

**Proposed Budget
FISCAL YEAR 2021-2022**

GENERAL FUND RESOURCES

Net Working Capital/ Cash Carryover : This is an estimate of the cash the District will have on hand June 30, 2021 Budgeted at: **\$327,899**

Previously levied taxes: These are taxes levied in prior years that will be paid during the 2021-2022 budget year. Budgeted at: **\$4,300**

Fire Hydrant Reimbursement: Reimbursement is received by Corbett Fire District #14 for half the cost of each hydrant installed. We do not plan on installing any new fire hydrants this year. Budgeted at **\$0**

Interest: This is interest earned on money in the Local Government Investment Pool. This line item is being reduced due to lower interest rates and reduced funds on deposit. Budgeted at **\$3,600**

Miscellaneous: This line item is used when the District receives revenue from sale of surplus items, dividends, etc. Since receipt of miscellaneous revenue is unpredictable and cannot be estimated accurately this is budgeted at **\$0**.

Service Connections: This line item remains the same as last year with an estimate we will install one new service connection. This line budgeted at **\$5,000**.

Water Sales: Water Sales remain flat. This line is budgeted at a **\$419,000**

Base Rate: The Base Rate is charged on all active accounts each billing cycle based on the size of the meter at the property. This line item is budgeted at a slight increase at **\$162,000**

Filter Pond Base Rate: This Base Rate ended with the February 28, 2018 billing cycle. This line will remain in the budget until all columns, including history are zeroed out. This is budgeted at **\$0**.

Grant U.P.: This is carryover of grant funds received in a prior year for the toilet rebate program. This is budgeted at **\$8,300**

ASR Test Well Feasibility Study Grant: This line item is the reimbursable amount anticipated from the ASR test well feasibility grant. This is the portion we estimate will not be received until July 2021. This line is budgeted at **\$150,000**.

SIPP Grant: We have applied for an Oregon Sustainable Infrastructure Planning Projects grant to fund a portion of the Master Plan/Rate Study Project. Grant award is scheduled for June 2021. See explanation in expenditures for Master Plan/Rate Study. This line item is projected at **\$20,000**

SDWRLF: We are applying for the Safe Drinking Water Revolving Loan Fund to fund the remainder of the Master Plan Rate study project along with the SIPP Grant. See explanation in expenditures for Master Plan/Rate Study. Projected amount for this line item is **\$150,000**

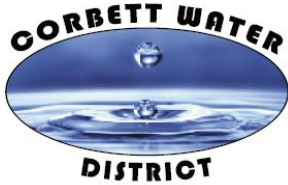
Proposed Budget
FISCAL YEAR 2021-2022

GENERAL FUND RESOURCES Continued.....

Proposed Rate Increase: We are in the process of conducting the first phase of the rate study in anticipation of upcoming projects as well as keeping up with the repairs and maintenance of critical infrastructure. The cost of materials and services continues to increase nationally. This will generate a proposed rate increase. The proposed rate increase will allow us to fund the upcoming projects and continue to operate the drinking water system. I anticipate the rate increase will go into effect July 1, 2021. Projected line item amount **\$100,000**.

Taxes necessary to balance budget: The District's permanent property tax rate is \$0.5781 per \$1,000 of assessed value. This line item is estimated by calculating the taxes to be received based on the Assessor's assessed value October 2020, less compression from Measure 5, fee for Tax Supervising and Conservation Service of \$500 and property taxes that will not be received due to non-payment. This line projected at **\$180,000**

TOTAL RESOURCES: \$1,530,099



FISCAL YEAR 2021-2022
GENERAL FUND EXPENDITURES

PERSONNEL SERVICES

The Personnel Services category provides funding for District Employees' wages and benefits. Costs comply with the personnel manual, as well as federal, state and local laws.

Wages: (Lines 1-8) These lines make up the employee positions in the Water District. This year we will be creating a Utility III/Lead position and increases to the wages for Utility I and II. These changes were approved by the Board. The Utility Worker AP position will not be filled and we will not be hiring Temporary Help. Total Wages proposed for all positions is **\$303,000**

Cost of Living: The number proposed for this line item is based on the CPI-W West - Size A Index which was 1.6% as of February 2021. The proposed cost estimate for this line is **\$6,000**

Health Insurance: Proposed changes to the health insurance FY21-22 paid by the District, increase to 100% employee paid with 50% dependent paid to go into effect July1, 2021. These changes were approved by the board. The budget for this line item is **\$80,000**.

Life/Disability Insurance: Proposed change to the employee benefits to go into effect July1, 2021. This is for life insurance policy and long-term disability paid for by the District. It is a standard low-cost benefit that most employers offer. These changes were approved by the board. The proposed cost estimate for this line item is **\$2,000**.

On Call Pay: This line compensates employees who remain on call after hours. It is budgeted at \$200 per week. Budget for this line will remain at **\$10,600**.

Overtime: Overtime pay is for unforeseen emergencies that may arise that require District staff to work additional hours over the regular 40 hours per week work schedule. Increase based on more employees and more anticipated on-call work i.e. water main breaks. Budget for this line item is **\$12,000**

Pension: This is the Employer contribution for employees on the Public Employees Retirement System (PERS). The rate for Tier 1 or 2 employees is 25.82%.and for other regular OPSRP employees it is 20.75%. We currently have one employee who is retired under Tier 2. These rates will be recalculated by PERS for the 2023-2024 fiscal year. Budget for this line is **\$65,000**

PERS Unfunded Liability: PERS Unfunded Accrued Liability (UAL) is the difference between accrued assets (employer contributions and investment earnings) and accrued liabilities (the cost of pension benefits earned) as of the valuation date. This is different amount for each participating government entity. This is the amount we would owe PERS if all enrolled PERS employees retired on the same date or if all participating government entities closed down. It is an unnecessary line item in the budget. An option to consider is establishing a side account with PERS to reduce the amount of the UAL. This is a minimum of \$200,000. This line item is **\$0**.

PERSONNEL SERVICES continued...

Social Security & Medicare: This covers the employer cost of medicare and social security and is based on employee wages, overtime and on call pay. Proposed budget for this line is **\$24,000**

Unemployment: Employees who have left service with the Water District may be eligible to collect unemployment benefits. Current Oregon unemployment benefits are for 26 weeks at a maximum weekly amount of \$538. The budget for this line item is **\$25,000**.

VEBA: Proposed change to the employee benefits to go into effect July 1st, 2021. The Voluntary Employees' Beneficiary Association (VEBA) plan is a type of tax-exempt trust used by its members and eligible dependents to pay for eligible medical expenses. This is a low-cost way for employees to save for unexpected medical costs. This change was approved by the board. The proposed budget for this line item is **\$6,000**.

Worker's Comp: This covers Workers Compensation insurance for employees. Insurance policy period runs from July 1 through June 30 each year. Budget for this line item is **\$5,600**

TOTAL PERSONNEL SERVICES: \$539,200

MATERIALS AND SERVICES

Auditor: Funding of the audit for the Fiscal year 2020-2021 records and the Secretary of State filing fee. Proposed budget for this line item is **\$5,800**.

BUILDING AND GROUNDS MAINTENANCE: This line provides funding for maintenance and repairs on and around the office building, shop, yard and parking lot. Proposed budget for this line item is **\$1,500**.

Chemicals: This is for the purchase of chlorine and soda ash used to treat the water as well as reagents and chemicals for the field test kits. Proposed budget for this line item is **\$16,000**.

Computer: The funds this year will be used for technical support and maintenance of the office computers. Proposed budget of **\$1,500**

Cross Connection: This line is for the annual Oregon Health Authority cross connection fee and backflow certifications. Budget for this line item is **\$1,000**.

Dead-end Flushing and Maintenance: This is a new line item in the budget. CWD personnel will locate, repair/replace dead flushing points in the district. Dead-ends can cause stagnant water and produce harmful bacteria. It's imperative to have functioning dead flushing points at key locations through-out the District. Proposed budget for this line item is **\$10,000**.

Easements: No payments for easements at this time **\$0**.

Elections: There will be a special election in May of 2021. This line covers the cost of the election. Cost to the District is based on voter turnout. Proposed budget this line is **\$1,200**.

MATERIALS AND SERVICES continued..

Engineering: This line provides for the annual engineer of record fee and general engineering services provided to the district. The proposed budget for this line item is **\$15,000**.

Filter Ponds/Treatment Plant Repairs: It provides for the maintenance of the filter ponds and the treatment plant. Proposed budget is **\$15,000**

Fire Hydrant Repairs: Maintenance of our current fire hydrants installed within the system. Proposed budget for this line item is **\$2,000**.

Fuel: This line includes all fuels purchased, including unleaded diesel, furnace oil, gasoline, small tool gas and propane. Proposed budget for this line item is **\$12,000**.

Hydro Generator Repair & Maintenance: The Hydro Generator has been abandoned. Line item is to pay for annual fee of **\$50**

Insurance & Bonds: This includes property, auto and liability insurance as well as the highway encroachment bonds for state and county roads. This line item is **\$19,600**.

Lab Samples: This includes the cost of all lab samples. This is budgeted the same as last year for a total of **\$5,000**.

Lease Fee: This includes the lease fee for road access to the Treatment Plant, Northfork and Southfork. The lease fee has been recalculated by BLM and increased substantially. Budget for this line is **\$6,000**.

Legal: This provides for legal fees above those provided by Special Districts Association of Oregon such as contract reviews. Proposed Budget for this line item is **\$5,000**.

Mains Repair & Maintenance: This provides for repair and maintenance of the distribution system and controls. The District is in the process of moving away from hiring outside contractors to do main repairs and use CWD personnel and equipment. This is contingent upon having the necessary resources, manpower and equipment to do the work. There may be the need to continue to hire outside contractors to do some of the work. The proposed budget for this line item will be **\$67,000**

Membership fees: The District is a member of Special Districts Association of Oregon (SDAO), Oregon Association of Water Utilities (OAWU) and the American Water Works Association (AWWA). This line covers the cost of membership fees in these organizations as well as the Oregon Health Authority (OHA) Annual Water Service fee. Proposed budget is **\$5,000**.

Meter Repairs: This line is for repair of meters in the system. The budget for this line item is **\$500**.

Office Supplies, Equipment & Postage: Office Supplies, utility billing and accounting yearly software fees, postage, mailing of newsletters and bi-monthly bills are included in this line item. The proposed budget for this line is **\$17,500**.

MATERIALS AND SERVICES continued...

Pressure Reducing Valves (PRV's): The repairs and maintenance of the PRV stations is a specialized skill and currently requires hiring outside contractors to repair and replace the critical components of these stations. The line item was underbudgeted in the previous year. The proposed budget for this line item is **\$15,000.**

Reservoir Repairs: This provides funding for maintenance and repairs of our reservoirs. It includes inspections, cleaning and cathodic protection as needed but not less than every 2 years. The proposed budget for this line item is **\$10,000.**

Safety Equipment, Machinery & Gear: This line includes safety gear for the crew, including steel-toe work boots, reflective coats, rain gear, safety vests, gloves and other PPE such as eye protection and hearing protection. The proposed budget for this line item is **\$3,500.**

Security: Alarm fees and other security measures to ensure the safety of District property is included in this line. This line is budgeted at **\$1,000.**

Taxes & Interest: This is for the property tax at Reservoir 4. Proposed budget of **\$100.**

Telemetry System: The telemetry system allows us to monitor the reservoirs and receive notification if the water drops below designated levels. It includes our "mission control" computer system with radio compatibility. This is the yearly maintenance fee. This budget line item is **\$1,900.**

Tools & Shop Supplies: This covers a variety of hand tools, power tools and shop supplies. In order to insure the timely replacement of tools used daily and during emergency call outs. The proposed budget for this line is **\$4,500.**

Training & Education: This includes education for both staff and commissioners. With the addition of new personnel who will be required to get training and certification this line item will increase. The budget for this line item will be **\$3,000.**

Utilities: This line covers all utility bills for the District, including phone, electricity, garbage and chemical toilet service. Utility bills continue to increase. This budget line item is **\$15,500.**

Vehicle Repair & Maintenance: This is for the repair and regular maintenance of District vehicles. This line is proposed at a total of **\$6,000.**

TOTAL MATERIALS AND SERVICES EXPENDITURES: \$267,150

CAPITAL OUTLAY EXPENDITURES

Buildings: These funds will be used for capital improvements to the office building and maintenance shop. The emergency back-up power generator will be replaced with a new generator. This item was planned for FY2019-2020 as well as FY2020-2021 and has not been completed. Proposed budget for this line item is **\$25,000**.

Equipment & Vehicles: The District will purchase one new vehicle this year. A new standard cab snow plow truck with 2- yard dump body. Proposed purchase of a mini-excavator in order to complete emergency repairs to District water mains and avoid hiring contractors. A mini-excavator is small enough to transport with our current pick-up truck and trailer configuration. It has the mobility and range to work in the narrow corridors and road ways of the district. This is the industry standard piece of equipment for this type of work. The Chevy Silverado pick-up will be outfitted with side tool boxes for accessibility and LED flashing safety lights for better night-time visibility. The proposed budget for this line item is **\$130,000**.

Fire Hydrants: We do not plan on installing any new fire hydrants at this time. This line is **\$0**

Ground Water: The test well project should be completed by June of 2021. No further work on the well will be completed this year. We will need to budget for engineering services and costs related to the ASR/Production well grant application in April 2022. This budget line item is **\$30,000**.

Master Plan/Rate Study: We are updating the Corbett Water Master Plan and conducting a water rate study. This is a state requirement to update the Master Plan every 20 years. This plan will outline short- and long-term plans for projects, maintenance plans, and seismic issues. Project completion is expected by 2022. The rate increase study is critical to be able to fund future projects and continue to do maintenance on the Corbett drinking water system. Budget line item amount **\$170,000**.

Meters: Two additional meters will be required to complete all meter change overs to the radio-read meters. This budget line item is **\$5,000**.

North Fork: No work is planned for the North Fork intake at this time. Budget line item is **\$0**.

Pressure Reducing Stations (PRV's): We do not plan on installing any new stations at this time. Line item for this is **\$0**.

Reservoirs: No reservoir projects planned at this time. Budget line item is **\$0**

Sampling Stations: Proposed installation of water sampling stations in locations throughout the District. The District does not have any dedicated water sampling stations. These would provide locations to do regulatory as well as routine monitoring water samplings for a more accurate and unimpeded water testing throughout the district. Budget line item amount **\$15,000**.

South Fork (ODFW): Proposed project to rehabilitate the South Fork Intake. Proposed budget for this line item is **\$50,000**.

CAPITAL OUTLAY continued...

System Improvement: We do not plan on completing any water line replacements this year or doing any other major system improvements. Line item is **\$0**.

Toilet Rebates - U.P. Grant: This is an ongoing grant from a previous year for toilet replacement. Proposed budget is equal to the balance available for use at **\$8,300**.

Treatment Plant: Proposed project to replace clearwell butterfly valve with a flow control valve to eliminate waste of treated water and prevent discharge of chlorinated water into the environment. Budget line item is **\$30,000**.

Treatment Plant Computer System: Purchase and programming of a back-up computer for the treatment plant. **\$5,000**.

TOTAL CAPITAL OUTLAY EXPENDITURES: \$468,300

OTHER EXPENDITURES:

Operating Contingency: This line item can be spent in the case of unforeseen circumstances or emergencies. Proposed line item budgeted at **\$100,000**.

Unappropriated Ending Fund Balance: This line guarantees funds are carried over for the District to operate during the first part of the 2022-2023 fiscal year. These funds are not appropriated and will not be available in the 2021-2022 fiscal year. Proposed budget of **\$16,991**

DEBT SERVICES

Annual loan payments are made from these lines of the Budget. The District received a \$1.5 million loan from the Oregon Economic and Community Development Department (OECDD) on November 12, 2002 with an annual percentage rate of 4.1%. In 2004 the Board of Commissioner authorized an additional \$600,000 of loan proceeds with a new interest rate of 3.5%. The OECDD loan is scheduled to be paid off in December 2025. This is budgeted to cover the annual payment of **\$138,458**.

TOTAL EXPENDITURES: \$1,530,099