CITY OF EAGLE POINT

"Gateway to the Lakes"

OREGON

May 18, 2012

Honorable Mayor and Councilors
Members of the Budget Committee
Citizens of Eagle Point

As the City Administrator, on behalf of your staff, I am pleased to present the proposed budget for fiscal year 2012-2013. I have been with the City of Eagle Point a mere seven weeks. So you can certainly guess that much of the work on this budget preparation was done by my predecessor and the department management staff, with the real heavy lifting done by Finance Director Melissa Owens. I am fortunate to have inherited a very dedicated and talented staff, and continue to be impressed with how well our Council, Commissions, Committees, Volunteers, and Citizens work together. If I am to take any credit for this proposed budget effort, it is in the area of making some minor (and a few major) course corrections, primarily with regard to our renewed focus on evaluating and understanding the overall water system, including the 3.6 mg reservoir, as well as putting us on a path to create an annual pavement maintenance program.

We continue to move cautiously as we work to provide the core level public services to our citizens. In 2008 the economy came crashing down. Staff reacted quickly and with strong actions. Staff was reduced by 18% (6 employees) and all noncritical spending was stopped. The biggest crisis from a budget perspective was the General Fund. Because of this, most of the layoffs were targeted toward reducing spending in General Fund. There was a severe reduction in building which reduced building permit related revenue. This also caused franchise fees and property tax revenue to flatten out. These are the two main revenues that support the General Fund. The lack of growth also caused our utility revenue to soften causing problems in other funds as well. Revenue from System Development Charges has virtually ground to a halt as it mirrors the downturn in new building and development permit activity. This has reduced our ability to expand capacity in our utility system, while making debt service that is dependent on SDC revenue more difficult.

The franchise fees come from several different utilities. We have seen a steady decline in franchise fees from some of the utilities such as Century Link. This is because people are increasingly going away from landline phones. We have also seen a decrease in Charter Communications. Some people are choosing DISH or Direct TV rather than Charter Communications. The City does not collect franchise fees from cell phone carriers or satellite companies. Other franchise revenues have increased a small amount because they have raised the overall rates that they charge their customers. However, because there is no growth we are not seeing very much of an increase in this revenue.

Property tax has flattened out as well. In 2011/2012 we projected a decrease in property tax. While we did see a decrease in residential property tax, commercial growth such as the hardware store and

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the chiropractic clinic added to our tax roll resulting in an overall increase in property tax. The new Carl's Jr. will not hit the tax rolls until 2013/2014.

Property tax and franchise fees are the primary revenue sources for General Fund. However, they are also two revenue sources that only increase with growth. The City continues to see increases in the costs of doing business. There are increases in costs such as employee costs, utilities, fuel, insurance, project costs, and the like. It is important for us to research some additional revenue sources that are more stable. However, due to some cost savings in 2008/2009, 2009/2010 and the current year we have been able to substantially increase our fund balance and cash reserves. Much of this was intentional. We avoided scheduling projects that would use our cash balance. We insured that we were only using reoccurring revenue for reoccurring costs.

There were some unintentional cost savings in the 2011-2012 Budget. For example, staff included the projected PERS increase. However, PERS decided not to implement the entire increase. Instead, we expect to see a substantial increase in July 2013. Staff budgeted for large increases in health insurance costs, but Teamsters decided to defer any rate increases until the next review which will occur in July 2012. Moreover, there were several staff members who left employment. Some of these positions were not replaced or in some cases they were replaced with employees at a lower wage scale.

The savings over the last couple of years allowed us to increase our contingency line and add some reserve funds. In the 2012/2013 budget we are including a contingency of nearly 15% ($600,000) which is very good. There is also a reserve of $250,000 which is a cash flow reserve for the following year. This ensures that we will have sufficient funds to operate in the beginning of the fiscal year. We do not receive property tax payments until November so it is important to ensure that the new fiscal year will start with sufficient cash to operate through the end of November. In 2012/2013 we are also adding a line item for $100,000 as a reserve for retirement/benefits. This will help cover any increase in PERS and health insurance increases that have not yet been budgeted.

As we begin this fiscal year, long term financial planning is a primary goal. We will start this conversation with the Council sometime this summer. Although our fund balance is once again very healthy, when comparing our reoccurring revenue and expenses we are still very close. It would not take very much of a decrease in property tax and franchise fees or an increase in expenses or inflation to tip us over into negative operating spending again. Because of this, it is still imperative that we complete our long term financial trend analyses covering the next 7-10 years. We must look ahead at both our operating and capital cost needs and try to buffer the City from falling into negative spending again.

The projections for property tax and franchise fees are very optimistic for 2012/2013. This is an area that we will need to review on an ongoing basis during the year. We will need to reassess if it becomes necessary to reduce the projections. In addition, we will need to revisit the issue of staffing levels particularly in the police and public works departments. For the present, we are holding the line on staffing levels until we have a clearer picture of the economy and the potential for inflation.

The city is beginning negotiations with our labor units on a wage reopener for the last year of this three year contract. There was no cost of living wage increase calculated into the 2009/2010 budget year and again for 2011/12 fiscal year. A one-time 1.7% merit increase that was not added to base salaries was provided last year. A COLA for 2012-2013 is anticipated, pending final negotiations with union representation.

One staff member from a temporary employee status to a full-time employee – all funds (55% General Fund – Administration, 15% Streets, 15% Water, 15% Storm Water)

We are continuing to hold the line on adding any new full time regular positions. However, we are proposing to convert one employee to a regular employee status. Last year one employee was added full time on a temporary basis. She was added to work on some special projects related to document imaging and records management. This employee has done a great job with those projects and we have a long list of additional projects for her. More importantly though we have been able to cross train her at the front desk. She does many of the 'projects' at the front counter which allows her to help provide coverage at the front desk. Having her at the front desk helped us get to a staffing and experience level where we feel comfortable being open during the lunch hour. We recently began opening city hall during the lunch hour for the convenience of our citizens and customers.

Water System

Another fund that is impacted by lack of growth is the Water Fund. There has not been a rate increase in the Water Fund since 2003. At that time a rate increase was implemented to cover a portion of the cost of the new debt payment. There was also a small increase to the consumption rate. That increase has not kept up with the cost of maintaining the system. Bringing on additional reservoirs and pumps has caused our utility rates to escalate.

Revenues to service debt have declined. In 2005/2006 we started several large water projects. We borrowed funds from USDA to fund a large portion of the projects. It was intended that the Water SDC Fund would contribute $1,000,000 and the Water Fund would contribute $214,000 toward these projects, with the remaining $3,135,600 coming from loan funds. Due to changes in the economy, costs of materials and extended timelines to complete the list of projects, the total costs of the projects were substantially higher than expected. These were necessary projects so the decision was made to move forward with the projects with additional funds coming from both the Water Fund and the Water SDC Fund. Both funds contributed much higher amounts than initially anticipated. This significantly reduced the fund balance in both funds. With reduced building activity the SDC Fund will not have the necessary revenue stream to help service the debt, and without a water rate increase, the Water Fund balance will be depleted.

Water service projects have been a large focus of our time and infrastructure needs over the past couple of years. The completion of the final water system capital improvements including the refurbishment of the Old Federal Reservoir purchased by the city in the early 1990's along with a Booster Pump Line connecting several homes along Robert Trent Jones and adjacent areas to the high pressure water zone have been physically completed. The reservoir project added 4 million gallons of water storage to our water system providing many years of future growth in the water system.

The repair costs on the 3.6 mg water reservoir will challenge us in this fiscal year. The bad news is that despite considerable efforts last year we are still experiencing problems. At this writing the tank has been taken out of service and is being reviewed by a team of civil, structural and geotechnical engineers who will identify the problems and advise us on what needs to be done to safely bring the tank back on-line. This current engineering effort is costing approximately $80,000, which is just the beginning. The total project cost to fix the problem is unknown at this time. Without the tank we are experiencing some localized low pressure problems. But the bigger concern is that we may not be able to meet peak demands at the height of the summer season unless we can bring this tank on-line quickly.

The water rates and water SDC rates will need to be evaluated soon. The water rates have not been keeping up with the costs of the operation of the system for the last 3 years. With the current economic issues the City was hoping to avoid raising water rates until the economy started improving. However, this year and next year we could be spending a significant amount of funds on the 3.6 mg reservoir. We will need to reassess the rates and the overall health of the fund as we learn more about the necessary repairs to the 3.6 mg reservoir. Depending on the final costs we may need to recommend to the Council later this summer that the Water Fund borrow money from another fund in order to complete capital repairs and engineering.

Street System

Our street system continues to deteriorate due to normal wear and tear caused by use and weather. The 2012-2013 Budget includes a new proposed pavement maintenance program, with a chip seal component, to restore and preserve our street transportation network. Over $300,000 is proposed to jump-start this program.

General Fund: Increased from $3,113,935 to $4,142,200

Serves – Administration, Finance, Courts, Planning, Community Development, Building, Police, Fire, Parks, Recreation, Billing Service (RVSS) and Non Departmental Services

Virtually all the growth activities have stopped. In the 2012/13 budget year, we have budgeted and forecast only 10 housing units. The continued impact of foreclosures on the building market and uncertainty in the political, economic and lending sectors cause us to move cautiously. The proposed General Fund Budget also includes $250,000 as a carry-forward cash flow reserve to cover expenses until the first property tax receipts later in the year. An additional $600,000 Contingency line item is "savings account" reserved for Council discretion for unknown and unanticipated expense that can occur throughout the year.

The forecasted increase in Cash Balance and Contingency for 2012/13 is encouraging but not a real indication of additional reoccurring revenue. The following totals from each of the General Fund Departments shows the financial status of the Fund on a department by department basis for 2011/2012 in comparison to our recommended 2012/2013 Budget:

	11/12	**12/13**
Administration	$239,263	$229,502
Court	$59,700	$56,100
Building	$187,685	$134,585
Planning	$103,675	$77,125
Police	$1,439,786	$1,420,624
Fire	----------	----------
Parks	$108,100	$146,150
Recreation	$66,350	$35,780
Billing Services	$50,220	$44,750
911 Tax Revenue	$ 50,000	$42,000
Non Departmental	$ 97,625	$966,734
Transfer to Capital Reserve	$ 36,850	$38,850
Reserves and Contingency	$ 674,681	$950,000
	$3,113,935	**$4,142,200**

Two new proposed line items: "Emergency Strategic Reserve" and "Retirement/Benefit Reserve"

The $4,142,200 General Fund total projected budget shown above, is substantially higher than the previous year. The 2012-13 General Fund budget contains two new line items titled: "Emergency Strategic Reserve" in the amount of $819,634, and "Retirement/Benefit Reserve" in the amount of $100,000. This is an accumulation of unspent funds. **This is not a reflection of reoccurring revenue.** The purpose of the new Emergency line item is to sequester the unspent funds as a "rainy day" emergency reserve intended for use in true emergencies. The Council will have considerable discretion in how to spend the emergency funds, but the intent here is to have the Council develop a specific policy outlining what will be considered a true emergency for use of such funds. For example, we may want to use it to help subsidize critical services in the next economic downturn. Or perhaps a natural or manmade disaster will necessitate further cash needs. We can have this policy discussion over the course of the next few months. The Retirement/Benefit Reserve will help us be prepared for PERS rate increases, accrued leave when employees retire or leave, or health insurance increases. It is likely that PERS rates will increase substantially effective July 1, 2013.

Sources of Additional Cash Reserves

Listed below are some of the factors that created savings in the 2011/2012 budget resulting in the creation of a proposed new Emergency Strategic Reserve and the Retirement/Benefit Reserve line items:

- Planning Tech. was budgeted to work fulltime with full benefits for 2011/2012. In September she requested that her hours be reduced to ¾ time and no benefits.
- PERS Rates were budgeted to increase. Increase was not as high as anticipated.
- Insurance rates were budgeted to increase 20%. There was no rate increase.
- A full year was budgeted at a Public Works Technician level including full benefits and has been vacant since April 2011. This position was not filled. This position will be filled with a Laborer position.
- Unexpected resignation of City Recorder. Open position for at least 3 months resulted in wage & benefit savings. Also, increased savings since retirement will not take effect for 6 months.
- Budgeted one month of overlapping wages for Planner, Accounting Supervisor, and City Administrator position. Was actually 1 week of overlap
- Budgeted full year with both Laborers at a Technician position. Neither laborer was promoted this fiscal year.
- Reduction in wages due to Detective/Sergeant leaving in January not being replaced until April and at a reduced wage.
- Rebate from City County Insurance Services.
- Several months of no retirement during probationary period for new employees in the finance department, as well as lower wage difference for new employees.
- Property Tax revenue higher than budgeted.
- Departing Planner and Police Sergeant both had less accrued leave than budgeted.
- Temporary employee budgeted for full year but did not start until October.

General Fund – Building and Planning Departments

Most of the new subdivision growth will continue to be associated with subdivisions that have already been approved since virtually all residential lands have been annexed into the city and have

completed the conceptual planning process. Our efforts in changing the urban growth boundary of the city will be critical in our ability to offer new housing opportunities for the future.

The city will continue to offer long-term planning direction for growth through the Regional Problem Solving (RPS) process and work to expand the Urban Growth Boundary (UGB). The beginning of the process for the City and County to incorporate the RPS plan into the respective comprehensive plans of both government agencies is now underway. The City Council adopted the update to the city's Buildable Lands Inventory and the Economic Opportunities Analysis for the expansion of the City Urban Growth Boundary. Eagle Point has grown out of the required 20-year supply of land necessary for future growth. The coordination of the Regional Problem Solving adoption process with our own Comprehensive Plan work is a key task facing planning staff for this upcoming year. It is our hope and the hope of all the RPS participants to use the results of Regional Problem Solving to secure part of necessary tasks for a UGB Expansion process.

General Fund – Police Department

The budget goal for police in 2012-2013, as in other departments, is to "hold the line" and maintain what we have. Although the Police Department is still down approximately three positions, we are continuing to hold fast on adding any new full time salaries until we do further long term financial planning and see what is going to happen with the economy. As the former City Administrator pointed out last year, the "rubber band has been stretched" and we recognize that, as with other units of local government, the police department is continuing to do more with less. Although this may be the new norm, we need to pause and review this in the coming year in order to make sure we can maintain the safety of our citizens while not jeopardizing officer safety.

The budget provides for the SRO position in the High School. The School District continues to support their portion of the SRO cost.

Included in this budget is the purchase of a new patrol car with cash ($38,500) to continue the replacement program phasing out high mileage vehicles. Dispatch services with ECSO/SORC are funded at $117,449, a substantial increase over the years. Cost control needs to be addressed with our dispatch contractor. And finally, we added funds to hire a temporary seasonal person to help with code enforcement activities, such as weed abatement and other public nuisances that impact the livability and aesthetics of our community.

General Fund – Parks Department

Thanks to the leadership of the Chamber of Commerce and the generosity of dozens of citizen volunteers, we are now able to keep the Harnish Park Tourist Information and Interpretive Center open seven days a week during the tourist season. The construction completion was finished in early spring of 2006 with the final touches on the park landscaping completed in 2007. Improvements to the exhibits and staffing have gone well and will continue this budget year with additional touches supported by several outside agency groups. A new computer monitor has been installed for the Little Butte Creek Room along with stream monitoring equipment that was installed in the creek to look at temperature, stream flow, conductivity, turbidity, dissolved oxygen and PH. Much of the cost for the monitoring is paid by the Water Commission and Water Masters Office. The city will also install a separate monitor to run the Little Butte Creek Story for visitors to the Interpretive Center. The same group will also work on interpretive signing and demonstration riparian planting areas that are part of the City's TMDL Management Plan for DEQ.

The City was awarded Congestion Mitigation Air Quality (CMAQ) funds to construct the parking facilities at Matte Brown Park. The project construction has been re-scheduled for the 2012/13 fiscal year. Plans remain open for a pathway connection between Matte Brown Park and the Butte Creek Mill. Final efforts for actual construction will require an easement from one private property owner to complete the right of way connection.

Funding is provided in the Parks SDC Budget for 2012/2013 for additional park land acquisition. The City is currently under contract to purchase 6.5 acres of land on the west side of Highway 62 ($345,000). In addition, the SDC Fund will also provide for beginning trail design and construction on Lucas Park area, adjacent to the Eagle Point Golf Community and the Glenwood Subdivision. The effort will include the construction of a few parking spaces that will support use of the trail amenities. The City completed the design and development of Centennial Plaza at the corner of Main Street and Royal Avenue. That project has been a huge success.

The Parks Commission has recommended miscellaneous improvements to various parks throughout the community. Pending Council approval, improvements include the purchase of additional picnic tables, barbeque facilities, irrigation improvements, and the like. These costs are proposed in the Parks operating budget as "parks amenities" ($22,000).

General Fund – Recreation Department

With staffing reductions and changes over the last 2 years it became necessary to cancel Summer Day Camp last summer. Staff chose to run the Junior Eagles programs this fiscal year even with limited staffing. Even though it was a difficult year for staff and the Junior Eagles program it was still a very positive program. The programs are very popular and an important part of the community service that the City strives to provide. Staff is in the process of exploring other ways of providing Summer Day Camp and Junior Eagle Sports programs. Staff is hoping to work with Rogue Valley YMCA to offer Summer Day Camp for this summer.

Street Fund: Increase from $1,581,400 to $1,685,142

Serves – Street Maintenance

The primary cause for an increase in revenue in the Street Fund is an increase in gas taxes passed by the legislature and phased-in over several years, as well as the receipt of federal transportation money or STP Funds for cities over 5,000 in population. We have chosen to exchange the federal funds through the State to receive return funding that can be used on local street projects. The exchange rate is 94 cents on the dollar. Last year the allocation of STP funding was used on improvements to Fargo Street. This year it is proposed that we use STP funds, as well as savings, to initiate a new Chip Seal pavement maintenance program to help arrest the deterioration of our aging street network. Transportation Utility Fees have remained stable for use in our 2012/2013 Budget. The bad news is that this is likely the last year we will be able to take advantage of the annual STP allocation because we are now part of the Medford metropolitan plan area and in the future will have to compete regionally for the federal dollars via specific project applications.

We have set aside money in the Street Fund for the following activities:

- Routine costs for maintenances, utilities, staffing, materials, legal, engineering, insurance, and overhead.
- Small tools and minor equipment purchases
- Chip Seal Pavement Maintenance Program - $300,000 ($200,000 STP funds plus $100,000 savings). We currently have advertised a Request for Proposals for a Pavement Condition

Survey that will provide us with a "roadmap" to guide us in how to efficiently and wisely spend our street maintenance dollars over the next several years.

- Pavement Condition Survey - $40,000
- Loto Street Sidewalk Infill Project – $100,000 ($75,000 Street Funds + $25,000 Street SDC funds). The goal is to complete missing sidewalk links on both sides of Loto Street from Royal Avenue to Buchanan Street, providing safer pedestrian access to and from the civic center area, including city hall, fire station, post office, library, senior center, and adjoining senior retirement communities. We intend to spend minimal dollars on the engineering/surveying portion and maximum dollars on actual construction of sidewalks.
- Rodale Dr. Geotechnical Study - $5,000
- Downtown Lighting Plan - $10,000 for electrical design to be able to extend the decorative pedestrian street lights downtown in a future budget
- Stevens Road Storm and Walking Path Design - $20,000 ($5,000 Street Fund + $15,000 Storm Water Fund) at the curve near the new Hillside Elementary School
- Rogue Valley Transit District - $6,500 matching funds for a planning grant (starting in 2012) to focus on Transit Services needs for Eagle Point. The study results will offer information on what type of services is most needed, if any, and how they could be achieved.
- Judge Stewart House parking lot and adjoining alleys - $60,000 ($50,000 Street Funds and $10,000 Storm Water Funds). This amount will not be sufficient for a full pavement overlay, but will provide spot base and surface repair, and perhaps a chip and slurry seal coat to freshen it up. It is recommended that we spend available funds, to the extent possible, on our street network first.
- Covered Bridge painting - $10,000
- Main Street Bridge structural and condition assessment - $5,000
- Radar Speed Sign – solar power ($3,700)
- Miscellaneous street signs - $5,500
- Franchise Fee Transfer - 5% transfer to the General Fund representing a fair share franchise fee similar to that paid by other utilities ($49,300)
- Capital Reserve Transfer – funds placed in reserve for future equipment and vehicle replacements ($17,570)
- Contingency Reserve - $150,000

Phase II of the Public Works Facility improvement has not been budgeted for the 2012-2013 year. Although funds were provided in the 2011-2012 budget, the project was not completed due to the press of other project business. Phase I allowed the rehabilitation of the general site along South Shasta, including paving, landscaping and underground improvements. Phase II will construct the vehicle wash facility along with a portion of covered storage. ($20,000 – Street; $20,000 Water). It is proposed that the project be deferred to future years due to the current stress being placed on both the Street Fund and Water Fund from capital projects, including the street chip sealing and the leaking 3.6 million gallon water tank.

Funds have not been re-budgeted from the 2011-12 budget to this budget to construct a new electronic downtown entrance sign (previously proposed at $8,000). The scope of this project has not been clearly defined and our current sign regulations may not be adequate. This item needs further direction and clarification from Council.

Water Fund: Decrease from $2,508,631 to $2,114,254

Serves – Water system maintenance, operations and improvements

The decrease is due to the completion of several project activities but primarily due to a decrease in Cash Balance being used to operate the Fund. Several new or increased expenses include repairs on the 3.6 MGD reservoir, as well as miscellaneous water system repairs.

The Water Fund along with the Water SDC Fund also supports the debt service of earlier water system improvements. The rate plan established for USDA Rural Development and approved by Council in 2005 paid debt on either a 20-year or 40-year payment for the 3+ million in loan funds. The repayment schedule sets 25% of the payment away in the Water Fund and 75% of the payment in the Water SDC Fund. The 75% payment was based on both an escalating SDC rate over time and the construction of at least 50 homes per year. We are currently projecting 10 homes for this year. Fortunately, we have been setting aside payments in the Water Debt Fund giving the city an additional cushion of debt payments. There is about 2.5 years of reserves in the Water Debt Fund. Scheduled payments are based on a 40-year payment cycle rather than the 20-year plan we have discussed in the past. If we must adjust the ratio of 25% debt payment from Water to the 75% portion of the payment schedule, a rate increase will be necessary.

We have set aside money in the Water Fund for the following activities:

- Routine costs for maintenances, utilities, staffing, materials, legal, engineering, insurance, and overhead.
- Small tools and equipment
- Medford Water Commission for the purchase of treated water for sale to our customers ($360,000)
- Water system distribution maintenance and repairs ($164,665)
- Water rights maintenance ($25,000)
- Water sample tests ($4,000)
- 3.6 mg tank engineering ($70,000)
- System improvements (Bellerive pump: $37,000; latches and alarms:$5,000)
- Debt service on USDA bond and electronic meter reading system ($116,576)
- Transfer to Water Debt Fund 2010 USDA Bond ($38,145)
- Franchise Fee Transfer - 5% transfer to the General Fund representing a fair share franchise fee similar to that paid by other utilities ($65,425)
- Capital Reserve Transfer – funds placed in reserve for future equipment and vehicle replacements ($6,570)
- Reserve for water rights purchase ($100,000)
- Cash Flow Contingency ($250,000)
- USDA debt service reserve ($99,076)

The water fund will be transferring $38,145 (40-year loan payment) to the Water Debt Service Fund to cover the Water Fund Expenses on the current water capital projects. The USDA Loan is a forty year loan that we still hope to pay off in 20years.

The Water Fund will also pay a share of debt service on the electronic meter system and continue bond payments on the 97/98 water capital projects. We also maintain a reserve of $99,076 required for the first USDA Loan in 97/98.

We have continued to include funding ($100,000) for the support of water rights investigations and acquisitions. We expect to move forward with water rights purchases only if the Council concludes that additional water rights are necessary.

Storm Water Fund: Increase from $366,700 to $385,400

Serves – Storm water system maintenance and capital improvements

The realignment of the Little Butte Irrigation ditch by Wal-Mart gave the city an opportunity to keep the majority of the Eagle Point Irrigation System water and Long Mountain Drainage water on the west side of Highway 62. The continuation and completion of that project cost the city almost $500,000 which was not available in the Storm Water Fund. The Street SDC Fund provided a long-term (5 year) loan to Storm Water to complete the project. The payments to the Street SDC Fund have severely hampered the Storm Water Fund in starting any significant capital project long-term maintenance. This year was the last repayment of that debt to the Street SDC Fund. The Storm Water Fund was established to fund the maintenance portion of the storm water system with little funding left over for capital improvements. The capital projects that have been completed have stretched the resources to the limit.

The majority of the fund expense will concentrate on maintenance of the storm water system.

We have set aside money in the Storm Water Fund for the following activities:

- Routine costs for maintenances, utilities, staffing, materials, legal, engineering, insurance, and overhead.
- Small tools and equipment
- Stevens Road Storm and walk path design ($15,000 Storm; $5,000 Streets)
- Judge Stewart house parking and alley ($10,000)
- Ditch cleaning ($8,000)
- Buchanan Ditch bank stabilization planting ($5,000)
- Storm drain inlet repairs ($10,000)

Sewer Fund: Decrease - from $1,059,138 to $1,057,324

Serves – Collection of funds sent to Rogue Valley Sewer Service for sewer maintenance, debt service and capital improvements.

All funds are transferred to Rogue Valley Sewer Services for sewer services. Administrative funds are paid to the City from RVSS for billing and related services and are now seen in the General Fund due to tracking issues from the State.

Water System Development Fund: Decrease from $190,274 to $70,614

Serves – Capacity improvements to the water system with new system lines and facilities and upgrades to existing infrastructure due to increased growth.

The Water SDC Fund accumulates revenue and authorizes expense for Water System Development. The Water SDC Fund is paying for 50% of the debt service on the Electronic Water Meter System. The remaining 50% is paid from the Water Operating Fund. The final payment for this loan will be

made in 2028. The fund has transferred 4 years of payments for the current USDA Loan to the Water Debt Fund to coincide with payments from the Water Fund on our 40 year obligation. To cover only the debt service cost on our loan obligation, a total of 75 new equivalent dwelling units would need to be built per year. It is hoped that new construction activity will increase over the next five years to help cover debt service obligations. Without new growth we may be faced with readjusting payments to take a greater burden of debt obligation from the Water Fund.

Parks System Development Fund: Decrease from $948,600 to $946,804

Serves – New park capacity improvements due to growth.

The 2012/2013 Budget Year will include the conceptual design of Lucas Park ($40,000) and Harnish Park Improvements for signage and computer coordination. Additional funds ($350,000) are set aside for Land Acquisition.

Street System Development Fund: Decrease from $2,218,080 to $2,090,083

Serves – New street system capacity improvements on Arterial and Major Collector streets including bridges and appurtenances.

The 2012/2013 Budget Year provides funds to complete the RPS Plan ($10,000 – if needed), and $25,000 towards the proposed sidewalk infill project on Loto between Royal and Buchanan.

Storm Water System Development Fund Decrease - $182,150 to $180,246

The Storm Water SDC Fund supports storm water system capital improvements

The new SDC Fund was created in the spring of 2009 and supports capital projects that will expand the capacity of the storm water system. No expansion projects are planned for this year.

Street Capital Project Fund $30,127

The fund was created to allow for the receipt and expenditure of funds received from other sources for Street or Bridge improvements. Funds are received from projects choosing to pay for street improvements rather than making those improvements. Two projects have receipted funds: The first project came from the development of the Pediatric Clinic along Old Highway 62. The $11,172 is maintained for use on Old Highway 62 improvements as additional funds are made available. Development of pedestrian improvements on the south side of Alta Vista is the second project that is also included in the budget ($18,955). Those funds have been received from a portion of homes in the various subdivisions south of Alta Vista. The funding was collected by the County and transferred to the city at the time of jurisdictional exchange. It has been kept in the Street SDC Fund and was transferred into the Street Capital. No projects are currently scheduled.

Capital Purchase Reserve Fund Increase - $334,630 to $400,170

The Capital Purchase Reserve Fund was created to consolidate revenue saved by the various vehicle equipment reserves from the various operating funds into a single fund for better tracking. The fund will also allow for the setting aside of funds to purchase major pieces of equipment rather than just vehicles. The totals will be kept separately so each department can distinguish their contributions from others within the same fund.

Museum Fund Decrease $64,309 to $59,221

Serves – Operations of the Eagle Point Museum and Grounds

The Eagle Point Historical Society transferred their assets to the City of Eagle Point shortly after the beginning of the 2008/2009 fiscal year. The city received funds (approximately $72,000) from the Historical Society, the Museum and artifacts, Museum grounds and the Antelope Historical Cemetery. The cemetery will be maintained out of the General Fund (Parks). We have provided funding to partially staff the museum. The Museum is open only on Friday, Saturday and Sunday and special events. The transferred funds pay for the yearly operations cost of the building while the General Fund budget pays for the staff costs. Eventually greater funding will be required to support the Museum operations as the original funds received from the Historical Society continue to deplete slowly every year and the General Fund continues to subsidize the Museum costs.

98 GO Bond Fund: Decrease from $72,300 to $59,242

Serves – Payment for City Hall Bond Debt

The tax collected and payment to be made for bond debt. The bond is the purchase of the land and property for the current City Hall. This is a 20 year bond. The final payment will be made July 1, 2018.

Vending Machine Fund Increase $3,029 to $3,150

This fund was created to manage funds from the new vending machines. The equipment was purchased in the 2001/2002 fiscal year and replaced with updated equipment. The fund variance is based on sales of products.

Jackson County Housing Authority Fund: Decrease $132,042 to $117,045

Serves – Housing rehabilitation program funded through the Jackson County Housing Authority.

Seventeen loans were processed for a total of $243,000 for low income housing assistance. Upon sale or refinancing of the loan repayment the loan amount comes back to the city. If more than one sale or refinancing takes place in a year, the funds received must be used for additional housing assistance. If only one sale or refinance is completed in a year, the funds can be used for any purpose authorized by the City Council.

Water Debt Fund: Decrease from $772,774 to $668,002

The Water Debt Fund was created at the request of USDA to make debt payments on the loan that was created for the Major Water Capital Projects.

The fund has received payments from the Water Fund and Water SDC Fund to set up the payments to USDA. The creation of the Water Debt Fund establishes the obligation of the Water Fund, Water SDC Fund and General Fund as resources for the yearly payments for the next 20 years. The USDA loan is a forty year loan that we have set up to finance in 20 years.

We have projected a conservative revenue picture for the next fiscal year, but still allowed for progress in most of our programs. The continued support from the Community, Council and advisory boards for well planned and orderly development of all our programs and facilities will be critical to our continued success.

Very truly yours,

Henry Lawrence
City Administrator

Melissa Owens
Finance Director

POLICY ISSUES

1 Temporary Services (2 policy issues)
2 Economic Development
3 Community Policing
4 Purchase of additional tasers
5 Purchase of body-worn cameras
6 Purchase of police car
7 Radio upgrades
8 Purchase of light plant
9 Purchase of park amenities
10 Contribution to Nutrition Program and Senior Center
11 Purchase of portable radar sign
12 Purchase of two AEDs (Automatic Defibrillators)
13 Addition of one permanent full time Account Clerk 1 replacing a full time temporary position

12/13 MAJOR POLICY ISSUES/ SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: General Fund, Street Fund, Storm Water Fund, and Water Fund

POLICY ISSUE TITLE:

1. Proposal---

General Fund – Administration ($12,000) for code enforcement (new in 2011/2012) See additional information on next Policy Issue.

General Fund – Parks ($16,000). Funding for Harnish Wayside Park. These funds pay for staffing the facility Friday, Saturday and Sunday. This program has been in place for several years.

General Fund – Parks ($9,000). Funding for park maintenance. In order to maintain the parks during the summer, additional help may be needed during peak times. The extra help will be beneficial to supplement the crew during vacations, and in the event of water breaks. Water breaks are the highest priority and because of this parks may not get mowed if there is a water break. This funding would help ensure that parks are mowed (New in 2012/2013).

Street Fund ($3,500). Additional labor is needed for the leaf pickup program in November and December. The bags are picked up at the curb, hauled to a common site and emptied for the 4-6 week program. The additional labor allows the regularly schedule operations to continue. This program has been in place for several years.

Street Fund ($6,500). Additional labor is needed to clear weeds and brush on street right of way, and spray any weeds in the street. The additional help in July and August keeps the weeds down and the streets looking cleaner.(New in 2012/2013)

Storm Water Fund ($2,000) and Water Fund (2,000) Additional labor is needed on occasion to help with projects related to the storm water

system and the water system. This funding would help with those projects. This program has been in place for several years

2. **Impacts---**

a. **Fiscal Impact:** $51,000 (various funds)

b. **Proposed Funding Source** General Fund – Administration $12,000, General Fund – Parks $25,000 (16,000 Harnish & 9,000 park maint), Street Fund $10,000, (3500 existing 6500 new) Storm Water Fund $2,000, and Water Fund $2,000

c. **Public Impact:**

d. **Personnel Impact:** This would help ensure that permanent employees are able to work on their full time duties as necessary.

e. **Required Changes in City Regulations or Policies** None

f. **Legal Constraints, if applicable** None

g. **Viable Alternatives**

3. **Conclusion and/or Staff Recommendation:** Staff recommends funding of temporary help. This staffing would work on an as needed basis helping when current full-time staff is unable to get to the projects.

12/13 MAJOR POLICY ISSUES/ SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: General Fund - Administrative

POLICY ISSUE TITLE: Code Enforcement
The City of Eagle Point established Ordinance No. 2009-14 for the removal of high weeds and excessive vegetation on public and private land, in addition to neighborhood blight concerns, such as abandoned vehicles in citizens front yards, clutter, and junk. The City has limited resources to address this community concern effectively.

1. **Proposal---** As temporary, part-time code enforcement position is needed to handle citizen complaints regarding nuisance abatement issues. Funding is needed to contract temporary part-time services in the amount of $12,000.00, for the enforcement for a six-month period beginning May 15 – October 15, 2012.

2. **Impacts---**The lack of effectively addressing code enforcement in the community can lead to health and safety concerns; possible grass and vegetation fires; unsightly neighborhoods; and detracts from the beauty of the community.

   a. **Fiscal Impact** – The lack of code enforcement can lead to claims against the city for fire-related hazards and concerns about attractive hazards. Uninhabitable houses (no heat, water, or electricity) are dangerous and create unsafe living conditions for children.

   b. **Proposed Funding Source** General Fund - Administrative

   c. **Public Impact** – Code enforcement can assist the building inspector in code compliance thus addressing complaints in a timely manner. Public complaints about tall weeds and grass, and neighborhood blight will get addressed sooner, rather than later, and will improve the public/community trust. Exposure to liability may be reduced when safety issues are attended to.

d. **Personnel Impact** – This is a part-time position that can be utilized to assist public works and the police department, thus freeing up time for full-time personnel to dedicate to their job duties.

e. **Required Changes in City Regulations or Policies** None

f. **Legal Constraints, if applicable** –None

g. **Viable Alternatives** – Code enforcement concerns and complaints will be handled when time is available or may not be handled at all.

3. **Conclusion and/or Staff Recommendation-** The Chief of Police recommends the funding for the temporary code enforcement position to address the weeds, tall grass, and neighborhood blight conditions in the community.

12/13 MAJOR POLICY ISSUES/ SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: General Fund - Administration (Economic Development Expenses)

POLICY ISSUE TITLE: Request for funds in the amount of $10,000 for Economic Development

1. **Proposal---** The Economic Development Commission has requested $5,000 to be used for publications that would promote the City of Eagle Point. These brochures can be used for promoting livability, tourism, the Positively Eagle Point campaign, or business development.

   Additional funds are being requested by staff in the amount of $5,000. These funds could be used to help fund events and activities that would benefit Eagle Point as a whole. The funds could also be used for other types of advertising and economic development.

2. **Impacts---**

   a. **Fiscal Impact:** $10,000

   b. **Proposed Funding Source:** General Fund - Administration

   c. **Public Impact:** The publications will be educational to the public – especially those outside of the City.

   d. **Personnel Impact:** None

   e. **Required Changes in City Regulations or Policies:** None

   f. **Legal Constraints, if applicable:** None

   g. **Viable Alternatives:** Do not fund Economic Development programs at this time

3. **Conclusion and/or Staff Recommendation:** Staff recommends authorizing $10,000 for the purposes of Economic Development.

12/13 MAJOR POLICY ISSUES/ SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: General Fund - Police

POLICY ISSUE TITLE: Community Policing
The recent public safety survey (2012) of citizens revealed the need for more police programs and interaction between the community and the police. Realizing that community policing involves a partnership between the community and the police in crafting strategies that reduce the appearance of crime and crime itself, introducing programs, such crime prevention, neighborhood watch, Alzheimer registration, personal home safety, National Night Out, etc., are a few of the programs that can be introduced. Also, new programs are one way to positively market your police agency.

1. **Proposal---** The introduction of new programs requires training and marketing materials. Training and marketing materials in the form of pamphlets, banners, police stickers, grade school coloring books, bracelets, pencils, fingerprint kits, etc., can be purchased and used in teaching crime prevention and awareness programs. The cost training materials and other resource materials will be around $2000.00. Some funds may be used for training officers in crime prevention.

2. **Impacts---**The use of training materials to educate the public in crime prevention and awareness programs help to reduce crime and victimization. The opportunity to interact with the public in this fashion help to establish a positive relationship and trust between the police and community.

   a. **Fiscal Impact –** The cost is minimal compared to the value created by offering the public programs that prevent crime and victimization. An officer assigned to this role in producing these programs may result in overtime costs- at a minimum.

   b. **Proposed Funding Source** General Fund - Police

   c. **Public Impact –** Improved relationships between the police and the community, plus, enhanced crime prevention efforts.

d. **Personnel Impact** – The crime prevention role is every officer's daily task, however, offering new programs require someone to be assigned and schedule changes with possible overtime.

e. **Required Changes in City Regulations or Policies** None

f. **Legal Constraints, if applicable** –None

g. **Viable Alternatives** – Without the materials and time to initiate these programs they most likely will not be offered.

3. **Conclusion and/or Staff Recommendation**- The Chief of Police recommends the funding for community policing training materials for future crime prevention and awareness programs.

12/13 MAJOR POLICY ISSUES/ SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: General Fund- Police Department

POLICY ISSUE TITLE: Additional Tasers.
Most police agencies issue each police officer with a Taser as a part of their standard equipment. The Eagle Point Police Department has enough Tasers for seven of eleven officers. The Taser is required to be carried by all offices while on duty. Many other agencies equip their plain clothes officers and detectives with department issued Tasers as a matter of good policy and reduced liability.

On occasion, officers have court duty and are required to carry a Taser™ when in uniform. Officers for court duty cause a Taser™ shortage for patrol officers. Additionally, on the Fourth of July, not all officers are equipped with the Taser.

1. **Proposal---** The purchase of (6) Tasers will provide all officers with department issued equipment thus eliminating any standard equipment issues and compliance with department policy. Total cost of the six Tasers are $5400.00

2. **Impacts---** The TASER™ device is intended to control a violent or potentially violent individual while minimizing the risk of serious injury. It is anticipated that the appropriate use of such a device will result in fewer serious injuries to officers and suspects. All officers that are equipped with a Taser™ while in uniform are in compliance with policy and less likely to incur liability than an officer not equipped with a Taser™.

   a. **Proposed Funding Source** – General Fund

   b. **Public Impact** – Enhanced Personal Safety

   c. **Personnel Impact** – Compliance with policy

d. **Required Changes in City Regulations or Policies –N/A**

e. **Legal Constraints, if applicable** – Possible Exposure to personnel and suspect injury claims.

f. **Viable Alternatives – None**

3. **Conclusion and/or Staff Recommendation** – The Chief of Police recommends the purchase of six (6) Tasers from Keith's Sporting Goods of Gresham, Oregon, a state vendor for Taser, Inc. When all officers are equipped with the Taser™ they are more prepared to influence and react to potential violent behavior, than officers without the Taser™. Being equipped with the Taser™ reduces the possibility of exposure to potential claims for injury to the suspect and/or the officer when making a physically resistant arrest.

12/13 MAJOR POLICY ISSUES/ SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: General Fund - Police

POLICY ISSUE TITLE: Body-Worn Cameras
The use of a body-worn camera is the future for law enforcement. The device enhances prosecution for domestic violence; prevention of false complaints and potential liability against police officers; and improves public trust between law enforcement and the community.

1. **Proposal---** The use of a body-worn camera (BWC) records the actions of people for the purpose of criminal prosecution. Driving under the influence cases are improved when the use of the video and audio recording of an impaired driver are reviewed at trial. Domestic violence cases stand a better chance of prevention and prosecution when the actual complaint is played for the district attorney. Police complaints are less likely to result in an employee being placed on administrative leave when the complainant is found to have falsely accused an officer of wrongdoing. Moreover, the BWC's recordings can be used for training purposes. Body-worn cameras are a technology driven tool that enhances public safety. The cost of eight (8) BWC's is approximately $8000.00.

2. **Impacts---**The use of a body-worn camera will protect the city and officer from false claims and enhances the prosecution of crime. For example, the use of a BWC during the teacher strike would record any unlawful behavior by picketers; show the danger of vehicular traffic and pedestrians in a busy intersection; and display picketer actions. Any unlawful behavior or disruptive actions could be viewed for future review and possible prosecution. Any police contact with the public can be recorded. Measure 11 crimes, by law, require a recorded interview.

    a. **Fiscal Impact** – The cost of BWC is moderate. Each officer would be issued their own BWC. Issuing each officer their own BWC reduces the wear-and-tear on the device and increases the life of the BWC.

b. **Proposed Funding Source** General Fund - Police

c. **Public Impact** – Improved behavior of all parties involved in police contact.

d. **Personnel Impact** – Enhanced officer contact with the public and reduced liability against false claims. Additionally, the recordings can be used as a training tool for officers. The SRO can use the BWC to show school staff disruptive and criminal behavior of students.

e. **Required Changes in City Regulations or Policies** None

f. **Legal Constraints, if applicable** –None, if used according to department policy.

g. **Viable Alternatives** – More expensive in-vehicle mounted video cameras that record only what is visible from the vehicle's front dash, but record the audio are available, but they are less adaptable in application.

3. **Conclusion and/or Staff Recommendation-** The Chief of Police recommends the purchase of body-worn cameras for each officer as standard department-issued equipment to be used for the enhanced prosecution of crimes, prevention of false claims, and training purposes.

12/13 MAJOR POLICY ISSUES/ SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: Police Department

POLICY ISSUE TITLE: New Police Car.
The police vehicle fleet is aging. The 2006 and 2007 Ford Crown Victoria patrol vehicle(s), have over 110,000 and 120,000 miles each; the 2009 two Dodge Chargers at 70,000 miles each; and one 2008 Ford SUV is nearing 63,000 miles. The new 2010 Dodge Charger is approaching 20,000 miles in the first year. Each of these vehicles are rotated on patrol to even out the mileage and make the vehicles last longer. Typically, the police vehicle fleet should be renewed between 3-5 years as the vehicle begins to show mechanical and interior wear at around 100,000 miles.
The fleet needs a new police vehicle for this year to replace one of the high mileage vehicles (HMV- Crown Victoria) because the cost to repair and maintain. HMV's may approach half the cost of a new vehicle.

In addition to purchasing a new police vehicle, new mobile data computers need to be installed in each new vehicle as our mobile data computers are aging as well. Currently, our mobile data computers in the vehicles are minimally operating the new records management software application.

1. **Proposal**--- The purchase of a new police Dodge Charger with a V-6 engine (to save fuel), fully equipped with lights, siren, radio, console, cage, computer, and in-car video. Total estimated cost is around $38,500.

2. **Impacts**--- Purchasing a new vehicle now will avoid the high cost of vehicle/maintenance repair and provide officers with a safer and dependable vehicle.

    a. Proposed Funding Source – General Fund

    b. Public Impact – Enhanced Public Safety

    c. Personnel Impact – Reliable Vehicles

d. Required Changes in City Regulations or Policies –N/A

e. Legal Constraints, if applicable - None

f. Viable Alternatives – None

3. **Conclusion and/or Staff Recommendation –** The Chief of Police recommends purchase from Auto Additions as they have outfitted our previous fleet and are highly recommended. Auto Additions is listed for state-bidding contracts for police vehicles.

12/13 MAJOR POLICY ISSUES/ SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: Public Works – General (Park) Fund, Street Fund, Storm Water Fund, and Water Fund.

POLICY ISSUE TITLE: Radio Upgrades

1. **Proposal –** To comply with the FCC narrowband requirements, all of the existing Public Works radios in the vehicles will be reprogrammed. Currently the Public Works Shop does not have a base radio (hand held). All of the existing Public Works radios will be reprogrammed to comply with the FCC narrowband requirements, and an additional base radio (hand held) purchased for the Public Works Shop.

2. **Impacts---**

   a. **Fiscal Impact:** $4,200

   b. **Proposed Funding Source:** General (Park) Fund, Street Fund, Storm Water Fund, and Water Fund at $1,050 each.

   c. **Public Impact:** None.

   d. **Personnel Impact:** Increased communication and safety for personnel.

   e. **Required Changes in City Regulations or Policies:** None.

   f. **Legal Constraints, if applicable:** None.

   g. **Viable Alternatives:** There are no viable alternatives for reprogramming the existing radios.

3. **Conclusion and/or Staff Recommendation:** Staff recommends reprogramming the existing Public Works radios, and purchasing a new base radio (hand held) for the Public Works Shop.

12/13 MAJOR POLICY ISSUES/ SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: Public Works – Street Fund, Water Fund, Stormwater Fund

POLICY ISSUE TITLE: Light Plant

1. **Proposal –** Purchase a Light Plant for emergency work at night. Currently the Public Works crew has portable work lights for emergency night work. In the event a large water break or other emergency were to occur at night, the trailer mounted lights would provide a quicker response and safer work environment for the crew and public.

2. **Impacts---**

   a. **Fiscal Impact:** $4,500.00.

   b. **Proposed Funding Source:** Street Fund, Water Fund, and Stormwater Fund at $1,500 from each fund.

   c. **Public Impact:** None

   d. **Personnel Impact:** Increased safety for night emergency work

   e. **Required Changes in City Regulations or Policies:** None.

   f. **Legal Constraints, if applicable:** None.

   g. **Viable Alternatives:** Continued use of work lights for emergency night work.

3. **Conclusion and/or Staff Recommendation:** Staff recommends purchase of a Light Plant for emergency work at night.

12/13 MAJOR POLICY ISSUES/ SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: Public Works – General (Park) Fund

POLICY ISSUE TITLE: Park Amenities

1. **Proposal –** Purchase and install additional park amenities at several City parks as recommended by the Parks and Recreation Commission.

2. **Impacts---**

   a. **Fiscal Impact:** $22,000

   b. **Proposed Funding Source:** General (Park) Fund

   c. **Public Impact:** Increased parks amenities for enhanced use and enjoyment of the parks.

   d. **Personnel Impact:** Initial staff time to order and install park amenities.

   e. **Required Changes in City Regulations or Policies:** None.

   f. **Legal Constraints, if applicable:** None.

   g. **Viable Alternatives:** No additional park amenities would be installed.

3. **Conclusion and/or Staff Recommendation:** Staff recommends the purchase and installation of additional park amenities at several City parks as recommended by the Parks and Recreation Commission.

PARKS AMMENITIES PRICE LIST

ITEM	QUANTITY	PRICE	FREIGHT	CONCRETE	ADDITIONAL	Location
Concrete Bench	3	$1,785.00		$270.00		Little Butte Creek Park - 2 Ponderosa Park
Concrete Picnic Table	3	$2,087.00		$405.00		Chamberlain Park - 2 Little Butte Creek Park
Concrete Trash Can	4	$1,860.00		$100.00		Various
			$1,000.00			
Bar-B-Que	3	$787.00		$20.00		Little Butte Cr Park Ponderosa Park Chamberlain Park
Bike Rack	2	$790.00	$130.00	$90.00		Little Butte Cr Park Chamberlain Park
Drinking Fountain	3	$8,775.00	$210.00	$300.00	Plumbing, double check, ADA walk	Little Butte Cr Park Ponderosa Park Mattie Brown Park
Dogi-Pot station	4	$1,807.00	$183.00	$1,185.00		Little Butte Cr Park Harnish Wayside Park Mattie Brown Park Chamberlain Park
		$17,891.00	$1,523.00	$2,370.00		

Total $21,784.00

12/13 MAJOR POLICY ISSUES/ SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: General Fund – Non Departmental (Nutrition Program)

POLICY ISSUE TITLE: Request for funds in the amount of $12,000 for Nutrition Program.

1. **Proposal---** Each year the Foods & Friends program requests a contribution of $10,000 to the Foods & Friends Senior Nutrition Program. Last year the Budget Committee suggested that $12,000 be given to the Foods & Friends program. That contribution was made. This year the Eagle Point Senior Center has requested that $2,000 be given to the Eagle Point Senior Center and $10,000 be given to the Food & Friends Senior Nutrition Program.

2. **Impacts---**

   a. **Fiscal Impact:** $12,000

   b. **Proposed Funding Source:** General Fund – Non-Departmental

   c. **Public Impact:** $12,000 would be given in support of senior nutrition programs.

   d. **Personnel Impact:** None

   e. **Required Changes in City Regulations or Policies:** None

   f. **Legal Constraints, if applicable:** None

   g. **Viable Alternatives:** Do not fund Senior Nutrition Program

3. **Conclusion and/or Staff Recommendation:** Staff recommends authorizing $12,000 for the purposes of the Senior Nutrition Program. $10,000 to Food &Friends program and $2,000 to the Eagle Point Senior Center.

12/13 MAJOR POLICY ISSUES/ SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: Public Works – Street Fund

POLICY ISSUE TITLE: Portable Solar Powered Radar Speed Sign

1. **Proposal –** Purchase a Portable Solar Powered Radar Speed Sign. The Solar Powered Radar Speed Sign will allow Police to respond to public requests for speed monitoring, without reliance on outside agencies. Studies have shown reduced speed and compliance with the use of radar signs.

2. **Impacts---**

   a. **Fiscal Impact:** $3,700

   b. **Proposed Funding Source:** Street Fund

   c. **Public Impact:** Increased safety for the traveling public, including pedestrians and bicycle traffic.

   d. **Personnel Impact:** Minimal staff time to periodically move and install radar signs on existing sign posts.

   e. **Required Changes in City Regulations or Policies:** None.

   f. **Legal Constraints, if applicable:** None.

   g. **Viable Alternatives:** Continued limited use of trailer mounted radar speed signs from other agencies.

3. **Conclusion and/or Staff Recommendation:** Staff recommends purchase of a Portable Solar Powered Radar Speed Sign.

12/13 MAJOR POLICY ISSUES/ SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: General Fund - Administrative

POLICY ISSUE TITLE: LIFE SAVING AED

The City of Eagle Point is frequented daily by the public to pays bills, conduct business, pay court fines, and use the Ashpole Center for many meetings and events. In the event that a citizen or an employee was to have a "heart-threatening" sudden cardiac arrest, the person would need to have some intervention within three minutes for the best chance of survival. AEDs (automated external defibrillators) are widely used by trained emergency personnel (emergency medical technician [EMT]-paramedics, and first responders, such as firefighters and police personnel). Any person with a few hours of training can learn to operate an AED in the event of a medical emergency.

1. **Proposal---** The purchase of two (2) AED's for the safety of citizens and employees in the event of a cardiac arrest in City Hall or on the property (parking lot) would provide a method for a life-saving intervention. One AED can be placed in City Hall and the other can be placed in the Ashpole Center. The cost of two (2) AED's is approximately $3600.00.

2. **Impacts---**The effect of having life-saving devices as a public entity demonstrates to employees and citizens that their health and safety are valuable. The placement of these devices in the public workplace is consistent with city policy and safety.

   a. **Fiscal Impact** – The initial purchase of AED's and future training of employees are minimal.

   b. **Proposed Funding Source** General Fund - Administrative

   c. **Public Impact** – Most public agencies have AED's in the workplace. Should a medical emergency occur on the premises requiring the use of an AED - without one might cause some public concern of why the city hasn't kept up with modern medical technologies in health and safety. As a matter of good

policy, the city should have AED's available for citizens to use while using city facilities.

d. **Personnel Impact –** Regular employees will require some minimal training should they choose to use the device, or are in need of medical intervention. Policy review regarding the use of the device will need to be developed and delivered to all employees.

e. **Required Changes in City Regulations or Policies** – City policy regarding training and usage.

f. **Legal Constraints, if applicable** –None

g. **Viable Alternatives –** None

3. **Conclusion and/or Staff Recommendation-** The city staff recommends the funding for two (2) automated external defibrillators (AED) for use in the Ashpole Center and in City Hall.

12/13 MAJOR POLICY ISSUES/ SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: General Fund (55%), Street Fund (15%), Storm Water Fund (15%), and Water Fund (15%)

POLICY ISSUE TITLE:

1. **Proposal---** Staff would like to convert the current full time temporary position to a permanent full time position. This temporary position has allowed staff to complete two major projects including scanning our permanent records and an organizational project for the City Recorders office. There is still a long list of projects for this position. The additional benefit is that we have cross trained the current temporary employee in front office duties such as customer service and cash collections. With this cross training in place staff now feels comfortable with remaining open during the lunch hour. The current temporary person has been a great addition to the front office while at the same time working on completing some major projects.

2. **Impacts---**

   a. **Fiscal Impact:** $57,000 (various funds)

   b. **Proposed Funding Source** General Fund – Administration $31,350, Street Fund $8,550, Storm Water Fund $8,550, and Water Fund $8,550

   c. **Public Impact:** This position will allow us to have quicker response time with the public by having an additional person at the front counter. It also ensures that we can remain open during the lunch hour.

   d. **Personnel Impact:** This would replace the temporary position with one permanent position

   e. **Required Changes in City Regulations or Policies** None

f. **Legal Constraints, if applicable** None

g. **Viable Alternatives:** Either terminate the position or keep a temporary staff member. If the position is not filled there are many projects that would not be completed and it would be difficult to keep City Hall open during the lunch hour.

3. **Conclusion and/or Staff Recommendation:** Staff recommends converting this temporary position to a permanent position.

Capital Project List

Project Number	Project Title	Project Type	Total Budgeted	General Fund	Street Fund	Water Fund	Storm Fund	Parks SDC	Street SDC	Specific Funds
1	Energy Grant	Design & Construction	$40,000	$40,000						$40,000 Energy Grant
2	Harnish demonstration gardens and signs	Construction	$5,000	$5,000						
3	Lucas Park	Design &Construction	$40,000					$40,000		
4	Matte Brown Park parking lot	Design & construction	$150,000					$15,000		$135,000 CMAQ Grant
5	Geotechnical study for Rodale Dr	Design	$5,000		$5,000					
6	Downtown Lighting Plan	Design	$10,000		$10,000					
7	Loto Street sidewalks	Construction	$100,000		$75,000				$25,000	Bike/walkway Funds
8	Street Assessment	Study	$40,000		$40,000					
9	Stevens Road Storm and walking path	Design	$20,000		$5,000		$15,000			
10	Public Transit research study	Design	$6,500		$6,500					Grant Match
11	Bridge 202 - painting	Repairs	$10,000		$10,000					
12	Main Street Bridge - Structural Analysis	Study	$5,000		$5,000					

Project Number	Project Title	Project Type	Total Budgeted	General Fund	Street Fund	Water Fund	Storm Fund	Parks SDC	Street SDC	Specific Funds
13	Chip Seal Program	Construction	$100,000		$100,000					
14	STP Project (2012/2013 Chip Seal)	Design & Construction	$200,000		$200,000					STP funds
15	Street signs - Harnish signage	Purchase	$500		$500					
16	Street signs - Replacement signs	replacement or purchase	$5,000		$5,000					
17	Judge Stewart Parking Lot and alleys & storm	Construction	$60,000		$50,000		$10,000			
18	Deleted		$0		$0					
19	3.6 mg Reservoir analysis & repairs	Analysis & Design	$70,000			$70,000				
20	Electronic meter battery replacements	purchase	$5,000			$5,000				
21	Service line replacement & repairs	Repairs	$30,000			$30,000				
22	Master meter testing program	service	$3,000			$3,000				
23	Fire Hydrant repairs	repairs	$3,000			$3,000				
24	Deleted									
25	3rd pump - Bellerive pump station	Purchase	$37,000			$37,000				

Project Number	Project Title	Project Type	Total Budgeted	General Fund	Street Fund	Water Fund	Storm Fund	Parks SDC	Street SDC	Specific Funds
26	Latches and alarms for water system hatches	service	$5,000			$5,000				
27	Ditch cleaning	contract service	$8,000				$8,000			
28	Bank stabilization project - Buchanan Ditch	plan and construction	$5,000				$5,000			
29	Inlet replacements - Storm drain lines	repairs	$10,000				$10,000			