

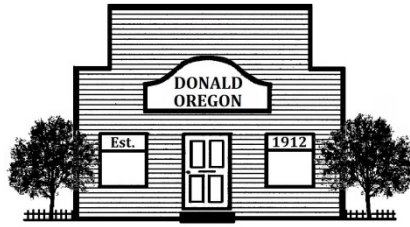
City of  
**DONALD**  
Oregon



Mural by North Marion National Art Honor Society

Photo by Beth Barker

Adopted  
**2018 - 2019**  
Budget



# Donald Budget Committee

## **Elected Members**

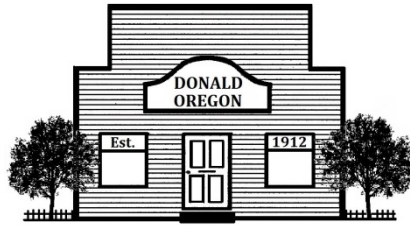
Mayor Rick Olmsted  
Council President Jan Olsen  
Councilor Katie Gonzalez  
Councilor Fred Hartley  
Councilor Abby Hungate  
Councilor Brad Oxenford

## **Citizen Members**

Marianne Hartley (2019)  
Scott Mell (2019)  
Gerry Waller (2019)  
Christine Olmsted (2020)  
Lauren Ostrander (2020)  
Andrea Herbst (2021)  
Gloria Nicholson (2021)

## **Staff Members**

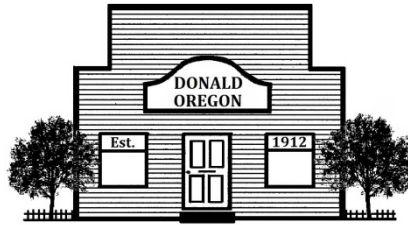
Heidi Bell, City Manager and Budget Officer  
Alonso Limones, Public Works Director  
Lisa Hassel, Accountant/Utility Clerk  
Greg Robinson, Public Works Operator  
Randi Meadors, Admin. Assistant



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10710 Main Street NE \* PO Box 388  
503-678-4443  
[www.donaldoregon.gov](http://www.donaldoregon.gov)



# Budget Calendar

- |  |                    |
|--|--------------------|
| 1. Council to appoint Budget Officer   | January 30         |
| 2. Budget Calendar submitted to Council for review                           | January 30         |
| 3. Prepare Proposed Budget   | February - April   |
| 4. Council to appoint Budget Committee Members                               | March 13           |
| 5. Send Budget Committee Meeting notice to Pamplin Media                     | April 13 by noon   |
| 6. Publication date:   | April 13           |
| 1 <sup>st</sup> Notice of Budget Committee Meeting on city website           |                    |
| 7. Budget Training Class – for those needing a refresher course              | April 17 at 6:00pm |
| 8. Publication date:   | April 18           |
| 2 <sup>nd</sup> Notice of Budget Committee Meeting in Woodburn Independent   |                    |
| 9. Proposed Budget delivered to Committee Members and posted on website      | April 20           |
| 10. Budget Committee Meeting (schedule subsequent meetings if needed)        | April 24 at 6:00pm |
| 11. Send Notice of Budget Hearing (LB-1) to Pamplin Media for publishing     | April 27 by noon   |
| 12. Publication date:  | May 2              |
| Notice of Budget Hearing in the Woodburn Independent                         |                    |
| 13. Budget Hearing   | May 8 at 6:45pm    |
| Enact resolutions to adopt budget, make appropriation and impose tax         | Council Meeting    |
| 14. Submit resolution and LB-50 to Marion County                             | by July 15         |
| 15. Submit State Share Revenue documents to Dept. of Administrative Services | by July 30         |
| 16. Send copy of Adopted Budget to Marion County                             | by September 30    |

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# Budget Message

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Dear Mayor, City Councilors, Budget Committee Members and Community:

I am pleased to submit to you for your consideration a proposed budget for fiscal year 2018-2017. The purpose of this budget message is to provide both internal leaders and external stakeholders a detailed picture regarding the state of the City of Donald's finances; as well as guidance to the upcoming fiscal year's needs. Oregon Budget Law states that a local government's budget will balance. Staff is proposing a balanced budget for the Budget Committee's review.

## **Donald City Council Mission Statement**

"The City of Donald is committed to serving the community in a professional and fiscally responsible manner by providing a safe environment and encouraging involvement of its citizens"

## **The Meaning of a Budget**

Annually, local government leaders are charged with approving and adopting a budget. This process is typically time-consuming yet thought provoking. The budget is important because it involves a lot of consideration for the next year, as well as the future. When done well, city budgets can help to keep everyone working harmoniously. Budgets are powerful tools for running an effective and efficient government.

As I see it, this budget document is intended to serve four main purposes:

- 1) To define public policy set forth by the City Council and as seen in their goals.
- 2) To serve as a guide for management to aid in the control of financial resources.
- 3) To outline the City's financial resource allocation plan for the fiscal year, illustrating projected revenues and appropriations that are to be funded.
- 4) To serve as the City's fundamental communication document for the citizens of Donald who wish to understand how the city operates and provides its services; and the methods and amounts used to finance those operations and services.



Mayor Rick Olmsted with Santa at the City's annual Santa's Sing-a-Long event: Dec. 2017

## **The Council & Planning Commission Goals**

The City Council's Mission Statement and City Goals helped to guide the creation of this proposed budget. Together the Councilors and Planning Commissioners set the City's Goals. Throughout this budget, you will see activities planned that encompass these goals.

- ❖ Maintain and repair municipal facilities and infrastructure to support current operations, future improvements and growth.

- ❖ Create an atmosphere that attracts businesses to locate and/or expand in Donald.
- ❖ Improve the community's aesthetics.
- ❖ Develop and enhance the livability of Donald to include cultural and recreational activities.
- ❖ Provide efficient, effective and transparent government and promote civic involvement.

### **Budget Basics**

This fiscal year the total of all funds combined is roughly \$3.4 million. Each of the City's ten funds are discussed more thoroughly on their particular budget sheet in this document. Please note that each fund is separated because there are particular budget laws, statutes and local codes that limit how expenditures are spent and revenues collected. Since funds operate essentially as their own entity this means that monies between funds cannot be comingled. In municipal budgeting, revenues are called *resources* and expenditures are called *requirements*.

### **Property Taxes in Relation to Donald's Budget**

There are two types of property taxes that are collected to fund Donald's budget. One is a *permanent* property tax that supplements the General Fund and the other is a *time-sensitive* tax to satisfy the outstanding bond. Citizens and City leaders occasionally ask why Donald has such a low property tax rate and why it can't be changed. In the 1990's, Measures 5, 47 and 50 established a *permanent* tax rate on local governments. Donald's *permanent* property tax rate is \$0.8752 per \$1,000 of assessed value. The City's estimated assessed value for 2018-2019 is \$75,230,000. This is a 4.2% increase over last year's valuation of \$72,205,677. It is estimated that five percent of property taxes will not be collected. All of this means that we are estimating to collect approximately \$62,550 in property taxes. Property taxes are the largest revenue source for the General Fund. The other tax collected, which is also based on a property's assessed value, is to pay off the City's outstanding bond principal and interest payments, this money is accounted for in the Debt Service Fund.



The City is in a joint Enterprise Zone with the cities of Hubbard and Aurora, called the North Marion Enterprise Zone. The Enterprise Zone rules are set by the State and SEDCOR processes them. An Enterprise Zone exempts some industrial businesses from paying any property taxes on newly added buildings or capital equipment for three to five years. Upon expiration they join the tax roll, which increases the amount of property taxes received by the City. The businesses that benefit from the Enterprise Zone do not pay taxes for any taxing district, including North Marion School District, the Fire District, library service districts, community colleges, etc.



The only ways to increase the amount of property taxes received by a City is to increase its assessed value or to issue a bond for a specific purpose and with a limited duration (voted on by taxpayers). Without an expansion to the City Limits, asking tax payers to approve a bond, or an expiration of the Enterprise Zone, the amount collected for property taxes will remain about the same in Donald.

In the near future the City could see an increase in the amount of property tax revenue:

- As I write this budget message, the City is undergoing an Urban Growth Boundary Expansion Project, which would allow for approximately 78 acres of residential growth over the next 20 years. If the UGB is successful then owners could choose to apply to the City to annex their property into the City's limits. As the City gains more land in its limits, the assessed value increases, and thereby increasing the amount of tax revenue for the General Fund. However, there will be significant infrastructure obstacles that must be addressed before the City can handle all 20 years of housing.
- The Donald Industrial Park added a large 240,000 square foot building this year that houses two industrial companies – Wilco/Valley Agronomics distribution facility and the Hazelnut Growers of Oregon (subsidiary of Wilco). Only a part of this project qualified for the Enterprise Zone; meaning the City is expecting some tax revenue from this project in the fall.
- The Enterprise Zone for GK Machine is scheduled to expire in the fall. The City is expecting to see property taxes from this business as well.



Storm water detention area located on the old Needy Brick and Tile Factory, S. Matthieu Street. It is expected to be brought into city limits (if UGB project is successful).

According to Marion County Tax Assessor, on average the City collects 95% of property taxes which, in comparison to other cities, is a high collection rate. I believe this is because of two factors. One, the City has a higher median income compared to the rest of Marion County. Coupled with Donald's low permanent tax rate and it lends to a high number of people that can afford paying their property taxes. \*Table Source: *American Fact Finder*: Stats from 2012-2016 and reported in 2016 dollars.

	Marion County, Oregon	City of Donald, Oregon
% Living in Poverty	12%	9%
Median Household Income	\$50,775	\$58,594
Mean Household Income	\$63,871	\$68,883
Largest Population Age Grp	5 to 9 years old at 7.4%	45-49 years old at 9.8%



PC Gerry Waller and her sister Carol  
Lively hosted a popular Summer  
Crafts event at the DCC: 2017

However, before people start thinking about what to do with the newly generated tax revenue, remember that Donald's tax rate is so low that a \$250,000 house generates about \$217 for the year. In Donald, the General Fund receives the tax dollars and this fund pays for administration, planning and building services, parks, policing and community development. As the City grows I hope to see that more of these services are offered to the public. The leadership will have to balance more public programming with an increase in staffing levels.

### **Developing the Budget**

Being fiscally conservative is critical to making Donald's budget work. As the staff prepares the budget they get price quotes for projects so that the estimates for supplies, services and materials are practical. All revenues that the City receives are estimated modestly, which helps to reduce expenditures, plan for future repair and maintenance expenditures and build savings for the future. Staff also estimates the beginning balances of funds practically and conservatively, which helps save money for future years.

The City of Donald proudly provides the most fundamental services for human survival including clean water and waste removal; additionally, the City provides safe parks and streets which are critical to safe urban living. But these systems continue to age and we all need to make sure there is money set aside to pay for their maintenance. In the last few years, the City staff and Council have placed a priority on maintaining the existing infrastructure and repairing it when it needs it instead of replacing it later. I am happy to report that over the last four years there have been fewer emergency repairs or unpredicted expenses.

In 2016 the City Council adopted the professional water and sewer study that was prepared by Steve Donovan of Donovan Enterprises. The study provides a maintenance with the appropriate levels of needed revenue until the year 2021. As per the plan, staff used these rates to budget for the water and sewer revenues. This year the plan requires the Water Fund to save \$22,500 for a water mainline improvement project on Blake Court that will cost \$45,000. The project will be completed in 2020. It is recommended by management that the City budgets in 2020 for a new rate study so that the rates continue to match the needs of the aging maintenance for the utility systems.

### **Grant Work and Partnerships for 2018-2019**

**Development Code:** The City will close out its nearly two-year project on updating its Development Code. Oregon Department of Transportation and the Department of Land Use Conservation and Development granted the City approximately \$100,000 in funds for this project. By August 2018, the Development Code will be at the City Planning Commission and City



Council for consideration of adoption. The City doesn't have to budget for this funding because ODOT directly pays the contracted planning agency, DOWL.

**Partnerships with Marion County for Sidewalk Design/Bid/Project Management:**

The City will receive support from Marion County to help create a sidewalk plan and design for Main Street. Parts of the project are currently underway and will continue through the summer of 2019. The City Council will finish the Local Improvement District project for the installation of new sidewalks downtown Donald. Property owners will be responsible for the costs for the sidewalk but the City will initially pay for the costs upfront. The City will setup a payment system for property owners.



**ADA Curbs:** The City received a Small Cities Allotment grant from ODOT for \$50,000 for the installation of ADA curbs for downtown Donald. This project will be completed in conjunction with the Marion County Sidewalk program and the City Council's Local Improvement District.

**Park Grants:** Planning Commissioner Gerry Waller spearheaded a grant writing campaign to get playground equipment, restrooms and a covered shelter at the park. The City Council and the Planning Commission signed letters of support. She applied for two grants (totaling \$ 100,000) and we are hopeful to receive the funding for these much-needed improvements.

**Infrastructure Grant:** The City is hopeful to receive around \$650,000 from the Governor's Office to fund needed infrastructure to serve the anticipated urban growth expansion area. This money could fund either the water or the sewer systems.

**What Are the Big Fixed Costs?**

**Labor:** As with any private company's budget, one of the City's biggest expenses is labor. There are six City employees: four full-time, one part-time and one part-time seasonal (April to October). Each of the employees' salaries, benefits, employer taxes and employer-related expenses are divided between funds (General, Street, Water and Sewer). The budget follows the adopted salary schedule. Both the City Manager and Public Works Director positions are at the last step on the salary schedule.

With the anticipation of the City growing there will be a lot of work involved with building infrastructure and possible permitting. The City is budgeting for the part-time Administrative Assistant position to become a full-time position this fiscal year. The position would change to a City Clerk position and also take on many of the daily utility related duties. The Accountant

position then would change to also process planning and building applications working jointly with the City Planner and Marion County Building.

**Liability, Auto Physical Damage and Property Insurance:** The City (like most cities and counties in Oregon) is insured for liability, auto physical damage, workers' compensation, volunteers and property through City-County Insurance Services (CIS). All cities and counties that participate in CIS are treated as one entity; meaning we are in a pool for insurance. Donald (knock on wood) has had very few losses, none in the last five years and CIS is developing a model that would reward us with a lower rate, until we have a loss then we would pay slightly more. At their annual conference, CIS releases the "not to exceed" values for the next fiscal year and we use these numbers to develop the budget. Each of these costs are split over the City's different funds that have employee expenses. The "not to exceed" values are:

Liability: No increase

Auto: No increase

Property: 10% increase

Workers' Compensation: 2% increase

**A Couple of the BIG Projects:** On each Fund's page, you will see information about the variable projects that are budgeted to be completed during the fiscal year. However, here are a few projects for your attention that require a lot of labor and/or money.



**Policing:** The General Fund is budgeted approximately \$35,000 on policing and code enforcement with Marion County Sheriff's Office. The PGE Privilege Tax is expected to bring in \$14,400 next year, which means that the General Fund revenues will need to pitch in \$20,600. Policing costs continue to rise because of the increase in wages, which means that the City receives less policing but pays more. The Council is supportive of starting a code enforcement program with MCSO but it is unknown how much the service will cost or the time needed. Before the program can begin the City needs to update the municipal code's nuisance chapters to match MCSO.

**IT Upgrades: Cyber security:** The IT costs will double this year. The City's Insurance (CIS) set new standards for cyber security for its members and the City is trying to absorb the costs over the next few years. Eventually CIS will be basing rates on our cyber security program. These costs increased the outside services lines in the General Fund, Water Fund and Sewer Fund.



Construction of Donald  
Industrial Park: Wilco/HGO

**Water Fund:** The Public Works shop southern wall is in poor condition and the price estimate for the rehabilitation is \$11,220. This will be split with the Sewer Fund. The Water Fund will also set aside \$22,500 to fund a Blake Court water main line project in the 2019-2020 fiscal year.

**Sewer Fund:** This Fund will also help pay for the Public Works' shop wall restoration. The City provides wastewater services for the Fargo District and the service contract needs to be renegotiated, which requires work by the City Attorney and City Engineer.

### **Final Comments**

Overall, last year I reported that it was the best year for the City since I first started the job in 2012. This year appears to be about the same but there will be several large-scale infrastructure projects that will be costly but hopefully absorbed with grant funding. Once the City completes these projects the City of Donald will look better for its current citizens and be in a much better position to handle the projected growth.



First Donald Beatification Meeting, Held at the DCC: July 2017



Ladies Bunco Group at DCC

The budget is tight and it is critical for the staff and leadership to remain vigilant on reducing fixed costs and only buying items that are required. If the City grows, there will be a chance for the leadership to set priorities about how to spend the increase in property tax revenues on services such as policing or parks.

As always, it is my recommendation that the Council and staff continue to diligently work together to find ways to find new revenue streams and build efficiency with Donald's limited resources. The staff continues to develop infrastructure and replacement plans for city-owned buildings and expensive equipment. This will help to budget in the future by minimizing surprises. The public should constantly be made aware of the restrictive budget and that with comparatively low property taxes and utility rates, the only way more services can be offered is through a tax levy, expanding the City's boundaries to increase population or increasing the current fees. This public education takes a full commitment from staff, councilors and city leaders.

Thank you for taking your time to review this message. As always please let me know if you have any questions or comments; I am always happy to be of service.

Respectfully Submitted By:  
Heidi Bell, City Manager

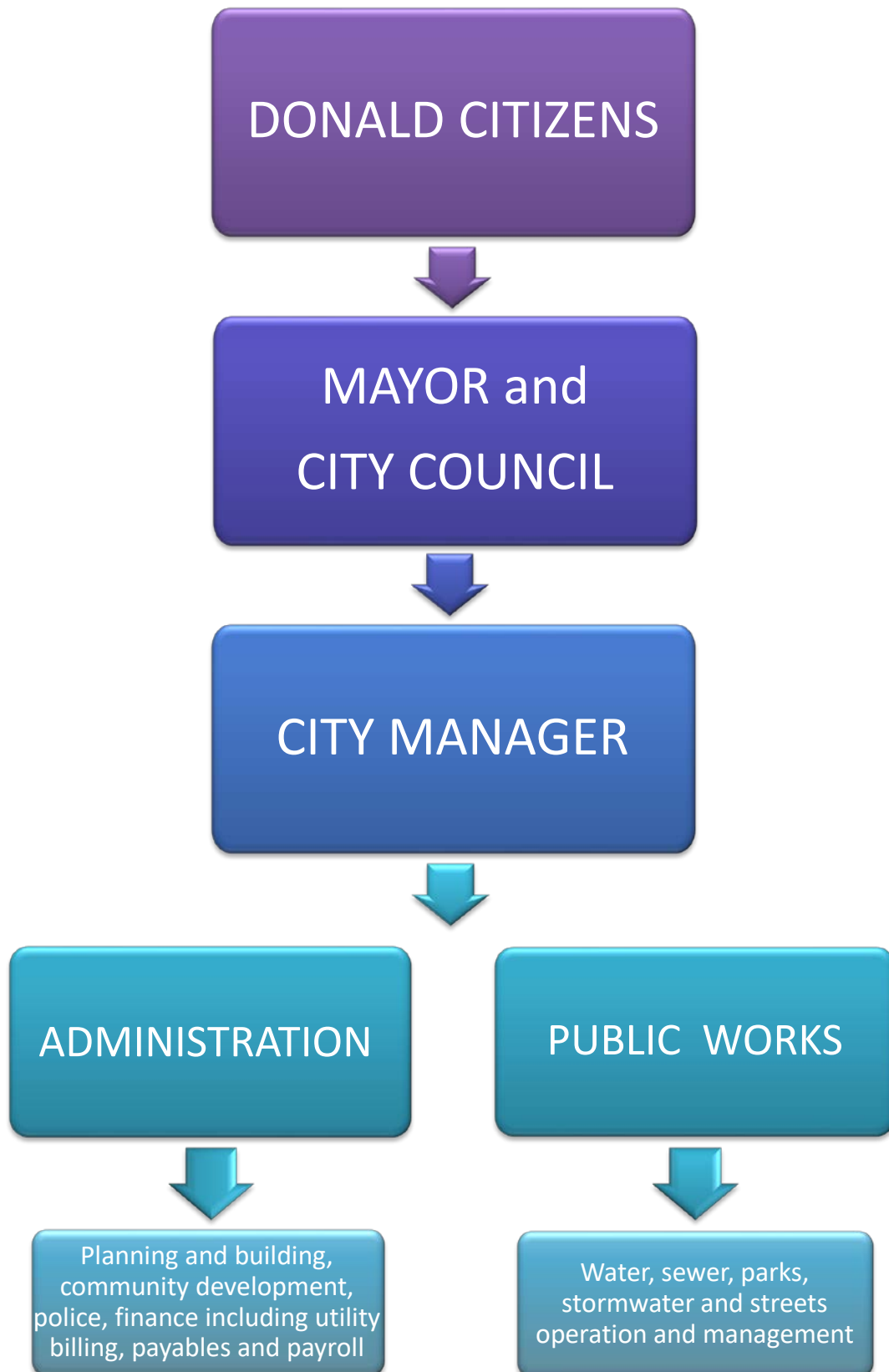


Donald Hazelnut Festival Volunteers on AM Northwest!

# City of Donald

Fiscal Year 2019

## ORGANIZATIONAL CHART



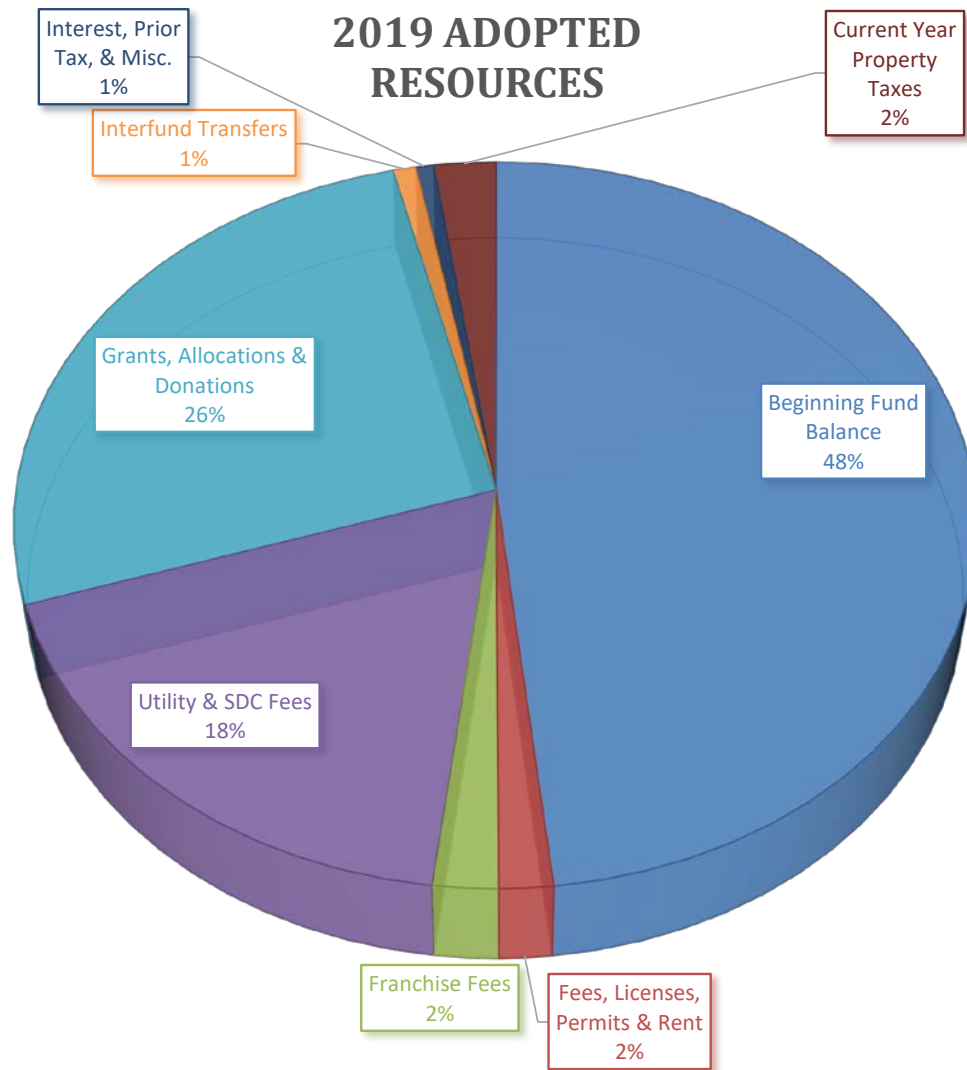


# City of Donald

Fiscal Year 2019

## OVERVIEW

2016 Actual	2017 Actual	2018 Budget	Resources Summary	2019 Proposed	2019 Approved	2019 Adopted
1,414,082	1,446,216	1,499,762	Beginning Fund Balance	1,682,725	1,682,725	1,682,725
41,089	51,828	56,944	Fees, Licenses, Permits & Rent	57,294	57,294	57,294
49,423	54,722	66,500	Franchise Fees	70,500	70,500	70,500
485,053	609,795	615,003	Utility & SDC Fees	629,719	629,719	629,719
132,280	336,610	135,506	Grants, Allocations & Donations	914,215	914,215	914,215
39,192	27,858	29,598	Interfund Transfers	29,026	29,026	29,026
14,577	18,345	14,130	Interest, Prior Tax, & Misc.	23,135	23,135	23,135
74,038	71,274	79,161	Current Year Property Taxes	79,595	79,595	79,595
<b>2,249,734</b>	<b>2,616,648</b>	<b>2,496,604</b>	<b>Total</b>	<b>3,486,209</b>	<b>3,486,209</b>	<b>3,486,209</b>





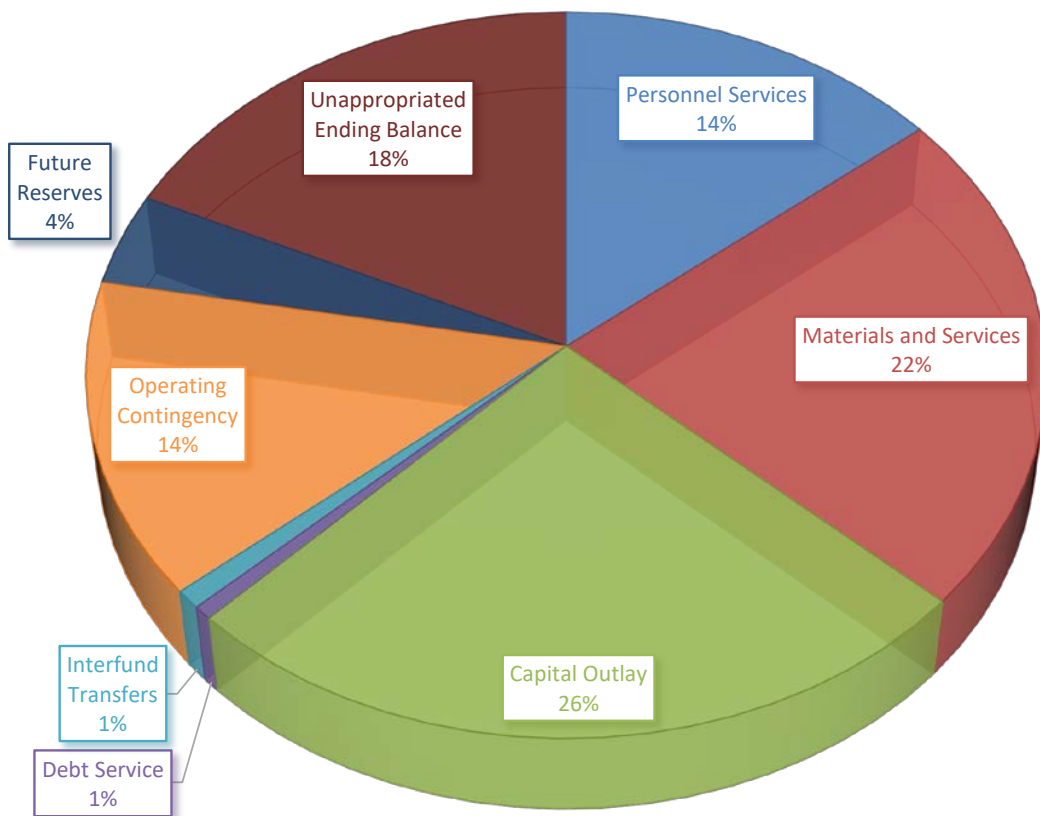
# City of Donald

Fiscal Year 2019

## OVERVIEW

2016 Actual	2017 Actual	2018 Budget	Requirements Summary	2019 Proposed	2019 Approved	2019 Adopted
357,934	382,886	418,762	Personnel Services	492,642	492,642	492,642
290,437	267,200	647,197	Materials and Services	785,692	785,692	785,692
100,836	357,573	115,000	Capital Outlay	898,220	898,220	898,220
15,119	18,658	21,066	Debt Service	20,566	20,566	20,566
39,192	27,858	29,598	Interfund Transfers	29,026	29,026	29,026
0	0	481,975	Operating Contingency	488,500	488,500	488,500
0	0	213,115	Future Reserves	143,033	143,033	143,033
1,446,216	1,562,473	569,891	Unappropriated Ending Balance	628,530	628,530	628,530
<b>2,249,734</b>	<b>2,616,648</b>	<b>2,496,604</b>	<b>Total</b>	<b>3,486,209</b>	<b>3,486,209</b>	<b>3,486,209</b>

## 2019 ADOPTED REQUIREMENTS



# General Fund

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The General Fund provides funding for several programs including administration, planning and building, parks, community development and public safety. The principal sources of revenues are property taxes, franchise fees and the City's share of State revenues.

## Revenue Highlights

Property Taxes: Donald's permanent property tax rate is \$0.8752 per \$1,000 of a property's assessed value which is one of the lowest rates in Marion County. The estimated assessed value of the City of Donald for Fiscal Year 2018-2019 is \$75,230,000. It is anticipated that roughly five percent of the property taxes will go uncollected. It is estimated that \$62,550 in property taxes will be collected.



Donations: It is critical to the funding of the Donald Community Center (DCC) to collect donations for its operations, which are received under the Donations line. Although the DCC is free to rent, donations are requested from the renters. The deposit is \$1/person for private events or \$31 if the event is open to the general public.

Planning and Building Fees: As always, it is difficult to estimate the amount of development applications the City will receive in a year. Application and service fees for developers are collected at City Hall, a portion is kept for administrative costs and then the remaining amount is sent to the contracted agency (City Attorney, City Planner, City Engineer or Marion County Public Works for building inspections).

State Revenue: Cities receive portions of state taxes based on population. For details on the how these are calculated please reference the League of Oregon Cities *2018 State Shared Revenue Report* on their website\*. The number used for Donald's population is 985.

It is anticipated that \$1.21 per person for **cigarette taxes** will be received by cities, which is about the same as the number used for last year's budget. In the future, it is projected to continue to decline as people quit smoking or switch to vaping. Vaping is not taxed.

**Liquor tax** is also received based on population and over time, liquor shares have increased. Perhaps it is due to either more people drinking, tourism, or the cost of liquor increasing. Cities are distributed 20% of the state's collected taxes on liquor. Last year we estimated to receive \$15,160 and this year we increased it to \$18,095, meaning that the City expects to receive \$18.37 for each Donald'ite. The League of Oregon Cities projects that liquor tax revenues will continue to grow in the future.

At the November 2016 Election, Donald voters confirmed that marijuana business sales would be allowed in the City limits. Last year, was the first year that the City received a portion of ***marijuana taxes*** collected by the State. The State imposes a 17% tax on recreational marijuana products. The City of Donald has a city tax of an extra 3% but there is no local marijuana business to impose the tax on. Cities split ten percent of the tax. As of July 1, 2018, only cities that do not have a ban on marijuana locally will receive the city portion of this state tax, which means that Donald could see a spike in the amount received. The distribution formula for splitting the ten percent of the tax is below. Donald is only a part of the 75% calculation since we don't currently have a licensee.

***Calculation:***

75% of the 10% share will be distributed per capita (based on population of eligible cities).

25% of the 10% share will be distributed based on licensure numbers in the city compared to the total licenses in all eligible cities for the quarter.

*\* League of Oregon State Share Revenue Reports:*

<http://www.orcities.org/Publications/Library/tabid/6518/language/en-US/Default.aspx>

**"Privilege" Tax:** In 2016, the City Council approved the collection of an additional 1.5% on Donald customer's electric bills. The Council set this program up to only fund for police services. Last year \$13,747 was collected and it is estimated that \$14,400 will be collected this fiscal year. This is a good supplement because in prior years the police funding was draining the City's General Fund.



**Administration Fees:** This line tracks fees that are collected for administration services like lien searches, NSF charges and local business OLCC fees.

**Permits and Fees:** This line tracks the 20% administration fee that the City receives when developers submit a planning and/or building application. The additional fee helps to offset City staff hours and materials for processing these applications. This is not a predictable revenue stream since it relies on the number of planning or building applications received in a year. If the residential UGB expansion project is successful then in the coming years this line will increase as staff processes the planning and building applications.

**Grants:** The General Fund is predicting to receive \$100,000 for parks from two different grant sources. The money will be used for new playground equipment, restrooms and perhaps a shade sail to protect from the sun.

**Transfers In:** The Water and Sewer Fund each reimburse the General Fund \$9,500 to pay for their portions of costs associated with operating out of City Hall. This year the overhead payment

increased by 4.2%, which represents the Portland-Salem Cost of Living Index. This is reflected on the Transfer Schedule. Also, System Development Charge Funds allow for a 2% transfer to the General Fund of the previous year's funds received to cover administrative costs. The Transfer Sheet provides the details.

State Revenue Share: City councils can elect to receive a portion of the State Shared Revenue. It is estimated that it will be \$6,000 for this coming year. These funds are budgeted to pay for the activities that are listed in the Community Development Department, see table below.

### **Expense Highlights**

Administration: Materials and Supplies: The existing laptop needs to be replaced. It was serviced and found to be failing, even the keyboard letters are worn away.

Administration: Dues and Subscriptions: The Accountant position will join the Oregon Municipal Finance Officers Association, which is a great organization to keep current with changes that effect a city's funds and accounting. A monthly newsletter is sent to members.

Public Safety: Outside Services: Police services are provided by Marion County Sheriff's Office. This year the budget contains extra funding to start a partnership with MCSO's Code Enforcement Department to enforce the City's code. However, the City will need to update its municipal code's nuisance chapter. Annually the overtime police rates are increased, meaning less policing for the same money. Since January 1, 2014 the City has had an enhanced service contract. The PGE Privilege Tax helps to pay for the policing costs.

Parks: Community Center: The Donald Community Center operations and costs are partially offset by donations. The City leadership should continue to convey the importance of renters donating their deposit. The costs are budgeted at \$1,500 for the year.

Transfers Out: The General Fund continues to repay the Water and Sewer Funds back on its loan to purchase the City Hall building. This payback ends in 2022.

Contingency: This amount is appropriated in the budget in case there are unforeseen operating expenditures that might occur during the year.

Unappropriated: This amount will be used as a cash carryover to the next year's budget until tax money is received from the county treasurer in November.



Story Time at the DCC: Hosted by  
the Fogelson Family



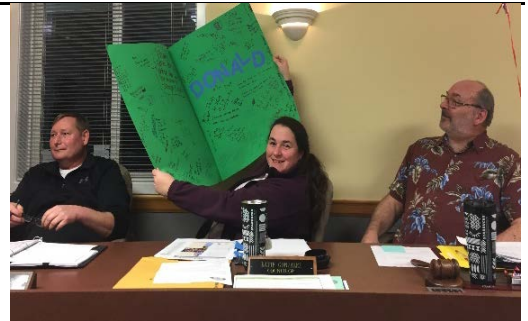
Line #	Name of Line	Activity	Cost
01-1-705	Admin/Materials & Supplies	Laptop	\$600
01-1-712	Admin/Dues & Subscriptions	OR Govt Finance Assoc. Membership	\$160
01-2-710	Planning/Grants	DLCD Small Cities Grant	\$1,000
01-4-710	Public Safety/Outside Services	Marion CO Sheriff's OT + Code Enforcement	\$35,000
01-5-790	Parks/Community Center	Utilities/Supplies/Maintenance	\$1,500
01-5-806	Parks/Grants	State of Oregon Parks Grant	\$100,000

Community Development Program Expenses: 01-6-800			Cost
Oregon Mayor Association Membership Dues and Conferences			\$300
Meetings & Travel Expenses: Mayor, Councilors & Planning Commissioners			\$500
Donald Hazelnut Festival Donation			\$500
Street Flower Baskets/Flowers at City Hall/Bark Dust			\$700
Council Discretionary			\$1,275
Mayor's Quarterly Business Leaders Meetings Expenses			\$100
City Wide Clean-Up Day: September 2018			\$1,700
Yard Debris Day			\$400
Over Street Banner for Garage Sale Event			\$175
Little Library: Replacement			\$150
City Events			\$200
<b>Total (Revenue Source is the State Revenue Share)</b>			<b>\$6,000</b>



Volunteer Fire Fighters with Santa

Councilors  
Accepted  
Kindness  
Challenge Card  
from N. Marion  
Middle School  
students:  
Feb.'18



First Clean-Up Donald Day: Sept. 2017



# City of Donald

Fiscal Year 2019

## GENERAL FUND

		Historical Data			Budget for Next Year		
		Actual 2016	Actual 2017	Budget 2018	Proposed 2019	Approved 2019	Adopted 2019
<b>Resources</b>							
01-0-500	Beginning Fund Balance	174,085	159,709	173,194	165,857	165,857	165,857
<b>Revenues</b>							
01-0-501	Property Taxes - Current	55,227	61,258	58,095	62,550	62,550	62,550
01-0-502	Property Taxes - Prior	1,956	1,847	1,500	1,500	1,500	1,500
01-0-503	Planning & Building Fees	11,211	11,533	25,000	25,000	25,000	25,000
01-0-505	Business License	2,475	3,600	3,400	3,750	3,750	3,750
01-0-506	Permits & Fees	4,072	12,558	5,000	5,000	5,000	5,000
01-0-507	Franchise Fees	49,423	50,173	54,500	56,100	56,100	56,100
01-0-508	Cigarette, Marijuana and Liquor Taxes	15,251	N/A	N/A	N/A	N/A	N/A
01-0-514	Grants	11,016	2,004	15,000	100,000	100,000	100,000
01-0-515	Donations	N/A	370	120	180	180	180
01-0-530	State Cigarette Tax	N/A	1327	1,176	1,190	1,190	1,190
01-0-531	State Liquor Tax	N/A	14,782	15,160	18,095	18,095	18,095
01-0-532	State Marijuana Tax	N/A	0	100	2,400	2,400	2,400
01-0-590	Miscellaneous Revenue	1,985	222	100	100	100	100
01-0-591	Interest Income	1,072	1,659	1,250	2,300	2,300	2,300
01-0-592	Copy & Fax Service Fees	87	179	100	100	100	100
01-0-593	Administration Fees	N/A	714	200	200	200	200
01-0-594	PGE Privilege Tax	N/A	4,549	12,000	14,400	14,400	14,400
01-0-596	State Revenue Sharing	5,592	9,260	7,500	6,000	6,000	6,000
01-0-598	Transfers In	29,192	17,858	19,598	19,026	19,026	19,026
<b>Total Revenues</b>		<b>188,559</b>	<b>193,893</b>	<b>219,799</b>	<b>317,891</b>	<b>317,891</b>	<b>317,891</b>
<b>Total Resources</b>		<b>362,644</b>	<b>353,602</b>	<b>392,993</b>	<b>483,748</b>	<b>483,748</b>	<b>483,748</b>
<b>Administration Department</b>							
<b>Personnel Services</b>							
01-1-610	Administrative Salaries	39,464	43,464	45,020	48,460	48,460	48,460
01-1-615	Payroll Taxes/Benefits	21,201	24,090	30,274	36,622	36,622	36,622
<b>Total Personnel Services</b>		<b>60,665</b>	<b>67,554</b>	<b>75,294</b>	<b>85,082</b>	<b>85,082</b>	<b>85,082</b>
Total Full-Time Equivalent (FTE)					0.80	0.80	0.80
<b>Materials &amp; Services</b>							
01-1-701	Advertising	1,932	727	700	700	700	700
01-1-705	Materials & Supplies	1,521	1,272	4,100	4,100	4,100	4,100
01-1-706	Postage	503	350	600	600	600	600
01-1-708	Legal	955	1,319	16,000	16,000	16,000	16,000
01-1-709	Accounting	2,800	2,967	3,034	3,234	3,234	3,234
01-1-710	Outside Services	23,098	13,331	17,000	15,500	15,500	15,500
01-1-712	Dues & Subscriptions	2,789	2,769	3,000	3,400	3,400	3,400
01-1-713	Travel, Meetings, Education	597	335	2,000	2,000	2,000	2,000
01-1-751	Permits & Fees	20	20	100	100	100	100
01-1-753	Insurance & Bonds	3,494	3,748	3,725	3,870	3,870	3,870
01-1-755	Repair & Maintenance	211	5,332	5,000	7,000	7,000	7,000
01-1-757	Utilities	4,813	4,252	4,500	4,800	4,800	4,800
01-1-758	Bank Charges	3,929	1,831	2,000	1,800	1,800	1,800
01-1-760	Refunds & Misc.	0	0	100	100	100	100
<b>Total Materials &amp; Services</b>		<b>46,662</b>	<b>38,253</b>	<b>61,859</b>	<b>63,204</b>	<b>63,204</b>	<b>63,204</b>
<b>Total Administration Requirements</b>		<b>107,327</b>	<b>105,807</b>	<b>137,153</b>	<b>148,286</b>	<b>148,286</b>	<b>148,286</b>

## GENERAL FUND - Continued

		Historical Data			Budget for Next Year		
		Actual 2016	Actual 2017	Budget 2018	Proposed 2019	Approved 2019	Adopted 2019
Planning & Building Department							
Materials & Services							
01-2-701	Advertising	0	27	300	200	200	200
01-2-705	Materials & Supplies	43	40	200	200	200	200
01-2-710	Outside Services	7,352	3,836	22,000	15,000	15,000	15,000
01-2-711	Grant Funded Outside Services	1,000	0	15,000	0	0	0
01-2-751	Planning & Building Fees	0	10,221	25,000	25,000	25,000	25,000
01-2-760	Refunds & Misc.	0	0	100	100	100	100
Total Materials & Services		8,395	14,124	62,600	40,500	40,500	40,500
Other Requirements							
01-2-899	Special Pass Through Payments	16,410	N/A	N/A	N/A	N/A	N/A
Total Other Requirements		16,410	0	0	0	0	0
Total Planning & Build. Requirements		24,805	14,124	62,600	40,500	40,500	40,500
Public Safety Department							
Materials & Services							
01-4-710	Outside Services	19,869	24,035	32,000	35,000	35,000	35,000
Total Materials & Services		19,869	24,035	32,000	35,000	35,000	35,000
Total Public Safety Requirements		19,869	24,035	32,000	35,000	35,000	35,000
Parks Department							
Personnel Services							
01-5-605	Maintenance Wages	10,874	11,751	12,389	13,415	13,415	13,415
01-5-615	Payroll Taxes/Benefits	6,309	6,385	7,417	8,380	8,380	8,380
Total Personnel Services		17,183	18,136	19,806	21,795	21,795	21,795
Total Full-Time Equivalent (FTE)					0.22	0.22	0.22
Materials & Services							
01-5-705	Materials & Supplies	2,051	2,899	3,000	3,000	3,000	3,000
01-5-710	Outside Services	5,786	4,182	4,900	4,900	4,900	4,900
01-5-755	Repair & Maintenance	6	2,305	3,000	3,000	3,000	3,000
01-5-757	Utilities	700	1,301	1,200	1,200	1,200	1,200
01-5-760	Refunds & Misc.	0	0	50	50	50	50
01-5-790	Community Center	N/A	0	1,500	1,500	1,500	1,500
Total Materials and Services		8,543	10,687	13,650	13,650	13,650	13,650
Capital Outlay							
01-5-806	Grants	10,648	0	0	100,000	100,000	100,000
Total Capital Outlay		10,648	0	0	100,000	100,000	100,000
Total Parks Requirements		36,374	28,823	33,456	135,445	135,445	135,445
Community Development Department							
Materials & Services							
01-6-800	Community Development	4,560	3,836	7,500	6,000	6,000	6,000
Total Materials & Services		4,560	3,836	7,500	6,000	6,000	6,000
Total Comm. Devel. Requirements		4,560	3,836	7,500	6,000	6,000	6,000

## GENERAL FUND - Continued

		Historical Data			Budget for Next Year		
		Actual 2016	Actual 2017	Budget 2018	Proposed 2019	Approved 2019	Adopted 2019
<b>General Fund Requirements</b>							
	Administration Dept.	107,327	105,807	137,153	148,286	148,286	148,286
	Planning & Building Dept.	24,805	14,124	62,600	40,500	40,500	40,500
	Public Safety Dept.	19,869	24,035	32,000	35,000	35,000	35,000
	Parks Dept.	36,374	28,823	33,456	135,445	135,445	135,445
	Community Development Dept.	4,560	3,836	7,500	6,000	6,000	6,000
<b>Total Allocated Requirements</b>		<b>192,935</b>	<b>176,625</b>	<b>272,709</b>	<b>365,231</b>	<b>365,231</b>	<b>365,231</b>
<b>Requirements Not Allocated</b>							
<b>Interfund Transfers</b>							
01-1-780	Transfers to Other Funds	10,000	N/A	N/A	N/A	N/A	N/A
01-1-784	Transfers to Water Fund	N/A	5,000	5,000	5,000	5,000	5,000
01-1-785	Transfers to Sewer Fund	N/A	5,000	5,000	5,000	5,000	5,000
<b>Total Interfund Transfers</b>		<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
01-1-900	Operating Contingency			45,000	50,000	50,000	50,000
<b>Total Requirements Not Allocated</b>		<b>10,000</b>	<b>10,000</b>	<b>55,000</b>	<b>60,000</b>	<b>60,000</b>	<b>60,000</b>
	Ending Balance (prior years)	159,709	166,977				
01-1-950	Unappropriated Ending Fund Balance			65,284	58,517	58,517	58,517
<b>Total Requirements</b>		<b>362,644</b>	<b>353,602</b>	<b>392,993</b>	<b>483,748</b>	<b>483,748</b>	<b>483,748</b>
<b>Key:</b>		N/A Line is not applicable for year					

# Street Fund

The State Highway Tax Apportionment is the sole funding for the Street Fund. This money is collected through gasoline sales tax and DMV type fees by the State and then divvied up amongst governments in Oregon depending on population size. The Street Fund budgets for repair, maintenance, transportation operation and lighting of the City's streets and roadways. (City streets do not include Butteville RD or Main ST)



## Revenue Highlights

Highway funds can only be expended as per the regulations stated in Oregon Constitution Article IX, Section 3a. Since the legislature approved House Bill 2017 “the transportation package” there is a significant change in the highway taxing system including a new employee-paid payroll tax. For details on the transportation changes please reference the League of Oregon Cities *2018 State Shared Revenue Report* on their website\*. The League of Oregon cities estimates that cities should receive \$72.48 for each Donald'te; up from last year at \$64.75. The City estimates to receive \$71,340, from the distribution of the State funds.

## Expense Highlights:

The Street Fund has several unique projects for the year. The most expensive project will be creating a Local Improvement District to front the costs for new sidewalks downtown. The City will work jointly with Marion County Public Works on this project. Marion CO will be able to provide engineering, design and oversee the bid and construction contracts. The City will front the money to pay the contractor and setup repayment schedules, through the LID with the property owners. The City received a \$50,000 ODOT SCA grant to help offset the cost of ADA curbs to the property owners. The City will have an assessment from an outside company on the condition of its local streets to better understand the need for funding the maintenance of our local transportation network. This Fund will split the costs for the saws and mower with the Sewer and Water Funds. Additionally, the Council will install two speed bumps at locations TBD.

Line #	Name of Line	Activity	Cost
02-1-705	Materials and Supplies	Chain Saw & Concrete Saw	\$350
02-1-708	Legal	Local Improvement District	\$10,000
02-1-710	Outside Services	Street Repair/Rating Program	\$5,000
02-1-755	Repair & Maintenance	Installation of 2 Speed Bumps	\$1,000
02-1-804	Sidewalk Improvements	Local Improvement District: Sidewalks	\$100,000
02-1-806	Equipment	John Deere: Steep Incline Riding Mower	\$2,400
02-1-807	SCA Grant Funds	ADA Curbs for Downtown	\$50,000

# City of Donald

Fiscal Year 2019

## STREET FUND

		Historical Data			Budget for Next Year		
		Actual 2016	Actual 2017	Budget 2018	Proposed 2019	Approved 2019	Adopted 2019
<b>Resources</b>							
02-0-500	Beginning Fund Balance	137,452	153,605	166,911	194,731	194,731	194,731
<b>Revenues</b>							
02-0-509	State Gas Tax	57,952	58,867	56,450	71,350	71,350	71,350
02-0-510	SCA Grant Funds	26,620	0	0	50,000	50,000	50,000
02-0-520	Sidewalk Project	N/A	N/A	100	100	100	100
02-0-590	Miscellaneous Revenues	92	34	100	100	100	100
02-0-591	Interest Income	841	1,581	1,200	2,400	2,400	2,400
<b>Total Revenues</b>		<b>85,505</b>	<b>60,482</b>	<b>57,850</b>	<b>123,950</b>	<b>123,950</b>	<b>123,950</b>
<b>Total Resources</b>		<b>222,957</b>	<b>214,087</b>	<b>224,761</b>	<b>318,681</b>	<b>318,681</b>	<b>318,681</b>
<b>Requirements</b>							
<b>Personnel Services</b>							
02-1-605	Maintenance Wages	10,874	11,750	12,389	13,415	13,415	13,415
02-1-615	Payroll Taxes/Benefits	6,310	6,385	7,417	8,380	8,380	8,380
<b>Total Personnel Services</b>		<b>17,184</b>	<b>18,135</b>	<b>19,806</b>	<b>21,795</b>	<b>21,795</b>	<b>21,795</b>
Total Full-Time Equivalent (FTE)					0.22	0.22	0.22
<b>Materials &amp; Services</b>							
02-1-705	Materials & Supplies	1,110	1,255	2,000	3,000	3,000	3,000
02-1-707	Vehicle Op and Maintenance	2,284	725	800	1,000	1,000	1,000
02-1-708	Legal	N/A	N/A	3,000	10,000	10,000	10,000
02-1-710	Outside Services	5,090	4,455	5,600	9,500	9,500	9,500
02-1-716	Uniforms	217	263	305	305	305	305
02-1-725	Engineering	N/A	N/A	300	1,500	1,500	1,500
02-1-751	Permits & Fees	N/A	61	100	100	100	100
02-1-753	Insurance & Bonds	1,145	1,324	1,292	1,365	1,365	1,365
02-1-755	Repair & Maintenance	8,615	5,946	4,000	6,000	6,000	6,000
02-1-757	Utilities	7,087	6,702	7,000	7,000	7,000	7,000
02-1-760	Refunds & Misc.	0	0	50	50	50	50
<b>Total Materials &amp; Services</b>		<b>25,548</b>	<b>20,731</b>	<b>24,447</b>	<b>39,820</b>	<b>39,820</b>	<b>39,820</b>
<b>Capital Outlay</b>							
02-1-804	Sidewalk Improvements	N/A	N/A	50,000	100,000	100,000	100,000
02-1-806	Equipment	N/A	4,917	0	2,400	2,400	2,400
02-1-807	SCA Grant Funds	26,620	0	0	50,000	50,000	50,000
<b>Total Capital Outlay</b>		<b>26,620</b>	<b>4,917</b>	<b>50,000</b>	<b>152,400</b>	<b>152,400</b>	<b>152,400</b>
<b>Total Allocated Requirements</b>		<b>69,352</b>	<b>43,783</b>	<b>94,253</b>	<b>214,015</b>	<b>214,015</b>	<b>214,015</b>
02-1-900	<b>Operating Contingency</b>			<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>
	<b>Ending Balance (prior years)</b>	<b>153,605</b>	<b>170,304</b>				
02-1-950	<b>Unappropriated Ending Fund Balance</b>			<b>55,508</b>	<b>29,666</b>	<b>29,666</b>	<b>29,666</b>
<b>Total Requirements</b>		<b>222,957</b>	<b>214,087</b>	<b>224,761</b>	<b>318,681</b>	<b>318,681</b>	<b>318,681</b>

**Key:** N/A - Line is not applicable for year



# Debt Service Fund

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A Debt Service Fund is established to account for the payment of general long-term debt principal and interest. The City of Donald has one outstanding general obligation bond that was issued for \$375,000 on March 8, 2005 to finance improvements to the City's water storage capacity, drinking water system and sewer system upgrades. This bond matures on December 7, 2025. The principal and interest for the bond are paid by property owners and collected by Marion County's Tax Assessor's Office. This tax is collected in addition to the permanent property taxes. Debt service funds are regulated by OAR 150-294.352(1) and ORS 287A.

The outstanding balance as of June 30, 2018 is \$159,294.06. This year the principal payment is \$15,000 and the interest payment is \$5,565.80. The total to be called for payment of the bond is \$20,565.80.

In December 2015, the City switched banking institutions, from Wells Fargo to U.S. Bank and at this time the bond was also moved to U.S. Bank. This reduced the interest rate from 5.25% to 3.29%. Overtime, the calculated savings of interest will be about \$24,120.

*Below is a simplified bond repayment schedule.*

Year	Payment	Interest Due	Total
'18-19	15,000	5,565.80	20,565.80
'19-20	15,000	5,065.44	20,065.44
'20-21	15,000	4,576.90	19,576.90
'21-22	15,000	4,064.73	19,064.73
'22-23	20,000	3,564.38	23,564.38
'23-24	20,000	2,981.32	22,981.32
'24-25	25,000	2,319.60	27,319.60
'25-26	34,294.06	1,965.49	36,259.55
<b>Totals</b>	<b>\$174,294.06</b>	<b>\$36,169.81</b>	<b>\$210,463.87</b>



# City of Donald

Fiscal Year 2019

## DEBT SERVICE FUND

		Historical Data			Budget for Next Year		
		Actual 2016	Actual 2017	Budget 2018	Proposed 2019	Approved 2019	Adopted 2019
<b>Resources</b>							
06-0-500	Beginning Fund Balance	12,480	16,787	8,711	8,112	8,112	8,112
<b>Revenues</b>							
06-0-501	Property Taxes - Current	18,811	10,016	21,066	17,045	17,045	17,045
06-0-502	Property Taxes - Prior	538	622	500	350	350	350
01-0-591	Interest Income	77	173	130	125	125	125
<b>Total Revenues</b>		<b>19,426</b>	<b>10,811</b>	<b>21,696</b>	<b>17,520</b>	<b>17,520</b>	<b>17,520</b>
<b>Total Resources</b>		<b>31,906</b>	<b>27,598</b>	<b>30,407</b>	<b>25,632</b>	<b>25,632</b>	<b>25,632</b>
<b>Requirements</b>							
<b>Bond Principal Payments</b>					Budgeted Payment Date: Feb. 2019		
06-3-751	US Bank Loan - Principal	10,000	15,000	15,000	15,000	15,000	15,000
<b>Total Principal</b>		<b>10,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>
<b>Bond Interest Payments</b>					Budgeted Payment Date: Aug. 2018		
06-3-752	US Bank Loan - Interest	5,119	3,658	6,066	5,566	5,566	5,566
<b>Total Interest</b>		<b>5,119</b>	<b>3,658</b>	<b>6,066</b>	<b>5,566</b>	<b>5,566</b>	<b>5,566</b>
<b>Unappropriated Balance for Following Year</b>					Projected Payment Date: Aug. 2019		
	US Bank Loan			9,341	5,066	5,066	5,066
<b>Ending Balance (prior years)</b>		<b>16,787</b>	<b>8,940</b>				
<b>Total Unappropriated Ending Fund Balance</b>				<b>9,341</b>	<b>5,066</b>	<b>5,066</b>	<b>5,066</b>
<b>Total Requirements</b>		<b>31,906</b>	<b>27,598</b>	<b>30,407</b>	<b>25,632</b>	<b>25,632</b>	<b>25,632</b>

# Water Fund

The Water Fund collects fees for the operation and maintenance of the water treatment and distribution processes. The Water Fund is an enterprise fund meaning it is self-supported through water bills.

## Revenue Highlights

The Water Fund's principal revenue source is the collection of the monthly water bills. There are approximately 397 in-town accounts comprised of both residential and commercial users. The Fund is also supplemented by customer fees such as late fees, door hanging fees, and new account fees. Previously the water rate was adjusted based on the Portland-Salem Consumer Price Index (CPI-U).

However, a rate study completed in 2016 by Donovan Enterprises Incorporated indicated that a 3% increase in the water rates each year is needed to keep pace with the costs and repairs associated with providing the water service. This increase is in lieu of the annual CPI-U increase until fiscal year 2020-2021. Note: The revenue line *New Installations* is offset by the expense line *Installations*. Developers pay for the water parts and labor for new buildings. This inflates the Fund by \$40,000.

## Future Reserve Fee Schedule

In 2014 the Budget Committee voted to collect an extra \$3 a month to save money for future maintenance projects to the water system. The Donovan Rate Study recommended keeping the future reserve fee. The total is preserved in the *Reserved for Future Expenditures* (07-1-811) line of the Fund.

## Expense Highlights

The Water Fund will share some expenses with the Sewer Fund. For safety purposes the old saws are being replaced, a flammable storage cabinet for smaller items and the security system will be updated and more cameras added. The old mower will be replaced by one better suited for the type of work done. The PW shop's southern wall will be waterproofed and restored. It is also time for maintenance of the Water Plant's emergency generator.



Water Booster Pump Station: Started Service on April 19, 2017

FY	Future Reserve Fee
'18-19	\$14,250 <i>Proposed</i>
'17-18	\$14,000 <i>Anticipated</i>
'16-17	\$14,147 <i>Actual</i>
'15-16	\$13,981 <i>Actual</i>
'14-15	\$5,612 <i>Actual</i>
<b>Total</b>	<b>\$61,990</b>

Line #	Name of Line	Activity	Cost
07-1-705	Materials & Supplies	Chain Saw & Concrete Saw	\$648
07-1-705	Materials & Supplies	Dewatering Pump	\$665
07-1-705	Materials & Supplies	Flammable Storage Cabinet	\$400
07-1-710	Outside Services	PW Office: Security System + Cameras	\$1,650
07-1-755	Repair & Maintenance	Maintenance: WTP Emergency Generator	\$1,500
07-1-805	Improvements	PW Shop: Wall Restoration Project	\$5,610
07-1-806	Equipment	John Deere: Steep Incline Riding Mower	\$4,800
07-1-950	Unappropriated	Savings: Rate Study: Main Line -Blake CT	\$22,500

# City of Donald

Fiscal Year 2019

## WATER FUND

		Historical Data			Budget for Next Year		
		Actual 2016	Actual 2017	Budget 2018	Proposed 2019	Approved 2019	Adopted 2019
<b>Resources</b>							
07-0-500	Beginning Fund Balance	345,924	392,636	408,291	471,090	471,090	471,090
<b>Revenues</b>							
07-0-510	Grants	15,849	0	0	0	0	0
07-0-520	Water Revenue	223,011	230,111	242,500	249,500	249,500	249,500
07-0-521	Hook-Up Fee	2,640	995	850	850	850	850
07-0-523	Future Reserve Fee	13,981	14,147	14,000	14,250	14,250	14,250
07-0-550	New Installations	1,200	1,898	40,000	40,000	40,000	40,000
07-0-551	Late Fees, Red Tags, Shut Offs	3,913	4,483	4,200	3,600	3,600	3,600
07-0-553	Sale of Recyclable Materials	208	88	100	100	100	100
07-0-590	Miscellaneous	495	269	100	100	100	100
07-0-591	Interest Income	2,115	4,043	3,100	5,500	5,500	5,500
07-0-598	Transfer In	5,000	5,000	5,000	5,000	5,000	5,000
<b>Total Revenues</b>		<b>268,412</b>	<b>261,034</b>	<b>309,850</b>	<b>318,900</b>	<b>318,900</b>	<b>318,900</b>
<b>Total Resources</b>		<b>614,336</b>	<b>653,670</b>	<b>718,141</b>	<b>789,990</b>	<b>789,990</b>	<b>789,990</b>
<b>Requirements</b>							
<b>Personnel Services</b>							
07-1-605	Maintenance Wages	43,498	47,002	49,557	53,658	53,658	53,658
07-1-610	Administrative Salaries	40,650	44,479	46,090	58,270	58,270	58,270
07-1-615	Payroll Taxes/Benefits	47,415	48,050	56,281	70,057	70,057	70,057
<b>Total Personnel Services</b>		<b>131,563</b>	<b>139,531</b>	<b>151,928</b>	<b>181,985</b>	<b>181,985</b>	<b>181,985</b>
Total Full-Time Equivalent (FTE)					1.98	1.98	1.98
<b>Materials &amp; Services</b>							
07-1-701	Advertising	539	535	500	500	500	500
07-1-705	Materials & Supplies	6,058	3,008	10,000	10,000	10,000	10,000
07-1-706	Postage	1,649	1,572	1,350	1,525	1,525	1,525
07-1-707	Vehicle Op and Maintenance	2,283	1,450	1,600	2,000	2,000	2,000
07-1-708	Legal	86	240	1,000	1,500	1,500	1,500
07-1-709	Accounting	2,800	2,967	3,034	3,234	3,234	3,234
07-1-710	Outside Services	20,208	4,624	10,000	14,700	14,700	14,700
07-1-712	Dues & Subscriptions	785	479	1,000	1,500	1,500	1,500
07-1-713	Travel, Meetings, Education	617	1,183	1,500	2,000	2,000	2,000
07-1-716	Uniforms	270	263	305	305	305	305
07-1-720	Chemicals	N/A	564	1,000	1,200	1,200	1,200
07-1-725	Engineering	0	0	3,000	8,000	8,000	8,000
07-1-728	Backflow Testing	8,557	8,363	9,500	9,500	9,500	9,500
07-1-730	Water Testing	2,397	1,766	3,000	3,000	3,000	3,000
07-1-751	Permits & Fees	70	60	2,125	300	300	300
07-1-752	Installations	0	2,020	40,000	40,000	40,000	40,000
07-1-753	Insurance & Bonds	4,501	4,814	4,805	5,030	5,030	5,030
07-1-755	Repair & Maintenance	9,849	9,584	15,000	15,000	15,000	15,000
07-1-757	Utilities	14,785	15,008	1,800	18,000	18,000	18,000
07-1-760	Refunds & Misc.	87	12	500	500	500	500
<b>Total Materials &amp; Services</b>		<b>75,541</b>	<b>58,512</b>	<b>111,019</b>	<b>137,794</b>	<b>137,794</b>	<b>137,794</b>
<b>Capital Outlay</b>							
07-1-805	Improvements	0	25,800	30,000	5,610	5,610	5,610
07-1-806	Equipment	N/A	9,834	0	4,800	4,800	4,800
<b>Total Capital Outlay</b>		<b>0</b>	<b>35,634</b>	<b>30,000</b>	<b>10,410</b>	<b>10,410</b>	<b>10,410</b>
<b>Total Allocated Requirements</b>		<b>207,104</b>	<b>233,677</b>	<b>292,947</b>	<b>330,189</b>	<b>330,189</b>	<b>330,189</b>

## WATER FUND - Continued

		Historical Data			Budget for Next Year		
		Actual 2016	Actual 2017	Budget 2018	Proposed 2019	Approved 2019	Adopted 2019
Requirements Not Allocated							
Interfund Transfers							
07-1-780	Transfers to Other Funds	14,596	N/A	N/A	N/A	N/A	N/A
07-1-785	Transfers to General Fund	N/A	8,929	9,117	9,500	9,500	9,500
Total Interfund Transfers		14,596	8,929	9,117	9,500	9,500	9,500
07-1-900	Operating Contingency			147,975	150,000	150,000	150,000
Total Requirements Not Allocated		14,596	8,929	157,092	159,500	159,500	159,500
07-1-811	Reserved Future Expenditures			47,593	61,990	61,990	61,990
	Ending Balance (prior years)	392,636	411,064				
07-1-950	Unappropriated Ending Fund Balance			220,509	238,311	238,311	238,311
Total Requirements		614,336	653,670	718,141	789,990	789,990	789,990

**Key:** N/A Line is not applicable for year



# Sewer Fund

The Sewer Fund collects fees for the operation and maintenance of the sewer collection and treatment processes. The Sewer Fund is an enterprise fund meaning it is self-supported through sewer bills.

## Revenue Highlights

The Sewer Fund's principal revenue source is the collection of monthly sewer bills. There are approximately 395 in-town sewer accounts comprised of both residential and commercial users. The Fund is also supplemented by late fees, door hanging fees, and a fee for setting up new accounts. Revenue also comes from two land leases and a contract to provide the Fargo District with raw sewer treatment services. In 2016, a rate study was completed by Donovan Enterprises and indicated that a 3% rate increase is needed until fiscal year 2020-2021 to keep pace with costs, inflation and repairs associated with providing sewer service. This increase is in lieu of the annual CPI-U increase. Note: The revenue line *New Installations* is offset by the expense line *Installations*; developers pay for the septic tank, parts and labor for new buildings. This inflates the Fund by \$50,000.



Main Line Valve Replacement  
Project Completed 2018

## Future Reserve Fee Schedule

In 2014, the Budget Committee voted to collect an extra \$2 a month to save money for future maintenance projects to the sewer system. The Donovan rate study recommended keeping the future reserve fee and eventually increasing it. At the '17-18 Budget Committee meeting the members decided to increase it to \$2.25; this is the proposed amount. The total is preserved in the *Reserved for Future Expenditures* (08-1-811) line of the Fund.

FY	Future Reserve Fee
'18-19	\$10,690 <i>Proposed</i>
'17-18	\$9,400 <i>Anticipated</i>
'16-17	\$9,360 <i>Actual</i>
'15-16	\$9,301 <i>Actual</i>
'14-15	\$3,735 <i>Actual</i>
<b>Total</b>	<b>\$42,486</b>

## Expense Highlights

Annually, septic tanks are pumped; this year is Zone 2 of 5. Legal expenses for renegotiation of Fargo contract. The Fund will share safety related expenses with the Water Fund for the replacement of saws and mower, flammable storage cabinet and the security system/more cameras. The PW shop's southern wall will be waterproofed and restored.

Line #	Name of Line	Activity	Cost
08-1-705	Materials & Supplies	Chain Saw & Concrete Saw	\$648
08-1-705	Materials & Supplies	Dewatering Pump	\$665
08-1-705	Materials & Supplies	Flammable Storage Cabinet	\$400
08-1-708	Legal	Review of Lease Contracts	\$4,000
08-1-710	Outside Services	PW Office: Security System + Cameras	\$1,650
08-1-714	Septic Tank Pumping	Zone 2: Pumping of 64 Septic Tanks	\$30,000
08-1-755	Repairs & Maintenance	Air Relief Valve on Rees Street	\$6,000
08-1-805	Improvements	PW Shop: Wall Restoration Project	\$5,610
08-1-806	Equipment	John Deere: Steep Incline Riding Mower	\$4,800

# City of Donald

Fiscal Year 2019

## SEWER FUND

		Historical Data			Budget for Next Year		
		Actual 2016	Actual 2017	Budget 2018	Proposed 2019	Approved 2019	Adopted 2019
<b>Resources</b>							
08-0-500	Beginning Fund Balance	417,296	427,313	439,758	541,591	541,591	541,591
<b>Revenues</b>							
08-0-520	Sewer Revenue	217,344	283,108	240,200	247,400	247,400	247,400
08-0-521	Hook-Up Fee	N/A	995	850	850	850	850
08-0-523	Future Reserve Fee	9,301	9,360	9,400	10,690	10,690	10,690
08-0-530	Lease of Land	23,244	23,244	23,244	23,244	23,244	23,244
08-0-550	New Installations	6,300	6,300	50,000	50,000	50,000	50,000
08-0-551	Late Fees, Red Tags, Shut Offs	3,913	4,483	4,200	3,600	3,600	3,600
08-0-553	Sale of Recyclable Materials	207	88	100	100	100	100
08-0-590	Miscellaneous	440	269	100	100	100	100
08-0-591	Interest Income	2,552	4,401	3,400	6,500	6,500	6,500
08-0-598	Transfer In	5,000	5,000	5,000	5,000	5,000	5,000
<b>Total Revenues</b>		<b>268,301</b>	<b>337,248</b>	<b>336,494</b>	<b>347,484</b>	<b>347,484</b>	<b>347,484</b>
<b>Total Resources</b>		<b>685,597</b>	<b>764,561</b>	<b>776,252</b>	<b>889,075</b>	<b>889,075</b>	<b>889,075</b>
<b>Requirements</b>							
<b>Personnel Services</b>							
08-1-605	Maintenance Wages	43,498	47,002	49,557	53,658	53,658	53,658
08-1-610	Administrative Salaries	40,426	44,479	46,090	58,270	58,270	58,270
08-1-615	Payroll Taxes/Benefits	47,415	48,049	56,281	70,057	70,057	70,057
<b>Total Personnel Services</b>		<b>131,339</b>	<b>139,530</b>	<b>151,928</b>	<b>181,985</b>	<b>181,985</b>	<b>181,985</b>
Total Full-Time Equivalent (FTE)					1.98	1.98	1.98
<b>Materials &amp; Services</b>							
08-1-701	Advertising	255	251	300	300	300	300
08-1-705	Materials & Supplies	13,539	12,007	17,000	20,000	20,000	20,000
08-1-706	Postage	1,637	1,565	1,350	1,525	1,525	1,525
08-1-707	Vehicle Op and Maintenance	2,283	1,450	1,600	2,000	2,000	2,000
08-1-708	Legal	544	300	10,000	10,000	10,000	10,000
08-1-709	Accounting	2,800	2,967	3,034	3,234	3,234	3,234
08-1-710	Outside Services	12,964	2,333	8,000	12,200	12,200	12,200
08-1-712	Dues & Subscriptions	330	494	700	600	600	600
08-1-713	Travel, Meetings, Education	728	1,233	1,500	2,000	2,000	2,000
08-1-714	Septic Tank Pumping	11,905	14,450	25,000	30,000	30,000	30,000
08-1-715	Sewer Lab Testing	927	1,068	1,500	1,500	1,500	1,500
08-1-716	Uniforms	270	263	305	305	305	305
08-1-720	Chemicals	N/A	5,040	10,000	10,000	10,000	10,000
08-1-725	Engineering	7,352	180	5,000	10,000	10,000	10,000
08-1-751	Permits & Fees	1,242	1,373	1,500	1,500	1,500	1,500
08-1-752	Installations	0	6,865	50,000	50,000	50,000	50,000
08-1-753	Insurance & Bonds	4,533	4,845	4,833	5,060	5,060	5,060
08-1-755	Repair & Maintenance	15,521	10,987	25,000	25,000	25,000	25,000
08-1-757	Utilities	8,079	9,561	12,000	12,000	12,000	12,000
08-1-760	Refunds & Misc.	0	794	500	500	500	500
<b>Total Materials &amp; Services</b>		<b>84,909</b>	<b>78,026</b>	<b>179,122</b>	<b>197,724</b>	<b>197,724</b>	<b>197,724</b>
<b>Capital Outlay</b>							
08-1-805	Improvements	27,440	19,452	35,000	5,610	5,610	5,610
08-1-806	Equipment	0	9,834	0	4,800	4,800	4,800
<b>Total Capital Outlay</b>		<b>27,440</b>	<b>29,286</b>	<b>35,000</b>	<b>10,410</b>	<b>10,410</b>	<b>10,410</b>
<b>Total Allocated Requirements</b>		<b>243,688</b>	<b>246,842</b>	<b>366,050</b>	<b>390,119</b>	<b>390,119</b>	<b>390,119</b>

## SEWER FUND - Continued

		Historical Data			Budget for Next Year		
		Actual 2016	Actual 2017	Budget 2018	Proposed 2019	Approved 2019	Adopted 2019
Requirements Not Allocated							
Interfund Transfers							
08-1-780	Transfers to Other Funds	14,596	N/A	N/A	N/A	N/A	N/A
08-1-785	Transfers to General Fund	N/A	8,929	9,117	9,500	9,500	9,500
Total Transfers		14,596	8,929	9,117	9,500	9,500	9,500
08-1-900	Operating Contingency			150,000	150,000	150,000	150,000
Total Requirements Not Allocated		14,596	8,929	159,117	159,500	159,500	159,500
08-1-811	Reserved Future Expenditures			31,836	42,486	42,486	42,486
	Ending Balance (prior years)	427,313	508,790				
08-1-950	Unappropriated Ending Fund Balance			219,249	296,970	296,970	296,970
Total Requirements		685,597	764,561	776,252	889,075	889,075	889,075
Key:	N/A Line is not applicable for year						

# System Development Funds

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Oregon Revised Statue 223.307 is the main law regarding the collection and expenditure of these funds. On May 10, 2016 the City Council approved Resolution No. 403-16, which approved three new system development funds and updated the water and sewer SDCs. This is the third year that money will be collected from developers to fund the future systems for Parks, Storm Drains and Transportation. These funds are collected when new developments are added to the City and are collected to pay for the additional needed capacity on the City's infrastructure systems to accommodate the new growth. Money is expended according to the capital improvement plans, which are included in the resolution. Annually, the City Council considers increasing the amounts by the Engineering News of Record the increase in the Index was 2% and was adopted at the April 9, 2018 meeting by Resolution No. 451-18.

## Revenue Highlights

The City anticipates receiving one residential SDC fee, per fund, this year.

Both of the Water and Sewer System Development Funds will receive grant money for funding the Water Master Plan and the Sewer Master Plan. The grant money is from Business Oregon's Infrastructure Finance Authority program.



Eclipse Day: August 2017

The City is hoping to receive grant funds from the State for a Workforce Housing Initiative Grant from Governor Brown's Office and the Oregon Housing and Community Services Department.

## Expense Highlights

**Water SDC Fund:** The Water Master Plan will be completed during this fiscal year and paid for by a grant from Business Oregon. Additionally, \$325,000 of grant funding will hopefully be collected from the Governor's Office for water related infrastructure needs due to the Urban Growth Boundary Expansion Project. Money is allocated in *Outside Services* and to pay for engineering and permitting for the expansion project.

**Sewer SDC Fund:** The Sewer Master Plan will be completed during this fiscal year and paid for by a grant from Business Oregon. Additionally, \$300,000 of grant funding will hopefully be collected from the Governor's Office for sewer related infrastructure needs due to the Urban Growth Boundary Expansion Project. Money is allocated in *Outside Services* to pay for engineering and permitting for the expansion project.

**Transfers:** Each fund is allowed to transfer 2% to the City's General Fund to offset the costs associated with accounting and administration.

# City of Donald

Fiscal Year 2019

## SYSTEM DEVELOPMENT FUND - WATER

		Historical Data		Budget for Next Year			
		Actual 2016	Actual 2017	Budget 2018	Proposed 2019	Approved 2019	Adopted 2019
<b>Resources</b>							
09-0-500	Beginning Fund Balance	88,296	53,908	17,337	12,823	12,823	12,823
<b>Revenues</b>							
09-0-510	Grants	N/A	250,000	• 20,000	345,000	345,000	345,000
09-0-550	New Connections	1,200	N/A	N/A	N/A	N/A	N/A
09-0-560	Improvement Fee	N/A	4,532	1,439	1,469	1,469	1,469
09-0-570	Reimbursement Fee	N/A	7,266	2,309	2,355	2,355	2,355
09-0-591	Interest Income	540	555	130	160	160	160
<b>Total Revenues</b>		<b>1,740</b>	<b>262,353</b>	<b>23,878</b>	<b>348,984</b>	<b>348,984</b>	<b>348,984</b>
<b>Total Resources</b>		<b>90,036</b>	<b>316,261</b>	<b>41,215</b>	<b>361,807</b>	<b>361,807</b>	<b>361,807</b>
<b>Requirements</b>							
<b>Materials &amp; Services</b>							
09-1-710	Outside Services	0	15,672	• 35,000	32,000	32,000	32,000
<b>Total Materials &amp; Services</b>		<b>0</b>	<b>15,672</b>	<b>35,000</b>	<b>32,000</b>	<b>32,000</b>	<b>32,000</b>
<b>Capital Outlay</b>							
09-1-805	Improvements	36,128	287,736	0	325,000	325,000	325,000
<b>Total Capital Outlay</b>		<b>36,128</b>	<b>287,736</b>	<b>0</b>	<b>325,000</b>	<b>325,000</b>	<b>325,000</b>
<b>Total Allocated Requirements</b>		<b>36,128</b>	<b>303,408</b>	<b>35,000</b>	<b>357,000</b>	<b>357,000</b>	<b>357,000</b>
<b>Requirements Not Allocated</b>							
<b>Interfund Transfers</b>							
09-1-780	Transfers to General Fund	N/A	0	378	0	0	0
<b>Total Interfund Transfers</b>		<b>N/A</b>	<b>0</b>	<b>378</b>	<b>0</b>	<b>0</b>	<b>0</b>
09-1-900	<b>Operating Contingency</b>	<b>0</b>	<b>0</b>	<b>4,000</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>
<b>Total Requirements Not Allocated</b>		<b>0</b>	<b>0</b>	<b>4,378</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>
<b>Ending Balance (prior years)</b>		<b>53,908</b>	<b>12,853</b>				
09-1-901	<b>Reserved Future Expenditures</b>			<b>1,837</b>	<b>1,307</b>	<b>1,307</b>	<b>1,307</b>
<b>Total Requirements</b>		<b>90,036</b>	<b>316,261</b>	<b>41,215</b>	<b>361,807</b>	<b>361,807</b>	<b>361,807</b>

**Key:** N/A Line is not applicable for year  
 • Resolution 452-18. Approved 4/10/2018



# City of Donald

Fiscal Year 2019

## SYSTEM DEVELOPMENT FUND - SEWER

		Historical Data			Budget for Next Year		
		Actual 2016	Actual 2017	Budget 2018	Proposed 2019	Approved 2019	Adopted 2019
<b>Resources</b>							
10-0-500	Beginning Fund Balance	238,549	242,258	255,430	257,263	257,263	257,263
<b>Revenue</b>							
* 10-0-510	Grants	N/A	N/A	• 20,000	320,000	320,000	320,000
10-0-550	New Connections	2,250	N/A	N/A	N/A	N/A	N/A
10-0-560	Improvement Fee	N/A	5,301	1,685	1,719	1,719	1,719
10-0-570	Reimbursement Fee	N/A	6,686	2,124	2,166	2,166	2,166
10-0-591	Interest	1,459	2,494	1,975	3,200	3,200	3,200
<b>Total Revenue</b>		<b>3,709</b>	<b>14,481</b>	<b>25,784</b>	<b>327,085</b>	<b>327,085</b>	<b>327,085</b>
<b>Total Resources</b>		<b>242,258</b>	<b>256,739</b>	<b>281,214</b>	<b>584,348</b>	<b>584,348</b>	<b>584,348</b>
<b>Requirements</b>							
<b>Materials &amp; Services</b>							
10-1-710	Outside Services	N/A	3,324	• 120,000	220,000	220,000	220,000
<b>Total Materials &amp; Services</b>		<b>0</b>	<b>3,324</b>	<b>120,000</b>	<b>220,000</b>	<b>220,000</b>	<b>220,000</b>
<b>Capital Outlay</b>							
10-1-805	Improvements	36,128	287,736	0	300,000	300,000	300,000
<b>Total Capital Outlay</b>		<b>36,128</b>	<b>287,736</b>	<b>0</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>
<b>Total Allocated Requirements</b>		<b>0</b>	<b>3,324</b>	<b>120,000</b>	<b>520,000</b>	<b>520,000</b>	<b>520,000</b>
<b>Requirements Not Allocated</b>							
<b>Interfund Transfers</b>							
10-1-780	Transfers to General Fund	N/A	0	384	0	0	0
<b>Total Interfund Transfers</b>		<b>N/A</b>	<b>0</b>	<b>384</b>	<b>0</b>	<b>0</b>	<b>0</b>
10-1-900	<b>Operating Contingency</b>	<b>0</b>	<b>0</b>	<b>60,000</b>	<b>60,000</b>	<b>60,000</b>	<b>60,000</b>
<b>Total Requirements Not Allocated</b>		<b>0</b>	<b>0</b>	<b>60,384</b>	<b>60,000</b>	<b>60,000</b>	<b>60,000</b>
<b>Ending Balance (prior years)</b>		<b>242,258</b>	<b>253,415</b>				
10-1-901	<b>Reserved Future Expenditures</b>			<b>100,830</b>	<b>4,348</b>	<b>4,348</b>	<b>4,348</b>
<b>Total Requirements</b>		<b>242,258</b>	<b>256,739</b>	<b>281,214</b>	<b>584,348</b>	<b>584,348</b>	<b>584,348</b>

Key: N/A Line is not applicable for year

\* New Line

• Resolution 453-18. Approved 4/10/2018

# City of Donald

Fiscal Year 2019

## SYSTEM DEVELOPMENT FUND - PARK

		Historical Data			Budget for Next Year		
		Actual 2016	Actual 2017	Budget 2018	Proposed 2019	Approved 2019	Adopted 2019
Resources							
11-0-500	Beginning Fund Balance	N/A	0	0	493	493	493
Revenues							
11-0-560	Improvement Fee	N/A	0	493	503	503	503
11-0-591	Interest	N/A	0	0	10	10	10
Total Revenues		0	0	493	513	513	513
Total Resources		0	0	493	1,006	1,006	1,006
Requirements Not Allocated							
Interfund Transfers							
11-1-780	Transfers to General Fund	N/A	0	0	10	10	10
Total Interfund Transfers		N/A	0	0	10	10	10
Total Requirements Not Allocated		0	0	0	10	10	10
Ending Balance (prior years)		N/A	0				
11-1-901	Reserved Future Expenditures			493	996	996	996
Total Requirements		0	0	493	1,006	1,006	1,006
Key: N/A Line is not applicable for year							

# City of Donald

Fiscal Year 2019

## SYSTEM DEVELOPMENT FUND - STORMWATER

		Historical Data		Budget for Next Year			
		Actual 2016	Actual 2017	Budget 2018	Proposed 2019	Approved 2019	Adopted 2019
Resources							
12-0-500	Beginning Fund Balance	N/A	0	17,912	18,026	18,026	18,026
Revenues							
12-0-560	Improvement Fee	N/A	15,278	156	159	159	159
12-0-570	Reimbursement Fee	N/A	2,634	26	27	27	27
12-0-591	Interest	N/A	0	145	230	230	230
Total Revenues		0	17,912	327	416	416	416
Total Resources		0	17,912	18,239	18,442	18,442	18,442
Requirements Not Allocated							
Interfund Transfers							
12-1-780	Transfers to General Fund	N/A	0	358	4	4	4
Total Interfund Transfers		N/A	0	358	4	4	4
Total Requirements Not Allocated		0	0	358	4	4	4
Ending Balance (prior years)		N/A	17,912				
12-1-901	Reserved Future Expenditures			17,881	18,438	18,438	18,438
Total Requirements		0	17,912	18,239	18,442	18,442	18,442
Key: N/A Line is not applicable for year							

# City of Donald

Fiscal Year 2019

## SYSTEM DEVELOPMENT FUND - TRANSPORTATION

		Historical Data		Budget for Next Year			
		Actual 2016	Actual 2017	Budget 2018	Proposed 2019	Approved 2019	Adopted 2019
Resources							
13-0-500	Beginning Fund Balance	N/A	0	12,218	12,739	12,739	12,739
Revenues							
13-0-560	Improvement Fee	N/A	4,082	476	486	486	486
13-0-570	Reimbursement Fee	N/A	8,136	95	95	95	95
13-0-591	Interest	N/A	0	100	160	160	160
Total Revenues		0	12,218	671	741	741	741
Total Resources		0	12,218	12,889	13,480	13,480	13,480
Requirements Not Allocated							
Interfund Transfers							
13-1-780	Transfers to General Fund	N/A	0	244	12	12	12
Total Interfund Transfers		N/A	0	244	12	12	12
Total Requirements Not Allocated		0	0	244	12	12	12
Ending Balance (prior years)		N/A	12,218				
13-1-901	Reserved Future Expenditures			12,645	13,468	13,468	13,468
Total Requirements		0	12,218	12,889	13,480	13,480	13,480

Key: N/A Line is not applicable for year

# City of Donald

Fiscal Year 2019

## TRANSFER SCHEDULES

	In	Out	Purpose
General Fund		10,000.00	Repayment of capital loan for purchase of City Hall
General Fund	19,000.00		City Hall overhead
Water Fund	5,000.00		Repayment of capital loan for purchase of City Hall
Water Fund		9,500.00	*City Hall overhead
Sewer Fund	5,000.00		Repayment of capital loan for purchase of City Hall
Sewer Fund		9,500.00	*City Hall overhead
<b>Total</b>	<b>\$ 29,000.00</b>	<b>\$ 29,000.00</b>	

\*CPI-U of 4.2%

2% for administration	In	Out
General Fund	26.00	
Water SDC		0.00
Sewer SDC		0.00
Park SDC		10.00
Storm Water SDC		4.00
Transportation SDC		12.00
<b>Total</b>	<b>\$ 26.00</b>	<b>\$ 26.00</b>

Based on SDC payments received by 4/20/2018



**FORM LB-1****NOTICE OF BUDGET HEARING**

A public meeting of the Donald City Council will be held on May 8, 2018 at 6:45pm at Donald City Hall, 10710 Main Street NE, Donald, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2018 as approved by the City of Donald Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at Donald City Hall, between the hours of 8:00 a.m. and 4:00 p.m. Monday through Thursday, 8:00 a.m. to 12:00 p.m. Fridays or online at [www.donaldoregon.gov](http://www.donaldoregon.gov). This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

**Contact:** Heidi Bell, City Manager

**Telephone:** 503-678-5543

**Email:** [manager@donaldoregon.gov](mailto:manager@donaldoregon.gov)

<b>FINANCIAL SUMMARY - RESOURCES</b>			
<b>TOTAL OF ALL FUNDS</b>	Actual Amount 2016-2017	Adopted Budget This Year: 2017-2018	Approved Budget Next Year: 2018-2019
Beginning Fund Balance/Net Working Capital	1,446,216	1,499,762	1,682,725
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	716,345	738,447	757,513
Federal, State & all Other Grants, Gifts, Allocations & Donations	336,610	135,506	914,215
Revenue from Bonds & Other Debt	0	0	0
Interfund Transfers / Internal Service Reimbursements	27,858	29,598	29,026
All Other Resources Except Current Year Property Taxes	18,345	14,130	23,135
Current Year Property Taxes Estimated to be Received	71,274	79,161	79,595
<b>Total Resources</b>	<b>\$2,616,648</b>	<b>\$2,496,604</b>	<b>\$3,486,209</b>

<b>FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION</b>			
Personnel Services	382,886	418,762	492,642
Materials and Services	267,200	647,197	785,692
Capital Outlay	357,573	115,000	898,220
Debt Service	18,658	21,066	20,566
Interfund Transfers	27,858	29,598	29,026
Contingencies	0	481,975	488,500
Special Payments	0	0	0
Unappropriated Ending Balance & Reserved for Future Expenditure	1,562,473	783,006	771,563
<b>Total Requirements</b>	<b>\$2,616,648</b>	<b>\$2,496,604</b>	<b>\$3,486,209</b>

<b>FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *</b>			
General Fund	353,602	392,993	483,748
FTE	1.02	1.02	1.02
Street Fund	214,087	224,761	318,681
FTE	0.23	0.22	0.22
Debt Service Fund	27,598	30,407	25,632
Water Fund	653,670	718,141	789,990
FTE	1.75	1.73	1.98
Sewer Fund	764,561	776,252	889,075
FTE	1.75	1.73	1.98
System Development Fund - Water	316,261	41,215	361,807
System Development Fund - Sewer	256,739	281,214	584,348
System Development Fund - Park	0	493	1,006
System Development Fund - Stormwater	17,912	18,239	18,442
System Development Fund - Transportation	12,218	12,889	13,480
<b>Total Requirements</b>	<b>\$2,616,648</b>	<b>\$2,496,604</b>	<b>\$3,486,209</b>
<b>Total FTE</b>	<b>4.75</b>	<b>4.70</b>	<b>5.20</b>

<b>STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *</b>	
The City is anticipating to receive \$815,000 in grant funds and expend the same amount this year which inflates both the Recourses and Requirements. Donald will be discontinuing a part-time and adding a full-time position at City Hall. The City Council will initiate a Local Improvement District for sidewalk replacement downtown.	

<b>PROPERTY TAX LEVIES</b>			
	Rate or Amount Imposed 2016-2017	Rate or Amount Imposed This Year 2017-2018	Rate or Amount Approved Next Year 2018-2019
Permanent Rate Levy (rate limit .8752 per \$1,000)	0.8752	0.8752	0.8752
Levy For General Obligation Bonds	\$9,764	\$21,066	\$17,045

<b>STATEMENT OF INDEBTEDNESS</b>		
Long Term Debt	Estimated Debt Outstanding on July 1.	Estimated Debt Authorized, but not Incurred on July 1
General Obligation Bonds	\$160,000	\$0
Other Bonds	\$0	\$0
<b>Total</b>	<b>\$160,000</b>	<b>\$0</b>

\* If more space is needed to complete any section of this form, use the space below or add sheets.

150-504-073-2 (Rev. 11-16)

# Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment or Charge on Property

To assessor of Marion County

FORM LB-50  
2018-2019

- Be sure to read instructions in the Notice of Property Tax Levy Forms and Instruction booklet

☐ Check here if this is an amended form.

The City of Donald has the responsibility and authority to place the following property tax, fee, charge or assessment on the tax roll of Marion County. The property tax, fee, charge or assessment is categorized as stated by this form.

<u>PO Box 388</u>	<u>Donald</u>	<u>OR</u>	<u>97020</u>	<u>May 8, 2018</u>
Mailing Address of District	City	State	ZIP code	Date
<u>Heidi Bell</u>	<u>City Manager</u>	<u>503-678-5543</u>	<u>manager@donaldoregon.gov</u>	
Contact Person	Title	Daytime Telephone	Contact Person E-Mail	

**CERTIFICATION** - You **must** check one box if your district is subject to Local Budget Law.

- ☒ The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.  
☐ The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.456.

## PART I: TAXES TO BE IMPOSED

PART I: TAXES TO BE IMPOSED

		Subject to General Government Limits		Excluded from Measure 5 Limits
		Rate -or- Dollar Amount		
1. Rate per \$1,000 or Total dollar amount levied (within permanent rate limit) . . .	1	0.8752		Dollar Amount of Bond Levy
2. Local option operating tax . . . . .	2			
3. Local option capital project tax . . . . .	3			
4. City of Portland Levy for pension and disability obligations . . . . .	4			
5a. Levy for bonded indebtedness from bonds approved by voters prior to October 6, 2001 . . . . .	5a.	0		
5b. Levy for bonded indebtedness from bonds approved by voters on or after October 6, 2001 . . . . .	5b.	17,045		
5c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b) . . . . .	5c.	17,045		

## PART II: RATE LIMIT CERTIFICATION

6. Permanent rate limit in dollars and cents per \$1,000 . . . . .	6	0.8752
7. Election date when your <b>new district</b> received voter approval for your permanent rate limit . . . . .	7	
8. <b>Estimated</b> permanent rate limit for newly <b>merged/consolidated district</b> . . . . .	8	

**PART III: SCHEDULE OF LOCAL OPTION TAXES** - Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First tax year levied	Final tax year to be levied	Tax amount -or- rate authorized per year by voters

## Part IV: SPECIAL ASSESSMENTS, FEES AND CHARGES

Description	Subject to General Government Limitation	Excluded from Measure 5 Limitation
1		
2		

If fees, charges, or assessments will be imposed on specific property within your district, you must attach a complete listing of properties, by assessor's account number, to which fees, charges, or assessments will be imposed. Show the fees, charges, or assessments uniformly imposed on the properties. If these amounts are not uniform, show the amount imposed on each property.

The authority for putting these assessments on the roll is ORS \_\_\_\_\_ (Must be completed if you have an entry in Part IV)



# CITY OF DONALD

10710 Main Street N.E. • P.O. Box 388 • Donald, OR 97020-0388

Phone 503-678-5543 • Fax 503-678-2750

[www.donaldoregon.gov](http://www.donaldoregon.gov)

## Budget Committee Meeting

### Agenda

Tuesday, April 24, 2018 at 6:00 pm

Donald City Hall

Open Meeting and Welcome: Mayor Rick Olmsted

Pledge of Allegiance

Roll Call

Self-Introductions of Members

Election of a Budget Committee Chairperson

Adoption of the Budget Committee Operating Rules of Order

Presentations: None

Public Hearings:

- I. Fiscal Year 2018-2019 State Revenue Sharing Funds
- II. Fiscal Year 2018-2019 Proposed Budget

Citizen Comments (please fill out card – 3 minutes)

Committee Business Items:

- I. Annual Review of Fees: from Resolution No. 436-17
  - a. Business License: Final Notice (3<sup>rd</sup> letter)
  - b. Bulk Water Sales
  - c. Water/sewer rates: Donovan Enterprises Study adopted June 14, 2016
  - d. Public Records Request Fees
    - i. Device for Record Requests: CDs/USBs
- II. Budget Message Presentation
- III. Committee Discussion on Proposed Budget

Votes:

- I. Fiscal Year 2018-2019 State Revenue Sharing Funds
- II. Fiscal Year 2018-2019 Proposed Budget
- III. Imposing and Categorizing Taxes
  - a. Property Taxes for the 2018-2019 fiscal year at the rate of \$0.8752/\$1,000 of assessed value for the permanent rate tax levy; and
  - b. \$17,045 for the General Obligation Bond Levy

Adjourn

POSTED: 4/17/2018



# CITY OF DONALD

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## Budget Committee Meeting

### Action Agenda Summary

April 24, 2017\* 2018 at 6pm – Donald City Hall

**Open Meeting:** City Manager Bell called the Budget Committee Meeting to order at 6:00 P.M. on Tuesday, April 24, 2018.

#### Pledge of Allegiance

**Attendees:** Mayor Rick Olmsted; Council President: Jan Olsen; Councilors: Fred Hartley, Katie Gonzalez Brad Oxenford, Abby Hungate. Absent: None. Vacant Seat.

Budget Committee Members: Gerry Waller, Gloria Nicholson, Marianne Hartley, Christine Olmsted, Lauren Ostrander and Andrea Herbst. Absent: Scott Mell.

Staff Members: Lisa Hassel, Accountant/Utility Clerk; Alonso Limones, Public Works Director and Heidi Bell, City Manager.

Audience Members: None.

**Self-Introductions of Members:** Everyone shared their name

#### Election of a Budget Committee Chairperson:

- Nicholson nominated F. Hartley and he denied.
- Olsen nominated Ostrander and she denied.
- ✓ Ostrander nominated Mayor Olmsted and C. Olmsted seconded. Mayor Olmsted accepted the nomination. No discussion or further nominations. Vote: 12-0. Motion carried.

**Adoption of Budget Committee Operating Rules of Order:** Manager Bell asked if there were any questions regarding the rules and expectations that were included in the packets for prior review. There were none.

**Presentations:** None.

#### Public Hearings:

**Fiscal Year 2018-2019 State Revenue Sharing Funds:** Chair/Mayor Olmsted opened the public hearing at 6:09 P.M. and read aloud the script that was included in the Committee Member's packets which provided the rules for the hearing. He asked the following series of questions: Were there any audience members that had any objections to the notice that was published? There were none. Were there any objections to the jurisdiction of this body to hear and consider this matter? There were none. Were there any declarations of conflict or bias by any member of this body? There were none. He asked for any public

testimony. There was none. He called for questions from any staff or Committee Members. There was none. The public hearing closed at 6:12 P.M.

**Fiscal Year 2018-2019 Proposed Budget:** Chair/Mayor Olmsted opened the public hearing at 6:13 P.M. and read aloud the script that was included in the Committee Member's packets which provided the rules for the hearing. He asked the following series of questions: Were there any audience members that had any objections to the notice that was published? There were none. Were there any objections to the jurisdiction of this body to hear and consider this matter? There were none. Were there any declarations of conflict or bias by any member of this body? There were none. He asked for any public testimony. There was none. He called for questions from any staff or Committee Members. There was none. The public hearing closed at 6:14 P.M.

#### **Committee Business Items:**

##### **Annual Review of Fees: Resolution 436-17:**

<u>Name of Fee:</u>	<u>Budget Committee Action</u>	<u>Fee</u>
Business License Final Notice	Approve as proposed	\$10
Bulk Water Sales	Approve as proposed	\$50 + water consumption rate
Water/Sewer Rates	Approve as per '16 Rate Study	See Below
Water Base Charge w/ 1,000 gallons		\$39.68
Water Consumption per 1,000 gallons		\$2.81
Water Monthly Reserve Fee		\$3
Sewer Monthly Rate		\$33.87
Sewer Commercial Rates - above 5,190 gallons		\$1.91/1,000 gallons of water
Sewer Monthly Reserve Fee		\$2.50

Budget Committee agreed to adding "one-time" to water bulk sales rate. If they buy water more than once a year then they need to be setup with a customer account and charged with a regular monthly bill. Budget Committee agreed to continue to add twenty-five cents to Sewer Reserve rate until it is at \$3.00 a month. Group discussed increasing the late fee but in the end the motion failed.

- ✓ C. Olmsted motioned and K. Gonzalez seconded to increase the late fee from \$5 to \$7.50. There was discussion about the justifications for increasing, how many customers get late fees in a month, why people are late on their bills and if it would be more harmful to the customers versus helpful to the City's budget. Vote: ~~5-7\*~~ 7-5 Motion failed. \*(Oregon Budget law requires a majority vote, which is 8)

**Budget Message Presentation:** Manager Bell confirmed that everyone on the Budget Committee had previously read the budget message.

- ✓ F. Hartley motioned and Hungate seconded to forego the reading of the budget message. No discussion. Vote: 12-0. Motion carried.

K. Gonzalez motioned and J. Olsen seconded to take a 10-minute break.



**Committee Discussion on Proposed Budget:** The Staff and Budget Committee Members reviewed the budget booklet and focused on the charts and line changes for each Fund.

**Votes:**

**Fiscal Year 2018-2019 State Revenue Sharing Funds:**

- ✓ M. Hartley motioned and Gonzalez seconded that the Donald Budget Committee elects to receive State Revenue Share Funds. No discussion. Vote: 12-0. Motion carried.

**Fiscal Year 2018-2019 Proposed Budget:**

- ✓ M. Hartley motioned and Oxenford seconded that the Donald Budget Committee approve the proposed budgeted for the fiscal year 2018-2019 in the amount of \$3,486,209. No discussion. Vote: 12-0. Motion carried.

**Imposing and Categorizing Taxes:**

- ✓ M. Hartley motioned and Nicholson seconded that the Donald Budget Committee approve the property taxes for the 2018-2019 fiscal year at the rate of \$0.8752/\$1,000 of assessed value for the permanent tax levy and in the amount of \$17,045 for the general obligation bond levy. No discussion. Vote: 12-0. Motion carried.

**Adjourn:** Olsen motioned and F. Hartley seconded to adjourn the meeting at 8:17 P.M.

Minutes Respectfully Submitted By,



Heidi Bell, MPA

City Manager/Budget Officer

\*Indicates an amendment made at Council Meeting

## **RESOLUTION No. 457-18**

### **A RESOLUTION CERTIFYING THAT THE CITY OF DONALD PROVIDES FOUR OR MORE MUNICIPAL SERVICES IN ORDER TO BE ELIGIBLE TO RECEIVE STATE SHARED REVENUES FOR FISCAL YEAR 2018-2019**

**WHEREAS**, ORS 221.760 provides as follows:

**Section 1.** The officer responsible for disbursing funds to cities under ORS 323.455, 366.785 to 366.820 and 471.805 shall, in the case of a city located within a county having more than 100,000 inhabitants according to the most recent federal decennial census, disburse such funds only if the city provides four or more of the following services:

- (1) Police protection
- (2) Fire protection
- (3) Street construction, maintenance, and lighting
- (4) Sanitary sewer
- (5) Storm sewers
- (6) Planning, zoning, and subdivision control
- (7) One or more utility services

And

**WHEREAS**, City officials recognize the desirability of assisting the state officer responsible for determining the eligibility of cities to receive such funds in accordance with ORS 221.760

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**NOW, THEREFORE, THE CITY OF DONALD RESOLVES AS FOLLOWS:**

That the City of Donald hereby certifies that it provides the following four or more municipal services enumerated in Section 1, ORS 221.760:

- (1) Water service
- (2) Police protection
- (3) Street construction, maintenance, and lighting
- (4) Sanitary sewer
- (5) Storm sewers
- (6) Planning, zoning and subdivision control

**PASSED and ADOPTED** by the City Council of the City of Donald at their regular meeting on the 8<sup>th</sup> day of May 2018 by the vote of 7 ayes and 0 nays.

**DATE:** May 8, 2018



Rick Olmsted, Mayor

**ATTEST** by City Manager this 8<sup>th</sup> day of May, 2018



Heidi Bell, City Manager

## RESOLUTION No. 458-18

### A RESOLUTION DECLARING THE CITY OF DONALD'S ELECTION TO RECEIVE STATE REVENUES

**WHEREAS**, ORS 221.770 requires cities to pass a resolution each year stating that they want to receive state revenue sharing funds; and

**WHEREAS**, two public hearings were held to give citizens the opportunity to comment on the use of State Revenue Sharing; one meeting by the Donald Budget Committee was held on April 24, 2018 and the other on May 8, 2018 by the Donald City Council.

#### **NOW, THEREFORE, THE CITY OF DONALD RESOLVES AS FOLLOWS:**

That pursuant to ORS 221.770, the City of Donald hereby elects to receive state revenues for fiscal year 2018-2019.

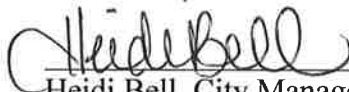
**PASSED and ADOPTED** by the City Council of the City of Donald at their regular meeting on the 8<sup>th</sup> day of May 2018 by the vote of 7 ayes and 0 nays.

**DATE:** May 8, 2018



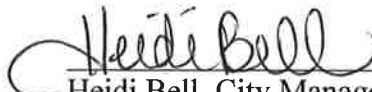
Rick Olmsted, Mayor

**ATTEST** by City Manager this 8<sup>th</sup> day of May, 2018



Heidi Bell, City Manager

I certify that a public hearing before the Budget Committee was held on April 24, 2018 and a public hearing before the City Council was held on May 8, 2018, giving citizens opportunity to comment on the use of State Revenue Sharing.



Heidi Bell, City Manager





**RESOLUTION IMPOSING THE TAX**

**BE IT RESOLVED** that the following ad valorem property taxes are hereby imposed upon the assessed value of all taxable property within the district for tax year 2018-2019

- (1) At the rate of \$0.8752 per \$1,000 of assessed value for permanent rate tax; and
- (2) In the amount of \$17,045 for debt service for general obligation bonds;

**RESOLUTION CATEGORIZING THE TAX**

**BE IT RESOLVED** that the taxes imposed are hereby categorized for purposes of Article XI section 11b as:

**Subject to the General Government Limitation**

Permanent Rate Tax..... \$ 0.8752/\$1,000

**Excluded from Limitation**

General Obligation Bond Debt Service..... \$17,045

The above resolution statements were approved and declared adopted on May 8, 2018.

Passed by a vote of 7 ayes and 0 nays.

**APPROVED:**



Richard Olmsted  
Mayor

**ATTEST:**



Heidi Bell, MPA  
City Manager