City of Cottage Grove Oregon

ANNUAL BUDGET

FISCAL YEAR 2012-13

TABLE OF CONTENTS

Introduction

Budget Summaries

General Fund

Special Revenue Funds

Enterprise Funds

City of
Cottage Grove
Oregon

City of Cottage Grove, Oregon

2012-13 Annual Budget

BUDGET COMMITTEE MEMBERS

City Council

Gary Williams, Mayor

Heather Murphy, Council President

Jake Boone

Garland Burback

Victoria Doyle

Jeff Gowing

Mike Fleck

Citizen Members

Eugene Brown, Jr.

Amy Callahan

Alvin (Bob) Ehler

Lindsey Haskell

Dale Johnson

Thomas Munroe

David Zunno

City Manager

Richard Meyers

Management Staff

Howard Schesser, Community Development Director

Jan Wellman, Public Works Director

Michael Grover, Police Chief

Pete Barrell, Community Services Director

Roberta Olsen, Finance Director

CITY OF
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Cottage Grove
All-America City
1968 & 2004

May 22, 2012

Dear Mayor, City Council and Budget Committee:

Attached is the 2012-13 Proposed Budget for your consideration. This Proposed Budget continues the efforts taken last year to maintain fiscal health and the community's quality of life.

As always, the purpose of this budget message is to introduce the Proposed Budget, provide some background information and supply a brief overview of the document and how it will address the challenges of the coming year. I welcome a much more detailed discussion of the budget as the Budget Committee reviews each fund.

The 2012-13 Proposed Budget for the City of Cottage Grove is, as required by Oregon Law, a balanced budget. Expenditures for all funds total $25,846,025 an increase of $218,244 from the previous year's budget.

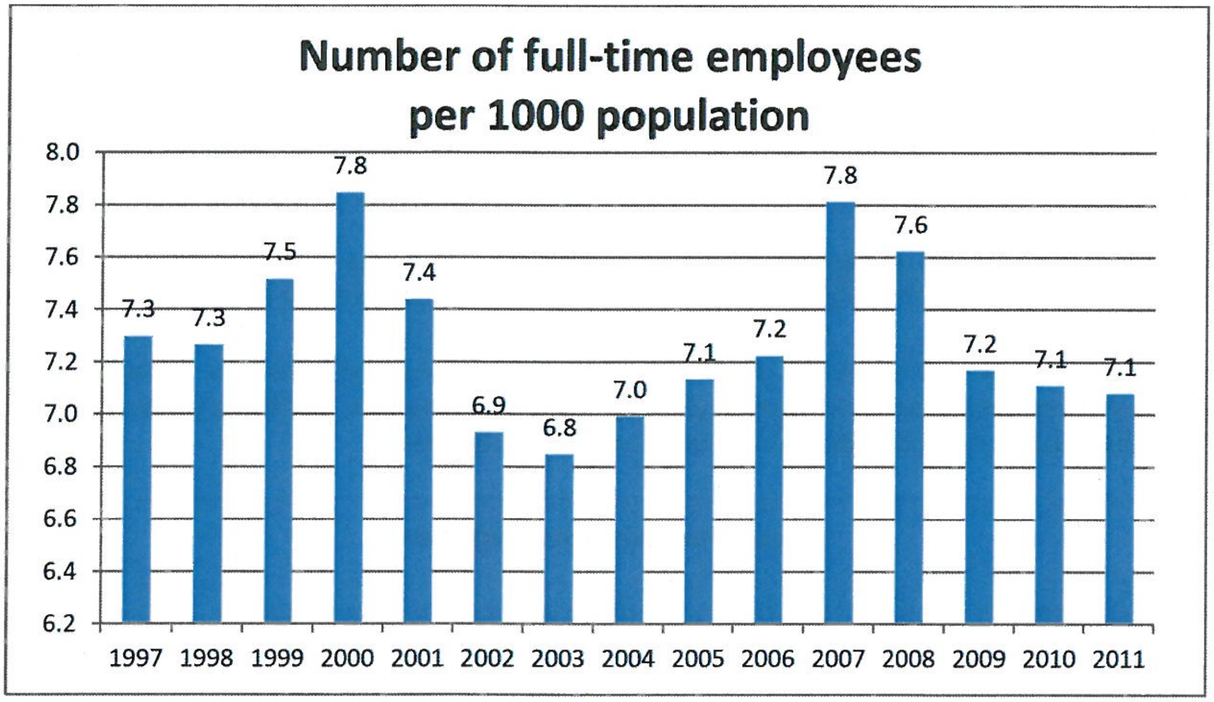
Personnel, Salaries and Benefits

As I have stated in previous years, the operation of the City is labor intensive. We have to use people to make the operations function. Additionally, many of the positions within the City are not your typical entry level positions and require specialized training, skills or specific certifications required by law. As such, personnel costs will continue to make up a major part of the budget for the City. However, as the chart below shows we have been able to maintain our ratio of employees to population, in fact, it demonstrates we are providing more services with existing staff, since during the 15 years of history the City has expanded and added a number of community functions.

This proposed budget maintains the current full-time employees. No new full-time employee positions were created or eliminated. Full-time employee costs have been re-allocated between funds to better reflect their work performed in the current year or the type of work we anticipate that they will be performing during this coming fiscal year. Other personnel changes are the reduction in the number of summer temporary workers and the addition of two new regular part-time employees. The part-time positions added are a position in parks and utilities and the Teen Librarian (a continuation of a current grant funded position) in the library.

In preparation of this budget, we considered the addition of two full-time positions, but they did not make it into the budget. I only mention them here because they will be very important in the future. We considered adding a technology staff person to manage the array of computer and technology systems throughout the City. Instead of a dedicated position, it is likely we will expand our dependence on consultant services, however, it is becoming apparent that daily monitoring and maintenance of our computer and technology systems is becoming essential. Currently, daily maintenance of the City's computer systems is dependent on non-trained employees assigned the tasks with other duties. This results in computer incompatibilities and inconsistent maintenance of computer systems.

The second position considered was a full-time staff City Attorney rather than the currently contracted service. The change would have cost only $14,000 more than currently proposed contractual costs, yet provide significantly more hours of work with no conflicting commitments.



Personnel costs are impacted by bargaining agreements. The City has three separate bargaining units; Police Guild, Public Works -Laborers and the General Unit. During the upcoming budget year all three collective bargaining unit agreements are up for negotiation. The Proposed Budget complies with the existing collective bargaining agreements and awards cost of living increases pursuant to those agreements of 2.9%, 3.7% and 3.7% respectively.

The remaining non-represented employees, are budgeted to receive a 2% Cost of Living Adjustment (COLA) which is significantly lower than any of the bargaining unit employees. The 19 non-represented employees will also be moved from a $100 deductible health insurance plan to a $500 deductible plan. A portion of the premium savings will be used to increase contribution to the employees' Health Reimbursement Accounts (HRA) to help with the increased deductibles. This move results in about an $11,000 savings for the City.

The City continues to fully participate in the City/County Insurance program which results in savings over other health, workers compensation, liability and property insurance programs.

General Fund

The City's permanent rate continues to be $7.2087/$1,000 of assessed value. This Proposed Budget was prepared using the City's full permanent levy amount.

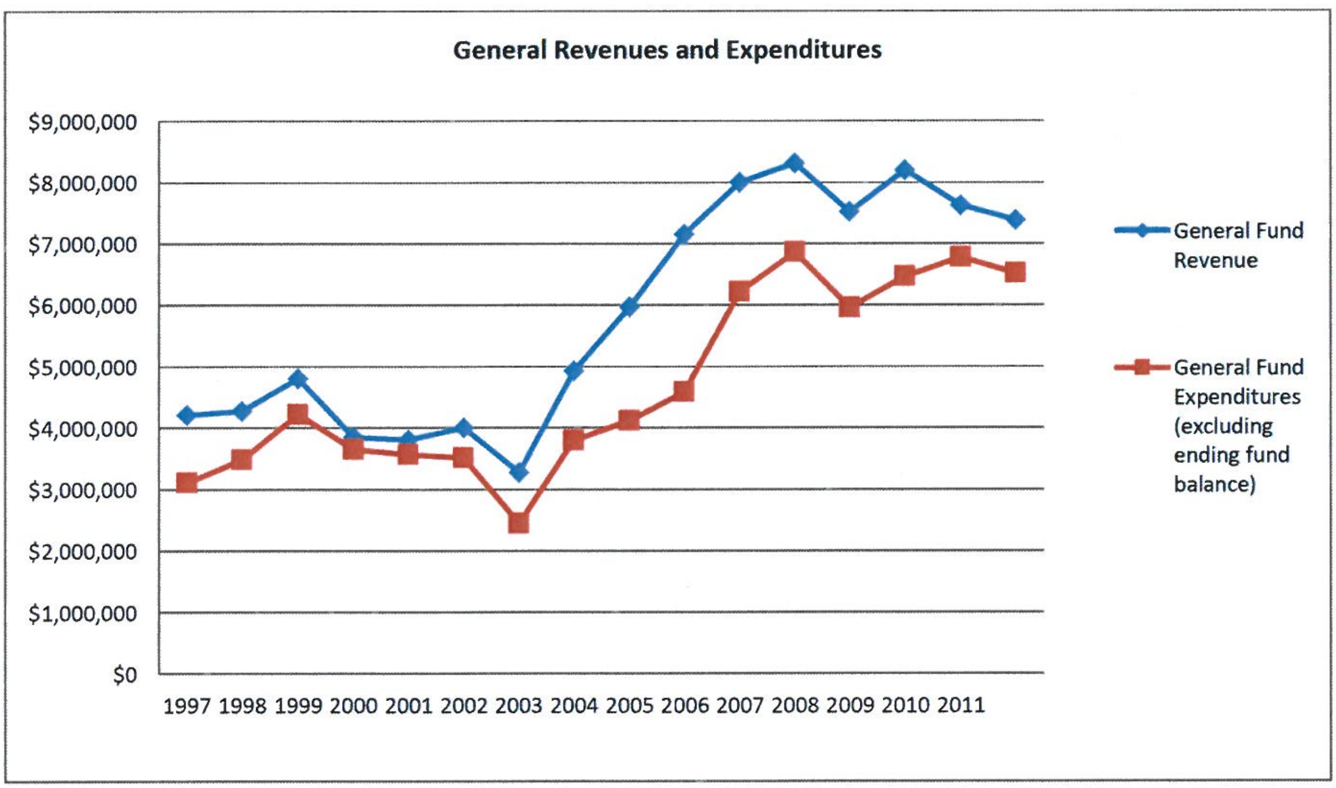
The City may levy less than the full rate without jeopardizing future opportunities to levy the full rate. However, the revenue that could be generated cannot be recovered in a future year. The proposed full levy is estimated to generate $3,780,000 of collectable tax revenue.

Budgeted expenditures within the General Fund are $7,384,405 a reduction of $236,464 from last year's budgeted amounts and also less than the previous actual expenditures for every year back through the 2007-08 Fiscal Year. No major new revenue is contained in the General Fund. Even with this reduction, services remain status quo to last year.

The General Fund is again making a significant transfer to the General Reserve Fund. The General Fund is also making a $34,095 transfer to the Building Inspection Program Fund to make up for a revenue shortfall in fund.

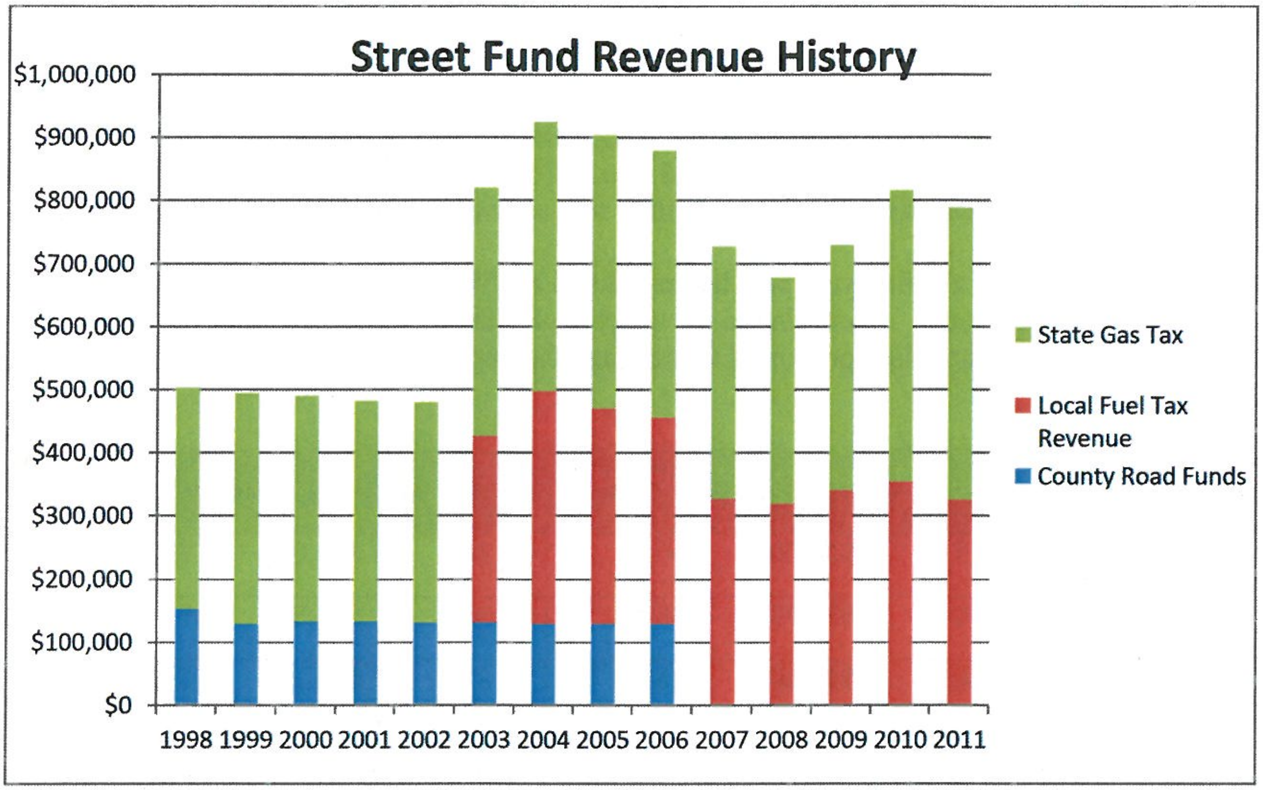
The contingency and unappropriated ending fund balance have also been increased from previous years which brings the budget even closer to complying with the guidelines adopted in the City's fiscal policies.

The graph below shows the history of General Fund revenue and expenditures over the last 15 years. While many governments are showing expenditures exceeding revenues, our history demonstrates the City's prudent budgeting and dedication to living within our budget.



Special Revenue

The Street Fund will see a slight increase in the State Highway funding in the current year as a result of new population numbers. Local motor fuel tax revenue collections continue to improve after dipping in 2008. It is likely we will see the revenue drop if fuel prices continue to climb and as more fuel efficient vehicles get on the road. The chart below shows the history of the Street Fund Revenues. Funding for street improvements is a challenge that the City must continue to examine. Continued reliance on motor fuel taxes alone will not generate the revenue needed to make necessary repairs to our transportation infrastructure.



The major project for the Street Fund during the upcoming fiscal year will be funding the City's portion of the improvements to the Highway 99 and Main Street intersection. The project is scheduled by ODOT to go out to bid in October, 2012, with actual construction to likely begin in Spring 2013. The project will result in significant accessibility, safety and visibility improvements to the intersection and railroad crossing. Improvements at the railroad crossing may begin this summer. In addition to the above ground intersection improvements, a number of major utility improvements are also being made in coordination with the project to avoid tearing up the new road surface for utility work.

The Street Fund will be transferring $19,300 from gas tax funds for use by the Bicycle and Footpath Fund to repay the inter-fund loan from the Storm Drain SDC Fund for the emergency removal of the Chambers Railroad Bridge.

The Building Inspection Program Fund is not able to generate the revenue to meet expenditures. The Building Inspection Program Fund is closely regulated by the State. Although there have been some major building projects during the current year, the Fund has not generated enough revenue to cover costs associated with providing inspection services. To cover the costs of the operation of the Building

Inspection Program the General Fund will be transferring $34,094 to the fund.

The other Special Revenue Funds remain status quo.

Enterprise Funds
Enterprise Funds are those funds that are operated similar to a business. The operations of the fund are supported by the fees or charges for the services.

Utilities (Water, Wastewater & Storm Drain)
This Proposed Budget continues the implementation of the five-year rate and operation plan adopted by the City Council, with a slight modification. Last year, pursuant to the plan there were no scheduled increases in Water, Wastewater and Storm Drain rates for residential users. However, because of increased costs associated with biosolid handling wastewater rates were increased ($.29 on the base and $.15 on the consumption) during the current fiscal year. Commercial customers' Storm Drain rates were phased in during the current fiscal year bringing their rate equivalent to residential rates.

In the coming fiscal year, the five-year plan has scheduled a 4.5% increase in Water and a 29% average increase in Storm Drain rates. According to the adopted plan the increases would be applied to both the operation (base and consumption) portion of the rate and the improvement (or surcharge) portion of the rates.

	Water Base	Water Consumption /1000 gals.	Water Improvement	Wastewater Base	Wastewater Consumption /1000 gals.	Wastewater Improvement	Storm Drain /ESU	Storm Drain Improvement /ESU
Current Rates	$14.40	$1.15	$20.60	$6.55	$3.36	$16.07	$2.27	$2.81
Adopted Plan	$15.05	$1.20	$21.53	$6.55	$3.36	$16.07	$3.11	$3.45
Proposed Rates	$15.05	$1.20	$20.60	$6.84	$3.51	$16.07	$3.11	$3.45

To reduce the impact on customers and to still try to meet the needs of the operation of the utilities this Proposed Budget was prepared modifying the rates established in the plan. The table above shows the modification of the rates by putting a 4.5% increase on the operation rates of Water and Wastewater with no increase on the Water improvement rates.

The increase in Wastewater rates was not scheduled in the plan, but is needed because Wastewater rates are not meeting the revenue estimates and the fund is still trying to recover from previous year requirements to make up a reserve balance as required by improvement loans.

The Storm Drain increases were scheduled and essential to be able to handle the additional operational requirements when the City hits the magic 10,000 population. One of the requirements will mean a staff increase in 2013-14.

The proposed rates result in a $3.62 monthly increase for residential users using 6,000 gallons of water and a typically sized meter. The total increase will vary based on meter size, consumption and type of use. The rate increases are estimated to generate $63,100 in Water; $61,100 in Wastewater; and a total of $118,900 in Storm Drain.

City staff wrestled with the rate adjustments and carefully considered all options. It is important to note the remarkable work that is done to control rates. First off, in wastewater we save about $130,000 a year in personnel costs because we operate the treatment plant with a small staff. DEQ regularly reminds us that we should have 5 operators on staff to run the plant 24 hours a day 7 days a week. We do it with 3 staff. Will we be able to continue that much longer? – probably not – Regulations, testing requirements and increased operational needs are impacting the staff. As an example of changes to workload, every week Wastewater treatment plant staff spend time they used to use for other duties to load biosolids for hauling. Another example of efforts to control rates is the over $300,000 grant funded upgrade to the digester changing the mixers to bubblers that increases oxygen, improves the ability of the little bugs to digest the materials and significantly reduces energy usage. Energy reduction will save money for years to come as energy rates continue to escalate.

Water treatment is the same, we run the plant with 3 operators and constantly seek more economical ways to produce high quality drinking water and to reduce energy consumption. We have also been active monitoring State legislative activities that have been proposed that would have created unreasonable and burdensome additional training, testing and regulations.

I want to take this moment to address a myth. We often hear it said that Cottage Grove has the highest water rates in the state. This is not true. We don't even have the highest rates in Lane County. Often our total utility rate is compared to another jurisdiction's water only rate. Our rates are higher than some jurisdictions but they are also lower than some. Most of those communities with lower rates have not made major repairs or upgrades to their systems and will be faced with significant increases when they make those upgrades to meet new regulations. The City Council and staff understands that a $94 bill for City utilities is difficult for many and we know that the information above offers no consolation. We carefully considered a variety of options to find the best alternative at the cheapest cost to the community. The City Council and staff have made a commitment to not jeopardize the public health, safety and welfare of the community in exchange for cheap rates. The drinking water must be safe and always be safe; wastewater treatment must be efficient and reflect responsible stewardship of our environment; and the storm drain system must be maintained to protect the property of our citizens. Failure to protect our health, environment and property will not only result in health or property damages but it will significantly eliminate the potential for economic growth while increasing unproductive costs associated with fines, environmental cleanup and damaged property claims.

Industrial Park. The Industrial Park continues to operate without any support from other funds. The money held within the fund from the property sales covers all debt payments and operation costs. The City continues to have properties in the park for sale. Proceeds from those sales go into the Industrial Park Fund. Most of the lots in City possession had been previously sold and generated some revenue into the fund before coming back into the City's possession. If we make no sales and receive no revenue into the Industrial Park Fund, we will have enough in the fund to cover nearly four years of payments on the State and Federal loans on the project.

Reserve Funds
The Reserve Funds were re-established in June, 2008 to accumulate funds for major improvements, equipment, vehicles, property, buildings or construction. Pursuant to State Law the Reserve Funds must be reviewed and re-authorized every ten years.

The Reserve Funds are recovering. Pursuant to the adopted utility financing plan, the Water, Wastewater and Storm Drain reserve funds were supposed to issue debt last year. Instead some projects identified in the system plans were accomplished using money in the reserves. In order to continue the improvements within the system the Proposed Budget contains loan proceeds in all three reserve funds. The debt payments would be covered by the existing improvement rates (surcharges). It would be nice to be able to continue to just accumulate money in the reserve funds and pay for the improvements with cash on hand rather than paying the costs of borrowing. But we don't have twenty years to wait to begin to make improvements.

System Development Charge Funds
The SDC Fund expenditures are limited to specific expenditures that relate directly to public facilities with increased capacity and that are listed within the adopted Capital Improvement Plans. Typically, eligible projects are tied to development projects. The City plans to use some SDC funds for eligible improvements associated with the Main Street and Highway 99 project. Since the SDC Funds are driven by new development the funds will only be active when development occurs.

Debt Service Fund
The Debt Service Fund receives transfers from other funds to pay the debt associated with equipment or land purchases, improvement projects and other established financing. Most of the debt is tied to the improvements in the Wastewater and Water systems which are paid for out of the surcharges in the utility bills. The General Fund contains debt for the Armory purchase in Non-Departmental and for the broadband project in Broadband.

Trust Funds
The Trust Funds continues to receive donations or other money for specific purposes. With the ending of the "Round up for the Bridge" program, the City has partnered with Community Sharing and created a H_2O Program (Help to Others) allowing customers to round up their utility bills with the additional amount going to an assistance program for citizens needing help with their utility bills.

Urban Renewal
The Row River Urban Renewal District continues to complete the final closeout of the Urban Renewal District Fund. All excess tax increment funds that were collected have been returned to the County for distribution to the appropriate taxing jurisdictions. The last conversion of tax increment to loan proceeds did not zero out the fund balance. We will be doing an additional loan to complete the elimination of the Tax Increment funds. The two traffic signals and intersection improvements are out to bid and will be under construction later this summer. No additional tax increment has been or will be collected by the district.

Conclusion
Again this year it is exciting to present a Proposed Budget that has a positive message, when so many communities are facing major cuts just to balance the budget. This is a direct result of cautious fiscal policies and careful management of the public's money as well as careful planning and preparation for future obligations or requirements. Have we addressed all the needs, do we have money to fix every broken pipe or damaged road? No. But we are moving forward, taking small steps to accomplish what can be done in a reasonable and responsible way. Some people feel that we should not be making those investments in our future. They believe that we can not afford to plan for those future needs or requirements. That is the same kind of thinking that has gotten us into the situation we are in now, with major improvements that need to be made but no funds saved over the years to cover the costs. If we are

going to want Cottage Grove to be a safe, healthy place to live with education and job opportunities, we have to be taking those small steps now. We are currently reaping the benefit of investments in infrastructure made by previous citizens. We must be replacing that investment for the future.

This Proposed Budget reflects what staff feels is the most efficient and effective way to fund the daily operations to carry out the bigger goals and objectives of the City Council and community. The budget could have been prepared a myriad of other ways. In no way does this Proposed Budget reflect the only way to allocate the City's limited resources. But I do believe it is a balanced approach that truly demonstrates efficient and effective use of public resources.

As I do every year, I express my sincere appreciation to the members of the City Staff that have put countless hours into the preparation of this document as well as express my appreciation for their dedication and commitment to serve this community. Most of the positive results that are evident from this Proposed Budget are the result of their committed stewardship of the community's resources. It is truly an honor to manage a staff that is committed to doing their best. This Proposed Budget is an impressive document and I hope that each member of the community understands the countless hours (outside the normal working day - late in the evening and early in the morning) that went into preparing this document. Please understand that staff could not just stop all other daily responsibilities to put this document together. This work was done while still trying to meet all other regular responsibilities. Thank you to Bert and the Finance Department staff for the work that was done above and beyond. Every year we hope it will be easier, but it doesn't get any easier.

This Proposed Budget contains a wealth of information, but it does not contain everything. It would be impractical to include every piece of information used to prepare the Budget Document. If there is any information that you need in order to review and consider this Budget Document, please contact me and we will provide the information needed. I hope the information contained in this Budget Document is useful and helpful for you as you review and consider the 2012-13 Proposed Budget.

I look forward to discussing the Proposed Budget and answering questions regarding the Budget document.

Oh, and happy quasquicentennial Cottage Grove!

Sincerely,

Richard Meyers
City Manager

BUDGET COMMITTEE CHANGES

FROM PROPOSED TO APPROVED BUDGET

After the presentation of the Budget Message and discussion of the various funds, the Budget Committee did not make any changes to the proposed budget for Fiscal Year 2012-13.

The budget document reflects the amounts approved by the Budget Committee in the approved column.

CITY COUNCIL CHANGES

FROM APPROVED TO ADOPTED BUDGET

The Fiscal Year 2012-13 Annual Budget approved by the Budget Committee was adopted by the City Council with no changes.

The budget document reflects the amounts adopted by the City Council in the adopted column.

ORGANIZATION OF THE BUDGET DOCUMENT

Local Governments have the option of budgeting on a 24-month biennial budget period, or by a fiscal year. The City of Cottage Grove operates on a fiscal year beginning July 1 and ending the following June 30. Priorities must be established based on the financial resources available to meet the needs of the community.

The budget document describes how the City plans to meet the priorities established and serves as a resource for citizens, city officials, and staff. The budget is divided into five major sections as described below:

General Information

This section contains an overview of the City, "City at a Glance" as well as the City's budget process and calendar, and budget financial polices used to develop the Fiscal Year 2012-13 Budget. Budget amendment procedures are also discussed. Additionally, background information is provided such as economic information and demographics.

Budget Summaries

The City's budget is organized on the basis of funds, and each is considered a separate accounting entity. This section includes a summary of resources and requirements of all city funds combined, and summaries of all individual funds.

Fund / Department Budgets

Fund and Department revenues and expenditures, as well as operational objectives, accomplishments, and performance measures are provided in this section. Historical financial information required by Oregon Budget Law for the two prior year's actual, current year adopted, and next year's proposed expenditures for each department is provided. This portion essentially provides actual adopted budget numbers. The City's budget contains the following fund and fund types:

General Fund	Reserve Funds
Enterprise Funds	Debt Service Fund
Capital Projects	Trust Fund

Urban Renewal Agency

Revenue and expenditures related to the City's urban renewal district is included in this section. The Urban Renewal Agency is a component unit of the City of Cottage Grove. It is a requirement to submit its own budget.

Appendix

The appendix contains a variety of other budget-related information to assist with understanding the budget document. It includes listings of the various board members, and a glossary of terms and acronyms used in the budget document.

City at a Glance

Cottage Grove, the “Covered Bridge Capital of Oregon”, is located in the middle of western Oregon and in the southern part of Lane County, on Interstate 5 (I-5). Cottage Grove is approximately 20 miles from the major population center of the area (Eugene-Springfield) and serves an immediate labor market of approximately 35,000 people. Cottage Grove was selected as an All-America City in 1968 and 2004, one of only two cities in the State to have received the award twice.

Cottage Grove has the council-manager form of government. There is a seven-member Council including the Mayor. The City provides twenty-four hour police coverage and operates the water and wastewater systems serving the City. The City also operates a public library which is open six days a week and provides planning and development, park maintenance, and operates an 18-hole golf course. The City completed an $11 million upgrade to the wastewater treatment system, and a $9 Million upgrade to the water treatment plant in 2009. These facility upgrades reflect the community’s commitment to protecting and improving the environment.

The July 1, 2011 certified population estimate from Portland State University for Cottage Grove was 9,745. Between 2000 and 2010, the population of Cottage Grove grew by 12.3% which is somewhat faster (0.60 faster) than the population increase in Oregon.

The average high temperature in July and August is 82 degrees with the average low on summer nights in the 50’s. The coldest month is January, with an average low of 32 degrees and highs in the 40’s.

General Information	
Date of Incorporation	February 11, 1887
Area in Square Miles	3.98
Elevation in Feet	641’
Annual Precipitation	45.54”
Police	
Stations	1
Patrol Units	8
Sworn Officers	16
Physical Arrests, Juvenile and Adult (non-traffic)	913
Traffic Violations	376
Streets	
Miles of Paved Streets	45.66
Miles of Gravel Streets	1.5
Miles of Storm Sewers	30.85

Water

Miles of Water Mains		49.05
Hydrants		401
Service Connections		3910
Daily Average Consumption in Millions of Gallons		
	July - September	1.7
	December – February	1.1
Maximum Daily Capacity of Plant in Million Gallons		4.0

Wastewater

Miles of Sanitary Sewers		45.72
Treatment Plant		1
Service Connections		3685
Daily Average Treatment in Million Gallons		
	May – October	1.5
	Nov. – April	3.4
Maximum Daily Capacity in Million Gallons		13.0

Broadband

Miles of Fiber (Figure includes fiber in Creswell)	5.94
Wi-Fi Radios Installed	96

Community Services

Community Centers	1
Parks	22
Park Acreage	243.58
Golf Courses	1
Skateboard Parks	1
Tennis Courts	1
Trails (miles)	10.3

Health Care

Hospitals	1
Hospital Beds	14

Education

Elementary Schools	2
Elementary School Instructors	58
Secondary Schools	3
Secondary School Instructors	77

Top Ten Taxpayers in the City of Cottage Grove

Taxpayer	Taxable Assessed Value
Wal-Mart Stores, Inc.	$ 6,155,684
Village Green Resort, LLC	$ 5,376,008
Spring Investments, LLC	$ 5,234,808
Sunrise Ridge, LLC	$ 4,514,943
Safeway Stores, Inc.	$ 4,753,468
Northwest Natural Gas	$ 4,041,000
Gregory Falk, LLC	$ 3,879,245
Magnolia Gardens Assisted Living	$ 3,537,193
Charter Communications	$ 3,340,800
Engineered Solutions LP	$ 2.241.914

Ten Year Statistics

Year	Assessed Value	Population	School Enrollment
2001-02	$308,531,233	8670	2766
2002-03	$360,319,572	8730	2768
2003-04	$338,331,809	8910	2803
2004-05	$349,406,767	9010	2827
2005-06	$400,236,137	9110	2714
2006-07	$426,789,165	9275	2724
2007-08	$444,250,454	9345	2716
2008-09	$483,168,933	9445	2835
2009-10	$525,779,935	9705	2635
2010-11	$537,670,091	9745	2761

Petty Cash

Oregon Revised Statute 294.465 requires that each petty cash account and the amount thereof be listed in the budget document. The City of Cottage Grove has the following cash accounts:

Finance Tills	$750
Finance Petty Cash	$200
Library Till	$ 40
Police Department Petty Cash	$100
Public Works Petty Cash	$200
Golf Course Tills	$700

City of
Cottage Grove
Oregon

BUDGET PROCESS AND CALENDAR

The process followed in the preparation of this budget complies with the Local Budget Law established by the State of Oregon (ORS Chapter 294). This process also applies to the Urban Renewal Agency's budget. The process and calendar are as follows:

Phase I – Budget Request

In this phase the Department Heads submit their needs for staffing, materials, and supplies. They also provide the text portion for their operations. The finance department computes the wages and benefits for all departments, except public works.

Calendar	Process
February 2012 Appoint Budget Officer ORS 294.331	The City Charter establishes the City Manager as the Budget Officer. The City Manager establishes the priorities for FY 2012-13 as well as identifies issues to be addressed by this year's budget.

Phase II – Budget Proposal Phase

The proposal phase entails reviews by the City Manager and Finance Director with each Department manager. Financial requests are reviewed for changes and inconsistencies from prior years. Increases/decreases are explained. The City Manager decides which additions/deletions are approved and provides guidance on the narrative and financial portions of each fund. During this phase the capital projects are also reviewed and all funds are balanced. At the conclusion of this phase the proposed budget document is prepared for printing and compilation.

Calendar	Process
Mar.-April 2012 Proposed Budget ORS 294.331	The Finance Director and City Manager meet with each department manager to review budget requests and ask questions about changes, enhancements, budget variances, and performance measures.
May 2012 Notices of Budget Committee Meeting ORS 294.401	Required public notices are published in the local newspaper no more than 30 days before the first meeting. The City Manager's proposed budget is finalized and submitted to the Budget Committee Members for review and consideration prior to the first meeting. At least five days after the first public notice, but no less than five days before the first meeting, a second notice is published.

Phase III – Budget Approval Phase

During the Approval phase, the budget committee meets and is presented with the Budget Message from the City Manager. The Committee has the responsibility to evaluate the proposed budget and may make changes as they deem necessary. At the completion of their review, they are required to take formal action to approve the budget and refer it to the City Council for adoption.

Calendar	Process
May 2012 Budget Committee Meets ORS 294.401 ORS 294.406	Budget Committee meets to receive the FY 2012-13 Budget Message, to discuss funding issues, and to take public input. When the Committee is satisfied with the budget, including any deletions or additions, the proposed budget is approved.

Phase IV – Budget Adoption

The fourth and final phase of the process is adoption. The City Council may make additional changes if desired, within limitations set by statute, and then adopts a resolution to appropriate expenditures by fund, and set a tax levy.

Calendar	Process
June 2012 Publish Budget Summary & Notice of Budget Hearing ORS 294.421	After the Budget Committee has approved the proposed budget, a summary of the budget and a notice of the Budget Hearing to be held before the City Council is published in the local newspaper, five to thirty days before a public hearing for adoption.
Last Council Meeting In June 2012	A public hearing before the City Council is held to allow citizens to comment on the approved budget. After the hearing, the City Council may adopt the budget with no changes or they may make additions and reductions within certain limitations. A resolution is adopted making the appropriations and levying taxes.
July 15, 2012	The adopted budget for fiscal year 2012-13 becomes effective July 1, 2012. Certain reports, forms, and documentation are provided to the County Assessor's office by July 15.

BUDGET/FINANCIAL POLICIES

The development and eventual implementation of this budget are guided by the following policies:

OPERATING BUDGET POLICY

Personal Services –

Comply with existing union/association agreements, making sure the total compensation package is comparable to similar positions and communities.

Materials and Services –

Adopted increases for materials and services are targeted to remain level or increased only after substantiation and demonstration of need by the department manager.

Capital Outlay –

Capital outlay is reviewed on a case-by-case basis. Equipment requests are discussed with the City Manager.

Current Operating Revenues -

Current operating revenues will be sufficient to support current operating expenditures. Fund balance appropriated shall not exceed an amount that management can reasonable expect to save during the year.

Debt or Bond Financing-

Debt or Bond financing will not be used to finance current non-capital expenditures.

Transfers to debt service for scheduled principal and interest payments, as well as estimates for new issues are estimated and included in the appropriate fund.

Performance Measures –

The City will continue to develop and integrate performance measures and productivity indicators with the annual budget.

Risk Management –

The City will continue to develop the risk management program to provide for protection against loss and a reduction in exposure to liability. The comprehensive safety program will also be enhanced to minimize the City's exposure to liability and thereby reduce the number of claims filed.

Balanced Budget –

The requirement of local budget law is such that the sum of each fund's resources equal its appropriations and unappropriated ending fund balance.

Accounting Standards –

It is the City's policy that the operating budget be prepared in accordance with Generally Accepted Accounting Principles.

REVENUE POLICY

Assessed Valuation –

Shall be estimated based on historical trends and growth patterns in a conservative manner.

Fees –

The City sets fees that will maximize user charges in lieu of Ad Valorem Taxes for services that can be individually identified and where the costs are directly related to the level of service:

a. To the extent possible, user charges for water, sewer, and storm drainage will be sufficient to finance all operating, capital and debt service costs for said services.

b. The Community Center will operate in a manner such that 10% of budgeted operating costs will be financed through user charges.

c. Golf Course operations and maintenance will be funded from user charges for all programs for which it is practical to charge. Fees will represent at least 100% of the operating and debt service costs.

d. Building and code enforcement activities will be funded through user charges in the form of building permits, inspections, and plan review fees. These fees should represent 100% of operating costs.

e. To the extent practical, any general city service, which is of a higher level or benefits specific recipients, shall be supported by user fees designed to recover costs from such recipients.

f. Where user fees are based on cost recovery, said costs shall be reviewed annually and fees adjusted as practicable.

DEBT POLICY

Capital Projects –

Financing for capital projects through the issuance of bonds shall be financed for a period not to exceed the expected useful life of the project.

General Obligation Bonds –

The general obligation debt of the City will not exceed 3% of the real market value of all taxable property within City boundaries as provided in ORS 287.004.

Debt Service –

Total debt service on tax-supported debt of the City will not exceed 15% of total general government operating revenue.

Bond Rating –

The City will maintain its financial condition so as to maintain a minimum AA bond rating.

Avoidance of Unfunded Liabilities –

The City's debt policy will be comprehensive and the City will not knowingly enter into any contracts creating significant unfunded liabilities.

RESERVE POLICY

Unappropriated Fund Balance –

The City will maintain an unappropriated fund balance of 8% of fund operating budgets (excluding capital outlay). These funds will be used to avoid cash-flow interruptions, generate investment interest income, eliminate need for short-term borrowing, and assist in maintaining an investment-grade bond rating.

Contingency –

The City will establish a contingency in each operating fund to provide for unanticipated expenditures of nonrecurring nature or to meet unexpected increases in service delivery costs. The contingency amount will be budgeted at 5% of the fund revenues estimated for that fiscal year. The contingency funds cannot be spent without an action by the City Council.

ACCOUNTING POLICY

Accounting System –

The City will establish and maintain the accounting system in accordance with Local Budget Law and Generally Accepted Accounting Principles. Financial systems will be maintained to monitor expenditures and revenues on a monthly basis.

Audit –

An annual audit will be performed by an independent public accounting firm which will issue an official opinion on the annual financial statements, with a management letter detailing areas that need improvement if required. Full disclosure will be provided in the financial statements and bond representations.

The City's Comprehensive Annual Financial Report (CAFR) will be prepared according to the standards necessary to obtain the Certificate of Achievement of Excellence in Financial Reporting from GFOA and submitted each year for recognition.

BUDGET AMENDMENT PROCESS

Procedures to be followed to amend the budget as events occur after budget adoption is set forth in Oregon Local Budget Law. The type of event determines the procedure to be followed.

The adopted budget appropriates certain amounts for contingencies in each fund to be used at the discretion of the governing body. Contingencies in each fund can only be appropriated for specific unforeseen events by approval of a resolution by the City Council. Specific appropriations of contingencies may include funding for service level changes, unforeseen catastrophic events, or redirection of resources.

State law allows the adoption of a supplemental budget. When the supplemental budget will adjust a current fund's budget by ten percent or less of that fund's expenditures, the supplemental budget can be acted on by the City Council at a regularly scheduled meeting. If the supplemental budget includes any changes greater than ten percent in any fund, a public hearing must be held to adopt the supplemental budget.

FUND SUMMARIES

The City's financial operations are budgeted and accounted for in the funds listed on the following pages. The funds are grouped by major types, as set forth by the Governmental Accounting Standards Board (GASB).

FUND DESCRIPTIONS

GENERAL FUND
The General Fund accounts for resources devoted to support the services associated with local government. Departments within the General Fund are City Manager, City Attorney, Community Development, City Council, Community Center, Municipal Court, Municipal Court Support Services, Police Operations, Youth Peer Court, Parks, Building Maintenance, Community Promotions, Engineering, Finance, Library, Broadband Services, and Non-Departmental. Also any other activity for which a special fund has not been created.

SPECIAL REVENUE FUNDS
These funds account for the proceeds of specific revenues sources that are legally restricted to expenditure for specified purposes. They include the Street Fund, Assessment Fund, Police Communications Fund, Bicycle and Foot Path Fund, Building Inspection Program Fund, Small Business Loan Fund, Housing Rehabilitation Fund, and the Narcotics Forfeiture Fund.

ENTERPRISE FUNDS
Enterprise funds account for goods and services provided on a continuing basis to the general public and are structured to be self-supporting. Enterprise funds are operated in a manner similar to private business enterprises. The costs of providing goods and services on a continuing basis are financed or recovered primarily through user charges. The City's Enterprise Funds are:

Water Fund – Dedicated to the production and distribution of high quality water.

Wastewater Fund – Dedicated to operations and maintenance of the wastewater collection and treatment system.

Storm Drain Utility Fund – Dedicated to the collection and conveyance of storm water to the various river outfalls.

Industrial Park Operations Fund – Dedicated to the continued maintenance of city-owned properties that are for sale, as well as maintenance of the city-owned property within the Industrial Park.

CAPITAL PROJECTS FUNDS
Capital Project Funds account for and budget the receipt of fees derived from charges the City imposed on new development. Funds can only be used on specific projects as designated by ordinance. Capital Project Funds include the Water System Development Charges (SDC), Street SDC, Wastewater SDC, Storm Drain SDC and Parks SDC.

TRUST OR FIDUCIARY FUND
Revenues donated to the City to be used for specified purposes are accounted for in this fund. The stipulations upon the donation may require that only the interest income be used. Oregon Law establishes specific rules for handling private donations to the City for specific purposes.

DEBT SERVICE
The City has established the Debt Service Fund to account for the accumulation of resources for the payment of principal and interest associated with long-term debt.

RESERVE FUNDS
A reserve fund is a type of special revenue fund established to accumulate resources from one fiscal year to another for the cost of any service, project, property or equipment that can be legally spent. Under Local Budget Law a Reserve Fund is the appropriate way to save money from year to year. Reserve funds are created by Ordinance for specific purposes. The City of Cottage Grove has the following Reserve Funds: General Reserve Fund, Water Reserve Fund, Wastewater Reserve Fund and Storm Drain Reserve Fund.

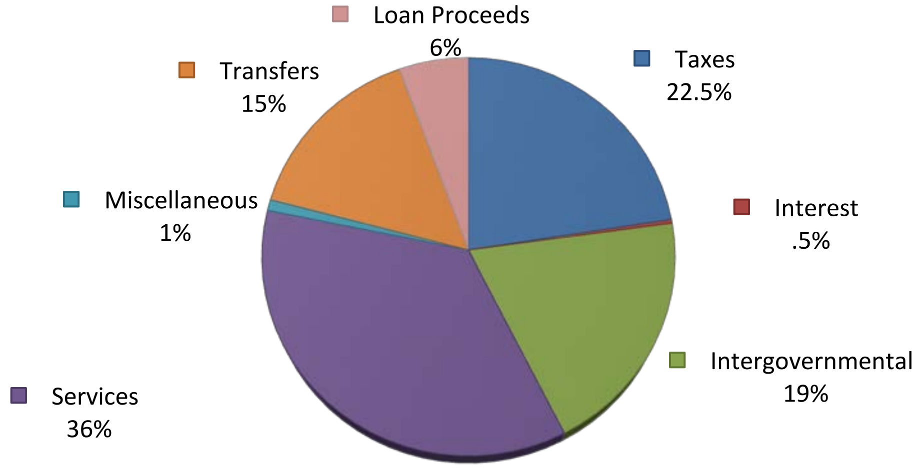
SUMMARY OF RESOURCES AND REQUIREMENTS

The City of Cottage Grove endeavors to provide services essential to the community and that enhance the quality of life. The table below summarizes the major resources and expenditures for all City funds exclusive of urban renewal. This financial data is intended to provide a broad overview of the City's budget. Two-year comparisons of budgeted resources and requirements are presented.

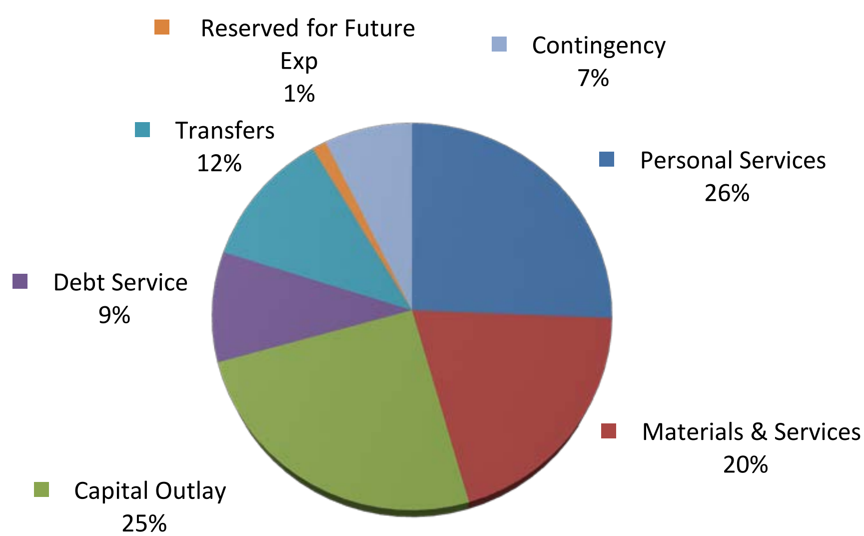
BUDGET SUMMARY - ALL FUNDS COMBINED

	Actual 2009-10	Actual 2010-11	Budget 2011-12	Proposed 2012-13	Approved 2012-13	Adopted 2012-13
RESOURCES:						
Taxes	4,303,879	4,438,239	4,199,000	4,242,000	4,242,000	4,242,000
Interest	55,528	48,146	58,105	52,210	52,210	52,210
Intergovernmental	1,682,477	1,285,597	3,678,327	1,525,191	1,525,191	1,525,191
Services	6,066,827	6,394,215	6,200,461	6,938,875	6,938,875	6,938,875
Miscellaneous	746,093	1,278,748	612,600	267,250	267,250	267,250
Transfers	2,782,627	2,797,519	2,855,648	2,951,692	2,951,692	2,951,692
Assessments						
Loan proceeds	603,972	-	1,043,600	3,535,800	3,535,800	3,535,800
Beginning fund balance	6,558,877	6,751,997	6,980,096	6,333,063	6,333,063	6,333,063
Total Resources	22,800,280	22,994,461	25,627,837	25,846,081	25,846,081	25,846,081
REQUIREMENTS:						
Personal services	5,679,481	5,792,477	6,440,138	6,750,010	6,750,010	6,750,010
Materials and services	3,977,766	3,206,405	4,998,142	5,562,981	5,562,981	5,562,981
Capital outlay	874,031	1,455,437	6,310,115	5,704,025	5,704,025	5,704,025
Debt service	2,734,356	2,679,393	2,331,855	2,544,307	2,544,307	2,544,307
Interfund transfers	2,782,627	2,797,520	2,887,143	2,951,711	2,951,711	2,951,711
Reserved for Future Exp			299,701	362,191	362,191	362,191
Contingencies			1,847,743	1,447,656	1,447,656	1,447,656
Total Requirements	16,048,261	15,931,232	25,114,837	25,322,881	25,322,881	25,322,881
Ending Balance	6,752,018	7,063,229	513,000	523,200	523,200	523,200
Requirements + End. Bal	22,800,280	22,994,461	25,627,837	25,846,081	25,846,081	25,846,081

All Funds - Budgeted Sources of Revenue (2012-13)



All Funds - Budgeted Categories of Expenses (2012-13)



SUMMARY OF INDIVIDUAL FUNDS - PROPOSED FOR FISCAL YEAR 2012-13

	General	Street	Assessment
RESOURCES			
Property taxes	$ 3,862,000		
Other taxes	$ 80,000	$ 772,425	
Licenses, franchise			
fees & permits	$ 423,175		
Fines & Forfietures	$ 112,000		
Other governments	$ 507,985	$ 387,290	
Charges for services	$ 553,345		
System development fees			
Interest earnings	$ 15,000	$ 1,000	$ 650
Miscellaneous	$ 110,900	$ 1,500	
Loan Proceeds			$ 985,800
Revenue Subtotal	$ 5,664,405	$ 1,162,215	$ 986,450
Interfund transfers			
Beginning fund balance	$ 1,720,000	$ 384,210	$ 150,740
Total Resources	$ 7,384,405	$ 1,546,425	$ 1,137,190
REQUIREMENTS			
Personal Services	$ 3,751,685	$ 317,355	
Materials & Services	$ 1,589,868	$ 505,405	$ 156,860
Capital Outlay	$ 237,250	$ 485,090	$ 980,330
Debt service	$ 198,975		
Requirements Subtotal	$ 5,777,778	$ 1,307,850	$ 1,137,190
Interfund Transfers	$ 746,804	$ 81,700	
Contingencies	$ 339,623	$ 156,875	
Unappropriated	$ 520,200		
Total Requirements	$ 7,384,405	$ 1,546,425	$ 1,137,190

Police Communication	Bicycle & Footpath	Building Inspection	Housing Rehabilitaiton	Narcotics Forfeiture	Industrial Park
	$ 4,775				
		$ 315,000			
$ 137,716					
$ 25	$ 50		$ 1,500	$ 600	$ 3,600
$ 137,741	$ 4,825	$ 315,000	$ 1,500	$ 600	$ 3,600
$ 415,655	$ 19,300	$ 34,095			
$ 100,000	$ 18,715		$ 446,000	$ 177,100	$ 463,000
$ 653,396	$ 42,840	$ 349,095	$ 447,500	$ 177,700	$ 466,600

$ 559,600		$ 59,160		$ 16,280	
$ 78,902	$ 2,170	$ 288,710	$ 447,500	$ 43,033	$ 65,500
$ 5,000	$ 11,000			$ 52,000	
	$ 19,300				$ 103,390
$ 643,502	$ 32,470	$ 347,870	$ 447,500	$ 111,313	$ 168,890
$ 9,894	$ 10,370	$ 1,225		$ 1,303	
				$ 65,084	$ 256,914
					$ 40,796
$ 653,396	$ 42,840	$ 349,095	$ 447,500	$ 177,700	$ 466,600

SUMMARY OF INDIVIDUAL FUNDS - PROPOSED FOR FISCAL YEAR 2012-13

	Water	Wastewater	Storm
RESOURCES			
Property taxes			
Other taxes			
Licenses, franchise fees & permits			
Other governments			
Fines & Forfietures			
Charges for services	$ 1,492,345	$ 1,642,575	$ 242,510
System development fees			
Interest earnings	$ 1,500	$ 450	$ 75
Miscellaneous	$ 15,300	$ 3,750	$ 200
Loan Proceeds			
Revenue Subtotal	$ 1,509,145	$ 1,646,775	$ 242,785
Interfund transfers			
Beginning fund balance	$ 358,480	$ 23,550	$ 31,255
Total Resources	$ 1,867,625	$ 1,670,325	$ 274,040
REQUIREMENTS			
Personal Services	$ 993,175	$ 876,520	$ 176,235
Materials & Services	$ 586,105	$ 615,710	$ 45,890
Capital Outlay			
Debt service			
Requirements Subtotal	$ 1,579,280	$ 1,492,230	$ 222,125
Interfund Transfers	$ 88,885	$ 107,605	$ 2,280
Contingencies	$ 199,460	$ 70,490	$ 49,635
Unappropriated			
Total Requirements	$ 1,867,625	$ 1,670,325	$ 274,040

Water System Development	Wastewater System Development	Storm System Develoment	Parks System Development	Street System Development	General Reserve	Water Reserve
$ 15,000	$ 15,000	$ 15,000	$ 4,500	$ 20,000		$ 1,121,590
$ 150	$ 750	$ 21,050	$ 200	$ 1,800	$ 25	$ 1,500
						$ 200
						$ 500,000
$ 15,150	$ 15,750	$ 36,050	$ 4,700	$ 21,800	$ 25	$ 1,623,290
					$ 185,000	$ 75,000
$ 37,535	$ 165,545	$ 562,260	$ 60,655	$ 578,430	$ 76,310	$ 304,955
$ 52,685	$ 181,295	$ 598,310	$ 65,355	$ 600,230	$ 261,335	$ 2,003,245

$ 6,840	$ 34,645	$ 38,785	$ 1,910	$ 171,755	$ 115,000	$ 367,735
$ 45,845	$ 146,650	$ 559,525	$ 63,445	$ 428,475	$ 119,415	$ 697,300
$ 52,685	$ 181,295	$ 598,310	$ 65,355	$ 600,230	$ 234,415	$ 1,065,035
					$ 26,920	$ 838,375
						$ 99,835
$ 52,685	$ 181,295	$ 598,310	$ 65,355	$ 600,230	$ 261,335	$ 2,003,245

SUMMARY OF INDIVIDUAL FUNDS - ADOPTED FOR FISCAL YEAR 2011-12

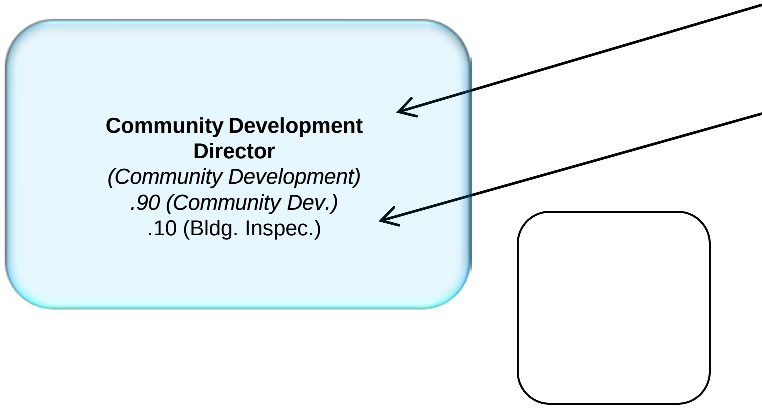
RESOURCES

	Wastewater Reserve	Storm Drain Reserve	Debt Service	Special Trusts
Property taxes				
Other taxes				
Licenses, franchise fees & permits				
Other governments				
Fines & Forfietures				
Charges for services	$ 832,240	$ 271,795		
System development fees				
Interest earnings	$ 250	$ 2,000	$ 15	$ 20
Miscellaneous	$ 100	$ 100		$ 13,000
Loan Proceeds	$ 650,000	$ 1,400,000		
Revenue Subtotal	$ 1,482,590	$ 1,673,895	$ 15	$ 13,020
Interfund transfers			$ 2,222,642	
Beginning fund balance	$ 276,445	$ 390,530	$ 3,300	$ 4,048
Total Resources	$ 1,759,035	$ 2,064,425	$ 2,225,957	$ 17,068

REQUIREMENTS

	Wastewater Reserve	Storm Drain Reserve	Debt Service	Special Trusts
Personal Services				
Materials & Services	$ 89,740	$ 301,850		$ 9,068
Capital Outlay	$ 521,500	$ 1,346,200		$ 5,000
Debt service			$ 2,222,642	
Requirements Subtotal	$ 611,240	$ 1,648,050	$ 2,222,642	$ 14,068
Interfund Transfers	$ 822,155	$ 224,565		
Contingencies	$ 4,245	$ 191,810	$ 3,315	
Unappropriated	$ 321,395			$ 3,000
Total Requirements	$ 1,759,035	$ 2,064,425	$ 2,225,957	$ 17,068

Organizational Chart Legend



-Top heading is the position title.

-This indicates where the position is budgeted and the full-time equivalent (FTE) in each fund,department, and/or division.

-The full-time equivalent is calculated by dividing the number of hours budgeted by 2080 hours (40hrs/week x 52 weeks).

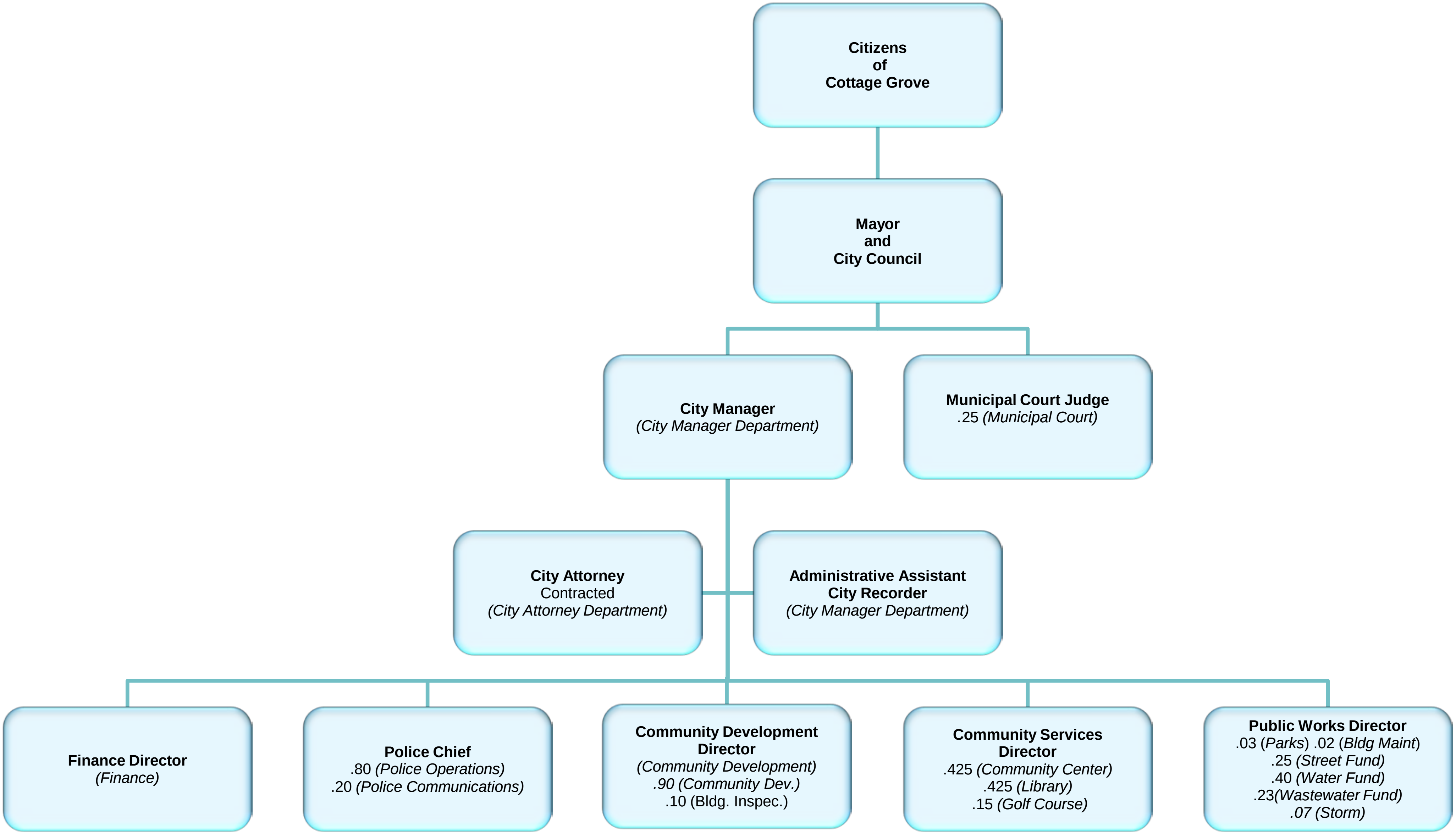
Abbreviation Legend

Asst. - Assistant
Bldg. Inspec. – Building Inspection Program Fund
Bldg Maint. – Building Maintenance
Dir. - Director
Engnring. – Engineering
Equip. – Equipment
FTE – Full-Time Equivalent
Groundskpr. – Groundskeeper

MW I,II,III – Maintenance Worker 1,2 or 3
Supr. – Supervisor
Supt. – Superintendent
Tech. - Technician
WTP – Water Treatment Plant
WTR – Water
WW – Wastewater
WWTP – Wastewater Treatment Plant

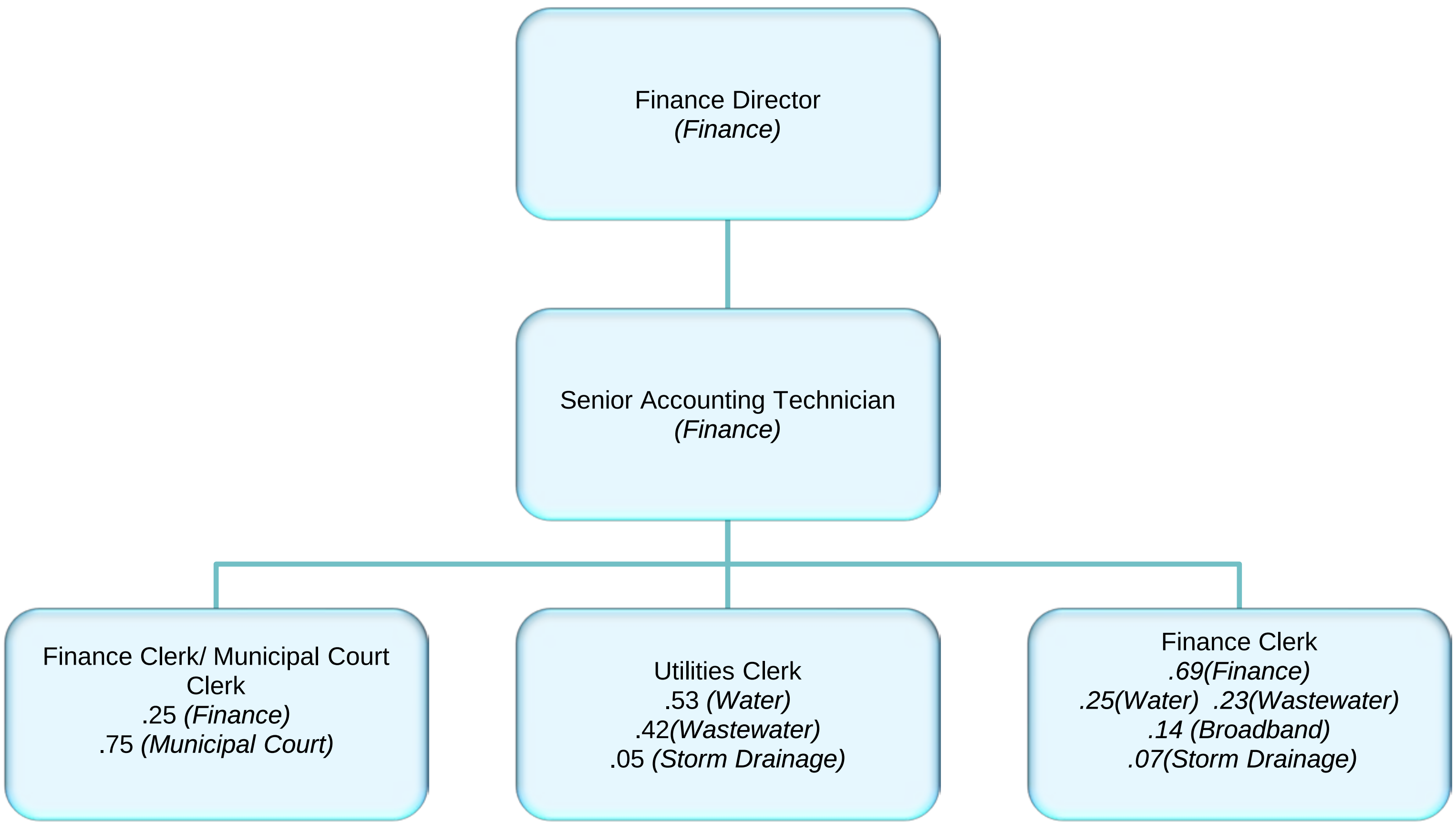
City of Cottage Grove, Oregon

Organizational Chart

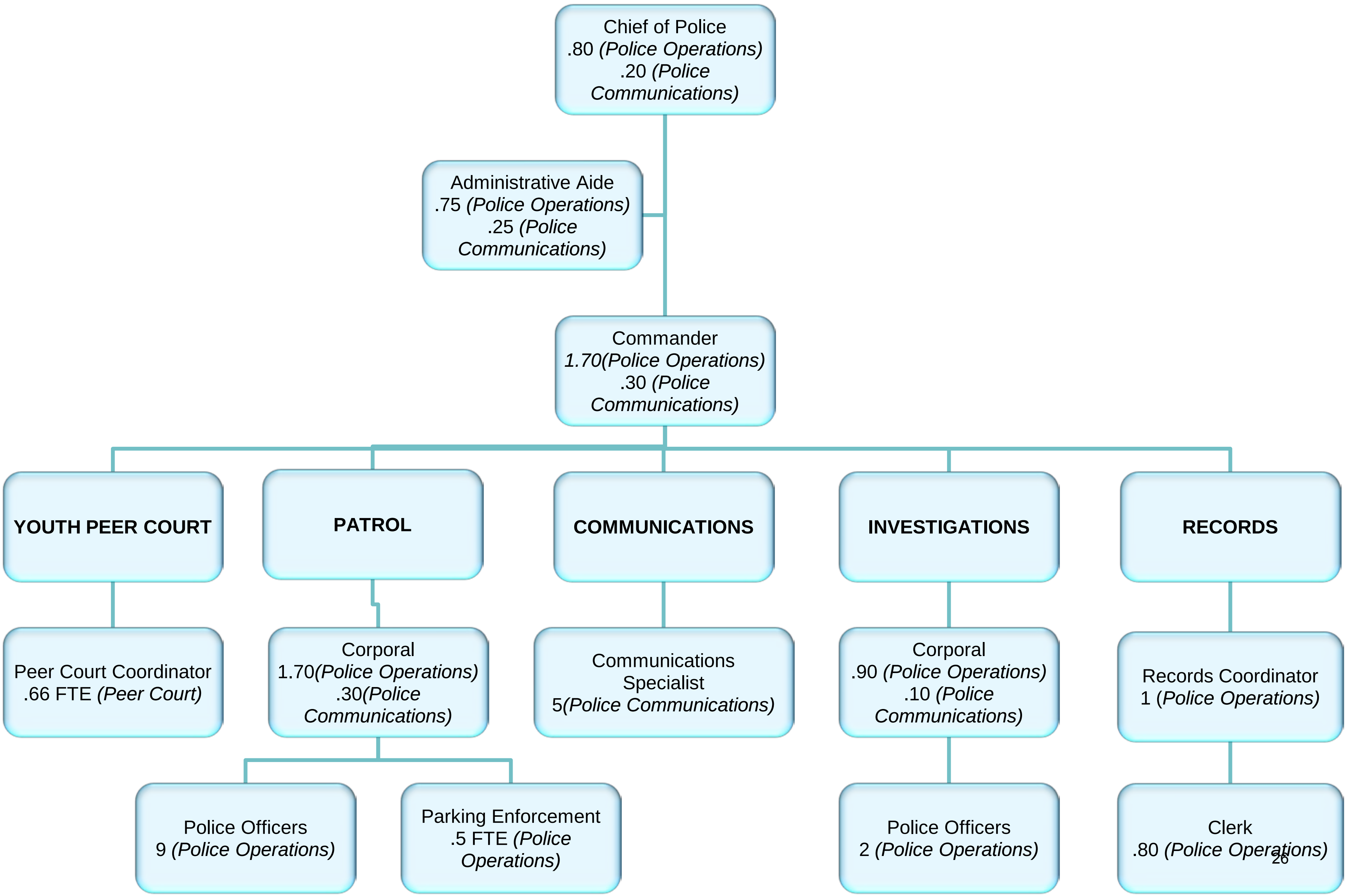


FTE = Full-time Equivalent

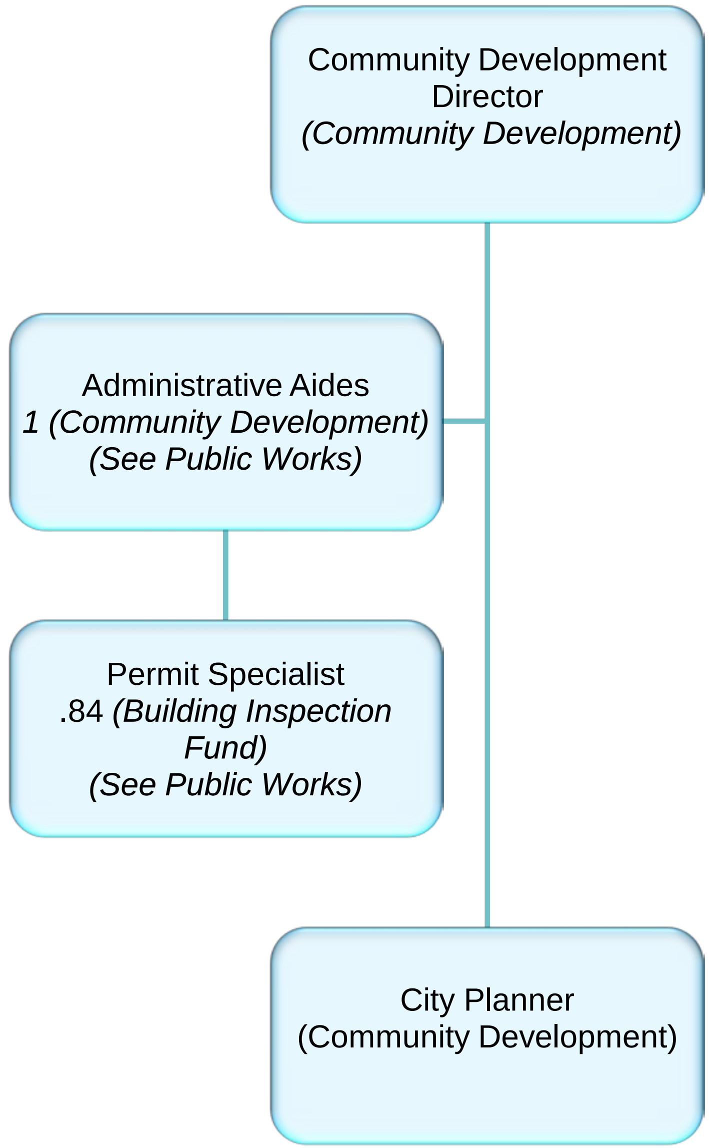
Finance Department



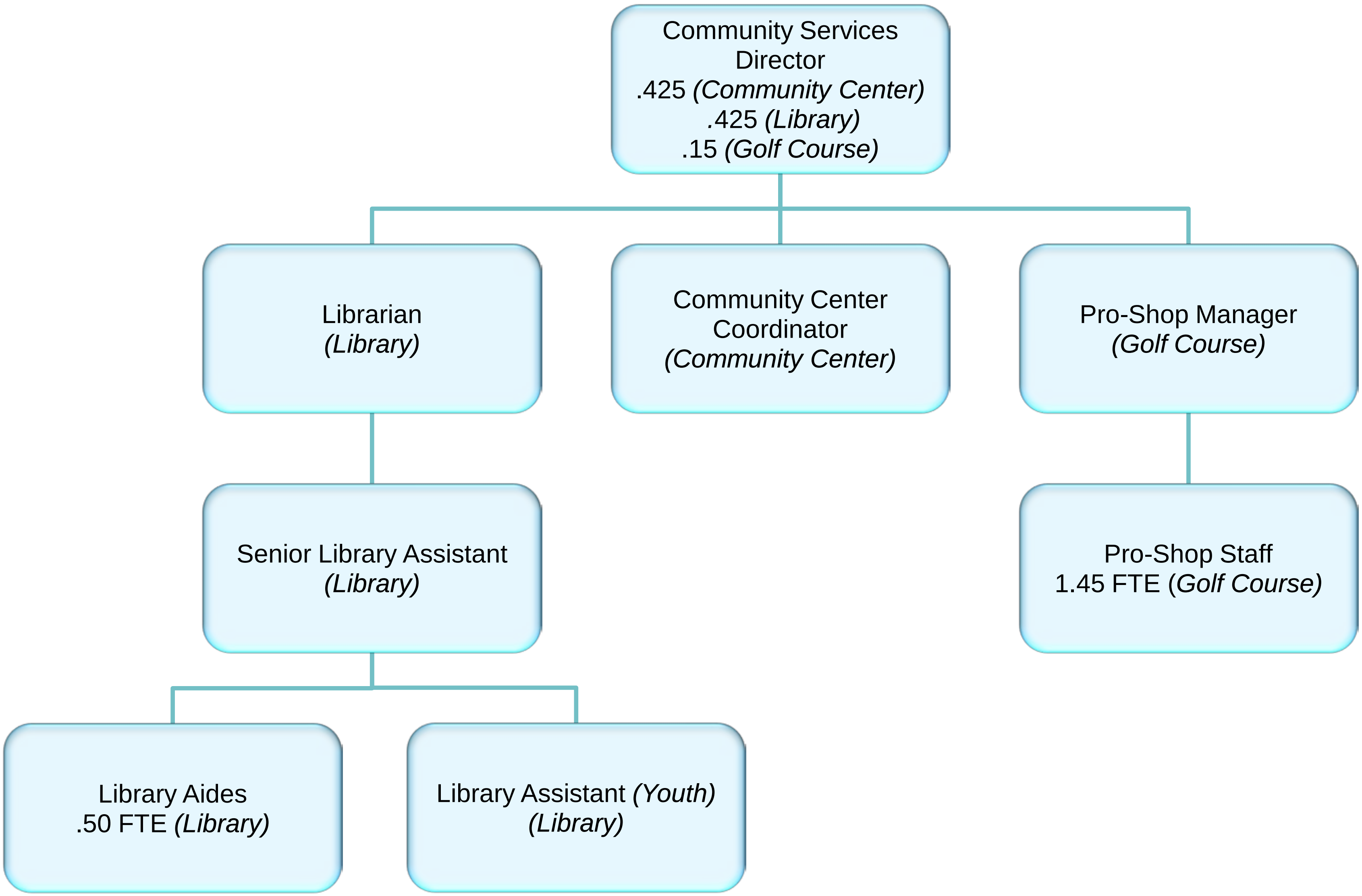
Police Department



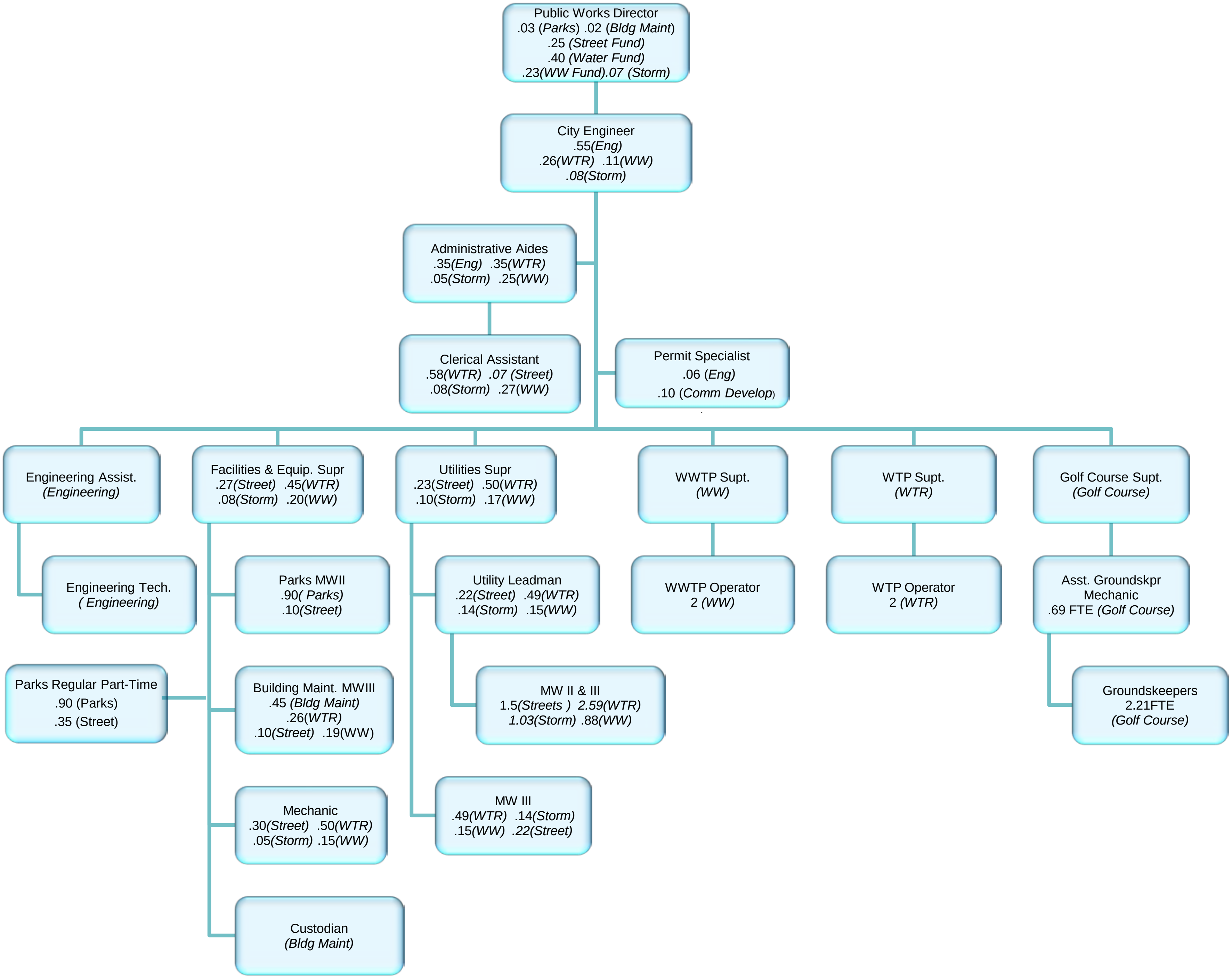
Community Development



Community Services Department



Public Works Department



City of
Cottage Grove
Oregon

FUND DETAILS

REVENUE OVERVIEW

General Fund –

The principal sources of revenue in the General Fund are property taxes, franchise fees, state shared revenues, and charges for administrative services from other funds.

Special Revenue Funds –

Special revenue funds account for specific purpose revenues received primarily from intergovernmental sources, charges for service, or taxes such as the State and Local motor vehicle fuel tax, inspection fees, building permit fees, and 9-1-1 tax.

Street Fund	Assessment Fund
Police Communications Fund	Bicycle & Footpath Fund
Building Inspection Program Fund	Small Business Loan Fund
Housing Rehabilitation Fund	Narcotics Forfeiture Fund

Enterprise Funds –

These funds account for goods and services provided on a continuing basis to the general public. User fees are charged for the services. An enterprise fund is managed similarly to private business and is structured to be self-supporting. Water, wastewater, and storm drainage fees, and rent or sale of property, generate revenue in these funds.

Water Fund	Wastewater Fund
Storm Drain Utility Fund	Industrial Park Operations Fund

Capital Projects Funds –

Capital Project Funds account for the receipt of fees derived from charges the City imposes on new development through system development fees (SDC).

Water SDC Fund	Street SDC Fund
Wastewater SDC Fund	Storm Drain SDC
Parks SDC Funds	

Reserve Funds –

A type of special revenue fund, a Reserve Fund is established to accumulate money for the cost of any service, project, property or equipment. Reserve fund revenue is transferred from other funds or through special fees (surcharges).

General Reserve Fund	Water Reserve Fund
Wastewater Reserve Fund	Storm Drain Reserve Fund

Trust and Agency Fund –

Revenues donated to be used for specified purposes are accounted for in this fund. The stipulations upon the donation may require that only the interest income be used. Donations, memorials, or gifts from citizens or organizations make up the revenue source for this fund.

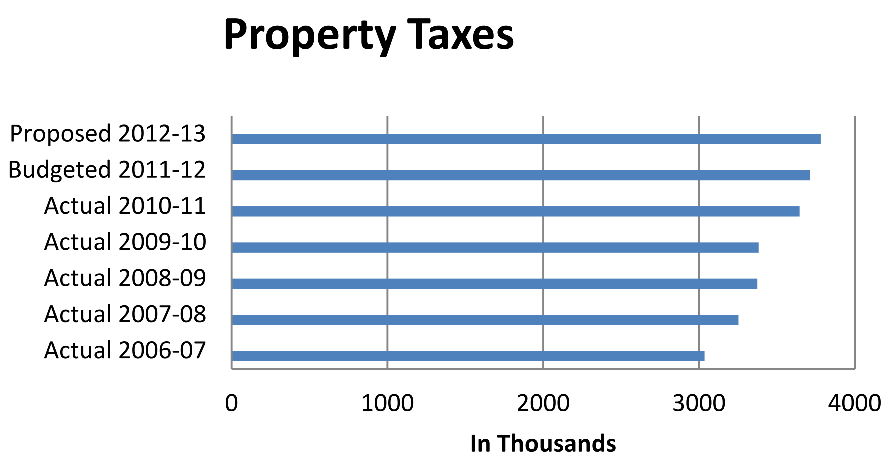
City of
Cottage Grove
Oregon

GENERAL FUND REVENUES

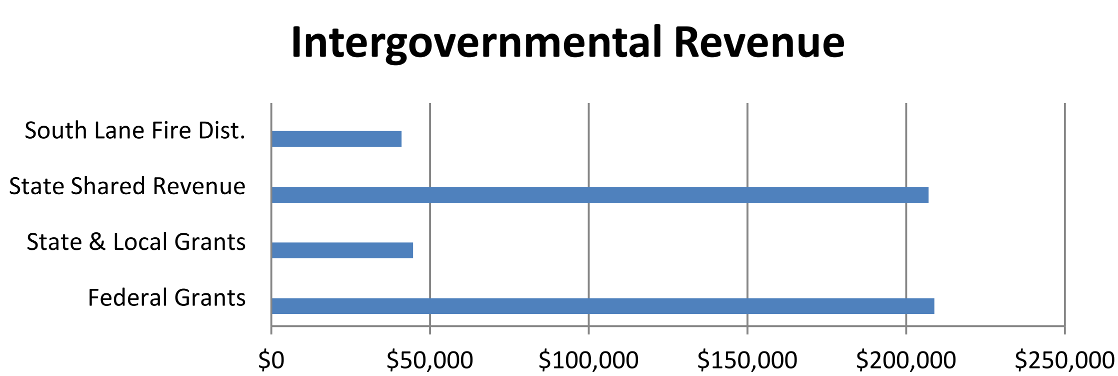
GENERAL FUND
The General Fund is used to account for all revenues and expenditures of a general nature not required to be recorded in another fund. The primary revenues are described below.

Property taxes comprise 51 % of the total revenues. The taxes are generated from a $7.2087 tax rate per $1,000 of assessed values. The county assessor determines the assessed value of the property, bills and collects the taxes and remits collections to the City. The proposed 2012-13 budget is based upon 2% growth in assessed value.

Taxes for 2012-13 will be billed late October 2012, and can be paid in thirds on November 15, February 15 and May 15. Discounts are offered to payment made in full in November and February. For more information about property taxes refer to the Property Tax Summary. Budgeted taxes are less than levied amounts due to estimated uncollectable, delinquencies and discounts.

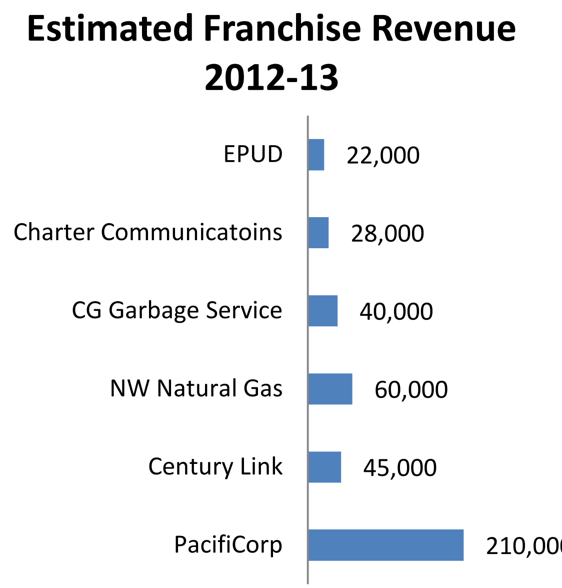


Intergovernmental revenues come from State shared revenues which include alcoholic beverage tax, cigarette tax, state shared revenues; federal/state grants, and South Lane Fire and Rescue District for PERS UAL debt reimbursement. These sources total $502,985, or 6.8% the fund's total. The revenues are allocated by various formulas.



Franchise fees are the fourth largest revenue source and comprise 5.4% of the total revenues. These fees are charged to various utilities for use of public right-of-way. The proposed 2012-13 budget is based upon trend analysis. The fees are based upon a percentage of net sales within city limits. The current percentages by utility category are:

Emerald People's Utility District – 5.43%
Charter Communications – 6.91%
Cottage Grove Garbage Service – 9.88%
Century Link – 11.11%
Natural Gas Northwest Natural Gas 14.82%
PacifiCorp – 51.85%



The General Fund also receives Administrative Fees from a number of Enterprise Funds, Reserve Funds, Capital Project Funds, and the Urban Renewal District. The fees are allocated based on the amount of expenditures incurred in those funds the preceding year.

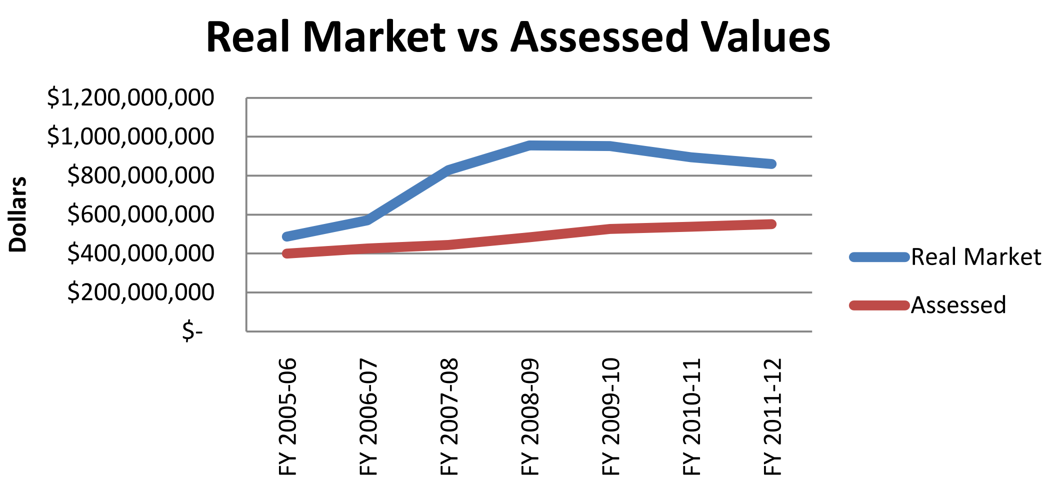
Certain departments provide services for which fees can be charged or fines can be assessed.

PROPERTY TAX SUMMARY

The State of Oregon has a constitutional limit on property taxes for governmental operations. Under the limitation, tax revenue is separated into those for public schools and those for local governments. The limitation specifies a maximum rate for all local government operations of $10.00 per $1,000 of real market value, while schools are similarly limited to a $5.00 maximum rate.

In May 1997, voters approved Measure 50 which separated real market value from assessed value and rolled back assessed values to 90% of 1995-96 and limited future increases of taxable assessed values to 3% per year, except for major improvements. Tax rates are now fixed and not subject to change. Voters may approve local initiatives above the fixed rate provided a majority approves at either a general election in an even numbered year, or at any other election in which at least 50% of registered voters cast a ballot.

Cottage Grove's permanent tax rate is $7.2087 per $1,000 of assessed valuation. Taxes from the permanent rate are recorded in the General Fund. No local initiative is outstanding.



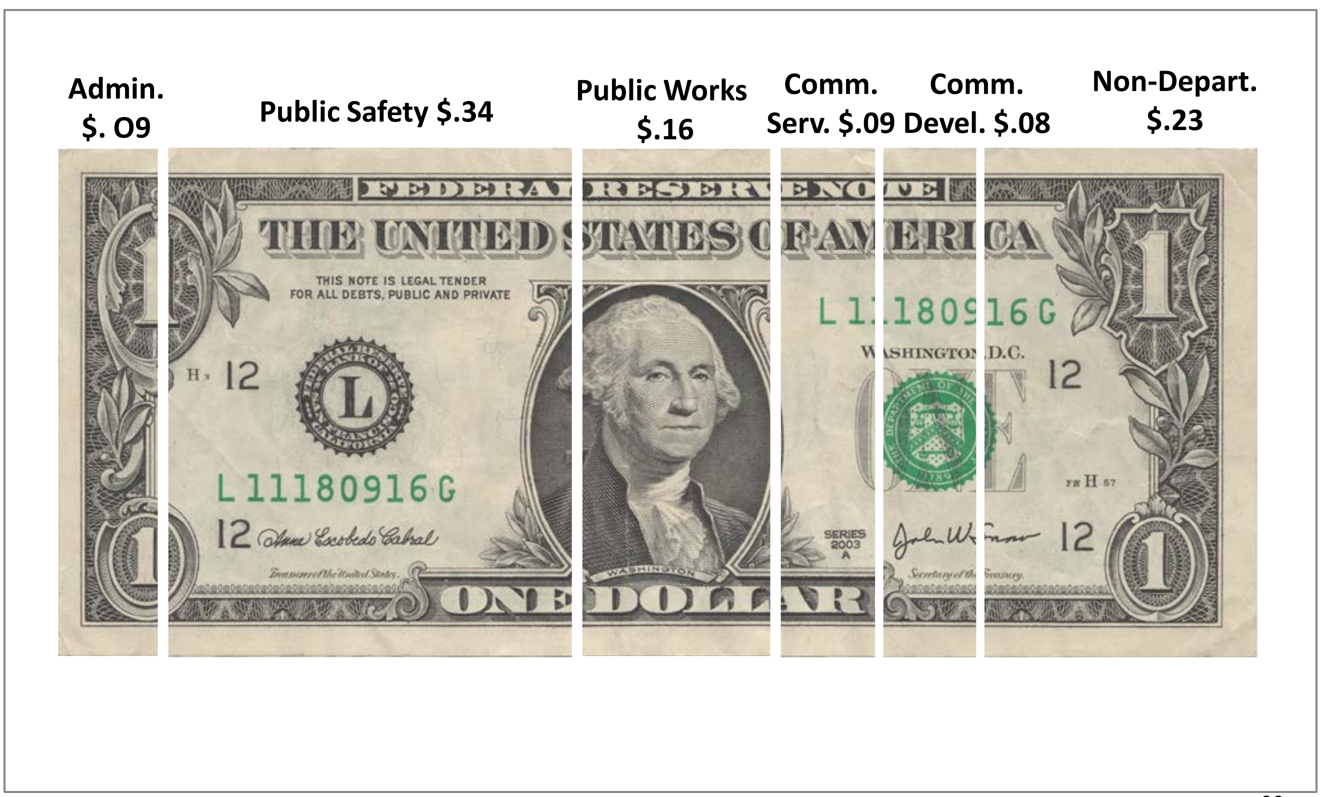
The real market value at fiscal year-end 2011was $860,172,306; the assessed value was $551,007,682; a difference of 35.94%.

Where Every Penny of Your Tax Dollar Goes

DEPARTMENT	FY2012-13 PROPOSED
Administrative:	
City Council	35,300
City Manager	265,680
City Attorney	65,000
Finance	306,590
Total Administration	**672,570**
Public Safety:	
Police Operations	2,346,405
Municipal Court	100,225
Court Support Services	57,465
Youth Peer Court	25,650
Total Public Safety	**2,529,745**
Public Works:	
Building Maintenance	174,025
Parks	333,965
Engineering	284,390
Broadband Services	420,175

DEPARTMENT	FY2012-13 PROPOSED
Community Development	**617,623**
Community Services:	
Library	372,340
Community Center	144,945
Community Promotions	114,950
Total Community Services	**632,235**
TOTALS:	5,664,728
Non-Departmental *	1,719,677
TOTAL GENERAL FUND	**7,384,405**

* Non-Departmental includes a contingency for the General Fund of $339,623, Transfers to Other Departments of $746,804, and an Unappropriated Ending Fund Balance of $520,200.



CITY OF COTTAGE GROVE
PERSONAL SERVICES SUMMARY

FY2012-13

POSITION DESCRIPTION	SALARY	COMM. DEV.	PARKS	BLDG. MAINT.	ENG.	BROAD BAND	WATER DIST.	WATER PROD.	ST. MAINT.	ST. SWPG.	STORM DRAIN	BLDG. INSPECT.	WW COL.	WWTP	GOLF	TOTALS
PUBLIC WORKS DIRECTOR	88,490		2,655	1,770			22,120	13,275	22,120		6,195		13,275	7,080		88,490
WWTP SUPERVISOR	67,140													67,140		67,140
WATER PROD. SUPERVISOR	67,140							67,140								67,140
UTILITY MAINTENANCE SUPVR.	68,065						34,030		15,655		6,810		11,570			68,065
FLEET & FACILITIES MANAGER	68,965						27,580	3,450	15,170	3,450	5,520		10,345	3,450		68,965
CITY ENGINEER	76,220				41,915		16,005	3,815			6,100		8,385			76,220
ENGINEERING TECHNICIAN - 2 FTE	95,860				95,860											95,860
ADMIN. AIDE-CD	42,936	34,350			2,147		4,292						2,147			42,936
ADMIN. AIDE-PUB. WORKS	44,489	8,900			13,343		8,898	2,225			2,225		6,673	2,225		44,489
CLERICAL ASSISTANT-SHOP	40,055						19,225	4,005	2,805		3,205		8,010	2,805		40,055
PERMIT SPECIALIST	29,400	1,710			2,055							25,635				29,400
UTILITIES CLERK	40,050						21,225				2,005		16,820			40,050
CUSTODIAN	31,760			31,760												31,760
GOLF SHOP MANAGER	41,335														41,335	41,335
GOLF SHOP ASSISTANTS - 1.5 FTE	29,755														29,755	29,755
COMMUNITY SERVICES DIR. - .15FTE	11,090														11,090	11,090
FINANCE CLERK - 0.69 FTE	22,325					4,465	8,035				2,235		7,590			22,325
UTILITY MAINTENANCE-15 FTE	768,670		42,965	24,320			218,070	109,950	95,690	28,340	69,345		75,135	104,855		768,670
GOLF COURSE SUPERINDENTENT	55,180														55,180	55,180
GOLF ASST. SUPER/MECHANIC - 0.67 FTE	25,535														25,535	25,535
REGULAR PART TIME WORKER - GOLF - 2.83 FTE	43,190														43,190	43,190
REGULAR PART TIME WORKER - NON GOLF - 1.25 FTE	27,050		17,220					3,000	6,830							27,050
COMMUNITY DEVEL. DIRECTOR	86,200	77,575										8,625				86,200
CITY PLANNER	61,000	61,000														61,000
TEMPORARY WORKER - PLANNING - 0.48 FTE	10,000	10,000														10,000
TOTAL	**1,941,900**	**193,535**	**62,840**	**57,850**	**155,320**	**4,465**	**379,480**	**206,860**	**158,270**	**31,790**	**103,640**	**34,260**	**159,950**	**187,555**	**206,085**	
TOTAL FTE	**41.72**	**4.48**	**1.83**	**1.47**	**2.96**	**0.14**	**7.21**	**3.59**	**3.00**	**0.60**	**1.89**	**0.94**	**3.11**	**3.35**	**7.15**	

FY2012-13 ALL FUNDS FTE TOTAL	**79.58**
FY2011-12 ALL FUNDS FTE TOTAL	**78.18**
FY2010-11 ALL FUNDS FTE TOTAL	**77.20**
FY2009-10 ALL FUNDS FTE TOTAL	**79.53**
FY2008-09 ALL FUNDS FTE TOTAL	**82.67**
FY2007-08 ALL FUNDS FTE TOTAL	**82.19**
FY2006-07 ALL FUNDS FTE TOTAL	**70.41**
FY2005-06 ALL FUNDS FTE TOTAL	**68.41**

CITY OF COTTAGE GROVE
PERSONAL SERVICES SUMMARY
GENERAL/PUBLIC SAFETY
FY2012-13

POSITION DESCRIPTION	SALARY	CITY MANAGER	MUNI. COURT	FINANCE	POLICE OPS	YOUTH PEER COURT	POLICE COMM.	LIBRARY	COMM. CENTER	TOTALS
CITY MANAGER	107,385	107,385								107,385
ADMINISTRATIVE ASSISTANT	50,005	50,005								50,005
COMMUNITY COORDINATOR	42,950								42,950	42,950
FINANCE DIRECTOR	84,385			84,385						84,385
SENIOR ACCOUNTING TECH.	50,370			50,370						50,370
FINANCE CLERK - .69 FTE	23,150			23,150						23,150
COURT/FINANCE CLERK	42,935		32,200	10,735						42,935
MUNICIPAL JUDGE -.25 FTE	24,475		24,475							24,475
POLICE CHIEF	88,475				70,780		17,695			88,475
ADMINISTRATIVE AIDE (POLICE)	44,480				33,355		11,125			44,480
POLICE COMMANDER -2 FTE	147,075				125,010		22,065			147,075
POLICE CORPORALS-3 FTE	184,290				165,850		18,440			184,290
POLICE OFFICERS-11 FTE	601,690				601,690					601,690
PARKING OFFICER-.5 FTE	11,060				11,060					11,060
RECORDS COORDINATOR	37,245				37,245					37,245
CLERK-.8 FTE	19,420				19,420					19,420
COMMUNICATIONS SPEC.- 5 FTE	225,025						225,025			225,025
TEMPORARY WORKER .13 FTE	5,680						5,680			5,680
PEER COURT COORD - .66 FTE	18,025					18,025				18,025
COMMUNITY SERVICES DIRECTOR - .85 FTE	62,840							31,420	31,420	62,840
LIBRARIAN	53,600							53,600		53,600
SENIOR LIBRARY ASSISTANT	42,925							42,925		42,925
LIBRARY ASSISTANT	38,845							38,845		38,845
LIBRARY AIDES - .5 FTE	21,985							21,985		21,985
TEEN LIBRARIAN - .58 FTE	11,690							11,690		11,690
TOTAL	**2,040,005**	**157,390**	**56,675**	**168,640**	**1,064,410**	**18,025**	**300,030**	**200,465**	**74,370**	
TOTAL FTE	**37.86**	**2.00**	**1.00**	**2.94**	**19.15**	**0.66**	**6.18**	**4.505**	**1.425**	

*FTE = Full Time Equivalents