
Water System Budget, Fiscal Year 2009-2010

Appendix M

Water Utility Fund

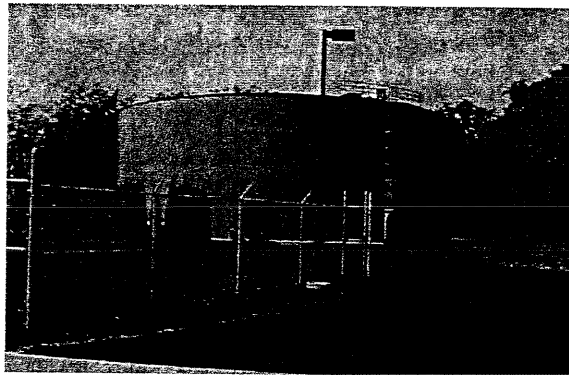
The Water Utility Fund provides for operations of the City's water treatment, pumping, and distribution system. The City owns seven wells, operates two additional wells in partnership with the City of Lafayette, and operates the Breyman Well Field which is comprised of natural spring water. The City has made recent significant infrastructure investment into the City's drinking water system. An additional shared well is under construction and anticipated to be on line for use in FY 2009-10.

The City operates a Water Treatment Facility in accordance with an Intergovernmental Agreement with the City of Lafayette. The facility is located in Dayton, but both cities use the facility to treat water. The operation and maintenance of the facility is shared, based on the water usage.

The remainder of the City's system is very old and requires high maintenance costs. Staff anticipates that additional improvements will be necessary to address the City's aging system. These projects will be identified upon the completion of the City's Master Water Plan which will be completed in FY 2009-10.

Daily operations include new services, distribution lines, meter maintenance, meter reading, on's and off's, collections, and utility locations.

Salaries have been allocated to more accurately reflect the proportional share of employee time spent in the Water Utility Fund.



Major Goals - Water Operations FY 09/10

- Increase revenue levels to address existing maintenance, operation and debt obligations
- Complete the update of the Water Master Plan and prioritize future necessary Capital Improvement Projects
- Purchase upgrade to software to manage revenue/expenditures
- Contract for interior cleaning of water reservoir tanks

Other Issues in Water Operations

- Seek grant funds to complete improvements to our water system
- Identify future water resources for the community
- Review SDC methodology

ACTUAL		2008/2009 BUDGET		2009/2010 BUDGET				
2006/2007	2007/2008	Adopted	Projected	Water Utility Fund		Proposed by Budget Officer	Approved by Budget Committee	Adopted by City Council
				300-000	Water Utility Revenue			
319,501	133,888	70,000	78,602	400.000	Working Capital	102,801		
15,850	7,886	10,000	4,000	404.000	Interest	4,000		
-	-	500	-	417.000	Lien Search Fees	-		
56,459	-	-	-	420.000	System Development Charges	-		
12,845	11,284	15,000	10,000	421.300	Late Fees	10,000		
423,456	438,456	500,000	460,000	450.000	Water Service Charges	537,000		
13,280	9,462	11,000	6,300	451.000	Water Deposit	7,000		
684	365	500	450	451.100	NSF Fees	300		
450	2,684	3,000	4,300	451.200	Water On/Off Fees	3,500		
-	54,697	40,000	40,000	459.999	City of Lafayette	45,000		
-	-	20,000	-	460.000	Grant	-		
1,360	-	1,500	-	480.000	Miscellaneous Revenue	100		
3,084	2,519	5,500	30	480.100	Water Meters	2,500		
846,969	661,241	677,000	603,682		Total Water Utility Fund Revenue	712,201		

ACTUAL		2008/2009 BUDGET				2009/2010 BUDGET		
2006/2007	2007/2008	Adopted	Projected	Water Utility Fund		Proposed by Budget Officer	Approved by Budget Committee	Adopted by City Council
				300-300	Water Department Expenditures			
					Personal Services			
82,001	72,482	90,240	80,749		Salaries	78,960		
27,013	27,215	36,060	30,867		Fringe Benefits	37,941		
109,014	99,697	126,300	111,616		Total Personal Services	116,901		
					Materials and Services			
36,655	40,046	35,000	34,000	600.000	Utilities - Electricity	40,000		
1,515	-	-	-	600.001	Utilities - Electricity - WTF	-		
1,237	761	1,000	1,000	600.100	Utilities - Propane	1,000		
6,623	3,470	4,000	2,700	601.000	Office expense	3,000		
3,037	761	500	2,500	601.100	Postage	2,700		
1,915	2,704	3,000	3,000	602.000	Telephone & Related	3,000		
907	-	-	-	602.100	Telephone & Related - WTF	-		
5,164	5,543	6,000	4,772	604.000	Insurance	5,000		
4,675	2,286	3,000	2,698	608.000	Audit	3,000		
709	586	800	650	611.000	Travel & Meeting -09/10 travel/traini	2,000		
626	1,431	2,000	500	612.000	Training	-		
7,654	7,908	5,000	5,000	614.000	Equipment Repair & Maintenance	5,000		
2,178	2,288	4,000	2,500	614.100	Fuel	2,250		
3,041	6,534	2,000	22,960	614.300	Footbridge Repair & Maintenance	5,000		
23,831	56,665	10,000	17,000	614.400	Wells & Springs Maintenance	22,000		
-	2,441	5,000	5,000	614.410	Gravel	5,000		
-	14,987	15,000	7,000	614.600	Water Line Repair & Maintenance	15,000		
19,228	7,648	10,000	6,000	616.000	Supplies	10,000		
25	1,518	3,000	50	616.100	Clothing/Safety	1,000		
3,352	2,856	5,000	-	616.200	Water Meters	2,000		
3,187	4,238	4,000	12,950	617.000	Shop Supplies & Small Tools	4,000		
5,023	5,628	8,000	3,000	700.000	Legal Services	8,000		
555	2,025	1,500	5,000	700.100	Misc. Legal (Non-Atty)	3,000		
21,723	9,240	15,000	10,000	705.000	Professional Services	15,000		
-	23,585	10,000	10,000	705.100	Engineering Services	10,000		
-	-	35,000	25,000	705.110	Water Master Plan	10,000		
16,344	9,689	10,000	9,500	705.300	Data Processing	10,000		
2,672	3,501	4,000	4,000	706.000	Dues/Certifications	4,000		
4,750	6,539	3,000	3,000	707.000	City Hall Maintenance	3,000		
37	-	-	-	707.001	Maintenance WTF	-		
-	-	-	-	707.100	UST Removal	-		
-	3,950	1,500	1,000	708.000	Land Rental	1,000		
-	830	2,000	100	708.100	Tool & Equipment Rental	2,000		
-	-	5,000	-	710.000	Water Conservation Education	2,500		
-	-	5,000	2,500	710.100	Contract Services -09/10 combine w/ Prof Services	-		
1,327	985	2,000	1,500	750.000	Water Deposit Refunds	1,500		
53	-	1,000	-	750.100	Water Overpayment Refunds	-		

ACTUAL		2008/2009 BUDGET				2009/2010 BUDGET		
2006/2007	2007/2008	Adopted	Projected	Water Utility Fund		Proposed by Budget Officer	Approved by Budget Committee	Adopted by City Council
1,045	7,301	12,000	2,000	751.000	Water Analysis	10,000		
-	-	-	-	790.100	In Lieu Franchise Fees Pymt	-		
13,878	829	2,000	750	799.000	Miscellaneous Expense	2,000		
192,966	238,773	235,300	207,630		Total Material and Services	212,950		
					Transfers			
5,000	1,000	1,000	1,000	840.000	Tfr to Equipment Replacement Res	1,000		
150,000	100,000	-	-	860.000	Tfr to Water System Capital Project	10,000		
135,000	-	35,000	35,000	860.100	Tfr to Debt Service Fund	100,000		
5,000	-	-	-	870.000	Tfr to Building Reserve Fund	5,000		
295,000	101,000	36,000	36,000		Total Transfers	116,000		
					Capital Outlay			
6,263	9,908	10,000	1,000	903.000	Equipment	5,500		
2,164	-	1,000	300	904.000	City Hall Improvements	1,000		
-	-	-	-	904.200	City Shop/Yards Improvements	-		
-	-	-	-	904.300	City Hall Curb/Sidewalk Improve	-		
29,792	23,999	20,000	30,000	910.000	System Improvements	16,000		
-	-	-	-	910.100	Filter Sys 11th & Flower Ln Wells	-		
-	-	10,000	-	910.200	Wellhouse Improvements	10,000		
-	-	-	-	910.300	Security Improvements WTF	-		
-	-	50,000	-	920.000	Land Acquisition	35,000		
38,219	33,907	91,000	31,300		Total Capital Outlay	67,500		
-	-	28,400	-	880.000	Contingency	50,023		
-	-	-	-	999.000	Unappropriated Ending Fund Balance	-		
635,199	473,377	517,000	386,546		Total Water Department Expenditures	563,374		

ACTUAL		2008/2009 BUDGET				2009/2010 BUDGET		
2006/2007	2007/2008	Adopted	Projected	Water Utility Fund		Proposed by Budget Officer	Approved by Budget Committee	Adopted by City Council
				300-301	Water Treatment Facility Expenditures			
					Personal Services			
21,630	20,903	36,500	20,095		Salaries	30,536		
6,103	7,106	9,500	8,046		Fringe Benefits	14,679		
27,733	28,009	46,000	28,141		Total Personal Services	45,215		
					Materials and Services			
16,958	19,979	16,000	20,000	600.000	Electricity	20,000		
-	2,108	3,000	3,000	600.100	Utilities - Propane	3,000		
787	415	600	700	601.000	Office Expense	600		
71	-	200	150	601.100	Postage	200		
118	972	1,000	500	602.000	Telephone	1,000		
7,854	5,555	6,000	4,772	604.000	Insurance	6,000		
106	152	300	222	608.000	Audit	300		
11	217	300	150	611.000	Travel & Meeting -09/10 travel/traini	1,000		
50	89	1,000	100	612.000	Training	-		
1,859	19,071	15,000	4,500	614.000	Equipment Repair & Maintenance	10,000		
-	-	-	-	614.100	Fuel	2,250		
-	5,797	10,000	4,500	616.000	Supplies	6,000		
10	386	500	50	616.100	Clothing/Safety	500		
496	553	2,000	3,000	617.000	Shop Supplies & Small Tools	2,000		
192	44	500	200	700.000	Legal Services	500		
2	126	500	100	700.100	Misc Legal (Non-Att)	500		
3,388	1,452	5,000	300	705.000	Professional Services	5,000		
-	10,168	25,000	27,000	705.100	Engineering Services	20,000		
322	5,855	19,200	12,000	705.300	Data Processing	15,000		
791	157	300	100	706.000	Dues & Certifications.	2,162		
1,678	45	500	800	707.000	City Hall Maintenance	500		
15,402	4,817	5,000	4,000	707.001	Water Treatment Facility Maint	5,000		
-	31	100	50	799.000	Miscellaneous Expense	100		
50,095	77,989	112,000	86,194		Total Material and Services	101,612		
					Capital Outlay			
57	280	2,000	-	903.000	Equipment	2,000		
-	2,986	-	-	910.300	Security Improvements	-		
57	3,266	2,000	-		Total Capital Outlay	2,000		
77,885	109,264	160,000	114,335		Total Water Treatment Facility Expenditures	148,827		

ACTUAL		2008/2009 BUDGET		2009/2010 BUDGET				
2006/2007	2007/2008	Adopted	Projected	Water Utility Fund		Proposed by Budget Officer	Approved by Budget Committee	Adopted by City Council
713,084	582,641	677,000	500,881		Total Water Utility Fund Expenditures	712,201		

846,969	661,241	677,000	603,682		Total Water Utility Fund Revenue	712,201		
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Debt Service Fund

The Debt Service fund accumulates money for repayment of City debt.

The debt can be created by any other fund with City Council approval. Debt can be of varying natures such as bonded debt, bank loans or loans from other government agencies.

Currently, the City has one debt for water system improvements through the Oregon Economic and Community Development Department. The debt service includes a payment from Lafayette who is a partner in the borrowing.

The following chart identifies the terms of the City's existing debt:

	Outstanding July 1, 2007	Issued	Matured/ Redeemed During Year	Rate of Interest	Outstanding 06/30/08	Maturing 08-09 Principal	Maturing 08-09 Interest
Safe Drinking Water Revolving Loan	3,181,617	-	117,973	1%	3,063,644	119,153	35,181

*As of June 30, 2008, the City had not drawn down all available loan proceeds.

In relation to the above borrowing, the City of Dayton increased the total loan amount by \$600,000, which is collateralized by wells. The loan is to be repaid in annual installments of \$23,249, including 1% interest through November 2033. The balance as of June 30, 2008 was \$529,964.

ACTUAL		2008/2009 BUDGET				2009/2010 BUDGET		
2006/2007	2007/2008	Adopted	Projected	Debt Service Fund		Proposed by Budget Officer	Approved by Budget Committee	Adopted by City Council
				850-000	Debt Service Fund Revenue			
410,366	425,793	299,000	302,475	400,000	Working Capital	208,390		
11,511	7,767	4,000	2,000	404,000	Interest	2,000		
135,000	-	-	35,000	459,000	Transfer from Water Fund	100,000		
23,249	23,249	23,300	23,249	459,999	City of Lafayette	23,249		
580,126	456,809	326,300	362,724		Total Debt Service Fund Revenue	333,639		

				850-850	Debt Service Expenditures			
					Materials and Services			
116,805	117,973	120,000	119,203	774,000	Debt Service to Bonds (Principal)	120,000		
37,528	36,360	40,000	35,131	776,000	Debt Service to Bonds (Interest)	35,000		
154,333	154,333	160,000	154,334		Total Materials and Services	155,000		
-	-	166,300	-	999,000	Unappropriated Ending Fund Balance	178,639		
154,333	154,333	326,300	154,334		Total Debt Service Fund Expenditures	333,639		

580,126	456,809	326,300	362,724		Total Debt Service Fund Revenue	333,639		
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