



2007 – 2008 Proposed Budget --- Budget Summary

Wastewater Services Fund – Resources

2007 – 2008 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.

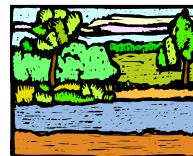


Short- and Long-Term Issues

- 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 the Wastewater Services Division 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.



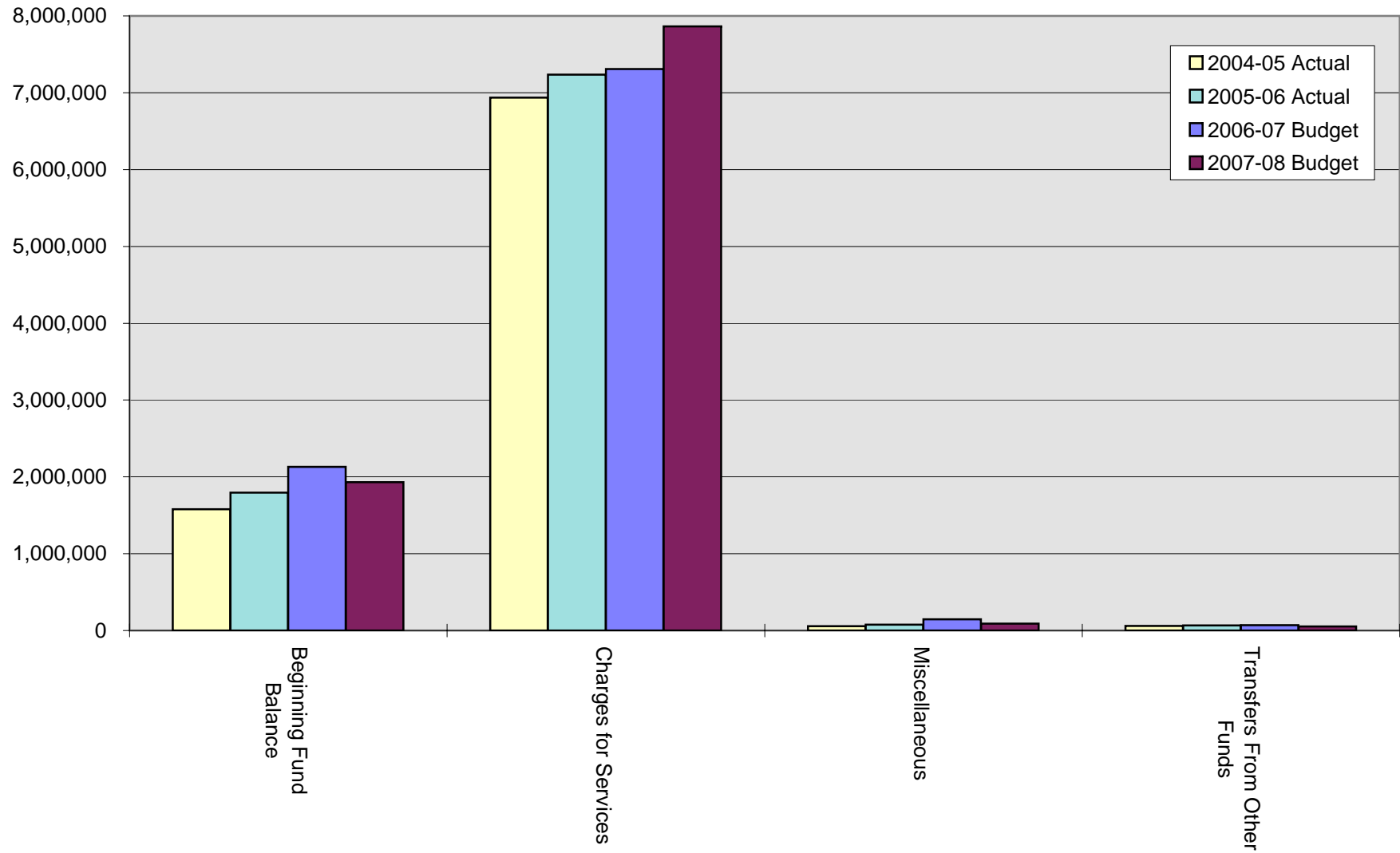


Wastewater Services Fund – Resources --- Historical Highlights

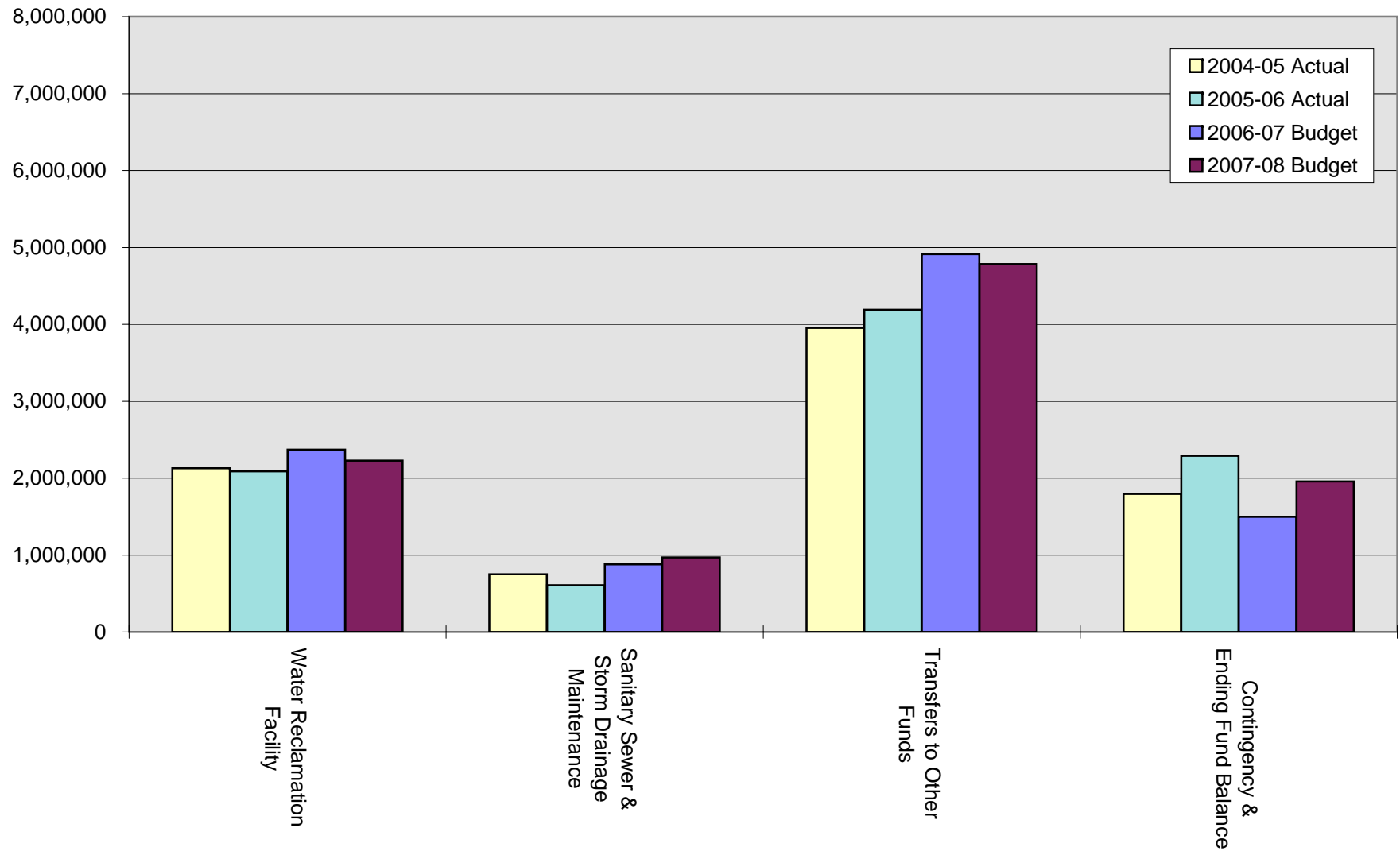
- 1985** City upgrades Master Sanitary Sewer Plan.
- 1987** City begins ramping up sewer rates looking toward major sewer system improvements.
- 1994** January 1994, City Council passes Resolution 1994 – 01 for the purpose of providing a comprehensive framework for the issuance of revenue bonds. This 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

55 00

2007-08

11-Jul-07

ACTUAL 2004-05	ACTUAL 2005-06	BUDGET 2006-07		NUMBER OF EMPLOYEES	PROPOSED 2007-08	APPROVED 2007-08	ADOPTED 2007-08
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RESOURCES

BEGINNING FUND BALANCE

0	0	0	60000-02	DESIGNATED BEGIN FUND BALANCE:	0.00	0	0	0
46,843	103,407	0	60000-03	DBFB - PERS RESERVE	0.00	0	0	0
				The 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.				
1,087,244	1,067,206	1,000,000	60000-73	DBFB - SEWER A/R	0.00	1,000,000	1,000,000	1,035,000
				Non-cash Designated Beginning Fund Balance comprised of estimated Sewer Accounts Receivable balance at July 1, 2007.				
131,523	131,523	131,523	60000-75	DBFB - STORM DRAINAGE	0.00	0	0	0
0	0	0	60000-99	DBFB - RATE STABILIZATION	0.00	0	0	0
311,918	494,204	1,000,000	60001-00	BEGINNING FUND BALANCE	0.00	930,000	930,000	930,000
				Estimated July 1, 2007 undesignated cash carryover from the 2006-2007 fiscal year.				
1,577,528	1,796,340	2,131,523	TOTAL BEGINNING FUND BALANCE		0.00	1,930,000	1,930,000	1,965,000

CHARGES FOR SERVICES

6,874,170	7,166,728	7,250,000	60065-00	SEWER USER CHARGES	0.00	7,800,000	7,800,000	7,800,000
				Monthly sewer user charges based on water consumption and discharge loading. Includes increased revenues based on a July 1, 2007 rate increase of 2.75% per the 2004 Sewer Rate Equity Study, and per Resolution 2007-4 adopted by the City Council on January 23, 2007.				
62,118	69,733	60,000	60067-00	SEPTAGE FEES	0.00	65,000	65,000	65,000
				Dumping fees collected from haulers for septic tank and portable toilet waste.				
0	0	0	60068-00	STORM DRAINAGE CHARGES	0.00	0	0	0
6,936,288	7,236,461	7,310,000	TOTAL CHARGES FOR SERVICES		0.00	7,865,000	7,865,000	7,865,000

MISCELLANEOUS

12,914	42,227	44,300	60151-00	INTEREST	0.00	54,000	54,000	54,000
0	0	0	60155-00	PROPERTY RENTALS:	0.00	0	0	0
10,800	4,050	10,800	60155-11	HOUSE RENTAL	0.00	7,500	7,500	7,500
				Riverside Drive house rental income.				
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.				

WASTEWATER SERVICES FUND

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2007-08

11-Jul-07

ACTUAL 2004-05	ACTUAL 2005-06	BUDGET 2006-07		NUMBER OF EMPLOYEES	PROPOSED 2007-08	APPROVED 2007-08	ADOPTED 2007-08
24,574	21,512	85,000	60167-00 OTHER INCOME	0.00	20,000	20,000	20,000
55,586	75,087	147,400	TOTAL MISCELLANEOUS	0.00	88,800	88,800	88,800
<u>TRANSFERS FROM OTHER FUNDS</u>							
59,951	66,760	70,399	60181-00 STREET FUND - DRAINAGE MAINT	0.00	52,151	52,151	51,710
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.							
59,951	66,760	70,399	TOTAL TRANSFERS FROM OTHER FUNDS	0.00	52,151	52,151	51,710
8,629,353	9,174,648	9,659,322	TOTAL RESOURCES	0.00	9,935,951	9,935,951	9,970,510