

BUDGET ISSUE PAPERS

Fiscal Year 2019-20

As of 03/19/2019

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BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20		19-001

TO: City of The Dalles Budget Committee
FROM: Angie, Finance Director
THRU: Julie Krueger, City Manager
DATE: April 2, 2019
ISSUE: **BIP 19-001 Budget Process Overview**

BACKGROUND: The budgeting process for the City of The Dalles is guided by Oregon’s Local Budget Law in order to establish standards for procedures, minimum requirements for the information provided, encourage citizen involvement, and control expenditures of public funds.

Local Budget Law: establishes standard procedures

- A district that doesn’t follow Local Budget Law may not lawfully expend money or certify property taxes to the County Assessor (ORS 294.338).
- A property tax made contrary to Local Budget Law is voidable by the Oregon Tax Court if appealed by the Department of Revenue, the County Assessor, the County Board of Commissioners/County Court, or ten interested taxpayers (ORS 294.461).
- Civil Liability: Any public official who expends public monies in excess of the amounts or for any other purpose than authorized by law shall be civilly liable for the return of the money, if there is malfeasance in office or willful or wanton neglect of duty (ORS 294.100).

The Oregon Department of Revenue’s “Local Budgeting in Oregon” booklet is geared towards providing information to Budget Committee members about the required budgeting process. Please let me know if you would like me to send you a PDF copy or print one out for you.

Budget Officer: Local Budget Law requires a Budget Officer be designated to be responsible for the preparation and delivery of a balanced proposed budget to the Budget Committee. The City of The Dalles Charter, in Section 22, City Manager, (6), (8), states that the City Manager shall prepare and transmit to the Council an annual City budget, which makes Julie Krueger the designated Budget Officer.

Budget Committee: Local Budget Law requires a Budget Committee be formed that is made up of the governing body and an equal number of appointed citizens. Employees or agents of the City may not serve as appointed members of the committee. Appointed members of the Committee must be residents and registered voters within the City limits.

- The City Budget Committee is made up of five (5) Councilors and five (5) appointed members. The Mayor does not sit on the City's Budget Committee as he is not a voting member of the City Council.

A quorum of the Budget Committee is one more than half the members and a quorum must be present to conduct the business of the Budget Committee.

- If the Budget Committee has all ten members in place, then six must attend to have a quorum.
- If the Budget Committee cannot fill a citizen position, then the Budget Committee stands at nine, and a quorum is five.
- If there is a position vacant on the governing body, but all five members of the citizen positions are filled, the vacant governing body position is still considered to be on the Committee, so the Committee still stands at ten, and a quorum would be six.
- If there is a vacant position on the governing body and a vacant citizen position, the Committee membership would be considered to be nine, and the quorum would be five.

Please Note: Any action of the Budget Committee requires a majority of the Committee as a whole, not just a majority of the Committee members in attendance. So if a quorum is six, and only six are present, then all six must vote unanimously in order to take any action.

Budget Process and Calendar: The four steps of budgeting are as follows:

- Propose the Budget – This is performed by the Budget Officer & Staff as guided by policies, operations and service levels, debt obligations, and City Council goals.
- Certify the Taxes, take public comment on the proposed budget, review and revise the proposed budget if necessary, and approve the Budget. These are the duties of the Budget Committee.
- Hold Public Hearing on the Approved Budget, revise if necessary, and adopt the Budget by Resolution before June 30th. These are duties of the City Council.
- Changes after Adoption if necessary – The City Council reviews and adopts changes if necessary via Budget Amendment Resolutions and/or Supplemental Budget Resolutions.

A Budget Calendar is developed for the City each year, usually in December, so that all the required steps are accomplished in a timely manner. The first Budget Committee meeting this year is scheduled for [April 29th](#), and will continue on each evening that week until the Committee approves a budget. Please reserve your evenings that week for these important meetings.

Budget Issue Papers (BIP): During the process of developing the budget each year, Staff provides these documents (BIPs) discussing specific issues related to the development of the budget. The BIPs provide explanations of policies and how they have been used, unique aspects of the budget, lists of general five year Capital Improvement Plans, significant changes in the proposed budget, and new items that were requested by the Department Managers. Over the years, these have proven to be very helpful to our Budget Committee members in understanding the proposed budget.

Budget Books: The proposed budget is provided in binders to all the members of the Budget Committee at least ten days prior to the First Budget Committee meeting so that the members have time to read through it and contact staff with any questions they may have prior to the meeting. It greatly facilitates the budget process when questions are asked of the staff prior to the meetings, as it allows staff to answer individual questions that help clarify issues that may not need to be addressed before the full Committee, and also gives staff the opportunity to be prepared with answers for those questions that do need to be considered by the full Committee. If staff is not given a “heads up” on those questions prior to the meeting, we may not be able to provide answers without further research, causing delays in the process.

Budget Message: The proposed budget book always contains the Budget Message from the Budget Officer. This is required by Oregon Budget Law. The budget message provides information how the proposed budget was developed, what major changes are included and the status of the major funds within the budget.

Policies: The fiscal policies used to develop the proposed budget are presented in the Budget Message for the Budget Committee’s review. The policies have remained fairly consistent over the past several years and are presented on page I of the Budget Message in your City **FY19/20** Proposed Budget Book.

Council Goals: City Council Goals are now in the Performance Benchmarking Book that is in the Budget Book.

Funds: A fund is a self-balancing set of accounts used to record estimated resources (revenues) and requirements (expenditures) for specific activities and objectives.

- **Governmental Funds** are normally supported by taxes and intergovernmental revenues and include most of the City’s basic services.
 - The **General Fund (001)** is the City’s primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another

fund. Principal sources of revenue are property taxes, franchise fees, hotel-motel tax, and state shared revenues. The following departments are included in the General Fund:

- ✓ City Council Dept
- ✓ City Manager Dept
- ✓ Legal Dept
- ✓ Finance Dept / Utility Billing Dept/ Judicial Dept
- ✓ Human Resource Dept
- ✓ Planning Dept/ Economic Development Dept/ Code Enforcement Dept
- ✓ Police Dept/Animal Control Dept
- ✓ Technology Dept
- ✓ General Services
- ✓ Other:
 - * Special Payments
 - * Interfund Transfers
 - * Contingency
 - * Unappropriated Ending Fund Balance

- The ***Library Fund (004)*** accounts for the operation of the City Library. Principal sources of revenues are funds from the County collected Library District taxes, state grants, library fines, and donations.
- The ***Street Fund (005)*** accounts for the cost of maintaining City streets and storm water drainage systems. Principal sources of revenues are state gasoline taxes apportioned from the State of Oregon, local fuel taxes, and charges for services to other funds, and transfers.
 - ✓ ***Public Works Reserve Fund (009)*** accounts for transfers from the Street, Water and Wastewater Funds to save for vehicle and equipment replacement.
 - ✓ ***Transportation Systems Reserve Fund (013)*** accounts for transfers from the Street Fund and collection of Transportation System Development Charges revenue to save for major system improvements to the City's transportation system.
- The ***Unemployment Reserve Fund (010)*** accounts for .5% of wages contributed by each fund with personnel costs to save for future payments of unemployment benefits.
- The ***Community Benevolence Fund (011)*** provides for the accumulation of funds, mostly from small grants, to pay for expenses related to the memorials to Veterans of the community.
- The ***Special Grants Fund (018)*** accounts for various grant programs operated by the City. Revenues consist of primarily of grants and interest on investments.

- The *State Office Building Fund (021)* accounts for operations and maintenance of a City owned building currently rented by the State of Oregon, with revenues coming from rents.
 - The *Special Enterprise Zone Fund (022)* accounts for annual payment and the initial project fee for Phase II under the third Design LLC Agreement. These funds are to be used to fulfill the commitment to the Columbia Gorge Community College Treaty Oak Skill Center per the IGA date January 25, 2019 and other future uses.
 - The *Special Assessment Fund (036)* accounts for assessment principal and interest collected, and saving for financing of public improvements or services deemed to benefit primarily the properties against which the assessments are levied.
 - The *Capital Projects Fund (037)* accounts for capital projects not supported by grants.
 - The *FFCO 2008 Debt Service Fund (043)* accounts for the repayment of the Full Faith and Credit Bonds related to the relocation of the Public Works facilities and the remodel of City Hall.
 - The *2009 FFCO Debt Service Fund (044)* accounts for the repayment of the Full Faith and Credit Bonds related to the Urban Renewal loan, water and sewer improvements, and the pending 3rd Street LID.
- **Business-type or Enterprise Funds** are normally self-supported by charges for services and include the City's water, wastewater and airport related funds.
- The *Water Funds* account for revenues and expenses related to the City's water utility operations and include the following funds:
 - ✓ *Water Utility Fund (051)* accounts for the operational costs of the Water Treatment Division and the Water Distribution Division services, supported by charges for services.
 - ✓ *Water Capital Reserve Fund (053)* accounts for transfers from the Water Utility Fund and collection of Water System Development Charges to save for future capital improvements to the water systems, and for transfers to water related debt service funds.
 - The *Wastewater Funds* account for revenues and expenses related to the City's wastewater utility and stormwater operations.
 - ✓ *Wastewater Fund (055)* accounts for the operational costs of the wastewater collection and treatment systems and services, and stormwater systems, supported by charges for services.
 - ✓ *Sewer Special Reserve Fund (056)* accounts for transfers from the Wastewater Fund and collection of the Sewer and Stormwater System Development Charges to save for future capital improvements to the wastewater and stormwater systems, and for transfers to the 2009 FFCO Debt Service Fund.

- ✓ *Sewer Plant Construction/Debt Service Fund (057)* accounts for transfers from the Wastewater Utility Fund and Wastewater Capital Fund for capital projects and for transfers to the Wastewater Debt Service Fund.
- *Utility Revenue and Refunding Bond Series 2018(059)* accounts for repayment of the Wastewater Revenue Bond 2003 and the Water Revenue Bond 2007, and additional WWTP Clarifier/Primary Filter project
- The *Airport Funds* account for the activity associated with the operations and capital improvement of the City's municipal airport.
 - ✓ *Airport Fund (061)* accounts for the operation and maintenance of the Airport, supported mainly by hanger rentals and charges for services.
 - ✓ *Airport Debt Service Fund (062)* accounts for repayment of long-term debts incurred by the Airport.

Budget Book Structure:

- General Fund (001)
- Library Fund (004)
- Public Works Funds:
 - Street Fund (005)
 - ✓ Public Works Reserve Fund (009)
 - ✓ Transportation Systems Reserve Fund (013)
 - Water Utility Fund (051)
 - ✓ Water Capital Reserve Fund (053)
 - Wastewater Fund (055)
 - ✓ Sewer Special Reserve Fund (056)
 - ✓ Sewer Plant Construction/Debt Service Fund (057)
- Airport Fund (061)
- Capital Improvement Funds:
 - Special Assessment fund (036)
 - Capital Projects Fund (037)
- Special Revenue Funds:
 - Unemployment Reserve Fund (010)
 - Community Benevolence Fund (011)
 - Special Grants Fund (018)
 - State Office Building Fund (021)
 - Special Enterprise Zone Fund (022)
- Debt Service Funds
 - Airport Debt Service Fund (062)
 - Water Revenue Bond Fund (041)
 - FFCO 2008 Bond Fund (043)
 - 2009 FFCO Bond Fund (044)

- Wastewater Facility Revenue Bond Fund (058)
- Utility Revenue Bond (059)
- Appendices
 - Appendix A – Summary of Property Tax Levies
 - Appendix B – Detail of Public Works Fund transfers to the General Fund for services
 - Appendix C – Table of all interfund transfers
 - Appendix D – Wages Ranges and Salaries
- Budget Information Papers (BIPs)
 - Memorandums explaining various aspects of the proposed budget and operations

Adopting Resolution Structure: The Budget Book includes all line items, which are used by staff to more accurately budget and track revenues and expenditures. However, traditionally the budget is adopted by resolution at the “category/object classification” level in all funds except the General Fund. Category levels are:

- | | | |
|------------------------|--------------------|---------------|
| ○ Personnel Services | ○ Debt Service | ○ Contingency |
| ○ Materials & Services | ○ Special Payments | |
| ○ Capital Outlay | ○ Transfers | |

The General Fund is adopted by “department/organizational unit” level, i.e., City Council Department, City Manager Department, etc. New direction from the State Local Budget Law team indicates that we should start budgeting by “program”, so the structure of the resolution may change for FY19/20, and I will work with the State representatives to ensure that we do it correctly.

The resolution structure provides the City the most discretion regarding expenditures within categories or departments or programs. Staff uses the line items to budget and track accurately, but can under or over expend individual line items within a category, department or program without triggering the need for formal budget amendments.



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20		19-002

TO: City of The Dalles Budget Committee
FROM: Angie Wilson, Finance Director
THRU: Julie Krueger, City Manager
DATE: April 12, 2019
ISSUE: **BIP 19-002 Operating Fund Summary by Expense Categories**

BACKGROUND:

- The purpose of this Budget Information Paper (BIP) is to provide a breakdown and summary of the City’s major operating funds to help the Committee review the potential full budget and its significant changes due to the changes in our revenue resources and expense appropriation requests. A summary of the proposed budgets for the General Fund and Other Operating Funds by department and expense category within in each fund is shown below.
- The bottom line within the General Fund is an overall increase of \$1,744,155 (16.908%) in the Budget Officer’s recommended budget for FY19/20 from the current FY18/19 budget. General Fund Personnel Services increased overall by 2.7% due to the proposed 2% COLA and the 7% on increases of health benefits, anticipated step increases and restructuring the assistant to the City Manager position.
- Materials & Services shows an overall decrease of \$52,758 (-2.4%). All Department have decreased their budget, except the police department. The Police department has increased expenditures due to towing services that was added to their budget and additional software and equipment for body cameras
- Capital Outlay has stayed the same from last year (0).

- Operating Transfers Out increased by (246%) \$277,932 due to the increase in the transfer to the Street Fund. Also we have not been transferring money into the unemployment fund for the last couple of fiscal years, but are requesting the transfer in FY 19/20.
- Contributions to Agencies, is the amount of the Transient Room Taxes that we collect and pass on to the Parks and Recreation District which is budgeted to increase at a same level from last year.
- The proposed Contingency/Unappropriated shows an increase of 81.%. We are budgeting to set up a reserve for future expenditure fund. This amount will be set aside for future appropriations.

Other fund operating budget changes from last year include:

- Library Fund: Overall increase of .5%, mostly due to the increase in the contingency fund/Unappropriated fund balance and the increase for administration services that has been currently froze over the last 2 years.
- Street Fund: Overall increase of 4.9% is mostly due to the increase in the contingency.
- Water Utility Fund: Overall increase of 6.9%, mostly due to the transfers out for administration services.
- Wastewater Fund: Overall increase of 17.4%, mostly due to the transfers out for administration services.

Please see below for the breakdowns by department and categories within each fund.

City Council Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Materials & Services	291,304	299,981	8,677	3.0%
Capital Outlay	-	-	-	
Total	291,304	299,981	8,677	3.0%
-				
City Clerk Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	131,600	135,176	3,576	2.7%
Materials & Services	17,210	23,535	6,325	36.8%
Capital Outlay			-	
Total	148,810	158,711	9,901	6.7%
-				
City Manager Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	286,392	310,240	23,848	8.3%
Materials & Services	76,444	25,085	(51,359)	-67.2%
Total	362,836	335,325	(27,511)	-7.6%
-				
Legal Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	227,789	266,957	39,168	17.2%
Materials & Services	57,365	61,253	3,888	6.8%
Total	285,154	328,210	43,056	15.1%

Judicial Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	114,972	64,691	(50,281)	-43.7%
Materials & Services	105,982	94,654	(11,328)	-10.7%
Total	220,954	159,345	(61,609)	-27.9%
-				
Finance Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	313,482	322,026	8,544	2.7%
Materials & Services	73,231	70,553	(2,678)	-3.7%
Total	386,713	392,579	5,866	1.5%
-				
Utility Billing Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	169,883	145,579	(24,304)	-14.3%
Materials & Services	74,317	81,020	6,703	9.0%
Capital Outlay	-	-	-	0.0%
Total	244,200	226,599	(17,601)	-7.2%
-				
Human Resources Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	205,806	213,670	7,864	3.8%
Materials & Services	28,109	29,019	910	3.2%
Total	233,915	242,689	8,774	3.8%
-				
Planning Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	456,872	478,963	22,091	4.8%
Materials & Services	100,330	67,075	(33,255)	-33.1%
Capital Outlay	-	5,000	5,000	
Total	557,202	551,038	(6,164)	-1.1%
-				
Economic Development	Current	FY19/20	\$ Difference	%
Personnel Services		-	-	#DIV/0!
Materials & Services	44,020	49,220	5,200	11.8%
Total	44,020	49,220	5,200	11.8%
-				
Code Enforcement	Current	FY19/20	\$ Difference	%
Personnel Services	86,264	67,658	(18,606)	-21.6%
Materials & Services	34,945	26,130	(8,815)	-25.2%
Capital Outlay	-	-	-	
Total	121,209	93,788	(27,421)	-22.6%
-				
Police Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	3,269,603	3,325,518	55,915	1.7%
Materials & Services	870,023	891,815	21,792	2.5%
Capital Outlay	119,250	127,100	7,850	6.6%
Total	4,258,876	4,344,433	85,557	2.0%

Technology Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	108,535	163,943	55,408	51.1%
Materials & Services	145,104	136,852	(8,252)	-5.7%
Capital Outlay	7,000	5,100	(1,900)	-27.1%
Total	260,639	305,895	45,256	17.4%
		-		
General Services Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	66,697	73,232	6,535	9.8%
Materials & Services	268,424	280,358	11,934	4.4%
Capital Outlay	11,000	-	(11,000)	-100.0%
Total	346,121	353,590	7,469	2.2%
		-		
Animal Control Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	53,087	69,728	16,641	31.3%
Materials & Services	31,300	28,800	(2,500)	-8.0%
Capital Outlay	-	-	-	
Total	84,387	98,528	14,141	16.8%
		-		
Other Uses Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Charges for Services	707,000	743,092	36,092	5.1%
Operating Transfers Out	113,000	390,932	277,932	246.0%
Contingency/Unappropriated	1,649,449	2,995,989	1,346,540	81.6%
Total	2,469,449	4,130,013	1,660,564	67.2%
		-		
Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
General Fund Totals	10,315,789	12,059,944	1,744,155	16.9%
		-		
General Fund Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	5,490,982	5,637,381	146,399	2.7%
Materials & Services	2,218,108	2,155,350	(62,758)	-2.8%
Capital Outlay	137,250	137,200	(50)	0.0%
Charges for Services	707,000	743,092	36,092	5.1%
Operating Transfers Out	113,000	390,932	277,932	246.0%
Contingency/Unappropriated	1,649,449	2,995,989	1,346,540	81.6%
Total	10,315,789	12,059,944	1,744,155	16.908%

PUBLIC WORKS FUNDS				
Street Fund Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	906,688	876,925	(29,763)	-3.3%
Materials & Services	674,047	688,842	14,795	2.2%
Capital Outlay	982,022	1,049,113	67,091	6.8%
Total	2,562,757	2,614,880	52,123	2.0%
Other Uses				
Charges for Services	-	-	-	
Operating Transfers Out	303,237	357,880	54,643	18.0%
Contingency	60,483	97,123	36,640	60.6%
Total	363,720	455,003	91,283	25.1%
Street Fund Totals	2,926,477	3,069,883	143,406	4.9%
Water Utility Fund Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Water - Treatment Division				
Personnel Services	916,680	941,106	24,426	2.7%
Materials & Services	522,466	587,056	64,590	12.4%
Capital Outlay	70,000	109,500	39,500	56.4%
Total	1,509,146	1,637,662	128,516	8.5%
Water - Distribution Division				
Personnel Services	1,334,449	1,342,595	8,146	0.6%
Materials & Services	637,954	644,849	6,895	1.1%
Capital Outlay	250,710	165,910	(84,800)	-33.8%
Total	2,223,113	2,153,354	(69,759)	-3.1%
Other Uses				
Charges for Services	-	-	-	
Operating Transfers Out	2,571,694	2,986,279	414,585	16.1%
Contingency	77,857	45,040	(32,817)	-42.2%
Total	2,649,551	3,031,319	381,768	14.4%
Water Fund Totals	6,381,810	6,822,335	440,525	6.9%
Wastewater Fund Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Wastewater Fund				
Personnel Services	1,361,861	1,318,700	(43,161)	-3.2%
Materials & Services	1,877,380	1,945,676	68,296	3.6%
Capital Outlay	288,010	150,000	(138,010)	-47.9%
Total	3,527,251	3,414,376	(112,875)	-3.2%
Other Uses				
Charges for Services	-	-	-	
Operating Transfers Out	2,161,009	3,303,573	1,142,564	52.9%
Contingency	135,092	119,459	(15,633)	-11.6%
Total	2,296,101	3,423,032	1,126,931	49.1%
Wastewater Fund Totals	5,823,352	6,837,408	1,014,056	17.4%

Library Fund Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	829,705	801,710	(27,995)	-3.4%
Materials & Services	639,943	687,764	47,821	7.5%
Capital Outlay	20,400	33,600	13,200	64.7%
Charges for Services	-	-	-	
Interfund Transfers	80,391	104,842	24,451	30.4%
Contingency/Unappropriated	1,034,339	1,106,442	72,103	7.0%
Total	2,604,778	2,734,358	129,580	5.0%
State Office Building Fund				
Breakdown	Current FY18/19	FY19/20 Request	\$ Difference	% Difference
Personnel Services	66,477	73,012	6,535	9.8%
Materials & Services	137,666	127,686	(9,980)	-7.2%
Contingency	89,876	82,108	(7,768)	-8.6%
Total	294,019	282,806	(11,213)	-3.8%



CITY of THE DALLES

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BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20	City Council	19-003

TO: City of The Dalles Budget Committee
FROM: Julie Krueger, City Manager
DATE: February 12, 2019
ISSUE: **BIP 19-003 City Council Supported Programs**

BACKGROUND:

The Dalles City Council, under its Contractual Services line item, provides financial support to a number of activities. The chart below lists prior activities and the activities that have been recommended for support in FY 19/20.

City Council Contractual Services					
Service	Partner	FY 17/18 Budget	FY 18-19 Budget	FY 19-20 Proposed	Funding Source
LINK	MCEED Transportation	\$10,000	\$10,000	\$20,000	TRT
Sister City Program	Local Non-Profit Association	\$7,500	\$7,500	\$2,500	TRT
4th of July Celebration	Veterans & Civic Organizations	\$25,000	\$35,000	\$20,000	TRT
The Dalles Murals upkeep	The Dalles Mural Society	-	\$15,000	\$15,000	TRT
Substance Abuse	YouthThink	\$12,000	\$12,000	\$12,000	TRT
Small Grants (listed above)		\$19,848	\$20,345		NRR
Fire Museum display	Discovery Center & Fire District			\$1,800	TRT
	Total:	\$74,348	\$99,845	\$71,300	



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20	General Fund	19-004

TO: City of The Dalles Budget Committee

FROM: Angie, Finance Director

THRU: Julie Krueger, City Manager

DATE: April 12, 2019

ISSUE: **BIP 19-004 General Fund Contingency, Unappropriated Ending Fund Balance, and Non-Recurring Revenues**

BACKGROUND:

- **Contingency:** The adopted City Council Policy is to maintain a 10% General Fund Contingency. The General Fund Contingency this year is proposed at \$790,493, which meets the 10% policy. This is calculated by taking the total operating budgets of the departments, Transfers Out and removing the costs of any Main Street support.
- **Unappropriated Ending Fund Balance:** The City Council has a policy to maintain an Unappropriated General Fund Balance equal to the first four months of net operating expenses. We average the first four months from the prior five years average to set the unappropriated amount for the coming year. This allows us to have sufficient cash flow until property tax revenues begin to come in during November.

We have proposed an Unappropriated Ending Fund Balance of \$1,046,212. This is an increase of \$98,004 (10.34%) from FY18/19. This amount has met the City Goal.

- **Reserved For Future Expenditure:** This year, we have budgeted to have a reserve for future expenditure line item. This is a line item requirement which identifies funds to be “saved” for use in future fiscal years. We have budgeted an amount of \$1,149,284.

- Non-Recurring Revenues: Each year the resources for the General Fund include a portion that are one time or non-recurring revenues, that will not necessarily be available in future years. In expending those funds we need to use caution, to make sure they are not spent on operational expenses that will require continuation of the resource in future years. For example, it would be unwise to budget for positions that we know you will have to find funds for next year.

This year in the General Fund we have not identified a portion of the Beginning Fund Revenue as one time revenue:

- The Budget Committee may wish to review the one time expenditures listed above to determine if any of them should be eliminated or reduced so that one-time revenues are used for one-time expenditures.



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20		19-005

TO: City of The Dalles Budget Committee
FROM: Angie Wilson, Finance Director
THRU: Julie Kruger, City Manager
DATE: February 26, 2019
ISSUE: **BIP 19-005 Expenditure of Transient Room Tax Revenue**

BACKGROUND:

- The City of the Dalles has, by ordinance, a tax on transient room rentals (stays of less than 30 days). It is often referred to as “Room Tax”. The tax is specifically added to the room rate and paid by the person renting the room. The first transient room tax for the City of The Dalles was adopted in 1977. The City has had a 6% rate in effect since 1984, with a short-term additional 2% rate for a special need in the early 1990’s. An additional 2% tax was implemented January 1, 2003. A portion of that 2% was used to pay off the Union Street Underpass debt, and the remainder went to the Northern Wasco County Parks and Recreation District. The debt was paid off in FY13/14, so now, by Ordinance, that 2% tax goes to the Northern Wasco County Parks and Recreation District.
- The ordinance establishing the 6% room tax for General Fund purposes requires a minimum of 21% be used for tourism promotion. The City has historically spent the amount not used for tourism promotion, in the General Fund, as the City Council and Budget Committee deems best.
- In 2003 the State Legislature adopted legislation that is now contained in ORS 320.300 to 320.350. The law requires that “A local government that imposed a local transient lodging tax on July 1, 2003 may not decrease the percentage of total local transient lodging tax revenues that are actually expended to fund tourism promotion or tourism related facilities on or after July 2, 2003...” (ORS 320.350(3)). The City of The Dalles expended 50.2% of the 6% room tax on tourism promotion or tourism related facilities in 2003. This budget maintains that percentage as identified in Table 1.

- We are estimating that we will collect \$864,276 in room tax in fiscal year 2019-20. This is \$60,000 more than was estimated for FY18/19.

Department budgeted	Activity	FY 18/19 Proposed	FY 19/20 Proposed	Percent
Special Payments	Main Street For Tourism Promotion	40,000	40,000	4.6%
Special Payments	Tourism Promotion (Chamber of Commerce)	290,000	325,000	37.6%
City Council	Sister City Program	7,500	2,500	0.3%
City Council	Small Grants Program	20,345	-	0.0%
City Council	Youth Think	12,000	12,000	1.4%
City Council	Fort Dalles Fourth Celebration	35,000	20,000	2.3%
City Council	Downtown Murals	15,000	15,000	1.7%
City Council	MCCOG Link	10,000	20,000	2.3%
City Council	Beautification/Arts	-	30,000	3.5%
City Council	Fire Museum Display	-	1,800	0.2%
City Manager	Main Street Support	50,000	-	0.0%
Economic Dvl	Main Street Support	-	25,000	2.9%
Planning	Ft. Dalles Museum Support	22,500	22,500	2.6%
Police	Juvenile Work Crew	13,650	13,650	1.6%
Police	Wasco County EOC	9,000	9,000	1.0%
General Services	Festival Dock Park	42,600	45,100	5.2%
	Subtotal	567,595	581,550	67.3%
	Other General Fund Activities		282,726	32.7%
		804,276	864,276	100.0%

The following is a description of the some of these proposed uses for the 2019/20 fiscal year.

Tourism Promotion:

- For fiscal year 2019-20, we are proposing \$325,000 for Tourism Promotion. As indicated, a minimum 21% is to be used for tourism promotion. For the past 20 years, tourist promotion has been done through an agreement the City has with The Dalles Area Chamber of Commerce. The service we receive for the tourism promotion expenditure includes staffing of a visitor center, a tourism coordinator, advertising/marketing efforts, promotional brochures, and project planning and events. Each year the City and Chamber negotiate a budget and work plan. Attached is the Chamber’s proposal, for fiscal year 2019-20.

Fort Dalles Museum:

- The City participates with the County in the operation of this visitor attraction.

Fort Dalles Displays:

- The City Council has contributed to this event for the past five years in various amounts. This year, staff is including \$20,000 contribution toward the fireworks display and \$15,000 for maintenance and repairs to downtown murals.

Small Grants Program:

- Funding is included in the tourism budget for additional small grants.
- **Main Street:**
- The City has been supporting the development of a non-profit Main Street Organization in our downtown for several years. In fiscal year 2013/14 this new non-profit was provided a full time coordinator through the states AmeriCorps – RARE program. A permanent Main Street Coordinator was hired in FY14/15 and the City increased funding for two years to assist with the growth of the organization. This year, the budget includes \$25,000 toward support of the program. An additional \$40,000 has been proposed to support the Tourism Promotion (cruise ship program).

Lewis and Clark Festival Park and Dock:

- Construction on these two facilities was completed in June 2012. We are providing maintenance and utilities for both. We have not included the personnel costs to maintain and operate these tourist attractions.

Sister City Program:

- This is cultural exchange program operated by the Sister City nonprofit in partnership with our sister city of Miyoshi, Japan. This program involves sending delegations of students and adult representatives to exchange ideas, culture, experiences, etc.

Local Events:

- During a recent work session regarding tourism, there was some support to include funds for local events. The City Manager believes this function currently exists within funds provided to the Chamber of Commerce for tourism promotion.

Beautification and Arts Committees:

- The Mayor proposes to create and/or partner with other groups to create these committees. The budget includes \$30,000 for community projects and programs identified by these committees, and approved by City Council.



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20	Community Development	19-006

TO: City of The Dalles Budget Committee
FROM: Steven Harris, Community Development Director
THRU: Julie Krueger, City Manager
DATE: February 15, 2019
ISSUE: **BIP 19-006 Economic Opportunities Analysis Implementation**

RELATED FUND AND LINE ITEM: General Fund – CDD 0001-1150-000.31.10

BACKGROUND:

- The Department has contracted with an economic consulting firm, Bridge Economic Development, to prepare an Economic Opportunities Analysis (EOA) and Action Plan. The EOA will focus on the city’s economic assets in relation to the region (industry clusters and trends, labor market characteristics and commercial/industrial land demands). This work will complement activities by MCEDD and other local partners, and is scheduled by to complete by the end of FY18-19.
- The proposed budget item would fund the first phases of the EOA’s Action Plan, including an analysis of current employment land supply and future demand (based on job growth, development characteristics and other factors identified in the EOA). An EOA, including the land demand/supply reconciliation, implements statewide Planning Goal 9 Economy of the State and is an application requirement to modify the City’s Urban Growth Boundary (UGB).

Budget Implications

- FY19-20 - \$20,000 requested



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20		19-007

TO: City of The Dalles Budget Committee

FROM: Angie Wilson, Finance Director

THRU: Julie Krueger, City Manager

DATE: April 3, 2019

ISSUE: **BIP 19-007 Public Works and Library Fund Transfers to General Fund for Administrative Services**

BACKGROUND:

The following seven General Fund departments provide services to the City’s Library and Public Works Funds: City Council, City Manager, City Clerk, City Attorney, Finance, Technology, and Personnel. To compensate the General Fund for the cost of the services, a percentage of the expenses of each department is charged to the three Public Works operating Funds. The calculations of these services are based on the levels of services provided. We have used four indicators of services: proposed operating budgets for the coming fiscal year, and prior fiscal year information on the number of employees, number of invoices processed, and number of agenda items for each of the Public Works Funds. The services provided by the Technology Department were distributed based on the IT Manager’s time and the actual hardware, software, applications, and server share used by each department.

Please note that the Library Operating Fund Budget has not been considered in any of the allocations to the General Fund Departments because the majority of those revenues come from one source, the distribution of the Library District taxes.

These indicators are weighted for each of the General Fund Departments assigned to the Library and each of the Public Works funds as follows:

City Council Department:

- The Contractual Services line item is designated to the General Fund. The remaining City Council operating budget is spread based on the number of agenda items (40%) and the PW operating budgets (60%).

City Clerk Department:

- This department has two main aspects: City Clerk (based on budgets and agenda items); and General Services (considered to be General Fund activities). Each aspect is considered to be 1/3 of the department's time on average, although work fluctuates somewhat. The City Clerk portion is affected by both items on the Council Agendas and other documents generated on non-agenda items represented by the size of the PW budgets. The 1/3 of the City Clerk functions is split between those two items.

City Manager Department:

- The City Manager department considers the PW operating budgets at 40%; the number of agenda items at 20%; and the number of employees at 40%.

Economic Development Sub-Dept:

- This sub-department to the Planning Department has not been used in the FY19/20 proposal for Public Works, as no direct services are provided to those funds.

Legal Department:

- The Legal Department uses the PW operating budgets (40%); number of employees (40%); and number of agenda items (20%). This considers that the more activity in a fund, the more time spent on legal documents and other issues for that fund.

Judicial Sub-Dept:

- This sub-department of the Legal Department is designated as General Fund only.

Finance Department:

- Since the Finance Department processes all billing, receipting, and payroll, the spread is calculated using the PW operating budgets at 40%, the number of Accounts Payable invoices at 30%, and the number of employees at 30%.

Utility Billing Sub-Dept:

- The percent of the current rates for in-city residential are rounded at 54% water and 46% wastewater (includes storm drain fees). These percentages are used to spread this total sub-department to the Water and Sewer Funds.

Planning Dept:

- With the exception of one-half of the personnel services costs of the Right-of-Way Planner and the Project/Infrastructure Inspector, all of the Planning costs are designated to the General Fund. The total of the exceptions shown above are designated as 33% to the Street Fund, 33% to the Wastewater Fund, and 34% to the Water Fund.

Police Dept:

- All of the Police Department costs are designated to the General Fund.

Technology Department:

- The costs of the Wi-Fi system are removed before the following calculations are made. The time spent in each PW department for departmental projects is considered when spreading the IT Personnel costs, and the cost of hardware, software, server share, applications, etc., for each of the PW departments is considered when spreading the IT M&S and Capital Outlay, with both items receiving equal weight.

Personnel Department:

- The number of employees in each of the PW departments determines the percent of the Personnel Department costs. Human Resources (based on the number of employees);

The attachment (Appendix B) shows the cost of distribution of the General Fund departments' costs between the General Fund, Street Fund, Water Fund, and Wastewater Fund as proposed for FY18/19. Pages 4 – 7 show the calculations that were made to arrive at the final transfer amounts.

City of The Dalles, Oregon
DETAIL OF TRANSFERS FOR SERVICES PROVIDED BY THE GENERAL FUND
TO THE LIBRARY AND PUBLIC WORKS FUNDS FOR FY18/19

Department	Total	General Fund		Street Fund		Water Fund		W. Water Fund		PW	Library Fund		GRAND
	Expenditures	%	Amount	%	Amount	%	Amount	%	Amount	% Total	%	Amount	TOTALS
City Council	198,418	61.38%	160,469	11.72%	11,517	12.68%	12,462	14.22%	13,970	100.00%	0.00%	-	100.00%
City Clerk	135,176	88.28%	119,335	3.71%	5,019	3.60%	4,866	4.41%	5,956	100.00%	0.00%	-	100.00%
City Manager	335,325	55.93%	187,544	10.40%	34,857	16.97%	56,903	14.02%	46,996	97.31%	2.69%	9,025	100.00%
City Attorney	327,790	54.42%	178,367	10.40%	34,074	16.97%	55,625	14.02%	45,940	95.79%	4.21%	13,785	100.00%
Finance	387,579	41.19%	159,654	14.10%	54,659	20.84%	80,766	16.55%	64,151	92.69%	7.31%	28,348	100.00%
Utility Billing	221,559	0.00%	-	0.00%	-	53.50%	118,534	46.50%	103,025	100.00%	0.00%	-	100.00%
Technology	289,571	51.25%	148,418	10.03%	29,035	15.61%	45,207	14.61%	42,298	91.50%	8.50%	24,614	100.00%
Human Resources	242,689	47.43%	115,114	7.82%	18,988	21.52%	52,217	12.71%	30,855	89.49%	10.51%	25,515	100.00%
Court	212,474	100.0%	212,474	0.0%	-	0.0%	-	0.0%	-	100.00%			100.00%
Planning	576,038	100.0%	576,038	0.0%	-	0.0%	-	0.0%	-	100.00%			100.00%
Economic Development	49,220	100.00%	49,220	0.00%	-	0.00%	-	0.00%	-	100.00%		-	100.00%
Police	4,331,076	100.0%	4,331,076	0.0%	-	0.0%	-	0.0%	-	100.00%			100.00%
General Services	353,590	100.0%	353,590	0.0%	-	0.0%	-	0.0%	-	100.00%			100.00%
Code Enforcement	93,788	100.0%	93,788	0.0%	-	0.0%	-	0.0%	-	100.00%			100.00%
Dog Control	98,528	100.0%	98,528	0.0%	-	0.0%	-	0.0%	-	100.00%			100.00%
Totals	7,852,821		6,783,615		188,150		426,579		353,191			101,287	
	398,921												
Right of Way Planner - 1/2 of personal services costs *				61,167	20,185		20,185		20,185				-
Infrastructure Inspector/Codes - 1/2 of personal services costs **				-	-		-		-				-
Watershed Patrol- 1/2 of personal services costs***				-	-		-		-				-
Safety Officer-				84,091	16,658		21,275		11,218			942	
Sub Total					36,844		41,460		31,403				
Total Interfund Transfer from Other Funds for Admin Services					224,993		468,039		384,594			102,229	

For FY 19/20		Calculations Used for Service Costs							
Op Budgets proposed FY19/20- Tech & Employees from FY18/19 - Stats from FY17/18									
	Operating Budgets *	Employees	Technology **	Agenda Items	# A/P Invoices				
Library	-	11	17.00%	-	1,037			1,062	
Streets	2,634,549	8	6.00%	6	1,529			1,919	
Water	3,791,016	22	11.00%	1	1,569			2,743	
Wastewater	3,414,376	13	11.00%	6	1,359			1,732	
General	8,905,970	49	55.00%	60	1,984			2,294	
	18,745,911	102	100.00%	73	7,478			9,750	
Library	0.00%	10.51%	17.00%	0.00%	13.87%			10.89%	-2.98%
Streets	14.05%	7.82%	6.00%	8.22%	20.45%			19.68%	-0.76%
Water	20.22%	21.52%	11.00%	1.37%	20.98%			28.13%	7.15%
Wastewater	18.21%	12.71%	11.00%	8.22%	18.17%			17.76%	-0.41%
General	47.51%	47.43%	55.00%	82.19%	26.53%			23.53%	-3.00%
	100.00%	100.00%	100.00%	100.00%	100.00%				
* Operating Budgets Only - does not include transfers, contingency, unappropriated, or reserves.									
** Technology - based consideration of the IT Manager's time and the actual hardware, software, applications, server share, etc., used by each department.									
**** PW includes ten (10) admin personnel split between Streets (3), Water (3), and Wastewater (4)									
City Council Dept						City Council Dept Weighted Calcs			
Remove Contractual Services from operating budget and apply to General Fund only. The spread is based on the remaining operating budget and number of agenda items, with budgets weighted at 60% and agenda items weighted at 40 %.						Library	Weight	% to Use	
	Budget	# Agenda Items			% to Use for Budget	Budget	60.00%	0.00%	
Library Fund	0.00%	0.00%			0.00%	# Agenda Items	40.00%	0.00%	
Street Fund	14.05%	8.22%			11.72%				0.00%
Water Fund	20.22%	1.37%			12.68%				
Wastewater Fund	18.21%	8.22%			14.22%	Streets	Weight	% to Use	
General Fund	47.51%	82.19%			61.38%	Budget	60.00%	8.43%	
	100.00%	100.00%			100.00%	# Agenda Items	40.00%	3.29%	
									11.72%
						Water	Weight	% to Use	
						Budget	60.00%	12.13%	
						# Agenda Items	40.00%	0.55%	
									12.68%
						Wastewater	Weight	% to Use	
						Budget	60.00%	10.93%	
						# Agenda Items	40.00%	3.29%	
									14.22%

City Clerk Dept						City Clerk Dept Weighted Calcs		
City Clerk (based on budgets and agenda items). The City Clerk portion is affected by both items on the Council Agendas and other documents generated on non-agenda items represented by the size of the budget.						Library	Weight	% to Use
	Employees	# Agenda Items	Budget	Gen Svcs	% to Use for Budget	Employees	0.00%	0.00%
Library Fund	0.00%	0.00%	0.00%	0	0.00%	# Agenda Items	16.67%	0.00%
Street Fund	0.00%	8.22%	14.05%	0	3.71%	Budget	16.67%	0.00%
Water Fund	0.00%	1.37%	20.22%	0	3.60%			0.00%
Wastewater Fund	0.00%	8.22%	18.21%	0	4.41%			
General Fund	0.00%	82.19%	47.51%	0.00%	88.28%	Streets	Weight	% to Use
	0.00%	100.00%	100.00%	0.00%	100.00%	Employees	0.00%	0.00%
						# Agenda Items	16.67%	1.37%
						Budget	16.67%	2.34%
								3.71%
						Water	Weight	% to Use
						Employees	0.00%	0.00%
						# Agenda Items	16.67%	0.23%
						Budget	16.67%	3.37%
								3.60%
						Wastewater	Weight	% to Use
						Employees	0.00%	0.00%
						# Agenda Items	16.67%	1.37%
						Budget	16.67%	3.04%
								4.41%
City Manager Dept						City Manager Dept Weighted Calcs		
Consider operating budgets, weighted 40%; number of agenda items, weighted 20%; and number of employees, weighted 40%.						Library	Weight	% to Use
	Budget	# Agenda Items	Employees		% for Budget	Budget	40.00%	0.00%
Library Fund	0.00%	0.00%	10.51%		2.69%	# Agenda Items	20.00%	0.00%
Street Fund	14.05%	8.22%	7.82%		10.40%	Employees	40.00%	2.69%
Water Fund	20.22%	1.37%	21.52%		16.97%			2.69%
Wastewater Fund	18.21%	8.22%	12.71%		14.02%			
General Fund	47.51%	82.19%	47.43%		55.93%	Streets	Weight	% to Use
	100.00%	100.00%	100.00%		100.00%	Budget	40.00%	5.62%
						# Agenda Items	20.00%	1.64%
						Employees	40.00%	3.13%
								10.40%
Economic Development Dept								
FY15/16: Use only personnel costs of the Fellow or Intern, with same percentages as calculated for the City Manager			FY16/17: Do not spread any of the Economic Development to PW funds. PW contributes in-kind to most Economic Development projects.			Water	Weight	% to Use
	% for Budget					Budget	40.00%	8.09%
Library Fund	0.00%					# Agenda Items	20.00%	0.27%
Street Fund						Employees	40.00%	8.61%
Water Fund								16.97%
Wastewater Fund						Wastewater	Weight	% to Use
General Fund	100.00%					Budget	40.00%	7.29%
	100.00%					# Agenda Items	20.00%	1.64%
						Employees	40.00%	5.09%
								14.02%

Legal Dept					Legal Dept Weighted Calcs		
Consider operating budgets, weighted 40%; number of agenda items, weighted 20; and number of employees, weighted 40%, as the more activity in the Department, the more time spent on Legal documents and other issues.							
	Budget	# Agenda Items	Employees	% for Budget	Library	Weight	% to Use
Library Fund	0.00%	0.00%	10.51%	4.21%	Budget	40.00%	0.00%
Street Fund	14.05%	8.22%	7.82%	10.40%	# Agenda Items	20.00%	0.00%
Water Fund	20.22%	1.37%	21.52%	16.97%	Employees	40.00%	4.21%
Wastewater Fund	18.21%	8.22%	12.71%	14.02%			4.21%
General Fund	47.51%	82.19%	47.43%	54.42%	Streets	Weight	% to Use
	100.00%	100.00%	100.00%	100.00%	Budget	40.00%	5.62%
					# Agenda Items	20.00%	1.64%
					Employees	40.00%	3.13%
							10.40%
					Water	Weight	% to Use
					Budget	40.00%	8.09%
					# Agenda Items	20.00%	0.27%
					Employees	40.00%	8.61%
							16.97%
					Wastewater	Weight	% to Use
					Budget	40.00%	7.29%
					# Agenda Items	20.00%	1.64%
					Employees	40.00%	5.09%
							14.02%
Finance Dept					Finance Dept Weighted Calcs		
Consider operating budgets, weighted 43%; number of A/P invoices (weight 27%), number of employees (weight 30%), .							
	Budget	A/P Invoices	Employees	% for Budget	Library	Weight	% to Use
Library Fund	0.00%	13.87%	10.51%	7.31%	Budget	40.00%	0.00%
Street Fund	14.05%	20.45%	7.82%	14.10%	A/P Invoices	30.00%	4.16%
Water Fund	20.22%	20.98%	21.52%	20.84%	Employees	30.00%	3.15%
Wastewater Fund	18.21%	18.17%	12.71%	16.55%			7.31%
General Fund	47.51%	26.53%	47.43%	41.19%	Streets	Weight	% to Use
	100.00%	100.00%	100.00%	100.00%	Budget	40.00%	5.62%
					A/P Invoices	30.00%	6.13%
					Employees	30.00%	2.35%
							14.10%
For Utility Billing Dept							
	In-City Res				Water	Weight	% to Use
	Water Rate	58.07	53.50%		Budget	40.00%	8.09%
	SW+SD Rate	50.48	46.50%		A/P Invoices	30.00%	6.29%
		108.55	100.00%		Employees	30.00%	6.45%
							20.84%
					Wastewater	Weight	% to Use
					Budget	40.00%	7.29%
					A/P Invoices	30.00%	5.45%
					Employees	30.00%	3.81%
							16.55%

Technology					IT Dept Weighted Calcs		
Computers is based two separate calculations: 1) time spent in each department (personnel costs); and 2) cost of hardware, software, server share, applications, etc., (M&S and Capital Outlay) for each department, based on the percentage of each department that is allocated to the receiving funds. The costs of the WiFi were removed before calculation. Weighted equally					Library	Weight	% to Use
	Budget	Technolog y		% for Budget	Budget	50.00%	0.00%
Library Fund	0.00%	17.00%		8.50%	Technology	50.00%	8.50%
Street Fund	14.05%	6.00%		10.03%			8.50%
Water Fund	20.22%	11.00%		15.61%			
Wastewater Fund	18.21%	11.00%		14.61%	Streets	Weight	% to Use
General Fund	47.51%	55.00%		51.25%	Budget	50.00%	7.03%
	100.00%	100.00%		100.00%	Technology	50.00%	3.00%
							10.03%
					Water	Weight	% to Use
					Budget	50.00%	10.11%
					Technology	50.00%	5.50%
							15.61%
					Wastewater	Weight	% to Use
					Budget	50.00%	9.11%
					Technology	50.00%	5.50%
							14.61%
Human Resources							
	Consider number of employees.						
	Employees						
Library	10.51%						
Street Fund	7.82%						
Water Fund	21.52%						
Wastewater Fund	12.71%						
General Fund	47.43%						
	100.00%						



BUDGET ISSUE PAPER CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20	General Fund	19-008

TO: City of The Dalles Budget Committee
FROM: Julie Krueger, City Manager
DATE: April 3, 2019
ISSUE: **BIP 19-008 General Fund Capital Improvement Plan**

BACKGROUND:

- We have prepared a General fund supported Five Year Capital Improvement Plan. The Definition of Capital Improvement we are using for this plan is not the same as for fixed asset control (\$5,000). We have included major maintenance items such as painting, new carpet, restroom renovation, and items that extend the life of the asset and most office and data processing equipment.
- We have attached the detailed Capital Improvement Plan. Included in this plan are all non-Public Works projects. We have included the line item numbers for all items in the proposed budget. After the first couple of years of the five year plan, the improvements list becomes less firm. As we update the plan each year, the document becomes stronger and serves as a long-term planning tool.
- The total proposed General Fund resources (excluding Airport,) directed toward these projects for this year is \$368,892.
- This packet also includes capital improvements for Library (\$61,800), Airport (\$1,900,000), and the State Office Building (\$89,000).

MAJOR EXPENDITURE PLAN

City Hall Offices

Administration

FUND	Line #	PROJECT	19-20	20-21	21-22	22-23	23-24
General	001.0200.000.69.80	City Clerk Computer		\$ 2,500			
General	001.0200.000.69.80	City Clerk Laptop	\$ 2,100				\$ 2,100
General	001.0100.000.69.80	City Council Laptop for Live Streaming		\$ 2,100			
General	001.0100.000.69.80	iPads for Council/Mayor plus incase of damage 2 per year	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
General	001.0300.000.69.80	City Manager Printer	\$ 500				
General	001.0300.000.69.80	City Manager Computer				\$ 2,150	
General	001.0200.000.69.80	Maintenance Laptop (Terry)		\$ 2,000			
General	001.0200.000.69.80	Maintenance Laptop (Jerry)			\$ 2,100		
General	001.0300.000.69.80	Assistant to CM Computer	\$ 2,100				
General	001.0300.000.69.80	Assistant to CM Laptop (new)					\$ 2,100
General	001.0300.000.69.80	Assistant to CM Printer		\$ 500			
		SUB TOTAL	\$ 5,900	\$ 8,300	\$ 3,300	\$ 3,350	\$ 5,400

Planning

FUND	Line #	PROJECT	19-20	20-21	21-22	22-23	23-24
General	001.1100.000.39-00	GIS/Asana/Adobe Software License	\$ 8,425.00	\$ 8,425.00	\$ 8,425.00	\$ 8,425.00	\$ 8,425.00
General	001.1100.000.69-80	Computer replacement	\$ 4,000.00	\$ 6,600.00	\$ 3,000.00	\$ 3,500.00	\$ 3,600.00
General	001-1100-000.43-40	Copier - 5 yr lease	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00
General	001-1100-000.74-20	Replace Planning Vehicle	\$ 5,000.00				
		SUB TOTAL	\$ 19,225.00	\$ 16,825.00	\$ 13,225.00	\$ 13,725.00	\$ 13,825.00

Codes

FUND	Line #	PROJECT	19-20	20-21	21-22	22-23	23-24
General	001-1175-000.39-00	GIS/Asana/Adobe Software License	\$ 2,175.00	\$ 2,175.00	\$ 2,175.00	\$ 2,175.00	\$ 2,175.00
General	001.1175.000.69-80	Codes Enforcement Computer	\$ 2,000.00	\$ 2,600.00			
General	001.1175.000.74-20	Replace Codes Enforcement Vehicle			\$ 26,000.00		
		SUB TOTAL	\$ 4,175.00	\$ 4,775.00	\$ 28,175.00	\$ 2,175.00	\$ 2,175.00

CAPITAL IMPROVEMENT PLAN

Finance

FUND	LINE #	PROJECT DESCRIPTION	19-20	20-21	21-22	22-23	23-24
General	69-80	Replace Accountant & A/P Computers	-	4,600	-	-	-
General	69-80	Replace Finance Director's computer	-	-	2,400	-	-
General	69-80	Replace Finance Desk Computer	2,200	-	-	-	-
General	69-80	Replace laptop	-	-	-	-	2,000
General	69-80	Replace Finance Director's Laser Printer	-	-	-	1,000	-
General	69-80	Purchase Production Printer, with signor drawer (40%)	2,500	-	-	-	-
General	69-80	Purchase/replace 3 desk scanners compatible w/ software	-	3,000	-	-	3,000
General	69-80	Replace Battery Backups / Replacement Batteries	-	600	-	600	-
General	69-80	Replacement furniture: chairs, etc.	600	600	600	600	600
General	69-80	Replacement furniture for Finance Director's office	-	-	-	-	-
General		TOTAL	5,300	8,800	3,000	2,200	5,600

Utility Billing

FUND	LINE #	PROJECT DESCRIPTION	19-20	20-21	21-22	22-23	23-24
General	69-80	Replace Front Desk & Utility Billing computers	4,400	-	-	-	-
General	69-80	Replace Front Desk & Utility Billing desk printers	1,000	1,000	1,000	1,000	1,000
			-	-	-	-	-
General	69-80	Replace Receipt Printer or Check Scanner	1,000	1,000	1,000	1,000	1,000
General	69-80	Purchase Production Printer, with signor drawer (60%)	-	-	-	-	-
General	69-80	Purchase/replace 2 desk scanners compatible w/ software	-	-	2,000	-	-
General	69-80	Replace two front desk windows: tempered glass & adequate transaction openings	2,000	2,000	2,000	2,000	2,000
General	69-80	Replacement furniture: chairs, etc.	400	400	400	400	400
General							
General		TOTAL	8,800	4,400	6,400	4,400	4,400

Legal/Judicial

FUND	Line #	PROJECT	19-20	20-21	21-22	22-23	23-24
General	001.0700.000.69.80	CA Sec/City Attorney Computer	\$ -	\$ -	\$ 3,000	\$ 2,200	\$ -
General	001.0750.000.69.80	Printer Court/Secretary	\$ -	\$ -	\$ -	\$ -	\$ -
		Paralegal's Computer	\$ 2,100	\$ -	\$ -	\$ -	\$ -
General	001.0700.000.69.80	CA laptop	\$ -	\$ 2,000	\$ -		\$ -
		SUB TOTAL	\$ 2,100	\$ 2,000	\$ 3,000	\$ 2,200	\$ -

CAPITAL IMPROVEMENT PLAN

City Hall

	PROJECT DESCRIPTION	19-20	20-21	21-22	22-23	23-24
43-77	Replace HVAC Unit	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 10,500
43-10	seal/stripe city hall parking lot					\$ 5,000
43-77	HVAC Unit Cleaning	\$ 8,000		\$ 8,000		
cap pjct	replace truck			\$ 45,000		
	TOTAL	\$ 17,000	\$ 9,000	\$ 62,000	\$ 9,000	\$ 15,500

Transportation Center/Other

FUND	PROJECT DESCRIPTION	19-20	20-21	21-22	22-23	23-24
	Transportation Center					
cap pjct	Replace gas furnace		\$ 9,000			
	ARCO LOT					
43-12	Replace lawn		\$ 3,000			
43-12	Stripe Parking lot					\$ 5,000
	OTHER					
43-10	Heka park walkway replacement	\$ 7,000				
43-11	park security cameras					\$ 10,000
			\$ 6,000			
43-10	Festival Park bark replacement	\$ 6,000		\$ 6,000		\$ 6,000
	TOTAL	\$ 13,000	\$ 18,000	\$ 6,000		\$ 21,000

FIVE YEAR MAJOR EXPENDITURES

Police Department

FUND	Line Item #	PROJECT DESCRIPTION	19-20	20-21	21-22	22-23	23-24
Cap Pro	037.3700.419.72.20	HVAC Unit Replace/1 /year)	\$ 9,500	\$ 9,500	\$ 9,500	\$ 9,500	\$ 9,500
Cap Pro		Paint Interior garage	\$ -	\$ 9,000	\$ -	\$ -	\$ -
Cap Pro		Paint Office space/upstairs	\$ 8,500	\$ -	\$ -	\$ -	\$ -
Cap Pro		Carpet upstairs and	\$ 25,000	\$ -	\$ -	\$ -	\$ -
General	001.1300.421.74.20	Marked Police Patrol Vehicles	\$ 32,000	\$ 62,000	\$ 62,000	\$ 90,000	\$ 62,000
		1 car		2 cars	2 cars	2 cars (suv)	2 cars
General	001.1300.421.74.20	Police Unmarked Vehicles replacement	\$ 55,000	\$ -	\$ 25,000	\$ -	\$ 25,000
		2 cars		\$ -	1 car	\$ -	1 car
		External Vests	\$ 1,000	\$ 1,000	\$ 2,000	\$ 3,000	\$ 2,000
			\$ (2)	\$ (2)	\$ (4)	\$ (6)	\$ (4)
General	001.1300.421.69.80	Taser cartridges, target, batteries, misc equipment	\$ 2,000	\$ 2,600	\$ 2,000	\$ 2,000	\$ 2,000
		(taser sim suit)					
	001.1300.421.69.80	Digital Recorders	1250	\$ 1,250	\$ 350	\$ 350	\$ 350
		8		8	3	3	3
General	001.1300.421.60.80	Body armor replacements	\$ 4,080	\$ 4,080	\$ 4,080	\$ 25,000	\$ 4,080
			(3)	(3)	(3)	(23)	(3)
General	001.1300.421.69.80	*PC Computer Replacement(\$1,500 +/-)	\$ 1,600	\$ 6,400	\$ 1,600	\$ 6,400	\$ 1,600
			(1)	(4)	(1)	(4)	(1)
General	001.1300.421.69.80	Cameras	\$ 450	\$ 750	\$ 450	\$ 450	\$ 450
			(3)	(5)	(3)	(3)	(3)
General	001.1300.421.69.80	Radars	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
			(3)	(3)	(3)	(3)	(3)
General	001.1300.421.69.80	Chairs	\$ -	\$ 1,000	\$ 500	\$ 1,000	\$ 500
				(6)	(3)	(6)	(3)
		Conf Room Tables	0	0	1500	0	0
		Conf Room Chairs \$50 each	1500	0	0	0	0
General	001.1300.421.43.50	Light bars/sirens, cont boxes	\$ -	\$ -	\$ -	\$ -	\$ 98,000
		In car video cameras	\$ -	\$ -	\$ -	\$ -	\$ 60,000
General	001.1300.000.56.00	In car video storage to cloud	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
SAIF	001.1300.421.74.90	Body Cams , redaction, server	\$ 29,395	\$ -	\$ -	\$ -	\$ 30,000
		Car body cam dock install	\$ 1,000	\$ -	\$ -	\$ -	\$ -
SAIF	001.1300.421.74.90	Body camera Storage	\$ 8,340	\$ 8,340	\$ 8,340	\$ 8,340	\$ 8,340
		Body camera Maintenance	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000
General	001.1300.421.43.10	Garage Door Repair	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
General	001-1300-000.74-90	*GeTac Lease	\$ 27,426	\$ 27,426	\$ 33,527	\$ 33,527	\$ 33,527
General	001-1300-000.64-80	*2FA software subscription	\$ 1,320	\$ 1,320	\$ 1,320	\$ 1,320	\$ 1,320
General	001-1300-000.53-30	*ATT Data plan	\$ 12,600	\$ 12,600	\$ 13,500	\$ 13,500	\$ 13,500
General	001-1300-000.53-80	Justice Connect yearly license (Unlimited Agency Users)	\$ -	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600
General	001-1300-000.53-80	Justice Connect training services	\$ -	\$ 2,500	\$ -	\$ -	\$ -
General	001-1300-000.53-80	Justice Connect Installation and set up	\$ -	\$ 7,500	\$ -	\$ -	\$ -
General	001-1300-000.53-80	Justice Lite Use License	\$ 1,750	\$ -	\$ -	\$ -	\$ -
General	001-1300-000.53-30	Justice Server upgrade (one time)	\$ -	\$ -	\$ 15,000	\$ -	\$ -
General	001-1300-000.53-80	(7) work station licenses @ 1100 each (5 pack=35)	\$ 7,700	\$ 7,931	\$ 7,931	\$ 7,931	\$ 7,931
General	001-1300-000.64-80	Justice Essential yearly fee	\$ 4,950	\$ 4,950	\$ 4,950	\$ 4,950	\$ 4,950
General	001-1300-000.64-80	*NetMotion Mobility Maintenance	\$ 1,733	\$ 1,733	\$ 1,733	\$ 1,733	\$ 1,733
General	001-1300-000.64-80	Taser Assurance Program	\$ 2,622	\$ 2,622	\$ 2,622	\$ 2,622	\$ 2,622
		TIPS 411	\$ 3,500	\$ 3,000	\$ 3,000	\$ 3,000	\$ 6,000
		Admin Software	\$ 11,000	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
		Portable Radios to replace current	\$ -	\$ -	\$ -	\$ -	\$ 30,000
		Portable Radios (2 a year)	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400
		Lexipol Implementation	\$ -	\$ 54,950	\$ -	\$ -	\$ -
		Lexipol Annual	\$ -	\$ 11,312	\$ 11,312	\$ 11,312	\$ 11,312
		Narcan	\$ -	\$ 2,000	\$ -	\$ 2,000	\$ -
		Interview Room Camera upgrade	\$ -	\$ 20,000	\$ -	\$ -	\$ -
		Update Office phones with recording capabilities	\$ -	\$ 50,000	\$ -	\$ -	\$ -
		TOTAL	\$ 264,622	\$ 265,759	\$ 222,396	\$ 237,594	\$ 428,396

DOG CONTROL

FUND	Line Item #	PROJECT DESCRIPTION	19-20	20-21	21-22	22-23	23-24
General	001.4500.425.60.85	Specialized equipment	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
		Dog Control Truck	\$ -	\$ 35,000	\$ -	\$ -	\$ -
		CD Officer Computer	\$ 1,600	\$ -	\$ 1,600	\$ -	\$ 1,600
		Dog Control TOTAL	\$ 3,600	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
		TOTAL POLICE DEPT	\$ 268,222	\$ 37,000	\$ 224,396	\$ 239,594	\$ 430,396

CAPITAL IMPROVEMENT PLAN

Airport

FUNDING	Line Item #	PROJECT DESCRIPTION	19/20	20/21	21/22	22/23	23/24
Airport	061.6100.610.73.30	Drainage Pond Construction & Drainage System					
Loan		Construction of new T hangar (F)		\$500,000.00			
Airport		Rwy 7/25 Study			\$10,000.00		
WSDOT, ODOT Airport	061.611.610.73.30	Terminal Building Year 1 Design/Construction		\$1,000,000.00			
Airport		RV/Cabin Area				\$100,000.00	
90% FAA		Runway 7-25 rehabilitation environmental study			\$25,000.00		
90% FAA		Runway 7-25 Rehabilitation Design				\$250,000.00	
90% FAA		Purchase property to extend Runway 13/31					\$1,000,000.00
90% FAA	061.611.610.73.30	Apron Rehabilitation Design					
90% FAA		Apron Rehabilitation	\$1,800,000.00	\$1,500,000.00			
90% FAA		Airport Master Plan			\$400,000.00		
90% FAA		Taxiway lighting					\$500,000.00
90% FAA		Move Dallesport Rd			\$1,000,000.00		
WSDOT, ODOT Airport		Aircraft Parking Ramp Expansion	\$100,000.00				
		TOTAL	\$1,900,000.00	\$3,000,000.00	\$1,435,000.00	\$350,000.00	\$1,500,000.00

IT Major Expenditures					
PROJECT DESCRIPTION	19-20	20-21	21-22	22-23	23-24
RENEWALS					
Anti-Intrusion Analysis CJIS compliace	1000	1000	1000	1000	1000
Support contract Cisco Network Hardware	4600	5200	5500	5200	8570
Support contract IBM Server Hardware	2500	2500			
Support contract IBM Storage					
Software Maintenance Vmware		3100			3200
Support contract PW-2nd fl Server Dell					2000
Support contract Police Server Dell			1000		
Software Backup Exec	1280	11380	1400	1500	1600
Software secutiry TrendMicro	3300	3450	3600	3800	4000
Total 34-40	12680	26630	12500	11500	20370
Domain Renewals	250	90	50	50	50
Qlife	5040	5040	5040	5040	5040
Total 39-00	5290	5130	5090	5090	5090
SOFTWARE					
Anti-Intrusion Analysis CJIS compliace					
MS server software (2 licenses)	5000				
Exchange Mail server and user Cals	10000				
misc software	2100	2100	2100	2100	2100
Total 64-80	17100	2100	2100	2100	2100
HARDWARE					
>5000					
City Server Vmware Cluster + DAS 12-13			50000		
Management Server 2nd floor Public Works					
Police Station Server 2(purchased 16-17)					
Computer SUBTOTAL 74-60	0	0	50000	0	0
City Network DMZ-Switch 2960X					
Ciry Network Router -CISCO2911				5200	
2 Fiber Switches C3750X		16000			
City Hall Switch C3650 48				6500	
Pubicworks POE switch Gigabit C3560X-48		6500			
Library Switch C2960-48s	5100				
Network SUBTOTAL 74-50	5100	22500	0	11700	0
Total Capital Outlay	5100	22500	50000	11700	0
<5000					
Library Wireless Access Point					
Police Station Storage Device				4800	
Public Works Storage device					
Library Storage device					
City Hall Storage device					4800
UPS cityhall southwall rack					
Misc	2000	2000	2000	2000	2000
SUBTOTAL -Assets < \$5000 69-80	2000	2000	2000	6800	6800
Hardware SUB-TOTAL	7100	24500	52000	18500	6800
Department TOTAL	42170	58360	71690	37190	34360

CAPITAL IMPROVEMENT PLAN

Library

FUND	Line Item #	PROJECT DESCRIPTION	19-20	20-21	21-22	22-23	23-24
Library District	004-2100-455.69-80	PC work stations	\$ 16,800	\$ 19,800	\$ 16,800	\$ 19,800	\$ 21,000
Library District	004-2100-455.43-10	Security cameras (9)					
Library District	004-2100-455.43-10	Landscape Courtyard	\$ 10,000		\$ 5,000	\$ 5,000	\$ 5,000
Library District	004-2100-455.72-20	LED lights					
City	SAIF funds	Replace sidewalk to code □		\$ 10,000			
Library District	004-2100-455.43-10	Prune Trees		\$ 3,500		\$ 4,000	\$ 4,000
Library District	004-2100-455.43-10	Elevator electric door edges		\$ 6,600			
Library District	004-2100-455.43-10	Computer controls children's room					
City		Replace asphalt upper parking lot	\$ 35,000				
Library District	004-2100-455.72-20	Replace indoor galvanized plumbing		\$ 12,000			
Library District	004-2100-455.43-10	Paint building exterior		\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
		TOTAL	\$ 61,800	\$ 61,900	\$ 31,800	\$ 38,800	\$ 40,000

CAPITAL IMPROVEMENT PLAN

State Office Building

FUND	PROJECT	19-20	20-21	21-22	22-23	23-24
SOB 73-30	HVAC Unit Replacements (2/yr)	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 26,000
SOB	Replace boiler	\$ 45,000				
SOB	Replace sidewalk entries	\$ 20,000				
SOB	Crack seal/stripe parking lot					
SOB	employee restroom remodel			\$ 20,000		
SOB	Paint interior - 1st floor		\$ 10,000			
SOB						
SOB	Paint interior - 2nd floor		\$ 10,000			
SOB	drinking fountain stations		\$ 8,000			
SOB	HVAC Unit cleaning			\$ 14,000		
SOB	Repaint exterior of building				\$ 20,000	
	TOTAL	\$ 89,000	\$ 52,000	\$ 58,000	\$ 44,000	\$ 26,000



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19/20	Public Works Funds	19-009

TO: City of The Dalles Budget Committee
THRU: Julie Krueger, City Manager
FROM: Dave Anderson, Public Works Director
DATE: March 27, 2019
ISSUE: **BIP 19-009 Public Works Funds Capital Improvement Plan**

RELATED COUNCIL GOAL:

- A. Provide City-wide infrastructure to support safe and well maintained streets and reliable utility systems for the citizens of The Dalles.

RELATED BUDGET ISSUE PAPERS:

19-013 Wastewater Master Plan Implementation
19-014 Water Master Plan Implementation

BACKGROUND:

- Staff has prepared a Five Year Capital Improvement Plan (CIP) for Public Works funds. The definition of Capital Improvement we are using for this plan is not the same as for fixed asset control (minimum of \$5,000 in value). For the Public Works CIP, we have included major maintenance items that extend the life of the asset.
- We have attached the six-page CIP for the Public Works Department. If a Capital Improvement project is to be completed with City crews, it is budgeted in the Operating Fund (sometimes it shows only as maintenance materials). If we are planning to use contractors, we budget the project in the associated reserve or construction fund. The Public Works CIP summarizes a five-year plan. Included in the Plan are all Public Works projects and major equipment purchases in the following funds:

<u>FUND</u>	<u>PAGE</u>	<u>SOURCE OF MONIES</u>	<u>FY 2019-20</u>
Street	1	Street	\$ 580,000
Public Works Equipment	1	All Public Works	\$ 542,643
Transportation System Reserve	2	Street	\$ 1,472,193
Water	3	Water	\$ 274,910
Water Capital Reserve	4	Water	\$18,241,116
Wastewater	5	Wastewater	\$ 132,000
Sewer Special Reserve	5	Wastewater	\$ 2,904,052
Wastewater Construction	6	Wastewater	<u>\$ 1,216,454</u>
		Total	<u>\$25,363,368</u>

- The Street Fund capital improvement plan currently identifies estimated expenditures for types of maintenance work to be performed over the course of the next five years rather than identifying work on specific streets. The reason for this change is that the Public Works Department recently purchased a computerized pavement management program which is currently being loaded with data on existing street conditions for all streets. Beginning in FY 2019/20, street maintenance work plans will be driven by information developed from the pavement management system and the CIP will be updated accordingly.
- For the second year in a row, the proposed budget includes funds for sidewalk improvement projects that will focus primarily on constructing sidewalk ramps needed to comply with the Americans with Disabilities Act (ADA). These funds are identified in Fund 5, the Street Fund. Prior to FY 2018/19 it had been many years since any funds were budgeted for the purpose of sidewalk construction and maintenance. The proposed budget includes \$100,000 for these projects.
- The proposed budget for Fund 5, the Street Fund, also includes \$319,620 in Line 005-0500-000.75-10 for future projects. It is currently anticipated that this amount will carry over into FY2019/20.



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20	Police Department	19-010

TO: City of The Dalles Budget Committee

FROM: Police Chief Patrick Ashmore

THRU: Julie Krueger, City Manager

DATE: February 5, 2019

ISSUE: **BIP 19-010 Police Department Body Cameras and Digital Storage**

RELATED FUND AND LINE ITEM: Police Department Line Item: 001-1300-000.74-20

BACKGROUND:

- The introduction of body-worn cameras in the last decade has had more of an impact on American policing than any other tool since the police car radio. They have changed the way evidence is collected, the policies of many law enforcement agencies, the way media covers controversial police incidents, the way the public interacts with officers, and the way officers interact with the public.
- Body cameras have become very important to contemporary law enforcement in a very short time. A national poll by POLICE MAGAZINE of police agencies was recently conducted and of the 800 respondent agencies, 81% of them have made body cameras mandatory equipment for their officers. It was also interesting of those agencies, 88% of them have only recently fielded body cameras within the last three to five years.
- The cost of digital storage and redaction software technology, along with the Oregon public records retention laws made it virtually impossible for The Dalles Police Department (TDPD) to integrate body cameras into our department. Until now.

- The digital cloud storage is now affordable, the software technology makes it possible to manage the digital evidence efficiently and effectively, and there are now public record retention laws and rules guiding law enforcement with retention policies that meet state standards. In fact, TDPD already have our in-car/body camera policies in place in order for us to conduct our camera pilot project.
- TDPD has been conducting a camera pilot project for the past year, field testing body cameras. The purpose of testing the body cameras before we had been approved funding was two-fold. First, we needed to purchase in car-cameras this fiscal year because our in-car cameras were old, outdated, and breaking. Our preference is to integrate in-car cameras and body camera “hybrid systems” for seamless integration of in-car/body camera systems. For that reason it was important to test not just the in-car camera systems, but also test the body camera systems. We believe it was important to identify the “best” overall hybrid camera system. Second, to give our officers/administration opportunity to test/use body camera systems and the digital evidence management software in the field to determine their preferred system.
- TDPD field tested three camera systems. The number one choice for body cameras was Motorola. Unfortunately, the in-car camera system was subpar, and the price was prohibitive. We also noticed Motorola’s customer service has declined, and as a small agency without a lot of technical support, need quality customer service.
- All of the other hybrid camera systems we tested were competitive in price, had good quality products, and have reputations regarding good customer service. The decision TDPD made was to go with the WatchGuard hybrid camera system.
- I know WatchGuard is a proven camera system. The Oregon State Police has purchased the WatchGuard camera systems in the past, and TDPD’s prior in-car cameras were WatchGuard. Over 6000 police agencies are currently using the WatchGuard systems, and I have not heard any negative input from agencies using their systems.
- WatchGuard produces quality videos and the digital storage evidence management software is excellent. It is user friendly and meets all the industry standards.
- TDPD already purchased seven (7) WatchGuard in-car cameras this fiscal year for all of our patrol vehicles.
- The estimated cost for the implementation of body cameras is, \$29,395 for twelve (12) body cameras, a pre-cloud server, a digital evidence management software program, \$3,500 for in-car digital cloud storage, \$8,340 for body digital cloud storage, and \$1,000 for in-car body camera charger/system sequence mounts.

In fiscal year 19/20 I am requesting \$42,235 to implement body cameras, digital cloud storage, and a digital evidence management software program.



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20	Police Department	19-011

TO: City of The Dalles Budget Committee

FROM: Police Chief Patrick Ashmore

THRU: Julie Krueger, City Manager

DATE: January, 23 2019

ISSUE: **BIP 19-011 Police Department Vehicle Fleet**

RELATED FUND AND LINE ITEM: Police Department Line Item: 001-1300-000.74-20

BACKGROUND:

The police department has a fleet of 16 vehicles. The current vehicles include seven marked police cars, seven*unmarked detective and/or administration vehicles, one SERT van, and one Animal Control Vehicle.

Vehicle	Year	Make	Model	License#	VIN	Assign
S-1	2017	Ford	Explorer	E269348	1FM5K8AR7HGE15715	Patrol
S-2	2016	Dodge	Charger	E269303	2C3CDXAG3GH180848	“ “
S-3	2016	Dodge	Charger	E269304	2C3CDXAG5GH180849	“ “
S-4	2017	Ford	Explorer	E269347	1FM5K8AR5HGE15714	“ “
S-5	2019	Dodge	Charger	E278819	2C3CDXKT2KH535866	“ “
S-6	2018	Dodge	Charger	E257642	2C3CDXAG7HH567114	“ “
S-7	2019	Dodge	Charger	E278820	2C3CDXKT2KH535867	“ “
S-8*	2014	Dodge	Charger	187HHC	2C3CDXBG4EH324919	Admin.
S-9*	2011	Dodge	Charger	270FBP	2B3CL3CG5BH545710	Admin.
S-10*	2009	Dodge	Charger	917ENP	2B3KA33V29H596155	Det.
S-11*	2004	Ford	EC3	670BUK	1FBSS31L94HA85672	SERT
S-12	2005	Ford	Taurus	905BMS	1FAFP53U45A221674	Training
S-14*	2003	Chev	Tahoe	960JLL	1GNEK13ZX3J130938	MIN
S-15*	2016	Jeep	Patriot	425JLL	1C4NJRBB6GD712506	Det.
S-16*	2007	Dodge	Charger	069DNE	2B3KA43G27H758046	Det.
S-17	2007	Ford	Ranger	E235391	1FTZR45E47PA66461	Animal C.

* Unmarked take home vehicles used in either specialized assignments, or administration. All of which are subject to call outs and are on call 24-7.

- S-11 is assigned to the SERT team used for specialized operations to transport officers and equipment. It is a 2004 Ford Van. It is not scheduled for replacement in the near future.
- S-12 The 2005 Ford Taurus is an extra vehicle used by Detectives when they need an extra vehicle due to operations, or one of their cars is down for maintenance. It is also an unmarked vehicle the department will use when there is a need to send officers to training out of the area.
- (S-12 will be traded in or sold and replaced with S-10)
- S-14 is assigned to MINT used as an uncover surveillance vehicle.
- S-17 is assigned to Dog Control. It is a 2007 Ford P/U used to pick up stray animals and carry specialized equipment necessary to do the job. At this time the vehicle is serviceable, but is scheduled to be replaced in the '21-22 budget cycle as indicated in the five year expenditure plan.
- The Police Department has a radar trailer that is used to display vehicle speeds on a reader board in an effort to reduce speeds in problem areas.
- The Police Department has a 2008 Pace Utility 18' trailer to transport firearms training equipment back and forth from the range.

Patrol Vehicles:

- Patrol coverage is 24 hours a day, seven days a week, 365 days of the year. There are at least two to three patrol vehicles constantly being operated. The department has a minimum of two officer staffing policy for coverage to handle calls for service, except between the hours of 10pm and 3am when the minimum coverage goes up to three officers because of the increased call load, and the dangerous nature of the calls during that time of night. During these night time hours, the need for officers to back each other up increases. Occasionally with shift overlaps, there may be three to five patrol cars operating at one time.
- It is common to have one or two patrol vehicles out of service for routine or unforeseen maintenance. This year I have observed all available patrol vehicles on the road at once. Last year I observed several occasions where officers were having to wait for vehicles to return at shift change, or have to double up because there was not a patrol vehicles available. Mostly due to the fact that we were down one patrol vehicle all of last year. For the past four months we have had our fleet back to full strength, and during that time, I have not observed officers waiting for a patrol vehicle.
- With the addition of four new patrol vehicles in the past two years, vehicle maintenance has decreased. We have also experienced in-climate driving conditions with the new all-wheel drive Dodge Chargers and I am happy to report the new all-wheel drive Chargers perform very well in the in-climate driving conditions.

Replacement Plan:

- The department normally schedules two to three replacement patrol vehicles, and one to two unmarked vehicles a year depending on the need. Last year we were scheduled to replace three marked vehicles and two unmarked patrol vehicles based on the 5 year expenditure plan.
- Marked patrol vehicles are approximately three years old when they reach the industry standard for replacement at 75,000 to 85,000 miles. When a Patrol vehicle reaches the maximum mileage, they become unsafe for the necessary fast responses to calls of service regarding public safety, or when in Pursuit of a serious offender.
- I know the standard for a city police marked vehicle is to multiply the actual mileage by two to get an accurate figure, in comparison to the normal “wear and tear” of a civilian vehicle. Keeping on a replacement schedule keeps the rising maintenance costs down, and ensures there are not operational safety issues that inherently come with worn out vehicles.
- We have one marked patrol vehicle that needs to be replaced. S-3 is a 2016 marked patrol Dodge Charger that currently has 78,500 miles, by July 2019 the vehicle will be estimated to be at 86,500 miles. The trade in value for this vehicle is approximately \$3,000.
- We have two unmarked vehicles that need to be replaced. S-16 is a 2007 Dodge Charger that has 78,000 miles. The trade in value for this vehicle is approximately \$2500. S-12 is a 2005 Ford Taurus has 75,280 miles. The trade in value for this vehicle is approximately \$1,000.
- Last year we purchased the much needed equipment (lighting/siren) upgrade on all of our marked patrol vehicles. We will need to upgrade and replace the equipment (lighting/siren) for our replacement unmarked vehicles this year.
- Because of the increased violence around the country and our own recent responses to barricaded subjects with firearms, it has come to my attention The Dalles Police Department lacks ballistic protection for members of the Police Department and citizens we serve.
- The Police Department does not have an adequate vehicle that can protect our officers from gun fire. In the past three months I am aware of two such calls to service where our officers responded to armed subjects that were either “high” on drugs threatening to do harm with loaded fire arms, or actually a suspect shooting rounds at responding officers.
- With the closest armored police vehicles in Salem, Pendleton, or Bend, Oregon, we are confronted with handling these calls with virtually no “hard cover” for several hours, making it difficult to contain the threat.
- The rises of these types of calls cause a crucial need for armored vehicle here in our community. These types of vehicles are costly and not affordable for most small agencies the size of The Dalles Police Department. Fortunately, there are programs that make these types of vehicles affordable for agencies like ours.
- I requested Sergeant Josh Jones who is in charge of the Special Equipment Weapons Team (SERT) to research programs and their costs. His report is attached and listed as Exhibit “A” for your review.

- The LESO 1033 program is a federal program that allows the military to transfer vehicles to law enforcement across the country. The cost to join the program is \$500 a year. The Police Department can obtain the needed vehicle for no cost with the exception of shipping. Many of the vehicles we are looking at are stored at Fort Lewis in Washington State, making it possible to pick up the vehicle ourselves, eliminating the shipping cost.
- Based on my experience and knowledge while working at the Oregon State Police, I believe we can participate in the LESO 1033 program, insure, maintain, and outfit an armor vehicle for approximately \$12,500 a year. That would include police lights/equipment, and graphics for the vehicle.
- In fiscal 19/20 I am requesting **\$26,500 for one marked patrol vehicle** that includes transfer of police equipment (lighting/siren), video camera, prisoner package, radios, and graphics. This includes \$3000 credit for trade in value of the old vehicle.
- In fiscal 19/20 I am requesting **\$64,600 for two unmarked vehicles** that include new equipment (lighting/siren) upgrade. We are budgeting \$25,000 for each vehicle, and \$8,800 per vehicle for the purchase/install of upgraded equipment. This also includes an approximate \$3,000 credit for trade in value of the two replaced vehicles.
- In fiscal 19/20 I am requesting **\$12,500 for an armor vehicle** that includes the LESO 1033 program, insurance, maintenance, used police equipment (lighting/siren), and graphics.

The total request of funding for The Dalles Police Department Fleet for fiscal years of 2019-20 is \$103,600.



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20	Enterprise Zone Fund	19-012

TO: City of The Dalles Budget Committee

FROM: Matthew Klebes, Enterprise Zone Manager/Assistant to the City Manager

THRU: Angie Wilson, Finance Director

DATE: February 15, 2019

ISSUE: **BIP 19-012 Enterprise Zone Fees**

BACKGROUND:

In 2005, the City of The Dalles and Wasco County signed an Enterprise Zone Tax Abatement Agreement with Design, LLC for the construction of the first Design, LLC site. This agreement called for Design, LLC to make an initial payment of \$280,000. After this initial project fee Design, LLC has agreed to make a \$250,000 payment for each year that the facility receives a tax exemption up to 15 years. Currently, we have received twelve payments with the possibility of receiving three more as long as their facility continues to operate.

The distribution of the initial fee is as follows:

- | | |
|----------------------|------------------|
| • City of The Dalles | \$140,000 |
| • Wasco County | <u>\$140,000</u> |
| Total | \$280,000 |

For the first six yearly payments the distribution has been as follows:

- | | |
|---|-----------------|
| • Columbia Gorge Community College Information Technology Program | \$100,000 |
| • QualityLife Intergovernmental Agency | \$50,000 |
| • Wasco County Economic Development | \$75,000 |
| • Project related costs to Wasco County | <u>\$25,000</u> |
| Total | \$250,000 |

The payment distribution for FY 14/15 was changed to the following:

• Columbia Gorge Community College (computer science programs)	\$75,000
• Wasco County	\$87,500
• City of The Dalles	<u>\$87,500</u>
Total	\$250,000

The payment distribution for fiscal year FY 15/16 and onward was changed to the following:

• Wasco County	\$125,000
• City of The Dalles	<u>\$125,000</u>
Total	\$250,000

In 2013 the City of The Dalles and Wasco County signed a second Enterprise Zone Tax abatement agreement for the construction of the second Design, LLC site. The initial project fee for this project was 1.2 million. After this initial project fee Design, LLC has agreed to make an \$800,000 payment for each year that the facility receives a tax exemption up to 15 years. Currently, we have received five payments with the possibility of receiving ten more as long as their facility continues to operate.

The distribution of the initial fee is as follows:

• Mid-Columbia Fire and Rescue Fire Station #2	\$484,646*
• Northern Wasco County Parks and Rec	\$100,000
• Wasco County	\$425,845
• City of The Dalles	\$129,691
• Columbia Gorge Regional Airport	<u>\$60,000</u>
Total	\$1,200,182

*Per ASR dated 6/22/15 after accounting for a higher construction cost, architectural fees, and a State Homeland Security Grant the total cost of the Fire Station was \$557,356.00. As such, \$68,000 of funds originally allocated to a student intern program to begin in 2017 for the Mid-Columbia Fire and Rescue district were used for the remodel of Station #2. This changed the start date for the student intern program to 2019.

The distribution of the second agreement's annual fee is as follows:

• Wasco County	\$280,000
• City of The Dalles	\$280,000
• Northern Wasco County School District 21	<u>\$240,000</u>
Total	\$800,000

In FY15/16, a third Enterprise Zone agreement was established with Design, LLC. The initial payment for this agreement was 1.45 million paid to the County/City and 250,000 to the Port of The Dalles. The City and County agreed to divide the initial payment of \$1.45 million as follows:

• Set aside for shovel ready projects approved by County and City	\$ 250,000
• Wasco County	\$ 600,000
• City of The Dalles	<u>\$ 600,000</u>
Total	\$1,450,000

Per the agreement, an additional fee was paid computed as the difference between the initial payment and the amount calculated based on cubic feet as stated on the development's initial permit. This amount was 78,737.76. The City received \$39,763.80.

With the completion of the first phase of construction associated with the third Enterprise Zone Agreement with Design LLC, the annual payment is determined by computing the cubic footage of the facility as completed by 0.114 per the agreement. The cubic footage of the facility is still pending.

Long-Term Rural Enterprise Zone Corporate Excise Tax Credits

To receive these credits, the corporation would need to be approved by the Governor, who will set the length of time it could be used. If it is granted, a portion of the corporate taxes collected by the state with respect to the facility are returned to local taxing districts or zone sponsor.

Since 2011 The City of The Dalles has received \$52,531.14 through this program.

BUDGET IMPLICATIONS: From the first Design, LLC agreement the City receives \$125,000 each year. From the second Design, LLC agreement the City receives \$280,000. From the third Design LLC agreement there will be a minimum yearly payment of 1 million dollars or payment based on cubic footage (whichever is higher). The cubic footage calculation is pending. This payment is due on or before December 31st each year of the agreement.

Beginning in FY 17/18, the funds from the second Design LLC abatement are allocated as follows: \$56,000.00 for up to fifteen years to the Mid-Columbia Fire and Rescue District for the retirement of debt associated with the construction of a training tower at Station #1. Two payments has been made with another thirteen payments expected as long as Design, LLC continues to qualify under the abatement agreement.

Beginning in January of 18/19 an additional \$34,000.00 each year for up to thirteen years will be allocated to the Mid-Columbia Fire and Rescue District to establish and maintain a student volunteer program. These allocations are per an Inter-Governmental Agreement (IGA) dated July 31, 2015. One payment has been made with another twelves payments expected as long as Design, LLC continues to qualify under the abatement agreement.

Beginning in FY 19/20, a special reserve fund will receive the annual payment from the third Design LLC agreement. These funds are to be used for the Columbia Gorge Community College Treaty Oak Skill Center per the IGA date January 25, 2019.

All remaining funds are allocated to the General Fund.

Design, LLC Agreements and Payments

Agreement	Initial Payment	Breakdown	Yearly Payment	Breakdown
2005 Design LLC Agreement	280,000 initial payment	Split between City and County.	250,000 per year payment	Initially split between City, County, CGCC, Qlife, and Wasco EDC In 2014/15 Split between City, County, and CGCC Currently split between City and County only and is put into the general fund
2013 Design LLC Agreement	1.2 million initial payment	Split between Mid-Columbia Fire and Rescue, Parks and Rec, County, City and Airport	800,000 per year payment	Split between City, County, and D21 Portion of City funds allocated to Mid-Columbia Fire and Rescue per IGA
2015 Design LLC Agreement	1.45 million initial fee Additional 250,000 to Port of The Dalles Additional payment per agreement was \$78,737.76. City received \$39,763.80	250,000 set aside for shovel ready projects Remaining 1.2 million split between City and County	Fee dependent on cubic footage, minimum of 1 million payment FY 19/20 pending	Split between the City and County Portion of funds allocated to the Columbia Gorge Community College Treaty Oak Skills Center, maximum of 3.5 million.
Long-Term Rural Enterprise Zone Corporate Excise Tax Credits				Since 2011 the City has received \$52,531.14



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20	Public Works - Wastewater	19-013

TO: City of The Dalles Budget Committee
FROM: Dave Anderson, Public Works Director
THRU: Julie Krueger, City Manager
DATE: March 27, 2019
ISSUE: **BIP 19-013 Wastewater Master Plan Implementation**

RELATED COUNCIL GOAL:

- A. Provide City-wide infrastructure to support safe and well maintained streets and reliable utility systems for the citizens of The Dalles.

RELATED FUND AND LINE ITEM: Fund 56, Line 056-5600-000.76-30 Sewer Lines and 76-40 Storm Water Lines; Fund 57, Line 057-5700-000.74-90 Other Equipment

BACKGROUND:

- The City's Wastewater Facility Master Plan was updated in 2013. A revised Capital Improvement Plan (CIP) was also developed as part of the new Master Plan. The new CIP was adopted by City Council on December 10, 2012. A 10-year wastewater rate schedule to implement the CIP was also adopted by City Council. That rate schedule was to increase wastewater utility rates 3.44% annually on March 1 from 2013 through 2022. Since utility rate revenues were exceeding projections due largely to increased industrial usage, there were no sewer rate increases in 2016, 2017, or 2018 and none is proposed for FY2019/20.

- The City entered into a progressive design-build contract with the team of Mortenson Construction/Kennedy-Jenks Consultants in March 2015. Under that contract, the project team (made up of consultants and City staff) revisited and, with City Council, revised some of the recommendations provided in the 2013 Wastewater Facility Master Plan; these revisions were anticipated to save approximately \$2 million over the next 10 years. The Wastewater Facility Master Plan was updated with Oregon DEQ accordingly.
- The plant upgrade project which installed new influent pumping, screening, grit removal, anaerobic digestion, primary filtration, Co-Gen, and clarifier systems has been completed. The City received a \$2 million low interest loan from Oregon DEQ to fund the installation of the Co-Gen systems, \$500,000 of which was forgiven and does not need to be paid back because the Co-Gen qualified as an environmentally “green” project. Another \$175,000 in grant funding from the Oregon Department of Energy for the Co-Gen has also been awarded for the project.
- One project which was identified in the Wastewater Facility Master Plan CIP, the replacement of the 8th Street sewer lift station, was eliminated as staff developed an alternative that would construct a gravity sewer line and eliminate the need for the lift station. Construction of the gravity sewer line has been completed and the 8th Street lift station has been decommissioned and removed.
- The only project from the Wastewater Facility Master Plan scheduled for construction in FY2019/20 is the second and final phase of a project to upsize the sanitary sewer main near West 2nd Street from the power substation to Webber Street. The project is necessary to accommodate industrial development that is planned in and near the Columbia Gorge Industrial Center. The project will also include construction of a new storm water collection main in the same area which is a project identified in the 2007 Storm Water Master Plan.
- The proposed 2019/20 budget also includes funds for projects which were identified as being needed after the Wastewater Facility Master Plan was updated. These projects include the replacement of degraded and undersized sanitary sewer mains in East Scenic Drive, construction of a second sanitary sewer main to increase capacity of the system as it crosses under I-84 near Rock Fort, and funds for an annual slip-lining project.
- The proposed 2019/20 budget includes funds to complete needed upgrades to the wastewater treatment plant’s main electrical control panel. This is a project made possible by improvements made during the recent plant upgrade project and will dramatically improve the safety of the main electrical systems that are currently located under a basin and subject to occasional flooding.

Budget Implications:

- For FY2019/20, the proposed Sewer Special Reserve Fund (Fund 56) budget includes \$877,740 for the replacement of the sanitary sewer mains along West 2nd Street, \$958,860 for the construction of storm water collection mains in the same area, \$205,000 for sanitary sewer mains replacement along Scenic Drive, \$390,000 for a new sanitary sewer main under I-84, and \$375,000 for a sanitary sewer slip-line project.
- The Sewer Plant Construction/Debt Service Fund (Fund 57) Other Equipment line item includes \$200,000 to complete needed upgrades to the plant's main electrical control panel.

Sewer Rates:

- The proposed FY 2019/20 budget anticipates no sewer rate increase as previously mentioned. Staff recommends that we hold rates steady until March 2021 at which time an updated revenue analysis will determine if there is a need to resume rate adjustments.



BUDGET ISSUE PAPER CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20	Public Works - Water	19-014

TO: City of The Dalles Budget Committee
FROM: Dave Anderson, Public Works Director
THRU: Julie Krueger, City Manager
DATE: March 20, 2019
ISSUE: **BIP 19-014 Water Master Plan Implementation**

RELATED COUNCIL GOAL:

A. Provide City-wide infrastructure to support safe and well maintained streets and reliable utility systems for the citizens of The Dalles.

RELATED FUND AND LINE ITEM: 053-5300-000.34-10 Engineering Services, 053-5300-000.76-10 Source of Supply, and 053-5300-000.76-20 Water lines

BACKGROUND:

- In 2011, staff reviewed water system needs consistent with the 2006 Water Master Plan, conducted a financial analysis of water utility funding, and developed options for rate and Capital Improvement Plan (CIP) schedules. The City Council expressed support for the capital project schedule that incorporated the issuance of bonds in 2014/15, 2016/17 and 2019/20 and generally lower rate increases over the next 10 years to fund identified capital improvements totaling over \$22,000,000; this scenario was referred to as Option 2B in the July 2011 report to Council (Agenda Report #11-080). Consistent with that decision, Council adopted Resolution No. 11-026 in October 2011 and water rates were increased in December 2011 for all users. Council again reviewed water rate and revenue data in 2012 and adopted Resolution No. 12-015 on September 24, 2012 that increased water rates in November 2012 and re-affirmed the water rate schedule presented in Resolution No. 11-026 for future years. Accordingly, water rates were increased in

September 2013. Future water rate increases were scheduled to occur on September 1 of each year for all customer classes as follows: 10% in 2014, 8% annual rate increases in 2015-2017, and annual 10% rate increases in years 2018-2020.

- Water rates and revenues were reviewed with Council again in October 2014. Due to the fact that water rate revenues were exceeding Option 2B targets, Council adopted Resolution No. 14-035 which rolled back one half of the 10% increase that had taken effect in September 2014 and established a new schedule of future water rates adjustments. That new schedule provided for 5% rate increases annually, effective November 1 of each year from 2015 to 2020.
- Most recently, an updated water utility rate revenue analysis was presented to Council on October 26, 2015. As in 2014, that analysis showed that water rate revenues collected in 2014/15 exceeded targets, again largely due to increased industrial water use, while revenue needs had been less than projected due to lower-than-anticipated inflation and the fact that the planned 2014 bond was not issued. As a result, water utility rates were not increased in 2015 as previously planned.
- With the current levels of water usage and resulting rate revenues, delays in the Dog River Pipeline schedule, and avoided bond issuances, some previously planned rate increases have not been needed. Water rates have been held steady since 2014. The proposed budget has been developed with the assumption that water utility rates will not be increased in FY2019/20 either. To date, neither of the first two anticipated bonds were issued, nor will the previously-planned bond for 2019 be issued at this time. The original 2006 Capital Improvement Plan and associated bond issuances are presented below.

2006 Water Capital Improvement Plan

Future Capital Improvements	Amount (2006 dollars)	Bond Issue Date
DEQ Temperature Mitigation	\$1,200,000	2014/15 – not issued
Sorosis Reservoir Rehabilitation	\$670,000	2014/15 – not issued
Painting Columbia View Reservoir	\$300,000	2014/15 – not issued
Dog River Line Replacement	\$6,800,000	2016/17 – not issued
Port Pipeline Extension	\$950,000	2016/17 – not issued
3 rd St. Streetscape	\$600,000	2016/17 – not issued
Lone Pine Well Enhancement	\$1,000,000	19/20 – not to be issued
Finished Pipeline Replacement	\$10,050,000	19/20 – not to be issued
TOTAL	\$22,235,000	

Water Capital Improvement Plan Implementation

- The Lone Pine Well Expansion project is expected to be completed by the end of FY2018/19 in light of a number of technical challenges associated with the project. Funding for the Lone Pine Well project was provided by an industrial partner in order to complete the project earlier than originally scheduled and will be repaid in 2019/20. Construction of the 18-inch Port Industrial Water Main was completed in 2017/18 with half of the funding for the project provided by an industrial partner. Painting of the Columbia View Reservoir was completed in 2017/18 and Sorosis Reservoir is scheduled to be completed in Fall 2019/20. Post-fire replanting of trees within the Watershed was completed in 2018 with funding assistance from the Oregon Watershed Enhancement Board. The temperature mitigation project at the Wicks Water Treatment Plant has been postponed due to a combination of regulatory changes and technical advancements which may allow the City to address the stream temperature issue at a much lower cost than originally planned. The 3rd Street Streetscape project has been postponed indefinitely pending approval by the Urban Renewal Board.
- Environmental permitting for the Dog River Pipeline Replacement project continued in 2018/19 with a decision from the Forest Service now expected in the Spring 2019. Design engineering for the project is planned to begin in FY2019/20 with construction targeted to occur in 2020 and 2021. The proposed FY2019/20 budget allocates \$10,091,787 for the permitting, design, and construction of this pipeline project. The proposed budget anticipates the receipt of funding from the Oregon Safe Drinking Water State Revolving Fund in the form of a \$1,030,000 grant and a \$2,970,000, 1%, 30-year loan. The budget also includes receipt of a \$1,000,000 grant from the Oregon Water Resources Department which was recently awarded for the project.
- The proposed FY2019/20 budget includes funding for the development of an Aquifer Storage and Recovery (ASR) system as previously discussed with City Council. This project was not included in the 2006 Water Master Plan but the feasibility of the project was evaluated in FY2017/18. Under this concept, surface water is treated during periods of abundant supply and low demand, essentially during the winter, and pumped down into the aquifer for later recovery to meet summertime demands. With ASR, the aquifer is used as a reservoir instead of building a dam on a stream. The proposed FY2019/20 budget includes \$6.5 million to develop the first phases of an ASR system. All of the funding needed for the project will be provided to the City by a local industrial partner.
- The proposed budget includes funds to update the City's Water Master Plan. The current Water Master Plan is now 13 years old. A water system is required to have a 20-year plan that is normally updated about every 10 years. It would be appropriate to update the City's plan now because a number of the previously identified projects have been completed, the current plan does not include the proposed ASR project, and water usage and revenue patterns have changed significantly in the last 13 years. In addition, the US-EPA has recently adopted regulations that require water utilities to conduct Risk and Resiliency Assessments; the City is required to complete its all-hazards assessment by June 30, 2021. It is believed that there could be a significant benefit in terms of

efficiency if the Master Plan is updated in conjunction with completion of the Risk and Resiliency Assessment because the projects can help inform and feed into each other. The proposed budget includes funding to complete both of these efforts. Once the Risk and Resiliency Assessment is completed and certified to EPA, the City has six months to then develop an Emergency Response Plan that incorporates the findings of the Risk and Resiliency Assessment; development of the Emergency Response Plan would be scheduled for FY2020/21.

- Lastly, the proposed budget includes funds to update the City’s flood hazard analysis. The last flood analysis that was completed was in 1996 and was largely related to evaluating the impacts of a failure of Crow Creek Dam. That analysis was also partially informed by the flooding that occurred that same year. Significant changes have occurred within the City since that time, including completion of the Union Street undercrossing, which could change potential flood impacts.

BUDGET IMPLICATIONS: Fund 53 Water Capital Reserve

34-10 Engineering Services	\$475,000	
Water Master Plan update	\$425,000	
Flood Analysis update	\$50,000	
76-10 Source of Supply	\$7,674,329	
Develop ASR system	\$6,500,000	
Lone Pine Well Enhancement repayment	\$1,174,329	
76-20 Water Lines	\$10,091,787	
Dog River Pipeline design/construction	\$10,091,787	



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20	Community Development	19-015

TO: City of The Dalles Budget Committee

FROM: Steven Harris, Community Development Director

THRU: Julie Krueger, City Manager

DATE: February 15, 2019

ISSUE: **BIP 19-015 Housing Strategies Report Implementation**

RELATED FUND AND LINE ITEM: General Fund – CDD 001-1100-000.31.10

BACKGROUND:

- The Department continues to implement the recommendations from the Housing Strategies Report (2017). The report and accompanying housing studies (Buildable Lands Inventory and Residential and Housing Needs Assessment Report) were prepared in response to Statewide Planning Goal # 10 Housing and the state’s requirements to modify the City’s Urban Growth Boundary (UGB).
- The Implementation Action Plan incorporates a number of recommended development code (TDMC Title 10 Land Use & Development) amendments addressing residential development. The recommendations were prioritized based on local conditions and recent state law (SB 1501). Phase 1 work has been through public hearings at the Planning Commission and is awaiting City Council review. Phase 2 work has recently begun and is scheduled to be complete in FY19-20. Phase 1 was funded through the department’s budget process (\$18,000), while Phase 2 is being funded by a state DLCD grant. Staff will apply for state grant funding for the Phase 3 work, however funding is requested if the grant application proves unsuccessful.

Budget Implications

- FY19-20 - \$25,000 requested



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20	Community Development	19-016

TO: City of The Dalles Budget Committee
FROM: Steven Harris, Community Development Director
THRU: Julie Krueger, City Manager
DATE: March 19, 2019
ISSUE: **BIP 19-016 - Westside Area Study**

RELATED FUND AND LINE ITEM: General Fund – CDD 001-1100-000.31.10

BACKGROUND:

- The proposed Westside Study Project area totals approximately 1,100 acres; generally bounded on the south and west by the Urban Growth Boundary (UGB), on the north by the I-84/West 2nd Street corridor and on the east by Cherry Heights Road.
- Land uses are a mix of residential (including single/multi-family and manufactured), commercial, light industrial and institutional. The 2016 Buildable Lands Inventory identified the Westside as the City’s future growth area, due in part to vacant and partially vacant residentially zoned lands. Existing land uses and circulation system have resulted in inefficient development patterns impacting the City’s ability to provide services in a cost efficient manner, achieve planned residential densities, address affordable housing issues, and to promote connectivity and transit use in the Project Area.
- Study objectives include the preparation/adoption of an Area Plan which applies various development, circulation and public service strategies that promote efficient use of land, mixed use development, TSP implementation, a variety of housing types, and the efficient use of public resources, services and facilities. Code amendments and other actions that implement Plan policies will be identified. A robust public involvement

strategy will be conducted. The Study will also compliment outcomes of the Economic Opportunities Analysis and Housing Strategies Report, and recommend conditions for possible annexations, UGB/UAB modifications.

Budget Implications

- A pre-application for state DLCD (Department of Land Conservation and Development) Transportation and Growth Management grant funding has been submitted. If accepted, the formal grant funding application is due June 2019, with acceptance notification in August 2019. Award amounts generally range between \$75,000 and \$250,000, and require a local match of 12%. Projects generally have two years from award for completion, but must be completed by September 2022.



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20	Airport	19-017

TO: City of The Dalles Budget Committee
FROM: Chuck Covert, Aviation Management Services LLC.
THRU: Julie Krueger, City Manager
DATE: March 19, 2019
ISSUE: **BIP 19-017 Airport Projects**

BACKGROUND:

- Since 2002 the City of The Dalles and Klickitat County have been jointly operating the Columbia Gorge Regional Airport. Aviation Management Services, LLC has been contracted to manage the airport and Tac Aero to manage the fixed base operation.

This year's budget includes the following projects:

1. \$180,000.00 for Rehabilitation of Apron: Phase I –Design. Funds for this project will be from an FAA grant in amount and the Airport will provide a \$30,000 match.
2. \$25,000 for the construction of a drainage pond and drainage system. This pond is required prior to construction of any new buildings in the hangar portion of the airport.
3. \$20,000 for a pavement management program
4. \$10,000 for main water line engineering and \$60,000 for a water distribution system
5. \$13,745 for a new card lock self-serve system for the fuel terminal.
6. \$100,000 for the design of a new Terminal building if funds can be obtained for that work.



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20	Personnel	19-018

TO: City of The Dalles Budget Committee

FROM: Julie Krueger, City Manager

THRU: Daniel Hunter, Human Resources

DATE: March 18, 2019

ISSUE: **BIP 19-018 Personnel Cost COLA**

BACKGROUND:

For compensation purposes, the City has four categories of employees:

- 1) Exempt employees (Dept Managers, Supervisors, Confidential Secretaries, Planning Staff);
 - 2) Contract employees (City Manager, City Attorney, and Municipal Court Judge);
 - 3) SEIU represented general employees; and
 - 4) Police Association employees.
- For the last two categories, the City negotiates a labor contract. The SEIU employees are in the second year of their three year contract. The third year begins July 1, 2019 with a 2.0% COLA. This contract expires June 30, 2020. The City's insurance premium payment increase was capped at 7% in FY 2017-18 for SEIU employees.
 - The three-year Police Association contract is in its final year of a three-year contract. A new contract was negotiated this year and recommendations to Council includes a 2.5% COLA per year. The City's insurance premium payment increase is capped at 7% for the Police Association employees for the upcoming fiscal year.

- The City has three contract employees: City Attorney, City Manager, and Municipal Court Judge. The City Council annually considers a COLA and/or salary adjustment for these three after their annual evaluations. Evaluations are being scheduled for May. The City is currently paying 85% dependent insurance pick up for the City Manager and City Attorney.
- Annually, the City Council also considers cost of living adjustment (COLA) or other salary adjustments for exempt employees. The exempt group has typically lagged behind salaries in comparable cities. In FY 2014-15 this group received a 2% COLA on July 1, 2014. In FY 2015-16, no cost of living increase was approved, the group received a 2% COLA for the next three fiscal years. Many positions in this group continue to fall behind their comparable positions in like cities in salary. The exempt positions currently follow the 7% maximum increase of the City contribution toward the cost of monthly insurance premiums given to the SEIU and Police Association employees.
- In 2016 we added an additional health insurance option, which has a higher deductible and lower premium and allows all employees to choose an option. In FY 16-17 Council approved a savings share incentive for employees going to the lower premium plan. There are currently eighteen employees who have switched to the lower premium plan. This is a 50% increase over last year. We do not have our proposed premium rates for the upcoming year. However, we believe it will be below the established cap.
- Last year (FY18-19) the Portland-Salem CPI (the last year available) was 3.1%. This year (Feb. 2019) the Western Regional CPI was 2.4%.

BUDGET IMPLICATIONS:

- The proposed budget has been prepared with a 2% COLA for all employees and a 7% increase in insurance premiums.
- While the Budget Committee will consider and may adjust the proposed budgeted amounts in any category, including the personnel categories, the Budget Committee does not set the wages for City Employee positions. Setting employee position wages and any wage table is done by the City Council via the SEIU and Police Association contracts, and Council action for the Exempt positions.



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20		19-019

TO: City of The Dalles Budget Committee
FROM: Angie Wilson, Finance Director
DATE: February 11, 2019
ISSUE: **BIP 19-019 State Revenue Sharing Process and Use of Funds**

BACKGROUND:

State Revenue Sharing Law, ORS 221.770, requires cities to pass a resolution each year stating that they elect to receive State Revenue Sharing money during the next fiscal year. The law mandates public hearings be held by each city, and a certification of these hearings is required. The required hearings are as follows: 1) the Budget Committee holds a Public Hearing to consider possible uses of the funds; and 2) the City Council holds a Public Hearing on the uses of the funds as proposed by the Budget Committee or others.

After the Hearing before the Budget Committee, the Committee should make a motion to recommend to the City Council that the State Revenue Sharing funds be designated for a certain purpose. The City of The Dalles has traditionally made a very broad statement that State Revenue Sharing funds should be used to support activities in the General Fund. These funds, estimated at \$187,013 for the coming year, are used to balance the General Fund in the proposed FY19/20 budget. If it is determined that these funds are to be used for another purpose, we would have to reduce the General Fund expenditures and associated services by a similar amount.

This year the public hearing before the Budget Committee is scheduled for the first Budget Committee meeting on April 29, 2019.

- The Hearing before the City Council is scheduled for June 10, 2019.

The required Resolution electing to receive State Revenue Sharing funds in the upcoming fiscal year is included as an action item on the same agenda. That resolution is not required to designate the uses of the funds, but only states the City's election to receive them. A copy of the signed resolution, along with certification that the two hearings were held as required is then sent to the State to document the City's compliance with the requirement.



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 19-20	Special Grants	19-020

TO: City of The Dalles Budget Committee

FROM: Angie Wilson, Finance Director

THRU: Julie Krueger, City Manager

DATE: February 15, 2019

ISSUE: **BIP 19-020 Special Grants Fund**

BACKGROUND:

- The Special Grants Fund was created to provide for those capital projects that were funded entirely or in part by restricted funds, such as grants, loans, and contributions that were restricted in use to those specific projects. The following projects have been included in the proposed budget for FY18/19:
- OCHC/SHPO/Certified Local Government (018-2700-331.-10): This is where the State Historic Preservation Office (SHPO) grants and other state grants associated with our certified local government are spent. These grants are typically for historic projects or workshops that include historic properties and the historic Pioneer Cemetery. We have budgeted to receive \$8,000.00 in these types of grants, specifically an Oregon Commission on Historic Cemeteries (OCHC) grant. There is no match requirement.
- 1st STREET/RIVERFRONT CONNECTION PROJECT (018-2900-000.75-10): The project description has changed considerably since its inception in 2008. The ODOT/City agreement was formally amended in 2018 to reflect the current project description and schedule. Action by the City Council and the Urban Renewal Agency Board will be needed to authorize the next project phases, to include the preparation of construction documents and a funding plan. The \$1,170,000 remaining balance of the ODOT/federal funding grant can be used for this project only. If it is determined not to proceed with the project, the City will be liable for the approximately \$400,000 in federal funds that have been spent to date. The entire balance of the 2009 FFCO Bond proceeds were transferred in prior years from

Urban Renewal in the amount of \$1,990,023 for this project. Although the bond funds can be used for other projects, they have to be within the scope of the Statement of Uses in the bond document. These funds were placed in this line item to keep track of them until the Council determines the needs of this project.

- Gorge Hub Project (018-3450-415.75-10): In FY 18/19 several grant applications were submitted to fund this project individually and in partnership with other Gorge Hub projects throughout the Gorge. None of which were successful. The City still retains a Cycle Oregon grant in the amount of \$4,000.00 which was awarded in late 2016. Grant funds will continue to be sought in FY 19/20 to complete this project and, at the same time, potential partnerships explored to develop alternative options if funding is not secured. If grant funds or a partnership is not secured, there will be a transfer from the Capital Project fund to Fund 18 to pay for the project.
- DEQ/EPA Brownfield Grant: Building upon the results of the Integrated Planning Grant completed by the end of FY 18/19, a grant application will be sought from either Oregon Department of Environmental Quality (DEQ) or the Environmental Protection Agency (EPA). The intent of an application is for continued evaluation of potential projects and actual cleanup. The scope and size of the grant is dependent on the results of the planning grant and which properties may be included and prioritized.
- As stated above, some of the revenues are restricted to use on specific projects, while other portions, such as the Urban Renewal funds can be moved around as needed at the discretion of the Council. The 2009 FFCO Bond funds must be used for projects that are determined to be within the scope of the Statement of Uses in the bond document. However, if the Council wishes to change the uses in the bond statement a bond attorney will need to be contacted to make changes via a new resolution.