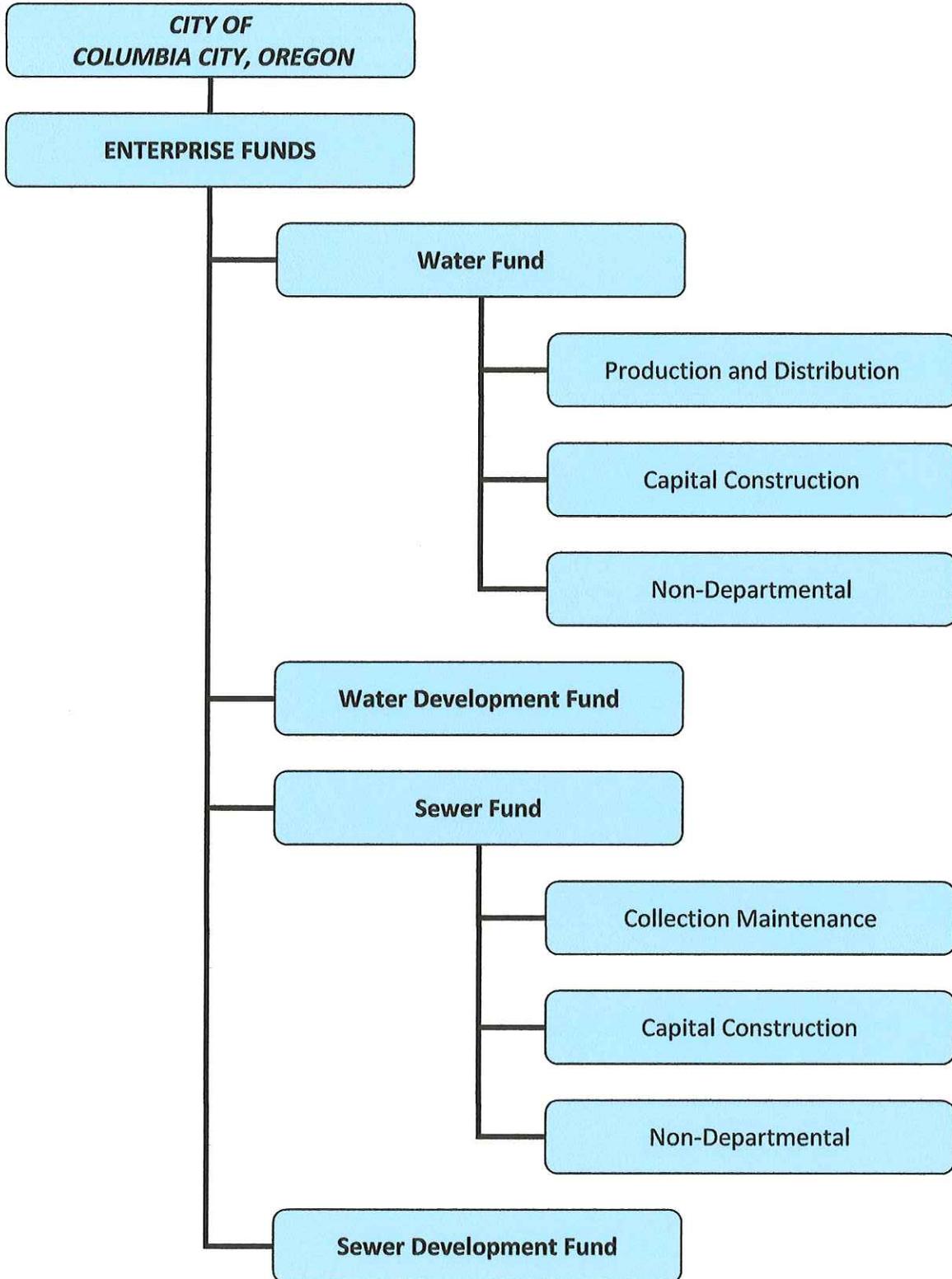
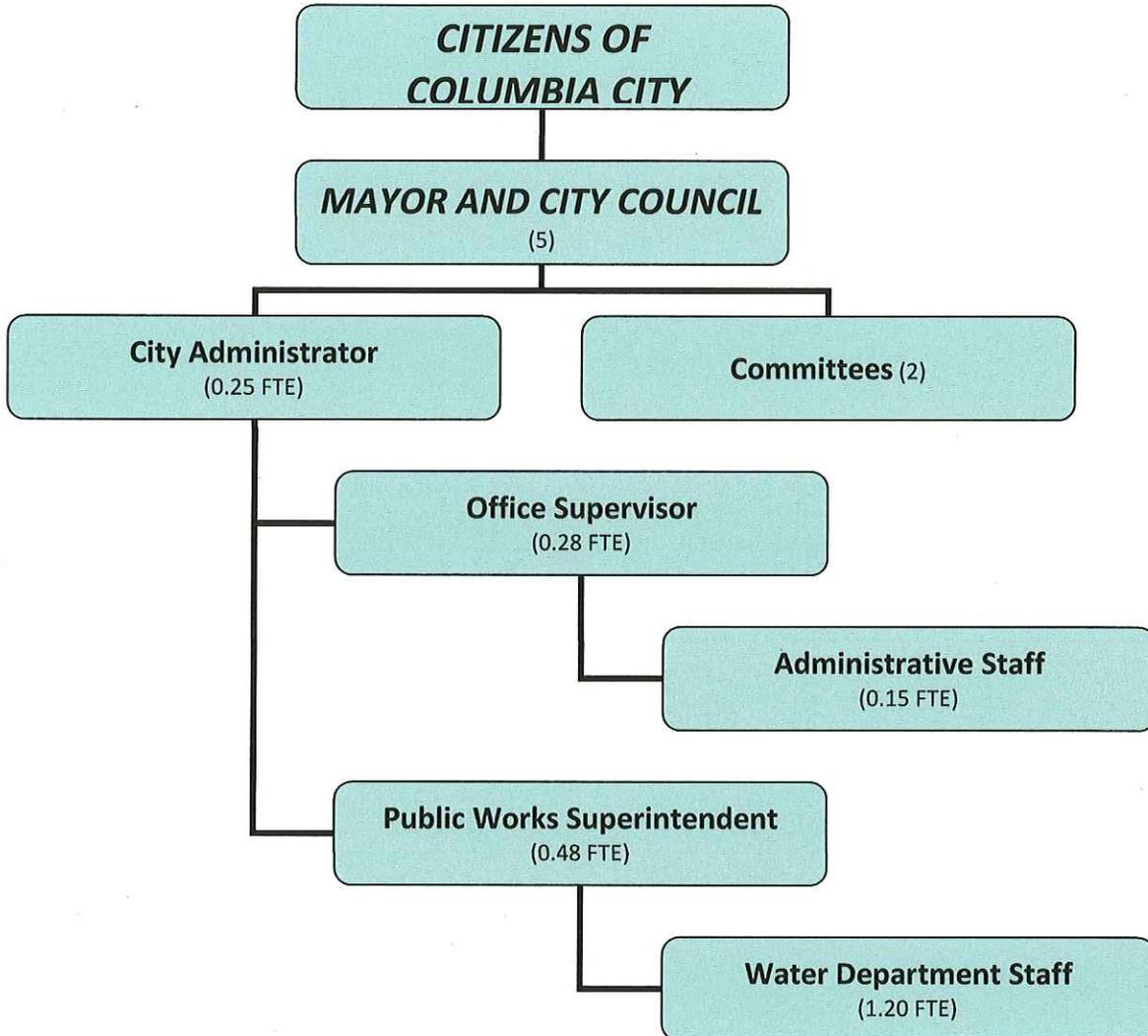


## ***Enterprise Funds***

City of Columbia City  
Fiscal Year 2016-17  
Enterprise Fund Structure



City of Columbia City  
Fiscal Year 2016-17  
Organizational Structure  
Water Fund

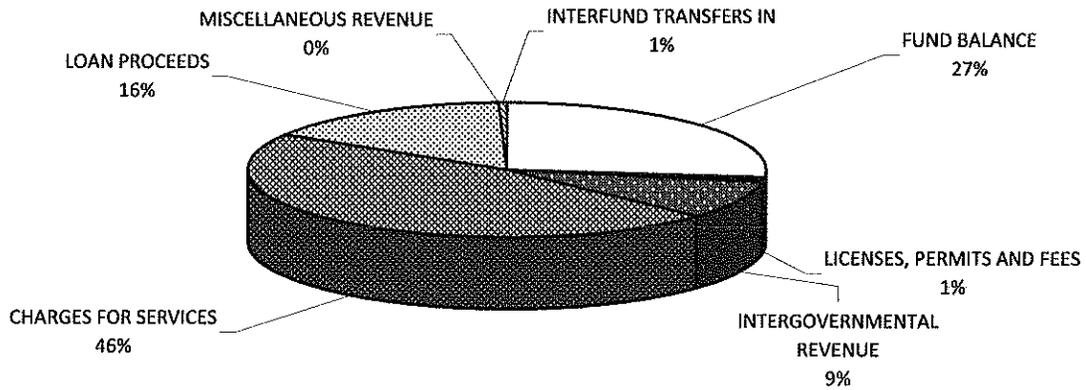


**Water Distribution Activities:**

- Maintenance and Repair of Water Mains, Pump Stations, Reservoirs and Wells
- Meter Reading, Repair and Replacement
- Well Water Treatment
- Customer Service
- Utility Billing
- Utility Locates
- New Service Connections
- System Construction

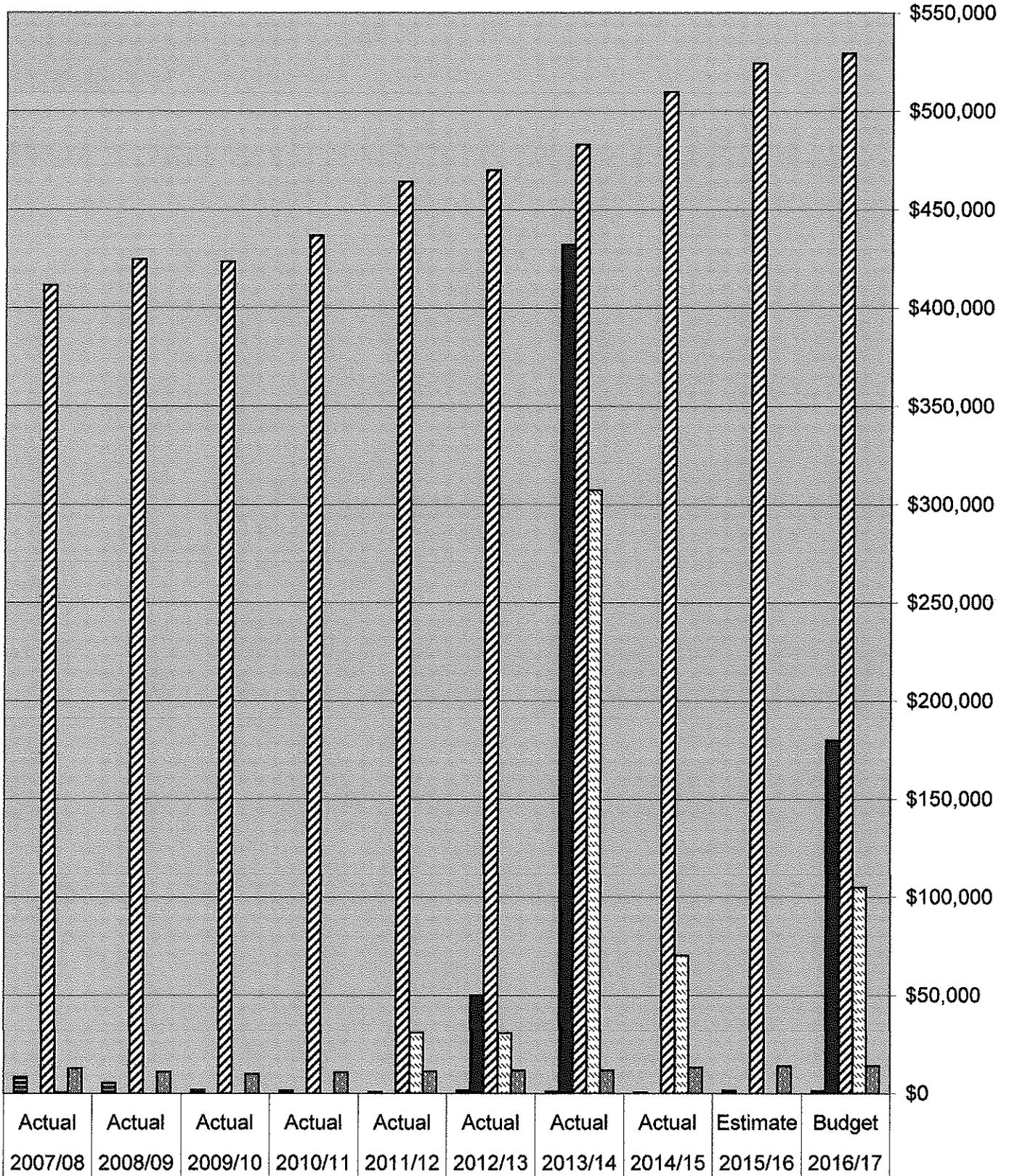
## 2016-17 WATER FUND REVENUES & OTHER RESOURCES

Water sales revenue is the largest source



<b>WATER FUND REVENUES AND OTHER RESOURCES SUMMARY</b>							
<b>Account Description</b>	<b>2013-14 Actual</b>	<b>2014-15 Actual</b>	<b>2015-16 Adopted</b>	<b>2015-16 Estimated</b>	<b>2016-17 Proposed</b>	<b>2016-17 Approved</b>	<b>2016-17 Adopted</b>
FUND BALANCE	212,619	238,685	258,272	285,801	301,953	301,953	301,953
LICENSES, PERMITS AND FEES	11,805	13,124	11,485	13,890	13,955	13,955	13,955
INTERGOVERNMENTAL REVENUE	307,222	70,380	0	0	105,000	105,000	105,000
CHARGES FOR SERVICES	483,005	509,718	523,653	524,291	529,425	529,425	529,425
LOAN PROCEEDS	432,226	0	156,000	0	180,000	180,000	180,000
MISCELLANEOUS REVENUE	1,111	485	1,050	1,531	1,300	1,300	1,300
INTERFUND TRANSFERS IN	18,000	13,622	4,500	4,500	6,000	6,000	6,000
<b>GRAND TOTAL REVENUES &amp; OTHER RESOURCES</b>	<b>1,465,988</b>	<b>846,014</b>	<b>954,960</b>	<b>830,013</b>	<b>1,137,633</b>	<b>1,137,633</b>	<b>1,137,633</b>

### Water Fund Revenue Trends By Category

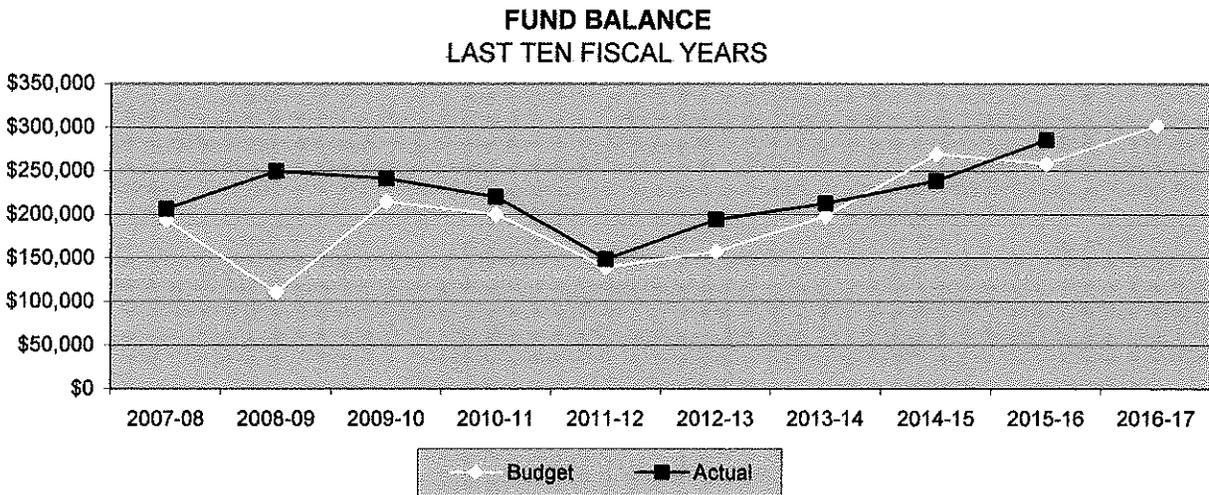


Licenses, Permits and Fees
  Intergovernmental Revenue
  Charges for Services
   
 Loan Proceeds
  Miscellaneous

**City of Columbia City  
2016-17 Annual Budget**

**WATER FUND  
REVENUE AND OTHER RESOURCES**

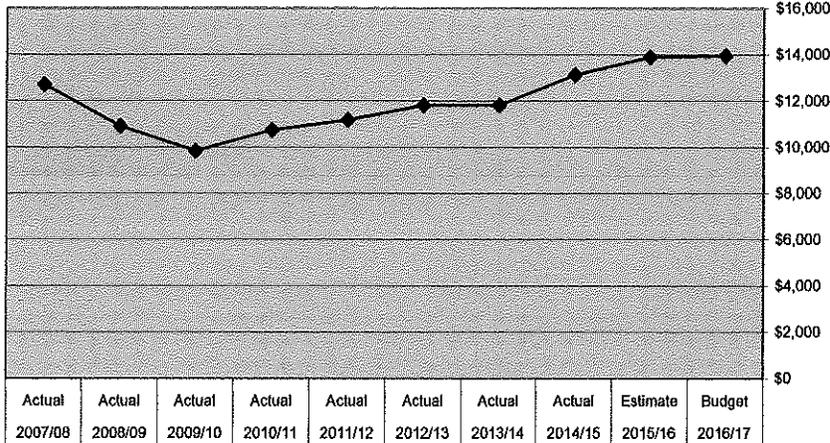
**Fund Balance.** The funds remaining at year-end are carried forward the following year in the beginning fund balance. This category is equal to 27% of the Water Fund revenues and other resources. This estimate is based upon the actual beginning fund balance as of July 1, 2015 and the estimated revenues for the current year, less the estimated expenditures for the current year. The postponement of planned capital projects contributed to an increase in fund balance.



**Licenses, Permits and Fees.** Water connection fees are collected from all new connections to recover the utility service installation costs for labor, equipment and materials. Connection fee revenue estimates are based upon an estimate of the number of building permits that will be issued during the year. This estimate is arrived at considering the past issuance of building permits, the lands available for development, and the local economy. Three housing starts are anticipated in the coming year. Delinquent accounts are charged a delinquent fee to recover labor and material costs related to additional billing reminders. Restoration fees are charged to recover labor and material costs incurred as a result of delinquent service shutoffs. This category accounts for 1% of Water Fund revenues and other resources.

<b>HOUSING STARTS 10-YEAR TREND - CALENDAR YEARS</b>									
2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
34	10	5	0	0	1	1	1	2	0

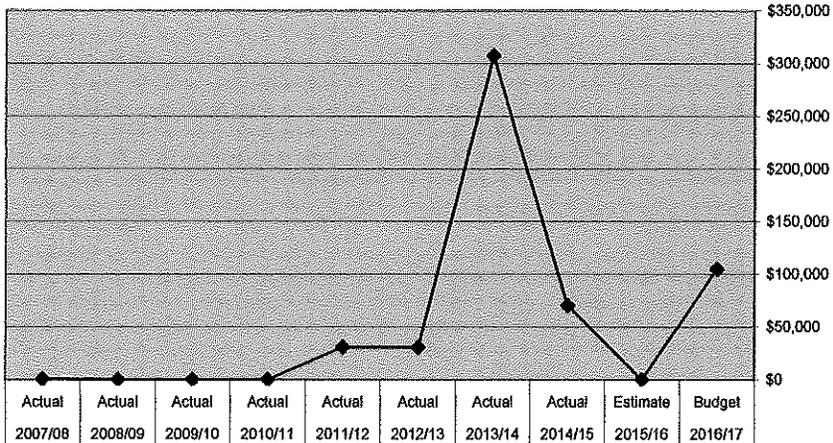
**Licenses, Permits and Fees Revenue**



Fiscal Year	Amount	% Increase/Decrease
2016/17	\$13,955	0.47%
2015/16	\$13,890	5.84%
2014/15	\$13,124	11.17%
2013/14	\$11,805	-0.08%
2012/13	\$11,814	5.75%
2011/12	\$11,172	4.01%
2010/11	\$10,741	9.13%
2009/10	\$9,842	-9.76%
2008/09	\$10,906	-14.11%
2007/08	\$12,697	

**Intergovernmental Revenue.** A Source Water Protection Grant. If awarded, the funds will be used to implement source water protection strategies that are outlined in the Columbia City Source Water Protection Plan. A FEMA Mitigation Grant will be requested to add seismic upgrades to the City's upper level water storage reservoir. Intergovernmental revenues account for

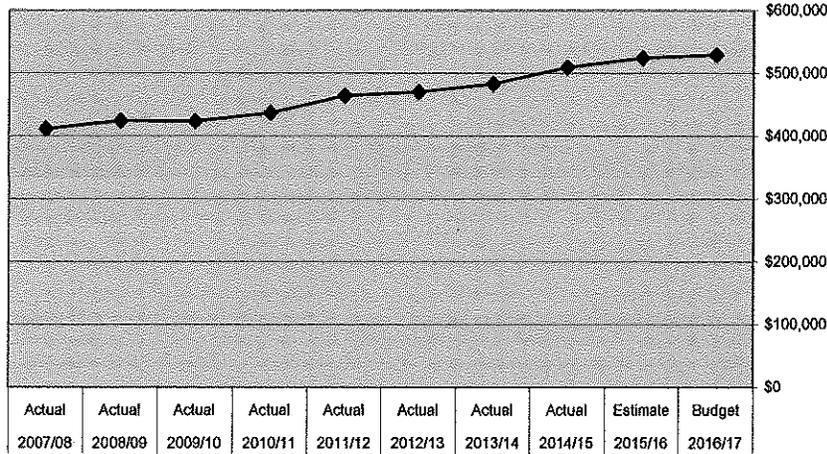
**Intergovernmental Revenue**



Fiscal Year	Amount	% Increase/Decrease
2016/17	\$105,000	
2015/16	\$0	-100.00%
2014/15	\$70,380	-77.09%
2013/14	\$307,222	901.70%
2012/13	\$30,670	-1.06%
2011/12	\$31,000	
2010/11	\$0	
2009/10	\$0	
2008/09	\$0	-100.00%
2007/08	\$627	

**Charges for Services.** The main revenue source for the Water Fund is derived from the sale of water to residential, commercial and industrial users. Estimates were arrived at by analyzing past receipts and considering impacts from growth, housing vacancies, collection trends, water conservation measures, weather trends, etc. Estimates include a 3% rate increase effective July 2015 in accordance with the 2013 Water and Wastewater Rate Analysis. A loss of 2% of water sales is also anticipated due to the recent loss of the City's largest industry, West Oregon Wood Products. Revenues from service charges account for 46% of Water Fund revenues and other resources.

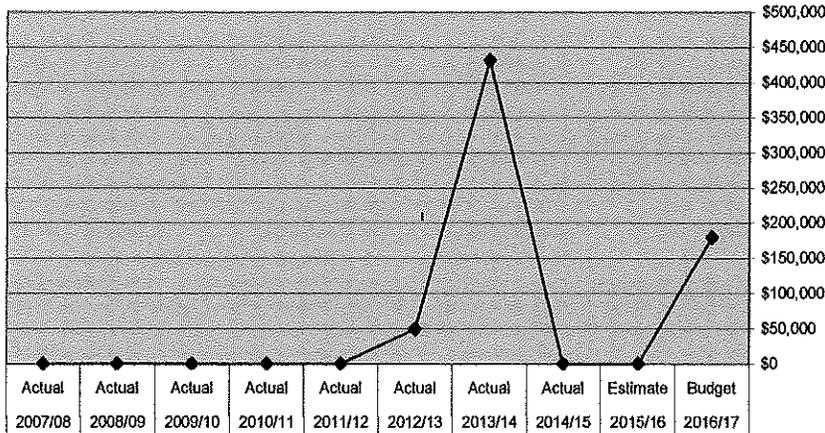
**Charges for Services Revenue**



Fiscal Year	Amount	% Increase/Decrease
2016/17	\$529,425	0.98%
2015/16	\$524,291	2.86%
2014/15	\$509,718	5.53%
2013/14	\$483,005	2.76%
2012/13	\$470,014	1.27%
2011/12	\$464,140	6.26%
2010/11	\$436,778	3.12%
2009/10	\$423,547	-0.27%
2008/09	\$424,698	3.23%
2007/08	\$411,428	

**Loan Proceeds.** The City anticipates obtaining a new loan to complete the Upper Reservoir Restoration and Improvements project and the Source Water Protection Project as outlined in the Five-Year Capital Improvements Plan. This revenue accounts for 16% of the Water Fund revenues and other resources.

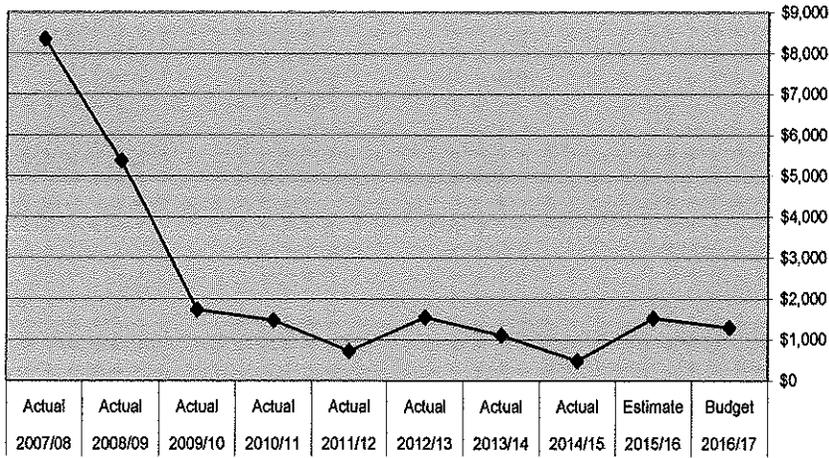
**Loan Proceeds Revenue**



Fiscal Year	Amount	% Increase/Decrease
2016/17	\$180,000	
2015/16	\$0	
2014/15	\$0	-100.00%
2013/14	\$432,226	764.88%
2012/13	\$49,975	
2011/12	\$0	
2010/11	\$0	
2009/10	\$0	
2008/09	\$0	
2007/08	\$0	

**Miscellaneous Revenue.** Miscellaneous revenues are derived primarily from investment income. Estimates are arrived at based upon investing power and interest rates. This revenue accounts for less than 1% of the Water Fund revenues and other resources.

**Miscellaneous Revenue**



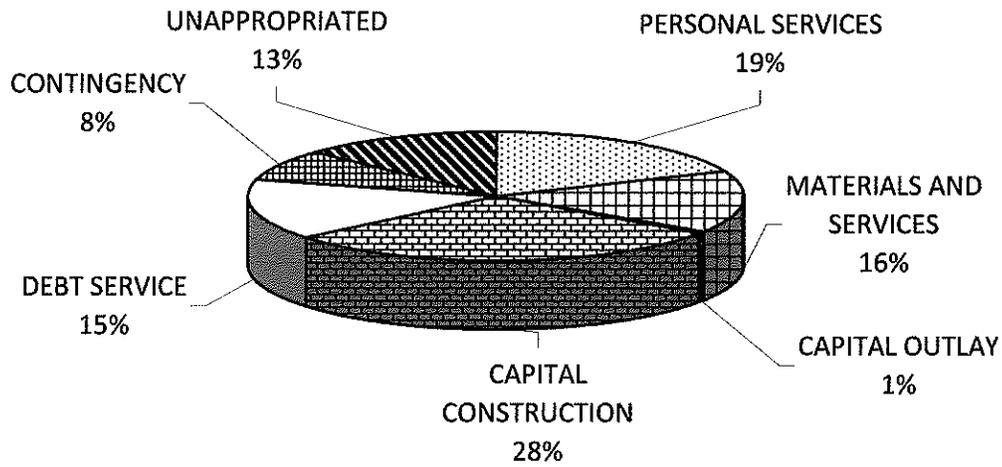
Fiscal Year	Amount	% Increase/Decrease
2016/17	\$1,300	-15.09%
2015/16	\$1,531	215.67%
2014/15	\$485	-56.35%
2013/14	\$1,111	-28.18%
2012/13	\$1,547	115.16%
2011/12	\$719	-51.15%
2010/11	\$1,472	-15.21%
2009/10	\$1,736	-67.74%
2008/09	\$5,381	-35.57%
2007/08	\$8,352	

**Interfund Transfers.** Funds transferred in from the Water Development Fund represent a contribution towards the payment on debt. Interfund transfers represent less than 1% of Water Fund revenues and other resources.

City of Columbia City 2016-17 Budget

		WATER FUND REVENUES AND OTHER RESOURCES DETAIL						
Line Item	Account Description	2013-14 Actual	2014-15 Actual	2015-16 Adopted	2015-16 Estimated	2016-17 Proposed	2016-17 Approved	2016-17 Adopted
12	FUND BALANCE							
271000	Beginning Fund Balance	212,619	238,685	258,272	285,801	301,953	301,953	301,953
	TOTAL FUND BALANCE	212,619	238,685	258,272	285,801	301,953	301,953	301,953
	LICENSES, PERMITS AND FEES							
321600	Connection Fees	1,185	2,864	1,185	2,370	3,555	3,555	3,555
321700	Delinquent Fees	9,790	9,305	9,700	10,770	9,500	9,500	9,500
321800	Restoration Fees	830	955	600	750	900	900	900
	TOTAL LICENSES, PERMIT AND FEES	11,805	13,124	11,485	13,890	13,955	13,955	13,955
	INTERGOVERNMENTAL REVENUE							
331600	Risk Management Grant	438	0	0	0	0	0	0
331800	Source Water Protection Grant	18,634	0	0	0	30,000	30,000	30,000
332000	FEMA Mitigation Grant	0	0	0	0	75,000	75,000	75,000
332600	Safe Drinking Water Grant	288,150	70,380	0	0	0	0	0
	TOTAL INTERGOVERNMENTAL REVENUE	307,222	70,380	0	0	105,000	105,000	105,000
	CHARGES FOR SERVICES							
340000	Water Sales	483,005	509,718	523,653	524,291	529,425	529,425	529,425
	TOTAL CHARGES FOR SERVICES	483,005	509,718	523,653	524,291	529,425	529,425	529,425
	LOAN PROCEEDS							
350100	Safe Drinking Water Loan	432,226	0	156,000	0	160,000	160,000	160,000
350200	Source Water Protection Loan	0	0	0	0	20,000	20,000	20,000
	TOTAL LOAN PROCEEDS	432,226	0	156,000	0	180,000	180,000	180,000
	MISCELLANEOUS REVENUE							
361000	Interest	1,050	914	1,000	1,506	1,250	1,250	1,250
365300	Miscellaneous	61	(429)	50	25	50	50	50
	TOTAL MISCELLANEOUS REVENUE	1,111	485	1,050	1,531	1,300	1,300	1,300
	INTERFUND TRANSFERS IN							
391000	Transfer in from Water Development Fund	18,000	12,731	0	0	6,000	6,000	6,000
390500	Transfer in from Equipment Reserve Fund	0	891	4,500	4,500	0	0	0
	TOTAL INTERFUND TRANSFERS IN	18,000	13,622	4,500	4,500	6,000	6,000	6,000
		<b>1,465,988</b>	<b>846,014</b>	<b>954,960</b>	<b>830,013</b>	<b>1,137,633</b>	<b>1,137,633</b>	<b>1,137,633</b>

**2016-17 WATER FUND EXPENDITURES**  
**Capital construction projects represent the largest expense**



<b>WATER FUND EXPENDITURE SUMMARY BY CATEGORY</b>							
<b>Account Description</b>	<b>2013-14 Actual</b>	<b>2014-15 Actual</b>	<b>2015-16 Adopted</b>	<b>2015-16 Estimated</b>	<b>2016-17 Proposed</b>	<b>2016-17 Approved</b>	<b>2016-17 Adopted</b>
PERSONAL SERVICES	189,076	201,325	218,152	198,273	211,072	211,072	211,072
MATERIALS AND SERVICES	134,387	123,086	138,449	141,468	176,695	176,695	176,695
CAPITAL OUTLAY	0	6,177	9,563	9,563	6,563	6,563	6,563
CAPITAL CONSTRUCTION	751,548	52,185	156,219	3,000	331,000	331,000	331,000
DEBT SERVICE	147,191	177,440	175,757	175,756	175,756	175,756	175,756
INTERFUND TRANSFERS OUT	5,100	0	0	0	0	0	0
CONTINGENCY	0	0	106,980	0	86,706	86,706	86,706
UNAPPROPRIATED	0	0	149,840	0	149,840	149,840	149,840
<b>GRAND TOTAL EXPENDITURES</b>	<b>1,227,302</b>	<b>560,213</b>	<b>954,960</b>	<b>528,060</b>	<b>1,137,632</b>	<b>1,137,632</b>	<b>1,137,632</b>

**City of Columbia City  
2016-17 Annual Budget**

**FUND: WATER**

**DEPARTMENT: PRODUCTION AND DISTRIBUTION DEPARTMENT**

**DEPARTMENT ACTIVITIES AND SERVICE LEVEL DESCRIPTION:**

This activity accounts for all costs involved in the operation and maintenance of the City's groundwater wells and water distribution system. The well system consists of two wells and a chlorination facility. The City's main well is PW Well No. 2, and PW Well No. 1 serves as a secondary or backup well. The City is also a wholesale customer of the City of St. Helens, and purchases water as needed. The water from all three sources is pumped via two pump stations into Columbia City's water reservoir system, consisting of three storage reservoirs with a combined storage capacity of 1.4 million gallons, and then distributed into the system. The distribution system consists of approximately 16 miles of distribution lines and 857 service lines and water meters

The Production and Distribution Department is funded by charges for service, licenses, permits and fees, intergovernmental revenues, loan proceeds, and miscellaneous revenue.

Personal service costs include scheduled step increases and a 2% cost of living adjustment. Capital outlay represents this department's share of a financial software upgrade.

<b>Water Production &amp; Distribution Performance Measures</b>	<b>Actual 2013-14</b>	<b>Actual 2014-15</b>	<b>Estimate 2015-16</b>	<b>Budget 2016-17</b>
<b>Inputs:</b>				
Administrator/Recorder	0.25	0.25	0.25	0.25
Supervisor/Accounting Clerk	0.32	0.33	0.28	0.28
Secretary	0.15	0.15	0.15	0.15
City Attorney	0.01	0.01	0.00	0.00
Public Works Superintendent	0.47	0.49	0.48	0.48
Utility Worker II	0.77	0.98	0.96	0.48
Utility Worker I	0.17	0.00	0.00	0.48
Utility Worker	0.25	0.25	0.24	0.24
Number of Full Time Equivalent (FTEs)	2.39	2.46	2.36	2.38
Department Operating Expenditures	\$323,463	\$324,411	\$339,741	\$363,773
<b>Outputs:</b>				
Number of Active Water Utility Accounts	829	835	835	837
Water Service Work Orders	441	413	385	400
Utility Locate Orders	119	99	86	100
Number of Manual Read Meters	503	10	5	0
Number of Radio and Touch Read Meters	347	841	846	849
First Late Notices	1,004	1,082	920	1,000

<b>Water Production &amp; Distribution Performance Measures</b>	<b>Actual 2013-14</b>	<b>Actual 2014-15</b>	<b>Estimate 2015-16</b>	<b>Budget 2016-17</b>
<b><i>Outputs (continued):</i></b>				
Second Late Notices	244	208	294	250
Delinquent Shut Offs	31	31	35	32
Cubic Feet Purchased - Wholesale Supply	47,700	147,200	399,900	100,000
Cubic Feet Produced - City Wells	7,663,576	7,862,743	7,425,258	7,500,000
Cubic Feet Sold	6,192,330	6,609,741	6,628,352	6,750,000
Number of Backflow Prevention Assemblies	351	353	356	360
Water Committee Meetings	2	1	1	2
<b><i>Measures of Efficiency and Effectiveness:</i></b>				
Percent of Hydrants Operational	99%	99%	99%	100%
Number of Lots Outside of Current Fire Flow Coverage Area	144			
Unaccounted For Water Loss	20%	17%	10%	10%
Water Leaks Repaired	6	5	7	10
Percent of Backflow Prevention Assemblies Tested	88%	78%	79%	82%
Percent of Water Produced from City Wells	99%	98%	95%	97%
Number of Active Water Accounts Per FTE	347	339	354	352
Average Customer Satisfaction Rating 1=Poor, 5=Excellent	3.81	3.90	4.10	4.25
Department Operating Expenditures Per Capita	\$166.30	\$165.94	\$173.78	\$186.07

#### **DEPARTMENT ACCOMPLISHMENTS IN 2015-16:**

- Continued to promote water conservation through public education, the design of the water rate structure, a system wide leak detection survey, leak repair work, etc. Low leak loss adds capacity to our water system and lowers our wholesale purchase costs for water, and every effort is made to identify and eliminate leaks from the system.
- Identified and repaired leaks throughout the year.
- Successfully reduced the amount of unaccounted for water loss to 10%.

#### **DEPARTMENT OBJECTIVES FOR 2016-17:**

To implement the water source protection strategies identified in the Drinking Water Protection Plan. Target date: June 30, 2017.

To implement the water conservation strategies identified in the Water Management and Conservation Plan. June 30, 2017.

To make necessary repairs to eliminate water leaks as identified in the system wide leak detection study to effectively maintain water loss levels of 10% or less. Target date: Ongoing.

To complete the replacement of three leaking and/or obsolete fire hydrants in accordance with 2016-17 Policy Goal and Objective 3D set forth by Council. This project is further described in the Five Year Capital Improvement Program. Target date: June 30, 2017.

To secure an easement for an overflow drain for the Upper Reservoir. Target date: July 31, 2016.

To complete the Upper Reservoir Restoration and Level Monitoring project in accordance with 2016-17 Policy Goal and Objective 3C set forth by Council, and as outlined in the Five Year Capital Improvement Program. Target date: June 30 2017.

To negotiate a new Wholesale Water Agreement with the City of St. Helens in conjunction with 2016-17 Policy Goal and Objective 3B set forth by Council. Target date: As soon as possible.

To annually flush the water system and exercise all fire hydrants. Target date: November 2016.

To continue to implement a cross-connection program to require backflow devices for all new construction and a retrofitting program for existing water connections in an effort to fully protect the City's water distribution system. Target date: Ongoing.

To continue to meet all requirements and regulations governing public water systems through upgraded facilities and well-educated staff. Target date: Ongoing.

To continue to provide the community with quality water that meets all Oregon Drinking Water Program standards. Target date: Ongoing.

To emphasize special training and education of department employees. Target date: Ongoing.

To seek grant and forgivable loan opportunities for identified water improvement projects. Target date: Ongoing.

City of Columbia City 2016-17 Budget

WATER FUND								
EXPENDITURE DETAIL								
PRODUCTION AND DISTRIBUTION DEPARTMENT								
Line		2013-14	2014-15	2015-16	2015-16	2016-17	2016-17	2016-17
Item	Account Description	Actual	Actual	Adopted	Estimated	Proposed	Approved	Adopted
12								
01	PERSONAL SERVICES							
110000	Regular Services	120,350	129,775	126,855	120,849	125,945	125,945	125,945
120000	Extra Labor	6,065	6,548	6,679	8,154	6,814	6,814	6,814
130000	Overtime	3,214	2,390	3,000	3,406	3,000	3,000	3,000
210000	Group Insurance	32,148	34,309	40,903	32,233	34,473	34,473	34,473
220000	Social Security	9,869	10,558	10,691	9,946	10,934	10,934	10,934
230000	Retirement Contributions	14,066	15,535	21,649	17,575	19,063	19,063	19,063
250000	Unemployment Compensation	774	114	140	156	144	144	144
260000	Workers' Compensation	2,590	2,096	4,016	3,254	3,527	3,527	3,527
295000	Accrued Leave	0	0	4,219	2,700	7,172	7,172	7,172
	<b>TOTAL PERSONAL SERVICES</b>	<b>189,076</b>	<b>201,325</b>	<b>218,152</b>	<b>198,273</b>	<b>211,072</b>	<b>211,072</b>	<b>211,072</b>
02	MATERIALS AND SERVICES							
331000	Auditing Services	3,375	5,107	5,260	3,267	4,000	4,000	4,000
333000	Legal Services	0	35	2,184	1,392	2,000	2,000	2,000
334000	Engineering Services	19,621	396	5,903	2,500	20,000	20,000	20,000
335000	Other Contractual Services	13,069	9,369	8,380	9,833	20,128	20,128	20,128
400000	In-Lieu-of Franchise Fees	24,545	26,272	26,183	26,676	26,471	26,471	26,471
410000	Water Purchases	1,629	1,580	10,300	10,084	15,000	15,000	15,000
431000	Building Maintenance	699	485	537	272	550	550	550
432000	Equipment Maintenance	5,684	3,349	4,935	6,276	6,464	6,464	6,464
435000	Vehicle Maintenance	39	333	588	1,778	1,831	1,831	1,831
440000	Rental Fees	0	0	206	200	206	206	206
520000	Insurance and Bonds	5,051	5,247	5,404	5,664	5,834	5,834	5,834
540000	Legal Notices	73	82	372	372	383	383	383
581000	Travel and Training	626	544	721	1,200	1,236	1,236	1,236
583000	Dues, Subscriptions and Programs	739	570	796	750	773	773	773
611000	Office Supplies	537	743	858	834	859	859	859
612000	Postage	2,056	2,188	3,864	2,602	2,680	2,680	2,680
613000	Telephone and Internet Services	1,697	1,692	1,706	1,944	2,002	2,002	2,002
615000	Materials and Supplies	14,435	18,890	15,301	14,354	15,750	15,750	15,750
616000	Uniforms	0	0	258	250	258	258	258
617000	Treatment Chemicals	22,017	26,672	23,338	28,616	29,474	29,474	29,474
621000	Natural Gas	210	227	255	274	282	282	282
622000	Electricity	14,448	14,839	15,315	14,868	15,314	15,314	15,314
626000	Gasoline	3,770	2,620	2,657	1,854	2,200	2,200	2,200
660000	Miscellaneous	67	1,846	3,128	5,608	3,000	3,000	3,000
	<b>TOTAL MATERIALS AND SERVICES</b>	<b>134,387</b>	<b>123,086</b>	<b>138,449</b>	<b>141,468</b>	<b>176,695</b>	<b>176,695</b>	<b>176,695</b>
03	CAPITAL OUTLAY							
741000	Equipment	0	6,177	9,563	9,563	6,563	6,563	6,563
	<b>TOTAL CAPITAL OUTLAY</b>	<b>0</b>	<b>6,177</b>	<b>9,563</b>	<b>9,563</b>	<b>6,563</b>	<b>6,563</b>	<b>6,563</b>
	<b>TOTAL DISTRIBUTION MAINT. DEPT.</b>	<b>323,463</b>	<b>330,588</b>	<b>366,164</b>	<b>349,304</b>	<b>394,330</b>	<b>394,330</b>	<b>394,330</b>

**City of Columbia City  
2016-17 Annual Budget**

**FUND: WATER**

**DEPARTMENT: CAPITAL CONSTRUCTION**

**DEPARTMENT ACTIVITIES AND SERVICE LEVEL DESCRIPTION:**

This activity accounts for water system capital construction projects. This year's projects are funded by loan proceeds and water user fees.

This year's appropriations are described as follows, and are consistent with the City's Five-Year Capital Improvement Program:

**Upper Reservoir Restoration and Improvements.** Project involves recoating the interior and exterior of the upper level reservoir to prevent additional corrosion and completing structural repairs, if needed, adding seismic upgrades, installing a telemetry system for remote monitoring, and the addition of an overflow drain. Estimated cost: \$260,000.

**Fire Hydrant Replacement Project.** Project involves the replacement of three fire hydrants that were found to be leaking during a City-wide lead detection survey. The hydrants are old and the parts needed to repair them may no longer be available. Estimated cost: \$21,000.

**Source Water Protection Project.** Project involves the abandonment of two dry wells that are located within the City's drinking water protection area by redirecting the storm water into existing drainage swales. This project is dependent upon a Source Water Protection Grant award. Estimated cost: \$50,000.

These projects are described in greater detail in the Capital Improvements section of this document.

**ACCOMPLISHMENTS IN 2015-16:**

Completed the replacement of one obsolete, leaking hydrant.

City of Columbia City 2016-17 Budget

		WATER FUND EXPENDITURE DETAIL CAPITAL CONSTRUCTION DEPARTMENT				2016-17	2016-17	2016-17
Line		2013-14	2014-15	2015-16	2015-16	2016-17	2016-17	2016-17
Item	Account Description	Actual	Actual	Adopted	Estimated	Proposed	Approved	Adopted
12								
04	CAPITAL CONSTRUCTION							
750100	Public Works Well Project	6,019	0	0	0	0	0	0
750200	Upper Reservoir Restoration & Improvements	0	0	132,219	0	260,000	260,000	260,000
753000	Water Meter/PRV/Line Abandonment	745,529	52,185	0	0	0	0	0
753500	Fire Hydrant Replacement	0	0	24,000	3,000	21,000	21,000	21,000
754000	Source Water Protection Project	0	0	0	0	50,000	50,000	50,000
	TOTAL CAPITAL CONSTRUCTION	751,548	52,185	156,219	3,000	331,000	331,000	331,000
	<b>TOTAL CAPITAL CONSTRUCTION DEPT.</b>	<b>751,548</b>	<b>52,185</b>	<b>156,219</b>	<b>3,000</b>	<b>331,000</b>	<b>331,000</b>	<b>331,000</b>

**City of Columbia City  
2016-17 Annual Budget**

**FUND: WATER**

**DEPARTMENT: NON-DEPARTMENTAL**

**DEPARTMENT ACTIVITIES AND SERVICE LEVEL DESCRIPTION:**

This budget provides for Water Fund appropriations that cannot be accounted for in individual departments.

Revenue from water sales will be used to make the principal and interest payments on the Safe Drinking Water Loan the City obtained in 2002. The loan proceeds were used to construct a 1.0-million gallon water storage reservoir and related transmission piping and investigate and develop a groundwater source. The loan was for \$2,990,500, and the interest rate on the loan is 1.00%. Payments are due annually on December 1, and the loan term is 30 years. The following table shows the anticipated principal and interest requirements on the loan:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2016-17	\$94,030.00	\$21,846.23	\$115,876.23
2017-18	94,970.30	20,905.93	115,876.23
2018-19	95,920.00	19,956.23	115,876.23
2019-20	96,879.20	18,997.03	115,876.23
2020-21	97,847.99	18,028.24	115,876.23
2021-22	98,826.47	17,049.76	115,876.23
2022-23	99,814.74	16,061.49	115,876.23
2023-24	100,812.89	15,063.34	115,876.23
2024-25	101,821.02	14,055.21	115,876.23
2025-26	102,839.23	13,037.00	115,876.23
2026-27	103,867.62	12,008.61	115,876.23
2027-28	104,906.29	10,969.94	115,876.23
2028-29	105,955.36	9,920.87	115,876.23
2029-30	107,014.91	8,861.32	115,876.23
2030-31	108,085.06	7,791.17	115,876.23
2031-32	109,165.91	6,710.32	115,876.23
2032-33	110,257.57	5,618.66	115,876.23
2033-34	111,360.14	4,516.09	115,876.23
2034-35	112,473.75	3,402.48	115,876.23
2035-36	113,598.48	2,277.75	115,876.23
2036-37	114,176.14	1,141.66	115,317.80
<b>TOTALS</b>	<b>\$2,184,623.07</b>	<b>\$248,219.33</b>	<b>\$2,432,842.40</b>

Revenue from water sales will be used to make the principal and interest payments on the Safe

Drinking Water Loan amendment the City obtained in 2008. The loan proceeds were used to complete the City's water source project. The original loan was in the amount of \$400,000, and the interest rate on the loan is 3.55%. Payments are due annually on December 1, and the loan term is 20 years. The following table shows the anticipated principal and interest requirements on the loan:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2016-17	\$18,601.75	\$9,670.16	\$28,271.91
2017-18	19,262.12	9,009.79	28,271.91
2018-19	19,945.92	8,325.99	28,271.91
2019-20	20,654.00	7,617.91	28,271.91
2020-21	21,387.22	6,884.69	28,271.91
2021-22	22,146.46	6,125.45	28,271.91
2022-23	22,932.66	5,339.25	28,271.91
2023-24	23,746.77	4,525.14	28,271.91
2024-25	24,589.78	3,682.13	28,271.91
2025-26	25,462.72	2,809.19	28,271.91
2026-27	26,366.65	1,905.26	28,271.91
2027-28	27,302.74	969.17	28,271.91
<b>TOTALS</b>	<b>\$272,398.79</b>	<b>\$66,864.13</b>	<b>\$339,262.92</b>

Revenue from water sales will be used to make the principal and interest payments on the Technical Assistance Loan under the Water/Wastewater Financing Program the City obtained in 2011. The loan proceeds were used to complete the City's Water System Master Plan. The original loan was in the amount of \$19,000, and the interest rate on the loan is 2.94%. Payments are due annually on December 1, and the loan term is 7 years. The following table shows the anticipated principal and interest requirements on the loan:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2016-17	\$2,707.86	\$334.87	\$3,042.73
2017-18	2,787.47	255.26	3,042.73
2018-19	2,869.42	173.31	3,042.73
2019-20	3,025.35	88.95	3,114.30
<b>TOTALS</b>	<b>\$11,390.10</b>	<b>\$852.39</b>	<b>\$12,242.49</b>

Revenue from water sales will be used to make the principal and interest payments on the Safe Drinking Water Revolving Fund Loan obtained in 2013. The loan proceeds were used to complete the Water Conservation Project - Meters/PRV/Line Improvements, which was completed in August 2015. The loan was in the amount of \$842,380, although 45% of the loan funds were forgivable, reducing the principal amount to be repaid to \$463,200. The interest rate on the loan is 2.69%. Payments are due annually on December 1, and the loan term is 20 years. The following table shows the anticipated principal and interest requirements on the loan:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2016-17	\$17,290.10	\$11,274.96	\$28,565.06
2017-18	17,755.20	10,809.86	28,565.06
2018-19	18,232.82	10,332.24	28,565.06
2019-20	18,723.28	9,841.78	28,565.06
2020-21	19,226.93	9,338.13	28,565.06
2021-22	19,744.14	8,820.92	28,565.06
2022-23	20,275.26	8,289.80	28,565.06
2023-24	20,820.66	7,744.40	28,565.06
2024-25	21,380.74	7,184.32	28,565.06
2025-26	21,955.88	6,609.18	28,565.06
2026-27	22,546.49	6,018.57	28,565.06
2027-28	23,152.99	5,412.07	28,565.06
2028-29	23,775.81	4,789.25	28,565.06
2029-30	24,415.38	4,149.68	28,565.06
2030-31	25,072.15	3,492.91	28,565.06
2031-32	25,746.59	2,818.47	28,565.06
2032-33	26,439.17	2,125.89	28,565.06
2033-34	27,150.39	1,414.67	28,565.06
2034-35	25,439.64	684.33	26,123.97
<b>TOTALS</b>	<b>\$419,143.62</b>	<b>\$121,151.43</b>	<b>\$540,295.05</b>

A new Safe Drinking Water Loan in the amount of \$160,000 is anticipated during the coming year to provide funding to complete restoration work to the upper reservoir. A new Source Water Protection Loan in the amount of \$20,000 is anticipated to help pay for the implementation of source water protection strategies.

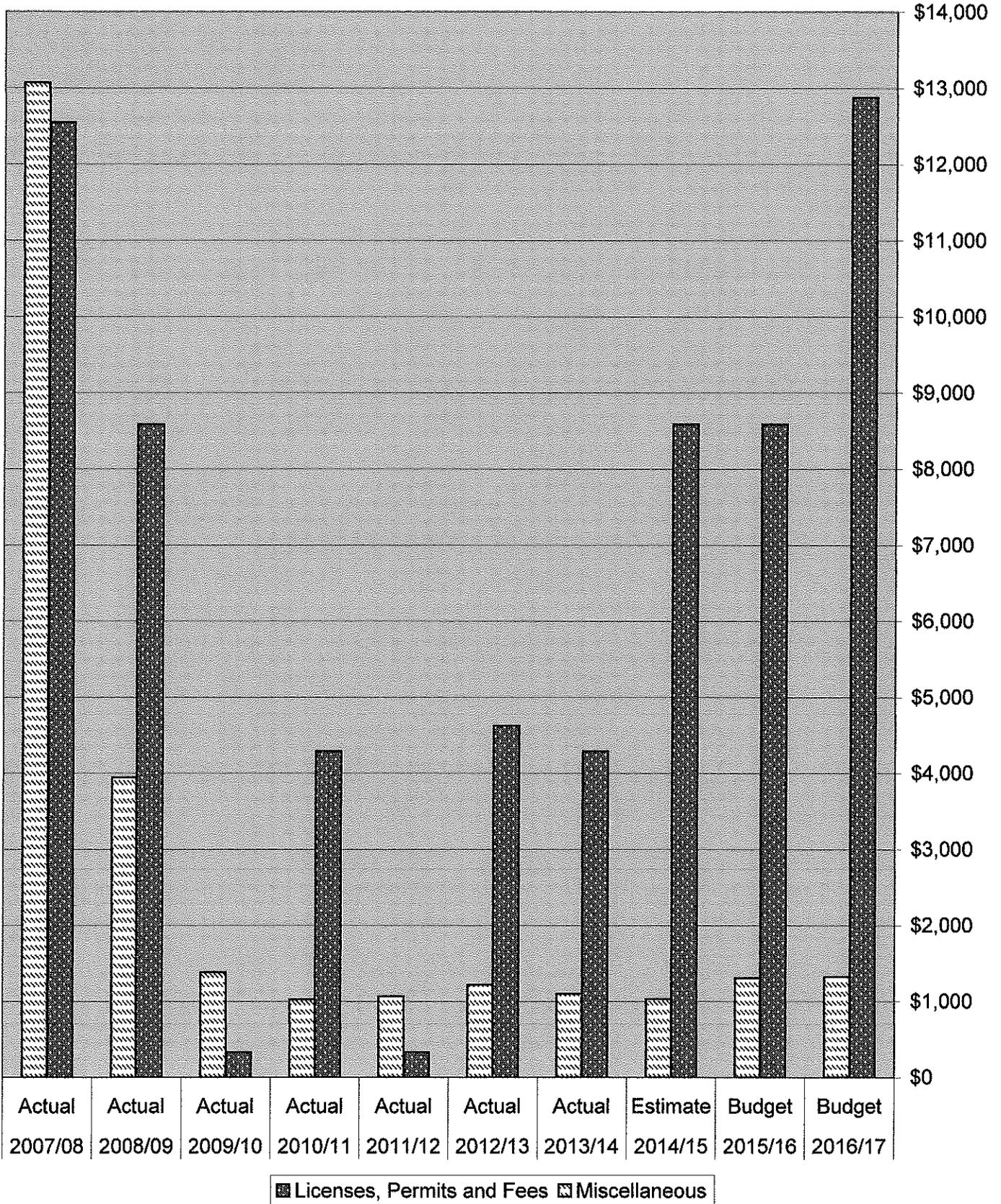
Contingency funds equal to 22% of the Water Fund's operating expenditures are provided to cover unforeseen expenditures which may occur in the 2016-17 fiscal year, which satisfies City Council Budget and Financial Policy Number 2.

The unappropriated ending fund balance equal to 13% of Water Fund appropriations represents the reserve requirements for the outstanding debt.

City of Columbia City 2016-17 Budget

		WATER FUND EXPENDITURE DETAIL NON-DEPARTMENTAL						
Line Item	Account Description	2013-14 Actual	2014-15 Actual	2015-16 Adopted	2015-16 Estimated	2016-17 Proposed	2016-17 Approved	2016-17 Adopted
12								
05	DEBT SERVICE							
761500	Principal - Safe Drinking Water Loan #1	91,265	92,177	93,099	93,099	94,030	94,030	94,030
761600	Principal - Safe Drinking Water Loan #1 Amendment	16,753	17,348	17,964	17,964	18,602	18,602	18,602
761700	Principal - Water/Wastewater Financing Loan	2,424	2,556	2,631	2,631	2,708	2,708	2,708
761800	Principal - Safe Drinking Water Loan #2	0	25,784	16,799	18,273	17,290	17,290	17,290
762500	Interest - Safe Drinking Water Loan #1	24,612	23,699	22,777	22,777	21,846	21,846	21,846
762600	Interest - Safe Drinking Water Loan #1 Amendment	11,518	10,924	10,308	10,308	9,670	9,670	9,670
762700	Interest - Water/Wastewater Financing Loan	619	487	412	412	335	335	335
762800	Interest - Safe Drinking Water Loan #2	0	4,465	11,767	10,292	11,275	11,275	11,275
	TOTAL DEBT SERVICE	147,191	177,440	175,757	175,756	175,756	175,756	175,756
06	INTERFUND TRANSFERS OUT							
808000	Transfer out to Equipment Reserve Fund	5,100	0	0	0	0	0	0
	TOTAL INTERFUND TRANSFERS OUT	5,100	0	0	0	0	0	0
07	CONTINGENCY							
900000	Contingency	0	0	106,980	0	86,706	86,706	86,706
	TOTAL CONTINGENCY	0	0	106,980	0	86,706	86,706	86,706
09	UNAPPROPRIATED							
950000	Unappropriated Ending Fund Balance	0	0	149,840	0	149,840	149,840	149,840
	TOTAL UNAPPROPRIATED	0	0	149,840	0	149,840	149,840	149,840
	<b>TOTAL NON-DEPARTMENTAL</b>	<b>152,291</b>	<b>177,440</b>	<b>432,577</b>	<b>175,756</b>	<b>412,302</b>	<b>412,302</b>	<b>412,302</b>
	<b>TOTAL WATER FUND</b>	<b>1,227,302</b>	<b>560,213</b>	<b>954,960</b>	<b>528,060</b>	<b>1,137,632</b>	<b>1,137,632</b>	<b>1,137,632</b>

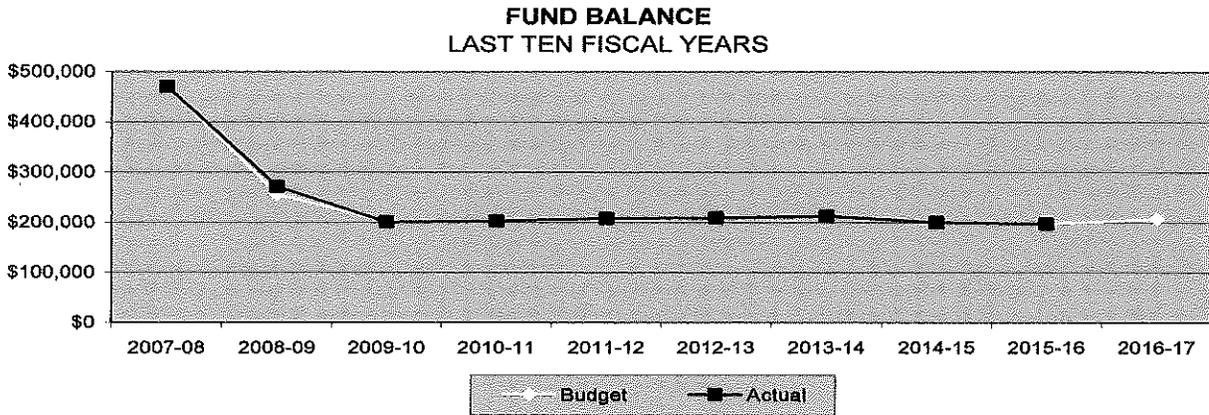
### Water Development Fund Revenue Trends By Category



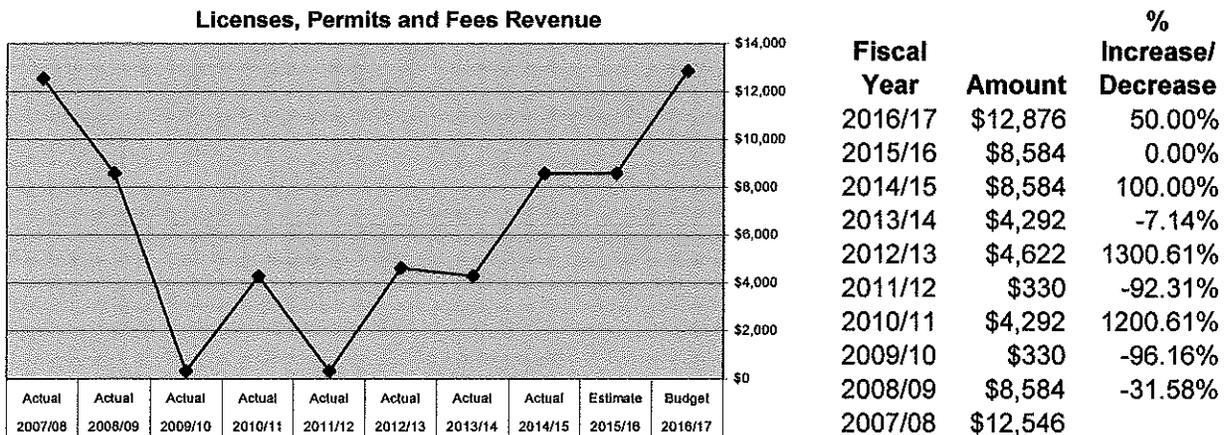
**City of Columbia City  
2016-17 Annual Budget**

**WATER DEVELOPMENT FUND  
REVENUE AND OTHER RESOURCES**

**Fund Balance.** The funds remaining at year-end are carried forward the following year in the beginning fund balance. This category is equal to 94% of the Water Development Fund revenues and other resources. This estimate is based upon the actual beginning fund balance as of July 1, 2015 and the estimated revenues for the current year, less the estimated expenditures for the current year.

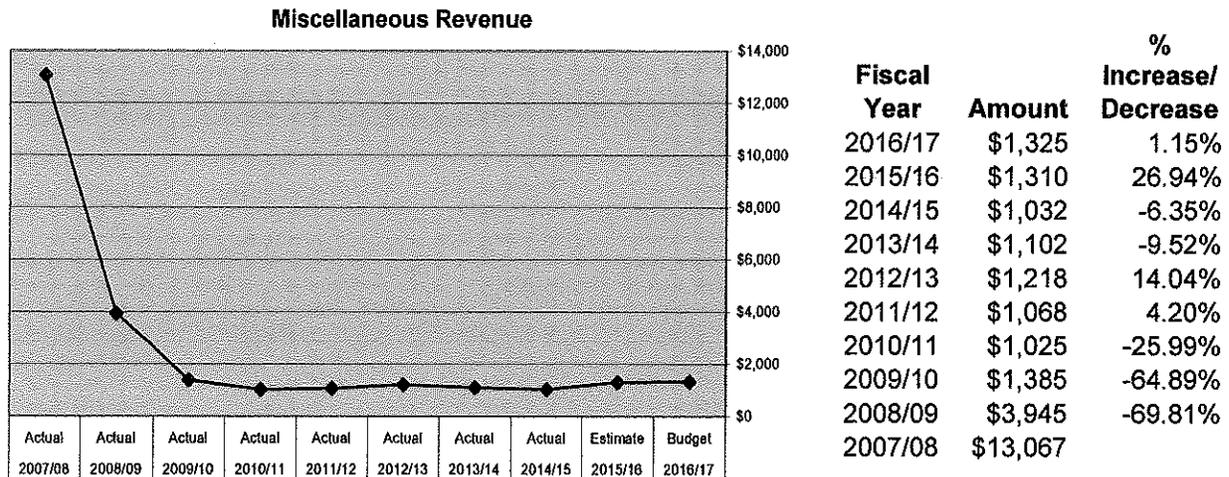


**Licenses, Permits and Fees.** System development charges are collected with new construction, and revenue estimates are based upon an estimate of the number of building permits that will be issued during the year. This estimate is arrived at considering the past issuance of building permits, the lands available for development, and the local economy. Three housing starts are anticipated in the coming year. This category represents 6% of the Water Development Fund revenues and other resources.



HOUSING STARTS									
10-YEAR TREND - CALENDAR YEARS									
2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
34	10	5	0	0	1	1	1	2	0

**Miscellaneous Revenues.** Miscellaneous revenue consists of investment income, and accounts for 1% of the Water Development Fund revenues and other resources.



City of Columbia City 2016-17 Budget

WATER DEVELOPMENT FUND REVENUES AND OTHER RESOURCES								
DETAIL								
Line Item	Account Description	2013-14 Actual	2014-15 Actual	2015-16 Adopted	2015-16 Estimated	2016-17 Proposed	2016-17 Approved	2016-17 Adopted
13	FUND BALANCE							
271000	Beginning Fund Balance	212,232	199,627	196,586	196,511	206,405	206,405	206,405
	TOTAL FUND BALANCE	212,232	199,627	196,586	196,511	206,405	206,405	206,405
	LICENSES, PERMITS AND FEES							
321500	System Development Charges	4,292	8,584	4,292	8,584	12,876	12,876	12,876
	TOTAL LICENSES, PERMITS AND FEES	4,292	8,584	4,292	8,584	12,876	12,876	12,876
	MISCELLANEOUS REVENUE							
361000	Interest	1,102	1,032	900	1,310	1,325	1,325	1,325
	TOTAL MISCELLANEOUS REVENUE	1,102	1,032	900	1,310	1,325	1,325	1,325
	<b>TOTAL REVENUES &amp; OTHER RESOURCES</b>	<b>217,626</b>	<b>209,243</b>	<b>201,778</b>	<b>206,405</b>	<b>220,606</b>	<b>220,606</b>	<b>220,606</b>

**City of Columbia City  
2016-17 Annual Budget**

**FUND: WATER DEVELOPMENT**

**DEPARTMENT ACTIVITIES AND SERVICE LEVEL DESCRIPTION:**

The Water System Development Charge Fund was established in accordance with State law to account for water system development charges which are designed to finance future capacity or reserves in the next capital improvement expansion of the water system. These funds are used exclusively for new growth-related improvements such as water wells, reservoirs, and distribution system improvements.

The interfund transfer out represents a contribution towards the debt payments related to growth-related portions of water system improvements.

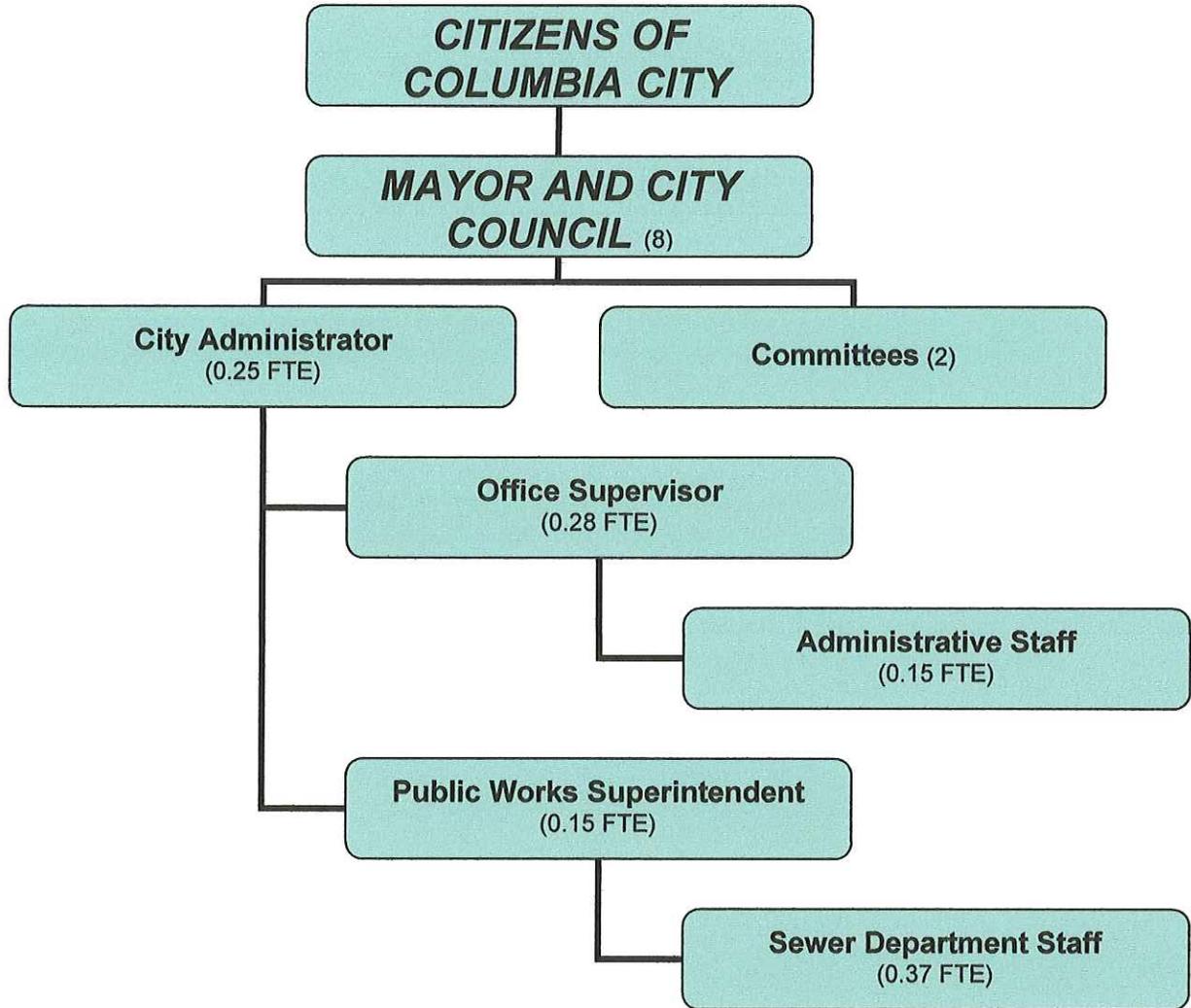
Funds have been placed in contingency to provide for unanticipated needs during the year.

The unappropriated ending fund balance represents monies reserved for use in future years.

City of Columbia City 2016-17 Budget

		<b>WATER DEVELOPMENT FUND EXPENDITURE DETAIL</b>						
Line Item	Account Description	2013-14 Actual	2014-15 Actual	2015-16 Adopted	2015-16 Estimated	2016-17 Proposed	2016-17 Approved	2016-17 Adopted
13								
06	INTERFUND TRANSFERS OUT							
806000	Transfer out to Water Fund	18,000	12,731	0	0	6,000	6,000	6,000
	TOTAL INTERFUND TRANSFERS OUT	18,000	12,731	0	0	6,000	6,000	6,000
07	CONTINGENCY							
900000	Contingency	0	0	20,000	0	20,000	20,000	20,000
	TOTAL CONTINGENCY	0	0	20,000	0	20,000	20,000	20,000
09	UNAPPROPRIATED							
950000	Unappropriated Ending Fund Balance	0	0	181,778	0	194,606	194,606	194,606
	TOTAL UNAPPROPRIATED	0	0	181,778	0	194,606	194,606	194,606
	<b>TOTAL WATER DEVELOPMENT FUND</b>	<b>18,000</b>	<b>12,731</b>	<b>201,778</b>	<b>0</b>	<b>220,606</b>	<b>220,606</b>	<b>220,606</b>

City of Columbia City  
Fiscal Year 2016-17  
Organizational Structure  
Sewer Fund

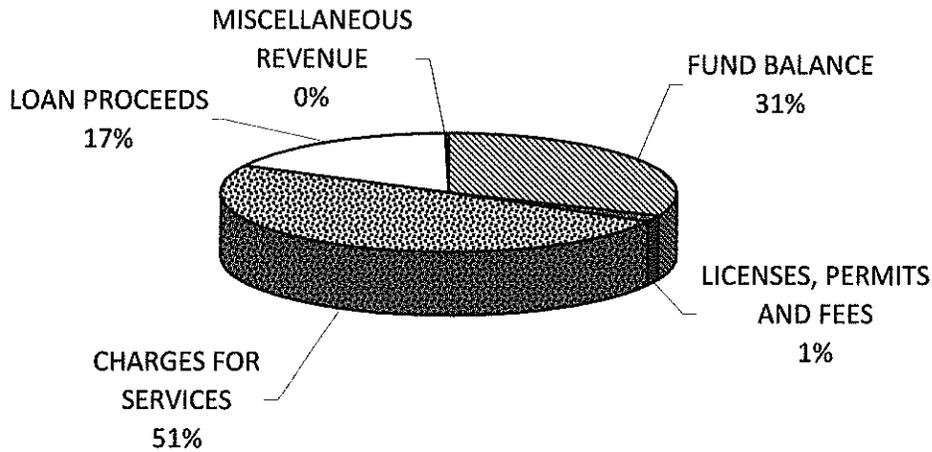


**Sewer Collection Activities:**

- Maintenance and Repair of Sewer Mains and Lift Stations**
- Septic tank Pumping, Repair and Replacement**
- Customer Service**
- Utility Billing**
- Utility Locates**
- New Service Connections**
- System Construction**

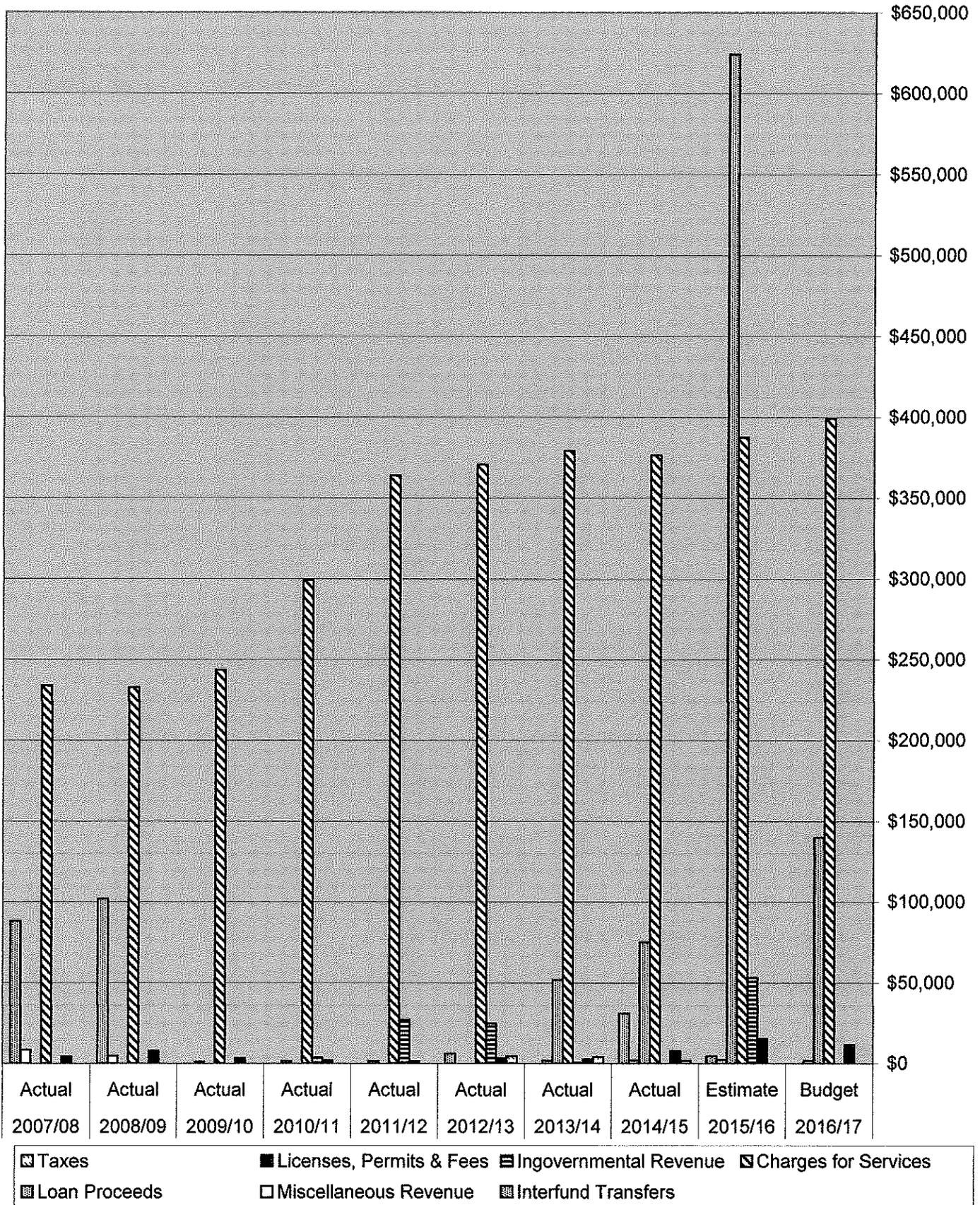
## 2016-17 SEWER FUND REVENUES & OTHER RESOURCES

Sewer service charges are the largest source



<b>SEWER FUND REVENUES AND OTHER RESOURCES SUMMARY</b>							
Account Description	2013-14 Actual	2014-15 Actual	2015-16 Adopted	2015-16 Estimated	2016-17 Proposed	2016-17 Approved	2016-17 Adopted
FUND BALANCE	172,230	224,515	307,067	310,013	253,914	253,914	253,914
TAXES	3,905	1,507	0	0	0	0	0
LICENSES, PERMITS AND FEES	2,530	7,676	15,038	15,138	11,514	11,514	11,514
INTERGOVERNMENTAL REVENUE	437	0	53,117	53,117	0	0	0
CHARGES FOR SERVICES	379,083	376,438	386,551	387,463	399,087	399,087	399,087
LOAN PROCEEDS	51,728	75,028	611,627	624,244	140,000	140,000	140,000
MISCELLANEOUS REVENUE	1,705	1,755	1,400	2,290	1,600	1,600	1,600
INTERFUND TRANSFERS	0	30,863	4,500	4,500	0	0	0
<b>GRAND TOTAL REVENUES &amp; OTHER RESOURCES</b>	<b>611,618</b>	<b>717,782</b>	<b>1,379,300</b>	<b>1,396,765</b>	<b>806,115</b>	<b>806,115</b>	<b>806,115</b>

## Sewer Fund Revenue Trends By Category

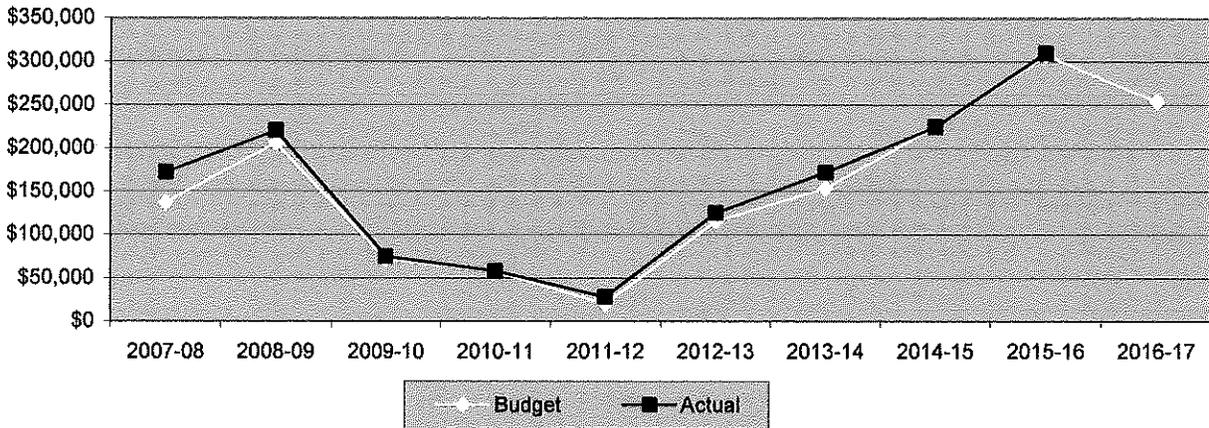


**City of Columbia City  
2016-17 Annual Budget**

**SEWER FUND  
REVENUE AND OTHER RESOURCES**

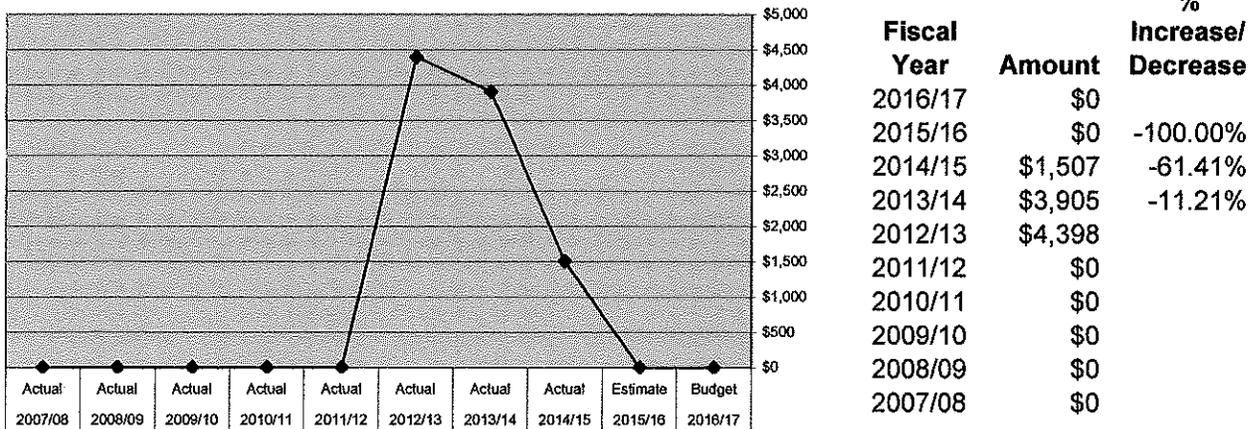
**Fund Balance.** The funds remaining at year-end are carried forward the following year in the beginning fund balance. This category is equal to 31% of the Sewer Fund revenues and other resources. This estimate is based upon the actual beginning fund balance as of July 1, 2015 and the estimated revenues for the current year, less the estimated expenditures for the current year. The significant decrease in fund balance can be attributed to storm response costs and capital project costs during the current year.

**FUND BALANCE  
LAST TEN FISCAL YEARS**



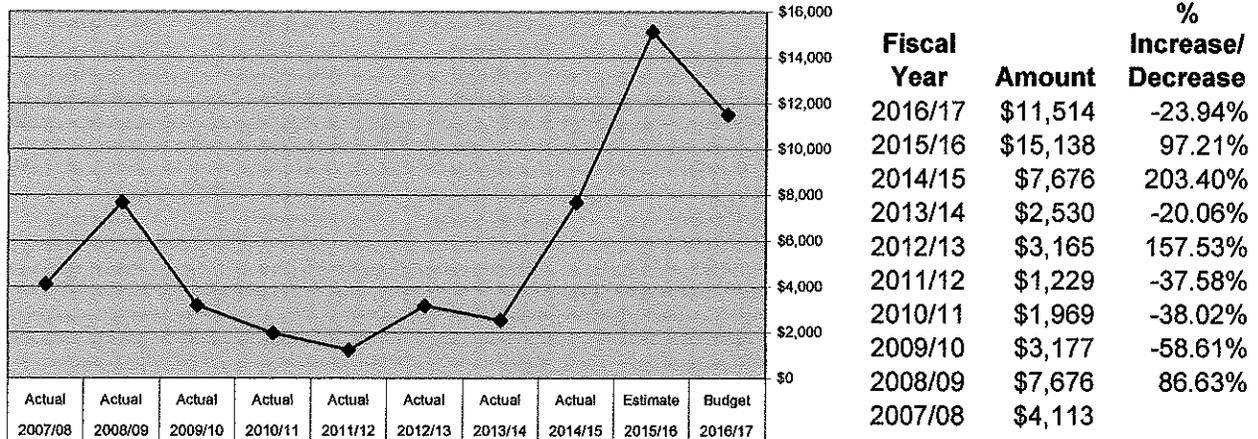
**Taxes.** Taxes were previously levied to pay for General Obligation Refunding Bonds which were issued to construct the sewer system. The debt has been fully repaid, and tax revenues are no longer levied for this purpose.

**Property Tax Revenue**



**Licenses, Permits and Fees.** System Development Charges for the City of St. Helens are collected for each new sewer connection related to new construction. Revenue estimates are based upon an estimate of the number of building permits that will be issued during the year. This estimate is arrived at considering the past issuance of building permits, the lands available for development, and the local economy. Three new housing starts are anticipated in the coming year. This source accounts for 1% of Sewer Fund revenues and other resources.

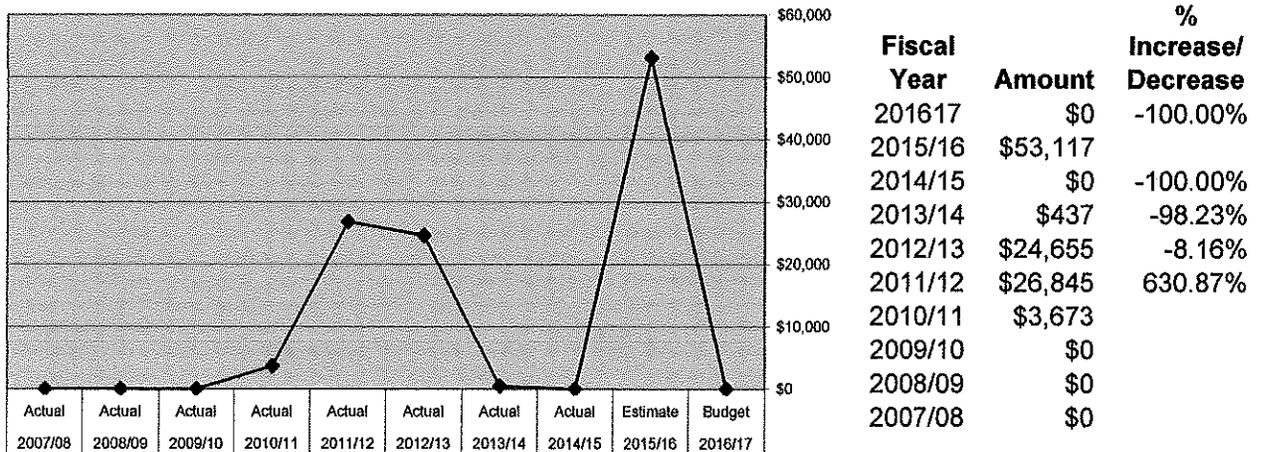
**Licenses, Permits and Fees Revenue**



HOUSING STARTS									
10-YEAR TREND - CALENDAR YEARS									
2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
34	10	5	0	0	1	1	1	2	0

**Intergovernmental Revenue.** No grant awards are anticipated in the coming year.

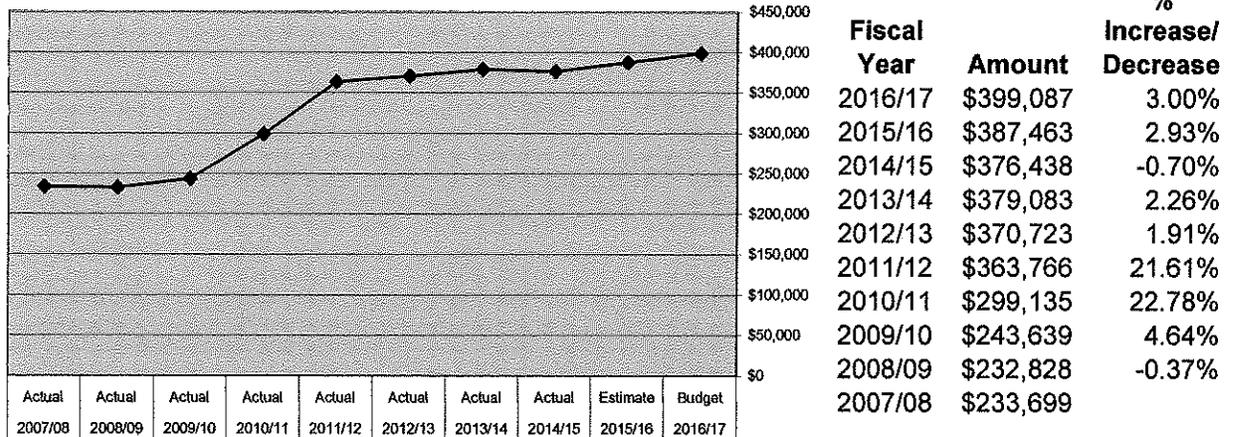
**Intergovernmental Revenue**



**Charges for Services.** Sewer collection fees are one of the main revenue sources for the Sewer

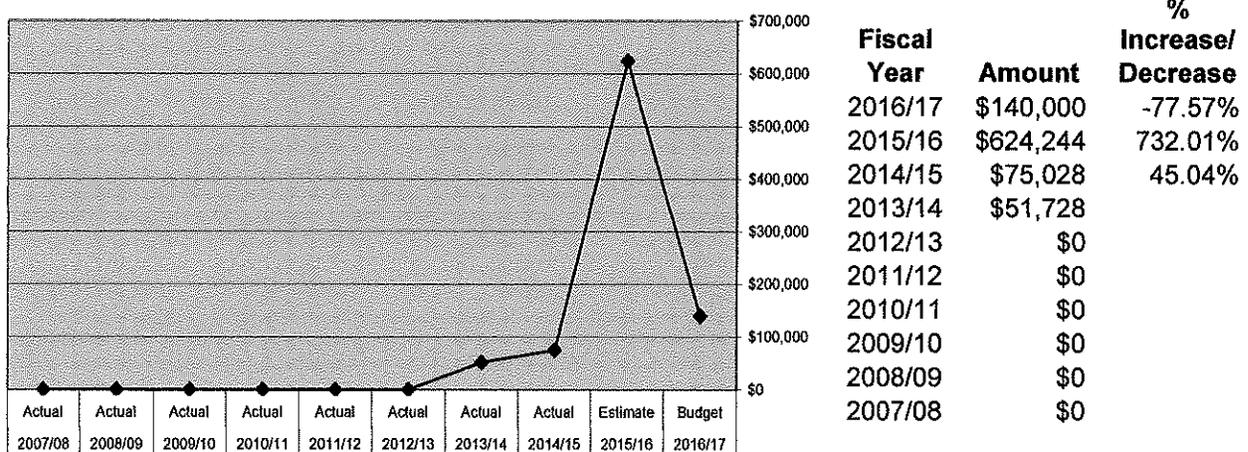
Fund. Fees are collected from residential, commercial and industrial users of the sewer system. Revenue estimates are arrived at by analyzing past receipts, and considering impacts from growth, housing vacancies, collection trends, etc. A 3% rate increase is anticipated July 1, 2016, in accordance with the 2013 Water and Wastewater Rate Analysis. Sewer collection fees account for 51% of Sewer Fund revenues and other resources.

**Charges for Services Revenue**



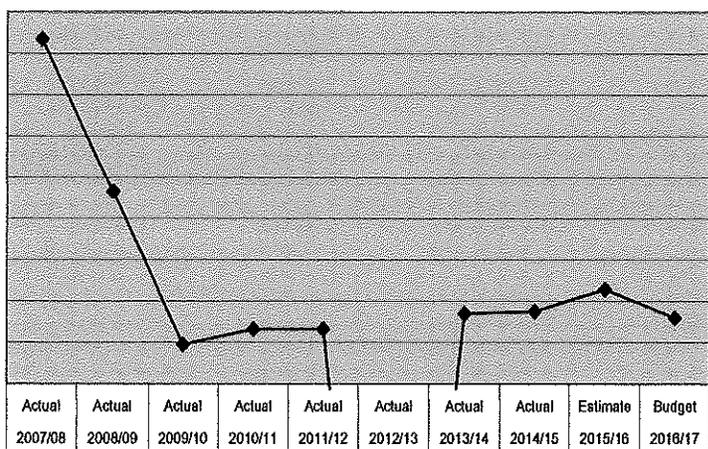
**Loan Proceeds.** The remaining proceeds from a 2016 DEQ Clean Water Loan are anticipated in the coming year. The loan proceeds will be used to complete the Tank Replacement/Abandonment Project and the Inflow and Infiltration Reduction Project. Loan proceeds account for 17% of the Sewer Fund revenues and other resources.

**Loan Proceeds Revenue**



**Miscellaneous Revenue.** Miscellaneous revenues are derived primarily from investment income. Estimates are arrived at based upon investing power and interest rates. This revenue accounts for less than 1% of the Sewer Fund revenues and other resources.

**Miscellaneous Revenue**



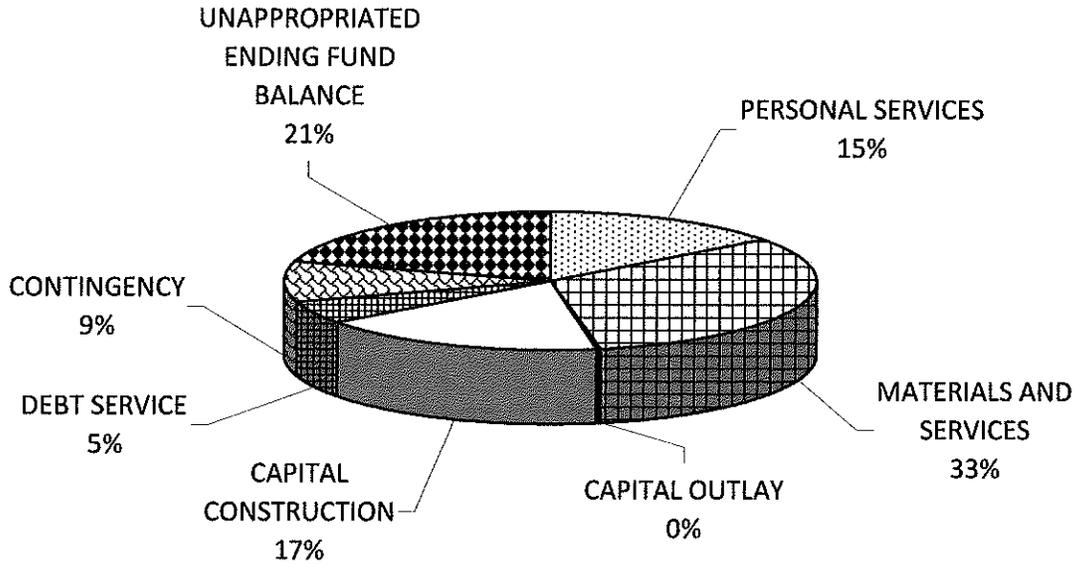
Fiscal Year	Amount	% Increase/Decrease
2016/17	\$1,600	-30.13%
2015/16	\$2,290	30.48%
2014/15	\$1,755	2.93%
2013/14	\$1,705	-112.19%
2012/13	\$13,982	-1151.28%
2011/12	\$1,330	0.23%
2010/11	\$1,327	39.68%
2009/10	\$950	-79.60%
2008/09	\$4,658	-44.24%
2007/08	\$8,353	

City of Columbia City 2016-17 Budget

		<b>SEWER FUND</b>						
		<b>REVENUES AND OTHER RESOURCES</b>						
		<b>DETAIL</b>						
Line Item	Account Description	2013-14 Actual	2014-15 Actual	2015-16 Adopted	2015-16 Estimated	2016-17 Proposed	2016-17 Approved	2016-17 Adopted
19	FUND BALANCE							
271000	Beginning Fund Balance	172,230	224,515	307,067	310,013	253,914	253,914	253,914
	<b>TOTAL FUND BALANCE</b>	<b>172,230</b>	<b>224,515</b>	<b>307,067</b>	<b>310,013</b>	<b>253,914</b>	<b>253,914</b>	<b>253,914</b>
	TAXES							
311100	Property Tax - Prior Years	3,905	1,507	0	0	0	0	0
	<b>TOTAL TAXES</b>	<b>3,905</b>	<b>1,507</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	LICENSES, PERMITS AND FEES							
321600	Sewer Connection Fees	100	200	100	200	300	300	300
321900	St. Helens System Development Charges	2,430	7,476	14,938	14,938	11,214	11,214	11,214
	<b>TOTAL LICENSES, PERMITS AND FEES</b>	<b>2,530</b>	<b>7,676</b>	<b>15,038</b>	<b>15,138</b>	<b>11,514</b>	<b>11,514</b>	<b>11,514</b>
	INTERGOVERNMENTAL REVENUE							
332100	Risk Management Incentive Program	437	0	0	0	0	0	0
332600	Intergovernmental Partnership Program	0	0	25,000	25,000	0	0	0
332200	FEMA Disaster Funding	0	0	28,117	28,117	0	0	0
333700	DLCD Grant	0	0	0	0	0	0	0
	<b>TOTAL INTERGOVERNMENTAL REVENUE</b>	<b>437</b>	<b>0</b>	<b>53,117</b>	<b>53,117</b>	<b>0</b>	<b>0</b>	<b>0</b>
	CHARGES FOR SERVICES							
340000	Sewer Collection Fees	379,083	376,438	386,551	387,463	399,087	399,087	399,087
	<b>TOTAL CHARGES FOR SERVICES</b>	<b>379,083</b>	<b>376,438</b>	<b>386,551</b>	<b>387,463</b>	<b>399,087</b>	<b>399,087</b>	<b>399,087</b>
	LOAN PROCEEDS							
350000	DEQ Clean Water Loan	51,728	75,028	611,627	624,244	140,000	140,000	140,000
	<b>TOTAL LOAN PROCEEDS</b>	<b>51,728</b>	<b>75,028</b>	<b>611,627</b>	<b>624,244</b>	<b>140,000</b>	<b>140,000</b>	<b>140,000</b>
	MISCELLANEOUS REVENUE							
361000	Interest	1,003	1,927	1,200	1,840	1,400	1,400	1,400
365300	Miscellaneous	702	(172)	200	450	200	200	200
	<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>1,705</b>	<b>1,755</b>	<b>1,400</b>	<b>2,290</b>	<b>1,600</b>	<b>1,600</b>	<b>1,600</b>
	INTERFUND TRANSFERS							
390200	Transfer in from Sewer Development Fund	0	30,000	0	0	0	0	0
390500	Transfer in from Equipment Reserve Fund	0	863	4,500	4,500	0	0	0
	<b>TOTAL INTERFUND TRANSFERS</b>	<b>0</b>	<b>30,863</b>	<b>4,500</b>	<b>4,500</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>TOTAL REVENUES &amp; OTHER RESOURCES</b>	<b>611,618</b>	<b>717,782</b>	<b>1,379,300</b>	<b>1,396,765</b>	<b>806,115</b>	<b>806,115</b>	<b>806,115</b>

**2016-17 SEWER FUND EXPENDITURES  
BY CATEGORY**

Capital construction represents the largest expense



Account Description	SEWER FUND EXPENDITURE SUMMARY BY CATEGORY				2016-17 Proposed	2016-17 Approved	2016-17 Adopted
	2013-14 Actual	2014-15 Actual	2015-16 Adopted	2015-16 Estimated			
PERSONAL SERVICES	123,420	124,931	137,310	126,124	117,813	117,813	117,813
MATERIALS AND SERVICES	197,645	201,665	272,433	262,843	261,558	261,558	261,558
CAPITAL OUTLAY	0	6,146	9,563	9,563	1,563	1,563	1,563
CAPITAL CONSTRUCTION	63,038	75,027	758,355	744,321	140,000	140,000	140,000
DEBT SERVICE	0	0	29,474	0	43,781	43,781	43,781
INTERFUND TRANSFERS OUT	3,000	0	0	0	0	0	0
CONTINGENCY	0	0	725	0	75,874	75,874	75,874
UNAPPROPRIATED	0	0	171,440	0	165,525	165,525	165,525
<b>GRAND TOTAL EXPENDITURES</b>	<b>387,103</b>	<b>407,769</b>	<b>1,379,300</b>	<b>1,142,851</b>	<b>806,114</b>	<b>806,114</b>	<b>806,114</b>

**City of Columbia City  
2016-17 Annual Budget**

**FUND: SEWER**

**DEPARTMENT: COLLECTION MAINTENANCE DEPARTMENT**

**DEPARTMENT ACTIVITIES AND SERVICE LEVEL DESCRIPTION:**

This activity accounts for all costs involved in the operation and maintenance of the sewer collection system. The City's sewer collection system is composed of gravity sewer lines, pump stations, and forcemains encompassing over 16 miles of pipeline. The original sewer system was designed to be a septic tank effluent system with small diameter mainlines laid at a minimum depth of 4-feet and at shallower grades than is typically used for sewers that receive direct flow. Some areas of town do not have septic tanks and are serviced by direct flow of the sewage to the collection system.

All wastewater is pumped to the City of St. Helens for treatment via a 6-inch diameter forcemain. The "K" Street and River Club Estates (RCE) pump stations are connected to this line. The Pixie Park and Forest Park pump stations pump flows from lower elevations to points in the system where it then flows by gravity to the RCE pump station.

There are currently 816 sewer connections. Of the total connections, 286 are direct flow into the sewer collection system, while the remaining 530 share 458 septic tanks. There are also 23 City-maintained small sewer pumps to overcome elevation problems. The City is responsible for the maintenance, replacement and pumping of the septic tanks connected to the system, as well as the small pumps that were in place when the City's sewer system was constructed, except in certain cases where property owners have refused to provide the City with easements for maintenance purposes.

The Sewer Collection Maintenance Department is funded entirely by sewer usage charges, connection fees, and other miscellaneous sources.

Personal service costs include scheduled step increases and a 2% cost of living adjustment. Capital outlay represents this department's share of the costs associated with the purchase of a financial software upgrade.

Sewer Collection and Maintenance Performance Measures	Actual 2013-14	Actual 2014-15	Estimate 2015-16	Budget 2016-17
<i>Inputs:</i>				
Administrator/Recorder	0.25	0.25	0.25	0.25
Supervisor/Accounting Clerk	0.21	0.21	0.28	0.28
Secretary	0.15	0.15	0.15	0.15
City Attorney	0.01	0.01	0.00	0.00
Public Works Superintendent	0.25	0.25	0.22	0.15

Sewer Collection and Maintenance Performance Measures	Actual 2013-14	Actual 2014-15	Estimate 2015-16	Budget 2016-17
<b>Inputs (continued):</b>				
Utility Worker II	0.41	0.50	0.44	0.15
Utility Worker I	0.09	0.00	0.00	0.15
Utility Worker	0.13	0.13	0.11	0.07
Number of Full Time Equivalents (FTEs)	1.50	1.50	1.45	1.20
Department Operating Expenditures	\$321,065	\$326,596	\$388,967	\$379,372
<b>Outputs:</b>				
Number of Active Sewer Utility Accounts	809	815	815	817
Sewer Service Work Orders	14	18	21	18
Utility Locate Orders	119	99	86	100
Annual Flow in Gallons	38,795,147	37,383,007	37,279,715	37,500,000
Septic Tanks Pumped	120	121	118	90
<b>Measures of Efficiency and Effectiveness:</b>				
Number of Sewer Backup Damage Claims	1	0	0	0
Number of Active Sewer Accounts per FTE	539	543	562	681
Average Customer Satisfaction Rating 1=Poor, 5=Excellent	3.81	3.90	4.10	4.25
Department Operating Expenditures Per Capita	\$165.07	\$167.06	\$198.96	\$194.05

#### DEPARTMENT ACCOMPLISHMENTS IN 2015-16:

- Secured \$25,000 in funding assistance from the Port of St. Helens Intergovernmental Partnership Program to put towards pump and electrical improvements to the RCE lift station, which were substantially completed in March 2016.
- Completed the replacement of one steel tank with a concrete tank, the abandonment of 16 steel tanks, and upsized nearly 2,000 linear feet of 4-inch sewer main with 6-inch main.
- Lined 25 manholes to reduce inflow and infiltration.
- Discovered a sewer clean out that was a major contributor to inflow and infiltration and made modifications to correct the problem.
- Completed routine septic tank inspection and pumping services.

#### DEPARTMENT OBJECTIVES FOR 2016-17:

To eliminate the remaining steel septic tanks within the collection system by either abandoning the tank and converting the service to a direct flow connection, or by replacing the steel tank with a concrete tank, in accordance with 2016-17 Policy Goal and Objective 3A and as outlined in the Wastewater Facilities Plan and Five-Year Capital Improvement Program. Target date: June 30, 2018.

To reduce system maintenance and liability by eliminating septic tanks by converting services to a direct flow connection in areas where the sewer collection system is constructed in a manner that will handle the flow of solids. Target date: Ongoing.

To continue to retrofit existing septic tanks by raising accesses and installing clean outs to

enable easier maintenance. Target date: Ongoing.

To continue to implement the septic tank pumping plan and perform routine system maintenance to prevent sewer backups. Target date: Ongoing.

To target the elimination of shared septic tanks as resources permit, in an effort to further reduce sewer backups, with the addition of new tanks or direct flow upgrades. Target date: Ongoing.

To continue to work towards the prevention of inflow and infiltration of sewer lines in an effort to reduce the amount of sewer flow, which will reduce sewer treatment costs and add system capacity, in accordance with 2016-17 Policy Goal and Objective 3E and as outlined in the Wastewater Facilities Plan and Five Year Capital Program. Target date: Ongoing.

To continue to meet all requirements and regulations governing sewer systems through upgraded facilities and well-educated staff. Target date: Ongoing.

To emphasize special training and education of department employees. Target date: Ongoing.

To seek grant and forgivable loan opportunities for identified sewer improvement projects. Target date: Ongoing.

City of Columbia City 2016-17 Budget

SEWER FUND								
EXPENDITURE DETAIL								
COLLECTION MAINTENANCE DEPARTMENT								
Line		2013-14	2014-15	2015-16	2015-16	2016-17	2016-17	2016-17
Item	Account Description	Actual	Actual	Adopted	Estimated	Proposed	Approved	Adopted
19								
01	PERSONAL SERVICES							
110000	Regular Services	80,518	82,561	82,231	80,138	71,484	71,484	71,484
120000	Extra Labor	3,226	3,207	3,061	3,736	1,988	1,988	1,988
130000	Overtime	1,710	1,171	1,500	1,560	3,000	3,000	3,000
210000	Group Insurance	20,356	20,487	26,533	18,931	17,354	17,354	17,354
220000	Social Security	6,489	6,599	6,811	6,423	6,153	6,153	6,153
230000	Retirement Contributions	9,413	9,863	12,625	12,506	12,447	12,447	12,447
250000	Unemployment Compensation	509	72	108	96	115	115	115
260000	Workers' Compensation	1,199	971	1,702	1,498	1,307	1,307	1,307
295000	Accrued Leave	0	0	2,739	1,236	3,965	3,965	3,965
	TOTAL PERSONAL SERVICES	123,420	124,931	137,310	126,124	117,813	117,813	117,813
02	MATERIALS AND SERVICES							
331000	Auditing Services	2,156	1,638	2,387	2,376	2,447	2,447	2,447
333000	Legal Services	0	0	2,184	424	1,500	1,500	1,500
334000	Engineering Services	2,566	0	4,120	0	5,000	5,000	5,000
335000	Other Contractual Services	33,164	27,056	66,742	55,337	56,997	56,997	56,997
400000	In-Lieu-of Franchise Fees	18,817	18,943	19,328	19,553	20,140	20,140	20,140
410000	Sewer Treatment Fees	87,392	87,346	89,154	88,641	91,300	91,300	91,300
412000	St. Helens System Development Charges	2,430	7,476	14,938	14,938	11,214	11,214	11,214
431000	Building Maintenance	699	485	537	272	600	600	600
432000	Equipment Maintenance	4,912	3,350	4,937	6,140	5,000	5,000	5,000
435000	Vehicle Maintenance	39	333	1,188	1,778	1,000	1,000	1,000
440000	Rental Fees	0	8	309	300	400	400	400
520000	Insurance and Bonds	6,522	7,815	8,049	8,662	8,922	8,922	8,922
540000	Legal Notices	106	626	530	500	515	515	515
581000	Travel and Training	1,046	780	1,000	408	1,000	1,000	1,000
583000	Dues, Subscriptions and Programs	229	90	530	180	500	500	500
611000	Office Supplies	537	743	600	976	1,005	1,005	1,005
612000	Postage	2,043	2,172	3,825	2,602	3,850	3,850	3,850
613000	Telephone and Internet Services	1,637	1,637	1,641	1,948	2,006	2,006	2,006
615000	Materials and Supplies	6,236	4,840	18,610	14,204	7,000	7,000	7,000
616000	Uniforms	0	0	103	100	103	103	103
617000	Treatment Chemicals	18,741	28,270	19,865	31,434	32,377	32,377	32,377
621000	Natural Gas	210	227	255	274	282	282	282
622000	Electricity	6,003	6,234	6,397	7,300	6,500	6,500	6,500
626000	Gasoline	1,884	1,310	1,330	926	1,500	1,500	1,500
660000	Miscellaneous	276	286	3,874	3,570	400	400	400
	TOTAL MATERIALS AND SERVICES	197,645	201,665	272,433	262,843	261,558	261,558	261,558
03	CAPITAL OUTLAY							
741000	Equipment	0	6,146	9,563	9,563	1,563	1,563	1,563
	TOTAL CAPITAL OUTLAY	0	6,146	9,563	9,563	1,563	1,563	1,563
	<b>TOTAL COLLECTION MAIN. DEPT.</b>	<b>321,065</b>	<b>332,742</b>	<b>419,306</b>	<b>398,530</b>	<b>380,934</b>	<b>380,934</b>	<b>380,934</b>

**City of Columbia City  
2016-17 Annual Budget**

**FUND: SEWER**

**DEPARTMENT: CAPITAL CONSTRUCTION**

**DEPARTMENT ACTIVITIES AND SERVICE LEVEL DESCRIPTION:**

This activity accounts for sewer system capital construction projects. The Columbia City Sewer Improvements Project consists of the following components:

**Steel Tank Replacement and Abandonment.** The City continue to abandon and/or replace 29 remaining steel tanks that are used to hold solids while the sewer collection system carries effluent. When feasible, the tanks will be abandoned and the services will be converted to direct gravity flow connection. In some instances, however, new concrete holding tank will be installed. Estimated cost: \$105,000.

**Inflow and Infiltration (I&I) Reduction.** This project involves spot repairs to reduce I&I at several locations what were identified during video inspection. The project also involves additional investigative work in an effort to identify other sources of I&I. Estimated cost: \$35,000.

Additional information these projects may be found in the Capital Improvements section of this document.

**DEPARTMENT ACCOMPLISHMENTS IN 2015-16:** Completed the RCE Pump and Power/Manhole Lining/Telemetry, Monitoring and Alarm project. The City's main pump station needed additional firm capacity of 88 gallons per minute (gpm) to accommodate existing peak flows and 110 gpm to serve future needs. The 25 horsepower (hp) pumps were upgraded to 35 hp pumps, and associated necessary electrical improvements were made, including an additional transformer, to accommodate the additional hp. An overflow alarm was installed, and the existing wet well was lined with an epoxy coating. Twenty-five manholes within the K Street pump station basin were lined with an epoxy-type grout to reduce infiltration.

Completed the first phase of the Steel Tank Replacement and Abandonment project. Sixteen steel tanks were abandoned and the services were converted to direct gravity flow connections. Nearly 1,900 feet of small diameter sewer pipe was burst to six-inch pipe to accommodate the additional flow of solids. One steel tank was replaced with a concrete tank.

City of Columbia City 2016-17 Budget

		SEWER FUND EXPENDITURE DETAIL CAPITAL CONSTRUCTION DEPARTMENT						
Line Item	Account Description	2013-14 Actual	2014-15 Actual	2015-16 Adopted	2015-16 Estimated	2016-17 Proposed	2016-17 Approved	2016-17 Adopted
19								
04	CAPITAL CONSTRUCTION							
750200	Telemetry/Manhole/RCE Improvements	29,699	39,959	408,244	409,376	0	0	0
750300	Tank Replacement/Abandonment	33,339	35,068	350,111	334,945	105,000	105,000	105,000
750500	Inflow and Infiltration Reduction	0	0	0	0	35,000	35,000	35,000
	TOTAL CAPITAL CONSTRUCTION	63,038	75,027	758,355	744,321	140,000	140,000	140,000
	<b>TOTAL CAPITAL CONSTRUCTION DEPT.</b>	<b>63,038</b>	<b>75,027</b>	<b>758,355</b>	<b>744,321</b>	<b>140,000</b>	<b>140,000</b>	<b>140,000</b>

**City of Columbia City  
2016-17 Annual Budget**

**FUND: SEWER  
DEPARTMENT: NON-DEPARTMENTAL**

**DEPARTMENT ACTIVITIES AND SERVICE LEVEL DESCRIPTION:**

This budget provides for Sewer Fund appropriations that cannot be accounted for in individual departments.

Revenues from sewer usage fees will be used to make the principal and interest payments on the 2014 Department of Environmental Quality (DEQ) Clean Water State Revolving Fund loan. The loan proceeds were used to complete sewer improvements. The loan was for \$400,000, the interest rate on the loan is 2.54%, and there is an annual fee equal to 0.50% of the unpaid balance. Payments are due semi-annually on December 1 and June 1 and the loan term is 20 years. The following table shows the anticipated principal and interest requirements on the loan:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Fees</b>	<b>Total</b>
2016-17	\$7,989	\$17,041	\$2,000	\$27,030
2017-18	16,283	9,855	1,920	28,058
2018-19	16,700	9,438	1,837	27,975
2019-20	17,126	9,012	1,753	27,891
2020-21	17,565	8,573	1,666	27,804
2021-22	18,014	8,124	1,577	27,715
2022-23	18,474	7,664	1,486	27,624
2023-24	18,946	7,192	1,392	27,530
2024-25	19,431	6,707	1,296	27,434
2025-26	19,927	6,211	1,198	27,336
2026-27	20,437	5,701	1,097	27,235
2027-28	20,959	5,179	993	27,131
2028-29	21,495	4,643	887	27,025
2029-30	22,044	4,094	779	26,917
2030-31	22,607	3,531	667	26,805
2031-32	23,186	2,952	552	26,690
2032-33	23,778	2,360	435	26,573
2033-34	24,386	1,752	315	26,453
2034-35	25,010	1,128	191	26,329
2035-36	25,643	490	65	26,198
<b>TOTALS</b>	<b>\$400,000</b>	<b>\$121,647</b>	<b>\$22,106</b>	<b>\$543,753</b>

Revenues from sewer usage fees will be used to make the principal and interest payments on

the 2015 DEQ Clean Water State Revolving Fund loan. The loan proceeds were used to complete sewer improvements. The loan was for \$351,000, the interest rate is 1.93%, and there is an annual fee equal to 0.50% of the unpaid principal balance. Payments are due semi-annually on December 1 and June 1, beginning in the 2016/17 fiscal year, and the loan term is 20 years. The following table shows the anticipated principal and interest requirements on the loan:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Fees</b>	<b>Total</b>
2016-17	\$7,455	\$7,541	\$1,755	\$16,751
2017-18	15,126	6,558	1,680	23,364
2018-19	15,420	6,264	1,604	23,288
2019-20	15,719	5,965	1,526	23,210
2020-21	16,023	5,661	1,447	23,131
2021-22	16,334	5,350	1,366	23,050
2022-23	16,650	5,034	1,283	22,967
2023-24	16,974	4,710	1,199	22,883
2024-25	17,303	4,381	1,113	22,797
2025-26	17,639	4,045	1,026	22,710
2026-27	17,980	3,704	937	22,621
2027-28	18,330	3,354	846	22,530
2028-29	18,685	2,999	754	22,438
2029-30	19,047	2,637	659	22,343
2030-31	19,417	2,267	563	22,247
2031-32	19,793	1,891	465	22,149
2032-33	20,177	1,507	365	22,049
2033-34	20,569	1,115	263	21,947
2034-35	20,967	717	160	21,844
2035-36	21,392	310	54	21,756
<b>TOTALS</b>	<b>\$351,000</b>	<b>\$76,010</b>	<b>\$19,065</b>	<b>\$446,075</b>

A new DEQ Clean Water Loan in the amount of \$160,000 is anticipated during the coming year to provide funding to complete the abandonment and/or replacement of 29 steel septic tanks remaining in the system.

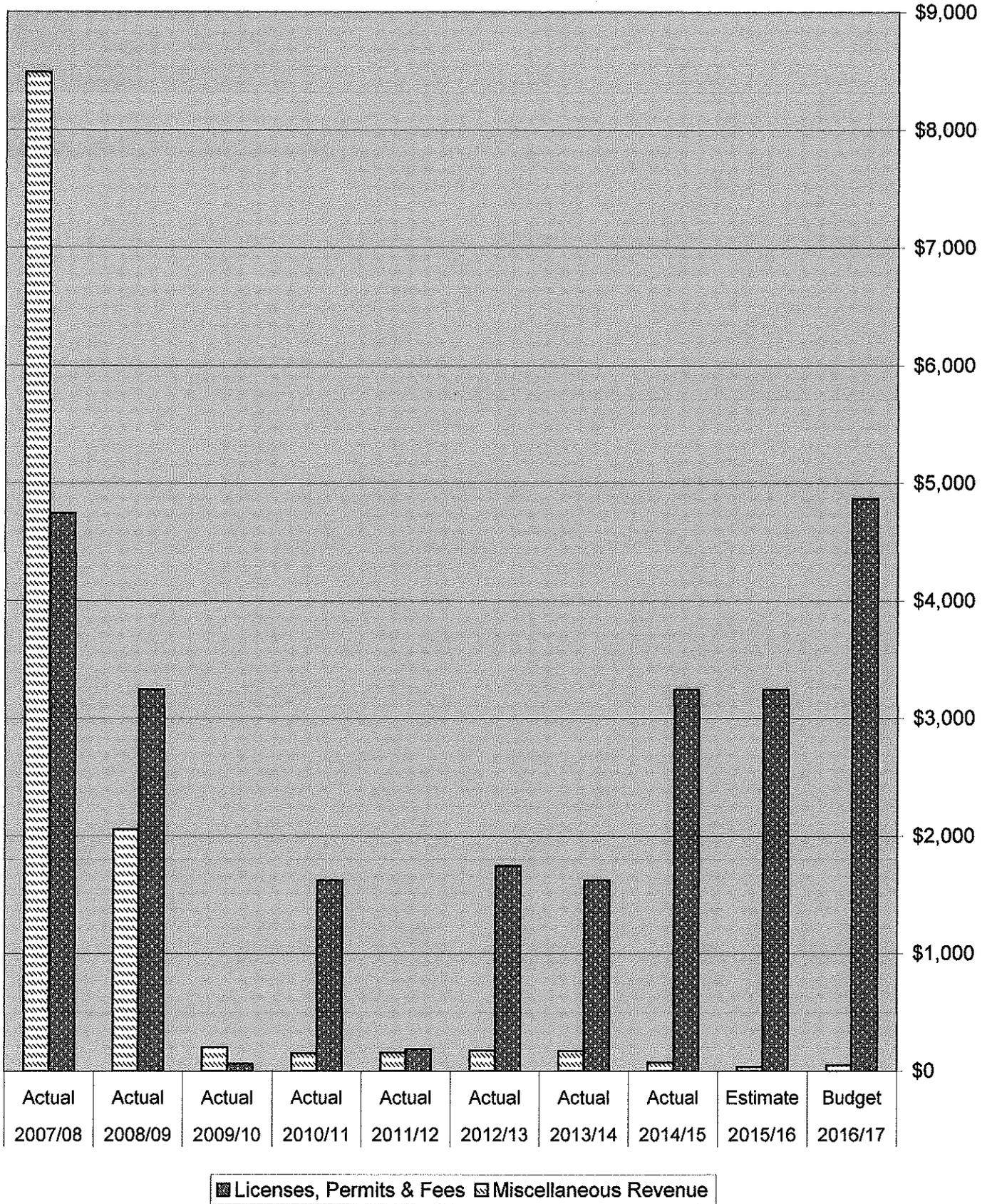
Contingency funds equal to 20% of the Sewer Fund's operating expenditures are provided to cover unforeseen expenditures which may occur in the 2016-17 fiscal year, which more than satisfies City Council Budget and Financial Policy Number 2.

An undesignated ending fund balance equal to 23% of Sewer Fund appropriations is provided. A portion of these funds will be used to meet debt reserve requirements associated with the 2014 DEQ Clean Water Loan.

City of Columbia City 2016-17 Budget

		SEWER FUND EXPENDITURE DETAIL NON-DEPARTMENTAL						
Line Item	Account Description	2013-14 Actual	2014-15 Actual	2015-16 Adopted	2015-16 Estimated	2016-17 Proposed	2016-17 Approved	2016-17 Adopted
19								
05	DEBT SERVICE							
761000	Principal - 2014 DEQ Clean Water Loan	0	0	7,989	0	7,989	7,989	7,989
762000	Principal - 2015 DEQ Clean Water Loan	0	0	0	0	7,455	7,455	7,455
761500	Interest - 2014 DEQ Clean Water Loan	0	0	19,485	0	17,041	17,041	17,041
761600	Interest - 2015 DEQ Clean Water Loan	0	0	0	0	7,541	7,541	7,541
761800	Fees - 2014 DEQ Clean Water Loan	0	0	2,000	0	2,000	2,000	2,000
761900	Fees - 2015 DEQ Clean Water Loan	0	0	0	0	1,755	1,755	1,755
	TOTAL DEBT SERVICE	0	0	29,474	0	43,781	43,781	43,781
06	INTERFUND TRANSFERS OUT							
807000	Transfer out to Equipment Reserve Fund	3,000	0	0	0	0	0	0
	TOTAL INTERFUND TRANSFERS OUT	3,000	0	0	0	0	0	0
07	CONTINGENCY							
900000	Contingency	0	0	725	0	75,874	75,874	75,874
	TOTAL CONTINGENCY	0	0	725	0	75,874	75,874	75,874
09	UNAPPROPRIATED							
950000	Unappropriated Ending Fund Balance	0	0	171,440	0	165,525	165,525	165,525
	TOTAL UNAPPROPRIATED	0	0	171,440	0	165,525	165,525	165,525
	<b>TOTAL NON-DEPARTMENTAL</b>	<b>3,000</b>	<b>0</b>	<b>201,639</b>	<b>0</b>	<b>285,180</b>	<b>285,180</b>	<b>285,180</b>
	<b>TOTAL SEWER FUND</b>	<b>387,103</b>	<b>407,769</b>	<b>1,379,300</b>	<b>1,142,851</b>	<b>806,114</b>	<b>806,114</b>	<b>806,114</b>

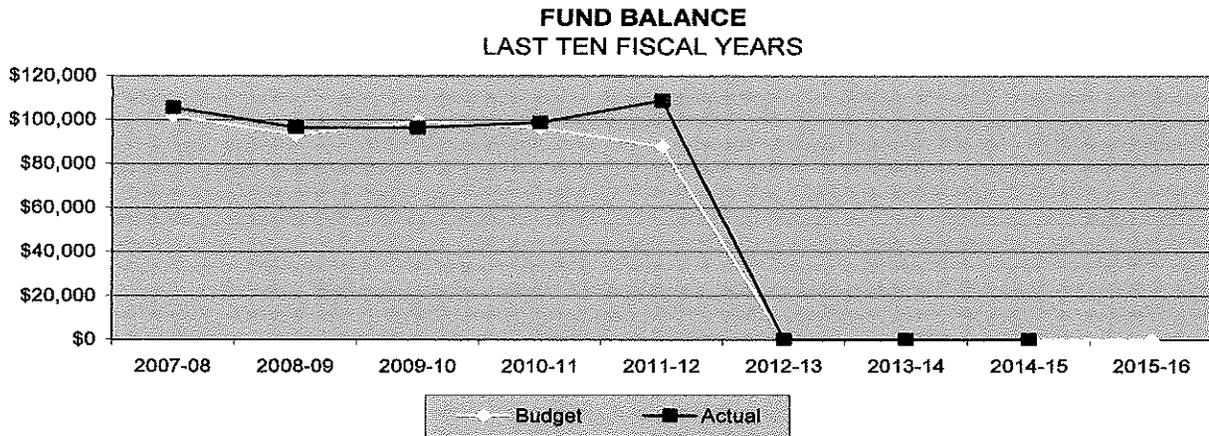
## Sewer Development Fund Revenue Trends By Category



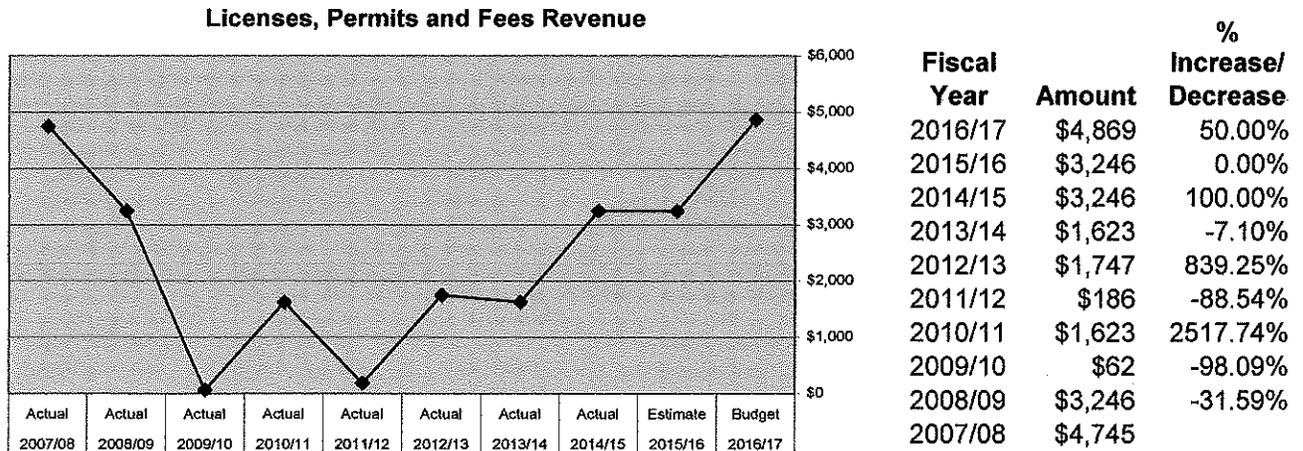
**City of Columbia City  
2016-17 Annual Budget**

**SEWER DEVELOPMENT FUND  
REVENUE AND OTHER RESOURCES**

**Fund Balance.** The funds remaining at year-end are carried forward the following year in the beginning fund balance. This category is equal to 63% of the Sewer Development Fund revenues and other resources. This estimate is based upon the actual beginning fund balance as of July 1, 2015 and the estimated revenues for the current year, less the estimated expenditures for the current year.

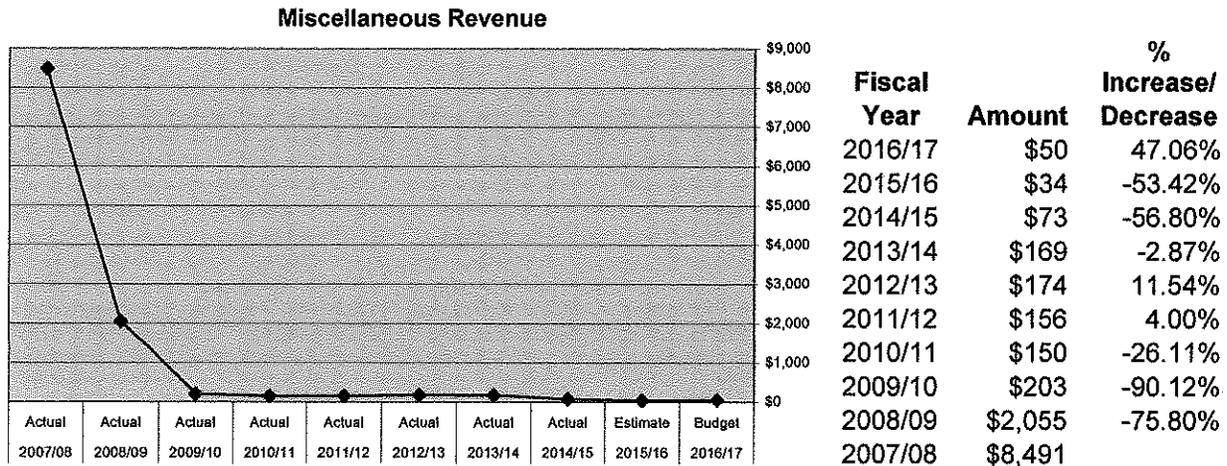


**Licenses, Permits and Fees.** System development charges are collected with new construction, and revenue estimates are based upon an estimate of the number of building permits that will be issued during the year. This estimate is arrived at considering the past issuance of building permits, the lands available for development, and the local economy. One new housing start is anticipated in the coming year. Revenue from this source represents 23% of Sewer Development Fund revenues and other resources.



HOUSING STARTS 10-YEAR TREND - CALENDAR YEARS									
2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
34	10	5	0	0	1	1	1	2	0

**Miscellaneous Revenues.** Miscellaneous revenue consists of investment income, and accounts for less than 1% of the Sewer Development Fund revenues and other resources.



**City of Columbia City 2016-17 Budget**

SEWER DEVELOPMENT FUND REVENUES AND OTHER RESOURCES DETAIL								
Line Item	Account Description	2013-14 Actual	2014-15 Actual	2015-16 Adopted	2015-16 Estimated	2016-17 Proposed	2016-17 Approved	2016-17 Adopted
22	FUND BALANCE							
271000	Beginning Fund Balance	30,098	31,889	5,272	5,208	8,488	8,488	8,488
	TOTAL FUND BALANCE	30,098	31,889	5,272	5,208	8,488	8,488	8,488
	LICENSES, PERMITS AND FEES							
321500	System Development Charges	1,623	3,246	1,623	3,246	4,869	4,869	4,869
	TOTAL LICENSES, PERMITS AND FEES	1,623	3,246	1,623	3,246	4,869	4,869	4,869
	MISCELLANEOUS REVENUE							
361000	Interest	169	73	100	34	50	50	50
	TOTAL MISCELLANEOUS REVENUE	169	73	100	34	50	50	50
	<b>TOTAL REVENUES &amp; OTHER RESOURCES</b>	<b>31,890</b>	<b>35,208</b>	<b>6,995</b>	<b>8,488</b>	<b>13,407</b>	<b>13,407</b>	<b>13,407</b>

**City of Columbia City  
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**FUND: SEWER DEVELOPMENT**

**DEPARTMENT ACTIVITIES AND SERVICE LEVEL DESCRIPTION:**

The Sewer System Development Charge Fund was established in accordance with state law to account for sewer system development charges, which are designed to finance future capacity or reserves in the next capital improvement expansion of the sewer system. These funds are used exclusively for the growth-related portion of sewer collection system improvements.

Funds have been placed in contingency to provide for unanticipated needs during the year.

City of Columbia City 2016-17 Budget

		<b>SEWER DEVELOPMENT FUND</b>						
		<b>EXPENDITURE DETAIL</b>						
<b>Line</b>	<b>Account Description</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2016-17</b>	<b>2016-17</b>
<b>Item</b>		<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>Estimated</b>	<b>Proposed</b>	<b>Approved</b>	<b>Adopted</b>
22								
06	INTERFUND TRANSFERS OUT							
810000	Transfer out to Sewer Fund	0	30,000	0	0	0	0	0
	TOTAL INTERFUND TRANSFERS OUT	0	30,000	0	0	0	0	0
07	CONTINGENCY							
900000	Contingency	0	0	6,995	0	13,407	13,407	13,407
	TOTAL CONTINGENCY	0	0	6,995	0	13,407	13,407	13,407
	<b>TOTAL SEWER DEVELOPMENT FUND</b>	<b>0</b>	<b>30,000</b>	<b>6,995</b>	<b>0</b>	<b>13,407</b>	<b>13,407</b>	<b>13,407</b>

