



# 2005 – 2006 Proposed Budget --- Budget Summary Sewer Fund – Resources

## 2005 – 2006 Sewer Fund - Resources Budget Highlights

- Continued implementation of rate study adopted in 2004. Includes adoption of rate adjustments that will increase revenues by 2.75% and provide equity between user classifications.

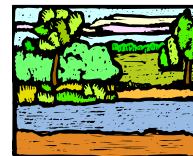


## Short- and Long-Term Issues

- Adequate revenue to meet the maintenance and operational needs of the City's sanitary sewer collection system and the Water Reclamation Facility
- Implementation and updating of rate models to address the future expansion of the wastewater facilities to meet the growth of the community and regulatory requirements.

## Core Services

- Enterprise fund with revenues dedicated to wastewater related functions.
- Activities carried out in the Sewer Fund are ultimately directed by the National Pollutant Discharge Elimination System (NPDES) permit allowing discharge of wastewater to the South Yamhill River.
- The goal of all wastewater divisions is compliance with the NPDES permit conditions, reducing environmental impact on streams, and providing wastewater collection and treatment to protect the health of the citizens.





## Sewer Fund – Resources --- Historical Highlights

- 1985** City upgrades Master Sanitary Sewer Plan.
- 1987** City begins ramping up sewer rates looking toward major sewer system improvements.
- 1994** January 1994, City Council passes Resolution 1994 – 01 for the purpose of providing a comprehensive framework for the issuance of revenue bonds. This resolution establishes the debt service bond covenants that requires City Council to maintain sewer rates at adequate levels to operate and maintain the sewer system, pay debt service, and maintain a specified level of cash operating and debt service reserves.
- 2001** City implements storm drainage user fee in anticipation of increased federal and state regulations. \$1 per month per residence implemented for one year. Present reserves of \$131,500 designated for future Storm Drain Master Plan update.
- 2004** May 2004, City completes 2004 Sewer Rate Equity Review and City Council passes Resolution 2004 – 13 revising sewer user fees and sewer SDCs – rates set to achieve \$7.5 million capital reserve in 10 years for future Water Reclamation Facility expansion.

**SEWER FUND**

2005-06

10-May-05

55	00								
<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>			<b>NUMBER OF</b>	<b>PROPOSED</b>	<b>APPROVED</b>	<b>ADOPTED</b>	
<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>			<b>EMPLOYEES</b>	<b>2005-06</b>	<b>2005-06</b>	<b>2005-06</b>	

**RESOURCES**

**BEGINNING FUND BALANCE**

	0	0	0	<b>60000-02</b>	<b>DESIGNATED BEGIN FUND BALANCE:</b>	0.00	0	0	0
	0	0	46,900	<b>60000-03</b>	<b>DBFB - PERS RESERVE</b>	0.00	98,000	0	0
					Estimated PERS designated cash carryover at July 1, 2005 discloses estimated accumulation of PERS reserves "saved" to off-set possible successful court challenges to PERS 2003 legislation. Amount which had been designated was 5.87% of covered payroll which was the difference between the original estimated PERS rate and the revised PERS rate which went into affect July 1, 2003 after the PERS 2003 legislative reform.				
					Budget Note: After the March 2005 Supreme Court decisions, PERS Designated Fund Balance reserve will be eliminated during the 2005 - 2006 fiscal year.				
	974,580	1,053,968	500,000	<b>60000-73</b>	<b>DBFB - SEWER A/R</b>	0.00	1,000,000	0	0
					Non-cash Designated Beginning Fund Balance comprised of estimated Sewer Accounts Receivable balance at July 1, 2005. Increase due to reinstating the accrual method of accounting for budgeting the Sewer Accounts Receivable balance.				
	0	120,493	131,523	<b>60000-75</b>	<b>DBFB - STORM DRAINAGE</b>	0.00	131,523	0	0
					July 1, 2005 designated cash carryover collected from storm drainage charge implemented July, 1 2002 to fund development of storm drainage plan to address Phase II NPDES requirements. Implementation of plan requirement by DEQ has been postponed; consequently, charges collected to fund the plan will be saved toward future implementation of storm drainage requirements.				
	0	0	0	<b>60000-99</b>	<b>DBFB - RATE STABILIZATION</b>	0.00	0	0	0
	811,357	859,062	615,000	<b>60001-00</b>	<b>BEGINNING FUND BALANCE</b>	0.00	360,000	0	0
					Estimated July 1, 2005 undesignated cash carryover from the 2004 - 2005 fiscal year.				
	<b>1,785,937</b>	<b>2,033,523</b>	<b>1,293,423</b>		<b>TOTAL BEGINNING FUND BALANCE</b>	<b>0.00</b>	<b>1,589,523</b>	<b>0</b>	<b>0</b>

**CHARGES FOR SERVICES**

	6,544,158	6,612,252	6,700,000	<b>60065-00</b>	<b>SEWER USER CHARGES</b>	0.00	6,987,000	0	0
					Monthly sewer user charges based on water consumption and discharge loading. Assumes an increase of 2.75% in revenues based on rate increase effective July 1, 2005 per the Sewer Rate Equity Study adopted in 2004.				
	56,280	58,917	55,000	<b>60067-00</b>	<b>SEPTAGE FEES</b>	0.00	55,000	0	0
					Dumping fees collected from haulers for septic tank and portable toilet waste.				
	131,523	11,030	0	<b>60068-00</b>	<b>STORM DRAINAGE CHARGES</b>	0.00	0	0	0
	<b>6,731,961</b>	<b>6,682,199</b>	<b>6,755,000</b>		<b>TOTAL CHARGES FOR SERVICES</b>	<b>0.00</b>	<b>7,042,000</b>	<b>0</b>	<b>0</b>

**MISCELLANEOUS**

**SEWER FUND**

*2005-06*

10-May-05

55	00								
	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>			<b>NUMBER OF</b>	<b>PROPOSED</b>	<b>APPROVED</b>	<b>ADOPTED</b>
	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>			<b>EMPLOYEES</b>	<b>2005-06</b>	<b>2005-06</b>	<b>2005-06</b>
	14,647	9,915	8,900	<b>60151-00</b>	<b>INTEREST</b>	0.00	17,400	0	0
	0	0	0	<b>60155-00</b>	<b>PROPERTY RENTALS:</b>	0.00	0	0	0
	10,800	10,800	10,800	<b>60155-11</b>	<b>HOUSE RENTAL</b>	0.00	10,800	0	0
					Riverside Drive house rental income at \$900 per month.				
	14,280	7,298	7,300	<b>60155-21</b>	<b>FARM RENTAL</b>	0.00	7,300	0	0
					Farm land lease on Water Reclamation Facility property.				
	10,179	15,458	3,000	<b>60167-00</b>	<b>OTHER INCOME</b>	0.00	146,000	0	0
					75,000 Energy conservation incentives, rebates, and cashing tax credits from WRF administration building renovations				
					70,000 Energy conservation incentives, rebates, and cashing tax credits from WRF oxidation ditch upgrade				
					1,000 Miscellaneous				
	49,906	43,471	30,000	<b>TOTAL MISCELLANEOUS</b>		0.00	181,500	0	0
				<b><u>TRANSFERS FROM OTHER FUNDS</u></b>					
	2,136	0	0	<b>60177-00</b>	<b>PARKS &amp; REC FD - FACILITY MAINT</b>	0.00	0	0	0
	75,786	60,381	59,951	<b>60181-00</b>	<b>STREET FUND - DRAINAGE MAINT</b>	0.00	66,691	0	0
					Transfer from Street Fund for personnel cost allocations for the sanitary sewer and storm drainage maintenance crew's work on the Street Fund drainage management program.				
	77,922	60,381	59,951	<b>TOTAL TRANSFERS FROM OTHER FUNDS</b>		0.00	66,691	0	0
	<b>8,645,726</b>	<b>8,819,574</b>	<b>8,138,374</b>	<b>TOTAL RESOURCES</b>		0.00	<b>8,879,714</b>	<b>0</b>	<b>0</b>