



CITY of
DUNDEE
Oregon



FY 2020-2021 ADOPTED BUDGET

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Budget Committee

Elected Members

	<u>Term Expiration</u>
David Russ, Mayor	December 31, 2020
Tim Weaver, Council President	December 31, 2020
Kristen Svicarovich, Councilor	December 31, 2020
Jeannette Adlong, Councilor	December 31, 2020
Ted Crawford, Councilor	December 31, 2022
Storr Nelson, Councilor	December 31, 2022
Patrick Kelly, Councilor	December 31, 2022

Appointed Members

	<u>Term Expiration</u>
Dennis Phelan	December 31, 2020
David Ford	December 31, 2020
Marcus A. Harris	December 31, 2020
Dawn Nelson	December 31, 2021
Mordechai M. Kotler	December 31, 2021
Jeanne Marie Callahan	December 31, 2022
Ryan Hess	December 31, 2022

Budget Message

May 1, 2020

Mayor and City Council
Budget Committee Members

The proposed budget for the fiscal year of July 1, 2020 through June 30, 2021 is respectfully submitted for your review and consideration. Total appropriations for all funds combined in the proposed budget are about \$8.8 million; about \$0.4 million less than the current fiscal year as follows:

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>\$ Change</u>	<u>% Change</u>
Personnel Services	1,213,000	1,631,700	418,700	34.5
Materials & Services	1,971,600	2,073,900	102,300	5.2
Capital Outlay	2,888,400	2,716,600	(171,800)	(5.9)
Debt Service	1,088,700	1,171,700	83,000	7.6
Transfers	1,053,300	987,900	(65,400)	(6.2)
Contingency	130,000	130,000	0	0.0
Totals	8,345,000	8,711,800	366,800	4.4

The most notable change from the current fiscal year to the proposed FY 2020-21 budget is the 34.5% increase in personnel services. This is due to a one-time deposit of \$400,000 into a PERS Side Account scheduled for August 2020. The deposit takes advantage of special legislation that established an incentive of a 25% match by State funds for qualifying agencies. In Dundee's case, \$100,000 will be added to the deposit of which the \$500,000 will then be used to buy down the City's actuarial liability in PERS and a credit will be applied against the City's biennial PERS contribution rates over a 20-year period. This deposit contribution only effects the major operating funds with personnel costs. The following table below represents appropriations in the major operating funds. If not for the PERS Side Account deposit, the change from the prior fiscal year would have been \$19,000 or an increase of 0.4%.

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>\$ Change</u>	<u>% Change</u>
General Fund	1,767,000	1,983,300	215,700	12.2
Street Fund	305,900	335,900	30,000	19.8
Water Fund	673,600	697,300	23,700	3.5
Sewer Fund	1,455,600	1,605,200	149,600	10.3
Storm Water Fund	121,800	121,800	0	0.0
Totals	4,324,500	4,743,500	419,000	9.7

Budget Highlights

Revenue Estimates

At the time of preparation of the FY2020-21 budget, there was limited analysis on the effect the COVID-19 epidemic would have on the local economy in the long-term. Revenues that are most

Budget Message

susceptible to reduction include transient room tax, motor vehicle fuel taxes, traffic fines, and utility consumption charges for commercial users. Most of the funds, such as Street, Tourism, Water and Sewer have capacity in their respective budgets to accommodate a reduction in revenue either by deferring transfers out to other funds or expenditures on larger projects. However, the General Fund's budget has limited capacity with that strategy. Fortunately, the transient room tax and court fines make up a small portion of the General Funds total resources, 1.9% and 3.4% respectively.

General Fund Reserves

Since conversion of three part-time firefighters to two full-time firefighter positions in FY 2018-19, the annual transfer to the Equipment Reserve Fund has been suspended to cover the increased personnel costs associated with employee benefits and a new salary schedule being implemented in phases from January 1, 2019 to January 1, 2023. General Fund reserves are anticipated to decrease \$70,100 in the current fiscal year mainly due to unexpected costs in response to a tort claim filed against the City. The large decline in the General Fund reserves of \$348,400 for FY 2020-21 is primarily due to the one-time deposit to establish the PERS Side Account (about \$220,000). If, as in most years, the \$80,000 contingency remains unused and actual expenditures are less than the adopted appropriation levels, the actual annual decline in General Fund reserves due to expenditures exceeding revenues not including the PERS Side Account and use of contingency maybe closer to \$20,000 to \$40,000. Currently, it is estimated that a beginning fund balance of \$225,000 is needed in the General Fund to provide sufficient cash flow until the bulk of that year's property tax levy is received four months later in November and at some point it is likely that additional revenue will be required to ensure a sufficient beginning fund balance in the General Fund. A future potential revenue source is the rental from a ground lease that the City executed with Verizon for locating a cell tower on fire station property. The first annual rental will be \$32,000; however, commencement of the lease is dependent on land use approval and issuance of a building permit. Other options for increasing revenue include the imposition of a public safety fee, such as the fee adopted by Newberg, or a voter approved local property tax option to support the Fire Department. Council should review the status of the General Fund and consider actions by February 2021 that may be needed to increase revenue in the next fiscal year.

Fire Service Study

Dundee is participating in a multi-agency study involving fire service agencies in Yamhill County that will be completed by June 2020. The study will provide recommendations for possible consolidation or shared cooperative services. Dundee will have an opportunity to explore various options with other agencies to create greater efficiencies in the delivery of fire and rescue services to the community which may have an effect on next year's budget yet to be determined.

Highway 99W Improvements Project

The final phase of improvements to Highway 99W will start in FY 2020-21 with the reconstruction of the highway surface, construction of new sidewalks, pedestrian crosswalks, installation of decorative lighting, construction of new storm water facilities, and installation of landscaping. Most of this work is accounted for in the Street CIP Fund under the line item TE Sidewalk/Streetscape.

Budget Message

Water Main Relocation

Due to conflicts with the highway improvements the City is required to relocate water mains away from the work area. In recent years water distribution improvements were easily accommodated by available resources in the Water CIP Fund. However, this project is much larger and an interfund loan of \$225,000 from the Equipment Reserve Fund is proposed in the budget to finance this work.

WWTP Biosolids Removal

In April 2020, the City solicited proposals for the removal and disposal of accumulated biosolids from the City's wastewater treatment plant. As part of the wastewater treatment process, sludge is wasted to storage lagoons. Every three years the accumulated sludge material must be removed. The preferred method is to land apply the biosolids to farmland for beneficial use. The first such land application was done in 2017 on property that was located and secured by the City and subsequently vetted by DEQ, however, following the initial application the farmer decided to not continue that arrangement with the City. Under the April 2020 bid process, the City is requesting the hauler to also secure and manage the land application sites.

Storm System Improvement

The majority of the storm water drainage system, particularly in the older neighborhoods, involve the use of drainage ditches to collect and convey storm water. However, ditches located in hillside area are susceptible to significant erosion. The proposed budget includes an improvement to correct one of the fastest eroding ditches that is starting to undermine the adjacent asphalt street. Work involves the installation of storm pipe and inlets, and regrading and filling the ditches on the uphill side of Red Hills Drive near Upland Drive, and on the north side of Upland Drive between Red Hills Drive and Walnut Avenue.

Urban Renewal

The Dundee Urban Renewal Agency is a separate entity from the City of Dundee with its own budget. However, the Agency and City collaborated on several projects located in the Urban Renewal Plan. One of these projects continue in the proposed budget involving the installation of conduits and vaults to accommodate the undergrounding of PGE primary and secondary lines crossing the highway and the undergrounding of franchise fiber crossing Fifth Street near the highway.

Respectfully submitted,

Rob Daykin
City Administrator/Budget Officer

About Dundee

Beginnings

Jacob Shuck was the first nonindigenous person to settle on a land claim in the area which would come to be known as Dundee, Oregon. Arriving in 1847 following a six-month journey by wagon train, Jacob Shuck erected a log cabin in the vicinity of the southeast corner of Ninth Street and Alder Street. In the following decades, more settlers arrived, and prune orchards and wheat fields soon became the dominant agriculture products in the area. In 1878 a Scotch immigrant named William Reid organized construction of a narrow-gauge railway in the Willamette Valley and the railroad built a hotel-depot on land owned by Reid. The depot was named Dundee Junction after Reid's namesake city in Scotland where he previously served as United States Vice Consul. In 1892 the Townsite of Dundee and Dundee Orchard Homes plat was filed and recorded by the Pacific Real Estate and Investment Company, who then promoted the sale of the two thousand acres nationally with the offer "We will build you a house in the Village of Dundee only ten minutes ride from your Prune Orchard."

City Government

The City of Dundee was incorporated on February 25, 1895. The first City ordinance was adopted on April 8, 1895 at the second council meeting to regulate and prohibit profane language and disorderly conduct. Since that date, the City Council adopted hundreds of ordinances and repealed many, of which those ordinances that are still in effect are now consolidated as the Dundee Municipal Code. The City of Dundee operates under a home rule charter that is approved by the voters which establishes the structure and powers of the municipal government. The City is governed by an elected Mayor and six Councilors who comprise the City Council. The City Council is responsible for setting policy, adopting the budget, appointing committees, and hiring the City Administrator. The City Administrator carries out the policies of the City Council and oversees the day-to-day operations of the City.

Services

The City of Dundee provides a full range of municipal services: public safety and fire protection, municipal court, development review and building permit issuance, current and long-range planning, street maintenance, and parks. Dundee also owns and operates three utilities: drinking water, wastewater, and stormwater. The City contracts with the City of Newberg for providing police, building permit plan review and inspections, and planning services to Dundee. Dundee residents may also purchase a membership subscription to the Newberg Library, which is a participating library with the Chemeketa Cooperative Regional Library System. Dundee is located within the Chehalem Parks and Recreation District, which provides recreation services and park facilities to the greater Dundee-Newberg area.

Dundee Today

The City of Dundee is located 40 minutes southwest of Portland next to the Willamette River and is nestled in the Red Hills of the Willamette Valley. Dundee's agricultural past continues with highly productive vineyards and is home of award-winning wineries. Dundee's unparalleled vistas, abundance of highly rated restaurants, welcoming wine-tasting venues, and friendly small-town character lends itself to an excellent quality of life for residents and a much-anticipated stop on every wine destination tour.

About Dundee

Demographics

Population:	U.S. Census 2010	PSU* Estimate 2018	PSU* Estimate 2019	Pop. Change 2010-19	Percent Change 2010-19
State of Oregon	3,831,074	4,195,300	4,236,400	405,326	10.6%
Yamhill County	99,173	107,415	108,060	8,887	9.0%
Amity	1,614	1,655	1,670	56	3.5%
Carlton	2,007	2,270	2,270	263	13.1%
Dayton	2,534	2,720	2,740	206	8.1%
Dundee	3,162	3,230	3,235	73	2.3%
Lafayette	3,742	4,105	4,125	383	10.2%
McMinnville	32,187	33,810	33,930	1,743	5.4%
Newberg	22,068	23,795	24,045	1,977	9.0%
Sheridan	6,127	6,190	6,205	78	1.3%
Willamina	2,025	2,160	2,250	225	11.1%
Yamhill	1,024	1,090	1,105	81	7.9%

**Prepared by Population Research Center*

College of Urban and Public Affairs, Portland State University

Dundee Resident Attributes: US Census American Community Survey - 2019			
Median Age:	35.9 yrs	Race:	
Median Household Income:	\$77,656	White	87.4%
Median House Value:	\$289,100	Other	6.4%
High School Grad or Higher:	92.4%	Two or More	6.2%
Bachelor's Degree or Higher:	29.3%	Asian	1.4%
Home Ownership Rate:	83.4%	Hispanic or Latino	10.3%
Persons Per Household	2.98	Born in Oregon	59.1%

Property Taxes

Combine Tax Rate for Dundee:	Total	Education	Government	Non-Limited
Yamhill County	2.5775		2.5775	
Yamhill County Extension Service	0.0449		0.0449	
Yamhill County Soil & Water	0.0354		0.0354	
Newberg School District	5.4696	4.6616		0.8080
Willamette Regional ESD	0.2967	0.2967		
City of Dundee	2.8193		2.3115	0.5078
Chehalem Park & Recreation	1.2952		0.9076	0.3876
Portland Community College	0.6850	0.2828		0.4022
	13.2236	5.2411	5.8769	2.1056

About Dundee

Allocation of Taxes Levied on Dundee Property



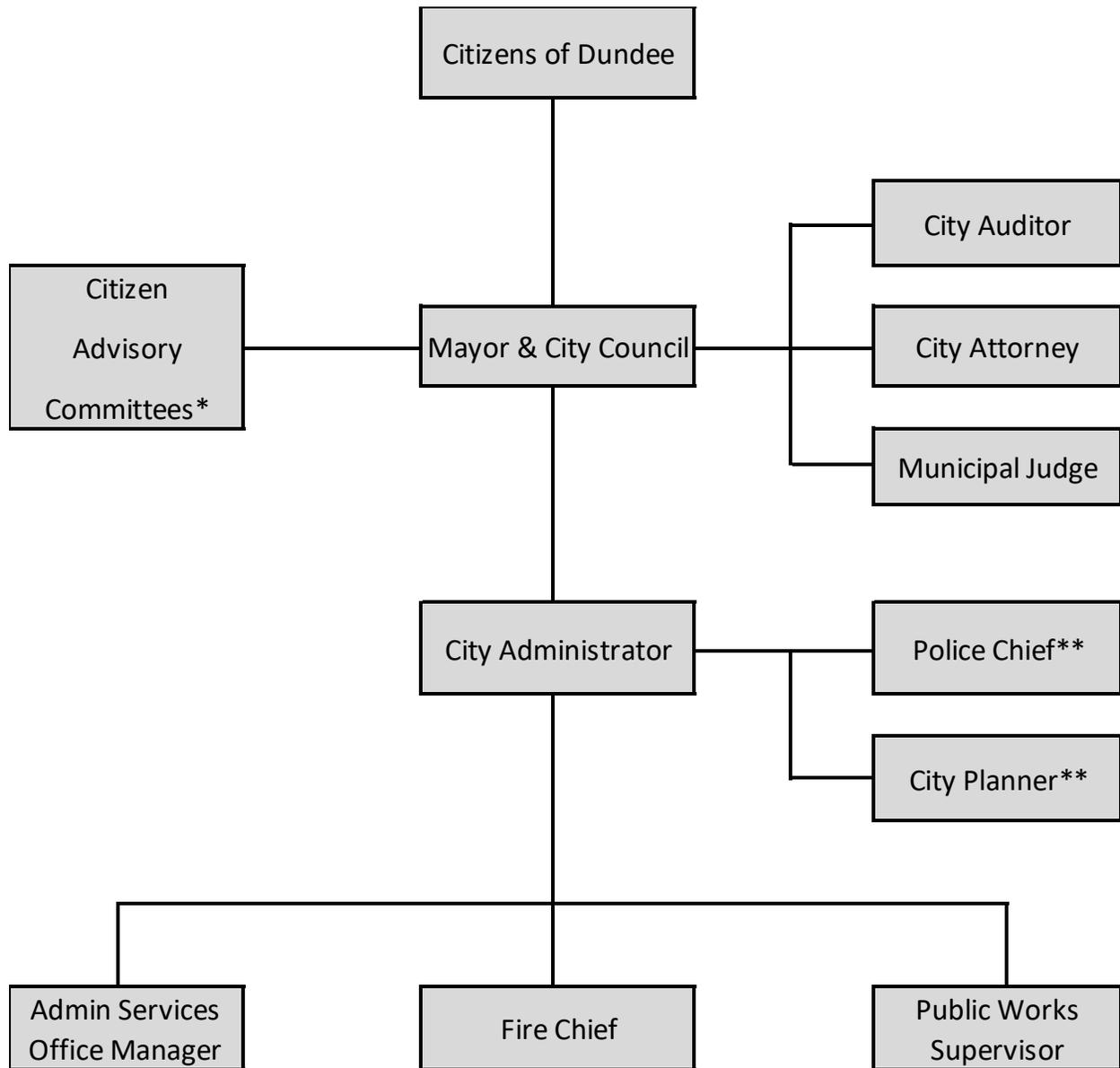
- Yamhill County
- Yamhill County Extension Service
- Yamhill County Soil & Water
- Newberg School District
- Willamette Regional ESD
- City of Dundee
- Chehalem Park & Recreation
- Portland Community College

Comparison of Tax Rates in Yamhill County

City	Permanent Tax Rate per \$1,000 AV	Combined Tax Rate per \$1,000 AV	Total Tax Assessment on \$240,000 AV	Permanent Tax Allocated to City
Amity	\$3.6105	\$15.9977	\$3,839	\$867
Carlton	\$5.0098	\$17.5375	\$4,209	\$1,202
Dayton	\$1.7057	\$16.5406	\$3,970	\$409
Dundee	\$2.3115	\$13.2236	\$3,174	\$555
Lafayette	\$3.4857	\$15.0030	\$3,601	\$837
McMinnville	\$5.0200	\$16.9817	\$4,076	\$1,205
Newberg	\$2.5750	\$15.0518	\$3,612	\$618
Sheridan	\$2.0307	\$13.0856	\$3,141	\$487
Willamina	\$4.2104	\$14.5836	\$3,500	\$1,010
Yamhill	\$3.7389	\$15.9864	\$3,837	\$897

Note: Newberg levies less than the city's permanent tax rate of \$4.3827 per charter amendment with allowance for 3% increases annually starting with FY 2019-20.

Organizational Chart



*Citizen Advisory Committees include: Planning Commission
 Parks Advisory Committee
 Tourism Committee
 Budget Committee

**Intergovernmental Agreement with City of Newberg

Council Goals

Issues of Strategic Importance to the City of Dundee in 2020

Based on existing assessment documents, results of a community visioning project in early 2020, results of pre-session interviews with Council members, and in-session discussion the following short-list of strategic issues was identified.

- Planning to anticipate the upcoming retirement of Dundee's longtime city administrator.
- Growth management to determine the right amount and type of growth for Dundee.
- Partnerships that need strengthening, as the City of Dundee's plans and aspirations are in many cases dependent upon the actions or initiatives of other entities.
- Water Master Planning to determine methods and potential partners.
- Density zoning and infill strategy to get the right mix of low/mid/higher income housing and of residential and commercial growth.
- River District Master Planning to support future development.

2020 Priorities

Council members considered the issues listed about and collateral issues confronting the city through the dual lenses of 1) urgency/timeliness and 2) potential impact. Using these lenses Council identified the following strategic priorities for 2020.

- **Recruiting and selecting a new City Administrator**
- **Identifying and analyzing options for Fire and EMS services.**
- **Nurturing and developing critical partnerships.**
- **Riverfront property acquisition for public access.**
- **Management of opportunities for the relocation of Dundee Elementary.**
- **A long-term strategy for water resources.**
- **A long-term strategy for transportation.**
- **City mechanisms for communicating with the public.**

Other Topics Addressed

- Dundee Master Plans: Council directed staff to integrate annual updates on the status of all City of Dundee master plans on a periodic basis.
- Vision and strategy for growth, including density and infill strategies: Council noted that elements central to growth in Dundee are among the priorities established for 2020, but recommended that focus and action in these areas should begin in earnest with the incoming City Administrator.

Budget Process

The City of Dundee prepares and adopts an annual budget in accordance with ORS Chapter 294, also known as Local Budget Law. The budget is a financial plan containing estimates of expenditures and revenues for a single fiscal year, July 1 through June 30. The budget also communicates the services provided and the priorities of the City and sets a legal limit on spending. In addition to proscribing the standards and requirements for preparation of the annual budget, Local Budget Law provides for citizen input through the Budget Committee and multiple hearings.

The process starts with the preparation of the proposed budget by the Budget Officer. The Budget Officer is appointed by the City Council, and in the case of Dundee is the City Administrator. The proposed budget takes into consideration Council goals and priorities, Department Head recommendations, and other factors effecting the cost of services or estimated revenues. The proposed budget is presented to the Budget Committee for their review and approval at a public meeting described in a notice published in the Newberg Graphic twice, at least five days prior to the first scheduled meeting date. The Budget Committee is comprised of the elected officials and an equal number of citizens appointed by the City Council. The Budget Committee may hold additional meetings to complete their review and hear public input. Once the Budget Committee is satisfied with any additions or deletions to the proposed budget, the budget is approved by majority vote. The Budget Committee is also required to approve the amount or rate of total ad valorem property taxes to be certified to the assessor.

Following approval of the budget by the Budget Committee, the Budget Officer will publish a notice of hearing before the City Council at least five days in advance of the hearing date. The City Council hears public testimony on the recommended budget and may then adopt the budget following the close of the hearing. However, if the City Council wishes to increase the total expenditures in a fund by more than \$5,000 or ten percent, whichever is greater, then a second hearing with the required published notice must first be held. Adoption of the budget by resolution of the City Council must take place no later than June 30.

As mentioned above, adoption of the budget establishes a legal limit on appropriations. With Dundee, the General Fund legal limits are established at the department level and all other funds at the category level. In the event of unanticipated revenue, the City Council may adopt a supplemental budget to increase the appropriations to the adopted budget. However, there are strict rules regarding the adoption of a supplemental budget and the unappropriated fund balance may not be amended to increase appropriations. Another authorized means to amending the budget by the City Council is through the transfer of existing appropriations by either transferring amounts among appropriations in the same fund or by transferring an appropriation from the General Fund to another fund. Supplemental budgets and transfers of appropriations are authorized by resolution of the City Council.

The final phase of the budgeting cycle involves the independent audit of the City's financial statements following the end of the fiscal year. In addition to examining the financial statements to determine if they are fairly presented, the auditor will review the City's compliance with the Local Budget Law.

Budget Calendar

Task	Details	Proposed Date
Budget Preparation Kick Off	Department Heads prepare their budgets and submit to City Administrator	March 31, 2020
Publish Notice of Budget Committee Meeting	First Notice - Newberg Graphic (1)	April 22, 2020
Publish Notice of Budget Committee Meeting	Second Notice - Newberg Graphic (2)	April 29, 2020
Proposed Budget Completed	Proposed Budget Available for Committee/Public	May 1, 2020
Budget Committee Meeting No. 1	Virtual Meeting via Zoom 7 PM - 9 PM	May 7, 2020
Budget Committee Meeting No. 2	Virtual Meeting via Zoom 7 PM - 9 PM	May 14, 2020
Budget Committee Meeting No. 3 (if needed)	Virtual Meeting via Zoom 7 PM - 9 PM	May 21, 2020
Publish Notice of Budget Hearing	Newberg Graphic (3)	May 27, 2020
Budget Hearing Held	City Council	June 2, 2020
Adopts Budget	City Council	June 16, 2020
Submit Tax Certification	Yamhill County Assessor	July 15, 2020

Notes:

1. Not more than 30 before the first meeting
2. At least 5 days after first notice, but not less than 5 days before the first meeting
3. 5 to 30 days before the hearing

Budget Changes

On May 14, 2020, the Budget Committee recommended approval of the proposed budget for the fiscal year beginning July 1, 2020 with the following changes:

State Shared Revenue Fund

<u>Line Item</u>	<u>Description</u>	<u>Proposed</u>	<u>Approved</u>
19	Lobbyist ó Bypass Project	\$ 2,500	\$ 0
24	Your Community Mediators of Yamhill Co.	\$ 0	\$ 1,900
25	Dundee Community Committee	\$ 0	\$ 2,000
27	Community Suppers	\$ 0	\$ 2,600
28	Promise Pantry Food Bank	\$ 0	\$ 1,500
29	Newberg Animal Shelter Friends	\$ 0	\$ 2,000
30	Homeward Bound Pets Adoption Shelter	\$ 0	\$ 1,800

City Council adopted the FY 2020-21 Budget¹ as approved by the Budget Committee on June 16, 2020. The Adopted Budget includes changes to the beginning fund balances for July 1, 2020 based on an updated forecast of the actual revenues and expenditures in the fiscal year ending June 30, 2020. The changes to the beginning fund balance carries over to the ending fund balances, which are not part of budgeted appropriations. The following table shows the changes to the beginning fund balance for FY 2020-21 from the Approved Budget to the Adopted Budget.

<u>Fund</u>	<u>Approved Budget</u>	<u>Adopted Budget</u>
General	538,900	572,200
Street	68,200	72,200
Street CIP	287,600	272,700
Street Reserve	45,700	45,700
State Revenue Sharing	100	100
Equipment Reserve	866,000	866,000
Parks	2,600	3,400
Tourism	96,900	125,000
Bonded Debt	18,600	18,600
Water	57,100	63,100
Water CIP	167,900	190,000
Sewer	255,800	252,000
Sewer CIP	548,800	550,100
Storm Water	10,900	11,000
Storm CIP	<u>43,500</u>	<u>43,600</u>
Totals	3,008,600	3,085,700

¹ The adopted budget for FY 2019-20 was amended by Resolutions Nos. 2019-13, 2000-01, and 2000-10

Fund Accounting

The City of Dundee uses funds to budget and report on its financial position. A fund is a separate accounting entity with a self-balancing set of accounts. Dundee has two fund categories: Governmental and Proprietary. Governmental funds utilize a current financial resources measurement focus for the delivery of governmental services. Governmental fund types include special revenue funds to account for earmarked or restricted revenues, capital projects funds to account for construction of a fixed asset, debt service funds for principal and interest repayment on general long-term debt, and the General Fund for all other general governmental activities not otherwise accounted for in some other fund. Proprietary funds are used to account for business-type activities where net operating income is necessary to sound financial administration. The City uses a modified cash basis of accounting as allowed by the State of Oregon. Revenues are recognized when received and expenses when paid. Fund balances represent the combination of cash and investments.

The following is an overview of the funds used by the City of Dundee:

Governmental Funds:

General Fund ó accounts for the financial operations of the City not accounted for in any other fund. Principal sources of revenues are property taxes, franchise fees, state shared revenues and charges for services. Primary expenditures are for administration, municipal court, building and planning, police, and fire protection.

Street Fund ó receives state highway trust fund revenues, revenue from a locally imposed motor fuel tax, and franchise fees restricted for specific uses. Expenditures are for street maintenance, including street lighting, street sweeping, and traffic control devices.

Street CIP Fund ó accounts for transfers from the Street Fund and grants to be used for street improvement projects, including sidewalks, overlays, and street reconstruction.

Street Reserve Fund ó accounts for funds set aside by a private developer for improvements to a portion of Third Street.

State Revenue Sharing Fund ó established by policy of the City, this fund receives the 14% share of state liquor receipts pursuant to ORS 221.770, which is distributed to cities. Expenditures are typically for special City projects or programs operated by nonprofits that benefit the citizens of Dundee.

Equipment Reserve Fund ó used to accumulate resources from other funds for the purchase of equipment.

Parks Fund ó receives transfers from the State Revenue Sharing Fund and state grants for maintenance and improvements of City owned parks including Harvey Creek Trail and Viewmont Greenway Park.

Fund Accounting

Tourism Fund ó accounts for the 70% split of the local 10% transient room tax in Dundee used for tourism promotion and tourism facilities.

Fire Station Construction Fund ó accounts for the bond proceeds of the City and the Dundee Rural Fire Protection District and other resources used to finance the construction of the new Dundee fire station.

Bonded Debt Fund ó This fund accounts for the taxes levied to pay principal and interest on the fire station debt incurred by the City.

Proprietary Funds:

Water Utility

Water Fund ó financial activities of the City's water utility are recorded in this fund. Revenues consist primarily of user charges. Expenditures are primarily for operation and maintenance of the utility.

Water CIP Fund ó This fund was established to account for revenues received from the water system development charges, transfers from the Water Fund, and loan proceeds. Expenditures are for capital improvements to the water system and to repay loans used to finance capital improvements to the water system.

Sewer Utility

Sewer Fund ó financial activities of the City's sewer utility are recorded in this fund. Revenues consist primarily of user charges. Expenditures are primarily for operation and maintenance of the utility.

Sewer CIP Fund ó This fund was established to account for revenues received from the sewer system development charges, transfers from the Sewer Fund, and loan proceeds. Expenditures are for capital improvements to the sewer system and to repay loans used to finance capital improvements to the sewer system.

Storm Water Utility

Storm Water Fund ó financial activities of the City's storm water utility are recorded in this fund. Revenues consist primarily of user charges. Expenditures are primarily for operation and maintenance of the utility.

Storm Water CIP Fund ó This fund was established to account for revenues received from the storm water system development charges, transfers from the Storm Water Fund, and loan proceeds. Expenditures are for capital improvements to the storm water system and to repay loans used to finance capital improvements to the storm water system.

Personnel Costs

The proposed budget for FY 2020-21 has been prepared to accommodate the same regular and part-time staffing levels as authorized in the current budget. Regular full-time staffing levels are currently budgeted at 12 employees as follows: Administration (4); Fire Department (4); and Public Works (4). Prior to FY 2018-19, the Fire Department had two full-time employees and three part-time employees that were ineligible for medical benefits. Beginning with FY 2018-19, the three part-time positions were converted to two full-time positions with benefits in order to improve recruitment and retention of firefighters. Fire Department Reserves volunteers receive a quarterly stipend based on a point system representing their participation at training, emergency responses and other events. Starting in FY 2019-20, the Public Works Department hired a seasonal worker to help with irrigation and grounds maintenance for Public Works facilities, City Hall, Harvey Creek Trail, Viewmont Greenway Park, and the ODOT Bypass trees planted as a visual barrier for the City. This seasonal worker position is continued for FY 2020-21 and is budgeted at 24 hours per week for 14 weeks.

The following table shows the allocation of personnel to Departments/Funds in the proposed budget.

Position	Admin/ Finance	Court	Community Development	Fire	Street	Water	Sewer	Storm Water
City Administrator	100.0%							
Office Manager	75.0%					11.0%	11.0%	3.0%
Admin. Assistant	56.0%	5.0%	5.0%			15.0%	15.0%	4.0%
Admin. Assistant	10.2%	14.9%	18.4%			25.5%	25.5%	5.5%
Fire Chief				100.0%				
Firefighter				100.0%				
Firefighter				100.0%				
Firefighter				100.0%				
Reserves				100.0%				
PW Supervisor					18.0%	52.0%	24.0%	6.0%
WWTP Operator							100.0%	
PW Utility Worker II					13.0%	56.0%	25.0%	6.0%
PW Utility Worker II					10.0%	84.0%	0.0%	6.0%
PW Seasonal Worker					70.0%	15.0%	10.0%	5.0%

Total wages and salaries budgeted for next fiscal year is \$765,600. This represents an increase of \$30,800 or 4.2% over the \$734,800 budgeted for the current fiscal year. However, after adjusting for an increase in conflagration wages for firefighters that was included in a supplemental budget adopted in March 2020 and the amount in the current budget to accommodate a one-time payout of accrued vacation hours to the retiring PW Supervisor, the actual increase for next fiscal year would be closer to 5.9%.

A cost of living allowance (COLA) effective July 1, 2020 is proposed at 2.48% and is based on the blended average of the Consumer Price Index for U.S. cities and the West region cities, 2.27% and 2.68% respectively. Other increases in salaries and wages include the 2.5% step increase provided to eligible employees and the scheduled adjustment to ranges on January 1, 2021. The salary/wage matrix is formatted to have 9 steps for each position, with a 2.5%

Personnel Costs

increase advancing to the next higher step. Eligible employees may advance to the next step on the hire anniversary date following a satisfactory annual evaluation. Ranges for the positions are determined based on periodic review of the salary schedule by the City Council. The ranges are also separated with a 2.5% differential between ranges. In November 2018, the City Council passed Resolution No. 2018-18 to implement a new salary schedule in phases by increasing the ranges for selected positions on January 1 each year until the targeted ranges are achieved.

In lieu of overtime, government employees are allowed comp time. Comp time is earned at 1.5 hours for every hour worked over 40 hours in a work week. About \$17,000 in overtime pay is budgeted to help keep the accumulation of compensatory time accrual at minimal levels as provided by the City's personnel policies.

Starting in 2018, payroll issuance changed from twice a month to once a month and resulted in a one-time shift of a half month of June earnings from fiscal year FY 2017-18 to FY 2018-19. All subsequent fiscal years recognize 12 months of earnings for the months of June through May. While the FY 2020-21 budget will include June 2020 salaries and wages, the table below shows the new salary and wage schedule with the 2.48% COLA starting July 1, 2020.

	Range	Minimum	Maximum	July 2020 Salary/Wage
Monthly Salary:				
City Administrator	n/a	-	-	8,167
* Fire Chief	45	5,289	6,445	6,445
PW Supervisor	44	5,160	6,287	5,422
* Office Manager	42	4,912	5,984	5,984
Hourly Wage:				
* WWTP Operator	38	25.67	31.28	30.52
* Firefighter	29	20.56	25.05	23.84
* Firefighter	29	20.56	25.05	22.69
* Firefighter	29	20.56	25.05	21.07
* Admin Assistant	28	20.05	24.43	22.69
* Admin Assistant	28	20.05	24.43	24.43
* Utility Worker II	27	19.57	23.84	23.84
* Utility Worker II	27	19.57	23.84	20.05
PW Seasonal Worker	n/a	-	-	12.00

Notes:

- 1) City Administrator salary established in an employment agreement.
- 2) Monthly salaried employees are exempt from FSLA and not eligible for overtime.
- 3) Positions below the maximum salary/wage are eligible for a step increase.
- 4) Ranges for * marked positions will increase by 1 on January 1, 2021

Personnel Costs

The amount budgeted for contributions to the Public Employee Retirement System (PERS) that are tied to the monthly payroll is \$161,600 for FY 2020-21, which is \$29,900 or a 15.6% decrease from the \$191,500 budgeted in the current fiscal year. The reduction is due a one-time payment of \$400,000 to a PERS side account scheduled for August 2, 2020 and its resulting rate offset. Through a special incentive program established by the State legislature, PERS will provide a 25% match in the amount of \$100,000 to the side account deposit. The \$500,000 will be placed in a PERS side account that is for the exclusive use of Dundee and will be subject to investment gains and losses at the same rate as other PERS invested funds. An actuarial report will be prepared to calculate the rate offset benefit to Dundee's PERS contribution rates amortized over a 20-year period. Based on a forecasting tool provided by PERS, the proposed budget assumes an offset of 5.00% due to the new side account. The budget also includes the PERS 6% Individual Account Program (IAP) paid by the City. PERS contribution rates are established every two years following an actuarial review of the assets and liabilities of the state retirement system. The following table shows the historic and current contribution rates for the City of Dundee.

<u>Classification</u>	<u>2015-17</u>	<u>2017-19</u>	<u>2019-21</u>	<u>Adjusted*</u>
PERS Tier 1/Tier 2	15.50%	20.39%	24.73%	19.73%
OPSRP General Service	9.29%	12.68%	17.18%	12.18%
OPSRP Police & Fire	13.40%	17.45%	21.81%	16.81%

*Adjusted 2019-21 biennium PERS rates with the Dundee Side Account offset.

Workers' Comp insurance program will increase \$15,250 or 67.9% in the proposed budget of \$37,700 from the current budget of \$22,450. While the rates for the various classes of workers are expected to increase only 3% on average, the substantial increase is in anticipation of Dundee's experience modification factor changing from 0.7 to 1.3 to reflect claim activity occurring in the current fiscal year. The modification factor is calculated using the most recent three-year period. Also, since the Workers' Comp premium is based on estimated activity levels at the time of request for coverage the year is audited for actual hours worked. Usually this will result in a credit adjustment, however, this is typically not included in the budget estimates.

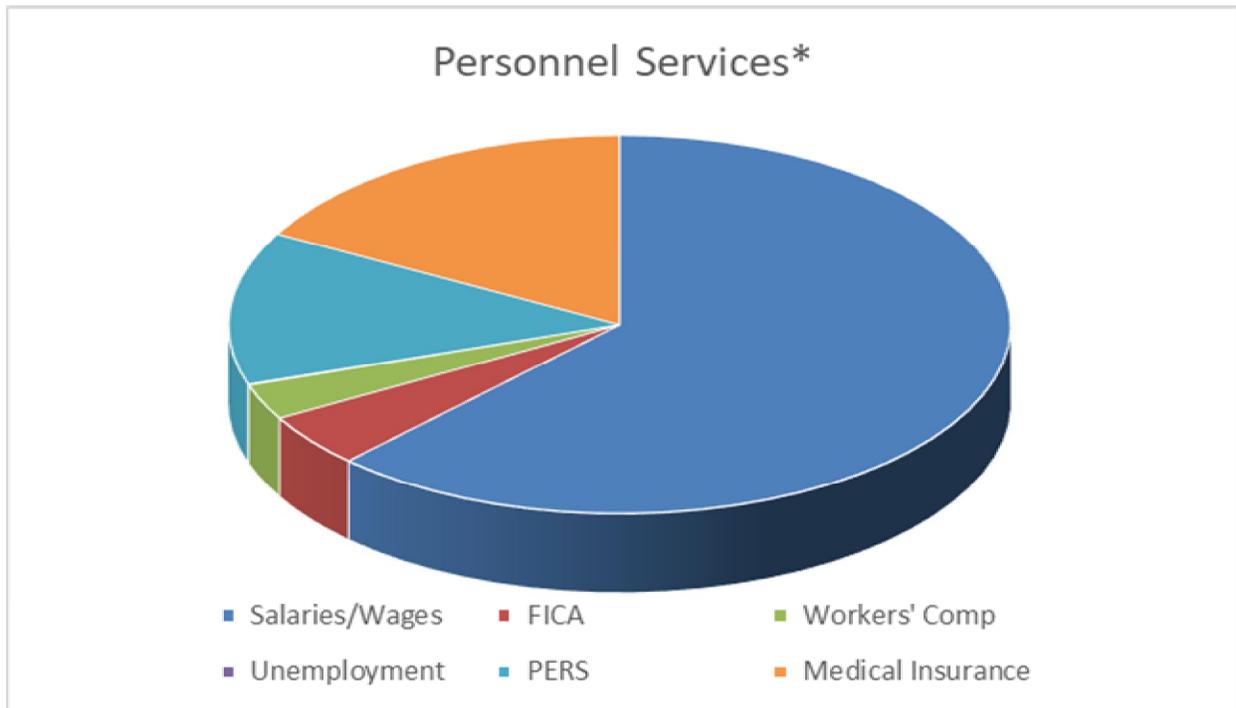
The City of Dundee obtains group medical insurance through City County Insurance Services (CIS), a joint venture between the League of Oregon Cities and the Association of Oregon Counties. City pays 100% of the employee premium for medical benefits and 80% of the premium for dependents. The City also contributes \$148 per month on average per eligible employee in a VEBA plan. VEBA is a health reimbursement arrangement under IRS rules that may be used for eligible healthcare expenses tax-free. The amount budgeted for medical benefits, including the VEBA program, for the next fiscal year is \$209,400. The amount budgeted for the current fiscal year was \$208,300, but the actual will be closer to \$190,000 due to gaps in coverage due to new employees having a 30-day waiting period before coverage starts and the current budget anticipated full family coverage for one of the vacant positions that turned out to have fewer dependents. Medical premiums are projected to increase 5.5% effective

Personnel Costs

January 1, 2021. Changes in the dependent status of employees during the open enrollment period prior to the January 1 rate change or due to a life event (e.g. marriage, divorce, adoption, birth of child) may also affect the number of dependents and the actual cost of the monthly premiums.

The following table summarizes personnel services and the chart below breaks down personnel services for FY 2020-21.

	FY 2019-20	FY 2020-21	Difference	
			\$	%
Salaries/Wages	734,800	765,600	30,800	4.2
FICA	55,150	56,400	1,250	2.3
Workers' Comp	22,450	37,700	15,250	67.9
Unemployment	800	1,000	200	25.0
PERS	191,500	161,600	(29,900)	(15.6)
Medical Insurance	203,300	209,400	6,100	3.0
Totals	1,208,000	1,231,700	23,700	2.0
PERS Side Account		400,000		
Totals w/Side Account	1,208,000	1,631,700	423,700	35.1



*Not Including One-Time Deposit to PERS Side Account

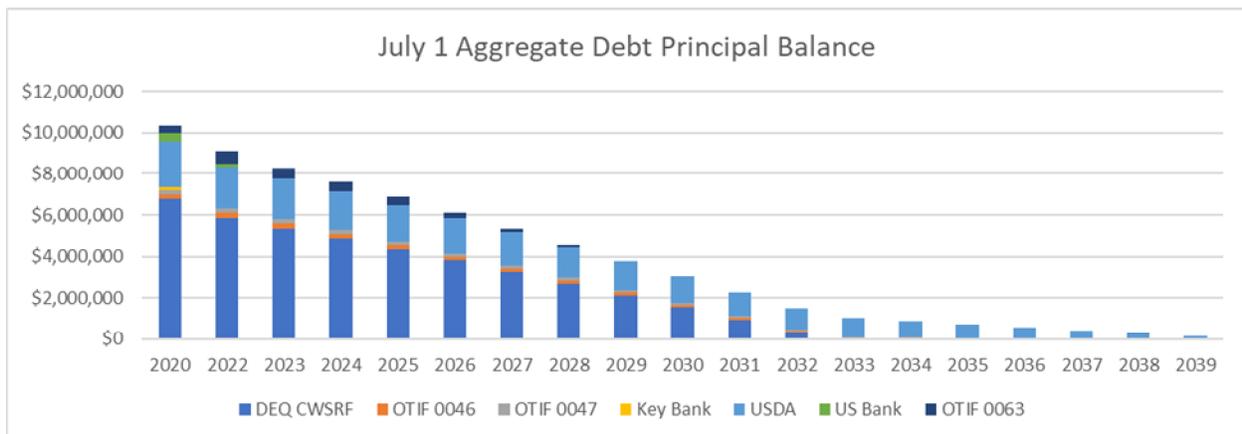
Long-Term Debt

The City of Dundee has one debt service fund that accounts for the repayment of voter approved debt with ad valorem taxes. All other debt incurred by the City are Full Faith & Credit obligations with a primary source of revenues identified in various funds that are used to satisfy the annual principal and interest payments. Below is a summary of the City's outstanding debt at the start of the fiscal year, July 1, 2020.

Description	Original Amount	Principal Outstanding	FY 2020-21 Debt Service	Final Payment Date	Fund Resource Used
DEQ CWSRF Loan - 2.65%, Dec 2012 <i>WWTP Facilities Construction</i>	\$9,700,000	\$6,774,273	\$674,069	Nov 2032	Sewer CIP Fund - User Fees & SDCs
OTIF Loan #0046 - 2.58%, Feb 2013 <i>Newberg-Dundee Bypass</i>	\$315,200	\$201,469	\$20,373	Jul 2035	Street CIP Fund - Fuel Taxes
OTIF Loan #0047 - 2.58%, Feb 2013 <i>Dundee Street Improvements</i>	\$284,000	\$236,609	\$18,356	Jan 2035	Street CIP Fund - Fuel Taxes
Key Bank Loan - 3.41%, Dec 2014 <i>Equipment Storage Building</i>	\$361,200	\$139,242	\$58,626	Dec 2021	Equipment Reserve Fund - Transfers from Water, Sewer & Storm Water
USDA Loan - 3.125%, Feb 2015 <i>Fire Station Construction</i>	\$2,578,000	\$2,207,665	\$150,143	Feb 2040	Bonded Debt Fund - Property Taxes
US Bank Loan - 2.6%, May 2016 <i>Refund IFA Loan - Water Reservoir</i>	\$970,000	\$436,778	\$152,600	May 2023	Water CIP Fund, Sewer CIP Fund & Storm Water CIP Fund - User Fees
OTIF Loan #0063 - 1.99%, May 2017 <i>Street & Sidewalk Improvements</i>	\$815,070	\$359,150	\$90,692	Jun 2030	Street CIP Fund - Fuel Taxes & LID Assessments
Totals	<u>\$15,023,470</u>	<u>\$10,355,186</u>	<u>\$1,164,859</u>		

Notes:

- 1) DEQ Loan includes an annual loan fee of .5% on the outstanding principal balance that is in addition to the semi-annual interest
- 2) Unused authority for OTIB Loan 0046 in the amount of \$81,578 is anticipated to be finalized after July 1, 2020 for Bypass Phase II land acquisition by ODOT
- 3) In addition to refunding IFA Loan at 4.04%, the US Bank Loan assisted with sewer and storm water facility improvements on Hwy 99W
- 4) Unused authority for OTIB Loan 0063 in the amount of \$455,920 to be used after July 1, 2020 for ODOT Hwy 99W Improvements Project



Budget Summary

	General	Street	Street CIP	Street Reserve	State Revenue Sharing	Equipment Reserve	Parks	Tourism	Bonded Debt	Government Funds Total
REVENUE										
Taxes	744,400	28,000						71,000	149,000	992,400
Franchise Fees	155,800		47,700							203,500
Licenses and Permits	71,800									71,800
Intergovernmental Revenues	193,200	245,000	600,000		30,500					1,068,700
Charges for Services	302,400									302,400
Fines and Forfeitures	56,000									56,000
Miscellaneous Revenues	12,100	500	156,200	1,100	200	34,600	100	2,000	1,000	207,800
TOTAL REVENUE	1,535,700	273,500	803,900	1,100	30,700	34,600	100	73,000	150,000	2,902,600
EXPENDITURES										
Personnel Services	978,300	55,600								1,033,900
Materials & Services	894,400	231,800			11,800		9,000	127,500		1,274,500
Capital Outlay	30,600		1,320,000	46,800	2,200	700,600	8,000	40,000		2,148,200
Debt Service			135,800			58,700			150,200	344,700
TOTAL EXPENDITURES	1,903,300	287,400	1,455,800	46,800	14,000	759,300	17,000	167,500	150,200	4,801,300
Excess (deficiency) of revenue over expenditures	(367,600)	(13,900)	(651,900)	(45,700)	16,700	(724,700)	(16,900)	(94,500)	(200)	(1,898,700)
OTHER FINANCING SOURCES (USES)										
Loan Proceeds (Advanced)			456,000			(225,000)				231,000
Transfers In	99,200		30,000			83,700	15,000			227,900
Transfers Out		(43,500)			(15,000)					(58,500)
Contingency	(80,000)	(5,000)								(85,000)
TOTAL OTHER FINANCING SOURCES (USES)	19,200	(48,500)	486,000	-	(15,000)	(141,300)	15,000	-	-	315,400
Net change in fund balances	(348,400)	(62,400)	(165,900)	(45,700)	1,700	(866,000)	(1,900)	(94,500)	(200)	(1,583,300)
Fund Balances at beginning of year	572,200	72,200	272,700	45,700	100	866,000	3,400	125,000	18,600	1,975,900
Unappropriated Ending Fund Balance	223,800	9,800	106,800	-	1,800	-	1,500	30,500	18,400	392,600

	Water	Water CIP	Sewer	Sewer CIP	Storm Water	Storm Water CIP	Enterprise Funds Total	All Funds Total
REVENUE								
Taxes								992,400
Franchise Fees								203,500
Licenses and Permits								71,800
Intergovernmental Revenues								1,068,700
Charges for Services	642,400	40,200	1,359,000	38,000	110,500	15,000	2,205,100	2,507,500
Fines and Forfeitures								56,000
Miscellaneous Revenues	1,100	6,000	3,200	16,700	800	700	28,500	236,300
TOTAL REVENUE	643,500	46,200	1,362,200	54,700	111,300	15,700	2,233,600	5,136,200
EXPENDITURES								
Personnel Services	289,800		270,500		37,500		597,800	1,631,700
Materials & Services	270,500		510,900		27,300		808,700	2,083,200
Capital Outlay	40,600	310,000	2,800	140,000		75,000	568,400	2,716,600
Debt Service		117,300		686,000		23,700	827,000	1,171,700
TOTAL EXPENDITURES	600,900	427,300	784,200	826,000	64,800	98,700	2,801,900	7,603,200
Excess (deficiency) of revenue over expenditures	42,600	(381,100)	578,000	(771,300)	46,500	(83,000)	(568,300)	(2,467,000)
OTHER FINANCING SOURCES (USES)								
Loan Proceeds		225,000					225,000	456,000
Transfers In				720,000		40,000	760,000	987,900
Transfers Out	(76,400)		(801,000)		(52,000)		(929,400)	(987,900)
Contingency	(20,000)		(20,000)		(5,000)		(45,000)	(130,000)
TOTAL OTHER FINANCING SOURCES (USES)	(96,400)	225,000	(821,000)	720,000	(57,000)	40,000	10,600	326,000
Net change in fund balances	(53,800)	(156,100)	(243,000)	(51,300)	(10,500)	(43,000)	(557,700)	(2,141,000)
Fund Balances at beginning of year	63,100	190,000	252,000	550,100	11,000	43,600	1,109,800	3,085,700
Unappropriated Ending Fund Balance	9,300	33,900	9,000	498,800	500	600	552,100	944,700

General Fund Summary

General Fund appropriations have increased \$215,700 or 12.2% from \$1,767,600 to \$1,983,300. Most of the increase is due to the one-time deposit of \$239,600 from the various departments within the General Fund to the PERS side account.

	FY 2019-20	FY 2020-21	Difference	
			\$	%
Personnel Services	724,700	978,300	253,600	35.0
Materials & Services	910,300	894,400	(15,900)	(1.7)
Capital Outlay	64,100	30,600	(33,500)	(52.3)
Transfers-Out	8,500	0	(8,500)	(100.0)
Contingency	60,000	80,000	20,000	33.3
Totals	1,767,600	1,983,300	215,700	12.2

Typically, most municipal budgets are dominated by personnel cost in the General Fund since the focus is the delivery of governmental services. The majority of materials & services category in Dundee's General Fund reflects contracts for services not directly provided by Dundee staff. The \$519,100 Police Department budget makes up 58% of all materials & services in the General Fund. Other personnel services contracts in the General Fund include building inspections (\$36,000), planning (\$30,000), engineering (\$30,000), and legal services (\$35,900).

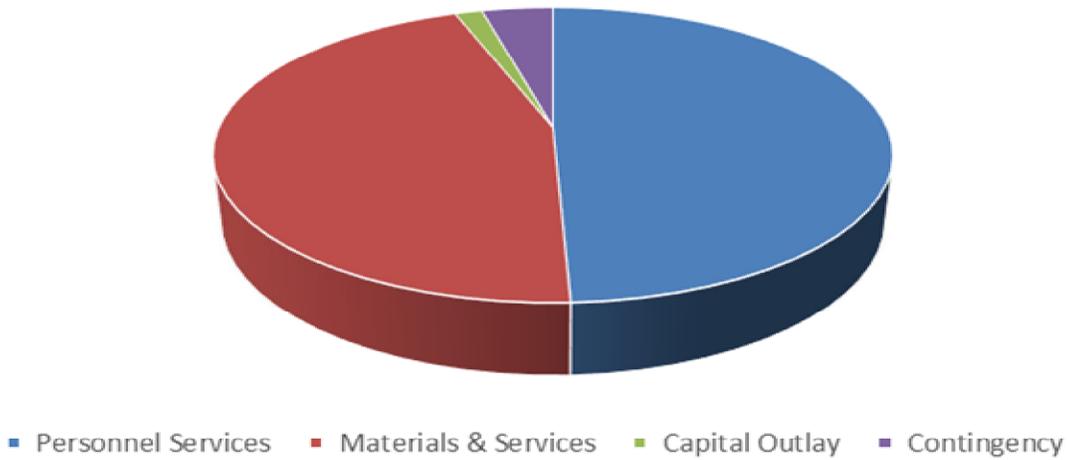
\$35,300 of the capital outlay in FY 2019-20 represents the replacement of extrication equipment in Fire Department budget, which was appropriated in a supplemental budget adopted in March 2020. A grant of \$19,200 from the Grand Ronde Spirit Mountain Community Fund and a contribution of \$5,000 from the Dundee Firefighter Volunteers assisted the purchase of this equipment.

In addition to taxes and other revenues that support governmental activities in the General Fund, the Water Fund and Sewer Fund each transfer an amount equal to 5% of their respective monthly service charge revenue to the General Fund. This arrangement is common with other cities that own their own water and sewer utilities and is often adopted as an internal franchise fee by ordinance. However, the Budget Committee preferred to leave this operating transfer as a budgetary policy to be evaluated during review of the annual budget.

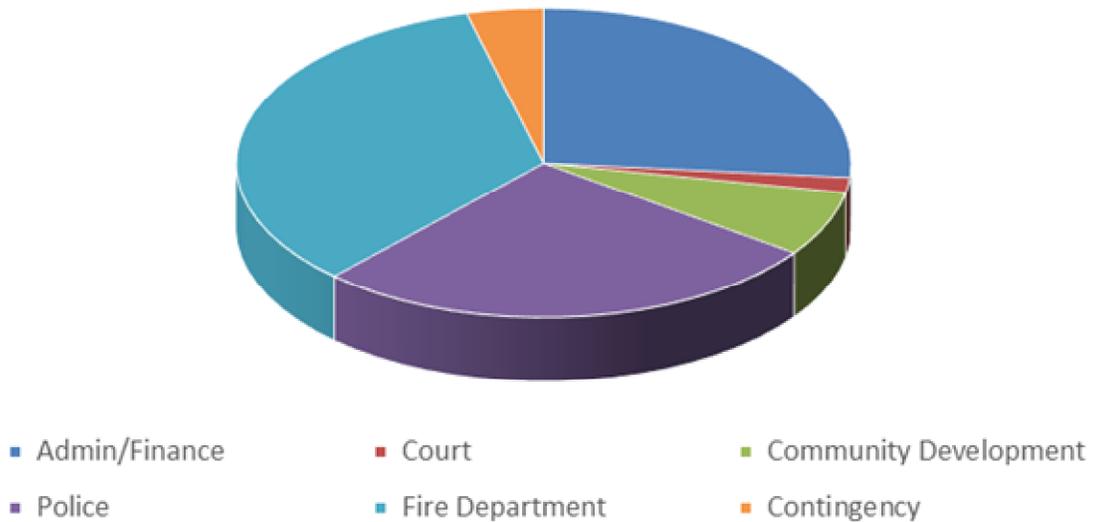
The unappropriated ending fund balance represents those funds carried over to the start of the next fiscal year. The beginning fund balance for the General Fund should be at least \$225,000 to allow sufficient cash flow until the new property tax levy's first distribution in November is received by the City. Although the ending fund balance in FY2020-21 would result in a beginning fund balance below that minimum amount for the ensuing fiscal year, it is likely that the \$80,000 contingency provided in the budget will not be fully expended.

General Fund Summary

FY 2020-21 General Fund Expenditures by Category



FY 2020-21 General Fund Expenditures by Department



General Fund Summary

		ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1	REVENUE					
2	Taxes	702,913	720,706	756,500	754,400	744,400
3	Franchise Fees	150,309	150,272	149,900	153,900	155,800
4	Licenses and Permits	67,409	84,610	73,800	60,900	71,800
5	Intergovernmental Revenues	178,407	185,126	187,900	189,100	193,200
6	Charges for Services	321,251	267,238	252,500	265,900	302,400
7	Fines and Forfeitures	52,187	64,337	56,000	56,000	56,000
8	Miscellaneous Revenues	14,341	24,567	41,700	40,200	12,100
9	TOTAL REVENUE	1,486,816	1,496,857	1,518,300	1,520,400	1,535,700
10						
11						
12	EXPENDITURES					
13	Admin / Finance	325,717	373,153	441,600	429,300	526,000
14	Court	29,791	24,144	26,700	24,100	31,500
15	Community Development	111,705	128,638	147,800	129,200	134,900
16	Police Service	492,038	503,123	519,100	519,100	535,600
17	Fire Department	453,528	480,311	563,900	544,600	675,300
18	TOTAL EXPENDITURES	1,412,778	1,509,369	1,699,100	1,646,300	1,903,300
19						
20	Excess (deficiency) of revenue					
21	over expenditures	74,037	(12,512)	(180,800)	(125,900)	(367,600)
22						
23	OTHER FINANCING SOURCES (USES)					
24	TRANSFERS IN					
25	Transfers In from Water	29,740	30,987	30,000	31,300	31,300
26	Transfer In from Sewer	62,649	66,000	66,600	66,300	67,900
27	TOTAL TRANSFER IN	92,389	96,986	96,600	97,600	99,200
28						
29	TRANSFERS OUT					
30	Transfer to Fire Station Construction	(20,000)		(8,500)	(8,500)	
31	Transfer to Parks	(3,000)				
32	Transfer to Equipment Reserve	(102,000)	(56,000)			
33	TOTAL TRANSFERS OUT	(125,000)	(56,000)	(8,500)	(8,500)	-
34						
35	OTHER USES					
36	Operating contingency			(60,000)		(80,000)
37	TOTAL OTHER USES			(60,000)		(80,000)
38						
39	TOTAL OTHER FINANCING SOURCES (USES)	(32,611)	40,986	28,100	89,100	19,200
40						
41						
42	Net change in fund balances	41,427	28,474	(152,700)	(36,800)	(348,400)
43						
44	Fund Balances at beginning of year	539,122	580,548	609,200	609,000	572,200
45						
46	Unappropriated Ending fund Balance	580,548	609,022	456,500	572,200	223,800

General Fund Revenue

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
Taxes					
Current Year Property Taxes	617,612	634,890	666,000	675,000	661,000
Prior Year Property Taxes	25,611	36,540	30,000	24,000	25,000
Transient Room Tax	29,432	25,488	32,500	23,400	30,400
Marijuana Tax	30,257	23,788	28,000	32,000	28,000
Total Taxes	702,913	720,706	756,500	754,400	744,400

Property taxes represent the largest source of revenue for the General Fund, making up about 43% of the fund's total revenue. The proposed tax levy for fiscal year 2020-2021 is \$711,929 reflecting the City's permanent tax rate of \$2.3115 per \$1,000 applied against an estimated assessed value of \$307,994,523. The estimated assessed value was calculated using the 3 percent increase limit (Measure 50) to the previous year's assessed value of \$307,214,048 plus an additional \$3,011,000 for new construction value in the City as of December 31, 2019, and less \$11,446,946 representing the increase of assessed value within the Dundee Urban Renewal Plan since its adoption in April 2017. The property tax revenue estimate in the budget of \$661,000 is approximately 7.2% less than the levy amount in order to accommodate the effect of delinquent payments and discounts for early payments. Delinquent property taxes collected from prior years' levies are estimated at \$25,000.

The current year property taxes for FY 2019-20 was originally budgeted at \$639,000 but was increased \$27,000 via a supplemental budget due to an unanticipated one-time collection of underpaid taxes on personal property from prior years.

Other taxes received in the General Fund represent 30% of the local 10% transient room tax revenue collected from hotels and vacation rentals in Dundee and a local marijuana tax of 3% on recreational marijuana sales.

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
Franchise Fees					
Portland General Electric	76,079	76,102	77,100	79,200	80,400
Northwest Natural Gas	18,780	17,810	16,300	18,700	19,800
Comcast	28,722	27,044	27,000	26,700	26,000
Frontier Communications	6,477	8,747	9,000	6,800	6,700
Astound	5,300	5,300	5,300	5,300	5,300
Waste Management	14,952	15,270	15,200	17,200	17,600
Total Franchise Fees	150,309	150,272	149,900	153,900	155,800

Franchise fees are collected from private utilities using public rights of way. Portland General Electric (PGE) and Northwest Natural Gas are regulated through the Oregon Public Utility Commission and the franchise fee rates of 3.5% and 3.0% paid to Dundee are imbedded in the

General Fund Revenue

respective rate tariffs and are considered a system expense. In 2014, new franchise agreements for PGE and Northwest Natural Gas were adopted and the fee rates were increased to 5%. The increased amounts are disclosed on the customer's bill and that revenue is allocated to the Street CIP Fund. Franchises for cable and telephone services are regulated under federal and state legislation, respectively. The current franchise fees imposed by Dundee for cable and telephone services are currently at the highest rate allowed by law. The franchise granted to Waste Management represents an exclusive privilege for garbage disposal and recycle services. A franchise was granted to Astound for the placement of a fiber optic line along Highway 99W in Dundee. Astound does not provide services to customers in Dundee and the annual franchise fee was based on a \$1/linear foot rate. Excepting Astound, General Fund franchise revenues are based on the following rates applied to the adjusted gross revenue derived from customers of these services in the City:

Portland General Electric	3.5%
Northwest Natural Gas	3.0%
Comcast Cable TV	5.0%
Frontier Telephone	7.0%
Frontier FiOS TV	5.0%
Waste Management	3.0%

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
Licenses and Permits					
Business / OLCC Licenses	5,450	4,595	6,000	4,800	4,600
Building Permits	43,492	49,732	44,000	35,000	44,000
Dog Licenses	1,920	2,733	3,800	3,100	3,200
Infrastructure Dev Permits	16,548	27,550	20,000	18,000	20,000
Total Licenses and Permits	67,409	84,610	73,800	60,900	71,800

The City of Dundee annual business license fee is \$45 per business and the fee for renewal and new liquor license applications is \$25. Building permit fees for new structures and remodels are based on the construction value as determined by the class of work, and permit fees for plumbing and mechanical installations are based on the quantity of units installed. Fees collected are used to oversee compliance of the Building Codes adopted by the State of Oregon, including plan review and inspections. The Yamhill County Sheriff regulates the licensing of dogs for the entire county and the dog license fees are distributed back to the cities after deducting administrative expenses. Infrastructure development permits are required for work in a public right of way or construction of facilities on private property that must comply with the Dundee Improvements Standards. Type A permits are collected for work estimated at or under \$5,000 and are calculated based on a schedule of work performed. Type B permits are collected for work estimated over \$5,000 in value and include a deposit amount of 5% of the estimated construction value. The actual cost of plan review and inspection by the City Engineer is paid from the deposit.

General Fund Revenue

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
Intergovernmental Revenues					
OEM GIS Mapping Grant			6,200	6,200	
911 Tax Receipts	16,245	16,746	17,400	16,300	20,700
Cigarette Tax Receipts	4,017	3,707	3,900	3,700	3,700
Liquor Tax Receipts	51,496	52,250	54,300	54,700	56,700
Marijuana Tax Receipts	17,814	11,776	12,500	13,500	14,400
Rural Fire District Contract	88,836	100,648	93,600	94,700	97,700
Total Intergovernmental Revenues	178,407	185,126	187,900	189,100	193,200

The OEM GIS mapping grant is a one-time reimbursement of work related to updating Dundee address information in a format required by emergency service responders. State shared revenues are distributed to cities typically using a per capita formula. The League of Oregon Cities analyzes data from various state agencies and provides a per capita rate forecast for 911 taxes, cigarette taxes, liquor taxes and marijuana taxes. Dundee's share of 911 tax receipts is used to support the Public Safety Answering Point (PSAP) serving Dundee. The PSAP is operated by the City of Newberg, however, Newberg remits the fee back to Dundee per agreement for emergency dispatch services. Marijuana taxes are distributed to cities that do not prohibit production, processing or sale of marijuana that is otherwise permitted by the State of Oregon. The Dundee Fire Department provides fire and emergency rescue services to the Dundee Rural Fire Protection District under contract. Under the terms of the contract, the District remits 85% of the property taxes collected under their permanent tax levy to the City. The agreement also provides that funds may be set aside with authorization of the Fire Chief for satisfying a local match to a grant that the District is eligible to receive directly for the betterment of the Department.

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
Charges for Services					
System Dev Charges-CPRD	640	1,608	900	900	900
School Excise Tax Fee	196	273	300	300	300
Fire/Medical Services	2,276	1,258	1,500	500	1,500
Fire Conflagration	119,613	53,444	25,700	25,700	10,000
Land Use / Zoning	21,942	9,529	12,000	11,000	12,000
Internal Admin Charge	176,584	201,127	212,100	227,500	277,700
Total Charges for Services	321,251	267,238	252,500	265,900	302,400

Per agreement, the City collects Park SDCs for the Chehalem Park & Recreation District and the excise fee on new construction for the School District and retains 2% and 1% of the respective fees as an administrative service. The Dundee Fire Department remits invoices to certain emergency responses to non-residents. Fire conflagration payments reimburse agencies that respond to major fire events at the request of the State Fire Marshall. Fees are collected for the processing of land use applications and are used to offset the cost of the planner and other related

General Fund Revenue

costs to complete review and issuance of a land use permit. Administrative and financial services (payroll, accounting, auditing) are consolidated in the General Fund; and the other operating funds, i.e. Street, Water, Sewer and Stormwater, pay for their share of general administrative and financial activities as an internal service charge to the General Fund. The allocation is based on a formula using the ratio of personnel costs against the total general administrative and financial costs. FY2020-21 reflects the additional cost of the Administrative/Finance Department's one-time share of PERS Side Account deposit being reallocated to the other operating funds outside of the General Fund.

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	APPROVED BUDGET 2020-21
Fines and Forfeitures					
Fines/Forfeit & Court Fees	52,187	64,337	56,000	56,000	56,000
Total Fines and Forfeitures	52,187	64,337	56,000	56,000	56,000

Fines and forfeitures are primarily traffic violations processed by the Dundee Municipal Court. These represent the City of Dundee portion of the fines imposed by the Municipal Court Judge and retained by the City. However, it excludes the portion of the fines that are collected by the City and remitted to the State of Oregon and Yamhill County as provided by State law.

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	APPROVED BUDGET 2020-21
Miscellaneous Revenues					
Investment Interest	10,822	16,434	14,000	12,500	8,600
Insurance Recovery		3,594			
Private Grants / Contributions	250		24,200	24,200	
Other Miscellaneous Revenue	3,268	4,539	3,500	3,500	3,500
Total Miscellaneous Revenues	14,341	24,567	41,700	40,200	12,100

Interest income is derived from participation in the Local Government Investment Pool (LGIP), which is managed by the State Treasurer. Miscellaneous revenues are mostly the lien search fees paid by title companies. In FY 2019-20 the City received a grant of \$19,200 from the Grand Ronde Spirit Mountain Community Fund and a contribution of \$5,000 from the Dundee Firefighter Volunteers assisted the purchase of extrication equipment for the Fire Department.

Administrative/Finance Department

The Administrative/Finance Department provides day to day administrative support and financial services to all departments of the City, including the following:

- Provide information, support, and recommendations to the City Council.
- Implement policies of the City Council and Dundee Municipal Code.
- Provide customer service and respond to requests for assistance.
- Assist and coordinate local measures in the general and special elections.
- Ensure compliance of public procurement and public contracting regulations.
- Prepare the proposed annual budget and oversee its adoption and implementation.
- Protect and archive public records pursuant to state statute.
- Provide personnel services and oversee compliance with the City of Dundee Employee Handbook and BOLI.
- Prepare resolutions and ordinances for consideration by the City Council and maintain the Dundee Municipal Code.
- Maintain the City of Dundee website and produce the quarterly newsletter.
- Prepare grant applications and oversee compliance of grant requirements.
- Process City payroll and related reporting to regulatory agencies.
- Oversee all aspects of accounts payable, including electronic funds transfers.
- Ensure compliance of the City's debt obligations.
- Provide cash management and oversee investments.
- Prepare financial reports, maintain the City's general ledger, and assist the annual audit.

The City's annual audit is performed by Grove, Mueller, Swank PC and FY 2020-21 accommodates the final year of a five-year contract for auditing services. The Administrative/Finance Department incurred higher than normal legal expense in the current fiscal year involving several tort claims. The City is represented by the firm Jordan Ramis PC, which offers a wide range of expertise on municipal law and other related disciplines. Legal fees are budgeted to reflect the current agreement of \$700 per meeting for attendance of the City Attorney at Council meetings and \$350 per hour for general legal matters. IT support includes annual maintenance fees for user applications, E-mail and data storage to the cloud, and on-call maintenance by the City's IT consultant, Blackpoint. Other professional services represent independent investigative work for the City by a consultant.

The recruitment expense is for hiring a new city administrator in anticipation of the current administrator's retirement in the latter part of 2021. This amount is a placeholder as it is likely that the bulk of the expense will take place in FY 2021-22. Annual dues paid to the League of Oregon Cities and the Mid-Willamette Valley Council of Governments make up about 90% of total dues & subscriptions in the Administrative/Finance budget. Insurance is mostly for general liability that is not otherwise specifically attributed to a special operation or function such as fire protection, utilities or streets.

Capital outlay is for the replacement of one computer workstation at City Hall, including data transfer and installation.

Administrative/Finance Department

		ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1	EXPENDITURES					
2						
3	PERSONNEL SERVICES					
4	Salaries & Wages					
5	Salaries and Wages	150,307	167,227	176,800	176,400	184,700
6	Total Salaries & Wages	150,307	167,227	176,800	176,400	184,700
7						
8	Personnel Benefits					
9	FICA	10,884	12,032	13,500	12,600	13,800
10	Workers' Comp	527	480	300	300	400
11	Unemployment	143	157	200	200	200
12	PERS	34,878	38,732	48,600	48,400	41,400
13	PERS Side Account					101,500
14	Group Medical & Life	33,513	38,589	41,400	41,700	42,800
15	Total Personnel Benefits	79,944	89,990	104,000	103,200	200,100
16						
17	TOTAL PERSONNEL SERVICES	230,251	257,217	280,800	279,600	384,800
18						
19	MATERIALS & SERVICES					
20	Supplies					
21	Supplies	3,711	3,231	3,600	2,600	3,600
22	Small Tools & Minor Equip	415	164	600	500	600
23	Total Supplies	4,126	3,395	4,200	3,100	4,200
24						
25	Professional Services					
26	Accounting /Auditing	12,950	13,400	14,000	15,200	14,300
27	Legal	14,152	19,696	57,500	59,000	30,000
28	IT Support	12,930	19,373	15,500	18,000	21,000
29	Codification	565	1,917	2,600	800	2,000
30	Other Professional Services			13,000	6,400	
31	Total Professional Services	40,598	54,386	102,600	99,400	67,300
32						
33	Contractual Services					
34	Recruitment Services					18,000
35	Equipment Lease	1,322	1,322	1,300	1,300	1,300
36	Total Contractual Services	1,322	1,322	1,300	1,300	19,300
37						
38	Travel & Training					
39	Council/Committee Development	433	4,418	1,000	400	1,000
40	Employee Development	1,842	3,095	5,000	600	2,000
41	Dues & Subscriptions	4,983	4,883	5,100	5,100	5,200
42	Total Travel & Training	7,258	12,396	11,100	6,100	8,200
43						
44	Insurance	8,941	9,265	9,600	9,900	10,500
45						
46	Regulatory Requirments					
47	Certifications & Permits	725	775	800	700	700
48	Total Regulatory Requirements	725	775	800	700	700

Administrative/Finance Department

		ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
49						
50	Utilities					
51	Electricity	2,157	1,943	2,200	1,900	2,200
52	Natural Gas	1,095	743	1,000	1,000	1,000
53	Telephone & Cable	3,249	3,302	3,400	3,500	3,500
54	Total Utilities	6,502	5,988	6,600	6,400	6,700
55						
56	Repairs & Maintenance					
57	Equip Maint/Repair	3,406	3,398	3,600	3,000	3,500
58	Bldg Maint/Repair	2,922	3,567	4,200	3,500	4,500
59	Grounds Maintenance	1,565	1,062	1,600	1,000	1,200
60	Total Repairs & Maintenance	7,893	8,027	9,400	7,500	9,200
61						
62	Other Materials & Services					
63	Postage	1,953	1,391	1,800	1,500	1,400
64	Legal Notices	830	598	900	900	900
65	City Newsletter / Website	5,818	6,286	6,000	5,200	6,000
66	Bank Charges	962	1,000	1,000	1,300	1,000
67	Lien Search	1,174	1,186	1,200	1,400	1,500
68	Other Misc Expense	2,157	855	1,500	800	1,500
69	Total Other Materials & Services	12,894	11,315	12,400	11,100	12,300
70						
71	TOTAL MATERIALS & SERVICES	90,259	106,870	158,000	145,500	138,400
72						
73	CAPITAL OUTLAY					
74	City Hall Windows	5,206				
75	City Hall Furnance		4,999			
76	Assisted Listening System		1,255			
77	Computer H/W, S/W		2,812	2,800	4,200	2,800
78	TOTAL CAPITAL OUTLAY	5,206	9,066	2,800	4,200	2,800
79						
80	TOTAL EXPENDITURES	325,717	373,153	441,600	429,300	526,000

Municipal Court

Municipal Court provides an impartial forum for the resolution of traffic infractions and City Code violations. The Dundee Municipal Court does not have jurisdiction of felonies and does not process misdemeanors. The Dundee Municipal Court is not established as a court of record and appeals to convictions at trial by the Municipal Court Judge are brought to Yamhill County Circuit Court and conducted as a new trial.

Dundee Municipal Court is held once a month. Persons receiving a citation have the option to appear before the Judge per the citation instructions or to have the Court Clerk process their response to the citation through the authority of a Violations Bureau. The Court Clerk may accept a plea of No Contest and require payment of a reduced fine per the presumptive fine schedule as established by the Municipal Court Judge. Also, the Court Clerk has the authority to process Fix-it Tickets for certain violations.

Fines imposed by the Municipal Court Judge or through the Violations Bureau are regulated by the State of Oregon and typically include three components: 1) Base fine retained by the City; 2) Unitary Assessment remitted to the State; and 3) County Assessment remitted to Yamhill County. Persons that either fail to appear for a traffic offense or fail to comply or pay a fine for a traffic offense will result in the Clerk notifying DMV to suspend those persons' driving license privileges.

The following represents the citations processed in 2019:

Judicial No Contest/Guilty Pleas	136
Trials	9
Violation Bureau Pleas	268
<u>Failure to Appear</u>	<u>47</u>
Total Citations	460

The services of the Municipal Court Judge are provided via an intergovernmental agreement with the City of Carlton at the rate of \$224 per month. Interpretation is also provided by contract and in recent years the Court Bailiff was performed by an on-duty Newberg-Dundee Police Department officer at no additional expense.

In FY 2017-18, the Municipal Court invested in new software for maintaining the Court docket and accounts set up with payment arrangements. Previously, all court records, including payments, were handled manually and were not tied into the City's accounting software. IT support includes the court software annual maintenance fee.

Employee development covers the training opportunities offered twice a year through the Oregon Association of Court Administrators.

Municipal Court

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21	
1	EXPENDITURES					
2						
3	PERSONNEL SERVICES					
4	Salaries & Wages					
5	Salaries and Wages	8,739	9,779	10,300	9,700	10,400
6	Total Salaries & Wages	8,739	9,779	10,300	9,700	10,400
7						
8	Personnel Benefits					
9	FICA	613	678	800	700	800
10	Workers' Comp	52	47	50	50	50
11	Unemployment	8	9	50	50	50
12	PERS	2,171	2,418	3,000	2,800	2,500
13	PERS Side Account					5,700
14	Group Medical & Life	3,868	4,451	4,900	4,200	4,900
15	Total Personnel Benefits	6,712	7,603	8,800	7,800	14,000
16						
17	TOTAL PERSONNEL SERVICES	15,451	17,382	19,100	17,500	24,400
18						
19	MATERIALS & SERVICES					
20	Supplies					
21	Supplies	80	119	200	100	200
22	Total Supplies	80	119	200	100	200
23						
24	Professional Services					
25	Legal Service	60	60	400	100	400
26	IT Support		1,773	1,900	1,800	1,900
27	Total Professional Services	60	1,833	2,300	1,900	2,300
28						
29	Contractual Services					
30	Court Judge	2,688	2,688	2,700	2,700	2,700
31	Interpretation / Bailiff	600	500	600	400	600
32	Total Contractual Services	3,288	3,188	3,300	3,100	3,300
33						
34	Travel & Training					
35	Employee Development	695	1,001	1,000	900	600
36	Dues & Subscriptions	-	75	100	100	100
37	Total Travel & Training	695	1,076	1,100	1,000	700
38						
39	Other Materials & Services					
40	Postage	153	278	300	300	300
41	Bank Charges	297	232	300	200	200
42	Misc Expense	12	35	100		100
43	Total Other Materials & Services	462	545	700	500	600
44						
45	TOTAL MATERIALS & SERVICES	4,585	6,761	7,600	6,600	7,100
46						
47	CAPITAL OUTLAY					
48	Computer HW, S/W	9,756				
49	TOTAL CAPITAL OUTLAY	9,756	-	-	-	-
50						
51	TOTAL EXPENDITURES	29,791	24,144	26,700	24,100	31,500

Community Development

Community Development accounts for the administration of regulations and policies relating to land use and development within the City of Dundee.

Engineering represents the work by the City engineer of record for review of development applications for compliance with the Dundee Improvement Design Standards and applicable City ordinances, which is covered by application fees, and responding to general inquiries. The engineer of record is provided by a contract with Streamline West Engineering, LLC.

Planning services are provided by agreement with the City of Newberg, including review and preparation of recommendations for land use applications, enforcement of land use regulations and responding to general inquiries, review of building permits for compliance of the Dundee Development Code, and assistance with long-range planning. Typical land use applications include subdivisions, partitions, conditional uses, site development review, variances and adjustments, and sign permits. Long-range planning includes amendments to the Dundee Comprehensive Plan, Dundee Development Code amendments, master planning of specific areas of the City, and assisting with area planning coordination. In March 2020, the City also contracted with Moore Iacofano Goltsman, Inc. (MIG) for specific planning services in an amount not to exceed \$25,000. These include review and recommendations for amendments to the Dundee Development Code for the following: 1) vacation house rentals, 2) housekeeping and minor policy changes previously reviewed by the Planning Commission, and 3) exterior lighting regulation. It is estimated about two thirds of the contracted work with MIG will take place in FY 2020-21.

Dundee contracts for building inspection services with the City of Newberg. The amount paid for building inspection services is based on the actual permit activity where 100% of the plan review fee and 60% of the building permit is remitted to the Newberg Building Department. Building permit applications are received at Dundee City Hall and are reviewed for completeness and collection of the initial permit fees. Once the plans have been reviewed and a permit prepared, issuance of the permit is through Dundee City Hall upon payment of remaining permit fees, including SDCs, school excise fee, and state fees. Note: Electrical permits are the jurisdiction of Yamhill County. The following table shows building permit activity.

Class	2017		2018		2019	
	No.	Value	No.	Value	No.	Value
New SFR	4	\$ 1,143,613	3	\$ 942,239	17	\$ 5,009,844
Other Res	21	\$ 402,835	20	\$ 730,760	21	\$ 374,662
New Ind/Com	0	\$ -	1	\$ 450,000	0	\$ -
Other Ind/Com	9	\$ 1,221,429	4	\$ 88,543	10	\$ 426,368

Rehab Loans/Grants represents a business façade improvement program that was initially funded by grants from Waste Management and Yamhill County Economic Development. The remaining grant funds balance was applied to a parking lot improvement project for the Dundee Community Center in the current fiscal year.

Community Development

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21	
1	EXPENDITURES					
2						
3	PERSONNEL SERVICES					
4	Salaries & Wages					
5	Salaries and Wages	10,144	11,386	12,200	11,400	12,300
6	Total Salaries & Wages	10,144	11,386	12,200	11,400	12,300
7						
8	Personnel Benefits					
9	FICA	715	780	1,000	800	900
10	Workers' Comp	53	49	50	50	50
11	Unemployment	9	10	50	50	50
12	PERS	2,258	2,523	3,200	3,300	3,000
13	PERS Side Account					6,800
14	Group Medical & Life	4,653	5,463	6,100	5,400	5,800
15	Total Personnel Benefits	7,688	8,825	10,400	9,600	16,600
16						
17	TOTAL PERSONNEL SERVICES	17,832	20,211	22,600	21,000	28,900
18						
19	MATERIALS & SERVICES					
20	Supplies					
21	Office & Operating Supplies	131	164	300	100	300
22	Small Tools & Minor Equip			200	100	200
23	Total Supplies	131	164	500	200	500
24						
25	Professional Services					
26	Legal	4,430	9,476	5,000	2,200	5,000
27	Engineering / Architecture	26,675	30,310	28,000	28,300	30,000
28	GIS Mapping			6,200	8,200	2,500
29	Planning	30,468	29,663	28,000	22,000	30,000
30	Total Professional Services	61,573	69,449	67,200	60,700	67,500
31						
32	Contractual Services					
33	Building Inspector	30,957	36,682	36,000	27,000	36,000
34	Total Contractual Services	30,957	36,682	36,000	27,000	36,000
35						
36	Travel & Training					
37	Commissioner Development	56	1,424	500		500
38	Employee Development	101	132	800	600	800
39	Dues & Subscriptions	40		100	100	100
40	Total Travel & Training	198	1,556	1,400	700	1,400
41						
42	Other Materials & Services					
43	Postage	131	83	200	100	100
44	Legal Notices	622	493	400	100	400
45	Rehab Loans/Grants			19,400	19,400	
46	Other Misc Expense	262		100		100
47	Total Other Materials & Services	1,015	576	20,100	19,600	600
48						
49	TOTAL MATERIALS & SERVICES	93,873	108,427	125,200	108,200	106,000
50						
51	TOTAL EXPENDITURES	111,705	128,638	147,800	129,200	134,900

Police

Police services are provided through an intergovernmental agreement with the City of Newberg. Increases to the annual fee paid to the City of Newberg are tied to the COLA increase (not to exceed 5% in any given year) provided in the collective bargaining agreement with police personnel. The estimate for FY 2020-21 is based on a 3.0% COLA increase. Police emergency dispatch services is provided through a separate agreement with the City of Newberg; increases are limited to 5% per year.

The agreement provides Dundee residents the same level of services provided to Newberg residents, including enforcement and investigations involving public safety, criminal law enforcement, and traffic enforcement. Traffic violations occurring in Dundee and infractions of Dundee ordinances are cited into the Dundee Municipal Court. Also, a joint Citizen Police Advisory Forum is established consisting of Dundee and Newberg residents appointed by the Police Chief. The Forum meets from time to time for the purpose of discussing various issues concerning police services in Dundee and Newberg; and makes recommendations to the Police Chief.

The following table shows police activity in Dundee for the previous three calendar years:

	2017	2018	2019
Cases	207	209	235
Traffic Violations	486	502	575
Warnings	453	363	385
Adult Arrests	94	94	76
Juvenile Custodies	6	2	4
DUIIs	13	15	19
Calls for Service	3306	3383	3899

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1 EXPENDITURES					
2					
3 MATERIALS & SERVICES					
4 Contractual Services					
5 Emergency Dispatch (911)	41,483	43,557	45,700	45,700	48,000
6 Police Services Contract	450,555	459,566	473,400	473,400	487,600
7 Total Contractual Services	492,038	503,123	519,100	519,100	535,600
8					
9 TOTAL MATERIALS & SERVICES	492,038	503,123	519,100	519,100	535,600
10					
11 TOTAL EXPENDITURES	492,038	503,123	519,100	519,100	535,600

Fire Department

The Fire Department provides fire and emergency medical services to the City of Dundee and to the Dundee Rural Fire Protection District with a combined service area of 13-square miles, a resident population of 5,000, and about 30,000 daily commuting non-residents. In 2019, the department responded to 549 calls for service, which ranged from general medical, motor vehicle crashes, vehicle fires, structure fires, wildland/brush fires, hazardous material spills, mutual aid and public assist. Below is a summary of the calls for service for the year 2019.

Calls for Service	City	Rural	Auto/Mutual Aid
Medical	164	36	
Motor Vehicle Crash	7	27	
Fire Related Calls*	39	36	
Other Calls**	58	7	
Mutual/Auto Aid			175
Totals	268	106	175

*structure, wildland, alarms, smoke checks, burn complaints, etc.

**assists, hazmat, lines down, trees down, lockouts, etc.

The Dundee Fire Department was established in August of 1935. The fire station combined with city hall was originally located between SE 9th and SE 10th Streets on Highway 99W. In 1967, the city hall/fire station was moved to the current location at the intersection of SE 8th Street and Highway 99W. Later that same year, two apparatus bays were built onto the station. In 1978, a major station remodel and additions project began with labor performed by the volunteer firefighters. By 1983, city hall was relocated, and the station capacity was 7,500 square feet. In July 2014 a new state of the art 17,623 square foot fire station was dedicated thanks to the voters of the City and the Rural Fire Protection District.



Fire Department

In exchange for the District contributing to about one third of the financing for the new fire station, the City entered into a new agreement with the District with a term that coincides with the term of the District's bonded debt used for the construction project. In exchange for fire and rescue services, the District pays 85% of the property taxes collected from the permanent tax levy. To increase fire and life protection to the City and the District, the respective agencies entered into mutual aid agreements with all ten fire districts/agencies in Yamhill County and Washington County. In addition, an auto-aid agreement is in place with Dayton Fire District and TVF&R in Newberg for a joint response to structure and wildland fires.

Staffing includes a paid fire chief, three full-time firefighters and about 20 volunteers. Starting in FY 2018-19, the three part-time fire fighter positions were converted to two full-time fire fighter positions. Although the number of coverage hours declined and costs increased with this arrangement, the rationale was to improve the stability of the paid firefighter positions. The budget includes \$10,000 in conflagration pay, representing a possible response to a statewide event. The City is compensated by the state for equipment and personnel responding to a conflagration event. The proposed budget includes \$18,000 to the volunteers, allocated as stipend payments to the volunteers of \$13,000 and \$5,000 to the volunteer association.

At the invitation of the McMinnville Fire Department, the City of Dundee participated in a cooperative service study involving Yamhill County fire service agencies. The study is being prepared by Emergency Services Consulting International (ESCI) and will look at response requirements for each agency and their ability to meet those requirements. ESCI will review staffing levels and costs, and whether wages are set at appropriate levels and any imbalances between agencies regarding facilities and apparatus/vehicles. The study will not only consider agency consolidation, but will look at opportunities for shared cooperative services, such as training and administrative services. The study results and recommendations are expected to be available in June 2020. For those agencies that wish to pursue exploring the recommendations for consolidation or sharing of services, McMinnville will cover that final phase of work by ESCI in the summer of 2020.

In the current fiscal year, the City contracted with McMinnville Fire Department for fire administrative services on a temporary basis.

Proposed capital outlay line includes replacement of computer workstation (\$2,800), mezzanine and tower stairway floor repairs (\$5,000), and protective clothing (\$20,000). The capital equipment acquired in the current fiscal year was for the replacement of the Department's extrication equipment, of which about two thirds was funded by a grant and contributions by the volunteer firefighters. Computer capital outlay in the current fiscal year represent the incorporation of the Fire Station computer system into the City of Dundee server.

Over the years funds have been set aside in the Equipment Reserve Fund for the replacement of fire apparatus and equipment, however, due to budget constraints the annual transfer from the General Fund to the Equipment Reserve Fund for that purpose was suspended for FY 2019-20.

Fire Department

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1 EXPENDITURES					
2					
3 PERSONNEL SERVICES					
4 Salaries & Wages					
5 Salaries and Wages	178,612	195,822	218,700	210,400	239,500
6 Reservists	11,215	11,908	13,000	12,400	13,000
7 Fire Conflagration Wages	51,000	28,483	14,600	14,000	10,000
8 Total Salaries & Wages	240,827	236,213	246,300	236,800	262,500
9					
10 Personnel Benefits					
11 FICA	18,138	17,653	17,700	17,800	19,100
12 Workers' Comp	12,240	11,109	13,200	12,000	22,700
13 Unemployment	233	225	200	200	300
14 PERS	40,126	43,057	63,000	54,900	54,400
15 PERS Side Account					125,700
16 Group Medical & Life	28,838	51,511	61,800	53,900	55,500
17 Total Personnel Benefits	99,574	123,555	155,900	138,800	277,700
18					
19 TOTAL PERSONNEL SERVICES	340,400	359,768	402,200	375,600	540,200
20					
21 MATERIALS & SERVICES					
22 Supplies					
23 Office & Operating Supplies	3,527	3,244	3,500	3,200	3,500
24 Small Tools & Minor Equip	7,043	5,736	5,500	2,200	5,500
25 Fuel	5,681	4,859	5,500	4,000	5,500
26 Uniforms & Clothing	1,140	1,552	1,500	1,000	1,500
27 Total Supplies	17,392	15,392	16,000	10,400	16,000
28					
29 Professional Services					
30 Legal	519		500		500
31 IT Support	182		300	600	1,000
32 Total Professional Services	701	-	800	600	1,500
33					
34 Contractual Services					
35 Emergency Dispatch 911	15,424	18,935	20,000	19,200	22,100
36 Dundee Vol Fire Dept	6,785	6,122	5,000	5,700	5,000
37 Alarm Monitoring	257	428	400	400	400
38 Cooperative Service Study				3,000	
39 Temporary Fire Chief Services				35,000	
40 Total Contractual Services	22,466	25,485	25,400	63,300	27,500
41					
42 Travel & Training					
43 Employee Development	2,647	4,846	2,000	1,500	4,200
44 Dues & Subscriptions	119	85	100	100	100
45 Total Travel & Training	2,767	4,931	2,100	1,600	4,300
46					
47 Insurance	16,712	16,913	17,400	16,700	18,900

Fire Department

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
48					
49	Regulatory Requirements				
50	6,507	8,732	6,500	6,500	7,000
51	626	949	1,000	300	1,000
52	7,133	9,681	7,500	6,800	8,000
53					
54	Utilities				
55	6,232	6,466	6,700	6,500	6,700
56	2,986	2,868	3,500	3,000	3,500
57	7,473	7,676	7,700	7,600	7,700
58	16,692	17,009	17,900	17,100	17,900
59					
60	Repairs & Maintenance				
61	4,436	4,571	4,000	3,000	4,000
62	7,862	7,591	6,000	6,000	6,500
63	5,856	1,383	2,000	1,500	2,000
64	296	104	1,000	100	500
65	18,450	13,650	13,000	10,600	13,000
66					
67	Other Materials & Services				
68	74	84	100	100	100
69	280				
70	284	35	200	100	100
71	638	119	300	200	200
72					
73	102,949	103,180	100,400	127,300	107,300
74					
75	CAPITAL OUTLAY				
76	180				
77					
78			1,000	6,400	2,800
79	9,999		35,300	35,300	
80			5,000		5,000
81		17,363	20,000		20,000
82	10,179	17,363	61,300	41,700	27,800
83					
84	453,528	480,311	563,900	544,600	675,300

Street Fund

The Street Fund accounts for operations and maintenance activities associated with streets and sidewalks, such as street sweeping, streetlights, traffic signs, roadway surface maintenance, etc. Resources not required in the Street Fund are transferred to the Street CIP Fund to finance major street improvements, including overlays, street reconstruction and sidewalk construction. The purpose of this arrangement is to ensure that there are adequate resources to fund crack sealing, slurry seals and other maintenance activities to preserve the road surface for approximately 16 miles of streets before more costly treatments are required, thereby extending the City's investment in streets.

The local motor vehicle fuel tax represents the \$.02 per gallon tax imposed by the City of Dundee.¹ The local tax is collected from dealers based on the delivery of gasoline and diesel fuels. This revenue source has declined almost every year since its peak collection in FY 2008-09; likely due to increased competition and improved fuel efficiencies. Revenue from the State Highway Trust Fund are the combination of state fuel taxes, vehicle registration fees and bond proceeds collected by ODOT. Cities receive about 20% of the Highway Trust Fund receipts which are distributed on a per capita basis. On January 2018, the state tax on gasoline increases from \$0.30 per gallon to \$0.34 per gallon, and will increase two cents per gallon in 2020, 2022 and 2024.²

In February 2017, a Pavement Management Program Budget Options Report was prepared by the consultant hired to inventory, evaluate surface conditions, and establish maintenance options using a specialized software application acquired by the City. Based on this report, the street surface maintenance & repair line item was increased substantially in FY 2018-19 to accommodate extensive slurry seal work and crack sealing. The slurry seal program was deferred in the current fiscal year when the contractor approached the City with weather concerns at the end of the 2019 season. The City negotiated about a \$10,000 reduction from \$68,511 to \$58,465 to the contract to have the work completed in FY 2020-21. The City will solicit bids for additional slurry work in April 2020, and the budget anticipates total slurry work to be around \$110,000, which will leave \$20,000 for road patching and crack sealing. An update to the February 2017 report is proposed at the beginning of year 2021.

Street sweeping is provided by a contractor and all curbed streets are swept monthly, including monthly nighttime sweeping of the highway. The proposed budget reflects a new contract after the prior vendor stopped providing that service in November 2019. Traffic control includes traffic signs, street name signs, barriers and striping.

The transfer-out to the Street CIP Fund takes place at the end of the fiscal year and will depend on the actual revenues received versus the estimates. The transfer-out to the Equipment Reserve Fund (\$13,500) includes 15% of the annual debt service on the bank loan that financed the construction of the new Public Works equipment storage building.

¹ 29 Oregon agencies have enacted a local gas tax ranging from 1 to 5 cents per gallon. Since 2011, increasing or adopting a new local gas tax will require voter approval.

² Adjacent state gasoline taxes per gallon: Washington 6 \$0.494, California - \$0.473 (does not include state sales tax of 2.5% on gasoline sales), Idaho - \$0.33

Street Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21	
1	REVENUE					
2						
3	Taxes					
4	Local Motor Vehicle Fuel Tax	30,914	28,743	29,000	25,000	28,000
5	Total Taxes	30,914	28,743	29,000	25,000	28,000
6						
7	Intergovernmental Revenues					
8	State Highway Trust Fund	203,617	235,055	240,000	235,500	245,000
9	Total Intergovernmental Revenues	203,617	235,055	240,000	235,500	245,000
10						
11	Miscellaneous Revenues					
12	Investment Interest	729	1,102	1,500	1,700	500
13	Other Miscellaneous Revenue		36			
14	Total Other Miscellaneous Revenue	729	1,138	1,500	1,700	500
15						
16	TOTAL REVENUE	235,260	264,935	270,500	262,200	273,500
17						
18						
19	EXPENDITURES					
20						
21	PERSONNEL SERVICES					
22	Salaries & Wages					
23	Salaries and Wages	30,010	29,632	25,300	25,900	25,600
24	Total Salaries & Wages	30,010	29,632	25,300	25,900	25,600
25						
26	Personnel Benefits					
27	FICA	2,199	2,168	1,950	1,900	1,900
28	Workers' Comp	449	1,623	1,800	1,650	2,950
29	Unemployment	29	28	50	50	50
30	PERS	7,187	7,096	6,300	5,300	5,000
31	PERS Side Account					12,500
32	Group Medical & Life	6,913	6,869	7,000	6,100	7,600
33	Total Personnel Benefits	16,776	17,784	17,100	15,000	30,000
34						
35	TOTAL PERSONNEL SERVICES	46,786	47,416	42,400	40,900	55,600
36						
37	MATERIALS & SERVICES					
38	Supplies					
39	Office & Operating Supplies	801	590	900	700	900
40	Small Tools & Minor Equip	1,111	1,134	900	1,200	1,100
41	Fuel	1,904	1,396	2,000	1,100	2,000
42	Uniforms & Clothing	209	252	400	200	400
43	Total Supplies	4,026	3,372	4,200	3,200	4,400
44						
45	Professional Services					
46	Legal	957	724	1,000	800	1,000
47	Engineering / Architecture	3,371	3,343	4,000	13,500	10,000
48	IT Support	126	35	1,000	200	1,000
49	Other Professional			3,000		5,000
50	Total Professional Services	4,453	4,101	9,000	14,500	17,000

Street Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21	
51						
52	Travel & Training					
53	Employee Development	446	105	500	200	500
54	Total Travel & Training	446	105	500	200	500
55						
56	Insurance	1,722	1,770	1,900	1,900	2,000
57						
58	Regulatory Requirements					
59	Equipment Testing	72	76	100	100	100
60	Total Regulatory Requirements	72	76	100	100	100
61						
62	Utilities					
63	Electricity	456	410	600	400	600
64	Street Lights	21,122	22,094	22,000	23,500	23,600
65	Telephone & Cable	1,053	1,025	1,100	1,100	1,100
66	Solid Waste & Recycling	7	37	100	100	100
67	Total Utilities	22,638	23,565	23,800	25,100	25,400
68						
69	Repairs & Maintenance					
70	Equip Maint/Repair	823	1,190	1,000	800	1,000
71	Vehicle Maint/Repair	722	646	1,000	1,000	1,000
72	Bldg Maint/Repair		58	200	100	100
73	Ground Maintenance	100		200	100	100
74	Street Light Maint / Repair			500		500
75	Street Sweeping	6,664	7,676	13,000	14,600	16,000
76	Street Surface Maint & Repair	23,457	85,343	90,000	20,000	130,000
77	Pedestrian Ways		2,000	2,000		2,000
78	Planting Strips & Street Trees	78	1,208	3,000	4,000	3,000
79	Traffic Control	3,774	5,364	5,000	5,000	5,000
80	Total Repairs & Maintenance	35,619	103,486	115,900	45,600	158,700
81						
82	Interfund Services					
83	Internal Admin Charge	18,804	20,557	19,600	19,900	23,600
84	Total Interfund Services	18,804	20,557	19,600	19,900	23,600
85						
86	Other Materials & Services					
87	Other Misc Expense	5	32	200		100
88	Total Other Materials & Services	5	32	200	-	100
89						
90	TOTAL MATERIALS & SERVICES	87,784	157,064	175,200	110,500	231,800

Street Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
91					
92	134,570	204,480	217,600	151,400	287,400
93					
94					
95	100,690	60,455	52,900	110,800	(13,900)
96					
97					
98					
99					
100	(100,000)	(40,000)	(70,000)	(70,000)	(30,000)
101	(12,700)	(13,100)	(13,300)	(13,300)	(13,500)
102	(112,700)	(53,100)	(83,300)	(83,300)	(43,500)
103					
104					
105			(5,000)		(5,000)
106			(5,000)		(5,000)
107					
108	(112,700)	(53,100)	(88,300)	(83,300)	(48,500)
109					
110					
111	(12,010)	7,355	(35,400)	27,500	(62,400)
112					
113	49,394	37,384	43,500	44,700	72,200
114					
115	37,384	44,739	8,100	72,200	9,800

Street CIP Fund

The Street CIP Fund was established to account for major improvements to streets and sidewalks.

In addition to the transfers from the Street Fund, the Street CIP Fund receives franchise revenue from PGE and Northwest Natural Gas at the respective rates of 1.5% and 2% of gross customer revenue generated in Dundee. By ordinance of the City of Dundee, these franchise revenues are restricted for: 1) transportation system improvements; 2) asphalt overlays; 3) construction of public parking facilities; and 4) undergrounding of overhead utilities.

The Special City Allotment (SCA) Grant program for street projects is available only to cities with a population less than 5,000. This annual grant program is very competitive with \$5 million available statewide.¹ Applications are scored and ranked based on current surface conditions, average daily traffic, the population growth in the prior five years, and the number of years since the last grant was awarded. The \$50,000 SCA grant in FY 2018-19 was used to pave Charles Street from Eleventh Street to Thirteenth Street. Due to an increase in overall funding to the SCA program, the funding limit was increased to \$100,000 per project. The SCA project for FY 2019-20 SCA grant represents the completion of paving Charles Street from Thirteenth Street to Niederberger Road, and removal of the drainage ditch on the north side of Niederberger Road between Charles Street and Myrtle Street. A \$100,000 SCA grant was awarded to the City for the repaving of Red Hills Drive and related storm drainage improvements in FY 2020-21.

In 2011 the City was awarded a \$1.5 million Transportation Enhancement federal grant for improvements along Highway 99W in Dundee, including: 1) infill construction of new sidewalks and curbs; 2) replacement of existing sidewalks and driveways in poor condition; new decorative street lights; 3) enhanced pedestrian crosswalks with refuge islands and warning beacons, and 4) landscaping. Dundee's match to the federal grant is 10.27% of the project cost.² This work was to be designed and completed by ODOT along the re-paving of the highway surface. Upon closer inspection of the condition of the existing sidewalks and requirements for compliance with ADA for the driveways, the Council decided to replace all the existing sidewalks except for those newer segments constructed after year 2000 and upgrade all existing driveways to comply with current ADA standards. This additional work exceeded the TE grant agreement limit and the City established LID 2013-1 to collect property assessments estimated at \$397,680 for this project. Assessments to property owners were based on the following formulas: 1) 50% of sidewalk construction cost, 2) 75% of driveway construction cost; and 3) 100% of new curb construction. Per ordinance, the final assessment will be based on actual construction costs.

Due to concerns with the reduced width of highway right of way in the core of the City and the process for obtaining temporary construction easements under federal guidelines, ODOT approved the conversion of a portion of the TE grant to state funds in order to provide a \$480,000 Bike/Pedestrian grant directly to the City for completion of the first phase of

¹ 102 eligible applications totaling \$9.8 million were received for FY 2020-21, but only 53 were awarded for funding.

² The 2011 total project cost was estimated at \$1,728,200 and the local match at \$177,500.

Street CIP Fund

sidewalk/streetscape improvements. The City received the first half of the \$480,000 in FY 2016-17 upon award of the construction contract and the remaining balance of \$240,000 following completion of the project in FY 2018-19.

Also, the City received \$900,000 in funding from ODOT Preservation Fund for work that is the State's responsibility, including construction of new ramps and curbs to accommodate ADA compliance with highway crosswalks, and storm water facility improvements. The \$900,000 was paid monthly to the City as work was completed. The work covered by the combined state funds of \$1,380,000 was completed in two contracts awarded by the City. The first was in FY 2015-16 for work in the Tenth Street area and the second was in FY 2017-18 and the more extensive project from Third Street to Twelfth Street. Both contracts included additional work: 1) placement of conduits and vaults to accommodate future undergrounding of Comcast and Frontier Communications fiber; 2) installation of a new 10-inch water main; and 3) construction of sewer collection and storm water facilities.

Improvements to the City utility systems were accounted for in their respective CIP funds, but the undergrounding improvements were financed as a loan to the Dundee Urban Renewal Agency as follows:

	Installment Due Date	Amount
1.	May 1, 2019	\$25,000
2.	May 1, 2020	\$50,000
3.	May 1, 2021	\$75,000
4.	May 1, 2022	\$100,000
5.	May 1, 2023	<u>\$45,967</u>
		\$295,967

The FY2020-21 budget includes the scheduled \$75,000 loan repayment from the Dundee Urban Renewal Agency and anticipates an additional loan of \$78,000 to finance the conduits that will be installed by ODOT in the next phase of work to accommodate future undergrounding of PGE highway crossings and franchise crossings at 5th Street.

While the City was completing the first phase of sidewalk/streetscape improvements on Highway 99W, ODOT reconsidered its approach to resurfacing the highway in Dundee to address the old concrete highway lying below the asphalt surface. When on-street parking was eliminated from the highway and the middle turn lane was established in the mid-1990s, the result was the travel lanes were shifted to straddle the concrete slab below the asphalt surface. The traffic loads over the two different bases accelerate the deterioration of the asphalt surface, decreasing the life of the investment and increasing ongoing maintenance. In June 2018 the Oregon Transportation Commission authorized an additional \$3.5 million for the Dundee highway improvement project to cover the cost of full-depth reconstruction and increasing the total project budget to \$8.4 million. The additional work will include replacement of the 1930s era storm drain system in the highway that will accommodate the City's collection system and the highway facilities. ODOT anticipates going out to bid in the fall of 2020 for this final phase of work, including full-depth reconstruction of the highway, new sidewalks, decorative street lighting, pedestrian

Street CIP Fund

crossings, landscaping, and storm water treatment facilities.

Since design of this updated project is a much greater effort requiring more time, ODOT agreed to reimburse the City up to \$500,000 to install streetlights in the phase previously completed by the City ahead of their phase of work scheduled to start in 2021. A contract was awarded in March 2020 and the work is expected to take place in the summer of 2020.

LID assessments represent payments from abutting property owners for reconstruction of Locust Street between Seventh Street and Eighth Street. The FY 2019-20 budget anticipated a semi-annual installment payment; however, all final assessments were paid in full by the end of the prior fiscal year.

Overlays in the amount of \$366,000 in FY 2020-21 represents the SCA paving project at Red Hills Drive, reconstruction of Walnut Avenue, reconstruction of a segment of Fifth Street next to the Post Office and Billick Park entrance, and various spot repairs.

\$25,000 is budgeted under sidewalks/pathways for repairs and ADA ramp upgrades.

The TE Sidewalk/Streetscape line item for FY 2020-21 in the amount of \$934,000 is for the following:

1. \$500,000 Highway streetlight project ó reimbursed by ODOT
2. \$141,903 Federal grant match obligation ó paid to ODOT
3. \$214,061 Amount to be recovered by LID assessments ó paid to ODOT
4. \$ 77,908 Underground conduits ó work added to ODOT's phase

Debt service in the Street CIP fund represents three Oregon Transportation Infrastructure Bank (OTIB) loans issued to the City. In 2013, Dundee, Newberg, McMinnville and Yamhill County each obtained an OTIB loan to fund the \$16 million local match to the Bypass project. Dundee's share of the local match is \$315,200, which was deposited directly to ODOT's Bypass project construction account. The estimated annual debt service for this loan is \$20,372 for the twenty-year term at an interest rate of 2.58% per annum.

A second OTIB loan was issued in 2013 for improvements to local streets. The loan closed with disbursements totaling \$272,840 with an interest rate of 2.58% per annum and results in an annual debt service of \$18,356 for 18 years and a final annual payment of \$16,036 scheduled for January 2035.

The City received a third OTIB loan in 2017 with a term of ten years at an annual interest rate of 1.99%. Principal and interest will be repaid semi-annually, with the first principal payment scheduled for December 2020. Loan proceeds from this loan were used for local street overlays, reconstruction of Locust Street, and financing the final phase of the highway improvements to be recovered from LID assessments. Final disbursement of the loan proceeds is anticipated in the FY 2020-21 budget.

Street CIP Fund

		ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1	REVENUE					
2						
3	Franchise Fees					
4	Portland General Electric	32,221	33,058	33,100	33,700	34,500
5	Northwest Natural Gas	12,520	11,874	10,800	12,500	13,200
6	Total Franchise Fees	44,741	44,931	43,900	46,200	47,700
7						
8	Intergovernmental Revenue					
9	Special City Allotment (SCA) Grant		50,000	100,000	100,000	100,000
10	Bike/Pedestrian Grant		240,000			
11	ODOT Street Light IGA			500,000		500,000
12	ODOT Preservation Fund	853,864	49,404			
13	Total Intergovernmental Revenue	853,864	339,404	600,000	100,000	600,000
14						
15	Miscellaneous Revenues					
16	LID Assessments		212,368	6,000		
17	Capital Contribution - CPRD	1,520				
18	Urban Renewal Contribution		25,000	50,000	50,000	153,000
19	Investment Interest	1,527	1,696	1,000	2,900	3,200
20	Total Miscellaneous Revenues	3,047	239,064	57,000	52,900	156,200
21						
22	TOTAL REVENUE	901,652	623,400	700,900	199,100	803,900

Street CIP Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
23					
24	EXPENDITURES				
25					
26	CAPITAL OUTLAY				
27		5,101			
28	3,214	291,715	473,000	217,500	366,000
29	3,041		10,000	3,600	20,000
30	6,150	246,965			
31	1,517,778	85,028	830,000	24,600	934,000
32	1,530,184	628,808	1,313,000	245,700	1,320,000
33					
34	DEBT SERVICE				
35	11,643	29,303	26,800	27,100	111,700
36	12,339	15,233	22,800	18,800	24,100
37	23,982	44,535	49,600	45,900	135,800
38					
39	1,554,165	673,344	1,362,600	291,600	1,455,800
40					
41	Excess (deficiency) of revenue				
42	over expenditures				
43	(652,513)	(49,944)	(661,700)	(92,500)	(651,900)
44	OTHER FINANCING SOURCES (USES)				
45					
46	LOAN PROCEEDS				
47	130,000	221,000	456,000	-	456,000
48	130,000	221,000	456,000	-	456,000
49					
50	TRANSFERS IN				
51	100,000	40,000	70,000	70,000	30,000
52	100,000	40,000	70,000	70,000	30,000
53					
54	230,000	261,000	526,000	70,000	486,000
55					
56					
57	(422,513)	211,056	(135,700)	(22,500)	(165,900)
58					
59	506,686	84,173	248,800	295,200	272,700
60					
61	84,173	295,229	113,100	272,700	106,800

Street Reserve Fund

The Street Reserve Fund was established in 2004 with an initial contribution of \$34,450 from the developer of the Harris Heights subdivision. Payment was made in lieu of constructing three quarter street improvements to Third Street adjacent to the subdivision. These funds, including interest earnings, are dedicated to the future construction of the deferred improvements on Third Street. Although these improvements are not anticipated to take place next year, the entire fund balance is appropriated in the event circumstances occur to allow the intended use of those funds.

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1 REVENUE					
2					
3 Miscellaneous Revenues					
4 Investment Interest	658	949	1,100	900	1,100
5 Total Miscellaneous Revenues	658	949	1,100	900	1,100
6					
7 TOTAL REVENUE	658	949	1,100	900	1,100
8					
9					
10 EXPENDITURES					
11					
12 CAPITAL OUTLAY					
13 Third Street Construction			45,800		46,800
14 TOTAL CAPITAL OUTLAY	-	-	45,800	-	46,800
15					
16 TOTAL EXPENDITURES	-	-	45,800	-	46,800
17					
18					
19 Net Change in Fund Balance	658	949	(44,700)	900	(45,700)
20					
21 Fund Balance at Beginning of Year	43,158	43,815	44,700	44,800	45,700
22					
23 Unappropriated Ending Fund Balance	43,815	44,765	-	45,700	-

As part of the ODOT Highway 99W Improvements Project taking place in 2021, work will include the intersection at Third Street on the west side of the highway involving the installation of new storm water facilities and modification of the ADA ramps at the corners to improve turning movements. The 2017 Pavement Management Program recommends reconstruction of Third Street between the highway and Namitz Court in 2021. Also, the recommended treatment for that segment of Third Street between Namitz Court and Hemlock Street is a grind and overlay. Third Street would be a very competitive candidate for a future \$100,000 SCA grant, especially if safety improvements are included: widening and sidewalks. In addition to the SCA grant, Street Reserve Fund, property assessments for the sidewalk and other related improvements may assist with the gap in funding for this greater project.

State Revenue Sharing Fund

The State Revenue Sharing Fund receives the 14% share of state liquor receipts, which is distributed to cities on a formula using the recipient city's consolidated property tax rate, per capita income and population against statewide averages. Historically, these funds have been allocated for special projects and to nonprofits that provide programs that benefit the citizens of Dundee.

Although the League of Oregon Cities is not able to provide a per capita forecast, the estimated state tax receipts of \$30,500 for FY 2020-21 is based on the trend in overall state liquor sales.

The proposed budget includes the following appropriations in the State Revenue Sharing Fund:

- 1) Lobbyist for the Bypass - \$2,500
- 2) Capital Outlay, City Website Upgrade - \$2,200
- 3) Transfer to Parks Fund - \$15,000

The lobbyist is contracted with Yamhill County and is coordinated through the Parkway Committee to support the Newberg-Dundee Bypass project. This amount is also matched by a contribution from the Tourism Fund. The website upgrade is for development of a customized City of Dundee website design. The website design fee is proposed to be paid in three annual installments of \$1,633 each with an additional amount in the first year for professional photography. The proposed transfer of \$15,000 to the Parks Fund is needed to support maintenance of Viewmont Greenway Park and Harvey Creek Trail, and new park development.

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
<i>1</i> REVENUE					
<i>2</i>					
<i>3</i> Intergovernmental Revenues					
<i>4</i> Liquor Tax (14%)	28,825	29,662	31,000	30,200	30,500
<i>5</i> Total Intergovernmental Revenues	28,825	29,662	31,000	30,200	30,500
<i>6</i>					
<i>7</i> Miscellaneous Revenues					
<i>8</i> Investment Interest	56	274	200	100	200
<i>9</i> Total Miscellaneous Revenues	56	274	200	100	200
<i>10</i>					
<i>11</i> TOTAL REVENUE	28,881	29,936	31,200	30,300	30,700

State Revenue Sharing Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
12					
14	EXPENDITURES				
15					
16	MATERIALS & SERVICES				
17					
18	Professional Services				
19					
	Lobbyist - Bypass Project	2,335	2,228	2,500	2,300
21	Total Professional Services	2,335	2,228	2,500	2,300
22					-
23	Contractual Services				
24	Your Community Mediators of Yamhill Co.	1,000	1,400	1,900	1,900
25	Dundee Community Committee	1,500	2,000	2,000	2,000
26	Yamhill County Transit Area	1,000	1,500		
27	Community Suppers	2,600	2,600	2,600	2,600
28	Promise Pantry Food Bank	1,500	1,500	1,500	1,500
29	Newberg Animal Shelter Friends	1,000	2,000	2,000	2,000
30	Homeward Bound Pets Adoption Shelter	1,500	1,500	1,800	1,800
31	Total Contractual Services	10,100	12,500	11,800	11,800
32					
33	TOTAL MATERIALS & SERVICES	12,435	14,728	14,300	14,100
34					
35	CAPITAL OUTLAY				
36	Computer HW/SW		15,781	12,700	12,700
37	TOTAL CAPITAL OUTLAY	-	15,781	12,700	12,700
38					2,200
39	TOTAL EXPENDITURES	12,435	30,509	27,000	26,800
40					
41	Excess (deficiency) of revenue				
42	over expenditures	16,446	(573)	4,200	3,500
43					16,700
44	OTHER FINANCING SOURCE (USES)				
45					
46	TRANSFERS OUT				
47	Transfer to Parks Improvement	(10,000)	(5,000)	(5,500)	(5,500)
48	Total Transfers Out	(10,000)	(5,000)	(5,500)	(5,500)
49					(15,000)
50	TOTAL OTHER FINANCING SOURCES (USES)	(10,000)	(5,000)	(5,500)	(5,500)
51					
52					
53	Net Change in fund Balance	6,446	(5,573)	(1,300)	(2,000)
53					1,700
54	Fund Balance at beginning of year	1,178	7,624	1,700	2,100
55					100
56	Unappropriated Ending fund Balance	7,624	2,051	400	100
					1,800

Equipment Reserve Fund

The Equipment Reserve Fund was first established in 1981 to set resources aside for the replacement and acquisition of vehicles and equipment.

The \$10,500 received in FY 2017-18 represents the sale of the old dump truck, which was replaced with a used dump truck purchased in the prior fiscal year. A used water utility truck was purchased in FY 2018-19 from the City of Newberg. The City ordered a new vehicle in January 2020 to replace the 2001 pickup truck, however, due to the disruption in manufacturing it is unknown if the vehicle will be delivered and paid for by the end of the current fiscal year. The purchase of \$5,000 by the Fire Department in FY 2019-20 represents new 800 MHz paging repeater equipment shared with TVF&R.

FY 2020-21 capital outlay represents the maximum funds available for the respective departments. The only purchase on the Public Works replacement schedule for next fiscal year is the 2004 John Deere tractor, but its life is likely to be extended. The Fire Department is scheduled to replace Rescue 3 in the year 2020. However, the vehicle is functioning well, and the Department wishes to assess its apparatus needs prior to starting the procurement process. One idea is to combine the capabilities of a rescue vehicle with a pumper truck. Also, the Department will be evaluating the replacement of the water tender due to its age and difficulty to operate.

The Public Works equipment storage building located at the wastewater treatment plant site was constructed following demolition in 2013 of the old PW shops building located on the site of the new fire station. Construction of the equipment storage building was financed with a \$357,500 loan from Key Bank. The proposed budget includes the sixth year of debt service for the seven-year loan term. The final loan installment payment is scheduled for December 2021.

Transfers from the General Fund provide resources for Fire Department apparatus and equipment. Starting with the Fiscal Year 2019-20, transfers from the General Fund were suspended due to declining fund reserves. If not replenished, the anticipated acquisition rate of equipment will deplete Fire Department reserves by 2028. One strategy discussed by the Budget Committee was to use the funds for smaller acquisitions and seek voter approval for the larger apparatus.

Public Works vehicles and equipment are funded by transfers from the Street Fund, Water Fund, Sewer Fund and Storm Water Fund based on the use of the vehicles and equipment by the respective Public Works activities. About 70% of the transfers from the Street, Water, Sewer, and Storm Water funds to the Equipment Reserve Fund are needed for annual debt service on the Key Bank loan.

The interfund loan to the Water CIP Fund is for financing the relocation of the water distribution system located in the State highway right of way that is in conflict with the 2021 highway improvements project. In order to accommodate the debt service for another loan in the Water CIP Fund, the proposed interfund loan would have a five-year term with interest only payments for the first two years. Terms of the interfund loan will be approved by resolution of the City Council.

Equipment Reserve Fund

Equipment Reserve Fund - Fire Department

Unit	Year	Equipment Life		Replacement Year	Current Cost	Replacement Cost	Trade-In Factor (4)	Amount Reserved	Budget Transfer	
		Original	Reserve Total							
(1) Engine 30	2005	20	5	25	2030	95,000	111,150	10%	28,960	6,927
Engine 31	2003	20	5	25	2028 (5)	298,000	314,092	15%	144,714	16,840
Engine 32	1996	20	5	25	2021 (5)	298,000	260,899	15%	238,094	18,043
(2) Tender 3	1990	20	10	30	2020 (5)	180,000	180,000			
(3) Brush 39	2015	15	0	15	2030	63,000	73,710	10%	17,535	4,780
(3) Brush 37	2007	15	0	15	2022	85,000	90,100			
Rescue 3	2003	15	2	17	2020 (5)	186,000	167,400	10%	166,924	476
Command	2015	10	0	10	2025	39,000	44,850		18,012	4,797
(6) Ford 250	2004									
(7) SCBA's	2011	10	5	15	2026	124,000	146,320		63,496	11,860
Totals						1,368,000	1,388,521		677,735	63,722

- Notes:
- (1) Used 2005 Metro Star Ferrara Rescue Pumper acquired in 2016 - continue replacement of Enginer 30 with a suitable used apparatus.
 - (2) Combined engine/tender - Not in replacement schedule. Maintain until no longer cost effective.
 - (3) Brush 39 - Fire Reserves Project, Brush 37 - Owned by Dundee Rural Fire District
 - (4) Replacement Cost reduced by trade-in value based on percentage of replacement cost.
 - (5) Revised replacement year per 2006 Emergency Services Consulting, Inc. study
 - (6) Used Supercab/longbed acquired in 2017 for \$4,105 - not in replacement schedule
 - (7) 20 SCBA's acquired with a Fire Act grant (95%)

Equipment Reserve Fund - Public Works Department

Unit	Year	Equipment Life		Replacement Year	Current Cost	Replacement Cost	Trade-In Factor	Amount Reserved	Budget Transfer	
		Original	Reserve Total							
Ford Utility	2008	15	0	15	2023	52,000	51,012	10%	38,482	3,325
Ford Pickup	2011	15	0	15	2026	27,300	28,993	10%	16,396	1,669
Ford Pickup/2wd	2012	15	0	15	2027	23,000	25,047	10%	11,519	1,589
Ford Pickup	2020	15	0	15	2035	27,300	35,627	10%	0	2,060
GMC Topkick C7	1995	24	15	39	2034	9,000			-8,400	600
Kawasaki ATV	2014	15	0	15	2029	9,500	10,859	10%	3,466	689
JD Tractor	2004	15	2	17	2021	20,500	19,004	10%	18,600	32
JD Mower Deck	2014	15	0	15	2029	3,400	4,102	5%	1,400	249
Plow/Sander	2017	25	0	25	2042	11,500	18,136	5%	-7,395	1,083
Dump Truck	2008	15	10	25	2033	60,000	70,890	15%	12,066	3,766
Vactor Trailer	2008	20	0	20	2028	68,000	75,888	10%	40,840	3,267
Heavy Duty Trailer	2016	20	0	20	2036	5,100	6,793	10%	-2,550	552
Mini Track Hoe	2016	20	0	20	2036	35,000	44,030	15%	763	2,306
Riding Mower	2017	20	0	20	2037	5,000	6,795	10%	-3,200	563
Case Backhoe	2004	20	0	20	2024	90,000	85,680	15%	66,317	3,372
Totals						446,600	482,854		188,304	25,121

- Notes:
- Upgrade Ford Utility to 12,000 lb GVW dual wheel drive
 - Dump truck purchaed used to be replaced with used equipment.
 - Case Backhoe purchased used (demo - low hours).
 - Plow/Sander - new purchase, replacement schedule formula set to amortize initial purchase w/o reserves
 - Heavy Duty Trailer - new, reserves not set aside.
 - Mini Track Hoe - paid with surplussed bucket truck reserves
 - Riding Mower - new, reserves not set aside (not purchased yet)
 - GMC Topkick C7 - Water Service Truck purchased from Newberg PW Mar 2019 for \$9,000 - amortize purchase/not replace

Equipment Reserve Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1	REVENUE				
2					
3	Miscellaneous Revenues				
4	9,418	16,117	17,000	17,200	16,000
5	10,500		20,000	2,500	18,600
6	19,918	16,117	37,000	19,700	34,600
7					
8	19,918	16,117	37,000	19,700	34,600
9					
10					
11	EXPENDITURES				
12					
13	CAPITAL OUTLAY				
14			699,300	5,000	535,600
15		9,093	215,700	27,300	165,000
16	-	9,093	915,000	32,300	700,600
17					
18	DEBT SERVICE				
19	49,794	51,549	53,400	53,400	55,200
20	8,833	7,079	5,300	5,300	3,500
21	58,627	58,627	58,700	58,700	58,700
22					
23	58,627	67,720	973,700	91,000	759,300
24					
25	Excess (deficiency) of revenue				
26	over expenditures				
27	(38,709)	(51,603)	(936,700)	(71,300)	(724,700)
28	OTHER FINANCING SOURCES (USES)				
29					
30	TRANSFERS IN				
31	102,000	56,000			
32	12,700	13,100	13,300	13,300	13,500
33	43,800	44,800	45,000	45,000	45,100
34	12,900	13,000	13,000	13,000	13,100
35	12,100	12,100	11,900	11,900	12,000
36	183,500	139,000	83,200	83,200	83,700
37					
38	LOANS ADVANCED				
39					(225,000)
40	-	-	-	-	(225,000)
41					
42	183,500	139,000	83,200	83,200	(141,300)
43					
44					
45	144,791	87,397	(853,500)	11,900	(866,000)
46					
47	621,947	766,738	853,500	854,100	866,000
48					
49	766,738	854,135	-	866,000	-

Parks Fund

The Parks Fund accounts for resources used for the development and maintenance of parks and trails located on City owned properties and public rights of way.¹ The Parks Advisory Committee, comprised of a councilor chair and six appointed members, provides recommendations to Council regarding implementation of the Dundee Parks and Open Space Plan. Adopted in 2008, the Plan establishes standards for parks facilities and provides specific recommendations for the development of parks and trails for the enjoyment of existing and future residents. The Dundee Riverside District Master Plan affirmed the need for three neighborhood parks to serve new development. The process for developing parks and trails in the Riverside District will be required as part of a development agreement with the City prior to the application of zoning and development.

Harvey Creek Trail

Originally acquired by the City in 1997 for future water system improvements, this 20-acre parcel is located west of the Dundee Pioneer Cemetery and connects to NE Red Hills Road. Recreation trails were established on the remnants of past logging roads on the property. The culverted road crossing Harvey Creek was removed and replaced with a pedestrian bridge in 2011 with financial assistance from an Oregon Watershed Enhancement Board grant. In 2016, with assistance from Chehalem Park and Recreation District new trails were established to better accommodate the steep slopes on the property. The main trail is about 1.2 miles round trip with an elevation gain of 300 feet.



Viewmont Greenway Park



Viewmont Greenway Park is a linear park located in the undeveloped City right of way next to the northern boundary of the City limits. With assistance from an OPRD local government grant, the first phase of improvements were completed in 2015 and 2016 involving the re-grading of the property and re-establishment of the drainage swale, construction of a trail along the entire length from the Ione Street entrance to the Laurel Street entrance, and construction of a foot bridge crossing the drainage swale. About a third of the trail was paved at the lower elevation and the upper section was rocked. Other amenities include a rustic nature play area, benches, picnic area, ADA parking space, and landscaping. In October 2018 the City was awarded a grant from Oregon State Parks to extend the asphalt trail to the upper end and upgrade the nature play area. These improvements were completed in fall 2019.

¹ The City of Dundee was annexed into the Chehalem Parks and Recreation District (CPRD) in 1979. Developed parks in Dundee which are operated and maintained by CPRD include Dundee School-Billick Park, Overlook Park, Falconcrest Park, and Fortune Park. CPRD also owns two undeveloped parcels, 7 acres just north of the Post Office on the south side of Fifth Street and 5 acres next to Dundee Landing Road east of the Bypass Highway 18.

Parks Fund

The Parks Fund does not have a dedicated funding source and is supported by grants, private contributions, and transfers from other City funds. The OPRD Local Government Grant program provides financial assistance to cities, counties, and special districts for developing new or enhancing existing outdoor recreation facilities. This State grant program is an annual process and very competitive. As a small city, population less than 5,000, Dundee's local match is 20%. Applications for the small grant program are due May 1. A statewide committee appointed by the OPRD Director rates the applications and provides their recommendations to the State Parks Commission in September.

The \$32,800 received in the current fiscal year represents a grant awarded to the City in October 2018 for asphalt trail improvements and installation of a new nature play area for the Viewmont Greenway Park. The private contribution received from the Newberg Rotary Club also assisted with this project. Following completion of the Viewmont Greenway Park improvement in the current fiscal year, the Parks Advisory Committee reviewed possible candidates for a new OPRD grant application. City Council accepted the recommendations of the Committee and authorized an application that would use the unimproved Third Street right of way for park improvements, including construction of a hard surfaced path from Dogwood Drive to Hawthorne Court and a side path to a viewpoint with a covered seating area. If successful, the Committee will review specific design elements with input from the community, with construction taking place in the summer of 2021.

Engineering in the FY 2020-21 is anticipated to complete survey of the Third Street property and complete design and prepare bid documents for the Third Street Path and Viewpoint Park improvements.

Maintenance on the Viewmont Greenway Park is provided under an agreement with CPRD, including mowing, weeding, spraying, and planting. Public Works crew also assists with the maintenance of Viewmont Greenway Park and Harvey Creek Trail.

Under capital outlay, the First Street Mini-Park represents a small, triangular shaped parcel on First Street next to Ione Street that will be acquired from Yamhill County. Improvements are anticipated to consist of mainly landscape plantings with minimal hardscape and a sitting area. City crews have been mowing the area but are waiting for the transfer of ownership to occur before the Committee works with the neighborhood on design of improvements.

Parks Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1	REVENUE				
2					
3	Intergovernmental Revenue				
4	State Parks Local Gov't Grant		32,800	32,800	
5	Total Intergovernmental Revenue		32,800	32,800	-
6					
7	Miscellaneous Revenues				
8	40	103	100	100	100
9	Private Contributions/Grants		2,500	2,500	
10	Total Miscellaneous Revenues		2,600	2,600	100
11					
12	TOTAL REVENUE		35,400	35,400	100
13					
14	EXPENDITURES				
15					
16	MATERIALS & SERVICES				
17					
18	Professional Services				
19	Engineering/Architecture		4,000	4,500	4,000
20	5,500	240			
21	Total Professional Services		4,000	4,500	4,000
22					
23	Repairs & Maintenance				
24	3,642	1,553	4,100	2,800	5,000
25	Total Repairs & Maintenance		4,100	2,800	5,000
26					
27	TOTAL MATERIALS & SERVICES		8,100	7,300	9,000
28					
29	CAPITAL OUTLAY				
30	Viewmont Greenway Park		85	38,600	38,500
31	First Street Mini-Park				8,000
32	TOTAL CAPITAL OUTLAY		85	38,600	8,000
33					
34	TOTAL EXPENDITURES		46,700	45,800	17,000
35					
36	Excess (deficiency) of revenue				
37	over expenditures		(9,102)	(1,776)	(11,300)
38					
39	OTHER FINANCING SOURCES (USES)				
40					
41	TRANSFERS IN				
42	Transfer In - General Fund		3,000		
43	10,000	5,000	5,500	5,500	15,000
44	TOTAL TRANSFERS IN		5,500	5,500	15,000
45					
46	TOTAL OTHER FINANCING SOURCES (USES)		5,500	5,500	15,000
47					
48					
49	Net Change in fund Balance		(5,800)	(4,900)	(1,900)
50					
51	Fund Balance at beginning of year		6,100	8,300	3,400
52					
53	Unappropriated Ending fund Balance		300	3,400	1,500

Tourism Fund

The Tourism Fund was established to receive 70% of the local transient room tax (TRT) at a rate of 10% imposed by the City of Dundee.¹ The TRT is collected on the rental of lodging facilities that are intended for transient occupancy of 30 consecutive calendar days or less. The 70% allocation of these taxes deposited in the Tourism Fund and are statutorily restricted to funding tourism promotion or tourism-related facilities. The nine-member Tourism Committee appointed by the Council recommends uses of the transient room tax and works with the city administrator on implementation of tourism promotion programs.

TRT revenue was down in the prior fiscal year due to partial closure of the Inn at Red Hills as it was completing a major renovation project. The Inn at Red Hill is currently the only commercial lodging facility in Dundee and approximately one third of the TRT revenue is collected from vacation house rentals. The City received a \$20,000 grant in the prior fiscal year from the Willamette Valley Visitors Association to create a "Wake Up In Wine Country" campaign to inspire overnight stays in Dundee and Newberg. \$25,000 was expended for filming, content production and post-production. The current year's budget reflects the commitment from Visit Newberg for marketing and advertisement using the "Wake Up In Wine Country" material, however, this was not conducted as a pass-through in the Tourism Fund budget.

The Lobbyist expense under Professional Services represents half of Dundee's share of this commitment to secure additional funding and improvements to the Newberg-Dundee Bypass in order to facilitate easier access of visitors to Dundee. The other half is allocated from the State Revenue Sharing Fund.

The proposed budget includes \$60,000 for identity enhancements as follows:

- 1) Brackets and banners for the new highway streetlights - \$30,000
- 2) Landscape maintenance and enhancements on Highway 99W - \$25,000
- 3) 5th Street/99W intersection landscape improvement* - \$5,000

*Partially funded with a \$2,500 grant received from Yamhill County

Other tourism promotion expenditures include support of the Travel Oregon Dundee website with a social media program; grants to promote events sponsored by other groups that will draw visitors to Dundee; and marketing. The Tourism Committee issued an RFP for Tourism Website & Social Media services and following interviews, selected the firm DNA Studios with a monthly fee of \$3,333 starting in April 2020.

Tourism Facilities is a placeholder for a future project. The Tourism Committee discussed possible projects, including: 1) improvements on ODOT owned property at the southeast corner of Parks Drive and Highway 99W to accommodate bicycle tourism; 2) public parking facilities; 3) public restrooms; and 4) gathering spaces/plazas for visitors. The \$11,000 expended in the current fiscal year represents a grant to assist with the construction of the Dundee Community Center parking facility.

¹ The balance (30%) of the TRT is deposited into the General Fund and may be expended on any lawful purpose.

Tourism Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1 REVENUE					
2					
3 Other Taxes					
4 Transient Room Tax	70,601	59,472	75,800	54,600	71,000
5 Total Other Taxes	70,601	59,472	75,800	54,600	71,000
6					
7 Miscellaneous Revenues					
8 WVVA Grant		20,000			
9 Newberg TRT Contribution			10,000		
10 Investment Interest	1,460	2,582	3,000	2,800	2,000
11 Total Miscellaneous Revenues	1,460	22,582	13,000	2,800	2,000
12					
13 TOTAL REVENUE	72,061	82,054	88,800	57,400	73,000
14					
15					
16 EXPENDITURES					
17					
18 MATERIALS & SERVICES					
19					
20 Professional Services					
21 Lobbyist - Bypass Project	2,335	2,228	2,500	2,200	2,500
22 Total Professional Services	2,335	2,228	2,500	2,200	2,500
23					
24 Other Materials & Services					
25 Tourism Promotion					
26 - Identity Enhancements	44,005	6,304	60,000	13,000	60,000
27 - Tourism Website & Social Media	7,500	9,243	12,000	14,400	40,000
28 - Grant Expense - Tourism	2,500	4,895	5,000	2,900	5,000
29 - Agencies Expense	2,500				
30 - Marketing	11,924	29,301	35,000	5,000	20,000
31 Total Other Materials & Services	68,429	49,743	112,000	35,300	125,000
32					
33 TOTAL MATERIALS & SERVICES	70,764	51,971	114,500	37,500	127,500
34					
35 CAPITAL OUTLAY					
36 Tourism Facilities	3,091		80,000	11,000	40,000
37 TOTAL CAPITAL OUTLAY	3,091	-	80,000	11,000	40,000
38					
39 TOTAL EXPENDITURES	73,855	51,971	194,500	48,500	167,500
40					
41					
42 Net Change in Fund Balance	(1,794)	30,084	(105,700)	8,900	(94,500)
43					
44 Fund Balance at Beginning of Year	87,804	86,010	110,900	116,100	125,000
45					
46 Unappropriated Ending Fund Balance	86,010	116,093	5,200	125,000	30,500

Fire Station Construction Fund

The Fire Station Construction Fund was established in FY 2012-13 to account for the resources used to finance construction of the new fire station following voter approval in May 2012 of both funding measures placed on the ballot by the City of Dundee and the Dundee Rural Fire Protection District. The City hired the architecture firm Mackenzie to design the new fire station which would more than double the size of the existing facility and provide larger bays to accommodate modern fire apparatus with a vehicle exhaust system and provide dedicated rooms for equipment storage and protective clothing, a decontamination/maintenance room, a dedicated training/community meeting room, a day room with kitchen and work out areas, dormitories/study rooms for student interns and volunteer firefighters, a standby/communication room, and staff offices. The City acquired additional property across Eighth Street from the existing location and vacated the intervening portion of Eight Street to expand the building site from 30,000 sf to 60,000 sf. Ground broke on construction in summer 2013, starting with removal of the Public Works shops building located on the property. The new fire station was constructed just south of the existing fire station which was able to remain operational. By summer 2014 the new fire station building was substantially completed, and the old fire station was removed to improve the site for parking and access serving the new building. In February 2015, the 25-year loan from USDA Rural Development was released and took out the interim financing used for construction of the fire station.

The project had a number of setbacks, including very inclement weather during construction and the discovery of previously unknown fuel storage tanks on the property. The City worked with DEQ to remediate the contaminated soils and the General Fund contributed \$65,000 to cover the cost overruns. Following occupation of the new building, the City found moisture problems with the roof and was not able to resolve correction of defects in the concrete slab floor with the contractor. The City hired a consultant to document the construction defects and initiated arbitration. In August 2018, the City reached a settlement agreement with the contractor and work proceeded with repairs to the roof structure. Following the roof repairs, the City accepted a final settlement from the contractor in October 2019 for repairs to the concrete slab floor. Repairs were completed by December 2019 and the Fire Station Construction Fund will be terminated at the end of FY 2019-20.

Fire Station Construction Project			
Summary Recap of Sources and Uses from FY 2012-13 to FY 2019-20			
Sources:		Uses:	
USDA Rural Development Loan	2,578,000	Legal Fees	114,413
Dundee Rural Fire District Bonds	1,239,284	Engineering/Architecture	479,827
Settlements	1,059,860	Other Professional	297,767
Private Grants/Contributions	70,184	Building Permits	17,987
Interest Earnings	16,665	Land Acquisition	230,217
General Fund Transfers	<u>230,414</u>	Buidling Construction	3,434,722
	5,194,407	Site Improvements	537,000
		Furnishings/Phone System	46,848
		Loan Interest/Fees	<u>35,627</u>
			5,194,407

Fire Station Construction Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1	REVENUE				
2					
3	Miscellaneous Revenues				
4	22	7,992	1,400	600	
5		980,000	79,900	79,900	
6	22	987,992	81,300	80,500	-
7					
8	22	987,992	81,300	80,500	-
9					
10					
11	EXPENDITURES				
12					
13	MATERIALS & SERVICES				
14	Professional Services				
15	5,960	19,875	6,400	6,200	
16		95,746	900	1,000	
17	15,414	66,395	24,600	24,100	
18	21,374	182,016	31,900	31,300	-
19					
20	21,374	182,016	31,900	31,300	-
21					
22	CAPITAL OUTLAY				
23		746,012	118,100	117,900	
24	-	746,012	118,100	117,900	-
25					
26	21,374	928,027	150,000	149,200	-
27					
28	Excess (deficiency) of revenue				
29	over expenditures				
30	(21,352)	59,965	(68,700)	(68,700)	-
31	OTHER FINANCING SOURCES (USES)				
32					
33	TRANSFERS IN				
34	20,000		8,500	8,500	
35	20,000	-	8,500	8,500	-
36					
37	20,000	-	8,500	8,500	-
38					
39					
40	(1,352)	59,965	(60,200)	(60,200)	-
41					
42	1,601	249	60,200	60,200	
43					
44	249	60,214	-	-	-

Bonded Debt Fund

The Bonded Debt Fund accounts for the property taxes required and the annual principal and interest payment due for the \$2,578,000 USDA Rural Development loan used to finance the construction of the fire station.¹ The loan was secured with a May 2012 voter approved general obligation bond with a term of 25 years. The USDA Rural Development loan has an annual interest rate of 3.125% and the final payment is scheduled for February 2040. The annual debt service is \$150,143. Future debt service requirements for the USDA Rural Development loan are as follows:

<i>Fiscal Year</i> <i>Ending June 30</i>	<i>Principal</i>	<i>Interest</i>
2021	\$ 81,153	\$ 68,990
2022	83,689	66,454
2023	86,306	63,838
2024	89,002	61,141
2025	91,783	58,360
2026-2040	<u>1,775,733</u>	<u>475,520</u>
	<u>\$ 2,207,665</u>	<u>\$ 794,303</u>

The levy amount required for FY 2020-21 is \$155,508 at an estimated levy rate of \$0.4868 per \$1,000 of assessed value (AV). Allowing for discounts and delinquencies, the estimated amount of new taxes received is \$144,000. As total AV increases from year to year from the combination of the State constitution annual adjustment of 3% plus AV from new construction and/or taxable personal property, the bonded tax levy rate decreases. Most taxpayers will see a decrease in their share of the fire station bond levy payment over time as the fixed annual debt service obligation is allocated to new development.

	Actual FY 2017-18	Actual FY 2018-19	Actual* FY 2019-20	Estimated FY 2020-21	Estimated FY 2021-22**	Estimated FY 2022-23**
Total Assessed Value	287,512,453	296,488,246	307,214,048	319,441,469	332,219,128	345,507,893
Annual Debt Service	150,143	150,143	150,143	150,143	150,143	150,143
Current Year Tax Collections	145,144	145,537	144,500	144,000	144,000	144,000
Collection Rate	92.9%	92.6%	92.6%	92.6%	92.6%	92.6%
Bonded Debt Levy Required	156,182	157,096	156,013	155,508	155,508	155,508
Levy Rate Per \$1,000 AV	0.5432	0.5299	0.5078	0.4868	0.4681	0.4501
*AV and Levy Rate are actual, but end of year collections are estimated for the current fiscal year						
**Total Assessed Value Estimated uses an assumed annual growth of 4%						

¹ The Dundee Rural Fire Protection District issued its own voter-approved debt in the amount of \$1,288,600 to cover approximately one third of the fire station construction. Net bond proceeds were contributed to the City of Dundee for the project in exchange for continuation of the fire protection service agreement between the City and the District while there are bonds yet to be redeemed.

Bonded Debt Fund

		ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1	REVENUE					
2						
3	Taxes					
4	Current Year Property Taxes	145,144	145,537	144,000	144,500	144,000
5	Prior Year Property Taxes	3,757	5,774	4,000	5,400	5,000
6	Total Intergovernmental Revenue	148,901	151,311	148,000	149,900	149,000
7						
8	Miscellaneous Revenues					
9	Investment Interest	651	1,058	1,000	1,100	1,000
10	Total Miscellaneous Revenues	651	1,058	1,000	1,100	1,000
11						
12	TOTAL REVENUE	149,552	152,370	149,000	151,000	150,000
13						
14						
15	EXPENDITURES					
16						
17	Debt Service					
18	Rural Dev Loan - Principal	74,004	76,310	78,700	78,700	81,200
19	Rural Dev Loan - Interest	76,139	73,833	71,500	71,500	69,000
20	Total Debt Service	150,143	150,143	150,200	150,200	150,200
21						
22	TOTAL EXPENDITURES	150,143	150,143	150,200	150,200	150,200
23						
24						
25	Net Change in Fund Balance	(591)	2,227	(1,200)	800	(200)
26						
27	Fund Balance at Beginning of Year	16,174	15,583	17,600	17,800	18,600
28						
29	Unappropriated Ending Fund Balance	15,583	17,810	16,400	18,600	18,400

The following table shows the annual cost to taxpayers for their share of the Dundee Fire Station bond at various levels of assessed value today and in the future. Future years are based on an assumed 1% increase in total Dundee AV from new development that is in excess of the 3% annual adjustment.

2019 AV*	1-Nov-2019	1-Nov-2020	1-Nov-2021	1-Nov-2022
\$160,000	\$81.25	\$80.23	\$79.46	\$78.69
\$200,000	\$101.57	\$100.28	\$99.32	\$98.36
\$240,000	\$121.88	\$120.34	\$119.18	\$118.04
\$280,000	\$142.19	\$140.40	\$139.05	\$137.71
\$320,000	\$162.51	\$160.45	\$158.91	\$157.38

*AV increased 3% per year for 2020, 2021, and 2022.

*Taxpayer's AV is assumed to increase 3% annually for years 2020 through 2022

Water Utility

Dundee's community water system started in the mid-1920s with a lease to collect water from two springs located at the head of Otter Creek (present day named Harvey Creek) and transmitted via gravity through a 4-inch steel line about a mile in length to a concrete 85,000 gallon reservoir.¹ Water not used was wasted through an overflow valve from the reservoir. These facilities remained in place for the next three decades.² In 1953, the City commissioned a report on the status of the water supply and distribution system, including recommended improvements.³ The 1953 Report led to the construction of the first City well on the reservoir property in 1956 and construction of the 400,000 gallon concrete reservoir at that same location in 1963.

In 1972 the City issued water bonds to finance the construction of two wells on the Mossy Springs watershed property, two new steel reservoirs, and a new 8-inch water line along the Worden Hill Road and Red Hills Drive alignment. These improvements replaced the 1920s era water line and established the three distinct water pressure zones that allowed the westerly expansion of the city limits where they currently stand today. Over the ensuing years the smaller 50,000-gallon steel reservoir next to the cemetery was replaced with a 400,000-gallon reservoir, increasing system storage to 1 million gallons, the distribution system was upgraded to replace older failing and undersized lines, and additional wells were developed.

The most recent Water System Master Plan dated February 2016 performed a comprehensive analysis of the City's water supply and distribution system to determine water system requirements for the next 20 years and recommends facility improvements that correct existing deficiencies and provide for future system expansion to accommodate an estimated population of 5,135 for the year 2035. One of the main issues of consideration is future water supply. By time the service population reaches 4,200, an additional source of water will be needed.

The City receives water from nine groundwater wells, of which two are leased to the City. While the well water from the basalt formations does not require additional treatment beyond chlorination, they are very low producers. The City is currently exploring the feasibility of developing its surface water right on the Willamette River. Development of a surface water source will require construction of a water treatment facility. At the same time the City of Newberg is engaged in a study to improve redundancy of its supply comprising of wells located across the river in Marion County and McMinnville Water & Light has entered into agreements with Lafayette and Carlton for the development of a future surface water treatment plant.

¹ The 85,000 gallon reservoir was located next to the site of the 400,000 gallon concrete reservoir constructed in 1963 on Upland Avenue. While not in use for decades, the 85,000 gallon reservoir was eventually demolished in 2011.

² The Mossy Springs watershed property, 60 acres, was purchased by the City in 1950 for the sum of \$14,700. This property is the location of five wells developed by the City. The City subsequently declared surplus and sold 16 acres of the watershed property in 1953 for \$5,000.

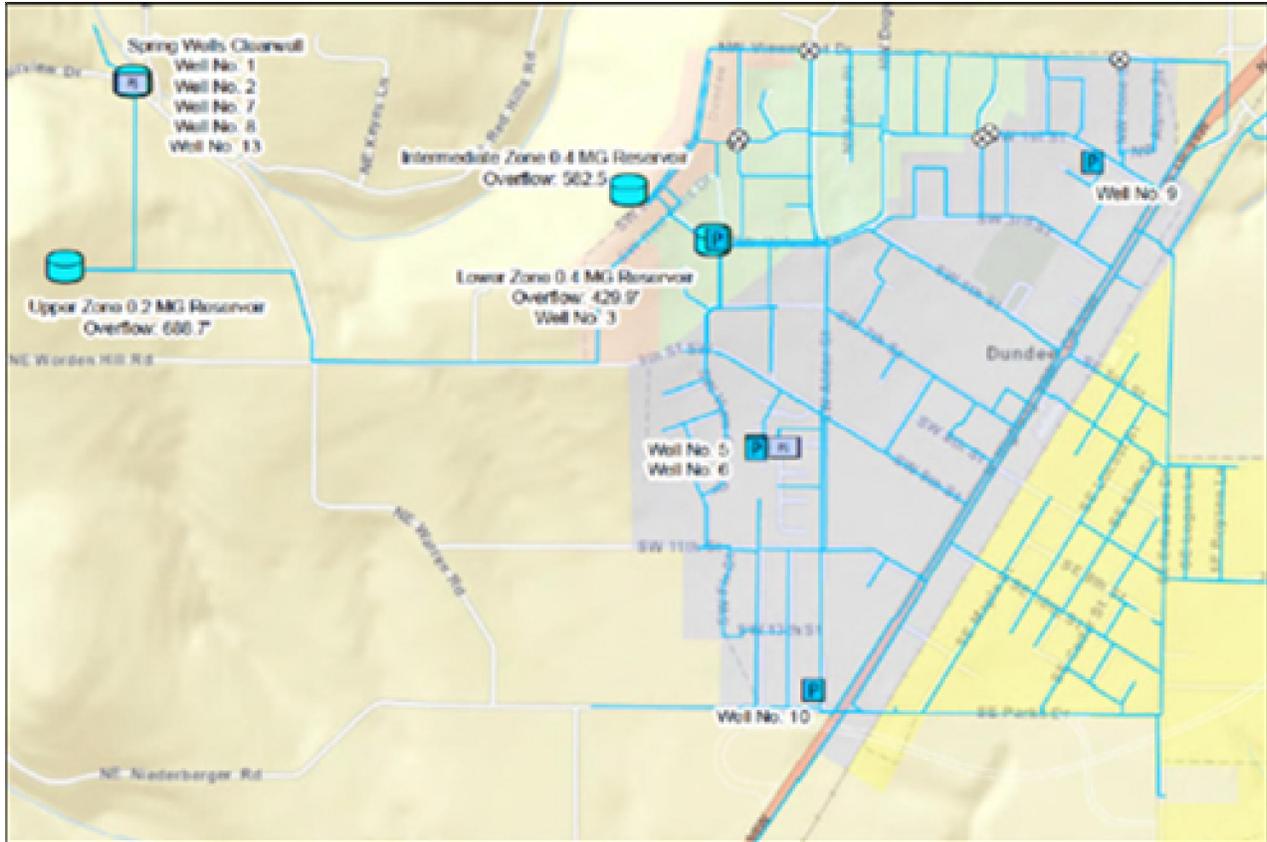
³ Total annual water use in 1953 was 1.8 million cubic feet:

Inside residential ó 83 meters	937,883 cf	51.7%
Outside residential ó 13 meters	147,330 cf	8.1%
Commercial ó 10 meters	112,594 cf	6.2%
Industrial ó 2 accounts	614,701 cf	33.9%

Water Utility

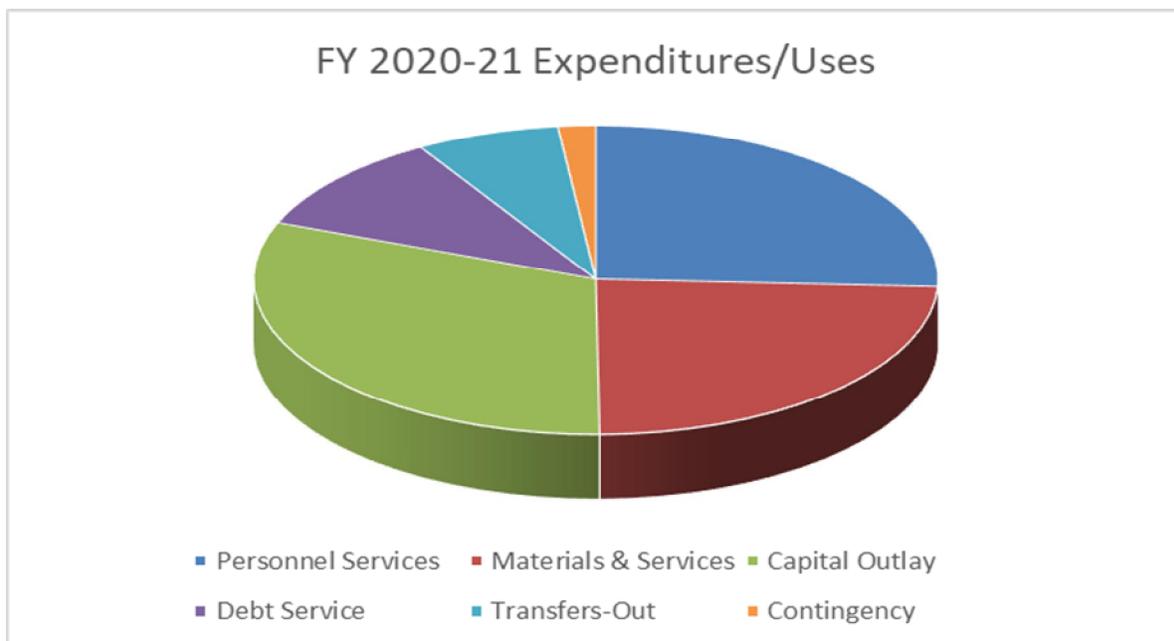
Subsequent dialog with Newberg and McMinnville Water & Light will help guide the City's decision regarding developing its own river water right or whether to participate in a regional effort.

Schematic of the current Dundee Water System:



Water Utility

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1 REVENUE					
2 Charges for Services	651,647	769,496	656,600	679,800	682,600
3 Miscellaneous Revenues	19,894	21,274	9,400	11,900	7,100
4 TOTAL REVENUE	671,541	790,769	666,000	691,700	689,700
5					
6 EXPENDITURES					
7 Personnel Services	171,972	193,627	212,400	205,500	289,800
8 Materials & Services	198,638	218,716	248,200	244,600	270,500
9 Capital Outlay	344,871	354,676	301,000	181,100	350,600
10 Debt Service	117,126	117,203	117,300	117,200	117,300
11 TOTAL EXPENDITURES	832,608	884,221	878,900	748,400	1,028,200
12					
13 Excess (deficiency) of revenue					
14 over expenditures	(161,067)	(93,452)	(212,900)	(56,700)	(338,500)
15					
16 OTHER FINANCING SOURCES (USES)					
17 Interfund Loan Received					225,000
18 Transfer to General Fund	(29,740)	(30,987)	(32,000)	(31,300)	(31,300)
19 Transfer to Equipment Reserve	(43,800)	(44,800)	(45,000)	(45,000)	(45,100)
20 Operating contingency			(20,000)		(20,000)
21 TOTAL OTHER FINANCING SOURCES (USES)	(73,540)	(75,787)	(97,000)	(76,300)	128,600
22					
23 Net Change in fund Balance	(234,607)	(169,238)	(309,900)	(133,000)	(209,900)
24					
25 Fund Balance at beginning of year	790,028	555,421	327,100	386,100	253,100
26					
27 Unappropriated Ending fund Balance	555,421	386,183	17,200	253,100	43,200



Water Fund

Water Fund user charges may vary significantly based on summer irrigation practices by customers. On August 2018 water consumption rates were increased for outside users as an incentive to comply with the requirement that water serving properties located outside of the city limits is for domestic use only and irrigation use is prohibited. No water rate changes are proposed for FY 2020-21.

The insurance recovery payment in FY 2017-18 of \$9,226 represents reimbursement of damage caused in two separate power surge events to electronic equipment at Well No. 10. The City has since installed more robust surge protection equipment at Well No. 10.

Contract water sales represent the lease arrangement the City has with two private wells located in Dundee Hills Estates. These private wells are more productive than most of the City's wells and are used primarily during the summer months.

The increase in lab testing in the current fiscal year is primarily due to testing for synthetic organic compounds in the amount of \$10,000 that are required from all well sources every three years. FY 2020-21 only shows the routine testing required each year plus testing for lead and copper required every three years.

The line item storage & supply repair/maintenance is mainly the repair and/or replacement of failing pumps and related controls. With a total of nine wells to maintain, it is an ongoing effort.

Computer H/W, S/W represents the installation of backflow administration software and replacement of one desktop computer in the current fiscal year. Replacement of another desktop computer is proposed for FY 2020-21. Capital equipment in FY 2018-19 was for the replacement of a new handheld meter reading device. In FY 2019-20, an auto chlorine analyzer (\$4,800) and a replacement component (\$1,900) used for reading meters were purchased in FY 2019-20. Capital equipment for FY 2020-21 is for a portable meter. The portable meter is needed for analysis of the chlorine residual contact study required by OHA and may be used to help identify main line leaks. Water meters/radios are mostly for the conversion of touch-read meters to radio-read meters.

With the one-time significant cost in the establishment of the PERS Side Account, the Water Fund will not have a transfer-out to the Water CIP Fund for FY 2020-21. The transfer-out to the General Fund represents the in-lieu franchise fee calculated at 5% of water service charges.

The transfer-out to the Equipment Reserve Fund (\$45,000) includes 55% of the annual debt service on the bank loan that financed the construction of the new Public Works equipment storage building. Transfers to the Water CIP Fund are used to fund water system improvements, including the debt service on loans.

Water Fund

		ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1	REVENUE					
2						
3	Charges for Services					
4	User Charges	599,989	622,268	600,000	625,000	625,000
5	Delinquent Fees	10,464	12,762	12,000	9,400	12,000
6	Account Set-up Fee	1,560	1,425	1,500	1,600	1,500
7	Meter Installation	3,950	9,872	3,900	4,700	3,900
8	Total Charges for Services	615,963	646,327	617,400	640,700	642,400
9						
10	Miscellaneous Revenues					
11	Investment Interest	3,394	3,826	3,400	3,600	1,100
12	Insurance Recovery	9,226				
13	Other Misc Revenue	337	422			
14	Total Miscellaneous Revenues	12,958	4,249	3,400	3,600	1,100
15						
16	TOTAL REVENUE	628,921	650,575	620,800	644,300	643,500
17						
18						
19	EXPENDITURES					
20						
21	PERSONNEL SERVICES					
22	Salaries & Wages					
23	Salaries and Wages	108,695	121,877	129,700	126,600	131,300
24	Total Salaries & Wages	108,695	121,877	129,700	126,600	131,300
25						
26	Personnel Benefits					
27	FICA	7,961	8,885	9,900	9,200	9,700
28	Workers' Comp	2,719	3,275	3,800	3,500	6,200
29	Unemployment	104	116	100	100	100
30	PERS	25,574	28,427	33,700	28,800	27,400
31	PERS Side Account					71,800
32	Group Medical & Life	26,919	31,047	35,200	37,300	43,300
33	Total Personnel Benefits	63,277	71,750	82,700	78,900	158,500
34						
35	TOTAL PERSONNEL SERVICES	171,972	193,627	212,400	205,500	289,800
36						
37	MATERIALS & SERVICES					
38	Supplies					
39	Office & Operating Supplies	2,695	2,013	2,500	2,500	2,500
40	Small Tools & Minor Equip	2,368	2,268	2,000	3,000	2,200
41	Fuel	3,808	3,254	4,000	3,000	4,000
42	Uniforms & Clothing	419	504	800	400	800
43	Chemicals	3,436	3,262	3,200	3,200	3,400
44	Total Supplies	12,726	11,301	12,500	12,100	12,900
45						
46	Professional Services					
47	Legal	1,834	3,333	2,500	3,500	3,500
48	Engineering / Architecture	1,436	1,486	2,000	7,000	4,000
49	IT Support	3,890	4,318	4,100	3,700	5,300
50	Total Professional Services	7,160	9,138	8,600	14,200	12,800

Water Fund

51					
52	Contractual Services				
53	Contract Water	9,747	7,936	10,000	2,600
54	Total Contractual Services	9,747	7,936	10,000	2,600
55					
56	Travel & Training				
57	Employee Development	4,461	719	2,000	1,500
58	Dues & Subscriptions	230	249	300	300
59	Total Travel & Training	4,691	968	2,300	1,800
60					
61	Insurance	5,296	5,457	5,700	6,500
62					
63	Regulatory Requirements				
64	Certifications & Permits	1,212	4,492	1,200	3,200
65	Lab Testing	4,913	3,212	14,100	14,100
66	Equipment Testing	144	152	200	200
67	Total Regulatory Requirements	6,269	7,856	15,500	17,500
68					
69	Utilities				
70	Electricity	39,268	36,955	42,000	37,000
71	Telephone & Cable	3,964	3,959	4,000	4,100
72	Solid Waste & Recycling	13	74	100	100
73	Total Utilities	43,246	40,988	46,100	41,200
74					
75	Repairs & Maintenance				
76	Equip Maint/Repair	2,409	2,525	2,500	1,700
77	Vehicle Maint/Repair	1,457	1,293	2,000	2,000
78	Bldg Maint/Repair		116	500	100
79	Grounds Maint	405	276	800	1,800
80	Storage & Supply Repair/Maint	18,368	26,851	25,000	26,000
81	Distribution System Repair/Maint	9,191	10,922	10,000	8,000
82	Total Repairs & Maintenance	31,830	41,983	40,800	39,600
83					
84	Interfund Services				
85	Internal Admin Charge	69,111	83,944	97,000	100,200
86	Total Interfund Services	69,111	83,944	97,000	100,200
87					
88	Other Materials & Services				
89	Postage / Shipping	2,933	2,894	3,000	2,800
90	Legal Notices			100	100
91	Bank Charges	5,582	6,200	6,300	6,100
92	Recruitment Expense			100	
93	Other Misc Expense	48	50	200	200
94	Total Other Materials & Services	8,562	9,145	9,700	8,900
95					
96	TOTAL MATERIALS & SERVICES	198,638	218,716	248,200	244,600

Water Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
97					
98	CAPITAL OUTLAY				
99			8,000	8,000	2,800
100		11,750	6,000	6,700	6,800
101	12,859	13,119	16,000	20,000	25,000
102	107		6,000		6,000
103	12,965	24,869	36,000	34,700	40,600
104					
105	383,576	437,211	496,600	484,800	600,900
106					
107	Excess (deficiency) of revenue				
108	over expenditures				
109	245,345	213,364	124,200	159,500	42,600
110	OTHER FINANCING SOURCES (USES)				
111					
112	TRANSFERS OUT				
113	(29,740)	(30,987)	(32,000)	(31,300)	(31,300)
114	(43,800)	(44,800)	(45,000)	(45,000)	(45,100)
115	(190,000)	(140,000)	(80,000)	(80,000)	
116	(263,540)	(215,787)	(157,000)	(156,300)	(76,400)
117					
118	OTHER USES				
119			(20,000)		(20,000)
120	-	-	(20,000)	-	(20,000)
121					
122	(263,540)	(215,787)	(177,000)	(156,300)	(96,400)
123					
124					
125	(18,195)	(2,422)	(52,800)	3,200	(53,800)
126					
127	80,555	62,360	56,500	59,900	63,100
128					
129	62,360	59,937	3,700	63,100	9,300

Water CIP Fund

The Water CIP Fund was established to account for water system improvements and debt related to water system improvements.

Major sources of fund are transfers from the Water Fund and system development charges (SDCs). Water SDCs are based on meter size and collected prior to their installation. Water SDCs are established to collect revenue for system improvements needed to accommodate new development and reimburse the City for development's use of existing water infrastructure capacity. The compliance component of the SDC fee pays for administration of the fee and updates to the methodology used to calculate the fee. SDC revenue estimated in the proposed budget represents the equivalent of 6 single family residential meters.

Capital contributions are payments from private development for paying a mutually agreed amount for costs related to the new 10-inch water main on Highway 99W. The settlement payment to the City in FY 2018-19 is for reimbursement of relocating improperly placed water meters by the developer that installed a new water line on Locust Street.

Distribution system projects in prior years represent: FY 2017-18 - the installation of a new 10-inch line on the west side of Highway 99W to improve fire flow to commercial development and replace a failing 4-inch line; FY 2018-19 - replacement of the failing water main on Locust Street from 8th Street to 10th Street in advance of a street paving project, and upsizing a portion of the transmission line from the well fields west of the City limits as a joint project with a developer on Worden Hill Drive. The actual work completed in the current fiscal year is a water line extension with hydrant on Red Hills Drive to relocate five existing services from a failing line. Projects proposed for FY 2020-21 involve the relocation of the water main located on the east side of Highway 99W that is in conflict with the Highway 99W Improvements Project, and the re-establishment of water line crossings in the highway.

The well pump station improvement in the current fiscal year is for the replacement of the pump and adding water level instrumentation for Well No. 7.

The update to the Water Master Plan was not anticipated in the current budget and represents a study by MurraySmith Engineering to review the actions needed to develop the Willamette River water right held by the City and siting a water treatment plant, including construction costs and timelines. This project follows prior review by MurraySmith in FY2018-19 regarding future water demand and supply evaluations to refine projections in the 2016 Water System Master Plan following performance analysis of the recently developed Well No. 13.

Debt service is for the principal and interest payment on the new US Bank loan that refunded the balance of the IFA loan in May 2016. The annual interest rate for the US Bank loan at 2.6% was more favorable than the 4.04% rate for the IFA loan; however, the higher annual principal payments are due to the repayment schedule being accelerated to pay off the balance in seven years instead of the fifteen years remaining on the IFA loan. The term of the US Bank loan ends May 2023.

Water CIP Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1 REVENUE					
2					
3 Charges for Services					
4 System Dev Charges - Improvements	29,150	100,606	32,000	31,900	32,800
5 System Dev Charges - Reimbursements	5,928	20,466	6,500	6,500	6,700
6 System Dev Charges - Compliance	606	2,097	700	700	700
7 Total Charges for Services	35,684	123,169	39,200	39,100	40,200
8					
9 Miscellaneous Revenues					
10 Capital Contributions		2,271	3,000	3,000	3,000
11 Settlements		9,061			
12 Interest Income	6,936	5,694	3,000	5,300	3,000
13 Total Miscellaneous Revenues	6,936	17,025	6,000	8,300	6,000
14					
15 TOTAL REVENUE	42,620	140,194	45,200	47,400	46,200
16					
17					
18 EXPENDITURES					
19					
20 CAPITAL OUTLAY					
21 Distribution System	319,088	307,892	240,000	84,000	310,000
22 Well Pump Stations	8,937		25,000	11,000	
23 Master Plan Update	3,881	21,915		51,400	
24 TOTAL CAPITAL OUTLAY	331,906	329,807	265,000	146,400	310,000
25					
26 DEBT SERVICE					
27 US Bank Loan Principal	100,973	103,694	106,300	106,400	109,100
28 US Bank Loan Interest	16,154	13,509	11,000	10,800	8,200
29 TOTAL DEBT SERVICE	117,126	117,203	117,300	117,200	117,300
30					
31 TOTAL EXPENDITURES	449,032	447,010	382,300	263,600	427,300
32					
33 Excess (deficiency) of revenue					
34 over expenditures	(406,412)	(306,816)	(337,100)	(216,200)	(381,100)
35					
36 OTHER FINANCING SOURCES (USES)					
37					
38 LOAN PROCEEDS					
39 Interfund - Equipment Reserve					225,000
40 TOTAL LOAN PROCEEDS	-	-	-	-	225,000
41					
42 TRANSFERS IN					
43 Transfer In from Water	190,000	140,000	80,000	80,000	
44 TOTAL TRANSFERS IN	190,000	140,000	80,000	80,000	-
45					
46 TOTAL OTHER FINANCING SOURCES (USES)	190,000	140,000	80,000	80,000	225,000
47					
48					
49 Net Change in fund Balance	(216,412)	(166,816)	(257,100)	(136,200)	(156,100)
50					
51 Fund Balance at beginning of year	709,473	493,061	270,600	326,200	190,000
52					
53 Unappropriated Ending fund Balance	493,061	326,245	13,500	190,000	33,900

Sewer Utility

The City of Dundee began providing wastewater collection and treatment in 1970. The City's first treatment plant included a gravity collection system, influent pump station, two stabilization sewage lagoons, and a chlorine contact chamber. With population growth and more stringent water quality regulations, the City was required to upgrade the wastewater treatment facility in 1978 with the construction of an additional stabilization lagoon and updated chlorine contact chamber. Also, an earthen dam was constructed to convert a drainage ravine into another storage pond and the storm water was piped underneath the pond. Following a period of rapid development, wastewater treatment capacity was greatly diminished, and the City completed a facility plan evaluating cost effective treatment and disposal options in 2004. In 2008, the City entered into a Mutual Agreement & Order that identified actions the City intends on taking to correct system deficiencies.

The City hired Kennedy/Jenks Consultants in 2009 to update the Wastewater Facility Plan which led to the design of an activated sludge mechanical plant with Membrane Bioreactor (MBR) processing technology. The City secured a loan through the Clean Water State Revolving Fund administered by Oregon DEQ and awarded the contract to Ovivo for the proprietary technology to be used in the construction bid documents. Construction of the new wastewater treatment facilities began in July 2011 and were operational by October 2012.

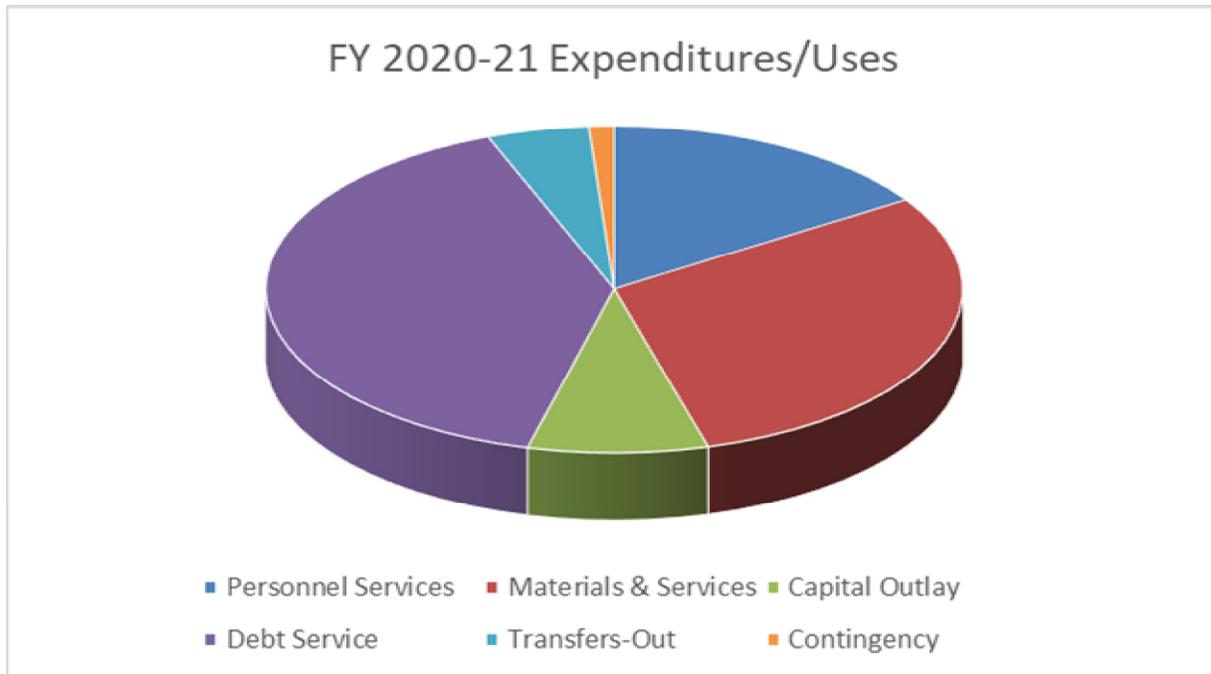
Although the original facultative storage lagoons were decommissioned in 2012, capacity was retained in one area that is currently being used for equalization of flows during heavy storm events. Ground water entering the sewer collection system was more severe than originally anticipated and the City aggressively repaired areas contributing to the problem. The WWTP is now better able to manage high flows and ongoing upgrades to the collection system continue.



View of WWTP looking southeast ó 100 KW solar array in foreground, process basins, lab building and equipment storage building (left to right).

Sewer Utility

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1 REVENUE					
2 Charges for Services	1,291,565	1,391,231	1,368,600	1,368,000	1,397,000
3 Miscellaneous Revenues	657,022	14,157	35,000	28,700	19,900
4 TOTAL REVENUE	1,948,586	1,405,387	1,403,600	1,396,700	1,416,900
5					
6 EXPENDITURES					
7 Personnel Services	194,198	194,177	200,200	192,800	270,500
8 Materials & Services	436,448	264,339	489,800	297,800	510,900
9 Capital Outlay	668,868	40,033	8,300	8,300	142,800
10 Debt Service	692,461	690,327	689,200	688,100	686,000
11 TOTAL EXPENDITURES	1,991,976	1,188,877	1,387,500	1,187,000	1,610,200
12					
13 Excess (deficiency) of revenue					
14 over expenditures	(43,389)	216,511	16,100	209,700	(193,300)
15					
16 OTHER FINANCING SOURCES (USES)					
17 Transfer to General Fund	(62,649)	(66,000)	(66,600)	(66,300)	(67,900)
18 Transfer to Equipment Reserve	(12,900)	(13,000)	(13,000)	(13,000)	(13,100)
19 Operating Contingency			(20,000)		(20,000)
20 TOTAL OTHER FINANCING SOURCES (USES)	(75,549)	(79,000)	(99,600)	(79,300)	(101,000)
21					
22 Net Change in fund Balance	(118,938)	137,511	(83,500)	130,400	(294,300)
23					
24 Fund Balance at beginning of year	653,071	534,132	640,400	671,700	802,100
25					
26 Unappropriated Ending fund Balance	534,132	671,643	556,900	802,100	507,800



Sewer Fund

Sewer Fund user rates are anticipated to increase approximately 1.4% effective August 2020, to ensure sufficient resources for annual operations and maintenance, debt service for the \$9.7 million DEQ State Revolving Fund (SRF) loan, and to increase reserves for future major outlays involving replacement of MBR panels and removal of accumulated bio-solids.

Personnel costs in FY 2017-18 and FY 2018-19 included an overlap of wages with the retiring WWTP operator and the new WWTP Operator. FY2020-21 includes an additional step increase for the operator as well as the scheduled adjustment in the salary schedule on January 1.

The treatment facility repairs & maintenance line item in the currently fiscal year mainly represents routine maintenance, including scheduled annual check-ups of pumps, and the emergency generator by the respective manufacturer representative. The biennial inspection of the UV system is scheduled for next fiscal year. About \$17,000 was expended for a manual clean of the MBR plates in summer 2019. Following review of the manual clean process, it was determined that fibrous material is passing through the headworks screens and causing disruption in the air scouring of the MBR plates. Since replacement of the screens is a very expensive alternative, the operator is working with the consulting engineer to take lower cost measures to mitigate the build up of the fibrous material.

In late summer and fall of 2017, the City removed 868,000 gallons, or about 65% of 1,450,000 gallons of sludge accumulated from the start of the MBR WWTP operations in the four-year period from October 2012 to October 2016. This first-time removal of bio-solids was done at a cost of \$95,680. The proposed budget includes \$160,000 for bio-solids removal in the summer of 2020. The City solicited bids in April 2020 for a multi-year contract that anticipates removal of the biosolids for land application on farmland every three years.

The \$20,000 budgeted for inflow and infiltration mitigation will be used to repair leaking sewer manholes in FY 2020-21.

The transfer-out to the General Fund represents the in-lieu franchise fee calculated at 5% of sewer service charges.

The transfer-out to the Equipment Reserve Fund includes 15% of the annual debt service on the bank loan that financed the construction of the new Public Works equipment storage building. Transfers to the Sewer CIP Fund are used to build up reserves for major projects and repay the SRF loan.

Sewer Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21	
1	REVENUE					
2						
3	Charges for Services					
4	User Charges	1,255,291	1,318,350	1,331,400	1,325,000	1,359,000
5	Total Charges for Services	1,255,291	1,318,350	1,331,400	1,325,000	1,359,000
6						
7	Miscellaneous Revenues					
8	Interest Income	812	2,199	4,500	5,300	3,200
9	Other Miscellaneous Revenue		54			
10	Total Miscellaneous Revenues	812	2,253	4,500	5,300	3,200
11						
12	TOTAL REVENUE	1,256,103	1,320,603	1,335,900	1,330,300	1,362,200
13						
14						
15	EXPENDITURES					
16						
17	PERSONNEL SERVICES					
18	Salaries & Wages					
19	Salaries and Wages	115,986	119,332	117,500	114,900	121,900
20	Total Salaries & Wages	115,986	119,332	117,500	114,900	121,900
21						
22	Personnel Benefits					
23	FICA	8,204	8,636	9,000	8,300	8,900
24	Workers' Comp	3,107	2,763	2,900	2,700	4,800
25	Unemployment	107	113	100	100	200
26	PERS	28,598	25,914	29,300	27,000	24,300
27	PERS Side Account					66,800
28	Group Medical & Life	38,196	37,420	41,400	39,800	43,600
29	Total Personnel Benefits	78,212	74,845	82,700	77,900	148,600
30						
31	TOTAL PERSONNEL SERVICES	194,198	194,177	200,200	192,800	270,500
32						
33	MATERIALS & SERVICES					
34	Supplies					
35	Office & Operating Supplies	3,023	1,748	3,000	2,200	2,500
36	Small Tools & Minor Equip	1,768	1,701	1,500	4,000	1,800
37	Fuel	2,856	2,095	3,200	1,800	3,200
38	Uniforms & Clothing	668	378	800	400	800
39	Chemicals	3,845	2,338	5,000	5,000	7,500
40	WWTP Lab Supplies	8,267	3,729	8,000	2,600	3,000
41	Total Supplies	20,428	11,989	21,500	16,000	18,800
42						
43	Professional Services					
44	Legal	2,167	1,072	1,600	1,200	1,600
45	Engineering	63,095	15,008	35,000	18,000	30,000
46	IT Support	4,134	3,856	4,100	2,300	4,100
47	Total Professional Services	69,396	19,935	40,700	21,500	35,700
48						
49	Contractual Services					
50	Alarm Monitoring Services	644	988	700	600	700
51	Total Contractual Services	644	988	700	600	700

Sewer Fund

		ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
52						
53	Travel & Training					
54	Employee Development	2,384	1,358	2,000	800	2,000
55	Dues & Subscriptions	230	249	300	300	300
56	Total Travel & Training	2,614	1,607	2,300	1,100	2,300
57						
58	Insurance	15,542	16,170	16,700	15,800	17,500
59						
60	Regulatory Requirements					
61	Certifications & Permits	2,370	2,534	3,000	3,000	3,000
62	Lab Testing	1,400		1,000	1,000	500
63	Equipment Testing	975	864	1,200	900	1,000
64	Physical Evaluations			400		400
65	Total Regulatory Requirements	4,744	3,398	5,600	4,900	4,900
66						
67	Utilities					
68	Electricity	73,640	77,399	80,000	78,000	80,000
69	Telephone & Cable	3,348	3,327	3,300	3,300	3,500
70	Solid Waste & Recycling	1,716	1,727	1,800	1,800	1,800
71	Total Utilities	78,704	82,454	85,100	83,100	85,300
72						
73	Repairs & Maintenance					
74	Equip Maint/Repair	1,244	2,992	1,500	1,200	1,500
75	Vehicle Maint/Repair	1,083	970	1,500	1,500	1,500
76	Bldg Maint/Repair		204	500		500
77	Grounds Maintenance	205		300	300	300
78	Treatment Facility	54,027	22,223	35,000	22,000	35,000
79	Collection System	935	192	2,500	6,900	2,500
80	Infiltration/Inflow	3,000	5,043	20,000	20,000	20,000
81	Bio-Solids Removal	95,680	3,000	160,000		160,000
82	Total Repairs & Maintenance	156,173	34,624	221,300	51,900	221,300
83						
84	Interfund Services					
85	Internal Admin Charge	77,974	84,225	86,400	94,000	115,000
86	Total Interfund Services	77,974	84,225	86,400	94,000	115,000
87						
88	Other Materials & Services					
89	Postage / Shipping	2,877	2,739	3,000	2,800	3,000
90	Bank Charges	5,582	6,200	6,300	6,100	6,300
91	Recruitment Expense	1,723	10	100		
92	Other Misc Expense	48		100		100
93	Total Other Materials & Services	10,229	8,950	9,500	8,900	9,400
94						
95	TOTAL MATERIALS & SERVICES	436,448	264,339	489,800	297,800	510,900

Sewer Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
96					
97	CAPITAL OUTLAY				
98					
99					2,800
100	-	-	-	-	2,800
101					
102	630,647	458,516	690,000	490,600	784,200
103					
104	Excess (deficiency) of revenue				
105	over expenditures				
106					
107	OTHER FINANCING SOURCES (USES)				
108					
109	TRANSFERS OUT				
110	(62,649)	(66,000)	(66,600)	(66,300)	(67,900)
111	(12,900)	(13,000)	(13,000)	(13,000)	(13,100)
112	(630,000)	(666,000)	(666,000)	(666,000)	(720,000)
113	(705,549)	(745,000)	(745,600)	(745,300)	(801,000)
114					
115	OTHER USES				
116			(20,000)		(20,000)
117	-	-	(20,000)	-	(20,000)
118					
119	(705,549)	(745,000)	(765,600)	(745,300)	(821,000)
120					
121					
122	(80,093)	117,087	(119,700)	94,400	(243,000)
123					
124	120,558	40,465	143,300	157,600	252,000
125					
126	40,465	157,552	23,600	252,000	9,000

Sewer CIP Fund

Sewer CIP Fund system development charge fees are tiered for the nonresidential development based on strength of effluent classifications. The forecast of SDC revenue in the proposed budget is based on six equivalent dwelling units.

Expenditures in the collection system in FY 2017-18 represent work to resolve utility conflicts with the highway improvements project by the City. The replacement of the sewer main in the former Beech Street right of way between Eleventh Street and Parks Drive was completed in FY 2018-19. The Beech Street sewer main was failing and a significant contributor of ground water into the sewer system. Work in the current fiscal year is for the westerly extension of the sewer main in Tenth Street from the highway. This work was completed to resolve repair of the sewer lateral serving the building at the northwest corner of Tenth Street and Highway 99W.

The treatment facility capital outlay item in prior FY 2017-18 represents the replacement of the control panel and other electrical systems that were damaged by the December 2015 flood event. The cost of the repairs was recovered from the City's insurance provider, less a \$1,000 deductible. \$140,000¹ is budgeted in FY 2020-21 as a placeholder for future replacement of the existing MBR plates. The plates were first put into use in October 2012 and are estimated to have a life of ten years, more or less. There are ten double stacked MBR cassette racks, with 400 plates per rack. At \$130 per plate, the cost to complete replacement for one double stacked cassette rack is \$52,000 or \$520,000 for the entire inventory. The consulting engineer explained the MBR plates are unlikely to fail in a catastrophic manner and will decline in efficiency over time. A phased replacement strategy over 2 to 5 years was recommended, and to consider replacement of a portion of the plates the next time a manual clean is scheduled to save on the cost crane mobilization.

The principal balance on the 2013 Clean Water State Revolving Fund loan will be about \$6.3 million at the end of next fiscal year. The final installment on this loan is scheduled for November 2032. The seven-year term US Bank loan (\$75,000) financed collection to address I&I issues in the collection system; repayment of the loan ends May 2023.

¹ The \$140,000 represents assets that are not otherwise restricted at the end of the fiscal year for repayment of the DEQ loan (\$427,500) and the improvement component of sewer SDCs (\$70,000) reserved for capacity improvements.

Sewer CIP Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1 REVENUE					
2					
3 Charges for Services					
4 System Dev Charges - Improvements	6,327	12,709	6,500	7,500	6,600
5 System Dev Charges - Reimbursements	28,985	58,221	29,700	34,300	30,400
6 System Dev Charges - Compliance	962	1,951	1,000	1,200	1,000
7 Total Charges for Services	36,274	72,880	37,200	43,000	38,000
8					
9 Miscellaneous Revenues					
10 Interest Income	6,974	11,904	14,300	11,200	12,700
12 Capital Contribution			4,000		4,000
12 Urban Renewal Contribution			12,200	12,200	
13 Insurance Recovery	649,235				
14 Total Miscellaneous Revenues	656,209	11,904	30,500	23,400	16,700
16					
17 TOTAL REVENUE	692,483	84,785	67,700	66,400	54,700
18					
19					
20 EXPENDITURES					
21					
22 CAPITAL OUTLAY					
23 Treatment Facilities	649,566				140,000
24 Sewer Collection System	19,302	40,033	8,300	8,300	
25 TOTAL CAPITAL OUTLAY	668,868	40,033	8,300	8,300	140,000
26					
27 DEBT SERVICE					
28 US Bank Loan Principal	10,165	10,439	10,700	10,700	11,000
29 US Bank Loan Interest	1,627	1,360	1,100	1,100	800
30 DEQ CWSRF Loan Repayment	428,516	439,947	451,700	451,700	463,800
31 DEQ CWSRF Loan Interest	252,154	238,581	225,700	224,600	210,400
32 TOTAL DEBT SERVICE	692,461	690,327	689,200	688,100	686,000
33					
34 TOTAL EXPENDITURES	1,361,329	730,360	697,500	696,400	826,000
35					
36 Excess (deficiency) of revenue					
37 over expenditures	(668,846)	(645,576)	(629,800)	(630,000)	(771,300)
39					
40 OTHER FINANCING SOURCES (USES)					
41					
42 Transfers In					
43 Transfer In from Sewer	630,000	666,000	666,000	666,000	720,000
44 Total Transfers In	630,000	666,000	666,000	666,000	720,000
45					
46 TOTAL OTHER FINANCING SOURCES (USES)	630,000	666,000	666,000	666,000	720,000
47					
48					
49 Net Change in fund Balance	(38,846)	20,424	36,200	36,000	(51,300)
50					
51 Fund Balance at beginning of year	532,513	493,667	497,100	514,100	550,100
52					
53 Unappropriated Ending Fund Balance	493,667	514,092	533,300	550,100	498,800

Storm Water Utility

The Storm Water Utility was first established by City of Dundee Ordinance No. 345 in 1997 as a means to equitably charge monthly fees against developed properties for the purpose of supporting maintenance and improvements to the storm water collection system. The City's storm drainage system is a combination of storm pipes, catch basins, and manholes in newer developments and open ditches, culverts, and perennial streams in the less developed areas. The total length of the piped system currently in service is about 1.1 mile and varies in diameter from 60 to 48 inches. Excluding the railroad ditches, the total length of roadside ditches is in excess of 6 miles.

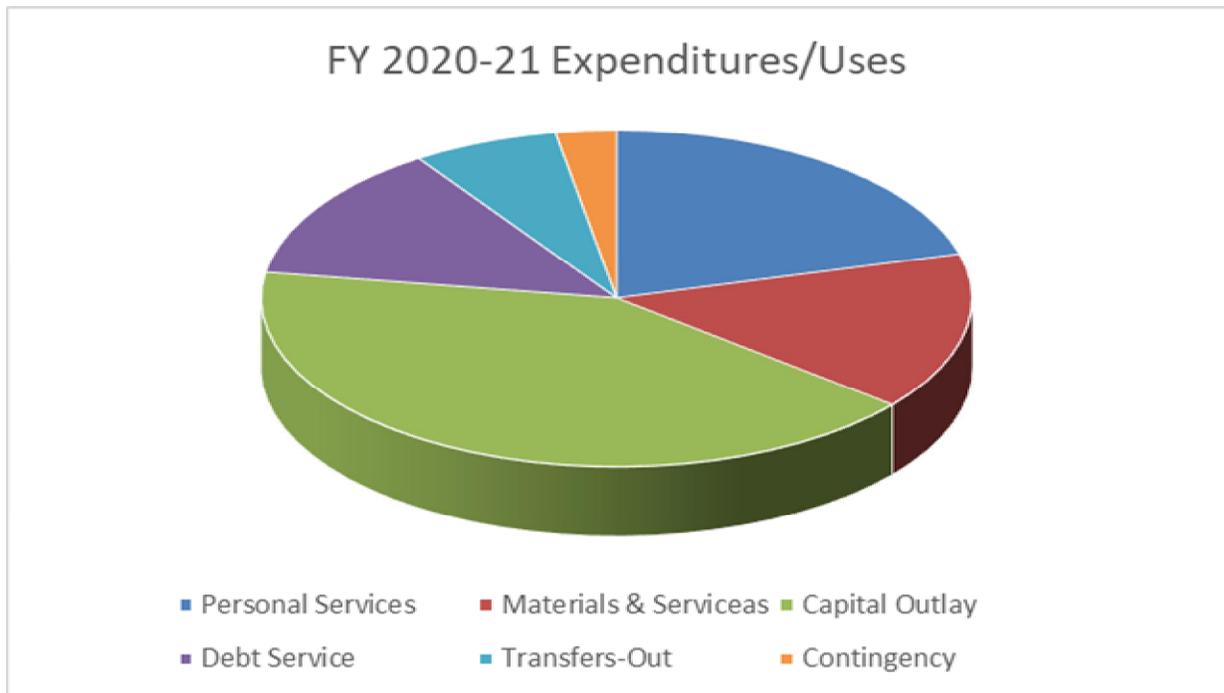
The 2006 Storm Drainage Master Plan identified 6 drainage basins in Dundee, evaluated the capacity of the existing system, and developed a list of prioritized recommended capital improvements. All of the drainage basins ultimately discharge to the Willamette River.

In 2006, DEQ issued the Willamette Basin TMDL as an Order to all agencies that have systems draining to the Willamette River to comply with the Federal Clean Water Act. The City of Dundee was identified as a Designated Management Agency and the City was required to prepare a TMDL Implementation Plan that identifies specific actions and strategies to address elevated instream temperatures, fecal coliform bacteria, and elevated mercury levels. The City is required to prepare an annual report to DEQ demonstrating implementation of its Plan.

The Storm Water Utility is accounted for in two funds, 1) the Storm Water Fund for day to day maintenance and 2) the Storm Water CIP Fund for major system improvements.

Storm Water Utility

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1 REVENUE					
2 Charges for Services	122,001	135,393	124,800	127,800	125,500
3 Miscellaneous Revenues	2,174	12,399	2,300	2,100	1,500
4 TOTAL REVENUE	124,175	147,793	127,100	129,900	127,000
5					
6 EXPENDITURES					
7 Personal Services	26,609	28,600	28,300	27,400	37,500
8 Materials & Serviceas	17,073	20,389	24,600	21,900	27,300
9 Capital Outlay	129,847	66,088	111,000	91,000	75,000
10 Debt Service	23,582	23,598	23,700	23,600	23,700
11 TOTAL EXPENDITURES	197,112	138,675	187,600	163,900	163,500
12					
13 Excess (deficiency) of revenue					
14 over expenditures	(72,937)	9,117	(60,500)	(34,000)	(36,500)
15					
16 OTHER FINANCING SOURCES (USES)					
17 Transfer to Equipment Reserve	(12,100)	(12,100)	(11,900)	(11,900)	(12,000)
18 Operating contingency			(5,000)		(5,000)
19 TOTAL OTHER FINANCING SOURCES (USES)	(12,100)	(12,100)	(16,900)	(11,900)	(17,000)
20					
21 Net Change in fund Balance	(85,037)	(2,983)	(77,400)	(45,900)	(53,500)
22					
23 Fund Balance at beginning of year	188,569	103,532	83,500	100,500	54,600
24					
25 Unappropriated Ending Fund Balance	103,532	100,550	6,100	54,600	1,100



Storm Water Fund

The Storm Water Fund accounts for maintenance of the storm water system, including removal of debris from catch basins and drainage ditch maintenance.

The current base monthly storm water utility charge of \$6.00 per 3,000 sf of total impervious surface area was established in August 2016. Residences are presumed to have a total impervious surface area of 3,000 sf, however, the charges for multi-family residential uses and other non-residential uses are based on the actual amount of total impervious surfaces on the customer's property. Additional rate increases are not proposed for FY 2020-21.

Engineering services is mostly for updating and reporting the City's compliance of the TMDL Implementation Plan to DEQ. The TMDL Implementation Plan is an array of maintenance, operational, regulatory, and public information strategies used for the purpose of reducing pollutants from entering the Willamette River.

The largest expense under Materials & Services category is the allocation of the financial and administrative services paid to the General Fund as an internal charge based on a formula prorating the actual Personal Services expended in the operating funds and departments.

The transfer-out to the Equipment Reserve Fund includes 15% of the annual debt service on the bank loan that financed the construction of the new Public Works equipment storage building. Transfers to the Storm Water CIP Fund are used to build up reserves for major system improvements and repayment of loans used to finance capital improvements.

Storm Water Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1	REVENUE				
2					
3	Charges for Services				
4	107,385	108,597	109,800	110,800	110,500
5	Total Charges for Services				
6	107,385	108,597	109,800	110,800	110,500
7	Miscellaneous Revenues				
8	629	832	1,000	800	800
9	Total Miscellaneous Revenues				
10	629	832	1,000	800	800
11	TOTAL REVENUE				
12	108,014	109,429	110,800	111,600	111,300
13					
14	EXPENDITURES				
15					
16	PERSONNEL SERVICES				
17	Salaries & Wages				
18	16,696	17,937	16,700	16,800	16,900
19	Total Salaries & Wages				
20	16,696	17,937	16,700	16,800	16,900
21	Personnel Benefits				
22	1,215	1,298	1,300	1,200	1,300
23	429	347	350	350	550
24	16	17	50	50	50
25	3,934	4,179	4,400	3,800	3,600
26					9,200
27	4,319	4,823	5,500	5,200	5,900
28	Total Personnel Benefits				
29	9,913	10,663	11,600	10,600	20,600
30	TOTAL PERSONNEL SERVICES				
31	26,609	28,600	28,300	27,400	37,500
32	MATERIALS & SERVICES				
33	Supplies				
34	666	291	900	400	800
35	558	567	300	600	500
36	952	698	900	500	900
37	105	126	200	100	200
38	Total Supplies				
39	2,280	1,683	2,300	1,600	2,400
40	Professional Services				
41	35		500	200	500
42	1,880	2,914	5,000	4,000	4,000
43	63	18	100	100	100
44	Total Professional Services				
45	1,978	2,931	5,600	4,300	4,600
46	Travel & Training				
47	252	91	200	100	200
48	Total Travel & Training				
49	252	91	200	100	200
50	Insurance				
51	152	195	200	200	200

Storm Water Fund

	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
52 Regulatory Requirements					
53 Equipment Testing	36	38	100	100	100
54 Total Regulatory Requirements	36	38	100	100	100
55					
56 Utilities					
57 Electricity	216	194	300	200	300
58 Telephone & Cable	526	512	500	500	500
59 Solid Waste & Recycling	3	18	300		300
60 Total Utilities	746	725	1,100	700	1,100
61					
62 Repairs & Maintenance					
63 Equip Maint/Repair	412	595	800	300	800
64 Vehicle Maint/Repair	361	323	500	400	500
65 Building Maint/Repair		29	100		100
66 Grounds Maint	50		100		100
67 Collection System	100	1,371	1,200	800	1,200
68 Total Repairs & Maintenance	923	2,318	2,700	1,500	2,700
69					
70 Interfund Services					
71 Internal Admin Charge	10,696	12,401	12,100	13,400	15,900
72 Total Travel & Training	10,696	12,401	12,100	13,400	15,900
73					
74 Other Materials & Services					
75 Postage / Shipping			100		
76 Recruitment Expense			100		
77 Other Misc Expense	11	7	100		100
78 Total Other Materials & Services	11	7	300	-	100
79					
80 TOTAL MATERIALS & SERVICES	17,073	20,389	24,600	21,900	27,300
81					
82 TOTAL EXPENDITURES	43,682	48,989	52,900	49,300	64,800
83					
84 Excess (deficiency) of revenue					
85 over expenditures	64,332	60,440	57,900	62,300	46,500
86					
87 OTHER FINANCING SOURCES (USES)					
88					
89 TRANSFERS OUT					
90 Transfer to Equipment Reserve	(12,100)	(12,100)	(11,900)	(11,900)	(12,000)
91 Transfer to Storm Water CIP	(45,000)	(56,000)	(52,000)	(52,000)	(40,000)
92 TOTAL TRANSFERS OUT	(57,100)	(68,100)	(63,900)	(63,900)	(52,000)
93					
94 OTHER USES					
95 Operating contingency			(5,000)		(5,000)
96 TOTAL OTHER USES	-	-	(5,000)	-	(5,000)
97					
98 TOTAL OTHER FINANCING SOURCES (USES)	(57,100)	(68,100)	(68,900)	(63,900)	(57,000)
99					
100					
101 Net Change in fund Balance	7,232	(7,660)	(11,000)	(1,600)	(10,500)
102					
103 Fund Balance at beginning of year	13,066	20,298	12,100	12,600	11,000
104					
105 Unappropriated Ending Fund Balance	20,298	12,638	1,100	11,000	500

Storm Water CIP Fund

The Storm Water CIP Fund collects system development charges assessed to new development that increases the amount of impervious areas. The estimate of SDC revenue for FY 2020-21 is based on six equivalent dwelling units. The \$10,000 in capital improvements received in FY 2018-19 represents payment from the Alder Hill subdivision developer and is dedicated to future treatment facilities of storm water carried by Alder Street from Seventh Street to Ninth Street. The treatment facilities will be installed at the time that Alder Street is reconstructed from the southern edge of Alder Hill subdivision to Ninth Street. The Storm Water CIP Fund also receives net revenue transferred from the Storm Water Fund. The amount transferred varies from year to year and represents funds not otherwise required for annual maintenance of the stormwater utility.

In FY 2017-18, various storm water improvements were completed as part of the Highway 99W Sidewalk/Streetscape project shared with ODOT, the amount in FY 2018-19 represents release of the retainage to the contractor. In the current fiscal year, the City had two projects: Tenth Street storm main extension associated with the Dundee Community Center parking lot project (\$15,600) and construction of new storm facilities to allow removal of the Niederberger Road on the north side between Charles Street and Myrtle Street (\$50,400). The Niederberger Road ditch work is associated with the SCA grant paving improvement project on Charles Street.

The proposed budget includes an improvement project on Upland Drive and Red Hills Drive involving the installation of about 400 feet of new storm pipe that will tie into a new inlet placed with the reconstruction of Walnut Avenue ó estimated at \$73,425. The improvements will correct a significant erosion problem that is undercutting the existing roadway and will be replaced with a surface that will allow pedestrian use. Cost estimates for an additional project was prepared for similar improvements on the north side of Ninth Street downhill from the intersection with Red Hills Drive ó estimated at \$64,256. Another project that would benefit from the Storm Water CIP Fund is the construction of storm facilities as part of the reconstruction of Alder Street from the south boundary of Alder Hill subdivision to Ninth Street.

Master plan update is underway to the 2006 Storm Drain Master Plan. The updated Plan will include storm water treatment recommendations, as well as providing an updated capital improvement plan for detention and conveyance public improvements and provide the basis for an update to the original storm water SDC methodology adopted in 1988.

Debt service in the Storm Water CIP Fund is to repay interest and principal on the \$150,000 7-year loan at 2.6% rate of interest from US Bank used to finance the Charles Street outfall and Highway 99W storm water facility improvements. The final date for the scheduled repayment of the loan is May 2023.

Storm Water CIP Fund

		ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	BUDGET FORECAST 2019-20	ADOPTED BUDGET 2020-21
1	REVENUE					
2						
3	Charges for Services					
4	System Dev Charges - Improvements	5,844	10,714	6,000	6,800	6,000
5	System Dev Charges - Reimbursements	8,772	16,082	9,000	10,200	9,000
6	Total Charges for Services	14,616	26,796	15,000	17,000	15,000
7						
8	Miscellaneous Revenues					
9	Investment Interest	1,545	1,568	1,300	1,300	700
10	Capital Contributions		10,000			
11	Total Miscellaneous Revenues	1,545	11,568	1,300	1,300	700
12						
13	TOTAL REVENUE	16,161	38,364	16,300	18,300	15,700
14						
15						
16	EXPENDITURES					
17						
18	CAPITAL OUTLAY					
19	Storm Water Infrastructure	121,639	5,345	91,000	66,000	75,000
20	Drying Bed Facility	8,208				
21	Master Plan Update		60,743	20,000	25,000	
22	TOTAL CAPITAL OUTLAY	129,847	66,088	111,000	91,000	75,000
23						
24	DEBT SERVICE					
25	US Bank Loan Principal	20,329	20,878	21,400	21,400	22,000
26	US Bank Loan Interest	3,253	2,720	2,300	2,200	1,700
27	TOTAL DEBT SERVICE	23,582	23,598	23,700	23,600	23,700
28						
29	TOTAL EXPENDITURES	153,430	89,686	134,700	114,600	98,700
30						
31	Excess (deficiency) of revenue					
32	 over expenditures	(137,269)	(51,323)	(118,400)	(96,300)	(83,000)
33						
34	OTHER FINANCING SOURCES (USES)					
35						
36	TRANSFERS IN					
37	Transfer In from Storm Water	45,000	56,000	52,000	52,000	40,000
38	TOTAL TRANSFERS IN	45,000	56,000	52,000	52,000	40,000
39						
40	TOTAL OTHER FINANCING SOURCES (USES)	45,000	56,000	52,000	52,000	40,000
41						
42						
43	Net Change in fund Balance	(92,269)	4,677	(66,400)	(44,300)	(43,000)
44						
45	Fund Balance at beginning of year	175,503	83,235	71,400	87,900	43,600
46						
47	Unappropriated Ending Fund Balance	83,235	87,912	5,000	43,600	600

Acronyms & Definitions

ADA	Americans with Disabilities Act
AV	Assessed Value
BOLI	State of Oregon Bureau of Labor and Industries
CIP	Capital Improvement Program
CIS	City/County Insurance Services
COLA	Cost of Living Adjustment
CPI	Consumer Price Index
CPRD	Chehalem Parks & Recreation District
CWSRF	Clean Water State Revolving Fund
DEQ	State of Oregon Department of Environmental Quality
FICA	Federal Insurance Contributions Act
FTE	Full Time Equivalent
FY	Fiscal Year
IFA	Infrastructure Finance Authority
IGA	Intergovernmental Agreement
IT	Information Technology
LGIP	Local Government Investment Pool
LID	Local Improvement District
MBR	Membrane Bio-Reactor
ODOT	Oregon Department of Transportation
OLCC	Oregon Liquor Control Commission
OPRD	Oregon Parks and Recreation Department
ORS	Oregon Revised Statutes
OTIB	Oregon Transportation Infrastructure Bank
PERS	Public Employees Retirement System
PW	Public Works
SCA	Special City Allotment
SDC	System Development Charge
STIP	Statewide Transportation Improvement Program
TE	Transportation Enhancement
TGM	Transportation & Growth Management
TMDL	Total Minimum Daily Load
VEBA	Voluntary EmployeesøBeneficiary Association
WWTP	Wastewater Treatment Plant

Acronyms & Definitions

Ad valorem tax. A property tax computed as a percentage of the assessed value of taxable property.

Appropriation. Authorization to spend a specific amount of money for a specific purpose during a fiscal year.

Budget Officer. Person appointed by the governing body (City Council) to assemble budget material and information and to physically prepare the proposed budget.

Capital outlay. Items of material value which generally have a useful life of one or more years, such as machinery, land, furniture, equipment, or buildings.

Contingency. An amount appropriated in anticipation that some operating expenditures will become necessary which cannot be foreseen and planned in the budget.

Expenditures. Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis.

Fiscal year. A 12-month period to which the annual operating budget applies. At the end of the period, a government determines its financial position and the results of its operations. It is July 1 through June 30 for Oregon local governments.

Interfund loans. Loan made by one fund to another and authorized by resolution or ordinance. The maximum term of the loan is dictated by ORS 294.460.

Levy. Amount of ad valorem tax certified by a local government for the support of governmental activities.

Local option tax. Voter-approved taxing authority that is in addition to the taxes generated by the permanent tax rate.

Operating transfers. Amounts moved from one fund to finance activities in another fund.

Permanent tax rate. The maximum rate of ad valorem property taxes that a local government can impose. Taxes generated from the permanent rate limit can be used for any purpose. No action of the local government can increase a permanent rate limit.

Tax rate. The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable property.

Unappropriated ending fund balance. Amount set aside in the budget to be carried over to the next year's budget. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency per ORS 294.398.

Budget Hearing Notice

NOTICE OF BUDGET HEARING

A public meeting of the Dundee City Council will be held on June 2, 2020 at 7:00 p.m. via video conference due to COVID-19 social distancing requirements. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2020 as approved by the Dundee Budget Committee. Any person may listen to and/or participate during the meeting by calling (301) 715-8592, or using the Zoom mobile app: <https://us02web.zoom.us/j/83744464139>. The Meeting ID is: 837 4446 4139. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at Dundee City Hall, 620 SW 5th Street, Dundee, Oregon, between the hours of 8:30 a.m. and 5:00 p.m. or online at www.DundeeCity.org. 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: Rob Daykin, City Administrator Telephone: (503) 538-3922 Email: rob.daykin@dundeecity.org

FINANCIAL SUMMARY - RESOURCES

TOTAL OF ALL FUNDS	Actual Amount	Adopted Budget	Approved Budget
	2018-19	This Year 2019-20	Next Year 2020-21
Beginning Fund Balance/Net Working Capital	2,820,288	3,047,200	3,008,600
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	2,723,545	2,326,200	2,357,600
Federal, State and all Other Grants, Gifts, Allocations and Donations	1,769,247	1,171,600	1,068,700
Revenue from Bonds and Other Debt	221,000	456,000	681,000
Interfund Transfers / Internal Service Reimbursements	1,344,113	1,265,400	1,265,600
All Other Resources Except Current Year Property Taxes	524,316	590,300	627,200
Current Year Property Taxes Estimated to be Received	780,427	810,000	805,000
Total Resources	10,182,936	9,666,700	9,813,700

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

	2018-19	2019-20	2020-21
Personnel Services	1,118,398	1,213,000	1,631,700
Materials and Services	1,739,377	1,996,500	2,083,200
Capital Outlay	1,887,005	3,005,000	2,716,600
Debt Service	1,084,433	1,088,700	1,171,700
Interfund Transfers	1,142,987	1,053,300	987,900
Contingencies		130,000	130,000
Special Payments			225,000
Unappropriated Ending Balance and Reserved for Future Expenditure	3,210,736	1,180,200	867,600
Total Requirements	10,182,936	9,666,700	9,813,700

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *

Name of Organizational Unit or Program FTE for that unit or program	2018-19	2019-20	2020-21
Administrative/Finance	373,153	430,100	526,000
FTE	2.40	2.41	2.41
Municipal Court	24,144	26,700	31,500
FTE	0.20	0.20	0.20
Community Development	128,638	147,800	134,900
FTE	0.25	0.23	0.23
Police	503,123	519,100	535,600
FTE	0.00	0.00	0.00
Fire Department	480,311	563,900	675,300
FTE	4.00	4.00	4.00
Streets	1,315,657	1,835,500	1,966,000
FTE	0.60	0.52	0.52
Water Utility	1,486,190	1,073,100	1,139,700
FTE	2.29	2.46	2.46
Sewer Utility	2,605,520	2,710,000	2,941,500
FTE	2.41	2.02	2.02
Storm Water Utility	307,325	262,600	221,400
FTE	0.35	0.31	0.31
Not Allocated to Organizational Unit or Program	2,958,875	2,097,900	1,641,800
FTE	0.00	0.00	0.00
Total Requirements	10,182,936	9,666,700	9,813,700
Total FTE	12.50	12.15	12.15

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING

In FY 2018-19, the Fire Station Construction Fund received \$980,000 from a mutual settlement agreement to complete repairs to the Fire Station roof and the Fire Station Construction Fund will be terminated at the end of the current fiscal year following final repairs to the concrete floor. The approved budget for FY 2020-21 includes appropriations of \$400,000 to establish a PERS Side Account that is matched by \$100,000 from the State of Oregon. The PERS Side Account will lower the City of Dundee's actuarial liability and reduce annual contributions to PERS over a 20-year period. The general obligation bond levy of \$155,508 is for the annual debt service for the \$2,578,000 USDA Rural Development loan used to finance the fire station construction project. This 25-year term bond will be retired in the year 2040. In May 2017 the City took out a \$815,070 loan from the State of Oregon Transportation Infrastructure Bank (OTIB) to assist with Highway 99W Sidewalk/Streetscape project, reconstruction of Locust Street and overlays to various streets, and \$456,000 of the authorized debt is expected to be drawn upon in FY 2020-21. The remaining authorized debt of \$81,578 not yet incurred as of July 1 represents the balance of an 2013 OTIB loan for the Bypass construction project. The special payment of \$225,000 in FY 2020-21 represents an interfund loan from the Equipment Reserve Fund to the Water CIP Fund for financing the relocation of the City's water main that is in conflict with the ODOT highway improvements project.

PROPERTY TAX LEVIES

	Rate or Amount Imposed	Rate or Amount Imposed	Rate or Amount Approved
	2018-19	This Year 2019-20	Next Year 2020-21
Permanent Rate Levy (rate limit 2.3115 per \$1,000)	2.3115	2.3115	2.3115
Local Option Levy			
Levy For General Obligation Bonds	157,096	156,013	155,508

STATEMENT OF INDEBTEDNESS

LONG TERM DEBT	Estimated Debt Outstanding on July 1.	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$2,207,665	
Other Bonds		
Other Borrowings	\$8,108,384	\$537,578
Total	\$10,316,049	\$537,578

Budget Adoption Resolution

RESOLUTION NO. 2020-09

A RESOLUTION ADOPTING THE 2020-2021 FISCAL YEAR BUDGET, APPROPRIATING FUNDS AND LEVYING PROPERTY TAXES FOR THE FISCAL YEAR 2020-2021.

WHEREAS, the Budget Committee approved a budget and imposed property taxes for the City of Dundee for the fiscal year 2020-2021 on May 14, 2020, and

WHEREAS, a public hearing on the budget for fiscal year 2020-2021 was held before the City Council on June 2, 2020, and

WHEREAS, now is the proper time to adopt the budget, make appropriations, declare and categorize the taxes, **NOW, THEREFORE**,

THE CITY OF DUNDEE RESOLVES AS FOLLOWS:

Section 1. Be it resolved that the City Council for the City of Dundee hereby adopts the budget for fiscal year 2020-2021 in the sum of \$9,890,800 now on file at City Hall, 620 SW 5th Street, Dundee, Oregon.

Section 2. Be it resolved that the amounts for the fiscal year beginning July 1, 2020 and for the purposes shown below are hereby appropriated as follows:

GENERAL FUND

Administration/Finance	526,000	
Court	31,500	
Community Development	134,900	
Police	535,600	
Fire	675,300	
Non-Departmental:		
Contingency	80,000	
Fund Total		1,983,300

STREET FUND

Personal Services	55,600	
Materials & Services	231,800	
Transfers	43,500	
Contingency	5,000	
Fund Total		335,900

STREET CAPITAL IMPROVEMENT FUND

Capital Outlay	1,320,000	
Debt Service	135,800	
Fund Total		1,455,800

STREET RESERVE FUND

Capital Outlay	46,800	
Fund Total		46,800

STATE REVENUE SHARING FUND

Materials & Services	11,800	
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Budget Adoption Resolution

Capital Outlay	2,200	
Transfers	15,000	
Fund Total		29,000
EQUIPMENT RESERVE FUND		
Capital Outlay	700,600	
Debt Service	58,700	
Interfund Loan Advanced	225,000	
Fund Total		984,300
PARKS FUND		
Materials & Services	9,000	
Capital Outlay	8,000	
Fund Total		17,000
TOURISM FUND		
Materials & Services	127,500	
Capital Outlay	40,000	
Fund Total		167,500
BONDED DEBT FUND		
Debt Service	150,200	
Fund Total		150,200
WATER FUND		
Personal Services	289,800	
Materials & Services	270,500	
Capital Outlay	40,600	
Transfers	76,400	
Contingency	20,000	
Fund Total		697,300
WATER CAPITAL IMPROVEMENT FUND		
Capital Outlay	310,000	
Debt Service	117,300	
Fund Total		427,300
SEWER FUND		
Personal Services	270,500	
Materials & Services	510,900	
Capital Outlay	2,800	
Transfers	801,000	
Contingency	20,000	
Fund Total		1,605,200
SEWER CAPITAL IMPROVEMENT FUND		
Capital Outlay	140,000	
Debt Service	686,000	
Fund Total		826,000

Budget Adoption Resolution

STORM WATER FUND

Personal Services	37,500	
Materials & Services	27,300	
Transfers	52,000	
Contingency	5,000	
Fund Total		121,800

STORM WATER CAPITAL IMPROVEMENT FUND

Capital Outlay	75,000	
Debt Service	23,700	
Fund Total		98,700

Total All Funds Appropriations **8,946,100**

Total Unappropriated Amounts, All Funds **944,700**

Total Adopted Budget **9,890,800**

Section 3. BE IT FURTHER RESOLVED that the City Council of the City of Dundee hereby imposes that taxes provided for in the adopted budget at the rate of \$2.3115 per \$1,000 of assessed value for operations and in the amount of \$155,508 for bonds; and that these taxes are hereby imposed and categorized for tax year 2019-2020 upon the assessed value of all taxable property within the City. The following allocation and categorization, subject to the limits of Section 11b, Article XI of the Oregon Constitution, make up the aggregate levy.

	Subject to the General Government Limitation	Excluded from the Limitation
General Fund	\$2.3115 per \$1,000	
Bonded Debt Fund		\$155,508

PASSED BY THE CITY COUNCIL this 16th day of June 2020.

APPROVED:



 David Russ, Mayor

ATTEST:



 Rob Daykin, City Administrator/Recorder

LB-50 Notice

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

FORM LB-50 2020-2021

To assessor of Yamhill County

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

P O Box 220 Dundee OR 97115 July 1, 2020
Mailing Address of District City State ZIP code Date

Rob Daykin City Administrator (503) 538-3922 rob.daykin@dundeecity.org
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

		Subject to General Government Limits		
		Rate -or- Dollar Amount		
1.	Rate per \$1,000 or Total dollar amount levied (within permanent rate limit)	1	2.3115	
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.		Excluded from Measure 5 Limits Dollar Amount of Bond Levy
5b.	Levy for bonded indebtedness from bonds approved by voters on or after October 6, 2001	5b.	155,508	
5c.	Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b)	5c.	155,508	

PART II: RATE LIMIT CERTIFICATION

6.	Permanent rate limit in dollars and cents per \$1,000	6	2.3115
7.	Election date when your new district received voter approval for your permanent rate limit	7	
8.	Estimated permanent rate limit for newly merged/consolidated district	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	ORS Authority**	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 ORS authority for putting these assessments on the roll must be completed if you have an entry in Part IV.