



CITY OF MEDFORD

**2009/2011
Adopted Biennial Budget**

August 18, 2009

Honorable Mayor
Council Members
Appointed Members of the Budget Committee
Citizens of the City of Medford

I am pleased to transmit to you the City of Medford's adopted budget for the biennium 2009-2011. This budget presents all the funds of the City; however it is primarily concerned with those factors affecting the City's General Fund – the largest fund for both revenues and expenses, as well as the funding location for most City employees.

As you are all aware, the current economic climate presents unique challenges. Because the City of Medford has been continually conservative and frugal with past budgeting, we are better equipped to handle these challenges. In an effort to make the best use of tax payer dollars, the City of Medford is focusing on ways to conserve the existing assets of the City while improving the livability of Medford. Efforts to accomplish this goal include: maintaining a three month contingency fund for personnel and operating expenses, continued upkeep and maintenance of buildings and facilities in order to avoid increased costs resulting from deferred maintenance, reduction of personnel costs by taking advantage of vacancies (with the exception of Police and Fire), and continued investment in technology in order to facilitate a higher volume and quality of service even with decreased personnel services costs.

The City of Medford currently has ten vacancies in various departments including Planning, Municipal Court, Dispatch, and Building, which will not be filled in the next biennium. This will amount to a savings of over \$1,500,000.

Despite cutting back and conserving, the City has been able to continually increase the quality of life and service to our citizens. One example of this is the recent prestigious re-accreditation of our Police Department by CALEA. This accreditation is considered the stamp of excellence among law enforcement agencies. Currently the only other departments in Oregon to receive the CALEA certification include Corvallis, Grants Pass and Washington County Sherriff's Office.

Another great example of the City of Medford improving the quality of life for all of Southern Oregon is the continued development of the U.S. Cellular Community Park (USCCP). This park is a regional attraction to Southern Oregon and not only gives community members sports and recreation facilities never before enjoyed in Medford, but also serves as a positive economic development factor. In a Medford Parks and Recreation Study, USCCP generated \$1.7 million in direct community spending in its first eight months of operation. Attracting visitors and events into our area in the current economic climate offers an economic lift that would not otherwise have been available.

In spite of the above accomplishments, conservative budgeting, and frugal practices of the city, the reality remains that the economy is currently struggling. Rather than the 97% property tax collection rate of previous years, we can expect to collect only 93% in the upcoming year. More than any other budget in the last decade, a variety of Budget Issues were presented identifying and addressing financial and operational challenges.

In conclusion, this time is a unique and challenging time for all. The adopted budget will preserve all core services, and reflects our commitment to Continuous Improvement – Customer Service.

Sincerely,

A handwritten signature in black ink that reads "Michael Dyal". The signature is written in a cursive, flowing style.

Michael Dyal
City Manager

Cc: Department Heads