



**GENERAL FUND
NON-DEPARTMENTAL**





2010 – 2011 Proposed Budget --- Budget Summary

General Fund – Non-Departmental

2010 – 2011 General Fund – Non-Departmental

Revenues

- **Property Taxes - Current** --- The City's permanent rate is \$5.02 per thousand dollars of assessed value.
- Projected 4% increase in assessed value (AV) compared to 2009-10 assessed value.
 - Projected \$408,540 increase in property tax revenue resulting from 4% increase in assessed value.

- **McMinnville Water & Light Payment In-Lieu of Tax** --- Significant decrease in projected 2010-11 revenue.

- Payment in-lieu of tax for 2010-11 is projected to continue at last year's reduced rate. This is a \$475,000 or 27% decrease from 2007-08 and is due to a significant reduction in production at Cascade Steel Rolling Mills.



- **State Shared Revenues** --- Oregon state shared revenues provide a significant supplement to the General Fund property tax supported operations. Cigarette taxes are projected to remain consistent with prior years while liquor taxes will increase slightly.
- **Oregon State Cigarette Taxes** --- \$50,000
 - **Oregon State Revenue Sharing** --- \$260,000
 - **Oregon State Liquor Taxes** --- \$375,000

➤ **Transfers In:**

- **Transfers In from other operating funds** --- General Fund support for department personnel, primarily Administration, Finance, Engineering - \$864,457.
- **Transfers In from other operating funds** --- Reimbursement of Engineering Materials and Services costs --- \$42,119.

Expenditures

➤ **Transfers Out:**

- **Transfer Out – Emergency Communications Fund** --- Transfer of Police and Fire support of YCOM for 911 Emergency Dispatch services.
- **Transfer Out – Ambulance Fund** --- The property tax subsidy for the Ambulance Fund is \$150,000; provides for a sufficient contingency and Ending Fund Balance in the Ambulance Fund.

Short- and Long-Term Issues

- **Short-Term Issues** --- Continue to monitor property tax collection rates. The estimated uncollectible rate of 8% has been sufficient in past years but collections rates may be negatively affected by current economic conditions.

- **Long-Term Issues** --- The City's tax base has grown rapidly over the last several years, resulting in increasing property tax revenue. However, due to local economic conditions and corresponding lack of building activity that increase has not continued at the same rate. For example, the increase in assessed value in 2007-08 and 2008-09 were 14.6% and 7.8% respectively. The increase in 2009-10 was 4.95% and is projected to be 4.0% in 2010-11.



General Fund – Non-Departmental --- Historical Highlights

1876	McMinnville incorporates as a town on October 20, 1876 with a Board of Trustees.	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.	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.
1882	McMinnville incorporates as a city with a Mayor and City Council.			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".
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.	1990	November 1990 general election, Oregon voters passed Measure 5 limiting non-school property tax rates to \$10.00 per thousand of assessed value.	1997	Fall 1997, City receives results of Measure 47/50 "black box" - City's permanent rate \$5.02
1980	First library operations 3-year serial levy passed - \$45,000 per year.	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.	2000	First year City levies entire \$5.02 per thousand assessed value permanent rate.
1985	Second library operations 3-year serial levy passed - \$65,000 per year.			2002	November 2002 general election local option levy proposal of \$1.78 per thousand of assessed value fails.
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.				

General Fund – Non-Departmental --- Historical Highlights

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|-------------|--|-------------|---|
| 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. | 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. |
| 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. | 2007 | Implementation of Logos.net financial system established “non-assigned” revenues in Non-Departmental classification. |
| 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. | 2008 | All operating permanent rate, \$5.02 , property tax supported funds folded into the General Fund; i.e., Fire, Parks & Recreation, and Improvements Funds. |
| | | 2009 | McMinnville Water & Light (W&L) payment in lieu of tax budgeted is again a lower dollar amount than previous year. This is due to a significant reduction in production projected for Cascade Steel Rolling Mills. |

Budget Document Report

01 - GENERAL FUND

2008 ACTUAL	2009 ACTUAL	2010 AMENDED BUDGET	Department :99 - NON-DEPARTMENTAL Section :N/A Program :N/A		2011 PROPOSED BUDGET	2011 APPROVED BUDGET	2011 ADOPTED BUDGET	
RESOURCES								
PROPERTY TAXES								
4,001,576	9,090,951	9,401,485	4100-05	Property Taxes - Current \$10,622,000 2010-2011 Permanent operating property tax levy, \$5.02 per thousand (\$850,000) Less: Uncollectible taxes - 8%. \$9,772,000 2010-2011 Current Property Taxes	9,772,000	9,772,000	9,772,000	
102,159	247,512	215,000	4100-10	Property Taxes - Prior Collections on delinquent property taxes due from prior year permanet rate property tax levies.	230,000	230,000	230,000	
4,103,735	9,338,463	9,616,485	TOTAL PROPERTY TAXES			10,002,000	10,002,000	10,002,000
LICENSES AND PERMITS								
1,722,090	1,463,508	1,400,000	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.	1,250,000	1,250,000	1,250,000	
65,027	51,697	55,000	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.	40,000	40,000	40,000	
966	26,181	18,000	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 a local public access channel.	50,000	50,000	50,000	
136,868	132,909	130,000	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 a local public access channel.	125,000	125,000	125,000	
122,700	133,019	120,000	4205-20	Franchise Fees - Western Oregon Waste - Valley Western Oregon Waste - Valley waste collection franchise fee is 5%.	130,000	130,000	130,000	
167,022	164,466	170,000	4205-25	Franchise Fees - Northwest Natural NW Natural gas franchise fee is 3%.	145,000	145,000	145,000	
3,263	3,611	3,000	4490	Licenses & Permits - Misc Finance Department collects fees for liquor licenses, taxi service licenses, bicycle licenses, vehicle permits, etc.	3,000	3,000	3,000	
2,217,936	1,975,391	1,896,000	TOTAL LICENSES AND PERMITS			1,743,000	1,743,000	1,743,000

Budget Document Report

01 - GENERAL FUND

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<u>INTERGOVERNMENTAL</u>									
57,826	50,284	50,000	4720	OR State Cigarette Taxes State Shared Revenue --- Statutory distribution of 1.7 percent of state imposed taxes on cigarette sales allocated on a per capita basis to Oregon cities.			50,000	50,000	50,000
246,515	247,393	250,000	4730	OR State Revenue Sharing State Shared Revenue --- Statutory distribution of 14% of the state's liquor receipts allocated to cities on a formula basis.			260,000	260,000	260,000
358,579	374,657	355,000	4750	OR State Liquor Taxes State Shared Revenue --- Statutory distribution of 20% of the state's liquor receipts allocated to cities on a per capita basis.			375,000	375,000	375,000
662,919	672,334	655,000	<u>TOTAL INTERGOVERNMENTAL</u>				685,000	685,000	685,000
<u>MISCELLANEOUS</u>									
212,604	149,250	135,400	6310	Interest			32,400	32,400	32,400
20,027	3,485	3,500	6600	Other Income Miscellaneous City revenue.			1,500	1,500	1,500
232,631	152,735	138,900	<u>TOTAL MISCELLANEOUS</u>				33,900	33,900	33,900
<u>TRANSFERS IN</u>									
4,938	7,143	6,530	6900-05	Transfers In - Special Assessments Transfer from Special Assessment Fund for personnel cost allocations for Administration and Finance support services.			6,633	6,633	6,621
131,550	131,702	129,169	6900-20	Transfers In - Street			131,611	131,611	130,424
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>		
				Engineering, Admin, & Finance personal services support transfer	1	122,501	122,501		
				Street Fund support of Engineering operations	1	7,923	7,923		
27,418	33,730	33,047	6900-25	Transfers In - Airport			34,480	34,480	34,236
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>		
				Engineering, Admin, & Finance personal services support transfer	1	32,651	32,651		
				Airport Fund support of Engineering operations	1	1,585	1,585		
125,000	1,174,359	0	6900-31	Transfers In - Improvements			0	0	0
39,318	2,038,274	0	6900-32	Transfers In - Fire			0	0	0
70,304	1,583,721	0	6900-34	Transfers In - Parks & Recreation			0	0	0
30,528	40,851	0	6900-40	Transfers In - Public Safety Facilities Const			0	0	0

Budget Document Report

01 - GENERAL FUND

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107,239	108,551	105,527	6900-45	Transfers In - Transportation			112,290	112,290	111,239
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>		
				Engineering, Planning, Admin, & Finance personal services support	1	103,712	103,712		
				Transportation Fund support of Engineering operations	1	7,527	7,527		
15,676	55,955	51,120	6900-50	Transfers In - Park Development			51,931	51,931	51,695
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>		
				Parks Admin & Maint, Admin, & Finance personal services support	1	51,695	51,695		
0	51,166	31,996	6900-70	Transfers In - Building			33,249	33,249	33,139
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>		
				Engineering, Admin, & Finance personal services support transfer	1	33,139	33,139		
183,009	190,530	196,687	6900-75	Transfers In - Wastewater Services			205,302	205,302	203,445
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>		
				Engineering, Admin, & Finance personal services support transfer	1	191,164	191,164		
				Wastewater Services Fund support of Engineering operations	1	12,281	12,281		
115,033	122,102	137,701	6900-77	Transfers In - Wastewater Capital			148,603	148,603	147,202
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>		
				Engineering, Admin, & Finance personal services support transfer	1	136,902	136,902		
				Wastewater Capital Fund support of Engineering operations	1	10,300	10,300		
145,423	149,533	141,886	6900-79	Transfers In - Ambulance			143,363	143,363	142,972
				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.					
84,234	46,051	87,466	6900-85	Transfers In - Insurance Services			39,114	39,114	39,021
				Transfer from Insurance Services Fund for personnel cost allocations for Administration and Finance support services.					
1,079,670	5,733,667	921,129	TOTAL TRANSFERS IN				906,576	906,576	899,994
8,296,890	17,872,590	13,227,514	TOTAL RESOURCES				13,370,476	13,370,476	13,363,894

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REQUIREMENTS								
DEBT SERVICE								
0	205,000	0	9450-05	2002 Public Safety COP - Principal - June 1	0	0	0	
0	3,844	0	9450-10	2002 Public Safety COP - Interest - Dec 1	0	0	0	
0	3,844	0	9450-15	2002 Public Safety COP - Interest - June 1	0	0	0	
0	212,688	0	TOTAL DEBT SERVICE			0	0	0
TRANSFERS OUT								
375,000	525,590	555,760	9700-15	Transfers Out - Emergency Communications	564,400	564,400	564,400	
Budget Note: City YCOM support also funded ~10% by Ambulance Fund.								
5,284	0	0	9700-20	Transfers Out - Street	0	0	0	
12,215	0	0	9700-34	Transfers Out - Parks & Recreation	0	0	0	
0	50,050	0	9700-40	Transfers Out - Public Safety Facilities Constrt	0	0	0	
0	762,980	0	9700-70	Transfers Out - Building	0	0	0	
0	155,000	500,000	9700-79	Transfers Out - Ambulance	150,000	150,000	150,000	
Property tax subsidy is necessary due to inadequate reimbursement from Medicaid and Medicare. This is the seventh year a subsidy has been required to maintain an adequate Contingency and Ending Fund Balance in the Ambulance Fund.								
178,328	211,914	199,528	9700-80	Transfers Out - Information Systems	202,972	202,972	201,873	
Transfer to Information Systems and Services Fund for personnel cost allocations for computer support for the General Fund departments.								
570,827	1,705,534	1,255,288	TOTAL TRANSFERS OUT			917,372	917,372	916,273
CONTINGENCIES								
0	0	501,000	9800	Contingencies	750,000	750,000	750,000	
0	0	501,000	TOTAL CONTINGENCIES			750,000	750,000	750,000
ENDING FUND BALANCE								
762,980	0	0	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	23,230	23,230	23,230	
Designated Ending Fund Balance for the Lanouette Nonexpendable Trust corpus established to benefit Library Children's Programs.								
0	200,000	300,000	9901-15	Designated End FB - General Fd - Fire - Vehicle Reserve	400,000	400,000	400,000	
Designated cash carryover "saved" from the 2009-2010 fiscal year as a vehicle reserve toward a future fire engine purchase. The next fire engine scheduled to be purchased will cost approximately \$500,000 to \$900,000.								
0	100,000	200,000	9901-20	Designated End FB - General Fd - Aquatic Center	0	0	0	

Budget Document Report

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3,705,238	7,035,746	4,018,970	9999	Unappropriated Ending Fd Balance Budgeted undesignated cash carryover for July 1, 2011. Actual cash carryover will also include all remaining money from the Contingency account and the excess (deficit) of revenues over (under) expenditures from 2010-2011 operations.	3,880,881	3,875,881	4,093,648
4,491,448	7,358,976	4,542,200	<u>TOTAL ENDING FUND BALANCE</u>		4,304,111	4,299,111	4,516,878
5,062,275	9,277,197	6,298,488	<u>TOTAL REQUIREMENTS</u>		5,971,483	5,966,483	6,183,151

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15,146,284	24,886,158	23,702,621	TOTAL RESOURCES	21,847,153	21,847,153	22,024,770
15,146,285	24,886,158	23,702,621	TOTAL REQUIREMENTS	21,847,153	21,847,153	22,024,770