CITY OF GARIBALDI
RESOLUTION 2024-01

A RESOLUTION ESTABLISHING POLICIES AND PROCEDURES FOR REIMBURSMENT OF THE WATER FUND FOR WATER THAT HAD PREVIOUSLY NOT BEEN ACCOUNTED OR CHARGED.

WHEREAS, the City of Garibaldi Water Fund is a restricted fund, also known as an enterprise fund which means the fund should be operated as business with water rates sufficient to fund the full operating expenditure of the fund and all water produced would be accounted and charged for, and

WHEREAS, it has been determined that some water use had not been accounted or charged for which is contrary to the operational requirements of a restricted enterprise fund, and

WHEREAS, this oversight has had a direct effect on the water rate-payers of the City of Garibaldi; NOW, THEREFORE

THE COMMON COUNCIL OF THE CIT OF GARIBALDI RESOLVES AS FOLLOWS:

Section 1. The Water Users that have not been properly billed or account for are:

a) The owner of the agricultural land that accepts the city's wastewater sludge.

b) The owner of land on the Miami-Foley Road that has the city's watermain crossing his land.

c) The Garibaldi City Hall was not being billed or paying for any water usage.

d) the Garibaldi Wastewater facility was not billed for or paying for any water usage.

e) The Oregon Coast Scenic Railroad (OCSR) was not billed for or paying for any water usage.

Section 2. The Reasons for not billing the above water users are:

a) It had been determined that if the city did not have this site for the sludge disposal, the costs would be extremely high if the city had to transport the sludge to the valley.

b) It had been determined that having the waterline easement at no cost was worth more than providing permitted water at no cost.

c) At the time it seemed to make sense to not charge the city for water as it was the city that produced the water.

d) The same argument as for the City Hall was used for the Wastewater facility.

e) It had been determined that the non-profit OCSR operating trains were a benefit to the city.

Section 3. The Reasons for the change are:

a) The usage charges for the water used by the landowner will be charged to the Wastewater facility.

b) The usage charges for the landowner will be charged to the Water fund until the easement costs are determined.

c) The usage charges for the City Hall will be billed to the city's General Fund with the Fire Department paying 80% and the Administrative Department paying 20%.

d) The usage charges for the Wastewater facility will be billed to the Wastewater Department.

e) The usage charges for the water used by the OCSR will be charged to the Transient Room Tax account as a promotional expense pending a review of all private non-profit water accounts.

Section 4. This Resolution will correct the billing and accounting procedures of the past and increase the net revenues for the Water Fund.

a) The estimated net gallons of water that will be credited to the Water Department is approximately $5,750,000 gallons.

b) The estimated net income for Water Department will be approximately $30,000.

THIS RESOLUTION SHALL BE EFFECTIVE AS OF JANUARY 1, 2024 FOR ACCOUNTING PURPOSES. PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR, this 21st day of February 2024.

K Findling

Katie Findling, Mayor

ATTEST:

Diane Welch