

**Proposed Budget
FISCAL YEAR 2022-2023**



RESOURCES

Net Working Capital/ Cash Carryover: This is an estimate of the cash the District will have on hand as of June 30, 2022. This line item is projected at: **\$336,489**

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

Fire Hydrant Reimbursement: We do not plan on installing any new fire hydrants this year. This line item is projected at **\$0.**

Interest: This is the interest earned on the money in our savings account LGIP (Local Government Investment Pool). This line item is projected at **\$1200.**

Miscellaneous: This line item is used when the District receives revenue from backflow testing, sale of surplus items, dividends, gets a refund on insurance. This line item is **\$4000.**

Service Connections: This line item remains the same as last year with an estimate installation of one new service connection. This line item projected at **\$5,000.**

Water Sales: This line item includes the rate increase (as of July 1st, 2021) and is projected at **\$525,000.**

Base Rate: The Base Rate is charged on all active accounts each billing cycle based on the size of the meter at the property. The base rate increase (as of July 1st, 2021) is included in this amount. This line item is projected at **\$200,000.**

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 line item is **\$0.**

Grant-Intern: This line item is the reimbursable amount anticipated from the SDAO (Special Districts of Oregon Alliance) Internship Program grant: This line item is projected at **\$3,000**

Taxes necessary to balance budget: (Also known as Taxes collected in Year levied) 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 2021. This line item is projected at **\$190,000.**

TOTAL RESOURCES: \$1,268,989

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EXPENDITURES

PERSONNEL SERVICES

The Personnel Services category provides funding for District Employees' wages and benefits. Expenditures comply with District policies, as well as federal, state and local laws.

Wages: (Lines 1-8) These lines make up the employee positions in the Water District. These wages include the Cost of Living increase that our district typically awards employees annually. The cost of living rate is based on our area CPI-W West Size A Index which was 7.7% as of February 2022. Total wages proposed for all positions is **\$357,326**.

Utility Worker AP: This position will not be filled. Budget for this line item is **\$0**.

Temporary Help: This person will be hired as a summer intern. This is based on a matching grant and listed as the most we would spend on this position. Budget for this line item is **\$6,000**.

Health Insurance: The health insurance at the District was increased last year to include 100% coverage for employees and 50% coverage for their families. The amount is based on 2 employees being added to the plan. The budget for this line item is **\$80,000**.

Life/Disability Insurance: Each employee is given life and long term disability insurance. The proposed cost estimate for this line item is **\$2000**.

On-Call Pay: This line compensates employees who remain on call after hours. It is budgeted at \$215 per week which includes cost of living increases. Budget for this line item is **\$11,395**.

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. Amount is based on last year's budget plus Cost of Living Increase. Budget for this line item is **\$12,924**.

Pension: This is the Employer contribution for employees on the Public Employees Retirement System (PERS). The rate for Tier 1 or 2 employees is 22.83%.and for other regular OPSRP employees it is 18.53%. We currently have only regular OPSRP employees. These rates will be recalculated by PERS for the 2023-2024 fiscal year. Budget for this line is **\$60,000**.

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**.

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PERSONNEL SERVICES continued...

Social Security & Medicare: This covers the employer cost of Medicare and Social Security. It is based on employee wages, overtime and on-call pay. Proposed budget for this line item is **\$27,000**.

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 \$648. The budget for this line item is **\$16,500**.

VEBA: 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 **\$6000**.

Worker's Comp: This covers Workers Compensation insurance for employees. Insurance policy period runs from July 1 through June 30 of each year. Budget for this line item is **\$6,200**.

TOTAL PERSONNEL SERVICES: \$587,845

MATERIALS AND SERVICES

Auditor: Funding of the audit for the Fiscal year 2021-2022 records and the Secretary of State filing fee. Proposed budget for this line item is **\$6000**.

Building and Grounds Maintenance: This line provides funding for maintenance and repairs on and around the office building, shop, yard and parking lot. The inside of the building needs to be painted. Proposed budget for this line item is **\$2000**.

Chemicals: This is for the purchase of sodium hypochlorite (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 **\$18,000**.

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

Cross Connection: This fund is for the annual Oregon Health Authority cross connection fee and backflow tests and certification. Budget for this line item is **\$1,200**.

Elections: There will be a special election in May of 2023. This line covers the cost of the election. Proposed for this budget line item is **\$1,200**.

Engineering: This line provides for the annual engineer of record fee, the DRC, and general engineering services provided to the district. The proposed budget for this line item is **\$35,000**.

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Filter Ponds/Treatment Plant Repairs: This line provides for the maintenance of the filter ponds and the treatment plant. This amount covers the sand replacement for one pond. The proposed budget for this line item is **\$120,000**.

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. The proposed budget for this line item is **\$15,000**.

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 **\$23,100**.

Lab Samples: This includes the cost of all lab samples. Testing fees are increasing. This line item is budgeted at **5,000**.

Lease Fee: This includes the lease fee for road access to the Treatment Plant, North fork and South fork. This lease has increased from last year. The budget line item for this is **\$6000**.

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 **\$5000**.

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 **\$15,000**.

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 new Oregon Health Authority (OHA) Annual Water Service fee. Budget for this line item is **\$4,500**.

Meter Repairs: This line is for repair of meters in the system. Replacement meters and parts are currently covered under warranty, however when the District is refunded the refunds go to Miscellaneous Income. The budget for this line item is **\$2500**.

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 item is **\$17,500**.

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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 proposed budget for this line item is **\$6,000**.

Reservoir Repairs: This provides funding for maintenance and repairs of our reservoirs. It includes inspections, cleaning and cathodic protection. 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 item is budgeted at **\$1,000**.

Taxes & Interest: This is for the property tax at Reservoir 4 and annual well fee. Proposed budget of **\$500**.

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. We pay a yearly maintenance fee. The yearly fee has been no more than \$1,821 for the past three years. 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 ensure the timely replacement of tools used daily and during emergency call outs. The proposed budget for this line item 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 **\$6000**.

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

Vehicle Repair & Maintenance: This is for the repair and regular maintenance of District vehicles. **\$4,000**.

TOTAL MATERIALS AND SERVICES EXPENDITURES: \$333,450

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CAPITAL OUTLAY

Buildings: These funds will be used for capital improvements to the office building and maintenance shop. The roof is 50 years old and needs to be replaced. The cost of this is still unknown. The furnace will be replaced by mini-splits in each room of the building. 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 **\$100,000**.

Equipment & Vehicles: The District purchased two new vehicles this year: a new standard cab snow plow truck with 2- yard dump body and 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. Although we still need the Chevy Silverado pick-up to be outfitted with side tool boxes for accessibility and LED flashing safety lights for better night-time visibility, we will have to wait till next budget cycle. The proposed budget for this line item is **\$0**.

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

Ground Water: The test well project should be completed by June of 2021. The district would like to reassess the data collected to see if digging deeper would make a difference. This budget line item is **\$10,000**

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 end of 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 **\$35,000**.

Meters: Occasionally we need to add a meter to our system. This budget line item is **\$5000**.

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 capital improvements for the reservoir planned at this time. Budget line item is **\$0**

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 **\$7,800**.

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Treatment Plant: This is for upgrading instruments in the treatment plant. Rather than repair we would like to upgrade our instrumentation. Budget line item is **\$10,000**.

Treatment Plant Computer System: Purchase and programming of a back-up computer for the treatment plant. **\$5000**.

TOTAL CAPITAL OUTLAY EXPENDITURES: \$164,300

OTHER EXPENDITURES:

Operating Contingency: This line item can be spent in the case of unforeseen circumstances or emergencies. Proposed line item budgeted at **\$35,000**.

Unappropriated Ending Fund Balance: This line guarantees funds are carried over for the District to operate during the first part of the 2023-2024 fiscal year. These funds are not appropriated and will not be available in the 2022-2023 fiscal year. Line item budgeted at **\$9937**.

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 **\$138,457**.

TOTAL EXPENDITURES: \$1,268,989