

2016 BUDGET CITY OF DAYTON



CABOOSE PARK

JANUARY 1, 2016 – DECEMBER 31, 2016

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MAYOR'S BUDGET MESSAGE

October 24, 2015

To: Citizens of Dayton

It is my pleasure to present the budget for the City of Dayton to you for 2016.

First of all, I want to say it has been a great honor and pleasure to have served as your mayor and I look forward to four more great years as we make Dayton a better place to live and raise your family.

The 2015 budget concentrated on the theme of "Sustainability" and a great amount of dollars and effort was expended in this area. The Transportation Benefit District was formed this year and the money from this will be used only on streets and alleys. The City is investigating different funding opportunities for more money for our streets. To improve efficiency and service to you the public, we installed two new computer systems.

The theme for the 2016 budget is "Code Enforcement". The City Council and the staff heard loud and clear that you want more code enforcement than has been done before. To accomplish this ever growing task, we are budgeting for a part-time individual to carry out this duty. This will be our number #1 priority as we go into 2016. We have a beautiful town and we want to make it even better. Other areas we will continue to expand our efforts on our Touchet River Levee Deficiency plan and continue to look at the West End beautification and the development of the Commercial Street corridor.

The City Council and the City staff are doing everything they can to make Dayton even better than it is. There is always room for improvement and any and all input from the citizens of Dayton is most welcome.

Please call me at 509-240-2682 if you have any questions.

Sincerely,

Craig George, Mayor
City of Dayton

HISTORY OF DAYTON, WASHINGTON

Rich in history, Dayton was originally explored by Lewis and Clark during their expedition, Corps of Discovery. They camped on the Patit Creek just east of Dayton on their return in 1806. At that time Dayton's Main Street was a racetrack for regional Indian Tribes. The first settlers in 1859 used the land for grazing, but by 1861 had turned to farming wheat and other grain because of the highly fertile soil and the adequate rainfall. The town had been platted in 1871 by Jesse N. and Elizabeth Day and was officially incorporated by Jesse Day on November 10, 1881.

Dayton boasts the oldest train depot in the state (1881) and the oldest working county courthouse (1887). Both have been lovingly restored to their original splendor. Today, this thriving county seat honors its rich past with walking tours, annual festivals, home tours, and continued preservation and restoration of the community's history.

Dayton offers a warm and friendly rural, small town atmosphere with spectacular views of the Blue Mountains. The city is nestled in the foothills close to one of the most magnificent natural wonders of our region, Palouse Falls. Also, Dayton is within an easy drive to some of the most prestigious wineries in Washington State.



Location of Dayton, Columbia County, Washington

Coordinates: 46°19'11"N 117°58'40"W, Total Area of Land: 1.5 sq. miles,
Elevation: 1660 feet, Population: 2526 (2010 Census)

FORM OF GOVERNMENT

The City of Dayton is a “Code City” as described under Title 35A in the Revised Code of Washington. It operates under a mayor-council form of government with seven (7) elected council members serving various terms. The Mayor serves as the chief administrative officer of the City and the Council functions as the legislative body.

The City is also served by Congressional District 5 and Legislative District 16.

BUDGET PROCESS

Budgeting is an essential element of the financial planning, control and evaluation process of government. The planning process involves determining the types and levels of services to be provided by at the various departments, programs and functions.

The City of Dayton budgets annually on the calendar year beginning January 1 and ending December 31. Budget amendments are limited by state law (RCW 35A.33.120).

Allocations are made based on fund structure, limiting uses outside of each fund. Funds are segregated to carry on specific objectives and budgeted on a cash basis in accordance with the Revised Code of Washington, RCW 35.33.

Appropriations in the budget constitute maximum expenditure authorizations during the year and cannot be legally exceeded until subsequently amended by the City Council.



2015 CITY OF DAYTON MAYOR AND CITY COUNCIL

Mayor

Craig George
Term expiring 12/31/2015

Council Members

V. Delphine Bailey
Term expiring 12/31/2015

Kathy A. Berg
Term expiring 12/31/2015

Michael Paris
Term expiring 12/31/2017

Dain Nysoe
Term expiring 12/31/2015

Arthur Hall
Term expiring 12/31/2015

Byron Kaczmariski
Term expiring 12/31/2015

Christine Broughton
Term expiring 12/31/2017

“Without community service, we would not have strong quality of life. It’s important to the person who serves as well as the recipient. It’s the way in which we ourselves grow and develop.”

Dr. Dorothy Height

ORDINANCE NO. _____

AN ORDINANCE ADOPTING THE BUDGET FOR THE CITY OF DAYTON, WASHINGTON FOR THE FISCAL YEAR ENDING DECEMBER 31, 2016.

WHEREAS, the Mayor of the City of Dayton, Washington completed and placed on file with the city clerk a proposed budget and estimate of the amount of the moneys required to meet the public expenses, bond retirement and interest, reserve funds and expenses of government of said city for the fiscal year ending December 31, 2016 and a notice was published that the Council of said city would meet on the 23rd day of November, 2015, and the 7th day of December, 2015, at the hour of 7:00 p.m., or soon thereafter, at the Council Chambers in the City Hall of said city for the purpose of making and adopting a budget for said fiscal year and giving taxpayers within the limits of said city an opportunity to be heard upon said budget; and,

WHEREAS, the said City Council did meet at said time and place and did then consider the matter of said proposed budget; and,

WHEREAS, the said proposed budget does not exceed the lawful limit of taxation allowed by law to be levied on the property within the City of Dayton for the purpose set forth in said budget, and the estimated expenditures set forth in said budget being all necessary to carry on the government of said city for said year and being sufficient to meet the various needs of Dayton during said period.

NOW, THEREFORE, the City Council of the City of Dayton do ordain as follows:

Section 1. The budget for the City of Dayton, Washington, for the year 2016 is hereby adopted at the fund level in its final form and content as set forth in the document entitled City of Dayton, 2015 Budget (Attachment "A"), three copies of which are on file in the Office of the Clerk.

Section 2. Estimated resources for each separate fund of the City of Dayton, and aggregate expenditures for all such funds for the year 2016 are set forth in a summary form below, and are hereby appropriated for expenditure at the fund level during the year 2016 as set forth in the City of Dayton, 2016 Budget:

<u>FUND</u>	<u>RESOURCES/APPROPRIATIONS</u>
CURRENT EXPENSE	\$1,118,500
CITY STREET & ROAD	\$298,000
MOTEL/HOTEL EXCISE TAX	\$59,500
CAPITAL IMPROVEMENTS	\$267,700
SEWER REVENUE	\$1,049,500

<u>FUND</u>	<u>RESOURCES/APPROPRIATIONS</u>
SEWER CUMULATIVE RESERVE	\$235,000
WATER REVENUE	\$972,700
WATER CUMULATIVE RESERVE	\$312,000
W & S SYSTEM DEBT RESERVE	\$398,100
W & S SYSTEM DEBT SERVICE	\$506,900
CEMETERY ENDOWMENT	\$369,500
LIBRARY ENDOWMENT	\$168,900
PATHWAY ENDOWMENT	\$9,000
TOTAL 2016 BUDGET	\$5,765,300

Section 3. As prescribed by RCW 35A.33.075, the City Clerk-Treasurer is directed to transmit a certified copy of the budget hereby adopted to the Washington State Auditor’s Office and to the Association of Washington Cities.

Section 4. The salaries and wages set forth in the City of Dayton, 2016 Budget constitute the appropriations for salaries and wages that will be paid to the legislative body and employees of the City of Dayton. The number of full-time positions as stated in the budget is, insofar as can be ascertained, the number of positions ordinarily filled. The compensation to each employee affected may differ from the amount specified in the budget, so long as the compensation does not exceed the amount appropriated in the 2016 budget.

Section 5. A summary of this Ordinance consisting of its title shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

PASSED by the Council of the City of Dayton and approved by the Mayor on this ____ day of _____, 2015.

Craig George, Mayor

Attest:

Approved as to form:

Trina Cole, City Clerk-Treasurer

Quinn N. Plant, City Attorney

2016 Schedule of Sources and Uses

FUND	FUND NAME	2015 BUDGET	2016 BUDGET	DIFFERENCE Incr. (Decr.)	INCREASE/ DECREASE
001	CURRENT EXPENSE:				
	<u>Departments</u>				
	Non-Departmental	\$ 89,000	\$ 85,600	\$ (3,400)	-3.82%
	General Govt.	\$ 69,100	\$ 67,200	\$ (1,900)	-2.75%
	Judicial	\$ 108,800	\$ 103,600	\$ (5,200)	-4.78%
	Clerk/Treasurer	\$ 66,800	\$ 65,900	\$ (900)	-1.35%
	City Attorney	\$ 16,100	\$ 18,000	\$ 1,900	11.80%
	Dike Maintenance	\$ 23,500	\$ 24,000	\$ 500	2.13%
	Code Enforcement	\$ -	\$ 33,400	\$ 33,400	100.00%
	Planning	\$ 82,600	\$ 68,500	\$ (14,100)	-17.07%
	Law Enforcement	\$ 388,100	\$ 377,300	\$ (10,800)	-2.78%
	Animal Control	\$ 18,800	\$ 18,400	\$ (400)	-2.13%
	Parks	\$ 90,600	\$ 110,100	\$ 19,500	21.52%
	Pool	\$ 69,500	\$ 67,500	\$ (2,000)	-2.88%
	Cemetery	\$ 76,100	\$ 64,500	\$ (11,600)	-15.24%
	Library	\$ 7,000	\$ 7,000	\$ -	0.00%
	Delany Building	\$ 7,500	\$ 7,500	\$ -	0.00%
	Total Current Expense	\$ 1,022,900	\$ 1,118,500	\$ 95,600	9.35%
103	CITY STREET & ROAD	\$ 316,700	\$ 298,000	\$ (18,700)	-5.90%
106	HOTEL MOTEL EXCISE TAX	\$ 56,000	\$ 59,500	\$ 3,500	6.25%
301	CAPITAL IMPROVEMENTS	\$ 7,500	\$ 267,700	\$ 260,200	3469.33%
401	SEWER REVENUE	\$ 940,200	\$ 1,049,500	\$ 109,300	11.63%
402	SEWER CUMULATIVE RESERVE	\$ 165,000	\$ 235,000	\$ 70,000	42.42%
403	WATER REVENUE	\$ 903,500	\$ 972,700	\$ 69,200	7.66%
404	WATER CUMULATIVE RESERVE	\$ 299,800	\$ 312,000	\$ 12,200	4.07%
413	WATER & SEWER SYSTEM RESERVE	\$ 398,100	\$ 398,100	\$ -	0.00%
414	WATER & SEWER SYSTEM DEBT SERVICE	\$ 371,700	\$ 506,900	\$ 135,200	36.37%
601	CEMETERY ENDOWMENT	\$ 425,000	\$ 369,500	\$ (55,500)	-13.06%
602	LIBRARY ENDOWMENT	\$ 168,900	\$ 168,900	\$ -	0.00%
603	HISTORIC PATHWAY ENDOWMENT	\$ 9,000	\$ 9,000	\$ -	0.00%
	GRAND TOTAL ALL FUNDS	\$ 5,692,200	\$ 5,765,300	\$ 73,100	1.28%

**2016 BUDGET
TOTAL ALL FUNDS**

=
\$5,765,300

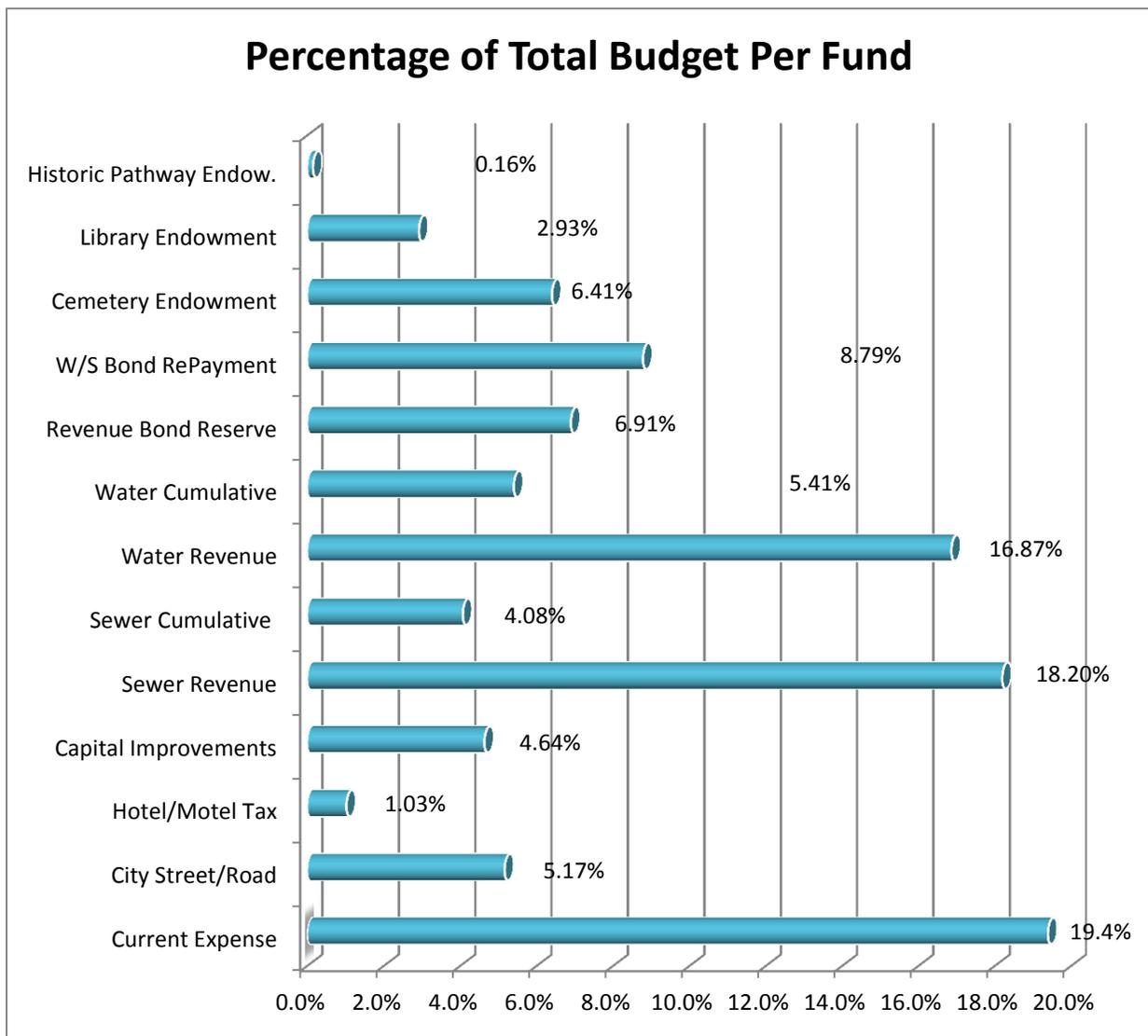
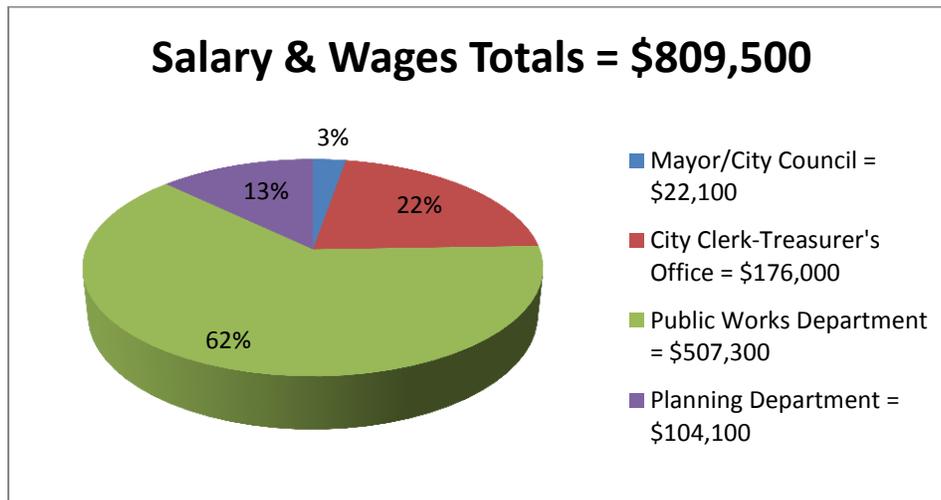


Figure A

2016 Employee Allocations by Funding Source

Positions	Full-time Equivalent (FTE) (+/-)	Current Expense Fund	Hotel/Motel Tax Fund	City Street/Road Fund	Sewer Revenue Fund	Water Revenue Fund
Legislative						
Mayor	0.30	0.30				
City Council	0.10	0.10				
Total Legislative	0.40	0.40				
Public Works						
Public Works Director	1.00	0.09		0.20	0.30	0.41
Wastewater Treatment Plant	1.58				1.56	
Public Works Maintenance	6.42	1.53	0.01	1.50	1.31	2.04
Total Public Works	9	1.62	0.01	1.70	3.17	2.45
City Clerk-Treasurer						
City Clerk-Treasurer	1.00	0.47		0.05	0.23	0.25
Deputy City Clerk	1.00				0.50	0.50
Pool Lifeguards	1.1	2.08				
Total City Clerk-Treasurer	3.1	2.55	0.00	0.052	0.735	0.747
Planning						
Planning Director	1.00	0.57		0.10	0.15	0.18
Code Enforcement Officer	0.80	0.65	0.00	0.01	0.07	0.07
Total Planning	1.80	1.22	0.00	0.11	0.22	0.25
Total Funded/Budgeted Positions	14.30	5.79	0.01	1.86	4.12	3.45



ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF DAYTON, WASHINGTON ADOPTING THE
2016 SALARY SCHEDULE FOR THE CITY OF DAYTON.**

Section 1. Salary Schedules for Non-Contractual Employees.

Position	Formal Salary Scale - Monthly	
	Low	High
Public Works Director	\$ 4,800	\$ 6,800
Public Works Foreman	\$ 3,950	\$ 5,600
City Clerk-Treasurer (Administrator)	\$ 4,800	\$ 6,400
Deputy City Clerk Treasurer	\$ 3,800	\$ 5,250
Planning Director	\$ 4,100	\$ 5,750
Code Enforcement Officer	\$ 2,500	\$ 2,900
	Hourly Wage Scale	
Seasonal/Part-time Positions	Minimum Wage Rate	\$13.00

Section 2. Salary Grades for Union (Contractual) Employees.

A Wage Schedule for all Union Common Skilled Laborers has been established and are prescribed in the 2016 – 2018 Collectively Bargained Agreement adopted by the Dayton City Council _____, 2015. The Wage Schedule effective January 1, 2016 has been incorporated as Exhibit “A”.

Section 3. The salaries and wages set forth in the 2015 City of Dayton Budget constitute the appropriations for salaries and wages that will be paid to the legislative body and employees of the City of Dayton. The numbers of positions as stated in the budget are, insofar as can be ascertained, the number of positions ordinarily filled.

Section 4. The salary and wage schedules are exclusive of overtime, compensatory time and/or merit compensation as provided by the 2008 City of Dayton Personnel Policies effecting non-contractual, non-exempt employees or as specified in the Union Agreement effective January 1, 2013 through December 31, 2015 effecting contractual, non-exempt employees. As a result, the compensation to each employee affected may differ from the amount specified in this schedule, so long as the compensation does not exceed the amount appropriated in the 2015 City of Dayton Budget.

Section 5. Effective Date. A summary thereof of this Ordinance consisting of its title shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

Passed by the City Council of the City of Dayton on this _____ day of _____, 2014.

Craig George, Mayor

Attest:

Trina Cole, City Clerk-Treasurer

Approved as to form:

Quinn N. Plant, City Attorney

001 CURRENT EXPENSE FUND

001 CURRENT EXPENSE					
	2016	2015	2014	2013	2012
<u>REVENUES</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>BUDGET</u>
Beginning Net Cash & Investments	\$ 226,100	\$ 195,000	\$ 182,688	\$ 251,849	\$ 205,000
Taxes	\$ 688,000	\$ 680,700	\$ 945,614	\$ 685,332	\$ 599,500
License and Permits	\$ 9,000	\$ 9,000	\$ 10,620	\$ 4,722	\$ 3,500
Intergovernmental Revenues	\$ 55,400	\$ 66,700	\$ 143,997	\$ 74,372	\$ 58,900
Charges for Goods & Services	\$ 38,500	\$ 20,000	\$ 70,897	\$ 335,141	\$ 349,700
Fines and Forfeitures	\$ 65,000	\$ 50,000	\$ 43,390	\$ 48,782	\$ 60,500
Miscellaneous Revenue	\$ 36,500	\$ 1,500	\$ 55,607	\$ 12,339	\$ 30,300
Total Current Expense Fund	\$ 1,118,500	\$ 1,022,900	\$ 1,452,813	\$ 1,412,537	\$ 1,307,400

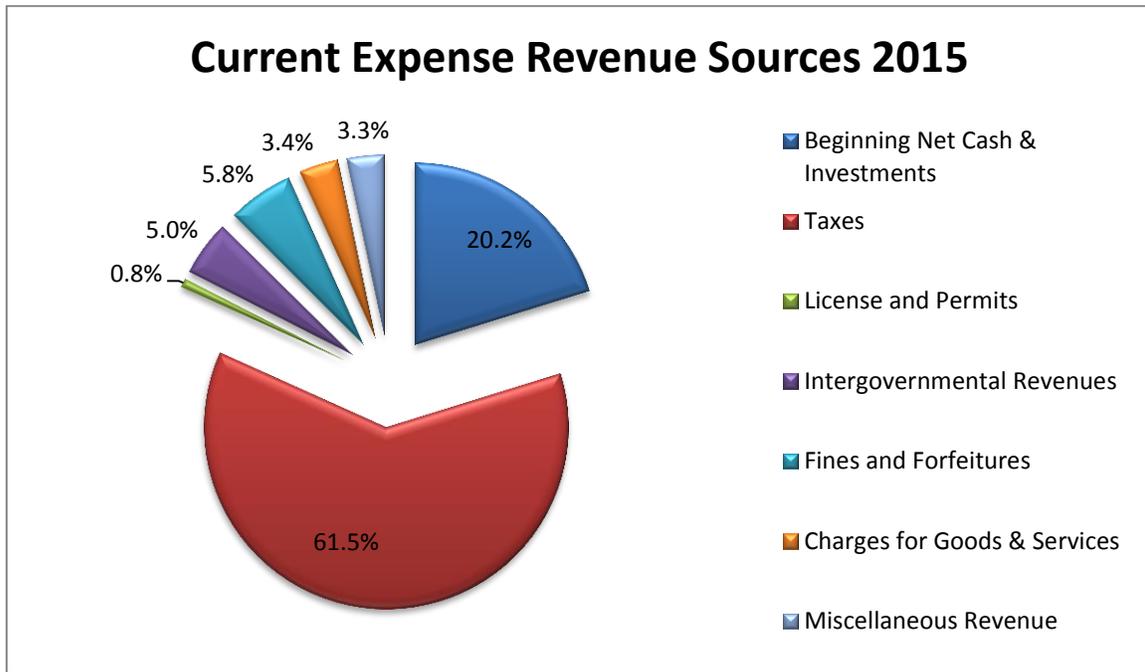


Figure B

NARRATIVE: Current Expense Fund revenues are available to fund the various services accounted for in the Current Expense Fund, such as Legislative, Finance, City Attorney, Law Enforcement, Municipal Court Services, Parks, Swimming Pool, Planning, Cemetery, and Library/Delany Building contractual obligations. Most of these services are not self-supporting but rely upon the general taxation authority provided to cities which includes, but is not limited to Excise, Business & Occupation, Sales & Use, and Real & Personal Property Taxes. About 61.5%, or \$688,000, of the Current Expense’s revenues is generated by these taxing authorities. Details are reflected in Figure C below.

**2016 CURRENT EXPENSE TAX AUTHORITY REVENUES =
\$688,000**

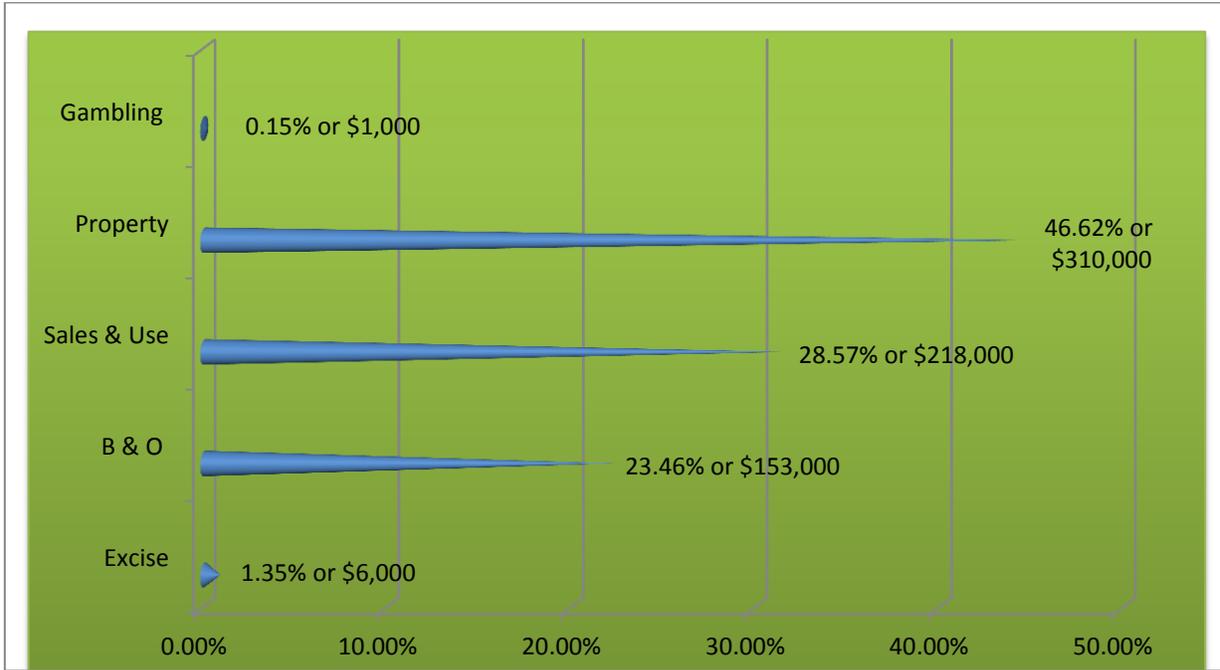


Figure C



CURRENT EXPENSE FUND - EXPENDITURES

NON-DEPARTMENTAL					
EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Unreserved Ending Fund Balance	\$ 42,600	\$ 45,100	\$ 383,737	\$ 150,359	\$ 251,849
Transfer to Library	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer to Cemetery	\$ -	\$ -	\$ -	\$ 15,594	\$ 26,477
ERR	\$ -	\$ -	\$ -	\$ 600	\$ 525
Interfund Transfer to LEOFF 1 Reserve Fund	\$ 12,000		\$ -		
Interfund Loan Repayments/Interest	\$ -	\$ -	\$ 18,239	\$ 18,239	\$ 18,239
State Court Remittances	\$ 31,000	\$ 20,000	\$ 15,859	\$ 17,715	\$ 38,271
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental Services	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Departmental Services	\$ 85,600	\$ 65,100	\$ 417,836	\$ 202,508	\$ 335,361

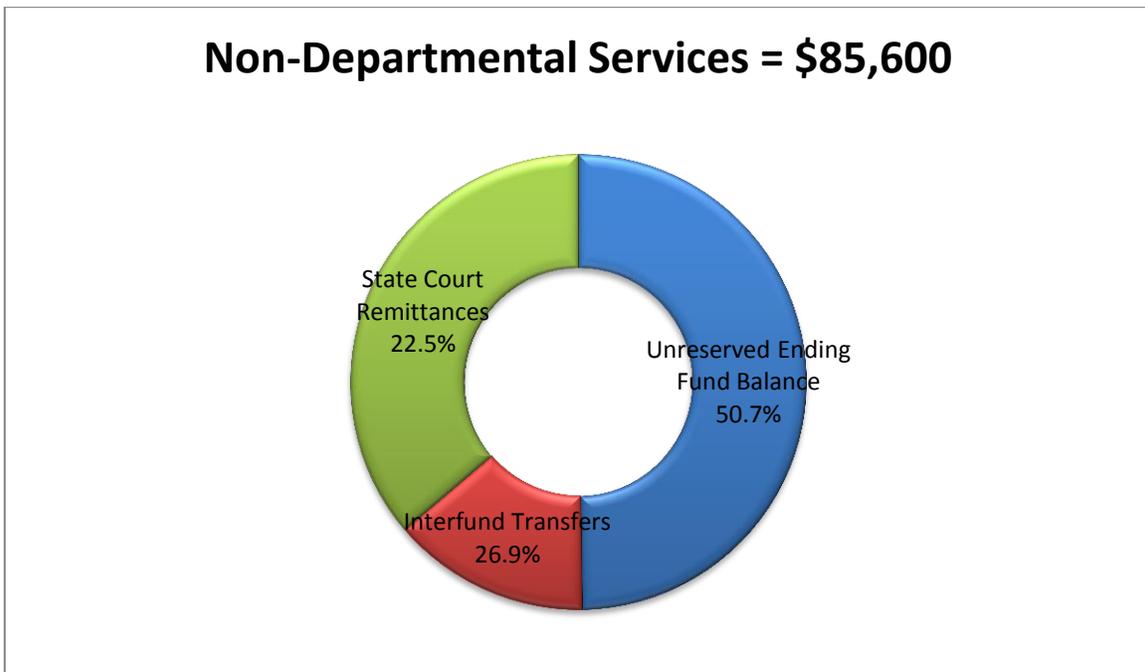


Figure D

GENERAL GOVERNMENT SERVICES - CITY COUNCIL

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Salaries & Wages	\$ 22,100	\$ 22,100	\$ 24,150	\$ 24,000	\$ 23,700
Benefits	\$ 2,000	\$ 2,000	\$ 1,845	\$ 1,871	\$ 1,775
Supplies	\$ 3,000	\$ 4,500	\$ 3,967	\$ 4,726	\$ 3,854
Other Services & Charges	\$ 30,500	\$ 30,500	\$ 18,174	\$ 36,658	\$ 43,635
Intergovernmental Services	\$ 9,600	\$ 8,000	\$ 6,423	\$ 6,585	\$ 5,515
Capital Expenditures	\$ -	\$ 2,000	\$ -	\$ -	\$ -
Total General Government Services	\$ 67,200	\$ 69,100	\$ 54,559	\$ 73,840	\$ 78,479

NARRATIVE: The General Government Services Department reports all costs associated with activities of the Mayor and Council and other general expenses of the local government. Some examples of the general expenses are legal publication services, election services, voter registration costs, and liability insurance.

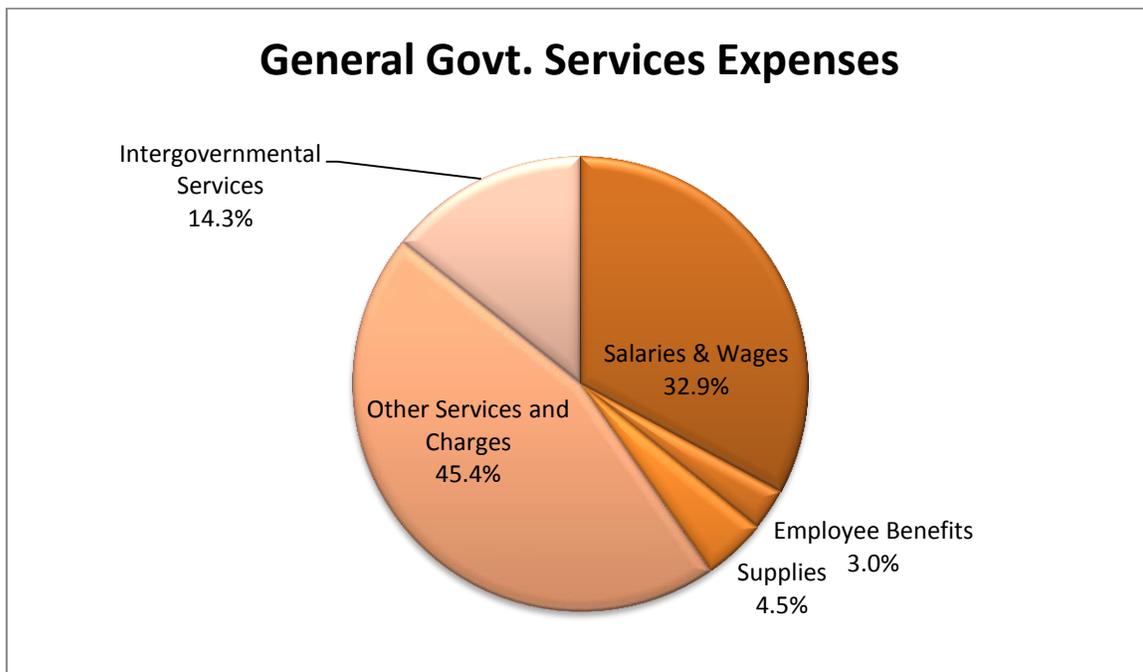
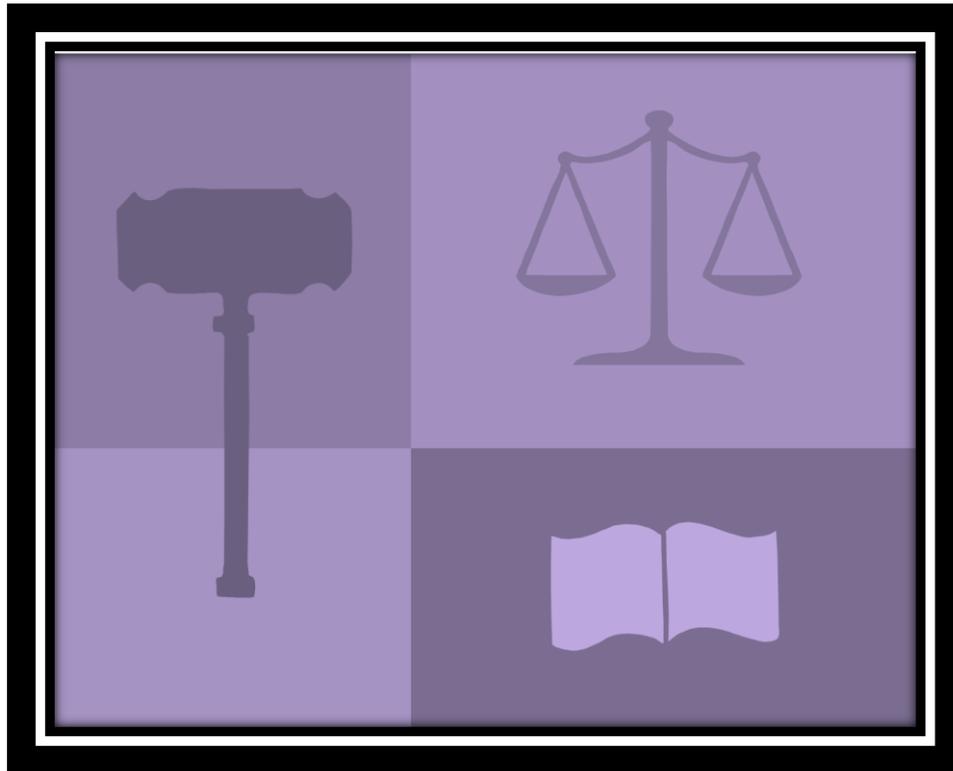


Figure E

MUNICIPAL COURT SERVICES					
EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Intergovernmental Services	\$ 103,600	\$ 108,800	\$ 103,513	\$ 103,513	\$ 94,103
Total Judicial Department	\$ 103,600	\$ 108,800	\$ 103,513	\$ 103,513	\$ 94,103

NARRATIVE: The mission of any municipal court is to lawfully, ethically, and efficiently administer justice for misdemeanor, traffic and municipal code violations within the City.

The City continues to contract with Columbia County’s District Court to provide our community with municipal court services. Judge Scott Marinella presides as the District Court’s judge.



CITY CLERK-TREASURER					
EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Salaries & Wages	\$ 35,000	\$ 40,600	\$ 33,235	\$ 19,880	\$ 20,194
Benefits	\$ 8,200	\$ 10,900	\$ 9,328	\$ 5,358	\$ 4,954
Supplies	\$ 2,500	\$ 3,500	\$ 4,102	\$ 2,352	\$ 1,216
Other Services & Charges	\$ 19,700	\$ 11,300	\$ 32,295	\$ 5,505	\$ 10,718
Intergovernmental Services	\$ 500	\$ 500	\$ 1,011	\$ -	\$ 680
Total Clerk-Treasurer Services	\$ 65,900	\$ 66,800	\$ 79,971	\$ 33,095	\$ 37,082

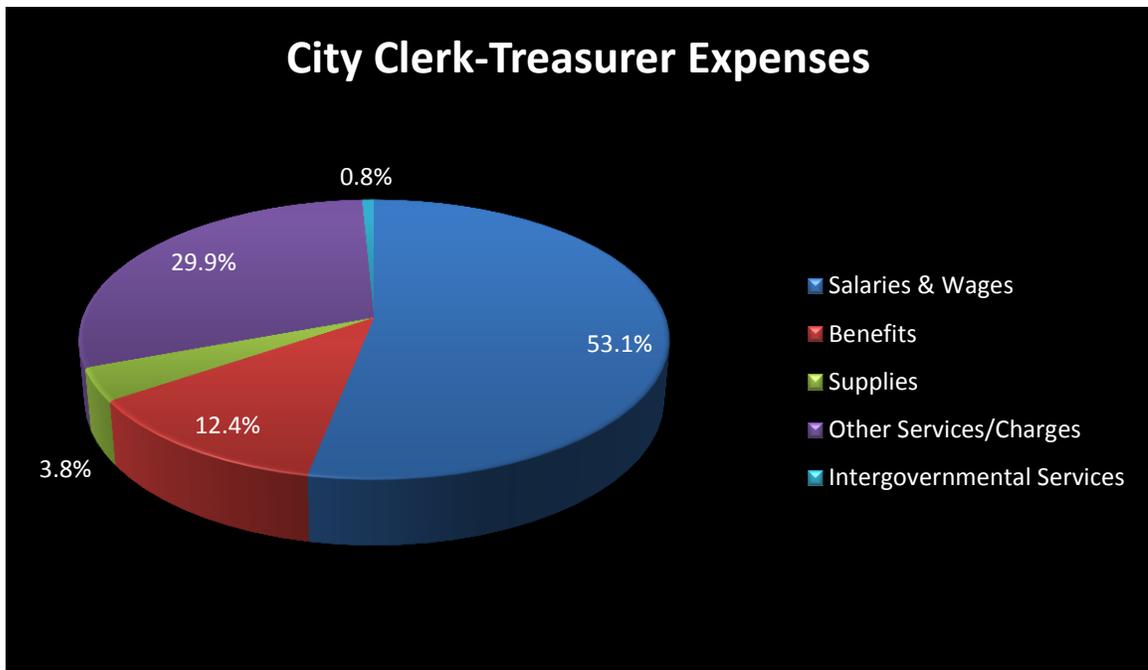


Figure F

NARRATIVE: The City Clerk-Treasurer Department serves as the chief advisory department to the legislative body, administration, and department staff on all municipal financial matters, provides leadership in the development of long- and short-term goals, including the city budget, and makes recommendations to the city council for action.

The employees of the City Clerk-Treasurer's Office play many roles and serve several varied functions, not only for the public, but for the municipality as well. Some functions of the department also include:

- Billing and collections of revenues for utilities and the cemetery;
- Preparing the bi-monthly payroll and associated reporting to state and federal agencies;
- Annual budget preparation and continued monitoring of the financial status of the City
- Preparation and processing of city vendor payments;
- Billing and collection of business and occupation, gambling and utility taxes;

- Processing and collection of animal license fees and fines;
- Preparation of council agenda packets and meeting minutes;
- Finalization and publication of all ordinances and resolutions;
- Central repository of city government records;
- Central depository for all city funds and responsible for investment of cash reserves;
- Utility accounting to include job costing, inventory control, collections and tax reporting;
- Receive and fulfill public records requests as prescribed by the Revised Code of Washington

CITY CLERK-TREASURER'S PRIMARY GOALS FOR 2016

1. *Continue improving communication between the citizens and the City.*
2. *Conduct Citizen Survey to determine the satisfaction of our citizens, establish community direction and improve customer services.*
3. *Develop and implement an investment policy.*
4. *Maximize training opportunities for all personnel.*
5. *Review, research and update, if applicable, the City's overhead cost-allocation program.*
6. *Continue to improve City's public records filing system to easily access and fulfill public records requests including, but not limited to electronic/cloud storage options.*
7. *Review and update Dayton Municipal Codes.*
8. *Provide for additional updates and ongoing maintenance of the City's website.*
9. *Work towards creating a successful cross-training program for all of the Clerk-Treasurer's Office functions.*
10. *Create a water splash pad project*
11. *Research and create a street financing plan that includes capitalizing on outside resources in conjunction with leveraging funding from the recently created Transportation Benefit District.*
12. *Work on creating a Street Policy that encompasses not only motorists, but bicyclists and pedestrians opening up the City's opportunity for additional grant funding through the Complete Streets State Grant Program.*
13. *Plan and pursue a Water Utility Rate Study that will assist in creating a financial plan to begin implementing the 2015 Water System Plan authorized by the City Council in September 2015.*
14. *Create a user-friendly City of Dayton Master Fee Schedule.*
15. *Coordinate the creation of the Code Enforcement program.*
16. *Research and pursue Community Block Grant Funding to potentially assist in various programs such as affordable housing, water and sewer utility improvements, or economic improvement programs.*
17. *Work directly with the Transportation Improvement Board to successfully capitalize on various grant funding opportunities for massive street and utility improvement projects.*
18. *Create an overall levee deficiency correction financial program allowing construction to begin in 2017 or 2018.*
19. *Research options for utilizing and managing social media tools for improving public outreach programs.*
20. *Research and surplus unused/unneeded city property.*
21. *Aggressively research grant opportunities to assist in planning and implementing capital improvement programs.*

CITY ATTORNEY

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Other Services & Charges	\$ 18,000	\$ 16,100	\$ 17,232	\$ 22,273	\$ 15,576
Training	\$ -	\$ -	\$ -	\$ -	\$ -
Total City Attorney Services	\$ 18,000	\$ 16,100	\$ 17,232	\$ 22,273	\$ 15,576

NARRATIVE: The City contracts for legal services with a Menke Jackson Beyer, LLP, on an hourly basis. The City Attorney acts as the legal adviser to the Mayor, City Council and Staff. This includes reviewing ordinances, resolutions, the form of all contracts and insurance policies for the City. Also, the City Attorney is heavily involved in personnel issues, including hiring procedures, grievances, and disciplinary actions.

LEVEE/DIKE MAINTENANCE

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Salaries & Wages	\$ 5,500	\$ 5,000	\$ 208	\$ 21,038	\$ 5,096
Benefits	\$ 3,000	\$ 2,000	\$ 40	\$ 3,604	\$ 1,888
Supplies	\$ 1,500	\$ 500	\$ -	\$ 5,641	\$ -
Other Services & Charges	\$ 6,000	\$ 1,000	\$ 48,771	\$ 38,866	\$ 1,854
Intergovernmental Services	\$ 8,000	\$ -	\$ -	\$ -	\$ -
Capital Improvements	\$ -	\$ 15,000	\$ -	\$ -	\$ -
Total Dike Maintenance	\$ 24,000	\$ 23,500	\$ 49,020	\$ 69,150	\$ 8,838

NARRATIVE: The City is required to operate and maintain its levee system along the Touchet River in compliance with the United States Army Corps of Engineers (USACE) levee requirements. The purpose of this levee is to protect our community in the event of a high water event. Failure to maintain the system in an adequate manner not only compromises the health, safety and welfare of our community, but also could result in decertification of our levee system by the USACE. Decertification would result in the loss of FEMA insurance coverage and/or assistance in the event of a natural disaster such as a high water event. Without such coverage, the City would not be in a financial situation to rebuild the community following an event such as the Flood of 1996.

Annually, USACE performs a levee inspection and submits a Continuing Eligibility Inspection (CEI) Report outlining the health of our levee system. Although our levee is considered acceptable, it is only marginally acceptable. The 2013 CEI Report outlined several deficiencies needing attention to maintain an acceptable rating. In 2014, the City hired Anderson Perry and Associates to prepare the Touchet River Levee Deficiency Correction and Prioritization Plan. This plan clearly outlines a maintenance and improvement program along with the associated costs. In 2016, the construction design engineering phase will be completed with the intention of constructing the improvement in 2017. The program will also be funded through the Streets, Water and Sewer Funds due to the value of protection of the City's infrastructure in the event of a flood disaster.

In addition, the City will utilize the Washington State Department of Corrections to perform annual maintenance needs on the levee removing vegetation not only within the Touchet River system, but the Patit Creek as well. The anticipates that it will take approximately eight (8) weeks to complete the 2016 annual dike/levee maintenance program.

Also, the City will continue to pursue flood control funding alternatives of maintenance and improvement programs. In 2016, the City will continue working towards the creation of a flood control district to assist in maintaining and operating both the Touchet River and the Patit Creek river systems.

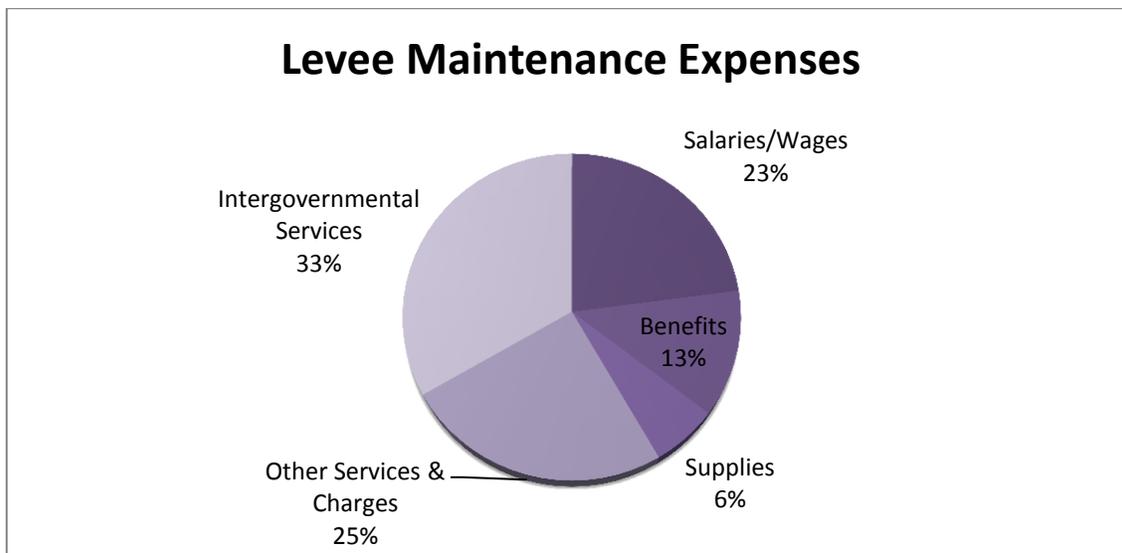


Figure G



CODE ENFORCEMENT/NUISANCE ABATEMENT SERVICES				
EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	
Salaries & Wages	\$ 23,000	\$ 5,000	\$ 9,969	
Benefits	\$ 7,900	\$ 1,500	\$ 3,197	
Supplies	\$ 1,300	\$ 200	\$ -	
Other Services & Charges	\$ 1,200	\$ 300	\$ 91	
Intergovernmental Services	\$ -	\$ -	\$ -	
Capital Improvements	\$ -	\$ -	\$ -	
Total Code Enforcement/Nuisance Abatement Services	\$ 33,400	\$ 7,000	\$ 13,257	

NARRATIVE: Although not a new program, the City’s approach to code enforcement and nuisance abatement will be distinctively different in 2016; that is, the City will plan and implement an aggressive code enforcement/nuisance abatement approach.

The Code Enforcement Officer will be the primary contact for land use complaints while actively pursuing and enforcing City health, safety codes and ordinances. It is the City’s intent that the new aggressive code enforcement program will help the public understand their rights and obligations ensuring a stable improvement to the quality of life by providing stable improvement to the quality of our community’s neighborhoods.

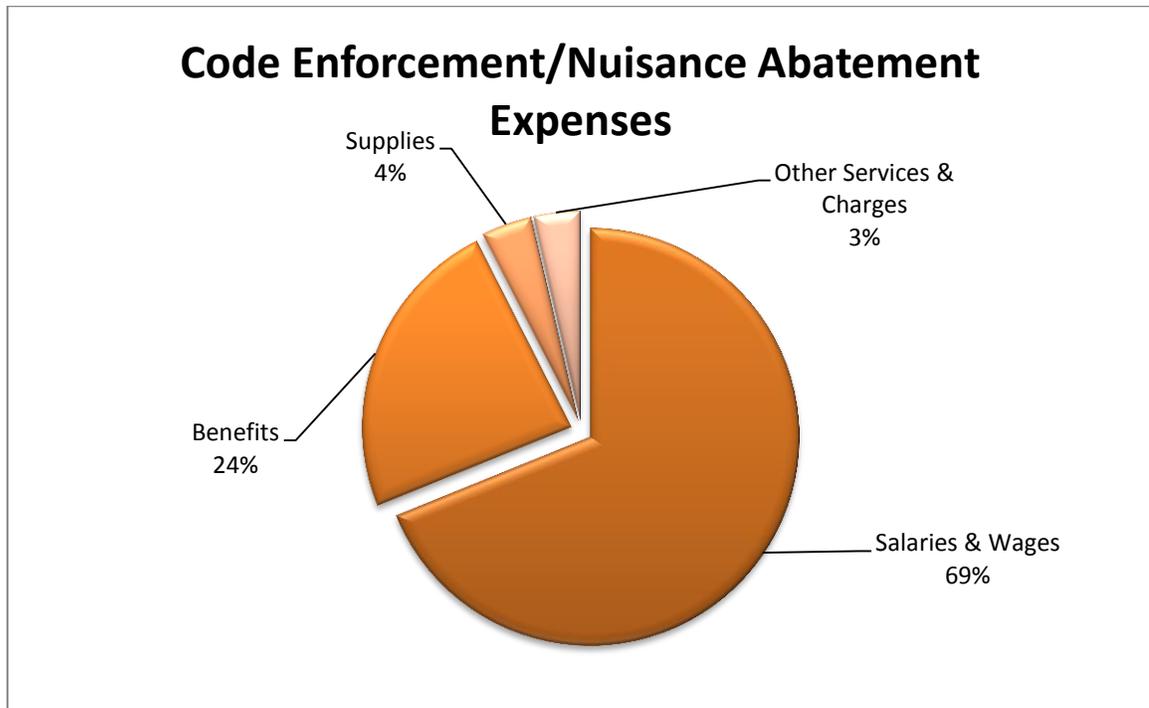


Figure H

PLANNING & COMMUNITY DEVELOPMENT					
EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Salaries & Wages	\$ 39,000	\$ 32,500	\$ 23,304	\$ 17,230	\$ 15,035
Benefits	\$ 12,500	\$ 9,300	\$ 7,693	\$ 5,415	\$ 3,997
Supplies	\$ 4,600	\$ 2,200	\$ 1,849	\$ 3,069	\$ 2,888
Other Services & Charges	\$ 9,900	\$ 35,100	\$ 44,727	\$ 1,070	\$ 544
Intergovernmental Services	\$ 2,500	\$ 3,500	\$ -	\$ -	\$ 6,034
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Planning & Community Development	\$ 68,500	\$ 82,600	\$ 77,574	\$ 26,784	\$ 28,499

NARRATIVE: The Planning Department’s mission is to guide Dayton from its past and its present into the future, to advise and inform the public concerning policies that serve to protect the environment and to preserve the City’s unique identity and quality of life. The Planning Department’s main functions are long-range planning, current use planning, and historic preservation.

Long-Range Planning includes compliance with the Growth Management Act (GMA); the development of the City’s Comprehensive Plan (“Comp Plan” which is the community’s basic guide to growth; the development of city codes to implement the Comp Plan; as well as, programs associated with economic development, housing, floodplains, and emergency management.

The Dayton Planning Commission falls under the Planning umbrella. This is a Commission of five citizens, appointed by the Mayor and confirmed by City Council. The Planning Department presents proposed Comp Plan and development regulations for public hearing and consideration to the Planning Commission. The result of this process advises the City Council when they are considering formal action on policy and development code amendments and/or updates.

Current-Use Planning includes answering general zoning, land development and planning program questions, reviewing proposed annexations, land use and development permit for various types of development projects, compliance with the Comp Plan, zoning, land division, environmental regulations including State Environmental Policy Act (SEPA). The City also uses a Hearing Examiner for certain land-use applications.

Historic Preservation includes to facilitating Certificate of Appropriateness review, organizing meetings and implementing historic preservation programs. All of this is accomplished by the Dayton Historic Preservation Commission and the Planning Director. The Commission consists of seven members appointed by the Mayor and confirmed by City Council. Its responsibilities include identifying and actively encouraging the conservation of the City of Dayton’s historic resources by initiating and maintaining a register of historic places and reviewing proposed changes to register properties; to raise community awareness of the City’s history and historic resources; and to serve as the City’s primary resource in matters of history, historic planning and preservation.

PLANNING DIRECTOR'S PRIMARY GOALS FOR 2016

1. *Begin 2016 – 2018 Comp Plan Update with possible option to extend the update to 2020. This update will consider major topics including climate change, healthy communities, capital facilities plan, transportation multi-year financing plan, economic development, and residential and industrial properties usage.*
2. *Establish policy that changes out the current use of Board of Adjustment to Hearing Examiner.*
3. *Maintain quick review timelines associated with the processing of building permits and land use applications.*
4. *Begin updating Title 5, Chapter 18 of the Dayton Municipal Code, Historic Preservation.*
5. *Continue progress on the Historic District Design Guidelines Project.*
6. *Research impact fees deferment program.*
7. *Convert current emergency management policies and plans to MS Word format creating a user-friendly document for future updates.*
8. *Create homeowner forum and website tools.*
9. *Continue coordination with other agencies and community groups regarding City adopted plans, policies, emergency management, economic development, and grants.*
10. *Research, and if applicable, establish program for National Flood Insurance Program's Community Rating System program.*
11. *Review changes in marijuana laws and update code accordingly.*

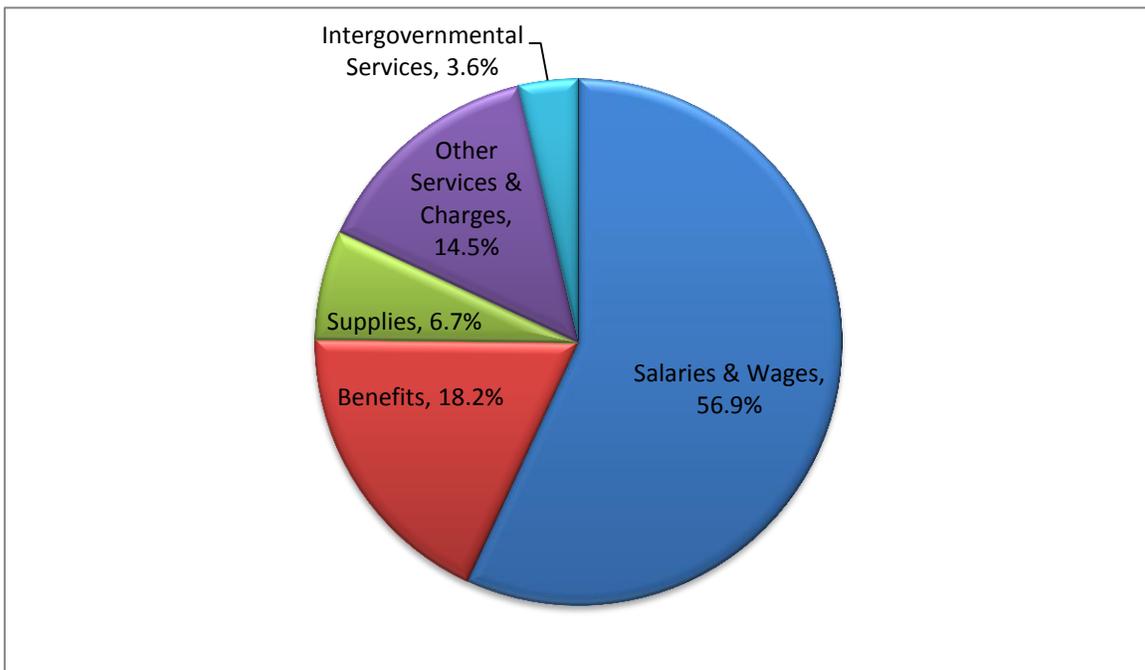


Figure I

LAW ENFORCEMENT AND DISPATCH SERVICES					
EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Intergovernmental Services	\$ 337,500	\$344,300	\$337,428	\$337,428	\$321,360
Personnel Benefits (LEOFF 1 Retirees Only)	\$ 39,800	\$ 34,800	\$ 37,296	\$ 36,738	\$ 48,923
Reserve	\$ -	\$ 9,000	\$ -	\$ -	\$ -
Total Law Enforcement Services	\$377,300	\$388,100	\$374,724	\$374,166	\$370,283

NARRATIVE: The City of Dayton contracts with Columbia County for law enforcement services. The contract provides for 24-7 law enforcement coverage and dispatch services for our citizens. The City also continues to provide benefits (health care insurance, long-term care insurance and co-payment) support to LEOFF 1 Retirees. This program is mandated by State law. There are two (2) Retirees covered under these benefits.

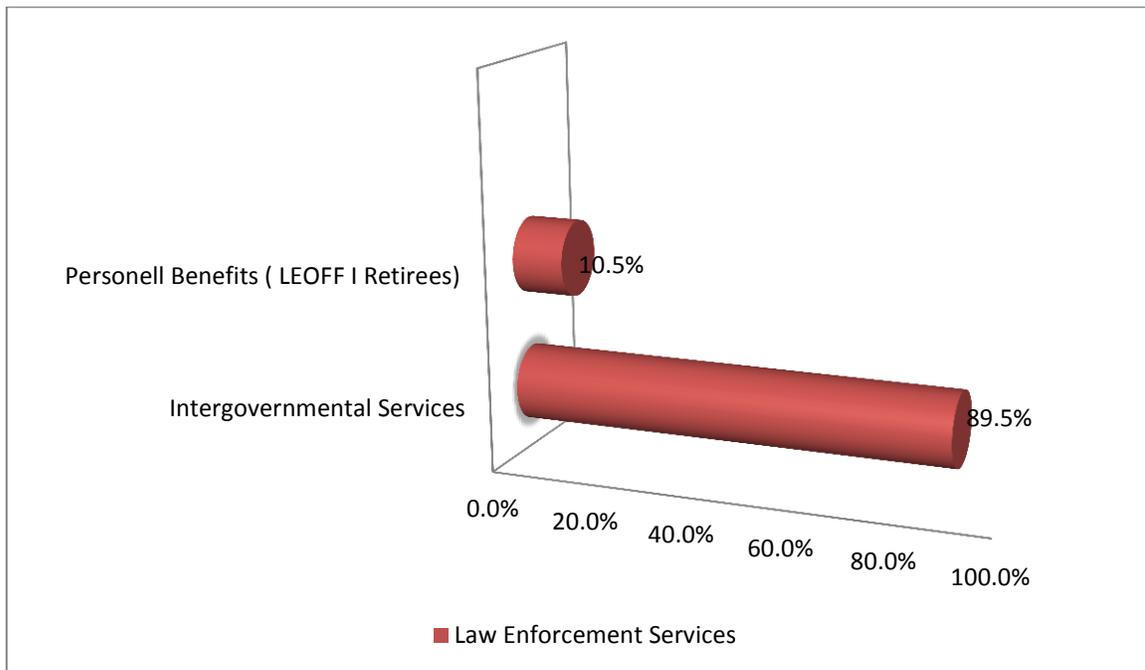


Figure J

ANIMAL CONTROL SERVICES					
EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Salaries & Wages	\$ 11,000	\$ 11,000	\$ 11,404	\$ 8,326	\$ 9,672
Benefits	\$ 4,500	\$ 4,100	\$ 3,943	\$ 2,885	\$ 2,945
Supplies	\$ 1,200	\$ 2,000	\$ 552	\$ 1,409	\$ 2,374
Other Services & Charges	\$ 1,700	\$ 1,700	\$ 1,033	\$ 1,147	\$ 1,147
Total Animal Control Services	\$ 18,400	\$ 18,800	\$ 16,931	\$ 13,767	\$ 16,139

NARRATIVE: The purpose of the City of Dayton Animal Control Office is to provide a safe community, free of stray and dangerous animals, by enforcing animal control ordinances and laws and by educating the public to be responsible pet owners.

The Animal Control Department consists of one Animal Control Officer (ACO). The City Clerk-Treasurer’s Office provides licensing services.

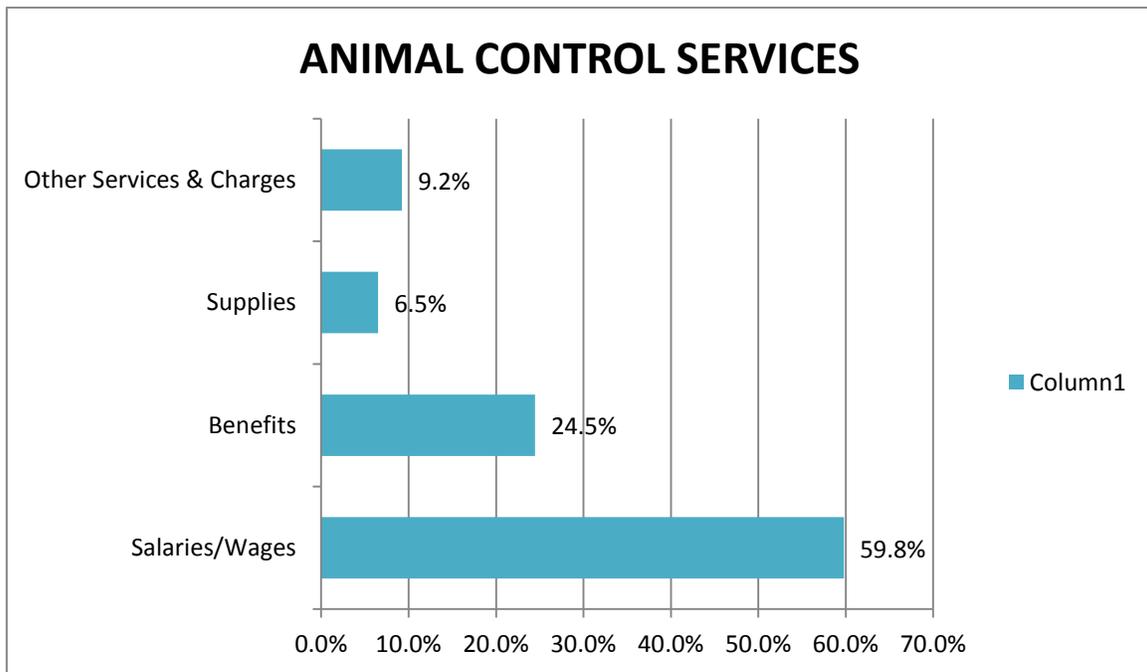


Figure K

ANIMAL CONTROL DEPT’S PRIMARY GOALS FOR 2016

1. Continue to increase responsible pet owner awareness.
2. Feline Control Educational Program through mailing, advertising and website updates.

CITY PARKS					
EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Salaries & Wages	\$ 41,000	\$ 44,200	\$ 38,129	\$ 38,455	\$ 29,853
Benefits	\$ 16,100	\$ 13,300	\$ 15,347	\$ 13,870	\$ 10,591
Supplies	\$ 20,200	\$ 10,100	\$ 6,503	\$ 9,192	\$ 8,533
Other Services & Charges	\$ 19,300	\$ 15,500	\$ 21,290	\$ 16,480	\$ 20,826
Intergovernmental Services	\$ 6,000	\$ 3,000	\$ -	\$ 870	\$ -
Debt Service	\$ 7,500	\$ 4,500	\$ -	\$ -	\$ -
Total City Park Services	\$ 110,100	\$ 90,600	\$ 81,269	\$ 78,866	\$ 69,803

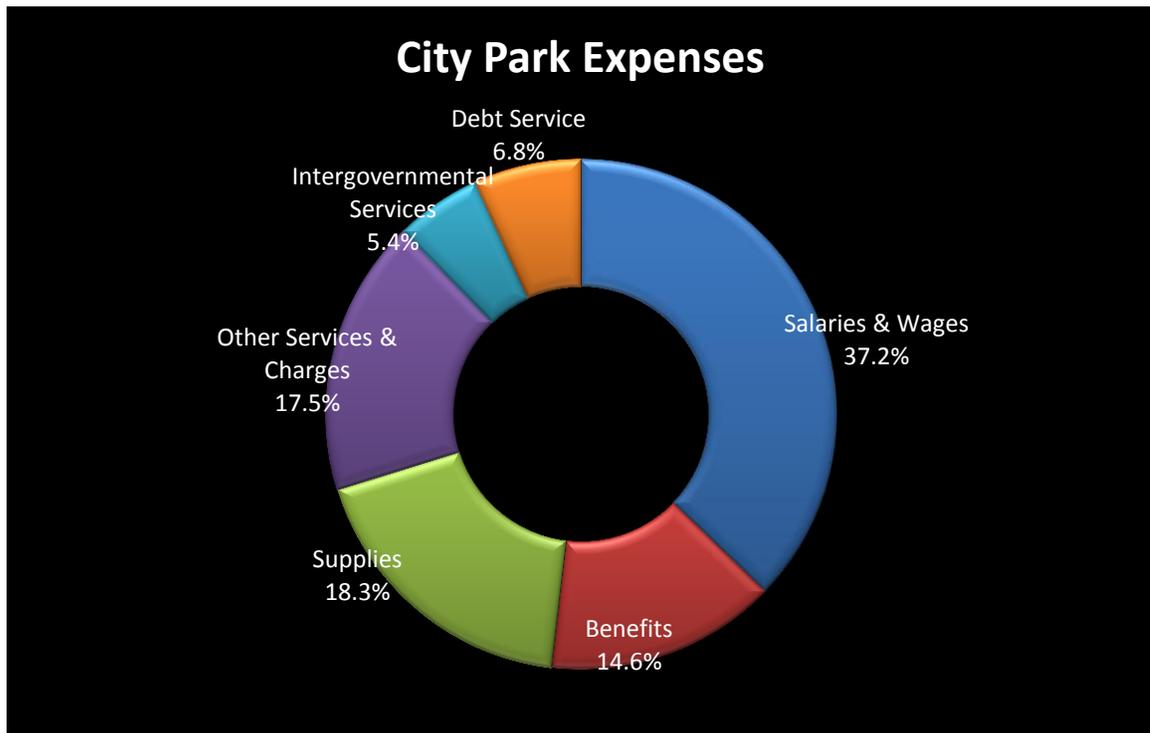


Figure L

PARKS DEPARTMENT'S PRIMARY GOALS FOR 2016

1. Re-pay interfund loan to Cemetery Endowment Fund for 2014 lawn mower purchase.
2. Spread pea gravel around equipment to meet the National Playground Safety requirements to improve safety and reduce playground equipment injuries.
3. Continue researching options for a dog park facility including location, funding and long-term maintenance and operation of the facility.
4. Utilize Washington State Department of Corrections to meet routine maintenance needs.

SWIMMING POOL SERVICES					
EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Salaries & Wages	\$ 41,000	\$ 41,000	\$ 40,054	\$ 46,042	\$ 44,433
Benefits	\$ 9,800	\$ 8,500	\$ 8,410	\$ 8,990	\$ 8,148
Supplies	\$ 11,000	\$ 13,500	\$ 12,189	\$ 21,832	\$ 10,462
Other Services & Charges	\$ 5,400	\$ 4,200	\$ 5,472	\$ 4,809	\$ 8,671
Intergovernmental Services	\$ 300	\$ 300	\$ 173	\$ 277	\$ 263
Capital Outlay	\$ -	\$ 2,000	\$ -	\$ -	\$ -
Total Swimming Pool Services	\$ 67,500	\$ 69,500	\$ 66,297	\$ 81,950	\$ 71,977

NARRATIVE: The mission of the City’s Park Department is to serve the citizens with public recreational facilities and recreational programs that satisfy the leisure needs and desires of the community within available resources. City staff strives to do the following:

- Provide sufficient public recreational areas and facilities that are planned and designed to meet the needs and desires of all the residents of the City of Dayton which do not conflict with the responsibilities of Federal, State, Local, School District and private interests.
- Increase the efficiency of the parks program operation by reviewing all aspects of park operations and maintenance practices by replacing outdated and inefficient systems and equipment and keep staff up to date and informed on changes.
- Provide good public relations and to be a positive resource in the community.
- Work with youth and civic groups to encourage growth, civic pride, community spirit and a healthy life style.
- Offer the highest quality recreational resources and the widest range of recreational opportunities within the resources available, as identified in the City Comprehensive Plan.



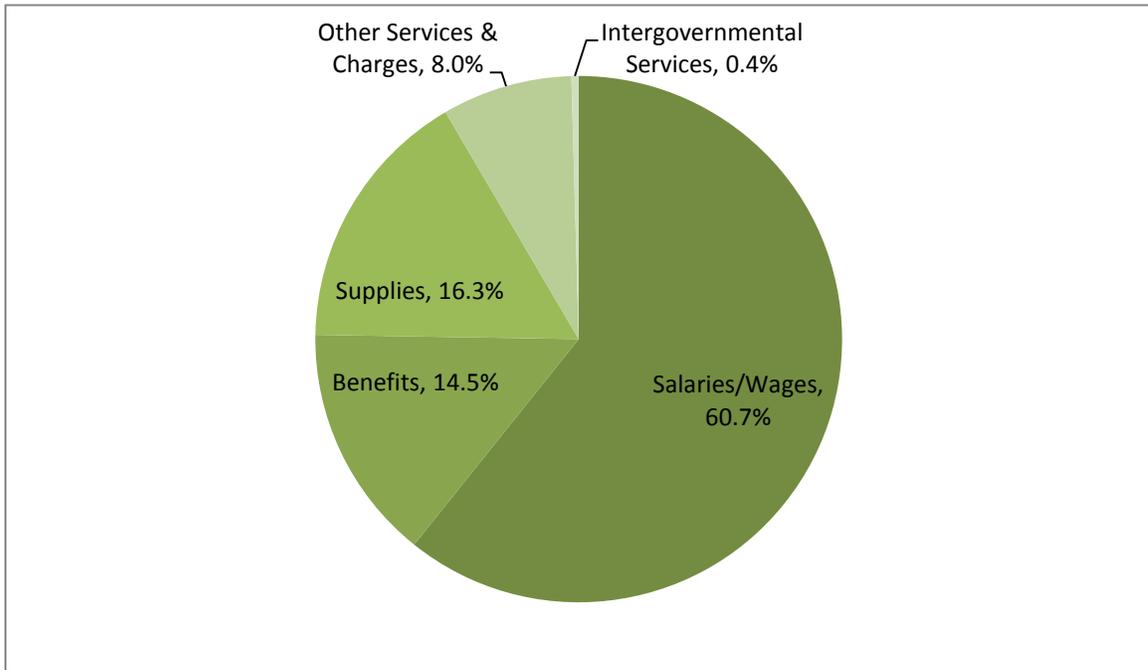


Figure M

CEMETERY SERVICES					
EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Ending Fund Balance	\$ -	\$ -	\$ -	\$ 24,910	\$ 7,034
Salaries & Wages	\$ 14,000	\$ 34,200	\$ 31,746	\$ 26,859	\$ 34,491
Benefits	\$ 6,700	\$ 9,600	\$ 9,528	\$ 9,138	\$ 12,435
Supplies	\$ 6,500	\$ 7,500	\$ 10,167	\$ 8,320	\$ 7,891
Other Services & Charges	\$ 21,600	\$ 20,400	\$ 29,071	\$ 24,469	\$ 27,027
Intergovernmental Services	\$ 8,300	\$ 500	\$ 1,193	\$ 495	\$ 25
Debt Service	\$ 7,400	\$ 3,900	\$ -	\$ -	\$ -
TOTAL CEMETERY SERVICES	\$ 64,500	\$ 76,100	\$ 81,706	\$ 94,190	\$ 7,034

NARRATIVE: The Dayton City Memorial Cemetery serves the community with respect and dignity in the time of personal need. The Dayton City Memorial Cemetery contains approximately 24 acres with twelve (12) plotted blocks. The Public Works Department is responsible for the maintenance of the grounds. Dayton City Hall is responsible for receiving customer calls, finding grave and plot locations, and making sales.

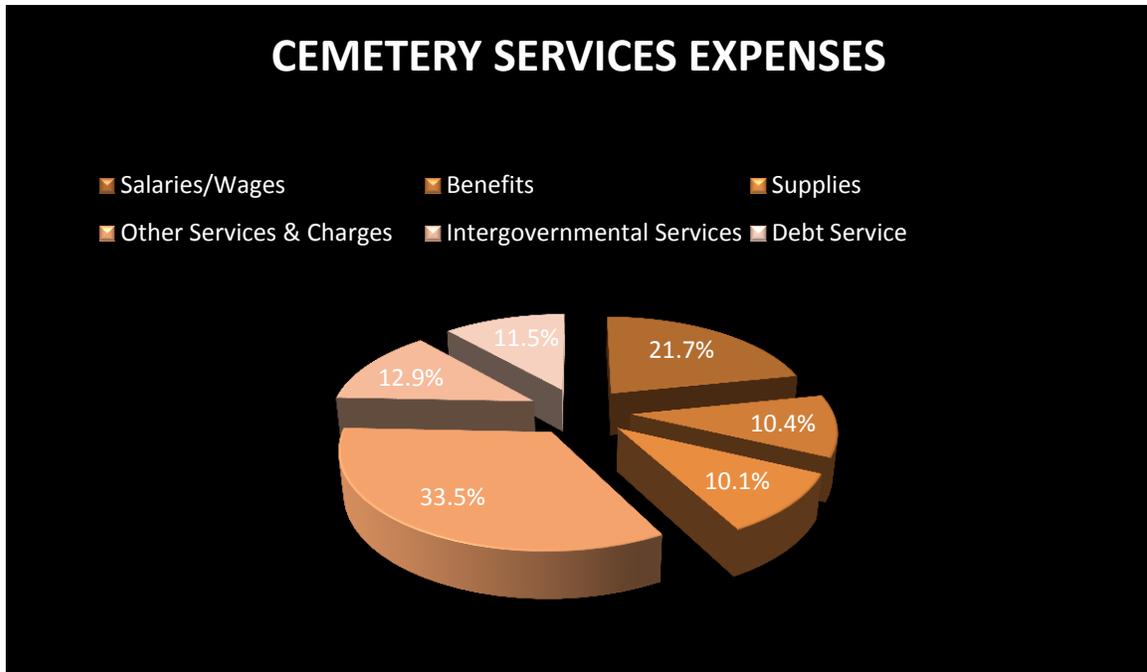


Figure N

CEMETERY DEPARTMENT'S PRIMARY GOALS FOR 2016:

1. *Investigate funding options to recreate and preserve the existing, historic cemetery maps.*
2. *Review existing fee schedules to ensure sustainability of the cemetery facility.*
3. *Utilize Washington State Department of Corrections to perform routine maintenance including tree trimming project in 2016.*
4. *Research effective water conservation options for reducing water consumption by this facility.*

LIBRARY					
EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Other Services & Charges	\$ 7,000	\$ 7,000	\$ 4,360	\$ 3,581	\$ 3,228
Intergovernmental Services	\$ -	\$ -	\$ -	\$ -	\$ -
Total Library Fund	\$ 7,000	\$ 7,000	\$ 4,360	\$ 3,581	\$ 3,228
DELANY BUILDING					
EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Unreserved Ending Fund Balance	\$ -	\$ -	\$ -	\$ 4,604	\$ 4,603
Other Services & Charges			\$ -	\$ 1,865	\$ 1,790
Intergovernmental Services	\$ 7,500	\$ 7,500	\$ 4	\$ -	\$ -
Capital Improvements			\$ -	\$ -	\$ -
Total Delany Building	\$ 7,500	\$ 7,500	\$ 4	\$ 6,470	\$ 6,394

NARRATIVE: As part of the 2009 Annexation Agreement between the City and CCRLD, the City distributes all miscellaneous revenue (investment interest) generated by the Library, Delany Building Cumulative and Library Endowment Funds to CCRLD. The revenues must be used as prescribed by the agreement between the City and CCRLD.

CCRLD and the City will continue discussing the possibility of re-negotiating the existing contract to allow transferring the management of these miscellaneous revenues to CCRLD.

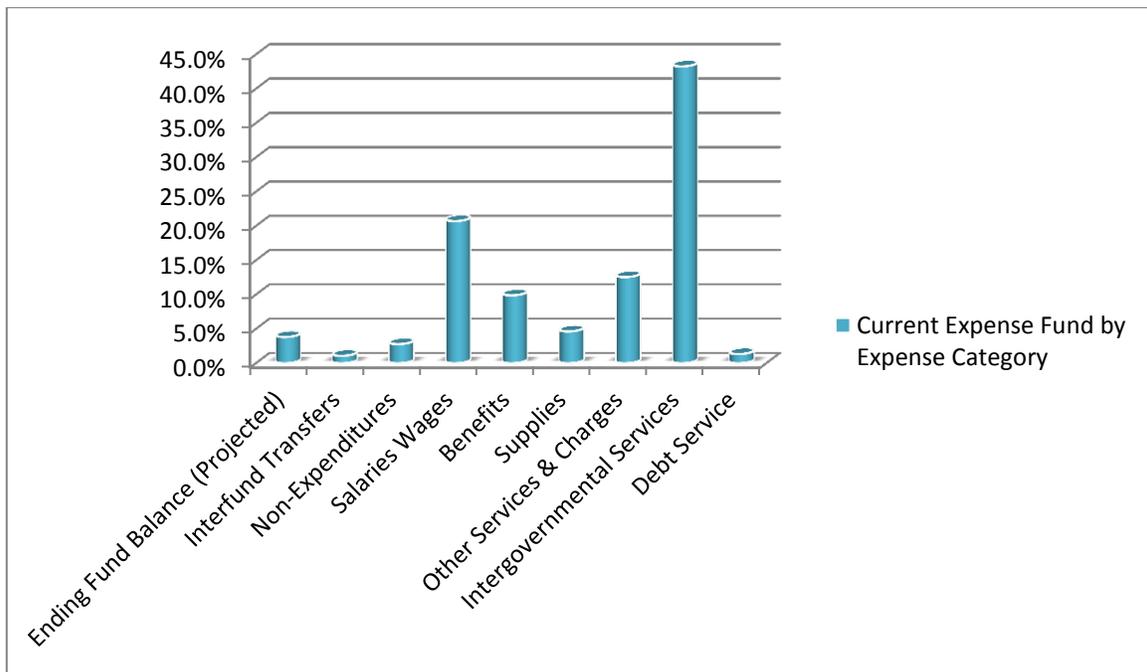


Figure 0

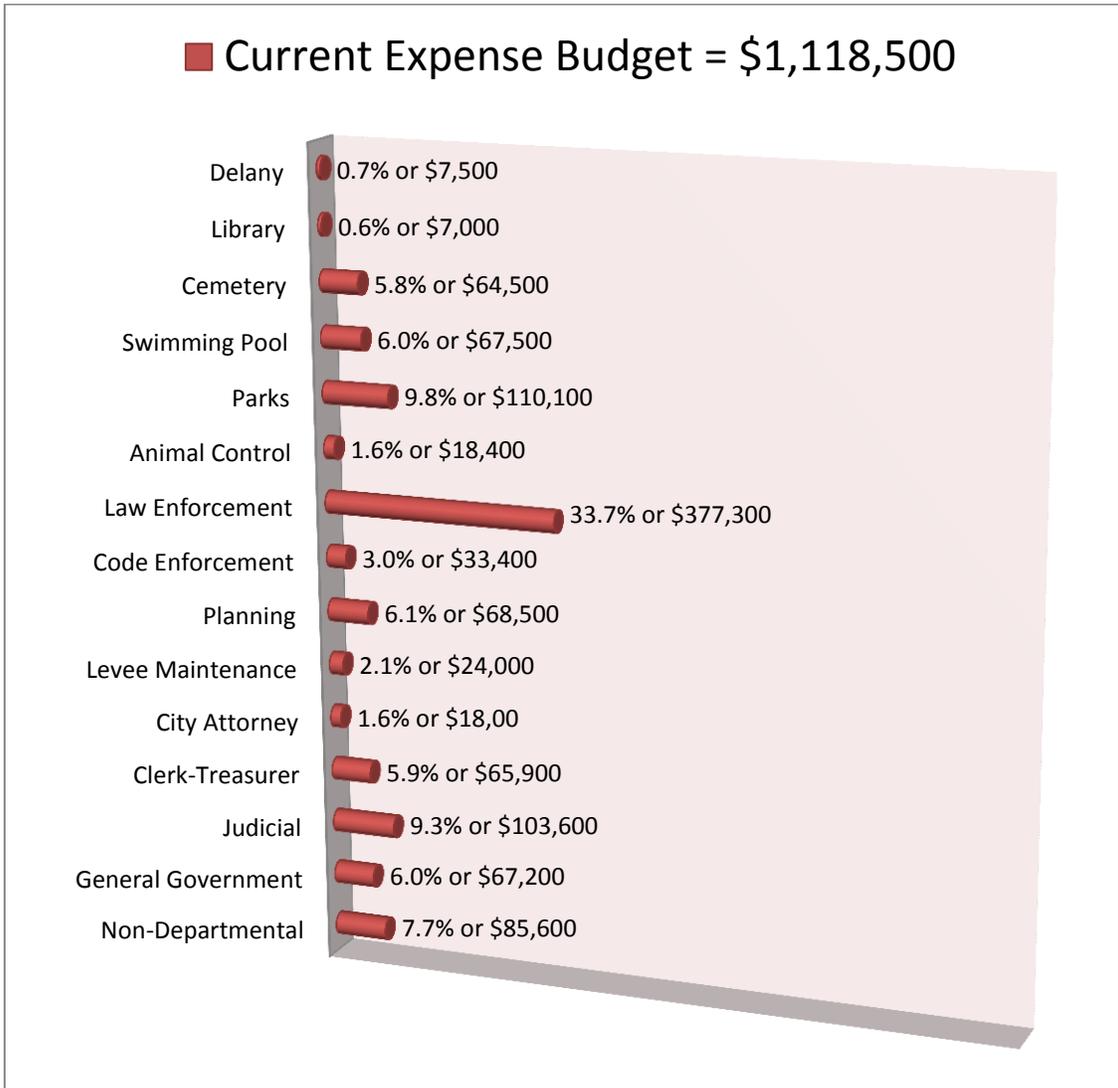


Figure P

103 CITY STREET AND ROAD FUND

NARRATIVE: The Street Department is a division of the Public Works Department. The Superintendent of Public Works is responsible for the maintenance functions relating to city streets.

The Public Works Department is responsible for the basic maintenance of the paved streets and roads within the city. Other responsibilities include signage, striping of curbs and crosswalks and exempt areas, vegetation control, street cleaning, patching of surfaced streets.

103 CITY STREET AND ROAD FUND					
REVENUES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Beginning Net Cash & Investments	\$ 70,000	\$ 74,000	\$ 63,038	\$ 109,668	\$ 115,000
Taxes	\$ 177,000	\$ 192,000	\$ 190,898	\$ 181,782	\$ 192,000
License and Permits	\$ -	\$ -	\$ 10	\$ 1,092	\$ -
Intergovernmental Revenues	\$ 51,000	\$ 50,700	\$ 52,497	\$ 52,406	\$ 53,600
Grants	\$ -	\$ -	\$ -	\$ 71,326	\$ -
Charges for Goods & Services	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous Revenue	\$ -	\$ -	\$ 33,628	\$ 1,652	\$ -
Interfund Loan	\$ -	\$ -	\$ -	\$ -	\$ -
Total City Street & Road Fund	\$ 298,000	\$ 316,700	\$ 340,071	\$ 417,925	\$ 360,600

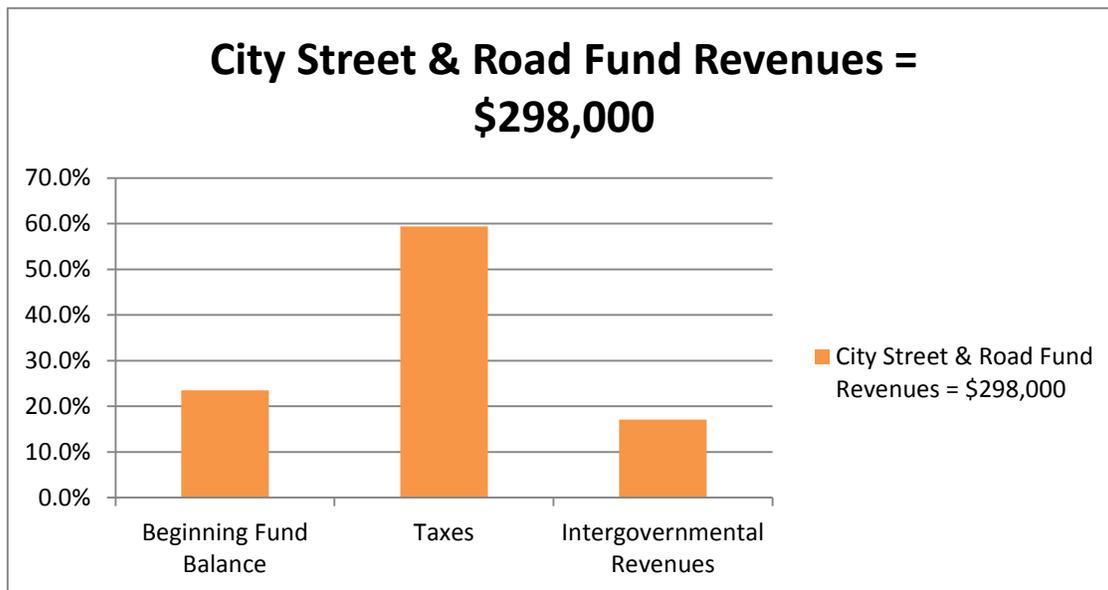


Figure Q

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Unreserved Ending Fund Balances	\$ 12,800	\$ 31,600	\$ 56,465	\$ 63,037	\$ 109,668
City Street Ordinary Maintenance					
Salaries & Wages	\$ 84,500	\$ 70,600	\$ 90,125	\$ 68,252	\$ 53,180
Benefits	\$ 37,200	\$ 25,400	\$ 32,280	\$ 28,110	\$ 20,593
Supplies	\$ 21,500	\$ 13,000	\$ 25,549	\$ 25,682	\$ 12,234
Other Services & Charges	\$ 7,600	\$ 4,800	\$ 4,609	\$ 5,575	\$ 648
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Transfers - ERR	\$ 3,600	\$ 4,000	\$ -	\$ -	\$ 2,750
Total City Street & Road Maintenance	\$ 154,400	\$ 117,800	\$ 152,564	\$ 127,619	\$ 86,655

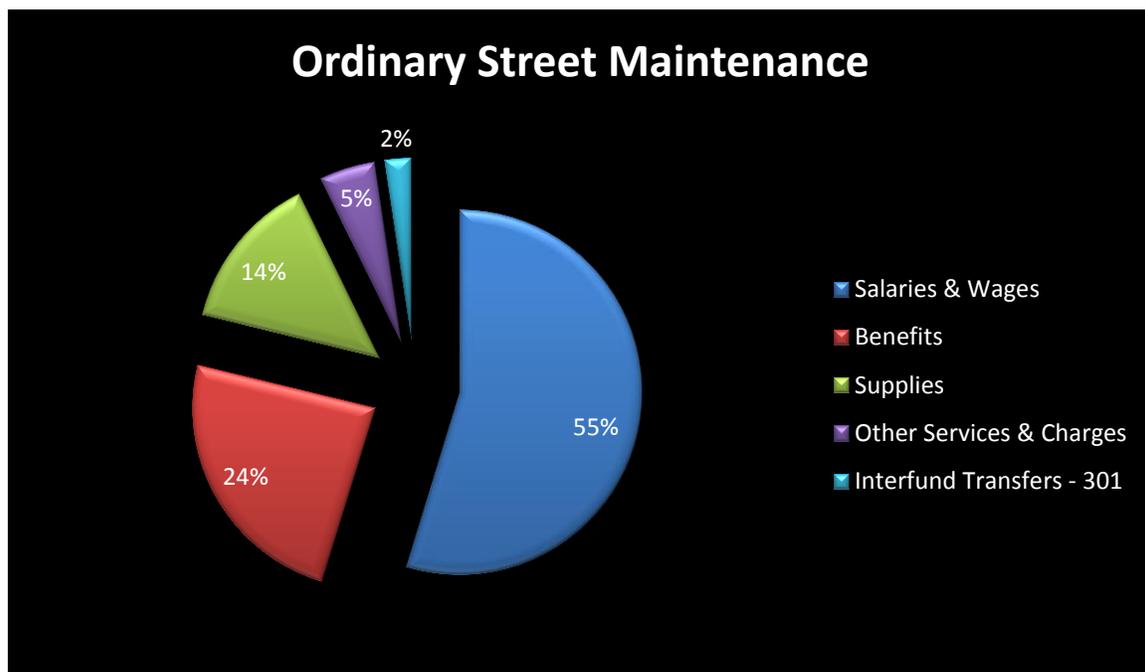


Figure R

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Street Lighting Services	-	-	-	-	-
Salaries & Wages		\$ 2,500	\$ -	\$ -	\$ -
Benefits	\$ -	\$ 1,500	\$ -	\$ -	\$ -
Supplies	\$ 2,500	\$ 4,000	\$ 2,993	\$ 3,855	\$ 3,580
Other Services & Charges	\$ 28,000	\$ 28,000	\$ 23,211	\$ 31,313	\$ 26,264
Intergovernmental Services	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay	\$ -	\$ 3,000	\$ -	\$ -	\$ -
Total Street Lighting Services	\$ 30,500	\$ 39,000	\$ 26,204	\$ 35,168	\$ 29,844

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Traffic Control Services	-	-	-	-	-
Salaries & Wages	\$ 9,200	\$ 3,500	\$ 84	\$ 902	\$ -
Benefits	\$ 4,200	\$ 800	\$ -	\$ 179	\$ -
Supplies	\$ 7,700	\$ 10,000	\$ 4,285	\$ 4,197	\$ 2,961
Other Services & Charges	\$ -	\$ -	\$ -	\$ -	\$ -
Total Traffic Control	\$ 21,100	\$ 14,300	\$ 4,369	\$ 5,278	\$ 2,961

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Snow and Ice Control	-	-	-	-	-
Salaries	\$ 15,300	\$ 15,300	\$ 3,165	\$ -	\$ 6,117
Benefits	\$ 6,600	\$ 5,600	\$ 752	\$ -	\$ 3,365
Supplies	\$ 5,700	\$ 5,700	\$ 1,999	\$ 3,191	\$ 2,281
Other Services and Charges	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Snow and Ice Control	\$ 27,600	\$ 26,600	\$ 5,916	\$ 3,191	\$ 11,763

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Street Cleaning					
Salaries	\$ 6,000	\$ 9,000	\$ 7,350	\$ 11,188	\$ 18,428
Benefits	\$ 3,200	\$ 4,200	\$ 2,808	\$ 3,984	\$ 5,738
Supplies	\$ 3,200	\$ 3,400	\$ 2,780	\$ 5,673	\$ 3,992
Other Services & Charges	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ 3,217
Total Street Cleaning	\$ 13,400	\$ 17,600	\$ 12,938	\$ 20,846	\$ 31,375

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
<u>Road and Street Administration</u>					
Salaries	\$ 3,900	\$ 3,900	\$ 5,573	\$ 4,969	\$ -
Benefits	\$ 1,800	\$ 1,400	\$ 1,732	\$ 1,399	\$ -
Supplies	\$ 100	\$ 100	\$ 138	\$ 2,423	\$ 3,897
Other Services & Charges	\$ 7,200	\$ 8,200	\$ 6,135	\$ 13,650	\$ 26,154
Total Road & Street Administration	\$ 13,000	\$ 13,600	\$ 13,579	\$ 22,441	\$ 30,051

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
<u>Facilities</u>					
Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	\$ 3,400	\$ 3,000	\$ -	\$ -	\$ -
Intergovernmental Services	\$ -	\$ -	\$ -	\$ -	\$ -
Other Services & Charges	\$ 900	\$ 1,600	\$ -	\$ -	\$ -
Capital Outlay			\$ 30,931		
Total Facilities	\$ 4,300	\$ 4,600	\$ 30,931	\$ -	\$ -

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
<u>Engineering</u>					
Intergovernmental Services	\$ 3,000	\$ -	\$ -	\$ -	\$ -
Total Engineering	\$ 3,000	\$ -	\$ -	\$ -	\$ -

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
<u>Planning</u>					
Salaries & Wages	\$ 9,100	\$ 10,100	\$ 8,428	\$ 10,383	\$ -
Benefits	\$ 3,400	\$ 3,400	\$ 2,748	\$ 3,366	\$ -
Supplies	\$ 900	\$ 1,100	\$ 393	\$ 698	\$ -
Other Services & Charges	\$ 900	\$ 2,100	\$ 275	\$ 8,802	\$ 396
Intergovernmental Services	\$ -	\$ -	\$ -	\$ -	\$ -
Total Planning	\$ 14,300	\$ 16,700	\$ 11,844	\$ 23,248	\$ 396

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Debt Service					
Interfund Loan Repayments	\$ 3,600	\$ -	\$ 591	\$ 29,454	\$ 29,454
Total Non-Expenditures	\$ 3,600	\$ -	\$ 16,881	\$ 29,454	\$ 29,454

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Total City Street & Road Fund	\$ 298,000	\$ 281,800	\$ 331,691	\$ 330,282	\$ 332,168

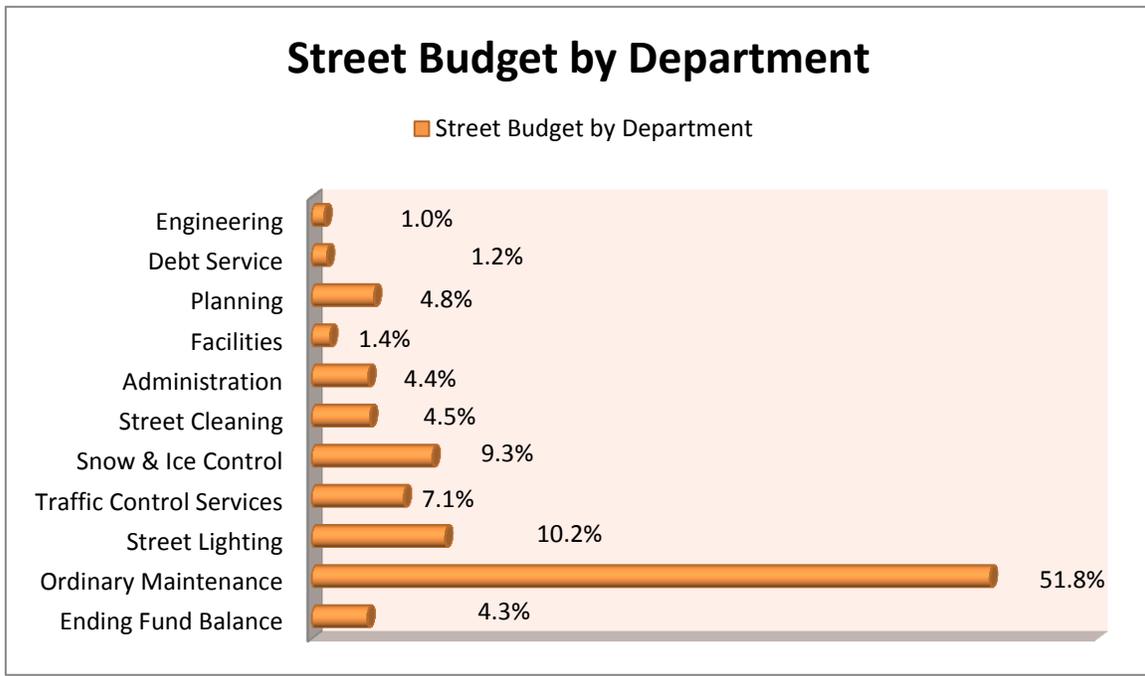


Figure S

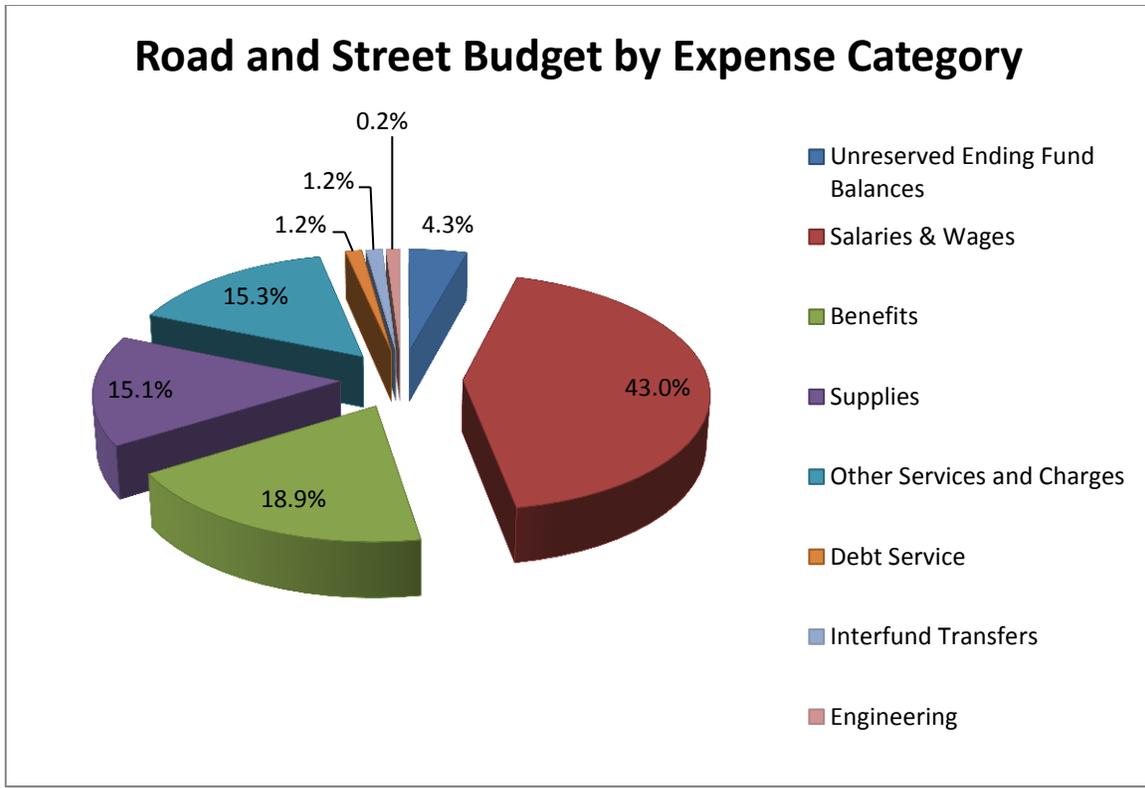


Figure T

STREET ADMINISTRATIONS PRIMARY GOALS FOR 2016

1. *Continue disseminating educational materials on the conditions of our street system.*
2. *Continue researching funding sources for street improvements such as general obligation bonds to perform significant street improvements and operation.*
3. *Continue replacing stop signs, street signs, and railroad signs to meet Traffic Model Ordinance Requirements as established by the WSDOT.*
4. *Perform extensive alley re-conditioning to repair potholes such as grading and laying gravel.*



S. 2nd Street Reconstruction Project – Before



After

106 HOTEL MOTEL EXCISE TAX FUND

REVENUES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Beginning Net Cash & Investments	\$ 1,500	\$ -	\$ 16,082	\$ 4,329	
Taxes	\$ 58,000	\$ 56,000	\$ 66,997	\$ 40,224	\$ 27,000
Miscellaneous Revenue	\$ -	\$ -	\$ 11	\$ 10	\$ -
Total Hotel/Motel Excise Tax Fund	\$ 59,500	\$ 56,000	\$ 83,090	\$ 44,563	\$ 27,000

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Unreserved Ending Fund Balance	\$ -	\$ -	\$ 23,537	\$ 16,082	\$ 4,329
Salaries	\$ 2,500	\$ 3,100	\$ 738	\$ -	\$ -
Benefits	\$ 1,300	\$ 1,400	\$ 276	\$ -	\$ -
Services	\$ 55,700	\$ 51,500	\$ 58,440	\$ 28,481	\$ 22,349
Total Hotel/Motel Excise Tax Fund	\$ 59,500	\$ 56,000	\$ 82,990	\$ 44,563	\$ 26,678

NARRATIVE: The Hotel Motel Excise Tax Fund is supported by taxes derived from furnishing lodging by a hotel, rooming house, tourist court, motel or a trailer camp within Dayton.

The City will continue to contract with the Dayton Chamber of Commerce to provide promotional, tourism and marketing activities for our community. Revenues received into the Hotel Motel Excise Tax Fund are typically distributed to the Chamber on a monthly basis. However, the City uses a portion of the revenues to support the City's involvement in community events such as flagging assistance and barricading for street closures.



301 CAPITAL IMPROVEMENTS FUND

REVENUES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Beginning Net Cash & Investments	\$ 141,700	\$ 50,000	\$ 69,947	\$ 48,542	\$ 37,000
Taxes	\$ 70,000	\$ 15,000	\$ 15,881	\$ 24,269	\$ 6,000
Miscellaneous Revenues			\$ 108	\$ 83	\$ -
Interfund Transfers	\$ 56,000	\$ -	\$ -	\$ -	\$ -
Total Capital Improvement Fund	\$ 267,700	\$ 65,000	\$ 85,936	\$ 72,893	\$ 43,000

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Ending Fund Balance	\$ -	\$ 40,000	\$ 76,349	\$ 69,947	\$ 48,542
Salaries & Wages	\$ -	\$ -	\$ 4,468	\$ -	\$ -
Benefits	\$ -	\$ -	\$ 963	\$ -	\$ -
Supplies	\$ -	\$ -	\$ 1,866	\$ -	\$ -
Other Services & Charges	\$ -	\$ -	\$ 2,291	\$ -	\$ -
Intergovernmental Services	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvements/Outlay	\$ 267,700	\$ 25,000	\$ -	\$ 2,947	\$ 1,789
Total Capital Improvement Fund	\$ 267,700	\$ 65,000	\$ 85,936	\$ 72,893	\$ 50,331

NARRATIVE: The Capital Improvements Fund's primary resources include Real Estate Excise Tax (REET) and Transportation Benefit District Sales Tax revenues. This Fund replaced the Current Expense Cumulative Reserve Fund in 2015. It's limited by RCW and can only be utilized for capital projects established within the City's Growth Management Comprehensive Plan and street improvement plans. This Fund will provide the following programs for 2016:

- 1) Installation of a new slide in Pietrycki Park.
- 2) Design engineering for levee improvements.
- 3) Complete the installation of automated sprinkler system in Pietrycki Park.
- 4) Provide a portion of funding for the creation and installation of a City Dog Park.
- 5) Perform City Hall improvements to address health and safety issues specific to electrical and plumbing deficiencies.
- 6) Provide matching funds for Transportation Improvement Board grant funding for S. 1st Street and N. Front Street.
- 7) Complete Phase II of the Crack Seal Program.
- 8) Installation of stop signs to meet the Model Traffic regulations.
- 9) Assist with the construction of the Community Reader Board.
- 10) Contribute to the Caboose Park Restroom Project.

CITY OF DAYTON PUBLIC WORKS UTILITY DEPARTMENT

The Utility Department is a division of Public Works. The Utility Department budget covers administrative costs related to the oversight of departments that provide Water and Sewer to our citizenry.

The Public Works Director and his maintenance crew perform most of the activities funded in the Public Works Department budget. These employees play many roles and serve several varied functions, not only for the public, but for the municipality as well, including:

- Functions primarily as overseer of construction related activity within the city but also has a role in planning, facilities maintenance, environmental health and community development functions as well.
- Makes final determinations on behalf of the City regarding the interpretation and application of model codes.
- Accepts and reviews applications for right-of-way and grade and fill.
- Discusses and explains various code regulations with the the City Council as necessary.
- Administers the laws found in the municipal code, works with the Army Corps of Engineers and the Department of Ecology to administer and enforce the Federal Water Pollution Control Act of 1972 and interacts with various other state and private agencies reviewing proposals and plans that occur within the public right-of-way.
- Works to protect the health, safety and welfare of the public.

401 Sewer Revenue Fund

REVENUES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
UNRESERVED Beginning Net Cash & Investments	\$ 126,000	\$ 130,900	\$ 141,290	\$ 98,492	\$ 77,000
RESERVED Beginning Net Cash & Investments	\$ 107,500	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	\$ -	\$ -	\$ 283	\$ 284	\$ -
Charges for Goods & Services	\$ 816,000	\$ 809,300	\$ 817,413	\$ 787,608	\$ 762,100
Miscellaneous Revenue	\$ -	\$ -	\$ 637	\$ 204	\$ -
Total Sewer Revenue Fund	\$1,049,500	\$ 940,200	\$ 959,622	\$ 886,588	\$ 839,100

NARRATIVE: The Wastewater Treatment Plant sewer systems fall under the Public Works Department. The Public Works Department will consist of a Supervisor and eight (8) employees. The Wastewater Treatment Plant's wastewater permit limit allows for 750,000 gallons per day. The plant is impacted during rainy weather with peak inflow/infiltration (I/I) flows. In 2007, the City completed a Sewer Study to ascertain areas of I/I and have established a plan to address those areas of most concern. However, with good operational procedures, the operators have successfully managed the I/I flows. The sanitary sewer collection system consists of approximately 86,514 lineal feet of collector mains. There are approximately 1329 sewer services.

In 2012, the City began planning for the construction of a new wastewater facility to meet new Department of Ecology requirements that specifically address Total Maximum Daily Loads. Initially, DOE was requiring that the City lower the levels of TMDL's by 2018. Fortunately, Mayor Craig George negotiated an extension with the new timeline requiring a new facility be constructed no later than 2021. However, the first phase of accomplishing DOE's requirements, which began in 2014, will continue throughout 2016 and 2017.

The 2016 Budget *does not* propose or include sewer utility rates at this time. The City did make application for a transportation grant to re-construct S. 1st Street. In the event this funding comes through, the City will be required to improve the sewer main line located in S. 1st Street which in turn may require an increase in the sewer utility rates in order to perform that improvement.



EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Unreserved Ending Fund Balance	\$ 84,300	\$ 38,700	\$ 147,294	\$ 141,290	\$ 98,492
<u>Administration - General</u>	-	-	-	-	-
Salaries & Wages	\$ 49,100	\$ 53,300	\$ 40,880	\$ 37,243	\$ 39,260
Benefits	\$ 15,600	\$ 16,300	\$ 9,866	\$ 12,719	\$ 137
Supplies	\$ 4,000	\$ 3,500	\$ 2,698	\$ 2,396	\$ 2,853
Other Services & Charges	\$ 15,900	\$ 8,600	\$ 9,049	\$ 4,657	\$ 26,117
Intergovernmental Services	\$ 18,000	\$ 20,000	\$ 16,194	\$ 17,077	\$ 17,355
Capital Outlay	\$ -	\$ 4,000	\$ -	\$ -	\$ -
Sub-total Sewer Administration	\$ 102,600	\$ 105,700	\$ 78,687	\$ 74,092	\$ 85,721

EXPENDITURES	2016	2015	2014	2013	2012
Operations-General	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Salaries & Wages	\$ 102,300	\$ 102,300	\$ 74,718	\$ 70,755	\$ 72,390
Benefits	\$ 42,800	\$ 37,100	\$ 29,164	\$ 24,427	\$ 35,028
Supplies	\$ 28,000	\$ 26,000	\$ 22,253	\$ 40,515	\$ 20,423
Other Services & Charges	\$ 31,500	\$ 26,000	\$ 21,710	\$ 3,516	\$ 21,438
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ 2,070
Debt Service	\$ -	\$ 13,500	\$ -	\$ -	\$ -
Sub-total Operations-General	\$ 204,600	\$ 204,900	\$ 147,845	\$ 139,213	\$ 151,349

EXPENDITURES	2016	2015	2014	2013	2012
Wastewater Treatment Plant	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Salaries & Wages	\$ 78,000	\$ 68,000	\$ 65,884	\$ 63,151	\$ 64,976
Benefits	\$ 32,400	\$ 33,600	\$ 27,040	\$ 26,107	\$ 25,252
Supplies	\$ 42,900	\$ 39,500	\$ 19,514	\$ 19,792	\$ 12,729
Other Services & Charges	\$ 93,800	\$ 89,000	\$ 85,802	\$ 59,163	\$ 57,735
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total Wastewater Treatment Plant	\$ 247,100	\$ 230,100	\$ 198,241	\$ 168,213	\$ 160,691

	2016	2015	2014	2013	2012
Planning	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Salaries & Wages	\$ 15,300	\$ 11,900	\$ 10,808	\$ 9,947	\$ 10,808
Benefits	\$ 7,300	\$ 5,100	\$ 3,509	\$ 3,184	\$ 3,498
Supplies	\$ 2,000	\$ 2,500	\$ 427	\$ 747	\$ -
Other Services & Charges	\$ 4,900	\$ 9,300	\$ 258	\$ 206	\$ -
Intergovernmental Services	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total Sewer Planning	\$ 29,500	\$ 28,800	\$ 15,002	\$ 14,084	\$ 14,306

	2016	2015	2014	2013	2012
Debt Service	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Debt Redemption	\$ 284,200	\$ -	\$ -	\$ -	\$ -
Sub-total Debt Service	\$ 284,200	\$ -	\$ -	\$ -	\$ -

<u>Interfund Transfers</u>	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Interfund Transfer to 301	\$ 17,000	\$ 17,000	\$ -	\$ -	\$ 6,749
Interfund Transfer to Debt Service Funds	\$ -	\$ 265,000	\$ 316,675	\$ 306,400	\$ 301,709
Interfund Loan Repayment	\$ 15,200	\$ -	\$ -	\$ -	\$ -
Transfer to Capital Reserve	\$ 65,000	\$ 50,000	\$ 45,900	\$ 43,296	\$ 104,160
Sub-total Interfund Transfers	\$ 97,200	\$ 332,000	\$ 362,575	\$ 349,696	\$ 412,618

<u>EXPENDITURES</u>	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Total Sewer Revenue Fund	\$ 1,049,500	\$ 940,200	\$ 949,644	\$ 886,588	\$ 908,872

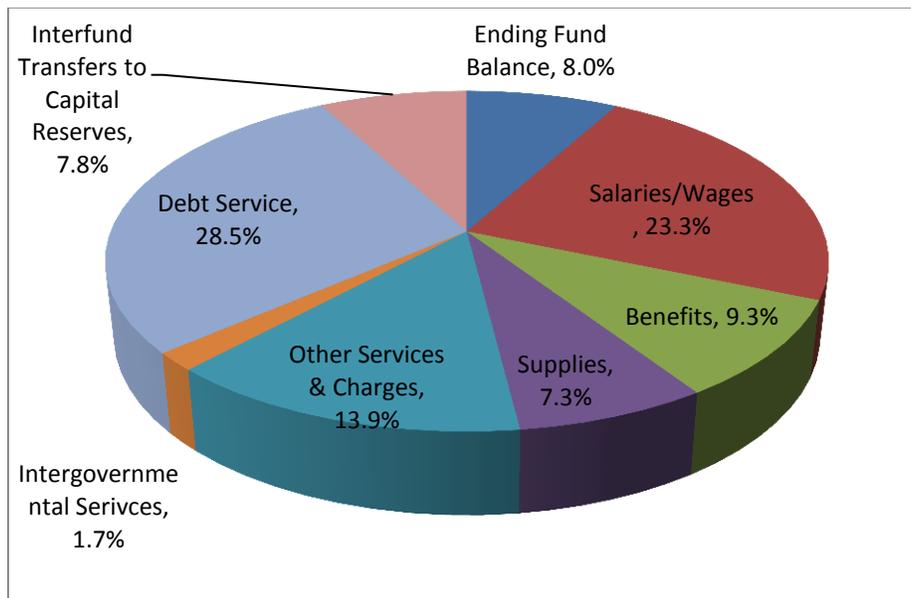


Figure U

402 SEWER CUMULATIVE RESERVE FUND

REVENUES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Beginning Net Cash & Investments	\$ 170,000	\$ 115,000	\$ 106,629	\$ 89,882	\$ 3,000
Miscellaneous Revenue	\$ -	\$ -	\$ 155	\$ 120	\$ -
Capital Contributions			\$ 1,250	\$ 2,500	
Interfund Transfers	\$ 65,000	\$ 50,000	\$ 45,900	\$ 43,296	\$ 104,250
Total Sewer Cumulative Reserve Fund	\$ 235,000	\$ 165,000	\$ 153,934	\$ 135,798	\$ 107,250

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Ending Unreserved Fund Balance	\$ 72,000	\$ 17,000	\$ 141,997	\$ 106,628	\$ 89,883
Other Services & Charges	\$ 64,600	\$ 64,600	\$ -	\$ 14,785	\$ 10,298
Capital Outlay Rolling Stock	\$ 34,000		\$ -		
Capital Outlay	\$ 64,400	\$ 83,400	\$ 11,937	\$ 14,385	\$ 17,297
Total Sewer Cumulative Reserve Fund	\$ 235,000	\$ 165,000	\$ 153,934	\$ 135,798	\$ 117,478

NARRATIVE: The Sewer Cumulative Reserve Fund serves as a sewer capital improvement fund. The City continues to make wastewater treatment plant capital improvements to meet the needs of the facility and Department of Ecology's testing requirements.

In 2016, the City may pursue consulting with a firm to provide liaison services between the City and the Washington State Department of Ecology. The primary purpose for this service will be to assist the City in working with DOE to ensure that the City is able to design a new wastewater treatment plant that meets State's requirements yet ensures that the technology being installed will meet long-term requirements of the State. The City anticipates completing the Wastewater Treatment Facility Plan by the end of December 2017.

In addition, the Sewer Cumulative Reserve Fund will assist in paying for the new utility software that was purchased in 2015.

403 WATER REVENUE FUND

REVENUES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Unreserved Beginning Net Cash & Investments	\$ 167,100	\$ 140,000	\$ 148,154	\$ 141,914	\$ 130,000
Reserved Beginning Net Cash & Investments	\$ 38,100	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	\$ -	\$ -	\$ 410	\$ 441	\$ -
Charges for Goods & Services	\$ 749,500	\$ 749,500	\$ 811,142	\$ 753,833	\$ 684,500
Fines/Forfeitures	\$ 18,000	\$ 14,000	\$ 27,343	\$ 24,790	\$ 20,000
Miscellaneous Revenue	\$ -	\$ -	\$ 1,663	\$ 194	\$ -
Total Water Revenue Fund	\$ 972,700	\$ 903,500	\$ 988,711	\$ 921,171	\$ 834,500

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Unreserved Ending Fund Balance	\$ 64,500	\$ 72,300	\$ 148,695	\$ 148,154	\$ 141,914
<u>Administration - General</u>	-	-	-	-	-
Salaries & Wages	\$ 50,000	\$ 54,200	\$ 47,103	\$ 46,229	\$ 43,019
Benefits	\$ 16,000	\$ 16,300	\$ 68	\$ 16,371	\$ 155
Supplies	\$ 6,000	\$ 7,000	\$ 2,313	\$ 2,875	\$ 3,175
Other Services & Charges	\$ 27,400	\$ 45,600	\$ 10,758	\$ 6,312	\$ 35,462
Intergovernmental Services	\$ 39,000	\$ 36,000	\$ 39,726	\$ 33,526	\$ 37,431
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total Administration	\$ 138,400	\$ 159,100	\$ 99,968	\$ 105,313	\$ 119,242

EXPENDITURES	2016	2015	2014	2013	2012
Operations-General	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Salaries & Wages	\$ 135,000	\$ 150,000	\$ 159,879	\$ 148,428	\$ 163,781
Benefits	\$ 67,500	\$ 60,200	\$ 72,681	\$ 52,026	\$ 64,949
Supplies	\$ 42,800	\$ 37,800	\$ 35,210	\$ 32,558	\$ 31,484
Other Services & Charges	\$ 188,000	\$ 139,300	\$ 147,682	\$ 165,385	\$ 130,414
Interfund Transfers	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer to Reserve Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total Operations	\$ 433,300	\$ 387,300	\$ 415,452	\$ 398,397	\$ 390,628

Operations-Planning	2016	2015	2014	2013	2012
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Salaries & Wages	\$ 17,700	\$ 11,800	\$ 10,547	\$ 10,328	\$ -
Benefits	\$ 7,700	\$ 5,100	\$ 3,413	\$ 3,342	\$ -
Supplies	\$ 1,500	\$ 1,500	\$ 380	\$ 752	\$ -
Other Services & Charges	\$ 4,700	\$ 8,100	\$ 246	\$ 311	\$ -
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total Operations	\$ 31,600	\$ 26,500	\$ 14,586	\$ 14,733	\$ -

Interfund Transfers	2016	2015	2014	2013	2012
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Interfund Transfer to ERR	\$ 17,000	\$ 17,000	\$ -	\$ -	\$ 6,055
Interfund Transfer to Debt Service Funds	\$ 222,700	\$ 191,500	\$ 250,808	\$ 237,173	\$ 232,293
Interfund Loan Repayment	\$ 15,200	\$ -	\$ -	\$ -	\$ -
Transfer to Capital Reserve	\$ 50,000	\$ 49,800	\$ 59,300	\$ 17,400	\$ 62,580
Sub-total Interfund Transfers	\$ 304,900	\$ 258,300	\$ 310,108	\$ 254,573	\$ 300,928

EXPENDITURES	2016	2015	2014	2013	2012
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Total Water Revenue Fund	\$ 972,700	\$ 903,500	\$ 988,810	\$ 921,171	\$ 952,712

NARRATIVE: The primary function of the Water Department is to provide the citizens of Dayton with quality potable water supply, while keeping within the Washington Administrative code (WAC) 245-290 related to the Washington State Department of Health (DOH). The physical facilities of the Department consist of three (3) wells, each with their own filtration system, a 220,000 gallon Standpipe and Water Reservoir with a 2 million gallon storage capacity. The operational portion of the Water Department falls under the auspices of the Public Works Department and administration falls under the City Clerk-Treasurer Department.

The Water system consists of approximately 131,525 lineal feet of water distribution lines ranging in size from ½ inch to 12 inches in diameter. The Water Department maintains the system distribution lines, service lines and physical facilities. Service is provided to the property line for approximately 1,350 service connections within and outside the corporate city limits. The Department also maintains, replaces and installs new fire hydrants on an as needed basis in conjunction with the Fire Department’s needs and good engineering practice. We also have an active Cross-Connection Control Program that protects the public water system from contamination through the elimination of any actual or potential physical connection between the water distribution system and the consumer’s water system source of non-potable liquid, solid, or gas that could contaminate the potable water by backflow. Sampling stations are located throughout the distribution system to monitor water quality and chlorine residual. There is no water rate increase anticipated for 2016.

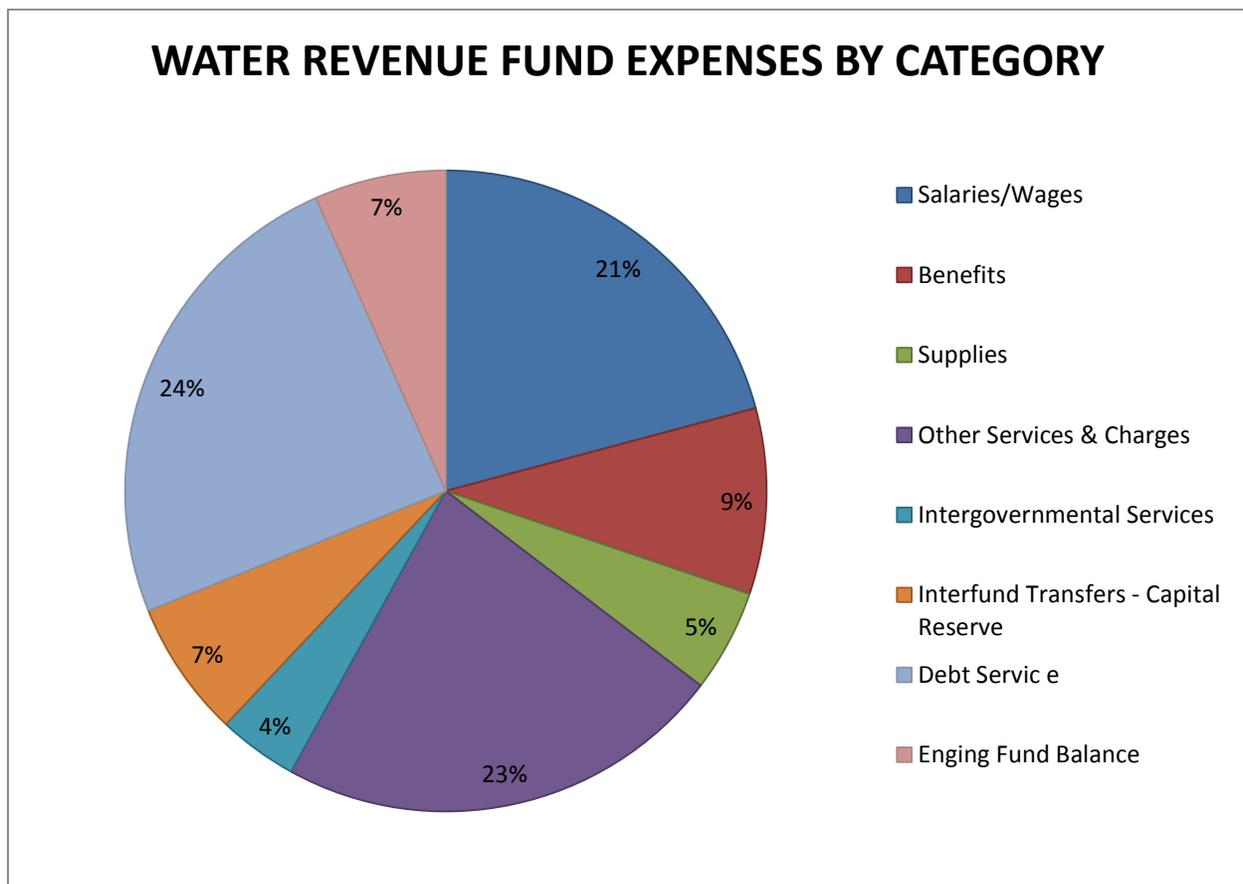


Figure V

404 WATER CUMULATIVE RESERVE FUND

REVENUES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Beginning Net Cash & Investments	\$ 245,000	\$ 250,000	\$ 231,164	\$ 238,522	\$ 168,000
Miscellaneous Revenue	\$ -	\$ -	\$ 331	\$ 293	\$ -
Capital Contributions			\$ 6,628	\$ 103,550	\$ -
Interfund Transfers	\$ 67,000	\$ 49,800	\$ 59,300	\$ 17,400	\$ 22,600
Total Water Cumulative Reserve Fund	\$ 312,000	\$ 299,800	\$ 297,423	\$ 359,765	\$ 190,600

EXPENDITURES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Ending Unreserved Fund Balance	\$ -	\$ -	\$ 244,429	\$ 231,165	\$ -
Other Services	\$ 7,500	\$ 10,000	\$ 32,474	\$ -	
Capital Improvements - Bond Covenants	\$ 202,500	\$ 241,800	\$ -	\$ 128,600	\$ 25,800
Engineering/Financial Services	\$ 30,000		\$ -		
Capital Improvements - Facilities	\$ 10,000	\$ 18,000	\$ 20,520		
Capital Outlay - Equipment/Software	\$ 15,000		\$ -		
Capital Purchases - Rolling Stock	\$ 47,000	\$ 30,000	\$ -		
Total Water Cumulative Reserve Fund	\$ 312,000	\$ 299,800	\$ 297,423	\$ 359,765	\$ 25,800

NARRATIVE: The Water Cumulative Reserve Fund serves as a water capital improvement fund. The United States Department of Agriculture (USDA), as part of the debt issuance covenants, required that the City establish a Cumulative Reserve Fund to meet future capital improvement/maintenance needs. This Fund allows for the City to meet these requirements of long-term debt obligations administered by the USDA.

WATER SYSTEM CUMULATIVE RESERVE'S PRIMARY GOALS FOR 2016

1. *Updating the water system's rolling stock inventory in 2016.*
2. *Assisting with the design phase of the levee improvement program.*
3. *Performing a Water Utility Rate Study to begin implementing the 2015 Water System Plan.*

4. *Repaying a portion of the 2015 Financial and Utility Software purchase and hardware purchases associated with the project.*
5. *Repaying interfund loan for Backhoe purchase in 2015.*
6. *Installing a new shut-off valve at the City's reservoir located on Syndicate Hill.*
7. *Continuing the water meter replacement program.*

“Water is the driving force of all nature.”

Leonardo da Vinci

413 WATER & SEWER SYSTEM RESERVE FUND

REVENUES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Beginning Net Cash & Investments	\$ 398,100	\$ 398,100	\$ 398,179	\$ 398,179	\$ 398,179
Total Debt Service Reserve Fund	\$ 398,100	\$ 398,100	\$ 398,179	\$ 398,179	\$ 398,179
EXPENDITURES					
Ending Reserved Fund Balance	\$ 398,100	\$ 398,100	\$ 398,179	\$ 398,179	\$ 398,179
Refunding Escrow	\$ -	\$ -	\$ -	\$ -	\$ -
Total Debt Service Reserve Fund	\$ 398,100	\$ 398,100	\$ 398,179	\$ 398,179	\$ 398,179

NARRATIVE: As required by the United States Department of Agriculture, the City must maintain a debt reserve totaling approximately one full payment for each bond obligation. The principal balance of this fund must remain intact until all of the City's USDA bond obligations are met.

414 WATER & SEWER SYSTEM DEBT SERVICE FUND

REVENUES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Beginning Net Cash & Investments	\$ -	\$ 124,000	\$ 92,671	\$ 102,499	\$ 75,800
Miscellaneous Revenue	\$ -	\$ -	\$ 2,548	\$ 1,712	\$ -
Interfund Transfers	\$ 506,900	\$ 247,700	\$ 342,200	\$ 312,062	\$ 317,450
Total Water & Sewer Debt Service Fund	\$ 506,900	\$ 371,700	\$ 437,419	\$ 416,273	\$ 393,250
EXPENDITURES					
Reserved Ending Fund Balance	\$ -	\$ 78,700	\$ 142,931	\$ 92,671	\$ 102,499
Non-Expenditures				\$ -	
Interest Debt Service Costs	\$ 506,900	\$ 293,000	\$ 294,552	\$ 323,602	\$ 317,352
Total Water & Sewer Debt Service Fund	\$ 506,900	\$ 371,700	\$ 437,483	\$ 416,273	\$ 419,851

NARRATIVE: The Debt Service Fund is also required by the USDA Revenue Bond covenants. Payments towards the City's revenue bond obligations and other utility debt service obligations are met from this Fund.

The City has three (3) outstanding Water and Sewer Revenue Bonds, four (4) Public Works Board Loans consisting of water and sewer debt, and one private sewer loan through Umpqua Bank. The following table provides a list of these debts and the principal balances owing as of 12/31/2016:

Bond	2016 Payments including Principal & Interest	Principal Balance as of 12/31/2016	Pay-Off Date
Water and Sewer Refunding Bonds, Series 2010	\$ 202,110	\$1,750,000	12/1/2023
USDA Water Revenue Bond, Phase I	\$ 13,767	\$222,879	2/25/2034
USDA Water Revenue Bond, Phase II	\$ 81,525	\$1,283,117	10/27/2034
Public Works Board - 1998 Wastewater Treatment Plant Rehab Project	\$ 172,472	\$16,579	7/1/2017
Public Works Board - 1998 Wastewater Treatment Plant Rehab Project	\$ 138,621	\$269,167	7/1/2018

2001 Water System Improvements Project	\$	26,854	\$130,361	7/1/2021
2004 Water System Improve. Project	\$	12,507	\$65,824	7/1/2022
2007 S. 3rd Street Sewer Reconstruction Project	\$	14,322	\$72,465	3/15/2022
Totals	\$	662,178	\$3,810,393	

Although several of these loans will be paid off starting in 2017 and thereafter in 2018, 2021, and 2022, the principal and interest that will no longer be obligated to those specific loans will become obligated to the Water and Sewer Refunding Bonds, Series 2010. As a result, the City will not see a reduction in debt payments until 2024.

601 CEMETERY ENDOWMENT FUND

REVENUES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Beginning Net Cash & Investments	\$ 335,000	\$ 390,500	\$ 368,004	\$ 321,840	\$ 416,000
Charges for Goods & Services	\$ -	\$ -	\$ 800	\$ -	\$ -
Miscellaneous Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Repayments	\$ 34,500	\$ 34,500	\$ 38,074	\$ 44,914	\$ 38,000
Total Cemetery Endowment Fund	\$ 369,500	\$ 425,000	\$ 406,878	\$ 366,754	\$ 454,000
EXPENDITURES					
Ending Reserved Fund Balance	\$ 369,500	\$ 305,000	\$ 401,100	\$ 368,004	\$ 321,840
Interfund Loan	\$ -	\$ 120,000	\$ -	\$ -	\$ -
Total Cemetery Endowment Fund	\$ 369,500	\$ 425,000	\$ 401,100	\$ 368,004	\$ 321,840

NARRATIVE: The City charges a perpetual care fee on the sale of all cemetery plots. The money is deposited and held in the City Cemetery Endowment Fund. The City utilizes principal income from this fund to support its obligations associated with the upkeep of the Dayton City Cemetery.

602 LIBRARY ENDOWMENT FUND

REVENUES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Beginning Net Cash & Investments	\$ 168,900	\$ 168,900	\$ 168,943	\$ 168,943	\$ 168,900
Total Library Endowment Fund	\$ 168,900	\$ 168,900	\$ 168,943	\$ 168,943	\$ 168,900
EXPENDITURES					
Ending Reserved Fund Balance	\$ -	\$ -	\$ 168,943	\$ 168,943	\$ 168,943
Transfer to Dayton Memorial Library	\$ 168,900	\$ 168,900	\$ -	\$ -	
Total Library Endowment Fund	\$ 168,900	\$ 168,900	\$ 168,943	\$ 168,943	\$ 168,943

NARRATIVE: The Library Endowment Fund holds the principal money the City received from the Hedwig Davis bequest in the amount of \$167,697.41 and other donations for the benefit of the Dayton Public Library. All interest or other earnings as earned upon the principal of this Library Endowment Fund shall be transferred to the Columbia Rural Library District. The principal balance of this fund must stay intact as provided in DMC 2-24.04.

603 PATHWAY ENDOWMENT FUND

REVENUES	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET	2012 BUDGET
Beginning Fund Balance	\$ 9,000	\$ 9,000	\$ 9,002	\$ 9,002	\$ 9,000
Miscellaneous Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pathway Endowment Fund	\$ 9,000	\$ 9,000	\$ 9,002	\$ 9,002	\$ 9,000
EXPENDITURES					
Ending Reserved Fund Balance	\$ 9,000	\$ 9,000	\$ 9,002	\$ 9,002	\$ 9,002
Total Pathway Endowment Fund	\$ 9,000	\$ 9,000	\$ 9,002	\$ 9,002	\$ 9,002

NARRATIVE: In 2009, the Historic Pathway was constructed. In an effort to provide funding for long-term maintenance and operation the City established this fund and periodically accepts donations for this purpose.

GLOSSARY OF TERMS:

Bond

A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate. The difference between a note and a bond is that the latter runs for a longer period of time and requires greater legal formality.

Budget

A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term budget is used in two senses in practice. Sometimes it designates the financial plan presented to the appropriating body for adoption and sometimes the plan finally approved by that body. It is usually necessary to specify whether the budget under consideration is preliminary and tentative or whether the appropriating body has approved it.

Budget Document

The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body. The budget document usually consists of two parts. The first part contains a message from the budget-making authority, together with a summary of the proposed expenditures and the means of financing them. The second consists of schedules supporting the summary. These schedules show in detail the information as to the past years' actual revenues, expenditures, and other data used in making the estimates. In addition to the budget document, an appropriation ordinance and revenue and borrowing measures will be necessary to put the budget into effect.

Budget Message

A general discussion of the proposed budget as presented in writing by the budget-making authority to the legislative body. The budget message should contain an explanation of the principal budget items, an outline of the government's experience during the past period and its financial status at the time of the message, and recommendations regarding the financial policy for the coming period.

Business & Occupation Taxes

The City levy's a business and occupation tax, also known as a utility tax, on the total gross operating revenues derived from the operation of light and power, telegraph, telephone and cable television businesses within the City.

Capital Outlay

Expenditures which result in the acquisition of, rights to, or additions to capital assets, including incidental costs such as legal, appraisal and brokerage fees, land preparation and demolishing of structures including, but not limited to land and land improvements, building and structures, machinery and equipment purchases and other improvements, ex. Storm drain construction, alley reconstruction, water and sewer improvements, etc.

Debt

An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, registered warrants, notes, contracts and accounts payable.

Debt Service Fund

Funds used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

Debt Service Requirement

The amount of money required to pay interest on outstanding debt, serial maturities of principal for serial bonds, and required contributions to accumulate monies for future retirement of term bonds.

Expenditures

Decreases in net current assets, expenditures include debt service, capital outlays, and those current operating costs, which require the use of current assets. The difference between an expenditure and an expense is a difference in what is being measured. Expenditures measure current outlays (the flow of current resources) while expenses measure total costs (total resources used). For example, purchases of capital assets (buildings and equipment) and of inventories are expenditures at the date of purchase, because they cause the outflow or the tie up of current assets. They are not expenses, however, until they are used or used up, because they are still a resource until consumed.

Another example is depreciation, which is not an expenditure because no current assets are used when depreciation is incurred, but which is an expense because it allocates the total cost as the depreciable capital asset is used.

Fund

A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Accounts

All accounts necessary to set forth the financial position and results of operations of a fund.

Fund Balance

The difference between assets and liabilities reported in a governmental fund.

Interfund Payments

Expenditures made to other funds or departments for services rendered. Interfund activity includes, but is not limited to the following:

- 1) Interfund loans – amounts provided with a requirement for repayment from the borrowing fund to the repaying fund.
- 2) Interfund transfers – flows of assets (such as cash or goods) without equivalent flows or assets in return and without requirement for repayment.

Intergovernmental Services

Expenditures made to other governmental entities for services rendered including, but not limited to services such as law enforcement and municipal court.

Maintenance

Activities that ensure that the right of-way and each type of roadway, roadway structure and facility remain, as nearly as practical, in its original, as constructed condition or its subsequent improved condition.

Nuisance Abatement

A civil action that can be pursued along with criminal prosecution. The potential outcome of a nuisance abatement action is a corrective, injunctive-type order issued by municipal court.

Reserved Fund Balance

Portion of fund balance that reflects constraints placed on the use of resources that are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Retail Sales & Use Tax

A tax on a tangible sale of personal property, services such as construction, improving real & personal property, amusement and recreational activities. The City currently has a rate of 7.9% and receives approximately 0.85 cents on the dollar is returned to the City monthly.

Other Services & Charges

This is a basic classification for services other than personal services which are needed by the government including but not limited to professional, communication, travel, advertising, insurance, utility services, contracted repairs and maintenance services.

Rolling Stock

Self-propelled (such as trucks and trains) or pulled (such as trailers and coaches) transportation equipment that moves on wheels.

Supplies

This is a basic classification of expenditures for articles and commodities purchased for consumption or resale including, but not limited to items such as office and operating supplies, fuel, small tools and minor equipment purchases.

Unreserved Ending Fund Balance:

The total of committed fund balance, assigned fund balance and unassigned fund balance.