

2018 BUDGET CITY OF DAYTON



JANUARY 1, 2018 – DECEMBER 31, 2018

2018 Preliminary Budget
10/08/2017

Table of Contents

<i>Mayor's Budget Message</i>	3
<i>Dayton's History</i>	5
<i>Form of Government</i>	6
<i>City of Dayton Budget Process</i>	6
<i>2017 Mayor & Council Members</i>	7
<i>2018 Budget Ordinance</i>	8
<i>Schedules of Sources and Uses</i>	10
<i>2018 FTE Allocations</i>	12
<i>2018 Salary Schedule</i>	13
<i>Current Expense Fund</i>	15
<i>Current Expense Revenue Sources</i>	15
<i>Current Expense Expenditures by Department:</i>	
<i>Non-Departmental</i>	17
<i>General Government</i>	17
<i>Municipal Court</i>	18
<i>City Clerk-Treasurer</i>	19
<i>City Attorney</i>	20
<i>Levee/Dike Maintenance</i>	21
<i>Code Enforcement</i>	22
<i>Planning and Community Development</i>	22
<i>Law Enforcement Services</i>	23
<i>Animal Control Services</i>	24
<i>City Parks</i>	25
<i>Swimming Pool Services</i>	26
<i>Cemetery Services</i>	27
<i>Library</i>	28
<i>Delany Building</i>	28
<i>City Street and Road Revenue Sources</i>	30
<i>City Street & Road Fund Expenditures by Department:</i>	
<i>Ordinary Maintenance</i>	32
<i>Street Lighting Services</i>	32
<i>Traffic Control Services</i>	33
<i>Snow and Ice Control</i>	33
<i>Street Cleaning</i>	34
<i>Road/Street Administration</i>	35
<i>Shop Facilities</i>	35
<i>Road and Street Fund by Expense Category</i>	37

<i>Hotel/Motel Excise Tax</i>	38
<i>Capital Improvements Fund</i>	38
<i>Public Works Narrative</i>	41
<i>Sewer Revenue Sources</i>	42
<i>Sewer Revenue Fund by Department:</i>	
<i>Ending Fund Balances</i>	43
<i>Operations - General</i>	43
<i>Wastewater Treatment Facility</i>	44
<i>Administration - General</i>	45
<i>Debt Service</i>	45
<i>Capital Expenditures/Cumulative Reserve</i>	53
<i>Sewer Expenses by Department</i>	46
<i>Water Revenue Fund by Department:</i>	48
<i>Water Revenue Sources</i>	49
<i>Ending Fund Balances</i>	50
<i>Administration - General</i>	50
<i>Operations - General</i>	51
<i>Debt Service</i>	52
<i>Capital Expenditures/ Cumulative Reserve Fund</i>	52
<i>Water Expenditures by Category</i>	53
<i>Water and Sewer System Reserve Fund</i>	54
<i>Endowment Funds</i>	54
<i>Water and Sewer Debt Service Summary</i>	56
<i>Interfund Loan Summary</i>	56
<i>2018 Total Budget Summary</i>	57
<i>Glossary of Terms</i>	58

MAYOR'S BUDGET MESSAGE

To: Citizens of Dayton

As another year has gone by, it is time to present you with the 2018 Budget for the City of Dayton.

I know we all wonder where 2017 went. I then think, "What have we done in our great city this past year?" The theme for 2017 was "Building Infrastructure" and a great amount of that was accomplished.

The City was successful in obtaining three Transportation Improvement Board grants totaling \$1,144,793. The S. 1st Street Reconstruction Project/Oak Street/S. 2nd Street Waterline Project dominated the whole summer and continued into fall. This new street was a long time coming and is a great addition to the community. The new Oak Street/S. 2nd Street Water Main Line increased the fire flow levels for protecting our schools.

The completion of Phase 2 of the West End Beautification/Safety Enhancement Project, in cooperation with the Dayton Development Task Force, now provides a great walking path on the north side of Highway 12 from the Touchet River Bridge to N. Pine Street. This project included the construction of a cement sidewalk, and the installation of ADA sidewalk ramps, bike racks, trees and benches. It is a great addition to the West end of town.

Also, there were repairs to various city streets that were damaged as part of the 2017 winter and its storm damage.

The dedication of the City's Dog Park in September finalized the great work of collaboration between the City and Friends of the Dog Park to get a beautiful place for the community to bring their dogs and socialize in one place. It is a very busy place during nice weather.

The city continued to work with State and Federal authorities as we get ready for a new sewer (wastewater) treatment plant to serve our community.

The 2018 Budget, as proposed, is less than 1% higher than the 2017 Budget.

The budget is balanced and includes increases in utility rates that will go towards water and sewer utility operations and improvements.

There are some personnel changes reflected in the 2018 budget. The City contracted with Columbia County in 2017 to perform planning and code compliance services. This cooperation resulted in the elimination of these two positions moving into 2018. Union contracts are under negotiations and the budget does provide for increases in salary/wages and dependent coverage assistance. These amounts may change dependent

upon the outcome of the negotiations. There are no new positions anticipated for the upcoming fiscal year.

The 2018 City of Dayton Budget does a good job in detailing what is to come in 2018, but some major programs scheduled for 2018, just to name a few, include projects that will continue the infrastructure theme:

- The city will install another phase of the sprinkler systems in Pietryzcki Park to not only save money, but to conserve water.
- There will be new street repair and construction done as the result of the frost damage we received in January-February 2018.
- The city will be working with Columbia County on forming a Flood Control Zone District for our area as we work toward better flood control.
- We will be forming a Main Street Tree Replacement committee as we need to begin replacing our beautiful trees on Main Street.
- The water main line in a portion of E. Washington Avenue will be replaced.
- Begin design of our Wastewater Treatment Plant.

The City Council and our staff are doing everything possible to continue to make Dayton the best place to live in our state. We are constantly looking for input from the community on how we are doing. Our meetings are at 7:00 pm on the second Wednesday of each month at City Hall. I encourage anyone and everyone to attend a City Council meeting to see how the City is ran.

Sincerely,

Craig George
Mayor

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



Dayton Historic Depot

2017 CITY OF DAYTON MAYOR AND CITY COUNCIL

Mayor

Craig George
Term expiring 12/31/2019

Council Members

V. Delphine Bailey
Term expiring 12/31/2017

Kathy A. Berg
Term expiring 12/31/2017

Michael Paris
Term expiring 12/31/2017

Dain Nysoe
Term expiring 12/31/2019

Zac Weatherford
Term expiring 12/31/2019

Byron Kaczmariski
Term expiring 12/31/2019

Christine Broughton
Term expiring 12/31/2017

“Volunteering is the ultimate exercise in democracy. You vote in elections once a year, but when you volunteer, you vote every day about the kind of community you want to live in”.

Author Unknown

ORDINANCE NO. 1923

AN ORDINANCE ADOPTING THE BUDGET FOR THE CITY OF DAYTON, WASHINGTON FOR THE FISCAL YEAR ENDING DECEMBER 31, 2018.

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, 2018 and a notice was published that the Council of said city would meet on the 8th day of November, 2017 and the 6th day of December, 2017, 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 final 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 2018 is hereby adopted at the fund level in its final form and content as set forth in the document entitled City of Dayton, 2018 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 2018 are set forth in a summary form below, and are hereby appropriated for expenditure at the fund level during the year 2018 as set forth in the City of Dayton, 2018 Budget:

<u>FUND</u>	<u>RESOURCES/APPROPRIATIONS</u>
CURRENT EXPENSE	\$ 1,129,207
CITY STREET & ROAD	\$ 314,741
MOTEL/HOTEL EXCISE TAX	\$ 59,000
CAPITAL IMPROVEMENTS	\$ 1,257,628
SEWER REVENUE	\$ 1,040,852
SEWER CUMULATIVE RESERVE	\$ 296,858
WATER REVENUE	\$ 1,204,791

<u>FUND</u>	<u>RESOURCES/APPROPRIATIONS</u>
WATER CUMULATIVE RESERVE	\$ 506,306
W & S SYSTEM DEBT RESERVE	\$ 504,257
CEMETERY ENDOWMENT	\$ 324,945
LIBRARY ENDOWMENT	\$ 168,943
PATHWAY ENDOWMENT	\$ 9,002
TOTAL 2018 BUDGET	\$ 6,816,530

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, 2018 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 2018 budget that of which includes a proposed 3% cost of living increase for non-represented full-time status employees.

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 _____, 2017.

Craig George, Mayor

Attest:

Approved as to form:
Menke Jackson Beyer, LLP

Trina Cole, City Clerk-Treasurer

By: Quinn N. Plant, City Attorney

2018 Schedule of Sources and Uses

FUND	FUND NAME	2017 BUDGET	2018 BUDGET	DIFFERENCE Incr. (Decr.)	INCREASE/ DECREASE
001	CURRENT EXPENSE:				
	<u>Departments</u>				
	Non-Departmental	\$ 85,300	\$ 29,386	\$ (55,914)	-65.55%
	General Govt.	\$ 51,000	\$ 53,750	\$ 2,750	5.39%
	Judicial	\$ 104,700	\$ 134,935	\$ 30,235	28.88%
	Clerk/Treasurer	\$ 72,200	\$ 65,870	\$ (6,330)	-8.77%
	City Attorney	\$ 25,000	\$ 44,000	\$ 19,000	76.00%
	Levee Maintenance	\$ 15,600	\$ 15,450	\$ (150)	-0.96%
	Code Enforcement	\$ 25,700	\$ 25,700	\$ -	0.00%
	Planning	\$ 71,600	\$ 48,000	\$ (23,600)	-32.96%
	Law Enforcement	\$ 375,900	\$ 410,775	\$ 34,875	9.28%
	Animal Control	\$ 22,400	\$ 19,837	\$ (2,563)	-11.44%
	Parks	\$ 122,600	\$ 123,872	\$ 1,272	1.04%
	Pool	\$ 70,500	\$ 82,383	\$ 11,883	16.86%
	Cemetery	\$ 64,400	\$ 68,249	\$ 3,849	5.98%
	Library	\$ 7,000	\$ 3,500	\$ (3,500)	-50.00%
	Delany Building	\$ 7,500	\$ 3,500	\$ (4,000)	-53.33%
Total Current Expense Fund		\$ 1,121,400	\$ 1,129,207	\$ 7,807	0.70%
103	CITY STREET & ROAD	\$ 337,500	\$ 314,741	\$ (22,759)	-6.74%
106	HOTEL MOTEL EXCISE TAX	\$ 52,500	\$ 59,000	\$ 6,500	12.38%
301	CAPITAL IMPROVEMENTS	\$ 978,300	\$ 1,257,628	\$ 279,328	28.55%
	FUND				
401	SEWER REVENUE	\$ 1,005,700	\$ 1,040,852	\$ 35,152	3.50%
402	SEWER CUMULATIVE RESERVE	\$ 410,400	\$ 296,858	\$ (113,542)	-27.67%
403	WATER REVENUE	\$ 995,900	\$ 1,204,791	\$ 208,891	20.98%
404	WATER CUMULATIVE RESERVE	\$ 279,800	\$ 506,306	\$ 226,506	80.95%
413	WATER & SEWER SYSTEM RESERVE	\$ 398,100	\$ 504,257	\$ 106,157	26.67%
414	WATER & SEWER SYSTEM DEBT SERVICE	\$ 641,800	\$ -	\$ (641,800)	-100.00%
601	CEMETERY ENDOWMENT	\$ 404,000	\$ 324,945	\$ (79,055)	-19.57%
602	LIBRARY ENDOWMENT	\$ 168,900	\$ 168,943	\$ 43	0.03%
603	HISTORIC PATHWAY ENDOWMENT	\$ 9,000	\$ 9,002	\$ 2	0.02%
GRAND TOTAL ALL FUNDS		\$ 6,803,300	\$ 6,816,530	\$ 13,230	0.19%

**2018 BUDGET
TOTAL ALL FUNDS
= \$ 6,816,530**

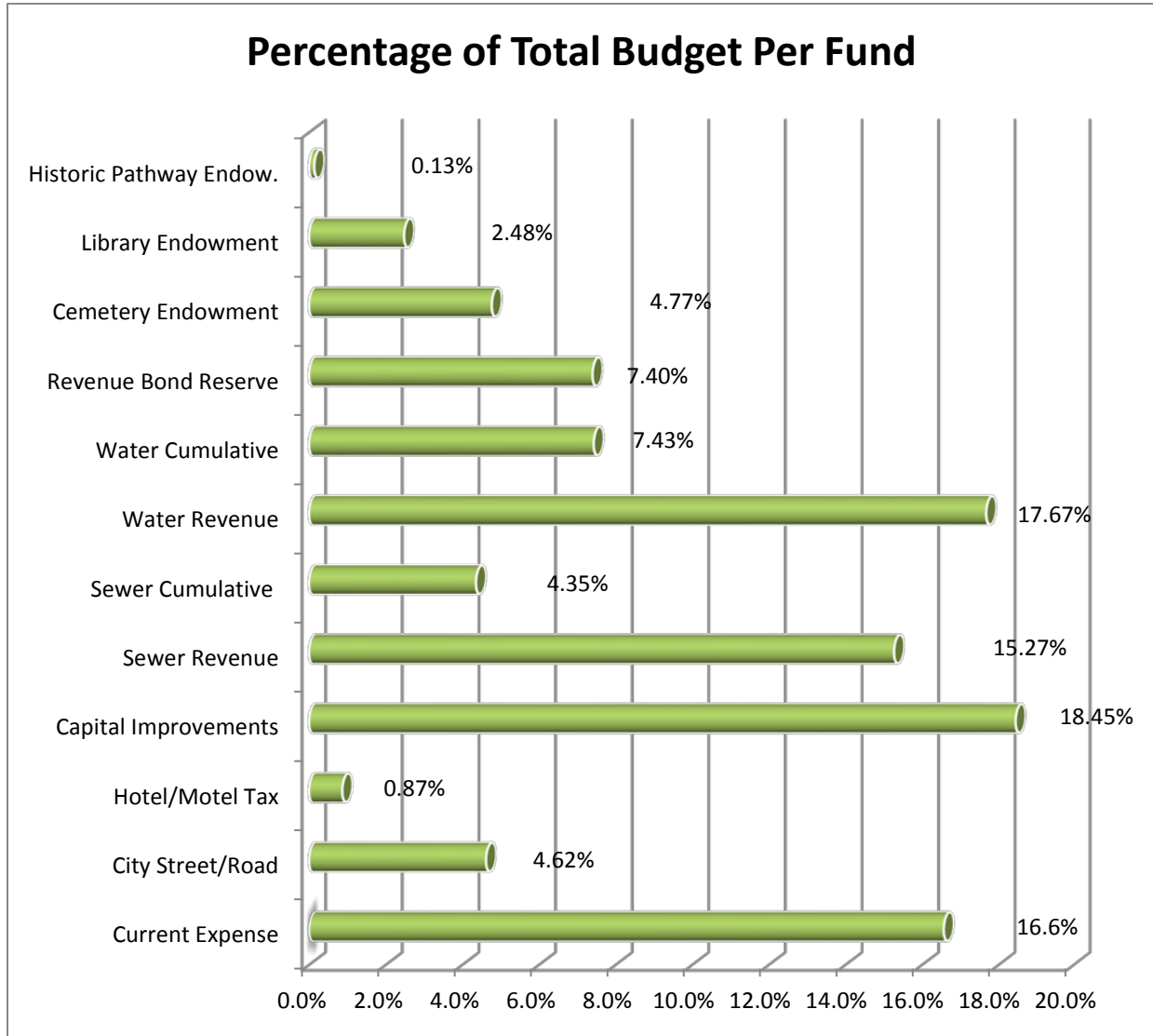


Figure A

**“Community is much more than belonging to something; it’s about doing something together that makes belonging matter.”
Brian Solis**

2018 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	0.16		0.10	0.35	0.40
Wastewater Treatment Plant	1.60				1.60	
Public Works Maintenance	6.40	1.52	0.01	1.82	1.22	1.83
Total Public Works	9	1.68	0.01	1.92	3.17	2.22
City Clerk-Treasurer						
City Clerk-Treasurer (Administrator)	1.00	0.40			0.30	0.30
Deputy City Clerk	1.00	0.10			0.45	0.45
Administrative Assistant	1.00				0.50	0.50
Pool Lifeguards	1.10	1.10				
Total City Clerk-Treasurer	4.10	1.60		0.00	1.25	1.25
Total Funded/Budgeted Positions	13.50	3.68	0.01	1.92	4.42	3.47

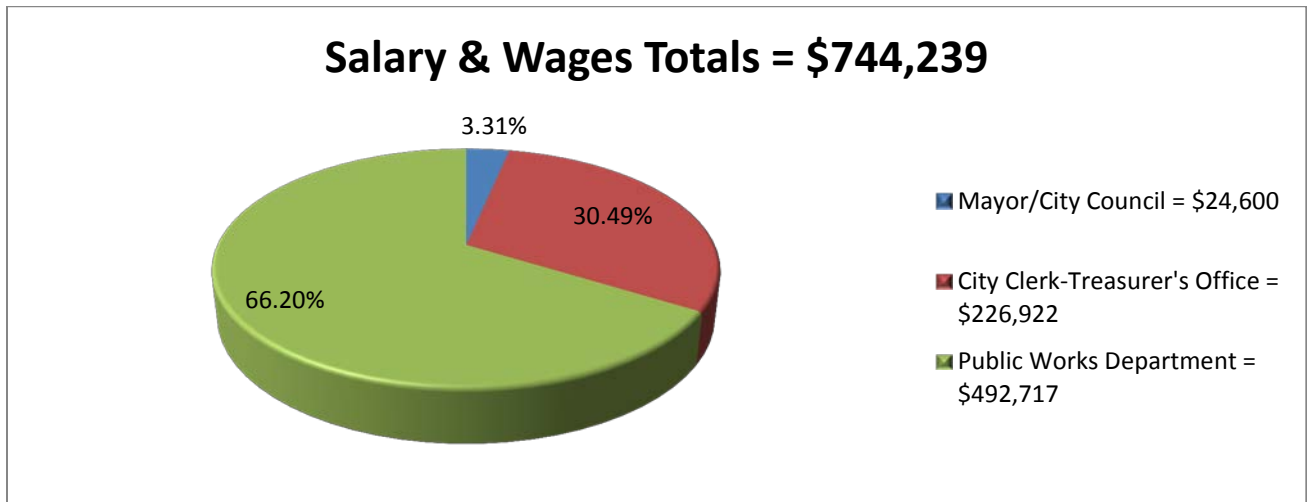


Figure B

ORDINANCE NO. 1924

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DAYTON, WASHINGTON ADOPTING THE 2018 SALARY SCHEDULE FOR NON-CONTRACTUAL EMPLOYEES OF THE CITY OF DAYTON.

WHEREAS, the City Council of the City of Dayton, Washington has by Ordinance No. 1923 adopted a budget for 2018; and,

WHEREAS, the City Council determined during the budget process that a general salary increase for City employees should be implemented and included on the monthly salary schedule as an integral part thereof;

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

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)	\$4,625	\$6,700
Deputy City Clerk-Treasurer	\$3,800	\$5,250
Planning Director	\$4,100	\$5,750

	Hourly Wage Scale	
	Minimum Wage Rate	
Seasonal/Part-time Positions		\$13.00
Code Enforcement Officer	\$18.02	\$23.55
Administrative Assistant	\$13.85	\$20.88

Section 2. Appropriations. The salaries and wages set forth in the 2018 City of Dayton Budget constitute the appropriations for salaries and wages that will be paid to the legislative body and non-contractual and contractual (union) 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 3. Exclusions. The salary and wage schedules are exclusive of overtime, compensatory time and/or merit compensation as provided by the City of Dayton Personnel Policies effecting non-contractual, non-exempt employees or as specified in the current Union effecting contractual 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 2018 City of Dayton Budget.

SECTION 4. 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 _____, 2017.

City of Dayton

By: Craig George, Mayor

Attest:

Trina Cole, City Clerk-Treasurer

Approved as to form:
Menke Jackson Beyer, LLP

By: Quinn N. Plant, City Attorney

001 CURRENT EXPENSE FUND

REVENUES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET
Beginning Fund Balances	\$ 184,000	\$ 203,000	\$ 172,147	\$ 383,907	\$ 182,688	\$ 251,849
Taxes	\$ 701,347	\$ 706,000	\$ 732,173	\$ 726,071	\$ 945,614	\$ 685,332
Intergovernmental Revenues	\$ 82,460	\$ 60,400	\$ 80,671	\$ 79,363	\$ 143,997	\$ 74,372
License and Permits	\$ 9,000	\$ 9,000	\$ 8,696	\$ 9,460	\$ 10,620	\$ 4,722
Charges for Goods & Services	\$ 38,000	\$ 38,000	\$ 41,655	\$ 40,484	\$ 70,897	\$ 335,141
Fines and Forfeitures	\$ 65,500	\$ 65,500	\$ 46,815	\$ 61,796	\$ 43,390	\$ 48,782
Contributions and Donations from Nongovernmental Sources	\$ 41,900	\$ 32,500	\$ 75,464	\$ 52,443	\$ 55,607	\$ 12,339
Interest Earnings	\$ 7,000	\$ 7,000	\$ 6,806	\$ 3,683	\$ -	\$ -
TOTAL CURRENT EXPENSE FUND	\$1,129,207	\$1,121,400	\$1,164,426	\$1,357,207	\$1,452,813	\$1,412,537

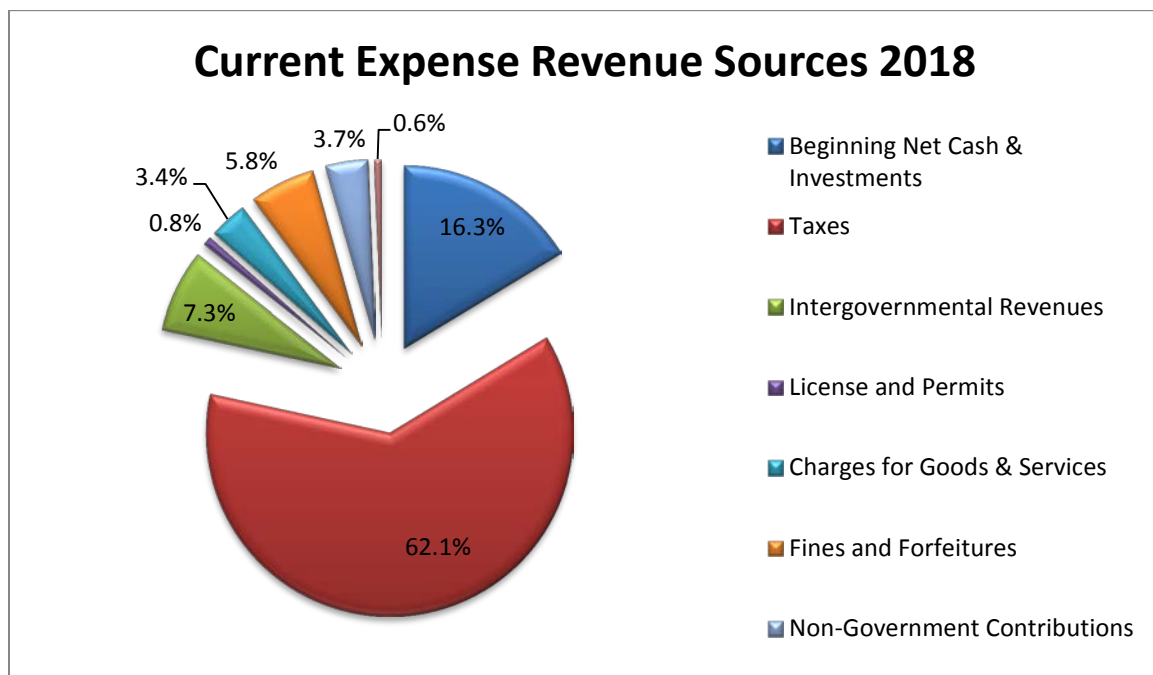


Figure C

NARRATIVE: Current Expense Fund revenues fund the various services accounted for in the Current Expense Fund, such as Legislative (Mayor-Council), Finance (Clerk-Treasurer), City Attorney, Law Enforcement/Dispatch Services, Municipal Court Services, Parks, Swimming Pool, Planning and Code Compliance services, 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 63%, or \$701,347, of the Current Expense’s revenues is generated by these taxing authorities. Details are reflected in Figure D below.

**2018 CURRENT EXPENSE TAX AUTHORITY REVENUES =
\$701,347**

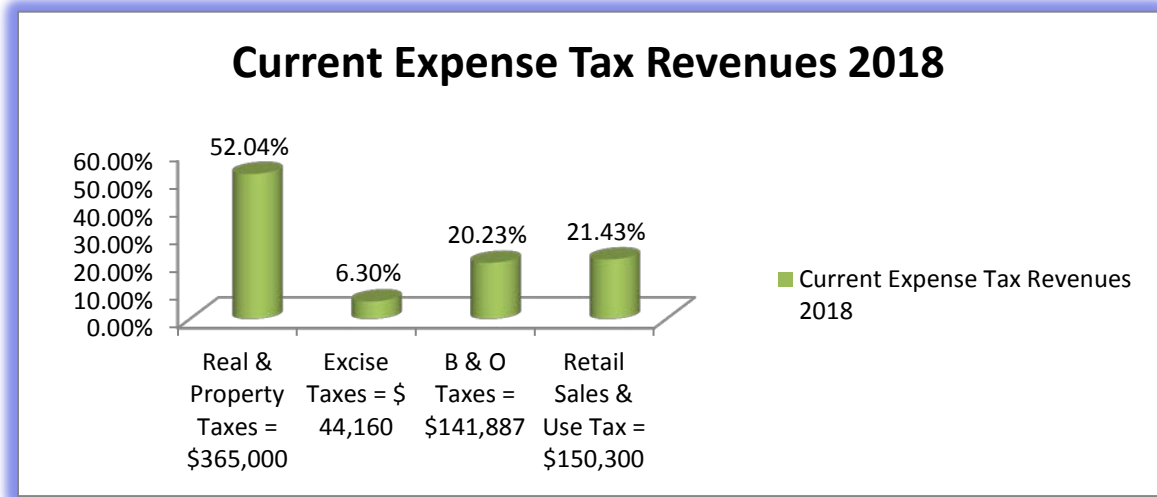


Figure D



CURRENT EXPENSE FUND - EXPENDITURES

NON-DEPARTMENTAL					
EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Ending Fund Balance	\$ 16,386	\$ 85,300	\$ 185,496	\$ 172,146	\$ 383,737
Interfund Loan Repayments/Interest	\$ -	\$ -	\$ -	\$ -	\$ 18,239
Total Non-Departmental Services	\$ 16,386	\$ 85,300	\$ 185,496	\$ 172,146	\$ 401,976

“Devote yourself to your community around you & devote yourself to creating something that gives you purpose and meaning.”

Mitch Albom

GENERAL GOVERNMENT SERVICES - CITY COUNCIL					
EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ 24,600	\$ 22,100	\$ 24,467	\$ 25,845	\$ 24,150
Benefits	\$ 2,000	\$ 2,000	\$ 1,882	\$ 2,028	\$ 1,845
Supplies	\$ 900	\$ 1,000	\$ 1,135	\$ 1,782	\$ 3,967
Services	\$ 15,650	\$ 15,300	\$ 16,415	\$ 24,257	\$ 18,174
Intergovernmental Services	\$ 10,600	\$ 10,600	\$ 10,510	\$ 5,144	\$ 6,423
Capital Expenditures	\$ -	\$ -	\$ -		\$ -
Total General Government Services	\$ 53,750	\$ 51,000	\$ 54,410	\$ 59,055	\$ 54,559

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.

Current Expense – Expenditures cont.

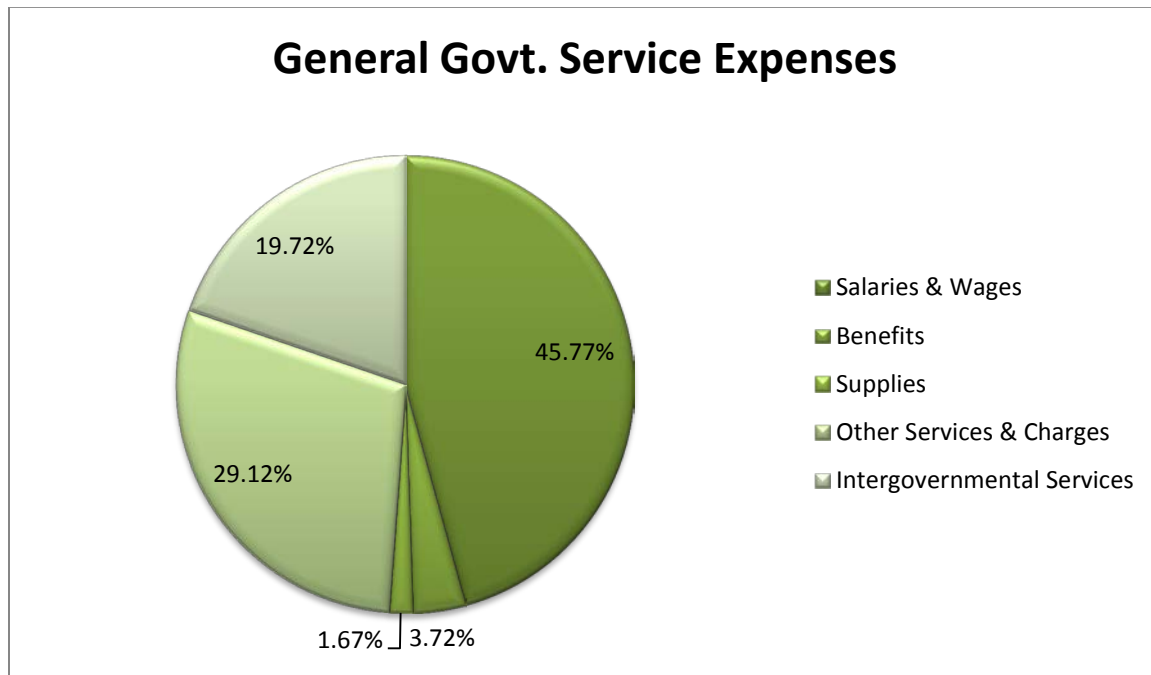


Figure F

MUNICIPAL COURT SERVICES					
EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Intergovernmental Services	\$ 109,935	\$ 104,700	\$ 103,513	\$ 103,513	\$ 103,513
Intergovernmental Services - State Court Remittances	\$ 25,000	\$ -	\$ 16,935	\$ -	\$ 15,859
Total Municipal Court Department	\$ 134,935	\$ 104,700	\$ 120,448	\$ 103,513	\$ 103,513

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 to provide Dayton with municipal court services. However, the City will begin negotiating a new interlocal agreement in 2017 and it is predicted that the negotiations will be concluded in 2018.

Current Expense – Expenditures cont.

CITY CLERK-TREASURER						
EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET	2013 BUDGET
Salaries & Wages	\$ 30,900	\$ 30,900	\$ 10,650	\$ 23,886	\$ 33,235	\$ 19,880
Benefits	\$ 13,670	\$ 13,300	\$ 3,936	\$ 8,577	\$ 9,328	\$ 5,358
Supplies	\$ 3,800	\$ 3,500	\$ 5,054	\$ 12,376	\$ 4,102	\$ 2,352
Services	\$ 14,200	\$ 12,500	\$ 18,001	\$ 19,445	\$ 32,295	\$ 5,505
Intergovernmental Services	\$ 300	\$ 12,000	\$ -	\$ 1	\$ 1,011	\$ -
Capital Expenditures/Expenses	\$ 3,000		\$ -	\$ -	\$ -	\$ -
Total Clerk-Treasurer Services	\$65,870	\$ 72,200	\$ 37,641	\$ 64,284	\$ 79,971	\$ 33,095

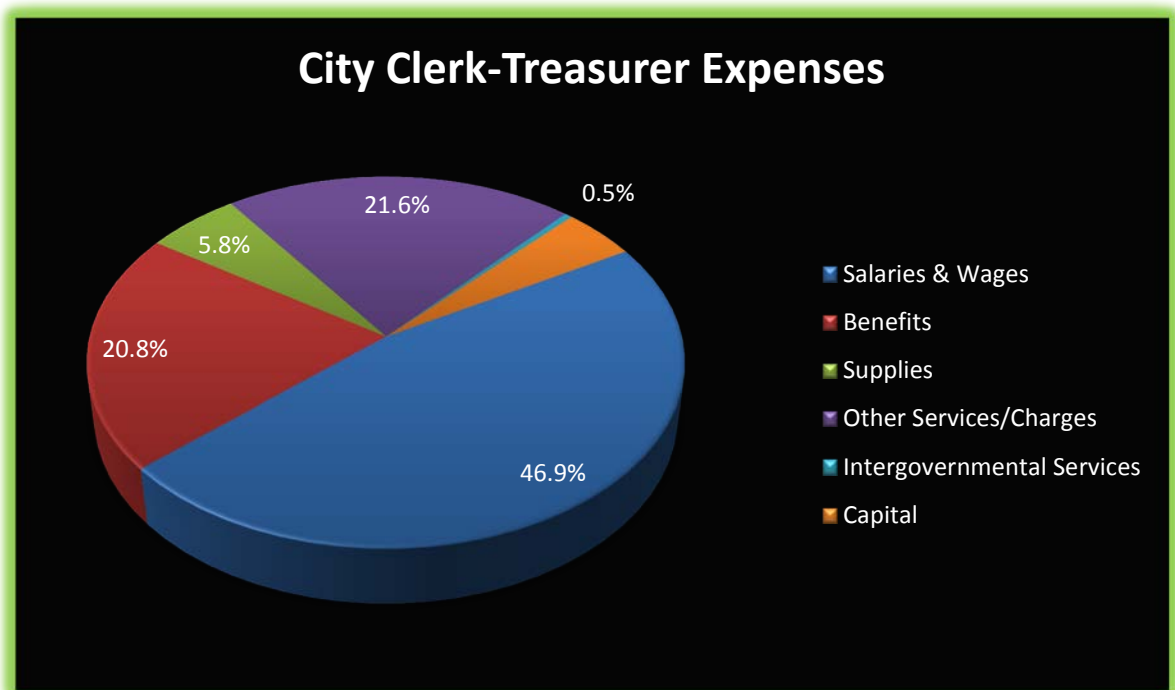


Figure G

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.

Current Expense – Expenditures cont.

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, but is not limited to: Billing and collections of revenues for utilities and various other community services; human resources support; annual budget preparation and continued monitoring of the financial status of the City; preparation and processing of city vendor payments; managing bids and contracts; 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; receive and fulfill public records requests as prescribed by the Revised Code of Washington.

City Clerk-Treasurer’s Primary Goals For 2018

- * *Develop and implement various policies including, but not limited to: investment policy, cost allocation program, investment policy, debt service policy, interfund loan policy*
- * *Continue efforts towards the implementation of the 2015 Water System Plan authorized by the City Council in September 2015.*
- * *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.*
- * *Work directly with the various state and federal agencies to successfully create a financial strategy, capitalizing on outside funding sources, to implement a large-scale street and utility improvement project.*
- * *Research funding options including a flood control zone district to implement improvements to areas prone to flood damage.*
- * *Research and surplus unused/unneeded city property.*
- * *Persistently research grant-opportunities to assist in planning and implementing capital improvement programs.*
- * *Assist in coordinating the Wastewater Treatment Plant Construction Project efforts.*
- * *Research electronic storage of records to meet the Public Record Retention laws and to assist in easily locating public documents.*
- * *Maximize training opportunities for all personnel.*
- * *Continue to review and update Dayton Municipal Codes.*

CITY ATTORNEY

EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Services	\$ 44,000	\$ 25,000	\$ 37,724	\$ 20,895	\$ 17,232
Total City Attorney Services	\$ 44,000	\$ 25,000	\$ 37,724	\$ 20,895	\$ 17,232

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.

Current Expense – Expenditures cont.

LEVEE/DIKE MAINTENANCE					
EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ 6,900	\$ 5,500	\$ 4,485	\$ 4,990	\$ 208
Benefits	\$ 3,200	\$ 4,600	\$ 2,094	\$ 2,586	\$ 40
Supplies	\$ 1,350	\$ 1,500	\$ 344	\$ 1,235	\$ -
Services	\$ 4,000	\$ 4,000	\$ 2,000	\$ -	\$ 48,771
Intergovernmental Services	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvements	\$ -	\$ -	\$ -	\$ -	\$ -
Total Dike Maintenance	\$ 15,450	\$ 15,600	\$ 8,923	\$ 8,811	\$ 49,020

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 2017, the City began the permit process to make immediate-threat improvements to the levee system. It is anticipated to take approximately a year to obtain the permits; therefore, construction will begin until 2018. 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.

Levee/Dike Maintenance Primary Goals For 2018:

- * 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.
- * Continue to pursue flood control funding alternatives of maintenance and improvement programs.
- * Cooperatively work with Columbia County towards the creation of a flood control zone district to assist in maintaining and operating both the Touchet River and the Patit Creek river systems.

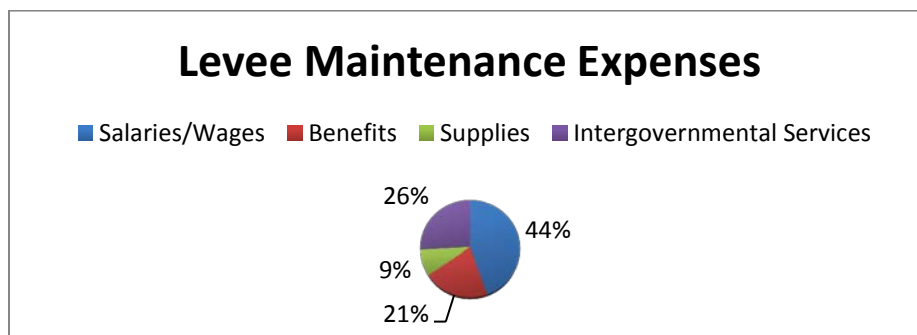


Figure H

Current Expense – Expenditures cont.

CODE ENFORCEMENT/NUISANCE ABATEMENT SERVICES					
EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ -	\$ 11,500	\$ 11,891	\$ 5,886	\$ 9,969
Benefits	\$ -	\$ 8,400	\$ 6,535	\$ 1,976	\$ 3,197
Supplies	\$ -	\$ 900	\$ 1,303	\$ 186	\$ -
Other Services & Charges	\$ -	\$ 2,400	\$ 1,722	\$ 98	\$ 91
Intergovernmental Services	\$ 38,700	\$ -	\$ -	\$ -	\$ -
Interfund Transfer	\$ -	\$ 2,500	\$ -	\$ -	\$ -
Total Code Enforcement/Nuisance Abatement Services	\$ 38,700	\$ 25,700	\$ 21,450	\$ 8,146	\$ 13,257

PLANNING & COMMUNITY DEVELOPMENT					
EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ -	\$ 34,500	\$ 29,257	\$ 35,895	\$ 23,304
Benefits	\$ -	\$ 15,700	\$ 10,233	\$ 12,011	\$ 7,693
Supplies	\$ -	\$ 2,500	\$ 2,637	\$ 5,858	\$ 1,849
Services	\$ -	\$ 15,400	\$ 6,772	\$ 15,002	\$ 44,727
Intergovernmental Services	\$ 48,000	\$ 2,500	\$ -	\$ -	\$ -
Interfund Transfer - Equipment	\$ -	\$ 1,000	\$ -	\$ -	\$ -
Total Planning & Community Development	\$ 48,000	\$ 71,600	\$ 48,899	\$ 68,765	\$ 77,574

NARRATIVE: In 2017, the City of Dayton began transitioning planning and code compliance into a regional planning department cooperative with Columbia County. The 2018 budget represents support of continuing towards the success of this joint program.

“There is immense power when a group of people with similar interests gets together to work toward the same goals.”

— Idowu Koyenikan

Current Expense – Expenditures cont.

LAW ENFORCEMENT AND DISPATCH SERVICES					
EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Personnel Benefits (LEOFF 1 Retirees Only)	\$ 38,400	\$ 38,400	\$ 31,934	\$ 42,253	\$ 37,296
Intergovernmental Services	\$ 354,375	\$ 337,500	\$ 337,428	\$ 337,428	\$ 337,428
LEOFF 1 Reserve Fund	\$ 18,000	\$ -	\$ -	\$ -	\$ -
Total Law Enforcement Services	\$ 410,775	\$ 375,900	\$ 369,362	\$ 379,681	\$ 374,724

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.

In mid-2017, Columbia County Commissioners requested that the existing contract be reviewed and negotiations for a new contract began in November 2017 and is currently still in the negotiation phase.

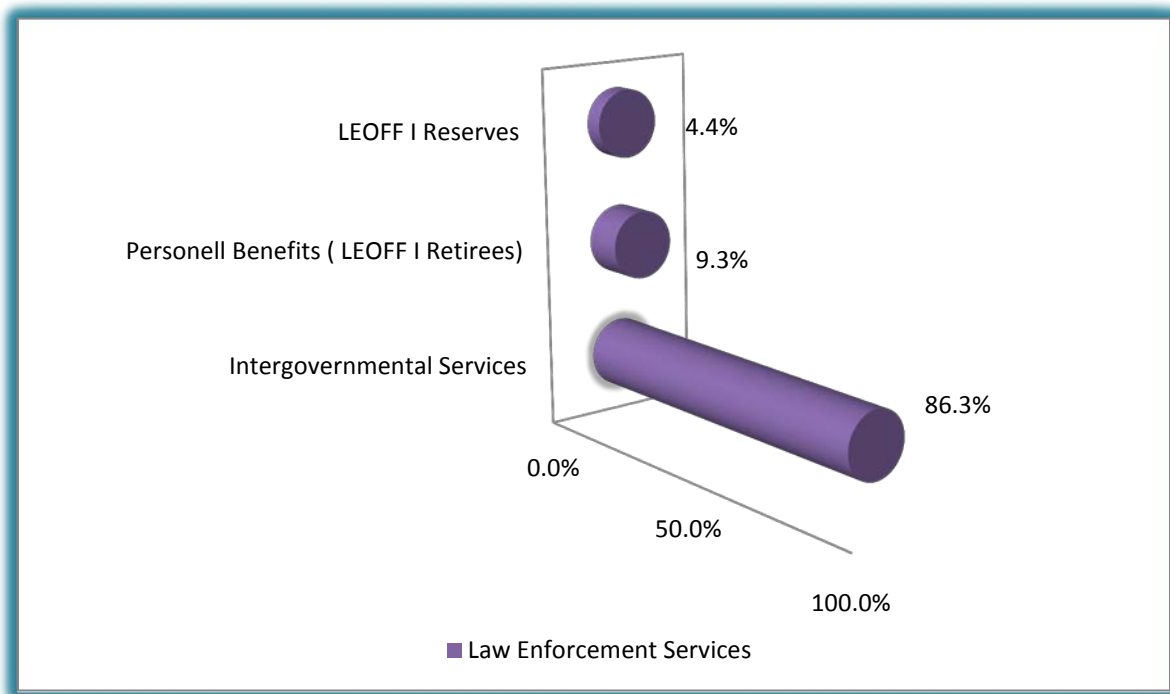


Figure 1

Current Expense – Expenditures cont.

ANIMAL CONTROL SERVICES					
EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ 11,832	\$ 11,600	\$ 12,244	\$ 12,221	\$ 11,404
Benefits	\$ 5,425	\$ 5,300	\$ 4,644	\$ 4,937	\$ 3,943
Supplies	\$ 980	\$ 1,200	\$ 583	\$ 579	\$ 552
Services	\$ 1,600	\$ 1,800	\$ 1,003	\$ 1,182	\$ 1,033
Capital - Equipment	\$ -	\$ 2,500	\$ -	\$ -	\$ -
Total Animal Control Services	\$ 19,837	\$ 22,400	\$ 18,474	\$ 18,919	\$ 16,931

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.

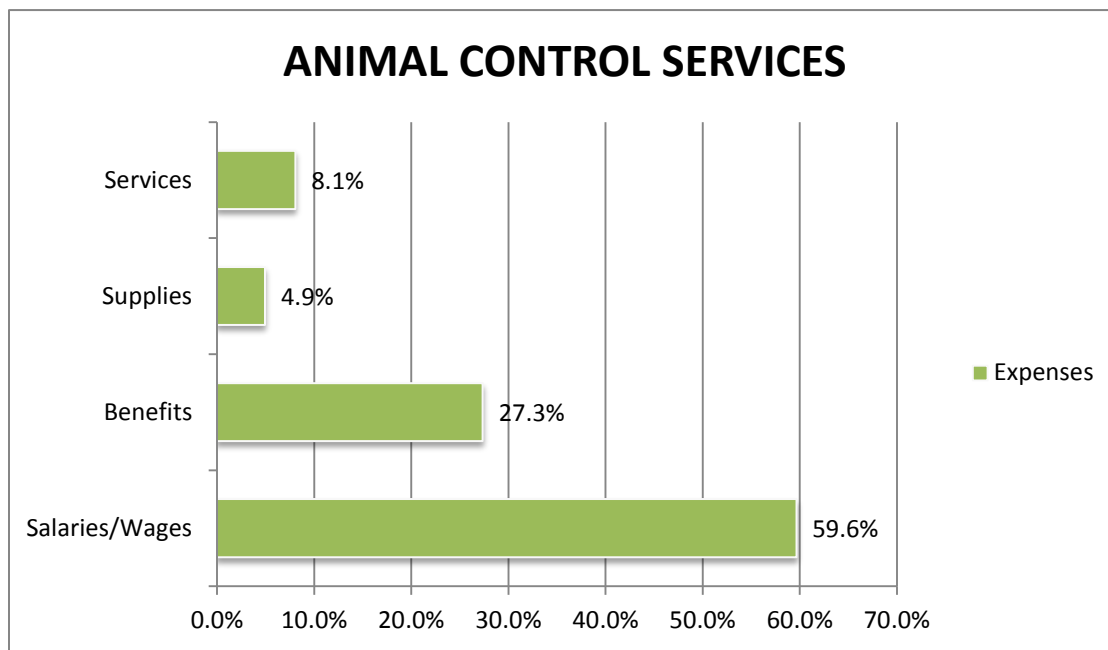


Figure J

Current Expense – Expenditures cont.



“Children need to be active every day to promote their healthy growth and development. Kids who establish healthy lifestyle patterns at a young age will carry them - and their benefits - forward for the rest of their lives.” Healthy FamiliesBC

CITY PARKS					
EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ 57,630	\$ 56,700	\$ 48,729	\$ 51,053	\$ 38,129
Benefits	\$ 29,142	\$ 30,800	\$ 19,053	\$ 21,037	\$ 15,347
Supplies	\$ 9,000	\$ 7,000	\$ 17,669	\$ 8,099	\$ 6,503
Services	\$ 20,600	\$ 20,600	\$ 14,540	\$ 16,972	\$ 21,290
Intergovernmental Services	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Expenditures/Expenses	\$ 7,500	\$ 7,500	\$ 14,944	\$ 7,644	\$ -
Total City Park Services	\$ 123,872	\$ 122,600	\$ 114,935	\$ 104,806	\$ 81,269

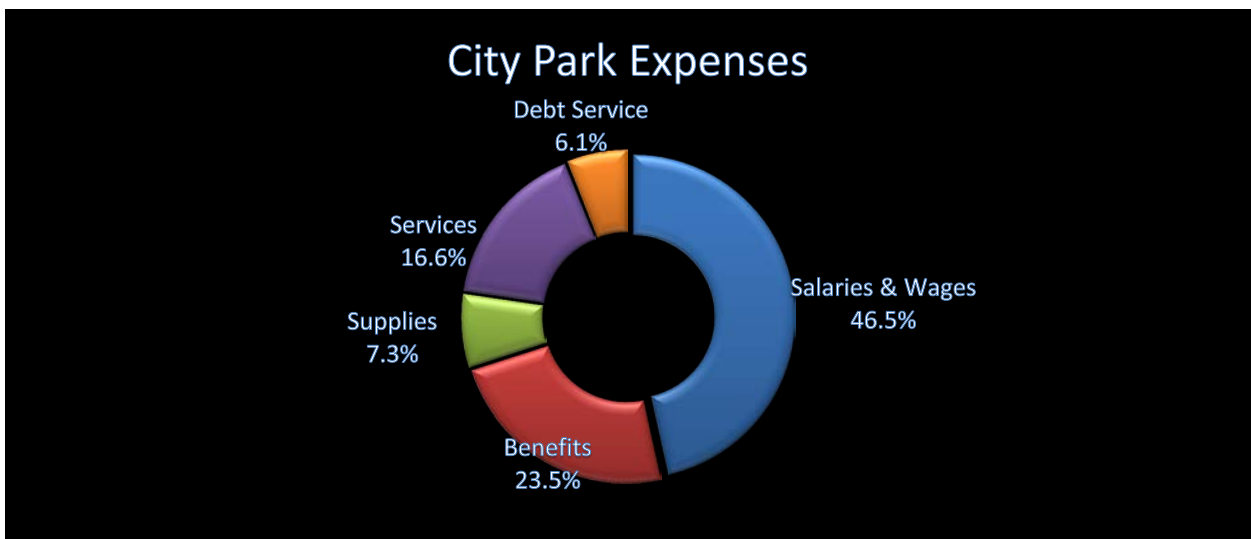


Figure K

Current Expense – Expenditures cont.

SWIMMING POOL SERVICES					
EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ 50,859	\$ 41,000	\$ 37,654	\$ 36,873	\$ 40,054
Benefits	\$ 8,940	\$ 10,600	\$ 9,386	\$ 9,179	\$ 8,410
Supplies	\$ 14,800	\$ 13,000	\$ 15,862	\$ 13,999	\$ 12,189
Services	\$ 4,450	\$ 5,600	\$ 7,229	\$ 5,538	\$ 5,472
Intergovernmental Services	\$ 330	\$ 300	\$ 298	\$ 320	\$ 173
Capital Outlay	\$ 3,004	\$ -	\$ -	\$ -	\$ -
Total Swimming Pool Services	\$ 82,383	\$ 70,500	\$ 70,429	\$ 65,908	\$ 66,297

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.

PARKS/ SWIMMING POOL DEPARTMENT’S PRIMARY GOALS FOR 2018

- * Utilize Washington State Department of Corrections to meet routine maintenance needs.
- * Establish replacement funding to assist with new equipment purchases and capital improvements to various park facilities.
- * Install the next phase of the automated sprinkler system.
- * Work with various organizations to create working relationships to assist in the success of the community’s various youth activities.
- * Research funding options for funding Parks and Recreation facilities.
- * Work with Swimming Pool Manager to create a plan to mitigate the effects of rising personnel costs.

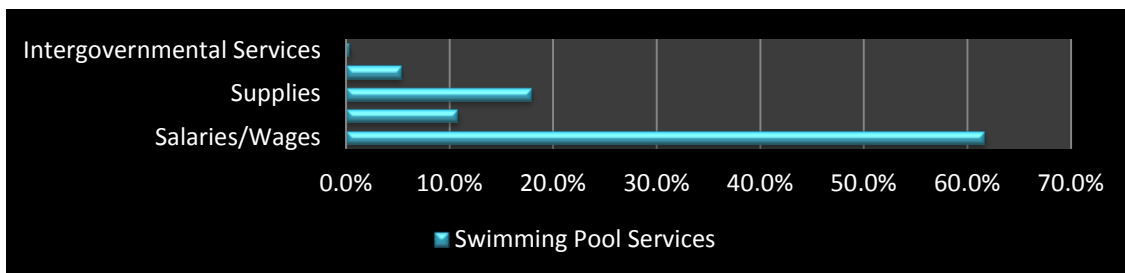


Figure L

Current Expense – Expenditures cont.

CEMETERY SERVICES					
EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ 14,420	\$ 14,000	\$ 21,124	\$ 31,446	\$ 31,746
Benefits	\$ 9,100	\$ 9,100	\$ 11,147	\$ 10,577	\$ 9,528
Supplies	\$ 3,700	\$ 3,700	\$ 3,088	\$ 6,474	\$ 10,167
Services	\$ 21,600	\$ 21,600	\$ 28,371	\$ 31,027	\$ 29,071
Intergovernmental Services	\$ 12,400	\$ 12,400	\$ 335	\$ 323	\$ 1,193
Capital Expenditures/Expenses	\$ 7,029	\$ 3,600	\$ 7,400	\$ 3,494	\$ -
TOTAL CEMETERY FUND	\$ 68,249	\$ 64,400	\$ 71,465	\$ 83,341	\$ 81,706

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.

CEMETERY DEPARTMENT'S PRIMARY GOALS FOR 2018:

- * Investigate funding options to recreate and preserve the existing, historic cemetery maps.
- * Continue utilizing Washington State Department of Corrections to perform routine maintenance including annual tree trimming maintenance.
- * Remove dead, decaying trees and replace with appropriate tree species.

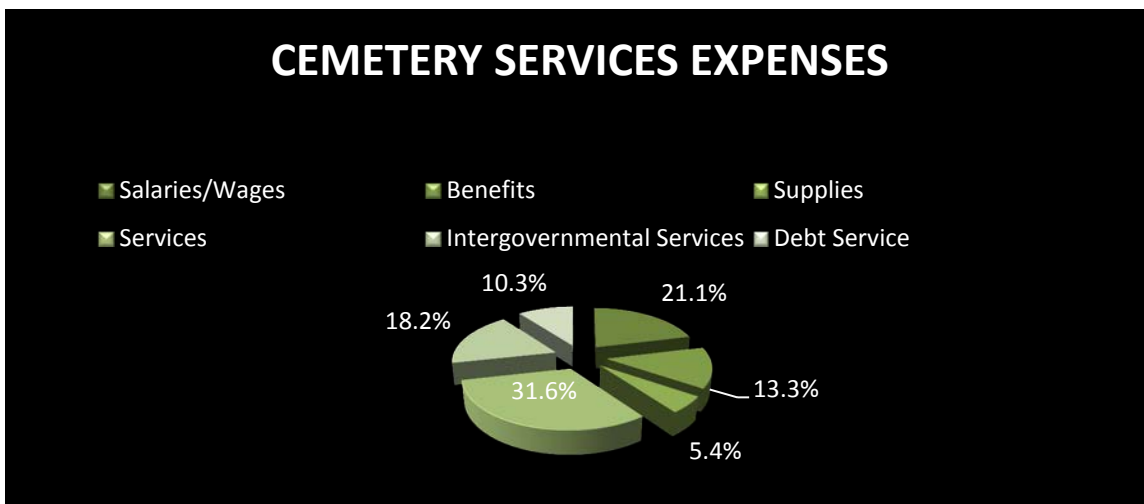


Figure M

Current Expense – Expenditures cont.

LIBRARY					
EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
<u>Library</u>					
Services	\$ 3,500	\$ 7,000	\$ 2,662	\$ 4,635	\$ 4,360
Total Library	\$ 3,500	\$ 7,000	\$ 2,662	\$ 4,635	\$ 4,360
DELANY BUILDING					
EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
<u>Delany Building</u>					
Intergovernmental Services	\$ 3,500	\$ 7,500	\$ 2,027	\$ 8,554	\$ 4
Total Delany Building	\$ 3,500	\$ 7,500	\$ 2,027	\$ 8,554	\$ 4

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.

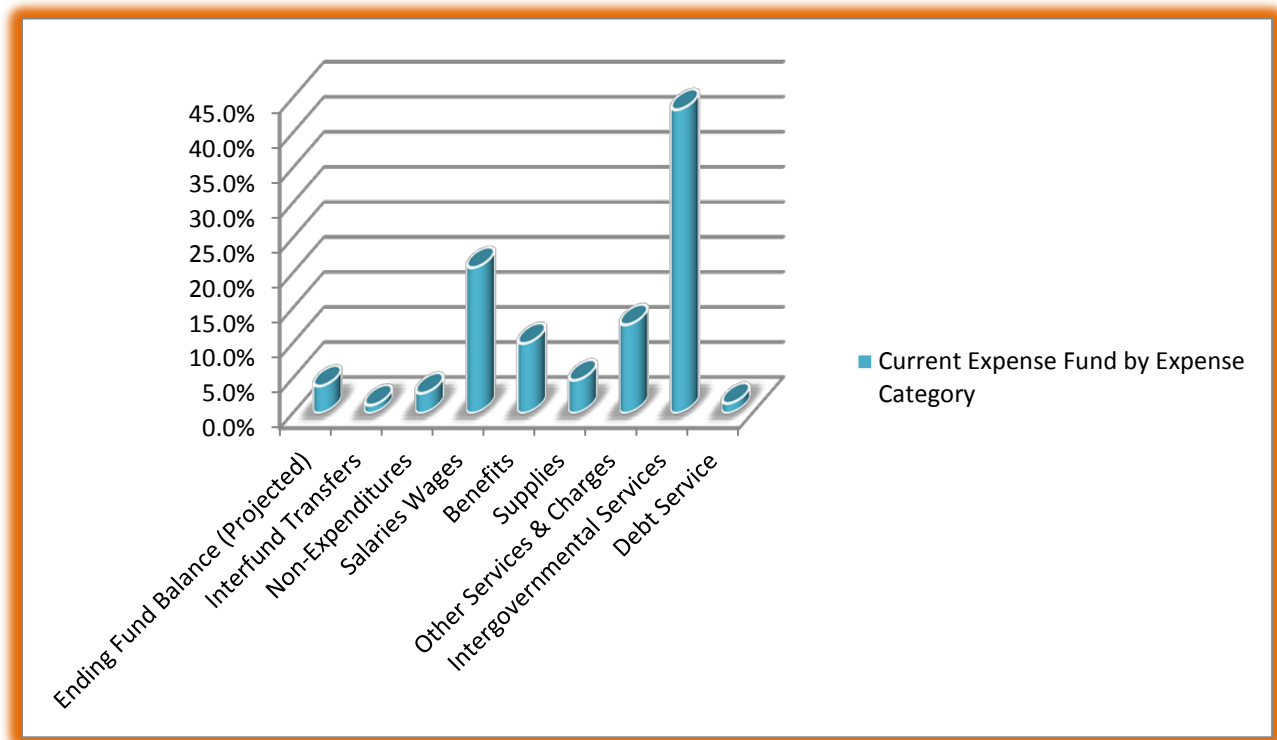


Figure N

Current Expense Budget = \$1,129,207

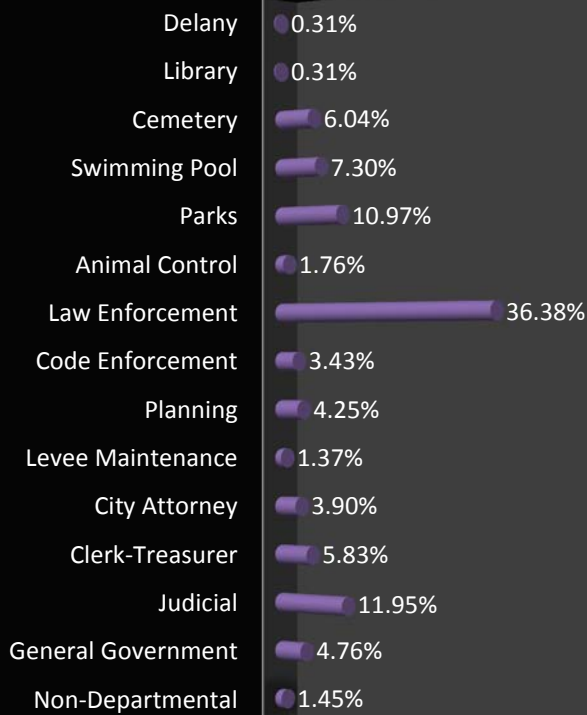


Figure 0



CITY OF DAYTON PUBLIC WORKS DEPARTMENT

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 related 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, snow and ice removal, upkeep of Main Street lights, vegetation control, street cleaning, and patching of surfaced streets.

103 CITY STREET AND ROAD FUND					
REVENUES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Beginning Net Cash & Investments	\$ 33,741	\$ 92,000	\$ 96,789	\$ 56,465	\$ 63,038
Taxes	\$ 225,000	\$ 188,000	\$ 178,108	\$ 20,959	\$ 190,898
License and Permits	\$ -	\$ -	\$ 228	\$ 255	\$ 10
Intergovernmental Revenues	\$ 56,000	\$ 57,500	\$ 57,659	\$ 53,628	\$ 52,497
Miscellaneous Revenue	\$ -	\$ -	\$ 2,422	\$ 2,484	\$ 33,628
TOTAL CITY STREET/ROAD FUND	\$ 314,741	\$ 337,500	\$ 335,206	\$ 316,791	\$ 340,071

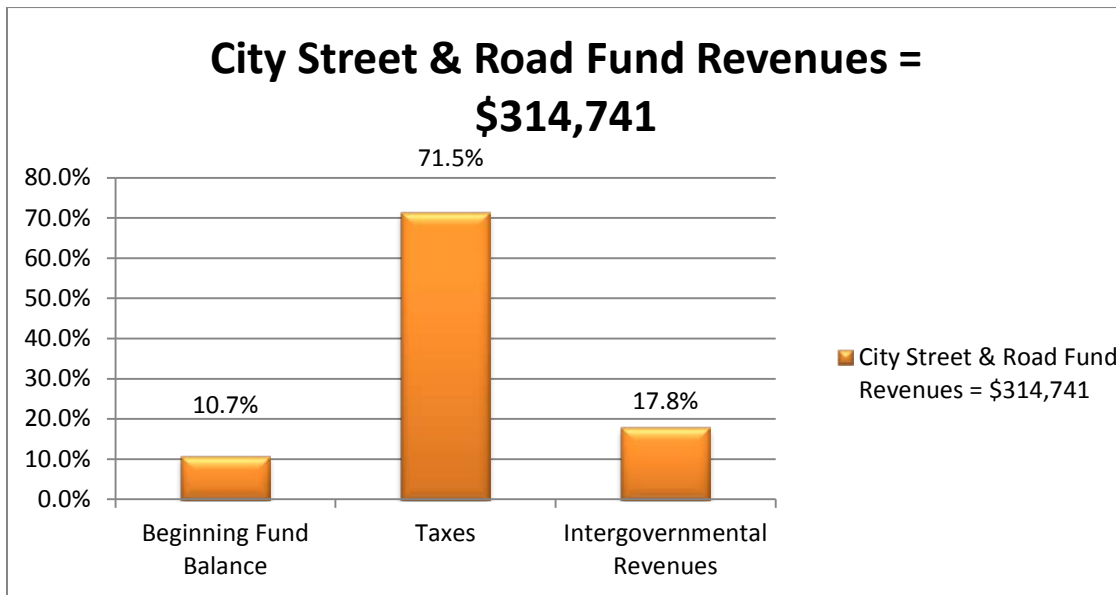


Figure P

“Roads remain the essential network of the non-virtual world. They are the infrastructure upon which almost all other infrastructure depends. They are the paths of human endeavor.”

Ted Conover

CITY STREET AND ROAD FUND EXPENDITURES

<u>City Street Ordinary Maintenance</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ 60,000	\$ 55,000	\$ 46,836	\$ 57,189	\$ 90,125
Benefits	\$ 39,640	\$ 37,800	\$ 20,176	\$ 31,436	\$ 32,280
Supplies	\$ 17,800	\$ 17,800	\$ 19,952	\$ 26,285	\$ 25,549
Services	\$ 700	\$ 700	\$ 1,199	\$ 2,395	\$ 4,609
<u>Total City Street & Road Maintenance</u>	\$ 118,140	\$ 111,300	\$ 88,163	\$ 117,305	\$ 152,564

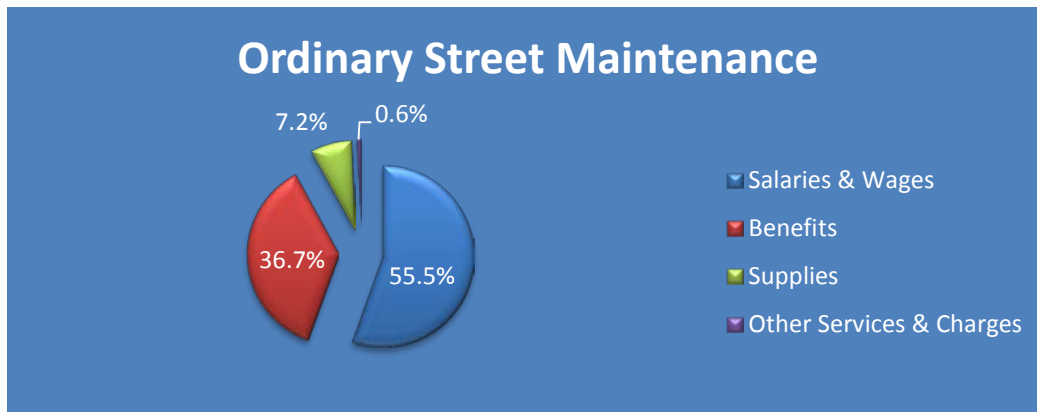


Figure Q

<u>Street Lighting Services</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Supplies	\$ 2,500	\$ 2,500	\$ 1,001	\$ 1,326	\$ 2,993
Services	\$ 28,000	\$ 28,000	\$ 24,706	\$ 27,572	\$ 23,211
<u>Total Street Lighting Services</u>	\$ 30,500	\$ 30,500	\$ 25,706	\$ 28,898	\$ 26,204

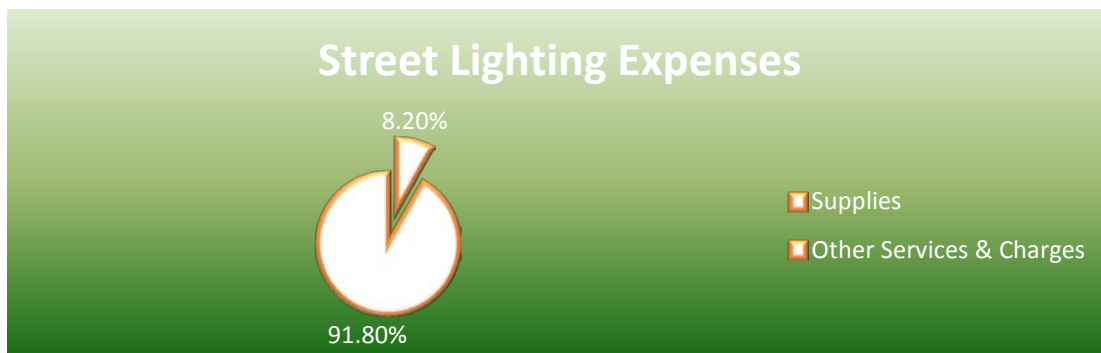


Figure R

Street and Road Expenditures cont.

<u>Traffic Control Services</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ 13,800	\$ 13,800	\$ 9,796	\$ 5,463	\$ 84
Benefits	\$ 8,800	\$ 8,800	\$ 4,407	\$ 2,560	\$ -
Supplies	\$ 9,400	\$ 9,400	\$ 9,551	\$ 12,664	\$ 4,285
<u>Total Traffic Control</u>	\$ 32,000	\$ 32,000	\$ 23,754	\$ 20,688	\$ 4,369

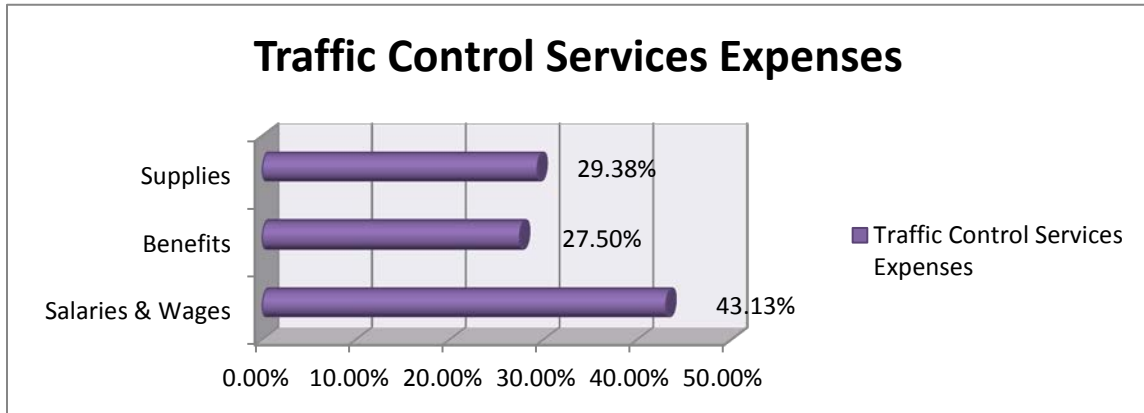


Figure S

<u>Snow and Ice Control</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries	\$ 15,300	\$ 15,300	\$ 7,713	\$ -	\$ 3,165
Benefits	\$ 10,200	\$ 10,200	\$ 2,667	\$ -	\$ 752
Supplies	\$ 7,500	\$ 7,500	\$ 210	\$ 118	\$ 1,999
Services	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -
<u>Total Snow and Ice Control</u>	\$ 34,000	\$ 34,000	\$ 10,590	\$ 118	\$ 5,916

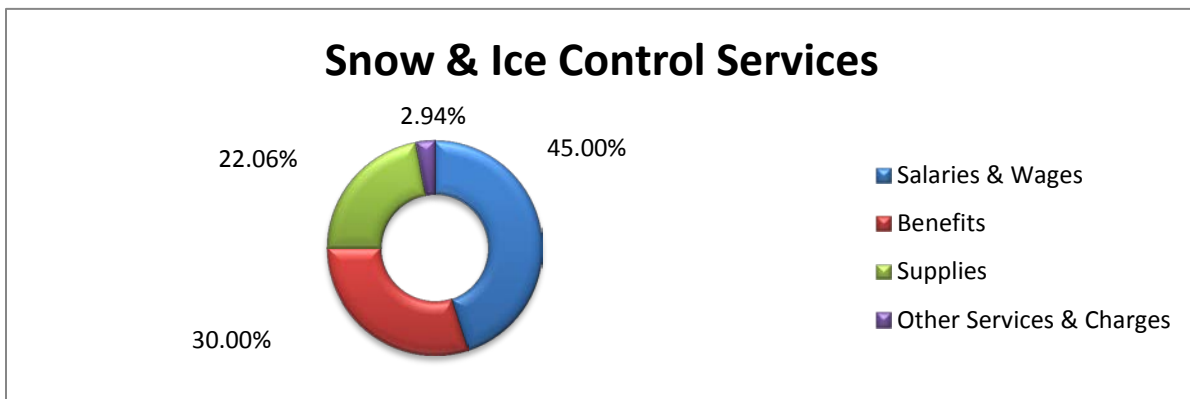


Figure T

Street and Road Expenditures cont.

<u>Street Cleaning</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries	\$ 14,500	\$ 14,500	\$ 8,903	\$ 5,569	\$ 7,350
Benefits	\$ 10,400	\$ 10,400	\$ 3,742	\$ 2,657	\$ 2,808
Supplies	\$ 3,500	\$ 3,500	\$ 4,113	\$ 4,236	\$ 2,780
Services	\$ 2,000	\$ 2,000	\$ 1,029	\$ -	\$ -
Total Street Cleaning	\$ 30,400	\$ 30,400	\$ 17,787	\$ 12,461	\$ 12,938

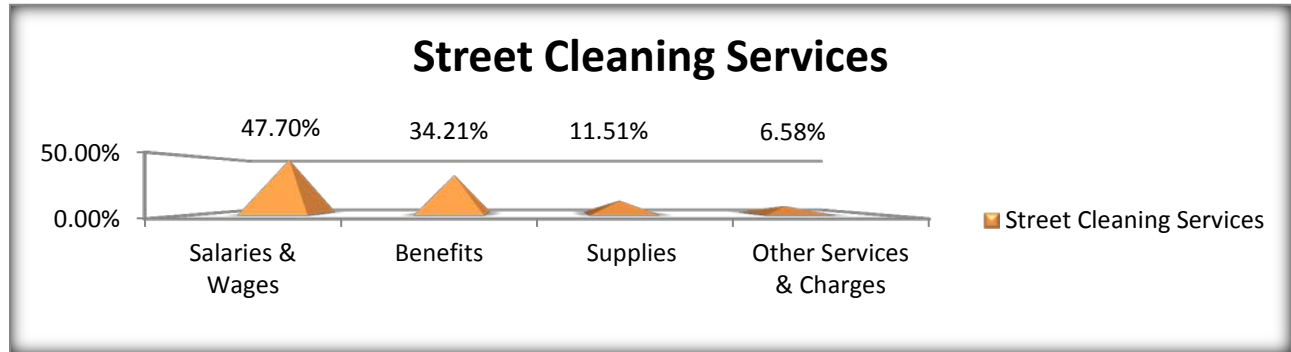


Figure U

Street and Road Expenditures cont.

<u>Road and Street Administration</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries	\$ -	\$ 7,000	\$ 6,024	\$ 3,967	\$ 5,573
Benefits	\$ -	\$ 3,500	\$ 3,008	\$ 1,400	\$ 1,732
Supplies	\$ -	\$ 100	\$ 523	\$ 3,081	\$ 138
Services - Engineering	\$ 7,800	\$ 12,200	\$ 7,862	\$ 7,354	\$ 6,135
<u>Total Road & Street Administration</u>	\$ 7,800	\$ 22,800	\$ 17,417	\$ 15,802	\$ 13,579

<u>Shop Facilities Maintenance</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Supplies	\$ 3,000	\$ 3,000	\$ 1,125	\$ 1,364	\$ -
Services	\$ 1,500	\$ 1,500	\$ -	\$ 2,227	\$ -
Intergovernmental Services	\$ -	\$ -	\$ 1,658	\$ -	\$ -
Capital Expenditures/Expenses	\$ -	\$ -	\$ -	\$ -	\$ 30,931
<u>Total Shop Facilities Maint.</u>	\$ 4,500	\$ 4,500	\$ 2,784	\$ 3,590	\$ 30,931

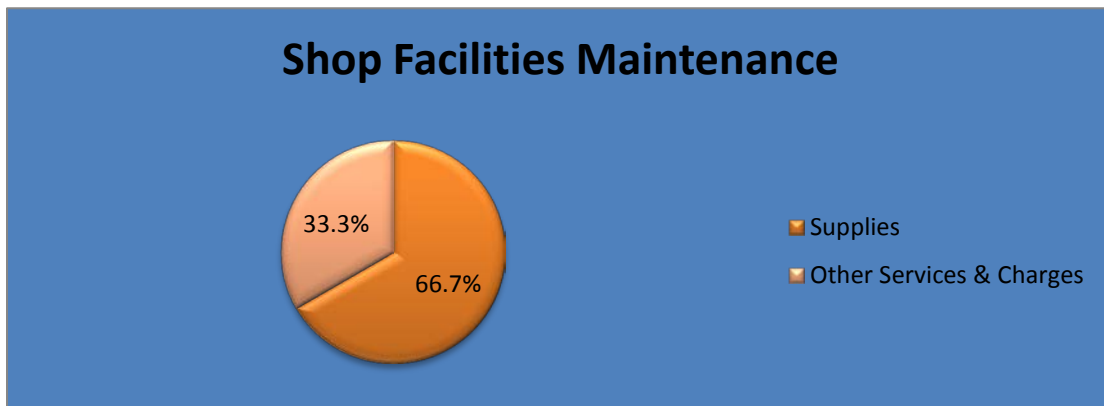


Figure V

<u>Code Compliance</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ -	\$ 11,500	\$ -	\$ -	\$ -
Benefits	\$ -	\$ 8,400	\$ -	\$ -	\$ -
Supplies	\$ -	\$ 200	\$ -	\$ -	\$ -
<u>Total Code Compliance</u>	\$ -	\$ 20,100	\$ -	\$ -	\$ -

Street and Road Expenditures cont.

<u>Planning</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ -	\$ 13,800	\$ 24,416	\$ 7,995	\$ 8,428
Benefits	\$ -	\$ 6,400	\$ 9,077	\$ 2,832	\$ 2,748
Supplies	\$ -	\$ 300	\$ 632	\$ 611	\$ 393
Services	\$ -	\$ 700	\$ 942	\$ 5,609	\$ 275
Capital Expenditures/Expenses	\$ -	\$ 500	\$ -	\$ -	\$ -
<u>Total Planning</u>	\$ -	\$ 21,700	\$ 35,066	\$ 17,047	\$ 11,844

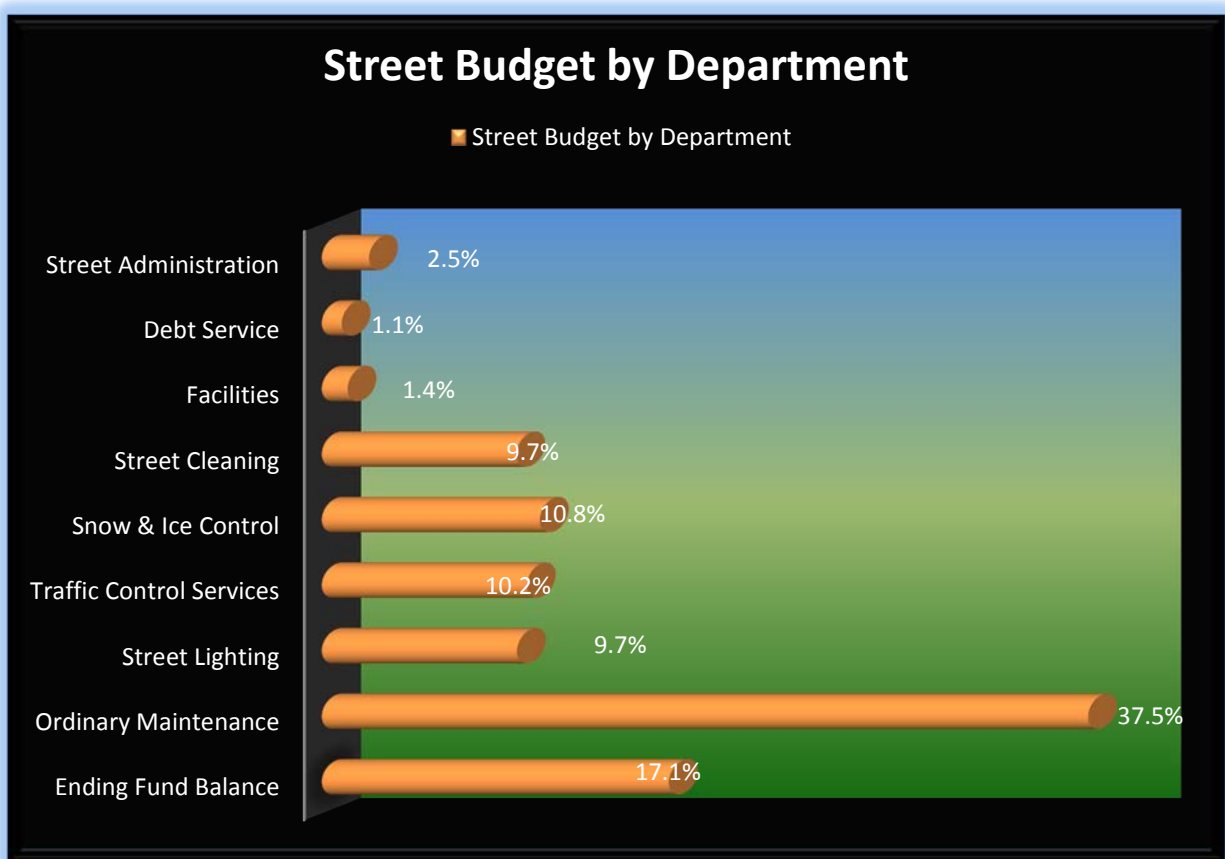


Figure W

Road and Street Budget by Expense Category

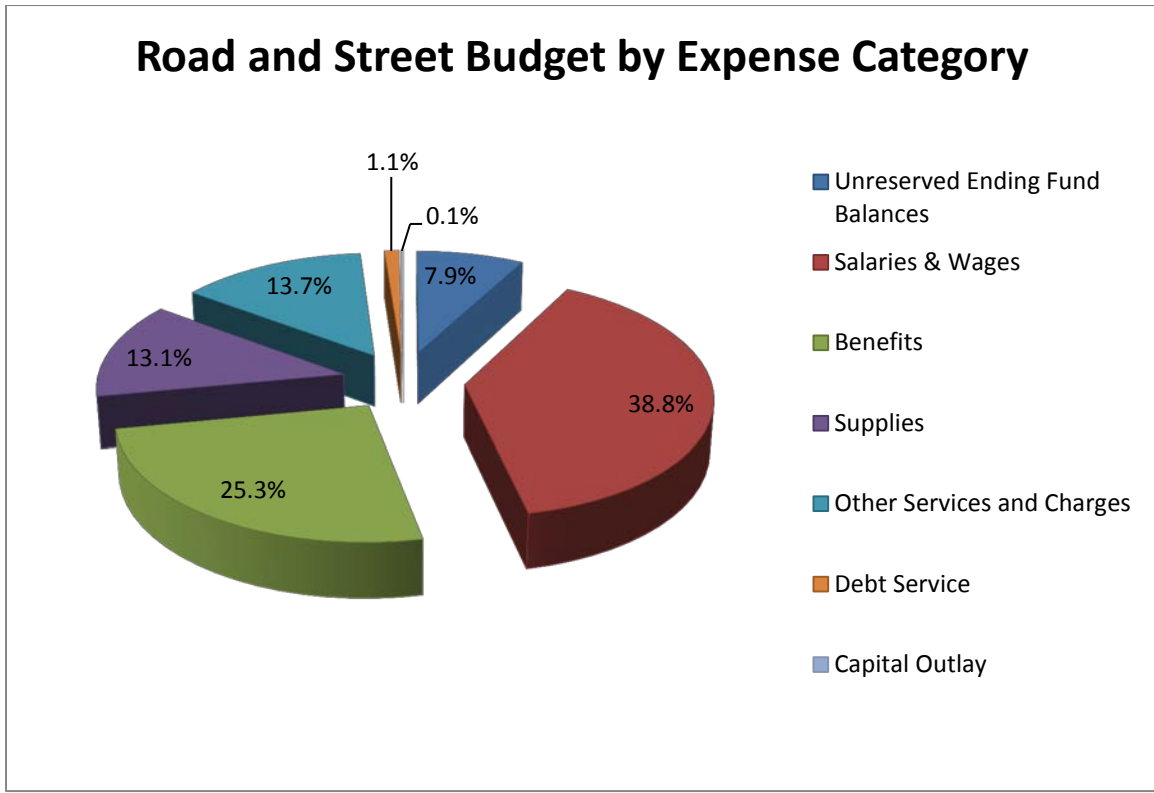


Figure X

106 HOTEL MOTEL EXCISE TAX

REVENUES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Beginning Net Cash & Investments	\$ 1,000	\$ 1,000	\$ 9,846	\$ 23,537	\$ 16,082
Taxes	\$ 58,000	\$ 58,000	\$ 57,628	\$ 61,206	\$ 66,997
Miscellaneous Revenue			\$ 3	\$ 10	\$ 11
Total Hotel/Motel Excise Tax Fund	\$ 59,000	\$ 59,000	\$ 67,477	\$ 84,752	\$ 83,090

EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 Budget	2015 Budget	2014 Budget
Unreserved Ending Fund Balance	\$ -	\$ -	\$ 10,747	\$ 9,846	\$ 23,537
Salaries	\$ 2,575	\$ 2,500	\$ 1,939	\$ 1,961	\$ 738
Benefits	\$ 1,648	\$ 1,300	\$ 1,245	\$ 1,088	\$ 276
Services	\$ 54,777	\$ 55,200	\$ 53,547	\$ 71,958	\$ 58,440
Total Hotel/Motel Excise Tax Fund	\$ 59,000	\$ 59,000	\$ 67,477	\$ 84,853	\$ 82,990

NARRATIVE: The Hotel Motel Excise Tax Fund’s revenues come from the Motel/Hotel Lodging Excise Tax. The City collects a four percent special excise tax on charges for overnight lodging (RCW 67.28.181) inside the city limits.

These taxes can be used for tourism marketing, marketing and operations of special events and festivals, operations of tourism-related facilities owned or operated by nonprofit organizations, and operations and capital expenditures of tourism related facilities owned by the City of Dayton.

Historically the City has contracted with the Historic Dayton Chamber of Commerce for tourism promotion and marketing services. Also, the City uses a portion of this tax source to support the City’s involvement in community events.

Motel Hotel Tax Funding is available to all non-profits through an annual application and review process that begins in August of each year.

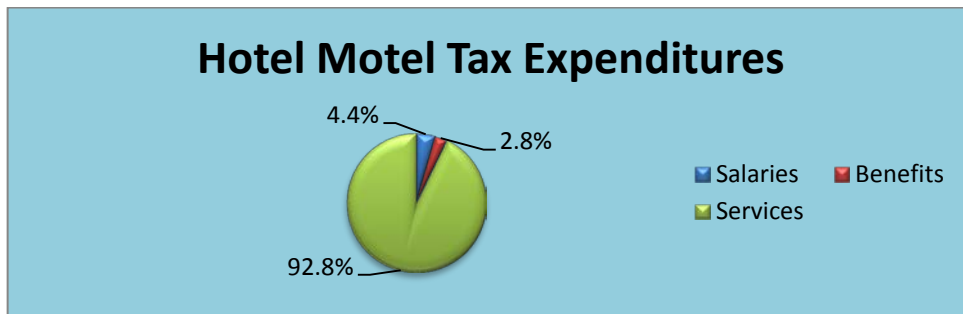


Figure Y

301 CAPITAL IMPROVEMENTS FUND

REVENUES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
<u>Beginning Net Cash & Investments:</u>		\$ 143,000	\$ 137,272	\$ 114,993	\$ 69,947
Transportation Benefit District	\$ 39,625	\$ -	\$ -	\$ -	\$ -
Real Estate Excise Tax	\$ 54,665	\$ -	\$ -	\$ -	\$ -
Equipment Replacement - Sweeper	\$ 21,209	\$ -	\$ -	\$ -	\$ -
<u>Taxes:</u>		\$ 75,000			\$ 15,881
Transportation Benefit District	\$ 70,000	\$ -	\$ 66,992	\$ 22,167	\$ -
Real Estate Excise Tax	\$ 20,000	\$ -	\$ 23,030	\$ 12,832	\$ -
Contributions and Donations from Nongovernmental Sources	\$ -	\$ -	\$ -	\$ 7,500	\$ -
Miscellaneous Revenues	\$ -	\$ -	\$ 694	\$ 714	\$ 108
Intergovernmental Revenues	\$ 1,034,000	\$ 752,600	\$ 290,362	\$ -	\$ -
Interfund Transfers	\$ 18,129	\$ 7,700	\$ -	\$ 91,153	\$ -
Total Capital Improvement Fund	\$1,257,628	\$ 978,300	\$ 518,350	\$ 249,358	\$ 85,936

Capital Improvements Fund Revenues

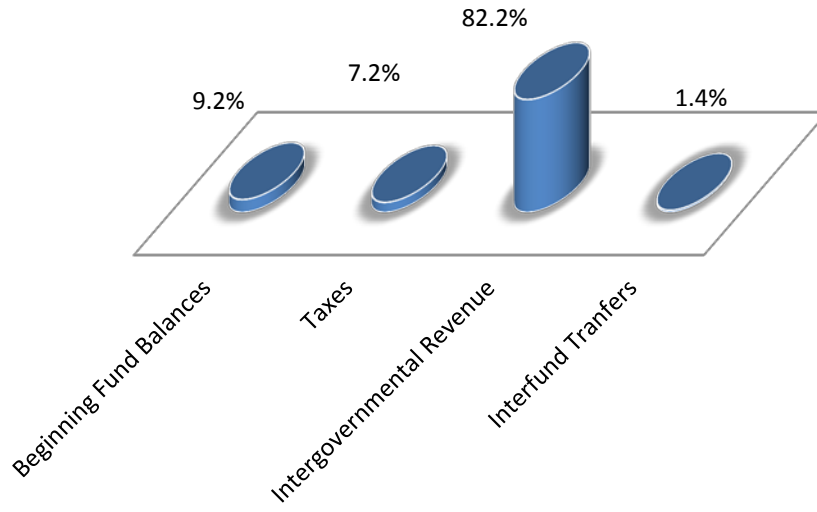


Figure Z

EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Ending Fund Balances:		\$ 47,800	\$ 163,016	\$ 137,272	\$ 76,349
Transportation Benefit District	\$ 77,719	\$ -	\$ -	\$ -	\$ -
Real Estate Excise Tax - Projects	\$ 35,239	\$ -	\$ -	\$ -	\$ -
Equipment Replacement - Sweeper	\$ 5,088	\$ -	\$ -	\$ -	\$ 5,431
Equipment Replacement - Parks/Cemetery	\$ 14,529	\$ -	\$ 27,644	\$ 138,489	\$ -
Supplies	\$ -	\$ -	\$ -	\$ -	\$ 1,866
Services	\$ -	\$ -	\$ -	\$ -	\$ 2,291
Intergovernmental Services	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvements:		\$ 930,500	\$ 350,064	\$ 25,000	\$ -
Transportation Benefit District Projects	\$ 48,932	\$ -	\$ -	\$ -	\$ -
Real Estate Excise Tax - Projects	\$ 26,000	\$ -	\$ -	\$ -	\$ -
Debt Service: Sweeper	\$ 16,121	\$ -	\$ -	\$ -	\$ -
Other Improvements - FEMA	\$ 1,034,000	\$ -	\$ -	\$ -	\$ -
Total Capital Improvement Fund	\$1,257,628	\$ 978,300	\$ 540,723	\$ 300,761	\$ 85,936

Capital Improvements Fund cont.

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 and the Equipment Repair and Replacement Fund. It’s limited by RCW and can only be utilized for capital improvements established within the City’s Growth Management Comprehensive Plan and street improvement plans. This Fund will provide the following programs for 2018:

- * Annual loan payment towards the purchase of a new street sweeper (\$16,121).
- * Levee Deficiency Program (\$15,000).
- * Installation of the next phase of the automated sprinkler system in Pietryzcki Park (\$15,000).
- * Blue Mountain Community Foundation Reserve in support of the Dayton Dog Park project (\$1,000)
- * FEMA Street Repair Project (\$1,034,000)
- * Complete a portion of the crack seal project.
- * Installation of stop signs/street signs to meet the Model Traffic regulations (\$7,500)
- * Utility Infrastructure and Street Improvement Plan (\$15,000)
- * Potential replacement of Main Street trees.
- * Interfund loan repayments for W. Main Street/S. 1st Street Project and Backhoe (\$18,640)
- * City Hall Improvements – Interior and Exterior (\$10,000)
- * Park and Cemetery Equipment Replacement Reserves (\$14,529)

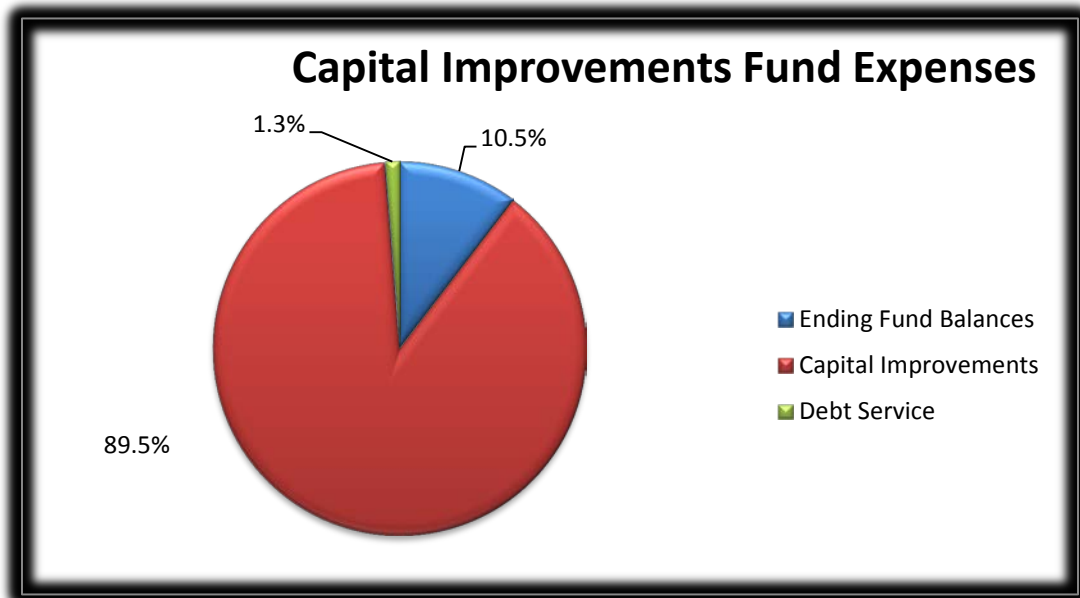


Figure AA

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 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 402 SEWER CUMULATIVE RESERVE FUND

NARRATIVE: The Sewer Revenue Fund provides for ongoing maintenance and operation of the City's sewer collection system and Wastewater Treatment Facility. The Sewer Cumulative Reserve Fund serves as a sewer capital improvement fund and the City continues to make wastewater treatment plant capital improvements to meet the needs of the facility and Department of Ecology's permit requirements from this fund.

The Public Works Department is responsible for ensuring that the operation and maintenance of the sewage disposal system is consistent with state law.

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. The sanitary sewer collection system consists of approximately 86,514 lineal feet of collector mains. There are approximately 1329 sewer services.

Sewer Revenue Fund and Cumulative Reserve Fund Primary Goals For 2018

- * *Continue updating the water system's asset inventory.*
- * *Maintain reserve to assist with the levee improvement program.*
- * *Create a utility infrastructure plan incorporating GIS components.*
- * *Replace sewer system related equipment and surplus outdated equipment.*

Sewer Revenue Fund/Sewer Cumulative Reserve Fund Revenues

REVENUES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
<u>Beginning Fund Balances:</u>					
Unreserved Beginning Fund Balances - Revenue Fund	\$ 142,000	\$ 136,000	\$ 323,346	\$ 147,294	\$ 141,290
Unreserved Beginning Fund Balances - Cumulative Reserve Fund	\$ 293,910	\$ 144,200	\$ 153,578	\$ 141,997	\$ 106,629
Unreserved Beginning Fund Balances - Debt Service	\$ -	\$ -	\$ 33,966	\$ 35,400	\$ 39,155
<u>Total Beginning Fund Balances</u>	\$ 435,910	\$ 280,200	\$ 510,891	\$ 324,691	\$ 287,073
Licenses and Permits	\$ -	\$ -	\$ -	\$ -	\$ 283
Charges for Goods & Services	\$ 901,800	\$ 869,700	\$ 820,651	\$ 823,386	\$ 818,663
Miscellaneous Revenue	\$ -	\$ -	\$ 3,234	\$ 1,696	\$ 156,291
TOTAL REVENUES	\$ 1,337,710	\$ 1,149,900	\$ 1,334,776	\$ 1,149,773	\$ 1,262,310

2018 SEWER UTILITY RATE INCREASES

The 2018 Budget proposes a *sewer rate increase* of a minimum of approximately \$4.20 per month for a residential service located within city limits. This rate reflects the demand associated with the costs for land acquisition that will be required to construct the new wastewater treatment facility.

In addition, the City is currently in the midst of bargaining unit (union) negotiations. The outcome of the negotiation is undetermined at this time. However, the 2018 Budget does account for an increase in these expenses.

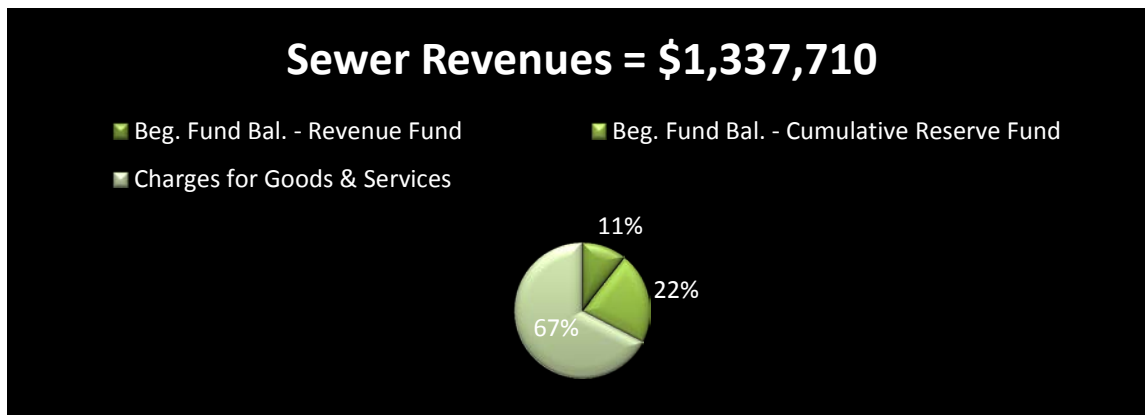


Figure BB

SEWER REVENUE/CUMULATIVE RESERVE FUNDS EXPENDITURES

EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Ending Fund Balances					
Unreserved Ending Fund Balance - Revenue Fund	\$ 156,570	\$ 26,400	\$ 185,169	\$ 323,346	\$ 147,294
Unreserved Ending Fund Balance - Cumulative Reserve	\$ 155,052	\$ 289,100	\$ 275,799	\$ 153,578	\$ 141,997
Unreserved Ending Fund Balance - Debt Service Fund	\$ -	\$ -	\$ 39,772	\$ 33,966	\$ 35,400
Total Ending Fund Balances	\$ 311,622	\$ 315,500	\$ 500,741	\$ 510,891	\$ 324,692

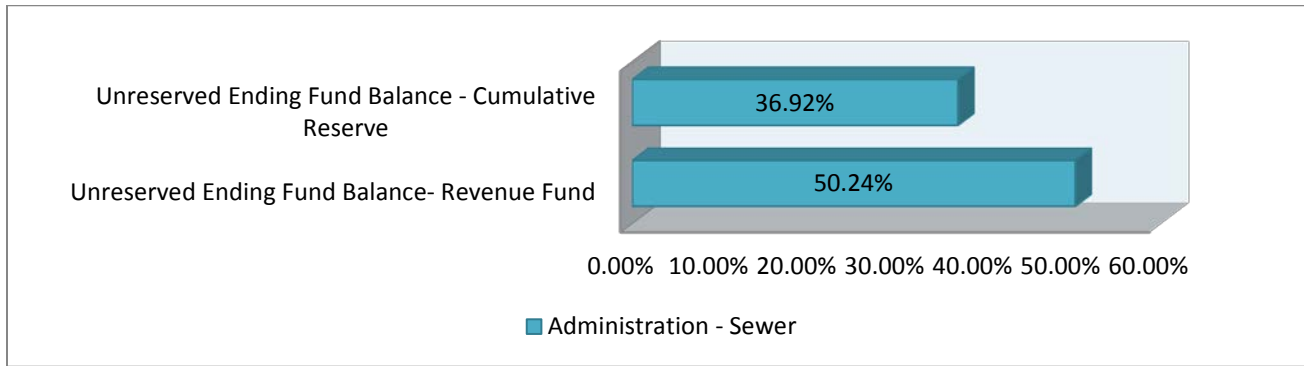


Figure CC

<u>Operations-General</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ 85,284	\$ 82,800	\$ 70,598	\$ 57,315	\$ 74,718
Benefits	\$ 47,353	\$ 53,200	\$ 31,056	\$ 31,031	\$ 29,164
Supplies	\$ 19,000	\$ 20,000	\$ 12,063	\$ 18,821	\$ 22,253
Services	\$ 34,253	\$ 33,000	\$ 22,706	\$ 21,896	\$ 21,710
Total Operations-General	\$ 185,890	\$ 189,000	\$ 136,424	\$ 129,062	\$ 147,845

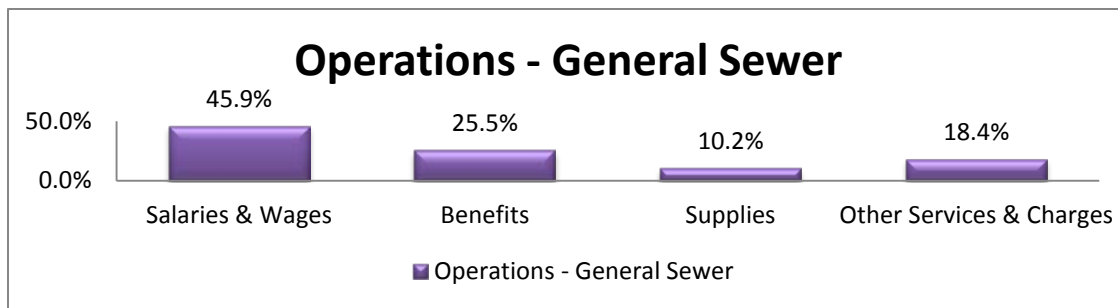


Figure DD

Sewer Revenue/ Cumulative Reserve Funds Expenditures cont.

<u>Treatment/ Collection Planning</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ -	\$ 13,800	\$ 7,337	\$ 9,525	\$ 10,808
Benefits	\$ -	\$ 6,500	\$ 2,548	\$ 2,612	\$ 3,509
Supplies	\$ -	\$ 2,000	\$ 727	\$ 1,067	\$ 427
Services	\$ -	\$ 3,900	\$ 884	\$ 1,198	\$ 258
Intergovernmental Services	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Total Treatment/Collection Planning</u>	\$ -	\$ 26,200	\$ 11,497	\$ 14,402	\$ 15,002

<u>Code Compliance</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ -	\$ 5,600	\$ -	\$ -	\$ -
Benefits	\$ -	\$ 4,100	\$ -	\$ -	\$ -
Supplies	\$ -	\$ 200	\$ -	\$ -	\$ -
Services	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Total Code Compliance</u>	\$ -	\$ 9,900	\$ -	\$ -	\$ -

<u>Wastewater Treatment Plant</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ 87,035	\$ 84,500	\$ 77,167	\$ 81,169	\$ 65,884
Benefits	\$ 47,259	\$ 51,600	\$ 35,643	\$ 38,245	\$ 27,040
Supplies	\$ 22,000	\$ 29,200	\$ 24,922	\$ 18,638	\$ 19,514
Services	\$ 84,126	\$ 85,500	\$ 56,457	\$ 74,207	\$ 85,802
Capital Expenditures/Expenses				\$ 3,341	
<u>Total Wastewater Treatment Plant</u>	\$ 240,420	\$ 250,800	\$ 194,189	\$ 212,258	\$ 198,241

WASTEWATER TREATMENT PLANT (WWTP) REPLACEMENT PROJECT

In 2012, the City began planning for the construction of a new wastewater facility in an effort to meet regulatory requirements established by Department of Ecology within the City's NPDES permit. Initially, DOE was requiring that the City lower TMDL levels by 2018. Fortunately, Mayor Craig George negotiated an extension and the new timeline requires that the City of Dayton construct a new facility that must be in operation no later than 2021. In 2016, the City completed its Wastewater Facilities Plan ("Plan").

The Plan provides for both an implementation and a financing program to accommodate DOE's regulatory requirements, or more precisely, having a new WWTP constructed and in operation by 2021. The City will be actively pursuing various financing opportunities, but the construction of a new WWTP will likely require sewer utility rate increases specific to the completion of this project.

Sewer Revenue/ Cumulative Reserve Funds Expenditures cont.

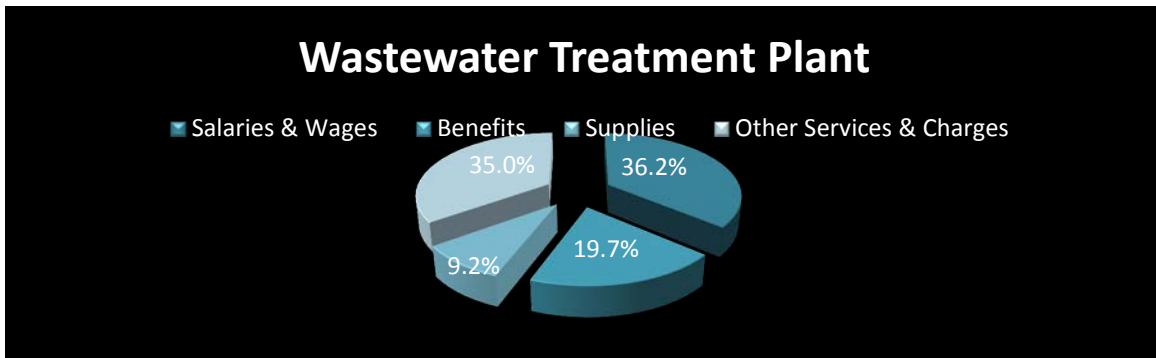


Figure EE

Administration - General	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ 75,220	\$ 60,500	\$ 59,310	\$ 52,705	\$ 40,880
Benefits	\$ 35,157	\$ 32,200	\$ 20,322	\$ 16,392	\$ 9,866
Supplies	\$ 5,000	\$ 8,500	\$ 6,625	\$ 8,837	\$ 2,698
Services	\$ 17,696	\$ 12,400	\$ 8,362	\$ 10,405	\$ 9,049
Intergovernmental Services	\$ 25,240	\$ 23,500	\$ 17,243	\$ 16,700	\$ 16,194
Capital Expenditures	\$ -	\$ -	\$ -	\$ 34,874	\$ -
Total Sewer Administration	\$ 158,313	\$ 137,100	\$ 111,862	\$ 139,913	\$ 78,687

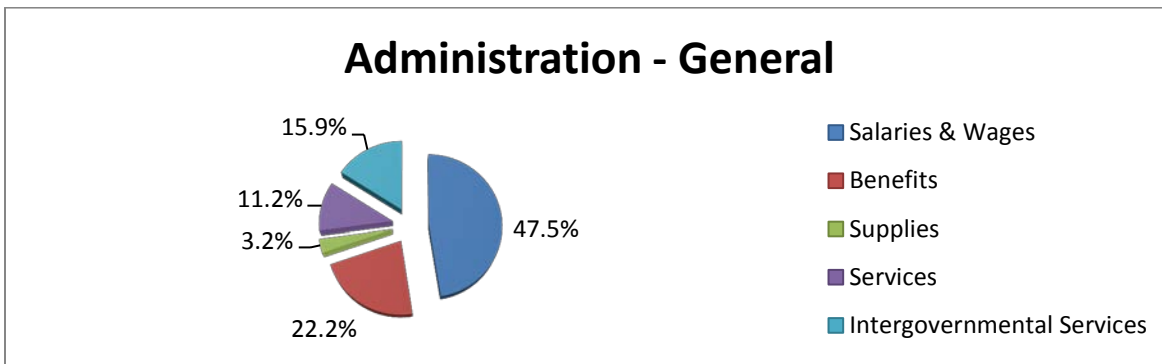


Figure FF

Debt Service	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Water/Sewer/GO Revenue Bonds	\$ 269,665	\$ 300,100	\$282,562	\$ 283,553	\$ 316,675
Interfund Loan Repayment	\$ 13,800	\$ 13,800	\$ 12,068	\$ 12,287	\$ -
Total Debt Service	\$ 283,465	\$ 313,900	\$294,630	\$ 295,839	\$ 316,675

Sewer Revenue/ Cumulative Reserve Funds Expenditures cont.

<u>Capital Expenditures/Expenses</u> <u>Cumulative Reserve</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Services	\$ 55,000	\$ 7,500	\$50,496	\$ 8,400	\$ -
Equipment Replacement	\$ 68,000	\$ 49,000	\$ -	\$ 34,874	\$ -
Capital Improvements - Construction-related	\$ 35,000	\$ 299,100	\$36,913	\$ -	\$ 11,937
<u>Total Capital Expenditures/Expenses</u>	\$ 158,000	\$ 355,600	\$87,409	\$ 43,274	\$ 11,937

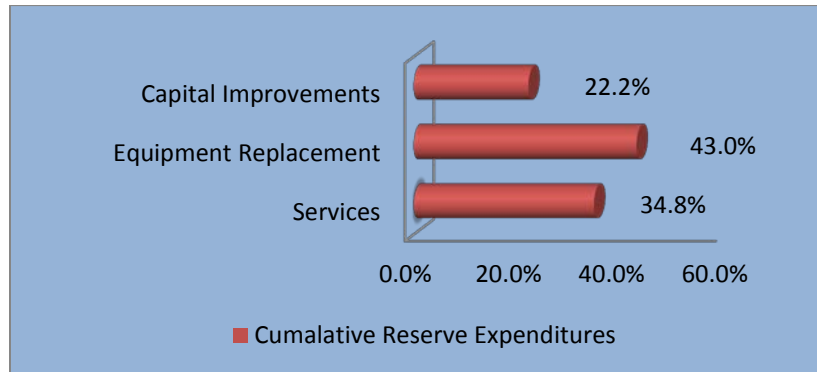


Figure GG

EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
TOTAL SEWER EXPENDITURES	\$1,337,710	\$1,598,000	\$1,336,751	\$ 1,345,640	\$ 1,093,079

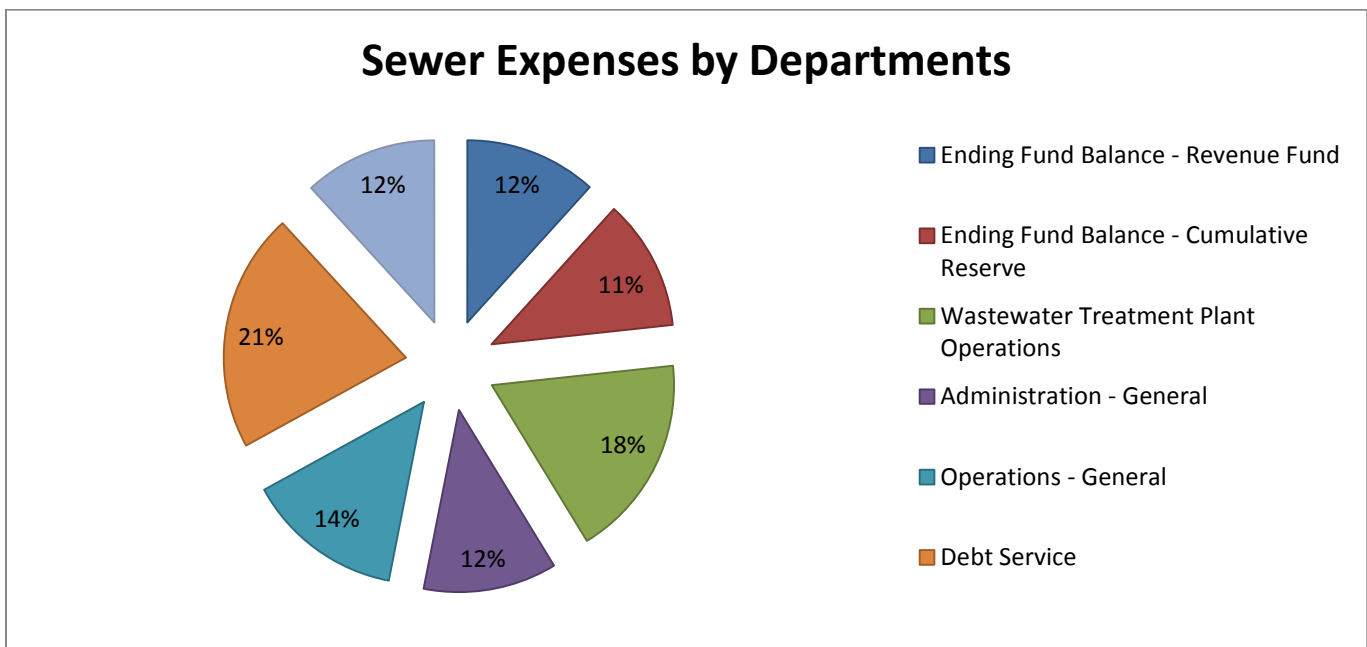


FIGURE HH

Total Sewer Revenue Fund/Cumulative Reserve Fund Expenses = \$1,337,710

- Ending Fund Balance
- Salaries & Wages
- Benefits
- Supplies
- Services
- Intergovernmental Services
- Debt Service
- Capital Expenditures/Expenses

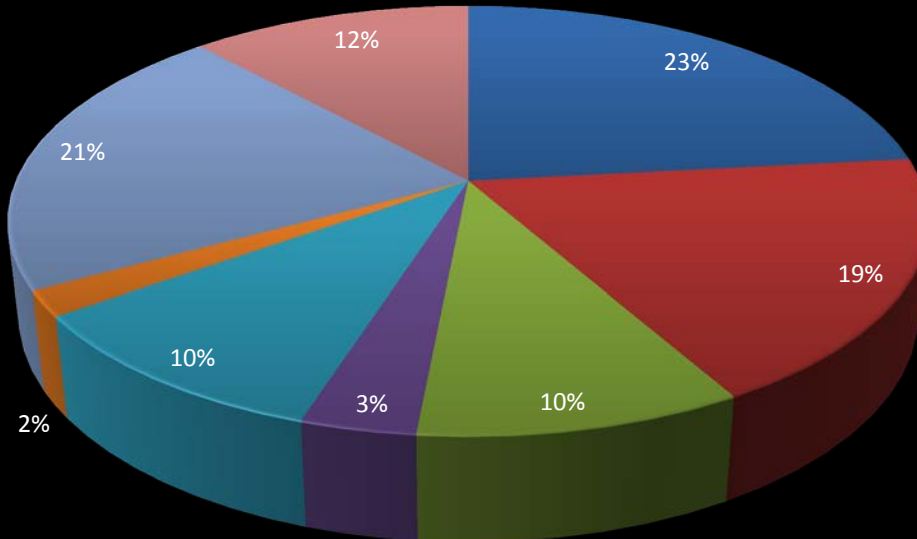


Figure II

**“A SOCIETY GROWS GREAT WHEN OLD MEN PLANT TREES WHOSE SHADE
THEY KNOW THEY WILL NEVER SIT IN.”**

GREEK PROVERB

403 WATER REVENUE FUND

404 WATER CUMULATIVE RESERVE FUND

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; both departments are operated by the Water Revenue Fund.

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.

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.

Additionally, the City is currently in the midst of bargaining unit (union) negotiations. The outcome of the negotiation is undetermined at this time. However, the 2018 Budget accounts for an increase in these expenses.

Water Revenue Fund and Cumulative Reserve Fund Primary Goals For 2018

- * *Continue updating the water system's asset inventory.*
- * *Maintain reserve to assist with the levee improvement program.*
- * *Create a utility infrastructure plan incorporating a GIS component.*
- * *Continuing the water meter replacement program.*

“Water is the most critical resource issue of our lifetime and our children's lifetime. The health of our waters is the principal measure of how we live on the land.”

Luna Leopold

WATER REVENUE FUND/WATER CUMULATIVE RESERVE FUND - REVENUES

REVENUES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
<u>Beginning Fund Balances:</u>					
Unreserved Beginning Fund Balance - Revenue Fund	\$ 157,280	\$ 126,000	\$ 188,971	\$ 148,695	\$ 148,154
Unreserved Beginning Fund Balances - Cumulative Reserve Fund	\$ 635,925	\$ -	\$ 229,048	\$ 244,429	\$ 231,164
Unreserved Beginning Fund Balances - Debt Service	\$ -	\$ -	\$ 54,760	\$ 57,271	\$ 63,344
<u>Total Beginning Fund Balances</u>	\$ 793,205	\$ 126,000	\$ 472,780	\$ 450,395	\$ 442,662
Licenses and Permits	\$ -	\$ -	\$ 378	\$ 461	\$ 410
Charges for Goods & Services	\$ 917,892	\$ 849,900	\$ 772,908	\$ 820,101	\$ 811,142
Non-Court Fines and Penalties	\$ -	\$ 20,000	\$ 30,032	\$ 26,856	\$ 27,343
Miscellaneous Revenue	\$ -	\$ -	\$ 4,180	\$ 4,133	\$ 2,721
Total WATER REVENUE FUND	\$ 1,711,097	\$ 995,900	\$ 1,280,278	\$ 1,301,946	\$ 1,284,277

WATER UTILITY RATE INCREASES

There will be a water utility rate increase of a minimum of \$2.95 for a ¾ inch – 1 inch residential meter connection located inside city limits. In an effort to maintain operation and maintenance levels an increase is necessary.

Also, in 2016, the City Council adopted the 2015 Water System Plan. The City is required by Department of Health to work towards improving our water system based on the priorities established within that plan. In addition 2017, the obtained the 2017 Junior Lien Water and Sewer Revenue Bond to make utility infrastructure improvements specifically associated with the S. 1st Street Project and the W. Patit Avenue Waterline Replacement Project. The S. 1st Street/Oak Street/ S. 2nd Street Waterline Project was completed in 2017 and debt payments started in the fall of 2017.

The W. Patit Avenue Waterline Replacement Project will be delayed and in its place, the City will be replacing the W. Washington Street water main line in conjunction with the street reconstruction that necessitated as a result of FEMA-WA-DR-4309 storm event. The project is anticipated to be placed out to bid in early 2018 with construction commencing mid-spring of 2018.

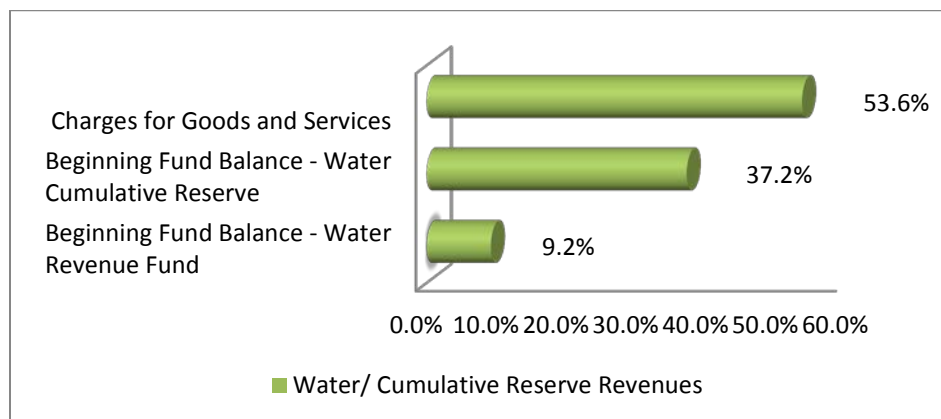


Figure JJ

WATER REVENUE FUND/WATER CUMULATIVE RESERVE FUND - EXPENDITURES

<u>Ending Fund Balances</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Unreserved Ending Fund Balance - Revenue Fund	\$ 138,616	\$ 79,700	\$ 124,094	\$ 188,971	\$ 148,695
Unreserved Ending Fund Balance - Cumulative Reserve Fund	\$ 129,619	\$ 535,000	\$ 170,919	\$ 229,048	\$ 244,429
Unreserved Ending Fund Balance - Debt Service	\$ -	\$ -	\$ 64,152	\$ 54,760	\$ 57,271
<u>Total Ending Fund Balances</u>	\$ 268,235	\$ 614,700	\$ 359,165	\$ 472,780	\$ 450,395

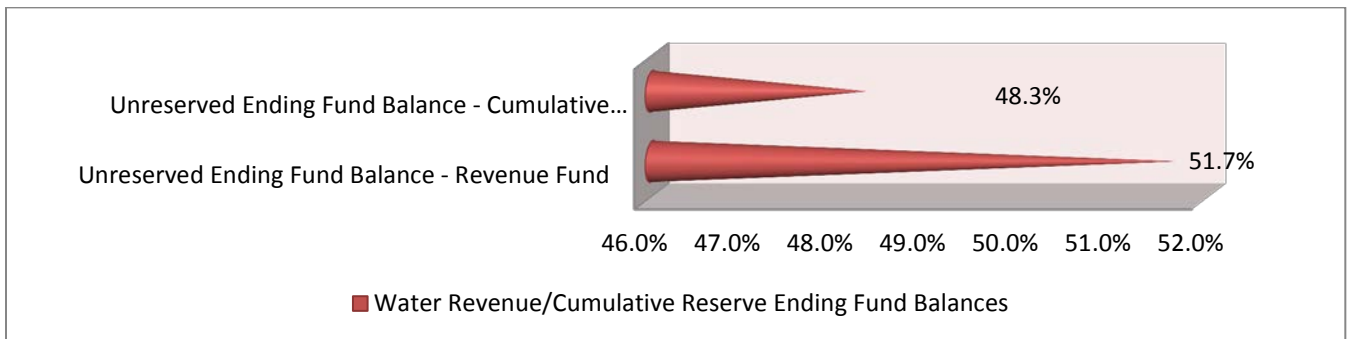


Figure KK

<u>Administration - General</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ 75,702	\$ 60,500	\$ 71,041	\$ 51,840	\$ 47,103
Benefits	\$ 34,840	\$ 31,400	\$ 24,246	\$ 18,549	\$ 68
Supplies	\$ 5,400	\$ 6,000	\$ 7,150	\$ 8,551	\$ 2,313
Services	\$ 28,889	\$ 28,000	\$ 8,873	\$ 12,001	\$ 10,758
Intergovernmental Services	\$ 46,500	\$ 39,000	\$ 40,580	\$ 40,734	\$ 39,726
<u>Total Administration</u>	\$ 191,331	\$ 164,900	\$ 151,891	\$ 131,676	\$ 99,968

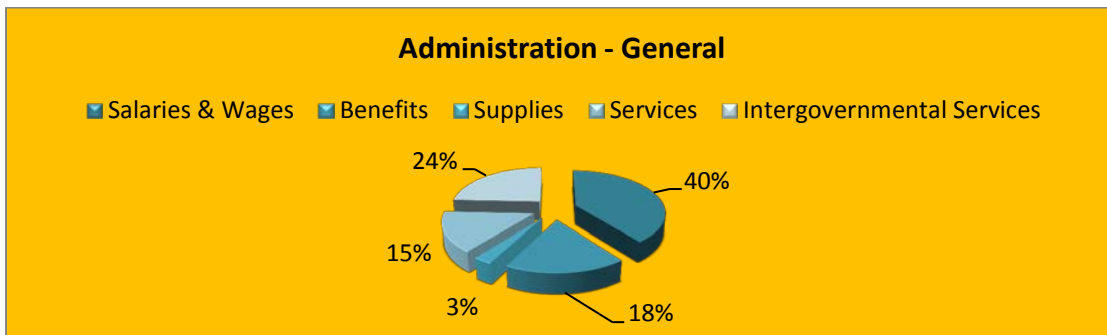


Figure LL

Water Revenue Fund/Water Cumulative Reserve Fund – Expenditures Cont.

Operations-General	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ 117,682	\$ 108,000	\$ 126,423	\$ 131,900	\$ 159,879
Benefits	\$ 64,177	\$ 70,600	\$ 50,377	\$ 67,639	\$ 72,681
Supplies	\$ 29,500	\$ 34,300	\$ 39,445	\$ 41,435	\$ 35,210
Services	\$ 203,278	\$ 180,600	\$ 161,198	\$ 175,141	\$ 147,682
Total Operations	\$ 414,637	\$ 393,500	\$ 377,443	\$ 416,115	\$ 415,452

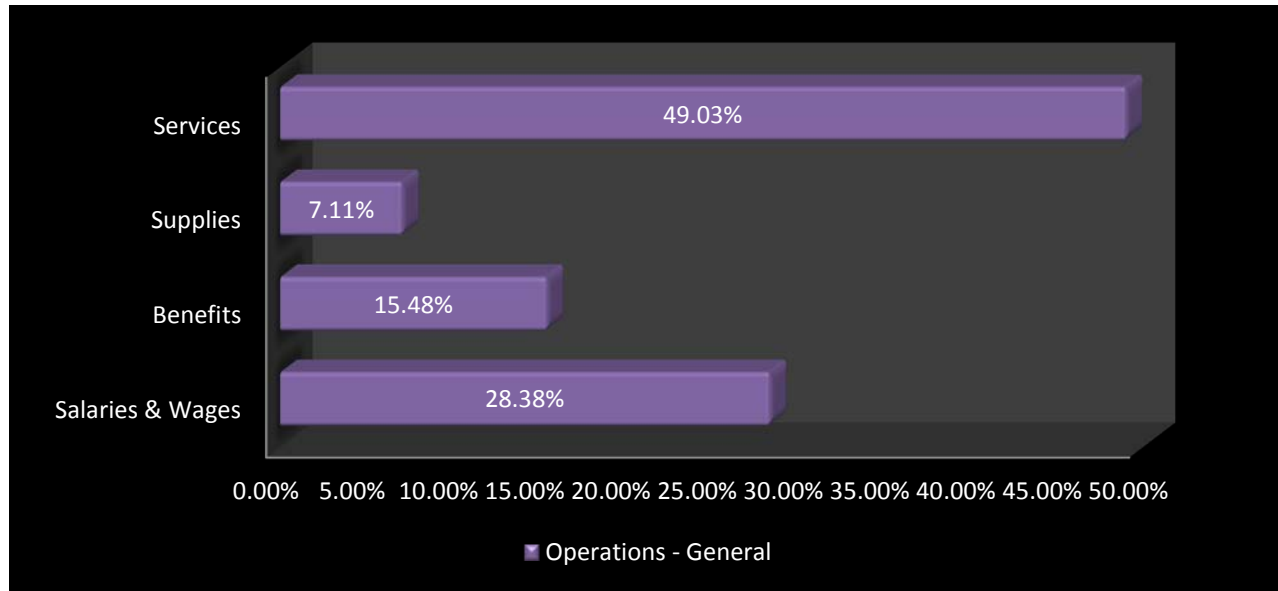


Figure MM

Planning	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ -	\$ 13,800	\$ 9,600	\$ 9,813	\$ 10,808
Benefits	\$ -	\$ 6,500	\$ 9,096	\$ 8,764	\$ 3,509
Supplies	\$ -	\$ 2,000	\$ 1,170	\$ 1,166	\$ 427
Services	\$ -	\$ 3,900	\$ 645	\$ 854	\$ 258
Total Water Planning	\$ -	\$ 26,200	\$ 20,511	\$ 20,598	\$ 15,002

Code Compliance	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Salaries & Wages	\$ -	\$ 5,600	\$ -	\$ -	\$ -
Benefits	\$ -	\$ 4,100	\$ -	\$ -	\$ -
Supplies	\$ -	\$ 200	\$ -	\$ -	\$ -
Services	\$ -	\$ -	\$ -	\$ -	\$ -
Total Code Compliance	\$ -	\$ 9,900	\$ -	\$ -	\$ -

Water Revenue Fund/Water Cumulative Reserve Fund – Expenditures Cont.

<u>Debt Service</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Water/Sewer/GO Bonds	\$ 250,794	\$ 271,700	\$ 152,951	\$ 218,518	\$ 250,808
Interfund Loan Repayment	\$ 15,200	\$ 15,200	\$ 15,501	\$ -	\$ -
Total Debt Service	\$ 265,994	\$ 286,900	\$ 168,452	\$ 218,518	\$ 250,808

<u>Capital Expenditures/Expenses</u>	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Services	\$ 45,000	\$ 15,000	\$ 11,436	\$ 21,640	\$ 32,474
Equipment Replacement	\$ 74,900	\$ 64,800	\$ -	\$ 49,264	\$ -
Capital Improvements - Construction-related	\$ 451,000	\$ 616,000	\$ 117,656	\$ -	\$ 20,520
Total Capital Expenditures/Expenses	\$ 570,900	\$ 695,800	\$ 129,092	\$ 70,904	\$ 52,994

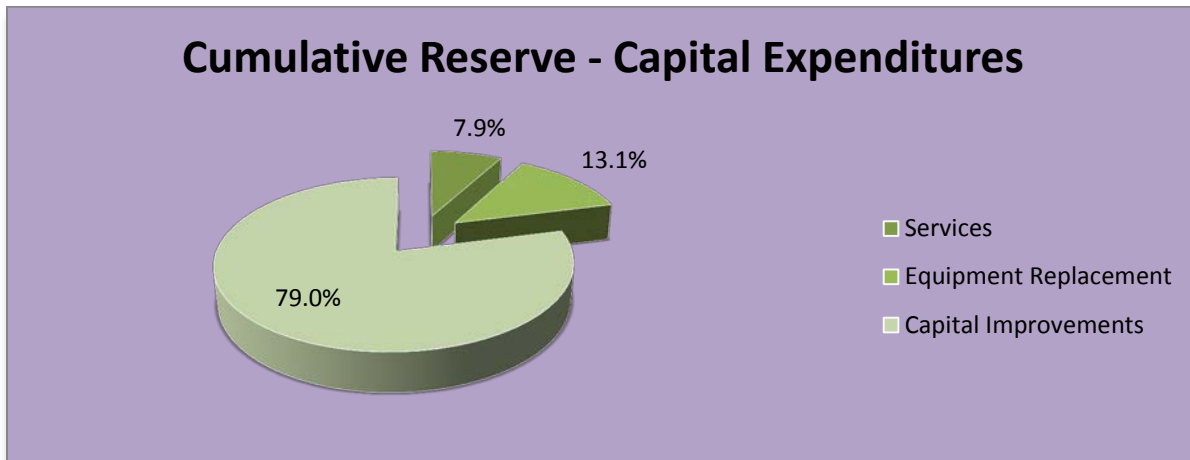


Figure NN

EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
TOTAL WATER REVENUE/CUMULATIVE RESERVE FUNDS	\$ 1,711,097	\$ 961,100	\$ 1,077,462	\$ 975,878	\$ 929,926

“If you could tomorrow morning make water clean in the world, you would have done, in one fell swoop, the best thing you could have done for improving human health by improving environmental quality.”

William C. Clark

WATER REVENUE FUND EXPENSES BY CATEGORY

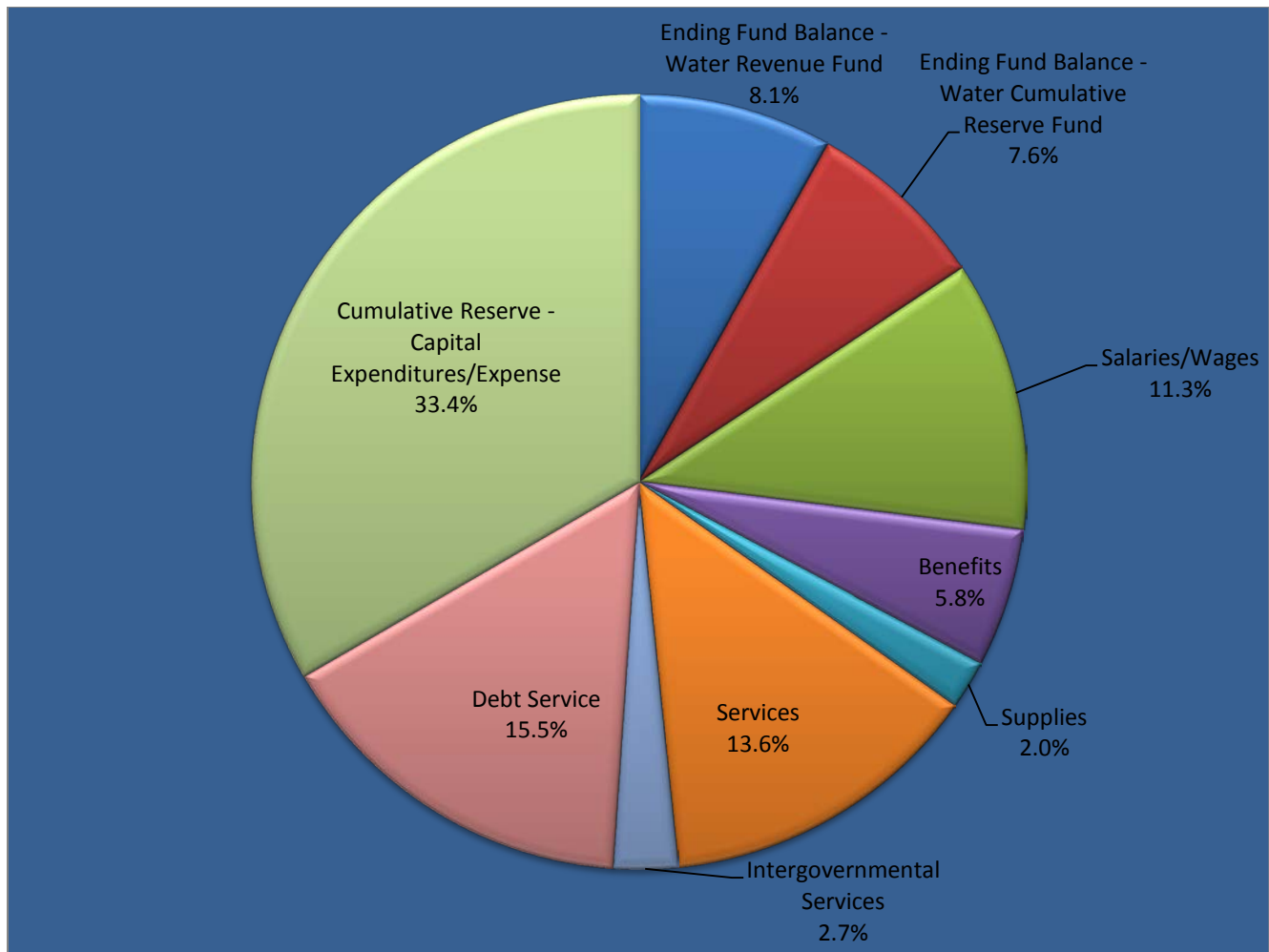


Figure 00

413 WATER & SEWER SYSTEM RESERVE FUND

NARRATIVE: As required by the United States Department of Agriculture and the 2017 Junior Lien Water and Sewer Revenue Bonds, the City must maintain a debt reserve totaling approximately one full payment for each bond obligation. The principal balance of this fund for each debt obligation must remain intact until all of the City's USDA bond obligations are met.

REVENUES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Beginning Net Cash & Investments	\$ 504,257	\$ 398,100	\$ 398,179	\$ 398,100	\$ 398,179
Total Debt Service Reserve Fund	\$ 504,257	\$ 398,100	\$ 398,179	\$ 398,100	\$ 398,179

EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Ending Reserved Fund Balance	\$ 504,257	\$ 398,100	\$ 398,179	\$ 398,100	\$ 398,179
Total Debt Service Reserve Fund	\$ 504,257	\$ 398,100	\$ 398,179	\$ 398,100	\$ 398,179

CEMETERY ENDOWMENT FUND

REVENUES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Beginning Reserved Fund Balance	\$ 270,445	\$ 369,500	\$ 335,000	\$ 390,500	\$ 368,004
Charges for Goods & Services	\$ -	\$ -	\$ -	\$ -	\$ 800
Miscellaneous Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Repayments	\$ 54,500	\$ 34,500	\$ 34,500	\$ 41,117	\$ 38,074
Total Cemetery Endowment Fund	\$ 324,945	\$ 404,000	\$ 369,500	\$ 431,617	\$ 406,878

EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Ending Reserved Fund Balance	\$ 324,945	\$ 404,000	\$ 369,500	\$ 334,940	\$ 401,100
Interfund Loan	\$ -	\$ -	\$ -	\$ 113,555	\$ -
Total Cemetery Endowment Fund	\$ 324,945	\$ 404,000	\$ 369,500	\$ 448,495	\$ 401,100

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.

LIBRARY ENDOWMENT FUND

602 LIBRARY ENDOWMENT FUND

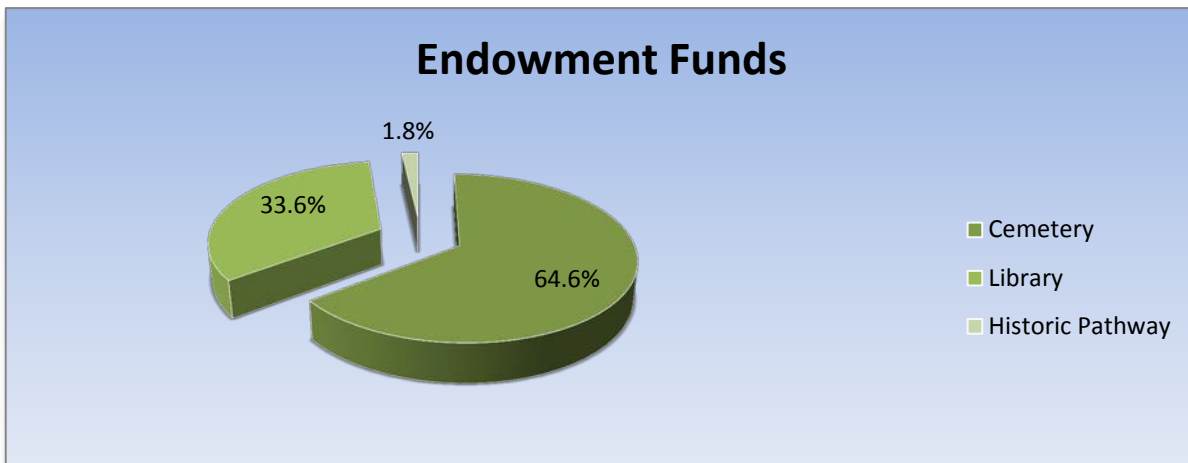
REVENUES/EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Beginning/Ending Balances	\$ 168,943	\$ 168,900	\$ 168,943	\$ 168,943	\$ 68,943
Total Library Endowment Fund	\$ 168,943	\$ 168,900	\$ 168,943	\$ 168,943	\$ 168,943

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.

PATHWAY ENDOWMENT FUND

REVENUES/EXPENDITURES	2018 BUDGET	2017 BUDGET	2016 BUDGET	2015 BUDGET	2014 BUDGET
Beginning/Ending Fund Balances	\$ 9,002	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,002
Total Pathway Endowment Fund	\$ 9,002	\$ 9,000	\$ 9,000	\$ 9,000	\$ 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.



Water and Sewer Debt Service Summary

The City has three (3) outstanding Water and Sewer Revenue Bonds, one (1) non-voted, general obligation bond, and four (4) Public Works Board Loans consisting of water and sewer debt. The following table provides a list of these debts and the principal balances owing as of 12/31/2018:

Bond	2018 Payments including Principal & Interest	Principal Balance as of 12/31/2018	Pay-Off Date
Water and Sewer Refunding Bonds, Series 2010	\$ 166,155	\$ 1,495,000	12/01/23
USDA Water Revenue Bond, Phase I	\$ 13,767	\$ 214,107	02/25/34
USDA Water Revenue Bond, Phase II	\$ 81,525	\$ 1,234,477	10/27/34
2017 Junior Lien Water/Sewer Revenue Bonds	\$ 16,972	\$ 1,060,778	12/01/28
2007 S. 3rd Street Sewer Reconstruction Project	\$ 14,222	\$ 50,545	03/15/22
Public Works Board - 1998 Wastewater Treatment Plant Rehab Project	\$ 135,929	\$ -	06/01/18
2001 Water System Improvements Project- Preconstruction	\$ 26,072	\$ 78,217	06/01/21
2004 Water System Improve. Project	\$ 10,971	\$ 43,883	06/01/22
Totals	\$ 465,613	\$ 4,177,007	

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.

CITY OF DAYTON 2018 BUDGET TOTAL

FUND	RESOURCES/ APPROPRIATIONS
CURRENT EXPENSE	\$ 1,129,207
CITY STREET & ROAD	\$ 314,741
MOTEL/HOTEL EXCISE TAX	\$ 59,000
CAPITAL IMPROVEMENTS	\$ 1,257,628
SEWER REVENUE	\$ 1,040,852
SEWER CUMULATIVE RESERVE	\$ 296,858
WATER REVENUE	\$ 1,204,791
WATER CUMULATIVE RESERVE	\$ 506,306
W & S SYSTEM DEBT RESERVE	\$ 504,257
CEMETERY ENDOWMENT	\$ 324,945
LIBRARY ENDOWMENT	\$ 168,943
PATHWAY ENDOWMENT	\$ 9,002
TOTAL 2018 BUDGET	\$ 6,816,530

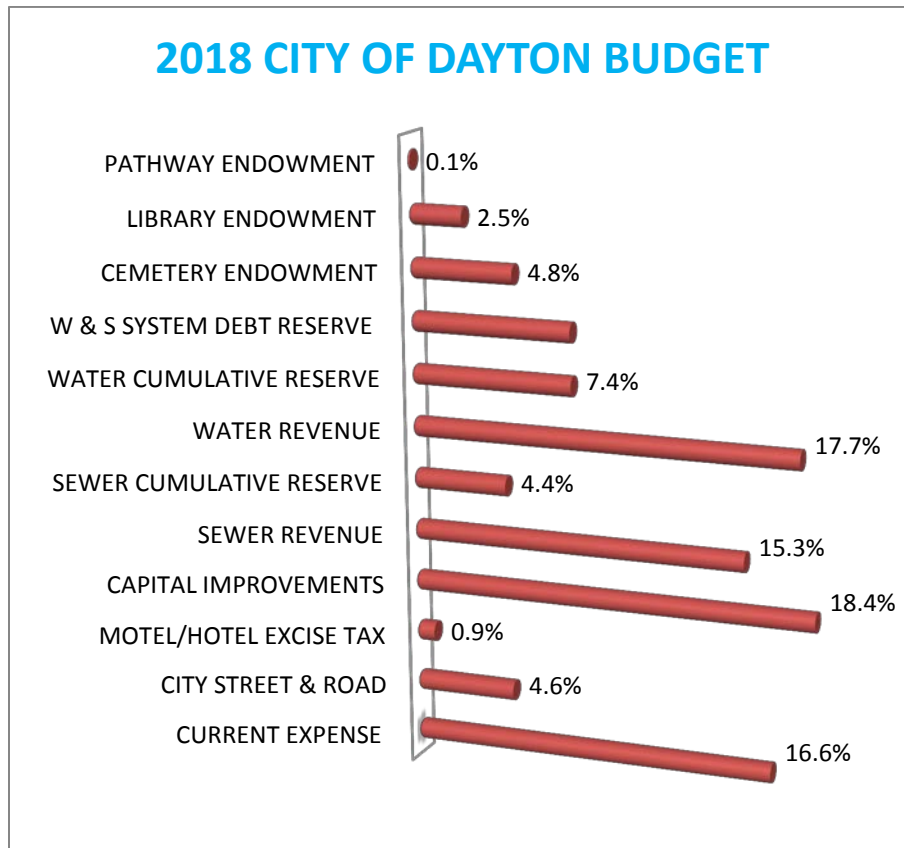


FIGURE PP

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 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.

Rolling Stock

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

Services

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.

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.