



Clackamas River Water

Adopted Biennial Budget

Biennium 2023 - 2025

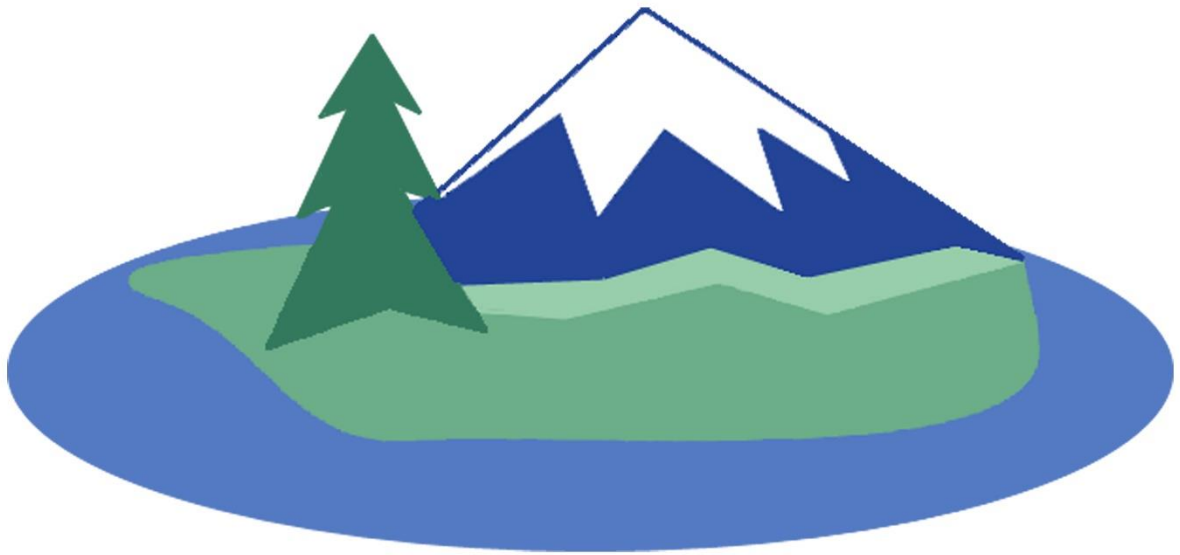
Clackamas River Water

16770 SE 82nd Drive

Clackamas, Oregon 97015

Phone 503 722-9220

**PROPOSED
BUDGET DOCUMENT
BN 2023-2025**



Clackamas River Water

Prepared by:

**Clackamas River Water Staff
Todd Heidgerken, General Manager
and Budget Officer**

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AT A GLANCE



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Clackamas, Oregon 97015
503-722-9220, www.cwater.com



BUDGET COMMITTEE MEMBERS

District Representatives

Erin Blue
Tim Fisher
Paul Leipzig
Vasiliy Safin
David Shireman

Board of Commissioners

President, Sherry French
Secretary, Naomi Angier
Treasurer, Tessah Danel
Rusty Garrison
Robert Rubitschun

MANAGEMENT TEAM

General Manager and Budget Officer, Todd Heidgerken,
Chief Finance Officer, Vacant
Chief Engineer, Adam Bjornstedt
Water Resources Manager, Vacant
Emergency Manager, Beth McGinnis
Information Technology Manager, Kham Keobounnam
Engineer Manager, Joe Eskew
Water Distribution Supervisor, Jon Sleight
HR Generalist, Adora Campbell

CLACKAMAS RIVER WATER AT A GLANCE...

Clackamas River Water (CRW or District) is organized as a domestic water supply district under the provisions of Oregon Revised Statutes Chapter 264. CRW was created in July 1995 by the consolidation of the Clackamas Water District and Clairmont Water District.



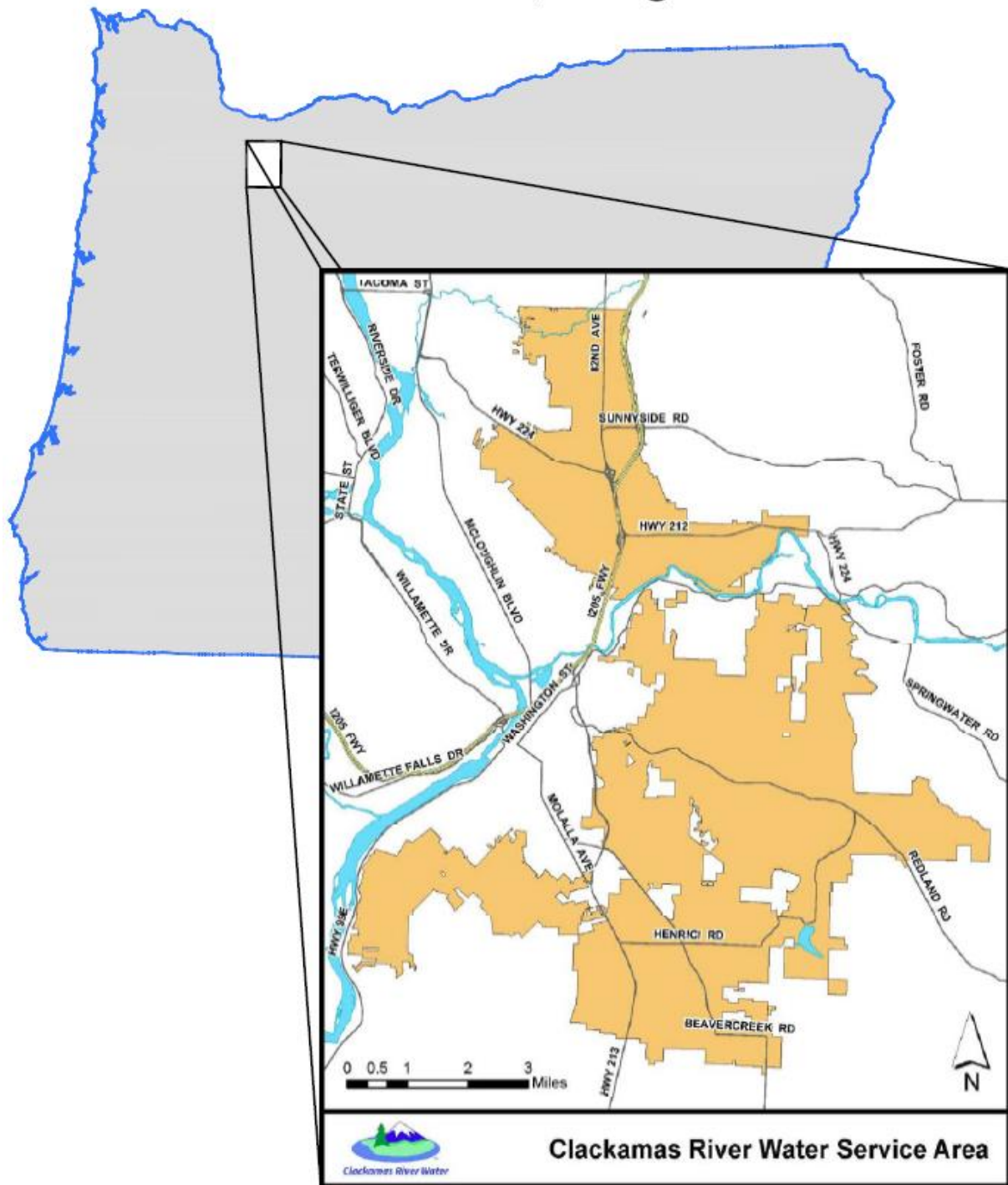
Clackamas Water District was originally formed in 1926. It took in the former Stanley Water District in 1979 and merged with Barwell Park Water District in 1991. Clairmont Water District was originally formed in 1959 and merged with the Redland and Holcomb-Outlook Water Districts in 1983.

On June 30, 2022, CRW and Sunrise Water Authority (SWA) agreed to dissolve the ORS 190 known as Clackamas Regional Water Supply Commission (CRWSC, the Commission). CRWSC was formed in November 2013 when CRW entered into an ORS 190 agreement with SWA in an effort to jointly use assets and resources to the mutual benefit of both parties and their customers. The District accounted for its CRWSC activities in the CRWSC Activity Fund. As CRWSC has been dissolved, it will not be presented in the 2023-25 biennial budget.

District Profile

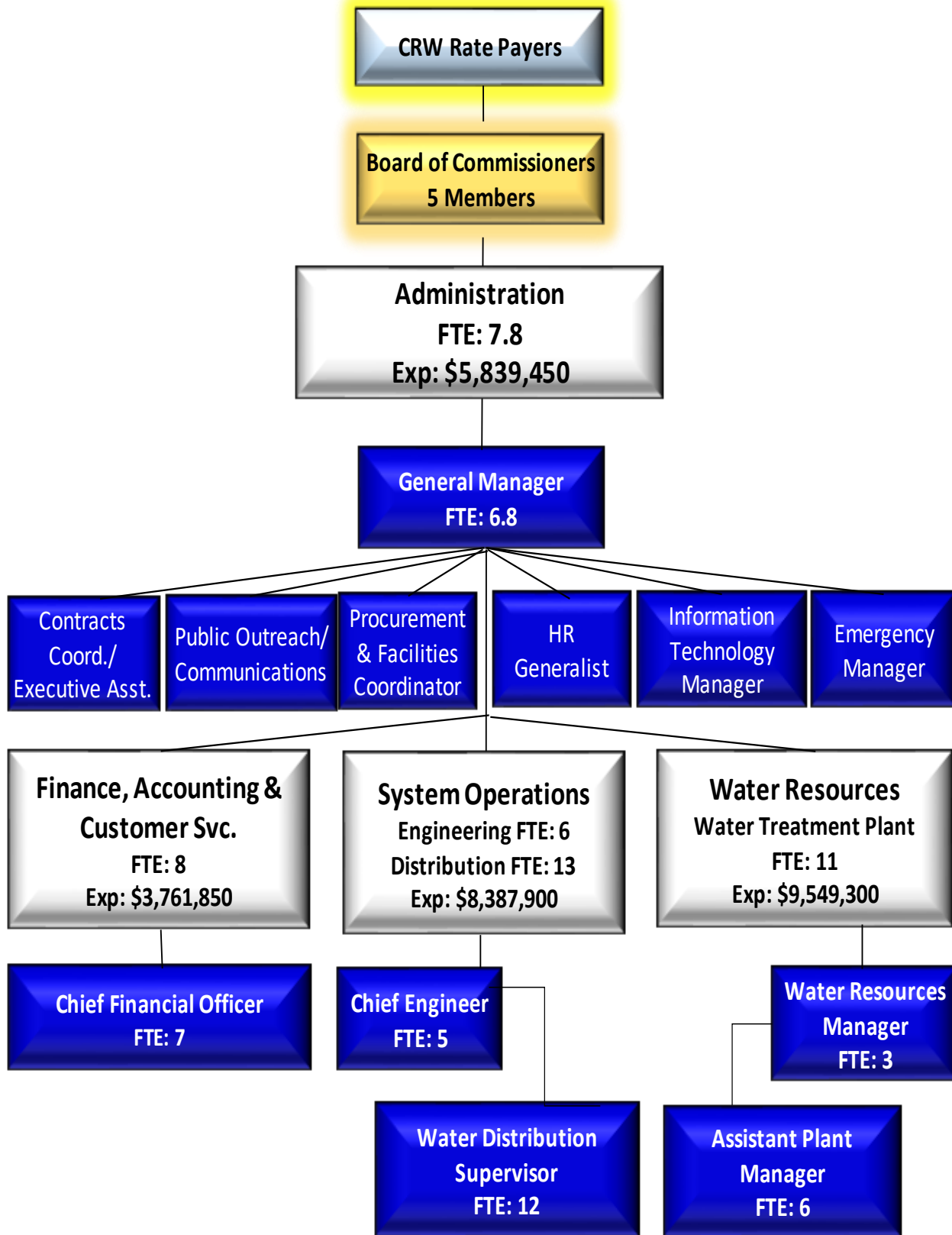
CRW serves customers primarily in unincorporated Clackamas County, although some of our customers live within the city limits of Oregon City, Milwaukie, and Happy Valley. In addition to providing retail service within its jurisdictional boundaries, CRW also provides 2.5 million gallons per day (MGD) of water to North Clackamas County Water Commission (NCCWC) on a wholesale basis with an agreement to provide up to 10 MGD in the future. The District's service area is largely single-family residential and multi-family and is home to Precision Castparts and Clackamas Town Center, along with several large grocery chains and food processing businesses. Future growth potential for CRW's service area is expected to be minimal.

Clackamas River Water Service Area Map Clackamas, Oregon



The District's service area is in the southeastern section of the Portland metropolitan area, approximately 14 miles from downtown Portland. Access to the district is provided by four major highway systems: Interstate 205 and State Highways 212, 213 and 224.

Organizational Chart



AWARDS

- **Awarded Certificate of Achievement for Excellence in Financial Reporting** from GFOA for Annual Comprehensive Financial Report for fiscal year ended June 30, 2021
- Prepared financial reports that evidence a spirit of transparency and full disclosure, enabling readers to easily assess the financial health of the organization
- Received this award a total of 23 years



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

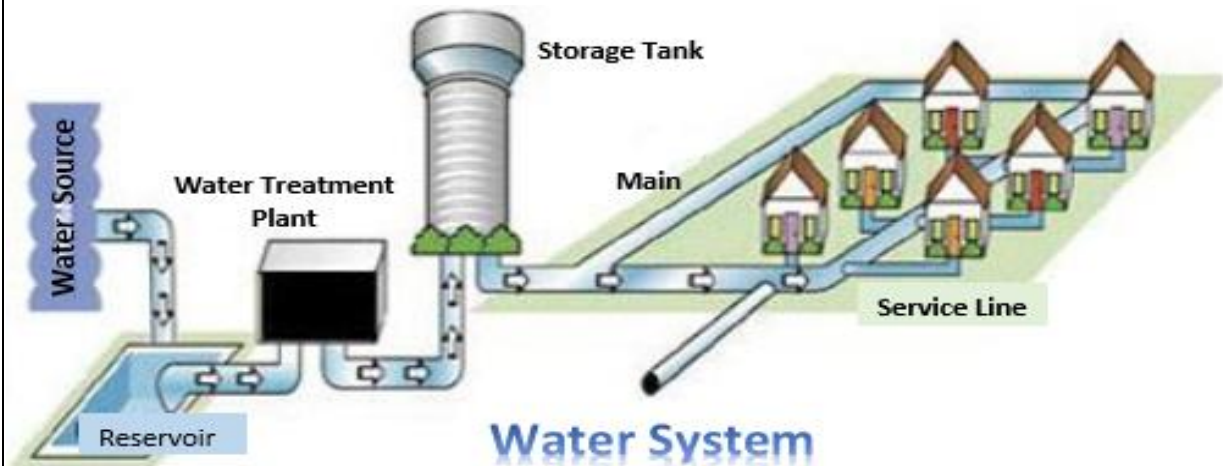
**Clackamas River Water
Oregon**

*For the Biennium Beginning
July 01, 2021*

Christopher P. Morill
Executive Director

- **Awarded Distinguished Budget Presentation Award** by the Government Finance Officers Association (GFOA) for District's 2021-2023 biennial budget
- Met highest principles of governmental budgeting
- Received this award each budget cycle since 2013

From the Water Source to Customers - Statistical Summary



Watershed	942 square miles
Water Treatment Plant	
Certificated water rights	30 million gallons/day
Production:	
Annual Water Supplied	4,302,178 gallons
Daily average	9.25 million gallons
Peak Day	14.61 million gallons
Distribution System	
Miles of pipeline	266
Reservoirs	14
Reservoir Storage	24 million gallons
Number of Pump Stations	13
Service to Customers	
Service Area	42.6 square miles
Total Service Connections:	12,917
Residential	11,204 (87%)
Commercial, Industrial, Multi-Family, Other	1,713 (13%)
People Served - Directly	47,000
People Served - Including Wholesale	80,000
Population of Clackamas County	430,483
Annual Water Sold:	3,890,052 CCF
Wholesale	1,218,831 (31%)
Commercial & Industrial	1,489,093 (38%)
Residential	1,182,128 (31%)
Full Time Equivalent Employees	45

Data Source: FY22 Annual Comprehensive Financial Report (most figures).

BUDGET MESSAGE



BUDGET MESSAGE

April 27, 2023

To: The Clackamas River Water Budget Committee

We are pleased to present the Clackamas River Water (CRW or District) budget for the biennium 2023-2025. This is the fifth biennial budget prepared by the District. CRW's budget is focused on the fiscal requirements to meet our vision, mission, values, strategic planning goals, Board priorities, and operational requirements. This message and budget are submitted for consideration under the Oregon Revised Statutes Chapter 294. The budget has been prepared on the modified accrual basis of accounting by staff and management, with emphasis on long-term planning, employee development and retention, communicating with all our stakeholders, and the necessary costs to deliver water, bill customers, collect receivables, and coordinate all operational and administrative aspects of the District. This budget includes capital projects in the Capital Improvement Projects (CIP) Fund based on implementation of our Water System Master Plan, Water Treatment Plant Facilities Plan and our Strategic Plan. The goal of this document is to provide information about the District that will assist in understanding how we fulfill our vision and mission of providing quality water.

STRATEGIC PLANNING GOALS

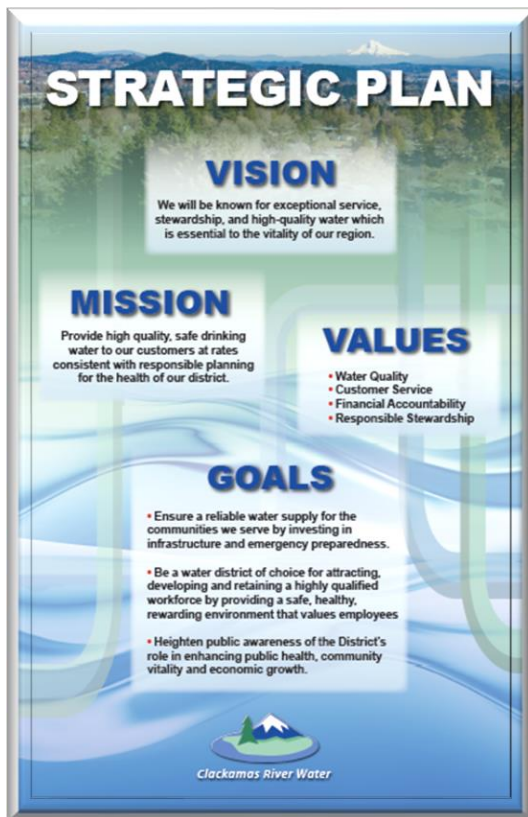
District staff, management and the Board of Commissioners worked with many stakeholders, including customers, employees, other agencies in our region, and regional elected officials to develop strategic planning goals to guide us through the next five years. These goals are reflected in the financial and operational policies and priorities that guided development of this biennial budget.

VISION, MISSION, VALUES AND STRATEGIC GOALS

Vision: We will be known for exceptional service, stewardship, and high-quality water which is essential to the vitality of our region.

Mission: Provide high-quality, safe drinking water to our customers at rates consistent with responsible planning for the health of our district.

Values: Water Quality, Customer Service, Financial Accountability, Responsible Stewardship



Strategic Goals:

- Ensure a reliable water supply for the communities we serve by investing in infrastructure and emergency preparedness.
- Be a water district of choice for attracting, developing, and retaining a highly qualified workforce by providing a safe, healthy, rewarding environment that values employees.
- Heighten public awareness of the District's role in enhancing public health, community vitality, and economic growth.

Infrastructure: The District submitted our Water System Master Plan to the State of Oregon, and it was approved in April 2019. This plan outlines significant improvements and replacement projects throughout the distribution system. Additional planning efforts through fiscal years 2020 and 2021 have identified improvement projects to our water treatment plant. Additionally, the District completed the America's Water Infrastructure Act (AWIA) Risk

Assessment in December 2020 and we are including resilience in our capital projects and our planning. Capital improvements have been prioritized based on the following evaluation criteria:

- **Age:** How does the age of our water system components affect their ability to contribute to long-term system health and function?
- **Capacity:** How will the system be able to meet current and future demands?
- **Water Quality:** How will the system be able to meet current and future water quality goals and requirements?
- **Resilience:** How will the system be able to meet hazard resilience goals and requirements?

This biennium includes an increase in capital projects funded by contributions to the Capital Reserve Fund and use of a portion of the reserve balance in the Capital Reserve Fund. A list of all capital projects can be found in the CIP Fund tab in this document.

Employees: CRW’s qualified workforce allows us to provide valuable customer service, manage all District assets, and comply with government laws, rules, and regulation. Employees maintain certifications in their specialties and the District’s budget provides funding for training and certification renewal. This provides assurance that our employees have current knowledge in their fields of expertise. Additionally, two out of 44 employees at CRW have over 25 years of service with the District and seven have over 15 years of service. The longevity of CRW staff provides a great deal of institutional knowledge. Newer employees with expertise in different areas also provide value to the District. This budget includes estimated costs pertaining to potential retirements, including leave pay-outs per District policy and the labor contract.

Communication and Outreach: The District completed a customer satisfaction survey in January 2020, during the investigation portion of our Strategic Planning. While there was overall support of CRW, we learned that there are many things our customers were not aware we did or would like to know but may not know how to find the information. The outcome was that enhancements to both our external and internal communications was encouraged.

The budget includes funding for a full-time Public Outreach/Communication employee to enhance our ability to meet the information needs of all our stakeholders.

District Goals for the Biennium 2023 – 2025 are aligned with our strategic planning goals in three broad categories with significant overlap.

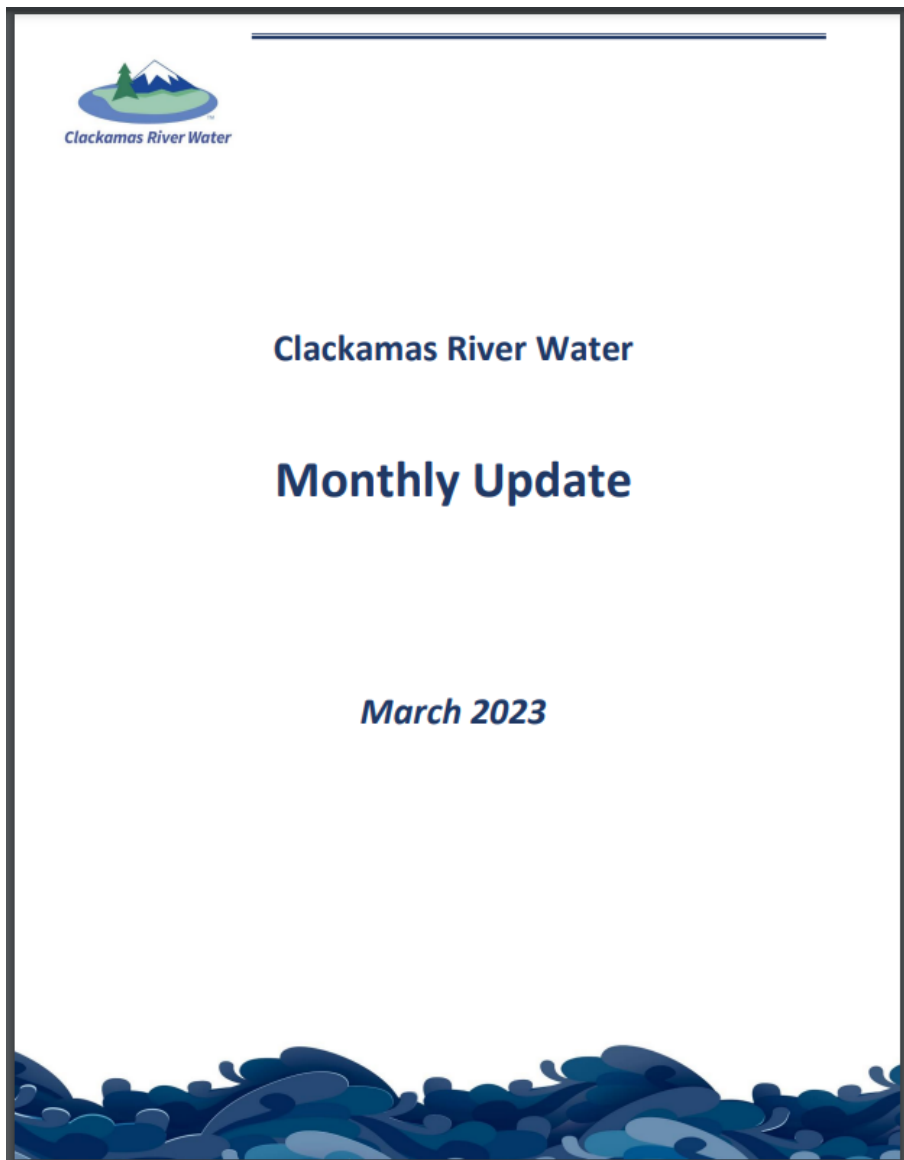
The following table lists the District’s strategic goals and illustrates the role the District’s Board of Commissioners and department’s play in implementing goals and initiatives.

DEPARTMENT INVOLVEMENT IN ATTAINING GOALS & INITIATIVES¹

Strategic Goals		BoardGoal	ADM	WR	SYSOPS	FACS
Infrastructure						
1	Develop common methodologies to prioritize, communicate, and execute CRW infrastructure improvements.	*	Support	Lead	Lead	Support
2	Develop targeted, consistent, and comprehensive maintenance programs that achieve stewardship goals for built infrastructure.	*		Lead	Lead	
3	Manage, maintain, and improve District's Emergency Preparedness (EP) programs and initiatives.	*	Lead	Support	Support	
Employees						
1	Identify and implement targeted initiatives to increase training and development opportunities for management and staff.	*	Lead	Support	Support	Support
2	Improve workplace communication and collaboration.	*	Lead	Support	Support	Support
3	Optimize recruitment practice to best retain and attract employees.	*	Lead	Support	Support	Support
Public Outreach						
1	Ensure staff has information required to perform their jobs and for accurate external communication.	*	Lead	Support	Support	Support
2	Develop robust messaging and multiple channels for CRW to share information, reach customers, and accept feedback.	*	Lead	Support	Support	Support
3	Identify broader constituents, including other stakeholders and indirect customers, and develop communication avenues to reach them.	*	Lead	Support	Support	Support
LEGEND						
ADM	Administration	*	BRD: Board goals & policies			
FACS	Finance, Accounting & Customer Svc.	Lead	Lead department			
SYSOPS	System Operations	Support	Provide significant support			
WR	Water Resources					
Footnote 1: Dept involvement in attaining goals remains consistent from year to year.						
Footnote 2: Organizational chart located in "At A Glance".						

PERFORMANCE MEASURES

The District’s performance measures track and communicate results regarding our financial and budgetary status, operational activities, service delivery, program outcomes and community outreach to achieve the organizations vision, mission, and strategic goals. Performance data is collected for each department and presented to the Board of Commissioners in the form of a “Monthly Update”, which is used to facilitate discussion, assess current outcomes, and share ideas that lead to improved efforts. Measures included in the report focus on organizational and departmental accomplishments, while providing a meaningful way to assess efficiency and effectiveness. To access monthly reports: <http://crwater.com/monthly-reports/>

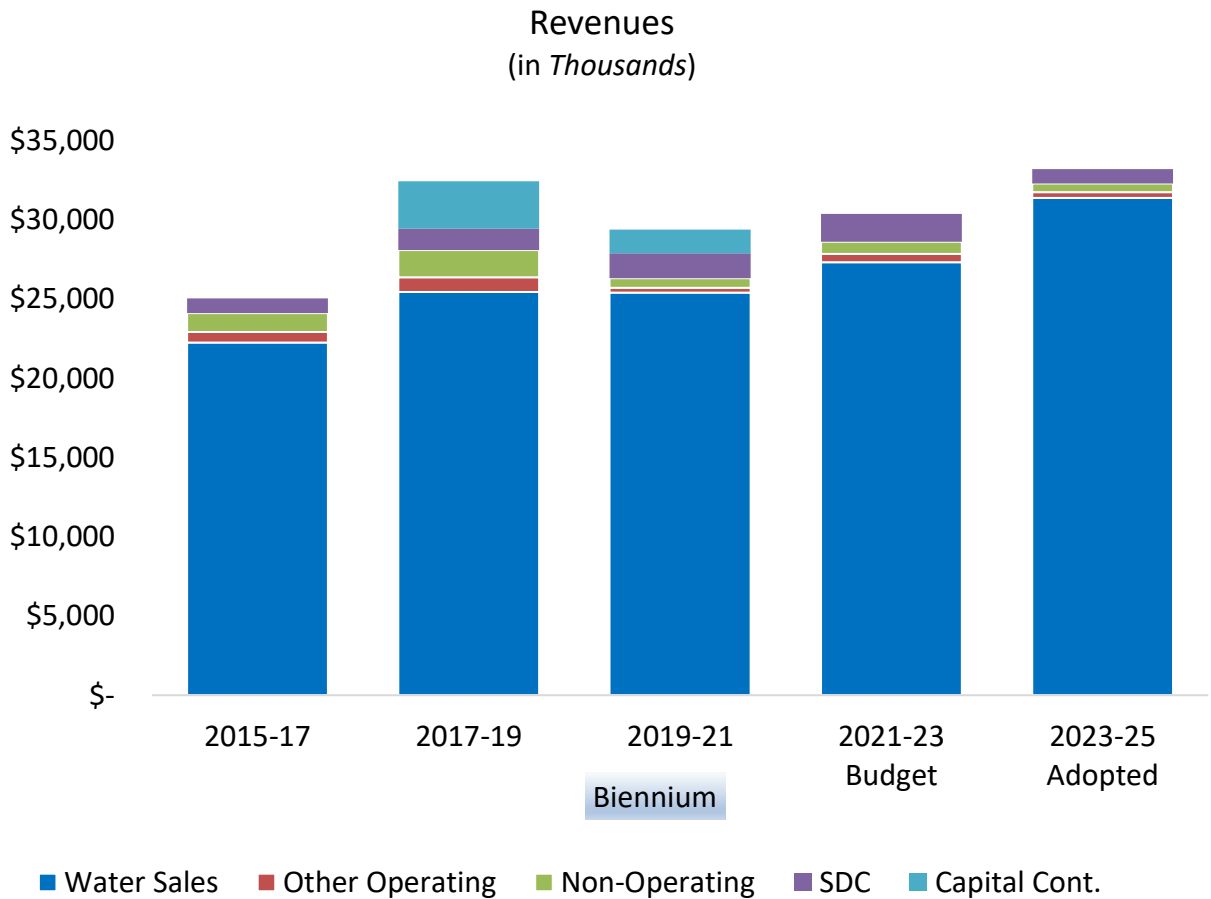


FINANCIAL SUMMARIES

REVENUES

The District’s operating revenue is comprised primarily of water rate revenue from our wholesale and retail customers. Water sales provide over 96.1% of the District’s total revenue. Other operating revenues are charges that support the production and distribution of water including system development charges, hydrant permit and connection fees, water sample testing for other agencies, late fees, and penalties. Non-operating revenues are from sources not related to water production or distribution. They include insurance claims, earnings on investments, grant funding, other reimbursements, and rental income from leasing office space in the administration building to VCA Northwest Veterinary Specialists.

The table below depicts revenues for all funds: actual figures for fiscal years (combined for this presentation) 2015-2017, 2017-2019, 2019-2021 biennium’s, budget figures for the current 2021-2023 biennium, and a adopted budget for the 2023-2025 biennium.



Revenues - All Funds					
<i>In Thousands</i>	BN2015-17	BN2017-19	BN2019-21	BN2021-23	BN2023-25
	Actual	Actual	Actual	Budget	Adopted
Revenues:					
Water Sales	\$ 22,257	\$ 25,447	\$ 25,397	\$ 27,319	\$ 31,371
Other Operating	650	927	311	516	360
Non-Operating	1,201	1,711	597	453	562
Subtotal	\$ 24,108	\$ 28,085	\$ 26,305	\$ 28,288	\$ 32,293
SDC Revenue	924	1,349	1,573	1,764	330
Capital Contributions	-	3,000	149	-	-
Total Revenue All Funds	\$ 25,032	\$ 32,434	\$ 28,027	\$ 30,052	\$ 32,623

Revenue is recorded in the General Fund and the SDC Reserve Fund. Other funds generate interest income earned on the reserve balances. The following are estimated revenues (excluding transfers) in this adopted budget:

- Water Sales – retail \$28,849,000
- Water Sales – Wholesale 2,522,000
- Service fees 320,000
- Miscellaneous – Operating 40,000
- Rental Income 261,350
- Interest Income \$150,000
- Miscellaneous – Non-operating 130,400
- Surplus Property Sales 20,000
- System Development Charges 330,000

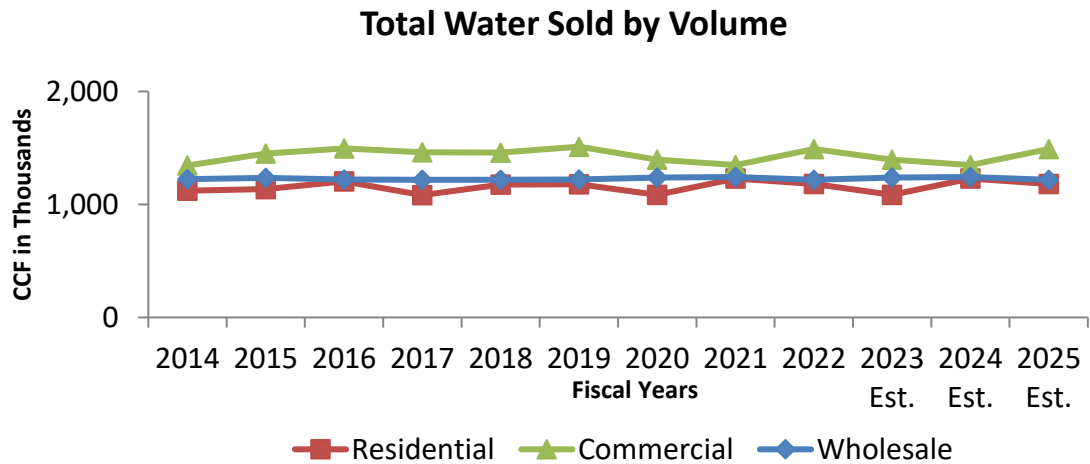
This budget includes the implementation of the second year of the District’s two-year rate plan that will take effect in September of 2023. The forecast anticipates a six percent increase for fiscal year 2025, however, that would need to be approved by the Board at a rate hearing.

SHORT-TERM ORGANIZATION-WIDE FACTORS INFLUENCING DECISIONS

Water revenue forecasts are based on trends in consumption, weather patterns such as rainfall, snow melt and temperature, billing rates, and other factors. Historically, water consumption has remained relatively stable over time. Revenues have increased due to adjustments in our billing rates to cover costs, including debt service and to provide for future capital reserves.

Consumption and Customer Base

The following chart depicts total water sold in hundred cubic feet for FY2014 - FY2022, with estimates for FY2023 to FY2025.



Water is sold to various types of customers, both retail and wholesale. The retail customer base for FY 2022 was 86.7% single-family residential, 8.7% commercial, industrial, and multi-family, while fire and other service make up the remaining 4.6%. Commercial and industrial accounts include business parks, office buildings, manufacturing and retail outlets, medical facilities, multi-family complexes, and mobile home parks. Fire service accounts are specific meters installed for fire protection of a commercial or industrial space. ‘Other’ accounts include schools, churches, and governmental facilities.



The following table shows the number and percentage of retail accounts by customer type over the past 10 fiscal years.

Retail Accounts by Customer Type									
June 30	Single Family Residential		Commercial, Industrial, Multi-Family		Fire Service		Other		Total #
	#	%	#	%	#	%	#	%	
2022	11,204	86.7%	1,113	8.7%	379	2.9%	221	1.7%	12,917
2021	11,190	86.9%	1,089	8.5%	374	2.9%	219	1.7%	12,872
2020	11,131	87.0%	1,078	8.5%	361	2.8%	220	1.7%	12,790
2019	11,049	87.0%	1,074	8.5%	355	2.8%	218	1.7%	12,696
2018	10,964	87.0%	1,072	8.5%	352	2.8%	221	1.8%	12,609
2017	10,919	87.0%	1,078	8.6%	345	2.7%	210	1.7%	12,552
2016	10,877	87.0%	1,109	8.9%	340	2.7%	181	1.4%	12,507
2015	10,668	87.4%	1,066	8.7%	334	2.7%	138	1.1%	12,206
2014	10,623	87.2%	1,076	8.8%	330	2.7%	148	1.2%	12,177
2013	10,739	87.3%	1,076	8.8%	328	2.7%	153	1.2%	12,296

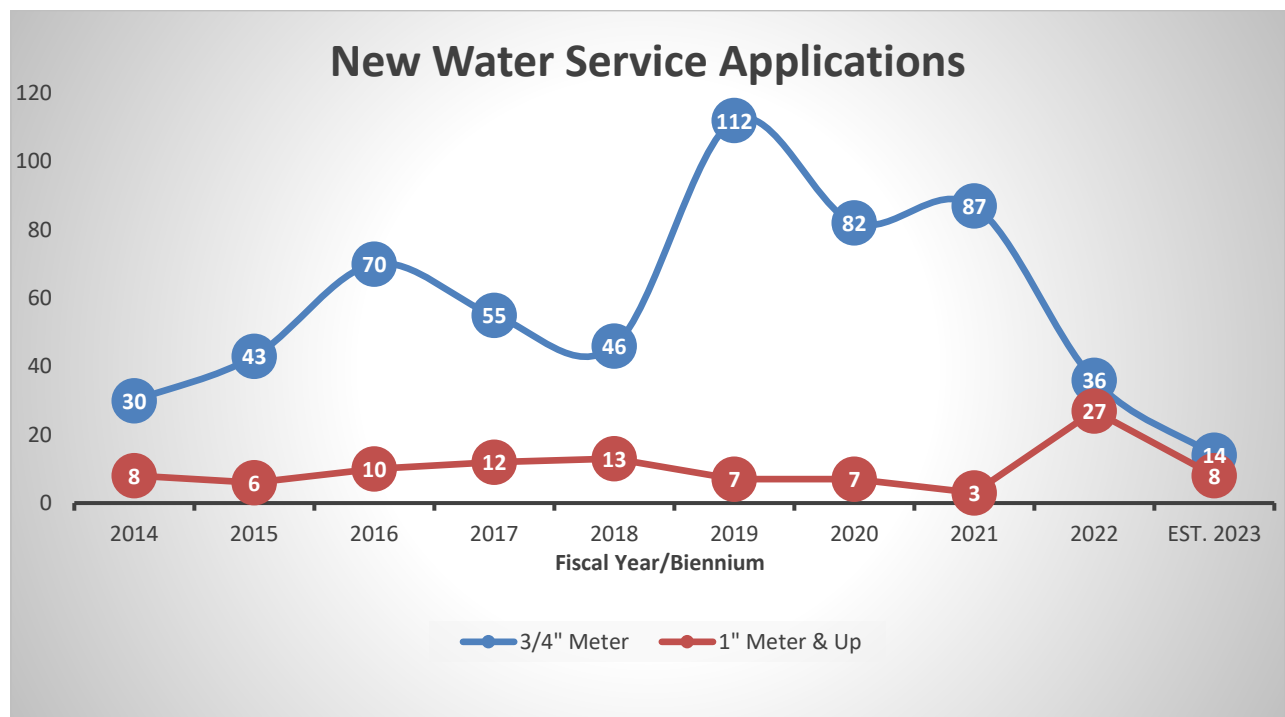


This table provides consumption figures for the District's largest water consumers.

CLACKAMAS RIVER WATER LARGEST WATER CONSUMERS For The Years Ended JUNE 30, 2022 and 2012					
Consumer	2022		2012		
	Consumption (Hundred Cubic Ft.)	%	Consumption (Hundred Cubic Ft.)	%	
Wholesale:					
Sunrise Water Authority - NCCWC IGA	1,218,831	34.2%	1,239,597	34.5%	
Commercial:					
Precision Castparts Corporation	159,456	4.5	129,692	3.6	
Forum Clackamas Campus	71,156	2.0	-	0.0	
Safeway	51,730	1.5	67,102	1.9	
Fred Meyer, Inc.	41,590	1.2	24,999	0.7	
Interstate Meats	28,587	0.8	15,898	0.4	
Pacific Seafood	14,715	0.4	-	0.0	
Clackamas Town Center	21,860	0.6	30,584	0.9	
Larsen Creamery Inc	14,867	0.4	12,236	0.3	
Oregon Military Dept	7,159	0.2	-	0.0	
N Clackamas Parks & Rec	20,981	0.6	-	0.0	
Unified Western Grocers-closed	-	0.0	14,744	0.4	
Multi-family:					
Sun Country Village	37,904	1.1	42,813	1.2	
Clackamas Trails(Court 270 LLC)	26,756	0.8	23,128	0.6	
Overlook at Causey	24,569	0.7	23,803	0.7	
Johnson City	19,406	0.5	23,368	0.7	
KW Happy Valley LLC	17,518	0.5	-	0.0	
Reflections at Happy Valley	-	0.0	18,205	0.5	
Easton Ridge Appartments	23,159	0.7	21,062	0.6	
Giadan K Estates	13,144	0.4	14,773	0.4	
Oak Acres Mobile Home Park	15,317	0.4	12,643	0.4	
Brown	12,124	0.3	-	0.0	
Pardes, LLC	11,760	0.3	12,842	0.3	
Village Place Apartments	11,701	0.3	-	0.0	
Pointe West Apartments	13,350	0.4	-	0.0	
Ed Lucas Investment Property	8,402	0.2	-	0.0	
Clackamas Heights Apartments	7,970	0.2	-	0.0	
CR Lake Crest Communities LLC	-	0.0	25,161	0.7	
All Other Consumers:	1,667,183	46.8	1,852,745	51.6	
Total	3,561,195	100.0%	3,592,553	100.0%	

Wholesale water is sold to Sunrise Water Authority (SWA) under an agreement with the North Clackamas County Water Commission (NCCWC). SWA currently purchases an average of 2.5 million gallons a day (MGD) of water from CRW and we have reserved up to 10 MGD for purchase by SWA. The 152nd Ave. Reservoir allows SWA the ability to purchase larger volumes of water from CRW in the future. We do not anticipate additional wholesale customers beyond our agreement with the NCCWC in the 2023-25 biennium.

New development is very limited within District boundaries due to land use restrictions south of the Clackamas River and lack of developable space north of the river. CRW has an agreement with the City of Milwaukie for Milwaukie to bill customers who are within Milwaukie City limits yet are served by CRW. The City of Happy Valley does not supply water to its citizens; it contracts with water providers for this service. An agreement with the City of Happy Valley has eliminated withdrawal of our customers after annexation into their city.



Demographics

Clackamas River Water is in Clackamas County in the northwestern region of Oregon, near the Oregon/Washington border. Clackamas County is one of three counties that make up the Portland metropolitan area. It lies within the Willamette Valley and is Oregon’s third most-populous county with a population of 430,483 (2022). Approximately one-eighth of Clackamas County’s land area is urban, and the remainder is rural, with about half the population living in each area. The District’s primary facilities are located adjacent to or

near the Clackamas River. Other major river systems in the area include the Columbia and Willamette.

Since Clackamas County’s creation in 1843, its principal activities have been agriculture, timber, manufacturing, and commerce. The county’s business districts, and communities have grown at a strong rate in recent years. The many flourishing businesses include industry leaders in metals, machinery, healthcare, high tech, logistics, forestry, food and beverage processing, renewable energy, nursery/agriculture, and software development.

Since the onset of the Coronavirus pandemic (COVID-19) in 2020, when unemployment climbed to a high of 13.5 percent for Clackamas County and 14.3 percent for Oregon. Unemployment rates have improved to around 3.2% for Clackamas County. Population, income and unemployment trends for the past 10 years are displayed below.

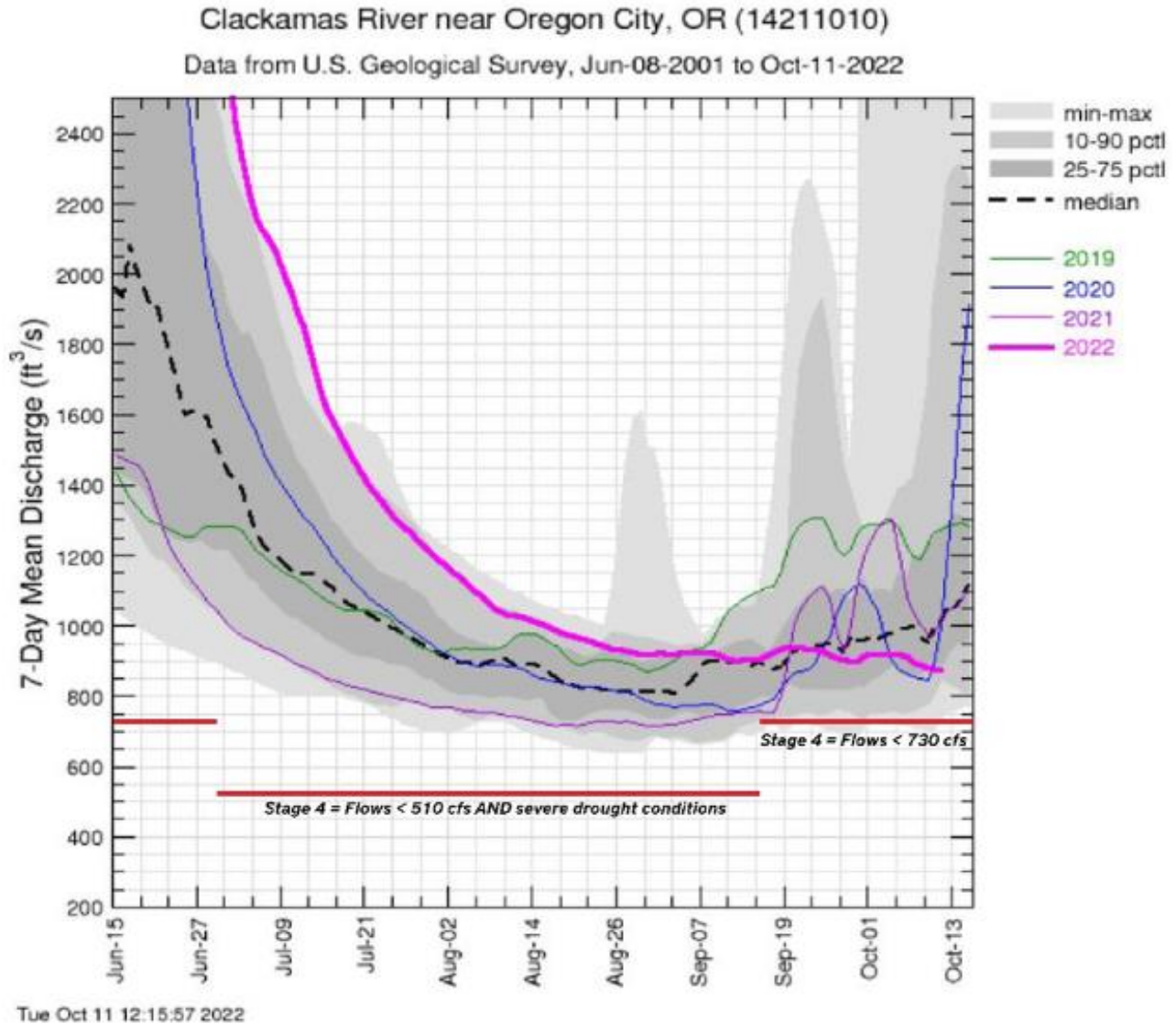
CLACKAMAS COUNTY, OREGON DEMOGRAPHIC STATISTICS 2013 - 2022				
Year	Population	Personal Income <i>Thousands</i>	Per Capita Personal Income	Unemployment
2022	430,483	\$ 18,354,934	\$ 42,638	3.2
2019	423,729	\$ 17,739,838	\$ 41,866	4.5
2020	420,958	\$ 17,466,389	\$ 41,492	13.5
2019	418,187	\$ 25,812,808	\$ 61,726	3.7
2018	416,075	\$ 23,220,274	\$ 56,268	3.5
2017	412,672	\$ 22,212,483	\$ 53,826	3.3
2016	408,062	\$ 20,965,832	\$ 51,379	4.2
2015	401,515	\$ 20,125,378	\$ 50,169	5.1
2014	394,972	\$ 19,240,407	\$ 48,713	5.9
2013	388,263	\$ 19,200,727	\$ 49,453	6.9

Weather Patterns

CRW monitors temperature, precipitation, snowpack (snow water equivalent – amount of water in snowpack), and near-term and long-term climate projections to implement sustainable water management practices. All water treated by Clackamas River Water is “run of the river”; it is caught as it flows down the river. As a result, it is subject to natural fluctuations brought on by changing seasons or abnormally wet or dry weather.

Predicted climate trends for the Pacific Northwest include increased rainfall resulting in reduced snowpack, early snowmelt, and more frequent hot summers. The District has experienced significant weather events that have impacted our ability and how we serve our customers. Events ranging from significant ice storms to heat domes have an impact on water delivery and use. It is typical for this area to experience significantly reduced

stream flow for the Clackamas River in the summer and early fall, which is depicted in the graph below.



CRW coordinates with other regional and Clackamas Basin specific water providers to implement conservation measures and messages intended to encourage the wise use of water. CRW recently updated its water management and conservation plan (WMCP) which was reviewed and approved by the Oregon Water Resources Department and adopted by the CRW Board. The WMCP is used to guide the District’s water management strategies. Included in the plan is a curtailment plan that is triggered when there are water deficiencies (either experienced or anticipated) in the CRW water system. In the Clackamas Basin we also encourage water users to turn off irrigation in the fall during the time when fish will be

migrating up stream in the Clackamas River. The campaign is coordinated by the Clackamas River Water Providers and uses the message, “Fish on the Run, Irrigation Done”. The public outreach effort to create awareness of the interdependencies of the river flows and fish needs has been in existence for three years.

Water Rates

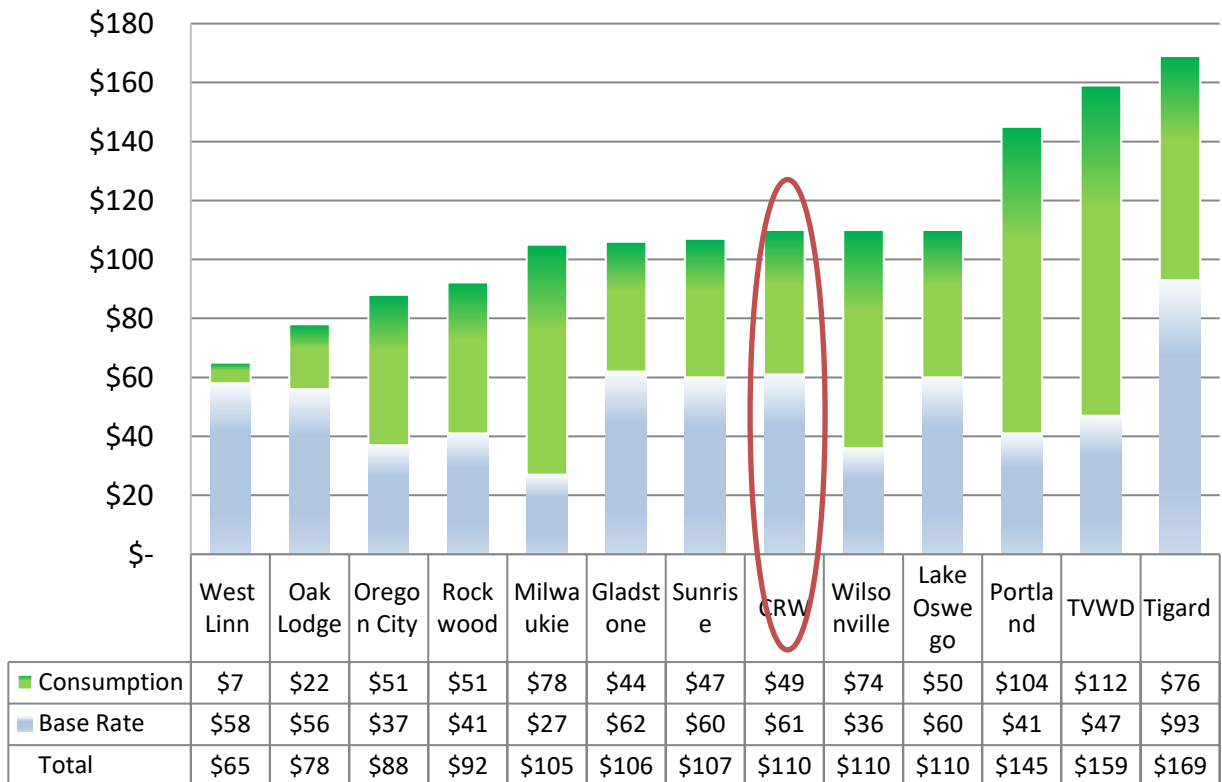
Water rates recover the cost of providing potable water to District customers. On August 11, 2022, the Board approved a two-year rate plan with rates adjusted on September 1st of 2022 and 2023. Residential rates for a ¾ inch meter are depicted below. Rates for other meter sizes are also included in the plan and change similarly. Customers are bill every two months (bimonthly) so the base fee is for this two month period.

Over the past few years, the Board has received presentations about additional capital needs based on the District’s capital planning efforts. To address these needs, it is estimated that annual rate increase of six percent will be needed. This percentage could be changed based on several different factors such as timing of the projects, available funding sources, and potential partner contributions. Future rate increases will be conducted through a rate hearing process and then determined by the CRW Board of Commissioners. This budget anticipates approval of a six percent increase in 2024.

WATER RATES FOR RESIDENTIAL CUSTOMERS WITH A ¾ INCH METER					
Effective Date	Base Fee	1-4 CCF	5-8 CCF	9-24 CCF	25 and up CCF
Sept 1, 2022	\$61.61	\$2.59	\$2.87	\$3.42	\$4.36
May 1, 2021	\$57.18	\$2.44	\$2.71	\$3.23	\$4.11
Nov. 1, 2020	\$55.51	\$2.37	\$2.63	\$3.13	\$3.99
May 1, 2019	\$52.62	\$2.25	\$2.50	\$2.97	\$3.78
May 1, 2018	\$49.76	\$2.12	\$2.36	\$2.81	\$3.58
May 1, 2017	\$47.05	\$2.01	\$2.23	\$2.65	\$3.38
May 1, 2016	\$44.49	\$1.90	\$2.11	\$2.51	\$3.20
May 1, 2015	\$35.24	\$1.90	\$2.11	\$2.51	\$3.20
May 1, 2014	\$26.90	\$1.90	\$2.11	\$2.51	\$3.20

The following table compares CRW’s current single family billing rate (3/4-inch meter) to other local water providers’ based on 16 hundred cubic feet, or approximately 12,000 gallons, consumption for a two month period.

**Comparison of Water Providers in the Region
Bi-Monthly Water Bills
(at 16 ccf or ~12,000 gallons)**



EXPENDITURES

Operating Expenditures are accounted for in several funds. The General Fund includes Personnel Services, Materials and Services, and Capital Outlay. Capital Outlay include purchases that exceeds the capital threshold of \$5,000 and has an expected useful life of greater than one year. The General Fund includes purchases of vehicles and equipment and the CIP Fund includes larger infrastructure projects. All Capital Improvement Projects (CIP) Fund expenses are capital outlay. Principal and interest are recorded in the Revenue Bond Fund.

The following table depicts expenditures for all funds: actual figures for the 2015-2017, 2017-2019, and 2019-2021 bienniums, budget figures for the current biennium, and an adopted budget for the 2023-2025 biennium. Internal labor costs of \$483 thousand are included in the total capital outlay as these costs are capitalized within the CIP fund.

Appropriations by Category - All Funds						
	BN2015-17	BN2017-19	BN2019-21	BN2021-23	BN2023-25	
	Actual	Actual	Actual	Budget	Adopted	
<i>In Thousands</i>						
Expenditures						
Personnel Services	\$ 8,805	\$ 9,199	\$ 10,872	\$ 12,209	\$ 13,910	
Materials & Services	7,257	6,813	7,989	9,583	12,093	
Subtotal Operating Expenditures	\$ 16,062	\$ 16,012	\$ 18,861	\$ 21,792	\$ 26,003	
Capital Outlay	6,745	24,817	4,106	8,087	12,219	
Debt Service	2,290	3,386	3,391	2,477	2,475	
Total Expenditures	\$ 25,097	\$ 44,215	\$ 26,358	\$ 32,356	\$ 40,697	

The balance of the budgeted Materials and Services, \$1,814,000 is based on customer expectations and industry best practices, which is approximately 15 percent of the Materials and Services appropriation. Many of our expenditures qualify in more than one category, so externally mandated water quality requirements are also a customer expectation.

Personnel Services: Full time equivalent positions are planned to increase in this budget by the addition of an Administrative Coordinator position and develop a Water Works Mechanic in fiscal year 2024.

Full Time Equivalent Positions						
As of June 30	ADMIN	FACS	ENG	SYSOPS	WATER RES.	Total FTE
2025 (budget)	7.8	8	0	18	11	44.8
2024 (budget)	7.8	8	0	19	11	45.8
2023	6.8	8	0	18	11	43.8
2022	6.8	8	0	18	10	42.8
2021	5.8	8	0	18	10	41.8
2020	5.8	8	0	18	10	41.8
2019	6.2	8	6	11	10	41.2
2018	6.2	8	7	11	10	42.2
2017	6.2	8	5	11	10	40.2
2016	6.2	8	5	11	10	40.2

Staffing is distributed across four departments: Administration (ADMIN); Finance, Accounting and Customer Service (FACS); System Operations (SYSOPS) and Water Resources (WATER RES). *Department descriptions are provided in the Financial Structure, Policy and Process section of this budget.*

Personnel Services for the 2023-2025 biennium total \$14,393,000, an increase of 11.7% over the 2021-2023 biennium. This increase is due to the addition of new staff, cost of living increases, salary step increases, budgeted payouts for expected retirees, increases in insurance premiums and the biennial increase in Oregon Public Employee Retirement System rates. CRW is currently budgeting Personnel Services into two funds as shown below. The amount allocated to each fund during a particular biennium fluctuates depending upon activities planned for that period. The CIP Fund does not include a formal Personnel Services appropriation category as it is a capital improvement fund and all expenditures, including personnel services, are capitalized.

Cost of Personnel Services						
<i>in thousands</i>	BN 2015-17	BN 2017-19	BN 2019-21	BN 2021-23	BN 2023-25	
	Actual	Actual	Actual	Budget	Adopted	
General Fund	\$ 8,454	\$ 9,396	\$ 10,872	\$ 12,073	\$ 13,910	
CIP Fund	283	403	256	671	483	
CIP Bond Construction	-	450	80	-	-	
CRWSC Activity Fund	466	268	132	136	-	
Total Personnel Services	\$ 9,203	\$ 10,516	\$ 11,340	\$ 12,880	\$ 14,393	

Materials and Services: Expenditures in the General Fund are broken into several Expenditure Account Groups and comprise costs necessary for operation of the District: Customer Services, Equipment, Facilities and Security, General Administration, Materials, Office, Other support costs, Professional and Contracted Services, Utilities, Water Purchases and Treatment. *Expenditure Account Group descriptions are provided in the Financial Structure, Policy and Process section of this budget.*

The three largest categories in the budget are Professional and Contracted Services, Utilities, and Water Purchases and Treatment. Professional and Contracted Services includes Financial Audit, Contract Work, Engineering Services, and Legal. Utilities include electricity, gas, and telecommunications. Water Purchases and Treatment is made up of permits, telemetry, water purchased, watershed management and water treatment and analysis. The combined costs are sixty-two percent of the Materials and Services adopted appropriation or \$5,939,900.

Capital Outlay: This category includes expenditures that exceed the capital threshold of \$5,000 and have an expected useful life greater than one year. The 2023-25 Capital Outlay budget and descriptions, as well as the forecast of expected Capital Outlay over the

subsequent three years is provided in the CIP Fund and the General Fund sections of this budget. All the CIP Fund expenditures are Capital Outlay appropriations. The CIP costs include allocation of internal labor, contracted services, and purchased materials.

Debt Service:

The District has one series of outstanding bonded debt, Series 2016, with a total debt service balance of \$29,117,450 for principal and interest.

<i>in thousands</i>			
Series 2016 Bonded Debt			
Fiscal Year	Principal	Interest	Total Series 2016
2024	400	838	1,238
2025	415	822	1,237
2026	435	805	1,240
2027-2031	2,475	3,120	5,595
2032-2036	3,160	3,030	6,190
2037-2041	4,055	2,132	6,187
2042-2046	5,215	979	6,194
2047	1,205	30	1,235
Total	\$ 17,360	\$ 11,757	\$ 29,117

\$19,790,000 in bonded debt was issued in March 2016 (Series 2016). The outstanding balance of the revenue bonds is \$17,360,000 and will be paid off by November 2046. The biennial debt service payments are \$2,477,000. Principal payments of \$400,000 and \$415,000 are due November 1, 2023 and 2024, respectively. Interest payments of \$838,300 and \$822,000 are paid November 1 and May 1 during fiscal years 2023-24 and 2024-25, respectively.

The District is required to comply with debt covenants for the bonded debt. The covenant requires stabilized net operating revenue of 125% of the year’s annual debt service. The second ratio is net revenue less system development charges at 100%.

OPERATING REVENUE TO EXPENDITURES

In conformance with the Board’s General Fund Balance Policy, the District budgets in a manner that results in operating revenues (primarily water sales) paying for operating expenditures. Any variance to this policy would be specifically identified in the budget and would be for one-time expenditures. Ongoing operations should not spend down the General Fund reserve balance.

The General Fund is the only fund with operating revenue and expenditures. Since fiscal year 2014, operating revenues have been sufficient for operating expenditures. Excess operating revenues can be used for capital outlay purchases or to build reserves. This

budget proposes transfers of \$2,000,000 per year to the Capital Reserve Fund for future capital projects.

In the General Fund adopted budget, operating revenues exceed operating expenditures by \$6,432,000. The General Fund includes \$2,239,500 in capital outlay items such as vehicle and equipment replacements or facility improvements and land purchase. Water sales and a portion of other operating and non-operating revenue is transferred to the General Fund each year.

CHANGES IN FUND BALANCE

Per Oregon Budget Law, resources and requirements must balance, including beginning fund balance as a resource and ending fund balance as a requirement. Changes in fund balance are useful to understand if expenditures are sustainable without additional revenue. The table below includes actual fund balances for fiscal biennium’s 2015-2017, 2017-2019 and 2019-2021 biennium, as well as the current 2021-2023 biennial budget, and the two-year adopted budget for 2023-2025.

Changes in Fund Balance - All funds					
<i>in Thousands</i>	BN2015-17	BN2017-19	BN2019-21	BN2021-23	BN2023-25
	Actual	Actual	Actual	Budget	Adopted
Beginning Fund Balance	\$ 10,546	\$ 34,513	\$ 20,386	\$ 18,364	\$ 21,362
Ending Fund Balance	33,623	\$ 20,386	21,440	16,714	13,412
Increase/(Decrease)	\$ 23,077	\$ (14,127)	\$ 1,054	\$ (1,650)	\$ (7,950)
% Change	219%	-41%	5%	-9%	-37%

Ending Fund Balance decreases in BN2023-25 due to increased spending on CIP projects in line with our six-year capital spending plan. This budget is also seeing an increase in Capital Outlay expenditures, which by their nature are one-time costs and this budget maintains a contingency balance of \$1,000,000 to allow for unforeseen events. The contingency allowance is unappropriated and therefore can not be spent without authorization from the Board of Commissioners.

SUMMARY OF ALL FUNDS, ADOPTED BUDGET FOR THE 2023-2025 BIENNIUM

The table below lists revenues and expenditures for the biennium by fund. All amounts are in thousands.

Summary of All Funds Adopted Budget for the 2023-2025 Biennium							
<i>in thousands</i>	General Fund	CIP Fund	Revenue Bond Fund	Capital Reserve Fund	Rate Stabiliz. Reserve Fund	SDC Reserve Fund	Total All Funds
Revenues and other sources:							
Water Sales	\$ 31,371	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,371
Other Operating	360	-	-	-	-	-	360
Non-Operating	562	-	20	250	50	430	1,312
Transfers in	-	9,940	2,475	4,000	-	-	16,415
Total Revenues	\$ 32,293	\$ 9,940	\$ 2,495	\$ 4,250	\$ 50	\$ 430	\$ 49,458
Expenditures and other uses:							
Personnel Services	\$ 13,910	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,910
Materials & Services	11,389	-	-	-	-	-	11,389
Capital Outlay	2,280	9,940	-	-	-	-	12,220
Debt Service	-	-	2,475	-	-	-	2,475
Transfers to	-	-	-	-	-	-	-
Other Funds	6,475	-	-	8,940	-	1,000	16,415
Contingency	1,000	-	-	-	-	-	1,000
Total Expenditures	\$ 35,054	\$ 9,940	\$ 2,475	\$ 8,940	\$ -	\$ 1,000	\$ 57,409
Excess (Deficiency) of Revenue over Expenditures							
	\$ (2,761)	\$ -	\$ 20	\$ (4,690)	\$ 50	\$ (570)	\$ (7,951)
Beg. Working Capital	\$ 7,500	\$ -	\$ 512	\$ 9,150	\$ 1,250	\$ 2,950	\$ 21,362
End. Working Capital	\$ 4,739	\$ -	\$ 532	\$ 4,460	\$ 1,300	\$ 2,380	\$ 13,412

This biennium, the General Fund, Capital Reserve Fund, and SDC Reserve Fund decrease ending working capital or fund balance, while the other funds remain relatively stable or increase working capital. The General Fund transfers funds to the Capital Reserve Fund for future capital expenditures and Revenue Bond Fund for debt service payments. The fund balance in the Capital Reserve Fund is reduced due to planned transfers to the CIP Fund in excess of transfers in from the General Fund for future capital improvements.

Please note Transfers In and Transfers to Other Funds are equal as required by Oregon Budget Law.

TRANSFERS BETWEEN FUNDS

Transfers In must balance with Transfers Out. The Summary of Transfers table below is included to help understand the movement and rationale for transfers between funds.

General		X	Capital Reserve	Future Capital Projects
		X	Revenue Bond	Bonded Debt Payments
CIP Fund	X		Capital Reserve	Budgeted Capital Projects
	X		SDC Reserve Fund	
SDC Reserve Fund		X	CIP	Budgeted Capital Projects
Capital Reserve	X		General	Future Capital Projects
		X	CIP	Budgeted Capital Projects
Revenue Bond	X		General	Bonded Debt Payments
<i>Additional detail available in the Appendix</i>				

Summary of Transfers		
BN 2023-2025 Total Adopted Budget		
<i>(in Thousands)</i>		
	Transfers In	Transfers Out
General Fund	\$ -	\$ 6,475
CIP Fund	9,940	-
SDC Reserve Fund	-	1,000
Capital Reserve Fund	4,000	8,940
Revenue Bond Fund	2,475	-
Total Transfers	\$ 16,415	\$ 16,415

FINANCIAL RESERVES

This budget complies with the financial reserve policies approved by the Board of Commissioners in April 2013. The Financial Reserve Policies are detailed in the Financial Structure section of the adopted budget.

This adopted budget estimates \$31,371,000 in wholesale and retail water sales, \$25,299,000 in operating expenditures and \$2,279,500 for Capital Outlay. Additionally, the General Fund will transfer \$2,475,300 to the Revenue Bond Fund for debt payments and \$4,000,000 to the Capital Reserve Fund for current and future District infrastructure projects.

CAPITAL IMPROVEMENT PROGRAM AND ITS RELATIONSHIP TO BUDGET

Budgeted capital improvements are accounted for in the Capital Improvement Projects (CIP) Fund, separate from the General Fund. Projects within this fund are based upon the Water System Master Plan, Water Treatment Plant Facilities Plan, Strategic Goals, and projects of other jurisdictions that affect CRW infrastructure. The funding source for CIP projects in this biennium is the Capital Reserve fund. The Capital Reserve fund receives \$2,000,000 each year from the General Fund and has also received ending balances from the Revenue Bond proceeds fund and the CIP Bond Construction fund that were both closed at the end of fiscal year 2021.

The CIP budget for biennium 2023-2025 is \$9,939,000 and encompasses 14 projects. This is a \$3,651,000 increase over the CIP budget from biennium 2021-2023 and is based on a long-term capital planning effort and some carry over from last fiscal year. We have developed a six-year CIP plan that intends to spend down our Capital Reserve Funds in preparation for acquiring additional debt for larger projects, primarily at the Water Treatment Plant while continuing to fund our regular CIP program.

Capital projects are generally selected to remedy a deficiency in the system or to address other needs. New infrastructure will often have savings due to reduced water loss and reduced operational time repairing water main breaks. Water lines require little maintenance when new. Certain infrastructure may have increased operating costs, for example the addition of a new pump station will increase the cost of electricity to run the pumps. Specific costs will be identified in the Capital Funds section of this document.

PROCESS

Long range capital planning is essential in the utility business. A water system's various components, including its source, require ongoing maintenance and long-term improvements to continue providing safe and affordable drinking water to customers. System improvements often require many years of advance planning and permitting before construction can begin. In addition, capital projects may cross several years, and adjustments are routine, such as changes to project costs or shifting a project from one year to another. Often these changes are dictated to us by planning and construction activities of overlapping jurisdictions and their infrastructure.

Our engineering staff within the System Operations Department lead the District's CIP planning and development process using a deliberate, consistent approach to select, prioritize, and recommend projects for inclusion in the biennial budget. This periodic prioritization and decision-making process takes place each budgetary cycle and includes

consideration of projects within the Water System Master Plan, which covers a 20-year timeframe, as well as accounting for newly unforeseen condition-based projects and projects triggered by State and local agencies. It is important to note that with the constantly evolving nature of system improvement needs, the District maintains and utilizes a dynamic process to ensure that immediate needs are addressed, balanced with attention to longer-term planned improvement projects, as best as possible within funding and resource capabilities.

Along with other components of its water system, the District has developed a Facilities Plan for its Water Treatment Plant to help meet long-term planning needs, particularly as the plant nears 60 years of operation and technological advances may provide enhanced performance to meet current or future regulatory requirements.

A comprehensive capital planning memo was presented to the CRW Board of Commissioners in February 2021 and provided the criteria and basis for the selection of projects included in the CIP budget for this biennium.

CAPITAL PLANNING AND PRIORITIZATION- *CRW DRIVERS*



- District Vision, Mission, & Strategic Objectives
- WTP Improvements required to continue meeting current and future criteria (age, water quality, capacity, resilience)
- WS Master Plan identified required ongoing repair/replacements (aging/leaking/ undersized piping)
- System enhancement goals (2015 “Backbone” objectives) etc.
- Planning and prioritization must fit funding availability and constraints, including rates and SDCs

Board goals pertaining to capital projects for BN2023-2025:

- 1 . Implement capital improvement projects based on six-year capital planning memo
- 2 . Include incremental projects at the Water treatment Plant to prepare for the larger improvements in year seven
- 3 . Implement CIP projects included in the 2023-2025 Budget and identify and report on progress, including any “carry-over” projects from the prior budget
- 4 . Initiate detailed process studies to scope future improvements to specific equipment and processes at the water treatment plant

The preferred projects are reviewed internally by the General Manager and management team, analyzed relative to the financial forecast and other District requirements, and updated in accordance to the direction provided by the GM. The capital projects are then reviewed and approved by the Budget Committee at one or more publicly noticed Budget Committee Meetings.

The approved capital projects, as a component of the biennial budget, are presented to the Board at a publicly noticed budget hearing. The Board holds the budget hearing, accepts public comment, and adopts the budget.

Many District capital projects are managed in-house. Occasionally, a project will fall outside the scope of CRW's skill set and capacity, which require the District to hire professional services for design and/or construction period management (including construction coordination and inspection) to ensure that the construction contractor's performance complies with the contract documents. For complex projects we typically retain the design engineering firm to provide construction period services to maintain continuity during construction for quality assurance and control activities. The design firm is well suited to oversee the construction contractor due to their in-depth knowledge of the considerations, recommendations, and requirements of the designed project.

Public participation and stakeholder involvement during project phases is an important part of our capital improvements process. Our communication strategy informs the public and solicits feedback regarding the following issues: current asset condition; options and strategies; project benefits and costs, capital needs, impact to service levels and project outcomes and expectations that include performance measures. It is also a key step in assessing priority and determining if the project will deliver expected and desired outcomes and has adequate support for the investment. The District may solicit feedback on capital improvements from the community during various project phases as follows:

- Monthly Board meetings and work sessions open to the public
- Budget Committee meetings open to the public
- Community notices
- Onsite outreach with local residents
- Posting project planning information on CRW's website, including current project summaries, the Water System Master Plan, and other information
- Bi-monthly newsletters that discuss current or upcoming projects
- Message boards or other signs in the community to announce upcoming CRW project planning or construction activities

CONCLUDING THOUGHTS AND FUTURE PLANNING

CRW presents an adopted 2023-25 Budget that captures Board goals and direction and aligns with District strategic goals and financial policies. The adopted strategic plan focuses the District activities on infrastructure improvements that include resilience to help keep

our system running in emergencies. Projects are selected based on age, capacity, water quality and resilience looking at current and future needs. The strategic goals also look to being a district of choice for attraction, retention, and development of qualified staff to serve the needs of our customers. Additionally, the District plans to hire a Public Outreach/Communications staff to address the information needs of our customers and other regional stakeholders.

The District's financial status is strong and is projected to remain stable over the long term.

The Board of Commissioners authorized a shift from annual to biennial budgeting In December 2014, with the BN2015-2017 Budget (July 1, 2015 – June 30, 2017) being the first.

The impact of the water rate increase on revenue allows for capital improvements within the District and rebuilding reserve balances for future capital improvements. Improvements are needed to ensure flow of water from the river to your faucet 24 hours a day, 365 days a year.


There is little developable property within the District and land-use and zoning limit expansion and infill, particularly for residential development. Capital improvement projects will be funded with water rates from the General Fund as transferred to the Capital Reserve Fund, and SDC Funds, as available. The District's capital planning efforts include a six-year plan to pay as go with research into various alternative financing options such as bonded debt, grants, and partnerships with neighboring entities where that makes sense for mutual benefit after year six.

ACKNOWLEDGEMENTS

The creation of this budget document is an organization-wide effort. Managers and staff provide input and analysis of their departmental needs and are responsible for executing the activities budgeted herein. We want to acknowledge the staff for their resourcefulness and expertise used in preparing this budget.

We would also like to thank the members of the Budget Committee, comprised of the Board of Commissioners and citizen members, for your time, dedication, and continuing support and thoughtful analysis of the issues facing the District.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd Heidgerken", written over a faint horizontal line.

Todd Heidgerken

General Manager and Budget Officer

FINANCIAL STRUCTURE

FINANCIAL STRUCTURE, POLICY, AND PROCESS

DEPARTMENTAL/FUND RELATIONSHIP

The departmental/fund relationship is the relationship between the entity's functional units, major funds, and non-major funds (all District funds are Major Enterprise/Proprietary funds). The District's fund and department structure is described below, followed by a figure listing responsibilities by department and a matrix illustrating the relationship between the departments and funds. CRW personnel work in four of the six funds, however the Capital Improvement Projects (CIP) Fund and CIP Bond Construction Fund appropriate all activities as capital outlay.

Funds

Clackamas River Water or District is a water utility enterprise that budgets at the "Fund" level. A fund is a fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and charges, all segregated for specific, regulated activities and objectives. Resources and requirements must balance within each fund budget.

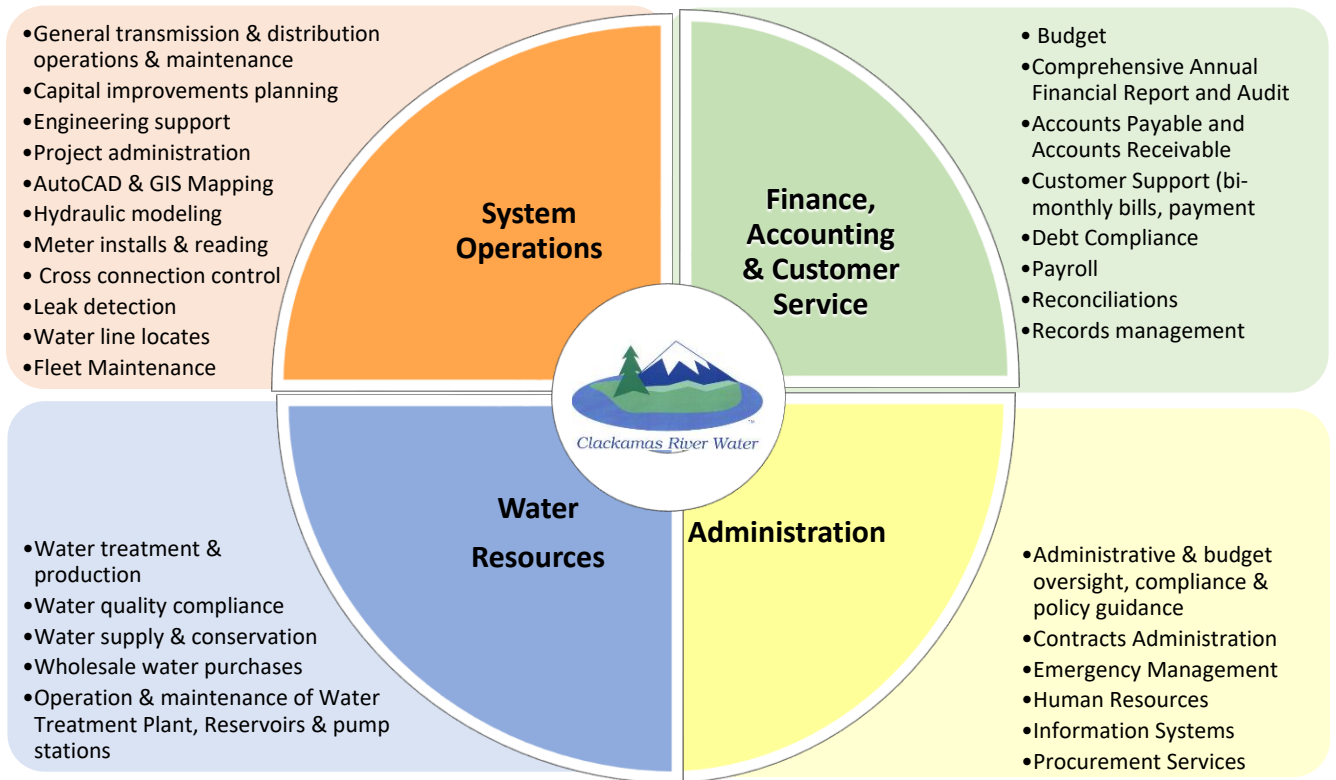
The proposed 2023-2025 budget consists of six funds listed in the Departmental/Funds Relationship matrix on the next page. The Revenue Bond Proceeds and CIP Bond Construction funds were established during the 2015-2017 biennium and were closed in fiscal year 2021 prior to presentation of this budget. These funds were created to track resources and expenditures pertaining to the District's Water Revenue Bonds issued on March 4, 2016 to finance capital improvements to the District's facilities and pay the costs of issuance of the Series 2016 bonds. The bond proceeds have been spent and the construction projects have been completed.

As a domestic water district, all our funds are major Proprietary/Enterprise funds. Proprietary (Enterprise) Funds are established to finance and account for activities that are similar to those often found in the private sector: acquiring, operating, and maintaining facilities and providing services which are self-supporting from user charges and fees.

Departments

A department is a cost center within the General Fund to separate costs associated with specific areas of operation. The District has four departmental cost centers and tracks disbursements by charging each expenditure to one of these departments: System Operations (SYSOPS); Water Resources; Finance, Accounting & Customer Service (FACS); and Administration. The figure on the next page depicts departmental responsibilities.

DEPARTMENTS & RESPONSIBILITIES



DEPARTMENTAL / FUND RELATIONSHIPS

Fund Types >	General Fund	Capital Project Funds		Debt Service Fund	Reserve Funds		
Funds >	General	CIP		Revenue Bond	Capital Reserve	SDC Reserve	Rate Stabiliz. Reserve
Departments	"X" indicates a dept/fund relationship. "%" = dept wages budgeted to the fund.						
SysOPS	X	96%	X	4%		X	
Water Resources	X	100%	X	0%			
FACS	X	100%	X	0%	X	X	X
Administration	X	98%	X	2%	X	X	X

Footnotes (Additional information on funds is located in the General Fund & Other Fund sections of budget).

² The SDC Reserve Fund accounts for system development charges and interest earnings reserved for future improvements to and expansion of the water system.

BASIS OF BUDGETING AND AUDITING

All funds are budgeted using the modified accrual basis of accounting in accordance with budgetary accounting practices. This basis recognizes revenues when earned and expenses when the liability is incurred, regardless of the timing of the related cash flow.

The audit, as reported in the Annual Comprehensive Financial Report (ACFR), accounts for the District’s finances on the basis of generally accepted accounting principles (GAAP). GAAP is defined as conventions, rules, and procedures necessary to describe accepted accounting practices. The modified accrual basis of accounting, a GAAP –approved method, is also used in the audit. The ACFR shows all of the District’s funds on both a budgetary and GAAP basis for comparison purposes.

BUDGET FORMAT

Understanding CRW’s Budget....

Clackamas River Water presents budgeted financial information in detailed tables by fund. Each table, like the example below, includes the fund name and adjusted budget figures for the 2021-2023 biennium, as well as a proposed budget for BN 2023-2025:

GENERAL FUND					
Summary	Proposed BN 2023-2025			Change to 2023-2025	
	Total 2021-2023	Year 1 2023-24	Year 2 2024-25	Total 2023-2025	from 2021-2023 \$ %

BUDGET PROCESS

Overview

The District’s Board of Commissioners and staff initiated a strategic planning effort in BN 2019-2021. We began with a customer satisfaction survey, individual interviews of key stakeholders, focus groups made up of CRW employees, customers, other agency elected officials, management, and staff as the research phase of the strategic plan. We continued with a virtual retreat and adoption of the strategic objectives by the Board to guide us over a five-year period. Staff identify and track action items to help us achieve these goals. Board meetings and work sessions are used to provide overall direction to management and staff, and to review the long range financial and capital plans. The biennial budget defines the organization’s needs and allocates available resources to implement the plans. The District’s strategic objectives are shown in the Budget Message.

Budgeting in the State of Oregon:

Oregon Budget Law is defined in Oregon Revised Statutes (ORS) Chapter 294 of Oregon State Law. It guides the District through the budgeting process and defines a budget as:

“...a plan of financial operation embodying an estimate of expenditures for a given period or purpose and the proposed means of financing the estimated expenditures.”

Chapter 294 defines the budget period as not longer than one fiscal year unless the municipality is authorized by resolution to prepare a budget for a 24 month period. The biennial budget period of 24-months begins July 1 and ends June 30 of the second succeeding year.

On December 11, 2014, the Board of Commissioners adopted Resolution 05-2015 authorizing biennial budgeting beginning with the 2015-2017 biennium. This biennial budget starts July 1, 2023 and ends June 30, 2025. Budgets prior to 2015 were prepared on an annual basis.

The required Oregon Budget Law reports are located in the appendix section with actual biennial amounts for 2017-2019, 2019-2021 and budget amounts for the 2021-2023 and 2023-2025 bienniums.

Biennial Budget Process

The budget process the District follows is consistent with Oregon Local Budget Law requirements. Further detail about requirements can be found in ORS 294. The phases of the process are:

Requested (December-March): The initial “in-house” development of departmental budgets formally begins. The District determines an operating expenditure level that ensures meeting financial reserve policies and debt covenant requirements and the financial forecast is updated to reflect preliminary estimates for revenues, expenditures, personnel services, transfers, bonded debt and fund balances. Development of the District’s plans for both short and long-term capital improvements and capital outlay is ongoing with its planned expenditures and timing also included in the update of the long-term forecast. The District’s operating and capital plans receive extensive internal management review and analysis prior to preparing information for the Budget Committee.

Proposed (April/May): The Proposed Budget is prepared and published by the Budget Officer using the results from the District’s internal review process. The budget includes the Budget Message, which explains the budget and discloses any significant changes in the District’s financial position. Dates are set for three publicly noticed Budget Committee meetings.

ORS 294 mandates a budget committee for all Oregon local governments. The Budget Committee consists of the Board plus an equal number of legal voters (citizen members of the budget committee). The citizen members are appointed by the Board. The District has ten budget committee members and all votes are equal (Please see the first page of the “At-A-Glance” section for a list of Budget Committee Members).

The Proposed Budget is presented to the Budget Committee and public in one to three meetings,

as needed. The Budget Officer, General Manager and department representatives highlight key efforts planned for the upcoming biennium, significant changes from the current budget period, and results of the financial forecast, including assumptions and risks. The committee receives the document, takes public testimony, holds discussions and deliberations, and amends the budget as necessary. If more than one meeting is required, the committee reconvenes at one or both of the final two pre-scheduled meetings. When deliberations and modifications are complete, the committee votes to approve the budget and recommend it to the Board for adoption. A budget is “Approved” only once by the Budget Committee.

Approved (May/June): Once the budget has been formally approved it can only be amended by the Board. If amendments by the Board exceed \$10,000 (for biennial budgets) or 10 percent (whichever is greater) in any fund, they must publish a financial summary and hold a separate public hearings process.

Adopted (June): In this final phase of the budget process a Notice of Budget Hearing, with a financial summary of the approved budget, is published. The Board holds a public hearing to take testimony, make amendments as necessary, and formally adopts the budget. The appropriations resolution is then filed with the Oregon Department of Revenue.

Amended: Oregon budget law allows amendments to the budget after adoption to address new or unforeseen needs that arise during the biennium. The Board may adopt a resolution to transfer budget appropriations between categories or funds provided there is no net change in total appropriations. Changes over 10% to any fund or transfers from contingency of more than 15% of fund appropriations requires notification in a newspaper, a public hearing and approval by the Board.



Budget Calendar			
Month	CRW Customers	Board of Commissioners	CRW Staff
Develop Budget			
Annually			Develop District's plans for short and long-term capital outlay & construction in progress
December	Input on budget priorities and direction through phone calls, Internet, Board meetings, customer satisfaction survey, and direct contact w/ CRW staff	Address Board Committee vacancies & recruitment	Develop preliminary revenue, expenditure, personnel service, transfer, and Revenue Bond Fund projections. Advertise for citizen Budget Committee members
January		Appoint Budget Officer and schedule Budget Committee meetings	Prepare and distribute budget materials to departments
February & March		Appoint citizen members of Budget Committee to ensure five members	Departments prepare and submit draft budgets, decision packages, and capital outlay & construction in progress (long-term, 5 years) & narratives for final review. Finance compiles proposed budget
April & May	Budget Committee meeting(s): receive public input on proposed budget	Budget Committee mtg(s): Review proposed budget with General Manager, Budget Officer & department representatives, receive public input, modify, and approve budget	Publish notice of Budget Committee mtgs, print & distribute proposed budget, notify public of budget availability. Prepare and publish Financial Summary
Finalize and Adopt Budget			
June	Public Hearing on Proposed Budget: Last opportunity for public input on Approved Budget	Approved Budget Hearing: Modify budget as necessary, adopt budget and resolution to make appropriations	Prepare Notice of Budget Hearing, present approved budget at Public Hearing and respond to inquiries from Commissioners, citizens Budget Committee members and the public. Release Final document.
July			Submit adopted budget to Oregon Department of Revenue and Clackamas County
Amend Budget			
Post-adoption	Public Hearing on Supplemental Budget: public provides input on supplemental budget	Supplemental Budget Hearing: Board hears public comment and adopts supplemental budget	Prepare supplemental budget and publish notice of hearing

FINANCIAL GOALS and POLICIES

District financial policies set forth basic tenets for overall fiscal management of CRW. These policies provide a framework to assist the decision-making process of the Board and administration. This section summarizes the policies the District follows in managing its finances.

District Policies, Benchmarks & Status The District Shall...
Financial Policy Establish & maintain finance & accounting systems in accordance with GAAP, GASB, FASB
Benchmarks & Status (bold) <ul style="list-style-type: none"> • Operate water system without property tax support: Provide services to residents & customers based upon cost, & retire bonds issued for major improvements to system with revenue from water sales • Perform annual independent audit (ORS 297, OAR Division 10) & apply for ACFR Award: Certificate of Achievement for Excellence in Financial Reporting for 27 years • Provide appropriate financial capacity through equitable rates & charges: Board held a rate hearing on July 14, 2022, adopting a two-year rate plan increasing rates in September of each year at a rate of 6% per year. • Manage services in an efficient, cost-effective manner: Partnership with CRWP; IGA with Oregon City for annexation and withdrawal project, new wholesale water supply agreement with NCCWC.
Budget Policy Prepare, present, approve, adopt & amend biennial, two-year, budget in accordance with Oregon Local Budget Law (ORS 294)
Benchmarks & Status (bold) <ul style="list-style-type: none"> • Appropriate at the “category” levels: Personnel Services, Material & Services, Transfers, Debt Service, & Contingency • Maintain budget system to monitor revenues & expenditures on an ongoing basis, with thorough analysis & periodic adjustment if necessary: Provide monthly, quarterly & annual reports • Apply for Budget Award: Distinguished Budget Presentation Award – 7 awards since 2013 (FY13-15, annual & BN15-17, BN17-19, BN19-21, BN21-23) <p style="margin-top: 10px;"><i>Revenue & Debt policy that could also be classified as “budget” policy is identified within these categories below</i></p>

District Policies, Benchmarks & Status

The District Shall...

Capital Asset & Debt Policy

Maintain fiscal integrity of District's debt service & capital improvement budgets

Benchmarks & Status (bold) – Capital Asset

- Create, update & incorporate formal capital improvement budget & plans into District goals & biennial budget; coordinate with operating budget: **Please see “Strategic Plan” & “Capital Improvement Program and its Relationship To Budget” sections of the Budget Message, as well as the Capital Budget section**
- Capital expenditures are funded through an appropriate revenue source (cash & debt) & sufficient cash is re-invested in the system to maintain infrastructure
- Use most prudent methods of acquiring capital outlay items: **Follow government procurement policies & procedures including competitive bidding on all capital projects; comply with State law using our Local Contract Review Board rules**
- Maintain assets to protect investment, minimize maintenance & replacement cost

Benchmarks & Status (bold) - Debt

- Confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues (budget)
- Issue revenue bonds to fund debt: ensures debt is consistent with “user pays”, meets capital system scheduling needs, & is serviced with water charges not property tax assessments (general obligation bonds): **2016 bonds issued were revenue bonds**
- Amortize bonds over period not to exceed expected useful life of asset
- Maintain bond rating at highest level fiscally prudent: **S&P & Fitch, AA- or better**
- Comply with debt covenants: **Evaluate rates, charges & costs; operating revenues equal expenses & net operating revenues meet or exceed revenue bond debt service coverage tests**
- Evaluate bond insurance & debt service reserve equivalents as a means to minimize net interest cost of the financing
- Identify opportunities to reduce interest cost through refinancing while complying with applicable law
- Look for possible grant funding and low interest opportunities for future debt

Investment Policy

Monitor performance & provide appropriate levels of safety, liquidity, & yield

Benchmark & Status (bold)

- Invest in state Local Government Investment Pool (LGIP) to maximize these criteria: Safety, Security, Liquidity and Risk Aversion

District Policies, Benchmarks & Status

The District Shall...

Reserve & Contingency Policy

Maintain reserves, revenues and contingencies at minimum levels or higher and for purposes indicated below (Reserves may be restricted or unrestricted and may not be expended except as allowed by local budget law)

Benchmarks & Status (bold)

Establish and maintain...

- Capital Reserve – Roughly equivalent to our annual depreciation: **\$2 million per year budget for BN23-25**
- Operating Contingency - Minimum of \$500,000: **\$1,000,000 budget for BN23-25 biennium**
- Operating Reserve – Minimum of 90 days General Fund operations: **\$4.0 million budget for BN23-25**
- Rate Stabilization Reserve – Use in event we are unable to meet debt covenants: **\$1.3 million budget for BN23-25**
- SDC Reserve – adequate reserves to fund improvement, expansion & service to water system & new growth: **\$3.4 million budget for BN23-25**

Maintain discretionary reserves when special circumstances warrant such a course of action

Revenue Policy

Set service rates to accurately reflect actual or estimated cost of providing a specific service & periodically recalculate and adjust rates accordingly

Benchmarks & Status (bold)

- Charge sufficient retail & wholesale water rates to ensure uniformity between policy & financial conditions & to finance all operating, capital outlay & debt service expenses of the enterprise funds, including operating contingency & reserve requirements (*Budget*)
- Annual recurring revenues, including inter-fund transfers, shall not be less than annual recurring operating expenditures (total annual budget, minus capital outlay, transfers, reserves, & contingencies) (*budget*)
- Maintain general unrestricted revenues as such (not earmarked for specific programs, activities or services without Board authorization)
- Establish System Development Charges (SDCs) to fund cost of expansion & improvement to the water system & new growth: **SDC Rate study completed in BN 2019-2021 went into effect in July 2021 after hearing and Board approval. SDC rates adjusted annually**
- Maintain current schedule of fees with date last reviewed or recalculated: **Available on CRW's website, <http://crwater.com>**
- Bill miscellaneous reimbursable services performed by District at actual or estimated cost, including indirect overhead (Includes labor, equipment, contracted services, inventory, non-inventory, and indirect expenses): **Update these costs annually**
- Pursue strong debt collection policy for delinquent accounts: **Ongoing collection through Professional Credit Services**

District Policies, Benchmarks & Status

The District Shall...

Risk Management Policy

Ensure District operations, programs, activities & policies are conducted to maximize protection to assets (people & physical assets) & prevent fiscal loss

Benchmarks & Status (bold)

Identify risks & evaluate potential impacts; select best risk management techniques to manage & minimize unnecessary impacts to essential District activities; Monitor & evaluate results:

- **Adopted Natural Hazards Mitigation Plan**
- **Monitor water quality**
- **Perform maintenance on water system**
- **Establish & maintain finance and accounting systems in accordance with GAAP, GASB, FASB**
- **Prepare budget pursuant to Oregon Local Budget Law**
- **Perform independent audit each year**
- **Maintain certifications**
- **Provide training via an Emergency Management Program and Safety & Health Committee**

GENERAL FUND

General Fund

GENERAL INFORMATION

The purpose of a General Fund is to record the District's general operations, those financial transactions and activities for which specific types of funds are not required. General Fund resources and requirements are equal; revenues cover budgeted expenditures, creating a balanced fund.

BUDGET HIGHLIGHTS

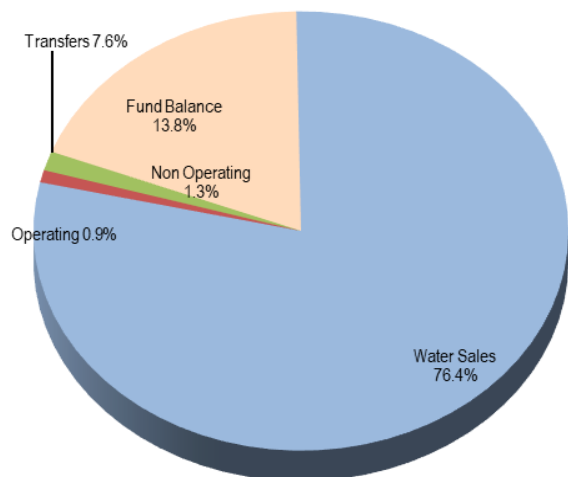
As the fifth biennial budget presented to our Budget Committee, the following pages compare the adopted biennial budget for 2023-25 to the prior adopted biennial budget for 2021-23. One-time expenditures included in the BN 2023-2025 adopted budget include detailed process studies to scope future improvements at the water treatment plant.

Financial policies are met in the adopted budget. Operating Contingency, which is for unplanned and unanticipated expenditures, is set at \$1,000,000. Transfers to reserves is approximately \$2.0 million per year and may increase in future biennium for capital improvements. Additional transfers are budgeted for payment of bonded debt. Ending fund balance is equal to at least 90 days of operational expenditures. It maintains adequate reserves to meet District needs and compliance with fiscal policies.

CAPITAL OUTLAY

Capital outlay expenditures are purchases of assets that last longer than one year and exceed the capital threshold purchase price of \$5,000. Typically, these items are one-time purchases. Recurring purchases include the SCADA system server and pump rebuilds for our Water Resources department and replacements for three inch and larger meters for System Operations.

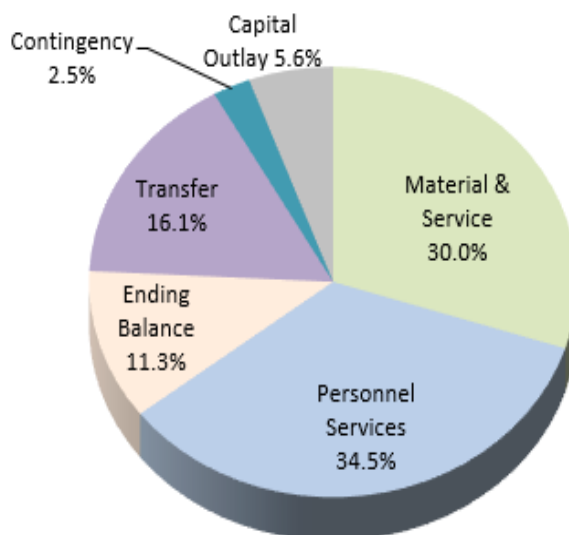
General Fund



Resources by major category

Where the money comes from...

- Water Sales
- Service Connections
- Service Charges
- Municipal Right-of-Way Fees:
Oregon City and Happy Valley
- Transfers From Other Funds
- Beginning Fund Balance
- Miscellaneous Operating Income (related to direct water sales, transmission, production): late fees, connection charges, fire hydrant usage permits and fees
- Miscellaneous Non-Operating Income (unrelated to water production): rents, interest, grants, sales of scrap and surplus property



Requirements by major category

Where the money goes...

- Personnel Services
- Materials & Services
- Capital Outlay
- Operating Contingency
- Transfers to Reserve Funds
- Transfers to Revenue Bond fund for payment of debt
- Ending Fund Balance



General Fund

For BN2023-25, revenue from water sales is estimated at \$31.4 million with \$922k from other sources. Expenditures are budgeted at \$27.5 million.

GENERAL FUND						
Summary	Total 2021 - 2023	Adopted BN 2023-2025			Change to 2023-2025 from 2021-2023	
		Year 1 2023-24	Year 2 2024-25	Total 2023-2025	\$	%
RESOURCES:						
Beginning Fund Balances	\$ 7,000,000	\$ 7,500,000		\$ 7,500,000	\$ 500,000	7.1%
Water Sales	25,569,000	15,378,000	15,993,000	31,371,000	5,802,000	22.7%
Operating Revenue	406,000	180,000	180,000	360,000	(46,000)	-11.3%
Non-Operating Revenue	452,500	278,550	283,200	561,750	109,250	24.1%
Transfers	1,850,000	-	-	-	(1,850,000)	-100.0%
TOTAL RESOURCES	\$ 35,277,500	\$ 23,336,550	\$ 16,456,200	\$ 39,792,750	\$ 4,515,250	12.8%
REQUIREMENTS:						
Personnel Services	\$ 12,073,300	\$ 6,809,000	\$ 7,101,000	\$ 13,910,000	\$ 1,836,700	15.2%
Materials & Services	9,490,700	5,600,400	5,788,600	11,389,000	1,898,300	20.0%
Capital Outlay	1,799,300	1,238,000	1,041,500	2,279,500	480,200	26.7%
Transfers to Other Funds	6,477,000	3,238,300	3,237,000	6,475,300	(1,700)	0.0%
Contingency	1,000,000	1,000,000		1,000,000	-	0.0%
Ending Fund Balance	4,437,200		4,738,950	4,738,950	301,750	6.8%
TOTAL REQUIREMENTS	\$ 35,277,500	\$ 17,885,700	\$ 21,907,050	\$ 39,792,750	\$ 4,515,250	12.8%

Resources: The District’s General Fund adopted budget includes estimated revenues for the biennium, as well as beginning fund balances. Water sales account for 96 percent of revenue; 8 percent of this is wholesale water sales.

Requirements: The adopted budget also includes all necessary appropriations for the biennium, as well as unappropriated reserves. Appropriation (expenditure) categories include Personnel Services, Materials and Services, Capital Outlay, Transfers, and the non-spendable Contingency category. Appropriation categories are broken down into Expenditure Account Groups.

Please see the table below for descriptions of Appropriation Categories and Expenditure Account Groups, along with an explanation of increases and decreases in these categories and groups in BN23-25, compared to BN21-23. This is followed by a table depicting general fund requirements by department for each appropriation category and expenditure account group, along with narrative on transfers to other funds, contingency and ending fund balance.

General Fund

Personnel Services: employee wages, taxes & fringe benefits		
	15.2%	Due to...
Salaries & Wages: employee related compensation		Two added positions in year one and reduced by one position in year two, contract wage adjustments, retirement payouts, & reduction in labor charged to other funds
Benefits & Taxes: employee related medical, dental, disability		PERS rate increase for biennium, anticipated medical & dental rate increases, added positions as stated above
Materials & Services: operational expenses		
	20.0%	Due to...
Customer Services: bad debt, collection fees, credit card & customer statement processing, promotional items, public notices		Increased payment processing fees, and statement processing costs
Equipment: equipment rentals; maintenance of computer & distribution systems, office equipment, vehicles & water treatment plant		Increased maintenance on older equipment & increase in costs of maintenance agreements for software and hardware support
Facilities & Security: assessments & taxes, building & grounds maintenance, security		Addition of new facilities to monitor and additional maintenance on CRW easements
General Administration: bank & other service fees, dues & memberships, insurance		Increased insurance cost to cover additional assets and due to significant natural disasters in the region
Materials: maintenance supplies, materials inventory		Increased number of private projects as reflected in higher revenues
Office: miscellaneous, postage, printing, supplies		Additional mailing to customers for rate hearing
Other Support Costs: books & publications, certifications, employee relations, medical exams, payroll processing fees, protective clothing, safety & health, training, travel		Increased training opportunities for employee development goals
Overhead Reimbursement (CIP Fund): reimbursements from other funds for Central Services that support all programs & funds		Increased capital projects expenditures and increased overhead charge from updated overhead calculation
Professional & Contracted Services: audit, contract work, engineer service, legal, maps		Reduced as Water Treatment Plant Facilities Plan has been completed, offset by WTP detailed treatment process studies
Utilities: communications, cooling & heating, power		Increasing number of pump stations, inflation of costs and significant power rate increases
Water Purchases & Treatment: permits, telemetry, water purchases, watershed management, water treatment & analysis		Increased wheeling charges, rate increases to Oregon City and wholesale water rate increases to South Fork Water Board, offset by reduction in water purchased due to CRW plant providing water to the Redland pressure zone in the South service area.
Capital Outlay: expenditures of \$5,000 or more, with a useful life of one year or longer		
	26.7%	Due to...
Land; improvements; vehicles; furniture; general, laboratory, computer and office equipment, etc.		Nature of capital items needed, catch-up with needs in prior budget periods

General Fund

GENERAL FUND REQUIREMENTS by DEPARTMENT AND EXPENDITURE ACCOUNT GROUP						
Adopted BN 2023-2025						
REQUIREMENTS:	Administration	Finance, Accounting Customer Services	System Operations	Water Resources	Total 2023-2025	
PERSONNEL SERVICES						
FTE Positions	7.8/7.8	8/8	19/18	11/11	45.8/44.8	
Salaries & Wages	\$ 1,751,300	\$ 1,440,800	\$ 3,188,300	\$ 2,132,600	\$ 8,513,000	
Benefits & Taxes	1,087,400	869,300	2,158,600	1,281,700	5,397,000	
TOTAL PERSONNEL SERVICES	\$ 2,838,700	\$ 2,310,100	\$ 5,346,900	\$ 3,414,300	\$ 13,910,000	
MATERIALS & SERVICES						
Customer Services	\$ 11,400	\$ 575,400	\$ -	\$ 3,400	\$ 590,200	
Equipment	389,150	98,550	377,500	212,450	\$ 1,077,650	
Facilities & Security	770,800	55,600	54,000	188,000	\$ 1,068,400	
General Administration	996,800	114,400	17,300	5,500	\$ 1,134,000	
Materials	-	-	465,900	-	\$ 465,900	
Office	94,400	77,100	3,600	7,200	\$ 182,300	
Other Support Costs	231,900	54,600	59,400	47,300	\$ 393,200	
Overhead Reimbursement	(704,000)	-	-	-	\$ (704,000)	
Professional & Contracted Svc	525,800	226,100	911,000	367,500	\$ 2,030,400	
Utilities	332,750	-	-	1,953,350	\$ 2,286,100	
Water Purchases & Treatment	250	-	4,300	2,860,300	2,864,850	
TOTAL MATERIALS & SERVICES	\$ 2,649,250	\$ 1,201,750	\$ 1,893,000	\$ 5,645,000	\$ 11,389,000	
CAPITAL OUTLAY	351,500	250,000	1,188,000	490,000	2,279,500	
TOTAL CAPITAL OUTLAY	\$ 351,500	\$ 250,000	\$ 1,188,000	\$ 490,000	\$ 2,279,500	
TOTAL GF REQUIREMENTS	\$ 5,839,450	\$ 3,761,850	\$ 8,427,900	\$ 9,549,300	\$ 27,578,500	
TRANSFERS TO OTHER FUNDS					-	\$ 6,475,300
CONTINGENCY					-	\$ 1,000,000
ENDING FUND BALANCE					-	\$ 4,738,950
TOTAL REQUIREMENTS	\$ 5,839,450	\$ 3,761,850	\$ 8,427,900	\$ 9,549,300	\$ 39,792,750	

Transfers to Other Funds

Transfers to Other Funds is \$6,475,300 for the biennium. Transfers include the Revenue Bond Fund for the payment of principle and interest of the Series 2016 Revenue Bonds, and the Capital Reserve Fund for capital improvement to Districts assets. This budget meets our fiscal policy for reserve funding.

Contingency

A contingency reserve of \$1,000,000 is set aside this biennium for emergencies and unforeseen expenditures, which meets our fiscal policy. Please refer to the glossary for an expanded definition of contingency.

Ending Fund Balance

Ending Fund Balance is \$4,738,950 for the biennium and exceeds our fiscal policy of 90 days of operational expenditures.

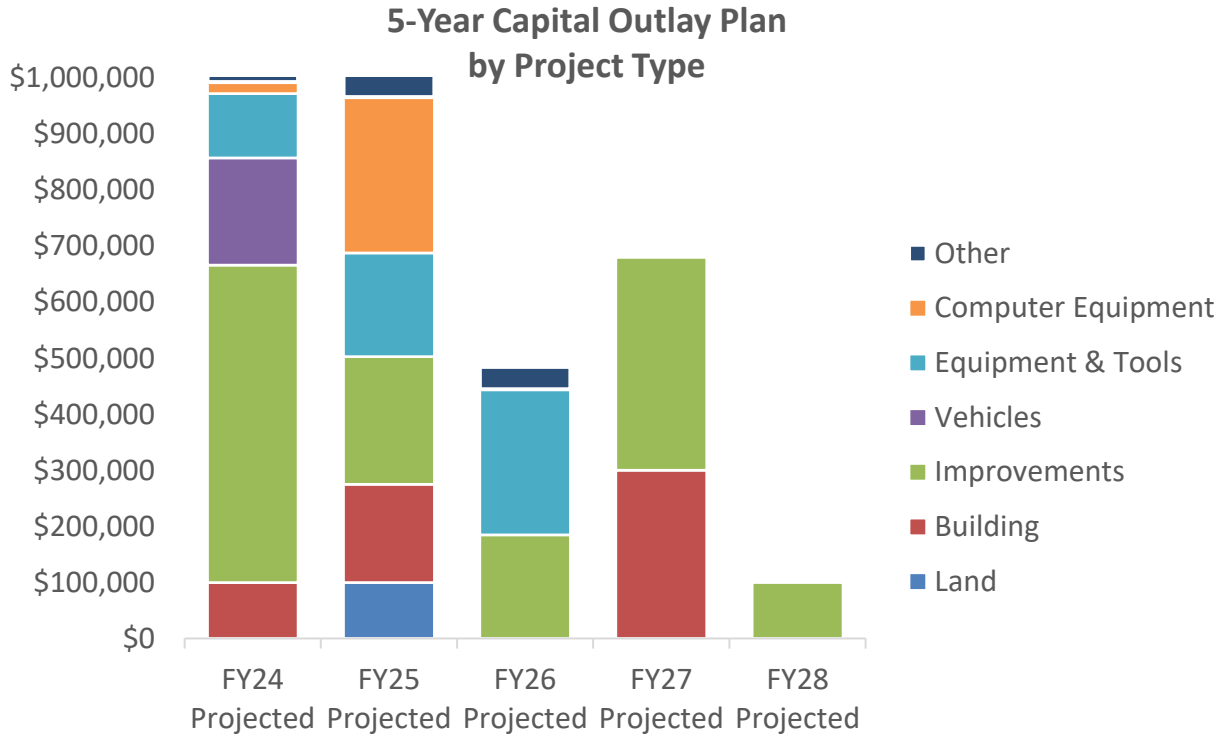
General Fund

5-YEAR CAPITAL OUTLAY PLAN					
Item	Adopted		Projected		
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Water Resources (Water Treatment Plant, WTP)					
Scada Server Replacement and Programming		8,000			
Asphalt Sealing Driveway and Parking Lot	30,000				
Pump Rebuild and Replacement	95,000	95,000	30,000	30,000	30,000
Pump Station Roofing and Gutter Maintenance and Repair	16,000	16,000			
Effluent Water Meter Replacement & Repair	75,000				
Chemical Feeder Replacement	15,000		15,000		
Rebuild Pilot Filter	20,000				
Fencing Improvements	50,000	50,000			
Beaver Creek Site Access	20,000				
Water Resources Total	\$321,000	\$169,000	\$45,000	\$30,000	\$30,000
System Operations					
System Operations Asphalt Repairs		20,000			
Dump Truck		185,000			
Furnace Air Conditioning Replacement		17,000			
Ford F150 (Lease pay-offs)	9,000				
Service Truck w/ Crane Ford F550	182,000				
Leak Detector (Satellite)	40,000				

General Fund

5-YEAR CAPITAL OUTLAY PLAN					
Item	Adopted		Projected		
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
System Operations (Cont.)					
3-Inch and Larger Meter Replacement	20,000	20,000	20,000	20,000	20,000
Meter Vault Replacement	55,000	55,000	50,000	50,000	50,000
Staff Area Renovation	230,000				
Heavy Equipment and Inventory Storage Building	100,000	175,000			
Taylor Terrace Paving	50,000				
Equipment Building Exterior Painting & Sealing		30,000			
Excavator 12K lbs. class w/ attachments			135,000		
Valve Operating Equipment			125,000		
Asphalt Seal			70,000	35,000	
Spoils Vac Dewatering Wash Building				300,000	
System Operations Total	\$686,000	\$502,000	\$400,000	\$405,000	\$70,000
Administration					
Computer Upgrade	20,500	20,500	40,000		
Financial Software		250,000			
Security System Upgrade	170,000				
Property Purchase		100,000			
Roberts Property Fencing	40,500				
Administration Total	\$231,000	\$370,500	\$40,000		
BN Total	\$1,238,000	\$1,041,500	\$540,000	\$485,000	\$100,000

General Fund





PROJECT DESCRIPTIONS

BN 2023-2025

SCADA SERVER REPLACEMENT & PROGRAMMING

DESCRIPTION:

This project request replaces a Supervisory Control and Data Acquisition (SCADA) server. The server is on a 3–5-year replacement cycle, but other intervals are sometimes advantageous for operations and reliability. The server replacement will include programming and integration to the current system. This project is a carryover from last year’s project.

IMPACT:

The replacement of the server will keep CRW up to the industry standard of a 3–5-year replacement and will ensure SCADA system reliability. Replaced servers may be used as a backup to new servers in the event of failure or repair needs.

PROJECT INFORMATION:

PROJECT MANAGER: WATER RESOURCES MANAGER

PROJECT NO: 1146

BUDGET & PROJECT COSTS

FY 2023-25 - \$8,000



PROJECT DESCRIPTIONS

BN 2023-2025

ASPHALT SEALING DRIVEWAY & PARKING LOT AT WATER TREATMENT PLANT

DESCRIPTION:

This project request provides resealing and filling cracks in the WTP driveways and parking lots. This project is a carryover from last year's capital outlay projects.

IMPACT:

The sealing project will extend the life of the asphalt paving and improve the appearance of the facilities.

PROJECT INFORMATION:

PROJECT MANAGER: WATER RESOURCES MANAGER

PROJECT NO: 1145

BUDGET & PROJECT COSTS

FY 2023-25 - \$30,000



PROJECT DESCRIPTIONS

BN 2023-2025

PUMP REBUILD AND REPLACEMENT

DESCRIPTION:

This project request is to rebuild or replace CRW's water system pumps that are up to 56 years old. CRW maintains pumps on a regular basis in order for the pumps to work efficiently. Servicing and/or maintaining the pumps becomes less cost effective, partly because of obsolescence. The following pumps are included:

1. Water Treatment High-lift Pump Station

Remove, inspect, and rebuild or replace 100 to 600 horsepower pumps and motors at the Water Treatment Plant (WTP) high-lift pump station. High-lift pumps move water to the distribution system and reservoirs.

2. Water Treatment Low-lift Pump Station

Low-lift pumps move water from the river to the WTP. The project allows for removal, inspection and if necessary, the rebuild or replacement of the motors.

3. Remote Pumping Stations

Remove, inspect, and rebuild or replace 7 to 150 horsepower pumps and motors at remote pump stations.

IMPACT:

No material increases or decreases in operating costs are anticipated as one pump will be replaced with another kind.

PROJECT INFORMATION:

PROJECT MANAGER: WATER RESOURCES MANAGER

PROJECT NO: 1144

BUDGET & PROJECT COSTS

FY 2023-25 - \$190,000



PROJECT DESCRIPTIONS

BN 2023-2025

PUMP STATION ROOFING/GUTTER MAINTENANCE & REPAIR

DESCRIPTION:

This project sets aside resources needed for roofing replacement and gutter repair at CRW pump stations.

IMPACT:

The periodic maintenance and roof replacement/repair is critical to maintaining CRW assets and reliable service to customers. Replacing the roof and repairing the gutters will prevent water damage to pump stations.

PROJECT INFORMATION:

PROJECT MANAGER: WATER RESOURCES MANAGER

PROJECT NO: 1150

BUDGET & PROJECT COSTS

FY 2023-25 - \$32,000



PROJECT DESCRIPTIONS

BN 2023-2025

EFFLUENT WATER METER REPLACEMENT/REPAIR

DESCRIPTION:

This project will evaluate and replace the existing meter on one of the treated water main lines exiting the plant. The current meter does not function accurately and is in need of replacement. An accurate meter is required to replace the current interim metering methods to provide ongoing consumption data that is used in annual reporting and planning activities by CRW. This project will also include modifications to the existing meter vault to accommodate access and installation of the new meter.

IMPACT:

This project will enable CRW to accurately report ongoing consumption data. This project will also help CRW report accurate information and better plan future activities.

PROJECT INFORMATION:

PROJECT MANAGER: WATER RESOURCES MANAGER

PROJECT NO: 1155

BUDGET & PROJECT COSTS

FY 2023-25 - \$75,000



PROJECT DESCRIPTIONS

BN 2023-2025

WATER TREATMENT PLANT - CHEMICAL FEEDER REPLACEMENTS

DESCRIPTION:

This project replaces the current Water Treatment Plant (WTP) chemical feeders that are obsolete and have limited parts available for repair. Current day chemical feeders include electronic feedback on performance and use more flexible communication.

IMPACT:

Chemical feeders are needed to add chemicals accurately to the water supply system. This project will provide up-to-date parts and service which are needed to reliably and accurately measure the chemicals that are being added to the water supply system. Replacing the chemical feeder will improve monitoring performance.

PROJECT INFORMATION:

PROJECT MANAGER: WATER RESOURCES MANAGER

PROJECT NO: 1141

BUDGET & PROJECT COSTS

FY 2023-25 - \$15,000



PROJECT DESCRIPTIONS

BN 2023-2025

WATER TREATMENT PLANT – REBUILD PILOT FILTER

DESCRIPTION:

This project replaces/rebuilds the Water Treatment Plant pilot filter. The pilot filter is used to reflect the conditions on a full-scale operation. This filter provides information on the effectiveness of the treatment chemicals and removal of contaminants on a smaller scale. Information received from the pilot filter is used to make water treatment changes on a larger scale. The current system is over 20 years old and needs updates to provide more accurate information.

IMPACT:

Having reliable and accurate instrumentation to measure and record chlorine, pH, turbidity and filter performance are all important to the water treatment process. Periodic rebuild/replacement of instrumentation is required to maintain consistent operation of the Water Treatment Plant.

PROJECT INFORMATION:

PROJECT MANAGER: WATER RESOURCES MANAGER

PROJECT NO: 1154

BUDGET & PROJECT COSTS

FY 2023-25 - \$20,000



PROJECT DESCRIPTIONS

BN 2023-2025

FENCING IMPROVEMENTS – OTTY, REDLAND, HUNTER HEIGHTS

DESCRIPTION:

This project repairs and replaces fencing around the Pump Stations at Otty Rd, Redland, and Hunter Heights. The fencing around these Pump Stations needs repair and/or replacement due to storm damage and deterioration. The current fencing does not provide the security necessary to protect the Pump Stations from vandalism or tampering.

IMPACT:

This work will preserve the property's value, safety and aesthetics while discouraging dumping and simplifying maintenance.

PROJECT INFORMATION:

PROJECT MANAGER: WATER RESOURCES MANAGER

PROJECT NO: 1156

BUDGET & PROJECT COSTS

FY 2023-25 - \$100,000



**PROJECT DESCRIPTIONS
BN 2023-2025**

BEAVERCREEK SITE ACCESS IMPROVEMENT

DESCRIPTION:

This project will modify and improve the gate and fence at the Beaver Creek Reservoir Site. The current gate is set too close to the roadway, so it makes it difficult to safely enter without stopping larger vehicles in the roadway. The gate has also suffered damage which will make resetting the gate posts necessary to make the site more secure.

IMPACT:

Modifying the gate and fence at Beaver Creek Reservoir Site will allow vehicles to access the area more safely without having to first stop and block part of the roadway. The relocation of the gate will also address damage issues to the gate and posts which will improve the security of the facility.

PROJECT INFORMATION:

**PROJECT MANAGER: WATER RESOURCES MANAGER
PROJECT NO: 1157**

**BUDGET & PROJECT COSTS
FY 2023-25 - \$20,000**



PROJECT DESCRIPTIONS

BN 2023-2025

SYSTEM OPERATIONS ASPHALT REPAIR

DESCRIPTION

The pavement on the south side of the System Operations building and Water Treatment Plant (WTP) is cracked and in various states of failure, from gate No. 2 to the east end of the shop building. Given that this is a high-traffic area for CRW utility vehicles and large trucking (vendor entrance/exit), the current pavement condition is not unexpected for the age and use. This project replaces the failing pavement through a 2-inch grind and overlay of specific sections of pavement that have sustained the most severe wear. New pavement will be easier to maintain and will slow down the damage to the driveway surface and subgrade.

IMPACT

The repair/replace damaged asphalt pavement at the System Operations facility (9100 SE Mangan Dr.) will prevent further damage to the pavement and prevent vehicles from being driven over pavement that is in disrepair.

PROJECT INFORMATION:

PROJECT MANAGER: WATER DISTRIBUTION SUPERVISOR

PROJECT: 1158

BUDGET & PROJECT COSTS:

FY 2023-2025 - \$20,000



PROJECT DESCRIPTIONS

BN 2023-2025

DUMP TRUCK WITH 5-YARD BOX

DESCRIPTION

CRW has two 5-yard style dump trucks. One of the 2 trucks is over 29 years old. This truck is used by System Operations for field construction and maintenance activities, including hauling spoils and trailers with equipment and materials. The dump truck is past its useful life, and routine maintenance costs will happen more often, and resale value will continue to decrease. A new 5-yard dump truck will add flexibility and reliability to the CRW's construction vehicle fleet, as well as providing updated driving and control features which will improve operations safety and efficiency.

IMPACT

This purchase will replace the current 29-year-old dump truck. The new dump truck will provide CRW a more reliable 5-yard dump truck used for field construction and maintenance activities.

PROJECT INFORMATION:

PROJECT MANAGER: WATER DISTRIBUTION SUPERVISOR

PROJECT: 2342

BUDGET & PROJECT COSTS:

FY 2023-2025 - \$185,000



PROJECT DESCRIPTIONS

BN 2023-2025

FORD F150 LEASE PAYOFF

DESCRIPTION

CRW entered into a lease agreement with Enterprise Fleet Management for the purpose of leasing a 2018 Ford F-150 4x4 field support service pickup truck. The vehicle is adequately providing the desired functionality, and considering the vehicle's current age, mileage, and maintenance history the vehicle is expected to provide many more years of service. Paying off the lease agreement will fully transfer the vehicle title to CRW.

IMPACT

This will eliminate the monthly payment related to the lease agreement with Enterprise Fleet Management. CRW will own the vehicle after it is paid off.

PROJECT INFORMATION:

PROJECT MANAGER: WATER DISTRIBUTION SUPERVISOR

PROJECT: 2343

BUDGET & PROJECT COSTS:

FY 2023-2025 - \$9,000



PROJECT DESCRIPTIONS

BN 2023-2025

SERVICE TRUCK WITH CRANE BODY – FORD F550

DESCRIPTION

This truck was budgeted in FY21-23, however due to supply chain issues, the manufacturer halted all new orders which delayed the purchasing process. A purchase order has been approved by CRW's Board of Commissioners, and the final purchase order has been awarded to the vendor. CRW expects to receive the completed truck package in FY 2024. The current Ford F350 service truck is 16 years old, with nearly 100k miles and showing signs of age and heavy use. The current vehicle also creates an unsafe driving situation when fully loaded. Replacing the current F350 with an F550 will reduce this occurrence and allow for a slightly larger crane and boxes to be mounted on the frame. The older vehicle will be part of CRW surplus inventory to be sold in the next 2 years. This will be CRW's last F350 class vehicle to be upgraded to the F550 class.

IMPACT

This will replace an aging vehicle that shows signs of age and heavy use. Upgrading from a Ford F350 to a Ford F550 will create safer driving conditions and will upgrade the crane mounted at the back of the vehicle.

PROJECT INFORMATION:

PROJECT MANAGER: WATER DISTRIBUTION SUPERVISOR

PROJECT: 2344

BUDGET & PROJECT COSTS:

FY 2023-2025 - \$182,000



PROJECT DESCRIPTIONS

BN 2023-2025

FURNACE AND AIR CONDITIONING UNIT REPLACEMENT - SYSOPS

DESCRIPTION

This project replaces the HVAC system in the System Operations Shop building. New energy efficient units will replace the existing furnace and air conditioning units that are over 16 years old. The current unit does not have the current energy efficient technology and often needs repair due to its age and condition.

IMPACT

Replacement of the aging HVAC system will reduce CRW's utility bill by installing a more energy efficient system. The new system will also be more reliable and will be less in need of repair.

PROJECT INFORMATION:

PROJECT MANAGER: WATER DISTRIBUTION SUPERVISOR

PROJECT: 2328

BUDGET & PROJECT COSTS:

FY 2023-2025 - \$17,000



PROJECT DESCRIPTIONS

BN 2023-2025

3-INCH AND LARGER METER REPLACEMENTS - SYSOPS

DESCRIPTION

This project will purchase replacement meters for industrial/commercial meters 3-inch and larger which no longer meet the manufacturer's standards for accuracy and cannot be repaired due to mechanical failure or obsolete parts. If a meter cannot be repaired, it is then replaced with a new meter.

IMPACT

Replacing old, non-working meters ensures that CRW is correctly billing customers accurately for water usage. Replacement of meters that meet manufacturers' standards also reduces any costs related to field staff time by decreasing maintenance and repair.

PROJECT INFORMATION:

PROJECT MANAGER: WATER DISTRIBUTION SUPERVISOR

PROJECT: 2326

BUDGET & PROJECT COSTS:

FY 2023-2025 - \$40,000



PROJECT DESCRIPTIONS

BN 2023-2025

METER VAULT REPLACEMENTS

DESCRIPTION:

This project purchases replacement industrial/commercial meter vaults and related piping systems. Industrial and commercial meter vaults and the plumbing associated with them may require replacement due to age or replacement of non-compliant or non-functioning large meters. Additionally, some meter vaults need to be replaced or upgraded to ensure compliance with safety standards and best practices for confined space entry. Meter vault work may coincide with large meter replacement (separate capital outlay item), where applicable.

IMPACT:

New meter vaults require less maintenance and increase District compliance with safety standards and best practices.

PROJECT INFORMATION:

PROJECT MANAGER: WATER DISTRIBUTION SUPERVISOR

PROJECT NO: 2327

BUDGET & PROJECT COSTS

FY 2023-25 - \$110,000



PROJECT DESCRIPTIONS

BN 2023-2025

STAFF AREA RENOVATION – SYSTEM OPERATIONS SHOP

DESCRIPTION:

This project renovates the system operations shop which was constructed over 40 years ago and has received minimal updates since. It is showing signs of degradation from consistent, uninterrupted use. The current facility has become inadequate for occupational needs and space is limited for a crew of 10 members with locker facilities being located in a separate area. Construction services will need to be provided by an outside contractor according to the current biennium architectural plans.

IMPACT:

Renovation of the system operations shop will maximize available space in the shared offices, locker rooms as well as the breakroom area. It will provide adequate storage for personal protective equipment, uniforms, and employee belongings. The plumbing and electrical systems will be updated during this renovation which will reduce utility cost to CRW by using energy efficient equipment.

PROJECT INFORMATION:

PROJECT MANAGER: WATER DISTRIBUTION SUPERVISOR

PROJECT NO: 2329

BUDGET & PROJECT COSTS

FY 2023-2025 - \$230,000



PROJECT DESCRIPTIONS

BN 2023-2025

HEAVY EQUIPMENT AND INVENTORY STORAGE BUILDING

DESCRIPTION:

This project provides an additional storage building to house heavy equipment and centralize storage of inventory. The existing Operations equipment barn is an approximately 70'x100' steel frame, heated enclosure with an interior height of approximately 20'. The building has four double bays that currently house a variety of construction and maintenance equipment including multiple dump trucks, construction truck, backhoe, mini-excavator, shoring trailer, traffic control devices, large fittings and a variety of other bulky materials located on storage racks.

With heavy equipment parked carefully inside, there is only 16 inches of room available to the face of the rollup doors. Due to the limited covered storage space in the adjacent shop, some smaller vehicles are being stored outside so that materials, inventory, and equipment can be stored in the shop building. This means that inventory is spread between two buildings and in multiple locations within these buildings. The District also has additional equipment including emergency water treatment and distribution trailers, portable light plants and two variable message sign boards, all of which must currently be stored outside with minimal protection from the elements. These items should be stored inside to maximize their lifespan. This project will fund a non-heated enclosure for equipment that does not need temperature-controlled space but requires protection from the elements. Current building codes will be evaluated for both the existing and the adopted storage building for seismic and other considerations. This project is a carryover from the previous fiscal year.

IMPACT:

Establishment of a second storage building will centralize the inventory in one space, free up the shop's vehicle bays for parking, and will maximize the useful life of other equipment currently stored outdoors.

PROJECT INFORMATION:

PROJECT MANAGER: WATER DISTRIBUTION SUPERVISOR

PROJECT NO: 2317

BUDGET & PROJECT COSTS

FY 2023-2025 - \$275,000



PROJECT DESCRIPTIONS

BN 2023-2025

TAYLOR TERRACE PAVING

DESCRIPTION:

This project installs permanent asphalt pavement to the Hunter Heights Pump Station on Taylor Terrace. The Hunter Heights Pump Station/Reservoir site is located at the end of Taylor Terrace, a short private road, off of Bradley Road, owned by the District. The road is a gravel surface with open ditches for drainage and is approximately 790 feet long. Several existing easements with adjacent property owners allow nine CRW customers access to their properties along Taylor Terrace. The road is very steep and subject to wash outs due to inadequate drainage and road grades. CRW continues to maintain the road for access to the pump station and reservoirs, including grading and adding gravel materials to repair seasonal damage every year. This project is a carryover from the previous fiscal year.

IMPACT:

This project will help improve drainage and provide a permanent asphalt surface to reduce seasonal maintenance.

PROJECT INFORMATION:

PROJECT MANAGER: WATER DISTRIBUTION SUPERVISOR

PROJECT NO: 2315

BUDGET & PROJECT COSTS

FY 2023-25 - \$50,000



PROJECT DESCRIPTIONS BN 2023-2025

EQUIPMENT BUILDING EXTERIOR PAINT AND SEALING

DESCRIPTION

The Operations Equipment Building is an approximately 60'x 80' steel frame, enclosure with an interior height of approximately 20'. The building currently houses a variety of construction and maintenance equipment, and bulky inventory materials. The building is due for a complete seal service and repainting, to ensure corrosion to the steel roof and siding does not occur. This is a preventative maintenance to a CRW building and prevent future deterioration.

IMPACT

Preventative maintenance sealing and repainting in order to extend the useful life of the building.

PROJECT INFORMATION:

PROJECT MANAGER: WATER DISTRIBUTION SUPERVISOR

PROJECT: 2340

BUDGET & PROJECT COSTS:

FY 2023-2025 - \$30,000



PROJECT DESCRIPTIONS

BN 2023-2025

SATELLITE LEAK DETECTION

DESCRIPTION:

CRW's current leak detection program includes visual and audio inspections of nearly 270 miles of waterlines, including valves, hydrants, and services. However, due to staffing equipment limitations, and other system maintenance priorities, this program has not always been able to achieve the level of inspection and repair frequency (best management practices) as recommended by American Water Works Association (AWWA). This has resulted in a backlog of leak detection activities and more reactive response to leak identification and repair, with potentially higher repair costs than a more proactive alternative. For CRW's distribution system, with a variety of pipe material and age, a leak detection system that reduces staff time and will overcome any weather condition is needed to better plan and initiate this aspect of system maintenance.

IMPACT:

This decision package will provide a one-year satellite leak detection service that will produce satellite imagery of the entire District's distribution system. The imagery will provide pinpoint locations of potential pipe leaks. This will significantly reduce staff time normally required to conduct mile-by-mile audio leak inspections and allow more time to zone in on specific areas of potential leaks in our system.

PROJECT INFORMATION:

PROJECT MANAGER: WATER RESOURCES MANAGER

PROJECT NO: 2341

BUDGET & PROJECT COSTS

FY 2023-25 - \$40,000



PROJECT DESCRIPTIONS

BN 2023-2025

COMPUTER SYSTEM UPGRADE/REPLACEMENT

DESCRIPTION

This project upgrades CRW's staff computers that have reached their 4–7-year lifespan. CRW replaces a portion of the computers annually as they reach their lifespan to help avoid system crashes, lost data, and cybersecurity attacks. This is part of CRW's regularly scheduled computer upgrade/replacement and follows industry standard.

IMPACT

Outdated computers pose a greater risk of security breach due to outdated software and hardware. Updating/replacing the computers will also reduce costs related to staff time spent performing maintenance and repair. Updating CRW's computer software and hardware will also reduce CRW's vulnerability to security breaches and will help CRW maintain day to day operation without interruptions.

PROJECT INFORMATION:

PROJECT MANAGER: IT MANAGER

PROJECT: 6001

BUDGET & PROJECT COSTS:

FY 2023-2025 - \$41,000



PROJECT DESCRIPTIONS

BN 2023-2025

FINANCIAL SOFTWARE REPLACEMENT - FACS

DESCRIPTION

CRW is currently using the financial software EDEN which is sunsetting in the next 2 years. Tyler Technologies, which is the parent company of EDEN, will no longer support EDEN. This forces EDEN users to transition to a different financial management software. This project replaces the current financial system, EDEN, to support the various financial functions of CRW. This project will also give CRW the opportunity to choose utility billing, procurement, and financial software that better suits the needs of CRW.

IMPACT

Replacement of the current software will ensure that CRW will receive the necessary support needed to effectively perform the functions of the Finance and Customer Service Department.

PROJECT INFORMATION:

PROJECT MANAGER: CHIEF FINANCIAL OFFICER

PROJECT: 6016

BUDGET & PROJECT COSTS:

FY 2023-2025 - \$250,000



PROJECT DESCRIPTIONS

BN 2023-2025

SECURITY SYSTEM UPGRADE

DESCRIPTION:

As part of the recommendations from CRW's Risk and Resilience Assessment that was required by the American Water Infrastructure Act of 2018 (AWIA), CRW has identified that the current physical security system needs a major security upgrade. CRW's current digital system components are using out of date technology (cameras, servers, software), lacks operational efficiencies for staff, is unable to support our pump stations/reservoir security program, and lacks resiliency as it is tied to an in-house server accessible only to a limited number of staff.

IMPACT:

This project will result in the following improvements to CRW's security system:

- Increase in digital capacity allowing CRW to add more components to the system at a later date.
- Increased resiliency by moving CRW's in house server to a cloud-based system.
- Increased employee efficiencies (in house badging, access to video feeds, smartphone app access).
- Improved levels of service from the new vendor, including monitoring and maintenance
- Increased situational awareness as CRW expands the cameras to more critical areas that need monitoring.
- Improved monitoring of access points by staff and vendors
- Improved cyber security of CRW's sensitive data.

PROJECT INFORMATION:

PROJECT MANAGER: EMERGENCY MANAGER

PROJECT NO: 6015

BUDGET & PROJECT COSTS

FY 2023-25 - \$170,000



PROJECT DESCRIPTIONS

BN 2023-2025

PROPERTY PURCHASE – PUMP STATION

DESCRIPTION:

This project will obtain land and easements for pump station as anticipated in the Water System Master Plan and identified in the South Service Area Distribution Enhancements. The pumping analysis identified that a future Pump Station should be designed to provide sufficient capacity to serve the Holcomb, Hunter Heights, and Barlow pressure zones.

Discussions with potential property owners will be conducted and it is anticipated that required property negotiations and purchases will be completed in this biennium.

IMPACT:

CRW will incur landscaping costs for the land purchases and easements. Specific property selection and purchase have not been formalized.

PROJECT INFORMATION:

PROJECT MANAGER: CHIEF ENGINEER

PROJECT NO: 6017

BUDGET & PROJECT COSTS

FY 2023-25 - \$100,000



PROJECT DESCRIPTIONS

BN 2023-2025

ROBERTS PROPERTY FENCING AND GATE UPGRADES

DESCRIPTION:

This project will install fencing and improve the current gate used at the Roberts property next to the Operations and Water Treatment Plant area. The fence will be installed on the unfenced area of the property and a gate installed close to the storage building in order to secure the area from any trespassers. The property is prone to trespassers due to easy access through the unfenced area of the property.

IMPACT:

This will further secure Roberts' property from any trespassers and increase security for the storage building from break-ins.

PROJECT INFORMATION:

PROJECT MANAGER: WATER RESOURCES MANAGER

PROJECT NO: 6018

BUDGET & PROJECT COSTS

FY 2023-25 - \$40,500

CAPITAL FUND

CAPITAL IMPROVEMENT PROJECTS FUND

Overview

The Capital Improvement Projects (CIP) Fund accounts for construction activity of the District. Projects include additions, replacements, and WTP structural improvements, transmission, distribution, supply, and treatment facilities. Major projects to be included are products of the District’s Water System Master Plan. Projects for years after the 2023-2025 biennium are contained in the Master Plan and other district documents.

The primary resources for these projects are transfers from the Capital Reserve Fund.

Requirements for the CIP Fund are shown as Capital Outlay and include internal labor costs associated with project management, design review and construction inspection, as well as external contract work, engineering, public notices, printing and supplies that are directly associated with capital projects.

Funds resulting from current and future rates and system development charges (as appropriate) are accumulated to meet project construction costs. The accumulated reserves are used to pay for a portion of the projects but are typically insufficient to meet these needs in perpetuity. To compensate, rate proceeds are typically accumulated over a period of one or more years to build reserves.

Where the money comes from...

- Transfers from Capital Reserve Fund

Where the money goes...

- Capital Projects

CAPITAL IMPROVEMENT PROJECTS FUND						
Summary	Total 2021-2023	Adopted BN 2023-2025			Change to 2023-2025 from 2021-2023	
		Year 1 2023-2024	Year 2 2024-2025	Total 2023-2025	\$	%
RESOURCES:						
Beginning Fund Balances	\$ 1,000	\$ 1,000	\$ -	\$ 1,000	\$ -	0.0%
Transfers	6,287,000	6,905,000	3,034,000	9,939,000	3,652,000	58.1%
TOTAL RESOURCES	\$ 6,288,000	\$ 6,906,000	\$ 3,034,000	\$ 9,940,000	\$ 3,652,000	58.1%
REQUIREMENTS:						
Capital Fund	\$ 6,288,000	\$ 6,906,000	\$ 3,034,000	\$ 9,940,000	\$ 3,652,000	58.1%
Reserved for Future Expenditure	-	-	-	-	-	N/A
TOTAL REQUIREMENTS	\$ 6,288,000	\$ 6,906,000	\$ 3,034,000	\$ 9,940,000	\$ 3,652,000	58.1%

Summary of Fund’s Adopted Budget

The adopted budget for the Capital Improvement Projects Fund totals \$9,940,000, an increase of \$3,652,000 over the 2021-23 biennium budget. Highlights of the adopted budget include:

- Transfers In consists of \$9,940,000 from the Capital Reserve Fund. Transfers from the Capital Reserve Fund are not restricted and are used to fund projects as needed.

CAPITAL IMPROVEMENT PROJECTS

CAPITAL IMPROVEMENT PROJECTS FUND			
PROJECTS LIST			
BN2023-2025			
Project Number¹ and Description	Project ID#	BN 2023-2025 Budget	
1 Transportation/CRW Impact Projects	5301	\$	250,000
2 82nd Drive Waterline - Phase 2	5303	\$	1,041,000
3 Hanson Ct. I-205 Crossing	5291	\$	577,000
4 Janssen Rd. I-205 Crossing	5291	\$	542,000
5 Redland Rd. Waterline - Bradley to Potter	5306	\$	1,355,000
6 Redland Rd. PRV and Services	5307	\$	1,003,000
7 Low Lift Pump Station Improvements	5308	\$	749,000
8 WTP Structural Improvements	5309	\$	1,000,000
9 Redland Rd. WL - Phase 1 (Carry Over)	5273	\$	666,000
10 Linwood Ave. Improvements (Carry Over)	5270	\$	210,000
11 Monroe Street Improvements (Carry Over)	5279	\$	850,000
12 WTP Filter Valve Replacement (Carry Over)	5282	\$	1,302,000
13 Pump Station Supplemental Chlorine (Carry Over)	5280	\$	142,000
14 WTP Polymer Feed System Replacement (Carry Over)	5281	\$	252,000
Total Capital Improvement Project Fund BN 2023-2025		\$	9,939,000

Footnote: ¹ Project locations are identified on project maps in subsequent pages.

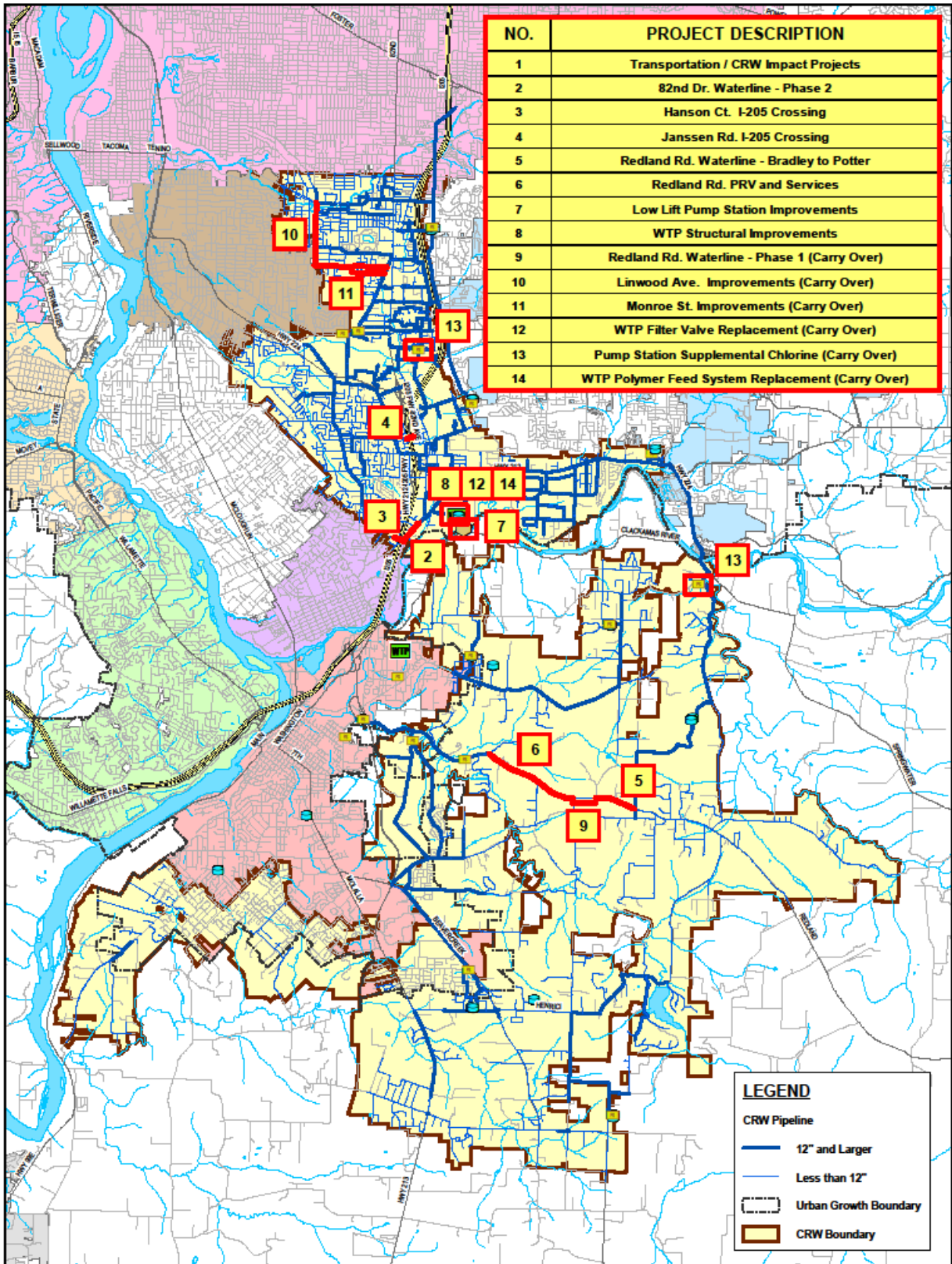
Operating Impacts of Capital Projects

CRW has one primary directive, to supply water to customers. As such, the majority of CRW’s capital projects involve routine upgrades or replacements to our existing water supply infrastructure. Also, the District is not experiencing significant growth in our customer base, nor does it expect to in the foreseeable future. As such, most of our capital expenditures are recurring in nature and do not result in a material impact on future operating costs. While we may realize minimal increases in expenses from implementation of some projects, these expenses are typically offset by efficiencies and lower costs for long-term operation and maintenance. These savings include lower utility costs (energy and resource efficiencies), reduced repair and maintenance, reductions in down-time and costly rentals, protection from asset damage and loss, and enhanced flexibility, reliability, serviceability and safety.

CAPITAL IMPROVEMENT PROJECTS FUND

Capital Improvements 5-year Plan For Fiscal Years 2024 through 2028						
Project Title	FY24	FY25	FY26	FY27	FY28	5 YR Total
<i>Amounts in Thousands</i>						
1 Transportation/CRW Impact Projects	125	125	125	125	125	\$ 625
2 82nd Drive Waterline - Phase 2		1,041				\$ 1,041
3 Hanson Ct. I-205 Crossing		577				\$ 577
4 Janssen Rd. I-205 Crossing		542				\$ 542
5 Redland Rd. Waterline - Bradley to Potter	1,355					\$ 1,355
6 Redland Rd. PRV and Services	1,003					\$ 1,003
7 Low Lift Pump Station Improvements	-	749				\$ 749
8 WTP Structural Improvements	1,000					\$ 1,000
9 Redland Rd. WL - Phase 1 (Carry Over)	666					\$ 666
10 Linwood Ave. Improvements	210					\$ 210
11 Monroe Street Improvements (Carry Over)	850					\$ 850
12 WTP Filter Valve Replacement (Carry Over)	1,302					\$ 1,302
13 Pump Station Supplemental Chlorine (Carry Over)	142					\$ 142
14 WTP Polymer Feed System Replacement (Carry Over)	252					\$ 252
Johnson Creek Blvd New Pipe			1,038			\$ 1,038
Bradley/Butterfield PS				1,742		\$ 1,742
Bradley Rd WL - Potter Rd to Holcomb Blvd.			3,618			\$ 3,618
High Lift PS Improvements				804		\$ 804
Barlow Crest PRV				268		\$ 268
Upper Bradley Rd. - Forsythe to north end					682	\$ 682
Holly Lane Pump Station Suction (Holly Lane)					1,211	\$ 1,211
Project Totals by Year	\$6,905	\$ 3,034	\$4,781	\$2,939	\$ 2,018	\$ 19,677

CLACKAMAS RIVER WATER PROPOSED CAPITAL IMPROVEMENT PROJECTS FY 2023-2025



Date: March 23, 2023
 Drawing Name: CIP_PIPELINE_2023-25.mxd
 Drawing Location: F:\GIS\ArctMap MXD Project Files
 Drawing By: M.Grose



CLACKAMAS RIVER WATER
 GEOGRAPHIC INFORMATION SYSTEM
3075 SE 84th Drive - Clackamas, Oregon
 503.251.4000 - www.crw.com

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**

Transportation/CRW Impact Projects

Purpose: To provide resources to make adjustments to water mains, valve boxes, services and other appurtenances as necessitated by neighboring agencies, including Oregon Department of Transportation (ODOT) or Clackamas County Department of Transportation and Development (DTD) projects.

Analysis: If these projects are not completed, CRW access to water system related infrastructure (i.e. valves, vaults, fire hydrants & meters) would be greatly limited and increase maintenance and operational costs. In some cases, reconstruction/relocation of vaults, meters and fire hydrants would not occur to accommodate roadway reconstruction.

Description: These transportation projects include roadway realignments and construction by the State or County. CRW’s response entails planning, design and construction to adjust, relocate, and upgrade locations of waterlines, valves, hydrants and associated appurtenances due to road reconstruction, bridgework, sidewalks, storm drains and other transportation-related improvements. This category of project also includes any other outside agency projects affecting access to existing CRW facilities or actual installation of water related facilities.

There are potential projects slated for completion by these governmental entities in the next five year planning period. CRW will need to expend funds to ensure that an adequate response can be made to these activities, and safeguard the District’s future needs. Transportation agency projects that substantially impact water infrastructure, and have been identified ahead of the CRW budget, may be assigned and budgeted as a CIP project outside this budget item.

PROJECT INFORMATION

Project Manager: Engineer Manager

Project #: 5301

FY 2023-24 Budget: \$125,000

FY 2024-25 Budget: \$125,000

FY 2023-2025 Total: \$250,000

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**

82nd Drive Waterline – Phase 2

Purpose: To design and construct new waterline to replace a portion of an existing 10-inch 1920’s-era Cast Iron water main and 6-inch cast iron piping identified as Project D-22 in the 2019 Water System Master Plan as being in need of replacement due to a number of leaks causing ongoing maintenance repairs.

This phase will continue south from the end of Phase 1 at Scottstree Way and also provide flow for a new I-205 crossing at Hanson Ct (a separate project identified in this budget).

Analysis: This is the second phase of a project to replace a waterline approaching 100 years old. Subsequent phases will continue the replacement in future years.

Description: CRW’s design will include hydraulic analysis to confirm main sizing, routing, and upgrades to existing water services and fire hydrants.

The project consists of the design and construction of approximately 1,700 feet of 12-inch ductile iron main to replace 1920’s-era 10-inch cast iron mains along 82nd Drive, as well as water services and other related water infrastructure.

PROJECT INFORMATION

Project Manager: Engineer Manager

Project #: 5303

FY 2023-24 Budget: \$ 0

FY 2024-25 Budget: \$ 1,041,000

FY 2023-2025 Total: \$ 1,041,000

CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25



82nd Drive Waterline – Phase 2
Proposed 12” Waterline

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**

Hanson Ct. I-205 Crossing

Purpose: To design and construct a new I-205 crossing to provide increased flows to the west of the freeway and reduce risk to the District by providing for the abandonment of an existing unprotected 1970’s 6-inch cast iron waterline under the freeway. This crossing is identified as project D-23 in the Water System Master Plan and is also identified as a High Priority project in the freeway crossing study performed in 2020.

Analysis: If this project is not completed, the existing crossing will continue in service with the inherent risk of having a substandard, uncased cast iron pipe crossing a major freeway.

Description: CRW’s design will include approximately 220 feet of 12-inch ductile iron waterline with 24-inch horizontal bore casing and associated connections.

PROJECT INFORMATION

Project Manager: Engineer Manager

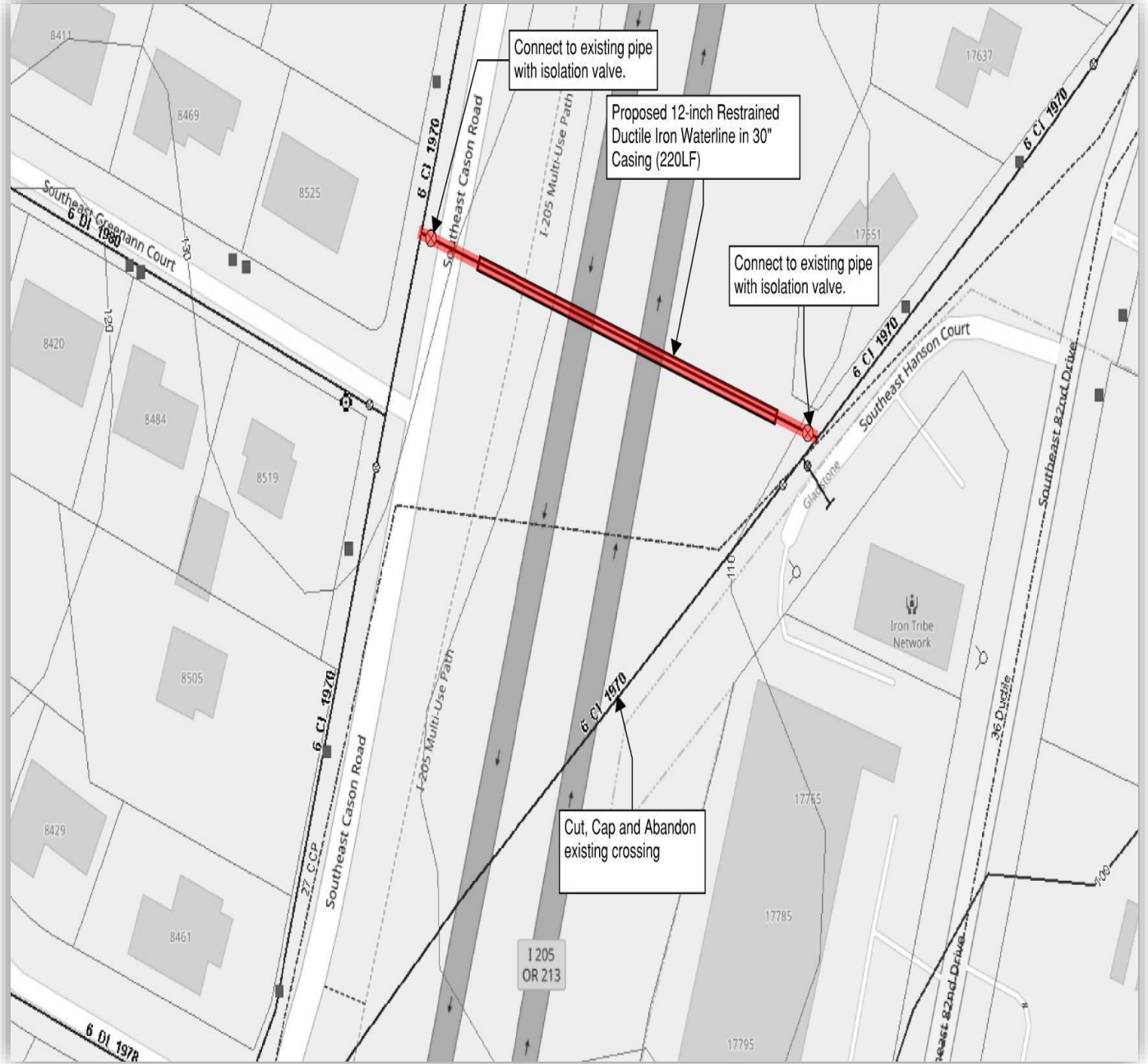
Project #: 5291

FY 2023-24 Budget: \$ 0

FY 2024-25 Budget: \$ 577,000

FY 2023-2025 Total: \$ 577,000

CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25



Hanson Ct. I-205 Crossing
Proposed 12" Waterline

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**

Jannsen Road I-205 Crossing

Purpose: To design and construct a new I-205 crossing to provide increased flows to the west of the freeway and reduce risk to the District by providing for the abandonment of an existing unprotected 1960’s 8-inch cast iron waterline under the freeway. This crossing is identified as project D-01 in the Water System Master Plan and is also identified as a High Priority project in the freeway crossing study performed in 2020.

Analysis: If this project is not completed, the existing crossing will continue in service with the inherent risk of having a substandard, uncased cast iron pipe crossing a major freeway.

Description: CRW’s design will include approximately 200 feet of 12-inch ductile iron waterline with 24-inch horizontal bore casing and associated connections on Jannsen Road.

PROJECT INFORMATION

Project Manager: Engineer Manager

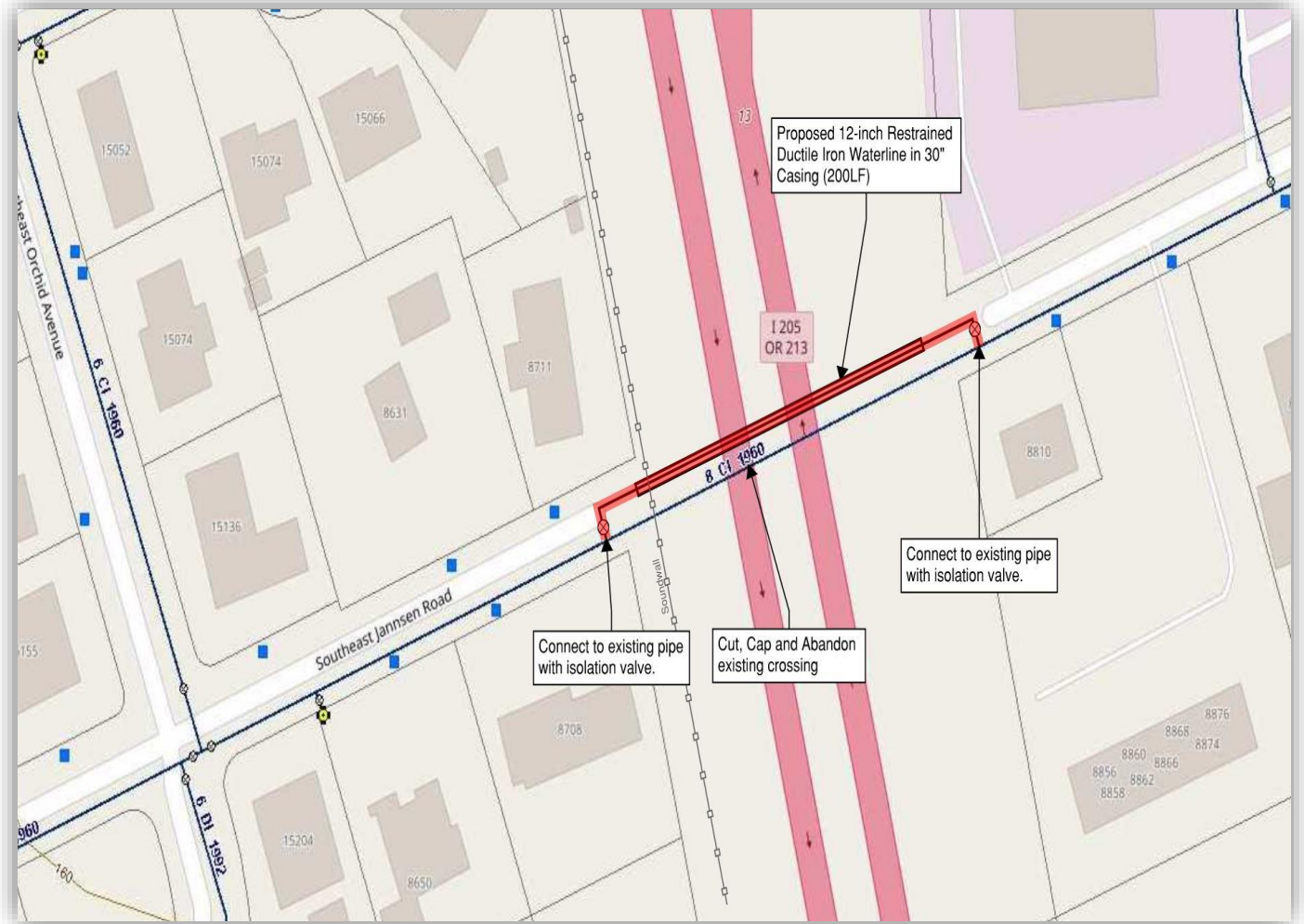
Project #: 5291

FY 2023-24 Budget: \$ 0

FY 2024-25 Budget: \$ 542,000

FY 2023-2025 Total: \$ 542,000

CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25



Janssen Rd. I-205 Crossing
Proposed 12" Waterline

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**

Redland Rd. Waterline – Bradley to Potter

Purpose: To design and construct a new waterline to replace existing 8-inch 1960’s-era Cast Iron water mains. This is the second phase of projects to replace a waterline that has been identified in the 2019 Water System Master Plan as hydraulically deficient and in need of upgrade.

Completion of the Redland Rd. main will, in part, allow transfer of water from the Redland Pressure Zone (CRW produced water) to other parts of the south system.

Analysis: This is an aging infrastructure project and is listed as a needed improvement in the Water System Master Plan. This is a needed project for long term system health. If this project is not completed, cost of the project can be expected to increase through increased construction cost and inflation. South System service goals may also be delayed.

Description: CRW’s design will include hydraulic analysis to confirm main sizing (completed), routing, and upgrades to existing water services and fire hydrants.

The project consists of the design and construction of 12-inch Ductile Iron mains along Redland Rd. from Bradley Rd., extending approximately 2,500 feet to Potter Rd., as well as water service upgrades and other related water infrastructure.

PROJECT INFORMATION

Project Manager: Engineer Manager

Project #: 5306

FY 2023-24 Budget: \$ 1,355,000

FY 2024-25 Budget: \$ 0

FY 2023-2025 Total: \$ 1,355,000

CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25



Redland Road Waterline – Bradley to Potter
Proposed 12" Waterline

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**

Redland Rd. PRV and Services

Purpose: This project will achieve several goals in the south zone. First is to complete a portion of the short-term South Service Area Distribution Enhancements and extend delivery of CRW treated water to much of the south area not currently served. Along with the prior pipeline upgrades in Redland Road, other improvements are necessary to deliver the water at an appropriate pressure, which is the goal of this project.

Analysis: This is an aging infrastructure project which also helps achieve CRW’s water delivery goals for the South Area. This is a needed project for long term system health. If this project is not completed, the cost of the project can be expected to increase through increased construction cost and inflation. South System service goals may also be delayed.

Description: The design and construction will include the installation of mainline combination Pressure Reducing Valves (PRV) at the Redland Pump Station, as well as intertie and bypass piping. This is required to allow flow at reduced pressures from the Redland pressure zone to the Holly Lane Pump Station.

Also included are connecting forty (40) services onto existing 12” ductile iron pipe and abandoning the existing parallel 8” cast iron pipeline between Ferguson Rd. and Neibur Rd. Side Street laterals will also be connected to the existing 12” ductile iron at Anderson Rd. and at Neibur Rd.

PROJECT INFORMATION

Project Manager: Engineer Manager

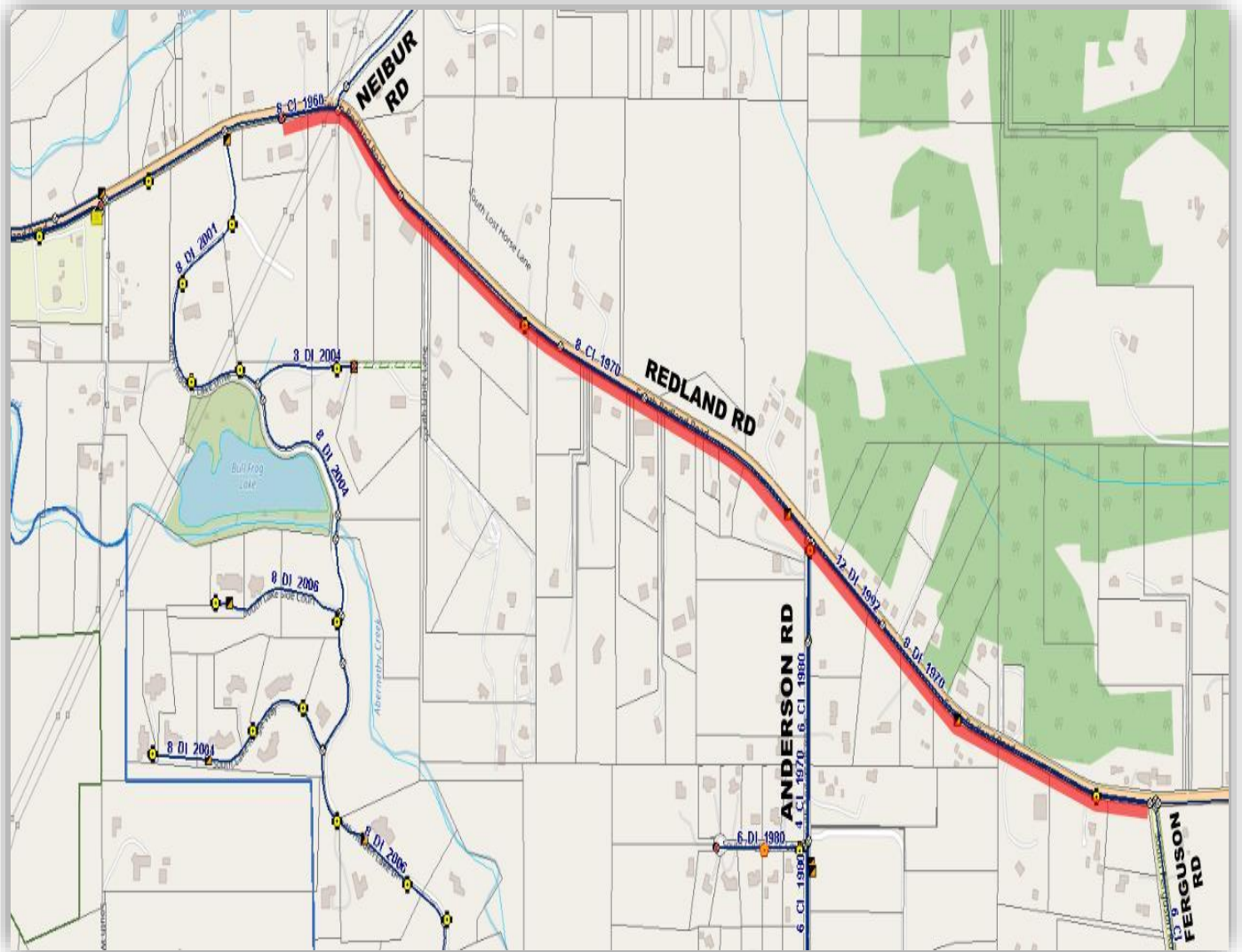
Project #: 5307

FY 2023-24 Budget: \$ 1,003,000

FY 2024-25 Budget: \$ 0

FY 2023-2025 Total: \$ 1,003,000

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**



Redland Road PRV and Services

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**

Low Lift Pump Station Improvements

Purpose: Replace the oldest low lift pump with new pump and motor to provide firm pumping capacity of 30 mgd. Install Variable Frequency Drive (VFD) on the new pump. Conduct a hydraulic analysis of the low lift pumping system to determine if there are any hydraulic bottlenecks or impediments to conveying 30 mgd of water.

Analysis: This project is a recommended aging infrastructure repair and replacement project identified in the 2021 Facilities Plan.

Description: Replace the existing pump and pump electronics to increase reliability and reduce maintenance concerns.

PROJECT INFORMATION

Project Manager: Engineer Manager

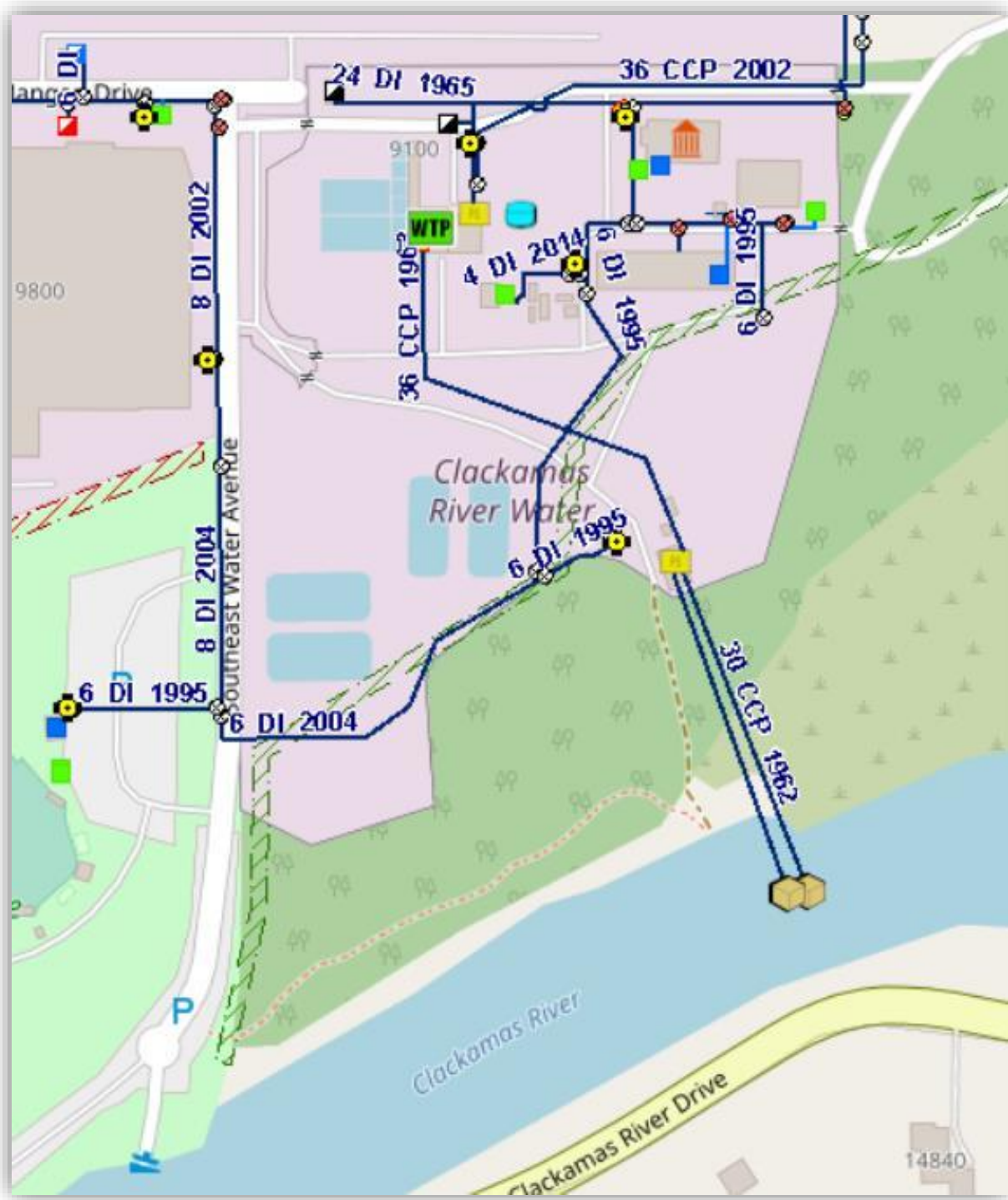
Project #: 5308

FY 2023-24 Budget: \$ 0

FY 2024-25 Budget: \$ 749,000

FY 2023-2025 Total: \$ 749,000

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**



Low Lift Pump Station Improvements

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**

WTP Structural Improvements

Purpose: Provide repairs and renovations to critical WTP building envelope and structural elements to address current deficiencies, as identified by the Building Envelope Condition Assessment (BECA) and Structural/Concrete Assessment, completed in 2022-23.

Analysis: This project is a recommended aging infrastructure repair and replacement project identified in the 2021 Facilities Plan, and further detailed in the above-referenced BECA and structural studies recently completed.

Description: Improvements will include replacing select areas of exterior panel walls, siding, windows, flashing, sealant, paint, concrete repairs, and interior drywall, flooring, and other items. This project will address areas of immediate concern to mitigate current moisture intrusion and structural concrete integrity issues at select locations identified in the above-referenced studies.

PROJECT INFORMATION

Project Manager: Engineer Manager

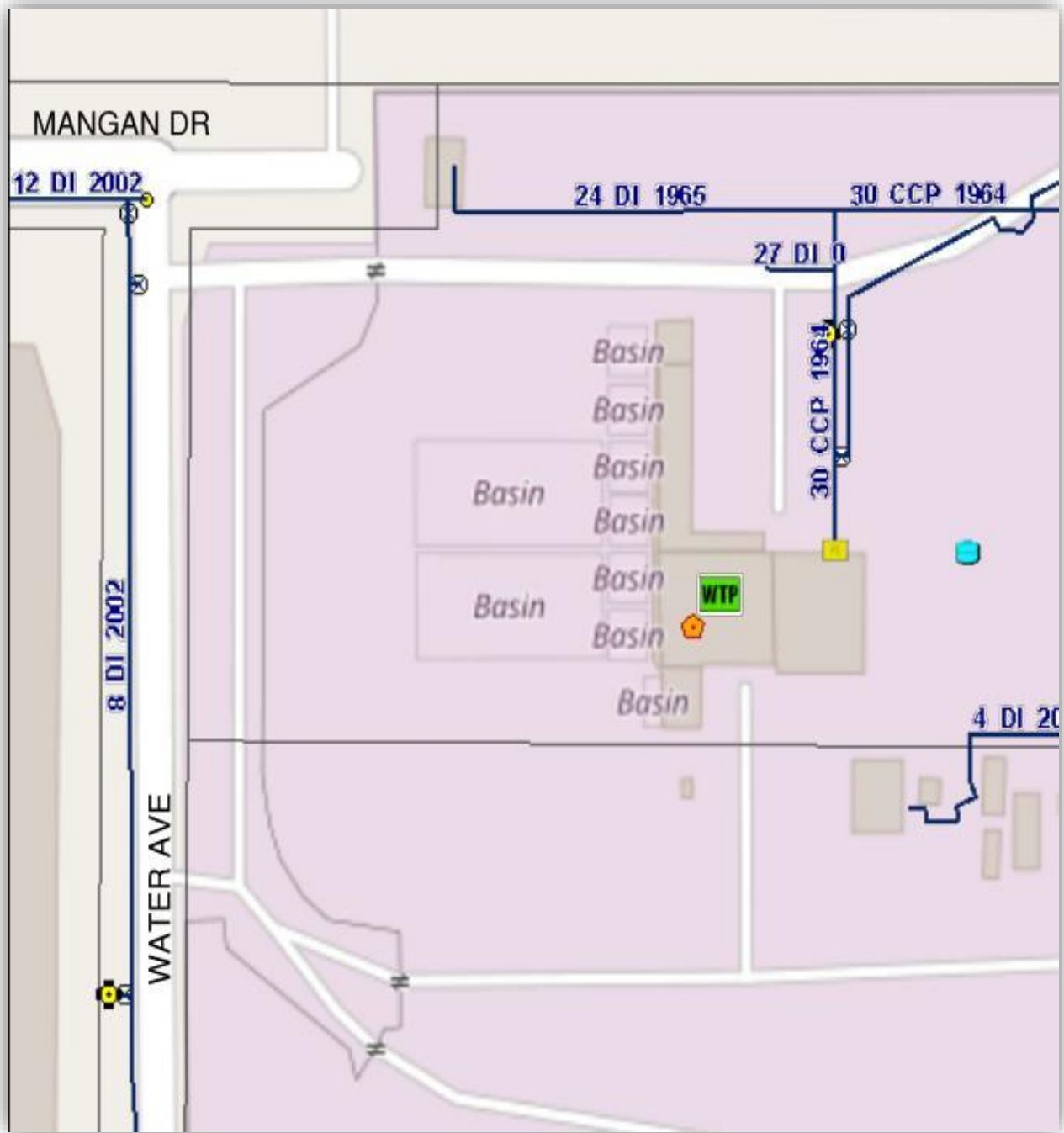
Project #: 5309

FY 2023-24 Budget: \$ 1,000,000

FY 2024-25 Budget: \$ 0

FY 2023-2025 Total: \$ 1,000,000

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**



WTP Structural Improvements

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**

Redland Rd. Waterline – Phase 1 CIP 21-5273 (Carry Over)

Purpose: To design and construct a new waterline to replace existing 8-inch 1960’s-era Cast Iron water mains. This is the first phase of projects to replace a waterline that has been identified in the 2019 Water System Master Plan as hydraulically deficient and in need of upgrade. Funds were allocated during BN 2021-23 budget- to date, project design has been completed. Completion of the Redland Rd. main will, in part, allow transfer of water from the Redland Pressure Zone (CRW produced water) to other parts of the south system.

The project consists of the design and construction of 12-inch Ductile Iron main along Redland Rd. from Ferguson Rd., extending approximately 2,400 feet to the east; as well as water service upgrades and other related water infrastructure.

This project is also an opportunity to complete the waterline during a Clackamas County Road improvement project through an Intergovernmental Agreement. The County Road improvement schedule was extended to allow right-of-way acquisition. Construction will begin in July 2023.

A material procurement for much of the project material has been initiated to secure the materials in advance of the construction contract due to long lead times. The procurement helps to ensure that no schedule delays due to materials availability will occur to the County Road project.

The carryover budget will provide funds for the waterline construction.

PROJECT INFORMATION

Project Manager: Engineer Manager

Project #: 5273

FY 2021-22 Budget: \$ 1,080,000

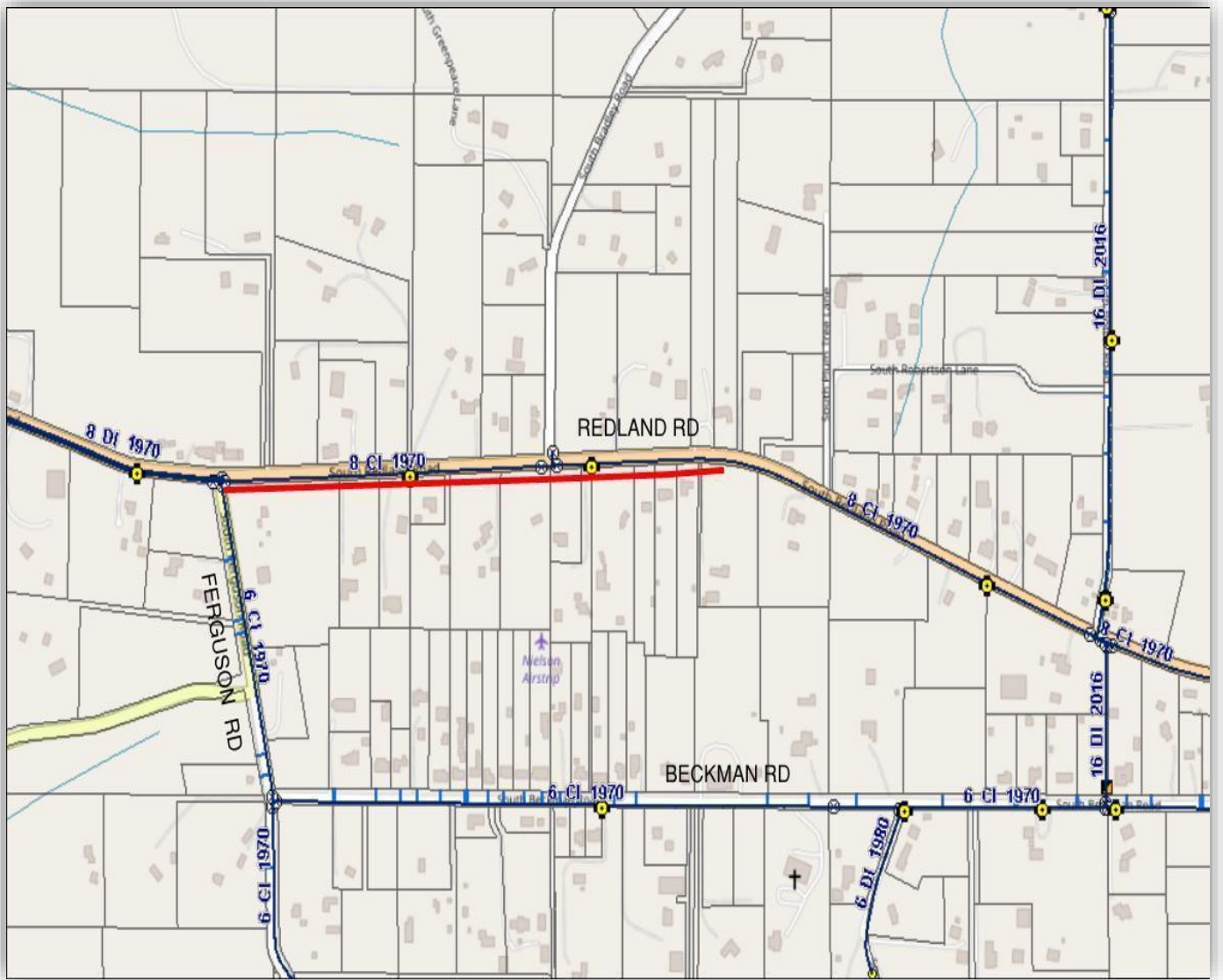
FY 2021-22 Spent: \$ 196,900

FY 2023-25 To Complete: \$ 666,000

Projected Project Cost: \$ 862,900

FY 2023-2025 Total: \$ 666,000

CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25



Redland Road Waterline – Phase 1 (Carry Over)
Proposed 12” Waterline

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**

Linwood Ave. Improvements CIP 20-5270 (Carry Over)

Purpose: To design and construct new water system improvements necessary to replace/relocate forty water meters and four fire hydrants within the right-of-way of Linwood Ave. (approximately 3,000 feet) during a Clackamas County Road improvement project. Additionally, one pipeline crossing consisting of 2” pipes will be replaced with 6-inch Ductile Iron (approximately 100 feet).

This project is necessary to relocate meters and replace service pipe along the roadway to be widened by Clackamas County. The existing water main is adequately sized but the existing service pipe is primarily galvanized steel. If the system improvements are not completed, the service pipe is at risk of leaking under the new roadway and the meters will be inconsistently located throughout the corridor.

This project is also an opportunity project to complete the water work during a Clackamas County Road improvement project through an Intergovernmental Agreement (IGA). The County Road improvement schedule was extended to allow right-of-way acquisition. Construction is estimated to begin in May 2023.

The carryover budget will provide funds to construct the project and fulfill CRW’s obligations within the IGA with Clackamas County.

PROJECT INFORMATION

Project Manager: Engineer Manager

Project #: 5270

FY 2021-23 Budget: \$ 328,000

FY 2021-23 Spent: \$ 217,125

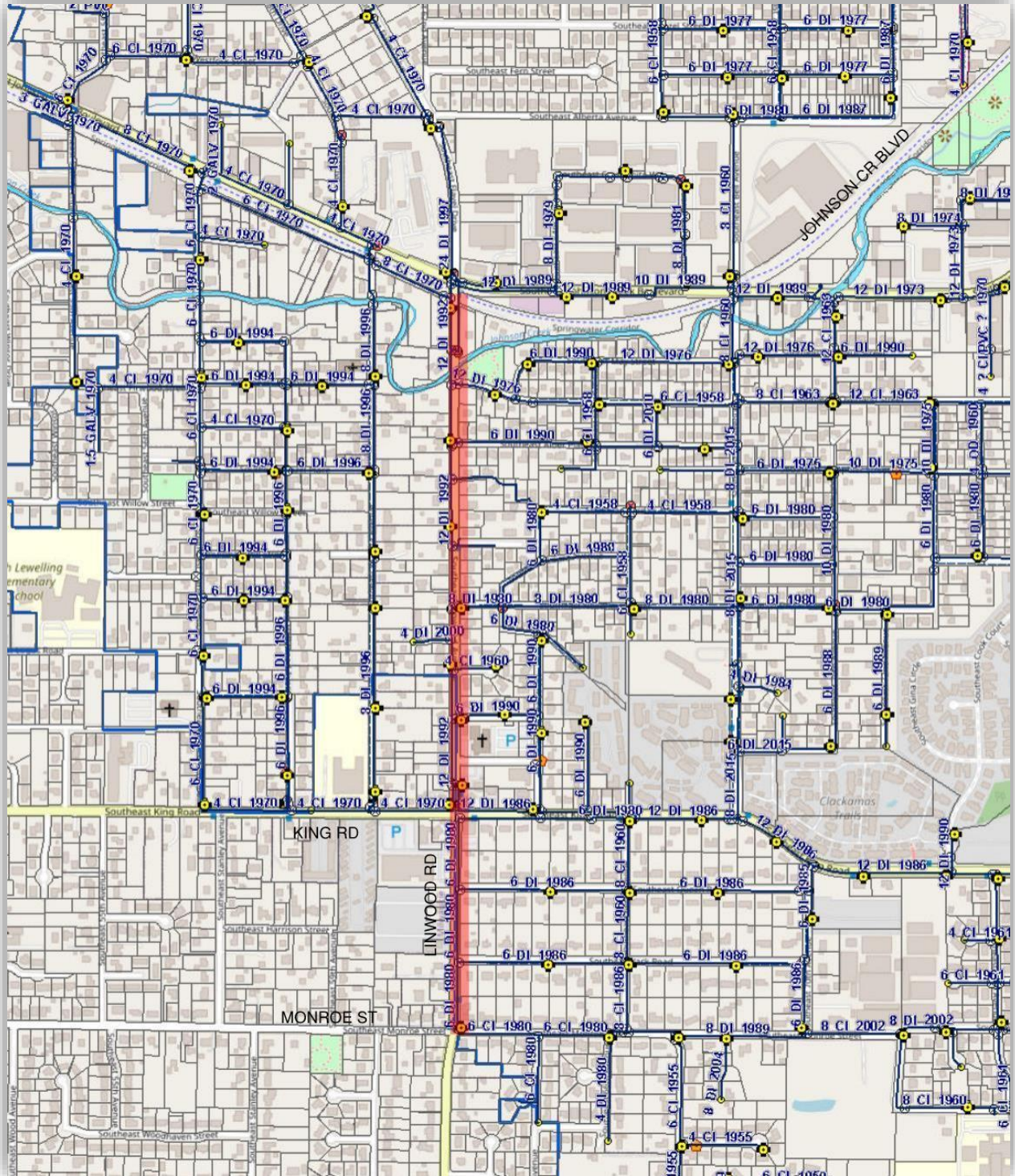
FY 2023-25 Cost to Complete: \$ 210,000

Projected Project Cost: \$ 427,125

FY 2023-2025 Total: \$ 210,000

CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS

BN23-25



Linwood Ave. Improvements (Carry Over)
Relocate and Replace All Services

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**

Monroe Street Improvements CIP 21-5279 (Carry Over)

Purpose: To design and construct new water system improvements necessary to replace approximately 1,300 feet of existing 6-inch 1960's-era Cast Iron water main, as well as replace/relocate water meters (approx. 110) and fire hydrants within the right-of-way of Monroe St.

This is an aging infrastructure project and is listed as a needed improvement in the 2019 Water System Master Plan. This project is also an opportunity project to complete waterlines prior to a Clackamas County Road improvement project.

The County schedule for construction is expected in 2024. Project design will occur during the current budget. Waterline construction is scheduled for winter of 2023 ahead of the County project. Service replacement in areas without main replacement will be replaced during the Clackamas County Road improvement project.

Revisions to the County project scope has reduced the impact to CRW facilities reducing the projected overall estimated project cost.

PROJECT INFORMATION

Project Manager: Engineer Manager

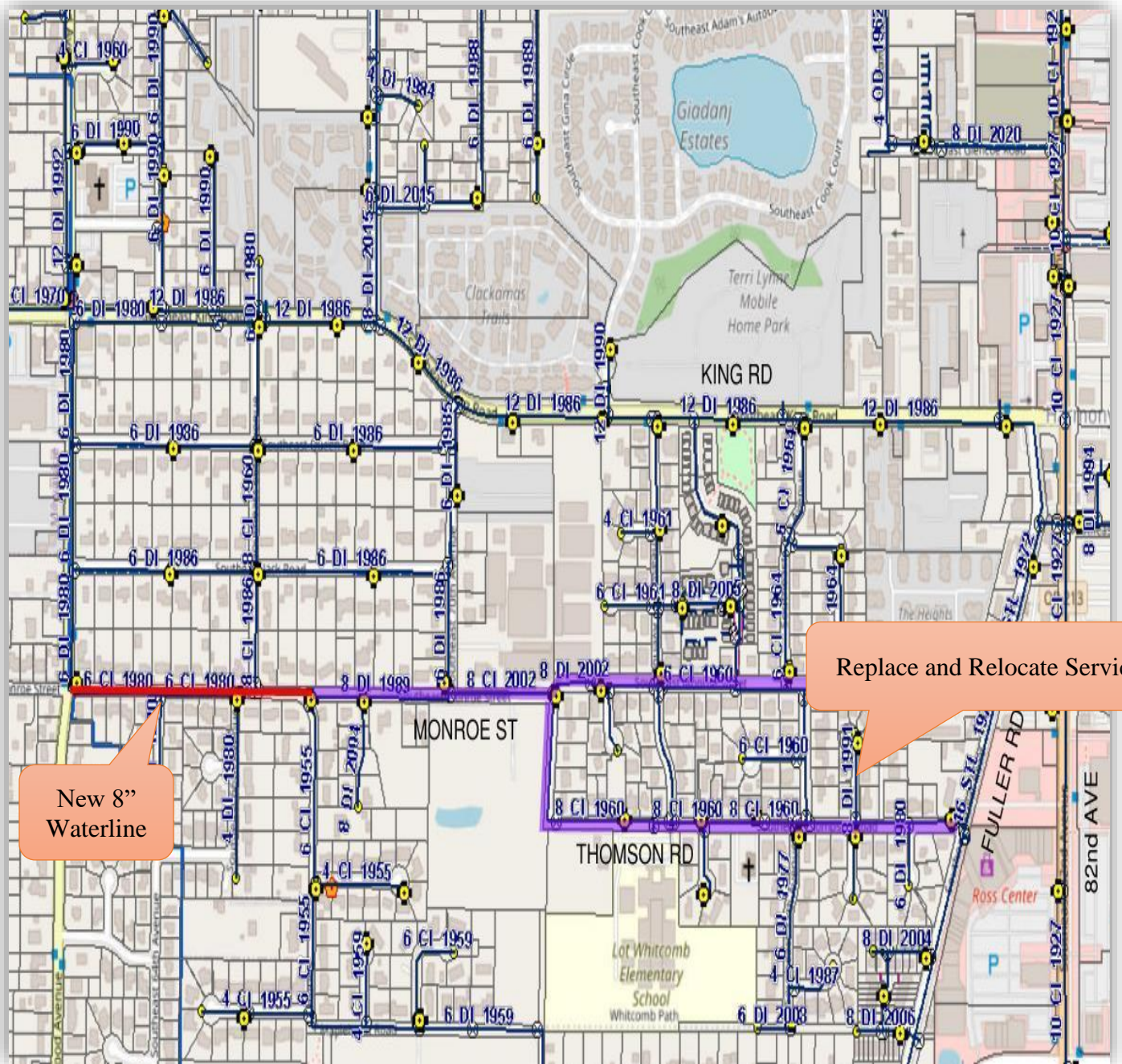
Project #: 5279

FY 2021-23 Budget:	\$ 940,000
FY 2021-23 Spent:	\$ 6,300
FY 2021-23 Projected Spend:	\$ 130,000

FY 2023-2025 to Complete: **\$ 850,000**

CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS

BN23-25



Monroe Street Improvements (Carry Over)

Proposed 8" Waterline and Service Replacement and Relocation

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**

WTP Filter Valve Replacement CIP 21-5282 (Carry Over)

Purpose: To complete a valve replacement project for filter control valves at the WTP to address leaking valves and replace aging equipment. Funds were allocated during BN 2021-23 budget.

This is an aging infrastructure improvement and is listed as a needed improvement in the Facility Master Plan. The WTP contains 6 filter basins. Each basin contains five process valves for a total of thirty valves. The process valves were installed when the basins were originally constructed; two basins in 1964, two basins in 1972 and two in 1991. This project seeks to replace four valves per basin plus the master backflow valve for a total of twenty-five valves and actuators for Basins 1 through 6.

A material procurement for the valves and actuators has been initiated to secure the major materials in advance of the installation contract due to long lead times for the major materials. The bids received for the valves and actuators came in much higher than the prior budget anticipated. Likely causes of the price increase are due to increased inflation, labor shortages and increased raw material costs. The scheduled delivery date for the valve material is after July 2023 and will not be paid until the 2023-25 biennium.

The carryover budget will provide funds for the material and installation.

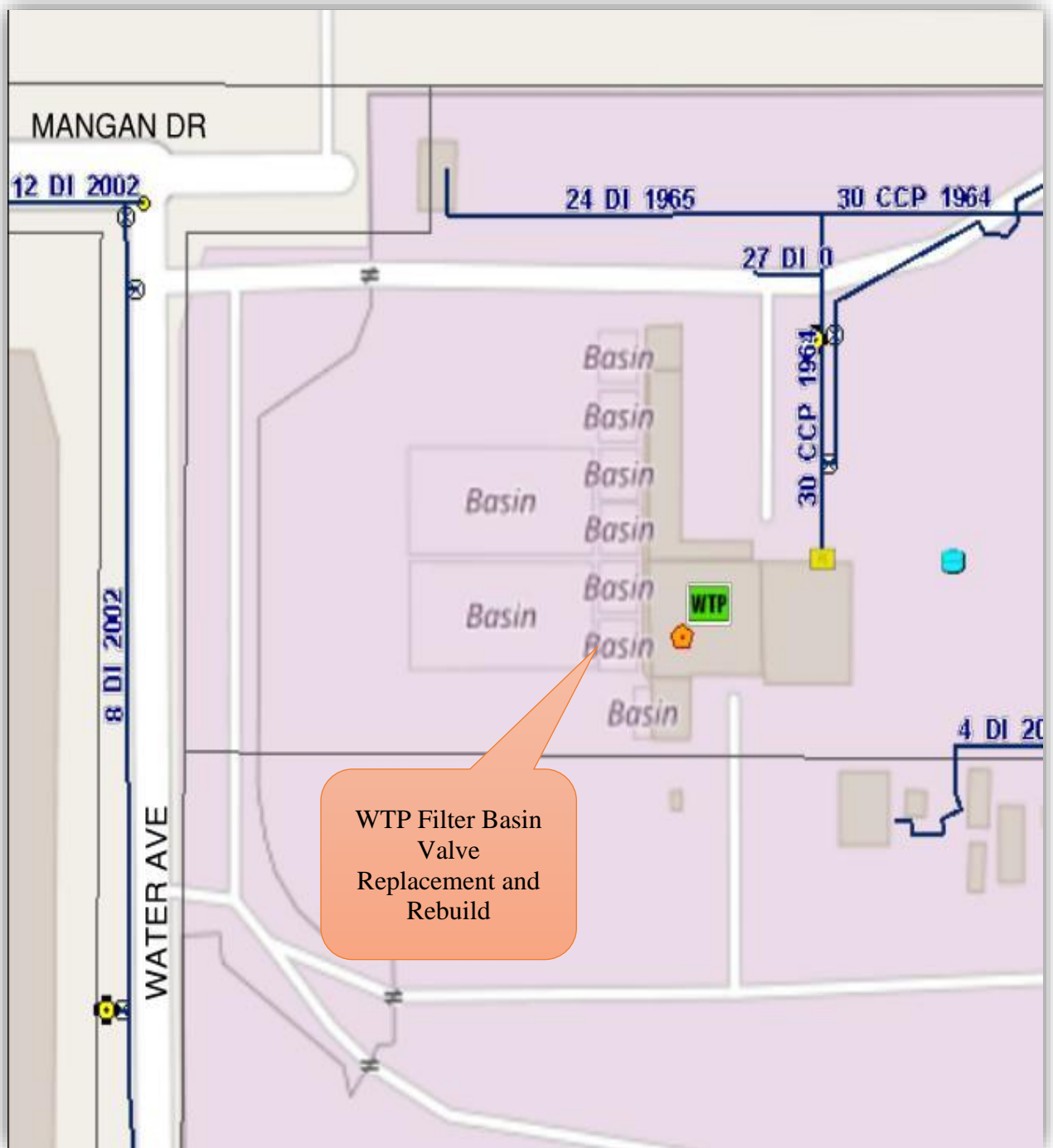
PROJECT INFORMATION

Project Manager: Engineer Manager

Project #: 5282

FY 2021-23 Budget:	\$ 692,000
FY 2021-23 Spent:	\$ 15,800
FY 2023-25 Procurement:	\$ 729,100
FY 2023-25 Construction:	\$ 572,900
FY 2023-2025 Total:	\$ 1,302,000

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**



WTP Filter Valve Replacement (Carry Over)

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**

Pump Station Supplemental Chlorine CIP 21-5280 (Carry Over)

Purpose: Replace the existing supplemental chlorine feed systems at the 90th Street Pump Station and the Hattan Pump Station.

Supplemental chlorine is added at the 90th St and Hattan Pump Stations to boost available chlorine in areas that experience low residual chlorine. Chlorine residual is monitored regularly throughout the district. The existing 90th Street chlorine feed system is old and in need of replacement. The Hattan chlorine feed system was added during pump station construction as a temporary measure to address sub-optimal residual levels. This project will replace the existing chlorine feed systems with new secure housing and modern, permanent chlorine feed systems.

This project is anticipated to be bid out before the end of FY 2022-23 and completed in the first half of FY 2023-24. The carryover budget will provide funds to complete construction of the project. The overall project budget is lower than the original FY 2021-23 budget per updated cost estimates.

PROJECT INFORMATION

Project Manager: Engineer Manager

Project #: 5280

FY 2021-23 Budget: \$ 168,000

FY 2021-23 Spent: \$ 13,000

FY 2023-25 Cost to Complete: \$ 142,000

Projected Project Cost: \$ 155,000

FY 2023-2025 Total: \$ 142,000

CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25

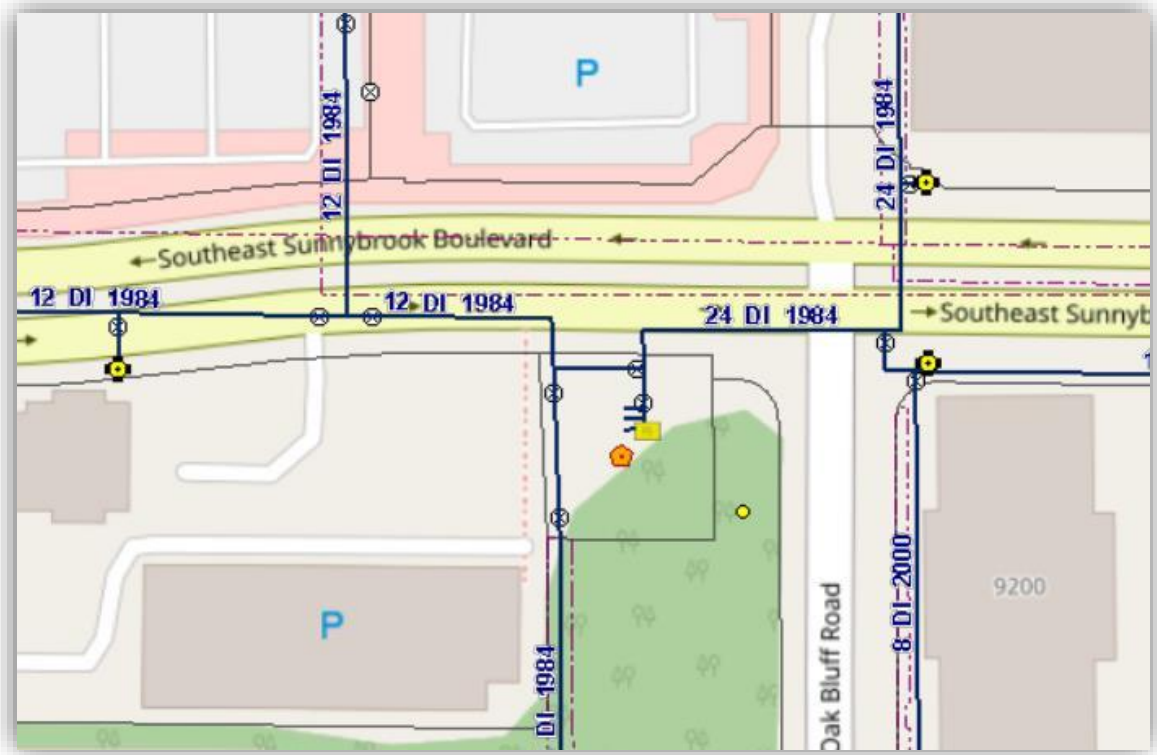


Figure a - 90th Street Pump Station



Figure b - Hattan Road Pump Station

Pump Station Supplemental Chlorine (Carry-over)

**CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25**

WTP Polymer Feed System Replacement CIP 21-5281 (Carry Over)

Purpose: To replace the existing filter aid polymer batching and feed system to increase redundancy and reduce maintenance concerns.

This is an aging infrastructure and capacity improvement and is listed as a needed improvement in the draft Facility Master Plan. The WTP currently has a single aging polymer feed system. If this project is not completed, it is expected that a polymer system failure will eventually occur causing unplanned treatment plant down time and/or loss of capacity during repair. This project replaces the existing filter aid polymer batching and feed system with a new polymer batching and feed system to increase redundancy, reduce maintenance concern and boost capacity. In addition, this project anticipates and allows for a future increase of WTP output.

This project is anticipated to be completed in FY 2023-24. The carryover budget will provide funds to complete project construction. The overall project budget is lower than the original FY 2021-23 budget per updated cost estimates.

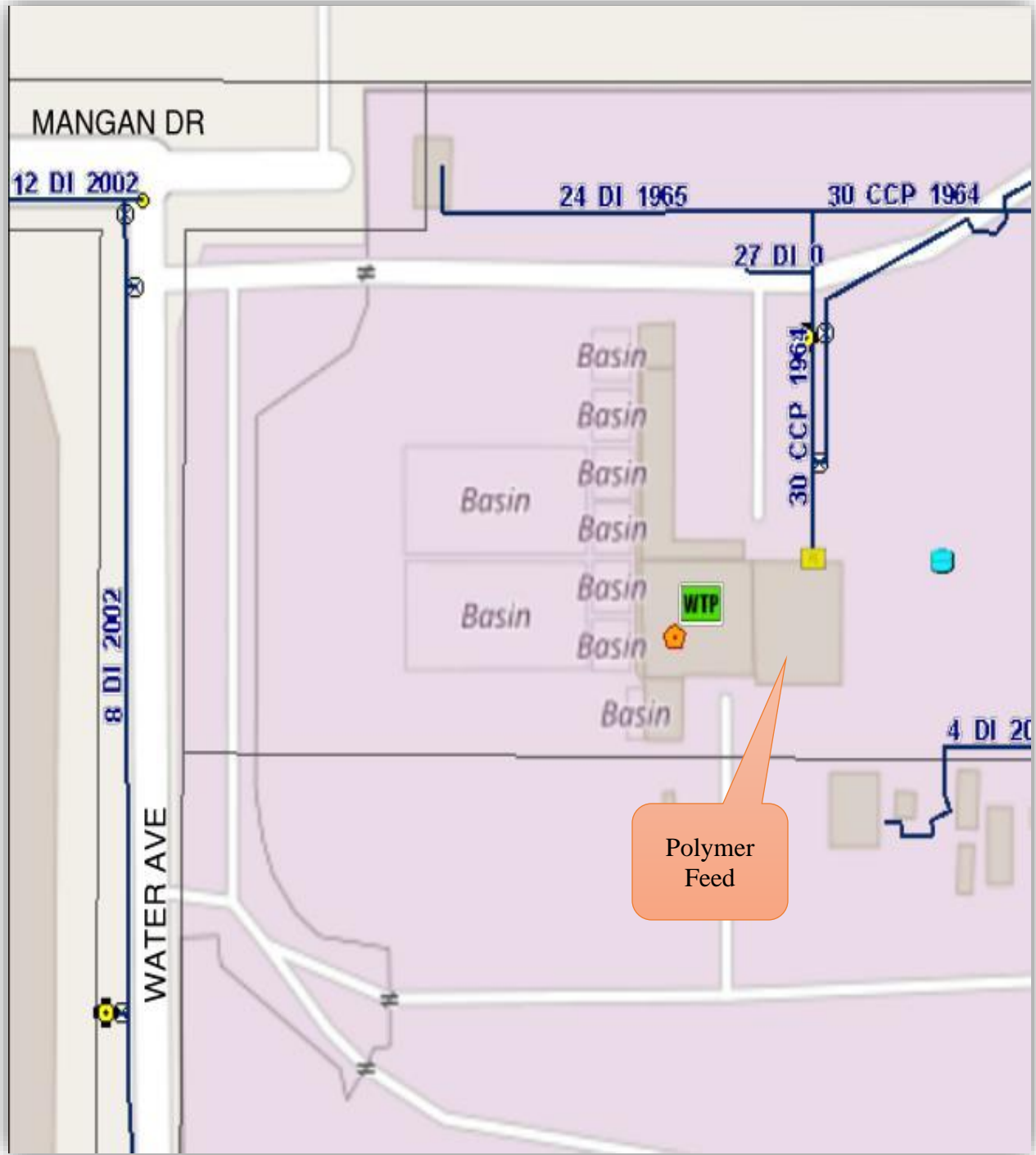
PROJECT INFORMATION

Project Manager: Engineer Manager

Project #: 5281

FY 2021-23 Budget:	\$ 475,000
FY 2021-23 Spent:	\$ 4,000
FY 2023-25 Cost to Complete:	\$ 252,000
FY 2023-2025 Total:	\$ 252,000

CAPITAL IMPROVEMENT PROJECT DESCRIPTIONS
BN23-25



WTP Polymer Feed System Replacement (Carry-over)

OTHER FUNDS

OTHER FUNDS

Capital Reserve Fund

The Capital Reserve Fund accounts for funds reserved for future expansion and improvements to the water system. The primary resources are interest earnings and transfers from the General Fund.

Rate Stabilization Reserve Fund

The Rate Stabilization Reserve Fund accounts for funds reserved for stabilizing the revenues of the District to maintain bond covenants on the Series 2016 Revenue Bond issues. The primary resources are interest earnings.

System Development Charges (SDC) Reserve Fund

The SDC Reserve Fund accounts for funds reserved for future expansion and improvements to the water system. The primary resources are interest earnings and systems development charges.

Revenue Bond Fund

The Revenue Bond Fund accounts for the redemption of revenue bonds principal and interest expenditures. The primary resources are transfers from the General Fund and interest earnings.

CAPITAL RESERVE FUND

Overview

The Capital Reserve Fund accounts for funds reserved for future expansion and improvements to the water system. The primary resources of the fund are interest earned on investments and transfers from the General Fund.

Where the money comes from...

- Transfers from General Fund
- Transfers from Other Funds
- Earnings on investments

Where the money goes...

- Transfers to the CIP Fund
- Reserved for Future Expenditures

CAPITAL RESERVE FUND						
Summary	Total BN 2021-2023	Adopted BN 2023-2025			Change to 2023-2025 from 2021-2023	
		Year 1 2023-24	Year 2 2024-25	Total 2023-2025	\$	%
RESOURCES:						
Beginning Fund Balances	\$ 8,350,000	\$ 9,150,000	\$ -	\$ 9,150,000	\$ 800,000	9.6%
Non-Operating Resources	90,000	150,000	100,000	250,000	160,000	177.8%
Transfers from General Fund	4,000,000	2,000,000	2,000,000	4,000,000	-	0.0%
Transfers from Other Funds	-	-	-	-	-	0.0%
TOTAL RESOURCES	\$ 12,440,000	\$ 11,300,000	\$ 2,100,000	\$ 13,400,000	\$ 960,000	7.7%
REQUIREMENTS:						
Transfers to Other Funds	\$ 6,287,000	\$ 5,906,000	\$ 3,034,000	\$ 8,940,000	\$ 2,653,000	42.2%
Reserved for Future Expenditures	6,153,000	-	4,460,000	4,460,000	(1,693,000)	-27.5%
TOTAL REQUIREMENTS	\$ 12,440,000	\$ 5,906,000	\$ 7,494,000	\$ 13,400,000	\$ 960,000	7.7%

Summary of Fund's Adopted Budget: The adopted budget for the Capital Reserve Fund totals \$13,400,000, an increase of \$960,000 as compared to the 2021-23 biennial budget. Highlights of the adopted budget include:

- Beginning Fund Balance increases to \$9,150,000 due to an estimated balance in Reserved for Future Expenditures and delayed capital projects at the end of fiscal year 2022-2023.
- Transfers from the General Fund remain at \$2,000,000 per year per fiscal policies adopted by the Board of Commissioners.
- Transfers to Other Funds increases by \$2,653,000 reflecting an increase in CIP projects for the biennium. (See CIP section of Budget for schedule of planned capital projects)
- Reserved for Future Expenditures decreases to \$3,460,000 due to planned increase in use of reserves.

Please see Oregon Budget Law required reports located in the Appendix section.

RATE STABILIZATION RESERVE FUND

Overview

The Rate Stabilization Reserve Fund accounts for funds reserved for stabilizing the revenues of the District if needed to maintain the bond covenants on 2016 revenue bond issues. The primary resources are interest earned on investments.

Where the money comes from...

- Earnings on investments

Where the money goes...

- Transfers to the General Fund
- Reserved for Rate Stabilization

RATE STABILIZATION RESERVE FUND						
Summary	Total BN 2021-2023	Adopted BN 2023-2025			Change to 2023-2025 from 2021-2023	
		Year 1 2023-2024	Year 2 2024-25	Total 2023-2025	\$	%
RESOURCES:						
Beginning Fund Balance	\$ 1,220,000	\$ 1,250,000	\$ -	\$ 1,250,000	\$ 30,000	2.5%
Non-Operating Resources	36,000	25,000	25,000	50,000	14,000	38.9%
TOTAL RESOURCES	\$ 1,256,000	\$ 1,275,000	\$ 25,000	\$ 1,300,000	\$ 44,000	3.5%
REQUIREMENTS:						
Reserved for Rate Stabilization	1,256,000	-	1,300,000	1,300,000	44,000	3.5%
TOTAL REQUIREMENTS	\$ 1,256,000	\$ -	\$ 1,300,000	\$ 1,300,000	\$ 44,000	3.5%

Summary of Fund's Adopted Budget: The adopted budget for the Rate Stabilization Reserve Fund totals \$1,300,000, an increase of \$44,000 as compared to the 2021-23 biennial budget. Highlights of the adopted budget include:

- Beginning Fund Balance increases \$30,000 based on increased interest earnings from the Local Government Investment Pool for the prior budget cycle.
- Non-Operating Resource increased by \$14,000 due to an increased reserve balance and higher interest rates.

Please see Oregon Budget Law required reports located in the Appendix section.

SDC RESERVE FUND

Overview

The SDC Reserve Fund accounts for funds reserved for future expansion and improvements to the water system. The primary resources are interest earned on investments and system development charges (SDC) on new service applications. The monies in the SDC Reserve Fund are restricted by ORS 223 on system development charges.

Where the money comes from...

- SDC Reimbursements
- SDC Improvements
- Earnings on investments

Where the money goes...

- Transfers for Capital Improvements
- Reserved for Future Expenditures

SDC RESERVE FUND						
Summary	Total BN 2021-2023	Adopted BN 2023-2025			Change to 2023-2025 from 2021-2023	
		Year 1 2023-24	Year 2 2024-25	Total 2023-2025	\$	%
RESOURCES:						
Beginning Fund Balances	\$ 2,000,000	\$ 2,950,000	\$ -	\$ 2,950,000	\$ 950,000	47.5%
SDC Reimbursements	838,400	50,000	100,000	150,000	(688,400)	-82.1%
SDC Improvements	925,500	60,000	120,000	180,000	(745,500)	-80.6%
Non-Operating Resources	25,500	50,000	50,000	100,000	74,500	292.2%
TOTAL RESOURCES	\$ 3,789,400	\$ 3,110,000	\$ 270,000	\$ 3,380,000	\$ (409,400)	-10.8%
REQUIREMENTS:						
Transfers to Other Funds	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	N/A
Reserved for Future Expenditures	3,789,400	-	2,380,000	2,380,000	(1,409,400)	-37.2%
TOTAL REQUIREMENTS	\$ 3,789,400	\$ -	\$ 3,380,000	\$ 3,380,000	\$ (409,400)	-10.8%

Summary of Fund's Adopted Budget: The adopted budget for the SDC Reserve Fund totals \$3,380,000, a decrease of \$409,400 as compared to the 2021-23 biennial budget. Highlights of the adopted budget include:

- Beginning Fund Balance is estimated at \$2,950,000 as SDC revenue for BN 2021-2023 was below forecast.
- SDC Reimbursement decreases by \$688,400 and SDC Improvements decreases by \$745,500 based on the lack of development/new service requests in District during uncertain economic times.
- Transfers to Other Funds increased by \$1,000,000 as this budget cycle plans to use some SDC Reserves to fund elements of the construction projects in the CIP fund.
- Reserves for Future Expenditures is estimated at \$2,380,000.

Please see Oregon Budget Law required reports located in the Appendix section.

REVENUE BOND FUND

Overview

The Revenue Bond Fund accounts for the redemption of revenue bonds principal and interest expenditures. The primary resources are transfers from the General Fund.

The revenue bonds were originally issued November 1999. In November 2009 the revenue bonds were refunded with a new issue at a lower interest rate saving ratepayers approximately \$600,000 over the remaining bond term. The 2009 revenue bonds final payment was made in November 2020 (FY21).

The 2016 revenue bonds were issued March 2016 for \$19,790,000 par value. The balance outstanding as of June 30, 2023 is \$17,360,000. The 2016 revenue bonds final payment will be November 2046.

Where the money comes from...

- Transfers from the General Fund
- Earnings on investments

Where the money goes...

- Debt Service

REVENUE BOND FUND						
Summary	Total BN 2021-2023	Adopted BN 2023-2025			Change to 2023-2025 from 2021-2023	
		Year 1 2023-24	Year 2 2024-25	Total 2023-2025	\$	%
RESOURCES:						
Beginning Fund Balance	\$ 512,000	\$ 512,000	\$ -	\$ 512,000	\$ -	0.0%
Non-Operating Resources	13,000	10,000	10,000	20,000	7,000	53.8%
Transfers	2,477,000	1,238,300	1,237,000	2,475,300	(1,700)	-0.1%
TOTAL RESOURCES	\$ 3,002,000	\$ 1,760,300	\$ 1,247,000	\$ 3,007,300	\$ 5,300	0.2%
REQUIREMENTS:						
Debt Service - Principal	\$ 755,000	\$ 400,000	\$ 415,000	\$ 815,000	\$ 60,000	7.9%
Debt Service - Interest	1,722,000	838,300	822,000	1,660,300	(61,700)	-3.6%
Unappropriated and Reserved	525,000	-	532,000	532,000	7,000	1.3%
TOTAL REQUIREMENTS	\$ 3,002,000	\$ 1,238,300	\$ 1,769,000	\$ 3,007,300	\$ 5,300	0.2%

Summary of Fund's Adopted Budget: The adopted budget for the Revenue Bond Fund totals \$3,007,300, an increase of \$5,300 as compared to the 2021-2023 biennial budget. Highlights of the adopted budget include:

- Transfers decrease \$1,700 and are sufficient to meet debt service payment of principal and interest for the Series 2016 outstanding bonds.

Please see Oregon Budget Law required reports located in the Appendix section.

APPENDIX

GENERAL FUND RESOURCES

LB 20

HISTORICAL DATA (Biennial)			RESOURCE DESCRIPTION	BIENNIAL BUDGET FOR 2023-2025		
BN 17-19 ACTUAL	BN 19-21 ACTUAL	BN 21-23 BUDGET		PROPOSED BUDGET	APPROVED BUDGET	ADOPTED BUDGET
BEGINNING FUND BALANCE:						
\$ 5,757,237	\$ 7,735,747	\$ 7,000,000	Net Working Capital (Budget)	\$ 7,500,000	\$ 7,500,000	\$ 7,500,000
OTHER RESOURCES:						
23,748,735	25,618,538	25,569,000	Water Sales	31,371,000	31,371,000	31,371,000
246,907	208,041	250,000	Service Connection Fees	200,000	200,000	200,000
144,091	62,655	136,000	Service Charges	120,000	120,000	120,000
159,196	35,657	20,000	Miscellaneous - Operating	40,000	40,000	40,000
24,298,929	25,924,891	25,975,000	Subtotal - Operating resources	31,731,000	31,731,000	31,731,000
219,165	232,512	246,400	Rental Income	261,350	261,350	261,350
145,881	120,812	100,000	Earnings from Investments	150,000	150,000	150,000
48,787	6,046	40,000	Miscellaneous - Non-Operating	50,000	50,000	50,000
5,000	277,403	8,000	Grant Funds	30,000	30,000	30,000
46,544	47,234	48,100	Right of Way Fees	50,400	50,400	50,400
21,360	25,207	10,000	Surplus Property Sale	20,000	20,000	20,000
486,737	709,214	452,500	Subtotal - Non operating resources	561,750	561,750	561,750
-	-	-	Transfer from Revenue Bond Proceeds Fund	-	-	0
1,590,000	1,722,600	1,850,000	Transfer From CRWSC Activity Fund	-	-	0
\$ 32,132,903	\$ 36,092,452	\$ 35,277,500	TOTAL RESOURCES	\$ 39,792,750	\$ 39,792,750	\$ 39,792,750

**GENERAL FUND REQUIREMENTS
SUMMARY BY DEPARTMENT
LB-30**

HISTORICAL DATA (Biennial)			Description of Resources and Requirements	BIENNIAL BUDGET FOR 2023-2025		
BN 17-19 ACTUAL	BN 19-21 ACTUAL	BN 21-23 BUDGET		PROPOSED BUDGET	APPROVED BUDGET	ADOPTED BUDGET
PERSONNEL SERVICES						
\$ 1,718,158	\$ 2,603,242	\$2,377,400	Administration	\$2,838,700	\$ 2,838,700	\$ 2,838,700
-	-	-	Board	-	-	-
1,168,650	-	-	Engineering	-	-	-
1,653,900	1,798,420	2,112,800	FACS	2,310,100	2,310,100	2,310,100
2,223,108	3,759,539	4,453,200	System Operations	5,346,900	5,346,900	5,346,900
2,292,062	2,422,727	\$3,129,900	Water Resources	\$3,414,300	3,414,300	3,414,300
9,055,878	10,583,928	12,073,300	TOTAL PERSONNEL SERVICES	13,910,000	13,910,001	13,910,001
MATERIALS & SERVICES						
606,851	1,751,287	2,421,100	Administration	2,649,250	2,649,250	2,649,250
-	-	-	Board	-	-	-
520,933	-	-	Engineering	-	-	-
832,456	976,802	1,010,400	FACS	1,201,750	1,201,750	1,201,750
961,409	1,356,369	1,635,200	System Operations	1,893,000	1,893,000	1,893,000
3,786,530	4,013,904	4,424,000	Water Resources	5,645,000	5,645,000	5,645,000
6,708,180	8,098,363	9,490,700	TOTAL MATERIALS & SERVICES	11,389,000	11,389,000	11,389,000
CAPITAL OUTLAY						
472,431	358,711	124,300	Administration	351,500	351,500	351,500
-	-	-	Engineering	-	-	-
-	-	-	FACS	250,000	250,000	250,000
515,044	557,822	1,266,500	System Operations	1,148,000	1,188,000	1,188,000
259,873	180,482	408,500	Water Resources	490,000	490,000	490,000
1,247,348	1,097,015	1,799,300	TOTAL CAPITAL OUTLAY	2,239,500	2,279,500	2,279,500
17,011,406	19,779,306	23,363,300	TOTAL DEPARTMENT EXPENDITURES	27,538,500	27,578,500	27,578,500
TRANSFERS						
3,385,750	3,390,675	2,477,000	To Revenue Bond Fund	2,475,300	2,475,300	2,475,300
-	-	-	To CRWSC Activity Fund	-	-	-
4,000,000	4,567,410	4,000,000	To Capital Reserve Fund	4,000,000	4,000,000	4,000,000
-	-	-	Future Reserves	-	-	-
7,385,750	7,958,085	6,477,000	TOTAL TRANSFERS TO OTHER FUNDS	6,475,300	6,475,300	6,475,300
		1,000,000	General Operating Contingency	1,000,000	1,000,000	1,000,000
7,385,750	7,958,085	7,477,000	TOTAL TRANSFERS & CONTINGENCY	7,475,300	7,475,300	7,475,300
24,397,156	27,737,391	30,840,300	TOTAL EXPENDITURES	35,013,800	35,053,800	35,053,800
7,735,747	7,735,747	4,437,200	UNAPPROPRIATED FUND BALANCE	4,778,950	4,738,950	4,738,950
\$ 32,132,903	\$ 35,473,138	\$ 35,277,500	TOTAL	\$ 39,792,750	\$ 39,792,750	\$ 39,792,750

**GENERAL FUND DETAILED REQUIREMENTS
LB-31**

HISTORICAL DATA (Biennial)			Description of Resources and Requirements	BIENNIAL BUDGET FOR 2023-2025		
BN 17-19 ACTUAL	BN 19-21 ACTUAL	BN 21-23 BUDGET		PROPOSED BUDGET	APPROVED BUDGET	ADOPTED BUDGET
Personnel Services:						
\$ 5,842,559	\$ 6,429,270	\$7,496,200	Salaries	\$8,513,000	\$ 8,513,000	\$8,513,000
3,213,319	3,553,789	4,577,100	Benefits and taxes	5,397,000	5,397,000	5,397,000
\$ 9,055,877	\$ 9,983,059	\$ 12,073,300	PERSONNEL SERVICES TOTAL	\$ 13,910,000	\$ 13,910,000	13,910,000
Materials & Services:						
334,585	448,792	478,800	Customer Services	590,200	590,200	590,200
705,165	764,518	972,100	Equipment	1,077,650	1,077,650	1,077,650
481,805	702,110	797,000	Facilities & Security	1,068,400	1,068,400	1,068,400
750,446	893,632	1,046,900	General Administration	1,134,000	1,134,000	1,134,000
355,866	347,880	423,000	Materials	465,900	465,900	465,900
105,989	100,294	171,700	Office	182,300	182,300	182,300
157,529	142,608	350,600	Other Support Costs	393,200	393,200	393,200
(970,198)	(400,050)	(643,700)	Overhead Reimbursement (CIP Fund)	(704,000)	(704,000)	(704,000)
1,258,020	1,675,274	1,821,600	Professional & Contracted Services	2,030,400	2,030,400	2,030,400
1,451,296	1,557,595	1,857,400	Utilities	2,286,100	2,286,100	2,286,100
2,077,680	2,244,328	2,215,300	Water Purchases & Treatment	2,864,850	2,864,850	2,864,850
6,708,182	8,476,982	9,490,700	MATERIALS & SERVICES TOTAL	11,389,000	11,389,000	11,389,000
Capital Outlay:						
143,272	240,109	-	Land	100,000	100,000	100,000
300,582	91,809	950,000	Improvements	1,069,500	1,069,500	1,069,500
153,825	182,255	288,500	Vehicles	191,000	191,000	191,000
506,550	538,294	328,000	General Equipment & Tools	260,000	300,000	300,000
57,989	-	-	Laboratory Equipment	-	-	-
42,148	149,077	82,800	Computer Equipment	299,000	299,000	299,000
42,982	106,200	150,000	Other	320,000	320,000	320,000
1,247,347	1,307,744	1,799,300	CAPITAL OUTLAY TOTAL	2,239,500	2,279,500	2,279,500
17,011,406	19,767,784	23,363,300	DEPARTMENT TOTALS	27,538,500	27,578,499	27,578,499
Transfers & Contingency:						
3,385,750	3,390,675	2,477,000	To Revenue Bond Fund	2,475,300	2,475,300	2,475,300
-	-	-	To CRWSC Activity Fund	-	-	-
4,000,000	4,000,000	4,000,000	To Capital Reserve Fund	4,000,000	4,000,000	4,000,000
-	-	1,000,000	General Operating Contingency	1,000,000	1,000,000	1,000,000
7,385,750	7,390,675	7,477,000	TRANSFERS & CONTINGENCY TOTAL	7,475,300	7,475,300	7,475,300
7,735,747	8,922,471	4,437,200	UNAPPROPRIATED FUND BALANCE	4,778,950	4,738,950	4,738,950
\$ 32,132,903	\$ 36,080,930	\$ 35,277,500	TOTAL GENERAL FUND BUDGET	\$ 39,792,750	\$ 39,792,750	\$ 39,792,750

CAPITAL IMPROVEMENT PROJECTS FUND
SPECIAL FUND - LB 10
RESOURCES AND REQUIREMENTS

HISTORICAL DATA (Annual & Biennial)			Description of Resources and Requirements	BIENNIAL BUDGET FOR 2023-2025		
BN 17-19 ACTUAL	BN 19-21 ACTUAL	BN 21-23 BUDGET		PROPOSED BUDGET	APPROVED BUDGET	ADOPTED BUDGET
RESOURCES						
BEGINNING FUND BALANCE:						
\$ -	\$ 1,000	\$ 1,000	Cash on hand (cash basis):	\$ 1,000	\$ 1,000	\$ 1,000
21,339	-	-	Earnings from investments	-	-	-
94,038	-	-	Other Operating Income	-	-	-
Transferred In:						
-	-	-	SDC Reserve Fund	1,000,000	1,000,000	1,000,000
1,713,000	3,630,000	6,287,000	Capital Reserve Fund	8,939,000	8,939,000	8,939,000
1,828,377	3,631,000	6,288,000	Resources Without Taxes	9,940,000	9,940,000	9,940,000
\$ 1,828,377	\$ 3,631,000	\$ 6,288,000	TOTAL RESOURCES	\$ 9,940,000	\$ 9,940,000	\$ 9,940,000
REQUIREMENTS						
Capital Outlay:						
1,276,469	3,631,000	6,288,000	Project Expenses	9,940,000	9,940,000	9,940,000
2,633,585	3,631,000	6,288,000	Capital Outlay Total	9,940,000	9,940,000	9,940,000
Reserved Future Expenditures:						
551,908	-	-	Reserved Future Expenditures	-	-	-
551,908	-	-	Reserved Future Expenditures Total	-	-	-
\$ 3,185,493	\$ 3,631,000	\$ 6,288,000	TOTAL REQUIREMENTS	\$ 9,940,000	\$ 9,940,000	\$ 9,940,000

**CAPITAL RESERVE FUND
RESERVE FUND - LB 11
RESOURCES AND REQUIREMENTS**

HISTORICAL DATA (Biennial)			Description of Resources and Requirements	BIENNIAL BUDGET FOR 2023-2025		
BN 17-19 ACTUAL	BN 19-21 ACTUAL	BN 21-23 BUDGET		PROPOSED BUDGET	INCREASE (DECREASE)	PERCENT CHANGE
RESOURCES						
BEGINNING FUND BALANCE:						
\$ 4,887,777	\$ 7,332,046	\$ 8,350,000	Cash on hand (cash basis):	\$ 9,150,000	\$ 800,000	9.58%
Transferred From General Fund for						
4,000,000	4,567,410	4,000,000	Future Reserves	4,000,000	-	0.00%
3,000,000	-	-	IGA Cost Share	-	-	0.00%
157,269	126,533	90,000	Earnings from investments	250,000	160,000	177.78%
12,045,046	12,025,989	12,440,000	Resources Without Taxes	13,400,000	960,000	7.72%
\$ 12,045,046	\$ 12,025,989	\$ 12,440,000	TOTAL RESOURCES	\$ 13,400,000	\$ 960,000	7.72%
REQUIREMENTS						
\$ 4,713,000	\$ 1,900,000	\$ 6,287,000	Transferred to CIP Fund	\$ 8,940,000	\$ 2,653,000	42.20%
-	1,500,000	-	- Transferred to CIP Bond Construction Fur	-	-	0.00%
7,332,046	8,625,989	6,153,000	Reserved for Future Expenditures	4,460,000	(1,693,000)	-27.52%
\$ 12,045,046	\$ 12,025,989	\$ 12,440,000	TOTAL REQUIREMENTS	\$ 13,400,000	\$ 960,000	7.72%

**RATE STABILIZATION RESERVE FUND
RESERVE FUND - LB 11
RESOURCES AND REQUIREMENTS**

HISTORICAL DATA (Biennial)			Description of Resources and Requirements	BIENNIAL BUDGET FOR 2023-2025		
BN 17-19 ACTUAL	BN 19-21 ACTUAL	BN 21-23 BUDGET		PROPOSED BUDGET	INCREASE (DECREASE)	PERCENT CHANGE
RESOURCES						
BEGINNING FUND BALANCE:						
\$ 1,156,834	\$ 1,195,839	\$ 1,220,000	Cash on Hand (cash basis):	\$ 1,250,000	\$ 30,000	2.46%
39,005	29,771	36,000	Earnings From Investments	50,000	14,000	38.89%
1,195,839	1,225,610	1,256,000	Resources Without Taxes	1,300,000	44,000	3.50%
\$ 1,195,839	\$ 1,225,610	\$ 1,256,000	TOTAL RESOURCES	\$ 1,300,000	\$ 44,000	3.50%
REQUIREMENTS						
\$ -	\$ -	\$ -	Transfer to General Fund	\$ -	\$ -	N/A
1,195,839	1,225,610	1,256,000	Reserved for Rate Stabilization	1,300,000	44,000	3.50%
\$ 1,195,839	\$ 1,225,610	\$ 1,256,000	TOTAL REQUIREMENTS	\$ 1,300,000	\$ 44,000	3.50%

SDC RESERVE FUND
RESERVE FUND - LB 11
RESOURCES AND REQUIREMENTS

HISTORICAL DATA (Biennial)			Description of Resources and Requirements	BIENNIAL BUDGET FOR 2023-2025		
BN 17-19 ACTUAL	BN 19-21 ACTUAL	BN 21-23 BUDGET		PROPOSED BUDGET	INCREASE (DECREASE)	PERCENT CHANGE
RESOURCES						
BEGINNING FUND BALANCE:						
\$ 1,339,632	\$ 2,688,907	\$ 2,000,000	Cash on hand (cash basis):	\$ 2,950,000	\$ 950,000	47.50%
613,754	682,182	838,400	SDC Reimbursement	150,000	(688,400)	-82.11%
677,750	777,805	925,500	SDC Improvement	180,000	(745,500)	-80.55%
57,771	29,619	25,500	Earnings from investments	100,000	74,500	292.16%
2,688,907	4,178,513	3,789,400	Resources Without Taxes	3,380,000	(409,400)	-10.80%
\$ 2,688,907	\$ 4,178,513	\$ 3,789,400	TOTAL RESOURCES	\$ 3,380,000	\$ (409,400)	-10.80%
REQUIREMENTS						
\$ -	\$ -	\$ -	- Transfer to CIP Fund	\$ 1,000,000	\$ 1,000,000	N/A
\$ -	\$ 2,000,000	\$ -	- Transfer to CIP Bond Construction Fun	- \$	-	N/A
-	-	-	- Transfer to Revenue Bond Fund	- \$	-	N/A
2,688,907	2,178,513	3,789,400	Reserved Future Expenditures	2,380,000	(1,409,400)	-37.19%
\$ 2,688,907	\$ 4,178,513	\$ 3,789,400	TOTAL REQUIREMENTS	\$ 3,380,000	\$ (409,400)	-10.80%






**REVENUE BOND FUND
BONDED DEBT - LB 35
RESOURCES AND REQUIREMENTS**

HISTORICAL DATA (Annual & Biennial)			Description of Resources and Requirements	BIENNIAL BUDGET FOR 2023-2025		
BN 17-19 ACTUAL	BN 19-21 ACTUAL	BN 21-23 BUDGET		PROPOSED BUDGET	APPROVED BUDGET	ADOPTED BUDGET
RESOURCES:						
BEGINNING FUND BALANCE:						
\$ 486,713	\$ 500,659	\$ 512,000	Cash on hand (cash basis)	\$ 512,000	\$ 512,000	\$ 512,000
13,946	10,645	13,000	Earning From Investments	20,000	20,000	20,000
3,385,750	3,390,675	2,477,000	Transfer From General Fund	2,475,300	2,475,300	2,475,300
-	-	-	- Transfer From SDC Fund	-	-	-
3,886,409	3,901,979	3,002,000	Resources Without Taxes	3,007,300	3,007,300	3,007,300
\$ 3,886,409	\$ 3,901,979	\$ 3,002,000	TOTAL RESOURCES	\$ 3,007,300	\$ 3,007,300	\$ 3,007,300
REQUIREMENTS:						
\$ 1,465,000	\$ 1,580,000	\$ 755,000	Principal	\$ 815,000	\$ 815,000	\$ 815,000
1,920,750	1,810,675	1,722,000	Interest	1,660,300	1,660,300	1,660,300
500,659	511,304	525,000	Unappropriated and Reserved	532,000	532,000	532,000
\$ 3,886,409	\$ 3,901,979	\$ 3,002,000	TOTAL REQUIREMENTS	\$ 3,007,300	\$ 3,007,300	\$ 3,007,300

SUPPLEMENT LB-36

HISTORICAL DATA (Annual & Biennial)			Description of Resources and Requirements	BIENNIAL BUDGET FOR 2023-2025		
BN 17-19 ACTUAL	BN 19-21 ACTUAL	BN 21-23 BUDGET		PROPOSED BUDGET	APPROVED BUDGET	ADOPTED BUDGET
BOND PRINCIPAL PAYMENTS						
Issue Date -						
\$ 805,000	\$ 880,000	\$ -	2009 Bond	\$ -	\$ -	\$ -
660,000	700,000	755,000	2016 Bond	815,000	\$ 815,000	\$ 815,000
1,465,000	1,580,000	755,000	Total Principal Payments	815,000	815,000	815,000
BOND INTEREST PAYMENTS						
Issue Date -						
103,100	35,600	-	2009 Bond	-	-	-
1,817,650	1,775,075	1,722,000	2016 Bond	1,660,300	1,660,300	1,660,300
1,920,750	1,810,675	1,722,000	Total Interest Payments	1,660,300	1,660,300	1,660,300
UNAPPROPRIATED ENDING FUND						
500,659	511,304	525,000	Unappropriated Fund Balance	532,000	532,000	532,000
\$ 3,886,409	\$ 3,901,979	\$ 3,002,000	TOTAL REQUIREMENTS	\$ 3,007,300	\$ 3,007,300	\$ 3,007,300

MISCELLANEOUS

CHANGES FROM PROPOSED TO APPROVED BUDGET					
 Increase  Decrease	Description	Proposed	Approved	\$ Change	% Change
NA	General Fund Personnel Services	No Changes were made			
NA	General Fund Materials & Services	No Changes were made			
NA	General Fund Unappropriated Fund Bal.	No Changes were made			
	General Fund Capital Outlay	\$ 2,239,500	\$ 2,279,500	\$ 40,000	1.78%
NA	Other Funds	No Changes were made			
CHANGES FROM APPROVED TO ADOPTED BUDGET					
 Increase  Decrease	Description	Approved	Adopted	\$ Change	% Change
NA	General Fund Personnel Services	No Changes were made			
NA	General Fund Materials & Services	No Changes were made			
NA	General Fund Unappropriated Fund Bal.	No Changes were made			
NA	General Fund Capital Outlay	No Changes were made			
NA	Other Funds	No Changes were made			



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E-mail: legals@commnewspapers.com

AFFIDAVIT OF PUBLICATION

State of Oregon, County of Clackamas, ss I, J. Brian Monihan, being first duly sworn, depose and say that I am the President of the **Clackamas Review-Oregon City, Lake Oswego Review, Oregon City News**, a newspaper of general circulation, published in Clackamas County, Oregon, as defined by ORS 193.010 and 193.020, that

Owner: Clackamas River Water
Description: April 27 public meeting of the Budget Committee of Clackamas River Water
Ad#: 284104

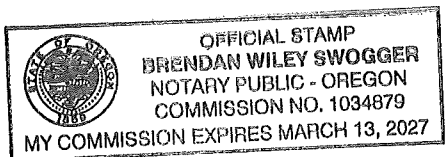
A copy of which is hereto annexed, was published in the entire issue of said newspaper for 1 week(s) in the following issue(s):
04/19/2023

J. Brian Monihan (President)

Subscribed and sworn to before me this 04/19/2023.

NOTARY PUBLIC FOR OREGON

Acct #: 116241
Attn: Karin Holzgang
CLACKAMAS RIVER WATER
16770 SE 82ND DRIVE
CLACKAMAS, OR 97015



Public Notice

A public meeting of the Budget Committee of Clackamas River Water, Clackamas County, State of Oregon, to discuss the budget for the Biennium July 1, 2023, to June 30, 2025, will be held at 16770 SE 82nd Drive, Clackamas, Oregon, 97015. The meeting will take place on **Thursday April 27, 2023, at 6:00 p.m.** Additionally, the second and third meetings are scheduled for Monday May 1, 2023 and Monday May 8, 2023, if needed. The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget. This is a public meeting where deliberation of the Budget Committee will take place. Any person may appear at the meeting and discuss the

proposed programs with the Budget Committee. A copy of the budget document may be inspected or obtained on April 14, 2023, or anytime thereafter, at 16770 SE 82nd Drive, between the hours of 8:00 a.m. and 4:00 p.m. or on-line at www.crwater.com.

The budget committee meeting is open to the public and will be held at CRW Administrative Offices at 16770 SE 82nd Drive, Clackamas, in the Boardroom. There will be a remote option for attendance via Zoom <https://us02web.zoom.us/j/88434927467> or by calling the following number 1-719 359 4580 and join meeting 88434927467#. Passcode: 850044

Public Comment: *If a member of the public wishes to address the Board during a meeting, they are encouraged to inform Board staff through email to kholzgang@crwater.com no later than 11am the day of the meeting. If a person will attend the meeting through Zoom and wishes to provide public comment, prior notice to kholzgang@crwater.com no later than 11am on the day of the meeting is **required** in order to ensure access. The notice should include the following information: (1) Full name; (2) Address/City/ZIP; (3) Email address or phone number to be used to access the Zoom meeting, so it can be unmut-
Publish April 19, 2023*

CLK284104



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 E-mail: legals@commnewspapers.com

AFFIDAVIT OF PUBLICATION

State of Oregon, County of Clackamas, ss I Charlotte Allsop, being first duly sworn, depose and say that I am the Accounting Manager of the **Clackamas Review-Oregon City, Lake Oswego Review, Oregon City News**, a newspaper of general circulation, published in Clackamas County, Oregon, as defined by ORS 193.010 and 193.020, that

**Clackamas River Water
 LB-1 Notice of Budget Hearing May 2023
 Ad#: 290136**

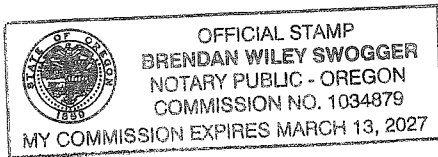
A copy of which is hereto annexed, was published in the entire issue of said newspaper(s) for 1 week(s) in the following issue(s):
05/31/2023

Charlotte Allsop
 Charlotte Allsop (Accounting Manager)

Subscribed and sworn to before me this 05/31/2023.

[Signature]
 NOTARY PUBLIC FOR OREGON

Acct #: 116241
Attn: Karin Holzgang
 CLACKAMAS RIVER WATER
 16770 SE 82ND DRIVE
 CLACKAMAS, OR 97015



FORM LB-1 NOTICE OF BUDGET HEARING

A public meeting of the Clackamas River Water Board of Commissioners will be held on June 8, 2023 at 8:00 pm. The purpose of this meeting is to discuss the budget for the biennium beginning July 1, 2023 as approved by the Clackamas River Water Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected online at WWW.CR WATER.COM. This budget is for a biennial budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

Contact: Todd Heidgerken Telephone: (503) 722-9220 Email: theidgerken@crwater.com

TOTAL OF ALL FUNDS	FINANCIAL SUMMARY - RESOURCES		
	Actual Amount Prior Biennium 2019 - 2021	Adopted Budget This Biennium 2021 - 2023	Approved Budget Next Biennium 2023 - 2025
Beginning Fund Balance/Net Working Capital	20,415,825	19,213,000	21,372,000
Interfund Transfers / Internal Service Reimbursements	15,080,685	14,514,000	16,415,300
All Other Resources Except Current Year Property Taxes	30,380,650	30,052,000	32,623,000
Total Resources	65,877,160	63,879,000	70,410,300

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	10,699,268	12,209,300	13,910,000
Materials and Services	8,118,480	9,583,300	11,389,000
Capital Outlay	7,178,689	8,087,300	12,219,500
Debt Service	3,390,675	2,477,000	2,475,300
Interfund Transfers	15,080,685	14,614,000	16,415,300
Contingencies	0	1,000,000	1,000,000
Unappropriated Ending Balance and Reserved for Future Expenditure	21,409,363	15,908,100	13,001,200
Total Requirements	65,877,160	63,879,000	70,410,300

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *			
Name of Organizational Unit or Program			
FTE for that unit or program			
Administration Department	4,713,240	4,922,800	5,893,450
FTE	5.8	6.8	7.8
Water Resources Department	6,617,113	7,962,400	9,549,300
FTE	10.0	11.0	11.0
System Operations Department	5,873,730	7,354,900	8,387,900
FTE	18.0	18.0	19.0
Engineering Department	0	0	0
FTE	0.0	0.0	0.0
Finance, Accounting and Customer Services Department	2,775,222	3,123,200	3,761,850
FTE	8.0	8.0	8.0
CRWSC Activity Fund	200,769	228,600	0
FTE	0.0	0.0	0.0
Not Allocated to Organizational Unit or Program	45,897,086	40,287,100	42,817,800
FTE	0.0	0.0	0.0
Total Requirements	65,877,160	63,879,000	70,410,300
Total FTE	41.8	43.8	45.8

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *
 The total 2023-2025 biennial budget is up by 10.2%, or \$6,531,300, over the 2021-2023 adopted biennial budget.
 Resources: The District's beginning fund balance increased by \$2,159,000, or 11.2% from the 2021-2023 biennium. Interfund transfers increased by 12.3%, or \$1,801,300 over the 2021-23 adopted budget. The increase is due to the increase in transfers to the Capital Reserve Fund offset by the elimination of transfers related to the CRWSC activity fund. Other resources increased by 8.6% also due to the resources related to the closing of the CRWSC fund. This budget includes the 6.0% rate increase in September 2023 and anticipates a rate hearing in 2024.
 Requirements: Personnel services increased 13.9% or \$1,700,700. Materials and Services increased 18.8% or \$1,805,700.
 FTE's: The total FTE's increased by 2 from the 2021-2023 biennium. An Administrative Coordinator and a Water Works Mechanic was added to the FY2023-25 budget.
 Materials & Services: Increase is mainly related to cost increases in water purchases and chemicals, increases for utilities, and improvements to facilities and security.

LONG TERM DEBT	STATEMENT OF INDEBTEDNESS	
	Estimated Debt Outstanding on July 1,	Estimated Debt Authorized, But Not Incurred on July 1,
Other Bonds	\$17,360,000	\$22,640,000
Total	\$17,360,000	\$22,640,000

150-504-073-2 (Rev. 11-18)

Publish May 31, 2023

CLK290

FORM LB-1

NOTICE OF BUDGET HEARING

A public meeting of the Clackamas River Water Board of Commissioners will be held on June 8, 2023 at 6:00 pm. The purpose of this meeting is to discuss the budget for the biennium beginning July 1, 2023 as approved by the Clackamas River Water Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected online at WWW.CR WATER.COM. This budget is for a biennial budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

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FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount		Approved Budget
	Prior Biennium 2019- 2021	Adopted Budget This Biennium 2021 - 2023	Next Biennium 2023 - 2025
Beginning Fund Balance/Net Working Capital	20,415,825	19,213,000	21,372,000
Interfund Transfers / Internal Service Reimbursements	15,080,685	14,614,000	16,415,300
All Other Resources Except Current Year Property Taxes	30,380,650	30,052,000	32,623,000
Total Resources	65,877,160	63,879,000	70,410,300

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	10,699,268	12,209,300	13,910,000
Materials and Services	8,118,480	9,583,300	11,389,000
Capital Outlay	7,178,689	8,087,300	12,219,500
Debt Service	3,390,675	2,477,000	2,475,300
Interfund Transfers	15,080,685	14,614,000	16,415,300
Contingencies	0	1,000,000	1,000,000
Unappropriated Ending Balance and Reserved for Future Expenditure	21,409,363	15,908,100	13,001,200
Total Requirements	65,877,160	63,879,000	70,410,300

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *			
Name of Organizational Unit or Program FTE for that unit or program			
Administration Department	4,713,240	4,922,800	5,893,450
FTE	5.8	6.8	7.8
Water Resources Department	6,617,113	7,962,400	9,549,300
FTE	10.0	11.0	11.0
System Operations Department	5,673,730	7,354,900	8,387,900
FTE	18.0	18.0	19.0
Engineering Department	0	0	0
FTE	0.0	0.0	0.0
Finance, Accounting and Customer Services Department	2,775,222	3,123,200	3,761,850
FTE	8.0	8.0	8.0
CRWSC Activity Fund	200,769	228,600	0
FTE	0.0	0.0	0.0
Not Allocated to Organizational Unit or Program	45,897,086	40,287,100	42,817,800
FTE	0.0	0.0	0.0
Total Requirements	65,877,160	63,879,000	70,410,300
Total FTE	41.8	43.8	45.8

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

The total 2023-2025 biennial budget is up by 10.2%, or \$6,531,300, over the 2021-2023 adopted biennial budget.

Resources: The District's beginning fund balance increased by \$2,159,000, or 11.2% from the 2021-2023 biennium. Interfund transfers increased by 12.3%, or \$1,801,300 over the 2021-23 adopted budget. The increase is due to the increase in transfers to the Capital Reserve Fund offset by the elimination of transfers related to the CRWSC activity fund. Other resources increased by 8.6% also due to the resources related to the closing of the CRWSC fund. This budget includes the 6.0% rate increase in September 2023 and anticipates a rate hearing in 2024.

Requirements: Personnel services increased 13.9% or \$1,700,700. Materials and Services increased 18.8% or \$1,805,700.

FTE's: The total FTE's increased by 2 from the 2021-2023 biennium. An Administrative Coordinator and a Water Works Mechanic was added to the FY2023-25 budget.

Materials & Services: Increase is mainly related to cost increases in water purchases and chemicals, increases for utilities, and improvements to facilities and security.

STATEMENT OF INDEBTEDNESS		
LONG TERM DEBT	Estimated Debt Outstanding on July 1.	Estimated Debt Authorized, But Not Incurred on July 1
Other Bonds	\$17,360,000	\$22,640,000
Total	\$17,360,000	\$22,640,000

CLACKAMAS RIVER WATER

RESOLUTION No. 14-2023

A RESOLUTION FOR ADOPTING THE BUDGET AND MAKING APPROPRIATIONS FOR CLACKAMAS RIVER WATER FOR THE 2023-2025 BIENNIUM

WHEREAS, pursuant to the requirements of ORS Chapter 294, the Board of Commissioners for Clackamas River Water is required to adopt the budget and make appropriations for the District for the 2023-2025 biennial period; and,

WHEREAS, on April 27, 2023, following public notice and meetings thereon, the duly appointed and authorized Budget Committee approved the biennial budget proposed for the 2023-2025 period, on file at the District office, and recommended adoption by the Board of Commissioners; and,

WHEREAS on April 27, 2023, Clackamas River Water has the authority to levy taxes and that the Budget Committee declared No Tax Levy be imposed on the ratepayers of Clackamas River Water for the 2023-2025 period; and,

WHEREAS, on June 8, 2023 the Board of Commissioners held the Budget Hearing following public notice thereon as required by ORS 294.453.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CLACKAMAS RIVER WATER THAT:

Section 1: The Board of Commissioners of Clackamas River Water hereby adopts the biennial budget as approved by the Budget Committee for BN 2023-2025 in the total sum of \$70,410,300 now on file at the district office as required by ORS 294.556.

Section 2: That the amounts for the biennium beginning July 1, 2023, and for the purposes shown below are hereby appropriated as follows:

GENERAL FUND	
Appropriations:	
Personnel Services	\$ 13,910,000
Materials & Services	11,389,000
Capital Outlay	2,279,500
Interfund Transfers	6,475,300
Operating Contingency	<u>1,000,000</u>
Appropriation Total (General Fund)	\$ 35,053,800

(Continued on next page)

CAPITAL RESERVE FUND
Interfund Transfers Appropriation \$ 8,940,000

CAPITAL IMPROVEMENT PROJECTS FUND
Capital Outlay Appropriation \$ 9,940,000

REVENUE BOND FUND
Debt Service Appropriation \$ 2,475,300

SYSTEM DEVELOPMENT CHARGES RESERVE FUND
Interfund Transfers Appropriation \$ 1,000,000

TOTAL APPROPRIATIONS: \$ 57,409,100
Unappropriated Ending Fund and Reserved for
Future Expenditures \$ 13,001,200
Total Budget \$ 70,410,300

Section 3: The General Manager or his designee shall file with Clackamas County and Oregon Department of Revenue information as required by ORS 294.458.

This resolution shall be deemed effective upon adoption. This resolution ADOPTED by the Clackamas River Water Board of Commissioners on this 8th day of June 2023.


Sheryl French, Board President


Naomi Angier, Board Secretary

BUDGET CALENDAR
BN 2023-2025

Appoint budget officer	January 12, 2023
Publish notice of budget committee meeting in <i>The Oregonian</i> and post on District web site	April 19, 2023
Hold budget committee meeting	April 27, 2023
Approve budget	April 27, 2023
Publish hearing notice in Pamplin Media Group	May 31, 2023
Hold budget hearing	June 08, 2023
Adopt the budget and make appropriations by Resolution with no taxes to levy	June 08, 2023
Submit budget to State, County Assessor, Treasurer and Clerk	July 15, 2023

GLOSSARY

Glossary of Terms and Acronyms

Actual: Actual financial results reported in summaries of funds, revenues, and expenditures. This category is presented on a budgetary basis, and excludes full-accrual audit items such as depreciation and amortization.

Adopted Budget: is the final budget approved by the Board of Commissioners. It is used in fund, revenue and expenditure summaries.

The adopted budget is effective July 1st.

AICPA: American Institute of Certified Public Accountants.

AIM: Available in Map. In-house Geographic Information System (GIS).

Approved Budget: Proposed budget modified for any changes made by the Citizens Budget Committee. It is used in fund, revenue and expenditure summaries.

Appropriations: Legal authorization granted by the Board of Commissioners to spend public funds. Appropriations within each budget category may not be exceeded.

As-built: Engineering drawings or maps with notations of the changes as the system is built.

Assets: Resources having a monetary value that are owned or held by the District.

Audit: Systematic examination of financial or accounting records by an independent accounting firm to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. The auditor's responsibility is to express an opinion on the financial statements based on audit findings. The results of the audit are published in the

District's Comprehensive Annual Financial Report.

AWWA: American Water Works Association. Nonprofit dedicated to managing and treating water and setting uniform standards for water professionals.

Backbone Projects: Eight-year (2016-2023), \$40 million infrastructure improvement plan funded through municipal bonds. The 12 projects improve pumping, distribution and storage and enhance water quality provision of fire flows, and system pumping efficiencies. The projects also connect the CRW treatment plant and northern distribution system to our south service area.

Base Budget: Cost of continuing the existing levels of service in the current budget year. It is the current year's adopted budget less one-time purchases included in the adopted budget.

Beginning Fund Balance: Residual fund balances representing unused funds brought forward from the previous financial year (ending fund balance).

Biennial: Two-year period.

Biennium (BN): Budgetary two-year period.

Board: Board of Commissioners that oversees operations of Clackamas River Water.

Bonds or Bond Issues: Debt instruments that require repayment of specified principal amounts on a certain date (maturity date), together with interest at a stated rate or calculated variable rate of interest.

Bond Fund: Established to account for bond proceeds received from the sale of bonds

Glossary of Terms and Acronyms

and repayment of bond issues. The Revenue Bond Fund is the District's Bond Fund.

Budget: Financial operational plan including an estimate of proposed expenditures and the means of financing them. Budgets are for a set period, usually one year. Oregon Budget Laws allows the adoption of a biennial or two year budget. The District has prepared annual budgets through fiscal year 2015. On December 11, 2014, Resolution 05-2015 was adopted allowing the District to prepare a biennial budget.

Budget Calendar: Schedule of key dates the District follows to prepare and adopt the budget by June 30th.

Budget Committee: Group comprised of CRW Board of Commissions (elected officials) and an equal number of district citizens for the purpose of reviewing the proposed budget and recommending changes leading to an approved budget.

Budget Document: Report showing the District's financial plan for a specified period, typically one or two years, that includes both operational and capital expenditures.

Budget Message: Written explanation of the budget as proposed by the GM and CFO. It includes the District's financial priorities, policies, and major changes within the document.

Budget Officer: District employee appointed by resolution of the Board of Commissioners with primary responsibility for preparing the proposed budget and following Oregon Budget Law.

Budgetary Basis: Method used to prepare the budget that is consistent with Generally Accepted Accounting Principles (GAAP), with the exception that neither depreciation nor

amortization is included in budgeted expenditures.

CAD: Computer Aided Drawing.

Capital Budget: Portion of the District's budget slated for projects and major repairs, improvements or additions to the District's capital assets.

Capital Expenditures: Defined as expenditures that are 1) greater than \$5,000, 2) have a useful life greater than one year, and 3) result in the creation or revitalization of a fixed asset.

Capital Improvement: Defined in the ORS 310-410 (10) to include land, structures, facilities, machinery, equipment, or furnishings having a useful life longer than one year.

Capital Improvement Project (CIP): Improvement to District's infrastructure including transmission or distribution waterlines, reservoirs, pump stations, buildings, and the water treatment plant.

Capital Outlay (CO): Money spent to acquire, repair and maintain, or upgrade (increase capacity, efficiency or useful life) capital assets: land, machinery, equipment, vehicles, facilities and other infrastructure. Criteria to qualify: 1) useful life greater than one year, 2) cost at least \$5,000, and 3) be an improvement. Expenditures not meeting the qualifications are included in materials and services.

CCF: Centum Cubic Feet is a measure of water consumption. One CCF equals 100 cubic feet and is equivalent to 748 gallons.

CCR: Customer Confidence Report is the annual drinking water quality report.

Glossary of Terms and Acronyms

CFO: Chief Financial Officer.

Charges for Service: Includes a variety of fees charged for services provided to the public and other entities.

CIP: Capital Improvement Projects.

Comprehensive Annual Financial Report: Set of U.S. government financial statements comprising the financial report of a governmental entity, which is audited by an external AICPA certified accounting firm for compliance with GAAP and GASB and includes the auditor's opinion and comments.

CO: Capital Outlay. Appropriation category included in the budget document and Resolution.

COOP: Continuity of Operations Plan. A plan at the agency level that ensures the agency can continue or recover its vital services in the event of a disaster or emergency (NSPD-51, HSPD-20 and NCPIP).

Consumer Price Index: Statistical description of price levels provided by the US Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency: Budgetary reserve set aside for unforeseen expenditures not otherwise budgeted due to the occurrence of unusual or extraordinary events. The Board of Commissioners must adopt a resolution to appropriate Contingency for a specific purpose and the funds must be transferred to an existing appropriation prior to using the funds.

CRW: Clackamas River Water or District

CRWP: Clackamas River Water Providers is a coalition of municipal water providers that get their drinking water from the Clackamas River and coordinate efforts to address water resource issues.

CRWSC: Clackamas Regional Water Supply Commission or the Commission. An Overarching government structure formed by CRW and SWA through an ORS 190 Intergovernmental Agreement, which consolidates operations between the two agencies, maximizing the return of investment through shared labor, equipment, facilities and resources.

Debt Service: Principal and interest on outstanding bonds due and payable during the fiscal year. Debt service is an appropriation category within the budget. All debt service is included in the Revenue Bond Fund.

Department: Functional area of the District. The District has five departments: Administrative Services, Engineering, System Operations, Water Resources, and Finance, Accounting and Customer Service.

Depreciation: Expiration in the service life of capital assets attributable to its use, deterioration, action of physical elements, or obsolescence.

District: Clackamas River Water or CRW.

DTD: Department of Transportation and Development, Clackamas County.

Employee Benefits: Contributions made by the District to meet commitments or obligations for employee-related expenses. This includes the District's share of social security, pension, medical and insurance plans.

Glossary of Terms and Acronyms

Ending Fund Balance: Residual non-restricted funds that are expendable or available for appropriation after the end of the fiscal year or during the fiscal year if a state of emergency is declared by the General Manager.

EOP: Ongoing plan that describes how people and property will be protected in disaster and emergency situation: details responsible individual(s) and actions, identifies resources available and outlines coordination of all actions.

EPA: Environmental Protection Agency, US Federal government.

Expenditures: Requirements of a fund and represent a decrease in net financial resources. Expenditures include operating expenses, debt service, and capital outlay.

FACS: Finance, Accounting and Customer Service, a department of CRW.

Fees: Charges for specific services in connection with providing a service.

Fiscal Year: Twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. The District's fiscal year is July 1 through June 30.

FTE: Full time equivalents.

Fund: Fiscal and accounting entity with a self-balancing set of accounts to record cash and other financial resources together with related liabilities, balances and charges, all segregated for specific purposes.

Fund Balance: Net ending balance of a fund's financial resources that are expendable or available for appropriation.

GAAP: Generally Accepted Accounting Principles.

GAAS: Generally Accepted Auditing Standards.

GASB: Governmental Accounting Standards Board.

General Fund: Primary operating fund of the District. It exists to account for the resources devoted to finance the services to provide water service to our ratepayers and customers.

GFOA: Government Finance Officers Association of the United States and Canada.

GIS: Geographic Information System, a system designed to capture and present all types of geographical data.

GM: General Manager.

GPM: Gallons per Minute, a measure used in water production to describe flow rates.

Grant: Contribution by one government unit to another. The contribution is usually made to aid in the support of a specific function or activity.

HSPD: Homeland Security Presidential Directive

HVAC: Heating, ventilation, and air conditioning, the technology of indoor environmental comfort.

IGA: Intergovernmental Agreement.

Infrastructure: Public domain capital assets that are immovable, such as transmission or distribution water lines, reservoirs, pump stations, buildings and the water treatment plant water.

Glossary of Terms and Acronyms

Interfund Transfers: Appropriation category used in the District's budget resolution which includes amounts transferred from one fund to another. Transfers are appropriated as expenditures.

JTA: Jobs and Transportation Act, U.S. Federal Government.

LB reports: Local Budget Law reports as required by ORS 294.

LCRB: Local Contract Review Board, Oregon Revised Statutes (ORS) ORS 279A.060 provides procedure for public contracting and procurement.

Local Budget Law: ORS 294 dictates local budgeting practices, which regulates roles, authorities, and process.

M & S: Materials & Services. An appropriation category included in the budget document and resolution.

Master Plan: Identifies and forecasts capital water system improvements needed over the next 20 years (through 2025).

Materials & Services: Expendable (not of a capital nature) items purchased by the District: supplies, dues, repairs, printing, small tools, and contract and legal services. This is an appropriation category included in the budget document and resolution.

MGD: Million Gallons per Day. Unit of measurement used in production of water available for use by customers.

Mission: Defines the primary purpose of the District and is intended to guide all organizational decisions, policies and activities (internal and external) on a daily basis.

NCPIP: National Continuity Policy Implementation Plan. List of directives to ensure the effectiveness and survivability of our national continuity capability.

Net Working Capital: Measure of a company's operating liquidity - expressed as current assets minus current liabilities - available to continue operations or build the business. District policy stipulates that 60 to 90 days' worth of operations expenses should be maintained to start a new fiscal year.

Non-Operating Budget: Composed of the following categories: debt service, interfund transfers, capital outlay, contingency, and unappropriated ending fund balance.

Non-Operating Revenues: Proceeds paid to the District, which are unrelated to our primary water supply function. This includes interest and rental income, surplus property sales and grants.

NSPD: National Security Presidential Directive.

OAR: Oregon Administrative Rules.

ODOT: Oregon Department of Transportation.

Operating Budget: is a plan for current expenditures and the proposed means of financing them. The operating budget includes personnel services and materials & services budget categories.

Operating Revenues: is income received by the District for supplying water service to our ratepayers and customers. It includes water consumption and meter base rates, fire services, service connections, and penalties for non-payment. Operating revenues pay for day-to-day services.

Glossary of Terms and Acronyms

ORS: Oregon Revised Statutes

ORS190: Oregon Revised Statute for intergovernmental cooperation.

Outstanding Debt: Balance due at any given time resulting from the borrowing of money or from the purchase of goods and services.

Personnel Services (PS): Includes compensation paid to employees plus the district's contribution to employee benefits: retirement, social security, health and dental insurance, and worker's compensation.

PERS: Public Employee Retirement System is the retirement system for Oregon public employees.

PMEF: Organization level functions that should be performed in order to support or implement the performance of National Essential Functions before, during, and in the aftermath of an emergency.

Proposed Budget: Comprised of operating, non-operating, and reserve estimates prepared by the Budget Officer, which are presented to the Citizen Budget Committee for their review, approval, and recommendation to the Board of Commissioners.

PS: Personnel Services. An appropriation category included in the budget document and Resolution.

Ratepayer: Customer of the District.

Requirements: Use of funds on budgetary statements. Categories include Personnel Services, Materials & Services, Capital Outlay, Debt Service, Transfers, Contingency, Reserved for Future, and unappropriated ending fund balance.

Reserve Funds: Established to account for reserves set aside for a specific purpose. These funds accumulate until a need is identified and included in the proposed budget. The funds are then transferred to the appropriate fund for expenditures.

Resolution: Special order adopted by the Board of Commissioners.

Resources: Represent the total of all revenues, transfers, and beginning fund balances.

Reserved for Future Expenditures: Portion of ending fund balance not appropriated to be spent in the current year.

Revenues: Funds received by the District for payment of services provided, and from other sources such as grants and interest and rental income.

Revenue Bonds: Bonds payable from a pledged source of revenue such as water sales.

ROW: Right of Way.

SCADA: Supervisory Control and Data Acquisition. Computer system for gathering and analyzing real time data and monitoring and controlling plant and equipment processes in water collection, treatment and distribution facilities and other industries.

SDC: System Development Charges. A reimbursement or improvement fee assessed when a request to connect to our water distribution system is received.

SFWB: South Fork Water Board.

Special Revenue Funds: Established to account for proceeds of specific revenue sources, which are restricted to expenditures for specified purposes. SDC

Glossary of Terms and Acronyms

revenue is recorded in the SDC Reserve Fund.

Sunrise: Sunrise Water Authority or SWA.

Supplemental Budget: Process by which additional appropriations are established to meet needs not anticipated at the time the budget was originally adopted.

SWA: Sunrise Water Authority or Sunrise.

SysOps: An abbreviation for the System Operations Department.

System Development Charges: Fees paid by developers and builders to fund expansion of infrastructure systems necessary due to the increased demand. The District collects improvement and reimbursement SDC's on new service applications.

Transfers: Authorized exchange of cash or other resources between funds that is appropriated in expenditures of the adopted budget. This is the same as interfund transfers.

Unappropriated Ending Fund Balance: Portion of ending fund balance that is not appropriated to be spent in the current year. It's segregated for future use: not available for current appropriation or expenditure unless the General Manager declares an emergency.

User Fees: Often referred to as charges for services.

VA: Vulnerability Assessment. The process of identifying, quantifying, and prioritizing the vulnerabilities of a system.

WTP: Water Treatment Plant