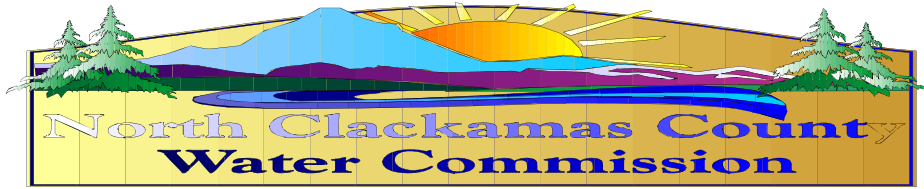




**PROPOSED BUDGET
Fiscal Year 2020-2021**

March 26, 2020



**Proposed Budget
Fiscal Year 2020-2021**

Budget Committee Members

Kevin Bailey
Sunrise Water Authority

Markely Drake
Sunrise Water Authority

Open
Sunrise Water Authority

Kevin O'Meara
Sunrise Water Authority

Paul Gornick
Oak Lodge Water Services

Amanda Gresen
Oak Lodge Water Services

Kevin Williams
Oak Lodge Water Services

Robert Weber
Oak Lodge Water Services

Matt Tracy
City of Gladstone

Bart Maley
City of Gladstone

Budget Officer

Wade Hathorn, General Manager
Direct (503) 683-7293

Administrative Office

14496 SE River Road
Milwaukie, OR 97267
Office (503) 654-7765
Fax (503) 653-1973

North Clackamas County Water Commission
Proposed Budget Fiscal Year
2020-2021

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**NORTH CLACKAMAS COUNTY WATER COMMISSION
BUDGET CALENDAR
Fiscal Year 2020 - 2021**

- | | |
|---|---|
| January 23, 2020 | - Appoint Budget Officer - Approve Budget Schedule |
| January 27-31, 2020 | - Meet with Wade & plant manager |
| February 10-14, 2020 | - Second meeting with Wade if necessary |
| March 4, 2020 | - Publish 1st notice of Budget Committee Meeting |
| March 5, 2001 | - Draft proposed budget to Wade for review |
| March 18, 2020 | - Publish 2nd notice of Budget Committee Meeting (5-30 days prior) |
| March 18, 2020 | - Proposed budget complete for printing |
| March 19, 2020 | - Proposed budget sent to Budget Committee |
| March 26, 2020 5:30 OLWSD Boardroom | - Appoint Budget Committee - Budget Committee Meeting |
| April 2, 2020 | - Budget Committee Meeting (if necessary) |
| June 10, 2020 | - Publish Notice and Summary of Budget Adoption hearing |
| June 25, 2020 | - Budget Adoption |



March 26, 2020

North Clackamas County Water Commission Budget Committee Members:

Thank you for taking your time to participate in the budget process for the North Clackamas County Water Commission (Commission). We are pleased to present the Commission's proposed budget for fiscal year 2020-2021 to the Budget Committee for consideration and approval.

The Commission is in sound financial condition. Moreover, the treatment plant is celebrating a 15 and 20-year anniversary of sorts. The slow sand portion of the plant was brought online in 1999 and the membrane side in 2005. The plant remains in very good condition but because of its age it's now requiring the replacement and repair of key components. This is being done to avoid a 'run-to-failure' operational outcome. Recognizing this fact, the Board adopted a 20-year capital plan a few years ago that recommends annual funding of the Plant Reserve Fund at levels up to \$750,000 each year. This funding allows for cash financing of major capital replacements in the future without issuing long-term debt, resulting in greater long-term rate stability.

The NCCWC's budget is comprised of two main funds: General Fund and Plant Reserve Fund. The principal source of funding comes from wholesale water sales to the member agencies. Those funds are used to operate the plant and fund necessary capital. In years past, both those functions were budgeted and executed within the General Fund. This next year, the General Fund will be used to execute only the operational components of the budget while allowing the capital to be funded and expended within the Plant Reserve Fund. This change allows improved tracking and transparency between these two main funds. It should also help alleviate the confusion commonly found in years past where capital funding was included in both the General Fund and a transfer to the Reserve Fund.

On the resource side, the FY2020-2021 General Fund budget is projected to be \$2.82 million of which \$2.52 million will come from estimated water sales. The remaining \$292,000 comes from the beginning fund balance and projected interest earned. The main operational support is established in two principal spending categories within the General Fund: Personnel and Materials & Services, as well as notable transfers to the Plant Reserve Fund and Revenue Bond Redemption Fund.

The plant is normally operated and maintained with 3 full-time staff, along with a small amount of seasonal/temporary workers. Personnel Services are set at \$522,000 for next year – this is a 5% increase over the current year's budget but nearly 10% less than the projected actuals for this year. Note, the large relative costs for this year's projected actuals is owed to the unexpected departure of a senior operator this past year (paying owed accruals in vacation and sick leave; this number is subject to final audit review) – yet, this has also led to lower overall projected payroll costs for this next year as younger, less expensive staff are hired as replacements. Hence, the lower overall projected costs. That aside, PERS contributions are expected to rise by about 10%, while health care costs will rise about 17%.

The larger portion of the General Fund, however, is set in the Materials & Services spending category, totaling an expected \$1.31 million for next year. This amount reflects a 7.5% decrease from last year's budget but better reflects a modest increase (5.4%) over the projected actual

expenditures for this year. The larger component of this spending category for next year includes electricity (\$550,000) and water treatment supplies (\$125,000), as well as contracted and professional services (combined at \$340,000). The remaining items include (but not limited to) expenditures for miscellaneous supplies, insurance, tools, building and grounds maintenance, SCADA, vehicle maintenance and other related expenditures - totaling \$293,000. When combined with the Personnel budget, the projected total operating expenses for next are \$1,830,950.

The General Fund also includes two important Transfers – the first to the Plant Reserve Fund (\$600,000) and the second to Revenue Bond Redemption Fund (\$80,000). The transfer to the Plant Reserve Fund is to pay for on-going renewal and replacement of key capital items in that fund. Of special note here is the removal of funded Capital Outlay in the General Fund – this ends a long-standing practice that often led to possible “double counting” in the General Fund (described earlier) and excessive reimbursements during the annual true-up process. Now, instead of funding both a transfer to the Plant Reserve Fund and capital within the General Fund, those capital expenditures have been moved to the Plant Reserve Fund where they should reside. The amount of this transfer is discretionary but was established in a recent 20-year capital improvement plan for the plant that recommended a \$500,000-750,000 annual funding of the Plant Reserve Fund. The other transfer (\$80,000) is part of paying the annual debt service in the Revenue Bond Redemption Fund.

The final component in the General Fund is a \$304,650 Contingency, which is funded by a combination of the beginning fund balance, interest, and the small water sales to Clackamas River Water. A check is normally made to ensure this number is at least 15% of the total operating expenditures. The expected total expenditures in the General Fund for next year are \$2,815,600.

The other major fund in the budget is the Plant Reserve Fund. This fund is used to support the annual planned capital expenditures – having a beginning fund balance of \$4,343,805, along with added funding of the \$600,000 transfer from the General Fund and \$98,000 in forecasted interest income. Next year’s budget includes a total of \$501,000 of planned capital expenditures, with \$278,000 going to buy new equipment (pumps, valve, actuators, etc.), \$98,000 for roof repair, and \$125,000 for a cathodic protection (corrosion) study to be done on the emergency intertie with Lake Oswego. A detailed list of the planned capital projects is outlined in the appendix of this document. This fund also includes a \$300,000 contingency, bringing the planned total expenditures to \$801,000.

Staff is pleased to have the opportunity to present a fiscally responsible budget to the Board of Directors and its citizens. Your comments and input are greatly appreciated. As we move ahead, we wanted to thank each of you for taking time out of your busy schedules to assist in the budget process and for your dedication to the North Clackamas County Water Commission.

Respectfully submitted,

Wade Hathorn
General Manager/Budget Officer

North Clackamas County Water Commission

All Fund Summary

Fiscal Year 2020-2021

| Funds | 10 General Fund | 13 Plant Reserve | 17 Bond Reserve | 19 Bond Redempt. | Totals |
|------------------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|---------------------|
| Resources | | | | | |
| Beginning Balance | 279,650 | 4,343,805 | 101,808 | 2,138 | \$ 4,727,401 |
| Interest | 13,000 | 97,736 | 2,291 | 48 | \$ 113,075 |
| Water Sales | 2,522,950 | - | - | - | \$ 2,522,950 |
| Water Quality | - | - | - | - | \$ - |
| Miscellaneous | - | - | - | - | \$ - |
| Transfers | - | 600,000 | - | 80,000 | \$ 680,000 |
| Total Resources | \$ 2,815,600 | \$ 5,041,541 | \$ 104,099 | \$ 82,186 | \$ 8,043,426 |
| Expenditures | | | | | |
| Personnel Services | 522,000 | - | - | - | \$ 522,000 |
| Material & Services | 1,308,950 | - | - | - | \$ 1,308,950 |
| Capital Outlay | - | 501,000 | - | - | \$ 501,000 |
| Debt | - | - | - | 81,825 | \$ 81,825 |
| Transfers & Contingency | 984,650 | 300,000 | - | - | \$ 1,284,650 |
| Unappropriated fund balances | - | 4,240,541 | 104,099 | 361 | \$ 4,345,001 |
| Total Requirements | \$ 2,815,600 | \$ 5,041,541 | \$ 104,099 | \$ 82,186 | \$ 8,043,426 |

North Clackamas County Water Commission
Proposed Budget FY 2020-2021

| Actual 2017-2018 | Actual 2018-2019 | Adopted Budget 2019-2020 | FYE Projection 2019-2020 | Acct | DESCRIPTION | Proposed Budget 2020-2021 | Approved Budget 2020-2021 | Adopted Budget 2020-2021 |
|------------------------|---------------------|--------------------------------|--------------------------------|-------------|------------------------------|---------------------------------|---------------------------------|--------------------------------|
| 10 GENERAL FUND | | | | | | | | |
| 701,164 | 437,951 | 249,869 | 412,323 | 3000 | Beginning Balance | 279,650 | | |
| 8,244 | 16,465 | 13,000 | 3,258 | 4010 | Interest | 13,000 | | |
| 1,615,141 | 2,462,309 | 2,662,000 | 2,492,457 | 4020 | Water Sales | 2,522,950 | | |
| 657,214 | 1,030,578 | 1,150,000 | 1,082,631 | -01 | OLWD 1,470,000 (ccf) | 1,082,433 | | |
| 339,776 | 454,454 | 500,000 | 482,277 | -02 | City Gladstone 650,000 (ccf) | 478,627 | | |
| 607,668 | 965,417 | 1,000,000 | 916,081 | -03 | SWA 1,290,000 (ccf) | 949,890 | | |
| 10,483 | 11,860 | 12,000 | 11,468 | -09 | Clackamas River Water | 12,000 | | |
| 2,144 | 2,699 | 3,000 | - | 4030 | Water Quality | - | | |
| 2,144 | 2,699 | 3,000 | - | -00 | Oak Lodge Water District | - | | |
| 21,465 | (1,830) | 1,000 | - | 4060 | Miscellaneous | - | | |
| \$ 2,348,159 | \$ 2,917,594 | \$ 2,928,869 | \$ 2,908,037 | | TOTAL RESOURCES | \$ 2,815,600 | \$ - | \$ - |

North Clackamas County Water Commission
Proposed Budget FY 2020-2021

| Actual 2017-2018 | Actual 2018-2019 | Adopted Budget 2019-2020 | FYE Projection 2019-2020 | Acct | DESCRIPTION | Proposed Budget 2020-2021 | Approved Budget 2020-2021 | Adopted Budget 2020-2021 |
|---------------------|---------------------|--------------------------------|--------------------------------|------|-------------|---------------------------------|---------------------------------|--------------------------------|
|---------------------|---------------------|--------------------------------|--------------------------------|------|-------------|---------------------------------|---------------------------------|--------------------------------|

10 GENERAL FUND (continued)

10 PERSONNEL SERVICES:

| | | | | | | | | |
|-------------------|-------------------|-------------------|-------------------|------|---------------------------------|-------------------|-------------|-------------|
| 247,156 | 262,027 | 260,000 | 314,000 | 5000 | Plant Operators | 260,000 | | |
| 13,281 | 28,054 | 50,000 | 55,000 | 5005 | Overtime/On Call | 50,000 | | |
| 1,201 | 6,450 | 10,000 | 36,000 | 5030 | Seasonal/Temporary | 10,000 | | |
| 62,094 | 54,113 | 80,000 | 80,000 | 5050 | Medical, Dental, Vision | 95,000 | | |
| 32,671 | 41,204 | 60,000 | 52,000 | 5060 | Retirement | 65,000 | | |
| 22,087 | 25,586 | 30,000 | 35,000 | 5070 | Payroll Taxes | 35,000 | | |
| 5,846 | 5,034 | 6,500 | 6,000 | 5080 | Workers' Compensation Ins. | 7,000 | | |
| \$ 384,336 | \$ 422,468 | \$ 496,500 | \$ 578,000 | | TOTAL PERSONNEL SERVICES | \$ 522,000 | \$ - | \$ - |

10 MATERIALS AND SERVICES:

| | | | | | | | | |
|----------------|----------------|----------------|----------------|------|--------------------------------|----------------|--|--|
| - | - | 10,000 | - | 5204 | Water Purchases | 10,000 | | |
| - | 634 | - | - | 5205 | Administrative Services | - | | |
| 98,314 | 102,888 | 132,600 | 110,600 | 5206 | Contracted Services | 144,000 | | |
| - | 3,679 | - | - | -00 | Unspecified | - | | |
| 33,000 | 33,000 | 37,000 | 37,000 | -10 | Management | 40,000 | | |
| 12,000 | 12,000 | 12,600 | 12,600 | -12 | Plant Engineer | 18,000 | | |
| 28,983 | 35,322 | 48,000 | 48,000 | -13 | Financial | 48,000 | | |
| 10,083 | 11,550 | 25,000 | 1,000 | -14 | Membrane Maintenance | 25,000 | | |
| 14,248 | 7,338 | 10,000 | 12,000 | -16 | HVAC Maintenance | 13,000 | | |
| 1,592 | 5,131 | 5,000 | 5,942 | 5208 | General Office Supplies | 7,500 | | |
| 2,953 | 2,236 | 8,500 | 8,500 | 5210 | Permits/Licensing Fees | 5,000 | | |
| 63,322 | 62,248 | 65,000 | 69,640 | 5212 | Insurance - General | 80,000 | | |
| 1,709 | 20,579 | 10,000 | 5,000 | 5215 | Computers/Technology | 15,000 | | |
| 162,292 | 205,246 | 294,500 | 340,250 | 5230 | Professional Services | 196,000 | | |
| 10,430 | 4,720 | 8,500 | 29,250 | -04 | Audit | 10,000 | | |
| 47,348 | 13,815 | 25,000 | 50,000 | 06 | Legal | 50,000 | | |
| - | 20,900 | - | - | -08 | Engineering / General | - | | |
| - | - | - | - | -10 | Willamette Reallocation | - | | |
| - | - | 125,000 | 125,000 | -11 | Alternative Water Supply | - | | |
| 104,514 | 165,810 | 136,000 | 136,000 | -21 | Watershed Services | 136,000 | | |
| 134 | 320 | 2,000 | 2,000 | 5235 | Postage | 2,000 | | |
| 82,336 | 86,904 | 170,000 | 121,000 | 5236 | Water Treatment | 125,000 | | |
| 21,661 | 7,885 | 20,000 | 20,000 | -10 | Water Analysis & Testing | 20,000 | | |
| 58,435 | 73,047 | 100,000 | 100,000 | -11 | Chemicals | 100,000 | | |
| 2,240 | 5,973 | 50,000 | 1,000 | -12 | Instrumentation & Lab Supplies | 5,000 | | |

North Clackamas County Water Commission
Proposed Budget FY 2020-2021

| Actual 2017-2018 | Actual 2018-2019 | Adopted Budget 2019-2020 | FYE Projection 2019-2020 | Acct | DESCRIPTION | Proposed Budget 2020-2021 | Approved Budget 2020-2021 | Adopted Budget 2020-2021 |
|---|---------------------|--------------------------------|--------------------------------|------|--------------------------------------|---------------------------------|---------------------------------|--------------------------------|
| 10 GENERAL FUND (continued) | | | | | | | | |
| 10 MATERIALS AND SERVICES: (continued) | | | | | | | | |
| 2,682 | 14,552 | 10,000 | 10,780 | 5238 | Telemetry (SCADA) | 15,000 | | |
| 377,282 | 453,061 | 550,000 | 467,856 | 5240 | Electricity | 550,000 | | |
| 9,821 | 11,652 | 15,000 | 15,000 | 5244 | Education/Training/Dues | 17,250 | | |
| 1,976 | 5,242 | 7,000 | 5,713 | 5245 | Telephone | 7,000 | | |
| 2,171 | 1,322 | 6,000 | 1,000 | 5246 | Travel/Mileage | 1,500 | | |
| 412 | 818 | 1,000 | 1,000 | 5247 | Books and Publications | 1,000 | | |
| 79 | - | 500 | 500 | 5248 | Public notices | 500 | | |
| 2,184 | 1,974 | 3,500 | 3,000 | 5250 | Other Utilities | 3,000 | | |
| 1,632 | 1,379 | 2,500 | 2,000 | -10 | Natural Gas | 2,000 | | |
| 552 | 595 | 1,000 | 1,000 | -20 | Garbage | 1,000 | | |
| 27,130 | 975 | 2,500 | 3,824 | 5252 | Miscellaneous | - | | |
| 27,130 | 938 | - | - | -10 | Miscellaneous | - | | |
| - | 37 | - | - | -20 | Books and Publications | - | | |
| - | - | - | - | -30 | Recruitment | - | | |
| 659 | 413 | 1,200 | 1,200 | 5256 | Commissioner Expenses | 1,200 | | |
| 7,361 | 8,482 | 20,500 | 17,434 | 5300 | Vehicle Equipment Maintenance | 27,000 | | |
| 1,310 | 1,058 | 5,000 | 5,000 | -10 | Vehicle Maintenance | 5,000 | | |
| 3,948 | 4,607 | 7,000 | 3,934 | -20 | Fuels/Oils | 7,000 | | |
| | - | 3,500 | 500 | -30 | Equipment Rental | 5,000 | | |
| 2,103 | 2,817 | 5,000 | 8,000 | -40 | Equipment Maintenance | 10,000 | | |
| 55,922 | 29,865 | 102,000 | 43,123 | 5305 | Building & Grounds Maint. | 96,000 | | |
| 4,208 | 7,196 | 10,000 | 8,416 | -10 | Building Maintenance | 15,000 | | |
| 6,627 | 8,426 | 13,000 | 9,779 | -11 | Grounds Maintenance | 10,000 | | |
| 574 | 424 | 2,000 | 245 | -13 | Janitorial Supply | 1,000 | | |
| 2,945 | 2,192 | 8,000 | 3,061 | -14 | Security Monitoring/Maint | 5,000 | | |
| 31,829 | 1,583 | 45,000 | 11,059 | -15 | Plant Maintenance | 40,000 | | |
| 57 | 864 | 10,000 | - | -16 | Intake Structure Maint | 10,000 | | |
| 9,681 | 9,181 | 14,000 | 10,563 | -20 | Safety Supplies | 15,000 | | |
| 710 | 45,088 | 2,500 | 7,000 | 5310 | Small Tools & Equipment | 5,000 | | |
| \$ 901,041 | \$ 1,059,631 | \$ 1,419,300 | \$ 1,240,362 | | TOTAL MATERIAL & SERVICES | \$ 1,308,950 | \$ - | \$ - |
| \$ 1,285,376 | \$ 1,482,099 | \$ 1,915,800 | \$ 1,818,362 | | TOTAL OPERATING EXPENDITURES | \$ 1,830,950 | \$ - | \$ - |

North Clackamas County Water Commission
Proposed Budget FY 2020-2021

| Actual 2017-2018 | Actual 2018-2019 | Adopted Budget 2019-2020 | FYE Projection 2019-2020 | Acct | DESCRIPTION | Proposed Budget 2020-2021 | Approved Budget 2020-2021 | Adopted Budget 2020-2021 |
|---------------------|---------------------|--------------------------------|--------------------------------|------|-------------|---------------------------------|---------------------------------|--------------------------------|
|---------------------|---------------------|--------------------------------|--------------------------------|------|-------------|---------------------------------|---------------------------------|--------------------------------|

10 GENERAL FUND (continued)

10 CAPITAL OUTLAY

| | | | | | | | | |
|---------------|---------------|----------------|----------------|-------------|-----------------------------|------|------|------|
| 11,238 | 20,984 | - | 300 | 6360 | Capital Office Equipment | - | | |
| 11,238 | 20,984 | - | 300 | .10 | Computers/Technology | - | | |
| 33,594 | 32,375 | 330,000 | 329,700 | 6360 | Plant | - | | |
| 10,219 | 20,242 | 170,000 | 170,000 | -20 | Operating Facility | - | | |
| 19,870 | 12,133 | 100,000 | 99,700 | -21 | Tools & Equipment | - | | |
| 3,505 | - | 60,000 | 60,000 | -22 | Buildings | - | | |
| <hr/> | | | | | | | | |
| \$ 44,832 | \$ 53,359 | \$ 330,000 | \$ 330,000 | | Total Capital Outlay | \$ - | \$ - | \$ - |

10 OTHER REQUIREMENTS

| | | | | | | | | |
|--------------|--------------|--------------|--------------|------|------------------------------------|--------------|------|------|
| 580,000 | 969,813 | 480,000 | 480,000 | 7300 | TRANSFER | 680,000 | | |
| 500,000 | 889,813 | 400,000 | 400,000 | -13 | Plant Reserve | 600,000 | | |
| 80,000 | 80,000 | 80,000 | 80,000 | -19 | Rev Bond Debt Redempt. | 80,000 | | |
| - | - | 100,000 | - | 9000 | Operating Contingency | 304,650 | | |
| <hr/> | | | | | | | | |
| \$ 580,000 | \$ 969,813 | \$ 580,000 | \$ 480,000 | | Total Other Expenditures | \$ 984,650 | \$ - | \$ - |
| <hr/> | | | | | | | | |
| \$ 1,910,208 | \$ 2,505,271 | \$ 2,825,800 | \$ 2,628,362 | | TOTAL APPROPRIATIONS | \$ 2,815,600 | \$ - | \$ - |
| <hr/> | | | | | | | | |
| \$ 437,951 | \$ 412,323 | \$ 103,069 | \$ 279,675 | | Unappropriated Fund Balance | \$ - | \$ - | \$ - |
| <hr/> | | | | | | | | |
| \$ 2,348,159 | \$ 2,917,594 | \$ 2,928,869 | \$ 2,908,037 | | TOTAL REQUIREMENTS | \$ 2,815,600 | \$ - | \$ - |

North Clackamas County Water Commission
Proposed Budget FY 2020-2021

| Actual 2017-2018 | Actual 2018-2019 | Adopted Budget 2019-2020 | FYE Projection 2019-2020 | Acct | DESCRIPTION | Proposed Budget 2020-2021 | Approved Budget 2020-2021 | Adopted Budget 2020-2021 |
|------------------------------|---------------------|--------------------------------|--------------------------------|-------------|------------------------------|---------------------------------|---------------------------------|--------------------------------|
| 13 PLANT RESERVE FUND | | | | | | | | |
| 2,345,099 | 2,879,251 | 2,905,099 | 3,850,912 | 3000 | Beginning Fund Balance | 4,343,805 | | |
| 34,152 | 81,848 | 60,000 | 92,893 | 4010 | Interest | 97,736 | | |
| 500,000 | 889,813 | 400,000 | 400,000 | 4100 -10 | TRANSFER IN General Fund | 600,000 | | |
| \$ 2,879,251 | \$ 3,850,912 | \$ 3,365,099 | \$ 4,343,805 | | TOTAL RESOURCES | \$ 5,041,541 | \$ - | \$ - |
| - | - | - | - | 7000 | CAPITAL OUTLAY | 501,000 | | |
| - | - | - | - | -10 | Computers/SCADA/Technology | - | | |
| - | - | - | - | -20 | Equipment | 278,000 | | |
| - | - | - | - | -30 | Sand | - | | |
| - | - | - | - | -40 | Membranes | - | | |
| - | - | - | - | -50 | Buildings | 98,000 | | |
| - | - | - | - | -60 | Other | 125,000 | | |
| - | - | 300,000 | - | 9000 | Fund Contingency | 300,000 | | |
| - | - | 300,000 | - | | TOTAL APPROPRIATIONS | 801,000 | - | - |
| \$ 2,879,251 | \$ 3,850,912 | \$ 3,065,099 | \$ 4,343,805 | | PLANT RESERVE BALANCE | \$ 4,240,541 | \$ - | \$ - |
| \$ 2,879,251 | \$ 3,850,912 | \$ 3,365,099 | \$ 4,343,805 | | TOTAL REQUIREMENTS | \$ 5,041,541 | \$ - | \$ - |

North Clackamas County Water Commission
Proposed Budget FY 2020-2021

| Actual 2017-2018 | Actual 2018-2019 | Adopted Budget 2019-2020 | FYE Projection 2019-2020 | Acct | DESCRIPTION | Proposed Budget 2020-2021 | Approved Budget 2020-2021 | Adopted Budget 2020-2021 |
|---|---------------------|--------------------------------|--------------------------------|-------------|-----------------------------|---------------------------------|---------------------------------|--------------------------------|
| 17 REVENUE BOND DEBT SERVICE RESERVE | | | | | | | | |
| 95,127 | 96,796 | 97,127 | 99,324 | 3000 | Beginning Fund Balance | 101,808 | | |
| 1,669 | 2,528 | 2,000 | 2,484 | 4010 | Interest | 2,291 | | |
| - | - | - | - | 4100 | TRANSFER IN | - | | |
| - | - | - | - | -10 | General Fund | - | | |
| <u>\$ 96,796</u> | <u>\$ 99,324</u> | <u>\$ 99,127</u> | <u>\$ 101,808</u> | | TOTAL RESOURCES | <u>\$ 104,099</u> | <u>\$ -</u> | <u>\$ -</u> |
| | | | | 4100 | TRANSFERS | | | |
| - | - | - | - | -19 | Bond Redemption Fund | - | | |
| - | - | - | - | 9000 | Fund Contingency | - | | |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | | TOTAL APPROPRIATIONS | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| <u>\$ 96,796</u> | <u>\$ 99,324</u> | <u>\$ 99,127</u> | <u>\$ 101,808</u> | | BOND RESERVE BALANCE | <u>\$ 104,099</u> | <u>\$ -</u> | <u>\$ -</u> |
| <u>\$ 96,796</u> | <u>\$ 99,324</u> | <u>\$ 99,127</u> | <u>\$ 101,808</u> | | TOTAL REQUIREMENTS | <u>\$ 104,099</u> | <u>\$ -</u> | <u>\$ -</u> |

North Clackamas County Water Commission
Proposed Budget FY 2020-2021

| Actual 2017-2018 | Actual 2018-2019 | Adopted Budget 2019-2020 | FYE Projection 2019-2020 | Acct | DESCRIPTION | Proposed Budget 2020-2021 | Approved Budget 2020-2021 | Adopted Budget 2020-2021 |
|--|---------------------|--------------------------------|--------------------------------|------|---|---------------------------------|---------------------------------|--------------------------------|
| 19 REVENUE BOND REDEMPTION FUND | | | | | | | | |
| 3,206 | 2,142 | 3,921 | 2,869 | 3000 | Beginning Fund Balance | 2,138 | | |
| 65 | 90 | 100 | - | 4010 | Interest | 48 | | |
| 80,000 | 80,000 | 80,000 | 80,000 | 4100 | TRANSFER IN | 80,000 | | |
| 80,000 | 80,000 | 80,000 | 80,000 | -10 | General Fund | 80,000 | | |
| - | - | - | - | -17 | Revenue Bond Reserve | - | | |
| \$ 83,271 | \$ 82,232 | \$ 84,021 | \$ 82,869 | | TOTAL RESOURCES | \$ 82,186 | \$ - | \$ - |
| | | | | | | | | |
| | | | | 5390 | DEBT SERVICE | | | |
| 65,000 | 65,000 | 70,000 | 70,000 | -20 | Principal Payment | 75,000 | | |
| 15,379 | 13,613 | 9,990 | 9,981 | -25 | Interest Payment | 6,075 | | |
| 750 | 750 | 750 | 750 | -50 | Fiscal Agent Fees, Misc. | 750 | | |
| - | - | 3,281 | - | 9000 | Contingencies Balance for Future Expenc | - | | |
| \$ 81,129 | \$ 79,363 | \$ 84,021 | \$ 80,731 | | TOTAL APPROPRIATIONS | \$ 81,825 | \$ - | \$ - |
| \$ 2,142 | \$ 2,869 | \$ - | \$ 2,138 | | REDEMPTION FUND BALANCE | \$ 361 | \$ - | \$ - |
| \$ 83,271 | \$ 82,232 | \$ 84,021 | \$ 82,869 | | TOTAL REQUIREMENTS | \$ 82,186 | \$ - | \$ - |

Descriptions - Materials & Services

| Account # | Description | Budget |
|------------------|--|---------------|
| 5204 | Water Purchase | 10,000 |
| | Covers the cost of purchasing water from other sources in the event that current production cannot meet demands. | |
| 5206 | Contracted Services | 144,000 |
| | Covers the cost for services provided by both Oak Lodge and Sunrise for general management, engineering and financial services, as well as membrane maintenance. | |
| 5208 | General Office Expense | 7,500 |
| | Covers supplies such as paper, envelopes, ink cartridges and computer supplies. | |
| 5210 | Permits/Licensing Fees | 5,000 |
| | Covers cost of DEQ annual Air Containment Discharge fee and various other permits/fees. | |
| 5212 | Insurance | 80,000 |
| | Covers insurance coverage for the facilities. | |
| 5215 | Computers/Technology | 15,000 |
| | Covers computer hardware and software. | |
| 5230 | Professional Services | 196,000 |
| | Covers legal counsel, auditing service, consulting engineering services, source water protection and conservation program. | |
| 5235 | Postage | 2,000 |
| | Covers postage costs. | |
| 5236 | Water Treatment | 125,000 |
| | Covers water quality sample analysis, the cost of chemicals such as chlorine, alum and power activated carbon as well and instrumentation supplies. | |
| 5238 | Telemetry | 15,000 |
| | Covers the Supervisory and Data Acquisition system. | |
| 5240 | Electricity | 550,000 |
| | This is for the power bills to operate the plant. | |
| 5244 | Education/Travel/Training/Dues | 17,250 |
| | The employees need continuing education units to maintain state certification requirements. It also includes membership in professional organizations like AWWA. | |

Descriptions - Materials & Services

| Account # | Description | Budget |
|------------------|---|------------------|
| 5245 | Telephone | 7,000 |
| | This includes telephone, fax and cell phones. | |
| 5246 | Mileage | 1,500 |
| | | |
| 5247 | Books and Publications | 1,000 |
| | | |
| 5248 | Public Notices | 500 |
| | This covers the cost of publishing the required budget notices. | |
| 5250 | Other Utilities | 3,000 |
| | This is for the gas and garbage bills. | |
| 5256 | Commissioner Expense | 1,200 |
| | This is for meeting costs associated with the Board. | |
| 5300 | Vehicle and Equipment Maintenance | 27,000 |
| | This covers any maintenance that is necessary for the rolling stock. It also includes fuel and oil. | |
| 5305 | Building and Grounds | 96,000 |
| | This includes landscaping and security system maintenance. | |
| 5250 | Small Tools & Equipment | 5,000 |
| | Miscellaneous small tools as needed to perform duties. | |
| 5252 | Miscellaneous | - |
| | This is to cover small incidental costs that arise throughout the year. | |
| | Total | 1,308,950 |

North Clackamas County Water Commission
Fiscal Year 2020-2021 Line Item Detail
Staff Travel, Training, and Dues
5244/5246

| # Attending | Sponsor | Dates | Registration Fees | Transport Costs | Lodging Expense | Meal Expense | Total Cost |
|--------------------|--------------------------------|--------------|--------------------------|------------------------|------------------------|---------------------|-------------------|
| 1 | AWWA Annual Conference | June | \$ 1,000.00 | \$ 900.00 | \$ 2,500.00 | \$ 150.00 | \$ 4,550.00 |
| 1 | AWWA Water Quality Conf. | Nov | \$ 1,000.00 | \$ 900.00 | \$ 2,500.00 | \$ 150.00 | \$ 4,550.00 |
| 1 | Water Works School | June | \$ 700.00 | \$ - | \$ - | \$ 50.00 | \$ 750.00 |
| | Miscellaneous Seminars | | \$ 4,000.00 | \$ - | \$ - | \$ 400.00 | \$ 4,400.00 |
| 2 | NWMOA | Misc. | \$ 800.00 | \$ 900.00 | \$ 1,000.00 | \$ 300.00 | \$ 3,000.00 |
| | Miscellaneous Travel / Mileage | | | \$ 1,500.00 | | | \$ 1,500.00 |
| | | | | | | | |
| | | | | | | Total | \$ 18,750.00 |

North Clackamas County Water Commission
 Water Revenue Bond Series 2001
 Fiscal Year 2020-2021 Debt Schedule

| Year | Principal | Interest | Total |
|------------|------------|----------|------------|
| FY 2020-21 | 75,000 | 6,075 | 81,075 |
| FY 2021-22 | 75,000 | 2,025 | 77,025 |
| | \$ 150,000 | \$ 8,100 | \$ 158,100 |

Maturity Schedule

| <u>Due July 1</u> | <u>Principal Amount</u> | <u>Coupon Rate</u> | <u>Yield</u> | <u>Due July 1</u> | <u>Principal Amount</u> | <u>Coupon Rate</u> | <u>Yield</u> |
|-----------------------|-----------------------------|------------------------|--------------|-----------------------|-----------------------------|------------------------|--------------|
| 2002 | \$ 30,000 | 3.250% | 3.250% | 2009 | \$ 40,000 | 4.550% | 4.550% |
| 2003 | 35,000 | 3.500% | 3.500% | 2010 | 45,000 | 4.700% | 4.700% |
| 2004 | 35,000 | 3.750% | 3.750% | 2011 | 45,000 | 4.850% | 4.850% |
| 2005 | 35,000 | 4.000% | 4.000% | 2012 | 50,000 | 4.950% | 4.950% |
| 2006 | 35,000 | 4.150% | 4.150% | 2013 | 50,000 | 5.050% | 5.050% |
| 2007 | 40,000 | 4.300% | 4.300% | 2014 | 55,000 | 5.150% | 5.150% |
| 2008 | 40,000 | 4.400% | 4.400% | | | | |

\$465,000 5.400% Term Obligation due July 1, 2021 at 5.500%
 (Plus accrued interest from July 1, 2001)

MANDATORY REDEMPTION

Unless previously called under the provisions for optional redemption, the Term Obligation maturing on July 1, 2021* is subject to annual mandatory redemption by lot by the Commission commencing July 1, 2015 and on July 1 of each year thereafter and in the principal amounts as set forth below, at price of par plus accrued interest to the date of redemption.

\$465,000 Term Bonds due July 1, 2021

| <u>Year</u> | <u>Principal Amount</u> | <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|-------------|-------------------------|
| 2015 | \$ 55,000 | 2019 | \$ 70,000 |
| 2016 | 60,000 | 2020 | 75,000 |
| 2017 | 65,000 | 2021* | 75,000 |
| 2018 | 65,000 | | |

* Final Maturity

**CAPITAL OUTLAY
ATTACHMENTS**

**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

2021 Fund 13 Capital Outlay Account Number Listing

| |
|-------------|
| 2021 |
| Budget |
| Proposed |
| 501,000 |
| - |
| 278,000 |
| - |
| - |
| 98,000 |
| 125,000 |

7000 CAPITAL OUTLAY

- 10 Computers/SCADA/Technology
- 20 Equipment
- 30 Sand
- 40 Membranes
- 50 Buildings
- 60 Other

| Capital Project Summary Overview | | | | | |
|---|----------------------------|--------------|-----------------|--|----------------|
| Account# | Account Description | Page# | Project# | Project Name | 2021 |
| -10 | Computers/SCADA/Technology | | | | - |
| -20 | Equipment | | | | - |
| -30 | Sand | | | | - |
| -40 | Membranes | | | | - |
| -50 | Buildings | | | | - |
| -50 | Buildings | | | Roof over Membrane Area | 98,000 |
| -20 | Equipment | | | Slow Sand Raw Water Actuators x3 | 28,200 |
| -20 | Equipment | | | Backwash Neutralization Basin Pumps x2 | 29,000 |
| -20 | Equipment | | | Rebuild of Raw Water Pump and Finished Water Pump | 80,000 |
| -20 | Equipment | | | Backwash Caisson Pump | 12,500 |
| -20 | Equipment | | | Floc Tank Stir Motor and Gear Box Rebuilds x3 | 12,000 |
| -20 | Equipment | | | Floc Tank Cover | 18,000 |
| -20 | Equipment | | | 36" Mag Meter for Membrane Finished Water | 25,000 |
| -20 | Equipment | | | 24" Mag Meter for Slow Sand Finished Water | 21,000 |
| -20 | Equipment | | | Membrane Filtrate and Backwash Pump Rebuilds x4 | 25,000 |
| -20 | Equipment | | | Membrane Cover Hydraulic System Rebuild | 6,000 |
| -20 | Equipment | | | Front Gate Opener Replacements x2 | 16,000 |
| -20 | Equipment | | | Membrane Pit Material Lift Replacement | 4,500 |
| -60 | Other | | | Corrosion Study for Lake Oswego Emergency Pipeline | 125,000 |
| Subtotal | | | | | 500,200 |

**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

Item: Roof over Membrane Area

Cost: \$98,000

GL Code: 13-7000-50

Justification: Staff is requesting to replace the roof over the Membrane side of the plant. The current roof has multiple leaks, was poorly constructed and is over the expected life span.



**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

Item: Slow Sand Raw Water Actuators x3

Cost: \$8000.00 ea. + \$1,400 ea. for install. Total=\$28,200

GL Code: 13-7000-20

Justification: Staff is requesting to replace the 3 remaining actuators. The actuators are 5 years past their service life and we have lost one already in February of 2020. These are very specific actuators that are no longer supported by Limitorx and need to be replaced by Limitorx MX-05 to keep alike equipment.



**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

Item: Backwash Neutralization Basin Pumps x2

KSB KRT K150-315/96XG-S Pump 10HP motor, 1200 rpm.

Cost: \$29,000

GL Code: 13-7000-20

Justification: Staff is requesting replacing 2 backwash pumps. These pumps are both 15 years old and rebuilding is not recommended. Both of the existing pumps are failing and are past their life expectancy.



**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

Item: Rebuild of Raw Water Pump and Finished Water Pump

Cost: \$80,000

GL Code: 13-7000-20

Justification: Staff is requesting the rebuild of an existing finished water pump and raw water pump with the longest run times hours. The finished water pumps have been in service for 15 years and have never been rebuilt. We have been rebuilding one of each for the last couple of years.



**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

Item: Backwash Caisson Pump

KSB KRT E80-251/46XG Submersible Pump, 6.5HP motor, 1200 rpm

Cost: \$12,500

GL Code: 13-7000-20

Justification: Staff is requesting to replace a backwash caisson pump. This submersible pump is 15 years old and failing. The other has been replaced in the Spring of 2020. The current remaining pump runs at only 70% capacity.



**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

Item: Floc Tank Stir Motor and Gear Box Rebuilds x3

Cost: \$12,000

GL Code: 13-7000-20

Justification: Staff is requesting the rebuild of all three stir motors and gear boxes. These motors are 15 years old and have never been rebuilt.



**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

Item: Floc Tank Cover

Cost: \$18,000

GL Code: 13-7000-20

Justification: Staff is requesting replacement of the current Floc Tank cover. The current cover has broken straps, extreme UV damage, and is fraying on every edge. This cover prevents damaging leaves and pine needles from entering the membrane cells.



**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

Item: 36" Mag Meter for Membrane Finished Water

Cost: \$25,000

GL Code: 13-7000-20

Justification: Staff is requesting replacing aging and failing membrane finished water mag meter. The current meter is 21 years old and has had the electronics replaced multiple times. Replacement has been advised by the technician.



**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

Item: 24" Mag Meter for Slow Sand Finished Water

Cost: \$21,000

GL Code: 13-7000-20

Justification: Staff is requesting replacing aging and failing slow sand finished water mag meter. The current meter is 15 years old and has had the electronics replaced multiple times. Replacement has been advised by the technician.



**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

Item: Membrane Filtrate and Backwash Pump Rebuilds x4

Cost: \$25,000

GL Code: 13-7000-20

Justification: Staff is requesting to have half of the membrane pumps rebuilt this year. This is preventative maintenance and has not been done in 15 years on this equipment. We are also requesting to rebuild both of the membrane backwash pumps.



**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

Item: Membrane Cover Hydraulic System Rebuild

Cost: \$6,000

GL Code: 13-7000-20

Justification: Staff is requesting the rebuilding of the aging membrane cover hydraulic system. The system has developed a significant leak and is starting to falter when being used.



**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

Item: Front Gate Opener Replacements x2

Cost: \$16,000

GL Code: 13-7000-20

Justification: Staff is requesting to replace 2 gate opener units. These units have been failing and requiring considerable service calls to repair. These units are 15 years old and have never been replaced.



**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

Item: Membrane Pit Material Lift Replacement

Cost: \$4,500

GL Code: 13-7000-20

Justification: Staff is requesting to replace our existing material lift for the membrane pit area. Our current lift is too short and is dangerous to use. We have had to make modifications to our current unit to meet the needs of reaching even some of the lowest lift points. This unit increases our lift to 20 feet compared to our current 12 foot capability.



**North Clackamas County Water Commission
2020-2021 Budget
Capital Outlay Justification**

Item: Corrosion Study for Lake Oswego Emergency Pipeline

Cost: \$125,000

GL Code: 13-7000-60

Justification: Staff is requesting to perform a corrosion study for its Lake Oswego emergency pipeline.

