



Clackamas River Water

SUPPLEMENTAL BUDGET BN 2015-2017

BUDGET HEARING November 10, 2016

A report for our Board of Commissioners, Budget Committee, and Interested Public
Prepared by: Finance Department

Date: November 1, 2016

NOTICE OF SUPPLEMENTAL BUDGET HEARING

- For supplemental budgets proposing a change in any fund's expenditures by more than 10 percent.

16770 SE 82nd Drive, Clackamas, Oregon, between the hours of 8:00 A.M. and 4:30 P.M.

A public hearing on a proposed supplemental budget for Clackamas River Water

for the current fiscal year will be held at 16770 SE 82nd Drive, Clackamas, Oregon

The hearing will take place on November 10, 2016 at 6:00 P.M.

The purpose of the hearing is to discuss the supplemental budget with interested persons.

A copy of the supplemental budget document may be inspected or obtained on or after November 3, 2016 at

16770 SE 82nd Drive, Clackamas, Oregon, between the hours of 8:00 A.M. and 4:30 P.M.

SUMMARY OF PROPOSED BUDGET CHANGES

AMOUNTS SHOWN ARE REVISED TOTALS IN THOSE FUNDS BEING MODIFIED

FUND: GENERAL FUND

Resource	Amount	Requirement	Amount
1 Water Sales	\$ 750,000	1 Personnel Services	\$ 250,000
2 _____	_____	2 Material & Services	\$ 800,000
_____	_____	3 Contingency	\$ (300,000)
Revised Total Fund Resources	\$ 750,000	Revised Total Fund Requirements	\$ 750,000

Comments:

Increase Water Sales by \$750,000 - curtailment of water usage was not required during the summer or fall of 2015 and 2016, therefore water sales are higher than the budget. Unanticipated Personnel Services expenditures were required during the biennium. Unanticipated Material & Services will be required during the biennium. Contingency will provide the offset to balance the supplemental budget.

FUND: CAPITAL IMPROVEMENT PROJECTS FUND

Resource	Amount	Requirement	Amount
1 Transfers In - SDC Reserve Fund	\$ 250,000	1 Capital Outlay	\$ 500,000
2 Transfers In - Capital Reserve Fund	\$ 250,000	2 _____	_____
Revised Total Fund Resources	\$ 500,000	Revised Total Fund Requirements	\$ 500,000

Comments:

Clackamas River Water has opportunity to complete capital outlay projects which were unanticipated prior to the adoption of the budget. Funding for these projects will be Transfers In - SDC Reserve Fund and Transfers In - Capital Reserve Fund.

FUND: CAPITAL RESERVE FUND

Resource	Amount	Requirement	Amount
1 _____	_____	1 Transfers Out - CIP Fund	\$ 250,000
2 _____	_____	2 Ending Fund Balance (unappropriated)	\$ (250,000)
Revised Total Fund Resources	\$ -	Revised Total Fund Requirements	\$ -

Comments:

Transfers out - CIP Fund will increase to provide sufficient funding for opportunity capital projects that were not anticipated when adopting the budget. Ending Fund Balance will remain within fiscal policies.

FUND: SDC RESERVE FUND

Resource	Amount	Requirement	Amount
1 System Development Charges	\$ 250,000	1 Transfers Out - CIP Fund	\$ 250,000
Revised Total Fund Resources	\$ 250,000	Revised Total Fund Requirements	\$ 250,000

Comments:

System Development Charges increase as more revenue than anticipated has been received due to an increase of construction in the area. Transfers Out - CIP Fund will be added as a new budget category.

**GENERAL FUND RESOURCES
LB 20**

BIENNIAL BUDGET FOR 2015-2017						
RESOURCE DESCRIPTION	PROPOSED	APPROVED	ADOPTED	ADMENDED No. 1	ADMENDED No. 2	supplemental change
BEGINNING FUND BALANCE:						
Net Working Capital (Budget)	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ -
OTHER RESOURCES:						
Water Sales	18,315,000	18,315,000	18,315,000	18,315,000	19,065,000	750,000
Service Connection Fees	213,600	213,600	213,600	213,600	213,600	
Service Charges	130,000	130,000	130,000	130,000	130,000	
Miscellaneous - Operating	20,000	20,000	20,000	20,000	20,000	
Subtotal - Operating resources	18,678,600	18,678,600	18,678,600	18,678,600	19,428,600	750,000
Rental Income	220,000	220,000	220,000	220,000	220,000	
Earnings from Investments	20,000	20,000	20,000	20,000	20,000	
Miscellaneous - Non-Operating	40,000	40,000	40,000	40,000	40,000	
Grant Funds	-	-	-	-	-	
Right of Way - Oregon City	31,400	31,400	31,400	31,400	31,400	
Surplus Property Sale	30,000	30,000	30,000	30,000	30,000	
Subtotal - Non operating resources	341,400	341,400	341,400	341,400	341,400	-
Transfers From Rate Stabilization Reserves	-	-	-	-	-	
Transfers from Revenue Proceeds Fund				269,500	269,500	
Transfers From CRWSC Activity Fund	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000	-
TOTAL RESOURCES	\$ 24,610,000	\$ 24,610,000	\$ 24,610,000	\$ 24,879,500	\$ 25,629,500	\$ 750,000

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

Description of Resources and Requirements	BIENNIAL BUDGET FOR 2015-2017					
	PROPOSED	APPROVED	ADOPTED	ADMENDED No. 1	ADMENDED No. 2	supplemental change
PERSONNEL SERVICES						
Administration	\$ 1,205,881	\$ 1,205,881	\$ 1,205,881	\$ 1,205,881	\$ 1,380,881	\$ 175,000
Board	265,068	265,068	265,068	265,068	265,068	-
Engineering	863,194	863,194	863,194	863,194	938,194	75,000
FACS	1,427,002	1,427,002	1,427,002	1,427,002	1,427,002	-
System Operations	2,215,852	2,215,852	2,215,852	2,215,852	2,215,852	-
Water Resources	2,227,166	2,227,166	2,227,166	2,227,166	2,227,166	-
TOTAL PERSONNEL SERVICES	8,204,163	8,204,163	8,204,163	8,204,163	8,454,163	250,000
MATERIALS & SERVICES						
Administration	2,054,500	2,054,500	2,054,500	2,087,500	2,097,500	10,000
Board	47,100	47,100	47,100	47,100	47,100	-
Engineering	152,400	152,400	152,400	213,100	513,100	300,000
FACS	677,000	677,000	677,000	852,800	892,800	40,000
System Operations	866,400	866,400	866,400	866,400	866,400	-
Water Resources	3,756,600	3,756,600	3,756,600	3,756,600	4,206,600	450,000
TOTAL MATERIALS & SERVICES	7,554,000	7,554,000	7,554,000	7,823,500	8,623,500	800,000
CAPITAL OUTLAY						
Administration	127,500	127,500	127,500	127,500	127,500	-
Engineering	10,000	10,000	10,000	10,000	10,000	-
FACS	140,000	140,000	140,000	140,000	140,000	-
System Operations	471,000	471,000	471,000	471,000	471,000	-
Water Resources	218,000	218,000	218,000	218,000	218,000	-
TOTAL CAPITAL OUTLAY	966,500	966,500	966,500	966,500	966,500	-
TOTAL DEPARTMENT EXPENDITURES	16,724,663	16,724,663	16,724,663	16,994,163	18,044,163	1,050,000
TRANSFERS						
To Revenue Bond Fund	902,375	902,375	902,375	1,829,290	1,829,290	-
To CRWSC Activity Fund	123,000	123,000	123,000	123,000	123,000	-
To Capital Reserve Fund						-
Future Reserves	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	-
TOTAL TRANSFERS TO OTHER FUNDS	5,025,375	5,025,375	5,025,375	5,952,290	5,952,290	-
General Operating Contingency	750,000	750,000	750,000	750,000	450,000	(300,000)
TOTAL TRANSFERS & CONTINGENCY	5,775,375	5,775,375	5,775,375	6,702,290	6,402,290	(300,000)
TOTAL EXPENDITURES	22,500,038	22,500,038	22,500,038	23,696,453	24,446,453	750,000
UNAPPROPRIATED FUND BALANCE	2,109,962	2,109,962	2,109,962	1,183,047	1,183,047	-
TOTAL	\$ 24,610,000	\$ 24,610,000	\$ 24,610,000	\$ 24,879,500	\$ 25,629,500	\$ 750,000

GENERAL FUND DETAILED REQUIREMENTS

LB-31

Description of Resources and Requirements	BIENNIAL BUDGET FOR 2015-2017			ADMENDED	ADMENDED	supplemental change
	PROPOSED	APPROVED	ADOPTED	No. 1	No. 2	
Personnel Services:						
Salaries	5,351,515	5,351,515	5,351,515	5,351,515	5,526,515	175,000
Benefits and taxes	2,852,648	2,852,648	2,852,648	2,852,648	2,927,648	75,000
PERSONNEL SERVICES TOTAL	\$ 8,204,163	\$ 8,204,163	8,204,163	\$ 8,204,163	\$ 8,454,163	\$ 250,000
Materials & Services:						
Customer Services	292,200	292,200	292,200	292,700	307,700	15,000
Equipment	633,400	633,400	633,400	633,400	633,400	
Facilities & Security	519,100	519,100	519,100	519,100	519,100	
General Administration	856,100	856,100	856,100	886,100	891,100	5,000
Materials	281,500	281,500	281,500	281,500	281,500	
Office	145,000	145,000	145,000	145,000	145,000	
Other Support Costs	278,500	278,500	278,500	283,800	283,800	
Overhead Reimbursement (CIP Fund)	(304,900)	(304,900)	(304,900)	(236,200)	(236,200)	
Professional & Contracted Services	1,365,800	1,365,800	1,365,800	1,530,800	1,860,800	330,000
Utilities	1,374,300	1,374,300	1,374,300	1,374,300	1,774,300	400,000
Water Purchases & Treatment	2,113,000	2,113,000	2,113,000	2,113,000	2,163,000	50,000
MATERIALS & SERVICES TOTAL	7,554,000	7,554,000	7,554,000	7,823,500	8,623,500	\$ 800,000
Capital Outlay:						
Improvements	329,500	329,500	329,500	329,500	329,500	
Vehicles	320,000	320,000	320,000	320,000	320,000	
General Equipment & Tools	49,000	49,000	49,000	49,000	49,000	
Laboratory Equipment	-	-	-	-	-	
Computer Equipment	178,000	178,000	178,000	178,000	178,000	
Other	90,000	90,000	90,000	90,000	90,000	
CAPITAL OUTLAY TOTAL	966,500	966,500	966,500	966,500	966,500	
DEPARTMENT TOTALS	16,724,663	16,724,663	16,724,663	16,994,163	18,044,163	\$ 1,050,000
Transfers & Contingency:						
To Revenue Bond Fund	902,375	902,375	902,375	1,829,290	1,829,290	
To CRWSC Activity Fund	123,000	123,000	123,000	123,000	123,000	
To Capital Reserve Fund						
Future Reserves	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	
General Operating Contingency	750,000	750,000	750,000	750,000	450,000	(300,000)
TRANSFERS & CONTINGENCY TOTAL	5,775,375	5,775,375	5,775,375	6,702,290	6,402,290	\$ (300,000)
UNAPPROPRIATED FUND BALANCE	2,109,962	2,109,962	2,109,962	1,183,047	1,183,047	
TOTAL GENERAL FUND BUDGET	\$ 24,610,000	\$ 24,610,000	\$ 24,610,000	\$ 24,879,500	\$ 25,629,500	\$ 750,000

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

Description of Resources and Requirements	BIENNIAL BUDGET FOR 2015-2017				supplemental change
	PROPOSED BUDGET	APPROVED BUDGET	ADOPTED BUDGET	ADMENDED	
RESOURCES					
BEGINNING FUND BALANCE:					
Cash on hand (cash basis):	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ -
Earnings from investments	-	-	-	-	-
ODOT-Reimbursement	-	-	-	-	-
PGE Grant	-	-	-	-	-
Transferred In:					
SDC Reserve Fund	-	-	-	250,000	250,000
Capital Reserve Fund	2,666,000	2,666,000	2,666,000	2,916,000	250,000
Resources Without Taxes	2,667,000	2,667,000	2,667,000	3,167,000	500,000
TOTAL RESOURCES	\$ 2,667,000	\$ 2,667,000	\$ 2,667,000	\$ 3,167,000	\$ 500,000
REQUIREMENTS					
Capital Outlay:					
Project Expenses	2,667,000	2,667,000	2,667,000	3,167,000	500,000
Capital Outlay Total	2,667,000	2,667,000	2,667,000	3,167,000	
Reserved Future Expenditures:					
Reserved Future Expenditures	-	-	-	-	-
Reserved Future Expenditures Total	-	-	-	-	
TOTAL REQUIREMENTS	\$ 2,667,000	\$ 2,667,000	\$ 2,667,000	\$ 3,167,000	\$ 500,000

The Board of Commissioners adopted Resolution No. 05-2015 authorizing biennial budgeting beginning July 1, 2015.

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

Description of Resources and Requirements	BIENNIAL BUDGET FOR 2015-2017				supplemental change
	PROPOSED	APPROVED	ADOPTED	ADMENDED	
RESOURCES					
BEGINNING FUND BALANCE:					
Cash on hand (cash basis):	\$ 3,393,000	\$ 3,393,000	\$ 3,393,000	\$ 3,393,000	\$ -
Transferred From General Fund Future Reserves	4,000,000	4,000,000	4,000,000	4,000,000	-
Earnings from investments	23,700	23,700	23,700	23,700	
Resources Without Taxes	7,416,700	7,416,700	7,416,700	7,416,700	-
TOTAL RESOURCES	\$ 7,416,700	\$ 7,416,700	\$ 7,416,700	\$ 7,416,700	\$ -
REQUIREMENTS					
Transfer to CIP Fund	\$ 2,666,000	\$ 2,666,000	\$ 2,666,000	\$ 2,916,000	\$ 250,000
Reserved for Future Expenditures	4,750,700	4,750,700	4,750,700	4,500,700	(250,000)
TOTAL REQUIREMENTS	\$ 7,416,700	\$ 7,416,700	\$ 7,416,700	\$ 7,416,700	\$ -

Fund established on Res. No. 34-2009

The Board of Commissioners adopted Resolution No. 05-2015 authorizing biennial budgeting beginning July 1, 2015.

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

Description of Resources and Requirements	BIENNIAL BUDGET FOR 2015-2017					supplemental change
	PROPOSED BUDGET	APPROVED BUDGET	ADOPTED BUDGET	ADMENDED		
RESOURCES						
BEGINNING FUND BALANCE:						
Cash on hand (cash basis):	\$ 411,200	\$ 411,200	\$ 411,200	\$ 411,200	\$	-
SDC Reimbursement	123,800	123,800	123,800	223,800		100,000
SDC Improvement	154,000	154,000	154,000	304,000		150,000
Earnings from investments	1,500	1,500	1,500	1,500		-
Resources Without Taxes	690,500	690,500	690,500	940,500		250,000
TOTAL RESOURCES	\$ 690,500	\$ 690,500	\$ 690,500	\$ 940,500	\$	250,000
REQUIREMENTS						
Transfer to CIP Fund	\$ -	\$ -	\$ -	\$ 250,000	\$	250,000
Transfer to Revenue Bond Fund	-	-	-	-		
Reserved Future Expenditures	690,500	690,500	690,500	690,500		-
TOTAL REQUIREMENTS	\$ 690,500	\$ 690,500	\$ 690,500	\$ 940,500	\$	250,000

Fund established Res. No. 36-2009

The Board of Commissioners adopted Resolution No. 05-2015 authorizing biennial budgeting beginning July 1, 2015.

CLACKAMAS RIVER WATER

RESOLUTION No. 03-2017

A RESOLUTION TO ADOPT APPROPRIATIONS FOR BN 2015-2017

WHEREAS, Clackamas River Water adopted a budget and appropriated funds for the 2015-2017 biennium by Resolution No. 17-2015; and,

WHEREAS, Clackamas River Water Board of Commissioners adopted Resolution 10-2016 to amend the 2015-2017 biennium adopted budget and adjust appropriation funds and,

WHEREAS, certain expenditures are expected to exceed the original adopted budget in the General Fund, CIP Fund, Capital Reserve Fund, and SDC Reserve Fund; and,

WHEREAS, the Board of Commissioners is authorizing the use of operating Contingency to supplement the General Fund; and,

WHEREAS, adjustment to personnel service, materials & service, contingency, budgetary transfers, and capital outlay appropriations are necessary to provide adequate appropriation levels; and,

WHEREAS, a supplemental budget hearing has been noticed on November 4, 2016 in a newspaper of general circulation and held on November 10, 2016 by the Board of Commissioners; and,

WHEREAS, ORS 294.471 authorizes a supplemental budget in certain cases and appropriations within given funds provided the enabling resolution states the need for the supplemental budget, purpose of the expenditures and corresponding amount of appropriation; and,

WHEREAS, The Board of Commissioners find that it is necessary to authorize a supplemental budget for 2015-2017 biennium to provide additional appropriation authority in the Personnel Services, Materials & Services, Interfund Transfers, and Capital Outlay categories and to comply with local budget law,

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Clackamas River Water that:

Section 1. The SDC Reserve Fund will add a new budget category for the Transfer Out appropriation.

Section 2. The following increase in appropriations is hereby adopted in the following funds of the District for the 2015-2017 biennium as follows:

A: GENERAL FUND:

Personnel Services	\$ 250,000
Materials & Services	\$ 800,000
(Utilities and Professional & Contracted Services)	
Contingency	\$(300,000)

There is an increase in Resources to Water Sales of \$750,000.

B: CIP FUND:

Capital Outlay	\$ 500,000
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There is an increase in Resources to Transfers In of \$500,000.

C: CAPITAL RESERVE FUND:

Transfer Out – CIP Fund	\$ 250,000
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There is a decrease to unappropriated ending fund balance of \$250,000.

D: SDC RESERVE FUND:

Transfer Out – CIP Fund	\$ 250,000
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There is an increase to Resources to System Development Charges of \$250,000.

Section 3. The purpose of this supplement budget and appropriations are to provide budgetary authority for:

- (1) Personnel Services for General Manager transition and Engineering Manager for additional capital projects;
- (2) Materials & Services for contract work on the water master plan, water purchases due to increase in water sales, customer statement processing for additional billing inserts, Happy Valley right of way fee, temporary help in FACS and HR, and pumping charges;
- (3) Capital Outlay to accommodate the 82nd Avenue opportunity project;
- (4) Transfers Out to accommodate funding for capital outlay opportunity project.

This resolution supplements Resolution No. 17-2015 and 10-2016. This resolution shall be deemed effective upon adoption. This resolution ADOPTED by the Clackamas River Water Board of Commissioners on this 10th day of November, 2016.

Naomi Angier, President

Kenneth Humberston, Secretary