

Oak Lodge Water Services Authority

	Drinking Water	Wastewater	Watershed	
Approved Budget - Rate	\$ 37.17	\$ 81.72	\$ 10.81	
Amendment 1 Beginning Fund Balance	(0.04)	(0.04)	0.13	
Amendment 2 Operational Cost Cuts	(0.38)	(0.73)	(0.23)	
Amendment 3 Delay in Hiring	(0.12)	(0.51)	(0.09)	
Amendment 4 Capital Transfer Cuts	(3.25)	(4.87)	-	
Amended Rate	33.38	75.57	10.62	
Current Average Residential Rate	26.54	58.35	9.65	
Rate Change	\$ 6.84	\$ 17.22	\$ 0.97	\$ 25.03

Beginning Fund Balances

	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Estimated FY 23-24	EST V2 FY 23-24	Forecasted FY 24-25
Beginning Fund Balance	13,483,475	14,795,636	15,123,042	14,952,530	10,281,620	11,232,634	5,748,694
Administrative Services Fund	-	598,701	1,376,369	1,493,543	1,450,193	1,443,861	676,061
Drinking Water Fund	2,430,387	1,504,202	1,158,988	844,621	580,708	608,759	657,259
Wastewater Reclamation Fund	1,315,555	1,807,252	995,149	1,343,227	535,947	507,588	693,588
Watershed Protection Fund	465,068	90,097	321,953	118,821	81,121	50,874	138,874
OPERATING FUNDS	4,211,009	4,000,253	3,852,459	3,800,212	2,647,969	2,611,082	2,165,782
Increase/(Decrease)		(210,757)	(147,794)	(52,247)	(1,152,243)	(36,887)	(445,300)
					Net Increase/(Decrease)		(2,045,227)
Drinking Water Capital Fund	3,236,048	4,229,832	4,428,892	4,539,371	3,442,700	3,487,371	1,937,371
Wastewater Reclamation Capital Fund	4,220,098	5,239,925	4,946,110	4,164,089	2,730,089	2,557,963	1,802,963
Watershed Protection Capital Fund	1,816,320	1,536,383	2,043,375	2,501,105	2,613,105	2,613,105	2,333,105
CAPITAL FUNDS	9,272,466	10,795,383	11,270,583	11,152,318	7,633,651	8,621,552	3,582,912
Increase/(Decrease)		1,522,917	475,200	(118,265)	(3,518,667)	987,901	(5,038,640)
					Net Increase/(Decrease)		(5,689,554)

Oak Lodge Water Services Authority

Amendment 1 v2: Update FY 2023-24 Beginning Fund Balances

At the May 23, 2023 Board of Directors meeting, the Board requested an update to the Estimated Ending Fund Balances for FY 2022-23, that are then the carryforward to the Beginning Fund Balances for FY 2023-24. Board members stated that a potential of \$2 million would be unspent specifically in Operating & Administrative Funds, that if identified, needs to be made available for use in the FY 2023-24 Budget.

The ESTIMATE 22-23, included in the FY 2023-24 Proposed Budget, was completed based on actual results through December 2022. At this time, actual results are available through March 2023. The results of a second estimation of projected revenues and expenditures was complete for all Operating Funds, Administrative Services Fund and Capital Funds. The results are as follows:

OPERATING FUNDS:	CHANGE IN ESTIMATED FY 22-23 ENDING FUND BALANCE	(10,856)
CAPITAL FUNDS:	CHANGE IN ESTIMATED FY 22-23 ENDING FUND BALANCE	(127,526)

If approved, the Beginning Fund Balance for each individual funds will be applied to the ADOPTED FY 23-24 column.

Individual Funds	ENDING FUND BALANCE	ESTIMATE FY 22-23	Change in Estimate	EST v2 FY 22-23
OPERATING FUNDS	Drinking Water Operations			
	Contingency	706,108	-	706,108
	Net Change in Fund Balance	(125,400)	28,051	(97,349)
	Ending Fund Balance	580,708		608,759
	BEGINNING FUND BALANCE FY 2023-24			608,759
	Wastewater Operations			
	Contingency	451,412		451,412
	Net Change in Fund Balance	84,535	(28,359)	56,176
	Ending Fund Balance	535,947		507,588
	BEGINNING FUND BALANCE FY 2023-24			507,588
	Watershed Protection Operations			
	Contingency	300,095	-	300,095
	Net Change in Fund Balance	(218,974)	(30,247)	(249,221)
	Ending Fund Balance	81,121		50,874
	BEGINNING FUND BALANCE FY 2023-24			50,874
	Administrative Services Fund			
	Contingency	788,412	-	788,412
	Net Change in Fund Balance	660,781	19,699	680,480
	Ending Fund Balance	1,449,193		1,468,892
	BEGINNING FUND BALANCE FY 2023-24			1,468,892
CAPITAL FUNDS	Drinking Water Capital			
	Contingency + Reserve	2,130,900	-	2,130,900
	Net Change in Fund Balance	1,311,871	44,600	1,356,471
	Ending Fund Balance	3,442,771		3,487,371
	BEGINNING FUND BALANCE FY 2023-24			3,487,371
	Wastewater Capital			
	Contingency + Reserve	1,512,768	-	1,512,768
	Net Change in Fund Balance	1,217,321	(172,126)	1,045,195
	Ending Fund Balance	2,730,089		2,557,963
	BEGINNING FUND BALANCE FY 2023-24			2,557,963
	Watershed Protection Capital			
	Contingency + Reserve	2,133,058	-	2,133,058
	Net Change in Fund Balance	480,047	-	480,047
	Ending Fund Balance	2,613,105		2,613,105
	BEGINNING FUND BALANCE FY 2023-24			2,613,105

If approved, detailed changes from Approved Budget to Adopted Budget

Fund Description	Budget Line	Item	Approved 23-24	Amendment 1	Adopted 23-24
Administrative Services	05-00-3500	Beginning Fund Balance	1,450,193	19,699	1,469,892
	05-29-4910	Transfer In from Fund 10	1,128,000	(4,000)	1,124,000
	05-29-4920	Transfer In from Fund 20	2,148,000	(9,000)	2,139,000
	05-29-4930	Transfer In from Fund 30	1,128,000	(4,000)	1,124,000
	05-29-9000	Contingency	676,293	2,699	678,992
Drinking Water Operations	10-00-3500	Beginning Fund Balance	580,708	28,051	608,759
	10-29-8105	Transfer Out to Fund 05	1,128,000	(4,000)	1,124,000
	10-29-9000	Contingency	669,708	32,051	701,759
Wastewater Operations	20-00-3500	Beginning Fund Balance	535,947	(28,359)	507,588
	20-29-8105	Transfer Out to Fund 05	2,148,000	(9,000)	2,139,000
	20-29-9000	Contingency	672,947	(19,359)	653,588
Watershed Protection Operations	30-00-3500	Beginning Fund Balance	81,121	(30,247)	50,874
	30-29-8105	Transfer Out to Fund 05	1,128,000	(4,000)	1,124,000
	30-29-9000	Contingency	131,161	(26,247)	104,914
Drinking Water Capital	71-00-3500	Beginning Fund Balance	3,442,771	44,600	3,487,371
		Reserve for future expenditures	1,502,771	44,600	1,547,371
Wastewater Capital	72-00-3500	Beginning Fund Balance	2,730,089	(172,126)	2,557,963
		Reserve for future expenditures	1,868,289	(172,126)	1,696,163

Oak Lodge Water Services Authority

Amendment 2: Provide Cuts to Operations - Materials and Services

At the May 23, 2023 Board of Directors meeting, the Board requested the Operational Costs be reviewed for cuts to offset the increase in Capital Transfers.

Over the prior three fiscal years, operational and administrative budgets have been adjusted to current costs of services, reducing the impact of inflationary impacts and to keep costs as low as possible. A review of each division by the budget manager to identify budget lines reductions.

NOTE: Reductions in the Administrative Fund 05 are carried into expense reductions within Drinking Water Operations Fund 10, Wastewater Operations Fund 20, and Watershed Protection Operations Fund 30 in **Transfers Out to Admin Fund 05** budget line.

Results: Total costs identified in Materials & Services (225,600)

Summary by Fund & Division

Administrative Services - Fund 05		
Finance/Administration	(107,000)	
Human Resources	(10,100)	
Technical Services	(21,000)	
Fleet	(5,000)	
	<u>(143,100)</u>	
Drinking Water Operations - Fund 10	(22,500)	
Wastewater Operations - Fund 20	(49,000)	
Watershed Protection Operations - Fund 30	(11,000)	
	<u>(82,500)</u>	

If approved, detailed changes from Approved Budget to Adopted Budget:

Fund Description	Budget Line	Item	Approved 23-24	Amendment 2	Adopted 23-24
Administrative Services					
FUND 05	05-29-4910	Transfer in from Fund 10	1,128,000	(36,000)	1,092,000
	05-29-4920	Transfer in from Fund 20	2,148,000	(72,000)	2,076,000
	05-29-4930	Transfer in from Fund 30	1,128,000	(36,000)	1,092,000
			<u>4,404,000</u>	<u>(144,000)</u>	<u>4,260,000</u>

Division 01 - Finance/Administration

05-01-6110	Legal services	375,000	(75,000)	300,000
05-01-6180	Dues and subscriptions	62,000	(20,000)	42,000
05-01-6240	Natural Gas	4,000	1,000	5,000
05-01-6290	Other Utilities	10,000	(5,000)	5,000
05-01-6240	Staff training	13,000	(3,000)	10,000
05-01-6440	Board Expense	2,000	(2,000)	-
05-01-6730	Communications	2,000	(1,000)	1,000
05-01-6760	Equipment Rental	4,000	(1,000)	3,000
05-01-6790	Miscellaneous Expense	1,000	(1,000)	-
		<u>473,000</u>	<u>(107,000)</u>	<u>366,000</u>

Division 02 - Human Resources

05-02-6420	Staff training	24,600	(4,600)	20,000
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Fund Description	Budget Line	Item	Approved 23-24	Amendment 2	Adopted 23-24
	05-02-6620	Election Costs	5,000	(4,500)	500
	05-02-6740	Miscellaneous Expense	1,000	(1,000)	-
			30,600	(10,100)	20,500
Division 03 - Technical Services					
	05-03-6155	Contracted Services	462,000	(20,000)	442,000
	05-03-6790	Miscellaneous Expense	1,000	(1,000)	-
			463,000	(21,000)	442,000
Division 04 - Vehicle Services					
	05-04-6520	Fuel and Oils	55,000	(5,000)	50,000
			55,000	(5,000)	50,000
			1,021,600	(143,100)	878,500
Non-Divisional	05-29-9000	Contingency	676,293	(900)	675,393
			1,697,893	(144,000)	2,432,393
Drinking Water Operations					
FUND 10	10-00-4211	Water Charges	6,091,000	(103,000)	5,988,000
Division 20 - Drinking Water Operations					
	10-20-6155	Contracted Services	270,900	(12,000)	258,900
	10-20-6290	Other Utilities	4,000	1,000	5,000
	10-20-6320	Buildings and Grounds	10,000	(3,000)	7,000
	10-20-6420	Staff Training	15,000	(2,500)	12,500
	10-20-6530	Small Tools and Equipment	15,000	(5,000)	10,000
	10-20-6790	Miscellaneous Expense	1,000	(1,000)	-
			315,900	(22,500)	293,400
	10-29-8105	Transfer Out to Admin 05	1,128,000	(36,000)	1,092,000
	10-29-9000	Contingency	669,708	(44,500)	625,208
			2,113,608	(103,000)	2,010,608
Wastewater Operations					
FUND 20	20-00-4212	Wastewater Charges	12,879,000	(81,000)	12,798,000
Division 21 - Wastewater Treatment Operations					
	20-21-6342	WWTP System Maintenance	200,000	(15,000)	185,000
	20-21-6530	Small Tools & Equipment	13,000	(5,000)	8,000
	20-21-6570	In-House Laboratory Supplies	20,000	(5,000)	15,000
	20-21-6760	Equipment Rental	20,000	(10,000)	10,000
	20-21-6790	Miscellaneous Expense	1,000	(1,000)	-
			254,000	(36,000)	218,000
Division 22 - Wastewater Collections Operations					
	20-22-6342	Collection System Maintenance	45,000	(10,000)	35,000
	20-22-6420	Staff Training	20,000	(2,000)	18,000
	20-22-6790	Miscellaneous Expense	1,000	(1,000)	-
			66,000	(13,000)	53,000
	20-29-8105	Transfer Out to Admin 05	2,148,000	(72,000)	2,076,000
	20-29-9000	Contingency	672,947	40,000	712,947
			3,140,947	(81,000)	3,059,947

Fund Description	Budget Line	Item	Approved 23-24	Amendment 2	Adopted 23-24
<u>Watershed Protection Operations</u>					
FUND 30	30-00-4213	Watershed Protection Charges	1,783,040	(13,040)	1,770,000
	30-23-6155	Contracted Services	169,000	(6,000)	163,000
	30-23-6340	WSP System Maintenance	50,000	(5,000)	45,000
			219,000	(11,000)	208,000
	30-29-8105	Transfer Out to Admin 05	1,128,000	(36,000)	1,092,000
	30-29-9000	Contingency	131,161	33,960	165,121
			1,478,161	(13,040)	1,465,121

Oak Lodge Water Services Authority

Amendment 3: Provide Cuts to Operations - Hiring Delays

At the May 23, 2023 Board of Directors meeting, the Board requested the Operational Costs be reviewed for cuts to offset the increase in Capital Transfers.

After review of Operations and Administrative Funds netted an amount lower than requested to achieve cuts to offset, staffing options were reviewed. Currently, there are four positions vacant that were identified to delay hiring until October 2023 to provide additional cuts.

NOTE: Reductions in the Administrative Fund 05 are carried into expense reductions within Drinking Water Operations Fund 10, Wastewater Operations Fund 20, and Watershed Protection Operations Fund 30 in **Transfers Out to Admin Fund 05** budget line.

Results: Total vacancy savings (122,000)

Summary by Fund & Division

Administrative Services - Fund 05		
Technical Services		(74,000)
Associate Engineer Technician		
Civil Engineer		
		(74,000)
		(74,000)
Wastewater Operations - Fund 20		(48,000)
Maintenance Mechanic		
Laboratory Specialist		
		(48,000)
		(48,000)

If approved, detailed changes from Approved Budget to Adopted Budget

Fund Description	Budget Line	Item	Approved 23-24	Amendment 3	Adopted 23-24
Administrative Services					
	05-29-4910	Transfer in from Fund 10	1,128,000	(19,000)	1,109,000
	05-29-4920	Transfer in from Fund 20	2,148,000	(37,000)	2,111,000
	05-29-4930	Transfer in from Fund 30	1,128,000	(19,000)	1,109,000
			4,404,000	(75,000)	4,329,000
			4,404,000	(75,000)	4,329,000
Division 03 - Technical Services					
	05-03-5110	Regular Employees	674,000	(57,000)	617,000
	05-03-5230	Social Security	53,000	(5,000)	48,000
	05-03-5240	Retirement	13,000	(11,000)	2,000
	05-03-5250	Trimet/WBF/OR Paid Leave	9,000	(1,000)	8,000
			749,000	(74,000)	675,000
			749,000	(74,000)	675,000
Non-Divisional	05-29-9000	Contingency	676,293	(1,000)	675,293
			1,425,293	(75,000)	2,025,293
			1,425,293	(75,000)	2,025,293
Drinking Water Operations					
	10-00-4211	Water Charges	12,879,000	(19,000)	12,860,000
	10-29-8105	Transfer Out to Admin 05	1,128,000	(19,000)	1,109,000
			1,128,000	(19,000)	1,109,000
			1,128,000	(19,000)	1,109,000

Fund Description	Budget Line	Item	Approved 23-24	Amendment 3	Adopted 23-24
<u>Wastewater Operations</u>					
	20-00-4212	Wastewater Charges	12,879,000	(85,000)	12,794,000
Division 21 - Wastewater Treatment Operations					
	20-21-5110	Regular Employees	693,000	(38,000)	655,000
	20-21-5230	Social Security	54,000	(3,000)	51,000
	20-21-5240	Retirement	130,000	(7,000)	123,000
			877,000	(48,000)	829,000
	20-29-8105	Transfer Out to Admin 05	2,148,000	(37,000)	2,111,000
			2,278,000	(85,000)	2,234,000
<u>Watershed Protection Operations</u>					
	30-00-4213	Wasteshed Protection Charges	1,783,040	(19,000)	1,764,040
	30-29-8105	Transfer Out to Admin 05	1,128,000	(19,000)	1,109,000
			1,128,000	(19,000)	1,109,000

Oak Lodge Water Services Authority

Amendment 4: Reduce Capital Transfers to achieve requested rate

Since the May 23, 2023, the Board of Directors requested a reduction from the Approved Budget to achieve an approximate \$25.00 monthly cost increase for the average residential customer account. After reductions to Materials & Services, and Personnel Services, a gap remained. Only other option is to reduce Capital Transfers to offset the remaining reduction.

The following project reductions were identified as being able to either reduce the cost or spread the costs into future years.

Drinking Water Capital Fund	Approved	Amended	Change
Capital Outlay			
Valley View Piping Repair	60,000	50,000	(10,000)
Large Meter Testing & Replace	100,000	75,000	(25,000)
SCADA System Upgrades	100,000	75,000	(25,000)
DW Pump Station Generator	200,000	-	(200,000)
Intertie Pump Station	200,000	150,000	(50,000)
Siesmic Study 24" Transmission Main	210,000	-	(210,000)
	870,000	350,000	(520,000)
Wastewater Capital Fund			
Capital Outlay - Treatment Plant			
Secondary Clarifiers 1&2 Refurb	200,000	150,000	(50,000)
Tertiary Filtration Facility	800,000	750,000	(50,000)
	1,000,000	900,000	(100,000)
Capital Outlay - Collections			
Lift Station 5 Basin RDII	2,200,000	1,500,000	(700,000)
Lift Station 2 Basin RDII	328,000	200,000	(128,000)
Lift Station 3 Rehabilitation	75,000	50,000	(25,000)
	2,603,000	1,750,000	(853,000)
	3,603,000	2,650,000	(953,000)

If approved, detailed changes from Approved Budget to Adopted Budget:

Fund Description	Budget Line	Item	Approved 23-24	Amendment 4	Adopted 23-24
Drinking Water Operations					
	10-00-4211	Water Charges	6,091,000	(500,000)	5,591,000
			6,091,000	(500,000)	5,591,000
	10-29-8171	Transfer Out to Capital 71	2,000,000	(500,000)	1,500,000
			2,000,000	(500,000)	1,500,000
Drinking Water Capital					
	71-29-4910	Transfer In from Operating 10	2,000,000	(500,000)	1,500,000
			2,000,000	(500,000)	1,500,000
	71-20-7200	Infrastructure	535,000	(35,000)	500,000
	71-20-7530	Information Technology	100,000	(25,000)	75,000
	71-20-7600	Capital Improvement Projects	2,860,000	(460,000)	2,400,000
		Reserve for Future Expenditures	1,502,771	20,000	1,522,771
			4,997,771	(500,000)	4,497,771

Fund Description	Budget Line	Item	Approved 23-24	Amendment 4	Adopted 23-24
Wastewater Operations					
	20-00-4212	Wastewater Charges	12,879,000	(800,000)	12,079,000
			12,879,000	(800,000)	12,079,000
	20-29-8172	Transfer Out to Capital 72	4,000,000	(800,000)	3,200,000
			4,000,000	(800,000)	3,200,000
Wastewater Capital					
	72-00-4610	Proceeds from Borrowing	2,200,000	(700,000)	1,500,000
	72-29-4920	Transfer In from Operating 20	4,000,000	(800,000)	3,200,000
			6,200,000	(1,500,000)	4,700,000
	72-21-7600	Capital Improvement Projects	1,000,000	(100,000)	900,000
	72-22-7600	Capital Improvement Projects	4,453,000	(853,000)	3,600,000
		Reserve for Future Expenditures	1,868,289	(547,000)	1,321,289
			7,321,289	(1,500,000)	5,821,289