

ORDINANCE NO. 315-O

AN ORDINANCE ESTABLISHING CITY OF TROUTDALE POLICY AND PROCEDURES CONCERNING WATER AND WASTE WATER SYSTEM FINANCIAL PROGRAMS AND THE USE OF USER FEES AND SYSTEM DEVELOPMENT CHARGES (SDC'S).

BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF TROUTDALE:

SECTION 1: Short Title

This Ordinance shall be known as the WATER AND WASTE WATER SYSTEMS FINANCIAL POLICY ORDINANCE.

SECTION 2: Scope of Policy

The policy promulgated by this Ordinance shall be applicable to all user fees and charges and system development charges and the general financial planning for both the water and waste water systems.

SECTION 3: Definitions

Unless the context specifically indicates otherwise, the meaning of terms used in this Ordinance shall be as those defined in the Waste Water Regulations Ordinance No. 280 and the Water Regulation Ordinance No. 279. The following new definitions are hereby added:

- A. "Operating Costs/Programs/Budgets" shall mean any costs, programs or budgets which pertain to those goods, services and debts which are obtained or incurred to maintain the proper performance and capacity for which the water or waste water system was designed and constructed.
- B. "Capital Improvement Costs/Programs/Budgets" shall mean any costs, programs or budgets which pertain to those goods, services and debts which are obtained or incurred to increase the performance and capacity of the water or waste water system or to make any portion of those systems meet different design criteria than were originally employed in their construction.

SECTION 4: Policy Statement

It is the policy of the City that user fees and charges are to be used for system operating costs, and that SDC's are to be used for capital improvement costs. It is also the City's policy to keep both user fees and SDC's as low as possible in relation to the overall system operating and capital improvement financial program. Therefore, due to year-to-year variations in operating and capital improvement budget cash flows, and in

order to keep both user fees and SDC's to a minimum, a comprehensive financial plan must be flexible within legal limits in the assigned use of funds for any given year. When both necessary for the fiscal soundness of the overall program and within reasonable amounts as adopted by the Common Council, revenues from user fees and charges in any fiscal year may be used to offset capital improvement budget cash flow deficits, and System Development Charges may be used to offset operating budget cash flow deficits. Likewise, within the overall Enterprise Fund financial program, water system funds may be used to offset waste water system net capital and operating budget cash flow deficits in any fiscal year, and vice versa. These inter-relationships between operating and capital improvement programs and water and waste water system programs must be reflected in an adopted financial plan showing the balance over time between revenues and expenditures within each individual program.

SECTION 5: Severability Clause

If any clause, sentence, paragraph, section, or portion of this Ordinance for any reason shall be adjudged invalid by a court of competent jurisdiction, such judgement shall not affect, impair, or invalidate the remainder of this Ordinance, but shall be confined in its operation to the clause, sentence, paragraph, section, or portion of this Ordinance directly involved in the controversy in which the judgement is rendered.

PASSED BY THE COMMON COUNCIL OF THE CITY OF TROUDALE THIS 11th
DAY OF March, 1980


YEAS: 5

NAYS: 0



R. M. Sturges, Mayor

ATTEST:



Jerri Widner
Finance Director/City Recorder