City of North Plains

Oregon

Proposed Budget 2012-13

North Plains

Urban Renewal Agency

Proposed Budget

Approved Draft

June 4, 2012

North Plains, Oregon

Proposed 2012/2013 Annual Budget

Budget Committee

City Council:

Mayor David Hatcher

President Teri Lenihan - Michael Broom - Michael Demagalski

Ana Singh-Gill - Robert Kindel - Glen Warren

Citizen Members

Marrina Abeln - Cindy Hirst - Jennifer Knowles

Cheri Olsen - Mitch Ward – Dann King – 1 Vacancy

Budget Officer

City Manager Martha DeBry

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Budget Message

May 29, 2012

Honorable Mayor, Councilors, and Budget Committee members,

The 2012-2013 budget was approved by the Budget Committee on May 14, 2012, and it proposes operating expenses of $3,151,883, with unappropriated fund balances of $2,492,813 and contingencies of $410,000. In total the budget expenses are $6,054,697.

Following the recommendation presented by the contract accountants, the City would like to initiate a change in basis of accounting with this budget. Previously the City budgeted per the modified cash basis of accounting the City would like to move to the modified accrual basis of accounting in accordance with generally accepted accounting standards. This will change how the City recognizes expense and revenue from when cash was exchanged to when it is earned and available or incurred allowing the City to better match expense and revenue to the period in which they are used.

Additionally a minor change has been made the City's petty cash policy which is highlighted in the Financial Policy appendix.

For reference the budget messages from the previous two drafts of the budget are included in the appendices.

Respectfully submitted,

Martha DeBry,
City Manager

Summary of Expenses

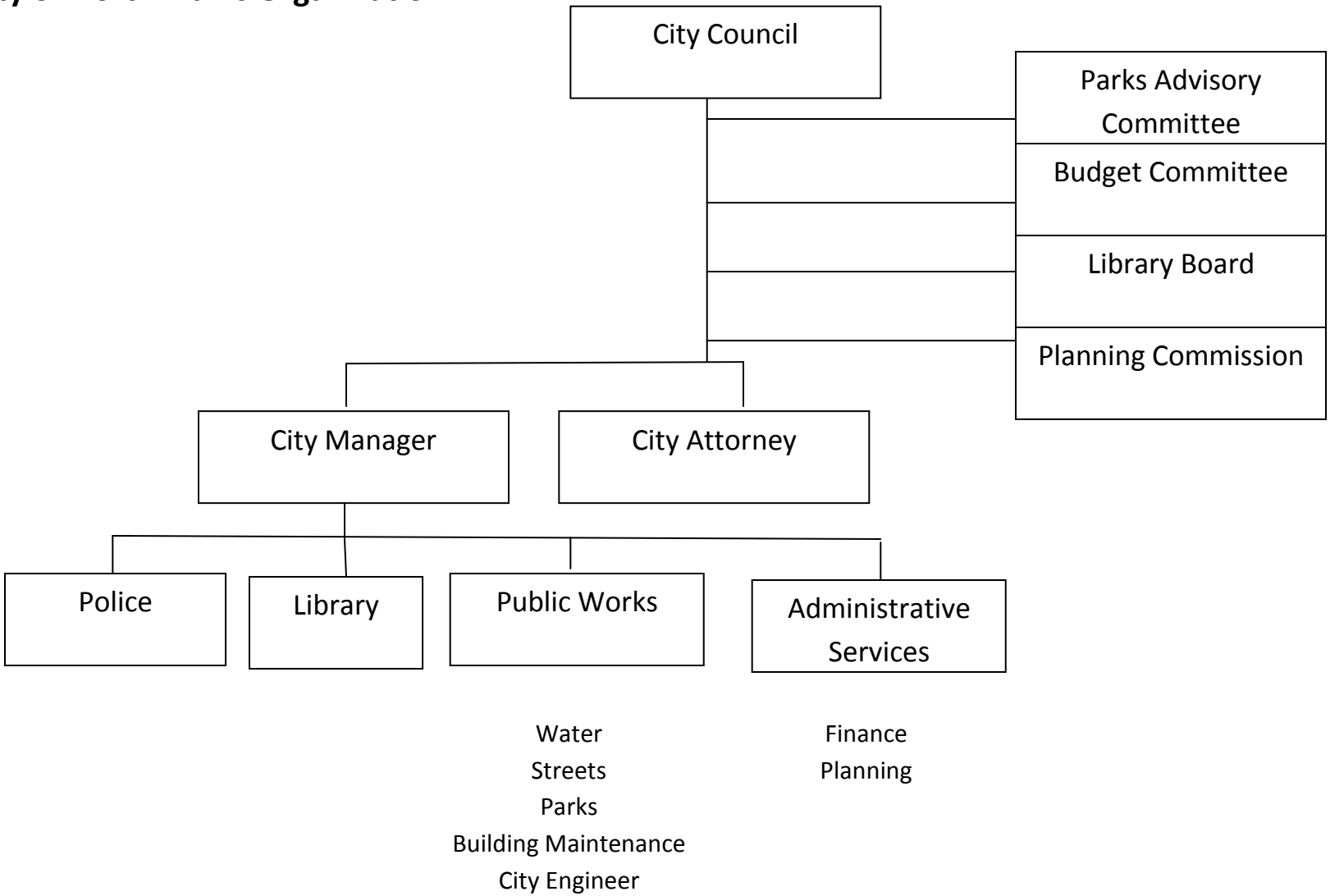
Fund-Activity	FUND	TOTAL	Personal Services	Materials and Services	Capital	Debt Service	Interfund Transfers	Special Payments	Contingency	Unappropriated Balance
110	**GENERAL FUND**	**$1,617,185**	**$359,483**	**$171,295**	**$7,700**	**$0**	**$264,161**	**$0**	**$100,000**	**$714,546**
110-421	Police	$359,877	$221,399	$94,595	$0	$0	$43,883	$0	$0	$0
110-451	Library	$204,177	$119,257	$35,400	$7,700		$41,820	$0	$0	$0
110-452	Parks	$157,941	$0	$32,300	$0	$0	$125,641	$0	$0	$0
110-465	Planning	$80,644	$18,827	$9,000	$0	$0	$52,817	$0	$0	$0
110-001	Reserve	$814,546							**$100,000**	**$714,546**
001-412	Municipal Court	$0	$0	$0	$0	$0	$0	$0	$0	$0
001-432	Sewer Bond	$0	$0	$0	$0	$0	$0	$0	$0	$0
003-450	**Water Sys Improvement**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
601	**Internal Revenue Fund**	**$834,171**	**$551,177**	**$247,994**	**$7,000**	**$0**	**$28,000**	**$0**		**$0**
601-412	*City Attorney*	$20,000	*$0*	*$20,000*	*$0*	*$0*	*$0*	$0	$0	$0
601-416	*City Engineer*	$8,500	*$0*	*$8,500*	*$0*	*$0*	*$0*	$0	$0	$0
601-413	*City Manager*	$103,143	*$102,143*	*$1,000*	*$0*	*$0*	*$0*	$0	$0	$0
601-414	*City Recorder*	$21,383	*$5,383*	*$16,000*	*$0*	*$0*	*$0*	$0	$0	$0
601-411	*Council*	$6,350	*$0*	*$6,350*	*$0*	*$0*	*$0*	$0	$0	$0
601-415	*Finance*	$147,270	*$108,600*	*$38,670*	*$0*	*$0*	*$0*	$0	$0	$0
601-419	*General Government*	$130,574	*$0*	*$130,574*	*$0*	*$0*	*$0*	$0	*$0*	*$0*
601-433	*Public Works*	$368,951	*$335,051*	*$26,900*	*$7,000*	*$0*	*$0*	$0	$0	$0
	Transfer to General Fund	$28,000	*$0*	*$0*	*$0*	*$0*	*$28,000*	*$0*	*$0*	*$0*

Fund-Activity	FUND	TOTAL	Personal Services	Materials and Services	Capital	Debt Service	Interfund Transfers	Special Payments	Contingency	Unappropriated Balance
111-433	**STREET AND STORM DRAIN**	**$1,217,067**	**$0**	**$41,400**	**$509,501**	**$0**	**$147,628**	**$0**	**$50,000**	**$468,538**
130-470	**TDT**	**$111,600**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$50,000**	**$61,600**
210-433	**WATER**	**$1,517,600**	**$0**	**$214,670**	**$51,000**	**$134,333**	**$388,626**	**$34,300**	**$50,000**	**$644,671**
131-452	**PARK CAPITAL**	**$421,710**	**$0**	**$0**	**$25,000**	**$0**	**$0**	**$0**	**$100,000**	**$296,710**
132-433	**TRAFFIC IMPACT FEE**	**$284,560**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$50,000**	**$234,560**
009-093	**VEHICLE**	**$50,804**	**$0**	**$0**	**$0**	**$0**	**$28,000**	**$0**	**$10,000**	**$12,804**
	TOTAL BUDGET	**$6,054,697**	**$910,660**	**$675,359**	**$540,816**	**$134,333**	**$856,415**	**$34,300**	**$410,000**	**$2,492,813**

Summary of Revenues

No.	Fund	Net Working Capital	Fees, Licenses Permits	Federal, State and all Other Grants, Gifts, Allocations and Donations	Revenue from Bond and Other Debt	Interfund Transfers	All Other Resources Except Property Tax	Property Tax	Total
110	**General Fund**	$868,613	$233,500	$10,600	$0	$28,000	$142,542	$333,930	$1,617,185
111	**Street Fund**	$650,707	$10,600	$388,116	$0	$0	$167,644	$0	$1,217,067
130	**Transportation Development Tax**	$80,200	$31,200	$0	$0	$0	$200	$0	$111,600
131	**Parks Capital**	$389,130	$31,280	$0	$0	$0	$1,300	$0	$421,710
132	**Traffic Impact Fee**	$283,560	$0	$0	$0	$0	$1,000	$0	$284,560
003	**Water Capital**	$0	$0	$0	$0	$0	$0	$0	
210	**Water Fund**	$563,358	$801,484	$0	$0	$116,258	$36,500	$0	$1,517,600
009	**Vehicle**	$43,664	$0	$0	$0	$7,000	$140	$0	$50,804
601	**Internal Service Fund**					$834,171	$0	$0	$834,171
	TOTAL	**$2,879,232**	**$1,108,064**	**$398,716**	**$0**	**$985,429**	**$349,326**	**$333,930**	**$6,054,697**

City of North Plains Organization



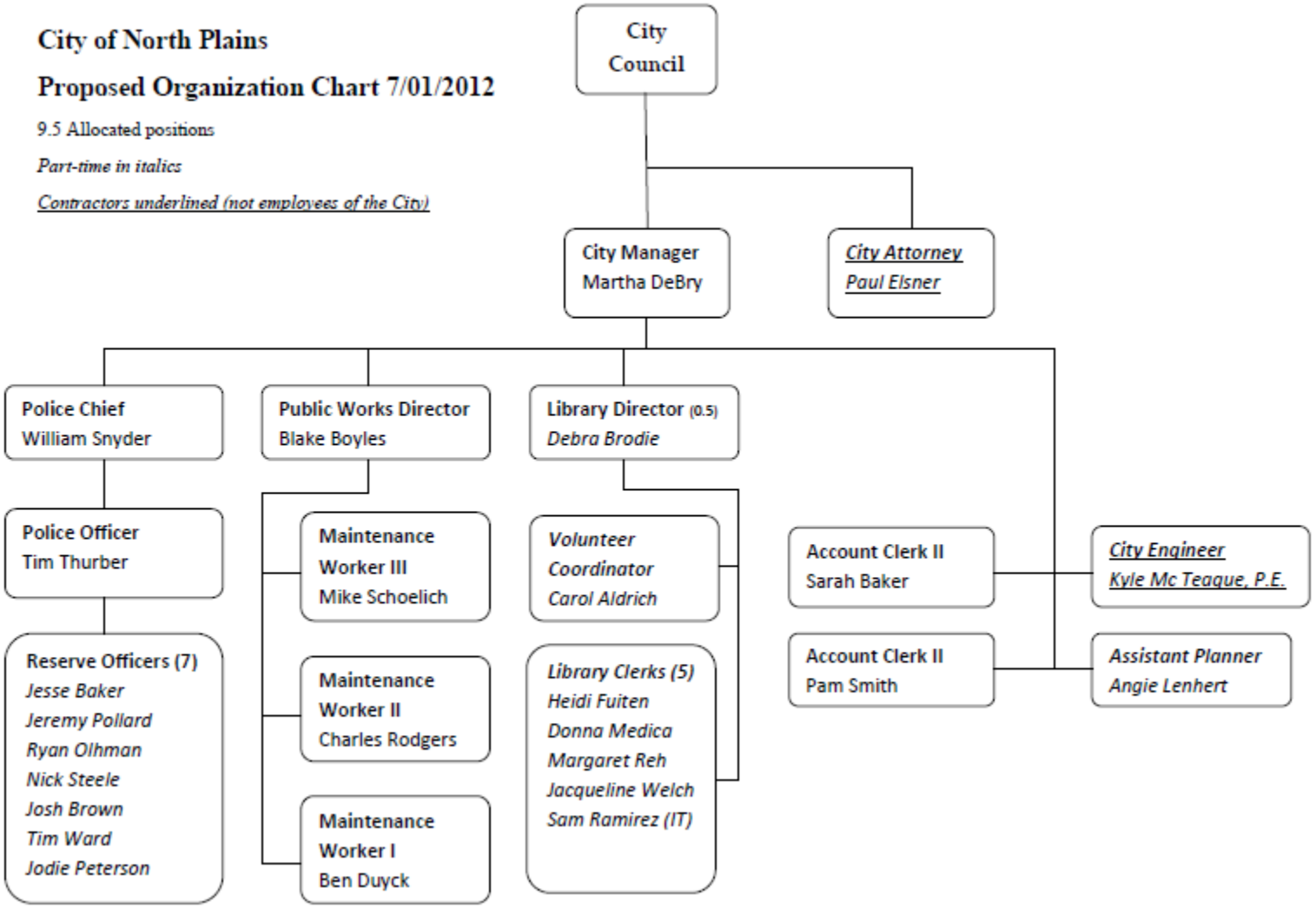
City of North Plains

Proposed Organization Chart 7/01/2012

9.5 Allocated positions

Part-time in italics

Contractors underlined (not employees of the City)

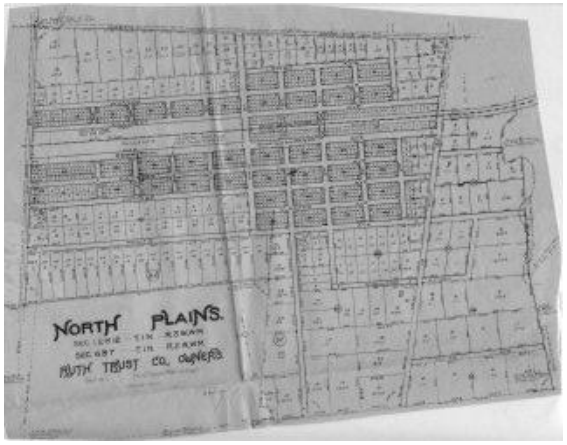


About North Plains

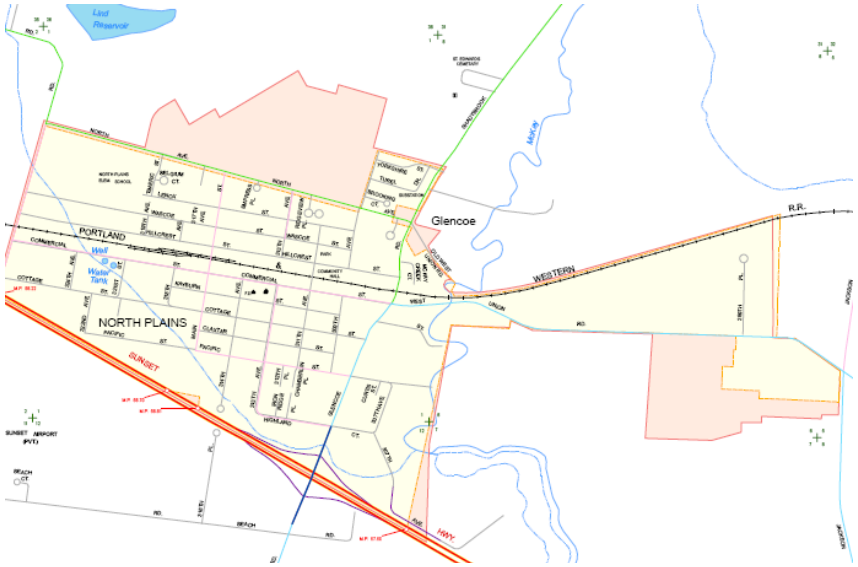
The City of North Plains, Oregon was incorporated in 1963. It operates under a Home Rule Charter which is possible under the Oregon Constitution. The adopted 2007 Charter defines the powers and offices of the city. North Plains has a directly elected Mayor and six Councilors including the Council President.

North Plains' 2010 census population was estimated at 1,947 persons. This was a 21% increase since the 2000 census that recorded a population of 1,605. Additional up-to-date statistical information about North Plains can be found at factfinder2.census.gov.

The City of North Plains was conceived in 1910 when Newell Gossett & Walsh Engineers drew the first map the city for the Ruth Trust Company. It would be another 53 years before the City formally incorporated.



The City includes a mix of residential, commercial and industrial properties. The approved Urban Growth Boundary (UGB) helps determine the community's future size and shape. There is sufficient land within the current boundaries to allow for a significant population growth. Not all land within the UGB has been incorporated into the City limits, which has a moderated pace of development. At this time, there are numerous undeveloped residential, commercial and industrial properties within North Plains' jurisdiction.



The City has master plans for its infrastructure including the park system, water, and streets. Future development may have a significant impact on the infrastructure, particularly in the area of water, as the City may need additional storage and pumping facilities.

Elected Representatives

Mayor David Hatcher david_hatcher@northplains.org
Council President Teri Lenihan teri_lenihan@northplains.org
Michael Broome michael_broome@northplains.org
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Phone: (503) 647-5555
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Washington County Commissioner Andy Duyck
Chair of Board and Commissioner at Large
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Phone: (503) 846-8681; Fax: (503) 846-4545
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State Sen. Bruce Starr (R)
District: 015, 900 Court Street NE, Suite S-411
Salem, OR 97301
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U.S. Rep. Suzanne Bonamici (D)
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Phone: (202) 225-0855; Fax: (202) 225-9497
WebSite: http://bonamici.house.gov/,
E-Mail: https://bonamici.house.gov/contact-me/email-me

About the Budget

Oregon's Local Budget Law is governed by Chapter 294 of the Oregon Revised Statutes (ORS 294). This law does two important things: (1) establishes the standard procedures for preparing, presenting and administering the budget, and (2) requires citizen involvement in the same.

A budget as defined by ORS 294 is a financial plan containing estimates of revenues and expenditures for a given period or purpose, such as the fiscal year. The City is required to budget all funds and for each fund to have a balanced budget. The State of Oregon defines balanced budgets as ones in which total resources, including beginning resources, current resources and debt proceeds, equal total requirements, including current year expenditures, capital outlay, transfers, debt service and any other requirements such as debt service reserves. As a rule, local governments in Oregon operate on a fiscal year that begins on July 1 and ends the following June 30. North Plains' budget operates on this schedule. Budgeting is critical to cities because it requires local governments to evaluate plans and establish priorities in relation to available financial resources. Also under ORS, a legally adopted budget is necessary to establish and justify a given rate and or amount of property taxes to be levied on the property within the City. The City of North Plains' budget will accomplish each of the four major purposes of Oregon Local Budget Law (ORS 294.305 – 294.555 and 294.565) including:

- Establish standard financial procedures
- Outline programs and services in conjunction with the fiscal policy and implement those policies
- Provide methods of estimating revenue, expenditures, and proposed tax levies, and
- Encourage public involvement in the budgeting process before budget adoption

North Plains prepares and adopts its annual budget in accordance with the City Charter, Oregon Law and the Government Finance Officers Association budget guidelines. Before the budget can accomplish these goals, a schedules for preparation is developed. This schedule is called the budget calendar.

2012-2013 Budget Calendar
March 12 - City Manager releases proposed budget

April 9 – May 28 - Budget Committee meetings and Budget Hearings. First public hearing is scheduled for April 9.

By June 25 - The City Council holds a public hearing, adopts budget and levies taxes prior to July 1. *If a change will increase property taxes or increase expenditures within a fund by more than ten percent or $5,000, whichever is greater, the budget must be referred back to the Budget Committee.*

By July 15 - The adopted budget is filed with the County Clerk and State of Oregon, and the property tax levy is certified to the County Assessor.

The Budget Amendment Process
Oregon Budget Law allows for amendments to the City budget for reasons unforeseen at the time of adoption. The City Council may adopt resolution changes that decrease one existing appropriation and increase another. Certain changes of ten percent or more to any fund require a supplemental budget, which requires a public hearing. North Plains adopted its first supplemental budget in January 2012. Because of the very lean nature of the proposed budget, staff anticipates presenting a supplemental budget in January 2013 should there be a need to reallocate funds.

The Budget Committee
The Budget Committee is composed of the Mayor, City Councilors, and seven citizen members appointed by the Council. The appointed members:

- Must live in the City of North Plains
- Cannot be officers, agents, or employees of the local government,
- Serve three-year terms that are staggered so approximately one-third of the terms end each year,
- Cannot be spouses of officers, agents, or employees of the municipality.

Budget Accounting
The budget is prepared using the modified accrual method of accounting. This means that obligations of the City are budgeted as expenses when the related goods or services are available for use rather than when invoices are paid. The City of North Plains manages its finances according to Generally Accepted Accounting Principles (GAAP). During the year, expenditures and revenues are closely monitored to ensure compliance with the adopted budget and State law.

Monthly budget comparisons are prepared by the Finance department and reviewed by the City Manager. A check register is included in Council's agenda packet every month to provide full transparency regarding who the City's vendors are, what they are paid and when payments occur. Quarterly financial reports are distributed to the City Council. All of these reports are public records and available for the general public to review.

Annually, an audit is performed and filed with the State of Oregon by an independent certified public accountant. The City of North Plains annually publishes the financial report on its website. The audit explains the City's budgetary performance and the financial health. This report compares budgeted to actual revenues and expenditures, thus documenting the City's budgetary compliance. Revenues are recorded when earned, and expenses are recorded when a liability is incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally

recorded when a liability is incurred, under accrual accounting. However, long-term compensated absences are recorded only when payment is due. These liabilities are tracked through payroll reports. Principal and interest on long-term debt are recorded as fund liabilities only when due.

Fund Accounting

For accounting purposes, a local government is not treated as a single, integral entity. Rather, a local government is viewed instead as a collection of smaller, separate entities known as "funds." Fund accounting is different from multi-company commercial accounting, although it encompasses most aspects of commercial accounting. Fund accounting goes beyond the requirements of a commercial system both in form and function. A fund is a fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific activities and objectives.

Government Funds

Governmental Funds are supported by tax revenues, user fees, intergovernmental payments and other revenues. The accounting for a governmental-type activity focuses on available resources and the near-term demands upon them.

General Fund 110 (formerly 001): This fund accounts for the general services provided by the City. Revenue is primarily generated through property taxes, state shared revenues, fines, fees, franchises, contributions from other funds, public agencies and grants. The General Fund supports most of the major activities of the City including Police, Parks, Library and Planning. It also is the source of funding for administrative activities like City Council, City Manager, City Recorder, Public Works, City Attorney, City Engineer and General Government.

Enterprise Funds

Enterprise Funds are supported by revenues from user charges. The City has one enterprise.

Water Fund 210 (Formerly 003, 005): This fund accounts for the operation of the City's water utility. The principal sources of revenue are user fees and System Development Charges (SDCs). Expenditures are for the operation, administration, maintenance, system betterments and expansion of the system. Capital projects and bond indebtedness are also funded from this source. With 2012-2013, the Water Capital Fund 003 is being merged into the Water Fund 005. Revenues from Water SDC fees will still be accounted for and used solely for capital improvements.

Special Revenue Funds

Special Revenue Funds are derived from specific taxes or other earmarked revenue sources, which are legally restricted to expenditures for specified purposes:

Street, Transportation and Storm Drain (STSD) Fund 111 (formerly 002): The STSD Fund provides the accounting for streets and pathways programs including repair, construction and maintenance of streets and pathways. Funding sources include the state highway gas tax, county gas tax, city gas tax, state contributions and revenue sharing. Heavy equipment, vehicles and maintenance, project oversight and

administration, and support services costs are accounted for through allocated expenses from the Public Works Department.

Urban Renewal Agency (URA) 113 (formerly 006): The URA is a separate legal entity from the City of North Plains; technically it has a separate governance board and budget committee.

Established to encourage economic development in a specific area of the City that is along Glencoe and Commercial Streets, the URA derives its income for an increment of property taxes in those areas. Most URA funds are used for capital projects. A minor amount of funding is charged to URA for administrative support of the agency by the City.

Capital Project Funds

These funds are established solely for the funding of capital projects.

Transportation Development Tax (TDT) 130 (formerly 004)
This capital improvement fund is used to account for the financing of new or improved streets, sidewalks, signals and bridges within the City. Revenue is generated through the Washington County Transportation Development.

Parks SDC Fund 131 (formerly 007) This fund accounts for the receipt and expenditures of parks SDCs. SDCs are charged to builders to provide a source of income to pay for the expansion of the City's parks system.

Transportation Impact Fund (TIF) 132 (formerly 008): This capital improvement fund is used to account for the financing of new or capacity-enlarging improvements to streets, sidewalks, signals and bridges within the City. The primary source of revenue was generated through the Traffic Impact Fee that was in effect prior to 2009, when it was supplanted by the Transportation Development Tax. Interest income is the sole source of revenue this year.

Internal Service Fund (New)

An Internal Service Fund is used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. In previous years, the City split position costs within individual budget activities, which made it difficult to track the total cost of positions and agency-wide contracts such as those for City Attorney and City Engineer. Further it did not capture the full cost for administrative expenses associated with an activity; i.e. charging 20% of a position is not the same as charging 20% of a department's cost.

Internal Service Fund 601 - Administrative and occupancy costs for City Hall are paid through charges allocated to the Internal Services Fund. Included in these expenses are the costs for administration, financial services, risk management, utilities, computer and phone services, and building usage. These appear as "allocated" costs in budget activities.

The basis for allocation is based on the number of staff as well as activity related to budget administration, human resources,

financial services and information technology. The Internal Service Fund serves the following budget activities:

- City Council
- General Government
- City Manager
- City Recorder
- Finance
- City Attorney
- City Engineer
- Public Works

Decoding the Budget

Every expense and revenue is associated with a 12-digit code. These numbers can be found in the "account" column of the various budgets. This is what a code looks like:

110	**–**	**421**	**–**	**582**	**-**	**224**
Fund	–	Activity	–	Object	–	Subaccount

The first three numbers represent the fund from which money is allocated. For example 110 is the General Fund. The second three numbers is the budget activity or department; in this example 421 which is Police. The third set of numbers 582 represents the object of purchased supplies, and the remaining numbers 224 describe a specific type of expense (subaccount) which is fuel in this example.

All invoices paid by the City are coded and approved by a department manager. With the automated accounting system, the City can readily determine the status of any budget or line item at any time.

Distribution of Shared Costs (Updated May 8)

Allocations are the methods the City uses to charge each department for its portion of shared services such as administration, insurance, facilities and engineering. Allocation factors differ for each budget activity. Below is summary of the allocations as they are calculated in the budget.

INTERNAL SERVICE FUND 601 DISTRIBUTION OF COSTS
Proposed 5/8/2012

	General Govt	Council	City Attorney	City Engineer	City Manager	Finance	City Recorder	Public Works	Vehicle
GENERAL FUND	**52%**	**63%**	**60%**	**0%**	**56%**	**13%**	**52%**	**25%**	**0%**
Police	*13%*	*16%*	*15%*	*0%*	*12%*	*4%*	*13%*	*0.5%*	*0%*
Library	*13%*	*15%*	*5%*	*0%*	*12%*	*4%*	*13%*	*0.5%*	*0%*
Parks	*13%*	*16%*	*5%*	*0%*	*12%*	*2%*	*13%*	*24%*	*0%*
Planning	*13%*	*16%*	*35%*	*0%*	*20%*	*3%*	*13%*	*0%*	*0%*
STSD	**13%**	**16%**	**5%**	**35%**	**12%**	**11%**	**15%**	**25%**	**0%**
WATER CAPITAL	0%	0%	0%	0%	0%	0%	0%	0%	*0%*
TDT	0%	0%	0%	0%	0%	0%	0%	0%	*0%*
WATER FUND	**34%**	**20%**	**30%**	**55%**	**30%**	**75%**	**30%**	**50%**	**0%**
URBAN RENEWAL AGENCY	**1%**	**1%**	**5%**	**0%**	**2%**	**1%**	**3%**	**0%**	**0%**
PARK CAP	**0%**	**0%**	**0%**	**10%**	**0%**	**0%**	**0%**	**0%**	**0%**
TIF	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
VEHICLE	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**100%**

DISTRIBUTION OF SHARED COSTS

	General Govt	Council	City Attorney	City Engineer	City Manager	Finance	City Recorder	Public Works	Vehicles	Totals
	$130,574	$6,350	$20,000	$8,500	$103,143	$147,270	$21,383	$368,951	$28,000	$834,171
GENERAL FUND	$67,898	$4,001	$12,000	$0	$57,760	$19,145	$11,119	$92,238	$0	$264,161
Police	$16,975	$1,016	$3,000	$0	$12,377	$5,891	$2,780	$1,845	$0	$43,883
Library	$16,975	$953	$1,000	$0	$12,377	$5,891	$2,780	$1,845	$0	$41,820
Parks	$16,975	$1,016	$1,000	$0	$12,377	$2,945	$2,780	$88,548	$0	$125,641
Planning	$16,975	$1,016	$7,000	$0	$20,629	$4,418	$2,780	$0	$0	$52,817
STSD	$16,975	$1,016	$1,000	$2,975	$12,377	$16,200	$3,207	$92,238	$0	$145,988
WATER CAPITAL	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
TDT	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
WATER FUND	$44,395	$1,270	$6,000	$4,675	$30,943	$110,453	$6,415	$184,476	$0	$388,626
URBAN RENEWAL AGENCY	$1,306	$64	$1,000	$0	$2,063	$1,473	$641	$0	$0	$6,546
PARK CAP	$0	$0	$0	$850	$0	$0	$0	$0	$0	$850
TIF	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
VEHICLE	$0	$0	$0	$0	$0	$0	$0	$0	$28,000	$28,000

Employee Compensation

The City of North Plains compensates its employees in accordance with statutory law and in keeping with sound labor management practices. A detailed discussion of employee compensation is included in this year's budget to illustrate the basis for personnel costs.

Salaries and hourly wages totals $684,707 in fiscal year 2012-2013. Retirement costs total $99,866. Other direct benefits such as health and life insurance are estimated at $74,411. Payroll taxes are estimated at $52,380. In total, payroll-related costs are projected at $985,027. Workers compensation and unemployment expenses add another $36,500.

Changes in Staffing

In January 2012, the positions of Finance Director and Court Clerk were eliminated. The proposed budget includes the reduction of one allocated position on July 1, 2012: City Recorder.

This is a transition year for all administrative staff, and work loads are still being adjusted and evaluated. While position reductions help lower fixed costs, there are some costs associated with part-time employees and contractors that absorb a portion of the work to maintain current levels of service.

The Police Department has seven reserve officers, and the hourly personnel line item for the department has been increased slightly to allow greater coverage during officer absences. There is also a slight increase in the part-time salaries for the Library to fund the merit increases awarded in 2011-2012. Public Works has requested additional funding for a part-time staff member to assist with mowing ditches in the summertime. Providing this service was identified as a priority by residents.

All employees of the City serve at will, and there are no organized unions representing employees. The City Manager, Police Chief, Public Works Director and Library director have written contracts that are approved by City Council.

Benefits

City staff has received the proposed rates for health plans in fiscal year 2012-2013. Because of the rising costs of healthcare, the City will be migrating to a different preferred provider plan (PPO) and likely offering a health maintenance organization (HMO) plan through Kaiser as well.

City Council has had the opportunity to review the available alternatives and has selected a plan that will require copays and increase the annual deductible. In addition to saving the City over $10,000 in premium expenses, the new plans will also save each employee who enrolled with dependents a $1,000 or more each year in premium expenses. A second open enrollment period will also occur later this summer for

changes to be implemented in January 2013. This too could affect the City's costs.

Benefit Category	City Contribution 2011-2012	City Contribution 2012-2013
Health Insurance	90/60 PPO	80/60 PPO
Employee Only	$540.18	$453.85
Employee + 1	$716.00	$599.37
Employee + family	$955.00	$804.80
Dental	80/20 PPO	ODS
Employee Only	$46.53	$46.99
Vision	12/12/24	ODS
Employee Only	$9.96	$9.96

CIS implemented a five-tier rate scheme, which will help single parents with dependent children. However these tiers are unlikely to be used by the City's employees.

The City established an "opt-out" option this year at the maximum permitted by CIS: $50 per month. No employees have exercised this option.

The total cost for health care is estimated at approximately $91,700. The exact number cannot be defined until the open enrollment period is completed in May. The City contribution is estimated at $65,140 down from $77,500 in 2011-2012.

Dental plan premiums did increase slightly. Since the City pays for employees only, and no additional amount for dependents the City's costs will escalate by less than $200, and employees will absorb most of the additional expense. An HMO option may also be offered. The City will only fund premiums to the "employee only" rate for the ODS plan. The total cost of the dental plan is approximately $9,400 of which the City funds $5,300.

Vision coverage is also provided for employee only enrollments. There is no change in the rates. The benefit costs approximately $1,700 of which the City funds $1,100.

Life insurance rates are unchanged from the previous year. The City spends approximately $700/year on this benefit. City Council has provided direction to increase the death benefit from $20,000 to $30,000 for an additional cost of $350.

LTD insurance rates increased by 15% from $0.29/$100/ covered salary to $0.336/$100/covered salary. The total cost of this benefit is roughly $2,000/year.

Pay Rates

The City has compared its salaries to those in the *2012 Oregon Public Employers Salary Survey* conducted by Milliman and Associates. This survey is comprised of data about pay, benefits and trends among public employers in Oregon, including agencies like Hillsboro, Beaverton and Forest Grove. While some positions like Maintenance Worker and Utility Billing Clerk have wages that are comparable to the marketplace, other positions like Clerical Assistant, Library Clerk and Police Officer appear somewhat low. After discussing this issue with the City Council, the second draft of the budget includes the reclassification of the Clerical Assistant to Account Clerk II (using the Utility Billing Clerk

salary range), and increase of 8% for the Library Clerk range, and an increase of 4% for the Police Officer range.

Additionally, a reclassification of Utility Billing Clerk is also proposed to redefine the position as a finance department generalist. No change in pay range is proposed.

Leaves

Like most public agencies, the City offers vacation leave to full-time employees based on years of service. The current vacation accrual schedule is below. North Plains also provides 88 hours (11 days) of paid holiday leave including one floating holiday to full-time employees. (The Police Officer position accrues the 88 hours on bi-weekly basis as the employee is likely to work most holidays, and the accrual provides the opportunity to use the leave when needed.)

Years of Service	**Vacation Annual Accrual**
Before 1st Anniversary	48 hours (6 days)
After 1st Anniversary	96 hours (12 days)
After 5th Anniversary	120 hours (15 days)
After 10th Anniversary	144 hours (18 days)
After 15th Anniversary	168 hours (21 days)
After 20th Anniversary	192 hours (24 days)

Vacation time and holidays are both considered accrued leaves, and the City is obligated to pay the employee for unused leave balances at the time of separation. These leave liabilities are recognized in payroll reports, but are not quantified in the operating budget. Both leaves have limits on the maximum accrual. Only one separation and no retirements are anticipated for 2012-2013.

Full-time employees earn up to 96 hours (12 days) of sick leave per year. Sick leave is not paid upon termination of employment. The Library Director earns sick-leave on a pro-rated basis.

Other Compensation

City-provided cell phones are given to the Police Chief and Police Officer to aid in communications. A single cell phone is shared among Public Works employees for communications as well.

A stand-by premium of $15 per day is paid to the Public Works employee who is available for calls after business hours and on weekends.

Traditionally, the City has awarded $25 gift certificates to full-time and part-time employees in advance of Thanksgiving and Christmas. This is budgeted in the Council activity in the "employee recognition" line item. In the past the City Manager would also award small gift certificates ($25 or less) to employees for exceptional performance. It is unclear how the purchase of the gift certificates was made, and to whom they were awarded. This practice has been ceased until a policy on such employee incentives is adopted by Council.

In the past. the City Manager also had the discretion to award "incentive pay," which was effectively a cash payment to

individual employees for exceptional performance. A few payments can be seen in the Finance and Water budgets. The City has an adopted policy regarding these incentives, which is included in the appendix of this document. No funds have been set aside for this purpose in the 2012-2013 budget.

Prior practices of providing home internet connectivity to City servers to the Finance Director, City Manager and City Recorder has been terminated as a cost savings measure.

The City does not provide car allowances, Voluntary Employee Benefit Association (VEBA) contributions, cash matches for retirement plan contributions, or certification pay to notaries, police officers or water operators. The City typically funds training for employees to obtain certifications and pays testing and state registration fees.

Overtime compensation is maintained at a minimum. When possible, employees are provided with compensatory time off in lieu of cash compensation. Most employees are paid at the overtime rate of time and one half. North Plains is unusual in that it compensates at the regular hourly rate when the police officer works in excess of 40 per week, as allowed under the Fair Labor Standards Act for agencies with fewer than 5 full-time officers.

Retirement

North Plains' employees are enrolled in the Oregon Public Employees Retirement System (PERS). The City has no employees enrolled in the Tier I PERS program. Five employees are eligible for Tier II benefits and have a normal retirement age of 60 for non-safety and 55 for safety. Four North Plains employees are members of the Oregon State Retirement Plan (OSRP) program and have normal retirement ages of 65 non-safety and 60 for safety. The maximum benefit under OSRP is 1.5% of pay per year of service for general employees and 1.8% of pay per year for safety employees. For a 30-year employee in a non-safety position this results in a benefit equal to 45% of final pay at retirement. North Plains pays both the employer and employee contribution for retirement.

The City purchases workers compensation insurance through CIS and pays into the State unemployment insurance fund. Workers' Compensation premiums are anticipated to increase

Benefit	2011-12 Rates
Workers' Compensation	.005-.00433/$1K payroll
Unemployment Insurance	.045/$1K payroll
Medicare/Social Security	7.65% of payroll

by 6.0% for 2012-2013, and the City has estimated this increase into the budget. There will be an estimated 3% increase in unemployment insurance rates, which is also included in this budget proposal.

Optional Benefits

The City offers programs for optional

PERS Thru 6/30/13	Employer Rate	Employee Rate
Tier 1 & Tier 2	11.86%	6%
OSRP – Non Safety	8.94%	6%
OSRP – Safety	11.65%	6%

benefits such as deferred compensation (457 plan), flexible spending accounts, disability and prepaid legal services. Employees are responsible for paying the full cost of these benefits. However, the City makes a small contribution for the administration of the programs.

Pay Rates

Employees are assigned to salary ranges, and progression through the salary ranges is based on performance (also known as merit increases). The ranges are set by Council and may be periodically changed based on a classification study or the need for a cost of living increase (COLA). The ranges below were approved by Council in July 2011.

Salary ranges have been adjusted 5 times over the past 8 years, and merit increases were halted for several years.

North Plains has a traditional salary range model that features steps that are graduated in 5% increments. Public agencies adopted such tables to provide transparency in compensation and to ensure equal pay for similar work. Some public agencies now use “pay bands” or “set points” to allow more flexibility in rewarding merit and allow increases to be given in increments other than 5%. This provides managers with some ability to provide incentives that are more tailored to individual employee performance, as some employees require more training and mentoring than others. Prior to approval of the 2012-2013 budget, staff will request Council’s direction regarding maintenance of the traditional model or making some modifications.

Year	US CPI	COLA Adjustment to Range	Merit Increases Awarded
2004	2.3%	2%	Yes
2005	2.7%	0%	Yes
2006	3.4%	2%	Yes
2007	3.2%	2%	Yes
2008	2.8%	2%	Yes
2009	3.8%	0%	None
2010	-0.4%	3%	None
2011	1.6%	0%	Yes

Salary Range Steps 2011-2012

SALARIED EMPLOYEES	PROBATION	A	B	C	D	E	F
CITY MANAGER (Exempt)							
Annually		71,004	**74,556**	78,276	82,200	86,304	90,624
Monthly		5,917	6,213	6,523	6,850	7,192	7,552
Hourly		34.14	35.84	37.63	39.52	41.49	43.57
POLICE CHIEF (Exempt)							
Annually	60,348	63,360	66,528	**69,852**	73,344	77,016	80,868
Monthly	5,029	5,280	5,544	5,821	6,112	6,418	6,739
Hourly	29.01	30.46	31.99	33.58	35.26	37.03	38.88
POLICE OFFICERS							
Annually	45576	47975	50500	53158	55956	58901	**62001**
Monthly	3798	3998	4208	4430	4663	4908	5167
Hourly	21.91	23.06	24.28	25.56	26.90	28.32	29.81

PUBLIC WORKS DIRECTOR (Exempt)	Probation	A	B	C	D	E	F
Annually	65,784	69,084	70,056	76,152	79,968	**83,964**	88,164
Monthly	5,482	5,757	5,838	6,346	6,664	6,997	7,347
Hourly	31.63	33.21	33.68	36.61	38.45	40.37	42.39

UTILITY WORKER III

Annually	44,484	46,692	49,044	51,492	54,096	**56,772**	59,616
Monthly	3,707	3,891	4,087	4,291	4,508	4,731	4,968
Hourly	21.39	22.45	23.58	24.76	26.01	27.29	28.66

UTILITY WORKER II	**Probation**	**A**	**B**	**C**	**D**	**E**	**F**
Annually	35,616	37,380	40,632	**41,220**	**43,284**	45,444	47,712
Monthly	2,968	3,115	3,386	3,435	3,607	3,787	3,976
Hourly	17.12	17.97	19.53	19.82	20.81	21.85	22.94

CLERICAL ASSISTANT

Annually	25,836	27,120	28,488	29,904	31,404	32,976	34,620

UTILITY BILLING CLERK

Annually	33,048	34,704	36,444	38,268	40,188	42,180	44,304

ACCOUNT CLERK II

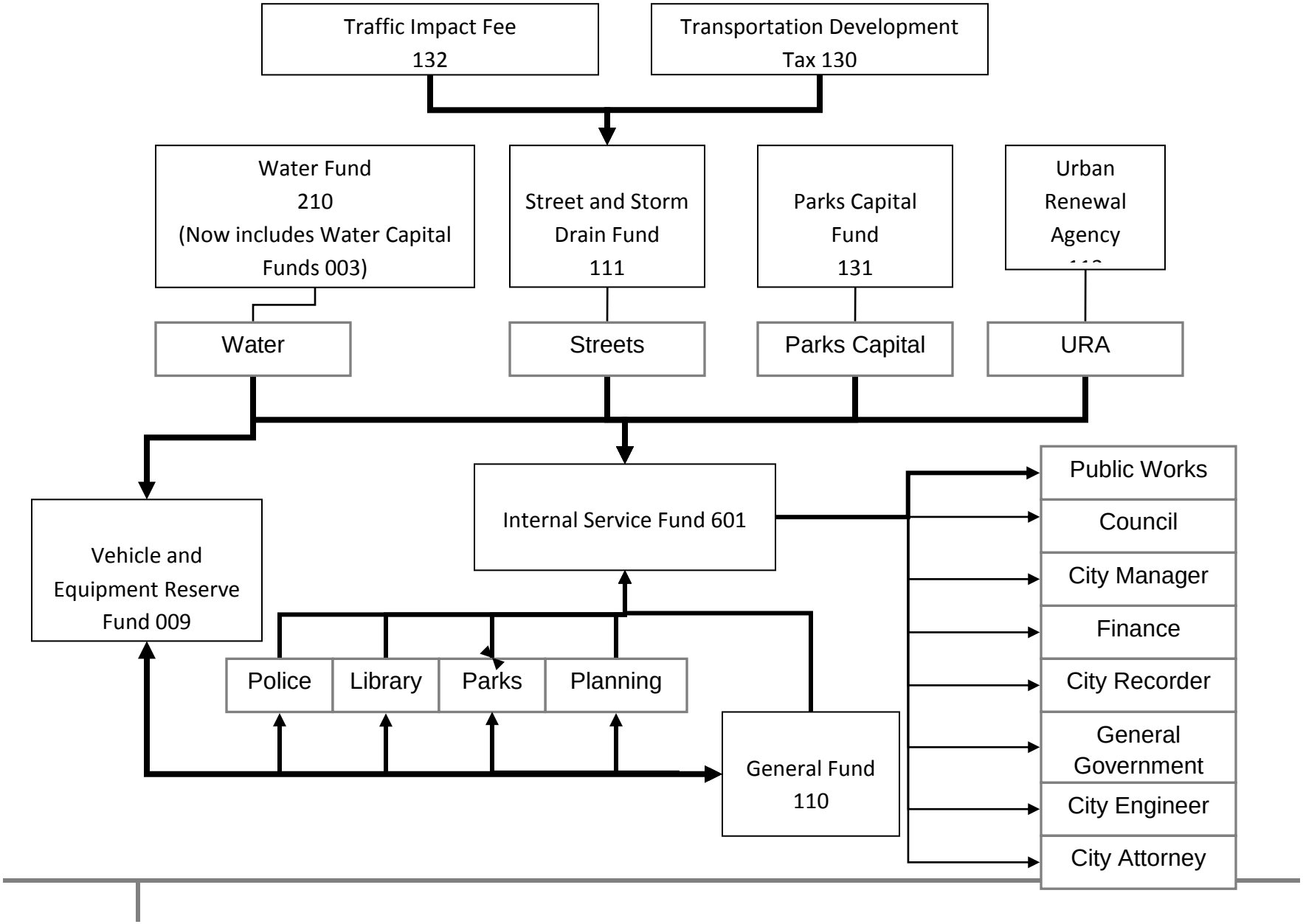
Annually	33,048	**34,704**	36,444	**38,268**	40,188	42,180	44,304
Monthly	2,754	2,892	3,037	3,189	3,349	3,515	3,692
Hourly	15.89	16.68	17.52	18.40	19.32	20.28	21.30

HOURLY	**Probation**	**A**	**B**	**C**	**D**	**E**	**F**
Laborer		10.00					
Library Clerks	9.73	10.25	10.78	11.35	11.95	12.58	13.24
Library Clerk/IT Asst	13.54	14.25	15.00	15.79	16.62	17.49	18.41
Library Director	21.97	23.07	24.22	25.43	26.71	28.04	29.44
Volunteer Coordinator	17.09	17.99	18.94	19.94	20.99	22.09	23.25
Assistant Planner		13.36	14.03	14.73	15.46	16.23	17.05

North Plains Allocated Positions

ADMINISTRATION		2008/09	2009/10	2010/11	2011/12	2011/12	2012/13
City Manager		1	1	1	1	1	1
City Recorder		1	1	1	1	1	0
Clerical Assistant				1	1	1	1
Finance Director		1	1	1	1	0	0
Utility Billing Clerk		1	1	1	1	1	1
	Total	4	4	5	5	4	3
MUNICIPAL COURT							
Court Clerk		1	1	1	1	0	0
	Total	1	1	1	1	0	0
PUBLIC WORKS							
Public Works Director		1	1	1	1	1	1
Utility Worker III		1	1	1	1	1	1
Utility Worker II		1	1	1	1	1	1
Utility Worker II		1	1	1	1	1	1
	Total	4	4	4	4	4	4
POLICE							
Police Chief		1	1	1	1	1	1
Police Officer		1	1	1	1	1	1
	Total	2	2	2	2	2	2
LIBRARY							
Library Director		0	0	0.5	0.5	0.5	0.5
	Total	0	0	0.5	0.5	0.5	0.5
TOTAL ALLOCATION		**11**	**11**	**12.5**	**12.5**	**10.5**	**9.5**

Relationship Between Funds



Revenues

General Fund 110-000

Acct	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
100	000	Net Working Capital (NWC)	$693,547	$905,041	$951,879	$1,187,840	$1,187,840	$868,019	$868,613
		SUBTOTAL A - PRIOR YEAR REVENUE	$693,547	$905,041	$951,879	$1,187,840	$1,187,840	$868,019	$868,613
Revenues			***$49,038***	***$12,075***	***$10,121***	***$8,600***	***$19,026***	***$8,600***	***$8,600***
440	000	Miscellaneous	$34,274	$6,284	$5,075	$5,000	$17,021	$5,000	*$5,000*
461	000	Interest	$14,764	$5,791	$5,046	$3,600	$2,005	$3,600	*$3,600*
Donations			***$0***	***$415***	***$1,253***	***$2,000***	***$745***	***$2,000***	***$2,000***
464	000	Donation	$0	$0	$500	$2,000	$745	$2,000	*$2,000*
464	915	Centennial Donations		$415	$753				*$0*
Fees, Fines, Permits			***$91,095***	***$34,714***	***$55,171***	***$37,450***	***$34,171***	***$35,300***	***$39,800***
455	000	LID	$12,249	$0	$0	$0	$0	$0	*$0*
450	000	Fines, Fees, Sales						$1,000	*$1,000*
441	419	Building Planning Permits	$55,250	$15,378	$35,057	$17,400	$19,400	$10,000	*$15,000*
452	730	Fines, Fees, Sales - Library	$1,213	$1,435	$3,994	$5,550	$3,855	$5,800	*$5,800*
450	421	Police Citations, Fees						$4,000	*$4,000*
421	000	Business License Fee	$9,674	$8,915	$7,630	$7,500	$6,555	$7,500	*$7,000*
462	000	Rental	$12,709	$8,986	$8,490	$7,000	$4,361	$7,000	*$7,000*

Acct	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
Franchise Fees			***$220,066***	***$201,589***	***$206,739***	***$185,760***	***$56,709***	***$192,700***	***$191,700***
418	101	Franchise/PT Water	$28,643	$29,000	$44,400	$38,200	$0	$39,000	*$39,000*
418	102	Franchise Fee/PT CWS	$13,269	$15,161	$16,079	$10,000	$11,169	$15,000	*$15,000*
418	103	Franchise Fee/PT Qwest	$11,650	$18,203	$8,711	$9,000	$911	$9,000	*$9,000*
418	104	Franchise Fee/PT Comcast	$13,496	$17,193	$17,980	$15,900	$9,466	$15,000	*$14,000*
418	105	Franchise Fee/PT Garbarino	$9,018	$8,492	$8,563	$8,460	$4,461	$8,500	*$8,500*
418	107	Franchise Fee/PT PGE	$82,114	$83,635	$84,272	$80,000	$12,839	$82,000	*$82,000*
418	108	Franchise Fee/PT NW Natural	$61,876	$29,905	$26,734	$24,200	$17,863	$24,200	*$24,200*
Taxes									
			$109,805	***$138,289***	***$144,506***	***$145,269***	***$95,502***	***$134,970***	***$135,970***
430	000	Phone Tax - 9-1-1	$10,182	$9,791	$9,413	$9,540	$9,589	$0	*$0*
437	000	Cigarette Tax	$2,984	$2,789	$2,913	$2,800	$1,792	$2,800	*$2,800*
436	000	Liquor Tax	$24,553	$19,738	$24,514	$23,104	$13,371	$23,000	*$23,000*
438	000	State Revenue Sharing	$14,784	$15,297	$15,179	$12,000	$7,550	$12,000	*$13,000*
439	000	WCCLS Funds	$57,302	$90,674	$92,487	$97,825	$63,200	$97,170	*$97,170*
	Property Tax								
411	000	Property Taxes	$290,039	$305,250	$316,055	$324,203	$293,961	$333,930	*$333,930*
		SUBTOTAL B - GENERAL FUND REVENUE	**$817,345**	**$782,591**	**$825,079**	**$799,107**	**$562,569**	**$802,670**	**$712,000**
491	601	Transfer In						$266,597	$0
491	009	Transfer In - Police Vehicles						$28,000	*$28,000*
		SUBTOTAL C - INTER FUND TRANSFERS						**$294,597**	**$28,000**

		SUBTOTALS B + C = OPERATING	**$817,345**	**$782,591**	**$825,079**	**$799,107**	**$562,569**	**$1,097,266**	**$740,000**
Municipal Court Revenues									
451	000	Court Fees	$324,100	$252,620	$220,577	$164,300	$184,427	See Police Citations	
Acct	**Sub**	**Description**	**Actual 2008-2009**	**Actual 2009-2010**	**Actual 2010-2011**	**Adopted 2011-2012**	**Actual 2/29/2012 2011-2012**	**Proposed 3/12/2012 2012-2013**	**Approved**
Grants			***$39,418***	***$13,985***	***$38,566***	***$79,132***	***$27,352***	***$1,000***	***$1,000***
431	000	Grant	$38,418	$11,985	$12,566	$18,007	$8,007	$0	***$0***
431	001	Grant - Police			$25,000	$54,125	$17,345	$0	***$0***
431	002	Grant - Library	$1,000	$1,000	$1,000	$6,000	$1,000	$1,000	***$1,000***
431	003	Grant - Planning		$1,000		$1,000	$1,000	$0	***$0***
Other Revenues Subject to Refunds									
203	000	Deposit - Rentals				$4,000	$450	$0	***$0***
203	000	Performance Bond Deposit				$10,000		$0	***$0***
One-time Revenue									
492	000	Copier Payoff		$4,470					
493	000	Bond Proceeds			$258,998				
		SUBTOTAL D - NON RECURRING REVENUE	**$402,936**	**$285,060**	**$556,707**	**$336,564**	**$239,581**	**$2,000**	**$2,000**
491	000	Fund Transfer - URA	$17,400	$23,328	$16,405	$71,750	$14,562	$0	***$6,572***
207	000	Pass Thru Revenue - State	$34,893	$23,784	$19,619	$22,000	$15,309	$0	***$0***
207	000	Pass Thru Revenue - County	$21,163	$13,764	$11,728	$16,374	$9,756	$0	***$0***
		SUBTOTAL E - SPECIAL PAYMENTS	**$73,456**	**$37,548**	**$31,347**	**$38,374**	**$25,065**	**$0**	**$6,572**
		TOTAL REVENUES (A+B+C+D+E)	**$1,987,285**	**$2,010,239**	**$2,365,012**	**$2,361,885**	**$2,015,055**	**$1,967,285**	**$1,617,185**

Street Fund 111-000

Acc	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	**Proposed 3/12/2012 2012-2013**	**Approved**
100	000	Net Working Capital (NWC)	$491,654	$507,981	$515,818	$545,000	$545,000	$591,592	$650,707
Fines, Permits									
450	000	Fines, Fees, Sales	$5,105	$4,074	$4,354	$3,000	$3,231	$3,000	$3,000
Resources other than property tax			***$102,216***	***$105,095***	***$117,566***	***$136,134***	***$96,223***	***$139,000***	***$140,000***
440	000	Miscellaneous	$1,118	$1,950	$1,650		$1,200	$0	$1,000
461	000	Interest	$9,977	$3,282	$2,665	$2,700	$1,243	$2,000	$2,000
438	100	State - Revenue Sharing		$25,000				$0	$0
435	001	Gas Tax - Highway	$73,273	$78,804	$91,964	$109,134	$74,460	$105,000	$105,000
435	002	Gas Tax - County	$7,355	$7,565	$7,407	$7,000	$5,201	$7,500	$7,500
435	003	Transportation Utility Fee - TUF	$21,588	$18,726	$18,195	$20,000	$16,562	$24,500	$24,500
		SUBTOTAL A	$107,321	$109,169	$121,920	$139,134	$99,454	$142,000	$143,000
Restricted Revenue			***$11,531***	***$7,686***	***$15,638***	***$16,362***	***$4,878***	***$27,644***	***$27,644***
418	109	Nature's Needs	$2,500	$2,500	$10,297	$10,110		$23,500	$23,500
445	000	System Development Fees - Street	$9,031	$5,186	$5,341	$6,252	$4,878	$4,144	$4,144
Fees, Permits			***$5,186***	***$27,376***	***$39,742***	***$0***	***$0***	***$4,500***	**$7,600**
445	001	Fee In Lieu of Street Improvements		$22,035	$9,322	$0	$0	$0	$0
		Street SDC's	$5,186	$5,341	$30,420			$4,500	$7,600
Grants			***$0***	***$48,124***	***$0***	***$0***	***$0***	***$388,116***	***$388,116***
431	110	Grant						$198,116	$198,116
431	112	Grant						$190,000	$190,000
431	119	Grant		$48,124				$0	$0

Acct	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
One-time Revenue									
491	110	Fund Transfer - GF				$254,068	$254,068	$0	$0
		SUBTOTAL B	$16,717	$83,186	$55,380	$270,430	$258,946	$420,260	$423,360
		TOTAL (NWC + A + B)	$615,692	$700,336	$693,118	$954,564	$903,400	$1,153,852	$1,217,067

Transportation Development 130-000

Account	Sub	Description		Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
100	000	Net Working Capital				$36,918	$54,646	$80,200	$80,200
461	000	Interest		See	$128	$229	$139	$200	$200
Fees, Permits					**$40,470**	**$17,498**	**$25,415**	**$15,000**	**$31,200**
415	100	Transportation Development Tax	Residential	TIF	$40,470	$15,025	$20,484	$15,000	$31,200
415	200	Transportation Development Tax	Commercial	Fund					
415	300	Transportation Development Tax	Industrial	008		$2,473	$4,931		
415	400	Transportation Development Tax	Institutional						
		TOTAL REVENUES			$40,598	$54,645	$80,200	$95,400	$111,600

Parks Capital 131-000

Account	Sub	Description	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
100	000	Net Working Capital	$283,790	$283,175	$330,728	$361,000	$355,130	$389,130
Fees, Permits								
445	000	System Development Fees	$15,792	$52,640	$47,376	$63,168	$31,280	$31,280
Other								
461	000	Interest	$5,737	$2,030	$1,790	$1,300	$1,300	$1,300
		TOTAL REVENUES	$305,319	$337,845	$379,894	$425,468	$387,710	$421,710

Traffic Impact Fee 132-000

Account	Sub	Description	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
100	000	Net Working Capital	$329,666	$325,341	$302,154	$286,460	$283,560	$283,560
461	000	Interest	$6,583	$2,099	$1,529	$1,000	$1,000	$1,000
		TIF	$17,110					
		TOTAL REVENUES	$353,359	$327,440	$303,683	$287,460	$284,560	$284,560

Water Capital 003-000

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013
100	000	Net Working Capital	$75,651	$35,042	$69,159	$116,000		
	Other Revenue							
104	000	Interest	$1,919	$673	$699	$400	$484	Water
	Fees							
445	000	System Development Fees - Water	$10,926	$38,170	$34,353	$42,504	$24,826	
	Transfers							
491	000	Fund Transfer - 005 Water	$87,900	$134,000	$150,000	$92,000	$96,930	
	Special Payments							
207	000	Pass Thru Revenue - JWC	$6,317	$31,691	$25,929	$34,248	$17,178	
		TOTAL REVENUES	$182,713	$239,576	$280,140	$285,152	$139,418	$0

Water Fund 210-000

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
100	000	Net Working Capital	$407,669	$514,087	$589,642	$598,000	$598,207	$722,977	$563,358
100	000	Reclassification of expense	*Previously in Water Capital 003 fund balance					$120,000	$116,258
		NETWORKING CAPITAL					$598,207	$842,977	$679,616
Other Revenue									
461	000	Interest	$7,809	$3,001	$2,637	$1,800	$1,193	$15,000	$1,500
Fees, Permits			***$750,860***	***$747,438***	***$751,308***	***$767,080***	***$573,949***	***$801,464***	***$801,484***
440	000	Miscellaneous	$9,971	$7,418	$7,901	$6,000	$5,223	$6,000	$6,000
440	000	Meter Fees	$2,000	$4,620	$3,600	$2,400	$1,200	$2,400	$2,400
444	000	Charges, Fees, Fines	$738,889	$735,400	$739,807	$758,680	$541,738	$758,680	$758,700
445	000	System Dev. Fees	*Previously in Water Capital 003 fund balance				$25,788	$34,384	$34,384
		SUBTOTAL	$758,669	$750,439	$753,945	$768,880	$575,142	$816,464	$802,984
207	000	Pass Thru Revenue - JWC					$34,248	35000	$35,000
		SPECIAL PAYMENTS	$0	$0	$0	$0	$34,248	$35,000	$35,000
		OPERATING REVENUE	$758,669	$750,439	$753,945	$768,880	$609,390	$851,464	$837,984
		TOTAL REVENUES	$1,166,338	$1,264,526	$1,343,587	$1,366,880	$1,207,597	$1,694,441	$1,517,600

Vehicle and Equipment Fund 009-000

Account	Sub	Description	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
100	000	Net Working Capital	$37,732	$69,895	$96,502	$72,800	$43,664	$43,664
Other Revenue								
440	000	Miscellaneous Revenue	$2,000					0
461	000	Interest	$1,340	$583	$383	$180	$140	$140
Interfund Transfers								
491	610	Fund Transfer - ISF						$7,000
491	110	Fund Transfer - 001 GF	$43,000	$41,000	$2,000		$11,800	$0
491	111	Fund Transfer - 002 TSS	$1,000	$2,000	$3,000	$1,000	$0	$0
491	210	Fund Transfer - 005 Water		$10,000	$5,000	$5,000	$1,000	$0
		TOTAL REVENUES	$95,072	$118,478	$106,885	$74,980	$55,604	$50,804

Internal Service Fund 601

Account	Sub	Description	Activity Allocation	Proposed 3/12/2012 2012-2013	Approved
810	100	Transfer In	General Fund	$266,597	$264,161
810	200	Transfer In	Street Fund	$147,628	145987.7
810	400	Transfer In	TDT	$0	$0
810	500	Transfer In	Water	$391,436	$388,626
810	600	Transfer In	URA	$6,572	$6,546
810	700	Transfer In	Parks Capital	$850	$850
810	800	Transfer In	TIF	$0	$0
810	900	Transfer In	Vehicle and Equipment	$26,600	$28,000
		TRANSFERS IN		**$839,684**	**$834,171**

Expenses

Internal Revenue Fund

Account	Sub	Description	Budget Activity	Proposed 3/12/2012 2012-2013	Approved
491	110	Allocated Costs	City Attorney	$20,000	$20,000
491	110	Allocated Costs	City Engineer	$8,500	$8,500
491	110	Allocated Costs	City Manager	$105,000	$103,143
491	110	Allocated Costs	City Recorder	$21,383	$21,383
491	110	Allocated Costs	Council	$6,350	$6,350
491	110	Allocated Costs	Finance	$146,170	$147,270
491	110	Allocated Costs	General Govt	$130,574	$130,574
491	110	Allocated Costs	Public Works	$375,107	$368,951
491	110	Transfer Out	General Fund		$1,400
491	110	Transfer Out	Police - Vehicle	$26,600	$26,600
		ALLOCATED COSTS		**$839,684**	**$834,171**

Summary of Expenses

Fund-Activity		TOTAL	Personal Services	Materials and Services	Capital	Debt Service	Interfund Transfers	Special Payments	Contingency	Unappropriated Balance
601	**Internal Revenue Fund**	**$834,171**	**$551,177**	**$247,994**	**$7,000**	**$0**	**$28,000**	**$0**		**$0**
601-412	*City Attorney*	$20,000	*$0*	*$20,000*	*$0*	*$0*	*$0*	$0	$0	$0
601-416	*City Engineer*	$8,500	*$0*	*$8,500*	*$0*	*$0*	*$0*	$0	$0	$0
601-413	*City Manager*	$103,143	*$102,143*	*$1,000*	*$0*	*$0*	*$0*	$0	$0	$0
601-414	*City Recorder*	$21,383	*$5,383*	*$16,000*	*$0*	*$0*	*$0*	$0	$0	$0
601-411	*Council*	$6,350	*$0*	*$6,350*	*$0*	*$0*	*$0*	$0	$0	$0
601-415	*Finance*	$147,270	*$108,600*	*$38,670*	*$0*	*$0*	*$0*	$0	$0	$0
601-419	*General Government*	$130,574	*$0*	*$130,574*	*$0*	*$0*	*$0*	$0	*$0*	*$0*
601-433	*Public Works*	$368,951	*$335,051*	*$26,900*	*$7,000*	*$0*	*$0*	$0	$0	$0
	Transfer to General Fund	$28,000	*$0*	*$0*	*$0*	*$0*	*$28,000*	*$0*	*$0*	*$0*

City Council 610-411

Account	Sub	Description	Actual 2009-2010	Proposed 3/12/2012 2012-2013	Approved
290	000	Education and Training		$2,000	$2,000
300	000	Community Events		$3,500	$3,500
500	000	Employee Recognition		$850	$850
		MATERIALS AND SERVICES		$6,350	$6,350

City Council is the governing body of the City. The Council adopts ordinances which become a part of the municipal code or local law. It also adopts resolutions to set fees, approve contracts, authorize expenses, set policy and memorialize other actions of the City Council. In addition, Council hires the City Attorney and City Manager and provides general direction to each.

Councilors are elected to four-year terms which are overlapping. Elections are held in even-numbered years in the fall.

Council meets on the first and third Monday of each month.

City Attorney 610-412

Account	Sub	Description	2012-2013	Proposed 3/12/2012 2012-2013	Approved
330	001	Professional Services		$20,000	$20,000
		MATERIALS AND SERVICES		$20,000	$20,000

The City Attorney is one of two officers of the City designated in the City Charter. Beery, Elsner & Hammond, a municipal law firm in Portland, provide legal advice to the City Council and City Manager on matters ranging from personnel, ordinances, land use and interpretation of government code. Services are paid for as they are performed.

Most litigation involving the City is performed as a result of claims filed and against the City, and legal expenses are absorbed by CityCounty Insurance Services, which would not appear in this budget.

City Manager 610-413

Account	Sub	Description	Actual 2009-2010	**Proposed 3/12/2012 2012-2013**	**Approved**
110	000	Salaries		$74,600	$74,600
220	000	FICA		$5,700	$5,700
230	000	Retirement		$11,200	$11,139
210	000	Employee Benefits		$12,500	$10,704
		PERSONAL SERVICES		$104,000	$102,143
300	000	Education and Training	*Activity*	$1,000	$1,000
		MATERIALS AND SERVICES		$1,000	$1,000
		TOTAL		$105,000	$103,143

The City Manager is named as the chief executive officer in the City Charter. She is responsible for day-to-day administration of the City including preparation and execution of the budget, recruitment, selection and management of employees, negotiations with other public agencies, and implementation of the policies of the City Council.

City Recorder 610-414

Account	Sub	Description	Actual 2009-2010	Proposed 3/12/2012 2012-2013	Approved
110	000	Salaries		$0	$0
120	000	Hourly		$5,000	$5,000
130	000	Overtime		$0	$0
220	000	FICA		$383	$383
210	000	Employee Benefits		$0	$0
		PERSONAL SERVICES		$5,383	$5,383
330	000	Professional Services	*New*	$12,000	$12,000
330	101	Elections	*Activity*	$3,000	$3,000
540	000	Advertising		$1,000	$1,000
		MATERIALS AND SERVICES		$16,000	$16,000
		TOTAL		$21,383	$21,383

With the start of Fiscal Year 2012-2013 the City Manager will be designated as the City Recorder, and the Clerical Assistant will be designated as the Deputy City Recorder. A City Recorder is the custodian of the City records, ensuring that permanent documents such as meeting agendas and minutes are retained. Additionally, the City Recorder retains more temporary records such as financial records, agreements and correspondence.

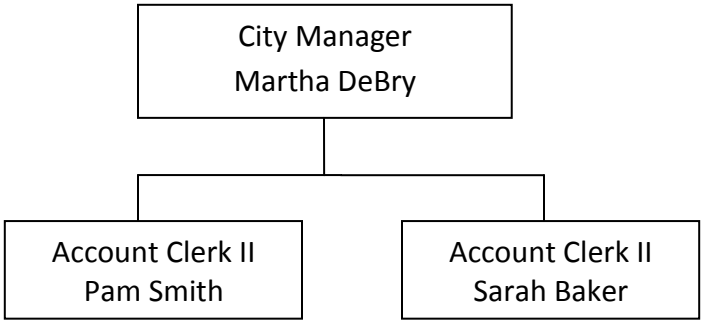
Finance 610-415

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
110	000	Salaries	$57,492	$58,197	$83,784	$57,350	47088	$72,900	$72,972
120	000	Hourly	$1,030	$3,554	$0	$0		$4,800	$4,000
130	000	Overtime	$2,628	$2,358	$3,222	$3,700	1203	$3,000	$2,000
220	000	FICA						$1,200	$6,100
230	000	Retirement						$10,900	$10,900
210	000	Employee Benefits	$20,010	$19,952	$27,762	$26,422	39662	$14,700	$12,628
		PERSONAL SERVICES	$81,160	$84,061	$114,768	$87,472		$107,500	$108,600
330	000	Professional Services	$67,336	$42,448	$53,601	$32,809	$31,185	$22,000	$22,000
330	002	Audit	$2,050	$2,050	$1,550	$2,025	$1,640	$10,000	$10,000
330	010	Springbrook						$5,270	$5,270
300	100	Education and Training	$10,282	$5,468	$3,796	$6,110	$2,064	$1,200	$1,200
800	800	Refunds		$123	$120	$14,000	$2,150	$200	$200
		Insurance	$2,512	$3,189	$1,346	$3,600	$3,245	Gen Gov	
		Utilities	$2,973	$3,054	$3,582	$4,000	$7,367	Gen Gov	
		Building O & M - City Hall	$2,041	$1,846	$3,738	$2,768	$1,957	Gen Gov	
		Equipment O & M	$11,760	$8,632	$6,182	$15,200	$1,069	Gen Gov	
		Rentals/Leases	$2,093	$3,306	$3,207	$2,070	$2,025	Gen Gov	
		Advertising	$319	$706	$266	$800	$160	Gen Gov	
		Agency memberships	$3,933	$3,864	$4,298	$3,524	$3,581	Gen Gov	
		Operations and Supplies	$3,610	$18,615	$14,802	$19,700	$5,238	Gen Gov	
		Centennial Expense		$763	$7,311		$0		
		MATERIALS AND SERVICES	$108,909	$94,064	$103,799	$106,606	$61,681	$38,670	$38,670
810	130	Allocated Expense				$254,068			
810	003	Allocated Expense				$4,930			
810	009	Allocated Expense	$43,000	$41,000	$2,000	$0			
		TRANSFER & ALLOCATIONS	$43,000	$41,000	$2,000	$258,998	$0	$0	$0
		TOTAL	$233,069	$219,125	$220,567	$453,076	$61,681	$146,170	$147,270

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
		Unappropriated Ending Fund Balance	$905,040	$951,879	$1,187,841	$749,019			
		Contingency				$119,594		In General Gov	
		UNASSIGNED EXPENSES	$905,040	$951,879	$1,187,841	$868,613			

The Finance Department is comprised of two account clerks, who are supervised by the City Manager.

Finance staff perform a variety of customer service, clerical and accounting tasks to administer utility billing, accounts payable, accounts receivable and general ledger entries. Staff assists with updating the website, scheduling banners and community events such as National Night Out, Volunteer Recognition, the Ice Cream Social and the Chili Cook-off.



City Engineer 610-416

Account	Sub	Description	2012-2013	Proposed 3/12/2012 2012-2013	Approved
330	003	Professional Services		$8,500	$8,500
		MATERIALS AND SERVICES		$8,500	$8,500

The City Engineer is Kyle McTeague of Murray Smith and Associates Engineering (MSA) in Portland, Oregon. Services are paid for as they are incurred. This budget provides for general services in support of public works and development. Costs associated with infrastructure projects are typically charged to the individual projects.

Public Works 610-433

Account	Sub	Description	2012-2013	Proposed 3/12/2012 2012-2013	Approved
110	000	Salaries		$226,900	$226,812
120	000	Hourly		$10,000	$10,000
130	000	Overtime		$1,000	$1,000
220	000	FICA		$18,534	$18,550
230	000	Retirement		$40,298	$39,322
132	000	On Call		$5,475	$5,480
210	000	Employee Benefits		$39,000	$33,887
		PERSONAL SERVICES		$341,207	$335,051
330	000	Professional Services		$800	$800
300	100	Education and Training		$2,300	$2,300
410	000	Utilities		$1,500	$1,500
430	031	Equipment O & M		$10,000	$10,000
610	000	Operations and Supplies		$2,500	$2,500
626	224	Fuel		$8,000	$8,000
610	090	Uniforms and Protective Gear		$1,800	$1,800
		MATERIALS AND SERVICES		$26,900	$26,900
208	009	Allocated Cost		$7,000	$7,000
		CAPITAL		$7,000	$7,000
		TOTAL		$375,107	$368,951

Public Works Department includes four FTEs: the Public Works Director, one Maintenance Worker III and two Maintenance Worker IIs who perform work in the construction, maintenance and repair of the parks, trails, public facilities, streets, storm drain, and water systems.

Most department expenses are shared between the General Fund, Street Fund, and Water Enterprise Fund.

Changes in the Budget

For the first time, expenses shared between the General Fund, street taxes and Water Enterprise are consolidated into one budget activity. Equipment and vehicles, which are shared for the maintenance of parks, water and streets are also included in this budget.

Services Provided

Parks (110-452) activities at the City's 3.3 acres of parks include: design and construction of pocket parks, turf care, mulching around plants and trees, playground equipment repair, building maintenance, graffiti removal and preparation for special community events, such as the Elephant Garlic Festival, the Chili Cook Off, the Ice Cream Social, the National Night Out, and regularly-scheduled events like Council meetings, Planning Commission meetings and Municipal Court. General maintenance includes mowing, edging, leaf removal, flowerbed maintenance, landscaping of City offices, and safety inspection of play equipment. The General Fund supports the Parks Department activities.

Water (210-433) activities ensure that the over 80,000 lineal feet of water lines, ranging in size from 2" to 16", and the City's one water tank are operational at all times to serve residents with potable water and adequate pressure for fire suppression. Public Works staff responsibilities include: repairing water leaks, rehabilitation (replacement) of water lines, removing and replacing water meters, monthly meter reading, responding to customer water issues, completing regulatory water quality sampling and monitoring water disinfection to ensure public health, conducting annual valve and hydrant maintenance, water service initiation and termination, administering a cross-connection program to prevent water contamination, management of capital projects and inspection of public projects to insure adherence to City's engineering and construction standards. Water system activities are funded through the Water Enterprise Fund which collects revenues from water consumers and development fees.

Street (111-433) activities for the 13.5 miles of roads in the City include: crack sealing to prevent water damage to street surfaces, pothole repair, sign installation and repair, stop-bar and cross-walk maintenance, and mowing and edging of Main Street and West Union Road during the summer months. Public Works crews also water the hanging baskets on Commercial and Main Streets during spring and summer months. Winter and spring season activity is large concentrated on maintaining storm drainage along the ditch lines and culverts. The primary revenue sources for this fund are special purpose street taxes and the Transportation User Fee which is assessed monthly within water bills.

Additionally, building maintenance for all City facilities including City Hall, the Library and Jessie Mays Community Hall is provided by Public Works staff. Tasks include, but are not limited to, the staining of the exterior of the Library and City Hall buildings every other year, painting of the interior of City offices, set-up and moving of offices, general repair and maintenance of broken fixtures, stocking of janitorial supplies,

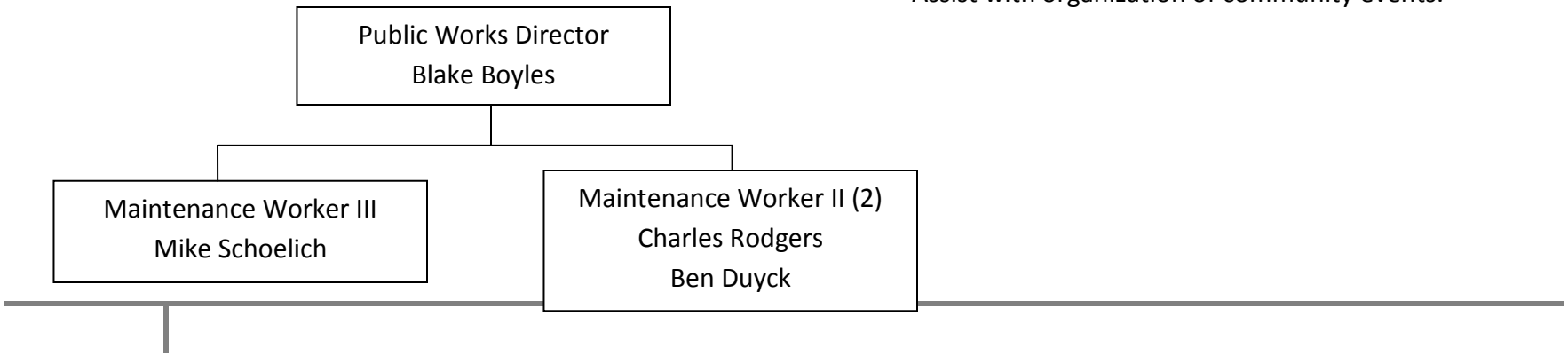
clearing of sidewalks and applying deicer during inclement weather. Costs for building maintenance are allocated through the General Government activity among the operational departments including Water, Library, Parks, Planning, Police, Streets, and Finance.

Accomplishments-FY 2011-2012

- Designed and constructed the Frank Wing Memorial Park at NW 321st and NW Commercial and Mc Kay Trail Park at NW 307th and Pacific.
- Sealed approximately 10,000 lineal feet of cracks within streets.
- Installed 3 decorative crosswalk applications at Cottage and Pacific Streets.
- Completed water leak detection survey and repaired identified leaks. (6 leaks repaired on main lines/service lines.)
- Met or exceeded all State-required water quality testing and reporting mandates, which include lead/copper testing, Coliform, and HAA5 and THM monitoring.
- Continued valve maintenance programs, operating and exercising all 298 valves in system.
- Continued hydrant maintenance programs, operating and flushing all 86 fire hydrants, repairing 5 hydrants.
- Continued cross connection program, inspecting and testing 184 devices.
- Continued water quality sampling program, taking 28 water samples.
- Read 9,120 water meters.
- Received funding for two CDBG grants to improve Claxtar Street and including installation of a new water line and sidewalks.
- Moved City Hall offices.
- Upgraded light fixtures thru PGE Energy Incentive to T-8 light fixtures, saving the City $1000 in energy costs per year.
- Updated Capital Improvement Program.

Objectives

- Continue to provide safe potable water.
- Review Public Works design standards.
- Oversee capital project construction so that it is timely and efficient, including Claxtar Street and Highland Court projects.
- Assist with organization of community events.



General Government 610-419

Account	Sub	Description	Actual 2009-2010	Proposed 3/12/2012 2012-2013	Approved
521	000	Insurance		**$23,500**	**$23,500**
		General Liability		*$13,000*	*$13,000*
		Property		*$3,600*	*$3,600*
		Auto Liability		*$3,800*	*$3,800*
		Auto Physical	Previously	*$2,500*	*$2,500*
		XS Crime Bonds	*in*	*$600*	*$600*
525	000	Workers Comp	*other*	$17,000	$17,000
526	000	Unemployment (2.9%)	*budgets*	$19,500	$19,500
330	000	Professional Services		**$7,600**	**$7,600**
		Banking		*$600*	*$600*
		Office Machine Maintenance	**New**	*$2,000*	*$2,000*
		Security Monitoring - City Hall	**Fund**	*$1,060*	*$1,060*
		Janitorial Services- City Hall		*$3,940*	*$3,940*
300	010	BUG Connection		$1,050	$1,050
300	010	PCN Connection- Comcast		$7,000	$7,000
300	010	IT Support-Global Data Link		$11,780	$11,780
410	010	Phones-Integra, Maintenance		$6,040	$6,040
410	000	Utilities - City Hall		$7,500	$7,500
610	000	Janitorial Supplies		$2,550	$0
450	030	Building O & M		$3,700	$3,700
430	710	Equipment O & M		$500	$500
500	001	Lease - copier		$9,480	$9,480
350	000	Agency memberships		**$2,574**	**$2,574**

Account	Sub	Description	Actual 2009-2010	Proposed 3/12/2012 2012-2013	Approved
		League of OR Cities		*$1,504*	*$1,504*
		Ethics Commission		*$520*	*$520*
		LGPI		*$550*	*$550*
610	000	Supplies		**$10,800**	**$13,350**
		Postage		*$2,600*	*$2,600*
		Janitorial			*$2,550*
		Office Supplies		*$7,000*	*$7,000*
		Computers		*$1,200*	*$1,200*
		MATERIALS AND SERVICES		$130,574	$130,574
720	000	Building and Improvements		$0	$0
		CAPITAL		$0	$0
		TOTAL		$130,574	$130,574

General Government is a new activity created to allocate shared costs among the City departments of Police, Library, Parks, Water, Planning and Streets. This budget also contains the unappropriated ending fund balance for the General Fund and the General Fund contingency.

General Fund Expenses - Summary

Fund-Activity		TOTAL	Personal Services	Materials and Services	Capital	Debt Service	Interfund Transfers	Special Payments	Contingency	Unappropriated Balance
110	**GENERAL FUND**	**$1,617,185**	**$359,483**	**$171,295**	**$7,700**	**$0**	**$264,161**	**$0**	**$100,000**	**$714,546**
110-421	Police	$359,877	$221,399	$94,595	$0	$0	$43,883	$0	$0	$0
110-451	Library	$204,177	$119,257	$35,400	$7,700		$41,820	$0	$0	$0
110-452	Parks	$157,941	$0	$32,300	$0	$0	$125,641	$0	$0	$0
110-465	Planning	$80,644	$18,827	$9,000	$0	$0	$52,817	$0	$0	$0
110-001	Reserve	$814,546							**$100,000**	**$714,546**
001-412	Municipal Court	$0	$0	$0	$0	$0	$0	$0	$0	$0
001-432	Sewer Bond	$0	$0	$0	$0	$0	$0	$0	$0	$0

General Fund Reserve

Sub	Description	Proposed 3/12/2012 2012-2013	Approved
	Unappropriated Ending Fund Balance	$717,601	$714,546
	Contingency	$100,000	$100,000
	Refunds. Deposits		
	UNASSIGNED EXPENSES	$817,601	$814,546

The Reserve Fund is where the General fund's contingency and Unappropriated Ending Fund Balance are allocated.

Police 110-421

Acct	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
110	000	Salaries	$144,206	$143,223	$127,070	$150,960	$76,570	$133,000	$135,345
120	000	Hourly	$4,734	$13,638	$26,898	$22,246	$9,732	$30,000	$30,000
130	000	Overtime	$2,791	$4,000		$2,000		$2,000	$2,000
220	000	FICA						$12,400	$12,802
230	000	Retirement						$23,800	$24,173
210	000	Employee Benefits	$64,552	$63,759	$50,739	$79,530	$64,500	$19,900	$17,079
		PERSONAL SERVICES	$216,283	$224,620	$204,707	$254,736	$150,802	$221,100	$221,399
330	000	Professional Services	$19,349	$23,949	$14,595	$18,865	$9,641	$0	$0
330	911	9-1-1 tax				$10,542	$4,897	$10,600	$0
330	912	WA Co Dispatch	$20,585	$20,506	$23,291	$11,367	$8,030	$11,400	$11,400
330	913	HPD Evidence Storage	$3,285		$3,000	$3,000	$2,931	$1,450	$1,450
330	914	HPD Records	$4,344	$5,465	$2,164	$6,590		$0	$0
330	010	PPDS						3100	3100
330	010	Jayhawk				$650		$650	$0
330	100	Webleds			$999	$1,575	$1,548	$1,575	$1,575
430	000	Education and Training	$4,457	$3,035	$2,722	$8,009	$5,682	$3,300	$4,000
440	000	Equipment O & M	$24,192	$27,941	$29,365	$25,300	$13,000	$10,000	$10,000
300	000	Rentals/Leases	$2,093	$3,307	$2,760	$2,070	$1,840	$26,600	$26,600
300	040	Wireless Access			$2,483	$2,800	$1,363	$2,500	$2,500
610	000	Cell Phones, Pagers	$2,390	$2,747	$824	$920	$726	$920	$920
610	000	Agency memberships			$1,485	$1,536		$1,550	$1,550

Acct	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
626	000	Operations and Supplies	$21,964	$23,000	$67,585	$26,600	$18,008	$7,000	$12,000
610	224	Fuel	$11,090	$11,182	$11,332	$15,000	$7,207	$12,500	$12,500
610	100	Uniforms/PPE	$5,991	$5,151	$6,814	$6,000	$3,861	$4,800	$7,000
		Supplies-Grants				$14,951		$0	$0
		Audit			$1,300	$2,025	$1,640	Gen Gov	
		Insurance	$11,085	$11,085	$5,722	$7,200	$6,700	Gen Gov	
		Advertising	$308	$325	$1,225	$600	$250		
		Building O & M - City Hall	$1,215	$881	$2,250	$2,171	$1,092	Gen Gov	
		Utilities	$2,849	$2,726	$3,506	$3,970	$2,031	Gen Gov	
		MATERIALS AND SERVICES	$135,197	$141,300	$183,422	$171,741	$90,447	$97,945	$94,595
		TOTAL	$351,480	$365,920	$388,129	$426,477	$241,249	$319,045	$315,994
810	110	Allocated Expense						$44,093	$43,883
810	009	Allocation						$5,200	
		TRANSFER & ALLOCATIONS	$0	$0	$0	$0	$0	$49,293	$43,883
		TOTAL EXPENSE	$351,480	$365,920	$388,129	$426,477	$241,249	$368,338	$359,877

The Police Department is comprised of two full-time equivalents (FTEs) serving in the positions of Police Chief and Police Officer and the part-time Reserve Officers who volunteer time and are paid for a portion of their time. A Special Reserve volunteers her time on police grant projects.

Primary duties and responsibilities include: responding to radio calls for emergency and non-emergency services providing uniform patrol as a deterrent to criminal activity, interaction with the community, both mandatory and non-mandatory criminal investigations, traffic enforcement, crime prevention, training, providing mutual aid to surrounding

police agencies, and supporting other City departments. Record keeping and evidence storage services are performed by Hillsboro Police.

2011-2012 Accomplishments

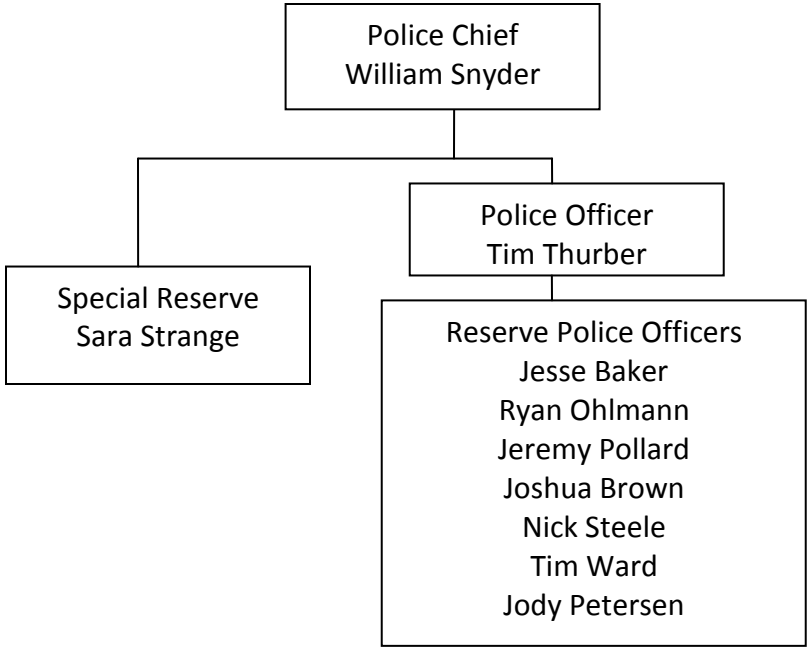
- Expanded reserve officer program to increase the availability of staff for regular patrols.
- Worked with North Plains Elementary School Principal Craig Harlow and Hillsboro School Superintendent Michael Scott to improve emergency planning for the elementary school. Training occurred in November and December.
- Prepared grant applications for equipment and personnel funding, updating most radio and communications equipment by obtaining grant monies.

Changes in Budget

The Police Department budget includes cost reductions that bring expenses down to the 2008-2009 funding level. This year's budget includes additional funds for the Reserve Officer program.

2012-2013 Objectives

- Increase visibility of Police Department in community.
- Implement new Lexipol policy manual.
- Train new Reserve Officer(s) through participation in a police academy.
- Apply for COPS grant to obtain additional officer for patrols.



Parks 110-452

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	**Proposed 3/12/2012 2012-2013**	**Approved**
110	000	Salaries	$32,523	$32,604	$33,630	$33,630	$16,815		
120	000	Hourly							
130	000	Overtime							
132	000	Employee Benefits	$13,117	$12,247	$12,997	$20,318	$9,244		
		PERSONAL SERVICES	$45,640	$44,851	$46,627	$53,948	$26,059		$0
330	000	Professional Services	$2,238	$543	$561	$590	$386	$600	$600
410	720	Utilities	$3,921	$2,888	$3,217	$4,600	$2,163	$6,200	$6,200
450	030	Building O & M	$1,684	$1,579	$1,863	$2,500	$1,982	$15,000	$15,000
430	031	Equipment O & M	$1,791	$3,163	$1,860	$3,000	$1,405	$3,000	$3,000
610	000	Operations and Supplies	$2,062	$4,126	$1,832	$3,300	$2,172	$7,500	$7,500
		Insurance	$1,100	$1,100	$600	$900	$790	Gen Gov	
		Fuel	$1,360	$1,389	$1,400	$1,500	$1,381	Public Works	
		MATERIALS AND SERVICES	$14,156	$14,788	$11,333	$16,390	$10,279	$32,300	$32,300
		SUBTOTAL	$59,796	$59,639	$57,960	$70,338	$36,338	$32,300	$32,300
810	110	Allocated Expense						$128,752	$125,641
810	009	Allocated Expense							
		TRANSFER & ALLOCATIONS	$0	$0	$0	$0	$0	$128,752	$125,641
		TOTAL EXPENSES	$59,796	$59,639	$57,960	$70,338	$36,338	$161,052	$157,941

Library 110-455

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
110	000	Salaries	$19,838	$24,412	$26,673	$27,556	$13,984	$27,560	$27,556
120	000	Hourly	$30,980	$34,032	$62,636	$65,933	$30,641	$76,250	$72,991
210	000	Employee Benefits	$10,064	$7,690	$14,467	$21,756	$10,320	$120	$113
220	000	FICA						$7,700	$7,692
230	000	Retirement							10905
		PERSONAL SERVICES	$60,882	$66,134	$103,776	$115,245	$54,945	$111,630	$119,257
330	000	Professional Services	$5,704	$7,551	$6,516	$11,938	$7,628	$5,000	$5,000
300	100	Education and Training	$400	$327	$332	$400	$70	$400	$400
410	000	Utilities	$6,698	$7,316	$7,520	$9,100	$5,144	$7,800	$7,800
450	000	Building O & M - City Hall	$1,508	$1,515	$7,688	$4,836	$1,611	$1,800	$1,800
430	000	Equipment O & M	$52	$117	$900	$500	$292	$500	$500
440	000	Rentals/Leases	$1,532	$1,498	$1,507	$1,800	$1,171	$1,800	$1,800
610	000	Operations and Supplies	$4,583	$3,960	$1,835	$2,800	$1,807	$5,000	$5,000
640	000	Library Media	$5,607	$10,372	$9,798	$12,500	$8,858	$13,100	$13,100
		Audit	$450	$450	$500	$500	$500	Gen Gov	
		Insurance	$1,600	$1,052	$1,600	$1,600	$409	Gen Gov	
		MATERIALS AND SERVICES	$28,134	$34,158	$38,196	$45,974	$27,490	$35,400	$35,400
700	000	Computer Replacement						$7,700	$7,700
		CAPITAL						$7,700	$7,700
810	110	Allocated Expense						43461	$41,820
		TRANSFER & ALLOCATIONS	$0	$0	$0	$0	$0	$43,461	$41,820
		TOTAL EXPENSE	$89,016	$100,292	$141,972	$161,219	$82,435	$198,191	$204,177

Library Mission Statement

The mission of the North Plains Public Library is to provide materials and services to help community residents to meet their informational, educational, and recreational needs. Emphasis is placed on obtaining current, popular materials in various formats, stimulating children's interests in reading and learning, and supporting students. Because a democracy is maintained by an informed citizenry, the City of North Plains promotes lifelong use of its library as a resource for daily living and decision-making.

Services

The library is a key element in the services that make up a successful community. North Plains Public Library provides services six days a week, Monday-Wednesday from 11-7:00 and Thursday-Saturday from 11-5:00. All the library services and programs are free to the community, and most cannot be received elsewhere in North Plains. A weekly press release of events is sent to area newspapers and radio stations. A monthly news release is sent to *The Beacon*, the City Newsletter, and CPO 8. Volunteer Carolyn Leavitt maintains the library's website and Facebook account.

The Library provides the community with:

- Books, magazines, and movies to borrow,
- Children's storytime and summer reading programs to encourage literacy,
- Employment resources to create résumés and apply for jobs,
- Computer and Internet access for research and communications, and
- Programs to educate and entertain adults, children, and families.

Online, through the Washington County Cooperative Library Services (WCCLS), there are approximately 50 databases available to card-holders in areas such as genealogy, automotive repair, practice SAT and GRE tests, resume writing and interviewing skills, suggested reading lists, antiques, consumer information, recipes, health, government and law, encyclopedias, taxes, magazines, homework help, and much more.

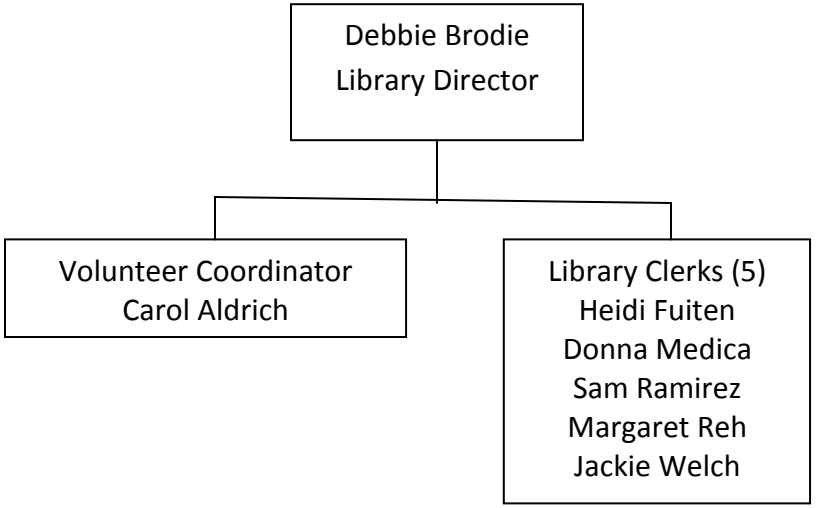
Statistical Highlights

- The North Plains Public Library serves a population of 5,523 people in the immediate area.
- There are 1,556 library card holders, an increase of 147 people from the prior year.
- Over 55,000 items were checked out from our library last fiscal year, which represents an increase of 35% over the previous year – the highest increase in usage for all Washington County libraries.
- Seven part-time employees work the equivalent of 3.13 full time people.
- The facility holds approximately 12,000 books, DVDs, magazines, and books on CD.
- The library has 30 magazine and newspaper subscriptions.

- The library featured 73 children's programs with 1,758 attendees, 8 young adult programs with 47 attendees, and 20 adult programs with 379 attendees – overall, a 131% increase in program attendance over the previous year.
- Last summer, 217 children and teens registered to participate in the Summer Reading Program, with 110 completions, a 50.69% finish rate. Also last summer, 80 adults participated in the first North Plains Adult Summer Reading Program.
- A total of 57 volunteers worked 4,184 hours, the equivalent of over 2 FTE.
- The library's 12 public computers were used 10,173 times.

<u>Goals</u>

- Develop a job search/career center for patrons of books and other resources
- Update the adult non-fiction collection
- *Complete re-cataloging projects before Radio Frequency Identification (RFID) tagging*
- *Accomplish RFID tagging, install checkin/out devices and a security gate*
- *Research purchase of a self-check machine*
- *Evaluate extension of open hours*



Planning 110-465

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
110	000	Salaries	$41,460	$41,460	$49,652	$51,882	$26,242	0	0
120	000	Hourly		$2,772		$12,806	6916	$15,000	$15,000
130	000	Overtime	$2,070	$1,813	$2,153	$2,200	$700		
220	000	FICA						$1,200	$1,148
230	000	Retirement						$0	$2,679
210	000	Employee Benefits	$13,736	$14,138	$16,362	$26,785	$12,364	$0	$0
		PERSONAL SERVICES	$57,266	$60,183	$68,167	$93,673	$19,980	$16,200	$18,827
330	000	Professional Services	$48,608	$28,527	$57,611	$36,550	$16,559	$7,000	$7,000
330	010	Springbrook						$0	$0
300	000	Education and Training	$432	$250	$850	$3,000	$1,698	$500	$500
540	000	Advertising	$100	$117	$167	$1,000	$785	$1,500	$1,500
350	000	Agency memberships	$38		$39	$600		Gen Gov	
610	000	Operations and Supplies	$5,629	$4,681	$5,979	$5,400	$2,596	Gen Gov	
		Equipment O & M				$1,200	$533	Gen Gov	
		Audit	$0	$0	$1,400	$2,000	$1,640	Gen Gov	
		MATERIALS AND SERVICES	$54,807	$33,575	$66,046	$49,750	$23,811	$9,000	$9,000
810	110	Allocated Expense						$54,588	$52,817
		TRANSFER & ALLOCATIONS	$0	$0	$0	$0	$0	$54,588	$52,817
		TOTAL EXPENSE	$112,073	$93,758	$134,213	$143,423	$43,791	$79,788	$80,644

The bulk of the Planning Department work is performed by the Clerical Assistant and part-time Assistant Planner under the direction of the City Manager. The Planning Department is a budget activity that tracks the costs associated with development and land use administration. Staff reviews land use applications and makes recommendations to the City Manager, Planning Commission and City Council.

This function supports the City's Planning Commission which meets once a month.

Accomplishments

- Completed comprehensive update of zoning and development codes.
- Revised new development land use application forms.
- Drafted new commercial development design review guidelines.
- Reviewed all fees to provide nexus between services performed and costs.

Objectives

- Review forms and procedures to seek efficiencies.
- Assist with economic development activities.
- Develop handbook to assist the public and staff with navigating planning process.

Complete commercial development design guidelines.

Expenses Not in General Fund

Streets 111-433

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	**Proposed 3/12/2012 2012-2013**	**Approved**
110	000	Salaries	$25,729	$38,533	$47,346	$46,746	$23,373		
120	000	Hourly		$1,372	$2,683	720	$0	In	
130	000	Overtime						433 PW	
210	000	Employee Benefits	$9,805	$14,077	$17,948	$25,176	$11,838		
		PERSONAL SERVICES	$35,534	$53,982	$67,977	$72,642	$35,211		
330	000	Professional Services	$4,554	$4,411	$5,189	$6,850	$2,624	$10,000	$10,000
410	021	Street Lights	$20,622	$21,255	$21,344	$23,000	$15,599	$22,100	$22,100
540	041	Advertising	$436	$301	$256	$400	$78	$400	$400
610	000	Operations and Supplies	$1,730	$2,273	$1,571	$11,203	$7,681	$2,000	$2,000
610	026	Supplies-Hwy Tax				$6,853		$6,900	$6,900
800	800	Refunds					$15,500		
		Audit	$450	$450	$1,000	$1,500	$1,320	Public Works	
		Insurance	$1,500	$1,400	$300	$560	$500	Gen Gov	
		Rentals/Leases	$447	$477		$890	$0	Public Works	
		Education and Training	$0	$0	$0	$200	$25	Public Works	
		Supplies-Grant			$4,086			Public Works	
		Fuel	$1,374	$1,672	$2,976	$3,000	$1,636		

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	**Proposed 3/12/2012 2012-2013**	**Approved**
		Uniforms and Protective Gear		$515		$500	$479	Public Works	
		Building O & M - City Hall	$778	$17	$1,019	$1,000	$98	Gen Gov	
		Utilities	$900	$1,000	$1,000	$1,080	$588	Gen Gov	
		Equipment O & M	$5,328	$4,720	$4,100	$5,500	$3,373	Public Works	
		MATERIALS AND SERVICES		$32,791	$33,771	$38,741	$57,036	$41,400	$41,400
		SUBTOTAL		$86,773	$101,748	$111,383	$92,247	$41,400	$41,400
810	100	Allocated Expense						$147,628	$147,628
810	900	Allocated Expense		$1,000	$2,000	$3,000	$1,000		
		TRANSFER & ALLOCATIONS		$1,000	$2,000	$3,000	$1,000	$147,628	$147,628
		OPERATING BUDGET TOTAL		$141,755	$171,725	$187,025	$128,458	$189,028	$189,028
770	102	PW Projects						$62,000	$62,000
770	101	PW Projects						$198,116	$198,116
770	102	PW Projects						$190,000	$249,385
		CAPITAL IMPROVEMENTS		$0	$0	$0	$0	$450,116	$509,501
		Net Expense - Street Fund		$87,773	$103,748	$114,383	$93,247	$639,144	$698,529
		Unappropriated Fund Balance		$507,981	$515,818	$547,371	$393,476	$464,708	$468,538
		Contigency					$59,115	$50,000	$50,000
		UNASSIGNED EXPENSES		$507,981	$515,818	$547,371	$452,591	$514,708	$518,538

Water 210-433

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
110	000	Salaries	$223,948	$222,271	$236,339	$237,538	$118,168		
210	000	Hourly	$2,300	$651	$2,480	$480		See Public Works	
130	000	Overtime	$2,132	$3,078	$3,140	$3,700	$792		
132	000	On Call	$5,025	$5,475	$5,475	$5,475	$2,775		
210	000	Employee Benefits	$89,964	$82,172	$91,128	$119,340	$67,036		
		PERSONAL SERVICES	$323,369	$313,647	$338,562	$366,533	$188,771	$0	$0
208	150	Franchise Fee - Water	$28,643	$29,000	$44,000	$38,200	$0	$39,000	$39,000
330	000	Professional Services	$34,946	$36,124	$28,871	$29,270	$14,749	$3,720	$3,720
330	010	Springbrook						$6,170	$6,170
330	020	Moonlight						$5,580	$5,580
410	000	Utilities	$8,344	$9,291	$10,155	$11,950	$7,024	$5,600	$5,600
450	030	Building O & M	$3,525	$1,599	$9,176	$4,936	$2,224	$1,000	$1,000
430	031	Equipment O & M	$15,778	$10,863	$14,791	$15,500	$3,834	$13,000	$13,000
540	041	Advertising	$316	$805	$271	$1,000	$260	$0	$0
610	000	Operations and Supplies	$25,358	$14,888	$21,231	$47,170	$5,817	$20,000	$20,000
610	600	Water Purchase	$99,133	$100,366	$103,138	$120,000	$0	$120,000	$120,000
800	000	Uncollectable debt				$300		$300	$300
800	800	Refunds. Deposits	$103	$53	$68	$200		$300	$300
		Fuel	$2,301	$2,734	$3,558	$4,000	$2,120		
		Audit	$2,700	$2,700	$3,500	$5,000	$2,220		
		Insurance	$4,800	$4,800	$2,865	$5,200	$4,810		
		Rentals/Leases	$3,738	$4,296	$3,207	$3,450	$2,545		
		Education and Training	$5,705	$2,845	$2,783	$6,500	$2,292		
		Uniforms/PPE's	$603	$881	$328	$800	$900		
		Incentive pay		$1,000					
		MATERIALS AND SERVICES	$235,993	$222,245	$247,942	$293,476	$48,795	$214,670	$214,670

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
770	000	PW Projects- Mains			$4,013			$51,000	$51,000
		CAPITAL	$0	$0	$4,013	$0	$0	$51,000	$51,000
500	500	Debt Service - 2005 Bond						$134,333	$134,333
		DEBT	$0	$0	$0	$0	$0	$134,333	$134,333
810	601	Allocated Expense						$391,436	$388,626
810	210	Allocated Expense	$87,900	$134,000	$150,000	$92,000	$92,000		
810	009	Allocated Expense	$10,000	$5,000	$5,000	$1,000	$1,000		
		TRANSFER & ALLOCATIONS	$97,900	$139,000	$155,000	$93,000	$93,000	$391,436	$388,626
		TOTAL OPERATING BUDGET	$657,262	$674,892	$745,517	$753,009	$330,566	$791,439	$788,629
207	000	Pass Thru Expense - JWC						$34,248	$34,300
		SPECIAL PAYMENTS						$34,248	$34,300
		Contingency				$50,513	$50,513	$50,000	$50,000
		Unappropriated Fund Balance	$514,087	$589,642	$598,207	$555,893	$555,893	$818,754	$644,671
		UNASSIGNED EXPENSES	$514,087	$589,642	$598,207	$606,406	$606,406	$868,754	$694,671

Water Fund Debt Service

This debt was incurred to fund a new water transmission main between Hillsboro and the City of North Plains. The purpose of the project was to secure a new water source to replace the existing well source that was at risk of contamination from a plume of chemicals created by a past creosote plant.

The Joint Water Commission provides water to the City through the City of Hillsboro.

Glencoe Road Water Transmission Main

Source: Safe Drinking Water Loan

Original Par $1,846,608

Date of issue 12/1/2005

YEAR	Principal	Interest	Cumulative Payment	Interest Rate
2005	$62,860.21	$48,168.29	$111,028.50	3.87
2006	$65,292.90	$69,038.78	$134,331.68	3.87
2007	$67,819.74	$66,511.94	$134,331.68	3.87
2008	$70,444.36	$63,887.32	$134,331.68	3.87
2009	$73,170.56	$61,161.12	$134,331.68	3.87
2010	$76,002.26	$58,329.42	$134,331.68	3.87
2011	$78,943.54	$55,388.14	$134,331.68	3.87
2012	$81,998.66	$52,333.02	$134,331.68	3.87
2013	$85,172.01	$49,159.67	$134,331.68	3.87
2014	$88,468.16	$45,863.52	$134,331.68	3.87
2015	$91,891.88	$42,439.80	$134,331.68	3.87
2016	$95,448.88	$38,883.58	$134,332.46	3.87
2017	$99,194.94	$35,189.74	$134,384.68	3.87
2018	$102,978.73	$31,352.95	$134,331.68	3.87
2019	$106,964.01	$27,367.67	$134,331.68	3.87
2020	$111,103.51	$23,228.17	$134,331.68	3.87
2021	$115,403.22	$18,928.46	$134,331.68	3.87
2022	$119,869.32	$14,462.36	$134,331.68	3.87
2023	$124,508.27	$9,823.41	$134,331.68	3.87
2024	$129,326.71	$5,004.97	$134,331.68	3.87

Transportation Development Tax (TDT) 130-433

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
770	000	PW Projects		$3,680			Street		
		CAPITAL	Formerly	$3,680	$0	$0	$0		
		TOTAL EXPENSE		$3,680	$0	$0	$0		
		Unappropriated Ending Fund Balance		$36,918	$54,646	$134,730	134730	$95,400	$61,600
		Contingency						$0	$50,000
		UNASSIGNED EXPENSES		$36,918	$54,646	$134,730	$134,730	$95,400	$111,600

The Transportation Development Tax (TDT) is a county-wide tax implemented to raise funds for the construction of new streets.

Parks Capital 131-452

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
770	000	PW Projects	$22,145	$7,117	$18,142	$0	$1,851	$25,000	$25,000
		CAPITAL	$22,145	$7,117	$18,142	$0	$1,851	$25,000	$25,000
810	110	Allocated Expense						$0	$0
		TRANSFERS AND ALLOCATIONS						$0	$0
		TOTAL EXPENSE	$22,145	$7,117	$18,142	$0	$1,851	$25,000	$25,000
		Unappropriated Fund Balance	$283,175	$330,728	$361,753	$425,468		$362,710	$296,710
		Contingency							$100,000
		UNASSIGNED EXPENSE	$283,175	$330,728	$361,753	$425,468		$362,710	$396,710

Parks Capital budget pays capital expenses related to construction of new parks and upgrades of current facilities. Funding is generated through System Development Charges (SDC).

Traffic Impact Fee 132-433

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
100	000	Salaries	$19,536	$19,536	$13,200	$3,000	$1,500		
520	000	Employee Benefits	$6,334	$5,750	$3,893	$900	$568		
		PERSONAL SERVICES	$25,870	$25,286	$17,093	$3,900	$2,068	$0	$0
770	000	PW Projects	$2,148						
		CAPITAL	$2,148	$0	$0	$0	$0	$0	$0
810	110	Allocated Expense						$0	
		TRANSFER & ALLOCATIONS	$0	$0	$0	$0	$0	$0	$0
		TOTAL EXPENSE	$28,018	$25,286	$17,093	$3,900	$2,068	$0	$0
		Unappropriated Fund Balance	$325,341	$302,154	$286,590	$283,560		$284,560	$234,560
		Contingency							$50,000
		UNASSIGNED EXPENSES	$325,341	$302,154	$286,590	$283,560	$0	$284,560	$234,560

The Traffic Impact Fee (TIF) was the predecessor to the TDT. Funds can only be used for projects that expand transportation capacity.

Vehicle and Equipment Fund 009-093

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Proposed 5/8/12 2012-2013
740	000	Equipment		$1,000	$10,635				
742	000	Vehicles	$25,178	$20,977	$23,376	$31,316	$31,718		
		CAPITAL	$25,178	$21,977	$34,011	$31,316	$31,718	$0	$0
810	601	Transfer Out						$1,400	$1,400
810	601	Transfers						$26,600	$26,600
		TRANSFERS & ALLOCATIONS	$0	$0	$0	$0	$0	$28,000	$28,000
		TOTAL EXPENSE	$25,178	$21,977	$34,011	$31,316	$31,718	$28,000	$28,000
		Unappropriated Fund Balance	$69,895	$95,502	$72,874	$43,664		$27,604	$12,804
		Contingency							$10,000
		UNASSIGNED EXPENSES	$69,895	$95,502	$72,874	$43,664	$0	$27,604	$22,804

The Vehicle Replacement Fund is a reserve for the replacement of vehicles and equipment. A schedule for the replacements is below. This year, a transfer of assets to the General Fund is proposed to assist with the purchase of police vehicles.

Vehicle Replacement Schedule

	Driver	Model	Made	Service Life	2013	2014	2015	2016	2017	2018	2019	2020	2021
POLICE													
Police Car- Marked	Chief	Charger	2012	5				39000					39000
Police Car- Marked	Thurber	Tahoe	2007	5	39,000				39000				
Police Car - Unmarked	1	Crown Victoria	2005					New Reserve					**New reserve**
Police Car - Marked	2	Crown Victoria	2005		**New Reserve**				New Reserve				
PUBLIC WORKS													
Dump Truck		Ford 5 yd	1985						30000				
1 ton pickup	UWIII	Ford F350	2002										
1 ton pickup	UWII	Ford F350	1995								7000		
1/2 ton pickup	UWII	Ford Ranger	1999										
Meter Cart	PT worker	Go 4	1993										
Backhoe		JD 310D	1990's										
150 KW Generator		Koeller	1980										
150 KW Generator		Koeller	1980										
Tractor		JD 850	1980's										
GENERAL GOVT													
Pool Car		Sable	2002					Decommission no replacement					

Computer Replacement Program

NONRESERVING DEPARTMENTS

Dept	User	Type	Date	Replace	Est. Cost	Fund Source	2013	2014	2015	2016	2017	2018
CM	Martha	Lap	2010	No replacement planned								
CM	Martha	PC	2009	1000		GF		1,000				1,000
Fin		Lap		No replacement planned								
Fin	Sarah	PC	2009	1000		Water				1,000		
Fin	Pam	PC	2009	1000		Water			1,000			
Fin	Acct	PC		Temporary Position								
Fin	Court	PC										
Fin	Acct	PR		No replacement planned								
Fin	Court	PR		No replacement planned								
TOTAL FIN							**0**	**0**	**1,000**	**1,000**	**0**	**0**
PW	Blake	Lap		Available for EOC no regular use								
PW	Blake	PC	2009			GF					1,000	
PW	Blake	PR		No replacement planned								
TOTAL PW							**0**	**0**	**0**	**0**	**1,000**	**0**
Plan	Angie	PC			$1,000	GF					1,000	
TOTAL PLAN							**0**	**0**	**0**	**0**	**1,000**	**0**
TOTAL NON RESERVING DEPARTMENTS							**0**	**1,000**	**1,000**	**1,000**	**2,000**	**1,000**

RESERVING DEPARTMENTS

Dept	User	Type	Date	Replace	Est. Cost	Fund Source	2013	2014	2015	2016	2017	2018
GenG	EOC	PC		EOC no regular use								
GenG		Serv		2014	$5,500	GF/Water		5,500	1,100	1,100	1,100	1,100
GenG		Serv		2014	$5,500	GF/Water		5,500	1,100	1,100	1,100	1,100
GenG	Main	Copy	2009	Sep-14	$25,000	GF	*8,280*	*8,280*	5,000	5,000	5,000	5,000
GenG	Chief's	Copy	2009	No replacement planned								
TOTAL							**8,280**	**19,280**	**7,200**	**7,200**	**7,200**	**7,200**

Dept	User	Type	Date	Replace	Est. Cost	Fund Source	2013	2014	2015	2016	2017	2018
Lib	Proj	Lap	2006	No replacement planned								
Lib	Staff 5	Lap	2006	2015	$650	GF	130	130	130	130	130	130
Lib	Pub 1	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	Pub 1	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	Pub 3	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	Pub 4	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	Pub 5	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	Pub 6	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	Pub 7	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	Pub 8	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	Pub 9	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	St 10	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	PAC	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	Staff 2	PC	2006	2013	$400	GF	400	80	80	80	80	80

Lib	Ch 1	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	Ch 2	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	Staff 3	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	Staff 4	PC	2006	2013	$400	GF	400	80	80	80	80	80
Lib	Front	PR	2006	2013	$500	GF	500	100	100	100	100	100
Lib	Staff 1	PC	2006	2013	$700	GF	700	140	140	140	140	140
TOTAL LIBRARY							**7,730**	**1,650**	**1,650**	**1,650**	**1,650**	**1,650**
Lib	Main	Copier	2010	2015	$10,000	GF	*1,800*	*1,800*	2,000	2,000	2,000	2,000
Dept	User	Type	Date	Replace	Est. Cost	Fund Source	2013	2014	2015	2016	2017	2018
PD	Chief	Lap	Ukn	Reassign PW Shop								
PD	Chief	MDT	2012	2016	$3,000	GF	600	600	600	600	600	600
PD	Thurb	MDT	2012	2016	$3,000	GF	600	600	600	600	600	600
PD	Car 1	MDT	2012	2016	$3,000	GF	600	600	600	600	600	600
PD	Car 2	MDT	2012	2016	$3,000	GF	600	600	600	600	600	600
PD	Car 3	MDT	2012	2016	$3,000	GF	600	600	600	600	600	600
PD	Car 4	MDT	2012	2016	$3,000	GF	600	600	600	600	600	600
PD	Car 5	MDT	2012	2016	$3,000	GF	600	600	600	600	600	600
PD		MDT	2012	2016	$3,000	GF	600	600	600	600	600	600
PD	Chief	PC	2009	2013	$1,000	GF	200	200	200	200	200	200
PD	Tim	PC	2009	2013	$1,000	GF	200	200	200	200	200	200
TOTAL -PD							**5,200**	**5,200**	**5,200**	**5,200**	**5,200**	**5,200**
TOTAL RESERVING DEPARTMENTS							**21,210**	**26,130**	**14,050**	**14,050**	**14,050**	**14,050**
TOTAL CITY WIDE							**21,210**	**27,130**	**15,050**	**15,050**	**16,050**	**15,050**

Terminated Activities

Municipal Court 001-412

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	
		Salaries	$60,373	$59,467	$49,532	$29,417	$29,436	
		Hourly		$1,000				
		Employee Benefits	$22,554	$17,574	$18,435	$17,220	$15,490	
		PERSONAL SERVICES	$82,927	$78,041	$67,967	$46,637	$44,926	
		Professional Services	$9,479	$12,447	$15,858	$12,799	$8,108	
		Audit	$1,850	$0	$3,700	$2,000	$1,640	
		Insurance				$660		Activity
		Education and Training	$669	$3,535	$50	$1,000	$415	Eliminated
		Operations and Supplies	$2,859	$3,246	$2,441	$2,098	$1,299	1/1/2012
		Utilities	$1,645	$1,785	$1,733	$1,000	$1,240	
		Equipment O & M	$2,479	$7,020	$9,568	$1,500	$146	
		Pass Through Revenues - State	$22,408	$17,659	$15,098	$22,000	$17,358	
		Pass Through - County	$12,088	$9,203	$8,950	$14,000	$9,844	
		MATERIALS AND SERVICES	$53,477	$54,895	$57,398	$57,057	$40,050	
		Net Expense	$136,404	$132,936	$125,365	$103,694	$84,976	

The last Municipal Court session was held in January 2011. Citations are now heard in Washington County Justice Court, and the revenues received are split evenly between the County and City.

Sewer Bond 001-432

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	
		Salaries	$6,000	$6,000	$6,600	$5,400	$3,600	Finance
		Employee Benefits	$1,902	$1,769	$1,967	$1,555	$1,364	Finance
		PERSONAL SERVICES	$7,902	$7,769	$8,567	$6,955	$4,964	
		Professional Services	$2,000	$2,108	$2,271	$3,500	$1,614	Finance
		Operations and Supplies	$471	$800	$406	$300	$149	Finance
		MATERIALS AND SERVICES	$2,471	$2,908	$2,677	$3,800	$1,763	
		Debt Service Glencoe				$37,806	$14,562	URA
		DEBT	$0	$0	$0	$37,806	$14,562	
		Net Expense	$10,373	$10,677	$11,244	$48,561	$21,289	

This activity is being absorbed into the General Government activity.

Transportation and Storm Drain 002-052

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	**Proposed 3/12/2012 2012-2013**	**2012-2013**	**Approved 2012-2013**	**Adopted 2012-2013**
501	000	Salaries	$19,908	$7,200							
520	000	Employee Benefits	$7,689	$2,380							
		PERSONAL SERVICES	$27,597	$9,580	$0	$0	$0				
		Advertising				$600		PW			
		Audit				$1,500	$500	Gen Gov			
		Equipment O & M	$497	$1,192		$10,000		PW			
		Fuel	$1,514	$1,159				PW			
		Insurance	$500	$400	$320	$360		Gen Gov			
		Operations and Supplies	$2,893	$20,577	$5,012	$40,320	$8,761	PW			
		Professional Services	$5,394	$4,299		$6,500	$6,506	Street			
		MATERIALS AND SERVICES	$10,798	$27,627	$5,332	$59,280	$15,767				
540	004	PW Projects-SCA Overlay		$25,000							
540	102	PW Projects-MSTIP/3						Street			
540	101	PW Projects-Claxtar A						Street			
540	002	PW Projects FEMA		$48,124							
540	001	PW Projects - Glencoe				$254,068					
		CAPITAL	$0	$73,124	$0	$254,068	$0	$0			
		Net Expense	$38,395	$110,331	$5,332	$313,348	$15,767				

Expenses are now reflected in the Street budget.

Water Capital 003-000

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	**Proposed 3/12/2012 2012-2013**
530	000	Professional Services	$7,639	$7,539	$6,009			Water
		Audit				$1,500		Water
580	000	Operations and Supplies		$2,000	$494			Water
	000	Pass Through Revenue - JWC	$5,700	$26,546	$23,048	$34,248	$20,059	Water
		MATERIALS AND SERVICES	$13,339	$36,085	$29,551	$35,748	$20,059	
830	500	Debt Service 2005 Bond	$134,332	$134,332	$134,332	$134,332	$134,333	Water
		DEBT	$134,332	$134,332	$134,332	$134,332	$134,333	
		Net Expense		$170,417	$163,883	$170,080	$154,392	
900	000	Unappropriated Fund Balance		$35,041	$69,160	$116,258		Water
		UNASSIGNED EXPENSES		$35,041	$69,160	$116,258	$0	

Expenses are now reflected in Water 210-433.

Capital Improvement Program (CIP)

Introduction

The Capital Improvement Plan (CIP) is a planning tool that forecasts the City's capital needs over a five-year period based on City-adopted long-range plans, goals and policies. The CIP includes planned expenditures for replacing, improving, and expanding a City's infrastructure. The City of North Plains' CIP encompasses the City's civic and cultural facilities, transportation system, park system, drinking water system, storm drainage system, and the streets system. The CIP includes detailed descriptions of every Capital Project the City anticipates to initiate during the five-year period.

The City should update its CIP annually. The CIP is structured on a fiscal year basis (July 1 to June 30) like the operating budget. It is common for CIP projects to overlap several years, as the process of engineering, bidding, and construction cannot always be achieved with 12 months.

Purpose

The CIP is a business document and does not amend or replace any of the City's master plans. It identifies programs and schedules and presents a financing strategy for capital improvements. The CIP utilizes various infrastructure master plans (i.e. parks facilities, water) to develop an inclusive list of potential capital projects so that funding for these projects may be considered comprehensively. This "level playing field" approach to project prioritization and capital financing allows the City to better assess and plan for its capital needs.

Complex projects which overlap project groups/categories, such as transportation and utilities may be constructed concurrently resulting in project efficiencies that help to hold down costs.

The CIP is a long-term document that gives citizens and other stakeholders a set of predictable expectations of both capital needs and concurrent financial requirements. The City's annual budget sets the appropriation authority levels for the subsequent year. The annual budget is a shorter-term document with respect to capital projects and only incorporates the most immediate year of the CIP.

CIP Goals

The goals of the CIP are to:

- Provide a balanced program for capital improvements given anticipated funding revenues over a five-year planning period.
- Enable the community to take a long-range view of needed improvements to determine responsibilities for future development.
- Enhance opportunities for participation in federal and/or state grant and loan programs.
- Enable the City Council to evaluate the needs of the entire City objectively.
- Anticipate needed capital improvements in advance, rather than being overlooked until critically needed.
- Provide a plan for capital improvements that can be used in preparing the Capital Budget for the coming fiscal year.

Project Details

The Capital Projects detail being reported in the CIP will be shown within the following areas:

- Parks
- Storm Drain
- Water
- Streets
- Public Facilities
- Urban Renewal Agency

The major sources of funds available for capital projects are dedicated funds that must be used for a particular purpose. For the most part, these funds are accounted for in the City's special revenue, capital projects, and enterprise funds. The City may also receive direct funding for a project from other governments or through grants and donations. Proceeds of a bond issue are often restricted to a limited number of projects or activities.

Five-Year Capital Improvement Program

Projects are numbered based on the fiscal year they are initiated, fund number, and not necessarily the order in which they are constructed. Some projects may overlap fiscal years. Given the wide variety of specialized funding sources and the framework of adopted plans and policies, selection of projects for the CIP does not follow a one-size-fits-all priority-setting process. The ranking of each project is reviewed within its functional area.

Year		Project	Proj #	Amount
2012-13	Street	Claxtar (CDBG Grant)	1322	198,111
2012-13	Water	Main Replacement Program	1351	51,000
2012-13	URA	Public Plaza	1364	130,000
2012-13	Parks	Skate Park	1373	25,000
		2012-13 TOTAL		**$404,111**
2013-14	Storm	(3) 72" Corregated culvert Pacific west of Main	1425	138,000
2013-14	Water	12" Commercial	1451	247,000
2013-14	Water	Main Replacement Program	1452	51,000
2013-14	URA	Commercial Street	1466	100,000
2013-14	Parks	Repairs Jessie Mays	1473	60,000
2013-14	Parks	Ghost Creek Trail	1474	200,000
		2013-14 TOTAL		**$796,000**
2014-15	Water	Pump house improvements-foundation	1551	30,000
2014-15	Water	Main Replacement Program	1552	51,000
		2014-15 TOTAL		**$81,000**
2015-16	Street	Lenox (Timeric to terminus)	1624	96,000
2015-16	Water	TOTAL	1651	51,000
2015-16	Water	8" 309th	1652	31,000
2015-16	Water	12" Glencoe	1653	250,000
2015-16	Parks	Galloway Trail	1675	200,000
		2015-16 TOTAL		**$628,000**
2016-17	Street	TUF Project	1722	60,000
2016-17	Street	Cottage (321st to 324th) 4" overlay	1723	467,000
2016-17	Water	8" 309th	1751	51,000
2016-17	URA	Revitalization Year 1	1765	500,000
2016-17	Parks	Acquire approx 9 acres for community park in north and/or east expansion area	1774	2,570,000
		2016-17 TOTAL		**$3,648,000**

Appendix

A. 2007 North Plains Charter

PREAMBLE

We, the voters of North Plains, Oregon exercise our power to the fullest extent possible under the Oregon Constitution and laws of the state, and enact this Home Rule Charter.

Chapter I NAMES AND BOUNDARIES

Section 1. Title. This charter may be referred to as the 2007 North Plains Charter.

Section 2. Name. The City of North Plains, Oregon, continues as a municipal corporation with the name City of North Plains.

Section 3. Boundaries. The city includes all territory within its boundaries as they now exist or are legally modified. The city will maintain as a public record an accurate and current description of the boundaries.

Section 4. Voluntary Annexations. All annexations not required by state law must be submitted to a city-wide election and obtain approval by a majority of those voting in the election before the annexations becomes effective.

Chapter II POWERS

Section 5. Powers. The city has all powers that the constitutions, statutes and common law of the United States and Oregon expressly or impliedly grant or allow the city, as fully as though this charter specifically enumerated each of those powers.

Section 6. Construction. The charter will be liberally construed so that the city may exercise fully all powers possible under this charter and under United States and Oregon law.

Section 7. Distribution. The Oregon Constitution reserves initiative and referendum powers as to all municipal legislation to city voters. This charter vests all other city powers in the council except as the charter otherwise provides. The council has legislative, administrative and quasi-judicial authority. The council exercises legislative authority by ordinance, administrative authority by resolution, and quasi-judicial authority by order. The council may not delegate its authority to adopt ordinances.

Chapter III COUNCIL

Section 8. Council. The council consists of a mayor and six councilors nominated and elected from the city at large. The Council appoints members of commissions and committees established by ordinance or resolution.

Section 9. Mayor. The mayor presides over and facilitates council meetings, preserves order, enforces council rules, and determines the order of business under council rules. The mayor is a voting member of the council, except as provided in Section 33 herein, and has no veto authority. The mayor must

sign all records of council decisions. The mayor serves as the political head of the city government. The mayor may temporarily cease to chair a council meeting and delegate those functions to another council member.

Section 10. Council President. At its first meeting each year, the council must elect a president from its membership. The president presides in the absence of the mayor and acts as mayor when the mayor is unable to perform duties.

Section 11. Rules. The council must adopt by ordinance or resolution rules to govern its meetings.

Section 12. Meetings. The council must meet at least once a month at a time and place designated by its rules, and may meet at other times in accordance with the rules.

Section 13. Quorum. A majority of the council members is a quorum to conduct business, but a smaller number may meet and compel attendance of absent members as prescribed by council rules.

Section 14. Vote Required. The express approval of a majority of a quorum of the council is necessary for any council decision, except when this charter requires approval by a majority of the council.

Section 15. Record. A record of council meetings must be kept in a manner prescribed by the council rules.

Chapter IV LEGISLATIVE AUTHORITY

Section 16. Ordinances. The council will exercise its legislative authority by adopting ordinances. The enacting clause for all ordinances must state "The City of North Plains ordains as follows:"

Section 17. Ordinance Adoption.

(a) Except as authorized by subsection (b), adoption of an ordinance requires approval by a majority of the council at two meetings.

(b) The council may adopt an ordinance at a single meeting if:

i. No council member present objects, and

ii. The ordinance is provided to each council member and made available to the public at least one week before the meeting.

(c) Any substantive amendment to a proposed ordinance must be read aloud or made available in writing to the public before the council adopts the ordinance at that meeting.

(d) After the adoption of an ordinance, the vote of each member must be entered into the council minutes.

(e) After adoption of an ordinance, the city custodian of records must endorse it with the date of adoption and the custodian's name and title.

Section 18. Effective Date of Ordinances. Ordinances normally take effect on the 30th day after adoption, or on a later day provided in the ordinance. An ordinance may take

effect as soon as adopted or other date less than 30 days after adoption if it contains an emergency clause.

Chapter V ADMINISTRATIVE AUTHORITY

Section 19. Resolutions. The council will normally exercise its administrative authority by approving resolutions. The approving clause for resolutions may state "The City of North Plains resolves as follows:"

Section 20. Resolution Approval.
(a) Approval of a resolution or any other council administrative decision requires approval by the council at one meeting.

(b) Any substantive amendment to a resolution must be read aloud or made available in writing to the public before the council adopts the resolution at that meeting.

(c) After approval of a resolution or other administrative decision, the vote of each member must be entered into the council minutes.

(d) After approval of a resolution, the city custodian of records must endorse it with the date of approval and the custodian's name and title.

Section 21. Effective Date of Resolutions. Resolutions and other administrative decisions take effect on the date of approval, or on a later day provided in the resolution.

Chapter VI QUASI-JUDICIAL AUTHORITY

Section 22. Orders. The council will normally exercise its quasi-judicial authority by approving orders. The approving clause for orders may state "The City of North Plains orders as follows:"

Section 23. Order Approval.
(a) Approval of an order or any other council quasi-judicial decision requires approval by the council at one meeting.

(b) Any substantive amendment to an order must be read aloud or made available in writing to the public at the meeting before the council adopts the order.

(c) After approval of an order or other council quasi-judicial decision, the vote of each member must be entered in the council minutes.

(d) After approval of an order, the city custodian of records must endorse it with the date of approval and the custodian's name and title.

Chapter VII ELECTIONS

Section 25. Councilors. The term of a councilor in office when this charter is adopted is the term for which the councilor was elected. At each general election after the adoption, three councilors will be elected for four-year terms.

Section 26. Mayor. The term of the mayor in office when this charter is adopted is the term for which the Mayor was elected. At every other general election after the adoption, a mayor will be elected for a four-year term.

Section 27. State Law. City elections must conform to state law except as this charter or ordinances provide otherwise. All elections for city offices must be nonpartisan.

Section 28. Qualifications.
(a) The mayor and each councilor must be a qualified elector under state law, and reside within the city for at least one year immediately before election or appointment to office.

(b) No person may be a candidate at a single election for more than one city office.

(c) Neither the mayor nor a councilor may be employed by the city, or be related to an employee of the city. To determine relationship for this subsection, refer to the Oregon Revised Statutes definition of family. If there is a city employee related to a councilor at the time this charter takes effect, the employee may continue to work for the city subject to the city's personnel policies.

(d) The council is the final judge of the election and qualifications of its members.

Section 29. Nominations. The council must adopt an ordinance prescribing the manner for a person to be nominated to run for mayor or a city councilor position.

Section 30. Terms. The term of an officer elected at a general election begins at the first council meeting of the year immediately after the election, and continues until the successor qualifies and assumes the office.

Section 31. Oath. The mayor and each councilor must swear or affirm to faithfully perform the duties of the office and support the constitutions and laws of the United States and Oregon.

Section 32. Vacancies: The mayor or a council office becomes vacant:

(a) Upon the incumbent's:
- (1) Death,
- (2) Adjudicated incompetence, or
- (3) Recall from the office.

(b) Upon declaration by the council after the incumbent's:
- (1) Failure to qualify for the office within 10 days of the time the term of office is to begin,
- (2) Absence from the city for 30 days without council consent, or from all council meetings within a 60-day period,
- (3) Ceasing to reside in the city,
- (4) Ceasing to be a qualified elector under state law,
- (5) Conviction of a public offense punishable by loss of liberty,
- (6) Resignation from the office, or
- (7) Removal under Section 34(i).

Section 33. Filling Vacancies. A mayor or councilor vacancy will be filled by appointment by a majority of the remaining council members. The mayor shall have no vote in filling a vacancy unless a tie-vote situation occurs, in which event the mayor shall cast the tie-breaking vote. The appointee's term of office runs from appointment until expiration of the term of office of the last person elected to that office. If a disability prevents a council member from attending council meetings or a member is absent from the city, a majority of the council may appoint a councilor pro tem.

Chapter VIII APPOINTIVE OFFICERS

Section 34. City Manager.

(a) The office of city manager is established as the administrative head of the city government. The city manager is responsible to the mayor and council for the proper administration of all city business. The city manager will assist the mayor and council in the development of city policies, and carry out policies established by ordinances and resolutions.

(b) A majority of the council must appoint and may remove the manager. The appointment must be made without regard to political considerations and solely on the basis of education and experience in competencies and practices of local government management.

(c) The manager need not reside in the city.

(d) The manager may be appointed for a definite or an indefinite term, and may be removed at any time by a majority of the council. The council must fill the office by appointment as soon as practicable after the vacancy occurs.

(e) The manager must:

(1) Attend all council meetings unless excused by the mayor or council;
(2) Make reports and recommendations to the mayor and council about the needs of the city;
(3) Administer and enforce all city ordinances, resolutions, franchises, leases, contracts, permits, and other city decisions;
(4) Appoint, supervise and remove city employees;
(5) Organize city departments and administrative structure;
(6) Prepare and administer the annual city budget;
(7) Administer city utilities and property;
(8) Encourage and support regional and intergovernmental cooperation;
(9) Promote cooperation among the council, staff and citizens in developing city policies, and building a sense of community;
(10) Perform other duties as directed by the council;
(11) Delegate duties, but remain responsible for acts of all subordinates.

(f) The manager has no authority over the council or over the judicial functions of the municipal judge.

(g) The manager and other employees designated by the council may sit at council meetings but have no vote. The manager may take part in all council discussions.

(h) When the manager is temporarily disabled from acting as manager or when the office of manager becomes vacant, the council must appoint a manager pro tem. The manager pro tem has the authority and duties of manager, except that a pro tem manager may appoint or remove employees only with council approval.

(i) No council member may directly or indirectly attempt to coerce the manager or a candidate for the office of manager in the appointment or removal of any city employee, or in administrative decisions regarding city property or contracts. Violation of this prohibition is grounds for removal from office by a majority of the council after a public hearing. In council meetings, councilors may discuss or suggest anything with the manager relating to city business.

Section 35. City Attorney. The office of city attorney is established as the chief legal officer of the city government. A majority of the council must appoint and may remove the attorney.

Section 36. Municipal Court and Judge.

(a) A majority of the council may appoint and remove a municipal judge. A municipal judge will hold court in the city at such place as the council directs. The court will be known as the Municipal Court.

(b) All proceedings of this court will conform to state laws governing justices of the peace and justice courts.

(c) All areas within the city and areas outside the city as permitted by state law are within the territorial jurisdiction of the court.

(d) The municipal court has jurisdiction over every offense created by city ordinance. The court may enforce forfeitures and other penalties created by such ordinances. The court also has jurisdiction under state law unless limited by city ordinance.

(e) The municipal judge may:

(1) Render judgments and impose sanctions on persons and property;
(2) Order the arrest of anyone accused of an offense against the city;
(3) Commit to jail or admit to bail anyone accused of a city offense;
(4) Issue and compel obedience to subpoenas;
(5) Compel witnesses to appear and testify and jurors to serve for trials before the court;
(6) Penalize contempt of court;
(7) Issue processes necessary to enforce judgments and orders of the court;
(8) Issue search warrants; and
(9) Perform other judicial and quasi-judicial functions assigned by ordinance.

(f) The council may appoint and may remove municipal judges pro tem.

(g) The council may transfer some or all of the functions of the municipal court to an appropriate state court.

Chapter IX PERSONNEL

Section 37. Compensation. The council must authorize the compensation of city officers and employees as part of its approval of the annual city budget.

Section 38. Merit Systems. Subject to collective bargaining agreements between the city and its employees, the council by resolution will determine the rules governing recruitment, selection, promotion, transfer, demotion, suspension, layoff, and dismissal of city employees based on merit and fitness and any collective bargaining agreement in effect.

Chapter X PUBLIC IMPROVEMENTS

Section 39 Procedure. The council may by ordinance provide for procedures governing the making, altering, vacating, or abandoning of a public improvement. A proposed public improvement may be suspended for six months upon remonstrance by owners of the real property to be specially assessed for the improvement. The number of owners necessary to suspend the action will be determined by ordinance.

Section 40. Special Assessments. The procedure for levying, collecting and enforcing special assessments for public improvements or other services charged against real property will be governed by ordinance.

Chapter XI MISCELLANEOUS PROVISIONS

Section 41. Debt. City indebtedness may not exceed debt limits imposed by state law. A charter amendment is not required to authorize city indebtedness.

Section 42. Ordinance Continuation. All ordinances consistent with this charter in force when it takes effect remain in effect until amended or repealed.

Section 43. Repeal. All charter provisions adopted before this charter takes effect are repealed.

Section 44. Severability. The terms of this charter are severable. If any provision is held invalid by a court, the invalidity does not affect any other part of the charter.

Section 45. Time of Effect. This charter takes effect January 1, 2008.

B. Financial Policies

I. Policy Statement
II. General Objectives
III. Operating Budgets
IV Revenue
V. Expenditures
VI. Fund Balance
VII. Capital Improvements
VIII. Debt Management
IX. Investments
X. Cash Management
XI. Purchasing

I. Policy Statement

The City of North Plains is committed to responsible financial management through financial integrity, prudent stewardship of public assets, planning, accountability, and full disclosure. The broad purpose of these policies is to enable the City to achieve and maintain a long-term stable and positive financial condition. The policies may be amended by a majority vote of the North Plains City Council.

These financial management policies will generally cover areas of:

- operating budget
- revenue
- expenditure
- fund balance
- capital improvement
- debt management
- investment
- cash management
- purchasing

Policies will be reviewed and updated each year during the budget preparation process.

II. General Objectives

Assist the Council and City management by providing accurate and timely information on financial conditions pertinent to City operations.

Provide sound financial principles to guide the important decisions of the Council, and City management that will have a significant fiscal impact.

Compile an exhaustive balanced budget that accounts for all City revenues and expenditures. As a result, the City will be strengthened financially.

Deliver efficient, cost effective, and appropriate services.

Enhance the policymaking ability of the Council by providing accurate information on program costs.

Ensure the legal use of all City funds through a sound financial system and strong internal controls.

Employ revenue policies that diversify revenue sources, distribute the costs of municipal services fairly, and provide adequate funds to operate desired programs.

Comply with all finance related legal mandates, laws, and regulations.

III. Operating Budget

The budgeting process will be coordinated so that major policy issues are identified and incorporated into the budget.

Budgetary procedures will conform to state regulations and generally accepted accounting principles.

Monthly reports will be compiled comparing the budget to actual expenses.

Budget amendments will be prepared by the Finance Director, under the direction of the City Manager, to ensure compliance with Oregon law.

The City will annually adopt a balanced budget where operating revenues are equal to, or exceed, operating expenditures. Any increase in expenses, decrease in revenues, or combination of the two that would result in a budget imbalance will require budget revision. Any year-end operating surpluses will be calculated as ending fund balance and become part of the beginning fund balance in the following year.

As a minimum, the unappropriated ending fund balance shall be earmarked. Any funded liabilities unused in the previous year may be used to fund liability first, then operations in the following year.

The City Manager, as the City's budget officer, will prepare and present the City's proposed annual budget to the Budget Committee for its approval. The Proposed Budget will comply with the annual goals/objectives of the City Council. The Budget Committee will review, and, if necessary, revise the Proposed Budget. The Budget Committee will also consider whether the submitted Proposed Budget adequately addresses the priorities set by the City Council. The Budget Committee must approve a Proposed Budget and submit it for adoption by the City Council. The City Council has the ultimate responsibility for adopting the budget and for making the necessary appropriations.

The budget, program priorities, project priorities, and service levels will be developed per the policies and procedures set forth by these financial management policies. If the City experiences growth to the point that citizens indicate a desire for measures of government performance, the Council will consider integrating performance measurement, service level, and productivity indicators into the operating budget wherever possible.

Annually the Council will be asked to set goals and objectives, the Budget Officer will draft a "Budget Guidance" memo for distribution to the department heads, so that they may provide budget drafting input to the Budget Officer.

Volunteers for the budget committee will be recruited for appointment before January of each budget cycle.

The Budget Committee is made up of up to 14 members—seven of whom are members of the City Council, and seven of whom are appointed from the community at large. Members will serve staggered pre-designated three year terms.

OPERATING BUDGET PROCEDURES

As part of the annual budgeting process, the budget officer will produce worksheets for general liability insurance, health insurance, benefits, workers' compensation, employee allocation, and salary for the purpose of forecasting.

Pursuant to State law, in order to receive State Shared Revenues, a public hearing before the City Council and the Budget Committee is required.

The City will publish two notices for the first budget meeting. The first notice must be published no more than thirty days before the first meeting, and the second not less than five days before the meeting. The second notice must be published at least five days after the first notice. For other budget meetings, the City will post an agenda notice in accordance with North Plains' public meeting rules.

The Budget Committee will meet at least twice prior to approving a Proposed Budget, and will review comments from the public at one of the meetings.

The City Council will conduct a budget hearing prior to adopting the annual operating budget and Capital Improvement Plan.

The City will publish notice of a City Council budget hearing prior to the designated hearing date in accordance with Oregon law.

The City will adopt a Resolution to: adopt the budget, make appropriations, and impose and categorize taxes; and will adopt a five-year Capital Improvement Plan, no later than June 30th.

The City will adopt Resolutions stating the City's eligibility for, and intention to receive State Shared Revenues.

The City will adopt a Resolution authorizing monies of all City funds to be commingled into a group bank account and/or financial instrument.

Tax certification documents will be submitted to the Washington County Assessor on or before July 15.

IV. Revenue

The City will actively identify and administer funding sources that create a reliable, equitable, and diversified revenue stream to shelter the City from short-term fluctuations in any single revenue source and to maintain levels of service delineated by the Council.

The City will not finance long-term revenue shortfalls through borrowing.

The City will follow an aggressive policy of collecting revenues and receivables.

One-time revenues will be used for one-time expenditures; i.e. for capital expenditures.

Dedicated revenue streams may only be used for the purpose for which they are being collected.

Proposed additional revenue sources, will be reviewed by the City Council in terms of community acceptability, competitiveness, diversity, efficiency, and fairness.

Revenue estimates will be conservative (underestimated), objective, and reasonable.

User fees will, to the fullest extent possible, be calculated to recover direct and indirect costs of service delivery. Reduction of user fees below the cost of recovery will be presented to the City Council for its approval.

The City Council will set fees by adoption of a Resolution.

V. Expenditures

All current Public Employee Retirement System (PERS) liabilities shall be funded on an annual basis. After each pay period, PERS information will be manually entered into the PERS system using data obtained from a payroll register.

The City Manager will take immediate corrective action if, at any time during a fiscal year, revised revenue and expenditure estimates project a year-end deficit net of beginning fund balance, and will advise the Council at the next regularly scheduled City Council meeting.

The City will utilize creditor/vendor discounts to the fullest extent possible, and will establish a spending plan as soon as practicable in the fiscal year.

Target contingencies for the operating budget will range between five (5) and fifteen (15) percent of operations for each operating fund.

The City will fully fund all employee vacation accrual liabilities. This specific operating contingency will be carried forward as part of an ending fund balance, made available for this specific use in the follow-on fiscal year. This specific operating contingency may be reset (up or down) once the follow-on vacation liability has been recalculated.

If the City experiences growth to the point that citizens indicate a desire for increased efficiency and/or effectiveness, the City Manager will begin staff and third-party reviews of City programs to measure efficiency and effectiveness. Privatization and contracting with other governmental agencies will be considered as alternatives to in-house service delivery. Programs that are determined by the Council to be inefficient and/or ineffective will be reduced in scope or eliminated.

VI. Fund Balance

The City will maintain an unreserved General Fund balance, net of unappropriated ending fund balance and funded liabilities, ranging from fifteen (15) to twenty (20) percent of annual General Fund revenue. The purpose of this unreserved balance is to alleviate significant unanticipated budget shortfalls and to ensure the orderly provision of services.

To the extent that the unreserved General Fund balance exceeds the target, the City may draw upon the fund balance to provide pay-as-you-go financing for capital projects, for other one-time capital equipment expenditures, or for accelerated debt service.

VII. Capital Improvements

In conducting Capital Improvements, the City will not exceed debt limits set by the Oregon Revised Statutes.

The Capital Improvements Program Budget fiscal year shall run concurrently with the Operating Budget fiscal year.

The City will determine the least costly, reliable, funding method for capital projects and will obtain grants, contributions, and low cost State or Federal loans whenever possible.

The City will monitor and periodically assess the capital equipment and infrastructure status, setting priorities for renovation and replacement based upon needs and available resources.

The City will maintain its physical assets at a level adequate to protect the City's capital investment and minimize future replacement and maintenance costs. The budget process will provide for review of maintenance conducted, and orderly replacement of capital assets from current revenues whenever possible.

A capital asset is a non-consumable asset with an original purchase price of $5,000 or greater and a life span of more than four years. A consumable asset is infrastructure or equipment that has a life span of four years or less and an original purchase price of less than $5,000. The City Council may declare an item as consumable or non-consumable using different criteria on a case-by-case basis by majority vote of the Council.

Adequate insurance will be maintained on capital assets, and lists of assets will be maintained for the City's insurer.

The City will develop a five year Capital Improvement Program (CIP), submitted by the Budget Officer, which will be updated annually and adopted by the City Council when the annual operating budget is adopted.

The Budget Officer will coordinate development of the Capital Improvement Plan budget along with the development of the operating budget. Costs for internal professional services needed to implement the CIP will be included in the operating budget for the year in which the CIP item is to be implemented.

An objective process for evaluating CIP projects with respect to the overall needs of the City will be established through a ranking of CIP projects. The ranking of projects will be used to allocate resources to ensure priority projects are completed efficiently and effectively.

All funding sources that comply with Oregon and Federal laws and regulations may be used to fund capital improvements. CIP projects will be approved at the budgeted amounts through the completion of the project.

The City Manager will conduct regular capital project and program reviews in order to monitor performance and keep the CIP current.

A statement detailing the operating budget impact of each project will be presented to the City Council for its consideration.

The City Manager and Public Works Director will identify the estimated costs, potential funding sources, and project schedule for each capital project proposal before it is submitted to the City Council.

Capital reserve funds (003 Water System Improvement, 004 Transportation Development Tax, 007 Parks Capital Fund, 008 Traffic Impact Fee, and 009 Vehicle and Equipment Replacement) will be established and maintained to accumulate reimbursements from other governmental agencies for the prior purchase of real assets, as well as transfers of undesignated fund balance from other City budget funds. These Funds will be used to pay for non-routine and one-time expenditures, such as land and building purchases, construction and maintenance improvements that are expected to last more than ten (10) years, capital equipment and vehicles, and technology improvements that are expected to last at least five years (5) and cost more than $5,000. Expenditures from these funds shall be aimed at protecting the health and safety of citizens and employees, protecting the existing assets of the City, ensuring public access to city facilities and information, and promoting community-wide economic development.

All reserve Funds will be reviewed by the City Council at least every ten years for renewal if desired.

VIII. Debt Management

The City may seek the advice of a Financial Advisor when necessary. A Financial Advisor will advise on the structuring of obligations to be issued, inform the City of various options, advise the City how choices will impact the marketability of City obligations, and will provide other services as defined by a contract approved by the City Council. The Financial Advisor will inform the City Manager of significant issues.

The City will establish parameters and provide guidance governing the issuance, management, continuing evaluation of, and reporting on, debt obligations issued by the City of North Plains, and will provide for the preparation and implementation necessary to assure compliance and conformity.

The City will follow a policy of full disclosure on every financial report, official statement, and bond prospectus.

If the City reaches a point at which it issues bonds frequently, the Finance Director, under the direction of the City Manager, will begin to forge and maintain positive relationships with rating agencies, provide them with updates, and will coordinate meetings on new debt issuance as necessary.

The City will generally conduct financings on a competitive basis. However, negotiated financings may be used, with approval of the City Council, due to market volatility or the use of an unusual or complex financing or security structure.

The Finance Director, under the direction of the City Manager, will structure debt issuances and oversee the management of City debt.

Bond sales will be structured to achieve level debt service payments to the extent possible, taking into consideration the costs of such financings.

The scheduled maturity of bond issues should not exceed the expected useful life of the capital project or asset(s) financed, and in no case shall the term exceed 20 years.
Long term debt will not be used to fund current operations or normal maintenance.

As provided in ORS 308.207, the City will not issue nor have outstanding more than three (3%) percent of the real market value of the taxable property within its boundaries. This limitation does not apply to general obligation bonds issued to finance the costs of local improvements addressed and paid for in installments under statutory or charter authority or to finance capital construction or capital improvements for:

- Water supply, treatment or distribution; or
- Sanitary or storm sewage collection or treatment; or
- Gas, power or lighting; or
- Off-street motor vehicle parking facilities.

Limited-tax general obligation bonds will be restricted to levels set forth in ORS 287.053.

As a precondition to the issuance of limited-tax general obligation bonds, alternative methods of financing should be examined.

Whenever appropriate, the City shall use special assessment or self-supporting bonds (sometimes referred to as revenue bonds) instead of general obligation bonds, so that those benefiting from the improvements will bear all or part of the cost of the financed project.

Interest earnings from general obligation bond proceeds will be deposited in the appropriate Capital or Debt Service Fund, and will be used to fund capital costs or capital debt service.

Principal repayment delays will not exceed two years.

The City will not assume more tax-supported general purpose debt than it retires each year without conducting an objective

analysis as to the community's ability to assume and support additional debt service payments. The City will conform to Oregon Revised Statutes with regard to any voter approval of additional debt requirements.

Either variable or fixed rate financing may be used, subject to applicable laws, depending on the cost benefit of each option to the City.

Except in an emergency situation, designated by the City Council, no more than 60% of capital improvement program projects will be funded from long-term financings.

The Finance Director, under the direction of the City Manager, will consider purchasing bond insurance when the present value of the estimated debt service savings from insurance is equal to or greater than the insurance premium.

Refunding (the practice of repaying a fund by making a new issue of another bond, i.e. a government refunds a bond when it borrows more money to repay the money it already owes to bondholders; refinancing a bond) of outstanding debt will only be considered when present value savings of at least four (4%) percent of the principal amount of the refunded bonds are produced; unless a restructuring, or bond covenant revision, is necessary in order to facilitate the ability to provide services or issue additional debt in accordance with established debt policy and limitations.

The City may not issue warrants to satisfy short-term obligations, unless the Council determines that a dire financial situation exists and short-term financing is not readily available. Warrants will only be used at the specific direction of the Council.

For the City to issue a new revenue bond, as defined in a Resolution authorizing the revenue bonds in question, revenues will be a minimum of 125% of the average annual debt service and 110% of the debt service for the year in which requirements are scheduled to be the greatest. Generally, revenues should be maintained at 130% of the maximum annual debt service, as a coverage factor (also known as debt coverage ratio. Coverage factor compares cash generated by operations to cover debt service), for financial planning purposes. Annual adjustments to the City's rate structures will be made, as necessary, to maintain a 130% coverage factor.

A debt service reserve fund will be created from the proceeds of a bond issue and/or the excess of applicable revenues to provide a ready reserve to meet current debt service payments should monies not be available from current revenues. The debt service reserve fund will have two annual debt service payments available at all times.
Generally, the City will not make interfund loans between City of North Plains funds. However, the City may issue interfund loans rather than outside debt instruments to meet short-term cash flow needs. Interfund loans will be permitted only if an analysis of the affected fund indicates excess funds are available and the use of these funds will not impact the fund's current operations. The prevailing interest rate, as established by the Finance Director, under the direction of the

City Manager, will be paid to the lending fund. The City Manager will report this information to the City Council at the next regularly scheduled City Council meeting. To the extent possible, interfund loans will be paid back to the lending fund and liquidated before the fiscal year in which the loan concerned is ended.

Use of short-term borrowing, such as bond anticipation notes (BANs) and tax-exempt commercial paper, will be undertaken only if the transaction costs, plus interest of the debt, are less than the cost of internal financing, or if available cash is insufficient to meet working capital requirements.

Certificates of participation known as COP's (an alternative to a municipal bond in which an investor buys a share in the improvements or infrastructure the government entity intends to fund), and other leases, should be used when the size of a project is such that the interest rate is favorable to the City, or when other means of financing is unavailable.

IX. Investment Policy

The City will comply with State, Federal, and other legal requirements and regulations regarding investments.

The City will ensure the safety of capital and principal.

The City will maintain a level of liquidity (the ability to convert assets to cash) sufficient to fund operations.

The City will attain a market rate of return, taking into account City risk constraints and cash flow of the portfolio.

The City will appropriately diversify the portfolio through varying maturities, utilization of multiple brokers/dealers, and market coverage.

The Finance Director, under the direction of the City Manager, will be designated as the City's Investment Officer responsible for investment management decisions and activities. The City Manager will delegate an alternate Investment Officer in the event that investment circumstances dictate immediate action and the Investment Officer is unavailable. The delegated alternate may be an investment advisor on retainer.

Officers and employees involved in the investment process will comply with Oregon Revised Statutes with regard to conflict of interest, and will fill out an annual statement of economic interest for submittal to the City Recorder. Such officers and employees will refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials will disclose any material interests in financial institutions with which they conduct business. They will further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Officers, employees, and their families will refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City. Officers and employees will, at all times, comply with the state of Oregon, Government Standards and Practices Commission, code of ethics set forth in ORS 244.

The City will rely on the "Prudent Man Rule", established in *Harvard College v. Armory* 9 Pick (26 Mass) 446, 461 (1830). This requires that the Investment Officer to:

"*Conduct himself (herself) faithfully and exercise sound discretion. (S)He is to observe how men of prudence, discretion and intelligence manage their own affairs, not in regard to speculation, but in regard to the permanent disposition of their funds, considering the probable income, as well as the probable safety of the capital to be invested*."

The City will diversify the investment portfolio to avoid incurring unreasonable credit and investment risks inherent in over investing in specific instruments, individual financial institutions, or maturities.

INVESTMENT DIVERSIFICATION

All investments of the City will be made in accordance with Oregon Revised Statutes: ORS 294.035 through 294.046; ORS 294.125 through ORS 294.155; ORS 294.805 to 294.895 and other applicable statutes. Any revisions and or extensions of these sections of the ORS will be assumed to be part of this expanded Investment Policy immediately upon being enacted.

The Finance Director will diversify the portfolio to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions, or maturities. Diversification to avoid undue risk is achieved by varying the type of investment to ensure liquidity, investing in securities from several different financial institutions to reduce the chance of loss and varying maturity length to ensure availability of funds to meet cash needs.

The City may invest in the following classes of investments (with no more of the portfolio investments exceeding the percentage stated):

- Banker's Acceptance that are guaranteed by an Oregon financial institution (25%)
- Certificates of deposit with commercial banks or savings and loan associations that are FDIC insured and Oregon State Treasury-Qualified Financial institutions (25%)
- Investment Sweep Account per ORS 295 (15%)
- State of Oregon Local Government Investment Pool (Minimum 15% up to 100%)
- State and local government securities (25%, with no more than 10% in any one entity)
- US Treasury Obligations (bills, notes and bonds) (100%)
- US Government Agency Securities and Instruments (75%)

Investment maturity placement decisions are made based upon projected cash flow requirements. The greatest emphasis of the investment program is placed on the Short-term portfolio (investments of 18 months or less) On-going analysis is performed to ensure short-term liquidity is consistent with projected cash flow needs.

After liquidity needs are met, and as opportunities arise, long-term placement of investment maturities will be considered.

The City will not directly invest more than 25% of its portfolio in securities maturing between 18 months and five years from the date of purchase.

At least 30% of the portfolio must have a maturity of less than eighteen months in order to maintain liquidity.

The City will not invest in "double-barreled bonds" or derivatives.

INVESTMENT PROCEDURES
The Finance Director, under the direction of the City Manager, will in addition to a monthly financial report submit an annual report to the Council containing sufficient information to permit an informed outside reader to evaluate the performance of the investment program. More frequent reports may be provided when market conditions merit or if requested by the City Council. At a minimum, the report will contain:

Beginning and ending market value of the portfolio by market sector and total portfolio.
Beginning and ending book value of the portfolio by market sector and total portfolio.

- Detailed reporting on each asset.
- Overall current yield to maturity of the portfolio.
- Overall weighted average maturity of the portfolio.
- Maximum maturities in the portfolio.
- Compliance of the portfolio relative to the policy.

Portfolio performance will be measured every six months based on a comparison to the earnings of the local government investment pool. Investments will be reviewed on an annual basis to ensure that they are consistent with current desires and policies of the City Council.

X. Cash Management

General
All employees will be diligent in their efforts to ensure the records and financial transactions are accounted for accurately.

All staff have received training on how to mitigate fraud in the work place and this training will be offered annually.

All the public official bonds have been reviewed by the city insurance agent and adjusted where appropriate. An excess crime policy for $250,000 is in place.

Receipts
All money received will be recorded in receipt books in specified areas:

- General fund revenues will be receipted to one two part receipt book which will be maintained by the Utility Billing Clerk.

- Performance bond funds will be receipted to a three-part book for performance bonds, community hall

rentals and other miscellaneous funds requiring deposits. This shall be maintained by the Utility Billing Clerk.

- Municipal bail revenues will be receipted to one general receipt book for all funds received. To expedite collections at court, another book may be used. This shall be maintained by the Utility Billing Clerk.

Once receipt books are filled, they shall be provided to the City Recorder for filing retention.

Visa card payments shall be receipted the same as all other types of payment.

All receipts will be dated with the current date, indicate the name of the person providing the funds, include an explanation of why the money was paid, and identify the type of funds received (cash, money order, credit card or check) on each receipt.

All checks or money orders will require some type of identifying feature such as citation, building permit, right-of-way permit, or business license number that may be used as an audit trail signifying who paid the money and why.
All permits, licenses, applications and citations have numbers assigned to them, and should be used to identify the receipts of funds.

Credit card receipts shall be maintained by stapling them to the proof sheets and filed as part of the municipal bail account transactions.
Only revenues that can be entered into the municipal court software program will be receipted to the bail account receipt book. All other types such as vehicle releases, fine turnovers from other jurisdictions and payment for copies of court records will be receipted through the general fund revenue receipt book.

Water billing receipts (computer generated) shall be date stamped received, denote cash, check, check number or money order and initialed be persons receiving payments. If customer presents with no water statement, two hand written water receipt tickets shall be prepared (one for customer and one for city).
All receivables including direct deposits shall be receipted and marked appropriately.
If a receipt needs to be voided, leave clear explanation and documentation to establish good audit trail.

Deposits
Deposits of all monies shall be made weekly to City Hall together with a copy of the receipt book receipts related to the deposit and the weekly tally sheets.

Deposits shall be done as often as necessary so large amounts of money are not held on the premises. The cash represented in each deposit will be counted and verified by another person prior to the deposit leaving the premises.

Credit Cards
Credit card payments shall only be honored when card is presented.

Cash
All money boxes/bags will be counted at the beginning and end of each working day. Order of persons available to process is based on availability. Recommended persons are: Utility Billing Clerk, Clerical Assistant, City Recorder, City Manager and Public Works Director. Library Director or Volunteer Coordinator / Library Assistant will be responsible for funds at the Library. The totals of all money boxes/bags shall be recorded in a journal retained at City Hall or at the Library.

All cash funds are maintained in lock secured sites. City Hall funds shall be retained in the safe located within the Finance Office, and the Library funds shall be retained in the locked drawer at the main counter at the Library.

Bank Statements
All bank statements will be opened and reviewed by the City Manager prior to being reconciled.

All accounts will be reconciled monthly by the Finance Department.

- A sampling of the receipts versus the actual deposits will be audited. This is to make sure the proof lists (computer print out), receipt books, and bank records match.
- All credit card receipts will be reviewed and reconciled against the bank statement.

Court
The Court turns over all revenues received on a monthly basis. Using the court software, a detailed report is run, which identifies every individual transaction taken and, what categories the payments were posted to in order to determine the various assessments the Court must pay to other agencies.

Access to the administrative and court offices has been limited and locked during non-business hours. A security system has been installed and only authorized personnel have access to the court records area.

Court staff receive training on the court software. This allows for a better understanding of the types of reports available from the database.

Computer program passwords shall be assigned which give access to the various employees responsible for inputting information into those programs.

- No one will have access to programs which allow manipulation of the data being input.
- The City Manager and Police Chief will have the access codes.

Records
Primary maintenance and disposition of all financial records (utility billing, accounts receivables and payables, payroll, bank reconciliations, court accounts and general ledger) shall be

under the direction of the City Recorder. No records shall be discarded until a destruction form is completed, witnessed and signed by the appropriate department personnel, City Recorder and City Manager.

XI. Purchasing

These purchasing guidelines presents the City's purchasing systems and procedures. This policy has been developed with the goal of enabling the City to obtain required goods and services according to existing laws, statutes, regulations, and rules while facilitating a flexible, efficient, and cost effective process.

In order to make the system work effectively, to achieve maximum value for every dollar spent, and to protect the City from unwarranted liability, each City employee must be generally familiar with these procedures and rules in order to conduct City business responsibly. City of North Plains agents and employees will act with the highest standards of ethics, observing both the letter and the spirit of the law.

Objectives

- Consistently obtain quality goods and services at the lowest price in the proper quantity for delivery when and where required.
- Guard against unnecessary obligations and liability risks in all transactions.
- Treat all bidders and suppliers fairly and with the utmost professionalism.
- Assure expenditures from public funds are made carefully within the constraints of Oregon Government Standards and Practices, Oregon Local Budget Law, the City Charter, the
- Municipal Code, and City resolutions, and applicable Federal laws.

General Information – Legal Framework

The laws, ordinances, and rules applicable to purchasing, contracting, and the sale of City property are:

(1) Oregon Constitution, Articles I, XI, XII;
(2) Oregon Revised Statutes:
    - ORS Chapters 279 regarding public contracts and purchasing,
    - Chapter 294 regarding municipal financial administration, and
    - Chapter 244 regarding standards and practices (ethics);
(3) Oregon Administrative Rules, Chapter 125 and 137;
(4) North Plains Municipal Code (MC); and
(5) ORS 279.015(1)(g)(A) allows the City to acquire an item based on a bid or quote obtained by another governmental entity that followed the legal requirements of bidding. This practice is commonly referred to as "piggybacking."

Any expenditure having a lifespan over four years and having a cost of $5,000 or more is a capital expenditure. If it does not meet *both* of these requirements, it is considered materials and supplies.

Overview of Procurement Responsibilities:

The Office of City Manager is responsible for:

(1) Reviewing contracts for required insurance and indemnity clauses, insurance certificates, and attachments as addressed in the City's standard contract.
(2) Returning completed contracts to originating department.
(3) Filing original record copy for City Recorder archival purposes and scanning into imaging system for electronic reference.

The Finance Department is responsible for:

(1) Verifying contractor has valid business license with City.
(2) Establishing and maintaining official accounts payable files.
(3) Receiving and auditing all invoices and purchasing documents.
(4) Encumbering funds for purchase as needed.
(5) Preparing checks for payment for all goods and services purchased by the City.

Delivery and Receipt of Goods and Services

Supplies will be delivered to the location designated by the requesting department.

When the goods are received, the requesting department is responsible for checking the delivery against the delivery slip for quantity, quality, and specifications. The following checklist needs to be followed:

(1) The delivery slip information agrees with the goods received.
(2) If the delivered goods are damaged, the items should be refused or a note must be made on both the receiving documents and the vendor must be immediately notified.
(3) In cases of incomplete delivery, shortage, or overage:
    - Record all items received, and notify the vendor.
    - When the final delivery on the purchase is made forward packing slips to
(4) Accounts Payable with request for payment.

Deliveries should not be accepted without delivery tickets or packing slips.

Payments

The City's billing address in all cases will be:

City of North Plains
Attn: Accounts Payable
31360 NW Commercial St
North Plains, OR 97133

Any department needing information regarding invoices or copies of specific statements should contact the Finance department.

On a periodic basis, or according to the vendor's terms, accounts payable will pay suppliers and vendors following these procedures:

- Payment will be made when a packing slip and request for payment are signed by the appropriate approving authority and submitted to Finance.

- If any problems are apparent, Finance will resolve them prior to issuing payment, and may ask the receiving and/or requesting department(s) for assistance in resolving concerns.

For payment for services, the City's standard personal services contract will be used if the service contract amount exceeds $1,000, or for any amount where unusual risk to life or property exists.

For services contracts valued under $1,000 and without unusual risks to life or property. Payment will be made when the following process has been completed:

(1) Accounts payable will review invoices sent in by the supplier subsequent to their written approval by a Department Head or City Manager. A signature of approval for payment signifies that the scope of work is complete and acceptable and City funds should be paid.

(2) If any problems are apparent, accounts payable will resolve them prior to issuing payment, and may ask the receiving department for assistance in resolving the problem.

Purchasing Authority

Employee	**Amount**
Staff	$500
Department Head	$5,000
City Manager	$25,000

City Council acting as a legislative body can authorize expenses up to the legal limit.

Petty Cash Procedures (Expenditure Limit: $50 or less)
Petty cash purchases are considered incidental purchases, requiring minimal documentation and Petty Cash Custodian approval. **When using petty cash the amount taken out should be documented and it should initialed by the employee who is requesting the money to make the purchase and a witness who verifies the amount taken**

Step-by-Step Process

1. The requesting employee delivers a completed and signed petty cash voucher and purchase receipt to the petty cash custodian. Petty Cash vouchers require approval signature of a Department Head or City Manager.

2. The petty cash custodian reviews the voucher and receipt for completeness, clarity, and budget authority (i.e. account number), and then disburses the requested funds to the employee.

Advances from Petty Cash may be used when employees do not have sufficient funds to cover the cost of a purchase

(1) The requesting employee completes a petty cash voucher, including the general ledger number to be charged, and submits it to petty cash custodian, who advances the cash to the employee for the necessary purchase.

(2) The employee purchases the item and submits the receipt and any unused portion of the advance to the petty cash custodian.

Petty Cash Replenishments
Petty cash fund is located at City Hall.

The petty cash custodian may request petty cash account replenishment as needed, but at least once each month. When the fund is drawn down to approximately $100, the petty cash custodian will collate all petty cash slips and sort them by account codes for entry onto a petty cash reimbursement form/envelope.

The petty cash custodian is responsible for balancing the amounts paid out against the slips returned for disbursement and must ascertain that the totals are identical. The City Manager must sign the form to approve replenishment after reviewing the petty cash reconciliation.

After the purchase, an employee should return any unused cash and provide a receipt or initial the transaction detail certifying the net expense.

As needed and at least monthly the transaction detail should be reconciled and replenished by recording a manual check to vendor petty cash and getting cash back from a deposit this should be documented by the manual check #, the deposit #, initial by the reconciler and initialed as approved by the City Manager(Control). The transaction detail report should then be filed in the AP petty cash folder.

Bank Card Procedures
Bank cards are issued in the name of the City of North Plains and in the names of City employees.

Permitted uses are limited to the direct purchase of authorized materials, equipment, or services and to making necessary reservations for authorized travel/training while conducting City business.

Bank cards have no cash advance authorization and are not to be used for personal business.

Step-by-Step Process

1. Employee is provided card by Finance Department. Persons authorized for cards include:
   - City Manager
   - Department Heads
   - Police Officers

- Utility Workers
- Library Volunteer Coordinator
- Children's Librarian

2. Make purchase or place order.

3. Immediately write the account number on the customer copy of the charge slip, making sure there is adequate description of the expense to allow for audit verification.

4. When the individual billing statement arrives at accounts payable it will immediately forwarded to the employee who must match receipts with the statement, and sign off on the expenses.

    - If there is a need for correction, the employee is responsible for contacting the vendor and ensuring the appropriate amount is billed or charge reversed.

    - If the employee approves the statement, it will be forwarded to the Department Head for review and approval.

5. Subsequent to receiving the Department Head's or City Manager's approval, the statement will be returned to accounts payable for processing and payment.

If a bank card is lost or stolen that must be reported to the City Manager by telephone and email or memo immediately, fully explaining the circumstances (date, time, and place of loss or theft if known, etc.)

Purchases

Employees should always attempt to procure services at the lowest cost practical from local vendors.

Whenever practical 3 sources for goods and services should be evaluated for a purchase. Sources can include:

- Reviewing websites
- Calling vendors, or
- Reviewing a catalogue

However if the value of a purchase is relatively low and the cost for the employee's time to perform comparison shopping is likely to negate or exceed savings realized by comparative shopping the employee may select the best option available for purchase. As an example, purchasing a small part from the local hardware store at a 40% higher cost is likely more cost effective than driving 20 miles round trip to a discount retailer and consuming an hour of staff time, or conducting a review on the internet which also consumes staff time.

As a general rule employees should assume their time is worth 140% of their hourly wage. The value of the employee's time should be considered whenever the total price for a product is determined.

Similarly expenses related to shipping and delivery should be considered whenever a purchase is made.

Employees who must purchase similar items on regular basis need only document the process of comparative shopping once a year. For example, the Police must periodically purchase ammunition. The first time it is purchased each year a comparison of prices should be performed. Thereafter the Department can rely on that information to demonstrate purchases of the same goods is competitive.

Informal Quote Procedures for Expenditures up to $5,000
The requesting department will analyze the purchase request and seek the best price on an informal basis, either by calling prospective vendors or by reviewing catalogues if feasible.

Step-by-Step Process
The requesting department determines the item(s) to be purchased. When practical and feasible, the requesting department will obtain 3 informal quotes for the item(s) from selected vendors. The requesting department may solicit quotes informally over the phone or refer to catalogues for price comparisons, recording quote information in a written format. This documentation should be retained for a minimum of three years.

If applicable, the vendor(s) respond with quotes to the requesting department. The requesting department evaluates all quotes and selects a vendor. Refer to the "purchasing limits" chart for approval authority.

If the purchase is for goods or services that require a contract, the contract package is forwarded to the Office of the City Manager for review first. Only the City Manager or a department head may execute a contract for service.

The selected vendor fulfills the requirements of the Purchase Order or Contract and
sends an invoice to accounts payable.

The requesting department administers the contract, or inspects materials, construction, or services to determine whether or not they meet contract specifications. Discrepancies should be reported to the vendor and accounts payable as soon as possible. If the items have been furnished, as requested, the department signs and dates invoices promptly and submits them to Finance for payment.

Informal Quote Procedure for Expenditure Between $5,000 to $25,000
The requesting department will analyze the purchase request and seek the best price on an informal basis, either by calling prospective vendors or by a written request for quotes

Step-by-Step Process
The requesting department prepares the specifications selects vendors from whom quotes will be obtained. The department may solicit quotes informally over the phone, recording quote information in a written form. Catalogue prices, if available, shall be recorded.

The requesting department shall obtain a minimum of three written competitive quotes.

The department shall keep a written record of the source and amount of the quotes received. If three quotes are not available, a lesser number will suffice provided that a written record is made of the effort(s) to obtain the quotes.

Quotes should be evaluated for cost and quality of goods and a vendor selected.

If the purchase is for goods or services that require a contract, the contract package is forwarded to the Office of the City Manager for review first. Only the City Manager or a Department Head may execute a contract for service.

The requesting department administers the contract, or inspects materials, construction, or services to determine whether or not they meet contract specifications. Discrepancies should be reported to the vendor and accounts payable as soon as possible. If the items have been furnished, as requested, the department signs and dates invoices promptly and submits them to Finance for payment.

Formal Bid Procedures for Expenditures Over $25,000
Since the bidding procedure is the focal point of public buying, it should be conducted so that no suspicions of impropriety can or will arise. Because of its importance, the bidding procedure is set forth below in detail, and must be followed carefully.

Expected Time Frame for this Process
A formal process can require two months or more to complete.

- *Bid Specifications: 2 Days*
- *Department Review: 3 Days*
- *Pre-Bid Conference (if applicable): (10 Days)*
- *Advertisement for Bids/Opening/Tabulation: 10 Days*
- *Bid Evaluation/City Council Work Session Action Item (if applicable): 10 Days*
- *Successful Bidder Notified, Contract Prepared*
- *Signed, and Distributed: 10-15 Days*

Step-by-Step Process:
After obtaining City Council approval to let bid(s) through the budget process, the requesting department prepares a bid specification package including the contract to be used for the item(s) to be purchased and prepares and advertisement for the bid. (The bid specification package is described in detail in OAR 137-30-010- to 137-030-045.)

The department manager reviews the bid specification and contract for completeness, clarity, and objective basis for award, forwards the contract to the city attorney for legal review if needed, reviews the advertisement for bid, and adds the item(s) to the bid list and places in on the City Council agenda, if applicable.

The requesting department advertises for bids, holds a pre-bid conference (optional), receives, opens and tabulates them. The department manager reviews and makes the recommendation for award to the lowest responsible bidder. (Note: The department will document its findings when not recommending the low bid and will forward those findings to

the City Manager, who has the sole responsibility for disqualifying any bidder.)

For all public contracts in excess of $25,000, formal approval by City Council is required. The requesting department will prepare a staff report and recommendation submitted through the City Manager for Council consideration.

Council will act on the recommendation at a regular or special City Council meeting in which the item is included as a business item on the agenda.

The requesting department forwards the recommendation to the City Manager, which reviews the department's selection and awards the prepared contract to the lowest responsible bidder, or selected bidder if the lowest bidder was disqualified. When the bid exceeds the City Manager's purchase authority, the recommendation will be prepared in a staff report by the originating department, and sent through the City Manager to the City Council for consideration.

The requesting department notifies the successful bidder of award by telephone or certified mail the next business day after selection, prepares a contract, and transmits it to the successful bidder (vendor) for signature. Upon the vendor's return of those signed contracts within 5-10 days after transmittal as well as such requirements as business license application and certificate of insurance, the department reviews and approves all documents and then forwards the contract package to Office of City Recorder for review, who then forwards to City Manager for approval.

If there are change orders to the original contract that exceed 10% or $100.00 of the original bid price, the contract amendment must be reviewed by the City Manager, and when needed City Council.

After completion of the contract, forward the permanent file to the City Recorder for archival storage. For archiving purposes, the contract file must contain:

(1) A copy of the RFP/RFB and any addenda.
(2) Any vendor pre-qualification forms.
(3) The complete list of vendors who received or requested the RFP/RFB.
(4) Affidavit of publication of advertisement.
(5) Bid/Proposal opening tally form.
(6) Evaluation form.
(7) Recommendation of award and any documentation supporting recommendation.
(8) Accepted bid or proposal.
(9) Bids/Proposals not accepted and reasons for non-acceptance.
(10) Personal Services contract, if applicable.
(11) Contract, if applicable.
(12) List of subcontractors used on project, if any, and payment records.
(13) Copies of change orders, if any.

Check Request Procedures

City checks are authorized by at least two signatories on the City bank accounts, and can only be issued after clear documentation of expenses is established.

Step-by-Step Process:
The check request must be made in writing. In all cases, authorizing signatures must appear on the check request prior to processing by the Finance Departments.

Documentation for purchases including budget code numbers must be attached to the request when it is submitted to Accounts Payable for processing.

In the event that checks are required prior to the delivery of goods, attach all documentation, invoice, order form, or statement, to the completed check request and transmit to the Finance Department for processing.

Emergency Purchases and Contracts
In the rare event of an emergency that poses a threat to human health or to avoid or mitigate significant property damage, the City Manager or his or her designee may authorize an expense that is above the normal authorization level. As soon as practical thereafter, the Mayor and Council president shall be notified of the expense. The expense shall be presented for ratification at the next Council meeting.

Emergency Purchases with Personal Funds
At times, a City employee may be faced with an emergency situation or be in a situation in which it is expeditious to make a purchase from his or her personal funds. In such circumstances, the following rules and procedures apply.

(1) With the exception of true emergency situations, all employee purchases with personal funds for which reimbursement is sought shall not exceed $100.

(2) In all circumstances a receipt is required. The City will not reimburse undocumented expenses. The receipt must show in some way the purchase amount, the item purchased (if practical), and the name of the City employee who made the purchase. It is acknowledged that cash register tape receipts often do not provide this information. If the information is not printed on the receipt, the employee should complete it.

(3) Requests for reimbursement shall be turned in at least quarterly.

C. Old and New Account Numbers

Prior Acct. No.	Label	New Object	Sub Acct	Label
100500	CITY MANAGER	110		Salaries
110000	FINANCE DIRECTOR	110		Salaries
110500	LIBRARY DIRECTOR	110		Salaries
111000	PUBLIC WORKS DIRECTOR	110		Salaries
112500	COURT CLERK II / CLERICAL ASSISTANT	110		Salaries
113000	CLERICAL ASSISTANT	110		Salaries
113100	ASSISTANT PLANNER	120		Temporary/Part-time employees
113250	UTILITY BILLING CLERK / RECEPTIONIST	110		Salaries
113500	CITY RECORDER	110		Salaries
114000	UTIL.WKR. III	110		Salaries
114100	UTIL.WKR. II	110		Salaries
114800	UTIL.WKR. - HOURLY WAGES	120		Temporary/Part-time employees
115000	POLICE CHIEF	110		Salaries
116000	PATROLMAN (1)	110		Salaries
117000	MUNICIPAL JUDGE			
118500	VOL. COORD/ LIB. ASSISTANT	120		Temporary/Part-time employees
118550	LIBRARY CLERK/w IT ASSISTANT	120		Temporary/Part-time employees

Prior Acct. No.	Label	New Object	Sub Acct	Label
118600	LIBRARY CLERKS	120		Temporary/Part-time employees
120000	HOURLY WAGES - CLERICAL	120		Temporary/Part-time employees
120100	SECURITY WAGES	120		Temporary/Part-time employees
130100	OVERTIME CLERICAL	130		Overtime
130200	ON CALL	132		Overtime-On-Call
135000	TRANSLATOR	330		Professional Services
140000	TRANSCRIPTION	330		Professional Services
160000	INCENTIVE PAY	290		Employee Recognition
190000	PERS RESERVE	230		Retirement
195000	SEVERANCE & ACCRUALS			
200000	PAYROLL BURDEN	210		Employee Benefits
225200	LOCAP -PRIN 10/31/11	830		Debt Service
225250	LOCAP - INT 10/31/11	830		Debt Service
225300	LOCAP - INT 4/30/12	830		Debt Service
225350	LOCAP - PRIN & INT 10/31/12	830		Debt Service
225600	STATE LOAN W-L CONNECTION - PRIN 12/1/2011	830		Debt Service
231310	REIMB UR EXP. - FY 2010-11	830		Debt Service
231315	REIMB UR EXP. - FY 2010-12	830		Debt Service
231320	REIMB UR EXP. - FY 2008-09	830		Debt Service
231325	REIMB UR EXP. - FY 2009-10	830		Debt Service
231350	PREPAID PROPERTY PRIN.	830		Debt Service

Prior Acct. No.	Label	New Object	Sub Acct	Label
231352	PROPERTY ACQUISITION - Prin.	830		Debt Service
231353	PROPERTY ACQUISITION - Int.	830		Debt Service
310000	DUES & CONFER. EXPENSE	300	100	Training
310050	COUNCIL CONFER. EXPENSE	300	100	Training
310100	TRAINING EXPENSE	300	100	Training
310150	OFFICER TRAINING	300	100	Training
310155	CLERICAL - CONFER. EXPENSE	300	100	Training
310175	CLERICAL - TRAINING	300	100	Training
310200	DEPT HEALTH - WATER SURVEY	300		Professional Services
311000	LEAGUE OF CITIES DUES	350		Dues
311500	ETHICS COMMISSION FEES	350		Professional Memberships
312000	LGPI DUES	350		Professional Memberships
314000	ELECTIONS	300	101	Professional Services
315000	JWC SDC'S EXPENSE	207		Pass Through
320000	RESERVE OFFICER TRAINING	300	100	Training
330000	MISCELLANEOUS SERVICES	500		Miscellaneous
330200	CENTENNIAL COM. EXP.			
330250	PROGRAMS	610		Operations and supplies
330400	REFUNDS	800		Refunds
330500	BANKING & INVEST. EXPENSE	330		Professional Services
331000	ENGINEERING SERVICES	300	003	Professional Services
331500	ENG, DESIGN FEES (STS)	300	003	Professional Services

Prior Acct. No.	Label	New Object	Sub Acct	Label
332000	AUDITOR & AUDIT EXP.	300	002	Professional Services
333000	LEGAL SERVICES	300	001	Professional Services
333250	ACCREDITATION FEES	330		Professional Services
334000	FINANCIAL & CONSULTANT SER.	300		Professional Services
334500	JUDGE SERVICES	300		Professional Services
334700	MUNI.CODE ENF/ABATEMENT EXP.			
335000	HR-SUPPORT			
335100	COMMUNITY EVENTS EXPENSE	500		Community Events
336000	RARE PROGRAM			
337000	CITY PLANNING EXPENSES	330		Professional Services
337500	URBAN RES, & ECONOMIC DEV. EXP.	330		Professional Services
337600	INTERCHANGE & UR MASTER PLAN EXP.	330		Professional Services
338000	PERIODIC REVIEW EXP.	330		Professional Services
339000	URBAN RENEWAL PLAN EXP. FY 2010/11	330		Professional Services
339500	UR PROPERTY ACQ.	330		Professional Services
340250	DATA STORAGE & RECORDS DES.	330	030	IT/Support
340700	SPECIAL PROGRAMS	610		Operations and supplies
340710	READY-TO-READ GRANT	610		Operations and supplies
340720	LIBRARY SALES EXP.	610		Operations and supplies
342000	MAPPING(AERIAL & UPDATES)	330		Professional Services

343000	WA. CTY. COM.-DISPATCH	330	912	Professional Services
Prior Acct. No.	Label	New Object	Sub Acct	Label
343500	911 TAXES EXP.-DISPATCH	330	911	Professional Services
344000	WEBLEDS - MAINT. FEES	330	010	Professional Services
345000	STATE ASSESS. ON FINES	207		Pass through
345100	COUNTY ASSESSMENTS	207		Pass through
346000	WATER TEST & CHLORINE	330		Professional Services
350000	DONATIONS/Senior Ctr/ Com Action	500		Community Events
410000	UTILITIES	410		Utilities
410100	CELLULAR PHONES	300		Professional Services
410200	PAGERS	300		Professional Services
411000	BOND ADM. COSTS	300		Professional Services
411000	STREET LIGHTS	410		Utilities
412000	SEWER SER. & SWM FEES	410		Utilities
430000	OFFICE MACHINE MAINT.	430		Equipment repairs and maintenance
430000	BLDG. REPAIRS & MAINT.	450		Building repairs and maintenance
430150	PEG/CPN BUG Connection Exp.	300	060	BUG Connection
430200	COMCAST PCN Connection	300	020	PCN Connection
430250	DATA STORAGE & RECORDS DES.	300	030	IT/Support
430300	COMPUTER SOFTWARE SUPPORT	300	000	Professional Services
430350	E-TICKET SOFTWARE EXP.	300		Professional Services
430400	WIRELESS ACCESS - VEHICLES	300	050	Professional Services

430450	PPDS (IGA) & MAINT. FEES (1500 yr)	350		Membership
Prior Acct. No.	Label	New Object	Sub Acct	Label
430500	COMPUTER SUPPORT	300	030	IT/Support
430700	UB & GL SOFTWARE	330	010	Springbrook
431000	BUILDING MAINTENANCE	450		Building O & M
431200	BUILDING IMPROV.	450		Building O & M
431250	HEATING & COOLING MAINTENANCE	450		Building O & M
431300	SECURITY MONITORING	330		Professional Services
431500	JANITOR SUPPLIES	610		Supplies
431700	JANITOR SERVICES	330		Professional Services
432000	REPAIR & MAINT. OF EQUIP.	430		Equipment repairs and maintenance
432500	REP. & MAINT. PARK EQUIP.	430		Equipment repairs and maintenance
432600	RADIO REPAIR & MAINT.	430		Equipment repairs and maintenance
433000	RADIO & RADAR REPAIR	430		Equipment repairs and maintenance
434000	STREET MAINT.- (NW Highland Crt)	300		Professional Services
434150	STREET MAINT. (TRANS USER FEES)	300		Professional Services
434500	BIKEPATH MAINT. (1% Hwy. Tax)	610		Supplies
435000	UNCOLLECTABLE ACCOUNTS	800		Uncollectable debt
436000	WATER SYSTEM FEE to GL	800		Franchise fee

			800	
480000	PLANNING GRANT EXPENSE	300		Professional Services
Prior Acct. No.	Label	New Object	Sub Acct	Label
520000	PUBLIC OFFICIAL BOND	510		Insurance
521000	INSURANCE	510		Insurance
550000	PUB. NOTICES & REPORTS	540		Advertising
555700	FNPPL MATERIALS EXPENSE	640		Books and Materials
555900	PERIODICAL MATERIALS	640		Books and Materials
610000	OFFICE SUPPLIES	610		Supplies
610050	LARGE OFFICE SUPPLIES	610		Supplies
610075	LIBRARY SUPPLIES	610		Supplies
610100	POSTAGE	610		Supplies
611500	SAFETY SUPPLIES	610		Supplies
611600	SAFETY MANAGEMENT	610		Supplies
611650	CIS/HOMELAND SEC. GRT EXP.	610		Supplies
611700	INVESTIGATIVE MATERIALS	610		Supplies
611800	EVIDENCE STORAGE	300	914	Professional Services
611900	HPD RECORDS MAINT. & LICENSE	300	915	Professional Services
613000	UNIFORMS & MAINT.	610	90	Uniforms/PPEs
613000	UNIFORMS	610	90	Uniforms/PPEs

613500	RESERVES UNIFORMS & EQUIPMENT	610	90	Uniforms/PPEs
614000	AMMUNITION & FIRE ARMS	610		Supplies
Prior Acct. No.	Label	New Object	Sub Acct	Label
615000	SPECIALTY EQUIPMENT	610		Supplies
626000	GAS & OIL	626		Fuel
628000	WATERLINE CONSTR. & REP.	610		Supplies
628250	METER REPLACEMENT	610		Supplies
628500	NEW SERVICE INSTALLATION	610		Supplies
628700	JWC WATER PURCHASE	610	30	Supplies
640000	COURT REFER. MATERIALS			
680000	CLEANUP DAY	610		Supplies
685000	POLICE GRANT EXPENSE	610		Supplies
720000	UR AGENCY IMPROVEMENTS	770	XXX	PW Project
730000	WATER SYSTEM IMPROVEMENTS	770	XXX	PW Project
730500	WATER SYSTEM IMPROVEMENT	770	XXX	PW Project
731000	STREET IMPROVEMENTS	770	XXX	PW Project
731500	FEE IN LIEU OF IMPROV. EXPENSE	770	XXX	PW Project
733000	PARK IMPROVEMENTS	770	XXX	PW Project
734000	WATER LINE PROJ. - GLENCOE RD.	770		PW Project

			XXX	
734550	SDC Methodology/Rate Analysis	330		Professional Services
735000	GATEWAY & ST. IMPROV. PROJ.	770	XXX	PW Project
Prior Acct. No.	Label	New Object	Sub Acct	Label
735500	FEMA GRANT - 314th Culvert Proj.	770	XXX	PW Project
736000	ST. IMP. CDBG CONST. CONTRACTS	770	XXX	PW Project
736100	MSTIP/3 STREET PROJECTS	770	XXX	PW Project
737500	SCA ST. OVERLAY 2011-12	770	XXX	PW Project
741000	COURT SOFTWARE	610		Supplies
741000	SPECIAL EQUIPMENT/ LIDAR w/camera/radios	610		Supplies
742000	COMPUTER REPLACE PROG.	610		Supplies
742000	POLICE CARS	440		Rentals/Leases
743000	COMPUTER SOFTWARE	610		Supplies
744100	COPY MACHINE	440		Rentals/Leases
744100	COMPUTER EQUIPMENT	610		Supplies
744125	SECURITY SYSTEM	610		Supplies
744150	OFFICE EQUIP.	610		Supplies
744160	OFFICE FURNITURE	743		Furniture
744175	COPIER LEASE (B&W)	440		Rentals/Leases
744200	COLOR COPIER	440		Rentals/Leases

744300	EQUIP. - Refrig. & Stove	740		Machinery and Equipment
744400	EQUIPMENT & TOOLS	610		Supplies
744450	CITY VEHICLE	742		Vehicles
Prior Acct. No.	Label	New Object	Sub Acct	Label
744500	DUMP TRUCK	742		Vehicles
744600	EQUIP. - TRASH CANS	610		Supplies
745000	CAPITAL IMPROVEMENTS	770	XXX	PW Project
800000	CONTINGENCY			Contingency
801000	TRANS - VEHICLE & EQUIP RESERVE FUND (PD)	810		Allocated Expense
801010	TRANS - VEHICLE & EQUIP RESERVE FUND (PKS)	810		Allocated Expense
801020	TRS - TSD FUND	810		Allocated Expense
801030	TRS - WSI FUND	810		Allocated Expense
801500	TRANS - WATER SYSTEMS IMPROV. FUND	810		Allocated Expense
900000	UNAPPROP. END. FUND BAL.			Unappropriated Ending Fund Balance

D. Master Fee Schedule 2012 - 2013

The user fees are established to charge the cost of providing a service directly to the person utilizing the service. Fees are minimum payments for services, and cannot be discounted. In some cases, additional fees may be required to be negotiated for complex projects.

Deposits are used when the City seeks to recover its actual costs for a service, but due to the uniqueness of each application setting a fixed fee is not practical. These costs include, but are not limited to: services rendered by the City Planning Consultant, City Engineer, City Attorney, administrative costs covering staff reports, correspondence, financial accounting, public works review, supplies, postage, copying and clerical time. If the actual costs exceed the deposit, the City reserves the right to request an additional deposit and/or the applicant will receive an invoice for any other additional charges.

An application shall not be deemed complete until all the fees are paid.

ADMINISTRATIVE FEES

Fee	*FEE DESCRIPTION*			*Fee Type*	*2012*
	Business Licenses				
	A. Annual Fee				
1101	1. First Year (Waived for New Businesses Until 12/31/13)			Fee	$50.00
1102	2. Renewal			Fee	$50.00
1103	B. Appeal Fee		*	Fee	$107.00
1104					
	C. Delinquent Payment if Paid After February 1 or 30 Days of Operation				20% of License Fee for Every 30 Day Period

1105	D. Peddlers Permit/Solicitor/Temporary Vendor Permit	Fee	$42.00
1106	E. Set up (Waived for New Businesses Until 12/31/13)	Fee	$70.00
1107	F. Trailer Park License	Fee	$50.00 + $25.00/Pad
1120	Collection Agency Fee	Fee	25% of amount owed
	Copies		
1130	A. 8.5" x 11" Each	Fee	$0.55
1131	B. 8.5" x 14" Each	Fee	$0.55
1132	C. 11" x 17" Each	Fee	$0.55
1133	D. Color	Fee	Add $0.10/Page
	Amplified Music Permits		
1135	A. Small Event	Fee	$0.00
1136	B. Large Event	Fee	$88.00
	Electronic Reproduction		
1140	A. Audio Recordings SD Card	Fee	$16.00
	B. CD's	Fee	Not Available
1142	C. USB Flash Drive	Fee	$16.00
1143	Faxing each page	Fee	$1.25
	Franchise/Privilege Tax/Host Fee		
	A. Electricity PGE - 1.5% Privilege 3.5% Franchise (Renews 2022)	Fee	5.0%
	B. Refuse & Recycling - Garbarino (Renews 2014)	Fee	3.0%
	C. Natural Gas - NW Natural Gas (Renews 2014)	Fee	3.0%
	D. Sewage - Clean Water Services (Annual Renewal Until 2028)	Fee	5.0%
	E. Compost - Nature's Needs Street Maintenance	Fee	$0.50/Ton

Fees for mailing (A+B+C) Other Than Public Hearing to be Negotiated at Time Work Scope is Developed.

	A. Staff Time	Fee	Actual Cost
	B. Postage	Fee	Actual Cost
	C. Copies	Fee	Actual Cost
1160	Filming Permit (Commercial activity)	Fee	$123.00/Day
1170	Returned Check Charge	Fee	$25.00
1175	Lien search	Fee	$20.00/Lot Searched
	Liquor License Application		
1180	A. Change in Ownership, Location or Privilege	Fee	$71.00
1181	B. New Outlet	Fee	$106.00
1182	C. Renewal	Fee	$43.00
1183	D. Temporary Use or Event	Fee	$12.00
	Public Records		
	A. Staff Time	Fee	Actual cost
1186	B. Administrative Charge	Fee	15%
	C. Inspection of Public Records	Fee	Actual cost
1189	D. Annual Budget	Fee	$23.00 or Free Online
1190	E. Annual Audit	Fee	$16.00 or Free Online
1191	F. Capital Improvement Program	Fee	$11.00 or Free Online
1142	G. Zoning and Development Code (.pdf Electronic Format)	Fee	$16.00 or Free Online
1193	H. Comprehensive Plan	Fee	$21.00 or Free Online
	I. Zoning Map	Fee	Free Online
1142	J. City Code (pdf Electronic Format)	Fee	$16.00 or Free Online

CODE ENFORCEMENT

	FEE DESCRIPTION	Fee Type	2012
	Nuisance		
1201	A. Notice of Abatement	Fee	$224.00
1202	B. Administrative Hearing	Fee	$90.00
	Dangerous Building		
1203	A. Notice of Abatement	Fee	$155.00
1204	B. Public Hearing	Fee	$442.00
1205	C. Citation	Fee	$72.00

LAND USE PLANNING AND BUILDING

	FEE DESCRIPTION	Admin Decision	Public Hearing	Fee Type	2012
1401	Annexations		*	Deposit	$10,000.00
1402	Annexation Election Deposit		*	Deposit	$9,000.00
	Appeal of Administrative or Planning Commission Decision		*	Deposit	
1405	A. Appeal		*	Fee	$226.00
1406	B. Second (Continued) Hearing at Request of Applicant			Fee	$191.00
1142	Appeal Hearing Transcripts - City Will Provide Digital Audio Recording				$16.00
	Building Permits Land Use Approval				
	Residential Zone (R-7.5, R-5 and R-2.5)				
1415	A. Single Family Residence	+		Fee	$41.00
1416	B. Multi-Family Residence (Per Unit)	+		Fee	$41.00
1417	C. Remodel/Alteration Any Residence	+		Fee	$41.00

1418	D. Detached Accessory Structure 121 to 200 Square Feet (City Does Not Review Applications Under 200 Square Feet)	+		Fee	$0.00
1419	E. Detached Accessory Structure Over 200 Square Feet	+		Fee	$31.00
1420	F. Demolition Any Structure	+		Fee	$29.00
	Commercial Zone (C-1 and C-2)				
1425	A. Commercial New Structure	+		Fee	$44.00
1426	B. Remodel/Alteration Existing Structure	+		Fee	$44.00
1427	C. Detached Accessory Structure	+		Fee	$42.00
1420	D. Demolition Any Structure	+		Fee	$29.00
	Industrial Zone (M-1 and M-2) **(* items denote fees which may be reduced pursuant to Resolution No. 1685)**				
1430	A. Industrial New Structure* (Fee Reduced Until 12/31/13)	+		Fee	$44.00
1431	B. Remodel/Alteration Existing Structure* (Fee Reduced Until 12/31/13)	+		Fee	$44.00
1432	C. Detached Accessory Structure	+		Fee	$44.00
1420	D. Demolition Any Structure	+		Fee	$29.00
1435	Change of Address Request for Reasons Other than Fire and Life Safety			Fee	$131.00
	Conditional Use Permits			Deposit	
1440	A. Residential Zone		*	Fee	$391.00
1441	B. Commercial or Industrial Zone		*	Fee	$525.00
1442	C. Minor Alterations of Conditional Use Permits		*	Fee	$172.00
	Comprehensive Plan Document/Map Amendments		*	Deposit	
1445	A. Legislative Amendment		*	Deposit	$8,000.00
1446	B. Zone Change Only		*	Deposit	$5,000.00

	Design Review				
	Residential Zone (R-7.5, R-5, R-2.5, and NC)		*	Deposit	
1455	A. Single Family Dwelling/Duplex		*	Fee	$390.00
1456	B. Multifamily 3 or More Units		*	Fee	$784.00
	Commercial and Industrial (* items denote fees which may be reduced pursuant to Resolution No. 1685)		*	Deposit	
1461	A. Quasi Judicial Decision		*	Fee	$435.00
1462	B. Type II	+		Fee	$137.00
1463	C. Type III		*	Fee	$726.00
	Fence Permits				
1470	A. Fence Permit (All Types and Zones)			Fee	$36.00
	B. Fence Permit Variance (Refer to Variance Permit)	+			
1473	Flood Plain Fill Permit	+		Fee	$1,047.00
	Historic Overlay District (Applies to 31520 and 31550 NW Commercial Street, and 31275 NW Kaybern Street)				
1475	A. Certificate of Appropriateness		*	Fee	$133.00
1476	B. Demolition Permit		*	Fee	$155.00
1485	Home Occupation Permit (R-7.5, R-5 and R-2.5)	+	*	Fee	$83.00
1490	Land Partitions		*	Deposit	$669.00
1491	Land Partitions - No Street Dedication		*	Fee	$331.00
1495	Letter of Zoning Verification	+		Fee	$15.00
1500	Letter of Verification of Compliance with Zoning and Development Standards of an Existing Development	+		Fee	$186.00
1505	Lot Line Adjustments	+		Fee	$312.00
1510	Mechanical Permits (All Types and Zones)	+		Fee	$8.00

1515	Non-Conforming Use or Structure (All Zones)Reinstatement, Enlargement or Alteration of Use		*	Fee	$200.00
1525	Public Facility Standards Exception		*	Deposit	$3,500.00
	Public Hearing Notice				
1526	A. Adjoining Properties			Fee	$53.00
1527	B. 250 Feet			Fee	$81.00
1528	C. City Wide			Fee	$674.00
1529	D. Publication in Newspaper			Fee	$240.00
1535	Reimbursement District Formation		*	Fee	$8,131.00
1540	Street Name Change		*	Fee	$6,844.00
	Subdivisions				
1545	A. Development Other Than Single Family		*	Fee	$1,895.00
1546	B. Extension of Subdivision Agreement		*	Fee	$131.00
1547	C. Final Subdivision Plat		*	Fee	$1,895.00
1548	D. Manufactured Home Parks and Subdivisions		*	Fee	$2,910.00
1549	E. Modification of Approved Development Plan – Minor	+		Fee	$134.00
1550	F. Modification of Approved Development Plan – Major		*	Fee	$1,423.00
1551	G. Pre-Application Conference (Major Projects)			Fee	$530.00
1552	H. Preliminary Design Review (Engineer/Public Works)			Fee	$523.00
1553	I. Preliminary (Tentative) Subdivision Plat		*	Fee	$2,279.00
	Sign Permits				
1560	A. New Permanent Sign Permit (All Types and Zones)	+			$27.00
1561	B. Replacement Permanent Sign Permit (All Types and	+			$27.00

	Zones)				
1562	C. New Temporary Sign Permit (All Types and Zones)	+			$27.00
	Significant Natural Resources Permits				
1565	A. Significant Natural Resources Permit		*	Fee	$1,047.00
1570	B. Significant Natural Resource Permit Modification – Minor	+		Fee	$245.00
1571	Similar Use Determination		*	Fee	$403.00
1575	Street Dedication		*	Fee	$651.00
1580	Street Vacation		*	Fee	$1,169.00
	Temporary Structure Permits				
1585	A. Buildings Not Connected to Water/Sewer Service	+		Fee	$64.00
1590	B. Building Connected to Water/Sewer Service		*	Fee	$368.00
1591	C. Renewal of Temporary Structure Permit	+		Fee	$40.00
1592	Urban Growth Boundary Expansion Application		*	Deposit	$28,000.00
	Variance Permits			*Deposit*	
1595	A. Administrative	+		Fee	$98.00
1596	B. Requiring Planning Commission Hearing		*	Fee	$450.00
1597	Zoning and Development Code Interpretation	+		Fee	$282.00
1598	Zoning Development Code Amendments/Zone Change		*	Fee	$1,474.00

LIBRARY

	FEE DESCRIPTION	***Fee Type***	
	Copies		
1601	A. Black and White	Fee	$0.10
1604	B. Color	Fee	$0.40
1605	Ear Buds/Head Phones	Fee	$2.00

1606	Flash Drive	Fee	$10.00
	Printed Pages		
1608	A. Black and White	Fee	$0.10
1608	B. Color	Fee	$0.40
	Fines (See Attachment)	Fee	Per WCCLS Schedule

PARKS

	FEE DESCRIPTION	***Fee Type***	***2012***
	Jessie Mays Community Hall Rental		
	A. Hourly Rental		
1701	1. Resident	Fee	$35.00
1702	2. Non Resident	Fee	$55.00
	3. Non-Profit Organizations, Community Fund Raisers. City Will Provide In-Kind Donation of Hall Rental. Subject to City Manager or City Council Approval. Not Subject to Cleaning Fee.	Fee	Waived
1703	4. Instruction - No Set Up (Requires Booking Multiple Dates)	Fee	$7.00
1704	5. Instruction With Set Up (Requires Booking Multiple Dates)	Fee	$31.00
	B. Cleaning Fee (Formerly Included With Security Deposit)		
1705	1. Events With Food and Drink	Fee	$100.00
1706	2. Meetings Without Food or Drink	Fee	$50.00
1710	C. Security Deposit	Deposit	$400.00
1711	D. After Hours Access Fee	Fee	$75.00
	E. Insurance (Proof Required) -- TULIP		Varies
1715	Park System Development Charge (Each Dwelling Unit)	Fee	$3,910.00

	Public Assemblies		
	A. Under 150 Persons	Fee	Not Applicable
1721	B. 150-500 Persons	Fee	$132.00
1722	C. 501-1,000 Persons	Fee	$432.00
1723	D. Over 1,000 Persons	Fee	$1,507.00
	E. Over 5,000 Persons	Fee	Delete
	Public Assembly Bond/Deposit Fees		
	A. Under 150 Persons	Fee	Not Applicable
1725	B. 150-500 Persons	Fee	$150.00
1726	C. 501-1,000 Persons	Fee	$500.00
1727	D. Over 1,000 Persons	Fee	$1,500.00
	E. Over 5,000 Persons	Fee	Delete

POLICE

	FEE DESCRIPTION	***Fee Type***	***2012***
1801	Fingerprinting	Fee	$15.00
	Police Report		
1802	A. First Page	Fee	$15.00
1803	B. Additional Pages	Fee	$0.25
	Police discovery for municipal court		
1804	A. First Five Pages	Fee	$22.00
1805	B. Additional Pages	Fee	$0.25
	Overtime Charge for Special Events Requiring Police Services (Minimum 4 Hours)		
1810	A. Police Officer	Fee	$198.00
1811	B. Reserve Police Officer	Fee	$138.00
1812	C. Police Chief	Fee	$269.00

PUBLIC WORKS

	FEE DESCRIPTION	Fee Type	2012
1901	Grading Permits Separate From Building Permit (All Types and Zones)	Fee	$47.00
	Public Facilities Damage (Street Signs, Water Lines, etc.)	Fee	Billed at Cost + 15%
	Right-Of-Way Permits		
1905	Engineering Services - Public Improvements A. Culvert/Driveway Permits (Plus Bond Amount Per Resolution)	Fee	$127.00
1906	B. Developer Must Provide Performance Bond Unless One of the Following Exceptions Apply:		100% of Estimated Construction Costs
1907	1. Rock Driveway With 16" or Under Culvert Not Over 20' Long	Deposit	$250.00
1908	2. Asphalt Concrete or Concrete Driveway 16" or Under Culvert Not Over 20' Long	Deposit	$600.00
1909	3. Driveway With Curb Cut and Sidewalk Approach Not Longer Than 24' and 16" or Under Culvert	Deposit	$500.00
1915	Sewer Lateral Connections (Plus Bond Amount Per Resolution)	Fee	$34.00
1916	Sewer Taps (Plus Bond Amount Per Resolution)	Fee	$34.00
	Water/Sewer Line Extensions		Determined by City Engineer
	Performance Bond (deposit prior to start of public improvements)	Deposit	125% City Engineers Estimate

	Security Maintenance Bond	Deposit	40% of Actual Cost or Engineers Estimate
	Street Closure		
1935	A. Block Party	Fee	$0.00
1936	B. Special Event	Fee	$211.00
1937	C. Street Obstruction Permit (Lane Closure)	Fee	$123.00
	Community Garden		
1940	A. Rental 20' x 20' Plot	Fee	$20.00
1941	B. Rental 10' x 20' Plot	Fee	$15.00
1942	C. Rental Raised Bed 4' x 12'	Fee	$10.00

TRANSPORTATION

	FEE DESCRIPTION	***Fee Type***	***2012***
2101	Transportation Development Tax (Set by Washington County ballot)		Varies
2102	Transportation System Development Fee* (* items denote fees which may be reduced pursuant to Resolution No. 1685)	Fee	$518/PM Peak Hour Trip
	Street Improvements Fee in Lieu	Fee	
2103	A. Half Street Improvements 16' From Curb to Centerline	Fee	$114.02/Lineal Foot
2104	B. Half Street Improvements 16' From Curb to Centerline, With 12" Storm Drain	Fee	$205.04/Lineal Foot
2105	C. Street Improvements From Existing Edge of Pavement to New Curb Line, Assume 3' From Pavement to New Curb Line	Fee	$82.34/Lineal Foot
2106	D. Street Improvements From Existing Edge of Pavement to New Curb Line, Assume 3' From Pavement to New Curb Line With 12" Storm Drain	Fee	$173.35/Lineal Foot

2107	Transportation Utility Fee (TUF)	Fee	$1.33/Trip

WATER

	FEE DESCRIPTION	Fee Type	2012
5101	Application Fee- Utility Account	Fee	$15.00
	Deposit for Utility Account		
5102	A. Residential or Apartment Per Unit	Deposit	$75.00
5103	B. Manufactured Home (Per Lot or Pad)	Deposit	$75.00
5104	C. Commercial/Industrial/Schools	Deposit	1.5 x Minimum Rate for Meter Size
5105	D. Hydrant With City Meter	Deposit	$1,000.00
5106	E. Hydrant Without City Meter	Deposit	$300.00
5107	F. Hydrant Wrench	Deposit	$25.00
	Hydrant Flow Information		
	A. On File		
5110	1. First Hydrant	Fee	$25.00
5111	2. Each Additional Hydrant	Fee	$20.00
	B. Requiring Testing		
5112	1. First Hydrant	Fee	$107.00
5113	2. Each Additional Hydrant	Fee	$72.00
5115	Hydrant Relocation	Fee	Actual Cost Plus 15%
	Joint Water Commission System Development Charge (fees for information only, set by Joint Water Commission)		
5120	A. 5/8 and 3/4"	Fee	$2,908.00
5121	B. 1"	Fee	$7,253.00
5122	C. 1.5"	Fee	$14,498.00
5123	D. 2"	Fee	$23,190.00
5124	E. 3"	Fee	$46,372.00

5125	F. 4"	Fee	$72,449.00
5126	G. 6"	Fee	$144,889.00
5127	H. 8"	Fee	$231,815.00
5130	Late Payment Fee (Accounts Not Paid by 20th of the Month)	Fee	10% of Bill
	Meter Testing		
5135	A. 3/4 - 1" Meter	Fee	$50.00
5136	B. 1" - 1.5" Meter	Fee	$100.00
5137	C. Over 1.5" Meter	Fee	Determined by Public Works Director
	Monthly Water Base Charges		
5140	A. 3/4" Meter	Fee	$47.50
5141	B. 1" Meter	Fee	$79.19
5142	C. 1.5" Meter	Fee	$158.30
5143	D. 2" Meter	Fee	$253.23
5144	E. 3" Meter	Fee	$553.70
5145	F. 4" Meter	Fee	$949.82
5146	G. 6" Meter Fire Protection Surcharge	Fee	$23.93
5147	H. 8" Meter Fire Protection Surcharge	Fee	$31.90
5150	Notice of Shut Off	Fee	$15.00
5155	Outside City Water Rates (Extraterritorial) Applies to Meters, Hydrants, and Unit Rates	Fee	1.5 x Regular Rates
5160	Reactivation Fee - Dormant Account	Fee	$60.00
5165	Temporary Service	Fee	
	Turn On Fee		
5170	A. After 5:00 p.m. Monday - Friday	Fee	$40.00
5171	B. After Hours and Weekends	Fee	$96.00

Water System Development Charge

5175	A. 3/4" Displacement and Low Velocity Turbine Meters	Fee	$4,298.00
5176	B. 1" Displacement and Low Velocity Turbine Meters	Fee	$10,744.00
5177	C. 1.5" Displacement and Low Velocity Turbine Meters	Fee	$21,487.00
5178	D. 2" Displacement and Low Velocity Turbine Meters	Fee	$34,379.00
5179	E. 3" Displacement and Low Velocity Turbine Meters	Fee	$68,758.00
5180	F. 4" Displacement and Low Velocity Turbine Meters	Fee	$107,434.00
5181	G. 6" Displacement and Low Velocity Turbine Meters	Fee	$214,866.00
5182	H. 8" Displacement and Low Velocity Turbine Meters	Fee	$343,786.00
5183	I. 3" Large Diameter Compound Meters	Fee	$72,836.00
5184	J. 4" Large Diameter Compound Meters	Fee	$124,861.00
5185	K. 6" Large Diameter Compound Meters	Fee	$260,127.00
5186	L. 8" Large Diameter Compound Meters	Fee	$374,583.00
5187	M. 3" High Velocity Meters	Fee	$72,836.00
5188	N. 4" High Velocity Meters	Fee	$131,105.00
5189	O. 6" High Velocity Meters	Fee	$291,342.00
5190	P. 8" High Velocity Meters	Fee	$499,444.00
5195	Water Meter Relocation	Fee	Actual Cost
	Water Consumption Rates per Cubic Foot (CF) Unit		
5201	A. 00 - 25 cf	Fee	$3.91
5202	B. 26 - 50 cf	Fee	$4.24
5203	C. 51 cf and up	Fee	$4.79
5204	D. Extra Territorial Customers	Fee	1.5 x Regular Rates
5210	3/4" Meter Connection Fee	Fee	$2,000.00
5215	3/4" Meter Drop In Fee	Fee	$200.00
5220	72 Hour Notice Service Charge	Fee	$21.00

HOURLY RATES (Salary/Hours Worked + 42% Burden Cost)	Hourly
Administrative Overhead Fee	The Greater of $15.00 or 15%
Assistant Planner	$19.88
City Attorney	$175.00
City Engineer	$182.00
City Manager/City Planner	$61.85
Contract Planner	$85.00
Police Chief	$60.55
Police Officer	$44.66
Public Works Director	$66.02
Public Works Maintenance Worker II	$35.73
Public Works Maintenance Worker III	$44.66
Account Clerk II	$31.59

E. 2013 Budget Message

March 1, 2012

Honorable Mayor, Councilors, and Budget Committee members,

It is my privilege to present the proposed 2012-2013 Operating Budget for the City of North Plains. City staff has worked to develop a balanced budget that sustains the current level of services.

In January 2012, the City Council adopted the 2011-2012 Supplemental Budget that reduced proposed expenses in the 2011-2012 Adopted Budget from $5,470,315 to $3,432,520. Most of the reduction in the Supplemental Budget was accomplished through a better defined capital improvement program, reducing line item expenses using realistic projections, and elimination of two full time positions.

The 2012-2013 proposed budget further reduces operating expenses to $3,162,888. Key changes in this year's budget document are as follows:

An expanded narrative is presented with the budget. In keeping with the format submitted with the 2011-2012 Supplemental Budget, this document incorporates an expanded narrative to explain the purpose and programs of budget activities.

Simplification of the chart of accounts. Staff has worked with Talbot, Korvola, & Warwick, LLC (TKW) to create an accounting numbering system more consistent with Generally Accepted Accounting Principals (GAAP) which are used when the City is audited. Prior budgets provided unique labels for all expenses. In some instances, the labels explained the funding source rather than the nature of the expense.

Fund numbers have also been adjusted to ensure that accounting for 2012/13 is distinct from accounting for 2011/12 and prior years. Most department numbers remain the same.

In order to assist with understanding how former account numbers and expenses relate to the new budget, an appendix has been included that shows old and new accounts.

Actual figures for expenses through February 2012. This year's budget tracks expense incurred to date for the 2011-2012 budget year. This is to assist with understanding which line items have actual expenses. It should be noted that payroll expenses for January and February are not included in these figures as the City outsourced that function, and General Ledger entries have not yet been adjusted. Further, to simplify accounting subsequent to the Finance Director's retirement, some expenses have been assigned to one department rather than distributed through multiple

SUMMARY OF EXPENSES 2012-2013 BUDGET

	Proposed 2012-2013	TOTAL	Personal Services	Materials and Services	Capital	Debt Service	Transfers and Allocations
001	**GENERAL FUND**						-$1,400
421	Police	$341,738	$221,100	$97,945	$0	$0	$42,543
455	Library	$196,755	$111,626	$35,400	$0	$0	$42,029
452	Parks	$159,619	$0	$32,300	$0	$0	$127,319
419	Planning	$78,355	$16,200	$9,000	$0	$0	$53,155
401	*City Attorney*	*$20,000*	*$0*	*$20,000*	*$0*	*$0*	*-$20,000*
402	*City Engineer*	*$8,500*	*$0*	*$8,500*	*$0*	*$0*	*-$8,500*
403	*City Manager*	*$105,000*	*$104,000*	*$1,000*	*$0*	*$0*	*-$105,000*
404	*City Recorder*	*$21,383*	*$5,383*	*$16,000*	*$0*	*$0*	*-$21,383*
405	*Council*	*$6,350*	*$0*	*$6,350*	*$0*	*$0*	*-$6,350*
410	*Finance*	*$146,170*	*$107,500*	*$38,670*	*$0*	*$0*	*-$146,170*
411	*General Government*	*$130,574*	*$0*	*$130,574*	*$0*	*$0*	*-$130,574*
430	*Public Works*	*$375,107*	*$341,207*	*$26,900*	*$0*	*$0*	*-$375,107*
	TOTAL GENERAL FUND	**$1,589,551**	**$907,016**	**$422,639**	**$0**	**$0**	**-$549,437**
002	**STREET AND STORM DRAIN**	**$639,144**	**$0**	**$41,400**	**$450,116**	**$0**	**$147,628**
005	**WATER**	**$789,977**	**$0**	**$214,670**	**$51,000**	**$134,333**	**$389,974**
006	**URBAN RENEWAL AGENCY**	**$90,365**	**$0**	**$0**	**$10,000**	**$73,793**	**$6,572**
007	**PARK CAPITAL**	**$25,850**	**$0**	**$0**	**$25,000**	**$0**	**$850**
008	**TRAFFIC IMPACT FEE**	**$0**	**$0**	**$0**	**$0**	**$0**	**$1,462**
009	**VEHICLE**	**$28,000**	**$0**	**$0**	**$0**	**$0**	**$28,000**
	TOTAL OTHER FUNDS	**$1,573,337**	**$0**	**$256,070**	**$536,116**	**$208,126**	
	TOTAL BUDGET	**$3,162,888**	**$907,016**	**$678,709**	**$536,116**	**$208,126**	

departments as budgeted. Prior to the end of the fiscal year, these, too, will be adjusted with journal entries.

Reduced staff positions. As proposed, the 2012-2013 Proposed Budget eliminates one more position, reducing the allocated staffing level to 9.5 full-time equivalents. Addressing staffing levels is essential to resolving the structural problems within the budget, as there is no anticipation that revenues will increase dramatically in the coming years. Part-time employees and contractors will be used to help absorb the workload into the future.

Simplified allocation of overhead through the creation of more discrete budget activities. Included in the budget are new budget activities for City Manager, City Recorder, Public Works, City Council, City Attorney, City Engineer and General Government. Costs for all of these activities and Finance are allocated back to the operating departments of Police, Library, Water, Streets, Parks, and Planning through the use of a new Internal Services Fund (601). This change should provide more transparency and consistency when explaining the full cost of services. A table describing the distribution of shared overhead costs is included in this document. A key aspect of this allocation is placing all salary and benefits associated with a specific function in one location; for example, all expenses associated with Public Works employees are located in the Public Works (110-433) activity with costs allocated back to Streets, Water and Parks.

Elimination of Sewer Bond Activity. The Sewer Bond activity was created to service a 1980s bond issue to install sewer mains which has been retired for several years. The shared costs associated with paying sewage fees for city facilities and bond payments associated with the Local Oregon Capital Assets Program (LOCAP) funded Glencoe Road Improvements are now displayed in General Government. Per Oregon law, the costs for this budget activity for the past two years will be included in this budget document.

Elimination of Municipal Court Activity. The City Council reviewed the efficacy of operating a municipal court and dedicating a significant amount of police resources to speed enforcement on Highway 26. In response to citizens' desire to have additional police patrols, officers have been reassigned to work within the City, and a contract was executed with Washington County to allow tickets that are written to be heard at the Justice Court in Beaverton. Revenues derived from tickets are shared evenly with the County, without any additional administrative cost to the City. Per Oregon law, the costs for this budget activity for the past two years will be included in this budget document.

Consolidation of Water Capital Fund and Water Operation Fund. The City has more funds than required by law and has been engaged in an elaborate set of processes for both budgeting and accounting. Special funds such as system development charges will be tracked within the Water Fund (210). This should simplify accounting procedures and allow greater transparency in displaying total costs of the water enterprise and available funds.

Consolidation of all transportation-related expenses in Streets. All expenses related to transportation programs and projects will be tracked in the Streets (431) budget activity. Prior budgets tracked these expenses in three funds and four different budget activities: Streets (431), Transportation (436), Transportation Development Tax (470) and Traffic Impact Fees (470). For accounting purposes, the Transportation Development Tax Fund (130) and Transportation Impact Fee Fund (132) will continue. Staff is exploring the option of closing the TIF fund; if this is allowed, the remaining revenues could be transferred into the General Fund.

Salary information included with document. The salary schedule is proposed to be adopted with the annual budget in June 2012. No changes in ranges are recommended in this draft budget pending the presentation of classification and compensation information to Council.

Finance policy included as part of budget document. The City has adopted policies which are being incorporated for reference in the budget. An additional section for the purchasing policy is included in this budget. By providing these policies in the document City staff has this information readily available, and it is reviewed at least annually.

Master fee schedule included as part of budget document. As part of the effort to make the City's fee schedule easy to understand and administer, the fee schedule is included for reference.

Staff has estimated the cost of services and has recommended a wide range of fee changes to the City Council. The fees are subject to change with the adoption of Council resolution after a public hearing. It is hoped that in future years, amendment to the fee schedule will coincide with adoption of the operating budget.

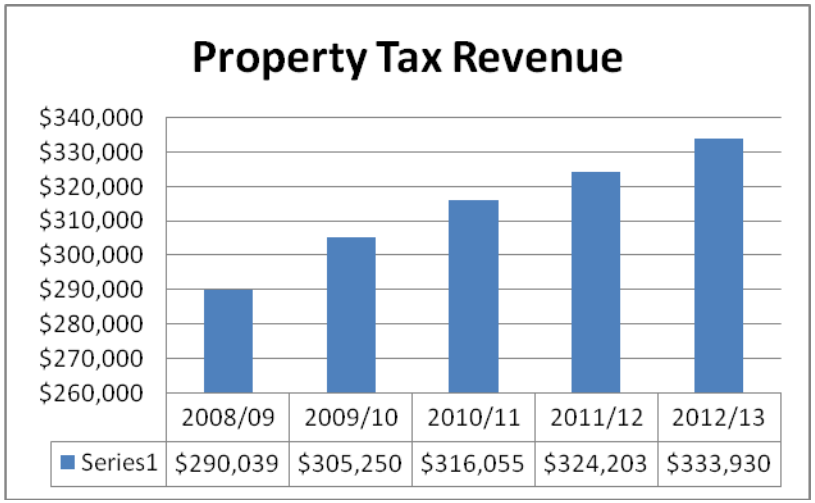
Philosophically, staff is recommending that most planning charges be established as fees rather than deposits which must be periodically audited. To date this practice has not proven effective in capturing full costs of tasks or recognizing liabilities for potential refunds.

Summary schedule of Capital Improvement Program (CIP) included in budget for information. The CIP has a broad influence on cost of operations, fees, consumption rates, and the amount of reserve funding required. The budget includes a summary of projects anticipated over the next five years. This schedule is subject to change, as approved by Council.

Revenues

General Fund (110) – General Fund revenue (without net working capital) is estimated at $723,500, and total General Fund expenses are proposed at $1,589,551. As submitted, the ending fund balance is estimated at $717,601 (and a $100,000 contingency is part of the General Government expense). The difference in the total cost and revenues is bridged through one-time revenues, grants, use of net working capital, and transfers from other funds.

Property taxes, franchise fees, and the Washington County Cooperative Library System (WCCLS) allocation represent the largest sources of income, and all are anticipated to remain stable through 2012-2013.



The Permanent Tax rate is 2.1712/$1,000 of assessed valuation, and the City will need the full amount of this tax assessment to balance its budget. According to Washington County, a 3% growth in assessed valuation is anticipated for 2012-13. For the purpose of budgeting, only six housing starts are anticipated this year.

The most significant change in revenue over recent years has been the steady decline in Municipal Court revenues as the chart below illustrates. Obtaining revenue from speed enforcement tickets is not a sustainable way to fund day-to-day operations as it relies on police powers to generate revenue, and when the department is short-handed, there are significant declines in revenue. Additionally, the assignment of most police resources to speed enforcement is not consistent with the community's desire to have an effective community policing program with regular police patrols in town. The substantial loss of ticket revenue in 2012-2013 is largely offset by the elimination of Municipal Court expenses.

For the purpose of budgeting, only a nominal sum is projected to be received from the Justice Court (Police Citations). It is unlikely ticket revenue will be consistent or a significant revenue stream.

Year (*Actual)	Court Revenue	Revenue Difference from Previous Year	Cumulative Decline in Revenue Since 2008/2009	Court Costs (**Last Court held January 2012)
2008-09*	$324,000			$136,404
2009-10*	$252,000	-$71,000	-$71,000	$132,936
2010-11*	$220,000	-$32,000	-$103,000	$125,365
2011-12	$164,000	-$56,000	-$160,000	$103,694**
2012-13	$0	-$164,000	-$324,000	$0

A closer look at General Fund expenses over recent years (with LOCAP bond financing revenues and expenses excluded) shows significant increases in expenses, without a similar increase in revenues (See table to right.) Thus, the 2011-2012 ending fund balance is projected to be about $200,000 lower than it was in 2009-2010.

Since administrative expenses (Finance) accounted for more than half of the cost increases; the 2011-2012 Supplemental Budget included the elimination of the Finance Director position. Most of her work was transferred to lower level and temporary employees and contractors.

General Fund Expenses

General Fund	2008-09	2009-10	2010-11	2011-12 Supplemental
Finance	$233,066	$218,361	$331,719	$313,672
Police	$351,481	$365,928	$500,127	$425,827
Library	$89,017	$100,293	$141,973	$161,129
Planning	$112,034	$93,759	$243,872	$142,823
Sewer Bond	$10,373	$10,678	$11,243	$10,755
Park	$59,797	$59,640	$57,959	$70,338
Municipal Court	136,405	132,937	125,366	103,694
TOTAL	**992,173**	**981,596**	**1,412,259**	**1,266,044**
GF Revenue	1,897,213	1,933,474	2,000,944	2,015,153
Ending Balance	**905,040**	**951,878**	**588,685**	**749,109**

Even with substantial cuts, the City is still somewhat top heavy with administrative costs. Before the end of 2012-2013, additional changes will need to be made to the City's overhead structure to ensure expenses remain below revenues. (No additional staffing reductions are anticipated.)

Planning and building permit fees continue to be inadequate to cover the cost associated with the Planning activity. Staff is evaluating procedures to minimize the amount of resources consumed by the activity and increase revenues. Because there is very limited development occurring, changing fees does not effectively or reliably increase revenue. Thus, expenses are being lowered as much as practical, while continuing efforts to make planning services more development-friendly are being made.

Water Fund (210) – Revenues remain strong in this fund. The Water Capital Fund revenues and expenses have been incorporated into the Water Fund (210) because this is one enterprise, and there is no need to maintain two separate funds with separate budgets.

No water rate increase is anticipated for 2012-2013.

Vehicle and Equipment Replacement Fund (009) - This fund was established in 2002 with the intention of pre-funding the replacement of equipment and vehicles. Since a schedule for asset replacement was not developed, no consistent method for funding allocation was established, and by 2011 no significant contributions were transferred into the fund from the General Fund.

The Vehicle and Equipment Reserve Fund has not amassed enough capital to operate effectively for General Fund purchases. Staff is recommending the $28,000 in reserves be transferred back to the General Fund, in order to support Police lease payments in 2012-2013.

Asset replacement schedules are being proposed with this budget. Equipment and vehicles valued at less than $5,000 and which have a useful life of less than four years, are not part of the schedule and will be acquired through the regular

operating budget. Staff is proposing two replacement schedules for vehicles and computers and has created reserve contribution/lease payment schedules to fund those goals.

The other major equipment purchases that occur on a regular basis are the replacement of copy machines. The City is in the fourth year of a lease for the two copiers at City Hall and in the second year of a lease for the Library copier. Because copiers have a relatively short life, leases that include service and maintenance have typically been used for acquisitions. City Hall should only need one copier in the future, which may help reduce expenses in future years.

Vehicles - The largest vehicle expenses the City has is for police patrol vehicles. The most recently acquired marked police cruiser fully outfitted with sirens, lights, gun holders etc… costs about $38,000. North Plain's police vehicles have an estimated service life of four-five years as front line vehicles, and another three-four years in reserve. This is in contrast to the one-two year life span used by police agencies that run their vehicles on a 24-hour basis. Because the police vehicle replacement schedule includes a new vehicle purchase in two of every five budget years, the use of lease-purchases may be more effective than attempting to create large cash reserves, while making one-two lease payments each year. The Police operations budget reflects two lease payments of $26,600 this year.

It is intended that through the use of newer vehicles, the annual expense for Equipment Maintenance and Operation, which is comprised mostly of vehicle repairs, can be lowered from the four-year average cost of $26,000/year to less than $10,000/year. ($10,000 is proposed for this year because of the recent vehicle acquisition.) This is possible as leased vehicles can be acquired with bumper-to-bumper warrantees for their entire useful life and thus the, department can avoid unexpected repair costs. (Police vehicles are generally more prone to break downs than other city vehicles due to frequent rapid accelerations, quick braking, and prolonged idling times.)

Public Works has typically acquired used equipment and vehicles. The Public Works portion of the vehicle equipment reserve now stands at $48,700 which can support a Public Works vehicle replacement program. Regular contributions to this vehicle reserve are proposed to avoid large spikes in expenses.

Computers - For most departments, computers would be an operating expense (because computers cost less than $5,000). The notable exceptions are Library, which acquired all 17 of its computers in 2006, Police which replaced all of its Mobile Dispatch Terminals (MDT's) at the same time as a result of a grant in 2011-2012, and General Government, which funds the more expensive City-wide server replacements.

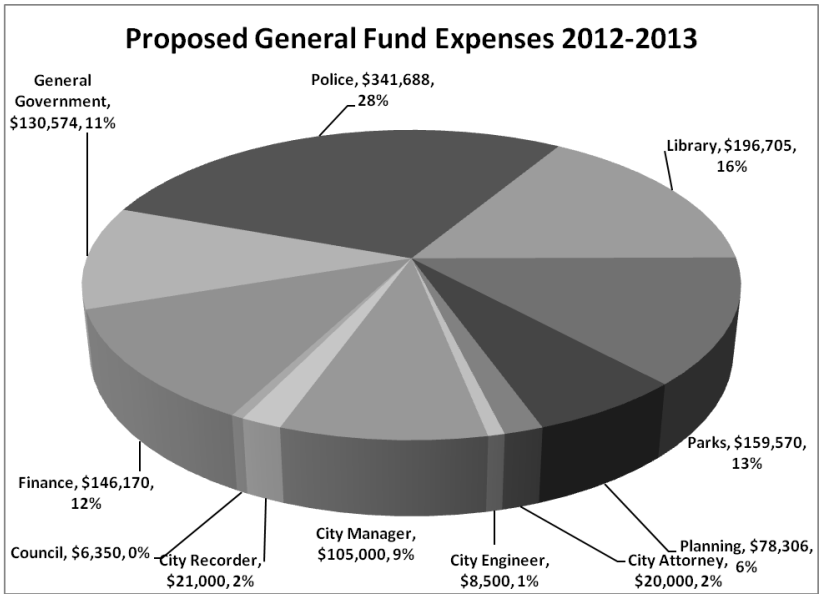
Replacement schedules and reserve contributions have been created for each of these departments to smooth the capital expenses associated with computers.

Changes in Expenses

Employee compensation – The proposed budget does not include a cost of living increase which would adjust salary

ranges. Merit increases have been included in the calculation of salaries. (A detailed discussion of employee compensation is included in the budget.)

Concurrent with the budget process, staff will be evaluating the costs of employee benefits. To the extent practical, benefits will be adjusted to minimize both the City's and employees' costs. Health benefit costs will hold steady or be reduced this year.



Council (411) – A separate budget is suggested for Council, which includes funds for community events.

City Attorney (412) – All legal expenses are being displayed in this new budget activity, so they are easier to track on a city-wide basis.

City Manager (413) – This activity was created to allocate costs among the departments. Because the City Manager spends time differently from the City Recorder, the two activities were separated.

City Recorder (414) – The City has established this activity to allocate costs more equitably between departments and the Urban Renewal Agency. It is proposed to eliminate the full-time City Recorder position and to use part-time or contract help to assist with Council minute-taking. Other duties, like packet-assembly and follow-up on resolutions and ordinances, will be conducted by other staff.

Finance (415) – The overall scope of this budget has been reduced, and so has the budget.

City Engineer (416) – All legal expenses are being displayed in this new budget activity, so they are easier to track on a city-wide basis.

General Government (419) – The new budget activity is used to display expenses shared in common by all departments and the Urban Renewal Agency, including audit, liability insurance and maintenance of City Hall. Office supplies have also been consolidated into one budget as one staff member has responsibility for ordering such items, and the expenses appeared somewhat high when distributed between the budgets. These expenses are allocated back to other departments.

Police (421) – The Police Department has submitted a budget that includes almost no equipment purchases, as the Department was very successful in acquiring more than $60,000 in grants for equipment in 2011-2012. A slight increase in the expense for police reserve officers is proposed

to provide more patrol coverage when full-time employees are absent. Increasing the department's visibility in the community is a high priority goal for this year.

Public Works (433) – All common costs shared by Water, Streets and Parks are included in the Public Works Budget. Thus all compensation costs for the Director and Utility Workers are in the budget activity. All expenses for small tools, vehicles, fuel, training and uniforms are also included in this activity.

Parks (452) – The Public Works Department maintains Jessie Mays, Frank Wing, Vern Galloway, Louie Wentz and Pacific Purple parks, a community garden, in addition to McKay Creek trail and new walking loops developed by the Walking Trails Committee of the Parks Advisory Committee. Funding is proposed for the development of skate spot with the City. The City is in the process of recruiting college interns to assist with Master Planning of park facilities.

Library (455) – The Library Department has submitted a budget that allows for the expansion of library hours to conform with the Oregon Library Association, Public Library Division standard of operating 45 hours per week for a service area population of our size. WCCLS continues to provide the bulk of the funding for the Library. This year a full allocation of administrative expenses is included in the Library budget activity, which accounts for the bulk of expense changes. A $7,700 expense is included for the replacement of computers this year. It is possible the Friends of the North Plains Library or a grant may assist with this purchase, offsetting the General Fund costs.

Planning (465) – The Planning activity is staffed with a part-time Assistant Planner who is able to perform work at a substantially lower cost than the contract planner and full-time staff used in previous years. Revenues from planning are still well below the cost of the planning function. In 2012, the City is developing design guidelines for commercial areas and handouts to make the planning process more accessible to homeowners and business owners. State law also requires the City to update its Comprehensive Plan in 2012. To the extent practical, most of this work will be done in-house. Contracting costs have been substantially reduced in this year's budget, and the full allocation of administrative costs accounts for increases in expenses.

Streets (111-433) – The Public Works Department maintains approximately 13 miles of improved City streets. This year, Claxtar will be overlaid subsequent to installation of the water main. A second Community Development Block Grant (CDBG) application for street and sidewalk improvements on Claxtar was also approved this year.

PW Water (210-433) – The Public Works Department continues to operate a well-maintained potable water system. Costs are projected to be lowered, as overall overhead expenses are lowered, and Public Works management expenses are shared more equitably with General Fund and Street Fund activities.

No rate increase is proposed for 2012-2013, however it is anticipated that small increases will be needed in subsequent years to keep the capital improvement program viable. A major shift in capital expenses, deferring large projects into the future, is providing some relief to rates, and it is anticipated future debt that will fund major projects like constructing a second water reservoir and pumping system.

Two capital projects are anticipated this year: Claxtar Street water main, which is funded primarily though a CDBG grant, and Highland Court water main, which will be coordinated with the Glencoe Interchange project.

Goals for the 2012-2013 Fiscal Year

Pursuant to feedback received from the community and Council, staff will be working on creating more recreational programs. Among the events in development are outdoor movies, a fourth of July event, fall festival and on going support of community events like the Elephant Garlic Festival, Jingle, farmers' market and spring clean up. This year's Council budget includes funding for events like National Night Out.

Outreach to the community will continue to be a priority as the monthly newsletter was expanded to include more information about Council activities and upcoming community events. The website is continually updated by City staff with assistance of volunteers. Updating the Comprehensive Plan will be a significant task this year, that will require a fair amount of public outreach.

Improving the efficiency of staff will also be a priority as the City will continue to have a very lean budget into the foreseeable future. Staff efforts will be focused on conserving cash resources while providing roughly the same level of service.

Lastly, staff anticipates that the City will be actively engaged in the process to ensure that odor issues are addressed by Recology at Nature's Needs, by working in concert with Washington County, the Department of Environmental Quality and Metro. To date, this effort has only required staff time, and no cash resources are specifically allocated for this.

Because this is an exceptionally lean budget, staff anticipates there will be a need for mid-year review and adoption of a supplemental budget. All department heads have cooperated in the effort to reduce expenses and are willing to adapt operations to meet budget constraints. Staff also anticipates discovering more cost-saving opportunities in order to allow the City to maintain current service levels.

Respectfully submitted,

Martha DeBry,
City Manager

F. Second 2013 Budget Message

May 8, 2012

Honorable Mayor, Councilors, and Budget Committee members,

As an update to the original budget message the following changes have been prepared for the second draft of the budget which proposes operating expenses of $3,151,883, with fund unappropriated balances of $2,492,813 and contingencies of $410,000.

It should be noted with the new Internal Service Fund there are $834,171 in costs that are counted twice towards the total operation expense:

- Once as direct expenses in the budget activities of General Government, City Council, City Manager, City Recorder, City Attorney, City Engineer, Public Works and Finance, and
- Once as "allocated expenses" to provide revenue for the Internal Service Fund which can be found in Police, Library, Parks, Planning, Water, Streets and Vehicles.

Only tables have been updated are included in this draft. Narrative information, tables, charts, and appendices that have not been updated were not reproduced in order to minimize printing costs, and to highlight changes that were made. When the approved budget is presented to Council in June for adoption it will be complete with all information.

Since the last draft was published staff has explored the option of closing the TIF fund; and that is not recommended for this budget.

Changes in this draft are as follows:

Account numbers revised. Staff has worked with Talbot, Korvola, & Warwick, LLC (TKW) to create an accounting numbering system more consistent with Generally Accepted Accounting Principals (GAAP) which are used when the City is audited. Some account numbers have changed between the first and second draft budget. (This does not mean that there is a change in the proposed allocation, and these changes are not highlighted.)

Attribution of accounts to new Internal Service Fund 601 has resulted in the assignment of the City Council, City Attorney, City Engineer, City Manager, City Recorder, Finance, General Government, and Public Works activities to the 601 fund. The previous draft assigned these expenses to the General Fund. Again this is change in the accounting of expenses.

Changes in salary schedule. The salary schedule is being adjusted per the direction of the City Council. This causes slight increases in the expenses for Police and Library. The positions of Utility Billing Clerk and Account Clerk are also recommended for reclassification to Account Clerk II as of July 1, 2012.

Revenues

For the most part, only minor changes in revenue projections have been made, and those are highlighted. Most of the changes are related to reassigning activities from the General Fund to Internal Service Fund.

A mathematical error was found in formula (double counting the Water Capital Funds) resulting in the overstatement of net working capital in the previous draft, and this has been corrected. The fund balance in Water still reflects healthy growth.

Changes in Expenses

Employee compensation – The City Council has provided direction regarding changes in compensation and benefits and expenses have been adjusted accordingly.

No cost changes are recommended for the following activities: Council (411), City Attorney (412), City Engineer (416), City Recorder (414), General Government (419), and Planning (465).

Minor adjustments to personnel costs have been made in Finance (415), City Manager (413), and Public Works (433).

A new budget activity of "Reserve" has been created to show the unappropriated fund balance and contingency for the General Fund. This was necessary to separate the General Fund reserves from the Internal Service Fund. In the previous draft the reserves were shown in General Government.

Police (421) – Several line items in the Police activity have been amended to reflect changes in anticipated personnel costs, and to provide more funding for supplies such as ammunition used to qualify officers on a regular basis.

Streets (111-433) and Parks (452) both reflect changes in the allocated costs.

Library (455) – The expenses for employees have been adjusted per Council direction to include an 8% increase, and an error omitting PERS costs has also been corrected.

PW Water (210-433) – Water reflects a lower ending fund balance associated with the mathematical error in the previous draft.

Respectfully submitted,

Martha DeBry,
City Manager

North Plains Urban Renewal Agency Budget

2012-2013

Urban Renewal Agency Fund (113)

Revenues remain steady. The fund now supports the repayment of the Local Oregon Capital Assets Program (LOCAP) debt and interest-only payments for the Kaybern Street property. Since the full amount of principal needs to be paid on the Kaybern loan by February 2014, a substantial contribution to the principal is proposed again this year.

The URA may be involved in the acquisition of property on Commercial Street through a short sale process; however that has not been specifically called out in this budget proposal. The URA Board will need to amend the budget if the transaction can be executed, and funding needs to be reallocated.

Urban Renewal Agency Purpose

The Urban Renewal Agency was created in 2006 to accomplish a series of goals and objectives which were established by the community. These goals and objectives include the following:

Goal: Promote a Mix of Retail, Commercial and Residential Uses Oriented to Pedestrians.

The Area's location in the Central Business District and the Commercial Street – Glencoe Road corridor makes it an ideal location for a mix of pedestrian-oriented retail and residential development.

Objective: Implement public utility, transportation and streetscape improvements that will make the Area a safe and attractive location for pedestrian-oriented commercial and mixed-use development.

Objective: Facilitate the improvement and redevelopment of existing, under-utilized commercial buildings to expand the range of retail, commercial and residential services.

Objective: Promote the development of housing units, including locations above commercial and office space, to increase the range of housing opportunities in the Area.

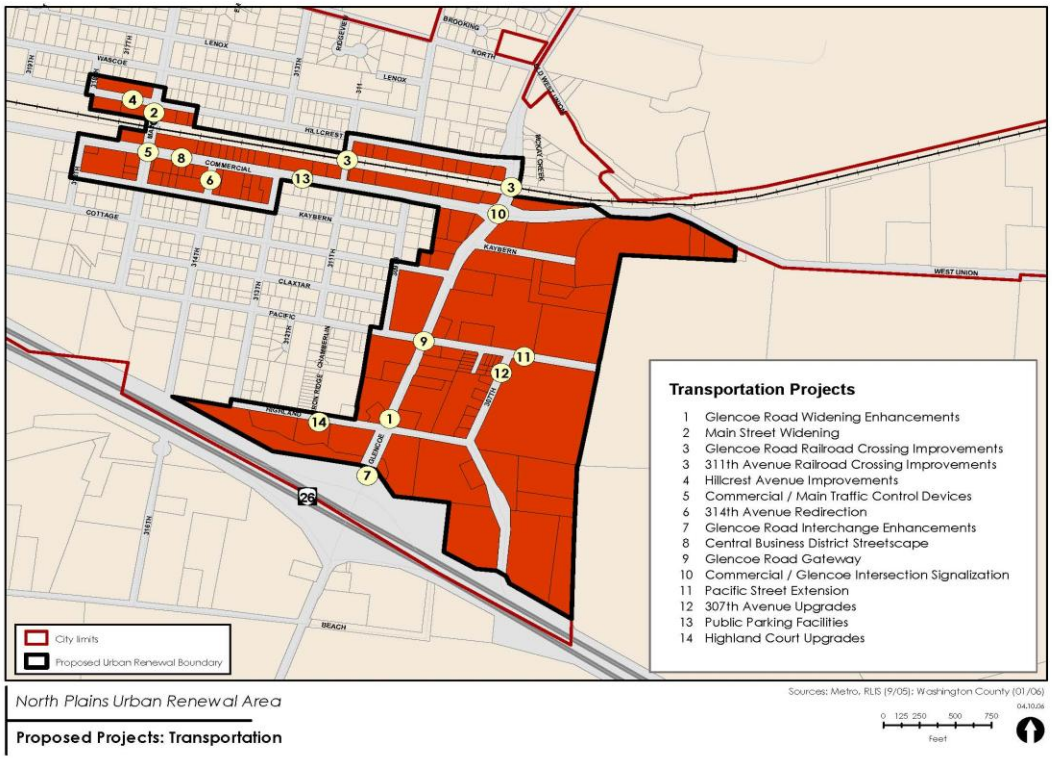
Objective: Promote mixed-use development, including office space above ground floor commercial and retail space, to attract a broad range of businesses, increase employment density, and create a lively downtown commercial community.

Goal: Provide a Broader Level of Goods and Services for North Plains.

Currently, North Plains residents must travel outside the City for many goods and services that are not available within the community. Redevelopment of the Central Business District and the adjacent Highway Commercial District can increase the diversity of goods and services available at the local level.

Goal: Increase Employment and Business Activity within the Area.

Due to the limited availability of local jobs, many North Plains residents must commute outside of the City for work. Redevelopment of the downtown/commercial core can increase the number and type of jobs that are available locally.



Objective: Create a more attractive development environment for professional and general office space. The Plan can facilitate the development of streetscape improvements and public amenities that would make the downtown/commercial core a more attractive environment for office development.

Objective: Provide opportunities for small businesses and business incubators to locate to the Area by facilitating the rehabilitation and/or redevelopment of existing commercial space that is currently under-utilized or vacant.

Objective: Ensure that public facilities and services support increased business activity and employment.

Goal: Improve Access, Safety and Connectivity Throughout the Area.
Transportation improvements will make the Area a more attractive and accessible location for retail, business and recreational activities.

Objective: Provide additional public parking to encourage retail and commercial activity in the central business district.

Objective: Implement street system improvements that will increase traffic circulation and safety.

Objective: Develop sidewalks and bike lanes in conjunction with street improvements to promote multimodal access.

Objective: Promote land uses and design that are efficient in their use of transportation. Mixed use (retail/office/residential) projects can eliminate the need for some trips. For example, a restaurant located within the Area can serve Area residents, patrons and employees with no need for a vehicle trip. Housing units that incorporate a work

or shop space ("live/work") units can reduce vehicle trips between work and home.

Urban Renewal Agency Projects

Transportation

Sidewalks, curbs, gutters, street lighting and other streetscape and landscape improvements may be provided in conjunction with the street improvements identified below.

Glencoe Road Widening Enhancements (Complete) - The provision of a comprehensive system of streetscape enhancements, including landscaping improvements, bike lanes and pedestrian facilities, in conjunction with the widening of Glencoe Road, is a project under the Plan.

Main Street Widening Project, including Railroad Crossing (Complete) - The widening of Main Street, a minor collector, is a project under the Plan. The existing Willamette Pacific railroad crossing will be replaced by a new multiuse crossing, and the existing rail spur will be removed as part of this project.

Glencoe Road and 311th Avenue Railroad Crossing Improvements - Improvements to the existing Glencoe Road and 311th Avenue Railroad Crossings are a project under the Plan.

Hillcrest Street Improvements - Improvements to Hillcrest Street, a minor collector, are a project under the Plan. Under existing conditions, the roadway is in substandard condition and unsafe for pedestrians and bicyclists.

Commercial/Main Street Traffic Control Devices - The design and installation of traffic control devices that will improve multimodal safety at the intersection of Commercial Street and Main Street is a project under the Plan.

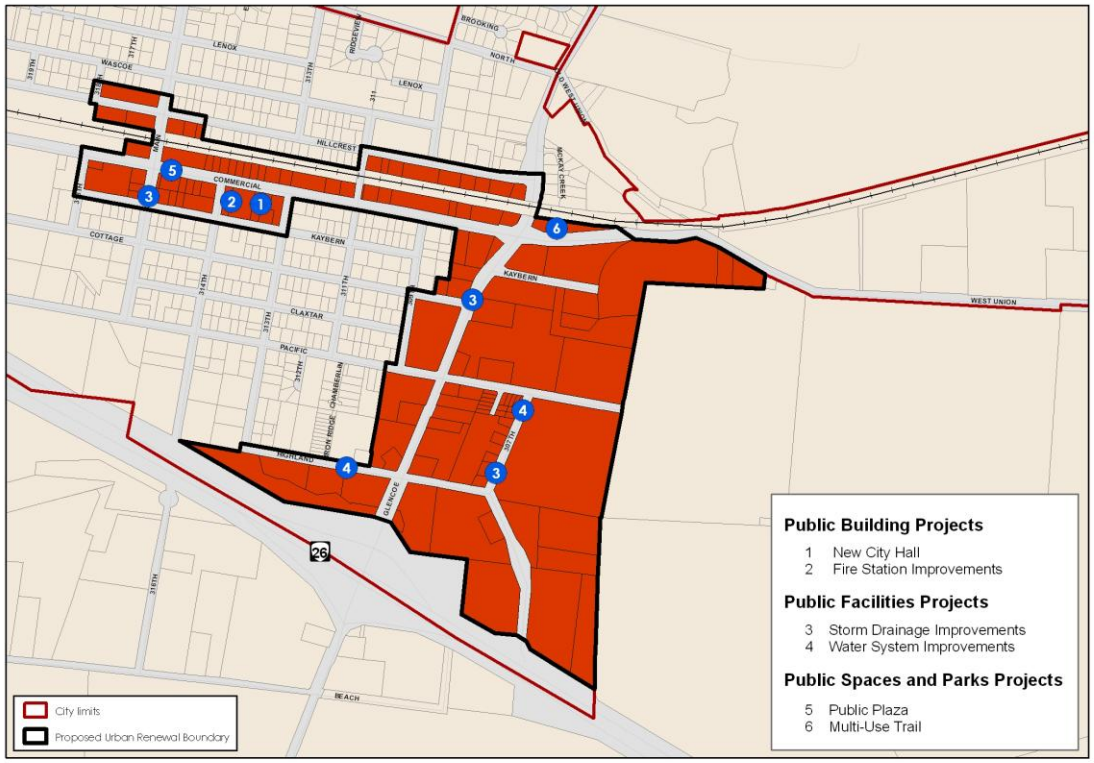
Highland Court Upgrades - Currently, Highland Court is in substandard condition. Upgrades to the existing roadway will increase access to adjacent commercial and residential property.

314th Avenue Redirection (Complete) - Under existing conditions, 314th Avenue is a two-way street. To improve traffic circulation in the Central Business District and increase vision clearance at the intersection of 314th and Commercial Street, 314th Avenue will be converted to a one-way southbound street between Commercial Street and Kaybern Street.

Glencoe Road Interchange Enhancements (Started) - The provision of streetscape enhancements, including landscaping features, pedestrian amenities and bicycle facilities, in conjunction with the construction of the new Glencoe Road/US 26 Interchange, is a project under the Plan.

Central Business District Streetscape Improvements - The North Plains Revitalization Plan identifies landscaping features, street lighting, street furniture and other streetscape improvements that will enhance the physical appearance of the Central Business District (CBD) and attract a broader range of users, including shoppers, tourists and commercial employers. Most of the streetscape improvements will be concentrated on Commercial Street.

Glencoe Road Gateway Improvements (Glencoe/Pacific Complete) - The design and construction of formal gateway areas that mark the entrance to the City of North Plains and the Central Business District are a project under the Plan. The gateway to the City will be located at the intersection of Glencoe Road and Pacific Street. The gateway to the Central Business District will be located at the intersection of Glencoe Road and Commercial Street.



North Plains Urban Renewal Area

Proposed Projects: Public Facilities, Buildings, Spaces, and Parks

Sources: Metro, RLIS (9/05); Washington County (01/06)

Commercial Street/Glencoe Road Intersection Signalization - The signalization of the Commercial Street/Glencoe Road intersection is a project under the Plan. Under existing conditions, multimodal safety is compromised by the lack of a traffic signal at this busy intersection.

Pacific Street Extension - Currently, access to undeveloped residential property east of Pacific Street is constrained by the lack of an existing roadway. The extension of Pacific Street from its terminus at 307th Avenue to the North Plains city limits is a project under the Plan.

307th Avenue Upgrades - Under existing conditions, 307th Avenue is in substandard condition. Upgrades to the existing roadway will improve access to residential and industrial property in the southeast portion of the Area that is currently undeveloped.

Public Parking

The design and construction of public parking facilities within the Plan's commercial areas is a project under the Plan.

Public Facilities

Storm Drainage Improvements - The provision of storm drainage improvements

throughout the Area, in accordance with the Stormwater Master Plan, is a project under the Plan.

Water System Improvements - The provision of water system improvements throughout the Area, in accordance with the Water Master Plan, is a project under the Plan.

Parks and Open Space

Multi-use Recreational Trail

The design and development of a multi-use recreational trail, that provides new opportunities for pedestrians and bicyclists to enjoy the Area's natural amenities and promotes the preservation of environmentally sensitive areas, is a project under the Plan.

Public Spaces

Public Plaza - The design and development of a public plaza in the Central Business District is a project under the Plan.

Public Buildings

New City Hall - Because such a use is key to the vitality of the Area, the Plan authorizes participation in the development of a new City Hall. The participation in the project shall be proportional to the benefits of the facility to the Area. Anticipated benefits specific to the Area include increased activity that creates commercial and residential development and provision of facilities for administration of the Plan.

Before allocating Agency funds for this project, the Agency shall be required to adopt a minor amendment of the Plan that states findings of proportionality and benefits to the Area specific to the allocation of funds.

Fire Station Improvements - Building improvements and site improvements to the Washington County Fire District No. 2 Fire Station and station-related traffic control devices are a project under the Plan.

Planning and Development Assistance

Offering the following types of planning and development assistance to support the development, redevelopment and rehabilitation of private property in the Area is a project under the Plan. Detailed rules and regulations for the administration of financial and technical assistance programs will be established by the Agency after adoption of the Plan in order to ensure that urban renewal funds are used in compliance with the Plan and for the agreed-upon Plan purposes. The adoption and amendment of such programs, rules and regulations would not be considered changes to the Plan.

Rehabilitation/Redevelopment Grant/Loan Program - The Urban Renewal Plan authorizes loans and/or grants for property rehabilitation and redevelopment. Property to be improved may be residential or commercial. Loans may be at or below market rates, and assistance may include direct loans or guarantees of loans made by third parties.

New Development Grant/Loan Program - In addition to providing rehabilitation and redevelopment assistance, the Urban Renewal Plan authorizes loans and/or grants for new development. Property to be improved may be residential or

commercial. Loans may be at or below market rates, and assistance may include direct loans or guarantees of loans made by third parties.

Technical Assistance Program - The Urban Renewal Plan authorizes technical assistance in the form of site studies, market studies, feasibility analyses, engineering and design and other activities directly related to development of property in the urban renewal area. An example of such technical assistance may include structural analysis of buildings to promote the rehabilitation of under-utilized buildings.

Commercial Façade Improvement Loans - To create a distinct identity for the North Plains Central Business District and surrounding Highway Commercial Area that is visually appealing and unified, the Urban Renewal Plan authorizes façade improvement loans for commercial development. Improvements will be used to enhance the architectural integrity and character of historic commercial buildings and storefronts in need of a "face lifts." The City may establish design standards for specific areas and appoint a design review committee to review loan applications and ensure that proposed improvements are consistent with City standards.

How Urban Renewal Projects are Funded

Tax Increment Financing

Tax increment financing consists of using annual tax increment revenues collected by the Agency to make payments on debt incurred by the Agency, usually in the form of tax increment bonds. The proceeds of the bonds are used to pay for the urban renewal projects authorized in the Plan. Debt, including bonds, may be both long-term and short-term, and does not require voter approval.

Tax increment revenues equal most of the annual property taxes imposed on the cumulative increase in the total assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted.

General Description of the Proposed Financing Methods

The Plan will be financed using a combination of revenue sources. These include:

- Tax increment revenues;
- Advances, loans, grants and any other form of financial assistance from the Federal, State or local governments or other public body;
- Loans, grants, dedications or other contributions from private developers and property owners; and
- Any other source, public or private.

Revenues obtained by the Agency will be used to pay or repay costs, expenses, advancements and indebtedness incurred in planning or undertaking project activities or otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

Tax Increment Financing and Maximum Indebtedness

The Urban Renewal Plan may be financed, in whole or in part, by tax increment revenues allocated to the Agency as provided in ORS Chapter 457. The ad valorem taxes, if any,

levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Commission based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Urban Renewal Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is $17,112,306. This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness.

Prior Indebtedness

Any indebtedness permitted by law and incurred by the Agency or the City of North Plains in connection with the preparation of this Plan or prior planning efforts related to the Urban Renewal Plan may be repaid from tax increment revenues from the Area when and if such funds are available.

Impact of Tax Increment Financing on Public Schools

This Plan has been adopted with consideration of information in the Report accompanying the Plan regarding the impact of tax increment financing on the K-12 public school system. Under current law providing for substantial state funding of K-12 schools, the tax increment financing of the Urban Renewal Agency Plan has minimal impacts on the revenues received by the Hillsboro School District.

Duration of Plan

No projects may be commenced and no new indebtedness may be incurred after the twentieth anniversary of the effective date of the Plan (2026). As is common practice in urban renewal plans in Oregon, tax increment revenues may continue to be collected beyond this date. Collection may continue until it is found that deposits in the Agency's debt service fund are sufficient to fully pay principal and interest on indebtedness issued during the twenty years following the effective date of the Plan, either through direct payment of the indebtedness or by payment of principal and interest on bonds or notes issued to finance the indebtedness. Tax increment revenues collected after the twentieth anniversary of the Urban Renewal Plan may only be used to retire outstanding debt.

Revenues

Urban Renewal Agency 113-000

Account	Sub	Description	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
100	000	Net Working Capital	$93,239	$57,789	$57,789	$88,000	$88,644	$23,380
Fees, Permits					***$5,841***	***$6,050***	***$6,000***	***$6,000***
440	000	Miscellaneous			$191		$0	0
462	000	Rental			$5,650	$6,050	$6,000	$6,000
Other								
461	000	Interest			$386	$300	$300	$300
Property taxes								
411	000	Property Taxes	$0	$0	$67,033	$59,730	$75,000	$70,000
Bond Proceeds								
493	000	Bond Proceeds			$16,001		$0	$0
		REVENUES	$93,239	$57,789	$147,050	$154,080	$169,944	$99,680

Expenses

Urban Renewal Agency 113-463

Account	Sub	Description	Actual 2008-2009	Actual 2009-2010	Actual 2010-2011	Adopted 2011-2012	Actual 2/29/2012 2011-2012	Proposed 3/12/2012 2012-2013	Approved
530	000	Professional Services	$12,249					$0	$0
		MATERIALS AND SERVICES	$12,249	$0	$0	$0	$0	$0	$0
770	000	PW Projects	$22,145		$16,002	$10,000		$10,000	$10,000
		CAPITAL	$22,145	$0	$16,002	$10,000	$0	$10,000	$10,000
830		Debt Service Glencoe				$37,806	$14,562	$22,793	$22,793
830		Debt Service Kaybern	$80,990		$42,405	$82,894	$3,000	$51,000	$10,000
		DEBT	$80,990	$0	$42,405	$120,700	$17,562	$73,793	$32,793
		Subtotal	$115,384	$0	$58,407	$130,700	$17,562	$83,793	$42,793
810	110	Allocated Expense						$6,675	$6,546
		TRANSFER & ALLOCATIONS	$0	$0	$0	$0	$0	$6,675	$6,546
		TOTAL EXPENSE	$115,384	$0	$58,407	$130,700	$17,562	$90,468	$49,339
		Unappropriated Fund Balance		$57,789	$88,644	$23,380		$9,212	$5,341
		Contingency							$45,000
		UNASSIGNED EXPENSE	$0	$57,789	$88,644	$23,380		$9,212	$50,341

Debt Service

The Urban Renewal Agency has incurred debt for two projects:

The Kaybern Street lot located at Main Street and Kaybern behind the North Plains Market was purchased in anticipation of creating a parking lot to service the downtown area. The Kaybern loan is an interest only loan through Columbia Community Bank that is due on 2/1/2014.

The Glencoe Road Improvements are the City's contribution to a project that created spires from which banners may be hung, a concrete "Welcome to North Plains" marker at the corner of Highland Court, and other amenities not funded by Washington County. The debt was incurred through the Local Oregon Capital Assets Program (LOCAP) which issued bonds in conjunction with other public agencies. This debt can be called in 2018.

Kaybern Street Lot
Interest Only Loan
Original Par: $131,750
Date of issue: 2/13/2009

Fiscal Year	Principal	Interest	Cumulative Payment	Interest Rate
2011	$20,560.00	5440	$26,000.00	4.250%
2012	$61,256.00	$4,746.00	$66,002.00	4.250%
2013	$49,934.00	$6,000.00	$55,934.00	4.250%
2014	Due 2/1/2014		$0.00	4.250%

Glencoe Road Improvements
LOCAP
Original Par: 275000
Date of issue: 3/14/2011

Fiscal Year	Principal	Interest	Cumulative Payment	Interest Rate
2011	$5,000.00	$16,183.53	$21,183.53	3.000%
2012	$10,000.00	$13,093.76	$23,093.76	3.000%
2013	$10,000.00	$12,793.76	$22,793.76	3.000%
2014	$10,000.00	$12,493.76	$22,493.76	3.000%
2015	$10,000.00	$12,193.76	$22,193.76	3.000%
2016	$10,000.00	$11,825.01	$21,825.01	4.375%
2017	$10,000.00	$11,387.51	$21,387.51	4.375%
2018	$10,000.00	$10,950.01	$20,950.01	4.375%
2019	$10,000.00	$10,512.51	$20,512.51	4.375%
2020	$15,000.00	$9,965.63	$24,965.63	4.375%
2021	$15,000.00	$9,243.75	$24,243.75	5.250%
2022	$15,000.00	$8,456.25	$23,456.25	5.250%
2023	$15,000.00	$7,668.75	$22,668.75	5.250%
2024	$15,000.00	$6,881.25	$21,881.25	5.250%
2025	$15,000.00	$6,093.75	$21,093.75	5.250%
2026	$20,000.00	$5,130.00	$25,130.00	5.700%
2027	$20,000.00	$3,990.00	$23,990.00	5.700%
2028	$20,000.00	$2,850.00	$22,850.00	5.700%
2029	$20,000.00	$1,710.00	$21,710.00	5.700%
2030	$20,000.00	$570.00	$20,570.00	5.700%