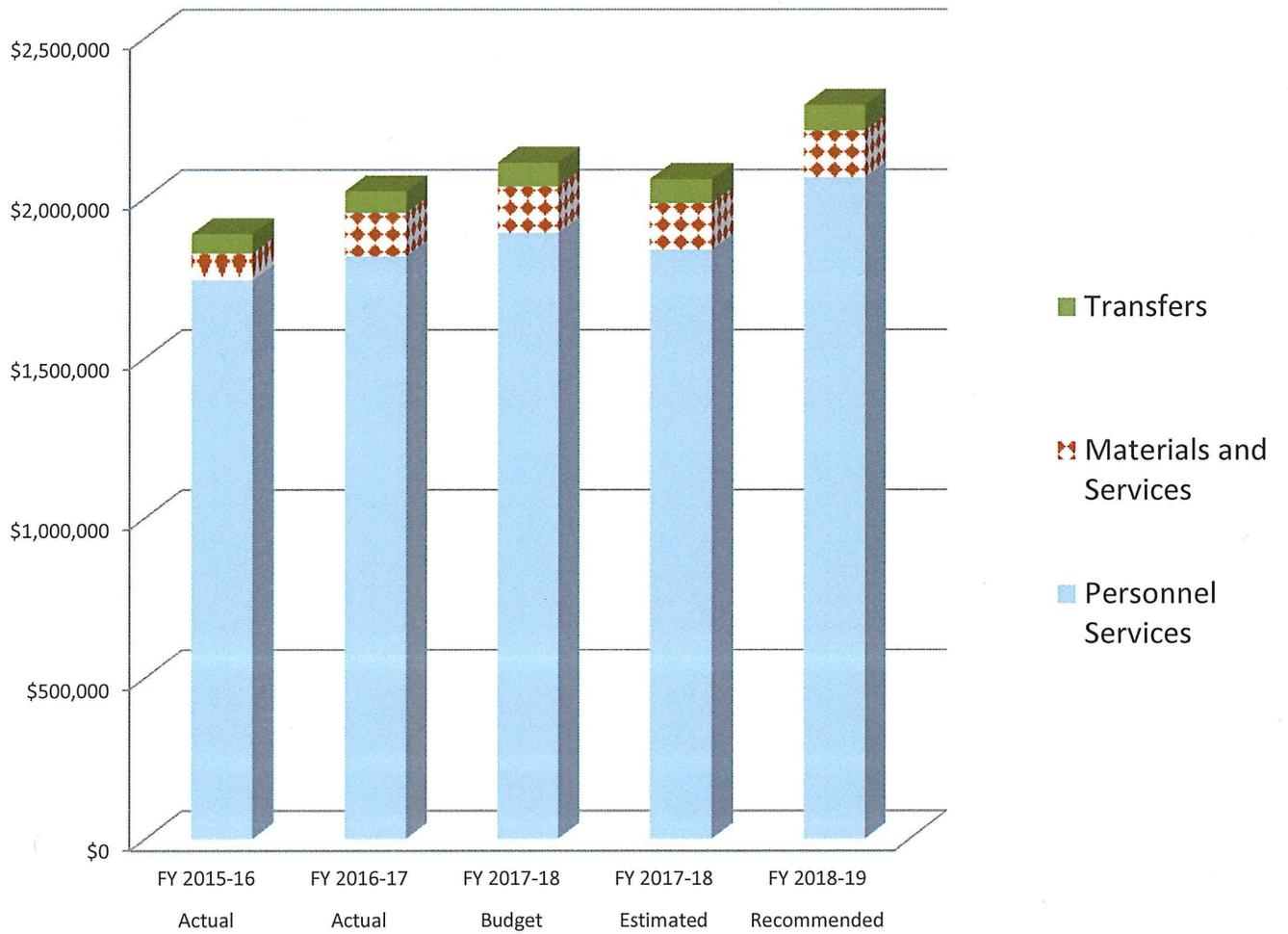


GENERAL FUND
FINANCE
RECOMMENDED FY 18-19



CITY OF BEAVERTON

BUDGET TREND ANALYSIS - FY 2015-16 TO FY 2018-19

With Explanations on Significant Changes between Budgeted 2017-18 and Recommended 2018-19

Fund:	General Fund					
Department:	Finance - Summary					
CLASS	Actual FY 2015-16	Actual FY 2016-17	Budget FY 2017-18	Estimated FY 2017-18	Recommended FY 2018-19	% Change Budgeted Vs. Recommended
Personnel Services	\$1,741,274	\$1,815,758	\$1,889,700	\$1,836,621	\$2,062,785	9.16%
Materials and Services	83,778	135,771	143,908	144,699	144,956	0.73%
Transfers	60,848	67,588	75,410	75,410	80,402	6.62%
SUB-TOTAL	1,885,900	2,019,117	2,109,018	2,056,730	2,288,143	
Reserve for equip.			-		-	
TOTAL	\$1,885,900	\$2,019,117	\$2,109,018	\$2,056,730	\$2,288,143	
FTE's	16.05	15.85	15.85		16.25	

Explanation of item(s) that are significant (10% and greater than \$10,000):

Personnel services:

FY 2018-19 reflects a net increase of 0.4 FTE consisting of net .70 FTE Assistant Finance Director position and a .30 FTE reallocation of a Senior Accountant from the General Fund to the Water, Sewer, and Storm Funds. The Recommended Budget also includes step increases, COLA increases for SEIU, and Management as well as a 2.23% increase in retirement reserves contributions (PERS), medical insurance cost increases of 7.5% for the Kaiser Plan, and an 11% increase in MODA plans.

Materials and services:

No significant change

Transfers:

No significant change

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
DEPARTMENT HEAD: PATRICK O'CLAIRE	

MISSION STATEMENT:

The Finance Division's mission is to preserve and maintain the City's financial integrity and trustworthiness. This is achieved by ensuring the timeliness of financial information, the adequacy of internal accounting and budgetary controls and the safeguarding of the City's assets. The mission is further maintained by providing financial administrative support to the City's operating departments to facilitate efficient and effective municipal services and providing quality service to all internal and external customers. *(Council Goal #2: Maintain the City's long-term financial stability; #4: Support City employees in providing customer-oriented, quality service.)*

REQUIREMENTS	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 BUDGETED	FY 2018-19 PROPOSED	FY 2018-19 ADOPTED
POSITION	16.05	15.85	15.85	16.25	0.00
PERSONNEL SERVICES	\$1,741,274	\$1,815,758	\$1,889,700	\$2,062,785	\$0
MATERIALS & SERVICES	83,778	135,771	143,908	144,956	0
CAPITAL OUTLAY					
TRANSFERS	60,848	67,588	75,410	80,402	0
TOTAL	\$1,885,900	\$2,019,117	\$2,109,018	\$2,288,143	\$0

Program Goal:

To ensure timeliness of financial information, to provide sound financial advice on matters relating to fiscal policies, asset management, debt management and treasury management, and to ensure the adequacy of the City's internal accounting and budgetary control. *(Council Goal #2: Maintain the City's long-term financial stability.)*

Program Objectives (services provided):

- Continue developing multi-year Financial Plans for the General Fund, Street Fund, Building Fund, and Library Fund. *(Council Goal #2: Maintain the City's long-term financial stability.)*
- Review the finance department's information systems to eliminate duplicate, ineffective, non-beneficial procedures, including purchase orders and accounts payable processes.
- Continue to participate in the Distinguished Budget Presentation Award and the Certificate of Achievement for Excellence in Financial Reporting programs.
- Continue to monitor debt management practices, administration and debt service coverage.
- Continue to refine the City's cost allocation plan that distributes overhead costs to the operating departments.
- Assist the Engineering Division and other departments with the City's Capital Improvement Program especially regarding Street, Water, Sewer and Storm Water System Development Charges and Storm Water Quality and Quantity Fees, as well as civic and urban renewal projects
- Maintain an active role regarding financial operations of three regional utility providers of which the City is a partner; the Joint Water Commission, Willamette Water Supply Project and Clean Water Services.

**CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES**

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0541 FINANCIAL ADMINISTRATION	DEPARTMENT HEAD: PATRICK O'CLAIRE

Trends, Services and Issues:

The Finance Department consists of 22.45 FTE employees: 16.25 employees in the General Fund and 6.20 employees in the Enterprise Funds. The major program areas include Financial Reporting, Budgeting, Accounting, Purchasing, Payroll, Accounts Receivable and Payable, Treasury Management and Utility Billing/Customer Service. The Department's mission challenges the staff to review all our internal processes in eliminating unnecessary or non-beneficial procedures and activities and to provide valuable and timely financial reporting to the operating departments. This past year, we have achieved the following improvements in efficiency, services and reporting:

- Completed the enhancements of several modules and subsidiary ledgers of the primary General Ledger software module. This module incorporates the products and transactions from all subsidiary ledgers (i.e. cash receipts and accounts payable), processes journal entries and generates standard and customized reports.
- Maintained our underlying General Obligation bond ratings from Standard and Poor's (AA+) and from Moody's (Aa1).
- Maintained our underlying Water Revenue bonds ratings from Standard and Poor's (AA+) and from Moody's (Aa2).
- Received the Distinguished Budget Presentation Award from the Government Finance Officers Association for the FY 2016-17 Budget Document.
- Received an Unmodified Audit Opinion and applied for the Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year Ended June 30, 2017.

The department's mission provides support for both internal and external customers. Financial services that relate to public trust are among our highest priorities. These services assure that City finances are conducted in a manner to foster trust and confidence by the public, that City policies and procedures are fair and that all practices are open and above board. The financial system, comprised of accounting, purchasing, cash management, treasury services and budgeting are managed to provide maximum assurance of adherence to those high standards.

The public's interest in City finances is honored with a higher level of disclosures and greater public discussion about the use of property taxes and all fees/charges. The department is continually improving its ability to provide timely analytical data about financial transactions and their related implications. We also expect to develop ways to maximize the use of public funds by encouraging productivity and to enhance cost containment in the development and managing of budgets while minimizing risk and managing accountability for results. Information Systems improvements will continue to be our highest priority to address these needs.

Finance pursues greater automation and improved business practices in procurement to contain or reduce our cost of services provided while maintaining procedures that meet code requirements. The Finance Department's key to success is creating an environment where employees are willing to take risks, and become a stakeholder in our processes by being accountable and taking initiative. Customer satisfaction, both internal and external is critical to our success and must become an integral part of our daily activities.

The Finance Department plays a critical role in achieving City Council priorities such as:

- Beaverton Center for the Arts and Creekside Parking Garage – prepare analysis and advice on financing options as needed for the proposals.
- Expansion of sidewalk fund – use the program in the Capital Improvement Program to support projects on a sustained basis from various sources of funding.
- Monitor the impact of efforts to diversify city revenue sources, especially non-property tax revenue streams, including the development of a 4% city lodging tax, utility ROW licenses and a 3% recreational marijuana sales tax.
- Development of a longer-term Transportation Capital Improvement Plan

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0541 FINANCIAL ADMINISTRATION	DEPARTMENT HEAD: PATRICK O'CLAIRE

Budget Highlights:

The Finance Department continues to adjust responsibilities and align staff capabilities with its mission. Staff retirements and the automation of previously manual processes offer opportunities to shape the staff to fit today's needs. We continue devoting resources to staff training and equipment that will continue our direction of outstanding customer service and team building. Additionally, specific training funds are allocated to keep our financial staff current with the professional requirements of municipal government finance. *(Council Goal #2: Maintain the City's long-term financial stability; #4: Support City employees in providing customer-oriented, quality service.)*

The department provides financial services and support to other departments pursuing the action items of the Beaverton Community Vision Action Plan. A specific action item for the Finance Department is:

- * *Community Vision Action #93: Make it easier for small businesses to bid on City work:* Utilize purchasing policies that expand opportunities for Minority-Owned, Woman-Owned and Emerging Small Businesses (MWESB) as well as small businesses owned by veterans with service related disabilities (SD)

Progress on FY 2017-18 Action Plan:

- Annual Update to the City's Investment Policy – Adopted and in use with new longer term, diversified but appropriate investments.
- Utilized the services of a Financial Advisor – developed scenarios for the potential use of line of credit redevelopment financing, public safety building and planning for new water revenue debt. Retained GO Bond Rating of AA+ from Standard and Poor's
- Dedicated staff time for enhancing the functionality of the Contracts module of the Purchase Order and Accounts Payable (POAP) system.
- Deployed On-Line Travel Advance application city-wide
- Submitted the June 30, 2017 Comprehensive Annual Finance Report (CAFR) Including GASB 67/68 Implementation for the Certificate of Achievement in Financial Reporting Awards program
- Submitted the FY 2017-18 budget document for the Distinguished Budget Document Presentation Award program
- A general upgrade to the software package for utility billing is underway.
- Internally promoted a Financial Reporting Manager with primary responsibilities for management of the general ledger and preparation of all financial reports for external and internal customers including grantor agencies.
- Utilized consultant services to identify opportunities to reduce fees paid for credit card transactions to merchant banks as well as checking account and wire transaction fees.
- Developed revenue projections for selected items in the General Fund and prepared a separate section of budget goals and objectives that describe the initial trends.
- Relocated to the second floor of The Beaverton Building in March.

FY 2018-19 Action Plan:

- Continue to dedicate staff time for analysis and input to replace General Ledger module in our financial system with sufficient internal controls, standard reports, modern user interfaces and the ability to create customized reports.
- Use Internal Controls processes to evaluate and streamline work processes
- Build supervisory skills, prepare and implement succession plans. Succession planning results in some additional allocations of FTE for the training of new personnel.
- Revise periodic financial report formats to Budget Committee with more graphics
- Submit the June 30, 2018 Comprehensive Annual Finance Report (CAFR) for the Certificate of Achievement in Financial Reporting Awards program
- Submit the FY 2018-19 budget document for the Distinguished Budget Document Presentation Award program
- Create a Debt Management Policy
- Provide analysis and advice on public/private development opportunities
- Further streamline the purchasing process with "procurement cards" (a.k.a. P-Cards)

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0541 FINANCIAL ADMINISTRATION	DEPARTMENT HEAD: PATRICK O'CLAIRE

- Support the Beaverton Urban Redevelopment Agency (BURA) as it moves forward with its action plans based on growth of assessed valuation and tax incremental revenue within the district. Operate the Line of Credit for property acquisition and facility construction of the Beaverton Central Parking Garage
- Support the capital investment plans of the water utility for new wells, reservoirs, drinking water sources and related transmission facilities.
- Develop budgetary and fiscal support for the capital campaign for and operation of the Beaverton Center for the Arts

Workload Measures:	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Budgeted	FY 2018-19 Proposed
Maintain the Distinguished Budget Presentation Award from GFOA	Recognized	Recognized	Recognized	Submit by September 2018
City's Population	94,215	94,950	95,685	96,165
General Obligation Bond Debt (in 000's at end of fiscal year):				
2005 Issue – Library Building Refunding	\$5,460	\$4,140	\$34,845	\$35,000
2017 Public Safety Center				
G. O. Bond Debt Per Capita:				
2005 Issue – Library Building Refunding				
2017 Public Safety Center	\$58	\$42	\$365	\$363
Revenue Bond Debt (in 000's @ end of FY) *	\$8,553	\$6,793	\$5,935	\$3,845
Revenue Bond Debt Per Capita	\$90	\$72	\$62	\$40
Special Revenue Debt (in 000's @ end of FY)	\$5,412	\$4,466	\$2,460	\$1,334
Special Revenue Debt Per Capita	\$58	\$47	\$26	\$14
Property Tax Levy for General Operations (within permanent rate)	\$37,341,368	\$38,631,383	\$40,712,851	\$42,159,116
City's Taxable Assessed Valuation (in 000's)	\$8,939,930	\$9,234,782	\$9,912,532	\$9,965,442
General Operations Tax Levy Rate Per Thousand of Taxable Assessed Value (tax value)	\$4.18	\$4.18	\$4.17	\$4.28
City's Permanent Levy Rate Authority	\$4.62	\$4.62	\$4.62	\$4.62
Future Capacity in Tax Levy Authority	\$0.44	\$0.44	\$0.44	\$0.34
Future Capacity in Tax Dollars	\$3,943,403	\$4,014,360	\$4,230,602	\$3,363,337
General Operations Tax Levy Per Capita	\$394	\$407	\$424	\$444

*Water Revenue Bond sale schedule for June 2018 is not reflected in these values

CITY OF BEAVERTON, OREGON
 FISCAL YEAR 2018-19 BUDGET
 CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0541 FINANCIAL ADMINISTRATION	DEPARTMENT HEAD: PATRICK O'CLAIRE

Performance Outcomes and Program Trends:

The City's budget receives a national award that demonstrates the commitment to provide our citizens a budget document serving as an operations guide and as a financial plan.

The trend in the levy for general operations demonstrates the City's ability to meet citizens' demands for services while maintaining a stable tax burden and providing the ability to levy additional tax resources for future year's operations. The City operates under a state-wide measure that established a permanent levy rate for each public entity that levies property taxes. The City cannot levy more than its permanent rate of \$4.62 per thousand of taxable assessed valuation. For FY 2018-19, the City is projecting a tax levy rate of \$4.28, which is 93% of its maximum permanent levy rate authority. Levying the full permanent rate would produce an additional \$3.4 million in property tax revenues.

A description of General Fund Revenues for the FY 2018-19 budget includes modest projections of revenues over the next several years. Our intent is to lengthen those projections in future budget documents. The City Council asks the staff and particularly the Finance Department to consider adjustment in "non-property tax" revenue as a priority. In past years, a privilege tax was added to the franchise fees for Portland General Electric and Northwest Natural Gas that is producing about \$1 million annually. Fees for Site Development and land use development permits increased and a change in the manner in which all non-franchised utilities are managed in the right-of-way generates additional income. The ROW License fees require additional monitoring to engage all utilities operating in the ROW are paying their fair share for the use and management of the street assets. In addition, the City Council approved a Lodging Tax of 4% to support construction of the proposed Beaverton Center for the Arts and other events that attract or retain visitors to the area.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0542 PURCHASING	PROGRAM MANAGER: TERRY L MURALT

Program Goal:

To ensure that supplies, services and equipment are acquired at the lowest possible cost consistent with the qualities required, to award contracts in the best interest of the City, to ensure legal and contractual compliance on all contracts and purchases, and to continue to advance equity purchasing goals for businesses which are minority-owned, women-owned, service-disabled veteran owned and emerging small businesses. *(Council Goal #2: Use City resources efficiently to ensure long-term financial stability; #4: Provide responsive, cost effective service to the community.)*

REQUIREMENTS	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 BUDGETED	FY 2018-19 PROPOSED	FY 2018-19 ADOPTED
POSITION	2.00	2.00	2.00	2.00	0.00
PERSONNEL SERVICES	\$166,531	\$174,599	\$188,118	\$200,469	\$0
MATERIALS & SERVICES	5,301	10,643	11,190	11,122	0
CAPITAL OUTLAY					
TRANSFERS	1,966	1,676	2,202	4,438	0
TOTAL	\$173,798	\$186,918	\$201,510	\$216,029	\$0

Program Objective (services provided): (All objectives relate closely to Council Goal #2)

- To process all purchasing transactions in a timely manner.
- To ensure that procurement of goods and services adhere to the current purchasing policies and State laws.
- Ensure that bids/requests for proposals are obtained for all goods and services that exceed \$100,000.
- To process all requests for bid procedure within five working days from date of receipt.
- Maintain listing of all surplus property and supervise disposal of surplus items.
- Monitor use of open purchase orders for compliance and necessity.

This program assists all departments in their activities but specifically supports these elements of the Community Vision Action Plan including:

- *Make it easier for small businesses to bid on City work(Community Vision Action #93):* Utilize purchasing policies that expand opportunities for Minority-Owned, Woman-Owned and Emerging Small Businesses (MWESB) and Service Disabled Veterans (SDV)

Progress on FY 2017-18 Action Plan:

Partnered with Metro and held two open houses for Minority-Owned, Women-Owned and Emerging Small Businesses that were not State certified or had not done business with a government agency. This was to help educate these businesses on why and how they can become State certified. Encouraging these type of businesses to become State certified will increase the pool of certified firms for government agencies to do business with and help the business community.

The end of fiscal year 2016/17 completed our first fiscal year of the Minority-Owned, Women-Owned, Service Disabled Veteran and Emerging Small Business program. The total first fiscal usage was 10.11% of its overall dollar amount of contracting and purchasing activities. The City’s aspirational goal is set at 10%. The City plans additional outreaches to M/W/SDV/ESB firms to increase usage percent.

Discussions with Sustainability Program Manager are on hold due to a vacant position. Once filled, discussion will continue up again regarding developing a Sustainability Purchasing Policy. The initial step is developing a “project proposal” to outline the work involved and timeline of project.

**CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES**

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0542 PURCHASING	PROGRAM MANAGER: TERRY L MURALT

Work on Phase 3 enhancements of the POAP system are on hold due to Program Developer working full time on new Court System.

Working with City Attorney to revise and update city contracts and solicitation documents. Most of the contract forms have been updated and construction solicitation document. The goal is to complete the remaining contracts and request for proposal and invitation to bid solicitation documents.

FY 2018-19 Action Plan

- Assist in developing a Procurement Card Policy/Program for the City.
- Research and develop/coordinate community workshop(s) to encourage and assist local contractors and businesses to bid/propose on City contracts.
- Monitor legislative changes that would affect the procurement code and make necessary updates to the Procurement code as needed.
- Complete revision of contracts and solicitation documents
- Review City wide expenditures and complete procurement processes where required by formal bid thresholds.
- Work with Sustainability Program Manager to develop a Sustainability Purchasing Policy.
- Review M/W/SDV and ESB program to determine possible changes that would increase the usage of state certified firms.
- Coordinate open house events for M/W/SDV and ESB businesses to connect with and start building relationships with prime contractors for sub-contracting opportunities.

Workload Measures:	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Budgeted/Revised	FY 2018-19 Proposed
Number of purchase orders issued and processed	1,272	1,300	1,450 / 1,600	1,500
Number of sealed bids and requests for proposals processed	20	17	25 / 20	25
Number of contracts issued	103	128	100 / 135	135
Total dollar amount paid through Purchase orders	\$21,842,935	\$22,946,905	\$25,000,000 / \$25,000,000	\$25,000,000

10 Largest PO's Issued for FY 2016-17

VENDOR	DESCRIPTION	AMOUNT
Landis & Landis	Cedar Hills Blvd – Water Mains CIP 4128A	\$1,311,225
Washington County	Farmington Road Improvements CIP 3302	\$1,177,500
Holt Services Inc.	ASR 5 Well Drilling	\$993,780
Relay Resources	Janitorial Services	\$705,456
Redflex Traffic System	Photo Radar/Red Light	\$547,936

CITY OF BEAVERTON, OREGON
 FISCAL YEAR 2018-19 BUDGET
 CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0542 PURCHASING	PROGRAM MANAGER: TERRY L MURALT

Pacific Excavation	Sidewalk Curb Ramp Retrofit	\$807,987
Opsis Architecture	Beaverton Center for the Arts	\$384,608
Bretthauer Oil	Fuel	\$338,165
Baker Rock	Annual Supply of HMAC (asphalt)	\$330,142
3J Consulting Inc.	Menlo Drive Sidewalk Improvement	\$325,047

Performance Outcomes and Program Trends:

The program places formal bids and purchase awards in conformance with purchasing policies and with the assurance that the best price was obtained through market place competition.

Use and offer cooperative purchasing with other agencies whenever possible.

Solicit bids and request for proposals for all public contracts that exceed \$100,000. Ensure that purchasing needs of City departments are handled in a timely manner and ensure acquisition of the best quality products and services at the lowest possible cost.

Ensure that procurements are in line with the M/W/SDV & ESB policy/program. The City is in the second fiscal year of the program and continues to review the program and policy to look for ways to improve the program that would increase usage of state certified firms.

Centralize disposal of surplus property. Advertise for bid, or sell at public auction, as required by City Code and provisions of the Oregon Revised Statutes.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0548 FINANCE OPERATIONS	PROGRAM MANAGER: DAVE WAFFLE

Program Goal:

To ensure internal control and financial integrity of the City's accounting and budgetary system and to provide quality and innovative financial service by being good stewards of public funds and effectively serving citizens, City Council and City departments. *(Council Goal #2: Use City resources efficiently to ensure long-term financial stability.)*

To publish an accurate and complete Comprehensive Annual Financial Report (CAFR) that complies with Generally Accepted Accounting Principles (GAAP) and all other applicable statutes and regulations. To maintain and or improve the City's current bond ratings.

REQUIREMENTS	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 BUDGETED	FY 2018-19 PROPOSED	FY 2018-19 ADOPTED
POSITION	12.05	11.85	11.85	12.25	0.00
PERSONNEL SERVICES	\$1,245,861	\$1,305,875	\$1,356,821	\$1,501,976	\$0
MATERIALS & SERVICES	72,088	117,910	125,324	126,276	0
CAPITAL OUTLAY					
TRANSFERS	46,610	52,699	56,695	58,220	0
TOTAL	\$1,364,559	\$1,476,484	\$1,538,840	\$1,686,472	\$0

Program Objective (service provided):

- Provide financial services and reports to the Council, Mayor and other departments.
- Monitor and analyze revenue sources to ensure timely collection and effective use of cash flow. Invest cash resources within guidelines of the City's investment policy.
- Ensure proper accounting treatment and compliance with regulations for all grants secured by the City.
- Operate the annual budget cycle including adoption by June 30 of each year and two supplemental budget amendments, including effective public notice and transparency.
- Continue to provide accounting services in a cost-effective and efficient manner by evaluating daily operations and activities. *(Council Goal: #4: Provide responsive cost-effective service to the community.)*
- Continue to provide Finance personnel with training and equipment to provide excellent customer service. *(Council Goal: #8: Provide and support a highly qualified and motivated City workforce.)*
- Provide financial services and support to other departments pursuing the action items of the Beaverton Community Vision Plan including integrating the Vision Action Plans into annual budgeting process.

Progress on FY 2017-18 Action Plan:

- Total portfolio on 6/30/16 \$75.6 million with an average 0.86% yield. Portfolio on 6/30/17 \$120.4 million (\$35 million is bond proceeds for Public Safety Center) with an average yield of 1.34%. Current yield is 1.67%.
- Continued to develop skills of new and current staff members through cross training, outside educational seminars and on-site classes to be able to implement department's succession plans.
- Unlikely to need BCA gift fund as Arts Foundation staff capabilities are enhanced.
- There may be no additional immediate uses of the Letter of Credit in FY 17-18 as we await the decision about proceeding with the parking garage. In the meantime, Finance makes the monthly payments to Key Bank for the interest that is due. BURA is using the "day-light loan" abilities with the City for property acquisition payments.
- Preparing for a potential Water Revenue Bond sale in June 2018 plus applying for various sources of funding for Capital Projects.
- Developing a new Water Master Bond Declaration for this and future sales as well as a Debt Management Policy.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0548 FINANCE OPERATIONS	PROGRAM MANAGER: DAVE WAFFLE

FY 2018-19 Action Plan:

- Continue to develop skills of current and new staff members so as to be able to implement the department's succession plans. This includes the hiring of a second Assistant Finance Director mid-year for a smooth transition accommodating a planned retirement.
- Continue to enhance both in-house and vendor supplied financial applications to increase efficiency for the department.
- Continue to provide analysis and support of funding for capital projects. Specifically Public Safety Center, Willamette Water Supply Project, 2018 Water Revenue Bond and Beaverton Arts center.
- Develop and approve a Fund Balance policy.

Performance Measures:	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Budgeted	FY 2018-19 Proposed
Receive Unqualified Audit Opinion, Certificate of Achievement for Excellence in Financial Reporting (CAFR) & Distinguished Budget Presentation Award	Received both awards	Received budget award and submitted for CAFR award	Will submit for both awards	Will submit for both awards
Bond Ratings (underlying ratings):				
General Obligation Bonds				
Moody's	Aa1	Aa1	Aa1	Aa1
Standard & Poor's (S&P)	AA+	AA+	AA+	AA+
Water Revenue Bonds				
Moody's	AA2	AA2	Aa2	Aa2
Standard & Poor's (S&P)	AA+	AA+	AA+	AA+
Average annual yield on investment portfolio	0.60%	0.85%	1.30%	1.67%
Average annual yield on State Investment Pool (used as a benchmark)	0.75%	0.80%	1.10%	1.85%
Average Monthly Investment Portfolio (in millions)	\$70	\$70	\$85	\$90
Revenue generated from passports	\$130,968	\$107,270	\$140,000	\$210,000
Number of passport applications processed	5,270	5,300	5,500	6,000
Revenue generated from Business Licenses	\$638,571	\$640,000	\$640,000	\$670,000
Business Licenses (calendar year)	5,070	5,068	5,200	5,500

Performance Outcomes and Program Trends:

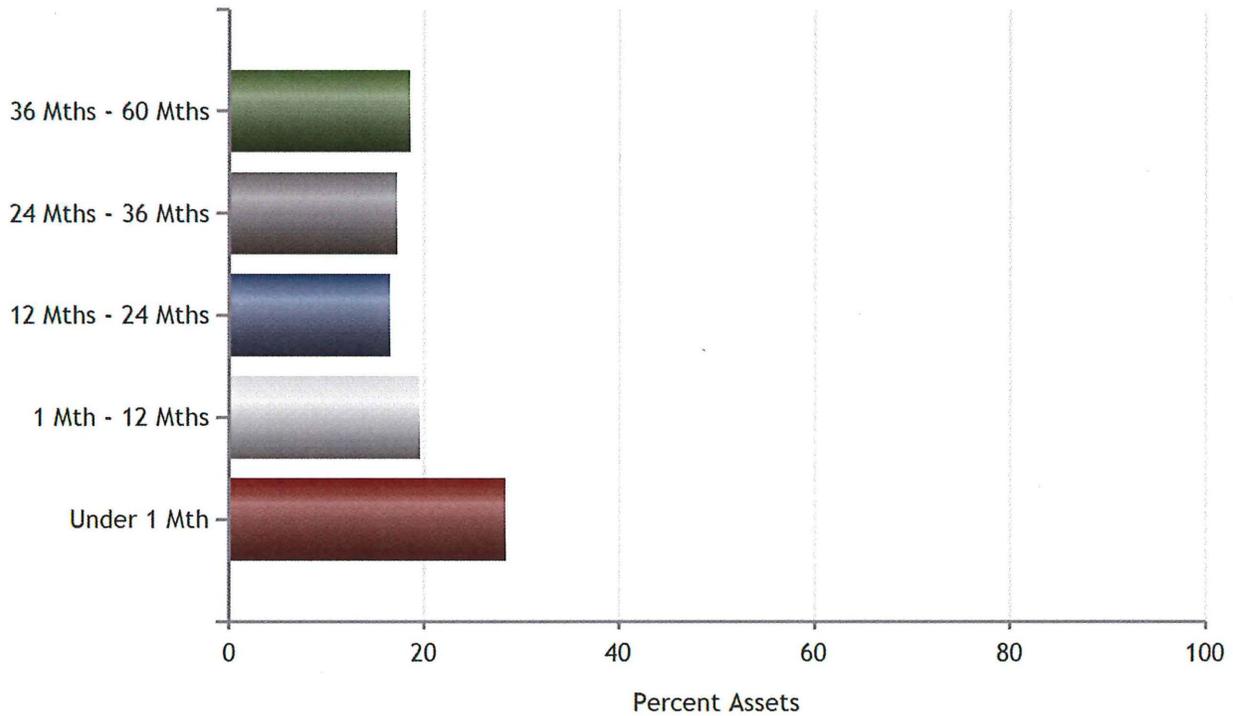
The City's current bond ratings strongly reflect the City's financial condition because of our fiscal policy. The ratings will assist the City securing favorable interest rates on future bond issues. Standard and Poor's confirmed the City's ratings for the General Obligation Bonds in February 2017 in conjunction with the sale of \$35 million in GO Bonds for a new Public Safety Center.

**CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES**

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0548 FINANCE OPERATIONS	PROGRAM MANAGER: DAVE WAFFLE

The City’s investment portfolio yield demonstrates earning rates that are comparable or better than the yield of the Oregon Local Government Investment Pool (LGIP), which is the benchmark. As the Federal Reserve has signaled slowly rising interest rates, recent investments agencies/treasuries and Certificates of Deposit are for slightly longer periods but consistent with the Investment Policy. The graph below illustrates the current Distribution by Maturity in our managed investment portfolio of approximately \$90 million.

DISTRIBUTION BY MATURITY



The department will continue to evaluate all finance functions to streamline daily operations and activities. We continue to make customer service improvements through training, empowering staff, and improved technology.

Passport services at The Beaverton Building are increasingly popular in response to expanded hours and bi-lingual services.

Many business owners take advantage of using the Internet for their on-line renewal process and the ability of using their credit cards for Business Licenses. As of February 15, 2018 approximately 1,635 owners renewed their Business License for 2018 via the website, representing 29% of the licenses. In addition approximately 5,600 license renewals were issued for calendar year 2018.

Business Licenses Statistics Report for the Year 2018 (preliminary)	
Total New and Renewals Licenses Issued	4,011
Number of Home Occupations (included in the total above)	518
New Licenses Issued for the year	135

CITY OF BEAVERTON, OREGON
 FISCAL YEAR 2018-19 BUDGET
 CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0548 FINANCE OPERATIONS	PROGRAM MANAGER: DAVE WAFFLE

Total Number of Employees Reported in New Businesses	545
Total Number of Businesses Located in City Limits	3,297
Total Number of Employees Reported at Businesses Located in City Limits	29,977
Business Terminated for the Year	2

The Finance Department is recognized for its excellence in financial reporting and distinguished budget preparation and we will continue to submit the Comprehensive Annual Financial and Budget Reports to GFOA for these awards. We will continue to maintain the City's long-term financial stability by maximizing the City's short-term and long-term financial strength. The credit ratings by Standard & Poor's and Moody's, reflect the City's strong and stable financial management, solid fiscal policies, and moderate and manageable debt levels. We will continue to strive to maintain the City's current bond ratings.

BUDGET PREPARATION WORKSHEET SUMMARY

FUND: 001 GENERAL FUND DEPT: 20 FINANCE DEPARTMENT

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018 YTD	2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	ACT AMT	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE

CLASS: 05 PERSONNEL SERVICES

021	FINANCE DIRECTOR													
	155,050	1.00	158,555	1.00	162,441	1.00	124,488	162,444	168,065	1.00	168,065	1.00		
045	FINANCIAL REPORTING MANAGER													
	85,510	1.60	187,154	1.75	182,369	1.75	150,974	188,025	190,150	1.75	190,150	1.75		
074	BUDGET COORDINATOR													
	77,411	1.00	78,116	1.00	78,723	1.00	62,827	78,724	80,598	1.00	80,598	1.00		
075	PAYROLL ADMINISTRATOR													
	69,375	1.00	97,948	1.00	96,133	1.00	46,716	62,386	65,420	1.00	65,420	1.00		
086	ASSISTANT FINANCE DIRECTOR													
	118,792	1.00	120,523	1.00	92,429	1.00	78,879	99,487	208,735	1.70	187,912	1.70		
149	PURCHASING AGENT													
	74,508	1.00	75,902	1.00	77,318	1.00	60,963	77,316	79,248	1.00	79,248	1.00		
169	SENIOR ACCOUNTANT													
	244,284	2.70	128,479	2.10	172,223	2.10	134,209	172,178	180,470	2.10	157,319	1.80		
172	ACCOUNTANT													
	69,325	1.00	70,621	1.00	71,940	1.00	56,723	71,942	73,737	1.00	73,737	1.00		
221	SUPPORT SPECIALIST 2													
	27,979	1.00	41,643	1.00	44,928	1.00	35,117	44,932	48,346	1.00	48,346	1.00		
245	ACCOUNTING ASSISTANT													
	44,004	.75	41,448	1.00	50,411	1.00	39,439	50,209	54,117	1.00	54,117	1.00		
248	ACCOUNTING SPECIALIST													
	195,161	4.00	204,858	4.00	213,175	4.00	166,074	210,735	218,334	4.00	218,334	4.00		
275	TEMPORARY EMPLOYEES													
	10,212		22,560		15,000		4,164	9,009	20,000		20,000			
299	PAYROLL TAXES AND FRINGES													
	569,663		587,951		632,610		492,443	609,234	709,786		719,539			
TOTAL CLASS: 05 PERSONNEL SERVICES														
	1,741,274	16.05	1,815,758	15.85	1,889,700	15.85	1,453,016	1,836,621	2,097,006	16.55	2,062,785	16.25		

BUDGET PREPARATION WORKSHEET SUMMARY

FUND: 001 GENERAL FUND

DEPT: 20 FINANCE DEPARTMENT

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018 YTD	2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	ACT AMT	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE
301	OFFICE EXPENSE													
	2,319		1,947		2,400		2,177	2,400	2,400		2,400		2,400	
303	OFFICE FURNITURE & EQUIPMENT													
	1,293		2,491		2,000		1,713	1,500	2,005		2,005		2,005	
307	MEMBERSHIP FEES													
	5,816		9,949		10,410		9,914	10,670	10,470		10,470		10,470	
308	PERIODICALS & SUBSCRIPTIONS													
	701		766		790		791	802	802		802		802	
312	DEPOSIT SHORTAGE/OVERAGE													
	35		-1				15							
316	ADVERTISING, RECORDING & FILING													
	4,190		5,479		5,000		3,787	5,000	5,000		5,000		5,000	
317	COMPUTER EQUIPMENT													
					9,345		7,637	8,500	1,992		1,992		1,992	
318	COMPUTER SOFTWARE													
			296						600		600		600	
321	TRAVEL, TRAINING & SUBSISTENCE													
	12,173		6,014		8,900		7,148	10,900	13,300		13,300		13,300	
328	MEALS & RELATED EXPENSE													
	2													
330	MILEAGE REIMBURSEMENT													
	62		161		225		83	125	225		225		225	
341	COMMUNICATIONS EXPENSE													
	744		1,231		1,248		890	1,212	1,188		1,188		1,188	
481	OTHER EXPENSES													
	1,796		2,097		2,390		2,879	2,390	2,574		2,614		2,614	
511	PROFESSIONAL SERVICES													
	54,647		105,341		101,200		96,243	101,200	104,360		104,360		104,360	

**FINANCE DEPARTMENT
FY 2017-18 ADOPTED**

Code	Position Title	Actual FY 16-17	Adopted FY 17-18	New	Transfer	Reclass	Deleted	Ending FY 17-18
21	FINANCE DIRECTOR	1.00	1.00					1.00
45	FINANCIAL REPORTING MANAGER	1.75	1.75					1.75
74	BUDGET COORDINATOR	1.00	1.00					1.00
75	PAYROLL ADMINISTRATOR	1.00	1.00					1.00
86	ASSISTANT FINANCE DIRECTOR	1.00	1.00					1.00
149	PURCHASING AGENT	1.00	1.00					1.00
169	SENIOR ACCOUNTANT	2.10	2.10					2.10
172	ACCOUNTANT	1.00	1.00					1.00
221	SUPPORT SPECIALIST 2	1.00	1.00					1.00
245	ACCOUNTING ASSISTANT	1.00	1.00					1.00
248	ACCOUNTING SPECIALIST	4.00	4.00					4.00
	Total	15.85	15.85	0.00	0.00	0.00	0.00	15.85

FY 2018-19 PROPOSED

Code	Position Title	Ending FY 17-18	New	Transfer	Reclass	Deleted	Proposed FY 18-19
21	FINANCE DIRECTOR	1.00					1.00
45	FINANCIAL REPORTING MANAGER	1.75					1.75
74	BUDGET COORDINATOR	1.00					1.00
75	PAYROLL ADMINISTRATOR	1.00					1.00
86	ASSISTANT FINANCE DIRECTOR	1.00	0.70 ^a				1.70
149	PURCHASING AGENT	1.00					1.00
169	SENIOR ACCOUNTANT	2.10		(0.30) ^b			1.80
172	ACCOUNTANT	1.00					1.00
221	SUPPORT SPECIALIST 2	1.00					1.00
245	ACCOUNTING ASSISTANT	1.00					1.00
248	ACCOUNTING SPECIALIST	4.00					4.00
	Total	15.85	0.70	(0.30)	0.00	0.00	16.25

^a FY 18-19 proposes that the existing Assistant Finance Director is transitioning to eventual retirement and will reduce from a 1.0 FTE to a .70 FTE for FY 2018-19 and will transition to a more global city wide administrative support function. Therefore, the FY 2018-19 Budget proposes an additional 1.0 FTE Assistant Finance Director that will assist with Finance Department's operations.

^b FY 18-19 reallocates one of the Sr. Accountant positions to more accurately reflect the position's time to 10% each in the Water, Sewer, and Storm Drain Funds.

City of Beaverton - Finance
 Budget Preparation - 2019

BP WORKSHEET & JUSTIFICATION

FUND: 001 GENERAL FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0541 FINANCE ADMINISTRATION

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE

CLASS: 05 PERSONNEL SERVICES

021	FINANCE DIRECTOR												
	155,050	1.00	158,555	1.00	162,441	1.00	162,444	168,065	1.00	168,065	1.00		
074	BUDGET COORDINATOR												
	77,411	1.00	78,116	1.00	78,723	1.00	78,724	80,598	1.00	80,598	1.00		
299	PAYROLL TAXES AND FRINGES												
	96,421		98,613		103,597		100,659	106,227		111,677			

TOTAL CLASS: 05 PERSONNEL SERVICES

	328,882	2.00	335,284	2.00	344,761	2.00	341,827	354,890	2.00	360,340	2.00		
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CLASS: 10 MATERIALS & SERVICES

307	MEMBERSHIP FEES												
	320		220		440		440	440		440			
308	PERIODICALS & SUBSCRIPTIONS												
	471		536		560		560	560		560			
316	ADVERTISING, RECORDING & FILING												
	3,270		3,874		3,500		3,500	3,500		3,500			
321	TRAVEL, TRAINING & SUBSISTENCE												
341	COMMUNICATIONS EXPENSE												
	532		491		504		468	444		444			
481	OTHER EXPENSES												
	1,796		2,097		2,390		2,390	2,574		2,614			

TOTAL CLASS: 10 MATERIALS & SERVICES

	6,389		7,218		7,394		7,358	7,518		7,558			
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CLASS: 25 TRANSFERS

816	TRSFERS TO REPROGRAPHICS FUND												
	12,272		13,213		16,513		16,513	17,744		17,744			

TOTAL CLASS: 25 TRANSFERS

	12,272		13,213		16,513		16,513	17,744		17,744			
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TOTAL PROGRAM: 0541 FINANCE ADMINISTRATION

	347,543	2.00	355,715	2.00	368,668	2.00	365,698	380,152	2.00	385,642	2.00		
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BP WORKSHEET & JUSTIFICATION

FUND: 001 GENERAL FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0541 FINANCE ADMINISTRATION

OBJ	OBJECT DESCRIPTION
	JUSTIFICATIONS

021 FINANCE DIRECTOR

074 BUDGET COORDINATOR

299 PAYROLL TAXES AND FRINGES

PAYROLL TAXES AND FRINGE BENEFITS EXPRESSED AS A PERCENTAGE OF SALARY TOTALS 61.45% AS A CITY-WIDE AVERAGE AND CONSISTS OF THE FOLLOWING:
 37.07% IN PAYROLL TAXES CONSISTING OF 7.65% FICA, AVERAGE OF 20.74% FOR RETIREMENT CONTRIBUTIONS (25.39% PERS. 16.72% OPSRP GENERAL OR 21.49% OPSRP POLICE), A 2.23% CONTRIBUTION TO THE PERS RESERVE FUND, AND 6.45% IN OTHER TAXES (UNEMPLOYMENT, LONG TERM DISABILITY, WORKERS COMPENSATION, PEHP, AND TRIMET)
 24.38% AS THE AVERAGE COST OF MEDICAL, DENTAL, LIFE AND AD&D INSURANCES

307 MEMBERSHIP FEES

OREGON GOVERNMENT FINANCE OFFICERS ASSOCIATION (OGFOA) \$120
 GOVERNMENT FINANCE OFFICERS ASSOCIATION \$320

308 PERIODICALS & SUBSCRIPTIONS

OREGONIAN \$260
 VALLEY TIMES \$50
 GOVERNMENTAL ACCOUNTING STANDARDS \$250

316 ADVERTISING, RECORDING & FILING

PUBLIC HEARING NOTICES, ANNUAL & SUPPLEMENTAL BUDGET AND AUDIT MEETING NOTICES
 CERTIFICATION FILING FEES
 STATE OF OREGON AUDIT DIVISION ANNUAL FILING FEES
 GFOA FILING FEES

321 TRAVEL, TRAINING & SUBSISTENCE

NO APPROPRIATION REQUESTED

341 COMMUNICATIONS EXPENSE

CELL PHONE CHARGES FOR FINANCE DIRECTOR @ \$37 PER MONTH \$444

481 OTHER EXPENSES

ORGANIZATIONAL DEVELOPMENT AND TEAM BUILDING EXPENSE FOR FINANCE, ISD, GIS AND COURT (65.35 FTE'S @ \$40 EA)

816 TRSFERS TO REPROGRAPHICS FUND

ALLOCATION OF COPIER, GRAPHICS, PRINTING, MAILING, & POSTAGE CHARGES THROUGH REPROGRAPHICS

BP WORKSHEET & JUSTIFICATION

FUND: 001 GENERAL FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0542 PURCHASING

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE

CLASS: 05 PERSONNEL SERVICES

149	PURCHASING AGENT												
	74,508	1.00	75,902	1.00	77,318	1.00	77,316	79,248	1.00	79,248	1.00		
221	SUPPORT SPECIALIST 2												
	27,979	1.00	41,643	1.00	44,928	1.00	44,932	48,346	1.00	48,346	1.00		
275	TEMPORARY EMPLOYEES												
	834												
299	PAYROLL TAXES AND FRINGES												
	63,210		57,054		65,872		64,489	70,032		72,875			

TOTAL CLASS: 05 PERSONNEL SERVICES

	166,531	2.00	174,599	2.00	188,118	2.00	186,737	197,626	2.00	200,469	2.00		
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CLASS: 10 MATERIALS & SERVICES

307	MEMBERSHIP FEES												
	3,560		7,560		7,560		7,830	7,580		7,580			
308	PERIODICALS & SUBSCRIPTIONS												
	230		230		230		242	242		242			
316	ADVERTISING, RECORDING & FILING												
	920		1,605		1,500		1,500	1,500		1,500			
318	COMPUTER SOFTWARE												
			296										
321	TRAVEL, TRAINING & SUBSISTENCE												
	591		952		1,900		1,400	1,800		1,800			

TOTAL CLASS: 10 MATERIALS & SERVICES

	5,301		10,643		11,190		10,972	11,122		11,122			
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CLASS: 25 TRANSFERS

816	TRSFERS TO REPROGRAPHICS FUND												
	1,966		1,676		2,202		2,202	4,438		4,438			

BP WORKSHEET & JUSTIFICATION

FUND: 001 GENERAL FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0542 PURCHASING

OBJ	OBJECT DESCRIPTION	JUSTIFICATIONS
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149 PURCHASING AGENT

221 SUPPORT SPECIALIST 2

275 TEMPORARY EMPLOYEES

299 PAYROLL TAXES AND FRINGES

PAYROLL TAXES AND FRINGE BENEFITS EXPRESSED AS A PERCENTAGE OF SALARY TOTALS 61.45% AS A CITY-WIDE AVERAGE AND CONSISTS OF THE FOLLOWING:
 37.07% IN PAYROLL TAXES CONSISTING OF 7.65% FICA, AVERAGE OF 20.74% FOR RETIREMENT CONTRIBUTIONS (25.39% PERS. 16.72% OPSRP GENERAL OR 21.49% OPSRP POLICE), A 2.23% CONTRIBUTION TO THE PERS RESERVE FUND, AND 6.45% IN OTHER TAXES (UNEMPLOYMENT, LONG TERM DISABILITY, WORKERS COMPENSATION, PEHP, AND TRIMET)
 24.38% AS THE AVERAGE COST OF MEDICAL, DENTAL, LIFE AND AD&D INSURANCES

307 MEMBERSHIP FEES

NATIONAL INSTITUTE OF GOVERNMENT PURCHASING (NIGP) \$190
 CITY COSTCO MEMBERSHIP \$240
 OREGON PUBLIC PURCHASING ASSOCIATION (OPPA) \$50
 LOCAL COLUMBIA CHAPTER OF NIGP \$100
 PDXPROCUREMENTSEARCH.COM MEMBERSHIP \$3,000
 OREGON COOPERATIVE PROCUREMENT PROGRAM (ORCPP) MEMBERSHIP -STATE COOP PURCHASING PROGRAM (MOVED FROM NON-DEPARTMENTAL MEMBERSHIPS) \$4,000

308 PERIODICALS & SUBSCRIPTIONS

DAILY JOURNAL OF COMMERCE SUBSCRIPTION \$242

316 ADVERTISING,RECORDING & FILING

ADVERTISING FOR FORM BID & RFP PROCUREMENT PROCESSES \$1,500

318 COMPUTER SOFTWARE

NO APPROPRIATION REQUESTED

321 TRAVEL,TRAINING & SUBSISTENCE

OREGON PUBLIC PURCHASING ASSOCIATION (OPPA) SPRING 2016 CONF, LODGING & REGISTRATION \$450
 OPPO FALL CONFERENCE, LODGING & REGISTRATION \$450
 OPPO/COLUMBIA CHAPTER JOINT WORKSHOP \$100
 MWESB PROGRAM - INCLUDES TRAINING EVENTS WITH SMALL BUSINESSES:
 OREGON ASSOC. OF MINORITY ENTREPRENEURS (OAME) TRADE SHOW (\$85 X 2) \$170
 GOVERNORS MARKET PLACE TRADE SHOW \$250
 BUSINESS DIVERSITY INSTITUE MEETINGS (3 @ \$10 EACH), \$30
 IN-HOUSE EVENTS AS PLANNED \$350

816 TRSFERS TO REPROGRAPHICS FUND

ALLOCATION OF COPIER, GRAPHICS, PRINTING, MAILING, & POSTAGE CHARGES THROUGH REPROGRAPHICS

BP WORKSHEET & JUSTIFICATION

FUND: 001 GENERAL FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0542 PURCHASING

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE

TOTAL CLASS: 25 TRANSFERS

1,966 1,676 2,202 2,202 4,438 4,438

TOTAL PROGRAM: 0542 PURCHASING

173,798 2.00 186,918 2.00 201,510 2.00 199,911 213,186 2.00 216,029 2.00

BP WORKSHEET & JUSTIFICATION

FUND: 001 GENERAL FUND
DEPT: 20 FINANCE DEPARTMENT
PROGRAM: 0542 PURCHASING

OBJ	OBJECT DESCRIPTION
	JUSTIFICATIONS

NO BUDGETARY DATA FOR THIS OBJECT DESCRIPTION WAS ENTERED IN THE BUDGET SYSTEM. THE OBJECT DESCRIPTION IS NOT ELIGIBLE FOR BUDGETING.

City of Beaverton - Finance
 Budget Preparation - 2019

BP WORKSHEET & JUSTIFICATION

FUND: 001 GENERAL FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0548 FINANCE OPERATIONS

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE

CLASS: 05 PERSONNEL SERVICES

045	FINANCIAL REPORTING MANAGER												
	85,510	1.60	187,154	1.75	182,369	1.75	188,025	190,150	1.75	190,150	1.75		
075	PAYROLL ADMINISTRATOR												
	69,375	1.00	97,948	1.00	96,133	1.00	62,386	65,420	1.00	65,420	1.00		
086	ASSISTANT FINANCE DIRECTOR												
	118,792	1.00	120,523	1.00	92,429	1.00	99,487	208,735	1.70	187,912	1.70		
169	SENIOR ACCOUNTANT												
	244,284	2.70	128,479	2.10	172,223	2.10	172,178	180,470	2.10	157,319	1.80		
172	ACCOUNTANT												
	69,325	1.00	70,621	1.00	71,940	1.00	71,942	73,737	1.00	73,737	1.00		
245	ACCOUNTING ASSISTANT												
	44,004	.75	41,448	1.00	50,411	1.00	50,209	54,117	1.00	54,117	1.00		
248	ACCOUNTING SPECIALIST												
	195,161	4.00	204,858	4.00	213,175	4.00	210,735	218,334	4.00	218,334	4.00		
275	TEMPORARY EMPLOYEES												
	9,378		22,560		15,000		9,009	20,000		20,000			
299	PAYROLL TAXES AND FRINGES												
	410,032		432,284		463,141		444,086	533,527		534,987			

TOTAL CLASS: 05 PERSONNEL SERVICES

	1,245,861	12.05	1,305,875	11.85	1,356,821	11.85	1,308,057	1,544,490	12.55	1,501,976	12.25		
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CLASS: 10 MATERIALS & SERVICES

301	OFFICE EXPENSE												
	2,319		1,947		2,400		2,400	2,400		2,400			
303	OFFICE FURNITURE & EQUIPMENT												
	1,293		2,491		2,000		1,500	2,005		2,005			
307	MEMBERSHIP FEES												
	1,936		2,169		2,410		2,400	2,450		2,450			

BP WORKSHEET & JUSTIFICATION

FUND: 001 GENERAL FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0548 FINANCE OPERATIONS

OBJ	OBJECT DESCRIPTION
	JUSTIFICATIONS

- 045 FINANCIAL REPORTING MANAGER
 FY 16-17 REFLECTS .15 FTE INCREASE TO BE ADDED TO THE LIMITED DURATION POSITION TO CREATE A .75 FTE POSITION.

- 075 PAYROLL ADMINISTRATOR
 FY 16-17 AND FY 17-18 REFLECT INCREASE DUE TO RETIREMENT OF INCUMBENT AND THEN OVERLAPPING WITH HER REPLACEMENT FOR TRAINING PURPOSES.

- 086 ASSISTANT FINANCE DIRECTOR
 FY 18-19 REFLECTS A 1 FTE INCREASE DUE TO REDUCED SCHEDULE OF THE INCUMBENT AND THEN THE THE INCUMBENT'S EVENTUAL RETIREMENT. THE ADDITIONAL FTE WIL ALLOW FOR A SMOOTH TRANSITION.

- 169 SENIOR ACCOUNTANT
 FY 2016-17 REFLECTS ONE SR. ACCOUNTANT POSITION THAT WAS PREVIOUSLY ALLOCATED 70% GENERAL FUND / 10% WATER FUND / 10% SEWER FUND / 10% STORM DRAIN FUND, CHANGED ITS ALLOCATION TO 10% GENERAL FUND / 30% WATER FUND / 30% SEWER FUND / 30% STORM FUND.

- 172 ACCOUNTANT

- 245 ACCOUNTING ASSISTANT
 FY 16-17 REFLECTS .25 FTE INCREASE TO BE ADDED TO A .75 FTE POSITION TO CREATE 1 FTE POSITION.

- 248 ACCOUNTING SPECIALIST

- 275 TEMPORARY EMPLOYEES
 EXTRA HELP TO ASSIST WITH YEAR END ACCOUNT RECONCILIATIONS IN PREPARATION FOR THE ANNUAL AUDIT AND PRODUCTION OF FINANCIAL REPORT CAFR

- 299 PAYROLL TAXES AND FRINGES
 PAYROLL TAXES AND FRINGE BENEFITS EXPRESSED AS A PERCENTAGE OF SALARY TOTALS 61.45% AS A CITY-WIDE AVERAGE AND CONSISTS OF THE FOLLOWING:
 37.07% IN PAYROLL TAXES CONSISTING OF 7.65% FICA, AVERAGE OF 20.74% FOR RETIREMENT CONTRIBUTIONS (25.39% PERS. 16.72% OPSRP GENERAL OR 21.49% OPSRP POLICE), A 2.23% CONTRIBUTION TO THE PERS RESERVE FUND, AND 6.45% IN OTHER TAXES (UNEMPLOYMENT, LONG TERM DISABILITY, WORKERS COMPENSATION, PEHP, AND TRIMET)
 24.38% AS THE AVERAGE COST OF MEDICAL, DENTAL, LIFE AND AD&D INSURANCES

- 301 OFFICE EXPENSE
 OFFICE SUPPLIES FOR THE ENTIRE FINANCE DEPARTMENT (20 STAFF)
 W2 FORMS
 1099 FORMS

- 303 OFFICE FURNITURE & EQUIPMENT
 NEW CHAIRS, DESK HEIGHT MODIFICATIONS, MONITOR ARMS & CALCULATORS AS NEEDED.

- 307 MEMBERSHIP FEES
 MEMBERSHIP FEES - AMERICAN PAYROLL ASSOCIATION
 OREGON SOCIETY OF CPA'S (OSCPA) 2 @\$275
 OREGON BOARD OF ACCOUNTANCY (CPA LICENSE RENEWAL) 2@\$160
 OREGON GOVERNMENT FINANCE OFFICERS ASSOC (OGFOA) 7@\$120
 GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA)
 NOTARY PUBLIC
 OREGON CITY COUNTY MGMT. ASSOCIATION

City of Beaverton - Finance
 Budget Preparation - 2019

BP WORKSHEET & JUSTIFICATION

FUND: 001 GENERAL FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0548 FINANCE OPERATIONS

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE
312	DEPOSIT SHORTAGE/OVERAGE												
	35		-1										
317	COMPUTER EQUIPMENT												
					9,345		8,500	1,992		1,992			
318	COMPUTER SOFTWARE												
								600		600			
321	TRAVEL, TRAINING & SUBSISTENCE												
	11,582		5,062		7,000		9,500	11,500		11,500			
328	MEALS & RELATED EXPENSE												
	2												
330	MILEAGE REIMBURSEMENT												
	62	161			225		125	225		225			
341	COMMUNICATIONS EXPENSE												
	212	740			744		744	744		744			
511	PROFESSIONAL SERVICES												
	54,647	105,341			101,200		101,200	104,360		104,360			
TOTAL CLASS: 10 MATERIALS & SERVICES													
	72,088		117,910		125,324		126,369	126,276		126,276			
CLASS: 25 TRANSFERS													
816	TRSFERS TO REPROGRAPHICS FUND												
	46,610	52,699			56,695		56,695	58,220		58,220			
TOTAL CLASS: 25 TRANSFERS													
	46,610	52,699			56,695		56,695	58,220		58,220			
TOTAL PROGRAM: 0548 FINANCE OPERATIONS													
	1,364,559	12.05	1,476,484	11.85	1,538,840	11.85	1,491,121	1,728,986	12.55	1,686,472	12.25		
TOTAL DEPARTMENT: 20 FINANCE DEPARTMENT													
	1,885,900	16.05	2,019,117	15.85	2,109,018	15.85	2,056,730	2,322,324	16.55	2,288,143	16.25		

BP WORKSHEET & JUSTIFICATION

FUND: 001 GENERAL FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0548 FINANCE OPERATIONS

OBJ	OBJECT DESCRIPTION
	JUSTIFICATIONS

312	DEPOSIT SHORTAGE/OVERAGE
317	COMPUTER EQUIPMENT DUAL 27 INCH MONITORS FOR FINANCE REPORTING MANAGER \$550 DUAL 27 INCH MONITORS FOR NEW ASSISTANT FINANCE DIRECTOR \$550 DESKTOP FOR NEW ASSISTANT FINANCE DIRECTOR \$740 BATTERY BACKUP FOR NEW ASSISTANT FINANCE DIRECTOR \$152
318	COMPUTER SOFTWARE ADOBE ACROBAT PRO FOR SENIOR ACCOUNTANT AND ASSISTANT FINANCE DIRECTOR \$600
321	TRAVEL, TRAINING & SUBSISTENCE GFOA CONFERENCE, NW GOVERNMENT INSTITUTE, OGFOA, OSCPA, OCCMA CONFERENCES AND ANNUAL PAYROLL USER GROUP
328	MEALS & RELATED EXPENSE NO APPROPRIATION REQUESTED
330	MILEAGE REIMBURSEMENT OCCASIONAL TRAVEL IN NON-CITY VEHICLE AS NECESSARY
341	COMMUNICATIONS EXPENSE CELL PHONE CHARGES FOR ASSISTANT FINANCE DIRECTOR AT \$62 PER MONTH \$744
511	PROFESSIONAL SERVICES ANNUAL AUDIT FEE FOR FY 2019 (\$74,360) MISC. PROFESSIONAL SERVICES: BOND COUNSEL AND FINANCIAL ADVISOR SERVICES INVESTMENT PORTFOLIO TRACKING SERVICE INVESTMENT ADVISORY SERVICES
816	TRSFERS TO REPROGRAPHICS FUND ALLOCATION OF COPIER, GRAPHICS, PRINTING, MAILING, & POSTAGE CHARGES THROUGH REPROGRAPHICS

ESTIMATE - PAYROLL EXPENSE BY DEPARTMENT

Thursday, April 26, 2018 3:44 PM

ACCOUNT	TITLE	FTE	REG HRS	OT HRS	HIL HRS	REG PAY	OT PAY	HIL PAY	ADD PAY	SALARY	FBAMT	TOT AMT
001-20	FINANCE DEPARTMENT											
001-20-0541-05-021	FINANCE DIRECTOR	1.00	2,140			162,444				162,444	71,639	234,083
001-20-0541-05-074	BUDGET COORDINATOR	1.00	2,162	8		74,709	415		3,600	78,724	29,020	107,744
	FINANCE ADMINISTRATION	2.00	4,302	8		237,153	415		3,600	241,168	100,659	341,827
001-20-0542-05-149	PURCHASING AGENT	1.00	2,080			77,316				77,316	37,187	114,503
001-20-0542-05-221	SUPPORT SPECIALIST 2	1.00	2,080			44,932				44,932	27,302	72,234
	PURCHASING	2.00	4,160			122,248				122,248	64,489	186,737
001-20-0548-05-045	FINANCIAL REPORTING MANAGER	1.75	3,772			188,025				188,025	91,132	279,157
001-20-0548-05-075	PAYROLL ADMINISTRATOR	1.00	2,080	20		61,445	941			62,386	38,810	101,196
001-20-0548-05-086	ASSISTANT FINANCE DIRECTOR	1.00	1,678			99,487				99,487	40,753	140,240
001-20-0548-05-169	SENIOR ACCOUNTANT	2.10	4,418			172,180				172,178	69,163	241,341
001-20-0548-05-172	ACCOUNTANT	1.00	2,080			71,942				71,942	29,935	101,877
001-20-0548-05-245	ACCOUNTING ASSISTANT	1.00	2,080	10		46,308	301		3,600	50,209	12,905	63,114
001-20-0548-05-248	ACCOUNTING SPECIALIST	4.00	7,897	21		209,894	831		10	210,735	156,794	367,529
001-20-0548-05-275	TEMPORARY EMPLOYEES		267			9,009				9,009	4,594	13,603
	FINANCE OPERATIONS	11.85	24,272	51		858,290	2,073		3,610	863,971	444,086	1,308,057
	**** DEPARTMENT TOTAL ****	15.85	32,734	59		1,217,691	2,488		7,210	1,227,387	609,234	1,836,621

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PROPOSE - PAYROLL EXPENSE BY DEPARTMENT

Thursday, April 26, 2018 3:45 PM

ACCOUNT	TITLE	FTE	REG HRS	OT HRS	HIL HRS	REG PAY	OT PAY	HIL PAY	ADD PAY	SALARY	FBAMT	TOT AMT
001-20	FINANCE DEPARTMENT											
001-20-0541-05-021	FINANCE DIRECTOR	1.00	2,160			168,065				168,065	80,269	248,334
001-20-0541-05-074	BUDGET COORDINATOR	1.00	2,160	8		76,573	425		3,600	80,598	31,408	112,006
	FINANCE ADMINISTRATION	2.00	4,320	8		244,638	425		3,600	248,663	111,677	360,340
001-20-0542-05-149	PURCHASING AGENT	1.00	2,080			79,248				79,248	41,572	120,820
001-20-0542-05-221	SUPPORT SPECIALIST 2	1.00	2,080			48,346				48,346	31,303	79,649
	PURCHASING	2.00	4,160			127,594				127,594	72,875	200,469
001-20-0548-05-045	FINANCIAL REPORTING MANAGER	1.75	3,720			190,150				190,150	99,787	289,937
001-20-0548-05-075	PAYROLL ADMINISTRATOR	1.00	2,080	20		64,502	918			65,420	43,559	108,979
001-20-0548-05-086	ASSISTANT FINANCE DIRECTOR	1.70	3,176			187,912				187,912	92,470	280,382
001-20-0548-05-169	SENIOR ACCOUNTANT	1.80	3,797			157,319				157,319	69,257	226,576
001-20-0548-05-172	ACCOUNTANT	1.00	2,080			73,737				73,737	33,936	107,673
001-20-0548-05-245	ACCOUNTING ASSISTANT	1.00	2,080	15		49,995	522		3,600	54,117	15,414	69,531
001-20-0548-05-248	ACCOUNTING SPECIALIST	4.00	7,903	10		217,912	422			218,334	178,885	397,219
001-20-0548-05-275	TEMPORARY EMPLOYEES		590			19,954			46	20,000	1,679	21,679
	FINANCE OPERATIONS	12.25	25,426	45		961,481	1,862		3,646	966,989	534,987	1,501,976
	**** DEPARTMENT TOTAL ****	16.25	33,906	53		1,333,713	2,287		7,246	1,343,246	719,539	2,062,785

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FINANCE - WATER FUND

CITY OF BEAVERTON

BUDGET TREND ANALYSIS - FY 2015-16 TO FY 2018-19

With Explanations on Significant Changes between Budgeted 2017-18 and Recommended 2018-19

Fund: Water Fund
 Department: Finance - Summary

CLASS	Actual FY 2015-16	Actual FY 2016-17	Budget FY 2017-18	Estimated FY 2017-18	Recommended FY 2018-19	% Change Budgeted Vs. Recommended
Personnel Services	\$116,439	\$146,790	\$161,002	\$139,863	\$194,449	20.77%
Materials and Services	139,601	142,160	167,825	142,986	150,751	-10.17%
Transfers	3,076	2,351	2,752	2,752	2,772	0.73%
SUB-TOTAL	259,116	291,301	331,579	285,601	347,972	
Contingency						
Reserve for equip.			0	-	-	
TOTAL	\$259,116	\$291,301	\$331,579	\$285,601	\$347,972	
FTE's	1.44	1.44	1.64	1.64	2.08	

Explanation of item(s) that are significant (10% and greater than \$10,000):

Personnel services:

FY 2018-19 reflects a new .34 FTE new Accounting Assistant Position in Utility Billing due to transitioning 4,107 accounts from the Tualatin Valley Water District to the City of Beaverton for Water, Sewer and Storm Drain billing and the transfer of .10 FTE Senior Accountant from the General Fund to the Water Fund to more accurately reflect the position's work plan. The Recommended Budget also includes step increases, COLA increases for SEIU, and Management as well as a 2.23% increase in retirement reserves contributions (PERS), medical insurance cost increases of 7.5% for the Kaiser Plan, and an 11% increase in MODA plans.

Materials and services:

FY 2018-19 reflects a decrease in utility billing stock and envelopes by \$6K

Transfers:

No significant changes.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 501 WATER	DEPARTMENT: FINANCE
PROGRAM: 0545 UTILITY BILLING	PROGRAM MANAGER: SUE ANN KONIAK

Program Goal:

To maintain the financial stability for the operation and maintenance of City's water system by providing citizens and businesses with timely and accurate utility bills and the subsequent collection and deposit of these charges. *(Council Goal #2: Continue to plan for, improve, and maintain the City's infrastructure; #3: Maintain Beaverton as a regional leader in cooperative efforts with other agencies and organizations; #4: Manage growth and respond to change consistent with maintaining a livable, full-service city; #7: Provide responsive, cost-effective service to the community; #8: Use City resources efficiently to ensure long-term financial stability.)*

REQUIREMENTS	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 BUDGETED	FY 2018-19 PROPOSED	FY 2018-19 ADOPTED
POSITION	1.44	1.64	1.64	2.08	0.00
PERSONNEL SERVICES	\$116,439	\$146,790	\$161,002	\$194,449	\$0
MATERIALS & SERVICES	139,601	142,160	167,825	150,751	0
CAPITAL OUTLAY					
TRANSFERS	3,076	2,351	2,752	2,772	0
TOTAL	\$259,116	\$291,301	\$331,579	\$347,972	\$0

Program Objective (services provided):

- Coordinate meter reading and generate a timely, easy to understand bill to customers for water usage, water meter and water line service.
- Promptly post payments of water charges to the appropriate customer account(s).
- Provide citizens and businesses with outstanding customer service for the following functions:
 - Information regarding their water accounts
 - Establishing and closing customer accounts
 - Assist customers with navigating the web in making on-line payments
 - Assistance with payment arrangements, account hardship assistance payments, delinquent charges, leak adjustments, scheduling turn-on and discontinuance of water services
- Update and maintain customer records.
- Implement City Code with respect to water service regulations.
- Perform prudent and timely collection practices to maintain a low delinquency and non-payment rate. Assign severely delinquent accounts to the collection agency for assistance.
- Perform a monthly reconciliation between customer accounts and the general ledger.
- Recommend the adjustment of service rates and control expenses sufficiently to maintain adequate cash flow and debt service coverage ratios.
- Provide financial services and support to pursue the 2017 and 2018 priorities of the Mayor and City Council:
 - Provide City water to more areas within the City of Beaverton, as feasible. Currently, the City is served by Tualatin Valley Water District (TVWD), West Slope Water District, Raleigh Water District and City water. Since water rates vary widely between water districts, the City of Beaverton is making an effort, where feasible and operationally efficient, to serve water to specific areas of the City that are currently being served by other water districts. This is a long term process focusing first on service areas of TVWD.
 - The City is participating in the Willamette Water Supply System preliminary design and governance structures, being undertaken by the City of Hillsboro and TVWD, as well as other agencies.
 - Work to complete the City's first non-potable water irrigation (purple pipe) system in the South Cooper Mountain development area.
 - Initiate work connecting the City's water system to the Joint Water Commission North Transmission Line.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 501 WATER	DEPARTMENT: FINANCE
PROGRAM: 0545 UTILITY BILLING	PROGRAM MANAGER: SUE ANN KONIAK

Progress on FY 2017-18 Action Plan:

The City is currently in the process of renegotiating a contract to complete a major upgrade to the Utility Billing System with the present vendor and hope to receive their contract along with a time line of implementation by the end of March 2018. We hope to have the new upgrade operational during FY 2018-19. In addition, the City is currently in the process of implementing radio read capability for reading meters that reside in the newly acquired withdrawal areas of TVWD and new development in the South Cooper Mountain area. During the fiscal year we filled two positions in utility billing vacated by retirements.

In regional water business:

- The City became a member of the Willamette Intake Facility Commission that will create a new source of drinking water.
- The City Council and TVWD Board agreed for the city to assume responsibility for nearly 16,000 people in areas south of Highway 26 and west of Scholls Ferry Road beginning in FY 2018-19. Benefits for the transferring customers are monthly bills (instead of bi-monthly) and potentially lower rates (on average about \$188 per year) based on the difference between the City's existing water rates and TVWD's.

FY 2018-19 Action Plan:

- Fully implement the upgrade of the City's current Utility Billing System to a new SQL based database platform.
- With the withdrawal of water from other districts and the City taking over and providing water service to more areas of the City, we will need to assign staff as necessary in the set-up of over 3,000 new customer accounts.
- Maintain water rates sufficient to meet operating costs, replacement, upgrades and debt service coverage ratio.
- Support the transition of 4,087 accounts, transferred from TVWD to become City water customers, as early as fall 2018. There will also be several thousand new accounts created by residential development at S. Cooper Mountain.
- Continue to pursue staffing changes to accommodate succession plans across the utility related staff. One additional Accounting Assistant position will be created in FY 2018-19 and a portion of a second Senior Accountant's time will be allocated to the enterprise funds.

Performance Measures:	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Budgeted/Revised	FY 2018-19 Proposed
Number of water accounts*	17,925	17,980	18,000 / 18,031	22,300
Number of water accounts maintained per FTE *	4,481	4,495	4,500 / 4,508	4,460
Avg. Monthly Uncollectable Account Write Offs	\$1,373	\$1,150	\$1,150 / \$2,400	\$2,000
Percentage of Account Write Offs of Total Sales	.13%	.10%	.10% / .19%	.17%
Number of customers receiving e-bills**	3,066	3,500	3,600 / 4,620	5,000
Percentage of Accounts using e-bills**	17%	16%	16% / 26%	28%
Number of Debit/Credit Card transactions through the web**	61,785	70,000	72,000 / 81,800	84,000
Number of Autopay transactions through the web**	23,550	24,000	30,000 / 38,200	40,000
Total \$ all utility payments, received through the web**	\$8,460,000	\$9,000,000	\$9,300,000 / \$11,180,000	\$11,200,000

* Note: This Performance Measure is based on the City Water accounts only. It does not include City of Beaverton citizens and businesses which are served water by Tualatin Valley Water District, West Slope Water District or Raleigh Water District. **Based on the web payment system as a whole, not just water.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 501 WATER	DEPARTMENT: FINANCE
PROGRAM: 0545 UTILITY BILLING	PROGRAM MANAGER: SUE ANN KONIAK

Performance Outcomes and Program Trends:

The program continues to meet the increasing demand for utility billing services with existing resources.

The program's low percentage in account write offs, for the most part, is due to the fact that water service is discontinued for non-payment of an active account. Staff is very diligent in working with customers who may be struggling financially. The City offers payment arrangements and if applicable, hardship payment assistance for eligible accounts through the Beaverton Cares program and other outside agencies.

Water consumption for the current year is expected to be slightly higher or even with the previous year. There was not a lot of growth in the current year, but is expected to increase for FY 2018-2019, as construction starts in the new South Cooper Mountain area. As areas of the City are drawn into the City's water service area from other water districts, customer counts will increase. In the current year, any growth has been offset by water conservation measures. The City has a rebate program in place, which provides a credit on the customer's utility bill, for customers who upgrade their toilets to qualified low flow toilets and upgrade their washing machines to qualified high efficiency washing machines.

The City is currently awaiting a renegotiated contract for a major upgrade to our utility billing system from our present vendor. This project was put on hold during the last year and a half due to staff changes due to retirements at the City and ownership changes of the vendor. This upgrade will provide for more functionality, less custom, and give us the latest SQL platform. Our goal is to have the new major upgrade implemented by June 30, 2019. Any reduction in custom code means significant savings to the City in terms of annual maintenance fees, faster turnaround times on programming and more reliable service pack uploads.

The City of Beaverton is an active member of the Joint Water Commission and Barney Reservoir Commission purchasing water for industrial, commercial, domestic and irrigation purposes. Water consumption trends in Beaverton mirror the per capita reduction experienced by other utilities. While conservation is encouraged to reduce the amount of wasteful water usage, the reduction in annual sales affects the financial health of the utility. The City of Beaverton has made it a practice to make gradual increases in both base and consumption rates (per 100 cubic feet) and anticipates another increase in the coming year based on careful analysis of the performance of the Water Fund. There is a 10 cent increase (3.3%) in the water consumption rate, and a 7.1% increase in the water base charge planned for FY 18-19.

The following is a table of the various monthly water utility costs for an average residential household using 8 CCF of water provided by the City. Rates are adjusted as needed, to maintain the financial stability of the water fund. The rates include an allowance for a 5% Right-of-Way Fee for the impact of water service on the streets and other parts of the system.

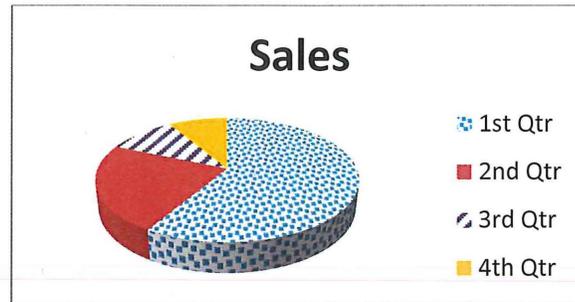
	FY 2015-16	FY 2016-17*	FY 2017-18	FY 2018-19
Water Using 8 CCF:				
Base*	\$13.00	\$13.00	\$14.00	\$15.00
Consumption*	<u>23.76</u>	<u>23.76</u>	<u>24.56</u>	<u>25.36</u>
Total	<u>\$36.76</u>	<u>\$36.76</u>	<u>\$38.56</u>	<u>\$40.36</u>

*There was no increase in FY 2016-17 in either the Water Base rate or the Water Consumption rate. The rates for FY 18-19 are proposed.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 501 WATER	DEPARTMENT: FINANCE
PROGRAM: 0545 UTILITY BILLING	PROGRAM MANAGER: SUE ANN KONIAK

The graph below illustrates the variability of water sales during the seasons of the year. 1st Quarter is July, August and September which typically show evidence of lawn and yard irrigation. Beaverton purchases water from the Joint Water Commission even in the winter months to fill the underground storage capacity of the Aquifer Storage and Recovery system to cover summer water use.



BUDGET PREPARATION WORKSHEET SUMMARY

FUND: 501 WATER FUND DEPT: 20 FINANCE DEPARTMENT

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018 YTD	2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	ACT AMT	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE
	77,847		83,293		94,660		70,400	80,000	84,000		84,000			
511	PROFESSIONAL SERVICES													
	21,638		26,092		31,000		24,961	30,000	31,000		31,000			
TOTAL CLASS: 10 MATERIALS & SERVICES														
	139,601		142,160		167,825		125,818	142,986	150,751		150,751			
CLASS: 25 TRANSFERS														
816	TRSFERS TO REPROGRAPHICS FUND													
	3,076		2,351		2,752		1,426	2,752	2,772		2,772			
TOTAL CLASS: 25 TRANSFERS														
	3,076		2,351		2,752		1,426	2,752	2,772		2,772			
TOTAL DEPARTMENT: 20 FINANCE DEPARTMENT														
	259,116	1.44	291,301	1.64	331,579	1.64	237,881	285,601	304,157	1.64	347,972	2.08		

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**WATER FUND - FINANCE
FY 2017-18 ADOPTED**

Code	Position Title	Actual FY 16-17	Adopted FY 17-18	New	Transfer	Reclass	Deleted	Ending FY 17-18
169	SENIOR ACCOUNTANT	0.30	0.30					0.30
245	ACCOUNTING ASSISTANT	1.00	1.00					1.00
248	ACCOUNTING SPECIALIST	0.34	0.34					0.34
	Total	1.64	1.64	0.00	0.00	0.00	0.00	1.64

FY 2018-19 PROPOSED

Code	Position Title	Ending FY 17-18	New	Transfer	Reclass	Deleted	Proposed FY 18-19
169	SENIOR ACCOUNTANT	0.30		0.10 ^a			0.40
245	ACCOUNTING ASSISTANT	1.00	0.34 ^b				1.34
248	ACCOUNTING SPECIALIST	0.34					0.34
	Total	1.64	0.34	0.10	0.00	0.00	2.08

^a FY 18-19 reallocates one of the Sr. Accountant positions to more accurately reflect the position's time to 10% each in the Water, Sewer, and Storm Drain Funds.

^b FY 18-19 proposes a new 1 FTE Accounting Assistant position that is allocated 34% in the Water Fund, 33% in the Sewer Fund and 33% in the Storm Drain Fund.

BP WORKSHEET & JUSTIFICATION

FUND: 501 WATER FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0545 UTILITY BILLING & COLLECTIONS

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE

CLASS: 05 PERSONNEL SERVICES

169	SENIOR ACCOUNTANT	8,641	.10	26,408	.30	26,902	.30	26,902	27,572	.30	35,289	.40
245	ACCOUNTING ASSISTANT	49,423	1.00	46,340	1.00	52,205	1.00	45,334	49,086	1.00	64,097	1.34
248	ACCOUNTING SPECIALIST	18,842	.34	19,394	.34	19,425	.34	19,582	20,137	.34	20,137	.34
275	TEMPORARY EMPLOYEES	442		3,520		1,700						
299	PAYROLL TAXES AND FRINGES	39,091		51,128		60,770		48,045	53,839		74,926	

TOTAL CLASS: 05 PERSONNEL SERVICES

		116,439	1.44	146,790	1.64	161,002	1.64	139,863	150,634	1.64	194,449	2.08
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CLASS: 10 MATERIALS & SERVICES

301	OFFICE EXPENSE	327		104		300		300	367		367	
302	POSTAGE EXPENSE	27,359		25,539		28,800		25,900	28,000		28,000	
303	OFFICE FURNITURE & EQUIPMENT			188		260		400	467		467	
305	SPECIAL DEPARTMENT SUPPLIES	9,622		6,718		11,000		4,817	5,000		5,000	
307	MEMBERSHIP FEES	168		118		185		169	402		402	
318	COMPUTER SOFTWARE	2,635										
321	TRAVEL, TRAINING & SUBSISTENCE	5		108		1,620		1,400	1,515		1,515	

OBJ	OBJECT DESCRIPTION
	JUSTIFICATIONS

- 169 SENIOR ACCOUNTANT
 FY 2016-17 REFLECTS ONE SR. ACCOUNTANT POSITION THAT WAS PREVIOUSLY ALLOCATED
 70% GENERAL FUND / 10% WATER FUND / 10% SEWER FUND / 10% STORM DRAIN FUND, CHANGED
 ITS ALLOCATION TO 10% GENERAL FUND / 30% WATER FUND / 30% SEWER FUND / 30% STORM FUND.
- 245 ACCOUNTING ASSISTANT
 FY 16-17 REFLECTS DECREASE DUE TO POSITION VACANCY AND THEN BEING FILLED AT LOWER STEP.
 FY 18-19 REFLECTS AN ADDITIONAL 1 FTE ACCOUNTING ASSISTANT POSITION THAT IS ALLOCATED:
 34% WATER FUND / 33% SEWER FUND / 33% STORM DRAIN FUND.
- 248 ACCOUNTING SPECIALIST
- 275 TEMPORARY EMPLOYEES
 EXTRA HELP FOR UTILITY BILLING UPGRADE TO SQL VERSION OF SOFTWARE
- 299 PAYROLL TAXES AND FRINGES
 PAYROLL TAXES AND FRINGE BENEFITS EXPRESSED AS A PERCENTAGE OF SALARY
 TOTALS 61.45% AS A CITY-WIDE AVERAGE AND CONSISTS OF THE FOLLOWING:
 37.07% IN PAYROLL TAXES CONSISTING OF 7.65% FICA, AVERAGE OF 20.74% FOR
 RETIREMENT CONTRIBUTIONS (25.39% PERS. 16.72% OPSRP GENERAL OR
 21.49% OPSRP POLICE), A 2.23% CONTRIBUTION TO THE PERS RESERVE FUND,
 AND 6.45% IN OTHER TAXES (UNEMPLOYMENT, LONG TERM DISABILITY,
 WORKERS COMPENSATION, PEHP, AND TRIMET)
 24.38% AS THE AVERAGE COST OF MEDICAL, DENTAL, LIFE AND AD&D INSURANCES
- 301 OFFICE EXPENSE
 MISC OFFICE SUPPLIES \$367
- 302 POSTAGE EXPENSE
 POSTAGE FOR MAILING UTILITY BILLS; DELINQUENT NOTICES; FINAL BILLS. \$28,000
- 303 OFFICE FURNITURE & EQUIPMENT
 MISC. SMALL EQUIPMENT AND REPLACEMENT FURNITURE \$467
- 305 SPECIAL DEPARTMENT SUPPLIES
 UTILITY BILL STOCK (REGULAR BILL, PAST DUE NOTICES), ENVELOPES (OUTGOING, RETURN), ETC. \$5,000
- 307 MEMBERSHIP FEES
 AMERICAN WATER WORKS ASSOCIATION \$85
 SPLIT BETWEEN WATER, SEWER AND STORM DRAIN FUNDS:
 SPRINGBROOK USER GROUP MEMBERSHIP \$84
 OREGON SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS \$98
 OREGON BOARD OF ACCOUNTANCY \$85
 OREGON GOVERNMENT FINANCE OFFICERS ASSOCIATION \$50
- 318 COMPUTER SOFTWARE
 NO APPROPRIATION REQUESTED
- 321 TRAVEL, TRAINING & SUBSISTENCE
 NOTE: FY 18-19 INCLUDES TRAINING AND TRAVEL FOR SR. ACCOUNTANT IN CHARGE OF UTILITY
 BILLING, PREVIOUSLY BUDGETED IN GENERAL FUND.
 SPLIT BETWEEN WATER, SEWER AND STORM DRAIN FUNDS:
 OREGON GOVERNMENT FINANCE OFFICERS ASSOCIATION SPRING CONFERENCE \$367
 GOVERNMENT FINANCE OFFICERS ASSOC. GAAP UPDATE \$50
 OREGON SOCIETY OF CPAS - WINTER GOVERNMENT CONFERENCE \$123
 OREGON SOCIETY OF CPAS - GOVERNMENTAL ACCTG & AUDITING CONFERENCE \$233
 OTHER TRAINING & MILEAGE TO MEET CPA LICENSE REQUIREMENT \$267
 CUSTOMER SERVICE STAFF TRAINING \$400
 OREGON SOCIETY OF CPAS - ETHICS \$75

BP WORKSHEET & JUSTIFICATION

FUND: 501 WATER FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0545 UTILITY BILLING & COLLECTIONS

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE
406	BANK SERVICE FEES												
	77,847		83,293		94,660		80,000	84,000		84,000		84,000	
511	PROFESSIONAL SERVICES												
	21,638		26,092		31,000		30,000	31,000		31,000		31,000	
TOTAL CLASS: 10 MATERIALS & SERVICES													
	139,601		142,160		167,825		142,986	150,751		150,751		150,751	
CLASS: 25 TRANSFERS													
816	TRSFERS TO REPROGRAPHICS FUND												
	3,076		2,351		2,752		2,752	2,772		2,772		2,772	
TOTAL CLASS: 25 TRANSFERS													
	3,076		2,351		2,752		2,752	2,772		2,772		2,772	
TOTAL PROGRAM: 0545 UTILITY BILLING & COLLECTIONS													
	259,116	1.44	291,301	1.64	331,579	1.64	285,601	304,157	1.64	347,972	2.08	347,972	2.08
TOTAL DEPARTMENT: 20 FINANCE DEPARTMENT													
	259,116	1.44	291,301	1.64	331,579	1.64	285,601	304,157	1.64	347,972	2.08	347,972	2.08

BP WORKSHEET & JUSTIFICATION

FUND: 501 WATER FUND
DEPT: 20 FINANCE DEPARTMENT
PROGRAM: 0545 UTILITY BILLING & COLLECTIONS

OBJ	OBJECT DESCRIPTION
	JUSTIFICATIONS

406 BANK SERVICE FEES
PROCESSING AND BANK FEES FOR CUSTOMER CREDIT CARD AND LOCKBOX PAYMENTS \$84,000

511 PROFESSIONAL SERVICES
ARMORED CAR SERVICE \$1,300
MISC PROGRAMMING AND DATA FIXES TO THE 3RD PARTY SPRINGBROOK UTILITY BILLING SYSTEM \$1,070
METRO PRESORT PROCESSING CHARGES (UB PRINTED STATEMENTS, ARCHIVING, INSERTS) \$6,400
ACCELA CHARGES FOR WEB TRANSACTIONS \$22,000
CARE TO SHARE ADMINISTRATION FEE FOR HANDLING UTILITY ASSISTANCE PAYMENTS \$230

816 TRSFERS TO REPROGRAPHICS FUND
ALLOCATION OF COPIER, GRAPHICS, PRINTING, MAILING, & POSTAGE CHARGES THROUGH REPROGRAPHICS

ESTIMATE - PAYROLL EXPENSE BY DEPARTMENT

Thursday, April 26, 2018 3:44 PM

ACCOUNT	TITLE	FTE	REG HRS	OT HRS	HIL HRS	REG PAY	OT PAY	HIL PAY	ADD PAY	SALARY	FBAMT	TOT AMT
501-20	FINANCE DEPARTMENT											
501-20-0545-05-169	SENIOR ACCOUNTANT	0.30	624			26,901				26,902	12,396	39,298
501-20-0545-05-245	ACCOUNTING ASSISTANT	1.00	2,025	3		45,238	97			45,334	26,103	71,437
501-20-0545-05-248	ACCOUNTING SPECIALIST	0.34	707	3		19,423	159			19,582	9,546	29,128
	UTILITY BILLING & COLLECTIONS	1.64	3,356	6		91,562	255			91,818	48,045	139,863
	**** DEPARTMENT TOTAL ****	1.64	3,356	6		91,562	255			91,818	48,045	139,863

1167

PROPOSE - PAYROLL EXPENSE BY DEPARTMENT

Thursday, April 26, 2018 3:45 PM

ACCOUNT	TITLE	FTE	REG HRS	OT HRS	HIL HRS	REG PAY	OT PAY	HIL PAY	ADD PAY	SALARY	FBAMT	TOT AMT
501-20	FINANCE DEPARTMENT											
501-20-0545-05-169	SENIOR ACCOUNTANT	0.40	831			35,289				35,289	16,894	52,183
501-20-0545-05-245	ACCOUNTING ASSISTANT	1.34	2,784	7		63,821	276			64,097	47,382	111,479
501-20-0545-05-248	ACCOUNTING SPECIALIST	0.34	708	5		19,908	230			20,137	10,650	30,787
	UTILITY BILLING & COLLECTIONS	2.08	4,323	12		119,018	506			119,523	74,926	194,449
	**** DEPARTMENT TOTAL ****	2.08	4,323	12		119,018	506			119,523	74,926	194,449

1168

FINANCE - SEWER FUND

CITY OF BEAVERTON

BUDGET TREND ANALYSIS - FY 2015-16 TO FY 2018-19

With Explanations on Significant Changes between Budgeted 2017-18 and Recommended 2018-19

Fund: Sewer Fund
 Department: Finance - Summary

CLASS	Actual FY 2015-16	Actual FY 2016-17	Budget FY 2017-18	Estimated FY 2017-18	Recommended FY 2018-19	% Change Budgeted Vs. Recommended
Personnel Services	\$119,305	\$146,226	\$159,933	\$139,198	\$192,759	20.52%
Materials and Services	181,950	192,472	217,625	193,900	204,666	-5.95%
Transfers	2,091	1,663	1,651	1,651	1,663	0.73%
SUB-TOTAL	\$303,346	\$340,361	\$379,209	\$334,749	\$399,088	
Contingency						
Reserve for equip.						
TOTAL	\$303,346	\$340,361	\$379,209	\$334,749	\$399,088	
FTE's	1.43	1.43	1.63	1.63	2.06	

Explanation of item(s) that are significant (10% and greater than \$10,000):

Personnel services:

FY 2018-19 reflects a new .33 FTE new Accounting Assistant Position in Utility Billing due to transitioning 4,107 accounts from the Tualatin Valley Water District to the City of Beaverton for Water, Sewer and Storm Drain billing and the transfer of .10 FTE Senior Accountant from the General Fund to the Water Fund to more accurately reflect the position's work plan. The Recommended Budget also includes step increases, COLA increases for SEIU, and Management as well as a 2.23% increase in retirement reserves contributions (PERS), medical insurance cost increases of 7.5% for the Kaiser Plan, and an 11% increase in MODA plans.

Materials and services:

No significant change.

Transfers:

No significant change.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 502 SEWER	DEPARTMENT: FINANCE
PROGRAM: 0545 UTILITY BILLING	PROGRAM MANAGER: SUE ANN KONIAK

Program Goal:

To maintain the financial stability for the operation and maintenance of City's sewer system by providing citizens and businesses with timely and accurate utility bills and the subsequent collection and deposit of these charges. *(Council Goal #2: Continue to plan for, improve, and maintain the City's infrastructure; #3: Maintain Beaverton as a regional leader in cooperative efforts with other agencies and organizations; #4: Manage growth and respond to change consistent with maintaining a livable, full-service city; #7: Provide responsive, cost-effective service to the community; #8: Use City resources efficiently to ensure long-term financial stability.)*

REQUIREMENTS	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 BUDGETED	FY 2018-19 PROPOSED	FY 2018-19 ADOPTED
POSITION	1.43	1.63	1.63	2.06	0.00
PERSONNEL SERVICES	\$119,305	\$146,226	\$159,933	\$192,759	\$0
MATERIALS & SERVICES	181,950	192,472	217,625	204,666	0
CAPITAL OUTLAY					
TRANSFERS	2,091	1,663	1,651	1,663	0
TOTAL	\$303,346	\$340,361	\$379,209	\$399,088	\$0

Program Objective (services provided):

- Generate a timely, easy to understand bill to customers for sewer usage and service.
- Promptly post payments of sewer charges to the appropriate customer account(s).
- Provide citizens and businesses with outstanding customer service for the following functions:
 - Information regarding their sewer account(s)
 - Establishing and closing customer accounts
 - Assist customers with navigating the web in making on-line payments
 - Assistance with payment arrangements and account hardship assistance payments.
- Update and maintain customer records. This includes updating customer account records due to changes in fixtures, number of equivalent dwelling units (EDU's) and changes that affect winter water use.
- Implement City Code and the Clean Water Services (CWS) Resolution and Order with respect to sewer service regulations.
- Perform prudent and timely collection practices to maintain a low delinquency and non-payment rate. Transfer severely delinquent sewer only accounts to the collection agency for assistance with collections.
- Perform a monthly reconciliation between customer accounts and the general ledger.
- Implement the annual winter usage water update to insure proper billing of sewer usage. This includes entry of West Slope Water District and Raleigh Water District winter water data, reviewing winter water consumption reports from Tualatin Valley Water District and making adjustments for leaks, vacancies, etc., when applicable.
- Prepare a monthly sewer receipts report and transfer the applicable percentage payment to Clean Water Services.
- Assess a ROW Fee equivalent to 5% of Gross Revenue on the sewer utility revenue accruing to CWS.

Progress on FY 2017-18 Action Plan:

The City is currently in the process of renegotiating a contract to complete the upgrade to the Utility Billing System with the present vendor and hope to receive their contract along with a time line of implementation by the end of March 2018. We hope to have the new upgrade operational during FY 2018-19. During the fiscal year we filled two positions in utility billing vacated by retirements.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 502 SEWER	DEPARTMENT: FINANCE
PROGRAM: 0545 UTILITY BILLING	PROGRAM MANAGER: SUE ANN KONIAK

FY 2018-19 Action Plan:

- Continued work on the upgrade of the City's current Utility Billing System to a new SQL based database platform.
- Maintain sewer rates sufficient to meet operating costs, replacement, and upgrades.
- Perform the annual update of customer's winter water averages for Sewer Usage charges.
- Continue working with GIS department on fixture count data that eventually can be interfaced with the City's Utility Billing system.
- Continue to pursue staffing changes to accommodate succession plans across the utility related staff. One additional Accounting Assistant position will be created in FY 2018-19 and a portion of a second Senior Accountant's time will be allocated to the enterprise funds.

Performance Measures:	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Budgeted/Revised	FY 2018-19 Proposed
Number of sewer accounts*	22,885	22,900	22,925 / 23,004	23,320
Number of sewer accounts maintained per FTE	5,721	5,723	5,727 / 5,751	4,640
Avg. Monthly Uncollectable Account Write Offs	\$2,104	\$2,150	\$2,215 / \$1,198	\$2,000
Percentage of Account Write Offs of Total Sales**	.53%	.77%	.75% / .51%	.83%
Number of utility customers receiving e-bills***	3,066	3,500	3,600 / 4,620	5,000
Percentage of Accounts using e-bills***	17%	16%	16% / 26%	28%
Number of Debit/Credit Card transactions through the web***	61,785	70,000	72,000 / 81,800	84,000
Number of Autopay transactions through the web***	23,550	24,000	30,000 / 38,200	40,000
Total \$ all utility payments, received through the web***	\$8,460,000	\$9,000,000	\$9,310,000 / \$11,180,000	\$11,200,000

* Total sewer accounts represent approximately 18,065 accounts that are directly billed by the City and approximately 4,939 accounts billed by Tualatin Valley Water District on behalf of the City through our Joint Billing Intergovernmental Agreement.

** The percent of write offs for Sewer is higher when compared to the write offs for Water accounts. This is due to the fact that the City has a number of Sewer only accounts (where the customer is served water by West Slope or Raleigh Water District) and the City cannot shut-off sewer service alone for non-payment. These accounts are periodically assigned to our collection agency. With rates increasing each year and a few more customers not paying, delinquent sewer accounts over \$300 are being assigned more often and sooner than in prior years.

***Based on the web payment system as a whole, not just sewer.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 502 SEWER	DEPARTMENT: FINANCE
PROGRAM: 0545 UTILITY BILLING	PROGRAM MANAGER: SUE ANN KONIAK

Performance Outcomes and Program Trends:

The program continues to meet the increasing demand for utility billing services with existing resources.

The program still maintains an overall low write off due to the fact that most of the sewer accounts are billed along with the City's water charges and water service is discontinued for non-payment of an active account. Staff is very diligent in working with customers who may be struggling financially. The City offers payment arrangements and if applicable, account hardship payment assistance through the Beaverton Cares program and other outside agencies. Accounts that are severely delinquent are assigned to a collection agency for assistance.

The City partners with Tualatin Valley Water District (TVWD) through an IGA to jointly bill mutual customers that are served water by TVWD and sewer service by the City. Both agencies recognize significant savings in this partnership through sharing postage, stock and envelope costs, customer statement processing and printing costs, collection and processing of payments, etc. In addition, since the City's sewer charges are billed on TVWD's water bill, sewer charges are collected at a much higher rate, due to the fact that the customer's water service is discontinued if the joint bill is not paid.

The City is currently awaiting a renegotiated contract for a major upgrade to our utility billing system from our present vendor. This project was put on hold during the last year and a half due to staff changes due to retirements at the City and ownership changes of the vendor. This upgrade will provide for more functionality, less custom, and give us the latest SQL platform. Our goal is to have the new major upgrade implemented by June 30, 2019. Any reduction in custom code means significant savings to the City in terms of annual maintenance fees, faster turnaround times on programming and more reliable service pack uploads.

The City updates all customer winter water averages each July 1, for the customer's winter water use during the preceding winter months (November 2017 – April 2018). A monthly average is calculated and becomes the basis for the customer's sewer use charges July 2018 – June 2019.

The following is a table of the various monthly sewer utility costs for an average residential household using 8 CCF of winter water per month. Clean Water Services establishes regional rates and the City may adjust the sewer surcharge, as needed, to maintain the financial stability of the sewer fund. The rates include an allowance for a 5% Right-of-Way Fee for the impact of sanitary sewer service on the streets and other parts of the system.

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19*
Sewer Using 8 CCF of				
Winter Water:				
Base	\$26.63	\$27.45	\$27.78	\$28.67
Use	<u>14.17</u>	<u>14.56</u>	<u>15.76</u>	<u>16.24</u>
Subtotal	\$40.80	\$42.01	\$43.54	\$44.91
Surcharge	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Total	<u>\$42.80</u>	<u>\$44.01</u>	<u>\$45.54</u>	<u>\$46.91</u>

*FY 18-19 includes an estimated increase of 3.0% on Sewer Base and Use rates.

BUDGET PREPARATION WORKSHEET SUMMARY

FUND: 502 SEWER FUND

DEPT: 20 FINANCE DEPARTMENT

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018 YTD		2018		2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	ACT AMT	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE		

CLASS: 05 PERSONNEL SERVICES

169	SENIOR ACCOUNTANT															
	8,641	.10	26,408	.30	26,902	.30	21,226	26,902	27,572	.30	35,289	.40				
245	ACCOUNTING ASSISTANT															
	49,432	1.00	46,646	1.00	52,211	1.00	35,696	45,466	49,172	1.00	63,744	1.33				
248	ACCOUNTING SPECIALIST															
	18,287	.33	18,824	.33	18,851	.33	15,054	19,005	19,544	.33	19,544	.33				
275	TEMPORARY EMPLOYEES															
	429		3,416		1,700											
299	PAYROLL TAXES AND FRINGES															
	42,516		50,932		60,269		38,142	47,825	53,578		74,182					

1173 TOTAL CLASS: 05 PERSONNEL SERVICES

	119,305	1.43	146,226	1.63	159,933	1.63	110,118	139,198	149,866	1.63	192,759	2.06				
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CLASS: 10 MATERIALS & SERVICES

301	OFFICE EXPENSE															
	303		104		300		300	300	367		367					
302	POSTAGE EXPENSE															
	27,359		25,539		28,800		28,800	25,900	28,000		28,000					
303	OFFICE FURNITURE & EQUIPMENT															
			188		460		397	400	467		467					
305	SPECIAL DEPARTMENT SUPPLIES															
	8,501		6,718		11,000			4,817	5,000		5,000					
307	MEMBERSHIP FEES															
	83		33		85		185	83	317		317					
318	COMPUTER SOFTWARE															
	2,635															
321	TRAVEL, TRAINING & SUBSISTENCE															
			108		1,620		413	1,400	1,515		1,515					
406	BANK SERVICE FEES															

BUDGET PREPARATION WORKSHEET SUMMARY

FUND: 502 SEWER FUND

DEPT: 20 FINANCE DEPARTMENT

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018 YTD	2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	ACT AMT	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE
	75,961		82,073		93,360		69,160	80,000	84,000		84,000			
511	PROFESSIONAL SERVICES													
	67,108		77,709		82,000		79,684	81,000	85,000		85,000			
TOTAL CLASS: 10 MATERIALS & SERVICES														
	181,950		192,472		217,625		178,939	193,900	204,666		204,666			
CLASS: 25 TRANSFERS														
816	TRSFERS TO REPROGRAPHICS FUND													
	2,091		1,663		1,651		955	1,651	1,663		1,663			
TOTAL CLASS: 25 TRANSFERS														
	2,091		1,663		1,651		955	1,651	1,663		1,663			
TOTAL DEPARTMENT: 20 FINANCE DEPARTMENT														
	303,346	1.43	340,361	1.63	379,209	1.63	290,012	334,749	356,195	1.63	399,088	2.06		

1174

**SEWER FUND - FINANCE
FY 2017-18 ADOPTED**

Code	Position Title	Actual FY 16-17	Adopted FY 17-18	New	Transfer	Reclass	Deleted	Ending FY 17-18
169	SENIOR ACCOUNTANT	0.30	0.30					0.30
245	ACCOUNTING ASSISTANT	1.00	1.00					1.00
248	ACCOUNTING SPECIALIST	0.33	0.33					0.33
	Total	1.63	1.63	0.00	0.00	0.00	0.00	1.63

FY 2018-19 PROPOSED

Code	Position Title	Ending FY 17-18	New	Transfer	Reclass	Deleted	Proposed FY 18-19
169	SENIOR ACCOUNTANT	0.30		0.10 ^a			0.40
245	ACCOUNTING ASSISTANT	1.00	0.33 ^b				1.33
248	ACCOUNTING SPECIALIST	0.33					0.33
	Total	1.63	0.33	0.10	0.00	0.00	2.06

^a FY 18-19 reallocates one of the Sr. Accountant positions to more accurately reflect the position's time to 10% each in the Water, Sewer, and Storm Drain Funds.

^b FY 18-19 proposes a new 1 FTE Accounting Assistant position that is allocated 34% in the Water Fund, 33% in the Sewer Fund and 33% in the Storm Drain Fund.

City of Beaverton - Finance
 Budget Preparation - 2019

BP WORKSHEET & JUSTIFICATION

FUND: 502 SEWER FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0545 UTILITY BILLING & COLLECTIONS

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE

CLASS: 05 PERSONNEL SERVICES

169	SENIOR ACCOUNTANT												
	8,641	.10	26,408	.30	26,902	.30	26,902	27,572	.30	35,289	.40		
245	ACCOUNTING ASSISTANT												
	49,432	1.00	46,646	1.00	52,211	1.00	45,466	49,172	1.00	63,744	1.33		
248	ACCOUNTING SPECIALIST												
	18,287	.33	18,824	.33	18,851	.33	19,005	19,544	.33	19,544	.33		
275	TEMPORARY EMPLOYEES												
	429		3,416		1,700								
299	PAYROLL TAXES AND FRINGES												
	42,516		50,932		60,269		47,825	53,578		74,182			

TOTAL CLASS: 05 PERSONNEL SERVICES

	119,305	1.43	146,226	1.63	159,933	1.63	139,198	149,866	1.63	192,759	2.06		
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CLASS: 10 MATERIALS & SERVICES

301	OFFICE EXPENSE												
	303		104		300		300	367		367			
302	POSTAGE EXPENSE												
	27,359		25,539		28,800		25,900	28,000		28,000			
303	OFFICE FURNITURE & EQUIPMENT												
			188		460		400	467		467			
305	SPECIAL DEPARTMENT SUPPLIES												
	8,501		6,718		11,000		4,817	5,000		5,000			
307	MEMBERSHIP FEES												
	83		33		85		83	317		317			
318	COMPUTER SOFTWARE												
	2,635												
321	TRAVEL, TRAINING & SUBSISTENCE												
			108		1,620		1,400	1,515		1,515			

BP WORKSHEET & JUSTIFICATION

FUND: 502 SEWER FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0545 UTILITY BILLING & COLLECTIONS

OBJ	OBJECT DESCRIPTION
	JUSTIFICATIONS

- 169 SENIOR ACCOUNTANT
 FY 2016-17 REFLECTS ONE SR. ACCOUNTANT POSITION THAT WAS PREVIOUSLY ALLOCATED
 70% GENERAL FUND / 10% WATER FUND / 10% SEWER FUND / 10% STORM DRAIN FUND, CHANGED
 ITS ALLOCATION TO 10% GENERAL FUND / 30% WATER FUND / 30% SEWER FUND / 30% STORM FUND.
- 245 ACCOUNTING ASSISTANT
 FY 18-19 REFLECTS AN ADDITIONAL 1 FTE ACCOUNTING ASSISTANT POSITION THAT IS ALLOCATED:
 34% WATER FUND / 33% SEWER FUND / 33% STORM DRAIN FUND.
- 248 ACCOUNTING SPECIALIST
- 275 TEMPORARY EMPLOYEES
 EXTRA HELP FOR UTILITY BILLING UPGRADE TO SQL VERSION OF SOFTWARE
- 299 PAYROLL TAXES AND FRINGES
 PAYROLL TAXES AND FRINGE BENEFITS EXPRESSED AS A PERCENTAGE OF SALARY
 TOTALS 61.45% AS A CITY-WIDE AVERAGE AND CONSISTS OF THE FOLLOWING:
 37.07% IN PAYROLL TAXES CONSISTING OF 7.65% FICA, AVERAGE OF 20.74% FOR
 RETIREMENT CONTRIBUTIONS (25.39% PERS. 16.72% OPSRP GENERAL OR
 21.49% OPSRP POLICE), A 2.23% CONTRIBUTION TO THE PERS RESERVE FUND,
 AND 6.45% IN OTHER TAXES (UNEMPLOYMENT, LONG TERM DISABILITY,
 WORKERS COMPENSATION, PEHP, AND TRIMET)
 24.38% AS THE AVERAGE COST OF MEDICAL, DENTAL, LIFE AND AD&D INSURANCES
- 301 OFFICE EXPENSE
 MISC OFFICE SUPPLIES \$367
- 302 POSTAGE EXPENSE
 POSTAGE FOR MAILING UTILITY BILLS; DELINQUENT NOTICES; FINAL BILLS. \$28,000
- 303 OFFICE FURNITURE & EQUIPMENT
 RISING DESK SURFACE AND CHAIR REPLACEMENT \$467
- 305 SPECIAL DEPARTMENT SUPPLIES
 UTILITY BILL STOCK (REGULAR BILL, PAST DUE NOTICES), ENVELOPES (OUTGOING, RETURN), ETC. \$5,000
- 307 MEMBERSHIP FEES
 SPLIT BETWEEN WATER, SEWER AND STORM DRAIN FUNDS:
 SPRINGBROOK USER GROUP MEMBERSHIP \$84
 OREGON SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS \$98
 OREGON BOARD OF ACCOUNTANCY \$85
 OREGON GOVERNMENT FINANCE OFFICERS ASSOCIATION \$50
- 318 COMPUTER SOFTWARE
 NO APPROPRIATION REQUESTED
- 321 TRAVEL, TRAINING & SUBSISTENCE
 NOTE: FY 18-19 INCLUDES TRAINING AND TRAVEL FOR SR. ACCOUNTANT IN CHARGE OF UTILITY
 BILLING, PREVIOUSLY BUDGETED IN GENERAL FUND.
 SPLIT BETWEEN WATER, SEWER AND STORM DRAIN FUNDS:
 OREGON GOVERNMENT FINANCE OFFICERS ASSOC- SPRING CONFERENCE \$367
 GOVERNMENT FINANCE OFFICERS ASSOC - GAAP UPDATE \$50
 OREGON SOCIETY OF CPAS - GOVERNMENTAL ACCTG & AUDITING CONFERENCE \$233
 OREGON SOCIETY OF CPAS - ETHICS \$75
 OREGON SOCIETY OF CPAS - WINTER GOVERNMENT CONFERENCE \$123
 OTHER TRAINING & MILEAGE TO MEET CPA LICENSE REQUIREMENT \$267
 CUSTOMER SERVICE STAFF TRAINING \$400

BP WORKSHEET & JUSTIFICATION

FUND: 502 SEWER FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0545 UTILITY BILLING & COLLECTIONS

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE
406	BANK SERVICE FEES												
	75,961		82,073		93,360		80,000	84,000		84,000			
511	PROFESSIONAL SERVICES												
	67,108		77,709		82,000		81,000	85,000		85,000			
TOTAL CLASS: 10 MATERIALS & SERVICES													
	181,950		192,472		217,625		193,900	204,666		204,666			
CLASS: 25 TRANSFERS													
816	TRSFERS TO REPROGRAPHICS FUND												
	2,091		1,663		1,651		1,651	1,663		1,663			
TOTAL CLASS: 25 TRANSFERS													
	2,091		1,663		1,651		1,651	1,663		1,663			
TOTAL PROGRAM: 0545 UTILITY BILLING & COLLECTIONS													
	303,346	1.43	340,361	1.63	379,209	1.63	334,749	356,195	1.63	399,088	2.06		
TOTAL DEPARTMENT: 20 FINANCE DEPARTMENT													
	303,346	1.43	340,361	1.63	379,209	1.63	334,749	356,195	1.63	399,088	2.06		

BP WORKSHEET & JUSTIFICATION

FUND: 502 SEWER FUND
DEPT: 20 FINANCE DEPARTMENT
PROGRAM: 0545 UTILITY BILLING & COLLECTIONS

OBJ	OBJECT DESCRIPTION
	JUSTIFICATIONS

- 406 BANK SERVICE FEES
PROCESSING AND BANK FEES FOR CUSTOMER CREDIT CARD & LOCKBOX PAYMENTS \$84,000
- 511 PROFESSIONAL SERVICES
 - ARMORED CAR SERVICE \$1,300
 - TUALATIN VALLEY WATER DIST (JOINT BILLING SERVICES) \$54,000
 - METRO PRESORT PROCESSING CHARGES (UB PRINTED STATEMENTS, ARCHIVING, INSERTS) \$6,400
 - MISC PROGRAMMING AND DATA FIXES TO THE 3RD PARTY SPRINGBROOK UTILITY BILLING SYSTEM \$1,070
 - ACCELA (SPRINGBROOK) CHARGES FOR WEB PAYMENTS TRANSACTIONS \$22,000
 - CARE TO SHARE ADMINISTRATION FEES FOR HANDLING UTILITY PAYMENT ASSISTANCE \$230

- 816 TRSFERS TO REPROGRAPHICS FUND
ALLOCATION OF COPIER, GRAPHICS, PRINTING, MAILING, & POSTAGE CHARGES THROUGH REPROGRAPHICS

ESTIMATE - PAYROLL EXPENSE BY DEPARTMENT

Thursday, April 26, 2018 3:44 PM

ACCOUNT	TITLE	FTE	REG HRS	OT HRS	HIL HRS	REG PAY	OT PAY	HIL PAY	ADD PAY	SALARY	FBAMT	TOT AMT
502-20	FINANCE DEPARTMENT											
502-20-0545-05-169	SENIOR ACCOUNTANT	0.30	622			26,902				26,902	12,398	39,300
502-20-0545-05-245	ACCOUNTING ASSISTANT	1.00	2,024	4		45,368	99			45,466	26,165	71,631
502-20-0545-05-248	ACCOUNTING SPECIALIST	0.33	687	3		18,851	154			19,005	9,264	28,269
	UTILITY BILLING & COLLECTIONS	1.63	3,333	7		91,121	253			91,373	47,827	139,200
	**** DEPARTMENT TOTAL ****	1.63	3,333	7		91,121	253			91,373	47,827	139,200

1180

PROPOSE - PAYROLL EXPENSE BY DEPARTMENT

Thursday, April 26, 2018 3:45 PM

ACCOUNT	TITLE	FTE	REG HRS	OT HRS	HIL HRS	REG PAY	OT PAY	HIL PAY	ADD PAY	SALARY	FBAMT	TOT AMT
502-20	FINANCE DEPARTMENT											
502-20-0545-05-169	SENIOR ACCOUNTANT	0.40	831			35,289				35,289	16,894	52,183
502-20-0545-05-245	ACCOUNTING ASSISTANT	1.33	2,769	9		63,467	276			63,744	46,952	110,696
502-20-0545-05-248	ACCOUNTING SPECIALIST	0.33	687	5		19,321	223			19,544	10,336	29,880
	UTILITY BILLING & COLLECTIONS	2.06	4,287	14		118,077	499			118,577	74,182	192,759
	**** DEPARTMENT TOTAL ****	2.06	4,287	14		118,077	499			118,577	74,182	192,759

1181

FINANCE - STORM DRAIN FUND

CITY OF BEAVERTON

BUDGET TREND ANALYSIS - FY 2015-16 TO FY 2018-19

With Explanations on Significant Changes between Budgeted 2017-18 and Recommended 2018-19

Fund: Storm Drain
 Department: Finance - Summary

CLASS	Actual FY 2015-16	Actual FY 2016-17	Budget FY 2017-18	Estimated FY 2017-18	Recommended FY 2018-19	% Change Budgeted Vs. Recommended
Personnel Services	\$119,366	\$142,831	\$160,044	\$139,181	\$192,786	20.46%
Materials and Services	181,974	192,471	217,625	193,899	204,663	-5.96%
Transfers	2,091	1,662	1,651	1,651	1,663	0.73%
SUB-TOTAL	\$303,431	\$336,964	\$379,320	\$334,731	\$399,112	
Contingency						
TOTAL	\$303,431	\$336,964	\$379,320	\$334,731	\$399,112	
FTE's	1.43	1.43	1.63	1.63	2.06	

Explanation of item(s) that are significant (10% and greater than \$10,000):

Personnel services:

FY 2018-19 reflects a new .33 FTE new Accounting Assistant Position in Utility Billing due to transitioning 4,107 accounts from the Tualatin Valley Water District to the City of Beaverton for Water, Sewer and Storm Drain billing and the transfer of .10 FTE Senior Accountant from the General Fund to the Water Fund to more accurately reflect the position's work plan. The Recommended Budget also includes step increases, COLA increases for SEIU, and Management as well as a 2.23% increase in retirement reserves contributions (PERS), medical insurance cost increases of 7.5% for the Kaiser Plan, and an 11% increase in MODA plans.

Materials and services:

No Significant Change

Transfers:

No Significant Change

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 513 STORM DRAIN	DEPARTMENT: FINANCE
PROGRAM: 0545 UTILITY BILLING	PROGRAM MANAGER: SUE ANN KONIAK

Program Goal:

To maintain the financial stability for the operation and maintenance of City's storm drain system by providing citizens and businesses with timely and accurate utility bills and the subsequent collection and deposit of these charges. *(Council Goal #2: Continue to plan for, improve, and maintain the City's infrastructure; #3: Maintain Beaverton as a regional leader in cooperative efforts with other agencies and organizations; #4: Manage growth and respond to change consistent with maintaining a livable, full-service city; #7: Provide responsive, cost-effective service to the community; #8: Use City resources efficiently to ensure long-term financial stability.)*

REQUIREMENTS	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 BUDGETED	FY 2018-19 PROPOSED	FY 2018-19 ADOPTED
POSITION	1.43	1.63	1.63	2.06	0.00
PERSONNEL SERVICES	\$119,366	\$142,831	\$160,044	\$192,786	\$0
MATERIALS & SERVICES	181,974	192,471	217,625	204,663	0
CAPITAL OUTLAY					
TRANSFERS	2,091	1,662	1,651	1,663	0
TOTAL	\$303,431	\$336,964	\$379,320	\$399,112	\$0

Program Objective (services provided):

- Generate a timely, easy to understand bill to customers for storm drain service.
- Promptly post payments of storm drain charges to the appropriate customer accounts.
- Provide the citizens with outstanding customer service for the following functions:
 - Information regarding their storm drain accounts
 - Establishing and closing customer accounts
 - Assist customers with navigating the web in making on-line payments
 - Assistance with payment arrangements, account hardship assistance payments and delinquent charges
- Update and maintain customer records. This includes updating customer account records due to changes in landscaping, building additions or demolitions and impervious area changes that affect the number of equivalent service units (ESU's).
- Implement City Code and the Clean Water Services Resolution and Order with respect to storm drain service regulations.
- Perform prudent and timely collection practices to maintain a low delinquency and non-payment rate. Assign severely delinquent accounts to collection agency for assistance.
- Perform a monthly reconciliation between customer accounts and the general ledger.
- Prepare a monthly storm drain receipts report and transfer the applicable percentage payment to Clean Water Services.

Progress on FY 2017-18 Action Plan:

The City is currently in the process of renegotiating a contract to complete the upgrade to the Utility Billing System with the present vendor and hope to receive their contract along with a time line of implementation by the end of March 2018. We hope to have the new upgrade operational during FY 2018-19. During the fiscal year we filled two positions in utility billing vacated by retirements.

FY 2018-19 Action Plan:

- Continued work on the upgrade of the City's current Utility Billing System to a new SQL based database platform.
- Maintain storm drain rates sufficient to meet operating costs, replacement, and upgrades.
- Continue working with GIS department on updating and verification of impervious area data that can be shared with the City's Utility Billing system.
- Assess a ROW Fee equivalent to 5% of Gross Revenue on the storm drain utility revenue accruing to CWS.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 513 STORM DRAIN	DEPARTMENT: FINANCE
PROGRAM: 0545 UTILITY BILLING	PROGRAM MANAGER: SUE ANN KONIAK

- Continue to pursue staffing changes to accommodate succession plans across the utility related staff. One additional Accounting Assistant position will be created in FY 2018-19 and a portion of a second Senior Accountant's time will be allocated to the enterprise funds.

Performance Measures:	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
	Actual	Actual	Budgeted/Revised	Proposed
Number of storm drain accounts*	22,904	22,930	22,950 / 23,037	23,230
Number of storm drain accounts maintained per FTE	5,726	5,733	5,738 / 5,759	4,646
Avg. Monthly Uncollectable Account Write Offs	\$335	\$385	\$400 / \$300	\$350
Percentage of Account Write Offs of Total Sales	.08%	.09%	.09% / .09%	.10%
Number of utility customers receiving e-bills**	3,066	3,500	3,600 / 4,620	5,000
Percentage of Accounts using e-bills**	17%	16%	16% / 26%	28%
Number of Debit**/Credit Card transactions through the web**	61,785	70,000	72,000 / 81,800	84,000
Number of Autopay transactions through the web**	23,550	24,000	30,000 / 38,200	40,000
Total \$ all utility payments, received through the web**	\$8,460,000	\$9,000,000	\$9,300,000 / \$11,180,000	\$11,200,000

* Total storm drain accounts represent approximately 18,098 accounts that are directly billed by the City and approximately 4,939 accounts billed by Tualatin Valley Water District on behalf of the City through our Joint Billing Intergovernmental Agreement.

** Based upon the Utility Billing web payment system, taken as a whole, not just storm drain.

Performance Outcomes and Program Trends:

The program continues to meet the increasing demand for utility billing services with existing resources.

The program maintains a low overall write off due to the fact that most of the storm drain accounts are billed along with the City's water charges and water service is discontinued for non-payment of an active account. Staff is very diligent in working with customers who may be struggling financially. The City offers payment arrangements and if applicable, account hardship payment assistance through the Beaverton Cares program and other outside agencies.

The City partners with Tualatin Valley Water District (TVWD) through an IGA to joint bill mutual customers that are served water by TVWD and storm drain service by the City. Both agencies recognize significant savings in this partnership through sharing postage, stock and envelope costs, customer statement processing and printing costs, collection and processing of payments, etc. In addition, since the City's storm drain charges are billed on TVWD's water bill, storm drain charges are collected at a much higher rate, due to the fact that the customer's water service is discontinued if the joint bill is not paid.

The City is currently awaiting a renegotiated contract for a major upgrade to our utility billing system from our present vendor. This project was put on hold during the last year and a half due to staff changes due to retirements at the City and ownership changes of the vendor. This upgrade will provide for more functionality, less custom, and give us the latest SQL platform. Our goal is to have the new major upgrade implemented by June 30, 2019. Any reduction in custom code means significant savings to the City in terms of annual maintenance fees, faster turnaround times on programming and more reliable service pack uploads.

CITY OF BEAVERTON, OREGON
 FISCAL YEAR 2018-19 BUDGET
 CURRENT LEVEL OF SERVICES

FUND: 513 STORM DRAIN	DEPARTMENT: FINANCE
PROGRAM: 0545 UTILITY BILLING	PROGRAM MANAGER: SUE ANN KONIAK

In addition, we are currently working with our GIS department on ways to maintain a current data base of impervious area data that can be interfaced with the City's Utility Billing system.

The following is a table of the monthly storm drain utility costs for an average residential household. Rates are adjusted as needed, to maintain the financial stability of the storm drain fund. The rates include an allowance for a 5% Right-of-Way Fee for the impact of storm water management services on the streets and other parts of the system.

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19*
Storm Drain:				
Base	\$7.25	\$7.75	\$ 8.25	\$ 8.75
Surcharge	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Total	<u>\$9.25</u>	<u>\$9.75</u>	<u>\$10.25</u>	<u>\$10.75</u>

*FY 18-19 includes an estimated increase of 6.1% or 50 cents per equivalent service unit (ESU) on the base rate.

BUDGET PREPARATION WORKSHEET SUMMARY

FUND: 513 STORM DRAIN FUND

DEPT: 20 FINANCE DEPARTMENT

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018 YTD	2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	ACT AMT	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE

CLASS: 05 PERSONNEL SERVICES

169	SENIOR ACCOUNTANT													
	8,643	.10	26,410	.30	26,902	.30	21,226	26,902	27,572	.30	35,289	.40		
245	ACCOUNTING ASSISTANT													
	49,410	1.00	46,776	1.00	52,209	1.00	35,624	45,381	49,106	1.00	63,678	1.33		
248	ACCOUNTING SPECIALIST													
	18,287	.33	18,824	.33	18,849	.33	15,054	19,005	19,545	.33	19,545	.33		
275	TEMPORARY EMPLOYEES													
	429		3,416		1,700									
299	PAYROLL TAXES AND FRINGES													
	42,597		47,405		60,384		38,187	47,893	53,690		74,274			
119	TOTAL CLASS: 05 PERSONNEL SERVICES													
	119,366	1.43	142,831	1.63	160,044	1.63	110,091	139,181	149,913	1.63	192,786	2.06		

CLASS: 10 MATERIALS & SERVICES

301	OFFICE EXPENSE													
	304		104		300		300	300	366		366			
302	POSTAGE EXPENSE													
	27,359		25,539		28,800		28,800	25,900	28,000		28,000			
303	OFFICE FURNITURE & EQUIPMENT													
			188		460		397	400	466		466			
305	SPECIAL DEPARTMENT SUPPLIES													
	8,501		6,718		11,000			4,816	5,000		5,000			
307	MEMBERSHIP FEES													
	83		33		85		185	83	316		316			
318	COMPUTER SOFTWARE													
	2,635													
321	TRAVEL, TRAINING & SUBSISTENCE													
			108		1,620		413	1,400	1,515		1,515			
406	BANK SERVICE FEES													

BUDGET PREPARATION WORKSHEET SUMMARY

FUND: 513 STORM DRAIN FUND

DEPT: 20 FINANCE DEPARTMENT

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018 YTD	2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	ACT AMT	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE
	76,014		82,073		93,360		69,160	80,000	84,000		84,000			
511	PROFESSIONAL SERVICES													
	67,078		77,708		82,000		79,684	81,000	85,000		85,000			
TOTAL CLASS: 10 MATERIALS & SERVICES														
	181,974		192,471		217,625		178,939	193,899	204,663		204,663			
CLASS: 25 TRANSFERS														
816	TRSFERS TO REPROGRAPHICS FUND													
	2,091		1,662		1,651		954	1,651	1,663		1,663			
TOTAL CLASS: 25 TRANSFERS														
	2,091		1,662		1,651		954	1,651	1,663		1,663			
TOTAL DEPARTMENT: 20 FINANCE DEPARTMENT														
	303,431	1.43	336,964	1.63	379,320	1.63	289,984	334,731	356,239	1.63	399,112	2.06		

1187

**STORM DRAIN FUND - FINANCE
FY 2017-18 ADOPTED**

Code	Position Title	Actual FY 16-17	Adopted FY 17-18	New	Transfer	Reclass	Deleted	Ending FY 17-18
169	SENIOR ACCOUNTANT	0.30	0.30					0.30
245	ACCOUNTING ASSISTANT	1.00	1.00					1.00
248	ACCOUNTING SPECIALIST	0.33	0.33					0.33
	Total	1.63	1.63	0.00	0.00	0.00	0.00	1.63

FY 2018-19 PROPOSED

Code	Position Title	Ending FY 17-18	New	Transfer	Reclass	Deleted	Proposed FY 18-19
169	SENIOR ACCOUNTANT	0.30		0.10 ^a			0.40
245	ACCOUNTING ASSISTANT	1.00	0.33 ^b				1.33
248	ACCOUNTING SPECIALIST	0.33					0.33
	Total	1.63	0.33	0.10	0.00	0.00	2.06

^a FY 18-19 reallocates one of the Sr. Accountant positions to more accurately reflect the position's time to 10% each in the Water, Sewer, and Storm Drain Funds.

^b FY 18-19 proposes a new 1 FTE Accounting Assistant position that is allocated 34% in the Water Fund, 33% in the Sewer Fund and 33% in the Storm Drain Fund.

BP WORKSHEET & JUSTIFICATION

FUND: 513 STORM DRAIN FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0545 UTILITY BILLING & COLLECTIONS

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE

CLASS: 05 PERSONNEL SERVICES

169	SENIOR ACCOUNTANT												
	8,643	.10	26,410	.30	26,902	.30	26,902	27,572	.30	35,289	.40		
245	ACCOUNTING ASSISTANT												
	49,410	1.00	46,776	1.00	52,209	1.00	45,381	49,106	1.00	63,678	1.33		
248	ACCOUNTING SPECIALIST												
	18,287	.33	18,824	.33	18,849	.33	19,005	19,545	.33	19,545	.33		
275	TEMPORARY EMPLOYEES												
	429		3,416		1,700								
299	PAYROLL TAXES AND FRINGES												
	42,597		47,405		60,384		47,893	53,690		74,274			

TOTAL CLASS: 05 PERSONNEL SERVICES

	119,366	1.43	142,831	1.63	160,044	1.63	139,181	149,913	1.63	192,786	2.06		
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CLASS: 10 MATERIALS & SERVICES

301	OFFICE EXPENSE												
	304		104		300		300	366		366			
302	POSTAGE EXPENSE												
	27,359		25,539		28,800		25,900	28,000		28,000			
303	OFFICE FURNITURE & EQUIPMENT												
			188		460		400	466		466			
305	SPECIAL DEPARTMENT SUPPLIES												
	8,501		6,718		11,000		4,816	5,000		5,000			
307	MEMBERSHIP FEES												
	83		33		85		83	316		316			
318	COMPUTER SOFTWARE												
	2,635												
321	TRAVEL, TRAINING & SUBSISTENCE												
			108		1,620		1,400	1,515		1,515			

BP WORKSHEET & JUSTIFICATION

FUND: 513 STORM DRAIN FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0545 UTILITY BILLING & COLLECTIONS

OBJ	OBJECT DESCRIPTION
	JUSTIFICATIONS

- 169 SENIOR ACCOUNTANT
 FY 2016-17 REFLECTS ONE SR. ACCOUNTANT POSITION THAT WAS PREVIOUSLY ALLOCATED
 70% GENERAL FUND / 10% WATER FUND / 10% SEWER FUND / 10% STORM DRAIN FUND, CHANGED
 ITS ALLOCATION TO 10% GENERAL FUND / 30% WATER FUND / 30% SEWER FUND / 30% STORM FUND.
- 245 ACCOUNTING ASSISTANT
 FY 18-19 REFLECTS AN ADDITIONAL 1 FTE ACCOUNTING ASSISTANT POSITION THAT IS ALLOCATED:
 34% WATER FUND / 33% SEWER FUND / 33% STORM DRAIN FUND.
- 248 ACCOUNTING SPECIALIST
- 275 TEMPORARY EMPLOYEES
 EXTRA HELP FOR UTILITY BILLING UPGRADE TO SQL VERSION OF SOFTWARE
- 299 PAYROLL TAXES AND FRINGES
 PAYROLL TAXES AND FRINGE BENEFITS EXPRESSED AS A PERCENTAGE OF SALARY
 TOTALS 61.45% AS A CITY-WIDE AVERAGE AND CONSISTS OF THE FOLLOWING:
 37.07% IN PAYROLL TAXES CONSISTING OF 7.65% FICA, AVERAGE OF 20.74% FOR
 RETIREMENT CONTRIBUTIONS (25.39% PERS. 16.72% OPSRP GENERAL OR
 21.49% OPSRP POLICE), A 2.23% CONTRIBUTION TO THE PERS RESERVE FUND,
 AND 6.45% IN OTHER TAXES (UNEMPLOYMENT, LONG TERM DISABILITY,
 WORKERS COMPENSATION, PEHP, AND TRIMET)
 24.38% AS THE AVERAGE COST OF MEDICAL, DENTAL, LIFE AND AD&D INSURANCES
- 301 OFFICE EXPENSE
 MISC OFFICE SUPPLIES \$366
- 302 POSTAGE EXPENSE
 POSTAGE FOR MAILING UTILITY BILLS; DELINQUENT NOTICES; FINAL BILLS \$28,000
- 303 OFFICE FURNITURE & EQUIPMENT
 RISING WORK SURFACE AND CHAIR REPLACEMENT \$466
- 305 SPECIAL DEPARTMENT SUPPLIES
 UTILITY BILL STOCK (REGULAR BILL, PAST DUE NOTICES), ENVELOPES (OUTGOING, RETURN), ETC. \$5,000
- 307 MEMBERSHIP FEES
 SPLIT BETWEEN WATER, SEWER AND STORM FUNDS:
 SPRINGBROOK USER GROUP MEMBERSHIP \$83
 OREGON SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS \$98
 OREGON BOARD OF ACCOUNTANCY \$85
 OREGON GOVERNMENT FINANCE OFFICERS ASSOCIATION \$50
- 318 COMPUTER SOFTWARE
 NO APPROPRIATION REQUESTED
- 321 TRAVEL, TRAINING & SUBSISTENCE
 FY 18 - 19 INCLUDES TRAINING AND TRAVEL FOR SR. ACCOUNTANT IN CHARGE OF UTILITY
 BILLING, PREVIOUSLY BUDGETED IN GENERAL FUND.
 SPLIT BETWEEN WATER, SEWER AND STORM DRAIN FUNDS:
 OREGON GOVERNMENT FINANCE OFFICERS ASSOCIATION - SPRING CONFERENCE \$366
 GOVERNMENT FINANCE OFFICERS ASSOC - GAAP UPDATE \$50
 OREGON SOCIETY OF CPAS - GOVERNMENT ACCTG & AUDITING CONFERENCE \$233
 OREGON SOCIETY OF CPAS - ETHICS \$75
 OREGON SOCIETY OF CPAS - WINTER GOVERNMENT CONFERENCE \$123
 OTHER TRAINING AND MILEAGE TO MEET CPA LICENSE REQUIREMENT \$268
 CUSTOMER SERVICE STAFF TRAINING \$400

BP WORKSHEET & JUSTIFICATION

FUND: 513 STORM DRAIN FUND
 DEPT: 20 FINANCE DEPARTMENT
 PROGRAM: 0545 UTILITY BILLING & COLLECTIONS

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE
406	BANK SERVICE FEES												
	76,014		82,073		93,360		80,000	84,000		84,000			
511	PROFESSIONAL SERVICES												
	67,078		77,708		82,000		81,000	85,000		85,000			
TOTAL CLASS: 10 MATERIALS & SERVICES													
	181,974		192,471		217,625		193,899	204,663		204,663			
CLASS: 25 TRANSFERS													
816	TRSFERS TO REPROGRAPHICS FUND												
	2,091		1,662		1,651		1,651	1,663		1,663			
TOTAL CLASS: 25 TRANSFERS													
	2,091		1,662		1,651		1,651	1,663		1,663			
TOTAL PROGRAM: 0545 UTILITY BILLING & COLLECTIONS													
	303,431	1.43	336,964	1.63	379,320	1.63	334,731	356,239	1.63	399,112	2.06		
TOTAL DEPARTMENT: 20 FINANCE DEPARTMENT													
	303,431	1.43	336,964	1.63	379,320	1.63	334,731	356,239	1.63	399,112	2.06		

BP WORKSHEET & JUSTIFICATION

FUND: 513 STORM DRAIN FUND
DEPT: 20 FINANCE DEPARTMENT
PROGRAM: 0545 UTILITY BILLING & COLLECTIONS

OBJ	OBJECT DESCRIPTION
	JUSTIFICATIONS

406 BANK SERVICE FEES
PROCESSING AND BANK FEES FOR CUSTOMER CREDIT CARD & LOCKBOX PAYMENTS \$84,000

511 PROFESSIONAL SERVICES
ARMORED CAR SERVICE \$1,300
TUALATIN VALLEY WATER DIST. (JOINT BILLING SERVICES) \$54,000
METRO PRESORT PROCESSING CHARGES (UB PRINTED STATEMENTS, ARCHIVING, INSERTS) \$6,400
MISC PROGRAMMING AND DATA FIXES TO THE 3RD PARTY SPRINGBROOK UTILITY BILLING SYSTEM \$1,070
ACCELA (SPRINGBROOK) CHARGES FOR WEB PAYMENT TRANSACTIONS \$22,000
CARE TO SHARE PAYMENT ASSISTANCE ADMINISTRATION FEES \$230

816 TRSFERS TO REPROGRAPHICS FUND
ALLOCATION OF COPIER, GRAPHICS, PRINTING, MAILING, & POSTAGE CHARGES THROUGH REPROGRAPHICS

ESTIMATE - PAYROLL EXPENSE BY DEPARTMENT

Thursday, April 26, 2018 3:44 PM

ACCOUNT	TITLE	FTE	REG HRS	OT HRS	HIL HRS	REG PAY	OT PAY	HIL PAY	ADD PAY	SALARY	FBAMT	TOT AMT
513-20	FINANCE DEPARTMENT											
513-20-0545-05-169	SENIOR ACCOUNTANT	0.30	622			26,902				26,902	12,398	39,300
513-20-0545-05-245	ACCOUNTING ASSISTANT	1.00	2,027	4		45,285	97			45,381	26,229	71,610
513-20-0545-05-248	ACCOUNTING SPECIALIST	0.33	685	3		18,851	154			19,005	9,268	28,273
	UTILITY BILLING & COLLECTIONS	1.63	3,334	7		91,038	251			91,288	47,895	139,183
	**** DEPARTMENT TOTAL ****	1.63	3,334	7		91,038	251			91,288	47,895	139,183

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PROPOSE - PAYROLL EXPENSE BY DEPARTMENT

Thursday, April 26, 2018 3:45 PM

ACCOUNT	TITLE	FTE	REG HRS	OT HRS	HIL HRS	REG PAY	OT PAY	HIL PAY	ADD PAY	SALARY	FBAMT	TOT AMT
513-20	FINANCE DEPARTMENT											
513-20-0545-05-169	SENIOR ACCOUNTANT	0.40	831			35,289				35,289	16,894	52,183
513-20-0545-05-245	ACCOUNTING ASSISTANT	1.33	2,767	8		63,403	276			63,678	47,045	110,723
513-20-0545-05-248	ACCOUNTING SPECIALIST	0.33	685	6		19,322	222			19,545	10,335	29,880
	UTILITY BILLING & COLLECTIONS	2.06	4,283	14		118,014	498			118,512	74,274	192,786
	**** DEPARTMENT TOTAL ****	2.06	4,283	14		118,014	498			118,512	74,274	192,786

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