



2006 – 2007 Proposed Budget --- Budget Summary Wastewater Services Fund – Resources

2006 – 2007 Wastewater Services Fund – Resources Budget Highlights

- Continued implementation of sewer 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 Wastewater Services 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.





Wastewater Services Fund – Resources --- Historical Highlights

1985 City upgrades Master Sanitary Sewer Plan.

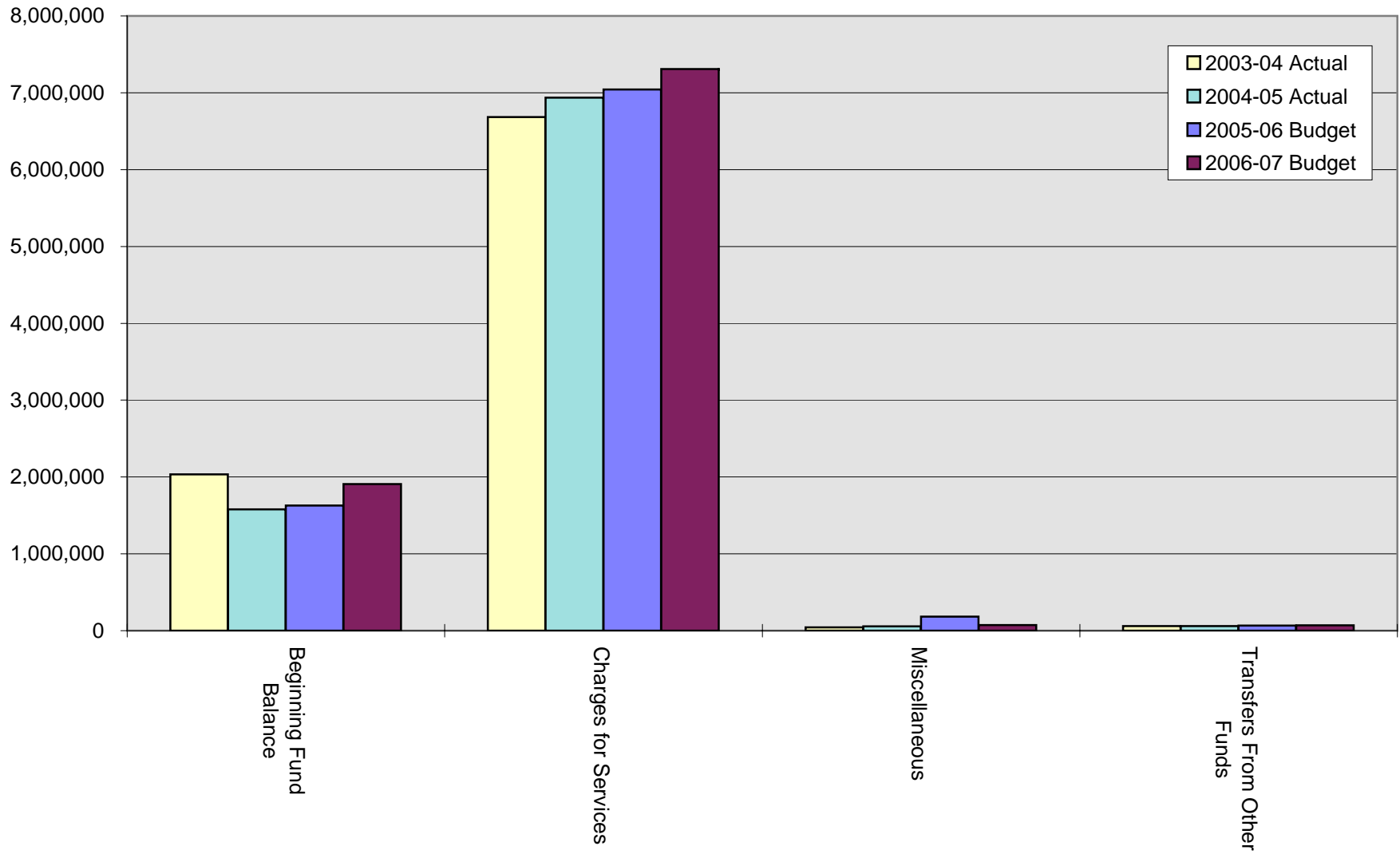
1987 City begins ramping up sewer rates looking toward major sewer system improvements.

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.

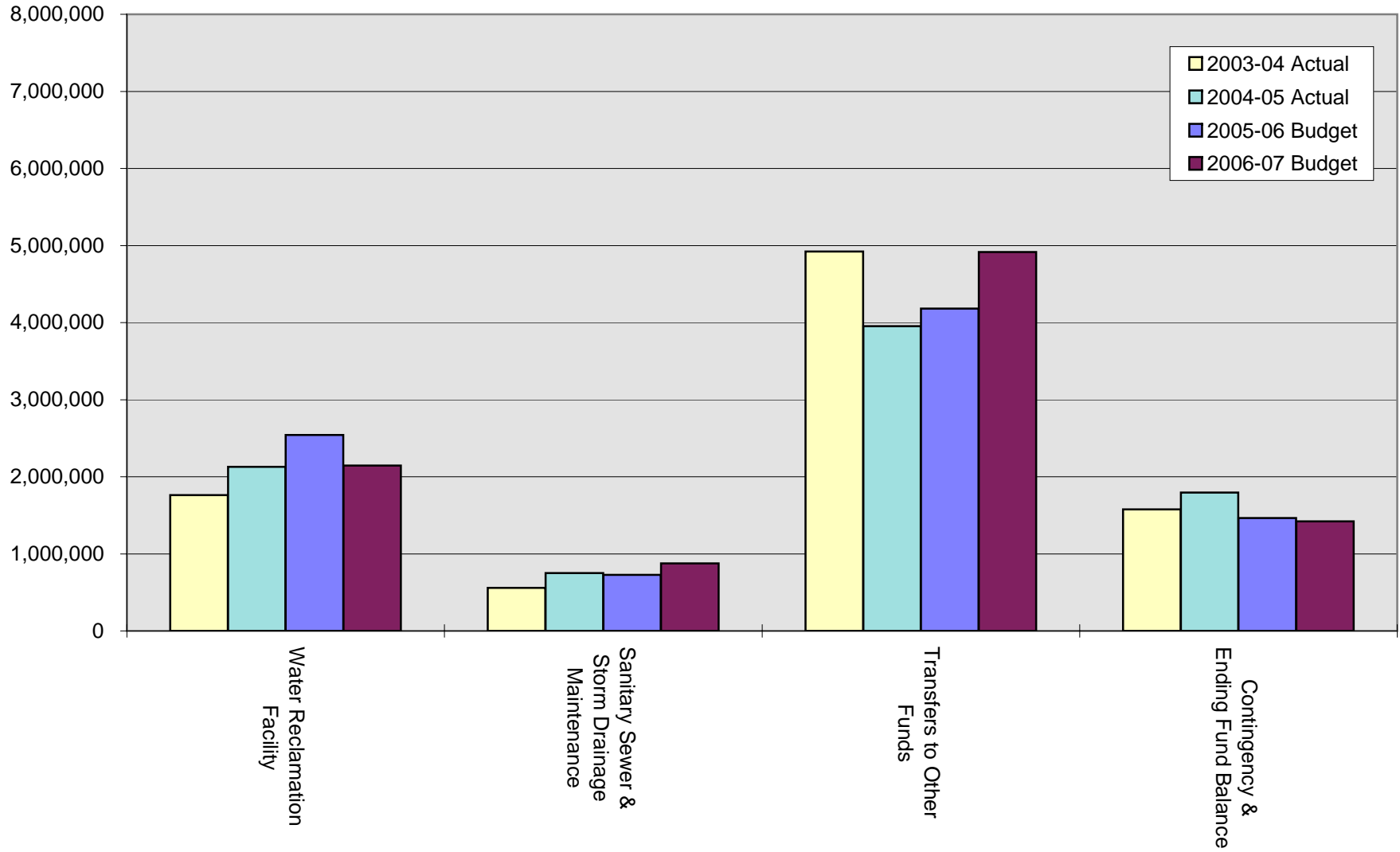
2001 City implements storm drainage user fee in anticipation of increased federal and state regulations. \$1 per month per residence implemented for one year. Present reserves of \$131,500 designated for future Storm Drain Master Plan update.

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.

Wastewater Services Fund Resources



Wastewater Services Fund Requirements



WASTEWATER SERVICES FUND

2006-07

02-Aug-06

55	00	ACTUAL 2003-04	ACTUAL 2004-05	BUDGET 2005-06		NUMBER OF EMPLOYEES	PROPOSED 2006-07	APPROVED 2006-07	ADOPTED 2006-07
RESOURCES									
<u>BEGINNING FUND BALANCE</u>									
		0	0	0	60000-02		0.00	0	0
		0	46,843	98,000	60000-03	DBFB - PERS RESERVE	0.00	0	0
					The July 1, 2006 Designated Beginning Fund Balance PERS Reserve was eliminated due to Oregon Supreme Court decisions received in March 2005. The decisions did not require entities to "pay back" the difference between the lower PERS rates enacted July 1, 2003, due to the 2003 PERS legislative reforms, and the PERS rates that would have gone into affect without the legislative reforms.				
		1,053,968	1,087,244	1,000,000	60000-73	DBFB - SEWER A/R	0.00	1,000,000	1,000,000
					Non-cash Designated Beginning Fund Balance comprised of estimated Sewer Accounts Receivable balance at July 1, 2006. Increase due to reinstating the accrual method of accounting for budgeting the Sewer Accounts Receivable balance.				
		120,493	131,523	131,523	60000-75	DBFB - STORM DRAINAGE	0.00	131,523	131,523
					July 1, 2006 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	60000-99	DBFB - RATE STABILIZATION	0.00	0	0
		859,062	311,918	400,000	60001-00	BEGINNING FUND BALANCE	0.00	775,000	775,000
					Estimated July 1, 2006 undesignated cash carryover from the 2005 - 2006 fiscal year.				
		2,033,523	1,577,528	1,629,523	TOTAL BEGINNING FUND BALANCE		0.00	1,906,523	1,906,523
<u>CHARGES FOR SERVICES</u>									
		6,612,252	6,874,170	6,987,000	60065-00	SEWER USER CHARGES	0.00	7,250,000	7,250,000
					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, 2006 per the Sewer Rate Equity Study adopted in 2004.				
		58,917	62,118	55,000	60067-00	SEPTAGE FEES	0.00	60,000	60,000
					Dumping fees collected from haulers for septic tank and portable toilet waste.				
		11,030	0	0	60068-00	STORM DRAINAGE CHARGES	0.00	0	0
		6,682,199	6,936,288	7,042,000	TOTAL CHARGES FOR SERVICES		0.00	7,310,000	7,310,000
<u>MISCELLANEOUS</u>									
		9,915	12,914	17,400	60151-00	INTEREST	0.00	44,300	44,300
		0	0	0	60155-00	PROPERTY RENTALS:	0.00	0	0

WASTEWATER SERVICES FUND

2006-07

02-Aug-06

55	00	ACTUAL 2003-04	ACTUAL 2004-05	BUDGET 2005-06		NUMBER OF EMPLOYEES	PROPOSED 2006-07	APPROVED 2006-07	ADOPTED 2006-07
		10,800	10,800	10,800	60155-11 HOUSE RENTAL	0.00	10,800	10,800	10,800
					Riverside Drive house rental income at \$900 per month.				
					*Fund 55 Group --- In process of turning house over to rental agency.				
		7,298	7,298	7,300	60155-21 FARM RENTAL	0.00	7,300	7,300	7,300
					Farm land lease on Water Reclamation Facility property.				
		15,458	24,574	146,000	60167-00 OTHER INCOME	0.00	10,000	10,000	85,000
		43,471	55,586	181,500	TOTAL MISCELLANEOUS	0.00	72,400	72,400	147,400
					<u>TRANSFERS FROM OTHER FUNDS</u>				
		60,381	59,951	66,760	60181-00 STREET FUND - DRAINAGE MAINT	0.00	70,538	70,538	70,399
					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.				
		60,381	59,951	66,760	TOTAL TRANSFERS FROM OTHER FUNDS	0.00	70,538	70,538	70,399
		8,819,574	8,629,353	8,919,783	TOTAL RESOURCES	0.00	9,359,461	9,359,461	9,659,322