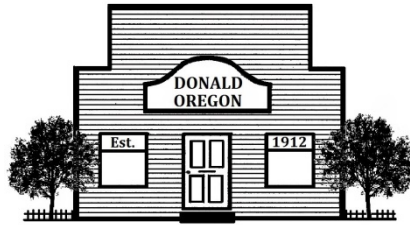


# DONALD OREGON



## Adopted Budget 2022 - 2023



# Budget Committee

## Elected Members

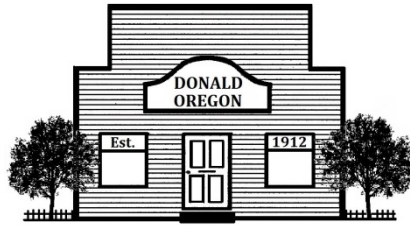
Mayor Rick Olmsted  
President Katie Gonzalez  
Councilor Mark Buzzard  
Councilor Amy Nicholls  
Councilor Gerry Waller  
Vacant  
Vacant

## Citizen Members

Wendy Scharich (22-23)  
Daroll Nicholson (22-23)  
Toshia Weese (23-24)  
Vacant (23-24)  
Cindy Johnson (24-25)  
Jennifer Strathdee (24-25)  
Vacant (24-25)

## Staff Members

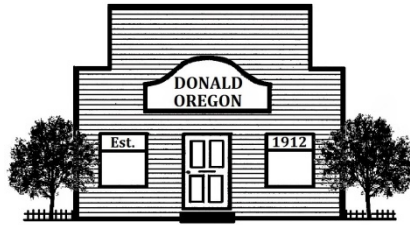
Eric Underwood, City Manager and Budget Officer  
Alonso Limones, Public Works Director  
Lisa Hassel, Accountant



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10710 Main Street NE \* PO Box 388  
Donald, Oregon 97020  
503-678-5543  
[www.donaldoregon.gov](http://www.donaldoregon.gov)



# Budget Calendar

- |  |                   |
|--|-------------------|
| 1. Council to appoint Budget Officer   | January 11        |
| 2. Budget Calendar submitted to Council for review                           | January 11        |
| 3. Prepare Proposed Budget   | March – May       |
| 4. Council to appoint Budget Committee Members                               | March 8           |
| 5. Send Budget Committee Meeting notice to Pamplin Media                     | May 6             |
| 6. Publication date:   | May 6             |
| 1 <sup>st</sup> Notice of Budget Committee Meeting on City website           |                   |
| 7. Publication date:   | May 11            |
| 2 <sup>nd</sup> Notice of Budget Committee Meeting in Woodburn Independent   |                   |
| 8. Budget Training Class – for those needing a refresher course              | May 12 at 6:00pm  |
| 9. Proposed Budget delivered to Committee Members and posted on website      | May 20            |
| 10. Budget Committee Meeting (schedule subsequent meetings if needed)        | May 24 at 6:00pm  |
| 11. Send Notice of Budget Hearing (LB-1) to Pamplin Media for publishing     | May 26            |
| 12. Publication date: Notice of Budget Hearing in the Woodburn Independent   | June 1            |
| 13. Budget Hearing   | June 14 at 6:45pm |
| Enact resolutions to adopt budget, make appropriations and impose tax        |                   |
| 14. Submit resolution and LB-50 to Marion County                             | by July 15        |
| 15. Submit State Share Revenue documents to Dept. of Administrative Services | by July 30        |
| 16. Send copy of Adopted Budget to Marion County                             | by September 30   |

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City of **Donald**

## City Manager's 2022-2023 Budget Message

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### **Honorable Mayor, City Council, Budget Committee, and Donald Community Members:**

In the face of some recent extraordinary challenges as a result of COVID-19 and several organizational leadership transitions within the past few months, I am inspired by how our organization continues to step up to those challenges and provide critical services to our community. The staff size for the organization may be small, but the level of service rendered is mighty and unwavering. It is pleasing to be part of a culture of collaboration and innovative thinking where staff and leadership are continuously thinking of ways to do more with limited resources. Examples of innovation and collaboration are evident in our efforts to continue to provide clean and safe drinking water for the community and to identify resources for other infrastructure improvements. Donald is fortunate to have such a culture because in this world of rapid change and ever-increasing unpredictability, the provision of services for the wellbeing of our community has never been so important.

Balancing the budget is never easy but it is required by State law and is the ultimate goal of a municipality. In essence, a budget is a roadmap that outlines a path of where the City has been, where it will go, and how bumpy the roads will be along the way. The budget document is intended to serve four main purposes:

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

Over the past few years, the trend for the organization has been to budget conservatively, carefully, and astutely. The result of this practice has, for the most part, enabled the City to maintain service levels and avoid budget gaps. It is in that spirit that I present you with the Proposed Annual Budget for Fiscal Year 2022-2023. The proposed **\$4,763,509** budget is reflective of pertinent investments, informed estimations, and equitable service delivery programs. It is a budget that prioritizes getting the most out of available resources to fully support a high quality of life for the Donald community and is proposed with guidance from the newly suggested 2022-2023 City Goals which include:

- ❖ Secure and Reliable Infrastructure
- ❖ Public Safety, Health and Wellbeing
- ❖ Access and Mobility
- ❖ Economic Sustainability and Resiliency
- ❖ Climate Action
- ❖ Diversity, Equity, and Inclusion (D.E.I.)

In this message, I will highlight how the organization will stay on the critical path to optimal service delivery through our General Fund resources and requirements, our investments in workforce and infrastructure, and our priorities for future endeavors. There will be some continuing themes and some changes from the prior budget throughout this document. However, the ultimate objective is to establish a clear path in providing great service for our community while having the ability to respond to challenges in a nimble, economical, and transparent manner.

## RESOURCES & REQUIREMENTS

General Fund resources for 2022-2023 are projected as being **\$920,324** and they balance with operational requirements. Resources are projected to decrease from budgeted amounts from the prior year by roughly 9%. This decrease is primarily due to grant amounts that were projected last year but did not materialize.

The primary revenue sources for the City are taxes and fees. Property tax collection estimates, which are based on the Marion County average collection factor, are reflected at 96%. This means that an estimated 4% of taxes will not be collected. This is a 1% increase in collection from the prior year. Combined with an increase in city-wide assessed value at \$124,100,000, a slight increase in property tax revenues is anticipated. Using the assessed valuation, the property tax rate, and subtracting the loss of 4% allows us to estimate receiving \$104,268 in property taxes for the General Fund. With Donald's *permanent* property tax rate set at \$0.8752 per \$1,000 of assessed value, the City maintains one of the lowest property tax rates in Marion County.

Another main source of revenue for our General Fund are franchise fees. These are fees that recover the cost of utilities operating within the City's right-of-way. These fees will see a slight increase in FY 2022-23. Otherwise, fees are anticipated to remain relatively flat.

Operational expenses in the Parks Department include funding for a Public Works vehicle to replace one that has gone well beyond its anticipated operational life span. This will be the primary vehicle for the Public Works Director and the cost is split among several funds in addition to the General Fund.

### A Note on Inflation

Inflation is having an effect on the budget as a whole in both the current budget year and the proposed budget. For the current budget year, we are seeing a rise in costs of materials, operation costs, and new connections. The proposed budget reflects the fact that rates are

considerably higher and this can be seen in the beginning fund balances for Water and Sewer Funds. The balances are structured in this way to be mindful of any further rise in costs.

## **WORKFORCE INVESTMENT**

The proposed budget continues the pursuit of investing in our greatest asset, our employees. In an effort to stay competitive and align with the estimated cost-of-living, there is a base pay adjustment of 7.3%. Health care coverage rose slightly this year but we were able to keep the costs down without compromising the competitive benefits for staff and that will continue with this proposed budget.

There are no changes in the number of personnel for this budget and the City remains at six full-time employees with no part-time and no seasonal positions. Compensation including salaries, benefits, employer taxes, and employer-related expenses for each employee is divided between funds (General, Street, Water and Sewer). The budget follows the adopted salary schedule.

## **INFRASTRUCTURE INVESTMENT**

### **Drinking Water/Wastewater Facilities**

We continue to pursue alternative funding for completion of our Drinking Water Well #3 project and our Wastewater Facilities Expansion project. The funding resources being pursued are the Special Public Works Fund loans through Business Oregon, the American Rescue Plan Act (ARPA) funds and our ask for Congressionally directed spending. The ARPA funds through Marion County of \$1 million for construction of our Drinking Water Well #3 are reflected in our Water Fund for this proposed budget. However, if funds are awarded from other sources later in the fiscal year, adjustments can be made to the budget to reflect the available funds.

### **Matthieu Street**

The City has one open ODOT Small Cities Grant (\$100,000) for work on the south side of Matthieu Street. Phase 1 of the project is in the final stages of completion and Phase 2 is expected to commence soon after July 1, 2022. Phase 2 will be funded by a combination of SCA grant funds and a contribution from the Street Fund totaling \$200,000. The Mathieu Street Project will be complete once Phase 2 is done.

### **Blake Court Waterline Replacement**

This project involves replacing old galvanized water pipes with updated PVC pipe along with necessary street improvements on Blake Court. The technical work behind this project is complete and the construction is anticipated to begin in the latter portion of 2022. This project is budgeted in both the Street and Water Funds.

### **Infrastructure Fees**

This year, the City will be collecting a stormwater utility fee and a street utility fee. The revenues from these fees will go into their respective Enterprise Funds to help finance costs for operations and maintenance. The fees will be collected monthly from each utility customer.



## **FUTURE ITEMS**

### **Police Services**

The General Fund is budgeting \$53,000, which maintains the same level of policing as the previous year. The PGE Privilege Tax is estimated to bring in \$16,800, which means the General Fund revenues will need to contribute \$36,200. Providing this level of service continues to be difficult to maintain, and means that other departments like Parks or Community Development are underfunded. We continue to seek a more cost-effective approach for providing policing services.

A local option levy was put to the voters in the May 2022 election for permanent police services. At the time of printing the budget document, the outcome of the election was uncertain and the budget was prepared as if the measure did not pass.

### **Storm Water Master Plan**

A need has been identified to develop a comprehensive Storm Water Master Plan. There are areas in the City that are not served by storm water facilities and issues related to storm water can sometimes arise. Staff has received initial estimates of \$65,000 for developing a storm water master plan. This project is not budgeted specifically but is eligible for ARPA funds, if the Council chooses this as an ARPA fund spending priority. Also, grant funding could possibly be an option.

### **Marion County Community Prosperity Initiative**

The City Council will need to discuss the options for spending the remainder of this money. Marion County generously awarded each of its small cities grant money to spend for the purpose of economic development. The City of Donald has a total of \$45,000 that has come in over three years. To date, money was spent on improvements to the Community Center, the addition of a changing table in the Donald Hometown Park Restroom and other community projects. Expenses are budgeted for in the General Fund's Community Development Department.

### **Development**

Several development projects have begun their planning phases within the City and the building phases are anticipated in 2022-2023. This will have an impact on all funds in terms of revenue but primarily on property taxes in the general fund and Enterprise Fund fees.

### **Investment In Technology**

Cyber threats are increasingly on the rise and protecting the City's information is vital. Additionally, staying up to date on software, internet services and computer hardware is crucial in the daily delivery of safe, efficient, and effective customer service. Working with our information technology contractor, we are budgeting to boost our technical support and security through additional information backup support, detail monitoring alerts and additional cyber security tools. Also, reflected in the budget is a new desktop computer as per the City's computer replacement schedule.



## CONCLUSION

We are emerging from unprecedented times as parks and other public facilities are now fully open to the public and many Pandemic-related regulations have been lifted. City Hall currently provides service choices through a hybrid model via a walk-up window and counter service inside the building. Social distancing and masking are no longer required and City meetings are now being held both in person and virtually. It seems as though we have weathered the storm in terms of finances, along with the health of our leadership and staff.

Because of our conservative approach to budgeting and our practice of never taking on more than for which we can provide, repair instead of replace, planning years in advance for expenses, and saving money, we are in a secure position to face future challenges. I am confident that if we maintain this focus, we will remain financially strong.

I recommend that the Council continue to evaluate the Quarterly Budget Status Report that the accountant prepares to track expenditures and revenues, seeing if any changes are needed. State budget laws allow for over-collection in revenues, but does not permit over-expenditures. It is important to maintain financial awareness.

Finally, transparency, communication, and collaboration are keys to successful governance. Transparency builds trust, communication educates, and collaboration strengthens. Therefore, I encourage our staff and leadership to keep these words in mind as we go about serving the community. This is especially important when conveying the City's budget, its purpose, and how it was created. It goes without saying that when we consistently perform as a team, we will reach our goals faster and more effectively.

There are great opportunities ahead for Donald and I am excited to serve the community in this capacity. I look forward to working with the leadership, the staff, and community members over this next budget cycle to continue to make Donald a great place to live, work, and play.

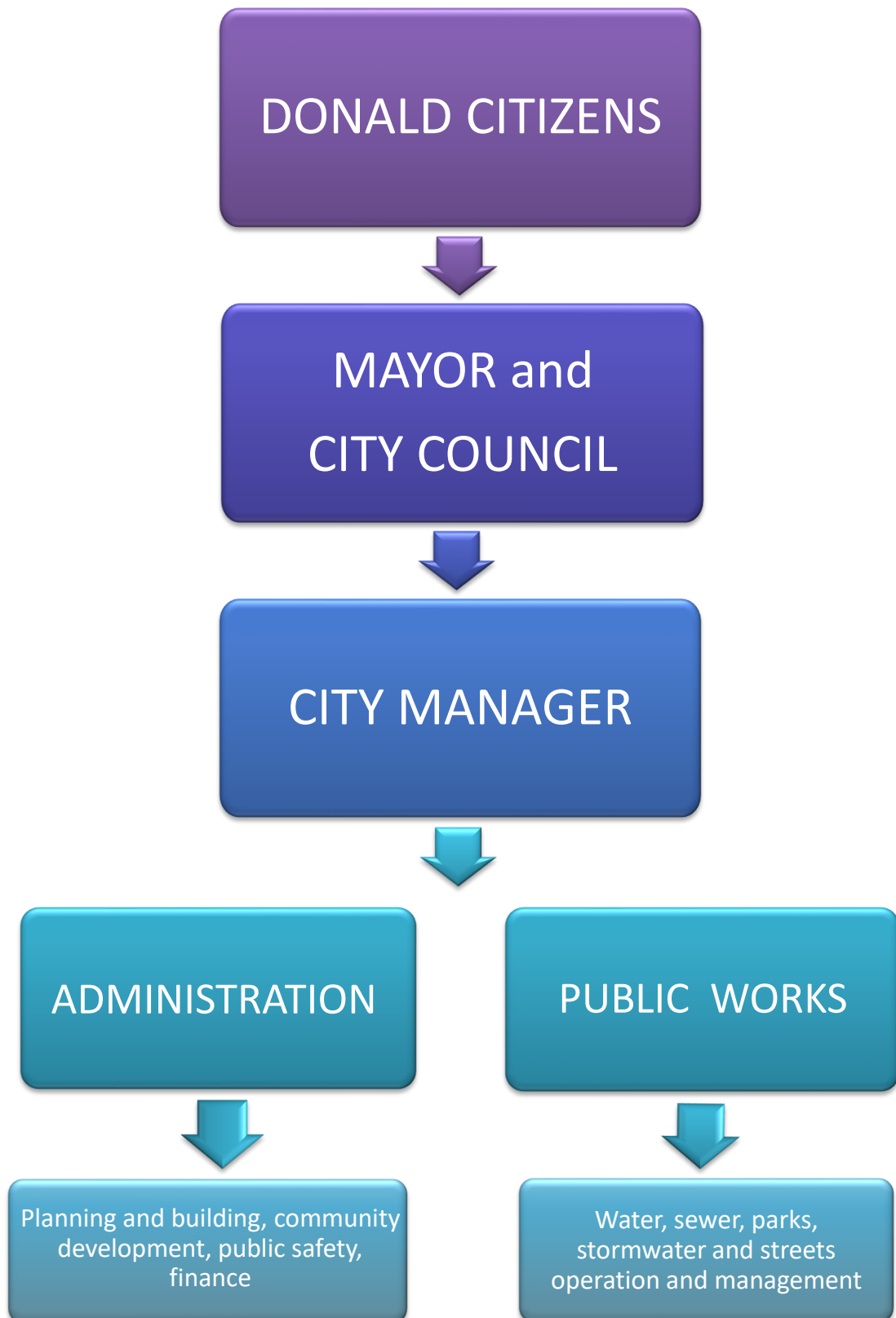
Thank you for taking the time to review this message and for your consideration of the proposed budget for Fiscal Year 2022-2023. Please let me know if you have any questions, comments or concerns. I am always happy to be of service.

A handwritten signature in blue ink, appearing to read "E. Valenzuela", is positioned at the bottom of the page.

# City of Donald

Fiscal Year 2023

## ORGANIZATIONAL CHART



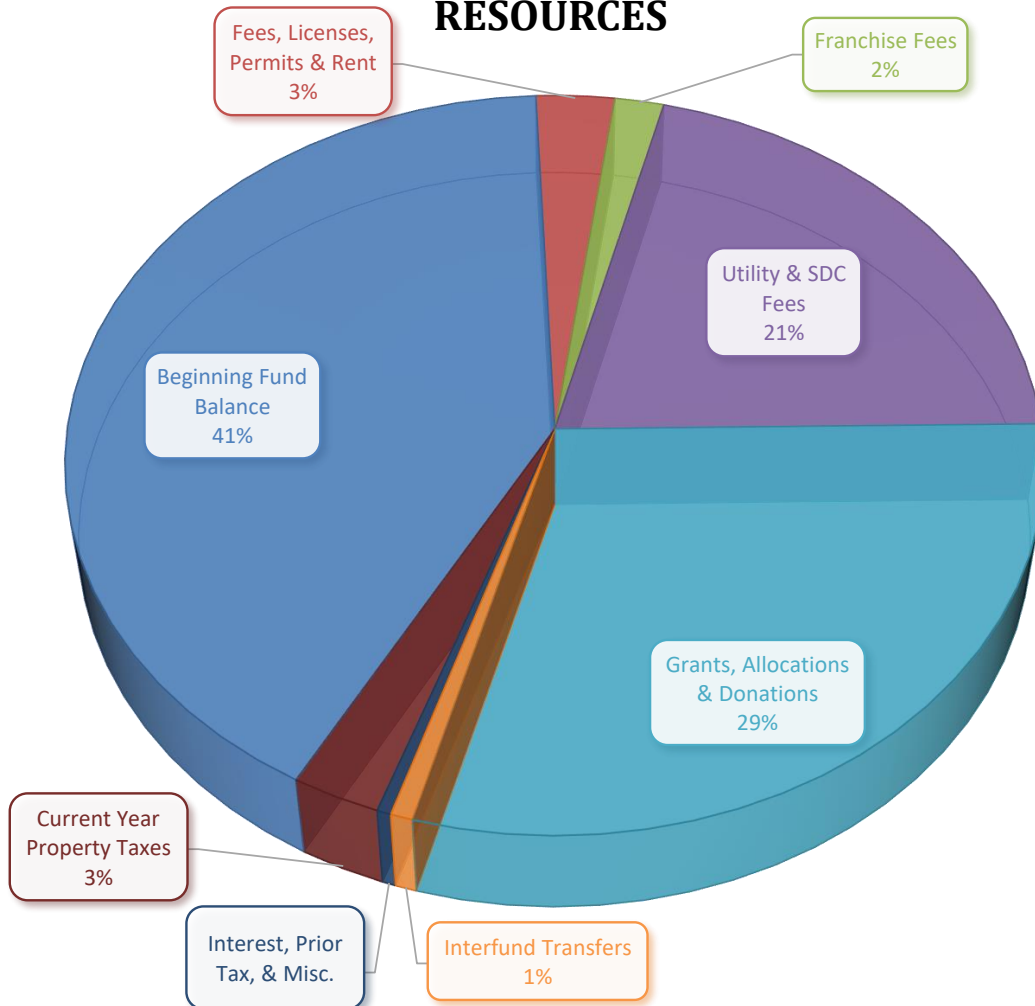
# City of Donald

Fiscal Year 2023

## OVERVIEW

2020 Actual	2021 Actual	2022 Budget	Resources Summary	2023 Proposed	2023 Approved	2023 Adopted
1,909,171	1,815,394	1,908,143	Beginning Fund Balance	1,965,566	1,965,566	1,965,566
61,829	77,475	136,000	Fees, Licenses, Permits & Rent	135,875	135,875	135,875
73,584	74,162	74,850	Franchise Fees	84,400	84,400	84,400
639,461	614,862	848,855	Utility & SDC Fees	992,549	992,549	992,549
107,879	345,806	1,126,684	Grants, Allocations & Donations	1,404,491	1,404,491	1,404,491
29,674	50,585	21,488	Interfund Transfers	31,780	31,780	31,780
51,397	110,510	24,275	Interest, Prior Tax, & Misc.	20,460	20,460	20,460
111,150	114,019	116,792	Current Year Property Taxes	128,388	128,388	128,388
<b>2,984,145</b>	<b>3,202,814</b>	<b>4,257,087</b>	<b>Total</b>	<b>4,763,509</b>	<b>4,763,509</b>	<b>4,763,509</b>

## 2023 ADOPTED RESOURCES



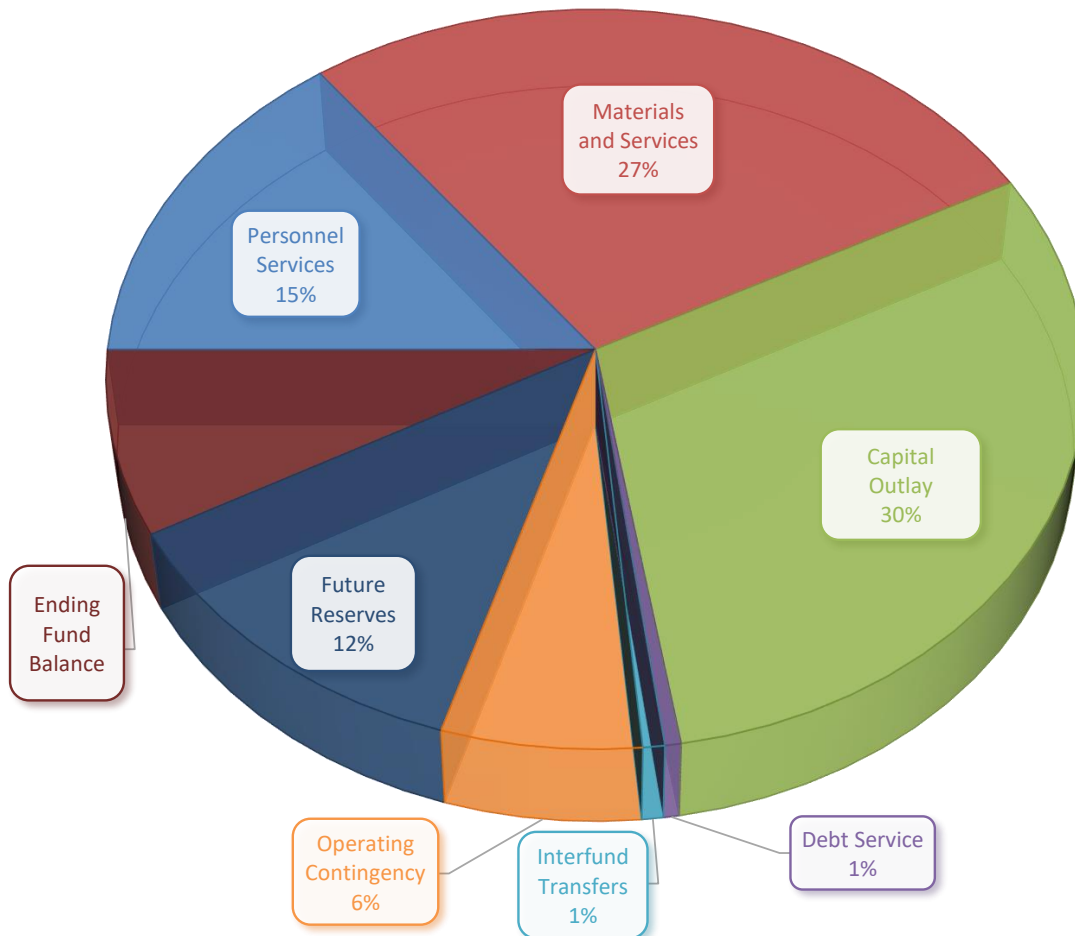
# City of Donald

Fiscal Year 2023

## OVERVIEW

2020 Actual	2021 Actual	2022 Budget	Requirements Summary	2023 Proposed	2023 Approved	2023 Adopted
494,954	534,541	648,697	Personnel Services	702,149	702,149	702,149
341,586	614,491	1,578,394	Materials and Services	1,308,343	1,308,343	1,308,343
282,472	36,436	832,002	Capital Outlay	1,439,000	1,439,000	1,439,000
20,065	19,577	19,065	Debt Service	23,565	23,565	23,565
29,674	30,585	21,488	Interfund Transfers	31,780	31,780	31,780
0	0	440,000	Operating Contingency	292,500	292,500	292,500
0	0	328,088	Future Reserves	583,153	583,153	583,153
1,815,394	1,967,184	389,353	Ending Fund Balance	383,019	383,019	383,019
<b>2,984,145</b>	<b>3,202,814</b>	<b>4,257,087</b>	<b>Total</b>	<b>4,763,509</b>	<b>4,763,509</b>	<b>4,763,509</b>

## 2023 ADOPTED REQUIREMENTS



# General Fund

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

## Revenue Highlights

Property Taxes: Donald's permanent property tax rate is \$0.8752 per \$1,000 of a property's assessed value which is one of the lowest permanent rates in Marion County. The estimated assessed value of the City of Donald for Fiscal Year 2022-2023 is \$124,100,000; it is anticipated that roughly 4 percent of the property taxes will go uncollected. It is estimated that \$104,268 will be collected in property taxes.

Planning and Building Fees: Development application and service fees are collected by the City and paid to one of the City's contracted agencies (City Attorney, City Planner and City Engineer). It is difficult to predict how much development will occur each year; the City is estimating to receive \$100,000 this year based on ongoing applications. The incoming revenues are tracked in 01-0-503 and expenses are tracked in 01-2-751.

Permits and Fees: The City receives 30 percent of development fees, which help to offset the cost of City staff hours and materials used for processing planning and building applications. This is not a predictable revenue stream since it relies on the number of planning and building applications received each year.

General Fund Grants: Community Prosperity Initiative (CPI) - Marion County will grant small cities \$15,000, each year for five years, for local economic development projects. To date Donald has received \$45,000 and expects to receive \$15,000 this year. The City Council will decide how to spend the \$30,821 unexpended in the previous three years.

Donations: City staff collects and monitors donations which help fund the operations of the Donald Community Center (DCC). Even though there is no fee to rent the DCC, the City requires a deposit of \$1 per person for private events or \$31 for events open to the general public. The deposit, or some portion thereof, can be donated.



American Rescue Plan Act (ARPA): Last year the City was allocated to receive \$235,442 of federal funds from the US Treasury. The City received the first half in 2021 and is expecting to receive the second half this year. The City Council will hold future discussions to determine how best to utilize this resource within the scope of the ARPA requirements.

State Revenue: The City receives payments from four different shared revenue programs through the state which are based on population; Donald's population for 2021 was certified at 1,012. Three of the programs contribute to the General Fund, the other one is a gas tax which is collected in the Street Fund. Below is the League of Oregon Cities State Shared Revenue chart which the City uses to estimate our shares for budgeting.

#### **Per Capita State Shared Revenues for Cities**

Per capita distributions for revenue sources are calculated based on [certified population statistics](#) from Portland State University's Center for Population Research (PSUCPR). Population estimates compiled each July are typically certified on December 15, and thereafter begin to govern the distributions.

	<b>Highway Trust Fund Revenues</b> (Gas Tax)	<b>Liquor Revenues</b> (20% of Total Share)	<b>Marijuana Tax Revenues</b> (75% of City's Share)	<b>Cigarette Tax Revenues</b>
<b>2019-20 Actuals</b>	\$66.81	\$17.94	\$2.38	\$1.10
<b>2020-21 Actuals</b>	\$73.47	\$19.25	\$1.29	\$0.96
<b>2021-22 Estimates</b>	\$77.91	\$17.56	\$1.26	\$0.78
<b>2022-23 Estimates</b>	\$76.42	\$18.30	\$1.25	\$0.75

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

PGE Privilege Tax: In 2016, the City Council approved the collection of an additional 1.5% on a utility customer's PGE electric bill. A privilege tax is a fee charged to utility providers for use of the public right of way (ROW). This fee is a component of a license granted to the utility provider authorizing the use of the public ROW. Privilege tax proceeds collected by the City of Donald are deposited into the General Fund for general government purposes. This is an option for any municipality with a PGE franchise agreement. In Donald, the fee was established to specifically fund police services.

State Revenue Share: City councils can elect to receive a portion of the State Shared Revenue. It is estimated that our share will be \$9,500 for this coming year. These funds are budgeted to pay for the activities that are listed in the Community Development Department.

Transfers In: The Water and Sewer Fund each reimburse the General Fund to pay for their portions of costs associated with operating out of City Hall. This is reflected on the Transfer Schedule.

### **Expense Highlights**

Administration Department: City Hall will purchase a fire proof file cabinet to replace the damaged one currently in use, a desk for the manager's office, and replace a desktop computer for the accountant based on the City's replacement schedule. The City Hall building is scheduled for painting this year for general maintenance and upkeep and associated material and supplies will be procured.

Public Safety Department: The City contracts with the Marion County Sheriff's Office to provide police services. There is \$53,000 budgeted for this expense which maintains the same level of coverage as the year prior, but increases the amount for inflation. The City's current police coverage is subject to scheduling and demands of the Sheriff's other obligations to County residents and police clients.

Parks Department: The Donald Community Center is temporarily closed due to safety concerns, yet operation costs continue to be incurred. A \$4,000 contribution toward the purchase of a new vehicle for Public Works is budgeted in the Park Equipment line and \$1,500 is budgeted in Repair & Maintenance for new gutters and paint for the storage shed in the Hometown Park.



Community Development Department: Discussions by City Council are ongoing to determine how the CPI and ARPA funds will be expended. A City Council Work Session will be scheduled in the near future to focus on this topic in order to provide additional guidance on spending priorities.

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

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

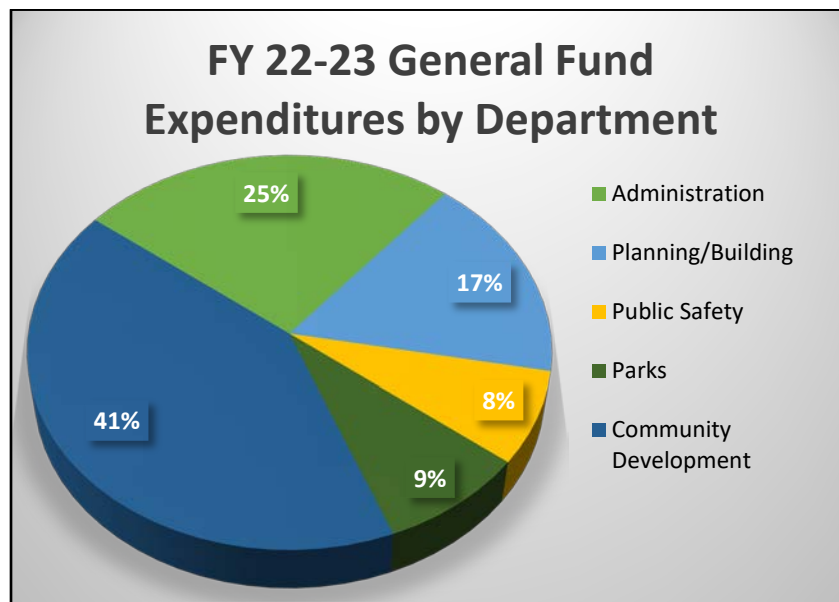


## General Fund Expense Highlights

Line #	Name of Line	Activity	Cost
01-1-705	Materials & Supplies	Fireproof File Cabinet	\$2,500
01-1-705	Materials & Supplies	Desk for City Manager Office	\$900
01-1-705	Materials & Supplies	Computer for Accounting Office	\$480
01-1-755	Repair & Maintenance	City Hall Exterior Paint	\$1,200
01-4-710	Police/Outside Services	Annual (Overtime) Policing Service	\$53,000
01-5-755	Park/Repair & Maintenance	Park Shed Paint and Gutters	\$1,500
01-5-807	Park/Capital Equipment	New Public Works Vehicle	\$4,000

## Community Development Department Expenses: 01-6-800

Estimated State Share \$9,500	
Community Prosperity Initiative \$45,821	Cost
Council and Planning: Dues, Meetings & Travel Expenses	\$400
Mayor Cell Phone	\$500
City Events	\$500
Clean Up and Yard Debris Days	\$3,000
Holiday Lighting Contest	\$100
Holiday Décor and Garland Repairs	\$500
Street Flower Baskets	\$750
Donald Hazelnut Festival Donation	\$500
Donald Beautification Group	\$500
Council Discretionary	<u>\$2,750</u>
Subtotal: State Share Revenue	\$9,500
Marion County Community Initiative for Economic Development	\$45,821
Grand Total	\$55,321



# City of Donald

Fiscal Year 2023

## GENERAL FUND

		Historical Data			Budget for Next Year		
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Approved 2023	Adopted 2023
<b>Resources</b>							
01-0-500	Beginning Fund Balance	210,249	165,452	247,153	429,905	429,905	429,905
<b>Revenues</b>							
01-0-501	Property Taxes - Current	93,492	94,866	96,700	104,268	104,268	104,268
01-0-502	Property Taxes - Prior	1,934	2,041	1,550	2,250	2,250	2,250
01-0-503	Planning & Building Fees	22,554	26,413	100,000	100,000	100,000	100,000
01-0-505	Business Registration Fees	2,650	2,520	2,000	2,175	2,175	2,175
01-0-506	Permits & Fees	11,292	10,147	10,000	10,000	10,000	10,000
01-0-507	Franchise Fees	59,366	59,476	59,680	67,600	67,600	67,600
01-0-509	Municipal Court Revenue	0	14,949	200	200	200	200
01-0-514	Grants	1,000	150,687	216,385	15,000	15,000	15,000
01-0-515	Donations	999	132	150	150	150	150
01-0-516	American Rescue Plan	N/A	N/A	216,064	117,721	117,721	117,721
01-0-530	State Cigarette Tax	1,098	948	725	750	750	750
01-0-531	State Liquor Tax	15,874	19,315	18,400	18,525	18,525	18,525
01-0-532	State Marijuana Tax	3,533	3,132	1,250	1,265	1,265	1,265
01-0-590	Miscellaneous	2,110	1,225	100	100	100	100
01-0-591	Interest Income	4,451	1,262	1,060	1,985	1,985	1,985
01-0-592	Copy & Fax Service Fees	46	12	50	50	50	50
01-0-593	Administration Fees	937	585	300	300	300	300
01-0-594	PGE Privilege Tax	14,218	14,687	15,170	16,800	16,800	16,800
01-0-596	State Revenue Sharing	9,443	11,271	8,250	9,500	9,500	9,500
01-0-598	Transfers In	19,674	40,585	20,488	21,780	21,780	21,780
<b>Total Revenues</b>		<b>264,671</b>	<b>454,253</b>	<b>768,522</b>	<b>490,419</b>	<b>490,419</b>	<b>490,419</b>
<b>Total Resources</b>		<b>474,920</b>	<b>619,705</b>	<b>1,015,675</b>	<b>920,324</b>	<b>920,324</b>	<b>920,324</b>
<b>Requirements for Administration</b>							
<b>Personnel Services</b>							
01-1-610	Administrative Salaries	50,847	53,509	57,406	61,820	61,820	61,820
01-1-615	Payroll Taxes/Benefits	32,266	35,935	47,133	48,383	48,383	48,383
<b>Total Personnel Services</b>		<b>83,113</b>	<b>89,444</b>	<b>104,539</b>	<b>110,203</b>	<b>110,203</b>	<b>110,203</b>
Total Full-Time Equivalent (FTE)							0.80
<b>Materials &amp; Services</b>							
01-1-701	Advertising	737	783	1,200	1,200	1,200	1,200
01-1-705	Materials & Supplies	2,051	49,537	3,500	6,900	6,900	6,900
01-1-706	Postage	482	466	600	600	600	600
01-1-708	Legal	3,867	1,649	12,000	10,000	10,000	10,000
01-1-709	Accounting	3,941	4,233	4,350	4,690	4,690	4,690
01-1-710	Outside Services	11,519	13,877	17,500	16,900	16,900	16,900
01-1-712	Dues & Subscriptions	3,291	3,610	3,800	5,200	5,200	5,200
01-1-713	Travel, Meetings, Education	421	193	1,500	1,500	1,500	1,500
01-1-714	Municipal Court	300	5,658	4,750	2,700	2,700	2,700
01-1-751	Permits & Fees	20	20	100	100	100	100
01-1-753	Insurance & Bonds	2,558	2,859	3,220	3,450	3,450	3,450
01-1-755	Repair & Maintenance	810	12,883	8,500	6,900	6,900	6,900
01-1-757	Utilities	5,397	5,408	6,300	6,800	6,800	6,800
01-1-758	Bank Charges	1,797	1,685	1,950	1,950	1,950	1,950
01-1-760	Refunds & Misc.	0	31	100	100	100	100
<b>Total Materials &amp; Services</b>		<b>37,191</b>	<b>102,891</b>	<b>69,370</b>	<b>68,990</b>	<b>68,990</b>	<b>68,990</b>
<b>Capital Outlay</b>							
01-1-805	City Hall Improvements	10,363	0	0	0	0	0
<b>Total Capital Outlay</b>		<b>10,363</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Administration Requirements</b>		<b>130,667</b>	<b>192,335</b>	<b>173,909</b>	<b>179,193</b>	<b>179,193</b>	<b>179,193</b>

## GENERAL FUND - Continued

		Historical Data			Budget for Next Year	
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Adopted 2023
<b>Requirements for Planning &amp; Building</b>						
<b>Materials &amp; Services</b>						
01-2-701	Advertising	25	0	200	200	200
01-2-705	Materials & Supplies	28	0	200	200	200
01-2-710	Outside Services	8,210	7251	16,000	18,500	18,500
01-2-711	Grant Funded Outside Services	N/A	1000	1,000	0	0
01-2-751	Planning & Building Fees	24,673	27457	100,000	100,000	100,000
01-2-760	Refunds & Misc.	45	0	100	100	100
<b>Total Materials &amp; Services</b>		<b>32,981</b>	<b>35,708</b>	<b>117,500</b>	<b>119,000</b>	<b>119,000</b>
<b>Total Planning &amp; Building Requirements</b>		<b>32,981</b>	<b>35,708</b>	<b>117,500</b>	<b>119,000</b>	<b>119,000</b>
<b>Requirements for Public Safety</b>						
<b>Materials &amp; Services</b>						
01-4-710	Outside Services	24,456	41,144	62,500	53,000	53,000
<b>Total Materials &amp; Services</b>		<b>24,456</b>	<b>41,144</b>	<b>62,500</b>	<b>53,000</b>	<b>53,000</b>
<b>Total Public Safety Requirements</b>		<b>24,456</b>	<b>41,144</b>	<b>62,500</b>	<b>53,000</b>	<b>53,000</b>
<b>Requirements for Parks</b>						
<b>Personnel Services</b>						
01-5-605	Maintenance Wages	11,810	13,458	17,678	20,220	20,220
01-5-615	Payroll Taxes/Benefits	6,686	7,438	13,504	14,089	14,089
<b>Total Personnel Services</b>		<b>18,496</b>	<b>20,896</b>	<b>31,182</b>	<b>34,309</b>	<b>34,309</b>
Total Full-Time Equivalent (FTE)						0.30
<b>Materials &amp; Services</b>						
01-5-705	Materials & Supplies	4,170	1,390	6,500	6,100	6,100
01-5-707	Vehicle Operation & Maintenance	647	287	500	650	650
01-5-710	Outside Services	6,121	4,187	4,500	4,200	4,200
01-5-716	Uniforms	106	47	120	120	120
01-5-753	Insurance & Bonds	950	1,077	1,270	1,350	1,350
01-5-755	Repair & Maintenance	310	462	4,500	4,700	4,700
01-5-757	Utilities	971	1,077	1,600	1,700	1,700
01-5-760	Refunds & Misc.	0	0	50	50	50
01-5-790	Community Center	1,149	990	2,500	2,500	2,500
<b>Total Materials and Services</b>		<b>14,424</b>	<b>9,517</b>	<b>21,540</b>	<b>21,370</b>	<b>21,370</b>
<b>Capital Outlay</b>						
01-5-805	Park Improvements	17,707	0	0	0	0
01-5-806	Grants	54,359	18,275	200,385	0	0
01-5-807	• Equipment	N/A	N/A	N/A	4,000	4,000
<b>Total Capital Outlay</b>		<b>72,066</b>	<b>18,275</b>	<b>200,385</b>	<b>4,000</b>	<b>4,000</b>
<b>Total Parks Requirements</b>		<b>104,986</b>	<b>48,688</b>	<b>253,107</b>	<b>59,679</b>	<b>59,679</b>
<b>Requirements for Community Development</b>						
<b>Materials &amp; Services</b>						
01-6-800	Community Development	6,378	13,726	47,070	55,321	55,321
01-6-810	American Rescue Plan	N/A	N/A	216,064	235,442	235,442
<b>Total Materials &amp; Services</b>		<b>6,378</b>	<b>13,726</b>	<b>263,134</b>	<b>290,763</b>	<b>290,763</b>
<b>Total Comm. Devel. Requirements</b>		<b>6,378</b>	<b>13,726</b>	<b>263,134</b>	<b>290,763</b>	<b>290,763</b>

### GENERAL FUND - Continued

		Historical Data			Budget for Next Year		
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Approved 2023	Adopted 2023
General Fund Requirements							
	Administration Dept.	130,667	192,335	173,909	179,193	179,193	179,193
	Planning & Building Dept.	32,981	35,708	117,500	119,000	119,000	119,000
	Public Safety Dept.	24,456	41,144	62,500	53,000	53,000	53,000
	Parks Dept.	104,986	48,688	253,107	59,679	59,679	59,679
	Community Development Dept.	6,378	13,726	263,134	290,763	290,763	290,763
Total Allocated Requirements		299,468	331,601	870,150	701,635	701,635	701,635
Requirements Not Allocated							
Interfund Transfers							
01-1-784	Transfers to Water Fund	5,000	5,000	500	5,000	5,000	5,000
01-1-785	Transfers to Sewer Fund	5,000	5,000	500	5,000	5,000	5,000
Total Interfund Transfers		10,000	10,000	1,000	10,000	10,000	10,000
01-1-900	Operating Contingency			75,000	75,000	75,000	75,000
01-1-950	Unappropriated Ending Balance			69,525	133,689	133,689	133,689
Total Requirements Not Allocated		10,000	10,000	145,525	218,689	218,689	218,689
Ending Balance (prior years)		165,452	278,104				
Total Requirements		474,920	619,705	1,015,675	920,324	920,324	920,324

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

- New Line

# Street Fund

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The State Highway Tax apportionment is the main funding source for the Street Fund. This money is collected through gasoline sales tax and DMV fees by the State and then distributed to governments in Oregon depending on population. The Street Fund budgets for repair, maintenance, and lighting of the City's streets and roadways.

## Revenue Highlights

Highway funds can only be expended per the regulations stated in Oregon Constitution Article IX, Section 3a. The State is estimating for cities to receive \$76.42 per person for the coming year. We have budgeted to receive \$77,340 for the year. We are budgeting to receive payments from a few property owners on Main Street who have set up payment plans to repay the City for their portion of sidewalk replacement. A new Street Maintenance Fee of \$3 per month, per property will be assessed this year. This fee was discussed in the FY 2021-22 budget cycle but not implemented. Once implemented, it will help pay for future street operation and maintenance costs.



## Expense Highlights

The City received two \$100,000 ODOT Small Cities grants to fund the Matthieu Street Improvement Project in two phases. The first phase was completed last year and the second phase will be completed this year. To supplement the grant, the Street Fund will contribute \$100,000 to the project. Additionally, the Street Fund will contribute toward the purchase of a new computer at City Hall and a new truck for Public Works, and add gravel to the City's alleyways. The Blake Court Improvement Project is expected to be completed this fiscal year.

Line #	Name of Line	Activity	Cost
02-1-755	Repair & Maintenance	Barricade Repair x 18	\$1,700
02-1-755	Repair & Maintenance	Gravel Alleyways	\$2,000
02-1-755	Repair & Maintenance	Street Striping	\$2,500
02-1-805	Capital/Improvement	Local Contribution: Matthieu Street – Phase 2	\$100,000
02-1-805	Capital/Improvement	Blake Court Improvement Project	\$114,000
02-1-806	Capital/Equipment	New Public Works Vehicle	\$4,000
02-1-807	Capital/SCA Grant	Matthieu Street – Phase 2	\$100,000

# City of Donald

Fiscal Year 2023

## STREET FUND

		Historical Data		Budget for Next Year			
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Approved 2023	Adopted 2023
Resources							
02-0-500	Beginning Fund Balance	226,699	63,976	211,063	252,515	252,515	252,515
Revenues							
02-0-509	State Gas Tax	69,932	71,419	75,460	77,340	77,340	77,340
02-0-510	SCA Grant Funds	0	50,000	200,000	100,000	100,000	100,000
02-0-520	Sidewalk Program	0	89,456	13,500	8,200	8,200	8,200
02-0-521	• Street Revenue	N/A	N/A	N/A	14,950	14,950	14,950
02-0-590	Miscellaneous	303	72	100	50	50	50
02-0-591	Interest Income	4,786	849	920	1,150	1,150	1,150
02-0-593	Administration Fees	0	0	600	300	300	300
Total Revenues		75,021	211,797	290,580	201,990	201,990	201,990
Total Resources		301,720	275,773	501,643	454,505	454,505	454,505
Requirements for Streets							
Personnel Services							
02-1-605	Maintenance Wages	11,810	13,458	17,678	20,220	20,220	20,220
02-1-615	Payroll Taxes/Benefits	6,686	7,438	13,504	14,089	14,089	14,089
Total Personnel Services		18,496	20,895	31,182	34,309	34,309	34,309
Total Full-Time Equivalent (FTE)							0.30
Materials & Services							
02-1-705	Materials & Supplies	628	48	1,500	1,500	1,500	1,500
02-1-707	Vehicle Operation & Maintenance	647	287	500	650	650	650
02-1-708	Legal	150	160	1,500	2,000	2,000	2,000
02-1-710	Outside Services	8,469	7,728	9,000	9,500	9,500	9,500
02-1-716	Uniforms	106	48	120	120	120	120
02-1-725	Engineering	346	2,568	15,000	10,500	10,500	10,500
02-1-751	Permits & Fees	20	23	1,000	250	250	250
02-1-753	Insurance & Bonds	432	458	490	600	600	600
02-1-755	Repair & Maintenance	1,568	3,144	5,900	8,900	8,900	8,900
02-1-757	Utilities	6,839	7,404	9,500	9,500	9,500	9,500
02-1-760	Refunds & Misc.	0	0	50	50	50	50
Total Materials & Services		19,205	21,867	44,560	43,570	43,570	43,570
Capital Outlay							
02-1-804	Sidewalk Improvements	133,004	0	0	0	0	0
02-1-805	Street Improvements	N/A	N/A	160,000	214,000	214,000	214,000
02-1-806	Equipment	0	0	0	4,000	4,000	4,000
02-1-807	SCA Grant	67,039	3,013	200,000	100,000	100,000	100,000
Total Capital Outlay		200,043	3,013	360,000	318,000	318,000	318,000
Total Allocated Requirements		237,744	45,775	435,742	395,879	395,879	395,879
Requirements Not Allocated							
02-1-900	Operating Contingency			60,000	45,000	45,000	45,000
02-1-950	Unappropriated Ending Balance			5,901	13,626	13,626	13,626
Total Requirements Not Allocated				65,901	58,626	58,626	58,626
Ending Balance (prior years)		63,976	229,998				
Total Requirements		301,720	275,773	501,643	454,505	454,505	454,505

Key: N/A Line is not applicable for year

• New Line



# Stormwater Fund

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The Stormwater Fund collects fees for the operation and maintenance of the City's stormwater system. The Stormwater Fund is an Enterprise Fund, meaning that the fund is essentially independent and the costs of providing services are recovered primarily through user charges.

## Revenue Highlights

A Stormwater Maintenance Fee of \$1 per month, per property will be implemented for the first time this year. This fee was established to cover the use of the public stormwater system.

## Expense Highlights

The Stormwater Fund is a new fund this year and will take some time to generate enough revenue to expend on stormwater services. It is being implemented now to give the City enough time to accrue funds which will help finance any required stormwater service investments or capital improvements in the future. Minimal expenditures are expected this year.





# City of Donald

Fiscal Year 2023

## STORMWATER FUND

		Historical Data			Budget for Next Year		
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Approved 2023	Adopted 2023
<b>Resources</b>							
04-0-500	Beginning Fund Balance	N/A	N/A	N/A	0	0	0
<b>Revenues</b>							
04-0-520	Stormwater Revenue	N/A	N/A	N/A	4,700	4,700	4,700
04-0-590	Miscellaneous	N/A	N/A	N/A	25	25	25
04-0-591	Interest Income	N/A	N/A	N/A	25	25	25
<b>Total Revenues</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>4,750</b>	<b>4,750</b>	<b>4,750</b>
<b>Total Resources</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>4,750</b>	<b>4,750</b>	<b>4,750</b>
<b>Requirements for Stormwater</b>							
<b>Materials &amp; Services</b>							
04-1-705	Materials & Supplies	N/A	N/A	N/A	250	250	250
04-1-725	Engineering	N/A	N/A	N/A	2,000	2,000	2,000
04-1-751	Permits & Fees	N/A	N/A	N/A	500	500	500
04-1-755	Repair & Maintenance	N/A	N/A	N/A	250	250	250
04-1-760	Refunds & Misc.	N/A	N/A	N/A	50	50	50
<b>Total Materials &amp; Services</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>3,050</b>	<b>3,050</b>	<b>3,050</b>
<b>Total Allocated Requirements</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>3,050</b>	<b>3,050</b>	<b>3,050</b>
<b>Requirements Not Allocated</b>							
04-1-900	Operating Contingency			N/A	500	500	500
04-1-950	Unappropriated Ending Balance			N/A	1,200	1,200	1,200
<b>Total Requirements Not Allocated</b>				<b>0</b>	<b>1,700</b>	<b>1,700</b>	<b>1,700</b>
<b>Ending Balance (prior years)</b>		<b>N/A</b>	<b>N/A</b>				
<b>Total Requirements</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>4,750</b>	<b>4,750</b>	<b>4,750</b>

Key: N/A Line is not applicable for year

# Debt Service Fund

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

The outstanding principal balance as of June 30, 2022 will be \$114,294.06. This year the principal payment is \$20,000 and the interest payment is \$3,564.38. The total to meet the bond obligations is \$23,564.38. However, because some property owners do not pay their tax on time, and the City still needs to meet its payments, \$24,120 will be called to pay off these obligations.

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

## Bond Repayment Schedule

Year	Payment	Interest Due	Total
'22-23	20,000	3,564.38	23,564.38
'23-24	20,000	2,981.32	22,981.32
'24-25	25,000	2,319.60	27,319.60
'25-26	34,294.06	1,965.49	36,259.55
<b>Totals</b>	<b>\$114,294.06</b>	<b>\$14,895.52</b>	<b>\$110,124.85</b>



# City of Donald

Fiscal Year 2023

## DEBT SERVICE FUND

		Historical Data			Budget for Next Year		
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Approved 2023	Adopted 2023
Resources							
06-0-500	Beginning Fund Balance	5,361	3,517	2,203	2,002	2,002	2,002
Revenues							
06-0-501	Property Taxes - Current	17,658	19,153	20,092	24,120	24,120	24,120
06-0-502	Property Taxes - Prior	450	427	315	410	410	410
06-0-591	Interest Income	113	26	20	15	15	15
Total Revenues		18,221	19,606	20,427	24,545	24,545	24,545
Total Resources		23,582	23,123	22,630	26,547	26,547	26,547
Requirements							
Bond Principal Payments					Budgeted Payment Date: February 2023		
06-3-751	US Bank Loan - Principal	15,000	15,000	15,000	20,000	20,000	20,000
Total Principal		15,000	15,000	15,000	20,000	20,000	20,000
Bond Interest Payments					Budgeted Payment Date: August 2022		
06-3-752	US Bank Loan - Interest	5,065	4,577	4,065	3,565	3,565	3,565
Total Interest		5,065	4,577	4,065	3,565	3,565	3,565
Unappropriated Balance for Following Year					Projected Payment Date: August 2023		
	US Bank Loan			3,565	2,982	2,982	2,982
Total Unappropriated Ending Fund Balance				3,565	2,982	2,982	2,982
Ending Balance (prior years)		3,517	3,546				
Total Requirements		23,582	23,123	22,630	26,547	26,547	26,547

# Water Fund

The Water Fund collects fees for the operation and maintenance of the water treatment and distribution processes. The Water Fund is an Enterprise Fund meaning that the fund is essentially independent and the costs of providing services are recovered primarily through user charges.

## Revenue Highlights

The Water Fund's principal revenue source is the collection of the monthly water bills. There are approximately 402 accounts comprised of both residential and commercial users. The Fund is supplemented by customer fees such as late fees, door hanging fees, and new account fees. A rate study completed in 2021 by Donovan Enterprises indicated that a 3% increase in water rates will be needed this year, and for the next three years, to keep pace with the costs associated with providing this service. These increases are in lieu of an annual inflation rate adjustment. Note: The revenue line New Installations is offset by the expense line Installations because developers pay for the water parts and labor for new construction. The fund is inflated this year by \$125,000 due to anticipated growth and a \$1 million ARPA award from Marion County for construction of Well #3; the award revenue is tracked in Grants and the expenses are tracked in Improvements.



## Future Reserve Fee Schedule

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

FY	Future Reserve Fee
'22-23	\$16,272 <i>Proposed</i>
'21-22	\$14,400 <i>Anticipated</i>
'20-21	\$14,417 <i>Actual</i>
'19-20	\$14,056 <i>Actual</i>
'18-19	\$14,206 <i>Actual</i>
'17-18	\$14,507 <i>Actual</i>
'16-17	\$14,147 <i>Actual</i>
'15-16	\$13,981 <i>Actual</i>
'14-15	\$5,612 <i>Actual</i>
<b>Total</b>	<b>\$121,598</b>

## Expense Highlights

The Drinking Water Well #3 project is a priority of the City Council and is part of the No. 1 City Goal, Secure and Reliable Infrastructure. Infrastructure costs can be funded with the American Rescue Plan Act dollars but that will be determined by the City Council. The Well #3 project would be an eligible ARPA expenditure, in addition to the anticipated \$1 million award from Marion County. This year, the City is expecting to replace the water main line on Blake Court. Additionally, the Water Fund will contribute toward the purchase of envelopes for monthly utility bills, a computer at City Hall, and a new truck for Public Works.

Line #	Name of Line	Activity	Cost
07-1-705	Materials & Supplies	Computer for Accounting Office	\$360
07-1-706	Postage	Postage Paid Envelopes for Utility Bills	\$1,580
07-1-805	Capital/Improvements	Blake Court Improvement Project	\$88,000
07-1-805	Capital/Improvements	Well #3 Project	\$1,000,000
07-1-806	Capital/Equipment	New Public Works Vehicle	\$16,000

# City of Donald

Fiscal Year 2023

## WATER FUND

		Historical Data			Budget for Next Year		
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Approved 2023	Adopted 2023
<b>Resources</b>							
07-0-500	Beginning Fund Balance	485,898	498,188	421,214	376,483	376,483	376,483
<b>Revenues</b>							
07-0-510	• Grants	N/A	N/A	N/A	1,000,000	1,000,000	1,000,000
07-0-520	Water Revenue	253,368	265,263	267,800	290,100	290,100	290,100
07-0-521	Hook-Up Fees	975	955	1,100	2,500	2,500	2,500
07-0-523	Future Reserve Fees	14,056	14,417	14,400	16,272	16,272	16,272
07-0-550	New Installations	11,760	0	75,000	125,000	125,000	125,000
07-0-551	Late Fees, Red Tags, Shut Offs	3,280	1,669	2,300	2,500	2,500	2,500
07-0-553	Sale of Recyclable Materials	504	57	100	100	100	100
07-0-590	Miscellaneous	1,809	920	100	100	100	100
07-0-591	Interest Income	10,253	3,765	1,840	1,725	1,725	1,725
07-0-598	Transfers In	5,000	5,000	500	5,000	5,000	5,000
<b>Total Revenues</b>		<b>301,005</b>	<b>292,046</b>	<b>363,140</b>	<b>1,443,297</b>	<b>1,443,297</b>	<b>1,443,297</b>
<b>Total Resources</b>		<b>786,903</b>	<b>790,234</b>	<b>784,354</b>	<b>1,819,780</b>	<b>1,819,780</b>	<b>1,819,780</b>
<b>Requirements for Water</b>							
<b>Personnel Services</b>							
07-1-605	Maintenance Wages	55,374	60,201	70,712	80,880	80,880	80,880
07-1-610	Administrative Salaries	61,098	64,300	69,280	75,990	75,990	75,990
07-1-615	Payroll Taxes/Benefits	70,952	77,152	100,905	104,794	104,794	104,794
<b>Total Personnel Services</b>		<b>187,424</b>	<b>201,653</b>	<b>240,897</b>	<b>261,664</b>	<b>261,664</b>	<b>261,664</b>
Total Full-Time Equivalent (FTE)							2.30
<b>Materials &amp; Services</b>							
07-1-701	Advertising	965	683	1,000	1,000	1,000	1,000
07-1-705	Materials & Supplies	7,524	3,720	12,000	11,200	11,200	11,200
07-1-706	Postage	1,578	1,551	1,670	1,580	1,580	1,580
07-1-707	Vehicle Operation & Maintenance	2,721	1,147	2,000	2,600	2,600	2,600
07-1-708	Legal	1,357	1,753	10,000	10,000	10,000	10,000
07-1-709	Accounting	3,941	4,233	4,350	9,690	9,690	9,690
07-1-710	Outside Services	7,800	17,513	20,600	32,900	32,900	32,900
07-1-712	Dues & Subscriptions	859	221	900	1,000	1,000	1,000
07-1-713	Travel, Meetings, Education	339	376	2,000	2,600	2,600	2,600
07-1-716	Uniforms	428	190	480	480	480	480
07-1-720	Chemicals	1,011	0	1,500	1,200	1,200	1,200
07-1-725	Engineering	15,674	61,200	50,000	30,000	30,000	30,000
07-1-728	Backflow Testing	8,579	9,933	14,000	13,000	13,000	13,000
07-1-730	Water Testing	1,278	795	3,700	1,600	1,600	1,600
07-1-751	Permits & Fees	768	2,305	2,000	3,500	3,500	3,500
07-1-752	Installations	33	0	75,000	125,000	125,000	125,000
07-1-753	Insurance & Bonds	6,250	7,123	7,990	8,980	8,980	8,980
07-1-755	Repair & Maintenance	14,592	9,872	12,000	10,500	10,500	10,500
07-1-757	Utilities	15,847	19,562	22,800	25,400	25,400	25,400
07-1-760	Refunds & Misc.	0	7,839	100	100	100	100
<b>Total Materials &amp; Services</b>		<b>91,544</b>	<b>150,019</b>	<b>244,090</b>	<b>292,330</b>	<b>292,330</b>	<b>292,330</b>
<b>Capital Outlay</b>							
07-1-805	Improvements	0	0	261,617	1,085,000	1,085,000	1,085,000
07-1-806	Equipment	0	0	0	16,000	16,000	16,000
<b>Total Capital Outlay</b>		<b>0</b>	<b>0</b>	<b>261,617</b>	<b>1,101,000</b>	<b>1,101,000</b>	<b>1,101,000</b>
<b>Total Allocated Requirements</b>		<b>278,968</b>	<b>351,672</b>	<b>746,604</b>	<b>1,654,994</b>	<b>1,654,994</b>	<b>1,654,994</b>

**WATER FUND - Continued**

		Historical Data			Budget for Next Year		
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Approved 2023	Adopted 2023
<b>Requirements Not Allocated</b>							
<b>Interfund Transfers</b>							
07-1-785	Transfers to General Fund	9,747	10,000	10,150	10,890	10,890	10,890
<b>Total Interfund Transfers</b>		<b>9,747</b>	<b>10,000</b>	<b>10,150</b>	<b>10,890</b>	<b>10,890</b>	<b>10,890</b>
07-1-900	<b>Operating Contingency</b>			15,000	22,000	22,000	22,000
07-1-811	<b>Reserved Future Expenditures</b>			0	121,598	121,598	121,598
07-1-950	<b>Unappropriated Ending Balance</b>			12,600	10,298	10,298	10,298
<b>Total Requirements Not Allocated</b>		<b>9,747</b>	<b>10,000</b>	<b>37,750</b>	<b>164,786</b>	<b>164,786</b>	<b>164,786</b>
<b>Ending Balance (prior years)</b>		<b>498,188</b>	<b>428,562</b>				
<b>Total Requirements</b>		<b>786,903</b>	<b>790,234</b>	<b>784,354</b>	<b>1,819,780</b>	<b>1,819,780</b>	<b>1,819,780</b>
<b>Key:</b>	N/A Line is not applicable for year • New Line						

# Sewer Fund

The Sewer Fund collects fees for the operation and maintenance of the sewage collection and treatment processes. The Sewer Fund is an enterprise fund meaning that the fund is essentially independent and the costs of providing services are recovered primarily through user charges.

## Revenue Highlights

The Sewer Fund's principal revenue source is the collection of monthly sewer bills. There are approximately 401 sewer accounts comprised of both residential and commercial users. The Fund is supplemented by late fees, door hanging fees, and new account fees. Revenue also comes from two land leases and a contract to provide the Fargo District with raw sewer treatment services. A rate study completed in 2021 by Donovan Enterprises indicated that a 3% increase in sewer rates will be needed this year, and for the next three years, to keep pace with the costs associated with providing this service. These increases are in lieu of an annual inflation rate adjustment. Note: The revenue line *New Installations* is offset by the expense line *Installations* because developers pay for the septic tank, parts and labor for new construction. This inflates the fund this year by \$155,000 due to anticipated growth.



## Future Reserve Fee Schedule

In 2014, the Budget Committee voted to collect a Future Reserve Fee. The fee was originally \$2 a month but was increased to \$3 a month in 2021. It is collected for future maintenance projects to the sewer system. The Donovan Rate Study recommended keeping this fee at \$3. The total is reflected in the *Reserved for Future Expenditures* line.

FY	Future Reserve Fee
'22-23	\$16,272 <i>Proposed</i>
'21-22	\$14,400 <i>Anticipated</i>
'20-21	\$13,286 <i>Actual</i>
'19-20	\$12,681 <i>Actual</i>
'18-19	\$11,630 <i>Actual</i>
'17-18	\$10,441 <i>Actual</i>
'16-17	\$9,360 <i>Actual</i>
'15-16	\$9,301 <i>Actual</i>
'14-15	\$3,735 <i>Actual</i>
<b>Total</b>	<b>\$101,106</b>

## Expense Highlights

The Sewer Fund will pay for a Lagoon Profiling project which will measure the level of the lagoon sludge and the annual pumping of septic tanks; this year is Zone 1 of 5. The Sewer Fund will contribute toward the purchase of envelopes for monthly utility bills, a new computer at City Hall, and a new truck for Public Works.

Line #	Name of Line	Activity	Cost
08-1-705	Materials & Supplies	Computer for Accounting Office	\$360
08-1-706	Postage	Postage Paid Envelopes for Utility Bills	\$1,580
08-1-710	Outside Services	Lagoon Profiling	\$5,000
08-1-714	Septic Tank Pumping	Septic Tank Pumping: Zone 1 x 70	\$28,500
08-1-806	Capital/Equipment	New Public Works Vehicle	\$16,000



# City of Donald

Fiscal Year 2023

## SEWER FUND

		Historical Data			Budget for Next Year		
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Approved 2023	Adopted 2023
<b>Resources</b>							
08-0-500	Beginning Fund Balance	667,105	726,570	698,857	576,122	576,122	576,122
<b>Revenues</b>							
08-0-520	Sewer Revenue	284,507	299,280	305,600	329,800	329,800	329,800
08-0-521	Hook-Up Fees	825	955	1,100	2,500	2,500	2,500
08-0-523	Future Reserve Fees	12,681	13,286	14,400	16,272	16,272	16,272
08-0-530	Lease of Land	24,350	22,850	22,850	22,850	22,850	22,850
08-0-550	New Installations	16,175	17,368	155,000	155,000	155,000	155,000
08-0-551	Late Fees, Red Tags, Shut Offs	3,281	1,669	2,300	2,500	2,500	2,500
08-0-553	Sale of Recyclable Materials	504	57	100	100	100	100
08-0-590	Miscellaneous	3,480	2,156	100	100	100	100
08-0-591	Interest Income	14,076	5,491	3,050	2,670	2,670	2,670
08-0-598	Transfers In	5,000	5,000	500	5,000	5,000	5,000
<b>Total Revenues</b>		<b>364,879</b>	<b>368,112</b>	<b>505,000</b>	<b>536,792</b>	<b>536,792</b>	<b>536,792</b>
<b>Total Resources</b>		<b>1,031,984</b>	<b>1,094,682</b>	<b>1,203,857</b>	<b>1,112,914</b>	<b>1,112,914</b>	<b>1,112,914</b>
<b>Requirements for Sewer</b>							
<b>Personnel Services</b>							
08-1-605	Maintenance Wages	55,375	60,202	70,712	80,880	80,880	80,880
08-1-610	Administrative Salaries	61,098	64,300	69,280	75,990	75,990	75,990
08-1-615	Payroll Taxes/Benefits	70,952	77,152	100,905	104,794	104,794	104,794
<b>Total Personnel Services</b>		<b>187,425</b>	<b>201,654</b>	<b>240,897</b>	<b>261,664</b>	<b>261,664</b>	<b>261,664</b>
Total Full-Time Equivalent (FTE)							2.30
<b>Materials &amp; Services</b>							
08-1-701	Advertising	628	208	500	500	500	500
08-1-705	Materials & Supplies	8,766	15,957	17,500	16,300	16,300	16,300
08-1-706	Postage	1,581	1,479	1,670	1,580	1,580	1,580
08-1-707	Vehicle Operation & Maintenance	2,721	1,147	2,500	2,600	2,600	2,600
08-1-708	Legal	1,269	4,193	17,210	17,300	17,300	17,300
08-1-709	Accounting	3,941	4,233	4,350	4,690	4,690	4,690
08-1-710	Outside Services	5,185	14,864	17,500	21,900	21,900	21,900
08-1-712	Dues & Subscriptions	246	406	600	600	600	600
08-1-713	Travel, Meetings, Education	219	136	2,000	2,000	2,000	2,000
08-1-714	Septic Tank Pumping	19,885	20,765	30,000	28,500	28,500	28,500
08-1-715	Sewer Lab Testing	4,975	1,861	3,500	3,500	3,500	3,500
08-1-716	Uniforms	428	190	480	480	480	480
08-1-720	Chemicals	3,343	5,753	6,800	6,800	6,800	6,800
08-1-725	Engineering	20,133	58,977	50,000	45,000	45,000	45,000
08-1-751	Permits & Fees	1,546	1,744	12,000	7,000	7,000	7,000
08-1-752	Installations	13,109	11,888	155,000	155,000	155,000	155,000
08-1-753	Insurance & Bonds	6,250	7,123	7,990	8,980	8,980	8,980
08-1-755	Repair & Maintenance	6,754	2,927	17,500	16,300	16,300	16,300
08-1-757	Utilities	7,263	9,908	13,500	12,900	12,900	12,900
08-1-760	Refunds & Misc.	0	4,234	100	100	100	100
<b>Total Materials &amp; Services</b>		<b>108,242</b>	<b>167,993</b>	<b>360,700</b>	<b>352,030</b>	<b>352,030</b>	<b>352,030</b>
<b>Capital Outlay</b>							
08-1-805	Improvements	0	15,148	10,000	0	0	0
08-1-806	Equipment	0	0	0	16,000	16,000	16,000
<b>Total Capital Outlay</b>		<b>0</b>	<b>15,148</b>	<b>10,000</b>	<b>16,000</b>	<b>16,000</b>	<b>16,000</b>
<b>Total Allocated Requirements</b>		<b>295,667</b>	<b>384,796</b>	<b>611,597</b>	<b>629,694</b>	<b>629,694</b>	<b>629,694</b>

## SEWER FUND - Continued

		Historical Data			Budget for Next Year		
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Approved 2023	Adopted 2023
Requirements Not Allocated							
Interfund Transfers							
08-1-785	Transfers to General Fund	9,747	10,000	10,150	10,890	10,890	10,890
Total Transfers		9,747	10,000	10,150	10,890	10,890	10,890
08-1-900	Operating Contingency			200,000	150,000	150,000	150,000
08-1-811	Reserved Future Expenditures			84,348	101,106	101,106	101,106
08-1-950	Unappropriated Ending Balance			297,762	221,224	221,224	221,224
Total Requirements Not Allocated		9,747	10,000	592,260	483,220	483,220	483,220
Ending Balance (prior years)		726,570	699,887				
Total Requirements		1,031,984	1,094,682	1,203,857	1,112,914	1,112,914	1,112,914

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

# System Development Funds

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Oregon Revised Statute 223.307 is the main law regarding the collection and expenditure of these funds. On May 10, 2016 the City Council approved Resolution No. 403-16, which updated the water and sewer system development funds and approved adding three new funds: park, stormwater and transportation.

System Development Charges are collected when new developments are added to the City and expended for additional needed capacity of the City's infrastructure systems to accommodate new growth. Funds are expended according to each SDC's capital improvement plan. Annually, the City Council considers adjusting the amounts of the SDCs based on the *Engineering News of Record Construction Cost Index*. This year there was an increase to the SDCs of 7.3% which will become effective on July 1, 2022; this change was adopted at the February 8, 2022 City Council meeting by Resolution No. 547-22.

## Revenue Highlights

Grants: The City was awarded a \$195,000 grant from Oregon Housing and Community Services Department in 2018 to be used for engineering, design or construction costs for either (or both) water and sewer needs; the remaining award amount is reflected in the System Development Charge Funds for Water and Sewer.

## Expense Highlights

The Workforce Housing Initiative Grant funds have been used in the last two fiscal years to pay for the design of the new water system and the wastewater treatment plant. The designs should be completed and final payments made during this budget cycle.

Transfers: Each SDC fund allows for a 5% transfer to the General Fund, of the previous year's fees received, to cover administrative costs. However, no SDC fund payments were received in Fiscal Year 2021-2022 so no transfers are budgeted this year.



# City of Donald

Fiscal Year 2023

## SYSTEM DEVELOPMENT FUND - WATER

		Historical Data			Budget for Next Year		
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Approved 2023	Adopted 2023
<b>Resources</b>							
09-0-500	Beginning Fund Balance	12,852	27,293	16,197	12,881	12,881	12,881
<b>Revenues</b>							
09-0-510	Grants	3,000	28,959	195,000	32,120	32,120	32,120
09-0-560	Improvement Fees	5,562	0	1,537	1,959	1,959	1,959
09-0-570	Reimbursement Fees	8,918	0	2,465	740	740	740
09-0-580	Administration Fees	N/A	N/A	200	135	135	135
09-0-591	Interest Income	270	207	70	45	45	45
<b>Total Revenues</b>		<b>17,750</b>	<b>29,166</b>	<b>199,272</b>	<b>34,999</b>	<b>34,999</b>	<b>34,999</b>
<b>Total Resources</b>		<b>30,602</b>	<b>56,459</b>	<b>215,469</b>	<b>47,880</b>	<b>47,880</b>	<b>47,880</b>
<b>Requirements</b>							
<b>Materials &amp; Services</b>							
09-1-710	Outside Services	3,233	42,108	195,000	32,120	32,120	32,120
<b>Total Materials &amp; Services</b>		<b>3,233</b>	<b>42,108</b>	<b>195,000</b>	<b>32,120</b>	<b>32,120</b>	<b>32,120</b>
<b>Capital Outlay</b>							
09-1-805	Improvements	0	0	0	0	0	0
<b>Total Capital Outlay</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Allocated Requirements</b>		<b>3,233</b>	<b>42,108</b>	<b>195,000</b>	<b>32,120</b>	<b>32,120</b>	<b>32,120</b>
<b>Requirements Not Allocated</b>							
<b>Interfund Transfers</b>							
09-1-780	Transfers to General Fund	76	210	80	0	0	0
<b>Total Interfund Transfers</b>		<b>76</b>	<b>210</b>	<b>80</b>	<b>0</b>	<b>0</b>	<b>0</b>
09-1-900	Operating Contingency			15,000	0	0	0
09-1-901	Reserved Future Expenditures			5,389	15,760	15,760	15,760
<b>Total Requirements Not Allocated</b>		<b>76</b>	<b>210</b>	<b>20,469</b>	<b>15,760</b>	<b>15,760</b>	<b>15,760</b>
<b>Ending Balance (prior years)</b>		<b>27,293</b>	<b>14,141</b>				
<b>Total Requirements</b>		<b>30,602</b>	<b>56,459</b>	<b>215,469</b>	<b>47,880</b>	<b>47,880</b>	<b>47,880</b>

Key: N/A Line is not applicable for year

# City of Donald

Fiscal Year 2023

## SYSTEM DEVELOPMENT FUND - SEWER

		Historical Data			Budget for Next Year		
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Approved 2023	Adopted 2023
<b>Resources</b>							
10-0-500	Beginning Fund Balance	267,707	287,752	275,609	279,658	279,658	279,658
<b>Revenues</b>							
10-0-510	Grants	3,000	9,942	195,000	32,120	32,120	32,120
10-0-560	Improvement Fees	6,504	0	1,798	20,473	20,473	20,473
10-0-570	Reimbursement Fees	8,204	0	2,267	741	741	741
10-0-580	Administration Fees	N/A	N/A	203	1,061	1,061	1,061
10-0-591	Interest Income	5,648	2,175	1,200	1,245	1,245	1,245
<b>Total Revenue</b>		<b>23,356</b>	<b>12,117</b>	<b>200,468</b>	<b>55,640</b>	<b>55,640</b>	<b>55,640</b>
<b>Total Resources</b>		<b>291,063</b>	<b>299,869</b>	<b>476,077</b>	<b>335,298</b>	<b>335,298</b>	<b>335,298</b>
<b>Requirements</b>							
<b>Materials &amp; Services</b>							
10-1-710	Outside Services	3,233	22,557	200,000	32,120	32,120	32,120
<b>Total Materials &amp; Services</b>		<b>3,233</b>	<b>22,557</b>	<b>200,000</b>	<b>32,120</b>	<b>32,120</b>	<b>32,120</b>
<b>Capital Outlay</b>							
10-1-805	Improvements	0	0	0	0	0	0
<b>Total Capital Outlay</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Allocated Requirements</b>		<b>3,233</b>	<b>22,557</b>	<b>200,000</b>	<b>32,120</b>	<b>32,120</b>	<b>32,120</b>
<b>Requirements Not Allocated</b>							
<b>Interfund Transfers</b>							
10-1-780	Transfers to General Fund	78	213	81	0	0	0
<b>Total Interfund Transfers</b>		<b>78</b>	<b>213</b>	<b>81</b>	<b>0</b>	<b>0</b>	<b>0</b>
10-1-900	Operating Contingency			75,000	0	0	0
10-1-901	Reserved Future Expenditures			200,996	303,178	303,178	303,178
<b>Total Requirements Not Allocated</b>		<b>78</b>	<b>213</b>	<b>276,077</b>	<b>303,178</b>	<b>303,178</b>	<b>303,178</b>
<b>Ending Balance (prior years)</b>		<b>287,752</b>	<b>277,099</b>				
<b>Total Requirements</b>		<b>291,063</b>	<b>299,869</b>	<b>476,077</b>	<b>335,298</b>	<b>335,298</b>	<b>335,298</b>
<b>Key:</b> N/A Line is not applicable for year							

# City of Donald

Fiscal Year 2023

## SYSTEM DEVELOPMENT FUND - PARK

		Historical Data		Budget for Next Year			
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Approved 2023	Adopted 2023
Resources							
11-0-500	Beginning Fund Balance	998	2,338	1,335	1,337	1,337	1,337
Revenues							
11-0-560	Improvement Fees	1,562	0	526	1,437	1,437	1,437
11-0-580	Administration Fees	N/A	N/A	26	72	72	72
11-0-591	Interest Income	21	18	5	5	5	5
Total Revenues		1,583	18	557	1,514	1,514	1,514
Total Resources		2,581	2,356	1,892	2,851	2,851	2,851
Requirements							
Materials & Services							
11-1-710	Outside Services	233	994	0	0	0	0
Total Materials & Services		233	994	0	0	0	0
Total Allocated Requirements		233	994	0	0	0	0
Requirements Not Allocated							
Interfund Transfers							
11-1-780	Transfers to General Fund	10	21	11	0	0	0
Total Interfund Transfers		10	21	11	0	0	0
11-1-900	Operating Contingency			0	0	0	0
11-1-901	Reserved Future Expenditures			1,881	2,851	2,851	2,851
Total Requirements Not Allocated		10	21	1,892	2,851	2,851	2,851
Ending Balance (prior years)		2,338	1,341				
Total Requirements		2,581	2,356	1,892	2,851	2,851	2,851
Key: N/A Line is not applicable for year							

# City of Donald

Fiscal Year 2023

## SYSTEM DEVELOPMENT FUND - STORMWATER

		Historical Data			Budget for Next Year		
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Approved 2023	Adopted 2023
Resources							
12-0-500	Beginning Fund Balance	18,667	23,004	20,118	20,213	20,213	20,213
Revenues							
12-0-560	Improvement Fees	3,567	0	166	768	768	768
12-0-570	Reimbursement Fees	612	0	29	N/A	N/A	N/A
12-0-580	Administration Fees	N/A	N/A	10	38	38	38
12-0-591	Interest Income	395	174	85	95	95	95
Total Revenues		4,574	174	290	901	901	901
Total Resources		23,241	23,178	20,408	21,114	21,114	21,114
Requirements							
Materials & Services							
12-1-710	Outside Services	233	2,983	0	0	0	0
Total Materials & Services		233	2,983	0	0	0	0
Total Allocated Requirements		233	2,983	0	0	0	0
Requirements Not Allocated							
Interfund Transfers							
12-1-780	Transfers to General Fund	4	80	4	0	0	0
Total Interfund Transfers		4	80	4	0	0	0
12-1-900	Operating Contingency			0	0	0	0
12-1-901	Reserved Future Expenditures			20,404	21,114	21,114	21,114
Total Requirements Not Allocated		4	80	20,408	21,114	21,114	21,114
Ending Balance (prior years)		23,004	20,115				
Total Requirements		23,241	23,178	20,408	21,114	21,114	21,114

Key: N/A Line is not applicable for year



# City of Donald

Fiscal Year 2023

## SYSTEM DEVELOPMENT FUND - TRANSPORTATION

		Historical Data			Budget for Next Year		
		Actual 2020	Actual 2021	Budget 2022	Proposed 2023	Approved 2023	Adopted 2023
Resources							
13-0-500	Beginning Fund Balance	13,635	17,304	14,394	14,450	14,450	14,450
Revenues							
13-0-560	Improvement Fees	3,042	0	505	2,719	2,719	2,719
13-0-570	Reimbursement Fees	582	0	95	170	170	170
13-0-580	Administration Fees	N/A	N/A	28	142	142	142
13-0-591	Interest Income	290	132	60	65	65	65
Total Revenues		3,914	132	688	3,096	3,096	3,096
Total Resources		17,549	17,436	15,082	17,546	17,546	17,546
Requirements							
Materials & Services							
13-1-710	Outside Services	233	2,983	0	0	0	0
Total Materials & Services		233	2,983	0	0	0	0
Total Allocated Requirements		233	2,983	0	0	0	0
Requirements Not Allocated							
Interfund Transfers							
13-1-780	Transfers to General Fund	12	61	12	0	0	0
Total Interfund Transfers		12	61	12	0	0	0
13-1-900	Operating Contingency			0	0	0	0
13-1-901	Reserved Future Expenditures			15,070	17,546	17,546	17,546
Total Requirements Not Allocated		12	61	15,082	17,546	17,546	17,546
Ending Balance (prior years)		17,304	14,392				
Total Requirements		17,549	17,436	15,082	17,546	17,546	17,546

Key: N/A Line is not applicable for year

# City of Donald

Fiscal Year 2023

## TRANSFER SCHEDULE

	In	Out	Purpose
General Fund	21,780		City Hall overhead
General Fund		10,000	Final payment of capital loan for purchase of City Hall
Water Fund		10,890	*City Hall overhead
Water Fund	5,000		Final payment of capital loan for purchase of City Hall
Sewer Fund		10,890	*City Hall overhead
Sewer Fund	5,000		Final payment of capital loan for purchase of City Hall
Total	\$ 31,780.00	\$ 31,780.00	

\*CPI-U of 7.3%

## FORM OR-LB-1

## NOTICE OF BUDGET HEARING

A public meeting of the Donald City Council will be held on June 14, 2022 at 6:45pm at Donald City Hall, 10710 Main Street NE, Donald, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2022 as approved by the City of Donald Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at Donald City Hall, between the hours of 8:00am and 4:00pm Monday through Thursday, 8:00am to 12:00pm Fridays or online at [www.donaldoregon.gov](http://www.donaldoregon.gov). This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

**Contact:** Eric Underwood, City Manager

**Telephone:** 503-678-5543

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

## FINANCIAL SUMMARY - RESOURCES

TOTAL OF ALL FUNDS	Actual Amount 2020-2021	Adopted Budget This Year: 2021-2022	Approved Budget Next Year: 2022-2023
Beginning Fund Balance/Net Working Capital	1,815,394	1,908,143	1,965,566
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	766,500	1,059,705	1,212,824
Federal, State & all Other Grants, Gifts, Allocations & Donations	345,806	1,126,684	1,404,491
Revenue from Bonds & Other Debt	0	0	0
Interfund Transfers/Internal Service Reimbursements	50,585	21,488	31,780
All Other Resources Except Current Year Property Taxes	110,510	24,275	20,460
Current Year Property Taxes Estimated to be Received	114,019	116,792	128,388
<b>Total Resources</b>	<b>\$3,202,814</b>	<b>\$4,257,087</b>	<b>\$4,763,509</b>

## FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

Personnel Services	534,541	648,697	702,149
Materials and Services	614,491	1,578,394	1,308,343
Capital Outlay	36,436	832,002	1,439,000
Debt Service	19,577	19,065	23,565
Interfund Transfers	30,585	21,488	31,780
Contingencies	0	440,000	292,500
Special Payments	0	0	0
Unappropriated Ending Balance & Reserved for Future Expenditure	1,967,184	717,441	966,172
<b>Total Requirements</b>	<b>\$3,202,814</b>	<b>\$4,257,087</b>	<b>\$4,763,509</b>

## 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			
Administration	192,335	173,909	179,193
FTE	0.80	0.80	0.80
Planning & Building	35,708	117,500	119,000
Public Safety	41,144	62,500	53,000
Parks	48,688	253,107	59,679
FTE	0.30	0.30	0.30
Community Development	13,726	263,134	290,763
Street	45,775	435,742	395,879
FTE	0.30	0.30	0.30
Stormwater	0.00	0.00	3,050.00
FTE	0	0	0
Water	351,672	746,604	1,654,994
FTE	2.30	2.30	2.30
Sewer	384,796	611,597	629,694
FTE	2.30	2.30	2.30
Not Allocated to Organizational Unit or Program	2,088,971	1,592,994	1,378,257
<b>Total Requirements</b>	<b>\$3,202,814</b>	<b>\$4,257,087</b>	<b>\$4,763,509</b>
<b>Total FTE</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>

## STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING \*

The City is anticipating receiving ARPA funding as a sub-recipient through Marion County for construction of a new Drinking Water Well. A Street Utility Fee will be implemented along with a Stormwater Utility Fee, which is reflected in the new Stormwater Fund. Donald expects to receive additional utility fees from the anticipated development of new housing.

## PROPERTY TAX LEVIES

	Rate or Amount Imposed 2020-2021	Rate or Amount Imposed This Year: 2021-2022	Rate or Amount Approved Next Year: 2022-2023
Permanent Rate Levy (rate limit .8752 per \$1,000)	0.8752	0.8752	0.8752
Local Option Levy	0.0000	0.0000	0.0000
Levy for General Obligation Bonds	\$20,185	\$20,092	\$24,120

## STATEMENT OF INDEBTEDNESS

Long Term Debt	Estimated Debt Outstanding on July 1	Estimated Debt Authorized, but not incurred on July 1
General Obligation Bonds	\$110,000	\$0
Other Bonds	\$0	\$0
Other Borrowings	\$0	\$0
<b>Total</b>	<b>\$110,000</b>	<b>\$0</b>

\* If more space is needed to complete any section of this form, insert lines (rows) on this sheet. You may delete blank lines.

150-504-064 (Rev. 11-19-21)



# CITY OF DONALD

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

Phone 503-678-5543 • Fax 503-678-2750

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

## **Budget Committee Meeting**

### **Agenda**

**Tuesday, May 24, 2022 at 6:00 pm**

**Donald Wastewater Treatment Plant: 10501 Donald Road NE**

**Open Meeting and Welcome:** Council President Katie Gonzalez

**Roll Call**

**Self-Introductions of Members**

**Election of a Budget Committee Chairperson**

**Adoption of the Budget Committee Operating Rules of Order**

**Public Hearings:**

- I. Fiscal Year 2022-2023 State Revenue Sharing Funds
- II. Fiscal Year 2022-2023 Proposed Budget

**Committee Business Items:**

- I. Budget Message Presentation by City Manager Eric Underwood
- II. Annual Review of Fees: from Resolution 528-21
- III. Committee Discussion on Proposed Budget
- IV. Community Member General Budget Comments (3 minutes per speaker)
  - a. In-person speakers
  - b. Written comments received (due from public by 5/24 by 12pm)

**Votes:**

- I. Fiscal Year 2022-2023 State Revenue Sharing Funds
- II. Fiscal Year 2022-2023 Proposed Budget
- III. Imposing and Categorizing Taxes

**Adjourn**

Posted: 5/19/2022



# CITY OF DONALD

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## Budget Committee Meeting

### Action Agenda Summary

**Tuesday, May 24, 2022 at 6:00 pm**

**Donald Wastewater Treatment Plant \* 10501 Donald Road NE**

**Open Meeting and Welcome:** Manager Underwood opened the Meeting and Council President Gonzalez gave the Budget Committee welcome at 6:03 pm on Tuesday, May 24, 2022. The meeting was held at the Donald Wastewater Treatment Plant, 10501 Donald Road NE.

### Budget Committee Roll Call

*City Council Present:* Council President Katie Gonzalez, Councilors: Gerry Waller, Mark Buzzard and Amy Nicholls.

*City Council Absent:* Mayor Rick Olmsted (excused)

*Electors Present:* Daroll Nicholson, Jenny Strathdee, Cindy Johnson and Wendy Scharich.

*Elector Absent:* Toshia Weese (unexcused)

*Staff Present:* City Manager Eric Underwood, Accountant Lisa Hassel and Public Works Director Alonso Limones.

*No members of the public attended the meeting.*

### Self-Introductions of Members

### Election of a Budget Committee Chairperson

- ✓ Committee Member Nicholson nominated Council President Gonzalez to serve as the Budget Committee Chair. Council President Gonzalez respectfully declined the nomination. Committee Member Nicholson then nominated Committee Member Johnson who respectfully declined. Council President Gonzalez nominated Councilor Buzzard to serve as Chair. Councilor Buzzard accepted the nomination. There were no other nominations. Council President Gonzalez motioned and Committee Member Scharich seconded to appoint Councilor Buzzard as Budget Committee Chair. No further discussion. Vote: 7-0-0. Motion carried.

### Adoption of the Budget Committee Operating Rules of Order

The Budget Committee reviewed the Rules of Order and best practices for public meetings. All Committee members indicated that they have read the Rules of Order.

- ✓ Committee Member Nicholson motioned and Council President Gonzalez seconded to accept the Budget Committee Operating Rules of Order as presented. No discussion. Vote: 7-0-0. Motion carried.

## **Public Hearings:**

### **I. Fiscal Year 2022-2023 State Revenue Sharing Funds**

Budget Committee Chair Buzzard read the script and opened the public hearing at 6:22pm. There were no objections to the publication. There were no objections for this body to hear and consider this matter. There were no conflicts and/or biases declared. There was no oral or written testimony submitted. No comments from the Budget Committee. Chair Buzzard closed the public hearing at 6:24pm.

### **II. Fiscal Year 2022-2023 Proposed Budget**

Budget Committee Chair Buzzard read the script and opened the public hearing at 6:25pm. There were no objections to the publication. There were no objections for this body to hear and consider this matter. There were no conflicts and/or biases declared. No written testimony received. No comments from the Budget Committee. Chair Buzzard closed the public hearing at 6:26pm.

## **Committee Business Items:**

### **I. Budget Message Presentation by City Manager Eric Underwood**

- ✓ Committee Member Nicholson motioned and Committee Member Johnson seconded to forgo the reading of the budget message since everyone read it prior to the Budget Committee meeting. No discussion. Vote: 7-0-0. Motion carried.

### **II. Annual Review of Fees: from Resolution No. 528-21**

#### **a. Business Registration Fee, New:**

Manager Underwood explained that the \$100 fee normally charged for new business registration applications no longer covers the costs of the Planner's time to review the applications and the materials incurred by the City. It was recommended that the fee be increased to \$125 to cover necessary costs.

#### **b. Traffic Court Fees**

Manager Underwood explained that Traffic Court fees have been eliminated due to the fact that the City no longer holds traffic court.

#### **c. Street/Storm Water Fee**

Manager Underwood referred to the Street Maintenance Fee and the Storm Water Utility Fee that were approved by the Budget Committee last year. It was further explained that these fees were not actually implemented last fiscal year and are therefore recommended to be implemented in FY 2022-2023.

#### **d. Water and Sewer Rates**

Manager Underwood reviewed the Water and Sewer rate increase scheduled as reflected in the Water/Sewer Rate Study conducted and approved in January 2021. There was a question about the accuracy of the decrease in the Water Consumption per 1000 gallon rate. It was explained that the figure is based on the 2021 Study.

Note: Councilor Nicholls arrived at the meeting at 6:36 p.m.

- ✓ Committee Member Johnson motioned and Committee Member Strathdee seconded to recommend to the City Council approval of the Fee Schedule as presented. No discussion. Vote: 8-0-0. Motion carried.

### **III. Committee Discussion on Proposed Budget**

Manager Underwood opened the floor for Committee discussion of the proposed fiscal year 2022-2023 budget that was hand-delivered to all members of the Budget Committee on Friday, May 20, 2022 and posted on the City's website. The Budget Committee discussed the results of the local option levy for police services placed on the May ballot and the budget for continuing police services. Also discussed were revenue sources, grants, expenditure changes, and highlights that were budgeted for in the next year.

### **IV. Community Member General Budget Comments (3 minutes per speaker)**

- a. **In-person speakers:** None
- b. **Written comments received (due from public by 5/24 by 12pm):** None received.

#### **Votes:**

#### **I. Fiscal Year 2022-2023 State Revenue Sharing Funds**

- ✓ Committee Member Nicholson motioned and Committee Member Strathdee seconded that the Donald Budget Committee elect to receive State Revenue Share Funds. No discussion. Vote: 8-0-0. Motion carried

#### **II. Fiscal Year 2022-2023 Proposed Budget**

- ✓ Committee Member Scharich motioned and Councilor Waller seconded that the Donald Budget Committee approve the Budget for the 2022-2023 Fiscal Year in the amount of \$4,763,509. No discussion. Vote: 8-0-0. Motion carried.

### **III. Imposing and Categorizing Taxes**


- a. **Property Taxes for the 2022-2023 fiscal year at the rate of \$0.8752/\$1,000 of assessed value for the permanent rate tax levy; and \$24,120 for the General Obligation Bond Levy**

- ✓ Council President Gonzalez motioned and Committee Member Strathdee seconded that the Donald Budget Committee approve property taxes for the 2022-2023 Fiscal Year at the rate of \$0.8752/\$1000 of assessed value for the permanent rate tax levy and in the amount of \$24,120 for the General Obligation Bond Levy. No discussion. Vote: 8-0-0. Motion carried.

#### **Adjourn**

- ✓ Committee Member Nicholson motioned and Council President Gonzalez seconded to adjourn the Budget Committee meeting at 7:36 pm. No discussion. Vote: 8-0-0. Motion carried.

Respectfully submitted by:

  
Eric Underwood  
City Manager, Budget Officer



## RESOLUTION No. 553-22

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DONALD DECLARING THE CITY'S ELECTION TO RECEIVE STATE SHARED REVENUE.

**WHEREAS**, Pursuant to ORS 221.770, the City hereby elects to receive state revenues for fiscal year 2022-2023; and,

**WHEREAS**, two public hearings were held to give citizens the opportunity to comment on the use of State Revenue Sharing; one meeting by the City of Donald Budget Committee was held on May 24, 2022 and the other on June 14, 2022 by the Donald City Council.

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

Section 1: Pursuant to ORS 221.770, the City of Donald hereby elects to receive state shared revenues for fiscal year 2022-2023.

Section 2: The Resolution is and shall be effective from and after its passage by City Council.

**PASSED and ADOPTED** by the City Council of the City of Donald at their regular meeting on this 14<sup>th</sup> day of June 2022 by the vote of 6 ayes and 0 nays.

**DATE:** June 14, 2022



Rick Olmsted, Mayor

**ATTEST** by City Manager this 14<sup>th</sup> day of June, 2022.



Eric Underwood, City Manager

I certify that a public hearing before the Budget Committee was held on May 24<sup>th</sup>, 2022 and a public hearing before the City Council was held on June 14<sup>th</sup>, 2022, giving citizens opportunity to comment on the use of State Revenue Sharing.



Eric Underwood, City Manager

**Resolution No. 554-22****OR-LB-RES****RESOLUTION ADOPTING THE BUDGET**

BE IT RESOLVED that the City Council of the City of Donald hereby adopts the budget for fiscal year 2022-2023 in the total amount of \$4,763,509.\* This budget is now on file at 10710 Main Street NE, in Donald, Oregon.

**RESOLUTION MAKING APPROPRIATIONS**

BE IT RESOLVED that the amounts shown below are hereby appropriated for the fiscal year beginning July 1, 2022, for the following purposes:

<b>General Fund</b>		<b>Debt Service Fund</b>	
<u>Organizational Unit or Program:</u>		Debt Service	23,565
Administration	179,193	<b>Total</b>	<b>\$ 23,565.00</b>
Planning & Building	119,000		
Public Safety	53,000	<b>Water Fund</b>	
Parks	59,679	Water	1,654,994
Community Development	290,763	Transfers Out	10,890
<u>Not Allocated to Organizational Unit or Program:</u>		Contingency	22,000
Transfers Out	10,000	<b>Total</b>	<b>\$1,687,884.00</b>
Contingency	75,000		
<b>Total</b>	<b>\$ 786,635.00</b>	<b>Sewer Fund</b>	
		Sewer	629,694
<b>Street Fund</b>		Transfers Out	10,890
Streets	395,879	Contingency	150,000
Contingency	45,000	<b>Total</b>	<b>\$ 790,584.00</b>
<b>Total</b>	<b>\$ 440,879.00</b>		
		<b>System Development Fund - Water</b>	
<b>Stormwater Fund</b>		Water Improvements	32,120
Stormwater	3,050	<b>Total</b>	<b>\$ 32,120.00</b>
Contingency	500		
<b>Total</b>	<b>\$ 3,550.00</b>	<b>System Development Fund - Sewer</b>	
		Sewer Improvements	32,120
		<b>Total</b>	<b>\$ 32,120.00</b>
		<b>Total APPROPRIATIONS, All Funds</b>	<b>\$ 3,797,337</b>
		Total Unappropriated and Reserve Amounts, All Funds	966,172
		<b>TOTAL ADOPTED BUDGET</b>	<b>\$ 4,763,509 *</b>

(\*amounts with asterisks must match)

**RESOLUTION IMPOSING THE TAX**

BE IT RESOLVED that the following ad valorem property taxes are hereby imposed upon the assessed value of all taxable property within the district for tax year 2022-2023:

- (1) At the rate of \$0.8752 per \$1,000 of assessed value for permanent rate tax;
- (2) In the amount of \$24,120 for debt service on general obligation bonds;

**RESOLUTION CATEGORIZING THE TAX**

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

**Subject to the General Government Limitation**

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

**Excluded from Limitation**

General Obligation Bond Debt Service..... \$24,120

The above resolution statements were approved and declared adopted on June 14, 2022.

Passed by a vote of 6 ayes and 0 nays.

**APPROVED:**



Rick Olmsted  
Mayor

**ATTEST:**



Eric Underwood  
City Manager

150-504-065 (Rev. 11-19-21)

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

To assessor of Marion County

FORM OR-LB-50  
2022-2023

☐ Check here if this is an amended form.

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

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

<u>PO Box 388</u> Mailing Address of District	<u>Donald</u> City	<u>OR</u> State	<u>97020</u> ZIP code	<u>June 15, 2022</u> Date
<u>Eric Underwood</u> Contact Person	<u>City Manager</u> Title	<u>503-678-5543</u> Daytime Telephone	<u>citymanager@donaldoregon.gov</u> 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	Excluded from Measure 5 Limits Dollar Amount of Bond Levy
1. Rate per \$1,000 or Total dollar amount levied (within permanent rate limit) . . . . .	1	0.8752	
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 <b>prior</b> to October 6, 2001 . . . . .	5a.		0
5b. Levy for bonded indebtedness from bonds approved by voters <b>on or after</b> October 6, 2001 . . . . .	5b.		24,120
5c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b) . . . . .	5c.		24,120

## PART II: RATE LIMIT CERTIFICATION

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

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

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

## Part IV: SPECIAL ASSESSMENTS, FEES AND CHARGES\*

Description	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.