

RESOLUTION NO. 18-1992

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON ESTABLISHING FEES FOR SANITARY SEWER SERVICE AS PROVIDED BY MILWAUKIE MUNICIPAL CODE CHAPTERS 13.12 AND 13.20; CLASSIFYING THE FEES IMPOSED BY THIS RESOLUTION AS NOT SUBJECT TO ARTICLE XI, SECTION 11B OF THE OREGON CONSTITUTION; AND REPEALING RESOLUTION NO. 9-1985.

Whereas, the Milwaukie Municipal Code Chapters 13.12.070 provide that sewer service fees shall be established by resolution of the City Council; and

Whereas, the City Council has determined it is necessary to increase fees in order to keep up with the increasing costs of sewage treatment; and

Whereas, the Milwaukie Citizen Utility Advisory Committee has prepared and delivered a report and recommendation on sanitary sewer fees to the City Council;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Milwaukie that:

Section 1. EFFECTIVE DATE: To be effective commencing with billings prepared on or after July 1, 1992.

Section 2. FEES: A flat bi-monthly sewer service fee is to be charged as follows:

- a. Single family residence \$24.45.
- b. Each residence unit in multiple unit structures \$24.45.

Section 3. COMMERCIAL, INDUSTRIAL AND OTHER THAN RESIDENTIAL RATE: A bi-monthly fee of \$24.45 shall be charged based on the first 1600 cubic feet of water used. A fee of \$1.55 shall be charged based on each additional 100 cubic feet of water used in excess of the first 1600 cubic feet of water.

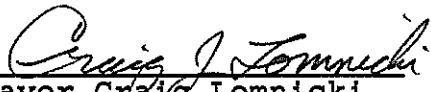
Section 4. LOW INCOME FEES: A reduced bi-monthly sewer service fee of \$12.25 shall be charged for individual sewer system users under Chapter 13.20 of the Milwaukie Municipal Code.

Section 5. SECURITY DEPOSIT: Pursuant to Chapter 13.12.070 of the Milwaukie Municipal Code, the City may require a deposit in an amount not to exceed the minimum sewer service fee for six months as security against unpaid fees.


Section 6. CLASSIFICATION: The City Council determines that the fees imposed by this resolution are not taxes subject to the property tax limitations of Article XI, section 11(b) of the Oregon Constitution.

Section 7. REPEAL. Resolution No. 9-1985 is hereby repealed.

Introduced and adopted by the City Council of Milwaukie on May 19, 1992.


Mayor Craig Lomnicki

ATTEST:


City Recorder

APPROVED AS TO FORM:


City Attorney

CITY OF MILWAUKIE



COMMUNITY DEVELOPMENT
PUBLIC WORKS

6101 S E. JOHNSON CREEK BLVD

TELEPHONE: 652-4410

MEMORANDUM

TO: Mayor and City Council
THRU: Dan Bartlett, City Manager *DB*
FROM: R. Tim Corbett, Public Works Director *RTC*
SUBJECT: Sewer Rate Increase
DATE: May 22, 1992

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Action Requested

Consider adoption of the attached resolution increasing Sewer rates by 30%.

Background

A Public Hearing was held on May 5, 1992 to receive comment regarding a Staff recommendation for a 30% increase in sewer rates. Staff's recommendation is based on a recommendation by the Citizen Utility Advisory Committee (CUAC) and a rate study performed by Public Financial Management.

The Staff report from the Public Hearing as well as the CUAC recommendation and rate study are attached for your reference.

Recommendation

Staff recommends that Council adopt the attached resolution increasing Sewer rates by 30%.

RTC/rtc

attachments

CITY OF MILWAUKIE



COMMUNITY DEVELOPMENT
PUBLIC WORKS

6101 S E JOHNSON CREEK BLVD

TELEPHONE 652-4410

MEMORANDUM

TO: Mayor and City Council
THRU: Dan Bartlett, City Manager
FROM: R. Tim Corbett, Public Works Director *RC*
SUBJECT: Sewer Rate Increase
DATE: May 6, 1992

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Action Requested

Hold a Public Hearing to consider adoption of the attached draft resolution increasing Sewer rates by 30% at the June 2, 1992 Council meeting.

Background

Milwaukie has not sought a sewer rate increase since 1985. Over the past seven years, inflation has increased significantly and Federal regulations have been driving up costs for sewage treatment. Our contractual service payments to the County for sewage treatment, which is a significant part of the budget, have increased 48% since 1985. Over this same seven year period, beginning fund balances have been decreasing each year as a result of stable revenues and increasing costs (see attached graph).

The City has been working towards entering into a long term agreement for sewage treatment with Clackamas County Sewer District #1 since 1986. Milwaukie has wanted an agreement which would provide the City with information relating to long term costs, thereby allowing the City to set rates accordingly. Milwaukie has delayed a rate increase in the hopes a long term agreement would be formulated before a rate increase became necessary. The delay of an increase while waiting for the development of an agreement has left the Sewer Fund in need of an immediate rate increase.

Discussion

The City contracted with Public Financial Management (PFM) to conduct a rate study in late 1991. After a review of the most recent information available, PFM developed a preliminary report recommending a 30% rate increase in FY 92-93 and a 17% increase in FY 93-94. The rate increase recommended in the PFM report is based on the needed revenues to operate the Sewer Division including; Personnel, Operating and Maintenance costs, Transfers and Capital expenditures ranging from \$80,000 to \$300,000 per year over the next five years.

The proposed 92-93 budget (attached) was developed with a 10% rate increase built into the budget. Even with a 10% rate increase incorporated into the proposed budget, there are significant reductions in some line items compared to previous years in order to provide a balanced budget. Expenditures in the area of contractual services are anticipated to be \$15,000 more than budgeted. In addition, no funds are available for contingencies and no fund balance is anticipated to be available for FY 93-94. This will create further potential deficit situations in the future. The budgeted increase of 10% was placed in the budget prior to receiving either the PFM report or a recommendation from the Citizen Utility Advisory Committee (CUAC).

The CUAC reviewed the PFM preliminary report and developed their recommendation (attached) which supports a 30% rate increase in conjunction with some other recommendations aimed at ensuring the financial health of the Sewer Fund in the future. A copy of the PFM preliminary report is also attached for reference.

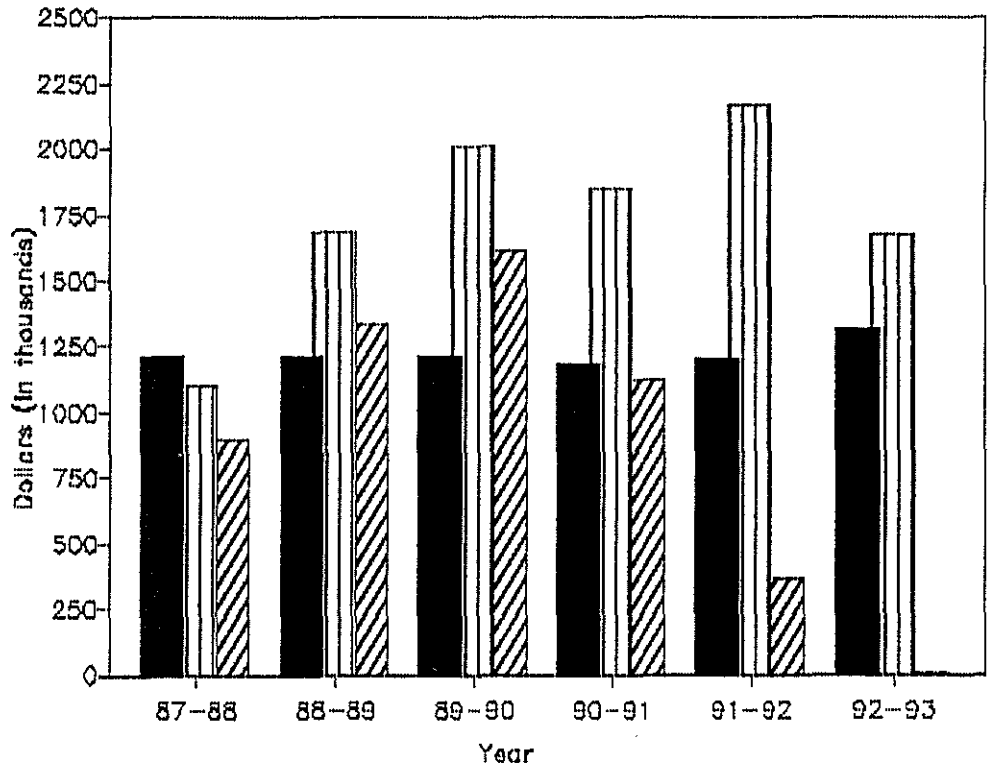
Recommendation

Staff recommends that Council adopt a resolution increasing Sewer rates by 30% at the July 2, 1992 Council meeting. The increase is needed in light of rising costs, stable revenues and decreasing reserves over the 7 years since the last rate increase. Staff will work to rebuild contingencies and/or reserves over the next five years and update the sewage rate study conducted by PFM as needed to ensure the financial health of the Fund.

RTC/rtc

attachments

SEWER DIVISION BUDGET ANALYSIS



■ USER FEES ▤ OPERATING EXP ▨ BEG FUND BAL

90-91 and 91-92 figures are based on expected or budgeted amounts.

CITIZEN UTILITIES ADVISORY COMMISSION

SEWER RATE RECOMMENDATION

May 4, 1992

Facts Considered

The following information was considered in the development of the CUAC's Sewer rate recommendation:

1. The PFM Study recommends a 30% rate increase for FY 92-93. The draft study was reviewed in a special session of the CUAC.
2. The rate increase recommended in the PFM study was based on the needed revenues to operate the division including transfers, Personnel, Operation and Maintenance costs, and Capital expenditures ranging from \$80,000 to \$300,000 per year over the next five years.
3. There has not been a sewer rate increase since July of 1985. Since Fiscal Year 85-86, expenditures for Contractual Services alone have increased from \$487,374 to a forecasted \$721,000 in FY 91-92. This represents a 48% increase. Other line items have increased significantly since FY 85-86 as well.
4. The 92-93 budget includes a 10% rate increase and shows reductions in many controllable line items. Even with these reduction measures, the budget still does not leave any funds available for a contingency or ending fund balance in the proposed 92-93 budget. The amount budgeted for contractual services may not be adequate when considering past trends and FY 91-92 forecasts.
5. Revenues from operations have not been adequate to keep up with the level of expenditures over the last few years.
6. The Sewer Division's activities have been partially funded over the last 5 years by expending contingencies and reserves which were built up prior to FY 87-88. Beginning fund balances have been decreasing over the last 5 years and are non existent in the 92-93 budget.
7. Rates are artificially low in Milwaukie due to the partial funding of construction of the Kellogg Treatment Plant with Federal grant money which is no longer available.

Findings

1. The City is over due for a rate increase in light of rising costs, stable revenues, and depletion of reserves.
2. The large increase needed to bring revenues in line with expenditures should be split over the next two years to ensure the health of the fund and increases should take place yearly as needed after FY 94-95.
3. The City should work toward re-building reserves so that necessary sewage treatment improvements can be funded in the future.
4. The City is currently in the process of having the collection system analyzed in a Sewage Facility study being conducted by CH2M Hill. The information regarding needed capital improvements should be considered in future rate study updates.
5. The City should work towards getting a new agreement with CSD #1 for sewage treatment so that long term costs will be more predictable.
6. Interfund transfers from the Sewer Fund have been significant and increasing over the last 6 to 7 years, totaling approximately \$600,000 in the FY 90-91 budget and \$500,000 in the FY 91-92 budget.
7. Documentation is unavailable which outlines the basis for these transfers.
8. Of these interfund transfers from Sewer, \$150,000 is transferred to the Street Fund, adding to the strain on Sewer funds.

Recommendation

After due consideration of the facts and issues, the CUAC recommends, by a concensus vote, the following:

1. Increase rates by 30% effective July 1, 1992 only in conjunction with recommendations 2 through 7 below.
2. Staff to provide a breakdown of interfund transfers so that the CUAC can review the appropriateness of these transfers and base future rate recommendations, in part, on this review.
3. In light of the condition of the Sewer Fund, CUAC recommends that Council revisit the appropriateness of the transfer to the Street fund.

4. Continue to update the PFM Sewer study on a yearly basis to determining if the assumptions and recommendations in the report remain valid.
5. Conduct a cost of service study once a new agreement with the County is formulated.
6. Any increase in revenues over the proposed budgeted amount should be used to boost Contingencies and increase Contractual Services to the expected level of \$725,000. No additional items or projects should be added to the budget.
7. Capital expenditures should be kept to a minimal level over the next 3 years until fund reserves are built up to at least \$250,000. Projects which can be delayed during this time frame should be postponed.

CUAC/rtc

CITY OF MILWAUKIE, CLACKAMAS COUNTY, OREGON

1992-93 BUDGET DOCUMENT

RESOURCES

FUND: SEWER FUND

ACCOUNT CODE: 32-000-XXXX-XXXX

1989-90	1990-91	1991-92 BUDGET	1991-92 FORECAST	FUND	DEPT	OBJ	SUB	DESCRIPTION	1992 -1993			
									FTE	PROPOSED	APPROVED	ADOPTED
	1,117,865	835,000	365,676	32		4002		WORKING CAPITAL AVAILABL		10,706		
2,102				32		4031		TAX TURNOVERS				
	32,000		157,000	32		4130		COUNTY GRANTS				
1,217,062	1,186,097	1,200,000	1,200,000	32		4242		SEWER USER FEES		1,320,000		
				32		4243		SEWER SYSTEMS DEL CHARGE		80,000		
				32		4244		STORM/DR SYSTEMS DEL CHA				
				32		4245		SEWER PENALTIES				
13,755	28,915	10,000	38,000	32		4250		MISC FEES & CHARGES		15,000		
117,905	60,640	75,000	15,000	32		4510		INTEREST - INVESTMENTS				
173	13,582	13,000		32		4511		INTEREST - OTHER SOURCES				
			75	32		4511	1	JOHNSON CREEK INTEREST				
84			5,000	32		4511	2	STANLEY LID INTEREST				
			1,000	32		4511	9010	OCHOCO LID INTEREST				
25,789	1,239			32		4620		RECOVERED EXPENDITURES				
				32		4621		ASSESS COLLECTIONS - BON				
131,581	104,634	40,000	2,000	32		4622		ASSESS COLLECTIONS - UNB				
			500	32		4622	1	JOHNSON CREEK LID ASSESS				
10,592			5,000	32		4622	2	STANLEY LID ASSESSMENTS				
			750	32		4622	9010	OCHOCO LID ASSESSMENTS				
		253,000		32		4630		OTHER REVENUES		100,000		
			150,000	32		4632	11	LOAN REPAYMENT FROM GENE		150,000		
	22,000	240,000	240,000	32		4632	71	LOAN REPAYMENT FLEET				
1,519,043	2,566,971	2,666,000	2,180,001					TOTAL RESOURCES		1,675,706		

CITY OF MILWAUKIE, CLACKAMAS COUNTY, OREGON

1992-93 BUDGET DOCUMENT

EXPENDITURES

BUDGET UNIT: SEWER FUND

ACCOUNT CODE: 32-000-XXXX-XXXX

OBJECTIVES: Continue analyzing the City's sewer system utilizing our TV cameras and cleaning sewer lines. Use information developed from TV truck to assess future capital needs. Identify areas where inflow and infiltration are increasing flows.

ORGANIZATION: The Sewer Division is supervised by the Sewer Operations Supervisor in addition to Utility Worker II's who act as project leadmen, and Utility Worker I's. The Division receives support services from the Administration and Engineering Divisions.

WORKPLAN SUMMARY: A majority of the year will be spent assessing the condition of the sewer system and cleaning sewer lines. Dry well installation and storm sewer maintenance to reduce inflow and infiltration will also be an ongoing project. Analysis of appropriate software systems will be made so that a sewer system inventory and maintenance record system can be incorporated into the ARC INFO system over the next two years as TV camera data is generated.

1989-90	1990-91	1991-92 BUDGET	1991-92 FORECAST	FUND	DEPT	OBJ	SUB	DESCRIPTION	FTE	1992 -1993		
										PROPOSED	APPROVED	ADOPTED
145,361	174,059	176,469	148,913					Subtotal Salaries & Wages	7.00	160,134		
58,836	71,108	65,969	139,213					Subtotal Benefits		64,245		
204,197	245,166	242,438	288,126					TOTAL SALARIES & BENEFITS	7.00	224,379		
708,899	754,024	751,937	821,135					TOTAL MATERIALS & SERVICES		843,326		
642,254	381,126	709,500	137,000					TOTAL CAPITAL EXPENDITURES		60,000		
459,014	466,425	962,125	923,034					TOTAL OTHER EXPENDITURES		528,000		
2,014,365	1,846,741	2,666,000	2,169,295					DEPARTMENT TOTAL	7.00	1,675,705		

CITY OF MILWAUKIE, CLACKAMAS COUNTY, OREGON

1992-93 BUDGET DOCUMENT

EXPENDITURES

BUDGET UNIT: SEWER FUND

ACCOUNT CODE: 32-000-XXXX-XXXX

1989-90	1990-91	1991-92 BUDGET	1991-92 FORECAST	FUND	DEPT	OBJ	SUB	DESCRIPTION	1992 -1993			
									FTE	PROPOSED	APPROVED	ADOPTED
27,456	29,280	29,280	30,918	32		5110		SALARIES - UNCLASSIFIED	1.00	30,768		
103,662	112,861	124,689	116,249	32		5120		SALARIES - CLASSIFIED	6.00	128,866		
12,531	18,301	18,000		32		5150		SALARIES - TEMPORARY				
1,691	13,616	4,500	1,746	32		5210		OVERTIME - REGULAR		500		
21				32		5330		CAR ALLOWANCE				
<u>145,361</u>	<u>174,059</u>	<u>176,469</u>	<u>148,913</u>					Subtotal Salaries & Wages	7.00	160,134		
11,033	12,611	13,506	11,794	32		5510		SOCIAL SECURITY (FICA)		12,594		
160	228	225	223	32		5520		UNEMPLOYMENT		165		
	192	427	391	32		5525		TRI-MET		203		
13,267	41,239	11,979	88,002	32		5530		WORKERS COMPENSATION		5,954		
19,055		22,722	22,693	32		5610		PERS		24,991		
321	387	432	386	32		5650		LIFE INSURANCE		659		
564	660	745	598	32		5660		LONG TERM DISABILITY		757		
				32		5665		EMPLOYEE ASSISTANCE PROG		130		
12,208	13,412	13,541	13,040	32		5670		MEDICAL BENEFITS		16,365		
2,229	2,381	2,392	2,086	32		5680		DENTAL BENEFITS		2,428		
<u>58,836</u>	<u>71,108</u>	<u>65,969</u>	<u>139,213</u>					Subtotal Benefits		64,245		
<u>204,197</u>	<u>245,166</u>	<u>242,438</u>	<u>288,126</u>					TOTAL SALARIES & BENEFITS	7:00	224,379		
-23,973	8,709	4,500	7,709	32		6010		PROFESSIONAL SERVICES		36,200		
655,007	674,869	640,000	721,000	32		6020		CONTRACTUAL SERVICES		710,226		
23,998	32,482	35,000	38,000	32		6100		REP & MAINT FACILITIES		35,000		
16,075		29,149	20,000	32		6110		REP & MAINT - VEHICLES		25,000		
3,299	5,831	10,503	4,000	32		6120		REP & MAINT - OPER EQUIP		5,000		
232	115	200	240	32		6130		REP & MAINT OFF EQUIP		200		
3,529	2,468	1,000	1,043	32		6210		OFFICE SUPPLIES & EXPENS		1,000		
4,819	3,861	5,000	4,397	32		6220		PUBLIC SAFETY SUPPLIES &		5,000		
823	1,240	500	340	32		6230		ADVERTISING & PUBLICITY		1,500		
260	4,875	300	484	32		6240		FEES & LICENSES		300		
348	1,000	350	498	32		6250		DUES & SUBSCRIPTIONS		400		
1,723	1,431	1,500	1,802	32		6260		TRAVEL, FOOD & LODGING		1,500		
1,597	2,469	3,435	2,960	32		6270		EDUCATION & TRAINING		3,400		
5,700	2,259	4,000	4,540	32		6310		RENTS & LEASES		2,000		
12,130	12,416	16,500	14,122	32		6320		UTILITIES		16,600		
3,219				32		6440		BOND PRINCIPAL				
113				32		6445		BOND INTEREST				

708,899	754,024	751,937	821,135			TOTAL MATERIALS & SERVICES	843,326
				32	7130	VEHICLES	
6,265	11,175	40,500	7,000	32	7140	OPERATING EQUIPMENT	
800	733			32	7150	OFFICE FURNITURE & EQUIP	
502,419	16,108			32	7510	CAP PROJECTS - GENERAL	
	618			32	7520 1900	QUINCY ADDN CURBS	
91,738	83,349	669,000	130,000	32	7531	CAP PROJECTS - SEWER	80,000
34,304	175,584			32	7531 901	CAP PROJECTS - OCHOCO	
	150			32	7531 1048	SPRING CREEK MISC CHARGE	
	65,612			32	7531 1900	CAP PROJECTS - QUINCY ST	
				32	7531 2010	CAP PROJECTS - OLSEN STO	
6,728	27,796			32	7531 9010	CAP PROJECTS	
642,254	381,126	709,500	137,000			TOTAL CAPITAL EXPENDITURES	80,000
275,000	311,552	351,500	351,500	32	8110	TRANSFER TO GENERAL FUND	342,000
150,000	150,000	162,000	162,000	32	8122	TRANSFER TO STATE GAS TA	151,000
				32	8131	TRANSFER TO WATER FUND	
12,014	4,873	19,534	19,534	32	8171	TRANSFER TO FLEET SVC	35,000
22,000				32	9171	LOAN/LOAN REPMT TO FLEET	
		150,000	150,000	32	9211	LOAN TO GENERAL FUND	
		240,000	240,000	32	9227	LOAN TO PARKS DISTRICT	
		39,091		32	9510	CONTINGENCIES	
459,014	466,425	962,125	923,034			TOTAL OTHER EXPENDITURES	528,000
2,014,365	1,846,741	2,666,000	2,169,295			DEPARTMENT TOTAL	7:00 1,675,705

Comparative Monthly Residential Sewer Rates

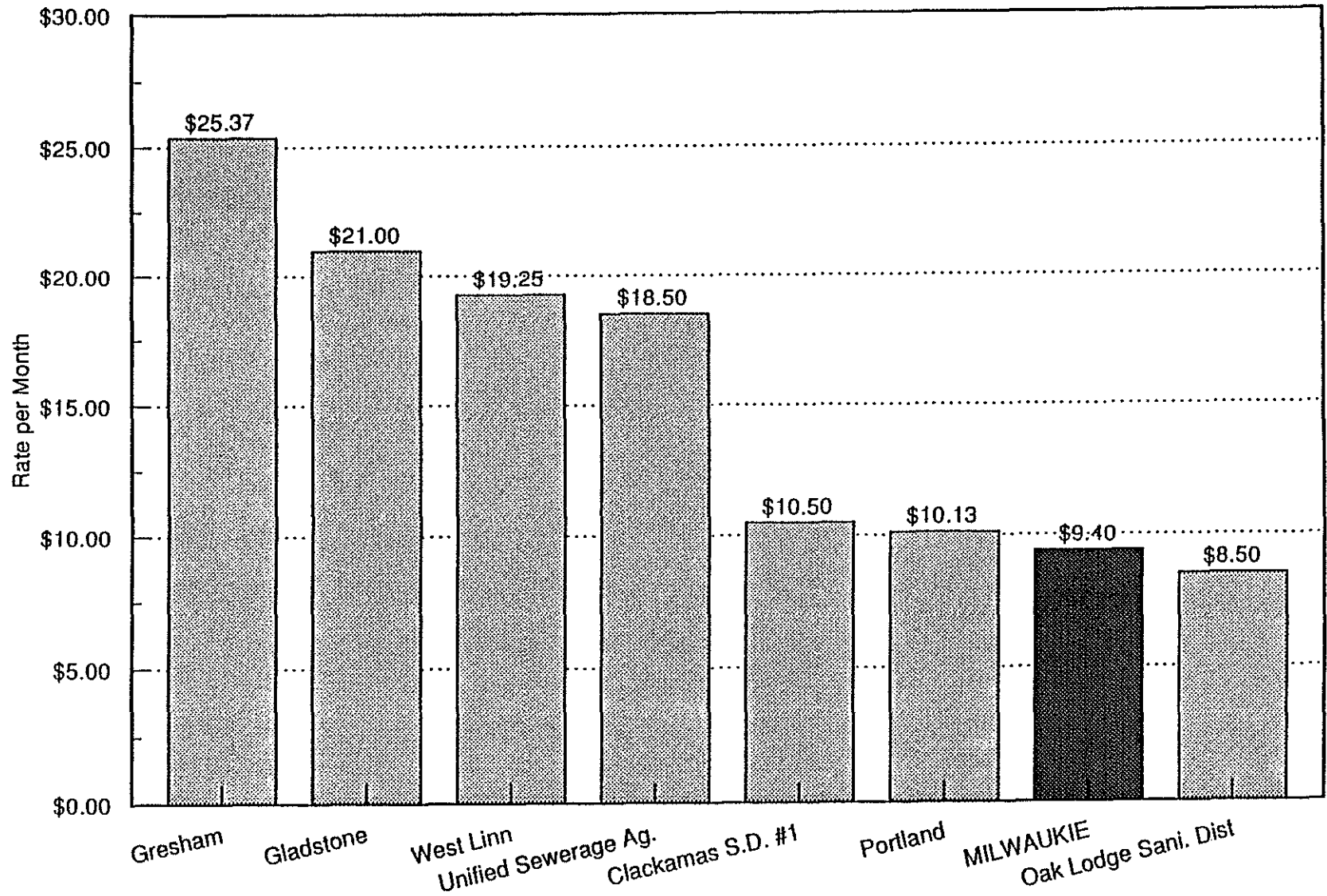


Table 1
City of Milwaukie
Forecast Wastewater Accounts

Customer Class	Growth Rate(%)	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97
Residential	1.50%	8,675	8,805	8,937	9,071	9,207	9,345
Commercial/Industrial	1.50%	275	279	283	288	292	296
Low income	1.50%	99	101	102	104	105	107
System Customer Forecast		9,049	9,185	9,323	9,463	9,605	9,749
Year-to-Year Growth (%)			1.50%	1.50%	1.50%	1.50%	1.50%

Table 2
City of Milwaukie
Annual Wastewater Flows

Customer Class	Average Bi-monthly Excess flow (hcf)	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97
Residential	NA	NA	NA	NA	NA	NA	NA
Commercial/Industrial	87.50	144,375	146,541	148,739	150,970	153,234	155,533
Low income	NA	NA	NA	NA	NA	NA	NA
System Customer Forecast		144,375	146,541	148,739	150,970	153,234	155,533
Year-to-Year Growth (%)		----	1.50%	1.50%	1.50%	1.50%	1.50%

Table 3
City of Milwaukie
Forecast System Revenues

Customer Class	Current Rate (\$/hcf)	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97
Residential	NA	\$978,540	\$1,291,184	\$1,533,345	\$1,634,162	\$1,741,609	\$1,856,119
Commercial/Industrial	\$1.20	204,270	269,534	320,085	341,131	363,560	387,464
Low income	NA	5,602	7,392	8,779	9,356	9,971	10,627
System Revenues From Rates		\$1,188,412	\$1,568,110	\$1,862,209	\$1,984,649	\$2,115,140	\$2,254,211
Planned Year-to-Year Rate Increase in Rates (%)		---	30.000%	17.000%	5.000%	5.000%	5.000%

Table 4
City of Milwaukie
Non-User Charge Revenues

Item	Escalation	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97
	Rate						
Miscellaneous fees and charges	5.00%	\$38,000	\$15,000	\$15,750	\$16,538	\$17,364	\$18,233
County grants	0.00%	157,000	0	0	0	0	0
Interest - investments	0.00%	15,000	0	5,000	5,000	5,000	5,000
Interest - assessments	1.50%	6,075	0	0	0	0	0
Sewer SDCs	0.00%	0	80,000	0	0	0	0
Assessment collections - unbonded	0.00%	8,250	0	0	0	0	0
Other revenue	5.00%	0	50,000	50,000	50,000	50,000	50,000
Loan repayment		390,000	150,000	0	0	0	0
Total		\$614,325	\$295,000	\$70,750	\$71,538	\$72,364	\$73,233

Table 5
City of Milwaukee
Forecast Operations Costs

	Escalation Rate(%)	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97
Personal services - salaries:							
Salaries - unclassified	5.00%	\$30,918	\$30,768	\$32,306	\$33,922	\$35,618	\$37,399
Salaries - classified	5.00%	116,249	128,866	135,309	142,075	149,179	156,637
Salaries - temporary	5.00%	0	0	0	0	0	0
Overtime	5.00%	1,746	500	525	551	579	608
Subtotal - personal services - salaries		148,913	160,134	168,141	176,548	185,375	194,644
Personal services - benefits:							
Social security	5.00%	11,794	12,594	13,224	13,885	14,579	15,308
Unemployment	5.00%	223	165	173	182	191	201
Tri-Met	5.00%	391	203	213	224	235	247
Workers compensation	5.00%	88,002	5,954	6,252	6,564	6,892	7,237
Retirement (PERS)	5.00%	22,693	24,991	26,241	27,553	28,930	30,377
Life insurance	5.00%	386	659	692	727	763	801
Long-term disability	5.00%	598	757	795	835	876	920
Employee assistance program	5.00%	0	130	137	143	150	158
Medical benefits	5.00%	13,040	16,365	17,183	18,042	18,945	19,892
Dental benefits	5.00%	2,086	2,428	2,549	2,677	2,811	2,951
Subtotal - personal services - benefits		139,213	\$64,246	\$67,458	\$70,831	\$74,373	\$78,091
Total - Personal Services		\$288,126	\$224,380	\$235,599	\$247,379	\$259,748	\$272,735
Materials and Services:							
Professional services	5.00%	7,709	36,200	38,010	39,911	41,906	44,001
Contractual services	5.00%	721,000	725,000	761,250	799,313	839,278	881,242
Repair and maintenance - Facilities	5.00%	38,000	35,000	36,750	38,588	40,517	42,543
Repair and maintenance - Vehicles	5.00%	20,000	25,000	26,250	27,563	28,941	30,388
Repair and maintenance - Oper. Equip.	5.00%	4,000	5,000	5,250	5,513	5,788	6,078
Repair and maintenance - Office Equipment	5.00%	240	200	210	221	232	243
Office supplies and expense	5.00%	1,043	1,000	1,050	1,103	1,158	1,216
Public safety supply & expense	5.00%	4,397	5,000	5,250	5,513	5,788	6,078
Advertising and publicity	5.00%	340	1,500	1,575	1,654	1,736	1,823
Fees and licenses	5.00%	484	300	315	331	347	365
Dues and subscriptions	5.00%	498	400	420	441	463	486
Travel, food and lodging	5.00%	1,802	1,500	1,575	1,654	1,736	1,823
Education and training	5.00%	2,960	3,400	3,570	3,749	3,936	4,133
Rents and leases	5.00%	4,540	2,000	2,100	2,205	2,315	2,431
Utilities	5.00%	14,122	16,600	17,430	18,302	19,217	20,177
Total - Materials and services		\$821,135	\$858,100	\$901,005	\$946,055	\$993,358	\$1,043,026
Loans and Transfers:							
Transfer to General Fund	5.00%	\$351,500	\$342,000	\$359,100	\$377,055	\$395,908	\$415,703
Transfers to State Gas Tax Street Fund	5.00%	162,000	151,000	150,000	0	0	0
Transfer to Fleet Services Fund	5.00%	19,534	35,000	36,750	38,588	40,517	42,543
Loan to Fleet Services		0	0	0	0	0	0
Loan to Parks District		240,000	0	0	0	0	0
Loan to General Fund		150,000	0	0	0	0	0
Total - Loans and Transfers		\$923,034	\$528,000	\$545,850	\$415,643	\$436,425	\$458,246
Operating Contingency		\$0	\$0	\$39,091	\$39,091	\$39,091	\$39,091
Total - Operations and Maintenance		\$2,032,295	\$1,610,480	\$1,721,545	\$1,648,168	\$1,728,622	\$1,813,098

Table 6 City of Milwaukie Forecast Capital Costs

	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
Operating equipment	7,000	0	0	0	0	0
Office furnishings and equipment	0	0	0	0	0	0
Capital projects - General	0	0	0	0	0	0
Capital projects - Sewer	130,000	80,000	250,000	275,000	290,000	300,000
	<u>\$137,000</u>	<u>\$80,000</u>	<u>\$250,000</u>	<u>\$275,000</u>	<u>\$290,000</u>	<u>\$300,000</u>

Table 7
City of Milwaukie
Forecast Annual Costs and
Revenues Required From Rates

<u>Item</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>
Operations and maintenance	\$2,032,295	\$1,610,480	\$1,682,454	\$1,609,077	\$1,689,531	\$1,774,007
Capital outlay	137,000	80,000	250,000	275,000	290,000	300,000
Annual System Cost	2,169,295	1,690,480	1,932,454	1,884,077	1,979,531	2,074,007
LESS: Other System Resources						
Miscellaneous fees and charges	38,000	15,000	15,750	16,538	17,364	18,233
County grants	157,000	0	0	0	0	0
Interest - investments	15,000	0	5,000	5,000	5,000	5,000
Interest - assessments	6,075	0	0	0	0	0
Sewer SDCs	0	80,000	0	0	0	0
Assessment collections - unbonded	8,250	0	0	0	0	0
Other revenue	0	50,000	50,000	50,000	50,000	50,000
Loan repayment	390,000	150,000	0	0	0	0
Total: Other system resources	614,325	295,000	70,750	71,538	72,364	73,233
EQUALS: Required Revenues from Rates	1,554,970	1,395,480	1,861,704	1,812,539	1,907,166	2,000,774
Forecast Revenues Using Existing/Planned Rates	1,188,412	1,568,110	1,862,209	1,984,649	2,115,140	2,254,211
Surplus/Deficit(-)	(\$366,558)	\$172,630	\$505	\$172,110	\$207,974	\$253,436
Required Percentage Increase from Previous Year	30.84%	0.00%	0.00%	0.00%	0.00%	0.00%
Planned Percentage Increase	-----	30.000%	17.000%	3.000%	3.000%	3.000%

Table 8
City of Milwaukie
Forecast Operating Results

	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>
Gross Revenues:						
Wastewater Rate Revenues	\$1,188,412	\$1,568,110	\$1,862,209	\$1,984,649	\$2,115,140	\$2,254,211
Miscellaneous fees and charges	38,000	15,000	15,750	16,538	17,364	18,233
County grants	157,000	0	0	0	0	0
Interest - investments	15,000	0	5,000	5,000	5,000	5,000
Interest - assessments	6,075	0	0	0	0	0
Sewer SDCs	0	80,000	0	0	0	0
Assessment collections - unbonded	8,250	0	0	0	0	0
Other revenue	0	50,000	50,000	50,000	50,000	50,000
Loan repayment	390,000	150,000	0	0	0	0
Total Gross Revenues	\$1,802,737	\$1,863,110	\$1,932,959	\$2,056,187	\$2,187,505	\$2,327,443
Operating and Maintenance Expenses	\$2,032,295	\$1,610,480	\$1,682,454	\$1,609,077	\$1,689,531	\$1,774,007
Net Operating Revenues	(\$229,558)	\$252,630	\$250,505	\$447,110	\$497,974	\$553,436
Total Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
Net Revenues After Debt Service	(\$229,558)	\$252,630	\$250,505	\$447,110	\$497,974	\$553,436
Debt Coverage:						
Actual	NA	NA	NA	NA	NA	NA
Required	NA	NA	NA	NA	NA	NA

Table 9
City of Milwaukee
Sources and Uses of Funds

	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>
Resources:						
User charges	\$1,188,412	\$1,568,110	\$1,862,209	\$1,984,649	\$2,115,140	\$2,254,211
Non-user charge revenues	614,325	295,000	70,750	71,538	72,364	73,233
Subtotal--User Fees & other revenues	1,802,737	1,863,110	1,932,959	2,056,187	2,187,505	2,327,443
Beginning Balance:						
General	365,676	(882)	171,749	172,254	344,364	552,338
Unused	0	0	0	0	0	0
Subtotal--Fund Balances	365,676	(882)	171,749	172,254	344,364	552,338
Total Resources	\$2,168,413	\$1,862,229	\$2,104,708	\$2,228,441	\$2,531,869	\$2,879,781
Requirements:						
Operations and maintenance	\$2,032,295	\$1,610,480	\$1,682,454	\$1,609,077	\$1,689,531	\$1,774,007
Capital outlay	137,000	80,000	250,000	275,000	290,000	300,000
Ending Balance						
General	(882)	171,749	172,254	344,364	552,338	805,774
Unused	0	0	0	0	0	0
Subtotal--All Funds	(882)	171,749	172,254	344,364	552,338	805,774
Total Requirements	\$2,168,413	\$1,862,229	\$2,104,708	\$2,228,441	\$2,531,869	\$2,879,781

Table 10
City of Milwaukee
Forecast Rates, Base Charge &
Estimated Typical Monthly Bills

	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>
Base Monthly Charge:						
Residential	\$9.400	\$12.220	\$14.297	\$15.012	\$15.763	\$16.551
Commercial/Industrial	\$9.400	\$12.220	\$14.297	\$15.012	\$15.763	\$16.551
Low income	\$4.700	\$6.110	\$7.149	\$7.506	\$7.881	\$8.276
Flow Charge (per 100 cf):						
Commercial/Industrial	\$1.200	\$1.560	\$1.825	\$1.916	\$2.012	\$2.113