



2021 Final Budget

CITY OF DAYTON, WASHINGTON
DECEMBER 1, 2020



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MAYOR'S BUDGET MESSAGE

To: Honorable City Council and Members of our Community:

I am pleased to present 2021 proposed Annual Budget for the city of Dayton. The annual budget is not the product of an individual effort, rather it represents the collective efforts of the City Council, the City's Finance Committee and city staff to deliver a responsible financial and operating plan on behalf of the City and I want to take this opportunity to acknowledge and thank everyone that took an active role in making it happen.

The 2021 Budget is approximately 7.63% less than 2020's estimated budget primarily due to street capital projects and the 2020 Water and Sewer Bond Refunding Project.

The budget includes a proposed 1% levy increase of \$4,261. The total real and personal property tax revenues anticipated for 2021 totals \$350,000. This estimate reflects a zero percent increase over projections for 2020. This forecast is primarily tied to COVID-19 and tax collection policies established at the state level are expected to carry-over into 2021. The City will be monitoring all of our revenue sources closely and adjustments will be made as new information is provided throughout the year.

The estimated revenue from retail sales and use taxes is \$321,074, 1.9% higher than current years anticipated revenues. In fiscal year 2020 the sales and use tax revenues were split equally between the CE Fund and the City Street & Road Fund. With an anticipated increase in law enforcement and dispatch services costs, the 2021 budget reflects a 60% distribution to Current Expense Fund and a 40% distribution to City Street and Road Fund.

The City estimates that Criminal Justice Sales Tax revenues will total \$48,462; Business and Occupation Taxes will generate \$216,000; and Leasehold Excise Taxes will bring in \$3,500. State distributions such as City-County Assistance, various Criminal Justice funding, and Liquor Excise Taxes/Control Board Profits, Motor Vehicle Fuel Taxes are expected to generate \$146,324 to support the Current Expense and City Street and Road Funds.

Proposed are water and sewer utility rate increases for all service types. Rate increases are never easy, but they are a necessity to keep up the needs of the systems. There have been increases in utility rates since 2019. In 2020, the City Council delayed an increase in these rates in exchange for deferring capital improvement programs for one-year. Throughout the 2020 Budget process, it was conveyed that utility rates increases would be necessary beyond 2020 to provide current operation and maintenance service levels; meet capital improvement and/or replacement priorities to keep up with the system's demands, and to mitigate system failures and interruption of services; and, meet outstanding debt service requirements. That time has come.

This increase for a single-residential unit, within city limits, with a water 1" or less sized water meter for water and sewer services will be increased \$10.65 per month for a total of \$117.20 per month. In early 2021, I will be presenting The City Council with a discount and financial assistance policy that may provide relief for low-income seniors as provided by RCW 35.92.020 (5).

PERSONNEL

At this time, there are no personnel changes in the budget. The budget reflects a 1.5% cost of living increase for regular-full time employees excluding union personnel. Union contracts are currently being negotiated for 2021 - 2022. Although the outcome of these negotiations is unknown, the budget reflects a 7% increase in union salaries and wages, but once the negotiations are complete, the salaries and wages and benefits may be adjusted to reflect the results of those negotiations. The budget provides for any additional benefits that have been established by the City of Dayton Personnel Policies such as cost of living allowances, overtime, compensatory time, and/or merit compensation and reserves for payout of benefits upon an employee's separation from employment.

Based on goals established by the City Council Standing Committees in August 2020, the 2021 Budget includes the following programs/projects (the order does not designate priority or funding source) : Updated City website, research the use of social media for public outreach; complete Phase 4 Pietryzski Park Irrigation Improvements – Fish Bond Ball Field; begin work on a 20-Year Park and Public Facilities Plan to include Dayton Swimming Pool and Pietryzski Park Splash Pad Improvements; study relocation of Pietryzski Park playground equipment closer in proximity and installing safety fencing around the equipment; focus on public grounds tree removal/replacement/maintenance plan including the implementation of the Main Street Trees Maintenance program; continue with Fire Hydrant Replacement/Maintenance Program with input from Fire District 3; continue works towards financing water and sewer projects including design engineering for replacement of the N. Touchet Water Mainline; create a Metal Water Mainlines Replacement Program; design S. 3rd Street Sewer Mainline (this project is contingent on an award of TIB street grant funding); improve and/or surplus city-owned property including property located north of Main Street also known as Dingle’s Parking Lot; continued support of the Street/Road Grader Program; a 2021 Crack Sealing Plan; city-wide pothole repairs; Mustard Ditch Bridge to Culvert Project; City-wide Street Improvement Plan – Levy/Bond Funding Presentation; E. Tremont Street BST Improvements – S. 4th St to S. 5th St.; City Right of Way Project; Personnel Policy Update; Touchet River Sediment Removal Project and other February 2020 Flood related rehabilitation of facilities (The 2021 Budget provides for approximately 50% of the 25% match requirement to complete this project. Additional revenue sources, such as debt service, will be needed to complete this project in its entirety; marketing campaign pertaining to housing and development opportunities in the city of Dayton; continue with nuisance abatement program; GIS Professional Services; begin researching improvement options to the Canine Impoundment Facility and implementation of humane impound strategies; increased parks supplies budget; strategize a sign replacement/relocation program for the Pietryzski Park; research contracting for annual street painting services vs. equipment/supplies purchases and city provided labor; research financing options for city street rolling stock such as an equipment rental/replacement program; proceed with hazard mitigation planning for the Touchet River and Patit Creek; purchase various rolling stock equipment for streets, water, sewer, and park; video Camera Sewer Mainline Project; and, last but not least, continue work on upgrading the City's Wastewater Treatment Facility.

As you can see, there's a busy year planned. I am confident by working together with our community, Council, and committed staff, we will capitalize on opportunities and mitigate challenges, positioning Dayton to effectively deal with the changes that come in the year/years ahead .

Sincerely,

Zac Weatherford
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 was 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: 2565 (2020 Washington State Office of Financial Management)

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 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 of each fund and budgeted on a cash basis in accordance with the Revised Code of Washington, RCW 35.33.

In simpler terms, money generated from your monthly water bill cannot be used to fix our swimming pool, or money from your monthly sewer bill cannot pay to fix a street unless the damage to the street is a result of the sewer failing.

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.



2020 CITY OF DAYTON CITY COUNCILMEMBERS

Dayton's City Councilmembers are part-time City employees. Is a seven members council and councilmembers are elected to four-year terms from the community as a whole (commonly called at-large elections), not from districts or wards. The positions are non-partisan.

Council Members

V. Delphine Bailey
Term expiring 12/31/2021

Christine Broughton
Term expiring 12/31/2023

Byron Kaczmarski
Term expiring 12/31/2023

Michael Paris
Term expiring 12/31/2021

Dain Nysoe
Term expiring 12/31/2023

Matt Wiens
Term expiring 12/31/2021

Misty Yost
Term expiring 12/31/2023

ORDINANCE NO. 1970

AN ORDINANCE ADOPTING THE BUDGET FOR THE CITY OF DAYTON, WASHINGTON FOR THE FISCAL YEAR ENDING DECEMBER 31, 2021.

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, 2021 and a notice was published that the Council of said city would meet on the 12th and 18th days of November, 2020 and the 2nd day of December, 2020, at the hour of 6:00 p.m., or soon thereafter, via ZOOM, for the purpose of making a preliminary 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 met 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 estimated budget for the City of Dayton, Washington, for the year 2021 is hereby adopted, at the fund level, in its final form and estimated content as set forth in the document entitled City of Dayton, 2021 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 2021 are set forth in a summary form below, and are hereby appropriated for expenditure at the fund level during the year 2021 as set forth in the City of Dayton, 2021 Budget:

FUND	RESOURCES/APPROPRIATIONS
CURRENT EXPENSE	\$ 1,257,134
CITY STREET & ROAD	\$ 426,884
MOTEL/HOTEL EXCISE TAX	\$ 43,894
AFFORDABLE & SUPPORTIVE HOUSING FUND	\$ 4,456
CAPITAL IMPROVEMENTS	\$ 204,250
SEWER OPERATIONS & MAINTENANCE FUND	\$ 782,473
SEWER CAPITAL IMPROVEMENT FUND	\$ 1,475,326
WATER OPERATIONS & MAINTENANCE FUND	\$ 818,296
WATER CAPITAL IMPROVEMENT FUND	\$ 427,462
W & S SYSTEM DEBT RESERVE	\$ 211,500
W & S DEBT SERVICE	\$ 589,451
CEMETERY ENDOWMENT	\$ 268,557
HISTORIC PATHWAY ENDOWMNET	\$ 9,002
TOTAL 2021 BUDGET	\$ 6,518,685

Section 4. The salaries and wages set forth in the City of Dayton, 2021 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 2021 budget appropriations as established at the fund level that of which includes a proposed 1.5% cost of living increase for 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.

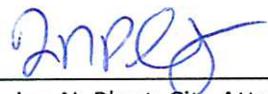
PASSED by the Council of the City of Dayton and approved by the Mayor on this 02ND day of DECEMBER, 2020.


Zac Weatherford, Mayor

Attested/Authenticated:


Trina Cole, City Administrator

Approved as to form:
Menke Jackson Beyer, LLP


By: Quinn N. Plant, City Attorney

2021 SCHEDULE OF SOURCES AND USES

2021 SCHEDULE OF SOURCES AND USES

FUND	FUND NAME	2020 BUDGET	2021 BUDGET	DIFFERENCE/ Incr. (Decr.)	INCREASE/ DECREASE PERCENTAGE
001	CURRENT EXPENSE:				
	<u>Departments</u>				
	Ending Fund Balance	\$ 114,615	\$ 92,750	\$ (21,865)	-19.08%
	Legislative	\$ 63,400	\$ 65,384	\$ 1,984	3.13%
	Judicial	\$ 128,513	\$ 139,000	\$ 10,487	8.16%
	Administrator	\$ 84,259	\$ 55,295	\$ (28,964)	-34.37%
	City Attorney	\$ 30,000	\$ 35,000	\$ 5,000	16.67%
	Levee Maintenance	\$ 13,800	\$ 18,500	\$ 4,700	34.06%
	Planning	\$ 97,610	\$ 123,743	\$ 26,133	26.77%
	Law Enforcement	\$ 359,200	\$ 398,250	\$ 39,050	10.87%
	Dispatch Services	\$ -	\$ 28,000	\$ 28,000	100.00%
	Animal Control	\$ 32,387	\$ 36,804	\$ 4,417	13.64%
	Parks	\$ 153,990	\$ 145,027	\$ (8,963)	-5.82%
	Cemetery	\$ 78,308	\$ 119,381	\$ 41,073	52.45%
	Total Current Expense Fund	\$ 1,156,082	\$ 1,257,134	\$ 101,052	8.74%
103	CITY STREET & ROAD	\$ 389,882	\$ 426,884	\$ 37,002	9.49%
106	HOTEL MOTEL EXCISE TAX	\$ 65,500	\$ 43,894	\$ (21,606)	-32.99%
110	AFFORDABLE & SUPPORTIVE HOUSING FUND	\$ -	\$ 4,456	\$ 4,456	100.00%
301	CAPITAL IMPROVEMENTS FUND	\$ 541,165	\$ 204,250	\$ (336,915)	-62.26%
401	SEWER OPERATIONS & MAINTENANCE FUND	\$ 1,018,978	\$ 782,473	\$ (236,505)	-23.21%
402	SEWER CAPITAL IMPROVEMET FUND	\$ 1,331,359	\$ 1,475,326	\$ 143,967	100.00%
403	WATER OPERATION & MAINTENANCE FUND	\$ 1,115,173	\$ 818,296	\$ (296,877)	-26.62%
404	WATER CAPITAL IMPROVEMENT FUND	\$ 575,702	\$ 427,462	\$ (148,240)	100.00%
413	WATER & SEWER SYSTEM RESERVE	\$ 504,257	\$ 211,500	\$ (292,757)	-58.06%
414	W & S DEBT SERVICE FUND	\$ -	\$ 589,451	\$ 589,451	100.00%
701	CEMETERY ENDOWMENT	\$ 349,933	\$ 268,557	\$ (81,376)	-23.25%
702	HISTORIC PATHWAY ENDOWMENT	\$ 9,002	\$ 9,002	\$ -	0.00%
	GRAND TOTAL ALL FUNDS	\$ 7,057,033	\$ 6,518,685	\$ (538,348)	-7.63%

**2021 BUDGET
TOTAL ALL FUNDS
= \$ 6,518,685**

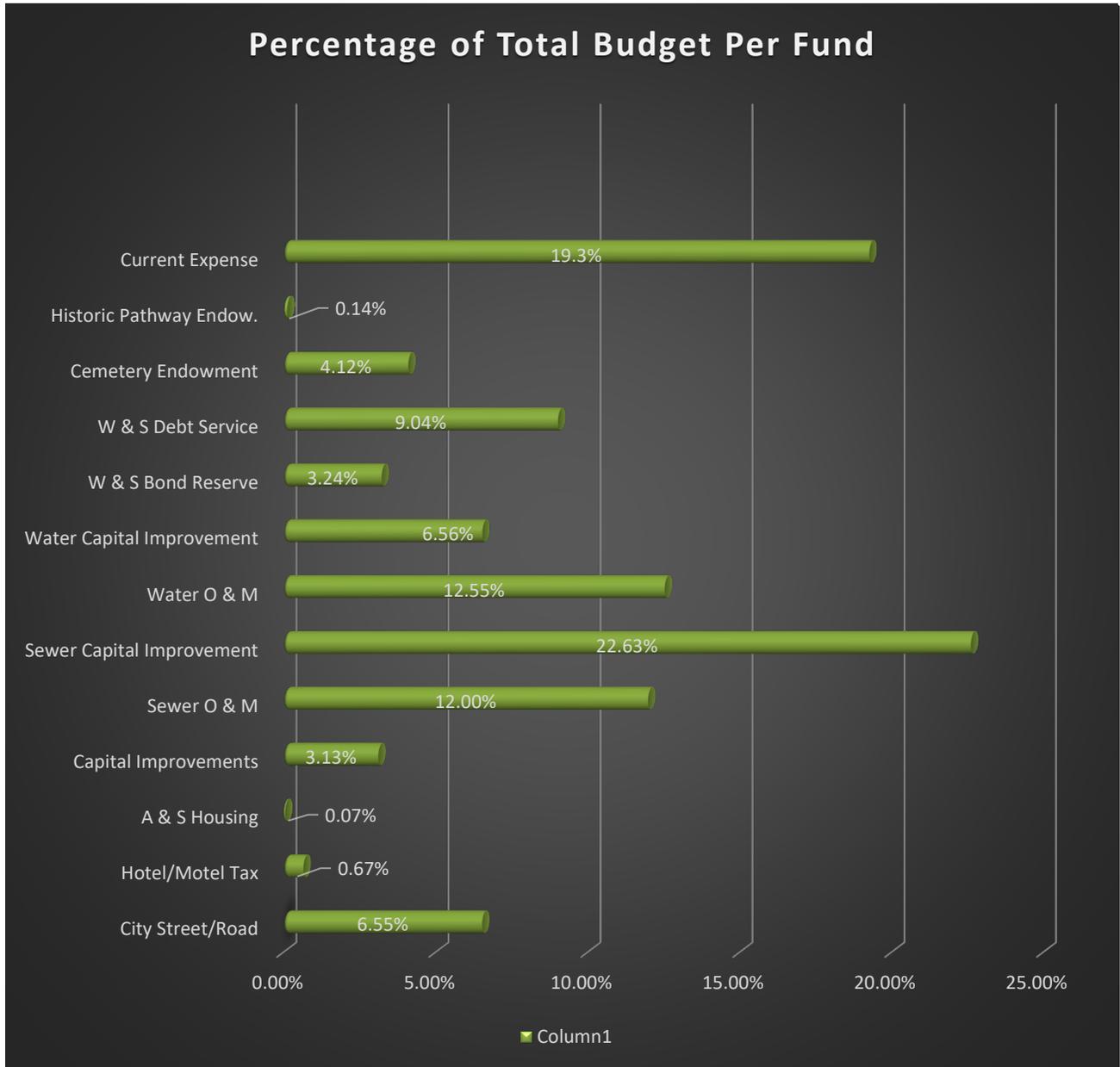


Figure A

ORDINANCE NO. 1971

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DAYTON, WASHINGTON ADOPTING THE 2021 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. 1970 adopted a budget for 2021; and,

WHEREAS, appropriated Salaries and Wages were set forth within the 2021 City of Dayton Budget at fund level; and

WHEREAS, there are no new positions intended for fiscal year 2021.

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

Section 1. The following will serve as the 2021 Salary Schedules for non-contractual full-time and hourly wage employees:

CLASSIFICATION	Formal Salary Scale – Monthly	
	Low	High
Public Works Director	\$4,800	\$6,800
Assistant Public Works Director	\$3,950	\$5,600
Administrator/Clerk-Treasurer	\$4,625	\$6,700
Deputy City Clerk-Treasurer	\$3,800	\$5,250
Director of Planning and Community Development	\$5,299	\$6,659
	Hourly Wage Scale	
	Low	High
Utility Accounting Clerk	\$19.17	\$21.89
Seasonal/Part-time Positions	Minimum Wage	Minimum Wage

Section 2. Appropriations. The salaries and wages set forth in the 2021 City of Dayton Budget as adopted by Ordinance No. 1971 at the fund level constitute the appropriations for salaries and wages that will be paid to the legislative body, 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 to be filled.

Section 3. Exclusions. The salary and wage schedules are exclusive of cost of living allowances, overtime, compensatory time and/or merit compensation as provided by the City of Dayton Personnel Polices, effecting contractual and non-contractual exempt employees or as specified in the current bargaining unit contract effecting union 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 each fund's appropriated amounts of the 2021 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 02ND day of DECEMBER, 2020.

City of Dayton


By: Zac Weatherford

Attest:


Trina Cole, Administrator/Clerk-Treasurer

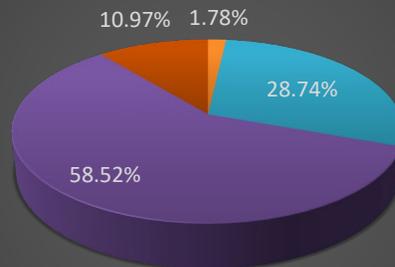
Approved as to form:
Menke Jackson Beyer, LLP


By: Quinn N. Plant, City Attorney

2021 Employee Allocations by Funding Source

Positions	Full-time Equivalent (FTE) (+/-)	Current Expense Fund	Hotel/ Motel Tax - Parade Assistance	City Street/ Road Fund	Sewer O & M Fund	Water O & M Fund
Government Services						
Mayor	0.30	0.30				
City Council	0.10	0.10				
Total Legislative	0.40	0.40				
Public Works						
Public Works Director	1.00	0.15		0.15	0.40	0.30
Wastewater Treatment Plant	1.50				1.50	
Public Works Maintenance	6.50	1.05	0.05	1.85	1.72	1.83
Seasonal	1.30	1.30				
Total Public Works	10.30	2.50	0.05	2.00	3.62	2.13
Administrator						
Administrator	1.00	0.40		0.05	0.275	0.275
Office Administration	2.00	0.04			0.98	0.98
Planning & Community Development	1.00	0.90		0.10		
Total Administrator/ Clerk-Treasurer	4.00	1.34	0.00	0.15	1.26	1.26
Total Funded/Budgeted Positions	14.70	4.24	0.05	2.15	4.88	3.39

Salary & Wages and Benefits = \$1,492,503 or 22.9% of the 2021 Budget



- Mayor/City Council = \$26,600
- City Administrator's Office = \$428,873
- Public Works Department = \$873,352
- Reserves for Separation Benefits = \$163,679

Figure B

001 CURRENT EXPENSE FUND

REVENUES	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Beginning Fund Balances:	\$ 286,401	\$ 227,000	\$ 294,049	\$ 159,905	\$ 185,534
Taxes	\$ 768,036	\$ 732,326	\$ 751,776	\$ 744,923	\$ 752,791
License and Permits	\$ 8,000	\$ 8,000	\$ 7,815	\$ 10,205	\$ 10,410
Intergovernmental Revenues	\$ 112,282	\$ 91,012	\$ 124,150	\$ 150,912	\$ 93,612
Charges for Goods & Services	\$ 25,000	\$ 22,000	\$ 36,329	\$ 45,326	\$ 48,153
Fines and Forfeitures	\$ 23,750	\$ 39,744	\$ 65,196	\$ -	\$ 33,065
Interest Earnings/ Miscellaneous	\$ 3,165	\$ 6,000	\$ 17,517	\$ 21,310	\$ 9,119
Contributions and Donations from Nongovernmental Sources	\$ 30,500	\$ 30,000	\$ 25,720	\$ 63,198	\$ 59,627
Total Current Expense Fund	\$ 1,257,134	\$ 1,126,082	\$ 1,322,552	\$ 1,132,581	\$ 1,132,685

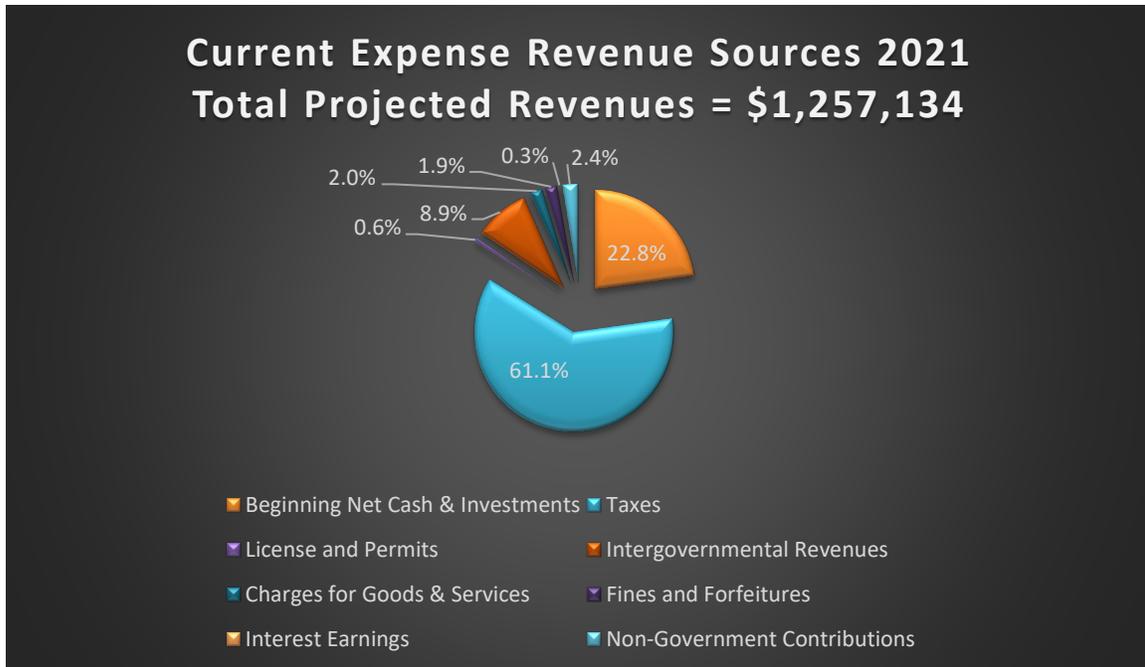


Figure C

NARRATIVE: The Current Expense Fund provides various services the community, including Legislative (Mayor-Council), Finance (Administrator/Clerk-Treasurer), City Attorney, Law Enforcement, Dispatch Services, Animal Control, Municipal Court, Parks, Planning and Code Compliance, and Cemetery services. None of these services are self-supporting and 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 58%, or \$732,326, of the Current Expense's revenues is generated by these taxing authorities. Details are reflected in Figure D below.

**2021 CURRENT EXPENSE TAX AUTHORITY REVENUES =
\$732,326**

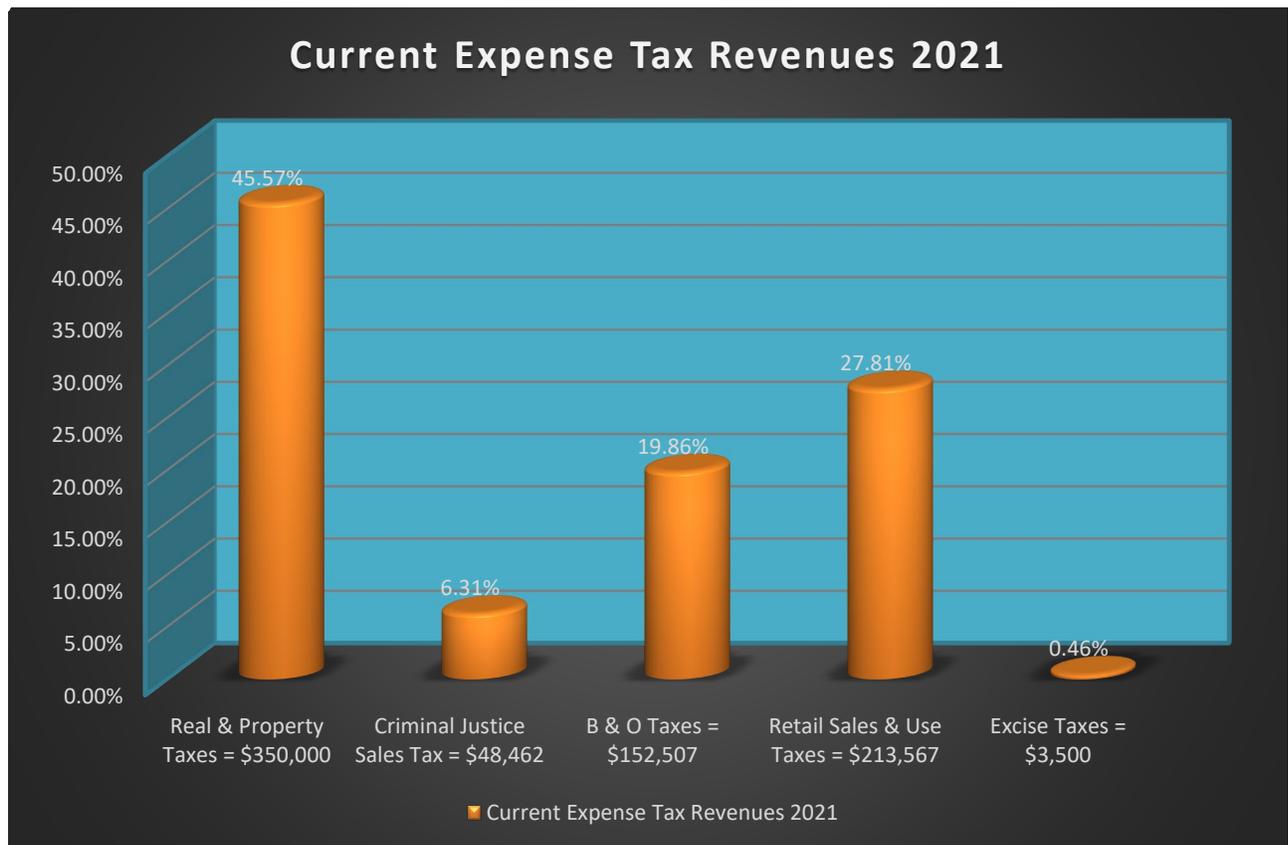


Figure D

CURRENT EXPENSE FUND – EXPENDITURES

CURRENT EXPENSE - ENDING FUND BALANCE					
EXPENDITURES	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Ending Fund Balances:					
Reserved	\$ 118,000	\$ 80,000	\$ 80,000	\$ -	\$ -
Unreserved	\$ -	\$ 34,615	\$ 295,542	\$ 294,049	\$ 159,905
Total Ending Fund Balances	\$ 118,000	\$ 114,615	\$ 375,542	\$ 294,049	\$ 159,905

LEGISLATIVE SERVICES					
EXPENDITURES	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Salaries & Wages	\$ 24,600	\$ 24,600	\$ 23,850	\$ 24,600	\$ 24,600
Benefits	\$ 2,000	\$ 2,000	\$ 1,940	\$ 1,940	\$ 1,882
Supplies	\$ 400	\$ 800	\$ 942	\$ 1,761	\$ 717
Services	\$ 38,384	\$ 36,000	\$ 19,654	\$ 27,866	\$ 13,551
Other Decreases in Fund Sources	\$ -	\$ -	\$ 697		
Total General Government Services	\$ 65,384	\$ 63,400	\$ 46,385	\$ 56,167	\$ 40,751

NARRATIVE: Legislative Services 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.

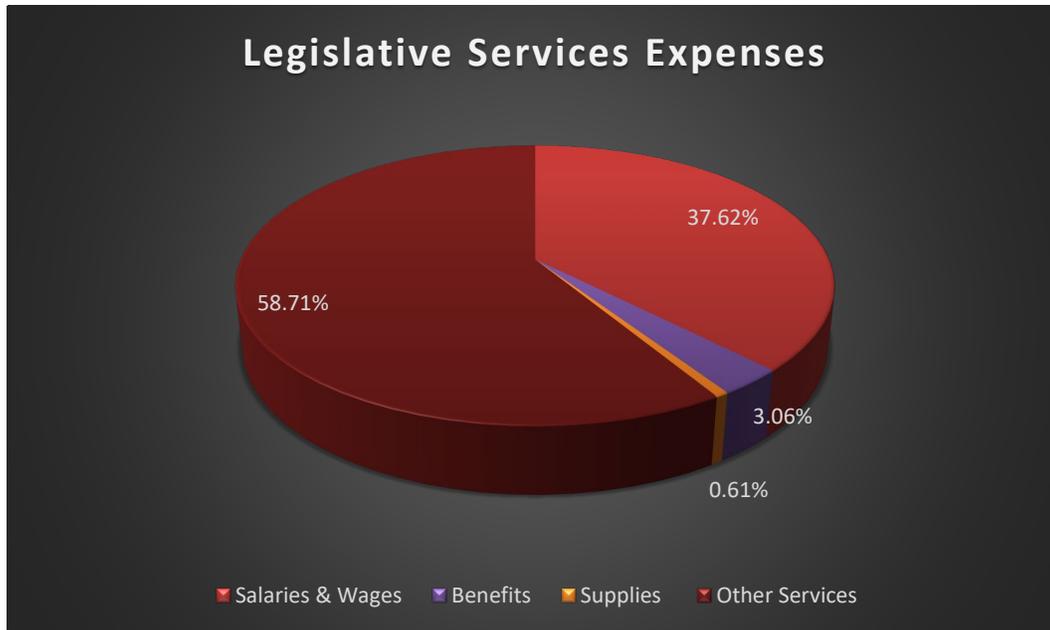


Figure E

MUNICIPAL COURT SERVICES					
EXPENDITURES	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Court Services	\$ 112,000	\$ 103,513	\$ 103,513	\$ 103,513	\$ 103,513
Services - State: Court Remittances	\$ 27,000	\$ 25,000	\$ 22,708	\$ 18,121	\$ 13,273
Total Municipal Court Department	\$ 139,000	\$ 128,513	\$ 126,221	\$ 121,634	\$ 116,786

NARRATIVE: The mission of any municipal court is to administer justice lawfully, ethically, and efficiently 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. Throughout 2020, the City and County continued their negotiations of a new interlocal agreement. The existing interlocal will remain in effect until the task has been completed.

CITY ADMINISTRATOR/CLERK-TREASURER					
EXPENDITURES	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Salaries & Wages	\$ 35,121	\$ 34,651	\$ 28,740	\$ 16,742	\$ 18,858
Benefits	\$ 15,474	\$ 14,608	\$ 12,045	\$ 5,589	\$ 7,623
Supplies	\$ 1,000	\$ 2,000	\$ 4,609	\$ 4,165	\$ 5,453
Services	\$ 3,700	\$ 33,000	\$ 16,704	\$ 26,625	\$ 37,781
Total Clerk-Treasurer Department	\$ 55,295	\$ 84,259	\$ 62,098	\$ 53,120	\$ 69,715

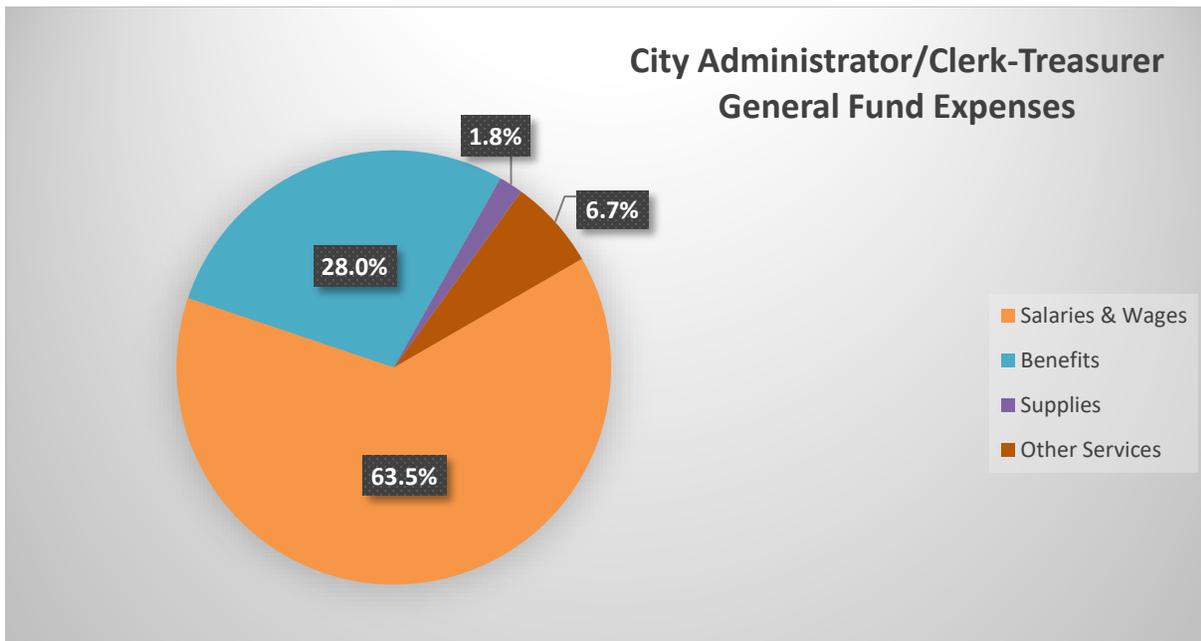


Figure F

NARRATIVE: The Administrator/City Clerk-Treasurer Department serves as the chief advisory department to the legislative body, administration, and department staff on all municipal matters, provides leadership in the development and implementation of long- and short-term goals, and makes recommendations to the city council for action based on the objectives established throughout the budget the various short and long-term planning tools

The employees that comprise the Administrator/City Clerk-Treasurer's Office include the Deputy City Clerk, Utilities Accounting Clerk, and the Director of Planning & Community Development. Each of these employees play various roles and serve several varied functions, not only for the public, but for the municipality as well. Some of these roles include, but are not limited to: Billing and collections of revenues for utilities and various other community services; human resources support; 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; to receive and fulfill public records requests as prescribed by the Revised Code of Washington; code compliance services and planning and community development efforts.

CITY ATTORNEY					
<u>EXPENDITURES</u>	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Services	\$ 35,000	\$ 30,000	\$ 8,248	\$ 20,246	\$ 63,445
Total City Attorney Services	\$ 35,000	\$ 30,000	\$ 8,248	\$ 20,246	\$ 63,445

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, contracts, to name a few. Also, the City Attorney is heavily involved in personnel issues, including

bargaining unit negotiations, hiring procedures, grievances, and disciplinary actions. In 2021, the City will begin bargaining unit negotiations for 2022-2024. In addition, the City's Personnel Policies will be reviewed and updated to include any new legislation action.

LEVEE/DIKE MAINTENANCE					
EXPENDITURES	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Salaries & Wages	\$ 10,000	\$ 5,000	\$ 7,812	\$ 2,391	\$ 4,104
Benefits	\$ 5,500	\$ 4,300	\$ 3,638	\$ 1,406	\$ 2,209
Supplies	\$ 2,500	\$ 500	\$ 1,214	\$ 624	\$ 357
Services	\$ 500	\$ 4,000	\$ 2,817	\$ 595	\$ 2,971
Capital Improvementns	\$ -	\$ -	\$ -	\$ -	\$ -
Total Dike Maintenance Services	\$ 18,500	\$ 13,800	\$ 15,480	\$ 5,016	\$ 9,641

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 highwater event. As you know, the Flood of February challenged our levee system, but with Columbia County's mutual aid, the City was able to stabilize and fight off any breaching of the system. Following this flood event, Corps of Engineers inspected the levee system and concluded that there were four areas along the Touchet River Levee System that required complete a levee rehabilitation project.

Also, the Patit Creek has not gone unnoticed. The City has been researching options to address the issues that has exacerbated the damages within flood prone areas, specifically the role that the confluence at the Touchet River has played.

In 2021, the City expects to work closely with the Columbia County Flood Control Zone District and to begin planning for ways to mitigate the hazards and deficiencies of both the Touchet River and Patit Creek.

2021 Levee/Dike Maintenance Services Objectives:

- *Research Hazard Mitigation Funding to mitigate flood-prone areas related to Patit Creek and Touchet River events.*
- *Utilize the Washington State Department of Corrections to perform maintenance needs on the levee removing vegetation within the Touchet River system.*
- *Cooperatively work with Columbia County Flood Control Zone District to create an interlocal partnership that reflects the hazard mitigation needs to adequately maintain both the Touchet River and the Patit Creek river systems.*
- *Research maintenance alternatives to address the vegetation overgrowth along the levee system.*
- *Complete the Sediment Removal Project to increase the capacity of the Touchet River channel as provided in the Corps of Engineers Levee Construction Project 1964.*

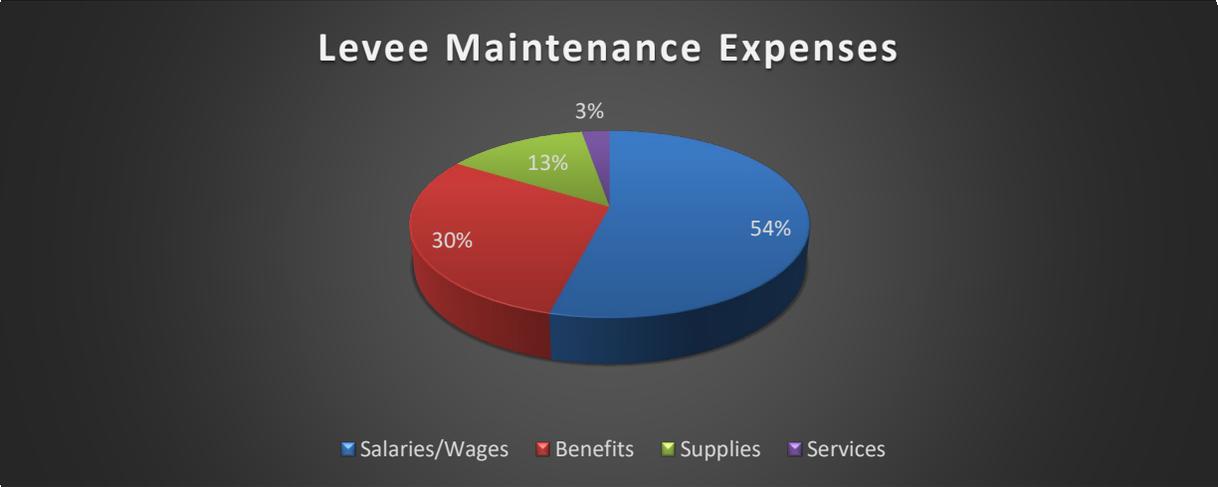


Figure G

PLANNING & COMMUNITY DEVELOPMENT - CURRENT EXPENSE					
EXPENDITURES	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Salaries & Wages	\$ 73,458	\$ 60,115	\$ 18,548	\$ 1,766	\$ 29,257
Benefits	\$ 39,575	\$ 31,545	\$ 5,878	\$ 890	\$ 10,233
Supplies	\$ 2,500	\$ 1,000	\$ 4,651	\$ -	\$ 2,637
Services	\$ 8,210	\$ 4,950	\$ 61,409	\$ 46,762	\$ 6,772
Total Planning & Community Development	\$ 123,743	\$ 97,610	\$ 90,486	\$ 49,418	\$ 48,899

NARRATIVE: The Director of Planning and Community Development is responsible for a wide range of planning, code compliance, historic preservation, and community development programs. The Director uses innovative approaches to: Researching, analyzing, and drafting policy with broad implications to the City’s Municipal Code and Comprehensive Plan; Responding to planning policy proposals by local municipalities, civic/non-profit groups, regional bodies and State agencies; researching and analyzing legislative policies at both the local and State level; assisting in project management, formulation and implementation of both current and long-range plans and other policy matters as directed by the City Administrator. The Director also serves to bridge the gap between planning theory, policy creation and implementation.

2021 Planning and Community Development Objectives:

- ✓ Establish a stakeholder advisory committee and begin the development of a complete, 20-year City Parks and Public Grounds Enhancement Plan
- ✓ Create a new City of Dayton website to eliminate ongoing technical difficulties and create a user-friendly system for the public
- ✓ Perform an assessment of code violations on city-owned properties and create a city-owned code violation mitigation plan
- ✓ Complete the Main Street Safety Action Plan
- ✓ Continue work on the Commercial Corridor enhancements and capital facilities improvements as provided in the Commercial Street Corridor Plan, Main Street Trees Maintenance Plan, and Main Street Safety Action Plan

- ✓ Research grant opportunities to implement the Main Street Safety Action Plan
- ✓ Work cooperatively with the Department of Transportation on their Main Street Restriping Project
- ✓ Create a project scope and timeline for creating a City-wide Capital Improvement Plan
- ✓ Initiate City Right of Way Vacation Project
- ✓ Work hand in hand with the Port of Columbia and the Chamber of Commerce to progress economic development efforts

LAW ENFORCEMENT SERVICES					
EXPENDITURES	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Personnel Benefits (LEOFF 1 Retirees Only)	\$ 27,000	\$ 21,700	\$ 24,299	\$ 32,443	\$ 35,975
Intergovernmental Services	\$ 371,250	\$ 337,500	\$ 337,428	\$ 337,428	\$ 335,160
Total Law Enforcement Services	\$ 398,250	\$ 359,200	\$ 361,727	\$ 369,871	\$ 371,135

DISPATCH SERVICES					
EXPENDITURES	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
Intergovernmental Services	\$ 28,000				
Total Law Enforcement Services	\$ 28,000				

NARRATIVE: The City of Dayton contracts with Columbia County for law enforcement services and dispatch services. The contract provides for 24-7 law enforcement coverage and dispatch services for our citizens. As required by State law, the 2021 law enforcement and dispatch services provide funding to support health care insurance, long-term care insurance and co-payment benefits for one (1) LEOFF 1 Retirees.

In mid-2017, Columbia County Commissioners requested that the existing contract be reviewed and negotiations for a new contract began in November 2017. In November 2020, the process was still in the negotiation phase. It's the Council's position to wrap these negotiations up prior to 2021. The 2021 Law Enforcement and Dispatch Services budgets does include an increase of 15.73% or \$67,050.

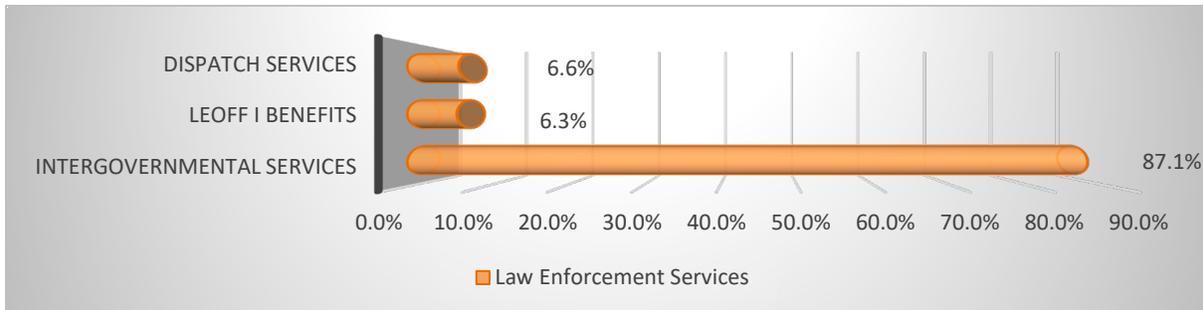


Figure H

ANIMAL CONTROL SERVICES					
<u>EXPENDITURES</u>	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Salaries & Wages	\$ 20,464	\$ 20,464	\$ 15,420	\$ 13,537	\$ 10,988
Benefits	\$ 14,064	\$ 8,900	\$ 6,966	\$ 5,452	\$ 4,350
Supplies	\$ 1,100	\$ 600	\$ 1,000	\$ 1,002	\$ 973
Services	\$ 1,176	\$ 600	\$ 1,178	\$ 1,082	\$ 1,379
Total Animal Control Services	\$ 36,804	\$ 30,564	\$ 24,564	\$ 21,073	\$ 17,690

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

The Animal Control Department consists of one part-time Animal Control Officer (ACO) and his designees. The Administrator's Office provides licensing services. As of November 1, 2020, the City issued approximately 351 dog licenses for fiscal year 2020.

2021 Animal Control Services Objectives:

- Continue researching Dog Impound Shelter Alternatives
- Implement humane impound strategies as prescribed by Association of Shelter Veterans, Guidelines for Standards of Care in Animal Shelters

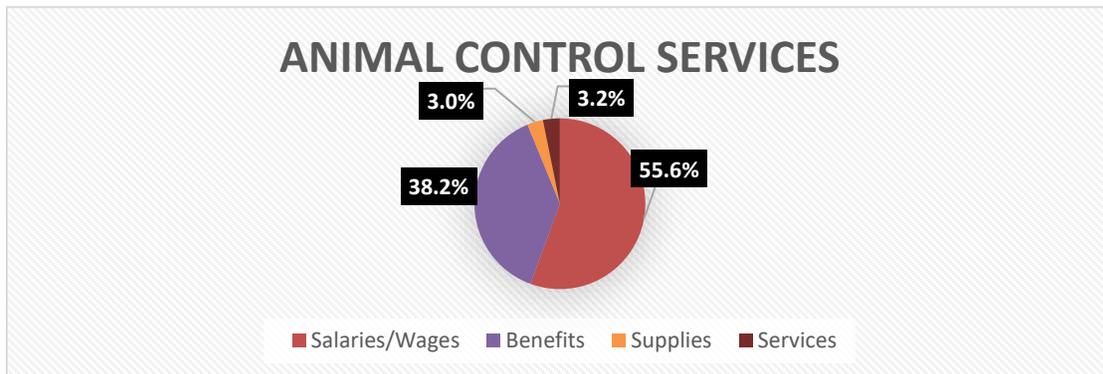


Figure 1

CITY PARKS					
<u>EXPENDITURES</u>	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Salaries & Wages	\$ 68,659	\$ 73,059	\$ 55,236	\$ 47,842	\$ 53,446
Benefits	\$ 36,368	\$ 39,207	\$ 27,996	\$ 23,942	\$ 22,112
Supplies	\$ 13,800	\$ 10,000	\$ 13,013	\$ 10,196	\$ 8,224
Services	\$ 22,680	\$ 27,975	\$ 20,821	\$ 28,280	\$ 25,980
Capital Expenditures/Expenses - Transfer	\$ 3,520	\$ 3,750	\$ 3,750	\$ 7,000	\$ 7,546
Total City Park Services	\$ 145,027	\$ 153,990	\$ 120,815	\$ 117,260	\$ 117,308

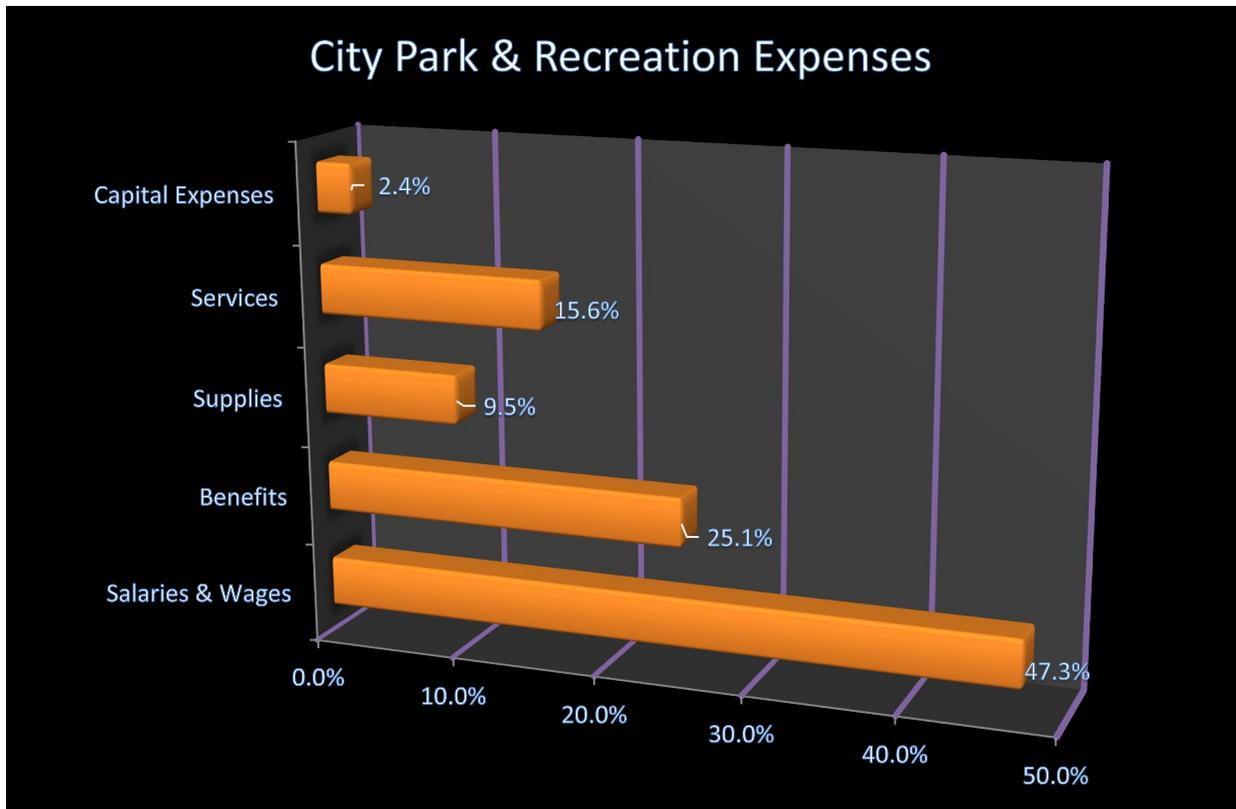


Figure J

2021 Parks & Recreation Primary Objectives:

- *Research constructing a Sports Complex Restroom*
- *Planning for a Park Splash Pad*
- *Create a plan to improve Pietryzcki Park Play Equipment including potential relocation of equipment and installation of fencing barriers around the structures*
- *Install Phase 4 of Pietryzcki Park Irrigation system - Fishpond-Ball Field phase*
- *Perform a condition assessment of park trees to formulate a maintenance, removal, and replacement program*
- *Research, discuss and prioritize community-wide innovative and unique parks and recreation opportunities*
- *Implementation of Pietryzski Park Sign Upgrades*

CEMETERY SERVICES					
<u>EXPENDITURES</u>	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Salaries & Wages	\$ 60,948	\$ 32,350	\$ 30,959	\$ 18,155	\$ 14,984
Benefits	\$ 25,564	\$ 7,528	\$ 15,044	\$ 10,575	\$ 8,036
Supplies	\$ 5,839	\$ 2,930	\$ 3,893	\$ 3,331	\$ 3,151
Services	\$ 27,030	\$ 32,000	\$ 29,651	\$ 28,686	\$ 33,179
Capital Expenditures/Expenses	\$ -	\$ 3,500	\$ 3,500	\$ 7,029	\$ -
TOTAL CEMETERY SERVICES	\$ 119,381	\$ 78,308	\$ 83,047	\$ 67,775	\$ 59,350

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. City Administrator's Office is responsible for receiving customer calls, finding grave and plot locations, selling of sections or plots and scheduling interments.

- **2021 Cemetery Services Primary Objectives:**
- Utilize available funding options to recreate and preserve the existing historic cemetery maps and other historic cemetery data
- Use Washington State Department of Corrections to perform routine maintenance including annual tree trimming maintenance
- Perform a condition assessment of park trees to formulate a maintenance, removal, and replacement program

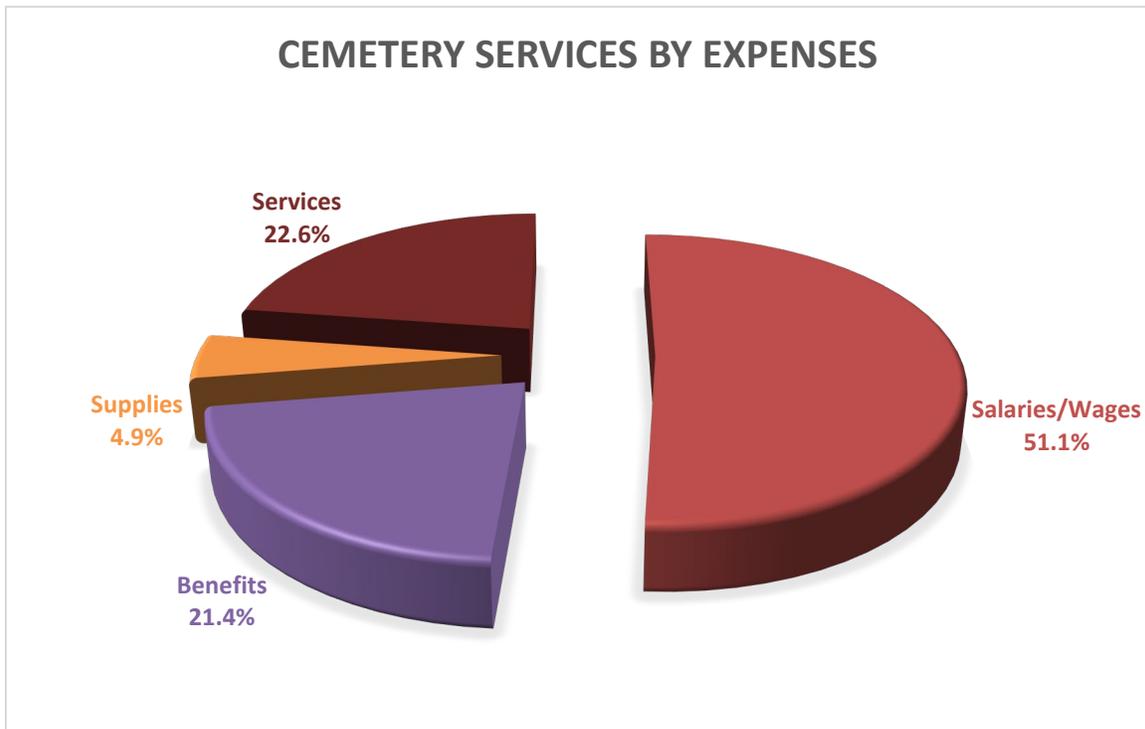


Figure K

CURRENT EXPENSE BUDGET BY PROGRAM = \$1,257,134

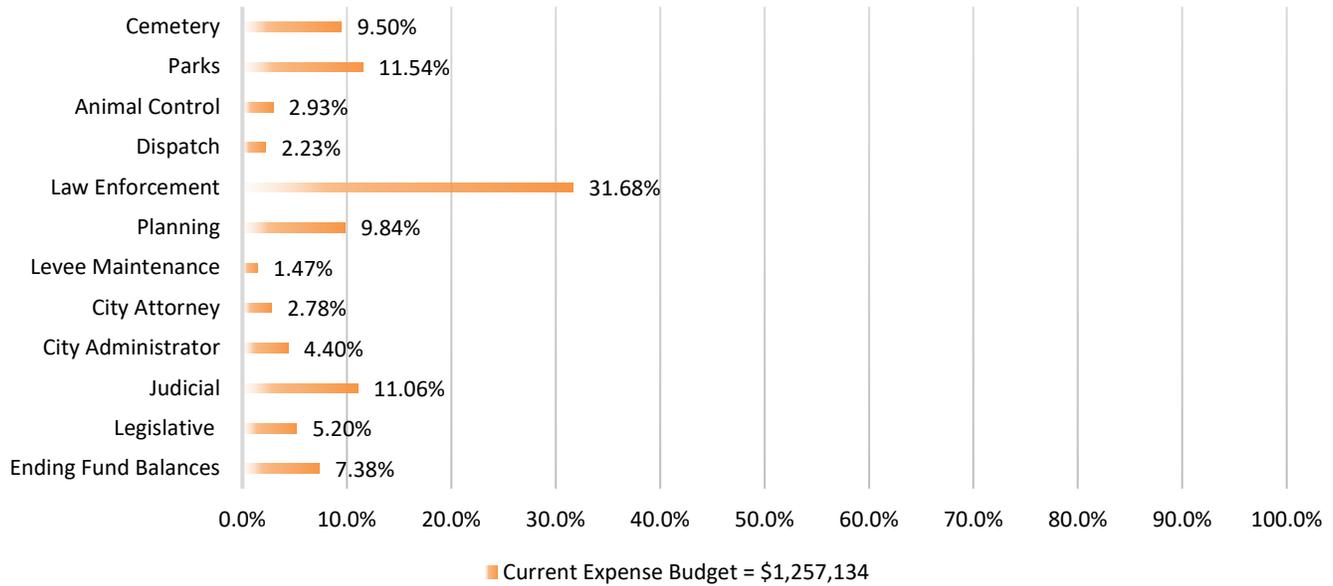


Figure L

103 CITY STREET AND ROAD FUND

NARRATIVE: The Street Department is a division of the Public Works Department. The Public Works Director is responsible for the maintenance and operation functions related to city streets, which includes, but is not limited to: basic maintenance of the paved streets and roads within the city, various traffic control 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, to name a few.

While this list is not all inclusive, the City has completed the following transportation-related projects since 2007:

2007-Chip Seal Project - various locations	2018-FEMA Street Repairs (multiple locations)
2008-Chip Seal Project - Various streets	2018 - W Washington St Overlay (N Front St to N Cottonwood St)
2008-S. 3rd Street Reconstruction Project - School Bus Lane to E. Jackson St	2018 - N Cottonwood St Overlay (W Washington Ave to W Patit Ave)
Cameron Street (along SR12)	2018-E Patit Ave overlay (E. 5 th St to Seneca Way)
2009-Dayton Ave Overlay (Front St to SR12)	2018- N 5 th St Overlay (E. Patit to RR Tracks)
2010-S 2 nd St (Main St to Park St)	2018 - City-wide LED Streetlight Conversion Project
2011-S 2 nd to S 3 rd Alley Reconstruction (south of Main St)	2019-S 5 th St BST (Day St to South end)
2012-S 1st to S 2nd Alley Reconstruction Project (south of Main St)	2019-N Cherry St BST (Commercial to Golf Course)
2013-West End Chip Seal Project (W Clay, W Spring, S Cottonwood, Willow, Pine)	2019-E Clay St Reconstruction (7 th St to 8 th St)
2016-N Front St Overlay (Main to Dayton Ave)	2019 City-owned LED Streetlight Conversion Project
2017- S 1 st St Reconstruction (Main to Oak)	2020 S 3rd StSidewalk Replacement Project
2017/2018 - Main St Sidewalk (Pine St to Cottonwood St)	2020/2021 W Cameron St Seal Coat Project (S Cottonwood to SR12)

These projects were possible through a combination of city street and road tax revenues such as the Transportation Benefit District Sales Tax Revenue, competitive grant funds awarded by the Transportation Improvement Board, Washington State Department of Transportation, and various federal funding programs.

RCW mandated Six Year Transportation Improvement Program

REVENUES	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Fund Balances:					
Reserved	\$ 22,800	\$ 22,800	\$ -	\$ 72,434	\$ 110,851
Unreserved	\$ 198,700	\$ 139,200	\$ 107,713	\$ -	\$ -
Taxes	\$ 205,384	\$ 227,882	\$ 242,260	\$ 280,445	\$ 247,030
License and Permits	\$ -	\$ -	\$ 645	\$ 170	\$ 674
Intergovernmental Revenues	\$ -	\$ -	\$ 57,516	\$ -	\$ -
Interest/ Miscellaneous Revenue	\$ -	\$ -	\$ 6,463	\$ 2,694	\$ 339
Other Financing Sources	\$ -	\$ -	\$ 789	\$ -	\$ -
TOTAL CITY STREET/ROAD FUND	\$ 426,884	\$ 389,882	\$ 415,386	\$ 355,742	\$ 358,895

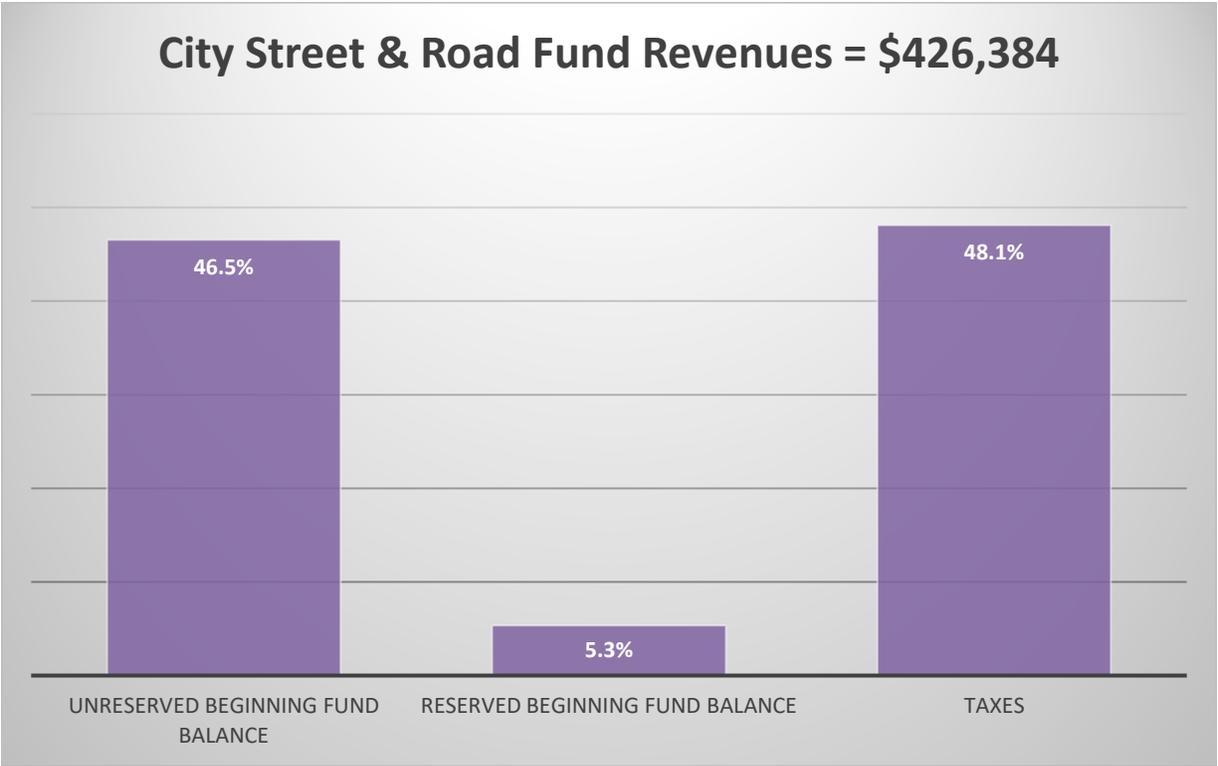


Figure M

CITY STREET AND ROAD FUND - EXPENDITURES

EXPENDITURES	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Ending Fund Balances:					
Reserved	\$ 22,800	\$ 22,800	\$ 22,800		
Unreserved	\$ -	\$ 9,189	\$ 184,649	\$ 107,713	\$ 72,434
Total Ending Fund Balances	\$ 22,800	\$ 31,989	\$ 207,449	\$ 107,713	\$ 72,434

	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
City Street Ordinary Maintenance					
Salaries & Wages	\$ 77,482	\$ 77,482	\$ 70,872	\$ 63,698	\$ 69,338
Benefits	\$ 48,413	\$ 47,950	\$ 31,979	\$ 27,520	\$ 31,358
Supplies	\$ 35,000	\$ 45,000	\$ 16,602	\$ 16,644	\$ 23,314
Services	\$ 17,040	\$ 2,000	\$ 661	\$ 5,041	\$ 2,508
Services - Main Street Trees	\$ 10,000	\$ 14,000	\$ -	\$ -	\$ -
Total City Street & Road Maintenance	\$ 187,935	\$ 186,432	\$ 120,114	\$ 112,904	\$ 126,519

2020 City Street and Road Ordinary Maintenance Department Primary Objectives:

→ Research equipment options for performing an effective crack sealing program.

- Perform maintenance on city alleyways by grading and shaping by re-graveling.
- City will implement a Main Street Trees Maintenance Program
- Implement Main Street Trees Maintenance Plan
- Remedy city-owned property code compliance violations

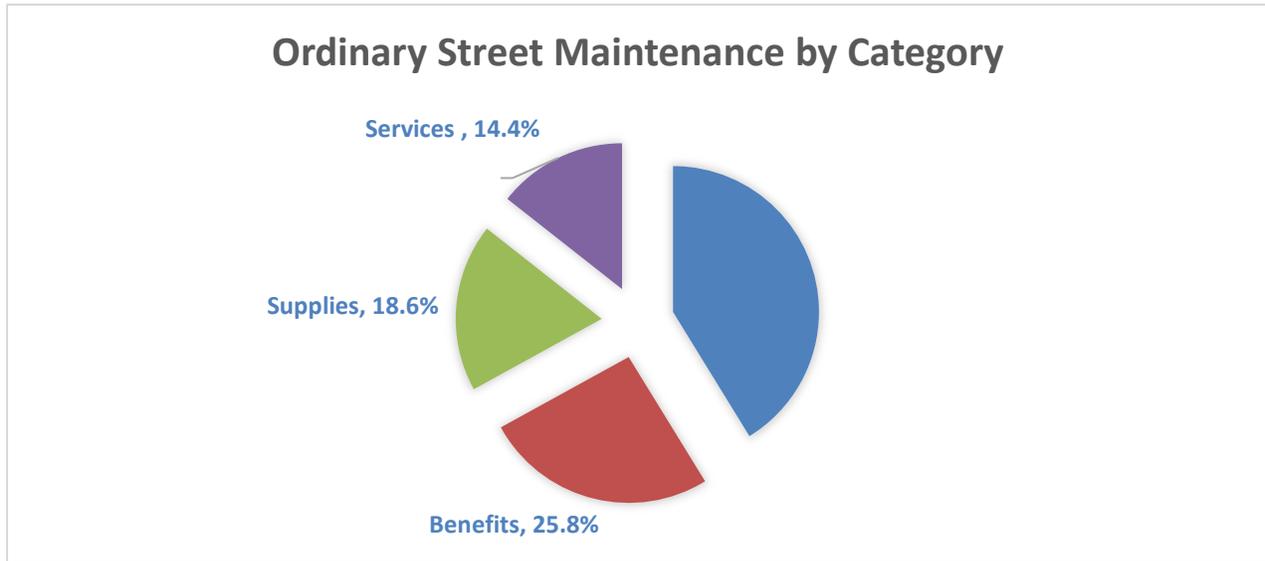


Figure N

	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Drainage/Culverts:					
Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies		\$ 3,500	\$ -	\$ 3,923	\$ 2,231
Services	\$ 32,500	\$ 30,000	\$ 285	\$ 31,080	\$ 28,680
Total Drainage/Culverts	\$ 32,500	\$ 33,500	\$ 285	\$ 35,003	\$ 30,911

→ In 2021, the City will be replacing the bridge in the alley between S. 3rd and S. 4th Street over the Mustard Ditch.

	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Structures - Bridges:					
Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	\$ 4,050	\$ 3,500	\$ 595	\$ 3,923	\$ 2,231
Services	\$ -	\$ 30,000	\$ 3,039	\$ 31,080	\$ 28,680
Total Structures-Bridges	\$ 4,050	\$ 33,500	\$ 3,634	\$ 35,003	\$ 30,911

	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Street Lighting Services:					
Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	\$ 6,300	\$ 3,500	\$ (249)	\$ 3,923	\$ 2,231
Services	\$ 24,000	\$ 30,000	\$ 18,143	\$ 31,080	\$ 28,680
Total Street Lighting Services	\$ 30,300	\$ 33,500	\$ 17,894	\$ 35,003	\$ 30,911

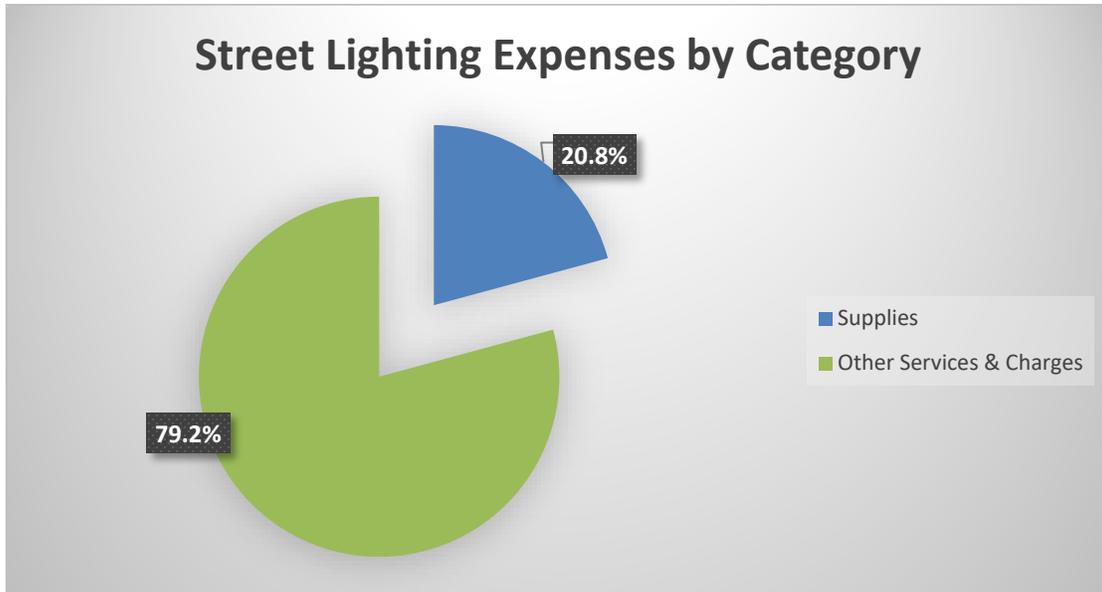


Figure O

City Street and Road Expenditures cont.

	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Traffic Control Services:					
Salaries & Wages	\$ 13,670	\$ 13,081	\$ 8,420	\$ 21,544	\$ 6,142
Benefits	\$ 8,553	\$ 8,564	\$ 3,152	\$ 10,292	\$ 3,032
Supplies	\$ 8,500	\$ 8,500	\$ 6,183	\$ 3,568	\$ 5,054
Total Traffic Control	\$ 30,723	\$ 30,146	\$ 17,754	\$ 35,404	\$ 14,228

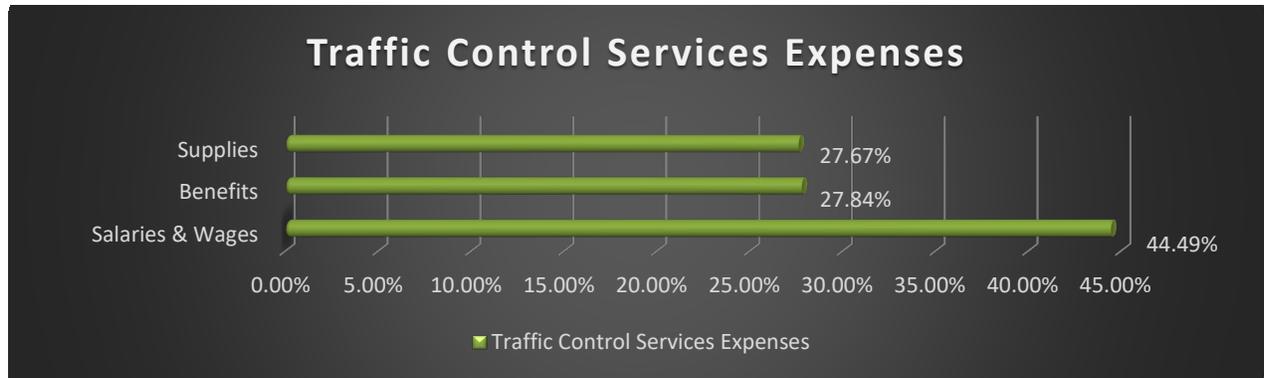


Figure P

	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Snow and Ice Control:					
Salaries	\$ 15,000	\$ 14,965	\$ 14,430	\$ 276	\$ 7,415
Benefits	\$ 9,359	\$ 10,085	\$ 6,751	\$ 85	\$ 2,618
Supplies	\$ 7,650	\$ 7,650	\$ 1,829	\$ 1,290	\$ 6,138
Services	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -
Total Snow and Ice Control	\$ 33,009	\$ 33,700	\$ 23,011	\$ 1,652	\$ 16,171

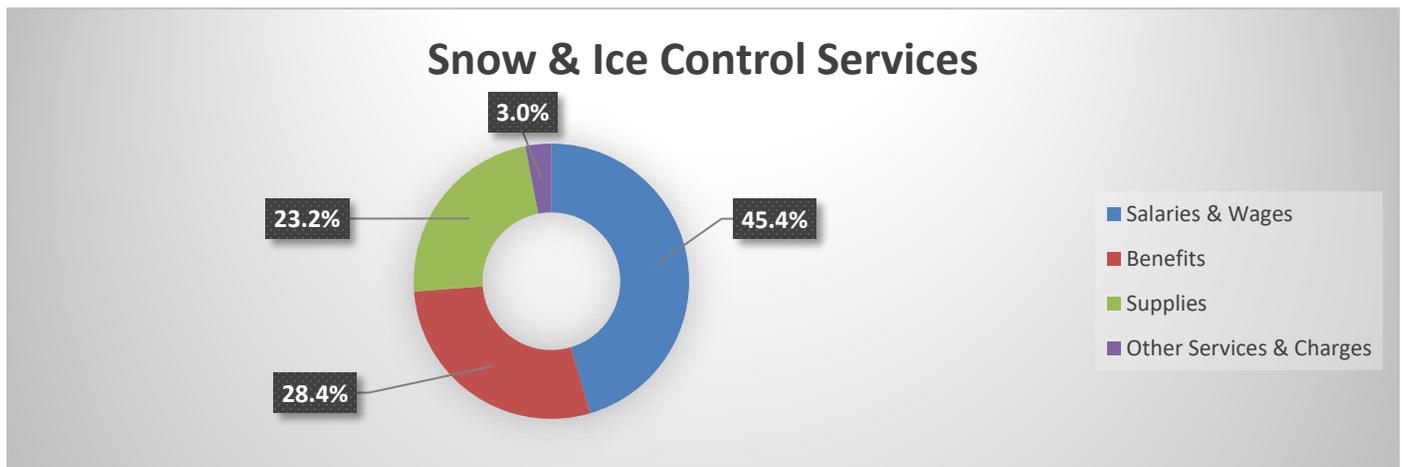


Figure Q

City Street and Road Expenditures cont.

	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Street Cleaning:					
Salaries	\$ 13,534	\$ 13,334	\$ 8,814	\$ 7,611	\$ 11,868
Benefits	\$ 8,446	\$ 9,086	\$ 4,594	\$ 3,445	\$ 5,031
Supplies	\$ 2,200	\$ 2,500	\$ 3,994	\$ 3,717	\$ 3,204
Services	\$ 500	\$ 500	\$ 100	\$ 597	\$ 291
Total Street Cleaning	\$ 24,680	\$ 25,420	\$ 17,501	\$ 15,371	\$ 20,393



Figure R

	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Road/Street Administration:					
Salaries	\$ 9,407	\$ 14,618	\$ -	\$ 28	\$ 4,931
Benefits	\$ 4,048	\$ 6,102	\$ -	\$ 24	\$ 1,540
Supplies	\$ 250	\$ 500	\$ 369	\$ -	\$ 82
Services	\$ 13,087	\$ 7,800	\$ 2,570	\$ 15,775	\$ 15,317
Total Road & Street Administration	\$ 26,792	\$ 29,020	\$ 2,939	\$ 15,826	\$ 21,869



Figure S

City Street and Road Expenditures cont.

	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Facilities Maintenance:					
Supplies	\$ 500	\$ 1,000	\$ -	\$ 913	\$ 1,386
Services	\$ 6,785	\$ 1,500	\$ 1,620	\$ 6,063	\$ 2,215
Total Facilities	\$ 7,285	\$ 2,500	\$ 1,620	\$ 6,976	\$ 3,602

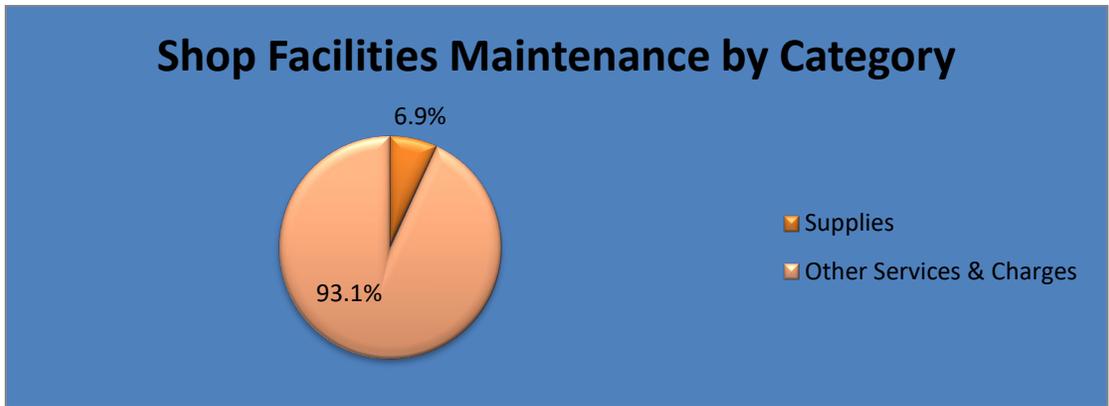


Figure T

Planning and Community Development:	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Salaries	\$ 8,162	\$ 10,609	\$ -	\$ 100	\$ 16,320
Benefits	\$ 4,398	\$ 5,567	\$ -	\$ 28	\$ 4,163
Supplies	\$ 500	\$ 500	\$ 2,187	\$ -	\$ 40
Services	\$ 13,750	\$ 500	\$ 998	\$ -	\$ 103
Capital Expenditures/Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Total Planning	\$ 26,810	\$ 17,175	\$ 3,185	\$ 128	\$ 20,625

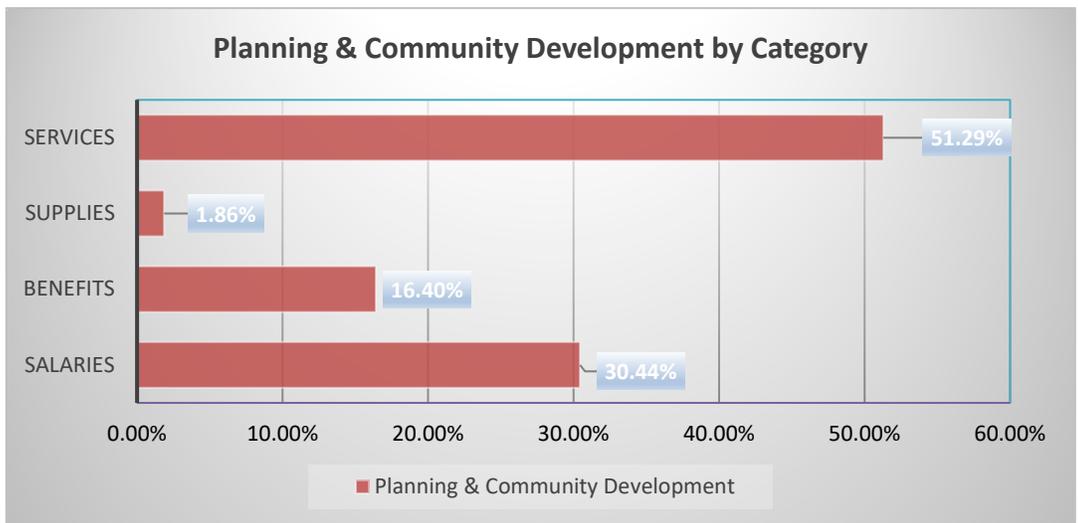


Figure U

City Street and Road Expenditures cont.

	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
TOTAL CITY STREET/ROAD FUND	\$ 426,884	\$ 389,882	\$ 415,386	\$ 355,584	\$ 254,318

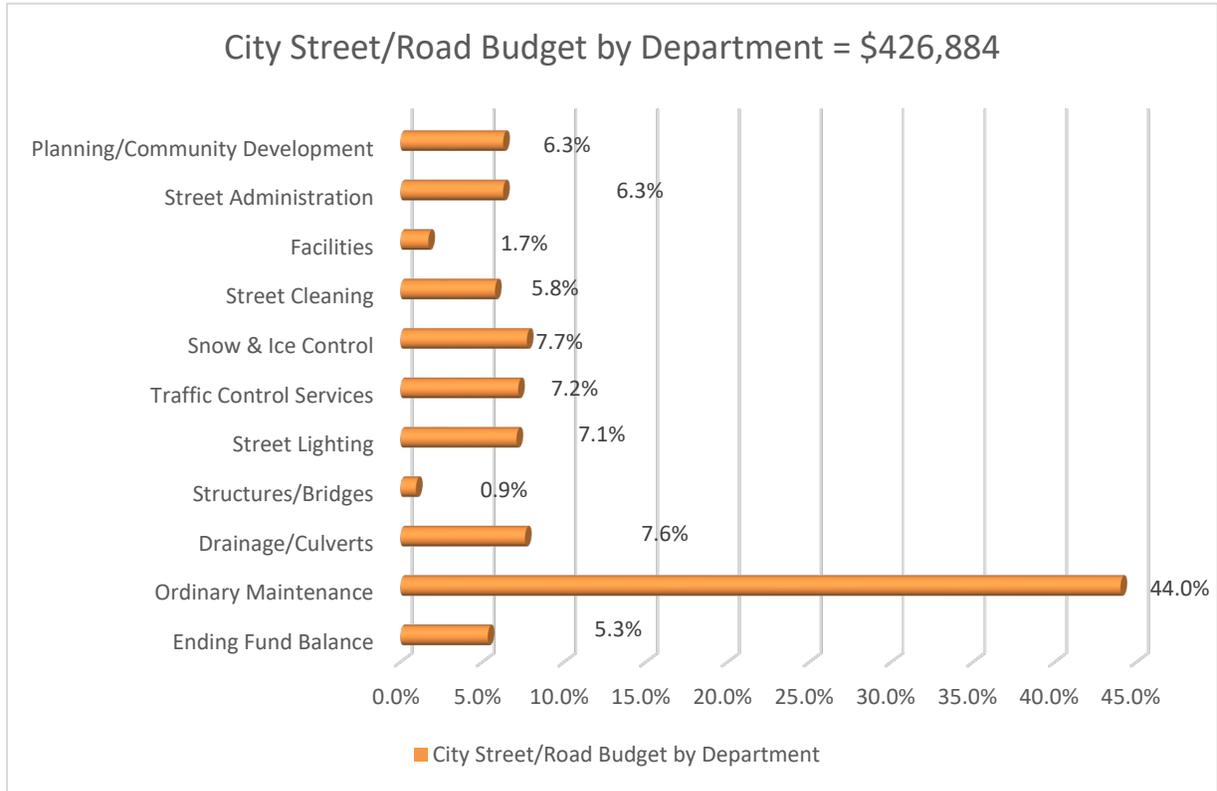


Figure V

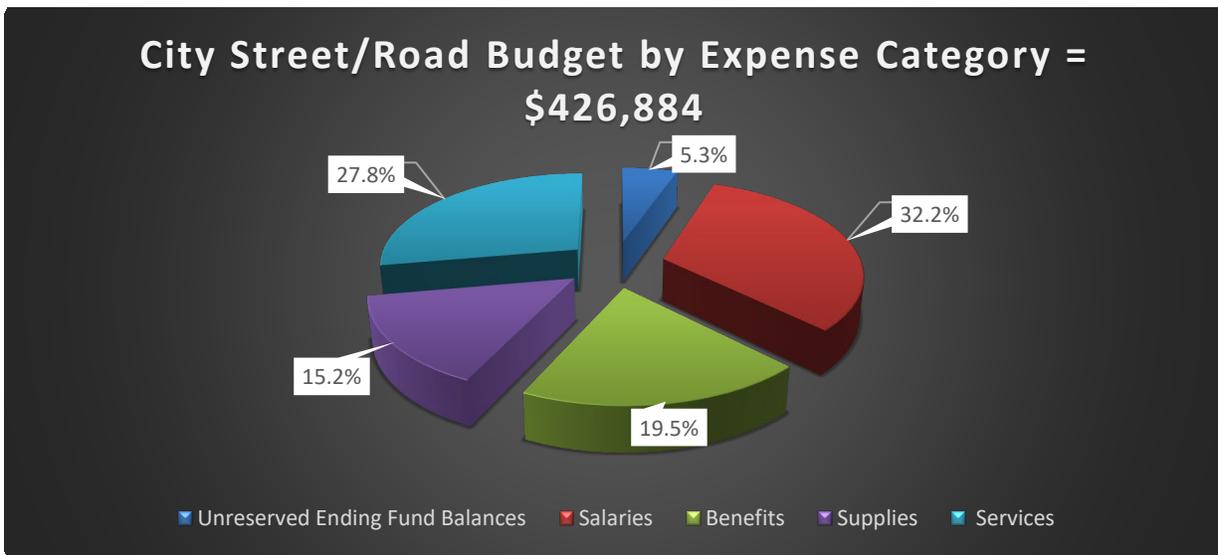


Figure W

106 HOTEL MOTEL EXCISE TAX

REVENUES	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Beginning Fund Balances:			\$ -	\$ 7,103	\$ 10,747
Reserved	\$ -	\$ 4,700	\$ 10,037	\$ -	\$ -
Reserved: City = 10%	\$ 3,618	\$ 5,800	\$ -	\$ -	\$ -
Taxes	\$ 40,276	\$ 55,000	\$ 66,566	\$ 61,924	\$ 66,582
Interest/ Miscellaneous Revenue	\$ -	\$ -	\$ 45	\$ 11	\$ 9
Total Hotel/Motel Excise Tax Fund	\$ 43,894	\$ 55,000	\$ 66,612	\$ 61,934	\$ 66,591

EXPENDITURES	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
Ending Fund Balances:			\$ -	\$ -	\$ -
Reserved	\$ -	\$ -	\$ 26,560	\$ 10,038	\$ 7,103
Reserved - City = 10%	\$ 2,395	\$ 4,600	\$ -	\$ -	\$ -
Total Ending Fund Balances	\$ 2,395	\$ 4,600	\$ 26,560	\$ 10,038	\$ 7,103
Salaries	\$ 3,500	\$ 4,500	\$ 3,474	\$ 1,891	\$ 2,171
Benefits	\$ 1,750	\$ 2,200	\$ 2,058	\$ 1,212	\$ 1,333
Services	\$ 36,249	\$ 54,200	\$ 44,557	\$ 55,898	\$ 66,733
Total Hotel/Motel Excise Tax Fund	\$ 43,894	\$ 65,500	\$ 76,649	\$ 69,038	\$ 77,340

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. The Finance Committee recommend, and the 2020 Budget withholds an additional ten percent (10%) to use towards other tourism and promotion 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 X

110 AFFORDABLE AND SUPPORTIVE HOUSING

<u>REVENUES</u>	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Reserved - Beginning Fund Balance	\$ 1,576	\$ -			
Taxes	\$ 2,880	\$ -			
Interest/ Miscellaneous Revenue	\$ -	\$ -			
Total Affordable/Supportive Housing	\$ 4,456	\$ -			

<u>EXPENDITURES</u>	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
Reserved - Ending Fund Balance	\$ -	\$ -			
Salaries	\$ -	\$ -			
Benefits	\$ -	\$ -			
Supplies	\$ 500	\$ -			
Services	\$ 3,956	\$ -			
Total Affordable/Supportive Housing	\$ 4,456	\$ -			

Narrative: The Affordable and Supportive Housing is a new program that was formed in 2019. A five members commission was created to serve as an advisory body to the City Council. The purpose for this program is to support the development of safe and affordable housing and related services in the City. The Commission is tasked with determining the gaps in Dayton's housing inventory and making recommendations to the Council on identified housing needs in our City. During the 2019 cycle, the State legislature authorized RCW 82.14.540, granting cities the option to utilize a portion of the state's sales and tax revenues earmarked specifically for the affordable and supportive housing programs. In February 2020, the City Council formally enacted legislation to take advantage of the funding opportunity to elevate the City's affordable and supportive housing efforts.

2021 Affordable & Supportive Housing Objectives:

- Marketing and Campaigning housing and development opportunities within Dayton
- Inventory and assess city-owned real property for affordable housing development potential

301 CAPITAL IMPROVEMENTS FUND

REVENUES	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual	2016 Actual
Beginning Net Cash & Investments:	\$ 106,000			\$ 281,277	\$ 163,016	\$ 137,272
Transportation Benefit District	\$ -	\$ 67,044	\$ 27,694	\$ -	\$ -	\$ -
Real Estate Excise Tax	\$ -	\$ 73,092	\$ 93,329	\$ -	\$ -	\$ -
Equipment Replacement	\$ 18,250	\$ 21,779	\$ 25,017	\$ -	\$ -	\$ -
Total Beginning Fund Balances	\$ 124,250	\$ 161,915	\$ 146,040	\$ 281,277	\$ 163,016	\$ 137,272
Taxes:					\$ 100,410	
Transportation Benefit District	\$ 70,000	\$ 67,000	\$ 76,924	\$ 77,292	\$ -	\$ 66,992
Real Estate Excise Tax	\$ 10,000	\$ 20,000	\$ 29,382	\$ 44,284	\$ -	\$ 23,030
Total Taxes	\$ 80,000	\$ 87,000	\$ 106,306	\$ 121,576	\$ 100,410	\$ 90,022
Other Revenues:						
Contributions and Donations from Nongovernmental Sources	\$ -	\$ -	\$ 24,168		\$ 8,160	\$ -
Miscellaneous Revenues	\$ -	\$ -	\$ 1,120	\$ 14,571	\$ 800	\$ 694
Intergovernmental Revenues	\$ -	\$ 211,000	\$ 86,618	\$ 744,287	\$ 1,048,168	\$ 290,362
Interfund Transfers - ERR	\$ -	\$ 7,250	\$ 7,250	\$ 14,029	\$ 36,835	\$ -
Interfund Loan - TBD	\$ -	\$ 74,000	\$ 71,500	\$ -	\$ 194,187	\$ -
Non-Voter Approved G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ 86,792	\$ -
Total Other Revenues	\$ -	\$ 292,250	\$ 190,656	\$ 772,887	\$ 1,374,942	\$ 291,056
Total Capital Improvement Fund	\$ 204,250	\$ 541,165	\$ 443,002	\$ 1,175,740	\$ 1,638,368	\$ 518,350

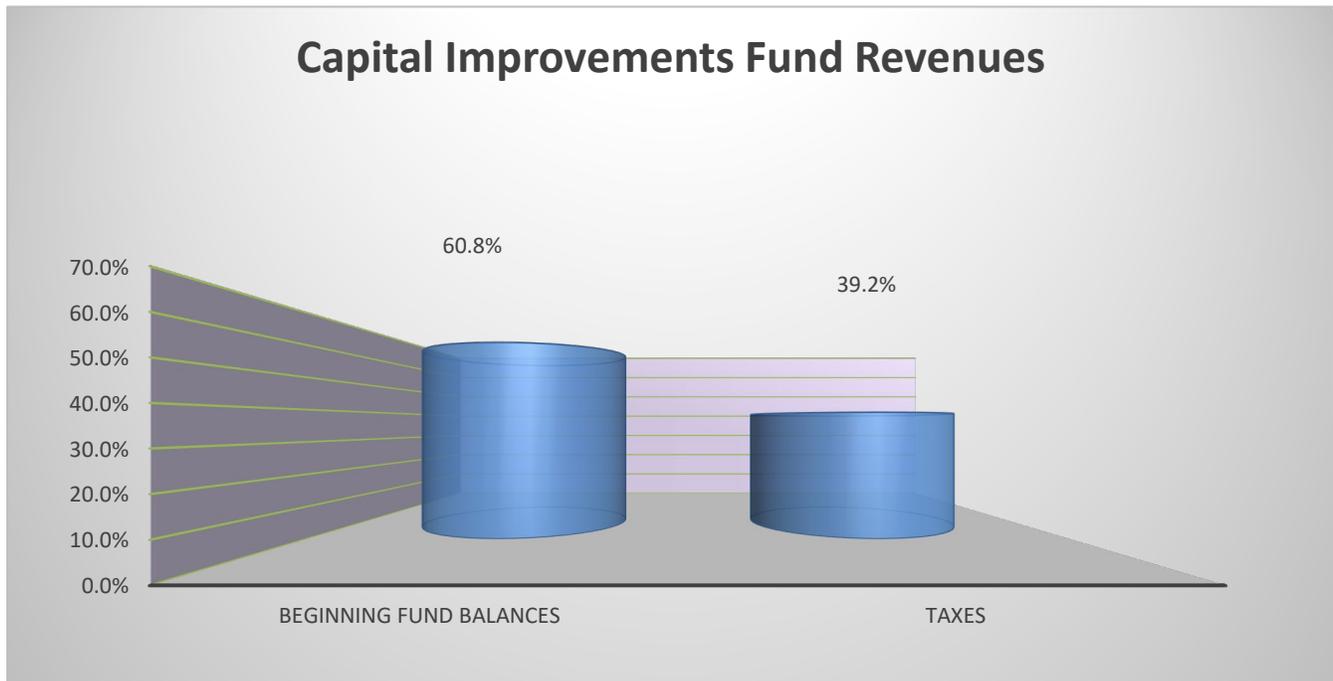


Figure Y

Capital Improvements Fund cont.

EXPENDITURES	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual	2016 Actual
Ending Fund Balances:				\$ 146,040	\$ 281,277	\$ 163,016
Transportation Benefit District	\$ -	\$ 43,161			\$ -	\$ -
Real Estate Excise Tax - Projects	\$ 35,153	\$ 58,092	\$ 63,423		\$ -	\$ -
Equipment Replacement - Sweeper	\$ -	\$ -			\$ -	\$ -
Equipment Replacement - Parks/Cemetery	\$ -	\$ 29,029	\$ 21,779		\$ -	\$ 27,644
Total Ending Fund Balances	\$ 35,153	\$ 130,282	\$ 85,202	\$ 146,040	\$ 281,277	\$ 190,660
Capital Expenditures/Expenses:			\$ 357,800	\$ 1,029,700	\$ 1,320,812	\$ 350,064
Transportation Benefit District Projects/Loan Repayments	\$ 69,920	\$ 375,883			\$ -	\$ -
Real Estate Excise Tax - Projects	\$ 41,000	\$ 35,000			\$ -	\$ -
Equipment Replacement - Park Mower	\$ 18,250	\$ -			\$ -	\$ -
Debt Service	\$ 39,927					
Total Capital Expenditures/Expenses	\$ 169,097	\$ 410,883	\$ 357,800	\$ 1,029,700	\$ 1,320,812	\$ 350,064
Total Capital Improvement Fund	\$ 204,250	\$ 541,165	\$ 443,002	\$ 1,175,740	\$ 1,602,089	\$ 540,723

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. Certain aspects of this Fund are limited by RCW and can only be utilized for capital improvements established within the City’s Growth Management Comprehensive Plan, 6-Year Capital Improvement Plan, and 6-Year Transportation Improvement Plans.

2021 Capital Improvement Fund’s Objectives:

- Annual loan payment towards the purchase of a new street sweeper
- Annual interfund loan payment towards the S. 1st St. and W. Main St. Improvements
- S. 3rd Street Sidewalk Replacement Project Interfund Loan Repayment
- Installation of Phase 4 of the automated sprinkler system in Pietryzcki Park - Fish Pond/Ball Field
- Complete the W. Cameron Street Seal Coat Project
- Park and Cemetery Equipment Replacement Reserves
- City Hall Deferred Maintenance Improvements
- E. Tremont Street BST Project

Capital Improvements Fund Expenses = \$204,250

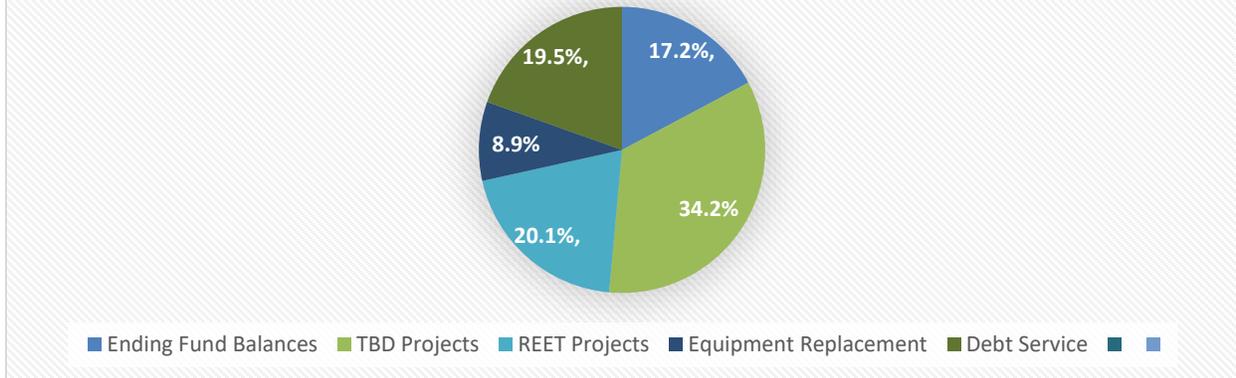


Figure Z

401 SEWER OPERATION & MAINTENANCE FUND, 402 SEWER CAPITAL IMPROVEMENT FUND, 414 WATER AND SEWER DEBT SERVICE FUND - SEWER PORTION

REVENUES	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
<u>Beginning Fund Balances:</u>					
Unreserved - Revenue Fund: 401	\$ -	\$ 26,000	\$ 123,477	\$ 146,867	\$ 307,936
Reserved - Revenue Fund: 401	\$ 114,000	\$ 114,000	\$ 114,000	\$ -	\$ -
Unreserved - Cumulative Reserve Fund: 402	\$ 189,000	\$ 250,000	\$ 220,754	\$ 260,767	\$ 152,863
Unreserved - Debt Service: 414	\$ -	\$ 172,411	\$ -	\$ 172,411	\$ -
Total Beginning Fund Balances	\$ 303,000	\$ 562,411	\$ 458,231	\$ 580,045	\$ 460,799
<u>Other Revenues:</u>					
Licenses and Permits	\$ -	\$ -	\$ 237	\$ 1,997	\$ 5,072
Charges for Goods & Services	\$ 1,116,000	\$ 1,033,126	\$ 1,047,225	\$ 939,374	\$ 872,840
Interest/ Miscellaneous Revenue	\$ 2,000	\$ -	\$ 8,586	\$ 15,167	\$ 3,140
Other Financing Sources	\$ -	\$ -	\$ 631	\$ -	\$ -
Dept. of Ecology Loan	\$ 790,000	\$ 304,800	\$ -	\$ -	\$ -
Revenue Bonds - S. 3rd/S. 4th Street Sewer Main Line	\$ 350,000	\$ 450,000	\$ -	\$ -	\$ 141,656
Total Other Revenues	\$ 2,258,000	\$ 1,787,926	\$ 1,056,679	\$ 956,538	\$ 1,022,708
TOTAL REVENUES	\$ 2,561,000	\$ 2,350,337	\$ 1,514,910	\$ 1,536,583	\$ 1,483,507

SEWER RATE INCREASES

The 2021 Budget includes a sewer utility rates increase of 10% or \$6.26 per residential unit located inside city limits for 2021. The City has not experienced an increase sewer utility rates since 2019. In 2020, the City Council delayed an increase in sewer utility rates in exchange for deferring capital improvement programs for one-year.

Throughout the 2020 Budget process, it was relayed that sewer utility rates increases would be necessary beyond

2020 to provide current operation and maintenance service levels; meet capital improvement and/or replacement priorities to keep up with the system's demands, and to mitigate system failures and interruption of services; and, meet outstanding debt service requirements.

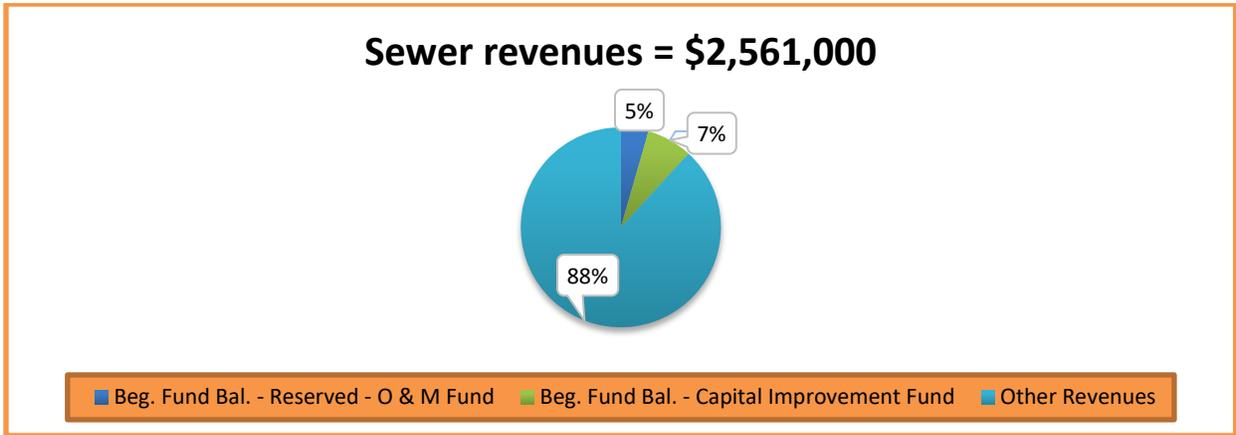


Figure AA

Sewer Operation and Maintenance (O & M) Fund 401 - Expenditures

	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
Ending Fund Balances:					
Unreserved - O & M Fund: 401	\$ -	\$ -	\$ 325,760	\$ 237,478	\$ 146,867
Reserved - O & M Fund: 401	\$ 130,000	\$ 71,959	\$ -	\$ -	\$ -
Total O & M Fund Ending Fund Balances	\$ 130,000	\$ 71,959	\$ 325,760	\$ 237,478	\$ 146,867
	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
Wastewater Treatment Plant: 401					
Salaries & Wages	\$ 85,186	\$ 88,702	\$ 92,344	\$ 87,743	\$ 81,198
Benefits	\$ 51,073	\$ 41,781	\$ 39,628	\$ 39,820	\$ 35,600
Supplies	\$ 20,830	\$ 19,685	\$ 13,190	\$ 32,696	\$ 18,154
Services	\$ 63,260	\$ 70,580	\$ 56,483	\$ 68,717	\$ 65,230
Total Wastewater Treatment Plant	\$ 220,349	\$ 220,748	\$ 201,645	\$ 228,976	\$ 200,181
	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
Utility Collection/Administration : 401					
Salaries & Wages	\$ 86,494	\$ 80,935	\$ 67,787	\$ 80,352	\$ 74,088
Benefits	\$ 42,909	\$ 33,013	\$ 30,937	\$ 29,668	\$ 28,128
Supplies	\$ 4,000	\$ 4,366	\$ 3,830	\$ 2,901	\$ 4,007
Services	\$ 43,700	\$ 41,080	\$ 43,135	\$ 45,532	\$ 37,165
Other Decreases in Funding Sources	\$ -	\$ -	\$ 1,510		
Total Sewer Administration	\$ 177,103	\$ 159,394	\$ 145,688	\$ 158,452	\$ 143,388
	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
Operations-General: 401					
Salaries & Wages	\$ 100,845	\$ 100,957	\$ 96,815	\$ 98,774	\$ 92,416
Benefits	\$ 88,647	\$ 48,070	\$ 46,936	\$ 43,848	\$ 40,956
Supplies	\$ 14,500	\$ 13,428	\$ 17,038	\$ 23,787	\$ 12,360
Services	\$ 51,029	\$ 31,611	\$ 24,872	\$ 66,280	\$ 29,346
Total Operations-General	\$ 255,021	\$ 194,066	\$ 185,661	\$ 232,689	\$ 175,078
Total Sewer Maintenance and Operations	\$ 782,473	\$ 625,419	\$ 899,116	\$ 881,343	\$ 812,303

Narrative: The Sewer Operation and Maintenance Fund provides for ongoing maintenance and operation of the City's sewer collection system and Wastewater Treatment Facility.

The Wastewater Treatment Plant's National Pollutant Discharge Elimination System (NPDES) Waste Discharge Permit No. WA0020729 effective October 1, 2011 and amended July 1, 2015 (Appendix A) established the City's effluent limits at a discharge rate not to exceed 750,000 gallons per day. On an average, the City discharges approximately 200,000 gallons per day.

The sanitary sewer collection system consists of approximately 86,514 lineal feet of collection mains. Based on 2019's gross revenue receipts and annual user charges for single-family residential unit (inside city), there were approximately 1395 residential equivalent units being served by the City of Dayton Wastewater Collection and Treatment Facilities into 2020.

Sewer utility collection and administration is also funded through the Sewer Operation and Maintenance Fund.

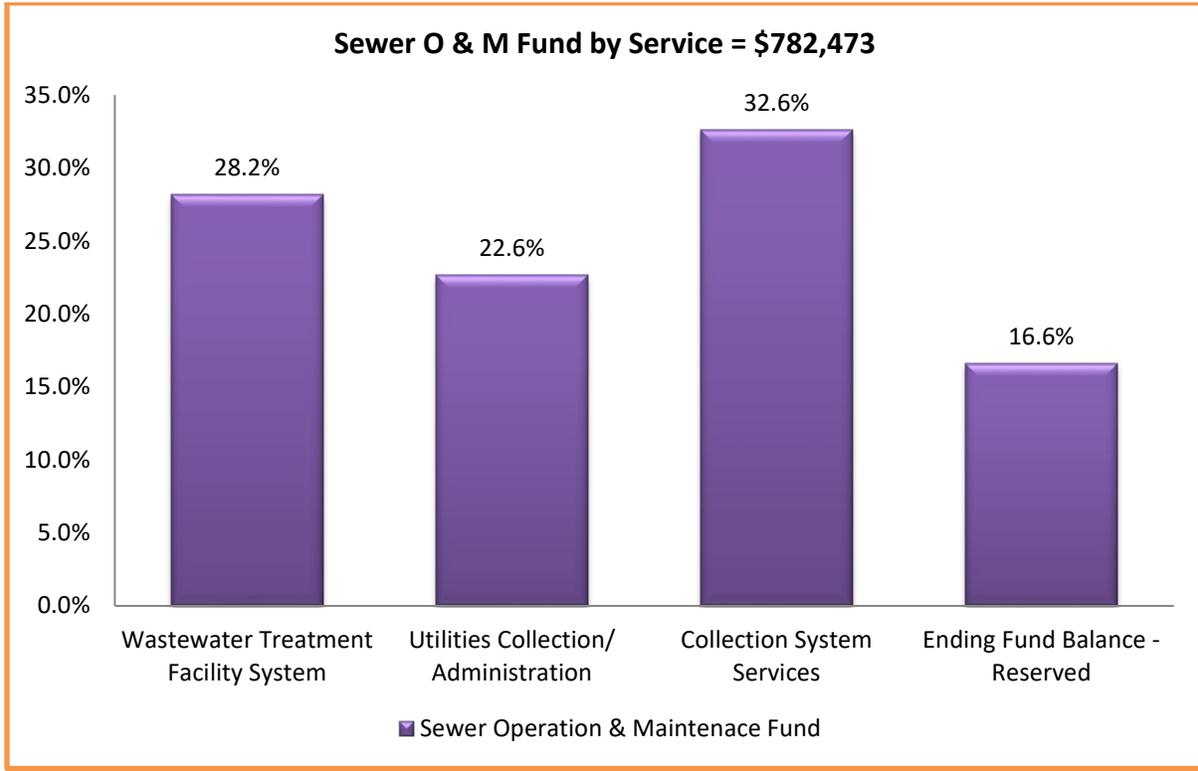


Figure BB

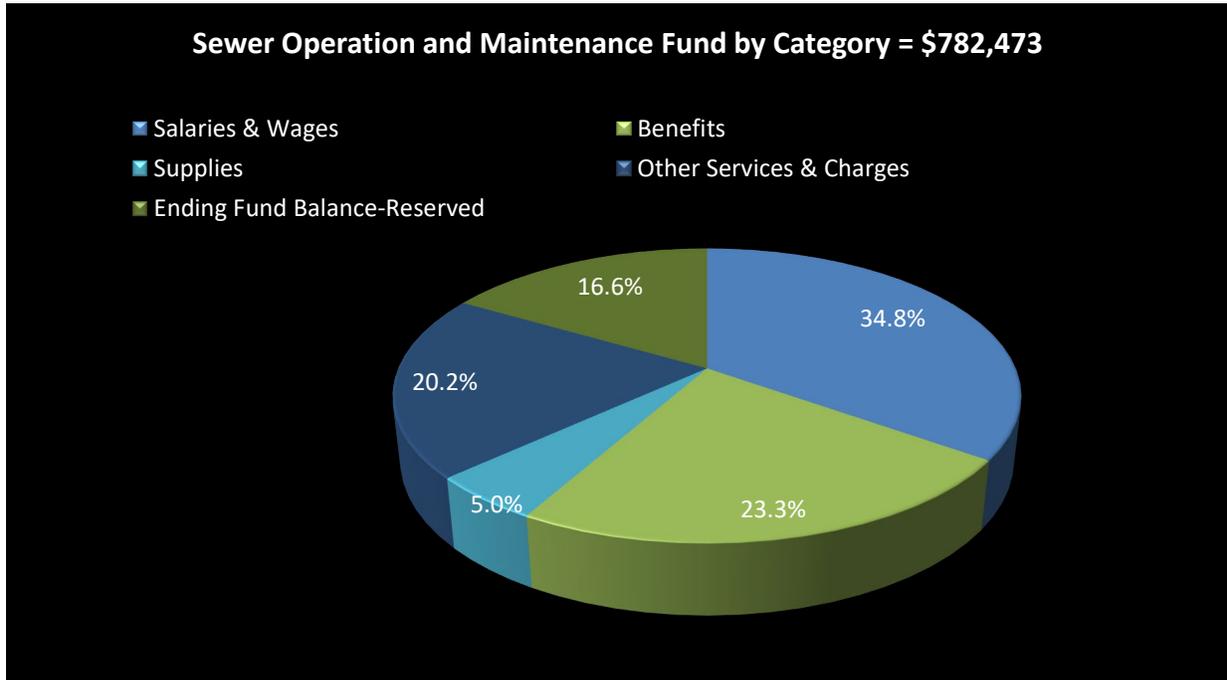


Figure CC

Sewer Capital Improvement Fund 402 - Expenditures

Ending Fund Balances:	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
Unreserved - Capital Improvement Fund: 402	\$ 80,577	\$ 100,000	\$ 238,753	\$ 220,754	\$ 260,767
Reserved - Capital Improvement Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Total Capital Improvement Fund	\$ 80,577	\$ 100,000	\$ 238,753	\$ 220,754	\$ 260,767
Capital Expenditures/Expenses: 402	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
Ending Fund Balance - S. 3rd St Sewer Line	\$ -	\$ 193,710	\$ -	\$ -	\$ -
Unreserved - Rolling Stock	\$ 42,737	\$ 99,227	\$ 39,549	\$ -	\$ -
WWTP - Preconstruction	\$ 790,000	\$ 304,800	\$ 51,306	\$ -	\$ -
WWTP - Land Acquisition	\$ 350,000				
Services - Videoing	\$ 50,000	\$ 25,000	\$ 8,117	\$ -	\$ 35,810
System/Equipment Reinvestment	\$ 117,012	\$ 118,622	\$ 14,539	\$ -	\$ 9,166
Levee Improvement Project	\$ 45,000				
Capital Improvements	\$ -	\$ 490,000		\$ 180,580	\$ 106,617
Total Capital Expenditures/Expenses	\$ 1,394,749	\$ 1,231,359	\$ 113,511	\$ 180,580	\$ 151,593
Total Capital Improvement Fund	\$ 1,475,326	\$ 1,331,359	\$ 352,264	\$ 401,334	\$ 412,360

NARRATIVE: The Sewer Capital Improvement Fund provides for major improvements to the City's collection and wastewater treatment systems. In 2021, the City anticipates expending approximately \$1.4 million on capital improvement projects including, but not limited to the sewer videoing project, Wastewater Treatment Facility Upgrade, S. 3rd Street Sewer Mainline Design and various rolling stock equipment.

Wastewater Treatment Plant Upgrade Project:

Background

The City of Dayton has been working diligently with Ecology in evaluating alternative wastewater treatment upgrade solutions needed to meet surface water quality standards. Alternatives for the treatment upgrades are limited by stringent Touchet River wasteload allocations as well as water rights constraints.

Previous alternatives Dayton pursued and invested in over the years included: 1) Producing reclaimed water to irrigate the existing city-owned golf course near the WWTP, but this option was precluded due to water rights impairment issues that would be identified in the water rights impairment analysis required for reclaimed water projects; and 2) Year-round land treatment and storage to remove discharge from the river; identified as the most technologically and economically feasible alternative based on a comprehensive Facilities Plan analysis, but this option became infeasible due to rising property purchase costs formerly considered viable.

The City, Anderson Perry & Associates, Inc., the Confederated Tribes of the Umatilla Indian Reservation (CTUIR), Washington Water Trust (WWT), Washington State Department of Ecology, State Representatives, and other local and state agencies (collectively referred as "Group" hereafter) have partnered, to evaluate innovative treatment alternative options to meet Ecology requirements for water quality standards and water rights as well as to provide a holistic, environmentally sustainable, cost-effective, solution for the Touchet River with expanded benefits to the river ecosystem.

The Group has been developing an innovative design alternative that Anderson Perry & Associates, Inc. has successfully employed in central Oregon under similar circumstances. The Group has also been in contact with several programs in Ecology's Eastern Regional Office for their input, with Water Quality Program (WQP) Permit Unit staff as the primary point of contact.

Proposed Innovative Design Alternative

At its core, the proposed upgrade alternative includes the following design elements.

- Advanced secondary treatment facilities for year-round treatment.
- Seasonal tertiary treatment using an unlined constructed wetland system with hydraulic continuity to the Touchet River.
- Constructed treatment wetlands designed to provide enhanced nutrient removal and cooling of the advanced secondary system discharge.
- Final alternative design is expected to include expanded benefits through multiple projects to restore wetlands and floodplains areas to improve habitat and river functions.

Progress on the Innovative Alternative

- The Group began monthly meetings to streamline communications and coordination to meet Ecology requirements and deadlines as well as overall environmental goals for the Walla Walla Watershed and the Dayton community.
- Anderson Perry, Inc. submitted a Technical Memorandum assessing the feasibility of the proposed constructed wetlands alternative based on company experience with successful projects and in absence of state guidance for designing such systems.
- WWT prepared a draft report providing an initial evaluation of potential constructed wetlands sites, and a second report with further evaluation of specific sites.
- The reports were submitted to the WQP Permit Unit for review. Based on discussion with the WQP Section Manager, a path forward has been identified and the project proposal has subsequently gone through reviews several DOE Program Units, and overall feedback concluded in support of further development of the proposed alternative.

At this time, Dayton has asked for more formal feedback from Ecology in hopes of getting a reasonable level of assurance that the proposed alternative is feasible in terms of meeting all Ecology requirements. The city requested feedback before proceeding to detailed design to invest their limited funds wisely in a WWTP upgrade that Ecology can review, provide reasonable comments, and eventually approve as appropriate.

2021 Capital Improvement Expenses/Expenditures = \$1,475,326

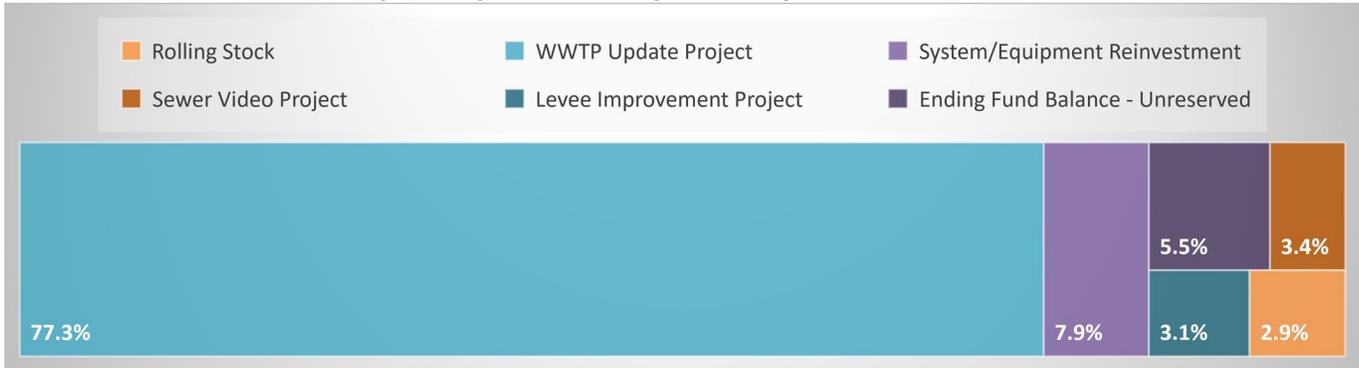


Figure DD

Water & Sewer (W & S) Debt Service Fund 414 - Sewer Portion Expenditures

Water and Sewer Debt Service - Sewer portion: 414	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
Ending Fund Balance - Debt Service	\$ -	\$ -		\$ -	\$ -
Water/Sewer/GO Revenue Bonds	\$ 303,201	\$ 272,811	\$ 299,128	\$ 284,479	\$ 284,970
Interfund Loan Repayment	\$ -	\$ -	\$ -	\$ -	\$ 8,413
<i>Total Water and Sewer Debt Service - Sewer portion</i>	<i>\$ 303,201</i>	<i>\$ 272,811</i>	<i>\$ 299,128</i>	<i>\$ 284,479</i>	<i>\$ 293,383</i>

Narrative: The Debt Service Fund is used to repay all outstanding proprietary debt.

	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
TOTAL SEWER EXPENDITURES	\$ 2,561,000	\$ 2,350,337	\$ 1,513,401	\$ 1,575,377	\$ 1,457,460

**403 WATER REVENUE (OPERATION AND MAINTENANCE) FUND
404 WATER CUMULATIVE RESERVE (CAPITAL IMPROVEMENT) FUND
414 WATER AND SEWER DEBT SERVICE FUND - WATER PORTION**

WATER REVENUES					
REVENUES	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Beginning Fund Balances:					
Reserved - Water Revenue Fund: 403	\$ 109,008	\$ 109,008	\$ 109,008	\$ -	\$ -
Unreserved - Revenue Fund: 403	\$ -	\$ 31,882	\$ 135,083	\$ 135,729	\$ 124,094
Unreserved - Cumulative Reserve Fund: 404	\$ 325,000	\$ 429,380	\$ 247,828	\$ 639,789	\$ 170,919
Unreserved - Debt Service:414	\$ -	\$ 99,625	\$ 31,970	\$ 53,250	
Total Beginning Fund Balances	\$ 434,008	\$ 669,895	\$ 523,889	\$ 828,768	\$ 295,013
Other Revenues					
Licenses and Permits	\$ -	\$ -	\$ 10,145	\$ 2,908	\$ 3,075
Charges for Goods & Services	\$ 1,095,000	\$ 991,980	\$ 1,021,470	\$ 919,196	\$ 859,001
Non-Court Fines and Penalties	\$ -	\$ 25,000	\$ 27,389	\$ 27,632	\$ 28,693
Interest/ Miscellaneous Revenue	\$ 3,000	\$ 4,000	\$ 17,838	\$ 43,641	\$ 9,678
Other Financing Sources	\$ -	\$ -	\$ 2,631	\$ -	\$ -
Revenue Bonds Issued	\$ -	\$ -	\$ -	\$ -	\$ 799,344
Total Other Revenues	\$ 1,098,000	\$ 1,020,980	\$ 1,079,473	\$ 993,377	\$ 1,699,791
Total Water Operation & Maintenance Fund	\$ 1,532,008	\$ 1,690,875	\$ 1,603,362	\$ 1,822,145	\$ 1,994,804

WATER UTILITY RATE INCREASES

The City of Dayton has not increased water utility rates since 2018. As noted in the 2020 Budget, the City deferred capital improvement projects in exchange for foregoing water utility rate increases in fiscal years 2019 and 2020. The 2020 Budget also made it clear that water utility rates increases would be necessary beyond 2020 to provide current operation and maintenance service levels; meet capital improvement and/or replacement needs to not only keep up with the system's demands, but to mitigate system failures and interruption of services; and, meet outstanding debt service requirements.

In 2021 the City Council will determine debt load versus the "pay as you go" approach to determine water utility rate levels beyond 2021 in effort to meet the City's capital improvement plan.

Rates increases are never easy , but they are a necessity to keep up with the water system's needs. The proposed water utility rate increase for fiscal year 2021 is 10%, OR, \$4.40 per month per residential unit located within city limits with a standard 1" or less water meter (Appendix A).

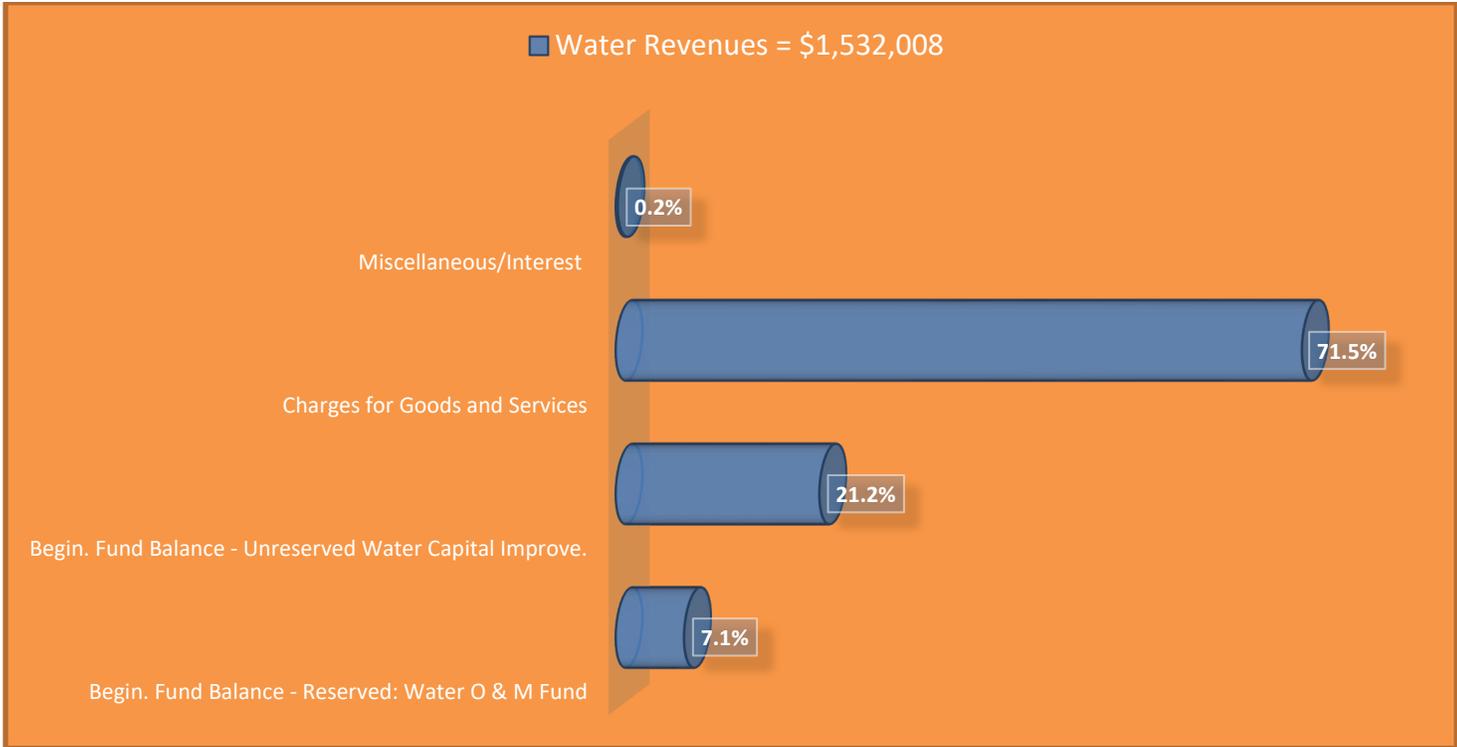


Figure EE

Water Revenue (Operation and Maintenance) Fund 403 - Expenditures

	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Ending Fund Balances					
Reserved - O & M Fund: 403	\$ 120,000	\$ 109,008	\$ -	\$ -	\$ -
Unreserved - O & M Fund: 403	\$ -	\$ 5,067	\$ 362,404	\$ 244,091	\$ 135,729
Total Ending Fund Balances	\$ 120,000	\$ 114,075	\$ 362,404	\$ 244,091	\$ 135,729
	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Utility Collection/Accounting					
Salaries & Wages	\$ 86,494	\$ 79,450	\$ 100,162	\$ 87,260	\$ 68,632
Benefits	\$ 42,909	\$ 36,117	\$ 45,318	\$ 33,943	\$ 25,614
Supplies	\$ 3,000	\$ 5,182	\$ 3,033	\$ 3,113	\$ 4,764
Services	\$ 94,100	\$ 74,598	\$ 75,751	\$ 73,669	\$ 63,904
Other Decreases in Funding Sources	\$ -	\$ -	\$ 1,482		
Total Utility Accounting	\$ 226,503	\$ 195,347	\$ 224,263	\$ 197,984	\$ 162,914
	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Operations-General					
Salaries & Wages	\$ 128,530	\$ 138,817	\$ 129,196	\$ 126,234	\$ 119,915
Benefits	\$ 109,599	\$ 76,509	\$ 60,434	\$ 59,492	\$ 55,097
Supplies	\$ 32,500	\$ 33,273	\$ 35,681	\$ 34,322	\$ 30,489
Services	\$ 201,164	\$ 219,865	\$ 145,052	\$ 220,861	\$ 200,336
Total Operations	\$ 471,793	\$ 468,464	\$ 370,363	\$ 440,909	\$ 405,837
	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Planning					
Salaries & Wages	\$ -	\$ -	\$ 177	\$ -	\$ 8,060
Benefits	\$ -	\$ -	\$ 108	\$ -	\$ 2,174
Supplies	\$ -	\$ -	\$ -	\$ -	\$ 724
Services	\$ -	\$ -	\$ -	\$ -	\$ 2,058
Total Water Planning	\$ -	\$ -	\$ 285	\$ -	\$ 13,017
Total Water O & M Fund	\$ 818,296	\$ 777,886	\$ 957,315	\$ 882,984	\$ 717,497

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, and 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. There are 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. There is also 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.

The operational portion of the Water Department falls under the auspices of the Public Works Department and administration falls under the Administrator's Department; both departments are operated by the Water Operation and Maintenance Fund.

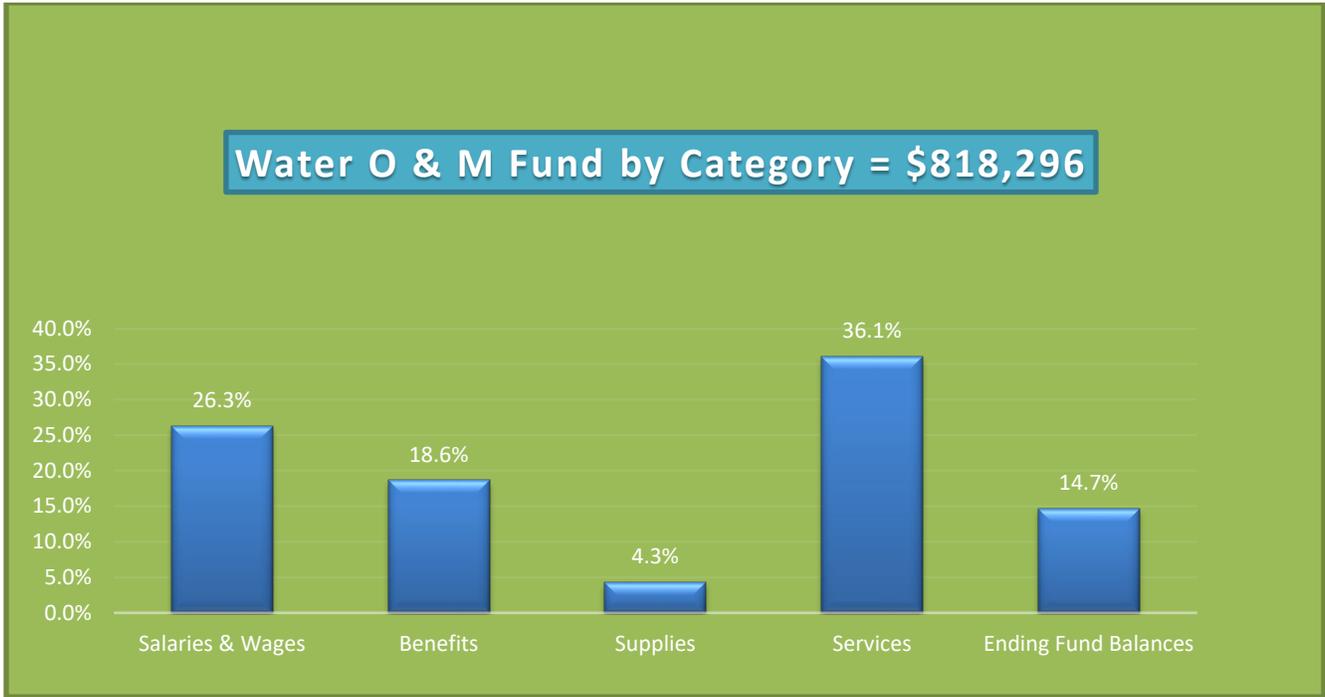


Figure FF

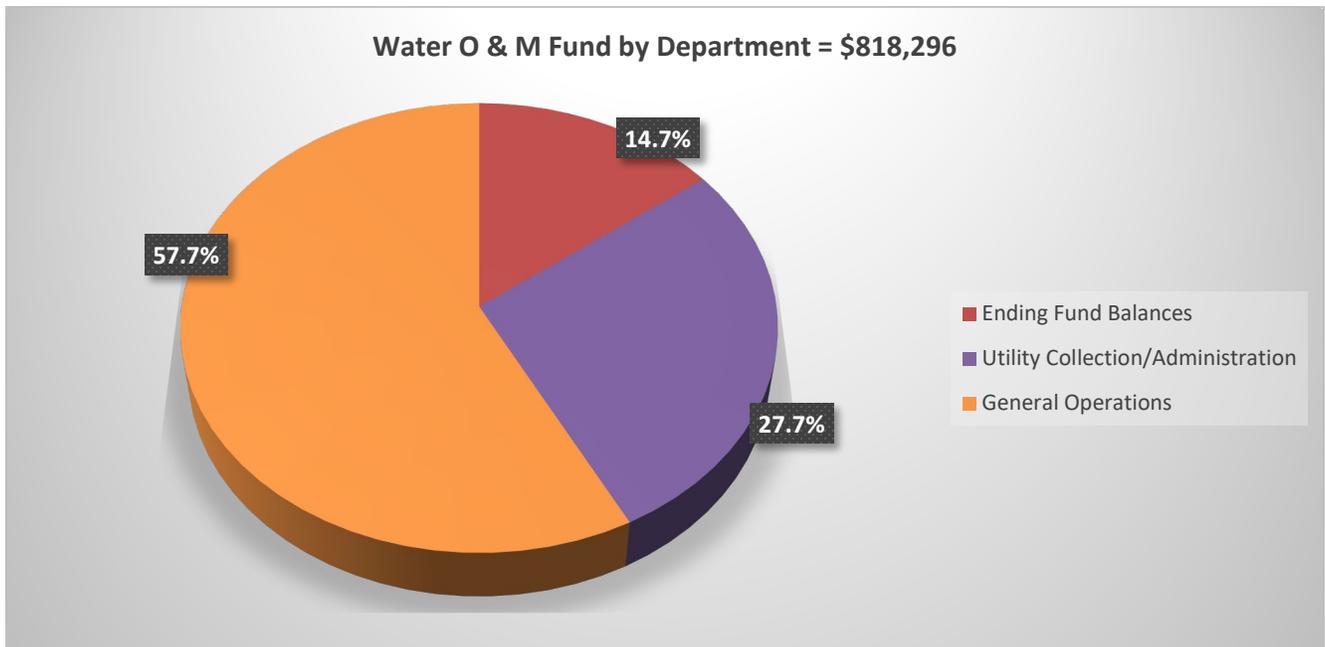


Figure GG

Water Cumulative Reserve (Capital Improvement) Fund 404 - Expenditures

	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Ending Fund Balances					
Unreserved - Capital Improvement Fund: 404	\$ 135,000	\$ -	\$ 295,125	\$ 247,828	\$ 639,789
Total Ending Fund Balances	\$ 135,000	\$ -	\$ 295,125	\$ 247,828	\$ 639,789
Capital Expenditures/Expenses	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Professional Services	\$ 20,000	\$ 62,000	\$ 11,435	\$ 73,277	\$ 33,688
Rolling Stock Replacement	\$ 94,362	\$ 122,400	\$ 42,368		\$ 16,259
System Reinvestment	\$ 178,100	\$ 291,677	\$ 11,953	\$ 364,637	\$ 327,092
Total Capital Expenditures/Expenses	\$ 292,462	\$ 476,077	\$ 65,756	\$ 437,914	\$ 377,039
Total Water Capital Improvement Fund	\$ 427,462	\$ 476,077	\$ 360,881	\$ 685,742	\$ 1,016,828

Narrative: The Water Cumulative Reserve (Capital Improvement) Fund provides for major improvements to the City's water system. In 2021, the City anticipates expending approximately \$292,000 on capital improvement projects for the City's water system.

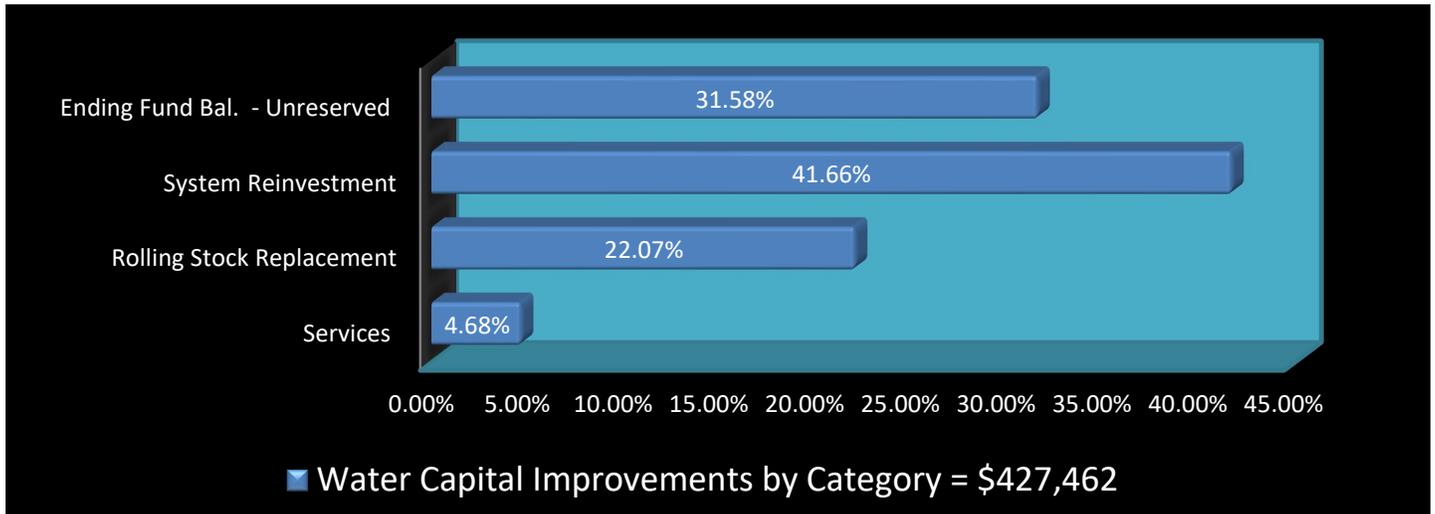


Figure HH

2021 Water Capital Improvement Fund Objectives:

- Continue updating the water system's asset inventory.
- Maintain reserve to assist with the levee improvement program.
- Complete the Energy Audit research to determine if the installation of automated water meter readers and replacement program is a cost-benefit project to implement.
- Research and improve city-wide fire suppression system, specifically hydrants.

W & S Debt Service Fund 414 – Water Portion

	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Debt Service					
Water/Sewer/GO Bonds	\$ 286,250	\$ 337,287	\$ 276,009	\$ 235,981	\$ 234,483
Interfund Loan Repayment	\$ -	\$ -	\$ -	\$ -	\$ 10,824
Total Debt Service	\$ 286,250	\$ 337,287	\$ 276,009	\$ 235,981	\$ 245,307

	2021 Projected	2020 Projected	2019 Actual	2018 Actual	2017 Actual
Total Water System Expenditures	\$ 1,532,008	\$ 1,690,875	\$ 1,601,881	\$ 1,804,708	\$ 2,119,091

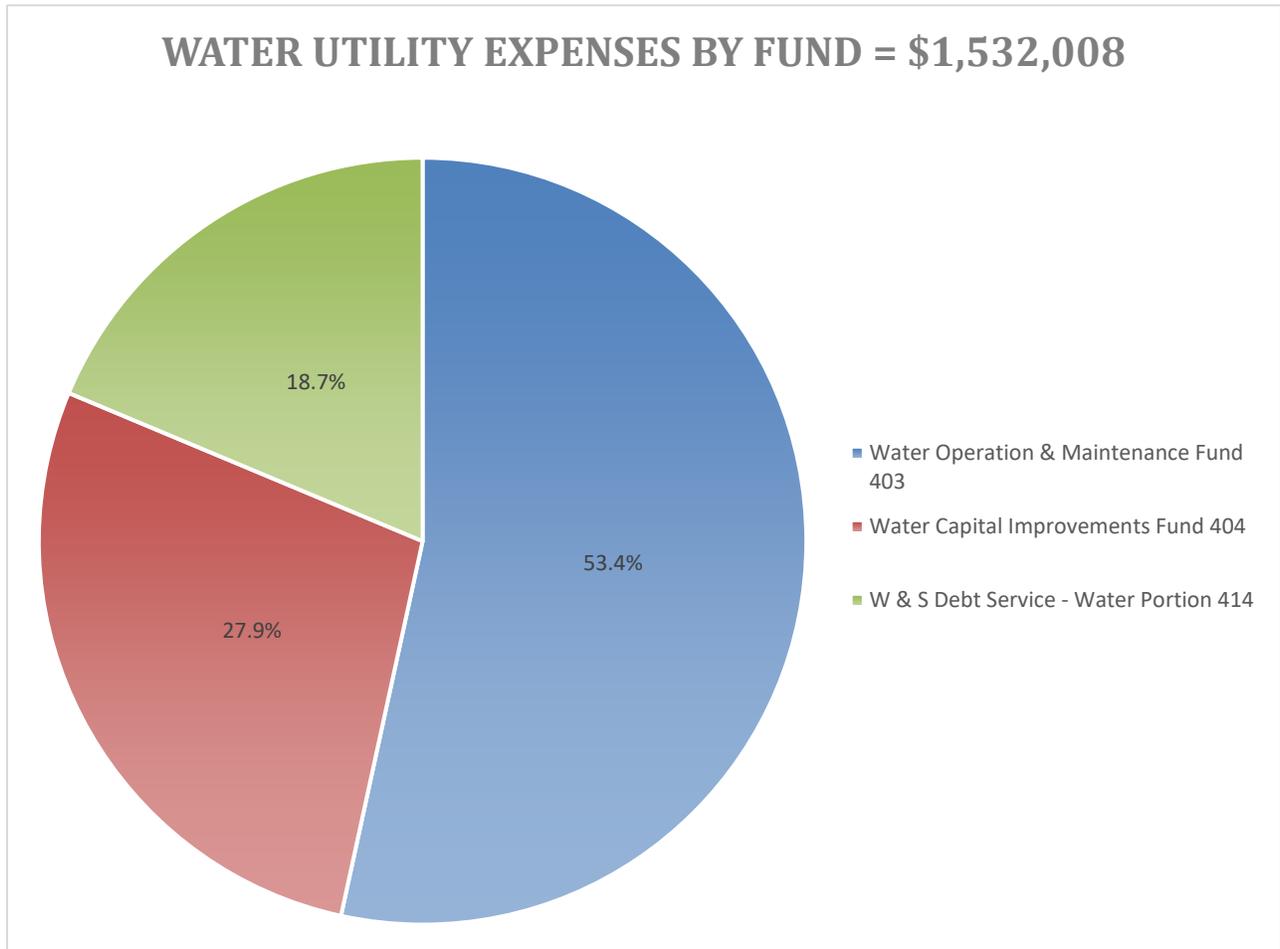


Figure II

413 WATER & SEWER BOND RESERVE FUND

REVENUES	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
Beginning Fund Balance - Reserved	\$ 211,500	\$ 504,257	\$ 504,257	\$ 504,257	\$ 398,179
Total Debt Service Reserve Fund	\$ 211,500	\$ 504,257	\$ 504,257	\$ 504,257	\$ 398,179
EXPENDITURES	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual
Ending Fund Balance - Reserved	\$ 211,500	\$ 504,257	\$ 504,257	\$ 504,257	\$ 398,179
Total Debt Service Reserve Fund	\$ 211,500	\$ 504,257	\$ 504,257	\$ 504,257	\$ 398,179

NARRATIVE: As required by water and sewer revenue bond covenants, the City must maintain a debt reserve totaling approximately one full payment for each bond obligation until bond obligations have been met, that is, until both principal and interest has been paid off. The bond reserve for 2021 has been considerably reduced. This reduction is due to the reserve requirements as part of the 2020A, B, and C Water and Sewer Refunding Bond Project.

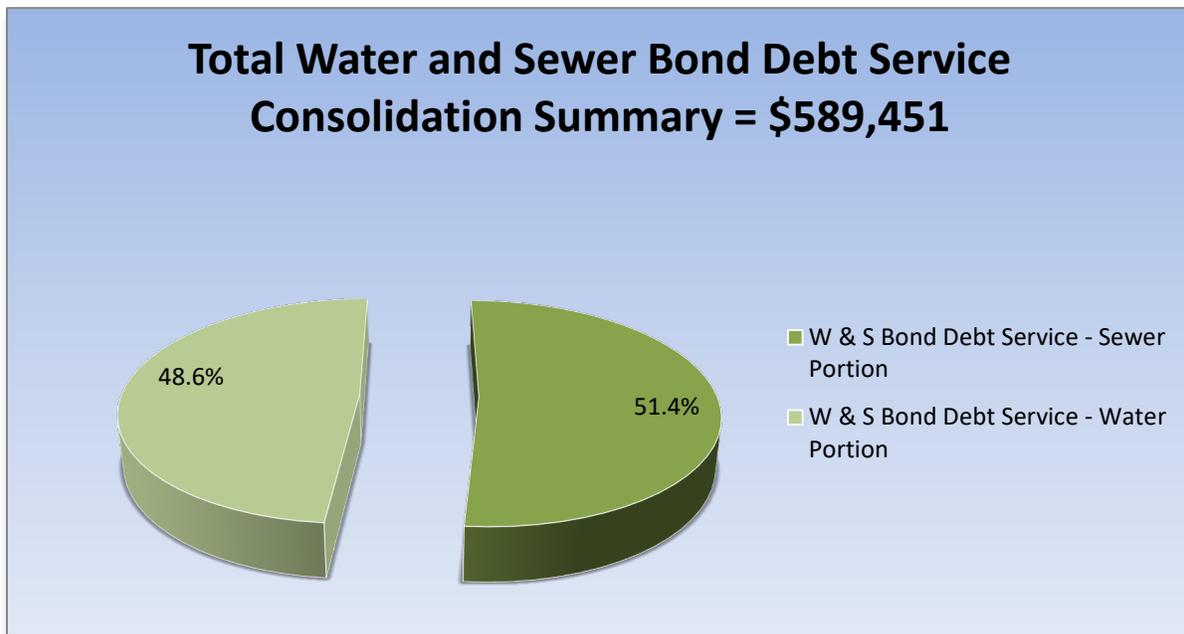


Figure II

Debt Service Summary

In 2020, the City paid off the 2004 USDA Water Revenue Bond, Phase 1 and refinanced the USDA Water Revenue Bond - Phase 11, 2010 Refunding Water and Sewer Revenue Bonds, and the 2017 Junior Lien Water and Sewer Revenue Bonds. The City now has three outstanding Water and Sewer Revenue Bonds, two non-voted, general obligation bond, three (3) Interfund Loan and two (2) Public Works Board Loans consisting of water debt. Below is a table that provides a list of these debts, the 2021 debt service payments including principal and interest and the outstanding principal balances as of 12/31/2020 as follows:

Debt Service	2021 Debt Service Payments including Principal & Interest	Principal Balance as of 12/31/2021	Pay-Off Date
General Obligation Non-Voted Bond:			
2017 Street Sweeper	\$ 11,957	\$ 43,248	6/1/2025
2007 S. 3rd Street Sewer Project	\$ 14,322	\$ 13,377	03/15/22
Sub-Total	\$ 26,280	\$ 56,625	
Public Works Board Debts:			
2001 Water System Improvements	\$ 26,333	\$ -	06/01/21
2004 Water System Improvements	\$ 11,410	\$ 10,971	06/01/22
Sub-Total	\$ 37,743	\$ 10,971	
Interfund Loans:			
S. 3rd Street Sidewalk Replacement	\$ 15,126	\$ 59,415	12/31/25
2017 Street & Road Improvements	\$ 15,040	\$ 43,197	09/30/20
E. Clay Street Improvements	\$ 12,927	\$ 48,776	04/30/25
Sub-Total	\$ 27,967	\$ 91,974	
Water & Sewer Revenue Bonds:			
2020A Refunding Bonds	\$ 69,767	\$ 1,126,762	12/01/44
2020B Refunding Bonds	\$ 333,534	\$ 648,723	12/01/23
2020C Refunding Bonds	\$ 134,044	\$ 799,585	06/01/28
Sub-Total	\$ 537,345	\$ 1,448,308	
Total	\$ 629,334	\$ 1,607,878	

701 CEMETERY ENDOWMENT FUND

REVENUES	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual	2016 Actual
Beginning Fund Balance - Reserved	\$ 231,457	\$ 218,352	\$ 332,218	\$ 233,814	\$ 382,446	\$ 335,000
Charges for Goods & Services	\$ -	\$ -	\$ 2,195	\$ 2,210	\$ 920	\$ -
Loan Repayments	\$ 37,100	\$ 96,855	\$ 12,846	\$ 99,194	\$ 32,501	\$ 34,500
Total Cemetery Endowment Fund	\$ 268,557	\$ 315,207	\$ 347,259	\$ 335,218	\$ 415,866	\$ 369,500
EXPENDITURES	2021 Projected	2020 Projected	2019 Estimated	2018 Actual	2017 Actual	2016 Actual
Ending Fund Balance - Reserved	\$ 268,557	\$ 241,207	\$ 278,759	\$ 335,218	\$ 233,814	\$ 369,500
Interfund Loan	\$ -	\$ 74,000	\$ 71,500	\$ -	\$ 182,052	\$ -
Total Cemetery Endowment Fund	\$ 268,557	\$ 315,207	\$ 350,259	\$ 335,218	\$ 415,866	\$ 369,500

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. From time to time, this fund is also used to perform capital improvement projects through an interfund loan process (BARS Cash Manual Section 3.9.1). Current Funds owing the Cemetery Endowment Fund is as follows:

703 PATHWAY ENDOWMENT FUND

REVENUES	2020 Projected	2019 Estimated	2018 Actual	2017 Actual	2016 Actual
Beginning Fund Balance - Reserved	\$ 9,002	\$ 9,002	\$ 9,002	\$ 9,002	\$ 9,000
Total Pathway Endowment Fund	\$ 9,002	\$ 9,002	\$ 9,002	\$ 9,002	\$ 9,000
EXPENDITURES	2020 Projected	2019 Estimated	2018 Actual	2017 Actual	2016 Actual
Ending Fund Balance - Reserved	\$ 9,002	\$ 9,002	\$ 9,002	\$ 9,002	\$ 9,000
Total Pathway Endowment Fund	\$ 9,002	\$ 9,002	\$ 9,002	\$ 9,002	\$ 9,000

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.

2021 CITY OF DAYTON BUDGET = \$6,518,685

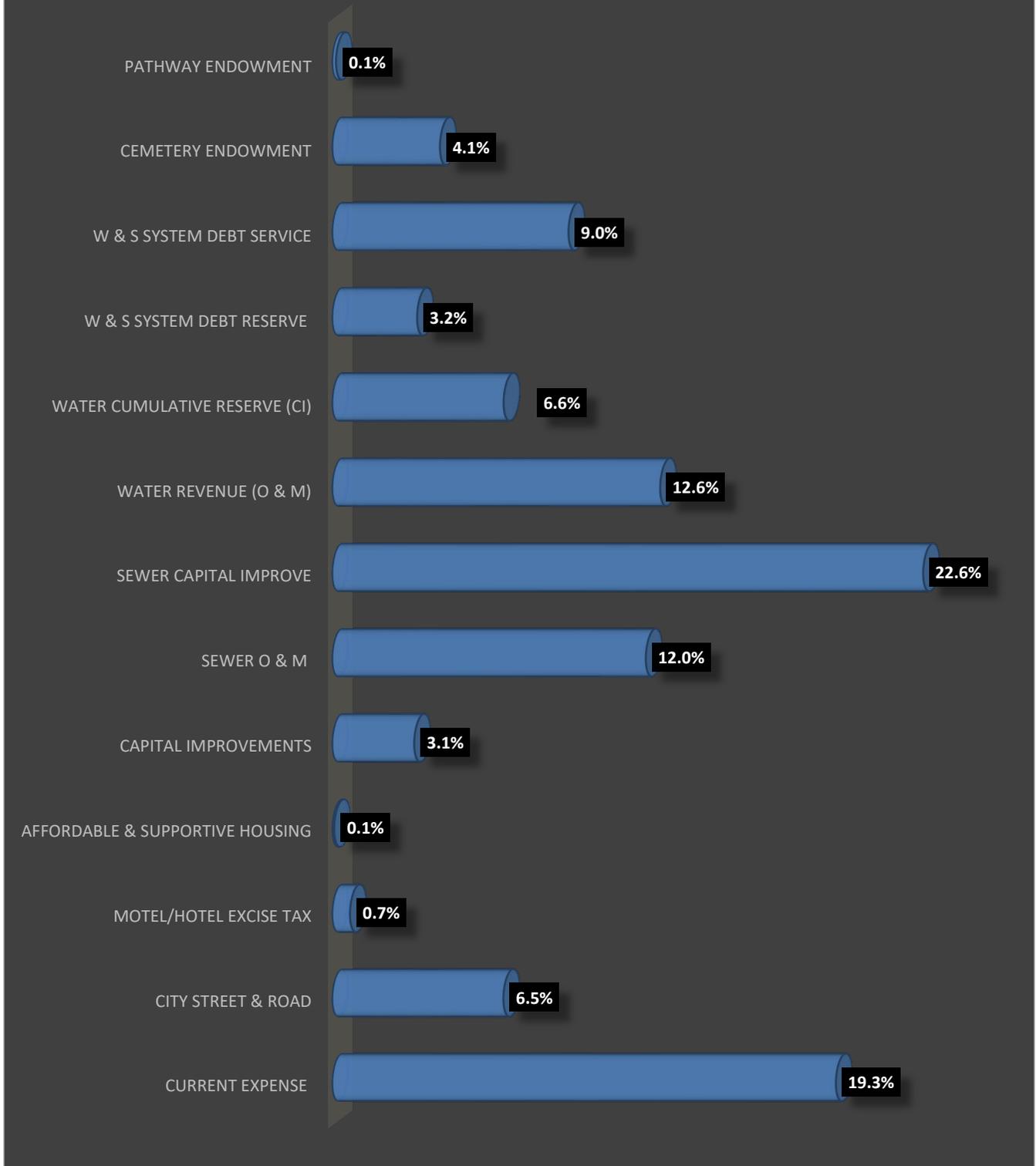


Figure JJ

GLOSSARY OF TERMS:

BARS

Office of the Washington State Auditor Budgeting, Accounting, Reporting System Cash Manual

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 Chief Administrative Officer (Mayor) 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

Interest and principle payments on debt.

Debt Service

The type of fund that accounts for the payment of debt service on obligations of the city.

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 Activities

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.

Maintenance

Activities that ensure that the facility and its structures remain, as nearly as practical, in its original, as constructed condition or its subsequent improved condition.

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 8.4%.

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 services, 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.

