



2008 – 2009 Proposed Budget --- Budget Summary General Fund – Non-Departmental

2008 – 2009 General Fund – Non-Departmental

Revenues

- **Property Taxes - Current** --- 100% allocation of the City's \$5.02 operating permanent rate.
 - ~\$500,000 increase in operating property taxes due to an estimated 5.6% assessed valuation increase over 2007 - 2008 assessed value.

- **McMinnville Water & Light Payment In-Lieu of Tax** --- No Change

- McMinnville Water & Light's payment in-lieu of tax to the City is projected to remain flat which seems to be due to Water & Light's heavy emphasis on conservation projects throughout their service area.



- **State Shared Revenues** --- Oregon state shared revenues provide a significant supplement to the General Fund property tax supported operations.
 - **Oregon State Cigarette Taxes** --- \$60,000
 - **Oregon State Revenue Sharing** --- \$230,000
 - **Oregon State Liquor Taxes** --- \$340,000

➤ **Transfers In:**

- **Transfers In from City operating funds other than General Fund** --- to support General Fund non-directly allocated personnel; i.e., primarily Administration, Finance, Engineering - \$918,514.
- **Transfers In from City operating funds associated with the Community Development Center (CDC)** --- supporting the CDC's operating costs --- \$18,800.

- **Transfers In from eliminated property tax funds** --- one-time-only transfers to "fold" all property tax supported operations into the General Fund.
 - **Fire Fund** --- \$1,955,000
 - **Parks & Recreation Fund** --- \$1,425,000
 - **Improvements Fund** --- \$1,080,000
- **Transfer In from Insurance Services Fund** --- premium savings from directly purchasing insurance coverages from City County Insurance Services --- \$35,000.

Expenditures

- **Debt Service** --- The debt service for the 7-year full-faith and credit obligations to fund public safety projects previously paid from the Improvements Fund.

➤ **Transfers Out:**

- **Transfer Out – Building Fund** --- this transfer "closes out" the Building Division's operations in the General Fund and sets up a separate enterprise fund for building fee revenues and expenditures - \$700,000.
- **Transfer Out – Ambulance Fund** --- The property tax subsidy for the Ambulance Fund has been reduced to just cover the purchase of a new ambulance - \$155,000.

Short- and Long-Term Issues

- **Short-Term Issues** --- Addressed by 2008 – 2009 Proposed Budget.
- **Long-Term Issues** --- Continued ability to fund General Fund services at increased service levels.



General Fund – Non-Departmental --- Historical Highlights

1876 McMinnville incorporates as a town on October 20, 1876 with a Board of Trustees.

1882 McMinnville incorporates as a city with a Mayor and City Council.



1916 Voters establish original operating property tax base which could rise 6% per year and by 1988, the last year of the levy, has risen to \$257,070.

1980 First library operations 3-year serial levy passed - \$45,000 per year.

1985 Second library operations 3-year serial levy passed - \$65,000 per year.

1986 First police, library, and transportation 3-year serial levy passed. - \$300,000 per year.

1988 March election passed library operations 1-year serial levy - \$80,000 per year.

1988 November 1988 general election, "Life McMinnville Style" new tax base passed - \$1,775,000. Replaced original City tax base and several serial levies routinely used to supplement operations for police, library, transportation, street repair, traffic signals, community center operations, and parks and recreation.



1990 November 1990 general election, Oregon voters passed Measure 5 limiting non-school property tax rates to \$10.00 per thousand of assessed value.

1996 November 1996, Oregon voters passed Measure 47 rolling back assessed values two years and limiting yearly assessed value increases to 3% unless significant improvements made to property.

1997 January and February 1997, City Council, Budget Committee, and Department Heads review city provided services and develop a budget reduction plan to address Measure 47/50 which included significant budget cuts and fee increases.

1997 May 1997, Oregon voters passed Measure 50 to "clean up" Measure 47 inconsistencies. Measure 50 established district permanent tax rates to be computed by the infamous "black box".



1997 Fall 1997, City receives results of Measure 47/50 "black box" - City's permanent rate \$5.02

2000 First year City levies entire \$5.02 per thousand assessed value permanent rate.

2002 November 2002 general election local option levy proposal of \$1.78 per thousand of assessed value fails.



General Fund – Non-Departmental --- Historical Highlights

2003 Due to extreme financial pressures in the steel industry and rising power costs, Cascade Steel Rolling Mills requested a limit to the heavy industrial user class franchise fee growth to 2002 – 2003 plus 3% annual growth. City Council ratified request with Resolution 2003-14, which called for review in May 2006.



2005 Transfers of ~\$328,000 into the General Fund from Funds that the Engineering and Planning Departments provide service helped purchase the OMI Regional Building for a total of \$1,065,000; which will become the new Community Development Center.

2006 Following the Community Choices Project, the 2006 – 2007 Proposed Budget added three police officer positions and one planning position. These staff additions have required a re-adjustment of the property tax allocation raising the General Fund levy by \$200,000 over the 3% normal growth factor.



2006 First year in recent memory that the McMinnville Water & Light (W&L) payment in lieu of tax budgeted a lower dollar amount than previous year. Research indicates trend due to extensive conservation initiatives W&L has undertaken over the last several years.



2007 Implementation of Logos.net financial system established “non-assigned” revenues in Non-Departmental classification.

2008 All operating permanent rate, **\$5.02** property tax supported funds folded into the General Fund; i.e., Fire, Parks & Recreation, and Improvements Funds.

Budget Document Report

01 - GENERAL FUND

2006 ACTUAL	2007 ACTUAL	2008 AMENDED BUDGET	Department :99 - NON-DEPARTMENTAL Section :N/A Program :N/A	2009 PROPOSED BUDGET	2009 APPROVED BUDGET	2009 ADOPTED BUDGET
RESOURCES						
PROPERTY TAXES						
0	0	0	4100 Property Taxes	0	0	0
3,491,739	3,857,650	3,908,507	4100-05 Property Taxes - Current \$9,538,000 2008-2009 Permanent operating property tax levy, \$5.02 per thousand (\$763,040) Less: Uncollectible taxes - 8%. \$8,774,960 2008-2009 Current Property Taxes	8,774,960	8,774,960	8,774,960
80,244	167,397	175,000	4100-10 Property Taxes - Prior Collections on delinquent property taxes due from prior year permanet rate property tax levies.	345,000	345,000	250,000
3,571,983	4,025,048	4,083,507	TOTAL PROPERTY TAXES	9,119,960	9,119,960	9,024,960
LICENSES AND PERMITS						
0	0	0	4205 Franchise Fees	0	0	0
1,631,010	1,685,421	1,650,000	4205-05 Franchise Fees - McMinnville Water & Light McMinnville Water and Light Department payment-in-lieu-of property tax: 6% residential, commercial, and "regular" industrial users, 3% special class of heavy industrial users - presently only Cascade Steel Rolling Mills and Liquide Air.	1,575,000	1,575,000	1,675,000
76,443	72,648	72,500	4205-10 Franchise Fees - Verizon NW-Telephone Original Verizon NW telephone 4% franchise fee with additional E-911 3% franchise fee dedicated to the Emergency Communications Fund.	60,000	60,000	60,000
0	0	0	4205-11 Franchise Fees - Verizon NW-Cable General Fund Verizon NW 2.75% cable franchise fee allocation with the remaining 2.25% cable franchise fee allocated to the Telecommunications Fund to support McMinnville Community Media's operation of public access Channel 11.	2,000	2,000	2,000
118,842	127,616	125,000	4205-15 Franchise Fees - Comcast Communications-Cable General Fund Comcast Communications 2.75% cable franchise fee allocation with the remaining 2.25% cable franchise fee allocated to the Telecommunications Fund to support McMinnville Community Media's operation of public access Channel 11.	130,000	130,000	130,000
108,153	115,483	115,000	4205-20 Franchise Fees - Western Oregon Waste - Valley Western Oregon Waste - Valley waste collection franchise fee is 5%.	120,000	120,000	120,000
135,697	159,946	170,000	4205-25 Franchise Fees - Northwest Natural NW Natural gas franchise fee is 3%.	170,000	170,000	170,000

Budget Document Report

01 - GENERAL FUND

2006 ACTUAL	2007 ACTUAL	2008 AMENDED BUDGET	Department :99 - NON-DEPARTMENTAL		2009 PROPOSED BUDGET	2009 APPROVED BUDGET	2009 ADOPTED BUDGET
			Section :N/A				
			Program :N/A				
3,404	2,985	3,000	4490	Licenses & Permits - Misc	3,000	3,000	3,000
			Finance Department collects per license:				
			\$25 Liquor license endorsement per year.				
			50 Taxi service license per year,				
			5 Taxi driver permit per year				
			3 Bicycle license for three years - General Fund allocation				
			2 Downtown commercial or service vehicle permit per month				
			20 Dance application				
			50 Dance license - maximum one-year fee \$100				
			50 Pawn broker per year.				
2,073,548	2,164,100	2,135,500	TOTAL LICENSES AND PERMITS		2,060,000	2,060,000	2,160,000
INTERGOVERNMENTAL							
0	1,270	0	4545	Federal FEMA Grant	0	0	0
53,206	54,331	55,000	4720	OR State Cigarette Taxes	60,000	60,000	55,000
State Shared Revenue --- Statutory distribution of 2 cents of the 68 cents of state imposed tax on cigarette sales which is distributed monthly on a per capita basis to Oregon cities.							
207,365	216,319	225,000	4730	OR State Revenue Sharing	230,000	230,000	245,000
State Shared Revenue --- Statutory distribution of 14% of the Oregon Liquor Control Commission (OLCC) tax distributed quarterly to Oregon cities on a formula basis which compares populations, per capita incomes, and consolidated property tax levies.							
302,938	317,832	325,000	4750	OR State Liquor Taxes	340,000	340,000	350,000
State Shared Revenue --- Statutory distribution of 20% of the OLCC tax which is distributed monthly on a per capita basis to cities.							
563,510	589,753	605,000	TOTAL INTERGOVERNMENTAL		630,000	630,000	650,000
MISCELLANEOUS							
202,309	256,707	165,300	6310	Interest	257,700	257,700	257,700
4,733	38,786	500	6600	Other Income	500	500	500
Miscellaneous City revenue.							
207,042	295,493	165,800	TOTAL MISCELLANEOUS		258,200	258,200	258,200
TRANSFERS IN							
0	0	0	6900	Transfers In	0	0	0
9,135	8,155	4,938	6900-05	Transfers In - Special Assessments	7,143	7,143	7,143
Transfer from Special Assessment Fund for personnel cost allocations for Administration and Finance services.							

Budget Document Report

01 - GENERAL FUND

2006 ACTUAL	2007 ACTUAL	2008 AMENDED BUDGET	Department :99 - NON-DEPARTMENTAL			2009 PROPOSED BUDGET	2009 APPROVED BUDGET	2009 ADOPTED BUDGET
			Section :N/A					
			Program :N/A					
189,604	128,393	131,550	6900-20	Transfers In - Street		131,702	131,702	131,702
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>	
				Engineering, Admin, & Finance personal support services transfer	1	127,852	127,852	
				Street Fund support of Community Development Center operations	1	3,850	3,850	
44,076	28,189	27,418	6900-25	Transfers In - Airport		33,730	33,730	33,730
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>	
				Engineering, Admin, & Finance personal services support transfer	1	32,970	32,970	
				Street Fund support of Community Development Center operations	1	760	760	
0	125,000	125,000	6900-31	Transfers In - Improvements		1,080,000	1,080,000	1,060,000
				Transfer from Improvements Fund that "closes out" the separate property tax allocation to the Improvements Fund. Starting with 2008-2009 fiscal year, all the City's permanent property tax operating rate of \$5.02 per thousand of assessed valuation is allocated 100% to General Fund.				
32,832	31,237	39,318	6900-32	Transfers In - Fire		1,955,000	1,955,000	1,925,000
				Transfer from Fire Fund that "closes out" the separate property tax allocation to the Fire Fund. Starting with 2008-2009 fiscal year, all the City's permanent property tax operating rate of \$5.02 per thousand of assessed valuation is allocated 100% to General Fund.				
102,964	76,580	70,304	6900-34	Transfers In - Parks & Recreation		1,425,000	1,425,000	1,475,000
				Transfer from Parks & Recreation Fund that "closes out" the separate property tax allocation to the Parks & Recreation Fund. Starting with 2008-2009 fiscal year, all the City's permanent property tax operating rate of \$5.02 per thousand of assessed valuation is allocated 100% to General Fund.				
0	0	30,528	6900-40	Transfers In - Public Safety Facilities Const		40,851	40,851	40,851
				Transfer from Public Safety Facilities Construction Fund for personnel cost allocations for Administration, Finance, and Community Development Director engineering services.				
136,636	101,131	107,239	6900-45	Transfers In - Transportation		108,551	108,551	108,551
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>	
				Engineering, Admin & Finance personal services support transfer	1	104,541	104,541	
				Street Fund support of Community Development Center operations	1	4,010	4,010	
36,951	18,868	15,676	6900-50	Transfers In - Park Development		55,955	55,955	55,955
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>	
				Parks Admin & Maint, Admin, & Finance personal services support	1	54,825	54,825	
				Street Fund support of Community Development Center operations	1	1,130	1,130	

Budget Document Report

01 - GENERAL FUND

2006 ACTUAL	2007 ACTUAL	2008 AMENDED BUDGET	Department :99 - NON-DEPARTMENTAL Section :N/A Program :N/A	2009 PROPOSED BUDGET	2009 APPROVED BUDGET	2009 ADOPTED BUDGET
0	0	0	6900-70 Transfers In - Building Transfer from the new Building Fund for personnel cost allocations for Administration and Finance services and Community Development Director management.	51,166	51,166	51,166
244,884	170,076	183,009	6900-75 Transfers In - Wastewater Services	190,530	190,530	190,530
			<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>
			Engineering, Admin & Finance personal services support transfer	1	185,080	185,080
			Street Fund support of Community Development Center operations	1	5,450	5,450
166,606	100,774	115,033	6900-77 Transfers In - Wastewater Capital	122,102	122,102	122,102
			<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>
			Engineering, Admin & Finance personal services support transfer	1	118,502	118,502
			Street Fund support of Community Development Center operations	1	3,600	3,600
147,233	128,654	145,423	6900-79 Transfers In - Ambulance Transfer from Ambulance Fund for personnel cost allocations for Administration and Finance services. This transfer includes 1.00 FTE for the A/R Billing Coordinator and .60 FTE for A/R Billing Specialist who bill and collect for all EMS transports and Fire Fees.	149,533	149,533	149,533
76,434	85,105	84,234	6900-85 Transfers In - Insurance Services	81,051	81,051	46,051
			<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>
			Administration personal services support	1	21,775	21,775
			Finance personal services support	1	24,276	24,276
1,187,355	1,002,162	1,079,670	TOTAL TRANSFERS IN	5,432,314	5,432,314	5,397,314
7,603,438	8,076,555	8,069,477	TOTAL RESOURCES	17,500,474	17,500,474	17,490,474

Budget Document Report

01 - GENERAL FUND

2006 ACTUAL	2007 ACTUAL	2008 AMENDED BUDGET	Department :99 - NON-DEPARTMENTAL Section :N/A Program :N/A	2009 PROPOSED BUDGET	2009 APPROVED BUDGET	2009 ADOPTED BUDGET
REQUIREMENTS						
DEBT SERVICE						
0	0	0	9450 2002 Public Safety COP	0	0	0
0	0	0	9450-05 2002 Public Safety COP - Principal - June 1 Seventh and final year of annual principal payment of 7-year public safety full faith and credit financing.	205,000	205,000	205,000
0	0	0	9450-10 2002 Public Safety COP - Interest - Dec 1 Seventh year semi-annual interest of 7-year public safety certificates of participation financing.	3,845	3,845	3,845
0	0	0	9450-15 2002 Public Safety COP - Interest - June 1 Seventh year semi-annual interest of 7-year public safety certificates of participation financing.	3,845	3,845	3,845
0	0	0	TOTAL DEBT SERVICE	212,690	212,690	212,690
TRANSFERS OUT						
0	0	0	9700 Transfers Out	0	0	0
393,750	393,750	375,000	9700-15 Transfers Out - Emergency Communications City YCOM support also funded 10% by Ambulance Fund.	500,890	500,890	500,890
			<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>
			Police portion of YCOM support - 85% of City support	1	471,750	471,750
			Fire portion of YCOM support - 5% of City support	1	29,140	29,140
0	6,470	5,284	9700-20 Transfers Out - Street Transfer to Street Fund for personnel cost allocations is eliminated as Street Fund personnel costs directly allocated to Park Maintenance through payroll.	0	0	0
0	180,890	0	9700-31 Transfers Out - Improvements	0	0	0
16,529	16,044	12,215	9700-34 Transfers Out - Parks & Recreation Transfer to Parks & Recreation Fund for personnel cost allocations is eliminated as the Parks and Recreation Fund is "folded into" the General Fund for 2008-2009.	0	0	0
0	0	0	9700-40 Transfers Out - Public Safety Facilities Constrt Transfer to the Public Safety Facilities Construction Fund of insurance proceeds to supplement design additions for the McMinnville Civic Hall and connecting Plaza.	45,000	45,000	45,000
0	0	0	9700-70 Transfers Out - Building Transfer to new Building Fund that "closes out" the Building Division's fund balance in the General Fund to the new "stand alone" Building Fund.	700,000	700,000	800,000
0	0	0	9700-79 Transfers Out - Ambulance Property tax subsidy to Ambulance Fund primarily due to shrinking Medicare and Medicaid payment schedules. This is the fifth year of a property tax subsidy to the Ambulance Fund.	155,000	155,000	155,000
Budget Note: Transfer property tax subsidy "sized" to pay for new ambulance purchase in 2009 Proposed Budget.						

Budget Document Report

01 - GENERAL FUND

2006 ACTUAL	2007 ACTUAL	2008 AMENDED BUDGET	Department :99 - NON-DEPARTMENTAL Section :N/A Program :N/A	2009 PROPOSED BUDGET	2009 APPROVED BUDGET	2009 ADOPTED BUDGET
163,739	180,929	178,328	9700-80 Transfers Out - Information Systems Transfer to Information Systems and Services Fund for personnel cost allocations for computer support for the General Fund departments.	211,914	211,914	211,914
574,018	778,083	570,827	<u>TOTAL TRANSFERS OUT</u>	1,612,804	1,612,804	1,712,804
<u>CONTINGENCIES</u>						
0	0	313,500	9800 Contingencies	750,000	750,000	750,000
0	0	313,500	<u>TOTAL CONTINGENCIES</u>	750,000	750,000	750,000
<u>ENDING FUND BALANCE</u>						
0	0	0	9901 Designated End FB - General Fd	0	0	0
501,239	557,761	625,000	9901-05 Designated End FB - General Fd - Building Division	0	0	0
23,230	23,230	23,230	9901-10 Designated End FB - General Fd - Lanouette Endowment Designated Ending Fund Balance for the Lanouette Nonexpendable Trust corpus established to benefit Library Children's Programs.	23,230	23,230	23,230
0	0	0	9901-20 Designated End FB - General Fd - Aquatic Center Designated cash "saved" toward future Aquatic Center's major mechanical systems replacements - first year of savings - presently estimated ~\$300,000 - \$500,000.	100,000	100,000	100,000
0	0	0	9932-10 Designated End FB - Fire Fd - Vehicle Reserve Designated cash carryover "saved" as a vehicle reserve toward a future fire engine purchase - four year savings. Designated cash carryover "saved" from the 2007-2008 fiscal year as a vehicle reserve toward a future fire engine purchase - three year savings. The next fire engine scheduled to be purchased will cost approximately \$400,000.	200,000	200,000	200,000
3,651,134	3,955,139	2,124,773	9999 Unappropriated Ending Fd Balance Budgeted undesignated cash carryover for July 1, 2009. Actual cash carryover will also include all remaining money from the Contingency account and the excess (deficit) of revenues over (under) expenditures from 2008-2009 operations.	4,951,443	4,947,893	4,905,626
4,175,603	4,536,130	2,773,003	<u>TOTAL ENDING FUND BALANCE</u>	5,274,673	5,271,123	5,228,856
4,749,621	5,314,213	3,657,330	<u>TOTAL REQUIREMENTS</u>	7,850,167	7,846,617	7,904,350

Budget Document Report

01 - GENERAL FUND

2006 ACTUAL	2007 ACTUAL	2008 AMENDED BUDGET	Department :N/A Section :N/A Program :N/A	2009 PROPOSED BUDGET	2009 APPROVED BUDGET	2009 ADOPTED BUDGET
14,491,891	14,562,021	14,501,789	TOTAL RESOURCES	24,367,700	24,367,700	24,625,509
14,491,892	14,562,021	14,501,789	TOTAL REQUIREMENTS	24,337,239	24,367,700	24,625,509