



Proposed Budget

2023-2024



14496 SE River Road, Oak Grove, Oregon 97267
(503) 654-7765
@OakLodgeWater
OakLodgeWaterServices.org



About Us

The Oak Lodge Water Services (OLWS) is committed to creating a clean water environment and a healthy community. OLWS provides reliable drinking water, wastewater, and watershed protection services to nearly 29,000 people in Oak Grove, Jennings Lodge, and portions of Milwaukie and Gladstone.

Drinking Water Services

OLWS provides customers safe, reliable drinking water from the Clackamas River. Customer rates fund essential services, including purchasing clean water and maintaining daily operations, and investments in infrastructure.

Wastewater Services

OLWS collects wastewater from homes and businesses so the water can be cleaned and safely returned to the Willamette River. Customer rates fund essential services, including wastewater treatment, maintaining daily operation, and investments in treatment plant and infrastructure.

Watershed Protection Services

OLWS helps protect the environment by monitoring water quality in local waterways and helping to keep the Clackamas County-owned stormwater system clean. Customer rates fund watershed protection activities necessary to comply with state and federal water quality permit requirements.

Clackamas River

OLWS withdraws water from the Clackamas River, which is an extremely high-quality raw water source. The Clackamas River watershed covers almost 1,000 square miles, mostly located in Clackamas County. Timothy Lake and Ollalie Lake make up the headwaters of the Clackamas River, and many tributary streams contribute to the flow of the river. Drinking water for OLWS is produced by three treatment techniques: slow sand filtration, conventional filtration, and membrane filtration. The Allen F. Herr Water Treatment Facility began production in August 1999. OLWS, Sunrise Water Authority, and the City of Gladstone - known as the North Clackamas County Water Commission (NCCWC) - jointly own the slow sand and membrane filtration systems. Approximately 100 miles of water mains make up the distribution system that carries water to OLWS customers. OLWS has four reservoirs with a combined storage of 15.6 million gallons.



**FY 2023-2024
PROPOSED BUDGET**

BUDGET COMMITTEE

APPOINTED OFFICIALS

Robert Weber, Position 1

Mark Elliott, Position 2

Ron Weigel, Position 3

Lewis Wardrip, Position 4

Ron Nichelini, Position 5

ELECTED BOARD OF DIRECTORS

Susan Keil, President

Kevin Williams, Vice President/Secretary

Paul Gornick, Treasurer

Ginny Van Loo, Director

Heidi Bullock, Director

BUDGET OFFICER

Gail Stevens, Finance Director



**FY 2023-24
PROPOSED BUDGET**

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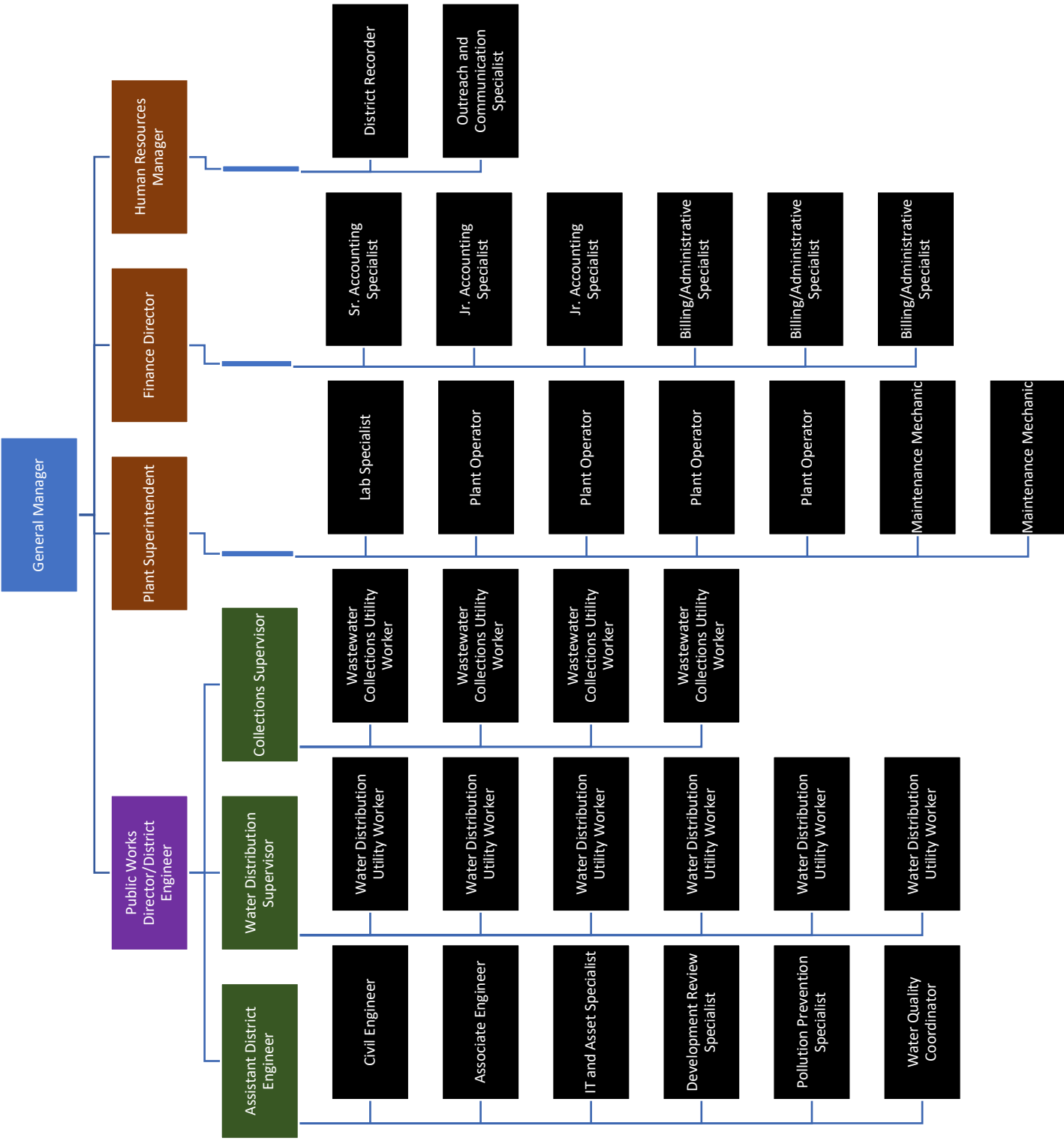


FY 2023-2024 BUDGET CALENDAR

Tuesday, April 11, 2023	Budget Committee Meeting
Thursday, April 20, 2023	Budget Committee Meeting
Tuesday, April 25, 2023	Budget Committee Meeting
Thursday, April 27, 2023	Budget Committee Meeting (if needed)
Tuesday, May 16, 2023	Board of Directors Meeting

All meetings are hybrid. The public may attend through Zoom video conference or in-person at:

14496 SE River Rd.
Oak Grove, Oregon





BUDGET MESSAGE

Members of the Oak Lodge Water Services Authority (formerly known as Oak Lodge Water Services or OLWS) Budget Committee, we are pleased to present the OLWS Fiscal Year (FY) 2023-24 Proposed Budget.

INAUGURAL BUDGET FOR OAK LODGE WATER SERVICES AUTHORITY

On May 5, 2022, the Clackamas County Board of County Commissioners held a final public hearing and adopted Board Order 2022-36 forming the Oak Lodge Water Services Authority and dissolving the Oak Lodge Water Services District. In the County Order, July 1, 2022 was the effective date of the Authority formation. As proposed by the District's Board of Directors, the County Order provided for a period of overlap between the date of the Authority formation and the date of the District dissolution. The overlap allowed sufficient time for any needed transfers, and for the winding up of the District's affairs.

A five-member Board of Directors (Board) was elected at the Special Election on August 23, 2022. The first meeting of the Board of the Oak Lodge Water Services Authority was held on September 16, 2022.

For fiscal year (FY) 2022-23 the Oak Lodge Water Services Authority Board adopted the balance of the Budget originally adopted by the Oak Lodge Water Services District.

The FY 2023-24 Budget will be the first one proposed to the Oak Lodge Water Services Authority Budget Committee, and then approved to go to the Oak Lodge Water Services Authority Board for a Public Hearing and final Adoption.

The Oak Lodge Water Services Authority will be referred to as 'Oak Lodge Water Services' or abbreviated as OLWS, which provides consistency in our name to customers and requires no development of a new logo. The official naming convention 'Oak Lodge Water Services Authority' will only be used in legal documents.

STATE OF OLWS

OLWS provides a high level of service to customers in the form of water quality, reliable wastewater collection and treatment, watershed protection, and exceptional customer service for nearly 29,000 people.

There are four main areas of focus throughout OLWS' work which are reflected in the FY 2023-24 Proposed Budget:

1. Planning for the future
2. Building resilience
3. Security
4. Financial stewardship

Planning for the Future

Communities throughout the State and Nation face system failures due to insufficient and aging infrastructure. Many water and wastewater systems built and financed by previous generations are approaching the end of their useful life, requiring significant upgrades. Much like the homes we live in, our water and wastewater systems require routine maintenance and continuous improvements. Deferred investment often leads to costly repairs and emergency replacements down the line.

In the American Water Works Associations' (AWWA) annual "State of the Water Industry Report" for 2022, a ranking of issues facing the water sector were identified. The top 3 most pressing challenges are:

1. Renewal and replacement of aging water and wastewater infrastructure.
2. Financing for Capital Improvements
3. Long-term drinking water supply availability.

The reliable and cost-effective delivery of water and wastewater services support the public health, safety, and economic vitality of all communities. It is important to maintain the water and wastewater systems that are essential to our way of life.

According to AWWA, "because pipe assets last a long time, water systems that were built in the later part of the 19th century and throughout most of the 20th century, have for the most part, never experienced the need for pipe replacement on a large scale." The challenge has been that much of the water and wastewater infrastructure is less visible than other infrastructure concerns (such as bridges) because it is buried underground. As a result, people do not think about water, wastewater, and surface waterpipes.

Delaying infrastructure investment can result in degrading water and wastewater services, increasing service disruptions, increasing sanitary sewer overflows (SSOs) and increasing expenditures for emergency repairs. Much like when a roof begins to fail on a house, the potential damage to the rest of the house increases if repairs and replacements are delayed. Moreover, as regulatory changes occur (whether at the Federal or State level) additional infrastructure investments will be needed to continue to deliver the essential services of water, wastewater, and surface water.

The "replacement era" is upon utilities across the United States and OLWS needs to meet this same challenge. Investing in our community is where we need to focus. These investments in local infrastructure support the health, sustainability, and prosperity of our community.

Deferring needed investments today will only result in greater expenses tomorrow and pass on a greater burden to our children and grandchildren.

There are two urgent items OLWS needs to address in the short-term to reliably meet updated discharge requirements to the Willamette River set by the Oregon Department of Environmental Quality (DEQ).

- The addition of tertiary treatment (a third level of treatment) is needed to treat wastewater to a higher degree and meet DEQ's standards.
- The replacement of aged infrastructure in the collection system (e.g., pipes) to reduce inflow and infiltration, which causes sanitary sewer overflows.

The OLWS infrastructure, owned and paid for by OLWS customers, is used to deliver all of our services. Information about the condition of those assets, as well as preferred maintenance and replacement, is essential information that enables the planning of future work and financial forecasting. The Master Plans for each service area aid in the prioritization of work and the identification of areas where capital investments are needed to ensure the OLWS infrastructure continues to work.

A Capital Improvement Plan (CIP) is a planning and management tool used to create a longer-term plan for capital projects as outlined in the Master Plans. OLWS prepares a 6-year CIP updated annually to include anticipated timing and costs for recommended projects within the water, collections and treatment systems, and the surface water systems. Each CIP project is assigned a prioritization score based on weighted criteria identified by OLWS. Criteria include asset criticality and condition, customer criticality, regulatory mandates, relationship to other projects, ability to leverage outside funding, level of service, alignment with OLWS Board goals and adopted plans, public interest, and operations and maintenance effectiveness and efficiency. Several reasons can cause the need to re-prioritize projects which include regulatory requirements, condition assessments, adjacent capital project timeline changes, and changes in field conditions. The recommended CIP takes prioritization scoring into account and strives to level spending. Quarterly reports are made to the OLWS Board regarding progress on the CIP projects.

OLWS has recently updated both the Water Master Plan (WMP) and the Wastewater Master Plan (WWMP). The 20-year WMP was adopted by the Board on October 20, 2020. The 30-year WWMP, adopted March 21, 2023, significantly added to the information needed to plan for the aged infrastructure at the wastewater treatment plant and for the collection system out in the field. For the first time in over 30 years the collection system was assessed as a whole. The analysis highlighted that OLWS has significant inflow and infiltration (I & I) issues which must be addressed.

Master Plans can also aid in identifying current and future potential regulatory changes for OLWS. A new National Pollutant Discharge Elimination System (NPDES) permit (#100986) from the Department of Environmental Quality (DEQ) has been in effect as of April 2022. The OLWS

wastewater and treatment system must comply with Federal, State, and County regulations associated with publicly owned wastewater systems. During the preparation of the WWMP, the new DEQ permit modified some of the waste discharge parameters for the disposal of treated wastewater into the Willamette River. The permit has a number of significant budgetary implications in the years ahead for OLWS both for infrastructure and operations. In order to consistently meet permit, Tertiary Treatment (a third level of treatment) will now be needed to treat wastewater to a higher degree to meet DEQ's standards.

Prudent planning for infrastructure renewal requires credible, analysis-based estimates of where, when, and how much pipe replacement or expansion for growth is required. There will be "demographic echoes" in which waves of infrastructure reinvestment are driven by a combination of the original patterns of pipe investment, the pipe materials used, and local operating environments (such as how acidic the soil is in parts of the OLWS service area.)

A large proportion of OLWS water and wastewater pipes are approaching the end of their useful life. Our objective is to make these infrastructure investments at the optimal time for maintaining current service levels and to avoid replacing pipes while the repairs are still cost-effective. Ideally, pipe replacement occurs at the end of a pipe's "useful life"; that is, the point in time when replacement or rehabilitation becomes less expensive in going forward than the costs of numerous unscheduled breaks and emergency repairs. Ultimately, overlooking or postponing infrastructure renewal investments in the near term will only add to the scale of the challenge the community's infrastructure faces in the future.

OLWS is actively researching grants, bonds, low interest loans, and system development charge opportunities to help fund these important improvements. However, increases in customer rates are a necessary part of the funding equation. Future budgets will require thoughtful Budget Committee input as to the best options for all of our customers.

Resilience

The work of the Master Plans assist the identification of projects which build on past infrastructure investments to increase resiliency. One such example is drinking water intertie projects with the City of Milwaukie and Clackamas River Water, which would be used should an earthquake or some other harm to the Clackamas River occur. Resiliency for our customers is also increased through the intergovernmental relationships OLWS has with other partners in the region (e.g., for additional trucks or pumping equipment) and through emergency management planning, as well as exercises. Financial resiliency is also an important part of the consideration for the Board and the Budget Committee. The inflationary cost increases and delays currently being experienced in OLWS supply chains have been anticipated and planned for in the Proposed Budget. However, new ones may arise. Part of a resilient strategy will be the need to have a greater stock of supplies on hand. One example OLWS has continued to deal with this past year is delays in water meter orders, which OLWS has over 8,500 currently in service. There have also been delays in chemicals and pumps for the Wastewater Treatment Plant, as well as computer parts.

Security

This has become an increased area of focus over the past year. OLWS continues to examine how best to protect OLWS' current physical assets. Cyber security planning is underway to protect both OLWS' data and physical assets from hacking. There are a variety of projects on the water and wastewater Supervisory Control and Data Acquisition (SCADA) systems to strengthen OLWS' ability to quickly respond to alarms on OLWS infrastructure to fix issues to either prevent emergencies or enable OLWS to get through the emergency.

Financial Stewardship

The areas of focus continue to be:

- Compliance – funding of required regulatory capital projects.
- Asset Management – for all the three service areas continuing to use good asset management to inform the OLWS Capital Maintenance Program which enables financial planning to occur.
- Financial Forecasting Tool – continue to develop and refine this tool using the information from the two Master Plans and our asset management data.
- Non-Revenue Water – identifying and fixing places in our water system where the full revenue from water is not being recovered, for example, leaks of water from a pipe, or a water meter not measuring correctly.
- Grants and Loans – More Federal Grants and loans will be available FY 2023-24. It is uncertain as to the precise blend of loans and grant packets what will be available to OLWS. It is anticipated the funding of the Capital Plan will take a combination of financial funding streams to fully fund what is needed in terms of infrastructure investment.

OLWS needs to be positioned to address the capital challenges head on in the coming years.

OLWS would not have been able to continue to deliver services without the flexibility and creativity of each OLWS team member and the historical investments made to strengthen the resiliency of the utility infrastructure owned by OLWS customers. As we look at the future, it is this pattern of thoughtful, comprehensive planning and prudent investment by the Budget Committee and the Board which will position OLWS in good stead for a future of continued reliable service delivery as desired and expected by customers.

THE FY 2023-24 BUDGET

The FY 2023-24 Budget reflects the current policy direction of the OLWS Board. That direction is to provide high-quality, reliable service at a reasonable cost of service to customers. The Budget reflects a continued level of service in the coming fiscal year with increases specifically for changed regulatory requirements in operational expenditures, and with necessary increased

investment in capital expenditures to start addressing the aged infrastructure and system improvements due to changed regulatory requirements as a result of the new OLWS DEQ permit.

Capital plans and initiatives for OLWS drive spending in each of the next few years (see the Capital Improvement Plan section of the Budget) as OLWS continues to address the needs of the aged wastewater treatment plant, wastewater collections, drinking water distribution infrastructure, and surface water systems. Moreover, changes by the NPDES permit for the wastewater treatment plant will require significant additional infrastructure investments such as tertiary filtration.

Materials and services costs, as well as personnel services, are experiencing increases due to the inflationary pressure on supply chains. However, OLWS continues to mitigate cost increases with process improvements, efficiencies, and re-investment in system inspections and maintenance.

The Budget is a comprehensive document containing detailed revenues and expenditures for all funds operated by OLWS. The operating and capital budgets contained within this document have been prepared in accordance with Oregon Local Budget Law, per Oregon Revised Statutes (ORS) 294.305 to 294.565, the State Rules for (ORS) Chapter 264 Water Districts, (ORS) Chapter 450 Sanitary Districts, and (ORS) Chapter 198 Special Districts. The Budget requires the input of the OLWS Budget Committee to examine different options for funding required capital projects, particularly in the wastewater area.

SUMMARY OVERVIEW

The following summary highlights specific items contained in the 2023-24 budget, and estimated effects on rates.

Financial Policies

OLWS' suite of financial policies approved by the Board have been applied to the 2023-24 budget. OLWS places emphasis on maintenance of appropriate fund balances in operating funds (Administrative Services, Drinking Water, Wastewater, and Watershed Protection Funds). Over the prior three budgets, OLWS heavily utilized existing fund balances to cover operational and capital cost increases, in lieu of rate increases, bringing combined fund balances down by 23 percent. While operating funds have budgeted contingencies for unexpected and unknown items, as well as transfers to cover debt service, and to capital funds for current and future construction, major maintenance, or replacement of infrastructure, fund balances needed to be maintained at sufficient level for the stabilization of future rates. While OLWS does not budget for full cost recovery related to depreciation of OLWS assets, the Budget has provided for consideration of vehicles and equipment replacement in future years.

When considering the overall resources of OLWS, fund balances and reserves combine to provide one leg of a three-legged approach, with the other two legs being rates and financing. When managed together, they provide a stable strategy for operations and the acquisition and

replacement of capital assets. The financing leg is represented in Debt Service payments and any potential new financing is not included until these funds are available to OLWS.

Personnel Services Estimates

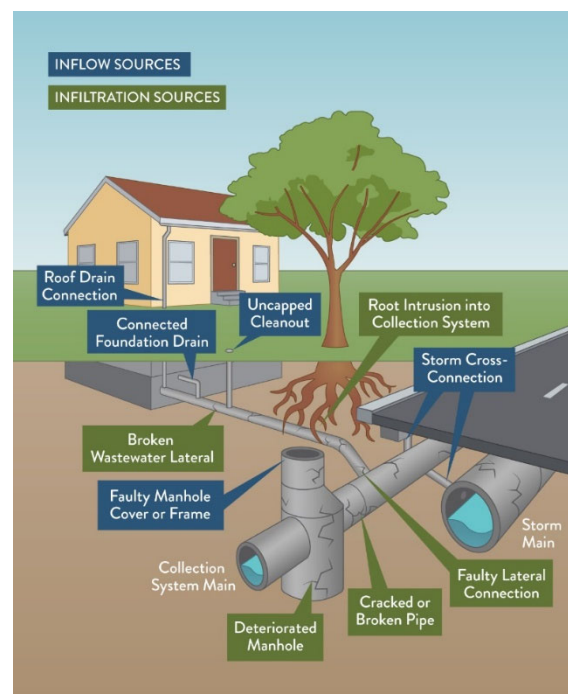
OLWS is currently in negotiations with the AFSCME bargaining unit which represents the administrative and operations team members. The current three-year contract expires July 1, 2023.

The rates identified in this budget for the Public Employees Retirement System (PERS) continue to be positively impacted by past Side Account Contributions to reduce OLWS' Unfunded PERS Liability. During the 2019-20, 2020-21, and 2021-22 fiscal years OLWS made a lump sum contribution of \$300,000, \$552,000, and \$550,000 respectively to "buy down" unfunded actuarial liability. Due to higher funding needs for required capital projects, the FY 2022-23 Budget does not include any new contribution to PERS for the same purpose. Continued contributions will resume in future budgets as this is a key strategy and is in the best financial interest of OLWS over the long run.

Capital Planning

OLWS' six-year Capital Improvement Plan (CIP) provides a blueprint for sustaining and improving the community's water, wastewater, and stormwater systems. It details individual projects and provides strategies for funding and financing. The CIP is reviewed and updated annually to reflect evolving needs, priorities, and funding opportunities.

The CIP for the FY 2023-24 budget is heavily impacted by changes to the NPDES permit issued by DEQ, which OLWS operates under. The existing Wastewater Treatment Plant cannot reliably meet updated discharge requirements to the Willamette River that have been set by DEQ, resulting in potential fines and reduced water quality. Construction of a tertiary treatment facility is needed to treat wastewater to a higher degree to meet necessary requirements. In addition to the Wastewater Treatment Plant, studies show that some sites in the collection system have become vulnerable to inflow and infiltration (see graphic). This describes when surface and ground water enter the collection pipeline system, particularly during strong storm events. The additional water causes added pressure on the collection system, the pumping stations, and the treatment system, occasionally leading to sanitary sewer overflows,



for which OLWS can be fined by DEQ.

In addition, as in prior fiscal years, a long-term capital plan for each of the water, wastewater, and watershed protection services are included.

The WMP offers a long-term outlook of the community’s water resources, including available water supply, current and future demands, and emerging water quality considerations. It evaluates the condition of water infrastructure (pipelines, pump stations, tanks, etc.) and provides recommendations for replacement and repairs. Additionally, the WMP explores the system’s ability to withstand unexpected emergencies such as fires, floods, or earthquakes. OLWS updated its WMP in 2020 to ensure adequate water supply and reliable services for decades to come.

The WWMP is a long-term planning tool that evaluates the wastewater system’s current condition, capacity, constraints, and recommendations for improvement. The 30-year plan evaluates OLWS’ ability to comply with state and federal regulations, withstand climate uncertainty, and continue to provide reliable services. The 2023 WWMP identified substantial upgrades needed to handle stronger storm events, meet regulations, reduce the risk of sanitary sewer overflows, and promote healthy local waterways.

Addressing vulnerabilities now offers important benefits to OLWS and its customers:

- Greatly reduces risk of sanitary sewer overflows.
- Avoids costly fines for non-compliance with environmental regulations.
- Supports continued reliable and resilient wastewater service for customers.
- Upholds OLWS’ commitment to keep streams and rivers clean.



Promotes continued reliable and resilient wastewater service



Greatly reduces risk of SSOs



Avoids costly fines for non-compliance with environmental policies



Upholds OLWS’ commitment to keep rivers clean

The FY 2023-24 Budget includes funding for capital projects related to projects identified in the WMP, the WWMP and for watershed protection. All construction costs in the Master Plans have been cost indexed for construction cost increases in our geographic area, this ensures OLWS is utilizing the most accurate data at the time of budget development. Details of these projects can be found in the Capital Improvement Plan section of this Budget.

Capital expenditures are made from capital funds. Resources to the capital funds are in the form of transfers from the respective operating funds (i.e., Drinking Water Fund to Water Capital Fund). Transfers are in turn funded through rates. Looking forward in the capital plans of OLWS, there may be opportunities to employ other financing strategies in the form of debt financing or partnerships with other governmental entities to accomplish specific capital projects.

BUDGET ASSUMPTIONS

The FY 2023-24 proposed Budget incorporates the following assumptions:

Revenue Assumptions

- Annual population growth of 0%
- Increase in rates for Water, Wastewater, and Watershed Protection.
- Maintained conservative base units for revenue forecasting.
- Non-payment of bills by customers at 2% (based on history).

Expenditure Assumptions

- Medical and Dental estimates an increase in rates of 5%
- PERS employer contribution rate increased 4.3% for FY 2023-24, which is lower due to prior contributions to PERS Side Accounts.
- Step increases for eligible employees.
- Continued funding of the on-going Low Income Rate Relief Program (income based)

Overall Strategies for the 2023-24 Budget and Beyond

- Continue to refine the new Financial Forecasting Tool.
- Project, plan and re-prioritize capital needs while ensuring compliance with federal and state permit requirements.
- Manage rates for each utility independently to limit funding needs while operating and maintaining each system.
- Continue to maintain prudent fund balances and reserves to provide a stable financial structure for available funding opportunities.

CONCLUDING THOUGHTS

Supply chain issues are impacting OLWS in three ways: the length of time needed to receive key supplies, the costs of those supplies, and the amount of prudent inventory needing to be kept on hand.

OLWS continues to focus on long-range planning and building a strong asset management program for all the infrastructure and equipment needed to deliver services. The new permits from DEQ continue to have impacts for OLWS. An updated NPDES permit for the Wastewater Treatment Plant meant a renewed land application of biosolids permit. The MS4 permit was updated in 2021. It included new standards for water quality and testing protocols. These permits

will bring added costs, but also improve the quality of our natural resources and in turn improve the quality of our community's quality of life.

The information from the WMP (updated in 2020) and the WWMP (updated in 2023), as well as the certainty around the new requirements from DEQ enables OLWS to better plan and anticipate the infrastructure projects and costs required to continue to best serve customers. This future planning is essential to stabilize rates, potential borrowings, and grants to provide financial resources at the time needed for the funding equation to match the capital demands.

Investments in local infrastructure support the health, sustainability, and prosperity of our community. OLWS is taking steps to update its aged water distribution system, wastewater collection system, the Wastewater Treatment Plant, and surface water system to continue to provide customers with safe and reliable service today and for years to come.

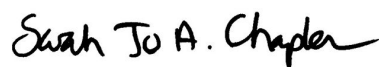
Addressing these issues now will allow OLWS to comply with current wastewater regulations, avoid fines, and continue to provide high-quality reliable service to its customers. It will also position OLWS to better handle stronger storm events caused by a shifting climate; meet future, more stringent regulatory requirements; and reduce the risk of future sanitary sewer overflows.

OLWS services are delivered 24 hours a day. OLWS strives to do this with an emphasis on cost-effective operations balancing both the short- and long-term maintenance, replacement, resiliency, and expansion needs of the utility infrastructure owned by all OLWS' customers.

ACKNOWLEDGMENTS

The OLWS FY 2023-24 Budget was developed by the OLWS Leadership Team with assistance from OLWS staff. The members of the Leadership Team come from various backgrounds and perspectives to represent the interests of OLWS. We want to acknowledge their hard-work, efforts, and engagement. We greatly appreciate the OLWS staff. We also want to thank the Budget Committee and the Board of Directors for all their hard work to ensure the FY 2023-24 Budget addresses what is needed for service delivery to customers now and into the future. OLWS is always ready to respond to service emergencies 24 hours a day, 7 days a week, 365 days a year. Our customers depend upon us. Like other local governments, OLWS must continue to be nimble to address our ever-changing environment, which includes protecting public health, caring for the environment, responding to emergencies as well as addressing the changes required by State and/or Federal regulators.

We hereby respectfully submit the OLWS Proposed Budget for FY 2023-24.



Sarah Jo Chaplen
General Manager



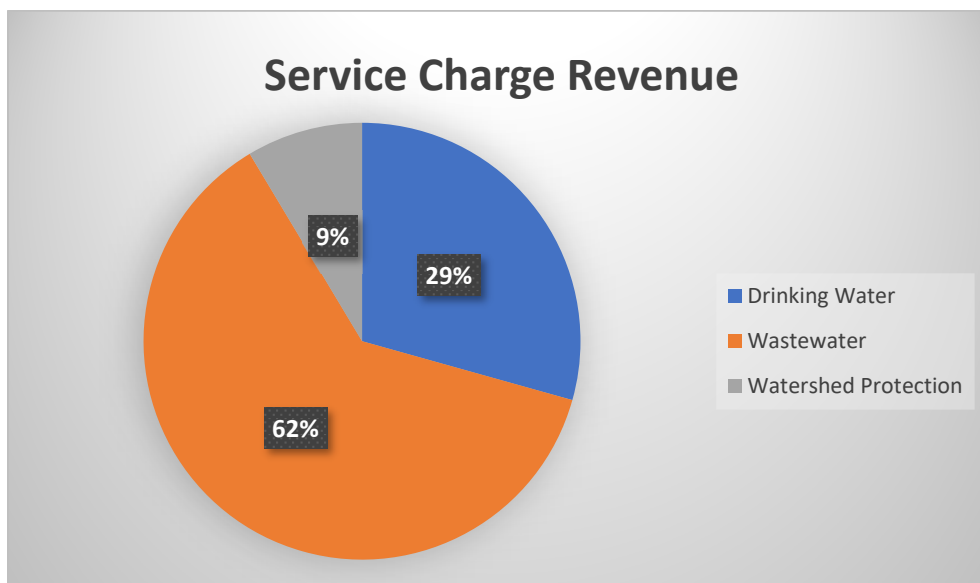
Gail Stevens
Finance Director and Budget Officer

SUMMARY BUDGET HIGHLIGHTS

The FY 2023-24 budget for the OLWS totals \$49.7 million (total resources and total uses) and can be summarized as follows: \$5.9 million for Administrative Services, \$6.9 million for Drinking Water, \$13.6 million for Wastewater, \$1.9 million for Watershed Protection, \$4.0 million for Debt Service, and \$17.3 million in capital.

Resources

Service charges revenue is the primary resource to each of the operating funds. Service charges combine with interest income, system development charges (SDC), other miscellaneous revenues, and beginning fund balance in each of the funds to comprise total resources. Revenue from service charges across the operating funds (Drinking Water Fund, Wastewater Reclamation Fund and Watershed Protection Fund) is illustrated in the chart below:



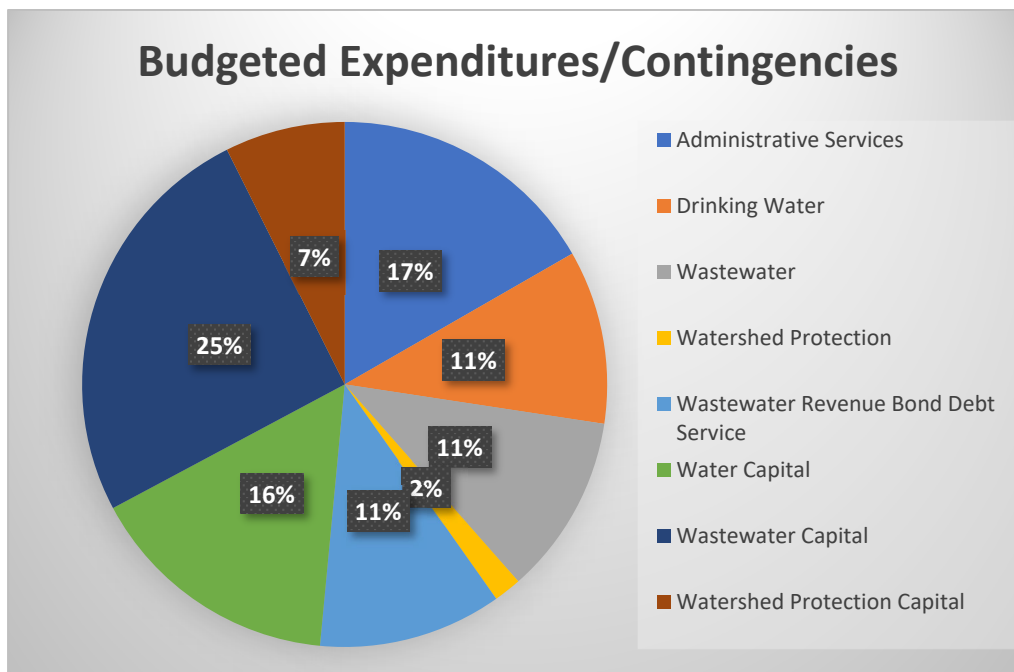
Resources within each fund support the operations and capital requirements associated with each utility's respective functions. Personnel services and materials and services are accounted for within each operating fund. Support services, debt requirements, and capital costs are budgeted and recorded in separate funds to which each operating fund makes transfers.

Fees are set in June each year with a July 1 effective date. Fees are set based on estimated requirements for each fund as a whole and in consideration of future operations and capital plans as projected.

Uses

Operating expenditures are budgeted by division within the Administrative Services Fund, and by category within each of the other funds. Personnel services and capital make up the majority of budgeted expenditures of OLWS for FY 2022-23. Personnel services comprise 16.5% of OLWS' budgeted expenditures (excluding transfers) and capital spending makes up another 29.6%. The remaining budgeted requirements of OLWS include materials and services at 17.1%, debt service at 10.2%, and contingencies and reserves at 26.6%.

The chart below illustrates total expenditures (excluding transfers) by fund. Transfers among funds are excluded so as not to distort actual expenditures to parties outside of OLWS.



Personnel Services

OLWS budget includes 39 full-time regular (FTE) positions. Benefit costs reflect increases in health insurance and quoted rates from providers. Employee insurance rates, which includes medical, dental, life, short-term disability, and long-term disability reflect a 5.0% increase.

PERS contributions are the other largest component of employee benefits. PERS rates on a biennial basis, and the scheduled rates for FY 2023-24 and 2024-25 were set at 24.37% for Tier 1 and 2 members, and 21.19% for OPSRP members. OLWS has contributed \$300,000 in FY 2019-20, \$552,000 in FY 2020-21, and \$550,000 in FY 2022-23. These contributions have resulted in rates of 21.90% for Tier 1 and 2 members, and 18.72% for OPSRP members. Currently, 10% of OLWS payroll is Tier 1 and 2, and 90% is OPSRP.

Materials and Services

This category represents operational expenditures for goods and services supporting OLWS. Legal, audit and accounting, and other contractual services are budgeted within this category, as are utilities, repairs and maintenance, and supplies. The increases budgeted for FY 2023-24 result primarily from stepping up maintenance efforts related to the water and wastewater systems and anticipated inflationary increases in utilities, goods, and services costs from vendors.

Capital Expenditures

A consistent and thoughtful approach to asset management, major maintenance, and replacement allows OLWS to proactively plan and project significant cost items, and plan resources to avoid volatile rate impacts to our customers. Maintenance of capital reserves is one component of OLWS' strategies for funding capital needs: the others being rates and debt financing. Separate capital funds are established to account for capital expenditures and ensure funding for future needs. Transfers from the operating fund provides resources to the capital funds and is complemented by interest earnings.

The 2023-24 budget provides for capital spending in the Drinking Water Capital Fund of \$3.7 million, the Wastewater Capital Fund of \$6.5 million, and the Watershed Protection Capital Fund of \$300 thousand. Each of the capital funds budgets for contingency to allow for flexibility in management of planned projects, funding for future year capital plans, and consideration for future replacement of equipment and vehicles.

OAK LODGE WATER SERVICES AUTHORITY
 RESOURCES SUMMARY – BY PROGRAM
 FY 2023-24

ACTUAL 20-21	ACTUAL 21-22	BUDGET 22-23	Fund	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
Administrative Services						
\$ -	\$ -	\$ 1,168,115	Fund Balance	\$ 1,450,193	\$ -	\$ -
-	-	70,400	Other revenue	77,400	-	-
-	-	1,008,000	Transfer In - Fund 10	1,128,000	-	-
-	-	1,920,000	Transfer In - Fund 20	2,148,000	-	-
-	-	1,008,000	Transfer In - Fund 30	1,128,000	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,174,515</u>	Total	<u>\$ 5,931,593</u>	<u>\$ -</u>	<u>\$ -</u>
Drinking Water						
\$ -	\$ -	\$ 1,015,771	Fund Balance	\$ 580,708	\$ -	\$ -
-	-	4,351,000	Water Charges	6,091,000	-	-
-	-	273,000	Leases & Other Revenue	273,000	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,639,771</u>	Total	<u>\$ 6,944,708</u>	<u>\$ -</u>	<u>\$ -</u>
Wastewater						
\$ -	\$ -	\$ 1,207,862	Fund Balance	\$ 535,947	\$ -	\$ -
-	-	9,199,000	Wastewater Charges	12,879,000	-	-
-	-	100,000	System Development Charges	-	-	-
-	-	20,000	Other revenue	20,000	-	-
-	-	-	Transfer In - Fund 30	154,600	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,526,862</u>	Total	<u>\$ 13,589,547</u>	<u>\$ -</u>	<u>\$ -</u>
Watershed Protection						
\$ -	\$ -	\$ 467,895	Fund Balance	\$ 81,121	\$ -	\$ -
-	-	1,592,000	Watershed Charges	1,783,040	-	-
-	-	28,000	Other Revenue	28,000	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,087,895</u>	Total	<u>\$ 1,892,161</u>	<u>\$ -</u>	<u>\$ -</u>
Wastewater Revenue Bond Debt Service						
\$ -	\$ -	\$ 592,666	Fund Balance	\$ 527,978	\$ -	\$ -
-	-	1,000	Other Revenue	3,000	-	-
-	-	3,435,000	Transfers In	3,482,000	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,028,666</u>	Total	<u>\$ 4,012,978</u>	<u>\$ -</u>	<u>\$ -</u>
Drinking Water Capital						
\$ -	\$ -	\$ 3,911,900	Fund Balance	\$ 3,442,700	\$ -	\$ -
-	-	100,000	System Development Charges	100,000	-	-
-	-	30,000	Other Revenue	50,000	-	-
-	-	928,000	Transfers In	2,000,000	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,969,900</u>	Total	<u>\$ 5,592,700</u>	<u>\$ -</u>	<u>\$ -</u>
Wastewater Capital						
\$ -	\$ -	\$ 4,006,108	Fund Balance	\$ 2,730,089	\$ -	\$ -
-	-	-	System Development Charges	100,000	-	-
-	-	-	Proceeds from Borrowing	2,200,000	-	-
-	-	30,000	Other Revenue	30,000	-	-
-	-	1,500,000	Transfers In	4,000,000	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,536,108</u>	Total	<u>\$ 9,060,089</u>	<u>\$ -</u>	<u>\$ -</u>
Watershed Protection Capital						
\$ -	\$ -	\$ 2,173,058	Fund Balance	\$ 2,613,105	\$ -	\$ -
-	-	10,000	Other Revenue	20,000	-	-
-	-	250,000	Transfers In	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,433,058</u>	Total	<u>\$ 2,633,105</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,396,775</u>	TOTAL RESOURCES	<u>\$ 49,656,881</u>	<u>\$ -</u>	<u>\$ -</u>

**OAK LODGE WATER SERVICES AUTHORITY
REQUIREMENTS SUMMARY – BY PROGRAM
FY 2023-24**

ACTUALS 20-21	ACTUALS 21-22	BUDGET 22-23	Fund	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
			Administrative Services			
\$ -	\$ -	\$ 2,250,000	Personnel Services	\$ 2,676,000	\$ -	\$ -
-	-	2,136,103	Materials & Services	2,579,300	-	-
-	-	788,412	Contingency	676,293	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,174,515</u>	Total	<u>\$ 5,931,593</u>	<u>\$ -</u>	<u>\$ -</u>
			Drinking Water			
\$ -	\$ -	\$ 1,107,000	Personnel Services	\$ 1,096,000	\$ -	\$ -
-	-	1,681,600	Materials & Services	1,841,900	-	-
-	-	209,063	Debt Service	209,100	-	-
-	-	1,936,000	Transfers	3,128,000	-	-
-	-	706,108	Contingency	669,708	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,639,771</u>	Total	<u>\$ 6,944,708</u>	<u>\$ -</u>	<u>\$ -</u>
			Wastewater			
\$ -	\$ -	\$ 1,877,000	Personnel Services	\$ 1,924,000	\$ -	\$ -
-	-	1,343,450	Materials & Services	1,362,600	-	-
-	-	6,855,000	Transfers	9,630,000	-	-
-	-	451,412	Contingency	672,947	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,526,862</u>	Total	<u>\$ 13,589,547</u>	<u>\$ -</u>	<u>\$ -</u>
			Watershed Protection			
\$ -	\$ -	\$ 160,000	Personnel Services	\$ 186,000	\$ -	\$ -
-	-	249,800	Materials & Services	292,400	-	-
-	-	120,000	Debt Service	-	-	-
-	-	1,258,000	Transfers	1,282,600	-	-
-	-	300,095	Contingency	131,161	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,087,895</u>	Total	<u>\$ 1,892,161</u>	<u>\$ -</u>	<u>\$ -</u>
			Wastewater Revenue Bond Debt Service			
\$ -	\$ -	\$ 3,434,144	Debt Service	\$ 3,423,000	\$ -	\$ -
-	-	594,522	Reserve for future expenditure	589,978	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,028,666</u>	Total	<u>\$ 4,012,978</u>	<u>\$ -</u>	<u>\$ -</u>
			Drinking Water Capital			
\$ -	\$ -	\$ 2,839,000	Capital Outlay	\$ 3,720,000	\$ -	\$ -
-	-	288,000	Contingency	370,000	-	-
-	-	1,842,900	Reserve for future expenditure	1,502,700	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,969,900</u>	Total	<u>\$ 5,592,700</u>	<u>\$ -</u>	<u>\$ -</u>
			Wastewater Capital			
\$ -	\$ -	\$ 4,023,340	Capital Outlay	\$ 6,538,000	\$ -	\$ -
-	-	481,834	Contingency	653,800	-	-
-	-	1,030,934	Reserve for future expenditure	1,868,289	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,536,108</u>	Total	<u>\$ 9,060,089</u>	<u>\$ -</u>	<u>\$ -</u>
			Watershed Protection Capital			
\$ -	\$ -	\$ 300,000	Capital Outlay	\$ 300,000	\$ -	\$ -
-	-	50,000	Contingency	50,000	-	-
-	-	2,083,058	Reserve for future expenditure	2,283,105	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,433,058</u>	Total	<u>\$ 2,633,105</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,396,775</u>	TOTAL REQUIREMENTS	<u>\$ 49,656,881</u>	<u>\$ -</u>	<u>\$ -</u>

Administrative Services Fund

Fund 05

Purpose: The Administrative Services Fund centralizes the support services within OLWS to provide an efficient and fair means to capture and allocate support service costs. Divisions of this fund include: Administration & Finance, Human Resources, Technical Services, and Vehicle Maintenance. Each of these support services are funded through transfers from the Drinking Water, Wastewater Reclamation, and Watershed Protection operating funds on a predetermined basis of allocation.

FTE: The Administrative Services Fund is comprised of 17.3 full time employees (FTE). Positions are outlined in the division descriptions below.

Administration & Finance – Division 01

The Administration & Finance Division is comprised of eight full time employees:

- General Manager
- Finance Director
- Senior Accounting Specialist
- Junior Accounting Specialist (2)
- Billing/Administrative Specialist (3)

Human Resources – Division 02

The Human Resources Division is comprised of three full time employees:

- Human Resources Manager
- District Recorder
- Outreach and Communication Specialist

Technical Services – Division 03

The Technical Services Division is comprised of six full time employees:

- Assistant District Engineer
- Civil Engineer
- Associate Engineer
- IT and Asset Specialist
- Development Review Specialist
- Pollution Prevention Specialist

The Public Works Director/District Engineer allocates 0.3 FTE to the Administrative Services Fund.

Vehicle Maintenance – Division 04

The Vehicle Maintenance Division is not directly assigned FTE.

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

Fund 05 - Administrative Services Fund

ACTUAL 20-21	ACTUAL 21-22	BUDGET 22-23	ESTIMATE 22-23	Object Code	Item	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
05-00- Resources								
\$ -	\$ -	\$ 1,168,115	\$ 1,493,543	3500	Beginning Fund Balance	\$ 1,450,193		
-	-	57,400	57,400	4230	Contract Services Revenue	57,400		
-	-	3,000	20,000	4610	Investment Revenue	10,000		
-	-	10,000	10,000	4630	Miscellaneous Revenues	10,000		
05-29- Transfers In								
\$ -	\$ -	\$ 1,008,000	\$ 1,008,000	4910	Transfer In from Fund 10	\$ 1,128,000		
-	-	1,920,000	1,920,000	4920	Transfer In from Fund 20	2,148,000		
-	-	1,008,000	1,008,000	4930	Transfer In from Fund 30	1,128,000		
\$ -	\$ -	\$ 5,174,515	\$ 5,516,943	Total Resources		\$ 5,931,593	\$ -	\$ -

Division 01 - Finance/Administration

05-01- Personnel Services - 8 FTE								
\$ -	\$ -	\$ 705,000	\$ 720,000	5110	Regular employees	\$ 812,000		
-	-	17,000	17,000	5130	Overtime	10,000		
-	-	125,000	120,000	5210	Health/Dental insurance	142,000		
-	-	55,000	50,000	5230	Social Security	63,000		
-	-	138,000	132,000	5240	Retirement	162,000		
-	-	6,000	6,000	5250	Trimet/WBF/Paid Leave OR	23,000		
-	-	20,000	20,000	5260	Unemployment	5,000		
-	-	1,000	500	5270	Workers compensation	1,000		
-	-	2,000	2,000	5290	Other employee benefits	-		
\$ -	\$ -	\$ 1,069,000	\$ 1,067,500	Total Personnel Services		\$ 1,218,000	\$ -	\$ -

05-01- Materials and Services								
Professional and technical services								
\$ -	\$ -	\$ 375,000	\$ 375,000	6110	Legal services	\$ 375,000		
-	-	76,000	35,000	6120	Accounting and audit services	76,000		
-	-	200,000	200,000	6155	Contracted Services	200,000		
-	-	60,000	60,000	6180	Dues and subscriptions	62,000		
Utilities								
-	-	13,000	15,000	6220	Electricity	16,000		
-	-	4,000	4,000	6240	Natural gas	4,000		
-	-	10,000	6,000	6290	Other utilities	10,000		
Repairs and maintenance								
-	-	15,000	15,000	6310	Janitorial services	20,000		
-	-	35,000	35,000	6320	Buildings and grounds	37,000		
Travel and Training								
-	-	2,700	2,000	6410	Mileage	1,000		
-	-	12,000	12,000	6420	Staff training	13,000		
-	-	2,000	500	6440	Board expense	2,000		
Supplies								
-	-	32,000	35,000	6510	Office supplies	35,000		
-	-	2,000	2,000	6730	Communications	2,000		
-	-	4,000	4,000	6760	Equipment rental	4,000		
-	-	160,000	160,000	6770	Bank charges	165,000		
-	-	2,000	1,000	6780	Taxes, Fees, Permits	1,000		
-	-	1,000	1,000	6790	Miscellaneous expense	1,000		
\$ -	\$ -	\$ 1,005,700	\$ 962,500	Total Materials and Services		\$ 1,024,000	\$ -	\$ -

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

Fund 05 - Administrative Services Fund

ACTUAL 20-21	ACTUAL 21-22	BUDGET 22-23	ESTIMATE 22-23	Object Code	Item	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
Division 02 - Human Resources								
05-02- Personnel Services - 3 FTE								
\$ -	\$ -	\$ 278,000	\$ 278,000	5110	Regular employees	\$ 304,000	\$ -	\$ -
-	-	2,500	1,000	5130	Overtime	5,000	-	-
-	-	36,000	32,000	5210	Health/Dental insurance	41,000	-	-
-	-	22,000	21,000	5230	Social Security	24,000	-	-
-	-	50,000	50,000	5240	Retirement	57,000	-	-
-	-	3,000	3,000	5250	Trimet/WBF/Paid Leave OR	4,000	-	-
-	-	-	-	5260	Unemployment	-	-	-
-	-	1,000	500	5270	Workers compensation	1,000	-	-
-	-	1,000	1,000	5290	Other employee benefits	15,000	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 393,500</u>	<u>\$ 386,500</u>	Total Personnel Services		<u>\$ 451,000</u>	<u>\$ -</u>	<u>\$ -</u>
05-02- Materials and Services								
Professional and technical services								
\$ -	\$ -	\$ 52,000	\$ 46,000	6155	Contracted Services	\$ 64,500	\$ -	\$ -
-	-	8,500	6,500	6175	Records Management	8,500	-	-
Utilities								
-	-	63,000	44,500	6230	Telephone	59,700	-	-
Travel and Training								
-	-	1,000	1,000	6410	Mileage	1,000	-	-
-	-	25,000	12,000	6420	Staff Training	24,600	-	-
-	-	7,000	5,000	6440	Board Expense	5,000	-	-
Supplies								
-	-	2,200	2,200	6510	Office supplies	1,000	-	-
-	-	2,000	2,000	6540	Safety Supplies	2,000	-	-
-	-	38,000	38,000	6560	Uniforms	42,000	-	-
-	-	2,500	1,250	6610	Board Compensation	2,500	-	-
-	-	32,000	5,000	6620	Elections Costs	5,000	-	-
-	-	300,000	194,000	6720	Insurance	235,000	-	-
-	-	38,100	38,100	6730	Communications	38,000	-	-
-	-	6,000	6,000	6740	Advertising	7,000	-	-
-	-	1,000	100	6790	Miscellaneous Expense	1,000	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 578,300</u>	<u>\$ 401,650</u>	Total Materials and Services		<u>\$ 496,800</u>	<u>\$ -</u>	<u>\$ -</u>

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

Fund 05 - Administrative Services Fund

ACTUAL 20-21	ACTUAL 21-22	BUDGET 22-23	ESTIMATE 22-23	Object Code	Item	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
Division 03 - Technical Services								
05-03- Personnel Services - 6.3 FTE								
\$ -	\$ -	\$ 549,000	\$ 500,000	5110	Regular employees	\$ 674,000	\$ -	\$ -
-	-	2,500	1,000	5130	Overtime	5,000	-	-
-	-	83,000	80,000	5210	Health/Dental insurance	135,000	-	-
-	-	43,000	40,000	5230	Social Security	53,000	-	-
-	-	102,000	90,000	5240	Retirement	130,000	-	-
-	-	5,000	5,000	5250	Trimet/WBF/Paid Leave OR	9,000	-	-
-	-	-	-	5260	Unemployment	-	-	-
-	-	1,000	500	5270	Workers compensation	1,000	-	-
-	-	2,000	500	5290	Other employee benefits	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 787,500</u>	<u>\$ 717,000</u>	Total Personnel Services		<u>\$ 1,007,000</u>	<u>\$ -</u>	<u>\$ -</u>
05-03- Materials and Services								
Professional and technical services								
\$ -	\$ -	\$ 90,500	\$ 64,000	6155	Contracted Services	\$ 462,000	\$ -	\$ -
Utilities								
-	-	313,103	320,000	6350	Computer Maintenance	434,500	-	-
Travel and Training								
-	-	1,000	1,000	6410	Mileage	1,000	-	-
-	-	10,500	10,500	6420	Staff Training	15,000	-	-
-	-	2,000	1,100	6430	Certifications	1,000	-	-
Supplies								
-	-	-	-	6530	Small Tools and Equipment	1,000	-	-
-	-	5,000	5,000	6540	Safety Supplies	5,000	-	-
-	-	3,000	3,000	6550	Operational Supplies	3,000	-	-
-	-	1,000	1,000	6790	Miscellaneous Expense	1,000	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 426,103</u>	<u>\$ 405,600</u>	Total Materials and Services		<u>\$ 923,500</u>	<u>\$ -</u>	<u>\$ -</u>
Division 04 - Vehicle Services								
05-04- Materials and Services								
\$ -	\$ -	\$ 75,000	\$ 75,000	6330	Vehicle/equipment maintenance	\$ 80,000		
-	-	51,000	51,000	6520	Fuel and oils	55,000		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,000</u>	<u>\$ 126,000</u>	Total Materials and Services		<u>\$ 135,000</u>	<u>\$ -</u>	<u>\$ -</u>
05-29- Contingency								
\$ -	\$ -	\$ 788,412	\$ -	9000	Contingency	\$ 676,293		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 788,412</u>	<u>\$ -</u>	Total Contingency		<u>\$ 676,293</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,174,515</u>	<u>\$ 4,066,750</u>	Total Appropriations		<u>\$ 5,931,593</u>		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,450,193</u>	Unappropriated ending fund balance		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,174,515</u>	<u>\$ 5,516,943</u>	Total Requirements		<u>\$ 5,931,593</u>	<u>\$ -</u>	<u>\$ -</u>

**Drinking Water Fund
 Fund 10**

Purpose: The Drinking Water Fund maintains and operates a drinking water distribution system to efficiently meet the needs of the community through uninterrupted service delivery. The cost of purchased water, protection of community health, and reduction of non-revenue water are funded through water service charges billed to customers.

The Drinking Water Fund provides transfers to the Administrative Services Fund and Drinking Water Capital Fund for services related to the operation and maintenance of the distribution system.

FTE: The Drinking Water Fund is comprised of 7.3 full time employees.

- Water Distribution Supervisor
- Water Distribution Utility Worker (6)

The Public Works Director/District Engineer allocates 0.3 FTE to the Drinking Water Fund.

Fund 10 - Drinking Water Fund

ACTUAL 20-21	ACTUAL 21-22	BUDGET 22-23	ESTIMATE 22-23	Object Code	Item	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
10-00- Resources								
\$ -	\$ -	\$ 1,015,771	\$ 844,621	3500	Beginning Fund Balance	\$ 580,708		
-	-	30,000	30,000	4210	Wholesale Water Charges	30,000		
-	-	4,351,000	4,351,000	4211	Water Charges	6,091,000		
-	-	15,000	15,000	4215	Penalties and late charges	15,000		
-	-	10,000	12,000	4240	Service installations	10,000		
-	-	180,000	180,000	4280	Rents and leases	180,000		
-	-	10,000	9,000	4290	Other charges for services	10,000		
-	-	3,000	5,000	4610	Investment revenue	3,000		
-	-	25,000	25,000	4630	Miscellaneous revenues	25,000		
\$ -	\$ -	\$ 5,639,771	\$ 5,471,621	Total Resources		\$ 6,944,708	\$ -	\$ -

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

Fund 10 - Drinking Water Fund

ACTUAL 20-21	ACTUAL 21-22	BUDGET 22-23	ESTIMATE 22-23	Object Code	Item	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
Division 20 - Drinking Water Operations								
10-20- Personnel Services - 7.3 FTE								
\$ -	\$ -	\$ 723,000	\$ 706,000	5110	Regular employees	\$ 707,000		
-	-	31,000	36,000	5130	Overtime	37,000		
-	-	134,000	107,000	5210	Health/Dental insurance	132,000		
-	-	56,000	56,000	5230	Social Security	55,000		
-	-	133,000	142,000	5240	Retirement	136,000		
-	-	6,000	6,000	5250	Trimet/WBF/Paid Leave OR	9,000		
-	-	19,000	6,500	5270	Workers compensation	20,000		
-	-	5,000	1,000	5290	Other employee benefits	-		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,107,000</u>	<u>\$ 1,060,500</u>	Total Personnel Services		<u>\$ 1,096,000</u>	<u>\$ -</u>	<u>\$ -</u>
10-20- Materials and Services								
Professional and technical services								
\$ -	\$ -	\$ 166,500	\$ 167,200	6155	Contracted Services	\$ 270,900		
Utilities								
-	-	38,000	38,000	6220	Electricity	41,000		
-	-	3,500	2,400	6240	Natural Gas	3,000		
-	-	3,600	4,000	6290	Other Utilities	4,000		
Repairs and Maintenance								
-	-	10,000	10,000	6320	Buidlings and Grounds	10,000		
-	-	200,000	200,000	6340	Distribution System Maintenance	200,000		
Travel and Training								
-	-	500	250	6410	Mileage	500		
-	-	12,500	12,500	6420	Staff Training	15,000		
-	-	2,000	3,000	6430	Certifications	2,000		
Supplies								
-	-	9,000	11,000	6530	Small Tools and Equipment	15,000		
-	-	15,000	15,000	6540	Safety Supplies	15,000		
-	-	7,000	10,000	6550	Operational Supplies	10,000		
-	-	1,170,000	1,170,000	6710	Purchased Water	1,200,000		
-	-	16,000	16,000	6715	Water Quality Program	28,500		
-	-	8,000	8,000	6760	Equipment Rental	8,000		
-	-	19,000	17,000	6780	Taxes, Fees, Permits	18,000		
-	-	1,000	1,000	6790	Miscellaneous Expense	1,000		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,681,600</u>	<u>\$ 1,685,350</u>	Total Materials and Services		<u>\$ 1,841,900</u>	<u>\$ -</u>	<u>\$ -</u>
10-24- Debt Service								
Principal Payments								
\$ -	\$ -	\$ 188,000	\$ 188,000	6815	2019 Zions Bank Loan - Due 2/1	\$ 193,000		
Interest Payments								
-	-	21,063	21,063	6825	2019 Zions Bank Loan - Due 8/1 & 2	16,100		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 209,063</u>	<u>\$ 209,063</u>	Total Debt Service		<u>\$ 209,100</u>	<u>\$ -</u>	<u>\$ -</u>
10-29- Transfers Out								
\$ -	\$ -	\$ 1,008,000	\$ 1,008,000	8105	Transfer Out to Fund 05	\$ 1,128,000		
-	-	928,000	928,000	8171	Transfer Out to Fund 71	2,000,000		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,936,000</u>	<u>\$ 1,936,000</u>	Total Transfers		<u>\$ 3,128,000</u>	<u>\$ -</u>	<u>\$ -</u>
10-29- Contingency								
\$ -	\$ -	\$ 706,108	\$ -	9000	Contingency	\$ 669,708		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 706,108</u>	<u>\$ -</u>	Total Contingency		<u>\$ 669,708</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,639,771</u>	<u>\$ 4,890,913</u>	Total Appropriations		<u>\$ 6,944,708</u>		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 580,708</u>	Unappropriated ending fund balance		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,639,771</u>	<u>\$ 5,471,621</u>	Total Requirements		<u>\$ 6,944,708</u>	<u>\$ -</u>	<u>\$ -</u>

Wastewater Fund
Fund 20

Purpose: The Wastewater Reclamation Fund maintains and operates a wastewater collection system and wastewater treatment plant. Divisions include: Wastewater Treatment and Wastewater Collections. The cost of meeting regulatory requirements, providing uninterrupted service, and protecting the environment and community health are funded through wastewater service charges billed to customers.

The Wastewater Fund provides transfers to the Administrative Services Fund and Wastewater Capital Fund for services related to the operation and maintenance of the wastewater collection system and wastewater treatment plant. The Wastewater Fund also provides transfers to the Wastewater General Obligation Debt Service Fund and Wastewater Revenue Bond Debt Service Funds for payment of debt.

FTE: The Wastewater Reclamation Fund is comprised of 13.3 full time employees. Positions are outlined in the division descriptions below.

Wastewater Treatment – Division 21

The Wastewater Treatment Division is comprised of 8 full time employees:

- Plant Superintendent
- Plant Operator (4)
- Lab Specialist
- Maintenance Mechanic (2)

Wastewater Collections – Division 22

The Wastewater Collections Division is comprised of 5.3 full time employees:

- Wastewater Collections Supervisor
- Wastewater Collections Utility Worker (4)

The Public Works Director/District Engineer allocates 0.3 FTE to the Wastewater Reclamation Fund, specifically to the Wastewater Collections Division.

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

Fund 20 - Wastewater Fund

ACTUAL 20-21	ACTUAL 21-22	BUDGET 22-23	ESTIMATE 22-23	Object Code	Item	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
20-00- Resources								
\$ -	\$ -	\$ 1,207,862	\$ 1,343,227	3500	Beginning Fund Balance	\$ 535,947		
-	-	9,199,000	9,015,020	4212	Wastewater Charges	12,879,000		
-	-	7,000	8,000	4215	Penalties and Late Charges	7,000		
-	-	100,000	60,000	4220	System Development Charges	-		
-	-	10,000	10,000	4290	Other Charges for Services	10,000		
-	-	1,000	1,200	4610	Investment Revenue	1,000		
-	-	2,000	1,000	4630	Miscellaneous Revenues	2,000		
20-29- Transfers In								
-	-	-	-	4930	Transfer In - Fund 30	154,600		
\$ -	\$ -	\$ 10,526,862	\$ 10,438,447	Total Resources		\$ 13,589,547	\$ -	\$ -

Division 21 - Wastewater Treatment Operations

20-21- Personnel Services - 8 FTE								
\$ -	\$ -	\$ 681,000	\$ 650,000	5110	Regular employees	\$ 693,000		
-	-	40,000	45,000	5130	Overtime	43,000		
-	-	185,000	165,000	5210	Health/Dental insurance	209,000		
-	-	53,000	50,000	5230	Social Security	54,000		
-	-	123,000	120,000	5240	Retirement	130,000		
-	-	6,000	5,600	5250	Trimet/WBF/Paid Leave OR	9,000		
-	-	12,000	6,500	5270	Workers compensation	13,000		
-	-	5,000	1,000	5290	Other employee benefits	-		
\$ -	\$ -	\$ 1,105,000	\$ 1,043,100	Total Personnel Services		\$ 1,151,000	\$ -	\$ -

20-21- Materials and Services								
Professional and technical services								
\$ -	\$ -	\$ 253,750	\$ 226,500	6155	Contracted Services	\$ 221,500		
Utilities								
-	-	307,000	307,000	6220	Electricity	325,000		
-	-	2,000	1,000	6240	Natural gas	1,000		
-	-	52,000	36,000	6250	Solid Waste Disposal	44,000		
-	-	-	1,500	6290	Other utilities	1,500		
Repairs and maintenance								
-	-	11,000	11,000	6310	Janitorial services	14,000		
-	-	58,000	53,000	6320	Buildings and grounds	63,000		
-	-	200,000	200,000	6340	System Maintenance	200,000		
Travel and Training								
-	-	1,000	500	6410	Mileage	1,000		
-	-	9,000	9,000	6420	Staff training	10,000		
-	-	2,000	2,000	6430	Certifications	2,000		
Supplies								
-	-	65,000	67,000	6525	Chemicals	77,000		
-	-	10,000	7,000	6530	Small Tools and Equipment	13,000		
-	-	20,000	36,500	6540	Safety Supplies	20,000		
-	-	14,000	17,500	6550	Operational Supplies	5,000		
-	-	-	-	6570	In-House Laboratory Supplies	20,000		
-	-	5,000	5,000	6590	Other Supplies	-		
-	-	500	-	6740	Advertising	-		
-	-	45,000	45,000	6760	Equipment rental	20,000		
-	-	100,700	72,900	6780	Taxes, Fees, Permits	74,000		
-	-	1,000	1,000	6790	Miscellaneous expense	1,000		
\$ -	\$ -	\$ 1,156,950	\$ 1,099,400	Total Materials and Services		\$ 1,113,000	\$ -	\$ -

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

Fund 20 - Wastewater Fund

ACTUAL 20-21	ACTUAL 21-22	BUDGET 22-23	ESTIMATE 22-23	Object Code	Item	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
Division 22 - Wastewater Collections Operations								
20-22- Personnel Services - 5.3 FTE								
\$ -	\$ -	\$ 507,000	\$ 460,000	5110	Regular employees	\$ 503,000		
-	-	31,000	31,000	5130	Overtime	22,000		
-	-	109,000	100,000	5210	Health/Dental insurance	117,000		
-	-	40,000	38,000	5230	Social Security	39,000		
-	-	65,000	70,000	5240	Retirement	73,000		
-	-	4,000	4,000	5250	Trimet/WBF/Paid Leave OR	7,000		
-	-	11,000	5,000	5270	Workers compensation	12,000		
-	-	5,000	1,000	5290	Other employee benefits	-		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 772,000</u>	<u>\$ 709,000</u>	Total Personnel Services		<u>\$ 773,000</u>	<u>\$ -</u>	<u>\$ -</u>
20-22- Materials and Services								
Professional and technical services								
\$ -	\$ -	\$ 12,500	\$ 37,600	6155	Contracted Services	\$ 58,600		
Utilities								
-	-	50,000	50,000	6220	Electricity	53,000		
-	-	2,000	2,000	6290	Other Utilities	2,000		
Repairs and Maintenance								
-	-	1,000	1,000	6320	Buidlings and Grounds	1,000		
-	-	45,000	35,000	6340	System Maintenance	45,000		
Travel and Training								
-	-	1,000	500	6410	Mileage	1,000		
-	-	18,000	18,000	6420	Staff Training	20,000		
-	-	2,000	2,000	6430	Certifications	2,000		
Supplies								
-	-	15,000	15,000	6530	Small Tools and Equipment	25,000		
-	-	9,000	9,000	6540	Safety Supplies	12,000		
-	-	5,000	3,000	6550	Operational Supplies	5,000		
-	-	25,000	22,400	6780	Taxes, Fees, Permits	24,000		
-	-	1,000	500	6790	Miscellaneous Expense	1,000		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,500</u>	<u>\$ 196,000</u>	Total Materials and Services		<u>\$ 249,600</u>	<u>\$ -</u>	<u>\$ -</u>
20-29- Transfers Out								
\$ -	\$ -	\$ 1,920,000	\$ 1,920,000	8105	Transfer Out to Fund 05	\$ 2,148,000		
-	-	3,435,000	3,435,000	8150	Transfer Out to Fund 50	3,482,000		
-	-	1,500,000	1,500,000	8172	Transfer Out to Fund 72	4,000,000		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,855,000</u>	<u>\$ 6,855,000</u>	Total Transfers		<u>\$ 9,630,000</u>	<u>\$ -</u>	<u>\$ -</u>
20-29- Contingency								
\$ -	\$ -	\$ 451,412	\$ -	9000	Contingency	\$ 572,947		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 451,412</u>	<u>\$ -</u>	Total Contingency		<u>\$ 572,947</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,526,862</u>	<u>\$ 9,902,500</u>	Total Appropriations		<u>\$13,589,547</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 535,947</u>	Unappropriated ending fund balance		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,526,862</u>	<u>\$ 10,438,447</u>	Total Requirements		<u>\$13,589,547</u>	<u>\$ -</u>	<u>\$ -</u>

**Watershed Protection Fund
 Fund 30**

Purpose: The Watershed Protection Fund manages and operates the Watershed Protection Program. Watershed education and protection are funded through watershed protection charges billed to customers.

The Watershed Protection Fund provides transfers to the Administrative Services Fund and Watershed Protection Capital Fund for services related to the management and operation of the Watershed Protection Program.

FTE: The Watershed Protection Fund is comprised of 1.1 full time employees.

- Water Quality Coordinator

The Public Works Director/District Engineer allocates 0.1 FTE to the Watershed Protection Fund and directly manages the Water Quality Coordinator.

Fund 30 - Watershed Protection Fund

ACTUAL 20-21	ACTUAL 21-22	BUDGET 22-23	ESTIMATE 22-23	Object Code	Item	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
30-00- Resources								
\$ -	\$ -	\$ 467,895	\$ 118,821	3500	Beginning Fund Balance	\$ 81,121		
-	-	1,592,000	1,592,000	4213	Watershed Protection Charges	1,783,040		
-	-	1,000	1,000	4215	Penalties and late charges	1,000		
-	-	25,000	17,000	4290	Other charges for services	25,000		
-	-	2,000	4,000	4610	Investment revenue	2,000		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,087,895</u>	<u>\$ 1,732,821</u>		Total Resources	<u>\$ 1,892,161</u>	<u>\$ -</u>	<u>\$ -</u>

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

Fund 30 - Watershed Protection Fund

ACTUAL 20-21	ACTUAL 21-22	BUDGET 22-23	ESTIMATE 22-23	Object Code	Item	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
Division 23 - Watershed Protection Operations								
30-23- Personnel Services - 1.1 FTE								
\$ -	\$ -	\$ 96,000	\$ 96,000	5110	Regular employees	\$ 113,000		
-	-	5,000	-	5130	Overtime	1,000		
-	-	30,000	30,000	5210	Health/Dental insurance	38,000		
-	-	8,000	8,000	5230	Social Security	9,000		
-	-	18,000	17,000	5240	Retirement	22,000		
-	-	1,000	1,000	5250	Trimet/WBF/Paid Leave OR	2,000		
-	-	1,000	500	5270	Workers compensation	1,000		
-	-	1,000	500	5290	Other employee benefits	-		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 160,000</u>	<u>\$ 153,000</u>	Total Personnel Services		<u>\$ 186,000</u>	<u>\$ -</u>	<u>\$ -</u>
30-23- Materials and Services								
Professional and technical services								
\$ -	\$ -	\$ 148,000	\$ 151,500	6155	Contracted Services	\$ 169,000		
Repairs and Maintenance								
-	-	25,000	25,000	6340	System Maintenance	50,000		
Travel and Training								
-	-	6,000	6,000	6420	Staff Training	3,000		
-	-	-	-	6430	Certifications	1,000		
Supplies								
-	-	6,000	4,000	6530	Small Tools and Equipment	1,000		
-	-	1,000	1,000	6540	Safety Supplies	1,000		
-	-	500	500	6550	Operational Supplies	7,000		
-	-	58,000	52,500	6730	Communications	55,000		
-	-	4,300	4,200	6780	Taxes, Fees, Permits	4,400		
-	-	1,000	1,000	6790	Miscellaneous Expense	1,000		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 249,800</u>	<u>\$ 245,700</u>	Total Materials and Services		<u>\$ 292,400</u>	<u>\$ -</u>	<u>\$ -</u>
30-24- Debt Service								
Principal Payments								
\$ -	\$ -	\$ 115,741	\$ 115,741	6814	2018 KS Statebank	\$ -		
Interest Payments								
-	-	4,259	4,259	6824	2018 KS Statebank	-		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,000</u>	<u>\$ 120,000</u>	Total Debt Service		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
30-29- Transfers Out								
\$ -	\$ -	\$ 1,008,000	\$ 1,008,000	8105	Transfer Out to Fund 05	\$ 1,128,000		
-	-	-	-	8120	Transfer Out to Fund 20	154,600		
-	-	250,000	125,000	8172	Transfer Out to Fund 72	-		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,258,000</u>	<u>\$ 1,133,000</u>	Total Transfers		<u>\$ 1,282,600</u>	<u>\$ -</u>	<u>\$ -</u>
30-29- Contingency								
\$ -	\$ -	\$ 300,095	\$ -	9000	Contingency	\$ 131,161		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300,095</u>	<u>\$ -</u>	Total Contingency		<u>\$ 131,161</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,087,895</u>	<u>\$ 1,651,700</u>	Total Appropriations		<u>\$ 1,892,161</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,121</u>	Unappropriated ending fund balance		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,087,895</u>	<u>\$ 1,732,821</u>	Total Requirements		<u>\$ 1,892,161</u>	<u>\$ -</u>	<u>\$ -</u>

**Wastewater Revenue Bond Debt Service Fund
Fund 50**

Purpose: The Wastewater Revenue Bond Debt Service Fund accounts for non-property tax backed debt payments funded by transfers from the Wastewater Reclamation Fund.

State of Oregon Department of Environmental Quality Clean Water State Revolving Fund Loan

In 2011 the State of Oregon Department of Environmental Quality Clean Water State Revolving Fund (SRF) Loan Program for Intended Use Plans loaned \$19M to OLWS; 66 percent of federal capitalization grant funds and 34 percent state funds. The Loan has a twenty-year maturity term and range of 0-2.65 percent interest rate, plus an annual .5 percent administrative fee of the principal balance.

The loan requires a legal loan reserve in which OLWS must place an amount equal to one-half the average annual debt service in reserve. The loan program also requires debt service coverage in which OLWS must maintain wastewater rates in connection with the operation of the facility that are adequate to generate net operating revenues in each fiscal year sufficient to pay all revenue backed debt service requirements plus five percent of the loan's annual debt service expenditures.

JP Morgan Bank Loan

On December 20, 2017 OLWS borrowed \$15,173,000 from JP Morgan Bank to defease \$14,310,000 in General Obligation (GO) Bonds issued on May 13, 2010. The loan has a thirteen-year maturity term at a 2.5 percent interest rate. The advance refunding of the 2010 GO Bonds will save OLWS approximately \$915K in total debt service through fiscal year 2030.

The loan requires debt service coverage in which OLWS must charge rates and fees adequate to generate revenues that are at least equal to twenty percent of parity bond debt service and one-hundred percent combined parity and subordinate obligation debt service.

State of Oregon Infrastructure Finance Authority Loans

On August 31, 2010 the State of Oregon Infrastructure Finance Authority (IFA) loaned OLWS \$8M of Recovery Zone Economic Development Bonds, also known as United States Build America Bonds, on a twenty-year maturity term with rates ranging from 2-2.84 percent.

On February 18, 2021 OLWS participated in a bond refunding to amend the loan agreement with the State of Oregon Business Oregon, who refunded the bonds that funded the IFA loan. The amended agreement for \$3,684,197.37 is secured with a pledge of wastewater net revenue and will continue for the remaining ten-years of the original loan, retaining the maturity date of December 1, 2020 with an all-in true interest cost of 1.323 percent.

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

Fund 50 - Wastewater Revenue Bond Debt Service

ACTUAL 20-21	ACTUAL 21-22	BUDGET 22-23	ESTIMATE 22-23	Object Code	Item	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
50-00- Resources								
\$ -	\$ -	\$ 592,666	\$ 520,122	3500	Fund Balance	\$ 527,978		
-	-	1,000	7,000	4610	Investment Revenue	3,000		
50-29- Transfers In								
-	-	3,435,000	3,435,000	4920	Transfer In - Fund 20	3,482,000		
Total Resources						\$ 4,012,978	\$ -	\$ -
50-24- Debt Service								
Principal Payments								
\$ -	\$ -	\$ 946,261	\$ 946,261	6810	2010 SRF Loan - Due 8/1 & 2/1	\$ 965,000		
		310,030	310,030	6811	2021 IFA Loan - Due 12/1	323,000		
		1,420,000	1,420,000	6813	2017 JPM Bank Loan - Due 5/1	1,450,000		
Interest Payments								
		282,964	282,964	6820	2010 SRF Loan - Due 8/1 & 2/1	260,000		
		168,839	168,839	6822	2021 IFA Loan - Due 12/1	154,000		
-	-	306,050	306,050	6823	2017 JPM Bank Loan - Due 11/1 & !	271,000		
Total Debt Service						\$ 3,423,000	\$ -	\$ -
Total Appropriations						\$ 3,423,000	\$ -	\$ -
Reserve for Future Expenditures						\$ 589,978	\$ -	\$ -
Total Requirements						\$ 4,012,978	\$ -	\$ -

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

**Drinking Water Capital Fund
Fund 71**

Purpose: The Drinking Water Capital Fund accounts for debt proceeds, capital expenditures, contingencies, and reserves associated with drinking water capital improvement planning through transfers from the Drinking Water Fund. Refer to the Capital Improvement Plan for detailed information.

Fund 71 - Drinking Water Capital Fund

ACTUAL 20-21	ACTUAL 21-22	BUDGET 22-23	ESTIMATE 22-23	Object Code	Item	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
71-00- Resources								
\$ -	\$ -	\$ 3,911,900	\$ 4,539,371	3500	Fund Balance	\$ 3,442,700		
-	-	50,000	75,000	4221	System Devel. - Reimbursement	50,000		
-	-	50,000	70,000	4225	System Devel. - Improvement	50,000		
-	-	30,000	80,000	4610	Investment Revenue	50,000		
71-29- Transfers In								
-	-	928,000	928,000	4910	Transfer In - Fund 10	2,000,000		
\$ -	\$ -	\$ 4,969,900	\$ 5,692,371	Total Resources		\$ 5,592,700	\$ -	\$ -
71-20- Capital Outlay								
\$ -	\$ -	\$ 470,000	\$ 336,000	7200	Infrastructure	\$ 535,000		
-	-	-	-	7300	Building and Improvements	25,000		
-	-	64,000	26,000	7520	Equipment	200,000		
-	-	30,000	23,000	7530	Information Technology	100,000		
-	-	-	-	7540	Vehicles	-		
-	-	2,275,000	1,864,600	7600	Capital Improvement Projects	2,860,000		
\$ -	\$ -	\$ 2,839,000	\$ 2,249,600	Total Capital Outlay		\$ 3,720,000	\$ -	\$ -
71-29- Transfers and Contingency								
\$ -	\$ -	\$ 288,000	\$ -	9000	Contingency	\$ 370,000		
\$ -	\$ -	\$ 288,000	\$ -	Total Transfers and Contingency		\$ 370,000	\$ -	\$ -
Total Appropriations								
\$ -	\$ -	\$ 3,127,000	\$ 2,249,600	Total Appropriations		\$ 4,090,000	\$ -	\$ -
Reserve for Future Expenditures								
\$ -	\$ -	\$ 1,842,900	\$ 3,442,771	Reserve for Future Expenditures		\$ 1,502,700	\$ -	\$ -
Total Requirements								
\$ -	\$ -	\$ 4,969,900	\$ 5,692,371	Total Requirements		\$ 5,592,700	\$ -	\$ -

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

**Wastewater Capital Fund
Fund 72**

Purpose: The Wastewater Capital Fund accounts for debt proceeds, capital expenditures, contingencies, and reserves associated with Wastewater Treatment Plant and wastewater collections system capital improvement planning through transfers from the Wastewater Fund. Refer to the Capital Improvement Plan for detailed information.

Fund 72 - Wastewater Capital Fund

ACTUAL 20-21	ACTUAL 21-22	BUDGET 22-23	ESTIMATE 22-23	Object Code	Item	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
72-00- Resources								
\$ -	\$ -	\$ 4,006,108	\$ 4,164,089	3500	Fund Balance	\$ 2,730,089		
-	-	-	-	4221	System Devel. - Reimbursement	100,000		
-	-	-	-	4225	System Devel. - Improvement	-		
-	-	30,000	75,000	4610	Investment Revenue	30,000		
-	-	-	-	4650	Proceeds from Borrowing	2,200,000		
72-29- Transfers In								
-	-	1,500,000	1,500,000	4920	Transfer In - Fund 20	4,000,000		
\$ -	\$ -	\$ 5,536,108	\$ 5,739,089	Total Resources		\$ 9,060,089	\$ -	\$ -
72-21- Capital Outlay - Treatment Plant								
\$ -	\$ -	\$ -	\$ -	7300	Building and Improvements	\$ 25,000		
-	-	75,000	41,000	7400	Improvements other than Building	-		
-	-	205,000	578,000	7520	Equipment	690,000		
-	-	115,000	87,000	7530	Information Technology	115,000		
-	-	-	-	7540	Vehicles	-		
-	-	1,169,000	597,000	7600	Capital Improvement Projects	1,000,000		
72-22- Capital Outlay - Collections								
\$ -	\$ -	\$ 50,000	\$ 115,000	7200	Infrastructure	\$ 225,000		
-	-	-	-	7300	Building and Improvements	-		
-	-	40,000	43,000	7520	Equipment	30,000		
-	-	154,340	201,000	7530	Information Technology	-		
-	-	-	-	7540	Vehicles	-		
-	-	2,215,000	1,347,000	7600	Capital Improvement Projects	4,453,000		
\$ -	\$ -	\$ 4,023,340	\$ 3,009,000	Total Capital Outlay		\$ 6,538,000	\$ -	\$ -
72-29- Transfers and Contingency								
\$ -	\$ -	\$ 481,834	\$ -	9000	Contingency	\$ 653,800		
\$ -	\$ -	\$ 481,834	\$ -	Total Transfers and Contingency		\$ 653,800	\$ -	\$ -
\$ -	\$ -	\$ 4,505,174	\$ 3,009,000	Total Appropriations		\$ 7,191,800	\$ -	\$ -
\$ -	\$ -	\$ 1,030,934	\$ 2,730,089	Reserve for Future Expenditures		\$ 1,868,289	\$ -	\$ -
\$ -	\$ -	\$ 5,536,108	\$ 5,739,089	Total Requirements		\$ 9,060,089	\$ -	\$ -

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

**Watershed Protection Capital Fund
Fund 73**

Purpose: The Watershed Protection Capital Fund accounts for debt proceeds, capital expenditures, contingencies, and reserves associated with watershed protection capital improvement planning through transfers from the Watershed Protection Fund. Refer to the Capital Improvement Plan for detailed information.

Fund 73 - Watershed Protection Capital Fund

ACTUAL 20-21	ACTUAL 21-22	BUDGET 22-23	ESTIMATE 22-23	Object Code	Item	PROPOSED 23-24	APPROVED 23-24	ADOPTED 23-24
73-00- Resources								
\$ -	\$ -	\$ 2,173,058	\$ 2,501,105	3500	Fund Balance	\$ 2,613,105		
-	-	10,000	30,000	4610	Investment Revenue	20,000		
73-29- Transfers In								
-	-	250,000	125,000	4930	Transfer In - Fund 30	-		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,433,058</u>	<u>\$ 2,656,105</u>	Total Resources		<u>\$ 2,633,105</u>	<u>\$ -</u>	<u>\$ -</u>
73-23- Capital Outlay								
\$ -	\$ -	\$ -	\$ -	7200	Infrastructure	\$ -		
-	-	-	-	7300	Building and Improvements	-		
-	-	-	19,000	7520	Equipment	-		
-	-	-	-	7530	Information Technology	-		
-	-	-	-	7540	Vehicles	-		
-	-	300,000	24,000	7600	Capital Improvement Projects	300,000		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300,000</u>	<u>\$ 43,000</u>	Total Capital Outlay		<u>\$ 300,000</u>	<u>\$ -</u>	<u>\$ -</u>
73-29- Transfers and Contingency								
\$ -	\$ -	\$ 50,000	\$ -	9000	Contingency	\$ 50,000		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ -</u>	Total Transfers and Contingency		<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 350,000</u>	<u>\$ 43,000</u>	Total Appropriations		<u>\$ 350,000</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,083,058</u>	<u>\$ 2,613,105</u>	Reserve for Future Expenditures		<u>\$ 2,283,105</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,433,058</u>	<u>\$ 2,656,105</u>	Total Requirements		<u>\$ 2,633,105</u>	<u>\$ -</u>	<u>\$ -</u>

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

LINE ITEM DESCRIPTIONS

MATERIALS & SERVICES EXPENDITURES

Acnt #	Description	Budget
6110	Legal Services Charges for services provided by outside counsel; including bond, legal and personnel.	\$ 375,000
6120	Accounting and Audit Services Costs associated with required annual financial audit services.	\$ 76,000
6155	Contracted Services Charges for services contracted for administrative services, operations and management. Engineering services Administrative services Laboratory services Other professional and technical services Printing and mailing services Lien Services Online billing services	\$ 1,446,500
6175	Records Management Cost of archiving of District records and records management facilitation, document storage, retrieval, and destruction.	\$ 8,500
6180	Dues and Subscriptions Cost of memberships and publications, which leverage the District's limited resources in a manner that promotes cost-effectiveness, promotes ongoing employee education and training, and provides supporting services to the District. Association of Clean Water Agencies (ACWA) American Public Works Association (APWA) American Water Works Association (AWWA) American Water Works Association (AWWA) Northwest Sub-Section Clackamas Review Engaging Local Government Leaders Government Finance Officers Association Local Government Personnel Institute National Association of Clean Water Agencies (NACWA) National Association of State Agencies for Surplus Property North Clackamas County Chamber of Commerce Oregon Association of Municipal Recordors Oregon Association of Water Utilities Oregon City/County Manager's Association (OCCMA) Oregon Ethics Commission Oregon Government Finance Officers Association Oregon Water Utilities Council Other Subscriptions and Dues Portland Human Resources Management Association (PHRMA) Regional Water Providers Consortium Rotary Club of Milwaukie Society for Human Resources Management (SHRM)	\$ 62,000

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

LINE ITEM DESCRIPTIONS

MATERIALS & SERVICES EXPENDITURES

Acnt #	Description	Budget
	Dues and Subscriptions (cont.)	
	Special Districts Association of Oregon (SDAO)	
	Tri-County Water Association	
	Urban & Regional Information Systems	
	Water Environment Federation	
6220	Electricity	\$ 435,000
	Electric utility costs associated with production, operations and facilities.	
6230	Telephone	\$ 59,700
	Record cost associated with voice equipment and telecommunication services whether wired or wireless.	
6240	Natural Gas	\$ 8,000
	Natural gas utility costs associated with production, operations, and facilities.	
6250	Solid Waste Disposal	\$ 44,000
	Costs associated with the disposal of headworks screenings, biosolids dumping, and other solid waste disposal activities.	
6290	Other Utilities	\$ 17,500
	Cost of utilities, other than electricity or natural gas, associated with production, operations and facilities.	
6310	Janitorial services	\$ 34,000
	Cost for janitorial services at buildings and structures.	
6320	Buildings and grounds	\$ 111,000
	Cost of maintaining buildings and grounds, including landscaping services, wiring, plumbing, carpentry, painting, etc.	
6330	Vehicle and equipment maintenance	\$ 80,000
	Cost of maintaining vehicles and equipment including, repairs, tires, oil and other cost to maintain in good working order.	
6340	System maintenance	\$ 495,000
	Cost of repair and maintenance services to infrastructure of the drinking water distribution system, wastewater reclamation collection treatment systems, and watershed protection system.	
6350	Computer maintenance	\$ 434,500
	Cost associated with computer technology including hardware, software, licensing, associated peripherals and accessories. Includes outsources computer technology support.	
6410	Mileage	\$ 5,500
	Reimbursement for the cost of private mileage incurred by an employee when traveling for business purposes.	
6420	Staff training	\$ 100,600
	Costs associated with employee continuing education and training to maintain certification requirements. Includes related travel expenditure. Membership costs are accounted for in 6180 Dues and Subscriptions.	

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

LINE ITEM DESCRIPTIONS

MATERIALS & SERVICES EXPENDITURES

Acnt #	Description	Budget
	Staff training (cont.)	
	Water Environment Federation / National Association of Clean Water Agencies (NACWA) Conference	
	National Association of Clean Water Agencies (NACWA) Conference	
	Special Districts Association of Conference	
	American Water Works Association (AWWA) Pacific Northwest Conference	
	American Water Works Association (AWWA) Annual Conference	
	Pipe Standards	
	Government Finance Officers Association (GFOA) Annual Conference	
	Oregon Government Finance Officers Institute	
	Oregon Government Finance Officers Spring Conference	
	Distribution Symposium	
	Confined Spaces Classes	
	Oregon Association of Water Utilities (OAWU) Conference	
	Pacific Northwest Clean Water Agencies (PNCWA) Conference	
	Lucity Conference	
	Storm Water Management Conference	
	Team Building	
	Employee Tuition Reimbursement	
	Other Required Trainings	
6430	Certifications	\$ 8,000
	Cost associated with maintaining certifications as requirement for employee's position.	
	Backflow	
	Short School	
	OHD Certification	
	Test Fees	
	Other Fees	
6440	Board expense	\$ 7,000
	Cost associated with board meetings, board members attendance for the education, related travel expenditures and training.	
	Special Districts Association Conference	
	American Water Works Association (AWWA) Annual Conference	
	Meeting Meals and Supplies	
	Miscellaneous Mileage	
6510	Office supplies	\$ 36,000
	Cost of office materials, supplies, and services related to administration and operations.	
6520	Fuels and oils	\$ 55,000
	Cost of fuel and oil for vehicles and equipment.	
6525	Chemicals	\$ 77,000
	Cost of chemicals required in program operations.	
6530	Small tools and equipment	\$ 55,000
	Cost of small tools and equipment with a replacement value of less that \$5,000 per item necessary for the performance of work.	
6540	Safety supplies	\$ 55,000
	Cost associated with for safety supplies and services, including required protective footwear.	
	Safety Mats	

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

LINE ITEM DESCRIPTIONS

MATERIALS & SERVICES EXPENDITURES

Acnt #	Description	Budget
	Safety supplies (cont.)	
	Metro First Aid & Safety	
	Cintas	
	Staff Safety Protection: \$300/Field & OPS Staff (Footwear)	
	Other Safety Supplies	
6550	Operational supplies	\$ 30,000
	Cost of supplies necessary for the operations of the District.	
6560	Uniforms	\$ 42,000
	Cost of uniforms provided to employees, except footwear which is categorized as safety.	
6570	In-House Laboratory Supplies	\$ 20,000
	Cost of other miscellaneous supplies not included in other categories.	
6610	Board compensation	\$ 2,500
	Cost of compensation of the board.	
6620	Elections Costs	\$ 5,000
	The Purpose of the Board Election Costs is to provide funding for the cost related to the public elections of its officers.	
6710	Purchased water	\$ 1,200,000
	Cost of water purchased that is resold to customers.	
6715	Water Quality Program	\$ 28,500
	Cost of supplies and services necessary to test drinking water that is resold to customers.	
6720	Insurance	\$ 235,000
	Cost of property, casualty, liability, earthquake, flood, and auto insurance coverage for District equipment and facilities.	
6730	Communications	\$ 95,000
	Cost associated with public information, education, and involvement activities.	
	Public Notices: Board Meetings, Budget Committee Meetings, Other Meetings	
	Informational Brochures	
	School Education Programs	
	Watershed Protection Public Involvement	
	Clean Water Coalition Regional Ad Campaign	
	Miscellaneous Meeting Expenses	
6740	Advertising	\$ 7,000
	Cost of advertisements, as required for meetings, procurement, budgets, and recruiting.	
6760	Equipment rental	\$ 32,000
	Cost of rental or lease of equipment for office and operations.	
6770	Bank charges	\$ 165,000
	Cost of banking fees charged for payments received and banking services rendered.	

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

LINE ITEM DESCRIPTIONS

MATERIALS & SERVICES EXPENDITURES

Acnt #	Description	Budget
6780	Taxes, Fees, Permits Cost of property taxes regulatory compliance fees, annual required permits, right-of-way fees. Clackamas County Tax Collector: Property Tax Clackamas County - Ordinance Filing Fees Public Employee Retirement System (PERS): Administrative Fee State of Oregon DAS Ethics Commission Assessment Fee State of Oregon Secretary of State Filing Fee State of Oregon DEQ Wastewater System Operator Annual Support Fee State of Oregon DEQ National Pollutant Discharge Elimination System (NPDES) Permit Fee State of Oregon DEQ Air Contaminant Discharge Permit Fee State of Oregon DEQ Cleaner Air Oregon Fee State of Oregon DEQ Hazardous Materials Report Fee State of Oregon DEQ Municipal Separate Storm Sewer System (MS4) Permit State of Oregon OHA Cross Connection Annual Fee City of Gladstone's 5% Right-of-Way Franchise Fee City of Milwaukie (sewer processing fee) Union Pacific Right-of-Way Tax Other Taxes, Fees, Permits	\$ 121,400
6790	Miscellaneous expense Cost of other miscellaneous expenses.	\$ 7,000
Materials and Services Expenditures Total		\$ 6,076,200

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

LINE ITEM DESCRIPTIONS

CAPITAL OUTLAY EXPENDITURES

Acnt #	Description	Budget
7100	Land The purpose of the Land line item is to account for land and easement acquisitions.	\$ -
7200	Infrastructure The purpose of the Infrastructure line item is to account for the acquisition, improvement, replacement, and capacity expansion of infrastructure.	\$ 760,000
7300	Buildings and improvements The purpose of the Buildings and Improvements line item is to account for acquisition, improvement, replacement, and capacity expansions of buildings and structures.	\$ 50,000
7400	Improvements other than buildings The purpose of the Improvements Other than Buildings line item is to account for improvements other than to buildings.	\$ -
7510	Furniture and fixtures The purpose of the Furniture and Fixtures line item is to account for the acquisition of furniture and fixtures.	\$ -
7520	Equipment The purpose of the Equipment line item is to account for the acquisition of equipment.	\$ 920,000
7530	Software The purpose of the Software line item is to account for the acquisition of software.	\$ 215,000
7540	Vehicles The purpose of the Vehicles line item is to account for the acquisition of vehicles.	\$ -
7600	Capital improvements The purpose of the Capital Improvements line item is to account for improvements identified in the capital improvement plan(s).	\$ 8,613,000
	Capital Outlay Total	<u>\$ 10,558,000</u>

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

LINE ITEM DESCRIPTIONS

DEBT SERVICE EXPENDITURES

Acnt#	Description	Budget
6810	Principal Payments - 2010 SRF Loan Principal Account for principal payments related to a State of Oregon Department of Environmental Quality (DEQ) Clean Water State Revolving Fund (CWSRF) Loan.	\$ 965,000
6811	Principal Payments - 2021 IFA Loan Principal Account for principal payments related to a State of Oregon Infrastructure Finance Authority (IFA) Loan.	\$ 323,000
6813	Principal Payments - 2017 JPM Bank Loan Principal Account for principal payments related to a JP Morgan Bank Loan.	\$ 1,450,000
6815	Principal Payments - 2019 Zions Bank Loan Principal Account for principal payments related to a Zions Bank Loan.	\$ 193,000
6820	Interest Payments - 2010 SRF Loan Interest Account for interest payments related to a State of Oregon Department of Environmental Quality (DEQ) Clean Water State Revolving Fund (CWSRF) Loan.	\$ 260,000
6822	Interest Payments - 2021 IFA Loan Interest Account for interest payments related to a State of Oregon Infrastructure Finance Authority (IFA) Loan.	\$ 154,000
6823	Interest Payments - 2017 JPM Bank Loan Interest Account for interest payments related to a JP Morgan Bank Loan.	\$ 271,000
6825	Interest Payments - 2019 Zions Bank Loan Interest Account for interest payments related to a Zions Bank Loan.	\$ 16,100
Debt Service Expenditures Total		\$ 3,632,100

OAK LODGE WATER SERVICES AUTHORITY
PROPOSED BUDGET – FY 2023-24

LINE ITEM DESCRIPTIONS

TRANSFERS OUT

Acnt#	Description	Budget
8105	Transfer to Fund 05 Transfer of resources to the Administrative Services Fund.	\$ 4,404,000
8120	Transfer to Fund 20 Transfer of resources to the Wastewater Reclamation Operating Fund.	\$ 154,600
8150	Transfer to Fund 50 Transfer of resources to the Wastewater Reclamation Revenue Bond Debt Service Fund.	\$ 3,482,000
8171	Transfer to Fund 71 Transfer of resources to the Drinking Water Capital Fund.	\$ 2,000,000
8172	Transfer to Fund 72 Transfer of resources to the Wastewater Reclamation Capital Fund.	\$ 4,000,000
	Transfers Out Total	\$ 13,886,000

LINE ITEM DESCRIPTIONS

CONTINGENCIES

Acct #	Description	Budget
9000	Contingency Provide a contingency in the event actual expenditures exceed budgeted appropriations or actual revenues are less than anticipated.	\$ 3,223,909
	Contingencies Total	\$ 3,223,909

End of report