

**City of Lebanon 2003/04
Budget Committee Meeting Minutes
May 14, 2003**

COUNCIL PRESENT: Mayor Ken Toombs, Councilors Bob Elliott, Mel Harrington, Ron Miller, Roger Munk, Scott Simpson and Dan Thackaberry.

MEMBERS PRESENT: Ella Garboden, Mike Lee, Stan Usinger, Don Thoma, and Barry Scott

STAFF PRESENT: City Administrator/Budget Officer John Hitt, Finance Director Casey Cole, City Attorney Tom McHill, Public Works Director Jim Ruef, Police Chief Mike Healy, Library Manager Denice Lee, Sr. Center Manager Susan Tipton, IS Manager Tom Oliver and Administrative Assistant Linda Kaser.

CALL TO ORDER/ROLL CALL

Mayor Toombs called the budget meeting to order at 6:00 p.m. Roll call was taken with Floyd Fisher being absent.

ELECTION OF COMMITTEE CHAIR & SECRETARY

Miller moved, Harrington seconded, to nominate Thackaberry as the Budget Committee Chair. The motion passed unanimously.

Munk moved, Toombs seconded, to nominate Elliott as the Budget Committee Secretary. The motion passed unanimously.

APPROVAL OF 2003/04 BUDGET MINUTES

Garboden made a correction to Page 7 – Environmental Services, "This department was fully staffed in November of 2001." In response to Garboden's question, Mayor Toombs explained that the reason Shirlee Harrington would not be serving out her three-year term was due to having three individuals from that ward making the Budget Committee unbalanced throughout the ward system.

Toombs moved, Elliott seconded, to approve the 2002/03 Budget Meeting Minutes as amended. The motion passed unanimously.

PUBLIC HEARING (Possible Uses of State Revenue Sharing Funds)

Chairman Thackaberry opened the public hearing at 6:06 p.m.

Director Cole explained that in order to receive State Revenue Sharing Funds, a public hearing is necessary to discuss the proposed uses of those funds. This revenue is budgeted in the General Fund and is estimated to be \$78,000.

Hearing no comments, Chairman Thackaberry closed the Public Hearing at 6:08 p.m.

PUBLIC INPUT ON THE 2003/04 BUDGET – *There was no public input.*

PRESENTATION OF CITY OF LEBANON'S BUDGET (presented by John Hitt)

An overview of 2003/04 Budget Message (Page 3) was given with emphasis placed on the following significant challenges:

- Public Employee Retirement System (PERS) rate increase of nearly 5% of total payroll that impacts all funds totaling over \$270,000. The increase will be effective July 1, 2003. The proposed budget does not assume any rate relief measures that have passed or may pass by the Legislature; the staff figured the worse case scenario.
- Forecasted annual health insurance increases of approximately 15% while property and casualty insurance is expected to increase 20 to 25%.
- The current Fiscal Year saw an unanticipated reduction in franchise revenues of 6% or \$51,000.
- Expecting an increase in excess of 12% for Water and Sewer operations contractors (OMI).
- Increased maintenance and operations expenses due to a variety of factors: acquisition of Academy Square, relocating to Academy Square, the sharing of maintenance cost to Pioneer School Park, final implementation of 2001 "Shilo" Oregon State Supreme Court Ruling that reduces the taxes collected from property owners, especially those in the NW URD.

Results for FY 03/04 are a total budget of almost 3.5 million (9.24%) less than last year. The City's budget, exclusive of the three urban renewal districts is down by \$500,000 (approx. 2%). The three URDs combined have declined by 2.8 million (45%). The General Fund is reduced by \$137,000 (3.1%) compared to the current fiscal year.

In summary, new obligations have been acquired thereby the City has absorbed very large increases in the cost of doing business while still maintaining service levels with few exceptions. At the same time authorized, actual staffing, and overall expenses have been trimmed without seeking tax increases or utility rate increases for this or next fiscal year.

Departmental Impacts for next fiscal year include:

- Closing the Library on Fridays.
- Reducing or eliminating Municipal Court prosecution for most non-traffic offenses.
- Elimination of one Dial-A-Bus.
- Postponements of Phases III and IV of the Downtown Sewer Separation projects.

The proposed Budget fully maintains and funds the following:

- Full staffing of the Police Department, including the traffic team.
- New Senior Center Facility.
- Completion of a new Telephone System, as authorized in the current budget.

- Enhanced use of the Internet to access City services by citizens.
- Complete Review and Updating of City Development Plans, including SDC Charges.
- Enhance level of park maintenance at River Park and Academy Square.
- Operation of a completely remodeled and renovated Santiam Travel Station.

Cole reviewed the new Fund Type Summary sheet included in the Proposed Budget, beginning on Page 7, and explained the budget process for the benefit of the new Budget Committee Members.

The anticipated property tax assessed value increase of 3.64% was from the County Assessor's Office mid-March report using a 93% collection rate for the property taxes. (See Page 24 General Fund Revenues).

Cole gave an update on PERS Legislative Update (See Attachment 1).

The proposed budget assumes a 2.2% Cost of Living Increase effective July 1 for all employees. The actual Consumer Price Index (CPI) for western cities is 3.2%.

GENERAL FUND

Administration, Economic & Community Development – 110 (Pg. 26, by John Hitt)

Reorganization includes: The Community Development Manager reports directly to the City Administrator and is no longer under the Public Works Department; The IS Department and GIS Dept have been combined; and the redefined position of "Support Coordinator", which has a separate fund, was created to fully utilize support staff and prioritize workflow within the departments and serve as Assistant to the City Administrator and Human Resource (HR) Manager.

The HR function has been taken out of Fund 110 and is in its own fund for accounting purposes (See Page 29).

The \$10,000 for Contract Services is primarily to take advantage of potential economic development opportunities.

City Attorney – 120 (Pg. 32, Presented by Tom McHill)

McHill discussed the problems with cutting criminal prosecution and gave an overview of the breakdown of City Attorney Hours and comparison of billable rates as indicated in his handout (See Attachment 2).

Due to an increase in LUBA appeals, the annual stipend for City Attorney's services increased \$20,000 in this fund for land use decision appeals. A decrease of \$24,884 for City Attorney services in the Court budget is proposed by reducing the City Attorney's role of charging misdemeanors and certain lesser criminal charges as violations.

Thackaberry stated that the City is not required to be at the LUBA appeals, but that the City's name is on the paperwork as a formality. McHill stated that if his client is named as a defendant, whether or not the involvement is minimal, he felt the client should be represented. However, he would do as Council wished.

Discussion ensued on legal representation on a retainer basis versus having an attorney on staff. Hitt stated that very few cities the size of Lebanon have a lawyer on staff; legal matters are usually paid on an hourly rate.

Municipal Court – 170 (Pg. 53, Presented by Casey Cole)

Highlights include reduction in City Attorney fees, \$49,768; a decrease in Indigent Defense of \$17,000; and a decrease in Witness and Jury Fees of \$3,300.

Cole provided a background of the Municipal Court and a PowerPoint Presentation showing four different options for the Budget Committee to consider (See Attachment 3).

Municipal Court Judge Larry Houchin expressed concern for indigent funding and the increase in the Police Budget, i.e., police officer's duty time and court appointed attorney costs, if crimes are not prosecuted.

Garboden stated that she'd like to see the Municipal Court funded for the full year – Option 1. In response to Councilor Munk, Cole stated that funding the Courts for the entire year would reduce contingencies to \$5,000. Staff proposed Option 4 to fully fund the Court for six months until the State has determined the County's funding, as well as additional PERS relief that could possibly fund the remaining half of the year. In response to Lee, Cole stated that Option 2 would go into effect if additional funding could not be found for the remainder of the year.

Toombs moved, Usinger seconded, to approve Municipal Court Option 4, keeping the Court fully funded for the first six months and possibly reverting to Option 2 for the remaining six months if funding is not found. The motion passed with 7 yeas (Toombs, Usinger, Scott, Simpson, Elliott, Munk, and Thoma) and 4 nays (Garboden, Harrington, Lee, and Miller)

Community Development Division – 126 (Pg. 34, Presented by Doug Parker)

The Budget Committee was informed that the City Council had made the Comp Plan Update a priority at the previous Council Goal Setting Session. Prior to a year ago, the City had only three LUBA cases in the past 14 years. Just in the past year, there have been ten LUBA cases with no indication of the caseload slowing down. Parker felt that not funding City Attorney Fees to deal with LUBA issues would constrain City Council's ability to realize the goals that had been set.

Although there is a substantial workload for the upcoming year, there were no significant budget changes for the proposed budget. Parker gave an allocation breakdown on where the individuals in his department are funded.

Chairman Thackaberry called for a ten-minute recess and convened at 8:00 p.m.

Public Works

Ruef gave a PowerPoint presentation overview of the entire Public Works Budget including milestones for City Parks, Tree City USA, Small Waterline Replacement, Street Maintenance, as well as Engineering milestones and objectives (See Attachment "4").

Highlights include adding a new Maintenance Supervisor Position in order to maintain grants, and the reduction of engineering staff from 20 to 12 (40%) over the past two years that would then increase, in most funds, Contract Services for consulting fees.

Public Works/Engineering – 130 (Pg. 37, Presented by Jim Ruef)

There were no significant budget changes.

Parks – 133 (Pg. 40, Presented by Jim Ruef)

The City has applied for three grants; FEMA - a tree grant for replacing hazardous right-of-way trees with Pacific Power and Light picking up the match (grant is \$25,000); Century Park Grant to assist in rehabilitation of tennis and basketball courts; and a grant of \$213,000 for Gill's Landing Campground (City's match comes out of SDC). The work for Gill's Landing was proposed to be done in-house.

There was an increase in parks acreage of 174 acres with the majority being the Walden Pond area at 150 acres.

Miller asked that a stand-alone comparison study be done for small waterline costs for in-house versus contracting out. Ruef stated that one advantage is Engineering doesn't have to do the real detailed contract documents and nicer construction drawings for the City's own crews. In order for an accurate comparison, Engineering would have to produce drawings for the contractor to bid on as well as the bid documents. The current estimates were based on what the contractors had been bidding on other waterline projects. Each year staff is consistently beating those costs.

Finance – 140 (Pg. 43, Presented by Casey Cole)

There was a reduction of \$22,717 (16%) in Materials and Services, primarily contract services for temporary help to cover for vacation and sick leave.

Due to customer requests, direct debit options for utility customers were added at no additional expense since it is part of the software package. In response to Garboden, Cole stated that depending on the debit card, there is either a .10 or .15 cent transaction fee per transaction that goes to the card company. Those transactions are shown in the Water (430) and Wastewater (470) funds under the line item Merchant Card Fees.

Legislative – 160 (Pg. 46, Presented by John Hitt)

Additional funds for Department Operating Expenses have been added for miscellaneous Mayor and Council expenses.

Library – 165 (Pg. 48, Presented by Denice Lee)

Year-to-date circulation totals indicate an 8% increase over last year. Year-to-date totals for Internet and word processing are 4,252. The patron count has increased to approximately 8,077 registered patrons (32% increase) and the foot traffic has increased to 66,008 (9% increase). There is also a 30% increase in volunteer hours over the same time period as 2002. Volunteers logged 900.75 hours through April of 2002; this year 1,283 hours were logged.

The "Ready to Read" Grant from Oregon State Library allows the Library to offer the summer reading program, young adult reading group, as well as spring break activities. The Gates Foundation funding allowed the library to upgrade electrical wiring and purchase of four new computers, a server, and a printer. The Trust Management Grant funding paid for a new \$8,200 microfilm scanner to replace the obsolete model. Lane County Commissioner's Forestry Grant of \$480 allowed the purchase of books relating to ecology and forestry.

Highlights include a 20% decrease for Department Operating Supplies to include the purchase of new reading material, videos, and books on tapes and five hours reduction in staffing resulting in loss of library services on Fridays.

The reduction to the proposed Library budget totals \$6,255. A \$12,000 reduction was made in the 2002 Library budget.

Harrington felt it was imperative to keep the Library open on Fridays for the patrons of Lebanon and recommended finding the \$6,255 needed to keep the Library open elsewhere in the budget. Councilor Thackaberry suggested keeping the Library open for six months, as proposed for Municipal Court, until the funding is more certain for the remainder of the year.

Harrington moved, Simpson seconded, to fund the Library for the first half of the year at \$3,127.50. The motion passed unanimously.

Miller questioned the percentage of IS funding in the Library budget. D. Lee noted that she just received notice that the cost for IS has been reduced from \$51,650 to \$45,831.

Oliver stated that the Library currently has more PC's than ever before totaling 15. The figures are based on how many PC's and telephones are maintained, infrastructure that exists for each department and the amount of time IS staff spends at each department. Another added expense for the Library is that the Internet access use will increase.

Police Department – 180 (Pg. 57, Presented by Mike Healy)

The Police presentation included basic statistics, accomplishments, community building activities, traffic team progress, court collections/traffic team statistics, current crime rate statistics, and objectives for the next fiscal year (See Attachment "5").

Highlights include an increase of \$5,000 for leasing rather than buying police vehicles, required Debt Service of \$24,616 to purchase a replacement Dispatch Logging Recorder, a grant was awarded to replace all patrol and detective PC's. The entire Police Department is now on the internal citywide system.

The Department now has 17 computers to maintain which leads to an increase in transfer of funds to IS Services, from \$19,785 to ~~\$70,411~~ to \$62,479.

In response to M. Lee, Healy stated he would bring back exact figures on the Traffic Team expenditures and revenues tomorrow night.

Senior & Disabled Services – 190 (Pg. 61, Presented by Susan Tipton)

Highlights of the proposed budget are reduced personnel services; the Senior Center Secretary was moved under the Support Coordinator Fund; Utilities increased due to increased costs for the new building (Academy Square), \$5,100; IS Services has decreased because of the loss of personnel; and \$2,000 was added to Equipment Acquisition & Replacement Fund due to aging equipment.

Non Departmental – 195 (Pg. 65, Presented by Casey Cole)

Highlights included a reduction in Communication Expense, Contract Services, Janitorial, Utility Costs, and transfer to the Traffic Team totaling \$52,012; an increase of \$16,350 (25%) in the cost of the City's property insurance coverage; the removal and transfer of \$5,626 for temporary support services to the Support Services (544) fund; and a transfer elimination of \$43,710 to the Streets Fund.

Cole noted that the transfers out to City Hall Repairs Debt Service \$17,846 would only be done if housing rehabilitation loan payments were not received.

Chairman Thackaberry adjourned the meeting at 9:32 p.m. until 6:30 p.m. Thursday, May 15.

Budget Committee Meeting Minutes (Continued - May 15, 2003)

CALL TO ORDER/FLAG SALUTE/ROLL CALL

Chairman Thackaberry called the budget meeting to order at 6:30 p.m. and asked if there were any further comments or material from Staff pertaining to last night's meeting.

As requested by the Budget Committee, Healy provided charts with figures for the motorcycle officers' costs, "Annual Traffic Unit Program Cost Versus Revenue Collections" and "Traffic Unit Cost by Fiscal Year" (See Attachment "6").

In response to Garboden, Healy stated that the Department purchased four (4) new and three (3) refurbished computers with grant money in which a small match from the City (\$2,200) was warranted.

[Roll call was taken with all members present].

DEBT SERVICE FUNDS (Pg. 69 – 76, by Casey Cole).

There are no significant changes. Cole and the City's Financial Advisor continue to monitor interest rates for any savings.

ENTERPRISE FUND (Self Supporting Funds)

Water Utility – 430 (Pg. 78, Presented by Jim Ruef)

Ruef stated that there is no scheduled rate increases for FY 2003/04. Other highlights include: a facility plan update for the water treatment plant (\$190,000); repair/replace the Santiam Canal Industrial Park head-gates; the addition of a full-time Maintenance Supervisor; and three simple security projects were proposed at the Water Treatment plant (\$15,785).

Harrington asked for a breakdown on Contract Services (\$196,095). Ruef stated that \$190,000 is for the water plant study; \$1,000 for upgrading software system to run water and wastewater plant; and \$5,000 is for miscellaneous outside engineering and survey services in case specialized expertise is needed.

In response to Garboden's question regarding the beginning balance and project carryover, Ruef explained that the beginning balance shown in the proposed budget shows that all of the money will be spent. There should be zero beginning balance next year, except what is left in contingency which is only spent if those funds need to be drawn from, along with any unappropriated fund balance which is zero this year. Therefore, if the proposed budget is approved, the only beginning balance next year would be whatever the non expended contingency is, plus any unanticipated revenue outside of projections, plus any expenditures that are unable to be accomplished. The beginning balances will fluctuate depending on how many projects are carried forward.

Water Utility Capital Improvement Program – 435 (Pg. 83, Presented by Jim Ruef)

Projects carried over are: Back-up well field, \$180,000; accelerator repairs at the water treatment plant, \$258,000; and land acquisition for new water system reservoirs, \$110,929.

Water Bond Debt Service – 436 (Pg. 85, Presented by Casey Cole)

There were no significant changes.

Small Waterline Replacement – 437 (Pg. 87, Presented by Jim Ruef)

Page 90 was distributed due to a printing error (See Attachment "7").

Averaging 4,000 lineal feet of pipe installed per year, this footage will not be able to be sustained with money received. Therefore, the expenditures were reduced in personnel (.68 FTE) and materials (10%) to stay inline with the revenue amount. A full-time Water Supervisor position is partially funded from this fund. An update of consulting costs versus in-house costs will be given in July.

Storm Drainage Utility – 450 (Pg. 91, Presented by Jim Ruef)

Due to reduction in staffing this is in a holding pattern unless Council makes it a priority.

Wastewater Utility – 470 (Pg. 94, Presented by Jim Ruef)

Ruef stated that there are no scheduled rate increases for FY 03/04 and noted a new line item under Miscellaneous Revenues called Miscellaneous Reimbursements (\$155,000) due to two lawsuits. Both cases stand a chance of being reimbursed for attorney fees, which results in an increase in contingency of \$155,000. If the attorney fees reimbursement is received, the CIP Committee

suggested putting the reimbursement funds toward Phase III of the Downtown Sewer Separation Project.

Other highlights include limited replacement of deteriorated sewer collection piping, \$263,500; limited inflow and infiltration rehabilitation; Project Walden funding, \$165,000; and security improvements at the main shop site, \$4,346.

In response to Simpson's question, Cole stated that the Sewer Use Fees are for sewer only (no water service) accounts. Linn County allows the City to take any unpaid sewer bills once a year and certify them over to the County Assessor as done with unpaid property taxes.

Wastewater CIP – 475 (Pg. 100, Presented by Jim Ruef)

This fund paid for some of the Westside Interceptor Project. If the City is successful in the above-mentioned lawsuits, the City hopes to partially fund Downtown Sewer Separation Phase III – partial construction (\$253,500) once a settlement is reached.

Highlights include Project Walden expenses totaling \$525,713 for a feasibility study, land acquisition, and city staff personnel services; wastewater treatment plant upgrades including partial funding for chlorine removal and outfall diffusion projects totaling \$1,433,275.

Wastewater Bond Debt Service – 476 (Pg. 103) – No significant changes.

Santiam Railway – 480 (Pg. 105) – No significant changes

Ruef backtracked to Wastewater Franchise Fee and distributed handouts "Wastewater Franchise Fee" outlining the CIP Committee Recommendation to stop the franchise fee, Franchise Fee breakdown, and funding of the Downtown Sewer Separation Phase III project (Attachment "8").

Ruef clarified that the proposed budget before the Committee was with \$105,000 in franchise fees paid to the General Fund. If the committee wished to use the franchise fee to help pay for the Downtown Sewer Separation Project, the Committee would be faced with cutting \$116,000 elsewhere in the General Fund.

Hitt explained that most cities the size of Lebanon and larger impose franchise fees. Legal opinions have indicated that imposing franchise fees on any utility warrants, in order of fairness and equity, that they be imposed on your own [the City's] as well.

Cole confirmed Munk's calculations that if the franchise fee was dropped and no other cuts were made to the proposed budget then Contingencies would drop to \$60,000.

Harrington stated that the CIP Committee's thought at the time were since projections indicated an excess of 5% for the wastewater and water funds it should not have been a problem to take the 5% franchise fee out of the General Fund.

In response to Harrington, Hitt explained that it would be a hardship now because franchise fee collections were significantly less, i.e., NW Natural Gas, and a major corporate user.

Garboden stated that last year the Committee was guaranteed that there would be plenty of money in wastewater to cover expenses. "If there is not enough money in the wastewater fund to cover all the projects, then we should be saving the money in the wastewater fund."

Hitt stated it is all a matter of Budget Committee priorities. Staff is recommending that the General Fund situation is urgent, albeit the sewer separation project is an important project; the need for the general fund is even greater. The final decision is to be established by the Budget Committee.

Garboden stated she thought the sewer separation was required by the DEQ. Ruef confirmed that it is a DEQ requirement. Harrington stated the question is whether DEQ is going to mandate it this year or five years from now. Hitt explained that past DEQ practices has shown that when there is an obvious financial shortfall they were willing to work with a city to devise a plan to have it funded over an extended period of time.

Toombs moved, Elliott seconded, to leave the franchise fee in the budget as presented by staff. The motion passed by a show of hands with 8 yeas (Elliott, Lee, Munk, Miller, Scott, Toombs, Thoma and Usinger and 3 nays (Garboden, Harrington, and Simpson).

INTERGOVERNMENTAL FUNDS:

City Facilities Repairs – 506 (Pg. 108, Presented by Casey Cole)

If sufficient funding is available, bids will be obtained for carpeting the Police Department.

Motel Tax – 510 (Pg. 110, Presented by John Hitt)

In response to Harrington, Cole explained that a good portion of Contract Services is for the Chamber of Commerce agreement; Merchant Card Fees is warranted because some merchants pay their motel tax via credit cards; and Department Operating Expense is used for utilities, telephone & computers. The reason for the inflated dollar amount under Department Operating Expense is in case more hotels/motels are built, thus generating more tax revenue.

Travel Station – 515 (Pg. 112, Presented by Jim Ruef)

Santiam Travel Station Phase II to finish building renovation and site work - \$455,000.

Oregon Traffic Safety Commission (OTSC)– 520 (Pg. 114) – No significant changes.

Building Inspection Services – 527 (Pg. 116, Presented by Jim Ruef)

Page 118 was distributed due to a printing error (See Attachment "9").

Budget highlights assume .5 FTE for the open Building Official position and additional Contract Services to cover the workload of the position for six months and contracting with Linn County to perform required plan reviews and inspections.

Park Enterprise Fund – 533 (Page 120, Presented by Jim Ruef) – No significant changes.

Park Grant Fund – 535 (Page 122, Presented by Jim Ruef)

Two grant funds are expected in the FY 03-04 budget year.

Environmental Services – 537 (Page 124, Presented by Jim Ruef)

This department has been reduced to one full-time position in March of 2003. Substantial increases to OMI Consultant services have been put in the budget.

Ruef introduced the new Environmental Specialist Darrell McLaughlin.

Geographic Information System (GIS) – 540 and Information Services (IS) – 542 (Page 127 and 131, Presented by Tom Oliver)

IS Manager Tom Oliver will now be managing both the GIS and the IS Departments.

The PowerPoint Presentation for FY 03/04 outlined accomplishments, highlights, and projects and goals for FY 03/04 within the GIS and IS Departments (See Attachment 10). Highlights include the elimination of two positions, one Technology Analyst and one GIS position in March of 2003. A new Position was added – Database Applications Developer. Also, a contract to provide IS Services to the Fire Department adding approx. \$15,000 revenue to the IS budget based upon the number of hours estimated at the Fire Department.

In response to Miller's question regarding the cost of Contract Services versus in-house services, Oliver referred to a study done by the Fire Department with local contractors ranging from \$85 – \$115/hour. An in-house person has a better knowledge and is invested in the system and their fellow employees' needs. Oliver suggested that building and maintaining a core system be done in-house, since the City retains the intellectual knowledge of how to do those things; a consultant takes that knowledge with them.

Finance Director Chuck Begley of the Fire Dept spoke to the Committee about time he spends on IS issue and agreed with Oliver in that a regular contractor/consultant would not have the same investment of the software and operating system.

Oliver stated that the total budget is split-up and there is a charge per employee of the city (20% of that), a 40% charge based on the number of PC's in each dept., additional 40% is based on work orders (a formula that involves the number of work orders and the amount of time). Oliver added that the part that the Fire Department pays is essentially the work orders and PC replacements.

Garboden asked if there would be reductions in the costs from this year to next since the new phones and computers would be in place. Oliver stated that debt service payments would be for two more years; paying more proportionately into equipment and replacement fund now because some systems only have two years left to fund. The numbers should go down after that.

After a brief discussion about aerial photography costs, Oliver told Scott that he would provide a breakdown of costs to him.

Chairman Thackaberry adjourned at 8:05 p.m. for a ten-minute recess.

Support Services – 544 (Page 134, Presented by John Hitt)

Newly created Department managed by the Support Coordinator. The \$15,000 listed under contract services is money taken from other department's budgets to hire temporary assistants. The hopes for this position is to reduce the need to hire outside temps to fill short-term absences, e.g., sick or vacation leave within the internal support services coordination effort.

State Foot and Bike Path – 550 (Page 136, Presented by Jim Ruef)

Staff is waiting for the Transportation System Plan to be completed before any new projects are proposed.

Engineering Development Review – 555 (Page 139, Presented by Jim Ruef)

No significant changes addressed.

Streets – 558 (Page 142, Presented by Jim Ruef)

Though unpopular, dust control and street sweeping is proposed to be reduced from their current half level service to practically nothing. The exceptions are indicated in the Proposed Budget. Staff time will be geared to striping and signage due to budget constraints.

The revenue source for this fund comes from gas taxes; due to inflation the revenue gets worse every year for this fund.

Harrington moved, Garboden seconded, to adopt the proposed budget as proposed by staff with Option 4. The motion passed unanimously.

Toombs moved, Munk seconded, and was passed unanimously TO APPROVE TAXES FOR THE 2003/04 FISCAL YEAR AT THE RATE OF \$5.1364 PER \$1000 OF ASSESSED VALUE FOR OPERATING PURPOSES, AND IN THE AMOUNT OF \$444,525 FOR PAYMENT OF BOND PRINCIPAL AND INTEREST.

Chairman Thackaberry adjourned the regular order of business of the Lebanon Budget Committee and convened as the Lebanon Urban Renewal District Budget Committee.

LEBANON URBAN RENEWAL DISTRICT (URD) BUDGET:

Lebanon Urban Renewal – 920 (Page 252, Presented by Jim Ruef).

The CIP Committee and Council have been discussing which infrastructure needs might be funded within the URD with the \$500,000 left over. A final decision has not yet been made, therefore this budget leaves options open.

Ruef corrected an error on the beginning fund balance; the balance should be \$390,000 not \$240,000 on page 253. The line item "Improvements" should be \$348,603, not \$198,603 as indicated on page 254.

A motion was made by Scott, seconded by Elliott, and passed unanimously to APPROVE THE LEBANON URBAN RENEWAL DISTRICT'S BUDGET as presented.

A motion was made by Elliott, seconded by Munk, and passed unanimously to approve URD TAXES FOR THE 2003/04 FISCAL YEAR AT THE RATE OF 100% OF THE AMOUNT FROM THE DIVISION OF TAX, AND A SPECIAL LEVY FOR THE REMAINDER OF AUTHORITY.

Chairman Thackaberry adjourned the regular order of business of the Lebanon URD Budget Committee and convened as the NW Lebanon URD Budget Committee.

NW LEBANON URD BUDGET:

NW Lebanon Urban Renewal – 925 (Page 262, Presented by Jim Ruef).

This budget is significantly impacted with reduced tax revenues, down approximately \$118,000 from last year; \$298,000 two years ago; and \$680,000 three years ago.

If the city wins a settlement from the lawsuit with Georgia Pacific, revenue shown under the line item Miscellaneous Reimbursement for \$430,000 would be available. That revenue is for the next phase of the Westside Interceptor, if settlement isn't reached that phase will not be done.

A motion was made by Munk, seconded by Miller, and passed UNANIMOUSLY TO APPROVE THE LEBANON NW URBAN RENEWAL DISTRICT BUDGET as presented.

A motion was made by Elliott, seconded by Usinger, and passed unanimously to approve the NW URD TAXES FOR THE 2003/04 FISCAL YEAR AT THE RATE OF 100% OF THE AMOUNT FROM THE DIVISION OF TAX, AND A SPECIAL LEVY FOR THE REMAINDER OF AUTHORITY.

Chairman Thackaberry adjourned the regular order of business of the NW Lebanon URD Budget Committee and convened as the Cheadle Lake URD Budget Committee.

CHEADLE LAKE URBAN RENEWAL DISTRICT BUDGET:

Cheadle Lake Urban Renewal – 935 (Page 272, Presented by John Hitt).

Cheadle Lake URD is the newest of the URDs with very little revenue. The district covers the area of Russell Drive and south on the east side of Highway 20.

Because of low development, hence very little new tax increments, the revenues have been slower than anticipated. No significant changes to this fund.

A motion was made by Munk, seconded by Usinger, and passed unanimously to APPROVE THE CHEADLE LAKE URD BUDGET.

A motion was made by Elliott, seconded by Usinger, and passed unanimously to APPROVE THE CHEADLE LAKE URD TAXES FOR THE 2003/04 FISCAL YEAR AT THE RATE OF 100% OF THE AMOUNT FROM THE DIVISION OF TAX

ADJOURNMENT

Chairman Thackaberry adjourned the regular order of business of the Cheadle Lake URD and the regular order of business of the Lebanon Budget Committee at 8:32 p.m.



Kenneth I. Toombs, Mayor []
Ron Miller, Council President []


ATTESTED BY:



John E. Hitt, Budget Officer/City Recorder



CITY OF LEBANON
FINANCE DEPARTMENT
MEMORANDUM

TO: City Council and Budget Committee
FROM: Casey Cole, Finance Director 
SUBJECT: PERS Legislative Update

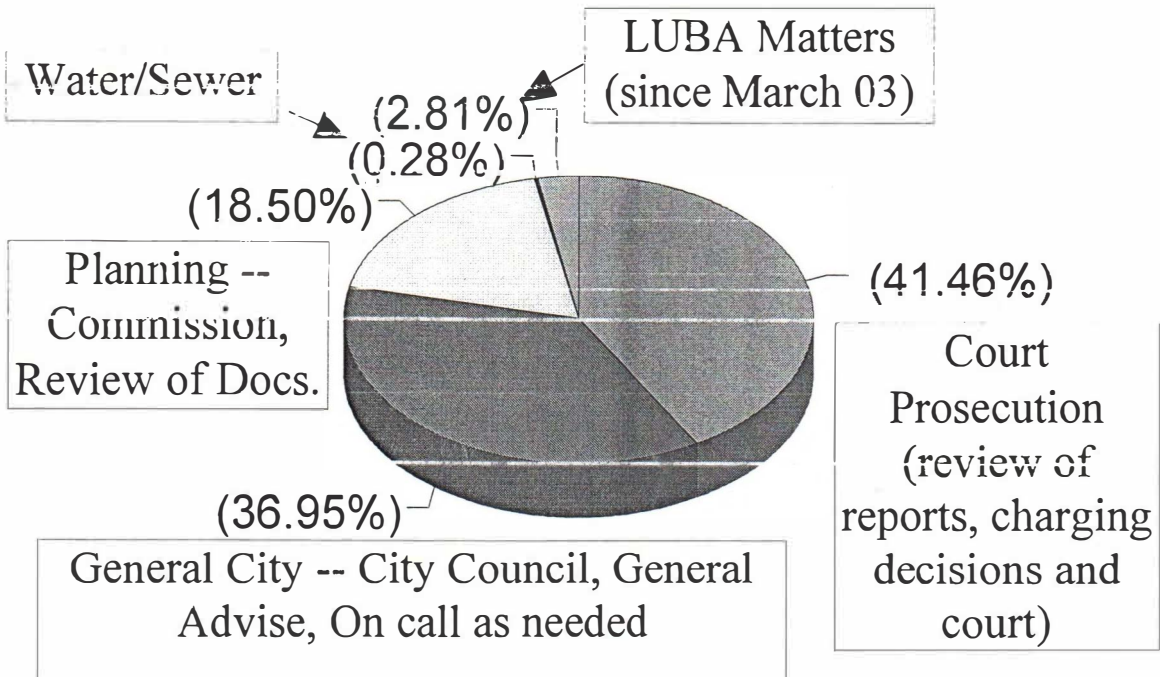
DATE: May 12, 2003

The Legislature has been considering many options to bring the PERS unfunded liability and employer rates back under control. HB 2001-A was signed by the Governor February 18, 2003. HB 2003-B and HB 2004-C were signed on May 9. For all three combined, the system wide average reduction in employer rates is estimated to be 8.57% times payroll. Applying this average to the City's payroll for next fiscal year would result in a savings to the General Fund of \$162,047, and a savings to all funds of \$368,783. In an article in the Albany Democrat Herald on May 10, 2003 the Governor and other lawmakers have warned against using the savings, should the reforms later be overturned.

The PERB has been instructed to recalculate employer rates within ninety days of the close of the session with those recomputed rates to be effective July 1, 2003. The proposed budget document does not include the estimated savings.

	Hours	Average Monthly Hours	Per Cent of Total Hours
Criminal Matters	415.7	34.64	41.46
General City Matters	370.4	30.87	36.95
Planning	185.45	15.45	18.50
Water/Sewer	2.8	0.23	0.28
LUBA Appeals	28.2	2.35	2.81
Total	1002.55	83.54	100.00

City Attorney Hours May 02-May 03 By Matter



Comparison of Billable Rates

**Average rate per hour for billable
time for City = \$ 107.73**

Normal Hourly Billing rate = \$175

**Average rate represents 61.55% of
normal hourly billing rate for City
Attorney in private cases.**

**Comparison of Fees -- City Retainer
v. Normal Rates of Firm**

**Amount that would have been
billed May 1, 2002 - May 1, 2003 at
Firm's normal, hourly, combined
rates =
\$ 143,406.25**

**Amount billed per agreement
= \$ 108,000.00**

**Services provided in excess of
agreement = \$ 35,406.25**

***MUNICIPAL COURT
OPTIONS***



OPTION I

***NO CHANGE IN OPERATION
OF COURT***

PROS

- Crimes will be prosecuted.
- Will show a conviction on criminal history.
- With the threat of jail time or work crews, better chance of collecting fines.
- Option for probation up to 5 years during which sanctions (jail time, work crew) can be imposed.

CONS

- Jail time or work crews may not be imposed.
- No savings in general fund costs.

OPTION II

*TURN PROSECUTION OF
MISDEMEANORS OVER TO
DISTRICT ATTORNEY*

PROS

- Savings of \$70,068 to General Fund.
(City Attorney, indigent defense, jury and witness fees.)

CONS

- Difficulty in scheduling state courts.
- Lack of indigent defense funds.
- City's misdemeanors would have a lower priority with DA staff.
- Most charges would not be filed.
- Loss of fine revenue.

OPTION III

*CHARGE NON-PERSON
CRIMES AS VIOLATIONS,
TURN SERIOUS CRIME
PROSECUTIONS TO DISTRICT
ATTORNEY*

PROS

- Savings of \$20,300 to General Fund.
(Indigent defense and witness and jury fees.)

CONS

- Difficulty in scheduling state courts.
- Lack of indigent defense funds.
- Most charges would not be filed.
- Loss of fine revenue.
- Where to draw the line? Would require City Attorney review.

OPTION IV

*MAINTAIN STATUS QUO FOR
1ST HALF OF FISCAL YEAR*

PROS












- Opportunity for State to provide court and indigent defense funding.
- Opportunity to find funding for Municipal Court for full year.
- Crimes will be prosecuted.
- Better chance of collecting fines.
- Opportunity for County funding of jail to be improved.

CONS

- Jail time or work crew may not be imposed.
- May need to go to Option II or Option III after 6 months.


OPTION IV FUNDING
PROPOSAL


<i>Reduce G.F. fringes</i>	<i>(\$23,357)</i>
<i>(PERS Rate Reduction HB 2001-A)</i>	
<i>Reduce Contingency</i>	<i>(\$11,727)</i>
<i>Increase Court Contract Svcs.</i>	<i>\$8,550</i>
<i>Increase City Attorney</i>	<i>\$24,884</i>
<i>Increase Dept./Operating Exp.</i>	<i>\$1,650</i>
<i>Overall Change to General Fund</i>	<i>0</i>


- 1  *PUBLIC WORKS*
- 2  *MAINTENANCE MILESTONES*
2003 – 04 BUDGET
- 3  MAINTENANCE MILESTONES
2003 – 04 BUDGET
 - Improvements in all Parks
 - Park Host Duties
 - Improvements to “Academy Square”
- 4  NEW GILL’S LANDING PARK HOST
- 5  BEFORE ACADEMY SQUARE
- 6  AFTER ACADEMY SQUARE
- 7  MAINTENANCE MILESTONES
2003 - 04
 - Improvements in all Parks
 - Park Host Duties
 - Improvements to “Academy Square”
 - Tree City USA award
- 8  TREE CITY USA PRESENTATION
- 9  MAINTENANCE MILESTONES
2003 - 04
 - Improvements in all Parks
 - Park Host Duties
 - Improvements to “Academy Square”
 - Tree City USA award
 - Small Waterline Replacement
 - 4,000 feet of pipe per year on average
- 10  SMALL WATERLINE CONSTRUCTION
- 11  HIGHLIGHTS
2003 - 2004
 - Continued reduction in Street Maintenance


Bare Bones Street Sweeping Schedule
No Dust Control on Gravel Streets

- \$100,000 reduction in Parks Capital Improvements
- Additional Maintenance Supervisor Position

12  ***PUBLIC WORKS
ENGINEERING
MILESTONES & HIGHLIGHTS
FY 2002 – 03***

- 13 
- Westside Interceptor Pump Station
 - 5th Street Extension/Pioneer School infrastructure
 - Main Street Phase I
 - Santiam Travel Station Phase II

- 14  ***FY 2002 – 03
PUBLIC WORKS
ENGINEERING MILESTONES***
- Walden Investigation
 - Development of storm drainage utility
 - Heavy Development Review
 - New schools, Walmart, Annexations

- 15  ***FY 2002 – 03
PUBLIC WORKS
ENGINEERING OBJECTIVES***

- Since FY 2001 - 2002 engineering has been reduced from 20 to 12 FTE's. (40% reduction)
- Main Street Improvements Phase II

- Water System Master Plan
- Project Walden Study Completion

16  *FY 2002 – 03*

PUBLIC WORKS

ENGINEERING OBJECTIVES

- SDC update
- TSP update
- Development Review
 - Walmart, Annexations, Multiple Subdivisions

PUBLIC WORKS



MAINTENANCE MILESTONES 2003 – 04 BUDGET



MAINTENANCE MILESTONES 2003 – 04 BUDGET

- Improvements in all Parks
Park Host Duties
Improvements to “Academy Square”

NEW GILL'S LANDING PARK HOST



BEFORE ACADEMY SQUARE



AFTER ACADEMY SQUARE



MAINTENANCE MILESTONES 2003 - 04

- Improvements in all Parks
Park Host Duties
Improvements to "Academy Square"
- Tree City USA award

TREE CITY USA PRESENTATION



MAINTENANCE MILESTONES 2003 - 04

- Improvements in all Parks
Park Host Duties
Improvements to "Academy Square"
- Tree City USA award
- Small Waterline Replacement
4,000 feet of pipe per year on average

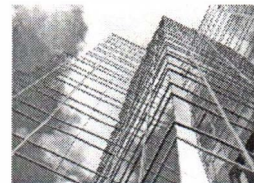
SMALL WATERLINE CONSTRUCTION



HIGHLIGHTS 2003 - 2004

- Continued reduction in Street Maintenance
Bare Bones Street Sweeping Schedule
No Dust Control on Gravel Streets
- \$100,000 reduction in Parks Capital
Improvements
- Additional Maintenance Supervisor Position

PUBLIC WORKS ENGINEERING MILESTONES & HIGHLIGHTS FY 2002 - 03



***FY 2002 – 03
PUBLIC WORKS
ENGINEERING MILESTONES***

- Westside Interceptor Pump Station
- 5th Street Extension/Pioneer School infrastructure
- Main Street Phase I
- Santiam Travel Station Phase II

***FY 2002 – 03
PUBLIC WORKS
ENGINEERING MILESTONES***

- Walden Investigation
- Development of storm drainage utility
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- Project Walden Study Completion

***FY 2002 – 03
PUBLIC WORKS
ENGINEERING OBJECTIVES***

- SDC update
- TSP update
- Development Review
 - Walmart, Annexations, Multiple Subdivisions

Lebanon Police Department
2003/04 Budget Presentation



Basic Statistics

- > 11,625 Calls For Service Answered (2002)
- > 1,721 Adult Arrests
- > 286 Juvenile Arrests
- > 3,287 Traffic Citations Issued
- > 713 Ordinance Impoundments
- > 5,358 Pawn Transactions Processed
- > 601 Prisoners Processed

Accomplishments

- > \$16,370 in Grant Funding
 - Equipment / Body Armor / DUII Enforce.
- > \$111,816 Donated in Volunteer Labor
 - Reserve Officers
- > \$45,480 Generated in Impoundments
 - No insurance/No License/DUII

Accomplishments

- Emergency Generator
- Logging Recorder
- Main Records Server
- Patrol & Detective PC's
- Initial Stage of Accreditation
- Increased Traffic Fine Revenue



Strategic Planning Accomplishments

- > Quarterly Radio Talk Show
- > Monthly Community Presentations
- > Internal Communications Increased
- > Volunteer Disabled Parking Enforcement



Community Building Activities

- "Cast with a Cop"
- "Shop with a Cop"
- "Cops & Lobsters"
- Special Olympics "Torch Run"
- River Park Clean-Up

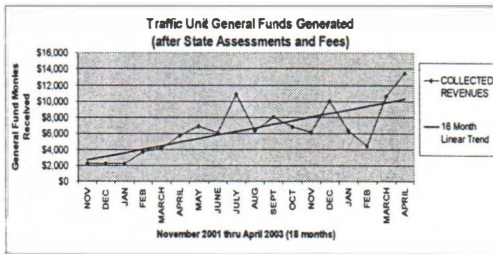


Traffic Team Progress (18 month)

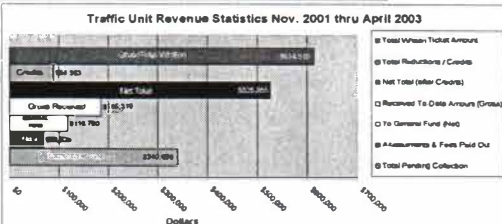


- Over 5800 contacts
- Positive Response
- 20k in Impounds
- Meth. Lab Seizures
- Kidnapping Suspect
- High Visibility
- Refocused Patrol
- Numerous citizen Requests

Court Collections - Traffic Team



Court Collections - Traffic Team



Based on the above information, it is projected that of the \$340,000 still pending collection, and if collected, would net approximately 60% or \$204,382 for General Fund and approximately 40% or \$136,264 would be paid out in State and County Assessments and Fees.

Current Situation

- Part 1 Crime Rate (A.K.A. Index Crime Rate)
 - Who we compare to
 - Who we *should* compare to.
- Compounding the Problem
 - Reduced Jail Capacity
 - Reduced Correctional Programs
 - Severely Reduced Prosecution at State Level
- Reduced Forensics Resources
 - State Level Cut-Backs at O.S.P.

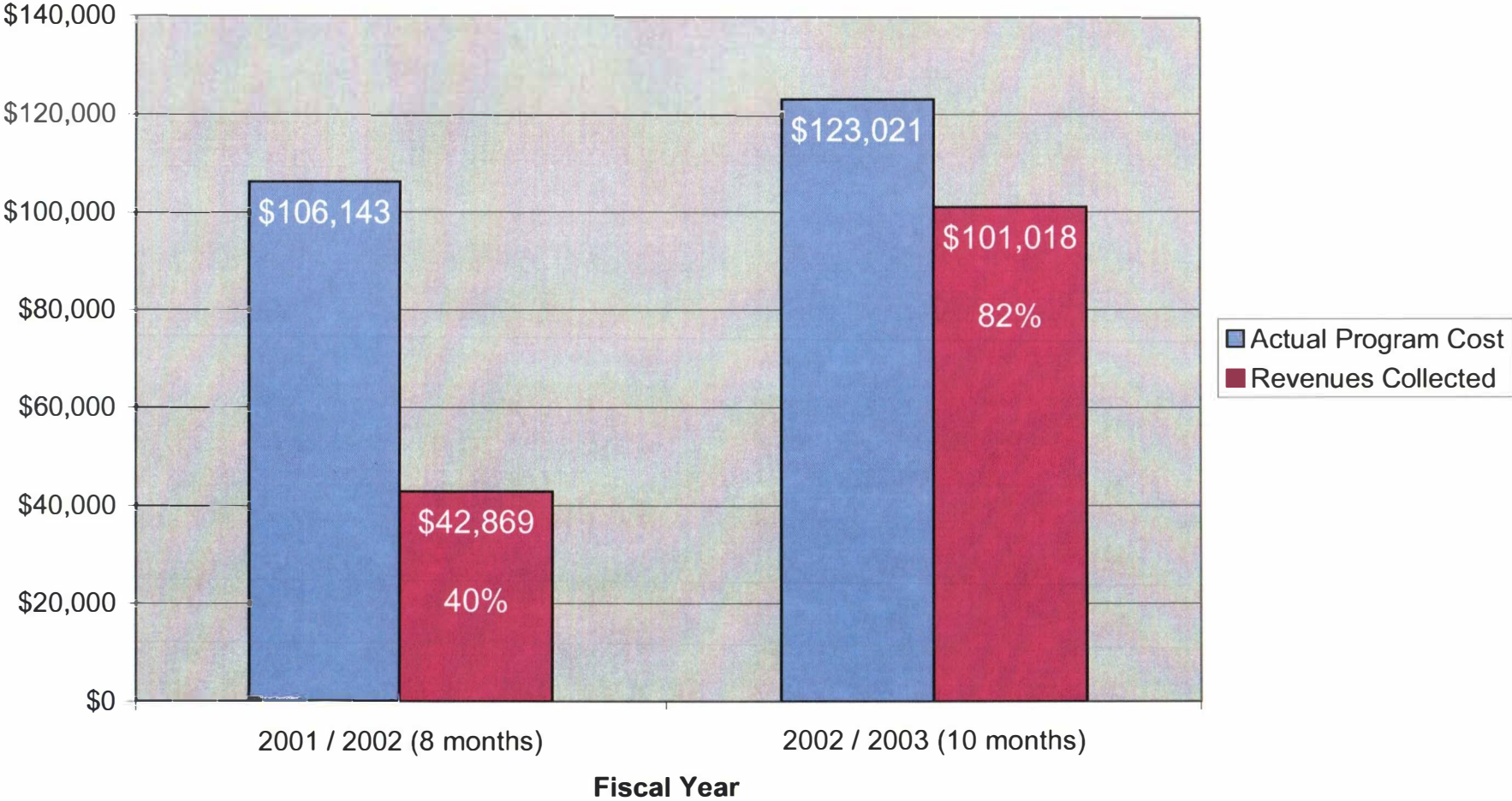
Objectives for Next Year

- Formal initiation of Accreditation Program
- Voluntary Juvenile Drug Testing Program
- Continue Increasing Revenue from Traffic Team
- Converting Archiving System

Important Highlights

- Bottom-line Reductions.
- Vehicle Lease Increase
- Required Debt Service for Equipment (Year 2 of 3)
- Increase in Transfer to Information Services

**Annual Traffic Unit Program Cost
vs.
Revenue Collections**



Traffic Unit Cost by Fiscal Year

FISCAL YEAR	2001 / 2002 (8 months)	2002 / 2003 (10 months)
Actual Program Cost	\$106,143	\$123,021
Revenues Collected	\$42,869	\$101,018
Personnel Cost	\$87,853	\$114,184
Material/Services/Capital	\$18,290	\$8,837
Average Monthly Program Cost	\$13,267	\$12,302
Citation Revenue	\$33,369	\$83,418
Admin Tow Revenue	\$9,500	\$17,600

CITY OF LEBANON
User: ccoleGeneral Ledger
Budget Proposal Report
SMALL WTR LINE REPLACE

For Fiscal Year: 2004

2001 Actual	2002 Actual	2003 Adopted	2003 Estimated	Account	Description	2004 Requested	2004 Proposed	2004 Approved	2004 Adopted
				R6	Rev.-Miscellaneous				
9,436.64	3,996.69	6,000	4,000	437-000-48100	Interest On Investment	4,000	4,000	0	0
0.00	21.00	0	0	437-000-48140	Miscellaneous Revenue	0	0	0	0
9,436.64	4,017.69	6,000	4,000		Rev.-Miscellaneous Totals:	4,000	4,000	0	0
				R7	Rev.-Transfers In				
336,098.00	334,518.00	336,902	336,902	437-000-49022	From Water Fund	363,399	363,399	0	0
0.00	0.00	100,000	100,000	437-000-49023	From Water CIP	0	0	0	0
0.00	9,473.62	0	0	437-000-49102	From Maint Office Construct	0	0	0	0
336,098.00	343,991.62	436,902	436,902		Rev.-Transfers In Totals:	363,399	363,399	0	0
				R8	Rev.-Other Sources				
0.00	0.00	0	0	437-000-42030	Bond Sale Proceeds	0	0	0	0
177,948.96	110,461.74	40,926	81,677	437-000-49901	Beginning Balance	86,000	86,000	0	0
177,948.96	110,461.74	40,926	81,677		Rev.-Other Sources Totals:	86,000	86,000	0	0
523,483.60	458,471.05	483,828	522,579		REVENUES Totals:	453,399	453,399	0	0
				E1	Exp.-Personal Services				
119,766.27	131,540.63	157,743	148,432	437-437-50001	Salaries	147,478	147,478	0	0
48,030.83	56,590.02	74,046	70,152	437-437-50003	Fringe Benefits	79,423	79,423	0	0
293.61	703.64	1,928	200	437-437-50600	Overtime	1,928	1,928	0	0
0.00	0.00	0	0	437-437-59000	Group Term Life	0	0	0	0
168,090.71	188,834.29	233,717	218,784		Exp.-Personal Services Totals:	228,829	228,829	0	0
				E2	Exp.-Materials & Services				
68.53	77.16	25	25	437-437-61012	Advertising (Maint)	25	25	0	0
423.42	379.83	300	300	437-437-61122	Communication (Maint)	400	400	0	0
49.22	1,683.00	2,556	2,556	437-437-61127	Computer Exp (Maint)	1,176	1,176	0	0
46,026.51	31,187.74	35,000	35,000	437-437-61130	Contract Services	25,000	25,000	0	0
0.00	0.00	0	0	437-437-61131	Contract Services (PW)	0	0	0	0
25,227.62	22,798.36	10,720	10,000	437-437-61134	Contract Serv (Maint)	11,020	11,020	0	0
106,256.91	97,357.90	118,736	118,000	437-437-61242	Operating Exp (Maint)	108,988	108,988	0	0
0.00	281.01	0	0	437-437-61243	Operating Exp (PW)	0	0	0	0
740.55	1,582.73	1,800	1,750	437-437-61252	Op Supplies (Maint)	1,800	1,800	0	0
69.20	4.80	160	160	437-437-61292	Dues & Subs (Maint)	100	100	0	0
0.00	0.00	718	750	437-437-61294	Dues & Subscript (Admin)	825	825	0	0
1,439.69	1,325.17	1,638	1,638	437-437-61322	Ed & Trng (Maint)	1,700	1,700	0	0
126.18	76.28	339	200	437-437-61401	Unemploy Ins	417	417	0	0
180.00	0.00	0	0	437-437-61420	Ins Repair & Deduct	0	0	0	0
1,457.72	1,274.76	1,500	1,500	437-437-61502	Uniforms (Maint)	1,500	1,500	0	0
224.41	335.31	400	400	437-437-61562	Maint/Bldg (Maint)	400	400	0	0
493.85	1,304.31	1,500	1,500	437-437-61572	Maint/Eqpt (Maint)	1,500	1,500	0	0
7,690.08	4,615.60	7,300	7,300	437-437-61582	Maint/Vehicles (Maint)	8,105	8,105	0	0
286.05	312.55	325	325	437-437-61702	Off Supplies (Maint)	325	325	0	0
3,389.00	2,804.77	3,200	3,200	437-437-61802	Petroleum (Maint)	4,224	4,224	0	0
194,148.94	167,401.28	186,217	184,604		Exp.-Materials & Services Totals:	167,505	167,505	0	0
				E3	Exp.-Capital Outlay				
5,117.78	0.00	2,574	2,500	437-437-72102	Buildings (Maint)	5,433	5,433	0	0
9,648.68	(11.36)	0	0	437-437-72302	Improvements (Maint)	0	0	0	0
400.00	964.24	1,080	1,080	437-437-72502	Office Eqpt (Maint)	300	300	0	0
5,757.75	0.00	4,270	4,100	437-437-72602	Other Eqpt (Maint)	2,075	2,075	0	0
0.00	0.00	0	0	437-437-72802	Vehicles (Maint)	0	0	0	0
20,924.21	952.88	7,924	7,680		Exp.-Capital Outlay Totals:	7,808	7,808	0	0
				E4	Exp.-Transfers Out				
3,858.00	3,606.00	8,312	8,312	437-437-90027	To Info System Service	10,394	10,394	0	0
0.00	0.00	0	0	437-437-90030	To Support Services	3,636	3,636	0	0
10,000.00	0.00	0	0	437-437-90100	To Maint Div Office Construct	0	0	0	0
16,000.00	16,000.00	16,100	16,100	437-437-90105	To Eqpt Acq & Rep Fund	15,960	15,960	0	0

General Ledger
 Budget Proposal Report
SMALL WTR LINE REPLACE

<u>2001</u> <u>Actual</u>	<u>2002</u> <u>Actual</u>	<u>2003</u> <u>Adopted</u>	<u>2003</u> <u>Estimated</u>	<u>Account</u>	<u>Description</u>	<u>2004</u> <u>Requested</u>	<u>2004</u> <u>Proposed</u>	<u>2004</u> <u>Approved</u>	<u>2004</u> <u>Adopted</u>
29,858.00	19,606.00	24,412	24,412		Exp.-Transfers Out Totals:	29,990	29,990	0	0
0.00	0.00	31,558	0	E5 437-437-80005	Exp.-Contingencies Operating Contingency	19,267	19,267	0	0
0.00	0.00	31,558	0		Exp.-Contingencies Totals:	19,267	19,267	0	0
413,021.86	376,794.45	483,828	435,480		EXPENDITURES Totals:	453,399	453,399	0	0
413,021.86	376,794.45	483,828	435,480		SMALL WTR LINE REPLACE Totals:	453,399	453,399	0	0
523,483.60	458,471.05	483,828	522,579		Fund REVENUES	453,399	453,399	0	0
413,021.86	376,794.45	483,828	435,480		Fund EXPENSES	453,399	453,399	0	0
110,461.74	81,676.60	0	87,099		SMALL WTR LINE REPLACE Totals:	0	0	0	0
523,483.60	458,471.05	483,828	522,579		Report REVENUES	453,399	453,399	0	0
413,021.86	376,794.45	483,828	435,480		Report EXPENSES	453,399	453,399	0	0
110,461.74	81,676.60	0	87,099		Report Totals:	0	0	0	0

Wastewater Franchise Fee

CIP Committee Recommendation:

The CIP Committee recommends rescinding the Wastewater Franchise Fee and dedicating that revenue to help fund the Downtown Sewer Separation Phase III project.

Franchise Fee:

Wastewater Franchise Fee Paid to General Fund '02-'03.....	\$116,000
Less Sewer Fees for City Buildings.....	\$11,000
Available for Projects.....	\$105,000

Project:

Downtown Sewer Separation Phase III. (Estimate: \$419,000)

In two years, half of the Downtown Sewer Separation Phase III project could be constructed if the available Franchise Fee were dedicated to the project.

General Ledger
Budget Proposal Report
BUILDING INSPECTION


2001 Actual	2002 Actual	2003 Adopted	2003 Estimated	Account	Description	2004 Requested	2004 Proposed	2004 Approved	2004 Adopted
				R2	Rev.-Licenses & Permits				
171,990.00	265,784.00	265,042	265,042	527-000-46010	Bldg Permits & Fees	297,508	297,508	0	0
0.00	0.00	0	0	527-000-46040	Electrical Permits	0	0	0	0
171,990.00	265,784.00	265,042	265,042		Rev.-Licenses & Permits Totals:	297,508	297,508	0	0
				R6	Rev.-Miscellaneous				
1,164.00	3,201.57	2,500	2,500	527-000-48100	Interest On Investment	2,500	2,500	0	0
(2.80)	(3.33)	0	0	527-000-48140	Miscellaneous Revenue	0	0	0	0
0.00	0.00	0	0	527-000-48147	Misc. Rev-Nuisance	0	0	0	0
1,161.20	3,198.24	2,500	2,500		Rev.-Miscellaneous Totals:	2,500	2,500	0	0
				R7	Rev.-Transfers In				
0.00	0.00	0	0	527-000-49010	From General Fund	0	0	0	0
0.00	0.00	0	0		Rev.-Transfers In Totals:	0	0	0	0
				R8	Rev.-Other Sources				
58,479.52	42,612.53	75,000	130,404	527-000-49901	Beginning Balance	152,000	152,000	0	0
58,479.52	42,612.53	75,000	130,404		Rev.-Other Sources Totals:	152,000	152,000	0	0
231,630.72	311,594.77	342,542	397,946		REVENUES Totals:	452,008	452,008	0	0
				E1	Exp.-Personal Services				
104,278.43	87,197.92	131,190	109,419	527-527-50001	Salaries	120,161	120,161	0	0
39,346.88	34,819.51	54,677	45,559	527-527-50003	Fringe Benefits	59,061	59,061	0	0
739.73	1.76	1,040	1,040	527-527-50600	Overtime	1,346	1,346	0	0
0.00	0.00	0	0	527-527-59000	Group Term Life	0	0	0	0
144,365.04	122,019.19	186,907	156,018		Exp.-Personal Services Totals:	180,568	180,568	0	0
				E2	Exp.-Materials & Services				
0.00	0.00	0	0	527-527-61007	Advertising (CD)	910	910	0	0
180.91	240.00	905	905	527-527-61009	Advertising (PW)	0	0	0	0
90.00	0.00	500	500	527-527-61010	Advertising	250	250	0	0
0.00	0.00	0	0	527-527-61018	Computer Exp (CD)	1,195	1,195	0	0
0.00	0.00	0	0	527-527-61118	Communication (CD)	130	130	0	0
507.90	679.36	500	500	527-527-61119	Communication	500	500	0	0
720.72	624.87	0	0	527-527-61120	Communication (Gen'l)	0	0	0	0
135.81	275.40	167	167	527-527-61123	Communication (PW)	0	0	0	0
1,958.00	817.22	2,100	2,100	527-527-61124	Computer Expense	2,100	2,100	0	0
0.00	0.00	0	0	527-527-61126	Computer Exp (Eng)	0	0	0	0
100.00	56.38	1,410	1,410	527-527-61128	Computer Exp (PW)	0	0	0	0
4,020.81	16,563.79	25,000	25,000	527-527-61130	Contract Services	35,000	35,000	0	0
120.00	0.00	1,353	1,353	527-527-61131	Contract Services (PW)	0	0	0	0
0.00	0.00	0	0	527-527-61133	Contract Serv (Eng)	0	0	0	0
13.30	218.89	300	300	527-527-61140	Merchant Card Fees	1,000	1,000	0	0
8,841.35	14,508.11	15,100	15,100	527-527-61240	Dept/Operating Expense	16,050	16,050	0	0
580.55	355.90	525	525	527-527-61243	Operating Exp (PW)	0	0	0	0
0.00	0.00	0	0	527-527-61245	Operating Exp (CD)	729	729	0	0
754.23	1,598.92	2,000	2,000	527-527-61250	Dept/Op Supplies	2,000	2,000	0	0
0.00	348.79	380	380	527-527-61253	Op Supplies (PW)	0	0	0	0
0.00	0.00	0	0	527-527-61256	Op Supplies (CD)	364	364	0	0
320.00	439.41	450	450	527-527-61290	Dues & Subscriptions	500	500	0	0
0.00	160.00	183	183	527-527-61293	Dues & Subscript (PW)	0	0	0	0
0.00	0.00	718	850	527-527-61294	Dues & Subscript (Admin)	825	825	0	0
0.00	0.00	0	0	527-527-61295	Dues & Subscript (CD)	164	164	0	0
1,086.17	470.02	1,200	1,200	527-527-61320	Education & Training	1,200	1,200	0	0
0.00	0.00	0	0	527-527-61321	Education & Trng (Eng)	0	0	0	0
322.33	58.34	750	750	527-527-61323	Education & Trng (PW)	0	0	0	0
0.00	0.00	0	0	527-527-61324	Education & Trng (CD)	676	676	0	0
143.88	166.37	254	200	527-527-61401	Unemploy Ins	297	297	0	0
0.00	250.00	1,000	1,000	527-527-61420	Ins Repair & Deduct	1,000	1,000	0	0
4,160.46	3,839.05	1,500	1,500	527-527-61560	Main/Bldg (Gen'l)	200	200	0	0
0.00	0.00	720	720	527-527-61563	Main/Bldg (PW)	0	0	0	0
0.00	0.00	0	0	527-527-61564	Main/Bldg (CD)	475	475	0	0
30.00	209.89	650	650	527-527-61600	Meetings & Conferences	650	650	0	0

General Ledger
Budget Proposal Report
BUILDING INSPECTION

2001	2002	2003	2003	Account	Description	2004	2004	2004	2004
<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Estimated</u>			<u>Requested</u>	<u>Proposed</u>	<u>Approved</u>	<u>Adopted</u>
250.50	499.20	436	436	527-527-61603	Mtgs & Conf (PW)	0	0	0	0
0.00	0.00	0	0	527-527-61604	Mtgs & Conf (CD)	455	455	0	0
344.53	1,007.02	750	750	527-527-61700	Office Supplies	900	900	0	0
10.58	95.24	525	525	527-527-61703	Office Supplies (PW)	0	0	0	0
0.00	0.00	0	0	527-527-61705	Office Supplies (CD)	546	546	0	0
0.00	315.83	580	580	527-527-61820	Postage	525	525	0	0
6,755.38	5,940.00	6,270	6,270	527-527-61880	Rent	4,290	4,290	0	0
1,414.10	0.00	1,237	1,237	527-527-61883	Rent (PW)	0	0	0	0
0.00	0.00	0	0	527-527-61884	Rent (CD)	1,115	1,115	0	0
32,861.51	49,738.00	67,463	67,541		Exp.-Materials & Services Totals:	74,046	74,046	0	0
				E3	Exp.-Capital Outlay				
0.00	0.00	0	0	527-527-72303	Improvements (PW)	0	0	0	0
132.64	144.00	1,475	1,475	527-527-72500	Office Eqpt.	1,500	1,500	0	0
676.00	650.00	345	345	527-527-72503	Office Eqpt (PW)	0	0	0	0
0.00	0.00	0	0	527-527-72504	Office Eqpt (CD)	312	312	0	0
0.00	0.00	0	0	527-527-72600	Other Eqpt.	0	0	0	0
0.00	0.00	0	0	527-527-72601	Other Eqpt (Eng)	0	0	0	0
0.00	0.00	2,000	2,000	527-527-72800	Vehicles	1,750	1,750	0	0
808.64	794.00	3,820	3,820		Exp.-Capital Outlay Totals:	3,562	3,562	0	0
				E4	Exp.-Transfers Out				
0.00	0.00	0	0	527-527-90010	To General Fund	0	0	0	0
0.00	0.00	0	0	527-527-90018	To Santiam Trav Station	0	0	0	0
10,983.00	8,640.00	13,038	13,038	527-527-90027	To Info System Service	23,544	23,544	0	0
0.00	0.00	0	0	527-527-90030	To Support Services	984	984	0	0
0.00	0.00	5,700	5,700	527-527-90105	To Eqpt Acq & Rep Fund	8,500	8,500	0	0
10,983.00	8,640.00	18,738	18,738		Exp.-Transfers Out Totals:	33,028	33,028	0	0
				E5	Exp.-Contingencies				
0.00	0.00	65,614	0	527-527-80005	Operating Contingency	76,804	76,804	0	0
0.00	0.00	65,614	0		Exp.-Contingencies Totals:	76,804	76,804	0	0
				E7	Exp.-Unappropriated				
0.00	0.00	0	0	527-527-92010	Unapprop End Fund Bal	84,000	84,000	0	0
0.00	0.00	0	0		Exp.-Unappropriated Totals:	84,000	84,000	0	0
189,018.19	181,191.19	342,542	246,117		EXPENDITURES Totals:	452,008	452,008	0	0
189,018.19	181,191.19	342,542	246,117		BUILDING INSPECTION Totals:	452,008	452,008	0	0
231,630.72	311,594.77	342,542	397,946		Fund REVENUES	452,008	452,008	0	0
189,018.19	181,191.19	342,542	246,117		Fund EXPENSES	452,008	452,008	0	0
42,612.53	130,403.58	0	151,829		BUILDING INSPECTION Totals:	0	0	0	0
231,630.72	311,594.77	342,542	397,946		Report REVENUES	452,008	452,008	0	0
189,018.19	181,191.19	342,542	246,117		Report EXPENSES	452,008	452,008	0	0
42,612.53	130,403.58	0	151,829		Report Totals:	0	0	0	0

Information Services

2003-04 Budget Presentation



Accomplishments

- Citywide Operating System upgrade has been completed
 - City is in compliance with software licensing regulations
 - All employees use the same standard applications for a reduction in support and licensing costs
 - Information Services team is able to provide more effective user support through use of remote network technologies

Accomplishments

- All departments are now integrated with the City's network infrastructure
 - All employees have e-mail to improve communications
 - Information is available to all employees via the intranet
 - Foundation based on current open architecture is now in place for departments to more effectively share information

Accomplishments

- IS team now provides support to the Lebanon Fire District on a contractual basis
 - \$15,000 in additional revenue
- IS work order process has been automated using open source software to improve service, track costs and time
- Citywide data and network security has been greatly increased

Accomplishments

- Training for all employees to maximize use of technology tools that enhance productivity
- GIS dataset migrated to a "one map" format
 - One map format is the foundation for further development of the City's GIS
 - As a result of the migration, all employees have access to GIS data via free data viewer

Important Highlights

- Reallocation of computer expenses from individual departments to IS
 - Funding of PCs will be scheduled depending on user environment and requirements in order to maximize efficiency
 - Each department will transfer funds to IS over the life of the PC in order to stabilize costs
 - Unplanned maintenance costs will be greatly reduced
 - Reallocation moves \$45,000 from individual departmental budget line items to IS transfers

Important Highlights

- GIS Department combined with Information Services
 - Elimination of one Technology Analyst and one GIS position in March of 2003
- New Position – Database Applications Developer
 - This person will work with IS, GIS and each department to design and implement automated systems and processes that improve the City's operational efficiency
 - This person will assume a key role in developing the City's website and e-government tools
 - Use of IS consulting services will be eliminated by the creation of this position
- Total reduction of Personnel Services of \$22,000 from 2002-03 budget

Important Highlights

- GIS Funds carried forward from 2002-03 to conduct new color aerial flight and mapping updates
 - By waiting until this year, updates will include new school construction and changes at Academy Square
- Funding carried forward from 2002-03 to complete the implementation of new telephone system
 - First disbursement of funds for telephone system to be issued by June 30, 2003
- \$47,000 in debt service payments

2003-04 Projects

- Server Replacements
 - Many of the City's servers no longer provide adequate or reliable data storage
 - Functions from several servers will be combined on one filer resulting in a more robust and cost-effective model for data storage
 - The use of a filer instead of traditional servers will save the City \$20,000 in up front hardware costs and will allow approximately \$55,000 worth of staff time to be devoted to tasks other than server maintenance.
 - The cost of replacing the filer and servers in the future will be factored into the PC replacement funding schedule

2003-04 Projects

- Tape backup system
 - The City's current tape backup system does not have the capacity to effectively back up our electronic information
 - Additionally, one drive of the current two drive system no longer functions
 - Replacement of this system will allow the City to follow best practices for data storage and reduce staff time spent archiving and retrieving data
 - Oregon Administrative Rules dictate retention of public data - replacement of this system will allow the city to meet these standards

2003-04 Projects

- Telephone system upgrade
 - The telephone system upgrade authorized for 2003-03 will be completed in August
 - The City will save approximately \$4000 annually in recurring TelCO fees as the result of the use of new telephone system technology
- Enhanced public website
 - The new website will provide more information and resources to the public in a user-friendly manner
 - Individual departments will have the ability to update their own information on the website, reducing IS staff time required to manage the site
 - Staff time spent responding to questions from other agencies and the general public will be reduced by having a more comprehensive presence on the world wide web

2003-04 Goals

- Continued training for users
- Integration and automation of City systems to enhance efficiency
- Increased availability of public information
- Expanded use of GIS by the Police, Library and in Emergency Management
- Collaboration with other agencies to increase information sharing and examine costs
- Long term planning to stabilize technology costs and maximize benefits
