

AUXILIARY SERVICES

ACTIVITIES

- *Transient Room Tax Fund
- *Debt Service Fund/Bancroft Bonds
- *Debt Service Fund/General Obligation Bonds
- *Industrial Loan Fund
- *Community Development Block Grant Fund
- *Environmental Waste Fees Fund
- *Agency Fund
- *Operations Reserve Fund

DESCRIPTION

This program accounts for funds that are generated through non-traditional sources (grants) or special sources which require segregated accounting treatment. Funds are in many cases transferred from the activities in this program to activities where they will be expensed.

	ACTUAL FY'08 \$	ACTUAL FY'09 \$	BUDGET FY'10 \$	MANAGER RECOMMEND FY'11 \$	COMMITTEE APPROVED FY'11 \$	COUNCIL ADOPTED FY'11 \$	PROJECTED FY'12 \$
Program Generated Resources	4,750,545	5,672,260	5,697,463	6,452,961	6,402,961	6,402,961	5,750,970
Total Resources	<u>4,750,545</u>	<u>5,672,260</u>	<u>5,697,463</u>	<u>6,452,961</u>	<u>6,402,961</u>	<u>6,402,961</u>	<u>5,750,970</u>
Requirements							
Transient Room Tax Fund	1,034,301	970,562	975,002	918,601	918,601	918,601	918,631
Bancroft Bond Fund	246,544	1,061,341	640,000	631,141	631,141	631,141	660,000
General Obligation Bond Fund	1,062,614	1,147,113	963,351	1,533,170	1,533,170	1,533,170	1,063,070
Industrial Loan Fund	982,696	1,000,795	1,027,982	987,615	987,615	987,615	995,565
C D Block Grant Fund	871,036	907,383	1,647,128	1,844,311	1,844,311	1,844,311	1,753,381
Environmental Fees	228,519	244,743	224,000	210,000	210,000	210,000	218,300
Operations Reserve	0	0	0	50,000	0	0	0
Trust Fund	324,835	340,323	220,000	278,123	278,123	278,123	142,023
Total Requirements	<u>4,750,545</u>	<u>5,672,260</u>	<u>5,697,463</u>	<u>6,452,961</u>	<u>6,402,961</u>	<u>6,402,961</u>	<u>5,750,970</u>

Program: Auxiliary Services – Transient Room Tax Fund

Services Delivered:

This activity accounts for revenues collected from the Transient Room Tax. Of the 7% base tax, sixty percent of the funds support the Economic Development, Tourism and Downtown activities. The remaining forty percent is used to fund Park Maintenance and Public Safety programs that support tourism.

In December 2000 the Council revised the room tax ordinance, declaring a 1% increase effective January 1, 2001 and 2002 respectively, bringing the total tax to 9%. Revenues generated by the incremental increase are dedicated specifically, with 30% going to the Tourism program and 70% targeted to the development of parks.

Budget Highlights:

The revenue estimate for Transient Room Tax in the FY'11 Budget reflects approximately 6% less than budgeted in FY'10 due to economic trends the City is currently experiencing and actual tax receipts during FY'10. With the dramatically fluctuating nationwide economic activity, it is difficult to predict the impact on travel and tourism in our area.

Program: Auxiliary Services – Transient Room Tax Fund

Financial Summary

Resources	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL	PROJECTED
	FY'08	FY'09	FY'10	RECOMMEND	APPROVED	ADOPTED	FY'12
	\$	\$	\$	\$	\$	\$	\$
Beginning Balance	<u>9,870</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Current Resources							
Activity Generated							
Transient Occupancy Tax	1,024,431	970,446	975,002	918,601	918,601	918,601	918,631
Interest	<u>0</u>	<u>116</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Current Resources	<u>1,024,431</u>	<u>970,562</u>	<u>975,002</u>	<u>918,601</u>	<u>918,601</u>	<u>918,601</u>	<u>918,631</u>
Total Resources	<u>1,034,301</u>	<u>970,562</u>	<u>975,002</u>	<u>918,601</u>	<u>918,601</u>	<u>918,601</u>	<u>918,631</u>

Requirements	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL	PROJECTED
	FY'08	FY'09	FY'10	RECOMMEND	APPROVED	ADOPTED	FY'12
	\$	\$	\$	\$	\$	\$	\$
Contractual/Prof Services	2,872	2,965	3,060	2,985	2,985	2,985	3,015
Direct Charges	12,500	12,812	13,197	13,500	13,500	13,500	13,500
Transfers Out	<u>1,018,929</u>	<u>954,785</u>	<u>958,745</u>	<u>902,116</u>	<u>902,116</u>	<u>902,116</u>	<u>902,116</u>
Total Requirements	<u>1,034,301</u>	<u>970,562</u>	<u>975,002</u>	<u>918,601</u>	<u>918,601</u>	<u>918,601</u>	<u>918,631</u>

Program: Auxiliary Services – Debt Service/Bancroft Bonds

Services Delivered:

This activity accounts for funds received from property owners to satisfy assessments against their property for improvement projects such as street construction and water line installation. The activity also accounts for the payment of Bancroft Bonds sold to finance those improvements.

The projects are often completed through Local Improvement Districts. These districts are formed, generally, at the request of the property owners who will benefit from the project. The City manages the construction of the improvement, usually funding the costs of construction with internal borrowings.

Once a project is complete, the property owners are assessed for the costs. Property assessments may be paid in full when the improvements are completed and billed; or the property owner may choose to have a lien placed on his/her property and pay the assessment in semi-annual installments. This process is known as Bancrofting.

The user signed Bancroft liens are used as collateral to issue bonds and retire the short term debt. The long-term, bonded debt is paid through the payments made by the property owners in the various local improvement districts.

FY'11 Anticipated Accomplishments:

Dependent upon LID activity, largely the result of street and water infrastructure improvements, funding through the sale of bonds or a bank loan may be financially sought during FY'11.

Budget Highlights:

Recent LID activities have not been large enough in dollar volume to warrant the issuing of bonded debt. Financing costs coupled with the relatively small size of the potential bond issue has made it more practical to self-finance or potentially seek a bank loan. Since LID projects are consumer initiated and cannot be fully anticipated, an appropriation for bond sales is budgeted so as not to preclude citizen initiated action.

FY'10 Activity Review:

All bond debt was extinguished in FY'03 and the remaining debt has been self-financed via internal borrowings.

Program: Auxiliary Services – Debt Service/Bancroft Bonds

Financial Summary

Resources	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL	PROJECTED
	FY'08	FY'09	FY'10	RECOMMEND	APPROVED	ADOPTED	FY'12
	\$	\$	\$	\$	\$	\$	\$
Beginning Balance	<u>(2,935,626)</u>	<u>153,740</u>	<u>0</u>	<u>(28,859)</u>	<u>(28,859)</u>	<u>(28,859)</u>	<u>0</u>
Current Resources							
Activity Generated							
Interest	4,634	11,025	0	0	0	0	0
Assessment Principal	163,736	795,947	130,000	130,000	130,000	130,000	130,000
Assessment Interest	38,800	100,629	30,000	30,000	30,000	30,000	30,000
Bond & Loan Proceeds	<u>2,975,000</u>	<u>0</u>	<u>480,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Total Current Resources	<u>3,182,170</u>	<u>907,601</u>	<u>640,000</u>	<u>660,000</u>	<u>660,000</u>	<u>660,000</u>	<u>660,000</u>
Total Resources	<u>246,544</u>	<u>1,061,341</u>	<u>640,000</u>	<u>631,141</u>	<u>631,141</u>	<u>631,141</u>	<u>660,000</u>

Requirements	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL	PROJECTED
	FY'08	FY'09	FY'10	RECOMMEND	APPROVED	ADOPTED	FY'12
	\$	\$	\$	\$	\$	\$	\$
Contractual/Prof Services	71,301	32,106	95,000	30,800	30,800	30,800	46,200
Direct Charges	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Contingencies	0	0	700	0	0	0	0
Debt Service	0	0	64,300	90,341	90,341	90,341	103,800
Transfers Out	11,503	1,262,136	470,000	500,000	500,000	500,000	500,000
Ending Balance	<u>153,740</u>	<u>(242,901)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Requirements	<u>246,544</u>	<u>1,061,341</u>	<u>640,000</u>	<u>631,141</u>	<u>631,141</u>	<u>631,141</u>	<u>660,000</u>

Program: Auxiliary Services – Debt Service/General Obligation Bonds

Services Delivered:

This activity accounts for property tax collections levied and used to retire debt for bonds sold to construct two new fire and police facilities. These funds have been used to pay capital construction and improvement costs for a new fire/police station located on land owned by the City on East Park Street, a new fire/police station on land the City acquired on Leonard Road, a replacement for the existing, condemned multi-story tower used for fire/police training at the Hillcrest Fire Station, three fire trucks, road, water, and site improvements for the fire/police stations and bond issuing costs. The voter approved bond was issued in a principal amount of \$9,875,000 and the annual levy is not expected to exceed .51/\$1000 assessed value.

FY'11 Anticipated Accomplishments:

The payments are to be made in June and December of each year with the expiration of payments in 2019. The levy rate for FY'10 was 0.3990/\$1000 assessed value and a similar rate is expected for FY'11. Unspent proceeds upon the completion of all projects will result in the defeasance of a small portion of the longest maturity bonds in order to provide maximum interest expense savings.

Budget Highlights:

Debt repayments have been budgeted based upon an estimated debt schedule of twelve years. See the Appendix debt tables for a detailed schedule.

FY'10 Activity Review:

Tax collections and debt service payments followed the long-term schedule during the year.

Program: Auxiliary Services – Debt Service/General Obligation Bonds

Financial Summary

Resources	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL	PROJECTED
	FY'08	FY'09	FY'10	RECOMMEND	APPROVED	ADOPTED	FY'12
	\$	\$	\$	\$	\$	\$	\$
Beginning Balance	<u>0</u>	<u>42,169</u>	<u>37,994</u>	<u>66,470</u>	<u>66,470</u>	<u>66,470</u>	<u>66,570</u>
Current Resources							
Activity Generated							
Property Taxes	1,060,951	1,103,998	924,357	966,600	966,600	966,600	996,400
Interest	1,663	946	1,000	100	100	100	100
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>0</u>
Total Current Resources	<u>1,062,614</u>	<u>1,104,944</u>	<u>925,357</u>	<u>1,466,700</u>	<u>1,466,700</u>	<u>1,466,700</u>	<u>996,500</u>
Total Resources	<u>1,062,614</u>	<u>1,147,113</u>	<u>963,351</u>	<u>1,533,170</u>	<u>1,533,170</u>	<u>1,533,170</u>	<u>1,063,070</u>

Requirements	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL	PROJECTED
	FY'08	FY'09	FY'10	RECOMMEND	APPROVED	ADOPTED	FY'12
	\$	\$	\$	\$	\$	\$	\$
Debt Service	1,020,445	1,087,000	919,000	1,466,600	1,466,600	1,466,600	996,400
Ending Balance	<u>42,169</u>	<u>60,113</u>	<u>44,351</u>	<u>66,570</u>	<u>66,570</u>	<u>66,570</u>	<u>66,670</u>
Total Requirements	<u>1,062,614</u>	<u>1,147,113</u>	<u>963,351</u>	<u>1,533,170</u>	<u>1,533,170</u>	<u>1,533,170</u>	<u>1,063,070</u>

Program: Auxiliary Services – Industrial and Downtown Loan Fund

Services Delivered:

This activity accounts for the industrial development and downtown building renovation loans made by the City and the repayment of those loans. The City utilizes a three-member loan review committee to provide professional loan review expertise and advisory services. This activity responds to the needs expressed through the application process and utilizes the loan funds to assist small businesses.

FY'11 Anticipated Accomplishments:

It is anticipated that all original loans and the subsequent recycling of the repayments into new loans will help the development of the economy and the Council's **Economic Development** goal of **“With emphasis on small business, we diversify the local economy and create quality jobs for our residents.”**

FY'11 Performance Measurements:

- All existing loan payments will remain current.
- Two loan applications will be processed.

Budget Highlights:

All anticipated loan repayments, with the exception of \$5,000 to be used for the technical assistance program, are budgeted to be available for new loans in FY'11.

FY'10 Activity Review:

No new loans were processed in FY'10.

FY'10 Performance Indicators:

- All existing loan payments will remain current. **Goal#II Target met.**
- One partnership program with a private lender will be developed. **Goal#II Target not met.**
- Two loan applications will be processed. **Goal#II Target not met.**

Program: Auxiliary Services – Industrial and Downtown Loan Fund

Financial Summary

Resources	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL	PROJECTED
	FY'08	FY'09	FY'10	RECOMMEND	APPROVED	ADOPTED	FY'12
	\$	\$	\$	\$	\$	\$	\$
Beginning Balance	<u>936,882</u>	<u>977,696</u>	<u>969,282</u>	<u>976,800</u>	<u>976,800</u>	<u>976,800</u>	<u>980,000</u>
Current Resources							
Activity Generated							
Interest	42,644	19,929	45,000	4,880	4,880	4,880	5,000
Loan Repayments	3,170	3,170	13,550	5,785	5,785	5,785	10,415
Other Revenue	<u>0</u>	<u>0</u>	<u>150</u>	<u>150</u>	<u>150</u>	<u>150</u>	<u>150</u>
Total Current Resources	<u>45,814</u>	<u>23,099</u>	<u>58,700</u>	<u>10,815</u>	<u>10,815</u>	<u>10,815</u>	<u>15,565</u>
Total Resources	<u>982,696</u>	<u>1,000,795</u>	<u>1,027,982</u>	<u>987,615</u>	<u>987,615</u>	<u>987,615</u>	<u>995,565</u>

Requirements	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL	PROJECTED
	FY'08	FY'09	FY'10	RECOMMEND	APPROVED	ADOPTED	FY'12
	\$	\$	\$	\$	\$	\$	\$
Contractual/Prof Services	0	0	200,000	200,000	200,000	200,000	200,000
Contingencies	0	0	100,000	782,615	782,615	782,615	790,565
Transfers Out	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Ending Balance	<u>977,696</u>	<u>995,795</u>	<u>722,982</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Requirements	<u>982,696</u>	<u>1,000,795</u>	<u>1,027,982</u>	<u>987,615</u>	<u>987,615</u>	<u>987,615</u>	<u>995,565</u>

Program: Auxiliary Services – Community Development Block Grant Fund

Services Delivered:

This activity accounts for the receipt and disbursement of funds received through the Community Development Block Grant Program. Several of the City's prior grants were for the purpose of making low or no interest housing rehabilitation loans. The repayments from these loans are also accounted for in this fund.

FY'11 Anticipated Accomplishments:

An application will be prepared for a Community Block Grant with the understanding the City is receiving a grant for Microenterprise services for \$100,000 in FY'10. The City will also begin work to prepare for another major grant.

Budget Highlights:

The FY'11 budget reflects the loan activity on the low or no interest housing rehabilitation loans. The \$100,000 Microenterprise Grant is being included in this activity in FY'11 in addition to maximum potential resources from traditional CDBG resources.

FY'10 Activity Review:

The grant for the Microenterprise services was successful. This is a partnership grant with the Small Business Development Center. The City is now able to apply for a new grant.

Program: Auxiliary Services – Community Development Block Grant Fund

Financial Summary

Resources	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL	PROJECTED
	FY'08	FY'09	FY'10	RECOMMEND	APPROVED	ADOPTED	FY'12
	\$	\$	\$	\$	\$	\$	\$
Beginning Balance	<u>827,816</u>	<u>861,573</u>	<u>802,820</u>	<u>922,200</u>	<u>922,200</u>	<u>922,200</u>	<u>831,311</u>
Current Resources							
Activity Generated							
Community Dev. Block Grant	0	0	800,000	900,000	900,000	900,000	900,000
Loan Fees	0	100	200	0	0	0	0
Interest	38,903	24,033	30,800	8,935	8,935	8,935	8,670
Loan Repayments	<u>4,317</u>	<u>21,677</u>	<u>13,308</u>	<u>13,176</u>	<u>13,176</u>	<u>13,176</u>	<u>13,400</u>
Transfer Special Assessments							
Total Current Resources	<u>43,220</u>	<u>45,810</u>	<u>844,308</u>	<u>922,111</u>	<u>922,111</u>	<u>922,111</u>	<u>922,070</u>
Total Resources	<u>871,036</u>	<u>907,383</u>	<u>1,647,128</u>	<u>1,844,311</u>	<u>1,844,311</u>	<u>1,844,311</u>	<u>1,753,381</u>

Requirements	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL	PROJECTED
	FY'08	FY'09	FY'10	RECOMMEND	APPROVED	ADOPTED	FY'12
	\$	\$	\$	\$	\$	\$	\$
Contractual/Prof Services	9,466	3,191	101,000	114,500	114,500	114,500	114,500
Capital Outlay	0	0	800,000	900,000	900,000	900,000	900,000
Contingencies	0	0	350,000	829,811	829,811	829,811	738,881
Ending Balance	<u>861,570</u>	<u>904,192</u>	<u>396,128</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Requirements	<u>871,036</u>	<u>907,383</u>	<u>1,647,128</u>	<u>1,844,311</u>	<u>1,844,311</u>	<u>1,844,311</u>	<u>1,753,381</u>

Program: Auxiliary Services – Environmental Waste Fees Fund

Services Delivered:

The Solid Waste Franchise Agreements with Grants Pass Sanitation and Southern Oregon Sanitation provide for an Environmental Program Fee (EPF) to be charged for each ton of refuse collected by the haulers and at the Transfer Station, and paid to the City. This EPF is held in a separate account and must be used for environmental cleanups at solid waste sites and other solid waste program activities. Josephine County has implemented a similar EPF paid by the haulers, to the County.

The City and County formed an intergovernmental Solid Waste Agency in order to coordinate the expenditures of the EPF funds for cleanup sites and other solid waste programs throughout the City and County. The monies recorded by the City are passed through to the Josephine County/City of Grants Pass Solid Waste Agency.

Program: Auxiliary Services – Environmental Waste Fees Fund

Financial Summary

Resources	ACTUAL FY'08 \$	ACTUAL FY'09 \$	BUDGET FY'10 \$	MANAGER RECOMMEND FY'11 \$	COMMITTEE APPROVED FY'11 \$	COUNCIL ADOPTED FY'11 \$	PROJECTED FY'12 \$
Beginning Balance	<u>121</u>	<u>121</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Current Resources							
Activity Generated							
Landfill Fees	<u>228,398</u>	<u>244,622</u>	<u>224,000</u>	<u>210,000</u>	<u>210,000</u>	<u>210,000</u>	<u>218,300</u>
Total Current Resources	<u>228,398</u>	<u>244,622</u>	<u>224,000</u>	<u>210,000</u>	<u>210,000</u>	<u>210,000</u>	<u>218,300</u>
Total Resources	<u>228,519</u>	<u>244,743</u>	<u>224,000</u>	<u>210,000</u>	<u>210,000</u>	<u>210,000</u>	<u>218,300</u>

Requirements	ACTUAL FY'08 \$	ACTUAL FY'09 \$	BUDGET FY'10 \$	MANAGER RECOMMEND FY'11 \$	COMMITTEE APPROVED FY'11 \$	COUNCIL ADOPTED FY'11 \$	PROJECTED FY'12 \$
Contractual/Prof Services	228,398	244,622	224,000	210,000	210,000	210,000	218,300
Ending Balance	<u>121</u>	<u>121</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Requirements	<u>228,519</u>	<u>244,743</u>	<u>224,000</u>	<u>210,000</u>	<u>210,000</u>	<u>210,000</u>	<u>218,300</u>

Program: Auxiliary Services – Agency Fund

Services Delivered:

This activity accounts for funds on deposit with the City for future application and includes prepayments, and general deposits. Receipts for this activity are dependent entirely on the amount of funds placed into trust from various City operations. All funds on deposit are held in liability accounts in the Agency Fund. Investment interest, investment expenditures on deferred development agreement deposits and direct charges remain as budgeted items in the Agency Fund.

Program: Auxiliary Services – Agency Fund

Financial Summary

Resources	ACTUAL FY'08 \$	ACTUAL FY'09 \$	BUDGET FY'10 \$	MANAGER RECOMMEND FY'11 \$	COMMITTEE APPROVED FY'11 \$	COUNCIL ADOPTED FY'11 \$	PROJECTED FY'12 \$
Beginning Balance	<u>276,788</u>	<u>329,420</u>	<u>210,000</u>	<u>268,123</u>	<u>268,123</u>	<u>268,123</u>	<u>132,023</u>
Current Resources							
Activity Generated							
Interest	<u>48,047</u>	<u>10,903</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Total Current Resources	<u>48,047</u>	<u>10,903</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Total Resources	<u>324,835</u>	<u>340,323</u>	<u>220,000</u>	<u>278,123</u>	<u>278,123</u>	<u>278,123</u>	<u>142,023</u>

Requirements	ACTUAL FY'08 \$	ACTUAL FY'09 \$	BUDGET FY'10 \$	MANAGER RECOMMEND FY'11 \$	COMMITTEE APPROVED FY'11 \$	COUNCIL ADOPTED FY'11 \$	PROJECTED FY'12 \$
Contractual/Prof Services	0	0	50,000	140,000	140,000	140,000	50,000
Direct Charges	6,100	6,100	6,100	6,100	6,100	6,100	6,100
Ending Balance	<u>318,735</u>	<u>334,223</u>	<u>163,900</u>	<u>132,023</u>	<u>132,023</u>	<u>132,023</u>	<u>85,923</u>
Total Requirements	<u>324,835</u>	<u>340,323</u>	<u>220,000</u>	<u>278,123</u>	<u>278,123</u>	<u>278,123</u>	<u>142,023</u>

Program: Auxiliary Services – Operations Reserve Fund

Services Delivered:

The FY'11 Recommended Budget proposes establishing a new fund called the Operations Reserve Fund. This is a type of budget stabilization or "rainy day" fund that will allow the City to set aside resources for use in times of unexpected revenue shortfall or economic downturns. Across the country, State reserve funds tend to be approximately 5% of the General Fund budget. Historically Grants Pass has not established or used a Reserve Fund and over the long-term this can be used to provide more stable resources to critical service programs operated by the City.

Budget Highlights:

The fund will be established through a very small fund transfer of \$50,000 from the General Fund in each of the next two years, to be initially earmarked for supporting the Building and Safety department. The historic downturn in the level of Building activity in recent years, which is expected to continue into 2011, is causing a strain on the restricted resources that Building uses in the General Fund.

At current run rates, the Building department will deplete its restricted reserves held in the General Fund in a little over two years. While in the future this new reserve fund could be used as an operational buffer for unexpected revenue shortfalls in various areas of the City, this budget recommends a \$50,000 transfer per year to be earmarked for the Building department in case activity does not pick up in coming years. Existing reserves and the new reserve would give the Building department nearly three years of operating reserves at current historically low levels of permit activity. Shutting down the Building and Safety department and turning this required program over to the State would be a decision that, by law, could not be reversed in short order if activity picked up. It will be important for many efficiency reasons for the City to maintain a Building Division, if possible.

Program: Auxiliary Services – Operations Reserve Fund

Financial Summary

Resources	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL	PROJECTED
	FY'08	FY'09	FY'10	RECOMMEND	APPROVED	ADOPTED	FY'12
	\$	\$	\$	FY'11	FY'11	FY'11	\$
Beginning Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Current Resources							
Activity Generated							
Interest							
Transfers	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Current Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>0</u>	<u>0</u>

Requirements	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL	PROJECTED
	FY'08	FY'09	FY'10	RECOMMEND	APPROVED	ADOPTED	FY'12
	\$	\$	\$	FY'11	FY'11	FY'11	\$
Contractual/Prof Services	0	0	0	0	0	0	0
Direct Charges	0	0	0	0	0	0	0
Ending Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Requirements	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>0</u>	<u>0</u>

WHERE THE ROGUE RIVER RUNS



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