CITY OF KEIZER MISSION STATEMENT
KEEP CITY GOVERNMENT COSTS AND SERVICES TO A MINIMUM BY PROVIDING CITY SERVICES TO THE COMMUNITY IN A COORDINATED, EFFICIENT AND LEAST COST FASHION

A G E N D A

KEIZER CITY COUNCIL
EXECUTIVE SESSION

Monday, June 6, 2011
5:45 p.m.
Keizer Civic Center
Keizer, Oregon 97303

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **DISCUSSION**

   a. **Pursuant to ORS 192.660(2)(e)** – *To conduct deliberations with persons designated by the governing body to negotiate real property transactions.*

   b. **Pursuant to ORS 192.660(2)(f)** – *To consider information or records that are exempt by law from public inspection.*

4. **ADJOURN**

[redacted]

The Oregon Public Meeting Law authorizes governing bodies to meet in executive session in certain limited situations. An executive session is defined as any meeting or part of a meeting of a governing body which is closed to certain persons for deliberations on certain matters as defined by ORS 192.660. These sessions are closed to the public. The media may attend the session, unless the Oregon State Statutes specifically prohibits media attendance. The governing body is not allowed to take any final action or make any final decisions during the executive sessions. Any final action or decision must be made after returning or at the next regularly scheduled meeting.

CITY OF KEIZER MISSION STATEMENT
KEEP CITY GOVERNMENT COSTS AND SERVICES TO A MINIMUM BY PROVIDING CITY SERVICES TO THE COMMUNITY IN A COORDINATED, EFFICIENT AND LEAST COST FASHION

A G E N D A

URBAN RENEWAL AGENCY OF THE CITY OF KEIZER

Monday, June 6, 2011
7:00 p.m.
Keizer Civic Center - Council Chambers
Keizer, Oregon

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC TESTIMONY

This time is provided for citizens to address the Urban Renewal Agency on any matter not scheduled for public hearing.

4. PUBLIC HEARING

a. RESOLUTION – Adopting FY 2011-2012 Urban Renewal Agency Budget, Making Appropriations, and Declaring Tax Increment

5. ADMINISTRATIVE ACTION

6. CONSENT CALENDAR

a. Approval of May 2, 2011 Urban Renewal Agency Minutes

b. Approval of May 16, 2011 Urban Renewal Agency Minutes

7. OTHER BUSINESS

This time is provided to allow Urban Renewal Agency members the opportunity to bring matters before the Agency that are not on tonight's agenda.

8 AGENDA INPUT

9. ADJOURN

[redacted]

AGENCY MEETING: June 6, 2011

AGENDA ITEM NUMBER: ________________

TO: CHAIR CHRISTOPHER AND AGENCY MEMBERS

THROUGH: CHRIS EPPLEY
CITY MANAGER

FROM: SUSAN GAHLSDORF, CPA
FINANCE DIRECTOR

SUBJECT: RESOLUTION ADOPTING FISCAL YEAR 2011-2012 BUDGET, MAKING APPROPRIATIONS, AND DECLARING TAX INCREMENT

BACKGROUND:

On May 10, 2011, the Budget Committee convened, received the City Manager's Budget Message for Fiscal Year 2011-2012, received public testimony from interested parties, deliberated on the Urban Renewal Budget and passed the Committee Approved Budget (Attachment #1).

ISSUES AND FISCAL IMPACT:

Tonight the Agency has scheduled a public hearing to receive additional citizen input on the Fiscal Year 2011-2012 Committee Approved Budget. After the hearing, the Agency may adjust the approved budget as follows:

- Adjust estimates of resources and requirements (except the Agency must receive all the division of tax revenues as provided by ORS 457.010(4) (a)).
- Raise expenditures in any fund up to $5,000 or 10 percent, whichever is greater. If the Agency wishes to change any fund by more than $5,000 or 10% (whichever is greater) the Agency must republish the budget summary in the newspaper and hold another public hearing (which can be schedule for June 20, 2011).

By state law, the Agency must adopt the upcoming fiscal year budget by June 30, 2011.

RECOMMENDATION:

Staff recommends the Agency open the public hearing and receive testimony on the fiscal year 2011-2012 Urban Renewal Agency Budget. After all testimony has been received, staff recommends the Agency close the public hearing and begin deliberations on fiscal year 2011-2012 budget as you so choose. Finally, staff recommends that the Agency adopt the attached Budget Resolution for Fiscal Year 2011-2012, with amendments if any.

Keizer Urban Renewal District
Marion County, OR

COMMITTEE APPROVED BUDGET

Fiscal Year 2011-2012

KEIZER URBAN RENEWAL AGENCY

FISCAL YEAR 2011-2012

Lore Christopher
Chair

Members of the Budget Committee

Agency Members:	Public Members:
Lore Christopher, Chair	JoAnne Beilke
Cathy Clark, President	Ronald Bersin
Mark Caillier	David Dempster
Joe Egli	Kim Freeman
David McKane	Joseph Gillis
Brandon Smith	Dale Henson
James Taylor	Sandi King

Chris Eppley, City Manager
Shannon Johnson, City Attorney

Management Team:

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

“We’re Building a Better Community - Together!”

FISCAL YEAR 2011-12 BUDGET QUOTES ON DEMOCRACY

Democracy shows not only its power in reforming governments, but in regenerating a race of men and this is the greatest blessing of free governments.

Andrew Jackson

Democracy is not so much a form of government as a set of principles.

Woodrow Wilson

The experience of democracy is like the experience of life itself – always changing, infinite in its variety, sometimes turbulent and all the more valuable for having been tested by adversity.

Jimmy Carter

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BUDGET OVERVIEW

Welcome to Keizer Urban Renewal Agency's Fiscal Year 2011-2012 Budget Document. This document was prepared to assist you in understanding the Financial Plan and Operation of the Agency. It is the financial tool which enables the Agency to allocate its resources, a policy tool to communicate decisions to the staff and citizens, and a communication tool to express the goals and priorities for the next fiscal year. The staff uses the budget document as an accounting tool to ensure financial integrity and as a management audit tool to measure performance. In summary, this budget document will serve many purposes.

BASIS OF BUDGETING

The budget is prepared on a line-item basis. However, the budget is adopted by object within all funds (e.g. Personnel Services, Materials & Services, Capital Outlay, Debt Service). Generally, the budget is prepared on a modified accrual basis. Revenues are recognized when they become measurable and available, and Expenditures are recognized when they are incurred. While the Agency reserves funds to replace equipment, depreciation is not shown in the budget, although the full price of equipment and Capital Improvements is and the purchase of Capital Improvements is depreciated in the Annual Financial Report. All appropriations lapse at fiscal year-end to the extent that they have not been expended or lawfully re-budgeted.

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

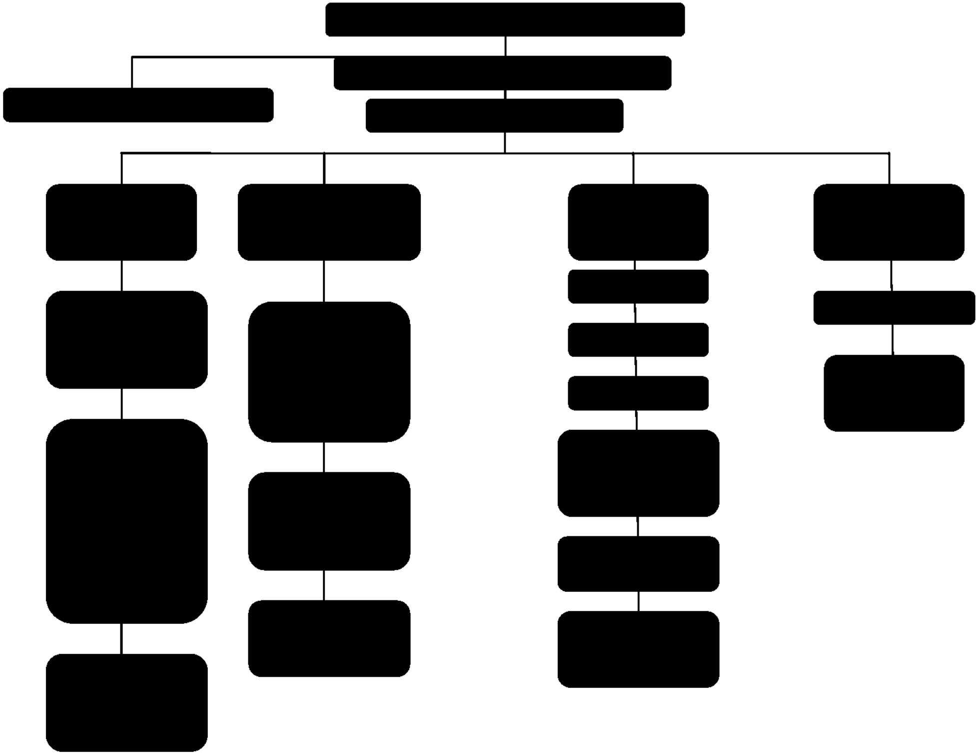
BUDGET PROCESS

This document was prepared under the guidelines set forth under Oregon's Local Budget Law. This law establishes the standard procedures for preparing, presenting, and administering the budget. It also requires citizen involvement in the preparation and public disclosure before final adoption. Staff works together with the City Manager to develop the annual City Manager's Recommended Budget taking into consideration the projects specified in the Urban Renewal Plan. Once complete, the document is presented to the Budget Committee for deliberation and approval, as amended.

KEIZER URBAN RENEWAL AGENCY
FISCAL YEAR 2011-2012 BUDGET CALENDAR

Tuesday, April 12th	Notice of Budget Committee meeting on Urban Renewal Budget to Keizertimes for publication on April 15th and April 22nd for meeting on Tuesday, May 10th at 6:00 p.m.
Tuesday, May 3rd	Urban Renewal Budget Document distributed to Budget Committee
Tuesday, May 10th – 6:00 p.m.	Urban Renewal Budget Committee Meeting ◆ Election of Urban Renewal Budget Committee Chair ◆ Approval of Urban Renewal Budget Calendar ◆ Public Testimony ◆ Presentation of Keizer Urban Renewal District Budget Message ◆ Discussion of Urban Renewal Agency Budget
Tuesday, May 17th – 6:00 p.m.	Alternate meeting to complete Urban Renewal Budgets (if needed)
Tuesday, May 24th	Financial Summaries and notice of budget hearing in the Keizertimes for publication on Friday, May 27th.
Monday June 6th – 6:30 p.m.	Public hearing on Urban Renewal Budget. Board adoption of Budget.
Monday June 20th – 7:00 p.m.	Alternate public hearing on Urban Renewal Budget (if needed)

ORGANIZATIONAL STRUCTURE



FINANCIAL POLICIES

General

- The Agency shall keep government costs and services to a minimum by providing services to the community in a coordinated, efficient and least cost fashion.

Revenue

- Revenue forecasts are based on actual historical data adjusted for any known changes in the underlying assumptions.

Fund Balance

- At June 30 of each year, sufficient reserves shall exist to adequately cover the cash flow needs of the fund and to adequately provide for economic uncertainties for the upcoming year. Should the fund balance fall below the targeted amount in a given fund, a plan for expenditure reductions and/or revenue increases shall be submitted to the Urban Renewal Board via the Budget Committee. If, at the end of a fiscal year, the fund balance falls below the target, then the Agency shall develop a plan to restore the fund balance.

Accounting Policies

- The City manages the Urban Renewal District and it is the City's policy to establish and maintain a system of internal controls that is designed to provide reasonable assurance that the City is achieving the following objectives:
    - Effective and efficient operations,
    - Reliable and accurate financial information,
    - Compliance with applicable laws and regulations, and safeguarding assets against unauthorized acquisition, use or disposition.

- The financial system shall be used as the means of recording and reporting financial transactions in a way that will assist users in assessing the service efforts, costs and accomplishments of the City. The City's accounting and reporting system shall be designed to reasonably ensure the following:
    - Effectiveness and efficiency of operations,
    - Reliability of financial reporting, and
    - Compliance with applicable laws and regulations.

- The Agency will establish and maintain only those funds that are necessary by law and for sound financial management.

- The City shall annually prepare and publish, by December 31st of each year, a Comprehensive Annual Financial Report (CAFR) in conformity with generally accepted accounting principles.

- The City shall annually prepare and publish, by December 31st of each year, an Annual Financial Report in conformity with generally accepted accounting principles for the Keizer Urban Renewal District.

- In accordance with Oregon State law, the City shall hire an independent external auditor to perform an annual audit of the financial statements, including tests of the system of internal controls.

- The Agency shall prepare and adopt an annual budget by June 30th of each year.

- The Agency shall invest funds subject to arbitrage regulations, Bond Indenture requirements, and the Prudent Person Rule which states that "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

- General Obligation Debt issued by the City shall not exceed three percent of the total assessed value of property in the City, in accordance with Oregon State law (ORS 287.004).

* Where applicable, the City of Keizer's financial policies are adhered to in administering the Keizer Urban Renewal Agency

“PRIDE, SPIRIT, AND VOLUNTEERISM”

Motto of the City of Keizer

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

Some of the most prevalent and dedicated volunteers are the members of the City Council. Each of these seven elected officials volunteer numerous hours attending City Council meetings, work sessions, committee meetings, community gatherings, as well as meeting with residents to discuss concerns, ideas, and other important issues facing the community. As one Council member noted, “We really don’t view ourselves as politicians, only neighbors who care about the community, working together as a team to do what is best for the citizens.” During our 29-year history, Keizer has elected 5 Mayors and 35 individuals to serve as City Councilors.

Assisting the City Council in setting policy and guiding the future development of the community are many volunteers who serve on various boards and commissions. Such volunteers are members of the Planning Commission, Budget Committee, Keizer Urban Renewal Board, Bikeways Committee, Volunteer Coordinating Committee, Traffic Safety Commission, River Road Renaissance Advisory Committee, Keizer Points of Interest Committee, Storm Water Advisory Committee and the Parks and Recreation Advisory Board. Most of these Boards meet on a monthly basis gathering information and forming recommendations to assist the City Council in guiding the City. In addition to the various boards and commissions, the City Council regularly forms citizen task forces to assist with specific projects. During the last year, citizen groups have participated in the Keizer Rotary Amphitheatre operation, Good Vibrations Motorcycle Event, and a newly formed Events and Festivals Task Force.

Additionally, volunteerism has enriched our community in a number of other ways. The independently established Keizer Parks Foundation supports parks and recreation in the city of Keizer. This dedicated group of individuals has organized a community garden program benefiting the Keizer Community Food Bank, a Roving Recreation Summer Program for youth, and through their legacy donation program, provided funds for benches and trees to Keizer parks. Other community events that City volunteers have assisted in this year were the Sustainability Summit, Claggett Creek Watershed projects, and the second annual Mayor’s Art Gala. Volunteers have also worked with City staff in the information technology area, records management, and police services. Services and projects such as these truly show the pride, spirit and volunteerism of our community.

A heartfelt thanks to all of those volunteers who have built a community of which every resident should be proud to be a part. Volunteerism in the City of Keizer is alive, healthy and growing.

THANK YOU KEIZER VOLUNTEERS!!!!

Keizer Urban Renewal Agency

May 3, 2011

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

We are pleased to submit to you the Manager Recommended Budget for fiscal year 2011-2012. This budget will continue to strengthen the overall economic health of the commercial corridors, and enhance the aesthetic appeal and safety within the district.

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

Urban Renewal Districts in the state of Oregon are required to establish a maximum indebtedness which is the total cost to complete all of the projects in the Urban Renewal Plan. Once it reaches its maximum indebtedness the District has theoretically completed its purpose and stops collecting tax increment revenue for new projects.

In November 2005, the City Council passed the sixth amendment to the Keizer Urban Renewal District which increased the maximum indebtedness an additional $23,500,000 extending the life of the District through fiscal year 2011-12 (estimated). The sixth amendment also removed approximately one-third of the property values from the District boundaries, reducing the Tax Increment revenue an estimated $1.6 million. The two projects provided for in the sixth amendment include (1) a new Civic Center, which was completed in fiscal year 2009-2010 and (2) River Road Renaissance Projects, which will likely take an additional two to three years to accomplish.

The following is a summary of the financial highlights of the 2011-2012 fiscal year budget.

Revenues

Tax increment revenues are the primary revenue source for the District. The District is expecting tax increment revenues to increase approximately 3% in fiscal year 2011-12 as compared to 2% in fiscal year 2010-11. This estimate is based on Marion County's assessed values at February 2011.

In fiscal year 2010-2011 the Agency received $2,261,600 in sale proceeds for two parcels of land held at Keizer Station Area B. The Agency anticipates using these proceeds to purchase two parcels of land at Keizer Rapids Park. Closing is expected no later than early fiscal year 2011-2012.

Expenditures

Personnel Services

Personnel Services related to general administration are now budgeted in the City of Keizer's Administrative Services Fund. Personnel Services in the Urban Renewal Project Fund are for program staff including Community Development and Public Works staff. The Agency anticipates a 5.36% increase in personnel services in fiscal year 2011-2012 as compared to fiscal year 2010-2011. The increase is primarily attributed to the cost of retirement benefits is that the Public Employees Retirement System (PERS), in which substantially all of the City's employees participate in, is increasing their employer contribution rates. The increase also reflects reassignment of administrative staff from the utility billing department in fiscal year 2010-2011 back to Urban Renewal in fiscal year 2011-2012.

In response to the challenging economic environment the City has implemented a salary freeze for all employees and reduced its contribution to health and dental insurance premiums from 95% to 90% of the cost for all non-represented employees.

Materials and Services

Materials & Services related to general administration are budgeted in the City of Keizer's Administrative Services Fund and are charged to the Agency on a monthly basis. Details of the Administrative Services Fund are located in the City of Keizer budget document.

The Agency anticipates a 28% decrease in Materials & Services in fiscal year 2011-2012 as compared to fiscal year 2010-2011. The decrease is primarily attributed to a decrease in Administrative Service costs reflecting a decrease in administrative staff time spent on urban renewal related issues.

Capital Outlay

In fiscal year 2010-2011, the sources and uses of land sale proceeds were budgeted in the Project Fund. In fiscal year 2011-2012 the Agency created a new Program Income fund to better track these transactions.
Land acquisition costs are a carryover from the Project Fund line-item in fiscal year 2010-2011. The Agency also anticipates spending approximately $97,000 on Keizer Station Area B development costs.

Most of the River Road Renaissance (RRR) projects, including grant programs and gateway/signage, budgeted in fiscal year 2010-2011will carry over to fiscal year 2011-2012.

Debt Service

The bond principal payment budgeted in fiscal year 2011-2012 is to pay off the line-of-credit issued in fiscal year 2009-2010 which financed a portion of the Civic Center. The District expects to receive sufficient Tax increment revenues within the next year or two to fully repay this debt.

Summary

We would like to compliment and thank everyone involved in the development of the fiscal year 2011-12 Adopted Budget. I appreciate the thoughtfulness that the Chair, Board Members, and Budget Committee take in reviewing this document, the important questions they ask and the requests for details needed to understand and appreciate the Agency services and to provide a document that is easily read by the citizens we serve.

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

Respectfully submitted,

Chris Eppley
City Manager

Susan Gahlsdorf
Budget Officer

URBAN RENEWAL DISTRICT
2011-2012 Tax Increment Revenue Estimates

			2011-12 Estimated Tax Revenues 103.0%
1	**Urban Renewal Tax Increment Revenues**		
2	Assessed Value inside Keizer's Plan Area	$337,541,163	
3	Assessed Value (frozen)	45,328,593	
4	Increment Value	$292,212,570	$300,913,927
5			
6	Tax Rate per $1,000 Increment Value	$14.3501	$14.3501
7	Adjustments	(1,263)	
8	Division of Tax Revenues	$4,192,017	$4,318,145
9	Uncollectables and Discounts	(313,717)	(344,747)
10	Net Anticipated Tax Collected	$3,878,300	$3,973,398

2 Urban Renewal assessed Value as of February 2011 provided by Marion County Assessor's Office

URBAN RENEWAL AGENCY SUMMARY

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				RESOURCES				
$ 1,602,442	$ 952,792	$ 109,400	$ 15,300	***Working Capital Carryforward***	$ 2,809,400	$ 2,809,400		18262.09%
-	-	2,273,000	2,254,000	Land Sale Proceeds	-	-		-100.00%
				TAXES & ASSESSMENTS				
3,700,993	3,961,468	4,102,000	3,878,300	Tax Increment Revenue	3,973,400	3,973,400		2.45%
146,047	161,837	118,900	139,600	Prior Year Taxes	143,000	143,000		2.44%
$ 3,847,040	$ 4,123,305	$ 4,220,900	$ 4,017,900	TOTAL TAXES & ASSESSMENTS	$ 4,116,400	$ 4,116,400		2.45%
				DEBT PROCEEDS				
11,350,000	650,000	-	260,000	Loan Proceeds	-	-		-100.00%
-	1,697,166	1,100,000	500,000	Bond Proceeds	1,503,900	1,503,900		200.78%
$ 11,350,000	$ 2,347,166	$ 1,100,000	$ 760,000	TOTAL DEBT PROCEEDS	$ 1,503,900	$ 1,503,900		97.88%
34,593	11,664	7,000	13,200	Miscellaneous	5,100	5,100		-61.36%
$ 16,834,075	$ 7,434,927	$ 7,710,300	$ 7,060,400	**TOTAL RESOURCES**	$ 8,434,800	$ 8,434,800		19.47%
				REQUIREMENTS				
				EXPENDITURES				
$ 312,337	$ 92,797	$ 91,400	$ 91,400	Personnel Services	$ 96,300	$ 96,300		5.36%
63,016	278,854	311,100	302,900	Materials & Services	186,500	186,500		-38.43%
11,869,869	2,218,694	2,308,800	111,700	Capital Outlay	2,966,800	2,966,800		2556.04%
3,600,142	4,829,261	4,227,500	3,745,000	Debt Service	4,233,800	4,233,800		13.05%
-	-	597,300	-	Contingency	500,000	500,000		
$ 15,845,364	$ 7,419,606	$ 7,536,100	$ 4,251,000	TOTAL EXPENDITURES	$ 7,983,400	$ 7,983,400		87.80%
				SPECIAL PAYMENTS				
35,919	-	-	-	Reimbursements to City of Keizer	-	-		
				FUND BALANCE				
952,792	15,321	174,200	2,809,400	Unrestricted Ending Fund Balance	451,400	451,400		-83.93%
$ 16,834,075	$ 7,434,927	$ 7,710,300	$ 7,060,400	**TOTAL REQUIREMENTS**	$ 8,434,800	$ 8,434,800		19.47%

DEBT SERVICE FUND

URBAN RENEWAL TAX INCREMENT FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ 439,424	$ 712,090	$ 21,800	$ 15,300	***Beginning Fund Balance***	$ 293,500	$ 293,500		1818.30%
2									
3					***TAXES & ASSESSMENTS***				
4	3,700,993	3,961,468	4,102,000	3,878,300	Tax Increment Revenue	3,973,400	3,973,400		2.45%
5	146,047	161,837	118,900	139,600	Prior Year Taxes	143,000	143,000		2.44%
6	$ 3,847,040	$ 4,123,305	$ 4,220,900	$ 4,017,900	TOTAL TAXES & ASSESSMENTS	$ 4,116,400	$ 4,116,400		2.45%
7									
8					***MISCELLANEOUS***				
9	25,768	9,187	6,400	5,300	Interest	5,000	5,000		-5.66%
10									
11	$ 4,312,232	$ 4,844,582	$ 4,249,100	$ 4,038,500	**TOTAL RESOURCES**	$ 4,414,900	$ 4,414,900		9.32%
12									
13					**REQUIREMENTS**				
14									
15					***DEBT SERVICE***				
16	$ 100,142	$ 132,094	$ 97,500	$ 145,000	Interest	$ 69,900	$ 69,900		-51.79%
17	3,500,000	1,697,167	1,100,000	500,000	Loan Payment (Project Fund)	1,503,900	1,503,900		200.78%
18	-	3,000,000	3,030,000	3,100,000	Bond Principal Payment (line of credit)	2,660,000	2,660,000		-14.19%
19	$ 3,600,142	$ 4,829,261	$ 4,227,500	$ 3,745,000	TOTAL DEBT SERVICE	$ 4,233,800	$ 4,233,800		13.05%
20									
21					***FUND BALANCE***				
22	712,090	15,321	21,600	293,500	Unrestricted Ending Fund Balance	181,100	181,100		-38.30%
23									
24	$ 4,312,232	$ 4,844,582	$ 4,249,100	$ 4,038,500	**TOTAL REQUIREMENTS**	$ 4,414,900	$ 4,414,900		9.32%

Notes:

4 Based on Marion County records, the District can expect tax increment revenues to increase approximately 3% in fiscal year 2011-12 as compared to 2% in fiscal year 2010-11.

16 Interest expense is for the line of credit the Agency has outstanding. At July 1 the balance outstanding is $2.66M. The Agency expects to pay this off in January 2012 when sufficient tax increment revenues have been received.

17 Tax Increment Fund moneys are restricted for debt service payments. Typically, each year overnight debt is issued to bring cash into the Project Fund. The debt is paid from the Tax Increment Fund. (see line 6 of Project Fund).

18 At July 1 the Bond Principal balance outstanding is $2.66M. The Agency expects to pay this off in January 2012 when sufficient tax increment revenues have been received.

SPECIAL REVENUE FUND

URBAN RENEWAL PROJECT FUND

RESOURCES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1	$ 1,163,018	$ 240,702	$ 87,600	$ -	***Working Capital Carryforward***	$ 258,100	$ 258,100		
2									
3	-	-	2,273,000	-	Land Sale Proceeds	-	-		
4									
5					***DEBT PROCEEDS***				
6	11,350,000	650,000	-	260,000	Loan Proceeds	-	-		-100.00%
7	-	1,697,166	1,100,000	500,000	Bond Proceeds	1,503,900	1,503,900		200.78%
8	$ 11,350,000	$ 2,347,166	$ 1,100,000	$ 760,000	TOTAL DEBT PROCEEDS	$ 1,503,900	$ 1,503,900		97.88%
9									
10					***MISCELLANEOUS***				
11	7,410	399	600	100	Interest	100	100		0.00%
12	1,415	2,078	-	4,000	Miscellaneous	-	-		-100.00%
13	$ 8,825	$ 2,477	$ 600	$ 4,100	TOTAL MISCELLANEOUS	$ 100	$ 100		-97.56%
14									
15									
16	$ 12,521,843	$ 2,590,345	$ 3,461,200	$ 764,100	**TOTAL RESOURCES**	$ 1,762,100	$ 1,762,100		130.61%

3 Land Sale Proceeds have moved to the Program Income fund to better track the source and use of these funds.
6 Loan Proceeds are from a line-of-credit primarily for Civic Center construction. The Agency drew the final amount on this line in fiscal year 2010-2011.
7 Funds come indirectly from tax increment revenues (line 17 of Tax Increment Budget). This revenue is not received until early December each year, after property tax payments are due. River Road Renaissance projects will be on hold from July through November 2011 until proceeds can be deposited into the Project Fund.

SPECIAL REVENUE FUND

URBAN RENEWAL PROJECT FUND

REQUIREMENTS

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
17					***PERSONNEL SERVICES***				
18	$ 59,551	$ -	$ -	$ -	City Manager (2)	$ -	$ -		
19	18,072	-	-	-	Assistant to City Manager (4)	-	-		
20	16,071	5,395	5,400	5,400	Public Works Director	5,400	5,400		0.00%
21	4,197	4,227	4,300	4,300	Public Works Superintendent	4,300	4,300		0.00%
22	7,252	-	-	-	City Recorder (5)	-	-		
23	-	3,332	3,300	3,300	Municipal Utility Worker	3,300	3,300		0.00%
24	38,202	39,642	39,600	39,600	Community Development Director	39,600	39,600		0.00%
25	5,143	5,337	5,400	5,400	Planner	5,400	5,400		0.00%
26	6,160	6,363	6,400	6,400	Senior Planner	6,400	6,400		0.00%
27	35,864	4,484	2,700	2,700	Administrative Support Staff	4,500	4,500		66.67%
28	1,716	-	-	-	Network Administrator (4)	-	-		
29	2,519	-	-	-	Human Resources Director (6)	-	-		
30	25,521	-	-	-	Finance Director (7)	-	-		
31	4,194	-	-	-	Facility Maintenance Worker (8)	-	-		
32	33	-	-	-	Overtime	-	-		
33	4,600	-	-	-	Vehicle Allowance/Tuition Assistance (2)	-	-		
34	1,568	357	400	400	Cell Phone Stipend/Clothing Allowance	500	500		25.00%
35	3,563	1,063	1,100	1,100	Medicare	1,100	1,100		0.00%
36	45,950	13,280	12,100	12,100	Retirement	14,400	14,400		19.01%
37	31,844	9,126	10,500	10,500	Insurance Benefits	11,200	11,200		6.67%
38	317	191	200	200	Workers Compensation	200	200		0.00%
39	$ 312,337	$ 92,797	$ 91,400	$ 91,400	TOTAL PERSONNEL SERVICES	$ 96,300	$ 96,300		5.36%

Notes:

17 Personnel Services and certain operating costs (as referenced in the Materials & Services section) related to general administration are now budgeted in the Administrative Services Fund as follows:

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

17 No wage increases are provided for in the Urban Renewal Agency Budget.

27 Beginning FY09-10, Administrative Support Staff includes Community Development staff only. General administrative staff are in the Administrative Services Section of the budget. During the first half of FY10-11 Administrative Support staff moved to the Utility Billing Department to help cover for a staff shortage. This staff is allocated back to the Project Fund in fiscal year

35 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

36 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

37 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

SPECIAL REVENUE FUND

URBAN RENEWAL PROJECT FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
40					***MATERIALS & SERVICES***				
41	$ 2,095	$ -	$ -	$ -	Materials & Supplies	$ -	$ -		
42	59	-	-	-	Safety and Wellness (6)	-	-		
43	1,404	116	-	-	Postage & Printing	-	-		
44	1,655	421	500	500	Association Memberships (1)	500	500		0.00%
45	7,251	279	300	200	Training & Travel (2)-(8)	200	200		0.00%
46	287	-	-	-	Board Expenses (1)	-	-		
47	1,089	649	1,100	1,100	Advertising	1,100	1,100		0.00%
48	29,879	494	-	-	Legal Services (3)	-	-		
49	1,275	-	-	-	Labor Attorney (6)	-	-		
50	-	269,795	263,400	262,400	Administrative Services Charges	167,200	167,200		-36.28%
51	1,285	4,350	35,200	35,200	Contractual Services	5,000	5,000		-85.80%
52	8,632	250	-	-	Audit (7)	-	-		
53	1,443	-	-	-	Janitorial (8)	-	-		
54	984	-	-	-	Gas & Electricity (8)	-	-		
55	1,298	121	-	-	Telephone (4)	-	-		
56	259	-	-	-	Liability Insurance (1)	-	-		
57	2,855	-	-	-	Computer Software (4)	-	-		
58	433	-	-	-	Equipment Maintenance (4)	-	-		
59	358	-	-	-	Facility Maintenance (8)	-	-		
60	115	2,028	2,500	2,500	Engineering	2,500	2,500		0.00%
61	352	351	8,100	1,000	Bond Issue Costs	10,000	10,000		900.00%
62	8	-	-	-	Miscellaneous	-	-		
63	$ 63,016	$ 278,854	$ 311,100	$ 302,900	TOTAL MATERIALS & SERVICES	$ 186,500	$ 186,500		-38.43%

Notes:

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

50 Materials & Services related to general administration are now budgeted in the Administrative Services Fund (AFS). Each Operating fund is charged for the services provided by AFS based on various cost allocation plans. These plans are to be revised each year based on anticipated benefits received. The plans are based on a range of factors including number of personnel, percent of effort expended by administrative personnel to the benefiting fund, current operating budgets, pieces of information technology equipment, software and maintenance fees.

	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	PERCENT INC (DEC) PROJECTED
(1)	$ 8,400	City-wide Administration	$ 6,400	$ 6,400	-23.81%
(2)	85,800	City Manager	31,500	31,500	-63.29%
(3)	14,200	Assistant to the City Manager/IT	9,300	9,300	-34.51%
(4)	45,000	Attorney's Office	41,100	41,100	-8.67%
(5)	27,500	City Recorder	31,500	31,500	14.55%
(6)	6,600	Human Resources	5,300	5,300	-19.70%
(7)	68,200	Finance	36,500	36,500	-46.48%
(8)	6,700	Facility Maintenance	5,600	5,600	-16.42%
	$ 262,400		$ 167,200	$ 167,200	-36.28%

SPECIAL REVENUE FUND

URBAN RENEWAL PROJECT FUND

Row	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
64					***CAPITAL OUTLAY***				
65	$ -	$ -	$ -	$ -	Street Improvements	$ -	$ -		
66	504	-	50,000	-	Gateway/Signage (RRR)	50,000	50,000		
67	-		-	-	Crosswalks - ADA Standards	-	-		
68	-		-	-	Aerial Photos	-	-		
69	3,419		-	-	Computer Hardware/Office Furniture	-	-		
70	-		200,000	41,000	Grant Programs (RRR)	159,000	159,000		287.80%
71	34	643,314	1,598,800	-	Property Acquisition & Development	-	-		
72	54,941	181,182	444,300	55,000	River Road Renaissance Projects (RRR)	500,000	500,000		809.09%
73		13,380	-		Master Plan	-	-		
74	11,810,971	1,362,903	10,000	10,000	Civic Center	-	-		-100.00%
75	-	17,915	5,700	5,700	Kitchen Design	-	-		-100.00%
76	$ 11,869,869	$ 2,218,694	$ 2,308,800	$ 111,700	TOTAL CAPITAL OUTLAY	$ 709,000	$ 709,000		534.74%
77									
78	-	-	597,300	-	Contingency	500,000	500,000		
79									
80					***SPECIAL PAYMENTS***				
81	20,852	-	-	-	Reimbursement to City of Keizer Facility Fund	-	-		
82	15,067	-	-	-	Reimbursement to City of Keizer Water Fund	-	-		
83	$ 35,919	$ -	$ -	$ -	TOTAL SPECIAL PAYMENTS	$ -	$ -		
84									
85					***FUND BALANCE***				
86	240,702	-	152,600	258,100	Unrestricted Ending Fund Balance	270,300	270,300		4.73%
87									
88	$ 12,521,843	$ 2,590,345	$ 3,461,200	$ 764,100	**TOTAL REQUIREMENTS**	$ 1,762,100	$ 1,762,100		130.61%

Notes:

66 Gateway/Signage expenses are part of the River Road Renaissance Project Costs.

70 Grant programs are part of the River Road Renaissance project costs and are the District's matching funds to local businesses who participate in property enhancements such as landscaping.

72 Sufficient funds are available to cover approximately $1.2 million in projects plus administrative staff costs for two years (through fiscal year 2012-2013).

78 Contingency funds are available should additional River Road Renaissance Projects get underway.

86 Fund balance includes Administrative costs for one year in anticipation of project costs carrying over into fiscal year 2012-2013.

SPECIAL REVENUE FUND

URBAN RENEWAL PROGRAM INCOME FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ -	$ -	$ -	$ -	***Beginning Fund Balance***	$ 2,257,800	$ 2,257,800		
2									
3					***MISCELLANEOUS***				
4				2,254,000	Land Sale Proceeds	-	-		-100.00%
5	-	-	-	3,800	Interest	-	-		-100.00%
6	$ -	$ -	$ -	$ 2,257,800	TOTAL MISCELLANEOUS	$ -	$ -		-100.00%
7									
8	$ -	$ -	$ -	$ 2,257,800	**TOTAL RESOURCES**	$ 2,257,800	$ 2,257,800		0.00%
9									
10					**REQUIREMENTS**				
11									
12					***CAPITAL OUTLAY***				
13	-	-	-	-	Property Acquisition & Development	1,734,500	1,734,500		
14	-	-	-	-	Area B Development Costs	96,900	96,900		
15	-	-	-	-	Unanticipated Expense	426,400	426,400		
16	$ -	$ -	$ -	$ -	TOTAL CAPITAL OUTLAY	$ 2,257,800	$ 2,257,800		
17									
18					***FUND BALANCE***				
19	-	-	-	2,257,800	Unrestricted Ending Fund Balance	-	-		-100.00%
20									
21	$ -	$ -	$ -	$ 2,257,800	**TOTAL REQUIREMENTS**	$ 2,257,800	$ 2,257,800		0.00%

Notes:

4 Land Sale proceeds in FY10-11 includes Area B property sales to the Transit District and RJMEW.

13 Property Acquisition & Development includes purchase of the Buchanan and Buchholtz properties for $332,800 and $1,401,700 respectively (includes acquisition costs.) Both properties are expected to close by early FY11-12.

BUDGET NOTES

TAX INCREMENT FUND

Revenues

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

Debt Service

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

Reserves

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

PROJECT FUND

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

STAFFING HISTORY - FULL TIME EQUIVALENTS

AS OF JUNE 30,2011

	Actual FY07-08	Actual FY08-09	Actual FY09-10	Actual FY10-11	Budget FY11-12	Monthly Salary Range (1.0 FTE)
CITY MANAGER						
City Manager	1.0	1.0	1.0	1.0	1.0	$8,346 - $10,891
Total	1.0	1.0	1.0	1.0	1.0	
ASSISTANT TO THE CITY MANAGER						
Assistant to the City Manager	1.0	1.0	1.0	1.0	0.0	5,931 - 7,739
Network Administrator	1.0	1.0	1.0	1.0	1.0	4,647 - 6,065
Total	2.0	2.0	2.0	2.0	1.0	
CITY ATTORNEY						
Attorney	0.0	0.0	1.0	1.0	1.0	7,949 - 10,371
Legal Assistant	0.0	0.0	1.0	1.0	1.0	3,304 - 4,311
Total	0.0	0.0	2.0	2.0	2.0	
CITY RECORDER						
City Recorder	1.0	1.0	1.0	1.0	1.0	4,647 - 6,065
* Deputy City Recorder	1.0	1.0	1.0	1.0	1.0	2,997 - 3,909
Total	2.0	2.0	2.0	2.0	2.0	
HUMAN RESOURCES						
Human Resources Director	1.0	1.0	1.0	1.0	1.0	6,228 - 8,126
* Administrative Assistant	1.0	1.0	1.0	1.0	1.0	3,304 - 4,311
Total	2.0	2.0	2.0	2.0	2.0	
FINANCE						
Finance Director	1.0	1.0	1.0	1.0	1.0	6,540 - 8,533
* Assistant Controller	0.0	0.0	1.0	1.0	1.0	5,380 - 7,020
* Accountant	1.0	1.0	0.0	0.0	0.0	3,824 - 4,998
* Accounting Technician	1.0	1.0	1.0	1.0	1.0	2,997 - 3,909
* Utility Billing Technician	1.0	1.0	1.0	1.0	1.0	2,997 - 3,909
* Utility Billing Clerks	3.0	3.0	3.0	3.0	3.0	2,718 - 3,546
Court Clerk I	1.0	1.0	1.0	1.0	1.0	2,588 - 3,377
Court Clerk II	1.0	1.0	1.0	1.0	1.0	2,853 - 3,723
* Office Assistant/Receptionist	1.0	1.0	1.0	1.0	1.0	2,465 - 3,217
Total	10.0	10.0	10.0	10.0	10.0	

STAFFING HISTORY - FULL TIME EQUIVALENTS

AS OF JUNE 30,2011

	Actual FY07-08	Actual FY08-09	Actual FY09-10	Actual FY10-11	Budget FY11-12	Monthly Salary Range (1.0 FTE)
COMMUNITY DEVELOPMENT						
Community Development Director	1.0	1.0	1.0	1.0	1.0	7,211 - 9,407
Senior Planner	1.0	1.0	1.0	1.0	1.0	4,427 - 5,775
Planner	1.0	1.0	1.0	1.0	1.0	3,824 - 4,989
Code Enforcement/Zoning Technician	1.0	1.0	1.0	1.0	0.0	3,146 - 4,105
* Permit Specialist	1.0	1.0	1.0	1.0	1.0	2,853 - 3,723
Total	5.0	5.0	5.0	5.0	4.0	
PUBLIC WORKS						
Public Works Director	1.0	1.0	1.0	1.0	1.0	6,867 - 8,960
Public Works Superintendent	1.0	1.0	1.0	1.0	1.0	5,380 - 7,020
Facility Maintenance (1)	1.0	1.0	1.0	1.0	1.0	2,853 - 3,723
Municipal Utility Worker I - Parks	1.0	1.0	1.0	1.0	1.0	2,935 - 3,831
Municipal Utility Worker II - Parks	1.0	1.0	0.0	0.0	0.0	3,084 - 4,021
Municipal Utility Worker I - General	8.0	8.0	8.0	8.0	8.0	3,084 - 4,021
Municipal Utility Worker II - Customer Service	1.0	1.0	1.0	1.0	1.0	3,238 - 4,222
Municipal Utility Worker II - General	3.0	3.0	3.0	3.0	3.0	3,399 - 4,434
Municipal Utility Worker III - Parks	0.0	0.0	1.0	1.0	1.0	3,824 - 4,989
Municipal Utility Worker III	3.0	3.0	3.0	3.0	3.0	4,215 - 5,500
Environmental Program Coordinator	1.0	1.0	1.0	1.0	1.0	4,427 - 5,775
Storm Water Technician	0.0	0.0	0.0	1.0	1.0	3,304 - 4,311
Senior Storm Water Technician	0.0	0.0	0.0	1.0	1.0	3,824 - 4,989
* Permit Specialist	1.0	1.0	1.0	1.0	1.0	2,853 - 3,723
Total	22.0	22.0	22.0	24.0	24.0	

STAFFING HISTORY - FULL TIME EQUIVALENTS

AS OF JUNE 30,2011

	Actual FY07-08	Actual FY08-09	Actual FY09-10	Actual FY10-11	Budget FY11-12	Monthly Salary Range (1.0 FTE)
POLICE						
Chief	1.0	1.0	1.0	1.0	1.0	7,211 - 9,407
Captain(s)	2.0	2.0	1.0	1.0	1.0	6,228 - 8,126
Lieutenants	0.0	0.0	0.0	2.0	2.0	5,649 - 7,370
Sergeants	7.0	7.0	8.0	7.0	7.0	5,124 - 6,685
Police Officers	31.0	31.0	30.0	26.0	26.0	4,273 - 5,191
Total Sworn Positions	41.0	41.0	40.0	37.0	37.0	
* Administrative Assistant	1.0	1.0	1.0	1.0	1.0	3,304 - 4,311
* Investigative Services Specialist	1.0	1.0	1.0	1.0	1.0	3,276 - 4,273
Community Services Officer	1.0	1.0	1.0	1.0	1.0	3,276 - 4,273
* Property & Evidence Specialist	1.0	1.0	1.0	1.0	1.0	3,120 - 4,070
* Police Support Supervisor	1.0	1.0	1.0	1.0	1.0	2,969 - 3,874
* Police Support Specialists	3.0	3.0	3.0	3.0	3.0	2,694 - 3,513
Total Non-sworn Positions	8.0	8.0	8.0	8.0	8.0	
Total	49.0	49.0	48.0	45.0	45.0	
Grand Total	93.0	93.0	94.0	93.0	91.0	

(1) Due to staff reorganizations, this position previously reported to a different Department but full FTE history is listed in its current Department for comparative purposes.

* Classified as Administrative Support in budget document.

CITY OF KEIZER
SUMMARY OF FRINGE BENEFITS
FISCAL YEARS 2008 through 2012

	LINE ITEM	FY07-08 ACTUAL	FY08-09 ACTUAL	FY09-10 Actual	FY10-11 Projected	FY11-12 Budgeted
1	Vehicle Allowance/Tuition Assistance	$ 9,200	$ 4,200	$ 4,200	$ 4,200	$ 4,200
2	Cell Phone Stipend/Clothing Allowance	0	37,800	32,630	46,100	43,100
3	Medicare	81,313	89,200	111,706	92,200	89,300
4	Retirement	1,113,804	1,233,000	1,046,163	1,033,900	1,164,400
5	Insurance Benefits	906,939	1,103,100	1,099,446	1,289,300	1,311,700
6	Workers Compensation	50,835	62,200	58,381	52,700	52,900
		$ 2,162,091	$ 2,529,500	$ 2,352,526	$ 2,518,400	$ 2,665,600

Notes:

1 Vehicle Allowance/Tuition Assistance is for the City Manager as established in an employment contract.

2 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.

3 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

4 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

5 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

6 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

CITY OF KEIZER

SALARY ALLOCATIONS

FISCAL YEAR 2011-2012 BUDGET

			Comm		Muni					Storm	Urban	
	Admin	Parks	Dev	Police	Court	Street	Sewer	Water	SLD	Water	Renewal	
CITY MANAGER*												
City Manager	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
CITY ATTORNEY*												
Attorney	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
Legal Assistant	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
CITY RECORDER*												
City Recorder	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
Deputy City Recorder	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
HUMAN RESOURCES**												
Human Resources Director	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%
Administrative Assistant	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%
FINANCE												
Finance Director*	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
Assistant Controller	35.0%					10.0%	20.0%	15.0%	5.0%	10.0%	5.0%	100%
Accounting Technician	35.0%					10.0%	20.0%	15.0%	5.0%	10.0%	5.0%	100%
Municipal Court Clerks					100.0%							100%
Utility Billing Technician							47.0%	43.0%		10.0%		100%
Utility Billing Clerks							47.0%	43.0%		10.0%		100%
Receptionist/Administrative Assistant**	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%
INFORMATION SYSTEMS**												
Network Administrator	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%

*Hours are tracked in the Legal Department on a project basis

**Hours are based on Full-Time Equivelents within each fund

CITY OF KEIZER

SALARY ALLOCATIONS

FISCAL YEAR 2011-2012 BUDGET

	Admin	Parks	Comm Dev	Police	Muni Court	Street	Sewer	Water	SLD	Storm Water	Urban Renewal	
COMMUNITY DEVELOPMENT												
Community Development Director			58.0%			5.0%		2.0%			35.0%	100%
Senior Planner			90.0%								10.0%	100%
Planner			90.0%								10.0%	100%
Permit Specialist			85.0%				2.0%	2.0%	0.0%	1.0%	10.0%	100%
POLICE DEPARTMENT												
All Staff				100.0%								100%
PUBLIC WORKS												
Public Works Director		1.0%				44.0%	3.0%	27.0%	5.0%	18.0%	2.0%	100%
Public Works Superintendent	5.0%	5.0%				30.0%	5.0%	40.0%	5.0%	5.0%	5.0%	100%
Permit Specialist						43.0%	12.0%	30.0%	10.0%	5.0%		100%
Facility Maintenance	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%
Municipal Utility Worker I (2)										100.0%		100%
Municipal Utility Worker I (1)		100.0%										100%
Municipal Utility Worker I (1)						75.0%				25.0%		100%
Municipal Utility Worker I (4)								100.0%				100%
Municipal Utility Worker II (1)		100.0%										100%
Municipal Utility Worker II (4)								100.0%				100%
Municipal Utility Worker III (1)						40.0%				60.0%		100%
Municipal Utility Worker III (1)						25.0%		60.0%		10.0%	5.0%	100%
Municipal Utility Worker III (1)								100.0%				100%
Environmental Program Manager										100.0%		100%
Storm Water Technician										100.0%		100%
Senior Storm Water Technician										100.0%		100%

**Hours are based on Full-Time Equivelents within each fund

Municipal Utility Workers (#) = number of staff

CITY OF KEIZER
CHANGES IN SALARY ALLOCATION
FISCAL YEAR 2011-2012 BUDGET

	General Fund							Storm	Urban		General Fund							Storm	Urban	
	Admin	Parks	CD	Street	Sewer	Water	SLD	Water	Renewal		Admin	Parks	CD	Street	Sewer	Water	SLD	Water	Renewal	
CITY MANAGER																				
City Manager	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	28.0%			5.0%	1.0%	10.0%	1.0%	5.0%	50.0%	100.0%
CITY ATTORNEY																				
Attorney	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	58.9%			10.2%	2.6%	6.0%		1.5%	20.8%	100.0%
Legal Assistant	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	58.9%			10.2%	2.6%	6.0%		1.5%	20.8%	100.0%
CITY RECORDER																				
City Recorder	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	70.0%			10.0%	2.0%	2.0%	5.0%	1.0%	10.0%	100.0%
Deputy City Recorder	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	62.0%			3.0%	3.0%	3.0%	3.0%	1.0%	25.0%	100.0%
HUMAN RESOURCES																				
Human Resources Director	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	65.6%			3.7%	3.6%	16.5%	0.6%	7.0%	3.0%	100.0%
Administrative Assistant	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	65.6%			3.7%	3.6%	16.5%	0.6%	7.0%	3.0%	100.0%
FINANCE																				
Finance Director	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	20.0%			5.0%	21.0%	21.0%	5.0%	3.0%	25.0%	100.0%
Assistant Controller	35.0%			10.0%	20.0%	15.0%	5.0%	10.0%	5.0%	100%	35.0%			7.0%	20.0%	20.0%	5.0%	3.0%	10.0%	100.0%
Accounting Technician	35.0%			10.0%	20.0%	15.0%	5.0%	10.0%	5.0%	100%	35.0%			7.0%	20.0%	20.0%	5.0%	3.0%	10.0%	100.0%
Utility Billing Technician					47.0%	43.0%		10.0%		100%					48.0%	49.0%		3.0%		100.0%
Utility Billing Clerks					47.0%	43.0%		10.0%		100%					48.0%	49.0%		3.0%		100.0%
Receptionist/Administrative Assistant	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	20.0%			5.0%	21.0%	21.0%	5.0%	3.0%	25.0%	100.0%
INFORMATION SYSTEMS																				
Network Administrator	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	65.6%			3.7%	3.6%	16.5%	0.6%	7.0%	3.0%	100.0%
COMMUNITY DEVELOPMENT																				
Permit Specialist			85.0%		2.0%	2.0%	0.0%	1.0%	10.0%	100%			54.0%		19.0%	20.0%		1.0%	6.0%	100.0%
PUBLIC WORKS																				
Public Works Director		1.0%		44.0%	3.0%	27.0%	5.0%	18.0%	2.0%	100%		1.0%		44.0%	3.0%	27.0%	5.0%	15.0%	5.0%	100.0%
Public Works Superintendent	5.0%	5.0%		30.0%	5.0%	40.0%	5.0%	5.0%	5.0%	100%	5.0%	4.0%		30.0%	5.0%	41.0%	5.0%	5.0%	5.0%	100%
Facility Maintenance	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	65.6%			3.7%	3.6%	16.5%	0.6%	7.0%	3.0%	100.0%

GLOSSARY OF COMMON BUDGET TERMS

Administration: The group of departments and positions including the City Manager, the Finance Department and the Human Resources Director.

Adopted Budget: The financial plan adopted by the City Council which forms the basis and limits for appropriations for the fiscal year.

Approved Budget: The budget recommended by the Budget Committee and reviewed by the City Council prior to adoption.

Appropriation: The legal authorization granted by the City Council to spend specific amounts of public funds for specific purposes during specific periods of time.

Arbitrage: The investment of proceeds, of a relatively low interest rate state or municipal obligation, in taxable market securities which bear a higher interest rate.

Assessed Value: The portion of value of real or personal property which is taxable. It is the lesser of the property's real market value or the constitutional value limit (Maximum Assessed Value – MAV). The value limit may increase 3% annually unless qualifying improvements or changes are made to the property. These improvements or changes allow the value limit to increase by more than 3%.

Audit: A review of City accounts by an independent auditing firm to substantiate year-end fund balances, reserves and cash in hand.

Bonds: A written promise to pay a sum of money, called principal or face value at future date, called the maturity date, along with periodic interest paid at the specified percentage of the principal (interest rate). Bonds are typically used to finance long-term Capital Improvements.

Budget: Written report showing the local government's comprehensive financial plan for one fiscal year. Must include a balanced statement of actual revenues and expenditures during each of the last two years, estimated revenues and expenditures for the current and upcoming year.

Budget Committee: The fiscal planning board of the agency, consisting of the Mayor and City Council plus an equal number of legal voters from the district.

Budget Message: An explanation of the budget and the City's financial priorities. Prepared by or under the direction of the City Manager.

Budget Officer: Person appointed by the City Council to be responsible for assembling the budget. For City of Keizer, the Finance Director serves this role.

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

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

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

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

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

Department: An organizational unit of the City.

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

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

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

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

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

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

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

FTE: An abbreviation for full-time equivalent employees. Staffing levels are measured in FTE to give consistent comparison from year to year.

General Fund: Accounts for all financial resources except those required to be accounted for in another fund.

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

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

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

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

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

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

Property Taxes: Amounts imposed on taxable property by a local government within its operating rate limit, levied under local option authority, or levied to repay bonded debt.

Proposed Budget: The proposed budget is the one proposed by the City Manager and is reviewed by the Budget Committee.

Proprietary Fund: A fund classification used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector (i.e., Enterprise Funds).

Rate Limit: A district's permanent ad valorem property tax rate for operating purposes. This rate levied against the assessed value of property raises taxes for general operations. Permanent tax rate limits were either computed by the Department of Revenue for districts existing prior to 1997-1998 or are voter-approved for districts formed in 1997-1998 and later.

Real Market Value: Value set on real and personal property as a basis for imposing tax.

Reserve Fund: Established to accumulate money from one fiscal year to another for a specific purpose.

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

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

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

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

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

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

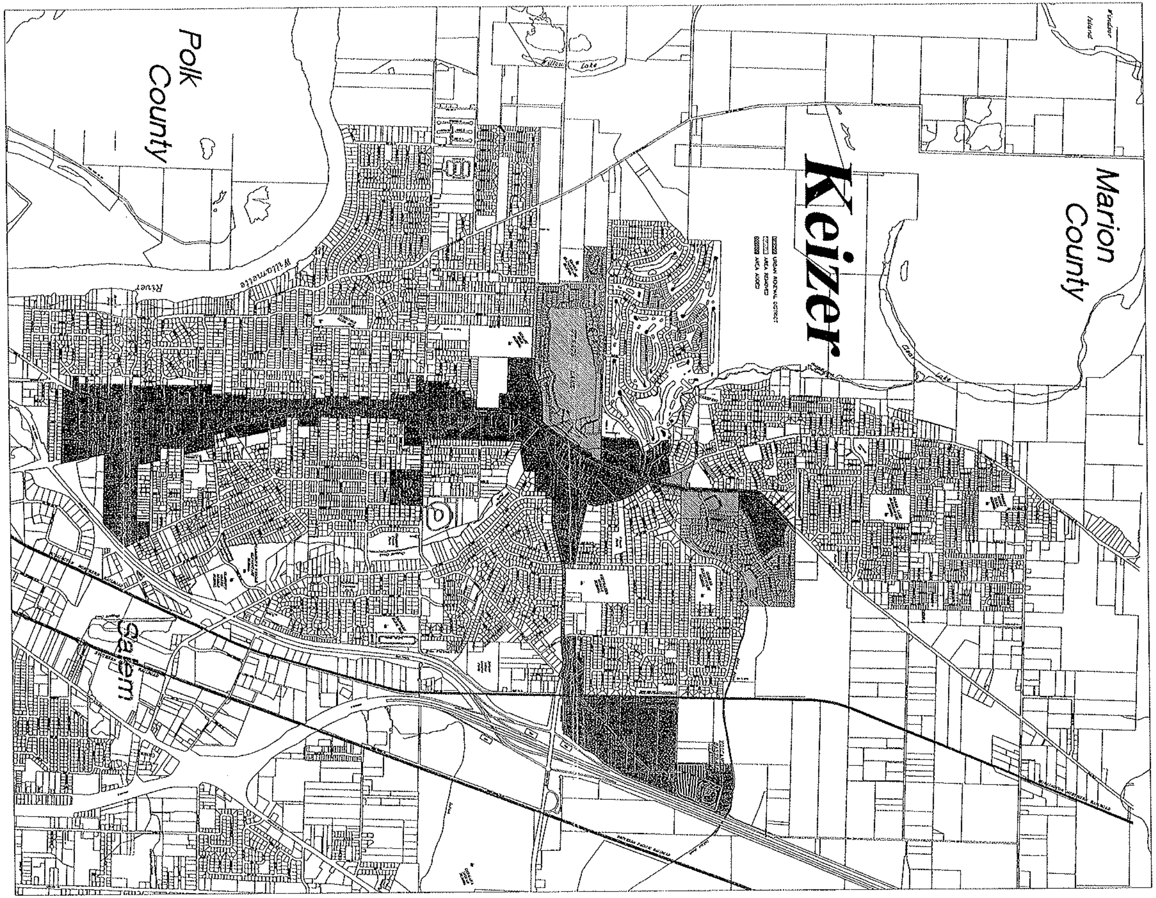
Supplemental Budget: An amendment to the adopted budget that is prepared to meet unexpected needs or to appropriate revenues not anticipated at the time the budget was adopted. The supplemental budget may not increase the tax levy.

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

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

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

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


Polk County
Keizer
Marion County
Salem
Willamette River

KEIZER URBAN RENEWAL AGENCY, STATE OF OREGON

RESOLUTION UR2011-_________

ADOPTING THE FY11-12 BUDGET, MAKING APPROPRIATIONS, IMPOSING AND DECLARING TAX INCREMENT REVENUE

BE IT RESOLVED, that the Board of Directors of the Keizer Urban Renewal Agency hereby adopts the budget for fiscal year 2011-2012 in the sum of $7,983,400 now on file at Keizer City Hall.

BE IT FURTHER RESOLVED that the amounts for the fiscal year beginning July 1, 2011 and for the purposes shown below are hereby appropriated:

Tax Increment Fund	Debt Service	$ 4,233,800	
TOTAL TAX INCREMENT FUND			**$4,233,800**
Project Fund	Personal Services	$ 96,300	
	Materials & Services	186,500	
	Capital Outlay	709,000	
	Contingency	500,000	
TOTAL PROJECT FUND			**$1,491,800**
Program Income Fund	Capital Outlay	$ 2,257,800	
TOTAL PROGRAM INCOME FUND			**$2,257,800**
TOTAL ALL FUNDS			**$7,983,400**

E IT FURTHER RESOLVED that the Board of Directors of the Keizer Urban Renewal Agency hereby resolves to certify to the county assessor for the North River Road Plan Area a request for the maximum amount of revenue that may be raised by dividing the taxes under section 1c, Article IX, of the Oregon Constitution with no amount to be raised through the imposition of a special levy.

BE IT FURTHER RESOLVED that no taxes will be imposed from a Special Levy.

PASSED this _____ day of _________________________, 2011.

SIGNED this _____ day of _________________________, 2011.

____
Chair

____
City Recorder

MINUTES
KEIZER URBAN RENEWAL AGENCY
Monday, May 2, 2011
Keizer Civic Center
Keizer, Oregon

CALL TO ORDER

Agent Clark called the session to order at 6:36 p.m. Roll Call was taken as follows:

Present:	**Staff:**
Lore Christopher, Chair (arr. 6:38)	Chris Eppley, City Manager
Brandon Smith	Shannon Johnson, City Attorney
David McKane	Rob Kissler, Public Works Director
Joe Egli	Marc Adams, Police Chief
Cathy Clark	Nate Brown, Community Development
Jim Taylor	Kevin Watson, Assistant to the C.M.
Mark Caillier	Tracy Davis, City Recorder

PUBLIC TESTIMONY

None

PUBLIC HEARING

None

ADMINISTRATIVE ACTION

a. RESOLUTION ~ Approving Grant for Landscape and Sidewalk Improvements at Property Located at 3451 River Road N (Abby's Pizza)

Community Development Director Nate Brown explained that this project had been approved by the Keizer Urban Renewal Board and provided details on the proposed improvements. He noted that KURB proposed 100% funding for River Road improvements and 50% for improvements on Garland Way frontage and that staff is proposing using additional funding from the Public Works Street Fund to offset the Garland Way improvement costs contingent upon the applicant closing the driveway closest to the intersection. He noted that the total Urban Renewal amount would be for $45,900. He added that staff is recommending paying for the design survey and engineering cost along Garland Way.

Justin Gerlitz, Grants Pass, representing the owners of Abby's, Gary and Phyllis Whelchel, gave a presentation showing pictures of the existing site and the proposed site plan and provided a brief history of the project. He pointed out that the site is currently almost entirely pavement with small pockets of landscaping, there is no drainage on the site and there are three driveways. He explained that the plan is to close the entrance on

Garland closest to River Road and shift one of the remaining driveways with the loading area driveway remaining unchanged. He then fielded questions regarding landscaping around utilities and parking. He added that there was a misunderstanding on his part in that he thought Public Works would be contributing half of Garland Way improvements including the survey design fees. Therefore he was requesting an additional $1,620 to cover those costs and this amount was not requested from KURB. Mr. Gerlitz added that the total project cost would be $78,520 with the owner contributing $38,000-$39,000.

City Attorney Shannon Johnson suggested that on line 5 of the second page of the resolution the “$4,860” for design work would now be $6,480 and it would also change on line 19 of third page.

Agent Clark moved that the Keizer Urban Renewal Agency adopt a Resolution Approving Grant for Landscape and Sidewalk Improvements at Property Located at 3451 River Road N (Abby’s Pizza), adding $1,620 to cover additional design and engineering costs. Agent Smith seconded. Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

CONSENT CALENDAR

a. Approval of February 7, 2011 Urban Renewal Agency – City Council Special Joint Session Minutes
b. Approval of February 7, 2011 Urban Renewal Agency Minutes
c. Approval of February 22, 2011 Urban Renewal Agency Minutes
d. Approval of March 21, 2011 Urban Renewal Agency Minutes

Agent Clark pulled Item c.

Agent Clark moved that the Keizer Urban Renewal Agency approve Items a, b, and d of the Consent Calendar. Agent Christopher seconded. Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

A correction was made to the February 22 Minutes. Agent Clark moved that the Keizer Urban Renewal Agency approve the February 22, 2011, Urban Renewal Minutes as corrected. Agent Taylor seconded. Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

ADJOURNMENT With no further business the meeting was adjourned at 7:04 p.m.

APPROVED:

Debbie Lockhart, Deputy City Recorder

Lore Christopher, Chair

AGENCY MEMBERS

David McKane	Mark Caillier
Jim Taylor	Cathy Clark
Brandon Smith	Joe Egli

Minutes approved:___________________________________

MINUTES
KEIZER URBAN RENEWAL AGENCY
Monday, May 16, 2011
Keizer Civic Center
Keizer, Oregon

CALL TO ORDER

Agent Christopher called the session to order at 10:01 p.m. Roll Call was taken as follows:

Present:	Staff:
Lore Christopher, Chair	Chris Eppley, City Manager
Brandon Smith	Shannon Johnson, City Attorney
David McKane	Rob Kissler, Public Works Director
Joe Egli	Marc Adams, Police Chief
Cathy Clark	Nate Brown, Community Development
Jim Taylor	Kevin Watson, Assistant to the City Manager
Mark Caillier	Tracy Davis, City Recorder

PUBLIC TESTIMONY

None

PUBLIC HEARING

None

ADMINISTRATIVE ACTION

a. RESOLUTION ~ Accepting Delegation of the Acquisition of Buchanan Property

City Attorney Shannon Johnson noted that this is a follow-up for the action Council took earlier this evening. Staff proposes that the Agency accept the delegation that Council made to acquire the Buchanan property.

<u>Agent Smith moved that the Keizer Urban Renewal Agency adopt a Resolution Accepting Delegation from Keizer City Council to acquire the Buchanan property. Agent Taylor seconded. Motion passed unanimously as follows:</u>

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

CONSENT CALENDAR

None

ADJOURNMENT With no further business the meeting was adjourned at 10:02 p.m.

APPROVED:

Debbie Lockhart, Deputy City Recorder

Lore Christopher, Chair

AGENCY MEMBERS

David McKane	Mark Caillier
Jim Taylor	Cathy Clark
Brandon Smith	Joe Egli

Minutes approved:________________________________

CITY OF KEIZER MISSION STATEMENT
KEEP CITY GOVERNMENT COSTS AND SERVICES TO A MINIMUM BY PROVIDING CITY SERVICES TO THE COMMUNITY IN A COORDINATED, EFFICIENT, AND LEAST COST FASHION

AGENDA

KEIZER CITY COUNCIL
REGULAR SESSION

Monday, June 6, 2011
7:15 p.m.
Robert L. Simon Council Chambers
Keizer, Oregon

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **PLEDGE OF ALLEGIANCE**

4. **PUBLIC TESTIMONY**
   This time is provided for citizens to address the Council on any matters other than those on the agenda scheduled for public hearing.

5. **PUBLIC HEARINGS**

   a. **ORDINANCE – Setting Water Rates (2012); Repealing Ordinance 2008-574**

   b. **RESOLUTION – Certification of Lighting District Assessments**

   c. **RESOLUTION – Adopting FY 2011-2012 City of Keizer Budget, Making Appropriations and Imposing and Categorizing Taxes**

   d. **Keizer Development Code Text Amendment – Memory Care Facilities**

6. **ADMINISTRATIVE ACTION**

   a. **RESOLUTION – Expenditure Authorization for Art Walk, Elections, Focal Point, and Parks**

   b. **RESOLUTION – Directing Distribution of Revenues From The Transient Occupancy Tax; Repealing R98-1012**

   c. **ORDINANCE – Relating to the Amendment of the Electric Utility License Fee Ordinance; Amending Ordinance Number 94-286**
      ORDINANCE – Relating to the Amendment of the Gas Utility License Fee Ordinance; Amending Ordinance Number 94-285

   d. **RESOLUTION – Approving Extension of the Cable Television Franchise Agreement with Comcast of Oregon I, Inc.**

7. **CONSENT CALENDAR**

   a. **RESOLUTION – Certification of Delinquent Sewer and Storm Water Accounts**

b. RESOLUTION – Declaring the City's Election to Receive State Shared Revenues
RESOLUTION – Certifying the City of Keizer Provides Four or More Municipal Services

c. RESOLUTION – Approving City Engineer's Report for Proposed Hornet Court Local Improvement District for Sidewalk Improvements

d. RESOLUTION – Appointing Acting City Attorney

e. RESOLUTION – Updating Identify Theft Prevention Program; Amending R2008-1900

f. Approval of April 18, 2011 Regular Session Minutes

g. Approval of May 2, 2011 Regular Session Minutes

h. Approval of May 9, 2011 Work Session Minutes

8. COMMITTEE REPORTS

9. OTHER BUSINESS
This time is provided to allow the Mayor, City Council members, or staff an opportunity to bring new or old matters before the Council that are not on tonight's agenda.

   a. New Business or Old Business Issues

10. WRITTEN COMMUNICATIONS
To inform the Council of significant written communications.

11. AGENDA INPUT

June 13, 2011
5:45 p.m. – City Council Work Session
- Keizer Heritage Foundation Report

June 20, 2011
7:00 p.m. City Council Regular Session
- Public Hearing – Keizer Development Code Text Amendment – Urban Chickens

June 27, 2011
5:45 p.m. – City Council Work Session
- Housing Needs Analysis

12. ADJOURNMENT

COUNCIL MEETING: **June 6, 2011**

AGENDA ITEM NUMBER: _______________

TO: MAYOR CHRISTOPHER AND COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY
CITY MANAGER

FROM: SUSAN GAHLSDORF, FINANCE DIRECTOR

SUBJECT: WATER RATE INCREASE

BACKGROUND AND ISSUES:

Staff has completed the Water Rate Model update for fiscal year 2011-2012. The model is a cost of service model (COSA) and is the method adopted by the City Council in 2002 and modified in 2004. The modification in 2004 combined the Single-Family and Multi-Family customer classes so that fixed rates and consumption rates are the same for both classes.

Water Sales revenues have declined over the past two years by a projected $180,000 total. The decline reflects a reduction in consumption attributed to an increase in housing vacancies in Keizer and customer conservation measures. Updates to the COSA in FY09-10 and in FY10-11 identified a need to increase rates by at least 3% each year. However, due to the economic downturn City Officials elected to forgo these rate increases. The City's last water rate increase was 3% effective August 1, 2008.

Staff has proposed postponing some capital improvements to the water system infrastructure to the maximum timeline outlined in the water system master plan. Using the revised infrastructure replacement schedule, the model shows that a 3.0% system-wide increase is necessary to pay for increases in operating costs and infrastructure costs. The City is able to lower the rate increase to 2.0%, because Local 320 union members have agreed to forgo their cost of living increases, as contractually agreed to, in order to keep operating costs down. Delaying a rate increase at this time could exponentially increase future rates and/or increase the risk of escalating infrastructure costs.

Attachment #1 shows the impact of the rate increase on the average customer bill for each customer class (Single-Family, Multi-Family and Commercial). Attachment #2 shows a comparison of existing water rates with proposed water rates.

FISCAL IMPACT:

A 2.0% system-wide increase will bring in an additional $18,700 in revenue in fiscal year 2011-2012. The FY11-12 Committee Approved Budget provides for a 2.0% increase in water rates beginning with the January 1, 2012 billings. Implementing the increase in January is congruent with the Sewer Rate Increase scheduled to go into effect at that time. Staff recommends this schedule so that customers have only one public utility rate increase during the fiscal year.

RECOMMENDATION:

Staff recommends Council open the public hearing on the proposed water rate increases. After all public testimony has been received, staff recommends the Council close the public hearing, deliberate on this issue and approve the attached Ordinance, setting new water rates and repealing Ordinance 2008-574, if it so chooses.

ATTACHMENT #1

Proposed Public Utility Rate Changes - 2%
Impact on Bi-Monthly Bill
Example - Typical Residential Customer
FY11-12

Current Rates

Water			
Flat			$8.42
Cons	17	1.10	$18.70
Total Water			**$27.12**
Sewer			
Flat			$20.06
Cons	13	2.86	$37.18
Adm			$4.85
Total Sewer			**$62.09**
Storm			
Flat			**$7.65**
License Fee			
wtr flt 5%			$0.42
wtr cons 5%			$0.94
swr flat 5%			$1.00
swr cons 5%			$1.86
adm 5%			$0.24
Stm 5%			$0.38
License Fee Total			**$4.46**
Total Bill			**$101.32**

New Rates

Water			
Flat			$8.59
Cons	17	1.12	$19.07
Total Water			**$27.66**
Sewer			
Flat			$20.48
Cons	13	2.91	$37.83
Adm			$4.85
Total Sewer			**$63.16**
Storm			
Flat			**$7.65**
License Fee			
wtr flt 5%			$0.43
wtr cons 5%			$0.95
swr flat 5%			$1.02
swr cons5%			$1.89
adm 5%			$0.24
Stm 5%			0.38
License Fee Total			**$4.92**
Total Bill			**$103.40**

Rate Increase

Water				
Flat			$0.17	2%
Cons	17	1.12	$0.37	2%
Total Water			**$0.54**	2%
Sewer				
Flat			$0.42	2%
Cons	13	2.91	$0.65	2%
Adm			$0.00	0%
Total Sewer			**$1.07**	2%
Storm				
Flat			**$0.00**	0%
License Fee				
wtr flt 5%			$0.01	2%
wtr cons 5%			$0.02	2%
swr flat 5%			$0.02	2%
swr cons5%			$0.03	2%
adm 5%			$0.00	0%
Stm 5%			$0.00	0%
License Fee Total			**$0.08**	2%
Total Bill			**$1.69**	2%

ATTACHMENT #1

Proposed Public Utility Rate Changes - 2%
Impact on Bi-Monthly Bill
Example - Multilple Customer - 4-Plex
FY11-12

Current Rates

Water	**1" meter**		
Flat			$17.11
Cons	47	1.10	$51.70
Total Water			**$68.81**
Sewer			
Flat			$80.26
Cons	40	2.86	$114.40
Adm			$4.85
Total Sewer			**$199.51**
Storm			
Flat	Per	ESU	**$7.65**
License Fee			
wtr flt 5%			$0.86
wtr cons 5%			$2.59
swr flat 5%			$4.01
swr cons 5%			$5.72
adm 5%			$0.24
Stm 5%			$0.38
License Fee Total			**$13.42**
Total Bill			**$289.39**

New Rates

Water	**1" meter**		
Flat			$17.45
Cons	47	1.12	$52.73
Total Water			**$70.19**
Sewer			
Flat			$81.90
Cons	40	2.91	$116.40
Adm			$4.85
Total Sewer			**$203.15**
Storm			
Flat			**$7.65**
License Fee			
wtr flt 5%			$0.87
wtr cons 5%			$2.64
swr flat 5%			$4.10
swr cons5%			$5.82
adm 5%			$0.24
Stm 5%			0.38
License Fee Total			**$14.05**
Total Bill			**$295.04**

Rate Increase

Water				
Flat			$0.34	2%
Cons	47	1.12	$1.03	2%
Total Water			**$1.38**	2%
Sewer				
Flat			$1.64	2%
Cons	40	2.91	$2.00	2%
Adm			$0.00	0%
Total Sewer			**$3.64**	2%
Storm				
Flat			**$0.00**	0%
License Fee				
wtr flt 5%			$0.02	2%
wtr cons 5%			$0.05	2%
swr flat 5%			$0.08	2%
swr cons5%			$0.10	2%
adm 5%			$0.00	0%
Stm 5%			$0.00	0%
License Fee Total			**$0.25**	2%
Total Bill			**$5.27**	2%

ATTACHMENT #1

Proposed Public Utility Rate Changes - 2%
Impact on Bi-Monthly Bill
Example - Commercial Customer (Grocery Store)
FY11-12

Current Rates

Water	**1.5" meter**		
Flat			$33.08
Cons	78	1.05	$81.90
Total Water			**$114.98**
Sewer			
Flat			$34.86
Cons	50	3.98	$199.00
Adm			$4.85
Total Sewer			**$238.71**
Storm			
Flat	Per	ESU	**$7.65**
License Fee			
wtr flt 5%			$1.65
wtr cons 5%			$4.10
swr flat 5%			$1.74
swr cons 5%			$9.95
adm 5%			$0.24
Stm 5%			$0.38
License Fee Total			**$17.68**
Total Bill			**$379.02**

New Rates

Water	**1.5" meter**		
Flat			$33.74
Cons	78	1.07	$83.54
Total Water			**$117.28**
Sewer			
Flat			$35.58
Cons	50	4.06	$203.00
Adm			$4.85
Total Sewer			**$243.43**
Storm			
Flat	Per	ESU	**$7.65**
License Fee			
wtr flt 5%			$1.69
wtr cons 5%			$4.18
swr flat 5%			$1.78
swr cons5%			$10.15
adm 5%			$0.24
Stm 5%			0.38
License Fee Total			**$18.42**
Total Bill			**$386.78**

Rate Increase

Water				
Flat			$0.66	2%
Cons	78	1.07	$1.64	2%
Total Water			**$2.30**	2%
Sewer				
Flat			$0.72	2%
Cons	50	4.06	$4.00	2%
Adm			$0.00	0%
Total Sewer			**$4.72**	2%
Storm				
Flat			**$0.00**	0%
License Fee				
wtr flt 5%			$0.03	2%
wtr cons 5%			$0.08	2%
swr flat 5%			$0.04	2%
swr cons5%			$0.20	2%
adm 5%			$0.00	0%
Stm 5%			$0.00	0%
License Fee Total			**$0.35**	2%
Total Bill			**$7.37**	2%

CITY OF KEIZER

Water Rate Increase Comparison
Rates effective July 2008 and Rates effective January 2012

Meter Charge - $/Meter/Bi-Monthly	July 2008		January 2012			
Meter Size		Rate		Rate	Increase	
5/8 - 3/4"	$	8.42	$	8.59	102%	$ 0.17
1"	$	17.11	$	17.45	102%	$ 0.34
1-1/2"	$	33.08	$	33.74	102%	$ 0.66
2"	$	52.29	$	53.34	102%	$ 1.05
3"	$	101.64	$	103.67	102%	$ 2.03
4"	$	161.10	$	164.32	102%	$ 3.22
6"	$	321.05	$	327.47	102%	$ 6.42
8"	$	549.82	$	560.82	102%	$ 11.00
Volume Rate - $/ccf						
Customer Class		Rate				
Residential	$	1.10	$	1.12	102%	$ 0.02
Commercial	$	1.05	$	1.07	102%	$ 0.02
Private Fire Protection - $/Hydrant-Bi-Monthly		Rate				
Hydrant Size						
4"	$	23.46	$	23.93	102%	$ 0.47
6"	$	65.19	$	66.49	102%	$ 1.30
8"	$	136.88	$	139.62	102%	$ 2.74
10"	$	234.66	$	239.35	102%	$ 4.69
Miscellaneous Fees:						
Service Fee	$	16.00	$	16.32	102%	$ 0.32
Shut Off Processing Fee	$	32.00	$	32.64	102%	$ 0.64
After Hours Fee	$	80.00	$	81.60	102%	$ 1.60
Tampering Fee	$	32.00	$	32.64	102%	$ 0.64
Removal of Meter Following Third Tampering Incident		Cost Plus 15%				

BILL NO. ____ A BILL ORDINANCE NO. 2011-__________

FOR

AN ORDINANCE

SETTING WATER RATES (2012); REPEALING ORDINANCE 2008-574

The City of Keizer ordains as follows:

Section 1. WATER RATES. Water rates for the Keizer Water Department are imposed as set forth on Exhibit "A" attached hereto and by this reference incorporated herein.

Section 2. REPEAL OF ORDINANCE NO. 2008-574. Ordinance No. 2008-574 is hereby repealed.

Section 3. EFFECTIVE DATE. This Ordinance shall take effect for the January 2012 billings and all successive billings.

PASSED this ________ day of ___________________, 2011.

SIGNED this ________ day of ___________________, 2011.

____
Mayor

____
City Recorder

Keizer City Attorney
930 Chemawa Road NE
PO Box 21000
Keizer, Oregon 97307
503-856-3433

EXHIBIT "A"

Meter Charge - $/Meter/Bi-Monthly

Meter Size	Rate
5/8 - 3/4"	$ 8.59
1"	$ 17.45
1-1/2"	$ 33.74
2"	$ 53.34
3"	$ 103.67
4"	$ 164.32
6"	$ 327.47
8"	$ 560.82

Volume Rate - $/ccf

Customer Class	Rate
Residential	$ 1.12
Commercial	$ 1.07

Private Fire Protection - $/Hydrant-Bi-Monthly Hydrant Size	Rate
4"	$ 23.93
6"	$ 66.49
8"	$ 139.62
10"	$ 239.35

Miscellaneous Fees:

Service Fee	$ 16.32
Shut Off Processing Fee	$ 32.64
After Hours Fee	$ 81.60
Tampering Fee	$ 32.64
Removal of Meter Following Third Tampering Incident	Cost Plus 15%

The Service Fee will be charged for all new accounts, account transfers, landlord/rental vacation accounts. The Service Fee will not be charged for customers voluntarily termi service or moving out.

The Shut off Processing Fee will be charged for all accounts remaining unpaid as of the shut off, whether or not such meter is physically shut off.

The After Hours Fee will be charged to customers requesting water to be turned on afte business hours. This fee does not apply to emergency calls.

The Tampering Fee will be charged to all customers whose water has been shut off if th the water back on themselves or others\wise tamper with the water meter or City water equipment.

CITY COUNCIL MEETING: June 6, 2011

AGENDA ITEM NUMBER: _______________

TO: MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY, CITY MANAGER

FROM: SUSAN GAHLSDORF, FINANCE DIRECTOR

SUBJECT: RESOLUTION - CERTIFICATION OF STREET LIGHTING DISTRICT (SLD) ASSESSMENTS

The fiscal year 2011-12 Street Lighting District assessments, by district, are shown on the attached exhibit "A". These assessments must be certified to the Marion County Assessor's office by June 30, 2011 in order to be assessed on the November 2011 tax rolls. These assessments were noticed to the public in the May 27, 2011 edition of the Keizertimes.

During Budget Committee deliberations in May staff noted that the Street Lighting District Fund had more than a sufficient ending fund balance projected for fiscal year 2010-11. Staff recommended the City forgo the annual delinquency assessment (currently 8%) on next year's assessments. While the annual assessments vary by lighting district typical residences could see a $4-$5 reduction in their 2011 assessment over their 2010 assessment.

FISCAL IMPACT:

Staff has calculated $ 432,704.28 as the assessment for the November 2011 tax rolls. Forgoing the 8% delinquency assessment will reduce the ending fund balance approximately $35,000 by the end of fiscal year 2011-12.

RECOMMENDATION:

Staff recommends council open the public hearing on the Street Lighting District Assessments for fiscal year 2011-12. After testimony, staff recommends council close the public hearing and deliberates this issue. After which, staff recommends the council adopt the attached resolution, certifying the Street Lighting District Assessments, by tax account, to the Marion County Assessor for collection, if it so chooses.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2011-_____

CERTIFICATION OF LIGHTING DISTRICT ASSESSMENTS

BE IT RESOLVED by the City Council of the City of Keizer that Keizer has determined and computed the amount of money necessary to be raised by assessment to cover funds spent to operate and maintain certain street lighting facilities within Keizer, including administrative costs for a total of $ 432,704.28 ; and

BE IT FURTHER RESOLVED that Keizer certifies Exhibit "A" attached hereto, is a true and correct list of the properties within the various lighting assessment district in Keizer giving the proper assessment and apportionment of costs and expenses to be assessed against the respective properties for operation and maintenance of street lighting facilities for the year; and

BE IT FURTHER RESOLVED that Exhibit "A" attached hereto, is certified to the County Assessor to be added to the appropriate tax accounts for the respective properties indicated.

PASSED this _____ day of ___________________, 2011.

SIGNED this _____ day of ___________________, 2011.

Mayor___________________________

City Recorder_____________________

CITY OF KEIZER
"EXHIBIT A"
CERTIFICATION OF
LIGHTING DISTRICT ACCOUNTS
ASSESSMENT YEAR 2011-12

DISTRICT #	DISTRICT NAME	TOTAL PER DISTRICT	PER LOT OR FRONT FOOTAGE	
008	MARDELL	6,684.18	33.09	
012	WILARK PARK ST LTG	11,810.40	62.16	
014	MAI LIN	11,637.71	40.13	
015	APPLEBLOSSOM	3,581.60	40.70	
017	RIVERCREST	13,600.72	41.72	
018	IVY WAY	4,423.23	37.17	
019	ARNOLD WAY	1,026.81	25.67	
022	NORTHVIEW	4,275.92	49.72	
023	MCNARY HGHTS	5,517.60	62.70	
024	CEDAR PARK ST LGHT	1,242.98	65.42	
025	MENLO	1,271.70	47.10	
026	SHADY LANE	3,099.42	0.5798	FRONT FOOT
028	NORTHWOOD PARK #1	3,435.39	70.11	
034	GREENWOOD	1,710.48	0.4519	FRONT FOOT
041	WILARK PARK #6	850.14	47.23	
042	WILARK PARK ANN #7	834.08	52.13	
043	NORTHWOOD PARK #2	2,684.06	62.42	
044	MAI-LIN DISTRICT #2	874.28	39.74	
045	MCLEOD PARK	1,701.00	47.25	
046	LANCER PARK	1,935.72	53.77	
047	HILLIGOSS	644.70	46.05	
048	CARLHAVEN ADDITION	806.68	28.81	
049	WINDSOR ESTATES	1,354.01	58.87	
050	WHITAKER PARK	4,480.32	57.44	
079	ANDREW PARK	877.80	58.52	
080	GLYNBROOK	2,454.26	59.86	
081	LAWNDALE SUB	2,177.70	64.05	
082	NORTHWOOD PARK #4	7,369.60	75.20	
083	PALMA CIEA #5	949.96	43.18	
084	WILARK PARK ANN #5	1,085.40	60.30	
086	HICKS JONES	8,447.67	0.4537	FRONT FOOT
087	CARLHAVEN ADD #2	922.88	32.96	
094	WILL MANOR 4	1,343.89	58.43	
095	WHEATLAND LN	445.83	63.69	
096	NORTHTREE ESTATES	7,235.00	72.35	
097	CHEMAWA PARK	1,508.04	83.78	
108	MCLEOD PARK #2	1,627.83	60.29	
120	CHEMAWA EST #1	1,887.00	62.90	
122	SIX SUBDIVISION	766.13	33.31	
126	MCLEOD ESTATES	4,121.80	55.70	
128	CHEHALIS SUB	574.72	35.92	

CITY OF KEIZER
"EXHIBIT A"
CERTIFICATION OF
LIGHTING DISTRICT ACCOUNTS
ASSESSMENT YEAR 2011-12

DISTRICT		TOTAL PER	PER LOT OR FRONT
#	NAME	DISTRICT	FOOTAGE
129	DENNIS LANE N	1,982.29	46.10
130	CRESTWOOD VILLAGE	566.76	47.23
131	CHEMAWA EST #2	2,154.58	63.37
132	CHARLOTTE	1,714.95	38.11
141	PALMA CIEA	18,817.60	41.91
142	RIVERVIEW N	1,120.27	38.63
143	MEADOWBROOK	465.39	51.71
144	JUNIPER	870.40	43.52
146	TERRACE GLEN	908.32	56.77
147	WEDGEWOOD ESTATE	1,153.92	36.06
148	JULIE ESTATES	1,571.20	78.56
150	KEPHART	1,972.00	49.30
159	JOHNISEE ADDN	455.26	35.02
161	WALENWOOD SUB	247.86	27.54
162	WARNER PARK	256.00	25.60
163	SPRINGTIME PK SUB	825.90	55.06
164	STONEHEDGE ESTATE	6,299.00	62.99
165	RIVERVIEW N #2	1,128.12	40.29
181	TIMBERVIEW SUB	7,021.90	49.45
182	VISTAVIEW ESTATE #2	2,596.20	43.27
183	NORTHRIDGE PARK	1,189.12	37.16
184	JUNIPER #2 SUBDIV	1,271.13	60.53
185	KEIZER HEIGHTS	3,813.12	59.58
191	CLARK ST NE	806.68	28.81
192	FRIENDSHIP ADDITION	456.84	38.07
193	TEN AT MCNARY	1,031.52	73.68
194	BUCHOLZ ADDITION	647.64	30.84
195	PARKLAWN ADDITION	367.02	61.17
205	GLYNBROOK II N	3,149.32	73.24
206	FOUR WINDS ADDN N	5,424.30	44.10
207	FERNBROOK	1,608.75	41.25
208	EDEN ESTATES	2,925.72	69.66
209	COUNTRY CLUB EST	1,520.68	54.31
212	LAWNDALE I SUB PH-2	2,445.69	62.71
213	STONEHEDGE EST II	4,478.48	50.32
215	GARY ST	1,172.90	31.70
216	ARNOLD ST #2	889.18	38.66
217	FOUR WINDS III	536.20	26.81
218	GREENWAY	808.02	44.89
219	NOON AVE	1,252.48	39.14
220	STONEHEDGE EST III	1,668.48	52.14

CITY OF KEIZER
"EXHIBIT A"
CERTIFICATION OF
LIGHTING DISTRICT ACCOUNTS
ASSESSMENT YEAR 2011-12

DISTRICT		TOTAL PER	PER LOT OR FRONT
#	NAME	DISTRICT	FOOTAGE
221	STONEHEDGE EST 4&5	1,903.36	59.48
227	WILLOW LAKE EST	2,470.16	56.14
228	THE MEADOWS PH-1	4,147.36	74.06
231	FOURWINDS II	626.24	39.14
232	WHITAKER HGTS	1,987.98	58.47
234	THE MEADOWS PH-3	2,592.10	74.06
235	THE MEADOWS PH-2	2,740.22	74.06
236	THE MEADOWS PH-4	2,888.34	74.06
237	ORCHARD CREST	2,603.89	49.13
238	STONEHEDGE EST #6	1,895.03	61.13
239	SPRINGMEADOW EST	4,074.11	4,074.11
241	WILLOW LAKE 2&3	5,005.44	52.14
246	CHERRYLAWN CT NE	495.76	61.97
247	ORCHARD CREST PH-3	1,946.70	55.62
248	MAX CT	666.50	66.65
249	THE MEADOWS PH-5	3,110.52	74.06
250	ORCHARD CREST PH-2	2,462.38	46.46
251	RIVERCREST PH-1&2	2,177.12	49.48
253	THE MEADOWS PH-6	2,295.86	74.06
254	THE MEADOWS PH-7	2,369.92	74.06
255	TIMBERVIEW PH-3	2,105.88	75.21
256	APPLETREE PH-1,2,3	3,652.65	81.17
257	BRIARWOOD	2,912.05	2,912.05
258	HIDDEN CRK EST PH-1	4,057.42	109.66
259	CATERWOOD ESTATES	2,996.76	58.76
260	PARKMEADOW APTS	1,182.38	1,182.38
261	NORTHRUP/NORTHSHIRE	656.88	54.74
262	COUNTRY GLEN EST	11,832.60	63.96
263	FIRCONE	2,083.36	71.84
264	HIDDEN CRK EST PH-2	1,069.12	66.82
265	CLEARLAKE SUBDIV	3,450.09	70.41
266	SPRINGRIDGE EST	2,258.24	70.57
267	THE RIDGE	1,587.52	72.16
268	NORTHSIDE ESTATES	2,751.14	63.98
269	HOMESTEAD/CLEARVIEW	412.10	41.21
270	HONEYSUCKLE	1,526.75	61.07
272	LARSON PARK SUBDIV	566.76	47.23
273	BAILEY ESTATES	550.60	55.06
274	STICKLES ADDITION	307.62	34.18
275	CEDAR BLUFF SUBDIV	2,097.63	77.69
276	ABT KOUFAX LN	1,822.26	82.83

CITY OF KEIZER
"EXHIBIT A"
CERTIFICATION OF
LIGHTING DISTRICT ACCOUNTS
ASSESSMENT YEAR 2011-12

DISTRICT		TOTAL PER	PER LOT OR FRONT
#	NAME	DISTRICT	FOOTAGE
277	HIDDEN CREEK PH-3	971.85	29.45
278	HOLLY LN/ALDER DR NE	404.01	44.89
282	3RD AVE N	2,116.98	37.14
283	HIDDEN CREEK PH-4	1,295.85	86.39
284	JACOBE ESTATES SUB	1,020.60	102.06
285	PRAIRIE EST	8,973.57	96.49
286	TECUMSEH ESTATES	1,344.42	64.02
287	TEPPER E SUB	2,409.40	86.05
288	WESTMORE	1,353.12	56.38
292	PINEHURST ESTATES	4,023.06	70.58
293	LEEWOOD MEADOWS	3,086.64	57.16
294	BROWER PLACE	2,179.61	70.31
295	HIGHLANDS ESTATES	4,008.60	66.81
296	JACOBE ESTATES PH2	1,320.12	73.34
297	BAHNSEN WOODS EST	4,189.20	69.82
298	FOREST RIDGE EST	3,498.55	63.61
299	WHEATLAND TERRACE	859.95	57.33
300	WATERFORD	3,450.09	70.41
306	ROCKLEDGE ADDITION	834.08	52.13
307	WITTENBERG	1,780.78	1,780.78
308	JORDON RUN	751.30	68.30
309	PRAIRIE CLOVER	578.84	144.71
310	VINEYARDS	5,270.40	58.56
311	HIGHLANDS NORTH	493.92	30.87
312	CHEMAWA GLEN	2,311.92	60.84
315	SPARROW ADDITION	611.20	76.40
316	VINEYARDS NO. PHASE 2	3,184.95	62.45
317	HIDDEN CREEK PHASE 5	820.40	82.04
318	BARNICK ESTATES	1,230.96	102.58
319	MCLEOD ACRES	636.80	63.68
321	BEIER ESTATES	1,439.64	79.98
322	WESTMORE EAST SUBDIV N.	476.82	26.49
323	SHADY ADDITION N.-RING ST. N.E.	808.02	44.89
332	CLEARLAKE HEIGHTS	681.84	56.82
333	PINE MEADOWS ESTATE	667.66	47.69
334	AT MURPHY SUBDIVISION-PHASE 1 & 2	1,303.44	54.31
336	FULTZ ESTATES	910.20	60.68
338	RICKMAN CROSSING	635.30	63.53
339	CEDAR TREE	828.52	75.32
340	WINDSOR WOODS SUBDV	2,944.04	66.91
344	APPLE TREE ANNEX/PEIRCE DRIVE	1,770.48	49.18

CITY OF KEIZER
"EXHIBIT A"
CERTIFICATION OF
LIGHTING DISTRICT ACCOUNTS
ASSESSMENT YEAR 2011-12

DISTRICT #	DISTRICT NAME	TOTAL PER DISTRICT	PER LOT OR FRONT FOOTAGE
345	FULTZ ESTATES PH 2	434.32	54.29
346	PLEASANT VIEW NE	1,638.80	40.97
350	HUNTER ADDITION II/BARNICK RD INFILL PROJ	342.30	34.23
351	HUNTER ADDITION I	410.00	82.00
352	LENT ESTATES STLT DIST. KUD	741.69	27.47
353	TREBBER ESTATES	1,230.45	82.03
354	WINDSOR WOODS SUBDV PH2	2,202.52	53.72
355	EVERWOOD MEADOWS	883.05	58.87
356	MEGAN LEE PROP.	247.65	49.53
358	CLEARLAKE MEADOWS STLT DIST	214.70	42.94
359	CLAGGET GROVE DIST.	309.90	51.65
360	SELENA ESTATES DIST.	747.66	43.98
361	CANDLEWOOD IND PARK NE	222.18	31.74
363	BRIAN MDWS ST LT DIST.-KUD	613.80	27.90
365	JACOBE ESTATES PH3	239.04	29.88
366	MADALYN TERRACE	377.30	26.95
367	GRISWOLD AVE NE	355.38	118.46
368	HALEY ESTATES	664.20	36.90
369	KEIZER STATION LIGHTING-AREA A	14,669.61	188.68
370	WHEATLAND MEADOWS ESTATE	1,091.74	28.73
372	SARAH JEAN COURT	230.93	32.99
373	BENSON ESTATES SUBDIVISION	410.00	82.00
374	PEYTON-HAYLEY SUBDIVISION	206.00	41.20
375	MCGEE COURT	260.75	52.15
377	CRAFTSMAN RIDGE STREET	561.60	37.44
378	TAYLOR RIDGE SUB	326.08	40.76
379	TEETS ESTATES STREET	279.50	21.50
384	AVALON MEADOWS STREET	2,938.39	32.29
385	MAGEE ESTATES STREET	135.72	22.62
386	MCNARY HGHTS ADDN STREET	470.10	31.34
387	NEW DAY STREET	224.64	37.44
462	NAOMI'S START	338.52	84.63
	TOTAL ASSESSMENT	432,704.28	

CITY COUNCIL MEETING: June 6, 2011

AGENDA ITEM NUMBER: ________________

TO: MAYOR CHRISTOPHER AND COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY, CITY MANAGER

FROM: SUSAN GAHLSDORF, FINANCE DIRECTOR

SUBJECT: RESOLUTION ADOPTING FISCAL YEAR 2011-2012 BUDGET, MAKING APPROPRIATIONS, AND IMPOSING AND CATEGORIZING TAXES

On May 3, 2011, the Budget Committee convened and received the City Manager's Budget Message for fiscal year 2011-12, received public testimony from interested parties and began deliberations on the City Budget. On May 5^{th} and May 10^{th} the Committee received additional public testimony and continued deliberations. The Budget Committee concluded its deliberations on May 10, 2011 and passed the Committee Approved Budget (Attachment #1).

ISSUES AND FISCAL IMPACT:

Tonight the City has scheduled a public hearing to receive additional citizen input on the fiscal year 2011-12 Committee Approved Budget. After the hearing, the Council may adjust the approved budget as follows:

1. Reduce the tax rate or amount (maximum $2.0838 per $1000 of assessed value)
2. Adjust estimates of resources and requirements
3. Raise expenditures in any fund up to $5,000 or 10 percent, whichever is greater. If Council wishes to change any fund by more than $5,000 or 10% (whichever is greater) the City must republish the budget summary in the newspaper and hold another public hearing (which can be schedule for June 20, 2011).

By state law, the Council must adopt the upcoming fiscal year budget by June 30, 2011. As a reminder, the City Council has the opportunity to adjust the budget mid-year and there is no requirement to reconvene the budget committee to do so. The size and type of the budget adjustment, as noted in item #3 above, determines the circumstances in which a public hearing is required.

After the Committee Approved Budget passed on May 10, 2010, staff identified the need for the following budget adjustments:

General Fund	Committee Approved	Increase/ (Decrease)	Council Adopted
Working Capital Carryforward	$1,385,900	($6,100)	$1,379,800
Art Walk Donations	$ 0	$ 3,000	$ 3,000
Total Change in Resources	$1,385,900	($3,100)	$1,382,800
Off-Site Property Maintenance	$ 3,000	$3,000	$ 6,000
Contingency	$ 69,200	($9,100)	$ 60,100
Total Change in Expenditures	$ 72,200	($6,100)	$ 66,100

Working Capital Carryforward decreased due to unanticipated expenses for Art Walk and Off-Site Property Maintenance costs in FY10-11. These adjustments were presented to Council earlier tonight.

The Focal Point Expense line-item has changed to Off-Site Property Maintenance and includes annual cost for electricity, mowing and other one-time incidental maintenance expenses for the Focal Point and City property behind volcano stadium. Staff will research the cost of installing a timer on the fountain to help reduce power costs in FY11-12.

Water Fund	Committee Approved	Increase/ (Decrease)	Council Adopted
Water Mains	$ 15,000	$15,000	$ 30,000
Contingency	$ 53,000	($15,000)	$ 38,000
Total Change in Expenditures	$ 68,000	$ -	$ 68,000

The increase to the Water Main Adopted Budget allows the City to partially fund and install a new distribution system loop which will provide flexibility in adding a secondary water source to the Willow Lake Treatment Plant to avoid plant shut down. Currently the Plant is on a dead-end line which has shown to be problematic.

RECOMMENDATION:

Staff recommends that the City Council open the public hearing and receive testimony on the fiscal year 2011-2012 Committee Approved Budget. After all testimony has been received, Staff recommends the Council close the public hearing and begin deliberations as you so choose. Finally, Staff recommends that the City Council adopt the attached Budget Resolution for fiscal year 2011-12 (which includes the budget adjustments identified above), with amendments if any.

City of Keizer
Marion County, OR

COMMITTEE APPROVED BUDGET

Fiscal Year 2011-2012

CITY OF KEIZER

FISCAL YEAR 2011-2012

Lore Christopher
Mayor

Members of the Budget Committee

Council Members:	Public Members:
Lore Christopher, Mayor	JoAnne Beilke
Cathy Clark, President	Ronald Bersin
Mark Caillier	David Dempster
Joe Egli	Kim Freeman
David McKane	Joseph Gillis
Brandon Smith	Dale Henson
James Taylor	Sandi King

Chris Eppley, City Manager
Shannon Johnson, City Attorney

Management Team:

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

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

FISCAL YEAR 2011-12 BUDGET QUOTES ON DEMOCRACY

Democracy shows not only its power in reforming governments, but in regenerating a race of men and this is the greatest blessing of free governments.

Andrew Jackson

Democracy is not so much a form of government as a set of principles.

Woodrow Wilson

The experience of democracy is like the experience of life itself – always changing, infinite in its variety, sometimes turbulent and all the more valuable for having been tested by adversity.

Jimmy Carter

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BUDGET OVERVIEW

Welcome to the City of Keizer's Fiscal Year 2011-2012 Budget Document. This document was prepared to assist you in understanding the financial plan and operation of City government. It is the financial tool which enables the City to allocate its resources, a policy tool to communicate decisions to the staff and citizens, and a communication tool to express the goals and priorities for the next fiscal year. The staff uses the budget document as an accounting tool to ensure financial integrity and as a management audit tool to measure performance. In summary, this budget document will serve many purposes.

BASIS OF BUDGETING

The budget is prepared on a line-item basis. However, the budget is adopted by function within the General Fund and by object within all other funds. Generally, the budget is prepared on a modified accrual basis. Revenues are recognized when they become measurable and available, and expenses are budgeted when they are incurred. Enterprise Funds are budgeted on a full accrual basis (not only are expenses recognized when incurred, but revenues are also recognized when they are billed). This is essentially the same as the City's basis of accounting.

One exception is the treatment of depreciation in the Enterprise Funds. While the City reserves funds to replace equipment, depreciation is not shown in the budget, although the full price of equipment and capital improvements is, and the purchase of capital improvements is depreciated in the CAFR for Enterprise Funds. All appropriations lapse at fiscal year-end to the extent that they have not been expended or lawfully re-budgeted.

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

BUDGET PROCESS

This document was prepared under the guidelines set forth under Oregon's Local Budget Law. This law establishes the standard procedures for preparing, presenting, and administering the budget. It also requires citizen involvement in the preparation and public disclosure before final adoption. Staff works together with the Budget Committee to establish comprehensive financial policies, update the long-range financial plan, as well as a plan for funding basic service levels and meeting the cash flow needs of the City.

The budget process includes input at the department level. Each employee is asked to provide a "needs" assessment for his or her position. Priorities and alternatives are discussed with the department Director and after careful analysis, the projections are presented to the City Manager. Each Director discusses the departmental budget over a series of meetings. After final approval by the City Manager, the draft budget documents are prepared for presentation to the budget committee.

CITY OF KEIZER
FISCAL YEAR 2011-2012 BUDGET CALENDAR

Tuesday, April 12th	Notice of Budget Committee meeting on **City Budget** to Keizertimes for publication on April 15th and April 22nd for meeting on Tuesday, May 3rd at 6:00 p.m.
Tuesday, April 12th	Notice of Budget Committee meeting on **Urban Renewal Budget** to Keizertimes for publication on April 15th and April 22nd for meeting on Tuesday, May 10th at 6:00 p.m.
Wednesday, April 27th	**City Budget** Document distributed to Budget Committee
Tuesday, May 3rd	**Urban Renewal Budget** Document distributed to Budget Committee
Tuesday, May 3rd – 6:00 p.m.	**City Budget** Committee Meeting ◆ Introductions ◆ Election of City of Keizer Budget Committee Chair ◆ Approval of Budget Calendar ◆ Public Testimony ◆ Presentation of City of Keizer Budget Message ◆ Staff presentations & discussion of Administrative Services Fund ◆ Staff presentations & discussion of Public Works related Funds ◆ Staff presentations & discussion of Dedicated Funds

Thursday, May 5th– 6:00 p.m.	**City Budget** Committee Meeting
	◆ Public Testimony
	◆ Continuation of discussion from May 3rd as needed
	◆ Staff presentation & discussion of
	◆ Presentation and discussion of
	    ◆ General Fund long-range plan
	    ◆ General Fund operations

Tuesday, May 10th – 6:00 p.m.	**Urban Renewal Budget** Committee Meeting ◆ Election of Urban Renewal Budget Committee Chair ◆ Approval of Urban Renewal Budget Calendar ◆ Public Testimony ◆ Presentation of Keizer Urban Renewal District Budget Message ◆ Discussion of Urban Renewal Agency Budget
Tuesday, May 10th – after Urban Renewal Agency Budget (continued)	**City Budget** Committee Meeting ◆ Continuation of discussion from May 5th as needed ◆ Budget recommendations to Council and Urban Renewal Board
Tuesday, May 17th – 6:00 p.m.	Alternate meeting to complete **City** or **Urban Renewal Budgets** (if needed)
Tuesday, May 24th	Financial Summaries and notice of budget hearing in the Keizertimes for publication on Friday, May 27th.
Monday June 6th – 6:30 p.m.	Public hearing on **Urban Renewal Budget**. Board adoption of Budget.
Monday June 6th – 7:00 p.m.	Public hearing on **City Budget**. Council adoption of Budget.
Monday June 20th – 7:00 p.m.	Alternate public hearing on **City Budget** and/or **Urban Renewal Budget** (if needed)

ORGANIZATIONAL STRUCTURE

[redacted]

2011-2013 CITY COUNCIL GOALS

Adopted March 21, 2011

Short Term Goals

- Enhance E-Government Services
  - Research online bill pay opportunities
  - Website upgrade

- Increase Economic Development
  - Development an Advisory Committee to the City Council
  - Initiate Council Approved Recommendations from Events and Festivals Task Force
  - Integrate and Set Goals as identified in Keizer Compass Plan

- Create a Reserve Fund for Facility Maintenance to protect Civic Center initial investment

- Sunset the Urban Renewal District – Anticipate 2012 end date

- Develop a communication plan for community outreach on federal mandates – potential to initiate a town forum.

- Update City Council Rules and Procedures – Establish a Task Force

- Develop a new Keizer Heritage Agreement

- Identify the necessary level of service from the Police Department – Identify funding mechanism and opportunities.

- 30 year community event – citizen appreciation after 30 years of incorporation of a City and recognition of the Wallace House bicentennial

- Dedicate Transient Occupancy Tax to fund community engagement opportunities.

Long Term Goals

- Citizen Volunteer Plan
  - Integration in police programs
  - Integration in park programs
  - Community Outreach to encourage volunteer opportunities

- Parks – Identify funding mechanism to support level of service plan

- Fund Facility Reserve Fund

- Parks – Keizer Rapids Park Master Plan Update

- Explore and determine policy, direction for the Urban Growth Boundary

"PRIDE, SPIRIT, AND VOLUNTEERISM"

Motto of the City of Keizer

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

Some of the most prevalent and dedicated volunteers are the members of the City Council. Each of these seven elected officials volunteer numerous hours attending City Council meetings, work sessions, committee meetings, community gatherings, as well as meeting with residents to discuss concerns, ideas, and other important issues facing the community. As one Council member noted, "We really don't view ourselves as politicians, only neighbors who care about the community, working together as a team to do what is best for the citizens." During our 29-year history, Keizer has elected 5 Mayors and 35 individuals to serve as City Councilors.

Assisting the City Council in setting policy and guiding the future development of the community are many volunteers who serve on various boards and commissions. Such volunteers are members of the Planning Commission, Budget Committee, Keizer Urban Renewal Board, Bikeways Committee, Volunteer Coordinating Committee, Traffic Safety Commission, River Road Renaissance Advisory Committee, Keizer Points of Interest Committee, Storm Water Advisory Committee and the Parks and Recreation Advisory Board. Most of these Boards meet on a monthly basis gathering information and forming recommendations to assist the City Council in guiding the City. In addition to the various boards and commissions, the City Council regularly forms citizen task forces to assist with specific projects. During the last year, citizen groups have participated in the Keizer Rotary Amphitheatre operation, Good Vibrations Motorcycle Event, and a newly formed Events and Festivals Task Force.

Additionally, volunteerism has enriched our community in a number of other ways. The independently established Keizer Parks Foundation supports parks and recreation in the city of Keizer. This dedicated group of individuals has organized a community garden program benefiting the Keizer Community Food Bank, a Roving Recreation Summer Program for youth, and through their legacy donation program, provided funds for benches and trees to Keizer parks. Other community events that City volunteers have assisted in this year were the Sustainability Summit, Claggett Creek Watershed projects, and the second annual Mayor's Art Gala. Volunteers have also worked with City staff in the information technology area, records management, and police services. Services and projects such as these truly show the pride, spirit and volunteerism of our community.

A heartfelt thanks to all of those volunteers who have built a community of which every resident should be proud to be a part. Volunteerism in the City of Keizer is alive, healthy and growing.

THANK YOU KEIZER VOLUNTEERS!!!!

FINANCIAL POLICIES

General

- The City shall keep City government costs and services to a minimum by providing City services to the community in a coordinated, efficient and least cost fashion.

- The City shall commit existing resources to continue developing a proactive Police Department with a strong Community Policing philosophy.

- The City shall aggressively seek Federal funding and local donations to support its public safety initiatives.

Revenue

- Revenue forecasts are based on actual historical data adjusted for any known changes in the underlying assumptions.

- The City will strive to maintain a diversified and stable revenue system to shelter the government from short-run fluctuations in any one revenue source.

- The City shall collect revenues aggressively, including past due bills of any type.

- Restricted revenue will only be used for the purposes legally permissible and in a fiscally responsible manner.

- One-time revenue will be used for one-time expenses whenever possible. If one-time revenue is considered for ongoing expenditures the City will balance the need for the additional ongoing expenditure with the on-going ability to pay prior to approving the program.

- The City shall commit a minimum 2.5% of General Fund Budgeted Revenues (net grants and other dedicated revenues) to the operation and maintenance of its Park system.

- Due to the unpredictable long-term nature of Revenue Sharing Funds, Council has elected to appropriate only Capital Outlay and one-time expenditures to this fund.

- Fees, licenses, permits and fines shall be set to recover the City's direct expense in providing the related service. A fee shall be charged for any service that benefits limited interests within the community, except for basic, unavoidable human needs type services provided to persons with limited ability to pay.

- Utility fees will be based on the cost of providing the service so that operating revenues of each utility are at least equal to its operating expenditures, reserves, debt coverage and planned infrastructure replacement.

Fund Balance

- Fund balance in each of the City's operating funds is projected to ensure that there is adequate cash on hand to meet the expected cash flow needs for that fund.

- The General Fund's ending fund balance is projected to ensure that there is adequate cash on hand to meet the expected cash flow needs from July until November when the bulk of the property tax revenue is received. In general ending fund balance is projected at 15% of annual revenues.

Accounting Policies

- The City shall establish and maintain a system of internal controls that is designed to provide reasonable assurance that the City is achieving the following objectives:
    - Effective and efficient operations,
    - Reliable and accurate financial information,
    - Compliance with applicable laws and regulations, and safeguarding assets against unauthorized acquisition, use or disposition.

- The financial system shall be used as the means of recording and reporting financial transactions in a way that will assist users in assessing the service efforts, costs and accomplishments of the City.

- The City will establish and maintain only those funds that are necessary by law and for sound financial management.

- The City shall annually prepare and publish, by December 31st of each year, a Comprehensive Annual Financial Report (CAFR) in conformity with generally accepted accounting principles.

- In accordance with Oregon State law, the City shall hire an independent external auditor to perform an annual audit of the financial statements, including tests of the system of internal controls.

- The City shall prepare and adopt an annual budget by June 30th of each year.

- The City shall invest funds subject to arbitrage regulations, Bond Indenture requirements, and the Prudent Person Rule which states that "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

- General Obligation Debt issued by the City shall not exceed three percent of the total assessed value of property in the City, in accordance with Oregon State law (ORS 287.004).

- The City shall follow State adopted guidelines in setting fines and forfeiture amounts.

* Where applicable, the City of Keizer's financial policies are adhered to in administering the Keizer Urban Renewal Agency

CITY OF KEIZER HISTORY

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

Presently, at a population of greater than 36,250, Keizer is the 14th largest city in Oregon. It is nestled in the center of the Willamette Valley and is recognized as the "*Iris Capital of the World*." The City is bordered on the western edge by the Willamette River, southern edge by the City of Salem, eastern edge by Interstate 5, and the northern edge by rural portions of Marion County. In the 1990's, the City experienced a rapid amount of new residential building and growth, establishing Keizer as one of the fastest growing cities in Oregon. In spite of this growth, the community continues to preserve its small-town pride by supporting the largest volunteer youth baseball program in Oregon and community-wide events, such as the Keizer Iris Festival and the annual Miracle of Christmas lighting display. Opening for the first season in 1997, the Keizer Stadium is home to the Volcanoes, a Minor League baseball team affiliated with the San Francisco Giants.

The City of Keizer has 19 community and neighborhood parks, which includes the Keizer Little League Park. In addition, the City, in conjunction with Marion County, the City of Salem and other regional partners are in the process of developing a large regional park (Keizer Rapids Park) along the banks of the Willamette that will provide more and more incredible opportunities for residents to recreate and connect with this Heritage River as development continues to occur. Keizer Rapids Park is the home of an enormously popular off-leash dog park that is used year round and a 400-seat amphitheatre recently built by volunteers and given to the City as our newest amenity for residents to enjoy. The combined value of the dog park and amphitheatre is estimated at $450,000.

In the summer of 1999, a 20,000 square foot skate park was opened. The Carlson Skate Park was constructed largely by volunteer labor and donations.

Volunteers provide a great and active asset to the City. For example, the Keizer Rotary Club often donates time and materials to construct park shelters, big toys, and the like throughout our park system.

2010 marked the grand opening of the new City Hall / Police Department / Community Center that will be a jewel for the community. This building is 68,500 square feet and includes the 9,000 square foot community center which is available to the public for community use. It is a LEED (Leadership in Energy Efficient Design) Silver credentialed building and is designed to meet our organizational growth needs for at least 20-years.

The City of Keizer operates under a Council-Manager form of government. The City Council consists of a Mayor and six Councilors. The City Manager is the administrative head of City government and is appointed by the City Council. There are nearly 100 City employees working in seven departments: Administration, Finance, Human Resources, Public Works, Community Development, Municipal Court and Police Services.

The water supply for the City of Keizer is provided by a series of underground wells. Keizer sits on one of the largest aquifers on the Northwest coast. Since 1983, water service connections have grown from 5,200 to over 13,000 services and in 1998 the first water reservoir was constructed. On an average, the City uses approximately 3 million gallons of water per day.

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

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

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

City of Keizer

April 26, 2011

Honorable Mayor Christopher
City Councilors
Budget Committee
Citizens of Keizer

I am pleased to present the fiscal year 2011-12 Manager Recommended Budget.

Since incorporating in 1982 the City of Keizer (the "City") has embraced the philosophy that the City should keep costs and services to a minimum by providing City services to the community in a coordinated, efficient and least cost fashion. This philosophy has enabled the City to continue to provide basic services, such as public safety and community development, while maintaining the City's infrastructure (park, street, water, sewer and storm water) at a time when other Cities have been forced to make drastic cuts in response to the challenging economic environment facing our country. During fiscal year 2010-11, the City continued to experience the challenging economic environment that began during fiscal year 2009-10. Consistent with 2009-10 the City experienced a greater than anticipated decline in several key sources of revenue.

The continued decline has forced the City to continue with the cost reduction measures first implemented during the last half of fiscal year 2009-10 which included cuts in travel and training, non-emergency related overtime and nonessential services and programs and to continue the salary freeze for non-represented employees that took effect in fiscal year 2010-11. In addition to those cost reduction measures the City laid off two additional administrative employees and held three police officer positions vacant through attrition. These expense reductions have been incorporated into the 2011-12 Manager Recommended Budget.

The following is a summary of the financial highlights of the 2011-12 fiscal year budget.

Revenues

Excluding the one-time revenue associated with selling certain real estate the City is expecting revenues to increase approximately 3% in fiscal year 2011-12 as compared to fiscal year 2010-11. The increase is attributed to an increase in property taxes and charges for services. Other revenue sources are expected to remain consistent with the prior year.

Property Taxes

Property tax revenues are the General Fund's single most important revenue source and support operating programs such as Police, Municipal Court, Parks, Community Development and Administration. The City has a permanent tax rate of $2.0838 per $1,000 of assessed value, and cannot be increased under the current Oregon law. The City is expecting property tax revenue to increase approximately 3% in fiscal year 2011-12 as compared to 2010-11. This increase is attributed to an increase in the assessed value plus new development.

Charges for Services

Charges for services are expected to increase approximately 1.4%. The increase is attributed to the City implementing a 3% water rate increase and the City of Salem who manages the City's sewer infrastructure implementing a 2% sewer rate increase. Both go into effect January 2012.

Expenditures

In total the City's expenditures are expected to increase approximately 21% or $5.2 million. The increase is primarily attributed to capital outlay which is expected to increase $2.6 million and debt service which is expected to increase $1.5 million as described below.

Personnel Services

Personnel Services includes employee salaries and wages, retirement benefits and health and welfare benefits. The City anticipates a $75k or 2% decrease in personnel service expense in fiscal year 2011-12 as compared to fiscal year 2010-11.

Salaries and Wages

Employee salary and wages comprise the largest category of personnel services. Salaries and wages are expected to decrease $150k or 2.5% in fiscal year 2011-12 as compared to fiscal year 2010-11.

The City is subject to collective bargaining agreements with the Keizer Police Association ("KPA") and the Laborers International Union of North America, Local 320 ("Local 320"). In accordance with those collective bargaining agreement's salaries and wages for employees who are members of the KPA is set to increase 2% and for employees who are members of the Local 320 will increase 1.8%. The KPA membership voted to forgo this increase as a cost saving measure to the Police Department budget. This resulted in a reduction of $55k to the Police Department's Personnel Service budget. The City is in similar negotiations with the Local 320. A 1.8% salary increase costs the city over $13k in total personnel service costs. During fiscal year 2010-11, 3 police officer positions became vacant through attrition resulting in a savings of $115k. These positions will remain vacant during 2011-12, which would have cost the City $280k in fiscal year 2011-12.

For employees not subject to the provisions of a collective bargaining agreement salaries and wages will not be adjusted but remain at the rates that went into effect July 1, 2009. In addition the City will be eliminating two administrative positions which will save the City an expected $170k in salaries, wages and benefits.

This will reduce the employee headcount from 93 during fiscal year 2010-11 to 91 in fiscal year 2011-12.

Retirement Benefits

Retirement benefits provided to City employees are remaining the same but the cost of those benefits will increase $160k in fiscal year 2011-12 as compared to fiscal year 2010-11. The primary reason for the increase in the cost of retirement benefits is that the Public Employees Retirement System (PERS), in which substantially all of the City's employees participate in, is increasing their employer contribution rates.

Health and Welfare Benefits

Health and welfare benefits provided to city employees will remain the same however the cost to provide those benefits is expected to increase 9% in fiscal year 2011-12 as compared to fiscal year 2010-11. The increase in the cost of health and welfare benefits is due to premium increases implemented by the City's third party service providers and are in line with overall industry trends. Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In fiscal year 2011-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums saving the City approximately $35k. Represented employees will continue to pay 5%.

The City is limited in its ability to eliminate or reduce specific health and welfare benefits provided as doing so would be a violation of the terms of the collective bargaining agreement for represented employees. In addition given the total number of employees, creating separate health and welfare benefit packages for unrepresented employees in which the specific benefits could be modified would likely result in increased administrative costs that would offset any potential premium expense savings.

Materials and Services

Materials and services are expected to increase $0.9 million from $8.1 million in fiscal year 2010-11 to $9.0 million in fiscal year 2011-12. Approximately $0.4 million of the increase is due to implementing an energy efficiency and housing improvement program that will loan out money to low income homeowners for specific improvements. This program is funded by available cash on hand received from Federal Grants.

Capital Outlay

Capital outlay costs are expected to increase $2.6 million from $2.1 million in fiscal year 2010-11 to $4.7 million in fiscal year 2011-12. The increase is due to a $1.2 million increase in street related capital improvements including street resurfacing and signal upgrades. These improvements are being funded by available cash on hand received from the State Fuel Tax which is legally restricted and can only be used for street related projects. The remaining increase in capital outlay is associated with I-5/Chemawa southbound intersection improvement project. This project is being funded by available cash on hand received from system development fees collected in previous years and is legally restricted to fund this type of project.

Debt Service

Payments of principal and interest on the City's debt obligations is expected to increase by $1.5 million from $1.8 million in fiscal year 2010-11 to $3.3 million in fiscal year 2011-12.. The increase is due to a $1.5 million principal payment on the Keizer Station Local Improvement District bond. This payment is funded by assessments owed by the property owners in the Keizer Station Local Improvement District. The assessment proceeds are legally restricted and can only be used to pay off the associated debt.

Like fiscal year 2010-11, fiscal year 2011-12 will continue to present the City with a challenging economic environment in which to operate. However the budget presented will ensure the City operates in a financially stable manner.

We would like to compliment and thank everyone involved in the development of the fiscal year 2011-12 Adopted Budget. We appreciated the thoughtfulness in which the Mayor, City Councilors, and Budget Committee take in reviewing this document, the important questions they ask and the requests for detail needed to understand and appreciate the City services and to provide a document that is easily read by the citizens we serve.

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

Respectfully submitted,

Chris Eppley
City Manager

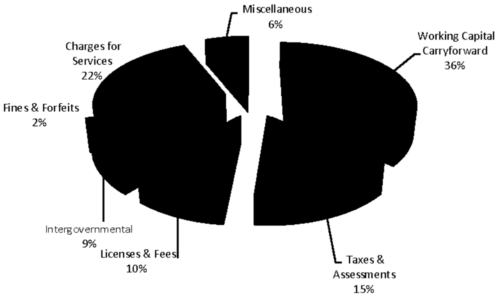
Susan Gahlsdorf
Budget Officer

ALL FUNDS COMBINED

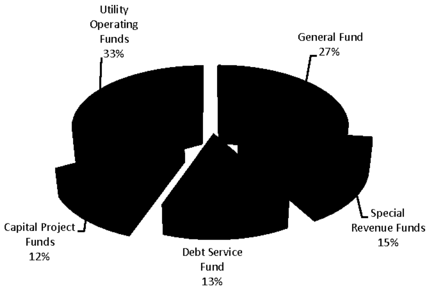
ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				RESOURCES				
$ 14,281,450	$ 12,951,884	$ 10,866,900	$ 11,312,100	***Working Capital Carryforward***	$ 12,579,800	$ 12,579,800		11.21%
4,550,726	4,721,002	4,817,300	4,561,300	Taxes & Assessments	5,175,700	5,175,700		13.47%
3,143,201	3,254,108	3,555,400	3,383,600	Licenses & Fees	3,366,500	3,366,500		-0.51%
2,900,727	2,946,553	2,986,800	3,032,700	Intergovernmental	3,011,200	3,004,200		-0.94%
618,026	731,464	555,000	579,300	Fines & Forfeits	558,800	558,800		-3.54%
7,087,288	7,298,248	7,713,200	7,383,000	Charges for Services	7,598,700	7,589,400		2.80%
2,113,084	1,843,803	2,660,000	2,437,700	Miscellaneous	2,193,100	2,193,100		-10.03%
2,532,113	580,059	707,600	707,600	Transfers In	831,500	831,500		17.51%
$ 37,226,615	$ 34,327,121	$ 33,862,200	$ 33,397,300	**TOTAL RESOURCES**	$ 35,315,300	$ 35,299,000		5.69%
				REQUIREMENTS				
				EXPENDITURES				
$ 8,034,633	$ 7,016,643	$ 8,766,400	$ 8,619,400	Personnel Services	$ 8,590,100	$ 8,580,900		-0.45%
8,145,672	9,168,361	8,864,200	8,115,000	Materials & Services	8,986,800	8,985,600		10.73%
3,686,353	2,013,966	5,578,200	1,623,500	Capital Outlay	5,324,300	5,324,300		227.95%
1,875,955	4,235,415	2,772,300	1,772,300	Debt Service	4,108,300	4,108,300		131.81%
-	-	316,400	-	Contingency	367,800	362,000		
$ 21,742,613	$ 22,434,385	$ 26,297,500	$ 20,130,200	**TOTAL EXPENDITURES**	$ 27,377,300	$ 27,361,100		35.92%
2,532,116	580,059	707,600	707,600	Transfers Out	831,500	831,500		17.51%
				FUND BALANCE				
4,250,757	2,720,710	4,028,500	4,588,500	Restricted Fund Balance	3,954,900	3,954,900		-13.81%
8,701,129	8,591,967	2,828,600	7,971,000	Unrestricted Ending Fund Balances	3,151,600	3,151,500		-60.46%
$ 12,951,886	$ 11,312,677	$ 6,857,100	$ 12,559,500	**TOTAL FUND BALANCE**	$ 7,106,500	$ 7,106,400		-43.42%
$ 37,226,615	$ 34,327,121	$ 33,862,200	$ 33,397,300	**TOTAL REQUIREMENTS**	$ 35,315,300	$ 35,299,000		5.69%

CITY OF KEIZER
ALL FUNDS - ALLOCATION OF RESOURCES
FISCAL YEAR 2011-2012

Resources



Expenditures



ALL OPERATING FUNDS

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTE
				RESOURCES				
$ 6,020,405	$ 4,099,732	$ 4,227,400	$ 4,574,500	***Working Capital Carryforward***	$ 5,629,000	$ 5,629,000		23.05%
3,866,307	3,987,591	4,042,900	4,048,600	Taxes & Assessments	4,104,900	4,104,900		1.39%
3,037,216	3,037,545	3,443,400	3,231,700	Licenses & Fees	3,233,900	3,233,900		0.07%
2,809,421	2,773,764	2,891,800	3,031,600	Intergovernmental	2,961,200	2,954,200		-2.55%
618,026	731,464	555,000	579,300	Fines & Forfeits	558,800	558,800		-3.54%
7,052,282	7,248,748	7,687,900	7,365,000	Charges for Services	7,581,900	7,572,600		2.82%
391,386	265,579	1,102,800	1,005,100	Miscellaneous	134,100	134,100		-86.66%
575,652	424,699	507,600	507,600	Transfers In	581,500	581,500		14.56%
$ 24,370,695	$ 22,569,122	$ 24,458,800	$ 24,343,400	**TOTAL RESOURCES**	$ 24,785,300	$ 24,769,000		1.75%
				REQUIREMENTS				
				EXPENDITURES				
$ 8,034,633	$ 7,016,643	$ 8,766,400	$ 8,619,400	Personnel Services	$ 8,590,100	$ 8,580,900		-0.45%
7,968,281	9,161,389	8,859,200	8,108,700	Materials & Services	8,946,800	8,945,600		10.32%
1,492,024	803,319	1,762,400	793,400	Capital Outlay	2,140,000	2,140,000		169.73%
443,109	441,995	505,600	505,600	Debt Service	439,600	439,600		-13.05%
-	-	316,400	-	Contingency	367,800	362,000		
$ 17,938,047	$ 17,423,346	$ 20,210,000	$ 18,027,100	**TOTAL EXPENDITURES**	$ 20,484,300	$ 20,468,100		13.54%
2,332,914	570,841	707,600	707,600	Transfers Out	831,500	831,500		17.51%
				FUND BALANCE				
3,900	-	1,085,300	1,053,300	Restricted Fund Balance	1,026,200	1,026,200		-2.57%
4,095,834	4,574,935	2,455,900	4,555,400	Unrestricted Ending Fund Balances	2,443,300	2,443,200		-46.37%
$ 4,099,734	$ 4,574,935	$ 3,541,200	$ 5,608,700	**TOTAL FUND BALANCE**	$ 3,469,500	$ 3,469,400		-38.14%
$ 24,370,695	$ 22,569,122	$ 24,458,800	$ 24,343,400	**TOTAL REQUIREMENTS**	$ 24,785,300	$ 24,769,000		1.75%

ALL NON-OPERATING FUNDS

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ 8,261,045	$ 8,852,152	$ 6,639,500	$ 6,737,600	***Working Capital Carryforward***	$ 6,950,800	$ 6,950,800		3.16%
2	684,419	733,411	774,400	512,700	Taxes & Assessments	1,070,800	1,070,800		108.86%
3	105,985	216,563	112,000	151,900	Licenses & Fees	132,600	132,600		-12.71%
4	91,306	172,789	95,000	1,100	Intergovernmental	50,000	50,000		4445.45%
5	-	-	-	-	Fines & Forfeits	-	-		
6	35,006	49,500	25,300	18,000	Charges for Services	16,800	16,800		-6.67%
7	1,721,698	1,578,224	1,557,200	1,432,600	Miscellaneous	2,059,000	2,059,000		43.72%
8	1,956,461	155,360	200,000	200,000	Transfers In	250,000	250,000		25.00%
9	$ 12,855,920	$ 11,757,999	$ 9,403,400	$ 9,053,900	**TOTAL RESOURCES**	$ 10,530,000	$ 10,530,000		16.30%
10									
11					**REQUIREMENTS**				
12									
13					***EXPENDITURES***				
14	$ -	$ -	$ -	$ -	Personnel Services	$ -	$ -		
15	177,391	6,972	5,000	6,300	Materials & Services	40,000	40,000		534.92%
16	2,194,329	1,210,647	3,815,800	830,100	Capital Outlay	3,184,300	3,184,300		283.60%
17	1,432,846	3,793,420	2,266,700	1,266,700	Debt Service	3,668,700	3,668,700		189.63%
18	-	-	-	-	Contingency	-	-		
19	$ 3,804,566	$ 5,011,039	$ 6,087,500	$ 2,103,100	**TOTAL EXPENDITURES**	$ 6,893,000	$ 6,893,000		227.75%
20									
21	199,202	9,218	-	-	Transfers Out	-	-		
22									
23					***FUND BALANCE***				
24	4,246,857	2,720,710	2,943,200	3,535,200	Restricted Fund Balance	2,928,700	2,928,700		-17.16%
25	4,605,295	4,017,032	372,700	3,415,600	Unrestricted Ending Fund Balances	708,300	708,300		-79.26%
26	$ 8,852,152	$ 6,737,742	$ 3,315,900	$ 6,950,800	**TOTAL FUND BALANCE**	$ 3,637,000	$ 3,637,000		-47.68%
27									
28	$ 12,855,920	$ 11,757,999	$ 9,403,400	$ 9,053,900	**TOTAL REQUIREMENTS**	$ 10,530,000	$ 10,530,000		16.30%

GENERAL FUND

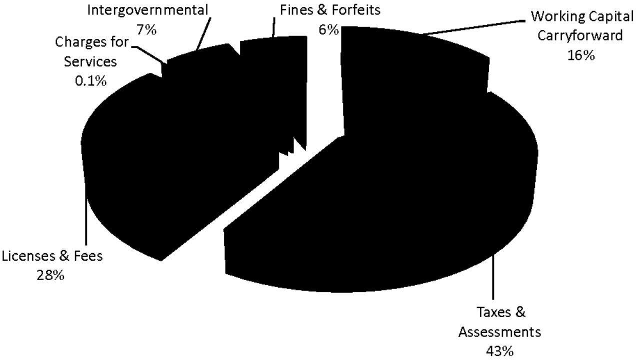
The General Fund is the chief operating fund of the city and accounts for all financial resources except those required to be accounted for in another fund. Principal sources of revenue are property taxes, franchise fees, and intergovernmental revenues such as Cigarette and Liquor Tax.

A General Fund looks different from City to City. For example, the Parks Department could be a separate district in some cities. In Keizer, the General Fund's primary expenditures are for Public Safety, Park Operations, Community Development and General Government. Beginning in FY09-10, the City's administrative costs are tracked through an internal services fund. The General Fund pays its share of these costs through Charges for Services from the City's Administrative Services Fund.

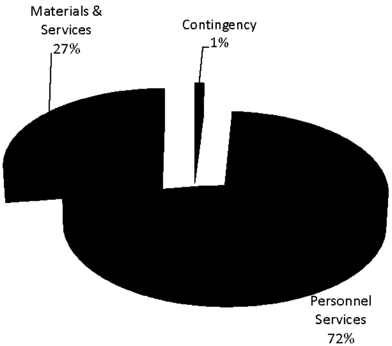
GENERAL FUND SUMMARY

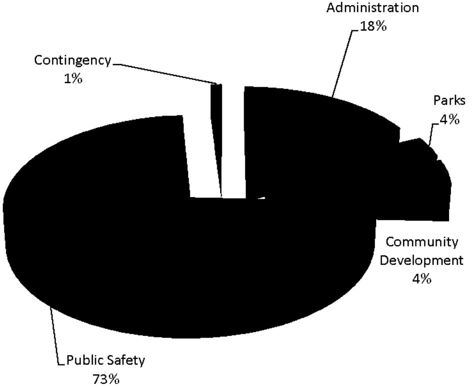
ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				RESOURCES				
$ 2,291,256	$ 1,435,308	$ 1,286,900	$ 1,514,300	***Working Capital Carryforward***	$ 1,385,900	$ 1,385,900		-8.48%
3,423,834	3,531,180	3,588,100	3,591,600	Taxes & Assessments	3,683,200	3,683,200		2.55%
2,444,021	2,449,034	2,652,600	2,424,200	Licenses & Fees	2,425,300	2,425,300		0.05%
761,439	695,225	679,300	693,600	Intergovernmental	575,200	568,200		-18.08%
618,026	731,464	555,000	579,300	Fines & Forfeits	558,800	558,800		-3.54%
110	699	5,000	5,000	Charges for Services	5,000	5,000		0.00%
209,235	161,703	86,400	75,900	Miscellaneous	62,700	62,700		-17.39%
1,105	-	6,700	6,700	Transfers In	83,500	83,500		1146.27%
$ 9,749,026	$ 9,004,613	$ 8,860,000	$ 8,890,600	**TOTAL RESOURCES**	$ 8,779,600	$ 8,772,600		-1.33%
				REQUIREMENTS				
				EXPENDITURES				
$ 6,018,026	$ 5,322,164	$ 5,443,900	$ 5,317,500	Personnel Services	$ 5,280,800	$ 5,280,800		-0.69%
1,376,678	1,843,934	1,916,200	1,915,900	Materials & Services	2,026,900	2,025,700		5.73%
47,435	73,089	-	-	Capital Outlay	-	-		
-	-	74,200	-	Contingency	75,000	69,200		
$ 7,442,139	$ 7,239,187	$ 7,434,300	$ 7,233,400	**TOTAL EXPENDITURES**	$ 7,382,700	$ 7,375,700		1.97%
$ 871,577	$ 250,900	$ 290,400	$ 290,400	***TRANSFERS OUT***	$ 287,500	$ 287,500		-1.00%
				FUND BALANCE				
-	-	8,400	-	Restricted	-	-		
1,435,310	1,514,526	1,126,900	1,366,800	Unrestricted Ending Fund Balances	1,109,400	1,109,400		-18.83%
$ 9,749,026	$ 9,004,613	$ 8,860,000	$ 8,890,600	**TOTAL REQUIREMENTS**	$ 8,779,600	$ 8,772,600		-1.33%

CITY OF KEIZER
GENERAL FUND RESOURCES
FISCAL YEAR 2011-12



CITY OF KEIZER
GENERAL FUND EXPENDITURES
FISCAL YEAR 2011-12





4/25/2011

CITY OF KEIZER
2011-2012 Property Tax Revenue Estimates

	City Property Tax Revenues	**2010-11 Actual Tax Revenues**	**2011-12 Estimated Tax Revenues 103.2%**
1	District Assessed Value	$2,066,274,196	$2,131,764,529
2	Urban Renewal Increment (see below)	(292,212,570)	(300,913,927)
3	District Net Value w/o Urban Renewal	$1,774,061,626	$1,830,850,602
4			
5	Permanent Tax Rate per $1,000	$2.0838	$2.0838
6			
7	Gross Property Tax Revenues	$3,696,790	$3,815,126
8	Penalties/Compression/Adjustments	252	260
9			
10	Property Tax Revenues	$3,697,042	$3,815,387
11	Uncollectables and Discounts	($284,342)	(312,521)
12			
13	Net Anticipated Tax Collected	$3,412,700	$3,502,866
14	2010--11 Tax Revenues		3,412,700
15	Increase over 2010-11 Revenues		$90,166
16			

17	**Urban Renewal Tax Increment Revenues**		**2011-12 Estimated Tax Revenues 103.0%**
18	Assessed Value inside Keizer's Plan Area	$337,541,163	
19	Assessed Value (frozen)	45,328,593	
20	Increment Value	$292,212,570	$300,913,927
21			
22	Tax Rate per $1,000 Increment Value	$14.3501	$14.3501
23	Adjustments	(1,263)	
24	Division of Tax Revenues	$4,192,017	$4,318,145
25	Uncollectables and Discounts	(313,917)	(344,953)
26	Net Anticipated Tax Collected	$3,878,100	$3,973,192

1 Assessed Value as of February 2011 provided by Marion County Assessor's Office
2 Urban Renewal assessed Value as of February 2011 provided by Marion County Assessor's Office

Comparative Tax Rate & FTE by City

FY 2010 - 2011

Jurisdiction	Pop	City Tax Rate/$1,000	Fire District Tax Rate/$1,000	Park & Rec Tax Rate/$1,000	Total FTE	FTE/1,000 Residents	Total Tax Rate
Roseburg	21,790	8.4774	1.2746		161.3	7.4	9.7520
Beaverton	87,440	5.7168	1.7752	1.3073	552.0	6.3	8.7993
Klamath Falls	21,480	5.4423	2.8822		240.0	11.2	8.3245
Woodburn	23,150	6.4437	1.8285		189.34	8.1	8.2722
Albany	49,530	8.0584			424.9	8.6	8.0584
Pendleton	17,545	7.5446			137.5	7.8	7.5446
La Grande	13,085	7.4392			123.0	9.4	7.4392
Forest Grove	21,770	5.7168	1.4339		160.7	7.4	7.1507
Milwaukie	20,930	4.0681	2.4678	0.5382	243.0	11.6	7.0741
Eugene	157,845	7.0058			1467.3	9.3	7.0058
Oregon City	30,995	4.2817	2.4678		276.6	8.9	6.7495
Redmond	25,945	6.1643		0.3717	194.0	7.5	6.5360
Sherwood	16,705	3.9997	1.8852		121.3	7.3	5.8849
Salem	157,460	5.8300			1,194.9	7.6	5.8300
Mcminnville	32,930	5.7424			200.4	6.1	5.7424
Newberg	23,570	4.6947		0.9076	166.55	7.2	5.6023
Lake Oswego	36,845	5.5804			355.8	9.7	5.5804
Hillsboro	91,215	5.3865			689.0	7.6	5.3865
Medford	77,485	5.2900			482.0	6.2	5.2900
The Dalles	13,430	3.0155	2.1004		134.0	10.0	5.1159
Corvallis	55,370	5.1067			451.3	8.2	5.1067
Springfield	58,575	4.7403			437.5	7.5	4.7403
Tigard	47,595	2.7267	1.8852		291.6	6.1	4.6119
Wilsonville	18,095	2.6917	1.8852		211.9	11.7	4.5769
Tualatin	26,160	2.5317	1.8852		150.9	5.8	4.4169
West Linn	24,455	2.4522	1.8852		175.1	7.2	4.3374
Ashland	21,460	4.2865			250.2	11.7	4.2865
Bend	83,125	2.8035		1.4565	455.0	5.5	4.2600
Grants Pass	33,225	4.1335			238.8	7.2	4.1335
Keizer	***36,295***	***2.0838***	***1.6054***		***116.5***	***3.2***	***3.6892***
Average FTE						**8.1**	
Average Tax Rate for All Listed Cities							**6.0433**

Note:Tax rate calculation does not take into account Roadway Districts, Water Districts, Library Districts, or Port Authorities, which exist in a number of the above referenced cities.

Note: Source Documents include: 2010-2011 Tax Roll from County Assessor for Benton, Clackamas, Deschutes, Douglas, Jackson, Klamath, Lane, Linn, Marion, Multnomah, Union, Wasco, Washington, and Yamhill Counties
2010-11 Budget Documents for all listed Cities and Fire Districts (FTE data)

Note: Keizer FTE not reduced to reflect 3 layoffs. With reduction to 113.5, the FTE per 1,000 would be 3.1

GENERAL FUND

GENERAL SUPPORT RESOURCES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1	$ 2,270,645	$ 1,402,554	$ 1,089,000	$ 1,324,400	***Working Capital Carryforward***	$ 1,366,800	$ 1,366,800		3.20%
2									
3					***TAXES***				
4	$ 68,917	$ 61,190	$ 57,600	$ 59,400	Hotel/Motel Tax	$ 57,700	$ 57,700		-2.86%
5	132,886	143,719	112,500	119,500	Prior Year Taxes	122,600	122,600		2.59%
6	3,222,031	3,326,271	3,418,000	3,412,700	Tax Base	3,502,900	3,502,900		2.64%
7	$ 3,423,834	$ 3,531,180	$ 3,588,100	$ 3,591,600	TOTAL TAXES	$ 3,683,200	$ 3,683,200		2.55%
8									
9					***LICENSES & FEES***				
10	$ 269,339	$ 254,978	$ 260,100	243,500	Salem Electric Franchise Tax	$ 243,500	$ 243,500		0.00%
11	672,937	723,336	739,000	677,600	PGE Franchise Tax	706,000	706,000		4.19%
12	446,971	370,970	396,600	358,500	NW Natural Franchise Tax	353,100	353,100		-1.51%
13	114,424	91,423	75,900	74,700	Telephone Franchise Tax	59,800	59,800		-19.95%
14	336,504	364,395	361,300	380,100	Cable Television Franchise Tax	380,100	380,100		0.00%
15	103,914	106,840	112,100	105,800	Loren's Sanitation Franchise Tax	105,800	105,800		0.00%
16	80,500	79,930	78,700	83,500	Valley Recycling Franchise Tax	83,500	83,500		0.00%
17	133,947	130,406	133,800	123,600	Water Sales Assessments	127,500	127,500		3.16%
18	239,853	249,064	372,600	269,700	Sewer License Fee	256,100	256,100		-5.04%
19	-	-	52,400	40,100	Storm Water Franchise Tax	37,800	37,800		-5.74%
20	-	-	11,300	11,300	Wireless Franchise Tax	10,000	10,000		-11.50%
21	2,420	2,490	2,400	2,400	Liquor Licenses	2,400	2,400		0.00%
22	16,216	18,874	20,800	22,500	Lien Search Fee	22,500	22,500		0.00%
23	$ 2,417,025	$ 2,392,706	$ 2,617,000	$ 2,393,300	Total Licenses & Fees	$ 2,388,100	$ 2,388,100		-0.22%

Notes:

6 Property values are expected to increase 3.2% to reflect increases in assessed value and new development, less 8.2% for uncollected taxes. According to Marion County, Keizer's value seem to hold up better than Salem for FY11-12. Salem also has more Urban Renewal areas and greater compression. Keizer had big growth with the Old Navy store, $1.7 million, and new apartment at 1124 McGee Ct., $3.6 million in RMV.

9 FY11-12 License & Fee projections anticipate revenues to be equal to FY10-11 projections, except as noted below.

11 PGE increased their rates an estimated 4.2% effective January 2011.

12 NW Natural decreased their rates an estimated 1.5% effective November 2010. This decrease will impact FY11-12 revenues. The revenue decline in FY10-11 reflects a decrease in consumption likely caused by housing vacancies, a mild winter & conservation related to the economic downturn.

13 Telephone franchise revenues continue to decline as more users switch from landlines to cellular phones which are not subject to franchise tax. FY11-12 revenue projections are based on a 20% reduction over FY10-11 projected revenues, consistent with the current downward trend.

14 Cable Television Franchise Taxes are fees assessed on Comcast cable television bills. Regarding the healthy revenue increases: "Our results mark the third consecutive quarter of accelerating growth in revenue and operating cash flow, driven by overall customer growth, a robust advertising market and continued strength in business services," Brian L. Roberts, the company's chairman and chief executive officer, said in a statement. www.philly.com 10/27/10.

GENERAL FUND

GENERAL SUPPORT RESOURCES

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				INTERGOVERNMENTAL				
$ -	$ 5,000	$ 5,000	$ 5,000	Peer Court JABG Grant	$ 5,000	$ 5,000		0.00%
56,286	52,941	55,700	51,800	Cigarette Tax	50,900	50,900		-1.74%
432,265	408,357	419,500	415,000	Liquor Tax	365,900	365,900		-11.83%
8,019	-	-	-	FEMA Reimbursement	-	-		
$ 496,570	$ 466,298	$ 480,200	$ 471,800	Total Intergovernmental	$ 421,800	$ 421,800		-10.60%
				MISCELLANEOUS				
$ 733	$ 300	$ -	$ 400	KARE Donations	-	-		-100.00%
-	400	-	-	EVAK Donations	-	-		
11,015	2,718	5,500	5,700	Peer Court Donations & Diversion Fees	6,300	6,300		10.53%
47,275	42,390	44,100	36,800	Stadium Rent	29,400	29,400		-20.11%
68,622	7,165	6,200	4,400	Interest	2,000	2,000		-54.55%
353	-	-	-	Rentals	-	-		
9,327	9,425	9,400	9,400	Cell Tower Rent	9,400	9,400		0.00%
2,500	3,890	-	-	Art Walk Revenue	-	-		
144	1,980	700	400	Systems Development Admin Fee - Sewer	400	400		0.00%
3,959	10,564	3,300	2,300	Systems Development Admin Fee - Parks	2,800	2,800		21.74%
23,649	8,902	2,000	4,300	Miscellaneous Revenue	4,300	4,300		0.00%
$ 167,577	$ 87,734	$ 71,200	$ 63,700	Total Miscellaneous	$ 54,600	$ 54,600		-14.29%
				TRANSFERS IN				
$ 1,105	$ -	$ -	$ -	Transfer from Transportation Fund	$ -			
-	-	-	-	Transfer from Community Center Fund	75,000	75,000		
-	-	6,700	6,700	Transfer from Revenue Sharing Fund	8,500	8,500		26.87%
$ 1,105	$ -	$ 6,700	$ 6,700	Total Transfers	$ 83,500	$ 83,500		1146.27%
$ 8,776,756	$ 7,880,472	$ 7,786,500	$ 7,851,500	**TOTAL RESOURCES**	$ 7,998,000	$ 7,998,000		1.87%

Notes:

34 Peer Court Donations & Diversion Fees

	FY10-11		FY11-12
Keizer United	1,500		2,500
Keizer Rotary	1,000		-
Diversion	2,500	(based on FY09-10 receipts)	3,400
Fundraising	500		400
	5,500		6,300

35 Stadium rent is 5% of ticket sales and 20% of parking lot fees.

36 City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

41 The Park SDC fee is based on 20 residential fees anticipated in FY11-12.

42 Miscellaneous revenues include one-time revenues that are not characterized by line-item descriptions. In FY08-09 PERS refunded the City $16,000 for overpayments on retirement contributions.

47 The transfer from the Community Center Fund utilizes revenue earned for on-going operating costs paid from the General Fund.

GENERAL FUND

GENERAL SERVICES

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				RESOURCES				
$ 1,666,941	$ 1,331,356	$ 1,526,700	$ 1,472,700	**GENERAL SUPPORT**	$ 1,671,100	$ 1,663,900		12.98%
				REQUIREMENTS				
				PERSONNEL SERVICES				
$ 33,349	$ -	$ -	$ -	City Manager (2)	$ -	$ -		
28,915	-	-	-	Assistant to City Manager (4)	-	-		
47,135	-	-	-	City Recorder (5)	-	-		
84,599	-	-	-	Administrative Support Staff (5)-(7)	-	-		
38,943	-	-	-	Network Administrator (4)	-	-		
57,095	-	-	-	Human Resources Director (6)	-	-		
20,417	-	-	-	Finance Director (7)	-	-		
8,387	-	-	-	Facility Maintenance Worker (8)	-	-		
21	-	-	-	Overtime (3), (5), (6), (7)	-	-		
2,576	-	-	-	Vehicle Allowance/Tuition Assistance (2)	-	-		
1,415	-	-	-	Cell Phone Stipend	-	-		
5,047	-	-	-	Medicare (2)-(8)	-	-		
56,007	-	-	-	Retirement (2)-(8)	-	-		
51,025	(957)	-	-	Insurance Benefits (2)-(8)	-	-		
401	-	-	-	Workers Compensation (2)-(8)	-	-		
$ 435,332	$ (957)	$ -	$ -	TOTAL PERSONNEL SERVICES	$ -	$ -		

Notes:

5 Personnel Services and certain operating costs (as referenced in the Materials & Services section) related to general administration are now budgeted in the Administrative Services Fund as follows:

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

GENERAL FUND

GENERAL SERVICES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
22					***MATERIALS & SERVICES***				
23	$ 14,772	$ -	$ -	-	Materials & Supplies	$ -	$ -		
24	1,328	-	-	-	Safety & Wellness (6)	-	-		
25	471	1,104	2,000	1,000	KARE Expenses	-	-		-100.00%
26	31,348	-	-	-	Postage & Printing (1)	-	-		
27	36,839	-	-	-	Association Membership (1)	-	-		
28	13,611	-	-	-	Training & Travel (2)-(8)	-	-		
29	6,446	-	-	-	City Council Expenses (1)	-	-		
30	2,564	217	-	400	Advertising	400	400		0.00%
31	2,500	2,270	-	-	Art Walk Display	-	-		
32	-	1,200	-	-	Civic Center Art	-	-		
33	47,488	6,490	22,100	6,800	Legal Services	10,000	10,000		47.06%
34	28,488	-	-	-	Labor Attorney (6)	-	-		
35	-	994,123	1,074,400	1,089,900	Administrative Services Charges	1,234,100	1,234,100		13.23%
36	13,874	10,394	9,800	9,800	Contractual Services	9,800	9,800		0.00%
37	7,380	-	-	-	Audit (7)	-	-		
38	13,553	-	-	-	Janitorial (8)	-	-		
39	9,432	-	-	-	Utilities (8)	-	-		
40	4,010	-	-	-	Telephone (4)	-	-		
41	6,656	-	-	-	Insurance - Liability (1)	-	-		
42	36,775	-	-	-	Computer Software & Maintenance (4)	-	-		
43	5,930	-	-	-	Office Equipment Maintenance (4)	-	-		
44	7,898	-	-	-	Facility Maintenance (8)	-	-		

Notes:

33 Legal Services in FY10-11 and FY11-12 are for outside legal council, who specialize in telecom, to prepare a master telecom ordinance, inclusive of all telecom providers doing business in Keizer. The City currently has an exclusive agreement with Qwest and does not have a master telecom ordinance.

35 Materials & Services related to general administration are now budgeted in the Administrative Services Fund (AFS). Each Operating fund is charged for the services provided by AFS based on various cost allocation plans. These plans are to be revised each year based on anticipated benefits received. The plans are based on a range of factors including number of personnel, percent of effort expended by administrative personnel to the benefiting fund, current operating budgets, pieces of information technology equipment, software and maintenance fees. The increase from FY10-11 to FY11-12 is reflective of the change in allocation for the City Manager and Finance staff to reflect the shift in workload from Urban Renewal to General Service related projects net the elimination of the Assistant to the City Manager position.

	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	PERCENT INC (DEC) PROJECTED
(1)	$ 162,700	City-Wide Administration	$ 136,000	$ 136,000	-16.41%
(2)	48,000	City Manager	110,300	110,300	129.79%
(3)	240,700	Assistant to the City Manager/IT	227,700	227,700	-5.40%
(4)	125,300	Attorney's Office	141,600	141,600	13.01%
(5)	113,900	City Recorder	108,500	108,500	-4.74%
(6)	145,000	Human Resources	154,100	154,100	6.28%
(7)	106,700	Finance	192,000	192,000	79.94%
(8)	147,600	Facility Maintenance	163,900	163,900	11.04%
	$ 1,089,900	Administrative Services Charges	$ 1,234,100	$ 1,234,100	13.23%

36 Contractual services includes the cost of providing Lien Search WEB access to title companies. The cost is offset by Lien Search Fee Revenues.

GENERAL FUND

GENERAL SERVICES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					MATERIALS & SERVICES - CONTINUED				
45	19,688	18,224	18,900	18,900	Peer Court	19,300	19,300		2.12%
46	-	-	-	20,000	Election Expense	23,300	23,300		16.50%
47	-	976	-	-	Rental Property Expense	-	-		
48	13,783	12,238	11,600	11,900	Fire District - Hotel/Motel Tax	-	-		-100.00%
49	13,783	12,238	11,600	11,900	KAVA - Hotel/Motel Tax	-	-		-100.00%
50	3,300	3,300	-	-	Chamber Holiday Lights	-	-		
51	-	7,341	3,000	3,000	Focal Point Expenses	3,000	3,000		0.00%
52	2,315	1,442	1,100	1,100	Neighborhood Association Expense	1,100			-100.00%
53	6,000	-	-	-	No Meth Task Force	-	-		
54	704	95	300	300	Volunteer Recognition	300			-100.00%
55	1,700	1,700	-	-	Library Stipend	-	-		
56	3,000	4,000	4,000	4,000	After School Programs	4,000	4,000		0.00%
57	381	1,893	800	800	Miscellaneous Expense	800	800		0.00%
58	7,574	2,168	2,500	2,500	Emergency Management Expense	2,500	2,500		0.00%
59	$ 363,591	$ 1,081,413	$ 1,162,100	$ 1,182,300	TOTAL MATERIALS & SERVICES	$ 1,308,600	$ 1,307,200		10.56%
60									
61	-	-	74,200	-	Contingency	75,000	69,200	69,200	

Notes:

45 Peer Court is a youth program where those charged voluntarily agree to have their case heard and decided by their peers. The increase in cost from FY10-11 to FY11-12 is offset by a projected increase in revenue. See Peer Court narrative for expenditure details.

46 A ballot measure restricting retail buildings bigger than 65,000 square feet went to voters in March 2011 costing the City $20,000 in election expenses. The City anticipates another ballot measure in November 2011 to request funding for Police services.

48 In previous years, Fire District payments are based on 20% of the Hotel/Motel Tax Revenues by Council Resolution. The City intends to repeal this resolution effective July 1, 2011.

49 In previous years KAVA payments are based on 20% of the Hotel/Motel Tax Revenues. Beginning FY11-12 the City intends to retain all the TOT revenues.

51 FY09-10 expenditures include one-time costs for upgrading the focal point at Keizer Corner. FY11-12 include regular monthly operating costs for focal point fountains.

57 Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.

61 The contingency has been set aside to cover unforeseen costs that are not anticipated when the budget is adopted. The City typically uses $50,000 to $60,000 of its general fund contingency each year.

GENERAL FUND

GENERAL SERVICES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
62									
63					***TRANSFERS OUT***				
64	$ 105,300	$ -	$ 20,500	$ 20,500	To Revenue Sharing Fund	$ -	$ -		-100.00%
65	248,404	250,900	269,900	269,900	To 9-1-1 Fund	287,500	287,500		6.52%
66	22,257	-	-	-	To Transportation Fund	-	-		
67	18,426	-	-	-	To Sewer Reserve Fund	-	-		
68	473,631	-	-	-	City Hall Facility	-	-		
69	$ 868,018	$ 250,900	$ 290,400	$ 290,400	TOTAL TRANSFERS OUT	$ 287,500	$ 287,500		-1.00%
70									
71	$ 1,666,941	$ 1,331,356	$ 1,526,700	$ 1,472,700	**TOTAL REQUIREMENTS**	$ 1,671,100	$ 1,663,900		12.98%

Notes:

64 Capital Outlay items used for general government purposes are tracked in the Revenue Sharing Fund (except Parks and the K-9 Dog). Transfers are needed because Revenue Sharing Funds are not sufficient to cover the entire Capital Outlay needs of the City's General Government Programs.

65 A transfer to the 9-1-1 Fund is needed since projected expenditures exceed projected revenues each year. The WVCC cost for FY11-12 is $453,500 compared to $436,500 in FY10-11. The 4% increase is primarily related to the increase in PERS rates for WVCC staff beginning July 2011. 9-1-1 related costs are paid from the 9-1-1 Fund and business calls are paid from the Police Operating Budget.

66 The FY08-09 transfer to the Transportation Fund is repayment for receipts received in prior fiscal years that belong to the Transportation Improvement Fund.

67 The FY08-09 transfer to the Sewer Reserve Fund is repayment for receipts received in prior fiscal years that belong to the Sewer Reserve Fund.

68 The transfer to the City Hall Facility Fund was to pay the General Fund - General Service's share of furnishings for the new civic center.

PARK OPERATIONS

The Public Works Department Parks Division is funded by City policy using general fund revenues at approximately 2.5% of total revenues. The proposed budget for FY11/12 equals 3.3% of general fund revenues and provides the same level of service as FY 10/11. The Parks Division goal is to continue providing clean, safe open spaces and river access for structured and unstructured recreation.

The Parks Division has two full-time employees supplemented with seasonal positions during the spring and summer months to assist in maintaining the 75 acres of developed Park land and 137 acres of undeveloped Park land. The primary focus of Parks Staff for FY11/12 will be on maintenance of the Parks system with emphasis on mowing, turf maintenance, garbage pick up and amenities repairs.

Equipment maintenance costs may increase this year due to aging equipment. The Splash Fountain located at Chalmers Jones Park will be operated this budget cycle with the same schedule as last year.

Capital improvements requiring 100%, or a matching portion of general fund revenues, for Park amenity replacements or upgrades will not occur this budget cycle. Amenity improvements using 100% of Park Improvement Funds may occur on a limited basis when staff time is available for project management.

NUMBER OF PARKS AND ACREAGE

	Number	Acres
Small City	11	38.1
Waterfront Parks	3	14.3
Large City Parks	1	10.6
Regional Parks	1	120.0
Special Use Area Parks	1	15.4
Natural Area/ Open Space Parks	2	13.2

GENERAL FUND

PARK OPERATIONS

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ 2,844	$ 2,587	$ 2,100	$ 2,600	Park Reservation Fees	$ 2,500	$ 2,500		-3.85%
2	-	45,913	-	-	Insurance Reimbursement	-	-		
3									
4	2,844	48,500	2,100	2,600	TOTAL ACTIVITY GENERATED	2,500	2,500		-3.85%
5	295,215	275,354	232,300	231,600	GENERAL SUPPORT RESOURCES	242,800	242,800		4.84%
6	$ 298,059	$ 323,854	$ 234,400	$ 234,200	**TOTAL RESOURCES**	$ 245,300	$ 245,300		4.74%

2 Insurance reimbursement is for damage to the Keizer Little League Park. The expenditure is in the Capital Outlay section.

5 Parks General Support Resources equal at least 2.5% of General Fund budgeted revenues as provided for by a vote of the Budget Committee. The FY11-12 budget is approximately 3% of budgeted revenues.

GENERAL FUND

PARK OPERATIONS

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
7									
8					**REQUIREMENTS**				
9									
10					***PERSONNEL SERVICES***				
11	$ 2,143	$ 2,158	$ 1,100	$ 1,100	Public Works Director	$ 1,100	$ 1,100		0.00%
12	4,197	4,227	3,400	4,300	Public Works Superintendent	4,300	4,300		0.00%
13	90,525	88,153	89,600	89,600	Municipal Utility Workers	91,400	91,400		2.01%
14	4,433	-	-	-	Administrative Support	-	-		
15	28,297	29,879	26,300	17,200	Seasonal Help	-	-		-100.00%
16	-	-	-	-	Overtime	-	-		
17	500	-	800	800	Clothing Stipends	800	800		0.00%
18	1,978	15,043	1,900	1,900	Medicare - Social Security	1,500	1,500		-21.05%
19	16,460	13,763	14,100	14,100	Retirement	14,600	14,600		3.55%
20	21,229	23,553	28,100	28,100	Insurance Benefits	29,600	29,600		5.34%
21	-	1,218	-	9,100	Unemployment	9,100	9,100		0.00%
22	902	2,024	1,900	1,900	Workers Compensation	1,500	1,500		-21.05%
23	$ 170,664	$ 180,018	$ 167,200	$ 168,100	TOTAL PERSONNEL SERVICES	$ 153,900	$ 153,900		-8.45%

Notes:

14 Administrative Support Staff costs are tracked in the Administrative Services Fund - City Recorder budget beginning in FY09-10.

15 Beginning In FY11-12 the cost for seasonal help is budgeted in Materials & Services - Contractual Services. A Temp Agency will be used to eliminate unemployment costs.

18 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

19 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

20 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

22 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

GENERAL FUND

PARK OPERATIONS

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
24					***MATERIALS & SERVICES***				
25					***Operations:***				
26	$ 364	$ -	$ -	$ -	Office Materials & Supplies	$ -	$ -		
27	15,244	14,167	16,400	16,400	Parks Materials & Supplies	16,400	16,400		0.00%
28	1,804	1,573	1,300	1,300	Travel & Training	1,300	1,300		0.00%
29	21,520	-	-	-	Legal Services	-	-		
30	-	177	200	200	Labor Attorney	400	400		100.00%
31	-	16,467	-	-	Administrative Services Charges	-	-		
32	30,674	26,220	32,500	32,000	Contractual Services	56,300	56,300		75.94%
33	1,454	2,565	-	-	Engineering Services	-	-		
34	4,341	2,185	3,100	2,800	Utilities	3,000	3,000		7.14%
35	2,092	1,321	1,100	1,200	Telephone	1,200	1,200		0.00%
36	-	535	600	800	Insurance	800	800		0.00%
37	6,422	6,313	6,300	6,300	Gasoline	6,500	6,500		3.17%
38	1,038	2,782	1,000	1,000	Vehicle Maintenance	1,000	1,000		0.00%
39	2,760	562	4,500	4,000	Equipment Maintenance	4,500	4,500		12.50%
40	195	80	200	100	Medical Testing	-	-		-100.00%
41	$ 87,908	$ 74,947	$ 67,200	$ 66,100	TOTAL MATERIALS & SERVICES	$ 91,400	$ 91,400		38.28%
42									
43					***CAPITAL OUTLAY***				
44	$ 3,032	$ 373	$ -	$ -	Field Equipment	$ -	$ -		
45	32,896	68,516	-	-	Capital Improvements	-	-		
46	$ 35,928	$ 68,889	$ -	$ -	TOTAL CAPITAL OUTLAY	$ -	$ -		
47									
48	$ 1,787	$ -	$ -	$ -	Transfer to Water Fund				
49	1,772	-	-	-	Transfer to Water Facility Fund				
50	$ 3,559	$ -	$ -	$ -	TOTAL TRANSFERS	$ -	$ -		
51									
52	$ 298,059	$ 323,854	$ 234,400	$ 234,200	**TOTAL REQUIREMENTS**	$ 245,300	$ 245,300		4.74%

Notes:

29 Legal services costs are tracked in the Administrative Services Fund - City Attorney budget beginning in FY09-10.

30 Labor attorney costs are for union negotiations including dispute resolution. The Local 320 contract expires June, 30 2012 therefore, costs for negotiations are anticipated in FY11-12.

31 Beginning in FY10-11, all General Fund Administrative Services Charges are tracked in the General Services Expenditure budget.

32 In FY11-12 Personnel Services - Seasonal Help has moved to the Contractual Services line-item. The City plans to use a Temp Agency to hire seasonal to eliminate unemployment costs.

GENERAL FUND

PARK DONATIONS

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1					***Working Capital Carryforward:***				
2	$ 1,952	$ 8,662	$ 5,100	$ 8,600	Dog Park Working Capital	$ 8,600	$ 8,600		0.00%
3	2,265	2,436	-	-	Skate Park Working Capital	-	-		
4	3,009	3,034	2,100	4,600	Recreation Working Capital	2,200	2,200		-52.17%
5	3,688	1,969	-	100	Park Working Capital	700	700		600.00%
6	-	14,070	9,700	9,700	Developers Tree Reimbursements	7,600	7,600		-21.65%
7	$ 10,914	$ 30,171	$ 16,900	$ 23,000	Total Working Capital Carryforward	$ 19,100	$ 19,100		-16.96%
8									
9					***MISCELLANEOUS - DONATIONS***				
10	$ 6,710	$ -	$ -	$ 3,500	Dog Park Donations	$ -	$ -		-100.00%
11	679	157	-	600	Park Donations	-	-		-100.00%
12	25	1,860	-	-	Recreation Donations	-	-		
13	171	88	-	-	Skate Park Donations	-	-		
14	-	75	-	-	Developers Tree Reimbursements	-	-		
15	$ 7,585	$ 2,180	$ -	$ 4,100	Total Miscellaneous	$ -	$ -		-100.00%
16									
17	$ 18,499	$ 32,351	$ 16,900	$ 27,100	**TOTAL RESOURCES**	$ 19,100	$ 19,100		-29.52%

GENERAL FUND

PARK DONATIONS

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				REQUIREMENTS				
				MATERIALS & SERVICES				
$ -	$ -	$ 5,100	$ 3,500	Dog Park Projects	$ 8,600	$ 8,600		145.71%
-	2,500	-	-	Skate Park Projects	-	-		
-	279	2,100	2,400	Recreation Projects	2,200	2,200		-8.33%
2,378	2,000	-	-	Park Projects	700	700		
-	4,378	1,300	2,100	Developers Tree Expenses	7,600	7,600		261.90%
$ 2,378	$ 9,157	$ 8,500	$ 8,000	TOTAL MATERIALS & SERVICES	$ 19,100	$ 19,100		138.75%
-	-	8,400	-	Reserve for Developer Tree Expense	-	-		
$ 2,378	$ 9,157	$ 16,900	$ 8,000	**TOTAL REQUIREMENTS**	$ 19,100	$ 19,100		138.75%

Notes:

9 Donations are dedicated revenues and are restricted for use in the Parks operations and maintenance.

14 Developers Tree Reimbursements are contributions to pay for planting trees at City parks and public right-of-way when development has caused significant tree removal.

19 Costs in the Donation Program are for special projects funded by citizen and developer donations. Funding for these projects will come from donations received through FY10-11 and unexpended at year-end.

COMMUNITY DEVELOPMENT

The Community Development Department manages City development activities, Urban Renewal activities, community plans, building permit processes, and enforces City codes. Long-range planning activities include policy issues regarding management of the Comprehensive Plan, State Planning requirements, Transportation Planning, and development of other specific plans such as Master Plans, development code revisions and ordinance development. Current planning activities include services to the public for development relative to zoning, subdividing, and floodplain management. Code Enforcement regulates zoning violations, solid waste, noxious weeds and unsanitary housing. Building Permit Administration connects development permits with other appropriate staff and departments to address Keizer Development Code standards.

Accomplishments

The Community Development Department has had an integral involvement in the planning and ongoing development at Keizer Station and Keizer Rapids Park, with River Road Renaissance and the Keizer Urban Renewal Board. The Community Development Department is instrumental in region-wide planning and transportation issues such as the Salem-Keizer Transportation Study, the Mid-Willamette Valley Area Commission on Transportation and the I-5/Chemawa Rd Interchange Area Management Plan (IAMP). It is in these forums where the City is able to voice its concerns and needs regarding future growth and development.

The Community Development Department has continually improved its efficiency and customer service, providing services such as land use planning, building permit processing, internet mapping, zoning information, and design review and code enforcement. The department also administers ordinances to improve infill development, address noxious weeds, floodplain management and is responsible for reviewing and processing land use applications for residential and commercial development. Along with providing excellent Customer Service, enforcing City codes, which affect the community's livability and quality of life, continues to be a high priority for the Community Development Department.

The Department also is proactive in seeking out and developing partnerships with community organizations, businesses, and individuals to identify issues facing the community and propose alternatives for consideration.

Year	Total Land Use Applications Processed	Total Building Permits Reviewed
2001	68	346
2002	69	438
2003	49	348
2004	57	311
2005	39	289
2006	45	324
2007	45	325
2008	25	216
2009	24	188
2010	19	209

Future Goals

The Department continues the process of updating sections of the Keizer Development Code with several Text Amendment projects outlined with the Planning Commission. These include Text Amendments to consider Health and Social Care Facilities, addressing urban chickens, changes to infill standards, parking standards and

Comprehensive Plan Amendments relating to the Economic Impact Analysis and Buildable Land projects. The Department will also stay actively involved in coordinating the development of the Keizer Station Area and the construction of a boat ramp at Keizer Rapids Park, made possible by a grant from the State of Oregon Marine Board.

The Community Development Department is also working on State mandated periodic review of the city's Comprehensive Plan. This process is necessary to plan for future development in the City and ensure there are adequate policies and goals in place to guide decisions regarding transportation, land supply issues (such as infill requirements and Urban Growth Boundary expansion), economic development, and public facilities needs for the next 20 year planning period. As part of this process, the City is currently participating in a regional Economic Opportunity Analysis as well as a Buildable Lands Inventory and Housing Needs Analysis.

The Department intends to be proactive in pursuing the goals established in the projects of River Road Renaissance, as well as maintaining the high standards of the Keizer Station Development, addressing the issues surrounding Growth Management Boundary, and changes to the statewide planning goals.

The Community Development Department continues work on strengthening communication and coordination with other departments, agencies and jurisdictions to streamline the development process and ensure effective administration of development code provisions while delivering a high level of customer support and assistance.

GENERAL FUND

COMMUNITY DEVELOPMENT

RESOURCES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					LICENSES & FEES				
1	$ 450	$ 2,415	$ 1,800	$ 4,000	Sign Permits	$ 4,000	$ 4,000		0.00%
2	10,573	13,208	6,300	10,700	Land Use Application Fees	11,700	11,700		9.35%
3	6,231	7,674	7,600	5,400	Building Fees - Zoning	10,800	10,800		100.00%
4	6,898	30,444	17,800	8,200	Permit Fees	8,200	8,200		0.00%
5	$ 24,152	$ 53,741	$ 33,500	$ 28,300	Total Licenses & Fees	$ 34,700	$ 34,700		22.61%
6									
7					***CHARGES FOR SERVICES***				
8	$ 110	$ 699	$ 5,000	$ 5,000	Nuisance Abatement	$ 5,000	$ 5,000		0.00%
9	$ 110	$ 699	$ 5,000	$ 5,000	Total Charges for Services	$ 5,000	$ 5,000		0.00%
10									
11					***INTERGOVERNMENTAL***				
12	$ -	$ -	$ -	$ -	Transportation Grants	$ -	$ -		
13	50,000	-	-	-	Land Conservation Grant	-	-		
14	$ 50,000	$ -	$ -	$ -	Total Intergovernmental	$ -	$ -		
15									
16	$ 74,262	$ 54,440	$ 38,500	$ 33,300	TOTAL ACTIVITY GENERATED	$ 39,700	$ 39,700		19.22%
17	381,403	342,464	316,000	308,500	GENERAL SUPPORT RESOURCES	285,700	285,900		-7.33%
18	$ 455,665	$ 396,904	$ 354,500	$ 341,800	**TOTAL RESOURCES**	$ 325,400	$ 325,600		-4.74%

Notes:

2 Land Use Application Fee charges are expected to increase 10% over FY10-11 rates. The City will begin charging the applicant for direct costs associated with the application process such as mailing & advertising costs.

3 The City expects to double its charges for Building Fees from FY10-11 which is consistent with what other municipalities charge within this region.

GENERAL FUND

COMMUNITY DEVELOPMENT

REQUIREMENTS

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
19					***PERSONNEL SERVICES***				
20	$ 63,307	$ 65,693	$ 65,500	$ 65,500	Community Development Director	$ 65,500	$ 65,500		0.00%
21	46,287	48,029	47,900	47,900	Planner	47,900	47,900		0.00%
22	38,080	37,324	37,200	37,200	Code Enforcement/Zoning Technician	-	-		-100.00%
23	55,439	57,270	57,100	57,100	Senior Planner	57,100	57,100		0.00%
24	48,933	40,356	24,200	24,200	Administrative Support	38,000	38,000		57.02%
25	-	-	-	-	Overtime	-	-		
26	650	591	600	600	Cell Phone Stipend	1,400	1,400		133.33%
27	3,879	3,830	3,600	3,600	Medicare	3,300	3,300		-8.33%
28	43,470	44,069	39,100	39,100	Retirement	40,800	40,800		4.35%
29	53,074	47,020	51,700	51,700	Insurance Benefits	47,600	47,600		-7.93%
30	696	496	400	400	Workers Compensation	200	200		-50.00%
31	-	-	-	-	Unemployment	13,000	13,000		
32	$ 353,815	$ 344,678	$ 327,300	$ 327,300	TOTAL PERSONNEL SERVICES	$ 314,800	$ 314,800		-3.82%

Notes:

22 Due to funding constraints and a downturn in development, the Code Enforcement/Zoning Technician position has been eliminated beginning FY11-12. Certain duties have been reassign, primarily to other Community Development staff.

24 Administrative Support costs for the City Recorder staff are tracked in the Administrative Services Fund - City Recorder budget beginning in FY09-10. During the first half of FY10-11 Administrative Support staff was moved to the Utility Billing Department to help cover for a staff shortage. This was a 45% reduction in the position's personnel services costs to the Department. This position was reallocated back to the Community Development Department beginning in FY11-12.

25 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.

26 Due to reassignment of duties after the layoff of the Code Enforcement/Zoning Technician an additional cell phone stipend is needed for the Planner to take calls in the field and after hours. These costs are offset by the reduction in the telephone line-item in the materials & services section.

27 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

28 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

29 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

30 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

GENERAL FUND

COMMUNITY DEVELOPMENT

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
33					***MATERIALS & SERVICES***				
34	$ 2,523	$ -	$ -	$ -	Materials & Supplies	$ -	$ -		
35	144	100	200	-	Mapping Supplies & Services	-	-		
36	-	189	1,000	800	Postage & Printing	800	800		0.00%
37	5,683	717	1,400	700	Travel & Training	1,400	1,400		100.00%
38	978	1,479	2,000	3,000	Legal Advertising	2,500	2,500		-16.67%
39	32,819	-	-	-	Legal Services	-	-		
40	-	42,175	-	-	Administrative Services Charges	-	-		
41	3,410	3,327	9,300	3,500	Contractual Services	-	-		-100.00%
42	1,200	-	6,800	500	Hearings Officer	500	500		0.00%
43	628	631	700	400	Telephone	-	-		-100.00%
44	-	213	-	200	Insurance	-	200		0.00%
45	458	540	800	400	Gasoline & Vehicle Maintenance	400	400		0.00%
46	100	2,855	5,000	5,000	Nuisance Abatement	5,000	5,000		0.00%
47	53,907	-	-	-	Grant Expenses	-	-		
48	$ 101,850	$ 52,226	$ 27,200	$ 14,500	TOTAL MATERIALS & SERVICES	$ 10,600	$ 10,800		-25.52%
49									
50	$ 455,665	$ 396,904	$ 354,500	$ 341,800	**TOTAL REQUIREMENTS**	$ 325,400	$ 325,600		-4.74%

Notes:

36 Postage & Printing costs provide for a mass mailing should legal mandates require one in FY11-12.

37 A portion of Travel & Training has been re-established in the FY11-12 budget. The FY10-11 budget was increased during the year, unfortunately training opportunities had already passed earlier in the year.

39 Legal Advertising is reduced because Area C is complete and no other major land use actions are anticipated for FY11-12.

39 Legal services costs are tracked in the Administrative Services Fund - City Attorney budget beginning in FY09-10.

40 Beginning in FY10-11, all General Fund Administrative Services Charges are tracked in the General Services Expenditure budget.

41 Contractual Services are for a dual purpose contract with the Council of Governments for street naming and GIS support.

43 The Department provides a cell phone for staff use during business hours and for day and overnight travel while on business.

MUNICIPAL COURT

The Municipal Court administers the judicial system for the City of Keizer. The Court handles traffic infractions, limited juvenile status violations, and City code violations as enforced by the Keizer Police Department. Municipal Court arraignments and hearings are held each Wednesday. An independent contractor serves as the Municipal Court Judge.

Accomplishments

The Municipal Court has continued to feel the impact of the troubled economy. The Court has put much effort into conveying to our customers that we acknowledge and understand the hardships people are facing. For the majority of court customers, receiving a citation is not a common occurrence. Imposed fines are an unplanned expense and result in hardship for many people. The Court staff has encouraged customers to stay in compliance with manageable payment schedules and opportunities to fulfill their court orders and requirements.

On October 1, 2009, HB 2287 went into effect and is due to sunset on July 1, 2011. HB 2287 imposes a $45.00 surcharge on all violations as described in ORS 153.008. In an already strained economic environment, the Court staff prepared for more difficulty executing court orders and collecting imposed fines. The Court has seen an increased amount of accounts processed for suspension and submitted for collection this past year. Those $45.00 surcharges that *are* being paid, have helped offset the fines that are going unpaid. The Municipal Court has stayed just above revenue projections for the year.

The Court and Keizer Police Department have worked together to publicize the Vehicle Compliance Program that is offered for specific "correctable" violations. Defendants are informed by the citing officer, and it is noted on the citation, when a violation is "correctable". This compliance program offers defendants the opportunity to have the charge dismissed by correcting the violation cited, having the correction verified by Police Department staff, and paying the Court a $40.00 compliance fee. This option educates our community members and puts safer vehicles on our roadways.

In October of 2010, the Municipal Court Clerk II was elected within the Oregon Association of Court Administration for the second consecutive year as Vice President of the ECHO Newsletter and By-Laws. With severely limited training budgets, the Court Clerk II volunteered to work at both OACA Conferences and the 2010 ODOT Judicial Education Conference in order to attend the conferences and gain education on current Court requirements, at little or no cost to the City. Keizer Municipal Court strives to be a leader in Municipal Court operations, and use of technology, including the processing of E-Cites.

Future Goals

The Municipal Court staff will continue to stay current on changing laws and requirements for the State of Oregon. This includes new State Legislation that could come from the current legislative session.

As of April 2011 the Municipal Court will be accepting and processing limited Juvenile status charges such as truancy and possession of tobacco. These cases will be minors that are found ineligible to participate in Peer Court. Juvenile cases will be heard by the Municipal Court the second Wednesday of each month at 10:00 AM.

A formal Request for Proposal will be completed by end of June 2011 for the City's collections services. Our contracted collection agency plays a vital role in the recovery of fines due to the City of Keizer.

It is also the goal of the Municipal Court staff to continue to provide excellent customer service and justice to our community. Court Staff will continue to assist and encourage customers to stay in compliance and fulfill their Court orders and requirements.

GENERAL FUND

MUNICIPAL COURT

RESOURCES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1					***FINES & FORFEITS***				
2	$ 302,031	$ 318,366	$ 297,600	$ 354,300	Municipal Court Fines	$ 354,300	$ 354,300		0.00%
3	191,796	200,055	209,400	171,500	Collections - Past Due	171,500	171,500		0.00%
4	$ 493,827	$ 518,421	$ 507,000	$ 525,800	Total Fines & Forfeits	$ 525,800	$ 525,800		0.00%
5									
6	$ 244,555	$ 284,097	$ 262,400	$ 287,400	**AVAILABLE FOR GENERAL SUPPORT**	$ 284,100	$ 284,100		-1.15%
7									
8					***PERSONNEL SERVICES***				
9	$ 8,288	$ -	$ -	$ -	Administrative Support	$ -	$ -		
10	81,114	82,927	82,800	82,800	Court Clerks	82,800	82,800		0.00%
11	729	251	-	-	Overtime	-	-		
12	1,386	1,279	1,300	1,300	Medicare	1,300	1,300		0.00%
13	15,322	12,348	10,500	10,500	Retirement	12,400	12,400		18.10%
14	21,230	22,771	27,400	27,400	Insurance Benefits	28,000	28,000		2.19%
15	162	164	100	100	Workers Compensation	100	100		0.00%
16	$ 128,231	$ 119,740	$ 122,100	$ 122,100	TOTAL PERSONNEL SERVICES	$ 124,600	$ 124,600		2.05%

Notes:

2 In FY09-10 the State Legislature imposed a $45 surcharge on all municipal court fines. The surcharge will sunset on June 30, 2011. The City has not seen an appreciable increase in Fine revenues from this surcharge. The surcharge increased the cost of citations to the point where police officers now give more warnings than traffic tickets. Warning to ticket ratio prior to the surcharge was 25% warnings to 75% tickets, it is now 50% warnings to 50% tickets.

9 Administrative Support Staff costs are tracked in the Administrative Services Fund - Finance Department budget beginning in FY09-10.

12 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

13 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

14 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

15 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

GENERAL FUND

MUNICIPAL COURT

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
17					***MATERIALS & SERVICES***				
18	$ 2,000	$ 350	$ 700	$ 700	Materials & Supplies	$ 700	$ 700		0.00%
19	4,547	1,206	1,400	800	Travel & Training	-	-		-100.00%
20	54	211	-	-	Administrative Services Charges	-	-		
21	15,022	15,030	20,000	18,800	Professional Services - Judge	20,000	20,000		6.38%
22	5,455	6,025	6,000	6,300	Contractual Services	6,300	6,300		0.00%
23	5,880	2,119	3,000	1,600	Collections Cost	2,000	2,000		25.00%
24	23,757	23,051	25,400	18,200	County Assessments	18,200	18,200		0.00%
25	64,326	66,592	66,000	69,900	Unitary Assessments	69,900	69,900		0.00%
26	$ 121,041	$ 114,584	$ 122,500	$ 116,300	TOTAL MATERIALS & SERVICES	$ 117,100	$ 117,100		0.69%
27									
28	$ 249,272	$ 234,324	$ 244,600	$ 238,400	**TOTAL REQUIREMENTS**	$ 241,700	$ 241,700		1.38%

Notes:

20 Beginning in FY10-11, all General Fund Administrative Services Charges are tracked in the General Services Expenditure budget.

23 Prior to House Bill 2055, the City's contract with its collection agency provided for a 25% fee on amounts collected. The revised contract allows the collection agency to collect and retain its fee prior to turning the proceeds over to the City. This cost is expected to decline in future years and eventually go away altogether.

24 County assessments are 5% of municipal court fine revenues (including past due fines).

25 State assessments are 13% of municipal court fine revenues (including past due fines).

POLICE

The Police Department continues to provide the best level of service we can based on the resources provided.

In review

In 1997 the Keizer Police Department was staffed with 37 sworn officers and 8 non-sworn support staff. In 1997 the population of Keizer was less than 30,000 and the only business district was along River Road. Today we have a population approaching 37,000, Keizer Station, three additional schools, multiple new neighborhoods and multi-family apartment complexes. Today we have regressed from a high of 41 officers and are back to 37 sworn officers and still only 8 non-sworn support staff.

The future

The economic downturn will continue to play a dual role for the police department. As in all economic crises, the crime rate tends to increase. Pressures of job loss and financial struggles tend to create increases in domestic violence, alcohol, drug, fraud and theft crimes.

Staffing continues to be a major issue. The requested budget leaves four police officer positions unfilled and revenue decreases in the budget may result in further cuts.

We have mothballed our Community Response Unit and as a result proactive investigations of street level narcotics trafficking has ceased.

Traffic safety and the management of traffic congestion continue to grow in importance to the citizens of Keizer. We have placed emphasis on traffic safety and we will continue to try and keep our three officer Traffic Safety Unit staffed.

The Salem-Keizer School District has pulled funding for one School Resource Officer at the middle school level so we will now have one officer covering two middle schools and all seven grade schools.

We have reduced all materials and services budget items to below needed amounts; reduced skills maintenance training for police officers to the minimum allowed by law; reduced our Investigations line item which will limit out of area follow-up on major cases; cut the overtime budget eliminating staffing of non-emergency city events; eliminated funding that supports our Cadet Unit; frozen all vacant Reserve Police Officer positions; eliminated funding for Crime Prevention; eliminated funding for Community Service Unit activities; eliminated funding for recruitment; eliminated funding for pre-employment testing; and reduced funding for ammo/weapons (reduction in firearms training).

No matter the results of the final budget package or the results of any future votes for increased resources, the Police Department personnel are dedicated to provide the very best service we can with the resources allotted.

GENERAL FUND

POLICE

RESOURCES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1					***Working Capital Carryforward:***				
2	$ 1,746	$ 1,746	$ -	$ 500	Cadet Donations	$ -	$ -		-100.00%
3	728	579	-	900	Reserve Donations	-	-		-100.00%
4	4,710	173	1,900	-	K-9 Donations	-	-		
5	-	85	100	100	Car Seat Donations	-	-		-100.00%
6	-	-	179,000	165,400	Civil Forfeitures	-	-		-100.00%
7	2,513	-	-	-	Meth Task Force Grant	-	-		
8	$ 9,697	$ 2,583	$ 181,000	$ 166,900	Total Working Capital Carryforward	$ -	$ -		-100.00%
9									
10					***INTERGOVERNMENTAL***				
11	$ 5,572	$ 3,146	$ 5,600	$ 5,600	Special Duty Officers	$ 12,600	$ 5,600		0.00%
12	173,815	189,707	193,500	193,100	School Resource Officer Contract	140,800	140,800		-27.08%
13	2,632	36,074	-	23,100	Overtime Grants	-	-		-100.00%
14	15,000	-	-	-	Meth Task Force Grant	-	-		
15	17,850	-	-	-	Materials & Services Grants	-	-		
16	$ 214,869	$ 228,927	$ 199,100	$ 221,800	Total Intergovernmental	$ 153,400	$ 146,400		-33.99%

Notes:

11 The Salem/Keizer School District pays the City for Police Officer presence at school activities such as football games. Beginning in FY11-12, the City plans to charge for Police services at special events such as the Iris Festival and Good Vibrations. This will increase this line-item an estimated $7,000.

12 The Salem Keizer School District announced its intention to reduce funding for School Resource Officers to help balance its budget. The District covers $55,000 of an SRO's yearly salary, benefits & equipment needs and 25% of such costs for the sergeant who supervises the program.

13 Overtime grants pay overtime costs related to specific regional programs in which the City participates.

GENERAL FUND

POLICE

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
17					***FINES & FORFEITS***				
18	$ 55,599	$ 31,216	$ 27,500	$ 33,000	Impound Fees	$ 33,000	$ 33,000		0.00%
19	68,600	181,827	20,500	20,500	Civil/Criminal Forfeitures	-	-		-100.00%
20	$ 124,199	$ 213,043	$ 48,000	$ 53,500	Total Fines & Forfeits	$ 33,000	$ 33,000		-38.32%
21									
22					***MISCELLANEOUS***				
23	$ -	$ -	$ -	$ -	Cadet Donations	-	-		
24	150	350	200	-	Reserve Officer Donations	-	-		
25	422	253	-	-	Police Donations	-	-		
26	6,970	2,683	-	-	K-9 Donations	-	-		
27	26,531	22,590	15,000	8,100	Miscellaneous	8,100	8,100		0.00%
28	$ 34,073	$ 25,876	$ 15,200	$ 8,100	Total Miscellaneous	$ 8,100	$ 8,100		0.00%
29									
30	$ 382,838	$ 470,429	$ 443,300	$ 450,300	TOTAL ACTIVITY GENERATED	$ 194,500	$ 187,500		-58.36%
31	5,258,563	4,724,063	4,912,700	4,778,400	GENERAL SUPPORT RESOURCES	4,973,100	4,980,100		4.22%
32	$ 5,641,401	$ 5,194,492	$ 5,356,000	$ 5,228,700	**TOTAL RESOURCES**	$ 5,167,600	$ 5,167,600		-1.17%

Notes:

18 Due to a court ruling in FY08-09, KPD has modified its policy on towing of vehicles for violations of State law and City ordinances. The rulings greatly restricted the circumstances in which the police can tow a traffic violator's vehicle. This has caused a 40%-50% decrease in revenue from FY08-09.

19 Civil Forfeiture can only be used for equipment, training, etc. that will enhance the department's ability to conduct illegal narcotics investigations. Annual receipts are unpredictable, notification comes when funds are transferred to the City's bank account.

27 Miscellaneous revenue includes receipts for police report requests, surplus sales, and one-time revenues.

GENERAL FUND

POLICE

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
33					**EXPENDITURES**				
34									
35					***PERSONNEL SERVICES***				
36	$ 8,387	$ -	$ -	$ -	Facility Maintenance Worker	$ -	$ -		
37	112,425	113,328	112,900	112,900	Chief of Police	112,900	112,900		0.00%
38	192,549	97,901	97,600	97,600	Captain(s)	97,600	97,600		0.00%
39	-	-	179,100	179,100	Lieutenants	178,300	178,300		-0.45%
40	594,065	647,762	532,600	532,600	Sergeants	532,600	532,600		0.00%
41	1,926,338	1,918,956	1,866,700	1,792,700	Police Officers	1,691,700	1,691,700		-5.63%
42	51,503	51,922	52,800	52,800	Community Service Officer	52,800	52,800		0.00%
43	342,531	346,057	348,800	348,800	Administrative Support	348,800	348,800		0.00%
44	2,205	462	1,500	1,500	Reserve Officers	1,500	1,500		0.00%

Notes:

36 Facility maintenance worker costs are tracked in the Administrative Services Fund - Civic Center Facilities budget beginning in FY09-10.

38 The Department reorganized its staff in FY09-10. Captain positions reduced from 2 to 1 & Sergeant positions increased from 7 to 8, although two sergeants served as Acting Lieutenants during the year. Beginning FY10-11 the Department reclassed these positions as Lieutenants.

41 The reduction in Police Officer wages reflects a reduction associated with three police officer positions that became vacant during FY10-11, through attrition, and will remain vacant during FY11-12.

GENERAL FUND

POLICE

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					PERSONNEL SERVICES - CONTINUED				
45	214,258	183,934	203,300	203,300	Overtime	194,700	194,700		-4.23%
46	30,651	27,850	34,700	34,100	Clothing & Cell Phone Stipends	32,200	32,200		-5.57%
47	52,908	53,797	49,100	48,000	Medicare	46,500	46,500		-3.13%
48	808,391	608,090	634,100	621,400	Retirement & VEBA	699,700	699,700		12.60%
49	562,725	576,840	654,200	631,200	Insurance Benefits	653,300	653,300		3.50%
50	352	12,818	26,000	11,000	Unemployment Costs	13,000	13,000		18.18%
51	30,696	38,968	33,900	33,000	Workers Compensation	31,900	31,900		-3.33%
52	$ 4,929,984	$ 4,678,685	$ 4,827,300	$ 4,700,000	TOTAL PERSONNEL SERVICES	$ 4,687,500	$ 4,687,500		-0.27%

Notes:

45 The need for overtime depends on the number and complexity of crimes. Overtime costs are approximately 8.75% of sworn-represented staff salaries. This is less than the 10% budgeted in previous years. Due to lowered staffing levels the Police Department will be unable to staff a booth at the Iris Festival, Good Vibrations or River Fest events in FY11-12. The Department will continue to provide traffic control during parades and major events on public roadways, however, the Event Host will be billed for the Officer's time covering these events. $7,000 has been budgeted as revenue to cover this cost.

46 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.

47 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

48 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

49 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

51 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

GENERAL FUND

POLICE

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
53					***MATERIALS & SERVICES***				
54	$ 10,539	$ 8,594	$ 12,000	$ 12,000	Materials & Supplies	$ 12,000	$ 12,000		0.00%
55	401	2,267	500	500	Cadet Program	-	-		-100.00%
56	5,299	3,713	4,000	4,000	Reserve Officer Uniforms & Equipment	1,000	1,000		-75.00%
57	42,917	23,715	32,000	32,000	Clothing	32,000	32,000		0.00%
58	30,287	16,373	-	-	Civil/Criminal Forfeiture	-	-		
59	6,056	5,231	5,000	5,000	K-9 Supplies	4,000	4,000		-20.00%
60	9,672	6,544	7,000	7,000	Postage & Printing	7,000	7,000		0.00%
61	25,011	30,368	34,000	34,000	Travel & Training	10,000	10,000		-70.59%
62	3,754	1,151	1,000	1,000	Tuition Reimbursement	-	-		-100.00%
63	205	616	500	500	Advertising - Employee Recruitments	-	-		-100.00%
64	7,459	-	-	-	Legal Services	-	-		
65	29,913	4,859	5,000	5,000	Labor Attorney	25,000	25,000		400.00%
66	-	7,381	-	-	Administrative Services Charges	-	-		
67	10,019	9,436	16,000	16,000	Contractual Services	16,000	16,000		0.00%
68	29,694	30,423	29,000	29,000	Crime Analyst Contract	29,000	29,000		0.00%
69	16,177	-	-	-	Janitorial	-	-		
70	12,807	1,208	-	-	Utility	-	-		
71	29,939	25,685	23,000	23,000	Telephone	23,000	23,000		0.00%
72	54,360	14,629	16,500	16,500	Insurance - Liability	16,500	16,500		0.00%
73	5,235	12,174	12,000	12,000	Office Equipment Rental	2,900	2,900		-75.83%

Notes:

61 Travel & Training has been reduced to basic skills maintenance training required by DPSST. No leadership training, no out of town/state training, limited specialized training (K-9, Narcotics, Executive level National Conference Training.)

64 Legal services costs are tracked in the Administrative Services Fund - City Attorney budget beginning in FY09-10. These costs are City Attorney costs for representing the Department in the occasional Municipal Court case.

65 Labor attorney costs are for union negotiations including dispute resolution. The KPA contract expires June, 30 2012, therefore Labor Attorney expense will be needed to negotiate the new contract.

66 Beginning in FY10-11, all General Fund Administrative Services Charges are tracked in the General Services Expenditure budget.

67 Contracts include Crisis Chaplaincy Services for Emergency Chaplaincy Services which is funded by all Police agencies within Marion County and the Lexipol Policy and Procedure Training and Update service.

68 The Police Department contracts with the City of Salem to provide Crime Data Analysis services to the City of Keizer. Funds appropriated will support one-half of the cost of this

69 Janitorial costs are tracked in the Administrative Services Fund - Civic Center Facilities budget beginning in FY09-10.

70 Utility costs are tracked in the Administrative Services Fund - Civic Center Facilities budget beginning in FY09-10.

72 Liability insurance costs for the City's facilities are tracked in the Administrative Services Fund - Civic Center Facilities budget beginning in FY09-10. Beginning with the FY09-10 budget, insurance premiums are for the Department's share of auto insurance premiums. Insurance premiums are not expected to increase in FY11-12.

73 Office Equipment Rental is for photocopiers. Beginning in FY11-12, copier leases are budgeted in the Information Systems - software line item, Administrative Services Budget. FY11-12 costs are expected to remain consistent with FY10-11 costs.

GENERAL FUND

POLICE

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					MATERIALS & SERVICES - CONTINUED				
74	82,390	67,876	80,000	80,000	Gasoline	80,000	80,000		0.00%
75	30,382	22,372	32,000	32,000	Maintenance-Vehicles	32,000	32,000		0.00%
76	24,966	2,677	8,000	8,000	Maintenance of Equipment	4,000	4,000		-50.00%
77	1,253	1,737	1,000	1,000	Community Services Unit	1,000	1,000		0.00%
78	23,409	21,977	26,000	26,000	Operating Materials	26,000	26,000		0.00%
79	12,708	12,611	6,000	6,000	Ammo/Weapons	4,000	4,000		-33.33%
80	58,005	59,349	62,500	62,500	Willamette Valley Communication Center	57,100	57,100		-8.64%
81	31,164	31,248	33,900	33,900	Radio & Mobile Systems Support	32,300	32,300		-4.72%
82	73,349	61,668	59,800	59,800	RAIN/PRIORS	55,300	55,300		-7.53%
83	24,652	17,548	19,000	19,000	Investigations	10,000	10,000		-47.37%
84	1,870	1,592	1,000	1,000	Crime Prevention	-	-		-100.00%
85	150	-	-	-	Police Donation Expenses	-	-		
86	5,834	6,050	2,000	2,000	Medical & Pre-Employment Testing	-	-		-100.00%
87	34	535	-	-	Miscellaneous	-	-		
88	$ 699,910	$ 511,607	$ 528,700	$ 528,700	TOTAL MATERIALS AND SERVICES	$ 480,100	$ 480,100		-9.19%
89									
90					***CAPITAL OUTLAY***				
91	$ 11,507	$ 4,200	$ -	$ -	K-9 Dog	$ -	$ -		
92	$ 11,507	$ 4,200	$ -	$ -	TOTAL CAPITAL OUTLAY	$ -	$ -		
93									
94	$ 5,641,401	$ 5,194,492	$ 5,356,000	$ 5,228,700	**TOTAL EXPENDITURES & RESERVES**	$ 5,167,600	$ 5,167,600		-1.17%

Notes:

77 The Community Services Unit costs are for materials used for National Night Out.

80 The total Willamette Valley Communications Center (WVCC) bill for FY11-12 is $453,500 compared to $436,600 in FY09-10. The increase is primarily related to the increase in PERS retirement rates for WVCC staff. The 9-1-1 related costs are paid from the 9-1-1 Fund. The business calls are paid from the Police Operating budget.

83 Due to funding cuts, the Department will expend less effort on crime investigations in FY11-12.

84 Due to funding cuts, the Crime Prevention program will not operate in FY11-12.

REVENUE SHARING FUND

State Revenue Sharing Funds are state apportionments based on population. The primary use of funds is for general use; however, there are certain regulatory requirements in which the City must comply. Due to the unpredictable long-term nature of these funds, Council has elected to appropriate only capital outlay expenditures for general government use.

Fiscal Year 2011-12 listing of Police motorcycle and vehicle leases:

Vehicle	Program	Term of Lease	Amount
2 Motorcycles	Traffic	08/09 to 08/12	19,700
1 Motorcycle	Traffic	11/10 to 11/13	11,700
			Total $31,400

Vehicle	Program	Term of Lease	Amount
2 Vehicles	Patrol	10/09 to 10/12	25,500
1 Vehicle	CSO	07/08 to 07/12	8,900
3 Vehicles	Detective/Adm	07/08 to 07/12	13,600
2 Vehicles	Patrol Sgts	07/10 to 07/13	31,500
2 Vehicles	Patrol K9	07/10 to 07/13	31,800
1 Vehicle	CSU	07/10 to 07/14	10,700
1 Vehicle	Patrol	07/10 to 07/13	12,800
1 Vehicle	Detective	07/10 to 07/14	4,700
2 Vehicles	Admin	07/10 to 07/14	10,900
3 Vehicle	Patrol	07/11 to 07/14	32,400
Contract Cost			400
			Total $182,200

SPECIAL REVENUE FUND

REVENUE SHARING

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ 23,421	$ 29,810	$ -	$ 11,200	***Working Capital Carryforward***	$ 19,400	$ 19,400		73.21%
2									
3					***INTERGOVERNMENTAL***				
4	244,273	230,241	225,200	$ 232,400	State Revenue Sharing	$ 204,900	$ 204,900		-11.83%
5	15,741	4,200	4,900	3,600	Police Grants	1,500	1,500		-58.33%
6	$ 260,014	$ 234,441	$ 230,100	$ 236,000	Total Intergovernmental	$ 206,400	$ 206,400		-12.54%
7									
8					***MISCELLANEOUS***				
9	-	56	-	-	Miscellaneous Revenue	$ -	$ -		
10									
11					***TRANSFERS IN***				
12	105,300	-	20,500	20,500	From General Fund	-	-		-100.00%
13	$ 105,300	$ -	$ 20,500	$ 20,500	Total Transfers In	$ -	$ -		-100.00%
14									
15	$ 388,735	$ 264,307	$ 250,600	$ 267,700	**TOTAL RESOURCES**	$ 225,800	$ 225,800		-15.65%

Notes:

4 State Revenue Sharing apportionments are 54% of FY10-11 Liquor & Cigarette Tax receipts (tracked in the General Fund). FY11-12 revenue estimates are adjusted for the League of Oregon Cities forecasts which indicate a 12% decline in these revenues next year.

5 Police grants fund 50% of the cost for Protective Vests. The City anticipates the need for 4 new vests in FY11-12.

12 The Revenue Sharing Fund is used to track Capital Outlay items purchased for general government use. The transfer from the General Fund in FY10-11 is Civil Forfeiture funds used to purchase 2 detective cars with leases ending June 2011.

SPECIAL REVENUE FUND

REVENUE SHARING

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				REQUIREMENTS				
				CAPITAL OUTLAY				
$ 4,961	$ -	$ -	$ -	Office Furniture & Equipment	$ -	$ -		
31,907	-	-	-	Computer Hardware(4)	-	-		
3,520	4,550	9,800	7,200	Police Protective Vests	3,000	3,000		-58.33%
17,452	-	-	-	Police Officer Equipment	-	-		
-	36,909	31,400	31,700	Motorcycles & Equipment Lease	31,400	31,400		-0.95%
232,481	211,603	182,200	182,200	Police Vehicle Leases	182,900	182,900		0.38%
49,404	-	-	-	E-Citation System	-	-		
19,200	-	20,500	20,500	Police Vehicle Purchases	-	-		-100.00%
$ 358,925	$ 253,062	$ 243,900	$ 241,600	TOTAL CAPITAL OUTLAY	$ 217,300	$ 217,300		-10.06%
-	-	6,700	6,700	Transfer to General Fund	8,500	8,500		26.87%
				FUND BALANCE				
29,810	11,245	-	19,400	Unrestricted Ending Fund Balance	-	-		-100.00%
$ 388,735	$ 264,307	$ 250,600	$ 267,700	**TOTAL REQUIREMENTS**	$ 225,800	$ 225,800		-15.65%

Notes:

20 Computer hardware is now budgeted in the Administrative Services Fund- Assistant to the City Manager & IT budget.
21 The City anticipates the need for 4 new Protective Vests. A federal grant is anticipated to pay 50% of the costs.
23 A listing of Motorcycle & Equipment Leases is on the narrative preceding the Revenue Sharing budget.
24 A listing of Vehicle leases is on the narrative preceding the Revenue Sharing budget.

PUBLIC EDUCATION GOVERNMENT FUND

The Public Education Government Fund (PEG) is a Special Revenue Fund set up to account for franchise fees assessed on cable television bills. The fees are to be used exclusively for providing governmental cable programming.

Legislative action taken in fiscal year 2007-2008 continues to threaten PEG revenues. Should revenues cease by the end of the fiscal year, the ending fund balance will be sufficient to pay monthly broadcasting expenses the following year.

SPECIAL REVENUE FUND

PUBLIC EDUCATION GOVERNMENT FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ 48,646	$ 87,349	$ 128,600	$ 133,600	***Working Capital Carryforward***	$ 139,100	$ 139,100		4.12%
3					***INTERGOVERNMENTAL***				
4	100,973	109,769	106,800	112,400	PEG Fees	112,400	112,400		0.00%
6					***MISCELLANEOUS***				
7	429	589	500	400	Interest Earnings	400	400		0.00%
9	$ 150,048	$ 197,707	$ 235,900	$ 246,400	**TOTAL RESOURCES**	$ 251,900	$ 251,900		2.23%
11					**REQUIREMENTS**				
13					***MATERIALS & SERVICES***				
14	$ 1,000	$ -	$ -	$ -	Legal Services	$ -	$ -		
15	-	1,054	1,800	1,800	Administrative Fee	1,800	1,800		0.00%
16	-	-	-	-	Production Services	14,000	14,000		
17	61,321	60,000	78,500	78,500	Broadcasting	76,000	76,000		-3.18%
18	$ 62,321	$ 61,054	$ 80,300	$ 80,300	TOTAL MATERIALS & SERVICES	$ 91,800	$ 91,800		14.32%
20					***CAPITAL OUTLAY***				
21	$ 378	$ 3,050	$ 27,000	$ 27,000	Television Equipment	$ 3,500	$ 3,500		-87.04%
23	-	-	50,000	-	Contingency	50,000	50,000		
25					***FUND BALANCE***				
26	87,349	133,603	78,600	139,100	Unrestricted Ending Fund Balance	106,600	106,600		-23.36%
28	$ 150,048	$ 197,707	$ 235,900	$ 246,400	**TOTAL REQUIREMENTS**	$ 251,900	$ 251,900		2.23%

Notes:

4 PEG Fees are franchise fees assessed on Comcast cable television bills. Regarding the healthy revenue increases: "Our results mark the third consecutive quarter of accelerating growth in revenue and operating cash flow, driven by overall customer growth, a robust advertising market and continued strength in business services," Brian L. Roberts, the company's chairman and chief executive officer, said in a statement. www.philly.com 10/27/10.

15 The Administrative Fee pays PEGs share of the City's network costs.

17 Costs are $6,250 per month for cable broadcasting, plus $1,000 for maintenance and repair of equipment.

21 Equipment purchases are to improve the program and enhance flexibility for in-the-field programming.

26 Legislative action taken in FY07-08 continues to threaten PEG revenues. Should revenues cease by the end of FY11-12, the ending fund balance will be sufficient to pay monthly broadcasting expenses the following year.

9-1-1 COMMUNICATIONS FUND

The 9-1-1 Communications Fund is supported by the 9-1-1 Excise Tax: a State apportionment based on telephone bills. The primary use of funds is restricted by statute to be used for the Emergency Dispatch Program (ORS 401.842) and accordingly is distributed to the Police Department and the Fire Districts to support this purpose.

The City of Keizer has an interagency agreement with Keizer Rural Fire Protection District (KRFPD) and Marion County Fire District #1 (MCFD#1 for the apportionment of 9-1-1 Excise Tax revenues. Using data from the Willamette Valley Communication Center (WVCC), the agencies have agreed to an allocation methodology, which changes each year based on activity from the preceding year.

9-1-1 Excise Tax revenues have been insufficient in recent years to fully fund the Program. Consequently, the General Fund subsidizes this fund through an interfund transfer.

SPECIAL REVENUE FUND

9-1-1 COMMUNICATIONS FUND

RESOURCES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1	$ (2,758)	$ -	$ -	$ -	***Working Capital Carryforward***	$ 1,700	$ 1,700		
2									
3					***INTERGOVERNMENTAL***				
4	189,223	182,665	180,000	181,900	9-1-1 Excise Tax	179,700	179,700		-1.21%
5									
6					***TRANSFERS IN***				
7	248,404	250,900	269,900	269,900	Transfer from General Fund	287,500	287,500		6.52%
8									
9	434,869	433,565	449,900	451,800	**TOTAL RESOURCES**	468,900	468,900		3.78%

Notes:

4 Based on current wireless and landline trends, Oregon Emergency Management projects that the 9-1-1 tax revenue distributions to cities and counties should drop slightly and then remain constant for the next few fiscal years. The statutory authorization for the 9-1-1 tax was renewed during the 2007 Legislature, and is now scheduled to sunset 12/31/14. (2/11 issue of League of Oregon Cities, Local Focus).

7 A transfer from the General Fund is needed because 9-1-1 expenditures exceed revenues. The total Willamette Valley Communication Center bill for FY11-12 is $453,500 compared to $436,600 in FY10-11. The 9-1-1 related costs are paid from the 9-1-1 Fund. The business calls are paid from the Police Operating budget.

SPECIAL REVENUE FUND

9-1-1 COMMUNICATIONS FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
10					**REQUIREMENTS**				
11									
12					***MATERIALS & SERVICES***				
13	798	-	-	-	Legal Services	-	-		
14	-	-	-	200	Administrative Service Charges	200	200		0.00%
15	352,729	360,901	377,800	377,800	Emergency 9-1-1 and Dispatch Calls	396,400	396,400		4.92%
16	81,342	72,628	72,100	72,100	Distributions to 9-1-1 Agencies	72,300	72,300		0.28%
17	434,869	433,529	449,900	450,100	TOTAL MATERIALS & SERVICES	468,900	468,900		4.18%
18									
19					***FUND BALANCE***				
20	-	36	-	1,700	Unrestricted Ending Fund Balance	-	-		-100.00%
21									
22	434,869	433,565	449,900	451,800	**TOTAL REQUIREMENTS**	468,900	468,900		3.78%

15 The total Willamette Valley Communications Center (WVCC) bill for FY11-12 is $453,500 compared to $436,600 in FY09-10. The increase is primarily related to the increase in PERS retirement rates for WVCC staff. The 9-1-1 related costs are paid from the 9-1-1 Fund. The business calls are paid from the Police Operating budget.

16 Of the estimated $179,100 to be received in 9-1-1 Excise Tax Revenues, 36.18% is to be remitted to the Keizer Rural Fire Protection District and 4.04% is to be remitted to the Marion County Fire District #1 using a formula agreed to by the two Fire Districts and the City through an interagency agreement.

LAW ENFORCEMENT GRANT FUND

Revenues in the Law Enforcement Grant Fund are from federal grants. Uses are restricted to each specific grant received and have traditionally been for one-time purchases of operating materials and Police equipment.

SPECIAL REVENUE FUND

LAW ENFORCEMENT GRANT FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				RESOURCES				
$ (4,835)	$ -	$ -	$ (200)	***Working Capital Carryforward***	$ -	$ -		-100.00%
				INTERGOVERNMENTAL				
4,666	49,020	90,500	40,200	Police Grants	50,000	50,000		24.38%
				MISCELLANEOUS				
-	-	-	-	Interest/Donations	-	-		
$ (169)	$ 49,020	$ 90,500	$ 40,000	**TOTAL RESOURCES**	$ 50,000	$ 50,000		25.00%
				REQUIREMENTS				
				MATERIALS & SERVICES				
$ (169)	$ 914	$ -	$ -	Operating Materials	$ 25,000	$ 25,000		
				CAPITAL OUTLAY				
-	48,259	90,500	40,000	Police Equipment	25,000	25,000		-37.50%
				FUND BALANCE				
-	(153)	-	-	Unrestricted Ending Fund Balance	-	-		
$ (169)	$ 49,020	$ 90,500	$ 40,000	**TOTAL REQUIREMENTS**	$ 50,000	$ 50,000		25.00%

Notes:

4 Each year the Police Department applies for and receives various Federal Grants for one-time purchases of Materials and Capital Outlay items. Funds will not be expended until the grant award is received and approved by City Council.

HOUSING SERVICES FUND

The original source of revenues in the Housing Services Fund was from a State Community Development Block Grant. Uses were restricted to creating loans for housing rehabilitation projects. The original grant was completely expended in fiscal year 1998. The goal of the program is to preserve the existing supply of affordable low income housing and to ensure that the existing housing occupied by low income homeowners is safe, energy efficient and affordable to maintain.

The City is in the process of reestablishing the former program. Research indicated that "de-federalizing" these funds would be a lengthy process that wouldn't yield effective results. In addition, management of CDBG funds is complicated and staff has continued to educate itself over the previous fiscal year. City staff will continue efforts to effectively re-launch the former program over the current fiscal year and will be a benefit to low/moderate income households within the Keizer community. In addition, staff intends to educate the public of these opportunities through the City's website, Keizer 23 channel, local newsletters, the City of Keizer Facebook page and other media.

SPECIAL REVENUE FUND

HOUSING SERVICES FUND

RESOURCES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1	$ 200,262	$ 265,952	$ 281,900	$ 281,200	***Working Capital Carryforward***	$ 282,500	$ 282,500		0.46%
2									
3					***MISCELLANEOUS***				
4	61,200	13,520	30,000	-	Loan Proceeds	30,000	30,000		
5	4,490	1,921	2,400	1,300	Interest Revenue	1,300	1,300		0.00%
6	$ 65,690	$ 15,441	$ 32,400	$ 1,300	Total Miscellaneous	$ 31,300	$ 31,300		2307.69%
7									
8	$ 265,952	$ 281,393	$ 314,300	$ 282,500	**TOTAL RESOURCES**	$ 313,800	$ 313,800		11.08%
9									

Notes:

1 The original funds for this program were received through a Federal Grant. The working capital carryforward is from loan repayments and interest earned on these funds.

4 The City currently has loans outstanding for this program totaling $113,700. The program typically receives 1-2 repayments each year. The average balance of each loan is approximately $15,000.

SPECIAL REVENUE FUND

HOUSING SERVICES FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
10					**REQUIREMENTS**				
11									
12					***MATERIALS & SERVICES***				
13	$ -	$ -	$ 1,000	$ -	Materials and Supplies	$ 1,000	$ 1,000		
14	-	-	5,100	-	Administrative Fee	5,100	5,100		
15	-	164	298,000	-	Housing Rehabilitation Services	297,500	297,500		
16	$ -	$ 164	$ 304,100	$ -	TOTAL MATERIALS & SERVICES	$ 303,600	$ 303,600		
17									
18					***FUND BALANCE***				
19	-	-	10,200	-	Reserve for Administration	10,200	10,200		
20	265,952	281,229	-	282,500	Unrestricted Ending Fund Balance	-	-		-100.00%
21									
22	$ 265,952	$ 281,393	$ 314,300	$ 282,500	**TOTAL REQUIREMENTS**	$ 313,800	$ 313,800		11.08%

Notes:

13 Materials & Supplies are for outreach, brochures, etc to inform potential recipients of the program.

14 The Administrative Fee is one-third of 10% of grant proceeds for staff time administering the program. The remaining two-thirds is held in reserve for years two and three.

15 Community Development staff is in the process of reestablishing this program and anticipates loaning funds beginning in FY11-12. Expenditures provide for loaning all available funds should demand for this program warrant.

19 The Reserve for Administrative Fee is Community Development staff's time for managing this program in years two and three.

ENERGY EFFICIENCY REVOLVING LOAN FUND

The City of Keizer has recently received funding from the Recovery Act – Energy Efficiency and Conservation Block Grant. Uses for these funds were restricted programs that improved energy efficiency within the community. The City elected to develop a revolving loan fund to complement the current Housing Rehabilitation loan program. The Energy Efficiency loans will be restricted to permanent enhancements that improve energy efficiency within the residential home of low/moderate income households.

City staff will manage the program by accepting and approving qualified applications. City staff coordinates funds from the Housing Rehabilitation program to enhance the reach of this new program. Staff educates the public of these opportunities through the City's website, Keizer 23 channel, local newsletters, the City of Keizer Facebook page and other media.

SPECIAL REVENUE FUND

RESIDENTIAL ENERGY EFFICIENCY REVOLVING LOANS

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ -	$ -	$ -	$ -	***Working Capital Carryforward***	$ 139,100	$ 139,100		
2									
3	-	-	138,500	138,500	Grant Funds	-	-		-100.00%
4									
5					***MISCELLANEOUS***				
6	-	-	-	-	Loan Proceeds	-	-		
7	-	-	-	600	Interest Revenue	600	600		0.00%
8	$ -	$ -	$ -	$ 600	Total Miscellaneous	$ 600	$ 600		0.00%
9									
10	$ -	$ -	$ 138,500	$ 139,100	**TOTAL RESOURCES**	$ 139,700	$ 139,700		0.43%
11									
12					**REQUIREMENTS**				
13									
14					***MATERIALS & SERVICES***				
15	$ -	$ -	$ 1,000	$ -	Materials and Supplies	$ 1,000	$ 1,000		
16	-	-	4,600	-	Administrative Fee	4,600	4,600		
17	-	-	124,700	-	Energy Efficiency Loans	134,100	134,100		
18	$ -	$ -	$ 130,300	$ -	TOTAL MATERIALS & SERVICES	$ 139,700	$ 139,700		
19									
20					***FUND BALANCE***				
21	-	-	8,200	-	Reserved for Administration				
22	-	-	-	139,100	Unrestricted Ending Fund Balance	-	-		-100.00%
23									
24	$ -	$ -	$ 138,500	$ 139,100	**TOTAL REQUIREMENTS**	$ 139,700	$ 139,700		0.43%

Notes:

3 This is a new federal grant program to provide low-income homes with funds to make energy efficiency improvements.

15 Materials & Supplies are for outreach, brochures, etc to inform potential recipients of the program.

16 The Administrative Fee is one-third of 10% of grant proceeds for staff time administering the program. The remaining two-thirds is held in reserve for years two and three.

22 The Reserve is two-thirds of 10% of grant proceeds for staff time administering the program in years two and three.

PARK IMPROVEMENT FUND
Fiscal Year 2011/2012

The Park Improvement Fund was established to account for system development fees designated for park improvements.

Improvements Completed:

Keizer Rapids Park

Extended public waterline into park from 15th Ave. N

Funded installation of irrigation system and seeding of dog park

Proposed Improvements:

No Improvements are proposed for FY 11-12.

CAPITAL PROJECTS FUND

PARK IMPROVEMENT FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ 926,485	$ 692,433	$ 622,500	$ 669,200	***Working Capital Carryforward***	$ 532,200	$ 532,200		-20.47%
2									
3					***INTERGOVERNMENTAL***				
4	70,082	50,076	-	1,100	Grants	-	-		-100.00%
5									
6					***LICENSES & FEES***				
7	25,711	97,372	29,900	22,000	System Development Fees	29,400	29,400		33.64%
8									
9					***MISCELLANEOUS***				
10	17,462	4,635	5,600	2,900	Interest	2,900	2,900		0.00%
11	28,000	-	-	-	Miscellaneous Revenue	-	-		
12	$ 45,462	$ 4,635	$ 5,600	$ 2,900	TOTAL MISCELLANEOUS	$ 2,900	$ 2,900		0.00%
13									
14	2,822		-	-	Transfer from Transportation Fund	-	-		
15									
16	$ 1,070,562	$ 844,516	$ 658,000	$ 695,200	**TOTAL RESOURCES**	$ 564,500	$ 564,500		-18.80%

Notes:

7 Revenues are based on SDCs for 20 new single-family dwelling units.

10 City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

CAPITAL PROJECTS FUND

PARK IMPROVEMENT FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
17					**REQUIREMENTS**				
18									
19					***MATERIALS & SERVICES***				
20	$ 18,779	$ -	$ -	$ -	Legal Services	$ -	$ -		
21	1,779	4,092	-	-	Contractual Services	-	-		
22	$ 20,558	$ 4,092	$ -	$ -	TOTAL MATERIALS & SERVICES	$ -	$ -		
23									
24					***CAPITAL OUTLAY***				
25	$ 24,683	$ 11,736	$ -	$ -	Grant Expenditures	$ -	$ -		
26	24,972	75,157	-	120,000	Land Acquisition	-	-		-100.00%
27	307,916	84,344	59,000	43,000	Improvements	-	-		-100.00%
28	-	-	581,000	-	Unanticipated Expenses	564,500	564,500		
29	$ 357,571	$ 171,237	$ 640,000	$ 163,000	TOTAL CAPITAL OUTLAY	$ 564,500	$ 564,500		246.32%
30									
31									
32					***FUND BALANCE***				
33	692,433	669,187	18,000	532,200	Unrestricted Ending Fund Balance	-	-		-100.00%
34									
35	$ 1,070,562	$ 844,516	$ 658,000	$ 695,200	**TOTAL REQUIREMENTS**	$ 564,500	$ 564,500		-18.80%

Notes:

20 Legal Services costs are now budgeted in the Administrative Services Fund, City Attorney budget.

26 Land Acquisition in FY10-11 includes option money on the Buchholtz property.

TRANSPORTATION IMPROVEMENT FUND

The Transportation Improvement Fund was established in Fiscal Year 2004-2005 to account for system development fees. The city currently charges a system development fee of $1,215 per single-family dwelling unit and $746 per each Multi Family Unit to help cover the cost of transportation improvements resulting from development. The system development fees are adjusted annually using a blended rate of CPI Construction index and the change in undeveloped land values in the area.

Staff recommendations for expenditures in fiscal year 2011/2012 are as follows:

- Begin Engineering Design for the improvements to the I-5/Chemawa Southbound on-ramp. ODOT is currently taking the lead planning and designing improvements. Estimated cost includes permits and project management
- Begin construction of the on-ramp widening late spring 2012

CAPITAL PROJECTS FUND

Transportation Improvement Fund

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ 1,618,017	$ 1,544,970	$ 1,666,200	$ 1,674,000	***Working Capital Carryforward***	$ 1,820,900	$ 1,820,900		8.78%
3					***LICENSES & FEES***				
4	79,623	118,061	75,300	74,000	System Development Fees	99,600	99,600		34.59%
6					***MISCELLANEOUS***				
7	32,196	11,029	14,000	7,900	Interest	8,600	8,600		8.86%
8	-	-	23,600	65,000	Repayment of Community Center Loan	-	-		-100.00%
9	$ 32,196	$ 11,029	$ 37,600	$ 72,900	TOTAL MISCELLANEOUS	$ 8,600	$ 8,600		-88.20%
11					***TRANSFERS IN***				
12	22,258	-	-	-	From General Fund	-	-		
13	$ 22,258	$ -	$ -	$ -	TOTAL TRANSFERS IN	$ -	$ -		
15	$ 1,752,094	$ 1,674,060	$ 1,779,100	$ 1,820,900	**TOTAL RESOURCES**	$ 1,929,100	$ 1,929,100		5.94%

Notes:

4 FY11-12 SDCs are projected anticipating two commercial developments in Keizer Station Area B.

7 City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

8 The transfer from the Community Center Fund in FY10-11 is repayment in full, plus interest, for an interfund loan made in FY08-09.

CAPITAL PROJECTS FUND

Transportation Improvement Fund

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
16					**REQUIREMENTS**				
17									
18					***MATERIALS & SERVICES***				
19	$ 709	$ -	$ -	$ -	Legal Services	$ -	$ -		
20	$ 709	$ -	$ -	$ -	TOTAL MATERIALS & SERVICES	$ -	$ -		
21									
22					***CAPITAL OUTLAY***				
23	$ 7,213	$ -	$ 440,000	$ -	Improvements	$ 440,000	$ 440,000		
24	-	-	1,300,000	-	Unanticipated Expenses	1,100,000	1,100,000		
25	$ 7,213	$ -	$ 1,740,000	$ -	TOTAL CAPITAL OUTLAY	$ 1,540,000	$ 1,540,000		
26									
27					***TRANSFERS OUT***				
28	$ 1,105	$ -	$ -	$ -	Repayment to General Fund	$ -	$ -		
29	64,502	-	-	-	Interfund loan to Community Center	-	-		
30	130,773	-	-	-	Transfer to Sewer Reserve Fund	-	-		
31	2,822	-	-	-	Repayment to Park Improvement Fund	-	-		
32	$ 199,202	$ -	$ -	$ -	TOTAL TRANSFERS OUT	$ -	$ -		
33									
34					***FUND BALANCE***				
35	1,544,970	1,674,060	39,100	1,820,900	Unrestricted Ending Fund Balance	389,100	389,100		-78.63%
36									
37	$ 1,752,094	$ 1,674,060	$ 1,779,100	$ 1,820,900	**TOTAL REQUIREMENTS**	$ 1,929,100	$ 1,929,100		5.94%

Notes:

19 Legal Services costs are now budgeted in the Administrative Services Fund, City Attorney budget. The Transportation SDC methodology does not provide for a portion of SDCs to cover administrative costs.

23 Improvements include beginning engineering design for 1-5/Chemawa southbound on-ramp including permits and project management. Also begin construction of the on-ramp widening in late FY11-12.

OFF-SITE TRANSPORTATION IMPROVEMENT FUND

Off-Site Transportation Fund was created for future transportation improvement projects. The resources are from developer fees required to be paid as set forth in the Keizer Station master plan orders.

SPECIAL REVENUE FUND

OFF-SITE TRANSPORTATION SYSTEM IMPROVEMENTS

#	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1					***WORKING CAPITAL CARRYFORWARD***				
2	$ -	$ -	$ -	$ -	Working Capital Carryforward	$ 52,000	$ 52,000		
3									
4					***LICENSES & FEES***				
5	-	-	-	52,000	Off-Site Transportation Fees				-100.00%
6	$ -	$ -	$ -	$ 52,000	TOTAL LICENSES & FEES	$ -	$ -		-100.00%
7									
8					***MISCELLANEOUS***				
9	-	-	-	-	Interest	100	100		
10	$ -	$ -	$ -	$ -	TOTAL MISCELLANEOUS	$ 100	$ 100		
11									
12	$ -	$ -	$ -	$ 52,000	**TOTAL RESOURCES**	$ 52,100	$ 52,100		0.19%

Notes:
5 Off-Site Transportation Fees are charges on developers in lieu of constructing certain transportation improvements.

#	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					REQUIREMENTS				
13					***CAPITAL OUTLAY***				
14	-	-	-	-	Off-Site Transportation Improvements	$ 52,100	$ 52,100		
15	$ -	$ -	$ -	$ -	TOTAL CAPITAL OUTLAY	$ 52,100	$ 52,100		
16									
17									
18					***FUND BALANCE***				
19	-	-	-	52,000	Unrestricted Ending Fund Balance	-	-		-100.00%
20	$ -	$ -	$ -	$ 52,000	TOTAL FUND BALANCE	$ -	$ -		-100.00%
21									
22	$ -	$ -	$ -	$ 52,000	**TOTAL REQUIREMENTS**	$ 52,100	$ 52,100		0.19%

Notes:
14 Off-Site Transportation Improvements are projects that are identified in the Keizer Station Area B and C master plan orders.

STREET FUND

The Street Fund is managed by the Public Works Department to provide quality streets, lighting, traffic signals, sidewalks, and bike paths. Drainage improvements for the City's street system, has been consolidated into the Stormwater Fund. The Street Fund's share of drainage maintenance and repairs will be an annual transfer to that fund. The primary revenue source is State Fuel Taxes, which are state apportionments based on population. Fuel tax revenues are restricted by constitutional limits and are to be used for street maintenance (Const. IX § 3). The Street Division is staffed with 2.5 full time maintenance employees and a portion of various administrative staff to provide total right of way maintenance services for the City. The City currently contracts striping and signing services with Marion County. Traffic Signal System operation and maintenance is contracted with the City of Salem.

Street Fund Capital Improvement Expenditures 2010-2011

- Began upgrade of school zone flasher systems city-wide.
- Upgraded ten Traffic Signals to accept remote back up generator connections and purchased two generators.
- Designed Signal Interconnect along Lockhaven from 14th Ave. to River Road.
- Presented for consideration to City Council construction of Pedestrian Crossing of River Road.
- Completed installation of Wheatland Road street lights from River Road to North City limits.
- Updated PCI (Pavement Condition Index) on all streets preparing for reestablishment of pavement preservation program.
- ODOT began Engineering, Planning and final design for Chemawa Road N. improvements.
- Completed Phase II installation of the ADA required sidewalk improvements in southwest Keizer.
- Completed resurfacing of a section of Chemawa Rd NE and a section of Dearborn NE using Federal Stimulus Funding.

Street Fund Capital Improvement Expenditures 2011-2012

- Phase I planning and design of shoulder widening along Delight Street from Chemawa to Cummings.
- Begin Planning and Preliminary Design on the Chemawa/Verda Roundabout and Lockhaven/14th signal.
- Construct area B access and drainage improvements as identified in property sales agreement.
- Resurface various streets as indicated from the Pavement Condition Index (PCI).
- ODOT to continue the Chemawa Road Improvement Project using awarded Federal Grants and local matching funds.
- Complete the Hornet Court and Sieberg Ave Local Improvement Districts (LID) as designed per Council approval.
- Complete installations of the School Zone Flasher systems and Signal interconnect along Lockhaven Dr.
- Install additional Streetlights along Lockhaven NE and Dearborn N.
- Continue citywide ADA sidewalk upgrades inside the Lockhaven/Verda/Chemawa triangle NE

SPECIAL REVENUE FUND

STREET FUND

RESOURCES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1					***WORKING CAPITAL CARRYFORWARD***				
2	$ 1,227,271	$ 1,010,158	$ 1,239,400	$ 1,293,700	Working Capital Carryforward	$ 2,230,000	$ 2,230,000		72.37%
3	1,164	570	1,900	1,400	Bike Safety Donations	1,200	1,200		-14.29%
4	$ 1,228,435	$ 1,010,728	$ 1,241,300	$ 1,295,100	TOTAL WORKING CAPITAL CARRYFORWARD	$ 2,231,200	$ 2,231,200		72.28%
5									
6					***LICENSES & FEES***				
7	$ 8,131	$ 1,215	$ 3,000	$ 3,500	Planning Construction Fees	$ 3,000	$ 3,000		-14.29%
8	3,095	6,070	2,600	1,500	Driveway Permit Fees	1,500	1,500		0.00%
9	$ 11,226	$ 7,285	$ 5,600	$ 5,000	TOTAL LICENSES & FEES	$ 4,500	$ 4,500		-10.00%
10									
11					***INTERGOVERNMENTAL***				
12	$ 92,685	$ -	$ -	$ -	Grants	$ -	$ -		
13	1,379,293	1,502,644	1,466,600	1,629,000	State Fuel Tax	1,837,500	1,837,500		12.80%
14	6,434	-	-		FEMA Reimbursement	-	-		
15	$ 1,478,412	$ 1,502,644	$ 1,466,600	$ 1,629,000	TOTAL INTERGOVERNMENTAL	$ 1,837,500	$ 1,837,500		12.80%
16									
17					***MISCELLANEOUS***				
18	$ 1,686	$ 3,107	$ 3,200	$ 1,400	Bike Safety Donations	$ -	$ -		-100.00%
19	21,782	7,830	10,300	5,200	Interest	5,200	5,200		0.00%
20	-	-	894,000	867,800	Property Sales	-	-		-100.00%
21	20,035	20,904	21,000	9,400	Rental Property	9,000	9,000		-4.26%
22	598	7,327	-	400	Miscellaneous Revenue	-	-		-100.00%
23	$ 44,101	$ 39,168	$ 928,500	$ 884,200	TOTAL MISCELLANEOUS	$ 14,200	$ 14,200		-98.39%
24									
25	$ 2,762,174	$ 2,559,825	$ 3,642,000	$ 3,813,300	**TOTAL RESOURCES**	$ 4,087,400	$ 4,087,400		7.19%

Notes:

13 Fuel Tax revenue projections for FY10-11 are coming in above budget, reflecting the six-cent increase in state gas tax, increases in vehicle title and registration fees, & weight-mile fees paid by truckers beginning 1/1/11. FY11-12 estimates are based on FY10-11 projections plus a 12.8% increase as projected by the League of Oregon Cities & is reflective of a full-year's impact of the tax & fee increases.

19 City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

22 Miscellaneous Revenues are one-time revenues that are not characterized by line-item descriptions.

SPECIAL REVENUE FUND

STREET FUND

REQUIREMENTS

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
26					***PERSONNEL SERVICES***				
27	$ 5,955	$ -	$ -	$ -	City Manager (2)	$ -	$ -		
28	$ 5,783	-	-	-	Assistant to City Manager (4)	-	-		
29	46,070	46,399	47,400	47,400	Public Works Director	47,400	47,400		0.00%
30	25,184	25,363	25,300	25,300	Public Works Superintendent	25,300	25,300		0.00%
31	7,252	-	-	-	City Recorder (5)	-	-		
32	57,833	70,198	69,400	69,400	Municipal Utility Workers	70,900	70,900		2.16%
33	5,457	5,663	5,700	5,700	Community Development Director	5,700	5,700		0.00%
34	4,231	4,391	4,400	4,400	Code Enforcement/Zoning Technician	-	-		-100.00%
35	26,959	18,711	18,700	18,700	Administrative Support	18,700	18,700		0.00%
36	1,737	-	-	-	Network Administrator (4)	-	-		
37	2,519	-	-	-	Human Resources Director (6)	-	-		
38	5,104	-	-	-	Finance Director (7)	-	-		
39	8,387	-	-	-	Facility Maintenance Worker (8)	-	-		
40	636	51	700	700	Clothing Allowance/Cell Phone Stipend	700	700		0.00%
41	4,301	1,222	2,200	2,200	Overtime	2,300	2,300		4.55%
42	-	768	5,200	5,200	Duty Pay	5,200	5,200		0.00%
43	460	-	-	-	Vehicle Allowance/Tuition Assistance (2)	-	-		

Notes:

26 Personnel Services and certain operating costs (as referenced in the Materials & Services section) related to general administration are now budgeted in the Administrative Services Fund as follows:

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

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

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					PERSONNEL SERVICES - CONTINUED				
44	3,207	2,629	2,700	2,700	Medicare	2,600	2,600		-3.70%
45	38,849	26,517	26,600	26,600	Retirement	30,100	30,100		13.16%
46	42,459	30,854	37,300	37,300	Insurance Benefits	37,500	37,500		0.54%
47	1,175	1,613	1,800	1,800	Workers Compensation	1,900	1,900		5.56%
48	$ 293,558	$ 234,379	$ 247,400	$ 247,400	TOTAL PERSONNEL SERVICES	$ 248,300	$ 248,300		0.36%

Notes:

40 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.

44 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

45 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

46 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

47 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
49					***MATERIALS & SERVICES***				
50	$ 1,313	$ -	$ -	$ -	Office Materials & Supplies	$ -	$ -		
51	79	-	-	-	Safety & Wellness (6)	-	-		
52	2,280	2,252	2,000	1,600	Helmets	1,200	1,200		-25.00%
53	1,876	177	1,000	300	Postage & Printing	500	500		66.67%
54	2,207	-	-	-	Association Memberships (1)	-	-		
55	3,242	2,394	3,000	1,500	Travel & Training	2,500	2,500		66.67%
56	385	-	-	-	City Council Expenses (1)	-	-		
57	213	101	100	600	Advertising	500	500		-16.67%
58	16,578	-	-	100	Legal Services (3)	-	-		-100.00%
59	1,701	118	200	100	Labor Attorney	400	400		300.00%
60	-	112,066	106,000	106,100	Administrative Services Charges	128,300	128,300		20.92%
61	31,642	28,213	70,000	35,000	Contractual Services	41,000	41,000		17.14%
62	2,460	-	-	-	Audit (7)	-	-		
63	24,915	25,315	30,000	29,000	Engineering Services	30,000	30,000		3.45%
64	6,450	2,964	6,000	13,000	Traffic Engineering SDC Review	7,000	7,000		-46.15%
65	2,099	547	600	400	Janitorial	400	400		0.00%
66	1,799	782	-	-	Gas & Electricity (8)	-	-		
67	2,281	1,681	2,000	2,000	Telephone	2,000	2,000		0.00%

Notes:

49 Materials & Services related to general administration are now budgeted in the Administrative Services Fund (AFS). Each Operating fund is charged for the services provided by AFS based on various cost allocation plans. These plans are to be revised each year based on anticipated benefits received. The plans are based on a range of factors including number of personnel, percent of effort expended by administrative personnel to the benefiting fund, current operating budgets, pieces of information technology equipment, software and maintenance fees. The increase from FY10-11 to FY11-12 primarily reflects a reallocation of staff from Urban Renewal to the other operating funds net of the elimination of the Assistant to the City Manager position.

	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	PERCENT INC (DEC) PROJECTED
(1)	$ 10,300	City-Wide Administration	$ 11,200	$ 11,200	8.74%
(2)	8,600	City Manager	15,800	15,800	83.72%
(3)	13,200	Assistant to the City Manager/IT	11,900	11,900	-9.85%
(4)	22,200	Attorney's Office	20,300	20,300	-8.56%
(5)	12,200	City Recorder	15,600	15,600	27.87%
(6)	8,100	Human Resources	9,300	9,300	14.81%
(7)	23,300	Finance	34,400	34,400	47.64%
(8)	8,200	Facility Maintenance	9,800	9,800	19.51%
	$ 106,100	Administrative Services Charges	$ 128,300	$ 128,300	20.92%

55 Travel & Training costs are for Public Works staff only. Travel & Training for Administrative staff has been moved to the Administrative Services Fund.

59 Labor attorney costs are for union negotiations including dispute resolution. The Local 320 contract expires June, 30 2012 therefore, costs for negotiations are anticipated in FY11-12.

61 Contractual services includes right of way maintenance and costs related to the sale of Area B property.

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					MATERIALS & SERVICES - CONTINUED				
68	10,043	483	1,400	500	Insurance - Auto Liability	500	500		0.00%
69	218	464	1,000	1,000	Gasoline/Diesel	1,500	1,500		50.00%
70	1,542	-	-	-	Computer & Software Maintenance (4)	-	-		
71	1,963	1,339	2,000	1,500	Equipment Maintenance	2,000	2,000		33.33%
72	563	-	-	-	Facility Maintenance (8)	-	-		
73	7,273	2,903	7,000	5,500	Sidewalk Maintenance	7,000	7,000		27.27%
74	8,542	5,728	8,000	8,000	Operating Materials and Supplies	8,000	8,000		0.00%
75	95,429	96,955	97,000	97,000	Street Sweeping	79,900	79,900		-17.63%
76	135,316	129,334	165,000	151,000	Street Maintenance & Repair	155,000	155,000		2.65%
77	58,054	61,912	63,000	64,000	Street Light Utilities	69,000	69,000		7.81%
78	21,657	21,883	25,000	22,000	Traffic Light Utilities	24,000	24,000		9.09%
79	239	-	200	200	Medical Testing	200	200		0.00%
80	7,031	10,698	6,000	7,400	Rental Property Expenses	3,000	3,000		-59.46%
81	6,350	6,675	6,700	7,100	MPO Support/ SKATS	7,400	7,400		4.23%
82	-	-	-	-	Miscellaneous Expenses	-	-		
83	1,219	79	-	-	Flood & Drainage Services	-	-		
84	$ 456,959	$ 515,063	$ 603,200	$ 554,900	TOTAL MATERIALS & SERVICES	$ 571,300	$ 571,300		2.96%

Notes:

68 Liability insurance costs for the City's facilities are tracked in the Administrative Services Fund - Civic Center Facilities budget beginning in FY09-10. Beginning with FY09-10, liability insurance includes the Street Fund's share of auto insurance premiums.

75 A portion of street sweeping costs are allocated to the storm fund to reflect NPDES PHII permit requirements.

SPECIAL REVENUE FUND

STREET FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
85					***CAPITAL OUTLAY***				
86	$ 296	$ -	$ -	$ -	Office Furniture & Equipment	$ -	$ -		
87	2,302	-	-	-	Computer Hardware	-	-		
88	64,749	-	14,800	14,800	Heavy Equipment/Vehicles	10,500	10,500		-29.05%
89	10,581	43,347	-	-	Bike Paths & Lanes	55,000	55,000		
90	145,024	104	500,000	249,000	Street Improvements	280,000	280,000		12.45%
91	22,953	-	30,000	27,000	Infill and ADA Sidewalk Completions	35,000	35,000		29.63%
92	351,595	1,694	-	-	Property & Easement Acquisition	-	-		
93	-	-	-	-	Arterial/Collector Street Light Improvements	85,000	85,000		
94	14,893	83,732	420,000	25,000	Street Resurfacing	750,000	750,000		2900.00%
95	-	-	-	-	Seiberg LID	33,000	33,000		
96	-	-	178,000	45,000	Signage Signal Upgrades	195,000	195,000		333.33%
97	-	-	-	-	Hornet CT LID	59,000	59,000		
98	-	-	-	-	Area B Development Costs	91,200	91,200		
99	656	6,305	-	-	Field Equipment	3,900	3,900		
100	$ 613,049	$ 135,182	$ 1,142,800	$ 360,800	TOTAL CAPITAL OUTLAY	$ 1,597,600	$ 1,597,600		342.79%

Notes:

87 Computer hardware is now budgeted in the Administrative Services Fund- Assistant to the City Manager & IT budget.

89 Phase 1 planning of new bike and pedestrian path along Delight Street.

90 Street Improvements include the City's final match for Chemawa N and the City's match for design of Verda Chemawa roundabout/Lockhaven 14th signal and Shoreline Dr reconstruction.

96 School Zone Flasher upgrade citywide; completion of the Lockhaven signal interconnect.

SPECIAL REVENUE FUND

STREET FUND

Line	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					DEBT SERVICE				
101	$ 157,000	$ 163,000	$ 169,000	$ 169,000	Principal	$ 176,000	$ 176,000		4.14%
102	53,449	47,177	40,700	40,700	Interest	34,000	34,000		-16.46%
103	$ 210,449	$ 210,177	$ 209,700	$ 209,700	TOTAL DEBT SERVICE	$ 210,000	$ 210,000		0.14%
104									
105					***TRANSFERS OUT***				
106	$ 28,231	$ -	$ -	$ -	City Hall Facility Fund	$ -	$ -		
107	149,200	169,941	210,500	210,500	Storm Utility Fund	210,500	210,500		0.00%
108	$ 177,431	$ 169,941	$ 210,500	$ 210,500	TOTAL TRANSFERS OUT	$ 210,500	$ 210,500		0.00%
109									
110	$ -		$ 62,700	$ -	Contingency	$ 79,900	$ 79,900		
111									
112					***FUND BALANCE***				
113	$ -	$ -	$ 858,000	$ 867,800	Reserve Proceeds from Property Sales	$ 776,600	$ 776,600		-10.51%
114	-	-	173,800	173,800	Restricted for Future Debt Service	173,800	173,800		0.00%
115	1,010,728	1,295,083	133,900	1,188,400	Unrestricted Ending Fund Balance	219,400	219,400		-81.54%
116	$ 1,010,728	$ 1,295,083	$ 1,165,700	$ 2,230,000	TOTAL FUND BALANCE	$ 1,169,800	$ 1,169,800		-47.54%
117									
118	$ 2,762,174	$ 2,559,825	$ 3,642,000	$ 3,813,300	**TOTAL REQUIREMENTS**	$ 4,087,400	$ 4,087,400		7.19%

Notes:

107 The transfer to the Storm Utility Fund is for the Street Fund's share of Storm Water Maintenance and Improvements.

113 The reserve includes proceeds from the sale of Area B, less sales costs, will be held in a reserve until use of funds is identified.

KEIZER ROTARY AMPHITHEATER
At Keizer Rapids Park

Construction of the Keizer Rotary Amphitheater (KRA) was completed in spring of 2009. Funds from City Park System Development Charges, Keizer Rotary and other generous volunteer donations made this facility possible. The open outdoor KRA seats 550-600 guests for spring to fall venues having the capability for music, theatre, church services, weddings and many other diverse events. The City Public Works Department Parks Division currently manages the day-to-day operations, which include reservations, capital improvements, and general maintenance. Funding for continued maintenance and improvements on KRA will come from user fees. The City's General Fund may also supplement ongoing maintenance for the KRA in future years.

ENTERPRISE FUND

KEIZER ROTARY AMPHITHEATER

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1					**RESOURCES**				
2									
3	$ -	$ 325	$ 2,600	$ 4,000	***WORKING CAPITAL CARRYFORWARD***	$ 4,700	$ 4,700		17.50%
4									
5					***CHARGES FOR SERVICES***				
6	325	5,380	2,100	2,400	Rental Fees	1,800	1,800		-25.00%
7	$ 325	$ 5,380	$ 2,100	$ 2,400	TOTAL CHARGES FOR SERVICES	$ 1,800	$ 1,800		-25.00%
8									
9					***MISCELLANEOUS***				
10	-	-	-	-	Donations	-	-		
11	-	20	-	-	Interest	-	-		
12	$ -	$ 20	$ -	$ -	TOTAL MISCELLANEOUS REVENUE	$ -	$ -		
13									
14	$ 325	$ 5,725	$ 4,700	$ 6,400	**TOTAL RESOURCES**	$ 6,500	$ 6,500		1.56%
15									
16					**REQUIREMENTS**				
17									
18					***MATERIALS & SERVICES***				
19	-	1,658	2,000	1,700	Operating Materials & Supplies	3,000	3,000		76.47%
20	$ -	$ 1,658	$ 2,000	$ 1,700	TOTAL MATERIALS & SERVICES	$ 3,000	$ 3,000		76.47%
21									
22					***CAPITAL OUTLAY***				
23	-	-	2,200	-	Improvements	3,500	3,500		
24	$ -	$ -	$ 2,200	$ -	TOTAL CAPITAL OUTLAY	$ 3,500	$ 3,500		
25									
26	325	4,067	500	4,700	Unrestricted Ending Fund Balance	-	-		-100.00%
27									
28	$ 325	$ 5,725	$ 4,700	$ 6,400	**TOTAL REQUIREMENTS**	$ 6,500	$ 6,500		1.56%

Notes:

6 Rental fees are for use of the amphitheater at Keizer Rapids Park. City Council significantly reduced rental fee rates during FY09-10. This reduction is reflected in the FY10-11 revenue projections and the FY11-12 revenue forecast.

19 Operating Materials & Supplies are for garbage service, parking attendants, utility costs, portable toilets, security, ground maintenance, etc.

23 Improvements are for the addition of a center-set walkway railing.

KEIZER STATION LOCAL IMPROVEMENT FUND

The Keizer Station Local Improvement Fund has been established to account for the improvements to the Keizer Station Development Project. Money expended in this fund was financed with a line-of-credit and an interfund loan during the construction phase of the project. Now that the project is complete, the City has arranged for long-term financing to pay off the line-of-credit and interfund loan. The cost of the improvements has been assessed to the property owners who directly benefit from the project. The assessments received will be used to pay off the long-term debt scheduled for maturity on June 1, 2031.

DEBT SERVICE FUND

KEIZER STATION LOCAL IMPROVEMENT DISTRICT

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				RESOURCES				
$ 3,388,761	$ 4,246,857	$ 2,725,000	$ 2,720,400	***Working Capital Carryforward***	$ 3,284,500	$ 3,284,500		20.74%
				TAXES & ASSESSMENTS				
682,359	722,239	764,400	507,700	Assessments	$ 1,065,800	$ 1,065,800		109.93%
				MISCELLANEOUS				
76,564	52,556	19,600	14,800	Interest	14,800	14,800		0.00%
1,534,929	1,495,048	1,452,900	1,186,100	Assessment Interest	1,899,600	1,899,600		60.16%
-	-	-	125,000	Assessment Penalty	125,000	125,000		0.00%
$ 1,611,493	$ 1,547,604	$ 1,472,500	$ 1,325,900	Total Miscellaneous	$ 2,039,400	$ 2,039,400		53.81%
$ 5,682,613	$ 6,516,700	$ 4,961,900	$ 4,554,000	**TOTAL RESOURCES**	$ 6,389,700	$ 6,389,700		40.31%

Notes:

4 Twenty-four commercial property owners owe assessments on the Keizer Station property development. Five property owners are in default on these assessments totaling $256,700 plus interest & penalties. Staff is currently analyzing the City's position and legal options. Currently, it is too speculative to predict a particular financial, legal, political (et al) position for the city. The budget projections assume the delinquencies will be caught up in FY11-12. If this happens, the City can proceed with calling bonds and will have the budget authority to do so.

7 Current CD rates are .1%-.2%; Funds are held at the Oregon State Treasury & currently earning 0.5%.

DEBT SERVICE FUND

KEIZER STATION LOCAL IMPROVEMENT DISTRICT

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				REQUIREMENTS				
				MATERIALS & SERVICES				
$ 1,784	$ 160	$ 2,000	$ 1,600	Legal Services	$ 30,000	$ 30,000		1775.00%
-	2,320	2,200	-	Administrative Services Charges	-	-		
576	400	800	1,200	Contractual Services	10,000	10,000		733.33%
550	-	-	-	Line of Credit Issuance Costs	-	-		
$ 2,910	$ 2,880	$ 5,000	$ 2,800	TOTAL MATERIALS & SERVICES	$ 40,000	$ 40,000		1328.57%
				DEBT SERVICE				
$ -	$ 2,450,000	$ 1,000,000	$ -	Principal	$ 2,402,000	$ 2,402,000		
1,432,846	1,343,420	1,266,700	1,266,700	Interest	1,266,700	1,266,700		0.00%
$ 1,432,846	$ 3,793,420	$ 2,266,700	$ 1,266,700	TOTAL DEBT SERVICE	$ 3,668,700	$ 3,668,700		189.63%
				FUND BALANCE				
$ 4,246,857	$ 2,720,400	$ 2,690,200	$ 3,284,500	Restricted for Future Debt Service	$ 2,681,000	$ 2,681,000		-18.37%
$ 5,682,613	$ 6,516,700	$ 4,961,900	$ 4,554,000	**TOTAL REQUIREMENTS**	$ 6,389,700	$ 6,389,700		40.31%

Notes:

16 Legal Services in FY11-12 are for matters dealing with the property owners' assessment delinquencies. Staff will continue to analyze the City's position and legal options.

18 Contractual Services in FY11-12 are for potential Financial Advisory costs to refinance the City's debt should it be prudent to do so.

23 The City's debt obligation provides for annual interest payments on it's outstanding debt each year through 2031 and one principal payment of $24,360,000 due in 2031. The city may pay down the principal if funds are available. The City did not to make principal payments in FY10-11 as planned because five property owners fell delinquent on their assessments. The FY11-12 budget provides for principal payments in the event the property owners catch up on their assessments.

UTILITY BILLING DIVISION

The Utility Billing Division operates within the Finance Department and maintains approximately 10,200 accounts for water, sewer and storm water services, providing customer service to Keizer citizens. The staff includes one Utility Billing Technician and three Utility Billing Clerks.

The City of Keizer contracts with the City of Salem to provide sewer services to Keizer residences. Much of the activity in the fund is "passed through"; it is collected from the customer and paid to the City of Salem for sewer services. A portion of each billing receipt is retained in the fund to pay the cost of administering the bill.

Accomplishments

- Staff worked with Marion County Assessor's office and Net Assets to ensure all map tax lot numbers in the city are reported to Conduits; thus lien searches are not limited to accounts listed in the Utility Billing system
- Implemented internal auditing step for the sewer adjustment spreadsheets
- Updated billing system to include the new License Fee on the Storm Water Utility, and individually modified each commercial and multiple account to bill correctly
- Staff developed a new procedure to process direct debit credit card batches, due to a change in financial service provider
- Prepared necessary exhibits and reports for the second annual City of Salem audit
- Assisted Public Works staff in auditing and updating the Fire Line accounts
- Modified the phone calling system to utilize the File Doctor software; increasing the number of past due customers notified each month

Future Goals

- Research options and cost of offering paperless billing
- Continue cross training Utility Billing staff. Our objective is to have each member knowledgeable in completing a variety of tasks, in order to provide full coverage during absences
- Set up tenant accounts to automatically notify landlord/property owner when the bill becomes past due
- Complete procedures manual
- The Utility Billing staff continues its commitment to providing excellent customer service

STORMWATER FUND

The Stormwater Fund is managed by the Public Works Department to meet the Federal Clean Water Act administered by Oregon Department of Environmental Quality (DEQ). The City of Keizer has been identified as a Phase II City by DEQ. The City was issued a National Pollutant Discharge Elimination System (NPDES) permit to discharge stormwater into the Willamette River, and Claggett and Labish Creeks in March 2007. The City is currently in the fourth year of the five-year permit cycle. All conditions of the permit must be met by February 28, 2012. The City will be negotiating for a new permit in 2012.

City Council established the appropriate utility fee structure to meet NPDES PH II permit requirements over the five year cycle and provide for Stormwater Systems maintenance and upgrades. The Street Fund will transfer money to fund its share of the cost for maintaining city owned impervious surfaces based on square footage, which is adjusted annually as new roads are dedicated to the Public. The City is required by DEQ to fully implement the Willamette River TMDL and finalize a WPCF permit regulating Underground Injection Control (UIC).

Projects completed in FY10-11

- Clean and maintain additional 60% of Storm Sewer catch basins as identified in the SWMP
- Benchmark calculations and Pollution Prevention Operations Manuel for the new/current NPDES permit completed
- Awarded a $750 grant from the Oregon Department of Fish and Wildlife for riparian restoration work
- 95% of the MS4 stormwater infrastructure as been added to the City's GIS mapping system
- All known UICs have been field verified, cleaned and added to the GIS mapping system
- Existing UICs have been categorized for risk assessment under state and federal law
- 22,000 feet of UIC pipe has been TV'd to identify condition and function
- Identified maintenance by US Army Corps Engineer inspections on Keizer River Wall completed
- Construction site runoff plans complete and ordinance pending Council approval

Division Goals for FY11-12

- Complete draft Post Construction Runoff ordinance to incorporate initial Low Impact Development concepts.
- TV remaining pipe footage for UICs.
- Complete revised Stormwater Management Plan and apply for new NPDES permit in July 2011.
- Prepare for negotiations of NPDES and WPCF permits
- UIC infrastructure repairs on all identified deficiencies from video inspections performed in budget year 2010/11
- Complete implementation of the Willamette River TMDL Implementation Plan
- Continue MS4 maintenance including annual outfall inspection and Storm System cleaning
- Continue education efforts with the Salem / Keizer School District and Claggett Creek Middle School

ENTERPRISE FUND

STORM WATER FUND

#	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ 306,347	$ 205,694	$ 114,100	$ 131,500	***Working Capital Carry forward***	$ 359,200	$ 359,200		173.16%
2									
3					***LICENSES & FEES***				
4	$ 1,456	$ 615	$ -	$ 600	Planning & Construction Fees	$ 1,000	$ 1,000		66.67%
5	526,738	531,226	749,100	755,600	Service Fees	755,600	755,600		0.00%
6	$ 528,194	$ 531,841	$ 749,100	$ 756,200	TOTAL LICENSES & FEES	$ 756,600	$ 756,600		0.05%
7									
8					***MISCELLANEOUS***				
9	$ 1,195	$ 1,024	$ 1,600	$ 400	Interest	$ 400	$ 400		0.00%
10	-	4,974	-	-	Miscellaneous Revenue	-	-		
11	$ 1,195	$ 5,998	$ 1,600	$ 400	TOTAL MISCELLANEOUS	$ 400	$ 400		0.00%
12									
13					***TRANSFERS IN***				
14	$ 149,200	$ 169,941	$ 210,500	$ 210,500	Transfer from Street Fund	$ 210,500	$ 210,500		0.00%
15	$ 149,200	$ 169,941	$ 210,500	$ 210,500	TOTAL TRANSFERS IN	$ 210,500	$ 210,500		0.00%
16									
17									
18	$ 984,936	$ 913,474	$ 1,075,300	$ 1,098,600	**TOTAL RESOURCES**	$ 1,326,700	$ 1,326,700		20.76%

Notes:

5 Current equivalent service unit (ESU) rate is $7.65 per bi-monthly bill. ESU rates will remain at current levels for 2011/12.

14 The transfer from the Street Fund is for the Street Fund's share of storm water maintenance and improvements.

ENTERPRISE FUND

STORM WATER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
19					**REQUIREMENTS**				
20									
21					***PERSONNEL SERVICES***				
22	$ 5,955	$ -	$ -	$ -	City Manager (2)	$ -	$ -		
23	5,783	-	-	-	Assistant to City Manager (4)	-	-		
24	5,357	16,185	16,200	16,200	Public Works Director	16,200	16,200		0.00%
25	4,197	4,227	4,300	4,300	Public Works Superintendent	4,300	4,300		0.00%
26	725	-	-	-	City Recorder (5)	-	-		
27	122,177	132,024	137,500	137,500	Municipal Utility Workers	142,300	142,300		3.49%
28	-	2,196	2,200	2,200	Code Enforcement/Zoning Technician	-	-		-100.00%
29	53,482	56,538	56,400	56,400	Environmental Program Coordinator	56,400	56,400		0.00%
30	12,427	7,140	7,900	7,900	Administrative Support	19,500	19,500		146.84%
31	3,350	-	-	-	Network Administrator (4)	-	-		
32	5,038	-	-	-	Human Resources Director (6)	-	-		
33	-	-	85,600	85,600	Storm Water Technicians	85,600	85,600		0.00%
34	3,062	-	-	-	Finance Director (7)	-	-		
35	2,097	-	-	-	Facility Maintenance Worker (8)	-	-		
36	3,229	31,700	34,600	30,000	Temporary Employee	34,600	34,600		15.33%
37	5,739	2,628	6,900	6,900	Overtime	7,200	7,200		4.35%
38	-	768	5,200	5,200	Duty Pay	5,200	5,200		0.00%
39	460	-	-	-	Vehicle Allowance/Tuition Assistance (2)	-	-		

Notes:

21 Personnel Services and certain operating costs (as referenced in the Materials & Services section) related to general administration are now budgeted in the Administrative Services Fund as follows:

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

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

21 Salaries are projected to increase 1.8% plus step increases for union represented employees per the Local 320 Contract. No increase is projected for non-union staff.

30 Beginning FY09-10, Administrative Support Staff includes Utility Billing staff only. General administrative staff are in the Administrative Services Section of the budget. The increase from FY09-10 is Community Development staff assisting in utility billing to cover staff shortages for the first half of FY10-11.

33 Two full time employees were added in FY10-11 to complete required compliance regulations of the NPDES PH II to meet the Federal Clean Water Act by Oct 2011.

36 A temporary employee will assist in Underground Injection Control (UIC) inventory, registration & public outreach.

ENTERPRISE FUND

STORM WATER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					PERSONNEL SERVICES - CONTINUED				
40	1,000	-	1,200	1,200	Cell Phone - Clothing Allowances	1,200	1,200		0.00%
41	3,655	6,490	5,300	5,300	Medicare	5,600	5,600		5.66%
42	38,531	36,290	48,000	48,000	Retirement	61,400	61,400		27.92%
43	53,074	49,714	87,500	87,500	Insurance Benefits	94,200	94,200		7.66%
44	2,345	2,903	4,700	4,700	Workers Compensation	6,600	6,600		40.43%
45	-	-	-	-	Unemployment	-			
46	$ 331,683	$ 348,803	$ 503,500	$ 498,900	TOTAL PERSONNEL SERVICES	$ 540,300	$ 540,300		8.30%

Notes:

40 Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.

41 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

42 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

43 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

44 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

STORM WATER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
47					***MATERIALS & SERVICES***				
48	$ 1,599	$ -	$ -	$ -	Office Materials & Supplies	$ -	$ -		
49	99	-	-	-	Safety & Wellness (6)	-	-		
50	3,637	2,277	4,000	2,000	Postage & Printing	2,500	2,500		25.00%
51	-	520	1,000	-	Concrete	1,500	1,500		
52	-	685	1,000	300	Rock & Backfill	2,000	2,000		566.67%
53	1,070	823	1,500	2,500	Paving	4,000	4,000		60.00%
54	2,759	-	-	-	Association Memberships (1)	-	-		
55	6,847	3,051	5,000	3,500	Travel & Training	3,000	3,000		-14.29%
56	481	-	-	-	City Council Expenses (1)	-	-		
57	138	145	1,500	200	Advertising	500	500		150.00%
58	6,002	-	-	-	Legal Services (3)	-	-		
59	2,126	251	400	100	Labor Attorney	1,000	1,000		900.00%
60	-	73,717	104,500	108,800	Administrative Services Charges	120,300	120,300		10.57%
61	5,606	6,120	30,000	29,000	Contractual Services	40,000	40,000		37.93%
62	274	-	-	-	Audit (7)	-	-		
63	15,478	2,717	20,000	9,500	Engineering Services	18,000	18,000		89.47%
64	2,802	1,218	600	900	Janitorial	900	900		0.00%
65	2,855	1,627	-	1,500	Utilities (8)	1,500	1,500		0.00%
66	4,392	4,315	4,000	3,300	Storm Drain Utilities	3,500	3,500		6.06%
67	2,394	2,534	2,000	2,000	Telephone	2,000	2,000		0.00%
68	518	1,074	2,700	-	Insurance - Liability	-	-		

Notes:

59 Labor attorney costs are for union negotiations including dispute resolution. The Local 320 contract expires June, 30 2012 therefore, costs for negotiations are anticipated in FY11-12.

47 Materials & Services related to general administration are now budgeted in the Administrative Services Fund (AFS). Each Operating fund is charged for the services provided by AFS based on various cost allocation plans. These plans are to be revised each year based on anticipated benefits received. The plans are based on a range of factors including number of personnel, percent of effort expended by administrative personnel to the benefiting fund, current operating budgets, pieces of information technology equipment, software and maintenance fees.

	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	PERCENT INC (DEC) PROJECTED
(1)	$ 17,800	City-Wide Administration	$ 22,700	$ 22,700	27.53%
(2)	8,700	City Manager	3,500	3,500	-59.77%
(3)	33,900	Assistant to the City Manager/IT	20,900	20,900	-38.35%
(4)	3,400	Attorney's Office	4,400	4,400	29.41%
(5)	1,700	City Recorder	3,400	3,400	100.00%
(6)	15,400	Human Resources	18,700	18,700	21.43%
(7)	11,800	Finance	26,800	26,800	127.12%
(8)	16,100	Facility Maintenance	19,900	19,900	23.60%
	$ 108,800	Administrative Services Charges	$ 120,300	$ 120,300	10.57%

60 Administrative Service Charges are for City Administration; allocations are based on full-time equivalents. The Storm Water fund allocation increased to account for the two new technician positions.

61 Contractual Services are for camera inspections on 40% of the Storm system.

63 Engineering services include costs to decommission or verify rule authorization of UICs.

68 Liability insurance costs for the City's facilities are tracked in the Administrative Services Fund - Civic Center Facilities budget beginning in FY09-10. The FY09-10 budget includes the Storm Fund's share of auto insurance premiums.

STORM WATER FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				MATERIALS & SERVICES - CONTINUED				
481	2,279	2,000	1,700	Gasoline	2,200	2,200		29.41%
5,094	6,440	7,500	7,000	Diesel Fuel	7,500	7,500		7.14%
1,199	-	-	-	Computer & Software Maintenance (4)	-	-		
1,180	1,575	1,700	1,700	Vehicle Maintenance	1,800	1,800		5.88%
3,176	7,154	7,500	13,000	Equipment Maintenance	13,000	13,000		0.00%
773	-	-	-	Facility Maintenance (8)	-	-		
1,400	1,000	5,000	1,800	Storm Sewer Dumping Costs	2,000	2,000		11.11%
-	12,153	10,000	4,500	MS4 Annual Permit Renewal/UIC Registration Fees	7,000	7,000		55.56%
5,919	9,561	10,000	10,000	Plant Maintenance	15,000	15,000		50.00%
8,295	2,651	10,000	-	Pump Maintenance	10,000	10,000		
13,567	13,377	15,000	13,000	Operating Materials & Supplies	15,000	15,000		15.38%
-	-	-	-	Street Sweeping	20,000	20,000		
471	40	400	200	Medical Testing	200	200		0.00%
2,264	2,809	6,000	-	Lab Tests	3,000	3,000		
-	821	1,800	1,000	Consumer Confidence Report/ Public Education	1,500	1,500		50.00%
$ 102,896	$ 160,934	$ 255,100	$ 217,500	TOTAL MATERIALS & SERVICES	$ 298,900	$ 298,900		37.43%
				CAPITAL OUTLAY				
$ 370	$ -	$ 2,300	$ -	Office Furniture & Equipment	$ -	$ -		
1,864	9,678	2,700	1,000	Field Equipment	6,100	6,100		510.00%
1,854	-	-	-	Computer Hardware	-	-		
242,808	-	-	-	Storm Sewer Maintenance Truck	-	-		
-	-	22,000	22,000	Heavy Equipment/Service Vehicle	10,500	10,500		-52.27%
62,427	262,579	100,000	-	Storm Sewer Pipe Extension or Repair	130,000	130,000		
$ 309,323	$ 272,257	$ 127,000	$ 23,000	TOTAL CAPITAL OUTLAY	$ 146,600	$ 146,600		537.39%
				TRANSFERS OUT				
$ 35,340	$ -	$ -	$ -	To City Hall Facility Fund	$ -	$ -		
$ 35,340	$ -	$ -	$ -	TOTAL TRANSFERS OUT	$ -	$ -		
$ -	$ -	$ 41,000	$ -	Contingency	$ 70,000	$ 70,000		
				FUND BALANCE				
-	-	15,000	-	Reserves	40,000	40,000		
205,694	131,480	133,700	359,200	Unrestricted Ending Fund Balance	230,900	230,900		-35.72%
$ 984,936	$ 913,474	$ 1,075,300	$ 1,098,600	**TOTAL REQUIREMENTS**	$ 1,326,700	$ 1,326,700		20.76%

Notes:

77 MS4 Annual Permit Renewal/UIC Registration Fees are required by DEQ.

81 Storm funds share of ongoing street sweeping costs to meet State Permit obligations.

90 Computer hardware is now budgeted in the Administrative Services Fund- Assistant to the City Manager & IT budget.

92 Storm funds share of replacing a 1990 backhoe.

93 Install water quality infrastructure & replace storm water piping/outfall as annual video inspections continue.

100 State required Water Pollution Control Facility (WPCF) 10 year Permit issuance and the City's Construction Site Pollution Prevention Plan (CSPPP) implementation may require the need for additional staff resources. The existing Temporary position may need to become permanent during FY11-12.

103 The FY11-12 reserve is for the Storm Funds portion of a Storm Water Maintenance Truck.

ENTERPRISE FUND

SEWER FUND

#	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ 481,269	$ 445,379	$ 365,900	$ 307,900	***Working Capital Carryforward***	$ 181,700	$ 181,700		-40.99%
2									
3					***CHARGES FOR SERVICES***				
4	583	-	-	-	Planning/Construction Fees	-	-		
5	4,252,847	4,482,913	4,827,600	4,645,200	Salem Sewer Billing	4,834,700	4,834,700		4.08%
6	286,508	288,732	288,200	288,100	Sewer Administration Fee	288,100	288,100		0.00%
7	4,539,938	4,771,645	5,115,800	4,933,300	TOTAL CHARGES FOR SERVICES	5,122,800	5,122,800		3.84%
8									
9					***MISCELLANEOUS***				
10	5,210	5,370	5,000	5,500	Miscellaneous	5,000	5,000		-9.09%
11	-	1,878	10,700	500	Interest Earnings	500	500		0.00%
12	5,210	7,248	15,700	6,000	TOTAL MISCELLANEOUS	5,500	5,500		-8.33%
13									
14	-	9,218	-	-	Transfer from Sewer Reserve Fund	-	-		
15									
16	$ 5,026,417	$ 5,233,490	$ 5,497,400	$ 5,247,200	**TOTAL RESOURCES**	$ 5,310,000	$ 5,310,000		1.20%

Notes:

5 The City of Keizer is a part of a regional sewer system managed by the City of Salem. Salem sets the sewer rates for the regional system. Salem City Council passed a resolution in FY10-11 to increase Keizer's sewer rates 2% beginning January 2012. Other regional rates are increasing 3%. Salem has agreed to phase out the 7.5% surcharge on the City of Keizer's rates at 1.5% in 2009 and 1% thereafter. FY11-12 rates are base on a net 2% rate increase.

6 Projections are based on approximately 10,000 sewer customers billed bi-monthly at $4.85 per bill.

10 Miscellaneous Revenues include one-time revenues that are not characterized by line-item descriptions. Historically, the fund has received at least $5,000 annually in miscellaneous revenue.

11 City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

ENTERPRISE FUND

SEWER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
17					**REQUIREMENTS**				
18									
19					***PERSONNEL SERVICES***				
20	$ 1,191	$ -	$ -	$ -	City Manager (2)	$ -	$ -		
21	1,446	-	-	-	Assistant to City Manager (4)	-	-		
22	3,214	3,237	3,300	3,300	Public Works Director	3,300	3,300		0.00%
23	4,197	4,227	4,300	4,300	Public Works Superintendent	4,300	4,300		0.00%
24	1,450	-	-	-	City Recorder (5)	-	-		
25	104,779	84,651	93,200	93,200	Administrative Support	83,800	83,800		-10.09%
26	1,716	-	-	-	Network Administrator (4)	-	-		
27	2,519	-	-	-	Human Resources Director (6)	-	-		
28	21,438	-	-	-	Finance Director (7)	-	-		
29	2,097	-	-	-	Facility Maintenance Worker (8)	-	-		
30	260	37	-	-	Overtime	-	-		
31	163	-	-	-	Vehicle Allowance/Tuition Assistance (2)	-	-		

Notes:

19 Personnel Services and certain operating costs (as referenced in the Materials & Services section) related to general administration are now budgeted in the Administrative Services Fund as follows:

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

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

25 Beginning FY09-10, Administrative Support Staff includes Utility Billing staff only. General administrative staff are in the Administrative Services Section of the budget.

ENTERPRISE FUND

SEWER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					PERSONNEL SERVICES - CONTINUED				
32	2,222	1,414	1,600	1,600	Medicare	1,500	1,500		-6.25%
33	24,948	13,613	13,000	13,000	Retirement	13,900	13,900		6.92%
34	31,844	24,162	31,700	31,700	Insurance Benefits	29,400	29,400		-7.26%
35	251	174	200	200	Workers Compensation	100	100		-50.00%
36	$ 203,735	$ 131,515	$ 147,300	$ 147,300	TOTAL PERSONNEL SERVICES	$ 136,300	$ 136,300		-7.47%

Notes:

32 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

33 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

34 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

35 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ENTERPRISE FUND

SEWER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
37					***MATERIALS & SERVICES***				
38	$ 2,003	$ -	$ -	$ -	Office Materials & Supplies	$ -	$ -		
39	59	-	-	-	Safety & Wellness (6)	-	-		
40	22,589	22,723	23,200	23,200	Postage & Printing	23,200	23,200		0.00%
41	1,655	-	-	-	Association Memberships (1)	-	-		
42	1,937	305	500	500	Travel & Training	500	500		0.00%
43	289	-	-	-	City Council Expenses (1)	-	-		
44	391	-	500	-	Advertising	-	-		
45	5,577	-	-	-	Legal Services (3)	-	-		
46	1,276	-	-	-	Labor Attorney (6)	-	-		
47	-	129,417	134,600	135,600	Administrative Services Charges	89,300	89,300		-34.14%
48	1,784	21,510	2,500	20,600	Contractual Services	20,600	20,600		0.00%
49	4,647	-	-	-	Audit (7)	-	-		
50	5,572	1,944	3,000	4,400	Engineering Services	5,000	5,000		13.64%
51	1,443	-	-	-	Janitorial (8)	-	-		
52	835	-	-	-	Utilities (8)	-	-		
53	717	95	-	-	Telephone (8)	-	-		
54	8,812	-	-	-	Insurance - Liability (8)	-	-		
55	4,340	-	-	-	Computer & Software Maintenance (4)	-	-		
56	433	-	-	-	Equipment Maintenance (4)	-	-		

Notes:

47 Materials & Services related to general administration are now budgeted in the Administrative Services Fund (AFS). Each Operating fund is charged for the services provided by AFS based on various cost allocation plans. These plans are to be revised each year based on anticipated benefits received. The plans are based on a range of factors including number of personnel, percent of effort expended by administrative personnel to the benefiting fund, current operating budgets, pieces of information technology equipment, software and maintenance fees. The decrease from FY10-11 to FY11-12 is reflective of the change in allocation for the City Manager and Finance staff to reflect the shift in workload to General Service related projects net the elimination of the Assistant to the City Manager position.

(1)	$ 10,000	City-Wide Administration	$ 8,400	$ 8,400	-16.00%
(2)	1,700	City Manager	3,500	3,500	105.88%
(3)	18,000	Assistant to the City Manager/IT	12,700	12,700	-29.44%
(4)	5,700	Attorney's Office	3,900	3,900	-31.58%
(5)	4,100	City Recorder	3,000	3,000	-26.83%
(6)	7,900	Human Resources	7,000	7,000	-11.39%
(7)	80,200	Finance	43,400	43,400	-45.89%
(8)	8,000	Facility Maintenance	7,400	7,400	-7.50%
	$ 135,600	Administrative Services Charges	$ 89,300	$ 89,300	-34.14%

ENTERPRISE FUND

SEWER FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				MATERIALS & SERVICES - CONTINUED				
356	-	-	-	Facility Maintenance (8)				
4,286,503	4,618,054	4,827,600	4,733,900	Salem Sewer Payments	4,834,700	4,834,700		2.13%
35	-	-	-	Miscellaneous Expense	-	-		
$ 4,351,253	$ 4,794,048	$ 4,991,900	$ 4,918,200	TOTAL MATERIALS & SERVICES	$ 4,973,300	$ 4,973,300		1.12%
				CAPITAL OUTLAY				
$ 222	$ -	$ -	$ -	Office Furniture & Equipment	$ -	$ -		
4,604	-	-	-	Computer Hardware	-	-		
$ 4,826	$ -	$ -	$ -	TOTAL CAPITAL OUTLAY	$ -	$ -		
-	-	14,000	-	Contingency	13,700	13,700		
				TRANSFERS OUT				
21,224	-	-	-	Transfer to City Hall Facility Fund	-	-		
$ 21,224	$ -	$ -	$ -	TOTAL TRANSFERS OUT	$ -	$ -		
				FUND BALANCE				
445,379	307,927	344,200	181,700	Unrestricted Ending Fund Balance	186,700	186,700		2.75%
$ 5,026,417	$ 5,233,490	$ 5,497,400	$ 5,247,200	**TOTAL REQUIREMENTS**	$ 5,310,000	$ 5,310,000		1.20%

Notes:

58 Salem Sewer Payments are pass-through expenses and equal Salem Sewer Billing revenues in the Resources section. The increase in FY11-12 reflects the 2% rate increase approved by City of Salem in FY10-11 to go into effect January 2012.

65 Computer hardware is now budgeted in the Administrative Services Fund- Assistant to the City Manager & IT budget.

68 Contingency is 5% of total expenses less Salem Sewer Payments.

SANITARY SEWER RESERVE FUND

The Sanitary Sewer Reserve Fund was established in 1994 to cover areas not served by existing sewer lines. The Sewer Reserve is a systems development based fund used to reimburse developers for sewer trunk line improvement extensions and City constructed growth driven sewer capacity improvements outlined in the Sanitary Sewer Master Plan. Council approved the staff recommendation in 2010 to construct a portion of the 36" master sewer trunk line extension along McNary Estates Drive to Willow Lake Treatment Plant fulfilling part of the City's distribution capacity agreements with the City of Salem. Council has adopted a Resolution authorizing the final phase of the 36" Sanitary Sewer Trunk Line be constructed in late 2011 and early 2012 budget cycles to complete capacity upgrades.

CAPITAL PROJECTS FUND

SEWER RESERVE FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				RESOURCES				
$ 1,058,780	$ 955,330	$ 298,600	$ 309,400	***Working Capital Carryforward***	$ 259,700	$ 259,700		-16.06%
				CHARGES FOR SERVICES				
651	1,130	6,800	3,900	Sewer System Development Fee	3,600	3,600		-7.69%
				INTERGOVERNMENTAL				
-	122,713	95,000	-	City of Salem Reimbursement	50,000	50,000		
				MISCELLANEOUS				
74	3,622	5,400	1,400	Interest	1,400	1,400		0.00%
				TRANSFERS IN				
18,426	-	-	-	General Fund	-	-		
130,774	-	-	-	Transportation Fund	-	-		
$ 149,200	$ -	$ -	$ -	TOTAL TRANSFERS IN	$ -	$ -		
$ 1,208,705	$ 1,082,795	$ 405,800	$ 314,700	**TOTAL RESOURCES**	$ 314,700	$ 314,700		0.00%

CAPITAL PROJECTS FUND

SEWER RESERVE FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
20									
21					**REQUIREMENTS**				
22									
23					***MATERIALS & SERVICES***				
24	$ 150,965	$ -	$ -	$ -	Contractual Services	$ -	$ -		
25	$ 150,965	$ -	$ -	$ -	TOTAL MATERIALS & SERVICES	$ -	$ -		
26									
27					***CAPITAL OUTLAY***				
28	$ 58,626	$ -	$ -	$ -	Engineering	$ -	$ -		
29	43,784	764,161	365,000	55,000	Sewer Line Extensions	304,000	304,000		452.73%
30	-	-	40,800	-	Unanticipated Expenses	10,700	10,700		
31	$ 102,410	$ 764,161	$ 405,800	$ 55,000	TOTAL CAPITAL OUTLAY	$ 314,700	$ 314,700		472.18%
32									
33	$ -	$ 9,218	$ -	$ -	Transfer to Sewer Fund	$ -	$ -		
34									
35					***FUND BALANCE***				
36	$ 955,330	$ 309,416	$ -	$ 259,700	Unrestricted Ending Fund Balances	$ -	$ -		-100.00%
37									
38	$ 1,208,705	$ 1,082,795	$ 405,800	$ 314,700	**TOTAL REQUIREMENTS**	$ 314,700	$ 314,700		0.00%

Notes:

[15] The FY08-09 transfer from the General Fund is repayment for receipts received in prior fiscal years that belong in the Sewer Reserve Fund.

[16] The FY08-09 transfer from the Transportation Improvement Fund is repayment for receipts received in prior fiscal years that belong in the Sewer Reserve Fund.

[29] Council approved the staff recommendation in 2010 to construct a portion of the 36" master sewer trunk line extension along McNary Estates Drive to Willow Lake Treatment Plant fulfilling part of the City's distribution capacity agreements with the City of Salem. Staff is recommending the final phase of the 36" Sanitary Sewer Trunk Line be constructed in 2010/11 and 2011/12 to complete capacity upgrades.

WATER FUND

Revenues in the Water fund are derived from user charges. The City's charter designates this as a dedicated fund to be used solely for water related services. The water system is managed by the Public Works Department to provide safe, low cost, high quality drinking water that meets or exceeds state and federal regulations.

The Water Division is staffed with eleven Municipal Utility Workers, a Public Works Permit Specialist, a Public Works Superintendent and the Director of Public Works. The Finance Department manages the billing function and is staffed with three Utility Billing Clerks and a Utility Billing Technician. Expenses include the costs of customer service, billing, and water system maintenance, portions of facility maintenance, personnel services and administrative costs.

Accomplishments

- Purchased a new pickup truck
- Installed Additional Monitoring Wells for Source Water Protection
- Continued Updating Distribution System to Ensure Adequate Volume and Pressure Delivery to Residents

Future Goals

- Purchase a new backhoe to replace a 1991 model
- Continue Updating Distribution System to Ensure Adequate Volume and Pressure Delivery to Residents
- Install Additional Monitoring Wells for Source Water Protection

The Water Fund promotes public education and outreach through the annual Consumer Confidence Report, instruction at local grade schools, and also by hosting a Public Open House each year.

ENTERPRISE FUND

WATER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ 1,228,869	$ 393,595	$ 567,700	$ 629,500	***Working Capital Carryforward***	$ 570,200	$ 570,200		-9.42%
2									
3					***TAXES & ASSESSMENTS***				
4	354	705	700	700	Assessments	700	700		0.00%
5									
6					***LICENSES & FEES***				
7	3,715	615	600	-	Planning & Construction Fees	-	-		
8	20,905	14,896	4,500	16,000	Service Fees	15,000	15,000		-6.25%
9	26,925	26,914	26,000	26,000	Diesel Fuel Sales	27,500	27,500		5.77%
10	2,230	6,960	5,000	4,300	Live Tap Reimbursement	5,000	5,000		16.28%
11	$ 53,775	$ 49,385	$ 36,100	$ 46,300	TOTAL LICENSES & FEES	$ 47,500	$ 47,500		2.59%
12									
13					***CHARGES FOR SERVICES***				
14	2,511,909	2,445,468	2,479,100	2,333,000	Water Sales	2,361,000	2,351,700		0.80%
15									
16					***MISCELLANEOUS***				
17	40	62	100	100	Assessment Interest	100	100		0.00%
18	22,946	5,175	7,000	2,500	Interest	2,500	2,500		0.00%
19	12,540	18,352	19,000	22,300	Miscellaneous	5,000	5,000		-77.58%
20	$ 35,526	$ 23,589	$ 26,100	$ 24,900	TOTAL MISCELLANEOUS	$ 7,600	$ 7,600		-69.48%
21									
22					***INTERGOVERNMENTAL***				
23	14,694	-	-	-	Reimbursement from Urban Renewal	-	-		
24									
25					***TRANSFERS IN***				
26	5,360	(5,360)	-	-	Transfer from Park Improvement Fund	-	-		
27	1,787	-	-	-	Transfer from Park Operating Fund	-	-		
28	$ 7,147	$ (5,360)	$ -	$ -	TOTAL TRANSFERS IN	$ -	$ -		
29									
30	$ 3,852,274	$ 2,907,382	$ 3,109,700	$ 3,034,400	**TOTAL RESOURCES**	$ 2,987,000	$ 2,977,700		-1.87%

Notes:

9 Diesel Fuel Sales is for fuel sold to the Keizer Fire District.

14 The City anticipates a 3% water rate increase effective January 2012.

18 City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

19 Miscellaneous Revenues include one-time revenues that are not characterized by line-item descriptions. Miscellaneous revenue in FY09-10 includes water sales to City of Salem and FY10-11 includes reimbursement from the City of Salem for Waterline replacement at Dearborn.

ENTERPRISE FUND

WATER FUND

REQUIREMENTS

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
31					***PERSONNEL SERVICES***				
32	$ 11,910	$ -	$ -	$ -	City Manager (2)	$ -	$ -		
33	10,843	-	-	-	Assistant to City Manager (4)	-	-		
34	28,927	29,134	29,100	29,100	Public Works Director	29,100	29,100		0.00%
35	37,776	33,818	34,600	34,600	Public Works Superintendent	33,700	33,700		-2.60%
36	1,450	-	-	-	City Recorder (5)	-	-		
37	480,812	484,251	503,700	503,700	Municipal Utility Workers	516,900	509,600		1.17%
38	2,183	2,265	2,300	2,300	Community Development Director	2,300	2,300		0.00%
39	127,001	94,138	103,100	103,100	Administrative Support	85,100	85,100		-17.46%
40	9,174	-	-	-	Network Administrator (4)	-	-		
41	13,434	-	-	-	Human Resources Director (6)	-	-		
42	21,438	-	-	-	Finance Director (7)	-	-		
43	6,291	-	-	-	Facility Maintenance Worker (8)	-	-		
44	-	-	11,900	6,100	Seasonal Help	-	-		-100.00%
45	30,636	23,390	28,300	23,000	Overtime	29,200	28,700		24.78%
46	10,683	15,064	10,400	10,400	Duty Pay	10,400	10,400		0.00%
47	920	-	-	-	Vehicle Allowance/Tuition Assistance (2)	-	-		

Notes:

31 Personnel Services and certain operating costs (as referenced in the Materials & Services section) related to general administration are now budgeted in the Administrative Services Fund as follows:

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

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

31 Salaries are projected to increase 1.8% plus step increases for union represented employees per the Local 320 Contract. No increase is projected for non-union staff.

39 Beginning FY09-10, Administrative Support Staff includes Utility Billing staff only. General administrative staff are in the Administrative Services Section of the budget. The increase from FY09-10 is Community Development staff assisting in utility billing to cover staff shortages for the first half of FY10-11. The City anticipates limited Community Development's staff assistance in FY11-12; down from the effort expended in FY10-11.

44 A seasonal position was added on FY09-10 to accomplish fire hydrant maintenance previously done by the Keizer Fire District.

ENTERPRISE FUND

WATER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					PERSONNEL SERVICES - CONTINUED				
48	3,176	20	4,300	4,300	Cell Phone/Clothing Allowance	4,300	4,300		0.00%
49	12,212	10,505	10,900	10,900	Medicare	10,600	10,500		-3.67%
50	133,801	100,819	98,300	98,300	Retirement	111,000	109,800		11.70%
51	180,451	154,009	188,600	188,600	Insurance Benefits	193,200	193,200		2.44%
52	805	434	-	1,000	Unemployment	3,000	3,000		200.00%
53	5,615	9,827	8,900	8,900	Workers Compensation	8,600	8,500		-4.49%
54	$ 1,129,538	$ 957,674	$ 1,034,400	$ 1,024,300	TOTAL PERSONNEL SERVICES	$ 1,037,400	$ 1,028,200		0.38%

Notes:

48 Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.

49 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

50 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

51 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

53 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ENTERPRISE FUND

WATER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
55					***MATERIALS & SERVICES***				
56	$ 6,260	$ -	$ -	$ -	Office Materials & Supplies	$ -	$ -		
57	337	-	-	-	Safety & Wellness (6)	-	-		
58	29,485	24,199	30,000	30,000	Postage & Printing	30,000	30,000		0.00%
59	7,394	6,289	7,200	9,000	Concrete	8,500	8,500		-5.56%
60	12,563	3,162	10,500	6,800	Rock & Backfill	8,000	8,000		17.65%
61	5,210	13,065	7,000	11,500	Paving	10,000	10,000		-13.04%
62	14,368	20,738	26,000	22,000	Sequestering Agent	25,000	25,000		13.64%
63	6,462	9,643	15,000	10,700	Fluoride	14,000	14,000		30.84%
64	9,379	-	-	-	Association Memberships (1)	-	-		
65	18,753	14,794	17,000	10,500	Travel & Training	14,400	14,400		37.14%
66	1,635	-	-	-	City Council Expenses (5)	-	-		
67	600	97	1,000	-	Advertising	-	-		
68	8,754	-	-	-	Legal Services (3)	-	-		
69	7,228	929	1,700	-	Labor Attorney	7,300	7,300		
70	-	274,580	287,300	291,300	Administrative Services Charges	236,200	236,200		-18.92%
71	38,344	12,410	99,000	32,000	Contractual Services	40,900	40,900		27.81%
72	2,278	-	-	-	Audit (7)	-	-		
73	3,643	818	2,500	1,000	Flagging	2,500	2,500		150.00%
74	13,958	16,617	20,000	20,000	Engineering Services	20,000	20,000		0.00%
75	11,358	4,436	4,100	3,200	Janitorial (8)	3,200	3,200		0.00%

Notes:

65 Travel & Training costs are for Public Works and Utility Billing staff only. Travel & training for Administrative staff has been moved to the Administrative Services Fund.

69 Labor attorney costs are for union negotiations including dispute resolution. The Local 320 contract expires June, 30 2012 therefore, costs for negotiations are anticipated in FY11-12.

70 Materials & Services related to general administration are now budgeted in the Administrative Services Fund (AFS). Each Operating fund is charged for the services provided by AFS based on various cost allocation plans. These plans are to be revised each year based on anticipated benefits received. The plans are based on a range of factors including number of personnel, percent of effort expended by administrative personnel to the benefiting fund, current operating budgets, pieces of information technology equipment, software and maintenance fees. The decrease from FY10-11 to FY11-12 is reflective of the change in allocation for the City Manager and Finance staff to reflect the shift in workload to General Service related projects net the elimination of the Assistant to the City Manager position.

	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	PERCENT INC (DEC) PROJECTED
(1)	$ 46,600	City-Wide Administration	$ 45,000	$ 45,000	-3.43%
(2)	17,200	City Manager	8,800	8,800	-48.84%
(3)	59,300	Assistant to the City Manager/IT	43,100	43,100	-27.32%
(4)	13,100	Attorney's Office	10,300	10,300	-21.37%
(5)	4,100	City Recorder	7,900	7,900	92.68%
(6)	36,600	Human Resources	37,100	37,100	1.37%
(7)	77,100	Finance	44,500	44,500	-42.28%
(8)	37,300	Facility Maintenance	39,500	39,500	5.90%
	$ 291,300	Administrative Service Charges	$ 236,200	$ 236,200	-18.92%

ENTERPRISE FUND

WATER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
76					***MATERIALS & SERVICES - CONTINUED***				
77	190,072	181,651	214,000	180,000	Gas & Electricity	200,000	200,000		11.11%
78	6,008	3,216	7,500	2,800	Natural Gas	3,200	3,200		14.29%
79	12,504	8,084	7,500	7,000	Telephone	7,500	7,500		7.14%
80	7,206	4,653	10,000	10,000	Telemetry	10,000	10,000		0.00%
81	37,514	3,813	10,500	10,500	Insurance - Liability	10,500	10,500		0.00%
82	15,186	11,858	14,000	13,500	Gasoline	15,500	15,500		14.81%
83	37,201	36,900	36,000	35,500	Diesel Fuel	39,500	39,500		11.27%
84	6,993	-	-	-	Computer & Software Maintenance (4)	-	-		
85	11,050	11,185	12,000	12,000	Vehicle Maintenance	12,000	12,000		0.00%
86	15,986	10,004	15,000	10,500	Equipment Maintenance	15,000	15,000		42.86%
87	2,656	-	-	-	Facility Maintenance (8)	-	-		
88	44,029	45,733	40,000	44,500	Plant Maintenance	45,000	45,000		1.12%
89	2,175	11,880	10,000	2,200	Live Taps	10,000	10,000		354.55%
90	20,947	18,373	25,000	25,000	Pump House Maintenance	25,000	25,000		0.00%
91	36,262	55,736	35,000	35,000	Pump Maintenance	45,000	45,000		28.57%
92	34,138	24,712	30,000	23,000	Operating Materials & Supplies	30,000	30,000		30.43%
93	490	-	1,000	100	Medical Testing	1,000	1,000		900.00%
94	8,806	13,919	34,000	10,200	Water Mains	15,000	15,000		47.06%
95	4,261	4,283	4,100	4,300	Well Property Lease	4,300	4,300		0.00%
96	66,176	34,462	42,000	42,000	Lab Tests	39,000	39,000		-7.14%
97	31,664	32,239	33,500	33,500	Contract Meter Reading	33,500	33,500		0.00%
98	8,432	7,432	10,000	8,000	Consumer Confidence Report/ Public Education	10,000	10,000		25.00%
99	(81)	123	-	-	Miscellaneous	-	-		
100	$ 797,684	$ 922,033	$ 1,119,400	$ 957,600	TOTAL MATERIALS & SERVICES	$ 991,000	$ 991,000		3.49%

Notes:

76 Materials & Services related to general administration are now budgeted in the Administrative Services Fund as referenced below. Please see previous page for allocation.

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

81 Liability insurance costs for the City's facilities are tracked in the Administrative Services Fund - Civic Center Facilities budget beginning in FY09-10. The FY10-11 budget includes the Water Fund's share of auto insurance premiums.

99 Miscellaneous costs are one-time expenditures that are not characterized by existing line-item descriptions.

ENTERPRISE FUND

WATER FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
101					***CAPITAL OUTLAY***				
102	$ 1,259	$ -	$ -	$ -	Office Furniture & Equipment	$ -	$ -		
103	10,087	10,321	4,400	4,400	Field Equipment	16,500	16,500		275.00%
104	8,632	-	-	-	Computer Hardware	-	-		
105	33,357	-	35,000	32,000	Public Works Vehicle	-	-		-100.00%
106	9,041	6,041	15,000	15,000	Water Meters	20,000	20,000		33.33%
107	16,187	-	-	-	Storm Sewer Maintenance Truck	-	-		
108	-	-	-	-	Shop Building Addition	-	-		
109	-	-	25,000	-	Heavy Equipment	56,000	56,000		
110	$ 78,563	$ 16,362	$ 79,400	$ 51,400	TOTAL CAPITAL OUTLAY	$ 92,500	$ 92,500		79.96%
111									
112					***DEBT SERVICE***				
113	$ 140,000	$ 145,000	$ 150,000	$ 150,000	Principal	$ 155,000	$ 155,000		3.33%
114	92,660	86,818	80,900	80,900	Interest	74,600	74,600		-7.79%
115	$ 232,660	$ 231,818	$ 230,900	$ 230,900	TOTAL DEBT SERVICE	$ 229,600	$ 229,600		-0.56%
116									
117	-	-	53,800	-	Contingency	53,000	53,000		
118									
119					***TRANSFERS OUT***				
120	120,134		-	-	City Hall Facility Fund	-	-		
121	1,100,100	150,000	200,000	200,000	Transfer to Water Facility Replacement Reserve	250,000	250,000		25.00%
122	$ 1,220,234	$ 150,000	$ 200,000	$ 200,000	TOTAL TRANSFERS OUT	$ 250,000	$ 250,000		25.00%
123									
124					***FUND BALANCE***				
125	393,595	629,495	391,800	570,200	Unrestricted Ending Fund Balance	333,500	333,400		-41.53%
126									
127	$ 3,852,274	$ 2,907,382	$ 3,109,700	$ 3,034,400	**TOTAL REQUIREMENTS**	$ 2,987,000	$ 2,977,700		-1.87%

Notes:

104 Computer hardware is now budgeted in the Administrative Services Fund- Assistant to the City Manager & IT budget.

117 Contingency is 2.5% of expenditures excluding debt service. This amount may not be sufficient to cover unanticipated catastrophic equipment failures. The Cost of Service Analysis recommends 5% Contingency.

125 The Fund Balance provides for a 60-day cash supply as provided for in the Cost of Service Analysis adopted by the City Council.

WATER FACILITY REPLACEMENT RESERVE

The Water Facility Replacement Reserve was established for replacement and construction of new facilities needed to provide water production, storage, and distribution. Revenue consists of System Development Charges, water usage charges transferred from the Water Operating Fund and revenue bonds. Expenditures listed in the 2011/2012 Capital Improvements are intended to enhance the ability to provide the water needed to serve the community within the existing Urban Growth Boundary consistent with the Council adopted 2001 Water System Master Plan Update Capital Improvement Plan.

Projects Completed Fiscal Year 2010/2011

- Completed Carlhaven East Replacement Well and Pump Station Modifications
- Drilled New Well at Carlhaven West Site
- Continued Steel Water Main Replacement Consisting of 4,000 Feet of Water Main in Southwest Keizer

Water Facility Fund Capital Improvements Fiscal Year 2011/2012

- Complete Replacement of Carlhaven West Well and Pump Station Modifications
- Replace 17th Ave Well and Modifications to the Pump Station
- Construct 12” Loop Waterline from Wiessner to Ridge Dr Pump Stations

CAPITAL PROJECTS FUND

WATER FACILITY REPLACEMENT RESERVE

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ 1,267,077	$ 1,412,562	$ 1,327,200	$ 1,364,300	***Working Capital Carryforward***	$ 984,900	$ 984,900		-27.81%
2									
3					***TAXES & ASSESSMENTS***				
4	2,060	11,172	10,000	5,000	Assessments	5,000	5,000		0.00%
5									
6					***CHARGES FOR SERVICES***				
7	35,006	49,500	25,300	18,000	System Development Charges	16,800	16,800		-6.67%
8									
9					***MISCELLANEOUS***				
10	24,331	11,260	13,200	6,600	Interest	6,600	6,600		0.00%
11	20	(236)	-	-	Miscellaneous	-	-		
12	$ 24,351	$ 11,024	$ 13,200	$ 6,600	TOTAL MISCELLANEOUS	$ 6,600	$ 6,600		0.00%
13									
14					***TRANSFERS***				
15	1,100,100	150,000	200,000	200,000	Transfer from Water Fund	250,000	250,000		25.00%
16	(5,360)	5,360	-	-	Transfer to Park Improvement Fund	-	-		
17	1,772	-	-	-	Transfer from Park Operating Fund	-	-		
18	$ 1,096,512	$ 155,360	$ 200,000	$ 200,000	TOTAL TRANSFERS IN	$ 250,000	$ 250,000		25.00%
19									
20									
21	$ 2,425,006	$ 1,639,618	$ 1,575,700	$ 1,593,900	**TOTAL RESOURCES**	$ 1,263,300	$ 1,263,300		-20.74%

Notes:

4 The Assessments are payments for new waterlines built by the City and repaid by the property owners.

7 In FY11-12, System Development Fees are based on 20 Single Family dwelling units.

10 City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

CAPITAL PROJECTS FUND

WATER FACILITY REPLACEMENT RESERVE

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				REQUIREMENTS				
				CAPITAL OUTLAY				
$ 38,855	$ 238,057	$ 376,000	$ 340,000	Supply/Treatment	$ 400,000	$ 400,000		17.65%
961,190	29,957	550,000	269,000	Transmission & Distribution Mains	210,000	210,000		-21.93%
9,558	7,235	-	-	General Plant	-	-		
2,841	-	-	-	Storage	-	-		
-	-	100,000	-	Unanticipated Expenses	100,000	100,000		
$ 1,012,444	$ 275,249	$ 1,026,000	$ 609,000	TOTAL CAPITAL OUTLAY	$ 710,000	$ 710,000		16.58%
				FUND BALANCE				
$ -	$ -	$ 234,100	$ 234,100	Restricted for Debt Service Requirements	$ 234,100	$ 234,100		0.00%
1,412,562	1,364,369	315,600	750,800	Unrestricted Ending Fund Balance	319,200	319,200		-57.49%
$ 1,412,562	$ 1,364,369	$ 549,700	$ 984,900	TOTAL FUND BALANCE	$ 553,300	$ 553,300		-43.82%
$ 2,425,006	$ 1,639,618	$ 1,575,700	$ 1,593,900	**TOTAL REQUIREMENTS**	$ 1,263,300	$ 1,263,300		-20.74%

Notes:

24 For detailed Capital Outlay projects see Water Facility Fund Summary immediately preceding this page.

34 The Ending Fund Balance will be used in future years to pay for projects provided for in the Capital Improvement Program as outlined in the narrative section of this budget.

STREET LIGHTING DISTRICT FUND

The Street Lighting District Fund accounts for the Street Lighting Districts and Local Improvement Districts from establishment and construction; through billing and recording the liens with the county tax collector. The City currently has approximately 180 Lighting Districts. The City Recorder, the Finance Department and the Public Works Department share the responsibility for managing the activities in this fund.

ENTERPRISE FUND

STREET LIGHTING DISTRICT FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				RESOURCES				
$ 219,493	$ 225,592	$ 235,900	$ 259,400	***Working Capital Carryforward***	$ 294,300	$ 294,300		13.45%
				TAXES & ASSESSMENTS				
442,119	455,706	454,100	456,300	Lighting District Assessments	421,000	421,000		-7.74%
				MISCELLANEOUS				
-	1,767	1,600	1,300	Interest Earnings	1,300	1,300		0.00%
$ 661,612	$ 683,065	$ 691,600	$ 717,000	**TOTAL RESOURCES**	$ 716,600	$ 716,600		-0.06%

Notes:

4 The Street Lighting District Fund operates on a reimbursement basis. Electricity is paid in Year One and assessed on the tax roles in Year Two. FY08-09 includes an assessment for pole replacement for $3,900 and street lighting maintenance costs for $5,100. The reduction in revenue from FY10-11 to FY11-12 reflects a reduction in the uncollectibles ratio from 8% to 4%, more in keeping with actual experience. This will reduce the ending fund balance which has increased above the amount needed for cash flow operations. This will also reduce proportionally the amount assessed on each homeowners lighting district assessment for FY11-12.

7 City funds are pooled and held primarily at the Oregon State Treasury. Interest rates have remained at 0.5% since March 2010.

ENTERPRISE FUND

STREET LIGHTING DISTRICT FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
10					**REQUIREMENTS**				
11									
12					***PERSONNEL SERVICES***				
13	$ 1,191	$ -	$ -	$ -	City Manager (2)	$ -	$ -		
14	1,446	-	-	-	Assistant to City Manager (4)	-	-		
15	5,357	5,395	5,400	5,400	Public Works Director	5,400	5,400		0.00%
16	4,197	4,227	4,300	4,300	Public Works Superintendent	4,300	4,300		0.00%
17	7,252	-	-	-	City Recorder (5)	-	-		
18	11,468	4,352	4,400	4,400	Administrative Support Staff (5)-(7)	4,400	4,400		0.00%
19	572	-	-	-	Network Administrator (4)	-	-		
20	840	-	-	-	Human Resources Director (6)	-	-		
21	5,104	-	-	-	Finance Director (7)	-	-		
22	2,097	-	-	-	Facility Maintenance Worker (8)	-	-		
23	2	-	-	-	Overtime	-	-		
24	92	-	-	-	Vehicle Allowance/Tuition Assistance (2)	-	-		
25	61	-	-	-	Cell Phone Stipend/Clothing Allowance	-	-		
26	609	212	300	300	Medicare	300	300		0.00%
27	7,248	2,152	2,200	2,200	Retirement	2,500	2,500		13.64%
28	10,615	2,347	2,800	2,800	Insurance Benefits	2,800	2,800		0.00%
29	(58)	92	100	100	Workers Compensation	100	100		0.00%
30	$ 58,093	$ 18,777	$ 19,500	$ 19,500	TOTAL PERSONNEL SERVICES	$ 19,800	$ 19,800		1.54%

Notes:

12 Personnel Services and certain operating costs (as referenced in the Materials & Services section) related to general administration are now budgeted in the Administrative Services Fund as follows:

(1) Administration	(5) City Recorder	-100.00%
(2) City Manager	(6) Human Resources	-100.00%
(3) City Attorney	(7) Finance	-100.00%
(4) Asst to the City Manager & IT	(8) Civic Center Facilities	-100.00%

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

26 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

27 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

28 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

29 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ENTERPRISE FUND

STREET LIGHTING DISTRICT FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
31					***MATERIALS & SERVICES***				
32	$ 501	$ -	$ -	$ -	Materials & Supplies (1)	$ -	$ -		
33	20	-	-	-	Safety & Wellness (6)	-	-		
34	467	-	-	-	Postage & Printing (2)	-	-		
35	552	-	-	-	Association Memberships (1)	-	-		
36	987	-	-	-	Travel & Training (2)-(8)	-	-		
37	96	-	-	-	City Council Expenses (1)	-	-		
38	870	1,189	1,200	1,200	Advertising	1,200	1,200		0.00%
39	673	-	-	-	Legal Services (3)	-	-		
40	425	-	-	-	Labor Attorney (6)	-	-		
41	-	33,383	34,900	34,700	Administrative Services Charges	20,100	20,100		-42.07%
42	38	-	-	-	Contractual Services	-	-		
43	456	-	-	-	Audit (7)	-	-		
44	481	-	-	-	Janitorial (8)	-	-		
45	279	-	-	-	Utility (8)	-	-		
46	312	94	-	-	Telephone (4)	-	-		
47	259		-	-	Insurance - Liability (1)	-	-		
48	1,028		-	-	Computer & Software Maintenance (4)	-	-		
49	144		-	-	Equipment Maintenance (4)	-	-		
50	120		-	-	Facility Maintenance (8)	-	-		
51	1,495	6,830	6,800	5,700	Engineering Costs	5,700	5,700		0.00%
52	355,327	357,094	355,400	356,500	Lighting Costs	371,500	371,500		4.21%
53	5,508	6,339	5,100	5,100	Street Lighting Maintenance - Keizer Station Area A	5,100	5,100		0.00%
54	4	-	-	-	Miscellaneous Expense	-	-		
55	$ 370,042	$ 404,929	$ 403,400	$ 403,200	TOTAL MATERIALS & SERVICES	$ 403,600	$ 403,600		0.10%

Notes:

38 Advertising costs are for Street Lighting District Assessment public notices.

41 Materials & Services related to general administration are now budgeted in the Administrative Services Fund (AFS). Each Operating fund is charged for the services provided by AFS based on various cost allocation plans. These plans are to be revised each year based on anticipated benefits received. The plans are based on a range of factors including number of personnel, percent of effort expended by administrative personnel to the benefiting fund, current operating budgets, pieces of information technology equipment, software and maintenance fees. The decrease from FY10-11 to FY11-12 is reflective of the change in allocation of staff to reflect the shift in workload net the elimination of the Assistant to the City Manager position.

	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	PERCENT INC (DEC) PROJECTED
(1)	$ 1,600	City-Wide Administration	$ 1,100	$ 1,100	-31.25%
(2)	1,700	City Manager	1,800	1,800	5.88%
(3)	2,700	Assistant to the City Manager/IT	1,400	1,400	-48.15%
(4)	700	Attorney's Office	1,600	1,600	128.57%
(5)	7,100	City Recorder	1,200	1,200	-83.10%
(6)	1,200	Human Resources	900	900	-25.00%
(7)	18,500	Finance	11,100	11,100	-40.00%
(8)	1,200	Facility Maintenance	1,000	1,000	-16.67%
	$ 34,700	Administrative Services Charges	$ 20,100	$ 20,100	-42.07%

52 PGE increased electrical rates an estimated 4.2% beginning January 2011. FY11-12 projections anticipate a similar increase.

53 The Keizer Station Area A Street Lighting District provides for $5,100 annual maintenance per Council resolution.

ENTERPRISE FUND

STREET LIGHTING DISTRICT FUND

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
56					***CAPITAL OUTLAY***				
57	$ 74	$ -	$ -	$ -	Office Furniture & Equipment	$ -	$ -		
58	703	-	-	-	Computer Hardware	-	-		
59	$ 777	$ -	$ -	$ -	TOTAL CAPITAL OUTLAY	$ -	$ -		
60									
61	-	-	$ 20,700	$ -	Contingency	$ 21,200	$ 21,200		
62									
63					***TRANSFERS OUT***				
64	7,108	-	-	-	Transfer to City Hall Facility Fund	-	-		
65									
66					***FUND BALANCE***				
67	3,900	-	11,700	11,700	Restricted for Pole Replacement at Keizer Station Area A	15,600	15,600		33.33%
68	-	-	-	-	Reserve for Pole Replacement for Option B Districts	10,000	10,000		
69	221,692	259,359	236,300	282,600	Unrestricted Ending Fund Balance	246,400	246,400		-12.81%
70									
71	$ 661,612	$ 683,065	$ 691,600	$ 717,000	**TOTAL REQUIREMENTS**	$ 716,600	$ 716,600		-0.06%

Notes:

61 Contingency is 5% of total expenses.

67 The Keizer Station Area A Street Lighting District provides for $3,900 annually for depreciation on poles per Council resolution. This amount is collected annually and set aside in a reserve for future use for pole replacement.

68 Most Lighting Districts in the Keizer area are Option A districts whereby the electric company pays for pole replacement. However, in more recent years newer districts have formed as Option B districts whereby pole replacement is the responsibly of the property owners within the district. $10,000 has been reserved for potential future pole replacement.

COMMUNITY CENTER

The City of Keizer Community Center is a state of the art facility intended to accommodate the cultural, educational, professional, recreational and economic needs of Keizer citizens and the community.

City staff manages the scheduling and marketing of the facility. Staff coordinates and/or facilitates logistical needs such as security, janitorial, A/V, and catering services. In addition, staff provides day-to-day management of the facility, which includes room scheduling, responding to event rental inquiries, promoting events, and guiding potential clients through the facility.

The City of Keizer will continue to evaluate the needs of the community and the facility and will make appropriate changes as becomes necessary.

ENTERPRISE FUND

COMMUNITY CENTER

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				RESOURCES				
$ -	$ -	$ 2,500	$ 7,000	***WORKING CAPITAL CARRYFORWARD***	$ 20,000	$ 20,000		185.71%
				CHARGES FOR SERVICES				
-	25,556	85,900	91,300	Rental Fees	91,300	91,300		0.00%
$ -	$ 25,556	$ 85,900	$ 91,300	TOTAL CHARGES FOR SERVICES	$ 91,300	$ 91,300		0.00%
				MISCELLANEOUS				
30,000	10,000	10,000	10,000	Donations	10,000	10,000		0.00%
-	-	-	100	Interest	100	100		0.00%
$ 30,000	$ 10,000	$ 10,000	$ 10,100	TOTAL MISCELLANEOUS REVENUE	$ 10,100	$ 10,100		0.00%
64,496	-	-	-	Transportation Fund Interfund Loan	-	-		
$ 94,496	$ 35,556	$ 98,400	$ 108,400	**TOTAL RESOURCES**	$ 121,400	$ 121,400		11.99%

Notes:

6 In FY10-11 the Community Center enjoyed its first full year of operations; rental fees have increased accordingly.

10 Donations are from the Keizer Rotary Foundation. The Foundation has agreed to pay $100,000 as user fees for use of the rooms; $30,000 in FY08-09 and $10,000 for the next seven years. The proceeds are to be used to purchase furniture, equipment, audio/video equipment and other supplies and equipment to be used in the rooms.

ENTERPRISE FUND

COMMUNITY CENTER

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				REQUIREMENTS				
				PERSONNEL SERVICES				
$ -	$ 3,331	$ 5,000	$ 5,000	Overtime Costs	$ 400	$ 400		-92.00%
-	-	10,000	10,000	Temporary Help	20,000	20,000		100.00%
$ -	$ 3,331	$ 15,000	$ 15,000	TOTAL PERSONNEL SERVICES	$ 20,400	$ 20,400		36.00%
				MATERIALS & SERVICES				
$ 2,568	$ -	$ -	$ -	Legal Services	$ -	$ -		
-	-	900	900	Administrative Services Charges	-	-		-100.00%
-	-	2,500	2,500	Janitorial Services	1,000	1,000		-60.00%
13,180	23,129	4,000	4,000	Contractual Services	8,000	8,000		100.00%
$ 15,748	$ 23,129	$ 7,400	$ 7,400	TOTAL MATERIALS & SERVICES	$ 9,000	$ 9,000		21.62%
				CAPITAL OUTLAY				
78,748	2,058	1,000	1,000	Furnishings	1,600	1,600		60.00%
$ 78,748	$ 2,058	$ 1,000	$ 1,000	TOTAL CAPITAL OUTLAY	$ 1,600	$ 1,600		60.00%
				DEBT SERVICE				
-	-	500	500	Interest on Interfund Loan	-	-		-100.00%
-	-	64,500	64,500	Repay Portion of Transportation Fund Loan	-	-		-100.00%
$ -	$ -	$ 65,000	$ 65,000	TOTAL DEBT SERVICE	$ -	$ -		-100.00%
$ -	$ -	$ -	$ -	Contingency	$ 5,000	$ 5,000		
-	-	-	-	Transfer to General Fund	75,000	75,000		
-	7,038	10,000	20,000	Unrestricted Ending Fund Balance	10,400	10,400		-48.00%
$ 94,496	$ 35,556	$ 98,400	$ 108,400	**TOTAL REQUIREMENTS**	$ 121,400	$ 121,400		11.99%

Notes:

22 During FY10-11 the City recruited and hired Temporary staff to oversee events held outside normal operating hours. This will help reduce staff overtime costs and provide better service to rental clients.

39 An interfund loan was made to pay for furnishings, fixtures and consulting services to get the Center up and running in FY08-09. The City anticipates paying off the Transportation Fund, with interest, with rental fee income and donations in FY10-11.

44 The Community Center operations are not currently self-supporting. General Service employees operate the Center, therefore excess funds are transferred to the General Fund to offset those costs.

ADMINISTRATIVE SERVICES FUND

The Administrative Services Fund is an Internal Service fund which is used to account for the financing of goods and/or services provided to various City funds on a cost-reimbursement basis.

Purpose: The Administrative Services Fund provides services to City funds as identified in the City's annual budget. Those services are provided by the following activities: City-wide Administration (City Council and Nondepartmental), City Manager's Office, Assistant to the City Manager and Information Technology, City Attorney's Office, City Recorder's Department, Human Resources Department, Finance Department and Civic Center Facilities (building maintenance).

The sources from which the fund shall be replenished: Each Operating fund is charged for the services provided by the Administrative Services Fund based on various cost allocation plans. These plans are to be revised each year based on anticipated benefits received. The plans are based on a range of factors including number of personnel, percent of effort expended by administrative personnel to the benefiting fund, current operating budgets, pieces of information technology equipment, software and maintenance fees.

The appropriation or appropriations to be charged in order to provide the initial money for financing the fund: The Administrative Services Fund will receive one-twelfth of budgeted Charges for Services from each City fund as the initial money for financing the fund. At the end of the first month, the City shall return the initial money to each operating fund and each operating fund shall thereafter reimburse the Administrative Services Fund for monthly costs as provided for in the cost allocation plans.

The methods for controlling of expenditures and encumbering of such funds: Each internal services activity is tracked in a separate cost center. City-wide Administration, Human Resources, the Network Administrator and Civic Center Facility costs are allocated to each operating fund based on the full-time equivalents (FTE) of that fund.

Costs directly attributed to the City Manager, Assistant to the City Manager, City Recorder's Department, City Attorney's Office and Finance Department are based on effort staff expects to expend in each program for the upcoming year. Information Technology is based on approved budgeted expenditures for each department. Auditing services are based on the current year's projected expenditures at the time the upcoming budget is prepared.

The method for handling any fiscal year end surplus or deficit: At fiscal yearend any excess revenues over total expenditures will be refunded Citywide using the same allocation proportion as when initially charged. An allowance for the estimated beginning balance of the new fiscal year will be considered when determining the amount of the refund. In a deficit situation significant additional charges would be approved and program expenditures appropriated by City Council action.

ADMINISTRATIVE SERVICE FUND SUMMARY

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ -	$ -	$ -	$ (26,800)	Working Capital Carryforward	$ -	$ -		-100.00%
2	$ -	$ -	$ -	$ (26,800)	TOTAL RESOURCES	$ -	$ -		-100.00%
3									
4					***CHARGES FOR SERVICES***				
5	-	1,956,687	2,019,800	2,032,100	Charges for Services	1,994,700	1,994,700		-1.84%
6									
7									
8	$ -	$ 1,956,687	$ 2,019,800	$ 2,005,300	**TOTAL RESOURCES**	$ 1,994,700	$ 1,994,700		-0.53%
9									
10									
11					**ALLOCATION BY FUND**				
12				$ 1,089,900	General Fund	$ 1,234,100	$ 1,234,100		13.23%
13				106,100	Street Fund	128,300	128,300		20.92%
14				135,600	Sewer Fund	89,300	89,300		-34.14%
15				291,300	Water Fund	236,200	236,200		-18.92%
16				34,700	SLD Fund	20,100	20,100		-42.07%
17				108,700	Storm Water	120,300	120,300		10.67%
18				262,400	Urban Renewal Agency	167,200	167,200		-36.28%
19				1,800	PEG	-	-		-100.00%
23				900	Community Center	-	-		-100.00%
24				200	9-1-1 Fund	-	-		-100.00%
25				500	Rounding	(800)	(700)		-240.00%
26				$ 2,032,100	Total Allocation by Fund	$ 1,994,700	$ 1,994,800		-1.84%

ADMINISTRATIVE SERVICE FUND SUMMARY

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				REQUIREMENTS				
				EXPENDITURES				
				Personnel Services				
$ -	$ 167,630	$ 169,100	$ 167,700	City Manager	$ 172,100	$ 172,100		2.62%
-	182,637	183,000	183,000	Assistant to the City Manager & IT	113,100	113,100		-38.20%
-	204,926	211,500	211,500	City Attorney's Office	215,200	215,200		1.75%
-	162,162	165,800	165,800	City Recorder's Office	169,600	169,600		2.29%
-	210,495	200,200	199,800	Human Resources	205,000	205,000		2.60%
-	347,898	355,800	355,800	Finance	360,400	360,400		1.29%
-	68,724	70,000	65,900	Facility Maintenance	71,400	71,400		8.35%
$ -	$ 1,344,472	$ 1,355,400	$ 1,349,500	TOTAL PERSONNEL SERVICES	$ 1,306,800	$ 1,306,800		-3.16%
				Materials & Services				
$ -	$ 227,598	$ 233,000	$ 233,000	General Administration	$ 230,900	$ 230,900		-0.90%
-	4,038	3,900	3,900	City Manager	3,000	3,000		-23.08%
-	141,054	149,600	149,600	Assistant to the City Manager & IT	161,200	161,200		7.75%
-	6,974	12,500	6,000	City Attorney's Office	8,000	8,000		33.33%
-	3,441	4,800	4,800	City Recorder's Office	1,400	1,400		-70.83%
-	23,114	21,000	21,000	Human Resources	27,300	27,300		30.00%
-	29,099	30,000	30,000	Finance	28,000	28,000		-6.67%
-	159,980	161,000	158,900	Facility Maintenance	175,700	175,700		10.57%
$ -	$ 595,298	$ 615,800	$ 607,200	TOTAL MATERIALS & SERVICES	$ 635,500	$ 635,500		4.66%

ADMINISTRATIVE SERVICE FUND SUMMARY

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				Capital Outlay				
$ -	$ 19,163	$ -	$ -	General Administration	$ -	$ -		
-	24,577	48,600	48,600	Assistant to the City Manager & IT	52,400	52,400		7.82%
$ -	$ 43,740	$ 48,600	$ 48,600	TOTAL CAPITAL OUTLAY	$ 52,400	$ 52,400		7.82%
$ -	$ 1,983,510	$ 2,019,800	$ 2,005,300	TOTAL EXPENDITURES	$ 1,994,700	$ 1,994,700		-0.53%
				FUND BALANCE				
-	(26,823)	-	-	Unrestricted Ending Fund Balances	-	-		
$ -	$ (26,823)	$ -	$ -	TOTAL FUND BALANCE	$ -	$ -		
$ -	$ 1,956,687	$ 2,019,800	$ 2,005,300	**TOTAL REQUIREMENTS**	$ 1,994,700	$ 1,994,700		-0.53%
				SUMMARY OF COSTS BY DEPARTMENT				
			$ 259,300	Administration	$ 230,900	$ 230,900		-10.95%
			171,600	City Manager	175,100	175,100		2.04%
			381,200	Assistant to the City Manager	326,700	326,700		-14.30%
			217,500	City Attorney	223,200	223,200		2.62%
			170,600	City Recorder	171,000	171,000		0.23%
			220,800	Human Resources	232,300	232,300		5.21%
			385,800	Finance	388,400	388,400		0.67%
			224,800	Facilities	247,100	247,100		9.92%
			(26,300)	Resources	-	-		-100.00%
			-	Rounding	-	-		
			$ 2,005,300	**TOTAL ADMINISTRATIVE SERVICES**	$ 1,994,700	$ 1,994,700		-0.53%

ADMINISTRATIVE SERVICES FUND

CITY-WIDE ADMINISTRATION

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
					RESOURCES				
1	$ -	$ -	$ -	$ (26,800)	Working Capital Carryforward	$ -	$ -		-100.00%
2	-	11	-	500	Miscellaneous (including Interest)				-100.00%
3									
4					**REQUIREMENTS**				
5									
6					***MATERIALS & SERVICES***				
7	$ -	$ 19,019	$ 22,000	$ 22,000	Office Materials & Supplies	$ 22,000	$ 22,000		0.00%
8		30,462	32,300	32,300	Postage & Printing	32,300	32,300		0.00%
9	-	54,082	57,900	57,900	Association Memberships	51,200	51,200		-11.57%
10	-	6,748	5,100	5,100	City Council Expenses	5,100	5,100		0.00%
11	-	508	1,000	1,000	Committee Meeting Expense	800	800		-20.00%
12	-	1,391	2,000	2,000	Advertising	2,000	2,000		0.00%
13	-	305	1,000	1,000	Contractual Services	1,000	1,000		0.00%
14	-	114,369	110,700	110,700	Liability Insurance	115,500	115,500		4.34%
15	-	714	1,000	1,000	Miscellaneous Expense	1,000	1,000		0.00%
16	$ -	$ 227,598	$ 233,000	$ 233,000	TOTAL MATERIALS & SERVICES	$ 230,900	$ 230,900		-0.90%

Notes:

9 Association Memberships include organizations such as the Council of Governments, League of Oregon Cities, Chamber of Commerce, & local newspaper subscriptions.

10 FY10-11 budget provides for 5 council members to attend the fall League of Oregon Cities conference and the Mayor to attend the annual Oregon Mayor's Association Conference.

11 In FY08-09 the City committed to a three-year "Retro Plan" agreement on its liability insurance premiums. Premium contributions reduced to 65% with a maximum exposure of 117.5%. Auto insurance premiums are paid from the Police Operating budget and Public Works budgets. FY11-12 projections expect premium rates similar to FY09-10. Liability insurance includes insuring the following art pieces as part of the City's Art Walk Program. The premium is estimated at $570 annually. The deductibles are based on the value. If the value of the art is $7,500 or under, the City's deductible is $2,500. If the value is over $7,500, the deductible is $5,000. Deductibles will be paid from General Fund resources.

	Value	Deductable
Summer Breeze	$6,500	$2,500
Trilat Relic	$13,400	$5,000
Praise	$10,000	$5,000
The Sentry	$3,000	$2,500
Twilight Reverence	$25,000	$5,000

13 Contractual Services include the ASCAP and BMI licenses. American Society of Composers, Authors & Publishers (ASCAP) licenses the right to perform songs and musical works created and owned by publishers who are ASCAP members. Broadcast Music, Inc. (BMI), a global leader in rights management, collects license fees from businesses that use music, which it distributes as royalties to songwriters, composers & music publishers. Licenses apply to the City's on-hold telephone music and Amphitheater performances.

ADMINISTRATIVE SERVICES FUND

CITY-WIDE ADMINISTRATION

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				CAPITAL OUTLAY				
$ -	$ 19,163	$ -	-	Office Furniture & Equipment				
$ -	$ 19,163	$ -	$ -	TOTAL CAPITAL OUTLAY	$ -	$ -		
$ -	$ 246,761	$ 233,000	$ 259,300	**TOTAL REQUIREMENTS**	$ 230,900	$ 230,900		-10.95%

SUMMARY OF CITY-WIDE ADMINISTRATIVE COSTS ALLOCATED BY FUND

PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
$ 162,700	General Fund	$ 136,000	$ 136,000		-16.41%
10,300	Street Fund	11,200	11,200		8.74%
10,000	Sewer Fund	8,400	8,400		-16.00%
46,600	Water Fund	45,000	45,000		-3.43%
1,600	SLD Fund	1,100	1,100		-31.25%
19,600	Storm Water	22,700	22,700		15.82%
8,400	Urban Renewal	6,400	6,400		-23.81%
100	Rounding	100	100		0.00%
$ 259,300	TOTAL EXPENDITURES BY FUND	$ 230,900	$ 230,900		-10.95%

CITY MANAGER'S OFFICE

City Manager Position

The **City Manager** is the administrative head of the City government as provided by the City Charter. This position provides the Mayor and City Councilors with information, implements policies adopted by the Council, and manages the City operations in an effective and efficient manner. The City Manager oversees all departments, which provide services to the citizens of Keizer. These departments consist of Police, Public Works, City Recorder, Municipal Court, Finance, Human Resources, and Community Development. Currently, staffing is comprised of 92 Full Time Equivalents (FTE). The City Manager also acts as the primary liaison with other local Municipal, State and Federal agencies.

Form of Government

The **Council-Manager** form of local government combines the strong political leadership of elected officials (in the form of a council, board, or other governing body) with the strong professional experience of an appointed Local Government Administrator. Under the Council-Manager form, power is concentrated in the elected council, which hires a professional administrator to implement its policies. This appointee serves at the pleasure of the Council and has responsibility for preparing the budget, directing day-to-day

Functioning much like a business organization's Chief Executive, the appointed Professional Manager administers the daily operations of the community. Through a professional staff, the Manager ensures the provision of services and enforces the policies adopted by the elected Council. He or she is selected by the Council on the basis of education, training, and experience. Qualifications and performance, not political savvy, are the characteristics that make an appointed Manager attractive to a Council.

operations, hiring and firing personnel, and serving as the Council's Chief Policy Advisor.
Since 1912, when Sumter, South Carolina, became the first community to adopt Council-Manager government and ran the first advertisement for a City Manager, the form has become the most popular system of local government for communities with populations of 5,000 or over. In 1935, the International City Manager's Association (now the International City/County Management Association), recognized 418 U.S. cities and 7 counties as operating under the Council-Manager form. By 1985, the number of Council-Manager communities had grown to 2,548 cities and 86 counties in the U.S. Today, more than 3,056 U.S. cities and 144 counties operate under this system of local government.

The Council-Manager form continues to gain popularity. During the past 12 years, an average of 44 U.S. cities annually have adopted the Council-Manager form, while an average of only two have abandoned it. The form also is flexible enough to meet the needs of larger communities, including Dallas, Texas (population 1,006,877); Kansas City, Missouri (435,146), Cincinnati, Ohio (364,040); Phoenix, Arizona (983,403): San Jose, California (782,248); and San Diego, California (1,110,549).

Appointed Local Government Managers have no guaranteed term of office or tenure. They can be dismissed by the Council at any time, for any reason. As a result, they constantly must respond to citizens and be dedicated to the highest ideals of honesty, integrity, and excellence in the management and delivery of public services. In short, appointed Managers are charged with providing government "for the people."

Professional Code of Ethics

Because caring for and tendering the public trust is of critical importance, Professional Managers are bound by a code of ethics that guides their actions on a daily basis. These ethical standards are listed below:

Tenet 1. Be dedicated to the concepts of effective and democratic local government by responsible elected officials and believe that Professional General Management is essential to the achievement of this objective.

Tenet 2. Affirm the dignity and worth of the services rendered by government and maintain a constructive, creative, and practical attitude toward local government affairs and a deep sense of social responsibility as a trusted public servant.

Tenet 3. Be dedicated to the highest ideals of honor and integrity in all public and personal relationships in order that the member may merit the respect and confidence of the elected officials, of other officials and employees, and of the public.

Tenet 4. Recognize that the chief function of local government at all times is to serve the best interests of all of the people.

Tenet 5. Submit policy proposals to elected officials; provide them with facts and advice on matters of policy as a basis for making decisions and setting community goals; and uphold and implement local government policies adopted by elected officials.

Tenet 6. Recognize that elected representatives of the people are entitled to the credit for the establishment of local government policies; responsibility for policy execution rests with the members.

continued

Tenet 7. Refrain from all political activities which undermine public confidence in professional administrators. Refrain from participation in the election of the members of the employing legislative body.

Tenet 8. Make it a duty to continually improve the member's professional ability and to develop the competence of associates in the use of management techniques.

Tenet 9. Keep the community informed on local government affairs; encourage communication between the citizens and all local government officers; emphasize friendly and courteous service to the public; and seek to improve the quality and image of public service.

Tenet 10. Resist any encroachment on professional responsibilities, believing the member should be free to carry out official policies without interference, and handle each problem without discrimination on the basis of principle and justice.

Tenet 11. Handle all matters of personnel on the basis of merit so that fairness and impartiality govern a member's
decisions, pertaining to appointments, pay adjustments, promotions, and discipline.

Tenet 12. Seek no favor; believe that personal aggrandizement or profit secured by confidential information or by misuse of public time is dishonest.

Organizational Accomplishments

FY 2009-10 turned out to be a difficult year for a number of reasons. Most importantly, however, certain key and historically revenues came in significantly below projections, requiring significant mid-year spending modifications to preserve our ending fund balances.
Keizer continues to experience a significant slowdown in construction, similar to the surrounding region but there are some signs of a slow recovery as more building permits were issued this year versus last

year and a number of commercial/office projects are on the near horizon. The economic downturn has manifested in lower franchise fees, water sales, and other revenue streams, making the budgeting process for the 2011-12 very challenging. This year will make the 2^{nd} year in a row of wage freezes. We are also prioritizing services to evaluate possible force reductions in order to make the General Fund budget balance.

- The Keizer Rapids Park continues to be a very popular asset and has been provided with a volunteer built 400-seat amphitheatre that we anticipate will see significantly escalating usage in the years to come.

- The Keizer Station Area A continues to be impacted by the national economic slowdown, however, some new construction activity has been recently planned for this next building cycle (Spring/Summer 2012)

- The City's long-range financial plan continues to be updated each year as we provide sound financial guidance to the City. This year has seen a major reworking of this tool so that it will continue to be a useful asset into the future.

- The Community Center has seen a steady increase in use as citizens, businesses, and governmental agencies around us learn about it. We anticipate usage to continue to climb significantly as time goes on.

Future Goals

As the City heads into the next fiscal year and beyond, we shall be mindful of the goals set by Council so as to continue providing excellent service to the Citizens of Keizer. The Council Goals have been provided for you separately. Additionally, Staff will strive to accomplish the goals we have developed internally to promote a more effective and efficient organization. The staff goals are very simple and are as follows: **Provide exceptional customer service in all areas of our organization.**

ADMINISTRATIVE SERVICES FUND

CITY MANAGER'S OFFICE

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1					**REQUIREMENTS**				
2									
3					***PERSONNEL SERVICES***				
4	$ -	$ 123,651	$ 123,200	$ 123,200	City Manager	$ 123,200	$ 123,200		0.00%
5	-	4,200	4,200	4,200	Vehicle Allowance	4,200	4,200		0.00%
6	-	1,320	1,400	-	Cell Phone Stipend	-	-		
7	-	1,990	2,000	2,000	Medicare	2,000	2,000		0.00%
8	-	24,950	24,500	24,500	Retirement	28,600	28,600		16.73%
9	-	11,386	13,700	13,700	Insurance Benefits	14,000	14,000		2.19%
10	-	133	100	100	Workers Compensation	100	100		0.00%
11	$ -	$ 167,630	$ 169,100	$ 167,700	TOTAL PERSONNEL SERVICES	$ 172,100	$ 172,100		2.62%
12									
13					***MATERIALS & SERVICES***				
14	$ -	$ 3,738	$ 3,600	$ 3,600	Travel & Training	$ 2,700	$ 2,700		-25.00%
15	-	300	300	300	Liability Insurance	300	300		0.00%
16	$ -	$ 4,038	$ 3,900	$ 3,900	TOTAL MATERIALS & SERVICES	$ 3,000	$ 3,000		-23.08%
17									
18	$ -	$ 171,668	$ 173,000	$ 171,600	**TOTAL REQUIREMENTS**	$ 175,100	$ 175,100		2.04%

Notes:

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

6 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.

7 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

8 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

9 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

10 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

15 The City pays premiums on a "Public Officials" bond for the City Manager.

ADMINISTRATIVE SERVICES FUND

CITY MANAGER'S OFFICE

SUMMARY OF CITY MANAGER'S OFFICE ALLOCATED BY FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
			$ 48,000	General Fund	$ 110,300	$ 110,300		129.79%
			8,600	Street Fund	15,800	15,800		83.72%
			1,700	Sewer Fund	3,500	3,500		105.88%
			17,200	Water Fund	8,800	8,800		-48.84%
			1,700	SLD Fund	1,800	1,800		5.88%
			8,600	Storm Water	3,500	3,500		-59.30%
			85,800	Urban Renewal	31,500	31,500		-63.29%
			-	Rounding	(100)	(100)		
			$ 171,600	TOTAL EXPENDITURES BY FUND	$ 175,100	$ 175,100		2.04%

ASSISTANT TO THE CITY MANAGER

Assistant to the City Manager's Office

The Assistant to the City Manager acts as a project coordinator across all departments, is a department head level position and reports directly to the City Manager. The City of Keizer continues to take on numerous significant projects of a very complex nature that often span several departments. The Assistant to the City Manager provides the coordination of these special projects.

The Assistant to the City Manager manages all aspects of these large, community based or regional, complex and multi-departmental special projects including coordination between departments, volunteer coordination, grant writing, working with City Councilors, other regional elected officials and governmental agencies, communicating the project status to the community and ensuring that the City of Keizer continues to be successful and innovative as we work toward the future.

This FTE is a department head level position for coordination purposes but does not have any supervisory authority over other department heads.

Specific tasks include but are not limited to; supervision and management of the Information Technology Division within the City of Keizer, management of the Community Center, staff liaison for Keizer 23 Channel Committee, staff liaison with selected management group for management of the Keizer Little League Fields, management of Housing Rehabilitation Program, assistance with the budget process, development and implementation on various organizational policies and development of a sidewalk education program. The Assistant to the City Manager provides capacity to department heads on an as needed basis.

Information Technology

The Information Technology Division supports the City's software, hardware, telephone systems, and security by providing the following critical services to the City:

- Network: Email, internet, intranet, network connectivity, backup, voice, and network security

- Application: IT planning, application programming and development, major software system implementation, software system maintenance and support

- Desktop Help: Assists employees and Councilors with laptop and personal computer hardware and software needs

- Telecommunications: Phone system administration, handset and station maintenance, and voicemail administration

- Wireless access: The new civic center will provide full wireless access for staff and visitors throughout the complex for data and voice

IT Goals for 2010-2011

With the recent move into the new civic center, IT goals continue to focus on ensuring the needs of the new building are being met for both City Hall and Police. Many new systems have been brought on line including new building security, fire monitoring and a campus wide wireless system for the public. IT will also be focused on updating the EOC and developing a help desk program through the network.

INFORMATION SYSTEMS DIVISION

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1					**REQUIREMENTS**				
2									
3					***PERSONNEL SERVICES***				
4	$ -	$ 75,780	$ 75,600	$ 75,600	Assistant to the City Manager	$ 12,600	$ 12,600		-83.33%
5	-	59,376	59,200	59,200	Network Administrator	59,200	59,200		0.00%
6	-	1,320	1,400	1,400	Cell Phone Stipend	-	-		-100.00%
7	-	2,098	2,100	2,100	Medicare	1,200	1,200		-42.86%
8	-	21,111	17,200	17,200	Retirement	10,700	10,700		-37.79%
9	-	22,771	27,400	27,400	Insurance Benefits	16,300	16,300		-40.51%
10	-	181	100	100	Workers Compensation	100	100		0.00%
11	-	-	-	-	Unemployment	13,000	13,000		
12	$ -	$ 182,637	$ 183,000	$ 183,000	TOTAL PERSONNEL SERVICES	$ 113,100	$ 113,100		-38.20%

Notes:

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

4 Due to funding constraints, the Assistant to the City Manager position has been eliminated beginning September 1, 2011. Duties have been reassigned to various other City Departments.

6 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.

7 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

8 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

9 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

10 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ADMINISTRATIVE SERVICES FUND

INFORMATION SYSTEMS DIVISION

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
13					***MATERIALS & SERVICES***				
14	$ -	$ 3,490	$ 2,500	$ 2,500	Travel & Training	$ 200	$ 200		-92.00%
15	-	869	100	100	Contractual Services	100	100		0.00%
16	-	28,580	28,400	28,400	Telephone	28,400	28,400		0.00%
17	-	92,833	104,700	104,700	Computer Software & Maintenance	119,500	119,500		14.14%
18	-	15,282	13,900	13,900	Office Equipment Maintenance	13,000	13,000		-6.47%
19	$ -	$ 141,054	$ 149,600	$ 149,600	TOTAL MATERIALS & SERVICES	$ 161,200	$ 161,200		7.75%
20									
21					***CAPITAL OUTLAY***				
22	-	24,577	48,600	48,600	Computer Hardware	52,400	52,400		7.82%
23	$ -	$ 24,577	$ 48,600	$ 48,600	TOTAL CAPITAL OUTLAY	$ 52,400	$ 52,400		7.82%
24									
25	$ -	$ 348,268	$ 381,200	$ 381,200	**TOTAL REQUIREMENTS**	$ 326,700	$ 326,700		-14.30%

Notes:

17 FY11-12 Computer software and maintenance costs are primarily for maintenance of the City's existing software license agreements. Beginning in FY11-12, costs also include photocopy leases which were previously budgeted in various operating funds.

22 FY11-12 Computer Hardware costs include replacement of five police car laptops totaling $21,800.

SUMMARY OF INFORMATION SYSTEMS ALLOCATED BY FUND

PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
$ 240,700	General Fund	$ 227,700	$ 227,700		-5.40%
13,200	Street Fund	11,900	11,900		-9.85%
18,000	Sewer Fund	12,700	12,700		-29.44%
59,300	Water Fund	43,100	43,100		-27.32%
2,700	SLD Fund	1,400	1,400		-48.15%
32,600	Storm Water	20,900	20,900		-35.89%
14,200	Urban Renewal	9,300	9,300		-34.51%
-	Housing Rehabilitation Loan Fund	-	-		
-	Energy Efficiency Loan Fund	-	-		
500	PEG	-	-		-100.00%
-	Rounding	(300)	(300)		
$ 381,200	TOTAL EXPENDITURES BY FUND	$ 326,700	$ 326,700		-14.30%

CITY ATTORNEY'S OFFICE

City Attorney Position

The **City Attorney** is a Charter officer, answering directly to the City Council. In addition to the Council, the City Attorney advises the Urban Renewal Agency, City staff, and citizen committees on various legal matters. These include reviewing contracts, regulations, statutes and answering questions regarding the impact of new laws and court decisions. The City Attorney attends City Council and Planning Commission meetings, and guides the City officials and employees through a myriad of situations, from complex real estate transactions to land use matters, from public records requests to code enforcement disputes, from municipal court traffic prosecution to drafting development agreements.

The **Legal Assistant** provides administrative support to the City Attorney. The Legal Assistant maintains records, calendars important dates/deadlines, prepares drafts of simple documents and prioritizes workload tasks.

Projects and Work Tasks

The City Attorney has assisted the City on several projects and day-to-day tasks such as:

Keizer Station Development

- Advised staff regarding on-going Area A Local Improvement District process
- Assisted in multiple real estate transactions with the developer and other property owners in Keizer Station
- Assisted in multiple land use matters in connection with the Keizer Station project
- Assisted staff regarding Master Plan process
- Assisted staff regarding transportation/development issues

Keizer Rapids Park

- Negotiated and represented City regarding real estate transactions
- Advised regarding land use issues on Keizer Rapids Park
- Reviewed and advised regarding funding alternatives
- Assisted staff with amphitheatre policies
- Drafted documents and advised staff regarding amphitheatre

General Land Use Counsel

- Advised/assisted with text amendments, such as Keizer Station Master Plan, annexations, public water supply, junk, sign regulations, and a special agriculture zone
- Advised/assisted with individual quasi-judicial land use cases
- Answered day-to-day questions on code interpretation and process

General Legal Counsel

- Prosecuted traffic cases
- Assisted on City vehicle leases
- Advised/researched regarding code enforcement matters
- Drafted documents and advised staff regarding art program
- Reviewed and advised regarding public records/public meetings questions
- Prepared Ballot Titles for Initiative Petition and Referendum Petition
- Advised/researched regarding lease matters
- Negotiated settlements
- Drafted Resolutions, Ordinances and Orders

Goals

In the next fiscal year, the City Attorney's Office will:

- Continue to provide first class service to City Council, staff, citizen committees and the public
- Always treat citizens with respect and civility even when they have interests contrary to City interests
- Be proactive in identifying problem scenarios in advance

ADMINISTRATIVE SERVICES FUND

CITY ATTORNEY'S OFFICE

#	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1					**REQUIREMENTS**				
2									
3									
4					***PERSONNEL SERVICES***				
5	$ -	$ 112,874	$ 113,900	$ 113,900	Attorney	$ 113,900	$ 113,900		0.00%
6	-	45,330	46,000	46,000	Administrative Support	46,000	46,000		0.00%
7	-	-	-	-	Overtime	-	-		
8	-	220	1,100	1,100	Cell Phone Stipend	700	700		-36.36%
9	-	2,535	2,500	2,500	Medicare	2,500	2,500		0.00%
10	-	20,918	20,400	20,400	Retirement	23,900	23,900		17.16%
11	-	22,771	27,400	27,400	Insurance Benefits	28,000	28,000		2.19%
12	-	278	200	200	Workers Compensation	200	200		0.00%
13	$ -	$ 204,926	$ 211,500	$ 211,500	TOTAL PERSONNEL SERVICES	$ 215,200	$ 215,200		1.75%

Notes:

5 Increases in wages reflect contractual agreements between the City and both the City Attorney and Legal Assistant entered into prior to FY09-10 providing a step increase after initial 6 months as City employees. Step increases were given in December 2009 and are fully reflected in FY10-11.

8 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.

9 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

10 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

11 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

12 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ADMINISTRATIVE SERVICES FUND

CITY ATTORNEY'S OFFICE

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
14					***MATERIALS & SERVICES***				
15	$ -	$ 88	$ 200	$ 200	Postage & Printing	$ 200	$ 200		0.00%
16	-	4,279	6,300	4,200	Travel & Training	3,800	3,800		-9.52%
17	-	750	4,500	1,100	Legal Services Contracts	3,000	3,000		172.73%
18	-	-	500	-	Contractual Services	-	-		
19	-	1,857	1,000	500	Law Library Maintenance	1,000	1,000		100.00%
20	$ -	$ 6,974	$ 12,500	$ 6,000	TOTAL MATERIALS & SERVICES	$ 8,000	$ 8,000		33.33%
21									
22	$ -	$ 211,900	$ 224,000	$ 217,500	**TOTAL REQUIREMENTS**	$ 223,200	$ 223,200		2.62%

Notes:

Effective June 2009, the City Attorney's office will no longer be a contracted service and staff will move in-house. A four-year comparison of costs prior to that time is as follows:

FY04-05	Actual	$ 268,890
FY05-06	Actual	$ 214,653
FY06-07	Actual	$ 198,169
FY07-08	Actual	$ 222,110

17 Legal Services Contracts include outside legal assistance (not including Bond Counsel).

18 Contractual services costs include outside law clerk assistance and temporary legal assistance in the absences of the City's in-house staff.

SUMMARY OF ATTORNEY'S OFFICE ALLOCATED BY FUND

PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
$ 125,300	General Fund	$ 141,600	$ 141,600		13.01%
22,200	Street Fund	20,300	20,300		-8.56%
5,700	Sewer Fund	3,900	3,900		-31.58%
13,100	Water Fund	10,300	10,300		-21.37%
700	SLD Fund	1,600	1,600		128.57%
3,300	Storm Water	4,400	4,400		33.33%
45,000	Urban Renewal	41,100	41,100		-8.67%
900	Community Center Fund	-	-		-100.00%
1,300	PEG	-	-		-100.00%
200	9-1-1 Fund	-	-		-100.00%
(200)	Rounding	-	-		-100.00%
$ 217,500	TOTAL EXPENDITURES BY FUND	$ 223,200	$ 223,200		2.62%

CITY RECORDER

The **City Recorder** provides administrative support to the City Council, serves as Election Officer, Risk Manager, and Volunteer Coordinator. In addition, the City Recorder acts as a "hub" for many of the departments providing project research, procedural support for preparation of staff reports, ordinances, and resolutions, records management and oversees the public notification process. Other areas of responsibility include processing of public records requests, liquor license applications and street lighting district petitions. The City Recorder provides supervisory authority to the Deputy City Recorder.

The **Deputy City Recorder** gives administrative support, prepares minutes and agenda packets and attends meetings for most of the City's Boards, Commissions and Task Forces. In addition, the Deputy City Recorder coordinates the Records Management program, the City's webpage, and assists the City Recorder in preparation of minutes for the City Council, Urban Renewal Agency and Budget Committee. The Deputy City Recorder serves as pro tem during the absence of the City Recorder.

Accomplishments

During the last fiscal year, the City Recorder managed three different election processes. In November 2010 four positions on the City Council were elected. Councilor Joe Egli joined the Council for his first four-year term and Councilors Clark and Taylor were reelected for a second and third term respectively. Mayor Christopher was reelected for her sixth two-year term. In July, an Initiative Petition was filed, which resulted in a March 2011 special election. A referendum petition was filed in December 2010; however this measure did not require an election due to the repealing of the Ordinance by the City Council. Under the Risk Manager area of the department, a property appraisal and review of the City's equipment was conducted.

The City's webpage information continues to be updated and expanded. The City has also developed a Facebook page which provides information to keep our citizens apprised of the issues in our community. We will continue to utilize technological advances to keep the citizens of Keizer informed of their government action. We continue to build our electronic records management system, adding in various documents as time permits. In addition, we have added new Task Forces and Committees that require our administrative support in the preparation of agenda and minutes. The Department has also handled several volunteer recruitments over the last year keeping all positions filled on our citizen volunteer committees, boards, and commissions. As in past years, organization of the annual volunteer recognition program occurred in April during National Volunteer Recognition month.

Future Goals

In the upcoming year, the **City Recorder** and **Deputy City Recorder** will remain focused on providing the elected officials, staff, and citizens of Keizer with information, both in an electronic and paper format, on current and past proceedings within their city. In addition, we will strive to provide our volunteers with the support and information they need to carry forth the goals and objectives of the City. We will continue to expand our electronic records database and provide information to the citizens we serve. During the upcoming year, the City Recorder will assist a newly formed Task Force in reviewing the City Council Policy and Procedures manual. If a ballot measure is placed on the November 2011 ballot, we will manage the election process.

We look forward to serving all of you in 2010-2011.

ADMINISTRATIVE SERVICES FUND

CITY RECORDER'S DEPARTMENT

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1					**REQUIREMENTS**				
2									
3					***PERSONNEL SERVICES***				
4	$ -	$ 73,042	$ 72,800	$ 72,800	City Recorder	$ 72,800	$ 72,800		0.00%
5	-	45,706	45,600	45,600	Administrative Support	45,600	45,600		0.00%
6	-	-	-	-	Overtime	-	-		
7	-	1,826	1,900	1,900	Medicare	1,900	1,900		0.00%
8	-	18,644	18,000	18,000	Retirement	21,200	21,200		17.78%
9	-	22,771	27,400	27,400	Insurance Benefits	28,000	28,000		2.19%
10	-	173	100	100	Workers Compensation	100	100		0.00%
11	$ -	$ 162,162	$ 165,800	$ 165,800	TOTAL PERSONNEL SERVICES	$ 169,600	$ 169,600		2.29%
12									
13					***MATERIALS & SERVICES***				
14	$ -	$ 3,441	$ 4,800	$ 4,800	Travel & Training	$ 1,400	$ 1,400		-70.83%
15	-	-	-	-	Contractual Services	-	-		
16	$ -	$ 3,441	$ 4,800	$ 4,800	TOTAL MATERIALS & SERVICES	$ 1,400	$ 1,400		-70.83%
17									
18	$ -	$ 165,603	$ 170,600	$ 170,600	**TOTAL REQUIREMENTS**	$ 171,000	$ 171,000		0.23%

Notes:

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

7 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

8 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

9 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

10 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

15 Contractual service costs include meeting attendance and transcription services in the absence of in-house staff. Funding is not available in FY11-12 for this service.

ADMINISTRATIVE SERVICES FUND

CITY RECORDER'S DEPARTMENT

SUMMARY OF CITY RECORDER'S OFFICE ALLOCATED BY FUND

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
			$ 113,900	General Fund	$ 108,500	$ 108,500		-4.74%
			12,200	Street Fund	15,600	15,600		27.87%
			4,100	Sewer Fund	3,000	3,000		-26.83%
			4,100	Water Fund	7,900	7,900		92.68%
			7,100	SLD Fund	1,200	1,200		-83.10%
			1,700	Storm Water	3,400	3,400		100.00%
			27,500	Urban Renewal	31,500	31,500		14.55%
			-	Rounding	(100)	(100)		
			$ 170,600	TOTAL EXPENDITURES BY FUND	$ 171,000	$ 171,000		0.23%

HUMAN RESOURCES

Human Resources
Service with integrity defines how we approach everything we do in the Human Resources Department! To be truly successful in providing the necessary services, it is critical that employees trust us to treat them with dignity and respect and to balance their best interests with the needs of the City as a whole. Our approach to maintaining and growing that trust is to operate with as much transparency as possible. We also strive to balance creativity and resourcefulness with professional standards and best practice to meet our customer's needs and ensure the highest fiscal responsibility to the citizens of Keizer.

The Human Resources Department develops, administers and provides service to staff and the public in the following areas:

- **Classification and Compensation**
- **Employee Benefits**
- **Employee and Labor Relations**
- **Health and Wellness**
- **Human Resources Information System (HRIS)**
- **Intranet**
- **Policies and Procedures**
- **Recruitment and Selection**
- **Risk Management**

Accomplishments

- Completed 5 recruitments resulting in 2 new regular status hires, 8 temporary status hires and 5 seasonal hires.
- Processed 4 terminations/resignations.
- Completed 2 classification reviews and began 1 additional review, established 1 new position/classification (Lieutenant).
- Responded to multiple public records requests.
- Negotiated medical benefit rate increases and Conducted Open Enrollment for employees' Health and Retirement benefits.
- Conducted annual hearing tests, partnered with Keizer Police Department (KPD) to deliver annual CPR/AED training.
- Developed procedures and forms for student internship program & initiated program with an HR intern focusing on Health and Wellness and the Fitness Center.
- Partnered with select staff members to participate in pilot assessment of online training through CIS. Established access to free on-line training for all employees.
- Held quarterly Personnel Policy Committee (PPC) meetings.
- Implemented new Personnel Policy Manual for the City of Keizer including informational meetings in each department.
- Processed 4 Worker's Comp & 8 FMLA/OFLA Claims.
- Held Retirement Seminars in partnership with City of Silverton & Salem-Keizer School District.
- Earned Grand Prize for City Display at Marion County Fair and designed/decorated Civic Center for TDK Event.

Goals

During the coming fiscal year, Human Resources will:

- Review and update the Performance Management program.
- Successfully negotiate collective bargaining agreements.
- Update and fully implement HRIS system.
- Establish Safety & Health Loss Prevention Program.
- Develop position-specific intranet information, communication and training tools.
- Continue to audit internal processes and controls to ensure practices support policy and organization goals.
- Continue documentation protocols including transition away from paper files to electronic records wherever possible.

ADMINISTRATIVE SERVICES FUND

HUMAN RESOURCES DEPARTMENT

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1					**REQUIREMENTS**				
2									
3					***PERSONNEL SERVICES***				
4	$ -	$ 50,381	$ 53,200	$ 52,800	Administrative Support	$ 52,800	$ 52,800		0.00%
5	-	92,226	92,000	92,000	Human Resources Director	92,000	92,000		0.00%
6	-	900	1,100	1,100	Cell Phone Stipend	900	900		-18.18%
7	-	2,173	2,200	2,200	Medicare	2,300	2,300		4.55%
8	-	41,864	24,200	24,200	Retirement	28,900	28,900		19.42%
9	-	22,771	27,400	27,400	Insurance Benefits	28,000	28,000		2.19%
10	-	180	100	100	Workers Compensation	100	100		0.00%
11	$ -	$ 210,495	$ 200,200	$ 199,800	TOTAL PERSONNEL SERVICES	$ 205,000	$ 205,000		2.60%

Notes:

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

6 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs.

7 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

8 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

9 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

10 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ADMINISTRATIVE SERVICES FUND

HUMAN RESOURCES DEPARTMENT

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
12					***MATERIALS & SERVICES***				
13	$ -	$ 2,984	$ 2,900	$ 2,900	Safety & Wellness	$ 2,800	$ 2,800		-3.45%
14	-	4,572	4,000	4,000	Travel & Training	4,500	4,500		12.50%
15	-	10,481	10,000	10,000	Labor Attorney -- City-wide	15,000	15,000		50.00%
16	-	5,077	4,100	4,100	Contractual Services	5,000	5,000		21.95%
17	$ -	$ 23,114	$ 21,000	$ 21,000	TOTAL MATERIALS & SERVICES	$ 27,300	$ 27,300		30.00%
18									
19	$ -	$ 233,609	$ 221,200	$ 220,800	**TOTAL REQUIREMENTS**	$ 232,300	$ 232,300		5.21%

Notes:

13 Safety & Wellness costs include only required CPR/First Aid Training and Hearing Tests.

14 Travel & Training has actually declined in FY11-12 from FY10-11 from $4,000 to $3,000; the $1500 difference is for the Local Government Personnel Institute membership that was previously budgeted in the Administrative Services Membership budget.

15 Labor Attorney - City-wide costs increase in FY11-12 for potential changes in employee benefits, layoffs, settlement agreements, etc. due to significant resource cuts in the coming fiscal year.

16 Contractual services include the Employee Assistance Program for $2,400 and Flexible Spending Account administration for $2,200.

SUMMARY OF HUMAN RESOURCE DEPARTMENT ALLOCATED BY FUND

PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
$ 145,000	General Fund	$ 154,100	$ 154,100		6.28%
8,100	Street Fund	9,300	9,300		14.81%
7,900	Sewer Fund	7,000	7,000		-11.39%
36,600	Water Fund	37,100	37,100		1.37%
1,200	SLD Fund	900	900		-25.00%
15,400	Storm Water	18,700	18,700		21.43%
6,600	Urban Renewal	5,300	5,300		-19.70%
-	Rounding	(100)	(100)		
$ 220,800	TOTAL EXPENDITURES BY FUND	$ 232,300	$ 232,300		5.21%

FINANCE DEPARTMENT

The financial operations of the City are planned and directed by the Finance Department. It establishes and sustains controls over the City's financial activities, and provides accurate, timely financial information to Council and Management. The Finance Department coordinates the annual budget preparation and administration in accordance with Oregon Budget Law. The Department analyzes the City's financial condition, invests funds, coordinates bond financing, ensures compliance with tax laws and bond covenants, and recommends financial policies to the City Manager and Council. It maintains the integrity of the City's accounting records and facilitates the annual audit. The Department also manages the Utility Billing Division, the Municipal Court office and the Reception desk.

Accomplishments

During fiscal year 2010-11 the Finance Department:

- Issued the fiscal year 2009-10 Comprehensive Annual Financial Report, which received an unqualified audit opinion by the City's external financial auditors. In addition, the City received the Certificate of Achievement for Excellence in Financial Reporting, a nationally recognized honor, for the eleventh consecutive year.
- Mitigated an increase in external financial audit fees by drafting the Comprehensive Annual Financial Report in-house rather than relying on our third party auditors.
- Issued the fiscal year 2011-12 Council Adopted Budget document.
- Reduced bank and credit card fees by changing third party financial service providers.
- Reworked the General Fund Long-Range Plan into a comprehensive and collaborative process including staff, Council, Budget Committee members and citizens. (See details in the General Fund Long-Range Planning section of the budget document.)

Future Goals

This coming year, the Department will continue focusing on customer service, streamlining processes and meeting City Council goals including:

- Research automating the cash application process in the utility billing system.
- Implement on-line utility billing payment options and research electronic utility billing invoice presentment options.
- Implement Government Accounting Standards Board's Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions.
- Facilitate the development and implementation of a sustainable General Fund revenues and services plan.
- Review and finalize the Urban Renewal District's collection of tax increment revenues.
- Document and refine as needed, existing financial and investment policies.
- Take on management of the City's Information Technology Division.
- Research possible debt restructuring for the Keizer Station Local Improvement District debt.
- Provide support for City Council Goal to generate Economic Development initiatives

Please refer to the Municipal Court summary and the Utility Billing Division summary for specific accomplishments and goals related to those Divisions.

ADMINISTRATIVE SERVICES FUND

FINANCE DEPARTMENT

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1					**REQUIREMENTS**				
2									
3					***PERSONNEL SERVICES***				
4	$ -	$ 155,057	$ 156,200	$ 156,200	Administrative Support	$ 156,200	$ 156,200		0.00%
5	-	102,768	102,400	102,400	Finance Director	102,400	102,400		0.00%
6	-	-	-	-	Overtime	-	-		
7	-	4,032	4,000	4,000	Medicare	4,000	4,000		0.00%
8	-	40,144	38,200	38,200	Retirement	41,700	41,700		9.16%
9	-	45,542	54,800	54,800	Insurance Benefits	55,900	55,900		2.01%
10	-	355	200	200	Workers Compensation	200	200		0.00%
11	$ -	$ 347,898	$ 355,800	$ 355,800	TOTAL PERSONNEL SERVICES	$ 360,400	$ 360,400		1.29%
12									
13					***MATERIALS & SERVICES***				
14	$ -	$ 2,490	$ 3,300	$ 3,300	Travel & Training	$ 1,300	$ 1,300		-60.61%
15	-	26,609	26,700	26,700	Audit Fees	26,700	26,700		0.00%
16	$ -	$ 29,099	$ 30,000	$ 30,000	TOTAL MATERIALS & SERVICES	$ 28,000	$ 28,000		-6.67%
17									
18	$ -	$ 376,997	$ 385,800	$ 385,800	**TOTAL REQUIREMENTS**	$ 388,400	$ 388,400		0.67%

Notes:

1 Department costs exclude Municipal Court and Utility Billing which are located in the General Fund and the Water, Sewer and Storm Water Funds respectively.

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

4 Administrative support wages increase represent a step increase mid-year in FY09-10 for a newly hired employee after successfully completing probation in December 2009, consistent with compensation policy.

7 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

8 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

9 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

10 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ADMINISTRATIVE SERVICES FUND

FINANCE DEPARTMENT

SUMMARY OF FINANCE DEPARTMENT

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
			$ 106,700	General Fund	$ 192,000	$ 192,000		79.94%
			23,300	Street Fund	34,400	34,400		47.64%
			80,200	Sewer Fund	43,400	43,400		-45.89%
			77,100	Water Fund	44,500	44,500		-42.28%
			18,500	SLD Fund	11,100	11,100		-40.00%
			11,800	Storm Water	26,800	26,800		127.12%
			68,200	Urban Renewal	36,500	36,500		-46.48%
			-	Rounding	(300)	(300)		
			$ 385,800	TOTAL EXPENDITURES BY FUND	$ 388,400	$ 388,400		0.67%

CIVIC CENTER FACILITIES

The Civic Center Facility Fund accounts for operations and maintenance of the new Civic Center. City staff moved to the new facility in March 2009. Facility Maintenance staff will continue to maintain the facility at a level that allows maximum efficiency of all staff. There are no major maintenance needs forecasted in the upcoming year. Staff will continue to focus on refining the programming within the HVAC units and lighting systems to improve their efficiencies. One of the City Council's Long-Term goals is to establish a facility replacement reserve to pay ongoing maintenance and replacement costs for this facility.

ADMINISTRATIVE SERVICES FUND

CIVIC CENTER FACILITIES

#	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
1									
2					**REQUIREMENTS**				
3									
4					***PERSONNEL SERVICES***				
5	$ -	$ 4,227	$ 4,300	$ 200	Public Works Superintendent	$ 4,300	$ 4,300		2050.00%
6	-	43,915	43,400	43,400	Facility Maintenance Worker	43,400	43,400		0.00%
7	-	-	-	-	Overtime	-	-		
8	-	-	400	400	Clothing Allowance	400	400		0.00%
9	-	745	800	800	Medicare	800	800		0.00%
10	-	7,213	6,100	6,100	Retirement	7,200	7,200		18.03%
11	-	11,994	14,400	14,400	Insurance Benefits	14,700	14,700		2.08%
12	-	630	600	600	Workers Compensation	600	600		0.00%
13	$ -	$ 68,724	$ 70,000	$ 65,900	TOTAL PERSONNEL SERVICES	$ 71,400	$ 71,400		8.35%

Notes:

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

5 At the beginning of FY10-11, Facilities management was reassigned to the Assistant to the City Manager. Due to funding constraints, the ATTCM position has been eliminated in FY11-12, therefore the facilities will be managed by the Public Works Superintendent.

9 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

10 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

11 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

12 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

ADMINISTRATIVE SERVICES FUND

CIVIC CENTER FACILITIES

	ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
14					***MATERIALS & SERVICES***				
15	$ -	$ -	$ 2,400	$ -	Materials & Supplies	$ -	$ -		
16	-	-	-	-	Travel & Training	-	-		
17	-	55,240	48,200	48,200	Janitorial Services	58,800	58,800		21.99%
18	-	91,056	95,000	95,000	Utilities	100,000	100,000		5.26%
19	-	765	100	100	Vehicle Maintenance	100	100		0.00%
20	-	6,223	6,800	6,800	Maintenance Supplies	6,800	6,800		0.00%
21	-	-	1,000	1,000	Contractual Services	1,000	1,000		0.00%
22	-	-	-	-	Office Equipment	-	-		
23	-	6,696	7,500	7,800	Janitorial Supplies	9,000	9,000		15.38%
24	$ -	$ 159,980	$ 161,000	$ 158,900	TOTAL MATERIALS & SERVICES	$ 175,700	$ 175,700		10.57%
25									
26									
27	$ -	$ 228,704	$ 231,000	$ 224,800	**TOTAL REQUIREMENTS**	$ 247,100	$ 247,100		9.92%

Notes:

17 Costs are for janitorial service twice per week for all of Civic Center facilities and one window washing. Costs do not include any additional cleaning costs (e.g. carpets, ground maintenance etc).

23 Janitorial Supplies have increased for increase use in the community center. These costs are recovered through the General Fund. Community Center revenues are transferred to the General Fund which pays the costs of operating the Community Center.

SUMMARY OF FACILITY MAINTENANCE ALLOCATED BY FUND

PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
$ 147,600	General Fund	$ 163,900	$ 163,900		11.04%
8,200	Street Fund	9,800	9,800		19.51%
8,000	Sewer Fund	7,400	7,400		-7.50%
37,300	Water Fund	39,500	39,500		5.90%
1,200	SLD Fund	1,000	1,000		-16.67%
15,700	Storm Water	19,900	19,900		26.75%
6,700	Urban Renewal	5,600	5,600		-16.42%
100	Rounding	-	-		-100.00%
$ 224,800	TOTAL EXPENDITURES BY FUND	$ 247,100	$ 247,100		9.92%

ADMINISTRATIVE SERVICES FUND

CIVIC CENTER FACILITY RESERVE

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12	PERCENT INC (DEC) PROJECTED
				RESOURCES				
$ -	$ -	$ -	$ -	Civic Center Improvements	$ 16,300	$ 16,300		
-	-	-	300	Statue Maintenance	300	300		0.00%
$ -	$ -	$ -	$ 300	TOTAL WORKING CAPITAL CARRYFORWARD	$ 16,600	$ 16,600		5433.33%
				MISCELLANEOUS				
-	310	-	-	Statue Maintenance	-	-		
-	-	22,900	22,900	LEEDS Certification	-	-		-100.00%
$ -	$ 310	$22,900	$ 22,900	TOTAL MISCELLANEOUS	$ -	$ -		-100.00%
$ -	$ 310	$ 22,900	$ 23,200	**TOTAL RESOURCES**	$ 16,600	$ 16,600		-28.45%
				REQUIREMENTS				
				MATERIALS & SERVICES				
-	-	-	3,500	Office Equipment	-	-		-100.00%
$ -	$ -	$ -	$ 3,500	TOTAL MATERIALS & SERVICES	$ -	$ -		-100.00%
				CAPITAL OUTLAY				
-	-	4,000	3,100	Civic Center Improvements	3,000	3,000		-3.23%
-	-	18,900	16,300	Reserve for Civic Center Improvements	13,300	13,300		-18.40%
-	310	-	300	Reserve for Statue Maintenance	300	300		0.00%
$ -	$ 310	$ 18,900	$ 16,600	TOTAL RESERVES	$ 13,600	$ 13,600		-18.07%
$ -	$ 310	$ 22,900	$ 23,200	**TOTAL REQUIREMENTS**	$ 16,600	$ 16,600		-28.45%

CAPITAL PROJECTS FUND

CITY HALL FACILITY

ACTUAL 2008-09	ACTUAL 2009-10	AMENDED 2010-11	PROJECTED 2010-11		RECOMMENDED 2011-12	APPROVED 2011-12	ADOPTED 2011-12
				RESOURCES			
$ 1,925	$ -	$ -	$ -	Working Capital Carryforward	$ -	$ -	
21,224	-	-	-	Reimbursement from Urban Renewal	-	-	
8,122	-	-	-	Miscellaneous Revenue	-	-	
				TRANSFERS IN			
473,631	-	-	-	General Fund	-	-	
28,231	-	-	-	Street Fund	-	-	
21,224	-	-	-	Sewer Fund	-	-	
120,134	-	-	-	Water Fund	-	-	
7,109	-	-	-	SLD Fund	-	-	
35,340	-	-	-	Storm Water Fund	-	-	
$ 685,669	$ -	$ -	$ -	TOTAL TRANSFERS IN	$ -	$ -	
$ 716,940	$ -	$ -	$ -	**TOTAL RESOURCES**	$ -	$ -	
				REQUIREMENTS			
				MATERIALS & SERVICES			
$ 2,249	$ -	$ -	$ -	Facility Maintenance Supplies	$ -	$ -	
$ 2,249	$ -	$ -	$ -	TOTAL MATERIALS & SERVICES	$ -	$ -	
				CAPITAL OUTLAY			
$ 714,691	$ -	$ -	$ -	Improvements	$ -	$ -	
$ 714,691	$ -	$ -	$ -	TOTAL CAPITAL OUTLAY	$ -	$ -	
				FUND BALANCE			
-	-	-	-	Unrestricted Ending Fund Balances	-	-	
$ 716,940	$ -	$ -	$ -	**TOTAL REQUIREMENTS**	$ -	$ -	

Notes:

The City All Facility Fund was used to track one-time capital outlay improvements for the new civic center. This fund is no longer needed and has been closed.

CITY OF KEIZER
GENERAL FUND LONG RANGE PLANNING PROCESS

Early in fiscal year 2010-2011 the City began a comprehensive long-range planning process. The General Fund Long-Range Planning Task Force was established and staff developed a year-long process which is outlined on the flowchart and narrative following this introduction.

The Task Force held its first meeting in December 2010 to discuss the following agenda items:

1. Receive update from staff on year-to-date General Fund Revenue Status

2. Review Long-Range Planning Process
   a. Identify Purpose of the Long-Range Plan which is to sustain services for 5 years based on relative uncertainty
   b. Review the Flowchart and timelines
   c. Review the Action steps

3. Discuss Sustaining Current Services
   a. Staff introduced the variables to consider in developing the Long-Range Plan and provided forecast scenarios using the following risk factors:
      i. Conservative
      ii. Moderate
      iii. Aggressive
   b. Through a consensus exercise the Task Force agreed on the level to be used for each variable in forecasting

4. Staff provided the Task Force with additional information to consider for Council Goal setting in January 2011 and Long-Range Plan update in March 2011.
   a. Staff Issues List
   b. Citizen Survey Results

The Task Force met again in March 2011 to discuss the following agenda items:

1. Receive update on the General Fund Revenue Status & preliminary FY11-12 budget issues

2. Receive Staff presentations on General Fund Long-Range Issues

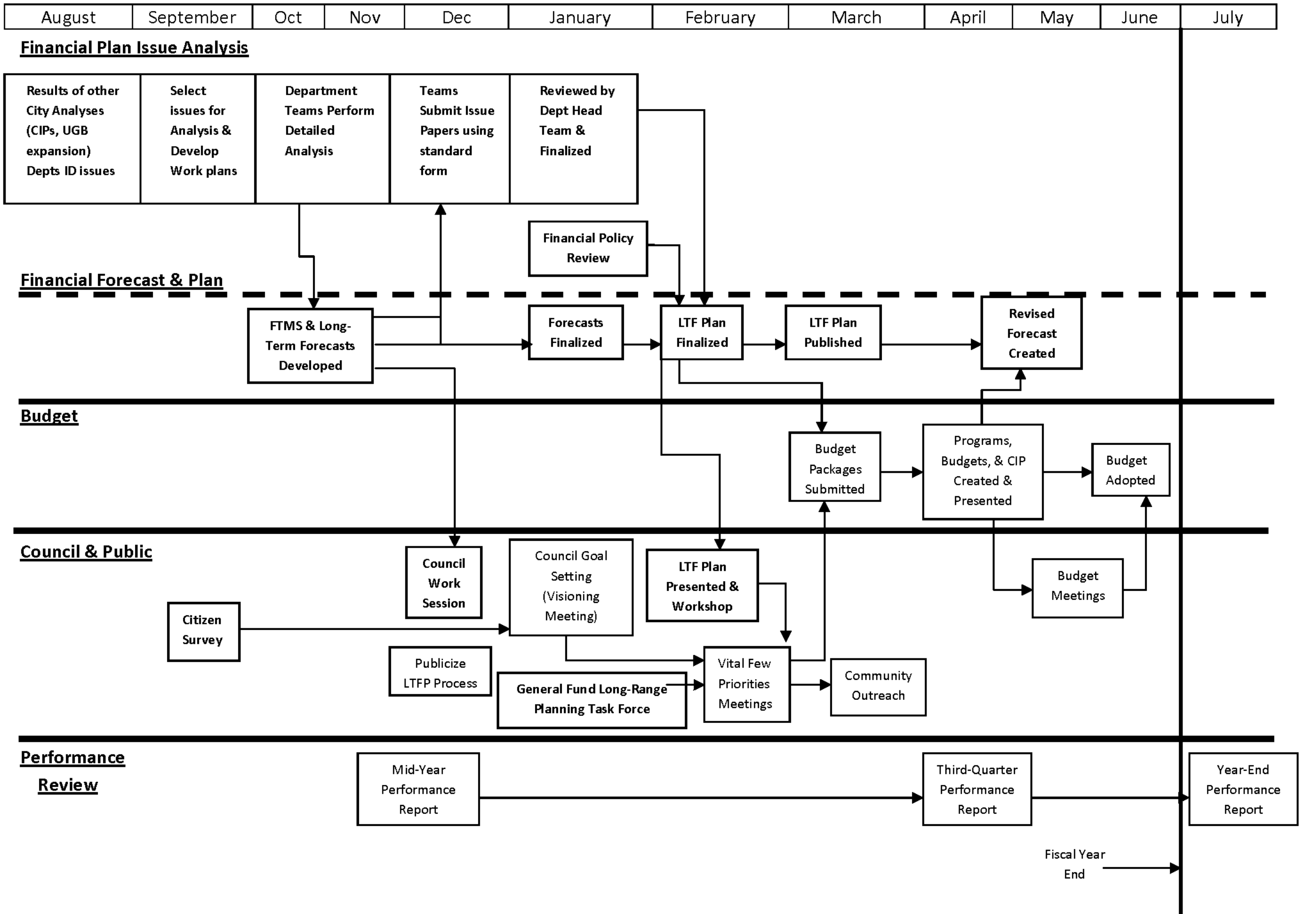
3. Task Force prioritize Issues

Also during fiscal year 2010-2011 the City held a series of Town Hall meetings to discuss Police Service levels with the community and to receive input on how best to fund these services.

The Task Force will continue its work in fiscal year 2011-2012, following the annual budget process. The results of the work completed to date are on the pages following this introduction.

CITY OF KEIZER

GENERAL FUND LONG-TERM PLANNING PROCESS FLOWCHART



CITY OF KEIZER

GENERAL FUND LONG RANGE PLANNING PROCESS NARRATIVE

FY 2011-2012

1. **Identify Issues for Analysis** – Department Heads suggest issues arising over the next five years to be analyzed as part of planning process.
2. **Identify Results of other City Analyses** – Review information from other formal city planning processes like master land-use plans and capital improvement plans.
3. **Finalize Issues for Analysis & Work Plans** – Finance compiles critical issues having fiscal impact (Liability Insurance plan, Civic Center facilities sinking fund, traffic safety, park maintenance, infill, telecom costs, urban renewal sunset).
4. **Citizen Survey** – Send out survey based on questions arising from Department Issues and council input.
5. **Department Teams Perform Analysis** – Departments carry out work plans; coordinating among departments when needed.
6. **Develop FTMS & Long-Term Forecasts** – Finance develops preliminary forecast.
7. **Teams Submit Issue Papers** – Objective, summary, background, conclusions, recommendations, fiscal impact for the issue studied.
8. **Publicize LTFP process** – Provide notices of meetings.
9. **Mid-Year Performance Report** – Give year-to-date budget to actual analysis; summarize progress of LTFP
10. **Department Head Team Review Issue Papers & Finalize**
11. **Review Financial Policy** – Assess City's compliance with its Financial Policies (e.g. State Shared Revenues for Police Fleet)
12. **Finalize Forecasts** – Complete long-term revenue/expenditure forecast based on new information
13. **Council Goal Setting** – Consider input from Staff Issues and Citizen Survey
14. **General Fund Long-range Planning Task Force** – Bring budget committee members together to reach consensus on long-range plan.
15. **Finalize Long-Term Financial Plan**
16. **Present Long-Term Financial Plan & Hold Workshop**
    a. Enables council and staff to provide a vision to the city for how services will develop in coming years.
    b. Feeds into the city's priority-setting process and resource allocation.
    c. Brings financial issues to council's attention for prioritization.

d. Reminds committee of finite resources with which to accomplish goals, provides a restraint against natural impulse to commit to expanded service levels that can accompany strategic planning initiative.

17. **Vital Few Priorities Meeting** – Council ranks potential projects and creates consensus on top priority projects. Staff subsequently formulates plans to address these projects in the budget. Decision packages are created to weigh various expenditure options against priorities.

18. **Publish Long-Term Financial Plan**

19. **Submit Budget Packages** – Department Budgets due to Finance for compilation into FY11-12 Budget

20. **Community Outreach** – Communicate results of LTFP and prioritization process to community.

21. **Third-Quarter Performance Report** – Provide year-to-date budget to actual; summarize progress of LTFP

22. **Create and Present Programs, Budgets, & CIPs**

23. **Revise Forecast** – Third quarter earnings, expenditure adjustments used to update LTFP.

24. **Budget Meetings**

25. **Budget Adopted**

26. **Year-End Performance Report** – Give summary of budget to actual analysis; summarize LTFP results

GENERAL FUND LONG RANGE FINANCIAL PLAN

REVENUE AND EXPENSE PROJECTIONS BASED ON FY11-12 BUDGET

BASED ON LONG RANGE PLANNING TASK FORCE VARIABLES

~ Long-range planning does not deal with future decisions, but with the future of present decisions ~

	Projected					
Increase Population		0.00%	1.48%	1.48%	1.48%	1.48%
Change in City-wide Property Valuation		3.20%	2.50%	2.50%	2.50%	2.50%
Change in Urban Renewal Property Valuation		3.00%	1.00%	1.00%	1.00%	1.00%
REVENUES:						
Property Taxes:	$ 3,530,000	$ 3,630,000	$ 3,720,000	$ 3,810,000	$ 3,910,000	$ 4,010,000
Taxes from Urban Renewal District	-		572,000	578,000	584,000	590,000
Licenses & Fees:	2,430,000	2,430,000	2,470,000	2,510,000	2,550,000	2,590,000
Intergovernmental:	690,000	570,000	578,400	587,000	595,700	604,500
Fines & Forfeits:	580,000	560,000	568,300	576,700	585,200	593,900
Miscellaneous:	150,000	190,000	192,800	195,700	198,600	201,500
TOTAL RESOURCES	$ 7,380,000	$ 7,380,000	$ 8,101,500	$ 8,257,400	$ 8,423,500	$ 8,589,900
Personnel Services Increase			0.5%	0.5%	0.5%	0.5%
Retirement Rate Increases		16.0%		16.0%		16.0%
Medical Insurance Premium Increase		9.9%	14.0%	14.0%	14.0%	14.0%
Materials & Services; Capital Outlay Increase		5.8%	2.5%	2.5%	2.5%	2.5%

Assumptions:

No new revenue sources with the exception of the City's share of urban renewal tax increment revenue

GENERAL FUND LONG RANGE FINANCIAL PLAN

REVENUE AND EXPENSE PROJECTIONS BASED ON FY11-12 BUDGET

BASED ON LONG RANGE PLANNING TASK FORCE VARIABLES

~ Long-range planning does not deal with future decisions, but with the future of present decisions ~

	Projected					
EXPENDITURES:						
Personnel Services						
Wages & Benefits	$ 5,317,500	$ 5,280,000	$ 5,310,000	$ 5,340,000	$ 5,370,000	$ 5,400,000
Health insurance premium increases*			170,000	270,000	380,000	500,000
Retirement Rate Increases*				270,000	270,000	440,000
Materials & Services	1,916,000	2,027,000	2,078,000	2,130,000	2,183,000	2,238,000
Administrative costs from Urban Renewal District	-	-				
Capital Outlay						
Park Improvements	-	-	-	-	-	-
Transfers Out						
Transfer to 9-1-1 Fund	290,000	288,000	295,000	302,000	310,000	316,000
Transfer to Revenue Sharing Fund	-	-	-	-	-	-
TOTAL EXPENDITURES	$ 7,523,500	$ 7,595,000	$ 8,093,000	$ 8,553,000	$ 8,755,000	$ 9,137,000
Contingency		75,000	77,000	79,000	81,000	83,000
TOTAL EXPENDITURES & RESERVES OVER REVENUES	($143,500)	($290,000)	($68,500)	($374,600)	($412,500)	($630,100)

***Increases are included in Wage & Benefit projections for FY10-11 & FY11-12**

Assumptions:

The 5% Materials & Services increase from FY10-11 to FY11-12 reflects increases in Administrative Services primarily allocation changes from Urban Renewal to the General Fund for Administrative Staff

No new services or programs

No services or programs are being phased out

No additional personnel (Police currently 4 FTE short of being considered fully staffed)

Beginning in FY11-12, 2 Administrative personnel positions have been eliminated

CITY OF KEIZER

GENERAL FUND LONG RANGE FINANCIAL PLAN

Staff's Issues List

Issue	Impact
Add-back services cut in FY10-11 budget	
Administration:	
Safety & Wellness	Human resources risk
Legal Services	Service delivery delays
Computer Hardware and Software	Information system risk
Janitorial Services	Asset maintenance
Emergency Management	Disaster recovery risks
Parks:	
Seasonal Help	Service levels
Materials & Supplies	
Park Maintenance	
Community Development:	
Mapping Supplies & Services	
General Services:	
Quarterly Newsletter	
Civic Center Art	
Chamber Holiday Lights	
Focal Point Operations	
Neighborhood Association Support	
Volunteer Recognition	
Library Support	
Overtime Costs – all Departments	Cost deferral; quality of service risk
Training – all Departments	
The City has begun an on-going discussion with the Keizer community on the level of police services the City should provide. Once the level of service is defined, the City will determine if additional revenues are needed to support these services. If additional funding is needed the City will review various funding options and refer the preferable option to the voters in November 2011.	Service levels

Issue	Impact
Establish Reserve to fund the City's Liability Insurance – Retro Plan	Financial risk
Salary Survey RFP & Implementation of Results	Compliance requirement; Human resources risk
Parks Capital Improvement Program – General Fund Matching Funds with Park Improvement Fund	Service levels
Urban Growth Boundary Expansion	Community development (with potential tax revenue increase)
Computer Server Updates	Information systems risk
Facilities Maintenance & Replacement Fund	Asset preservation risk; financial planning
Website RFP & Service Contract	Service levels
Replace police rugged laptops used in patrol cars for essential data communication and on crime scene investigations	Service levels

Impact Definitions:

Asset maintenance – ability to maintain and operate existing assets (e.g. buildings, land, machinery and equipment)

Asset preservation risk –ability to plan for and set aside funds for future replacements and improvements; not setting funds aside now places the burden on future generations to pay for replacement of existing assets

Community Development – ability to improve the economic, social, cultural and environmental conditions of the community to improve the living standards of the citizens

Compliance requirements – ability to meet various directives established by federal, state and local governments and regulatory agencies

Cost deferral – costs are deferred to future years but cannot be eliminated without impacting the quality of services provided to the community

Disaster recovery risk –ability to prepare for a disaster before it occurs, respond to a disaster and support and rebuild after a disaster has occurred

Financial risk – ability to have sufficient funds to meet financial obligations as they come due

Human resources risk – the potential for loss arising from non-compliance with HR legislation and case law, ability to follow best practices that help avoid risks or mitigate risk by dealing with matter expeditiously and ability to confirm due diligence through effective policies, proven processes and consistent actions.

Information systems risk – ability to prevent unauthorized access, use, disclosure, disruption, modification, perusal, inspection, recording or destruction of information systems

Legal risk – the potential for loss arising from the uncertainty of legal proceedings and potential legal proceedings

Quality of service risk – limiting access to current events, updated technological information, professional developments and networking opportunities will impact the quality of services provided to the community

Service delivery delays –increasing workload without a corresponding increase in workforce will potentially cause delays in service delivery; projects may not be completed expeditiously resulting in lost opportunities and/or higher costs in the future

Service levels – the ability to provide a service either increases, diminishes or is eliminated

CITY OF KEIZER
LONG-RANGE PLANNING ISSUES
ADD BACK GENERAL FUND SERVICE LEVEL CUTS

Department Lead: Chris Eppley, City Manager

Issue: Add-back Service Level Cuts to the General Fund (excluding Police Department Service level cuts which are addressed as a separate issue).

Reductions in janitorial services and Parks materials and supplies impact the ability to maintain and operate existing assets (e.g. buildings, land, machinery and equipment).

Reductions in Community Development impact the ability to improve the economic, social, cultural and environmental conditions of the community to improve the living standards of our citizens.

Reductions in Administrative Services impact our ability to meet various directives established by federal, state and local governments and regulatory agencies.

Cost deferrals such as computer hardware and software upgrades are deferred to future years but cannot be eliminated without impacting the quality of services provided to the community.

Reductions in Emergency Management impact the City's ability to prepare for a disaster before it occurs,
respond to a disaster and support and rebuild after a disaster has occurred.

Reductions in Administrative Services (e.g. City Manager, Legal, City Recorder, Human Resources, Finance) increase the potential for loss arising from non-compliance with legislation and case law, ability to follow best practices that help avoid risks or mitigate risk by dealing with matters expeditiously and ability to confirm due diligence through effective policies, proven processes and consistent actions.

Reductions in information systems reduce the ability to prevent unauthorized access, use, disclosure, disruption, modification, perusal, inspection, recording or destruction of information systems.

Reductions in the Legal Department increase the potential for loss arising from the uncertainty of legal proceedings and potential legal proceedings.

Limiting access to current events and community support, updated technological information, professional developments, and networking opportunities will impact the quality of services provided to the community.

Increasing workload without a corresponding increase in workforce will potentially cause delays in service delivery; projects may not be completed expeditiously resulting in lost opportunities and/or higher costs in the future.

Work Plan:
Develop detailed list of line-items and service levels not funded in the FY10-11 budget.

Duration: Indefinite

<u>Funding needed:</u> Current service level cuts approximately $153K annually; includes the General Fund share of Administrative costs (approximately 65%) and 100% of general services program costs.

<u>Revenue Source:</u> Potential funding could include flat utility fee or increase in utility franchise fees.

<u>Personnel Services:</u> $22K including Parks seasonal positions and staff overtime (see attached list for detail).

<u>Materials and Services:</u> $131K including staff training, various contractual services, computer hardware, quarterly newsletter, community sponsorships (see attached list for detail).

City of Keizer
General Fund Service Level Cuts

	FY10-11	Prior Funding	Change
Administration:			
Overtime	-	1,900	(1,900)
Safety & Wellness	1,900	2,900	(1,000)
HR Contractual Services	-	900	(900)
Legal Services	2,500	5,300	(2,800)
Labor Attorney	6,600	10,500	(3,900)
Training	12,700	27,200	(14,500)
Computer Hardware	28,000	41,600	(13,600)
Janitorial Services	31,700	52,600	(20,900)
Emergency Management	2,500	8,000	(5,500)
Parks:			
Overtime	-	4,300	(4,300)
Seasonal Help	26,300	41,000	(14,700)
Infrastructure Replacement	-	20,000	(20,000)
Community Development:			
Overtime	-	2,100	(2,100)
Mapping Supplies & Services	200	1,200	(1,000)
Training	1,400	5,100	(3,700)
Municipal Court			
Overtime	-	500	(500)
Training	1,400	1,800	(400)
General Services:			
Quarterly Newsletter	-	27,000	(27,000)
Civic Center Art	-	3,000	(3,000)
Chamber Holiday Lights	-	3,300	(3,300)
Focal Point Operations	3,000	6,400	(3,400)
Neighborhood Association Support	1,100	4,500	(3,400)
Volunteer Recognition	300	1,500	(1,200)
Library Support	-	1,700	(1,700)
	119,600	272,400	(152,800)

CITY OF KEIZER
LONG RANGE PLANNING ISSUES
FROZEN POLICE OFFICER POSITIONS

Department Lead: H. Marc Adams, Chief of Police

Issue: Over the past two years three police officer positions have become vacant and, due to funding constraints, the positions remain unfilled.

The Community Response Unit has been shut down. No proactive illegal narcotics investigations can be conducted. The Department is unable to respond to drug house complaints in a timely manner.

Qualified applicants and reserve officers who were on the list to be hired to replace the departing officers have taken jobs with other departments or are in the recruitment process. This results in thousands of dollars in long-range planning being lost.

In the event of injury, long-term illness or resignation, over time will be needed in order to meet daily patrol requirements.

Work Plan:

1. Identify number of police officers needed for the police patrol shifts
2. Identify number of police officers needed for the Criminal Investigations Unit
3. Identify number of police officers needed for Traffic Safety Unit
4. Identify number of police officers needed for School Resource Officer Unit
5. Identify number of police officers for Crime Prevention
6. Identify number of police officers needed for CRU (narcotics investigations, etc)
7. Identify number of support personnel needed
8. Identify number of supervisors needed
9. Identify number of Command Staff needed
10. Identify materials and services needed for 24/7 police operations

Duration: Indefinite

Revenue Source: General Fund. Potential funding options include:

- City Telecom Tax
- Assessment on City Utility Bills
- Increase utility franchise ratesOperating Levy (currently 5 years with proposed legislation increasing to 10 years

Personnel Services: The cost of police officer positions range from $90,000 to $113,400 (wages, benefits and overtime) with the average police officer position going into FY11-12 estimated at $105,000. Filing three positions at step one will cost approximately $270,000 in year one.

CITY OF KEIZER
LONG-RANGE PLANNING ISSUES
LIABILITY INSURANCE RESERVE FUND

Department Lead: Tracy Davis – City Recorder

Issue: Beginning with fiscal year 2008-09, the City made a three-year commitment to City County Insurance Services (CCIS) to participate in a Liability Retro Financing Plan for our general and auto liability insurance. The innovative pricing program allows eligible members who have a history of minimal claims to take on additional risk in exchange for reduced contributions/premiums. The City chose to pay 65% of our guaranteed cost contribution/premium and be responsible for the cost of claims and loss expenses above this minimum up to a maximum exposure of 117.5%. During the last two fiscal years, the City has experienced savings due to minimal claims. Although the Plan Years have not closed out, in the first year, we have saved approximately $26,000 to date and in the second year, we've saved close to $40,000 to date. These savings have not been reserved, but expended on other operating costs. However, if the City continues to participate in this program and a large claim is experienced, the only line item to cover the claim would be Contingency. The City may be forced into undesirable budget cuts should the contingency be depleted before a claim occurs. Establishing a reserve account for potential claims would be preferable.

Work Plan: Determine if the City of Keizer wishes to fund a reserve and if so establish the level of funding based on risk factors.

1. Identify the actual general and auto liability costs and savings for the three-year retro-plan period July 2008 through June 2011.
2. Estimate the projected cost savings to support continuation of the plan.
3. Based on the exposure, establish a reserve liability account to cover potential claims.

Duration: Indefinite; the City plans to continue participating in this program unless future claim losses are experienced rendering this program cost ineffective.

Funding needed: The liability contribution is based on the City's cost allocation plan. The General Fund share is approximately 65%.

Revenue Source: The resources available for these costs within the general fund are property taxes, licenses, fees, fines, and forfeiture revenues.

Three options to consider include:

1. Fund liability based on losses incurred and paid on first year of plan FY08-09 estimated at $14,400 to date
2. Fund liability based on the 35% premium amount not paid at the beginning of the plan year $28,700 (staff's recommendation)
3. Fund liability based on maximum exposure at approximately $43,000

Should a portion or the entire reserve fund be depleted in any given year, the fund will be replenished the following year through the annual budget process.

CITY OF KEIZER

LONG-RANGE PLANNING ISSUES
SALARY SURVEY & IMPLEMENTATION OF RESULTS

Department Lead: Machell DePina, Human Resources Director

Issue: Salary Survey RFP & Implementation of Results

Work Plan:
1. Estimate cost of external salary survey
2. Estimate General Fund's share of cost based on staff levels
3. Recommend implementation year based on policy, ongoing research and review of comp cities' compensation activities
4. Discuss with City Leadership and determine whether internal, external or mixed-source approach to be used

Duration: Indefinite – policy requires salary surveys performed no less than every four years "subject to available funding and budget approval." Based on last survey completion date, next survey due no later than FY 2011-12.

Revenue Source: Outsourcing salary survey to be paid from all operating funds based on expected allocation plan (FTE). General Fund share currently 65% of total cost.

Personnel Services: To be determined based on the results of the salary survey

Materials and Services: Anticipated RFP process resulting in contract to successful vendor - estimated amount of $20,000*. General Fund share 65% or $13,000.

Recommendation: Based on current economy/budget information at this time, recommend to City of Keizer Department Directors and the Personnel Policy Committee we postpone the salary survey for one more year. Regardless of postponement, will still need to complete an internal salary review of represented classifications in preparation for 2012 bargaining, once comparable cities currently bargaining settle their contracts this summer.

*12/09 Newberg reported rate of $15-$20,000 for LGPI survey (population 23,150 but FTE – 169.9 and classes include fire, 911, library and more PW), we paid HR Answers $15K in '07, we paid LGPI $10.9K in '08 to redo the same data…

CITY OF KEIZER

LONG-RANGE PLANNING ISSUES
PARKS MATCHING FUNDS

Department Lead: Rob Kissler, Public Works Director

Issue: Identify Parks Capital Improvement projects General Fund contributions needed over the next 5 years per January 2010 Methodology Update

Revenue:
1. Existing SDC funds collected from 4/1/10 to 2/28/11 - $27,500
2. Estimated SDC funds to be collected over the next 5 years (20 units per year @ $1,500 each) - $150,000

Project Scenarios
1. Install play structure at Keizer Rapids Park
   - $54,000 Total Project cost
   - $7,300 SDC portion (13.5%)
   - $46,700 General Fund
2. Complete projects to utilize current SDC fund balance
   - $204,000 Total Projects cost
   - $27,500 SDC portion (13.5%)
   - $176,500 General Fund portion
3. Complete projects to utilize estimated SDC collected over next 5 years
   - $1,110,000 Total Project costs
   - $150,000 SDC portion (13.5%)
   - $960,000 General Fund portion

Funding needed: General Fund revenue needed to utilize current SDC Funds and estimated SDC Funds to be collected over the next 5 years - $1,136,500

Revenue Source: Options include capital improvement levy, fee on utility bill, grants, and donations

CITY OF KEIZER

LONG-RANGE PLANNING ISSUES
URBAN GROWTH BOUNDARY EXPANSION

Department Lead: Nate Brown, Community Development Director

Issue: Explore and determine policy and direction for urban growth boundary expansion

Work Plan:

1. Identify all costs associated with research
   a. Consult with other jurisdictions with recent growth boundary expansions
   b. Interview legal firms who specialize in growth boundary expansions
   c. Consult with Department of Land Conservation Development
2. Estimate potential revenue stream from added assessed value, system development charge fees, building permit fees
3. Identify potential grant sources

Duration:

1. Research – 60 days from mid-September
2. Implementation – 2 years
3. Impact of expansion during first 3 years after implementation

Funding needed: To be determined after work plan completed

Revenue Source: Costs associated with research to be funded by General Fund (any grants – to be determined after work plan)

Revenue Generated: To be determined after work plan completed

Personnel Services: to be completed with existing staffing levels

Materials and Services:

1. Special Mailings for public notices (Number determined after work plan completed)
2. Legal Notices (Number determined after work plan completed)

CITY OF KEIZER
LONG-RANGE PLANNING ISSUES
SERVER UPDATES

Department Lead: Kevin Watson, Assistant to the City Manager

Issue: Over the next 5 years the City of Keizer will need to replace various network servers in order to maintain city service at a consistent level.

Work Plan:

1. Quote out cost for each server.
2. Plan order and delivery time line.

Duration: Server to replace and the estimated cost:

Server Keizermaster 1-2 years out $4000, this server manages the network and Active directory services for the City of Keizer and City of Keizer Police.

Server Keizerarc 2-4 years out $10000, This archives all email for the City of Keizer and City of Keizer Police.

Server Keizernas 2-4 years out $6000, This server controls the backup of all data and information on all servers for the City of Keizer and City of Keizer Police.

Server Keizerpolice 4-5 years out $8000. This server holds the all files and data for City of Keizer Police.

Server Keizerdata 2-4 years out $8000, This server holds all the files and data for the City of Keizer.

Server Keizernm 3-5 years out $4000, This server manages the secure remote connection for all of the mobile police units and cars.

Funding needed:

Fiscal Year	Server Description	Total Cost	GF Share	
FY12/13	Keizerarc	10,000	6,500	65%
FY13/14	Keizer Master & Keizernas	10,000	6,500	65%
FY14/15	Keizer Police	8,000	8,000	100%
FY14/15	Keizer Data	8,000	3,000	37%
FY15/16	Keizernm	4,000	4,000	100%

Revenue Source: All Operating Funds including General Fund with some potential revenue sharing funds to cover general fund share.

Personnel Services: All needed personal service with be supplied by the current Information Technology department.

Materials and Services: No additional materials or services will be needed.

Capital Outlay: See above.

CITY OF KEIZER
LONG-RANGE PLANNING ISSUES
FACILITY RESERVE FUND

Department Lead: Kevin Watson, Assistant to the City Manager

Issue: Develop Facility Repair and Replacement Plan to establish Civic Center Sinking Fund for future repairs and replacements to the civic center facility.

Work Plan:

1. Identify items that will need to be replaced over the next 3 to 25 years.
2. Receive quotes/estimates for these items identified.
3. Budget accordingly so that when the items need to be replaced, the funding is available to do so.

Duration: Replacement plan in place by 2013; begin setting aside funds each year into Sinking Fund for the cost of replacement of items on a 25-year life or less. Replacement of building structure is not included in Plan Replacement costs. Community Center replacement costs are not included since rental income may be available for those replacement costs.

Funding needed: \$65K-\$70K annually to ensure adequate funds are available to replace and repair facilities. Total Replacement cost approximately \$1.6M. (Plan assumes interest earned on funds held in reserve will cover future inflationary replacement costs.)

Revenue Source: All operating funds based on expected allocation plan; General Fund share approximately 65% or \$43K-\$46K annually bringing total replacement cost to over \$1 million.

City of Keizer
General Fund Long-Range Financial Plan
Civic Center Facility Sinking Fund Costs

Sinking Fund Needs	Life Expectancy	Current Day Replacement Costs
Flooring - Carpet for heavy traffic areas	5 years	$5,000
Flooring - Slate	25+ years	$30,000
Slate Rock Maintenance	5 years	$2,000
Roof (Window Weather striping)	20+ years	$220,000
Parking Lot (Resurface)	25+ years	$160,000
Lounge furniture (Break Room, Lobbies)	10+ years	$50,000
Space Savers/Lockers (see attachment)	25+ years	$230,500
Police Gates	25+ years replace the electrical	$80,000
Sidewalks	25+ years	$150,000
Supermarket Doors	15 years with regular maintenance	$20,000
Trellis wood treatments/weather Treatments	3 years	$1,000
Bark Dust around Civic Center Grounds	3 years	$2,500
Generator	20+ with regular maintenance	$160,000
Police Bathroom Remodel	20+ years	$180,000
Police Training Room - wall replacement	20+ with regular maintenance	$20,000
Power point system (AV Council Chambers)	12 years	$65,000

City of Keizer

LONG-RANGE PLANNING ISSUES
CITY WEBSITE

Department Lead: Kevin Watson, Assistant to the City Manager

Issue: The City website is our window to the community and world. Staff is finding that our current website is cumbersome and increasingly less able to meet our needs/demands without significant costs from the current contractor. In addition, the Police Department does not use the current City of Keizer website causing a visual disconnect between Police and City Hall via the web. With increasing demands to use social media and means to communicate with the community, it's becoming necessary to have a website that can easily integrate these new tools.

Work Plan:

1. Receive quotes from municipal website providers.
2. Determine a need for ongoing maintenance of the website or whether this will be provided in-house.
3. Select a vendor to build, develop and maintain a website.

Duration: Staff found that a website hosted by a contractor is less expensive. Development of the website will be a one-time cost. In addition, there will be annual costs for hosting the website through contracted services.

Revenue Source: Shared costs between all funds. General Fund share is approximately 65%.

Personnel Services: None.

Materials and Services: Annual maintenance for a contractor hosted site is approximately $2,400 - $4,200 annually; General Fund share is $1,560 – $2,730 annually.

Capital Outlay:
Contractor Hosted Website:
Website Design $30,000 - $40,000 one-time cost; General Fund Share is $19,500 - $26,000

CITY OF KEIZER
LONG-RANGE PLANNING ISSUES
REPLACE POLICE DEPARTMENT LAP TOPS

Department Lead: Kevin Watson, Assistant to the City Manager

Issue: Over the next 5 years the City of Keizer will need to replace various police rugged laptops in order to maintain city services at a consistent level. Rugged laptops are used in the patrol cars for essential data communication and on crime scene investigations.

Work Plan:

1. Quote out cost for each rugged laptop
2. Plan order and delivery time line.

Duration: Five years

Funding needed:
The current plan is to replace 5 Rugged laptops a year over the next five years for a total of $27,500 a year or $137,500 over 5 years. The estimated cost for each laptop is currently $5,500.

Revenue Source: General Fund with some potential revenue sharing funds

Personnel Services: All needed personal service with be supplied by the current Information Technology department.

Materials and Services: No additional materials or services will be needed.

Capital Outlay: See Above

City of Keizer

General Fund Long Range Planning Task Force

Results of Committee Members' Rating of Long-Range Issues

ISSUE	Brandon Smith	Cathy Clark	Dale Hanson	David Dempster	David McKane	J.D. Gillis	Jim Taylor	JoAnne Beilke	Joe Egli	Kim Freeman	Lore Christopher	Mark Caillier	Ron Bersin	Sandi King	Total	Average
Frozen Police Officer Positions	5	4	5		4	5	4	5	4	5	5	5	5	2	58	4.46
Replace Police Department Lap Tops	4	3	2		4	3	3	3	2	5	5	4	5	5	48	3.69
Computer Server Updates	4	5	3	A	4	4	1	4	3	5	5	4	0	5	47	3.62
Urban Growth Boundary Expansion	5	4	5	b	3	5	5	1	2	3	5	2	0	5	45	3.46
Add Back Service Level Cuts	5	5	5	s	2	2	0	5	3	3	1	5	0	2	38	2.92
Civic Center Facility Sinking Fund	3	2	3	e	2	2	3	4	3	5	1	4	0	4	36	2.77
Parks Matching Funds	3	2	1	n	2	3	5	4	4	3	1	2	5	1	36	2.77
Liability Insurance Reserve Fund	4	4	1	t	3	4	1	2	2	4	1	4	0	4	34	2.62
Website RFP & Service Contract	3	4	2		3	1	2	3	2	4	5	3	0	2	34	2.62
Salary Survey RFP & Implementation	3	5	1		1	0	1	1	2	3	1	3	0	1	22	1.69

Rate from very important (5) to not important at all (0)

STAFFING HISTORY - FULL TIME EQUIVALENTS

AS OF JUNE 30,2011

	Actual FY07-08	Actual FY08-09	Actual FY09-10	Actual FY10-11	Budget FY11-12	Monthly Salary Range (1.0 FTE)
CITY MANAGER						
City Manager	1.0	1.0	1.0	1.0	1.0	$8,346 - $10,891
Total	1.0	1.0	1.0	1.0	1.0	
ASSISTANT TO THE CITY MANAGER						
Assistant to the City Manager	1.0	1.0	1.0	1.0	0.0	5,931 - 7,739
Network Administrator	1.0	1.0	1.0	1.0	1.0	4,647 - 6,065
Total	2.0	2.0	2.0	2.0	1.0	
CITY ATTORNEY						
Attorney	0.0	0.0	1.0	1.0	1.0	7,949 - 10,371
Legal Assistant	0.0	0.0	1.0	1.0	1.0	3,304 - 4,311
Total	0.0	0.0	2.0	2.0	2.0	
CITY RECORDER						
City Recorder	1.0	1.0	1.0	1.0	1.0	4,647 - 6,065
* Deputy City Recorder	1.0	1.0	1.0	1.0	1.0	2,997 - 3,909
Total	2.0	2.0	2.0	2.0	2.0	
HUMAN RESOURCES						
Human Resources Director	1.0	1.0	1.0	1.0	1.0	6,228 - 8,126
* Administrative Assistant	1.0	1.0	1.0	1.0	1.0	3,304 - 4,311
Total	2.0	2.0	2.0	2.0	2.0	
FINANCE						
Finance Director	1.0	1.0	1.0	1.0	1.0	6,540 - 8,533
* Assistant Controller	0.0	0.0	1.0	1.0	1.0	5,380 - 7,020
* Accountant	1.0	1.0	0.0	0.0	0.0	3,824 - 4,998
* Accounting Technician	1.0	1.0	1.0	1.0	1.0	2,997 - 3,909
* Utility Billing Technician	1.0	1.0	1.0	1.0	1.0	2,997 - 3,909
* Utility Billing Clerks	3.0	3.0	3.0	3.0	3.0	2,718 - 3,546
Court Clerk I	1.0	1.0	1.0	1.0	1.0	2,588 - 3,377
Court Clerk II	1.0	1.0	1.0	1.0	1.0	2,853 - 3,723
* Office Assistant/Receptionist	1.0	1.0	1.0	1.0	1.0	2,465 - 3,217
Total	10.0	10.0	10.0	10.0	10.0	

STAFFING HISTORY - FULL TIME EQUIVALENTS

AS OF JUNE 30,2011

	Actual FY07-08	Actual FY08-09	Actual FY09-10	Actual FY10-11	Budget FY11-12	Monthly Salary Range (1.0 FTE)
COMMUNITY DEVELOPMENT						
Community Development Director	1.0	1.0	1.0	1.0	1.0	7,211 - 9,407
Senior Planner	1.0	1.0	1.0	1.0	1.0	4,427 - 5,775
Planner	1.0	1.0	1.0	1.0	1.0	3,824 - 4,989
Code Enforcement/Zoning Technician	1.0	1.0	1.0	1.0	0.0	3,146 - 4,105
* Permit Specialist	1.0	1.0	1.0	1.0	1.0	2,853 - 3,723
Total	5.0	5.0	5.0	5.0	4.0	
PUBLIC WORKS						
Public Works Director	1.0	1.0	1.0	1.0	1.0	6,867 - 8,960
Public Works Superintendent	1.0	1.0	1.0	1.0	1.0	5,380 - 7,020
Facility Maintenance (1)	1.0	1.0	1.0	1.0	1.0	2,853 - 3,723
Municipal Utility Worker I - Parks	1.0	1.0	1.0	1.0	1.0	2,935 - 3,831
Municipal Utility Worker II - Parks	1.0	1.0	0.0	0.0	0.0	3,084 - 4,021
Municipal Utility Worker I - General	8.0	8.0	8.0	8.0	8.0	3,084 - 4,021
Municipal Utility Worker II - Customer Service	1.0	1.0	1.0	1.0	1.0	3,238 - 4,222
Municipal Utility Worker II - General	3.0	3.0	3.0	3.0	3.0	3,399 - 4,434
Municipal Utility Worker III - Parks	0.0	0.0	1.0	1.0	1.0	3,824 - 4,989
Municipal Utility Worker III	3.0	3.0	3.0	3.0	3.0	4,215 - 5,500
Environmental Program Coordinator	1.0	1.0	1.0	1.0	1.0	4,427 - 5,775
Storm Water Technician	0.0	0.0	0.0	1.0	1.0	3,304 - 4,311
Senior Storm Water Technician	0.0	0.0	0.0	1.0	1.0	3,824 - 4,989
* Permit Specialist	1.0	1.0	1.0	1.0	1.0	2,853 - 3,723
Total	22.0	22.0	22.0	24.0	24.0	

STAFFING HISTORY - FULL TIME EQUIVALENTS

AS OF JUNE 30,2011

	Actual FY07-08	Actual FY08-09	Actual FY09-10	Actual FY10-11	Budget FY11-12	Monthly Salary Range (1.0 FTE)
POLICE						
Chief	1.0	1.0	1.0	1.0	1.0	7,211 - 9,407
Captain(s)	2.0	2.0	1.0	1.0	1.0	6,228 - 8,126
Lieutenants	0.0	0.0	0.0	2.0	2.0	5,649 - 7,370
Sergeants	7.0	7.0	8.0	7.0	7.0	5,124 - 6,685
Police Officers	31.0	31.0	30.0	26.0	26.0	4,273 - 5,191
Total Sworn Positions	41.0	41.0	40.0	37.0	37.0	
* Administrative Assistant	1.0	1.0	1.0	1.0	1.0	3,304 - 4,311
* Investigative Services Specialist	1.0	1.0	1.0	1.0	1.0	3,276 - 4,273
Community Services Officer	1.0	1.0	1.0	1.0	1.0	3,276 - 4,273
* Property & Evidence Specialist	1.0	1.0	1.0	1.0	1.0	3,120 - 4,070
* Police Support Supervisor	1.0	1.0	1.0	1.0	1.0	2,969 - 3,874
* Police Support Specialists	3.0	3.0	3.0	3.0	3.0	2,694 - 3,513
Total Non-sworn Positions	8.0	8.0	8.0	8.0	8.0	
Total	49.0	49.0	48.0	45.0	45.0	
Grand Total	93.0	93.0	94.0	93.0	91.0	

(1) Due to staff reorganizations, this position previously reported to a different Department but full FTE history is listed in its current Department for comparative purposes.

* Classified as Administrative Support in budget document.

CITY OF KEIZER
SALARY ALLOCATIONS
FISCAL YEAR 2011-2012 BUDGET

	Admin	Parks	Comm Dev	Police	Muni Court	Street	Sewer	Water	SLD	Storm Water	Urban Renewal	
CITY MANAGER*												
City Manager	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
CITY ATTORNEY*												
Attorney	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
Legal Assistant	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
CITY RECORDER*												
City Recorder	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
Deputy City Recorder	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
HUMAN RESOURCES**												
Human Resources Director	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%
Administrative Assistant	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%
FINANCE												
Finance Director*	63.4%					9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%
Assistant Controller	35.0%					10.0%	20.0%	15.0%	5.0%	10.0%	5.0%	100%
Accounting Technician	35.0%					10.0%	20.0%	15.0%	5.0%	10.0%	5.0%	100%
Municipal Court Clerks					100.0%							100%
Utility Billing Technician							47.0%	43.0%		10.0%		100%
Utility Billing Clerks							47.0%	43.0%		10.0%		100%
Receptionist/Administrative Assistant**	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%
INFORMATION SYSTEMS**												
Network Administrator	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%

*Hours are tracked in the Legal Department on a project basis
**Hours are based on Full-Time Equivelents within each fund

CITY OF KEIZER
SALARY ALLOCATIONS
FISCAL YEAR 2011-2012 BUDGET

	Admin	Parks	Comm Dev	Police	Muni Court	Street	Sewer	Water	SLD	Storm Water	Urban Renewal	
COMMUNITY DEVELOPMENT												
Community Development Director			58.0%			5.0%		2.0%			35.0%	100%
Senior Planner			90.0%								10.0%	100%
Planner			90.0%								10.0%	100%
Permit Specialist			85.0%				2.0%	2.0%	0.0%	1.0%	10.0%	100%
POLICE DEPARTMENT												
All Staff				100.0%								100%
PUBLIC WORKS												
Public Works Director		1.0%				44.0%	3.0%	27.0%	5.0%	18.0%	2.0%	100%
Public Works Superintendent	5.0%	5.0%				30.0%	5.0%	40.0%	5.0%	5.0%	5.0%	100%
Permit Specialist						43.0%	12.0%	30.0%	10.0%	5.0%		100%
Facility Maintenance	66.3%					4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%
Municipal Utility Worker I (2)										100.0%		100%
Municipal Utility Worker I (1)		100.0%										100%
Municipal Utility Worker I (1)						75.0%				25.0%		100%
Municipal Utility Worker I (4)								100.0%				100%
Municipal Utility Worker II (1)		100.0%										100%
Municipal Utility Worker II (4)								100.0%				100%
Municipal Utility Worker III (1)						40.0%				60.0%		100%
Municipal Utility Worker III (1)						25.0%		60.0%		10.0%	5.0%	100%
Municipal Utility Worker III (1)								100.0%				100%
Environmental Program Manager										100.0%		100%
Storm Water Technician										100.0%		100%
Senior Storm Water Technician										100.0%		100%

**Hours are based on Full-Time Equivelents within each fund
Municipal Utility Workers (#) = number of staff

CITY OF KEIZER
CHANGES IN SALARY ALLOCATION
FISCAL YEAR 2011-2012 BUDGET

	General Fund							Storm	Urban		General Fund							Storm	Urban	
	Admin	Parks	CD	Street	Sewer	Water	SLD	Water	Renewal		Admin	Parks	CD	Street	Sewer	Water	SLD	Water	Renewal	
CITY MANAGER																				
City Manager	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	28.0%			5.0%	1.0%	10.0%	1.0%	5.0%	50.0%	100.0%
CITY ATTORNEY																				
Attorney	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	58.9%			10.2%	2.6%	6.0%		1.5%	20.8%	100.0%
Legal Assistant	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	58.9%			10.2%	2.6%	6.0%		1.5%	20.8%	100.0%
CITY RECORDER																				
City Recorder	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	70.0%			10.0%	2.0%	2.0%	5.0%	1.0%	10.0%	100.0%
Deputy City Recorder	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	62.0%			3.0%	3.0%	3.0%	3.0%	1.0%	25.0%	100.0%
HUMAN RESOURCES																				
Human Resources Director	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	65.6%			3.7%	3.6%	16.5%	0.6%	7.0%	3.0%	100.0%
Administrative Assistant	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	65.6%			3.7%	3.6%	16.5%	0.6%	7.0%	3.0%	100.0%
FINANCE																				
Finance Director	63.4%			9.1%	1.7%	4.6%	0.7%	2.0%	18.4%	100%	20.0%			5.0%	21.0%	21.0%	5.0%	3.0%	25.0%	100.0%
Assistant Controller	35.0%			10.0%	20.0%	15.0%	5.0%	10.0%	5.0%	100%	35.0%			7.0%	20.0%	20.0%	5.0%	3.0%	10.0%	100.0%
Accounting Technician	35.0%			10.0%	20.0%	15.0%	5.0%	10.0%	5.0%	100%	35.0%			7.0%	20.0%	20.0%	5.0%	3.0%	10.0%	100.0%
Utility Billing Technician					47.0%	43.0%		10.0%		100%					48.0%	49.0%		3.0%		100.0%
Utility Billing Clerks					47.0%	43.0%		10.0%		100%					48.0%	49.0%		3.0%		100.0%
Receptionist/Administrative Assistant	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	20.0%			5.0%	21.0%	21.0%	5.0%	3.0%	25.0%	100.0%
INFORMATION SYSTEMS																				
Network Administrator	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	65.6%			3.7%	3.6%	16.5%	0.6%	7.0%	3.0%	100.0%
COMMUNITY DEVELOPMENT																				
Permit Specialist			85.0%		2.0%	2.0%	0.0%	1.0%	10.0%	100%			54.0%		19.0%	20.0%		1.0%	6.0%	100.0%
PUBLIC WORKS																				
Public Works Director		1.0%		44.0%	3.0%	27.0%	5.0%	18.0%	2.0%	100%		1.0%		44.0%	3.0%	27.0%	5.0%	15.0%	5.0%	100.0%
Public Works Superintendent	5.0%	5.0%		30.0%	5.0%	40.0%	5.0%	5.0%	5.0%	100%	5.0%	4.0%		30.0%	5.0%	41.0%	5.0%	5.0%	5.0%	100%
Facility Maintenance	66.3%			4.0%	3.0%	16.0%	0.4%	8.0%	2.3%	100%	65.6%			3.7%	3.6%	16.5%	0.6%	7.0%	3.0%	100.0%

CITY OF KEIZER
SUMMARY OF FRINGE BENEFITS
FISCAL YEARS 2008 through 2012

	LINE ITEM	FY07-08 ACTUAL	FY08-09 ACTUAL	FY09-10 Actual	FY10-11 Projected	FY11-12 Budgeted
1	Vehicle Allowance/Tuition Assistance	$ 9,200	$ 4,200	$ 4,200	$ 4,200	$ 4,200
2	Cell Phone Stipend/Clothing Allowance	0	37,800	32,630	46,100	43,100
3	Medicare	81,313	89,200	111,706	92,200	89,300
4	Retirement	1,113,804	1,233,000	1,046,163	1,033,900	1,164,400
5	Insurance Benefits	906,939	1,103,100	1,099,446	1,289,300	1,311,700
6	Workers Compensation	50,835	62,200	58,381	52,700	52,900
		$ 2,162,091	$ 2,529,500	$ 2,352,526	$ 2,518,400	$ 2,665,600

Notes:

1 Vehicle Allowance/Tuition Assistance is for the City Manager as established in an employment contract.

2 Beginning in FY08-09, the City provides a stipend to support the cost of cellular phone use as a part of official city business. Employees participating in this program purchase personal cell phones and are given a stipend to offset their costs. Clothing allowances have moved from the Materials & Services budget to Personnel Services to ensure compliance with IRS regulations.

3 Medicare costs are 1.45% of eligible wages and deferred compensation contributions.

4 The City transitioned substantially all previous non-PERS employees from a 401(a) retirement plan to the Oregon PERS retirement fund during FY09-10. PERS employer contribution rates decreased beginning July 2009 resulting in an overall savings to the City. Effective July 1, 2011 retirement rates will increase 24% for Tier1/2, 26% for Police OPSRP and 34% for General Services OPSRP. Although the July 2011 through June 2013 rates increased over the previous biennium, the cost to the City continues to be less than the 401(a) contributions made prior to FY09-10.

5 Historically the City has required employees to pay 5% of the cost of the medical and dental insurance premiums as a payroll deduction. In FY11-12 non-represented employees will be required to pay 10% of the cost of the medical and dental insurance premiums. Represented employees will continue to pay 5%. In FY11-12, the City's health and dental insurance premiums are projected to increase 10% and 15% respectively. The City pays the full cost of life insurance ($60,000 in coverage per employee) and long-term disability premium. No increase is anticipated in FY11-12 for these premiums.

6 Workers Compensation costs are based on a percentage of eligible salary by employee class. Class rates are developed using claims experience in those classes. Rates for the City of Keizer classifications are expected to remain consistent with FY10-11.

BUDGET NOTES

ALL FUNDS

It is the City's policy to set the anniversary dates for all financially related decisions at July 1 of each year in its contractual agreements.

GENERAL FUND

Administration

Fines & Forfeits Revenues

Collections - Past Due. The City has a large amount of past due fines and forfeits on record. A few years ago, the Municipal Court office turned all of these receivables over to a collection agency. City has since severed its relationship with this agency and Staff continues to work toward turning accounts over to the City's current collection agency. Oregon state statute allows City's to turn over past due accounts up to twenty years after they become due. This is a change from previous legislation which limited the time period to ten years.

Park Maintenance

Parks General Support Resources equal at least 2.5% of General Fund budgeted revenues as provided for by a vote of the Budget Committee.

Police Petty Cash Funds

In FY06-07 the City Council established petty cash funds for the Police Department Community Services Unit for $200 and the Community Response Unit for $800. By Council resolution, the Department shall report an itemization of expenditures from each of these funds to the City Council and Budget Committee no later than May of each fiscal year.

URBAN RENEWAL DISTRICT

Public Art

The FY08-09 Urban Renewal Budget for the Civic Center construction includes $150,000 for public art in the form of the T.D. Keizer statue.

GLOSSARY OF COMMON BUDGET TERMS

Administration: The group of departments and positions including the City Manager, the Finance Department and the Human Resources Director.

Adopted Budget: The financial plan adopted by the City Council which forms the basis and limits for appropriations for the fiscal year.

Approved Budget: The budget recommended by the Budget Committee and reviewed by the City Council prior to adoption.

Appropriation: The legal authorization granted by the City Council to spend specific amounts of public funds for specific purposes during specific periods of time.

Arbitrage: The investment of proceeds, of a relatively low interest rate state or municipal obligation, in taxable market securities which bear a higher interest rate.

Assessed Value: The portion of value of real or personal property which is taxable. It is the lesser of the property's real market value or the constitutional value limit (Maximum Assessed Value – MAV). The value limit may increase 3% annually unless qualifying improvements or changes are made to the property. These improvements or changes allow the value limit to increase by more than 3%.

Audit: A review of City accounts by an independent auditing firm to substantiate year-end fund balances, reserves and cash in hand.

Bonds: A written promise to pay a sum of money, called principal or face value at future date, called the maturity date, along with periodic interest paid at the specified percentage of the principal (interest rate). Bonds are typically used to finance long-term Capital Improvements.

Budget: Written report showing the local government's comprehensive financial plan for one fiscal year. Must include a balanced statement of actual revenues and expenditures during each of the last two years, estimated revenues and expenditures for the current and upcoming year.

Budget Committee: The fiscal planning board of the agency, consisting of the Mayor and City Council plus an equal number of legal voters from the district.

Budget Message: An explanation of the budget and the City's financial priorities. Prepared by or under the direction of the City Manager.

Budget Officer: Person appointed by the City Council to be responsible for assembling the budget. For City of Keizer, the Finance Director serves this role.

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

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

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

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

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

Department: An organizational unit of the City.

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

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

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

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

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

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

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

FTE: An abbreviation for full-time equivalent employees. Staffing levels are measured in FTE to give consistent comparison from year to year.

General Fund: Accounts for all financial resources except those required to be accounted for in another fund.

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

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

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

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

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

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

Property Taxes: Amounts imposed on taxable property by a local government within its operating rate limit, levied under local option authority, or levied to repay bonded debt.

Proposed Budget: The proposed budget is the one proposed by the City Manager and is reviewed by the Budget Committee.

Proprietary Fund: A fund classification used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector (i.e., Enterprise Funds).

Rate Limit: A district's permanent ad valorem property tax rate for operating purposes. This rate levied against the assessed value of property raises taxes for general operations. Permanent tax rate limits were either computed by the Department of Revenue for districts existing prior to 1997-1998 or are voter-approved for districts formed in 1997-1998 and later.

Real Market Value: Value set on real and personal property as a basis for imposing tax.

Reserve Fund: Established to accumulate money from one fiscal year to another for a specific purpose.

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

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

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

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

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

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

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

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

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

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

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

CITY OF KEIZER, STATE OF OREGON

RESOLUTION R2011-______

ADOPTING THE FY11-12 BUDGET, MAKING APPROPRIATIONS AND IMPOSING AND CATEGORIZING TAXES

BE IT RESOLVED, that the City Council of the City of Keizer hereby adopts a budget for fiscal year 2011-12 in the sum of $30,184,200 now on file at City Hall.

BE IT FURTHER RESOLVED that the amounts for the fiscal year beginning July 1, 2011 and for the purposes shown below are hereby appropriated:

General Fund			
	General Services	$1,313,200	
	Parks	264,400	
	Community Development	325,600	
	Police	5,167,600	
	Municipal Court	241,700	
	Transfers	287,500	
	Contingency	60,100	
TOTAL GENERAL FUND			**$7,660,100**
Revenue Sharing			
	Capital Outlay	217,300	
	Transfers	8,500	
TOTAL REVENUE SHARING			**225,800**
Public Education Government			
	Materials & Services	91,800	
	Capital Outlay	3,500	
	Contingency	50,000	
TOTAL PUBLIC EDUCATION GOVERNEMENT			**145,300**
911 Communications			
	Materials & Services	468,900	
TOTAL 911 COMMUNICATIONS			**468,900**
Law Enforcement Grant Fund			
	Materials & Services	25,000	
	Capital Outlay	25,000	
TOTAL LAW ENFORCEMENT GRANT FUNDS			**50,000**

Administrative Services **TOTAL ADMINISTRATIVE SERVICES**	Personnel Services Materials & Services Capital Outlay	1,306,800 635,500 52,400	**1,994,700**
Parks Improvement **TOTAL PARKS IMPROVEMENT**	Capital Outlay	564,500	**564,500**
Keizer Rotary Amphitheater **TOTAL KEIZER ROTARY AMPHITHEATER**	Materials & Services Capital Outlay	3,000 3,500	**6,500**
Keizer Station LID **TOTAL KEIZER STATION LID**	Materials & Services Debt Service	40,000 3,668,700	**3,708,700**
Transportation Improvement **TOTAL TRANSPORTATION IMPROVEMENT**	Capital Outlay	1,540,000	**1,540,000**
Off-Site Transportation Improvement **TOTAL OFF-SITE TRANSPORTATION IMPROVEMENT**	Capital Outlay	52,100	**52,100**
Housing Services **TOTAL HOUSING SERVICES**	Materials & Services	303,600	**303,600**
Energy Efficiency Revolving Loan **TOTAL ENERGY EFFICIENCY REVOLVING LOAN**	Materials & Services	139,700	**139,700**

Street			
	Personnel Services	248,300	
	Materials & Services	571,300	
	Capital Outlay	1,597,600	
	Debt Service	210,000	
	Transfers Out	210,500	
	Contingency	79,900	
TOTAL STREET			**2,917,600**
Sewer			
	Personnel Services	136,300	
	Materials & Services	4,973,300	
	Contingency	13,700	
TOTAL SEWER			**5,123,300**
Water			
	Personnel Services	1,028,200	
	Materials & Services	1,006,000	
	Capital Outlay	92,500	
	Debt Service	229,600	
	Transfers Out	250,000	
	Contingency	38,000	
TOTAL WATER			**2,644,300**
Water Facility Replacement Reserve			
	Capital Outlay	710,000	
TOTAL WATER FACILITY REPLACEMENT RESERVE			**710,000**
Street Lighting Districts			
	Personnel Services	19,800	
	Materials & Services	403,600	
	Contingency	21,200	
TOTAL STREET LIGHTING			**444,600**
Storm Water Utility			
	Personnel Services	540,300	
	Materials & Services	298,900	
	Capital Outlay	146,600	
	Contingency	70,000	
STORM WATER UTILITY			**1,055,800**

Sewer Reserve **TOTAL SEWER RESERVE**	Capital Outlay	314,700	**314,700**
Community Center **TOTAL COMMUNITY CENTER**	Personnel Services Materials & Services Capital Outlay Transfers Contingency	20,400 9,000 1,600 75,000 5,000	**111,000**
Facility Reserve Fund **TOTAL FACILITY RESERVE FUND**	Capital Outlay	3,000	**3,000**
TOTAL ALL FUNDS			**$30,184,200**

BE IT FURTHER RESOLVED that the City Council of the City of Keizer hereby imposes the taxes provided for in the adopted budget at the rate of $2.0838 per $1,000 of assessed value for operations; and that these taxes are hereby imposed and categorized for tax year 2011-12 upon the assessed value of all taxable property within the district.

General Government

General Fund $2.0838/$1000

PASSED this _____ day of __________________________, 2011.

SIGNED this _____ day of ___________________________, 2011.

____
Mayor

____
City Recorder

COUNCIL MEETING: June 6, 2011

AGENDA ITEM NUMBER: _______

TO: MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY, CITY MANAGER
NATE BROWN, COMMUNITY DEVELOPMENT DIRECTOR

FROM: SAM LITKE, SENIOR PLANNER

SUBJECT: Text amendment for Section 2.104 (Medium Density Residential); Section 3.101 (Summary of Application Types); Section 3.202 (General Procedures); and, to create a new Section 2.431 (Nursing and Residential Care Facilities)

Attachments:

- Section 2.104
- Section 2.431
- Section 3.101
- Section 3.202

ISSUE:

To consider a text amendment to allow facilities that provide care for residents who suffer from Alzheimer's and similar type of illnesses. The Planning Commission voted 5-1 to support the proposed text amendment.

DISCUSSION:

Section 2.104 (Medium Density Residential) is proposed to be revised to allow Residential Care Facilities exceeding 16 residents, or uses listed in SIC 805 (Nursing and Personal Care) as a conditional use. The Planning Commission determined that the original proposal was too broad in the range of potential uses that could be allowed and so it has been scaled back. The proposal before the council is limited to allow "memory care" and similar type of uses but not allow hospitals, doctor's office, sex-offender treatment facilities, etc. Prior to locating a new facility in an RM zone the applicant will need to obtain conditional use approval by the city. A new section (2.431) contains the standards and outlines the process used to review such a proposal.

The standards include:

- Need for the facility shall be identified.
- A traffic impact analysis if determined to be required shall be provided and measure(s) to mitigate any impact(s) provided.
- Access limited to an arterial street.
- Require that the land is of sufficient size to accommodate the use.

- That the use will not unreasonably impact uses in the neighborhood.
- Adequate buffering and screening is provided to mitigate any impacts on adjacent properties.

Because the Planning Commission indicated that it would be appropriate that this type of application be heard before the Planning Commission and so revisions to Sections 3.101 (Summary of Application Types) and 3.202 (General Procedures) were needed to allow for such a review.

RECOMMENDATION:

It is recommended the City Council open the public hearing, take testimony, and close the public hearing. It is further recommended the City Council direct staff to prepare an Ordinance with findings to adopt the proposed revisions.

2.104 MEDIUM DENSITY RESIDENTIAL (RM)

2.104.01 Purpose

The RM (MEDIUM DENSITY RESIDENTIAL) zone is primarily intended for multiple family development on a parcel, or attached dwellings on separate lots, at medium residential densities. Other uses compatible with residential development are also appropriate. RM zones are located in areas designated Medium and High Density Residential in the Comprehensive Plan. They are suited to locations near commercial areas and along collector and arterial streets where limited access is necessary so that traffic is not required to travel on local streets through lower density residential areas. (5/98)

2.104.02 Permitted Uses

The following uses, when developed under the applicable development standards in the Ordinance, are permitted in the RM zone:

A. **Detached single family dwelling** on a lot. (5/98)

B. **Residential homes and facilities**. (5/98)

C. **Buildings with two or more dwelling** units. (5/98)

D. **Combination of permitted attached or detached dwellings** on a lot. (5/98)

E. **Child day care service**, including family day care provider, for 12 or fewer children. (5/98)

F. **Public or private utility substation**, but excluding communication towers and electrical substations. (5/98)

G. **Child foster home** for five or fewer children.(6/99)

2.104.03 Special Permitted Uses

The following uses, when developed under the applicable development standards in the Ordinance and special development requirements, are permitted in the RM zone:

A. **Partitions**, subject to the provisions in Section 2.310. (5/98)

B. **Subdivision**, subject to the provisions in Section 2.310. (5/98)

C. **Planned unit development**, subject to the provisions in Section 2.311. (5/98)

D. **Accessory structures** and uses prescribed in Section 2.203.02. (5/98)

E. Transit Facilities (Section 2.305). (Ordinance No. is 2009-586, 5/09)

F. The following special uses subject to the applicable standards in Section 2.4:

1. **Shared housing facilities (**Section 2.403). (5/98)

2. **Zero side yard dwelling units** (Section 2.404). (5/98)

3. **Home occupations** (Section 2.407). (5/98)

4. **Bed and breakfast** establishments (Section 2.408). (5/98)

5. **Residential sales offices** (Section 2.409). (5/98)

6. **Public golf course** (7992) or membership recreation club having golf course (7997) (Section 2.410). (5/98)

7. **House of Worship** (Section 2.423). (5/98)

8. **Boat and RV storage** area (Section 2.411). (5/98)

9. **Manufactured home parks** (Section 2.405). (5/98)

10. **Manufactured homes** on individual lots (Section 2.402) (5/98)

11. **Accessory commercial uses** (Section 2.416). (5/98)

12. **Recreational vehicle storage space** (Section 2.413). (5/98)

13. **Electrical substation** (Section 2.426). (5/98)

14. **Wireless Telecommunications Facilities (Section 2.427)** (5/98)

2.104.04 Conditional Uses

The following uses may be permitted subject to obtaining a conditional use permit:

A. **Schools** (8211) (Section 2.424). (5/98)

B. **Public parks, playgrounds, community clubs** including swimming, tennis and similar recreational facilities, and other public and semi-public uses. (5/98)

C. **Child day care** service for 13 or more children. (5/98)

D. **Civic, social and fraternal organizations** (864). (5/98)

E. **Rooming and boarding houses** (702). (5/98)

F. **Water supply** (494). (5/98)

G. **Child foster home** for six, seven or eight children, provided such home:

1. Is properly accredited by the Council on Accreditation on Child and Family Programs;
2. Be located on a lot of no less than 16,000 square feet;
3. The lot shall be located on an arterial or major collector street;
4. Shall be no less than 2,400 square feet in size, excluding attached garages, carports, patios, and all unfinished space;
5. Shall have setbacks for all structures of no less than 16 feet on each side and 30 feet along the back of the property;
6. Shall have usable paved off-street parking for no less than 6 vehicles, plus one additional usable off-street paved parking space is to be provided for each foster child that owns or is the principal driver of any vehicle;
7. At least on half of the lot area (no less than 8,000 square feet) shall consist of open space, grass and landscaping, including landscaping area at least 8 feet wide for permanent visual screening along the sides and back of the property. (which landscaping along sides and back of the property shall be designed for a minimum height of no less than 6 feet after five years) Decks, patios, paved areas, and parking areas, (paved or unpaved) shall not be included when calculating the amount of required open space, grass and landscaping.
8. Is not located within one-half (1/2) mile of another child foster home of six to eight children, as measured between the closest lot lines of the existing child foster home and the proposed child foster home.

All child foster homes shall meet all applicable laws and regulations, including, but not limited to, applicable building codes.(6/99)

H. Transit Station (Section 2.429). (Ordinance No. is 2009-586, 5/09)

I. <u>Residential Care Facilities for more than 15 residents or uses noted in SIC 805 (Nursing and Personal Care Facilities)</u> <u>(Section 2.431)</u>

2.104.05 Dimensional Standards

A. Minimum Lot Dimension and Height Requirements

DIMENSION	Single Family	Duplex	Multi-Family	Non-Residential
Lot Size	4,000 sq. ft. (1)(2)	6,000 sq. ft.	9,000 sq. ft. (3)	(4)
Average Width	40 feet	50 feet	50 feet	None
Average Depth	70 feet	80 feet	80 feet	None
Maximum Height	35 feet	35 feet	35 feet	(5)

(1) Newly created lots or parcels less than 5000 square feet in area shall be limited to zero lot line dwellings (2.404). (5/98)

(2) A single family dwelling attached on one side has a minimum lot area of 3500 square feet, and a single family dwelling attached on both sides has a minimum lot area of 3000 square feet. (5/98)

(3) Multi-family development must comply with the density standard in Section 2.104.06.I. (5/98)

(4) Parcel size shall be adequate to contain all structures within the required yard setbacks. (5/98)

(5) 50 Feet - Required setbacks shall increase 1 foot for every foot the height exceeds 35 feet. (5/98)

B. Minimum Yard Setback Requirements

SETBACKS	Single Family	Duplex	Multi-Family	Non- Residential
Front	10 feet	10 feet	10 feet	20 feet
Side	(1)	5 feet	10 feet	10 feet
Rear	(2)	(2)	(2)	20 feet
Street-side (3)	10 feet	10 feet	10 feet	20 feet
Garage entrance (4)	20 feet (4)	20 feet (4)	20 feet (4)	20 feet (4)

(1) Zero side yard dwelling units are subject to the setback provisions in Section 2.404. (5/98)

(2) *The rear yard setback shall be as follows: 14 feet for a 1-story single family home, duplex, or multi-family building; 20 feet for a 2-story single family home, duplex, or multi-family building. Setbacks are to be measured from the architectural rear of the building regardless of the building's orientation to exterior property lines.* (06/07)

(3) *Setbacks are measured from property lines, not easement lines. However, no structure shall be placed any closer than five feet from the edge of an access easement or 20 feet from the right-of-way of an arterial or collector street.* (5/98)

(4) *The garage entrance setback shall be measured from the property line or edge of private access easement to the entrance of the garage. The centerline of the driveway shall be measured if the driveway to the garage entrance is not perpendicular to the property line or private access easement. In no case shall a garage be set back less than the minimum front, side, and rear setbacks.* (5/98)

2.104.06 Development Standards

All development in the RM Zone shall comply with the applicable provisions of this Ordinance. The following includes referenced items as well as additional development requirements:

A. **Off Street Parking**: Parking shall be as specified in Section 2.303. (5/98)

B. **Design Standards** - Unless specifically modified by provisions in this Section, buildings located within the RM zone shall comply with the following standards: (5/98)

1. Single family homes shall comply with the design standards in Section 2.314. (5/98)

2. Residential structures with four or more attached dwelling units and non-residential structures shall comply with the provisions in Section 2.315 - Development Standards. (5/98)

C. **Subdivisions and Partitions**: Land divisions shall be reviewed in accordance with the provisions of Section 2.310. (5/98)

D. **Yards and Lots**: Yards and lots shall conform to the standards of Section 2.312. (5/98)

E. **Signs**: Signs shall conform to the requirements of Section 2.308. (5/98)

F. **Accessory Structures**: Accessory structures shall conform to requirements in Section 2.313. (5/98)

G. **Landscaping**: A minimum of 25% of the property shall be landscaped, including all required yards. Landscaped areas shall be landscaped as provided in Section 2.309. (5/98)

H. **Lot Coverage**: The maximum coverage allowed for buildings, accessory structures and paved parking shall be 75%. (5/98)

I. **Density**: Subdivisions and multi-family development within the RM zone shall comply with the following density requirements:

1. For property designated Medium Density in the Comprehensive Plan, the minimum density shall be 6 units per acre; the maximum density shall be 10 units per acre. (5/98)

2. For property designated Medium-High Density in the Comprehensive Plan, the minimum density shall be 8 units per acre; the maximum density shall be 22 units per acre. (5/98)

2.431.01 Overview

Residential Care Facilities that are over 15 residents, or uses that are listed in SIC 805 (Nursing and Personal Care Facilities) are uses that provide limited medical care, nursing and personal care where the patients reside at the facility. An application to place this type of facility is processed as a conditional use permit, however the application shall be reviewed directly by the Planning Commission.

2.431.02 Review Procedure

The procedure for approving a Conditional Use Permit for these types of uses is set forth in Section 3.101.03(B). The application is a Type II – B action. Staff has an advisory role. The Zoning Administrator shall make a recommendation to the Planning Commission for public hearing and decision bypassing the Hearings Officer. Public notice and a public hearing are provided. Section 3.204.02 lists the notice requirements. Section 3.206 sets forth the hearings process. (05/09)

2.431.03 Submittal Requirements

The applicant shall submit evidence addressing the criteria set forth below addition to the requirements in Section 3.103, and all other submittal requirements as outlined in Section 3.201.

2.431.04 Criteria

Where permitted as a conditional use, in addition to the requirements in Section 3.103, shall meet the following criteria:

A. Need for the facility at the proposed location shall be identified.

B. If determined, as noted in Section 2.301, to be warranted a traffic impact analysis shall be provided and proposed measure(s) to mitigate any impact(s) on surrounding properties and streets shall be identified.

C. A facility shall have all of its access provided to an arterial street.

D. As conditioned, the facility will not unreasonably impact existing or planned uses in the neighborhood of the subject property.

E. A facility will be required to provide adequate buffering and screening to mitigate any impacts on adjacent properties.

The Planning Commission has the authority to determine whether the application satisfies the applicable criteria. An application may be approved, approved with conditions, or denied.

3.101 SUMMARY OF APPLICATION TYPES

There are four types of development permits and land use actions, each with its own procedures as found in Chapter 3.2. (5/98)

3.101.01 Type I Action - Summary

Type I actions are administrative reviews processed by the City staff according to the procedures found in Section 3.202.01, 02 & 03. The review standards are generally clear and objective and allow little or no discretion. This process is further divided into four parts: (3/10)

A. Type I-A: A ministerial action reviewed by staff based on clear and objective standards. Conditions may be placed on the decision and notice of the decision is sent only to the applicant. Appeal is to the Hearings Officer. The following actions are processed under the Type I-A procedure: (2/01)

1. Signs (excluding variances or conditional uses) (5/98)

2. Temporary Use Permit (3/10)

B. Type I-B: A ministerial action reviewed by staff based on generally clear and objective standards with some discretion afforded to staff. Conditions may be placed on the decision and notice is sent to the applicant and property owners within the required notice area. Appeal is to the Hearings Officer. The Zoning Administrator may refer any application to the Hearings Officer or the City Council for public hearing and decision. The following actions are processed under the Type I-B procedure: (5/98)

1. Variance (Minor and Sign) (Ord 2005-533 11/2005)

2. Lot Line Adjustment (5/98)

3. Conditional Use (except Transit Station) (05/09)

4. Partitions (5/98)

5. Greenway Development Permit (2/01)

6. Floodplain Development Permit (including Floodplain Development Permit Variance) (3/10)

C. Type I-C: A ministerial action reviewed by staff based on generally clear and objective standards with some discretion afforded to staff. Conditions may be placed on the decision and notice is sent to the applicant. Appeal is to the Planning Commission. Notice is sent to property owners within the required notice area for public hearing. The Zoning Administrator may refer any application to the Planning Commission or the City Council for public hearing and decision. The following action is processed under the Type I-C procedure:

1. Development Review (2/01)

D. Type I-D: A ministerial action reviewed by staff based on generally clear and objective standards with some discretion afforded to staff. Conditions may be placed on the decision and notice is sent to the applicant and property owners within the required notice area. Appeal is to the Planning Commission. The Zoning Administrator may refer any application to the Planning Commission or City Council for public hearing and decision. The following actions are processed under the Type I-D procedure: (07/07/03)

1. Variance (Major) (07/07/03)

3.101.02 Type II Actions - Summary

A. A Type II action is a quasi-judicial review in which the Hearings Officer applies a mix of objective and subjective standards that allow considerable discretion. A Type II action follows the procedures found in Section 3.202.04. Staff has an advisory role. The Zoning Administrator may refer any application to the City Council for public hearing and decision bypassing the Hearings Officer. Public notice and a public hearing are provided. Section 3.204 lists the notice requirements. Appeal of a Type II decision is to the City Council. The following actions are processed under a Type II procedure:(2/01)

1. Subdivision (5/98)

2. Planned Unit Development (5/98)

3. Manufactured Home Parks (5/98)

~~A.~~B Type II-B: A quasi-judicial action in which the City Council applies a mix of objective and subjective standards that allow considerable discretion. Type II-B actions follow the procedures found in Section 3.204.02. Staff has an advisory role. The City Council shall hold a public hearing and make the decision instead of the Hearings Officer. Public notice and a public hearing are provided. Section 3.202 lists the notice requirements. Section 3.206 sets forth the hearings process. The following actions are processed under a Type II-B procedure: (2/03)

1. Transit Station (5/09)

C. Type II-B: A quasi-judicial action in which the Planning Commission applies a mix of objective and subjective standards that allow considerable discretion. Type II-B actions follow the procedures found in Section

3.204.02. Staff has an advisory role. The Planning Commission shall hold a public hearing and make the decision instead of the Hearings Officer. Public notice and a public hearing are provided. Section 3.202 lists the notice requirements. Section 3.206 sets forth the hearings process. The following actions are processed under a Type II-B procedure:

1. Nursing and Residential Care Facilities

3.101.03 Type III Actions - Summary

A Type III action is a quasi-judicial process in which the City Council applies a mix of objective and subjective standards. A Type III action follows the procedures found in Section 3.202.04. Staff and the Hearings Officer have advisory roles for Comprehensive Plan Map Amendments and Zone Changes. Staff and Planning Commission have advisory roles for Annexations. Public notice is provided and public hearings are held before the Hearings Officer, Planning Commission and City Council as determined by the application. Section 3.204 lists the notice requirements. In addition to applications by private parties, the City Council, by resolution, may initiate a Type III action. Appeal of the decision is to the Land Use Board of Appeals (LUBA). The following actions are processed under a Type III procedure: (2/01)

A. Comprehensive Plan Map Amendments (involving 5 or fewer adjacent land ownerships) (5/98)

B. Zone Changes (involving 5 or fewer adjacent land ownerships) (5/98)

C. Annexation (5/98)

D. Keizer Station Master Plans which may include Subdivision and Partitioning (4/10)

3.101.04 Type IV Actions - Summary

A Type IV action is a legislative review in which the City considers and enacts or amends laws and policies. A Type IV action follows the procedures found in Section 3.203. Private parties cannot apply for a Type IV action; it must be initiated by City staff, Planning Commission, or City Council. Public notice and hearings are provided in a Type IV process. The following actions are processed under a Type IV procedure: (2/01)

A. Text Amendments to the Comprehensive Plan (5/98)

B. Text Amendments to the Development Code (5/98)

C. Enactment of new Comprehensive Plan or Development Code text (5/98)

D. Comprehensive Plan Map Amendments (involving more than 5 adjacent land ownerships, or, non-adjacent properties) (5/98)

E. Zone Changes (involving more than 5 adjacent land ownerships, or, non-adjacent properties) (5/98)

LAND USE APPLICATION PROCESS (4/10)

LAND USE ACTION	TYPE	STAFF	HEARINGS OFFICER	PLANNING COM-MISSION	CITY COUNCIL
Signs, Temporary Use	I-A	Final Decision	Appeal of Staff Decision		Appeal of H.O. decision
Floodplain Development Permit (including Floodplain Development Permit Variances (3/10)	I-B	Final Decision	Appeal of Staff Decision		Appeal of H.O. decision
Greenway Development Permit	I-B	Final Decision	Appeal of Staff Decision		Appeal of H.O. Decision
Conditional Use (except Transit Station) (05/09)	I-B	Final Decision	Appeal of Staff Decision		Appeal of H.O. Decision
Variance (Minor and Signs)	I-B	Final Decision	Appeal of Staff Decision		Appeal of H.O. Decision
Lot Line Adjustment	I-B	Final Decision	Appeal of Staff Decision		Appeal of H.O. Decision
Partition	I-B	Final Decision	Appeal of Staff Decision		Appeal of H.O. Decision
Transit Station (05/09)	II-B	Recommendation to City Council			Final Decision
<u>Nursing and Residential Care Facilities</u>	<u>II-B</u>	<u>Recommendation to Planning Commission</u>		<u>Final Decision</u>	<u>Appeal of Plan Comm Decision</u>

LAND USE ACTION	TYPE	STAFF	HEARINGS OFFICER	PLANNING COM-MISSION	CITY COUNCIL
Development Review	I-C	Final Decision		Appeal of Staff Decision	Appeal of Planning Commission Decision
Variances (Major)	I-D	Final Decision		Appeal of Staff Decision	Appeal of Planning Commission Decision
Subdivision	II	Recommendation to Hearings Officer	Final Decision		Appeal of H.O. Decision
Planned Unit Development	II	Recommendation to Hearings Officer	Final Decision		Appeal of H.O. Decision
Manufactured Home Park	II	Recommendation to Hearings Officer	Final Decision		Appeal of H.O. Decision
Comprehensive Plan Map Amendment	III	Recommendation to Hearings Officer	Recom-mendation to City Council		Final Decision
Zone Change	III	Recommendation to Hearings Officer	Recom-mendation to City Council		Final Decision
Annexation	III	Recommendation to Planning Commission		Recom-mendation to City Council	Final Decision
Keizer Station Master Plan Review	III	Recommendation to Planning Commission		Recom-mendation to City Council	Final Decision
Text Amendments; Legislative Zone and Comprehensive Plan Map Changes	IV	Recommendation to Planning Commission		Recom-mendation to City Council	Final Decision

3.202 GENERAL PROCEDURES – TYPES I, II, AND III ACTIONS

3.202.01 Procedure for Type I-A Review

(Type 1-A: Temporary Use Permit, Signs excluding variances or conditional uses) (3/10)

Applications subject to a Type I-A administrative review shall be reviewed and decided by the Zoning Administrator. (5/98)

A. Initial Review. Upon receipt of an application for a Type I-A land use action, the City staff shall review the application for completeness. (5/98)

   1. Incomplete applications shall not be reviewed until the applicant has submitted all required information. (5/98)

   2. If incomplete, the applicant shall be notified and provided additional time of up to 30 days to submit supplemental information as necessary. (5/98)

B. Complete Application. The application shall be deemed complete for the purposes of processing the application and all related timing provisions either: (5/98)

   1. Upon receipt of the additional information; or, if the applicant refuses to submit the information; (5/98)

   2. On the 31st day after the original submittal the application shall be deemed complete for review purposes. (5/98)

C. Staff Review. Within thirty (30) days of receipt of a complete application or such longer period mutually agreed to by both staff and the applicant, staff shall review the application and shall make a decision based on an evaluation of the proposal and on applicable criteria as set forth in this Ordinance; (5/98)

D. Conditions. Approvals of a Type I-A action may be granted subject to conditions. The following limitations shall be applicable to conditional approvals: (2/01)

   1. Conditions shall be designed to protect public health, safety and general welfare from potential adverse impacts caused by a proposed land use described in an application. Conditions shall be related to the following: (2/01)

      a. Ensure that the standards of the development code are met; or, (2/01)

b. Fulfillment of the need for public service demands created by the proposed use. (2/01)

2. Changes of alterations of conditions shall be processed as a new administrative action. (2/01)

E. Notice. Notice shall be provided to the applicant consistent with Section 3.204.01. (5/98)

F. Appeals. A Type I-A land use decision may be appealed by the applicant to the Hearings Officer, except that Site plan Reviews shall be appealed to the Planning Commission. The appeal shall be filed within 10 days from the date of mailing of the decision, pursuant to the provisions of Section 3.205. (5/98)

G. Final Decision. The final land use decision, including all appeals, shall be completed within 120 days as per the requirements in Section 3.202.05 (2/01)

3.202.02 Procedure for Type I-B and I-D Review

(Type I-B: Minor Variance, Lot Line Adjustment, Conditional Use, Partition, Greenway Development Permit, Floodplain Development Permit, including Floodplain Development Permit Variances) (Type I-D Major Variance) (3/10)

Applications subject to administrative review shall be reviewed and decided by the Zoning Administrator. (5/98)

A. Initial Review. Upon receipt of an application for a Type I-B or I-D land use action, the City staff shall review the application for completeness. (07/03)

1. Incomplete applications shall not be reviewed until the applicant has submitted all required information. (5/98)

2. If incomplete, the applicant shall be notified and provided additional time of up to 30 days to submit supplemental information as necessary. (5/98)

B. Complete Application. The application shall be deemed complete for the purposes of scheduling the hearing and all related timing provisions either: (5/98)

1. Upon receipt of the additional information; or, if the applicant refuses to submit the information; (5/98)

2. On the 31st day after the original submittal the application shall be deemed complete for review purposes. (5/98)

C. Agency Referrals. Referrals may be sent to interested agencies such as City departments, police and fire departments, school district, utility companies, and applicable city, county, and state agencies at the Director's option. Referrals will be sent to affected neighborhood associations. (5/98)

D. Staff Review. Within thirty (30) days of receipt of a complete application or such longer period mutually agreed to by both staff and the applicant, staff shall review the application and shall make a decision based on an evaluation of the proposal and on applicable criteria as set forth in this Ordinance; The Administrator shall have the option of referring a type I-B application to the Hearings Officer or City Council for the initial decision. The Administrator shall have the option of referring a type I-D application to the Planning Commission or City Council for the initial decision. (07/03)

E. Conditions. Approvals of a Type I-B and I-D action may be granted subject to conditions. The following limitations shall be applicable to conditional approvals: (07/03)

1. Conditions shall be designed to protect public health, safety and general welfare from potential adverse impacts caused by a proposed land use described in an application. Conditions shall be related to the following: (2/01)

    a. Ensure that the standards of the development code are met; or, (2/01)

    b. Fulfillment of the need for public service demands created by the proposed use. (5/98)

2. Changes of alterations of conditions shall be processed as a new administrative action. (5/98)

3. Performance bonding to comply with applicable conditions of approval shall comply with the provisions in Section 3.202.05B. (2/01)

F. Notice. Notice of the decision shall comply with the provisions in Section 3.204.01. (5/98)

G. Appeals. A Type I-B land use decision may be appealed to the Hearings Officer, by either the applicant or persons receiving notice of the decision. A Type I-D land use decision may be appealed to the Planning Commission, by either the applicant or persons receiving notice of the decision. (07/03)

The appeal shall be filed within 10 days from the date of the mailing of the decision, pursuant to the provisions of Section 3.205. (5/98)

H. Time Limit. The final land use decision, including all appeals, shall be completed within 120 days as per the requirements in Section 3.202.05. (5/98)

3.202.03 Procedure for Type I-C Review

A. Initial Review. Upon receipt of an application for a Type I-C land use action, the City staff shall review the application for completeness. (2/01)

1. Incomplete applications shall not be scheduled for Type I-C review until all required information has been submitted by the applicant. (2/01)

2. If incomplete, the applicant shall be notified and provided additional time of up to 30 days to submit supplemental information as necessary. (2/01)

B. Complete Application. The application shall be deemed complete for the purposes of scheduling the hearing and all related timing provisions either: processing the application and all related timing provisions either: (2/01)

1. Upon receipt of the additional information; or, if the applicant refuses to submit the information; (2/01)

2. On the 31st day after the original submittal the application shall be deemed complete for review purposes. (2/01)

C. Staff Review. Within thirty (30) days of receipt of a complete application or such longer period mutually agreed to by both staff and the applicant, staff shall review the application and shall make a decision based on an evaluation of the proposal and on applicable criteria as set forth in this Ordinance; (2/01)

D. Conditions. Approvals of a Type I-C action may be granted subject to conditions. The following limitations shall be applicable to conditional approvals: (2/01)

1. Conditions shall be designed to protect public health, safety and general welfare from potential adverse impacts caused by a proposed land use described in an application. Conditions shall be related to the following: (2/01)

   a. Ensure that the standards of the development code are met; or, (2/01)

   b. Fulfillment of the need for public service demands created by the proposed use. (2/01)

2. Changes of alterations of conditions shall be processed as a new administrative action. (2/01)

E. Notice. Notice shall be provided to the applicant consistent with Section 3.204.01. (2/01)

F. Appeals. A Type I-C land use decision may be appealed by the applicant to the Planning Commission. The appeal shall be filed within 10 days from the date of mailing of the decision, pursuant to the provisions of Section 3.205. (2/01)

G. Final Decision. The final land use decision, including all appeals, shall be completed within 120 days as per the requirements in Section 3.202.05 (2/01)

3.202.04 Procedures for Type II and Type III Actions

(Type II. Subdivision, Planned Unit Development and Manufactured Home Parks),
(Type II-B. Conditional Use for Nursing and Residential Care Facilities - Planning Commission decision)
(Type II-B. Transit Station – City Council decision)
(Type III. Annexation, Zone Changes involving 5 or fewer adjacent land ownership and Comprehensive plan Map Amendments involving 5 or fewer adjacent land ownerships, and Keizer Station Master Plan Review which may include Subdivision and Partitioning) (4/10)

A. Initial Review. Upon receipt of an application for Type II or Type III land use action, the City staff shall review the application for completeness. (5/98)

1. Incomplete applications shall not be scheduled for Type II or Type III review until all required information has been submitted by the applicant. (5/98)

2. If incomplete, the applicant shall be notified and provided additional time of up to 30 days to submit supplemental information as necessary. (5/98)

B. Complete Application. The application shall be deemed complete for the purposes of scheduling the hearing and all related timing provisions either: (5/98)

1. Upon receipt of the additional information; or, if the applicant refuses to submit the information;

2. On the 31st day after the original submittal the application shall be deemed complete for scheduling purposes only. (5/98)

C. Agency Referrals. Referrals will be sent to interested agencies such as City departments, police and fire districts, school district, utility companies, and applicable city, county, and state agencies. Affected jurisdictions and agencies could include the Department of Environmental Quality, The Oregon Department of Transportation, Salem-Keizer Transit District, and the City of Salem. Notice of projects affecting state transportation facilities will be sent to ODOT. Referrals will be sent to affected neighborhood associations. (07/09)

D. Public Hearing. The Public Hearing shall be scheduled and notice shall be mailed to the applicant and adjacent property owners. Notice requirements shall comply with Section 3.204.02. (5/98)

E. Staff Review. Staff shall prepare and have available within 7 days of the scheduled hearing a written recommendation concerning the proposed action. This report shall be mailed to the applicant and available at City Hall for all interested parties. The Zoning Administrator may refer the initial decision to the City Council. (5/98)

F. Notice of Application. Notice of a subdivision application shall be mailed to owners of property within 250 feet of the site and neighborhood association representatives. The notice to owners and neighborhood association members will invite the submittal of written comments on the proposal to the City within 10 days. (01/02)

G. Hearings Procedures. The public hearing ~~before the Hearings Officer~~ shall comply with the provisions in Section 3.205 or Section 3.206. (2/01)

H. Conditions. Approvals of any Type II or Type III action may be granted subject to conditions. The following limitations shall be applicable to conditional approvals: (5/98)

1. Conditions shall be designed to protect public health, safety and general welfare from potential adverse impacts caused by a proposed land use described in an application. Conditions shall be related to the following: (5/98)

    a. Protection of the public from the potentially deleterious effects of the proposed use; or, (5/98)

    b. Fulfillment of the need for public service demands created by the proposed use. (5/98)

2. Changes of alterations of conditions shall be processed as a new administrative action. (5/98)

3. Performance bonding for applicable conditions shall comply with the provisions in Section 3.202.05B. (2/01)

I. Notice. The applicant shall be notified, in writing, of the ~~Hearings Officer's~~ decision or recommendation. In addition, notice of the decision shall be mailed to individuals who request such notice at the public hearing, or, by those individuals who submitted a written request for notice prior to the public hearing. (5/98)

J. Appeals. With the exception of a conditional use for a Transit Station, which is a final decision by the City Council, a ~~A~~ Type II land use decision may be appealed to the City Council by either the applicant, persons receiving notice of the decision or the Administrator. The appeal shall be filed within 10 days from the date of the mailing of the decision, pursuant to the provisions of Section 3.205. Type III land use applications are automatically reviewed by the City Council. (5/98)

K. Time Limit. The final land use decision, including all appeals, shall be completed within 120 days as per the requirements in Section 3.202.05. (2/01)

3.202.05 Special Procedural Requirements

A. 120 Day Time Limit

If for any reason it appears that such final action may not be completed within the 120 day period, unless the applicant voluntarily extends the time period, the following procedures shall be followed regardless of other processes set forth elsewhere in this Ordinance. (5/98)

1. The City staff shall notify the City Council of the timing conflict by the 95th day. The City Council shall, in accordance with its own procedures, set a time for an emergency meeting within the 120 day period. (5/98)

2. Public notice shall be mailed to affected parties as specified in Section 3.204.02. (5/98)

3. The City Council shall hold in a public hearing on the specified date, in accordance with the provisions of Section 3.204 and render a decision approving or denying the request within the 120 day period. Such action shall be the final action by the City on the application. (5/98)

B. Performance and Maintenance Bonding (2/01)

Conditions of approval required by the City shall be completed prior to the issuance of any building permit within a residential subdivision or partitioning, or an occupancy permit for any other use. When an applicant provides information which demonstrates that it is not practical to fulfill all conditions prior to issuance of such permit, the City may require a performance bond or other guarantee to ensure compliance with zoning regulations or fulfillment of required conditions. (2/01)

1. Types of Guarantees - Performance guarantees may be in the form of performance bond payable to the City of Keizer, cash, certified check, time certificate of deposit, or other form acceptable to the City. The City Attorney must approve the form and appropriate documents filed with the City Recorder. Agreements may be recorded to restrict building permits. (2/01)

2. Amount of Guarantee - The amount of the guarantee must be equal to at least one-hundred-ten percent (110%) of the estimated cost of the performance. The applicant must provide a written estimate acceptable to the City, which must include an itemized estimate of all materials, labor, equipment and other costs of the required performance. (5/98)

3. Completion of Performance - All improvements shall be completed within one year of filing the performance guarantee. The Administrator may extend this time limit for up to one additional year. (2/01)

4. Maintenance Bonds for public improvements of 40% of the total cost of improvements is required for one year warranty. (2/01)

COUNCIL MEETING: <u>June 6, 2011</u>

AGENDA ITEM NUMBER: _______________

TO: MAYOR CHRISTOPHER AND COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY
CITY MANAGER

FROM: SUSAN GAHLSDORF, CPA
FINANCE DIRECTOR

SUBJECT: Budget Adjustments for Elections, Art Walk, Focal Point and Parks

ISSUES: ORS 294 provides that an increase in expenditure is allowed when an occurrence or condition that could not have been foreseen provides a pressing necessity for an expenditure that was not included in the adopted budget. Staff has identified the following items:

1. During the current fiscal year, Keizer citizens presented an initiative for the March 2011 Marion County ballot to decide a retail development issue at Keizer Station. By law, the municipality is responsible for the election costs within its jurisdiction. Marion County has billed the City approximately $20,200 for this expense.
2. $2,000 in donations was received in FY09-10 for Artist stipends for the Art Walk program. The stipends were paid in FY10-11. While these are pass-through funds, Oregon Law requires the expenditure to be appropriated through Council approval.
3. $900 is needed to remove an Art Walk pad at Keizer Veterinary Clinic. Costs include removing the pad and repairing the landscape.
4. Costs for operating and maintaining the Focal Point at the corner of River Road and Chemawa and mowing grass on the city-owned property behind Volcano's stadium have exceeded the $3,000 projected in the budget.
    a. Electricity averages $200 per month or $2,400 annually. Staff will research the cost of installing a timer on the fountain to help reduce power costs in FY11-12.
    b. Moving the focal point grounds averages $250 bi-monthly or $1,500 annually.
    c. Moving the grounds behind the Volcano stadium averages $180 bi-monthly or $1,100.
    d. One-time maintenance costs, such as water treatment and landscaping repairs, are estimated at $1,000 annually.
5. $1,400 in Park Donations is anticipated to cover the cost for the Roy Shelton memorial bench to be located at Keizer Rapids Park. Neither the revenue nor the expense was anticipated in the FY10-11 budget.

FISCAL IMPACT:

The Fiscal Year 2011-2012 Committee Approved budget anticipated expending $23,000 of the $30,500 in expenditures identified above. The $1,400 Park expenditure is covered by donations; the remaining costs, totaling $6,100, will impact working capital Carryforward for FY11-12 as follows:

a. Election expenses came in $200 above projections.
b. $2,000 in Artist stipends were expended in FY10-11 and not budgeted.
c. The art pad removal costs of $900 were not anticipated at the time the Committee Approved budget passed.
d. The additional $3,000 for Focal Point and mowing costs were not anticipated at the time the Committee Approved budget passed.

Staff recommends Fiscal Year 2011-2012 General Fund Working Capital and General Fund contingency be reduced $6,100 to cover these unanticipated expenses.

<u>RECOMMENDATION:</u> Staff recommends the council adopt the attached resolution approving additional appropriation in the General Fund if you so choose.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2011-________________

EXPENDITURE AUTHORIZATION FOR ART WALK, ELECTIONS, FOCAL POINT

WHEREAS ORS 294 provides that an increase in expenditure is allowed when an occurrence or condition that could not have been foreseen provides a pressing necessity for the expenditure;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Keizer provides the following appropriation is made for fiscal year ending June 30, 2011:

		Adopted/ Amended Budget	Adjustment		Revised Budget
			Increase	Decrease	
General Fund					
Expenditures	General Services	1,162,100	27,500		1,189,600
Revenue		8,860,000	27,500		8,887,500
		10,022,100	**55,000**		**10,077,100**

Funds are needed to pay Election expenses for the March 2011 ballot measure to decide a retail development issue. The initiative was brought to a vote by the Keep Keizer Livable organization.

Funds are needed to pay additional costs to operate and maintain the focal point and to mow the property behind the Volcano Stadium.

Funds are needed to pay Art Walk Stipends; donations were received in FY09-10 and carried over to FY10-11.

Funds are needed to remove an Art Pad at the Keizer Veterinary Clinic.

Funds are need to purchase a memorial bench at Keizer Rapids Park; donations were received to cover the cost of the bench.

PASSED this _____ day of __________________, 2011

SIGNED this _____ day of __________________, 2011

____
Mayor

____
City Recorder

CITY COUNCIL MEETING: June 6, 2011

AGENDA ITEM NUMBER: ________________

TO: MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY, CITY MANAGER

FROM: SUSAN GAHLSDORF, FINANCE DIRECTOR

SUBJECT: DIRECTING DISTRIBUTION OF REVENUES FROM THE TRANSIENT OCCUPANCY TAX; REPEALING RESOLUTION NO. R98-1012

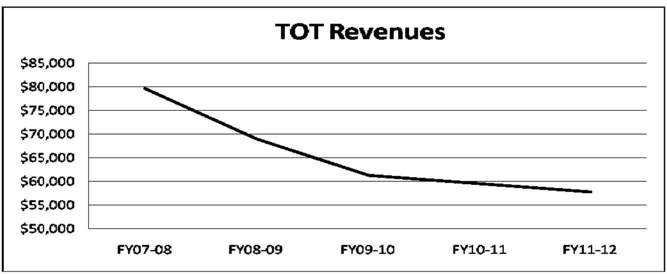
Effective April 19, 1998, Resolution R98-1012 directs the city to distribute 20% of the revenues from its transient occupancy tax to the Keizer Rural Fire District. The City Manager's Recommended Budget provided that the City retain all Transient Occupancy Taxes it receives for fiscal year 2011-12 with no distribution of these revenues to the Keizer Rural Fire District. The City of Keizer Budget Committee approved this recommendation at its May 10, 2011 meeting.

City Staff contacted Chief Jeff Cowan, Keizer Rural Fire District to inform him of our recommendation, explaining that the City is in its second year of significant budget cuts and revenue shortfalls.

The Transient Occupancy Tax Ordinance requires that hotel tax revenues be distributed pursuant to Council Resolution. Therefore, a new Resolution has been drafted repealing the previous Resolution to the Fire District and indicating that 100% of the hotel tax revenues will be distributed to the City of Keizer General Fund. (The previous distributions to the Keizer Chamber of Commerce were done informally and do not need a Resolution process.)

FISCAL IMPACT:

Transient Occupancy Tax revenues have declined over the past several years from a high of $79,710 in FY07-08 to an estimated $57,700 for FY11-12.



Repealing this resolution will allow the City to retain an estimated $11,540 to fund basic general fund services including public safety, community development, parks and administration.

RECOMMENDATION:

Staff recommends council adopt the attached resolution, repealing R98-1012 Directing Distribution of Revenues from the Transient Occupancy Tax as is consistent with the fiscal year 2011-12 Committee Approved Budget. The Resolution authorizes distribution of all of the Transient Occupancy Tax revenues to the General Fund.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2011-_____

DIRECTING DISTRIBUTION OF REVENUES FROM THE TRANSIENT OCCUPANCY TAX; **REPEALING RESOLUTION NO. R98-1012**

WHEREAS, the City of Keizer has adopted a Transient Occupancy Tax Ordinance (Ordinance No. 98-382);

WHEREAS, such Ordinance calls for the adoption of a Resolution directing the distribution of revenue from the transient occupancy tax;

WHEREAS, on February 17, 1998, the City Council adopted Resolution No. R98-1012 directing distribution of revenues from the transient occupancy tax;

WHEREAS, the City Council finds it is appropriate to repeal Resolution No. R98-1012 and to distribute all of the revenues from the transient occupancy tax to the City of Keizer General Fund;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that the revenues from the transient occupancy tax shall be distributed quarterly as follows:

One hundred percent (100%) to the City of Keizer General Fund.

BE IT FURTHER RESOLVED that Resolution No. R98-1012 (Directing Distribution of Revenues From the Transient Occupancy Tax) is hereby repealed in its entirety.

Keizer City Attorney
930 Chemawa Road NE
PO Box 21000
Keizer, Oregon 97307
503-390-3700

BE IT FURTHER RESOLVED that this Resolution becomes effective with the 2011-2012 fiscal year and any revenues received from prior fiscal years shall be distributed as previously directed by the City Council.

PASSED this __________ day of _________________, 2011.

SIGNED this __________ day of _________________, 2011.

____
Mayor

____
City Recorder

Keizer City Attorney
930 Chemawa Road NE
PO Box 21000
Keizer, Oregon 97307
503-390-3700

CITY COUNCIL MEETING: June 6, 2011

AGENDA ITEM NUMBER:_____________

TO: **MAYOR CHRISTOPHER AND COUNCIL MEMBERS**

THROUGH: **CHRISTOPHER C. EPPLEY, CITY MANAGER**

FROM: **E. SHANNON JOHNSON, CITY ATTORNEY**

SUBJECT: **EXTENDING ELECTRIC AND GAS UTILITY LICENSE FEE ORDINANCES**

Staff has worked with PGE to update the utility license agreements into a more modern Franchise Agreement. We are quite close to finalizing this, but we still have not been able to contact all the utilities and get the final language put together. It is appropriate to extend the existing license agreement for both the natural gas and electric utilities to August 31, 2011.

RECOMMENDATION:

Adopt the attached Ordinances for extension of the natural gas and electric utility license fees.

Please let me know if you have any questions. Thank you.

ESJ/tmh

BILL NO. ____ A BILL ORDINANCE NO. 2011-__________

FOR

AN ORDINANCE

RELATING TO THE AMENDMENT OF THE ELECTRIC UTILITY LICENSE FEE ORDINANCE; DECLARING AN EMERGENCY **(AMENDING ORDINANCE NO. 94-286)**

WHEREAS, the City Council of the City of Keizer has adopted Ordinance No. 94-286 which establishes utility license fees for electric utilities;

WHEREAS, Ordinance No. 94-286 has been extended to June 15, 2011;

WHEREAS, the City Council of the City of Keizer has determined that it is appropriate to renew the ordinance to August 31, 2011;

NOW THEREFORE, the City of Keizer ordains as follows:

Section 1. AMENDMENT OF ORDINANCE NO. 94-286. Ordinance No. 94-286 (An Ordinance Relating to Electric Utilities in the City of Keizer; Establishing Utility License Fees and Declaring an Emergency) is hereby amended at Section 9 as follows:

> Section 9. TERMINATION. This Ordinance shall automatically terminate on August 31, 2011 unless the City Council shall renew it, provided, however, that any such termination shall not restrict or terminate the City's right and authority to collect from any subject utility any amounts which become due under this Ordinance prior to that termination.

Keizer City Attorney
930 Chemawa Road NE
PO Box 21000
Keizer, Oregon 97307
503-856-3433

Section 2. EFFECTIVE DATE. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, an emergency is declared to exist and this Ordinance shall take effect immediately upon its passage.

PASSED this ________ day of ___________________, 2011.

SIGNED this ________ day of ___________________, 2011.

____
Mayor

____
City Recorder

Keizer City Attorney
930 Chemawa Road NE
PO Box 21000
Keizer, Oregon 97307
503-856-3433

BILL NO. ____ A BILL ORDINANCE NO. 2011-__________

FOR

AN ORDINANCE

RELATING TO THE AMENDMENT OF THE GAS UTILITY LICENSE FEE ORDINANCE; DECLARING AN EMERGENCY **(AMENDING ORDINANCE NO. 94-285)**

WHEREAS, the City Council of the City of Keizer has adopted Ordinance No. 94-285 which establishes utility license fees for gas utilities;

WHEREAS, Ordinance No. 94-285 has been extended to June 15, 2011;

WHEREAS, the City Council of the City of Keizer has determined that it is appropriate to renew the ordinance to August 31, 2011;

NOW THEREFORE, the City of Keizer ordains as follows:

Section 1. AMENDMENT OF ORDINANCE NO. 94-285. Ordinance No. 94-285 (An Ordinance Relating to Gas Utilities in the City of Keizer; Establishing Utility License Fees and Declaring an Emergency) is hereby amended at Section 9 as follows:

> Section 9. TERMINATION. This Ordinance shall automatically terminate on August 31, 2011 unless the City Council shall renew it, provided, however, that any such termination shall not restrict or terminate the City's right and authority to collect from any subject utility any amounts which become due under this Ordinance prior to that termination.

Keizer City Attorney
930 Chemawa Road NE
PO Box 21000
Keizer, Oregon 97307
503-856-3433

Section 2. EFFECTIVE DATE. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, an emergency is declared to exist and this Ordinance shall take effect immediately upon its passage.

PASSED this ________ day of ___________________, 2011.

SIGNED this ________ day of ___________________, 2011.

____
Mayor

____
City Recorder

Keizer City Attorney
930 Chemawa Road NE
PO Box 21000
Keizer, Oregon 97307
503-856-3433

CITY COUNCIL MEETING: June 6, 2011

AGENDA ITEM NUMBER:____________

TO: **MAYOR CHRISTOPHER AND COUNCIL MEMBERS**

THROUGH: **CHRISTOPHER C. EPPLEY, CITY MANAGER**

FROM: **E. SHANNON JOHNSON, CITY ATTORNEY**

SUBJECT: **SECOND EXTENSION OF COMCAST CABLE TELEVISION FRANCHISE AGREEMENT**

The Comcast franchise agreement initially expired January 31, 2011, but was extended by Resolution to June 30, 2011.

At this point Comcast has been unwilling to enter into renewal agreements with any of the localities. It appears that they are not going to be willing to do so until certain other agreements fall into place.

It would be appropriate at this stage to extend the agreement to February 28, 2012. Comcast has taken the position that they are not required to sign any extension agreements, therefore, we do not do a specific extension agreement. Instead we have drafted a Resolution indicating the City is allowing them to proceed under the current regulations.

RECOMMENDATION:

Adopt the attached Resolution.

Please let me know if you have any questions. Thank you.

ESJ/tmh

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2011-_____

APPROVING EXTENSION OF THE CABLE TELEVISION FRANCHISE AGREEMENT WITH COMCAST OF OREGON I, INC. (FORMERLY KNOWN AS FAR-WEST COMMUNICATIONS, INC., DBA AT&T CABLE SERVICES)

WHEREAS, the City of Keizer and Far-West Communications, Inc. entered into that certain cable television franchise agreement on or about August 29, 1994;

WHEREAS, the term of the agreement is for five years with two five-year renewal terms;

WHEREAS, the First Renewal Agreement was extended to July 31, 2005;

WHEREAS, the Second Renewal Agreement was extended to July 12, 2010;

WHEREAS, the City requested that Comcast of Oregon I, Inc. enter into an extension agreement extending the agreement to January 31, 2011, but Comcast of Oregon I, Inc. would not enter into a written extension agreement. Comcast of Oregon I, Inc. did not object to extending the agreement to January 31, 2011, or until a renewed agreement is signed, whichever occurs first. Therefore, the City Council extended the agreement to January 31, 2011 by Resolution No. R2010-2060;

WHEREAS, because the parties were unable to reach agreement on the renewal by January 31, 2011, the City Council extended the agreement to June 30, 2011 by

Keizer City Attorney
930 Chemawa Road NE
PO Box 21000
Keizer, Oregon 97307
503-390-3700

Resolution No. R2011-2096;

WHEREAS, the parties are continuing informal renewal negotiations in accordance with Section 626 of Title VI of the Communications Act of 1934, as amended, and the parties continue to reserve all rights under Section 626 of Title VI of the Communications Act of 1934, as amended, and do not waive any rights related thereto;

WHEREAS, because the parties are unable to reach agreement on the renewal by June 30, 2011, it will be necessary to extend the agreement;

WHEREAS, it is in the public interest to extend the agreement for an additional period of time so that cable service to the public will not be interrupted;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that the cable television franchise agreement with Comcast of Oregon I, Inc. shall be extended through February 28, 2012 or until a renewed agreement is signed, whichever occurs first.

PASSED this __________ day of _________________, 2011.

SIGNED this __________ day of _________________, 2011.

____
Mayor

____
City Recorder

Keizer City Attorney
930 Chemawa Road NE
PO Box 21000
Keizer, Oregon 97307
503-390-3700

COUNCIL MEETING: **June 6, 2011**

AGENDA ITEM NUMBER: ______________

TO: **MAYOR CHRISTOPHER AND CITY COUNCILORS**

THROUGH: **CHRIS EPPLEY**
CITY MANAGER

FROM: **SUSAN GAHLSDORF, CPA**
FINANCE DIRECTOR

SUBJECT: **DELINQUENT SEWER AND STORM WATER ASSESSMENTS**

ISSUE:

The City of Keizer collects sewer and storm water fees from residents and businesses of Keizer. The attached list marked as exhibit "A" represents an itemized list of delinquent accounts from February 28, 2010 through February 28, 2011. Each resident (and property owner, if different) has been notified by certified letter and given a sufficient amount of time to remit payment for their accounts. ORS 454.225 authorizes the City to certify the delinquent amounts to the County Assessor for the amounts assessed against the premises serviced. The statute also allows the City to collect penalty, interest or costs associated with the delinquencies. A 10% delinquent amount has been added as a penalty and a $35.00 administration fee has been added to cover the City's costs.

FISCAL IMPACT:

Delinquent assessments total $6,686.31 for tax year 2011-2012. This compares to $4,769.05 for tax year 2010-2011.

RECOMMENDATION:

Staff recommends the City Council adopt the attached Resolution, which certifies the delinquent sewer accounts to the County Assessor for collection.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2011-_____

CERTIFICATION OF DELINQUENT SEWER AND STORM WATER ACCOUNTS

WHEREAS, the City of Keizer is responsible for the collection of sewer fees for the City of Salem from the residents of Keizer; NOW THEREFORE,

BE IT RESOLVED that the attached Exhibit "A" is an itemized list of delinquent sewer charges through and including February 28, 2011 that the City has been unable to collect through the usual collection procedures; and

BE IT FURTHER RESOLVED that ten percent (10%) of the delinquent amount has been added as a penalty and that a $35.00 administration fee has been added to cover the City's costs; and

BE IT FURTHER RESOLVED that the amounts certified on the attached Exhibit "A" shall be added to the appropriate tax accounts as indicated pursuant to ORS 454.225.

PASSED this _____ day of __________________, 2011.

SIGNED this _____ day of __________________, 2011.

Mayor

City Recorder

CITY OF KEIZER

EXHIBIT "A"

DELIQUENT SEWER AND STORM WATER ACCOUNTS

Tax ID	Owner's Name		Service Address	Total
R20126	BRYANT	PATRICK L. & TANA L.	7495 WHEATLAND RD N	460.19
R45798	WAIT	JERRY W. & D. PAT	1095 CLEAR LAKE RD N	61.94
R20087	HASKINS	ROBERT F. & BARBARA J.	7225 WHEATLAND RD N	460.19
R43799	CUNNINGHAM/TATMAN	JAMES PATRICK/LUCINDA S.	5056 JOAN DR N	286.39
R45743	MILLER	KEVER A./KANDIS K.	1215 JAYS DR NE	460.19
R20048	PALMER	DONALD E.& TAMARA R.	6995 RIVER RD N	460.19
R20165	WHITE	SHANNON M. & SCOTT R.	7029 FIR GROVE LN N	551.87
R20551	JOSLIN	MICHAEL A	1817 CHEMAWA RD NE	460.19
R51948	ESTRADA	MARGARITO	4890 GOBERT AV NE	460.19
R20577	SINGH	ALICIA	5625 MCLEOD LN NE	88.47
R20342	COLLEGE-ANYONE LLC	STACY E. BROWN	1060 HARMONY DR NE	391.94
R20580	E-VILLAGE LLC	CHARLES SIDES	5580 ST CROIX WY NE	460.19
R20589	E-VILLAGE LLC	CHARLES SIDES	2290 CHEMAWA RD NE	477.79
R20518	EYERLY	STEVE	6025 MCLEOD LN NE	102.69
R20570	E-VILLAGE LLC	CHARLES SIDES	5530 ST CROIX WY NE	78.49
R20577	SINGH	ALICIA	5625 MCLEOD LN NE	409.01
R63508	LINARES	CARLOS & ISABEL	5032 8TH AV NE	281.39
R20584	E-VILLAGE LLC	CHARLES SIDES	5635 RIDGE DR NE	251.17
R20341	ESPIRITU	EZRA &TRACY	5715 TRAIL AV NE	69.64
R20076	HOPMAN/DERRENGER	RICHARD/ KATHERINE	725 FARMLAND LN NE	162.73
R19782	MARTUSHEFF/AYHAN	ARTIMON / HARTINA	7770 TIMOTHY LN NE	162.73
R25613	MILNE	MARY ANN	1510 CHEMAWA RD N	88.68
	TOTAL ASSESSMENTS DUE			6,686.31

COUNCIL MEETING:__June 6, 2011

AGENDA ITEM NUMBER:____________

TO: MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS

FROM: SUSAN GAHLSDORF, FINANCE DIRECTOR

THROUGH: CHRISTOPHER EPPLEY, CITY MANAGER

SUBJECT: DECLARATION OF THE CITY'S ELECTION TO RECEIVE STATE REVENUES AND CERTIFYING THE CITY PROVIDES FOUR OR MORE MUNICIPAL SERVICES

Oregon law requires cities to annually pass a resolution requesting state revenue sharing money. State law also provides that a city located within a county having more than 100,000 inhabitants must provide four or more municipal services to be eligible to receive state-shared revenue. This fact must be certified by the Oregon Office of Business Administration and supported by a city resolution.

FISCAL IMPACT:

Approximately $205k in State Shared Revenues is anticipated in fiscal year 2011-2012.

RECOMMENDATION:

Staff recommends the Council adopt the two attached resolutions so that the City may receive State Shared Revenues.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2011-______

DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUES

The City Council of the City of Keizer resolves as follows:

Pursuant to ORS 221.770, The City Council of the City of Keizer hereby elects to receive state revenues for fiscal year 2011-2012.

PASSED this ______ day of ______________________, 2011.

SIGNED this ______ day of ______________________, 2011.

____

Mayor

____

City Recorder

I certify that public hearings before the Budget Committee were held on May 3, 5, and 10, 2011 and a public hearing before the City Council was held on June 6, 2011, giving citizens opportunity to comment on use of State Revenue Sharing.

____

City Recorder

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2011-______

CERTIFYING THAT THE CITY OF KEIZER PROVIDES FOUR OR MORE MUNICIPAL SERVICES

WHEREAS, ORS 221.760 provides as follows:

Section 1. The officer responsible for disbursing funds to cities under ORS 323.455, 366.785 to 366.820 and 471.805 shall, in the case of a city located within a county having more than 100,000 inhabitants according to the most recent federal decennial census, disburse such funds only if the city provides four or more of the following services:

1) Police protection

2) Fire protection

3) Street construction, maintenance and lighting

4) Sanitary sewer

5) Storm sewers

6) Planning, zoning and subdivision control

7) One or more utility services

WHEREAS, city officials recognize the desirability of assisting the state officer responsible for determining the eligibility of cities to receive such funds in accordance with ORS 221.760; NOW THEREFORE,

BE IT RESOLVED that the City of Keizer hereby certifies that it provides the following four or more municipal services enumerated in Section 1, ORS 221.760:

1) Police protection

2) Street construction, maintenance and lighting

3) Storm sewers

4) Planning, zoning and subdivision control

5) Water utility services

PASSED this ______ day of ______________________, 2011.

SIGNED this ______ day of ______________________, 2011.

____

Mayor

____

City Recorder

CITY COUNCIL MEETING: June 6, 2011

AGENDA ITEM NUMBER:________________

TO: MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY
CITY MANAGER

FROM: KEVIN WATSON
ASSISTANT TO THE CITY MANAGER

SUBJECT: HORNET CT. LID

DATE: JUNE 6, 2011

BACKGROUND:

City Council at their May 2, 2011 meeting initiated the local improvement district (LID) process to make curb and sidewalk improvements along Hornet Ct. The next phase of the process is to develop an Engineers report which includes costs, boundary of the district and current parcel ownership for the limited scope of work outlined.

May 2, 2011 staff report attached outlines scope of work and additional LID details.

ATTACHMENTS:

Engineers Report for Hornet Ct. LID
May 2, 2011 staff report

RECOMMENDATION:

Staff recommends City Council adopt the attached Resolution approving the Engineers report and setting a Public Hearing on the Hornet Ct. LID. Please contact me if you have questions.

CITY COUNCIL MEETING: May 2, 2011

AGENDA ITEM NUMBER:________________

TO: **MAYOR CHRISTOPHER AND CITY COUNCIL MEMBERS**

THROUGH: **CHRIS EPPLEY**
CITY MANAGER

FROM: **KEVIN WATSON**
ASSISTANT TO THE CITY MANAGER

SUBJECT: **HORNET COURT LOCAL IMPROVEMENT DISTRICT (LID)**

DATE: **MAY 2, 2011**

BACKGROUND:

City staff recently received a request from neighbors along Hornet Court to improve the sidewalks for all property owners. The existing sidewalk can be upgraded with a full replacement if Council chooses to form an LID. Prior to City Council initiating the LID staff generated a letter to the affected property owners to determine level of interest for the roadway improvements. Response from over 50% of the property owners via e-mail and phone conversations was generally in favor of the improvement project.

City Ordinance 84-028 outlines the procedure for initiating LID for street, water, sewer and other public improvements.

Attachments: Letter to Property Owners

FISCAL IMPACT:

If City Council chooses to fund all or a portion of the LID the appropriate level funding is available in the Street Fund.

RECOMMENDATION:

Staff recommends Council adopt the attached Resolution initiating a LID for sidewalk improvements to Hornet Court. Please contact me if you have questions.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2011-_____

APPROVING CITY ENGINEER'S REPORT FOR PROPOSED HORNET COURT LOCAL IMPROVEMENT DISTRICT FOR SIDEWALK IMPROVEMENTS; PROVIDING NOTICE AND SETTING PUBLIC HEARING

BE IT RESOLVED by the City Council of the City of Keizer:

Section 1. That the City Council hereby finds the preliminary plans and an estimate of probable costs contained in the City Engineer's report for Hornet Court Local Improvement District attached hereto which was filed with the City Recorder on May 26, 2011, to be satisfactory, and the same are hereby approved and adopted.

Section 2. That the City Council hereby declares its intention to make the sidewalk improvements to Hornet Court Local Improvement District and hereby declares that the sidewalk improvements to be made to Hornet Court be assessed against the properties benefitting from the improvements.

Section 3. That the City Council hereby directs the City Recorder to give notice of intention to make the improvements by publication once each week for two (2) successive weeks in a newspaper of general circulation in the City of Keizer stating a public hearing will be held on July 11, 2011, said notice to also provide that information required under City of Keizer Ordinance 84-028 (An Ordinance Providing Procedures for Public Improvements and Special Assessments).

Keizer City Attorney
930 Chemawa Road NE
PO Box 21000
Keizer, Oregon 97307
503-390-3700

Section 4. That the City Council hereby directs the City Recorder to mail notice of the proposed assessments to each owner in the local improvement district with notice that any objections to the Engineer's Report and the proposed assessment will be considered by the City Council at the aforesaid July 11, 2011 public hearing.

Section 5. That the City Council may abandon the proceedings for the improvements if sufficient property owner support for the local improvement district does not materialize or if sufficient remonstrances are received.

PASSED this __________ day of _________________, 2011.

SIGNED this __________ day of _________________, 2011.

____
Mayor

____
City Recorder

Keizer City Attorney
930 Chemawa Road NE
PO Box 21000
Keizer, Oregon 97307
503-390-3700

City of Keizer

Phone: (503) 390-3700 • Fax: (503) 393-9437
930 Chemawa Rd. N.E. • P.O. Box 21000 • Keizer, OR 97307-1000

ENGINEER'S REPORT

FOR

HORNET COURT N

LOCAL IMPROVEMENT DISTRICT

For City Council Action June 6, 2011

REGISTERED PROFESSIONAL ENGINEER
5191PE
OREGON
JULY 12, 1968
WILLIAM I. PETERSON

Renew date: December 31, 2012

PREPARED BY:
Peterson Eng. Consultants, Inc.

4300 Cherry Ave. NE
Keizer, OR 97303
(503) 390-7402

Date: May 26, 2011

Project File: No. 1180

TO: The Hon. Mayor and City Council

FROM: City Engineer's Office

SUBJECT: Local Improvement District for Hornet Court N.

Authority and Purpose: This report is submitted in accordance with the requirements of City of Keizer **Ordinance No. 84-028 and City Council Resolution No. 2011-2129** for the purpose of creating the subject Local Improvement District.

District Boundaries and Map: A Map of the proposed District is attached showing the areas benefitted by the proposed improvements.

Improvement Plan: The project will consist of removing and replacing approximately 882 lineal feet of type "c" curb, sidewalks, driveway approaches, and miscellaneous shrubbery.

This design is selected to meet current standards and provide the most cost effective solution. It is recommended that installation be accomplished by the following method:

Estimated Costs:

The total estimated cost to be assessed by the L.I.D. will be approximately $25,366.00 to be assessed to the 9 lots based on the frontages of each and the work required to complete the project. In addition, but not assessed to the property owners, the City will be responsible for removal and replacement of curbs required for the project. An administrative fee of 5% of the project cost will be charged by the City and assessed to the property owners. The administrative fee Includes tax roll preparation, audit, delinquencies and miscellaneous administrative costs to the City as authorized by Ordinance 84-028.

Method of Assessment: It is recommended that the costs be assessed to each lot as indicated on the attached breakdown titled "Hornet Court Sidewalk Improvements, L.I.D.

Assessment Roll:

The attached address list obtained from the most current county records identifies the benefitted properties.

Respectfully submitted,

William I. Peterson, PE

HORNET COURT SIDEWALK IMPROVEMENTS L.I.D.

494 HORNET COURT	LENGTH	ESTIMATED COST
Sidewalk	176 ft.	$4,004.00
Driveway	17.5 ft.	$1,228.00
Curb		City
494 Total L.I.D. Cost		**$5,232.00**
484 HORNET COURT		
Sidewalk	56	$1,274.00
Driveway	18	$1,263.00
Curb		City
484 TOTAL L.I.D. COST		**$2,537.00**
464 HORNET COURT		
Sidewalk	56	$1,274.00
Driveway	11.5	$1,333.00
Curb		City
464 TOTAL L.I.D. COST		**$2,607.00**
454 HORNET COURT		
Sidewalk	58	$1,320.00
Driveway	23	$ 562.00
Curb		City
454 TOTAL L.I.D. COST		**$1,882.00**
444 HORNET COURT		
Sidewalk	20	$ 455.00
Driveway	26	$ 793.00
Curb		City
444 TOTAL L.I.D. COST		**$1,248.00**
445 HORNET COURT		
Sidewalk	23	$ 524.00
Driveway	0	
Curb	0	
445 TOTAL L.I.D. COST		**$ 524.00**
455 HORNET COURT		
Sidewalk	64	$1,456.00
Driveway	20.5	500.00
Curb		City
455 TOTAL L.I.D. COST		**$1,956.00**

475 HORNET COURT		
Sidewalk	90	$2,048.00
Driveway	17.8	$1,249.00
Curb		City
475 TOTAL L.I.D. COST		**$3,297.00**
495 HORNET COURT		
Sidewalk	187	$4,255.00
Driveway	17.5	$1,228.00
Curb		City
Shrub Removal		$ 600.00
495 TOTAL L.I.D. COST		**$6,083.00**

MAP TAX LOT	ADDRESS	OWNER NAME
073W10AA07600	444 HORNET CT N	EDSALL,VAUGHN S & EDSALL,TAMARA M
073W10AA07500	445 HORNET CT N	KLEIN,WILLIAM R 50% & JEROME A KLEIN TR 50%
073W10AA07700	454 HORNET CT N	OCHSNER,BRIAN S & REGINA L
073W10AA07400	455 HORNET CT N	WALKER,SHARON K
073W10AA07800	464 HORNET CT N	HAYHURST,DIANNE H
073W10AA07300	475 HORNET CT N	GLEASON,PEGGY A & GLEASON,PAUL D
073W10AA07900	484 HORNET CT N	KELDER,JEFFREY A & JUDITH E
073W10AA08000	494 HORNET CT N	ENGLISH,REID A & LUELLA J
073W10AA07200	495 HORNET CT N	BLANCHETTE,ELEANOR ANNE

380
45
475
495
5TH
HORNET
484
3798
3787
3797

CITY COUNCIL MEETING: June 6, 2011

AGENDA ITEM NUMBER:____________

TO: MAYOR CHRISTOPHER AND COUNCIL MEMBERS

THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER

FROM: E. SHANNON JOHNSON, CITY ATTORNEY

SUBJECT: RESOLUTION APPOINTING ACTING CITY ATTORNEY

As I have indicated to the Council, I will be unavailable for almost three weeks on extended vacation beginning June 17, 2011.

I have previously contacted John Lien who was the original city attorney and has represented the City since incorporation. He is available during the term of my vacation and I felt it was appropriate for the Council to formally appoint John as acting city attorney due to the fact that there may be documents to sign or representations to make if absolutely necessary and I did not want to have any question regarding his authority.

Due to budgetary constraints, staff will be careful to engage Mr. Lien only when absolutely necessary. Mr. Lien has agreed to charge the City $145.00 per hour which is the same rate that the firm charged the City two years ago.

RECOMMENDATION:

Adopt the attached Resolution appointing John A. Lien acting city attorney.

Please let me know if you have any questions. Thank you.

ESJ/tmh

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2011-_____

APPOINTING ACTING CITY ATTORNEY

WHEREAS, E. Shannon Johnson has been appointed as City Attorney;

WHEREAS, upon occasion the City Attorney may be unavailable for reasons of vacation, illness, or other unexpected events;

WHEREAS, John A. Lien has agreed, on a limited basis to act as acting city attorney on behalf of the City of Keizer;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that John A. Lien is hereby appointed acting city attorney for matters when and if needed when the City Attorney is unavailable.

BE IT FURTHER RESOLVED that until further City Council Resolution, the appointment of John A. Lien as acting city attorney shall remain in full force and effect.

BE IT FURTHER RESOLVED that staff is directed to only engage Mr. Lien in this capacity when absolutely necessary due to budget constraints.

Keizer City Attorney
930 Chemawa Road NE
PO Box 21000
Keizer, Oregon 97307
503-390-3700

BE IT FURTHER RESOLVED that compensation to John A. Lien shall be $145.00 per hour.

PASSED this __________ day of _________________, 2011.

SIGNED this __________ day of _________________, 2011.

____
Mayor

____
City Recorder

Keizer City Attorney
930 Chemawa Road NE
PO Box 21000
Keizer, Oregon 97307
503-390-3700

COUNCIL MEETING: **June 6, 2011**

AGENDA ITEM NUMBER: ______________

TO: **MAYOR CHRISTOPHER AND CITY COUNCILORS**

THROUGH: **CHRIS EPPLEY, CITY MANAGER**

FROM: **SUSAN GAHLSDORF, FINANCE DIRECTOR**

SUBJECT: **Amendment to Identity Theft Red Flag Program R2008-1900**

ISSUE: The Red Flags Rule implements portions of the Fair and Accurate Credit Transactions Act of 2003 (FACTA). Section 111 of FACTA defines "Identity Theft" as "fraud committed using the identifying information of another person."

Under the Red Flags Rule, every financial institution and "creditor" (defined below) is required to establish an Identity Theft Prevention Program tailored to its size, complexity and the nature of its operation. The program must contain reasonable policies and procedures to:

- Identify relevant Red Flags for new and existing "covered accounts" (defined below) and incorporate those Red Flags into the Program;
- Detect Red Flags that have been incorporated into the Program;
- Respond appropriately to any Red Flags that are detected to prevent and mitigate Identity Theft; and
- Ensure the Program is updated periodically to reflect changes in risks to customers or to the safety and soundness of the creditor from Identity Theft.

According to the Rule, a municipal utility is a "creditor" subject to the Rule requirements. "Covered Accounts" are all the individual utility service accounts held by customers of the utility whether residential, commercial or industrial.

On October 20, 2008 the City Council adopted a written program that identifies and detects warning signs, also known as "Red Flags" of identity theft. The Program went into effect November 1, 2008.

Staff recently reviewed the program and requests the following modifications:

1. Section VII A. references the Assistant to the City Manager as the position overseeing the City's Information Systems. Due to reassignment of duties, the Finance Department will oversee the City's Information Systems beginning in June 2011.

2. Section VII B. requires annual staff training. Staff recommends replacing this section with a requirement that staff annually review the City's Program and sign an acknowledgement that they have done so. Staff believes this is a better use of resources since training can be costly and time-consuming. Staff applies the elements of the Identity Theft Program on a daily basis and consequently is familiar with the Program requirements.

The amendments to the Program can be found on the document attached to the amended Resolution. Recommended deletions are crossed out and additions are underlined.

FISCAL IMPACT: There is no direct fiscal impact to the recommended changes to this program.

RECOMMENDATION: Staff recommends the City Council adopt the attached resolution updating the Identity Theft Prevention Program for the City of Keizer.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2011-_____

UPDATING IDENTITY THEFT PREVENTION PROGRAM; **AMENDING RESOLUTION R2008-1900**

WHEREAS, the City Council of the City of Keizer adopted the Identity Theft Prevention Program for Keizer on October 20, 2008 by Resolution R2008-1900;

WHEREAS, City staff has reviewed the Program and is recommending changes to allow reassignment of duties and to establish different training guidelines as set forth in the attached updated Identity Theft Prevention Program;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that the Identity Theft Prevention Program as updated on June 6, 2011 attached hereto is hereby adopted.

BE IT FURTHER RESOLVED by the City Council of the City of Keizer that Resolution No. R2008-1900 is hereby amended by the adoption of the updated Identity Theft Prevention Program attached hereto.

PASSED this __________ day of _________________, 2011.

SIGNED this __________ day of _________________, 2011.

____
Mayor

____
City Recorder

Keizer City Attorney
930 Chemawa Road NE
PO Box 21000
Keizer, Oregon 97307
503-390-3700

City of Keizer

Identity Theft Prevention Program

Effective beginning November 1, 2008

Updated June 6, 2011

I. PROGRAM ADOPTION

The City of Keizer ("Utility") developed this Identity Theft Prevention Program ("Program") pursuant to the Federal Trade Commission's Red Flags Rule ("Rule"), which implements Section 114 of the Fair and Accurate Credit Transactions Act of 2003. 16 C. F. R. § 681.2. This Program was developed with oversight and approval of the City Council. After consideration of the size and complexity of the Utility's operations and account systems, and the nature and scope of the Utility's activities, the City Council determined that this Program was appropriate for the City of Keizer, and therefore adopted this Program on October 20, 2008.

II. PROGRAM PURPOSE AND DEFINITIONS

A. Fulfilling requirements of the Red Flags Rule

Under the Red Flag Rule, every financial institution and creditor is required to establish an "Identity Theft Prevention Program" tailored to its size, complexity and the nature of its operation. Each program must contain reasonable policies and procedures to:

1. Identify relevant Red Flags for new and existing covered accounts and incorporate those Red Flags into the Program;
2. Detect Red Flags that have been incorporated into the Program;
3. Respond appropriately to any Red Flags that are detected to prevent and mitigate Identity Theft; and
4. Ensure the Program is updated periodically, to reflect changes in risks to customers or to the safety and soundness of the creditor from Identity Theft.

B. Red Flags Rule definitions used in this Program

The Red Flags Rule defines "Identity Theft" as "fraud committed using the identifying information of another person" and a "Red Flag" as "a pattern, practice, or specific activity that indicates the possible existence of Identity Theft."

According to the Rule, a municipal utility is a creditor subject to the Rule requirements. The Rule defines creditors "to include finance companies, automobile dealers, mortgage brokers, utility companies, and telecommunications companies. Where non-profit and government entities defer payment for goods or services, they, too, are to be considered creditors."

All the Utility's accounts that are individual utility service accounts held by customers of the utility whether residential, commercial or industrial are covered by the Rule. Under the Rule, a "covered account" is:

1. Any account the Utility offers or maintains primarily for personal, family or household purposes, that involves multiple payments or transactions; and
2. Any other account the Utility offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the Utility from Identity Theft.

"Identifying information" is defined under the Rule as "any name or number that may be used, alone or in conjunction with any other information, to identify a specific person," including: name, address, telephone number, social security number, date of birth, government issued driver's license or identification number, alien registration number, government passport number, employer or taxpayer identification number, unique electronic identification number, computer's Internet Protocol address, or routing code.

III. IDENTIFICATION OF RED FLAGS.

In order to identify relevant Red Flags, the Utility considers the types of accounts that it offers and maintains, the methods it provides to open its accounts, the methods it provides to access its accounts, and its previous experiences with Identity Theft. The Utility identifies the following red flags, in each of the listed categories:

A. Notifications and Warnings From Credit Reporting Agencies

Red Flags

1) Report of fraud accompanying a credit report;
2) Notice or report from a credit agency of a credit freeze on a customer or applicant;
3) Notice or report from a credit agency of an active duty alert for an applicant; and
4) Indication from a credit report of activity that is inconsistent with a customer's usual pattern or activity.

B. Suspicious Documents

Red Flags

1. Identification document or card that appears to be forged, altered or inauthentic;
2. Identification document or card on which a person's photograph or physical description is not consistent with the person presenting the document;
3. Other document with information that is not consistent with existing customer information (such as if a person's signature on a check appears forged); and
4. Application for service that appears to have been altered or forged.

C. Suspicious Personal Identifying Information

Red Flags

1. Identifying information presented that is inconsistent with other information the customer provides (example: inconsistent birth dates);
2. Identifying information presented that is inconsistent with other sources of information (for instance, an address not matching an address on a credit report);
3. Identifying information presented that is the same as information shown on other applications that were found to be fraudulent;
4. Identifying information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address);
5. Social security number presented that is the same as one given by another customer;
6. An address or phone number presented that is the same as that of another person;
7. A person fails to provide complete personal identifying information on an application when reminded to do so (however, by law social security numbers must not be required); and
8. A person's identifying information is not consistent with the information that is on file for the customer.

D. Suspicious Account Activity or Unusual Use of Account

Red Flags

1. Change of address for an account followed by a request to change the account holder's name;
2. Payments stop on an otherwise consistently up-to-date account;
3. Account used in a way that is not consistent with prior use (example: very high activity);
4. Mail sent to the account holder is repeatedly returned as undeliverable;
5. Notice to the Utility that a customer is not receiving mail sent by the Utility;
6. Notice to the Utility that an account has unauthorized activity;
7. Breach in the Utility's computer system security; and
8. Unauthorized access to or use of customer account information.

E. Alerts from Others

Red Flag

1. Notice to the Utility from a customer, identity theft victim, law enforcement or other person that it has opened or is maintaining a fraudulent account for a person engaged in Identity Theft.

IV. DETECTING RED FLAGS.

A. New Accounts

In order to detect any of the Red Flags identified above associated with the opening of a **new account**, Utility personnel will take the following steps to obtain and verify the identity of the person opening the account:

Detect

1. Require certain identifying information such as name, date of birth, residential or business address, principal place of business for an entity, driver's license or other identification;
2. Verify the customer's identity (for instance, review a driver's license or other identification card);
3. Review documentation showing the existence of a business entity; and
4. Independently contact the customer.

B. Existing Accounts

In order to detect any of the Red Flags identified above for an **existing account**, Utility personnel will take the following steps to monitor transactions with an account:

Detect

1. Verify the identification of customers if they request information (in person, via telephone, via facsimile, via email);
2. Verify the validity of requests to change billing addresses; and
3. Verify changes in banking information given for billing and payment purposes.

V. PREVENTING AND MITIGATING IDENTITY THEFT

In the event Utility personnel detect any identified Red Flags, such personnel shall take one or more of the following steps, depending on the degree of risk posed by the Red Flag:

Prevent and Mitigate

1. Continue to monitor an account for evidence of Identity Theft;
2. Contact the customer;
3. Change any passwords or other security devices that permit access to accounts;
4. Not open a new account;
5. Close an existing account;
6. Reopen an account with a new number;
7. Notify the Program Administrator for determination of the appropriate step(s) to take;

8. Notify law enforcement; or
9. Determine that no response is warranted under the particular circumstances.

Protect customer identifying information

In order to further prevent the likelihood of Identity Theft occurring with respect to Utility accounts, the Utility will take the following steps with respect to its internal operating procedures to protect customer identifying information:

1. Ensure that its website is secure or provide clear notice that the website is not secure;
2. Ensure complete and secure destruction of paper documents and computer files containing customer information;
3. Ensure that office computers are password protected and that computer screens lock after a set period of time;
4. Keep offices clear of papers containing customer information;
5. Request only the last 4 digits of social security numbers (if any);
6. Ensure computer virus protection is up to date; and
7. Require and keep only the kinds of customer information that are necessary for utility purposes.

VI. PROGRAM UPDATES

The Program Administrator will periodically review and update this Program to reflect changes in risks to customers and the soundness of the Utility from Identity Theft. In doing so, the Program Administrator will consider the Utility's experiences with Identity Theft situations, changes in Identity Theft methods, changes in Identity Theft detection and prevention methods, and changes in the Utility's business arrangements with other entities. After considering these factors, the Program Administrator will determine whether changes to the Program, including the listing of Red Flags, are warranted. If warranted, the Program Administrator will update the Program or present the City Council with his or her recommended changes and the City Council will make a determination of whether to accept, modify or reject those changes to the Program.

VII. PROGRAM ADMINISTRATION.

A. Oversight

Responsibility for developing, implementing and updating this Program lies with an Identity Theft Committee for the Utility. The Committee is headed by the City Manager or his or her designee. The Finance Director, who oversees the City's Utility Billing operation and the Assistant ~~to the City Manager~~ Controller, who oversees the City's Information Systems shall comprise the remainder of the committee membership. The City Manager, or his or her designee, will be responsible for the Program administration, for ensuring appropriate training of

Utility staff on the Program, for reviewing any staff reports regarding the detection of Red Flags and the steps for preventing and mitigating Identity Theft, determining which steps of prevention and mitigation should be taken in particular circumstances and considering periodic changes to the Program.

B. Staff Training and Reports

Utility staff responsible for implementing the Program shall be trained either by or under the direction of the Program Administrator in the detection of Red Flags, and the responsive steps to be taken when a Red Flag is detected. Training shall occur ~~at least annually for all Utility Billing staff and~~ during orientation for new hires. Utility Billing staff shall be required to review the Identity Theft Prevention Program annually and sign an acknowledgement form stating that they have read the Program and understand its contents.

C. Service Provider Arrangements

In the event the Utility engages a service provider to perform an activity in connection with one or more accounts, the Utility will take the following steps to ensure the service provider performs its activity in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of Identity Theft.

1. Require, by contract, that service providers have such policies and procedures in place; and
2. Require, by contract, that service providers review the Utility's Program and report any Red Flags to the Program Administrator.

D. Non-disclosure of Specific Practices

For the effectiveness of this Identity Theft Prevention Program, knowledge about specific Red Flag identification, detection, mitigation and prevention practices must be limited to the Identity Theft Committee who developed this Program and to those employees with a need to know them. Any documents that may have been produced or are produced in order to develop or implement this program that list or describe such specific practices and the information those documents contain are considered "security information" as defined in Oregon Revised Statutes Section 192.501(23) and are unavailable to the public because disclosure of them would be likely to substantially jeopardized the security of information against improper use, that use being to circumvent the Utility's Identity Theft prevention efforts in order to facilitate the commission of Identity Theft.

MINUTES
KEIZER CITY COUNCIL
Monday, April 18, 2011
Keizer Civic Center, Council Chambers
Keizer, Oregon

CALL TO ORDER

Mayor Christopher called the meeting to order at 7:02 pm. Roll Call was taken as follows:

Present:	**Staff:**
Lore Christopher, Mayor	Chris Eppley, City Manager
Cathy Clark, Council President	Shannon Johnson, City Attorney
Jim Taylor, Councilor	Nate Brown, Community Development
Joe Egli, Councilor	Rob Kissler, Public Works Director
David McKane, Councilor	Kevin Watson, Assistant to the C.M.
Brandon Smith, Councilor	Mark Adams, Police Chief
Mark Caillier, Councilor	Tracy Davis, City Recorder
Youth Councilor Hugo Nicolas	

FLAG SALUTE

Samuel Elder from Boy Scout Troop 167 led the pledge of allegiance.

PUBLIC TESTIMONY

David Philbrick, Keizer, reported on Parks Advisory Board activity including discussion with: a representative of Keizer Youth Sports on revising the Keizer Little League Agreement, a representative of West Keizer Neighborhood Association regarding planning the additional acreage at Keizer Rapids Park, and a dog park user asking permission to do a fundraiser for the dog park. He reported that the majority of the meeting was spent discussing the staff-proposed budget for parks and explained that SDC methodology creates a need for a source of revenue to fund park maintenance and improvements and the Parks Board intends to focus attention on that. Mayor Christopher encouraged the Parks Board to develop an inventory of area park improvements/play structures with a projected life expectancy so that replacements can be anticipated in advance and funding allocated.

Bill White, Keizer, voiced opposition to allowing chickens inside city limits but suggested that if Council decides to allow chickens, they charge permits and fees to cover the administrative expense involved.

Richard Walsh, Keizer, explained that redistricting was important to the City because it determines whether or not it is fairly represented. He urged citizens to participate the upcoming redistricting public hearing and urged Council to write a letter stating that they do not want to divide the community interest and want to utilize existing geographical and political boundaries. Council directed City Manager Chris Eppley to write this letter.

PUBLIC HEARING None

ADMINISTRATIVE ACTION

a. ORDER – In the Matter of the Application of E Village, LLC for Approval of the Keizer Station Master Plan/Subdivision (Area C – Keizer Station) (Master Plan Case No. 2010-16/ Subdivision Case No. 2010-18

City Attorney Shannon Johnson reminded Council that they had addressed this issue during two nights of public hearing and Council had subsequently directed staff to prepare an appropriate order granting that case. He pointed out minor clerical or clarifying changes included in a handout he had distributed. Discussion then took place regarding details of the concurrency requirement, requiring irrevocable funding prior to issuance of the building permit, and performance bonds. Councilor Caillier suggested replacing "Performance Bond or" with "Performance Bond and" on Page 12 on Exhibit E. Mr. Johnson expressed concern for this requirement.

Councilor Clark moved that Keizer City Council approve an Order In the Matter of the Application of E Village, LLC for Approval of the Keizer Station Master Plan/Subdivision (Area C – Keizer Station) (Master Plan Case No. 2010-16/ Subdivision Case No. 2010-18, as amended by the handout. Councilor Taylor seconded.

Councilor Caillier offered a friendly amendment to amend Exhibit E, Page 12, C4 "Submittal and approval by the City Manager of an appropriate guarantee and completion/performance bond and other reasonably acceptable form of security to guarantee the completion of the required mixed use development". Councilors Clark and Taylor did not accept the friendly amendment.

Councilor Caillier moved to amend Exhibit E, Page 12, C4 "Submittal and approval by the City Manager of an appropriate guarantee and completion/performance bond and other reasonably acceptable form of security to guarantee the completion of the required mixed use development". Motion died for lack of second.

Councilor Egli offered a friendly amendment to move C1, the condition 1 into the B area and make it a condition of the building permit instead of occupancy. Councilors Clark and Taylor did not accept the friendly amendment.

Councilor Egli moved to move Condition 1 of Section C to make it Condition 1 of Section B a requirement of the building permit. Councilor Caillier seconded.

Discussion then took place regarding the importance of knowing financing is in place at the beginning of a project, dealing with construction changes and having the funding requirement in both Section B and C.

Councilor Egli amended his motion to have Condition 1 in both Section B and Section C. Councilor Caillier accepted the amendment. Motion failed as follows:

AYES: Christopher, Egli, and Caillier (3)
NAYS: McKane, Clark, Taylor and Smith (4)
ABSTENTIONS: None (0)
ABSENT: None (0)

Mayor Christopher restated the original motion: That Keizer City Council approve an Order In the Matter of the Application of E Village, LLC for Approval of the Keizer Station Master Plan/Subdivision (Area C – Keizer Station) (Master Plan Case No. 2010-16/ Subdivision Case No. 2010-18, as amended by the handout. Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

b. ORDER – In the Matter of the Application of Dave Kamrath of Foundation Properties for Approval to Amend Condition 19 of Previously Approved Subdivision for Property Located at 5050 Windsor Island Road N. Keizer, Oregon (Case No. 2010-9)

Mr. Johnson reminded Council that they had addressed this issue during a public hearing and Council had subsequently directed staff to prepare an appropriate order granting that case. He directed their attention to a new page with a clerical correction noting that other than that there were no other changes.

Councilor Clark moved that the Keizer City Council approve an Order In the Matter of the Application of Dave Kamrath of Foundation Properties for Approval to Amend Condition 19 of Previously Approved Subdivision for Property Located at 5050 Windsor Island Road N. Keizer, Oregon (Case No. 2010-9) as amended. Councilor Smith seconded.

Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

c. RESOLUTION – Initiating Legislative Amendments to the Keizer Development Code to Consider Amending

Assistant to the City Manager Kevin Watson reminded Council that they had addressed this issue at a previous meeting and had subsequently directed staff to return with a resolution to formally initiate a text amendment to the Keizer Development Code to include standards relating to the keeping of chickens on residentially zoned properties.

Councilor Clark moved that the Keizer City Council adopt a Resolution Initiating Legislative Amendments to the Keizer Development Code to Consider Amending Sections to Allow Urban Chickens in Residential Zones. Councilor Taylor seconded.

Sections to Allow Urban Chickens in Residential Zones

Motion passed as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier and Clark (6)
NAYS: Taylor (1)
ABSTENTIONS: None (0)
ABSENT: None (0)

d. RESOLUTION – Authorizing the City Manager to Sign the Keizer Rotary Amphitheatre Management Agreement for 2011 City Sponsored Concert Series

Mr. Johnson pointed out that Clint Holland had requested that Council sponsor 11 concerts rather than 9. He also noted an area of confusion regarding City participation in securing sponsorships and printing of notices for inclusion in the water bills. He suggested that appropriate verbiage might be to add the phrase "if approved in the budget process" or simply delete it or specify that it is printed on the bill. Discussion then took place regarding this issue.

Clint Holland, Keizer, noted that the first contract had asked for 12 concerts and that 8 are scheduled for Saturdays and the remaining are on Wednesdays. Discussion then took place regarding the number of concerts, advertising, cost to the City, public perception, budget constraints, and neighborhood impact of more concerts.

Councilor Clark moved that Keizer City Council approve a Resolution Authorizing the City Manager to Sign the Keizer Rotary Amphitheatre Management Agreement for 2011 City Sponsored Concert Series. Councilor Taylor seconded.

Councilor Taylor offered a friendly amendment to allow two more concerts on Wednesday and that those dates be firmed up by May 15 and that any extra costs to the City be mitigated by Mr. Holland's group. Councilor Clark did not accept this amendment.

Councilor Taylor moved to amend the agreement to allow two more concerts on Wednesday and that those dates be firmed up by May 15 and that any extra costs to the City be mitigated by Mr. Holland's group. Motion died for lack of second.

Councilor Egli declared a potential conflict of interest because both Mr. Holland and Mr. Walsh do business in his office.

Councilor Smith offered a friendly amendment to change on the agreement, page 2 Section C, the line that says "The City also agrees to place notices of City sponsored concerts in the water bills." To "The City also agrees to print on the City water bill notice of the concert series." Councilors Clark and Taylor accepted the friendly amendment.

Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

e. Position Letter on Target Rulemaking Advisory Committee – Metropolitan Greenhouse Gas Emission Reduction Target Rules

Councilor Clark explained that she had brought this matter before the Council because the Target Rulemaking Committee on Greenhouse Gas Targets will be coming to a public hearing on April 21 and this has the potential of generating costs to local jurisdictions. She voiced concern that the committee will set unrealistic targets and explained that most of the assumptions relate to new construction and the City of Keizer is basically "built out". She requested a letter supporting amendments to the target rules to take to the public hearing.

<u>Councilor Clark moved that Keizer City Council direct staff to prepare a letter to be submitted to the Land Conservation and Development Commission at the April 21, 2011 public hearing regarding the Target Rulemaking Advisory Committee recommendation on greenhouse gas targets. Councilor Taylor seconded.</u>

Councilor McKane noted that he had read the Salem report and it appeared that Salem is concerned as well because Salem and Keizer are being compared to Portland and they don't have commuters within the city like Portland does. Councilor Clark confirmed that noting that over half of the Keizer vehicle miles generated are outside of the area.

<u>Motion passed unanimously as follows:</u>

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

CONSENT CALENDAR

A. RESOLUTION – Continuing Events and Festivals Task Force
B. RESOLUTION – Authorization for Appropriation Transfer for Public Safety Expenses
C. RESOLUTION – Authorizing City Manager to Award and Enter Into an Agreement with Gelco Construction Company for Construction of Thorman Street NE Storm Drain Improvements
D. RESOLUTION – Termination License to Use Real Property to Display Art Dated September 17, 2008 (Keizer Veterinary Clinic)
E. Approval of February 7, 2011 Regular Session Minutes
F. Approval of February 7, 2011 Special City Council/Urban Renewal Agency Joint Session Minutes
G. Approval of February 22, 2011 Regular Session Minutes
H. Approval of March 7, 2011 Regular Session Minutes

<u>Councilor Clark moved that Keizer City Council approve the Consent Calendar. Councilor Smith seconded. Motion passed unanimously as follows:</u>

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

COMMITTEE REPORTS

Councilor Smith reported that the Parks Board report had already been given, Iris Festival Committee continues to meet, and Planning Commission had addressed text amendments on residential zones but had left the public hearing open for further review at the next meeting.

Councilor Taylor commended Councilor Caillier for his work on the Rotary party.

Councilor Clark asked for comments on the Regional Transportation Plan by May 9, and the Transit survey by April 20, announced that she would be attending the upcoming Target Rulemaking Committee on Greenhouse Gas, K-23 Advisory Committee and Events & Festivals Task Force meetings.

Mayor Christopher commended the recent library fundraising event, and announced that Good Vibrations would be coming back to the area again July 13 through 17. She reminded everyone of the Mayor's Prayer Breakfast on May 5, and announced that she had taken a tour of Keizer Rapids Park and the dog fountain is in. She urged everyone to check out her Facebook album called "Spring Comes to Keizer Rapids Bearing New Gifts" and thanked Public Works for all their efforts at the park.

Councilor Egli explained that River Road Renaissance Advisory Committee had been cancelled and that the Keizer Urban Renewal Board had approved a grant for improvements to Abby's Pizza.

Councilor Caillier reported on work done by Claggett Creek Watershed Council in conjunction with the Keizer Stormwater Department and announced the upcoming Keizer Cares forum.

Councilor McKane thanked Councilor Smith for attending the Planning Commission meeting for him and announced the date for the next Traffic Safety Commission meeting.

OTHER BUSINESS

Police Chief Mark Adams announced that the Rite Aid was robbed for the third time in 18 days but this time the thief was caught.

Public Works Director Rob Kissler announced plans for the sanitary sewer project at McNary Estates, and thanked McNary homeowners' Board for working closely with the City on this project. He thanked volunteer Dennis Esser who will be constructing the sound fence at the amphitheater noting that it should be finished before the first concert.

City Attorney Shannon Johnson noted that Mr. Holland will be presenting a list of perspective bands to the City Center Concert Band Selection Task Force by April 30 and the task force will have 20 days to make a final selection.

City Recorder Tracy Davis announced the date and time for the next Volunteer Coordinating Committee meeting.

Kevin Watson announced that the Library is holding Children's Reading Hours in the Civic Center lobby; check the Library for dates and times. The City has received a State Homeland Security Grant for upgrading the radios in Public Works Department to meet new FCC requirements.

WRITTEN COMMUNICATIONS

Mayor Christopher announced that Council had received a report on the Linda Avenue tree: The tree has been removed for six months, speed and count surveys indicate that the street is functioning at local street standards and 95% of the traffic is traveling at 26 mph or below. It appears additional traffic calming is not warranted.

AGENDA INPUT

April 25, 2011

6:00 p.m. – Town Hall Meeting

- Police Funding

May 2, 2011

7:00 p.m. City Council Regular Session

May 2, 2011

5:45 p.m. – City Council Work Session

- Housing Needs Analysis

ADJOURNMENT

Mayor Christopher adjourned the meeting at 8:52 p.m.

MAYOR: APPROVED:

Lore Christopher

Debbie Lockhart, Deputy City Recorder

COUNCIL MEMBERS

Councilor #1 – David McKane

Councilor #4 – Cathy Clark

Councilor #2 – Brandon Smith

Councilor #5 – Joe Egli

Councilor #3 – Mark Caillier

Councilor #6 – James Taylor

Minutes approved:

MINUTES
KEIZER CITY COUNCIL
Monday, May 2, 2011
Keizer Civic Center, Council Chambers
Keizer, Oregon

CALL TO ORDER

Mayor Christopher called the meeting to order at 7:12 pm. Roll Call was taken as follows:

Present:
Lore Christopher, Mayor
Cathy Clark, Council President
Jim Taylor, Councilor
Joe Egli, Councilor
David McKane, Councilor
Brandon Smith, Councilor
Mark Caillier, Councilor

Absent:
Youth Councilor Hugo Nicolas

Staff:
Chris Eppley, City Manager
Shannon Johnson, City Attorney
Nate Brown, Community Development
Rob Kissler, Public Works Director
Kevin Watson, Assistant to the C.M.
Mark Adams, Police Chief
Tracy Davis, City Recorder

FLAG SALUTE

Mayor Christopher led the pledge of allegiance.

PUBLIC TESTIMONY

Vickie Hilgemann, Keizer, representing the Keizer Parks Foundation, presented a check to the City for $2,000 as a contribution to the dog park water and irrigation fund. She praised the new grass and the water fountain donated by D & J Dog Grooming and encouraged everyone to participate in the "Paw Paver" program. She then reviewed the donation-funded Wild Wild Rec program and requested additional donations and announced that 32 garden plots at Whittam Park are available this year for $20 a month.

Christine Dieker, Keizer, reviewed upcoming Iris Festival events starting with the Mayor's Prayer Breakfast and thanked all the volunteers. She pointed out that this event and others bring many visitors into the city and thanked the various participating sponsors.

Dave Wallery, Keizer, announced that local breweries will be bringing in their own tents, microbrews, wines and ciders for a brew fest and explained the location of the Iris Festival tent.

Allen Prell, Gubser Neighborhood Association President, thanked Council for recognizing the organization and Councilors Taylor, Caillier and Clark for their assistance at Association meetings. He reviewed subjects that have been addressed at meetings and promised to continue serving the neighborhood.

Rena Peck, City of Salem, Federal Programs Manager for Salem Home Consortium Funds, reviewed the program history, requirements, and changes and submitted the annual plan for review and adoption. She provided details of the projects funded and the approval process and responded to questions regarding other funds, partnerships, networking, marketing and solicitation of potential clients.

PUBLIC HEARING

a. Liquor License Application – Change of Address – Keizer Sub Shop

City Manager Chris Eppley reported that an application was submitted for a Change of Address for a Limited On-Premises Sales Liquor License for Keizer Sub Shop at 4490 River Road North, Keizer, Oregon. As required by Keizer ordinance, a public hearing was scheduled, notice published, necessary notification given, a background check was done, and Keizer Planning Department finds the location of the establishment to be properly zoned and has no comment on the application. Staff recommends that following a public hearing Council approve the application.

Mayor Christopher opened the Public Hearing.

Owner Jolene Hargis explained where the new facility would be and noted that the business is familiar with the Responsible Vendor program.

With no further testimony, Mayor Christopher closed the Public Hearing.

Councilor Clark moved to recommend approval of the application for a Change of Address for a Limited On-Premises liquor license for Keizer Sub Shop under the guidelines as established by ORS 471.178 and the Ordinances of the City of Keizer and to forward this recommendation to the Oregon Liquor Control Commission for final approval. Councilor Taylor seconded. Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

Ms. Hargis complimented the Keizer Police Department for their good work and their support.

b. RESOLUTION – Adopting Land Use and Sign Permit Fees (Repealing Resolutions R2006-1695,

Community Development Director Nate Brown explained that this is a proposal to include the hard costs incurred as a course of doing business such as the cost of placing an ad in the paper and postage for public notices. It is not a proposal to raise fees charged for staff time and administrative costs. He pointed out the community as a whole reaps the benefit of zoning administration; compared methods used by other jurisdictions for recovering these costs, and fielded questions regarding various fees, and the CPI.

R2000-1182, R2004-1492 and R2006-1696)

Mayor Christopher opened the Public Hearing.
With no testimony, Mayor Christopher closed the Public Hearing.

Councilor Clark moved that Keizer City Council approve a Resolution Adopting Land Use and Sign Permit Fees; Repealing Resolution R2006-1695 (Sign Permit Fees); Resolution R2000-1182 (Land Use Fee Schedule), Resolution R2004-1492 (Setting Fee for Master Plan Review), and Resolution R2006-1696 (Land Use Fee Schedule). Councilor Taylor seconded. Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

ADMINISTRATIVE ACTION

Because Ms. Peck had already addressed Council there was no further report.

a. RESOLUTION – Adopting the Housing and Community Development Action Plan

Councilor Clark moved that Keizer City Council approve a Resolution Adopting the Housing and Community Development Action Plan – One Year Use of Funds – Salem and Keizer 2011/2012. Councilor Taylor seconded. Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

b. RESOLUTION - Authorizing Temporary Use and Signs Subject to Conditions for Iris Festival (2011)

City Attorney Shannon Johnson noted that these resolutions are in conjunction with the Iris Festival and that Chamber proposed schedule and site plan are typically attached to the resolution as exhibits.
Mr. Brown added that this application does not designate yard signs; under the current proposal those signs are not permitted in the public right of way, so they should not be placed in the area between the sidewalk and the street.

Councilor Smith moved that Keizer City Council adopt a Resolution Authorizing Temporary Use and Signs Subject to Conditions for Iris Festival (2011). Councilor Clark seconded. Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

c. RESOLUTION – Authorizing Temporary Suspension of

Mr. Johnson explained that this is the second of the Iris Festival resolutions and is specific to the street vendor ordinance. He pointed out permit requirements and the specific time period which street vendors will be allowed.

Street Vendor Ordinance

Councilor Smith moved that Keizer City Council adopt a Resolution Authorizing Temporary Suspension of Street Vendor Ordinance. Councilor Clark seconded. Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

CONSENT CALENDAR

A. RESOLUTION – Authorizing the City Manager to Enter Into a Lease Agreement with IKON Office Solutions for Community Development Copier
B. RESOLUTION – Authorizing City Manager to Award and Enter Into an Agreement with Cascade Water Works, Inc. for Carlhaven East and Carlhaven West Pump Station Upgrades
C. RESOLUTION – Declaring the City's Intent to Form a Local Improvement District to improve Sidewalks along Hornet Court and Directing City Engineer to make a survey and file written report.
D. Approval of February 28, 2011 Work Session Minutes
E. Approval of March 21, 2011 Regular Session Minutes
F. Approval of April 4, 2011 Regular Session Minutes

Councilor McKane pulled Item C; Mayor Christopher pulled Item F.

Councilor Clark moved that Keizer City Council approve Items A, B, D, and E of the Consent Calendar. Councilor Taylor seconded. Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

Regarding Item C, Councilor McKane questioned fiscal impact on the City with Mr. Eppley explaining that this particular LID was set up so that the City will not be funding any portion of it except 221 feet of curb. The City fronts the money but members of the district pay it back. Public Works Director Rob Kissler provided additional details about the project including tree removal and replacement. Councilor Clark added that this LID is a model to help older neighborhoods rehab sidewalks and the process can be duplicated in other areas.

Councilor Clark moved that Keizer City Council approve the Item C of the Consent Calendar. Councilor Taylor seconded. Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

Mayor Christopher moved that Keizer City Council approve the Item F of the Consent Calendar. Councilor Clark seconded. Motion passed unanimously as follows:

AYES: Egli, Smith, McKane, Caillier, Taylor and Clark (6)
NAYS: None (0)
ABSTENTIONS: Christopher (1)
ABSENT: None (0)

COMMITTEE REPORTS

a. Gubser Neighborhood Association Annual Report

Councilor Caillier moved that the Keizer City Council accept the Gubser Neighborhood Association Annual Report and extend recognition for an additional year. Councilor Taylor seconded. Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

b. Appointment to Keizer Channel 23 Advisory Committee

City Manager, Chris Eppley, reported that there was a vacancy on the K-23 Advisory Committee. Notice of the vacancy was published and the Volunteer Coordinating Committee unanimously recommended Cindell Mikesell to fill the vacancy.

Councilor Clark moved that the Keizer City Council accept the recommendation of the Volunteer Coordinating Committee to appoint Cindell Mikesell to position number 5 on the K-23 Advisory Committee term to end December 30, 2013. Councilor Taylor seconded. Motion passed unanimously as follows:

AYES: Christopher, Egli, Smith, McKane, Caillier, Taylor and Clark (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

Councilor Smith noted that the Iris Festival report had already been given and that the Parks Board had met early due to the Budget Committee meeting being held on their scheduled meeting night. He added that the Budget Committee should expect a presentation from the Parks Board at their meeting.

Councilor Taylor reported that the Keizer Points of Interest Committee is working on recognition of Japanese influence at Keizer Station Park and they will be trying to raise money for this venture.

Councilor Clark reported that she had testified at the Department of Land Conservation and Development regarding the greenhouse gas rulemaking and funding for public outreach and state partnership. She reviewed discussion held at K-23 Advisory Committee and the Band Selection Task Force meetings; thanked Randy Miller and Dennis Esser for completing the amphitheater fence and reviewed upcoming meetings including Mid-Willamette Area Commission on Transportation, Events and Festivals Task Force, and West Keizer Neighborhood Association.

Councilor Egli reported on the recent Keizer Urban Renewal Board meeting and invited everyone to the Mayor's Prayer Breakfast.

Councilor Caillier announced the upcoming Claggett Creek Watershed Council meeting.

Councilor McKane reported that the Planning Commission would continue the Public Hearing opened at the previous meeting which addresses text amendments and would also begin reviewing a proposed ordinance for allowing urban chickens.

OTHER BUSINESS

Chief Marc Adams reported that he had welcomed 700 Elks for the Keizer Elks convention at the Civic Center; the April 30 drug turn-in event bought in 1,514 pounds of prescription drugs from 1,033 households; Keizer brought in over 430 pounds from 290 households. He added that Keizer Police Department Association has voted to forego their 2% cost of living allowance and he has a new grandson: Reece Michael Elwood.

Rob Kissler announced that information about the City's free concert series is on the water bill. Concerts begin in June and more information will be available on the website. He also urged Council to attend the upcoming Public Works Open House.

Nate Brown requested that the upcoming work session be changed from 5:45 to 7:00 p.m. noting that the consultant presenting that night would be giving the housing needs analysis presentation to Salem earlier and would not be available until 7. Council agreed to this.

Assistant to the City Manager, Kevin Watson, showed the LEED Silver Certification plaque for the building which will be displayed in the case in the lobby.

WRITTEN COMMUNICATIONS

None

AGENDA INPUT

Keizer Budget Committee Meetings

May 3, 2011, 6:00 p.m.
May 5, 2011, 6:00 p.m.
May 10, 2011, 6:00 p.m.
May 17, 2011, 6:00 p.m. (if necessary)

May 9, 2011

<u>5:45 p.m. – City Council Work Session</u>

- Housing Needs Analysis

May 16, 2011

<u>7:00 p.m. - City Council Regular Session</u>

May 31, 2011

<u>6:00 p.m. – Town Hall Meeting</u>

ADJOURNMENT Mayor Christopher adjourned the meeting at 8:45 p.m.

MAYOR: APPROVED:

Lore Christopher	Debbie Lockhart, Deputy City Recorder

COUNCIL MEMBERS

Councilor #1 – David McKane	Councilor #4 – Cathy Clark
Councilor #2 – Brandon Smith	Councilor #5 – Joe Egli
Councilor #3 – Mark Caillier	Councilor #6 – James Taylor

Minutes approved:

MINUTES
KEIZER CITY COUNCIL
WORK SESSION
Monday, May 9, 2011
Keizer Civic Center
Keizer, Oregon

CALL TO ORDER
Not started

Mayor Christopher called the work session to order at 5:48 p.m. The following were present:

Councilors:
Lore Christopher, Mayor
Cathy Clark, Council President
Jim Taylor, Councilor
Mark Caillier, Councilor
Brandon Smith, Councilor
Hugo Nicolas, Youth Councilor

Absent:
David McKane, Councilor
Joe Egli, Councilor

Staff:
Chris Eppley, City Manager
Nate Brown, Community Development
Sam Litke, Senior Planner

Also Present:
Bob Parker, ECO Northwest
Beth Goodman, ECO Northwest

DISCUSSION
a. Results of the Salem-Keizer Housing Needs Analysis

Community Development Director Nate Brown explained that the information being reviewed had important implications for the future of Keizer. He noted that past trends have been that multi-family housing needs have been declining as part of the market share but this conclusion shows a need for more because single-family housing is becoming less affordable and demographics are changing. Effective changes, new housing types, and parameters need to be explored.

Bob Parker explained that the Housing Needs Study is the companion analysis to the Economic Opportunities Analysis; the intent is to provide Keizer and Salem technical analyses that will provide a foundation for local planning efforts and to encourage taking a regional perspective on how growth can be accommodated. He explained that his presentation would discuss how trends will affect housing needs in the region and will review the assumed future population of Keizer and how that translates into housing units and needed acres.

He reported that 40% of the population growth over the past 20 years is from in-migration; housing has become less affordable over the last decade so renting has increased but there has been limited multi-family apartment development. He reviewed predicted population growth and related growth in housing needs for the next 20 years and noted that Keizer has a deficit of 439 acres for all types of residential land. Mr. Parker concluded his report with discussion on how to address this deficit.

Mr. Brown explained that the population allocation is very important because everything flows from that foundation principal; population growth determines job growth and commercial and housing land needs. The next step would be to focus on that foundational principal. Lengthy discussion then took place regarding the land deficit and how to address it.

Mr. Brown explained that the City must figure out how to deal with housing types and in some cases allow higher densities in order to meet state required mandates and address the economic opportunities analysis and local jobs. Mr. Parker added that decisions made now will establish the growth blueprint for Keizer for the next 20 years and will have profound implications on what the community looks like in the future. He explained that after review of the Economic Opportunities Analysis and the Housing Needs Analysis it may become clear that there is a need to expand the Urban Growth Boundary and ultimately an Alternatives Analysis may need to be put together to evaluate expansions to meet identified deficits.

Mr. Brown suggested that the starting point would be the population projection and for staff to develop a process to make decisions. It needs to happen quickly due to the time constraint tied to the Periodic Review which should be completed by mid-September. He suggested development of a calendar with the various discussion topics regarding the population project decision: Should the moderate level be used with its implication of the land it creates or should it be adjusted up or down from that point knowing there are implications to public services, schools, transportation, etc.

Mr. Brown added that the June 6 Salem City Council meeting will address questions from the joint meeting with Keizer and another joint meeting will be scheduled for July.

ADJOURN Meeting adjourned at an undetermined time.

APPROVED:

MAYOR:

Debbie Lockhart, Deputy City Recorder

Lore Christopher

COUNCIL MEMBERS

~ Absent ~	
Councilor #1 – David McKane	Councilor #4 – Cathy Clark
	~ Absent ~
Councilor #2 – Brandon Smith	Councilor #5 – Joe Egli
Councilor #3 – Mark Caillier	Councilor #6 – James Taylor

Minutes approved: