



ADOPTED BUDGET  
2017/2018



**OAK LODGE WATER SERVICES  
FISCAL YEAR 2017-2018  
ADOPTED BUDGET**

**BUDGET COMMITTEE**

**PUBLIC MEMBERS**

Paul Gornick

John W. Klum

Steven F. Cade

Eugene Whitley

Dave Phelps

**Alternates**

Terry J. Gibson

Bob Modena

**Budget Officer:**

Kelly Stacey

**OLWS BOARD**

Jim Martin, Chair

Lynn Fisher, Director

Nancy Gibson, Director

Susan Keil, Director

Kevin Williams, Director

# Oak Lodge Water Services 2017-2018 Budget

## Table of Contents

<b>GENERAL BUDGET INFORMATION</b>	<b>Page</b>
Budget Schedule	1
Budget Message	2-5
Revenue Summary	6
Expenditure Summary	7
<b>Funds</b>	
Drinking Water Fund	9-13
Wastewater Reclamation Fund	15-22
Watershed Protection Fund	23-27
Wastewater GO Debt Service Fund	29-30
Wastewater Revenue Bond Debt Service Fund	31-32
<b>Descriptions</b>	
Expenditure Line Item Descriptions	33-39
<b>Line Item Detail</b>	
Engineering Services	40
Dues & Subscriptions	41
Other Professional & Technical Services	42
Staff Training	43
Certifications	44
Board Travel & Training	45
Safety Supplies	46
Communications	46
Taxes, Fees & Other Service Charges	48
<b>Additional Information</b>	
Debt Service Schedule	49
Organization Chart	51
Resolution	52-53
LB 1 Form	54
Affidavit of Publication	55

# OAK LODGE



---

## WATER SERVICES

### 2017-2018 BUDGET SCHEDULE

- January 17, 2017 - Appoint Budget Officer
- March 21, 2017 - Approve Budget Schedule
- April 6, 2017 - Publish notice of Budget Committee Meeting (5-30 days prior)
  - Publish in the Clackamas Review
  - Post on website
- April 18, 2017 - Budget Committee Meeting - Introduction and overview
  - Budget Committee Member Appointments
  - Proposed Budget given to Budget Committee
- April 25, 2017 - Budget Committee Meeting
- May 2, 2017 - Budget Committee Meeting (if necessary)
- May 9, 2017 - Budget Committee Meeting (if necessary)
- June 7, 2017 - Publish Notice and Summary of Budget Adoption Hearing
- June 20, 2017 - Budget Adoption



Members of the Budget Committee:

Thank you for taking your time to participate in the budget process for the Oak Lodge Water Services District. I am pleased to present the first Oak Lodge Water Services proposed budget for 2017-2018 fiscal year to the Budget Committee for consideration and approval.

In May 2016, voters in the District passed a measure to consolidate Oak Lodge Water District and Oak Lodge Sanitary District into a single district. In January 2017, Oak Lodge Water Services (OLWS) became the new single District. OLWS will continue to provide safe drinking water, efficient sanitary sewer service, watershed protection, and outstanding customer service to the rate payers of the district.

Currently, the District is working hard to bring the two administrative offices together. In that endeavor, staff from both offices created this budget. An important area in blending the two budgets, was forming a chart of accounts for the general ledger. To keep the monies of the three services separate, it was decided to form three operating funds. Keeping with the idea of "water" services, they are the Drinking Water Fund, the Wastewater Reclamation Fund, and the Watershed Protection Fund. There are also two debt service funds related to the wastewater reclamation facility. As we move through this first budget cycle we will be working through our new combined chart of accounts and make adjustments as to how everything fits together within the materials and services category.

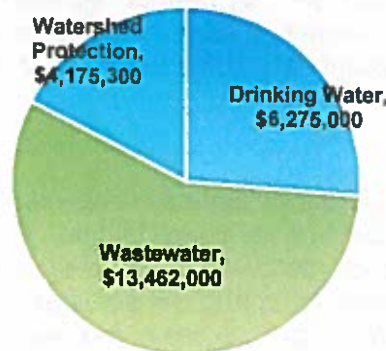
### **Budget Highlights**

The total 2017-2018 Fiscal Year Budget for OLWS in the amount of \$29.5 million including contingencies and reserves can be summarized as follows: \$6.3 million for Drinking Water, \$13.4 million for Wastewater, \$4.2 million for Watershed Protection and \$5.6 million for Debt Service. Administration is noticeably absent from this budget. This is because it is spread among the three service areas. Personnel is allocated according to the duties of the position. All other administrative expenses are distributed by a number of methods, including percent of revenue, number of FTEs, or just evenly, depending on the circumstance of the expenditure.

The proposed budget represents a prudent and fiscally responsible financial plan for the District operations and capital improvements during the next fiscal year. The budget was assembled to ensure the long-term financial stability of the District.

Operating revenue is budgeted by service (or Departmental) funds, the Drinking Water Fund, the Wastewater Reclamation Fund and the Watershed Protection Fund\*:

**Oak Lodge Water Services Revenue**



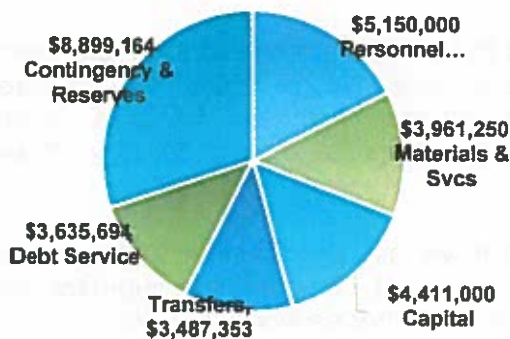
\*Chart includes beginning fund balances.

Of the total operation resources, Wastewater represents 56% of the revenue for OLWS; Drinking water 26%; and Watershed protection 17%. The resources from each department will be kept separate to be spent on operations and capital directly related to the fund where it is collected.

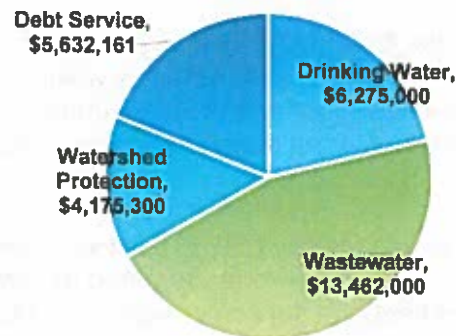
OLWS is a Special District financed through fees for services. Fees for wastewater and watershed protection are set in July each year according to budgetary needs in operations of the services and capital improvement projects in both areas as well as debt service payments. Fees for drinking water set in January of each year and are also based on the needs of the operations and capital improvement projects that are water specific. This proposed budget has a 3.35% increase in the wastewater fees, and a 4% increase in the service charge portion of the water fees. It is proposed that water consumption fees remain the same.

Operating Expenditures are budgeted by category with each fund. Below are two charts; one showing expenditures by category in all funds combined, and one showing expenditures by fund:

**Oak Lodge Water Services Uses by Category**



**Oak Lodge Water Services Used by Fund**



Aside from Contingencies and Reserves, personnel services, at 17.4%, take up the largest portion of the budget. This is to be expected for a mostly service based organization such as OLWS. This is followed by capital, at 14.9%, then materials and services at 13.4%. Next, is debt services at 12.3% and interfund transfers at 11.8%. Transfers include transfers from the Wastewater Fund to both Debt Services Funds to cover the cost of debt. These transfers do not represent additional dollars, but represent the movement of cash between funds.

### *Personnel*

OLWS proposed budget includes 34 full-time regular (FTE) positions. Personnel cost for the fiscal year represent proposed increases for the former Water District field staff to bring them up to the market rate and match the former Sanitary District field staff. It also includes increases for most of the administration staff to bring them to a level set by the board of directors. The propose budget also includes cost of living allowances and 3% to 4% merit increases for eligible employees.

### *Materials and Services*

This category represents the operations and day-to-day activities. This category is where we may see the most change as we move into full consolidation. This year we will be consolidating the administrative staff and computer operations into one system. Since some of the specifics are yet to be determine, as well as the dates for combining services, it is our best guess as to how many of the categories may change moving forward. Some of the areas expected to be affected are in communications, technology and insurance. We can also expect to see savings in utilities and other office expenditures as we bring everyone under one roof.

### *Capital*

A new Water System Master Plan to provide an assessment of the District's water distribution system and guide the District for the next ten years, will be the major project for the Drinking Water Fund in the 2017-2018 year. The budget also includes new SCADA radios, a hydraulic breaker, a soft start motor control unit, one-third share of new financial software, and funds to complete the Valley View tank upgrades that were not completed during the 2016-2017 fiscal year.

The Wastewater Fund has \$1,525,000 budgeted for capital projects. This includes one-third share of the new financial software, and \$900,000 for the administration building remodel. The balance of \$575,000 are for projects from the capital improvement plan.

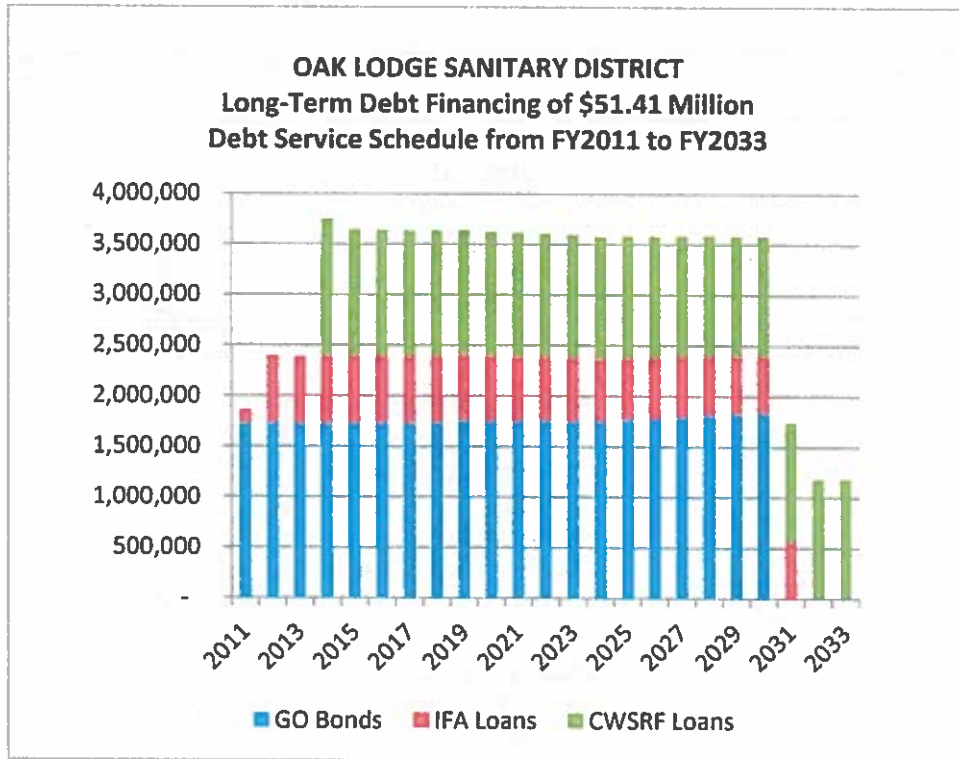
The final third of the financial software is funded through the Watershed Protection Fund. This fund also has \$1,871,000 to fund projects from the capital improvement plan including the Boardman Wetland Complex Project.

### *Debt*

In 2010, the Oak Lodge Sanitary District borrowed \$51 million to construct the Water Reclamation Facility (WRF). The debt entails a weighted average interest rate of 3.09%. The average annual debt service requirement is approximately \$3.62 million each fiscal year. Excluding Interfund transfers and federal interest subsidies, debt service is estimated to be 41.8% of the Wastewater revenue.

Debt financing for the WRF project was used to minimize increases in service charge rates which would have otherwise been required to cash fund the project. This practical approach allowed the District to keep the service charge rates competitive with other service providers.

Moving forward the debt will continue to be paid only by Wastewater revenue. The following table shows the long-term debt service schedule:



**Acknowledgements**

This proposed budget was developed with input and great effort from the OLWS staff. The development of our new general ledger coding and consolidating the sanitary and water line items into the appropriate line was a huge task. I want to acknowledge their effort and engagement in the process and thank everyone for their dedication to making this a successful process.

Respectfully submitted,

Kelly Stacey  
 Budget Officer



**OAK LODGE WATER SERVICES**  
**District Revenue Summary - By Program**  
**Fiscal Year 2017-2018**

<b>ACTUAL 14-15</b>	<b>ACTUAL 15-16</b>	<b>BUDGET 16-17</b>	<b>Fund</b>	<b>PROPOSED 17-18</b>	<b>APPROVED 17-18</b>	<b>ADOPTED 17-18</b>
			<b>Drinking Water</b>			
\$ -	\$ -	\$ -	Fund Balance	\$ 2,600,000	\$ 360,000	\$ 360,000
\$ -	\$ -	\$ -	Water Sales	\$ 3,400,000	\$ 3,400,000	\$ 3,400,000
\$ -	\$ -	\$ -	SDCs	\$ 75,000	\$ 75,000	\$ 75,000
\$ -	\$ -	\$ -	Leases & Other	\$ 200,000	\$ 200,000	\$ 200,000
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<b>Total</b>	<u>\$ 6,275,000</u>	<u>\$ 4,035,000</u>	<u>\$ 4,035,000</u>
			<b>Wastewater Reclamation</b>			
\$ -	\$ -	\$ -	Fund Balance	\$ 4,562,000	\$ 4,562,000	\$ 4,562,000
\$ -	\$ -	\$ -	Wastewater Charges	\$ 7,830,000	\$ 7,830,000	\$ 7,830,000
\$ -	\$ -	\$ -	SDCs	\$ 78,000	\$ 78,000	\$ 78,000
\$ -	\$ -	\$ -	Other revenue	\$ 92,000	\$ 92,000	\$ 92,000
\$ -	\$ -	\$ -	Sale of Capital Asset	\$ 900,000	\$ 900,000	\$ 900,000
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<b>Total</b>	<u>\$13,462,000</u>	<u>\$13,462,000</u>	<u>\$13,462,000</u>
			<b>Watershed Protection</b>			
\$ -	\$ -	\$ -	Fund Balance	\$ 2,080,000	\$ 492,900	\$ 492,900
\$ -	\$ -	\$ -	Watershed Charges	\$ 1,420,000	\$ 2,205,400	\$ 2,205,400
\$ -	\$ -	\$ -	Other Reveue.	\$ 785,400	\$ 4,535,400	\$ 4,535,400
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<b>Total</b>	<u>\$ 4,285,400</u>	<u>\$ 7,233,700</u>	<u>\$ 7,233,700</u>
			<b>Wastewater GO Debt Service</b>			
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<b>Total</b>	<u>\$ 3,166,173</u>	<u>\$ 3,166,173</u>	<u>\$ 3,166,173</u>
			<b>Wastewater Revenue Bond Debt Service</b>			
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<b>Total</b>	<u>\$ 2,465,988</u>	<u>\$ 2,465,988</u>	<u>\$ 2,465,988</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<b>TOTAL REVENUE</b>	<u>\$29,654,561</u>	<u>\$30,362,861</u>	<u>\$30,362,861</u>

**OAK LODGE WATER SERVICES**  
**District Expenditure Summary - By Program**  
**Fiscal Year 2017-2018**

ACTUAL 14-15	ACTUAL 15-16	BUDGET 16-17	PROPOSED 17-18	APPROVED 17-18	ADOPTED 17-18
<b>Drinking Water - Requirements</b>					
\$ -	\$ -	\$ -	\$ 1,570,000	\$ 1,570,000	\$ 1,570,000
\$ -	\$ -	\$ -	\$ 1,692,400	\$ 1,692,400	\$ 1,692,400
\$ -	\$ -	\$ -	\$ 965,000	\$ 965,000	\$ 965,000
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 2,047,600	\$ 2,047,600	\$ 2,047,600
\$ -	\$ -	\$ -	<b>Total</b>	<b>\$ 6,275,000</b>	<b>\$ 6,275,000</b>
<b>Wastewater - Requirements</b>					
<b>Treatment</b>					
\$ -	\$ -	\$ -	\$ 1,873,700	\$ 1,873,700	\$ 1,873,700
\$ -	\$ -	\$ -	\$ 1,172,800	\$ 1,172,800	\$ 1,172,800
\$ -	\$ -	\$ -	\$ 1,525,000	\$ 1,525,000	\$ 1,525,000
<b>Collections</b>					
\$ -	\$ -	\$ -	\$ 1,133,500	\$ 1,133,500	\$ 1,133,500
\$ -	\$ -	\$ -	\$ 734,200	\$ 734,200	\$ 734,200
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 3,487,353	\$ 3,487,353	\$ 3,487,353
\$ -	\$ -	\$ -	\$ 3,535,447	\$ 3,535,447	\$ 3,535,447
\$ -	\$ -	\$ -	<b>Total</b>	<b>\$ 13,462,000</b>	<b>\$ 13,462,000</b>
<b>Watershed Protection - Requirements</b>					
\$ -	\$ -	\$ -	\$ 562,000	\$ 562,000	\$ 562,000
\$ -	\$ -	\$ -	\$ 361,850	\$ 361,850	\$ 361,850
\$ -	\$ -	\$ -	\$ 1,921,000	\$ 1,921,000	\$ 1,921,000
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 1,440,550	\$ 1,440,550	\$ 1,440,550
\$ -	\$ -	\$ -	<b>Total</b>	<b>\$ 4,285,400</b>	<b>\$ 4,285,400</b>
<b>Wastewater GO Debt Service - Requirements</b>					
\$ -	\$ -	\$ -	\$ 2,383,910	\$ 2,383,910	\$ 2,383,910
\$ -	\$ -	\$ -	\$ 782,263	\$ 782,263	\$ 782,263
\$ -	\$ -	\$ -	<b>Total</b>	<b>\$ 3,166,173</b>	<b>\$ 3,166,173</b>
<b>Wastewater Revenue Bond Debt Service - Requirements</b>					
\$ -	\$ -	\$ -	\$ 1,251,784	\$ 1,251,784	\$ 1,251,784
\$ -	\$ -	\$ -	\$ 1,214,204	\$ 1,214,204	\$ 1,214,204
\$ -	\$ -	\$ -	<b>Total</b>	<b>\$ 2,465,988</b>	<b>\$ 2,465,988</b>
\$ -	\$ -	\$ -	<b>TOTAL REQUIREMENTS</b>	<b>\$ 29,654,561</b>	<b>\$ 29,654,561</b>

PAGE INTENTIONALLY LEFT BLANK

**Drinking Water Fund  
Fund 10**

**Purpose:** The purpose of the Drinking Water Fund is to manage operating and capital requirements related to activities of the drinking water program.

Drinking water activities comprise managing a water transmission and distribution system.

The water comes from the Clackamas River. The Clackamas River is an extremely high-quality, raw water source. Timothy Lake and the Ollalie Lake make up the head waters of the Clackamas River. These lakes are located high up in the Mount Hood National Park area. Along with the lakes, there are many other small tributary mountain streams that contribute to the flow of the river.

Drinking water for the District is pumped into a water treatment plant then placed through two different treatment techniques: slow sand filtration and membrane filtration. The Allen F. Herr Water Treatment Facility began production in August 1999. Prior to the building of the treatment plant, Oak Lodge Water District purchased water from another provider. Oak Lodge Water Services is now part owners of the treatment plant along with Sunrise Water Authority and the City of Gladstone. This makes up the North Clackamas County Water Commission.

The water from the treatment plant is then pumped to the water reservoirs located at Valley View and View Acres.

The goals of the program include the following:

- Educate residents, developers, contractors, businesses, industries, and youth about watershed protection.
- Efficiently meet the drinking water collection, transmission, and distribution needs of the community through uninterrupted service delivery.
- Protect community health.
- Provide safe drinking water to the community.

<b>Fund 10 Budget Summary:</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Proposed</b>	<b>2018 Approved</b>	<b>20187 Adopted</b>
Personnel services	-	-	-	1,570,000		
Materials and services	-	-	-	1,678,400		
Capital outlay	-	-	-	1,005,000		
Transfer & contingency	-	-	-	300,000		
Debt service	-	-	-	-		
Reserve	-	-	-	472,600		
Subtotal	-	-	-	5,026,000	-	-

**Full Time Employees (FTE):** 10 FTE

**Major Revenue Source(s):**

The major revenue source for the drinking water fund is service charges.

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

Drinking Water Fund

Fund 10		Resources		PROPOSED		ADOPTED	
ACTUAL	BUDGET	Object	Item	17-18	17-18	17-18	17-18
14-15	16-17	Code					
		10-00-					
		3500	Beginning Fund Balance	2,600,000	2,600,000	2,600,000	2,600,000
		4211	Water sales	3,300,000	3,300,000	3,300,000	3,300,000
		4220	System development charges	75,000	75,000	75,000	75,000
		4230	Contract services	30,000	30,000	30,000	30,000
		4240	Service installations	15,000	15,000	15,000	15,000
		4280	Rents and leases	200,000	200,000	200,000	200,000
		4290	Other charges for services	35,000	35,000	35,000	35,000
		4610	Investment revenue	5,000	5,000	5,000	5,000
		4630	Miscellaneous revenues	15,000	15,000	15,000	15,000
			<b>Total Resources</b>	<b>6,275,000</b>	<b>\$6,275,000</b>	<b>\$6,275,000</b>	<b>\$6,275,000</b>

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

Fund 10		Drinking Water Fund		Requirements		ADOPTED	
ACTUAL	ACTUAL	BUDGET	Object	Item	PROPOSED	APPROVED	ADOPTED
14-15	15-16	16-17	Code		17-18	17-18	17-18
			10-20-	Drinking Water Fund			
				Personnel Services			
			5110	Regular employees	970,000	970,000	970,000
			5120	Temporary/Seasonal employees	35,000	35,000	35,000
			5130	Overtime	35,000	35,000	35,000
			5210	Health/Dental & Other Ins	195,000	195,000	195,000
			5230	Social Security	75,000	75,000	75,000
			5240	Retirement	200,000	200,000	200,000
			5250	Trimet	8,000	8,000	8,000
			5260	Unemployment	7,000	7,000	7,000
			5270	Workers compensation	25,000	25,000	25,000
			5290	Other employee benefits	20,000	20,000	20,000
					<u>1,570,000</u>	<u>\$1,570,000</u>	<u>\$1,570,000</u>
			10-20-	Drinking Water Fund			
				Materials and Services			
				Professional and technical services			
			6110	Legal services	40,000	40,000	40,000
			6120	Accounting and audit services	9,000	9,000	9,000
			6130	Engineering services	27,000	27,000	27,000
			6140	Administrative services	15,000	15,000	15,000
			6150	Contract meter reading	20,000	20,000	20,000
			6170	Contract lab services	7,000	7,000	7,000
			5180	Dues and subscriptions	12,000	12,000	12,000
				Utilities			
			6220	Electricity	42,000	42,000	42,000
			6230	Telephone	10,000	10,000	10,000
			6240	Natural gas	1,300	1,300	1,300
			6290	Other utilities	3,500	3,500	3,500

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

Fund 10		Drinking Water Fund		Requirements		PROPOSED 17-18		APPROVED 17-18		ADOPTED 17-18	
ACTUAL 14-15	ACTUAL 15-16	BUDGET 16-17	Object Code	Item	17-18	17-18	17-18	17-18	17-18	17-18	17-18
				<b>Repairs and maintenance</b>							
			6310	Janitorial services	4,000		4,000		4,000		4,000
			6320	Buildings and grounds	10,000		10,000		10,000		10,000
			6330	Vehicle and equipment maintenance	24,000		24,000		24,000		24,000
			6340	Distribution system maintenance	200,000		200,000		200,000		200,000
			6350	Computer maintenance	25,000		25,000		25,000		25,000
			6390	Other repairs and maintenance	57,000		57,000		57,000		57,000
				<b>Travel and Training</b>							
			6410	Mileage	8,000		8,000		8,000		8,000
			6420	Staff training	20,000		20,000		20,000		20,000
			6430	Certifications	800		800		800		800
			6440	Board travel and training	3,000		3,000		3,000		3,000
				<b>Supplies</b>							
			6510	Office supplies	15,000		15,000		15,000		15,000
			6520	Fuel and oils	23,000		23,000		23,000		23,000
			6530	Small tools and equipment	13,000		13,000		13,000		13,000
			6540	Safety Supplies	12,000		12,000		12,000		12,000
			6560	Uniforms	3,500		3,500		3,500		3,500
			6610	Board compensation	700		700		700		700
			6710	Purchased water	1,000,000		1,000,000		1,000,000		1,000,000
			6720	Insurance	27,100		27,100		27,100		27,100
			6730	Communications	10,000		10,000		10,000		10,000
			6740	Advertising	1,000		1,000		1,000		1,000
			6760	Equipment rental	5,000		5,000		5,000		5,000
			6770	Bank charges	35,000		35,000		35,000		35,000
			6780	Taxes and Fees	7,500		7,500		7,500		7,500
			6900	Miscellaneous expense	1,000		1,000		1,000		1,000
					<b>1,692,400</b>		<b>\$ 1,692,400</b>		<b>\$ 1,692,400</b>		<b>\$ 1,692,400</b>

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

Fund 10		Drinking Water Fund Requirements					
ACTUAL 14-15	ACTUAL 15-16	BUDGET 16-17	Object Code	Item	PROPOSED 17-18	APPROVED 17-18	ADOPTED 17-18
			<b>10-20- Drinking Water Fund</b>				
			<b>Capital Outlay</b>				
			7200	Infrastructure	250,000	250,000	250,000
			7400	Improvements other than buildings	6,000	6,000	6,000
			7500	Furnishings and equipment			
			7520	Equipment	29,000	29,000	29,000
			7530	Software	50,000	50,000	50,000
			7600	Capital Improvements Projects	630,000	630,000	630,000
	\$ - \$	\$ - \$			965,000	965,000	965,000
			<b>10-29- Drinking Water Fund</b>				
			9000	Transfers	-	-	-
				Contingency	300,000	300,000	300,000
	\$ - \$	\$ - \$			300,000	300,000	300,000
			<b>Total Requirements</b>				
	\$ - \$	\$ - \$			4,527,400	4,527,400	4,527,400
			<b>Total Resources</b>				
	\$ - \$	\$ - \$			6,275,000	\$6,275,000	\$6,275,000
			<b>Fund 10 Reserve for future expenditures</b>				
					1,747,600	1,747,600	1,747,600



PAGE INTENTIONALLY LEFT BLANK

**Wastewater Reclamation Fund  
Fund 20**

**Purpose:** The purpose of the Wastewater Reclamation Fund is to manage operating and capital requirements related to activities of the wastewater reclamation program.

Wastewater reclamation activities comprise managing a wastewater collection system totaling 100 miles in length, five strategically located wastewater pumping stations, and a reclamation facility that reclaims an average of 10.5 million gallons of wastewater per day. In a given fiscal year the District collects, treats, and reclaims more than 1.0 billion gallons of wastewater.

The District holds a National Pollutant Discharge Elimination System (NPDES) Permit issued by State of Oregon Department of Environmental Quality (DEQ) that allows the District to be responsible for the management of the wastewater reclamation program in its service area. The NPDES Permit establishes mandatory water quality standards for the discharge of reclaimed water into the watershed. The main outfall point is located at the reclamation facility and discharge goes directly into the Willamette River.

The goals of the program include the following:

- Educate residents, developers, contractors, businesses, industries, and youth about watershed protection.
- Efficiently meet the wastewater collection, transmission, and reclamation needs of the community through uninterrupted service delivery.
- Provide environmental protection for the Willamette River.
- Protect community health.

<b>Fund 20 Budget Summary:</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Proposed</b>	<b>2018 Approved</b>	<b>20187 Adopted</b>
Personnel services	-	-	-	3,018,000		
Materials and services	-	-	-	1,884,975		
Capital outlay	-	-	-	1,475,000		
Transfer & contingency	-	-	-	3,987,353		
Debt service	-	-	-	-		
Reserve	-	-	-	2,971,672		
Subtotal	-	-	-	13,337,000	-	-

**Full Time Employees (FTE):** 19.77 FTE; 11.62 in Treatment and 8.15 in Collections

**Major Revenue Source(s):**

The major revenue source for the wastewater reclamation fund is service charges.

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

**Wastewater Reclamation Fund**

**Fund 20 Resources**

ACTUAL 14-15	ACTUAL 15-16	BUDGET 16-17	Object Code	Item	PROPOSED 17-18	APPROVED 17-18	ADOPTED 17-18
			<b>20-00-</b>				
			3500	Beginning Fund Balance	4,562,000	4,562,000	4,562,000
			4212	Wastewater charges	7,830,000	7,830,000	7,830,000
			4220	System development charges	78,000	78,000	78,000
			4610	Investment revenue	26,000	26,000	26,000
			4630	Miscellaneous revenues	66,000	66,000	66,000
			4640	Proceeds from sale of capital assets	900,000	900,000	900,000
				<b>Total Resources</b>	<b>\$ 13,462,000</b>	<b>\$ 13,462,000</b>	<b>\$ 13,462,000</b>

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

**Wastewater Reclamation Fund  
Requirements**

Fund 20		BUDGET 16-17	ACTUAL 15-16	BUDGET 16-17	Object Code	Item	PROPOSED 17-18	APPROVED 17-18	ADOPTED 17-18
<b>20-21- Treatment</b>									
<b>Personnel Services - 11.62 FTE</b>									
	5110			1,200,000		Regular employees	1,200,000	1,200,000	1,200,000
	5120			35,000		Temporary/Seasonal	35,000	35,000	35,000
	5130			62,000		Overtime	62,000	62,000	62,000
	5210			216,200		Health/Dental & Other Ins	216,200	216,200	216,200
	5230			91,000		Social Security	91,000	91,000	91,000
	5240			230,000		Retirement	230,000	230,000	230,000
	5250			9,000		Trimet	9,000	9,000	9,000
	5260			8,500		Unemployment	8,500	8,500	8,500
	5270			12,000		Workers compensation	12,000	12,000	12,000
	5290			10,000		Other employee benefits	10,000	10,000	10,000
				<b>1,873,700</b>		<b>Total Personnel Services - Treatment</b>	<b>1,873,700</b>	<b>\$ 1,873,700</b>	<b>\$ 1,873,700</b>
<b>20-21- Treatment</b>									
<b>Materials and Services - Treatment</b>									
<b>Professional and technical services</b>									
	6110			20,000		Legal services	20,000	20,000	20,000
	6120			5,000		Accounting and audit services	5,000	5,000	5,000
	6130			27,000		Engineering services	27,000	27,000	27,000
	6140			10,000		Administrative services	10,000	10,000	10,000
	6150			10,000		Contract meter reading	10,000	10,000	10,000
	6170			31,000		Contract lab services	31,000	31,000	31,000
	6180			12,000		Dues and subscriptions	12,000	12,000	12,000

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

**Wastewater Reclamation Fund  
Requirements**

Fund 20		Requirements					
ACTUAL 14-15	ACTUAL 15-16	BUDGET 16-17	Object Code	Item	PROPOSED 17-18	APPROVED 17-18	ADOPTED 17-18
				<b>Utilities</b>			
			6220	Electricity	247,000	247,000	247,000
			6230	Telephone	24,000	24,000	24,000
			6240	Natural gas	4,500	4,500	4,500
			6250	Solid waste Disposal	109,000	109,000	109,000
			6290	Other utilities	2,000	2,000	2,000
				<b>Repairs and maintenance</b>			
			6310	Janitorial services	3,000	3,000	3,000
			6320	Buildings and grounds	14,000	14,000	14,000
			6330	Vehicle and equipment maintenance	23,600	23,600	23,600
			6342	WRF system maintenance	204,500	204,500	204,500
			6350	Computer maintenance	83,000	83,000	83,000
				<b>Travel and Training</b>			
			6410	Mileage	2,000	2,000	2,000
			6420	Staff training	16,000	16,000	16,000
			6430	Certifications	5,000	5,000	5,000
			6440	Board Travel and Training	3,300	3,300	3,300
				<b>Supplies</b>			
			6510	Office supplies	20,000	20,000	20,000
			6520	Fuel and oils	30,000	30,000	30,000
			6530	Small tools and equipment	20,200	20,200	20,200

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

**Wastewater Reclamation Fund  
Requirements**

Fund 20							
ACTUAL 14-15	ACTUAL 15-16	BUDGET 16-17	Object Code	Item	PROPOSED 17-18	APPROVED 17-18	ADOPTED 17-18
			6540	Safety Supplies	5,100	5,100	5,100
			6550	Operational Supplies	39,000	39,000	39,000
			6560	Uniforms	11,000	11,000	11,000
			6590	Other supplies	30,000	30,000	30,000
			6610	Board Compensation	1,000	1,000	1,000
			6720	Insurance	81,100	81,100	81,100
			6730	Communications	4,500	4,500	4,500
			6750	Other purchased services	11,500	11,500	11,500
			6770	Bank charges	20,000	20,000	20,000
			6780	Taxes, Fees, and other charges	43,500	43,500	43,500
			6900	Miscellaneous expense			
				Consolidation			
				<b>Total Materials and Services - Treatment</b>	<b>1,172,800</b>	<b>\$ 1,172,800</b>	<b>\$ 1,172,800</b>
				<b>20-21- Treatment</b>			
				Capital Outlay			
			7300	Buildings and improvements	900,000	900,000	900,000
			7530	Software	50,000	50,000	50,000
			7600	Capital Improvements	575,000	575,000	575,000
				<b>Total Capital - Treatment</b>	<b>\$ 1,525,000</b>	<b>\$ 1,525,000</b>	<b>\$ 1,525,000</b>

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

**Wastewater Reclamation Fund**

**Requirements**

Fund 20		ACTUAL	BUDGET	PROPOSED	APPROVED	ADOPTED
		14-15	15-16	16-17	17-18	17-18
	Collections					
	20-22- Collections					
	Personnel Services - 8.15 FTE					
	5110 Regular employees			700,000	700,000	700,000
	5120 Temporary/Seasonal employees			17,000	17,000	17,000
	5130 Overtime			60,000	60,000	60,000
	5210 Health/Dental & Other Ins			137,000	137,000	137,000
	5230 Social Security			56,000	56,000	56,000
	5240 Retirement			140,000	140,000	140,000
	5250 Trimet			5,500	5,500	5,500
	5260 Unemployment			5,000	5,000	5,000
	5270 Workers compensation			7,000	7,000	7,000
	5290 Other employee benefits			6,000	6,000	6,000
	<b>Total Personnel Services - Collections</b>			<b>1,133,500</b>	<b>\$ 1,133,500</b>	<b>\$ 1,133,500</b>
	20-22- Collections					
	Materials and Services - Collections					
	Professional and technical services					
	6110 Legal services			20,000	20,000	20,000
	6120 Accounting and audit services			5,000	5,000	5,000
	6130 Engineering services			27,000	27,000	27,000
	6140 Administrative services			10,000	10,000	10,000
	6150 Contract meter reading			10,000	10,000	10,000
	6170 Contract lab services			2,000	2,000	2,000
	6180 Dues and subscriptions			13,000	13,000	13,000
	6190 Other professional and technical services			17,600	17,600	17,600
	<b>Utilities</b>					
	6220 Electricity			7,000	7,000	7,000
	6230 Telephone			15,000	15,000	15,000

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

**Wastewater Reclamation Fund  
Requirements**

ACTUAL 14-15	ACTUAL 15-16	BUDGET 16-17	Object Code	Item	PROPOSED 17-18	APPROVED 17-18	ADOPTED 17-18
		Fund 20					
			6240	Natural gas	3,200	3,200	3,200
			6290	Other utilities	8,300	8,300	8,300
				<b>Repairs and maintenance</b>			
			6310	Janitorial services	3,000	3,000	3,000
			6320	Buildings and grounds	4,800	4,800	4,800
			6330	Vehicle and equipment maintenance	5,000	5,000	5,000
			6342	System maintenance	8,200	8,200	8,200
			6350	Computer maintenance	35,000	35,000	35,000
			6390	Other repairs and maintenance	30,000	30,000	30,000
				<b>Travel and Training</b>			
			6410	Mileage	3,000	3,000	3,000
			6420	Staff training	26,000	26,000	26,000
			6430	Certifications	500	500	500
			6440	Board training	3,200	3,200	3,200
				<b>Supplies</b>			
			6510	Office supplies	18,500	18,500	18,500
			6520	Fuel and oils	7,600	7,600	7,600
			6530	Small tools and equipment	22,000	22,000	22,000
			6540	Safety Supplies	2,800	2,800	2,800
			6550	Operational Supplies	2,100	2,100	2,100
			6560	Uniforms	5,700	5,700	5,700
			6610	Board Compensation	500	500	500
			6720	Insurance	388,200	388,200	388,200
			6730	Communications	4,500	4,500	4,500
			6770	Bank charges	20,000	20,000	20,000
			6780	Taxes and Fees	5,500	5,500	5,500
				<b>Total Materials and Services - Collections</b>	<b>734,200</b>	<b>\$ 734,200</b>	<b>\$ 734,200</b>
				<b>20-22- Collections</b>			
				Capital Improvements	-	-	-
				<b>Total Capital - Collections</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>



**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

**Wastewater Reclamation Fund**

**Fund 20 Requirements**

ACTUAL 14-15	ACTUAL 15-16	BUDGET 16-17	Object Code	Item	PROPOSED 17-18	APPROVED 17-18	ADOPTED 17-18
			<b>20-29- Collections</b>				
			8140	Transfers out - Fund 40	\$ 2,248,814	\$ 2,248,814	\$ 2,248,814
			8150	Transfers out - Fund 50	\$ 1,238,539	\$ 1,238,539	\$ 1,238,539
			9000	Contingency	500,000	500,000	500,000
					<u>3,987,353</u>	<u>3,987,353</u>	<u>3,987,353</u>

\$ - \$ - \$ -

\$ - \$ - \$ -

\$ - \$ - \$ -

**Total Requirements**

10,426,553    10,426,553    10,426,553

**Total Resources**

\$ 13,462,000    \$ 13,462,000    \$ 13,462,000

**Reserve for Future Expenditures**

**3,035,447**    **3,035,447**    **3,035,447**

**Watershed Protection Fund  
Fund 30**

**Purpose:** The purpose of the Watershed Protection Fund is to manage operating and capital requirements related to activities of the watershed protection program.

Watershed protection activities comprise managing a surface water management collection system totaling 84 miles in length.

The District is a joint holder of a National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) Permit issued by the State of Oregon Department of Environmental Quality (DEQ) that allows the District to be jointly responsible for the management of watershed protection activities in its service area. The NPDES Permit establishes mandatory water quality standards for the discharge of un-reclaimed water into watersheds. Watersheds within the District service area includes Boardman Creek and River Forest Creek but discharge also occurs into Kellogg Creek and Rinearson Creek. All watersheds, or portions of watersheds, ultimately discharge to the Willamette River.

The goals of the program include the following:

- Educate residents, developers, contractors, businesses, industries, and youth about watershed protection.
- Protect local watersheds through planning, permits, and regulations.
- Minimize, or eliminate pollutants that may impair the proper functioning ecological condition of the areas rivers, lakes, and streams.
- Operate, maintain, control, and regulate the negative impacts of surface water and storm water runoff to protect the community’s health and safety.
- Where feasible, mitigate storm water impacts on public and private property during normal conditions.

<b>Fund 30 Budget Summary:</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Proposed</b>	<b>2018 Approved</b>	<b>20187 Adopted</b>
Personnel services	-	-	-	562,000		
Materials and services	-	-	-	361,850		
Capital outlay	-	-	-	1,871,000		
Transfer & contingency	-	-	-	50,000		
Debt service	-	-	-	-		
Reserve	-	-	-	1,330,413		
Subtotal	-	-	-	4,175,263	-	-

**Full Time Employees (FTE):** 4.23 FTE

**Major Revenue Source(s):**

The major revenue source for the watershed protection fund is service charges.

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

**Watershed Protection Fund**

Fund 30		Resources		PROPOSED	APPROVED	ADOPTED
ACTUAL	ACTUAL	BUDGET	Object	17-18	17-18	17-18
14-15	15-16	16-17	Code			
			30-00-			
			3500	2,080,000	2,080,000	2,080,000
			4213	1,420,000	1,420,000	1,420,000
			4290	11,500	11,500	11,500
			4300	250,000	250,000	250,000
			4610	19,400	19,400	19,400
			4630	42,500	42,500	42,500
			4640	462,000	462,000	462,000
			<b>Total Resources</b>	<b>4,285,400</b>	<b>4,285,400</b>	<b>4,285,400</b>
\$	- \$	- \$				

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

**Fund 30  
Watershed Protection Fund  
Requirements**

ACTUAL 14-15	ACTUAL 15-16	BUDGET 16-17	Object Code	Item	PROPOSED 17-18	APPROVED 17-18	ADOPTED 17-18
			<b>30-23-</b>	<b>Watershed Protection</b>			
				<b>Personnel Services</b>			
			5110	Regular employees - 4.23 FTE	405,000	405,000	405,000
			5120	Temporary/Seasonal employees	35,000	35,000	35,000
			5130	Overtime	1,000	1,000	1,000
			5210	Health/Dental & Other Ins	75,000	75,000	75,000
			5230	Social Security	30,000	30,000	30,000
			5240	Retirement	3,000	3,000	3,000
			5250	Trimet	3,000	3,000	3,000
			5260	Unemployment	3,000	3,000	3,000
			5270	Workers compensation	4,000	4,000	4,000
			5290	Other employee benefits	3,000	3,000	3,000
				<b>Total Personnel Services</b>	<b>562,000</b>	<b>562,000</b>	<b>562,000</b>
			<b>30-23-</b>	<b>Materials and Services</b>			
				<b>Professional and technical services</b>			
			6110	Legal services	20,000	20,000	20,000
			6120	Accounting and audit services	6,000	6,000	6,000
			6130	Engineering services	17,500	17,500	17,500
			6140	Administrative services	4,000	4,000	4,000
			6170	Contract lab services	15,000	15,000	15,000
			6180	Dues and subscriptions	9,000	9,000	9,000
				<b>Utilities</b>			
			6220	Electricity	2,000	2,000	2,000
			6230	Telephone	11,000	11,000	11,000
			6240	Natural gas	1,800	1,800	1,800
			6290	Other utilities	6,000	6,000	6,000

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

**Watershed Protection Fund  
Requirements**

Fund 30	ACTUAL 14-15	ACTUAL 15-16	BUDGET 16-17	Object Code	Item	PROPOSED 17-18	APPROVED 17-18	ADOPTED 17-18
					<b>Repairs and maintenance</b>			
				6310	Janitorial services	2,000	2,000	2,000
				6320	Buildings and grounds	15,000	15,000	15,000
				6330	Vehicle and equipment maintenance	6,100	6,100	6,100
				6340	System maintenance	6,300	6,300	6,300
				6350	Computer maintenance	35,900	35,900	35,900
				6390	Other repairs and maintenance	25,000	25,000	25,000
					<b>Travel and Training</b>			
				6410	Mileage	2,000	2,000	2,000
				6420	Staff training	8,000	8,000	8,000
				6430	Certifications	400	400	400
				6440	Board Travel and Training	3,300	3,300	3,300
					<b>Supplies</b>			
				6510	Office supplies	19,000	19,000	19,000
				6520	Fuel and oils	3,100	3,100	3,100
				6530	Small tools and equipment	7,500	7,500	7,500
				6540	Safety Supplies	2,600	2,600	2,600
				6550	Operational Supplies	6,200	6,200	6,200
				6560	Uniforms	5,250	5,250	5,250
				6610	Board Compensation	1,000	1,000	1,000
				6720	Insurance	16,800	16,800	16,800
				6730	Communications	74,000	74,000	74,000
				6750	Other purchased services	11,500	11,500	11,500
				6770	Bank charges	16,000	16,000	16,000
				6780	Taxes and fees	2,100	2,100	2,100
				6900	Miscellaneous expense	500	500	500
					<b>Total Materials and Services</b>	<b>361,850</b>	<b>361,850</b>	<b>361,850</b>
	\$	-	\$	-	\$	-	\$	-

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

**Watershed Protection Fund  
Requirements**

Fund 30

ACTUAL 14-15	ACTUAL 15-16	BUDGET 16-17	Object Code	Item	PROPOSED 17-18	APPROVED 17-18	ADOPTED 17-18
			30-23-	Watershed Protection			
				Capital Outlay			
			7530	Software	50,000	50,000	50,000
			7600	Capital Improvement Projects	1,871,000	1,871,000	1,871,000
\$ -	\$ -	\$ -		<b>Total Capital Outlay</b>	<b>1,921,000</b>	<b>1,921,000</b>	<b>1,921,000</b>
			30-29-	Watershed Protection			
			9000	Contingency	50,000	50,000	50,000
\$ -	\$ -	\$ -		<b>Total Transfers Out and Contingency</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
				<b>Total Requirements</b>	<b>2,894,850</b>	<b>2,894,850</b>	<b>2,894,850</b>
				<b>Total Resources</b>	<b>4,285,400</b>	<b>4,285,400</b>	<b>4,285,400</b>
				<b>Reserve for futures expenditures</b>	<b>1,390,550</b>	<b>1,390,550</b>	<b>1,390,550</b>

PAGE INTENTIONALLY LEFT BLANK

**Wastewater General Obligation Bond Debt Service Fund  
Fund 40**

**Purpose:** The purpose of the Wastewater General Obligation Bond Debt Service Fund is to manage debt service in accordance with required debt payments and bond covenants related to property-tax backed debt.

On November 3, 2009, the District’s citizenry passed Measure 3-348 authorizing the District to issue general obligation bonds for up to \$44,000,000 in debt financing. General obligation bond debt financing generally secures better financing terms than revenue bond debt financing alone because general obligation bonds are authorized by the citizenry and may be repaid through property tax assessments. The District intends to repay all debt financing related to wastewater facilities through sanitary sewer service charge revenue; however, with the authority granted by its citizenry, the District may repay general obligation bond debt through property tax levies in the event sanitary sewer service charge revenue does not support debt repayment and covenant obligations of the District.

There are two issues of property-tax backed debt, including the following:

1) General Obligation Bonds

On May 13, 2010, the District issued \$24,000,000 in General Obligations (GO) Bonds. The bonds will be repaid over a twenty-year term to maturity and the range of coupon rates associated with the bond series is 2% to 4%. The total interest cost of the entire bond series to maturity is 3.72%.

2) State of Oregon Infrastructure Financing Authority Loan

On August 31, 2010, the State of Oregon Infrastructure Finance Authority (IFA) loaned the District \$8,000,000 which originated from the state’s issuance of Recovery Zone Economic Development Bonds. These are also known as United States Build America Bonds. The bonds are property-tax backed bonds. The debt was issued at a premium in the amount of \$23,749. The premium is being amortized straight-line over the debt issue’s term to maturity. The bonds will be repaid over a twenty-year term to maturity and the range of interest rates associated with the bond series is 2% to 2.84%. Of the amount borrowed 87% of the debt qualifies for a 45% interest subsidy from the United States Treasury. The total net interest cost of the entire bond series to maturity is 2.71%.

<b>Fund 40 Budget Summary:</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Proposed</b>	<b>2018 Approved</b>	<b>20187 Adopted</b>
<b>Principal</b>						
2010 IFA Due 12/01/2017	-	-	-	353,965		
2010 GO Due 05/01/2018	-	-	-	1,035,000		
Subtotal	-	-	-	1,388,965	-	-
<b>Interest</b>						
2010 GO Due 11/01/2017	-	-	-	345,725		
2010 IFA Due 12/01/2017	-	-	-	303,495		
2010 GO Due 05/01/2018	-	-	-	345,725		
Subtotal	-	-	-	994,945	-	-
Reserve	-	-	-	782,263		
Subtotal	-	-	-	3,166,173	-	-

**Major Revenue Source(s):**

The major revenue source for the Water Reclamation Revenue Bond Debt Service Fund is Transfers from the Wastewater Reclamation Fund 20.



**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

**WW GO Debt Service**

Fund 40		Resources				
ACTUAL 14-15	ACTUAL 15-16	BUDGET 16-17	PROPOSED 17-18	APPROVED 17-18	ADOPTED 17-18	
		Object Code	Item			
40-						
		00-3500	\$ 778,871	\$ 778,871	\$ 778,871	
		00-4610	\$ 11,885	\$ 11,885	\$ 11,885	
		00-4701	\$ 126,603	\$ 126,603	\$ 126,603	
		29-4912	\$ 2,248,814	\$ 2,248,814	\$ 2,248,814	
		<b>Total Resources</b>			<b>\$ 3,166,173</b>	<b>\$ 3,166,173</b>

**WW GO Debt Service**

Fund 40		Requirements			
ACTUAL 14-15	ACTUAL 15-16	BUDGET 16-17	PROPOSED 17-18	APPROVED 17-18	ADOPTED 17-18
		Object Code	Item		
40-24-					
Debt Service					
Principal payments					
		6811	353,965	353,965	353,965
		6812	1,035,000	1,035,000	1,035,000
Interest payments					
		6821	691,450	691,450	691,450
		6822	303,495	303,495	303,495
			<b>\$ 2,383,910</b>	<b>\$ 2,383,910</b>	<b>\$ 2,383,910</b>

**Total Requirements**

	\$	-	\$	-	\$	2,383,910	\$	2,383,910	\$	2,383,910
--	----	---	----	---	----	-----------	----	-----------	----	-----------

**Total Resources**

	\$	-	\$	-	\$	3,166,173	\$	3,166,173	\$	3,166,173
--	----	---	----	---	----	-----------	----	-----------	----	-----------

**Reserve for future expenditures**

	\$	-	\$	-	\$	782,263	\$	782,263	\$	782,263
--	----	---	----	---	----	---------	----	---------	----	---------

**Wastewater Revenue Bond Debt Service Fund  
Fund 50**

**Purpose:** The purpose of the Wastewater Revenue Bond Debt Service Fund is to manage debt service in accordance with required debt payments and bond covenants related to non-property tax backed debt.

There is one issuance of non-property-tax-backed debt, including the following:

- 1) State of Oregon Department of Environmental Quality Clean Water State Revolving Fund Loan

In fiscal year 2011, the District was awarded loans up to \$19,409,645 by the State of Oregon Department of Environmental Quality Clean Water State Revolving Fund (SRF) Loan Program for Intended-Use Plans. The District accepted and received \$19,000,000 of the proceeds and declined the remaining amount that was available. Of the amount borrowed, \$12,573,566 or 66% of the funds comprised federal capitalization grant funds, whereas the remaining \$6,426,434 or 34% of the funds comprised state funds. The loans will be repaid over a twenty-year term to maturity and the range of interest rates associated with the loan series is 0% to 2.65% plus an annual administrative fee of 0.50% of the principal balance. The total net interest cost of the entire loan series to maturity, including the administrative fee, is 2.45%.

The program has a loan reserve requirement in which the District must place in reserve an amount equal to one-half the average annual debt service; as a result, the District has established a legal reserve amount of \$590,483 to satisfy legal loan reserve requirements.

The program has a debt service coverage requirement in which the District must maintain wastewater rates and charge fees in connection with the operation of the facility that are adequate to generate net operating revenues in each fiscal year sufficient to pay all revenue backed debt service requirements. Net operating revenues are defined as gross revenue less operating expenses. Operating expenses are defined as direct and indirect expenses related to the operation, maintenance, and repair activities of the District, including an appropriate amount for reserves for repair and replacement of facilities and equipment based on management’s estimates of expected useful life of capital assets. Net operating revenue coverage must be equal to the debt service coverage factor of 105% multiplied by the debt service payments due under the loan agreement plus all other debt service. The program also requires a legal loan reserve equal to one-half of the average annual debt service of the loan.

<b>Fund 50 Budget Summary:</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Proposed</b>	<b>2018 Approved</b>	<b>20187 Adopted</b>
<b>Principal</b>						
2010 SRF Due 08/01/2017	-	-	-	428,185		
2010 SRF Due 02/01/2018	-	-	-	432,203		
Subtotal	-	-	-	860,388	-	-
<b>Interest</b>						
2010 SRF Due 08/01/2017	-	-	-	158,813		
2010 SRF Due 02/01/2018	-	-	-	232,583		
Subtotal	-	-	-	391,396	-	-
Reserve	-	-	-	1,214,204		
Subtotal	-	-	-	2,465,988	-	-

**Major Revenue Source(s):**

The major revenue source for the Water Reclamation Revenue Bond Debt Service Fund is Transfers from the Wastewater Reclamation Fund (Fund 20).

**OAK LODGE WATER SERVICES  
ADOPTED BUDGET  
FISCAL YEAR 2017-2018**

**WW Revenue Bond Debt Service**

Fund 50		Resources		PROPOSED		ADOPTED	
ACTUAL	ACTUAL	BUDGET	Object	17-18	APPROVED	17-18	ADOPTED
14-15	15-16	16-17	Code	17-18	17-18	17-18	17-18
			Item				
			50-				
			00-3500	\$ 1,216,375	\$ 1,216,375	\$ 1,216,375	\$ 1,216,375
			00-4610	\$ 11,074	\$ 11,074	\$ 11,074	\$ 11,074
			29-4912	\$ 1,238,539	\$ 1,238,539	\$ 1,238,539	\$ 1,238,539
			<b>Total Resources</b>	<b>\$ 2,465,988</b>	<b>\$ 2,465,988</b>	<b>\$ 2,465,988</b>	<b>\$ 2,465,988</b>

**WW Revenue Bond Debt Service**

Fund 50		Requirements		PROPOSED		ADOPTED	
ACTUAL	ACTUAL	BUDGET	Object	17-18	APPROVED	17-18	ADOPTED
14-15	15-16	16-17	Code	17-18	17-18	17-18	17-18
			Item				
			50-24-				
			Debt Service				
			Principal payments				
			2010 SRF Loan Principal	860,388	860,388	860,388	860,388
			Interest payments				
			2010 SRF Loan Interest	391,396	391,396	391,396	391,396
				<b>\$ 1,251,784</b>	<b>\$ 1,251,784</b>	<b>\$ 1,251,784</b>	<b>\$ 1,251,784</b>
			<b>Total Requirements</b>	<b>\$ 1,251,784</b>	<b>\$ 1,251,784</b>	<b>\$ 1,251,784</b>	<b>\$ 1,251,784</b>
			<b>Total Resources</b>	<b>\$ 2,465,988</b>	<b>\$ 2,465,988</b>	<b>\$ 2,465,988</b>	<b>\$ 2,465,988</b>
			Reserve for future expenditures	\$ 1,214,204	\$ 1,214,204	\$ 1,214,204	\$ 1,214,204

**Oak Lodge Water Services District Fiscal Year 2018 Budget**

**DESCRIPTIONS**

Account #	Description	Fund 10 Budget	Fund 20 Budget	Fund 30 Budget
<b>MATERIAL &amp; SERVICES</b>				
6110	<b>Legal services</b> The purpose of Legal line item is to provide the necessary funding for legal expenses associated with District operations.	40,000	40,000	20,000
6120	<b>Accounting and audit services</b> The purpose of the Accounting and Audit Services line item is to provide funding for required annual financial audit services which are necessary to comply with the state's statutory requirements for public agency audits.	9,000	10,000	6,000
6130	<b>Engineering services</b> The purpose of the Engineering Services line item is to provide funding for a variety of outsourced services including planning and engineering studies, technical assistance, and research and development. Services are outsourced for numerous reasons primarily driven by the need for efficient and effective use of resources. As a relatively small organization, it is financially infeasible from a cost/benefit justification standpoint to employ expertise in all the myriad of disciplines with which the District must address on a regular basis.	27,000	54,000	17,500
6140	<b>Administrative services</b> The purpose of the Administrative Services line item is to provide funding for administrative services that have been contracted out to third parties. Services are outsourced for numerous reasons primarily driven by the need for efficient and effective use of resources.	15,000	20,000	4,000
6150	<b>Contract meter reading</b> The purpose of the Contract Meter Reading line item is provide funding for the reading of water meters. Water meter reads determine the quantity of water used by customers and serve as the basis for drinking water and wastewater reclamation fees owed to the District.	20,000	20,000	-
6170	<b>Contract lab services</b> The purpose of the Contract Lab Services line item is to provide the necessary resources to fund laboratory testing services, which are more cost-effectively provided through outsourcing. These services include testing that would require substantial capital investment in equipment which would be used very sparingly, and which would require intensive ongoing staff training. Included in the tests are complex nutrient and heavy metal analysis as required by the District's National Pollutant Discharge Elimination System Permit issued by the United States Environmental Protection Agency and Oregon Department of Environmental Quality.	7,000	33,000	15,000

**Oak Lodge Water Services District Fiscal Year 2018 Budget**

**DESCRIPTIONS**

Account #	Description	Fund 10 Budget	Fund 20 Budget	Fund 30 Budget
6180	<b>Dues and subscriptions</b> The purpose of the Dues and Publications line item is to provide the necessary resources to fund memberships and publications, which leverage the District's limited resources in a manner that promotes cost-effectiveness, promotes ongoing employee education and training, and provides supporting services to the District.	12,000	25,000	9,000
6190	<b>Other professional and technical services</b> The purpose of the Other Professional and Technical Services line item is to provide funding for a variety of outsourced services. Services are outsourced for numerous reasons primarily driven by the need for efficient and effective use of resources. As a relatively small organization, it is financially infeasible from a cost/benefit justification standpoint to employ expertise in all the myriad of disciplines with which the District must address on a regular basis.	-	17,600	-
6220	<b>Electricity</b> The purpose of the Electricity line item is to provide funding for electricity at buildings and structures.	42,000	254,000	2,000
6230	<b>Telephone</b> The purpose of the Telephone line item is to fund telecommunications services which enable convenient and effective communication links with District stakeholders (customers, vendors, elected officials, community volunteers, other agencies and organizations, and employees).	10,000	39,000	11,000
6240	<b>Natural Gas</b> The purpose of the Natural Gas line item is to provide funding for natural gas at buildings and structures.	1,300	7,700	1,800
6250	<b>Solid Waste Disposal</b> The purpose of the Solid Waste Disposal line item is to provide funding for the disposal of headworks screenings, biosolids dumping, and other solid waste disposal activities.	-	109,000	-
6290	<b>Other Utilities</b> The purpose of the Other Utilities line item is to provide funding for other utilities at buildings and structures.	3,500	10,300	6,000
6310	<b>Janitorial services</b> The purpose of the Janitorial Services line item is to provide funding for janitorial services at buildings and structures.	4,000	6,000	2,000

**Oak Lodge Water Services District Fiscal Year 2018 Budget**

**DESCRIPTIONS**

Account #	Description	Fund 10 Budget	Fund 20 Budget	Fund 30 Budget
6320	<b>Buildings and grounds</b> The purpose of the Buildings and Grounds line item is to provide funding for landscaping supplies as well as the repair and maintenance services for buildings and structures.	10,000	18,800	15,000
6330	<b>Vehicle and equipment maintenance</b> The purpose of the Vehicle and Equipment Maintenance line item is to provide funding for repair and maintenance services to vehicles and related equipment.	24,000	28,600	6,100
6340	<b>System maintenance</b> The purpose of the System Maintenance line item is to provide funding for repair and maintenance services to infrastructure.	200,000	212,700	6,300
6350	<b>Computer maintenance</b> The purpose of the Computer Maintenance line item is to provide funds for appropriate maintenance activities that will ensure the efficient operation, reliability, and prolonged life of District office machines, software systems, and the Supervisory Control and Data Acquisition (SCADA) systems.	25,000	118,000	35,900
6390	<b>Other Repairs and maintenance</b> The purpose of the Other Repairs and Maintenance line item is to provide funding for other repair and maintenance services.	57,000	30,000	25,000
6410	<b>Mileage</b> The purpose of the Mileage line item is to provide funding for costs associated with the operation, maintenance, repair, and insurance of personal vehicles used in conducting District business. The District does not include vehicles for administration use in its fleet and therefore relies on the personal vehicles of administration staff members.	8,000	5,000	2,000
6420	<b>Staff training</b> The purpose of the Training line item is to allocate resources necessary and desirable for the ongoing education and training of the District's staff.	20,000	42,000	8,000
6430	<b>Certifications</b> The purpose of the Certifications line item is to provide funding for required tests and certifications that document the knowledge and competency of the operators which oversee the District's utility systems.	800	5,500	400

## Oak Lodge Water Services District Fiscal Year 2018 Budget

### DESCRIPTIONS

Account #	Description	Fund 10 Budget	Fund 20 Budget	Fund 30 Budget
6440	<b>Board travel and training</b> The purpose of the Board Travel and Training line item is to provide funding for the education and training of the board.	3,000	6,500	3,300
6510	<b>Office supplies</b> The purpose of the Office Materials & Supplies line item is to provide funding for purchasing a wide variety of materials, supplies, and services related to the efficient operation of the administrative office.	15,000	38,500	19,000
6520	<b>Fuels and oils</b> The purpose of the Fuels and Oils line item is to provide funding for fuel and oil for vehicles and equipment.	23,000	37,600	3,100
6530	<b>Small tools and equipment</b> The purpose of the Small Tools and Equipment line item is to provide funding for small tools and equipment.	13,000	42,200	7,500
6540	<b>Safety supplies</b> The purpose of the Safety Supplies line item is to provide funding for safety supplies.	12,000	7,900	2,600
6550	<b>Operational supplies</b> The purpose of the Operational Supplies line item is to provide funding for operating supplies.	-	41,100	6,200
6560	<b>Uniforms</b> The purpose of the Uniforms line item is to provide funding for uniforms.	3,500	16,700	5,250
6590	<b>Other supplies</b> The purpose of the Other Supplies line item is to provide funding for miscellaneous supplies not included in other categories.	-	30,000	-
6610	<b>Board compensation</b> The purpose of the Board Compensation line item is to provide funding for the compensation of the board.	700	1,500	1,000
6710	<b>Purchased water</b> The purpose of the Purchased Water line item is to provide funding for the purchase of water that is resold to customers.	1,000,000	-	-

## Oak Lodge Water Services District Fiscal Year 2018 Budget

### DESCRIPTORS

Account #	Description	Fund 10 Budget	Fund 20 Budget	Fund 30 Budget
6720	<b>Insurance</b> The purpose of the Insurance line item is to provide the necessary resources to fund acquisition of property, casualty, liability, earthquake, flood, and auto insurance coverage for District equipment and facilities.	27,100	469,300	16,800
6730	<b>Communications</b> The purpose of the Communications line item is to fund public information, education, and involvement activities which promote greater understanding of District services, improve environmental awareness, disseminate public notices and other information about District operations, support volunteer activities, and encourage citizen involvement.	10,000	9,000	74,000
6740	<b>Advertising</b> The purpose of the Advertising line item is to provide funding for advertisements.	1,000	-	-
6750	<b>Other purchased services</b> The purpose of the Other Purchased Services line item is to provide funding for other purchased services.	-	11,500	11,500
6760	<b>Rental costs</b> The purpose of the Rental Costs line item is to provide funding for equipment rental costs.	5,000	-	-
6770	<b>Bank charges</b> The purpose of the Bank Charges line item is to provide resources for payment of service charges to the District's banking institutions for services rendered to the District. Service charges are based on the number and dollar amount of transactions.	35,000	40,000	16,000
6780	<b>Taxes, fees, and other charges</b> The purpose of the Government Taxes and Fees line item is to provide the necessary resources associated with regulatory compliance fees mandated by State and Federal government agencies as well as right-of-way fees mandated by city governments.	7,500	49,000	2,100
6900	<b>Miscellaneous expense</b> The purpose of the Miscellaneous Expense line item is to provide funding for miscellaneous expenses.	1,000	-	500
<b>Material and Services Total</b>		<b>1,692,400</b>	<b>1,907,000</b>	<b>361,850</b>



## Oak Lodge Water Services District Fiscal Year 2018 Budget

### DESCRIPTIONS

Account #	Description	Fund 10 Budget	Fund 20 Budget	Fund 30 Budget
<b>CAPITAL OUTLAY</b>				
7100	Land The purpose of the Land line item is to account for land and easement acquisitions.	-	-	-
7200	Infrastructure The purpose of the Infrastructure line item is to account for the acquisition, improvement, replacement, and capacity expansion of infrastructure.	250,000	-	-
7300	Buildings and improvements The purpose of the Buildings and Improvements line item is to account for acquisition, improvement, replacement, and capacity expansions of buildings and structures.	-	900,000	-
7400	Improvements other than buildings The purpose of the Improvements Other than Buildings line item is to account for improvements other than to buildings.	6,000	-	-
7520	Equipment The purpose of the Equipment line item is to account for the acquisition of equipment.	29,000	-	-
7540	Software The purpose of the Software line item is to account for the acquisition of software.	50,000	50,000	50,000
7600	Capital improvements The purpose of the Capital Improvements line item is to account for improvements identified in the capital improvement plan(s).	630,000	575,000	1,871,000
<b>Capital Total</b>		<b>965,000</b>	<b>1,525,000</b>	<b>1,921,000</b>

**Oak Lodge Water Services District Fiscal Year 2018 Budget**

**DESCRIPTIONS**

Account #	Description	Fund 10 Budget	Fund 20 Budget	Fund 30 Budget
<b>TRANSFERS &amp; CONTINGENCIES</b>				
8100	Transfer to Fund 40 The purpose of the Transfer to Fund 40 line item is to account for the transfer of wastewater reclamation funds to the Wastewater Reclamation General Obligation Bond Debt Service Fund.	-	2,248,814	-
8200	Transfer to Fund 50 The purpose of the Transfer to Fund 50 line item is to account for the transfer of wastewater reclamation funds to the Wastewater Reclamation Revenue Bond Debt Service Fund.	-	1,238,539	-
9000	Contingency The purpose of the Contingency line item is to provide a contingency in the event actual expenditures exceed budgeted appropriations or actual revenues are less than anticipated.	300,000	500,000	50,000
<b>General Fund Transfer Out Total</b>		<b>300,000</b>	<b>3,987,353</b>	<b>50,000</b>

**Engineering Services  
6130**

Vendor / Project / Item                      Purpose/Source/Type                      Amount

Human Resources		\$ 20,000
Administrative Consulting	Consolidation / software implementation	\$ 20,000
Asset Mgmt Program Development		\$ 20,000
MS4 Development Review Engineering		\$ 12,000
On Call engineering services		\$ 26,500
	<b>Total</b>	<b>\$ 98,500</b>

**Dues and subscriptions****6180**

Vendor / Project / Item	Purpose	Amount
Special District of Oregon		\$ 2,400
American Water Works Association (AWWA)		\$ 4,000
AWWA - NW Sub Section		\$ 700
Oregon Water Utilities Council		\$ 1,000
Oregonian Newspaper		\$ 150
Regional Water Providers Consortium		\$ 20,000
NCC Chamber of Commerce Dues		\$ 900
Metro	Mapping	\$ 500
Tri-County Water Association		\$ 500
Oregon Association of Water Utilities		\$ 1,000
Oregon Government Finance Officers Assoc.		\$ 400
Government Finance Officers Assoc.		\$ 350
Oregon Ethics Commission		\$ 600
Water Environment Federation		\$ 400
Oregon Association of Municipal Recordors		\$ 100
Local Government Personnel Institute		\$ 1,000
State Purchasing Program		\$ 900
Urban & Regional Information Systems		\$ 200
Public Employee Retirement System Dues		\$ 900
Other subscriptions and dues		\$ 10,000
	Total	\$ 46,000

**Other Professional and Technical Services  
6190**

Vendor / Project / Item                      Purpose    Amount

Milwaukie	Sewer services provided to District Residents	\$ 15,500
CCSD No. 1		\$ 2,100
	Total	\$ 17,600

**Staff Training  
6420**

Vendor / Project / Item	Purpose	Amount
WEF/NACWA Conference		\$ 4,000
NPELRA Conference		\$ 3,000
Software Conference		\$ 4,000
Special Disitriacts Association Conference		\$ 3,000
AWWA PNWS Conference		\$ 5,000
AWWA Annual Conference (ACE)		\$ 6,500
Pipe Standards		\$ 1,000
Government Finance Officers Annual Conf		\$ 3,000
Oregon Government Finance Officers Institute		\$ 2,000
Oregon Government Finance Officers Spring		\$ 1,000
Distribution Symposium		\$ 3,000
Confined Spaces Classes		\$ 1,000
OAWU Conference		\$ 3,000
PNCWA Conference		\$ 4,500
Lucity Conference		\$ 1,500
Storm Water Management Conference		\$ 2,000
Team Building		\$ 5,000
Employee Tuition Reimbursement		\$ 12,500
Other required trainings		\$ 5,000
	Total	\$ 70,000









**Communications  
6730**

Vendor / Project / Item	Purpose	Amount
Budget and meeting and other legal notices		\$ 4,000
Informational Brochures		\$ 8,000
School Education Programs		\$ 5,000
Watershed Protection Public Involvement		\$ 20,000
Clean Water Coalition Regional Ad Campaign		\$ 2,000
SOLV Environmental Outreach		\$ 9,000
North Clackamas Urban Watersheds Council		\$ 40,000
Miscellaneous meeting expenses		\$ 5,000
	<b>Total</b>	<b>\$ 93,000</b>



**OAK LODGE WATER SERVICES  
FISCAL YEAR 2017-2018 DEBT SCHEDULE**

**2010 General Obligation Bonds**  
Amount: \$24,000,000  
Interest Rates: 2% to 4%  
Payment Dates: November and May

Year	Principal	Interest	Total
2018	1,035,000	691,450	1,726,450
2019	1,080,000	660,400	1,740,400
2020	1,120,000	617,200	1,737,200
2021	1,165,000	572,400	1,737,400
2022	1,210,000	525,800	1,735,800
2023	1,260,000	477,400	1,737,400
2024	1,310,000	427,000	1,737,000
2025	1,375,000	374,600	1,749,600
2026	1,445,000	319,600	1,764,600
2027	1,520,000	261,800	1,781,800
2028	1,595,000	201,000	1,796,000
2029	1,675,000	137,200	1,812,200
2030	1,755,000	70,200	1,825,200
<b>Subtotal</b>	<b>17,545,000</b>	<b>5,336,050</b>	<b>22,881,050</b>

**2010 Infrastructure Finance Authority Bonds**  
Amount: \$8,000,000  
Interest Rates: 2.00% to 2.85%  
Payment Dates: December

Year	Principal	Interest	Total
2018	353,965	303,495	657,460
2019	360,936	290,561	651,497
2020	368,036	277,011	645,047
2021	375,273	262,827	638,100
2022	387,716	247,614	635,330
2023	400,949	227,631	628,580
2024	409,348	206,966	616,314
2025	422,922	185,868	608,790
2026	436,680	164,071	600,751
2027	456,055	139,158	595,213
2028	470,679	113,140	583,819
2029	485,567	86,288	571,855
2030	505,734	58,586	564,320
2031	521,196	29,734	550,930
<b>Subtotal</b>	<b>5,955,056</b>	<b>2,592,951</b>	<b>8,548,007</b>

**2010 Clean Water State Revolving Fund Loans**  
Amount: \$19,000,000  
Interest Rates: 0.50% to 3.15%  
*Includes a 0.50% Administration Fee*  
Payment Dates: August and February

Year	Principal	Interest	Total
2018	860,388	391,396	1,251,784
2019	876,670	370,772	1,247,442
2020	893,387	349,630	1,243,017
2021	910,550	327,958	1,238,508
2022	928,171	305,740	1,233,911
2023	946,261	282,964	1,229,225
2024	964,834	259,614	1,224,448
2025	983,902	235,674	1,219,576
2026	1,003,481	211,127	1,214,608
2027	1,023,579	185,962	1,209,541
2028	1,044,215	160,157	1,204,372
2029	1,065,401	133,697	1,199,098
2030	1,087,153	106,564	1,193,717
2031	1,109,484	78,742	1,188,226
2032	1,132,411	50,210	1,182,621
2033	1,155,969	20,951	1,176,920
<b>Subtotal</b>	<b>15,985,856</b>	<b>3,471,158</b>	<b>19,457,014</b>

**Summary  
All Debt**

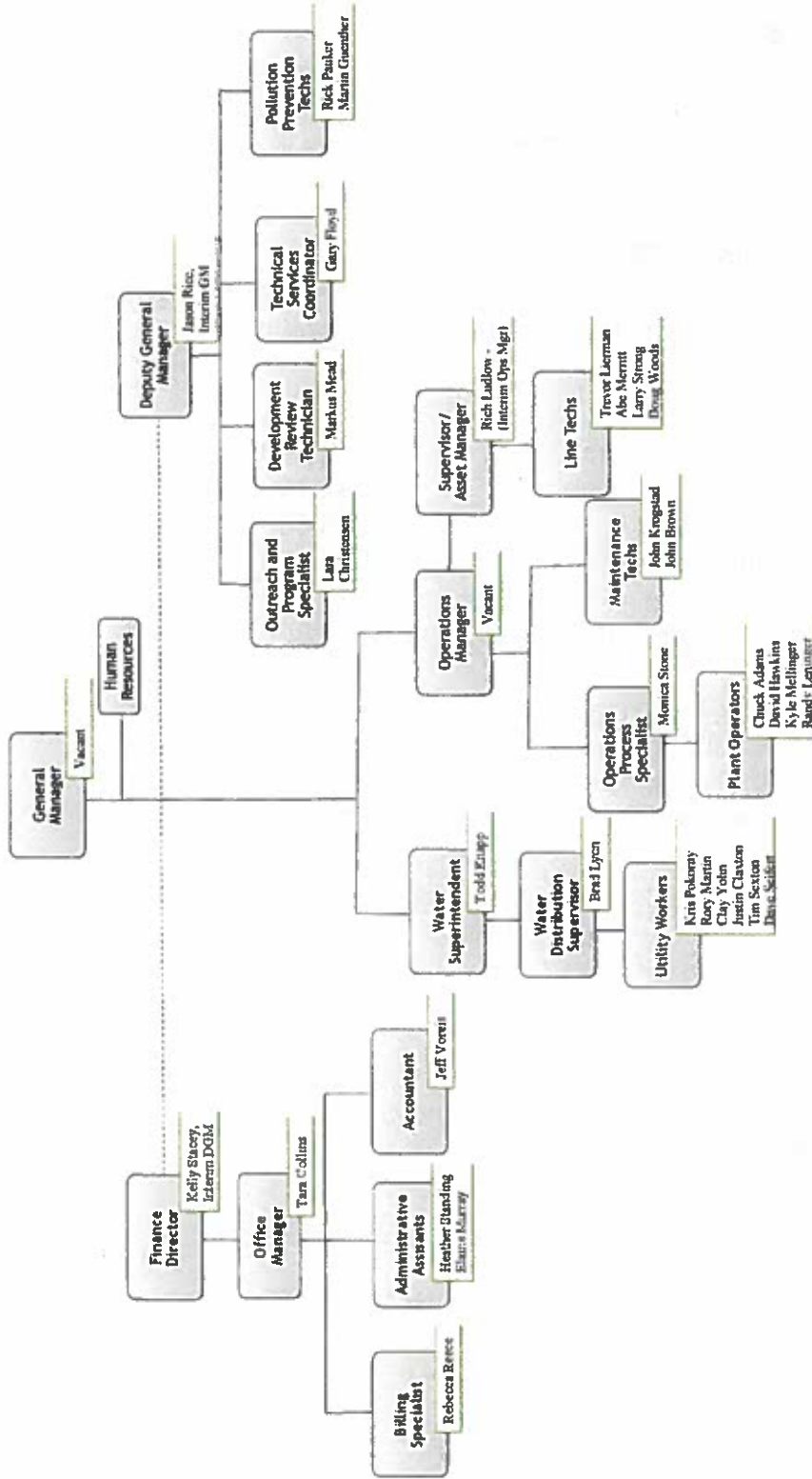
Year	Principal	Interest	Total
2018	2,249,353	1,386,341	3,635,694
2019	2,317,606	1,321,733	3,639,339
2020	2,381,423	1,243,841	3,625,264
2021	2,450,823	1,163,185	3,614,008
2022	2,525,887	1,079,154	3,605,041
2023	2,607,210	987,995	3,595,205
2024	2,684,182	893,580	3,577,762
2025	2,781,824	796,142	3,577,966
2026	2,885,161	694,798	3,579,959
2027	2,999,634	586,920	3,586,554
2028	3,109,894	474,297	3,584,191
2029	3,225,968	357,185	3,583,153
2030	3,347,887	235,350	3,583,237
2031	1,630,680	108,476	1,739,156
2032	1,132,411	50,210	1,182,621
2033	1,155,969	20,951	1,176,920
<b>Subtotal</b>	<b>39,485,912</b>	<b>11,400,159</b>	<b>50,886,071</b>

PAGE INTENTIONALLY LEFT BLANK

# OAK LODGE

## WATER SERVICES

2017



**OAK LODGE WATER SERVICES DISTRICT  
Resolution 2017-10**

**ADOPTING THE BUDGET**

BE IT RESOLVED that the Board of Directors for the Oak Lodge Water Services hereby adopts the Budget approved by the Budget Committee for the 2017-2018 Fiscal Year in the amount of **\$29,544,461**. This Budget is now on file at the Administrative Office, 14496 SE River Road, Milwaukie, OR 97267.

**MAKING APPROPRIATIONS**

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2015 and for the purposes shown below are hereby appropriated:

<u>Drinking Water Fund</u>			
Personal Services	\$ 1,570,000		
Material & Services	\$ 1,692,400		
Capital Outlay	\$ 965,000		
Contingency	\$ 300,000		
	Total	\$	4,527,400
Reserve For Future	\$ 1,747,600		
 <u>Waste Water Reclamation</u>			
Personal Services	\$ 3,007,200		
Material & Services	\$ 1,907,000		
Capital Outlay	\$ 1,525,000		
Transfers	\$ 3,487,353		
Contingency	\$ 500,000		
	Total	\$	10,426,553
Reserve For Future	\$ 3,035,447		
 <u>Watershed Protection</u>			
Personal Services	\$ 562,000		
Material & Services	\$ 361,850		
Capital Outlay	\$ 1,921,000		
Transfers	\$ -		
Contingency	\$ 50,000		
	Total	\$	2,894,850
Reserve For Future	\$ 1,390,550		

Wastewater GO Debt Service

Debt Service	\$ 2,383,910		
	Total	\$	2,383,910
Reserve For Future	\$ 782,263		

Wastewater Revenue Bond Debt Service

Debt Service	\$ 1,251,784		
	Total	\$	1,251,784
Reserve For Future	\$ 1,214,204		

**Total Appropriations, All Fund** **\$ 21,484,497**

Total Unappropriated and Reserve Amounts, All Funds \$ 8,170,064

**Total Adopted Budget** **\$ 29,654,561**



A meeting of the Oak Lodge Water Services District Board of Directors will be held on June 20, 2017 at 6:00 PM at 14496 SE River Road, Oak Grove, OR 97267. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2017 as approved by the Oak Lodge Water Services District Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at the Administration Office, 14496 SE River Road, Oak Grove, Oregon between the hours of 9:00 a.m. and 4:00 p.m. This budget is for annual period. This budget was prepared on a basis of accounting that is consistent with the basis of accounting used during the preceding year. If different, the major changes and their effect on the budget are explained below.

Contact: Kelly Stacey, Finance Director

Telephone: (503) 654-7765

Email: kelly@olwsd.org

**FINANCIAL SUMMARY - RESOURCES**

TOTAL OF ALL FUNDS	Actual Amount Fiscal Year 2016	Adopted Budget This Fiscal Year 2017	Proposed Budget Next Fiscal Year 2018
Beginning Fund Balance/Net Working Capital	\$0	\$0	\$11,237,246
Service Charges, Permits, & Other Fees	\$0	\$0	\$12,994,500
Federal, State, & All Other Grants, Gifts, & Donations	\$0	\$0	\$250,000
Interfund Transfers & Reimbursements	\$0	\$0	\$3,487,353
All Other Resources Except Property Taxes	\$0	\$0	\$1,575,362
<b>Total Resources</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,544,461</b>

**FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION**

Personnel Services	\$0	\$0	\$5,150,000
Materials and Services	\$0	\$0	\$3,961,250
Capital Outlay	\$0	\$0	\$4,411,000
Debt Service	\$0	\$0	\$3,635,694
Interfund Transfers	\$0	\$0	\$3,487,353
Contingencies	\$0	\$0	\$850,000
Unappropriated Ending Fund Balance and Reserve for Future	\$0	\$0	\$8,049,164
<b>Total Requirements</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,544,461</b>

**FINANCIAL SUMMARY - REQUIREMENTS BY ORGANIZATIONAL UNIT OR PROGRAM**

Name of Organizational Unit or Program FTE for that unit or program	Actual Amount Fiscal Year 2016	Adopted Budget This Fiscal Year 2017	Proposed Budget Next Fiscal Year 2018
Water	\$0	\$0	\$6,275,000
FTE	0.00	0.00	10.00
Wastewater	\$0	\$0	\$19,094,161
FTE	0.00	0.00	19.77
Watershed Protection	\$0	\$0	\$4,175,300
FTE	0.00	0.00	4.23
<b>Total Requirements</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,544,461</b>
<b>Total FTE</b>	<b>0</b>	<b>0</b>	<b>34</b>

**STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING**

Oak Lodge Water Services District formed January 1, 2017 with the consolidation of two formerly separate special service districts known as Oak Lodge Water District and Oak Lodge Sanitary District. The notice of budget hearing here includes figures for the proposed budget beginning July 1, 2017 but not the current fiscal year from January 1, 2017 to June 30, 2017 or a previous fiscal year because the District was not required to adopt a budget for its very first fiscal year and there was no prior year on which to report prior year actuals. Oak Lodge Water Services District's major source of revenue are its service charges. The District's budgeted service charges must grow about 4% from its legacy districts' previous years in order to ensure gross revenues are exceeding operating expenses and positively covering ongoing debt service and related coverage covenants while also providing a means to accumulate cash resources for capital outlay expected in both the short and long term future. The District is confident it can anticipate favorable financial results and a resulting financial position in fiscal year 2018 despite general local economic uncertainty.

**PROPERTY TAX LEVIES**

	Rate or Amount Imposed	Rate or Amount Imposed	Rate or Amount Approved
Permanent Rate Levy (rate limit per \$1,000)	\$0	\$0	\$0
Local Option Levy	\$0	\$0	\$0
Levy For General Obligation Bonds	\$0	\$0	\$0

**STATEMENT OF INDEBTEDNESS**

LONG TERM DEBT	Estimated Debt Outstanding on July 1, 2017	Estimated Debt Authorized, But Not Incurred on July 1, 2017
General Obligation Bonds	\$23,820,870	\$12,000,000
Other Borrowings (i.e. Bonds/Loans)	\$15,985,856	\$36,000,000
<b>Total</b>	<b>\$39,806,726</b>	<b>\$48,000,000</b>

Oak Lodge Water Services District Fiscal Year 2018 Budget



6605 SE Lake Road, Portland, OR 97222  
 PO Box 22109, Portland, OR 97269-2109  
 Phone: 503-684-0360 Fax: 503-620-3433  
 E-mail: legals@commnewspapers.com

**AFFIDAVIT OF PUBLICATION**  
 State of Oregon, County of Clackamas, SS

I, Charlotte Allsop, being the first duly sworn, depose and say that I am Accounting Manager of *Clackamas Review/Oregon City News* and *Estacada News*, a newspaper of general circulation, published at Clackamas/Oregon City, in the aforesaid county and state, as defined by ORS 193.010 and 193.020, that

Oak Lodge Water Services  
 Notice of Budget Hearing – LB-1  
 CLK02685

a copy of which is hereto annexed, was published in the entire issues of said newspapers for 1 week in the following issue: June 14, 2017

*Charlotte Allsop*  
 Charlotte Allsop (Accounting Manager)

Subscribed and sworn to before me this June 14, 2017.

*[Signature]*  
 NOTARY PUBLIC FOR OREGON



Acct #10918  
 Attn: Lara Christensen  
 Oak Lodge Water District  
 14496 SE River Road  
 Milwaukie, OR 97267  
 Size: 3 x 7"  
 Amount Due: **\$248.85\***  
 \*Please remit to address above.

**FORM LB-1 NOTICE OF BUDGET HEARING**

A meeting of the Oak Lodge Water Services District Board of Directors will be held on June 20, 2017 at 6:00 PM at 144 SE River Road, Oak Grove, OR 97267. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2017 as approved by the Oak Lodge Water Services District Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at the Administration Office, 14496 SE River Road between the hours of 9:00 a.m. and 5:00 p.m. This budget is for annual period. This budget was prepared on a basis of accounting that is consistent with the basis of accounting used during the preceding year. If different, the major change and their effect on the budget are explained below.

Contact: Kelly Stacy, Finance Director Telephone: (503) 654-7765 Email: kstacy@owsd.net

FINANCIAL SUMMARY - RESOURCES			
	Actual Amount Fiscal Year 2016	Adopted Budget This Fiscal Year 2017	Proposed Budget Next Fiscal Year 2018
<b>TOTAL OF ALL FUNDS</b>			
General Fund Balance/Net Working Capital	\$0	\$0	\$21,237.30
Service Charges, Permits & Other Fees	\$0	\$0	\$12,994.21
Federal, State, & All Other Grants, Gifts & Donations	\$0	\$0	\$250.00
Interfund Transfers & Reimbursements	\$0	\$0	\$1,487.30
All Other Resources Except Property Taxes	\$0	\$0	\$1,871.19
<b>Total Resources</b>	<b>\$0</b>	<b>\$0</b>	<b>\$27,840.00</b>
FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel	\$0	\$0	\$1,150.00
Maintenance and Services	\$0	\$0	\$1,967.72
Capital Outlay	\$0	\$0	\$1,413.00
Other Services	\$0	\$0	\$5,856.50
Interfund Transfers	\$0	\$0	\$1,687.20
Contingencies	\$0	\$0	\$450.00
Unappropriated Existing Fund Balance and Reserve for	\$0	\$0	\$8,049.58
<b>Total Requirements</b>	<b>\$0</b>	<b>\$0</b>	<b>\$28,514.00</b>
FINANCIAL SUMMARY - REQUIREMENTS BY ORGANIZATIONAL UNIT OR PROGRAM			
Name of Organizational Unit or Program	Actual Amount Fiscal Year 2016	Adopted Budget This Fiscal Year 2017	Proposed Budget Next Fiscal Year 2018
FTE for that unit or program			
Water	\$0	\$0	\$4,775.00
FTE	0.00	0.00	0
Wastewater	\$0	\$0	\$13,294.10
FTE	0.00	0.00	0
Watershed Protection	\$0	\$0	\$4,175.00
FTE	0.00	0.00	0
<b>Total Requirements</b>	<b>\$0</b>	<b>\$0</b>	<b>\$22,244.10</b>
<b>Total FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>
STATEMENT OF CHANGES IN ACTIVITIES and FINANCING			
Oak Lodge Water Services District formed January 1, 2017 with the consolidation of two formerly separate special service districts known as Oak Lodge Water District and Oak Lodge Sanitary District. The notice of budget hearing here includes figures for the proposed budget beginning July 1, 2017 but not the current fiscal year from January 1, 2017 to June 30, 2017 or a previous fiscal year because the District was not required to adopt a budget for its very first fiscal year and there was no prior year on which to report prior year activity. Oak Lodge Water Services District's major source of revenues are its service charges. The District's budgeted service charges must grow about 4% from its legacy districts' previous years in order to ensure gross revenues are exceeding operating expenses and positively covering ongoing debt service and related coverage covenants while also providing means to accumulate cash resources for capital outlay expected in both the short and long term future. The District is confident it can anticipate favorable financial results and a resulting financial position in fiscal year 2018 despite general local economic conditions.			
PROPERTY TAX LEVIES			
	Rate or Amount	Rate or Amount	Rate or Amount

PAGE INTENTIONALLY LEFT BLANK