596	5,388	5,887	5,850	7,900	8,137	35%
10 3 5137 Computer Support	5,212	5,212	5,212	5,670	8,470	8,724	49%
10 3 5138 Computer Support-Utility Billing	4,268	2,743	2,743	4,640	5,865	6,041	26%
10 3 5233 Dues	1,035	985	1,535	1,060	1,080	1,112	2%
10 3 5245 Education & Training	1,544	1,934	1,970	1,950	2,000	2,060	3%
10 3 5246 Education & Training-Utility	300	0	574	640	700	721	9%
10 3 5325 Insurance	762	1,015	968	1,120	1,160	1,195	4%
10 3 5380 Lien Search Fee	1,320	1,460	2,350	2,700	2,800	2,884	4%
10 3 5390 Miscellaneous	334	414	514	548	562	536	3%
10 3 5413 Office Supplies	2,528	2,577	3,235	3,300	3,300	3,399	0%
10 3 5414 Office Supplies - Utility Billing	671	1,524	1,621	1,200	1,600	1,648	33%
10 3 5465 Postage	835	689	804	1,340	1,340	1,380	0%
10 3 5466 Postage - Utility Billing	538	573	550	600	600	618	0%
10 3 5505 Recording Fee	214	154	284	400	1,200	1,236	100%
10 3 5563 Small Tools & Equipment	415	263	875	875	875	901	0%
10 3 5603 Telephone	1,746	1,514	2,721	1,650	1,650	1,700	0%
10 3 5604 Telephone - Utility Billing	1,322	1,350	1,346	1,380	1,380	1,421	0%
10 3 5665 Travel and Meals	2,106	1,747	2,688	2,700	2,750	2,833	2%
10 3 5666 Travel and Meals-Utility Billing	0	0	944	800	870	896	9%
10 3 5722 Utility Bill Printing/Mailing	8,850	8,066	9,511	10,000	10,000	10,300	0%
10 3 5730 Utility Online Service	3,570	3,371	3,844	3,900	4,600	4,738	18%
Subtotal Materials & Services	42,166	40,979	51,001	52,323	60,702	62,480	16%
TOTAL FINANCE BUDGET	276,661	286,713	303,671	331,900	346,800	365,600	4%

**CITY OF PHILOMATH
GENERAL FUND - FINANCE
2017-18 BUDGET NARRATIVE**

PERSONNEL SERVICES

Finance Director	94,032
Accounting Clerk	41,590
Utility Clerk	<u>15,808</u>
TOTAL SALARIES	151,430
Salaries include a 2% cost-of-living increase. The Accounting Clerk works 4 days per week. The Utility Clerk is a half time position.	
INCENTIVE PAY	5,892
Each employee may receive up to \$300 per month based on acquiring specialized skills	
LONGEVITY PAY	9,403
Management employees receive 5% after 10 years of service, and 10% after 15 years of service	
SICK LEAVE CONVERSION	
50% of excess sick leave for Department Heads who choose to cash out sick time	
	2,170
SOCIAL SECURITY	
Calendar year 2017 rate is 7.65%	
	12,920
PERS	37,547
The City pays both the employer and employee contributions. For fiscal years 2017-19 the Tier 1 & 2 employer rate is 19.95%, OPSRP rate is 11.06%, and the employee rate is 6%.	
WORKERS' COMPENSATION	690
WORKERS' BENEFIT FUND ASSESSMENT	
Required by Oregon Dept. of Revenue	
	74
DEFERRED COMPENSATION	
6% retirement benefit for management employees	
	6,534
HEALTH INSURANCE	
\$1,500 deductible plan, estimated 5% increase for 2018 premium	
	32,043
DENTAL INSURANCE	
Estimated 4.5% increase for 2018 premium	
	4,055
HEALTH REIMBURSEMENT ACCOUNT	
Employee account to help offset medical deductible	
	3,000
LIFE INSURANCE	
Basic life and AD&D policy. Employee coverage \$30,000.	
	340
SICK & VACATION ACCRUAL	
Liability for unused vacation and sick leave payable upon termination	
	<u>20,000</u>
TOTAL PERSONNEL SERVICES	<u>286,098</u>

**CITY OF PHILOMATH
GENERAL FUND - FINANCE
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Credit Card Fees	7,900	Credit card fees for online utility bill payment
Computer Support	8,470	Maintenance contract and support for accounting software
Computer Support - Utility Billing	5,865	Maintenance contract and support for utility software
Dues	1,080	Dues to various professional organizations
Education & Training	2,000	Continuing education for employees
Education & Training - Utility Billing	700	Continuing education for the Utility Clerk
Insurance	1,160	Finance portion of City liability insurance
Lien Search Fee	2,800	Fee for web based searches of City liens. Fee is reimbursed to City by title companies and others using the lien service.
Miscellaneous	562	Incidental expenses
Office Supplies	3,300	Copier cost, paper and other office supplies
Office Supplies - Utility Billing	1,600	Office supplies used in the billing and collection of water and sewer accounts
Postage	1,340	Postage for mailing accounts payable payments, etc.
Postage - Utility Billing	600	Postage for mailing correspondence from water department
Recording Fee	1,200	Fee to record liens with Benton County
Small Tools and Equipment	875	Purchase of small office equipment
Telephone	1,650	Telephone and long distance charges
Telephone - Utility Billing	1,380	Telephone costs for utility clerk
Travel and Meals	2,750	Travel, meals and lodging for seminars and conferences
Travel and Meals - Utility Billing	870	Travel, meals and lodging for seminars and conferences
Utility Bill Printing/Mailing	10,000	Printing, mailing and postage for monthly utility bills
Utility Online Service	<u>4,600</u>	Monthly service fees for Web based software which customers can use to pay their utility bills online
TOTAL MATERIALS AND SERVICES	<u><u>60,702</u></u>	

MUNICIPAL COURT

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

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

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

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 2017-18
GENERAL FUND - MUNICIPAL COURT**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
PERSONNEL SERVICES							
10 4 4130 City Recorder	5,297	0	0	0	0	0	
10 4 4172 Finance Staff	38,148	38,797	39,686	40,484	41,290	42,406	2%
10 4 4251 Judge	24,600	25,080	25,560	26,070	26,568	27,100	2%
10 4 4259 Extra Hire	11,021	10,004	13,689	15,170	15,470	15,810	2%
10 4 4360 Incentive Pay	2,794	2,496	2,496	2,496	2,496	2,496	0%
10 4 4366 Longevity Pay	399	0	0	0	0	0	
10 4 4500 Social Security	6,102	5,460	5,847	6,443	6,588	6,718	2%
10 4 4520 PERS	10,916	9,992	10,559	10,857	14,532	14,815	34%
10 4 4540 Workers' Compensation	98	100	113	125	150	162	20%
10 4 4560 Workers' Benefit Fund Assmt	56	51	49	51	51	51	0%
10 4 4620 Deferred Compensation	360	0	0	0	0	0	
10 4 4640 Health Insurance	16,499	15,845	16,861	17,713	18,376	19,295	4%
10 4 4660 Dental Insurance	2,436	2,346	2,391	2,456	2,577	2,706	5%
10 4 4670 Health Reimbursement Account	1,650	1,500	1,500	1,500	1,500	1,500	0%
10 4 4680 Life Insurance	47	36	32	50	70	74	40%
Subtotal Personnel Services	120,423	111,707	118,783	123,415	129,668	133,133	5%
MATERIALS AND SERVICES							
10 4 5057 Credit Card Fees	3,958	3,952	2,477	2,550	2,700	2,781	6%
10 4 5115 Collection Agency	4,046	2,545	1,267	2,300	2,300	2,369	0%
10 4 5137 Computer Support	1,310	1,310	1,355	2,900	1,975	2,034	-32%
10 4 5173 Court Fees - State	61,719	39,883	38,883	48,000	46,300	47,689	-4%
10 4 5174 Court Fees - Benton County	10,270	5,740	6,902	7,700	7,500	7,716	-3%
10 4 5215 Defense Attorney	5,960	9,322	9,552	10,000	10,000	10,300	0%
10 4 5233 Dues	100	100	100	100	100	103	0%
10 4 5245 Education and Training	875	350	198	850	900	927	6%
10 4 5325 Insurance	474	587	534	670	670	690	0%
10 4 5345 Interpreter	703	1,779	178	1,600	1,500	1,545	-6%
10 4 5363 Jury Fees	129	350	430	600	500	515	-17%
10 4 5390 Miscellaneous	36	148	922	365	387	397	6%
10 4 5413 Office Supplies	3,205	1,134	2,300	2,800	2,800	2,884	0%
10 4 5465 Postage	646	906	597	1,300	1,000	1,030	-23%
10 4 5475 Prisoner Care	7,455	10,635	7,485	23,000	20,000	20,600	-13%
10 4 5495 Publications	206	156	242	200	250	258	25%
10 4 5563 Small Tools and Equipment	0	0	4,650	0	0	0	
10 4 5603 Telephone	1,209	1,232	1,228	1,250	1,250	1,288	0%
10 4 5665 Travel and Meals	1,054	580	26	1,400	1,400	1,442	0%
Subtotal Materials & Services	103,355	80,709	79,326	107,585	101,532	104,567	-6%
TOTAL MUNICIPAL COURT	223,778	192,416	198,109	231,000	231,200	237,700	0%

**CITY OF PHILOMATH
GENERAL FUND - MUNICIPAL COURT
2017-18 BUDGET NARRATIVE**

PERSONNEL SERVICES

Court Clerk	41,290
Court Clerk - part time	15,470
Judge	<u>26,568</u>
TOTAL SALARIES	83,328
<p>The Court Clerk works 4 days per week. The part time clerk fills in one day per week and on court days.</p>	
INCENTIVE PAY	2,496
<p>Each employee may receive up to \$300 per month based on acquiring specialized skills</p>	
SOCIAL SECURITY Calendar year 2017 rate is 7.65%	6,588
PERS	14,532
<p>The City pays both the employer and employee contributions. For fiscal years 2017-19 the Tier 1 & 2 employer rate is 19.95%, OPSRP rate is 11.06%, and the employee rate is 6%.</p>	
WORKERS' COMPENSATION	150
WORKERS BENEFIT FUND ASSESSMENT Required by Oregon Dept. of Revenue	51
HEALTH INSURANCE \$1,500 deductible plan, estimated 5% increase for 2018 premium	18,376
DENTAL INSURANCE Estimated 4.5% increase for 2018 premium	2,577
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible	1,500
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000.	<u>70</u>
TOTAL PERSONNEL SERVICES	<u>129,668</u>

**CITY OF PHILOMATH
GENERAL FUND - MUNICIPAL COURT
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Credit Card Fees	2,700	The court allows fines to be paid with credit cards to encourage payoff of large balances and past due amounts
Collection Agency	2,300	Fee paid for collections on delinquent accounts
Computer Support	1,975	Maintenance contract on court software
Court Fees -- State	46,300	State mandated fees collected as part of court fines
Court Fees -- Benton County	7,500	State mandated fees collected for Benton County Jail. 30% of collections are retained by the City for administrative costs.
Defense Attorney	10,000	Defense council for those defendants that cannot afford to hire an attorney
Dues	100	Court association and notary association
Education and Training	900	Classes and conferences on court operations and accounting software
Insurance	670	Court portion of City liability insurance
Interpreter	1,500	Court interpreter for defendants that do not speak English
Jury Fees	500	20 jurors are called for each jury trial. Payment is \$10 per juror
Miscellaneous	387	Incidental expenses
Office Supplies	2,800	Copier cost, paper and other office supplies
Postage	1,000	Postage for court correspondence
Prisoner Care	20,000	Payment to Benton County jail when the judge orders jail time as part of a court sentencing
Publications	250	Legal and court publications
Telephone	1,250	Telephone and long distance charges
Travel and Meals	<u>1,400</u>	Travel, meals and lodging for training classes
TOTAL MATERIALS & SERVICES	<u>101,532</u>	

The Philomath Police Department



The Philomath Police Department is a full-service professional organization providing 24/7 emergency services for the City of Philomath. When fully staffed, we employ seven DPSST certified Police Officers, one full-time Administrative Assistant and one part-time administrative reserve officer. The department is managed by a Chief of Police, Ken Rueben, and a Patrol Sergeant, David Gurski.

Accreditation

The Department is proud to announce that we completed the Oregon Accreditation Alliance re-certification process in 2016. The formal accreditation process is very important for the city as the Alliance program provides third-party review of policies, procedures, and operational functionality. These reviews hold the department to stringent standards set forth by a state accreditation board that conduct a review of our policies, examine internal operations and record keeping, and physical adherence to rules, regulations, and state and federal laws. Here are a few quotes from the 2016 accreditation report:

"The employees of the Philomath Police Department were very professional, friendly, knowledgeable, and helpful. This is well-organized and structured department that has utilized good research and innovation in acquiring a new facility, equipment, and technology within available budgets. Overall, the files were in excellent shape, with only minor issues encountered that were correctable prior to the onsite."

"Search and seizure policies are clear, concise, and adhere to all state requirements and standard requirements. Policy includes clear search protocol when conducting searches. All

possible search circumstances are addressed, including those conditions applicable to plain view."

"Policies related to conditions of work and health and safety are clear, concise, and cover all standard requirements. The agency has a comprehensive policy on reporting and responding to communicable disease exposure, to include follow-up requirements."

"The Philomath Police Department has placed a priority on training, and provides consistent, on-going training in necessary areas that complies with all standard requirements."

"Philomath Police Department has thorough and contemporary policies addressing domestic violence, elder abuse, child abuse, missing persons, mental illness, and hate crimes that comply with all standard and statutory requirements."

Community Outreach

The Philomath Police Department continues to strive to solidify relationships in our community. Officers and staff attended numerous community events in 2016, and hosted tours, public meetings and the National Night Out community event. In 2016, the Philomath Police Department did not receive one citizen complaint! This is a testament to officer professionalism and dedication to the customers we serve!!

Crime Statistics

Crime was generally down in Philomath in 2016, with key crime indicators such as thefts, burglaries, and robberies down significantly. Although crime can drastically fluctuate year-to-year, we believe crime has been reduced due to proactive policing strategies and the critical involvement and partnerships with our citizens. Reporting crime and suspicious activity is the most important factor in reducing crime in small towns!!!

Selected Calls For Service (CFS)	2016					2016 Total	2015 Total	% Change
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter				
Robbery	0	0	0	0	0	0	0	0.00%
DUI	16	12	9	7	44	29	29	51.72%
Burglary	1	1	1	4	7	23	23	-69.57%
Juvenile Problems	2	4	2	4	12	30	30	-60.00%
Disturbance	5	3	3	13	24	25	25	-4.00%
Theft	21	17	11	25	74	109	109	-32.11%
Theft motor Vehicle	0	0	0	0	0	2	2	-100.00%
Traffic Problem	1	1	0	0	2	8	8	-75.00%
Suspicious Persons	7	20	2	8	37	51	51	-27.45%

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
GENERAL FUND - POLICE**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE	
PERSONNEL SERVICES								
10 5 4120	Police Chief	82,728	74,292	86,962	87,288	89,040	90,821	2%
10 5 4152	Sergeant	110,525	68,933	71,422	70,617	72,888	74,346	3%
10 5 4162	Police Officers	379,936	356,419	360,710	388,192	402,700	431,668	4%
10 5 4174	Administrative Secretary	46,560	47,508	48,456	49,440	50,424	51,432	2%
10 5 4250	Custodian	0	0	3,146	0	3,400	3,470	100%
10 5 4259	Extra Hire	244	492	959	2,000	2,000	2,000	0%
10 5 4310	Holiday Pay	11,022	13,693	14,284	13,700	15,470	16,560	13%
10 5 4320	Overtime	22,869	57,834	76,010	47,700	35,000	40,000	-27%
10 5 4348	Boot Allowance	1,050	0	2,700	0	2,400	0	100%
10 5 4350	Uniform Allowance	2,831	2,703	3,664	3,780	3,360	3,360	-11%
10 5 4360	Incentive Pay	1,000	2,000	0	3,000	3,000	3,000	0%
10 5 4362	Special Assignment Pay	6,392	5,000	4,359	3,600	3,600	3,600	0%
10 5 4500	Social Security	52,815	51,736	52,818	51,509	53,189	56,094	3%
10 5 4520	PERS	87,573	100,521	116,660	121,955	152,162	160,468	25%
10 5 4540	Workers' Compensation	22,832	22,002	24,644	26,000	32,428	35,040	25%
10 5 4560	Workers' Benefit Fund Assmt	318	333	343	320	350	350	9%
10 5 4620	Deferred Compensation	27,318	41,126	14,783	12,929	13,174	13,471	2%
10 5 4640	Health Insurance	127,365	147,337	151,268	161,063	167,091	175,450	4%
10 5 4660	Dental Insurance	18,636	20,882	20,920	21,876	22,941	24,120	5%
10 5 4670	Health Reimbursement Account	13,750	15,625	15,250	15,000	15,000	15,000	0%
10 5 4680	Life Insurance	983	1,077	673	715	645	695	-10%
10 5 4820	Sick & Vacation Accrual	5,542	17,841	24,405	10,000	12,000	13,000	20%
	Subtotal Personnel Services	1,022,289	1,047,354	1,094,436	1,090,684	1,152,262	1,213,945	6%
MATERIALS AND SERVICES								
10 5 5010	Accreditation	570	550	646	700	700	756	0%
10 5 5015	Advertising & Legal Notices	1,305	0	0	800	300	324	-63%
10 5 5075	Bike Olympics	869	956	1,063	1,000	500	540	-50%
10 5 5082	Body Camera Fees	0	3,955	5,191	4,800	7,500	8,100	56%
10 5 5102	Car Wash	659	371	320	500	400	432	-20%
10 5 5143	Computer Line Charges	3,419	4,297	4,666	4,700	4,700	5,076	0%
10 5 5160	Coroner Investigation	4,921	4,921	8,223	8,223	3,200	3,456	-61%
10 5 5233	Dues	1,420	1,670	550	1,700	700	756	-59%
10 5 5245	Education & Training	3,987	3,024	2,920	4,100	5,000	5,400	22%
10 5 5283	Equipment Repair/Maintenance	0	323	1,406	600	600	648	0%
10 5 5293	Evidence Supplies	0	0	0	0	1,000	1,080	100%
10 5 5300	Firearms Training	2,926	2,654	2,113	3,300	3,000	3,240	-9%
10 5 5305	Gas & Oil	22,869	14,718	13,362	17,000	17,000	18,360	0%
10 5 5325	Insurance	24,175	30,966	29,693	35,000	33,000	35,640	-6%
10 5 5370	Lane County Dispatch	0	0	2,372	2,700	2,700	2,916	0%
10 5 5377	LEDS/NCIC Teletype Service	350	350	0	350	350	378	0%
10 5 5379	Lexipol	2,950	2,867	2,950	2,950	3,688	3,983	25%
10 5 5383	Maintenance Agreement	668	369	350	450	400	432	-11%
10 5 5387	Medical Expenses	911	2,166	252	1,500	1,000	1,080	-33%
10 5 5390	Miscellaneous	5,479	8,755	8,814	6,113	6,100	6,558	0%
10 5 5407	9-1-1 Center	138,160	128,960	135,120	136,060	165,190	178,405	21%
10 5 5413	Office Supplies	7,621	8,018	8,581	8,000	8,000	8,640	0%
10 5 5465	Postage	427	534	1,063	850	700	756	-18%
10 5 5475	Prisoner Care	630	675	1,590	900	900	972	0%
10 5 5498	RAIN	901	932	953	960	1,050	1,134	9%
10 5 5507	Records Management System	4,100	4,100	4,100	4,100	4,100	4,428	0%

Continued Next Page

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
GENERAL FUND - POLICE**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
MATERIALS AND SERVICES (CONTINUED)							
10 5 5510 Reserves	164	842	113	500	1,000	1,080	100%
10 5 5535 Security Alarm	0	0	108	1,300	1,300	1,404	0%
10 5 5563 Small Tools & Equipment	10,707	10,337	13,196	16,000	14,000	15,120	-13%
10 5 5587 Supplies	1,066	1,872	3,893	1,500	1,700	1,836	13%
10 5 5603 Telephone	5,579	7,397	8,794	8,500	8,500	9,180	0%
10 5 5645 Tires	0	0	1,707	2,000	3,000	3,240	50%
10 5 5650 TLO - TransUnion	0	0	1,226	1,400	1,400	1,512	0%
10 5 5655 Towing	0	0	2,412	2,200	2,400	2,592	9%
10 5 5660 Transcription	682	1,548	374	1,500	900	972	-40%
10 5 5665 Travel and Meals	4,789	3,241	6,085	4,200	5,000	5,400	19%
10 5 5703 Uniforms	5,826	7,725	10,680	11,600	10,000	10,800	-14%
10 5 5745 Vehicle Repair & Maintenance	14,755	13,094	13,871	13,500	14,000	15,120	4%
10 5 5765 Willamette Criminal Justice Cncl	813	813	860	860	860	929	0%
10 5 5797 Youth Services	4,249	3,301	3,617	3,500	3,500	3,780	0%
Subtotal Materials and Services	277,947	276,301	303,234	315,916	339,338	366,455	7%
TOTAL POLICE BUDGET	1,300,236	1,323,655	1,397,670	1,406,600	1,491,600	1,580,400	6%

**CITY OF PHILOMATH
GENERAL FUND - POLICE
2017-18 BUDGET NARRATIVE**

PERSONNEL SERVICES

Police Chief	89,040
Police Sergeant	72,888
7 Police Officers	402,700
Administrative Secretary	50,424
Custodian	<u>3,400</u>
TOTAL SALARIES	618,452
Salaries include a 2% cost-of-living increase.	
EXTRA HIRE To cover the front office when the Administrative Secretary takes days off	2,000
HOLIDAY PAY Police officers receive an additional 12 paid days per year. This is to compensate them for the overtime that they would earn on holidays when they are on duty.	15,470
OVERTIME Extra stay beyond normal shift, monthly staff meetings, and court appearances	35,000
BOOT ALLOWANCE \$300 paid to Police Officers and Sergeant every other year to purchase protective foot gear	2,400
UNIFORM ALLOWANCE \$35 monthly cleaning allowance paid to Police Officers and Sergeant	3,360
INCENTIVE PAY Physical fitness incentive for Police Officers and Sergeant	3,000
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.	3,600
SOCIAL SECURITY Calendar year 2017 rate is 7.65%	53,189
PERS The City pays both the employer and employee contributions. For fiscal years 2017-19 the Tier 1 & 2 employer rate is 19.95%, OPSRP rate is 15.83%, and the employee rate is 6%.	152,162
WORKERS' COMPENSATION	32,428
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept. of Revenue	350
DEFERRED COMPENSATION 6% retirement benefit for management employees	13,174
HEALTH INSURANCE \$1,500 deductible plan, estimated 5% increase for 2018 premium	167,091
DENTAL INSURANCE Estimated 4.5% increase for 2018 premium	22,941
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible	15,000
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000.	645
SICK & VACATION ACCRUAL Liability for unused vacation and sick leave payable upon termination	<u>12,000</u>
TOTAL PERSONNEL SERVICES	<u>1,152,262</u>

**CITY OF PHILOMATH
GENERAL FUND - POLICE
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Accreditation	700	Annual fee to Oregon Accreditation Alliance to help the department with policy development and training.
Advertising & Legal Notices	300	Advertising for unclaimed property, job postings
Bike Olympics	500	Prizes and supplies for bike safety programs held at the elementary and middle schools
Body Camera Fees	7,500	Annual cost for software, license and data update fees
Car Wash	400	Car wash police vehicles
Computer Line Charges	4,700	Internet provider fee
Coroner Investigation	3,200	Philomath contribution if Benton County hires a coroner
Dues	700	Dues to various professional organizations
Education and Training	5,000	Continuing education and training
Evidence Supplies	1,000	Supplies to store evidence
Equipment Repair and Maintenance	600	Repair of police and office equipment
Firearms Training	3,000	Firearms training supplies for officers and reserves
Gas & Oil	17,000	Gasoline and oil changes for police vehicles
Insurance	33,000	Police portion of city liability and auto insurance
Lane County Dispatch	2,700	Proportionate share of Lane Co. dispatch costs, based on city population and radio calls
LEDS/NCIC Teletype Service	350	Teletype access to LEDS, NCIC and DMV
Lexipol	3,688	Policy manual
Maintenance Agreement	400	Maintenance agreement on building security locks, cameras and security alarm
Medical Expense	1,000	Medical and psychological examinations for new hires, Hepatitis B shots and follow-ups
Miscellaneous	6,100	Small items that do not fall into other categories
9-1-1 Center	165,190	City share of 911 Center operating costs
Office Supplies	8,000	Office, computer and copier supplies
Postage	700	Stamps, registered mail and mailing of evidence to crime lab

Continued Next Page

**CITY OF PHILOMATH
GENERAL FUND - POLICE
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES (CONTINUED)

Prisoner Care	900	Cost to book and house prisoners at the Benton County jail
RAIN	1,050	Criminal justice information system throughout the state of Oregon
Records Management System	4,100	Maintenance contract on police department software
Reserves	1,000	Incidental expenses for reserve officers
Security Alarm	1,300	Alarm for evidence storage at the Public Works compound
Small Tools and Equipment	14,000	Purchase of equipment costing less than \$2,000
Supplies	1,700	Departmental supplies
Telephone	8,500	Telephone and cell phone charges
Tires	3,000	Vehicle tires
TLO - TransUnion	1,400	Investigative data base through TransUnion
Towing	2,400	Towing abandoned vehicles
Transcription	900	Cost to have officer voice recordings type written
Travel, Meals and Hotel	5,000	Meals and lodging when officers attend training classes and conferences or to transport prisoners or conduct investigations
Uniforms	10,000	New and replacement uniforms
Vehicle Repair and Maintenance	14,000	Routine repairs and maintenance of police vehicles
Willamette Criminal Justice Council	860	Willamette Criminal Justice Council dues
Youth Services	<u>3,500</u>	Advertising and promotional material targeted towards youth in the community
TOTAL MATERIALS AND SERVICES	<u>339,338</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
GENERAL FUND - BUILDINGS AND GROUNDS**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
PERSONNEL SERVICES							
10 6 4120 Public Works Director	791	807	823	839	856	873	2%
10 6 4155 Public Works Supervisor	3,367	3,434	3,503	3,574	3,644	3,717	2%
10 6 4164 Utility Maintenance Workers	4,971	5,265	5,417	6,280	6,715	7,034	7%
10 6 4250 Custodian	12,304	10,785	8,998	13,833	10,224	10,440	-26%
10 6 4258 Seasonal/Part Time	265	677	13	1,000	0	0	-100%
10 6 4320 Overtime	0	42	82	185	162	162	-12%
10 6 4340 On-Call Time	132	53	24	90	80	80	-11%
10 6 4350 Uniform Allowance	0	0	0	0	71	71	100%
10 6 4360 Incentive Pay	1,624	1,186	478	528	528	528	0%
10 6 4366 Longevity Pay	0	0	0	26	43	44	65%
10 6 4370 Sick Leave Conversion	0	0	5	19	20	20	5%
10 6 4500 Social Security	1,794	1,691	1,480	2,018	1,710	1,757	-15%
10 6 4520 PERS	2,850	2,644	2,404	3,050	3,801	3,906	25%
10 6 4540 Workers' Compensation	1,086	1,161	1,645	1,800	2,400	2,600	33%
10 6 4560 Workers' Benefit Fund Assmt	19	18	15	18	21	21	17%
10 6 4620 Deferred Compensation	260	265	271	280	286	292	2%
10 6 4640 Health Insurance	2,446	2,397	2,758	3,179	3,675	3,859	16%
10 6 4660 Dental Insurance	336	328	344	407	515	542	27%
10 6 4670 Health Reimbursement Account	258	275	275	300	300	300	0%
10 6 4680 Life Insurance	12	12	11	13	9	9	-31%
10 6 4820 Sick & Vacation Accrual	0	34	0	194	120	120	-38%
Subtotal Personnel Services	32,515	31,074	28,546	37,633	35,180	36,376	-7%
MATERIALS AND SERVICES							
10 6 5095 Building Repair & Maintenance	19,119	3,137	32,401	21,000	21,500	22,145	2%
10 6 5147 Contracted Services	2,603	0	0	0	2,000	2,060	100%
10 6 5285 Equipment Repair & Maintenance	3,122	7,527	5,130	3,600	3,600	3,708	0%
10 6 5310 GIS Services	0	0	0	0	200	206	100%
10 6 5315 Grounds Maintenance	15,482	11,469	10,237	17,000	17,500	18,025	3%
10 6 5325 Insurance	6,254	6,938	7,308	8,400	8,450	8,704	1%
10 6 5383 Maintenance Agreements	463	624	0	0	0	0	
10 6 5390 Miscellaneous	1,047	606	1,345	1,467	1,520	1,533	4%
10 6 5535 Security Alarm/Remote Monitor	788	586	842	1,100	1,150	1,185	5%
10 6 5587 Supplies	7,889	6,804	2,055	9,400	8,000	8,240	-15%
10 6 5715 Utilities	31,515	30,577	31,883	33,000	34,000	35,020	3%
Subtotal Materials & Services	88,282	68,268	91,201	94,967	97,920	100,825	3%
TOTAL BUILDINGS AND GROUNDS BUDGET	120,797	99,342	119,747	132,600	133,100	137,200	0%

**CITY OF PHILOMATH
GENERAL FUND - BUILDINGS & GROUNDS
2017-18 BUDGET NARRATIVE**

PERSONNEL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	1%	856
Public Works Supervisor	5%	3,644
Utility Maintenance Workers	3%	6,715
Custodian	90%	<u>10,224</u>
TOTAL SALARIES		<u>21,439</u>
OVERTIME		162
ON-CALL TIME		80
Prorated portion of weekly payment for public works crew member on standby during off duty time		
UNIFORM ALLOWANCE		
\$375 per employee to purchase boots and other work related clothing items		71
INCENTIVE PAY		528
Each employee may receive up to \$300 per month based on acquiring specialized skills		
LONGEVITY PAY		43
Management employees receive 5% after 10 years of service, and 10% after 15 years of service		
SICK LEAVE CONVERSION		20
50% of excess sick leave for Department Heads who choose to cash out sick time		
SOCIAL SECURITY Calendar year 2017 rate is 7.65%		1,710
PERS		3,801
The City pays both the employer and employee contributions. For fiscal years 2017-19 the Tier 1 & 2 employer rate is 19.95%, OPSRP rate is 11.06%, and the employee rate is 6%.		
WORKERS' COMPENSATION		2,400
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept. of Revenue		21
DEFERRED COMPENSATION 6% retirement benefit for management employees		286
HEALTH INSURANCE \$1,500 deductible plan, estimated 5% increase for 2018 premium		3,675
DENTAL INSURANCE Estimated 4.5% increase for 2018 premium		515
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		300
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000.		9
SICK & VACATION ACCRUAL Liability for unused vacation and sick leave payable upon termination		<u>120</u>
TOTAL PERSONNEL SERVICES		<u><u>35,180</u></u>

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**CITY OF PHILOMATH
GENERAL FUND - BUILDINGS AND GROUNDS
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Building Repair and Maintenance	21,500	Repairs to city buildings, including City Hall, Police Building and the library
Contracted Services	2,000	Contracted services for specialty repairs.
Equipment Repair & Maintenance	3,600	Parts and repairs for department equipment
GIS Services	200	Services provided through Cascades West Council of Governments for mapping, tracking of data, and archiving
Grounds Maintenance	17,500	Cost of grounds maintenance and landscaping
Insurance	8,450	Buildings and grounds share of city liability policy
Miscellaneous	1,520	Incidental expenses
Security Alarm & Remote Monitoring	1,150	Fee for monitoring security system at city hall, police dept., and library
Supplies	8,000	Restroom supplies, light bulbs, cleaning supplies, etc.
Utilities	<u>34,000</u>	Electricity, natural gas and water for city hall, police building and library
TOTAL MATERIALS & SERVICES	<u>97,920</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
GENERAL FUND - PARKS**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
PERSONNEL SERVICES							
10 7 4120 Public Works Director	791	807	823	839	856	873	2%
10 7 4155 Public Works Supervisor	5,387	5,495	5,604	5,718	5,831	5,948	2%
10 7 4164 Utility Maintenance Workers	7,096	7,550	7,958	8,789	9,423	9,750	7%
10 7 4250 Custodian	1,367	1,178	1,000	1,537	1,136	1,160	-26%
10 7 4258 Seasonal/Part Time	4,067	6,109	8,831	9,600	2,800	2,800	-71%
10 7 4320 Overtime	0	37	66	160	184	184	15%
10 7 4340 On-Call Time	201	47	18	76	128	128	68%
10 7 4350 Uniform Allowance	0	0	0	0	101	101	100%
10 7 4360 Incentive Pay	806	781	729	775	775	775	0%
10 7 4366 Longevity Pay	0	0	0	26	43	44	65%
10 7 4370 Sick Leave Conversion	0	0	5	19	20	20	5%
10 7 4500 Social Security	1,508	1,685	1,915	2,107	1,630	1,667	-23%
10 7 4520 PERS	2,566	2,572	2,663	2,956	3,973	4,071	34%
10 7 4540 Workers' Compensation	1,341	2,919	4,009	4,500	5,000	5,500	11%
10 7 4560 Workers' Benefit Fund Assmt	16	18	21	20	11	11	-45%
10 7 4620 Deferred Compensation	388	395	404	416	424	432	2%
10 7 4640 Health Insurance	3,615	3,801	4,261	4,687	5,145	5,403	10%
10 7 4660 Dental Insurance	489	532	563	625	722	759	16%
10 7 4670 Health Reimbursement Account	383	401	401	420	420	420	0%
10 7 4680 Life Insurance	17	17	15	19	12	12	-37%
10 7 4820 Sick & Vacation Accrual	0	26	0	538	168	168	-69%
Subtotal Personnel Services	30,038	34,370	39,286	43,827	38,802	40,227	-11%
MATERIALS AND SERVICES							
10 7 5095 Building Repair & Maintenance	4,827	5,185	7,835	7,000	7,400	7,622	6%
10 7 5147 Contracted Services	14,600	14,570	2,580	12,000	7,300	7,519	-39%
10 7 5195 Crushed Rock/Asphalt	1,187	1,939	162	1,100	600	618	-45%
10 7 5245 Education and Training	0	125	394	300	400	412	33%
10 7 5285 Equipment Repair/Maintenance	2,316	1,546	608	2,400	1,500	1,545	-38%
10 7 5305 Gas & Oil	1,075	836	830	1,000	1,050	1,082	5%
10 7 5310 GIS Services	0	0	0	0	500	515	100%
10 7 5315 Grounds Maintenance	6,903	24,816	13,642	15,000	11,900	12,257	-21%
10 7 5325 Insurance	1,454	2,025	1,351	1,500	1,550	1,597	3%
10 7 5390 Miscellaneous	2,145	3,868	5,888	1,473	1,638	1,636	11%
10 7 5515 Safety Equipment	39	145	1,426	300	310	319	3%
10 7 5563 Small Tools & Equipment	1,540	94	942	1,700	1,750	1,803	3%
10 7 5587 Supplies	5,893	2,173	2,207	6,000	4,000	4,120	-33%
10 7 5715 Utilities	7,382	7,829	12,441	13,000	13,300	13,699	2%
10 7 5740 Vandalism	97	65	380	1,000	1,000	1,030	0%
Subtotal Materials & Services	49,458	65,216	50,686	63,773	54,198	55,773	-15%
TOTAL PARKS BUDGET	79,496	99,586	89,972	107,600	93,000	96,000	-14%

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**CITY OF PHILOMATH
GENERAL FUND - PARKS
2017-18 BUDGET NARRATIVE**

PERSONNEL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	1%	856
Public Works Supervisor	8%	5,831
Utility Maintenance Workers	4%	9,423
Custodian	10%	1,136
Seasonal/Part Time	100%	<u>2,800</u>
TOTAL SALARIES		20,046
<p>The time allocation is based on estimated needs of this department for fiscal year 2017-18. Salaries include a 2% cost-of-living increase. The seasonal employee opens and closes the park restrooms.</p>		
OVERTIME		184
ON-CALL TIME		128
Prorated portion of weekly payment for public works crew member on standby during off duty time		
UNIFORM ALLOWANCE		101
\$375 per employee to purchase boots and other work related clothing items		
INCENTIVE PAY		775
Each employee may receive up to \$300 per month based on acquiring specialized skills		
LONGEVITY PAY		43
Management employees receive 5% after 10 years of service, and 10% after 15 years of service		
SICK LEAVE CONVERSION		20
50% of excess sick leave for Department Heads who choose to cash out sick time		
SOCIAL SECURITY Calendar year 2017 rate is 7.65%		1,630
PERS		3,973
The City pays both the employer and employee contributions. For fiscal years 2017-19 the Tier 1 & 2 employer rate is 19.95%, OPSRP rate is 11.06%, and the employee rate is 6%.		
WORKERS' COMPENSATION		5,000
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept. of Revenue		11
DEFERRED COMPENSATION 6% retirement benefit for management employees		424
HEALTH INSURANCE \$1,500 deductible plan, estimated 5% increase for 2018 premium		5,145
DENTAL INSURANCE Estimated 4.5% increase for 2018 premium		722
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		420
LIFE INSURANCE Basis Life and AD&D policy. Employee coverage \$30,000.		12
SICK & VACATION ACCRUAL Liability for unused vacation and sick leave payable upon termination		<u>168</u>
TOTAL PERSONNEL SERVICES		<u><u>38,802</u></u>

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**CITY OF PHILOMATH
GENERAL FUND - PARKS
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Building Repair and Maintenance	7,400	Painting & minor repairs to park shelters and other structures
Contracted Services	7,300	Prorated cost of Public Works summer employee
Crushed Rock and Asphalt	600	Rock for existing gravel roads and asphalt needed to patch chuck holes in existing park roads and paths
Education and Training	400	Pesticide application, play equipment inspection
Equipment Repair and Maintenance	1,500	Parts & repairs for department equipment
Gas and Oil	1,050	Prorated share of motor vehicle fuel
GIS Services	500	Services provided through Cascades West Council of Governments for mapping, tracking of data, and archiving
Grounds Maintenance	11,900	Maintain trails, plantings, etc. at city parks
Insurance	1,550	Prorated share of city commercial liability and property insurance
Miscellaneous	1,638	Incidental expenses
Safety Equipment	310	Protective clothing, equipment and raingear
Small Tools and Equipment	1,750	Purchase of small tools
Supplies	4,000	Restroom supplies, cleaning supplies
Utilities	13,300	Cost of electricity, water and disposal fees for park facilities
Vandalism	<u>1,000</u>	Cost to remove or repair damage due to vandalism
TOTAL MATERIALS AND SERVICES	<u>54,198</u>	

CITY COUNCIL

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

CITY COUNCIL

This fund tracks expenditures incurred specifically by the Mayor and Councilors during the course of their duties, including attendance at the League of Oregon Cities conference and associated travel expenses.

ELECTIONS

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

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 and as the City Prosecutor.

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
GENERAL FUND - CITY COUNCIL**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
MATERIALS & SERVICES							
10 8 5015 Advertising & Legal Notices	1,568	1,499	2,116	1,600	1,600	1,648	0%
10 8 5033 Attorney Retainer	34,946	35,760	36,600	37,032	37,800	38,934	2%
10 8 5034 Attorney Non Contractual Services	711	763	62	5,000	5,000	5,150	0%
10 8 5045 Audit Fees	12,923	5,502	9,600	11,000	12,000	12,360	9%
10 8 5098 Bus Operations	55,920	43,498	51,994	63,800	79,700	82,091	25%
10 8 5132 Community Appearance	10,121	0	0	0	0	0	
10 8 5133 Community Organization Support	18,500	23,000	3,500	3,500	0	0	-100%
10 8 5155 Contrib.-Social Service Agencies	16,200	14,500	16,400	15,500	16,200	16,800	5%
10 8 5233 Dues	1,472	1,604	1,447	1,600	1,600	1,648	0%
10 8 5234 Dues - COG	4,446	4,542	4,658	4,800	5,052	5,204	5%
10 8 5235 Dues - LOC	3,526	3,530	3,569	3,650	3,802	3,916	4%
10 8 5245 Education and Training	0	0	735	800	800	824	0%
10 8 5255 Election Fees	0	0	3,196	4,000	4,000	4,120	0%
10 8 5258 Employee Flexible Benefit Fee	1,000	1,140	1,140	1,150	1,200	1,236	4%
10 8 5290 Ethics Commission Fee	516	516	475	520	550	567	6%
10 8 5303 Flower Baskets	0	0	4,433	8,535	8,500	8,755	0%
10 8 5325 Insurance	2,340	2,415	2,364	2,700	2,760	2,843	2%
10 8 5367 Labor Consultant	820	0	0	10,000	0	0	-100%
10 8 5390 Miscellaneous	8,388	10,663	17,138	9,513	36	224	-100%
10 8 5395 Municipal Code Updates	468	1,768	0	1,000	2,000	2,060	100%
10 8 5401 Network Consultant	1,342	1,055	1,741	11,000	6,000	6,180	-45%
10 8 5403 Newsletter/Web Site	1,609	1,888	2,219	2,450	2,500	2,575	2%
10 8 5413 Office Supplies	1,545	624	841	700	800	824	14%
10 8 5465 Postage	413	224	236	500	400	412	-20%
10 8 5567 State Filing Fee	300	300	250	250	300	300	20%
10 8 5665 Travel and Meals	981	115	477	1,000	1,000	1,030	0%
10 8 5687 Tree/Landscape Maintenance	4,195	5,419	5,213	5,000	0	0	-100%
Subtotal Materials & Services	184,250	160,325	170,404	206,600	193,600	199,700	-6%
TOTAL CITY COUNCIL BUDGET	184,250	160,325	170,404	206,600	193,600	199,700	-6%

**CITY OF PHILOMATH
GENERAL FUND - CITY COUNCIL
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Advertising & Legal Notices	1,600	Required legal advertising in local newspapers
Attorney Retainer	37,800	Retainer fee for legal services, attendance at council meetings and representation for the City in Municipal Court
Attorney Non Contractual Services	5,000	Provides for additional attorney services
Audit Fees	12,000	Fee for CPA firm to prepare annual audit
Bus Operations	79,700	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.
Contrib.-Social Service Agencies	16,200	Council policy to make available 35% of anticipated state revenue sharing dollars to local social service agencies
Dues	1,600	City dues to various organizations
Dues - COG	5,052	Dues to Council of Governments
Dues - LOC	3,802	Dues to League of Oregon Cities.
Education and Training	800	Training for city council members, including the League of Oregon Cities meeting in November
Election Fees	4,000	Estimated cost to cover one election
Employee Flexible Benefit Fee	1,200	Cost to provide Sec, 125 Cafeteria plan to employees
Ethics Commission Fee	550	State mandated charge to support Oregon Government Ethics Commission
Flower Baskets	8,500	\$3,570 for flower baskets, \$3,500 for temp employee to water, \$1,430 for incidental expenses
Insurance	2,760	Liability insurance not allocated to a specific department
Miscellaneous	36	Incidental expenses
Municipal Code Updates	2,000	Code Publishing charge when Ordinances are created or amended
Network Consultants	6,000	Contract with Council of Governments to provide technical expertise regarding City networks and computer systems \$6,600 cost to transfer email account to be hosted by COG
Newsletter/Web Site	2,500	\$1,500 cost to print monthly newsletter included with utility bills. \$1,000 annual web hosting, maintenance and customer support.

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**CITY OF PHILOMATH
GENERAL FUND - CITY COUNCIL
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES (CONTINUED)

Office Supplies	800	General office supplies
Postage	400	Postage for Council activities or projects
State Filing Fee	300	Fee required to file City audit
Travel and Meals	<u>1,000</u>	City council member travel expenses to League of Oregon Cities meetings and seminars
TOTAL MATERIALS AND SERVICES	<u>193,600</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
GENERAL FUND - TRANSFERS AND CONTINGENCY**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
TRANSFERS							
10 9 8550 To Development Review Fund	0	0	0	30,000	0	0	-100%
10 9 8500 To Land Building & Equip Fund	40,000	51,000	27,300	11,900	50,000	50,000	100%
TOTAL TRANSFERS	40,000	51,000	27,300	41,900	50,000	50,000	100%
CONTINGENCY							
10 9 9000	0	0	0	50,000	50,000	50,000	0%

PUBLIC WORKS DEPARTMENT

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

Street Maintenance – The primary function of this activity is to maintain the transportation network. Street restoration responsibilities include sweeping, grading, base repair, crack and slurry sealing, pothole patching, sanding, snow and ice removal, street tree maintenance and trimming, sight distance correction, road kill removal and alley grading and rocking. Traffic control and public safety responsibilities include right-of-way maintenance, streetlights, 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 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 in the winter and land application in the summer. A condition of leasing the City's farmland adjacent to the plant ensures continued land application. Routine wastewater sample collection for laboratory analysis is performed, and monthly reports are sent to the Department of Environmental Quality to insure regulatory compliance. Preventive and corrective maintenance is performed at three pumping stations throughout the collection system. Funding is provided through sewer user fees.

Water Distribution – This activity includes the operation and maintenance of the network of pipes, valves, meters, and fire hydrants that deliver drinking water to consumers at all times. Water meter reading is performed monthly, and utility billing field support occurs daily. The cross-connection control program is administered within this activity. To ensure compliance with the Federal Safe Drinking Water Act and the Oregon Health Division (OHD) rules and regulations, water is routinely tested at representative sites in the system. Monthly reports submitted to the OHD include results of six microbiological samples, and chlorine residuals. A complete analysis of all organic compounds is performed yearly, lead and copper are done every three years, and inorganic compounds and radiological contaminants are done every nine 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, both inside and outside of the city limits. The primary goal of this activity is to 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.

To meet state and federal regulations, samples are taken daily to insure that turbidity, pH, chlorine and fluoride remain below their respective maximum contaminant levels. The water plant is monitored 24 hours per day, every day of the year.

The design capacity of the treatment plant is 1 million gallons per day (MGD). Average production was 0.5 MGD in 2002, while peak demand was 0.9 MGD. The storage capacity of the reservoir is 1.25 million gallons. Preventive and corrective maintenance is routinely performed at these facilities for safe and cost effective operations. Funding is provided through water user fees.

Storm Water Maintenance – To minimize or reduce the potential of neighborhood flooding during periods of high water, the storm water system provides for the transport of surface water. Maintenance activities include repair and cleaning of the public storm water piping system, culverts, manholes, catch basins and open channel ditches. Funding for storm water maintenance is provided by a storm water utility fee that is based on square footage of impervious surface. The City's State issued storm water permit requires responses to spills and illicit discharges as well as inspections and monthly samples. Federal regulation of storm water will require additional expenditures in future years.

Parks – Operation and maintenance of the city park system is a function of the Public Works Department. Eight separate park locations comprise a total of approximately forty-five 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 grant has been awarded to the City to add a park on City owned property on North 11th Street.

Buildings and Grounds – This activity provides janitorial services and supplies, grounds and building maintenance to the Library, City Hall, Police 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 federal 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 treatment plant operators, and five field representatives. Temporary seasonal employees are utilized during the summer months to accomplish a variety of programs. Personnel's funding is shared proportionally among the appropriate funds.

**CITY OF PHILOMATH
COMBINED PUBLIC WORKS EXPENDITURES
FISCAL YEAR 2017-18**

PERSONNEL	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19
Public Works Director	79,081	80,665	82,273	83,928	85,607	85,607
Public Works Supervisor	67,343	68,688	70,056	71,472	72,901	72,901
Utility Maintenance Workers	180,829	195,673	219,587	228,980	239,234	239,234
Water/Wastewater Operator	103,563	109,083	116,402	118,964	121,348	121,348
Custodian	13,671	11,963	15,070	15,370	15,700	15,700
Seasonal/Part Time	13,840	19,354	23,100	28,600	28,600	28,600
Overtime	4,278	4,638	5,800	10,300	11,250	11,250
On-Call Time	8,779	4,210	8,600	5,640	5,640	5,640
Incentive Pay	20,713	20,189	19,360	22,320	21,790	21,790
Level 3 Certification	1,088	89	0	1,161	1,184	1,184
Longevity	0	0	0	2,623	4,280	4,280
Sick Leave Conversion	0	0	0	1,937	1,976	1,976
Social Security	37,728	39,414	42,858	45,234	46,627	46,627
PERS	77,857	78,075	87,035	89,646	113,350	113,350
Workers' Compensation	16,030	17,068	21,710	25,600	28,800	28,800
Workers Benefit Fund Assmt	290	305	353	325	331	331
Deferred Compensation	9,056	9,227	9,406	9,894	10,191	10,191
Health Insurance	114,042	116,523	133,200	141,261	148,720	148,720
Dental Insurance	13,923	14,164	14,954	17,916	18,755	18,755
Health Reimbursement Account	12,250	12,874	13,500	13,500	13,500	13,500
Life Insurance	558	577	669	645	688	688
Sick and Vacation Accrual	0	858	14,500	22,200	23,200	23,200
Total Personal Services	774,919	803,637	898,433	957,516	1,013,672	1,013,672
MATERIALS & SERVICES	980,481	1,042,926	1,212,469	1,294,025	1,246,797	1,246,797
CAPITAL IMPROVEMENTS	43,750	0	50,000	0	0	0
DEBT SERVICE	412,152	409,051	389,568	370,668	381,318	381,318
TRANSFERS TO RESERVES						
Equipment Reserve	62,200	157,400	99,700	116,700	116,700	116,700
Street Infrastructure	40,000	40,000	40,000	40,000	40,000	40,000
Sewer Infrastructure	0	0	75,600	200,000	200,000	200,000
Water Infrastructure	40,000	0	300,000	475,000	350,000	350,000
Storm Drain Infrastructure	0	0	5,000	20,000	20,000	20,000
Public Works Office Equipment	5,000	20,000	6,000	2,000	2,000	2,000
Public Works Building Reserve	0	28,800	28,800	48,400	38,400	38,400
To Street Fund	17,900	17,600	17,700	19,400	20,700	20,700
To SDC Fund	18,400	18,000	9,000	5,000	5,000	5,000
Total Transfers to Reserves	183,500	281,800	581,800	926,500	792,800	792,800
CONTINGENCY	0	0	120,000	125,000	125,000	125,000
TOTAL PUBLIC WORKS DEPARTMENTS	2,394,802	2,537,414	3,252,270	3,673,709	3,559,587	3,559,587

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
STREET FUND**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE	
REVENUE								
21 0 3001	Cash Balance Forward	87,867	133,809	134,899	140,000	160,000	178,000	14%
21 0 3020	Interest On Investments	305	357	609	500	1,400	1,500	100%
21 0 3120	State Highway Tax	261,507	264,603	271,837	264,564	266,063	265,000	1%
21 0 3215	Street Utility Fee	52,556	53,064	53,235	106,600	107,400	108,000	1%
21 0 3420	Franchise Fee - Republic Services	30,077	31,900	33,835	33,000	37,400	38,500	13%
21 0 3450	Franchise Fee - Pioneer Telephone	15,291	14,351	13,558	12,800	12,000	11,800	-6%
21 0 3460	Franchise Fee - Comcast	44,720	46,710	49,011	0	0	0	
21 0 3650	Miscellaneous Income	616	215	230	500	300	300	-40%
21 0 3990	Transfer-Storm Drain Fund	17,900	17,600	17,700	19,400	20,500	21,300	6%
	TOTAL REVENUES	510,839	562,609	574,914	577,364	605,063	624,400	5%
EXPENDITURES								
PERSONNEL SERVICES								
21 0 4120	Public Works Director	13,444	13,713	13,986	14,268	14,553	14,844	2%
21 0 4155	Public Works Supervisor	18,856	19,233	19,616	20,012	20,409	20,817	2%
21 0 4164	Utility Maintenance Worker	51,000	57,523	59,845	67,437	72,413	75,342	7%
21 0 4258	Seasonal/Part Time	6,535	4,064	3,791	6,000	0	0	-100%
21 0 4320	Overtime	0	408	850	1,420	1,502	1,502	6%
21 0 4340	On-Call Time	1,407	463	210	782	1,184	1,184	51%
21 0 4350	Uniform Allowance	0	0	0	0	724	724	100%
21 0 4360	Incentive Pay	3,618	3,994	4,187	4,619	4,666	4,666	1%
21 0 4366	Longevity Pay	0	0	0	446	728	742	63%
21 0 4370	Sick Leave Conversion	0	0	81	329	336	343	2%
21 0 4500	Social Security	7,256	7,623	7,843	8,821	8,913	9,193	1%
21 0 4520	PERS	14,415	14,706	14,764	16,969	22,837	23,515	35%
21 0 4540	Workers' Compensation	4,430	4,020	6,642	8,500	9,700	10,800	14%
21 0 4560	Workers' Benefit Fund Assmt	60	62	63	67	62	62	-7%
21 0 4620	Deferred Compensation	2,006	2,045	2,106	2,180	2,240	2,283	3%
21 0 4640	Health Insurance	22,630	23,946	27,799	31,281	35,466	37,239	13%
21 0 4660	Dental Insurance	2,767	3,080	3,345	4,070	4,974	5,230	22%
21 0 4670	Health Reimbursement Account	2,470	2,714	2,714	2,895	2,895	2,895	0%
21 0 4680	Life Insurance	100	99	91	112	79	79	-29%
21 0 4820	Sick & Vacation Accrual	0	249	0	4,044	1,158	1,158	-71%
	Subtotal Personnel Services	150,994	157,942	167,933	194,252	204,839	212,618	5%
MATERIALS AND SERVICES								
21 0 5012	Administrative Overhead	45,744	46,560	48,444	51,684	53,580	55,187	4%
21 0 5015	Advertising & Legal Notices	315	421	612	425	425	438	0%
21 0 5053	Bad Debt Write-Off	112	210	175	350	350	361	0%
21 0 5095	Building Repair & Maintenance	2,320	1,503	1,170	3,000	2,000	2,060	-33%
21 0 5137	Computer Support	0	0	1,518	1,000	1,600	1,648	60%
21 0 5143	Computer Line Charges	496	519	519	520	520	536	0%
21 0 5145	Concrete Sidewalk/Curb	0	0	5,384	0	5,000	5,150	100%
21 0 5147	Contracted Services	9,884	4,703	1,958	7,000	7,000	7,210	0%
21 0 5195	Crushed Rock/Asphalt	4,126	3,070	4,407	6,000	5,000	5,150	-17%
21 0 5233	Dues	300	216	288	350	350	361	0%
21 0 5238	Dump Fees/Excavation	294	50	119	300	300	309	0%
21 0 5245	Education and Training	517	652	683	700	720	742	3%
21 0 5265	Engineering	2,781	3,712	3,007	4,000	5,000	5,150	25%
21 0 5285	Equipment Repair & Maintenance	1,069	11,504	2,903	8,000	8,500	8,755	6%
21 0 5305	Gas & Oil	10,561	7,160	5,715	8,000	7,000	7,210	-13%
21 0 5305	GIS Services	0	0	0	0	4,000	4,120	100%
21 0 5325	Insurance	3,402	3,799	3,745	4,400	4,200	4,326	-5%
21 0 5375	Landscape Maintenance	1,939	1,024	1,271	2,000	2,100	2,163	5%

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**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
STREET FUND**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
MATERIALS & SERVICES (CONTINUED)							
21 0 5383	Maintenance Agreements	2,259	2,184	1,115	0	0	0
21 0 5387	Medical Expense	441	798	542	700	750	773 7%
21 0 5390	Miscellaneous	2,990	1,625	2,292	3,783	3,729	4,221 -1%
21 0 5413	Office Supplies	907	504	683	850	800	824 -6%
21 0 5423	Chip and Crack Seal	0	35,437	7,353	20,000	20,000	20,000 0%
21 0 5515	Safety Equipment	1,422	1,344	5,445	1,700	2,500	2,575 47%
21 0 5535	Security Alarm & Remote Monitoring	253	483	153	500	500	515 0%
21 0 5557	Sidewalk Improvement	1,171	1,588	1,849	3,800	3,000	3,090 -21%
21 0 5563	Small Tools & Equipment	2,519	738	1,850	2,700	2,700	2,781 0%
21 0 5576	Street Light Replacement	7,899	833	662	5,000	5,000	5,150 0%
21 0 5577	Street Lights/Traffic Signals	40,066	40,474	40,870	43,000	42,000	43,260 -2%
21 0 5583	Street Signs	5,289	4,894	7,645	5,000	6,000	6,180 20%
21 0 5584	Streetscape-Medians	913	277	2,373	25,000	1,000	1,030 -96%
21 0 5587	Supplies	7,109	5,915	5,213	7,200	7,400	7,622 3%
21 0 5603	Telephone	643	645	832	900	1,200	1,236 33%
21 0 5645	Tires	33	1,163	1,250	1,300	1,400	1,442 8%
21 0 5665	Travel and Meals	409	147	491	600	600	618 0%
21 0 5687	Tree Maintenance	0	0	0	0	6,000	6,180 100%
21 0 5703	Uniforms	792	1,004	1,055	850	0	0 -100%
21 0 5715	Utilities	4,876	5,244	6,002	6,000	6,200	6,386 3%
21 0 5740	Vandalism	0	0	0	500	500	515 0%
21 0 5745	Vehicle Repair & Maintenance	3,785	2,968	6,632	5,500	7,000	7,210 27%
	Subtotal Materials & Services	167,636	193,368	176,225	232,612	225,924	232,482 -3%
TRANSFERS							
21 0 8520	To LBE Fund - Equipment	18,400	36,400	37,600	25,500	9,300	9,300 -64%
21 0 8540	To LBE Fund - Infrastructure	40,000	40,000	40,000	40,000	40,000	40,000 0%
	Subtotal Transfers	58,400	76,400	77,600	65,500	49,300	49,300 -25%
21 0 9000	Contingency	0	0	0	35,000	50,000	50,000 43%
	TOTAL EXPENDITURES	377,030	427,710	421,758	527,364	530,063	544,400 1%
21 0 9500	UNAPPROPRIATED ENDING BAL	0	0	0	50,000	75,000	80,000 50%
	Excess Revenues Over Expenditures	133,809	134,899	153,156	0	0	0

**CITY OF PHILOMATH
STREET FUND
2017-18 BUDGET NARRATIVE**

PERSONNEL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	17%	14,553
Public Works Supervisor	28%	20,409
Utility Maintenance Workers	31%	<u>72,413</u>
TOTAL SALARIES		<u>107,375</u>
The time allocation is based on estimated needs of this fund for fiscal year 2017-18. Salaries include a 2% cost-of-living increase.		
OVERTIME		1,502
ON-CALL TIME		1,184
Prorated portion of weekly payment for public works crew member on standby during off duty time		
UNIFORM ALLOWANCE		724
\$375 per employee to purchase boots and other work related clothing items		
INCENTIVE PAY		4,666
Each employee may receive up to \$300 per month based on acquiring specialized skills		
LONGEVITY PAY		728
Management employees receive 5% after 10 years of service, and 10% after 15 years of service		
SICK LEAVE CONVERSION		336
50% of excess sick leave for Department Heads who choose to cash out sick time		
SOCIAL SECURITY Calendar year 2017 rate is 7.65%		8,913
PERS		22,837
The City pays both the employer and employee contributions. For fiscal years 2017-19 the Tier 1 & 2 employer rate is 19.95%, OPSRP rate is 11.06%, and the employee rate is 6%.		
WORKERS' COMPENSATION		9,700
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept. of Revenue		62
DEFERRED COMPENSATION 6% retirement benefit for management employees		2,240
HEALTH INSURANCE \$1,500 deductible plan, estimated 5% increase for 2018 premium		35,466
DENTAL INSURANCE Estimated 4.5% increase for 2018 premium		4,974
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		2,895
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000.		79
SICK & VACATION ACCRUAL Liability for unused vacation and sick leave payable upon termination		<u>1,158</u>
TOTAL PERSONNEL SERVICES		<u><u>204,839</u></u>

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**CITY OF PHILOMATH
STREET FUND
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Administrative Overhead	53,580	Transfer to General Fund to pay for Street Fund portion of accounting and other administrative expenses
Advertising and Legal Notices	425	Advertising for bids, sale of surplus equipment, and employment positions
Bad Debt Write-Off	350	To write-off uncollectible customer accounts
Building Repair and Maintenance	2,000	Prorated cost of painting and minor repairs for Public Works buildings
Computer Support	1,600	Prorated share of software maintenance fees
Computer Line Charges	520	Internet provider fees
Concrete Sidewalk/Curb	5,000	Repairs to sidewalks and curbs from street tree damage
Contracted Services	7,000	Summer temporary employee
Crushed Rock and Asphalt	5,000	Crushed rock to place on existing gravel surface streets to keep them passable and asphalt needed to patch potholes in existing streets. Small paving projects.
Dues	350	Membership in professional organizations
Dump fees/Excavation	300	Disposal of excavation materials
Education and Training	720	Road maintenance classes
Engineering	4,000	Engineering fees
Equipment Repair and Maintenance	8,500	Prorated cost of repairs to shop and office equipment
Gas and Oil	8,000	Prorated share of vehicle fuel costs
GIS Services	4,000	Services provided through Cascades West Council of Governments for mapping, tracking of data, and archiving
Insurance	4,200	Street Fund share of commercial and vehicle liability, auto physical damage and property insurance
Landscape Maintenance	2,100	Prorated share of landscape maintenance at Public Works Office
Medical Expense	750	testing and required vaccinations
Miscellaneous	3,729	Incidental expenses
Office Supplies	800	Copier cost, paper and other office supplies
Chip and Crack Seal	20,000	Chip and crack seal and stripping projects to be determined
Safety Equipment	2,500	Protective clothing, equipment and raingear

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**CITY OF PHILOMATH
STREET FUND
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES (CONTINUED)

Security Alarm & Remote Monitoring	500	Public Works building alarm monitoring
Sidewalk Improvement	3,000	Replacement and repair of city owned sidewalks
Small Tools and Equipment	2,700	Purchase of new, and replacement of worn out hand tools and small equipment
Street Light Replacement	5,000	Program to replace high pressure sodium lights with new LED light heads when they need replaced.
Street Lights and Traffic Signals	42,000	Cost of electricity to operate street lights and traffic signals
Street Signs	6,000	Replacement or installation of street, regulatory and informational signs
Streetscape-Medians	1,000	Median hardscape materials and maintenance
Supplies	7,400	Traffic paint and related supplies
Telephone	1,200	Prorated telephone cost at Public Works office
Tires	1,400	Prorated cost of tires and tire repair for equipment
Travel and Meals	600	Lodging and meals at out-of-town training
Tree Maintenance	6,000	Trimming, removal and replacement of street trees
Utilities	6,200	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>7,000</u>	Prorated cost of repairs to vehicles
TOTAL MATERIALS & SERVICES	<u><u>225,924</u></u>	

TRANSFERS

To LBE Fund - Equipment	9,300	Set aside for future equipment replacement
To LBE Fund - Infrastructure	<u>40,000</u>	Reserve to support capital improvement plan
TOTAL TRANSFERS	<u><u>49,300</u></u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
WATER FUND**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE	
REVENUES								
51 0 3001	Cash Balance Forward	178,032	221,928	313,022	400,000	210,000	210,000	-48%
51 0 3020	Interest on Investments	610	664	1,550	1,500	2,500	2,570	67%
51 0 3201	Metered Water Sales	903,708	973,439	1,106,769	1,120,000	1,070,000	1,100,000	-4%
51 0 3202	Fire Line Fee	1,920	1,920	1,920	1,920	1,920	1,980	0%
51 0 3220	Water Meter Installations	5,382	9,154	14,130	14,475	14,900	15,350	3%
51 0 3230	New Account Set Up Fee	3,035	3,570	3,527	3,700	4,000	4,100	8%
51 0 3235	Shut Off Notice Fee	5,973	5,544	5,192	6,000	5,300	5,400	-12%
51 0 3240	Late Fees	3,972	3,806	4,078	4,500	4,200	4,300	-7%
51 0 3650	Miscellaneous Receipts	5,554	15,129	7,255	7,800	8,000	8,200	3%
51 0 3830	CDBG Grant	0	0	10,626	20,000	1,751	0	-91%
	TOTAL REVENUES	1,108,186	1,235,154	1,468,069	1,579,895	1,322,571	1,351,900	-16%
EXPENDITURES								
PERSONNEL SERVICES								
51 0 4120	Public Works Director	32,423	33,072	33,732	34,410	35,099	35,801	2%
51 0 4155	Public Works Supervisor	21,550	21,980	22,418	22,871	23,324	23,791	2%
51 0 4164	Utility Maintenance Workers	69,803	73,784	77,083	86,323	92,405	95,884	7%
51 0 4166	Water/Wastewater Operator	52,307	54,823	58,508	59,774	60,962	62,181	2%
51 0 4258	Seasonal/Part Time	1,611	4,252	1,050	6,000	0	0	-100%
51 0 4320	Overtime	2,080	2,166	3,800	4,580	5,429	5,429	19%
51 0 4340	On-Call Time	3,796	1,961	1,578	2,555	2,208	2,208	-14%
51 0 4350	Uniform Allowance	0	0	0	0	1,200	1,200	100%
51 0 4360	Incentive Pay	8,150	7,816	8,408	8,939	8,924	8,924	0%
51 0 4365	Level 3 Certification	1,088	89	1,133	1,161	1,184	1,207	2%
51 0 4366	Longevity Pay	0	0	0	1,075	1,755	1,790	63%
51 0 4370	Sick Leave Conversion	0	0	195	794	810	826	2%
51 0 4500	Social Security	14,750	15,320	15,882	17,426	17,793	18,935	2%
51 0 4520	PERS	31,830	31,619	33,378	36,512	48,815	49,993	34%
51 0 4540	Workers' Compensation	6,533	5,930	5,755	6,200	8,200	8,800	32%
51 0 4560	Workers' Benefit Fund Assmt	106	112	109	120	116	116	-3%
51 0 4620	Deferred Compensation	3,333	3,394	3,510	3,649	3,759	3,833	3%
51 0 4640	Health Insurance	47,051	47,394	51,089	56,182	61,628	64,710	10%
51 0 4660	Dental Insurance	5,807	5,734	5,653	7,076	8,204	8,623	16%
51 0 4670	Health Reimbursement Account	5,006	5,179	5,194	5,415	5,415	5,415	0%
51 0 4680	Life Insurance	236	243	233	270	222	222	-18%
51 0 4820	Sick & Vacation Accrual	0	326	0	10,396	10,806	10,806	4%
	Subtotal Personnel Services	307,460	315,194	328,708	371,728	398,258	410,694	7%
MATERIALS AND SERVICES								
51 0 5012	Administrative Overhead	116,040	119,040	121,500	123,900	122,520	126,196	-1%
51 0 5015	Advertising & Legal Notices	1,515	421	1,126	1,400	1,400	1,442	0%
51 0 5033	Attorney Fees	7,354	8,997	6,881	10,000	8,000	8,240	-20%
51 0 5053	Bad Debt Write-Off	2,528	6,706	3,073	6,000	6,000	6,180	0%
51 0 5095	Building Repair & Maintenance	8,100	2,482	1,309	6,100	6,100	6,283	0%
51 0 5107	Certification Costs	278	958	345	725	1,200	1,236	66%
51 0 5137	Computer Support	570	2,346	5,462	3,000	5,500	5,665	83%
51 0 5143	Computer Line Charges	1,413	1,480	1,436	1,525	1,525	1,571	0%
51 0 5145	Concrete Sidewalk/Curb	0	1,831	56	1,800	2,000	2,060	11%
51 0 5147	Contracted Services	4,594	11,631	3,373	6,000	8,000	8,240	33%
51 0 5155	Contrib.-Social Service Agencies	3,000	3,000	3,000	3,000	4,000	4,000	33%
51 0 5185	Cross Connection Control	302	434	561	1,000	600	618	-40%
51 0 5195	Crushed Rock/Asphalt	4,506	3,975	995	6,000	6,000	6,180	0%
51 0 5225	DEQ Discharge Permit	483	483	557	600	600	618	0%
51 0 5233	Dues	697	657	765	800	800	824	0%
51 0 5238	Dump fee/Excavation	110	80	10	500	500	515	0%

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**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
WATER FUND**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
MATERIALS & SERVICES (CONTINUED)							
51 0 5245 Education & Training	1,437	950	426	1,500	1,500	1,545	0%
51 0 5265 Engineering	2,785	4,949	13,295	42,000	24,000	24,720	-43%
51 0 5275 Equipment Rental	104	237	58	300	300	309	0%
51 0 5285 Equipment Repair & Maintenance	36,628	26,366	8,403	28,000	30,000	30,900	7%
51 0 5305 Gas & Oil	7,419	5,842	4,219	6,000	6,000	6,180	0%
51 0 5310 GIS Services	0	0	0	0	5,000	5,150	100%
51 0 5325 Insurance	12,017	12,894	13,167	14,800	15,700	16,171	6%
51 0 5373 Laboratory Analysis	6,892	7,296	7,757	14,600	12,000	12,360	-18%
51 0 5374 Lab Supplies	2,637	4,291	2,982	4,000	4,200	4,326	5%
51 0 5375 Landscape Maintenance	6,116	6,584	2,759	9,000	8,000	8,240	-11%
51 0 5383 Maintenance Agreements	2,278	2,184	1,115	0	0	0	
51 0 5387 Medical Expenses	584	798	595	750	800	824	7%
51 0 5390 Miscellaneous	4,367	4,398	4,487	4,767	4,518	7,039	-5%
51 0 5413 Office Supplies	1,544	1,387	886	1,500	1,550	1,597	3%
51 0 5465 Postage	591	55	118	600	400	412	-33%
51 0 5513 Rock Creek Water Purchase	15,563	10,982	6,565	25,000	20,000	20,600	-20%
51 0 5515 Safety Equipment	1,910	1,414	4,649	3,000	3,500	3,605	17%
51 0 5535 Security Alarm & Remote Monitorir	253	483	153	500	500	515	0%
51 0 5563 Small Tools & Equipment	2,069	1,911	1,400	3,000	2,500	2,575	-17%
51 0 5587 Supplies	2,574	2,642	2,439	3,500	3,000	3,090	-14%
51 0 5597 System Supplies & Maintenance	30,210	51,826	26,716	46,000	50,000	51,500	9%
51 0 5603 Telephone	3,931	4,007	4,134	4,300	4,400	4,532	2%
51 0 5645 Tires	5,295	461	2,369	1,500	2,000	2,060	33%
51 0 5665 Travel and Meals	1,507	760	740	1,800	1,800	1,854	0%
51 0 5685 Treatment Chemicals	29,301	38,679	48,944	40,000	45,000	46,350	13%
51 0 5703 Uniforms	1,027	1,227	1,268	1,300	0	0	-100%
51 0 5715 Utilities	47,088	51,273	54,878	56,000	57,600	59,328	3%
51 0 5745 Vehicle Repair & Maintenance	9,041	6,637	5,694	8,000	8,600	8,858	8%
Subtotal Materials & Services	386,658	415,054	370,665	494,067	487,613	504,506	-1%
CAPITAL OUTLAY							
51 0 6463 Water Equipment	43,750	0	0	0	0	0	
Subtotal Capital Outlay	43,750	0	0	0	0	0	
DEBT SERVICE							
51 0 7144 Contact Chamber Principal	66,369	70,577	28,000	0	0	0	
51 0 7544 Contact Chamber Loan Interest	10,721	6,407	1,820	0	0	0	
Subtotal Debt Service	77,090	76,984	29,820	0	0	0	
TRANSFERS							
51 0 8520 TO LBE Fund - Equipment	28,800	90,500	31,100	39,900	46,700	46,700	17%
51 0 8540 TO LBE Fund - Infrastructure	40,000	0	300,000	475,000	200,000	200,000	-58%
51 0 8555 TO LBE Fund - P/W Office Equip	2,500	10,000	3,000	1,000	1,000	1,000	0%
51 0 8560 TO LBE Fund - P/W Building	0	14,400	14,400	24,200	19,000	19,000	-21%
Subtotal Transfers	71,300	114,900	348,500	540,100	266,700	266,700	-51%
51 0 9000 Contingency	0	0	0	50,000	70,000	70,000	40%
TOTAL EXPENDITURES	886,258	922,132	1,077,693	1,455,895	1,222,571	1,251,900	-16%
51 0 9500 UNAPPROPRIATED ENDING BAL	0	0	0	124,000	100,000	100,000	-19%
Excess Revenues Over Expenditures	221,928	313,022	390,376	0	0	0	

**CITY OF PHILOMATH
WATER FUND
2017-18 BUDGET NARRATIVE**

PERSONNEL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	41%	35,099
Public Works Supervisor	32%	23,324
Utility Maintenance Workers	38%	92,405
Water/Wastewater Operators	50%	<u>60,962</u>
TOTAL SALARIES		211,790
<p>The time allocation is based on estimated needs of this fund for fiscal year 2017-18. Salaries include a 2% cost-of-living increase.</p>		
OVERTIME		5,429
ON-CALL TIME		2,208
Prorated portion of weekly payment for public works crew member on standby during off duty time		
UNIFORM ALLOWANCE		
\$375 per employee to purchase boots and other work related clothing items		1,200
INCENTIVE PAY		8,924
Each employee may receive up to \$300 per month based on acquiring specialized skills		
LEVEL 3 CERTIFICATION		1,184
2% incentive to Water/Wastewater operator to maintain a level 3 water treatment certification		
LONGEVITY PAY		1,755
Management employees receive 5% after 10 years of service, and 10% after 15 years of service		
SICK LEAVE CONVERSION		810
50% of excess sick leave for Department Heads who choose to cash out sick time		
SOCIAL SECURITY Calendar year 2017 rate is 7.65%		17,793
PERS		48,815
The City pays both the employer and employee contributions. For fiscal years 2017-19 the Tier 1 & 2 employer rate is 19.95%, OPSRP rate is 11.06% and the employee rate is 6%.		
WORKERS' COMPENSATION		8,200
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept. of Revenue		116
DEFERRED COMPENSATION 6% retirement benefit for management employees		3,759
HEALTH INSURANCE \$1,500 deductible plan, estimated 5% increase for 2018 premium		61,628
DENTAL INSURANCE Estimated 4.5% increase for 2018 premium		8,204
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		5,415
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000.		222
SICK & VACATION ACCRUAL Liability for unused vacation and sick leave payable upon termination		<u>10,806</u>
TOTAL PERSONNEL SERVICES		<u>398,258</u>

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**CITY OF PHILOMATH
WATER FUND
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Administrative Overhead	122,520	Transfer to General Fund to pay Water Fund portion of accounting and other administrative expenses
Advertising and Legal Notices	1,400	Advertising for bids, sale of surplus equipment, and employment positions
Attorney Fees	8,000	Attorneys working to help with City water right issues
Bad Debt Write-Off	6,000	To write-off uncollectible customer accounts
Building Repair & Maintenance	6,100	Minor repairs to shop and Public Works buildings and Water treatment plant building maintenance.
Certification Costs	1,200	Employee water certifications
Computer Support	5,500	Prorated cost of Public Works computer software support
Computer Line Charges	1,525	Internet provider fees
Concrete Sidewalk/Curb	2,000	Cost to repair or replace damage while working on water system
Contracted Services	8,000	Cost to hire outside contractors for specialty services
Contrib.-Social Service Agencies	4,000	Contribution to social service agencies that help customers who do not have money to pay their water bills
Cross Connection Control	600	Backflow enforcement program. Software upgrades and letters to homeowners.
Crushed Rock and Asphalt	6,000	Crushed rock and asphalt needed to backfill and patch utility cuts
DEQ Discharge Permit	600	Mandated Department of Environmental Quality fee
Dues	800	Membership in professional organizations
Dump Fees/Excavation	500	Disposal of excavation materials from water line repairs
Education & Training	1,500	Workshops and seminars to maintain certifications and train employees
Engineering	24,000	To complete Water Master Plan update and engineering services
Equipment Rental	300	Rental of equipment
Equipment Repair & Maintenance	30,000	Equipment repairs to maintain water system and water plant
Gas and Oil	6,000	Prorated share of vehicle fuel costs

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**CITY OF PHILOMATH
WATER FUND
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES (CONTINUED)

GIS Services	5,000	Service provided through Cascades West Council of Governments for mapping, tracking of data, and archiving
Insurance	15,700	Water Fund share of commercial and vehicle liability, auto physical damage and property insurance
Laboratory Analysis	12,000	Cost of analyzing water samples by an outside certified lab to comply with state requirements
Lab Supplies	4,200	Lab testing chemicals and equipment
Landscape Maintenance	8,000	Contract landscaping at water treatment plant, water tower and portion of Public Works office. Testing of backflow prevention devices.
Medical Expenses	800	Prorated share of mandatory CDL physical, drug and alcohol testing and required vaccinations
Miscellaneous	4,518	Incidental expenses
Office Supplies	1,550	Prorated supplies used by Public Works office
Postage	400	Mailing of water quality reports to residents and prorated postage for public works office
Rock Creek Water Purchase	20,000	Agreement with City of Corvallis to purchase treated water
Safety Equipment	3,500	Protective clothing and equipment
Security Alarm & Remote Monitoring	500	Public Works building alarm monitoring
Small Tools and Equipment	2,500	Replace worn-out hand tools & small equipment
Supplies	3,000	Miscellaneous supplies and small parts
System Supplies and Maintenance	50,000	Supplies required to maintain and operate the water system
Telephone	4,400	Prorated telephone cost at Public Works office
Tires	2,000	Prorated cost of tires and tire repair for equipment
Travel and Meals	1,800	Cost of lodging and meals at out-of-town training
Treatment Chemicals	45,000	Alum, soda ash, polymers, chlorine and fluoride
Utilities	57,600	Utility cost at water treatment plant and prorated cost of electricity, natural gas and water at Public Works office/shops
Vehicle Repair & Maintenance	<u>8,600</u>	Prorated cost of repairs to vehicles
TOTAL MATERIALS & SERVICES	<u>487,613</u>	

**CITY OF PHILOMATH
WATER FUND
2017-18 BUDGET NARRATIVE**

TRANSFERS

To LBE Fund - Equipment	46,700	Set aside for future equipment replacement
To LBE Fund - Infrastructure	200,000	Reserve to support capital improvement plan
To LBE Fund - P/W Office Equipment	1,000	Furniture and office equipment for Public Works building
To LBE Fund - P/W Building	<u>19,000</u>	Reserve for future construction/expansion of Public Works
TOTAL TRANSFERS	<u>266,700</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
SEWER FUND**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE	
REVENUES								
52 0 3001	Cash Balance Forward	83,157	112,152	146,247	141,000	310,000	200,000	100%
52 0 3020	Interest on Investments	346	397	777	700	2,500	2,800	100%
52 0 3205	Sewer User Fees	866,850	910,378	953,877	1,104,000	1,106,000	1,110,000	0%
52 0 3225	Sewer Permits and Inspections	456	578	892	900	1,050	1,100	17%
52 0 3230	New Account Set Up Fee	3,035	3,570	3,527	3,600	3,700	3,700	3%
52 0 3235	Shut Off Notice Fee	4,887	4,536	4,248	5,000	4,600	4,600	-8%
52 0 3240	Late Fee	3,250	3,114	3,337	3,300	3,400	3,400	3%
52 0 3280	Farm Lease	16,650	18,900	17,400	17,700	17,600	17,600	-1%
52 0 3650	Miscellaneous Receipts	3,714	6,580	1,328	3,800	3,500	3,500	-8%
52 0 3830	CDBG Grant	0	0	13,224	20,000	6,776	0	-66%
52 0 3985	Transfer from SDC Fund	10,200	30,000	70,000	100,000	100,000	100,000	0%
	TOTAL REVENUES	992,545	1,090,205	1,214,857	1,400,000	1,559,126	1,446,700	11%
EXPENDITURES								
PERSONNEL SERVICES								
52 0 4120	Public Works Director	31,632	32,266	32,909	33,571	34,243	34,928	2%
52 0 4155	Public Works Supervisor	18,183	18,546	18,915	19,297	19,680	20,073	2%
52 0 4164	Utility Maintenance Workers	47,959	51,551	53,853	60,151	64,338	66,799	7%
52 0 4166	Water/Wastewater Operator	51,256	54,260	57,894	59,194	60,370	61,577	2%
52 0 4258	Seasonal/Part Time	1,362	4,252	222	6,000	0	0	-100%
52 0 4320	Overtime	2,198	1,985	3,380	3,955	4,723	4,723	19%
52 0 4340	On-Call Time	3,243	1,686	1,420	2,137	2,000	2,000	-6%
52 0 4350	Uniform Allowance	0	0	0	0	968	968	100%
52 0 4360	Incentive Pay	6,515	6,412	7,104	7,459	7,487	7,487	0%
52 0 4366	Longevity Pay	0	0	0	1,049	1,712	1,746	63%
52 0 4370	Sick Leave Conversion	0	0	190	775	790	806	2%
52 0 4500	Social Security	12,420	13,095	13,424	14,863	15,072	15,899	1%
52 0 4520	PERS	26,196	26,534	27,682	30,158	40,095	41,034	33%
52 0 4540	Workers' Compensation	2,640	3,038	4,449	4,600	6,300	7,000	37%
52 0 4560	Workers' Benefit Fund Assmt	89	95	90	100	95	95	-5%
52 0 4620	Deferred Compensation	3,069	3,128	3,238	3,369	3,471	3,539	3%
52 0 4640	Health Insurance	38,300	38,985	41,848	45,931	50,051	52,554	9%
52 0 4660	Dental Insurance	4,524	4,490	4,429	5,738	6,580	6,916	15%
52 0 4670	Health Reimbursement Account	4,133	4,305	4,291	4,470	4,470	4,470	0%
52 0 4680	Life Insurance	193	206	197	231	182	182	-21%
52 0 4820	Sick and Vacation Accrual	0	223	0	7,028	7,548	7,548	7%
	Subtotal Personnel Services	253,912	265,057	275,535	310,076	330,175	340,344	6%
MATERIALS AND SERVICES								
52 0 5012	Administrative Overhead	106,248	107,952	103,080	116,160	112,800	116,184	-3%
52 0 5015	Advertising & Legal Notices	315	420	613	600	600	618	0%
52 0 5053	Bad Debt Write-Off	2,514	4,678	2,815	4,000	4,000	4,120	0%
52 0 5095	Building Repair & Maintenance	2,320	1,570	1,170	4,000	4,000	4,120	0%
52 0 5107	Certification Costs	778	537	665	700	725	747	4%
52 0 5137	Computer Support	969	647	2,591	2,000	2,600	2,678	30%
52 0 5143	Computer Line Charges	539	519	519	550	550	567	0%
52 0 5145	Concrete Sidewalks/curb	0	314	121	700	700	721	0%
52 0 5147	Contracted Services	1,936	0	0	5,000	6,000	6,180	20%
52 0 5155	Contrib.-Social Service Agencies	3,000	3,000	3,000	3,000	4,000	4,000	33%
52 0 5185	Cross Connection Control	32	24	78	100	100	103	0%
52 0 5195	Crushed Rock/Asphalt	1,092	987	2,592	3,500	3,500	3,605	0%
52 0 5225	DEQ Discharge Permit	1,545	1,590	1,736	1,700	1,850	1,906	9%
52 0 5233	Dues	697	658	766	750	800	824	7%
52 0 5245	Education & Training	392	954	419	1,200	1,200	1,236	0%

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**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
SEWER FUND**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE	
MATERIALS & SERVICES (CONTINUED)								
52 0 5265	Engineering	6,548	3,774	17,631	50,000	10,000	10,300	-80%
52 0 5285	Equipment Repair & Maintenance	21,684	20,978	15,907	22,000	23,000	23,690	5%
52 0 5305	Gas & Oil	8,475	7,122	4,714	7,000	6,000	6,180	-14%
52 0 5310	GIS Services	0	0	0	0	5,000	5,150	100%
52 0 5325	Insurance	16,812	19,391	20,049	23,000	23,300	23,999	1%
52 0 5373	Laboratory Analysis	7,767	4,626	6,544	7,000	7,500	7,725	7%
52 0 5374	Lab Supplies	410	110	483	600	650	670	8%
52 0 5375	Landscape Maintenance	1,939	1,024	1,595	2,200	2,300	2,369	5%
52 0 5376	Lagoon Monitoring	0	2,785	3,400	3,500	3,600	3,708	3%
52 0 5383	Maintenance Agreements	2,278	2,184	1,490	0	0	0	
52 0 5387	Medical Expenses	654	798	595	850	850	876	0%
52 0 5390	Miscellaneous	1,801	2,351	2,636	4,196	5,556	6,499	32%
52 0 5413	Office Supplies	1,243	752	840	1,200	900	927	-25%
52 0 5465	Postage	194	65	5	200	200	206	0%
52 0 5489	Property Lease	636	650	656	700	720	742	3%
52 0 5490	Property Tax	2,509	1,752	1,768	1,850	1,950	2,009	5%
52 0 5515	Safety Equipment	1,836	2,987	4,618	3,500	3,600	3,708	3%
52 0 5535	Security Alarm/Remote Monitoring	713	695	1,194	1,000	1,200	1,236	20%
52 0 5545	Sewer Main Repair	8,374	24,619	18,136	35,000	35,000	22,000	0%
52 0 5563	Small Tools & Equipment	1,870	565	1,390	3,000	2,500	2,575	-17%
52 0 5587	Supplies	2,054	3,102	1,800	4,000	3,500	3,605	-13%
52 0 5597	System Supplies & Maintenance	674	2,847	2,032	3,500	3,500	3,605	0%
52 0 5603	Telephone	2,984	3,048	3,191	3,500	3,700	3,811	6%
52 0 5645	Tires	517	2,568	1,513	2,800	2,900	2,987	4%
52 0 5665	Travel and Meals	1,193	608	713	1,000	1,100	1,133	10%
52 0 5685	Treatment Chemicals	19,892	22,487	14,410	23,000	26,000	26,780	13%
52 0 5695	TV Inspection	270	436	907	2,000	500	515	-75%
52 0 5703	Uniforms	1,027	1,227	1,268	1,200	0	0	-100%
52 0 5715	Utilities	33,943	31,438	31,073	35,000	35,500	36,565	1%
52 0 5745	Vehicle Repair & Maintenance	3,245	3,095	3,761	4,000	6,000	6,180	50%
	Subtotal Materials & Services	273,919	291,934	284,484	390,756	359,951	357,356	-8%
DEBT SERVICE								
52 0 7175	Bond Principal	100,000	100,000	130,000	145,000	160,000	175,000	10%
52 0 7575	Bond Interest	235,062	232,067	229,568	225,668	194,250	189,450	-14%
	Subtotal Debt Service	335,062	332,067	359,568	370,668	354,250	364,450	-4%
TRANSFERS								
52 0 8520	To LBE Fund - Equipment	15,000	30,500	31,000	51,300	54,800	54,800	7%
52 0 8540	To LBE Fund - Infrastructure	0	0	75,600	200,000	269,950	139,750	35%
52 0 8555	To LBE Fund - P/W Office Equipme	2,500	10,000	3,000	1,000	1,000	1,000	0%
52 0 8560	To LBE Fund - P/W Building	0	14,400	14,400	24,200	19,000	19,000	-21%
	Subtotal Transfers	17,500	54,900	124,000	276,500	344,750	214,550	25%
52 0 9000	Contingency	0	0	0	40,000	70,000	70,000	75%
	TOTAL EXPENDITURES	880,393	943,958	1,043,587	1,388,000	1,459,126	1,346,700	5%
52 0 9500	UNAPPROPRIATED ENDING BAL	0	0	0	12,000	100,000	100,000	100%
	Excess Revenues Over Expenditures	112,152	146,247	171,270	0	0	0	

**CITY OF PHILOMATH
SEWER FUND
2017-18 BUDGET NARRATIVE**

PERSONNEL SERVICES	<u>TIME ALLOCATION</u>	<u>SALARY ALLOCATION</u>
Public Works Director	40%	34,243
Public Works Supervisor	27%	19,680
Utility Maintenance Workers	24%	64,338
Water/Wastewater Operators	50%	<u>60,370</u>
TOTAL SALARIES		178,631
<p>The time allocation is based on estimated needs of this fund for fiscal year 2017-18. Salaries include a 2% cost-of-living increase.</p>		
OVERTIME		4,723
ON-CALL TIME		2,000
Prorated portion of weekly payment for public works crew member on standby during off duty time		
UNIFORM ALLOWANCE		
\$375 per employee to purchase boots and other work related clothing items		968
INCENTIVE PAY		7,487
Each employee may receive up to \$300 per month based on acquiring specialized skills		
LONGEVITY PAY		1,712
Management employees receive 5% after 10 years of service, and 10% after 15 years of service		
SICK LEAVE CONVERSION		790
50% of excess sick leave for Department Heads who choose to cash out sick time		
SOCIAL SECURITY Calendar year 2017 rate is 7.65%		15,072
PERS		40,095
The City pays both the employer and employee contributions. For fiscal years 2017-19 the Tier 1 & 2 employer rate is 19.95%, OPSRP rate is 11.06%, and the employee rate is 6%.		
WORKERS' COMPENSATION		6,300
WORKERS' BENEFIT FUND ASSESSMENT Required by Oregon Dept. of Revenue		95
DEFERRED COMPENSATION 6% retirement benefit for management employees		3,471
HEALTH INSURANCE \$1,500 deductible plan, estimated 5% increase for 2018 premium		50,051
DENTAL INSURANCE Estimated 4.5% increase for 2018 premium		6,580
HEALTH REIMBURSEMENT ACCOUNT Employee account to help offset medical deductible		4,470
LIFE INSURANCE Basic life and AD&D policy. Employee coverage \$30,000		182
SICK & VACATION ACCRUAL Liability for unused vacation and sick leave payable upon termination		<u>7,548</u>
TOTAL PERSONNEL SERVICES		<u><u>330,175</u></u>

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**CITY OF PHILOMATH
SEWER FUND
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Administrative Overhead	112,800	Transfer to General Fund to pay for Sewer Fund portion of accounting and other administrative expenses
Advertising and Legal Notices	600	Advertising for bids, sale of surplus equipment, and employment positions
Bad Debt Write-Off	4,000	To write-off uncollectible customer accounts
Building Repair and Maintenance	4,000	Minor repairs to the sewer plant and prorated cost of repairs to the Public Works buildings
Certification Costs	725	Employee waste water certifications
Computer Support	2,600	Prorated share of Public Works software maintenance cost
Computer Line Charges	550	Internet provider fees
Concrete Sidewalks/curb	700	Cost to repair or replace damage while working on sewer system
Contracted Services	6,000	Cost to hire outside contractors for specialty services
Contrib.-Social Service Agencies	4,000	Contribution to social service agencies that help customers who do not have money to pay their sewer bills
Cross Connection Control	100	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	1,850	Water quality tests required by state to insure compliance and obtain NPDES permit
Dues	800	Membership in professional organizations
Education and Training	1,200	Workshops and seminars to maintain certifications and train employees
Engineering	10,000	Complete Wastewater Master plan. Amend water reuse plan with DEQ
Equipment Repairs and Maintenance	23,000	Cost of repairs to equipment
Gas and Oil	6,000	Prorated share of vehicle fuel costs
GIS Services	5,000	Services provided through Cascades West Council of Governments for mapping, tracking of data and archiving
Insurance	23,300	Sewer Fund share of commercial and vehicle liability, auto physical damage, and property insurance

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**CITY OF PHILOMATH
SEWER FUND
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES (CONTINUED)

Laboratory Analysis	7,500	Waste water quality testing required by DEQ for plant discharge
Lab Supplies	650	Lab testing chemicals and equipment
Landscape Maintenance	2,300	Prorated share of landscape maintenance at Public Works Office
Lagoon Monitoring	3,600	Yearly monitoring of wells at lagoon site
Medical Expenses	850	Prorated share of mandatory CDL physical, drug and alcohol testing and required vaccinations
Miscellaneous	5,556	Incidental expenses
Office Supplies	900	Copier cost, paper and other office supplies
Postage	200	Prorated postage for Public Works office use
Property Lease	720	Lease on Gilbert Faxon land equal to annual property tax
Property Tax	1,950	Property tax on 119 acres near sewer lagoons which is leased to farmer
Safety Equipment	3,600	Protective clothing and equipment
Security Alarm/Remote Monitoring	1,200	Public Works building alarm monitoring
Sewer Main Repair	35,000	10 sewer main/manhole repairs
Small Tools and Equipment	2,500	Purchase of new, and replacement of worn out hand tools
Supplies	3,500	Miscellaneous supplies and small parts
System Supplies and Maintenance	3,500	Supplies required to maintain the collection system and operate the department
Telephone	3,700	Prorated telephone cost at Public Works office
Tires	2,900	Prorated cost of tires and tire repair for equipment
Travel and Meals	1,100	Cost of lodging and meals at out-of-town training
Treatment Chemicals	26,000	Chemicals used in waste water treatment plant
T V Inspection	500	Inspection of private sewer laterals to determine if they are in need of replacement
Utilities	35,500	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>6,000</u>	Prorated cost of repairs to vehicles
TOTAL MATERIALS & SERVICES	<u>359,951</u>	

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**CITY OF PHILOMATH
SEWER FUND
2017-18 BUDGET NARRATIVE**

DEBT SERVICE

Bond Principal	160,000	Principal payment on Sewer Bonds
Bond Interest	<u>194,250</u>	Interest on bond issue
TOTAL DEBT SERVICE	<u>354,250</u>	

TRANSFERS

To LBE Fund - Equipment	54,800	Set aside for future replacement of equipment
To LBE Fund - Infrastructure	269,950	To support the capital improvement plan
To LBE Fund - P/W Office Equipment	1,000	Furniture and office equipment for Public Works building
To LBE Fund - P/W Building	<u>19,000</u>	Reserve for future construction/expansion of Public Works facilities
TOTAL TRANSFERS	<u>344,750</u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
STORM DRAIN FUND**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE	
REVENUES								
53 0 3001	Cash Balance Forward	20,775	12,524	10,688	17,000	21,000	30,000	24%
53 0 3020	Interest on Investments	44	24	58	50	200	300	100%
53 0 3211	Storm Drain User Fees	42,532	42,826	43,276	58,200	58,500	58,200	1%
	TOTAL REVENUES	63,351	55,374	54,022	75,250	79,700	88,500	6%
EXPENDITURES								
MATERIALS AND SERVICES								
53 0 5053	Bad Debt Write Off	80	158	138	200	200	206	0%
53 0 5137	Computer Support	0	0	868	350	800	824	100%
53 0 5147	Contracted Services	2,715	350	0	600	1,000	3,000	67%
53 0 5195	Crushed Rock/Asphalt	4,641	503	38	4,600	1,500	1,545	-67%
53 0 5225	DEQ Discharge Permit	850	875	875	900	900	927	0%
53 0 5245	Education and Training	365	0	0	700	2,000	2,060	100%
53 0 5265	Engineering	2,635	2,456	510	3,000	3,000	36,000	0%
53 0 5350	GIS Services	0	0	0	0	4,000	4,120	100%
53 0 5373	Laboratory Analysis	0	0	748	0	800	824	100%
53 0 5390	Miscellaneous	1,988	1,397	446	2,550	1,650	1,700	-35%
53 0 5413	Office Supplies	17	0	223	50	150	155	100%
53 0 5445	Pipes, Fittings, Mechanical	592	2,560	1,030	3,000	1,500	2,089	-50%
53 0 5515	Safety Equipment	0	17	45	300	300	309	0%
53 0 5587	Supplies	644	506	883	800	1,000	1,030	25%
53 0 5597	System Supply & Maintenance	0	264	183	800	400	412	-50%
	Subtotal Materials & Services	14,527	9,086	5,987	17,850	19,200	55,200	8%
TRANSFERS								
53 0 8100	To Street Fund	17,900	17,600	17,700	19,400	20,500	21,300	6%
53 0 8540	To LBE Fund - Infrastructure	0	0	5,000	20,000	10,000	0	-50%
53 0 8600	To SDC Fund	18,400	18,000	9,000	5,000	5,000	5,000	0%
	Subtotal Transfers	36,300	35,600	31,700	44,400	35,500	26,300	-20%
	TOTAL EXPENDITURES	50,827	44,686	37,687	62,250	54,700	81,500	-12%
53 0 9500	UNAPPROPRIATED ENDING BAL	0	0	0	13,000	25,000	7,000	92%
	Excess Revenues Over Expenditures	12,524	10,688	16,335	0	0	0	

**CITY OF PHILOMATH
STORM DRAIN FUND
2017-18 BUDGET NARRATIVE**

MATERIALS AND SERVICES

Bad Debt Write-Off	200	To write-off uncollectible customer accounts
Computer Support	800	Portion of Public Works software support
Contracted Services	1,000	Partnership with Benton County to hire a summer intern. The intern would help develop programs for compliance with our stormwater permits.
Crushed Rock and Asphalt	1,500	Crushed rock and asphalt to backfill and patch utility cuts
DEQ Discharge Permit	900	Mandated Department of Environmental Quality fee
Education and Training	2,000	Training to identify illicit discharge, containment etc.
Engineering	3,000	Engineering of storm drain projects
GIS Services	4,000	Prorated share of GIS services provided by the COG. Mapping of storm system and tracking of maintenance items to adhere to DEQ regulations.
Laboratory Analysis	800	Storm water sampling to adhere to regulations
Miscellaneous	1,650	Incidental expenses
Office Supplies	150	Prorated share of Public Works office supplies
Pipes, Fittings, Mechanical	1,500	Purchase of catch basins, manholes, pipe and related items
Safety Equipment	300	Protective clothing and equipment
Supplies	1,000	Supplies needed for storm water maintenance
System Supplies and Maintenance	<u>400</u>	Supplies required to maintain the storm water collection system and operate the department
TOTAL MATERIALS & SERVICES	<u><u>19,200</u></u>	

TRANSFERS

To Street Fund	20,500	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 LBE Fund - Infrastructure	10,000	To reimburse LBE Fund for prior capital projects
To SDC Fund	<u>5,000</u>	Transfer to pay storm drain debt service
TOTAL TRANSFERS	<u><u>35,500</u></u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
DEVELOPMENT REVIEW FUND**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
REVENUE							
16 0 3001 Cash Balance Forward	0	0	0	0	30,000	35,400	100%
16 0 3020 Interest on Investments	0	0	0	200	400	600	100%
16 0 3676 Plan Review Fee Deposit	0	0	0	75,000	200,000	200,000	100%
16 0 3678 Predesign Meeting Fee	0	0	0	5,000	5,000	5,000	0%
16 0 3997 Transfer from General Fund	0	0	0	30,000	0	0	-100%
TOTAL REVENUE	0	0	0	110,200	235,400	241,000	100%
EXPENDITURES							
MATERIALS AND SERVICES							
16 0 5451 Project 1	0	0	0	25,000	50,000	50,000	100%
16 0 5451 Project 2	0	0	0	25,000	50,000	50,000	100%
16 0 5451 Project 3	0	0	0	20,000	40,000	40,000	100%
16 0 5451 Project 4	0	0	0	20,000	40,000	40,000	100%
16 0 5451 Project 5	0	0	0	20,000	20,000	20,000	0%
Subtotal Materials and Services	0	0	0	110,000	200,000	200,000	82%
TOTAL EXPENDITURES	0	0	0	110,000	200,000	200,000	82%
16 0 9500 UNAPPROPRIATED ENDING BAL	0	0	0	200	35,400	41,000	100%
Excess Revenues Over Expenditures	0	0	0	0	0	0	

**CITY OF PHILOMATH
DEVELOPMENT REVIEW FUND
2017-18 BUDGET NARRATIVE**

REVENUES

Cash Balance Forward	30,000	Estimated cash balance at June 30, 2017
Interest income	400	Estimated interest income
Plan Review Fee Deposit	200,000	4% of estimated infrastructure costs for new development. All Plan Review costs will be applied to the deposit. Either the developer will be billed for additional costs or a refund will be returned after the final inspections.
Pre-Design Meeting Fee	<u>5,000</u>	\$1,000 non-refundable fee for City staff and engineer time in preparing and attending Pre-Design meetings
TOTAL REVENUES	<u><u>235,400</u></u>	

MATERIALS AND SERVICES

Project Costs	<u>200,000</u>	Engineering review and inspection of new development infrastructure
TOTAL MATERIALS & SERVICES	<u><u>200,000</u></u>	

LAND, BUILDING AND EQUIPMENT RESERVE FUND

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

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

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

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
LAND, BUILDING AND EQUIPMENT FUND**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE	
REVENUES								
41 0 3001	Cash Balance Forward	1,754,790	1,273,558	1,297,080	1,737,000	2,497,700	1,775,764	44%
41 0 3020	Investment Interest	5,474	4,219	8,469	8,010	25,000	7,190	100%
41 0 3125	Bike/Footpath Revenue	2,641	2,673	2,746	2,670	2,700	2,700	1%
41 0 3580	Citation Assessment for Police Equip	14,259	7,892	9,407	11,000	9,400	9,400	-15%
41 0 3610	Donations	10,485	3,410	0	0	0	0	
41 0 3650	Miscellaneous Income	0	12,492	0	0	0	0	
41 0 3685	Sale of Equipment/Building	3,419	4,230	11,000	0	0	0	
41 0 3740	Justice Building Mortgage Payments	12,120	12,120	12,120	12,120	0	0	-100%
41 0 3770	Sewer Lateral Reimbursement	17,735	0	1,740	0	0	0	
41 0 3809	Park Grant	30,000	0	0	0	0	0	
41 0 3833	E Citation Grant	0	0	0	0	43,450	0	100%
TRANSFERS								
41 0 3942	General Fund - City Manager Car	0	400	500	700	0	0	-100%
41 0 3943	General Fund - Finance Equipment	3,000	1,000	0	0	0	0	
41 0 3945	General Fund - Court Equipment	2,000	0	5,000	0	25,364	0	100%
41 0 3947	General Fund - Police Office Equip	0	0	0	0	5,000	0	100%
41 0 3949	General Fund - Police Equipment	0	1,000	0	1,700	7,236	0	100%
41 0 3951	General Fund - Police Vehicle	10,000	19,000	8,000	0	2,200	0	100%
41 0 3953	General Fund - Park Equipment	0	7,600	13,800	9,500	10,200	10,200	7%
41 0 3955	General Fund - Park Infrastructure	25,000	22,000	0	0	0	0	
41 0 3960	General Fund - City Hall Reserve	0	0	0	0	0	13,000	
41 0 3962	General Fund - Police Bldg. Reserve	0	0	0	0	0	10,000	
41 0 3964	General Fund - Library Reserve	0	0	0	0	0	16,800	
41 0 3971	Street Fund - Equipment	18,400	36,400	37,600	25,500	9,300	9,300	-64%
41 0 3973	Street Fund - Infrastructure	40,000	40,000	40,000	40,000	40,000	40,000	0%
41 0 3976	Water Fund - Equipment	28,800	90,500	31,100	39,900	46,700	46,700	17%
41 0 3978	Water Fund - Infrastructure	40,000	0	300,000	475,000	200,000	200,000	-58%
41 0 3982	Sewer Fund - Equipment	15,000	30,500	31,000	51,300	54,800	54,800	7%
41 0 3984	Sewer Fund - Infrastructure	0	0	75,600	200,000	269,950	139,750	35%
41 0 3990	Storm Drain Fund - Infrastructure	0	0	5,000	20,000	10,000	0	-50%
41 0 3985	W & S Fund - P/W Office Equip	5,000	20,000	6,000	2,000	2,000	2,000	0%
41 0 3986	W & S Fund - P/W Buildings	0	28,800	28,800	48,400	38,000	38,000	-21%
41 0 3995	Com. Development-Park Shelter	0	50,000	6,000	0	0	0	
	TOTAL REVENUE	2,038,123	1,667,794	1,930,962	2,684,800	3,299,000	2,375,604	23%

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
LAND, BUILDING AND EQUIPMENT FUND**

		ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED	ESTIMATED	%
		EXPENDED	EXPENDED	EXPENDED	BUDGET	BUDGET	BUDGET	CHANGE
		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURES								
CAPITAL OUTLAY								
41 0 6403	Administration Equipment	0	0	0	2,500	4,000	2,000	60%
41 0 6411	Finance Equipment	0	0	0	4,000	2,900	2,000	-28%
41 0 6415	Court Equipment	0	1,588	1,245	2,000	29,000	2,000	100%
41 0 6422	Police Office Equipment	0	1,072	6,740	1,000	6,000	2,000	100%
41 0 6424	Police Equipment	2,291	7,582	3,754	5,000	53,086	5,000	100%
41 0 6426	Police Vehicles	5,020	50,715	0	23,500	17,600	0	-25%
41 0 6432	Park Equipment	0	1,345	5,058	0	0	27,000	
41 0 6434	Park Infrastructure	94,391	44,145	0	0	0	0	
41 0 6441	City Hall Improvement	2,700	0	0	25,000	25,000	25,000	0%
41 0 6443	Police Building Improvement	0	1,949	24,940	25,000	25,000	25,000	0%
41 0 6447	Library Improvement	0	20,867	0	25,000	25,000	25,000	0%
41 0 6457	Street Infrastructure	141,847	0	0	0	380,000	0	100%
41 0 6459	Bike/Footpath Construction	0	0	0	28,300	18,900	0	-33%
41 0 6463	Water Equipment	28,292	134,843	38,799	0	0	30,000	
41 0 6467	Water Infrastructure	0	0	11,611	707,500	420,000	0	-41%
41 0 6473	Sewer Equipment	0	4,990	0	75,000	0	0	-100%
41 0 6477	Sewer Infrastructure	400,027	101,618	90,398	211,000	481,750	320,000	100%
41 0 6480	Storm Drain Infrastructure	41,514	0	0	0	0	0	
41 0 6490	Public Works Office Equipment	13,200	0	6,645	10,000	10,000	10,000	0%
41 0 6493	Public Works Office/Buildings	35,283	0	0	35,000	25,000	25,000	-29%
	Total Capital Outlay	764,565	370,714	189,190	1,179,800	1,523,236	500,000	29%
	TOTAL EXPENDITURES	764,565	370,714	189,190	1,179,800	1,523,236	500,000	29%
41 0 9500	RESERVE FOR FUTURE EXPENDITURE	0	0	0	1,505,000	1,775,764	1,875,604	18%
	Excess Revenues Over Expenditures	1,273,558	1,297,080	1,741,772	0	0	0	

**CITY OF PHILOMATH
LAND, BUILDING AND EQUIPMENT FUND
2017-18 BUDGET NARRATIVE**

REVENUES

Cash Balance Forward	2,497,700	Estimated Cash Balance at June 30, 2017
Investment Interest	25,000	Interest income on cash balance
Bike/Footpath Revenue	2,700	1% of highway fuel tax allocated for bike and footpath construction
Citation Assessment for Police Equipment	9,400	\$10 fee added to each traffic citation. Funds are designated for purchase of police equipment.
E Citation Grant	<u>43,450</u>	ODOT grant for electronic citation software and hardware
Subtotal Revenue Before Transfers	2,578,250	

TRANSFERS

General Fund

Court Equipment	25,364	To purchase court equipment
Police Office Equipment	5,000	To purchase police office equipment
Police Equipment	7,236	To purchase police equipment for officers
Police Vehicle	2,200	To purchase new police vehicle
Park Equipment	<u>10,200</u>	Specified in Capital Improvement Plan
	50,000	

Street Fund

Equipment	9,300	Specified in Capital Improvement Plan
Infrastructure	<u>40,000</u>	Specified in Capital Improvement Plan
	49,300	

Water Fund

Equipment	46,700	Specified in Capital Improvement Plan
Infrastructure	200,000	Specified in Capital Improvement Plan
Public Works Office Equipment	1,000	Office equipment for the Public Works staff
Public Works Buildings	<u>19,000</u>	Specified in Capital Improvement Plan
	266,700	

Sewer Fund

Equipment	54,800	Specified in Capital Improvement Plan
Infrastructure	269,950	Specified in Capital Improvement Plan
Public Works Office Equipment	1,000	Office equipment for the Public Works staff
Public Works Buildings	<u>19,000</u>	Specified in Capital Improvement Plan
	344,750	

Storm Drain

Infrastructure	<u>10,000</u>	Set aside for future capital purchases
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TOTAL REVENUE **3,299,000**

**CITY OF PHILOMATH
LAND, BUILDING AND EQUIPMENT FUND
2017-18 BUDGET NARRATIVE**

CAPITAL OUTLAY

Administration Equipment	4,000	Computer and office equipment
Finance Equipment	2,900	Computer and office equipment
Court Equipment	29,000	Purchase new court software
Police Office Equipment	6,000	Report writing software to integrate with Benton County's system
Police Equipment	53,086	\$9,636 to replace patrol rifles, \$43,450 allows officers to issue citations electronically.
Police Vehicle	17,600	Purchase new vehicle to replace the 2010 Crown Victoria
City Hall	25,000	Miscellaneous building improvement
Police Building Improvement	25,000	Miscellaneous building improvement
Library Improvement	25,000	Miscellaneous building improvement
Street Infrastructure	380,000	Repave Cedar Street from 13th to 15th
Bike/Footpath Construction	18,900	Bike or footpath construction - to be determined
Water Infrastructure	420,000	Upsize N. 12th Street waterline from a 4" to a 10" pipe
Sewer Infrastructure	481,750	\$231,750 remove Timber Estates pump station and replace with gravity sewer line. \$250,000 lining 1952 pipe and services in 3 locations on Main Street between 15th and 18th Streets
Public Works Office Equipment	10,000	Computer and office equipment
Public Works Office/Buildings	<u>25,000</u>	Miscellaneous building improvement
TOTAL CAPITAL OUTLAY	<u>1,523,236</u>	

**CITY OF PHILOMATH
LAND, BUILDING AND EQUIPMENT FUND
FISCAL YEAR 2017-18**

	<u>ADMIN</u>		<u>FINANCE</u>	<u>COURT</u>	<u>POLICE</u>		<u>PARKS</u>	<u>PARKS</u>	<u>NONDEPARTMENTAL</u>			<u>SUBTOTAL GENERAL FUND</u>	
	<u>Equipment</u>	<u>Vehicle</u>	<u>Equipment</u>	<u>Equipment</u>	<u>Office Equip</u>	<u>Equipment</u>	<u>Vehicle</u>	<u>Equipment</u>	<u>Infrastructure</u>	<u>City Hall</u>	<u>Police Bldg</u>		<u>Library</u>
Est Balance 7/1/17	7,400	15,900	2,900	4,300	1,000	2,400	6,000	37,300	0	119,900	205,600	180,500	583,200
2017-18 Transfers	0	0	0	25,364	5,000	7,236	2,200	10,200	0	0	0	0	50,000
Interest Income	49	227	0	9	0	0	0	678	0	1,355	2,579	2,220	7,118
Other Income	0	0	0	0	0	43,450	9,400	0	0	0	0	0	52,850
Appropriations	<u>(4,000)</u>	<u>0</u>	<u>(2,900)</u>	<u>(29,000)</u>	<u>(6,000)</u>	<u>(53,086)</u>	<u>(17,600)</u>	<u>0</u>	<u>0</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>(187,586)</u>
Balance 6/30/18	<u>3,449</u>	<u>16,127</u>	<u>0</u>	<u>673</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>48,178</u>	<u>0</u>	<u>96,255</u>	<u>183,179</u>	<u>157,720</u>	<u>505,582</u>

	<u>STREET</u>			<u>WATER</u>		<u>SEWER</u>		<u>STORM DRAIN</u>	<u>PUBLIC WORKS</u>	<u>PUBLIC WORKS</u>	<u>FUND TOTALS</u>
	<u>Equipment</u>	<u>Infrastructure</u>	<u>Bike Path</u>	<u>Equipment</u>	<u>Infrastructure</u>	<u>Equipment</u>	<u>Infrastructure</u>	<u>Infrastructure</u>	<u>Office Equip</u>	<u>Building</u>	
Est Balance 7/1/17	232,100	346,600	16,200	235,900	639,800	89,900	211,800	2,200	10,400	129,600	2,497,700
2017-18 Transfers	9,300	40,000	0	46,700	200,000	54,800	269,950	10,000	2,000	38,000	720,750
Interest Income	3,447	94	0	4,035	5,995	2,066	0	174	34	2,036	25,000
Other Income	0	0	2,700	0	0	0	0	0	0	0	55,550
Appropriations	<u>0</u>	<u>(380,000)</u>	<u>(18,900)</u>	<u>0</u>	<u>(420,000)</u>	<u>0</u>	<u>(481,750)</u>	<u>0</u>	<u>(10,000)</u>	<u>(25,000)</u>	<u>(1,523,236)</u>
Balance 6/30/18	<u>244,847</u>	<u>6,694</u>	<u>0</u>	<u>286,635</u>	<u>425,795</u>	<u>146,766</u>	<u>0</u>	<u>12,374</u>	<u>2,434</u>	<u>144,636</u>	<u>1,775,764</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 2017-18
SYSTEMS DEVELOPMENT FUND**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
REVENUES							
42 0 3001 Cash Balance Forward	707,955	187,641	352,118	559,200	903,200	780,000	62%
42 0 3020 Interest on Investments	988	977	2,523	4,099	6,964	5,566	70%
42 0 3051 Interest on Deferred SDC Liens	358	1,679	6,091	0	0	0	
42 0 3351 Park Improvement Charges	5,930	8,470	12,444	13,000	14,040	14,321	8%
42 0 3353 Street Improvement Charges	19,606	29,104	43,003	44,500	47,895	48,853	8%
42 0 3354 Street Reimbursement Charges	9,742	14,460	21,361	22,100	23,805	24,281	8%
42 0 3355 Water Improvement Charges	25,308	39,661	65,971	68,100	70,770	72,185	4%
42 0 3356 Water Reimbursement Charges	18,864	29,563	49,170	50,800	52,740	53,795	4%
42 0 3357 Sewer Improvement Charges	36,635	42,917	68,355	73,700	76,575	78,107	4%
42 0 3358 Sewer Reimbursement Charges	17,619	20,637	32,867	35,500	36,825	37,562	4%
42 0 3359 Storm Drain Improvement Charges	10,365	13,508	19,980	20,600	22,185	22,629	8%
42 0 3829 Park Grant	0	0	0	0	220,000	0	100%
42 0 3990 Transfer-Storm Drain Fund	18,400	18,000	9,000	5,000	5,000	5,000	0%
TOTAL REVENUES	871,770	406,617	682,883	896,599	1,479,999	1,142,299	65%
EXPENDITURES							
CAPITAL OUTLAY							
42 0 6815 Park Improvement Outlay	0	0	0	80,000	245,000	0	100%
42 0 6825 Street Improvement Outlay	160,046	0	0	0	0	0	
42 0 6829 Street Reimbursement Outlay	81,913	0	0	0	0	0	
42 0 6835 Water Improvement Outlay	262,468	0	0	192,500	260,000	0	35%
42 0 6839 Water Reimbursement Outlay	145,003	0	0	0	0	0	
42 0 6839 Sewer Reimbursement Outlay	0	0	0	65,600	70,000	0	7%
TOTAL CAPITAL OUTLAY	649,430	0	0	338,100	575,000	0	70%
DEBT SERVICE							
42 0 7142 OECDD Loan Principal	12,906	13,680	14,501	15,371	16,293	17,271	6%
42 0 7542 OECDD Loan Interest	11,593	10,819	9,998	9,128	8,206	7,228	-10%
TOTAL DEBT SERVICE	24,499	24,499	24,499	24,499	24,499	24,499	0%
TRANSFERS							
42 0 8700 To Sewer Fund	10,200	30,000	70,000	100,000	100,000	100,000	0%
TOTAL TRANSFERS	10,200	30,000	70,000	100,000	100,000	100,000	0%
TOTAL EXPENDITURES	684,129	54,499	94,499	462,599	699,499	124,499	51%
42 0 9500 RESERVE FOR FUTURE EXPENDITURE	0	0	0	434,000	780,500	1,017,800	80%
Excess Revenues Over Expenditures	187,641	352,118	588,384	0	0	0	

**CITY OF PHILOMATH
SYSTEMS DEVELOPMENT FUND
2017-18 BUDGET NARRATIVE**

REVENUE

Cash Balance Forward	903,200	Estimated cash balance at June 30, 2017
Interest on Investments	6,964	Interest earnings
Park Improvement Charges	14,040	Estimate based on 15 new single family homes
Street Improvement Charges	47,895	Estimate based on 15 new single family homes
Street Reimbursement Charges	23,805	Estimate based on 15 new single family homes
Water Improvement Charges	70,770	Estimate based on 15 new single family homes
Water Reimbursement Charges	52,740	Estimate based on 15 new single family homes
Sewer Improvement Charges	76,575	Estimate based on 15 new single family homes
Sewer Reimbursement Charges	36,825	Estimate based on 15 new single family homes
Storm Drain Improvement Charges	22,185	Estimate based on 15 new single family homes
Park Grant	220,000	State park grant for new 11th Street park
Transfer - Storm Drain Fund	<u>5,000</u>	Funds to pay debt service on storm drain loan
TOTAL REVENUE	<u><u>1,479,999</u></u>	

CAPITAL OUTLAY

Park Improvement Outlay	245,000	\$25,000 City's match, \$220,000 grant for construction of a park on N.11th Street
Water Improvement Outlay	260,000	Upsize water line on N. 12th Street.
Sewer Reimbursement Outlay	<u>70,000</u>	Funds to be used towards upgrading 1952 era pipes
TOTAL CAPITAL OUTLAY	<u><u>575,000</u></u>	

DEBT SERVICE

OECD - Principal	16,293	Principal portion of OECD storm drain loan
OECD - Interest	<u>8,206</u>	Interest portion of OECD storm drain loan
TOTAL DEBT SERVICE	<u><u>24,499</u></u>	

TRANSFERS

To Sewer Fund	<u><u>100,000</u></u>	Transfer sewer SDC's held in this fund to the Sewer Fund to help pay annual bond payments
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**CITY OF PHILOMATH
SYSTEM DEVELOPMENT CHARGES FUND
FISCAL YEAR 2017-18**

	<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 7/1/17	86,000	149,700	69,300	221,100	168,700	84,700	80,200	43,500	903,200
SDC Fees	14,040	47,895	23,805	70,770	52,740	76,575	36,825	22,185	344,835
Grant	220,000	0	0	0	0	0	0	0	220,000
Interest Income	604	1,193	562	1,763	1,337	551	526	427	6,964
Appropriations	(245,000)	0	0	(260,000)	0	0	(70,000)	0	(575,000)
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>(70,000)</u>	<u>(30,000)</u>	<u>5,000</u>	<u>(95,000)</u>
Balance 6/30/18	<u><u>75,644</u></u>	<u><u>198,788</u></u>	<u><u>93,667</u></u>	<u><u>33,633</u></u>	<u><u>222,777</u></u>	<u><u>91,826</u></u>	<u><u>17,551</u></u>	<u><u>46,613</u></u>	<u><u>780,500</u></u>

COMMUNITY DEVELOPMENT FUND

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

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

Repayment of 1992 loans has no restrictions on use. There is currently \$37,819 in outstanding loans.

Repayment of the 1993 and 1997 loans must be used for low-income housing rehabilitation. Currently, there is \$378,084 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 2017-18
COMMUNITY DEVELOPMENT FUND**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE	
REVENUES								
22 0 3001	Cash Balance Forward	170,151	50,349	6,496	20,750	0	0	-100%
22 0 3020	Interest Income	198	9	67	0	0	0	
22 0 3730	Repayment of 1992 Loans	0	6,138	15,000	15,000	15,000	0	0%
22 0 3731	Repayment of 1993 Loans	0	0	0	15,000	15,000	15,000	0%
22 0 3732	Repayment of 1997 Loans	0	0	5,193	0	0	15,000	
	TOTAL REVENUES	170,349	56,496	26,756	50,750	30,000	30,000	-41%
EXPENDITURES								
MATERIALS AND SERVICES								
22 0 5820	Downtown Revolving Loan Fund	0	0	0	30,000	30,000	30,000	0%
	Subtotal Materials and Services	0	0	0	30,000	30,000	30,000	0%
TRANSFERS								
22 0 8050	To General Fund	120,000	0	0	20,700	0	0	-100%
22 0 8500	To LB & E Fund	0	50,000	6,000	0	0	0	
	Subtotal Transfers	120,000	50,000	6,000	20,700	0	0	-100%
	TOTAL EXPENDITURES	120,000	50,000	6,000	50,700	30,000	30,000	-41%
	Excess Revenues Over Expenditures	50,349	6,496	20,756	50	0	0	

**CITY OF PHILOMATH
COMMUNITY DEVELOPMENT FUND
2017-18 BUDGET NARRATIVE**

REVENUES

Cash Balance Forward	0	Estimated cash balance at June 30, 2017
Repayment of 1992 Loans	15,000	Repayment of loans made with the 1992 Block Grant
Repayment of 1993 Loans	<u>15,000</u>	Repayment of loans made with the 1993 Block Grant
TOTAL REVENUES	<u>30,000</u>	

MATERIALS AND SERVICES

Downtown Revolving Loan Fund	<u>30,000</u>	Matching loan fund to help downtown businesses with façade improvements. Funds available from 1992 Grant repayments.
TOTAL MATERIALS & SERVICES	<u>30,000</u>	

ECONOMIC DEVELOPMENT FUND

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

The City has installed water and sewer lines in the Mill Pond Development to provide services to future businesses that will be located in this Industrial Park property.

Financing for the Mill Pond property 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 Mill Pond property owners an amount equal to that year's debt payment. Although the infrastructure will ultimately be paid for by the Mill Pond property owners, the infrastructure will be owned and maintained by the City of Philomath.

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2017-18
ECONOMIC DEVELOPMENT FUND**

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE
REVENUES							
32 0 3001 Cash Balance Forward	11,179	11,289	11,333	11,390	11,500	11,620	1%
32 0 3020 Investment Interest	33	39	59	55	120	60	100%
32 0 3050 Interest on Bonded Liens	22,515	21,603	20,763	19,887	18,976	17,997	-5%
32 0 3115 Prior Years Levy	1	5	2	0	0	0	
32 0 3711 Advanced Financing Principal Coll	23,876	24,012	24,152	24,303	24,464	24,643	1%
TOTAL REVENUES	57,604	56,948	56,309	55,635	55,060	54,320	-1%
EXPENDITURES							
DEBT SERVICE							
32 0 7143 Principal - OECDD	23,876	24,012	24,152	24,303	24,464	24,643	1%
32 0 7543 Interest - OECDD	22,439	21,603	20,763	19,887	18,976	17,997	-5%
Subtotal Debt Service	46,315	45,615	44,915	44,190	43,440	42,640	-2%
TOTAL EXPENDITURES	46,315	45,615	44,915	44,190	43,440	42,640	-2%
32 0 9500 UNAPPROPRIATED ENDING BAL	0	0	0	11,445	11,620	11,680	2%
Excess Revenues Over Expenditures	11,289	11,333	11,394	0	0	0	

**CITY OF PHILOMATH
ECONOMIC DEVELOPMENT FUND
2017-18 BUDGET NARRATIVE**

REVENUES

Cash Balance Forward	11,500	Estimated cash balance at June 30, 2017
Investment Interest	120	Estimated interest income
Interest on Bonded Liens	18,976	Reimbursement from Mill Pond property owners for OECDD loan
Advanced Financing Principal Coll	<u>24,464</u>	Reimbursement from Mill Pond property owners for OECDD loan
TOTAL REVENUES	<u>55,060</u>	

DEBT SERVICE

Principal - OECDD	24,464	Principal portion of loan payment
Interest - OECDD	<u>18,976</u>	Interest portion of loan payment
TOTAL DEBT SERVICE	<u>43,440</u>	

**Urban Renewal Agency
Annual Budget
Fiscal Year 2017-18**

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Urban Renewal Agency FISCAL YEAR 2017-18 BUDGET MESSAGE

Dear Members of the Budget Committee:

The Proposed 2017-18 Budget has been prepared using estimated property tax revenue from the division of taxes and does not include any additional fees or local option levies.

Improvements to the downtown corridor have taken a front seat as ODOT notified the City it is ready to move forward with the reconstruction of US20/OR34 in the downtown area. The Downtown Safety and Streetscapes Project includes ODOT's reconstruction of the road surface, narrowing crosswalks, widening sidewalks, and adding pedestrian amenities such as benches, trash receptacles and lighting. A stakeholder committee of over 20 residents and business owners has begun meeting with staff and the lead engineer to complete final design of the project. Meanwhile, the City continues to look for additional funding partners to help pay for the project as it is currently designed.

As a precursor to this project, the City sold \$3 million in bonds last year to pay for replacement of water and wastewater lines in the downtown area. The City recently bid this project and construction will be completed this summer. Getting this project completed before the Downtown Safety and Streetscape Project is started was a major priority for the Urban Renewal Agency.

Last year, the Agency specifically identified a property on Main Street to acquire for future use. After months of environmental site assessments and negotiations, the Agency was unable to come to terms with the owner on a reasonable purchase price. Efforts are underway to require the owner to perform the needed environmental cleanup needed for the site, but there are no plans of acquiring the property at this time.

Special thanks to the Budget Committee for the important role you have taken on in reviewing the budget documents. We welcome and look forward to your feedback.

Respectfully submitted,

Chris Workman, City Manager

Joan Swanson, Budget Officer

INFORMATION ABOUT the URBAN RENEWAL AGENCY

In 1990 the City formed an Urban Renewal Agency to provide improvements to blighted areas of the City through the use of tax increment financing. Under the plan, assessments on property within the Urban Renewal District were computed at the January 1, 1991 level.

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

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

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

PHILOMATH URBAN RENEWAL AGENCY
FISCAL YEAR 2017-18
GENERAL FUND

	ACTUAL EXPENDED 2013-14	ACTUAL EXPENDED 2014-15	ACTUAL EXPENDED 2015-16	ADOPTED BUDGET 2016-17	PROPOSED BUDGET 2017-18	ESTIMATED BUDGET 2018-19	% CHANGE	
REVENUE								
23 0 3001	Cash Balance Forward	660,805	1,052,063	1,485,472	1,900,000	4,700,000	2,000,000	100%
23 0 3020	Interest on Investments	4,710	6,660	11,265	11,000	30,000	22,000	100%
23 0 3030	Interest on Tax Collections	1,177	1,311	1,153	1,200	1,250	1,300	4%
23 0 3110	Property tax increment	424,736	465,973	491,082	507,800	513,400	528,800	1%
23 0 3115	Prior Year Tax Increment	8,453	9,713	8,055	9,500	8,500	9,000	-11%
23 0 3646	Loan Proceeds	0	0	0	3,400,000	0	0	-100%
23 0 3832	Brownsfield Grant	0	0	18,111	0	0	0	
	TOTAL REVENUE	1,099,881	1,535,720	2,015,138	5,829,500	5,253,150	2,561,100	-10%
EXPENDITURES								
MATERIALS AND SERVICES								
23 0 5012	Administrative Overhead	12,240	10,836	11,400	18,156	42,720	44,002	100%
23 0 5015	Advertising and Legal Notices	870	845	1,624	3,000	3,000	900	0%
23 0 5045	Audit Fees	3,153	1,372	2,450	2,600	3,000	3,300	15%
23 0 5146	Consultant Fee	31,273	32,705	18,110	0	0	0	
23 0 5265	Engineering	0	83	24,664	100,000	500,000	0	100%
23 0 5290	Ethics Commission Fee	0	0	32	0	32	32	100%
23 0 5390	Miscellaneous	82	4,387	3,234	5,704	2,158	3,076	-62%
23 0 5567	State Filing Fee	200	20	40	40	40	40	0%
	Subtotal Materials and Services	47,818	50,248	61,554	129,500	550,950	51,350	100%
CAPITAL OUTLAY								
23 0 6162	Property Acquisition	0	0	0	350,000	0	0	-100%
23 0 6164	Sewer Projects	0	0	32,019	0	1,200,000	0	100%
23 0 6160	Water Projects	0	0	37,588	5,000,000	2,200,000	0	-56%
	Subtotal Capital Outlay	0	0	69,607	5,350,000	3,400,000	0	100%
DEBT SERVICE								
23 0 7180	Loan Principal	0	0	0	100,000	115,000	115,000	15%
23 0 7580	Loan Interest	0	0	0	200,000	113,200	109,750	-43%
	Subtotal Capital Outlay	0	0	0	300,000	228,200	224,750	-24%
	TOTAL EXPENDITURES	47,818	50,248	131,161	5,779,500	4,179,150	276,100	-28%
23 0 9500	UNAPPROPRIATED ENDING BAL	0	0	0	50,000	1,074,000	2,285,000	100%
	Excess Revenues Over Expenditures	1,052,063	1,485,472	1,883,977	0	0	0	

**PHILOMATH URBAN RENEWAL AGENCY
2017-18 BUDGET NARRATIVE
GENERAL FUND**

REVENUE

Cash Balance Forward	4,700,000	Estimated cash balance at June 30, 2017
Interest on Investments	30,000	Estimated interest income
Interest on Tax Collections	1,250	Interest on tax collections held at Benton County before they are turned over to the City
Current Year Property Tax Increment	513,400	Estimated property tax increment. Assume collection rate of 95%
Prior Years Tax Increment	<u>8,500</u>	Collection of prior years tax increment
TOTAL REVENUE	<u>5,253,150</u>	

MATERIALS AND SERVICES

Administrative Overhead	42,720	To reimburse General Fund for cost of staff time and a portion of other administrative costs
Advertising and Legal Notices	3,000	Advertising and legal notices
Audit Fees	3,000	Annual audit of the Urban Renewal Agency
Engineering	500,000	Design for downtown safety and streetscape project including street, sidewalk, stormwater and pedestrian amenities
Ethics Commission Fee	32	State mandated charge to support Oregon Government Ethics Commission
Miscellaneous	2,158	Miscellaneous expenses
State Filing Fee	<u>40</u>	Fee required to file Urban Renewal Agency audit
TOTAL MATERIALS AND SERVICES	<u>550,950</u>	

CAPITAL OUTLAY

Sewer Projects	1,200,000	Replace water and sewer lines on Main and Applegate Street generally between 7th and 14th Streets.
Water Projects	<u>2,200,000</u>	
TOTAL CAPITAL OUTLAY	<u>3,400,000</u>	

DEBT SERVICE

Loan Principal	115,000	Principal payment on 2016 Bonds
Loan Interest	<u>113,200</u>	Interest on 2016 Bonds
TOTAL DEBT SERVICE	<u>228,200</u>	

budget\urban renewal m&s
04/12/17

TAX SUMMARY

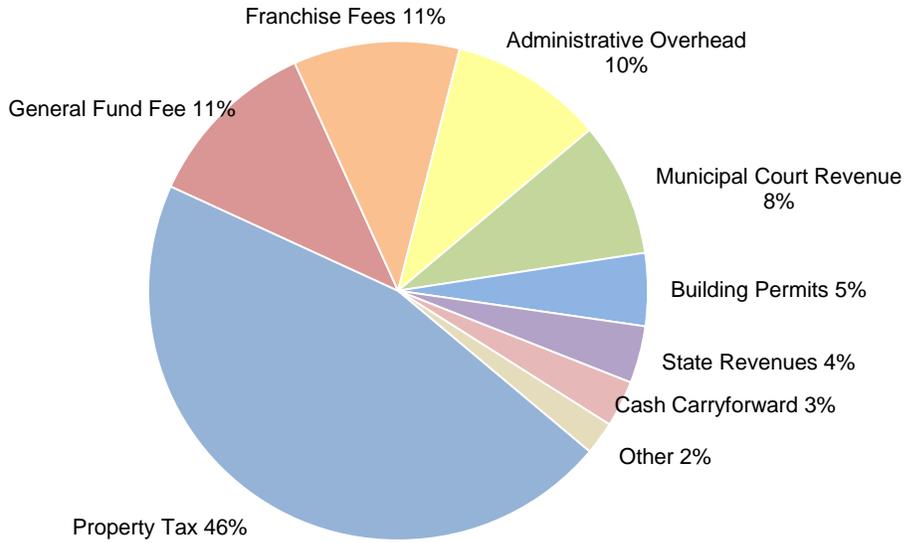
<u>Budget Year</u>	<u>General Fund Tax Levied</u>	<u>Total City Tax Rate</u>	<u>Assessed Valuation</u>	<u>General Fund Budget</u>
2008-09	1,223,149	5.30	252,798,608	2,255,889
2009-10	1,263,360	5.30	260,788,879	2,157,374
2010-11	1,301,971	5.30	270,815,918	2,463,988
2011-12	1,343,333	5.30	278,890,870	2,727,130
2012-13	1,370,296	5.30	285,594,482	2,695,205
2013-14	1,403,873	5.30	293,925,167	2,701,922
2014-15	1,457,516	5.30	303,120,090	2,742,200
2015-16	1,496,146	5.30	312,455,096	2,750,000
2016-17	1,537,874	5.30	320,268,872	2,931,000

<u>City Population</u>		<u>% Change</u>	<u># of City FTE Employees/1000 (calendar year)</u>
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
2013-14	4,620	.2%	5.2
2014-15	4,625	.1%	5.2
2015-16	4,630	.1%	5.4
2016-17	4,650	.4%	5.4
2017-18	4,665	.3%	5.4

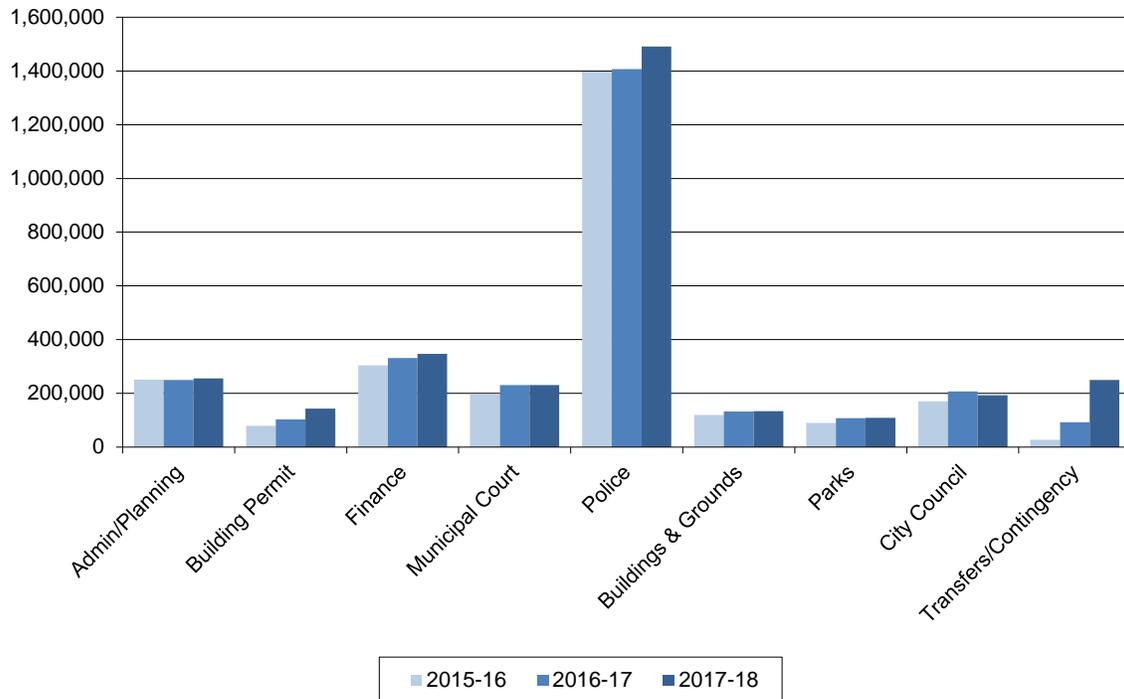
Utility Connections

	<u>Water</u>	<u>Increase</u>	<u>Sewer</u>	<u>Increase</u>
2007-08	1571	13	1509	15
2008-09	1581	10	1520	11
2009-10	1592	11	1530	10
2010-11	1598	6	1536	6
2011-12	1601	3	1539	3
2012-13	1609	8	1542	6
2013-14	1615	6	1550	8
2014-15	1624	10	1559	10
2015-16	1634	15	1569	15
2016-17	1644	10	1579	10

City of Philomath 2017-18 General Fund Revenues



General Fund Appropriations



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

	<u>ADOPTED BUDGET 2016-17</u>	<u>PROPOSED BUDGET 2017-18</u>	<u>Percent Change</u>
General Fund	2,861,000	2,988,800	4%
Development Review	110,000	200,000	82%
Street Fund	527,364	530,063	1%
Water Fund	1,455,895	1,222,571	-16%
Sewer Fund	1,388,000	1,459,126	5%
Storm Drain Fund	62,250	54,700	-12%
Land, Bldg & Equipment Fund	1,179,800	1,523,236	29%
Systems Development Fund	462,599	699,499	51%
Community Development Fund	50,700	30,000	-41%
Economic Development Fund	<u>44,190</u>	<u>43,440</u>	<u>-2%</u>
Total Budget	<u><u>8,141,798</u></u>	<u><u>8,751,435</u></u>	<u><u>7%</u></u>

**CITY OF PHILOMATH
2017-18 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	217,537	38,563	0	0	0	0	0	0	256,100
Building Permit	43,704	99,696	0	0	0	0	0	0	143,400
Finance	286,098	60,702	0	0	0	0	0	0	346,800
Municipal Court	129,668	101,532	0	0	0	0	0	0	231,200
Police	1,152,262	339,338	0	0	0	0	0	0	1,491,600
Buildings & Grounds	35,180	97,920	0	0	0	0	0	0	133,100
Parks	38,802	54,198	0	0	0	0	0	0	93,000
City Council	0	193,600	0	0	0	0	0	0	193,600
Transfers/Contingency	0	0	0	0	50,000	0	50,000	0	100,000
Unappropriated balance	0	0	0	0	0	0	0	190,000	190,000
Total General fund	1,903,251	985,549	0	0	50,000	0	50,000	190,000	3,178,800
Development Review fund	0	200,000	0	0	0	0	0	35,400	235,400
Street fund	204,839	225,924	0	0	49,300	0	50,000	75,000	605,063
Water fund	398,258	487,613	0	0	266,700	0	70,000	100,000	1,322,571
Sewer fund	330,175	359,951	0	354,250	344,750	0	70,000	100,000	1,559,126
Storm Drain fund	0	19,200	0	0	10,000	25,500	0	25,000	79,700
Total Public Works	933,272	1,292,688	0	354,250	670,750	25,500	190,000	335,400	3,801,860
Total Operating Costs	2,836,523	2,278,237	0	354,250	720,750	25,500	240,000	525,400	6,980,660
Land, Building & Equip	0	0	1,523,236	0	0	0	0	1,775,764	3,299,000
Systems Development	0	0	575,000	24,499	0	100,000	0	780,500	1,479,999
Community Development	0	30,000	0	0	0	0	0	0	30,000
Economic Development	0	0	0	43,440	0	0	0	11,620	55,060
Total Non-Operating	0	30,000	2,098,236	67,939	0	100,000	0	2,567,884	4,864,059
TOTAL CITY	2,836,523	2,308,237	2,098,236	422,189	720,750	125,500	240,000	3,093,284	11,844,719
PERCENT OF TOTAL	23.95%	19.49%	17.71%	3.56%	6.08%	1.06%	2.03%	26.12%	100.0%