

**CITY OF
ASHLAND
- Oregon -**

2004-2005 Annual Budget

ABOUT THE COVER

For several years, it has been our policy to cover our annual budget and the corresponding comprehensive annual financial report with original art by a member of our burgeoning colony of local artists. We have included a historic perception located on the back cover.

The Community Development & Engineering Services Building was completed in September 2002 by J.R. Turner Construction Company with architectural design by Berry Architects, P.C. and Marquess & Associates, Inc. The Public Works and Community Development departments reside in this building.

Front

Community Development & Engineering Services Building-Mark Schoenleber

Mark Schoenleber was born in Grants Pass, Oregon and has lived in Southern Oregon most of his life. He briefly moved out of Oregon for his college education and after graduating from Washington State University, moved back to Ashland and has been an Art teacher at Ashland High School for the last 21 years.

Back

A historic photo of the Hillah Temple taken by Margorie O’Harra in the 1970’s provided by the Southern Oregon Historical Society, # 18677.



Please recycle this document by returning it to the address below.

City of Ashland
Finance Department
20 East Main Street
Ashland, Oregon 97520
Phone: 541-488-5300
Fax: 541-488-5311
TTY: 800-735-2900

CITY OF ASHLAND



Adopted 2004–2005 Budget

CITIZENS' BUDGET COMMITTEE

ELECTED MEMBERS:

Alan DeBoer, Mayor
Alex Amarotico, Councilor
Cate Hartzell, Councilor
Chris Hearn, Councilor
Kate Jackson, Councilor
Don Laws, Councilor
John Morrison, Councilor

APPOINTED MEMBERS:

Martin Levine, Chair
Jacquie Christensen
James Moore, Jr.
Raymond Olsen
Russ Silbiger
Regina Stepahin
David Williams

ADMINISTRATIVE STAFF

Gino Grimaldi, City Administrator
Lee Tuneberg, Finance Director
Don Robertson, Parks and Recreation Director



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Ashland

Oregon

For the Fiscal Year Beginning

July 1, 2003

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Presentation to the City of Ashland for its annual budget for the fiscal year beginning July 1, 2003.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements. We are submitting it to GFOA to determine its eligibility for another award.

Introduction

City of Ashland Organization Chart 1-1

City at a Glance 1-2

The Budget Message 1-6

Budget Message Addendum 1-18

Budget Committee Recommendations and Council Actions 1-19

Community Values Statement 1-23

Council Goals 1-24

The Budget Process 1-28

Summary by Fund 1-30

Resources Summary by Classification 1-32

Requirements Summary by Classification 1-33

Requirements Summary by Department 1-34

Debt Summary 1-36

Debt Summary by Type 1-38

Property Tax Summary 1-40

Capital Improvements Plan

Capital Improvements Plan 2-1

Department Funds

Administration 3-3

Finance Department 3-17

City Recorder / Treasurer 3-33

Police Department 3-37

Fire and Rescue Department 3-45

Public Works Department 3-57

Community Development Department 3-95

Electric Department 3-103

Parks and Recreation Department 3-117

Non-Departmental Activities 3-132

Resources and Long-Term Plan

Resources Summary Long-Term Plan 4-2

Long-Term Plan Fund Totals 4-4

General Fund 4-7

Community Development Block Grant 4-12

Street Fund 4-16

Airport Fund 4-20

Capital Improvements Plan 4-24

Debt Service Fund 4-28

Water Fund 4-32

Wastewater Fund 4-36

Electric Fund 4-40

table of contents

Telecommunication Fund 4-44
Central Services Fund 4-48
Insurance Services Fund 4-52
Equipment Fund 4-56
Cemetery Trust Fund 4-60
Parks and Recreation Fund 4-64
Parks Capital Improvement Fund 4-68
Youth Activities Levy Fund 4-72

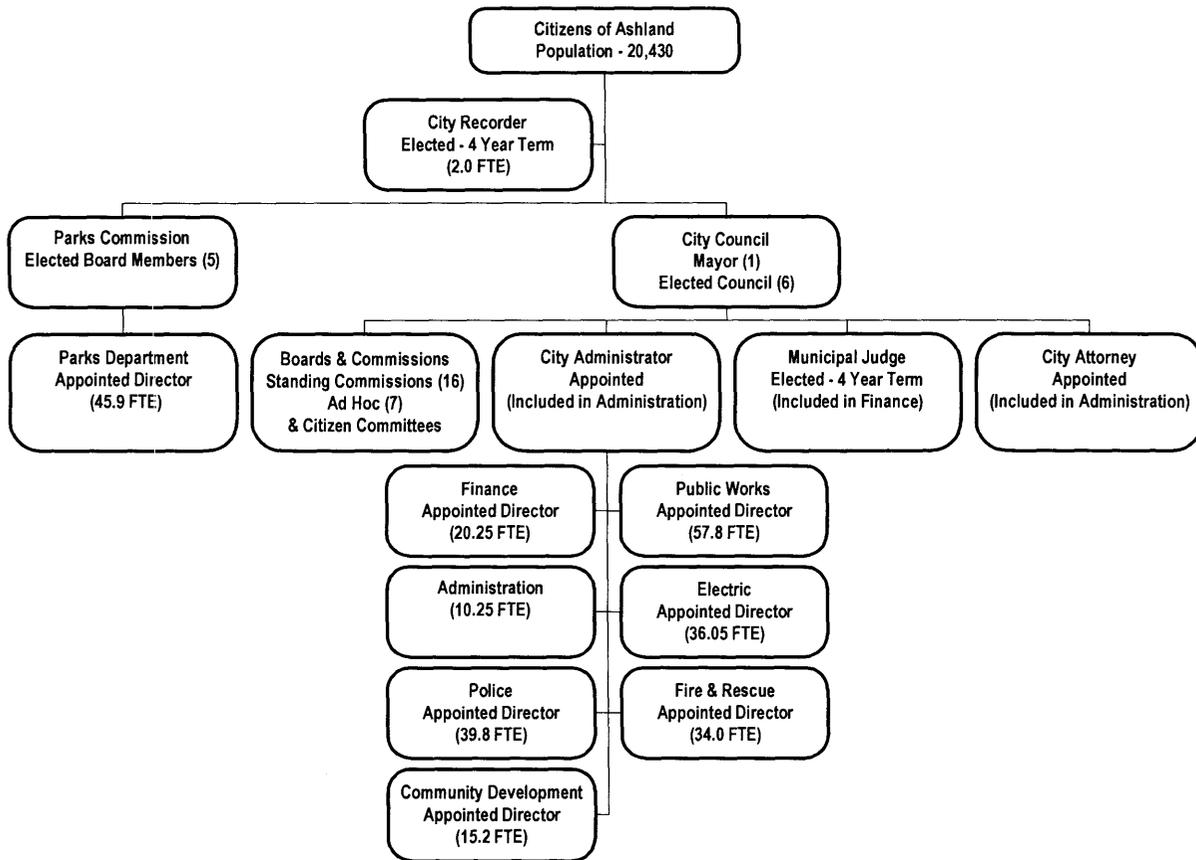
Appendix

History of Combined Property Tax Rates A-2
History of Property Tax Levies A-3
History of Property Tax Rates A-4
Future Debt Requirements A-5
Financial Management Policies A-6
Accounting Methods A-12
Salary Schedule A-14
History of Positions A-17
Summary of Union Affiliation A-18
Chart of Accounts Descriptions A-20
Glossary A-24
Acronyms A-28
Index A-30

Legal Compliance

Budget Calendar, FY 2004-2005 L-3
Affidavit of Publication, April 15, 2004 L-4
Legal Notice, April 15, 2004 L-5
Affidavit of Publication and Legal Notice, April 22, 2004 L-6
Affidavit of Publication, May 24, 2004 L-8
Legal Notice, May 24, 2004 L-9
Resolution 2004-19, Certifying City Provides Sufficient
Municipal Services to Qualify for State Subventions L-10
Resolution 2004-17, Declaring the City's Election to
Receive State Revenue's L-11
Resolution 2004-18, Adopting the Annual Budget and Making Appropriations L-13
Form LB-50, Notice of Property Tax and Certification
of Intent to Inpose a Tax, Fee, Assessment, or Charge on Property L-16
Ordinance No. 2911, Levying Taxes for the Period of July 1, 2004 to and Including June 30, 2005 L-17

City of Ashland 261.25 FTE Adopted



The City of Ashland is a municipal corporation first organized in 1874. The Ashland City Council is elected to serve as the governing body for Ashland's 20,430 citizens. The Mayor, who presides at the City Council meetings, is elected at-large for a four-year term. Six council members are elected at-large for four-year staggered terms. Other elected officials are the City Recorder, Municipal Judge, and the five-member Parks and Recreation Commission.

The Mayor, with confirmation of the City Council, appoints a city administrator. The City Administrator has responsibility for all city functions with the exception of the Parks Department. The Mayor, with confirmation of the City Council, also

appoints the Department Heads, the City Attorney, and the Band Board.

The City Administrator recommends the appointment or dismissal of the Community Development Director, Electric Director, Finance Director, Fire Chief, Police Chief, Public Works Director and the Senior Program Director.

In addition to the help they receive from their appointed staff and employees, 21 advisory boards and commissions assist the City Council. Over 135 Ashland citizens serve on these boards and commissions and make a valuable contribution to the City of Ashland.

The City of Ashland is located in the southwestern part of the state, which is rated as one of the major tourist areas within Oregon. The economic base of Ashland is primarily dependent on tourism and higher education, with a small manufacturing sector based on high technology. The City of Ashland was incorporated in 1874 and operates under the provisions of its own charter and applicable State law. The City of Ashland provides a full range of municipal services including police and fire protection, parks and recreation facilities/activities, streets, airport, planning, zoning, senior program, and general administration services. The City also operates the water, wastewater, cable television and electrical utility systems.

Date of Incorporation	1874
Form of Government	Council, Administrator
Area in Square Miles	5.99
Elevation in Feet	1,900
Annual Precipitation in Inches	19

Police

Stations	1
Patrol Units	6
Sworn Officers	29
Physical Arrests, Juvenile and Adult (non-traffic)	2,412
Traffic Violations	5,858

Fire

Stations	2
Fire Fighters	27
Fire Alarm Responses	319
Emergency Medical Responses	2,294
Non-emergency Public Service Responses	127
Code Enforcement Plans Review	643
Public Education Programs	200

Streets

Miles of Paved Streets	169
Miles of Gravel Streets	19
Miles of Storm Sewers	55

Water

Miles of Water Mains	115
Service Connections	7,419
Hydrants	1,000
Daily Average Consumption in Million Gallons	3.4
Maximum Daily Capacity of Plant in Million Gallons	8

Sewer

Miles of Sanitary Sewers	106
Treatment Plant	1
Service Connections	7,290
Daily Average Treatment in Million Gallons	2.2
Maximum Daily Capacity in Million Gallons	4

Electric		
Street Lights		1,283
Electrical Transformers		1,815
Service Connections		10,374
Poles		2,501
Substations		3

Telecommunications		
Miles of Fiber		35
Miles of Coax		117
Service Connections		2,989
Potential Station Capacity		161

Parks and Recreation		
Community Centers		3
Parks		19
Park Acreage		637
Golf Courses		1
Swimming Pools		1
Ice Skating Rinks		1
Skateboard Parks		1
Tennis Courts		12

Health Care		
Hospital		1
Hospital Beds		49

Education		
Elementary Schools		4
Elementary School Instructors		69
Secondary Schools		2
Secondary School Instructors		102
State Universities		1

Ten Year Statistics

Year	Assessed Valuation	Population	School Enrollment
1993-94	1,001,800,918	17,445	3,482
1994-95	1,082,263,800	17,725	3,458
1995-96	1,204,700,940	17,985	3,454
1996-97	1,201,600,940	18,360	3,384
1997-98	1,035,683,650	18,560	3,358
1998-99	1,089,529,060	19,220	3,309
1999-00	1,175,882,880	19,490	3,258
2000-01	1,240,116,210	19,610	3,411
2001-02	1,333,040,730	19,770	3,393
2002-03	1,422,327,113	20,130	3,321
2003-04	1,511,835,569	20,430	3,138

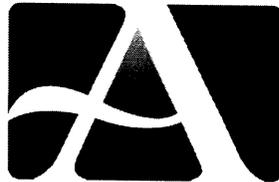
Petty Cash

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

Administrative Services - Senior	\$	200
Community Development Till		150
Electric		100
Finance - Accounting		300
Finance - Purchasing		400
Fire and Rescue Department		200
Municipal Court Till		100
Parks		1,000
Police Department		150
Police Till		50
Utilities Till		260
	\$	2,910

Major Employers in the City of Ashland

<u>Employer</u>	<u>Industry</u>	<u>Employment</u>	<u>Status</u>
Southern Oregon University	Higher Education	750	Exempt
Oregon Shakespeare Festival	Entertainment	450	501c3
Ashland Public Schools	Public Education	429	Exempt
Ashland Community Hospital	Health Care	425	501c3
City of Ashland	Municipal Government	269	Exempt
Professional Tool Mfg. LLC	Manufacturing	95	Close Corp.
Prestige Care (dba Linda Vista)	Health Care	84	Close Corp.
Albertsons	Retail/Grocery	71	Public Corp.
Ashland Springs Hotel	Hotel	65	Close Corp.
Windmill Inn of Ashland	Motel	53	Public Corp.



CITY OF ASHLAND



DATE: April 29, 2004
TO: Ashland Budget Committee
FROM: Gino Grimaldi, City Administrator
Lee Tuneberg, Budget Officer
RE: 2005 Budget Message

OVERVIEW

Submitted herein is the City of Ashland's proposed budget for the 2004-05 fiscal year. This budget represents the efforts of many staff members to present a balanced budget with long term planning extending six years into the future. As the challenges that face local government continue to grow, maintaining current service levels within existing revenue streams is becoming increasingly difficult. The budget presented here is a conservative one, characterized in its development by adherence to two important factors; recognizing the need to balance ongoing expenditures with ongoing revenues, and taking steps to implement Council goals while maintaining core services. The budget addresses new initiatives chiefly through re-deployment of existing resources, and proposing changes only where necessary.

MAJOR ACCOMPLISHMENTS

The Mayor and Council, city staff, commission and committee volunteers and the community made significant progress on a number of issues and projects during the 2003-04 fiscal year.

The citizens of Ashland place a great value on the importance of a sustainable and livable community. Much of the work accomplished during this fiscal year addressed a sustainable and livable community including the adoption of a maximum house size in historic districts, size limitations to new buildings in the downtown core, an inventory of riparian and wetlands areas, the thinning of city-owned forest lands, the passage of the Youth Activities Levy, and more.

In addition, the city hired a Housing Program Specialist to oversee the implementation of the Housing Action Plan, reached an agreement with the City of Medford to provide 911 services and initiated Earth Advantage, a new conservation program. An extensive review of the AFN business plan and marketing efforts resulted in a set of initiatives that should improve AFN revenues. Council heard public testimony on the proposed Mount Ashland expansion, reviewed the environmental impact statement and forwarded comments to the US Forest Service. A new police chief was hired, a citizen survey was conducted and the city entered into a marketing agreement with the Bonneville Power Administration.

Numerous capital projects have been completed or are nearing completion including improvements to Siskiyou Boulevard, Fire Station No. 1, pedestrian safety features in the downtown area and improvements on Strawberry Lane and Tolman Creek. Upgrades to various storm drains, water and wastewater lines, sidewalk improvements and additional upgrades to electric and AFN services were completed or are nearing completion.

The upcoming fiscal year will bring additional capital projects including improvements to the Water Street Bridge, the extension of the central Ashland bike path, improvements to council chambers and many ongoing improvements to the community infrastructure.

Numerous council goals that relate directly to our livability values will be addressed in the 2004-05 fiscal year including ongoing outreach for citizen involvement, the development of a dark sky ordinance and a riparian ordinance. Attention to water quality and temperature improvements through an active storm water management program continues as well as the implementation of our economic development program, the development of a comprehensive trails master plan and more.

MAJOR CHALLENGES

In the past few years the city has deliberately utilized reserves in order to continue to deliver quality services to the community. While the City of Ashland has adequate reserves and will meet target fund balances, the city can no longer use reserves to expand programs, create new ones or allocate funds for specific projects. Staff has attempted to match increased expenditures in the proposed budget with a revenue source or the reduction of expenditures in another area and expect to use that approach in future years.

The City of Ashland will need to move cautiously into the future making sure that appropriate fund balances are maintained, current revenue keeps pace with current expenditures and that the long term view of the city's financial condition is observed. While the current financial condition is adequate, small changes in the local economy could result in the need for a reduction in services to the citizens of Ashland. However, the city is also poised to benefit from a strong local economy that would allow the city to continue with enviable services.

An important aspect of managing the financial future of the City of Ashland involves knowing the actual cost to provide specific services. This information can be used to establish fees, manage costs, and evaluate the effectiveness of programs in relationship to the cost. The information can also be used to set rates and to make sure we are meeting City Council objectives regarding the recovery of costs. Utility rates are especially susceptible to changes in operational cost, capital project costs and timing and consumer consumption trends which require periodic rate studies to assure appropriateness of projections and adequacy of charges. Both water and wastewater rate reviews are needed at this time. The proposed budget contains funding to complete these efforts.

The most recent pro forma for the Ashland Fiber Network (AFN) indicates that it will begin to be profitable by FY 2007-08 and will have a positive cash flow the following year. The proposed budget reflects the assumptions made in the current pro forma including the potential for restructuring of the debt to better coincide with the cash flow needs of AFN. It is possible that the proposed budget will need to be revised during review to reflect more specific details of a refinancing and the likely impact on internal borrowing. As has been discussed each year since inception, AFN operates in an environment that can change very rapidly. Unlike other governmental operations, it also operates in a competitive environment that requires the careful monitoring of the financial health of the operation.

The proposed budget includes several new positions and the affected departments will address these changes. Due to budget constraints not all requested positions were added but it is not anticipated that excluding some from the budget will have a negative impact on the ability of the organization to make significant progress towards the achievement of Council goals. Some of those positions not included in the proposed budget are an Associate Planner for the Community Development Department, additional staffing for the Municipal Court, and additional clerical help in the Legal Department.

There are three reductions that are notable in this year's General Fund budget. They are the elimination of funding support for maintenance of the public sports fields on school grounds (\$133,000), reduction of the additional \$25,000 allocated to social grants and overtime expenses (\$20,000) associated with CPR instruction by the Fire Department. It is staff's understanding that the Budget Committee considered grounds maintenance and additional grant support to be one-year programs. The Fire Department will discontinue CPR classes that are redundant of other services offered in the community.

Several issues remain on the horizon that could have a negative impact on the financial condition of the city. The cost of the Public Employment Retirement System (PERS) remains stable in the proposed budget. However, it is anticipated the rates will continue their upward climb in fiscal year 2005-06 due to previous significant declines in PERS investments. The State Legislature has provided some relief through the restructuring of the PERS system, however, they were not significant enough to overcome the financial difficulties of PERS and many of the changes are being challenged in court. The result of the court challenges may also cause future rate increases.

Health costs continue to escalate rapidly with no end in site. Increases have averaged 20% each year for the last three and cost savings such as premium sharing have not kept pace. Additionally, the Rogue Valley has limited options to offer and making changes are lengthy given the five different bargaining units imbedded in the city. It is a goal for FY 2004-05 to evaluate alternatives and cost-containment programs beyond those currently in place. The budget includes an anticipated increase of 20% however no additional monies have been budgeted to help transition to the expected higher retirement rates. If health care rates are less than projected management will put any savings aside to assist in dealing with retirement or health care increases in FY 2005-06.

Finally, reductions in revenue streams due to the state's adjustments to balance its budget and down turns in the economy are also negatively impacting the budget. The high cost of purchased power remains an issue. It has forced the city to budget for record-breaking increases over the last several years and more in future to keep pace with the climbing Bonneville Power Administration's wholesale power rates. These increases must then be passed on to our customers. Staff remains hopeful that many of BPA's financial problems are easing and we anticipate the need for a surcharge to ease in the next few years. When that occurs recommendations for reducing the added charge will be brought to council.

The proposed budget has been prepared with a multiyear perspective, estimating trends in revenues and expenditures, taking into consideration the longer-term impacts of decisions made today regarding staffing levels and services provided. Total budgeted fund balance remains in the \$12 – 18 million range, nearly half the actual amounts from a few years ago yet hitting very close to current targets on a city-wide basis. These minimums and targets are scheduled for review in 2004-05.

The impact of the above issues may not be fully realized for years to come yet the strength of Ashland's financial condition, established operations and diversity of revenue sources help to balance the budget and forecast a stable city government over that time.

PROCESS

Again, this year, the process for preparing the budget was modified to meet the needs of a systematic approach, allow for adequate public input and accommodate for peripheral changes to programs and service levels deemed to be important portions of the overall budget. In several cases, routine processes were delayed to facilitate necessary changes that will improve the budget. Some of the changes are:

1. Delayed adoption of the short and long-term assumptions from December to March allowing staff to better evaluate mid-year trends and financial information and adjust recommendations accordingly.
2. Supported a council ad hoc committee during February and March as it looked at ways to adjust Transient Occupancy Tax revenue allocations to be most effective in Economic and Cultural Grant programs and to comply with newly set state regulations.
3. Worked with a consultant to develop a more comprehensive pro forma and budget for the Telecommunications Fund that was discussed and initially accepted by Council and the Committee in March.
4. Worked internally with all departments to select and prioritize programs and positions needed to meet goals and evaluate revenues and other adjustments to balance the budget.

These changes have resulted in budget committee meetings beginning later in April than normal but work together to construct a better over-all proposed budget.

An overview of the complete budget process set forth by the State of Oregon and adhered to by Ashland can be seen on Page 1-25.

Consistent with past years' goals to prepare a budget that goes beyond the current proposed budget year by projecting revenues, expense and financial condition for the following five years, this budget presents similar information including planned financing, rate increases, and new projects. The budget includes all departments and funds of the City including Parks and Recreation.

The document is structured with two perspectives – by department and by fund. The departmental budget section aids the reader in gaining a comprehensive sense of the activities and operations performed by any one group. Staff has attempted to better associate departmental appropriations with major program or category of expense in the long-term plan for an extended perspective by fund. It should be noted that the long-term projections are provided to help identify future impacts and issues. This aids in bridging the differences between department and fund budgets to the adopting resolution. Each year, as a new budget is considered, revenues and requirements and increases and reductions are re-evaluated to present an acceptable proposed budget and updated long-term plan.

Throughout the document are tables and charts presenting preliminary performance measurements. Departmental narratives speak directly to those measures impact on the proposed budget and strategic goals. Enhancements in these presentations will require a concerted effort over the coming years as we identify those measures and statistics most meaningful to the citizens and management.

The Goals of the City of Ashland are included in the budget document for reference. The broad goal areas identified are:

- Citizen Participation and Involvement
- Environmental Resources
- Housing
- Economic Strategy
- Public Services
- Transportation and Transit
- Energy, Air and Water Resources
- Parks, Open Space and Aesthetics
- Urbanization
- Historical Sites and Structures
- Regional Strategies
- Financial Management
- Social and Human Services

Within the budget document, each departmental narrative emphasizes goals on the above list that specifically relate them. Some of the goal-related projects that are included in the proposed budget are:

- Assist with commission and committee effectiveness
- Review city charter
- Identify steps for the Housing Action Plan and Needs Analysis including Affordable housing
- Develop Riparian Ordinance
- Enhance AFN revenues, services and viability
- Improve pedestrian, traffic and railroad crossing safety
- Develop performance measures program for all city departments

In the past, staff has presented additional information for committee consideration that identifies potential changes to the proposed budget relating to staff increases, activities and funding alternatives. Some of those related directly to issues identified in the Goals of the City of Ashland. In the proposed budget, management has attempted to include all resources and costs deemed necessary to meet goals and objectives for 2004-05.

BUDGET FORMAT

The budget format is consistent with the prior year. The expenditure portion of the document is organized by departments, not by fund, for reader ease and to provide a different perspective than by fund. Both a capital improvement plan section and a long-term budget section are included in the budget to assist the Budget Committee in understanding the proposed capital improvement projects and to get a better sense of where the City is headed financially, on a multi-year basis.

In addition, line item justification in detail was entered into the management system as documentation and support. This information facilitates management's internal review process and is used by the departments to track their projected expenditure needs and changes during the year. It ultimately results in better projections for the following years.

As this document and its major components are used, the city will refine the information and how it is presented to benefit the reader and staff. The document is meant to be a financial plan, a communication device, a management tool and an operational guide. Developing performance goals and measures will change as the needs warrant and their presentation in the budget will grow and change accordingly.

Summary information by fund, department, division and revenue source follows this message.

POLICIES & METHODS

The policies and practices employed by the City in developing our budget and compliance can be found in the appendix on page A-6 Financial Management Policies and A-12 Accounting Methods. Expenditure groupings are listed on page A-20 Chart of Accounts Descriptions to help the reader in understanding what kinds of things are normally expended from each line item.

BUDGET SUMMARY

The total for all funds for the 2004-05 budget is \$93,719,928, which is \$5.1 million more than last year's budget but comparable to the prior two years. The \$94 million includes all appropriations, transfers, contingencies and unappropriated fund balances.

Below is a total budget comparison by fund. Significant dollar changes can be seen in all of the funds that include capital projects and related financing. Increases are primarily due to new or held-over projects and related borrowing. Decreases come from a reduction in total capital projects and fund balances.

Other fund changes include increased employee costs (General & Central Services funds) and increased operational costs (Insurance Fund) and business activity (Telecommunications).

The Parks funds remain very consistent with the prior year with reductions in operational costs for the Parks and Recreation Fund and renewal of the Youth Activities Levy Fund at a higher amount.

Proposed 2004-05 Budget Comparison				
Fund	2003-04 Amended Budget	2004-05 Proposed	Dollar Difference	Percent Difference
General	13,758,193	13,669,758	-88,435	-0.6%
CDBG	656,815	521,978	-134,837	-20.5%
Street	6,697,900	5,998,636	-699,264	-10.4%
Airport	843,550	956,037	112,487	13.3%
Capital Improvements	1,657,600	898,279	-759,321	-45.8%
Debt	1,442,900	1,742,286	299,386	20.7%
Water	11,284,800	9,723,147	-1,561,653	-13.8%
Wastewater	11,238,000	9,504,875	-1,733,125	-15.4%
Electric	13,357,400	14,140,635	783,235	5.9%
Telecommunications	10,136,000	18,068,920	7,932,920	78.3%
Central Services	5,572,600	5,748,694	176,094	3.2%
Insurance Services	1,013,000	1,218,068	205,068	20.2%
Equipment	2,625,200	2,522,981	-102,219	-3.9%
Cemetery Trust	707,500	693,768	-13,732	-1.9%
Total by Fund	80,991,458	85,408,062	4,416,604	5.5%
Parks	7,592,307	8,050,728	458,421	6.0%
Total Requirements	\$88,583,765	\$93,458,790	\$4,875,025	5.5%

BUDGET ASSUMPTIONS

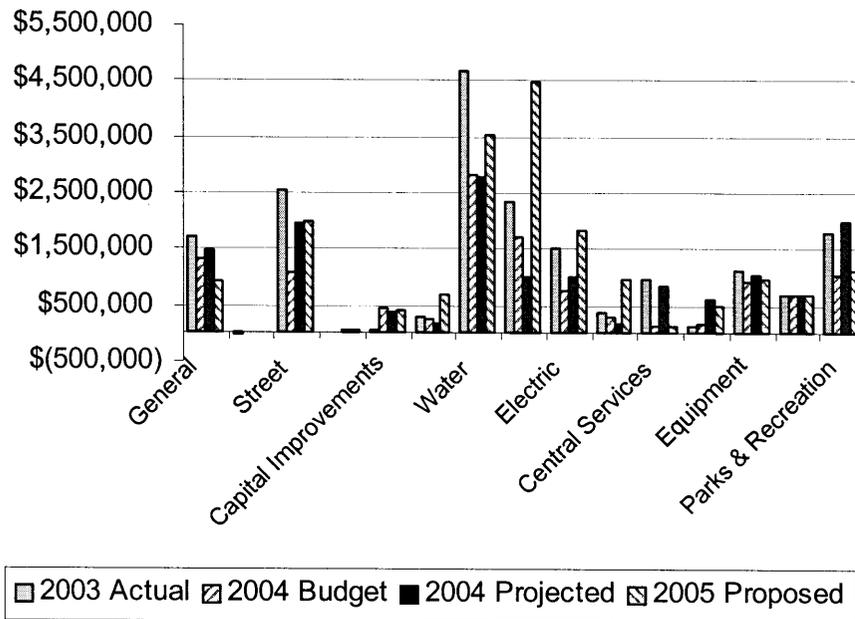
The following assumptions were approved by the Budget Committee to be used in the preparation of the proposed budget:

- Inflation will be less than 2.0% for 2004-05. (Exception is Personal Services at 5%)
- Population growth will be 1.0%.
- Property tax rate will not exceed \$1.47 City, \$2.09 Parks, \$3.56 combined.
- Property tax assessed valuation growth will be 3% under Measure 50 and new construction will be 2%.
- Staff will ensure efficient and effective operations prior to recommending tax level increases.
- Union contract provisions will be met and agreements reached with Police and Fire unions.
- The budget will address the City Council's strategic plan goals and objectives.
- The city will pay its full contribution to PERS. Potential 40% increase for employer share.
- Health care premiums will increase 20%. New labor contracts will include employee sharing the cost.
- User fees will continue to support enterprise operations.
- System development charges (SDCs) will be updated where applicable.
- Existing physical assets of the City will be maintained at current levels.
- Tax revenue distribution between City and Parks will be consistent with prior years.
- The city will comply with Federal and State requirements.

Ending Fund Balance Comparison *				
Fund	2002-03 Actual	2003-04 Budget	2003-04 Projection	2004-05 Proposed
General	\$ 1,715,220	\$ 1,315,669	\$ 1,455,429	\$ 936,568
Comm. Dev. Block Grant	(32,433)	-	-	-
Street	2,528,750	1,065,590	1,957,106	1,976,046
Airport	32,135	4,000	55,387	42,315
Capital Improvements	67,583	429,000	358,983	389,839
Debt	282,293	264,900	187,960	695,484
Water	4,662,028	2,826,125	2,767,172	3,524,870
Wastewater	2,356,054	1,726,251	986,845	4,463,795
Electric	1,497,827	763,763	1,000,000	1,812,094
Telecom	388,018	269,910	174,168	954,723
Central Services	947,953	145,824	835,974	113,758
Insurance Services	145,978	156,500	608,491	471,538
Equipment	1,121,598	908,740	1,045,791	965,561
Cemetery Trust	679,646	684,500	680,571	681,408
Parks & Recreation	1,807,307	1,051,000	1,998,491	1,137,953
Total	\$ 18,199,957	\$ 11,611,772	\$ 14,112,368	\$ 18,165,952

* Projection includes unused contingency.

Ending Fund Balance Comparison



REVENUES

Ashland's revenue is primarily fee based as shown on the revenue summary page. Revenues are summarized by fund in the Long-term section of the budget document.

TAXES - The tax category makes up 28.8% of the total revenues, one tenth of a percent less of the total revenue figure for the prior year. Taxes include property taxes, Electric Utility Users tax, Food & Beverage taxes, Hotel/Motel taxes and franchise fees.

PROPERTY TAXES - Property taxes are distributed to the General Fund, Parks Fund, Ashland Youth Activity Fund (Parks) for operations and the Water and Debt Service Funds for payment of bonded indebtedness. The estimated tax rate for 2004-05 is \$5.3089, a little less than the prior year due to retirement of certain debt funded by local option levies. Renewal of the Youth Activity Levy has been proposed to council and is included within this budget. The proposed property tax revenue for the General Fund is higher due to property value increases. The detail of these can be seen on page 1-37.

CHARGES FOR SERVICE - Charges for services account for 60.4% of Ashland's revenues. Some of the charges are for ambulance patient services, transportation utility fees, storm drain utility fees, airport rental fees, water services, wastewater services, electric service and telecommunications services, system development charges and internal service charges.

Each year the city must evaluate the appropriate level of its fees and charges. Staff attempts to stagger such adjustments for the benefit of the customer and to allow adequate time for evaluation since not all systems can be addressed in a single year. The following chart shows the estimated fee changes in the next several years. These estimates are necessary to meet projected operational and capital costs and to provide for long-term financial stability. Also, a change is budgeted in the distribution of Electric franchise fees by returning to the past practice of distributing 30% of the revenue generated to the Street Fund by 2005-06. In the prior year it was necessary to transfer a higher amount to fund the city's share of projects in the capital improvement program. Staff intends to review the basis for calculating and allocating all franchise fees in FY 2004-05 to ensure an effective reimbursement program.

Proposed Increases	2004-05	2005-06	2006-07
Transportation Utility Fee	10.0%	3.0%	3.0%
Storm Drain Utility Fee	10.0%	3.0%	3.0%
Building Fees	5.0%		
Airport Fees	3.0%	5.0%	5.0%
Water Fees	5.0%		
Wastewater Fees	5.0%	5.0%	5.0%
Electric Rate Increase *	6.0%	4.0%	2.0%
Electric Surcharge *	0.0%	0.0%	
AFN Cable TV Fees	8.0%	8.0%	8.0%

* Electric rate changes remain volatile. The table above gives our best estimates as to what could happen based upon what is known today. As BPA adjusts wholesale power costs each March and October, Ashland will inform the public and take necessary steps. It is our intent to minimize the impact on our customers by continuing to not charge a franchise fee or electric utility tax on the surcharge. The Long-term Electric Fund budget shows the City intention to transition away from the surcharge over time in the future with electric rate increases being greater than surcharge decreases in order to continue to meet rising costs.

SYSTEM DEVELOPMENT CHARGES - It is important for the city to re-evaluate each system development charge (SDC) on a regular basis. As part of our long-term plan preparation staff has identified needed changes in certain SDCs to better match their contribution to the type of project being constructed or expenditure being made. Financial planning for the storm drain portion of the Street Fund indicates a need to evaluate SDC fee changes in the near future to fund anticipated projects. Analysis of capital projects identifies a need to shift the amount charged for water supply SDCs to water distribution SDCs in the Water Fund by 2004-05. The overall impact will be a slight decrease in total water system development charges.

Scheduled reviews and potential changes for the coming years are presented below.

Systems Development Charges	2004-05	2005-06	2006-07
	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)
Water Supply SDC	100.0%		
Water Distribution SDC	(80.0)%		
Wastewater SDC	20.0%		
Parks SDC	Current Review in Process		To Be Reviewed
Transportation SDC		To Be Reviewed	

OPERATIONAL EXPENSES

The total budget comparison is one measure of the City’s financial condition but looking at it on an operational basis provides better information for trending. The budget assumptions identified 2% as the default inflation factor to be used in calculating annual expenses. In many cases such as purchased electricity, health care, retirement and others the actual rate was different yet departments were challenged to absorb those increased costs through efficiencies or reductions elsewhere. A comparison of operational budgets including personal services, materials & services (excluding capital expenditures) and debt service is as follows:

Proposed Operational Budget Comparison				
Category	2003-04 Amended Budget	2004-05 Proposed Budget	Dollar Difference	Percent Difference
Personal Services	18,837,392	19,687,937	850,545	4.5%
Materials and Services	27,839,757	27,457,154	-382,603	-1.4%
Debt Service	11,082,419	18,001,195	6,918,776	62.4%
Total	\$57,759,568	\$65,146,286	\$7,386,718	12.8%

EXPENDITURES

PERSONAL SERVICES - Personal services costs represent 21% of the total proposed budget and 30.3% of the operational budget. This proposed budget equates to less than 5% increase even though new positions have been added. It is important to note that personal services health care costs are projected to increase up to 20% and retirement costs are held constant in the coming year but with less reserves being set aside to ease anticipated increases. Below is a comparison of budgeted positions between the two years.

Department	2003-04 (FTE)	2004-05 (FTE)
Administration	13.25	10.25
Finance	15.80	20.25
City Recorder	2.00	2.00
Police	37.30	39.80
Fire	32.00	34.00
Public Works	55.80	57.80
Community Development	15.00	15.20
Electric	31.00	36.05
City Subtotal	202.15	215.35
Parks	35.40	45.90
Total FTE	237.55	261.25

Net Change (FTE): +22.7

Please note that of the 22.7 FTE increase, approximately 13.55 FTE are temporary positions that were budgeted in prior years but not previously included in the overall tally. The difference of 9.15 includes many necessary adjustments during FY 2003-04 and 2004-05. These adjustments include a planning Technician, 2.5 FTE Account Clerks, a Database Programmer, a GIS Analyst, 2.0 Computer Technicians and other “fractional” positions for the city as well as a Recreational Superintendent, Environmental Education Coordinator and Worker for Parks. In many cases, existing positions, temporary positions, overtime or contracted services dollars were traded for the new positions. Others were added based upon revenues generated to support the position or as support to city goals.

The long-term budget plan no longer includes any anticipated changes in staffing.

MATERIALS AND SERVICES - This category represents 29.3% of the total budget. Overall this category represents a 1.0% decrease over the previous budget and well reflects staff efforts to hold increases to 2% or less amplified by changes in costs between years to garner a reduction.

CAPITAL OUTLAY – Total Capital Outlay (including equipment and furniture) and project costs are decreasing from \$10.0 million to \$7.9 million. Included is a complete description on each project in the Capital Improvement section of this budget. Below is a summary by category of the projects included in the Capital Improvement Plan for the current budget year.

Capital Improvement Projects Category Totals	Cost
Transportation Projects	\$ 891,000
Local Improvement District Projects	413,000
Airport Projects	808,650
Water Projects	1,950,000
Wastewater Projects	578,000
Storm Drain Projects	229,000
Administration Projects	75,000
Electric Projects	441,000
Technology Projects	30,000
Parks Projects	200,000
Total	\$ 5,615,650

DEBT SERVICE - The proposed budget includes the payment of all current debt obligations of the City. The City has scheduled several external financing in 2004-05. Included in this budget is a \$15.0 million restructuring of the \$7.0 million in interfund loans and \$8.0 million in construction costs and start up operating costs of the Telecommunications Fund. There are also opportunities for the City to do improvement financing such as transportation-related debt, local improvement district debt and fire station #2 improvement debt in FY 2004-05 and later years.

ACKNOWLEDGEMENTS

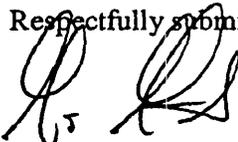
We want to acknowledge the creative energy of staff and their dedication to the City of Ashland. Special thanks to the finance staff and others for who have helped prepare this document. We look forward to your ongoing input and participation as we work toward continual improvement of the budget process.

SUMMARY AND CONCLUSION

In summary, this document represents the expertise, creativity, ingenuity and resourcefulness of the Department Heads, Finance Department, Division Managers, Supervisors and staff.

It is our hope and belief that this budget protects the capacity of the city to meet ongoing service needs, prepares for the potential of a slowing economy, and positions the city to improve core service levels when determined necessary. We look forward to the opportunity to discuss this budget with the Budget Committee.

Respectfully submitted,



Gino Grimaldi
City Administrator

Lee Tuneberg
Budget Officer

DATE: June 1, 2004
TO: Ashland City Council
FROM: Lee Tuneberg, Budget Officer
RE: Fiscal Year 2004-05 Budget Message Addendum

Overview

I am pleased to submit the approved Fiscal year 2004-05 Budget in the amount of \$93,458,790. The approved budget differs from that proposed in total by \$261,138.

A detailed accounting of the changes to the expenditure classifications follows this narrative. Please note that any further changes made by Council must be done as an amendment to the resolution that establishes appropriations. Such changes will be reflected in the final budget document in the attached table under the second column for revisions.

General Fund

Police, Fire and Rescue and Community Development departments' Personal Services were reduced a total of \$43,333 utilizing a portion of the amount saved from the increase to health care premiums coming in at half the anticipated amount. These departments have the largest Personal Services costs budgeted in this fund thus savings to be realized are large enough to support the proposed transfer for landscape maintenance. This amount is shown as an increase in Transfers to Parks and Recreation recognizing the commitment of the City to landscape maintenance for Ashland School District school grounds. The General Fund total budget and Ending Fund Balance remain unchanged however the amount set aside for future PERS costs may be reduced by this change.

Wastewater Fund

Ending Fund Balance is increased by \$50,000 to correct for a Transfer from Parks and Recreation. Wastewater Fund's total is increased over the Proposed Budget by this amount.

Parks and Recreation Fund

Ending Fund Balance is reduced \$261,138 to \$965,822 recognizing several adjustments including a correction of the estimated carry forward from FY 2003-04. The correction is a \$347,804 reduction in Resources (Carry Forward) offset by recognizing \$43,333 in Resources (Transfer from the General Fund) and another \$43,333 to be received from Ashland School District to maintain school grounds. Parks will absorb the final third of the cost to maintain the grounds for another year.

Parks Capital Improvements Fund

Ending Fund Balance is reduced \$50,000 to reflect the correction of the transfer from Parks and Recreation to the Wastewater Fund as depicted above. This is the third and final payment from Parks to the City for flood damage repair work cost overages that was paid for by the Wastewater Fund.

There were no changes to the Property Tax levies proposed by the Budget Committee.

budget committee recommendations and council action

	Proposed	Revisions	Approved	Revisions	Adopted
GENERAL FUND					
Administration	109,600	-	109,600	-	109,600
Administration - Senior Program	115,545	-	115,545	-	115,545
Finance - Municipal Court	297,426	-	297,426	-	297,426
Finance - Social Services Grants	110,000	-	110,000	-	110,000
Finance - Economic & Cultural Grants	445,600	-	445,600	-	445,600
Finance - Miscellaneous	25,000	-	25,000	-	25,000
Finance - Band	57,490	-	57,490	-	57,490
Police Department	4,395,015	(19,185)	4,375,830	-	4,375,830
Fire and Rescue Department	4,804,478	(16,371)	4,788,107	-	4,788,107
Public Works - Cemetery Division	298,260	-	298,260	-	298,260
Community Development - Planning Division	1,031,660	(4,605)	1,027,055	-	1,027,055
Community Development - Building Division	702,980	(3,172)	699,808	-	699,808
Transfers	500	43,333	43,833	-	43,833
Contingency	339,636	-	339,636	-	339,636
Ending Fund Balance	936,568	-	936,568	-	936,568
TOTAL GENERAL FUND	13,669,758	-	13,669,758	-	13,669,758
COMMUNITY DEVELOPMENT BLOCK GRANT FUND					
Personal Services	31,000	-	31,000	-	31,000
Materials and Services	490,978	-	490,978	-	490,978
Contingency	-	-	-	-	-
TOTAL CDBG FUND	521,978	-	521,978	-	521,978
STREET FUND					
Public Works - Street Operations	2,351,755	-	2,351,755	-	2,351,755
Public Works - Storm Water Operations	702,380	-	702,380	-	702,380
Public Works - Transportation SDC's	348,050	-	348,050	-	348,050
Public Works - Storm Water SDC's	258,050	-	258,050	-	258,050
Public Works - Local Improvement Districts	220,355	-	220,355	-	220,355
Contingency	142,000	-	142,000	-	142,000
Ending Fund Balance	1,976,046	-	1,976,046	-	1,976,046
TOTAL STREET FUND	5,998,636	-	5,998,636	-	5,998,636
AIRPORT FUND					
Materials and Services	95,000	-	95,000	-	95,000
Capital Outlay	778,650	-	778,650	-	778,650
Debt Services	35,072	-	35,072	-	35,072
Contingency	5,000	-	5,000	-	5,000
Ending Fund Balance	42,315	-	42,315	-	42,315
TOTAL AIRPORT FUND	956,037	-	956,037	-	956,037
CAPITAL IMPROVEMENTS FUND					
Personal Services	-	-	-	-	-
Materials and Services	-	-	-	-	-
Capital Outlay	157,210	-	157,210	-	157,210
Transfers	351,230	-	351,230	-	351,230
Ending Fund Balance	389,839	-	389,839	-	389,839
TOTAL CAPITAL IMPROVEMENTS	898,279	-	898,279	-	898,279
DEBT SERVICE FUND					
Debt Service	1,046,802	-	1,046,802	-	1,046,802
Transfers	-	-	-	-	-
Ending Fund Balance	695,484	-	695,484	-	695,484
TOTAL DEBT SERVICE FUND	1,742,286	-	1,742,286	-	1,742,286

budget committee recommendations and council action

WATER FUND

Electric Department - Conservation Division	154,430	-	154,430	-	154,430
Public Works - Forest Lands Management Division	396,500	-	396,500	-	396,500
Public Works - Water Supply	442,530	-	442,530	-	442,530
Public Works - Water Treatment	839,951	-	839,951	-	839,951
Public Works - Water Distribution	2,324,465	-	2,324,465	-	2,324,465
Public Works - Supply SDC's	762,500	-	762,500	-	762,500
Public Works - Treatment SDC's	-	-	-	-	-
Public Works - Distribution SDC's	420,250	-	420,250	-	420,250
Debt Services	677,651	-	677,651	-	677,651
Other Financing Uses (Interfund Loans)	-	-	-	-	-
Contingency	180,000	-	180,000	-	180,000
Ending Fund Balance	3,524,870	-	3,524,870	-	3,524,870
TOTAL WATER FUND	9,723,147	-	9,723,147	-	9,723,147

WASTEWATER FUND

Public Works - Wastewater Collection	1,438,460	-	1,438,460	-	1,438,460
Public Works - Wastewater Treatment	1,337,450	-	1,337,450	-	1,337,450
Public Works - Construction	-	-	-	-	-
Public Works - Collection SDC's	308,500	-	308,500	-	308,500
Public Works - Treatment SDC's	-	-	-	-	-
Debt Services	1,802,670	-	1,802,670	-	1,802,670
Other Financing Uses (Interfund Loans)	-	-	-	-	-
Contingency	154,000	-	154,000	-	154,000
Ending Fund Balance	4,413,795	50,000	4,463,795	-	4,463,795
TOTAL WASTEWATER FUND	9,454,875	50,000	9,504,875	-	9,504,875

ELECTRIC FUND

Electric - Conservation Division	411,410	-	411,410	-	411,410
Electric - Supply	6,160,715	-	6,160,715	-	6,160,715
Electric - Distribution	4,470,973	-	4,470,973	-	4,470,973
Electric - Transmission	935,443	-	935,443	-	935,443
Debt Service	-	-	-	-	-
Contingency	350,000	-	350,000	-	350,000
Ending Fund Balance	1,812,094	-	1,812,094	-	1,812,094
TOTAL ELECTRIC FUND	14,140,635	-	14,140,635	-	14,140,635

TELECOMMUNICATIONS FUND

Electric - Customer Relations\Promotions	222,032	-	222,032	-	222,032
Electric - Operations	2,415,165	-	2,415,165	-	2,415,165
Debt Services	14,402,000	-	14,402,000	-	14,402,000
Contingency	75,000	-	75,000	-	75,000
Ending Fund Balance	954,723	-	954,723	-	954,723
TOTAL TELECOMMUNICATIONS FUND	18,068,920	-	18,068,920	-	18,068,920

CENTRAL SERVICES FUND

Administration Department	1,149,855	-	1,149,855	-	1,149,855
Finance Department	1,626,724	-	1,626,724	-	1,626,724
City Recorder Division	172,375	-	172,375	-	172,375
Public Works - Administration and Engineering	1,274,200	-	1,274,200	-	1,274,200
Public Works - Facilities and Safety Division	491,780	-	491,780	-	491,780
Electric - Computer Services Division	772,620	-	772,620	-	772,620
Transfers	-	-	-	-	-
Contingency	147,382	-	147,382	-	147,382
Ending Fund Balance	113,758	-	113,758	-	113,758
TOTAL CENTRAL SERVICES FUND	5,748,694	-	5,748,694	-	5,748,694

INSURANCE SERVICES FUND

Personal Services	-	-	-	-
Materials and Services	646,530	-	646,530	-
Contingency	100,000	-	100,000	-
Ending Fund Balance	471,538	-	471,538	-
TOTAL INSURANCE SERVICES FUND	1,218,068	-	1,218,068	-

EQUIPMENT FUND

Personal Services	242,900	-	242,900	-
Materials and Services	451,435	-	451,435	-
Capital Outlay	688,085	-	688,085	-
Contingency	175,000	-	175,000	-
Ending Fund Balance	965,561	-	965,561	-
TOTAL EQUIPMENT FUND	2,522,981	-	2,522,981	-

CEMETERY TRUST FUND

Transfers	12,360	-	12,360	-
Ending Fund Balance	681,408	-	681,408	-
TOTAL CEMETERY TRUST FUND	693,768	-	693,768	-

PARKS AND RECREATION FUND

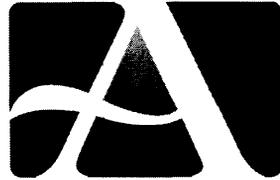
Parks Division	3,673,075	-	3,673,075	-
Recreation Division	363,700	-	363,700	-
Golf Division	373,000	-	373,000	-
Debt Service	30,000	-	30,000	-
Transfers	100,000	-	100,000	-
Contingency	35,000	-	35,000	-
Ending Fund Balance	1,226,960	(261,138)	965,822	-
TOTAL PARKS AND RECREATION FUND	5,801,735	(261,138)	5,540,597	-

YOUTH ACTIVITIES LEVY FUND

Personal Services	89,000	-	89,000	-
Materials and Services	2,006,000	-	2,006,000	-
Contingency	-	-	-	-
Ending Fund Balance	2,166	-	2,166	-
TOTAL YOUTH ACTIVITIES LEVY FUND	2,097,166	-	2,097,166	-

PARKS CAPITAL IMPROVEMENTS FUND

Capital Outlay	243,000	-	243,000	-
Ending Fund Balance	219,965	(50,000)	169,965	-
TOTAL PARKS CIP FUND	462,965	(50,000)	412,965	-
TOTAL APPROPRIATIONS	93,719,928	(261,138)	93,458,790	-



COMMUNITY VALUES STATEMENT

“The citizens of Ashland value a city government that helps create an environment within which they are able to live happy and productive lives. This includes a healthy and sustainable environment; an opportunity to acquire the basic necessities of life; a sound infrastructure that meets our common needs for transportation, energy, information and communications, health care, water and waste management; and a variety of social, recreational, business and cultural opportunities.

The citizens want their government to respect our diverse people, natural environment, and rich heritage and culture; and to promote citizen involvement, initiative, innovation, and a strong sense of community.”

2004-2005

Goals of the City of Ashland

COMMUNITY VALUES STATEMENT

The citizens of Ashland value a City government that helps create an environment within which they are able to live happy and productive lives. This includes a healthy and sustainable environment; an opportunity to acquire the basic necessities of life; a sound infrastructure that meets our common needs for transportation, energy, information and communications, health care, water and waste management; and a variety of social, recreational, business and cultural opportunities.

The citizens want their government to respect our diverse people, natural environment, and rich heritage and culture; and to promote citizen involvement, initiative, innovation and a strong sense of community.

ELEMENTS

- I. **Citizen participation and involvement** - The City recognizes the value of citizen involvement and the wealth of information and resources that the citizens of Ashland possess. The City is committed to a high level of communication with the public.
- II. **Environmental Resources** - Ashland seeks to retain its natural beauty as it continues to grow and further develop. The City seeks to strike a balance between urbanization and the natural environment by providing protection for soils, small creeks & wetlands, urban forest, clean air and peace & quiet.
- III. **Housing** - The City has a responsibility to ensure that proper amounts of land are set aside to accommodate the various housing needs in the City, and that its land development ordinances are broad enough to allow for variation in housing type, cost and density.
- IV. **Economic Strategy** - The City encourages a variety of economic activities in the City, while continuing to reaffirm the economic goals of Ashland citizens and existing businesses. Economic development in Ashland should serve the purpose of maintaining and improving the local quality of life.
- V. **Public Services** - The City will provide a full range of public services that meet the needs of existing and future citizens. The City Council values and supports city staff and the work they do on behalf of the community. The City strives to create a productive work environment for city employees.
- VI. **Transportation and Transit** - To retain Ashland's small-town character while it grows, the City must proactively plan for a transportation system that is integrated into the community and enhances the livability, character and natural environment.
- VII. **Energy, Air and Water Resources** - Ashland seeks to be a regional leader in the areas of energy, air and water conservation. The City seeks to continue this leadership role in

further development of goals, policies and programs that encourage citizens to conserve natural resources. The City also desires to continue to provide electrical service to consumers at as low a cost as possible.

- VIII. Parks, Open Space and Aesthetics** - Ashland's character is intimately linked to its aesthetic resources, including its vistas, trees, parks, open space lands, and public art. The City seeks to develop programs that preserve important open space and parkland, while accommodating continuing urbanization.
- IX. Urbanization** - The City seeks to ensure an orderly transition of land from rural to urban uses.
- X. Historical Sites and Structures** - Ashland seeks to preserve its rich history through the preservation of its historical buildings and places.
- XI. Regional Strategies** - Ashland seeks to develop unique partnerships with governments, non-profits and the private sector to ensure that regional issues of importance to the City and the region are addressed in a collaborative and effective way.
- XII. Financial Management** - The City will be an accountable and effective steward of the public trust and public resources. The City will provide equitable and efficient services to the public through the efficient use of assets and resources.
- XIII. Social and Human Services** - To ensure that all people in Ashland live in a safe, strong, and caring community, the City seeks to enhance the quality of life and promote self-reliance, growth and development of people. To these ends, the City will strive to provide resources and services to meet basic human needs.

2004 - 2005 GOALS

1. Continue to help commissions and committees become more effective through resources and training opportunities; develop training program for commission volunteers in meeting management, goal setting, group dynamics, and ethics.
2. Adopt a process to meet LCDC Goal 1 Participation goal requirement.
3. Complete Charter review and update process.
4. Develop Riparian Ordinance.
5. Pursue water quality and temperature improvements through an active storm water management program including bioswales, storm-septors, maintenance programs, tree planting, link to the riparian zones, erosion control programs and "creek clean-ups."
6. Develop Urban Forestry Plan.
7. Establish a stronger, formalized role for the City in the stewardship of entire Ashland Watershed.
 - Pursue ways to speed up forest fuels reduction work in the watershed (municipal and federal).

Council Goals

- Improve the overall management of the Ashland Watershed by working with the Forest Service and continue efforts to reduce the wildfire threat in the watershed.
 - Implement the Ashland Forest Lands restoration plan for watershed improvement by a) completing Phase II; and, b) developing Phase III work plan for restoration work on Winburn Parcel.
8. Derive a specific list of '04 action items from the Housing Action Plan and Needs Analysis with reasonable, measurable marks of progress.
 - Consider the land use changes listed in the Housing Action Plan (council to approve action steps)
 - Adopt strategies to limit allowing single-family residential development in mixed-family residential zoning districts.
 - Provide in-kind support to ACLT to further affordable housing for Ashland.
 9. Design implementation of local Economic Development program, based on current Comprehensive Plan, Policy 3.
 10. Continue master planning of large undeveloped properties.
 11. Develop planning framework for future development of North Normal area.
 12. Evaluate and create plan for remodel of Council Chamber (meet various concerns: seating, sound, design, web access).
 13. Enhance revenue and services from AFN to strengthen its viability.
 14. Enhance water supply and conservation by:
 - Developing a citywide focus "the right water for the right use."
 - Exploring and potentially developing a three-year plan to improve and extend our current TID system.
 - Developing a TAP timeline and design.
 - Negotiating for other water supply options.
 - Supporting an effluent reuse option for the WWTP effluent.
 - Completing pre-design plan for future extension of TAP water line, including a priority for conservation.
 15. Develop a five-year plan to identify, fund and fully integrate all information technology functions within the organization, including upgrades to LaserFiche, GIS, utility billing software, web interface modules and more. (Invest in and utilize the most appropriate software to maintain, improve, and enhance internal work performance thereby providing the best possible service to Ashland citizens)
 16. Complete a communications coverage study for fire department radio communications.
 - Conduct a radio wave strength and coverage study.
 - Determine need for additional radio repeater/receiver sites.
 - Identify and purchase necessary radio communications equipment.
 17. Establish a Public Safety Advisory Committee to provide public input on police and fire issues.

18. Develop strategy to educate residents about City's emergency procedures in the event of wildfire (Fire, Police and Public Works Departments: evacuate, relocate, shelter, communications with the public).
19. Improve safety of existing at grade RR crossings and develop a plan to improve the Hersey St./N. Laurel St. crossing.
20. Improve pedestrian and traffic safety based on the 3-Es – Education, Enforcement and Engineering at Wimer Street and North Main.
21. Measurably improve traffic safety in neighborhoods (Pedestrians, auto, bicycle, sidewalks, school zones, speed limits, crosswalk safety).
22. Evaluate TTPC Plan and develop action plan for items adopted.
 - Explore RVTD service options.
23. Identify and acquire land for transit station.
24. Map water capacity and its sources in the watershed and enhance protection of it. In partnership, implement an enhanced monitoring program (begin monitoring).
25. Improve public trail system by developing a comprehensive trails master plan, which addresses minimizing public/private conflicts. Plan should include the Bear Creek Greenway (Dog Park to Mountain Ave. Park). (Plan should discuss range of tools to obtain access and ways to estimate construction costs and costs to obtain easements.)
26. Adopt Dark Sky Ordinance that reduces light pollution throughout the City on public and private property.
27. Continue to provide information to the community and foster discussion on growth and planning issues, with an emphasis on historic preservation, annexation requirements, State land use law, infill policy and impacts related to density, rate of growth, development standards, and processes.
28. Develop performance measures program for all city departments.
29. Review and adjust target fund balances to respond to current operations.
30. Review and consider strategies in the health and human services plan.
 - Identify and implement no-cost and low-cost strategies within the Health and Human Services Plan in partnership with service providers that aid in the delivery of services to people most in need.
31. Complete the update of the downtown plan.

The Budget Process

According to Oregon Law (ORS 294), the City of Ashland must prepare and adopt a balanced budget annually.

In December, meetings are held with department heads, the Mayor, and City Council to set goals and priorities for the upcoming year. In April, a preliminary budget is prepared and presented to the Budget Committee, which, by law, comprises the Mayor, City Councilors, and seven citizen members.

A summary of the recommended budget is published in the local newspaper. The City Council holds a public hearing prior to July 1, which may result in further changes. 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. The City Council adopts the budget and levies taxes prior to June 30 each year. The adopted budget is filed with the county clerk and State of Oregon, and the Property Tax Levy is certified to the County Assessor by July 15 each year.

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 less to any fund require a supplemental budget. Changes over ten percent to any fund require a supplemental budget process similar to the annual budget requiring a public hearing. Further detail may be found in (ORS 294).

The Budget Committee

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

The appointed members:

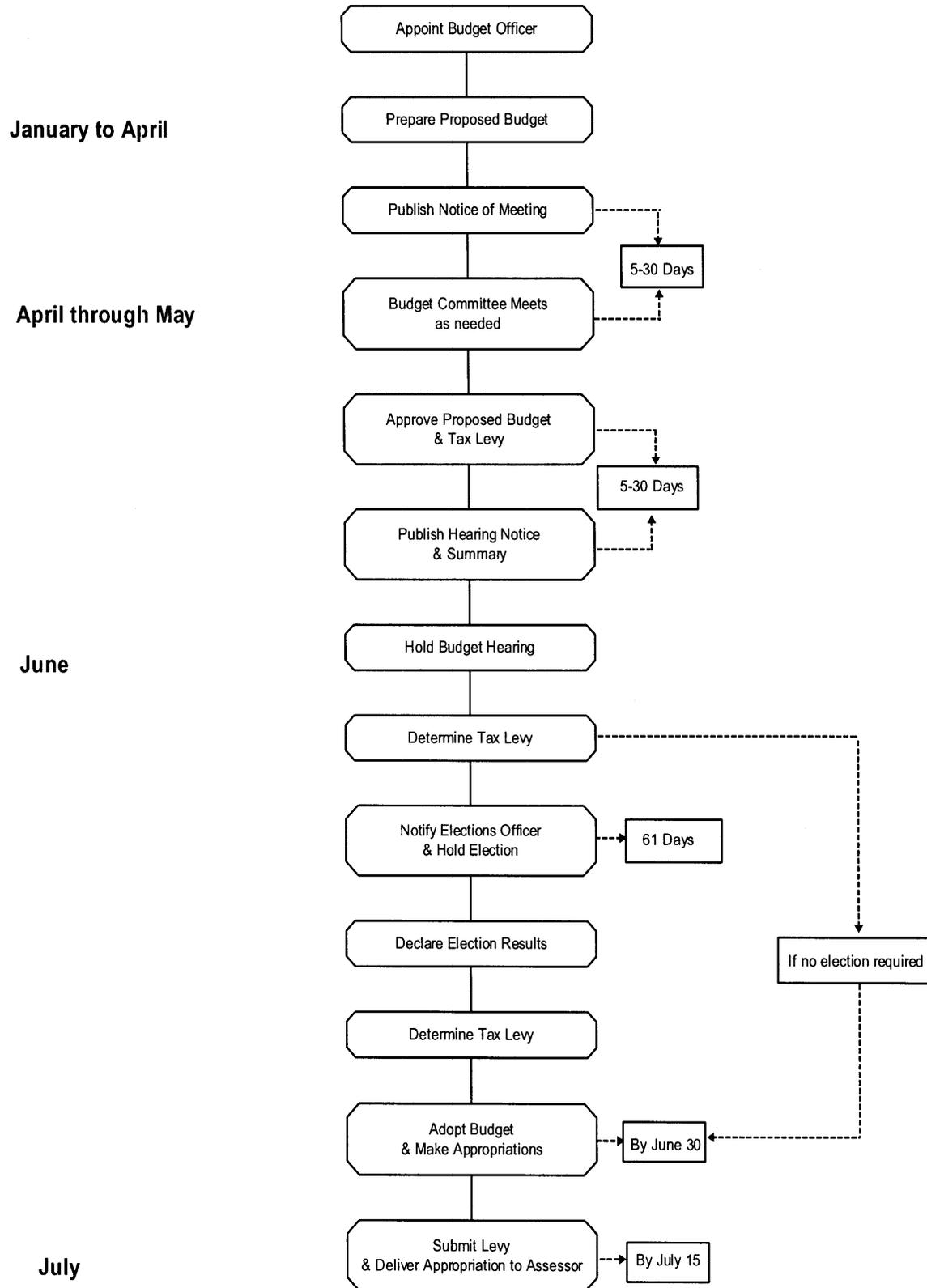
- ◆ Must live in the City of Ashland,
- ◆ Cannot be officers, agents, or employees of the local government,
- ◆ Serve three-year terms that are staggered so that approximately one-third of the terms end each year, and
- ◆ Can be spouses of officers, agents, or employees of the Municipality.

The Budget Basis

The budgets of the General Fund, special revenue funds, capital projects funds, debt service funds, trust funds, and the Parks and Recreation Department (with the exception of the Golf Course Fund) are 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. However, revenues are recognized only when they are actually received. The enterprise funds, internal services funds, and the Golf Course Fund are accounted for using the *accrual basis of accounting*, under which revenues are recorded when earned and costs and expenses are recorded when the related goods and services are received or used in operations.

The City of Ashland 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 distributed to management. Quarterly financial reports, prepared on the budgetary basis of accounting, are distributed to the Budget Committee, the Audit Committee, and the general public. Annually, an audit is performed and filed with the State of Oregon by an independent certified public accountant. The City of Ashland publishes an annual financial report that documents the City's budgetary performance and the financial health of the City. This report compares budgeted to actual revenues and expenditures, thus documenting the City's budgetary compliance.

The Budget Process

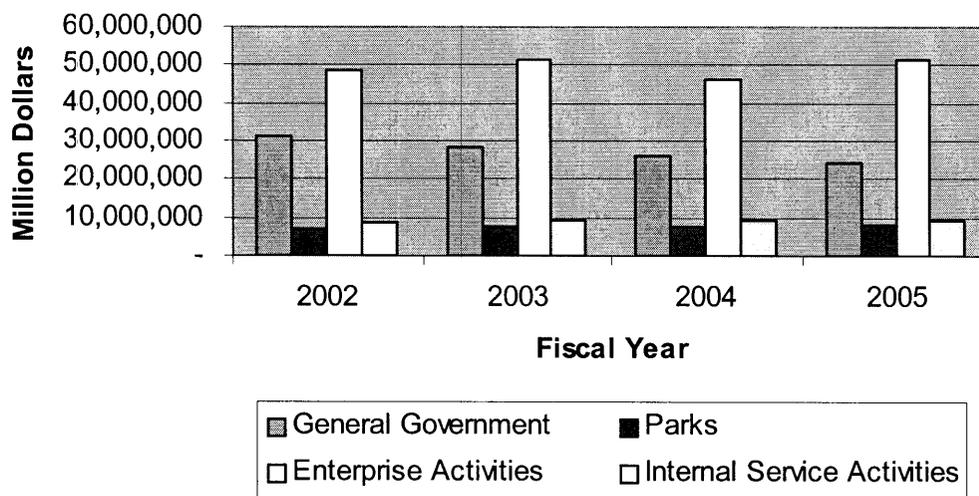


Overview

The 2005 budget Summary by Fund is on the following page. The City portion increased 5.5% or \$4,416,604, while the Parks portion increased 6.1% or \$458,421. The City's increase is primarily related to debt restructuring for the Ashland Fiber Network as can be seen in the Telecommunications Fund.

The Long-Term budget includes a summary by fund from 2002 through 2010.

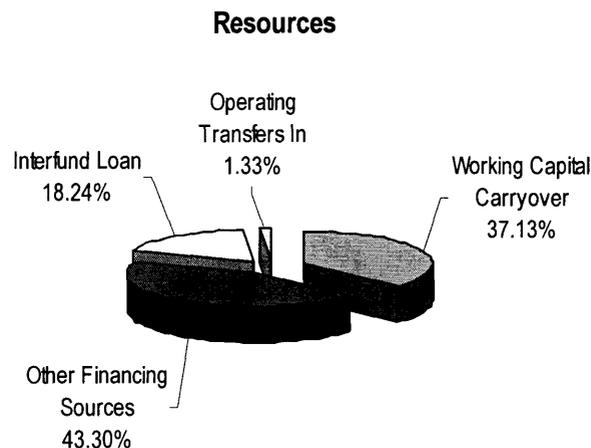
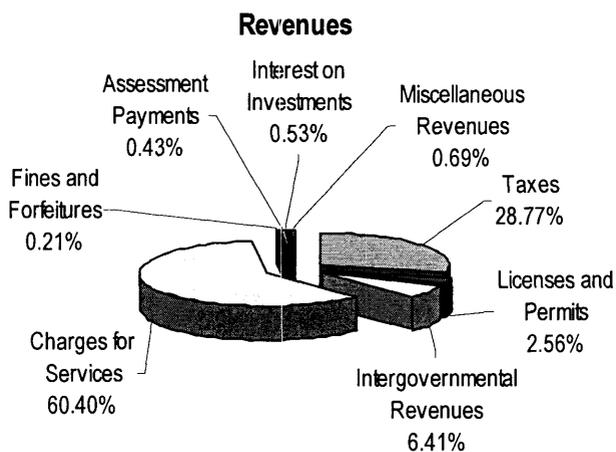
Total Budget by Activity



REQUIREMENTS BY FUND	2002	2003	2004	2005
	Actual	Actual	Amended	Adopted
City Component				
General Fund	\$ 12,034,578	\$ 12,639,973	\$ 13,758,193	\$ 13,669,758
Community Development Block Grant Fund	86,987	49,341	656,815	521,978
Street Fund	5,637,607	8,300,837	6,697,900	5,998,636
Airport Fund	93,470	235,609	843,550	956,037
Capital Improvements Fund	11,427,353	5,108,583	1,657,600	898,279
Debt Service Fund	893,048	1,101,820	1,442,900	1,742,286
Water Fund	7,769,670	13,567,129	11,284,800	9,723,147
Wastewater Fund	20,063,489	15,547,854	11,238,000	9,504,875
Electric Fund	11,279,663	12,176,588	13,357,400	14,140,635
Telecommunications Fund	9,212,952	9,861,796	10,136,000	18,068,920
Central Services Fund	4,751,945	5,676,166	5,572,600	5,748,694
Insurance Services Fund	773,785	858,516	1,013,000	1,218,068
Equipment Fund	2,928,705	2,651,415	2,625,200	2,522,981
Cemetery Trust Fund	699,686	691,254	707,500	693,768
Total City Component	87,652,938	88,466,881	80,991,458	85,408,062
Parks Component				
Parks and Recreation Fund	4,577,637	5,165,036	5,111,107	5,540,597
Youth Activities Levy Fund	1,881,366	1,924,812	1,977,200	2,097,166
Parks Capital Improvements Fund	321,888	447,175	504,000	412,965
Total Parks Component	6,780,891	7,537,023	7,592,307	8,050,728
Total Budget	\$ 94,433,829	\$ 96,003,904	\$ 88,583,765	\$ 93,458,790

resources summary by classification

RESOURCE SUMMARY	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Revenues:				
Taxes	\$ 13,495,214	\$ 14,421,343	\$ 15,514,933	\$ 15,925,457
Licenses and Permits	1,256,617	1,312,818	1,337,000	1,418,120
Intergovernmental Revenues	2,499,118	4,469,379	3,701,615	3,548,763
Charges for Services	26,965,094	29,169,975	32,468,928	33,432,711
Fines and Forfeitures	188,006	107,607	115,000	118,110
Assessment Payments	193,999	214,606	210,000	235,634
Interest on Investments	876,143	510,577	428,200	292,672
Miscellaneous Revenues	739,796	839,384	764,060	379,601
Total Revenues	46,213,987	51,045,690	54,539,736	55,351,068
Budgetary Resources:				
Working Capital Carryover	30,508,514	25,205,231	19,664,629	14,150,299
Other Financing Sources	8,321,913	7,746,875	961,900	16,500,000
Interfund Loan	8,276,144	11,325,000	12,850,000	6,950,000
Operating Transfers In	1,113,271	681,108	567,500	507,423
Total Budgetary Resources	48,219,842	44,958,214	34,044,029	38,107,722
Total Resources	\$ 94,433,829	\$ 96,003,904	\$ 88,583,765	\$ 93,458,790



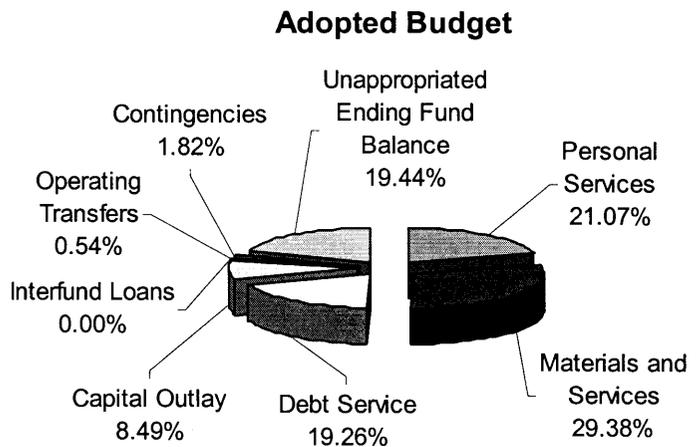
Charges for Services are 60.4% of Revenues. They primarily consist of Electric, Water, Wastewater, CATV, Telecommunications and other charges for services provided. Internal Service Charges amount to \$6.6 million or 19.6% of all Charges for Services. The second largest category is Taxes or 28.77% of total revenues. Property Taxes are \$7.8 million and account for 49% of tax revenues.

Budgetary Resources consist of Carryover, Loans and Transfers between funds, and Borrowings from outside sources. These categories account for \$38.1 million or 40.80% of \$93.4 million budget. Working Capital Carryover (the beginning equity of the City) accounts for 37.2% of Budgetary Resources, while borrowings both Interfund and from outside entities accounted for most of the remainder.

requirements summary by classification

REQUIREMENTS BY CLASSIFICATION	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Operating Expenditures				
Personal Services	\$ 15,625,535	\$ 17,081,479	\$ 18,837,392	\$ 19,687,937
Materials and Services	21,768,871	24,485,226	27,809,757	27,457,154
Debt Service	5,137,381	11,089,644	11,082,419	18,001,195
Total Operating Expenditures	42,531,787	52,656,349	57,729,568	65,146,286
Capital Construction				
Capital Outlay	20,358,540	15,491,495	10,011,925	7,936,111
Budgetary Requirements				
Interfund Loans	5,225,000	6,500,000	6,950,000	-
Operating Transfers	1,113,271	956,108	567,500	507,423
Contingencies	-	-	1,713,000	1,703,018
Unappropriated Ending Fund Balance	25,205,231	20,399,951	11,611,772	18,165,952
Total Budgetary Requirements	31,543,502	27,856,059	20,842,272	20,376,393
Total Requirements by Classification	\$ 94,433,829	\$ 96,003,904	\$ 88,583,765	\$ 93,458,790

Personal Services increased 4.6%. This includes an increase in the total Adopted Budget number of positions and health costs but retirement costs held constant. Materials and Services decreased 1.4%, reflecting staff holding the line at a 2% increase on materials and services and reducing programs where possible. Capital Outlay reduced 20.7% due to fewer capital projects.



Overview

The total budget of \$93.5 million is a \$4.9 million increase over last year's total amended budget of \$88.6 million.

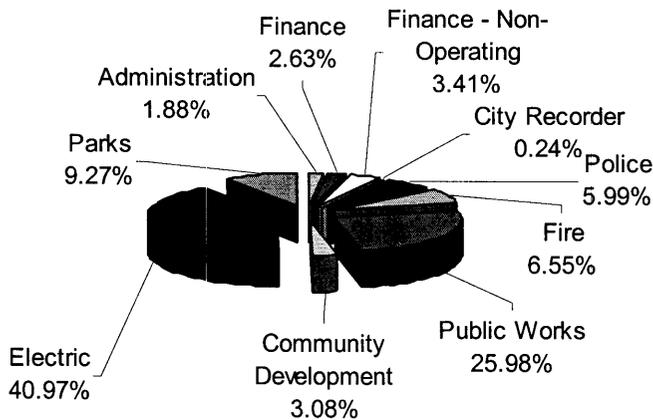
The Requirement Summary by Department totals \$93.5 million on the following page. The Summary shows that the largest increase in operating requirements is \$7.4 million in the Electric Department reflecting a change in debt financing of AFN. The larger decreases in requirements are \$1.8 million in Public Works associated with capital projects and reduced internal lending and \$1.0 million in Finance's Non-operating Division related to smaller municipal building projects. The adopted budget combines Municipal Courts into the Finance Department.

Fund related requirements totaling \$20.4 million are segregated at the bottom of the presentation. Most categories decreased for FY 2004-05 with interfund loans being eliminated by a debt restructuring in AFN causing an increase in fund balances.

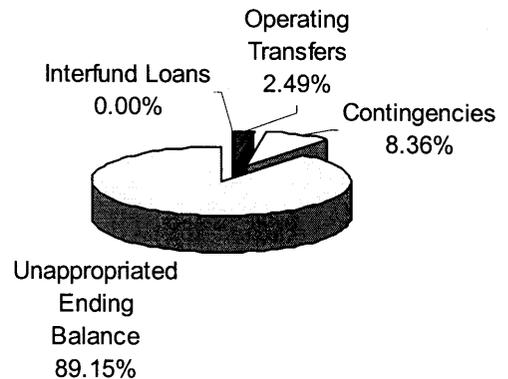
requirements summary by department

REQUIREMENTS BY DEPARTMENT	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Administration	\$ 1,079,504	\$ 1,099,516	1,345,266	1,375,000
Finance	1,386,341	1,603,030	1,837,355	1,924,150
Finance - Non-Operating	9,756,260	6,648,668	3,461,810	2,488,632
City Recorder	133,387	150,231	159,735	172,375
Police	3,774,335	4,040,649	4,284,470	4,375,830
Fire	3,507,619	3,965,547	4,500,404	4,788,107
Public Works	19,211,275	22,531,042	20,762,169	18,986,899
Community Development	1,443,922	1,511,015	2,377,230	2,248,841
Electric	17,422,405	20,988,429	22,576,747	29,944,788
Subtotal	57,715,048	62,538,127	61,305,186	66,304,622
Parks	5,175,279	5,609,717	6,436,307	6,777,775
Total Operating	62,890,327	68,147,844	67,741,493	73,082,397
Interfund Loans	5,225,000	6,500,000	6,950,000	-
Operating Transfers	1,113,271	956,108	567,500	507,423
Contingencies			1,713,000	1,703,018
Unappropriated Ending Balance	25,205,231	20,399,951	11,611,772	18,165,952
Total Non-departmental	31,543,502	27,856,059	20,842,272	20,376,393
Total Requirements by Department	\$ 94,433,829	\$ 96,003,904	\$ 88,583,765	\$ 93,458,790

Total Operating Budget



Total Budget



Overview

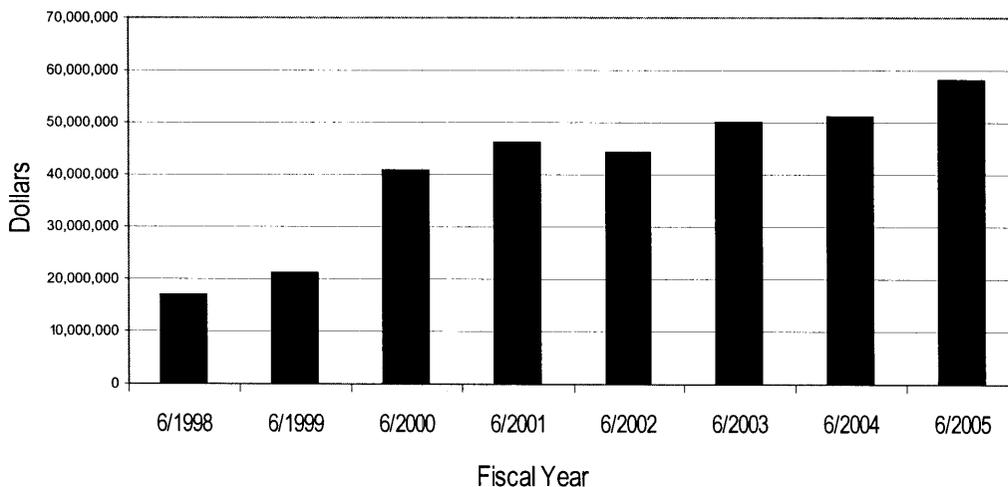
The adopted budget includes the payment of all current debt obligations of the City. Included are the financing of \$1,000,000 for street improvements, \$500,000 in Local Improvement District bonds, and all interfund and bank loans for the start up operating and construction costs of the Telecommunications Fund being replaced by an external debt issue.

The total debt limitation as mandated by the State of Oregon revised statute (ORS 287.004) is 3 percent of the true cash value of all taxable property. The limitation excludes issues for most utilities as well as Special Assessment Debt. With a true cash value estimated at \$1,511,835,569 on June 30, 2004, this computes to a limit of \$45,355,067. The City has \$42,343,860 of available Legal Debt Margin.

DEBT SUMMARY

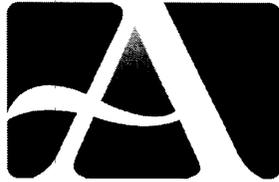
Fund	Debt Instrument	June 30, 2004	Retirements	New Debt	June 30, 2005
City Component					
Airport Fund	Hanger construction capital loan	\$ 375,000	\$ 16,031		\$ 858,969
Street Fund	Street Improvement Bonds			\$ 1,000,000	1,000,000
Debt Service Fund	2005 Limited Tax Assessment Bonds	-	-	500,000	500,000
Debt Service Fund	1997 Flood Restoration Bonds	685,000	65,000	-	620,000
Debt Service Fund	2000 Flood & Fire Station Bonds	2,885,000	120,000	-	2,765,000
Debt Service Fund	Parking Lot Notes	16,301	7,745	-	8,556
Debt Service Fund	Open Space Land Notes	748,755	136,325	-	612,430
Debt Service Fund	Hospital Land Notes	261,954	15,747	-	246,207
Debt Service Fund	OSF Parking Structure	869,184	19,395	-	849,789
Debt Service Fund	Hillah Financing	1,367,817	132,849	-	1,234,968
Water Fund	1977 Water Bonds	100,000	25,000	-	75,000
Water Fund	1997 Water Refunding Bond	1,205,000	130,000	-	1,075,000
Water Fund	2003 Water Revenue Bonds (Refinanced 1994 bonds into 2003 bonds)	5,280,000	320,000	-	4,960,000
Wastewater Fund	State Revolving Fund	22,584,762	925,249	-	21,659,513
Telecommunications Fund	Interfund Loan	6,950,000	6,950,000		-
Telecommunications Fund	Revenue Bonds			15,000,000	15,000,000
Telecommunications Fund	Capital Loan	4,832,000	594,000	-	4,238,000
Telecommunications Fund	Capital Loan	2,500,000	50,000	-	2,450,000
Total City Component		50,660,773	9,507,341	16,500,000	58,153,432
Total Budget		\$ 50,660,773	\$ 9,507,341	\$ 16,500,000	\$ 58,153,432

Budgeted Indebtedness



debt summary by type

Summary by Type	June 30, 2004	Retirements	New Debt	June 30, 2005
External Obligations:				
General Obligation Bonds	\$ 4,875,000	\$ 340,000	\$ -	\$ 4,535,000
Revenue Bonds, Loans and Notes	36,939,579	2,038,129	16,000,000	51,401,450
Notes Payable	1,896,194	179,212		1,716,981
Limited Tax Obligation Bonds			500,000	500,000
	43,710,773	2,557,341	16,500,000	58,153,432
Internal Obligations:				
Interfund Loans	6,950,000	6,950,000		
Total Obligations	\$ 50,660,773	\$ 9,507,341	\$ 16,500,000	\$ 58,153,432



Overview

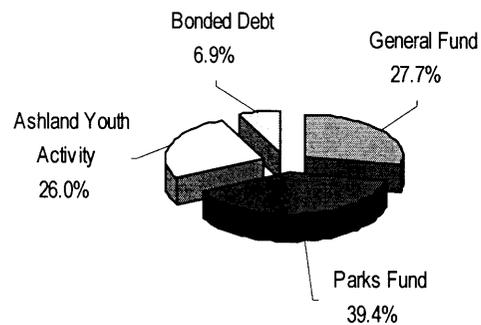
Property taxes are distributed to the General Fund, Parks Fund, Ashland Youth Activity Fund (Parks) for operations and the Water and Debt Service Funds for payment of bonded indebtedness. The estimated tax rate for 2004-05 is \$5.3089, which is less than the prior year, due to decreased rates needed for debt service. The adopted property tax rate for the General Fund and Parks Fund portion is equal to last year's rate.

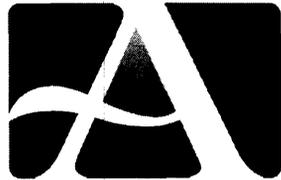
The City of Ashland levies property taxes for the funds and activities in the amounts shown in the table below.

	Amount Authorized 2004-05	Unused Authority	Adopted Levy 2004-05	Estimated Uncollectable	Estimated Current Year Taxes	Estimated Tax Rate 2004-05
Permanent:						
General Fund	\$ 3,151,000	\$ 799,000	\$ 2,352,000	\$ 188,000	\$ 2,164,000	1.4719
Parks Fund	3,836,000	492,000	3,344,000	268,000	3,076,000	2.0928
	6,987,000	1,291,000	5,696,000	456,000	5,240,000	3.5647
Local Option Levies:						
Ashland Youth Activity	2,205,000		2,205,000	176,000	2,029,000	1.3800
Bonded Debt:						
1982 Water Bond Levy	192,000	109,000	83,000	6,000	77,000	0.0519
1992 Water Bond Levy	84,000	-	84,000	7,000	77,000	0.0526
1997 Flood Restoration Bonds	105,000	-	105,000	8,000	97,000	0.0657
2000 Flood & Fire Station Bonds	310,000	-	310,000	25,000	285,000	0.1940
	691,000	109,000	582,000	46,000	536,000	0.3642
Total	\$ 9,883,000	\$ 1,400,000	\$ 8,483,000	\$ 678,000	\$ 7,805,000	5.3089

Distribution of 2004-05 Property Taxes

The City of Ashland levies property taxes for the funds and activities in the amounts shown in the table above. The city has assumed an uncollectible rate of 8% for budgetary purposes. The chart to the right shows the distribution of property taxes as a percentage of total taxes levied.





The Budget Process

According to Oregon Law (ORS 294), the City of Ashland must prepare and adopt a balanced budget annually.

In December, meetings are held with department heads, the Mayor, and City Council to set goals and priorities for the upcoming year. In April, a preliminary budget is prepared and presented to the Budget Committee, which, by law, comprises the Mayor, City Councilors, and seven citizen members.

A summary of the recommended budget is published in the local newspaper. The City Council holds a public hearing prior to July 1, which may result in further changes. 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. The City Council adopts the budget and levies taxes prior to June 30 each year. The adopted budget is filed with the county clerk and State of Oregon, and the Property Tax Levy is certified to the County Assessor by July 15 each year.

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 less to any fund require a supplemental budget. Changes over ten percent to any fund require a supplemental budget process similar to the annual budget requiring a public hearing. Further detail may be found in (ORS 294).

The Budget Committee

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

The appointed members:

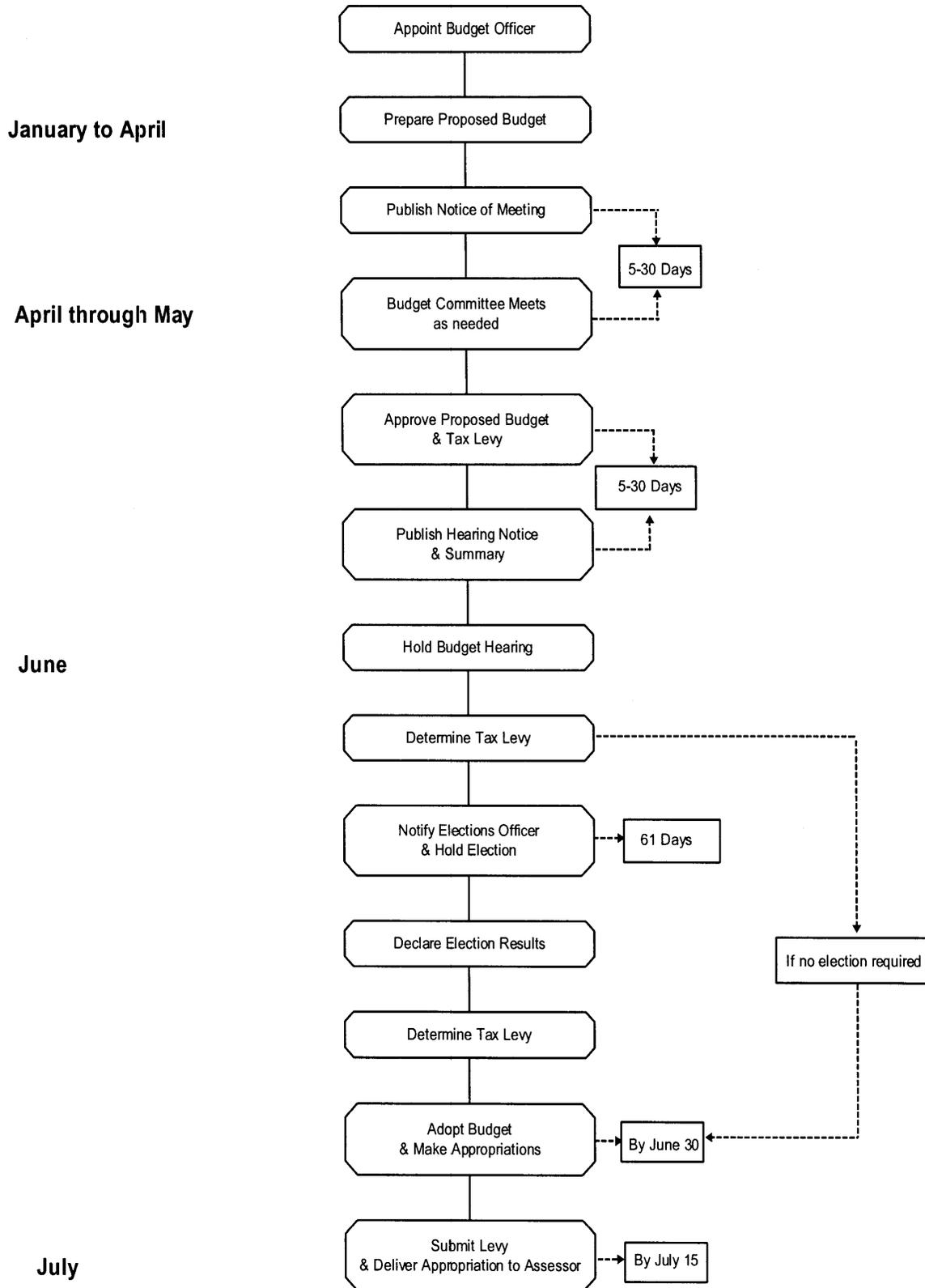
- ◆ Must live in the City of Ashland,
- ◆ Cannot be officers, agents, or employees of the local government,
- ◆ Serve three-year terms that are staggered so that approximately one-third of the terms end each year, and
- ◆ Can be spouses of officers, agents, or employees of the Municipality.

The Budget Basis

The budgets of the General Fund, special revenue funds, capital projects funds, debt service funds, trust funds, and the Parks and Recreation Department (with the exception of the Golf Course Fund) are 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. However, revenues are recognized only when they are actually received. The enterprise funds, internal services funds, and the Golf Course Fund are accounted for using the *accrual basis of accounting*, under which revenues are recorded when earned and costs and expenses are recorded when the related goods and services are received or used in operations.

The City of Ashland 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 distributed to management. Quarterly financial reports, prepared on the budgetary basis of accounting, are distributed to the Budget Committee, the Audit Committee, and the general public. Annually, an audit is performed and filed with the State of Oregon by an independent certified public accountant. The City of Ashland publishes an annual financial report that documents the City's budgetary performance and the financial health of the City. This report compares budgeted to actual revenues and expenditures, thus documenting the City's budgetary compliance.

The Budget Process

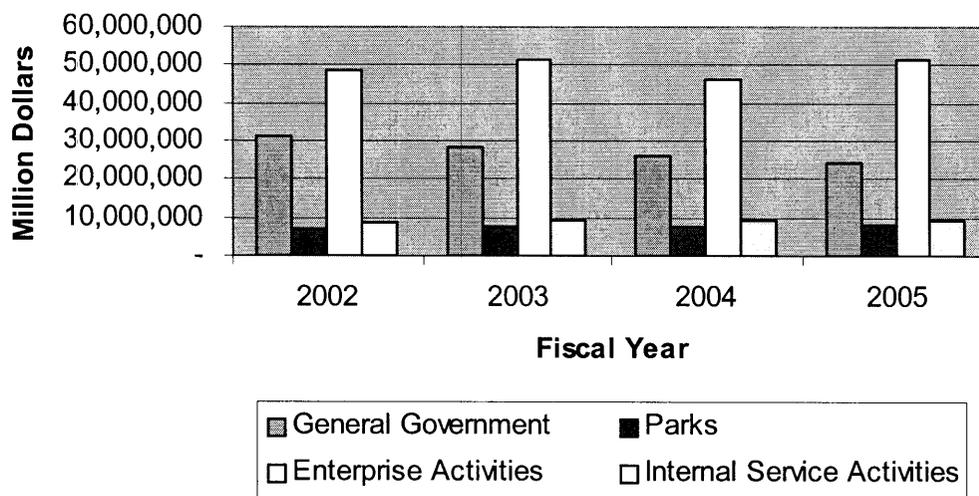


Overview

The 2005 budget Summary by Fund is on the following page. The City portion increased 5.5% or \$4,416,604, while the Parks portion increased 6.1% or \$458,421. The City's increase is primarily related to debt restructuring for the Ashland Fiber Network as can be seen in the Telecommunications Fund.

The Long-Term budget includes a summary by fund from 2002 through 2010.

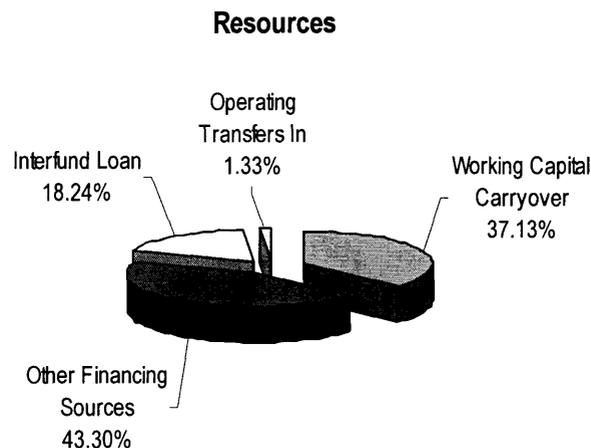
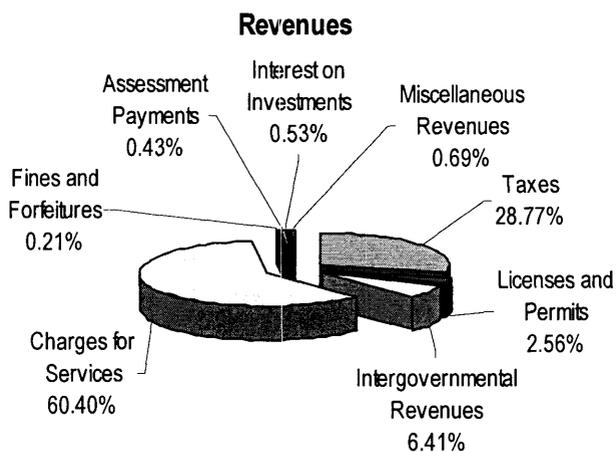
Total Budget by Activity



REQUIREMENTS BY FUND	2002	2003	2004	2005
	Actual	Actual	Amended	Adopted
City Component				
General Fund	\$ 12,034,578	\$ 12,639,973	\$ 13,758,193	\$ 13,669,758
Community Development Block Grant Fund	86,987	49,341	656,815	521,978
Street Fund	5,637,607	8,300,837	6,697,900	5,998,636
Airport Fund	93,470	235,609	843,550	956,037
Capital Improvements Fund	11,427,353	5,108,583	1,657,600	898,279
Debt Service Fund	893,048	1,101,820	1,442,900	1,742,286
Water Fund	7,769,670	13,567,129	11,284,800	9,723,147
Wastewater Fund	20,063,489	15,547,854	11,238,000	9,504,875
Electric Fund	11,279,663	12,176,588	13,357,400	14,140,635
Telecommunications Fund	9,212,952	9,861,796	10,136,000	18,068,920
Central Services Fund	4,751,945	5,676,166	5,572,600	5,748,694
Insurance Services Fund	773,785	858,516	1,013,000	1,218,068
Equipment Fund	2,928,705	2,651,415	2,625,200	2,522,981
Cemetery Trust Fund	699,686	691,254	707,500	693,768
Total City Component	87,652,938	88,466,881	80,991,458	85,408,062
Parks Component				
Parks and Recreation Fund	4,577,637	5,165,036	5,111,107	5,540,597
Youth Activities Levy Fund	1,881,366	1,924,812	1,977,200	2,097,166
Parks Capital Improvements Fund	321,888	447,175	504,000	412,965
Total Parks Component	6,780,891	7,537,023	7,592,307	8,050,728
Total Budget	\$ 94,433,829	\$ 96,003,904	\$ 88,583,765	\$ 93,458,790

resources summary by classification

RESOURCE SUMMARY	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Revenues:				
Taxes	\$ 13,495,214	\$ 14,421,343	\$ 15,514,933	\$ 15,925,457
Licenses and Permits	1,256,617	1,312,818	1,337,000	1,418,120
Intergovernmental Revenues	2,499,118	4,469,379	3,701,615	3,548,763
Charges for Services	26,965,094	29,169,975	32,468,928	33,432,711
Fines and Forfeitures	188,006	107,607	115,000	118,110
Assessment Payments	193,999	214,606	210,000	235,634
Interest on Investments	876,143	510,577	428,200	292,672
Miscellaneous Revenues	739,796	839,384	764,060	379,601
Total Revenues	46,213,987	51,045,690	54,539,736	55,351,068
Budgetary Resources:				
Working Capital Carryover	30,508,514	25,205,231	19,664,629	14,150,299
Other Financing Sources	8,321,913	7,746,875	961,900	16,500,000
Interfund Loan	8,276,144	11,325,000	12,850,000	6,950,000
Operating Transfers In	1,113,271	681,108	567,500	507,423
Total Budgetary Resources	48,219,842	44,958,214	34,044,029	38,107,722
Total Resources	\$ 94,433,829	\$ 96,003,904	\$ 88,583,765	\$ 93,458,790



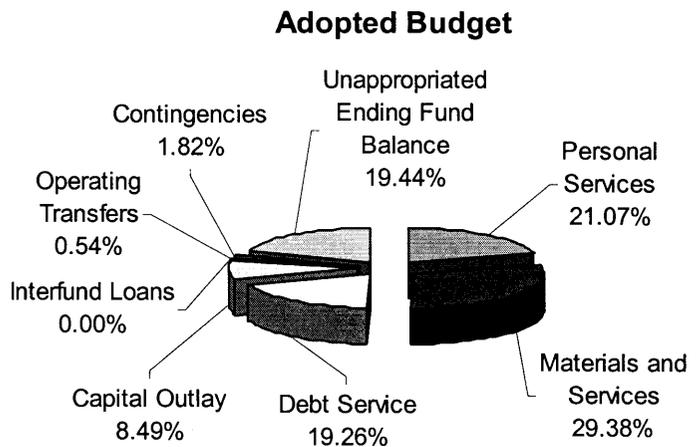
Charges for Services are 60.4% of Revenues. They primarily consist of Electric, Water, Wastewater, CATV, Telecommunications and other charges for services provided. Internal Service Charges amount to \$6.6 million or 19.6% of all Charges for Services. The second largest category is Taxes or 28.77% of total revenues. Property Taxes are \$7.8 million and account for 49% of tax revenues.

Budgetary Resources consist of Carryover, Loans and Transfers between funds, and Borrowings from outside sources. These categories account for \$38.1 million or 40.80% of \$93.4 million budget. Working Capital Carryover (the beginning equity of the City) accounts for 37.2% of Budgetary Resources, while borrowings both Interfund and from outside entities accounted for most of the remainder.

requirements summary by classification

REQUIREMENTS BY CLASSIFICATION	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Operating Expenditures				
Personal Services	\$ 15,625,535	\$ 17,081,479	\$ 18,837,392	\$ 19,687,937
Materials and Services	21,768,871	24,485,226	27,809,757	27,457,154
Debt Service	5,137,381	11,089,644	11,082,419	18,001,195
Total Operating Expenditures	42,531,787	52,656,349	57,729,568	65,146,286
Capital Construction				
Capital Outlay	20,358,540	15,491,495	10,011,925	7,936,111
Budgetary Requirements				
Interfund Loans	5,225,000	6,500,000	6,950,000	-
Operating Transfers	1,113,271	956,108	567,500	507,423
Contingencies	-	-	1,713,000	1,703,018
Unappropriated Ending Fund Balance	25,205,231	20,399,951	11,611,772	18,165,952
Total Budgetary Requirements	31,543,502	27,856,059	20,842,272	20,376,393
Total Requirements by Classification	\$ 94,433,829	\$ 96,003,904	\$ 88,583,765	\$ 93,458,790

Personal Services increased 4.6%. This includes an increase in the total Adopted Budget number of positions and health costs but retirement costs held constant. Materials and Services decreased 1.4%, reflecting staff holding the line at a 2% increase on materials and services and reducing programs where possible. Capital Outlay reduced 20.7% due to fewer capital projects.



Overview

The total budget of \$93.5 million is a \$4.9 million increase over last year's total amended budget of \$88.6 million.

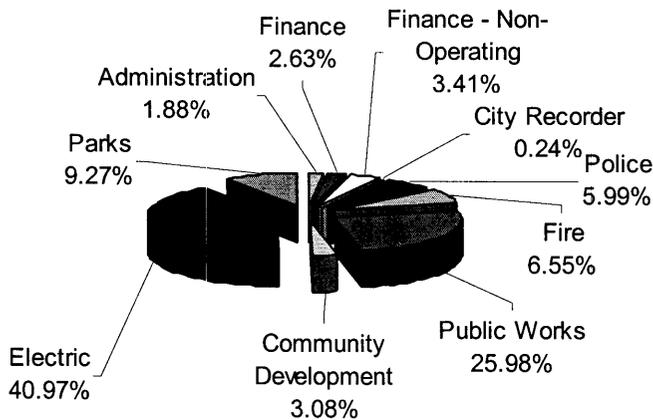
The Requirement Summary by Department totals \$93.5 million on the following page. The Summary shows that the largest increase in operating requirements is \$7.4 million in the Electric Department reflecting a change in debt financing of AFN. The larger decreases in requirements are \$1.8 million in Public Works associated with capital projects and reduced internal lending and \$1.0 million in Finance's Non-operating Division related to smaller municipal building projects. The adopted budget combines Municipal Courts into the Finance Department.

Fund related requirements totaling \$20.4 million are segregated at the bottom of the presentation. Most categories decreased for FY 2004-05 with interfund loans being eliminated by a debt restructuring in AFN causing an increase in fund balances.

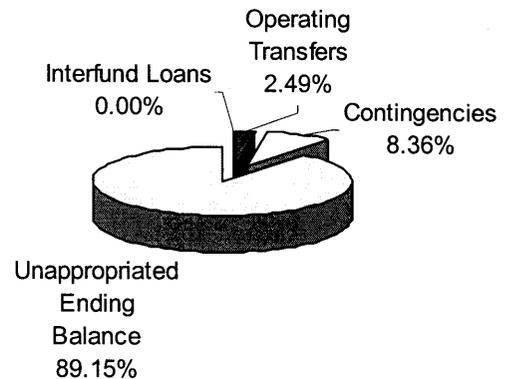
requirements summary by department

REQUIREMENTS BY DEPARTMENT	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Administration	\$ 1,079,504	\$ 1,099,516	1,345,266	1,375,000
Finance	1,386,341	1,603,030	1,837,355	1,924,150
Finance - Non-Operating	9,756,260	6,648,668	3,461,810	2,488,632
City Recorder	133,387	150,231	159,735	172,375
Police	3,774,335	4,040,649	4,284,470	4,375,830
Fire	3,507,619	3,965,547	4,500,404	4,788,107
Public Works	19,211,275	22,531,042	20,762,169	18,986,899
Community Development	1,443,922	1,511,015	2,377,230	2,248,841
Electric	17,422,405	20,988,429	22,576,747	29,944,788
Subtotal	57,715,048	62,538,127	61,305,186	66,304,622
Parks	5,175,279	5,609,717	6,436,307	6,777,775
Total Operating	62,890,327	68,147,844	67,741,493	73,082,397
Interfund Loans	5,225,000	6,500,000	6,950,000	-
Operating Transfers	1,113,271	956,108	567,500	507,423
Contingencies			1,713,000	1,703,018
Unappropriated Ending Balance	25,205,231	20,399,951	11,611,772	18,165,952
Total Non-departmental	31,543,502	27,856,059	20,842,272	20,376,393
Total Requirements by Department	\$ 94,433,829	\$ 96,003,904	\$ 88,583,765	\$ 93,458,790

Total Operating Budget



Total Budget



Overview

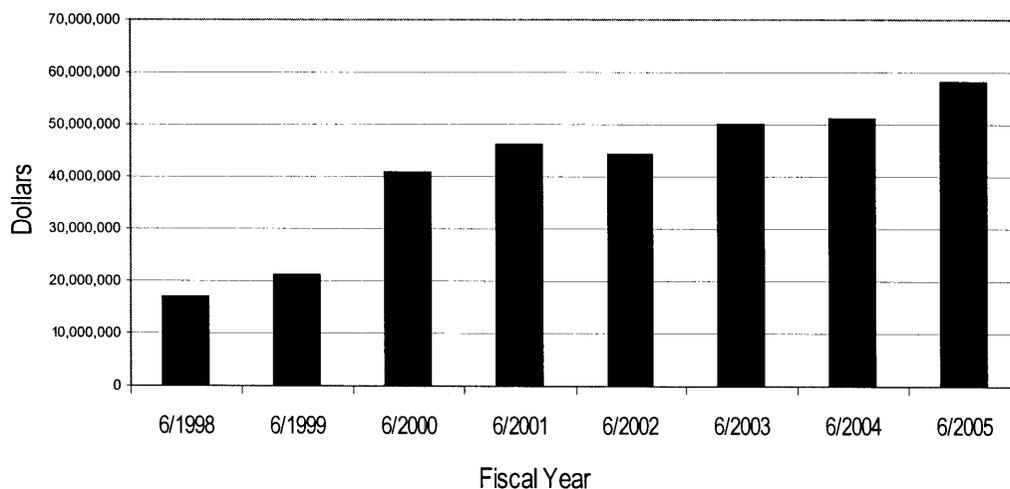
The adopted budget includes the payment of all current debt obligations of the City. Included are the financing of \$1,000,000 for street improvements, \$500,000 in Local Improvement District bonds, and all interfund and bank loans for the start up operating and construction costs of the Telecommunications Fund being replaced by an external debt issue.

The total debt limitation as mandated by the State of Oregon revised statute (ORS 287.004) is 3 percent of the true cash value of all taxable property. The limitation excludes issues for most utilities as well as Special Assessment Debt. With a true cash value estimated at \$1,511,835,569 on June 30, 2004, this computes to a limit of \$45,355,067. The City has \$42,343,860 of available Legal Debt Margin.

DEBT SUMMARY

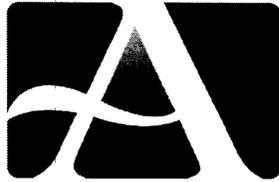
Fund	Debt Instrument	June 30, 2004	Retirements	New Debt	June 30, 2005
City Component					
Airport Fund	Hanger construction capital loan	\$ 375,000	\$ 16,031		\$ 858,969
Street Fund	Street Improvement Bonds			\$ 1,000,000	1,000,000
Debt Service Fund	2005 Limited Tax Assessment Bonds	-	-	500,000	500,000
Debt Service Fund	1997 Flood Restoration Bonds	685,000	65,000	-	620,000
Debt Service Fund	2000 Flood & Fire Station Bonds	2,885,000	120,000	-	2,765,000
Debt Service Fund	Parking Lot Notes	16,301	7,745	-	8,556
Debt Service Fund	Open Space Land Notes	748,755	136,325	-	612,430
Debt Service Fund	Hospital Land Notes	261,954	15,747	-	246,207
Debt Service Fund	OSF Parking Structure	869,184	19,395	-	849,789
Debt Service Fund	Hillah Financing	1,367,817	132,849	-	1,234,968
Water Fund	1977 Water Bonds	100,000	25,000	-	75,000
Water Fund	1997 Water Refunding Bond	1,205,000	130,000	-	1,075,000
Water Fund	2003 Water Revenue Bonds (Refinanced 1994 bonds into 2003 bonds)	5,280,000	320,000	-	4,960,000
Wastewater Fund	State Revolving Fund	22,584,762	925,249	-	21,659,513
Telecommunications Fund	Interfund Loan	6,950,000	6,950,000		-
Telecommunications Fund	Revenue Bonds			15,000,000	15,000,000
Telecommunications Fund	Capital Loan	4,832,000	594,000	-	4,238,000
Telecommunications Fund	Capital Loan	2,500,000	50,000	-	2,450,000
Total City Component		50,660,773	9,507,341	16,500,000	58,153,432
Total Budget		\$ 50,660,773	\$ 9,507,341	\$ 16,500,000	\$ 58,153,432

Budgeted Indebtedness



debt summary by type

Summary by Type	June 30, 2004	Retirements	New Debt	June 30, 2005
External Obligations:				
General Obligation Bonds	\$ 4,875,000	\$ 340,000	\$ -	\$ 4,535,000
Revenue Bonds, Loans and Notes	36,939,579	2,038,129	16,000,000	51,401,450
Notes Payable	1,896,194	179,212		1,716,981
Limited Tax Obligation Bonds			500,000	500,000
	43,710,773	2,557,341	16,500,000	58,153,432
Internal Obligations:				
Interfund Loans	6,950,000	6,950,000		
Total Obligations	\$ 50,660,773	\$ 9,507,341	\$ 16,500,000	\$ 58,153,432



Overview

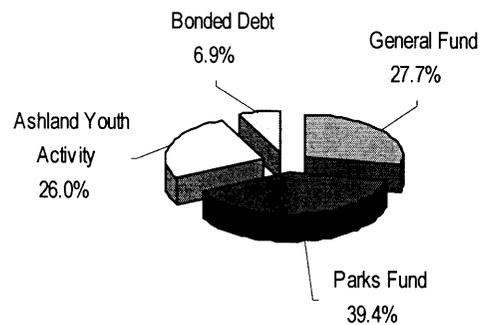
Property taxes are distributed to the General Fund, Parks Fund, Ashland Youth Activity Fund (Parks) for operations and the Water and Debt Service Funds for payment of bonded indebtedness. The estimated tax rate for 2004-05 is \$5.3089, which is less than the prior year, due to decreased rates needed for debt service. The adopted property tax rate for the General Fund and Parks Fund portion is equal to last year's rate.

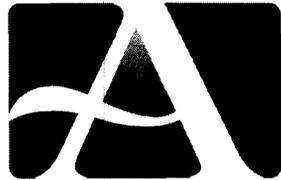
The City of Ashland levies property taxes for the funds and activities in the amounts shown in the table below.

	Amount Authorized 2004-05	Unused Authority	Adopted Levy 2004-05	Estimated Uncollectable	Estimated Current Year Taxes	Estimated Tax Rate 2004-05
Permanent:						
General Fund	\$ 3,151,000	\$ 799,000	\$ 2,352,000	\$ 188,000	\$ 2,164,000	1.4719
Parks Fund	3,836,000	492,000	3,344,000	268,000	3,076,000	2.0928
	6,987,000	1,291,000	5,696,000	456,000	5,240,000	3.5647
Local Option Levies:						
Ashland Youth Activity	2,205,000		2,205,000	176,000	2,029,000	1.3800
Bonded Debt:						
1982 Water Bond Levy	192,000	109,000	83,000	6,000	77,000	0.0519
1992 Water Bond Levy	84,000	-	84,000	7,000	77,000	0.0526
1997 Flood Restoration Bonds	105,000	-	105,000	8,000	97,000	0.0657
2000 Flood & Fire Station Bonds	310,000	-	310,000	25,000	285,000	0.1940
	691,000	109,000	582,000	46,000	536,000	0.3642
Total	\$ 9,883,000	\$ 1,400,000	\$ 8,483,000	\$ 678,000	\$ 7,805,000	5.3089

Distribution of 2004-05 Property Taxes

The City of Ashland levies property taxes for the funds and activities in the amounts shown in the table above. The city has assumed an uncollectible rate of 8% for budgetary purposes. The chart to the right shows the distribution of property taxes as a percentage of total taxes levied.





2005 - 2010 CONSTRUCTION YEARS TABLE OF CONTENTS

TRANSPORTATION

Water Street Bridge Flood Restoration	2-8
Walker Avenue at East Main Street Install a Right Turn Lane	2-9
Tolman Creek Road Widening Project from Hwy 66 to East Main Street	2-10
East Main Street - Dewey Street to N. Mountain Avenue Overlay Per PMS	2-11
Hersey Street North Side Improvement Ann Street to North Mountain Avenue	2-12
North Ashland Bikeway Phase II (Central Ashland Bikepath)	2-13
A Street - Oak Street to 1st Street Reconstruct/Overlay Per PMS	2-14
B Street - Oak Street to 5th Street Reconstruct/Overlay Per PMS	2-15
Railroad Crossing Improvements at Hersey, Laurel & East Main Streets	2-16
Granite Street - Nutley Street to Pioneer Street Overlay Per PMS	2-17
Beach Avenue & Hargadine Street Improvement Per PMS	2-18
North Main Street & Wimer Street Intersection Safety Improvements	2-19
Taylor & Helman Streets Improvements Per PMS	2-20
Signal Installation at Tolman Creek Road & Siskiyou Boulevard	2-21
Install Signal Oak & Hersey Street Intersection	2-22
Iowa Street & Allison Street Improvements Per PMS	2-23
Nevada Street Extension & Bridge Construction Bear Creek To Mountain Avenue	2-24
Downtown Plan Phase II	2-25
Normal Avenue - Ashland Street to Siskiyou Boulevard Per PMS	2-26
Oak Street - Lithia Way to Railroad Tracks Per PMS	2-27
Miscellaneous Sidewalk Improvements	2-28
Nevada Street Sidewalk & Traffic Calming Project	2-29
Liberty Street Local Improvement District	2-30
Upper Beach Street Local Improvement District	2-31
Sidewalks - Laurel Street	2-32
Walnut Street Local Improvement District	2-33
Plaza Avenue Local Improvement District	2-34
Miscellaneous Local Improvement District Projects	2-35
Clay Street Local Improvement District	2-36
Sidewalk - Tolman Creek Road - Greenmeadows Avenue to Siskiyou Boulevard	2-37
Waterline Road Local Improvement District	2-38
Entitlement Grant FAA/ODA (FFY04) & FAM Grant	2-39
Airport Improvements Projects	2-40
Future Entitlement Grants	2-41



2005 - 2010 CONSTRUCTION YEARS

TABLE OF CONTENTS

WATER

Talent, Ashland, Phoenix Pipeline Beyond Talent to Ashland	2-42
Hosler Dam Transmission Line Replacement From Reeder Reservoir to Plant	2-43
Additional Lost Creek Water Rights	2-44
Hosler Dam Security & Telemetry	2-45
Sludge Lagoon Improvements	2-46
Water Treatment Plant Filter Improvements	2-47
Water Treatment Plant Construct New Filters 7 & 8	2-48
Chlorine/Hypochlorite Requirement Review	2-49
Water Treatment Plant Process Improvements	2-50
New Fire Flow Distribution Reservoir	2-51
Main Feeder Line Replacement Water Treatment Plant to Crowson Reservoir	2-52
Granite Street From Nutley Street to Parks Department Waterline Replacement	2-53
Crowson Road, Airport & E. Main Street Loop Waterline Replacement	2-54
Terrace Street - Iowa Street to TID Ditch Waterline Replacement	2-55
Waterline Upsizing - Maple Street, Scenic Drive & Chestnut Street	2-56
Strawberry Pump Station to Grandview Drive Waterline Replacement	2-57
Wimer Street & Sunnyview Street Waterline Replacement	2-58
Benson Way Loop Waterline Replacement	2-59
Euclid Avenue, Prospect Street, Fern Street & Roca Street Waterline Replacement	2-60
Tolman Creek Road-Siskiyou Boulevard to Greenmeadows Way Waterline Replacement.	2-61
Siskiyou Boulevard - Terra Street to Mistletoe Road Waterline Replacement	2-62

WASTEWATER

Wastewater Treatment Plant - Process Improvements	2-63
Bear Creek Interceptor	2-64
Collection System Master Plan Update	2-65
Granite Street - Nutley Street to Parks Office Wastewater Line Replacement	2-66
North Main Pump Station Replacement	2-67
Walnut Street - Grant Street to Wimer Street Wastewater Line Upgrade	2-68
Oak Street - Lithia Way to A Street Replacement	2-69
Collection System Main Line Upsizing	2-70



2005 - 2010 CONSTRUCTION YEARS TABLE OF CONTENTS

STORM DRAINS

Water Quality Improvements - Basins/ Riparians	2-71
Walker Avenue Storm Drain Parker Street to Homes Avenue	2-72
Morton Street Storm Drain - Siskiyou Boulevard to Iowa Street	2-73
Iowa Street Storm Drain - Morton Street to Sherman Street	2-74
Iowa Street Storm Drain - Sherman Street to Gresham Street	2-75
Dewey Street Storm Drain - East Main Street to Blaine Street	2-76
Van Ness Avenue Storm Drain - Helman Street to Skidmore Street	2-77
Liberty Street Storm Drain - Iowa Street to Pracht Street	2-78
Beach Creek Drainage Improvements	2-79

ELECTRIC/ AFN

Install New Services & Transformers	2-80
Tolman Creek Road - Install Underground Electric & AFN Services	2-81
Upgrade Business District Feeder Line	2-82
Upgrade Morton Street Feeder Line	2-83
Enclose Open Vehicle Storage Building at the Service Center	2-84
Underground Electric & AFN Utility Line Installation Various Locations	2-85
Distribution & Cable Equipment	2-86

ADMINISTRATION

Police Parking Lot Addition	2-87
Police Department Building Improvements	2-88
B Street Yard Covered Storage	2-89
Fire Station No. 2 Reconstruction	2-90
City Facility Upgrades & Maintenance	2-91
Water Plant Phone/ Computer /AFN Connections	2-92
Geographic Information System Updates	2-93

PARKS & RECREATION

Open Space Acquisition	2-94
------------------------------	------



Capital Improvements Program

The Public Works Administration Division maintains the Capital Improvements Program. Each department develops its portion of the CIP with a rolling 5 year funding criteria. Projects are typically generated and prioritized through updates of master planning documents or through other public processes. Major capital projects are taken to Council during the development stage and often at the funding stage if there are grants or other funding sources.

The CIP is divided into seven basic categories:

- Transportation; Streets, Sidewalks, LIDs, Airport
- Water; Supply, Treatment, and Distribution
- Wastewater; Treatment and Collection
- Storm Drains (and Water Quality Improvements)
- Electric and Telecommunications
- Administration; City Facilities and Technology
- Parks and Recreation (City Funding only)

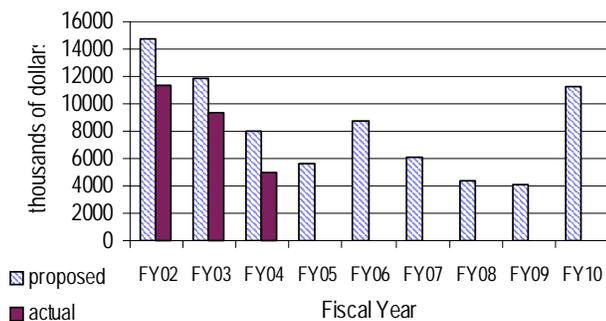
Program Goals

- Provide quality management of the CIP and fiscally responsible decisions for the Council.
 - 1) Provide updates at least twice a year to the Council on the program implementation.
 - 2) Ensure timely information is provided to finance and to the Council for cost differences.
 - 3) Provide timely project starts and completions.

Significant Budget Changes

- This year's Capital program is reduced by over \$2.5 Million from last year's program as several large transportation projects are completed:
 - Siskiyou Boulevard
 - Ashland Street
 - Tolman Creek Road
 - Strawberry Lane
- Transportation remains a significant portion of the CIP budget as Water Street Bridge is not yet complete (started in FY04) and there are approximately \$400K in LID projects projected for FY05.
- The water program shows a slight increase in Capital funding as the projects are in the design stage not yet in construction. The FY10 increase is the "place holder" for the TAP construction.

CIP Estimates and Actual Expenditures over time



Performance Measures

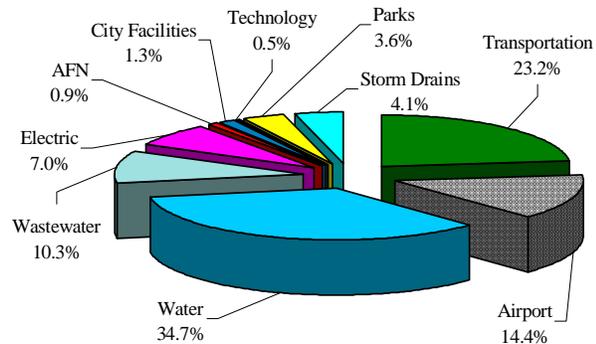
- Transportation; provide adequate street funding to maintain the OCI index at 78. Improve street and landscaping aesthetics and street surface ridership for vehicles and bicycles. Current OCI= 78.
- Water; maintain water treatment and distribution system capacities to standards for a City this size including supply, fire flow requirements, treatment standards and public perception of quality.
- Wastewater; maintain system capacity and reduce claims, maintain treatment flexibility to meet state standards, yet meet Council's goals of adequate flows in the creek; and exceed public perceptions of treatment, odors and line maintenance.
- Storm Drains; Meet the new NPDES MS4 and Storm Water Management Plan requirements and adequately provide system capacity and update plan on a 5-year cycle.

Strategic Plan Goals

The Capital Improvements Program is not specifically addressed in the Council's Strategic Plan goals.

FY05 CIP Program Summary

Storm Drains	\$ 229,000	4.1 %
Transportation	\$ 1,304,000	23.2 %
Airport	\$ 808,650	14.4 %
Water	\$ 1,950,000	34.7 %
Wastewater	\$ 578,000	10.3 %
Electric / Telecom	\$ 441,000	7.9 %
City Facilities	\$ 75,000	1.3 %
Technology	\$ 30,000	0.5 %
Parks	\$ 200,000	3.6 %
	\$ 5,615,650	



FY04 expenditures are nearly \$3M less than originally budgeted due to several large projects being pushed out a year; Central Ashland Bikepath (\$868K to FY06), Nevada Sidewalks, Water Street Bridge (\$450K to FY05) and the Fire Flow Distribution Reservoir (\$1.3 M to FY05).

2005-2010 Construction Years

Project Description	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	FY01-10 TOTAL Cost
	FY05	FY06	FY07	FY08	FY09	FY10	Project Totals
TRANSPORTATION							
Water Street Bridge - Flood Restoration (STP)	\$300,000						\$475,000
Walker Avenue @ E. Main - Install right turn lane	\$36,000						\$36,000
Tolman Ck Rd Widening Hwy 66 to E. Main	\$120,000						\$140,000
E. Main Street- Dewey to N. Mt (overlay per PMS)	\$110,000						\$110,000
Hersey Street North Side Improv: Ann St to N Mountain	\$150,000						\$180,000
North Ashland Bikeway Ph 2 (Central Ashland Bikeway)	\$100,000	\$768,000					\$868,000
A Street - Oak to 1st (rebuild per PMS)		\$110,000					\$110,000
B Street - Oak to 5th (overlay per PMS)		\$135,000					\$135,000
Railroad Crossing Improvements	\$75,000	\$300,000	\$425,000				\$825,000
Granite Street - Nutley to Parks Office (overlay/rebuild-PMS)		\$25,000	\$300,000				\$325,000
Beach Ave and Hargadine (overlay per PMS)			\$250,000				\$250,000
N. Main/Wimer Intersection Safety Improvements				\$500,000			\$500,000
Taylor and Helman (overlay per PMS)				\$140,000			\$140,000
Signal - Tolman & Siskiyou				\$160,000			\$160,000
Signal - Oak St/Hersey St Intersection					\$150,000		\$150,000
Iowa and Allison (overlay per PMS)					\$140,000		\$140,000
Nevada Extension & Bridge Const (Bear Ck to Mountain)					\$200,000	\$2,500,000	\$2,700,000
Downtown Plan Phase II (ODOT STIP)					\$750,000	\$750,000	\$1,500,000
Normal Ave; Ashland St to Siskiyou Blvd (overlay PMS)						\$140,000	\$140,000
Oak Street; Lithia Way to RR Tracks (overlay STP)						\$250,000	\$250,000
Sidewalk - Beach St (Ashland to Henry) school link		\$75,000					\$75,000
misc sidewalk improvements per TSP			\$75,000	\$50,000	\$50,000	\$50,000	\$225,000
Subtotal	\$891,000	\$1,413,000	\$1,050,000	\$850,000	\$1,290,000	\$3,690,000	\$9,434,000
Local Improvement Districts							
Note: Costs shown are total project costs, City portion varies (avg. 40%)							
Sidewalk - Nevada Street; TSP school routes	\$150,000						\$190,000
Street Improvement - Liberty Street	\$68,000						\$68,000
Street Improvement - Upper Beach Street	\$70,000						\$70,000
Sidewalk - Laurel St (Hersey to Randy)	\$25,000	\$100,000					\$125,000
CMAQ Street Improvement - Walnut Street: C & Eureka	\$100,000	\$700,000	\$200,000				\$1,000,000
Street Improvement - Plaza Avenue		\$72,000					\$72,000
Misc. Street Imp Projects (Larkin, Ohio, Peachy, Sunrise...)			\$69,000	\$70,000	\$70,000	\$70,000	\$279,000
Street Improvement - Clay Street (Siskiyou to Ashland)				\$660,000			\$660,000
Sidewalk - Tolman (Greenmeadows to Siskiyou)					\$120,000		\$120,000
Street Improvement - Waterline Road						\$204,000	\$204,000
Subtotal	\$413,000	\$872,000	\$269,000	\$730,000	\$190,000	\$274,000	\$2,788,000
Airport							
Entitlement Grant FAWODA (FFY04) & FAM	\$120,000						\$160,000
Airport Improvements (AP Grant - 5% City match)	\$688,650						\$713,650
Future Entitlement Grants		\$165,000		\$165,000		\$165,000	\$495,000
Subtotal	\$808,650	\$165,000	\$0	\$165,000	\$0	\$165,000	\$1,368,650
TOTAL TRANSPORTATION	\$2,112,650	\$2,450,000	\$1,319,000	\$1,745,000	\$1,480,000	\$4,129,000	\$13,590,650

capital improvements plan

2005-2010 Construction Years							
Project Description	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	FY01-10 TOTAL Cost
	FY05	FY06	FY07	FY08	FY09	FY10	Project Totals
WATER							
Water Supply							
TAP beyond Talent (to Ashland)	\$25,000		\$150,000	\$200,000		\$5,000,000	\$5,425,000
Transmission Line (Reeder to Plant)	\$950,000						\$1,100,000
Additional Lost Creek Water Rights					\$500,000		\$500,000
subtotal supply	\$975,000	\$0	\$150,000	\$200,000	\$500,000	\$5,000,000	\$7,025,000
Water Plant							
Hosler Dam security and telemetry	\$50,000						\$75,000
Sludge Lagoon Improvements	\$20,000	\$160,000					\$180,000
Water Treatment Plant Filter Improvements	\$80,000						\$140,000
Filters 7 & 8 New		\$65,000	\$400,000				\$465,000
Review Chlorine / Hypochlorite requirements		\$25,000	\$350,000				\$375,000
Plant and Process Improvements				\$160,000	\$160,000	\$160,000	\$480,000
subtotal plant	\$150,000	\$250,000	\$750,000	\$160,000	\$160,000	\$160,000	\$1,715,000
Water Distribution							
New Fire Flow Distribution Reservoir	\$225,000	\$750,000	\$750,000				\$1,725,000
Main Feeder Line Plant to Crowson	\$600,000	\$400,000					\$1,060,000
Waterline Replace - Granite; Nutley to Parks Office		\$45,000	\$350,000				\$395,000
Crowson / Airport / E.Main Loop (new line)			\$140,000				\$140,000
Replace steel line Terrace; Irrigation ditch to Iowa (1800')			\$350,000				\$350,000
Upsize Waterlines in Maple, Scenic, Chestnut area			\$250,000				\$250,000
Replace steel line Strawberry PS to Grandview (3000')				\$500,000			\$500,000
Upsize water mains on Wimer/Sunnyview				\$250,000			\$250,000
Benson Loop (new line)					\$140,000		\$140,000
Upsize water lines Euclid, Prospect, Fern, Roca					\$275,000		\$275,000
Upsize Mains on Tolman Ck (Siskiyou to Greenmeadows)					\$375,000		\$375,000
Replace steel line Siskiyou; Terra to Mistletoe (5500')						\$800,000	\$800,000
subtotal distribution	\$825,000	\$1,195,000	\$1,840,000	\$750,000	\$790,000	\$800,000	\$6,260,000
TOTAL WATER	\$1,950,000	\$1,445,000	\$2,740,000	\$1,110,000	\$1,450,000	\$5,960,000	\$15,000,000
WASTEWATER							
Wastewater Treatment Plant							
Treatment Plant - Misc Process Improvements			\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
subtotal plant	\$0	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
Wastewater Collection System							
Bear Creek Interceptor							
N Mt Park at Fordyce to Wightman	\$260,000						\$315,000
Wightman to Tolman			\$30,000	\$225,000			\$255,000
Collection System Master Plan Update	\$33,000						\$115,000
Granite Street (Nutley to Strawberry)	\$90,000						\$100,000
N. Main Pump Station Replacement	\$80,000						\$85,000
Walnut; Grant to Wimer	\$100,000						\$108,000
Oak Street; Lithia to A St	\$15,000	\$125,000					\$140,000
Collection System Main line upsizing		\$100,000	\$125,000	\$125,000	\$125,000	\$125,000	\$600,000
subtotal collection	\$578,000	\$225,000	\$155,000	\$350,000	\$125,000	\$125,000	\$1,718,000
TOTAL WASTEWATER	\$578,000	\$225,000	\$255,000	\$450,000	\$225,000	\$225,000	\$2,118,000

2005-2010 Construction Years							
Project Description	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	FY01-10
	FY05	FY06	FY07	FY08	FY09	FY10	TOTAL Cost Project Totals
STORM DRAINS							
Water Quality Improvements - Basins/Riparian	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$280,000
Walker Avenue SD (Parker to Holmes)	\$130,000						\$150,000
Morton - Siskiyou to Iowa	\$64,000						\$64,000
Iowa - Morton to Sherman		\$98,000					\$98,000
Iowa - Sherman to Gresham			\$90,000				\$90,000
Dewey - E. Main to Blaine				\$98,000			\$98,000
Van Ness Ave - Helman to Skidmore					\$130,000		\$130,000
Liberty						\$80,000	\$80,000
Beach Creek Drainage Improvements - (Master Plan)		\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
TOTAL STORM DRAINS	\$229,000	\$233,000	\$225,000	\$233,000	\$265,000	\$215,000	\$1,490,000
ELECTRIC							
	FY05	FY06	FY07	FY08	FY09	FY10	Project Totals
Install New Services & Transformers	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$2,600,000
Upgrade Business District Feeder Line (Helman)	\$6,000						\$6,000
Upgrade Morton Street Feeder Line	\$60,000						\$60,000
Enclose Open Equipment Bldg at Service Center		\$90,000					\$90,000
Underground Elec/AFN - Tolman Cr Road		\$630,000					\$630,000
Underground Elec/AFN - various locations			\$200,000	\$200,000	\$200,000	\$200,000	\$800,000
Subtotal Electric	\$391,000	\$1,045,000	\$525,000	\$525,000	\$525,000	\$525,000	\$4,186,000
TELECOMMUNICATIONS							
Distribution / Cable Equipment	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$600,000
Subtotal Telecommunications	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$600,000
TOTAL ELECTRIC / TELECOMMUNICATIONS	\$441,000	\$1,095,000	\$575,000	\$575,000	\$575,000	\$575,000	\$4,930,000
ADMINISTRATION							
	FY05	FY06	FY07	FY08	FY09	FY10	Project Totals
City Facilities							
Police Parking Lot		\$85,000					\$85,000
Police Building Improvements		\$180,000					\$180,000
B Street Yard Covered Storage		\$75,000					\$75,000
Fire Station #2		\$3,000,000					\$3,000,000
City Facilities Upgrades (roof, windows, floors, etc)	\$75,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$575,000
Subtotal Facilities	\$75,000	\$3,440,000	\$100,000	\$100,000	\$100,000	\$100,000	\$3,915,000
Technology							
Computer	\$20,000						\$20,000
GIS	\$10,000	\$50,000	\$50,000				\$125,000
Subtotal Technology	\$30,000	\$50,000	\$50,000	\$0	\$0	\$0	\$145,000
TOTAL ADMINISTRATION	\$105,000	\$3,490,000	\$150,000	\$100,000	\$100,000	\$100,000	\$4,060,000
PARKS & RECREATION							
Open Space	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,600,000
TOTAL PARKS & RECREATION	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,600,000
TOTAL CIP OVER TIME	\$5,615,650	\$9,138,000	\$5,464,000	\$4,413,000	\$4,295,000	\$11,404,000	\$42,644,650
	FY05	FY06	FY07	FY08	FY09	FY10	

capital improvements plan

Project Title:	WATER STREET BRIDGE FLOOD RESTORATION
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$330,000	ODOT - STP Grant	Project Cost by Budget Year	Prior Years	\$175,000
	145,000	Storm SDCs		2005	\$300,000
	\$475,000			2006	
				2007	
				2008	
				2009	
				2010	
				Total	\$475,000

Project Description:

The Water Street Bridge is undersized for the volume of water that must pass through for the 100 year flood volumes in Ashland Creek. This project replaces the existing bridge including asphalt approaches, sidewalks, fish passage improvements and related storm drain system improvements. This project was identified in the 1998 OTAK report for post January 1997 flood improvements along Ashland Creek. Staff began design in FY02 using OTAK as the design engineer and secured agreements with ODOT for State Transportation Program (STP) funding through the fund exchange program. Construction is expected to begin in the Summer 2004.

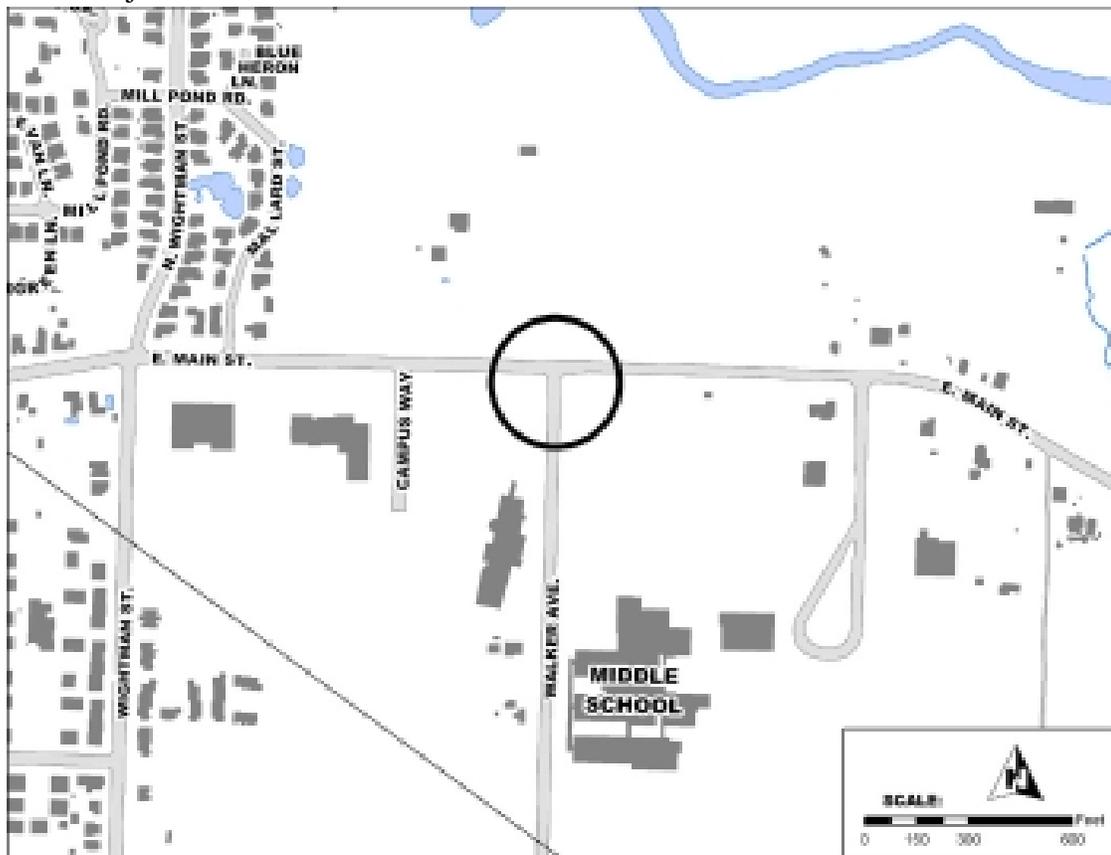


Project Title:	WALKER AVENUE AT EAST MAIN STREET INSTALL A RIGHT TURN LANE
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$14,400	Transportation SDCs (30%)	Project Cost by Budget Year	Prior Years	
	<u>25,200</u>	Street Fees/Rates		2005	\$36,000
	\$36,000			2006	
				2007	
			2008		
			2009		
			2010		
			Total	\$36,000	

Project Description:

The volume of vehicles attempting to make left turns onto E. Main Street from Walker Avenue creates a traffic safety issue during school hours. This has been studied by the Engineering Department and the Traffic Safety Commission. With reconstruction of the east curb line, a right hand turn lane could be created. This will require acquiring a small portion of additional right of way from the school district along the ball fields and a reconfiguration of the travel lanes. This project will be included as part of the 2004 Street Improvement Project.



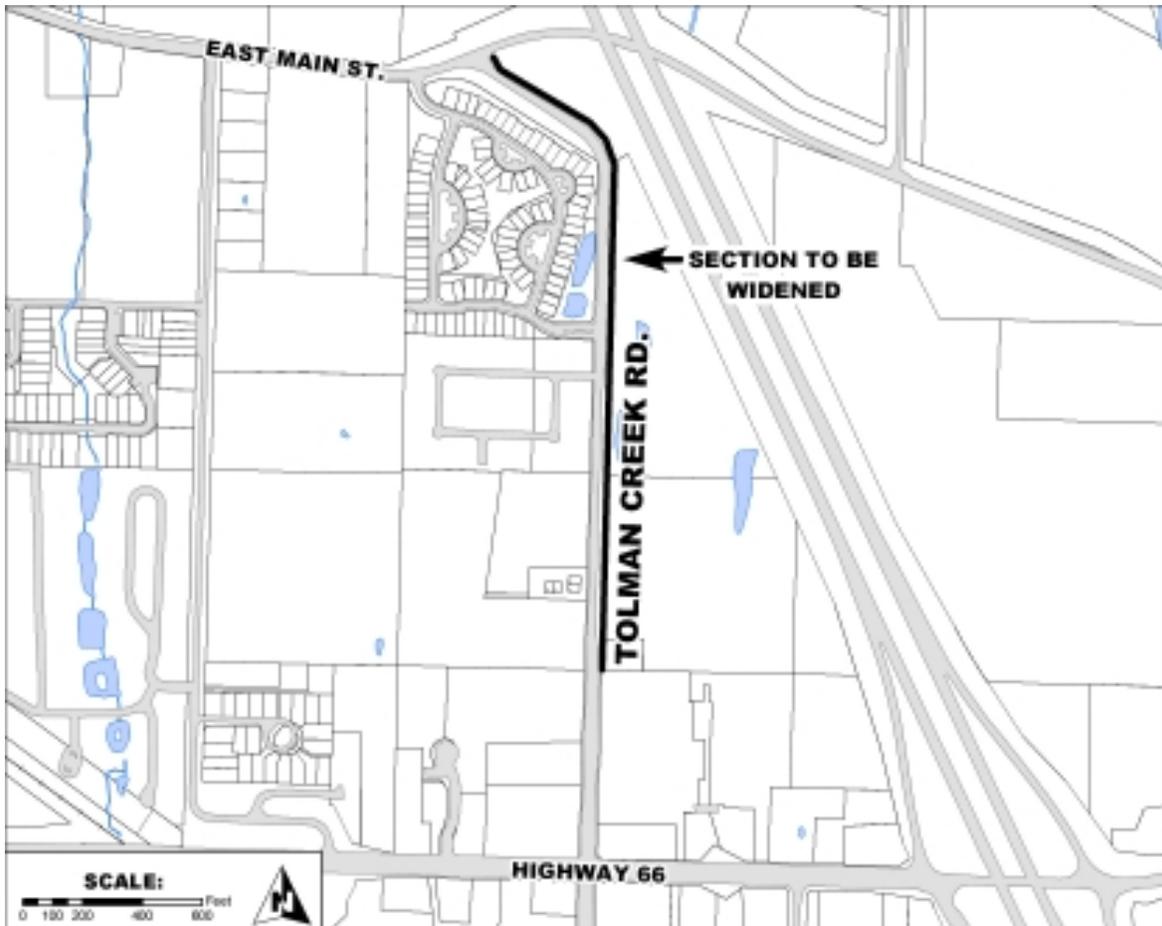
capital improvements plan

Project Title:	TOLMAN CREEK ROAD WIDENING HIGHWAY 66 TO EAST MAIN STREET
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$4,000	Street Fees	Project Cost by Budget Year	Prior Years	\$20,000
	91,000	Transportation SDCs (65%)		2005	\$120,000
	45,000	County Funds		2006	
				2007	
	\$140,000			2008	
			2009		
			2010		
			Total	\$140,000	

Project Description:

This project would widen and improve the east side of Tolman Creek Road from the Albertsons Shopping Center to East Main Street. The project would construct curbs, bikelanes and storm drainage improvements at the East Main Street intersection. This project will be designed as part of the 2004 Street Improvement Project and constructed in FY05.



Project Title:	EAST MAIN STREET- DEWEY ST. TO N. MOUNTAIN AVE. OVERLAY PER PAVEMENT MANAGEMENT SYSTEM
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$99,000 ODOT STP (Grant)	Project Cost by Budget Year	Prior Years
	<u>11,000</u> Transportation SDCs (10%)		2005 \$110,000
	\$110,000		2006
			2007
			2008
			2009
			2010
			Total \$110,000

Project Description:

The Pavement Management System (PMS) evaluated and rated the condition of all streets within Ashland. Staff has prioritized East Main Street based on its need for significant improvements and the fact that use of East Main Street will increase with vehicles avoiding the construction on Siskiyou Boulevard. In essence, this street has failed and needs a complete pavement reconstruction and related curb, gutter and storm drain improvements. Work on this project began in FY02 between Lithia Way and Dewey and this section from Dewey to North Mountain will be completed in FY05 after Siskiyou Boulevard is complete.



Project Title:	HERSEY STREET NORTH SIDE IMPROVEMENT - ANN STREET TO NORTH MOUNTAIN AVENUE
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$27,000 Transportation SDCs (15%)	Project Cost by Budget Year	Prior Years	
	33,000 Street Fees/Rates		2005	\$60,000
	\$60,000		2006	
			2007	
			2008	
			2009	
			2010	
			Total	\$60,000

Project Description:

The current subdivision development planned along the south side of Hersey Street will complete the improvements on that side of the street between Ann Street and North Mountain Avenue.

This project will construct an asphalt pave-out, curbs, gutters, bikelanes, sidewalks and storm drain improvements on the north side of the street. This project will complete Hersey Street between Oak Street and North Mountain Avenue.



Project Title:	NORTH ASHLAND BIKEWAY PHASE 2 (CENTRAL ASHLAND BIKEPATH)
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

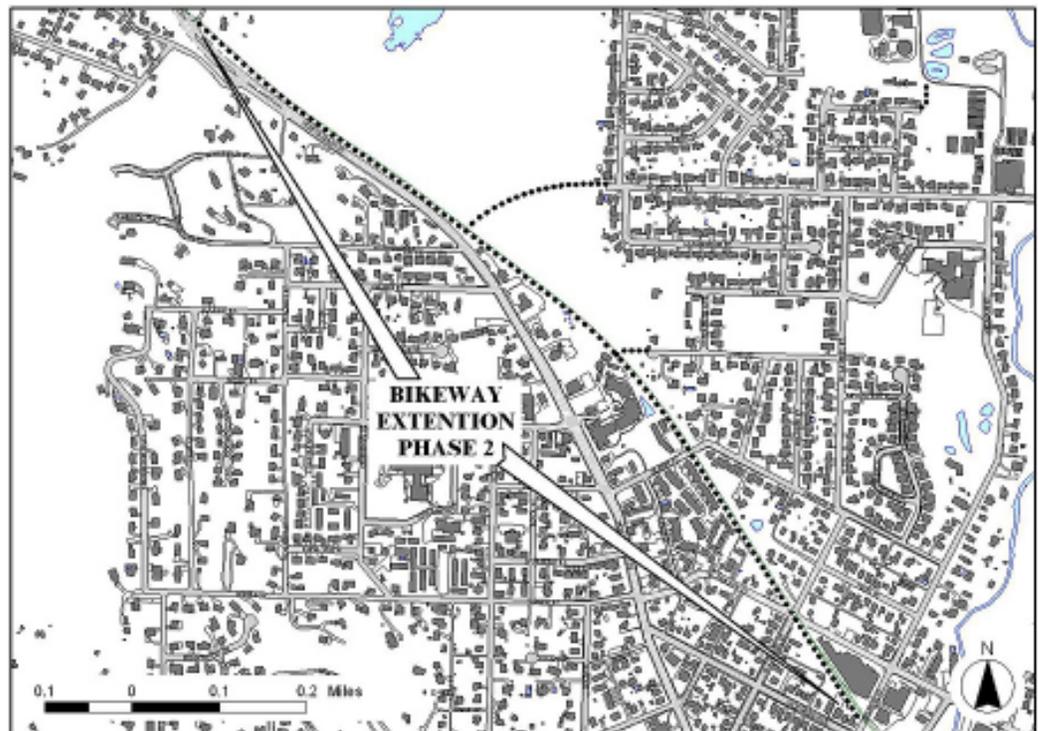
Funding Source	\$217,000	Transportation SDCs (25%)	Project Cost by Budget Year	Prior Years	
	11,000	Street Fees		2005	\$100,000
	580,000	Grants (ODOT TE)		2006	\$768,000
	<u>60,000</u>	Other Funds (Developer)		2007	
	\$868,000			2008	
				2009	
		2010			
		Total		\$868,000	

Project Description:

The Central Ashland Bikeway project began in 1997 with the first phase, a path from the corner of Eighth and A Streets to Tolman Creek Road near Mistletoe Road, that was completed in 1999.

This next phases of the project will extend the length of the bikepath to both the southeast and northwest city limits. A portion of the work was completed in FY01 for the section along A Street to 6th Street along Railroad Park. The North Ashland bikeway will extend from Laurel Street to Jackson Road and will be located along the railroad right of way. An easement for this portion of bikeway was acquired in 1998.

A section of this bikeway is being built as part of the Billings Ranch Subdivision construction. The City was successful in obtaining a grant to fund the remaining portion of the project, construction should begin in FY05.



capital improvements plan

Project Title:	A STREET- OAK STREET TO 1ST STREET OVERLAY PER PAVEMENT MANAGEMENT SYSTEM
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$110,000 Street Fees \$110,000	Project Cost by Budget Year	Prior Years	
			2005	
	2006		\$110,000	
	2007			
	2008			
	2009			
	2010			
	Total		\$110,000	

Project Description:

The Pavement Management System (PMS) evaluated and rated the condition of all streets within Ashland. Staff prioritized A Street based on its need for significant improvements. This street needs major maintenance including crack sealing and an overlay, and may also include curb, gutter and storm drain improvements.



Project Title:	B STREET - OAK STREET TO 5TH STREET OVERLAY PER PAVEMENT MANAGEMENT SYSTEM
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$100,000 ODOT STP Funds	Project Cost by Budget Year	Prior Years
	35,000 Street Fees		2005
	\$135,000		2006 \$135,000
			2007
			2008
			2009
			2010
			Total \$135,000

Project Description:

The Pavement Management System (PMS) evaluated and rated the condition of all streets within Ashland. Staff prioritized B Street based on its need for significant improvements. This street needs major aintenance including crack sealing and an overlay, and may also include curb, gutter and storm drain improvements. This project is planned to be funded through State Surface Transportation Program (STP) Funds augmented by street fees.



capital improvements plan

Project Title:	RAILROAD CROSSING IMPROVEMENTS AT HERSEY, LAUREL & EAST MAIN STREETS
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works \ Engineering Division

Funding Source	\$123,750	Transportation SDCs (15%)	Project Cost by Budget Year	Prior Years	\$25,000
	<u>701,250</u>	Street Fees		2005	\$75,000
	\$825,000			2006	\$300,000
				2007	\$425,000
				2008	
				2009	
				2010	
				Total	\$825,000

Project Description:

This project includes the installation of automatic crossing gates on Laurel Street and Hersey Street at the railroad crossing and improvement at E. Main Street crossing. The angle of the railroad crossing through the center of a four way street intersection makes the Laurel/Hersey crossing unusual and in need of additional safety measures. The crossing of E. Main requires some new approaches and safety warnings. Staff has reviewed safety of all railroad crossings and staff will continue to look for funding opportunities from the ODOT Rail Division.



E. MAIN & RR X-ing



LAUREL & HERSEY

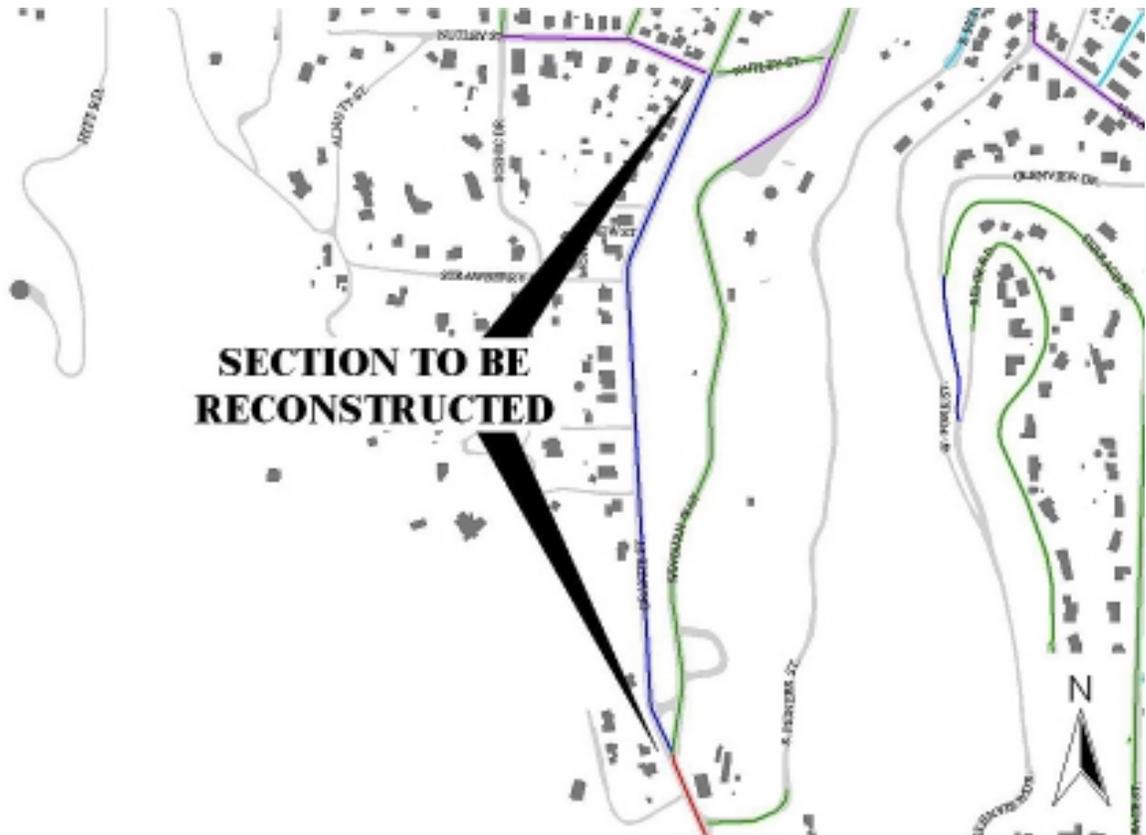
Project Title:	GRANITE STREET - NUTLEY TO PIONEER STREET OVERLAY PER PAVEMENT MANAGEMENT SYSTEM
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$48,750	Transportation SDCs	Project Cost by Budget Year	Prior Years	
	<u>276,250</u>	Street Fees		2005	
	\$325,000		2006	\$25,000	
			2007	\$300,000	
			2008		
			2009		
			2010		
			Total	\$325,000	

Project Description:

With the completion of the Pavement Management System (PMS) plan, the condition of all streets within Ashland has been evaluated. Staff has prioritized Granite Street based on its need for significant improvements. In essence, this street has failed and needs a complete pavement reconstruction. As a component of this project, wastewater and sewer lines will also be replaced. These elements are addressed in the water and sewer sections of the plan.

Construction will be in 2007.



capital improvements plan

Project Title:	BEACH AVENUE & HARGADINE STREET IMPROVEMENT PER PAVEMENT MANAGEMENT SYSTEM
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$200,000	ODOT STP	Project Cost by Budget Year	Prior Years	
	25,000	Street Fees/Rates		2005	
	<u>25,000</u>	Transportation SDCs (10%)		2006	
	\$250,000			2007	\$250,000
				2008	
				2009	
				2010	
				Total	\$250,000

Project Description:

The Pavement Management System (PMS) evaluated and rated the condition of all streets within Ashland. Staff prioritized Beach Avenue and Hargadine Street based on their need for significant improvements. These streets need major maintenance including crack sealing and an overlay, and may also include curb, gutter and storm drain improvements. This project is planned to be funded through State Surface

Transportation Program (STP) Funds augmented by street fees.



Project Title:	NORTH MAIN STREET & WIMER STREET INTERSECTION SAFETY IMPROVEMENTS
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$300,000	ODOT Grant/STIP	Project Cost by Budget Year	Prior Years
	200,000	Transportation SDCs (40%)		2005
	\$500,000			2006
				2007
			2008	
			2009	
			2010	
			Total	\$500,000

Project Description:

Because of the offset design of the Hersey Street, Wimer Street, N. Main Street intersection, it has become one of our most accident prone intersections. This project will realign the two minor streets to form a standard four leg intersection. This portion of North Main Street is within State Jurisdiction and this project is a Council priority. Staff will continue to pursue State funding through the STIP and other sources.



Project Title:	TAYLOR & HELMAN STREETS IMPROVEMENTS PER PAVEMENT MANAGEMENT SYSTEM
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$100,000 ODOT STIP Funds	Project Cost by Budget Year	Prior Years
	<u>40,000</u> Street Fees/Rates		2005
	\$140,000		2006
			2007
			2008 \$140,000
			2009
			2010
			Total \$140,000

Project Description:

The Pavement Management System (PMS) evaluated and rated the condition of all streets within Ashland. Staff prioritized Taylor and Helman Streets based on their need for significant improvements. These streets need major maintenance including crack sealing and an overlay. This project is planned to be funded through State Surface Transportation Program (STP) Funds augmented by street fees.

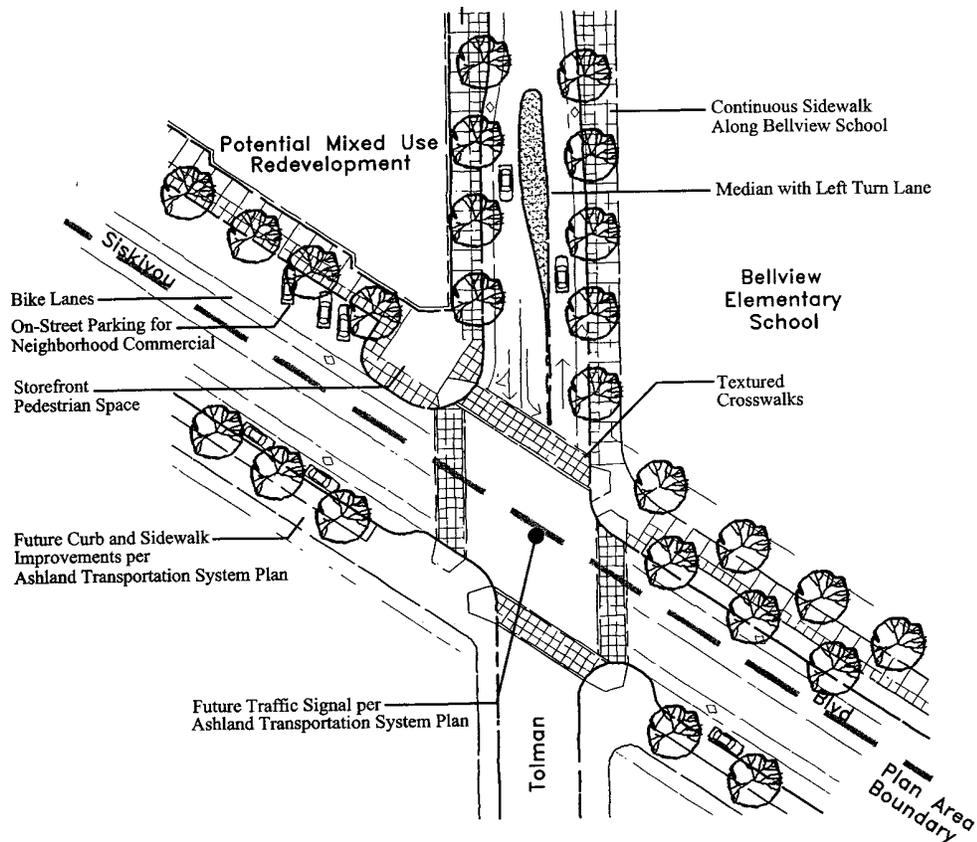


Project Title:	SIGNAL INSTALLATION AT TOLMAN CREEK ROAD & SISKIYOU BOULEVARD INTERSECTION
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$90,000 Transportation SDCs	Project Cost by Budget Year	Prior Years
	<u>60,000</u> Street Fees/Rates		2005
	\$150,000		2006
			2007
			2008
			2009 \$150,000
			2010
			Total \$150,000

Project Description:

This intersection safety project will be completed in two phases; the first as a part of the Tolman Creek Local Improvement District construction which began in October 2003. The second phase will include pedestrian safety improvements on the north side of Siskiyou Boulevard. This section of Siskiyou Boulevard remains within the State's jurisdiction.



capital improvements plan

Project Title:	INSTALL SIGNAL AT OAK & HERSEY STREETS INTERSECTION
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$60,000	Transportation SDCs (40%)	Project Cost by Budget Year	Prior Years	
	90,000	Street Fees		2005	
	\$150,000			2006	
				2007	
				2008	
				2009	\$150,000
				2010	
				Total	\$150,000

Project Description:

This project is planned as the traffic on both Oak Street and Hersey Street increase at a rapid rate. As proposed in the Transportation System Plan, it is projected that traffic warrants will be met for a fully signalized intersection in the year 2009. Delayed from earlier projections of 2005. Staff will continue to monitor traffic volumes and safety at this intersection.



Project Title:	IOWA STREET & ALLISON STREET IMPROVEMENTS PER PAVEMENT MANAGEMENT SYSTEM
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$100,000 ODOT STP	Project Cost by Budget Year	Prior Years	
	<u>40,000</u> Street Fees/Rates		2005	
	\$140,000		2006	
			2007	
			2008	
			2009	\$140,000
			2010	
			Total	\$140,000

Project Description:

The Pavement Management System (PMS) evaluated and rated the condition of all streets within Ashland. Staff prioritized Iowa and Allison Streets based on their need for significant improvements. These streets need major maintenance including crack sealing and an overlay, and may also include curb, gutter and storm drain improvements. This project is planned to be funded through State Surface Transportation Program (STP) Funds augmented by street fees.



capital improvements plan

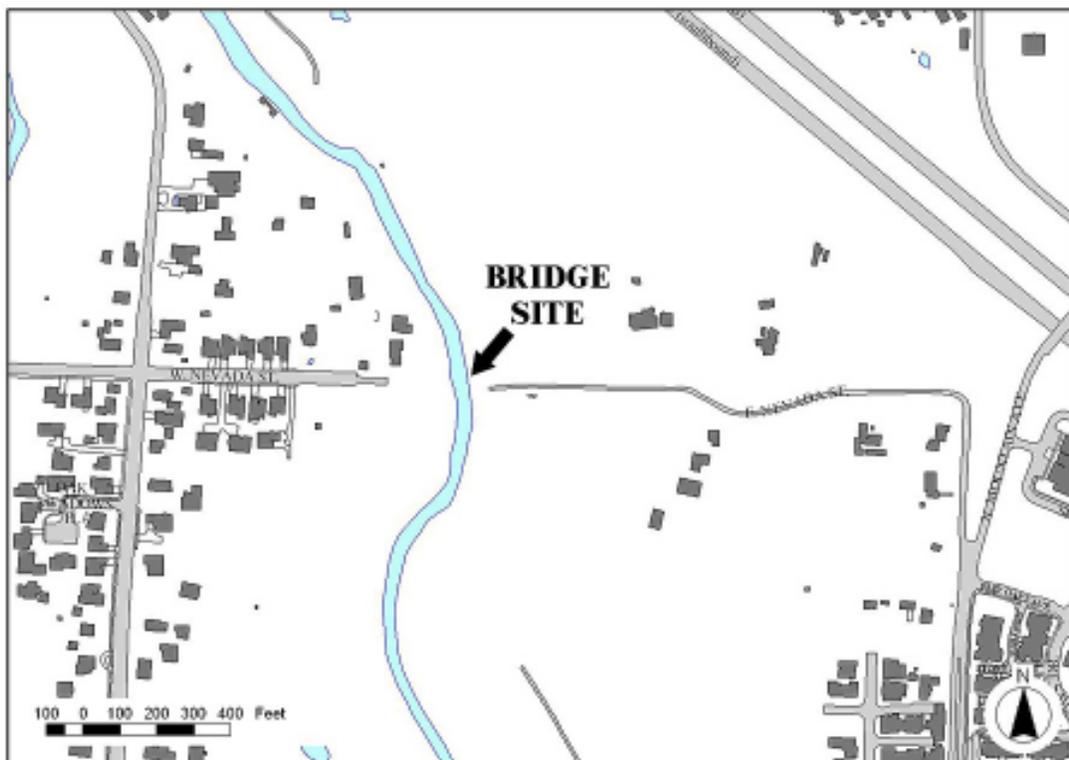
Project Title:	NEVADA STREET EXTENSION & BRIDGE CONSTRUCTION BEAR CREEK TO MOUNTAIN AVENUE
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$1,755,000	Transportation SDCs (65%)	Project Cost by Budget Year	Prior Years	
	<u>945,000</u>	ODOT /Street Fees		2005	
	\$2,700,000		2006		
			2007		
			2008		
			2009	\$200,000	
			2010	\$2,500,000	
			Total	\$2,700,000	

Project Description:

The adopted City of Ashland Transportation System Plan (TSP) recommends an east/west connection to relieve traffic volumes on Oak Street and also provide a more direct access to Southern Oregon University, the high school, and the south half of the City.

This project includes the construction of a bridge across Bear Creek providing a through connection on Nevada Street. All related storm drain, paving, bike lanes and sidewalks will be included in this project. Staff continues to pursue ODOT grant funding for a portion of this project as it will provide significant “off-system” improvements to the State’s Transportation System.



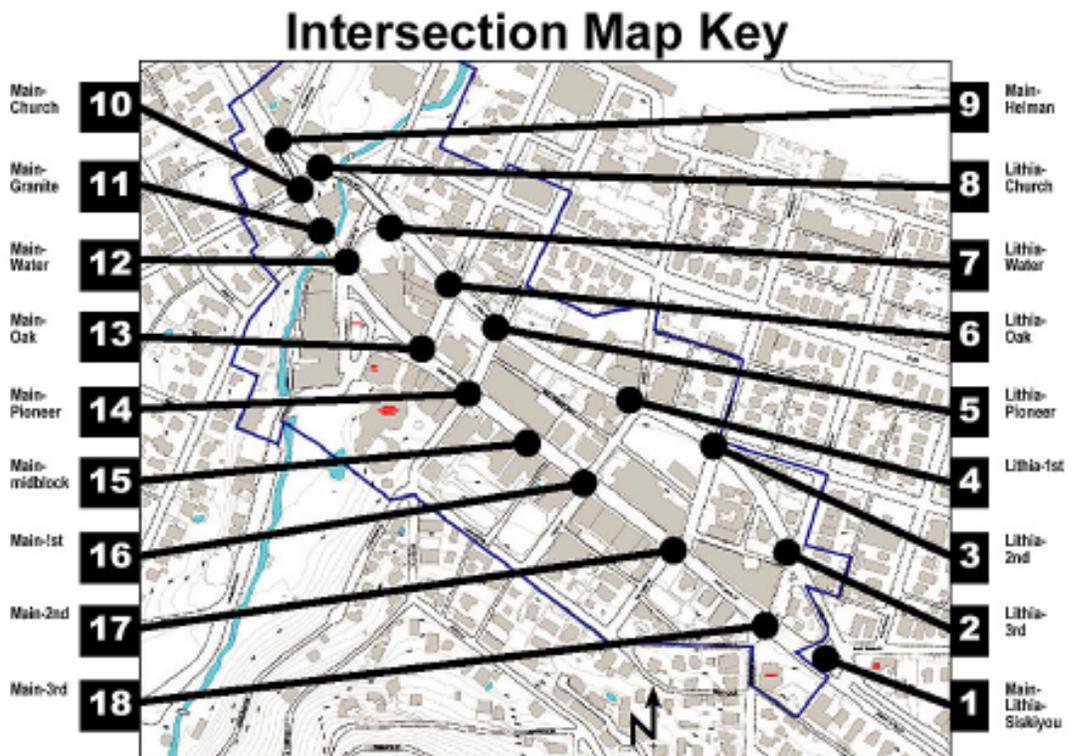
Project Title:	DOWNTOWN PLAN PHASE II
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$225,000	Transportation SDCs (15%)	Project Cost by Budget Year	Prior Years	
	275,000	Street Fees		2005	
	<u>1,000,000</u>	State Funds (STIP)		2006	
	\$1,500,000			2007	
			2008		
			2009	\$750,000	
			2010	\$750,000	
			Total	\$1,500,000	

Project Description:

This project would implement recommendations of the Ashland Downtown Plan Phase II. Initial work began in 2002 and includes numerous pedestrian and traffic safety improvements. The Ashland Downtown Plan is currently in draft form and will be reviewed and approved prior to final design and engineering drawings. Planning and Engineering staff members will work toward final completion of the Downtown Plan in FY04-06.

Staff will continue to pursue ODOT funding for this project under the State Transportation Improvement Program (STIP). These sections of East Main, North Main Street and Lithia Way remain within State jurisdiction.



capital improvements plan

Project Title:	NORMAL AVENUE - ASHLAND STREET TO SISKIYOU BOULEVARD PER PAVEMENT MANAGEMENT SYSTEM
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$40,000 Street Fees	Project Cost by Budget Year	Prior Years	
	<u>100,000</u> ODOT STIP Funds		2005	
	\$140,000		2006	
			2007	
			2008	
			2009	
			2010	\$140,000
			Total	\$140,000

Project Description:

The Pavement Management System (PMS) evaluated and rated the condition of all streets within Ashland. Staff prioritized Taylor and Helman Streets based on their need for significant improvements. These streets need major maintenance including crack sealing and an overlay, and may also include curb, gutter and storm drain improvements. This project is planned to be funded through State Surface Transportation Program (STP) Funds augmented by street fees.

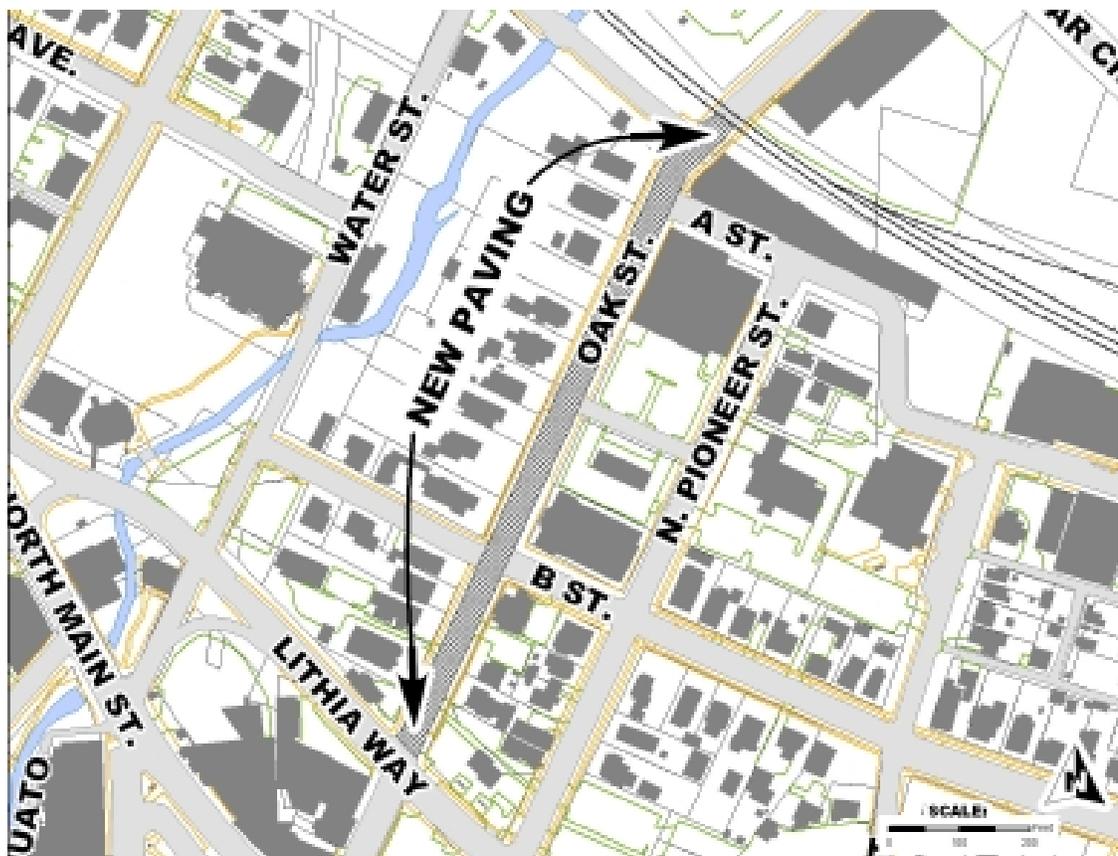


Project Title:	OAK STREET - LITHIA WAY TO RAILROAD TRACKS PER PAVEMENT MANAGEMENT SYSTEM
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$105,000	ODOT STP Funds	Project Cost by Budget Year	Prior Years	
	120,000	Street Fees		2005	
	<u>25,000</u>	Transportation SDCs		2006	
	\$250,000			2007	
				2008	
			2009		
			2010	\$250,000	
			Total	\$250,000	

Project Description:

The Pavement Management System (PMS) evaluated and rated the condition of all streets within Ashland. Staff has prioritized Oak Street based on its need for significant improvements and the fact that use of Oak Street will increase with vehicles avoiding the construction on Siskiyou Boulevard. In essence, this street has failed and needs a complete pavement reconstruction and related curb, gutter and storm drain improvements.



capital improvements plan

Project Title:	MISCELLANEOUS SIDEWALK IMPROVEMENTS
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$45,000	Transportation SDCs (15%)	Project Cost by Budget Year	Prior Years	
	<u>255,000</u>	Street Fees/Rates		2005	
	\$300,000			2006	\$75,000
				2007	\$50,000
				2008	\$50,000
				2009	\$50,000
				2010	\$50,000
				Total	\$300,000

Project Description:

Staff initiates the construction of approximately one mile of new sidewalk each year. Staff and various commissions have prioritized a list of sidewalks to update the Transportation System Plan's sidewalk inventory. Revisions to this list were coordinated through volunteer efforts of the Traffic Safety and Bike and Pedestrian Commissions during 2003. Priority will be set by evaluating safety issues, connections to schools and public gathering spaces, and engineering feasibility.



There are several missing sidewalk connections along Beach Street from Ashland to Henry Street and this important collector and local street network to reach the Library and Downtown. Construction will be coordinated with pavement work included in the Siskiyou Boulevard project.

Project Title:	NEVADA STREET SIDEWALK & TRAFFIC CALMING LOCAL IMPROVEMENT DISTRICT
Project Type:	Transportation \ Public Safety\Local Improvement District
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$28,500	Street SDCs (15%)	Project Cost by Budget Year	Prior Years	\$40,000
	85,500	Street Fees/Rates (45%)		2005	\$150,000
	<u>76,000</u>	LID (40%)		2006	
	\$190,000			2007	
				2008	
				2009	
			2010		
			Total	\$190,000	

Project Description:

The City’s Transportation System Plan identified and prioritized the need for a complete sidewalk system particularly targeting pedestrian routes for schools. This project will complete a very necessary sidewalk and traffic calming plan in a residential area near Helman Elementary School. A portion of this project will be paid by a local improvement district which will include the new Billings Ranch Subdivision. LID costs for sidewalks is split 60% City and 40% residents.

For a complete list of sidewalks to be constructed, refer to the City’s Transportation System Plan (TSP).



capital improvements plan

Project Title:	LIBERTY STREET LOCAL IMPROVEMENT DISTRICT
Project Type:	Transportation \ Public Safety\Local Improvement District
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$14,960	Street Fees (32%)	Project Cost by Budget Year	Prior Years	
	12,240	Transportation SDCs (18%)		2005	\$68,000
	<u>40,800</u>	LID (60%)		2006	
	\$68,000			2007	
				2008	
			2009		
			2010		
			Total	\$68,000	

Project Description:

The upper portion of Liberty is currently an unimproved street from Ashland Street to the south. This project will require formation of a Local Improvement District to construct roadway improvements including re-grading, asphalt paving, curb and gutter, sidewalks, driveway improvements, and related storm drain system improvements. Paving unpaved streets will reduce the amount of granite material in our storm drain system and helps reduce dust and air pollution.



Project Title:	UPPER BEACH STREET LOCAL IMPROVEMENT DISTRICT
Project Type:	Transportation \ Public Safety \ Local Improvement District
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$12,600	Transportation SDCs	Project Cost by Budget Year	Prior Years	
	15,400	Street Fees		2005	\$70,000
	<u>42,000</u>	LID		2006	
	\$70,000			2007	
				2008	
			2009		
			2010		
			Total	\$70,000	

Project Description:

Currently Beach Street south of Ashland Street is improved to approximately 250 feet southerly of the Glenwood Drive intersection. The remaining 400 feet is unimproved and the extremely steep grade poses a number of storm runoff, erosion and air quality issues.

Paving of unpaved streets will reduce the amount of silt in our storm drain system and helps reduce air pollution.

The proposed project includes construction of curbs, gutters, paving, sidewalks and storm drain improvements on the existing street right of way.

Funding to be provided through the formation of a Local Improvement District and supplemented through City fees.



capital improvements plan

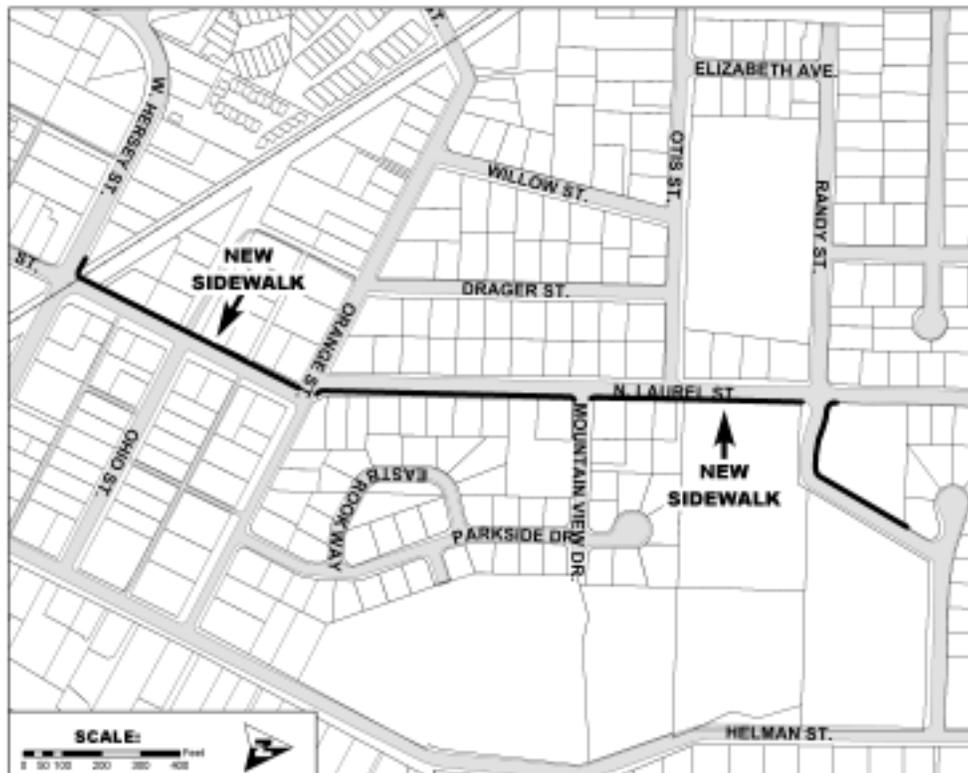
Project Title:	SIDEWALKS - LAUREL STREET
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$18,750	Street SDCs (15%)	Project Cost by Budget Year	Prior Years	
	56,250	Street Fees (45%)		2005	
	50,000	LID (40%)	2006	\$125,000	
	\$125,000		2007		
			2008		
			2009		
			2010		
			Total	\$125,000	

Project Description:

This project will construct sidewalks, driveway improvements, related minor storm drain improvements and traffic calming features to North Laurel Street from Nevada Street to Hersey Street.

There are several missing sidewalk connections along this important collector and local street network to reach Helman School and generally will also support connections to both Helman and Briscoe Schools. This will also serve as a connection to the City's Dog Park and Greenway bicycle trail system and to Downtown.



Project Title:	WALNUT STREET LOCAL IMPROVEMENT DISTRICT
Project Type:	Transportation \ Public Safety \ CMAQ \ Local Improvement District
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$180,000 Transportation SDCs (18%)	Project Cost by Budget Year	Prior Years	
	20,000 Street Fees		2005	\$100,000
	155,000 LID (15%)		2006	\$700,000
	<u>650,000</u> Grant Funds (CMAQ)		2007	\$200,000
	\$1,000,000		2008	
			2009	
			2010	
			Total	\$1,000,000

Project Description:

Walnut Street from Luna Vista Street to Tucker Street and the link of C Street and Emerick Street are currently unimproved dirt roads. Paving unpaved streets will reduce the amount of granite material in our storm drain system and helps reduce dust and air pollution. This project will require the formation of a Local Improvement District to construct roadway improvements including re-grading, asphalt paving and pavement overlay, curb and gutter, sidewalks, driveway improvements, and related storm drain system improvements. A Congestion Mitigation Air Quality grant has been acquired to fund the majority of the construction.



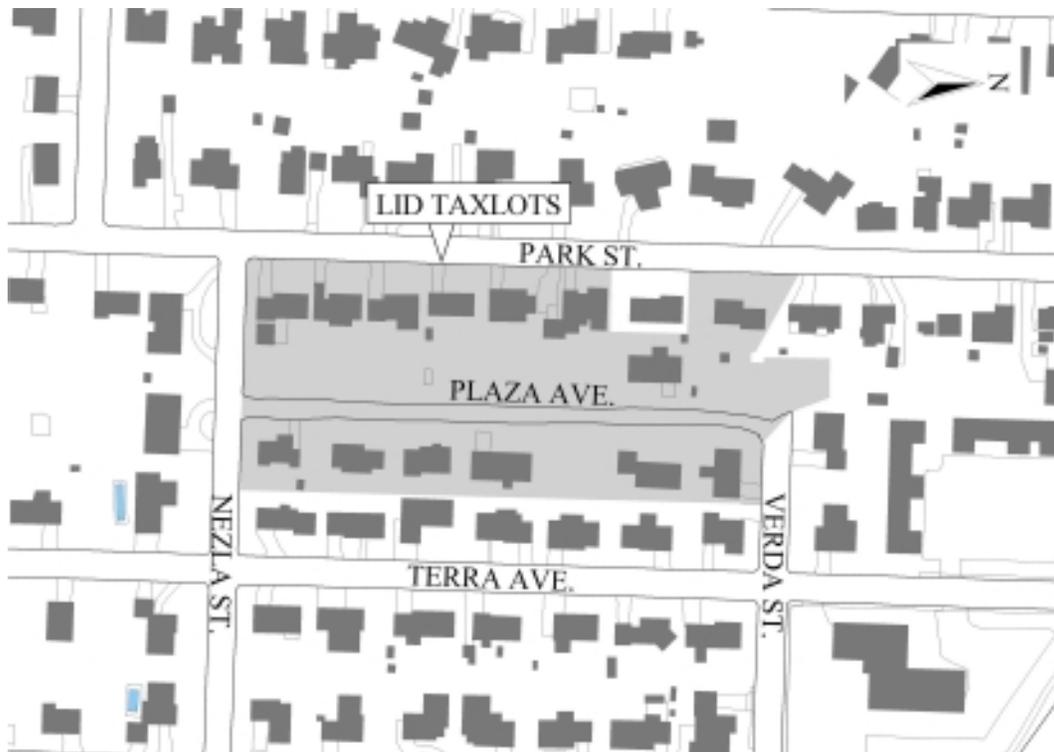
capital improvements plan

Project Title:	PLAZA AVENUE LOCAL IMPROVEMENT DISTRICT
Project Type:	Transportation \ Public Safety \ Local Improvement District
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$15,840	Street Fees (32%)	Project Cost by Budget Year	Prior Years	
	12,960	Transportation SDCs (18%)		2005	
	<u>43,200</u>	LID (60%)	2006	\$72,000	
	\$72,000		2007		
			2008		
			2009		
			2010		
			Total	\$72,000	

Project Description:

Plaza Avenue is currently an unimproved street. Neighbors have looked at the possibility of forming a Local Improvement District from Verda Street to Nezla Street several times in the past without success. This project would initiate a Local Improvement District to construct roadway improvements including regrading, asphalt paving, curb and gutter, sidewalks, driveway improvements, and related storm drain system improvements. Paving unpaved streets will reduce the amount of granite material in our storm drain system and helps reduce dust and air pollution.



Project Title:	MISCELLANEOUS LOCAL IMPROVEMENT DISTRICT PROJECTS
Project Type:	Transportation \ Public Safety \ Local Improvement District
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$60,380	Street Fees (32%)	Project Cost by Budget Year	Prior Years	
	50,220	Street SDCs (18%)		2005	
	<u>167,400</u>	LID (60%)		2006	
	\$279,000			2007	\$69,000
				2008	\$70,000
			2009	\$70,000	
			2010	\$70,000	
			Total	\$279,000	

Project Description:

One of Council’s goals is water quality improvements resulting from paving unpaved streets. Paving unpaved streets will reduce the amount of granite material in our storm drain system and helps reduce dust and air pollution. Although not yet specifically defined, these projects will require formation of Local Improvement Districts to construct roadways primarily on dirt or unimproved roads to improve air and water quality. These improvements could include regrading, asphalt paving, curb and gutter, sidewalks, driveway improvements, and related storm drain system improvements.

Possible street improvements include Peachy Road, Larkin Lane, Ohio, Sunrise, Glenview and Granite Streets.



capital improvements plan

Project Title:	CLAY STREET LOCAL IMPROVEMENT DISTRICT
Project Type:	Transportation \ Public Safety \ Local Improvement District
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$128,700	Street Fees (32%)	Project Cost by Budget Year	Prior Years	
	105,300	Transportation SDCs (18%)		2005	
	351,000	LID (60%)		2006	
	<u>75,000</u>	Other Funds (County)		2007	
	\$660,000			2008	\$660,000
				2009	
			2010		
			Total	\$660,000	

Project Description:

Clay Street north of Siskiyou Boulevard is currently a County road. Improvement of this street to full City standards would require a transfer of jurisdiction requiring the City to maintain this section.

This project looks at improvements between Siskiyou Boulevard and Ashland Street and would require formation of a Local Improvement District to help fund the construction of curb and gutters, paving, sidewalks (both sides) parking bays, storm drainage facilities and traffic calming features.



Project Title:	SIDEWALK - TOLMAN CREEK ROAD FROM GREENMEADOWS TO SISKIYOU BOULEVARD
Project Type:	Transportation \ Public Safety \ Local Improvement District
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$24,000	Transportation SDCs (15%)	Project Cost by Budget Year	Prior Years
	24,000	LID (40%)		2005
	<u>72,000</u>	Street Fees (45%)		2006
	\$120,000			2007
			2008	
			2009	\$120,000
			2010	
			Total	\$120,000

Project Description:

Construct sidewalks, driveway improvements and related minor storm drain improvements to Tolman Creek Road from Greenmeadows Drive to Siskiyou Boulevard.

There are several missing sidewalk connections along this important collector and local street network to reach Bellview School.



capital improvements plan

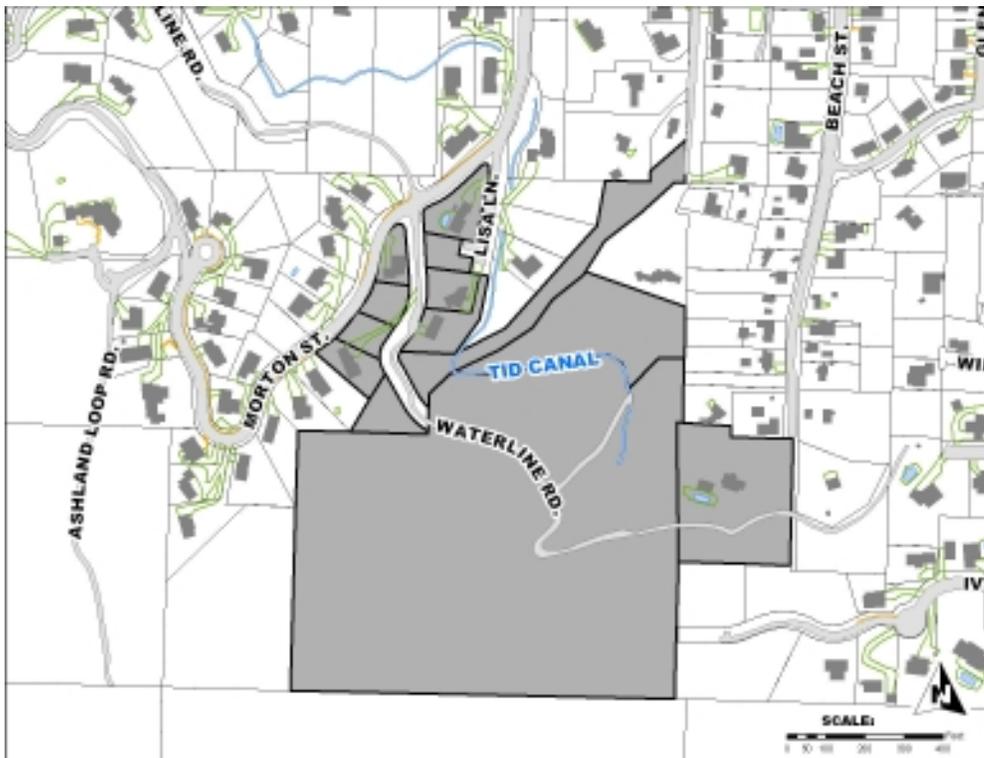
Project Title:	WATERLINE ROAD LOCAL IMPROVEMENT DISTRICT
Project Type:	Transportation \ Public Safety \ Local Improvement District
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$44,880	Street Fees (32%)	Project Cost by Budget Year	Prior Years	
	36,720	Transportation SDCs (18%)		2005	
	<u>122,400</u>	LID		2006	
	\$204,000			2007	
				2008	
			2009		
			2010	\$204,000	
			Total	\$204,000	

Project Description:

Waterline Road is an unpaved, unimproved local street. City Council has approved the formation of a Local Improvement District to improve Waterline Road from Morton Street southeasterly dependent upon the approval of a residential development to be accessed from Waterline Road which would require the improving of the street. The extent of timing of this project is dependent upon development.

Roadway improvements include re-grading, asphalt paving, retaining walls, curb and gutter, sidewalks, driveway improvements, and related storm drain system improvements.



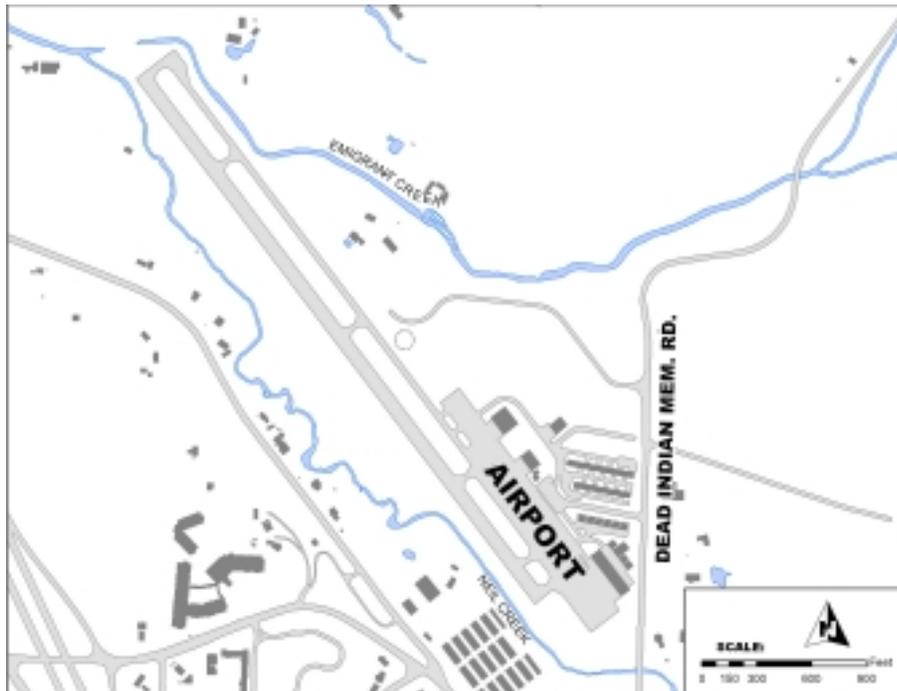
Project Title:	ENTITLEMENT GRANT FAA/ODA (FY04) & FAM GRANT
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$135,000	Grants	Project Cost by Budget Year	Prior Years	\$40,000
	<u>15,000</u>	Soft Match		2005	\$120,000
	\$160,000			2006	
				2007	
				2008	
			2009		
			2010		
			Total	\$160,000	

Project Description:

The present Ashland Municipal Airport Master Plan is ten years old and is mandated by the Federal Aviation Administration to be updated. As part of an Oregon Department of Aviation project, the City of Ashland and two other municipalities will have their Master Plans updated. Project administration will be provided by ODA. The cost to the City for this update will be a 10% match of the total cost. Another addition to the airport provided by this grant will be a voice activated weather reporting, flight information system. The SuperUnicom will increase the safety quotient at the airport by providing landing data to pilots

via radio broadcasts. Cost for the SuperUnicom of \$35,000 will be covered entirely by the ODA Grant. The SuperUnicom is slated for installation pending proper FAA approval while the completion of the Master Plan is expected in late Summer of 2004.



capital improvements plan

Project Title:	AIRPORT IMPROVEMENTS PROJECTS
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$713,000	FAA Grant	Project Cost by Budget Year	Prior Years	\$75,000
	40,650	Local Soft Match Other City Funds		2005	\$688,650
	10,000	FAM Grant		2006	
	\$763,650			2007	
				2008	
				2009	
				2010	
				Total	\$763,650

Project Description:

Construct airport improvements including apron overlay, runway lighting upgrade and construction of an airplane wash facility.

- Overlay and reconstruction of existing tie-down aprons
- Installation of retroreflectors along the taxiway
- Upgrade of existing low intensity runway edge lighting to medium intensity lighting
- Airplane Washrack

This project will be funded through FAA and ODA grants with a soft match provided by the City.



Project Title:	FUTURE ENTITLEMENT GRANTS
Project Type:	Transportation \ Public Safety
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$450,000	ODA Grants	Project Cost by Budget Year	Prior Years	
	<u>45,000</u>	City Match		2005	
	\$495,000			2006	\$165,000
				2007	
				2008	\$165,000
				2009	
				2010	\$165,000
		Total	\$495,000		

Project Description:

The Oregon Department of Aviation reinstated the Airport Entitlement Grants to the benefit of many small general aviation airports. It is our goal to continue to expand the infrastructure of the Ashland Airport to increase revenue. These grants are instrumental in giving small municipalities opportunities to update services and equipment making the airport increasingly more attractive to businesses as well as private pilots. Projects will be indentified through the Master Plan and funds requested through the State of Oregon Department of Aviation.

Anticipated projects include:

- Purchase of a superunicom system
- Airplane tie-down apron reconstruction
- Taxilane extension
- Easement acquisition



capital improvements plan

Project Title:	TALENT, ASHLAND, PHOENIX PIPELINE - BEYOND TALENT TO ASHLAND
Project Type:	Water Supply
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$4,068,750	Water SDCs (75%)	Project Cost by Budget Year	Prior Years	\$50,000
	<u>1,356,250</u>	Water Fees / Rates		2005	\$25,000
	\$5,425,000			2006	
				2007	\$150,000
				2008	\$200,000
			2009		
			2010	\$5,000,000	
			Total	\$5,425,000	

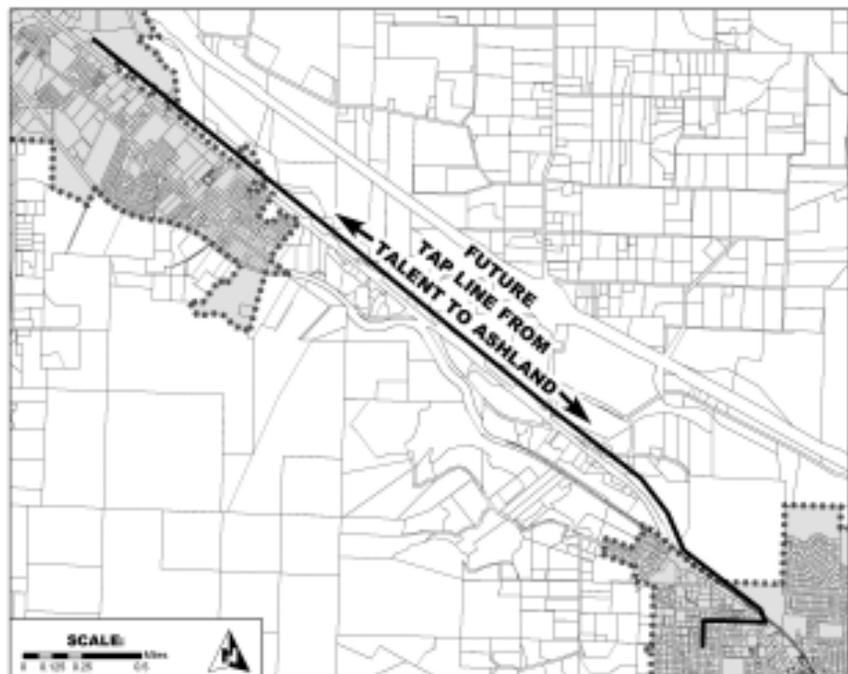
Project Description:

Based on the Council’s decision in December 1998, Ashland participated with the Cities of Talent and Phoenix in the design and construction of the TAP Intertie water pipeline (24-inch line) to the City of Talent. In addition, Staff purchased 1000 acre feet of Lost Creek Water Rights.

- Review the process of exchanging the City’s Talent Irrigation District (TID) water rights from the City’s “Imperatrice Property” for beneficial use;
- Began discussions with the City of Talent regarding their TID municipal water rights and future use of those rights; and,
- Continue with conservation programs to meet the goals for 20% peak day summer time reductions.

The City has contracted with Carollo Engineering in developing the preliminary engineering for the TAP line from Talent to Ashland. Our next step will be to secure easements for the pipeline and identifying other needs for this future project. Water has, and will continue to be, a concern for Ashland and the Rogue Valley.

Although construction is shown in 2010, the Council has not finalized construction start dates. The 1998 report shows a water supply deficit in 2016.



Project Title:	HOSLER DAM TRANSMISSION LINE REPLACEMENT FROM REEDER RESERVOIR TO PLANT
Project Type:	Water Supply
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$396,000	Water SDCs	Project Cost by Budget Year	Prior Years	\$170,000
	734,000	Water Fees / Rates		2005	\$950,000
	\$1,130,000			2006	
				2007	
			2008		
			2009		
			2010		
			Total	\$1,130,000	

Project Description:

The main transmission line from Reeder Reservoir to the Water Treatment Plant was built in the early 1900s and given its age replacement is inevitable. The project replaces the existing one mile length of 24 inch waterline and supporting structures with 30 inch cast iron pipeline, as well as improving drainage related to the support structures. The evaluation of the system was completed in FY02 and recommended relocating the line to the roadway.

Design of the project will begin in FY04 with construction spanning two years FY04/05.

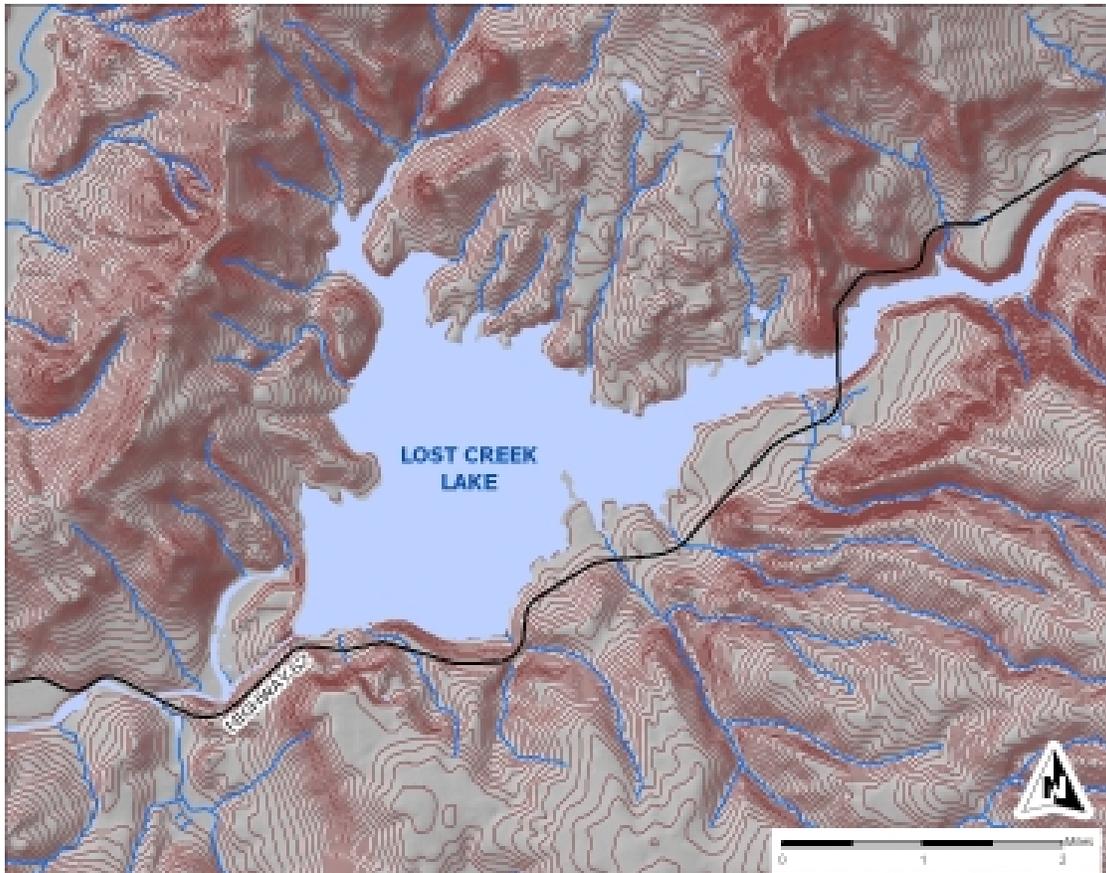


Project Title:	ADDITIONAL LOST CREEK WATER RIGHTS
Project Type:	Water Supply
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$500,000	Water SDCs	Project Cost by Budget Year	Prior Years	
	\$500,000			2005	
		2006			
		2007			
		2008			
		2009		\$500,000	
		2010			
	Total	\$500,000			

Project Description:

In FY01, the City purchased the initial portion of Lost Creek Water from the US Army Corps of Engineers. The Carollo Water Supply Master Plan completed in December 1998 identified a deficit of 1420 acre feet. The initial purchase of water rights did not include interest charges and the City purchased only 1,000 acre feet of new water. This remaining amount will satisfy the full deficit.



Project Title:	HOSLER DAM SECURITY & TELEMTRY
Project Type:	Water Treatment Plant
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	<u>\$75,000</u> Water Fees/ Rates	Project Cost by Budget Year	Prior Years	\$25,000
	\$75,000		2005	\$50,000
			2006	
			2007	
			2008	
			2009	
			2010	
			Total	\$75,000

Project Description:

The Water Treatment Plant is facing several improvements over the next few years. This project evaluates and improves the security system at Hosler Dam to reduce vandalism and increase security of public facilities in the watershed.



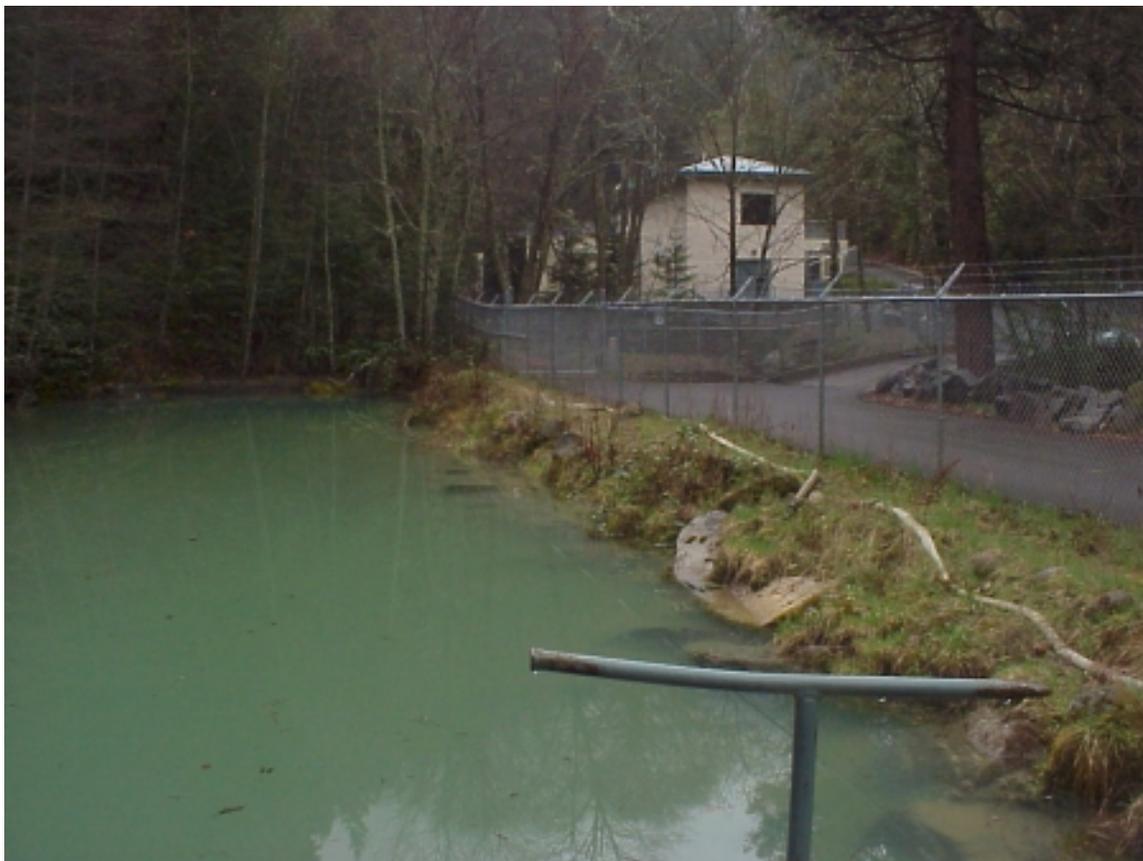
capital improvements plan

Project Title:	SLUDGE LAGOON IMPROVEMENTS
Project Type:	Water Treatment Plant
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	<u>\$180,000</u>	Water Fees/ Rates	Project Cost by Budget Year	Prior Years	
	\$180,000			2005	\$20,000
				2006	\$160,000
				2007	
				2008	
				2009	
				2010	
				Total	\$180,000

Project Description:

The Water Treatment Plant is facing several improvements over the next few years. This project evaluates and improves the treatment plant's backwash sludge lagoons to be more protective of water quality in Ashland Creek. Improvements include adjustments to sluice gates and increases capacity of the lagoon, and piping of the backwash water. Design work will begin in FY05.



Project Title:	WATER TREATMENT PLANT FILTER IMPROVEMENTS
Project Type:	Water Treatment Plant
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	<u>\$140,000</u>	Water Fees/ Rates	Project Cost by Budget Year	Prior Years	\$60,000
	\$140,000			2005	\$80,000
		2006			
		2007			
		2008			
		2009			
		2010			
		Total		\$140,000	

Project Description:

The Water Treatment Plant is facing several improvements over the next few years. This project evaluates and improves the filter aid system of the existing water treatment plant filter system to improve treatment capabilities. The ongoing projects scheduled in FY03 and FY05 implement the recommended improvements including filter media replacement.



capital improvements plan

Project Title:	WATER TREATMENT PLANT - CONSTRUCT NEW FILTERS 7 & 8
Project Type:	Water Treatment Plant
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$348,750	Water SDCs	Project Cost by Budget Year	Prior Years	
	116,250	Water Fees/Rates		2005	
	\$465,000			2006	\$65,000
				2007	\$400,000
				2008	
				2009	
				2010	
		Total	\$465,000		

Project Description:

The Water Treatment Plant is facing several improvements over the next few years. This project designs and constructs two new filter systems to add to the plant's capacity to treat water.



Project Title:	CHLORINE / HYPOCHLORITE REQUIREMENT REVIEW
Project Type:	Water Treatment Plant
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$375,000 Water Fees/ Rates \$375,000	Project Cost by Budget Year	Prior Years
			2005 2006 \$25,000 2007 \$350,000 2008 2009 2010 Total \$375,000

Project Description:

The Ashland Water Treatment Plant (WTP) currently uses gaseous chlorine for disinfection. The purpose of the Predesign Report is to evaluate hypochlorite as an alternative to gaseous chlorine. The main reasons the City is considering the change from gaseous chlorine to liquid hypochlorite are as follows:

- A new scrubber system could be required for existing gaseous system.
- Handling chlorine gas is inherently dangerous to plant staff.
- Continued use of chlorine gas could require the City to implement a new Risk Management Plan (RMP) per the EPA Clean Air Act. However at this time, the City is meeting the requirements by utilizing one-ton cylinders.

The long term solution is to go to sodium hypochlorite to reduce the risk to staff and our community. Sodium hypochlorite can be used in liquid form (bleach) or tablet form.

A preliminary study of alternatives was completed in 1999.



New chlorination system
city of ashland 2 - 49

capital improvements plan

Project Title:	WATER TREATMENT PLANT & PROCESS IMPROVEMENTS
Project Type:	Water Treatment Plant
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$360,000	Water SDCs	Project Cost by Budget Year	Prior Years	
	<u>120,000</u>	Water Fees/ Rates		2005	
	\$480,000			2006	
				2007	
				2008	\$160,000
				2009	\$160,000
				2010	\$160,000
		Total	\$480,000		

Project Description:

The City's Water Treatment Plant upgrade was completed in 1995. The design capacity of the plant was increased to 12 million gallons per day (mgd). As the plant begins to see peaks as high as 8 mgd, there are several projects that are necessary to implement prior to daily peaks in the 8-10 mgd range. These include headloss evaluations and other pipeline considerations, chemical use and alternatives within the treatment plant process. These are scheduled to be designed in FY07 and constructed between FY07 and FY09.



Project Title:	NEW FIRE FLOW DISTRIBUTION RESERVOIR
Project Type:	Water Distribution
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$450,000	Water SDCs	Project Cost by Budget Year	Prior Years	\$15,000
	<u>1,275,000</u>	Water Fees / Rates		2005	\$225,000
	\$1,750,000			2006	\$750,000
				2007	\$750,000
				2008	
				2009	
				2010	
				Total	\$1,750,000

Project Description:

Two areas in the southern section of the City are served by constant operation pumps with multiple pump staging to meet fireflow demands. To provide a more efficient, safer and more economical method of increasing water pressure and flow, a reservoir is proposed to be constructed in the southwest section south of Ashland. This project will include validating the need, conducting a siting study, reservoir design and construction. It is anticipated that this process will encompass three years beginning in FY05. Funded through FY04 Water Bonds.



capital improvements plan

Project Title:	MAIN FEEDER LINE REPLACEMENT WATER TREATMENT PLANT TO CROWSON RESERVOIR
Project Type:	Water Distribution
Department Responsible:	Public Works Department \ Engineering Division

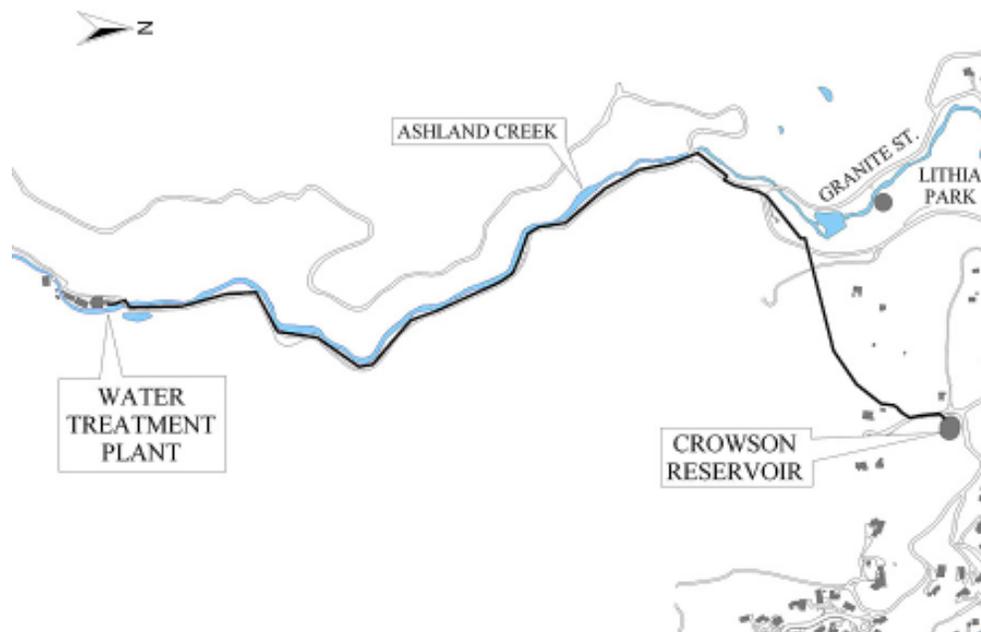
Funding Source	\$593,600	Water SDCs	Project Cost by Budget Year	Prior Years	\$60,000
	<u>466,400</u>	Water Fees / Rates		2005	\$600,000
	\$1,060,000			2006	\$400,000
				2007	
				2008	
				2009	
				2010	
		Total	\$1,060,000		

Project Description:

The main drinking water feeder line from the water treatment plant to Crowson Reservoir needs to be replaced, given its age of nearly 50 years, deteriorating condition and size. The project potentially repairs or replaces the existing one mile length of the 24 inch waterline with a 30 inch line. This will increase capacity and improve overall distribution of drinking water to the City.

The evaluation of alternatives was completed in FY02. The recommendation is to increase the capacity by cleaning out the existing line and then line it with a smooth surface material there by increasing the volume of water through the pipe. The alternative is to replace the line with a larger line.

Final design will begin in FY04 with construction following in two years in FY05 and FY06.

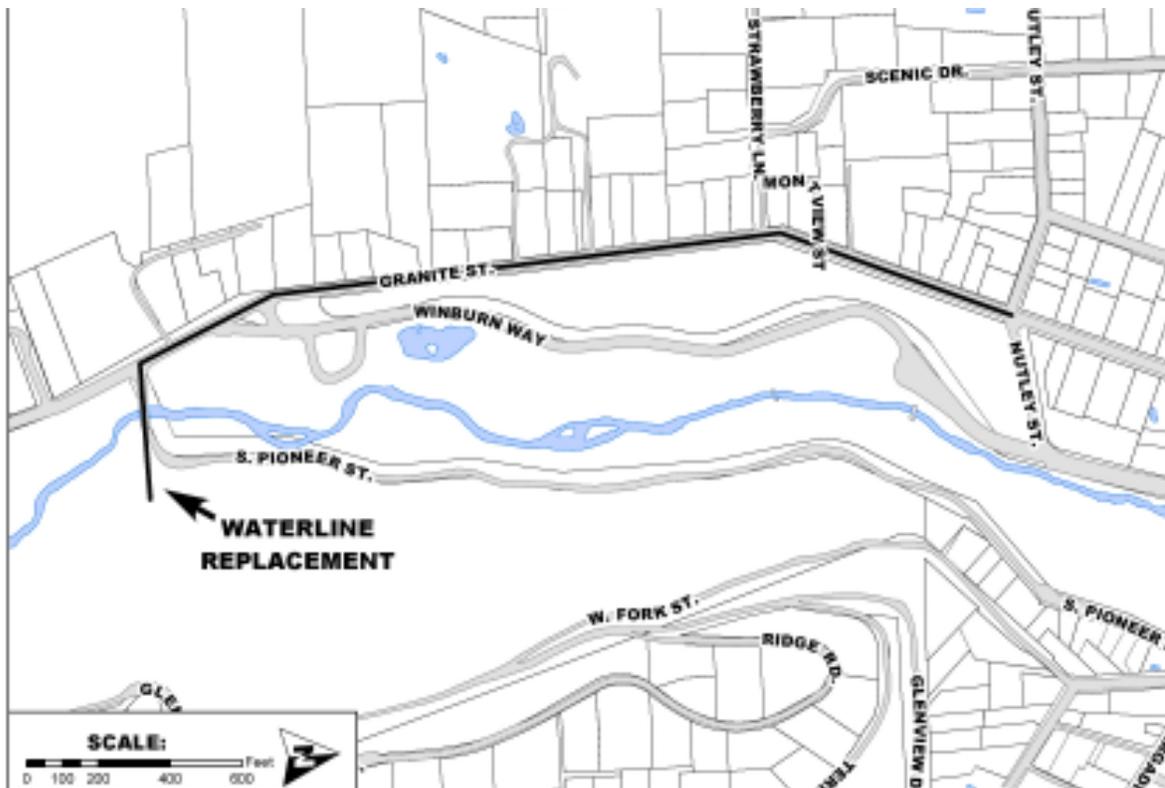


Project Title:	GRANITE STREET FROM NUTLEY TO PARKS DEPARTMENT WATERLINE REPLACEMENT
Project Type:	Water Distribution
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$138,250	Water SDCs (35%)	Project Cost by Budget Year	Prior Years	
	256,750	Water Fees/ Rates		2005	
	\$395,000		2006	\$45,000	
			2007	\$350,000	
			2008		
			2009		
			2010		
			Total	\$395,000	

Project Description:

This project would replace the aging 10 to 12 inch steel water line in Granite Street. A new 12 inch ductile iron water line will be constructed from Nutley Street southerly to the Granite Street reservoir.

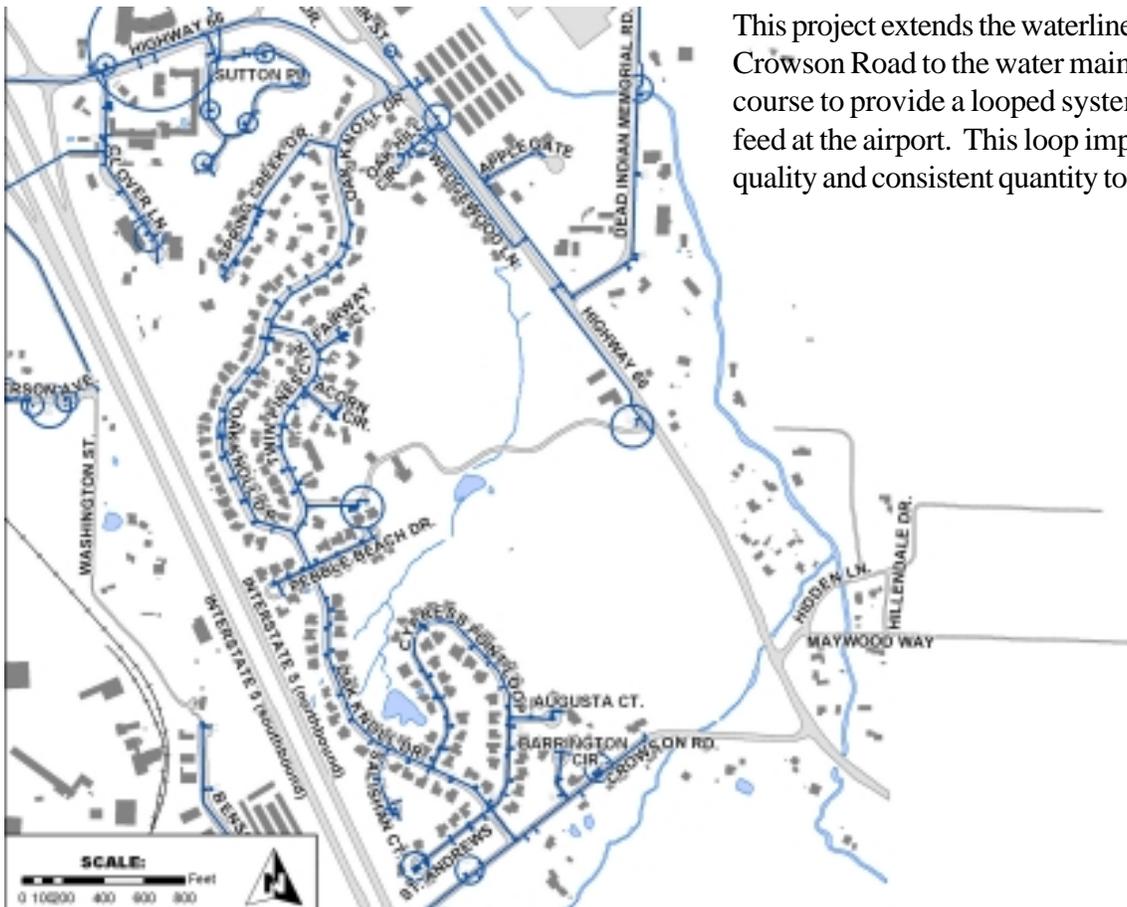


capital improvements plan

Project Title:	CROWSON ROAD, AIRPORT & E. MAIN STREET LOOP WATERLINE REPLACEMENT
Project Type:	Water Distribution
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$49,000	Water SDCs	Project Cost by Budget Year	Prior Years
	<u>91,000</u>	Water Fees / Rates		2005
	\$140,000			2006
				2007
			2008	
			2009	
			2010	
			Total	\$140,000

Project Description:



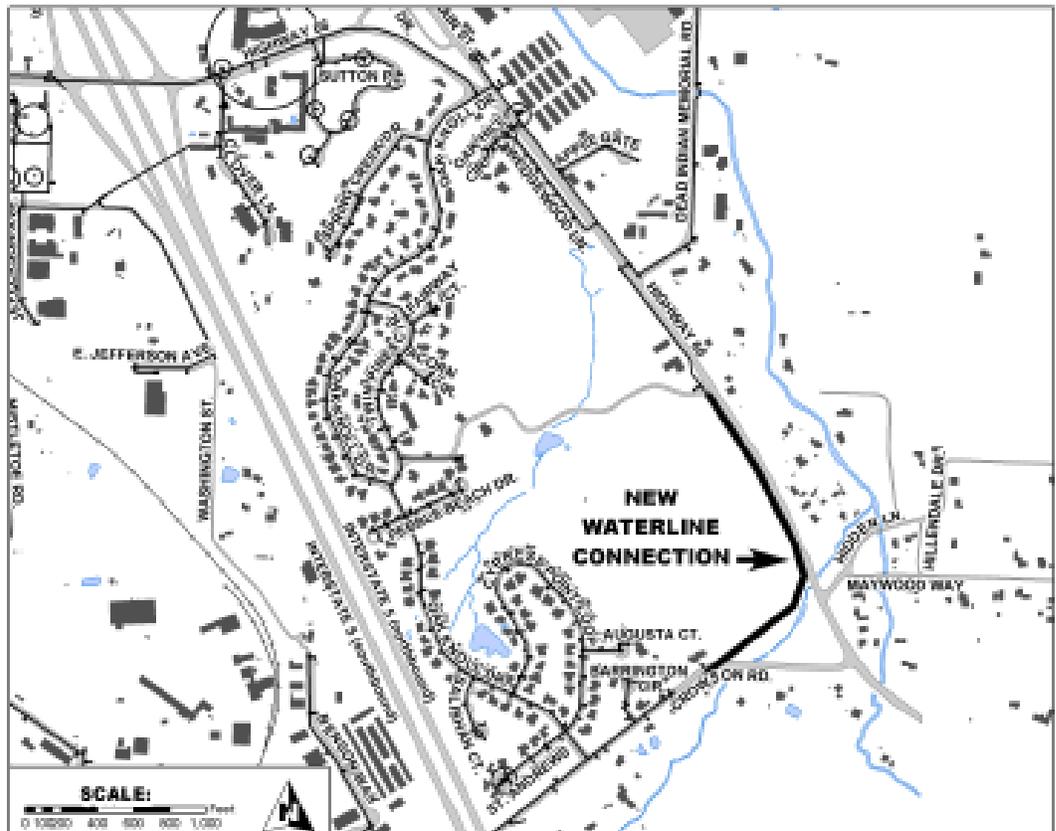
This project extends the waterline from Crowson Road to the water main at the golf course to provide a looped system to the new feed at the airport. This loop improves water quality and consistent quantity to these areas.

Project Title:	TERRACE STREET - IOWA STREET TO TID DITCH WATERLINE REPLACEMENT
Project Type:	Water Distribution
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$17,500 Water SDCs	Project Cost by Budget Year	Prior Years
	<u>332,500</u> Water Fees/ Rates		2005
	\$350,000		2006
			2007 \$350,000
			2008
			2009
			2010
			Total \$350,000

Project Description:

The updated Water Distribution plan prioritized pipe replacements based on inadequate size and disrepair. The section from Iowa Street to the Talent Irrigation Ditch along Terrace Street replaces 1,850 feet of 12 inch diameter steel pipe with 12 inch ductile iron pipe. The replacement of deteriorating steel pipe with ductile iron pipe is a proactive step to increase flow rates through the water lines. The obsolete steel pipes are no longer maintainable and can become corroded and inhibit water flow. They will be systematically replaced throughout the City.



Project Title:	WATERLINE UPSIZING - MAPLE STREET, SCENIC DRIVE & CHESTNUT STREET
Project Type:	Water Distribution
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$62,500	Water SDCs	Project Cost by Budget Year	Prior Years	
	187,500	Water Fees / Rates		2005	
	\$250,000			2006	
				2007	
				2008	\$250,000
				2009	
				2010	
		Total	\$250,000		

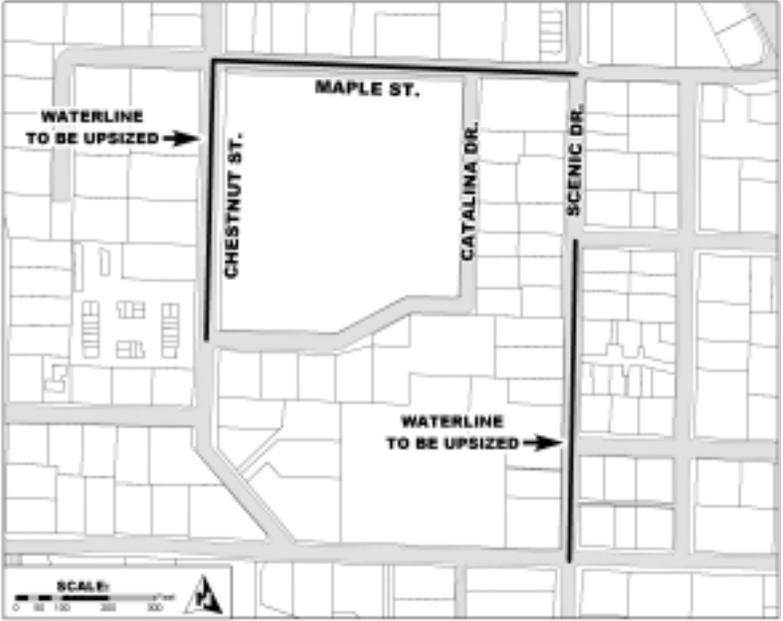
Project Description:

The updated Water Distribution plan prioritized pipe replacements based on inadequate size and disrepair. These waterlines are being replaced due to inadequate pipe size to meet demand. The increased capacity will supply residents with adequate flow. The replacement of deteriorating steel pipe with ductile iron pipe is a proactive step to increase flow rates through the water lines. The obsolete steel pipes are no longer maintainable and could become corroded and inhibit water flow. They will be systematically replaced throughout the City.

Maple Street is scheduled for replacement of 787 feet of 6 inch steel pipe with an 8 inch ductile iron pipe from Scenic Drive to Chestnut Street.

Scenic Drive is scheduled for replacement of 700 feet of 6 inch steel pipe to an eight 8 inch ductile iron pipe from Coolidge Street to Wimer Street.

Chestnut Street is scheduled for replacement of 1,080 feet of 6 inch steel pipe to an 8 inch ductile iron pipe from Maple Street to Catalina Drive.

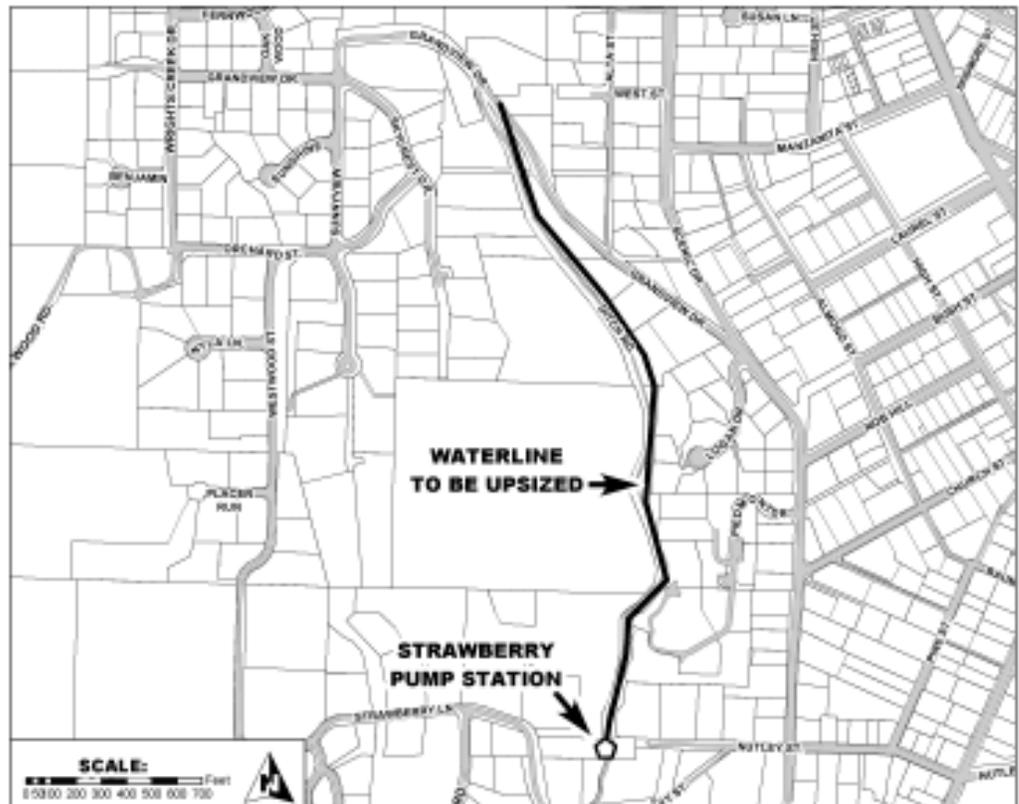


Project Title:	STRAWBERRY PUMP STATION TO GRANDVIEW DRIVE WATERLINE REPLACEMENT
Project Type:	Water Distribution
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$25,000	Water SDCs (35%)	Project Cost by Budget Year	Prior Years
	475,000	Water Fees/ Rates		2005
	\$500,000			2006
				2007
			2008	\$500,000
			2009	
			2010	
			Total	\$500,000

Project Description:

The updated Water Distribution plan prioritized pipe replacements based on inadequate size and disrepair. The section from the Strawberry Lane Pump Station to Grandview Drive replaces 2,950 feet of 16 inch diameter steel pipe with 16 inch ductile iron pipe. The replacement of deteriorating steel pipe with ductile iron pipe is a proactive step to increase flow rates through the water lines. The obsolete steel pipes are no longer maintainable and could become corroded and inhibit water flow. They will be systematically replaced throughout the City.



capital improvements plan

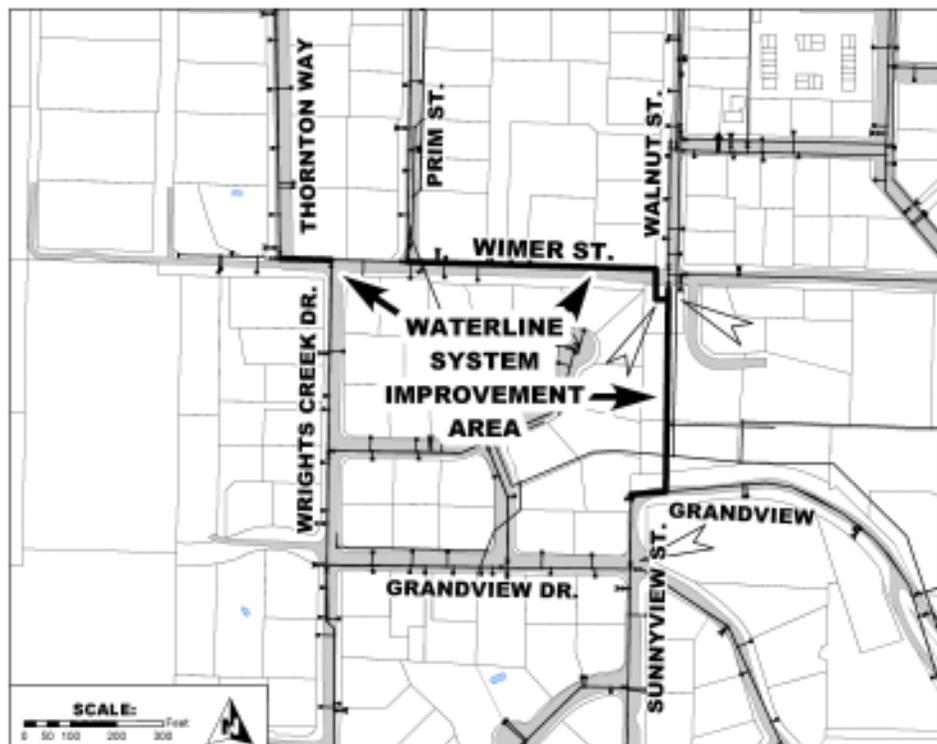
Project Title:	WIMER STREET & SUNNYVIEW STREET WATERLINE REPLACEMENT
Project Type:	Water Distribution
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$62,500	Water SDCs	Project Cost by Budget Year	Prior Years	
	<u>187,500</u>	Water Fees / Rates		2005	
	\$250,000			2006	
				2007	
				2008	\$250,000
				2009	
				2010	
				Total	\$250,000

Project Description:

The updated Water Distribution plan prioritized pipe replacements based on inadequate size and disrepair. Two sections on Wimer Street; one from Prim Street to Sunnyview Street, and another from Thornton Way to Wrights Creek Drive replaces 2,700 feet of 6 inch diameter steel pipe with 10 inch ductile iron pipe. Sunnyview Street will have 6 inch steel pipe replaced with 10 inch ductile iron pipe from Grandview Drive to the Pressure Reduction Valve junction which is approximately 150 feet.

The replacement of deteriorating steel pipe with ductile iron pipe is a proactive step to increase flow rates through the water lines. The obsolete steel pipes are no longer maintainable and could become corroded and inhibit water flow. They will be systematically replaced throughout the City.

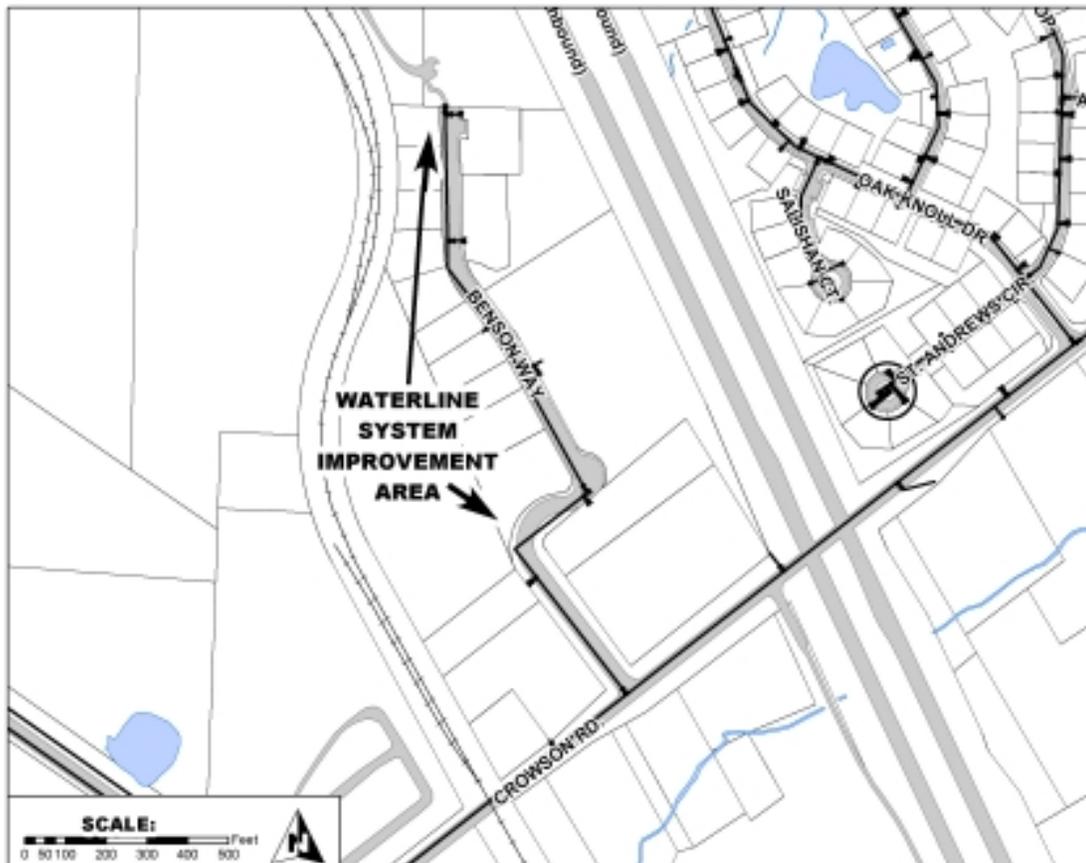


Project Title:	BENSON WAY LOOP WATERLINE REPLACEMENT
Project Type:	Water Distribution
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$49,000	Water SDCs	Project Cost by Budget Year	Prior Years	
	<u>91,000</u>	Water Fees / Rates		2005	
	\$140,000		2006		
			2007		
			2008		
			2009	\$140,000	
			2010		
			Total	\$140,000	

Project Description:

The City’s water distribution system was evaluated and modeled by Lee Engineering. Improvements to the model were completed by Carollo Engineering and staff. Several line improvements, volume increases and replacements were recommended. This project will provide a “looped” water line system to equalize pressure and allow redundancy in the system.



capital improvements plan

Project Title:	EUCLID AVENUE, PROSPECT STREET, FERN STREET & ROCA STREET WATERLINE REPLACEMENT
Project Type:	Water Distribution
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$68,750	Water SDCs	Project Cost by Budget Year	Prior Years
	<u>206,250</u>	Water Fees / Rates		2005
	\$275,000		2006	
			2007	
			2008	
			2009	\$275,000
			2010	
			Total	\$275,000

Project Description:

The updated Water Distribution plan prioritized pipe replacements based on inadequate size and disrepair. The replacement of deteriorating steel pipe with ductile iron pipe is a proactive step to increase flow rates through the water lines. The obsolete steel pipes are no longer maintainable and could become corroded and inhibit water flow. They will be systematically replaced throughout the City.

Euclid Avenue is scheduled for replacement of 1,450 feet of 4 and 6 inch steel pipe with 8 inch ductile iron pipe.

Prospect Street, Fern Street and Roca Street will all have 1,200 feet of 6 inch steel pipe replaced with 8 inch ductile iron pipe.



Project Title:	TOLMAN CREEK ROAD - SISKIYOU BOULEVARD TO GREENMEADOWS WAY WATERLINE REPLACEMENT
Project Type:	Water Distribution
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$93,750	Water SDCs	Project Cost by Budget Year	Prior Years	
	<u>281,250</u>	Water Fees/ Rates		2005	
	\$375,000		2006		
			2007		
			2008		
			2009	\$375,000	
			2010		
			Total	\$375,000	

Project Description:

The updated Water Distribution plan prioritized pipe replacements based on inadequate size and disrepair. The section from Siskiyou Boulevard to Greenmeadows Way along Tolman Creek Road replaces 2,750 feet of 8 inch diameter steel pipe with 12 inch ductile iron pipe. The replacement of deteriorating steel pipe with ductile iron pipe is a proactive step to increase flow rates through the water lines. The obsolete steel pipes are no longer maintainable and could become corroded and inhibit water flow. They will be systematically replaced throughout the City.



capital improvements plan

Project Title:	SISKIYOU BOULEVARD - TERRA STREET TO MISTLETOE ROAD WATERLINE REPLACEMENT
Project Type:	Water Distribution
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$40,000	Water SDCs	Project Cost by Budget Year	Prior Years	
	<u>760,000</u>	Water Fees / Rates		2005	
	\$800,000			2006	
				2007	
				2008	
				2009	
				2010	\$800,000
		Total	\$800,000		

Project Description:

The updated Water Distribution plan prioritized pipe replacements based on inadequate size and disrepair. The section from Terra Street to Mistletoe Road along Siskiyou Boulevard replaces 3,640 feet of 12 inch diameter steel pipe with 12 inch ductile iron pipe. The replacement of deteriorating steel pipe with ductile iron pipe is a proactive step to increase flow rates through the water lines. The obsolete steel pipes are no longer maintainable and could become corroded and inhibit water flow. They will be systematically replaced throughout the City.



Project Title:	WASTEWATER TREATMENT PLANT - PROCESS IMPROVEMENTS
Project Type:	Wastewater Treatment Plant
Department Responsible:	Public Works Department / Engineering Division

Funding Source	\$50,000	Wastewater SDCs	Project Cost by Budget Year	Prior Years	
	110,000	Other Funds		2005	
	<u>240,000</u>	Wastewater Fees/ Rates		2006	
	\$400,000			2007	\$100,000
				2008	\$100,000
			2009	\$100,000	
			2010	\$100,000	
			Total	\$400,000	

Project Description:

The Wastewater Treatment Plant was under construction from September 1998 through September 2003.

The highlights of this state-of-the-art facility include a brand new pump station at Ashland Creek, dual-train Eimco oxidation ditches to process the waste, an ultraviolet disinfection system that is environmentally safe and provides thorough disinfection and three clarifiers. The plant also includes a new membrane facility, a first in Oregon, that cleans the final wastewater to better than the 0.08 mg/l phosphorous standard. Biosolids are processed through the Waste Activated Sludge system and will go directly to the storage tank as a lime mixing facility in the event that Ashland chooses to make a Class A sludge in the future. Currently the biosolids are processed in the centrifuge facility and residues are hauled to the landfill.



capital improvements plan

Project Title:	BEAR CREEK INTERCEPTOR
Project Type:	Wastewater Treatment Collection System
Department Responsible:	Public Works Department / Engineering Division

Funding Source	\$560,000	Wastewater SDCs 100%	Project Cost by Budget Year	Prior Years	\$55,000
	\$560,000			2005	\$260,000
		2006			
		2007		\$30,000	
		2008		\$225,000	
		2009			
		2010			
		Total		\$560,000	

Project Description:

Install 24 inch line parallel to the existing undersized sewer main trunk lines along Bear Creek. The existing lines will be available for use along with the new line, should the need arise. The use of the parallel lines will prevent any interruption in flow throughout the installation process.

- Phase III begins near Nevada Street and runs to the area north of Carol Street (completed FY02)
- Phase IV is located near the wastewater treatment plant and runs to Oak Street (completed in FY02)
- Phase V begins near the North Mountain Park at Fordyce and extends to Walker Avenue (to be designed in FY03 and constructed in FY05)
- Phase VI includes the section from Tolman Creek Road to Walker Avenue.



Project Title:	COLLECTION SYSTEM MASTER PLAN UPDATE
Project Type:	Wastewater Collection System
Department Responsible:	Public Works Department / Engineering Division

Funding Source	\$105,000	Wastewater SDCs	Project Cost by Budget Year	Prior Years	\$72,000
	\$105,000			2005	\$33,000
				2006	
				2007	
				2008	
				2009	
				2010	
				Total	\$105,000

Project Description:

The current Wastewater Collection Master Plan is over twenty years old. Although the system is operating well, staff expects some necessary improvements may have been overlooked. This project will revise and update that Master Plan to provide a list of necessary capital and maintenance projects for the next twenty years. This project was started in FY04, and required additional data from staff to complete a Collection System Capacity analysis. The project will be complete in early FY05.

The primary focus will be on the age of the lines, type of construction and capacity of the existing system. In addition, staff will focus on maintenance policies and pre-treatment needs.



Project Title:	GRANITE STREET- NUTLEY STREET TO STRAWBERRY LANE WASTEWATER LINE REPLACEMENT
Project Type:	Wastewater Treatment Collection System
Department Responsible:	Public Works Department / Engineering Division

Funding Source	\$15,000	Wastewater SDCs	Project Cost by Budget Year	Prior Years	\$10,000
	<u>85,000</u>	Wastewater Fees/Rates		2005	\$90,000
	\$100,000			2006	
				2007	
				2008	
				2009	
				2010	
				Total	\$100,000

Project Description:

This project will replace the existing 8-inch concrete and clay sanitary sewer line in Granite Street between Nutley Street and Strawberry Lane, approximately 750 LF. Granite Street is scheduled for a reconstruction in 2006 and this work is required prior to re-paving. Due to utility conflicts, the removal and replacement of the existing sewer in place is the best option for this work.



Project Title:	NORTH MAIN PUMP STATION REPLACEMENT
Project Type:	Wastewater Treatment Collection System
Department Responsible:	Public Works Department / Engineering Division

Funding Source	\$21,500	Wastewater SDCs	Project Cost by Budget Year	Prior Years	\$5,000
	<u>63,500</u>	Wastewater Fees/Rates		2005	\$80,000
	\$85,000			2006	
				2007	
			2008		
			2009		
			2010		
			Total	\$85,000	

Project Description:

Replace wet/dry well sanitary sewer pump station with new submersible pump and improved controls. The existing electrical system is outdated and the pump station structure has major rust problems.



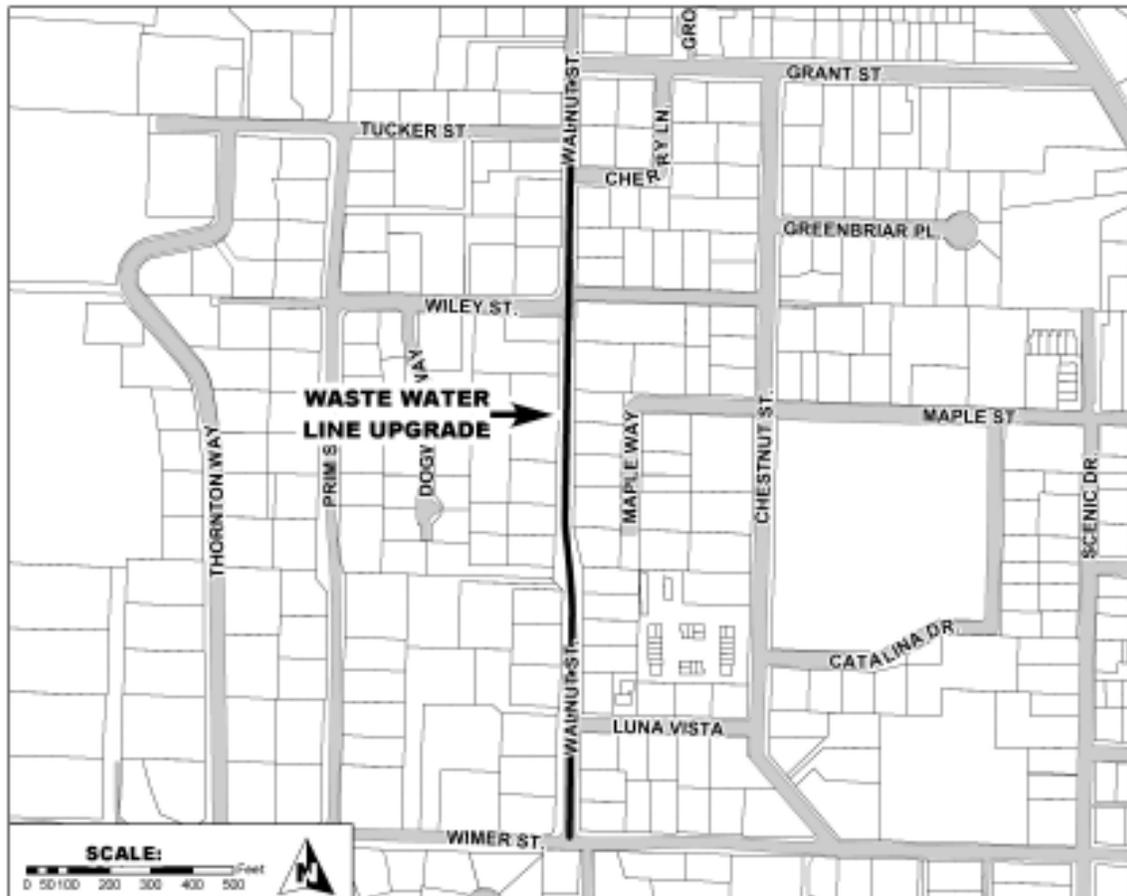
capital improvements plan

Project Title:	WALNUT STREET - GRANT STREET TO WIMER STREET WASTEWATER LINE UPGRADE
Project Type:	Wastewater Treatment Collection System
Department Responsible:	Public Works Department / Engineering Division

Funding Source	\$16,200	Wastewater SDCs	Project Cost by Budget Year	Prior Years	\$8,000
	<u>91,800</u>	Wastewater Fees/Rates		2005	\$100,000
	\$108,000		2006		
			2007		
			2008		
			2009		
			2010		
			Total	\$108,000	

Project Description:

This project will replace the existing 6 inch concrete sanitary sewer in Walnut Street between Grant Street and Wimer Street. Walnut Street is unimproved, but is scheduled for paving in 2006. Removal of the existing sewer and replacement in place is likely the best option for this project due to utility conflicts and physical constraints.



Project Title:	OAK STREET - LITHIA WAY TO A STREET REPLACEMENT
Project Type:	Wastewater Treatment Collection System
Department Responsible:	Public Works Department / Engineering Division

Funding Source	\$42,000	Wastewater SDCs	Project Cost by Budget Year	Prior Years	
	<u>98,000</u>	Wastewater Fees/Rates		2005	\$15,000
	\$140,000		2006	\$125,000	
			2007		
			2008		
			2009		
			2010		
			Total	\$140,000	

Project Description:

This project upgrades approximately 400 feet of deteriorated six inch clay sanitary sewer pipe to a eight inch PVC pipe. Construction will begin early in FY06.



Project Title:	COLLECTION SYSTEM MAIN LINE UPSIZING
Project Type:	Wastewater Treatment Collection System
Department Responsible:	Public Works Department / Engineering Division

Funding Source	\$150,000	Wastewater SDCs (30%)	Project Cost by Budget Year	Prior Years	
	<u>350,000</u>	Wastewater Fees/Rates		2005	
	\$500,000			2006	
				2007	\$125,000
				2008	\$125,000
				2009	\$125,000
				2010	\$125,000
		Total	\$500,000		

Project Description:



The Collection System Master Plan is anticipated to identify a series of improvements. Renovations are expected to encompass approximately \$125,000 a year for several years beginning in FY07. The projects will be identified and prioritized by the Master Plan recommendations.

System Development Charge calculations will likely be reevaluated in FY04. Improvement designs will follow in FY05.

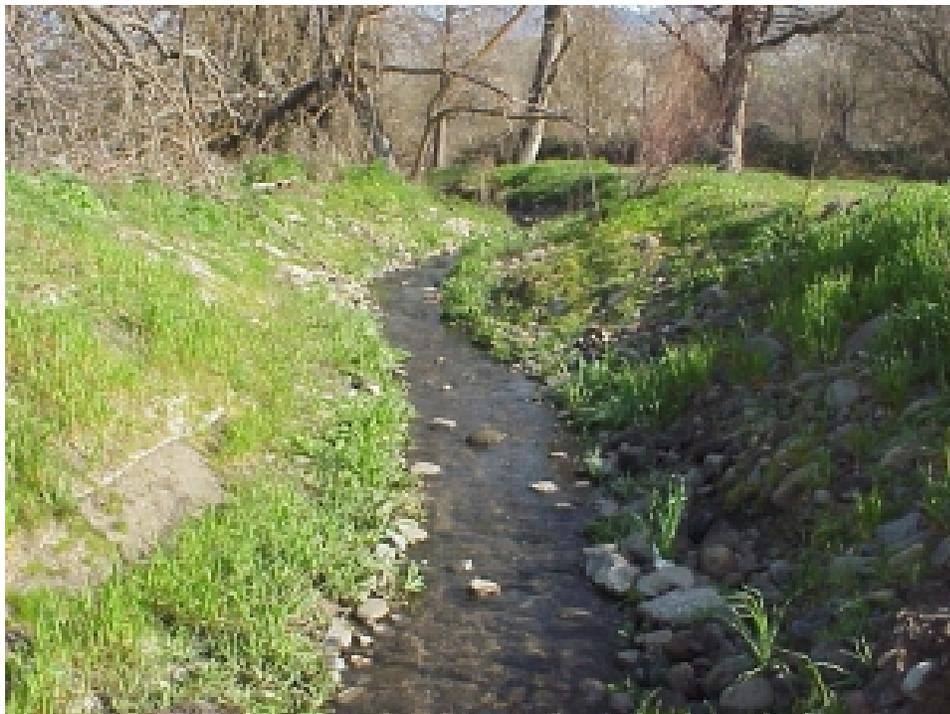
Project Title:	WATER QUALITY IMPROVEMENTS - BASINS/RIPARIAN SECTIONS
Project Type:	Storm Drains
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$157,500	Storm Drain SDCs (50%)	Project Cost by Budget Year	Prior Years	\$35,000
	<u>157,500</u>	Storm Drain Fees/Rates		2005	\$35,000
	\$375,000			2006	\$35,000
				2007	\$35,000
			2008	\$35,000	
			2009	\$35,000	
			2010	\$35,000	
			Total	\$315,000	

Project Description:

The Storm Water and Drainage Master Plan recommended that the City complete non-traditional water quality improvements along our creeks and water ways. These funds have augmented the Roca Creek Project, North Mountain Park and the Elks Parking Lot drainage project. Recently the Parks Department purchased land within the Riverwalk Subdivison along Bear Creek. This land was purchased to protect water quality utilizing these funds.

These projects will provide water quality enhancements by improving surface water drainage areas, detention basins or landscaping features to retain and treat water prior to discharging into streams. Projects are planned for additional bioswale or wetlands treatment systems along with detention / retention basins and



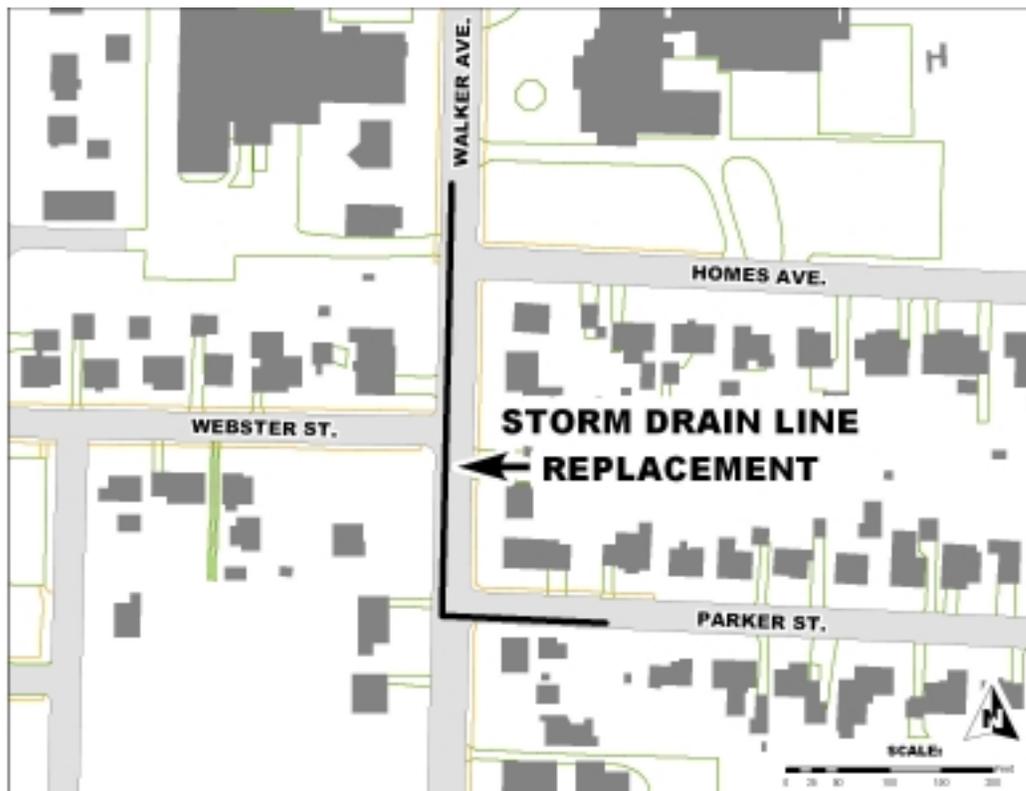
trees to help cool the water temperatures and filter out sediment and petroleum products. Although specific projects have not been identified, \$35,000 per year will be allocated.

Project Title:	WALKER AVENUE STORM DRAIN PARKER STREET TO HOMES AVENUE
Project Type:	Storm Drains
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$52,500	Storm Drain SDCs (35%)	Project Cost by Budget Year	Prior Years	\$20,000
	<u>97,500</u>	Storm Drain Fees/Rates		2005	\$130,000
	\$150,000			2006	
				2007	
				2008	
				2009	
				2010	
		Total	\$150,000		

Project Description:

The existing storm drain line is currently located through various backyards and through other areas that provide severe access problems. The existing storm drain is of various sizes from 12 inch to 24 inches and includes areas of open ditch. This project would re-route the storm drain into the existing 24 inch concrete pipeline on Walker Avenue which currently ends just north of Homes Avenue intersection. The current storm drain route will be maintained with a low flow diversion to provide water as a landscape feature through several properties. The anticipated length of this project is approximately 600 feet.



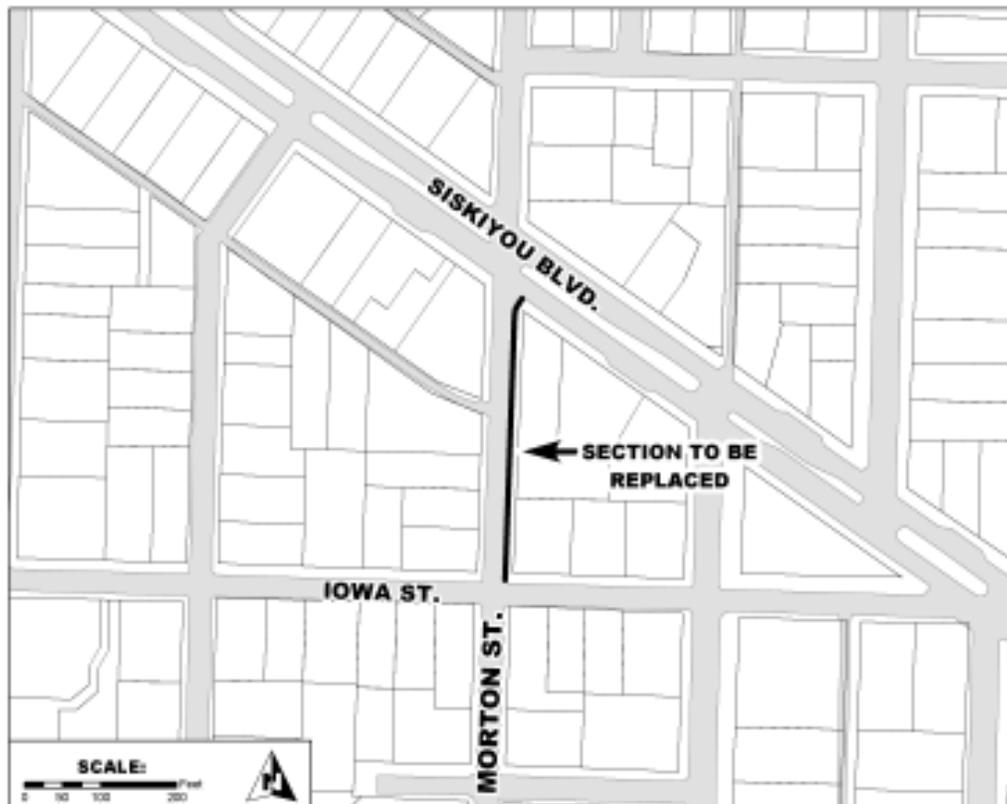
Project Title:	MORTON STREET STORM DRAIN SISKIYOU BOULEVARD TO IOWA STREET
Project Type:	Storm Drains
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$38,400	Storm Drain SDCs	Project Cost by Budget Year	Prior Years	
	<u>25,600</u>	Storm Drain Fees/Rates		2005	\$64,000
	\$64,000		2006		
			2007		
			2008		
			2009		
			2010		
			Total	\$64,000	

Project Description:

The City of Ashland has made a significant commitment to improving water quality in the Rogue Valley. Installation of storm drainage lines increases water conservation and greatly decreases erosion to roads and private properties.

A 12 inch storm drain line installation of 1,413 feet on Morton Street from Siskiyou Boulevard to Iowa Street is scheduled for FY05. Currently there are no storm drain lines in this location.



capital improvements plan

Project Title:	IOWA STREET STORM DRAIN MORTON STREET TO SHERMAN STREET
Project Type:	Storm Drains
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$19,600	Storm Drain SDCs	Project Cost by Budget Year	Prior Years	
	<u>78,400</u>	Storm Drain Fees/Rates		2005	
	\$98,000		2006	\$98,000	
			2007		
			2008		
			2009		
			2010		
			Total	\$98,000	

Project Description:

The City of Ashland has made a significant commitment to improving water quality in the Rogue Valley. Installation of storm drainage lines increases water conservation and greatly decreases erosion to roads and private properties.

A 12 inch storm drain line installation of 651 feet on Iowa Street from Morton Street to Sherman Street is scheduled for FY06. Currently there are no storm drain lines in this location.



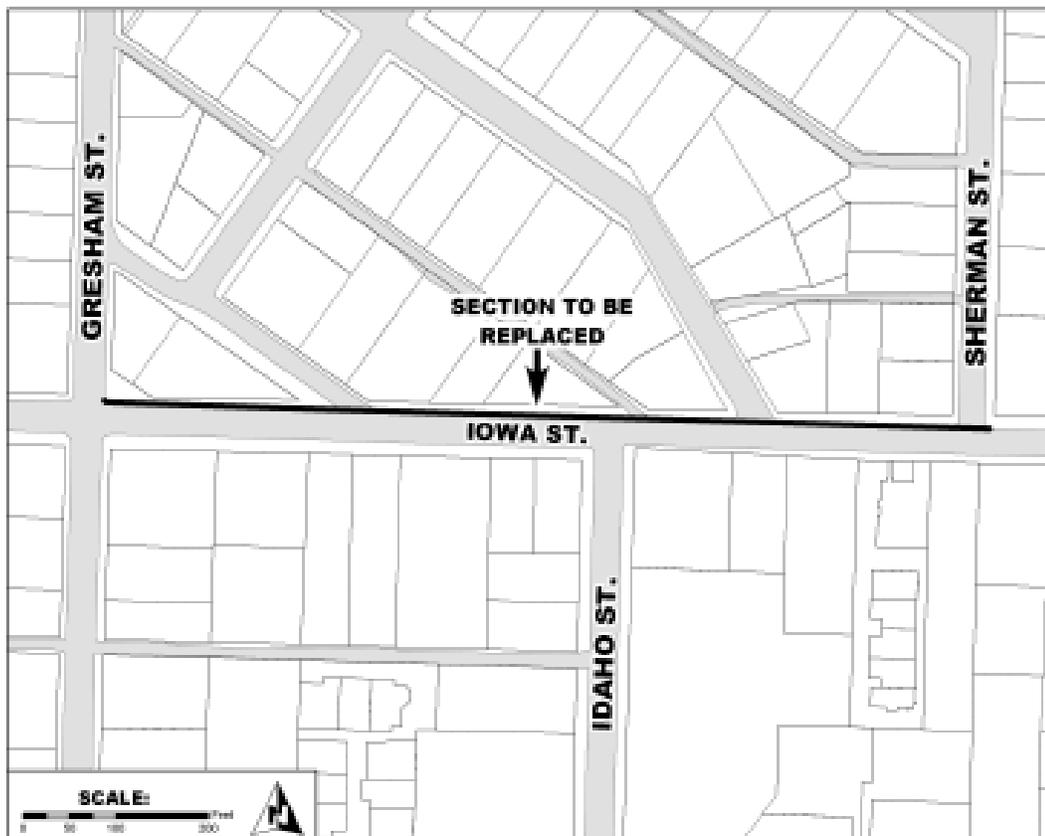
Project Title:	IOWA STREET STORM DRAIN SHERMAN STREET TO GRESHAM STREET
Project Type:	Storm Drains
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$18,000 Storm Drain SDCs	Project Cost by Budget Year	Prior Years
	<u>72,000</u> Storm Drain Fees/Rates		2005
	\$90,000		2006
			2007 \$90,000
			2008
			2009
			2010
			Total \$90,000

Project Description:

The City of Ashland has made a significant commitment to improving water quality in the Rogue Valley. Installation of storm drainage lines increases water conservation and greatly decreases erosion to roads and private properties.

A 12 inch storm drain line installation of 957 feet on Iowa Street from Sherman Street to Gresham Street is scheduled for FY07. Currently there are no storm drain lines in this location.



capital improvements plan

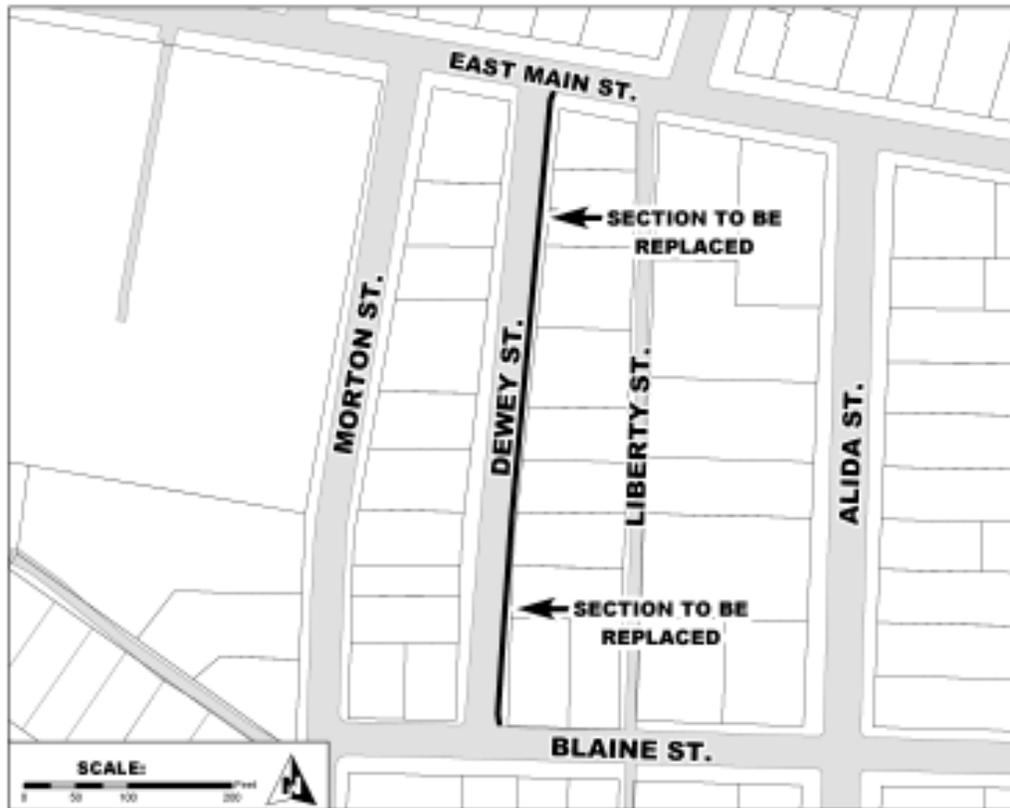
Project Title:	DEWEY STREET STORM DRAIN EAST MAIN STREET TO BLAINE STREET
Project Type:	Storm Drains
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$19,600	Storm Drain SDCs	Project Cost by Budget Year	Prior Years	
	<u>78,400</u>	Storm Drain Fees/Rates		2005	
	\$98,000		2006		
			2007		
			2008	\$98,000	
			2009		
			2010		
			Total	\$98,000	

Project Description:

The City of Ashland has made a significant committment to improving water quality in the Rogue Valley. Installation of storm drainage lines increases water conservation and greatly decreases erosion to roads and private properties.

A 15 inch storm drain line upgrade replacing 643 feet of pipe on Dewey Street from East Main Street to Blaine Street is scheduled for FY08. The current storm drain line is no longer capable of handling the capacity of water runoff in this area.



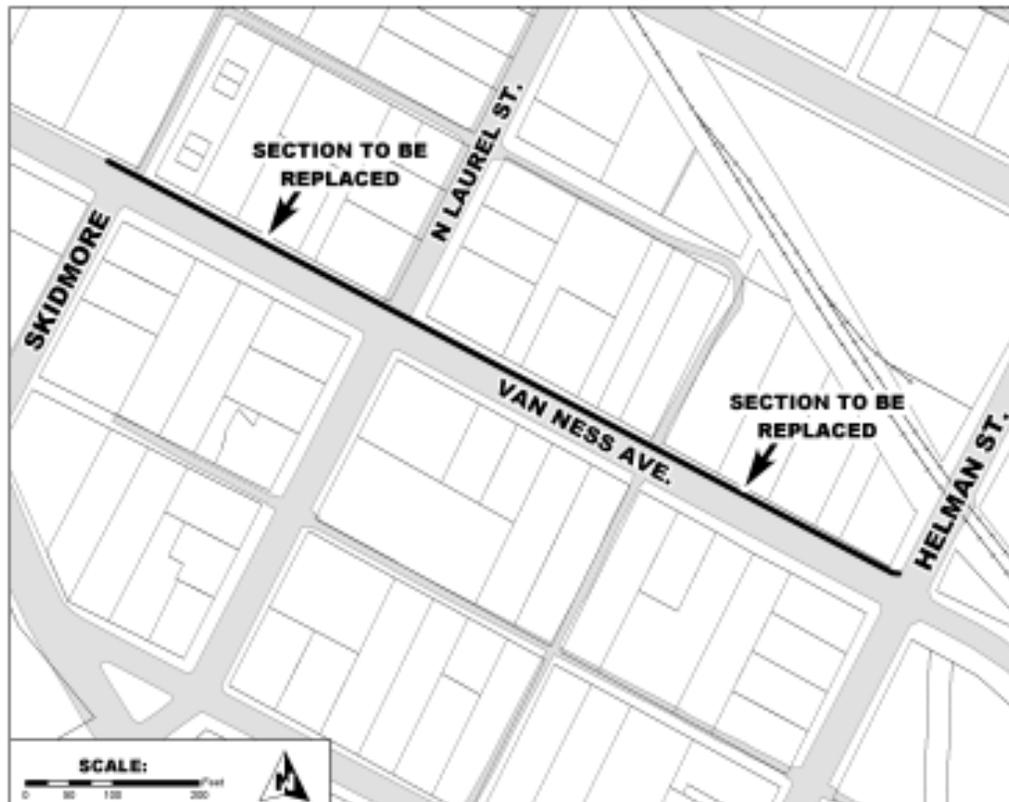
Project Title:	VAN NESS AVENUE STORM DRAIN HELMAN STREET TO SKIDMORE STREET
Project Type:	Storm Drains
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$26,000 Storm Drain SDCs	Project Cost by Budget Year	Prior Years	
	104,000 Storm Drain Fees/Rates		2005	
	\$130,000		2006	
			2007	
			2008	
			2009	\$130,000
			2010	
			Total	\$130,000

Project Description:

The City of Ashland has made a significant commitment to improving water quality in the Rogue Valley. Installation of storm drainage lines increases water conservation and greatly decreases erosion to roads and private properties.

A 12 inch storm drain line will replace 1,027 feet of deteriorating line on Van Ness Avenue from Helman Street to Skidmore Street. Replacement of 1,027 feet of pipe is scheduled for FY09.



capital improvements plan

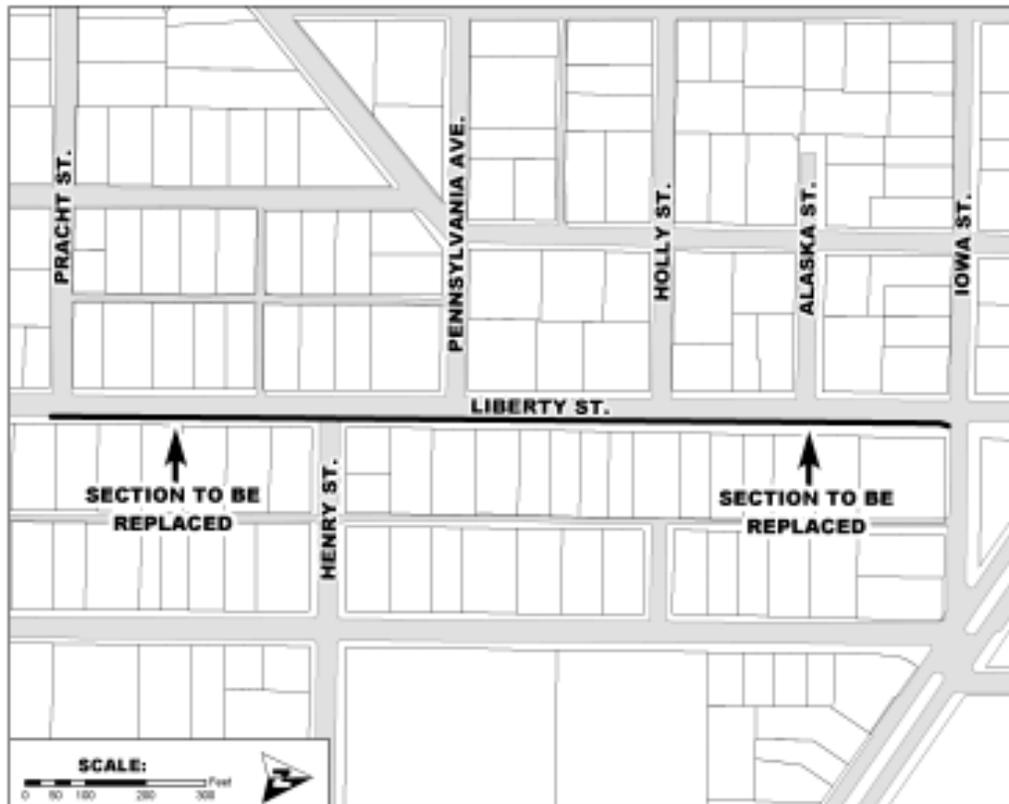
Project Title:	LIBERTY STREET STORM DRAIN IOWA STREET TO PRACHT STREET
Project Type:	Storm Drains
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$16,000	Storm Drain SDCs	Project Cost by Budget Year	Prior Years	
	<u>64,000</u>	Storm Drain Fees/Rates		2005	
	\$80,000			2006	
				2007	
				2008	
				2009	
				2010	\$80,000
		Total	\$80,000		

Project Description:

The City of Ashland has made a significant commitment to improving water quality in the Rogue Valley. Installation of storm drainage lines increases water conservation and greatly decreases erosion to roads and private properties.

A 12 inch storm drain line installation on Liberty Street from Iowa Street to Pracht Street is scheduled for FY10. A total of 1,489 feet of line will be installed.



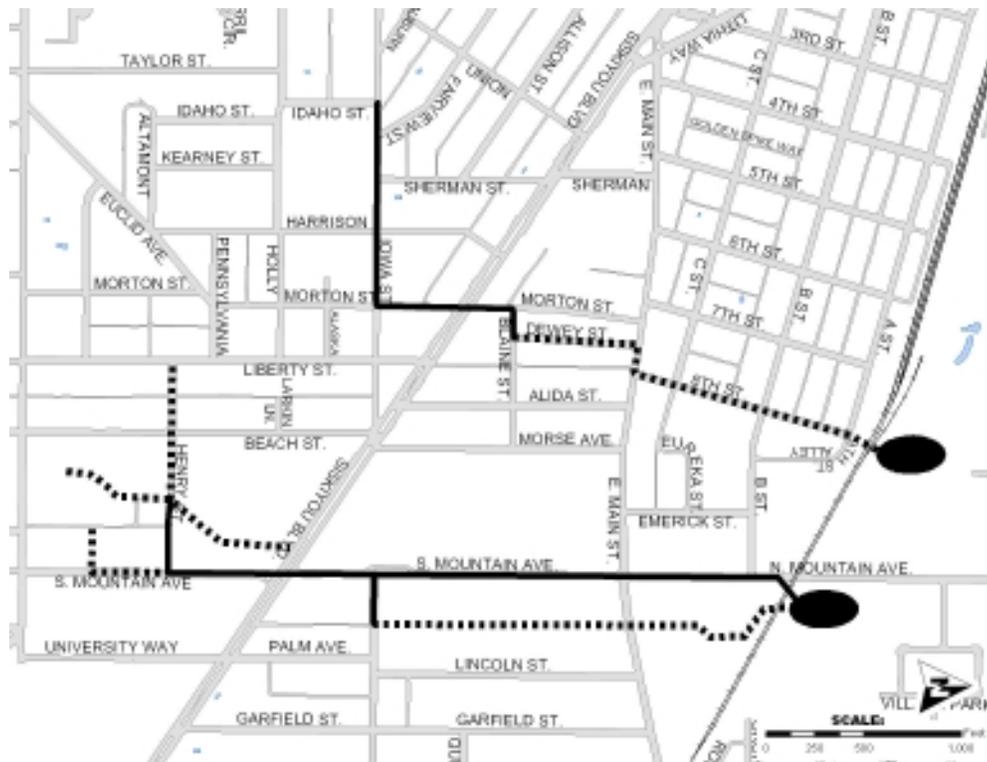
Project Title:	BEACH CREEK DRAINAGE IMPROVEMENTS
Project Type:	Storm Drains
Department Responsible:	Public Works Department \ Engineering Division

Funding Source	\$200,000	Storm Drain SDCs	Project Cost by Budget Year	Prior Years	
	<u>300,000</u>	Storm Drain Fees/Rates		2005	
	\$500,000			2006	\$100,000
				2007	\$100,000
			2008	\$100,000	
			2009	\$100,000	
			2010	\$100,000	
			Total	\$500,000	

Project Description:

The City’s Storm Water and Drainage Master Plan recommended significant improvements to the Beach Creek Drainage system. The project is eligible for 40% SDC funding.

Major system upgrades are necessary to the Mountain and Beach Creek drainage areas. This “project” is actually a series of pipe upgrades and retention facilities to accommodate the recommendations in the Storm Water and Drainage Master Plan. Along with these upgrades, water quality enhancements are also needed. Initial improvements will be included into the new developments off North Mountain Avenue and off Hersey Street.



capital improvements plan

Project Title:	INSTALL NEW SERVICES & TRANSFORMERS
Project Type:	Electric Utility Upgrade
Department Responsible:	City of Ashland Electric Utilities

Funding Source		Project Cost by Budget Year	Prior Years	\$850,000	
	<u>\$2,800,000</u>		Electric Fees/ Rates	2005	\$325,000
	\$2,800,000			2006	\$325,000
				2007	\$325,000
				2008	\$325,000
				2009	\$325,000
				2010	\$325,000
				Total	\$2,800,000

Project Description:

This project represents all of the expenses related to the installation of new services and transformers needed for new developments throughout the City. Much of these costs are returned as direct revenues, others as fees. This system includes costs to install overhead conductors and devices to replace underground lines and the replacement and repair of existing underground lines.



Project Title:	TOLMAN CREEK ROAD - INSTALL UNDERGROUND ELECTRIC & AFN SERVICES
Project Type:	Telecommunications
Department Responsible:	City of Ashland Electric Utilities

Funding Source	\$378,000	LID Funds	Project Cost by Budget Year	Prior Years
	<u>252,000</u>	Electric Fees/ Rates		2005
	\$630,000			2006
				2007
			2008	
			2009	
			2010	
			Total	\$630,000

Project Description:

This project will incorporate the installation of Ashland Fiber Network and relocation of overhead electric lines into underground utility easements. Relocating utility lines to underground easements frees visual clutter and extends the life cycle cost of the lines.



capital improvements plan

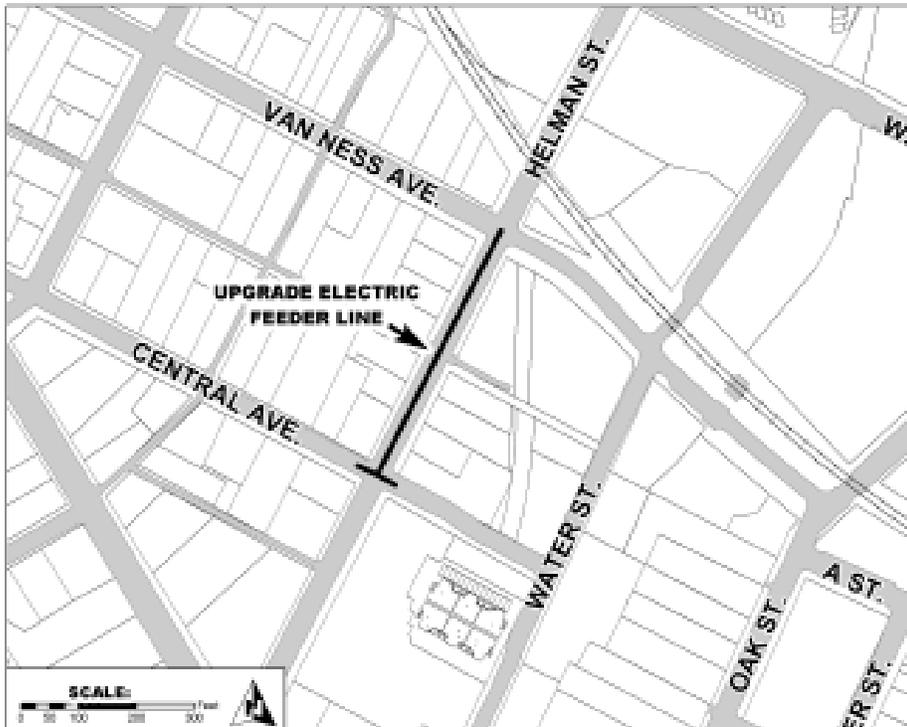
Project Title:	UPGRADE BUSINESS DISTRICT FEEDER LINE
Project Type:	Electric Utility Upgrade
Department Responsible:	City of Ashland Electric Utilities

Funding Source	\$6,000 Electric Fees/ Rates \$6,000	Project Cost by Budget Year	Prior Years	
			2005	\$6,000
			2006	
			2007	
			2008	
			2009	
			2010	
			Total	\$6,000

Project Description:

These projects will upgrade line voltage capacity levels to meet current and future electrical needs.

- Helman Street replacement of 320 feet of #4 copper line to 4/0 AAC between Van Ness Avenue and Central Avenue. Approximate cost for this replacement is \$4,750 scheduled for installation in FY05.
- Helman Street and Central Avenue intersection replacement of 75 feet of #6 copper line to 1/0 or 4/0 AAC. Approximate cost for this replacement is \$1,250 scheduled for installation in FY05.

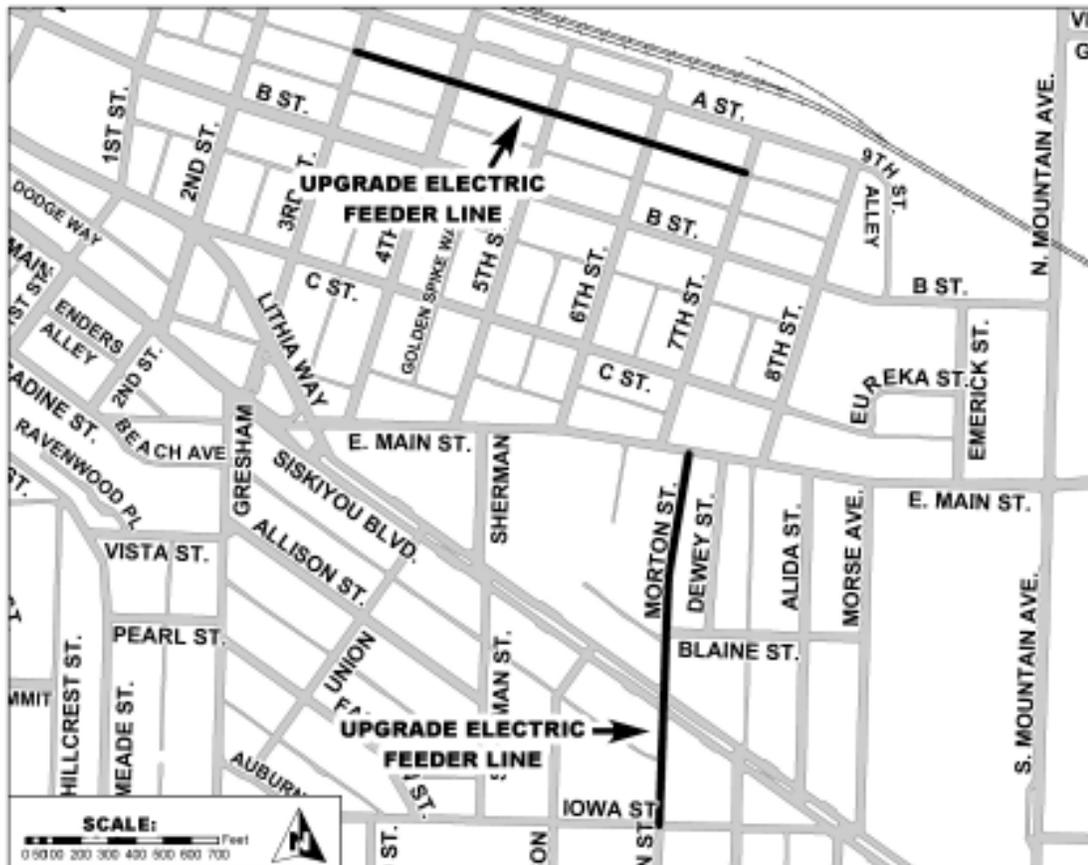


Project Title:	UPGRADE MORTON STREET FEEDER LINE
Project Type:	Electric Utility Upgrade
Department Responsible:	City of Ashland Electric Utilities

Funding Source	\$60,000 Electric Fees/ Rates \$60,000	Project Cost by Budget Year	Prior Years
			2005 \$60,000 2006 2007 2008 2009 2010 Total \$60,000

Project Description:

The Morton Street feeder line is scheduled for replacement in FY05. Upgrades will include replacement of #2 copper line to 336 MCM AAC line south of A Street and along the back alley lots between Third and Seventh Streets; and to replace 1/0 AAC to 336 MCM AAC along Morton Street between East Main Street and Iowa Street.



capital improvements plan

Project Title:	ENCLOSE OPEN VEHICLE STORAGE BUILDING AT THE SERVICE CENTER
Project Type:	Administration - Electric Department
Department Responsible:	City of Ashland Electric Utilities

Funding Source	<u>\$90,000</u> Fees / Rates \$90,000	Project Cost by Budget Year	Prior Years	
			2005	
	2006		\$90,000	
	2007			
	2008			
	2009			
	2010			
	Total		\$90,000	

Project Description:

Public Works and Electric Departments share a large open vehicle parking building. This facility has an open truss roof that is inviting to birds that often roost in the covered area.

This facility is being turned over to the Electical Department and it is suggested that the entire building be enclosed with roll up doors to allow access for vehicles.

This improvement will better protect the equipment from the weather and bird droppings which not only cause corrosion but health issues.



Project Title:	UNDERGROUND ELECTRIC & AFN UTILITY LINE INSTALLATION VARIOUS LOCATIONS
Project Type:	Electric Utility Upgrade
Department Responsible:	City of Ashland Electric Utilities

Funding Source	\$360,000	Local Improvement District	Project Cost by Budget Year	Prior Years	
	240,000	Electric Fees/ Rates		2005	
	\$600,000			2006	\$200,000
				2007	\$200,000
			2008	\$200,000	
			2009		
			2010		
			Total	\$600,000	

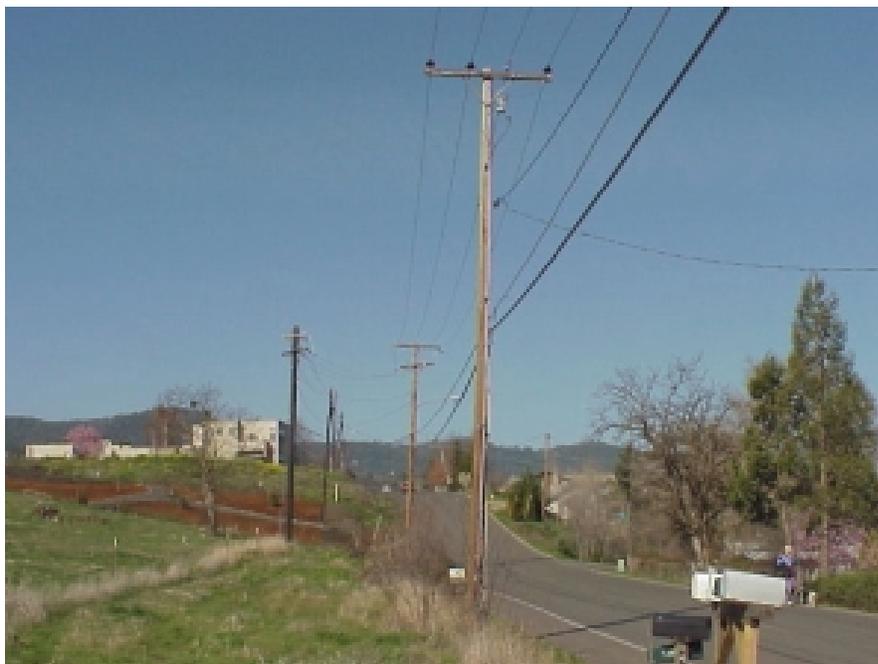
Project Description:

This project will incorporate the installation of Ashland Fiber Network and relocation of overhead electric lines into underground utility easements. Relocating utility lines to underground easements frees visual clutter and extends the life cycle cost of the lines.

Strawberry Lane was completed in FY04.

Future projects include:

- FY05 - Siskiyou Boulevard
- FY06 - Tolman Creek Road
- FY07 - Oak Street
- FY08 - Oak Knoll Drive



Staff is researching funding options and may propose shared funding through rates and Local Improvement Districts for Council consideration for these costly projects.

Project Title:	DISTRIBUTION & CABLE EQUIPMENT
Project Type:	Telecommunications
Department Responsible:	City of Ashland Electric Utilities

Funding Source	<u>\$600,000</u> Electric Fees/ Rates \$600,000	Project Cost by Budget Year	Prior Years	\$300,000
			2005	\$50,000
	2006		\$50,000	
	2007		\$50,000	
	2008		\$50,000	
	2009		\$50,000	
	2010		\$50,000	
	Total		\$600,000	

Project Description:

This is an existing and ongoing project which provides for the installation of new fiber lines and repair of existing telecommunication utilities. Locations for new fiber installation are scheduled by predetermined sections of nodes throughout the city.



Project Title:	POLICE PARKING LOT ADDITION
Project Type:	Administration
Department Responsible:	Public Works Department \ Engineering Division

Funding Source		Project Cost by Budget Year	Prior Years		
	<u>\$85,000</u>		Fees / Rates	2005	
	\$85,000			2006	\$85,000
				2007	
				2008	
				2009	
				2010	
				Total	\$85,000

Project Description:

This project provides additional parking for the Police Department behind the Civic Center and will provide a new walkway, storm drain installation and limited covered parking.



capital improvements plan

Project Title:	POLICE DEPARTMENT BUILDING IMPROVEMENTS
Project Type:	Administration
Department Responsible:	Police Department

Funding Source		Project Cost by Budget Year	Prior Years		
	\$180,000		Fees / Rates	2005	
	\$180,000			2006	\$180,000
				2007	
				2008	
				2009	
				2010	
				Total	\$180,000

Project Description:

The Police Department Building is quickly becoming overcrowded. This project is intended to provide a small 1,000 square foot addition and reconfigure the interior of the existing building layout.



Project Title:	B STREET YARD COVERED STORAGE
Project Type:	Administration - Public Works Department
Department Responsible:	Public Works Department \ Engineering Division

Funding Source		Project Cost by Budget Year	Prior Years
			2005
			2006 \$75,000
			2007
			2008
			2009
			2010
			Total \$75,000

Project Description:

As the Public Works Department relocates Street Department vehicles and equipment to the B Street Yard there will be a need for covered vehicle storage. The Fire Department temporarily occupied the B Street Yard Buildings during construction of Fire Station No. 1 and have now located to the new Fire Station. Currently, much of the Street Department equipment is parked in the open and is subjected to dew, frost, rain and snow. The covered storage will remove City equipment from these adverse conditions.



capital improvements plan

Project Title:	FIRE STATION NO. 2 RECONSTRUCTION
Project Type:	Administration
Department Responsible:	Ashland Fire & Rescue Department

Funding Source	\$3,000,000 General Bond \$3,000,000 (repayment through property taxes)	Project Cost by Budget Year	Prior Years
			2005
			2006 \$3,000,000
			2007
			2008
			2009
			2010
			Total \$3,000,000

Project Description:

Purchase of additional property, building design and construction for replacement of Fire Station No. 2, located at 1860 Ashland Street. The current facility has insufficient garage and work space, does not meet ADA requirements and presents health and safety issues for employees. Project funds will need to be approved by Ashland voters in a general obligation bond election held in November 2006. The new facility will consist of a 12,000 square foot fire station designed to provide emergency vehicle garage space, training facilities and firefighter living quarters necessary to provide emergency service to the City of Ashland.



Project Title:	CITY FACILITY UPGRADES & MAINTENANCE
Project Type:	Administration
Department Responsible:	Public Works Department

Funding Source	\$575,000 Fees/Rates \$575,000	Project Cost by Budget Year	Prior Years
			2005 \$75,000
	2006 \$100,000		
	2007 \$100,000		
	2008 \$100,000		
	2009 \$100,000		
	2010 \$100,000		
	Total \$575,000		

Project Description:

The City owns and maintains approximately 50 occupied and unoccupied facilities, staff is in the process of evaluating the condition and maintenance requirements of each facility. These requirements would include anything from roof repairs, window replacement, HVAC upkeep, electrical upgrades to carpet replacement, painting and office moves to accommodate staffing changes. As this evaluation is not fully complete this provides a budgetary place holder. The \$7,500 shown in FY05 will be completed for these architectural changes in FY04. A completed facilities plan will be provided at next year's budget.



capital improvements plan

Project Title:	WATER PLANT PHONE/COMPUTER/AFN CONNECTIONS
Project Type:	Technology
Department Responsible:	Public Works Department

Funding Source	\$30,000 Fees / Rates \$30,000	Project Cost by Budget Year	Prior Years
			2005 \$30,000
	2006		
	2007		
	2008		
	2009		
	2010		
	Total \$30,000		

Project Description:

Due to its location outside the City limits, data sharing with the Water Treatment Plant has been difficult. The installation of AFN and the Coral phone system will make personnel and computer information sharing more accessible and reliable with the treatment plant.



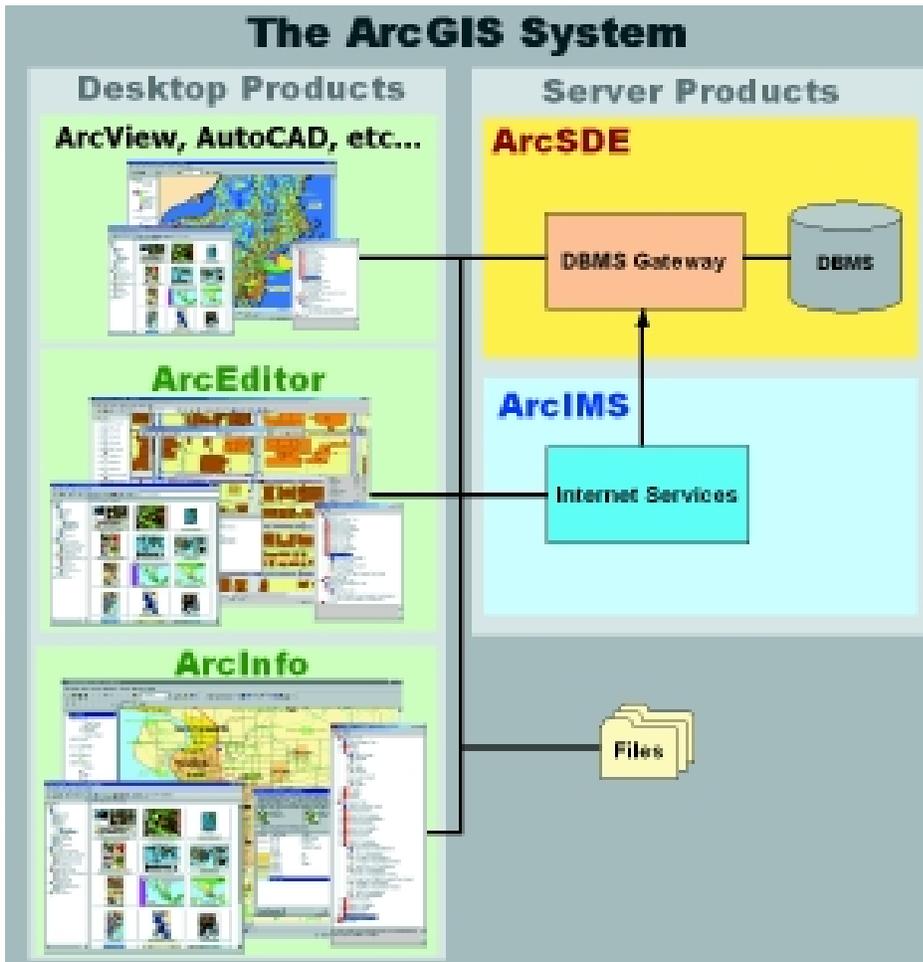
Project Title:	GEOGRAPHIC INFORMATION SYSTEM UPDATES
Project Type:	Technology
Department Responsible:	Public Works Department

Funding Source	<u>\$125,000</u> Fees / Rates \$125,000		Project Cost by Budget Year	Prior Years	\$15,000
				2005	\$10,000
				2006	\$50,000
				2007	\$50,000
				2008	
				2009	
				2010	
		Total	\$125,000		

Project Description:

The GIS and Computing Service Departments, in a joint effort will develop both a Spatial Database Engine (SDE) and a Web-based Interactive Mapping Application (WIM). The SDE will integrate city data, which

is currently stored in various formats enabling departments to access one another's data. The WIM will enable citizens and City Staff to access spatial data via the internet in a fully interactive mode. The ultimate goal of this project is to facilitate information access while minimizing staff time.



capital improvements plan

Project Title:	OPEN SPACE ACQUISITION
Project Type:	Parks & Recreation
Department Responsible:	Parks & Recreation Department

Funding Source	\$1,600,000	Parks Fees/ Rates	Project Cost by Budget Year	Prior Years	\$400,000
	\$1,600,000			2005	\$200,000
		2006		\$200,000	
		2007		\$200,000	
		2008		\$200,000	
		2009		\$200,000	
		2010		\$200,000	
		Total		\$1,600,000	

Project Description:

The City of Ashland, in conjunction with the Ashland Parks & Recreation Department adopted an Open Space Plan in 1989. The plan identifies five types of parks: neighborhood parks, community parks, open space, natural parks and pocket parks. In the ten years since its adoption, over 380 acres of land have been purchased. This portion of the Parks budget is devoted to land acquisition for new park space.

A continued commitment to the acquisition of open space parkland is shown in this project. Specific property acquisition is dependent on market factors. The Open Space Plan and corresponding maps provide further detail on the types and location of land that has been identified as vital for Ashland’s future.

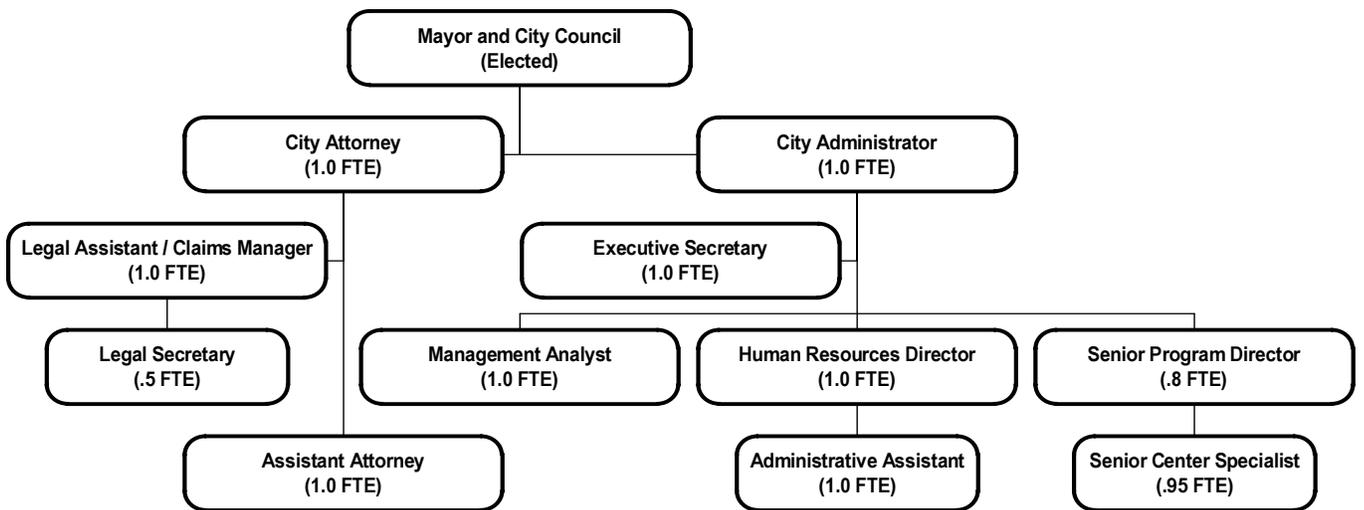


Departments

Administration	3-3
Finance Department	3-17
City Recorder / Treasurer	3-33
Police Department	3-37
Fire and Rescue Department	3-45
Public Works Department	3-57
Community Development Department	3-95
Electric Department	3-103
Parks and Recreation Department	3-117
Non-Departmental Activities	3-132



administration 10.25 FTE



Overview

The Administration Department consists of five divisions: Administration, Mayor & Council, Legal, Human Resources, and Senior Programs. Each division in Administration is responsible for advising and supporting internal operations as well as ensuring that the public has a voice in their City government.

ADMINISTRATION DEPARTMENT

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Department Total By Function				
500 Personal Services	\$ 657,252	\$ 714,255	\$ 917,625	\$ 927,100
600 Materials and Services	422,252	\$ 385,261	\$ 427,641	\$ 447,900
	<u>\$ 1,079,504</u>	<u>\$ 1,099,516</u>	<u>\$ 1,345,266</u>	<u>\$ 1,375,000</u>
Department Total By Fund				
110 General Fund	\$ 272,503	\$ 205,045	\$ 214,135	\$ 225,145
710 Central Services Fund	807,001	894,471	1,131,131	1,149,855
	<u>\$ 1,079,504</u>	<u>\$ 1,099,516</u>	<u>\$ 1,345,266</u>	<u>\$ 1,375,000</u>

<u>Position Profile</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Adopted</u>	<u>2005 Adopted</u>
Administrator	1.00	1.00	1.00	1.00
Administrative Services Director	1.00	-	-	-
Human Resources Director	-	-	-	1.00
Administrative Services/HR Manager	-	1.00	1.00	-
City Attorney	1.00	1.00	1.00	1.00
Assistant Attorney	-	-	1.00	1.00
Legal Assistant/Claims Manager	-	-	1.00	1.00
Legal Assistant	1.00	1.00	-	-
Legal Secretary	-	-	0.50	0.50
Management Analyst	-	-	-	1.00
Marketing & Communications Manager	1.00	1.00	1.00	-
Energy Analyst	2.20	-	-	-
Personnel Analyst	1.00	-	-	-
Administrative Assistant	-	-	1.00	1.00
Administrative Secretary	-	0.75	-	-
Secretary	0.75	-	-	-
Senior Program Director	0.80	0.80	0.80	0.80
Senior Center Specialist	1.00	0.70	0.95	0.70
Sr Center Information & Referral Specialist	-	0.25	-	0.25
Municipal Judge	-	0.50	0.50	-
Account Clerk II	-	1.75	2.00	-
Account Clerk I	-	1.00	0.50	-
Executive Secretary	1.00	1.00	1.00	1.00
	<u>11.75</u>	<u>11.75</u>	<u>13.25</u>	<u>10.25</u>

* 2003 and 2004 Includes Courts Division

Mayor & Council

The Administration budget includes expenditures for the Mayor and Council. The Mayor and Councilors are elected officials responsible for setting city policy. The Mayor and Council adopt goals annually which provide the framework for city operations and establish priorities for all departments.

Division Goals

- Provide leadership and direction to City Staff through the goal-setting process.
- Foster public input and participation in city programs and services.

Significant Budget Changes

- None.

CENTRAL SERVICE FUND
ADMINISTRATION DEPARTMENT
MAYOR AND COUNCIL DIVISION

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Fund# 710				
Personal Services				
510 Salaries and Wages	\$ 2,687	\$ 2,629	\$ 2,600	\$ 2,250
520 Fringe Benefits	30,824	40,401	56,215	56,700
Total Personal Services	33,511	43,031	58,815	58,950
601 Supplies	2,740	3,131	4,600	9,800
603 Communications	615	583	1,000	300
604 Contractual Services	2,879	1,389	4,000	4,500
605 Misc. Charges and Fees	-	-	-	-
606 Other Purchased Services	33,968	35,894	46,300	47,025
608 Commissions	2,292	2,794	2,000	2,000
Total Materials and Services	42,494	43,792	57,900	63,625
	\$ 76,005	\$ 86,823	\$ 116,715	\$ 122,575

Administration

The City Administrator is responsible for the supervision and coordination of all city departments and administering those policies, with the exception of the Parks and Recreation Department. Administration supports the communication needs of all departments and divisions as well as web development, graphic standards and the monthly newsletter *City Source*. Administration promotes open communication and education about city programs, projects, issues and services and provides staff assistance to the Public Arts commission.

Division Goals

- Implement the City Council's goals
- Continue to help commissions and committees become more effective through resources and training opportunities.
- Complete Charter Review and Update
- Review and consider strategies in the health and human services plan.

Significant Budget Changes

- Increased benefit costs.
- Municipal Courts division transferred to the Finance Department.

CENTRAL SERVICE FUND
ADMINISTRATION DEPARTMENT
ADMINISTRATION DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 710				
Personal Services				
510 Salaries and Wages	\$ 196,522	\$ 153,991	\$ 226,000	\$ 234,390
520 Fringe Benefits	69,607	54,073	110,000	101,360
Total Personal Services	266,129	208,064	336,000	335,750
Materials and Services				
601 Supplies	9,931	6,812	10,800	11,000
602 Rental, Repair, Maintenance	-	-	-	-
603 Communications	2,846	3,642	5,000	2,850
604 Contractual Services	59,762	61,764	49,200	48,000
605 Misc. Charges and Fees	1,572	595	7,000	7,000
606 Other Purchased Services	24,032	21,828	26,350	30,325
608 Commissions	-	-	3,750	3,750
610 Programs	-	-	24,000	24,720
Total Materials and Services	98,143	94,642	126,100	127,645
	\$ 364,272	\$ 302,706	\$ 462,100	\$ 463,395

GENERAL FUND
ADMINISTRATION DEPARTMENT
ADMINISTRATION DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 110				
Materials and Services				
604 Contractual Services	\$ 153,890	\$ 90,152	\$ 93,150	\$ 105,750
608 Commissions	4,675	3,010	3,850	3,850
Total Materials and Services	\$ 158,565	\$ 93,162	\$ 97,000	\$ 109,600

Legal

Legal consists of two full-time city attorneys, one full-time legal assistant/claims manager, and a .5 legal secretary position. The Department provides legal advice regarding official matters to elected city officials and city officers and employees and city commissions and committees, including the Ashland Park and Recreation Commission. The Department prosecutes misdemeanors, traffic offenses and code violations in municipal court cases (if the defendant is represented by legal counsel); and prosecutes and defends the city in civil litigation matters. The Department prepares ordinances, resolutions, contracts and other legal documents involving the city. Through this Department all tort claims against the city are processed; contempt complaints for municipal court are prepared and filed as well as all formal complaints; and collection action, including filings in both circuit and bankruptcy courts, is taken against delinquent food and beverage tax accounts and transient occupancy tax accounts. This Department also assists in property purchases, employee grievances and union negotiations, and land use matters, including appeals to the Land Use Board of Appeals.

The Department has initiated and is enlarging a legal education program for all newly elected officials and newly appointed commission and committee members.

Significant Budget Changes

- Increased benefit costs.
- Decrease in salary range for the City Attorney position.
- Decrease in Office Supplies as department is adequately equipped.
- Money added to budget to cover moving costs, if needed, for possible attorney opening.

CENTRAL SERVICE FUND
ADMINISTRATION DEPARTMENT
LEGAL DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 710				
Personal Services				
510 Salaries and Wages	\$ 140,041	\$ 146,636	\$ 183,400	\$ 197,000
520 Fringe Benefits	51,054	58,291	113,700	92,320
Total Personal Services	191,095	204,927	297,100	289,320
Materials and Services				
601 Supplies	5,058	10,667	16,516	11,250
602 Rental, Repair, Maintenance	-	-	-	-
603 Communications	327	462	3,925	3,375
604 Contractual Services	11,200	12,840	6,000	4,750
605 Misc. Charges and Fees	-	-	12,000	12,000
606 Other Purchased Services	9,115	5,220	12,675	14,050
610 Programs	-	-	-	-
Total Materials and Services	25,700	29,189	51,116	45,425
	\$ 216,795	\$ 234,116	\$ 348,216	\$ 334,745

LEGAL SERVICE LEVELS

Services	2001 Actual	2002 Actual	2003 Actual	2004 Budgeted	2005 Adopted
Municipal Court Cases w/ Atty. Rep.	31	32	52	40	45
Contempt Complaints	184	220	213	240	280
F&B and TOT Collection Accounts	16	11	11	10	10
Ordinances & Resolutions Prepared	46	48	52	45	45
Formals Prepared (New task as of 2/2003)			77	264	350
Tort Claims Processed	84	57	63	60	60
Total Collected in Claims Against Others *	\$1,548	\$4,871	\$16,067	\$10,000	\$10,000
Totals Paid Out in Claims Against the City *	\$374,313	\$48,150	\$132,225	\$60,000	\$60,000

*Note: These amounts may change as open claims are settled.

Human Resources

Human Resources coordinates services and programs to assist all city departments in recruiting and maintaining a qualified and diverse workforce, and provides employment-related services to city employees and job applicants. Human Resources provides benefits administration and supports city safety and risk management activities. In cooperation with the legal department, Human Resources also work to ensure legal compliance on employment issues.

Division Goals

- Research and determine the best solution to address the issue of rising health insurance costs and work toward implementation of the best alternative(s).
- Continue to look for ways to attract applicants who will enhance the diversity of Ashland's workforce.

Significant Budget Changes

- Higher than average retirements are anticipated to continue in FY04-05, resulting in an increased number of recruitment processes necessary to maintain optimum staffing levels.
- Increased benefit costs.

CENTRAL SERVICE FUND
ADMINISTRATION DEPARTMENT
HUMAN RESOURCE DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 710				
Personal Services				
510 Salaries and Wages	\$ 65,792	\$ 131,463	\$ 94,600	\$ 110,270
520 Fringe Benefits	27,279	50,115	50,200	52,270
Total Personal Services	93,071	181,578	144,800	162,540
Materials and Services				
601 Supplies	1,300	1,386	1,400	1,800
602 Rental, Repair, Maintenance	-	-	-	-
603 Communications	250	412	900	1,500
604 Contractual Services	2,311	33,629	45,000	45,000
605 Miscellaneous Charges and Fees		2,523	-	7,000
606 Other Purchased Services	2,846	6,832	12,000	11,300
610 Programs	50,151	44,466	-	-
Total Materials and Services	56,858	89,248	59,300	66,600
	\$ 149,929	\$ 270,826	\$ 204,100	\$ 229,140

Senior Program Division

The Senior Program Division provides a support system that enables the senior residents of Ashland to remain independent members of the community. Services include:

Outreach/Information and Referral. Major functions are to identify the needs of the elderly and to provide assistance in seeing that appropriate resources meet those needs.

Miscellaneous City Services. Many special services are too small to list as separate programs, but are important services to Ashland seniors. For example: The City Utility Discount program, blood pressure and foot care clinics, flu shot clinic, scheduling for tax assistance, and the Ashland Heat Program screening.

Senior Activity Center. Social, recreational and health related activities are available for Ashland seniors at no cost. Some examples are line dancing, yoga, computer classes, knotting, card games, drama, discussion groups, writing, educational seminars, old movies and parties.

Transportation. Transportation provides payment for approximately 25 taxi rides per year for Ashland seniors who do not qualify for existing transportation resources.

Division Goals

- Continue to research new ways to serve and involve Ashlands Senior Community members.
- Provide educational programs and services that meet basic needs and foster independent living for our senior population.

Significant Budget Changes

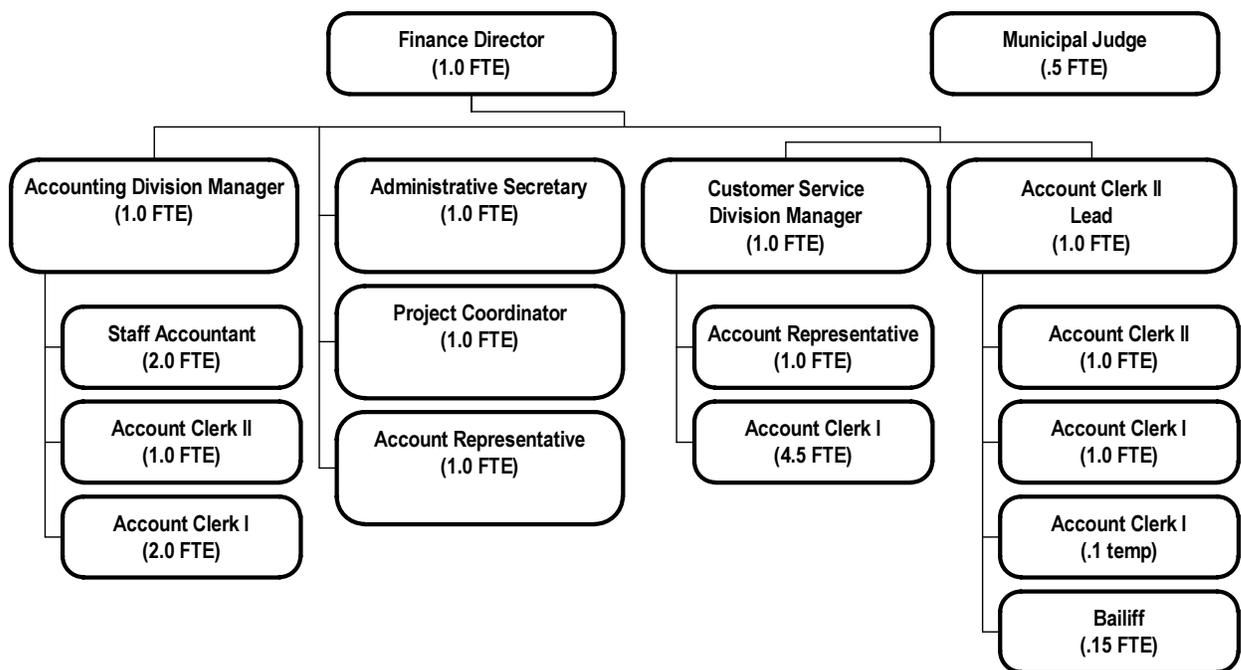
- Increased benefit costs.

GENERAL FUND
ADMINISTRATION DEPARTMENT
SENIOR SERVICES PROGRAM

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 110				
Personal Services				
510 Salaries and Wages	\$ 54,241	\$ 55,586	\$ 56,200	\$ 59,000
520 Fringe Benefits	19,205	21,069	24,710	21,540
Total Personal Services	73,446	76,655	80,910	80,540
Materials and Services				
601 Supplies	2,201	1,855	2,000	2,000
602 Rental, Repair, Maintenance	900	900	600	600
603 Communications	3,911	1,473	2,625	1,925
604 Contractual Services	12,398	10,000	10,500	10,800
605 Misc. Charges and Fees	21,035	21,000	18,200	17,230
606 Other Purchased Services	47	-	2,300	2,450
610 Programs	-	-	-	-
Total Materials and Services	40,492	35,228	36,225	35,005
	\$ 113,938	\$ 111,883	\$ 117,135	\$ 115,545



finance department 20.25 FTE



Overview

The Finance Department is composed of five divisions: Administration, Accounting, Customer Information Services, Municipal Court and Purchasing. Each division plays a significant role in supporting the other Finance Divisions as well as providing services internally to other city departments and directly to the public.

Departmental Goals

- The City will continue to develop and implement a financial management plan that addresses existing and potential revenue sources to ensure that city revenues are balanced from property taxes, user fees, grants, and other revenues. The plan will annually update the long-term operating projections for all funds.
- Update and automate the Municipal Court software and accounting systems to provide advanced accounting controls and customer service.
- Provide comprehensive information to the community on city budget and financial issues to promote a more thorough understanding of how the City receives its funding, how its spent and what services are provided.
- Develop a performance measures program for all city departments.

Significant Budget Changes

- Moved Municipal Court operations from Administration to Finance including 3.75 FTE positions.
- Increased benefit costs.
- Increased auditing and consulting costs including the move to the new financial reporting model (GASB 34), project accounting and other software applications.

FINANCE DEPARTMENT

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Department Total By Function				
500 Personal Services	\$ 955,293	\$ 1,068,558	\$ 1,256,350	\$ 1,324,800
600 Materials and Services	1,574,922	1,839,997	2,020,515	1,868,970
700 Capital Outlay	7,896,316	4,563,616	844,300	172,210
800 Debt Service	716,070	779,527	1,178,000	1,046,802
	\$ 11,142,601	\$ 8,251,698	\$ 5,299,165	\$ 4,412,782

Department Total By Division:

Operating Divisions

710 Administration	\$ -	\$ -	\$ 388,775	\$ 431,811
710 Accounting	630,830	816,615	532,365	557,834
710 Customer Information Services	428,976	439,220	523,375	541,835
110 Courts	231,938	256,003	296,000	297,426
710 Purchasing \ Acquisition	94,597	91,192	96,840	95,244
	\$ 1,386,341	\$ 1,603,030	\$ 1,837,355	\$ 1,924,150

Non-operating Divisions

110 Social Services	\$ 98,574	\$ 101,521	\$ 132,400	\$ 110,000
110 Economic and Cultural	384,000	387,000	436,900	445,600
110 Band	47,942	51,777	56,750	57,490
110 Miscellaneous	5,313	4,303	25,660	25,000
410 S.D.C. - Parks Open Space	286,540	326,378	587,600	-
410 Public Buildings	7,626,299	4,285,623	300,000	157,210
410 Affordable Housing	22,000	-	-	-
530 Bancroft Debt	133,498	58,031	200,000	200,000
530 General Obligation Debt	335,311	369,068	382,000	372,607
530 Notes and Contracts Debt	247,261	352,429	596,000	474,195
720 Insurance	569,522	712,538	744,500	646,530
	\$ 9,756,260	\$ 6,648,668	\$ 3,461,810	\$ 2,488,632

Position Profile

	2002 Actual	2003 Actual	2004 Adopted	2005 Adopted
Finance Director	1.00	1.00	1.00	1.00
Municipal Judge	-	-	-	0.50
Accounting Division Manager	-	1.00	1.00	1.00
Supervising Accountant	1.00	-	-	-
Administrative Assistant	1.00	1.00	1.00	-
Administrative Secretary	-	-	-	1.00
Project Coordinator	-	1.00	1.00	1.00
Customer Service Division Manager	-	-	-	1.00
Customer Service Supervisor	-	1.00	1.00	-
Staff Accountant	1.00	1.00	2.00	2.00
Account Representative	2.50	2.50	2.50	2.00
Account Clerk II	-	-	1.00	3.00
Account Clerk I	-	5.30	5.30	7.50
Account Clerk	7.50	-	-	-
Account Clerk I - Temp	-	-	-	0.10
Bailiff	-	-	-	0.15
	14.00	13.80	15.80	20.25

*Courts Division transferred from Administration in 2005

Administration Division

The Finance Administration Division manages department-wide and city-wide financial activities. Most of the Finance Director time is accounted for here along with 100% of the Department Administrative Assistant and Project Coordinator. Administrative costs related to financing, budget, programming, debt management, risk management, and financial document preparation reside here. The Division assists other finance divisions and departments in financial planning, budgeting, grant management and use of the Eden financial software. Stewardship of city funds is the primary focus.

Division Goals

- Finalize implementation of new Eden System applications and cross-train end users.
- Evaluate and provide capital project financing where necessary.
- Update and internally cross-train on rate models and related databases or data-gathering systems.
- Develop and implement program and guidelines for finance records management.
- Work with other departments and divisions to create and implement meaningful performance measures that can be presented in financial and budgetary reports.
- Develop or update finance administrative policies and procedures.
- Complete conversion of the City and Parks financial reports to the new model.

CENTRAL SERVICES FUND
FINANCE DEPARTMENT
ADMINISTRATION DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 710				
Personal Services				
510 Salaries and Wages			\$ 135,500	\$ 141,870
520 Fringe Benefits			74,100	64,020
Total Personal Services	-	-	209,600	205,890
Materials and Services				
601 Supplies			11,675	10,921
602 Rental, Repair, Maintenance			-	-
603 Communications			550	550
604 Contractual Services			125,000	172,500
605 Misc. Charges and Fees			7,000	7,000
606 Other Purchased Services			19,950	19,950
Total Materials and Services	-	-	164,175	210,921
Capital Outlay				
703 Equipment			15,000	15,000
Total Capital Outlay	-	-	15,000	15,000
	\$ -	\$ -	\$ 388,775	\$ 431,811

Accounting Division

The Accounting Division manages and performs accounting activities necessary for the annual budget, audits, debt management, accounts payable, accounts receivable, payroll, monthly reports, internal controls and annual financial reports. Parks and Recreation accounting functions are included in this division. The Division assists other finance divisions and departments in their accounting procedures, costing, training, and use of the Eden financial software. Stewardship of city funds is the primary focus.

Division Goals

- Continue implementation and advanced use of Eden Systems accounting applications.
- Finalize the implementation of Eden Project Accounting software application.
- Develop a system of internal reviews within accounting applications to ensure accuracy of data.
- Finalize the necessary steps in implementing Government Accounting Standards Board Statement #34 financial reporting.
- Finalize, and update as necessary, divisional procedures manuals.

CENTRAL SERVICES FUND
FINANCE DEPARTMENT
ACCOUNTING DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 710				
Personal Services				
510 Salaries and Wages	\$ 256,883	\$ 292,431	\$ 256,000	\$ 278,500
520 Fringe Benefits	104,207	132,623	129,500	131,570
Total Personal Services	361,090	425,054	385,500	410,070
Materials and Services				
601 Supplies	22,031	31,493	11,550	10,874
602 Rental, Repair, Maintenance	1,404	44,380	1,750	1,750
603 Communications	28,732	34,311	45,000	45,000
604 Contractual Services	95,235	151,542	40,000	40,000
605 Misc. Charges and Fees	99,341	110,629	43,500	45,075
606 Other Purchased Services	22,997	19,206	5,065	5,065
Total Materials and Services	269,740	391,561	146,865	147,764
	\$ 630,830	\$ 816,615	\$ 532,365	\$ 557,834

Customer Information Services Division

The Customer Information Services Division performs billing and customer service for electric, water, wastewater, storm drain, transportation utility fees, and the Ashland Fiber Network (AFN). The Division includes business license registration, billing and information management, Tobacco Licensing, and collection of Food and Beverage Taxes and Hotel/Motel Taxes. External customer service is the primary focus.

Division Goals

- Evaluate the customer service (utility billing) software options.
- Finalize the implementation of Eden Business License application.
- Continue to analyze division processes for effectiveness and to develop priorities for ongoing tasks.
- Finalize, and update as necessary, divisional procedures manuals.

CENTRAL SERVICES FUND
FINANCE DEPARTMENT
CUSTOMER INFORMATION SERVICES DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 710				
Personal Services				
510 Salaries and Wages	\$ 240,917	\$ 259,955	\$ 259,500	\$ 273,080
520 Fringe Benefits	94,960	107,791	123,500	129,030
Total Personal Services	335,877	367,746	383,000	402,110
Materials and Services				
601 Supplies	24,129	16,539	35,725	35,075
602 Rental, Repair, Maintenance	22,411	291	11,000	11,000
603 Communications	40,191	40,342	62,000	62,000
604 Contractual Services	5,505	12,094	11,550	11,550
605 Miscellaneous Charges and Fees	-	-	17,000	20,100
606 Other Purchased Services	863	2,208	3,100	
Total Materials and Services	93,099	71,474	140,375	139,725
	\$ 428,976	\$ 439,220	\$ 523,375	\$ 541,835

Municipal Court Division

The Municipal Court Division informally transferred to Finance in FY 2003-04 thus FY 2004-05 is the first year of inclusion in this department's budget. Court staffing was adjusted to reflect actual operations for FY 2004-05 for a total of 3.25 FTE excluding the Municipal Judge. This division is responsible for supporting the judge and all municipal activities including customer service and accounting for court actions.

Division Goals

- Implement updated accounting software and implement changes to accommodate adequate accounting controls.
- Analyze division processes for effectiveness and to develop priorities for ongoing tasks.
- Create divisional procedures manual.

**GENERAL FUND
FINANCE DEPARTMENT
MUNICIPAL COURT DIVISION**

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 110				
Personal Services				
510 Salaries and Wages	\$ 122,815	\$ 135,177	\$ 129,000	\$ 166,120
520 Fringe Benefits	45,721	52,641	60,950	55,570
Total Personal Services	168,536	187,818	189,950	221,690
Materials and Services				
601 Supplies	4,940	5,207	27,950	2,456
602 Rental, Repair, Maintenance	60	-	4,000	4,000
603 Communications	66	49	900	900
604 Contractual Services	5,698	9,032	12,700	12,700
605 Misc. Charges and Fees	51,786	53,375	57,500	52,680
606 Other Purchased Services	852	523	3,000	3,000
Total Materials and Services	63,402	68,186	106,050	75,736
	\$ 231,938	\$ 256,003	\$ 296,000	\$ 297,426

Purchasing Division

The Purchasing Division is responsible for coordinating departmental and city-wide purchases and assisting other departments with managing inventories. The Division uses the various bid processes where appropriate in accordance with adopted city policies and procedures. Internal customer service is the primary focus.

Division Goals

- Improve system for maintaining the contract database for purchase orders issued and insurance certificate compliance.
- Continue to analyze division processes for effectiveness and to develop priorities for ongoing tasks.
- Finalize divisional procedures manual.

CENTRAL SERVICES FUND
FINANCE DEPARTMENT
PURCHASING \ ACQUISITION DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 710				
Personal Services				
510 Salaries and Wages	\$ 63,683	\$ 62,306	\$ 60,000	\$ 60,400
520 Fringe Benefits	21,449	21,967	23,600	20,930
Total Personal Services	85,132	84,273	83,600	81,330
Materials and Services				
601 Supplies	2,689	2,282	4,800	4,774
602 Rental, Repair, Maintenance	2,706	1,860	1,500	2,200
603 Communications	657	748	750	750
604 Contractual Services	-	-	-	-
606 Other Purchased Services	3,413	2,030	6,190	6,190
Total Materials and Services	9,465	6,919	13,240	13,914
	\$ 94,597	\$ 91,192	\$ 96,840	\$ 95,244

GENERAL FUND
FINANCE DEPARTMENT
BAND DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 110				
Personal Services				
510 Salaries and Wages	\$ 4,252	\$ 3,350	\$ 3,350	\$ 3,350
520 Fringe Benefits	406	318	350	360
Total Personal Services	4,658	3,668	3,700	3,710
Materials and Services				
601 Supplies	2,750	2,355	3,200	3,200
602 Rental, Repair, Maintenance	1,200	1,200	7,350	8,350
604 Contractual Services	26,334	29,202	36,500	36,500
605 Misc. Charges and Fees	13,000	13,000	5,500	5,230
606 Other Purchased Services	-	2,352	500	500
Total Materials and Services	43,284	48,109	53,050	53,780
	\$ 47,942	\$ 51,777	\$ 56,750	\$ 57,490

GENERAL FUND
FINANCE DEPARTMENT
SOCIAL SERVICES DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 110				
Materials and Services				
609 Grants	\$ 98,574	\$ 101,521	\$ 132,400	\$ 110,000
Total Materials and Services	\$ 98,574	\$ 101,521	\$ 132,400	\$ 110,000

GENERAL FUND
FINANCE DEPARTMENT
ECONOMIC AND CULTURAL SERVICES DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 110				
Materials and Services				
609 Grants	\$ 384,000	\$ 387,000	\$ 436,900	\$ 445,600
Total Materials and Services	\$ 384,000	\$ 387,000	\$ 436,900	\$ 445,600

finance department- non operating

GENERAL FUND
FINANCE DEPARTMENT
MISCELLANEOUS

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 110				
Materials and Services				
605 Misc. Charges and Fees	\$ 5,313	\$ 4,303	\$ 25,660	\$ 25,000
Total Materials and Services	\$ 5,313	\$ 4,303	\$ 25,660	\$ 25,000

CAPITAL IMPROVEMENTS FUND
FINANCE DEPARTMENT
S.D.C. - PARKS OPEN SPACE DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 410				
Materials and Services				
604 Contractual Services	\$ -	\$ 65	\$ 40,000	\$ -
605 Misc. Charges and Fees	38,523	37,483	18,300	-
Total Materials and Services	38,523	37,548	58,300	-
Capital Outlay				
701 Land	248,017	288,830	529,300	-
Total Capital Outlay	248,017	288,830	529,300	-
	\$ 286,540	\$ 326,378	\$ 587,600	\$ -

CAPITAL IMPROVEMENTS FUND
FINANCE DEPARTMENT
MUNICIPAL BUILDING DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 410				
Personal Services				
510 Salaries and Wages	\$ -	\$ -	\$ -	\$ -
Total Personal Services	-	-	-	-
Materials and Services				
602 Rental, Repair, Maintenance	-	10,837	-	-
Total Materials and Services	-	10,837	-	-
Capital Outlay				
702 Buildings	7,287,440	1,433,280	-	157,210
703 Equipment	-	-	-	-
Total Capital Outlay	7,287,440	1,433,280	-	157,210
	\$ 7,287,440	\$ 1,444,117	\$ -	\$ 157,210

CAPITAL IMPROVEMENTS FUND
FINANCE DEPARTMENT
AFFORDABLE HOUSING DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 410				
Capital Outlay				
702 Buildings	\$ 22,000	\$ -	\$ -	\$ -
Total Capital Outlay	\$ 22,000	\$ -	\$ -	\$ -

CAPITAL IMPROVEMENTS FUND
FINANCE DEPARTMENT
FIRE STATIONS DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 410				
Capital Outlay				
702 Buildings	\$ 338,859	\$ 2,841,505	\$ 300,000	\$ -
Total Capital Outlay	\$ 338,859	\$ 2,841,505	\$ 300,000	\$ -

DEBT SERVICE FUND
FINANCE DEPARTMENT
BANCROFT DEBT DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 530				
Debt Service				
801 Debt Service - Principal	\$ 125,000	\$ 55,000	\$ 125,000	\$ 125,000
802 Debt Service - Interest	8,498	3,031	75,000	75,000
Total Debt Service	\$ 133,498	\$ 58,031	\$ 200,000	\$ 200,000

DEBT SERVICE FUND
FINANCE DEPARTMENT
NOTES AND CONTRACTS DEBT DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 530				
Debt Service				
801 Debt Service - Principal	\$ 162,513	\$ 201,211	\$ 407,000	\$ 312,061
802 Debt Service - Interest	84,748	151,219	189,000	162,133
Total Debt Service	\$ 247,261	\$ 352,429	\$ 596,000	\$ 474,195

DEBT SERVICE FUND
FINANCE DEPARTMENT
GENERAL OBLIGATION DEBT DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 530				
Debt Service				
801 Debt Service - Principal	\$ 155,000	\$ 184,234	\$ 185,000	\$ 185,000
802 Debt Service - Interest	180,311	184,834	197,000	187,607
Total Debt Service	\$ 335,311	\$ 369,068	\$ 382,000	\$ 372,607

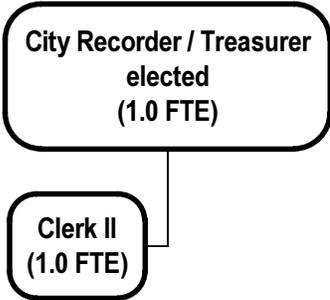
INSURANCE SERVICES FUND
FINANCE DEPARTMENT
ACCOUNTING DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 720				
Personal Services				
510 Salaries and Wages	\$ -	\$ -	\$ 1,000	\$ -
520 Fringe Benefits	-	-	-	-
Total Personal Services	-	-	1,000	-
Materials and Services				
601 Supplies	-	-	-	-
603 Communications	20	-	-	-
604 Contractual Services	13,659	15,513	25,000	-
605 Misc. Charges and Fees	58,500	59,000	59,500	46,530
607 Premiums, Claims & Judgements	497,343	638,025	659,000	600,000
Total Materials and Services	569,522	712,538	743,500	646,530
	\$ 569,522	\$ 712,538	\$ 744,500	\$ 646,530





city recorder / treasurer
2.0 FTE



Overview

The City Recorder/Treasurer is an elected official who, by direction of the City Charter, is to maintain public relations between citizens and the City. The Recorder/Treasurer serves as the City's official Election Officer and is a member of the Audit Committee.

The City Recorder/Treasurer and the Finance Director are designated as the Investment Officers of the City and are responsible for investment decisions and activities. Duties of the City Recorder/Treasurer position also include all daily banking activities, attending and recording all City Council meetings, records management for all departments, retention of official records for the City, accounting for Local Improvement District liens through monthly billing and noticing, and placement of liens on such properties.

Departmental Goals

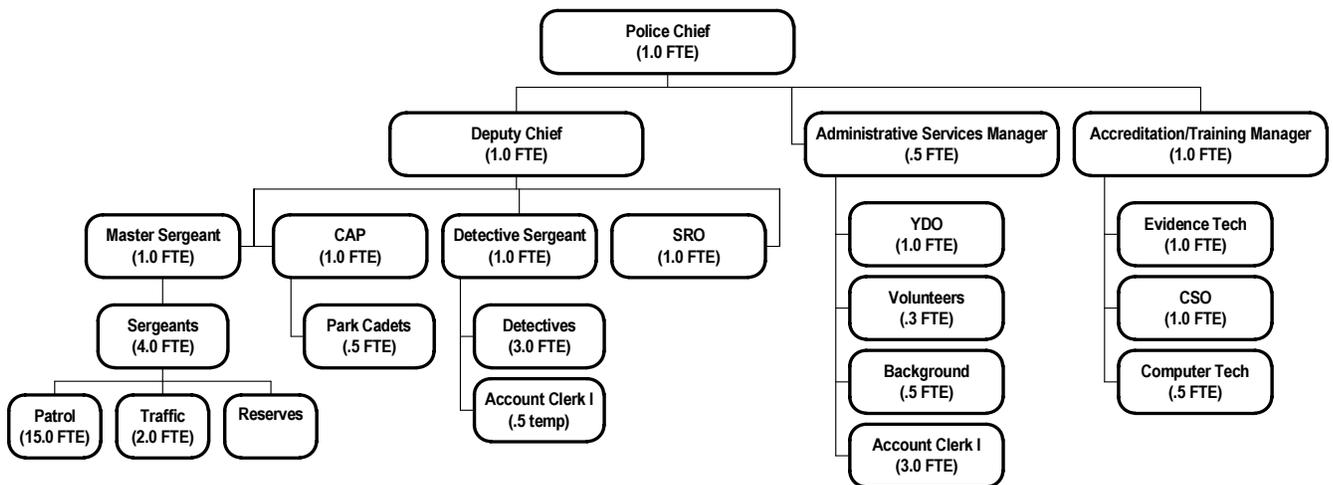
- Enhance public/staff access through city website for city documents.
- Continue to provide help to commissions/committees to be more effective
- Continue implementing City Records Management Retention program for all departments.
- Continue with Imaging System Project and bring other city departments on-line with system.

CITY RECORDER DEPARTMENT
CENTRAL SERVICE FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 710				
Personal Services				
510 Salaries and Wages	\$ 77,575	\$ 85,843	\$ 88,000	\$ 92,000
520 Fringe Benefits	28,834	35,746	43,400	48,080
Total Personal Services	106,409	121,588	131,400	140,080
Materials and Services				
601 Supplies	7,710	8,280	9,635	12,445
602 Rental, Repair, Maintenance	-	-	-	-
603 Communications	481	549	600	700
604 Contractual Services	676	3,467	1,000	2,000
605 Misc. Charges and Fees	11,044	5,835	10,000	9,000
606 Other Purchased Services	7,067	5,042	7,100	8,150
Total Materials & Services	26,978	23,172	28,335	32,295
Capital Outlay				
703 Equipment	-	-	-	-
Total Capital Outlay	-	5,471	-	-
	\$ 133,387	\$ 144,760	\$ 159,735	\$ 172,375
Department Total By Fund				
710 Central Services Fund	\$ 133,387	\$ 150,231	\$ 159,735	\$ 172,375
	\$ 133,387	\$ 150,231	\$ 159,735	\$ 172,375
Position Control	2002 Actual	2003 Actual	2004 Adopted	2005 Adopted
City Recorder /Treasurer	1.00	1.00	1.00	1.00
Clerk II	0.75	1.00	1.00	1.00
	1.75	2.00	2.00	2.00



police department 39.8 FTE



Overview

The department performs the core functions of patrolling the City of Ashland, investigating crimes within the city, mediating non-criminal disputes, training for these tasks, and keeping records of our activity. Beyond these core functions the department proposes to continue these services:

- Two full-time officers dedicated to traffic enforcement and all related vehicle and traffic safety issues.
- A School Resource Officer (SRO) shared between the high school and middle school, assisting with security, instruction, and positive relationships.
- A Central Area Patrol Officer (CAP) assigned to exclusive patrol in the downtown and Lithia Park area.
- A Youth Diversion Officer (YDO) working with both the county juvenile department and Ashland's municipal court to counsel and assist local juveniles and young adults with law and behavior issues.
- A detective assigned to the regional drug enforcement task force, working with other law enforcement agencies to reduce supplies of illegal drugs in the community.

Change in Classification

Our proposed budget shows several changes in title, these include the existing lieutenant positions (2) converted to a deputy chief and master sergeant, and a CSO converted to an Evidence Technician.

New Position

A third clerk is new, considered essential given that Medford dispatchers have left our facility. With the retirement and part-time status of our Administrative Service Manager net administrative overhead is reduced.

Funding

Nearly 11% (\$480,750) of the proposed budget is funded by sources outside the general fund. A substantial part of this funding (\$137,500) comes from the Park's Dept. for the CAP officer, the Park Cadets and ½ a CSO position, with grants, fees and forfeiture money making up the balance.

Special Temporary Positions

The city holds asset forfeiture revenue obtained through our participation in the regional drug task force. These federal funds can only be used by law enforcement and may not supplant other funding. We have recognized two needs within the department for temporary help. Both these temporary positions will be funded solely by forfeiture money and would not have been proposed without this existing, restricted money. The positions will assist the detective group with updating intelligence files and with supporting our technical equipment especially our mobile computers.

Directed Operations

The police chief has identified increased downtown patrols as a top priority. More officers will be active and visible on foot, on bicycles and in vehicles in our core commercial and theater corridor than before. Contributing to everyone's sense of safety and encouraging civil behavior is the mission that will be our focus.

Vision

All our efforts in law enforcement will be guided by an adherence to the Constitution of the United States and with a sensitivity to community concerns. All people will be treated with dignity and respect. Police behavior will be measured by the standards of professionalism, courtesy and compassion. We strive to create a police department not merely recognized as an institution for law and order, but one of peace and justice.

POLICE DEPARTMENT

Description		2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Department Total By Function					
500	Personal Services	\$ 2,813,288	\$ 2,957,440	\$ 3,007,240	\$ 3,115,725
600	Materials and Services	953,791	1,014,335	1,209,030	1,218,044
700	Capital Outlay	7,256	68,874	68,200	42,061
		\$ 3,774,335	\$ 4,040,649	\$ 4,284,470	\$ 4,375,830
Department Total By Fund					
110	General Fund	\$ 3,774,335	\$ 4,040,649	\$ 4,284,470	\$ 4,375,830

Position Profile	2002 Actual	2003 Actual	2004 Adopted	2005 Adopted
Police Chief	1.00	1.00	1.00	1.00
Deputy Chief	-	-	-	1.00
Police Lieutenant	2.00	2.00	2.00	-
Master Sergeants	-	-	-	1.00
Police Sergeants	4.00	4.00	4.00	5.00
Admin. Services Manager	1.00	1.00	1.00	0.50
Police Officers	21.00	23.00	23.00	22.00
Youth Diversion Officer	1.00	1.00	1.00	1.00
Evidence Technician	-	-	-	1.00
Community Services Officer	3.00	2.00	2.00	1.00
Communications Supervisor Dispatch	1.00	-	-	-
Accreditation/Training Manager	-	-	1.00	1.00
Dispatch Supervisor	-	1.00	-	-
Dispatcher	7.00	7.00	-	-
Account Clerk I	2.00	2.00	2.00	3.00
Coordinator	0.30	0.2875	0.30	0.30
Account Clerk I - Temp	-	-	-	0.50
Computer Technician - Temp	-	-	-	0.50
Background Investigator - Temp	-	-	-	0.50
Park Patrol Cadets - Temp	-	-	-	0.50
	43.30	44.29	37.30	39.80

Support

This division performs the training and record keeping functions for the department. Non-sworn officers include the evidence technician, CSO, Youth Diversion Officer, and front office clerks (3). The division also budgets for the communication contract with the City of Medford providing service for Ashland Police and Fire. Two executive managers (one part-time) share the supervisory duties of the division. Also included here at minimal cost to the City is our very active volunteer program that provides a large array of assistance to both police and community. We continue to maintain our accredited status with the state organization.

Division Goals

- Conduct an assessment of the department's structure, service demands, policies and procedures and develop a strategic plan for improvements.
- Continue the Citizen's Academy program with an emphasis toward attracting young people to participate.
- Monitor quality of communication services now provided by CCOM.
- Deliver quality training to all employees, highlighting customer service and ethics as essential topics.
- Efficiently continue recruitment, hiring, screening, and training of new employees to fill vacancies in patrol, mid-management, and temp positions and in preparation for upcoming retirements in administration and investigations.
- Coordinate with Ashland Fire on formulation and operation of the Public Safety Advisory Committee.

police department - support division

GENERAL FUND
POLICE DEPARTMENT
SUPPORT DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 110				
Personal Services				
510 Salaries and Wages	\$ 605,410	\$ 750,955	\$ 569,050	\$ 403,730
520 Fringe Benefits	257,872	336,259	292,640	208,480
Total Personal Services	863,282	1,087,214	861,690	612,210
Materials and Services				
601 Supplies	17,384	29,544	28,750	18,330
602 Rental, Repair, Maintenance	28,074	89,200	23,500	44,546
603 Communications	18,396	21,949	8,800	14,612
604 Contractual Services	226,443	164,829	454,120	458,549
605 Misc. Charges and Fees	340,073	361,000	325,200	52,650
606 Other Purchased Services	21,074	18,148	22,980	33,392
610 Programs	50	156	500	500
Total Materials and Services	651,494	684,825	863,850	622,579
Capital Outlay				
703 Equipment	-	71,874	-	-
704 Improvements Other Than Buildings	7,256	(3,000)	53,200	42,061
Total Capital Outlay	7,256	68,874	53,200	42,061
	\$ 1,522,032	\$ 1,840,914	\$ 1,778,740	\$ 1,276,850

Operations

This unit is comprised of all our sworn officers (29), led by a Deputy Chief supervising 6 sergeants in patrol and investigations, traffic officers (2), special assignment officers at the school and downtown, 3 detectives and 15 patrol officers.

Division Goals

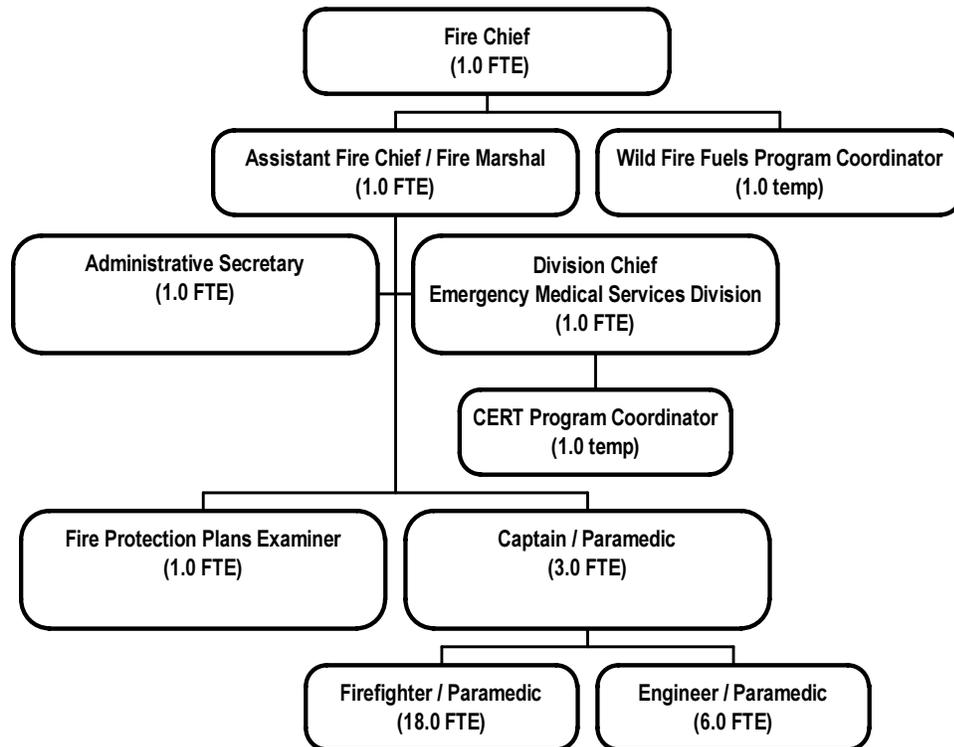
- Maintain a high level of traffic safety enforcement that keeps pace with increased vehicle usage within the city.
- Commit to a high visibility, highly interactive patrol strategy in the downtown area to increase community connection between citizens and police.
- Enhance career development for personnel through mentorship programs of detective apprentice and master sergeant.
- Reduce drug related crime by vigilant efforts to thwart methamphetamine and heroin usage in Ashland
- Provide more effective service to juveniles and the schools by clarifying roles and services of School Resource Officer and DARE programs.

GENERAL FUND
POLICE DEPARTMENT
OPERATIONS DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 110				
Personal Services				
510 Salaries and Wages	\$ 1,380,664	\$ 1,314,260	\$ 1,453,000	\$ 1,698,160
520 Fringe Benefits	569,342	555,966	692,550	805,355
Total Personal Services	1,950,006	1,870,225	2,145,550	2,503,515
Materials and Services				
601 Supplies	97,046	57,339	68,790	61,066
602 Rental, Repair, Maintenance	149,004	215,976	184,900	193,900
603 Communications	11,419	20,782	25,150	17,450
604 Contractual Services	21,392	3,307	10,000	10,240
605 Misc. Charges and Fees	-	-	-	247,980
606 Other Purchased Services	23,436	32,106	56,340	62,829
610 Programs	-	-	-	2,000
Total Materials and Services	302,297	329,510	345,180	595,465
Capital Outlay				
703 Equipment	-	-	15,000	-
704 Improvements Other Than Buildings	-	-	-	-
Total Capital Outlay	-	-	15,000	-
	\$ 2,252,303	\$ 2,199,735	\$ 2,505,730	\$ 3,098,980



fire and rescue department 34.0 FTE



Overview

The Fire Department comprises two divisions: Fire Operations and Emergency Medical Services. The primary purposes of these divisions are to provide fire and life safety services to the community, to prevent the occurrence of fire and medical emergencies, to promote community emergency preparedness, and to mitigate the effects of natural and technological disasters within the community.

Departmental Goals

- Meet department performance measurement standards.
- Initiate planning for fire station no. 2 reconstruction.
- Assist private property owners with wildfire fuel reduction efforts.
- Provide customer service training for all department personnel.
- Develop a 10 watt AM radio broadcast station for community emergency information.
- Seek additional funding through FEMA for needed emergency fire/EMS equipment.

FIRE & RESCUE DEPARTMENT

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Department Total By Function				
500 Personal Services	\$ 2,312,925	\$ 2,579,160	\$ 3,092,050	\$ 3,220,389
600 Materials and Services	1,122,904	1,107,937	1,152,354	1,152,718
700 Capital Outlay	71,790	278,449	256,000	415,000
	<u>\$ 3,507,619</u>	<u>\$ 3,965,547</u>	<u>\$ 4,500,404</u>	<u>\$ 4,788,107</u>
 Department Total By Fund				
110 General Fund	<u>\$ 3,507,619</u>	<u>\$ 3,965,547</u>	<u>\$ 4,500,404</u>	<u>\$ 4,788,107</u>

Position Profile	2002 Actual	2003 Actual	2004 Adopted	2005 Adopted
Fire Chief	1.00	1.00	1.00	1.00
Assistant Fire Chief/Fire Marshal	1.00	1.00	1.00	1.00
Fire Protection Plans Examiner	-	-	1.00	1.00
Division Chief/E.M.S. Division	-	-	1.00	1.00
EMS Fire Training Coord.	1.00	1.00	-	-
Administrative Secretary	1.00	1.00	1.00	1.00
Captain/Paramedic	3.00	3.00	3.00	3.00
Engineer/Paramedic	6.00	6.00	6.00	6.00
Firefighter/Paramedic	16.00	18.00	18.00	18.00
Wild Fire Fuels Program Coordinator - Temp	-	-	-	1.00
CERT Coordinator - Temp	-	-	-	1.00
	<u>29.00</u>	<u>31.00</u>	<u>32.00</u>	<u>34.00</u>

Fire Operations Division

The Fire Operations Division provides fire and rescue, hazardous materials response, public education, fire code enforcement, and emergency management services to the community.

Division Goals

- Increased integration of shift personnel into code enforcement activities.
- Complete Phase III of OSHA Respiratory Program compliance.
- Focus on improvements in Firefighter training program delivery system.
- Complete Confined Space Entry Team training program.
- Develop pre-incident planning for key facilities within the City of Ashland.
- Complete Technical Rescue Team required annual training.

Significant Budget Changes

- Wage and fringe benefit increases associated with union contract renewal.

fire and rescue department - fire operations division

**GENERAL FUND
FIRE & RESCUE DEPARTMENT
OPERATIONS DIVISION**

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Fund# 110				
Personal Services				
510 Salaries and Wages	\$ 1,531,989	\$ 1,693,160	\$ 1,799,710	\$ 1,261,850
520 Fringe Benefits	611,399	686,221	831,990	565,039
Total Personal Services	2,143,388	2,379,381	2,631,700	1,826,889
Materials and Services				
601 Supplies	123,502	153,743	62,700	70,700
602 Rental, Repair, Maintenance	210,781	194,946	189,250	249,900
603 Communications	22,601	33,875	27,400	27,500
604 Contractual Services	5,674	6,388	7,000	20,685
605 Misc. Charges and Fees	176,000	161,000	224,000	207,180
606 Other Purchased Services	23,978	24,984	44,300	39,700
610 Programs	6,087	6,110	12,700	13,700
Total Materials and Services	568,623	581,047	567,350	629,365
Capital Outlay				
703 Equipment	15,591	242,346	256,000	215,000
Total Capital Outlay	15,591	242,346	256,000	215,000
	\$ 2,727,602	\$ 3,202,773	\$ 3,455,050	\$ 2,671,254

Emergency Medical Services Division

The Emergency Medical Services Division provides ambulance service throughout a 650 square mile geographical area within the Jackson County Ambulance Service Area Plan known as Ambulance Service Area No. 3. Both emergency and non-emergency ambulance services are provided to a population of over 29,000 people.

Division Goals

- Complete State of Oregon recertification for all medical response personnel.
- Provide emergency medical response services to all patients within Ambulance Service Area (ASA) response time standards.
- Improve and expand electronic data collection and submission system.
- Improve CERT capabilities through expansion of team bases and equipment caches.
- Compliance with HIPAA (Health Insurance Portability & Accountability Act).
- Coordinate department EMS functions with new Medford Dispatch services.
- Seek funding through Department of Homeland Security for CERT program enhancements.

Significant Budget Changes

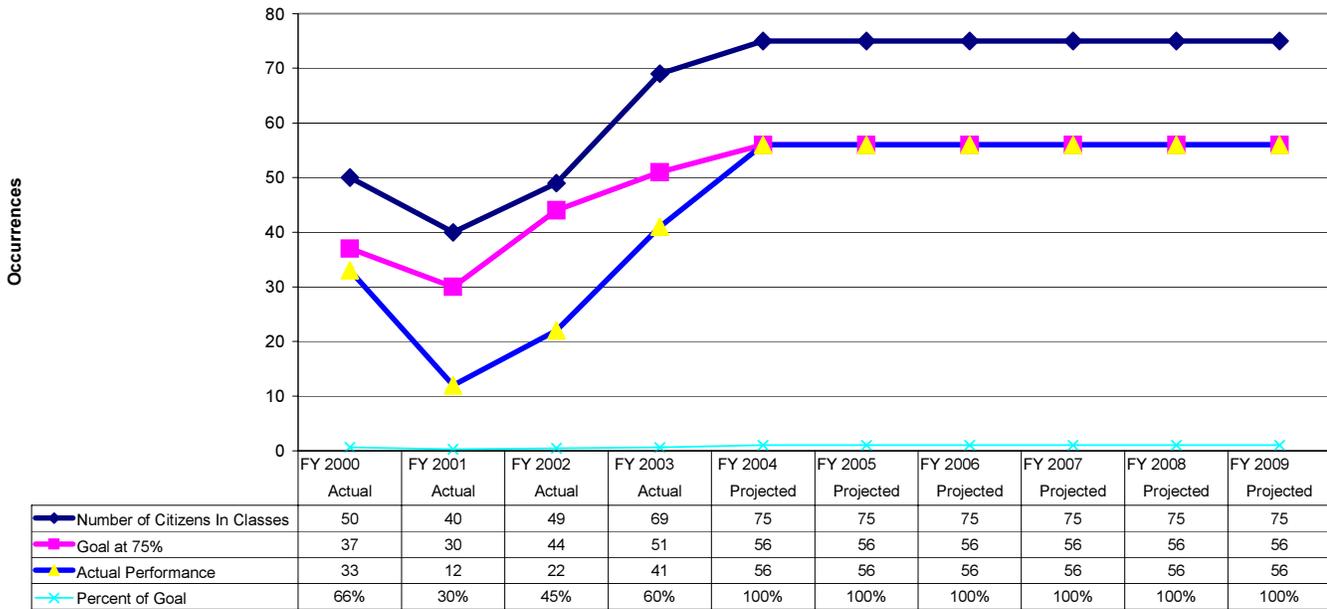
- Wage and fringe benefit increases associated with union contract renewal.

fire and rescue department - emergency medical services division

GENERAL FUND
FIRE & RESCUE DEPARTMENT
EMERGENCY SERVICES DIVISION

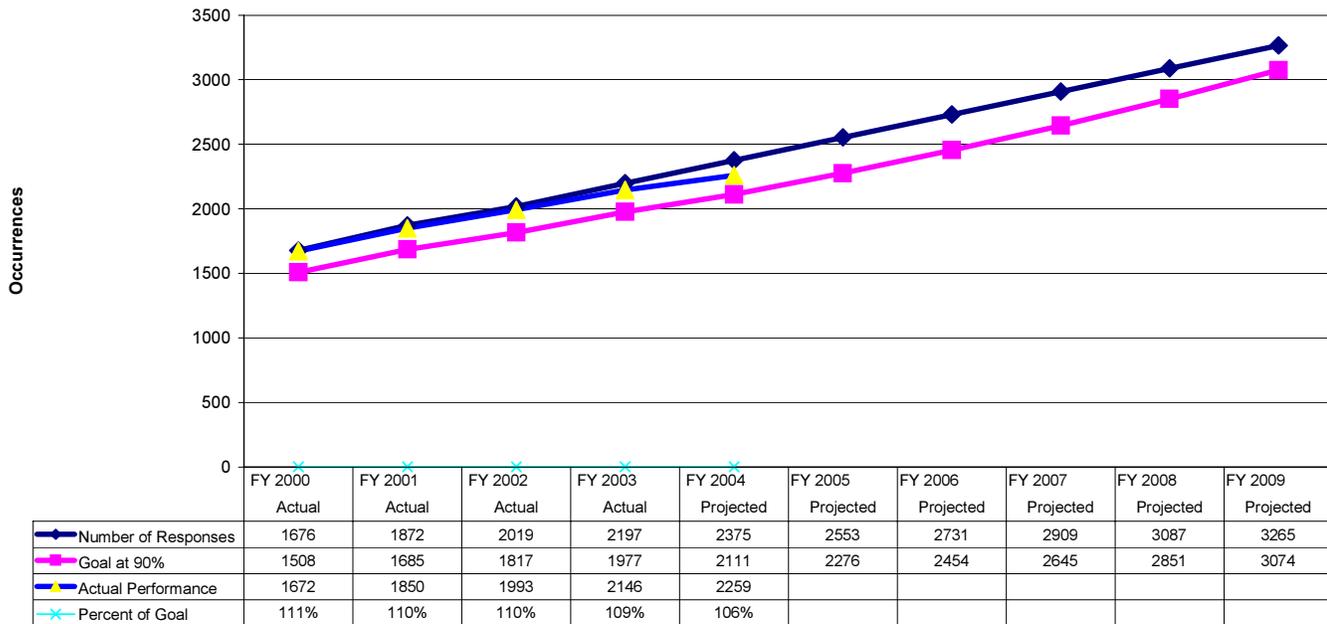
<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Fund# 110				
Personal Services				
510 Salaries and Wages	\$ 131,474	\$ 150,263	\$ 354,950	\$ 1,008,200
520 Fringe Benefits	38,063	49,517	105,400	385,300
Total Personal Services	169,537	199,780	460,350	1,393,500
Materials and Services				
601 Supplies	7,020	40,528	30,760	31,060
602 Rental, Repair, Maintenance	303,588	147,106	138,650	108,000
603 Communications	4,717	37,458	32,900	28,500
604 Contractual Services	62,432	71,184	84,900	87,450
605 Misc. Charges and Fees	125,805	139,996	169,300	163,430
606 Other Purchased Services	36,790	72,846	78,794	81,253
610 Programs	13,929	17,771	49,700	23,660
Total Materials and Services	554,281	526,890	585,004	523,353
Capital Outlay				
703 Equipment	56,199	36,103	-	200,000
Total Capital Outlay	56,199	36,103	-	200,000
	\$ 780,017	\$ 762,773	\$ 1,045,354	\$ 2,116,853

**Community Preparedness
C.E.R.T. Graduations**



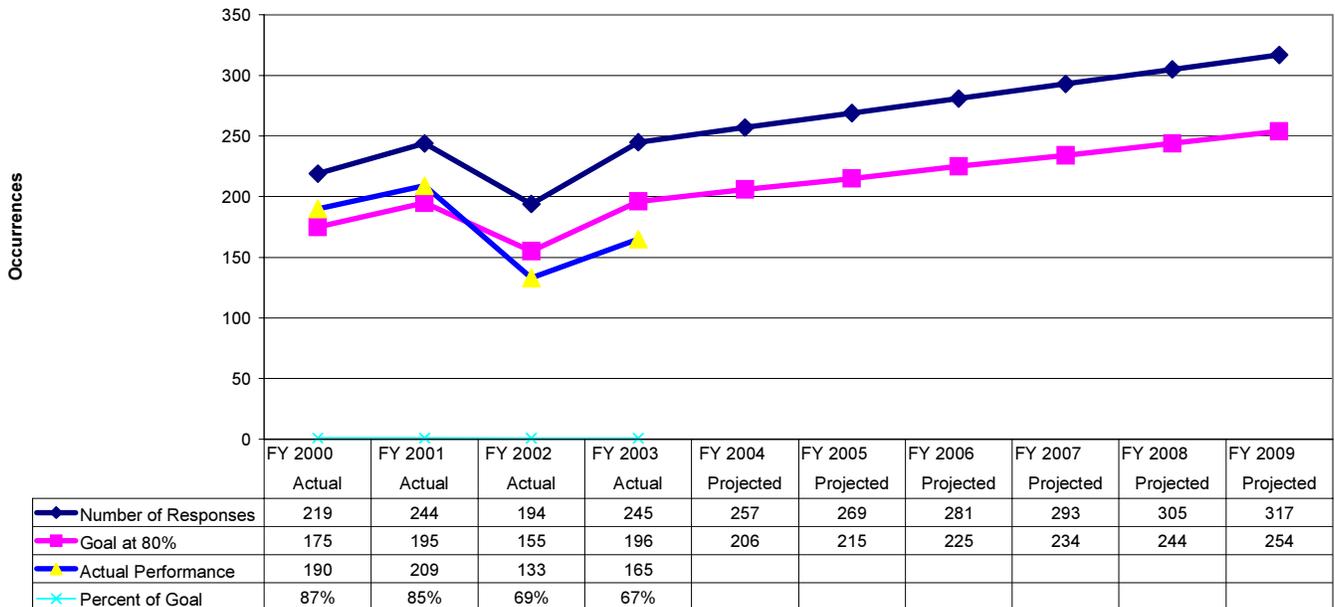
Goal: Provide C.E.R.T. training to a minimum of 60 citizens annually with 75% meeting graduation competencies.

**Emergency Medical Services
Emergent Responses Within ASA Standards**



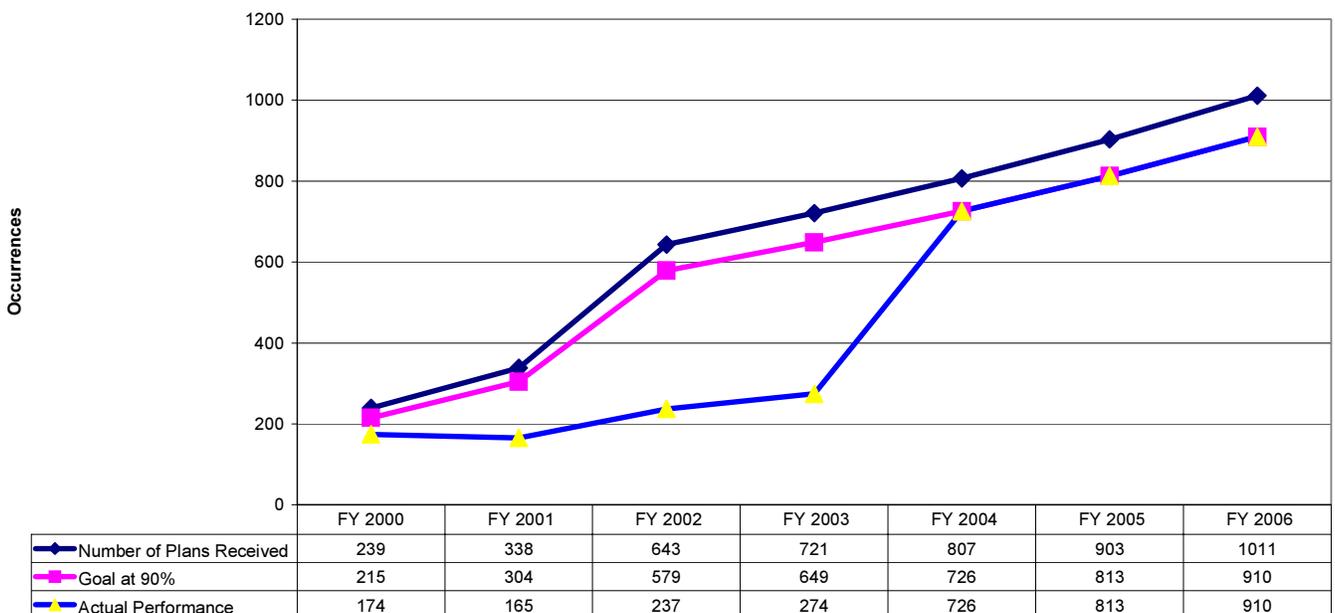
Goal: Arrive Within ASA Response Time Standards 90% of the Time

**Fire Suppression Services
Emergent Responses Within 5 Minutes of Notification**



Goal: Arrive within 5 minutes of notification 80% of the time.

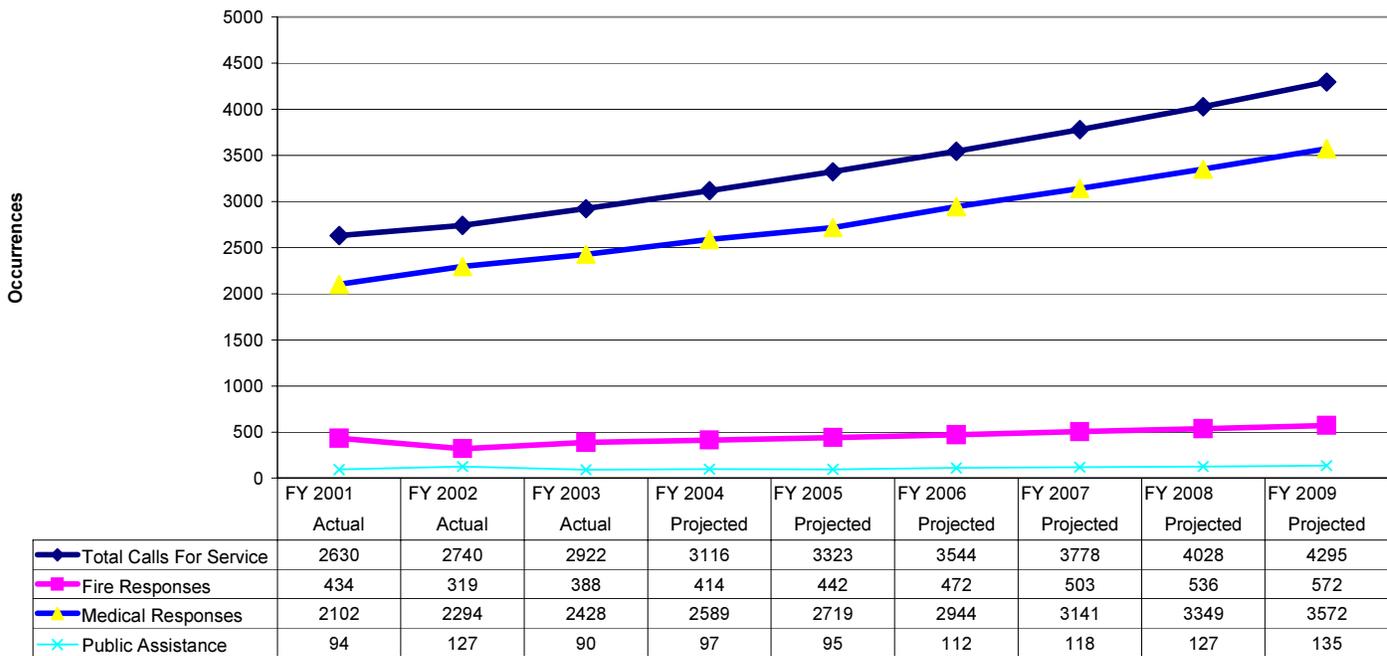
**Fire & Life Safety Plans Review
Plans Processing Time**



Goal: Provide a seven day "turn-a-round" for fire & life safety plans review for 90% of plans received

Explanation: Fire Protection Plans Reviews increased by approximately 12 % over the past year.

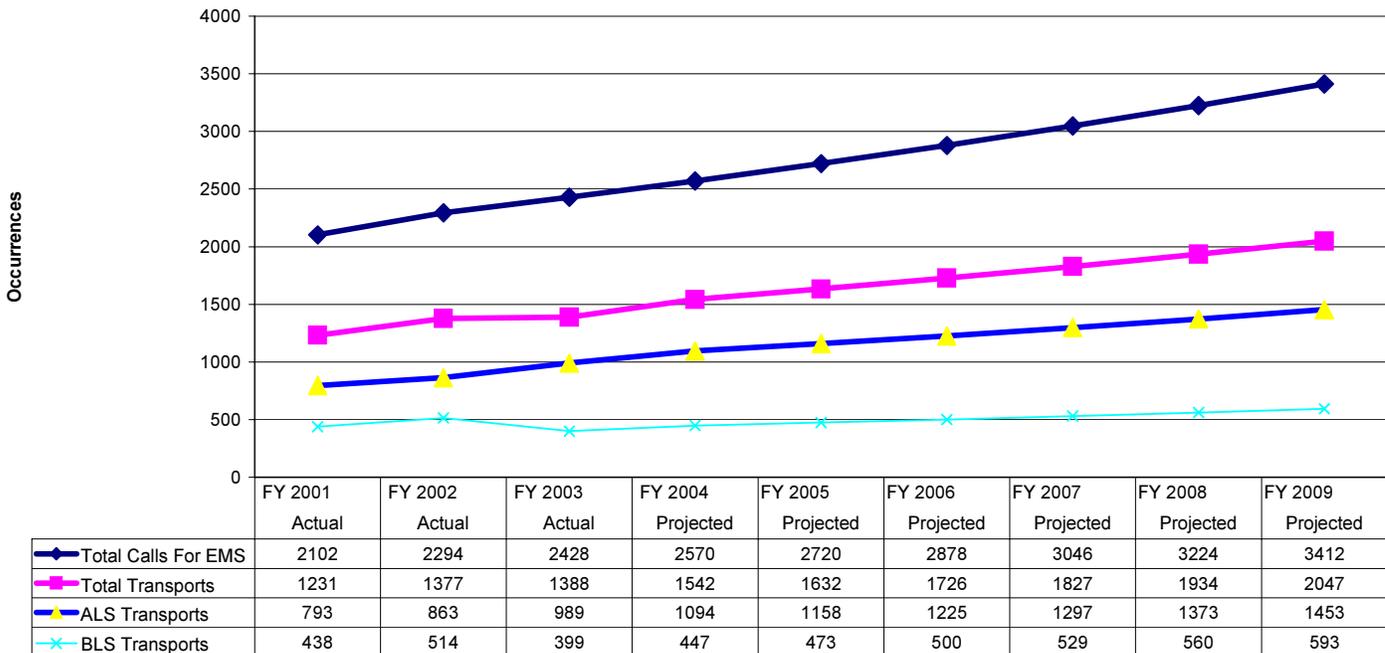
TOTAL CALLS FOR SERVICE



Explanation: Total calls for service (both emergency & non-emergency) have increased 6.64% during the previous fiscal year.

Effective FY 2002, a computerized records management system was placed into effect which more accurately classifies calls for service.

TOTAL EMS CALLS FOR SERVICE

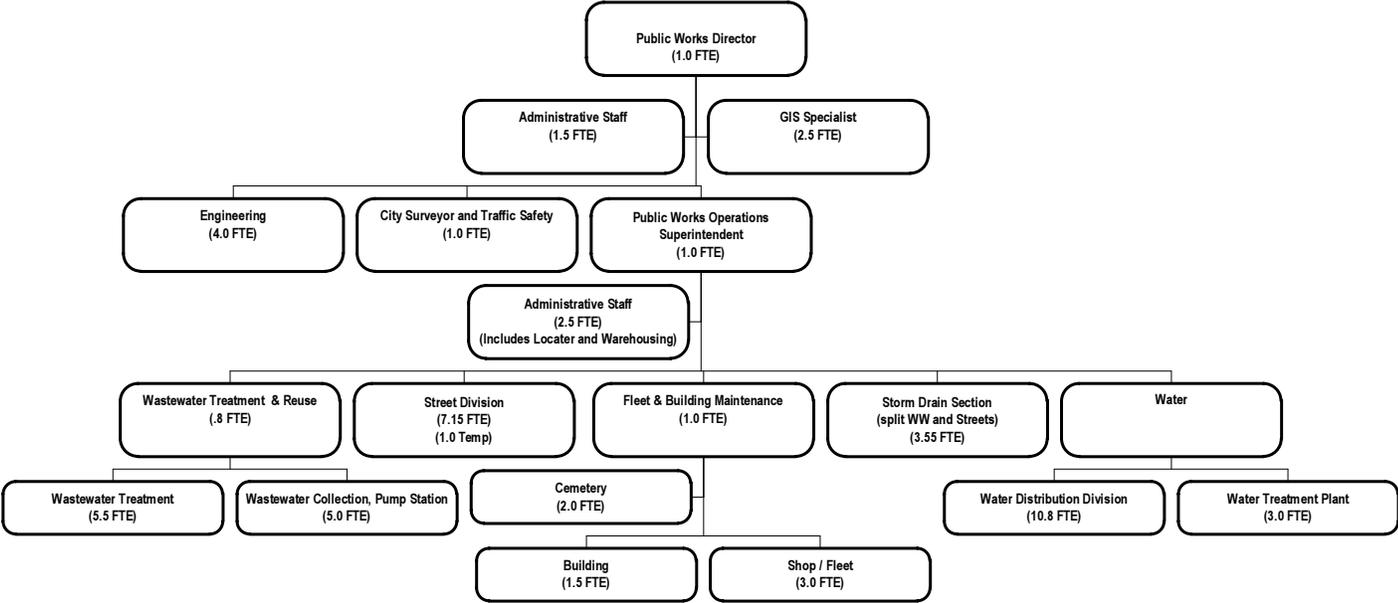


Explanation: Total calls for service (both emergency & non-emergency) are projected at an increase of 5.84 % annually.





public works department 57.8 FTE



Overview

The Public Works Department is composed of five Operational Divisions and two non-operational divisions. The Operational Divisions consist of Water, Wastewater, Streets, Fleet, and Facilities Maintenance (which includes Cemeteries) and are managed by the PW Operations Superintendent. The “non-operational divisions” Engineering and Administration, consist of program development, engineering, surveying, and long-range public works planning functions. The Director, PW Superintendent, GIS specialists, administrative staff and other shared staff positions are included in the Administration Division.

Departmental Goals

- Pursue water quality and temperature improvements through an active storm water management program (and wastewater treatment effluent reuse options).
- Develop a preliminary engineering design for the future extension of the TAP pipeline to the City (was a goal in FY04; anticipate design completion by September 2004).
- Establish a stronger, formalized role for the City in the stewardship of the entire Ashland Watershed. Map water capacity and implement enhanced monitoring program.
- Evaluate and create a plan for remodel of Council Chambers.
- Enhance water supply and conservation.
- Improve safety of existing at-grade railroad crossing.
- Improve pedestrian and traffic safety based on elements of the 3 E’s- education, enforcement, and engineering. Improve the Wimer Street and North Main Intersection.
- Measurably improve traffic safety in neighborhoods.
- Explore RVTD (transit) service options [element of TTPC along with the downtown plan].
- Develop performance measures for each division.

Performance Measures

Public Works performance measures are included in each division’s narratives. In general, it is our intent to improve the perception and customer satisfaction of our services and to keep overall costs to a minimum without compromising quality.

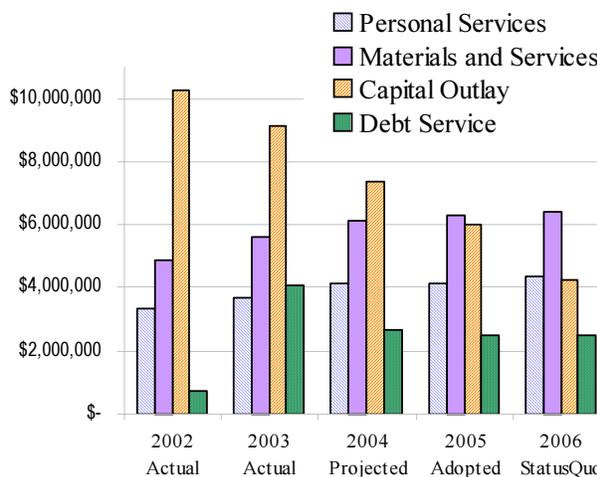
Mission Statement

To provide reliable, quality infrastructure services for the citizens of Ashland in the most efficient and fiscally responsible manner. To listen and communicate with the citizenry in determining immediate and long range needs while implementing the policy and guidelines of the Council. To work with other City departments and be responsible environmental stewards.

Significant Budget Changes

- Many of the large Capital Improvement Plan (CIP) projects are being completed; total overall CIP budget for FY05 is \$5.6M, which is nearly \$2 million less than the FY04 budget. The projection for the next several years averages at nearly \$6M.
- Storm drain and transportation fees are both projected to increase by 10%.
- Water fees will increase 5%, the third year of planned rate increases; and wastewater fees are projecting to increase 5% for the first of potentially 3 years of increases.

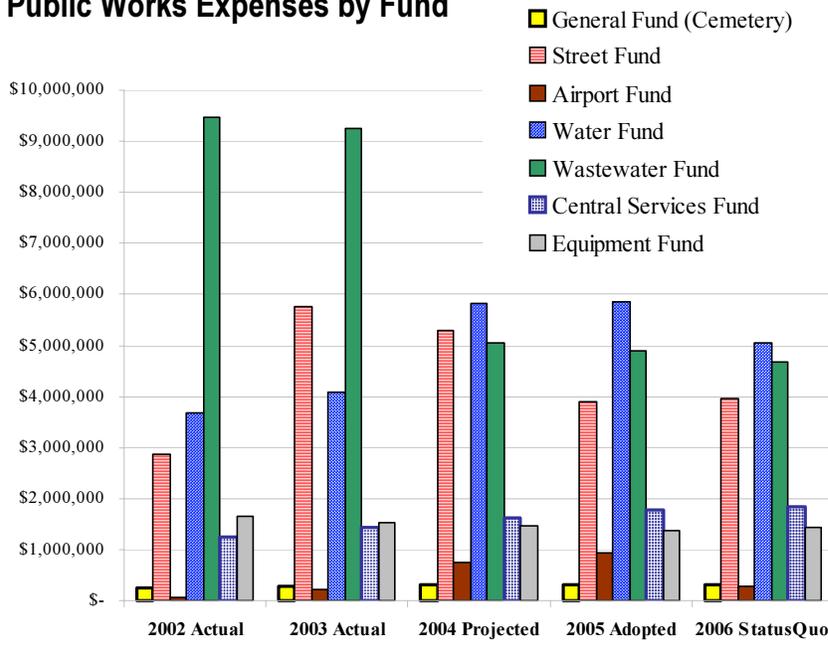
Public Works Budget Comparison Summary



Division Goals

- Traffic safety and the transportation system have kept staff very active the past two years, not only with the completion of significant transportation projects (Siskiyou Boulevard, Strawberry Lane, Tolman Creek Road, initial Downtown Plan safety improvements, etc.) but also with new developments and sidewalk/neighborhood safety improvements. Being a regional member of the Metropolitan Planning Organization will add not only time, but also a new layer of competition for funding of Ashland projects.
- The Street fund and long range planning for financial stability of the street maintenance and storm drain program are of vital importance to the Department. Staff is dedicated to continual search for state and federal funds to leverage necessary transportation projects. Ashland has been aggressive and successful in obtaining several grants over the past 2-3 years and this continues for projects funded in FY06.
- New regulations and permit requirements impact the wastewater treatment plant. Staff continues its commitment to find the best solution for the temperature issues, including water trading options.
- The water division has seen more activities this year. Water bonds were purchased for some necessary overdue infrastructure improvements and system capacity increases. New fire flow reservoirs, repairs and/or replacement of the main transmission lines and the eventual addition of the TAP pipeline will consume staff time over the next 5+ years.
- The GIS program continues to grow. Staff is proposing to add one FTE in lieu of continuing to fund a temporary position to assist with GIS data entry and keeping the data layers current. System costs, licensing and training remain high. Staff is able to track GIS costs to each activity.

Public Works Expenses by Fund



Expenses by Fund

	2002 Actual	2003 Actual	2004 Projected	2005 Adopted
General Fund (Cemetery)	58,611	\$283,166	\$316,000	\$298,260
Street Fund	52,552	\$5,772,088	\$5,292,300	\$3,880,590
Airport Fund	70,910	\$203,474	\$753,882	\$938,722
Water Fund	3,062,456	\$4,067,358	\$5,825,541	\$5,863,847
Wastewater Fund	9,472,544	\$9,241,801	\$5,061,419	\$4,887,080
Central Services Fund	\$1,248,837	\$1,433,337	\$1,614,400	\$1,765,980
Equipment Fund	\$1,645,365	\$1,529,818	\$1,475,000	\$1,382,420
Total	\$19,211,275	\$22,531,042	\$20,338,542	\$19,016,899

public works department

PUBLIC WORKS DEPARTMENT

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Department Total By Function				
500 Personal Services	\$ 3,340,260	\$ 3,688,282	\$ 4,101,790	\$ 4,166,445
600 Materials and Services	4,872,727	5,610,135	6,546,060	6,307,321
700 Capital Outlay	10,262,711	9,126,675	7,470,000	5,997,740
800 Debt Service	735,577	4,105,950	2,644,319	2,515,393
	\$ 19,211,275	\$ 22,531,042	\$ 20,762,169	\$ 18,986,899

Department Total By Fund				
110 General Fund	\$ 258,611	\$ 283,166	\$ 296,890	\$ 298,260
260 Street Fund	2,852,552	5,772,088	5,490,310	3,880,590
280 Airport Fund	70,910	203,474	834,550	908,722
670 Water Fund	3,662,456	4,067,358	5,834,660	5,863,847
675 Wastewater Fund	9,472,544	9,241,801	5,082,749	4,887,080
710 Central Services Fund	1,248,837	1,433,337	1,681,550	1,765,980
730 Equipment Fund	1,645,365	1,529,818	1,541,460	1,382,420
	\$ 19,211,275	\$ 22,531,042	\$ 20,762,169	\$ 18,986,899

Position Profile	2002 Actual	2003 Actual	2004 Adopted	2005 Adopted
Public Works Director	1.00	1.00	1.00	1.00
Public Works Superintendent	1.00	1.00	1.00	1.00
Engineering Services Manager	1.00	1.00	1.00	1.00
Supervisors	5.00	5.00	5.00	5.00
Administrative Assistant	-	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00
Associate Engineer	1.00	1.00	1.00	1.00
Assistant Engineer	1.00	1.00	1.00	1.00
GIS Specialist	1.00	1.00	1.50	1.50
GIS Analyst	-	-	-	1.00
Engineering Tech II	2.00	2.00	2.00	2.00
Clerk II	1.50	0.50	0.50	0.50
Cemetery Sexton	1.00	1.00	1.00	1.00
Treatment Plant Operator	6.00	6.00	6.00	6.00
Utility Worker IV	2.00	2.00	2.00	2.00
Utility Worker III	13.00	16.50	15.00	16.00
Utility Worker II	6.00	3.50	4.00	3.00
Utility Worker I	7.00	7.00	7.00	7.00
Meter Reader/Repair	0.80	0.80	0.80	1.80
Facilities Maintenance Worker	1.00		1.00	-
Mechanic	3.00	3.00	3.00	3.00
Utility Worker - Temp	-	-	-	1.00
	55.30	55.30	55.80	57.80



Airport Fund

The Ashland Municipal Airport was established in 1965. The City owns all of the land and buildings on the airport with the exception of the privately owned hangars at the northeast edge of the field and the Sky Research Hangar built in 2000. The airport has 20 hangars, 12 tie-down spaces and supports about 76 aircraft, a Civil Air Patrol unit and other activities. The Facilities Maintenance Division, with assistance from the City Electric Department and Parks Department ensure appropriate maintenance is completed. The Public Works Engineering Division contracts for improvements and major maintenance.

Management decisions for the Airport and related facilities receive oversight and recommendations through the Airport Commission, and staff work is completed through the Public Works Administration. The airport is operated by Bob Skinner, Skinner Aviation, as the contract Fixed Base Operator (FBO). Skinner has been the airport's FBO since 1993 and is responsible for overall oversight of the Airport facilities including radio control, fuel facility, aircraft maintenance, hangar rental collection, flight training, and facility maintenance. Over the past several years, there have been many improvements at the airport.

Strategic Plan Goals

There are no specific Strategic Plan Goals associated with the operations at the airport. Underlying implications assume that the airport will be well managed and self-sufficient.

Significant Budget Changes

- Deferred maintenance and increasing regulatory requirements continue to be budgetary issues.
- Increases in the Capital line item for FY05 due to the AIP project. The FAA funds 95% of this project with the Airport Fund using its central service fees as soft match for the majority of the remaining 5% match.

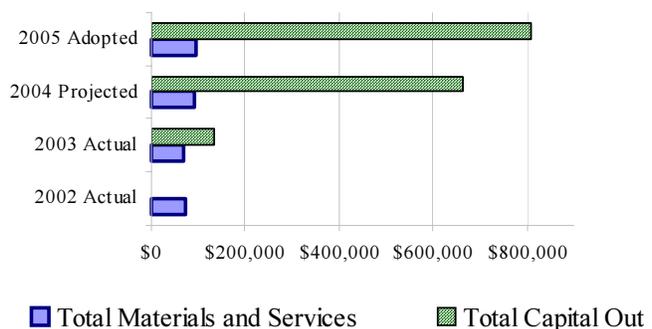
Performance Measures

- Ensure grounds care and maintenance activities are cost effective.
- Capture the public perceptions in the City's annual attitude survey.
- Manage revenues and expenses to overcome maintenance shortfalls and pursue increases in fees and obtaining other funding sources to ensure long term self sufficiency.

Airport Goals

- Accomplish Airport Commission Goals to:
 - Prepare and implement a comprehensive and cost effective maintenance program including efforts to improve and complete airport landscaping.
 - Add live camera link to Internet access to gain the ability to see weather and wind conditions.
 - Secure AIP Grant: perimeter fencing, taxiway access medium intensity runway lighting and taxiway reflectors.
 - Provide information on airport expansion through the web site.
 - Identify and enhance revenue sources through appropriate fee increases, new T-Hangars and new independent hangars.
 - Evaluate the possibilities for new airport related businesses
- Complete Airport Master Plan Update (on schedule for a late FY04 completion by Century West Engineering).
- Construct and occupy the new T-Hangars. Construction on the 14 unit T-Hangar building began in February 2004 and is anticipated to be completed by June. The City borrowed funds to build the hangars and is anticipating several pre-paid leases to help offset those costs.
- Complete design of the AIP (Airport Improvement Project). David Evans and Associates began in February 2004 and design should be completed in July 2004. Construction of this FAA Grant project is scheduled for FY05.
- Ensure the airport is maintained and meet the needs for self-sufficiency.

Airport Fund Categories



AIRPORT FUND PUBLIC WORKS DEPARTMENT				
Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 280				
Materials and Services				
602 Rental, Repair, Maintenance	35,563	35,307	54,400	58,150
604 Contractual Services	-	-	25,000	-
605 Misc. Charges and Fees	34,918	34,446	34,300	36,000
606 Other Purchased Services	429	-	550	550
608 Commissions	-	-	300	300
Total Materials and Services	70,910	69,753	114,550	95,000
Capital Outlay				
702 Buildings	-	-	350,000	-
704 Improvements Other Than Bldgs.	-	133,721	370,000	778,650
Total Capital Outlay	-	133,721	720,000	778,650
Debt Service				
801 Debt Service - Principal	-	-	-	16,031
802 Debt Service - Interest	-	-	-	19,041
Total Debt Service	-	-	-	35,072
	\$ 70,910	\$ 203,474	\$ 834,550	\$ 908,722

Street Division

The Street Division has four primary areas of responsibility:

- street patching, paving and crack sealing,
- street sweeping and bikepath maintenance,
- street signs and crossings, and
- drainage ditch cleaning, street grading, and minor storm drain pipeline construction.

Street crews are also responsible for unplanned street maintenance (grading or potholes due to stresses) and cleanup of accidents, flooding, etc.

The street crews will continue to emphasize street patching, slurry seals and crack sealing programs, as well as storm drain ditch maintenance. As such, there will be a decreased focus on major street paving activities and grading unpaved roads. The Division staff remains unchanged with 9.0 FTEs and one temporary position in the summer. Although this tends to stress workload limits, we are currently able to maintain these tight staffing levels.

The Street Division maintains over 88 miles of paved streets (approximately 180 lane miles), 12 miles of unpaved streets, over 20,500 signs, and over 12 miles of open drainage ditches.

Division Goals

- Maintain a safe, smooth, convenient street system network for all customers, including pedestrians, bicyclists, automobile users, bus transit users, as well as business needs, including deliveries, visitor access and parking.
- Respond to street user complaints and safety concerns in a quick and efficient manner.
- Update the pavement management system every two years. Validate the 5-year requirements and implement maintenance and reconstruction recommendations outlined in the pavement management system.
- Review the new requirements for street signs and develop a systematic means of replacing signs to meet the new reflectivity and color requirements.
- Evaluate safety improvements at Wimer and Hersey.
- Cooperate with other agencies on the improvement of Highways 99 and 66 with the State and County roadways with Jackson County and present the findings to the City Council. All feasibility studies for jurisdictional exchange should focus on the financial implications of the exchange.

- Continue to systematically look at street operations, efficiencies, service needs, and community expectations. Shift work priorities and functions to better respond to the community's service needs.

Council Goals

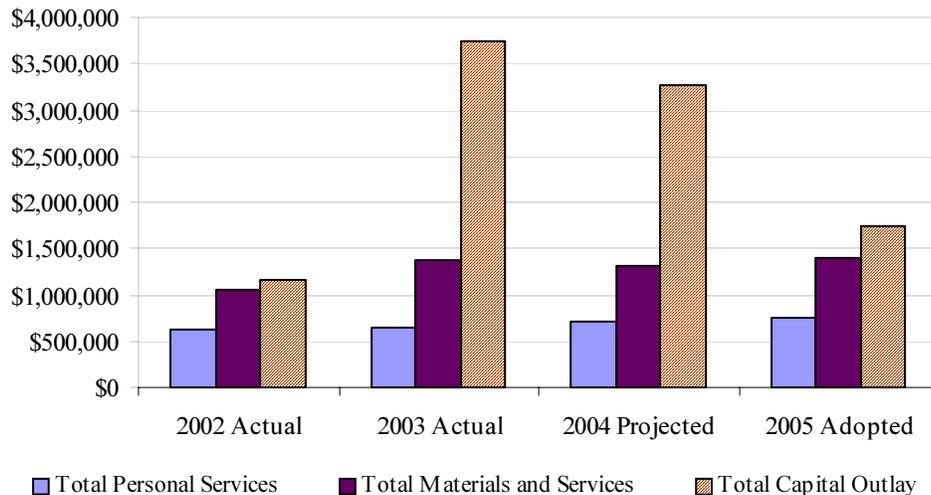
- Improve safety of existing at-grade railroad crossings.
- Improve pedestrian and traffic safety based on elements of the 3 Es – education, enforcement and engineering. Improve the Wimer Street and North Main Intersection.
- Measurably improve traffic safety in neighbor hoods.
- Explore RVTD (transit) service options [element of TTPC along with the downtown plan].
- Develop performance measures for each division.

Significant Budget Changes

- FY05 budget again includes significant decreases in capital projects from \$5.3 million (FY03) to \$3.4 million (FY04) to this year at \$1.3 million. This represents completion of ODOT projects along Siskiyou, Ashland Street, and Lithia Way, as well as the City's two large LIDs (Strawberry Lane and Tolman Creek Road). Once again we have post-poned the Water Street Bridge project to FY05 and are hoping to rebid this in May to start in FY04. The remaining FY05 capital projects include:

- Tolman Creek Road – Ashland St to E. Main
 - E. Main – Dewey to N Mountain (overlay)
 - Hersey Street– Ann Street to N Mountain north side improvements
 - North Ashland Bikeway (design – ODOT TE)
 - Railroad crossings (design)
 - Nevada Street Sidewalks (LID)
 - Walnut Street (overlay – LID / ODOT CMAQ)
 - C and Eureka (overlay – LID / ODOT CMAQ)
 - Potential Street Improvement LIDs (Liberty / Upper Beach – depends on local interests)
- The budget reflects an increase of 10% in transportation user fees.

Street and Storm Drain Expenditures



Performance Measures

- Ensure that the OCI (overall condition index) rating of the street is maintained at 78 with the pavement management system. Develop a revolving 5-year maintenance plan and validate the OCI and costs (spent and projected) every 2 years. The OCI evaluation was initially completed in 2001. Since then we have been allocating approximately \$300,000 per year for street surface maintenance and have been able to maintain the OCI level. Staff will continue to evaluate these costs and the OCI changes.
- Evaluate and collect adequate fees for long term street maintenance and continue to strive to leverage state and federal funds to reduce direct impact on the City.
- Evaluate and leverage costs to clean/sweep streets (track cost of tons of material removed as street sweeping by lane mileswept per man/per hour/per vehicle).
- Street miles of graded street work and man-hours expended. As the number of graded streets is reduced and replaced by paved streets, the man-hours expended should correspondingly decrease.
- Develop a pothole maintenance and response team to systematically identify and correct potholes within 3 weeks of notification (weather dependent).

public works department - street division

STREET FUND
PUBLIC WORKS DEPARTMENT
OPERATIONS DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 260				
Personal Services				
510 Salaries and Wages	\$ 310,422	\$ 303,230	\$ 334,500	\$ 328,900
520 Fringe Benefits	139,667	164,077	188,700	182,200
Total Personal Services	450,089	467,307	523,200	511,100
Materials and Services				
601 Supplies	17,393	22,154	27,050	23,050
602 Rental, Repair, Maintenance	218,362	439,581	304,850	281,425
603 Communications	5,491	6,847	6,800	14,180
604 Contractual Services	210,875	243,195	251,800	301,800
605 Misc. Charges and Fees	354,285	339,973	358,300	328,920
606 Other Purchased Services	3,819	2,512	8,060	8,630
608 Commissions	747	1,933	6,500	6,500
Total Materials and Services	810,972	1,056,194	963,360	964,505
Capital Outlay				
701 Land	75,000	-	-	-
703 Equipment	7,500	-	9,000	9,000
704 Improvements Other Than Bldgs.	539,323	3,206,909	1,752,900	702,150
Total Capital Outlay	621,823	3,206,909	1,761,900	711,150
	\$ 1,882,884	\$ 4,730,410	\$ 3,248,460	\$ 2,186,755

STREET FUND
PUBLIC WORKS DEPARTMENT
S.D.C. - TRANSPORTATION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 260				
Personal Services				
510 Salaries and Wages	\$ 148	\$ -	\$ -	\$ -
Total Personal Services	148	-	-	-
Materials and Services				
601 Supplies	3,720	-	-	-
Total Materials and Services	3,720	-	-	-
Capital Outlay				
704 Improvements Other Than Bldgs.	72,428	138,404	92,400	348,050
Total Capital Outlay	72,428	138,404	92,400	348,050
	\$ 76,296	\$ 138,404	\$ 92,400	\$ 348,050

public works department - street division

STREET FUND
PUBLIC WORKS DEPARTMENT
L.I.D.'S AND TRANSPORTATION DIVISION

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Fund# 260				
Materials and Services				
605 Misc. Charges and Fees	\$ -	\$ 45,000	\$ 5,900	\$ 5,550
Total Materials and Services	-	45,000	5,900	5,550
Capital Outlay				
704 Improvements Other Than Bldgs.	33,142	56,343	724,800	214,805
Total Capital Outlay	\$ 33,142	\$ 56,343	\$ 724,800	214,805
	\$ 33,142	\$ 101,343	\$ 730,700	\$ 220,355

Grounds Maintenance

Public Works administration manages a broad-spectrum account in the general fund. In prior years, this account has been used for general public works projects such as paving the Elks Parking Lot and other landscaping that would benefit the community as a whole.

In the FY04 budget process, public works and finance staff moved the cost of Siskiyou Boulevard, Ashland Street, Main Street and Library grounds maintenance to this account. In past years these costs had been in the Street Fund's operation account.

This shift allows staff to internally contract the City's downtown and boulevards grounds care and other landscaping maintenance to the Parks Department. Work includes flowerbed replacement, soil maintenance; grass cutting and maintenance, general tree maintenance and trimming and other typical grounds care requirements. This account will be augmented occasionally to include things such as the purchase of tree grates (over the next two to three years to replace all of the brick and wood tree barriers in the downtown) or to replace dead or diseased trees along the City's boulevards or downtown.

This change will ensure better cost accounting and tracking of the grounds care and maintenance costs.

Fund Goals

- Ensure that our downtown and boulevard streets are well maintained and continually enhanced with beautiful flowerbeds and landscaping treatments.
- Continue successes with the Parks Department in implementing routine maintenance schedules to address tree trimming, pruning, sprinkler maintenance and other grounds care issues for our downtown and boulevard streets, and the library and other City facilities' grounds care maintenance.
- Implement cost efficient measures for long-term restoration and maintenance guidelines, with an appropriate historic perspective for the downtown and boulevard.

Significant Budget Changes

- No significant changes from the FY04 budget.

Performance Measures

- Ensure grounds care and maintenance activities are cost effective.
- Capture the positive public perceptions of the aesthetic value of landscaping in the City's annual attitude survey.

public works department- street division- grounds maintenance

STREET FUND
PUBLIC WORKS DEPARTMENT
GROUNDS MAINTENANCE

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 260				
Materials and Services				
602 Rental, Repair, Maintenance			\$ 16,100	\$ 30,000
604 Contractual Services	-	-	135,000	135,000
Total Materials and Services	-	-	151,100	165,000
	\$ -	\$ -	\$ 151,100	\$ 165,000

Storm Drain Program

The Storm Drain “Collections” program is responsible for the City’s storm drain line maintenance, open ditch, sediment pond cleaning, and storm drain construction. Within the Public Works Department, the Street Division and Wastewater crews share the workload for storm drains and open drainage ditches. There are no personnel dedicated solely to this division. All of the personnel and equipment associated with storm drain maintenance is charged to this portion of the overall street fund.

The City has been designated by federal regulations for inclusion in the Phase II National Pollutant Discharge Elimination System (NPDES) permit program as a “small” municipal storm drain system (MS4). As such, new regulations required that the City adopt more stringent storm water and water quality protection standards. Along with the Storm Water and Drainage Master Plan, which identifies capital improvement projects and water quality management objectives, a Storm Water Management Plan has been developed. This Storm Water Management Plan identifies measurable goals for water quality improvements and an implementation program. Staff will need to ensure an appropriate financing element addresses all of the requirements to meet the goals for water quality improvements.

The Division maintains over 66 miles of piped storm water collection lines, 1800 catch basins, 865 inlet structures, 275 manholes, and approximately 12 miles of open storm water drainage ditches. Crews also maintain the new bioswales (Elks/City Parking Lot) and detention basin and wetlands facilities (Roca Ponds, North Mountain Park, the Wetlands Ponds at the Dog Park and new detention/ retention facilities at North Mountain Park).

Council Goals

- Assist with implementation of an updated riparian area protection ordinance (coordinated with Community Development and Planning).
- Pursue water quality and temperature improvements through an active storm water management program.

Division Goals

- Water quality is a primary component of the storm water program. Ashland has been ahead of the new Phase II Storm Water NPDES requirements. There is some community frustration with the emphasis placed on water quality with respect to construction methods.

The PW Engineering standards stress erosion and sediment control, as well as detention and water quality improvements for new developments. Future development projects will define this as an even higher priority. However, these projects come with both capital and maintenance costs.

- Continue to systematically look at storm water maintenance operations, efficiencies, service needs and community expectations. Shift work priorities and functions to better respond to the community’s service needs.

Significant Budget Changes

- Several specific storm drain and water quality improvement projects have been identified for construction over the next several years averaging approximately \$230,000 each year.
- This year’s (FY05) capital program is slightly less than FY04 with the completion of Strawberry Lane/ Nutley Street and the Billings storm drain line. Due to design delays, the Walker Avenue (Parker to Holmes) project was delayed until FY05 for construction. The Morton Street storm drain will also be completed in FY05.
- The water quality project completed in FY04 was at Riverwalk for the riparian storm water ponds. That project was a cooperative effort with the developer, the Parks Department and DEQ (through a grant). It will be completed in FY05.
- Storm drain fees are projected to increase by 10%.

Performance Measures

- Implement the new NPDES MS4 and Storm Water Management Plan requirements:
 - provide consistent construction and development standards for new water quality improvement facilities that demonstrate water quality objectives
 - test and evaluate the effectiveness of new water quality improvements; retention facilities, bioswales, wetlands ponds, etc and document the amount of material removed by these facilities and the resulting water quality
- Improve drainage systems to minimize adverse impacts to citizens as a result of storm and high water runoff conditions
 - implement the design standards for 25 year storms
 - maintain the open swales and pipe systems so that there are no blockages
 - ensure the pipe system meets current capacity requirements and is updated on a 5-year basis
- Collect adequate fees for maintenance and improvements.

public works department - street division - storm drain

**STREET FUND
PUBLIC WORKS DEPARTMENT
STORM DRAIN DIVISION**

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Fund# 260				
Personal Services				
510 Salaries and Wages	\$ 124,323	\$ 130,302	\$ 151,000	\$ 149,000
520 Fringe Benefits	57,400	55,369	89,800	86,800
Total Personal Services	181,723	185,671	240,800	235,800
 Materials and Services				
601 Supplies	4,962	2,252	15,750	17,750
602 Rental, Repair, Maintenance	88,039	74,116	156,900	95,900
603 Communications	-	1,485	300	300
604 Contractual Services	1,709	541	18,500	8,500
605 Misc. Charges and Fees	147,000	195,085	129,400	130,180
606 Other Purchased Services	5,612	8,572	9,500	10,500
Total Materials and Services	247,322	282,051	330,350	263,130
 Capital Outlay				
704 Improvements Other Than Bldgs.	279,262	272,933	215,100	203,450
Total Capital Outlay	279,262	272,933	215,100	203,450
	\$ 708,307	\$ 740,655	\$ 786,250	\$ 702,380

**STREET FUND
PUBLIC WORKS DEPARTMENT
S.D.C. - STORM WATER**

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Fund# 260				
Capital Outlay				
701 Land	\$ 25,000	\$ -	\$ -	\$ -
704 Improvements Other Than Bldgs.	126,923	61,276	481,400	258,050
Total Capital Outlay	151,923	61,276	481,400	258,050
	\$ 151,923	\$ 61,276	\$ 481,400	\$ 258,050

Water Division

The Water Division includes 13.6 FTE and is divided into three primary areas of responsibility: distribution, treatment, and supply. The Division is responsible for all water system testing to ensure total compliance with various regulatory requirements.

The distribution system includes four distribution reservoirs, over 95 miles of water lines, 4 pump stations, 31 pressure reducing stations, 1054 fire hydrants, and over 7550 individual services and meters (increase of 2.6% in the past year). Division personnel are responsible for new service installations, main line construction, and maintenance and repair of the existing system. The Lithia water and the City's irrigation (fed by the Talent Irrigation District – TID) system are also included in the distribution area of responsibility.

The Water Treatment Plant treats up to 7.5+ million gallons of water per day and division personnel are responsible for ensuring the water is treated to meet or be better than the required State Health Division's drinking water standards.

The supply side has no direct personnel support. The expenditures in this division include Hosler Dam maintenance, safety and security, any work required to retain the water held in Reeder Reservoir before it is treated at the water treatment plant, TID water purchase agreements, long-term water rights acquisition, and the Talent, Ashland, Phoenix (TAP) Intertie project.

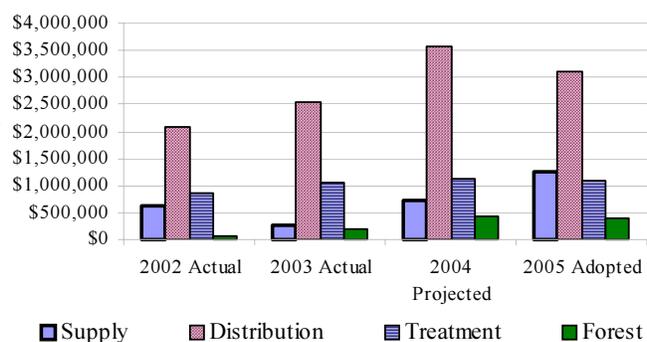
Council Goals

- Completing pre-design plan for future extension of TAP water line, including a priority for conservation. Currently the water supply master plan indicates a need for the TAP line to be constructed by 2015. The plan should include preliminary routing, right-of-way acquisition, timing, and funding alternatives. Efforts toward continued water conservation should be a priority. This was a goal in FY04. It is anticipated that design will be complete by September 2004.
- Establish a stronger, formalized role for the City in the stewardship of the entire Ashland Watershed. Map water capacity and implement enhanced monitoring program.
- Enhance water supply and conservation by:
 - Developing a citywide focus “the right water for the right use.”
 - Exploring and developing a 3-year plan to improve and extend our current TID system.
 - Negotiating for other water supply options.
 - Supporting an effluent reuse option for the WWTP effluent.

Division Goals

- Provide high-quality, clean, safe drinking water to each customer at the tap.
 - 1) meet or provide higher quality water than is required by the Safe Drinking Water Act; continue to publish annual Consumer Confidence Reports (CCRs),
 - 2) evaluate the water chemistry and treatment process; implement relevant changes for overall water quality improvements
- Operate the water treatment and distribution system in an efficient and fiscally responsible manner.
- Provide an adequate supply of drinking water and maximize the use of appropriate conservation efforts. Although initial predictions are that we will not need to use TID raw water this year to supplement the water stored in Reeder reservoir, staff will ensure that the option remains viable.
- Monitor use and maintenance costs of the newly constructed TAP Intertie pipeline to Talent and the regional pump station.
- Conduct twice yearly audible alarm tests of the early warning alarm system for Holser Dam (installed in FY03).
- Continue to evaluate long term water rights and options for additional water rights or agreements.

Water Fund by Division



Significant Budget Changes

➤ This year's Capital budget is slightly increased from last year's budget as staff balances the design and construction of three large capital projects that were recommended as a result of the Water Distribution Analysis. All three projects began design in FY04:

- 1) New Fire Flow Distribution Reservoirs (\$1.8M) – may not need the full 2 Million gallons so the design was delayed to the end of FY04, construction anticipated in FY06/07;
- 2) Transmission Line; Reeder to the Plant (\$1.2M) – design should be completed in FY04 with construction in FY05;
- 3) Main Supply Line; Plant to Crowson Reservoir (\$1.1 M) – design to be completed in FY04 with construction in FY05/06.

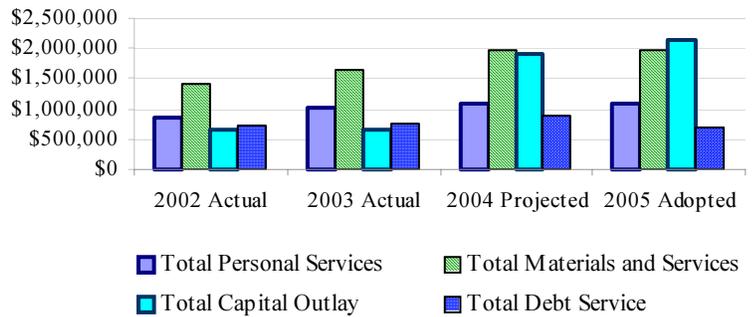
➤ In addition, there are several other smaller planned capital projects at the water plant that were delayed a year; Hosler Dam security and telemetry improvements, investigate water plant backwash (sludge) lagoon improvements, and filter maintenance.

➤ The budget includes a 5% rate increase in FY05.

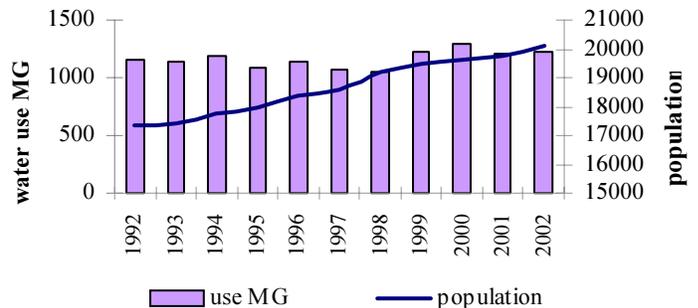
Performance Measures

- Water quality; have no action limit violations, and no other health risk concerns.
- Water quantity; maintain water treatment capacity above 25% of maximum day (ratio of capacity 10 mgd to maximum day 8 mgd).
- Water conservation has improved. Our lowest winter day was below 2.0 mgd for the first time in 15 years. Our summer averages continue to drop slightly even in the past two "normal" years.
- System efficiency; evaluate the cost to treat and transport drinking water per 1000 gal and take appropriate measures to favorably compare to industry standards. The number of water services increased by 2.6% from March 2003.
- Distribution system; by December 2003, develop a rolling 5 year plan for system maintenance and repairs, and a strategy and implementation plan to reduce leaks and water loss by 10% of the 2000 figures.

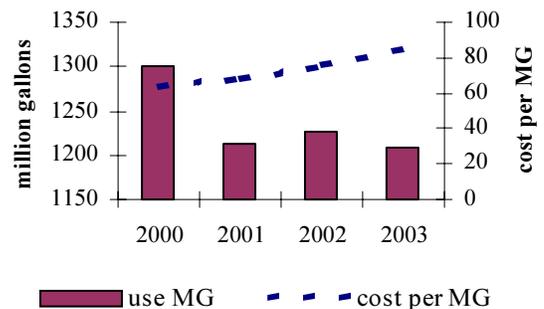
Water Fund by Function



Water Use vs Population Over Time



Water Use Over Time vs Cost per Million Gallons



public works department - water division

WATER FUND
PUBLIC WORKS DEPARTMENT
TREATMENT DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 670				
Personal Services				
510 Salaries and Wages	\$ 127,923	\$ 178,798	\$ 150,000	\$ 165,300
520 Fringe Benefits	57,745	85,021	84,300	89,800
Total Personal Services	185,668	263,820	234,300	255,100
Materials and Services				
601 Supplies	63,451	70,526	99,000	102,900
602 Rental, Repair, Maintenance	83,753	78,539	103,000	101,600
603 Communications	11,932	11,640	13,600	15,041
604 Contractual Services	7,826	9,141	40,200	27,280
605 Misc. Charges and Fees	171,671	212,380	111,000	100,780
606 Other Purchased Services	24,189	22,504	38,250	37,250
Total Materials and Services	362,822	404,731	405,050	384,851
Capital Outlay				
704 Improvements Other Than Bldgs.	1,987	17,226	86,000	200,000
Total Capital Outlay	1,987	17,226	86,000	200,000
Debt Service				
801 Debt Service - Principal	40,227	20,452	142,000	115,200
802 Debt Service - Interest	122,257	206,196	54,200	52,868
Total Debt Service	162,484	226,648	196,200	168,068
	\$ 712,961	\$ 912,424	\$ 921,550	\$ 1,008,019

WATER FUND
PUBLIC WORKS DEPARTMENT
FOREST INTERFACE DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 670				
Personal Services				
510 Salaries and Wages	\$ 7,668	\$ 32,175	\$ 74,000	\$ 45,800
520 Fringe Benefits	1,873	5,827	5,700	17,700
Total Personal Services	9,541	38,002	79,700	63,500
Materials and Services				
604 Contractual Services	63,331	163,731	424,800	320,000
605 Misc. Charges and Fees	872	9,000	-	10,000
606 Other Purchased Services	139	595	2,000	2,000
608 Commissions	-	264	1,000	1,000
Total Materials and Services	64,342	173,589	427,800	333,000
	\$ 73,883	\$ 211,592	\$ 507,500	\$ 396,500

public works department - water division

WATER FUND
PUBLIC WORKS DEPARTMENT
SUPPLY DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 670				
Materials and Services				
604 Contractual Services	\$ 9,962	\$ 14,252	\$ -	\$ 11,200
605 Misc. Charges and Fees	38,859	70,383	71,100	108,830
606 Other Purchased Services	29,991	64,394	83,000	85,000
Total Materials and Services	78,812	149,028	154,100	205,030
Capital Outlay				
704 Improvements Other Than Bldgs.	145,865	49,102	227,500	237,500
Total Capital Outlay	145,865	49,102	227,500	237,500
Debt Service				
801 Debt Service - Principal	20,000	-	35,000	41,000
802 Debt Service - Interest	11,995	27,325	19,100	12,343
Total Debt Service	31,995	27,325	54,100	53,343
	\$ 256,672	\$ 225,455	\$ 435,700	\$ 495,873

WATER FUND
PUBLIC WORKS DEPARTMENT
DISTRIBUTION DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 670				
Personal Services				
510 Salaries and Wages	\$ 451,871	\$ 473,640	\$ 476,000	\$ 489,800
520 Fringe Benefits	198,477	229,422	260,690	272,445
Total Personal Services	650,348	703,062	736,690	762,245
Materials and Services				
601 Supplies	18,117	21,067	38,750	31,850
602 Rental, Repair, Maintenance	249,963	223,504	259,900	277,200
603 Communications	6,632	6,686	11,870	19,110
604 Contractual Services	35,930	21,715	7,000	18,000
605 Misc. Charges and Fees	437,819	492,909	490,000	476,500
606 Other Purchased Services	6,502	3,281	14,400	12,310
610 Programs	-	-	1,000	1,000
612 Franchises	147,409	155,703	177,000	184,000
Total Materials and Services	902,372	924,864	999,920	1,019,970
Capital Outlay				
703 Equipment	-	6,874	-	15,500
704 Improvements Other Than Bldgs.	151,620	280,220	1,097,900	526,750
Total Capital Outlay	151,620	287,094	1,097,900	542,250
Debt Service				
801 Debt Service - Principal	274,750	292,500	379,500	232,400
802 Debt Service - Interest	113,329	73,825	32,300	97,789
Total Debt Service	388,079	366,325	411,800	330,189
	\$ 2,092,419	\$ 2,281,344	\$ 3,246,310	\$ 2,654,654

public works department - water division

WATER FUND
PUBLIC WORKS DEPARTMENT
S.D.C. - SUPPLY DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 670				
Materials and Services				
604 Contractual Services	\$ 4,892	\$ -	\$ 25,000	\$ 25,000
Total Materials and Services	4,892	-	25,000	25,000
Capital Outlay				
704 Improvements Other Than Bldgs.	365,940	26,289	87,500	737,500
Total Capital Outlay	365,940	26,289	87,500	737,500
	\$ 370,832	\$ 26,289	\$ 112,500	\$ 762,500

WATER FUND
PUBLIC WORKS DEPARTMENT
S.D.C. - TREATMENT DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 670				
Debt Service				
801 Debt Service - Principal	103,327	52,535	60,000	57,600
802 Debt Service - Interest	49,692	83,882	82,000	26,434
Total Debt Service	153,019	136,416	142,000	84,034
	\$ 153,019	\$ 136,416	\$ 142,000	\$ 84,034

WATER FUND
PUBLIC WORKS DEPARTMENT
S.D.C. - DISTRIBUTION DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 670				
Materials and Services				
604 Contractual Services	\$ 2,670	\$ 253	\$ 33,600	\$ -
Total Materials and Services	2,670	253	33,600	-
Capital Outlay				
704 Improvements Other Than Bldgs.	-	273,583	402,500	420,250
Total Capital Outlay	-	273,583	402,500	420,250
Debt Service				
801 Debt Service - Principal	-	-	33,000	28,800
802 Debt Service - Interest	-	-	-	13,217
Total Debt Service	-	-	33,000	42,017
	\$ 2,670	\$ 273,837	\$ 469,100	\$ 462,267

Wastewater Division

The Wastewater Division is responsible for collecting (pipes) and cleaning (treatment plant) all of the sewage produced in the city. Division staff also shares responsibilities for maintaining storm water pipes. The wastewater collection system includes over 105 miles of sanitary sewer lines ranging in size from 4 to 24 inches, 3370 manholes and 8 lift stations. The City's first sewer lines were installed in the early 1900s. Division personnel continually replace old sewer lines due to failures or capacity limitations. Crews also install new service connections. The system presently serves over 7,290 customers. Maintenance of both the sanitary and storm sewer lines is accomplished with specialized equipment: jet rodder, mechanical rodder, vacuum machines, and video inspection equipment.

The Wastewater Treatment Plant (WWTP) treats an average of 2.2 million gallons of sewage per day. Division personnel are responsible for ensuring that the effluent is fully treated to meet strict discharge and reuse standards and that the biosolids are stabilized for landfill application. The WWTP was completely upgraded and rebuilt between September 1998 and June 2003. This \$30 Million upgrade includes new Eimco Carrousel oxidation ditches, enhanced secondary clarifiers, UV disinfection (not chlorine), Zenon tertiary membrane filtration system and a biosolids centrifuge dewatering process.

Division personnel are responsible for all wastewater testing to ensure compliance with regulatory requirements. The Oregon Department of Environmental Quality monitors effluent and biosolids quality. The Wastewater Division has 12 full time employees with staff split between the plant and the collection system. Division personnel will continue cross-training to balance plant operations and collection system needs, as well as assist with storm drain cleaning. Collection system maintenance continues to be emphasized as personnel implement the CMOM (Capacity, Management, Operation and Maintenance) program. All division personnel are located at WWTP facilities to make more efficient use of shared equipment and training facilities.

Council Goals

There are two strategic plan goals that are associated with the wastewater treatment plant and effluent production:

- Water supply and conservation: developing a citywide focus on the "right water for the right use" and supporting an effluent reuse option for the WWTP.
- Water quality and temperature improvements though this goal is primarily linked to the storm water management plan, WWTP effluent is temperature limited and will play a role in attaining this goal as well.

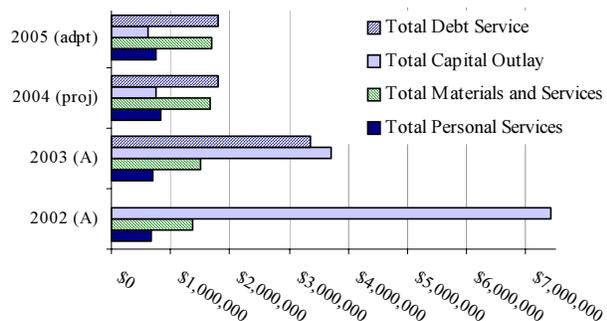
Division Goals

- Produce a highly treated wastewater effluent and biosolids product that meets or is consistently better than required state permit requirements.
- Assist in developing the new permit to meet DEQ's temperature management rules and effectively utilize our high quality effluent for the "right water use." Evaluate the ability to augment creek flows through appropriate water trading.
- Optimize collection and maintenance operations to minimize service disruptions and claims to the City.
- Optimally minimize chemical use. Effectively utilize foaming agents in sewer lines to kill roots that damage sewer lines and cause blockages. The primary source of claims and service lateral plugs are from roots that grow by feeding off the water and nutrients in the lines. Use of foaming agents stops the root growth and does not affect the trees.
 - Continue to eliminate illegal cross-connections (typically storm water) from the sewer system.
 - Complete the collection system master plan and implement the 5-10 year maintenance program.

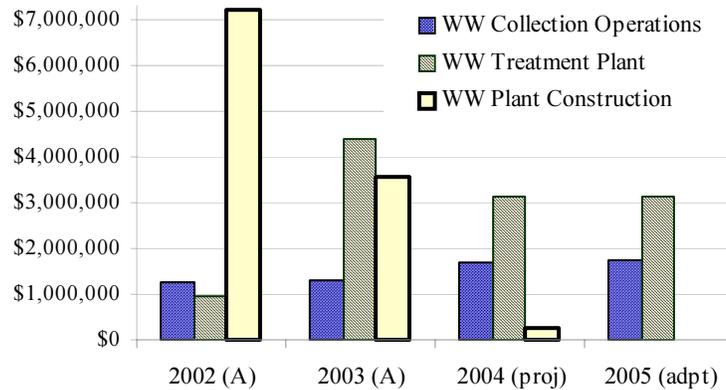
Significant Budget Changes

- With anticipated increases in electrical costs treatment plant costs continue to rise. Chemical costs have not been quite as high as projected.
- This year's projects include: Bear Creek Interceptor from N. Mountain Park to Walker (postponed from FY04 due to significant rocks found during the design phase); replace lines in Walnut from Grant to Wimer and Granite from Nutley to Strawberry; replace N. Main Pump Station; and complete needed telemetry upgrades to the Pump Stations.
- Overall debt service continues to decline as the DEQ loan is paid back.
- Rates will increase 5% per year for the next 3 years to establish a basis for aging line replacements.

Wastewater Expenses by Category



Wastewater Fund Comparison



Performance Measures

- Wastewater quality; fully meet DEQ’s NPDES permit requirements with no violations and continue to evaluate the impacts of temperature standards on effluent reuse and creek impacts.
- Wastewater quantity; maintain wastewater treatment capacity above 15% of average (ratio of capacity, 2.3 mgd to average dry weather flow; currently 2.1 mgd); our ratio is currently only 9% indicating a need to update our Facilities Plan (FY06) and look at increasing the plant’s capacity.
- System efficiency; evaluate the cost to collect and treat sewage per 1000 gal and take appropriate measures to favorably compare to industry standards; The current costs to treat 1000 gals is \$1.141 in the winter and \$1.438 in the dry season when we are required to run the membranes.
- Reduce the cost of biosolids disposal by 5% of the 2002 costs. With the centrifuge facility we have reduced the amount of material being hauled and disposed of in the landfill. We will now track chemical and energy use of the centrifuge to maximize efficiencies.
- Reduce the costs of sewer claims due to controllable backups (roots, grease, etc). Sewer claims decreased in FY04.
- Increase the productivity of the television line inspection analysis; our production on the TV camera to evaluate lines, potential cracks and blockages has increased significantly. Initial costs were well above \$1.50 per foot and are now below \$0.70 per foot.
- Distribution system; by June 2004, develop a rolling 5-10 year plan for system maintenance and repairs, and an implementation plan to reduce infiltration by 10% of the 2000 data.

public works department - wastewater division

WASTEWATER FUND
PUBLIC WORKS DEPARTMENT
COLLECTION DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 675				
Personal Services				
510 Salaries and Wages	\$ 239,628	\$ 255,182	\$ 230,400	\$ 226,600
520 Fringe Benefits	108,560	123,491	126,100	132,600
Total Personal Services	348,188	378,673	356,500	359,200
Materials and Services				
601 Supplies	41,154	48,997	71,750	62,100
602 Rental, Repair, Maintenance	118,845	143,558	195,150	168,100
603 Communications	2,286	1,892	6,880	10,280
604 Contractual Services	10,183	18,224	13,500	8,500
605 Misc. Charges and Fees	445,448	424,360	429,800	391,880
606 Other Purchased Services	2,343	3,846	7,100	6,500
610 Programs	75	-	400	400
612 Franchises	119,699	141,201	125,000	120,000
Total Materials and Services	740,033	782,078	849,580	767,760
Capital Outlay				
703 Equipment	20,738	-	10,000	5,000
704 Improvements Other Than Bldgs.	71,989	96,014	150,500	306,500
Total Capital Outlay	92,727	96,014	160,500	311,500
	\$ 1,180,948	\$ 1,256,764	\$ 1,366,580	\$ 1,438,460

WASTEWATER FUND
PUBLIC WORKS DEPARTMENT
CONSTRUCTION DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 675				
Capital Outlay				
704 Improvements Other Than Bldgs.	\$ 4,909,893	\$ 3,558,025	\$ 265,000	\$ -
Total Capital Outlay	4,909,893	3,558,025	265,000	-
	\$ 4,909,893	\$ 3,558,025	\$ 265,000	\$ -

public works department - wastewater division

WASTEWATER FUND
PUBLIC WORKS DEPARTMENT
S.D.C. - TREATMENT DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 675				
Capital Outlay				
704 Improvements Other Than Bldgs.	\$ 2,323,555	\$ -	\$ -	\$ -
Total Capital Outlay	\$ 2,323,555	\$ -	\$ -	\$ -

WASTEWATER FUND
PUBLIC WORKS DEPARTMENT
TREATMENT DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 675				
Personal Services				
510 Salaries and Wages	\$ 231,655	\$ 225,148	\$ 280,600	\$ 265,300
520 Fringe Benefits	95,192	99,061	147,100	141,500
Total Personal Services	326,847	324,208	427,700	406,800
Materials and Services				
601 Supplies	99,344	105,638	175,300	172,700
602 Rental, Repair, Maintenance	324,588	356,971	416,000	438,550
603 Communications	2,183	4,262	3,400	4,700
604 Contractual Services	2,924	1,729	8,500	16,000
605 Misc. Charges and Fees	192,209	220,852	260,500	258,250
606 Other Purchased Services	17,593	20,728	27,550	34,950
610 Programs	1,629	-	500	500
612 Franchises	-	-	-	-
Total Materials and Services	640,470	710,181	891,750	925,650
Capital Outlay				
704 Improvements Other Than Bldgs.	5,488	758	-	5,000
Total Capital Outlay	5,488	758	-	5,000
Debt Service				
801 Debt Service - Principal	-	440,995	894,311	925,249
802 Debt Service - Interest	-	2,908,241	912,908	877,421
Total Debt Service	-	3,349,236	1,807,219	1,802,670
	\$ 972,805	\$ 4,384,383	\$ 3,126,669	\$ 3,140,120

public works department - wastewater division

WASTEWATER FUND
PUBLIC WORKS DEPARTMENT
S.D.C. - COLLECTION DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 675				
Capital Outlay				
704 Improvements Other Than Bldgs.	\$ 84,293	\$ 42,628	\$ 324,500	\$ 308,500
Total Capital Outlay	\$ 84,293	\$ 42,628	\$ 324,500	\$ 308,500

WASTEWATER FUND
PUBLIC WORKS DEPARTMENT
FLOOD RESTORATION DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 675				
Capital Outlay				
700 Capital Outlay				
704 Improvements Other Than Bldgs.	\$ 1,050	\$ -	\$ -	\$ -
Total Capital Outlay	\$ 1,050	\$ -	\$ -	\$ -



Administration and Engineering

The Public Works Administration and Engineering Divisions have two distinct functions: (1) overall public works administration, which includes GIS and operations and (2) city engineering, traffic safety and surveying work.

Administration Division

This portion of the Public Works Department contains the functions that encompass oversight to general PW activities; the Director provides direct management and administration of various commissions, long range maintenance programs and master planning projects and a variety of construction projects within the City. This Division was responsible for completing construction of a \$32 million upgrade to the Wastewater Treatment Plant, construction of the new Community Development and PW Engineering Building, and construction of several street projects including Siskiyou Blvd., Ashland Street, Strawberry Lane, Tolman Creek Road and others. The Water Distribution System and Sewage Collection system master plans have been completed. The division provides direct support for the formation of Local Improvement Districts. The Division houses the Geographic Information Systems (GIS) program that has mapped utilities within the City's infrastructure and adds specialty data layers through coordination with other departments.

Staff supports the City Council and both the Airport and Forest Commissions. Staff also provides various liaison functions for the Jackson/Josephine Transportation Committee (JJTC), Rogue Valley Area Commission on Transportation (RVACT), Metropolitan Planning Organization (RVMPO), TAP Water Intertie Committee, and others.

Engineering Division

The Engineering Division provides the City's engineering and surveying services and technical support to the Ashland community as a whole, as well as to other city departments. Staff provides direction, plan review services, and valuable infrastructure coordination to consulting engineers, surveyors, and developers within the City. Staff is also responsible for managing projects, project design, survey, and construction for all public works projects.

The Engineering Division also maintains and updates utility locations; rights-of-way and easement locations; boundary surveys; land divisions; changes to maps, roads and property addresses; traffic volumes, accident data and traffic speed analysis. Staff directly supports the Traffic Safety Commission.

Council Goals

- Pursue water quality and temperature improvements.
- Develop a preliminary engineering design for the future extension of the TAP pipeline.
- Establish a stronger, formalized role for the City in the stewardship of the entire Ashland Watershed. Map water capacity and implement enhanced monitoring program.
- Enhance water supply and conservation.
- Improve safety of existing at-grade railroad crossings.
- Improve pedestrian and traffic safety based on elements of the 3 Es – education, enforcement and engineering (Traffic Safety) and measurably improve traffic safety in neighborhoods.
- Explore RVTD (transit) service options [element of TTPC along with the downtown plan].

Division Goals

- Manage the City's Capital Improvements Plan (CIP)
- Continue the use of the GIS program for utility and infrastructure mapping and build to add analysis and system management tools.
- Complete design of safety improvements of existing at-grade RR crossings (Helman & Laurel).
- Explore and develop ways to increase use and available options for alternative transportation within the City and regionally.
- Provide effective project management for design consultants, surveying, construction and general project management.
- Implement the City's revised engineering design standards (coordinated with Medford and should be approved in Spring 2004).
- Provide effective review, inspection services on all public works projects
- Ensure our staff is trained to meet the needs of a changing technological and environmentally proactive community and that staff is recognized for quality services.

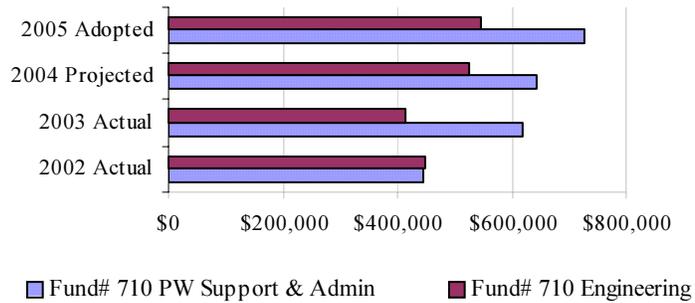
Significant Budget Changes

- Additional staff (FTE – no longer temporary) for the GIS database inputs.

Performance Measures

- Provide high quality and consistent engineering design, review and administration for all City and related projects that minimizes rework.
- Maintain construction budgets and track the number of projects completed within budget and within 5% of change orders. Maximize funding opportunities and leveraging capabilities by increase the amount of grant funds from outside sources; ODOT, DEQ, FAA, etc.

PW Administration and Engineering



public works department - administration & engineering

CENTRAL SERVICES FUND
PUBLIC WORKS DEPARTMENT
SUPPORT AND ADMINISTRATION DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 710				
Personal Services				
510 Salaries and Wages	\$ 274,114	\$ 355,786	\$ 380,600	\$ 420,300
520 Fringe Benefits	108,376	137,337	170,800	193,400
Total Personal Services	382,490	493,123	551,400	613,700
Materials and Services				
601 Supplies	8,535	15,921	41,900	33,500
602 Rental, Repair, Maintenance	25,328	19,051	11,500	11,500
603 Communications	3,160	35,805	6,750	9,500
604 Contractual Services	4,475	25,093	15,000	15,000
605 Misc. Charges and Fees	20,000	25,000	34,200	34,200
606 Other Purchased Services	2,673	4,691	9,750	9,750
Total Materials and Services	64,171	125,561	119,100	113,450
	\$ 446,661	\$ 618,684	\$ 670,500	\$ 727,150

CENTRAL SERVICES FUND
PUBLIC WORKS DEPARTMENT
ENGINEERING DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 710				
Personal Services				
510 Salaries and Wages	\$ 260,629	\$ 243,216	\$ 291,000	\$ 297,400
520 Fringe Benefits	106,910	105,831	143,400	140,000
Total Personal Services	367,539	349,047	434,400	437,400
Materials and Services				
601 Supplies	14,106	20,054	20,800	22,225
602 Rental, Repair, Maintenance	41,621	22,157	15,000	11,000
603 Communications	1,945	5,498	8,300	4,825
604 Contractual Services	17,867	8,119	25,000	25,000
605 Misc. Charges and Fees	2,000	2,000	34,200	34,200
606 Other Purchased Services	3,136	5,604	12,500	12,400
Total Materials and Services	80,675	63,431	115,800	109,650
	\$ 448,214	\$ 412,478	\$ 550,200	\$ 547,050



Facilities Maintenance Division

The Facilities Maintenance Division has two areas of responsibility: city facilities and cemeteries. The City facilities include the maintenance, improvements, and janitorial services for all city owned buildings. The City has well over 100 facilities, of which 60 are under this division. These include major buildings such as City Hall, Community Development and Engineering, Police Station, Council Chambers, Pioneer Hall, Band Shell, airport hangars and the information kiosk. The enterprise funds that have their own facilities (water and sewer), the Fire Station facilities and the Parks facilities are managed within their respective budgets.

Council Goals

- Evaluate and create a plan for remodel of Council Chambers.

Division Goals

- Develop an inspection guide and evaluate each facility to determine the maintenance and major repairs needed for the facility. Develop a rolling 5-year maintenance and repair plan to ensure we keep our facilities in good condition.
- Develop an appropriate annual budget for facilities repairs. At this time it appears that \$75,000 will be adequate of minor maintenance and repairs.
- Ensure our community and employees have safe, efficient, clean and contemporary city facilities.
- Address facilities concerns in a timely manner.
- Encourage water and energy conservation techniques are in place and that all furnishings are replaced with energy / water efficient items.

Significant Budget Changes

- Budget for the facilities maintenance portion is higher in materials and services, which reflects anticipated increases in utility costs and janitorial services to improve the condition of our buildings.
- Replacements and major repairs/improvements will be in the Capital Improvement budget and will not be in the Facilities Maintenance fund.
- The janitorial services will be under a new contract for FY05. The Grove has been added to our inventory since last year.
- All of the facilities maintenance costs are in this budget with the exception of unique items for the

Airport, Fire Station, Water Treatment Plant and the Wastewater Treatment Plant.

- All of the utility costs (water, sewer, electric, gas) are included in this budget for each facility with exception of the Water Treatment and the Wastewater Treatment Plants.

Performance Measures

- Evaluate and monitor the cost of facilities maintenance on a square foot basis. Determine industry standards for like facilities and attain similar or lower costs with the same high standard.
- Reduce the backlog of maintenance items and ensure timely correction of all items brought to the division.
- Ensure safety items are corrected within 72 hours of notification.

public works department - facilities maintenance & cemeteries

CENTRAL SERVICES FUND
PUBLIC WORKS DEPARTMENT
MAINTENANCE - PROPERTY DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 710				
Personal Services				
510 Salaries and Wages	\$ 83,583	\$ 86,224	\$ 88,500	\$ 90,800
520 Fringe Benefits	37,190	45,728	49,700	48,700
Total Personal Services	120,773	131,952	138,200	139,500
Materials and Services				
601 Supplies	3,303	4,146	6,500	5,500
602 Rental, Repair, Maintenance	209,176	241,833	274,100	293,600
603 Communications	11,670	1,848	2,200	3,400
604 Contractual Services	409	997	5,000	15,280
605 Misc. Charges and Fees	3,000	3,073	7,000	1,000
606 Other Purchased Services	461	1,712	4,850	4,500
610 Programs	5,170	16,614	23,000	23,000
Total Materials and Services	233,189	270,222	322,650	346,280
Capital Outlay				
703 Equipment				6,000
Total Capital Outlay				6,000
	\$ 353,962	\$ 402,174	\$ 460,850	\$ 491,780

Cemetery Maintenance

Although funded through the Cemetery Fund, the Cemeteries are managed by the Facilities Maintenance Division.

The Cemetery staff operates and maintains the City's three cemeteries: Ashland Cemetery (1880), Mountain View Cemetery (1904) and Hargadine Cemetery (1868). All of the cemeteries are listed in the National Register of Historic Places. They total approximately 20 acres with over 11,500 cemetery plots.

Staff maintains cemetery grounds, sells plots and headstones, conducts internments, and provides other services as needed. The watering and tree care is coordinated with the Parks Department. In the past, the cemetery crew also maintained the grass median strips on Siskiyou Boulevard, but that function will be internally contracted to the Parks Department beginning in FY05.

Division Goals

- Reduce cemetery vandalism to the headstones and markers with the addition of appropriate fencing or patrols.
- Maintain and continually improve our historic cemeteries in a manner to ensure we respond to the reverence and quality needed for cemetery facilities of our nature.
- Continue successes with the Parks Department in implementing routine maintenance schedules for the cemeteries to address tree trimming, pruning, sprinkler maintenance and other grounds care issues.
- Implement cost efficient measures for long-term cemetery restoration and maintenance guidelines, with an historic perspective.
- Continue to improve records and documentation on cemetery plots and sales with the help of the Parks Department.

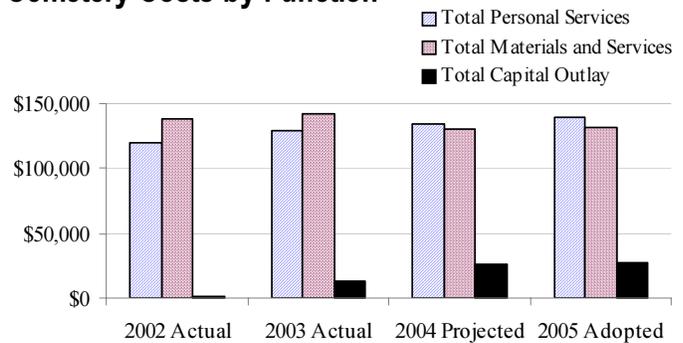
Significant Budget Changes

- Proposed budget for the cemeteries is slightly less than the baseline budget for FY04.
- The use of temporary employees has been reduced as we no longer perform the Siskiyou Boulevard maintenance. Instead, in anticipation of maintenance requirements on bike paths and hand labor maintenance in and around the cemetery headstones, we have added funding for the Jackson County work release crews.

Performance Measures

- Ensure the cemeteries are cost effective.

Cemetery Costs by Function



public works department - facilities maintenance & cemeteries

GENERAL FUND
PUBLIC WORKS DEPARTMENT
CEMETERY DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 110				
Personal Services				
510 Salaries and Wages	\$ 82,047	\$ 86,616	\$ 85,900	\$ 89,500
520 Fringe Benefits	37,827	42,036	48,100	49,700
Total Personal Services	119,874	128,652	134,000	139,200
Materials and Services				
601 Supplies	20,704	16,768	22,460	22,260
602 Rental, Repair, Maintenance	46,566	64,006	72,500	70,660
603 Communications	1,117	1,020	1,530	2,200
604 Contractual Services	2,336	1,018	-	500
605 Misc. Charges and Fees	65,425	57,275	36,800	33,840
606 Other Purchased Services	1,629	1,777	2,600	2,600
Total Materials and Services	137,777	141,864	135,890	132,060
Capital Outlay				
701 Land	960	315	-	-
703 Equipment	-	12,335	12,000	12,000
704 Improvements Other Than Bldgs.	-	-	15,000	15,000
Total Capital Outlay	960	12,650	27,000	27,000
	\$ 258,611	\$ 283,166	\$ 296,890	\$ 298,260

Fleet Maintenance & Acquisition Division

The Fleet Maintenance & Acquisition Division is divided into two areas of responsibility: equipment acquisition/replacement and equipment shop/fleet maintenance. The equipment acquisition portion “leases” vehicles and equipment to each individual division or department, and in turn establishes a fund for future replacement purchases. The acquisition portion of the budget also includes the major computer software purchases that are capitalized and split through central services back to each division.

The equipment shop/fleet maintenance function provides for staff time to perform routine maintenance, preventive maintenance, and both major and minor repairs of city vehicles, pumps, equipment and other rolling stock.

Division Goals

- Identify and integrate a fleet maintenance and replacement program (computerized) to better evaluate our fleet vehicles and replacement needs. Concerted effort on ensuring our tracking system meets or exceeds industry standards considering age of vehicle, costs to maintain, typical life, use of the specific vehicle and need for replacement.
- Evaluate the cost effectiveness of continuing to integrate alternate fuel vehicles (compressed natural gas) into the fleet to encourage alternative fueling systems and to raise environmental awareness.
- Provide adequate training opportunities for service mechanics and equipment users on the new equipment and technology available for diagnostics.
- Provide a high quality and effective City fleet and shop repair section that ensures effective maintenance, repairs, and service needs for city vehicles and other equipment.
- Evaluate shop overhead and develop a better service charge policy and include an appropriate recovery for materials purchased.

Significant Budget Changes

- The FY05 budget includes the Street Division’s 10-yard dump truck that will likely slip from last year due to purchasing requirements and delivery time frames. The carry forward represents \$105,000 of the \$519,000 (20.2%).
- The FY05 equipment list has one new addition for the Planning Code Enforcement staff member that has been using personal vehicle to perform inspections.

- All of the other vehicles are replacements or “trades” for other vehicles that were in the fleet.

Performance Measures

- Develop a three to five year capital replacement schedule for vehicles and equipment to better forecast the baseline budget figure. Define deficiencies and replacement criteria, and meet industry standard for replacement.
- Document current down time of vehicles and specific problem associated with out of service vehicles. Improve usability of the fleet by reducing down time of vehicles and equipment.
- Improve conditions of the shop facilities and maintenance yard and reduce the number of internal complaints.

Equipment Acquisition List

Replace Existing Equipment

▪ Electric #295 – ¾ ton Van	\$22,000
▪ Electric #400 Bucket Truck	\$70,000
▪ Engineering 2 – ½ ton Pick-up	\$18,000
▪ Fire – replace #357 ½ ton with SUV	\$30,000
▪ Fire – replace #305 SUV	\$30,000
▪ Police Patrol Sedan #408	\$24,000
▪ Police Patrol Sedan #410	\$24,000
▪ Police Admin Vehicle #308	\$18,000
▪ Police Motorcycle	\$22,000
▪ WW jet rodder	\$120,000
▪ Water #213 – Crew Cab 4x4	<u>\$20,000</u>
Total Replacement	\$398,000

New Acquisitions

- Planning Code Enforcement mini pick up \$16,000

FY04 Carry Forward

▪ Street 12 10 Yard Dump (FY04 hold)	<u>\$105,000</u>
Total Fleet Acquisitions	\$519,000

Software Capital Purchases

▪ GIS Software and County Link	\$20,000
▪ Computer Hardware	\$20,000
▪ Utility Billing Analysis	\$20,000
▪ Laser Fiche	\$29,085
▪ Courts Software	\$30,000
▪ EDEN Programs	<u>\$50,000</u>
	\$169,085

Total Equipment Acquisitions **\$688,085**

public works department - fleet maintenance division

**EQUIPMENT FUND
PUBLIC WORKS DEPARTMENT
PURCHASING AND ACQUISITION DIVISION**

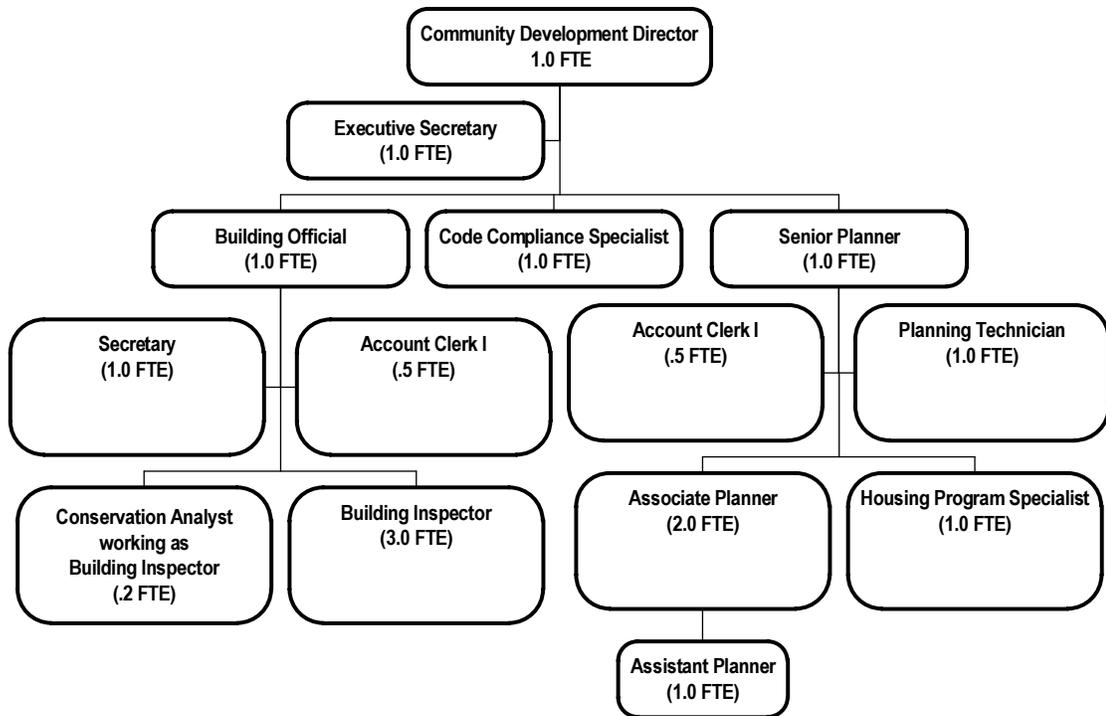
Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 730				
Materials and Services				
605 Misc. Charges and Fees	\$ -	\$ -	\$ -	\$ -
606 Other Purchased Services	2,074	29	-	-
Total Materials and Services	2,074	29	-	-
Capital Outlay				
703 Equipment	822,603	867,923	746,000	519,000
704 Improvements Other Than Bldgs.	21,420	13	50,000	169,085
Total Capital Outlay	844,023	867,936	796,000	688,085
	\$ 846,097	\$ 867,965	\$ 796,000	\$ 688,085

**EQUIPMENT FUND
PUBLIC WORKS DEPARTMENT
MAINTENANCE - EQUIPMENT DIVISION**

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 730				
Personal Services				
510 Salaries and Wages	\$ 141,386	\$ 155,958	\$ 161,000	\$ 161,000
520 Fringe Benefits	55,646	68,806	83,900	81,900
Total Personal Services	197,032	224,764	244,900	242,900
Materials and Services				
601 Supplies	34,293	33,548	44,350	50,600
602 Rental, Repair, Maintenance	226,900	198,289	232,000	217,500
603 Communications	5,053	2,966	5,450	11,200
604 Contractual Services	-	384	-	420
605 Misc. Charges and Fees	156,701	172,005	212,500	165,605
606 Other Purchased Services	2,557	4,113	6,260	6,110
Total Materials and Services	425,504	411,305	500,560	451,435
Capital Outlay				
702 Buildings	18,056	-	-	-
704 Improvements Other Than Bldgs.	158,676	-	-	-
Total Capital Outlay	176,732	25,784	-	-
	\$ 799,268	\$ 661,853	\$ 745,460	\$ 694,335



community development department 15.2 FTE



Overview

The Community Development Department is comprised of two divisions: Planning and Building. The Planning Division is responsible for the maintenance and updating of the Comprehensive Plan, developing and implementing new planning programs, and the administration of the land use ordinance, an important component of the Ashland Municipal Code. Last budget year saw an increased emphasis on housing, with a new Housing Program Specialist formulating a housing plan addressing affordability issues in the community. The Building Division provides a full-inspection program for all building related needs: electrical, mechanical, plumbing, structural, and plan review. Also included within Community Development is the administration of the Community Development Block Grant (CDBG) program and Code Compliance.

The Department supports numerous committees and commissions, including the City Council, Planning Commission, Hearings Board, Historic Commission, Tree Commission, Bike and Pedestrian Commission, Housing Commission, Building Appeals Board, and other ad hoc committees appointed by the Mayor and Council.

Community Development Mission Statement

To provide innovative, visionary, and quality public service to Ashland's citizens in an efficient and caring manner, while maintaining a dynamic, fun and enjoyable work-place. We will maintain and improve the many desirable qualities of Ashland, while helping our citizens conserve our valuable resources in the development and redevelopment of our community. We further recognize that we are a dedicated and unique group of self-motivated employees who are willing to go the extra mile and learn all sides of an issue as we assist and support all members of our community. Through our daily efforts in Community Development, we will continue to make Ashland a better place to live and work for all it's citizens, now and in the future.

Departmental Goals

- Develop riparian and wetland inventories and ordinances.
- Improve coordination of the management of natural resources (coordinated with other departments).
- Develop standards/incentives, which will encourage the paving of unpaved parking lots and driveways (both public and private). Also, continue efforts to ensure that unpaved streets are paved through methods such as local improvement districts (LIDs) as identified in the Capital Improvement Program (CIP), (coordinated with Public Works).
- Adopt a process to improve citizen participation and compliance with LCDC Goal 1.
- Develop an urban forestry plan.

- Derive a specific list of 2004 action items from the Housing Action Plan and Needs Analysis with reasonable, measurable marks of progress.
 - Consider the land use changes listed in the Housing Action Plan (council to approve action steps)
 - Adopt strategies to limit allowing single-family residential development in multi-family residential zoning districts.
 - Provide in-kind support to ACLT to further affordable housing for Ashland.
- Revise the density bonus program to provide improved incentives for developing affordable housing units.
- Finalize the update of the Open Space Plan with the Parks Department.
- Design implementation of local Economic Development program, based on current comprehensive Plan, Policy 3.
- Continue to work on the master planning of large undeveloped mixed-use properties such as the Railroad Area and the Croman Property.
- Develop planning framework for future development of North Normal Area.
- Develop resources for proactive land use planning.
- Evaluate the Transportation, Transit and Parking Committee plan and develop action plan for items adopted.
- Explore the possibility of acquiring land for the future development of a transit station.
- Explore and develop ways to increase use and available options for alternative transportation within the City.
- Consider modifying the Super Good Cents and density bonus programs to expand and improve incentives for efficient use of all resources.
- Improve public trail system with the Parks Department by developing a comprehensive trails master plan, which minimizes public/private conflicts. Plan should include the Bear Creek Greenway (Dog Park to Mountain Avenue Park).
- Continue to provide information to the community on growth and planning issues with the Administration Department.
- Complete the update to the Downtown Plan.
- Collaborate with other cities for improved regional public transit and methods for encouraging the provision of affordable housing.
- Adopt Dark Sky Ordinance that reduces light pollution throughout the City on public and private property.

COMMUNITY DEVELOPMENT DEPARTMENT

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Department Total By Function				
500 Personal Services	\$ 899,709	\$ 971,509	\$ 1,126,265	\$ 1,098,623
600 Materials and Services	544,213	539,506	1,250,965	1,150,218
	\$ 1,443,922	\$ 1,511,015	\$ 2,377,230	\$ 2,248,841

Department Total By Fund				
110 General Fund	\$ 1,321,031	\$ 1,429,241	\$ 1,720,415	\$ 1,726,863
250 CD Block Fund	122,891	81,774	656,815	521,978
	\$ 1,443,922	\$ 1,511,015	\$ 2,377,230	\$ 2,248,841

Position Profile	2002 Actual	2003 Actual	2004 Adopted	2005 Adopted
Community Development Director	1.00	1.00	1.00	1.00
Senior Planner	1.00	1.00	1.00	1.00
Building Official	1.00	1.00	1.00	1.00
Executive Secretary	1.00	1.00	1.00	1.00
Associate Planner	2.00	2.00	2.00	2.00
Building Inspector	3.80	3.80	3.80	3.00
Assistant Planner	1.00	1.00	1.00	1.00
Code Compliance Specialist	-	1.00	1.00	1.00
Code Enforcement Specialist	1.00	-	-	-
Conservation Analyst	-	-	-	0.20
Housing Program Specialist	-	-	1.00	1.00
Secretary	1.25	1.00	1.00	1.00
Planning Tech/Clerk	-	-	-	1.00
Account Clerk I	-	1.20	1.20	1.00
Clerk II	1.00	-	-	-
	14.05	14.00	15.00	15.20

Building Division

The Ashland Building Division provides a full-service building inspection program for the development community. Responsibilities for inspection plan review, enforcement, and code interpretation for structural, mechanical, plumbing, and electrical installations are included in the program.

changes to reflect accurate valuation for cost of construction.

Building code compliance is now provided and coordinated with the Oregon Building Codes Division Compliance Section. Intergovernmental agreements augment the state program with the City of Ashland. The division provides educational forums on a timely basis to update both compliance and code related topics to the developing public. This role is accomplished through continuing education opportunities and Ashland's long standing involvement with state boards affecting, energy conservation, structural/mechanical and electrical construction.

In addition to building inspection the division staffs the Ashland Appeals Board which combines the appeals process with forums for code interpretation through decisions of the building official. This board also functions as the Demolition Review Committee with staff support from the division as liaison.

Ashland has provided building plan check and inspection services to the City of Talent for several years. However, starting July 1, 2004, Talent will begin receiving building services from Jackson County. The Building Division will adjust to the change by reducing the staff size (not filling a vacant inspector position).

Significant Budget Changes

- Overall staff is reduced by 0.6 FTE to address the change in demand by not providing building services to the City of Talent.

- Commercial and municipal construction continues to reflect need for limited contracted services for plan review. This has successfully allowed existing staff to man all inspection programs and provide the majority of program requirements. To complete the maximum utilization of staff, in- house certification programs are currently underway for structural plan review and one and two family dwelling plumbing inspection.

- Fee structures were upgraded for electrical, mechanical, and plumbing in conjunction with recent

community development department - building division

GENERAL FUND
COMMUNITY DEVELOPMENT DEPARTMENT
BUILDING DIVISION

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Fund# 110				
Personal Services				
510 Salaries and Wages	\$ 305,136	\$ 317,314	\$ 336,000	\$ 305,300
520 Fringe Benefits	119,621	130,655	161,175	138,828
Total Personal Services	424,757	447,969	497,175	444,128
 Materials and Services				
601 Supplies	8,971	13,982	9,750	7,150
602 Rental, Repair, Maintenance	24,983	35,561	27,500	39,100
603 Communications	4,425	4,406	5,550	5,550
604 Contractual Services	52,085	31,231	35,000	35,000
605 Misc. Charges and Fees	108,659	126,897	161,100	161,080
606 Other Purchased Services	4,911	5,687	8,300	7,800
Total Materials and Services	204,034	217,765	247,200	255,680
	\$ 628,791	\$ 665,734	\$ 744,375	\$ 699,808

Planning Division

The Ashland Planning Division is responsible for the maintenance of the Comprehensive Plan, developing and implementing new planning programs, and the administration of the land use ordinance—an important component of the Ashland Municipal Code.

The Current Planning program is generally involved with processing applications for building permits and planning approvals. These range from simple sign or fence permits to complex zone changes, subdivisions, and shopping center reviews. Current Planning also involves supporting the Tree Commission, Historic Commission, Housing Commission, Bike and Pedestrian Commission, Hearings Board, Planning Commission, City Council and several ad hoc committees in their review of development proposals and long range plans in the community.

The Long-range Planning Program is project related, often involving multi-year projects. Generally, the projects fall into two broad categories: (1) those that are required for compliance with statewide planning goals and mandates, and (2) those that are local initiatives, either from the Planning Commission, City Council, or local citizen groups. These are frequently the most controversial and effective planning efforts, the Parks and the Open Space Program, the Transportation Plan, the Tree Preservation and Protection ordinance, and the recent update to the Big Box Ordinance and the Maximum House Size Ordinance.

A new program within the Planning Division has been developed to address the housing issues of the community. A new position last budget year, Housing Program Specialist, has been added that is developing an overall housing program for Ashland in concert with the Housing Commission, partner with public and private developers, coordinate housing efforts, and work towards developing a long-term funding source for affordable housing.

Supporting the numerous public commissions is a large component of the Planning Division. Additional support for these efforts is proposed this budget year in the form of an additional staff position.

The Planning Division is also proposing to conduct an internal audit of operating procedures during the budget year, addressing issues of staffing, organization, and meeting community objectives. This is a common practice for communities, and it is proposed that the audit will be conducted by an independent consultant.

Significant Budget Changes

- Addition of 1.0 FTE – Planning Technician/Planner to support citizen commissions and committees in the overall

planning program.

- Addition of \$20,000 for Internal Operations Audit.

Service Levels

- Planning Revenues.
- Planning Actions processed.
- Major Long-Range Planning projects.

community development department - planning division

**GENERAL FUND
COMMUNITY DEVELOPMENT DEPARTMENT
PLANNING DIVISION**

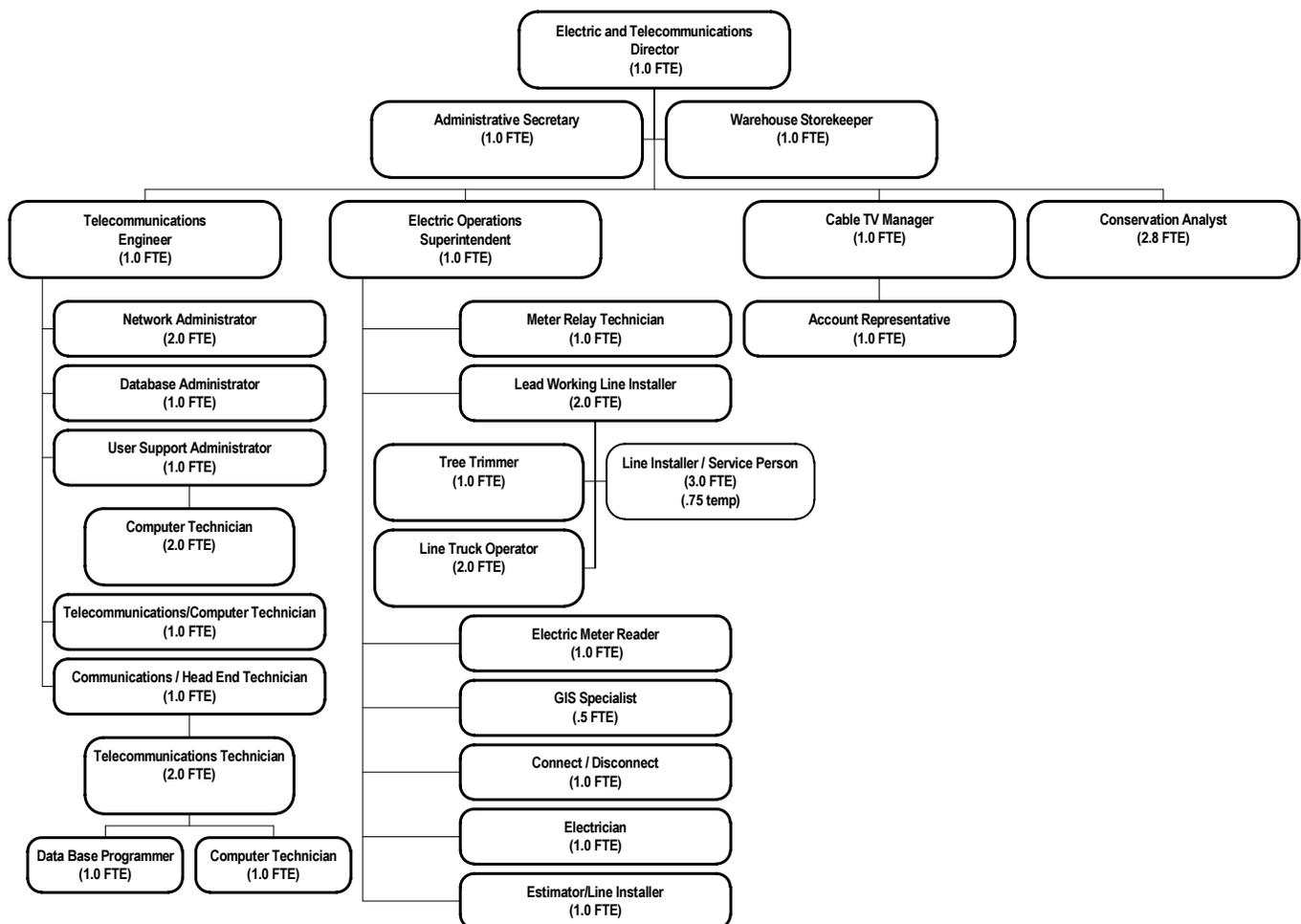
<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Fund# 110				
Personal Services				
510 Salaries and Wages	\$ 303,786	\$ 332,827	\$ 379,500	\$ 408,300
520 Fringe Benefits	128,051	149,613	204,290	215,195
Total Personal Services	431,837	482,440	583,790	623,495
Materials and Services				
601 Supplies	13,491	21,325	14,900	14,500
602 Rental, Repair, Maintenance	12,162	5,032	5,000	8,600
603 Communications	2,131	2,568	5,550	6,150
604 Contractual Services	8,889	44,611	92,000	110,000
605 Misc. Charges and Fees	173,415	190,201	208,000	201,360
606 Other Purchased Services	14,505	13,925	24,750	20,900
608 Commissions	31,033	3,405	3,750	3,750
610 Programs	4,777	-	38,300	38,300
Total Materials and Services	260,403	281,068	392,250	403,560
	\$ 692,240	\$ 763,508	\$ 976,040	\$ 1,027,055

**COMMUNITY DEVELOPMENT BLOCK GRANT FUND
COMMUNITY DEVELOPMENT DEPARTMENT
COMMUNITY DEVELOPMENT BLOCK GRANT DIVISION**

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Fund# 250				
Personal Services				
510 Salaries and Wages	\$ 30,620	\$ 28,818	\$ 30,000	\$ 18,600
520 Fringe Benefits	12,495	12,282	15,300	12,400
Total Personal Services	43,115	41,100	45,300	31,000
Materials and Services				
601 Supplies	13	-	1,000	1,000
602 Rental, Repair, Mtc.	11,668	-	-	-
604 Contractual Services	19	-	-	6,300
606 Other Purchased Services	502	429	5,120	5,000
609 Grants	67,574	40,245	605,395	478,678
Total Materials and Services	79,776	40,674	611,515	490,978
	\$ 122,891	\$ 81,774	\$ 656,815	\$ 521,978



electric department 36.05 FTE



Electric and Telecommunications Overview

The Electric and Telecommunication Departments are composed of four divisions: Electric, Telecommunications, Computer Services and Conservation.

Each division works cooperatively to support each other and provide good customer service to both the citizens of Ashland and other City Departments. Each division tries to efficiently manage and share resources to the maximum extent possible to ensure that Department and Division goals are achieved.

ELECTRIC DEPARTMENT

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Department Total By Function				
500 Personal Services	\$ 2,407,653	\$ 2,723,582	\$ 2,779,690	\$ 2,992,475
600 Materials and Services	9,321,207	10,831,430	11,721,857	11,744,213
700 Capital Outlay	2,029,361	1,250,433	847,100	806,100
800 Debt Service	3,664,184	6,182,984	7,228,100	14,402,000
	\$ 17,422,405	\$ 20,988,429	\$ 22,576,747	\$ 29,944,788

Department Total By Fund				
670 Water Fund	\$ 121,916	\$ 137,743	\$ 169,015	\$ 154,430
690 Electric Fund	9,484,803	10,678,760	11,843,637	11,978,541
691 Telecommunications Fund	7,230,777	9,473,779	9,791,090	17,039,197
710 Central Services	584,909	698,147	773,005	772,620
	\$ 17,422,405	\$ 20,988,429	\$ 22,576,747	\$ 29,944,788

Position Profile	2002 Actual	2003 Actual	2004 Adopted	2005 Adopted
Electric & Telecommunications Director	1.00	1.00	1.00	1.00
Electric Op. Superintendent	1.00	1.00	1.00	1.00
Telecommunications Engineer	1.00	1.00	1.00	1.00
Cable TV Manager	1.00	1.00	1.00	1.00
Network Administrator	1.00	1.00	1.00	2.00
Data Base Administrator	1.00	1.00	1.00	1.00
Data Base Programmer	-	-	-	1.00
User Support Administrator	1.00	1.00	1.00	1.00
Administrative Secretary	-	1.25	1.00	1.00
Account Representative	0.50	0.50	0.50	1.00
Computer Technician	1.00	1.00	1.00	3.00
Conservation Analyst	-	3.00	3.00	2.80
GIS Specialist	-	1.00	0.50	0.50
Clerk II	1.00	-	-	-
Leadworking Line Installer	2.00	2.00	2.00	2.00
Line Installer/Service Person	3.00	3.00	3.00	3.00
Line Truck Driver	2.00	2.00	2.00	2.00
Meter Repair/Relay Technician	1.00	1.00	1.00	1.00
Electric Meter Reader	1.00	1.00	1.00	1.00
Electrician	1.00	1.00	1.00	1.00
Connect/Disconnect	1.00	1.00	1.00	1.00
Grounds Person/Meter Reader	2.00	1.00	1.00	-
Mapping Technician	1.00	-	-	-
Warehouse/Storekeeper	1.00	1.00	1.00	1.00
Communications Head End Tech	1.00	1.00	1.00	1.00
Telecommunications Technician	3.00	3.00	2.00	2.00
Telecommunications/Computer Tech	-	-	-	1.00
Estimator/Line Installer	-	-	1.00	1.00
Tree Trimmer	-	-	1.00	1.00
Tree Trimmer/ Line Installer - Temp	-	-	0.50	0.75
Line Installer/Service Person - Temp	-	-	0.25	-
	28.50	30.75	29.00	36.05

Electric Division

The Electric Division is a public electrical utility with the responsibility of serving the public's needs for power, a responsibility the City has held since 1908. Power for the City of Ashland is purchased from the Bonneville Power Administration and the City-owned Hydro Plant, metered at distribution substations and dispersed through city-owned feeder and distribution lines, transformers and meters, for each customer. The Division is responsible for the engineering, construction and maintenance of the system for distribution of electrical energy. The Operations section of the Division works together with other city departments to provide additional services.

Some of those additional services are:

- Processing both electric and water connects and disconnects.
- Installing electrical facilities within areas of the Wastewater Treatment Plant, Water Treatment Plant, water pump stations, and other City facilities
- Provide and maintain back-up generation systems for facilities within city-owned buildings that are sensitive to outages.

The Division designs, constructs and maintains electrical transformers, overhead and underground power lines and meters for power and water consumption. Operations annually trims trees along 65 miles of overhead power lines to minimize outages during wind storms and maintains approximately 1,800 city-owned street lights. The Division also provides community services such as installing and removing holiday decorations, hanging banners and providing educational services.

The Electric Division operates the Reeder Gulch Hydro generator. This generator offsets our wholesale purchases from BPA by approximately \$190,000 a year.

Division Goals

- Begin implementation of the Electric System Study and integrate these improvements into the City's Capital Improvement Program.
- Continue to work on the PUC (Public Utility Commission) utility line inspection and correction program.
- Continue to upgrade and improve the City's GIS mapping process for Electric facilities.

- Work to better integrate the underground of Electric and AFN facilities as a part of the City's LID process.
- Work on the "Dark Sky" Initiative in conjunction with the City planning Department

Significant Budget Changes

- Increased BPA (Bonneville Power Administration) wholesale power costs effective October 2004
- Increase in Temporary Employee costs to more aggressively work on tree trimming within the City.
- Increased benefit costs.

electric department- electric division

ELECTRIC FUND
ELECTRIC DEPARTMENT
SUPPLY DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 690				
Personal Services				
510 Salaries and Wages	\$ 3,507	\$ -	\$ -	\$ -
520 Fringe Benefits	297	3,038	-	-
Total Personal Services	3,804	3,038	-	-
Materials and Services				
602 Rental, Repair, Maintenance	\$ 18,758	\$ 29,027	\$ 24,000	30,000
605 Misc. Charges and Fees		180,000	246,000	231,240
606 Other Purchased Services	4,501,298	5,248,993	5,801,300	5,899,475
Total Materials and Services	4,520,056	5,458,020	6,071,300	6,160,715
Capital Outlay				
704 Improvements Other Than Bldgs.	20,147	150,759	-	-
Total Capital Outlay	20,147	150,759	-	-
Debt Service				
801 Debt Service - Principal	65,250	72,500	23,000	-
802 Debt Service - Interest	6,576	3,060	3,100	-
Total Debt Service	71,826	75,560	26,100	-
	\$ 4,615,833	\$ 5,687,377	\$ 6,097,400	\$ 6,160,715

ELECTRIC FUND
ELECTRIC DEPARTMENT
TRANSMISSION DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 690				
Materials and Services				
602 Rental, Repair, Maintenance	\$ 62,844	\$ 5,900	\$ 4,500	\$ 3,600
606 Other Purchased Services	696,172	921,059	1,026,824	931,843
Total Materials and Services	759,016	926,959	1,031,324	935,443
	\$ 759,016	\$ 926,959	\$ 1,031,324	\$ 935,443

electric department- electric division

ELECTRIC FUND
ELECTRIC DEPARTMENT
DISTRIBUTION DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 690				
Personal Services				
510 Salaries and Wages	\$ 816,160	\$ 855,070	\$ 1,003,400	\$ 1,069,400
520 Fringe Benefits	327,581	355,365	488,000	475,900
Total Personal Services	1,143,741	1,210,435	1,491,400	1,545,300
Materials and Services				
601 Supplies	34,795	32,694	32,953	33,428
602 Rental, Repair, Maintenance	289,449	291,246	306,685	313,220
603 Communications	10,658	9,309	14,000	21,000
604 Contractual Services	50,821	68,091	44,500	50,500
605 Misc. Charges and Fees	652,217	685,034	729,775	695,295
606 Other Purchased Services	78,504	84,400	75,000	75,000
610 Programs	3,347	2,540	5,000	5,000
612 Franchises	864,358	913,797	1,030,100	1,192,230
Total Materials and Services	1,984,149	2,087,110	2,238,013	2,385,673
Capital Outlay				
702 Buildings	-	-		
703 Equipment	-	-		
704 Improvements Other Than Bldgs.	585,660	342,380	530,000	540,000
Total Capital Outlay	585,660	342,380	530,000	540,000
	\$ 3,713,550	\$ 3,639,925	\$ 4,259,413	\$ 4,470,973



Telecommunications Division

The Telecommunications Division manages the fiber optic infrastructure, known as Ashland Fiber Network (AFN). This high-speed network interconnects other governmental, municipal, educational and health care institutions and enables the Division to provide an enhanced portfolio of products and services to the citizens of Ashland and the surrounding area.

AFN offers the following services:

- **High-speed data**, which provides connectivity for broadband data, video, conferencing and voice applications at speeds of 10 Mbs or 100 Mbs utilizing a direct fiber link;
- **Internet Access**, which provides high-speed connections of up to 5 Mbs using cable modem technology and allows private Internet Service Providers (ISPs) to utilize our Open Access Network, and
- **Cable Television**, offering 4 tiers of service at competitive pricing. Featuring 2 lower tier levels of service exclusive to AFN. Channel lineup created for residents, by the appointed Citizens Programming Selection Committee.

Division Goals

- Continue to provide the City with an advanced telecommunications infrastructure capable of interacting with and supporting private enterprise.
- Evaluate and implement other telecommunication services to our residents, businesses and institutions.
- Improve the job estimating and mapping process for Electric and AFN.
- Continue effort to improve the viability of AFN.

Significant Budget Changes

- Decreased capital outlay.
- Increased debt service on loans.
- Increased staffing as per the revised Business Plan and Navigant's AFN Report.

electric department - telecommunications division

**TELECOMMUNICATIONS FUND
ELECTRIC DEPARTMENT
CUSTOMER RELATIONS/PROMOTIONS**

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Fund# 691				
Personal Services				
510 Salaries and Wages	\$ 24,293	\$ 9,841	\$ 11,000	\$ 11,280
520 Fringe Benefits	4,251	921	850	926
Total Personal Services	28,544	10,762	11,850	12,206
Materials and Services				
603 Communications	388	753	6,240	6,365
604 Contractual Services	43,558	36,745	52,000	54,600
605 Misc. Charges and Fees	-	9,000	7,300	7,447
606 Other Purchased Services	61,102	63,989	70,100	141,414
Total Materials and Services	105,048	110,487	135,640	209,826
	\$ 133,592	\$ 121,249	\$ 147,490	\$ 222,032

**TELECOMMUNICATIONS FUND
ELECTRIC DEPARTMENT
OPERATIONS**

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Fund# 691				
Personal Services				
510 Salaries and Wages	\$ 576,847	\$ 683,822	\$ 413,000	\$ 483,229
520 Fringe Benefits	215,758	269,720	208,200	249,840
Total Personal Services	792,605	953,541	621,200	733,069
Materials and Services				
601 Supplies	17,563	127,218	275,400	191,630
602 Rental, Repair, Maintenance	117,114	155,158	106,000	108,117
603 Communications	305,595	249,285	7,100	7,242
604 Contractual Services	60,525	72,731	92,000	42,838
605 Misc. Charges and Fees	343,410	307,272	402,700	410,754
606 Other Purchased Services	373,495	550,789	532,200	665,139
612 Franchises	91,502	119,794	205,000	96,376
Total Materials and Services	1,309,204	1,582,247	1,620,400	1,522,096
Capital Outlay				
703 Equipment	25,949	80,425	60,000	160,000
704 Improvements Other Than Bldgs.	1,377,069	628,892	140,000	-
Total Capital Outlay	1,403,018	709,317	200,000	160,000
Debt Service				
801 Debt Service - Principal	3,150,661	5,525,000	6,568,000	13,383,001
802 Debt Service - Interest	441,697	582,424	634,000	1,018,999
Total Debt Service	3,592,358	6,107,424	7,202,000	14,402,000
	\$ 7,097,185	\$ 9,352,530	\$ 9,643,600	\$ 16,817,165

Computer Services Division

The Computer Services Division is responsible for citywide computer operations, including hardware and software purchasing, support, repair and maintenance.

This division is housed in the Electric Department, which also runs the AFN network. This allows efficient use of resources for computing support and the melding of AFN's network into use for citywide applications such as access to Fire Station 2, Parks and the Senior Center.

Division Goals

- Continue management of the City telephone system including both land lines and cell phones, with an aim toward improving services, reducing costs and possibly partnering with other public agencies to attain mutual benefits.

Significant Budget Changes

- Addition of Data Base Programmer position to enhance the City's Utility Billing functions and other data base needs.
- Addition of a User Support Technician in place of using the SOU Help Desk as in previous years.

electric department - computer services division

CENTRAL SERVICE FUND
ELECTRIC DEPARTMENT
COMPUTER SERVICES DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Fund# 710				
Personal Services				
510 Salaries and Wages	\$ 205,311	\$ 274,629	\$ 305,500	\$ 338,000
520 Fringe Benefits	74,920	107,023	128,225	155,000
Total Personal Services	280,231	381,652	433,725	493,000
Materials and Services				
601 Supplies	5,197	5,191	12,100	13,700
602 Rental, Repair, Maintenance	353	-	-	-
603 Communications	209,575	196,856	58,580	63,320
604 Contractual Services	65,802	63,135	55,000	15,000
605 Misc. Charges and Fees	-	2,250	86,000	71,000
606 Other Purchased Services	3,215	1,087	10,500	10,500
Total Materials and Services	284,142	268,519	222,180	173,520
Capital Outlay				
703 Equipment	20,536	-	117,100	106,100
Total Capital Outlay	20,536	47,976	117,100	106,100
	\$ 584,909	\$ 698,147	\$ 773,005	\$ 772,620

Conservation Division

The Conservation Division is responsible for operating the City's Air, Water, Recycling, and Energy Conservation Programs. The City's Water Conservation Program provides a free water audit consisting of free installation of low-flow showerheads and sink aerators, a review of irrigation and landscaping, and rebates for efficient toilets, dishwashers and washing machines. The Division works with the Ashland School District, Southern Oregon University, and Ashland businesses to increase the efficiency of their water usage. This division provides staff support for the City's Conservation Commission and Tree Commission. The Electric Conservation programs include Residential Weatherization, Earth Advantage, Energy Smart Design, Appliance Efficiency, Wood Stove Rebate, and the Heat Pump Retrofit Program.

Strategic Plan Goals

- Continue to implement the City's new "Earth Advantage" program.

Significant Budget Changes

- Reduction of 1/5 FTE from Water Conservation and Electric Conservation Budgets to Building Division Budget to help with building inspection services one day per week.

electric department - conservation division

**WATER FUND
ELECTRIC DEPARTMENT
CONSERVATION DIVISION**

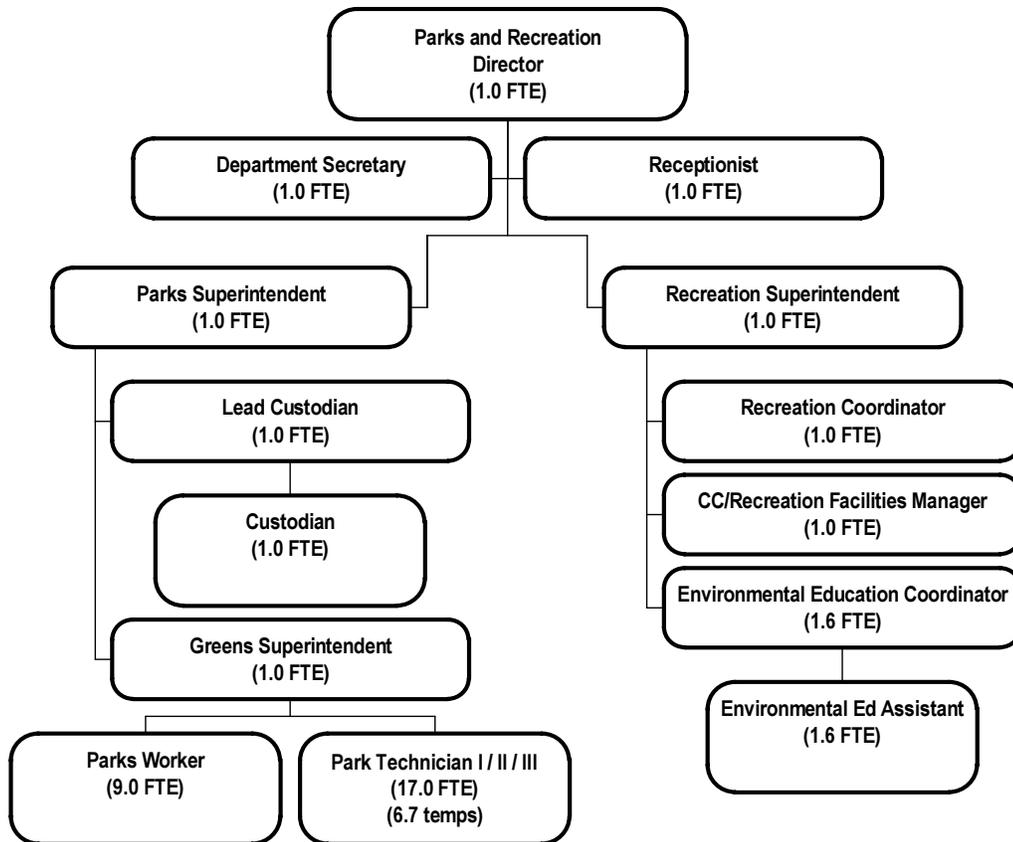
<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Fund# 670				
Personal Services				
510 Salaries and Wages	\$ 46,999	\$ 49,992	\$ 69,700	\$ 66,400
520 Fringe Benefits	20,723	24,429	41,015	37,800
Total Personal Services	67,722	74,421	110,715	104,200
601 Supplies	814	1,806	500	800
602 Rental, Repair, Maintenance	47	8,612	5,600	5,600
603 Communications	13	32	500	500
605 Misc. Charges and Fees	31,000	34,000	28,000	19,480
606 Other Purchased Services	5,482	2,417	3,600	3,650
610 Programs	16,838	16,456	20,100	20,200
Total Materials and Services	54,194	63,321	58,300	50,230
	\$ 121,916	\$ 137,743	\$ 169,015	\$ 154,430

**ELECTRIC FUND
ELECTRIC DEPARTMENT
CONSERVATION DIVISION**

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Fund# 690				
Personal Services				
510 Salaries and Wages	\$ 60,683	\$ 62,611	\$ 70,000	\$ 66,700
520 Fringe Benefits	30,323	27,121	40,800	38,000
Total Personal Services	91,006	89,732	110,800	104,700
Materials and Services				
601 Supplies	7,191	1,059	1,900	2,000
602 Rental, Repair, Maintenance	3,296	6,028	7,400	6,500
603 Communications	991	1,101	1,900	1,800
605 Misc. Charges and Fees	97,000	93,411	44,100	34,610
606 Other Purchased Services	15,190	8,880	11,600	11,500
610 Programs	181,730	224,288	277,800	250,300
Total Materials and Services	305,398	334,767	344,700	306,710
	\$ 396,404	\$ 424,500	\$ 455,500	\$ 411,410



parks and recreation department 45.9 FTE



Overview

Ashland's Parks and Recreation system is comprised of 643 acres of parkland and a variety of recreational facilities. The Parks and Recreation Department is comprised of three divisions: the Parks Division, the Recreation Division, and the Golf Division. The Department's budgets are accounted for in three funds: the Parks and Recreation Fund, the Youth Activities Levy Fund, and the Parks Capital Improvement Fund.

In preparing the budget, the Department examines and makes decisions on ways to reduce costs and to improve efficiency in a manner that will not detract from core goals. The budget outlines the resources and expenditures that will be needed to accomplish these goals.

Parks and Recreation Mission Statement

The mission of the Ashland Parks and Recreation Department is to provide and promote recreational opportunities and to preserve and maintain public lands.

Departmental Goals

- Act as stewards of the parks and recreation system.
- Provide a high quality service level.
- Maintain and expand parks and recreational opportunities to meet the current and future needs of the community.
- Provide a positive experience to park guests and recreation participants.
- Provide opportunities for the community to participate in the decision making process concerning its parks and recreation system.

Budget Assumptions

- Budget will implement goals set by the Parks and Recreation Commission.
- The same level of service will be maintained related to performance measures.
- Tax revenue distribution between the City and Parks will be consistent with prior years.
- The Department will pay its full contribution to PERS.
- User fees will be used to help offset the cost of certain services provided.
- The Department will comply with all federal and state requirements.

PARKS & RECREATION DEPARTMENT

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Department Totals by Function				
500 Personal Services	\$ 2,132,746	\$ 2,257,105	\$ 2,424,982	\$ 2,702,300
600 Materials and Services	2,929,877	3,133,451	3,453,000	3,535,475
700 Capital Outlay	91,106	197,978	526,325	503,000
800 Debt Service	21,550	21,183	32,000	37,000
	\$ 5,175,279	\$ 5,609,717	\$ 6,436,307	\$ 6,777,775

Department Total by Fund				
Parks and Recreation Fund	\$ 3,288,703	\$ 3,641,865	\$ 4,191,107	\$ 4,439,775
Youth Activities Levy Fund	1,845,025	1,888,409	1,975,200	2,095,000
Parks Capital Improvements Fund	41,551	79,442	270,000	243,000
	\$ 5,175,279	\$ 5,609,717	\$ 6,436,307	\$ 6,777,775

Position Profile	2002 Actual	2003 Actual	2004 Adopted	2005 Adopted
Director	1.00	1.00	1.00	1.00
Parks Superintendent	1.00	1.00	1.00	1.00
Greens Superintendent	1.00	1.00	1.00	1.00
Recreation Superintendent	-	-	-	1.00
Business Manager	1.00	-	-	-
Recreation Supervisor	1.00	-	1.00	-
CC/Recreation Facilities Manager	1.00	1.00	1.00	1.00
Recreation Coordinator	-	1.00	-	1.00
Environmental Education Coordinator	1.00	1.60	1.60	1.60
Clerk Specialists	1.00	-	-	-
Receptionist	1.50	0.70	1.00	1.00
Environmental Ed Assistant	-	0.80	0.80	1.60
Department Secretary	1.00	1.00	1.00	1.00
Lead Custodian	1.00	1.00	1.00	1.00
Custodian	1.00	1.00	1.00	1.00
Park Worker	9.00	8.00	7.00	9.00
Park Technician I	8.00	4.00	6.00	5.00
Park Technician II	6.00	7.00	8.00	7.00
Park Technician III	3.00	5.00	3.00	5.00
Temps	-	7.00	-	6.70
	38.50	42.10	35.40	45.90

Parks Division

The Parks Division operates, maintains, constructs, and plans for park and recreational facilities within the system, including developing new parks and administering open space areas.

Division Goals

- Improve water quality in Lithia Park ponds.
- Complete the Calle Stairway project.
- Extend Ashland Bear Creek Greenway.
- Meet ADA requirements.

Significant Budget Changes

Added responsibility for maintaining median within Boulevard and Ashland Street resulting in 1.0 FTE increase.

Future Budget Consideration

The Parks and Recreation Commission completed updating the Parks, trails and the Open Space Park Land Acquisition Program. The plan was adopted by the City Council. The next step is to determine a funding method for the updated plan that will provide the resources to implement the plan.

Park Police / Patrol Section

PERSONNEL: 1.5 FTE / 3.0 Seasonal Positions

GOAL To provide a safe environment for people using the parks and recreation system.

DESIRED OUTCOME To provide a safe environment for people using the parks and recreation system.

RESOURCES PROVIDED

Labor, equipment, and supplies necessary to provide for policing and patrolling of the parks and recreation system.

INPUTS

- Number of citations
- Incidents of vandalism

PERFORMANCE MEASURES

- Public comments
- Number of compliments. Receive numerous compliments about the way the Park Patrol provides a safe environment for park users.

EFFICIENCY BUDGET – IMPACT

- 2001 – 2.0 FTE / 3.0 Seasonal Positions
- 2002 – 2.0 FTE / 3.0 Seasonal Positions
- 2003 – 2.0 FTE / 3.0 Seasonal Positions
- 2004 – 2.0 FTE / 3.0 Seasonal Positions

PROGRAM / DIVISION SUMMARY

Key performance indicators are expected to remain constant for budget year 2003-2004. Currently, performance standards are being met. In future years, as new parklands are acquired, there will be a need to increase personnel in the patrol section. Currently, the Department provides the resources for one full-time police officer, one full-time community service officer (CSO), and the seasonal park patrol personnel. In future years, the Department may not have the resources to provide for the total cost of providing police coverage.

parks and recreation department - parks division

**PARKS & RECREATION FUND
PARKS & RECREATION DEPARTMENT
PARKS DIVISION**

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Personal Services				
510 Salaries and Wages	\$ 1,179,322	\$ 1,228,938	\$ 1,255,782	\$ 1,354,000
520 Fringe Benefits	548,669	613,127	717,600	839,000
Total Personal Services	1,727,991	1,842,065	1,973,382	2,193,000
Materials and Services				
601 Supplies	24,155	54,666	42,000	43,650
602 Rental, Repair, Maintenance	433,980	623,095	567,500	647,225
603 Communications	44,325	11,657	17,500	17,520
604 Contractual Services	44,360	262,737	89,500	352,780
605 Misc. Charges and Fees	173,600	152,225	362,000	137,400
606 Other Purchased Services	151,685	27,378	151,500	29,500
609 Grants	56,287	-	60,000	-
606 Programs	-	-	24,800	-
Total Materials and Services	928,392	1,131,759	1,314,800	1,228,075
Capital Outlay				
702 Buildings	8,177	52,168	-	-
703 Equipment	19,998	4,600	-	252,000
704 Improvements	21,380	61,767	240,000	-
Total Capital Outlay	49,555	118,535	240,000	252,000
Debt Service				
801 Debt Service - Principal	12,681	13,351	22,000	25,000
802 Debt Service - Interest	3,312	2,494	3,000	5,000
Total Debt Service	15,993	15,845	25,000	30,000
	\$ 2,721,931	\$ 3,108,204	\$ 3,553,182	\$ 3,703,075

Forestry, Trails, and Natural Resources

GOALS

- To manage forest lands and natural resources using a multi-purpose approach that provide for a healthy ecosystem.
- To provide and manage a network of trails for recreational opportunities.
- To ensure that citizens are consistently satisfied with products and services provided.

DESIRED OUTCOMES

- Manage for eco-forest health and maximize retention of pre-suppression forest structure elements.
- Manage for biological diversity (mix of plant and animal vs. one single community).
- Preserve / improve wildlife habitat.
- Manage for environmental concerns (air and water quality, soil stability, erosion control, and so on).
- Provide for and manage recreational use.
- Continue to progress in reducing fire danger on parks-managed forest lands in cooperation with Ashland Fire Department.
- Continue to encourage and maintain a healthy ecosystem while incorporating multiple values of ecosystem health.
- Continue to expand trails opportunities by working with the Planning Department, AWTA, USFS, and others.
- Continue to improve trails for safety, access, water mitigation, ADA possibilities, and so on.
- Continue to provide and create functional and effective natural areas, and to obtain all necessary permits.
- Continue to provide services that will produce high levels of public satisfaction.

RESOURCES PROVIDED

Labor, equipment, and supplies to accomplish the goals, objectives, and desired outcomes of the division.

INPUTS

- Acres of forest land managed by department: 448
- Miles of trails maintained by department: 20

DIVISION PERFORMANCE MEASURES

	Actual 2002	Actual 2003	Targeted 2004	Targeted 2005
Acres treated for fuel reduction	33.5	33.5	40	45
Number of piles burned	1,115	1,100+	1,100+	1100+
Acreage of trail maintained	10	10+	10+	20
Number of reported injuries	0	0	0	0
Noxious weeds treated in acres	0	10	10	12

Acreage of new trail construction:

- 2001 – Addition to trail links
- 2002 – Addition to trail links
- 2003 – Addition to trail links
- 2004 – Addition to trail links

- Response time to problems – within 48 hours
- Customer satisfaction – Received positive feedback with many compliments and very few complaints

EFFICIENCY BUDGET – IMPACT

2001 – 3.5 FTE

2002 – 3.5 FTE

2003 – 3.5 FTE

2004 – 3.5 FTE

DIVISION SUMMARY

Key performance indicators are expected to increase over the next several years due to the availability of grants, the emphasis on reducing fire danger within the forestry interface, and on the development of new trails. Current performance standards are being met. In future years, a reduction in resources or the addition of future trails or forest interface lands added to the system without additional resources would create an inability to maintain the current level of services provided.

Horticulture

PERSONNEL: 2.0 FTE

Urban Forestry

GOAL To provide a functional, aesthetically pleasing, historically sensitive, and safe arboreal landscape within Ashland's park system.

DESIRED OUTCOMES

- To maintain trees within the urban setting in order that they will be functional, aesthetically pleasing, and safe to park users.
- To remove trees that become hazardous to park users.
- To provide parks which, though well-canopied with trees, are relatively safe for park users.

RESOURCES PROVIDED

Labor, equipment, and supplies needed to accomplish the goals, objectives, and desired outcomes of the program.

INPUTS

- Number of urban trees maintained
- Contracted pruning and removal
- In-house pruning and removal
- Number of new trees planted

Environmental Horticulture

GOAL To restore and enhance the functions of riparian and wildlife corridors, and to establish areas that control urban run-off, also serving as wildlife habitat.

DESIRED OUTCOMES

- To keep existing natural areas from degradation
- To plant appropriate species in order to enhance the effectiveness of natural area
- To control erosion
- To manage native species
- To control problematic non-native species
- To provide healthy, diverse, and functionally effective natural areas (including riparian corridors and swales), which not only provide habitat for wildlife and control erosion, but serve as environments where park users realize aesthetic and educational values.

RESOURCES PROVIDED

Labor, equipment, and supplies needed to accomplish the goals, objectives, and desired outcomes of the program.

INPUTS

- New plants
- Restored areas

Turf – Athletic and Park

GOAL To provide an aesthetically pleasing, healthy, and functional turf to different degrees for passive and active turf areas.

DESIRED OUTCOMES

- To implement appropriate turf management principles and schedules for maintaining turf areas.
- To maintain vigorous and healthy stands of turf that are safe and appropriate for park users.
- To mow in such a manner as to ensure healthy and safe turf areas.

RESOURCES PROVIDED

Labor, equipment, and supplies needed to accomplish the goals, objectives, and desired outcomes of the program.

INPUTS

- Regularly scheduled maintenance
- Mowing
- Inspections

Ornamental Horticulture

GOAL To provide the parks with seasonally colorful displays of flowers, fruit, and foliage.

DESIRED OUTCOMES

- To enhance the users' appreciation of the parks environment
- To be historically sensitive regarding kinds and types of plants to use in our historic parks
- To integrate aspects of Environmental Horticulture with Ornamental Horticulture – e.g., to use plants (ornamental) that are used by wildlife

RESOURCES PROVIDED

Labor, equipment, and supplies needed to accomplish the goals, objectives, and desired outcomes of the program.

INPUTS

- Number of beds maintained
- Number of plants planted

DIVISION PERFORMANCE MEASURES:

	2002	2003	2004	2005
Trees maintained	5000	5000	5000	5000
Contract pruning & removal	50	50	50	100
In-house pruning & removal	50	50	50	50
Number of new trees planted	100	100	100	100
Ornamental beds maintained	40	40	40	50
Number of plants planted	15000	15000	15000	15000
Acres mowed – athletic areas	44	44	44	46

** Note: Above numbers are approximate **

- Inspections / Assessments
- Routine Maintenance Scheduling

Recreation Division

The Recreation Division provides a variety of recreational and educational opportunities for all ages including aquatics and environmental education programs.

Division Goals

- To provide high quality recreation programs for the community at an affordable cost.
- To expand opportunities for recreational and educational activities.

Significant Budget Changes

- Professional Staff levels will go from 1.8 FTE to 2.0 FTE.
- Investigate potential uses of The Grove.

Parks and Recreation Community Facilities

PERSONNEL: 1.0 FTE

PROGRAM: Community Center Facilities

GOAL To provide facilities to enhance recreational opportunities and other social activities in the community.

DESIRED OUTCOMES/OBJECTIVES

- Provide facilities for community use
- Provide excellent customer service
- Provide clean and attractive facilities

RESOURCES PROVIDED

Labor, equipment, and supplies needed to accomplish the goals, objectives, and desired outcomes of the program.

INPUTS:

- Building usage

PERFORMANCE MEASURES:

- Community Center Regular Groups 17
- Community Center One-Time Users 104
- Pioneer Hall Regular Groups 15
- Pioneer Hall One-Time Users 96
- Hunter Park Building Regular Groups 5
- Hunter Park Building One-Time Users 14
- Lithia Park Reservations 77

PROGRAM SUMMARY:

Key performance indicators are expected to remain consistent over the next several budget years. Currently, performance standards are being met.

parks and recreation department - recreation division

PARKS & RECREATION FUND
PARKS & RECREATION DEPARTMENT
RECREATION DIVISION

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Personal Services				
510 Salaries and Wages	\$ 133,662	\$ 133,758	\$ 152,000	\$ 175,200
520 Fringe Benefits	49,041	55,758	58,000	79,500
Total Personal Services	182,703	189,516	210,000	254,700
 Materials and Services				
601 Supplies	5,967	6,968	6,000	20,000
602 Rental, Repair, Maintenance	10,423	3,717	11,000	11,000
603 Communications	3,013	774	3,000	3,000
605 Misc. Charges and Fees	1,000	-	1,000	2,000
606 Other Purchased Services	2,140	-	4,000	5,000
606 Programs	30,739	23,182	54,000	68,000
Total Materials and Services	53,282	34,641	79,000	109,000
	\$ 235,985	\$ 224,157	\$ 289,000	\$ 363,700

Aquatics Facilities

PERSONNEL: 15 Seasonal

GOALS

- To achieve high customer satisfaction by providing and promoting a variety of recreational opportunities in aquatics.
- To provide instructional opportunities for young people to learn how to swim at an affordable cost.

DESIRED OUTCOMES

- To teach children to swim
- To provide an alternative form of exercising that is safe and fun
- To provide the number of lifeguards required to meet safety standards
- To reduce or eliminate accidents
- To provide a clean and attractive facility
- High customer satisfaction
- To achieve a passage rate of 70% or better

RESOURCES PROVIDED

Labor and supplies needed to accomplish goals, objectives, and desired outcomes.

INPUTS

- 25-yard outdoor swimming pool
- Open water swimming reservoir

PERFORMANCE MEASURES

- Number of recreational swimmers
- Number of lesson participants
- Percentage of passing swim lessons
- Accidents per season
- Complaints per season
- Compliments per season

Pool	2001	2002	Targeted 2003	Actual 2003
Recreational Swimmers	15,992*	19,907	17,500	12,611
Lesson Participants	880	775	725	740
% Passing Lessons	75%	76%	75%	80%
Accidents per Season	2	1	2	2
Complaints per Season	3	2	2	1
# of Seasonal Employees	20	16	15	14

* Reservoir closed in 2001

PROGRAM / DIVISION SUMMARY:

The key performance indicators for the program are expected to remain constant over the next several budget years. Currently, we are meeting the standards, but a reduction in resources would reduce the ability for the program to maintain its standard, resulting in lower customer satisfaction and a potential for an unsafe aquatic environment.

Ice Rink Facilities

PERSONNEL: 8 Seasonal

GOAL To provide opportunities for ice skating at a clean and safe facility.

DESIRED OUTCOMES

- To provide a clean and attractive facility
- To reduce or eliminate accidents
- To provide a high level of customer satisfaction
- To provide an alternative form of exercising that is safe and fun
- To provide the appropriate number of rink guards to ensure patron safety

RESOURCES PROVIDED

Labor and supplies needed to accomplish goals, objectives, and desired outcomes.

Rink	2001	2002	Targeted 2003	Actual 2003
# of Admissions	15,842	15,685	15,250	12,389
Accidents per Season	4	4	2	1
Complaints per Season	3	2	2	0
# of Seasonal Employees	6	6	6	6

INPUTS

- 60' x 120' outdoor skating rink

PERFORMANCE MEASURES

- Number of admissions
- Accidents per season
- Complaints per season
- Compliments per season

PROGRAM / DIVISION SUMMARY

Key performance indicators for the program are expected to remain constant over the next several budget years. Standards are currently being met. A reduction in resources would reduce the ability for the program to maintain its standards, resulting in lower customer satisfaction and a potential for an unsafe recreational facility.

Golf Division

The Golf Division operates, maintains, and constructs facilities and provides professional services for Oak Knoll Golf Course.

Division Goals

- Increase the overall use of the golf facility.
- Make needed course improvements.
- Increase customer satisfaction.
- Develop a marketing strategy.

Significant Budget Changes

Resources need to be invested in the course to meet performance standards. Investments will include:

- Upgraded irrigation system.
- Increased level of ongoing maintenance.

PERSONNEL: 2.0 FTE

GOAL To provide a full-service golf facility that will provide a quality golfing experience.

DESIRED OUTCOMES

- To increase the overall use of the golf facility
- To make needed course improvements
- To increase customer satisfaction

RESOURCES PROVIDED

Labor, equipment, and supplies are provided to meet the goals and desired outcomes/objectives for the division.

Golf	2001	2002	2003
Total Rounds of Golf	24,848	22,375	22,757

INPUTS

- Rounds played
- Course revenues

PERFORMANCE MEASURES

- Increase/decrease in rounds played
- Increase/decrease in revenues
- Customer satisfaction. Numerous complaints about the condition of tee boxes and sand traps.

EFFICIENCY BUDGET - IMPACT

- 2001 – 2.0 FTE
- 2002 – 2.0 FTE
- 2003 – 2.0 FTE
- 2004 – 2.0 FTE
- 2005 – 2.0 FTE

DIVISION SUMMARY

Key performance indicators are expected to remain constant over the next several budget years. Currently, the division is not meeting performance standards in the areas of course maintenance and improvements. The obsolete irrigation system that at times cannot be adequately repaired is one of the primary reasons for the inability to meet performance standards. In order to meet performance standards, a significant amount of resources will need to be invested in the course as well as an increased level of ongoing maintenance.

parks and recreation department - golf division

PARKS & RECREATION FUND
PARKS & RECREATION DEPARTMENT
GOLF DIVISION

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Personal Services				
510 Salaries and Wages	\$ 102,199	\$ 96,109	\$ 105,600	\$ 113,200
520 Fringe Benefits	35,900	40,887	49,000	52,400
Total Personal Services	138,099	136,996	154,600	165,600
Materials and Services				
601 Supplies	8,482	15,512	7,000	8,300
602 Rental, Repair, Maintenance	83,660	62,025	70,300	89,100
603 Communications	2,094	828	700	700
604 Contractual Services	76,401	78,233	78,000	78,000
605 Misc. Charges and Fees	15,000	-	12,000	6,300
606 Other Purchased Services	1,494	10,573	3,000	10,000
Total Materials and Services	187,131	167,171	171,000	192,400
Capital Outlay				
Buildings	-	-	-	-
Improvements	-	-	16,325	8,000
Total Capital Outlay	-	-	16,325	8,000
Debt Service				
801 Debt Service - Principal	4,290	4,290	5,000	5,000
802 Debt Service - Interest	1,267	1,048	2,000	2,000
Total Debt Service	5,557	5,338	7,000	7,000
	\$ 330,787	\$ 309,504	\$ 348,925	\$ 373,000

Youth Activities Levy Fund

By contractual agreement with the Ashland School District, the levy provides monies for a wide variety of extra-curricular activities for students in the district's elementary, middle, and high schools. Of the fund's resources, \$123,000 is used to enhance recreational opportunities throughout the community.

Fund Goals

- To provide the Ashland School District with the resources to offer a variety of extra-curricular, recreational activities.
- To enhance community recreational activities.

Significant Budget Changes

- In May 2004, voters approved a five-year levy generating and estimated \$2.1 million per year.

YOUTH ACTIVITIES LEVY FUND PARKS & RECREATION DEPARTMENT

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Personal Services				
510 Salaries and Wages	\$ 66,257	\$ 72,985	\$ 81,800	\$ 74,000
520 Fringe Benefits	17,696	15,543	5,200	15,000
Total Personal Services	83,953	88,528	87,000	89,000
Materials and Services				
601 Supplies	34,902	22,873	32,000	34,000
604 Contractual Services	1,726,170	1,777,008	1,856,200	1,972,000
Total Materials and Services	1,761,072	1,799,881	1,888,200	2,006,000
	\$ 1,845,025	\$ 1,888,409	\$ 1,975,200	\$ 2,095,000

Parks Capital Improvement Fund

This fund accounts for revenues from Interfund transfers and depreciation charges that are used for construction of parks and recreation facilities, for equipment acquisition and replacement, and other related purposes.

Fund Goals

- To replace vehicles and equipment as needed.
- To fund long-term development projects.

Significant Budget Changes

- There are no significant budget changes.

**PARKS CAPITAL IMPROVEMENTS FUND
PARKS & RECREATION DEPARTMENT**

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Capital Outlay				
Buildings	\$ -	\$ 8,117	\$ -	\$ -
Equipment	41,551	67,570	135,000	143,000
Improvements	-	3,755	135,000	100,000
Total Capital Outlay	<u>41,551</u>	<u>79,442</u>	<u>270,000</u>	<u>243,000</u>
	<u>\$ 41,551</u>	<u>\$ 79,442</u>	<u>\$ 270,000</u>	<u>\$ 243,000</u>

Interfund Loans

All interfund operating loans, which are not paid back by the end of the fiscal year, are budgeted in the following fiscal year. The loans shown here are for the operations of the Telecommunication Fund.

INTERFUND LOANS

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Other Financing Uses				
901 Electric Fund	\$ 725,000		\$ 400,000	
Water Fund	2,000,000	1,950,000	2,275,000	
Wastewater Fund	1,400,000	3,950,000	4,275,000	
Equipment Fund	500,000		-	
Cemetery Trust Fund	600,000	600,000	-	
Total City	\$ 5,225,000	\$ 6,500,000	\$ 6,950,000	\$ -

Operating Transfer Out

Transfers from one fund to another are shown on this page as expenditures and also in each fund as revenues. The 2005 proposed column represents the normal recurring transfers.

OPERATING TRANSFERS OUT

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Other Financing Uses				
902 General Fund	\$ 267,500	\$ 200,500	\$ 133,500	43,833
Street Fund:				
General Operations	-	-	-	-
S.D.C. - Storm Drains	-	-	-	-
S.D.C. - Transportation	-	-	-	-
Capital Improvements Fund:				
S.D.C. - Parks	268,000	429,000	311,000	320,330
LID's and Transportation	360,908	-	-	-
Affordable Housing	30,000	-	30,000	30,900
Debt Service Fund	40,000	40,000	-	-
Central Services Fund	-	205,000	-	-
Cemetery Trust Fund	26,863	11,608	23,000	12,360
Total City	993,271	886,108	497,500	407,423
Parks and Recreation Funds				
Parks Division	120,000	50,000	70,000	100,000
Golf Division	-	20,000	-	-
Total Parks	120,000	70,000	70,000	100,000
	\$ 1,113,271	\$ 956,108	\$ 567,500	\$ 507,423

Operating Contingencies

In general, operating contingencies meet policy requirements. Overall the contingencies have decreased \$200,000 from the previous year recognizing anticipated project completion in capital intensive enterprises. During 2002 and 2003 no monies are shown as being spent from the contingencies. Instead, a transfer of appropriations by resolution moves the contingency to the appropriation category where actual expenditures are incurred.

OPERATING CONTINGENCIES

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
905 General Fund	\$ -	\$ -	\$ 345,000	\$ 339,636
CDBG Fund	-	-	-	-
Street Fund	-	-	142,000	142,000
Airport Fund	-	-	5,000	5,000
Capital Improvements Fund	-	-	-	-
Debt Service Fund	-	-	-	-
Water Fund	-	-	180,000	180,000
Wastewater Fund	-	-	154,000	154,000
Electric Fund	-	-	350,000	350,000
Telecommunications Fund	-	-	75,000	75,000
Central Services Fund	-	-	140,000	147,382
Insurance Services Fund	-	-	112,000	100,000
Equipment Fund	-	-	175,000	175,000
Total City	-	-	1,678,000	1,668,018
Parks and Recreation Fund	-	-	35,000	35,000
Total Parks	-	-	35,000	35,000
Total	\$ -	\$ -	\$ 1,713,000	\$ 1,703,018

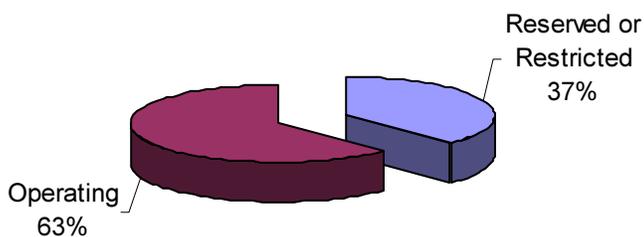
Unappropriated Ending Fund Balance

Budgeted Unappropriated Ending Fund Balance is down \$735,705 or 5.8% which is consistent with overall changes in operating costs and revenue funds.

Additionally, the “mix” has changed between revenues or restricted and operating amounts. As capital projects are completed, revenues held for construction are reduced.

This can be seen by the \$1.8 million drop in revenues and \$1.1 million increase in operating balances. The decreasing trend in actual balances will continue as the City pays for capital projects.

The Makeup of Unappropriated Ending Fund Balance



non-departmental activities

UNAPPROPRIATED ENDING FUND BALANCE

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
909 General Fund	\$ 1,865,212	\$ 1,715,220	\$ 1,315,669	\$ 936,568
Community Block Grant Fund	(35,904)	(32,433)		
Street Fund:				
General Operations	1,436,880	934,212	414,912	649,234
S.D.C. - Storm Drain	317,286	260,393	234,873	145,843
S.D.C. - Transportation	1,030,858	1,334,145	415,805	1,180,969
Airport Fund	22,560	32,135	4,000	42,315
Capital Improvements Fund:				
S.D.C. - Parks	(15,964)			
Affordable Housing	58,448		-	
L.I.D.'S And Transportation			-	
Public Buildings	2,791,122	67,583	429,000	389,839
Debt Service Fund	136,978	282,293	264,900	695,484
Water Fund:				
Construction	334,214			
S.D.C. - Supply	(977,932)	(1,070,990)	(989,021)	(1,441,614)
S.D.C. - Treatment	108,316	471,761	(55,737)	775,608
S.D.C. - Distribution	3,227,787	3,075,926	2,469,221	2,643,321
General Operations	(707,087)	2,185,331	1,401,662	1,547,555
Wastewater Fund:				
S.D.C. - Treatment	(466,459)	(354,444)	(244,884)	(77,178)
S.D.C. - Collection	1,078,410	1,319,761	1,217,701	1,438,930
General Operations	8,578,994	1,390,737	753,434	3,102,043
Electric Fund	1,069,861	1,497,827	763,763	1,812,094
Telecommunications Fund	1,982,175	388,018	269,910	954,723
Central Services Fund	823,405	947,953	145,824	113,758
Insurance Services Fund	204,263	145,978	156,500	471,538
Equipment Fund	783,340	1,121,598	908,740	965,561
Cemetery Trust Fund	72,823	679,646	684,500	681,408
Total City	23,719,586	16,392,650	10,560,772	17,027,999
Parks & Recreation Fund	1,168,934	1,403,171	815,000	965,822
Ashland Youth Activities Fund	36,341	36,403	2,000	2,166
Parks Capital Improvement Fund	280,337	367,733	234,000	169,965
Golf Course Fund			-	
Total Parks and Recreation Funds	1,485,612	1,807,307	1,051,000	1,137,953
	\$ 25,205,198	\$ 18,199,957	\$ 11,611,772	\$ 18,165,952
Reserved or Restricted	\$ 5,073,124	\$ 6,179,619	\$ 4,582,858	\$ 6,904,148
Operating	20,132,074	12,020,338	7,028,914	11,261,804
	\$ 25,205,198	\$ 18,199,957	\$ 11,611,772	\$ 18,165,952



Resources and Long-Term Plan

Resources Summary Long-Term Plan	4-2
Long-Term Plan Fund Totals	4-4
General Fund	4-7
Community Development Block Grant	4-12
Street Fund	4-16
Airport Fund	4-20
Capital Improvements Fund	4-24
Debt Service Fund	4-28
Water Fund	4-32
Wastewater Fund	4-36
Electric Fund	4-40
Telecommunication Fund	4-44
Central Services Fund	4-48
Insurance Services Fund	4-52
Equipment Fund	4-56
Cemetery Trust Fund	4-60
Parks and Recreation Fund	4-64
Parks Capital Improvement Fund	4-68
Youth Activities Levy Fund	4-72

resources summary long-term plan

RESOURCE SUMMARY

	2002	2003	2004	2004	2005
	Actual	Actual	Amended	Estimate	Adopted
Revenues:					
Taxes	\$ 13,656,177	\$ 14,323,252	\$ 15,514,933	\$ 15,214,175	\$ 15,829,081
Licenses and Permits	1,095,654	1,312,818	1,337,000	1,278,000	1,418,120
Intergovernmental Revenues	2,499,118	1,750,445	3,701,615	2,033,606	3,548,763
Charges for Services	25,166,352	30,488,312	31,068,928	31,079,722	31,924,768
Systems Development Charges	1,783,753	1,498,688	1,299,000	1,454,315	1,507,943
Fines and Forfeitures	188,006	107,607	115,000	111,475	118,110
Assessment Payments	193,999	214,607	210,000	152,909	235,634
Interest on Investments	885,769	510,990	428,200	271,139	292,672
Miscellaneous Revenues	745,159	838,971	865,060	1,561,208	975,977
Total Revenues	46,213,987	51,045,690	54,539,736	53,156,549	55,851,068
Budgetary Resources:					
Working Capital Carryover	30,508,514	25,205,231	19,664,629	18,199,957	14,150,299
Other Financing Sources	8,321,913	7,746,875	961,900	375,000	16,000,000
Interfund Loan	8,276,144	11,325,000	12,850,000	12,850,000	6,950,000
Operating Transfers In	1,113,271	681,108	567,500	556,500	507,423
Total Budgetary Resources	48,219,842	44,958,214	34,044,029	31,981,457	37,607,722
Total Resources	\$ 94,433,829	\$ 96,003,904	\$ 88,583,765	\$ 85,138,006	\$ 93,458,790

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget
\$ 16,483,230	\$ 17,262,985	\$ 17,928,950	\$ 16,252,250	\$ 16,911,660
1,489,300	1,564,200	1,642,700	1,724,700	1,810,900
3,546,700	2,225,100	2,462,200	2,725,500	3,764,700
34,158,671	35,688,330	37,025,589	38,643,744	40,324,546
1,563,672	1,960,680	2,038,720	2,123,220	2,214,990
121,600	125,300	129,100	132,900	136,800
338,000	410,200	416,600	423,200	232,000
356,184	425,240	469,850	492,820	660,620
636,071	581,274	683,077	628,878	650,874
58,693,428	60,243,309	62,796,786	63,147,212	66,707,090
19,833,282	20,651,947	22,077,026	22,026,103	27,680,253
3,250,000	3,900,000	-	4,814,678	1,000,000
-	-	-	-	-
299,760	281,760	273,760	273,760	273,760
23,383,042	24,833,707	22,350,786	27,114,541	28,954,013
\$ 82,076,470	\$ 85,077,016	\$ 85,147,572	\$ 90,261,753	\$ 95,661,103

long-term plan fund totals

FUND TOTALS	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
General Fund	\$ 12,034,578	\$ 12,639,973	\$ 13,758,193	\$ 12,961,794	\$ 13,669,758
Community Development Block Grant Fund	86,987	49,341	656,815	46,429	521,978
Street Fund	5,637,607	8,300,837	6,697,900	6,558,906	5,998,636
Airport Fund	93,470	235,609	843,550	809,269	956,037
Capital Improvements Fund	11,427,353	5,108,583	1,657,600	950,712	898,279
Debt Service Fund	893,048	1,101,820	1,442,900	1,365,960	1,742,286
Water Fund	7,769,670	13,567,129	11,284,800	11,024,828	9,723,147
Wastewater Fund	20,063,489	15,547,854	11,238,000	10,316,664	9,504,875
Electric Fund	11,279,663	12,176,588	13,357,400	13,104,227	14,140,635
Telecommunications Fund	9,212,952	9,861,796	10,136,000	9,771,018	18,068,920
Central Services Fund	4,751,945	5,676,166	5,572,600	5,899,839	5,748,694
Insurance Services Fund	773,785	858,516	1,013,000	1,334,391	1,218,068
Equipment Fund	2,928,705	2,651,415	2,625,200	2,518,791	2,522,981
Cemetery Trust Fund	699,686	691,254	707,500	692,571	693,768
Total by Fund	87,652,938	88,466,881	80,991,458	77,355,399	85,408,062
Parks and Recreation Fund	4,577,637	5,165,036	5,111,107	5,255,671	5,540,597
Ashland Youth Activities Levy Fund	1,881,366	1,924,812	1,977,200	1,993,403	2,097,166
Parks Capital Imp Fund	321,888	447,175	504,000	533,533	412,965
Total Parks	6,780,891	7,537,023	7,592,307	7,782,607	8,050,728
Grand total	\$ 94,433,829	\$ 96,003,904	\$ 88,583,765	\$ 85,138,006	\$ 93,458,790

long-term plan fund totals

	2006	2007	2008	2009	2010
	Budget	Budget	Budget	Budget	Budget
\$	13,573,935	\$ 13,792,360	\$ 14,094,560	\$ 14,486,160	\$ 14,980,660
	221,000	221,000	221,000	221,000	221,000
	6,594,946	6,538,719	6,443,319	5,673,219	7,603,419
	309,065	310,493	312,671	630,277	355,099
	4,277,476	3,528,276	2,816,776	3,133,576	3,471,276
	1,747,226	1,997,226	2,246,226	2,502,226	2,568,226
	8,562,217	10,326,836	8,767,837	13,164,833	12,955,577
	9,004,052	9,297,428	9,455,428	9,965,428	10,821,428
	14,942,294	15,877,007	16,763,607	17,598,707	18,382,307
	4,453,459	4,506,076	4,611,553	5,074,132	5,705,632
	6,121,390	6,507,402	6,759,402	6,982,302	7,278,702
	1,236,259	1,281,566	1,334,566	1,396,566	1,468,566
	2,598,234	2,717,740	2,922,740	3,127,740	3,370,740
	695,108	702,308	709,808	717,608	725,808
	74,336,661	77,604,437	77,459,493	84,673,774	89,908,440
	5,237,928	5,013,488	5,157,488	5,321,488	5,508,488
	2,183,016	2,238,716	2,305,416	33,416	-
	318,865	220,375	225,175	233,075	244,175
	7,739,809	7,472,579	7,688,079	5,587,979	5,752,663
\$	82,076,470	\$ 85,077,016	\$ 85,147,572	\$ 90,261,753	\$ 95,661,103



General Fund Narrative

Ashland's diverse tax revenues are emphasized in this General Fund budget with five classifications of taxes, none bearing more than 16 percent of total resources. Taxes represent 55 percent of the proposed revenues, with current property taxes and electrical utility users tax each comprising 19 percent of the total. Highlighted below are significant resource items.

Current Property Taxes. This is the City portion of the City of Ashland's permanent tax rate as defined by Measure 50. The permanent tax rate is split between the General fund and the Parks fund. The General fund tax rate is \$1.4719 with revenues increasing \$199,580 over budget 2004 due to higher assessed property values and growth.

Electric Utility Users Tax. The Electric Utility Users Tax is equal to 25 percent of the electric bill. This line item's increase was held to 1.04% over the present budget by excluding half of the purchased power cost related increases from calculations.

Cable TV Franchise. The 5 percent franchise tax on cable TV is split, with 70 percent going to the General Fund and the balance to the Street Fund. Fifty-seven percent of the General Fund tax is dedicated to support the public access TV channel with Southern Oregon University. The City has negotiated a 75-cent per account Public Education and Government (PEG) access fee. This fee is dedicated to the public access channel.

Natural Gas Franchise. The total franchise fee as shown in this budget is 5 percent of the gas utility's gross receipts. The fee is projected to increase with growth.

Telephone Franchise. This line item is expected to stabilize in the following years after settlement with Qwest.

Water Occupation Tax. The Water Occupation Tax is equal to 5 percent of water revenues.

Hotel-Motel Tax. Included in this document is a 2% increase in the total Hotel-Motel Tax over the present budget. Hotel-Motel Tax collections are projected to continue to grow.

Building Permits. The proposed budget shows a decrease in building permits for 2004 Budget due to large projects that have been completed in the City.

Planning and Zoning Fees. The proposed budget includes increased planning fees over the next three years to better balance the costs associated with development with those planning costs that should be paid for by users other than the general property tax payer. The staff recommends that planning fees be increased again in the future.

State Liquor Tax, Cigarette Tax, and State Revenue Sharing. Estimates are based on per capita information compiled by the League of Oregon Cities. Total Intergovernmental Revenues have leveled off and are trending to increase proportionately with population growth.

Ambulance Revenues. Ambulance revenues are based on transports consistent with prior years.

Long-Term Assumptions

- Property assessed valuation growth will be 3% plus new construction of 2%.
- Property tax rate will not exceed \$1.47 City, \$2.09 Parks, \$3.56 combined. (Total authorized is \$4.29).
- Electric Utility Users Tax and Utility Franchise revenue will increase an average of 1.5% in addition to applicable rate increases.
- Natural gas franchise revenue will increase 3% on average.
- Telephone Franchise revenue will increase 3% on average.
- Water franchise revenue will increase 3% on average.
- Wastewater franchise revenue will increase 3% on average.
- Transit occupancy revenue will increase 1.5% on average.
- Planning fees will increase to provide approximately 40% of Planning Department related costs.
- Building permits and fees will provide approximately 3% on average.
- Intergovernmental revenues will grow at 1.5% on average.
- Court fees will grow at 3% on average.
- Ambulance revenues will grow at 3% per year.
- The City will comply with Federal and State requirements.
- Ambulance revenues will grow at 3% per year.
- The City will comply with Federal and State requirements.

general fund resources

GENERAL FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
400 Working Capital Carryover	\$ 1,962,295	\$ 1,865,212	\$ 1,797,800	\$ 1,455,429
Taxes				
Property Taxes				
Current	1,846,526	1,968,692	2,047,000	2,246,580
Prior	98,924	91,394	105,000	80,000
Electric Utility User Tax	1,769,923	1,929,092	2,165,583	2,256,000
Franchises	1,498,296	1,574,540	2,203,150	1,988,430
License	160,963	160,058	168,000	172,845
Hotel/Motel Tax	1,167,655	1,254,631	1,312,000	1,338,240
410 Total Taxes	6,542,287	6,978,408	8,000,733	8,082,095
Licenses and Permits				
Planning and Zoning Fees	591,436	767,119	596,000	756,070
Building Permits	504,218	545,699	741,000	617,050
Fire Permits				45,000
420 Total Licenses and Permits	1,095,654	1,312,818	1,337,000	1,418,120
Intergovernmental Revenues				
Federal	38,000	25,138	441,000	439,565
State	425,775	394,588	374,000	453,570
430 Total Intergovernmental	463,775	419,725	815,000	893,135
Charges for Services				
Police	224,042	157,332	139,000	143,400
Court	410,542	368,824	428,000	378,200
Fire and Rescue	801,673	997,537	770,000	794,880
Cemetery	48,284	54,368	57,000	51,390
Planning Division Services	106,000	85,888	75,000	112,270
Building Division Services	1,950	76,022	50,000	104,030
Rent	355	2,669	4,000	1,240
440 Total Charges for Services	1,592,847	1,742,639	1,523,000	1,585,410
Fines				
Court Fines	188,006	107,607	115,000	118,110
450 Total Fines	188,006	107,607	115,000	118,110
Interest on Investments				
Interest on Pooled Investments	53,482	26,426	31,000	16,700
470 Total Interest on Investments	53,482	26,426	31,000	16,700

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
Miscellaneous Revenues				
Donations	2,070	82,343	31,660	51,000
Miscellaneous Income	(11,674)	8,509	5,000	6,500
Notes Receivable Payments	48,972	44,677	49,000	
480 Total Miscellaneous Revenues	39,368	135,529	85,660	57,500
Other Financing Sources				
Operating Transfers In				
From Capital Improvements	30,000		30,000	30,900
From Debt Service Fund	40,000	40,000		
From Cemetery Trust	26,863	11,608	23,000	12,360
490 Total Other Financing Sources	96,863	51,608	53,000	43,260
Total General Fund	\$ 12,034,577	\$ 12,639,972	\$ 13,758,193	\$ 13,669,759

general fund long-term plan

GENERAL FUND	2002	2003	2004	2004	2005
#110	Actual	Actual	Amended	Estimate	Adopted
Revenues					
Taxes	6,542,287	6,978,409	\$ 8,000,733	\$ 7,726,366	\$ 8,082,095
Licenses and Permits	1,095,654	1,312,818	1,337,000	1,278,000	1,418,120
Intergovernmental Revenue	463,775	419,725	815,000	515,595	893,135
Charges for Services	1,592,847	1,742,639	1,523,000	1,505,792	1,585,410
Fines and Forfeitures	188,006	107,607	115,000	111,475	118,110
Interest on Pooled Investments	53,482	26,426	31,000	16,426	16,700
Miscellaneous Revenues	39,369	135,529	85,660	50,920	57,499
Operating Transfers In	96,863	51,608	53,000	42,000	43,260
Total Revenues	10,072,283	10,774,761	11,960,393	11,246,574	12,214,329
Expenditures					
Administration	158,565	93,162	97,000	106,400	109,600
Administration - Senior Program	113,938	111,883	117,135	113,303	115,545
Finance - Municipal Court	231,938	256,003	296,000	295,250	297,426
Finance - Social Services Grant	98,574	101,521	132,400	122,400	110,000
Finance - Economic and Cultural Grants	384,000	387,000	436,900	406,900	445,600
Finance - Miscellaneous	5,313	4,303	25,660	25,000	25,000
Finance - Band	47,942	51,777	56,750	56,750	57,490
Police	3,774,335	4,040,649	4,284,470	4,122,126	4,375,830
Fire and Rescue	3,507,619	3,965,547	4,500,404	4,112,736	4,788,107
Public Works - Cemetery	258,611	283,166	296,890	315,000	298,260
Community Development - Planning	692,240	763,508	976,040	959,000	1,027,055
Community Development - Building	628,791	665,734	744,375	738,000	699,808
Operating Transfers Out	267,500	200,500	133,500	133,500	43,833
Operating Contingency	-	-	345,000	-	339,636
Total Expenditures	10,169,366	10,924,753	12,442,524	11,506,365	12,733,190
Excess (Deficiency) of Revenues over Expenditures	(97,083)	(149,992)	(482,131)	(259,791)	(518,861)
Working Capital Carryover	1,962,295	1,865,212	1,797,800	1,715,220	1,455,429
Ending Fund Balance	\$ 1,865,212	\$ 1,715,220	\$ 1,315,669	\$ 1,455,429	\$ 936,568
Fund Balance Policy Requirement	1,007,000	1,077,000	1,196,000	1,116,000	1,221,000
Fund Balance and Contingency	1,865,212	1,715,220	1,660,669	1,485,000	1,276,204
Excess (Deficiency)	858,212	638,220	464,669	369,000	55,204

general fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$ 8,391,875	\$ 8,641,500	\$ 9,002,300	\$ 9,379,800	\$ 9,775,000	Calculated	
1,489,300	1,564,200	1,642,700	1,724,700	1,810,900	Calculated	
541,000	549,300	557,800	566,600	575,400	Calculated	
1,634,400	1,685,200	1,737,600	1,791,700	1,847,600	Calculated	
121,600	125,300	129,100	132,900	136,800	Calculated	
17,200	17,700	18,200	18,700	19,300	Calculated	103.0%
59,300	58,900	60,600	62,500	64,400		
43,260	43,260	43,260	43,260	43,260	Flat	
12,297,935	12,685,360	13,191,560	13,720,160	14,272,660		
114,984	117,000	119,000	121,000	123,000		102.0%
120,447	124,000	128,000	132,000	136,000		103.0%
310,404	320,000	330,000	340,000	350,000		103.0%
112,200	114,000	116,000	118,000	120,000		102.0%
446,324	459,600	466,500	473,500	480,600	Calculated 33.34% of Hotel Tax	
25,000	6,000	6,000	6,000	6,000	Flat	
59,020	61,000	63,000	65,000	67,000		103.0%
4,583,473	4,791,000	4,995,000	5,205,000	5,421,000		103.0%
4,580,134	4,718,000	4,860,000	5,006,000	5,156,000		103.0%
309,332	319,000	329,000	339,000	349,000		103.0%
1,073,154	1,105,000	1,138,000	1,172,000	1,207,000		103.0%
731,737	754,000	777,000	800,000	824,000		103.0%
630	1,000	1,000	1,000	1,000		
350,000	381,000	396,000	412,000	428,000		
12,816,839	13,270,600	13,724,500	14,190,500	14,668,600		
(518,904)	(585,240)	(532,940)	(470,340)	(395,940)		
1,276,000	1,107,000	903,000	766,000	708,000	Assumes contingency is not used	
\$ 757,096	\$ 521,760	\$ 370,060	\$ 295,660	\$ 312,060		
1,230,000	1,269,000	1,319,000	1,372,000	1,427,000		
1,107,096	902,760	766,060	707,660	740,060		
(122,904)	(366,240)	(552,940)	(664,340)	(686,940)		

CDBG Narrative

The City of Ashland is an entitlement city for Community Development Block Grant funds from the Department of Housing and Urban Development (HUD). This will be the tenth year the City has received these funds that must be used to assist low and moderate income neighborhoods and households.

This year's federal allocation is approximately \$521,978. The funds are used for a variety of purposes that include administration, architectural barrier removal to comply with the Americans with Disabilities Act, and public facilities such as sidewalks in qualifying neighborhoods.

Past grants have included the purchase of a site for the Interfaith Care Community of Ashland (ICCA) to operate a homeless resource center, the Jackson County Housing Authority for rehabilitation and repair of homes of qualifying families, Community Works for the Ashland Family Resource Center, and ACCESS, Inc. for a weatherization program for homes of qualifying families.

The Budget Committee will approve the budget and set the appropriation level while another group, empowered by the city council, will evaluate proposed programs and develop recommended actions.

Long-Term Assumptions

The Community Development Block Grant is expected to remain constant.

Fund Balance

There is no fund balance policy.

community development block grant fund resources

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
400 Working Capital Carryover	\$ (142,463)	\$ (35,904)		
Intergovernmental Revenues				
Federal:	229,450	85,245	656,815	521,978
430 Total Intergovernmental	229,450	85,245	656,815	521,978
Interest on Investments				
Interest on Pooled Investments	-	-	-	-
470 Total Interest on Investments	-	-	-	-
Total Community Development Block Grant Fund	\$ 86,987	\$ 49,341	\$ 656,815	\$ 521,978

community development block grant long-term plan

COMMUNITY DEVELOPMENT BLOCK GRANT FUND #250	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
Revenues					
Intergovernmental Revenue	\$ 229,450	\$ 85,245	\$ 656,815	\$ 78,862	\$ 521,978
Interest on Investments					
Total Revenues	229,450	85,245	656,815	78,862	521,978
Expenditures					
Personal Services	43,115	41,100	45,300	46,000	31,000
Materials and Services	79,776	40,674	611,515	429	490,978
Capital Outlay					
Total Expenditures	122,891	81,774	656,815	46,429	521,978
Excess (Deficiency) of Revenues over Expenditures	106,559	3,471		32,433	
Working Capital Carryover	(142,463)	(35,904)		(32,433)	
Ending Fund Balance	\$ (35,904)	\$ (32,433)	\$ -	\$ -	\$ -

No Fund Balance Policy

community development block grant long-term plan

	2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$	221,000	\$ 221,000	\$ 221,000	\$ 221,000	\$ 221,000	Assumed flat	
	-	-	-	-	-		
	221,000	221,000	221,000	221,000	221,000		
	44,000	44,000	44,000	44,000	44,000		
	177,000	177,000	177,000	177,000	177,000		
	-	-	-	-	-		
	221,000	221,000	221,000	221,000	221,000		
\$	-	\$ -	\$ -	\$ -	\$ -		-

Street Fund Narrative

Taxes-Cable TV Franchise. The 5 percent cable TV franchise fee is split, with 30 percent placed in the Street Fund and the balance in the General Fund. It is expected to be stable.

Taxes-Electric Utility Franchise. A portion of the Electric Utility Franchise Fee is used to fund street maintenance in the Street Fund. \$200,000 was allocated here to fund needed projects for the coming year.

Intergovernmental Revenues. The primary source of Intergovernmental Revenue, the State Gasoline Tax is budgeted at approximately \$39.24 per capita, an increase of \$1.90 over the prior year. Also included in this budget are the State and Federal grants and the amounts co-funded by various local governmental agencies for City Transportation projects.

Charges for Service-Storm Drain Utility Fee. This fee is calculated on the impervious area for commercial customers. Residential customers pay a flat fee per month. The City updated the storm drain data and adopted a rate design in 1994.

Charges for services-Transportation Utility Fee. The Transportation Utility fee was last increased on July 1, 2003.

Long-Term Assumptions

- Transportation Utility fees and Storm Drain fees are expected to increase by 1.5% annually based on growth
- Transportation Utility Fees and Storm Drain fees are expected to increase by 10% in July 1, 2004.
- Requires debt financing on current and future large projects.

STREET FUND				
Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
400 Working Capital Carryover	\$ 2,160,057	\$ 2,785,057	\$ 2,925,000	\$ 1,957,106
Taxes				
Franchises:	427,082	336,983	245,000	245,251
410 Total Taxes	427,082	336,983	245,000	245,251
Intergovernmental Revenues				
Federal:	-	-	-	-
State:	890,669	3,529,435	1,451,000	900,000
County and Other:	-	-	-	-
430 Total Intergovernmental	890,669	3,529,435	1,451,000	900,000
Charges for Services				
Public Works Services	45,473	8,364	1,000	11,330
System Development Charges:	498,216	430,806	360,000	432,146
Sales:	-	-	-	-
Storm Drain Utility	255,882	259,808	285,000	306,988
Transportation Utility Fee	763,816	779,556	835,000	919,545
440 Total Charges for Services	1,563,387	1,478,535	1,481,000	1,670,010
Assessments and Consortiums				
UnBonded Assessments	-	5,637	10,000	20,000
UnAssessed Principal	-	113,810	120,000	150,000
Developer Co-involvement	133,335	10,413	20,000	30,000
460 Total Assessments and Consortiums	133,335	129,859	150,000	200,000
Interest on Investments				
Interest on Pooled Investments	61,091	37,119	58,000	25,619
Interest on Proprietary	650	325	-	-
470 Total Interest on Investments	61,741	37,444	58,000	25,619
Miscellaneous Revenues				
Miscellaneous Income	40,428	3,525	1,000	650
480 Total Miscellaneous Revenues	40,428	3,525	1,000	650
Other Financing Sources				
Other	-	-	386,900	1,000,000
Operating Transfers In	360,908	-	-	-
490 Total Other Financing Sources	360,908	-	386,900	1,000,000
Total Street Fund	\$ 5,637,607	\$ 8,300,837	\$ 6,697,900	\$ 5,998,636

street fund long-term plan

STREET FUND #260	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
Revenues					
Taxes	\$ 427,082	\$ 336,983	\$ 245,000	\$ 238,108	\$ 245,251
Intergovernmental Revenue	812,448	810,501	811,000	845,215	900,000
Intergovernmental Revenue Grants	78,221		640,000		
Charges for Services	1,065,171	1,047,728	1,121,000	1,168,108	1,237,864
Jurisdictional exchange		2,718,934		1,216,000	
Sys. Dev. Charges-Storm Drain	61,360	77,892	120,000	140,000	150,000
Sys. Dev. Charges-Transportation	436,856	352,914	240,000	279,560	282,146
Assessment Revenues	133,335	129,859	150,000	117,275	200,000
Interest on Investments	61,741	37,444	58,000	25,240	25,619
Miscellaneous Revenues	40,428	3,525	1,000	650	650
Other Financing Sources			386,900		1,000,000
Operating Transfers In	360,908		-	-	
Total Revenues	3,477,550	5,515,780	3,772,900	4,030,156	4,041,530
Expenditures					
Street Operations	1,916,025	4,730,409	3,248,460	3,221,900	2,186,755
Boulevard Maintenance			151,100	85,000	165,000
Storm Water Operations	708,308	740,655	786,250	770,900	702,380
Storm Drains - SDC	76,296	138,404	92,400	146,500	258,050
Transportation - SDC	151,921	61,276	481,400	366,832	348,050
Transportation - LID		101,343	730,700	11,500	220,355
Debt Service					
Operating Transfers Out					
Operating Contingency			142,000		142,000
Total Expenditures	2,852,550	5,772,087	5,632,310	4,602,632	4,022,590
Excess (Deficiency) of Revenues over Expenditures	625,000	(256,307)	(1,859,410)	(572,476)	18,940
Working Capital Carryover	2,160,057	2,785,057	2,925,000	2,528,750	1,957,106
Ending Fund Balance	\$ 2,785,057	\$ 2,528,750	\$ 1,065,590	\$ 1,956,274	\$ 1,976,046
SDC Storm Balance	317,319	260,393	234,873	253,893	145,843
SDC Transportation Balance	1,030,858	1,334,145	415,805	1,246,873	1,180,969
Operations Fund Balance	1,436,880	934,212	414,912	455,508	649,234
Total Fund Balance	2,785,057	2,528,750	1,065,590	1,956,274	1,976,046
Fund Balance Policy Requirement	298,000	508,000	341,000	403,000	361,000
Excess (deficiency)	1,138,880	426,212	73,912	(433,784)	288,234

street fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
252,600	360,200	371,000	382,100	393,600		103.0%
927,000	954,800	983,400	1,012,900	1,043,300		103.0%
1,259,000	200,000	400,000	625,000	1,625,000	Calculated for projects	103.0%
1,299,800	1,364,800	1,433,000	1,504,700	1,579,900	10% in 2005	105.0%
						103.0%
154,500	159,100	163,900	168,800	173,900		103.0%
290,600	299,300	308,300	317,500	327,000		103.0%
206,000	212,200	218,600	225,200	232,000	Calculated for projects	103.0%
26,400	27,200	28,000	28,800	29,700		103.0%
61,000	1,000	76,000	1,000	1,000		
	1,200,000			1,000,000		
-	-	-	-	-		
4,476,900	4,778,600	3,982,200	4,266,000	6,405,400		
3,307,940	2,706,000	3,059,400	2,670,700	4,075,680	Calculated for projects	104.0%
138,375	143,900	149,700	155,700	161,900		104.0%
726,852	748,700	771,200	794,300	818,100		103.0%
92,960	50,220	105,300	18,000	36,800	Calculated for projects	103.0%
290,750	60,000	279,500	492,500	1,587,500	Calculated for projects	103.0%
127,950	218,780	421,000	94,000	131,020	Calculated for projects	103.0%
150,000	150,000	250,000	250,000	250,000		
142,000	142,000	142,000	142,000	142,000		
4,976,827	4,219,600	5,178,100	4,617,200	7,203,000		
(499,927)	559,000	(1,195,900)	(351,200)	(797,600)		
2,118,046	1,760,119	2,461,119	1,407,219	1,198,019	Assumes contingency is not used	
\$ 1,618,119	\$ 2,319,119	\$ 1,265,219	\$ 1,056,019	\$ 400,419		
207,383	316,263	374,863	525,663	662,763		
1,180,819	1,420,119	1,448,919	1,273,919	13,419		
229,917	582,737	(558,563)	(743,563)	(275,763)		
1,618,119	2,319,119	1,265,219	1,056,019	400,419		
403,000	432,000	351,000	378,000	590,000		
(173,083)	150,737	(909,563)	(1,121,563)	(865,763)		

Airport Fund Narrative

This special revenue fund is used to account for Airport operations and revenues from service charges, rental, and lease fees.

Intergovernmental Revenues. This budget shows FAA grants for improvements to the airport of \$808,650. The soft match of \$30,000 will come from the Public Works Central Services Fund.

Rental Income. The 2005 budget calls for an increase in lease and rental fees of 3% to 5% starting in 2006 as needed, plus additional miscellaneous income to generate the necessary revenues for operations.

Long-Term Assumptions

- The 2005 budget includes increased rental revenues and prepaids on 14 new nested T-hangars.
- Operational expenses will increase at 5% per year.

Fund Balance

The fund balance policy requires a balance of 16 percent of revenues. The Long-term budget shows that this balance cannot be maintained without additional revenues.

AIRPORT FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
400 Working Capital Carryover	\$ 16,844	\$ 22,560	\$ 12,950	\$ 55,387
Intergovernmental Revenues				
Federal:	-	156,141	370,000	778,650
430 Total Intergovernmental	-	156,141	370,000	778,650
Charges for Services				
Rent:	72,758	53,321	81,400	110,000
440 Total Charges for Services	72,758	53,321	81,400	110,000
Interest on Investments				
Interest on Pooled Investments	204	(414)	200	2,000
470 Total Interest on Investments	204	(414)	200	2,000
Miscellaneous Revenues				
Miscellaneous Income	3,664	4,000	4,000	10,000
480 Total Miscellaneous Revenues	3,664	4,000	4,000	10,000
Other Financing Sources				
490 Total Other Financing Sources	-	-	375,000	-
Total Airport Fund	\$ 93,470	\$ 235,609	\$ 843,550	\$ 956,037

airport fund long-term plan

AIRPORT FUND #280	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
Revenues					
Intergovernmental Revenue	\$ -	\$ 156,141	\$ 370,000	\$ 276,134	778,650
Charges for Services	72,758	53,321	81,400	75,000	110,000
Interest on Investments	204		200	1,000	2,000
Other Financing Sources			375,000	375,000	
Miscellaneous	3,664	3,587	4,000	50,000	10,000
Total Revenues	76,626	213,049	830,600	777,134	900,650
Expenditures					
Materials and Services	70,910	69,753	114,550	90,400	95,000
Capital Outlay		133,721	750,000	663,482	808,650
Capital soft match			(30,000)		(30,000)
Debt Service					35,072
Operating Contingency			5,000		5,000
Total Expenditures	70,910	203,474	839,550	753,882	913,722
Excess (Deficiency) of Revenues over Expenditures	5,716	9,575	(8,950)	23,252	(13,072)
Working Capital Carryover	16,844	22,560	12,950	32,135	55,387
Ending Fund Balance	\$ 22,560	\$ 32,135	\$ 4,000	\$ 55,387	\$ 42,315
Fund Balance Policy Requirement	12,000	34,000	133,000	43,000	144,000
Excess (deficiency)	10,560	(1,865)	(129,000)	(32,000)	(101,685)

airport fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000		
115,000	121,000	127,000	133,000	140,000		105.0%
1,750	1,500	1,250	1,000	500		
			314,678			
10,000	10,000	10,000	10,000	10,000	Flat	
261,750	267,500	273,250	593,678	285,500		
96,000	101,000	106,000	111,000	117,000		105.0%
150,000	150,000	150,000	150,000	150,000	Soft Match in Central Service Charges	
(15,000)	(15,000)	(15,000)	(15,000)	(15,000)		
35,072	35,072	35,072	314,678	40,000		
5,000	5,000	5,000	5,000	5,000	Assumes contingency is not used	
271,072	276,072	281,072	565,678	297,000		
(9,322)	(8,572)	(7,822)	28,000	(11,500)		
47,315	42,993	39,421	36,599	69,599		
\$ 37,993	\$ 34,421	\$ 31,599	\$ 64,599	\$ 58,099		
42,000	43,000	44,000	95,000	46,000		
(4,007)	(8,579)	(12,401)	(30,401)	12,099		

CIP Fund Narrative

Prepared Food and Beverage Tax. In March of 1993 the citizens approved a prepared food and beverage tax. One percent (1/5 of the revenues) of the tax (\$342,885) is dedicated to purchasing park and open space properties. The other 4% of the tax are dedicated to the Wastewater Treatment Plant upgrade and are shown in the Wastewater Fund. The tax sunsets in December 2010.

System Development Charges. The City revised System Development Charges for water, wastewater, transportation, storm drain, and parks during the 1996-97 fiscal year. This budget includes only the Parks SDCs. Other SDCs are shown in the appropriate operating department funds.

Assessment Payments. These are payments made on Local Improvement Projects by property owners prior to the City permanently financing the project. After the project is financed the payments are made to the Debt Fund. Property owners pay for the improvements upon completion of the project either over time or in full.

Long-Term Assumptions

- Construction of Fire Station Two will cost \$3 million in FY 2006-07.

Fund Balance

There is no fund balance policy for this fund.

capital improvements plan fund resources

CAPITAL IMPROVEMENTS FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
400 Working Capital Carryover	\$ 8,701,848	\$ 2,833,606	\$ 383,000	\$ 358,983
Taxes				
Franchises:	36,787	40,552	-	
Food and Beverage Tax	317,069	320,043	340,000	342,885
410 Total Taxes	353,856	360,595	340,000	342,885
Intergovernmental Revenues				
Federal:	-	-	-	-
State:	600,000	-	-	-
Local:	-	-	-	-
430 Total Intergovernmental	600,000	-	-	-
Charges for Services				
Rent:	4,675	4,500	-	4,500
System Development Charges:	195,990	130,486	190,000	113,047
Use of Facilities Fee	127,000	104,500	150,000	69,990
440 Total Charges for Services	327,665	239,486	340,000	187,537
Assessments				
Unbonded Assessments:	-	-	-	-
460 Total Assessment Payments	-	-	-	-
Interest on Investments				
Interest on Pooled Investments	187,654	33,868	8,000	1,624
470 Total Interest on Investments	187,654	33,868	8,000	1,624
Miscellaneous Revenues				
Donations:	2,567	-	-	-
Loan Proceeds:	329,674	11,903	10,000	-
Miscellaneous Income	-	-	369,300	-
Notes Receivable Payments	24,089	7,250	7,300	7,250
480 Total Miscellaneous Revenues	356,330	19,153	386,600	7,250
Other Financing Sources				
Proceeds from Debt Issuance	900,000	1,621,875	200,000	-
Operating Transfers In:	-	-	-	-
From Street Fund	-	-	-	-
From Parks and Recreation	-	-	-	-
490 Total Other Financing Sources	900,000	1,621,875	200,000	-
Total Capital Improvements Fund	\$ 11,427,353	\$ 5,108,583	\$ 1,657,600	\$ 898,279

capital improvements plan fund long-term plan

CAPITAL IMPROVEMENTS FUND	2002	2003	2004	2004	2005
#410	Actual	Actual	Amended	Estimate	Adopted
Revenues					
Taxes	\$ 353,856	\$ 360,596	\$ 340,000	\$ 332,900	\$ 342,885
Intergovernmental Revenues	600,000				
Charges for Services	327,665	109,000	150,000	62,300	74,490
System Dev. Charges	-	130,486	190,000	109,755	113,047
Interest on Investments	187,654	33,867	8,000	1,600	1,624
Miscellaneous Revenues	356,330	19,153	386,600	376,574	7,250
Other Financing Sources	900,000	1,621,875	200,000		
Operating Transfers In					
Total Revenues	2,725,505	2,274,977	1,274,600	883,129	539,296
Expenditures					
Materials and Services	38,523	48,385	58,300	41,097	
Capital Outlay	7,896,316	4,563,615	829,300	209,632	157,210
Operating Transfers Out	658,908	429,000	341,000	341,000	351,230
Operating Contingency					
Total Expenditures	8,593,747	5,041,000	1,228,600	591,729	508,440
Excess (Deficiency) of Revenues over Expenditures	(5,868,242)	(2,766,023)	46,000	291,400	30,856
Working Capital Carryover	8,701,848	2,833,606	383,000	67,583	358,983
Ending Fund Balance	\$ 2,833,606	\$ 67,583	\$ 429,000	\$ 358,983	\$ 389,839

No Fund Balance required

capital improvements plan fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$ 353,175	\$ 363,800	\$ 374,700	\$ 385,900	\$ 397,500	Food & Beverage tax ends Dec 2010	103.0%
	-	-	-	-		
159,125	163,900	168,800	173,900	179,100		103.0%
116,439	119,900	123,500	127,200	131,000		103.0%
1,648	1,700	1,800	1,900	2,000		103.0%
7,250	7,500	7,700	7,900	8,100		103.0%
3,250,000	-	-	-	-		
-	-	-	-	-		
3,887,637	656,800	676,500	696,800	717,700		
-	-	-	-	-		103.0%
1,200,000	1,200,000	200,000	200,000	200,000	Per CIP	103.0%
206,000	188,000	180,000	180,000	180,000		103.0%
1,406,000	1,388,000	380,000	380,000	380,000	No Requirement	
2,481,637	(731,200)	296,500	316,800	337,700		
389,839	2,871,476	2,140,276	2,436,776	2,753,576		
\$ 2,871,476	\$ 2,140,276	\$ 2,436,776	\$ 2,753,576	\$ 3,091,276		

Debt Service Fund Narrative

This fund accounts for most long-term indebtedness, both bonded and unbonded. The Bancroft bond fund, General Obligation Bond Fund were merged with the Debt service fund. All enterprise debt is found in the appropriate fund.

Property Taxes. The proposed budget calls for the following property tax levies:

1997 Flood Restoration Bond issue	\$ 97,000
2000 Fire Station Bond issue	<u>285,000</u>
Total	\$382,000

Assessment Payments. Benefited property owners are eligible to pay for their assessments over a ten-year period at an interest rate ranging from 6.95 percent to 10.5 percent.

Operating Transfers In. This budget proposes a transfer of up to \$320,330 from open space monies and parks SDC for the notes on the Siskiyou Mountain, Mountain Avenue, and Strawberry Lane Parks. The prepared food and beverage tax and parks System Development Charges are the resources for these land payments.

Fund Balance

The fund balance policy requires a balance of annual revenue as required by specific debt instruments. This balance is being met through out the long-term budget.

debt service fund resources

DEBT SERVICE FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
400 Total Working Capital Carryover	\$ 103,883	\$ 136,978	\$ 344,000	\$ 187,960
Taxes				
Property Taxes:				
Current	381,827	374,161	382,000	360,000
Prior	14,421	16,167	21,000	14,000
410 Total Taxes	396,248	390,328	403,000	374,000
Charges for Services				
Rent:	56,877	144,789	289,600	289,926
440 Total Charges for Services	56,877	144,789	289,600	289,926
Assessments				
Principle Assessments:	60,664	84,748	60,000	35,634
Interest Assessments:	-	-	-	-
460 Total Assessment Payments	60,664	84,748	60,000	35,634
Interest on Investments				
Interest on Pooled Investments	7,304	6,676	6,000	5,134
470 Total Interest on Investments	7,304	6,676	6,000	5,134
Miscellaneous Revenues				
Miscellaneous Income	72	29,302	29,300	29,302
Notes Receivable Payments	-	-	-	-
480 Total Miscellaneous Revenues	72	29,302	29,300	29,302
490 Other Financing Sources				
Proceeds from Debt Issuance				500,000
Operating Transfers In:				-
From Capital Improvements Fund	268,000	309,000	311,000	320,330
From General Bond Fund	-	-	-	-
From Bancroft Bond Fund	-	-	-	-
490 Total Other Financing Sources	268,000	309,000	311,000	820,330
Total Debt Service Fund	\$ 893,048	\$ 1,101,820	\$ 1,442,900	\$ 1,742,286

debt service fund long-term plan

DEBT SERVICE FUND #530	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
Revenues					
Taxes	\$ 396,248	\$ 390,328	\$ 403,000	\$ 421,191	\$ 374,000
Charges for Services	56,877	144,789	289,600	281,482	289,926
Assessment Payments	60,664	84,748	60,000	35,634	35,634
Interest on Investments	7,304	6,675	6,000	5,058	5,134
Miscellaneous Revenues	72	29,302	29,300	29,302	29,302
Financing from Other sources			-	-	500,000
Operating Transfers In	268,000	309,000	311,000	311,000	320,330
Total Revenues	789,165	964,842	1,098,900	1,083,667	1,554,326
Expenditures					
Bancroft	133,498	58,030	200,000	200,000	200,000
General Obligation	335,311	369,068	382,000	382,000	372,607
Notes and Contracts	247,261	352,429	596,000	596,000	474,195
Debt Service				-	-
Operating Transfers Out	40,000	40,000	-	-	-
Total Expenditures	756,070	819,527	1,178,000	1,178,000	1,046,802
Excess (Deficiency) of Revenues over Expenditures	33,095	145,315	(79,100)	(94,333)	507,524
Working Capital Carryover	103,883	136,978	344,000	282,293	187,960
Ending Fund Balance	\$ 136,978	\$ 282,293	\$ 264,900	\$ 187,960	\$ 695,484

debt service fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$ 374,000	\$ 555,000	\$ 555,000	\$ 555,000	\$ 555,000		
289,926	289,926	289,926	289,926	289,926	Facilities use fees for debt	
132,000	198,000	198,000	198,000	-		
21,000	21,000	29,000	36,000	44,000		103.0%
29,300	29,300	29,300	29,300	29,300	OSF payment on parking structure	
-	-	-	-	-		
206,000	188,000	180,000	180,000	180,000	Open Space	
1,052,226	1,281,226	1,281,226	1,288,226	1,098,226		
200,000	200,000	200,000	200,000	200,000	Estimates per	
356,970	357,000	357,000	357,000	357,000	CIP and debt schedules	
474,200	475,000	475,000	475,000	475,000		
-	-	-	-	-		
-	-	-	-	-		
1,031,170	1,032,000	1,032,000	1,032,000	1,032,000		
21,056	249,226	249,226	256,226	66,226		
695,000	716,000	965,000	1,214,000	1,470,000		
\$ 716,056	\$ 965,226	\$ 1,214,226	\$ 1,470,226	\$ 1,536,226		

Water Fund Narrative

This enterprise fund is used to account for the income and expense related to the supply, treatment and delivery of water to our customers.

Property Taxes. Shown in this budget are the property taxes that support the general obligation water debt. The property taxes levy remained at \$185,850. This property tax levy is expected to stay at this level for several years.

Water Sales. This plans reflects an increase in water rates of 5% in 2005.

Long-Term Assumptions

- Water revenues are expected to increase by 1.5% annually based on growth.
- Significant projects are expected to be completed by FY 2006 funded by the 2003 revenue bonds.
- Issue revenue bonds in 2007 or after as needed.

Fund Balance

The fund balance policy requires a balance of 20 percent of revenues.

WATER FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
400 Working Capital Carryover	\$ 3,905,152	\$ 1,985,298	\$ 4,602,000	\$ 2,767,172
Taxes				
Property Taxes				
Current	171,129	165,364	168,000	176,850
Prior	9,710	11,159	9,000	9,000
410 Total Taxes	180,839	176,523	177,000	185,850
Intergovernmental Revenues				
Federal	4,557	110,147	228,800	290,000
430 Total Intergovernmental	4,557	110,147	228,800	290,000
Charges for Services				
Public Works Services	10,989		-	
System Development Charges	720,289	528,447	417,000	525,000
Sales	2,813,076	3,023,149	3,813,000	3,604,000
440 Total Charges for Services	3,544,354	3,551,596	4,230,000	4,129,000
Interest on Investments				
Interest on Pooled Investments	122,333	116,666	97,000	76,125
470 Total Interest on Investments	122,333	116,666	97,000	76,125
Miscellaneous Revenues				
Miscellaneous Income	12,435	1,898	-	-
480 Total Miscellaneous Revenues	12,435	1,898	-	-
Other Financing Sources				
Interfund Loans	-	2,000,000	1,950,000	2,275,000
Proceeds from Debt Issuance	-	5,625,000	-	-
Operating Transfers In				-
From Debt Fund	-	-	-	-
490 Total Other Financing Sources	-	7,625,000	1,950,000	2,275,000
Total Water Fund	\$ 7,769,670	\$ 13,567,129	\$ 11,284,800	\$ 9,723,147

water fund long-term plan

WATER FUND #670	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
Revenues					
Taxes	\$ 180,839	\$ 176,523	\$ 177,000	\$ 177,000	\$ 185,850
Intergovernmental Revenue	4,557	110,147	228,800	240,800	290,000
System Development Charges:	720,289	528,553	417,000	500,000	525,000
Charges for Services	2,813,076	3,023,043	3,754,000	3,400,000	3,604,000
Interest on investments	122,333	116,666	97,000	75,000	76,125
Miscellaneous Revenues	23,424	1,899	59,000	20,000	
Interfund Loan	-	2,000,000	1,950,000	1,950,000	2,275,000
Bond Issue	-	5,625,000	-	-	
Total Revenues	3,864,518	11,581,831	6,682,800	6,362,800	6,955,975
Expenditures					
Conservation	121,916	137,742	169,015	167,115	154,430
Supply Operations	78,812	175,318	196,100	196,100	205,030
Supply Capital not SDC	145,865	49,102	227,500	227,500	237,500
Supply Debt Service	31,995	27,325	199,100	883,641	53,343
Supply New Debt service	-	2,750,000	-	-	
Distribution Operations	1,552,721	1,584,410	1,736,610	1,675,000	1,782,215
Distribution Capital not SDC	151,620	287,094	1,097,900	900,000	542,250
Distribution Debt Service	388,079	366,325	266,800	266,800	330,189
Treatment Plant Operations	548,489	685,777	639,350	636,000	639,951
Treatment Capital	1,987	17,226	86,000	85,000	200,000
Treatment Plant Debt not SDC	162,484	226,648	196,200	165,000	168,068
Forest Interface	73,884	211,592	507,500	428,700	396,500
SDC Supply	370,831	26,289	112,500	100,000	762,500
SDC Treatment			-		
SDC Treatment Debt	153,019	136,416	142,000	80,000	84,034
SDC Distribution Cap	2,670	273,837	436,100	141,800	420,250
SDC Distribution Debt	-		33,000	30,000	42,017
Interfund Loan	2,000,000	1,950,000	2,275,000	2,275,000	-
Contingency	-		180,000	-	180,000
Total Expenditures	5,784,372	8,905,101	8,500,675	8,257,656	6,198,277
Excess (Deficiency) of Revenues over Expenditures	(1,919,854)	2,676,730	(1,817,875)	(1,894,856)	757,698
Working Capital Carryover	3,905,152	1,985,298	4,602,000	4,662,028	2,767,172
Ending Fund Balance	\$ 1,985,298	\$ 4,662,028	\$ 2,784,125	\$ 2,767,172	\$ 3,524,870
SDC Water Supply Fund Balance	(977,932)	(1,070,990)	(989,021)	(777,920)	(1,441,614)
SDC Water Treatment Fund Balance	108,316	471,761	(55,737)	34,031	775,608
SDC Water Distribution Fund Balance	3,227,787	3,075,926	2,469,221	2,936,031	2,643,321
Bond Reserves Fund Balance	333,897		333,987		-
Water Bond Proceeds Balance	334,214	2,000,000	2,371,400	787,500	500,000
Water Operations Fund Balance	(1,040,984)	185,331	(1,345,725)	575,030	1,047,555
Total Fund Balance	1,985,298	4,662,028	2,784,125	3,554,672	3,524,870
Fund Balance Policy Requirement	773,000	1,916,000	947,000	883,000	936,000
Excess (deficiency)	(1,813,984)	(1,730,669)	(2,112,725)	(307,970)	291,555
AFN loan	2,000,000	1,950,000	2,275,000	2,275,000	-
Adjusted Excess (Deficiency)	186,016	219,331	162,275	1,967,030	291,555

water fund long-term plan

	2006	2007	2008	2009	2010		
	Budget	Budget	Budget	Budget	Budget		Assumptions
							Percent
\$	210,130	\$ 209,185	\$ 207,950	\$ 176,450	\$ 179,560		per tax summary
	298,700	-	-	-	-		Forest Interface Grant
	551,250	606,380	667,020	733,720	807,090		
	3,700,000	3,811,000	3,925,300	4,043,100	4,164,400		5% increase in 2005
	77,267	81,540	109,700	102,220	221,420		3.0%
	20,000	20,600	21,220	21,860	22,520		103.0%
	-	-	-	-	-		
		2,700,000	-	4,500,000	-		
	4,857,347	7,428,705	4,931,190	9,577,350	5,394,990		
	161,000	167,000	174,000	181,000	188,000		104.0%
	208,000	214,000	220,000	227,000	234,000		103.0%
	466,500				1,356,250		per CIP
	53,023	52,950	53,120	22,764	22,860		
			200,000	200,000	500,000		
	1,854,000	1,928,000	2,005,000	2,085,000	2,168,000		104.0%
	464,650	1,627,750	662,500	578,000	760,000		per CIP
	327,476	326,065	325,918	322,150	325,864		
	666,000	693,000	721,000	750,000	780,000		104.0%
	135,000	466,250			120,000		per CIP
	165,764	165,242	166,466	163,904	164,594		
	380,000	80,000	80,000	80,000	80,000		102.0%
		150,000	200,000	500,000	3,152,250		per CIP
	65,000	283,750	160,000	160,000	40,000		
	82,882	82,621	83,233	81,952	82,297		
	593,350	212,250	87,500	211,500	40,000		per CIP
	41,441	41,311	41,617	40,976	41,149		
	-	-	-	-	-		
	180,000	180,000	180,000	180,000	180,000		
	5,844,086	6,670,189	5,360,354	5,784,246	10,235,264		
	(986,739)	758,516	(429,164)	3,793,104	(4,840,274)		
	3,704,870	2,898,131	3,836,647	3,587,483	7,560,587		Assumes contingency is not used
\$	2,718,131	3,656,647	3,407,483	7,380,587	2,720,313		
	(890,364)	(433,984)	33,036	266,756	(2,078,404)		
	710,608	426,858	266,858	106,858	66,858		
	2,049,971	1,837,721	1,750,221	1,538,721	1,498,721		
	-	700,000	-	3,922,000	1,685,750		
	847,916	1,126,052	1,357,368	1,546,252	1,547,388		
	2,718,131	3,656,647	3,407,483	7,380,587	2,720,313		
	861,000	1,364,000	853,000	1,769,000	918,000		
	166,916	(57,948)	684,368	(42,748)	809,388		
	-	-	-	-	-		
	166,916	(57,948)	684,368	(42,748)	809,388		

Wastewater Fund Narrative

This enterprise fund is used to account for wastewater charges, food and beverage taxes and related expenditures for personnel, materials and services, capital outlay, debt service and other expenditures.

Wastewater Sales. Charges for Wastewater services are expected to remain stable the next year. This plan reflects a 5% increase in rates in FY 2005 to cover operational reserves by DEQ loan.

The residential wastewater rates are based on winter consumption, while commercial rates are based on year-round water consumption. Although we have increased commercial rates faster than residential rates, our current rate study points out that commercial users were not paying for full cost of service.

Long-Term Budget Assumptions

- Wastewater revenues are expected to increase by 1.5% annually based on growth after 2004.
- Rate increase planned in Wastewater fees for July 2005, 2006, and 2007
- Food and Beverage taxes are expected to increase by 3% annually. The tax sunsets in fiscal year 2011 (December 2010).

Fund Balance

The fund balance policy requires a balance of 15 % percent of revenues, but no less than required by the Wastewater Treatment Plant Upgrade loan. The long-term budget shows that this balance will be maintained.

WASTEWATER FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
400 Working Capital Carryover	\$ 9,198,221	\$ 9,190,945	\$ 3,174,000	\$ 986,845
Taxes				
Food and Beverage Tax	1,268,287	1,280,190	1,362,000	1,370,000
410 Total Taxes	1,268,287	1,280,190	1,362,000	1,370,000
Intergovernmental Revenues				
Grants:	-	-	-	-
430 Total Intergovernmental	-	-	-	-
Charges for Services				
Public Works Services	4,000	13,225	4,000	12,360
System Development Charges:	565,248	408,144	332,000	437,750
Sales:	2,168,990	2,152,756	2,355,000	2,291,720
440 Total Charges for Services	2,738,238	2,574,125	2,691,000	2,741,830
Interest on Investments				
Interest on Pooled Investments	247,217	149,627	61,000	81,200
470 Total Interest on Investments	247,217	149,627	61,000	81,200
Miscellaneous Revenues				
Miscellaneous Income	7,952	2,967	-	-
480 Total Miscellaneous Revenues	7,952	2,967	-	-
Other Financing Sources				
Loan Proceeds:	4,901,913	500,000	-	-
Flood Protection Reimbursements	-	-	-	50,000
Interfund Loans	1,451,661	1,600,000	3,950,000	4,275,000
Interfund Transfers in:				
From General Fund	200,000	200,000	-	-
From Parks and Recreation Fund	50,000	50,000	-	-
490 Total Other Financing Sources	6,603,574	1,850,000	3,950,000	4,325,000
Total Wastewater Fund	\$ 20,063,489	\$ 15,047,854	\$ 11,238,000	\$ 9,504,875

wastewater fund long-term plan

WASTEWATER FUND #675	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
Revenues					
Taxes	\$ 1,268,287	\$ 1,280,190	\$ 1,362,000	\$ 1,331,610	\$ 1,370,000
Charges for Services SDC	565,248	408,843	332,000	425,000	437,750
Charges for Services UB	2,168,990	2,165,282	2,317,000	2,144,000	2,304,080
Rate Increase	-	-	-	-	-
Interest on Investments	247,217	149,627	61,000	80,000	81,200
Miscellaneous	11,952	2,967	42,000	30,000	-
Interfund Loan	1,451,661	1,600,000	3,950,000	3,950,000	4,275,000
Other Financing Resources	4,901,913	500,000	-	-	-
Interfund Transfers in	250,000	250,000	-	-	50,000
Total Revenues	10,865,268	6,356,909	8,064,000	7,960,610	8,518,030
Expenditures					
Collection	1,180,949	1,256,764	1,366,580	1,355,400	1,438,460
Treatment	972,803	1,035,147	1,319,450	1,302,700	1,337,450
WWTP Debt Service	-	3,349,236	1,807,219	1,807,219	1,802,670
WWTP Construction	4,909,893	3,558,025	265,000	265,000	-
SDC Treatment	2,323,555	-	-	-	-
SDC Collection	84,294	42,628	324,500	324,500	308,500
Flood Restoration Capital	1,050	-	-	-	-
AFN Loan	1,400,000	3,950,000	4,275,000	4,275,000	-
Contingency	-	-	154,000	-	154,000
Total Expenditures	10,872,544	13,191,800	9,511,749	9,329,819	5,041,080
Excess (Deficiency) of Revenues over Expenditures	(7,276)	(6,834,891)	(1,447,749)	(1,369,209)	3,476,950
Working Capital Carryover	9,198,221	9,190,945	3,174,000	2,356,054	986,845
Ending Fund Balance	\$ 9,190,945	\$ 2,356,054	\$ 1,726,251	\$ 986,845	\$ 4,463,795
SDC Collection	1,078,410	1,319,761	1,217,701	1,454,140	1,438,930
SDC Treatment	(466,459)	(354,444)	(244,884)	(221,638)	(77,178)
Operations	8,578,994	1,390,737	753,434	(245,657)	3,102,043
Total Fund Balance	9,190,945	2,356,054	1,726,251	986,845	4,463,795
Fund Balance Policy Requirement	1,074,000	-	1,709,000	1,621,000	1,701,000
Excess (deficiency)	8,116,945	2,356,054	17,251	(321,000)	2,712,795
AFN Loan	1,400,000	3,950,000	4,275,000	1,800,000	-
Excess (deficiency) after AFN	9,516,945	6,306,054	4,292,251	1,479,000	2,712,795

wastewater fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$ 1,411,000	\$ 1,453,000	\$ 1,497,000	\$ 1,542,000	\$ 1,588,000	Food & Beverage tax ends Dec 2010	103.0%
450,883	776,000	776,000	776,000	776,000		
2,441,956	2,564,000	2,827,000	2,968,000	3,272,000	Increase of 5% In 2005, 2006 & 2007	105.0%
-	128,000	-	148,000	164,000		101.5%
82,418	123,000	124,000	129,000	143,000	Assumes 3.0 %	
-	-	-	-	-		
-	-	-	-	-		
-	-	-	-	-		
4,386,257	5,044,000	5,224,000	5,563,000	5,943,000		
1,576,728	1,624,000	1,673,000	1,723,000	1,775,000		103.0%
1,375,931	1,417,000	1,460,000	1,504,000	1,549,000		103.0%
1,797,965	1,700,000	1,700,000	1,700,000	1,700,000		
-	50,000	100,000	100,000	100,000	per CIP	
-	50,000	-	-	-	per CIP	
-	225,000	120,000	60,000	60,000	per CIP	
-	-	-	-	-		
-	-	-	-	-		
154,000	84,000	89,000	97,000	107,000		
4,904,624	5,150,000	5,142,000	5,184,000	5,291,000		
(518,367)	(106,000)	82,000	379,000	652,000		
4,617,795	4,253,428	4,231,428	4,402,428	4,878,428	Assumes contingency is not used	
\$ 4,099,428	\$ 4,147,428	\$ 4,313,428	\$ 4,781,428	\$ 5,530,428		
1,741,020	2,035,940	2,435,860	2,895,780	3,355,700		
71,612	277,692	533,772	789,852	1,045,932		
2,286,796	1,833,796	1,343,796	1,095,796	1,128,796		
4,099,428	4,147,428	4,313,428	4,781,428	5,530,428		
1,701,000	1,697,000	1,697,000	1,693,000	1,693,000	Minimum debt requirement	
2,398,428	2,450,428	2,616,428	3,088,428	3,837,428		
-	-	-	-	-		
2,398,428	2,450,428	2,616,428	3,088,428	3,837,428		

Electric Fund Narrative

This Enterprise Fund is used to account for the electric operations and electric conservation programs. Resources are primarily from charges for services.

Electrical Sales. Electric sales are proposed to be to \$10,495,000, which is 4% increase over the prior year's budget. Rate increases remain directly related to BPA supply charges. The City minimizes customer impact by excluding surcharges from franchise and user tax calculations.

Long-Term Assumptions

- Assumes an overall rate increase of 6% in July 2004.
- Assumes a decrease in surcharge in July 2007.
- BPA power will be reviewed and adjusted annually based upon contractual requirements.

Fund Balance

The fund balance policy requires a balance of 12% of revenues.

ELECTRIC FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
400 Working Capital Carryover	\$ 1,249,047	\$ 1,069,861	\$ 1,589,000	\$ 1,385,735
Intergovernmental				
Federal	61,270	137,483	100,000	85,000
430 Total Intergovernmental	61,270	137,483	100,000	85,000
Charges for Services				
Sales	9,087,957	10,076,049	11,443,900	10,495,000
Surcharge				1,347,600
Miscellaneous Services	-	13,418	125,000	351,900
440 Total Charges for Services	9,087,957	10,089,466	11,568,900	12,194,500
Interest on Investments				
Interest on Pooled Investments	48,319	23,583	32,000	20,000
470 Total Interest on Investments	48,319	23,583	32,000	20,000
Miscellaneous Revenues				
Donations:	5,773	4,711	5,000	5,100
Loan Proceeds:	55,120	47,348	50,000	40,000
Miscellaneous Income	106,177	79,135	12,500	10,300
480 Total Miscellaneous Revenues	167,070	131,195	67,500	55,400
Other Financing Sources				
Interfund Loans	599,000	725,000	-	400,000
Interfund Transfers in:				
From General Fund	67,000			
490 Total Other Financing Sources	666,000	725,000	-	400,000
Total Electric Fund	\$ 11,279,663	\$ 12,176,588	\$ 13,357,400	\$ 14,140,635

electric fund long-term plan

ELECTRIC FUND #690	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
Revenues					
Intergovernmental Revenue	\$ 61,270	\$ 137,483	\$ 100,000	\$ 65,000	\$ 85,000
Charges for Services	8,477,071	9,081,891	10,090,300	9,811,000	10,495,000
Fees		13,418	125,000	352,450	351,900
Surcharge	610,886	994,157	1,353,600	1,324,700	1,347,600
Interest on Investments	48,319	23,583	32,000	8,788	20,000
Miscellaneous Revenues	167,070	131,195	67,500	44,462	55,400
Other Financing Sources	-	-	-	-	-
Operating Transfers In	67,000			-	
Interfund Loan Proceeds	599,000	725,000	-	-	400,000
Total Revenues	10,030,616	11,106,727	11,768,400	11,606,400	12,754,900
Expenditures					
Conservation	396,404	424,500	455,500	303,700	411,410
BPA power costs	5,197,469	5,248,993	5,801,300	5,567,840	5,899,475
Supply	52,709	362,824	270,000	249,500	261,240
Distribution	3,713,550	3,639,925	4,259,413	4,206,175	4,470,973
Transmission	62,844	926,959	1,031,324	968,940	935,443
Debt Service - Supply	71,826	75,560	26,100	22,337	
Operating Transfers Out					
Interfund Loan	715,000		400,000	400,000	-
Operating Contingency	-		350,000		350,000
Total Expenditures	10,209,802	10,678,761	12,593,637	11,718,492	12,328,541
Excess (Deficiency) of Revenues over Expenditures	(179,186)	427,966	(825,237)	(112,092)	426,359
Working Capital Carryover	1,249,047	1,069,861	1,589,000	1,497,827	1,385,735
Ending Fund Balance	\$ 1,069,861	\$ 1,497,827	\$ 763,763	\$ 1,385,735	\$ 1,812,094
Fund Balance Policy Requirement	1,204,000	1,333,000	1,412,000	1,543,000	1,531,000
Fund Balance and Contingency	1,069,861	1,497,827	1,113,763	1,412,000	2,162,094
Excess (deficiency)	(134,139)	164,827	(298,237)	(131,000)	631,094

electric fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$ 85,000	\$ 85,000	\$ 85,000	\$ 85,000	\$ 85,000		
10,809,900	11,407,800	11,968,800	12,503,000	13,018,200	6% in 2005; then 3% above surcharge	103.0%
369,500	388,000	407,400	427,800	449,200		105.0%
1,367,800	1,094,200	875,400	700,300	560,200	Decreasing starting 2007	101.5%
36,000	48,000	57,000	66,000	73,000		102.0%
112,000	116,000	122,000	122,000	122,000		103.0%
-	-	-	-	-		
-	-	-	-	-		
-	-	-	-	-		
12,780,200	13,139,000	13,515,600	13,904,100	14,307,600		
424,313	441,000	459,000	477,000	496,000		104.0%
6,045,766	6,227,000	6,414,000	6,606,000	6,804,000	Calculated	103.0%
269,000	277,000	285,000	294,000	303,000		103.0%
4,506,379	4,687,000	4,874,000	5,069,000	5,272,000		104.0%
958,829	997,000	1,037,000	1,078,000	1,121,000	Calculated	104.0%
-	-	-	-	-		
350,000	400,000	400,000	400,000	400,000		
12,554,287	13,029,000	13,469,000	13,924,000	14,396,000		
225,913	110,000	46,600	(19,900)	(88,400)		
2,162,094	2,738,007	3,248,007	3,694,607	4,074,707	Assumes contingency is not used	
\$ 2,388,007	\$ 2,848,007	\$ 3,294,607	\$ 3,674,707	\$ 3,986,307		
1,534,000	1,577,000	1,622,000	1,668,000	1,717,000		
2,738,007	3,248,007	3,694,607	4,074,707	4,386,307		
1,204,007	1,671,007	2,072,607	2,406,707	2,669,307		

Telecommunication Fund Narrative

The City of Ashland partnered with Navigant Consulting of Texas on revising the Ashland Fiber Network Pro forma. This long-term budget reflects the new plan that was accepted in March of 2004. The expected Pro forma included internal borrowing into the future with a peak of 9 million. This budget includes a proposed 15 million restructuring loan that would allow refinancing all internal and possibly external debt.

Charges for Services. All rates will be reviewed and adjusted annually starting in 2005.

Other Financing Source. Restricting of both existing loans and interfund loans in 2005.

Interfund Loan. Eliminate all interfund loans in FY 2005.

Long-Term Assumptions

- Positive cash flow.
- Continue to meet projections in the Business Plan.

Fund Balance

There is no fund balance Policy.

TELECOMMUNICATION FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
400 Working Capital Carryover	\$ 119,745	\$ 1,982,175	\$ 861,000	\$ 174,168
Taxes				
Franchises:		98,092		96,376
410 Total Taxes		98,092	-	96,376
Charges for Services				
Sales:	1,348,102	1,864,734	2,270,000	2,771,876
440 Total Charges for Services	1,348,102	1,864,734	2,270,000	2,771,876
Interest on Investments				
Interest on Pooled Investments	(9,626)	10,542	5,000	2,000
470 Total Interest on Investments	(9,626)	10,542	5,000	2,000
Miscellaneous Revenues				
Miscellaneous Income	9,731	6,253	50,000	24,500
480 Total Miscellaneous Revenues	9,731	6,253	50,000	24,500
Other Financing Sources				
Interfund Loans	5,225,000	5,900,000	6,950,000	
Proceeds from Debt Issuance	2,520,000		-	15,000,000
490 Total Other Financing Sources	7,745,000	5,900,000	6,950,000	15,000,000
Total Telecommunications Fund	\$ 9,212,952	\$ 9,861,796	\$ 10,136,000	\$ 18,068,920

telecommunication fund long-term plan

TELECOMMUNICATIONS FUND #691	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
Revenues					
Charges for Services	\$ 1,348,102	\$ 1,962,826	\$ 2,270,000	\$ 2,275,000	\$ 2,771,876
Interest on Investments		10,542	5,000	3,000	2,000
Miscellaneous Revenues	105	6,253	50,000	155,000	120,876
Other Financing Sources	2,520,000			-	15,000,000
Interfund Loan	5,225,000	5,900,000	6,950,000	6,950,000	-
Total Revenues	9,093,207	7,879,621	9,275,000	9,383,000	17,894,752
Expenditures					
Promotions	133,592	121,249	147,490	119,150	222,032
Operations	1,789,710	2,341,853	2,241,600	2,303,700	2,255,165
Capital Outlay	1,715,118	903,252	200,000	138,000	160,000
Debt Service	395,550	882,424	702,000	1,136,000	7,452,000
Debt Service Interfund Loan	3,196,807	5,225,000	6,500,000	5,900,000	6,950,000
Contingency	-		75,000	-	75,000
Total Expenditures	7,230,777	9,473,778	9,866,090	9,596,850	17,114,197
Excess (Deficiency) of Revenues over Expenditures	1,862,430	(1,594,157)	(591,090)	(213,850)	780,555
Working Capital Carryover	119,745	1,982,175	861,000	388,018	174,168
Ending Fund Balance	\$ 1,982,175	\$ 388,018	\$ 269,910	\$ 174,168	\$ 954,723

No fund balance policy established.

telecommunication fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$ 3,257,065	\$ 3,596,404	\$ 3,967,063	\$ 4,316,718	\$ 4,553,920		
28,600	21,200	13,200	16,200	27,400		3.0%
138,071	131,974	142,257	152,318	162,554		
-	-	-	-	-		
-	-	-	-	-		
3,423,736	3,749,578	4,122,520	4,485,236	4,743,874		
255,443	214,205	219,727	225,463	231,417		105.0%
2,321,518	2,682,838	2,482,930	2,586,911	2,695,356		103.0%
120,000	120,000	120,000	100,000	100,000		
1,000,000	1,000,000	1,200,000	1,200,000	1,400,000		
-	-	-	-	-		
50,000	50,000	50,000	50,000	50,000		
3,746,961	4,067,043	4,072,657	4,162,374	4,476,773		
(323,225)	(317,465)	49,863	322,862	267,101		
1,029,723	756,498	489,033	588,896	961,758	Assumes contingency is not used	
\$ 706,498	\$ 439,033	\$ 538,896	\$ 911,758	\$ 1,228,859		

Central Services Fund Narrative

The Central Services Fund is an internal service fund. Under governmental fund accounting, an internal service fund is one that provides support for other departments, which in turn provide services to the public. The City of Ashland has three internal service funds: (1) the Central Services fund, (2) the Equipment Fund, and (3) the Insurance Fund. The Central Services Fund includes five departments: Administration, Finance, City Recorder, Public Works, and Electric.

Revenues supporting Central Services are charged out monthly to departments based on benefits received. The department allocations are made during the budget process based on a matrix called the Central Services Allocation.

Central Services. This charge has remained flat in the FY 2005 budget to minimize projected ending fund balance.

Long-Term Assumptions

- Charges for services will increase at 4% in FY 2006.
- Expenditures are expected to increase between 4 to 6 % each year in the future.

Fund Balance

The fund balance policy calls for the fund balance to consist of a 3% contingency. This is met in all years.

CENTRAL SERVICE FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
400 Working Capital Carryover	\$ 436,625	\$ 823,405	\$ 537,000	\$ 835,974
Charges for Services				
Finance Department Services	37,239	78,963	187,000	187,000
Lien Search	14,830	20,170	20,000	20,000
Public Works Services	336,914	447,658	490,000	490,000
Interdepartmental:	3,903,150	4,202,000	4,248,600	4,108,720
440 Total Charges for Services	4,292,133	4,748,791	4,945,600	4,805,720
Interest on Investments				
Interest on Pooled Investments	21,999	16,692	15,000	12,000
470 Total Interest on Investments	21,999	16,692	15,000	12,000
Miscellaneous Revenues				
Miscellaneous Income	1,188	87,279	75,000	95,000
480 Total Miscellaneous Revenues	1,188	87,279	75,000	95,000
Total Central Services Fund	\$ 4,751,945	\$ 5,676,166	\$ 5,572,600	\$ 5,748,694

central services fund long-term plan

CENTRAL SERVICES FUND #710	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
Revenues					
Charges for Services	\$ 4,292,133	\$ 4,748,790	\$ 4,945,600	\$ 4,847,510	\$ 4,805,720
Interest on Investments	21,999	16,692	15,000	12,376	12,000
Miscellaneous Revenues	1,188	87,279	75,000	92,000	95,000
Operating Transfers In	-			-	
Total Revenues	4,315,320	4,852,761	5,035,600	4,951,886	4,912,720
Expenditures					
Administration	657,072	623,645	1,131,131	1,110,280	1,149,855
Administrative Services	149,929	270,826	-	-	-
Finance	1,154,406	1,347,027	1,541,355	1,487,250	1,626,724
City Recorder	133,387	150,231	159,735	158,735	172,375
Public Works	894,874	1,031,163	1,220,700	1,175,000	1,274,200
Facilities and Safety	353,963	402,174	460,850	441,000	491,780
Computer Services	584,909	698,147	773,005	691,600	772,620
Transfers		205,000			
Contingency			140,000		147,382
Total Expenditures	3,928,540	4,728,213	5,426,776	5,063,865	5,634,936
Excess (Deficiency) of Revenues over Expenditures	386,780	124,548	(391,176)	(111,979)	(722,216)
Working Capital Carryover	436,625	823,405	537,000	947,953	835,974
Ending Fund Balance	\$ 823,405	\$ 947,953	\$ 145,824	\$ 835,974	\$ 113,758
Fund Balance Policy Requirement	129,000	146,000	151,000	149,000	147,000
Fund Balance and Contingency	823,405	947,953	285,824	835,974	261,140
Excess (deficiency)	694,405	801,953	134,824	686,974	114,140

central services fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$ 5,750,000	\$ 5,980,000	\$ 6,069,000	\$ 6,272,000	\$ 6,586,000	Calculated	104.0%
12,750	2,000	2,000	2,000	2,000	Flat	
97,500	102,000	107,000	112,000	118,000		105.0%
-	-	-	-	-		
5,860,250	6,084,000	6,178,000	6,386,000	6,706,000		
1,199,765	1,247,800	1,297,700	1,349,600	1,403,600		104.0%
-	-	-	-	-		104.0%
1,679,502	1,746,700	1,816,600	1,889,300	1,964,900		104.0%
180,186	187,400	194,900	202,700	210,800		104.0%
1,332,332	1,385,600	1,441,000	1,498,600	1,558,500		104.0%
501,412	521,500	542,400	564,100	586,700		104.0%
804,791	837,000	870,500	905,300	941,500		104.0%
-	-	-	-	-		104.0%
175,800	182,500	185,300	191,600	201,200	3% of revenue	
5,873,788	6,108,500	6,348,400	6,601,200	6,867,200		
(13,538)	(24,500)	(170,400)	(215,200)	(161,200)		
261,140	423,402	581,402	596,302	572,702	Assumes contingency is not used	
\$ 247,602	\$ 398,902	\$ 411,002	\$ 381,102	\$ 411,502		
176,000	183,000	185,000	192,000	201,000		
423,402	581,402	596,302	572,702	612,702		
247,402	398,402	411,302	380,702	411,702		

Insurance Services Fund Narrative

The Insurance Services Fund is an internal service fund that accounts for insurance and risk management activities.

Long-Term Assumptions

Charges for services. Charges are estimated to increase at 5 % in the future years to pay for increased claims activity and higher premiums.

Fund Balance

The fund balance is \$350,000 adjusted annually by growth based on activity.

insurance services fund resources

INSURANCE SERVICE FUND

<u>Description</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Amended</u>	<u>2005 Adopted</u>
400 Working Capital Carryover	\$ 299,415	\$ 204,263	\$ 242,000	\$ 608,491
Charges for Services				
Interdepartmental:	446,203	621,288	748,000	600,000
Rebates	496		10,000	
440 Total Charges for Services	446,699	621,288	758,000	600,000
Interest on Investments				
Interest on Pooled Investments	26,958	22,556	13,000	9,577
470 Total Interest on Investments	26,958	22,556	13,000	9,577
Miscellaneous Revenues				
Miscellaneous Income	713	10,408	-	-
480 Total Miscellaneous Revenues	713	10,408	-	-
Total Insurance Services Fund	\$ 773,785	\$ 858,516	\$ 1,013,000	\$ 1,218,068

insurance services fund long-term plan

INSURANCE SERVICES FUND #720	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
Revenues					
Charges for Services	\$ 446,699	\$ 621,289	\$ 758,000	\$ 585,934	\$ 600,000
New Charge or shift	-	-	-	-	-
Interest on Investments	26,958	22,556	13,000	9,435	9,577
Miscellaneous Revenues	713	10,408	-	593,044	-
Total Revenues	474,370	654,253	771,000	1,188,413	609,577
Expenditures					
Personal Services	-	-	1,000	-	-
Materials and Services	569,522	712,538	743,500	725,900	646,530
Transfers	-	-	-	-	-
Operating Contingency	-	-	112,000	-	100,000
Total Expenditures	569,522	712,538	856,500	725,900	746,530
Excess (Deficiency) of Revenues over Expenditures	(95,152)	(58,285)	(85,500)	462,513	(136,953)
Working Capital Carryover	299,415	204,263	242,000	145,978	608,491
Ending Fund Balance	\$ 204,263	\$ 145,978	\$ 156,500	\$ 608,491	\$ 471,538
Fund Balance Policy Requirement	419,000	419,000	462,000	453,000	476,000
Fund Balance and Contingency	204,263	145,978	268,500	375,000	571,538
Excess (deficiency)	(214,737)	(273,022)	(193,500)	(78,000)	95,538

insurance services fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$ 655,000	\$ 688,000	\$ 722,000	\$ 758,000	\$ 796,000		105.0%
-	-	-	-	-	103.500%	
9,721	20,000	20,000	21,000	22,000		103.0%
-	-	-	-	-		
664,721	708,000	742,000	779,000	818,000		
-	-	-	-	-		
662,693	689,000	717,000	746,000	776,000	Estimated on claims projected/trended.	104.0%
-	-	-	-	-		
100,000	100,000	100,000	100,000	100,000	flat	
762,693	789,000	817,000	846,000	876,000		
(97,972)	(81,000)	(75,000)	(67,000)	(58,000)		
571,538	573,566	592,566	617,566	650,566	Assumes contingency is not used	
\$ 473,566	\$ 492,566	\$ 517,566	\$ 550,566	\$ 592,566		
490,000	505,000	520,000	536,000	552,000		103.0%
573,566	592,566	617,566	650,566	692,566		
83,566	87,566	97,566	114,566	140,566		

Equipment Fund Narrative

This fund is an internal service fund that provides for the maintenance and replacement of most motorized equipment within the City.

Charges for Services. Represents the charges to departments for operating, maintaining, and replacement of vehicles. Budgets are estimated based on the estimated cost providing these services. All departments and divisions are billed monthly according to use.

Long-Term Assumptions

- Charges for services are expected to increase 5% per year.

Fund Balance

No minimum fund balance is required.

EQUIPMENT FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
400 Working Capital Carryover	\$ 526,894	\$ 783,340	\$ 1,080,000	\$ 1,045,791
Charges for Services				
Technology Fee	66,000	65,000	60,000	61,800
Maintenance Services	555,578	558,980	661,000	624,386
Equipment Replacement	686,116	641,650	726,200	662,322
Fuel Sales	13,219	30,398	46,000	61,800
Interdepartmental:				
440 Total Charges for Services	1,320,914	1,296,028	1,493,200	1,410,308
Interest on Investments				
Interest on Pooled Investments	38,999	19,737	22,000	11,882
470 Total Interest on Investments	38,999	19,737	22,000	11,882
Miscellaneous Revenues				
Miscellaneous Income	577	21	-	
Sale of Equipment	41,321	52,290	30,000	55,000
480 Total Miscellaneous Revenues	41,898	52,311	30,000	55,000
Other Financing Sources				
Interfund Loans	1,000,000	500,000	-	-
490 Total Other Financing Sources	1,000,000	500,000	-	-
Total Equipment Fund	\$ 2,928,705	\$ 2,651,415	\$ 2,625,200	\$ 2,522,981

equipment fund long-term plan

EQUIPMENT FUND #730	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
Revenues					
Charges for Services	\$ 1,320,914	\$ 1,296,027	\$ 1,493,200	\$ 1,309,231	\$ 1,410,308
Interest on Investments	38,999	19,737	22,000	11,706	11,882
Miscellaneous Revenues	41,898	52,311	30,000	76,256	55,000
Interfund Loan	1,000,000	500,000	-	-	
Total Revenues	2,401,811	1,868,075	1,545,200	1,397,193	1,477,190
Expenditures					
Personal Services	197,032	224,764	244,900	248,000	242,900
Materials and Services	427,578	411,334	500,560	475,000	451,435
Capital Outlay	1,020,755	893,719	796,000	750,000	688,085
Interfund Loan	500,000				
Operating Contingency			175,000		175,000
Total Expenditures	2,145,365	1,529,817	1,716,460	1,473,000	1,557,420
Excess (Deficiency) of Revenues over Expenditures	256,446	338,258	(171,260)	(75,807)	(80,230)
Working Capital Carryover	526,894	783,340	1,080,000	1,121,598	1,045,791
Ending Fund Balance	\$ 783,340	\$ 1,121,598	\$ 908,740	\$ 1,045,791	\$ 965,561

equipment fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$ 1,388,963	\$ 1,458,000	\$ 1,531,000	\$ 1,608,000	\$ 1,688,000		105.0%
12,060	30,000	34,000	37,000	42,000		103.0%
56,650	58,000	60,000	62,000	64,000		103.0%
-	-	-	-	-		
1,457,673	1,546,000	1,625,000	1,707,000	1,794,000		
255,045	268,000	281,000	295,000	310,000		105.0%
462,721	477,000	491,000	506,000	521,000		103.0%
708,728	675,000	730,000	750,000	750,000		
-	-	-	-	-		
175,000	175,000	175,000	175,000	175,000		
1,601,494	1,595,000	1,677,000	1,726,000	1,756,000		
(143,821)	(49,000)	(52,000)	(19,000)	38,000		
1,140,561	1,171,740	1,297,740	1,420,740	1,576,740	Assumes contingency is not used	
\$ 996,740	\$ 1,122,740	\$ 1,245,740	\$ 1,401,740	\$ 1,614,740		

Cemetery Trust Fund Narrative

This fund accounts for trust monies derived from bequests and perpetual care given to the city for the maintenance and preservation of the cemeteries and mausoleums. By City Charter, only the interest earned on the trust may be used for the operation and maintenance of the cemeteries, and is transferred on a monthly basis to fund operations, while the principal continues to grow by an amount equal to the perpetual care revenues received.

Sales. The perpetual care portion of each cemetery sale of graves, niches, or crypts is accounted for here. This revenue is expected to remain stable for the near future.

Interest on Investments. Interest earnings are estimated at 3%.

Operating Transfers In. By City Charter, the Cemetery operations is required to pay an amount not less than \$500 per year to assure the perpetual continuity of the trust.

Long-Term Assumptions

- This revenue is expected to remain stable.
- Rates are expected to increase from a review of the current rate structure.

Fund Balance

No minimum fund balance is required.

cemetery trust fund resources

CEMETERY TRUST FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
400 Working Capital Carryover	\$ 669,517	\$ 72,823	\$ 678,000	\$ 680,571
Charges for Services				
Sales:	6,360	6,396	6,000	5,886
440 Total Charges for Services	6,360	6,396	6,000	5,886
Interest on Investments				
Interest on Pooled Investments	22,826	11,535	23,000	6,811
470 Total Interest on Investments	22,826	11,535	23,000	6,811
Miscellaneous Revenues				
Miscellaneous Income	483	-	-	-
480 Total Miscellaneous Revenues	483	-	-	-
Other Financing Sources				
Other Financing Sources				
Interfund loans	-	600,000	-	-
Operating Transfers In:				
From General Fund	500	500	500	500
490 Total Other Financing Sources	500	600,500	500	500
Total Cemetery Trust Fund	\$ 699,686	\$ 691,254	\$ 707,500	\$ 693,768

cemetery trust fund long-term plan

CEMETERY TRUST FUND #815	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
Revenues					
Charges for Services	\$ 6,360	\$ 6,396	\$ 6,000	\$ 5,715	\$ 5,886
Interest on Investments	22,826	11,535	23,000	6,710	6,811
Interfund Loan	483	600,000			
Operating Transfers In	500	500	500	500	500
Total Revenues	30,169	618,431	29,500	12,925	13,197
Expenditures					
Interfund Loan	600,000				
Interfund Loan Airport					
Operating Transfers Out	26,863	11,608	23,000	12,000	12,360
Total Expenditures	626,863	11,608	23,000	12,000	12,360
Excess (Deficiency) of Revenues over Expenditures	(596,694)	606,823	6,500	925	837
Working Capital Carryover	669,517	72,823	678,000	679,646	680,571
Ending Fund Balance	\$ 72,823	\$ 679,646	\$ 684,500	\$ 680,571	\$ 681,408

cemetery trust fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$ 6,200	\$ 6,500	\$ 6,800	\$ 7,100	\$ 7,500	Rate review Adopted in 2005	105.0%
7,000	7,200	7,400	7,600	7,800		103.0%
500	500	500	500	500	Per charter	
13,700	14,200	14,700	15,200	15,800		
7,000	7,200	7,400	7,600	7,800	Interest earnings transfer to General Fund	
7,000	7,200	7,400	7,600	7,800		
6,700	7,000	7,300	7,600	8,000		
681,408	688,108	695,108	702,408	710,008		
\$ 688,108	\$ 695,108	\$ 702,408	\$ 710,008	\$ 718,008		

Parks and Recreation Fund Narrative

The Parks and Recreation fund includes the general activities of the Parks program. Revenues include taxes, grants, charges for services and donations.

Taxes. The tax rate remains the same as the prior year at \$2.09, but provides \$122,000 more to growth in property value.

Intergovernmental Revenues. Grants for \$80,000 are anticipated for FY 2005

Charges for Services. Contracted Services, rents and program fees account for \$819,236 in 2005 with a 3% increase in years out.

Long-Term Assumptions

- This revenue is expected to remain stable.

- Rates are expected to increase slightly at the same time as demand decreases.

Fund Balance

A minimum of 20% of operational revenues.

parks and recreation fund resources

PARKS & RECREATION FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Working Capital Carryover	\$ 1,023,773	\$ 1,168,934	\$ 1,086,879	\$ 1,363,556
Taxes				
Property Taxes				
Current	2,593,445	2,781,967	2,910,000	3,076,000
Prior	138,473	129,785	120,000	76,000
Total Taxes	2,731,918	2,911,752	3,030,000	3,152,000
Intergovernmental Revenues				
FEMA	-	-	-	
Grants	249,397	31,203	80,000	80,000
Total Intergovernmental	249,397	31,203	80,000	80,000
Charges for Service				
Community Center Rent	35,000	29,323	35,000	35,000
Contract Service Fees	211,000	183,021	201,500	318,708
Golf Course Fees	350,000	336,102	355,000	355,000
Park Fees	10,000	28,018	10,000	5,000
Recreation Program Fees	106,000	90,318	97,728	125,000
Total Charges for Services	471,803	666,782	699,228	838,708
Interest on Investments				
Interest on Pooled Investments	41,800	30,802	47,000	18,000
Total Interest on Investments	41,800	30,802	47,000	18,000
Miscellaneous				
Donations	-	25,604	33,000	15,000
Miscellaneous Income	58,946	4,959	2,000	30,000
Total Miscellaneous Income	58,946	30,563	35,000	45,000
Other Financing Sources				
Operating Transfers In				-
From Central Servical Fund	-	205,000	133,000	43,333
From Parks Capital Improvements Fund	-	120,000	-	-
From Golf Course Fund	-	-	-	-
From Youth Activities Levy Fund	-	-	-	-
Total Other Financing Sources	-	325,000	133,000	43,333
Total Parks & Recreation	\$ 4,577,637	\$ 5,165,036	\$ 5,111,107	\$ 5,540,597

parcs and recreation fund long-term plan

PARKS AND RECREATION FUND	2002	2003	2004	2004	2005
	Actual	Actual	Amended	Estimate	Adopted
Revenues					
Taxes	\$ 2,731,918	\$ 2,911,752	\$ 3,030,000	\$ 3,030,000	\$ 3,152,000
Intergovernmental Revenues	249,397	31,203	80,000	12,000	80,000
Charges for Service	471,803	666,782	699,228	623,500	838,708
Interest on Investments	41,800	30,802	47,000	11,000	18,000
Miscellaneous	58,946	355,563	35,000	43,000	45,000
Transfers In	-	-	133,000	133,000	43,333
Total Revenues	3,553,864	3,996,102	4,024,228	3,852,500	4,177,041
Expenditures					
Personal Services	2,048,793	2,168,577	2,337,982	2,201,500	2,613,300
Materials and Services	1,168,805	1,383,572	1,564,800	1,349,400	1,529,475
Capital Outlay	49,555	118,535	256,325	246,225	260,000
Debt Service	21,550	21,181	32,000	24,990	37,000
Transfers Out	120,000	70,000	70,000	70,000	100,000
Contingency	-	-	35,000	-	35,000
Total Expenditures	3,408,703	3,761,865	4,296,107	3,892,115	4,574,775
Excess (Deficiency) of Revenues over Expenditures	145,161	234,237	(271,879)	(39,615)	(397,734)
Working Capital Carryover	1,023,773	1,168,934	1,086,879	1,403,171	1,363,556
Ending Fund Balance	\$ 1,168,934	\$ 1,403,171	\$ 815,000	\$ 1,363,556	\$ 965,822

parks and recreation fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$ 3,309,600	\$ 3,475,000	\$ 3,649,000	\$ 3,831,000	\$ 4,023,000		105.0%
80,000	80,000	80,000	80,000	80,000		Flat
819,236	844,000	869,000	895,000	922,000		103.0%
18,270	19,000	20,000	21,000	22,000		103.0%
45,000	46,000	47,000	48,000	49,000		103.0%
-	-	-	-	-		
4,272,106	4,464,000	4,665,000	4,875,000	5,096,000		
2,677,500	2,811,000	2,952,000	3,100,000	3,255,000		105.0%
1,508,500	1,554,000	1,601,000	1,649,000	1,698,000		103.0%
386,540	55,000	57,000	59,000	61,000		103.0%
30,900	16,000	16,000	16,000	16,000	Calculated	
50,000	50,000	50,000	50,000	50,000	Flat	
35,000	35,000	35,000	35,000	35,000	Flat	
4,688,440	4,521,000	4,711,000	4,909,000	5,115,000		
(416,334)	(57,000)	(46,000)	(34,000)	(19,000)		
965,822	549,488	492,488	446,488	412,488		
\$ 549,488	\$ 492,488	\$ 446,488	\$ 412,488	\$ 393,488		

Parks Capital Improvement Fund Narrative

This fund accounts for revenues from Interfund transfers and depreciation charges that are used for construction of parks and recreation facilities, for equipment acquisition and replacement, and other related purposes.

Transfers. Budgeted at \$100,000, less than the prior year, to support projects.

Interest. Interest is budgeted consistent with the prior year.

Long-Term Assumptions

- Stable funding in the Long-term.
- Consistent expenditures in the Long-term.

Fund Balance

No minimum fund balance policy established.

parks capital improvement fund resources

PARKS CAPITAL IMPROVEMENTS FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Working Capital Carryover	\$ 151,955	\$ 280,337	\$ 332,000	\$ 266,965
Charges for Service				
Funded Depreciation	95,000	92,000	92,000	92,000
Lease Payments	-	-	-	-
Total Charges for Service	95,000	92,000	92,000	92,000
Interest on Investments				
Interest on Investments	4,933	4,838	10,000	4,000
Total Interest on Investments	4,933	4,838	10,000	4,000
Transfers In				
From Parks & Recreation	70,000	70,000	70,000	50,000
Total Parks Capital Improvement	\$ 321,888	\$ 447,175	\$ 504,000	\$ 412,965

parks capital improvement fund long-term plan

PARKS CAPITAL IMPROVEMENTS FUND	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
Revenues					
Charges for Service	\$ 95,000	\$ 92,000	\$ 92,000	\$ 92,000	\$ 92,000
Interest on Investments	4,933	4,838	10,000	3,800	4,000
Transfers In	70,000	70,000	70,000	70,000	50,000
Total Revenues	169,933	166,838	172,000	165,800	146,000
Expenditures					
Capital Outlay	41,551	79,442	270,000	266,568	243,000
Total Expenditures	41,551	79,442	270,000	266,568	243,000
Excess (Deficiency) of Revenues over Expenditures	128,382	87,396	(98,000)	(100,768)	(97,000)
Working Capital Carryover	151,955	280,337	332,000	367,733	266,965
Ending Fund Balance	\$ 280,337	\$ 367,733	\$ 234,000	\$ 266,965	\$ 169,965

parks capital improvement fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$ 94,800	\$ 97,600	\$ 100,500	\$ 103,500	\$ 106,600		103.0%
4,100	4,200	4,300	4,400	4,500		102.0%
50,000	50,000	50,000	50,000	50,000	Flat	
148,900	151,800	154,800	157,900	161,100		
250,290	150,000	150,000	150,000	150,000	Flat	
250,290	150,000	150,000	150,000	150,000		
(101,390)	1,800	4,800	7,900	11,100		
169,965	68,575	70,375	75,175	83,075		
\$ 68,575	\$ 70,375	\$ 75,175	\$ 83,075	\$ 94,175		

Youth Activities Levy Fund Narrative

This fund accounts for the contractual agreement with the Ashland School District, providing monies for a wide variety of extra-curricular activities for students in the District's elementary, middle, and high schools.

Resources include property taxes authorized by the levy.

Taxes. The levy passed in 2003 and expires in 2008.

Long-Term Assumptions

- Activities will be consistent with revenues.

Fund Balance

No fund balance requirement.

YOUTH ACTIVITIES LEVY FUND

Description	2002 Actual	2003 Actual	2004 Amended	2005 Adopted
Working Capital Carryover	\$ 125,706	\$ 36,341	\$ 20,000	\$ 20,166
Taxes				
Property Taxes				
Current	1,678,313	1,808,599	1,860,200	2,029,000
Prior	77,347	79,872	97,000	48,000
Total Taxes	1,755,660	1,888,471	1,957,200	2,077,000
Interest on Investments				
Interest on Investments	-	-	-	-
Total Interest on Investments	-	-	-	-
Total Youth Activities Levy	\$ 1,881,366	\$ 1,924,812	\$ 1,977,200	\$ 2,097,166

youth activities levy fund long-term plan

YOUTH ACTIVITIES LEVY FUND	2002 Actual	2003 Actual	2004 Amended	2004 Estimate	2005 Adopted
Revenues					
Taxes	\$ 1,755,660	\$ 1,888,471	\$ 1,957,200	\$ 1,957,000	\$ 2,077,000
Charges for Service	-			-	
Interest on Investments				-	
Total Revenues	1,755,660	1,888,471	1,957,200	1,957,000	2,077,000
Expenditures					
Personal Services	83,953	88,528	87,000	85,631	89,000
Materials and Services	1,761,072	1,799,881	1,888,200	1,887,606	2,006,000
Transfers Out	-			-	
Total Expenditures	1,845,025	1,888,409	1,975,200	1,973,237	2,095,000
Excess (Deficiency) of Revenues over Expenditures	(89,365)	62	(18,000)	(16,237)	(18,000)
Working Capital Carryover	125,706	36,341	20,000	36,403	20,166
Ending Fund Balance	\$ 36,341	\$ 36,403	\$ 2,000	\$ 20,166	\$ 2,166

youth activities levy fund long-term plan

2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget	Assumptions	Percent
\$ 2,180,850	\$ 2,205,300	\$ 2,272,000			YAL expires in 2008	
-	-	-	-	-		
-	-	-	-	-		
2,180,850	2,205,300	2,272,000	-	-		
93,450	87,000	87,000				105.0%
2,056,150	2,118,300	2,185,000	33,416			104.0%
-	-	-	-	-		
2,149,600	2,205,300	2,272,000	33,416	-		
31,250	-	-	(33,416)			
2,166	33,416	33,416	33,416	-		
\$ 33,416	\$ 33,416	\$ 33,416	\$ -	\$ -		



Appendix

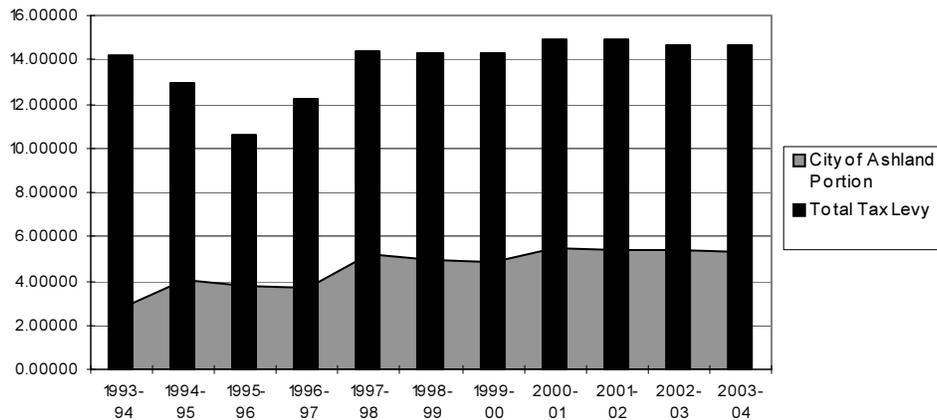
History of Combined Property Tax Rates	A-2
History of Property Tax Levies	A-3
History of Property Tax Rates	A-4
Future Debt Requirements	A-5
Financial Management Policies	A-6
Accounting Methods	A-12
Salary Schedule	A-14
History of Positions	A-17
Summary of Union Affiliation	A-18
Chart of Accounts Descriptions	A-20
Glossary	A-24
Acronyms	A-28
Index	A-30

history of combined property tax rates

The table below shows combined city and county property tax rates per thousand dollars of assessed value.

	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
	Tax Rate						
City of Ashland	5.18340	4.91850	4.81387	5.48310	5.37730	5.38390	5.33990
County	2.00240	2.20550	2.25340	2.55500	2.65720	2.70170	2.79100
Vector	0.04280	0.04270	0.04270	0.04290	0.04290	0.04160	0.04170
RVTD	0.17740	0.17720	0.17720	0.00000	0.17720	0.16980	0.17090
Schools-ESD-Rogue	5.00000	5.00000	5.02530	5.02530	5.02530	4.99720	4.99920
School Debt	1.94430	1.94340	1.94560	1.83760	1.66620	1.36650	1.32980
Total Tax Rate	14.35030	14.28730	14.25807	14.94390	14.94610	14.66070	14.67250
Assessed Valuation	1,035,683,650	1,088,136,230	1,157,736,510	1,240,116,210	1,333,040,730	1,423,894,752	1,511,835,569

Combined Property Tax Rates



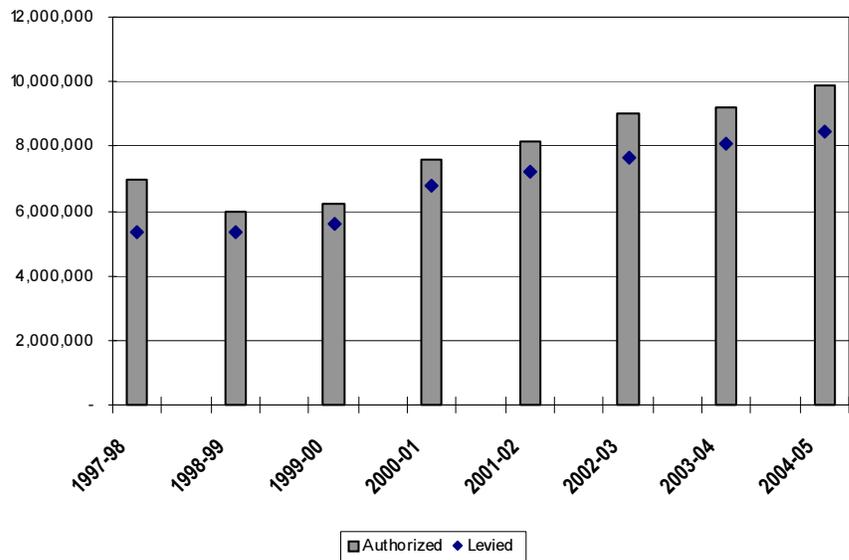
This chart shows the combined property tax rates per thousand dollars of assessed valuation from fiscal year 1993-94 through year 2003-2004.

history of property tax levies

The table below shows the total property taxes levied from 1997-98 fiscal year through the adopted 2004-05.

	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	Adopted 2004-05
	Tax Levy							
General Fund	\$ 1,215,059	\$ 1,583,000	\$ 1,740,000	\$ 1,862,656	\$ 1,997,793	\$ 2,094,099	\$ 2,218,261	\$ 2,352,000
Parks Continuing Levy	2,316,029	2,458,000	2,458,000	2,631,773	2,758,856	2,977,649	3,192,132	3,344,000
Ashland Youth Activity	1,100,000	1,100,000	1,100,000	1,712,104	1,841,695	1,970,420	2,094,699	2,205,000
Recreation Serial Levy	112,623	-	-	-	-	-	-	-
Cemetery Continuing Levy	251,404	-	-	-	-	-	-	-
Band Continuing Levy	69,999	-	-	-	-	-	-	-
1982 Water Bond Levy	53,291	53,000	53,000	83,000	83,000	83,000	84,046	83,000
1992 Water Bond Levy	187,968	50,000	100,000	100,000	100,000	100,000	101,455	84,000
1997 Flood Restoration Bonds	61,989	115,000	125,000	100,000	95,000	105,000	105,058	105,000
2000 Fire Station/ Flood Restoration Bonds	-	-	-	311,000	310,388	304,000	309,770	310,000
	\$ 5,368,362	\$ 5,359,000	\$ 5,576,000	\$ 6,800,533	\$ 7,186,732	\$ 7,634,168	\$ 8,105,421	\$ 8,483,000
Authorized	6,974,228	5,963,000	6,239,000	7,557,000	8,142,000	9,046,000	9,176,000	9,883,000

The graph to the right that while the City levies Ad-Valorem Taxes sufficient to meet it's economic requirements, during the period reflected in this chart and at no time previously has the authorized constitutional limit been reached.

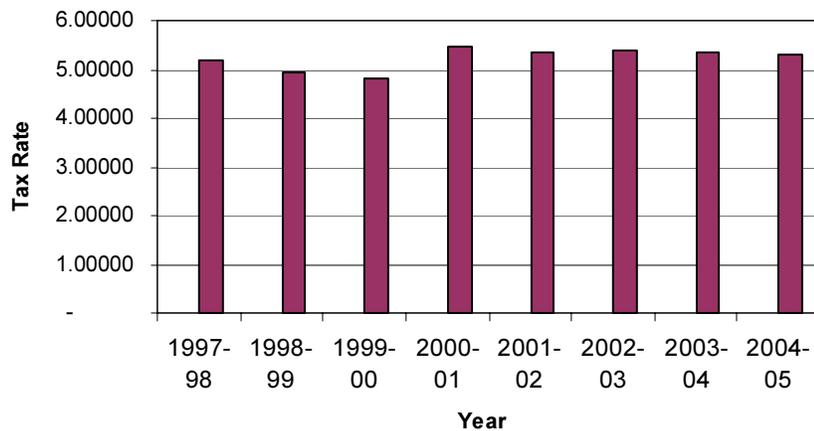


history of property tax rates

The table below shows the property tax rates per thousand dollars of assessed value from fiscal year 1997-98 through the adopted rates for 2004-05.

	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	Adopted 2004-05
	Tax Rate							
General Fund	1.17320	1.45291	1.50224	1.50200	1.47170	1.47170	1.47194	1.47190
Parks	2.23623	2.25600	2.12202	2.12220	2.09250	2.09250	2.09247	2.09280
Ashland Youth Activities Levy	1.06210	1.00960	0.94960	1.38000	1.38000	1.38000	1.38000	1.38000
Recreation Serial Levy	0.10874	-	-	-	-	-	-	-
Cemetery Continuing Levy	0.24274	-	-	-	-	-	-	-
Band Continuing Levy	0.06759	-	-	-	-	-	-	-
1982 Water Bond Levy	0.05145	0.04864	0.04576	0.06760	0.06230	0.06310	0.05491	0.05190
1992 Water Bond Levy	0.18149	0.04589	0.08634	0.08150	0.07500	0.07610	0.06615	0.05260
Hydro Bond Levy	-	-	-	-	-	-	-	-
1997 Flood Restoration Bonds	0.05985	0.10555	0.10792	0.08150	0.07350	0.07230	0.06946	0.06570
2000 Flood Restoration Bonds	-	-	-	0.01300	-	-	-	-
2000 Flood and Fire Station Bonds	-	-	-	0.24050	0.20940	0.22820	0.20508	0.19400
	5.18340	4.91859	4.81387	5.48830	5.36440	5.38390	5.34001	5.30890
Assessed Valuation	1,035,683,650	1,089,540,390	1,158,273,600	1,227,000,000	1,333,040,730	1,365,663,845	1,511,613,496	1,511,835,569

History of Property Taxes



future debt requirements

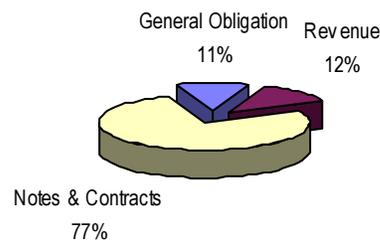
The table below shows the minimum requirements of Debt Service repayments. The current year budget contains provisions for additional payments on Bond and Notes with call features that allow for prepayment. The current budget also contains significant issues yet to be marketed, so future requirements are not known and, therefore, not included.

	Joint Revenue & Tax Supported				Joint Revenue & Tax Supported			
	General Obligation		Revenue		Notes and Contracts		Payable	
	Bonds		Revenue		Notes and Contracts		Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2004-05	\$ 340,000	\$ 243,402	\$ 320,000	\$ 146,856	\$ 1,897,341	\$ 1,354,683		
2005-06	355,000	228,731	320,000	140,456	1,991,973	1,269,397		
2006-07	370,000	213,209	325,000	134,006	2,080,877	1,180,431		
2007-08	390,000	196,888	335,000	127,406	2,127,831	1,084,885		
2008-09	385,000	174,378	335,000	120,288	2,535,890	989,042		
2009-10	405,000	155,675	345,000	112,206	2,487,733	869,336		
2010-11	430,000	135,703	360,000	102,944	2,715,480	748,478		
2011-12	455,000	114,266	370,000	92,444	1,979,411	638,753		
2012-13	180,000	98,460	375,000	81,269	2,018,646	547,990		
2013-14	190,000	88,560	385,000	69,628	1,320,468	475,326		
2014-15	200,000	78,110	400,000	57,413	1,363,984	427,421		
2015-16	210,000	66,910	155,000	48,694	1,380,264	379,395		
2016-17	220,000	55,150	160,000	43,475	1,428,761	330,898		
2017-18	235,000	42,720	165,000	37,929	1,478,977	280,682		
2018-19	-	29,325	175,000	31,976	1,530,974	228,686		
2019-20	510,000	14,950	180,000	25,585	1,584,816	174,843		
2020-21		-	185,000	18,831	1,640,571	119,088		
2021-22	-	-	190,000	11,681	1,698,300	61,355		
2022-23	-	-	200,000	4,000	51,542	16,077		
2023-24	-	-	-	-	54,418	13,201		
2024-25	-	-	-	-	57,455	10,165		
2025-26	-	-	-	-	60,661	6,959		
2026-27	-	-	-	-	64,046	3,574		
2027-28	-	-	-	-	4,953	-		
Totals	\$ 4,875,000	\$ 1,936,435	\$ 5,280,000	\$ 1,407,087	\$ 33,555,371	\$ 11,210,664		

**Amount shown above does not include future debt on assessments that have not been issued.

2004-2005 Debt Requirements

This graph shows principal debt by type of debt service as a percentage of total debt.



Scope

The Financial Management Policies apply to fiscal activities of the City of Ashland.

Objectives

The objectives of Ashland's financial policies are as follows:

- To enhance the City Council's decision-making ability by providing accurate information on program and operating costs.
- To employ revenue policies that prevent undue or unbalanced reliance on any one source, distribute the cost of municipal services fairly, and provide adequate funds to operate desired programs.
- To provide and maintain essential public programs, services, facilities, utilities, infrastructure, and capital equipment.
- To protect and enhance the City's credit rating.
- To ensure the legal use of all City funds through efficient systems of financial security and internal control.

Investments

All City funds shall be invested to provide—in order of importance—safety of principal, a sufficient level of liquidity to meet cash flow needs, and the maximum yield possible. One hundred percent of all idle cash will be continuously invested.

Accounting

- The City will maintain an accounting and financial reporting system that conforms to Generally Accepted Accounting Principles (GAAP) and Oregon Local Budget Law. The City will issue a Comprehensive Annual Financial Report (Audit report) each fiscal year. The Comprehensive Annual Financial Report shows fund expenditures and revenues on both a GAAP and budget basis for comparison purposes.
- An independent annual audit will be performed by a certified public accounting firm that will issue an official opinion on the annual financial statements and a management letter detailing areas that need improvement.
- Full disclosure will be provided in financial statements and bond representations.

- The accounting systems will be maintained to monitor expenditures and revenues on a monthly basis with thorough analysis and adjustment of the annual budget as appropriate.
- The accounting system will provide monthly information about cash position and investment performance.
- Annually, the City will submit documentation to obtain the Certificate of Achievement for Excellence in financial reporting from the Government Finance Officers Association (GFOA).

Operating Budgetary Policies

- The budget committee will be appointed in conformance with state statutes. The budget committee's chief purpose is to review the city administrator's proposed budget and approve a budget and maximum tax levy for city council consideration. The budget committee may consider and develop recommendations on other financial issues as delegated by the city council.
- The City will finance all current expenditures with current revenues. The City will avoid budgetary practices that balance current expenditures through the obligation of future resources.
- The City budget will support city council goals and priorities and the long-range needs of the community.
- In contrast to the line-item budget that focuses exclusively on items to be purchased (such as supplies and equipment), the City will use a *program/objectives* format that is designed to:
 - 1) Structure budget choices and information in terms of programs and their related work activities,
 - 2) Provide information on what each program is committed to accomplish in long-term goals and in short-term objectives, and
 - 3) Measure the degree of achievement of program objectives (performance measures).
- The City will include multi-year projections in the annual budget.
- To maintain fund integrity, the City will manage each fund as an independent entity in accordance with applicable statutes and with generally accepted accounting principles.

- The City will allocate direct and administrative costs to each fund based upon the cost of providing these services. The City will recalculate the cost of administrative services each year to identify the impact of inflation and other cost increases.
- The City will submit documentation annually to obtain the Award for Distinguished Budget Presentation from the Government Finance Officers Association.

Fund Balance Policy

General Fund

The General Fund accounts for all financial resources not accounted for in other funds. Resources include working capital carryover, taxes, licenses and permits, intergovernmental revenue, fines and forfeitures, charges for services, miscellaneous revenues, and inter-fund transfers. Expenditures are for Social Services, Economic and Cultural Development, Police Department, Municipal Court Department, Fire and Rescue Department, Senior Program, City Band, Cemeteries, and the Department of Community Development. This fund uses the modified accrual method of accounting.

- The General Fund will maintain an unrestricted and undesignated balance of annual revenue of at least 10 percent. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- No portion of the General fund balance is restricted for specific uses.
- The General fund was pledged in the issuance of the 1996 Limited Tax Improvement Bonds. Bond and interest payments may be paid from this fund or an additional tax levy imposed, provided assessment payments were inadequate.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures or shortfalls in projected revenues. The minimum contingency will be maintained at not less than 3 percent of annual revenues.

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific sources that are legally restricted to expenditures for specified purposes. Special Revenue Funds account for transactions using the modified accrual method of accounting.

Community Development Block Grant Fund. This fund was established in 1994-95. The fund accounts for the Block Grant and related expenditures.

- A fund balance policy is not needed since this fund works on a reimbursement basis.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures or shortfalls in projected revenues. The minimum contingency will be maintained at not less than 3 percent of annual revenues.

Street Fund. Revenues are from the state road tax, grants, franchise fees, charges for services and miscellaneous sources. Expenditures are for the maintenance, repair, and surfacing of streets, as well as the maintenance, repair and construction of storm drains.

- The Street Fund will maintain an unrestricted and undesignated balance of annual revenue of at least 10 percent. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- The System Development Charges for Transportation and Storm Drains are included in the Street Fund balance. This portion of the Street Fund balance is restricted and shall not be used in determining the minimum fund balance.
- The City will budget a contingency appropriation to provide for unanticipated expenditures of a non-recurring nature or shortfalls in projected revenues. The minimum contingency will be maintained at not less than 3 percent of annual revenues.

Airport Fund. Revenues are from airport leases, and fuel sales. Expenditures are for airport operations.

- The Airport Fund will maintain an unrestricted and undesignated balance of annual revenue of at least 16 percent. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- No portion of the Airport fund balance is restricted for specific uses.
- Many of the Airport assets have restrictions placed on them by the Federal Aviation Administration. None of the current revenues are pledged to outside lenders. Over the next 20 years, the Airport Fund is obligated to repay the Equipment Fund for the installation of fuel tanks through an equipment rental fee.

- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures or shortfalls in projected revenues. The minimum contingency will be maintained at not less than 3 percent of annual revenues.

Capital Projects Funds

Capital improvement funds are established to account for financial resources that are used for the acquisition or construction of major capital facilities (other than those financed by Enterprise Funds, Internal Service Funds, Special Assessment Funds, and Trust Funds). Capital projects funds use the modified accrual method of accounting.

Capital Improvements Fund. This fund accounts for revenues from grants, unbonded assessment payments, and other sources, and will account for the construction of special local improvements, usually streets, with revenues from short term borrowing and unbonded assessments. Expenditures are for construction, property and equipment acquisition and replacement, improvements and related purposes, and the repayment of short-term debt principal and interest incurred in financing improvements.

- The purpose is to accumulate funds prior to a large construction project; therefore, there is no minimum fund balance.
- The System Development Charges (SDCs) for Parks are included in the Capital Improvement fund balance. This portion of the Capital Improvements fund balance is legally restricted and shall not be used in determining the minimum fund balance. The city council has established other restrictions on this fund, such as affordable housing and office space needs.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures or shortfalls in projected revenues. The minimum contingency will be maintained at not less than 3 percent of annual revenues.

Debt Service Funds

Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Expenditures and revenues are accounted for using the modified accrual method of accounting. All bond issues and notes are separated in the accounting system.

- All of the monies within the Debt Service fund are restricted for Debt service until the specific debt is repaid in full. ORS prohibits cities from borrowing this money for any other purpose.
- The Debt Service Fund will maintain an unrestricted and undesignated balance of annual revenue as required by the specific debt instrument. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.

Enterprise Funds

Enterprise funds account for the following operations: (a) those that are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) those where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriated for capital maintenance, public policy, management control, accountability, or other purposes.

Enterprise funds use full accrual basis of accounting for financial statement presentations. However, the enterprise activities use a modified accrual basis of accounting for budgetary purposes. This assures budgetary compliance with such expenditures as capital construction and acquisition, as well as debt principal transactions.

Water Fund. This fund accounts for water operations. Revenues are from sales of water, other charges for services, and miscellaneous sources. Expenditures are for operations, conservation programs, capital construction, and retirement of debt.

- The Water Fund will maintain an unrestricted and undesignated balance of annual revenue of at least 20 percent. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- The Water System Development Charges and reserved debt service fund balances are included in the Water Fund balance. These portions of the Water Fund balance are restricted and shall not be used in determining the minimum fund balance.

- The net revenues of the Water Fund were pledged in the issuance of the 1994 Water Revenue Bonds used to finance the upgrade to the water treatment plant.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures or shortfalls in projected revenues. The minimum contingency will be maintained at not less than 3 percent of annual revenues.
- No portion of the Electric Fund balance is restricted for specific uses.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures or shortfalls in projected revenues. The minimum contingency will be maintained at not less than 3 percent of annual revenues.

Wastewater Fund. This fund accounts for wastewater treatment and collection. Revenues are from charges for services. Expenditures are for operations, capital construction, and retirement of debt.

- The Wastewater Fund will maintain an unrestricted and undesignated balance of annual revenue of at least 15 percent, but no less than required by the Wastewater Treatment Plant loan. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- The Wastewater System Development Charges are included in the Wastewater Fund balance. This portion of the Wastewater Fund balance is restricted and shall not be used in determining the minimum fund balance.
- The net revenues of the Wastewater Fund that were pledged in the issuance of the 1998 Clean Water State Revolving Fund (CWSRF) Loan used to finance the upgrade to the treatment plant are included in this fund.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures or shortfalls in projected revenues. The minimum contingency will be maintained at not less than 3 percent of annual revenues.

Electric Fund. The Electric Fund accounts for the distribution of purchased electricity according to standards set forth by the Federal Energy Regulatory Commission. Revenues are from sale of electricity and other charges for services and intergovernmental grants. Expenditures are for related operations. Utility operations include wholesale power purchases, operating expenses, energy conservation incentives, capital outlay, retirement of debt, franchise tax, and related purposes.

- The Electric Fund will maintain an unrestricted and undesignated balance of annual revenue of at least 12 percent. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.

Telecommunications Fund. The Telecommunications Fund accounts for the revenues and expenditures of the Ashland Fiber Network.

- No fund balance policy has been established.

Internal Service Funds

Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis. Internal service funds use full accrual accounting methods for financial statement presentations. However, the internal service funds use a modified accrual basis of accounting for budgetary purposes. This assures budgetary compliance with such expenditures as capital construction and acquisition as well as debt principal transactions.

Central Services Fund. This fund is divided into Administration, Computer Services, Finance, City Recorder, and Public Works Administration/Engineering, and Maintenance. Expenditures are for personnel, materials and services and capital outlay for these departments. These functions are supported by charges for services by all direct service departments and divisions.

- The Central Services Fund will maintain an unrestricted and undesignated balance of annual revenue of at least 3 percent. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- No portion of the Central Services Fund balance is restricted for specific purposes.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures or shortfalls in projected revenues. The minimum contingency will be maintained at not less than 3 percent of annual revenues.

Insurance Services Fund. Revenues in this fund are from service charges from other departments, investment income, and insurance retrospective rating adjustments. Expenditures are for insurance premiums, self-insurance direct claims, and administration.

- The Insurance Services Fund will maintain an unrestricted and undesignated balance of \$350,000 as recommended in the June 1993 Risk Financing Study. This balance will be increased annually by the Consumer Price Index (CPI) to account for inflation. This is the minimum needed to maintain the City's insurance programs and provide for uninsured exposures.
- No portion of the Insurance Services Fund balance is legally restricted for specific uses.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures or shortfalls in projected revenues. The minimum contingency will be maintained at not less than 3 percent of annual revenues.

Equipment Fund. This fund is used to account for the maintenance and replacement of the City fleet of vehicles. Revenues are from equipment rental charges. Expenditures are for personnel, materials and services, and capital outlay. This fund is divided into two functions: equipment maintenance and equipment replacement. The purpose of the equipment replacement function is to accumulate adequate funds to replace equipment. This replacement schedule is updated annually.

- No minimum fund balance is recommended.
- No portion of the Equipment fund balance is legally restricted for specific uses. The City has a policy of renting equipment at rates that include the replacement cost of the specific piece of equipment.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures or shortfalls in projected revenues. The minimum contingency will be maintained at not less than 3 percent of annual revenues.

Trust and Agency Funds

Trust and agency funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, or governmental units, and/or other funds. These include (a) expendable trust funds, (b) non-expendable trust funds, (c) pension trust funds, and (d) agency funds.

Cemetery Trust Fund. The Cemetery Trust Fund is a non-expendable trust fund that uses the accrual basis of

accounting. Revenues are from interest income and perpetual care service charges on cemetery operations. Expenditures are for the repurchase of plots and transfers of earnings to the cemetery fund for operations.

- No minimum fund balance policy is recommended.

Discrete Components Unit

Parks

Parks and Recreation Fund. (Special Revenue Fund) Revenues are from property taxes, charges for services, and miscellaneous sources. Expenditures are for parks, recreational, and golf course operations.

Parks Capital Improvements Fund. (Capital Projects Fund) This fund is used to account for resources from grants and inter-fund transfers that are to be expended for equipment purchases and major park renovations.

Revenues

- The City will estimate its annual revenues by an objective, analytical process. Because most revenues are sensitive to conditions outside the City's control, estimates will be conservative.
- The City will make every effort to maintain a diversified and stable revenue base to protect its operation from short-term fluctuations in any one revenue source.
- With the exception of grants, charges for services, and earmarked donations, the City will not earmark revenue for specific purposes in the General Fund.
- The City will establish charges for enterprise funds that fully support the total cost of the enterprise. Utility rates will be reviewed annually. Rates will be adjusted as needed to account for major changes in consumption and cost increases.
- The City will charge user fees to the direct beneficiaries of City services to recover some or all of the full cost of providing that service. All user fees will be reviewed biannually to insure that direct and overhead costs are recovered in the percentage approved by City Council.
- To the extent practicable, new development shall pay necessary fees to meet all identified costs associated with that development.

- The City will work aggressively to collect all delinquent accounts receivable. When necessary, collection procedures will include termination of service, submission to collection agencies, foreclosure, and other available legal remedies.

Expenditures

- The City will provide employee compensation that is competitive with comparable public jurisdictions within the relative recruitment area.
- Estimated wage increases and changes in employee benefits will be included in the proposed budget under Personal Services.
- The City is committed to maintaining and improving the productivity of its staff by providing a proper working environment, adequate equipment and supplies, and appropriate training and supervision.
- A Social Service appropriation will be included in the proposed General Fund Budget. This appropriation will increase or decrease relative to the overall General Fund revenues.
- An Economic and Cultural Development appropriation will be included in the proposed General Fund Budget. This appropriation will increase or decrease relative to the overall Transient Occupancy Tax Revenues.

Purchasing

- The City will purchase materials, supplies, and equipment through a competitive process that provides the best product for the least cost.

Capital

- The City will provide for adequate maintenance of equipment and capital assets. The City will make regular contributions to the Equipment Replacement Fund and the City Future General Capital Improvements Account to ensure that monies will be available as needed to replace City vehicles and facilities.
- The City will update its five-year Capital Improvements Program biannually, identifying capital needs and potential capital funding sources. The Capital Improvements Program will reflect the priorities of

the City Council and the long-range needs of the community.

- Future operating costs associated with new capital improvements will be projected and included in the long-term budget forecast.
- The City will determine and use the most appropriate method for financing all new capital projects.
- Special accounts dedicated for capital improvements will be segregated in the accounting system and used only for the intended capital purposes.
- The Capital Improvement Plan will encourage a level capital replacement schedule.

Debts

- The City will not use long-term borrowing to finance current operations.
- Capital projects, financed through bond proceeds, will be financed for a period not to exceed the useful life of the project.
- Whenever possible, enterprise debt will be self-supporting. Regardless of the type of debt issued, the City will establish a one-year reserve for all self-supporting debt.
- The City will seek to maintain and improve its bond rating to minimize borrowing costs and to ensure its access to credit markets.
- The City will keep the final maturity of general obligation bonds at or below 20 years, with the exception of water supply and land acquisition that will be limited to 30 years.
- The City will maintain good communications with bond rating agencies about its financial condition.
- The City will not issue general obligation debt, which combined with all other overlapping jurisdictions, will exceed the medium affordability index.

Risk Management

- The City will provide an active risk management program that reduces human suffering and protects City assets through loss prevention, insurance, and self-insurance.

Accounting Methods

General Fund

This fund accounts for all financial resources except those accounted for in another fund. Resources include working capital carryover, taxes, licenses and permits, intergovernmental revenue, fines and forfeitures, charges for services, miscellaneous revenues, and inter-fund transfers. Expenditures are for Social Services, Economic and Cultural Development, Police Department, Municipal Court Division, Communications, Fire and Rescue Department, Senior Program, Community Development, Planning Division, and the Building Division. This fund uses the modified accrual method of accounting.

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Special revenue funds account for transactions on the modified accrual method of accounting.

Community Development Block Grant Fund.

This fund was created in 1994-95. The fund accounts for the Block Grant and related expenditures.

Street Fund. Revenues are from the state road tax, franchise fees, charges for services and miscellaneous sources. Expenditures are for the maintenance, repair, and surfacing of streets, as well as maintenance and construction of the storm water runoff infrastructure.

Airport Fund. Revenues are from airport leases. Expenditures are for maintenance of airport facilities.

Capital Projects Fund

Capital improvement funds are established to account for financial resources that are used for the acquisition or construction of major capital facilities (other than those financed by enterprise funds, internal service funds, special assessment funds, and trust funds). Capital projects funds use the modified accrual method of accounting.

Capital Improvements Fund. This fund accounts for revenues from grants, nonbonded assessment payments, bond proceeds, and other

sources, and will account for the construction of special local improvements, usually streets, with revenues from short-term borrowing and non bonded assessments. Expenditures are for construction, property and equipment acquisition, improvements and related purposes, and the repayment of short-term debt principal and interest incurred in financing improvements.

Debt Service Fund

The Debt Service Fund accounts for the accumulation of resources to be used for payment of the debt incurred for the acquisition or construction of major capital facilities (other than those financed by proprietary funds, and trust funds). Expenditures and revenues are accounted for on the modified accrual method of accounting.

Bancroft Bonds revenues are from Bancroft (Local Improvement District) bonded assessments. These are expended for the retirement of local improvement district bonded debt principal and interest until such debts have been fulfilled.

General Bonds revenues are from property taxes that are expended for the retirement of general obligation debt principal and interest.

Notes, Contracts, and Liens revenues derived from operating transfers from other funds are used to repay long-term contracts that are not bonded.

Enterprise Funds

Enterprise funds account for the following operations: (1) those that are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) those where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriated for capital maintenance, public policy, management control, accountability, or other purposes. Enterprise funds use full accrual basis of accounting for financial statement presentations. However, the enterprise activities use a modified accrual basis of accounting for budgetary purposes. This assures budgetary compliance with such expenditures as capital construction and acquisition, as well as debt principal transactions.

Water Fund. This fund accounts for water operations. Revenues are from sales of water, other charges for services, as well as property taxes dedicated to the retirement of general obligation bonds. Expenditures are for operations, conservation programs, capital construction, and retirement of debt.

Wastewater Fund. This fund accounts for wastewater treatment and collection. Revenues are from charges for services. Expenditures are for operations, capital construction, and retirement of debt.

Electric Fund. This fund accounts for the distribution of purchased electricity according to standards set forth by the Federal Energy Regulatory Commission. Revenues are from sale of electricity and other charges for services and intergovernmental grants. Expenditures are for related operations. Utility operations include wholesale power purchases, operating expenses, energy conservation incentives, capital outlay, retirement of debt, and franchise tax.

Telecommunications Fund. This fund accounts for telecommunications operations. Revenues are from cable TV, Internet connections, and high-speed data. Expenses are for operations maintenance, capital construction, and debt service.

Internal Service Funds

Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis. Internal service funds use full accrual accounting methods for financial statement presentations. However, the internal service funds use a modified accrual basis of accounting for budgetary purposes. This assures budgetary compliance with such expenditures as capital construction and acquisition as well as debt principal transactions.

Central Services. This fund is divided into the following Divisions: Elected Officials, Administration, Administrative Services, Legal, Customer Services, Accounting, Purchasing, Public Works Administration, Engineering, Maintenance, Computer Services, and the City Recorder. These Divisions fall under the umbrellas of the Administration, Finance, Public Works, and the Electric Departments. These functions are supported by charges for services by all direct service divisions and departments.

Insurance Services Fund. Revenues in this fund are from service charges from other departments, investment income, and insurance retrospective rating adjustments. Expenditures are for insurance premiums, self-insurance direct claims, and administration.

Equipment Fund. This fund is used to account for the replacement and maintenance of the city's fleet of vehicles. Revenues are from equipment rental charges. Expenditures are for personal services, materials and services, and capital outlay.

Trust and Agency Funds

Trust and agency funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, or governmental units, and/or other funds. These include (a) expendable trust funds, (b) non-expendable trust funds, (c) pension trust funds, and (d) agency funds.

Cemetery Trust Fund. The Cemetery Trust Fund is a non-expendable trust fund that uses the accrual basis of accounting. Revenues are from interest income and perpetual care service charges on cemetery operations. Expenditures are for the repurchase of plots and transfers of earnings to the cemetery fund for operations.

Discrete Component Unit

Parks

Parks and Recreation Fund. (Special Revenue Fund) Revenues are from the parks and recreation portion of the property tax levy, charges for services, and miscellaneous sources. Expenditures are for parks and recreational purposes as well as department operations.

Ashland Youth Activities Serial Levy Fund. (Special Revenue Fund) Revenues are from a three-year Ashland Youth Activities local option property tax levy. Expenditures are for community and youth activities and recreation.

Parks Capital Improvements Fund. (Capital Projects Fund) This fund is used to account for resources from grants and inter-fund transfers that are to be expended for equipment purchases and major park renovations.

salary schedule

Effective January 1, 2004

<u>Classification:</u>	<u>Minimum</u>	<u>Maximum</u>
<u>Elected and Appointed:</u>		
Mayor	500	500
Council	350	350
City Recorder/Treasurer	62,237	62,237
Municipal Judge	42,300	42,300
<u>Management and Confidential:</u>		
City Administrator	99,836	117,885
City Attorney	77,396	87,006
Police Chief	77,396	87,006
Electric & Telecommunications Director	77,396	87,006
Finance Director	77,396	87,006
Fire Chief	77,396	87,006
Public Works Director	77,396	87,006
Community Development Director	77,396	87,006
Electric Operations Superintendent	68,342	76,863
Assistant Fire Chief	66,743	75,048
EMS Fire Training Coordinator	63,840	71,756
Police Lieutenant	63,830	71,748
Human Resources Director	63,830	71,748
Public Works Superintendent	61,689	69,753
Telecommunications Engineer	61,689	69,753
Engineering Services Manager	56,945	66,407
Cable TV Manager	56,304	65,802
Network Administrator	56,300	63,275
Database Administrator	56,300	63,275
Management Analyst	56,300	63,275
Senior Planner	53,254	59,847
Building Official	53,254	59,847
Fire Protection Plans Examiner	53,254	59,847
Police Sergeant	53,101	59,687
Water Plant Supervisor	51,325	57,689
Water Quality Supervisor (Collection/Plant)	51,325	57,689
Accounting Division Manager	49,780	57,075
Associate Engineer	48,881	54,942
Water Quality Supervisor (Distribution)	46,045	51,770
Maintenance Safety Supervisor	46,045	51,770
Street Supervisor	46,045	51,770
Customer Service Supervisor	46,045	51,770
Police Admin. Services Manager	46,029	51,765
Accreditation/Training Manager	46,029	51,765
Telecomm/Computer Technician	46,029	51,765
Assistant City Attorney	45,252	50,976
User Support Administrator	44,957	50,547
Housing Program Specialist	42,522	51,690
Legal Assistant/Claims Management	38,910	43,764
Senior Program Director	36,046	40,508

<u>Classification:</u>	<u>Minimum</u>	<u>Maximum</u>
<u>Management and Confidential:</u>		
Executive Secretary	35,166	39,519
Administrative Assistant	28,491	34,585
Legal Secretary	28,491	34,585
Administrative Secretary	28,491	34,585
Secretary	22,950	27,838
<u>General City Services Staff:</u>		
Engineering Tech III	43,031	52,301
Building Inspector	40,955	51,749
Staff Accountant	39,465	49,779
Associate Planner	37,563	46,359
Engineering Assistant	37,563	46,359
Account Representative	36,783	45,990
Engineering Tech II	35,238	44,622
GIS Specialist	35,228	44,629
Account Clerk II	33,462	41,078
Computer Technician	32,429	39,453
Project Coordinator	32,429	39,453
Assistant Planner	29,520	37,385
Conservation Analyst	29,458	45,474
Code Compliance Specialist	28,836	35,429
Engineering Tech I	28,330	35,894
Account Clerk I	26,086	32,857
Secretary (IBEW)	24,855	31,435
Clerk II	23,145	29,205
Senior Center Specialist	21,760	24,471
Clerk I	20,013	25,156
Bailiff	3,450	3,450
<u>Fire and Rescue Personnel:</u>		
Captain-EMT "P"	56,036	61,450
Captain-EMT "I"	54,143	59,590
Captain-EMT "B"	52,847	58,295
Engineer-EMT "P"	50,414	54,632
Engineer-EMT "I"	50,938	55,322
Engineer-EMT "B"	46,991	51,159
Firefighter-EMT "P"	40,879	50,777
Firefighter-EMT "I"	38,925	48,693
Firefighter-EMT "B"	37,440	47,304
<u>Police Personnel:</u>		
Police Officer	36,925	46,901
Youth Diversion Officer	34,563	43,641
Community Services Officer	27,488	33,736

salary schedule

<u>Classification:</u>	<u>Minimum</u>	<u>Maximum</u>
<u>General Labor:</u>		
Utility Worker IV	34,545	42,753
Cemetery Sexton	34,545	42,753
Water Treatment Plant Operator III	34,423	42,603
Utility Worker III	32,694	40,983
Treatment Plant Operator WW	32,686	41,793
Water Treatment Plant Operator	30,350	40,296
Mechanic	28,585	41,397
Utility Worker II	27,998	37,036
Meter Reader/Repair	27,277	35,906
Utility Worker I	25,262	33,007
<u>Electric Staff:</u>		
Lead Working Line Installer	65,653	65,653
Meter Relay Technician	63,736	63,736
Line Installer/Service Person	60,698	60,698
Line Installer	60,698	60,698
Electrician	60,698	60,698
Electric Meter Reader	58,816	58,816
Line Truck Driver	48,013	48,013
Head-Technician	45,496	51,149
Connect-Disconnect	43,508	43,508
Electrical Warehouse Worker	43,508	43,508
Lead Telecommunications Technician	43,368	43,368
Meter Reader	41,303	41,303
Grounds Person	41,303	41,303
Telecommunications Technician	41,303	41,303
Tree Trimmer	51,110	51,110
<u>Regular Part-time Employees:</u>		
Community Services Volunteer Coordinator	37,731	42,546
Band Director	3,350	3,350

<u>Department</u>	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Adopted</u>	<u>2005 Adopted</u>
Administration	14.75	11.75	13.25	10.25
Finance	14.00	13.80	15.80	20.25
City Recorder	1.75	2.00	2.00	2.00
Police	43.30	44.29	37.30	39.80
Fire and Rescue	29.00	31.00	32.00	34.00
Public Works	55.30	55.30	55.80	57.80
Community Development	14.05	14.00	15.00	15.20
Electric	27.50	31.75	31.00	36.05
Subtotal	199.65	203.89	202.15	215.35
Parks and Recreation	40.20	38.20	36.40	45.90
Total Staffing Requirement	239.85	242.09	238.55	261.25

* 2005 Includes temporary employees

summary of union affiliation

	Non- represented	IBEW Clerical	IBEW Electrical	Laborers	Ashland Police Assoc.	Ashland Firefighters	Temps	Total
Administration Department	10.25							10.25
Finance Department	4.65	15.50					0.10	20.25
City Recorder	1.00	1.00						2.00
Police Department	9.80	3.00			25.00		2.00	39.80
Fire and Rescue Department	5.00					27.00	2.00	34.00
Public Works Department	12.00	5.00		39.80			1.00	57.80
Community Development	4.00	11.20						15.20
Electric Department	11.00	6.30	18.00				0.75	36.05
Parks Department	38.20						7.70	45.90
	95.90	42.00	18.00	39.80	25.00	27.00	13.55	261.25
	By							
Contract Status	Resolution	Settled	Settled	Settled	Settled	Settled		
Termination Date	N/A	6/30/2005	6/30/2005	6/30/2005	6/30/2006	6/30/2006		



chart of accounts descriptions

The following descriptions include the types of Materials and Services expenses charged to each line item, regardless of which program they fall under. Consequently, each expenditure is charged not only to the appropriate program, but also to the correct line item for a complete accumulation of all costs. The title of each line item appears after each account number that is used for city accounting purposes.

MATERIALS & SERVICES (600)

The term used in an operating budget to designate a classification of expenditures. Refers to planned purchases other than Personal Services or Capital Outlay. Includes contractual and other services, materials, supplies and other charges.

601 Supplies

All supplies used by the City such as; office supplies, small tools under \$5,000, food and related items, and books and periodicals.

602 Rental, Repair, Maintenance

Any expense incurred to rent, repair or maintain equipment owned, operated or leased by the City, including all parts, services and fuel.

603 Communications

Charges for local and long distance telephone service, cellular service, pagers, radios, computers, fax, and postage that are incurred in service to the City.

604 Contractual Services

Monies paid to persons for services rendered to the City, who are not employees of the City and fit the legal guidelines for subcontractors.

605 Miscellaneous Charges and Fees

All internal charges are located here. Central Service Fees, Insurance Service Fees, Facilities Use Fees along with any licenses. An example is Financial Software licenses such as Microsoft Office Suite.

606 Other Purchased Services

Miscellaneous purchased services that do not fit appropriately into other materials and services categories.

607 Insurance

Expenditures for insurance premiums, self-insurance direct claims, and administration.

608 Commission

Expenditures relating to advisory committees and commissions created by council.

609 Grants

All Social Service, Economic and Cultural grants awarded by the City.

610 Programs

Programs are groups of activities to accomplish a major service or function for which the local government is responsible.

612 Franchise

General government tax assessed on city enterprise utility gross revenues.

CAPITAL OUTLAY (700)

Monies spent to purchase or construct land, buildings, internal and contracted improvement projects or equipment with a minimum value of \$5,000 as per the Fixed Asset Capitalization Policy, and buildings such as the Civic Center, Public Library, and the City Hall. Items, which generally have a useful life of two or more years, such as machinery, land, furniture, equipment or buildings.

701 Land

Land is categorized into three groups:

- 1) Land which constitutes all city owned property other than easements which are not capitalized.
- 2) Dedicated Park Land which constitutes property dedicated by the City Council as perpetual parkland and
- 3) Open Space Land, which constitutes property dedicated by the City Council as designated open space park.

702 Buildings

All city owned or occupied buildings. Buildings include fixtures and attachments permanently fixed to the structure such as light fixtures, wiring, plumbing, and HVAC.

703 Equipment

Equipment such as small equipment, heavy equipment, vehicles, computer network and software peripherals including hardware and printers, including parts and supplies that aren't otherwise categorized with a minimum value of \$5,000 as per the Fixed Assets Capitalization Policy.

704 Improvements Other than Buildings

Infrastructure improvements per the Fixed Assets Capitalization Policy.

DEBT SERVICE (800)

Payments of interest and principal related to long-term debt or loans made to the City including interest for land, buildings, internal and contracted improvement projects and equipment.

801 Principal

Payments retiring the current portion of the City's long-term debt.

802 Interest

Payment of interest on the City's long-term debt.

OTHER FINANCING USES (900)

All Interfund Loans, Operating Transfers, Contingency Appropriations and Unappropriated funds.

901 Interfund Loans

Loans made between funds.

902 Operating Transfers Out

An amount distributed from one fund to finance another fund. Shown as an expenditure in the originating fund and a revenue in the receiving fund.

chart of accounts descriptions

905 Contingency

An appropriation of funds to cover unforeseen events that may occur during the budget year. The City Council must authorize the use of any contingency appropriations transfer by resolution.

909 Unappropriated

An amount set-aside in the budget to be used as a cash carryover to the next year's budget, to provide the local government with a needed cash flow until other money is received. This amount cannot be transferred by resolution or used through a supplemental budget during the fiscal year it is budgeted, unless there is a significant calamity or natural disaster.



A Accrual Basis: Method of accounting where expenditures and revenues are recorded when incurred, not when paid. The method differs from GAAP Accrual Basis in that, while capital outlays are recognized as expenditures, depreciation and amortization are not [ORS 294.311(1)]

ADA: Americans with Disabilities Act.

Adopted budget: Financial plan that forms the basis for appropriations. Adopted by the governing body (ORS 294.435).

AFN: Ashland Fiber Network is the state-of-the-art telecommunications infrastructure of fiber optic cable that weaves through the City's neighborhoods. AFN provides citizens of Ashland with three services: high-speed data, cable modem Internet access and cable television.

AMR: Automatic Meter Reading System.

Annexation: The incorporation of land into an existing city with a resulting change in the boundaries of that city.

Annual Revenues: The sum of all sources of Estimated Revenues of a fund excluding Working Capital Carryover.

APD: Ashland Police Department.

Appropriation: Authorization for spending a specific amount of money for a specific purpose during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body [ORS 294.311.(3)].

Appropriation Resolution: The legal document passed by the City Council authorizing expenditures.

Approved Budget: The budget that has been approved by the budget committee. The data from the approved budget is published in the Financial Summary before the budget hearing (ORS 294.406).

Assessed Value: The value set on real and personal property as a basis for imposing taxes. It is the lesser of the property's maximum assessed value or real market value.

Audit: The annual review and appraisal of a municipal corporation's accounts and fiscal affairs conducted by

an accountant under contract or the Secretary of State (ORS 297.425).

Audit Report: A report in a form prescribed by the Secretary of State made by an auditor expressing an opinion about the propriety of a local government's financial statements, and compliance with requirements, orders and regulations.

B Baseline: Year two of the prior budget year's long-term plan. The beginning point for the budget preparation, comparison and justification in the ensuing year.

Bioswale: Long narrow trenches dug next to impervious surfaces like parking lots. Water runs off these impervious surfaces into the trench where it is "cleaned" of oily substances and other pollutants prior to reaching the storm drain system. A variety of grasses, shrubs and ground covers are planted in the trenches.

Bonded Debt Levy: Property tax levy dedicated to repayment of General Obligation Bonds authorized by more than 50 percent of the community's registered voters. The levy cannot exceed the term of the bonds.

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

BPA: Bonneville Power Administration. This federal agency is the major wholesaler of Northwest electric energy.

Budget: A financial operating plan with estimated expenditures and expected revenues for a given period.

Budget Committee: A panel composed of the City Council and an equal number of citizens responsible for the review and recommendation of the annual budget (ORS 294.336).

Budget Message: A message prepared by the City Administrator and the Budget Officer explaining the annual proposed budget, articulating the strategies and budgets to achieve the City's goals, and identifying budget impacts and changes (ORS 294.391).

Budget Officer: The person appointed by the City Council to be responsible for assembling the budget. For the City of Ashland, the Finance Director serves this role (ORS 294.331).

Budget Period: A 24-month period beginning July 1 of the first fiscal year and ending June 30 of the second fiscal year.

Budget Transfers: Amounts moved from one fund to finance activities in another fund. They are shown as expenditures in the originating fund and revenues in the receiving fund.

C CAP: Central Area Patrol.

Capital Outlay: An object classification that includes items with a useful life of one or more years, such as machinery, land, furniture, computers, or other equipment, and which cost more than \$5,000 [ORS 294.352(6)].

Capital Project Funds: A fund type used to account for resources, such as bond sale proceeds, to be used for major capital item purchase or construction [OAR 150-294.352(1)].

CDBG: Community Development Block Grant are funds from the Department of Housing and Urban Development used to assist low and moderate income neighborhoods and households.

Central Service Charge: Reimbursement for services that are paid for out of one fund, but benefit the programs in another fund.

CERVS: Community Resource and Vital Services is a non-profit program that ICCA is part of. (See ICCA.)

CIP: Capital Improvement Plan.

CIP Fund: Capital Improvement Fund.

Contingency: An appropriation of funds to cover unforeseen events that may occur during the budget year. The City Council must authorize the use of any contingency appropriations.

CWSRF: Clean Water State Revolving Fund.

D Debt Service: Payment of interest and principal related to long term debt.

Debt Service Funds: A fund established to account for payment of general long-term debt principal and interest [OAR 150-294.352(1)].

Depreciation: A system of accounting which aims to distribute the cost or other basic value of tangible capital assets, less salvage (if any), over the estimated useful life of the unit in a systematic and rational

manner. It is a process of allocation, not of valuation. Depreciation is not budgeted by the City, in accordance with Oregon Local Budget Law.

DEQ: The Oregon Department of Environmental Quality works to restore, enhance, and maintain the quality of Oregon's air, water and land.

E Encumbrance: An obligation chargeable to an appropriation and for which part of the appropriation is reserved [ORS 294.311(10)].

EMS: Emergency Medical Services.

EMT: Emergency Medical Technician.

Enterprise Funds: Records the resources and expenses of acquiring, operating and maintaining a self-supporting facility or service.

EOC: The Emergency Operations Center is the coordinating and support organization headquarters for emergency operations within the City. The purpose of the EOC is to support Incident Command operations.

EPA: Environmental Protection Agency.

Expenditures: The money spent by the City for the programs and projects included within the approved budget.

F Fiscal Year: Twelve-month period from July 1 to June 30 for which the annual budget of the City is prepared and adopted.

Fixed Assets: Assets of a long-term character such as land, buildings, furniture, and other equipment.

Food and Beverage Tax: Five-percent tax assessed on prepared food and beverage providers gross receipts from prepared food items excluding alcohol. The tax was enacted July 1, 1993 and authorization ends December 31, 2010.

Franchise: A privilege fee for using the ROW (Right of Way).

Fringe Benefits: The non-salary part of employees' total compensation. A typical benefit package includes insurance, retirement, and vacation/sick leave components.

FTE: Full-time Equivalent is a term used to measure the number of employees on a 40 hour per week basis.

Fund: An accounting entity with a self-balancing set of

accounts that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions or limitations.

Fund Balance: The difference between governmental fund assets and liabilities; also referred to as fund equity.

G GAAP: Generally accepted accounting principals as determined through common practice or as promulgated by the Government Accounting Standards Board, Financial Accounting Standards Board, or various other accounting standard setting bodies.

General Fund: Records needed to run the daily operations of the local government such as wages, rent, and utilities. It also shows the money that is necessary to pay for these general needs.

I IBEW: International Brotherhood of Electrical Workers

ICCA: Interfaith Care Community of Ashland is an organization that is under the auspices of CERVS. It is a coalition of faith groups and community volunteers committed to providing a coordinated program of emergency services to families and individuals in need. Also known as ICCA/CERVS.

Interfund Loans: Loans made by one fund to another and authorized by resolution or ordinance (ORS 294.460).

Internal Service Fund: Accounts for internally supported activities where the government is the primary reciprocate of the services provided by the fund.

IS: Information Services or Electronic Data Processing.

ISTEA: Intermodal Surface Transportation Efficiency Act grant to encourage various types of transportation.

L LCDC: Land Conservation Development Commission.

Line Item: An expenditure description at the most detailed level. Objects of expenditure are grouped into specific items, such as printing.

LID: Local Improvement Districts are formed by petition and used to request the City of Ashland to finance improvements to neighborhoods (e.g., sidewalks) over a 10-year period.

Local Option Levy: Voter-approved property tax levies for a period of two to five years above the permanent tax rate.

M Materials and Services: The term used in an operating budget to designate a classification of expenditures. Refers to planned purchases other than Personal Services or Capital Outlay.

Measure 47: In November 1996, voters passed a tax limitation initiative that was referred to as Measure 47. The measure's provisions included: a tax roll back for property taxes; a cap of 3 percent on assessed value increases in future years; a requirement that special elections for property tax increase measures must be approved by 50 percent of all registered voters, as opposed to a simple majority in general elections. Because of several complexities regarding implementation, the legislature instead proposed Measure 50 in May 1997.

Measure 50: In May 1997, voters replaced Measure 47 with Measure 50. The measure fundamentally changed the structure of property taxes in Oregon, moving from the tax base system to a permanent tax rate. Measure 50 has the same financial impact as Measure 47, with the benefit of simplified implementation.

Modified Accrual: Revenues are recorded in the accounting period in which they become available and measurable, and expenditures are recorded in the accounting period in which the fund liability is incurred.

O Ordinance: The method by which the appropriation of the budget is enacted into law by the city council per authority of the Oregon State Statutes.

Organizational Unit: An administrative subdivision, such as a department or division, of the city government charged with carrying on one or more specific functions.

P PEG: Public Education and Government access fee relative to the Cable TV Franchise.

Permanent Tax Rate: The rate per thousand dollars of Assessed Value that is the maximum that can be levied for government operations. The assessed valuation is capped and can only increase by three percent per year.

Personal Services: Employee wages, health insurance costs, workers' compensation charges, and any other employee benefits.

- Program:** Some departments are divided into programs for better management and tracking of resources.
- Proposed Budget:** The financial and operating document submitted to the Budget Committee and the governing body for consideration.
- R Requirements:** Total expenditures and unappropriated fund balance.
- Reserve:** A portion of a fund that is restricted for a specific purpose.
- Resources:** Total amounts available for appropriation consisting of the estimated beginning carryover balance plus anticipated revenues.
- Revenues:** Monies received or anticipated by a local government from both tax and non-tax sources.
- S SBA:** Small Business Administration, established in 1953, is a federal agency that provides financial, technical, and management assistance to help Americans start, run and grow their businesses.
- SCADA:** Supervisory Control and Data Acquisition
- SDC:** System Development Charges are assessed on new construction to cover the demands placed on City services. Charges collected cover water, sewer, transportation, storm drains, and parks and recreation costs.
- SOU:** Southern Oregon University located in Ashland, Oregon.
- SOWAC:** Southern Oregon Women's Access to Credit is an organization that is a recipient of an Economic and Cultural Development grant.
- Special Revenue Fund:** A fund used to account for the proceeds of specific revenue sources that are restricted to expenditures for a specific purpose.
- Supplemental Budget:** A budget that is prepared to meet unexpected needs or to spend revenues not anticipated at the time the regular budget was adopted. The supplemental budget cannot be used to increase a tax levy.
- T TAP Intertie:** Talent Ashland Phoenix Intertie is the connecting of all three Cities into one water system.
- Tax Levy:** Total amount of dollars raised in property taxes imposed by the City, permanent tax rate, local option levies, and Bonded Debt levies.
- TID:** Talent Irrigation District.
- TPAC:** Transportation Plan Advisory Committee.
- Transfer:** An amount distributed from one fund to finance activities in another fund. It is shown as an expenditure in the originating fund and a revenue in the receiving fund.
- Transient Occupancy Tax (Hotel/Motel Tax):** Seven-percent tax assessed on lodging providers gross receipts from rental of guest accommodations.
- U Unappropriated Ending Fund Balance:** An amount set aside to be used as cash carryover for the next fiscal year's budget.
- W Working Capital Carryover:** The amount carried over from year to year. It is based on the difference between estimated revenues to be received and the estimated amount expected to be spent.
- WWTP:** Wastewater Treatment Plant.
- Y YAL:** Youth Activities Levy.

acronyms

A	ACCESS- Aging Community Coordinated Enterprise and Supportive Services	EMT I- Emergency Medical Technician Intermediate	
	ADA- Americans with Disabilities Act	EMT P- Emergency Medical Technician Paramedic	
	AFN- Ashland Fiber Network	EOC- Emergency Operations Center	
	AMR- Automatic Meter Reading System	EOFY- End of Fiscal Year	
	APD- Ashland Police Department	EOY- End of Year	
	ASA- Ambulance Service Area	EPA- Environmental Protection Agency	
	AWTA- Ashland Woodland Trails Association	ESD- Educational Service District	
B	BPA- Bonneville Power Administration	F	F&B- Food and Beverage
C	CAFR- Comprehensive Annual Financial Report		FAA- Federal Aviation Administration
	CAP- Central Air Patrol		FAM- Federal Aid Money to Municipalities
	CATV- Cable Television		FBO- Fixed Base Operator
	CDBG- Community Development Block Grant		FEMA- Federal Emergency Management Agency
	CERT- Community Emergency Response Team		FFY- Federal Fiscal Year
	CERVS- Community Resource and Vital Services		FTE- Full Time Employee
	CIP- Capital Improvement Plan		FY- Fiscal Year
	CMOM- Capacity, Management, Operation, and Maintenance	G	GAAP- Generally Accepted Accounting Principals
	CPI- Consumer Price Index		GASB- Government Accounting Standards Board
	CSO- Community Service Officer		GIS- Geographic Information Systems
	CSV- Community Service Volunteer	H	HIPAA- Health Insurance Portability and Accountability Act
	CUFR- Component Unit Financial Report		HR- Human Resources
	CWSRF- Clean Water State Revolving Fund		HUD- Housing and Urban Development
D	DARE- Drug Awareness Resistance Education		IBEW- International Brotherhood of Electrical Workers
	DEQ- Department of Environmental Quality		
E	EMS- Emergency Medical Services	I	ICCA- Interfaith Care Community of Ashland
	EMT- Emergency Medical Technician		IS- Information Services
	EMT B- Emergency Medical Technician Basic		

	ISP- Internet Service Provider		SDC- System Development Charges
	ISTEA- Intermodal Surface Transportation Efficiency Act		SOU- Southern Oregon University
J	JJTC- Jackson/Josephine Transportation Committee		SOWAC- Southern Oregon Women’s Access to Credit
			SUV- Sport Utility Vehicle
L	LCDC- Land Conservation Development Commission	T	TAP- Talent Ashland Phoenix
	LID- Local Improvement District		TID- Talent Irrigation District
	LLC- Limited Liability Company		TOT- Transient Occupancy Tax
M	MS4- Municipal Storm Drain System		TPAC- Transportation Plan Advisory Committee
N	NPDES- National Pollutant Discharge Elimination System		TTPC- Transportation Transit Parking Committee
O	OCI- Overall Condition Index	U	UB- Utility Billing
	ODA- Oregon Department of Agriculture		USFS- United States Forest Service
	ODOT- Oregon Department of Transportation	W	WW- Wastewater
	ORS- Oregon Revised Statute		WWTP- Wastewater Treatment Plant
	OSF- Oregon Shakespeare Festival	Y	YAL- Youth Activities Levy
	OSHA- Occupational Safety and Health Administration		YDO- Youth Diversion Officer
P	PEG- Public Education and Government		
	PERS- Public Employee Retirement System		
	PMS- Pavement Management System		
	PUC- Public Utility Commission		
	PW- Public Works		
R	RVACT- Rogue Valley Area Commission on Transportation		
	RVTD- Rogue Valley Transit District		
	RVTV- Rogue Valley Television		
S	SBA- Small Business Administration		
	SCADA- Supervisory Control and Data Acquisition		

A

Accounting Division 3-16
Accounting Methods A-12
 Capital Projects Fund A-12
 Debt Service Fund A-12
 Discrete Component Unit A-13
 Enterprise Funds A-12
 General Fund A-12
 Internal Service Funds A-13
 Special Revenue Funds A-12
 Trust and Agency Funds A-13
Administration 3-3
Administrative Services Department 3-9
Airport Fund 4-20
Airport Fund Long-Term Plan 4-22
Airport Fund Resources 4-21
Ambulance Fund 4-76
Appendix A-1

B

Bancroft Bond Fund 4-80
Band Fund 4-78
Budget Addendum 1-17
Budget Amendment Process 1-26
Budget Committee 1-26
Budget Committee Recommendations and Council Action 1-18
Budget Considerations 1-15
Budget Message 1-6
Budget Process 1-26
 Budget Amendment Process 1-26
 Budget Basis 1-26
 Budget Committee 1-26
Building Division 3-74

C

Capital Improvements Plan 2-1
Capital Improvements Plan Fund Long-Term Plan 4-26
Capital Improvements Plan Fund Resources 4-25
CDBG 4-12
Cemetery Fund 4-77
Cemetery Trust Fund 4-60
Cemetery Trust Fund Long-Term Plan 4-62
Cemetery Trust Fund Resources 4-61
Central Services Fund 4-48
Central Services Fund Long-Term Plan 4-50
Central Services Fund Resources 4-49
Chart of Accounts Descriptions A-20
CIP Fund 4-24
City at a Glance 1-2
City Charter 3-26
City of Ashland Organizational Chart 1-1
City Recorder / Treasurer 3-25
Community Development Block Grant Fund Resources 4-13

Community Development Block Grant Long-Term Plan 4-14
Community Development Department 3-71
Community Development Mission Statement 3-72
Community Values Statement 1-21
Computer Services Division 3-88
Conservation Division 3-90
Customer Information Services Division 3-16

D

Debt Service Fund 4-28
Debt Service Fund Long-Term Plan 4-30
Debt Service Fund Resources 4-29
Debt Summary 1-34
Debt Summary by Type 1-36
Departments 3-1

E

Electric Department 3-79
Electric Division 3-80
Electric Fund 4-40
Electric Fund Long-Term Plan 4-42
Electric Fund Resources 4-41
Emergency Medical Services Division 3-34
Equipment Fund 4-56
Equipment Fund Long-Term Plan 4-58
Equipment Fund Resources 4-57

F

Finance Department 3-15
Financial Management 1-24
Financial Management Policies A-6
 Accounting A-6
 Discrete Components Unit A-10
 Capital A-11
 Debts A-11
 Expenditures A-11
 Parks A-10
 Purchasing A-11
 Revenues A-10
Fund Balance Policy A-7
 Capital Projects Funds A-8
 Debt Service Funds A-8
 Enterprise Funds A-8
 General Fund A-7
 Internal Service Funds A-9
 Trust and Agency Funds A-10
Investments A-6
Objectives A-6
Operating Budgetary Policies A-6
Special Revenue Funds A-7
Fire and Rescue Department 3-33
Fire Operations Division 3-34
Future Debt Requirements A-5

G

General Bond Fund 4-81
 General Fund 4-7
 General Fund Long-Term Plan 4-10
 General Fund Resources 4-8
 Glossary A-24
 Golf Course Fund 4-79
 Golf Division 3-104

H

Historical Sites and Structures 1-24
 History of Combined Property Tax Rates A-2
 History of Positions A-17
 History of Property Tax Levies A-3
 History of Property Tax Rates A-4
 Housing 1-22

I

Index A-28
 Insurance Services Fund 4-52
 Insurance Services Fund Long-Term Plan 4-54
 Insurance Services Fund Resources 4-53
 Interfund Loans 3-110

L

Legal Compliance L-1
 Legal Department 3-4
 Long-Term Plan Fund Totals 4-4

M

Municipal Court 3-13

N

Non-Departmental Activities 3-110
 Interfund Loans 3-110
 Operating Contingencies 3-112
 Operating Transfer Out 3-111
 Unappropriated Ending Fund Balance 3-114

O

Operating Contingencies 3-112
 Operating Transfer Out 3-111

P

Parks and Recreation Department 3-93
 Parks and Recreation Fund 4-64
 Parks and Recreation Fund Long-Term Plan 4-66
 Parks and Recreation Fund Resources 4-65
 Parks Capital Improvement Fund 3-109, 4-68
 Parks Capital Improvement Fund Long-Term Plan 4-70
 Parks Capital Improvement Fund Resources 4-69

Parks Division 3-94
 Planning Division 3-76
 Police Department 3-29
 Police Operations Division 3-30
 Police Support Division 3-30
 Property Tax Summary 1-38
 Public Works Department 3-41
 Purchasing Division 3-18

R

Recreation Division 3-100
 Requirements Summary by Classification 1-31
 Requirements Summary by Department 1-32
 Resources Summary by Classification 1-30
 Resources Summary Long-Term Plan 4-2

S

Salary Schedule A-14
 Senior Programs 3-12
 Strategic Plan 1-22
 Economic Strategy 1-22
 Energy, Air and Water Conservation 1-23
 Environmental Resources 1-22
 Financial Management 1-24
 Historical Sites and Structures 1-24
 Housing 1-22
 Parks, Open Space and Aesthetics 1-23
 Public Services 1-22
 Regional Strategies 1-24
 Social and Human Services 1-24
 Transportation & Transit 1-23
 Urbanization 1-23
 Street Fund 4-16
 Street Fund Long-Term Plan 4-18
 Street Fund Resources 4-17
 Summary by Fund 1-28
 Summary of Union Affiliation A-18

T

Telecommunication Fund 4-44
 Telecommunication Fund Long-Term Plan 4-46
 Telecommunication Fund Resources 4-45
 Telecommunications Division 3-84

U

Unappropriated Ending Fund Balance 3-114

W

Wastewater Fund 4-36
 Wastewater Fund Long-Term Plan 4-38
 Wastewater Fund Resources 4-37
 Water Fund 4-32
 Water Fund Long-Term Plan 4-34

index

Water Fund Resources 4-33

Y

Youth Activities Levy Fund 3-108, 4-72

Youth Activities Levy Fund Long-Term Plan 4-74

Youth Activities Levy Resources 4-73



Legal Compliance

Budget Calendar, FY 2004-2005	L-3
Affidavit of Publication, April 15, 2004	L-4
Legal Notice, April 15, 2004	L-5
Affidavit of Publication and Legal Notice, April 22, 2004	L-6
Affidavit of Publication, May 24, 2004	L-8
Legal Notice, May 24, 2004	L-9
Resolution 2004-19, Certifying City Provides Sufficient Municipal Services to Qualify for State Subventions	L-10
Resolution 2004-17, Declaring the City's Election to Receive State Revenue's	L-11
Resolution 2004-18, Adopting the Annual Budget and Making Appropriations	L-13
Form LB-50, Notice of Property Tax and Certification of Intent to Inpose a Tax, Fee, Assessment, or Charge on Property	L-16
Ordinance No. 2911, Levying Taxes for the Period of July 1, 2004 to and Including June 30, 2005	L-17



Budget Calendar FY 2004-05

- 3/4/04 BUDGET COMMITTEE - Introduction**
Council Chambers 7:00pm
- 4/29/04 FULL BUDGET COMMITTEE MEETING - Budget Message**
Administration, Finance Presentations
Council Chambers 7:00pm
- 5/3/04 DEPARTMENTAL BUDGET PRESENTATIONS**
City Recorder, Police, Fire Presentations
Council Chambers 7:00pm
- 5/5/04 DEPARTMENTAL BUDGET PRESENTATIONS**
Electric, Computers, AFN Presentations
Council Chambers 7:00pm
- 5/6/04 DEPARTMENTAL BUDGET PRESENTATIONS**
Community Development, CDBG, Parks Presentations
Council Chambers 7:00pm
- 5/12/04 DEPARTMENTAL BUDGET PRESENTATIONS**
Public Works CIP, Airport, Street, Water, Wastewater, Admin, Facilities, Cemetery
Council Chambers 7:00pm
- 5/13/04 FULL BUDGET COMMITTEE MEETING/WRAP-UP/APPROVAL**
Council Chambers 7:00pm
- 5/20/04 Budget Subcommittee - Economic Development Grant Presentations/R**
Council Chambers 7:00pm
- 5/26/04 Budget Subcommittee - Economic Development Grant Presentations/R**
Council Chambers 7:00pm
- 6/1/04 Public Hearing**
First Reading of Ordinance
Resolution on appropriations
Resolution to qualify for state subventions
Resolution to receive state revenues
Resolution declaring to receive state revenues
- 6/15/04 Second Reading of Ordinance**

Ashland Daily Tidings

1661 Siskiyou Blvd.	541-482-3456	Main Line
P.O. Box 7	541-488-1484	Classifieds/Legals
Ashland, OR 97520	541-482-3688	Fax

Affidavit of Publication

Acct.: CITY OF ASHLAND
 Acct. No. 700900
 PO# 63720; Budget Calendar
 STATE OF OREGON DT Legal# 040428 Ad No. 272733
 COUNTY OF JACKSON

I, MEL CANETE being duly sworn, depose and say that I am the printer of ASHLAND DAILY TIDINGS, a daily newspaper of general circulation, printed and published in Ashland, in the aforesaid county and state; that such newspaper is made up of at least four pages of five columns of at least 17-3/4 inches in depth, or if smaller pages, then said comprising an equivalent amount of type matter; that said newspaper was regularly and uninterruptedly published for at least one year immediately preceding the first publication of the attached notice, and has more than 200 bona fide subscribers within the county in which it is published; that the notice of which the one hereto attached is a true and correct copy.

Was published in the regular and entire issue of said newspaper
 commencing with issue dated the 15th day of April 2004
 and ending with the issue dated the 15th day of April 2004
 That the price actually charged for this notice was \$191.23

Mel Canete
 MEL CANETE

Subscribed and sworn before me this 15th day of April 2004

Jody E Lydick
 NOTARY PUBLIC OF OREGON





**City of Ashland
Budget Calendar
FY 2004-05**

<u>When</u>	<u>What</u>	<u>Attending:</u>
3/4/04	BUDGET COMMITTEE - Introduction Council Chambers 7:00pm	All
4/29/04	FULL BUDGET COMMITTEE MEETING - Budget Message Administration, City Recorder Presentations Council Chambers 7:00pm	All
5/3/04	DEPARTMENTAL BUDGET PRESENTATIONS Finance, Police, Fire Presentations Council Chambers 7:00pm	All
5/5/04	DEPARTMENTAL BUDGET PRESENTATIONS Electric, Computers, AFN Presentations Council Chambers 7:00pm	All
5/6/04	DEPARTMENTAL BUDGET PRESENTATIONS Community Development, CDBG, Parks Presentations Council Chambers 7:00pm	All
5/12/04	DEPARTMENTAL BUDGET PRESENTATIONS Public Works CIP, Airport, Street, Wastewater, Admin, Facilities, Cemetery, & Equipment Council Chambers 7:00pm	All
5/13/04	FULL BUDGET COMMITTEE MEETING/ WRAP-UP/APPROVAL Council Chambers 7:00pm	All
5/20/04	Budget Subcommittee - Economic Devel. Grant Presentations/Recommendations Council Chambers 7:00pm	Subcommittee
5/21/04	Budget Subcommittee - Economic Devel. Grant Presentations/Recommendations Council Chambers 7:00pm	Subcommittee
6/1/04	Public Hearing First Reading of Ordinance Resolution on appropriations Resolution to qualify for state subventions Resolution to receive state revenues Resolution declaring to receive state revenues	Council
6/15/04	Second Reading of Ordinance	Council

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Administrator's office at (541) 488-6002 (TTY phone number 1-800-735-2900). Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28 CFR 35.102-35.104 ADA Title I)

No. 040428

Publish 4/15/2004



**City of Ashland
Budget Calendar
FY 2004-05**

**CITY OF
ASHLAND**

When	What
4/29/04	FULL BUDGET COMMITTEE MEETING - Budget Message Administration, Finance Presentations Council Chambers 7:00pm
5/3/04	DEPARTMENTAL BUDGET PRESENTATIONS City, Recorder, Police, Fire Presentations Council Chambers 7:00pm
5/5/04	DEPARTMENTAL BUDGET PRESENTATIONS Electric, Computers, AFN Presentations Council Chambers 7:00pm
5/6/04	DEPARTMENTAL BUDGET PRESENTATIONS Community Development, CDBG, Parks Presentations Council Chambers 7:00pm
5/12/04	DEPARTMENTAL BUDGET PRESENTATIONS Public Works CIP, Airport, Street, Water Wastewater, Admin, Facilities, Cemetery, & Equipment Council Chambers 7:00pm
5/13/04	FULL BUDGET COMMITTEE MEETING/ WRAP-UP/ APPROVAL Council Chambers 7:00pm
5/20/04	Budget Subcommittee - Economic Devel. Grant Presentations/ Recommendations Council Chambers 7:00pm
5/21/04	Budget Subcommittee - Economic Devel. Grant Presentations/ Recommendations Council Chambers 7:00pm
6/1/04	Public Hearing First Reading of Ordinance Resolution on appropriations Resolution to qualify for state subventions Resolution to receive state revenues Resolution declaring to receive state revenues
6/15/04	Second Reading of Ordinance

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Administrator's office at (541) 488-6002 (TTY phone number 1-800-735-2900). Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28 CFR 35.102-35.104 ADA Title I)

No. 040432 Publish 4/22/2004

Affidavit of Publication

State of Oregon,)
) ss.
County of Jackson)

I, Talea Whitehead, being first duly sworn, depose and say that I am the Principal Clerk of Ashland Daily Tidings of general circulation, printed and published in Ashland in the aforesaid county and state; that the

Budget
Calendar

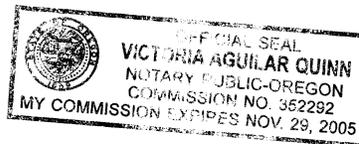
A printed copy of which is hereto annexed, was published in the entire issue of said newspaper for 1 Insertion in the following issues:
Apr. 22, 2004.

Talea Whitehead

Subscribed and sworn to before me this 13th day of May, 2004.

Victoria Aguilar Quinn
Notary Public for Oregon

My Commission expires 29th day of Nov 2005.





**City of Ashland
Budget Calendar
FY 2004-05**

**CITY OF
ASHLAND**

<u>When</u>	<u>What</u>
4/29/04	FULL BUDGET COMMITTEE MEETING - Budget Message Administration, Finance Presentations Council Chambers 7:00pm
5/3/04	DEPARTMENTAL BUDGET PRESENTATIONS City Recorder, Police, Fire Presentations Council Chambers 7:00pm
5/5/04	DEPARTMENTAL BUDGET PRESENTATIONS Electric, Computers, APN Presentations Council Chambers 7:00pm
5/6/04	DEPARTMENTAL BUDGET PRESENTATIONS Community Development, CDBG, Parks Presentations Council Chambers 7:00pm
5/12/04	DEPARTMENTAL BUDGET PRESENTATIONS Public Works CIP, Airport, Street, Water Wastewater, Admin, Facilities, Cemetery, & Equipment Council Chambers 7:00pm
5/13/04	FULL BUDGET COMMITTEE MEETING/ WRAP-UP/ APPROVAL Council Chambers 7:00pm
5/20/04	Budget Subcommittee - Economic Devel. Grant Presentations/ Recommendations Council Chambers 7:00pm
5/21/04	Budget Subcommittee - Economic Devel. Grant Presentations/ Recommendations Council Chambers 7:00pm
6/1/04	Public Hearing First Reading of Ordinance Resolution on appropriations Resolution to qualify for state subventions Resolution to receive state revenues Resolution declaring to receive state revenues
6/16/04	Second Reading of Ordinance

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Administrator's office at (541) 488-8002 (TTY phone number 1-800-735-2900). Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28 CFR 35.102-35.104 ADA Title I)

No. 040432

Publish 4/22/2004

Affidavit of Publication

State of Oregon,)
)
County of Jackson) ss.

I, Jody E. Lydick, being first duly sworn, depose and say that I am the Principal Clerk of Ashland Daily Tidings of general circulation, printed and published in Ashland in the aforesaid county and state; that the

City of Ashland: PO# 63728

Budget Notice

A printed copy of which is hereto annexed, was published in the entire issue of said newspaper for one insertion in the following issues:
5/24, 2004

.....
Jody E. Lydick

Subscribed and sworn to before me this 25th day of May, 2004.

Raymond R. Kerr
Notary public for Oregon

My Commission expires 30th day of September 2007.





A meeting of the Ashland City Council will be held on June 1, 2004, at 7:00 p.m. at the Civic Center, 1175 East Main Street, Ashland, Oregon. The purpose of the hearing is to discuss the budget for the fiscal year beginning July 2004 as approved by the Ashland Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at the Ashland Finance Department, City Hall, 20 East Main, between the hours of 8:30 a.m. and 4:30 p.m. This certifies that the budget was prepared on a basis of accounting that is consistent with the basis of accounting used in the preceding year. Major changes, if any, and their effect on the budget are explained below.

	This Year Adopted 2003-2004	Next Year Approved 2004-2005
ANTICIPATED REQUIREMENTS		
Personal Services	\$ 18,788,892	\$ 18,687,937
Materials and Services	27,612,897	27,457,154
Capital Outlay	5,311,525	7,596,111
Debt Service	10,337,419	18,001,155
Transfers	5,507,989	5,070,284
Other Financing Uses (Interfund Loan)	6,950,000	0
Contingencies	1,718,000	1,703,018
Unappropriated Ending Fund Balance	11,589,772	18,165,952
Total Requirements	87,432,105	93,458,730
ANTICIPATED RESOURCES		
Resources Except Property Taxes	78,424,105	84,975,790
Property Taxes Required to Balance	8,008,000	8,483,000
Total Resources	87,432,105	93,458,730
ANTICIPATED TAX LEVY		
Property Taxes Required to Balance	7,933,200	7,805,000
Loss Due to Constitutional Limitations	588,000	588,000
Plus: Estimated Property Taxes not to be Received	844,800	678,000
Discounts Allowed, Other Uncollected Amounts	5,808,000	6,483,000
Total Levy	14,674,000	15,554,000
TAX LEVIES BY TYPE		
Permanent Rate Limit	5,388,000	5,696,000
Local Option Levies	2,022,000	2,205,000
Levy for Bonded Debt Obligations	588,000	588,000
Total Levies	8,008,000	8,483,000
LONG TERM DEBT		
Bonds	10,559,900	25,995,000
Other	33,498,715	32,158,432
Authorized But Not Incurred	0	0
Total Indebtedness	\$ 44,058,615	\$ 58,153,432

OVERVIEW

Submitted herein is the City of Ashland's proposed budget for the 2004-05 fiscal year. This budget represents the efforts of many staff members to present a balanced budget with long term planning extending six years into the future. As the challenges that face local government continue to grow, maintaining current service levels within existing revenue streams is becoming increasingly difficult. The budget presented here is a conservative one, characterized in its development by adherence to two important factors, recognizing the need to balance ongoing expenditures with ongoing revenues, and taking steps to implement Council goals while maintaining core services. The budget addresses new initiatives chiefly through re-deployment of existing resources, and proposing changes only where necessary.

MAJOR ACCOMPLISHMENTS

The Mayor and Council, city staff, commission and committee volunteers and the community made significant progress on a number of issues and projects during the 2003-04 fiscal year.

The citizens of Ashland place a great value on the importance of a sustainable and livable community. Much of the work accomplished during this fiscal year addressed a sustainable and livable community including the adoption of a maximum hour limit in historic districts, sign limitations on new buildings in the downtown core, an inventory of riparian and wetlands areas, the thinning of city-owned forest lands, the passage of the Youth Activities Levy, and more.

In addition, the city hired a Housing Program Specialist to oversee the implementation of the Housing Action Plan, reached an agreement with the City of Medford to provide 911 services and initiated Earth Advantage, a new conservation program. An extensive review of the AFN business plan and marketing efforts resulted in a set of initiatives that should improve AFN revenues. Council heard public testimony on the proposed Mount Ashland expansion, reviewed the environmental impact statement and forwarded comments to the US Forest Service. A new police chief was hired, a citizen survey was conducted and the city entered into a marketing agreement with the Bonneville Power Administration.

Numerous capital projects have been completed or are nearing completion including improvements to Sekiway Boulevard, Fire Station No. 1, pedestrian safety features in the downtown area and improvements on Strawberry Lane and Tolman Creek (Skiway). The city also completed the renovation of the Ashland Community Center and the renovation of the Ashland Senior Center.

The upcoming fiscal year will bring additional capital projects including improvements to the Water Street Bridge, the extension of the central Ashland bike path, improvements to council chambers and many ongoing improvements to the community infrastructure.

Numerous council goals that relate directly to our livability values will be addressed in the 2004-05 fiscal year including ongoing outreach for citizen involvement, the development of a dark sky ordinance and a riparian ordinance. Attention to water quality and temperature improvements through an active storm water management program continues as well as the implementation of our economic development program, the development of a comprehensive trails master plan and more.

MAJOR CHALLENGES

In the past few years the city has deliberately utilized reserves in order to continue to deliver quality services to the community. While the City of Ashland has adequate reserves and will meet target fund balances, the city can no longer use reserves to expand programs, create new ones or allocate funds for specific projects. Staff has attempted to match increased expenditures in the proposed budget with a revenue source or the reduction of expenditures in another area and expect to do that approach in future years.

The City of Ashland will need to move cautiously into the future making sure that appropriate fund balances are maintained, current revenue keeps pace with current expenditures and that the long term view of the city's financial condition is observed. While the current financial condition is adequate, small changes in the local economy could result in a reduction in services to the citizens of Ashland. However, the city is also poised to benefit from a strong local economy that would allow the city to continue with available services.

An important aspect of managing the financial future of the City of Ashland involves knowing the actual cost to provide specific services. This information can be used to establish fees, manage costs, and evaluate the effectiveness of programs in relationship to the cost. The information can also be used to set rates and to make sure we are meeting City Council objectives regarding the recovery of costs. Utility rates are especially susceptible to changes in operational cost, capital project costs and timing and consumer consumption trends which require periodic rate studies to assure appropriateness of projections and adequacy of charges. Both water and wastewater rate reviews are needed at this time. The proposed budget contains funding to complete these efforts.

The most recent pro forma for the Ashland Fiber Network (AFN) indicates that it will begin to be profitable by FY 2007-08 and will have a positive cash flow following year. The proposed budget reflects the assumptions made in the current pro forma including the potential for restructuring of the debt to better coincide with the cash flow needs of AFN. It is possible that the proposed budget will need to be revised during FY 2004-05 to reflect more specific details of a refinancing and the likely impact on internal borrowing. As has been discussed each year since inception, AFN operates in an environment that can change very rapidly. Unlike other governmental operations, it also operates in a competitive environment that requires the careful monitoring of the financial health of the operation.

The proposed budget includes several new positions and the affected departments will address these changes. Due to budget constraints not all requested positions were added but it is not anticipated that excluding some from the budget will have a negative impact on the ability of the organization to make significant progress towards the achievement of Council goals. Some of those positions not included in the proposed budget are an Associate Planner for the Community Development Department, additional staffing for the Municipal Court, and additional clinical help in the Legal Department.

Reductions that are notable in this year's General Fund budget are the elimination of the additional \$25,000 allocated to social grants and overtime expenses (\$30,000) associated with CPR instruction by the Fire Department. The Fire Department will discontinue CPR classes that are redundant of other services offered in the community.

discontinue CPR classes that are redundant of other services offered in the community.

Several issues remain on the horizon that could have a negative impact on the financial condition of the city. The cost of the Public Employment Retirement System (PERS) remains stable in the proposed budget. However, it is anticipated the rates will continue their upward climb in fiscal year 2005-06 due to previous significant declines in PERS investments. The State Legislature has provided some relief through the restructuring of the PERS system, however, they were not significant enough to overcome the financial difficulties of PERS and many of the changes are being challenged in court. The result of the court challenges may also cause future rate increases.

Health costs continue to escalate rapidly with no end in sight. Increases have averaged 20% each year for the last three and cost savings such as premium sharing have not kept pace. Additionally, the Rogue Valley has limited options to offer and making changes are lengthy given the five different bargaining units imbedded in the city. It is a goal for FY 2004-05 to evaluate alternatives and cost-containment programs beyond those currently in place. The budget includes an anticipated increase of 20% however no additional monies have been budgeted to help transition to the expected higher retirement rates. If health care rates are less than projected management will put any savings aside to assist in dealing with retirement or health care increases in FY 2005-06.

Finally, reductions in revenue streams due to the state's adjustments to balance its budget and down turns in the economy are also negatively impacting the budget. The high cost of purchased power remains an issue. It has forced the city to budget for record breaking increases over the last several years and more in future to keep pace with the climbing Bonneville Power Administration's wholesale power rates. These increases must then be passed on to our customers. Staff remains hopeful that many of BPA's financial problems are easing and we will see the need to raise rates ease in the next few years. When that occurs recommendations for reducing the added charge will be brought to council.

The proposed budget has been prepared with a multivariate perspective, estimating trends in revenues and expenditures, taking into consideration the longer term impacts of decisions made today regarding staffing levels and services provided. Total budgeted fund balance remains in the \$12 - 18 million range, nearly half the actual amounts from a few years ago yet hitting very close to current targets on a city-wide basis. These minimums and targets are scheduled for review in 2004-05.

The impact of the above issues may not be fully realized for years to come yet the strength of Ashland's financial condition, established operations and diversity of revenue sources help to balance the budget and forecast a stable city government over that time.

PROCESS

Again, this year, the process for preparing the budget was modified to meet the needs of a systematic approach, allow for adequate public input and accommodate for peripheral changes to programs and service levels deemed to be important portions of the overall budget. In several cases, routine procedures were delayed to facilitate necessary changes that will improve the budget. Some of the changes are:

1. Delayed adoption of the short and long-term assumptions from December to March allowing staff to better evaluate mid-year trends and financial information and adjust recommendations accordingly.
2. Supported a council ad hoc committee during February and March as it looked at ways to adjust Transient Occupancy Tax revenue allocations to be most effective in Economic and Cultural Grant programs and to comply with new set state regulations.
3. Worked with a consultant to develop a more comprehensive pro forma and budget for the Telecommunications Fund that was discussed and initially accepted by Council and the Committee in March.
4. Worked internally with all departments to select and prioritize programs and positions needed to meet goals and evaluate revenues and other adjustments to balance the budget.

These changes have resulted in budget committee meetings beginning later in April than normal but work together to construct a better over-all proposed budget.

Consistent with past years' goals to prepare a budget that goes beyond the current proposed budget year by projecting revenues, expense and financial condition for the following five years, this budget presents similar information including planned financing, rate increases, and new projects. The budget includes all departments and funds of the City including Parks and Recreation.

The document is structured with two perspectives - by department and by fund. The departmental budget section aids the reader in gaining a comprehensive sense of the activities and operations performed by any one group. Staff has attempted to better associate departmental appropriations with major program or category of expense in the long-term plan for an extended perspective by fund. It should be noted that the long-term projections are provided to help identify future impacts and issues. This aids in bridging the differences between department and fund budgets by the adopting resolution. Each year, as a new budget is considered, revenues and expenditures and increases and reductions are re-evaluated to present an acceptable proposed budget and updated long-term plan.

Throughout the document are tables and charts presenting preliminary performance measures. Departmental narratives speak directly to those measures impact on the proposed budget and strategic goals. Enhancements in these presentations will require a concerted effort over the coming years as we identify those measures and statistics most meaningful to the citizens and management.

The Goals of the City of Ashland are included in the budget document for reference. The broad goal areas identified are:

- Citizen Participation and Involvement
- Environmental Resources
- Housing
- Economic Strategy
- Public Services
- Transportation and Transit
- Energy, Air and Water Resources
- Parks, Open Space and Aesthetics
- Urbanization
- Historical Sites and Structures
- Regional Strategies
- Financial Management
- Social and Human Services

Within the budget document, each departmental narrative emphasizes goals on the above list that specifically relate them. Some of the goal-related projects that are included in the proposed budget are:

- Assess with commission and committee effectiveness
- Review city charter
- Identify steps for the Housing Action Plan and Needs Analysis including Affordable housing
- Develop Riparian Ordinance
- Enhance AFN revenues, services and viability
- Improve pedestrian, traffic and railroad crossing safety
- Develop performance measures program for all city departments

In the past, staff has presented additional information for committee consideration that identifies potential changes to the proposed budget relating to staff increases, activities and funding alternatives. Some of those related directly to issues identified in the Goals of the City of Ashland. In the proposed budget, management has attempted to include all resources and costs deemed necessary to meet goals and objectives for 2004-05.

BUDGET FORMAT

The budget format is consistent with the prior year. The expenditure portion of the document is organized by departments, not by fund, for reader ease and to provide a different perspective than by fund. Both a capital improvement plan section and a long-term budget section are included in the budget to assist the Budget Committee in understanding the proposed capital improvement projects and to get a better sense of where the City is headed financially, on a multi-year basis.

In addition, line item justification in detail was entered into the management system as documentation and support. This information facilitates management's internal review process and is used by the departments to track their projected expenditure needs and changes during the year. It ultimately results in better projections for the following years.

As this document and its major components are used, the city will refine the information and how it is presented to benefit the reader and staff. The document is meant to be a financial plan, a communication device, a management tool and an operational guide. Developing performance goals and measures will change as the needs warrant and their presentation in the budget will grow and change accordingly.

POLICIES & METHODS

The policies and practices employed by the City in developing our budget and compliance can be found in the appendix on page A-6 Financial Management Policies and A-12 Accounting Methods. Expenditure groups are listed on page A-20 Chart of Accounts Descriptors to help the reader in understanding what kinds of things are normally expended from each line item.

BUDGET SUMMARY

The total for all funds for the 2004-05 budget is \$93,458,730 which is \$6 million more than last year's budget but comparable to the prior two years. The \$93.5 million includes all appropriations, transfers, contingencies and unappropriated fund balances.

Significant dollar changes can be seen in all of the funds that include capital projects and related financing. Increases are primarily due to new held-over projects and related borrowing. Decreases come from a reduction in total capital projects and fund balances.

Other fund changes include increased employee costs (General & Central Services funds) and increased operational costs (Interfund Fund and business activity) (Telecommunications).

The Parks fund remains very consistent with the prior year with reductions in operational costs for the Parks and Recreation Fund and renewal of the Youth Activities Levy Fund at a higher amount.

BUDGET ASSUMPTIONS

The following assumptions were approved by the Budget Committee to be used in the preparation of the proposed budget:

- Inflation will be less than 2.0% for 2004-05. (Exception is Personal Services at 5%)
- Population growth will be 1.0%.
- Property tax rate will not exceed \$1.47 City, \$2.09 Parks, \$3.56 combined.
- Property tax assessed valuation growth will be 3% under Measure 50 and new construction will be 2%.
- Staff will ensure efficient and effective operations prior to recommending tax level increases.
- Union contract provisions will be met and agreements reached with Police and Fire unions.
- The budget will address the City Council's strategic plan goals and objectives.
- The city will pay its full contribution to PERS. Potential 40% increase for employer share.
- Health care premiums will increase 20%. New labor contracts will include employee sharing the cost.
- User fees will continue to support enterprise operations.
- System development charges (SDCs) will be updated where applicable.
- Existing physical assets of the City will be maintained at current levels.
- Tax revenue distribution between City and Parks will be consistent with prior years.
- The city will comply with Federal and State requirements.

REVENUES

Ashland's revenue is primarily based as shown on the revenue summary page. Revenues are summarized by fund in the Long-term section of the budget document.

TAXES - The tax category makes up 28.8% of the total revenues, one tenth of a percent less of the total revenue figure in the prior year. Tax includes property taxes, Electric Utility Users Tax, Food & Beverage taxes, Hotel/Motel taxes and franchise fees.

PROPERTY TAXES - Property taxes are distributed to the General Fund, Parks Fund, Ashland Youth Activity Fund (Parks) for operations and the Water and Deel Services Funds for payment of bonded indebtedness. The estimated tax rate for 2004-05 is \$5.3088, a little less than the prior year due to retirement of certain debt funded by local option levies. Renewal of the Youth Activity Levy has been proposed to council and is included within this budget. The proposal property tax revenue for the General Fund is higher due to property value increases.

CHARGES FOR SERVICE - Charges for services account for 60.4% of Ashland's revenues. Some of the charges are for ambulance patient services, transportation utility fees, storm drain utility fees, airport rental fees, water services, wastewater services, electric service and telecommunications services, city street development charges and internal service charges.

Each year the city must evaluate the appropriate level of fees and charges. Staff attempts to stagger such adjustments for the benefit of the customer and to allow adequate time for evaluation since not all systems can be addressed in a single year. These estimates are necessary to meet projected operational and capital needs and to provide for long-term financial stability. Also, a change is budgeted in the distribution of Electric franchise fees by returning to the past practice of distributing 30% of the revenue generated to the Street Fund by 2005-06. In the prior year it was necessary to transfer a higher amount to fund the city's share of projects in the capital improvement program. Staff intends to review the basis for calculating and allocating all franchise fees in FY 2004-05 to ensure an effective reimbursement program.

Electric rate changes remain viable. As BPA adjusts wholesale power costs each March and October, Ashland will inform the public and take necessary steps. It is our intent to minimize the impact on our customers by continuing to not charge a franchise fee or electric utility tax on the surcharge. The Long-term Electric Fund budget shows the City returning to transition away from the surcharge over time in the future with electric rate increases being greater than surcharge decreases in order to continue to meet rising costs.

SYSTEM DEVELOPMENT CHARGES - It is important for the city to re-evaluate each system development charge (SDC) on a regular basis. As part of our long-term plan preparation staff has identified needed changes in certain SDCs to better match their contribution to the type of project being constructed or expenditure being made. Financial planning for the storm drain portion of the Street Fund indicates a need to evaluate SDC fees changes in the near future to fund anticipated projects. Analysis of capital projects identifies a need to shift the amount charged for water supply SDCs to water distribution SDCs in the Water Fund by 2004-05. The overall impact will be a slight decrease in total water system development charge.

OPERATIONAL EXPENSES

The total budget comparison is one measure of the City's financial condition but looking at it on an operational basis provides better information for spending. The budget assumptions identified 2% as the default inflation factor to be used in calculating annual expenses. In many cases such as purchased electricity, health care, retirement and other the actual rate was different yet departments were challenged to absorb those increases through cost efficiencies or reductions elsewhere.

EXPENDITURES

PERSONAL SERVICES - Personal services costs represent 21.1% of the total proposed budget and 30.3% of the operational budget. This proposed budget projects less than 5% increase even though new positions have been added. It is important to note that personal services health care costs are projected to increase up to 20% and retirement costs are held constant in the coming year but will have reserves being set aside to ease anticipated increases.

Of the 22.7 FTE increase, approximately 13.55 FTE are temporary positions that were budgeted in prior years but not previously included in the overall tally. The addition of 13.55 FTE includes many necessary adjustments during FY 2003-04 and 2004-05. These adjustments include a planning Technician, 2.5 FTE Account Clerks, a Database Programmer, a GIS Analyst, 2.0 Computer Technicians and other "fractional" positions for the city as well as a Recreational Superintendent, Environmental Education Coordinator and Worker for Parks. In many cases, existing positions, temporary positions, overtime or contracted services dollars were traded for the new positions. Others were added based upon revenues generated to support the position or a regular job.

The long-term budget plan no longer includes any anticipated changes in staffing.

MATERIALS AND SERVICES - This category represents 29.3% of the total budget. Overall this category represents a 1.0% decrease over the previous budget and will reflect staff efforts to hold increases to 2% or less amplified by changes in costs between years to garner a reduction.

CAPITAL OUTLAY - Total Capital Outlay (including equipment and furniture) and project costs are decreasing from \$10.0 million to \$7.9 million. Included is a complete description on each project in the Capital Improvement section of this budget.

DEBT SERVICE - The proposed budget includes the payment of all current debt obligations of the City. The City has scheduled several external financing in 2004-05. Included in this budget is a \$15 million restructuring of the City's 10 million in interfund loans and \$8 million in construction costs and start up operating costs of the Telecommunications Fund. There are also opportunities for the City to do improvement financing such as transportation-related debt, local improvement district debt and station #2 improvement debt in FY 2004-05 and later years.

ACKNOWLEDGEMENTS

We want to acknowledge the creative energy of staff and their dedication to the City of Ashland. Special thanks to the finance staff and others for who have helped prepare this document. We look forward to your ongoing input and participation as we work toward continual improvement of the budget process.

SUMMARY AND CONCLUSION

In summary, this document describes the expertise, creativity, ingenuity and resourcefulness of the Department Heads, Finance Department, Division Managers, Supervisors and staff.

It is our hope and belief that this budget projects the capacity of the city to meet ongoing service needs, prepares for the potential slow-down economy, and positions the city to improve core service levels when determined necessary. We look forward to the opportunity to discuss this budget with the Budget Committee.

RESOLUTION 2004- 19

RESOLUTION CERTIFYING CITY PROVIDES SUFFICIENT MUNICIPAL SERVICES TO QUALIFY FOR STATE SUBVENTIONS

RECITALS:

A. ORS 221.760 provides the City of Ashland may disburse funds from the State if the City provides four or more of the following services:

1. Police Protection
2. Fire Protection
3. Street construction, maintenance, lighting
4. Sanitary Sewer
5. Storm Sewer
6. Planning, zoning and subdivision control
7. One or more utility services

B. City officials recognize the desirability of assisting the state officer responsible for determining the eligibility of cities to receive such funds in accordance with 221.760.

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

The City of Ashland certifies that it provides the following municipal services enumerated in ORS 221.760(1):

1. Police Protection
2. Fire Protection
3. Street construction, maintenance, lighting
4. Sanitary Sewer
5. Storm Sewer
6. Planning
7. Electric Distribution
8. Water

This resolution takes effect upon signing by the Mayor.

This resolution was READ BY TITLE ONLY and DULY ADOPTED at a regular meeting of the City Council of the City of Ashland on the 1 day of June, 2004.



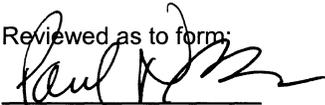
Barbara Christensen, City Recorder

SIGNED AND APPROVED this 2 day of June, 2004.



Alan W. DeBoer, Mayor

Reviewed as to form:



Paul Nolte, City Attorney

RESOLUTION 2004- 17

**A RESOLUTION DECLARING THE CITY'S ELECTION
TO RECEIVE STATE REVENUES**

RECITALS:

The City must annually adopt a resolution electing to receive an apportionment of the Oregon Department of Administrative Services General Fund revenues derived from tax imposed on the sale of liquor as part of State Revenue Sharing.

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

Pursuant to ORS 221.770, the City elects to receive state revenues for fiscal year 2004-2005.

This resolution takes effect upon signing by the Mayor.

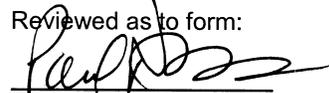
This resolution was read by title only and duly adopted at a regular meeting of the City Council of the City of Ashland on this 1 day of June, 2004.


Barbara Christensen, City Recorder

SIGNED AND APPROVED this 2 day of June, 2004.


Alan W. DeBoer, Mayor

Reviewed as to form:


Paul Nolte, City Attorney

**A RESOLUTION DECLARING THE CITY'S ELECTION
TO RECEIVE STATE REVENUES**

I certify that a public hearing before the Budget Committee was held on May 13, 2004 and a public hearing before the City Council was held on June 1, 2004, giving citizens an opportunity to comment on use of State Revenue Sharing.



Barbara Christensen, City Recorder

RESOLUTION NO. 2004-18

A RESOLUTION ADOPTING THE ANNUAL BUDGET AND MAKING APPROPRIATIONS

The City of Ashland resolves that the 2004-2005 Fiscal Year Budget, now on file in the office of the City Recorder is adopted. The amounts for the fiscal year beginning July 1, 2004, and for the purposes shown below are hereby appropriated as follows:

GENERAL FUND	
Administration	\$ 109,600
Administration - Senior Program	115,545
Finance - Municipal Court	297,426
Finance - Social Services Grants	110,000
Finance - Economic & Cultural Grants	445,600
Finance - Miscellaneous	25,000
Finance - Band	57,490
Police Department	4,375,830
Fire and Rescue Department	4,788,107
Public Works - Cemetery Division	298,260
Community Development - Planning Division	1,027,055
Community Development - Building Division	699,808
Transfers	43,833
Contingency	339,636
Ending Fund Balance	936,568
TOTAL GENERAL FUND	13,669,758
COMMUNITY DEVELOPMENT BLOCK GRANT FUND	
Personal Services	31,000
Materials and Services	490,978
TOTAL CDBG FUND	521,978
STREET FUND	
Public Works - Street Operations	2,351,755
Public Works - Storm Water Operations	702,380
Public Works - Transportation SDC's	348,050
Public Works - Storm Water SDC's	258,050
Public Works - Local Improvement Districts	220,355
Contingency	142,000
Ending Fund Balance	1,976,046
TOTAL STREET FUND	5,998,636
AIRPORT FUND	
Materials and Services	95,000
Capital Outlay	778,650
Debt Services	35,072
Contingency	5,000
Ending Fund Balance	42,315
TOTAL AIRPORT FUND	956,037
CAPITAL IMPROVEMENTS FUND	
Capital Outlay	157,210
Transfers	351,230
Ending Fund Balance	389,839
TOTAL CAPITAL IMPROVEMENTS	898,279

DEBT SERVICE FUND

Debt Service	1,046,802
Ending Fund Balance	695,484
TOTAL DEBT SERVICE FUND	1,742,286

WATER FUND

Electric Department - Conservation Division	154,430
Public Works - Forest Lands Management Division	396,500
Public Works - Water Supply	442,530
Public Works - Water Treatment	839,951
Public Works - Water Distribution	2,324,465
Public Works - Supply SDC's	762,500
Public Works - Distribution SDC's	420,250
Debt Services	677,651
Contingency	180,000
Ending Fund Balance	3,524,870
TOTAL WATER FUND	9,723,147

WASTEWATER FUND

Public Works - Wastewater Collection	1,438,460
Public Works - Wastewater Treatment	1,337,450
Public Works - Collection SDC's	308,500
Debt Services	1,802,670
Contingency	154,000
Ending Fund Balance	4,463,795
TOTAL WASTEWATER FUND	9,504,875

ELECTRIC FUND

Electric - Conservation Division	411,410
Electric - Supply	6,160,715
Electric - Distribution	4,470,973
Electric - Transmission	935,443
Contingency	350,000
Ending Fund Balance	1,812,094
TOTAL ELECTRIC FUND	14,140,635

TELECOMMUNICATIONS FUND

Electric - Customer Relations/Promotions	222,032
Electric - Operations	2,415,165
Debt Services	14,402,000
Contingency	75,000
Ending Fund Balance	954,723
TOTAL TELECOMMUNICATIONS FUND	18,068,920

CENTRAL SERVICES FUND

Administration Department	1,149,855
Finance Department	1,626,724
City Recorder Division	172,375
Public Works - Administration and Engineering	1,274,200
Public Works - Facilities and Safety Division	491,780
Electric - Computer Services Division	772,620
Contingency	147,382
Ending Fund Balance	113,758
TOTAL CENTRAL SERVICES FUND	5,748,694

INSURANCE SERVICES FUND

Materials and Services	646,530
Contingency	100,000
Ending Fund Balance	471,538
TOTAL INSURANCE SERVICES FUND	1,218,068

EQUIPMENT FUND	
Personal Services	242,900
Materials and Services	451,435
Capital Outlay	688,085
Contingency	175,000
Ending Fund Balance	<u>965,561</u>
TOTAL EQUIPMENT FUND	2,522,981
CEMETERY TRUST FUND	
Transfers	12,360
Ending Fund Balance	<u>681,408</u>
TOTAL CEMETERY TRUST FUND	693,768
PARKS AND RECREATION FUND	
Parks Division	3,673,075
Recreation Division	363,700
Golf Division	373,000
Debt Service	30,000
Transfers	100,000
Contingency	35,000
Ending Fund Balance	<u>965,822</u>
TOTAL PARKS AND RECREATION FUND	5,540,597
YOUTH ACTIVITIES LEVY FUND	
Personal Services	89,000
Materials and Services	2,006,000
Ending Fund Balance	<u>2,166</u>
TOTAL YOUTH ACTIVITIES LEVY FUND	2,097,166
PARKS CAPITAL IMPROVEMENTS FUND	
Capital Outlay	243,000
Ending Fund Balance	<u>169,965</u>
TOTAL PARKS CIP FUND	412,965
TOTAL APPROPRIATIONS	<u>\$ 93,458,790</u>

This resolution takes effect upon signing by the Mayor.

This resolution was READ BY TITLE ONLY and DULY ADOPTED at a regular meeting of the City Council of the City of Ashland on this 1 day of June, 2004.



Barbara Christensen, City Recorder

Signed and Approved on this 2 day of June, 2004.



Alan W. DeBoer, Mayor

Approved as to form:

 Paul Nolfe, City Attorney

Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment, or Charge on Property

**FORM LB-50
2004-2005**

To assessor of Jackson County

Check here if this is an amended form.

• Be sure to read instructions in the 2004-2005 Notice of Property Tax Levy Forms and Instructions booklet.

The City of Ashland has the responsibility and authority to place the following property tax, fee, charge or assessment

on the tax roll of Jackson County. The property tax, fee, charge or assessment is categorized as stated by this form.

20 E. Main St. Ashland OR 97520

Lee Tuneberg Finance Director (541) 488-5300 July 7, 2004

CERTIFICATION—You must check one box.

- The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.
- The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.435.

PART I: TOTAL PROPERTY TAX LEVY

		Subject to General Government Limits		
		Rate —or— Dollar Amount		
1. Rate/Amount levied (within permanent rate limit)	1	3.5647		
2. Local option operating tax	2	1.3800		
3. Local option capital project tax	3			Excluded from Measure 5 Limits
4. Levy for "Gap Bonds"	4			Dollar Amount of Bond Levy
5. Levy for pension and disability obligations	5			
6a. Levy for bonded indebtedness from bonds approved by voters prior to October 6, 2001	6a		498,000	
6b. Levy for bonded indebtedness from bonds approved by voters after October 6, 2001	6b			
6c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 6a + 6b)	6c		498,000	

PART II: RATE LIMIT CERTIFICATION

7. Permanent rate limit in dollars and cents per \$1,000	7	4.2865
8. Date received voter approval for rate limit if new district	8	
9. Estimated permanent rate limit for newly merged/consolidated district	9	

PART III: SCHEDULE OF LOCAL OPTION TAXES — Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First year levied	Final year to be levied	Tax amount —or— rate authorized per year by voters
Youth Activities	May 20, 2003	2003	2008	1.3800

PART IV: SPECIAL ASSESSMENTS, FEES AND CHARGES

Description	Subject to General Government Limitation	Excluded from Measure 5 Limitation
1		
2		

If fees, charges, or assessments will be imposed on specific property within your district, you must attach a complete listing of properties, by assessor's account number, to which fees, charges, or assessments will be imposed. Show the fees, charges, or assessments uniformly imposed on the properties. If these amounts are not uniform, show the amount imposed on each property. **The authority for putting these assessments on the roll is ORS _____.** (Must be completed if you have an entry in Part IV.)

ORDINANCE NO. 2911

AN EMERGENCY ORDINANCE LEVYING TAXES FOR THE PERIOD OF JULY 1, 2004 TO AND INCLUDING JUNE 30, 2005, SUCH TAXES IN THE SUM OF \$8,399,000 UPON ALL THE REAL AND PERSONAL PROPERTY SUBJECT TO ASSESSMENT AND LEVY WITHIN THE CORPORATE LIMITS OF THE CITY OF ASHLAND, JACKSON COUNTY, OREGON AND REPEALING ORDINANCE 2910.

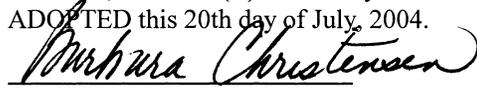
THE PEOPLE OF THE CITY OF ASHLAND ORDAIN AS FOLLOWS:

Section 1. That the City Council of the City of Ashland hereby levies the taxes provided for in the adopted budget in the permanent rate of \$3.5647 per thousand an amount estimated to be \$5,696,000, voter authorized Local Option in the rate of \$1.3800 per thousand an amount estimated to be \$2,205,000, as well as \$498,000 authorized for the repayment of General Obligation Debt and that these taxes are hereby levied upon the assessed value for the fiscal year starting July 1, 2004, on all taxable property within the City.

Section 2. That the City Council hereby declares that the taxes so levied are applicable to the following funds:

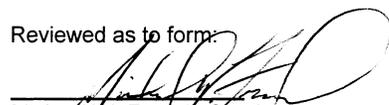
	Subject to General Government Limitation		Excluded from General Government Limitation	Rate
	Permanent Rate	Local Option	Bonded Debt	
General Fund	\$ 2,352,000			1.4719
Parks and Recreation Fund	3,344,000			2.0928
Youth Activities Levy		\$ 2,205,000		1.3800
1982 Water Bond Levy			\$ 83,000	
1997 Flood Restoration Bond Levy			105,000	
2000 Flood and Fire Station Bonds			310,000	
	<u>\$ 5,696,000</u>	<u>\$ 2,205,000</u>	<u>\$ 498,000</u>	

The foregoing emergency ordinance was read on first and second readings in full in accordance with Article X, Section 2(C) of the City Charter on the 20th day of July, 2004, and duly PASSED and ADOPTED this 20th day of July, 2004.


Barbara Christensen, City Recorder

SIGNED and APPROVED this 20th day of July, 2004.


Alan W. DeBoer, Mayor

Reviewed as to form:

Michael W. Frazer, City Attorney

This report is intended to promote the best possible
management of public resources.

You are welcome to keep this copy; however, if you no longer need it, please return it to:

**Finance Department
City of Ashland
20 East Main Street
Ashland, Oregon 97520**

The Finance Department maintains a file of past documents.
Your cooperation will help us save copying costs.