

# **OAK LODGE WATER SERVICES**

## **BOARD OF DIRECTORS**



**DECEMBER 12, 2023**



**PUBLIC MEETING  
OAK LODGE WATER SERVICES  
BOARD OF DIRECTORS  
DECEMBER 12, 2023 at 3:00 p.m.**

1. Call to Order
2. Call for Public Comment
3. Consideration of Customer-Focused Values for Borrowing Decision-Making
4. Presentation of Borrowing Choices by PFM Financial Advisors and Hawkins, Delafield & Woods
5. Consideration of Borrowing Choices
6. Presentation of Outreach Plan and Budget Calendar
7. Adjourn Meeting



## AGENDA ITEM

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<b>Title</b>	Call to Order
<b>Item No.</b>	1

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### Summary

The Chair will call the meeting to order with a quorum of the Board at the noticed time.

The Chair may request participation in a nonpartisan acknowledgement of their choosing.

The General Manager will review the meeting protocols before business is discussed.



## AGENDA ITEM

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<b>Title</b>	Call for Public Comment
<b>Item No.</b>	2
<b>Date</b>	December 12, 2023

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### Summary

The Board of Directors welcomes comment from members of the public.

Written comments may not be read out loud or addressed during the meeting, but all public comments will be entered into the record.

The Board of Directors may elect to limit the total time available for public comment or for any single speaker depending on meeting length.



## AGENDA ITEM

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<b>Title</b>	Consideration of Customer-Focused Values for Borrowing Decision-Making
<b>Item No.</b>	3
<b>Date</b>	December 12, 2023

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## AGENDA ITEM

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<b>Title</b>	Presentation of Borrowing Choices by PFM Financial Advisors and Hawkins, Delafield & Woods
<b>Item No.</b>	4
<b>Date</b>	December 12, 2023

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### Attachments

1. PowerPoint Presentation



# Oak Lodge Water Services

## Introduction to Debt Financing

**December 12, 2023**

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# Agenda

## OAK LODGE WATER SERVICES

- I. Overview of Debt Financing
  - a. What are Bonds?
  - b. Why Use Debt Financing?
  - c. Your Financing Team
  - d. OLWS Existing Debt
  - e. Wastewater Revenue Bonds
  - f. Methods of Financing
- II. Upcoming Capital Needs

*Appendix: Bond Market Update*



# Introduction to Debt Financing



## What are Bonds?

- ◆ Borrowing by governmental entities
  - A bond is a loan; investors (bondholders) are the lenders
- ◆ May take the form of:
  - Bonds
  - Notes
  - Obligations
  - Financing agreements
- ◆ May be sold to:
  - A state agency (e.g., Department of Environmental Quality, Infrastructure Financing Authority / Bond Bank)
  - A federal agency (e.g., Environmental Protection Agency)
  - An individual institution (e.g., a commercial bank)
  - Investors in the public bond market (through an investment bank / underwriter)

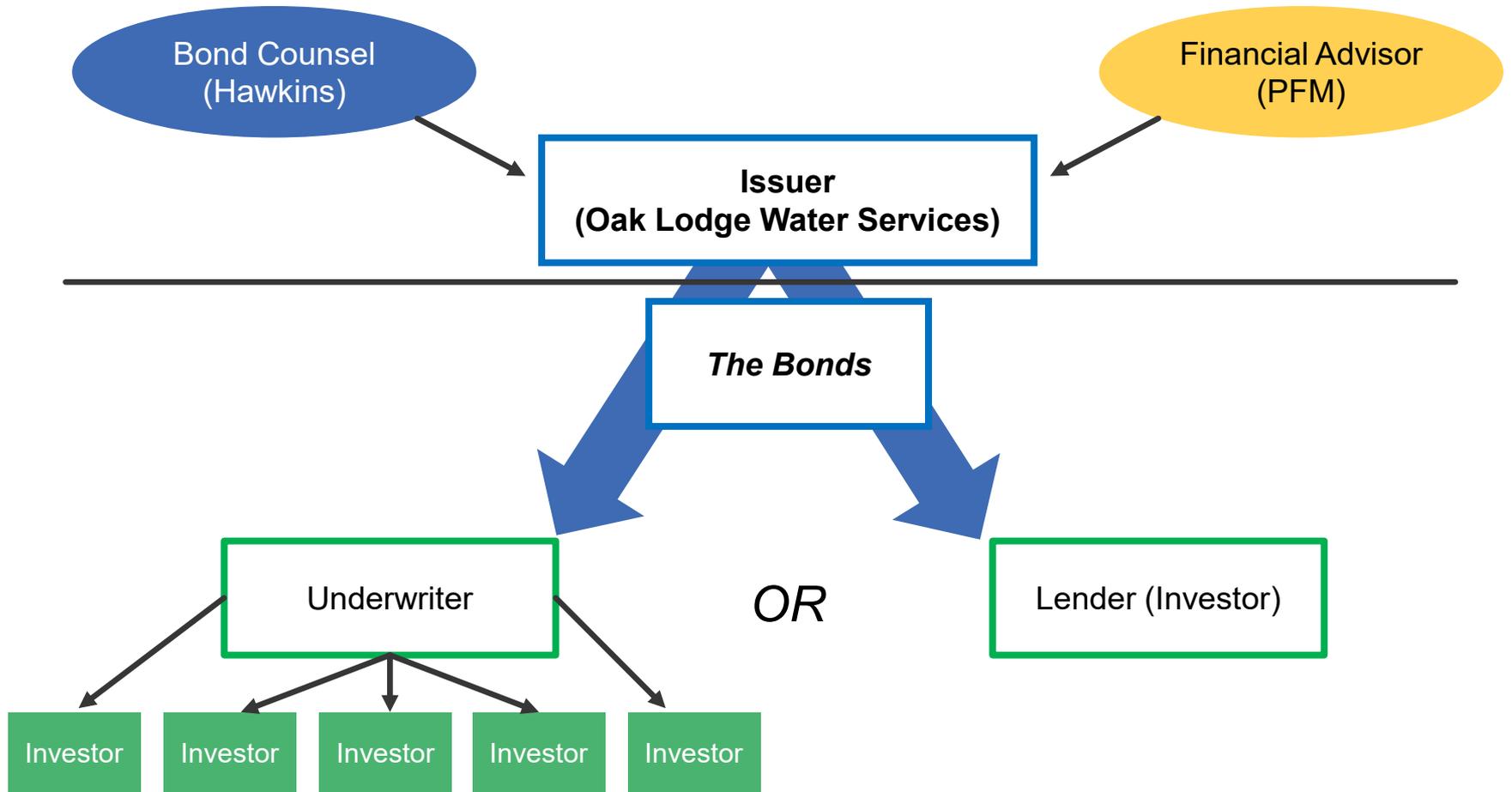


## Why Governments Use Debt Financing

- ◆ Time value of money
  - Borrowing funds allows projects to begin sooner than they would otherwise
  - Mitigates construction cost inflation, increased property costs, etc.
  - Allows for faster project delivery – more advantageous to beneficiaries of project
- ◆ Intergenerational equity
  - Current users / beneficiaries of a project are also the ones who pay for related debt service
- ◆ Municipal entities are perpetual
  - Unlike personal finance, there is no “paying off the mortgage before retirement”
  - When an asset reaches the end of its useful life, it probably needs to be replaced



## Participants in a Bond Sale





## Role of Bond Counsel

- ◆ Specialized legal counsel, to ensure proper authorization and documentation is in place, in accordance with state and local statutes, charters or codes
- ◆ Consider and review Federal tax law (IRS) impacts and regulations
- ◆ Provide unqualified legal opinion(s)
  - That the bonds have been duly authorized and are valid and enforceable obligations
  - That the bonds are exempt from Federal income tax (or, not)



## Role of Financial Advisor

- Provide current market-based expertise
- Review of debt plan and affordability
- Structural and financial analysis and advice
- Coordination of time schedule
- Recommendations regarding other finance team members (i.e., selecting a lender)
- Communication with other service providers (e.g., rating agencies)
- Manage sale of bonds
- *Fiduciary responsibility: must provide advice in the best interest of the client (municipal issuer)*



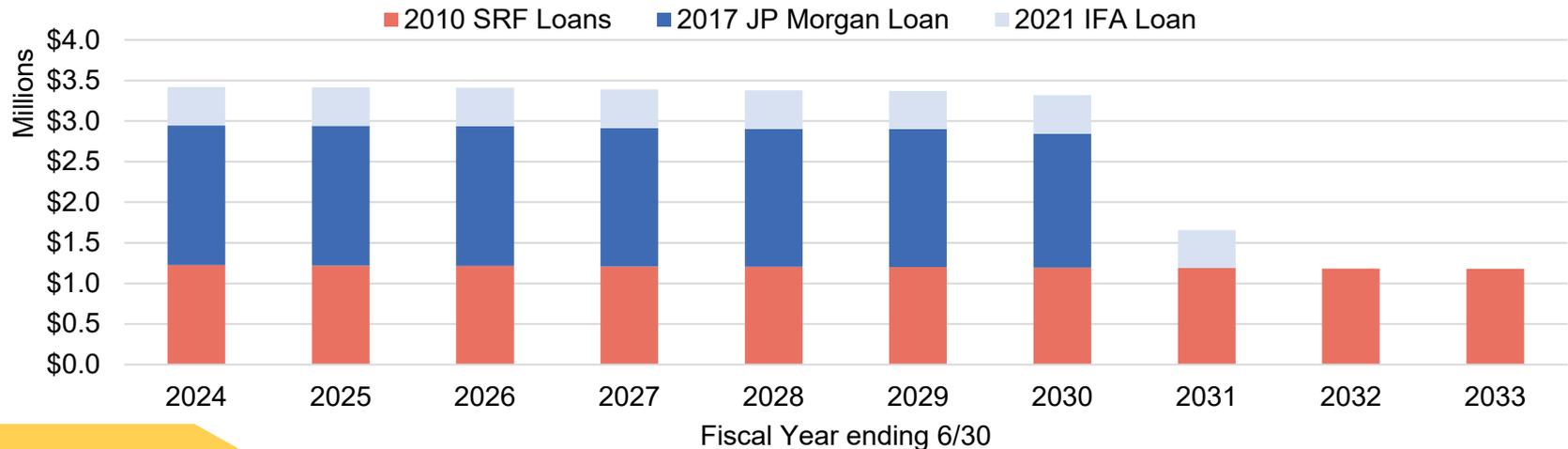
## Overview of Existing OLWS Debt

Series	Amount Issued	Closing Date	Final Maturity	Interest Rate	Amount Outstanding
2010 SRF Loan R70030	\$5,000,000	1/21/2010	2/1/2033	0.50% <sup>(1)</sup>	\$2,375,000
2010 SRF Loan R70031	\$14,000,000	1/21/2010	2/1/2033	3.15% <sup>(1)</sup>	\$7,715,364
2017 JP Morgan Loan	\$15,173,000	12/20/2017	5/1/2030	2.50%	\$10,822,000
2021 IFA Loan <sup>(2)</sup>	\$3,684,197	2/18/2021	12/1/2030	5.00%	\$2,743,977
<b>Total</b>					<b>\$23,656,341</b>

(1) SRF Loan interest rates are shown inclusive of 0.50% "annual fee"

(2) Amended IFA Loan; originally issued in 2010 in the amount of \$8,000,000

### Aggregate Debt Service





## Revenue Bonds

- Many water / wastewater providers issue revenue bonds, secured by and payable from net revenues of the utility
- *All outstanding OLWS debt is considered “revenue bonds”*
- Revenue bonds typically include numerous covenants between borrower and lender
- Key financial covenants:
  - *Rate Covenant:* requires the issuer to charge rates and fees adequate to generate net revenues at or above a specified % of debt service requirements (e.g., 120%)
  - *Additional Bonds Test:* requirements related to future debt issuance; requires the issuer to demonstrate the ability to pay existing debt service plus proposed new debt service



## Methods of Financing - Comparison

- OLWS and its finance team are exploring several types of financing, including state and federal loan programs
  - Special Public Works Fund (SPWF) – administered by Oregon Infrastructure Finance Authority (IFA)
  - Clean Water State Revolving Fund (CWSRF) – administered by Oregon Dept. of Environmental Quality (DEQ)
  - Water Infrastructure Finance and Innovation Act (WIFIA) – administered by U.S. Environmental Protection Agency (EPA)



## Methods of Financing - Comparison

	State Loan Programs	WIFIA (Federal) Loan	Commercial Bank Loan	Publicly-Sold Bonds
<i>Interest Rate(s)</i>	SPWF: Fixed upon State Bond Bank bond sale CWSRF: Fixed upon loan award	Fixed, based on applicable U.S. Treasury rate at closing plus 0.01% (May be reset after closing if funds have not yet been drawn)	Fixed, based on bank's cost of capital at (or near) closing	Fixed, based on investor interest on day of sale
<i>Amount</i>	SPWF: Up to \$10 million CWSRF: Limited by program liquidity	Up to 49% of estimated project cost (minimum \$20 million project)	Determined by borrower (but many banks have meaningful credit limits)	Determined by borrower
<i>Maximum Term</i>	30 years	35 years after substantial completion of the project	Up to 20 years (though many banks can only provide 10-15 year financing)	Typically 30 years



## Methods of Financing - Comparison

	State Loan Programs	WIFIA (Federal) Loan	Commercial Bank Loan	Publicly-Sold Bonds
<i>Draw-Down</i>	Yes	Yes, for duration of project construction	Varies by bank; typically no longer than 18-24 months	No
<i>Principal/Interest Structure</i>	Level debt service	Interest may be deferred (compounded) up to five years Principal amortization determined by borrower	Some ability to defer principal (interest-only period)	Some ability to defer principal (interest-only period)
<i>Prepayment</i>	SPWF: After year 10	Flexible (minimum \$100,000 increments)	Varies by bank – some banks can provide significant flexibility	Typically after 10 years
	CWSRF: Flexible			
<i>Disclosure Document Required?</i>	No	No	No	Yes
<i>Credit Rating Required?</i>	No	Yes	No	Yes
<i>Debt Service Reserve Fund?</i>	SPWF: Not required	Not required	May be required	May be required
	CWSRF: Required			
<i>What Is Financed?</i>	Each loan funds an individual project	May fund a combination of projects	May fund a combination of projects	May fund a combination of projects
<i>Subject to Build America, Buy America?</i>	SPWF: No	Yes	No	No
	CWSRF: Potentially			



## Methods of Financing

- OLWS may finance projects through state or federal loans, commercial bank loans, or publicly-offered bonds (or a combination)
- PFM recommends OLWS pursue a combination of state and federal loans for its forthcoming capital projects
  - State loans (particularly DEQ) provide a competitive interest rate and longer term
  - Federal WIFIA program offers structural benefits (longest possible term and deferred principal/interest options)
  - Potential for more flexibility regarding OLWS audit timing / status
  - Interim financing available from IFA
  - Primary drawback: significant lead time between application and loan closing



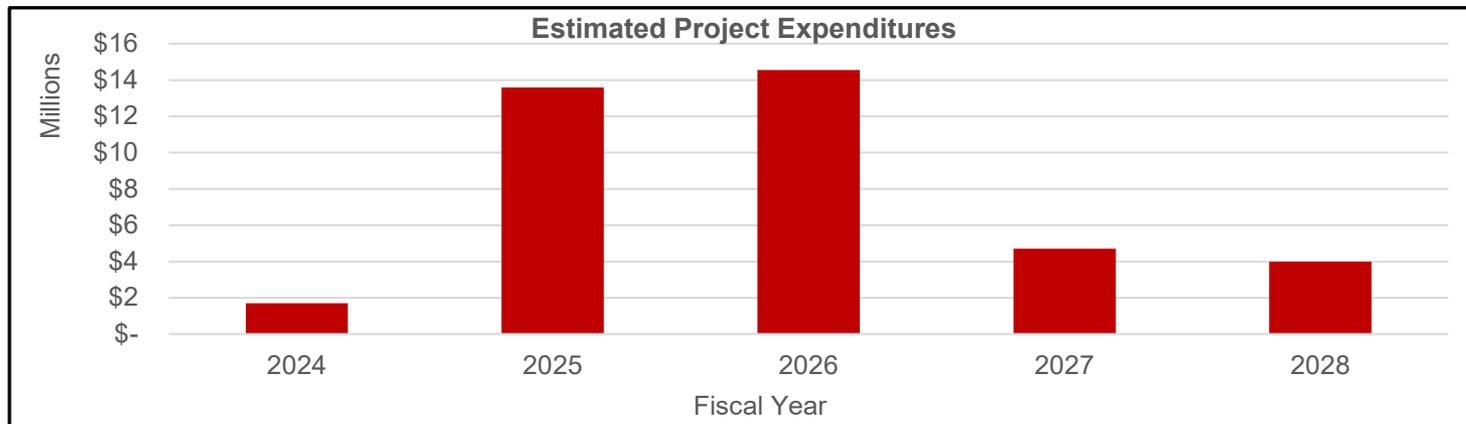
# Upcoming Capital Needs



## Upcoming Wastewater Projects

- OLWS expects to undertake several major projects in the next few years

Project	Approximate Cost	Estimated Timing (FY)
Inflow & Infiltration (I&I) Reduction Projects	\$18 million	2024-2028
Tertiary Filtration	\$14 million	2025-2026
Lift Station Refurbishment	\$3.6 million	2025-2027
Secondary Clarifiers	\$3 million	2025-2026
Total	\$38.6 million	



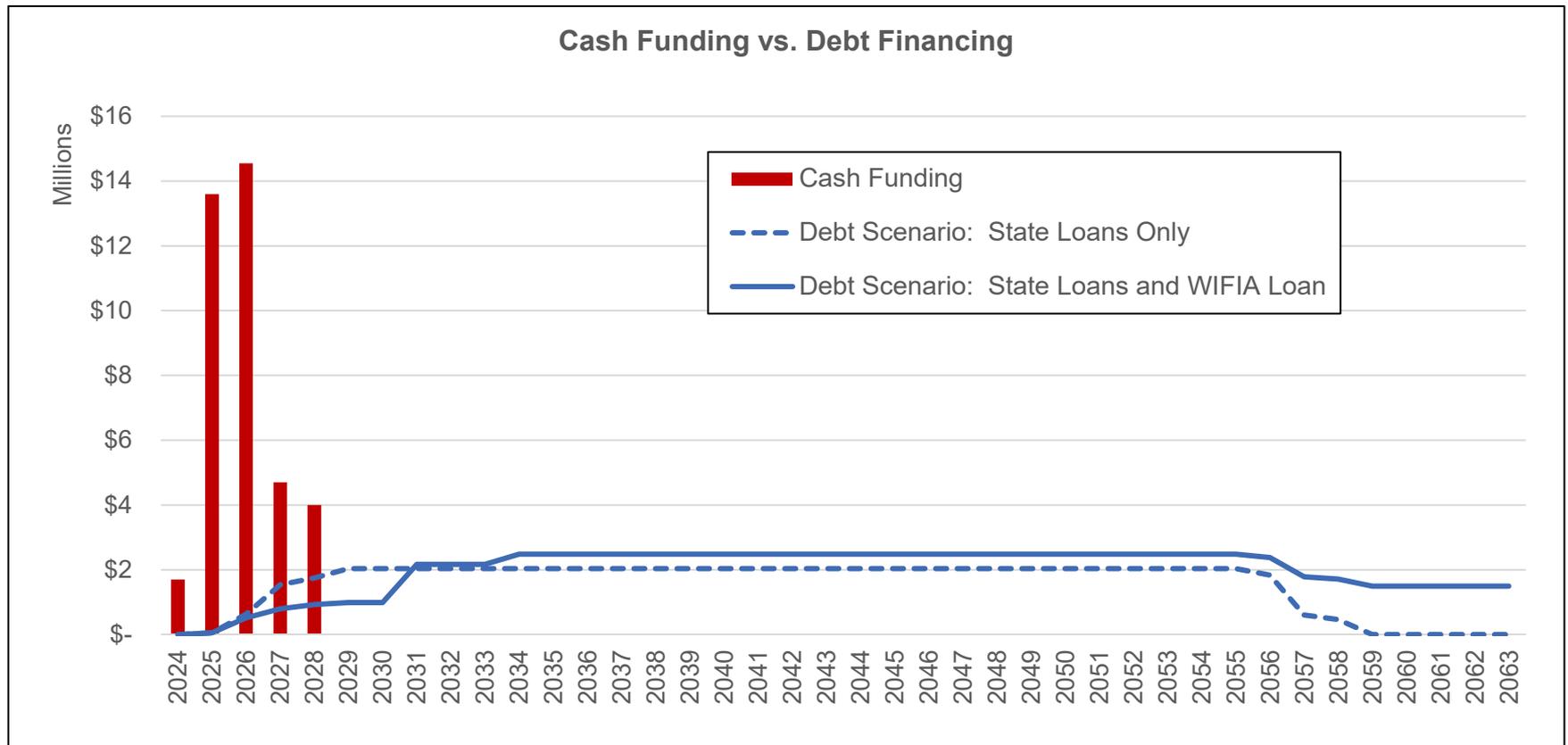
Source: Oak Lodge Water Services

Note: Financing requiring Build America, Buy America (BABA) provisions may increase related project costs by 20-30%.



## Cash vs. Debt

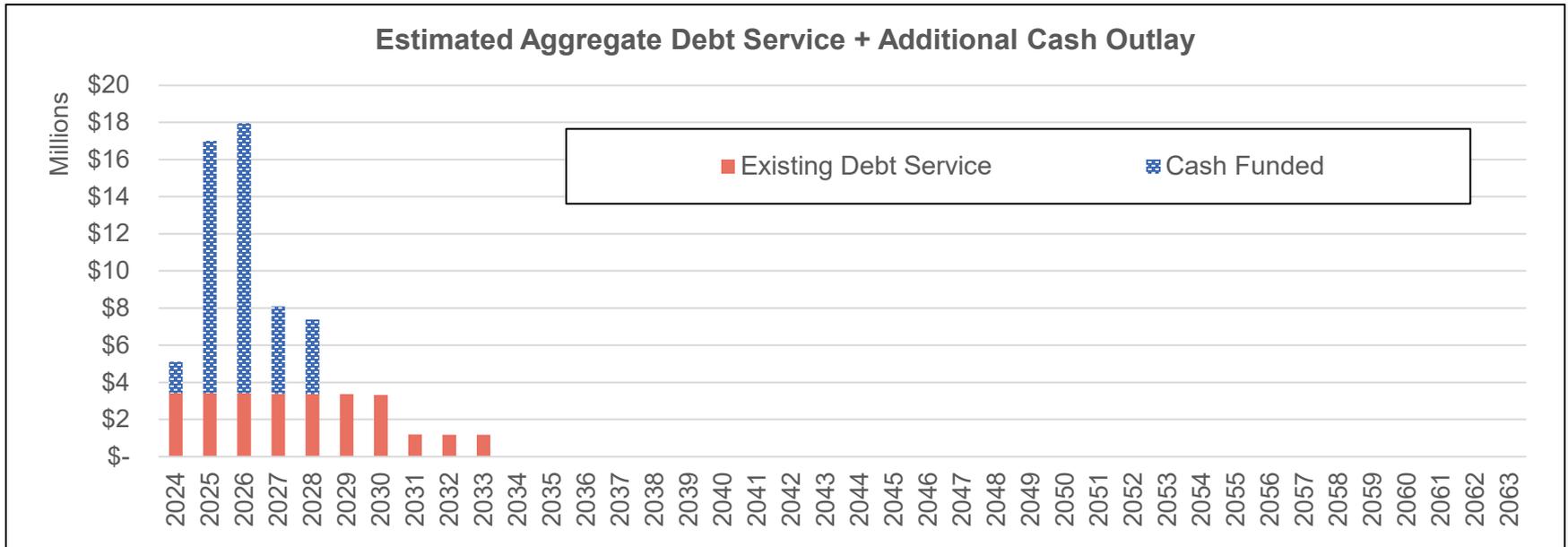
- ◆ Debt financing can help “smooth” the costs of major capital projects and their impact on ratepayers
- ◆ The following pages illustrate two potential debt scenarios, using state and federal loan programs





## Cash/Rates Only

Total amount funded:	\$38.55 million
Total cost:	\$38.55 million
Maximum annual debt service (aggregate):	\$3.42 million*
Final maturity:	2033

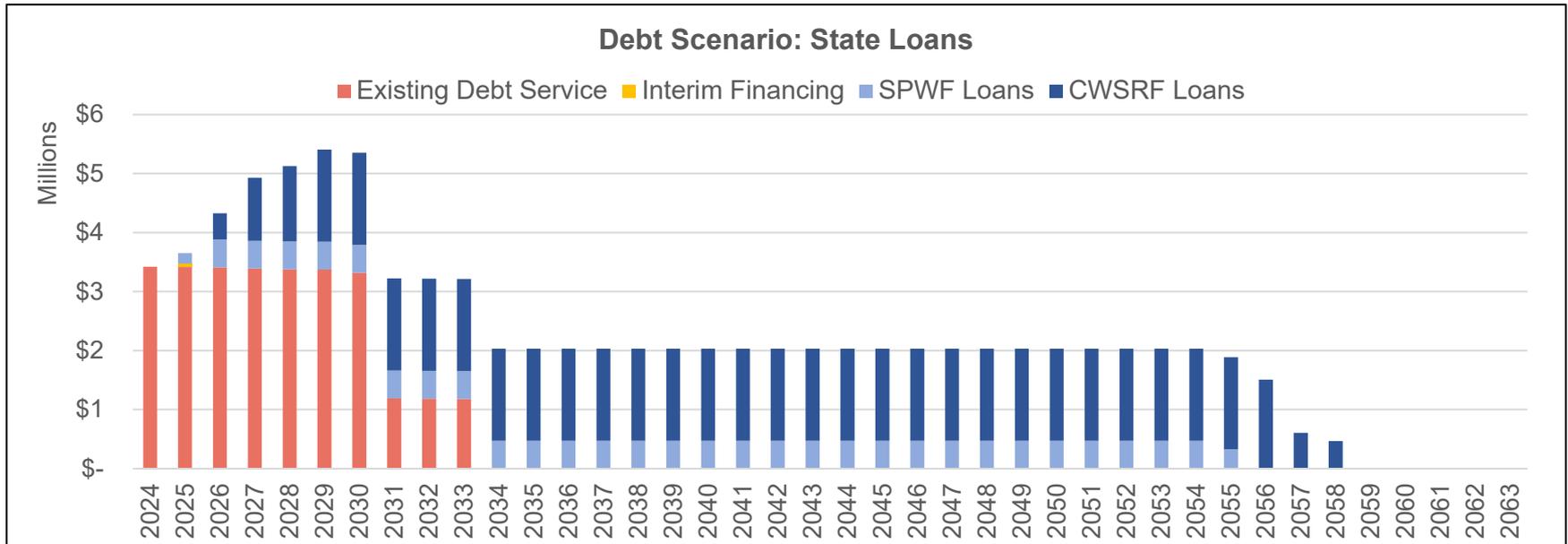


\* Note: Existing debt service only. Aggregate debt service + new capital from rates = \$17.96 million in FY 2026.



## Debt Scenario: State Loans Only

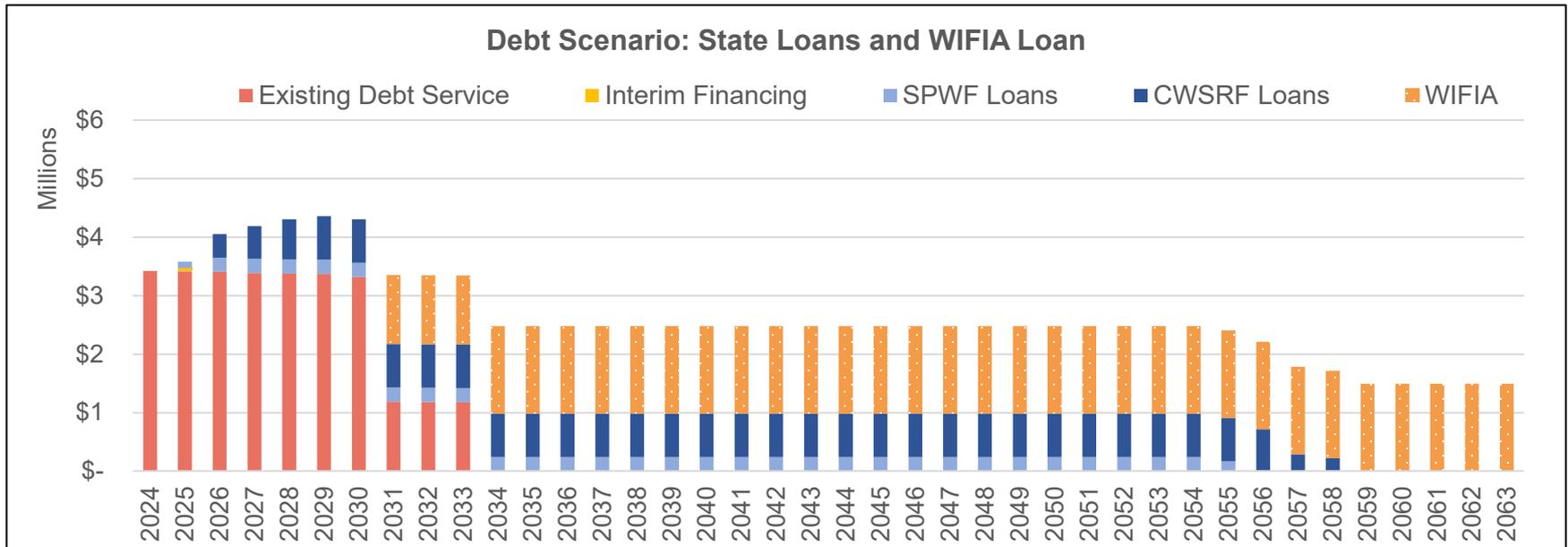
Total amount funded:	\$38.55 million
Total debt service (new loans only):	\$61.8 million
Maximum annual debt service (aggregate):	\$5.41 million
Final maturity:	2058





## Debt Scenario: State Loans and WIFIA Loan

Total amount funded:	\$38.55 million
Total debt service (new loans only):	\$78.64 million
Maximum annual debt service (aggregate):	\$4.36 million
Final maturity:	2063





## Summary Comparison

	Cash (Rates) Only	Debt: State Loans Only	Debt: State Loans & WIFIA Loan
Total amount funded:	\$38.55 million	\$38.55 million	\$38.55 million
Total new debt service / cost:	\$38.55 million	\$61.8 million	\$78.64 million
Maximum annual debt service (aggregate):	\$3.42 million*	\$5.41 million	\$4.36 million
Final maturity (aggregate):	2033	2058	2063

\* Note: Existing debt service only. Aggregate debt service + new capital from rates = \$17.96 million in FY 2026.



## Considerations

- ◆ Scenarios presented herein are “bookends” – debt/cash may be used in a wide variety of combinations
- ◆ Using cash (rates) = lowest aggregate cost, but very high near-term costs
- ◆ Using debt = added costs of interest, but spread out over a long period of time
- ◆ WIFIA program allows borrowers to defer / extend payments even further, but with added compliance requirements (BABA) and related costs
- ◆ State and federal loans require application processes (fallback options: bank financing and/or public bond sales)
- ◆ Required debt service reserve fund(s) may restrict existing cash and/or increase the size of a financing

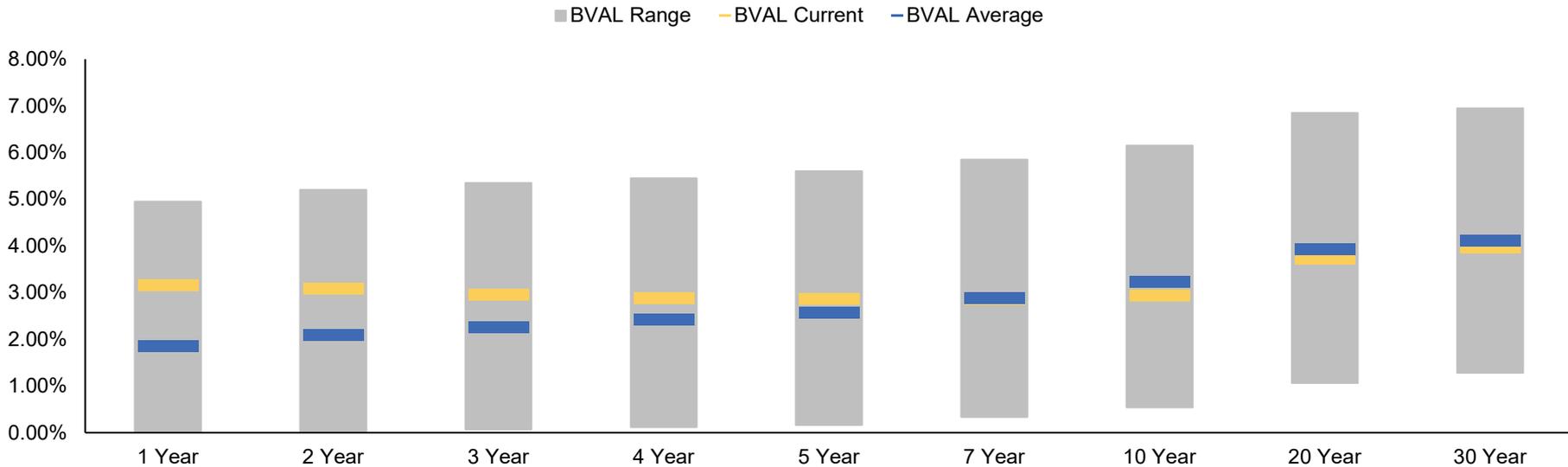


# **Appendix – Market Update**



# Historical Tax-Exempt Rates

AAA BVAL Rate Position  
(30-Year History)



Statistic	1 Year	2 Year	3 Year	4 Year	5 Year	7 Year	10 Year	15 Year	20 Year	25 Year	30 Year
<b>11/24/2023</b>	<b>3.15%</b>	<b>3.08%</b>	<b>2.95%</b>	<b>2.88%</b>	<b>2.85%</b>	<b>2.85%</b>	<b>2.94%</b>	<b>3.48%</b>	<b>3.72%</b>	<b>3.89%</b>	<b>3.96%</b>
<b>Average</b>	<b>1.85%</b>	<b>2.08%</b>	<b>2.26%</b>	<b>2.42%</b>	<b>2.57%</b>	<b>2.87%</b>	<b>3.23%</b>	<b>3.67%</b>	<b>3.92%</b>	<b>4.06%</b>	<b>4.11%</b>
Spread to Avg.	1.30%	1.00%	0.70%	0.47%	0.28%	(0.02%)	(0.29%)	(0.19%)	(0.20%)	(0.16%)	(0.15%)
Minimum	0.01%	0.03%	0.07%	0.12%	0.16%	0.34%	0.54%	0.88%	1.06%	1.22%	1.28%
Spread to Min.	3.14%	3.05%	2.88%	2.76%	2.69%	2.51%	2.40%	2.60%	2.66%	2.68%	2.68%
Maximum	4.95%	5.20%	5.35%	5.45%	5.60%	5.85%	6.15%	6.65%	6.85%	6.90%	6.95%
Spread to Max.	(1.80%)	(2.12%)	(2.40%)	(2.57%)	(2.75%)	(3.00%)	(3.21%)	(3.17%)	(3.13%)	(3.01%)	(2.99%)
Percent of Market Days Lower	70.59%	66.70%	63.99%	59.72%	56.72%	49.65%	43.99%	44.09%	40.83%	39.62%	39.54%

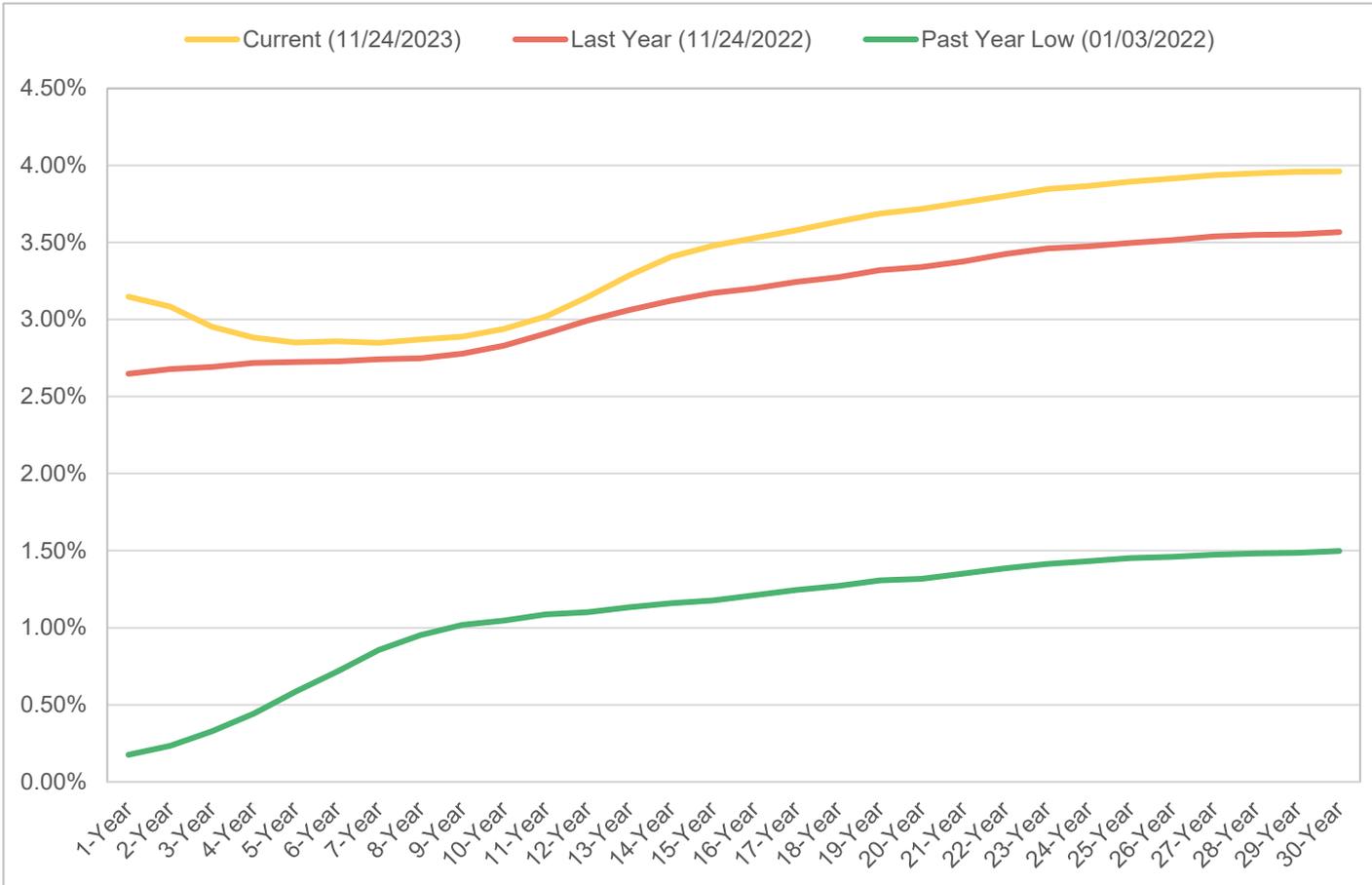
Source: Bloomberg

\* Historical Data is MMD Data prior to 01/01/2011 and is BVAL from 01/01/2011 to present



# Recent Tax-Exempt Yield Curve Movement

## AAA BVAL Yield Curve Movement



Maturity	Δ Since 11/24/2022	Δ Since 01/03/2022
1-Year	0.50%	2.97%
2-Year	0.40%	2.85%
3-Year	0.26%	2.62%
4-Year	0.16%	2.44%
5-Year	0.13%	2.27%
6-Year	0.13%	2.14%
7-Year	0.11%	1.99%
8-Year	0.12%	1.92%
9-Year	0.11%	1.87%
10-Year	0.11%	1.89%
11-Year	0.11%	1.93%
12-Year	0.15%	2.04%
13-Year	0.23%	2.15%
14-Year	0.28%	2.25%
15-Year	0.31%	2.30%
16-Year	0.33%	2.32%
17-Year	0.34%	2.33%
18-Year	0.36%	2.36%
19-Year	0.37%	2.38%
20-Year	0.38%	2.40%
21-Year	0.38%	2.41%
22-Year	0.38%	2.42%
23-Year	0.39%	2.43%
24-Year	0.39%	2.43%
25-Year	0.40%	2.44%
26-Year	0.40%	2.45%
27-Year	0.40%	2.46%
28-Year	0.40%	2.47%
29-Year	0.41%	2.47%
30-Year	0.39%	2.46%

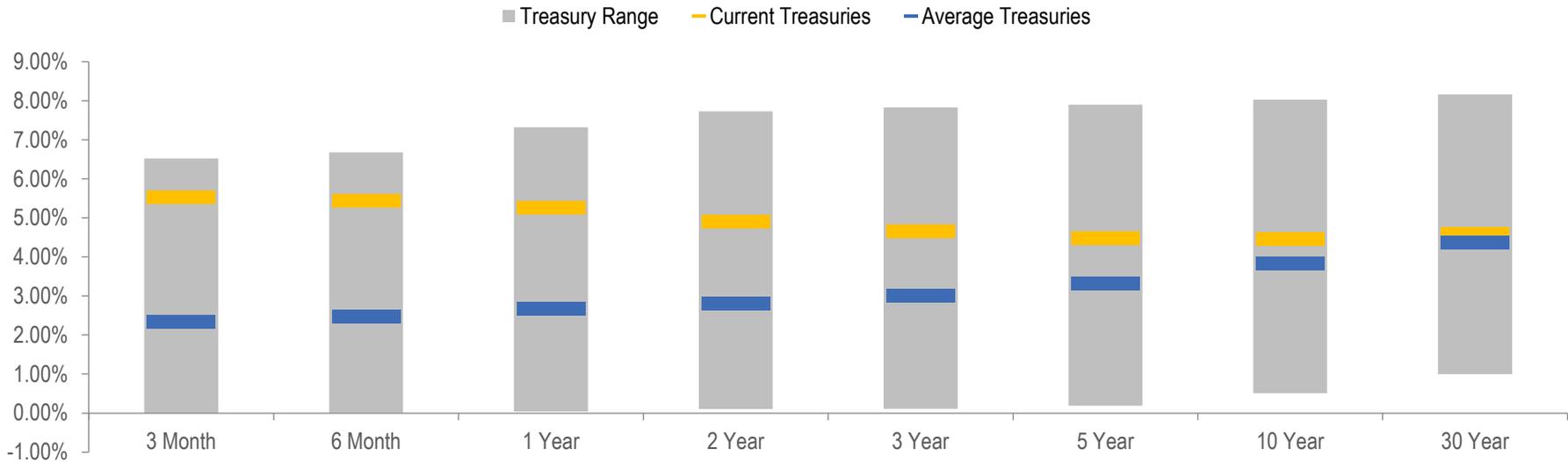
Source: Bloomberg

\* Historical Data is MMD Data prior to 01/01/2011 and is BVAL from 01/01/2011 to present



# Historical U.S. Treasury Position

U.S. Treasury Rate Position  
(30-Year History)



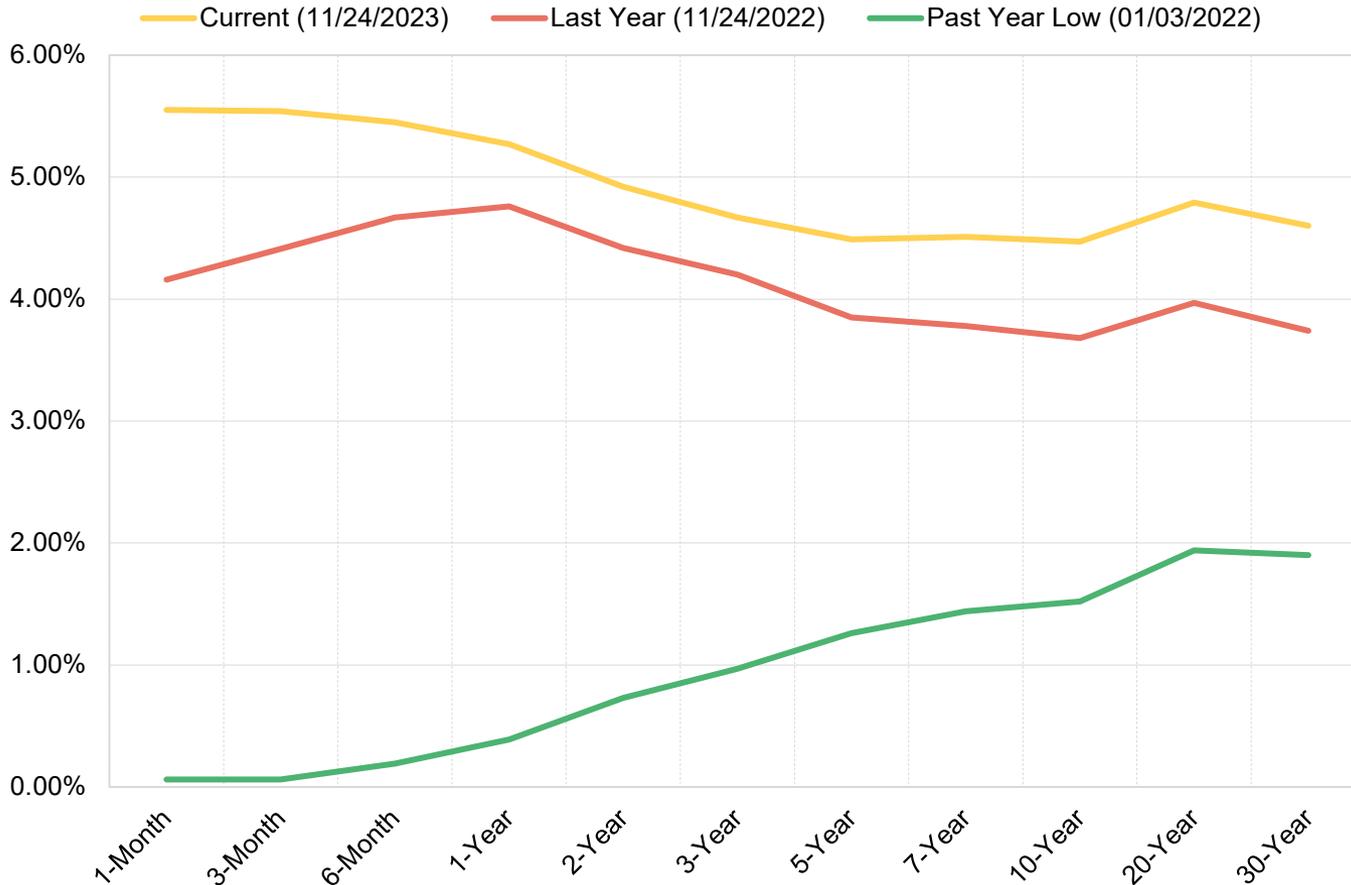
Statistic	3 Month	6 Month	1 Year	2 Year	3 Year	5 Year	10 Year	30 Year
<b>11/24/2023</b>	<b>5.54%</b>	<b>5.45%</b>	<b>5.27%</b>	<b>4.92%</b>	<b>4.67%</b>	<b>4.49%</b>	<b>4.47%</b>	<b>4.60%</b>
<b>Average</b>	<b>2.35%</b>	<b>2.48%</b>	<b>2.68%</b>	<b>2.82%</b>	<b>3.02%</b>	<b>3.33%</b>	<b>3.84%</b>	<b>4.37%</b>
Spread to Avg.	3.19%	2.97%	2.59%	2.10%	1.65%	1.16%	0.63%	0.23%
Minimum	-0.09%	0.00%	0.04%	0.10%	0.11%	0.19%	0.51%	1.00%
Spread to Min.	5.63%	5.45%	5.23%	4.82%	4.56%	4.30%	3.96%	3.60%
Maximum	6.44%	6.68%	7.32%	7.73%	7.83%	7.90%	8.03%	8.16%
Spread to Max.	-0.89%	-1.23%	-2.05%	-2.81%	-3.16%	-3.41%	-3.56%	-3.56%
Percent of Market Days Lower	93.47%	89.70%	81.65%	76.81%	73.47%	68.87%	63.63%	53.57%

Source: Bloomberg



# Recent U.S. Treasury Yield Curve Movement

U.S. Treasury Yield Curve Movement

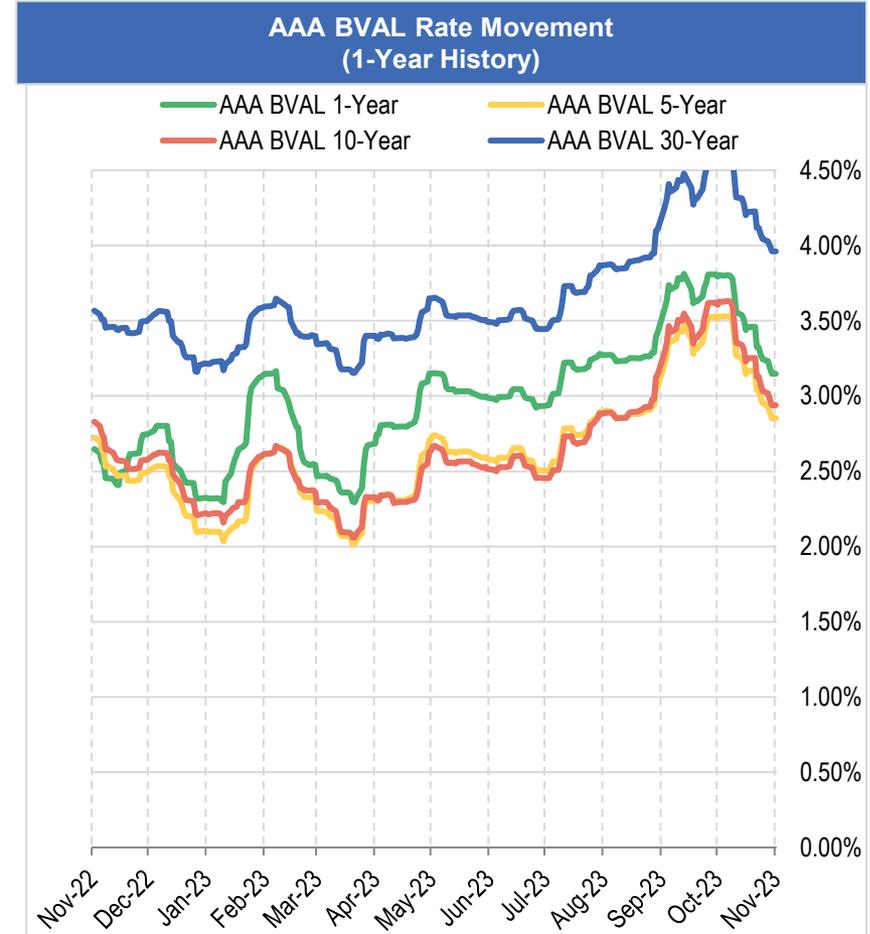
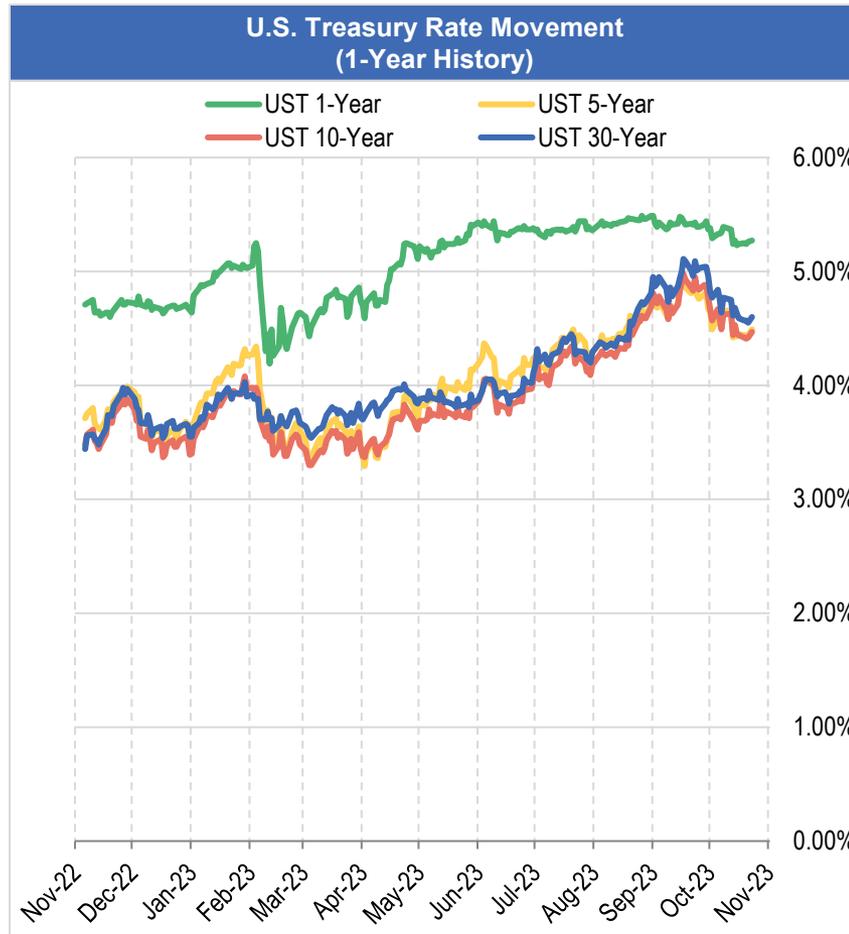


Maturity	Δ Since 11/24/2022	Δ Since 01/03/2022
1-Month	1.39%	5.49%
3-Month	1.13%	5.48%
6-Month	0.78%	5.26%
1-Year	0.51%	4.88%
2-Year	0.50%	4.19%
3-Year	0.47%	3.70%
5-Year	0.64%	3.23%
7-Year	0.73%	3.07%
10-Year	0.79%	2.95%
20-Year	0.82%	2.85%
30-Year	0.86%	2.70%

Source: Bloomberg



## U.S. Treasury & Tax-Exempt Rate Movement



Source: Bloomberg

\* Historical Data is MMD Data prior to 01/01/2011 and is BVAL from 01/01/2011 to present

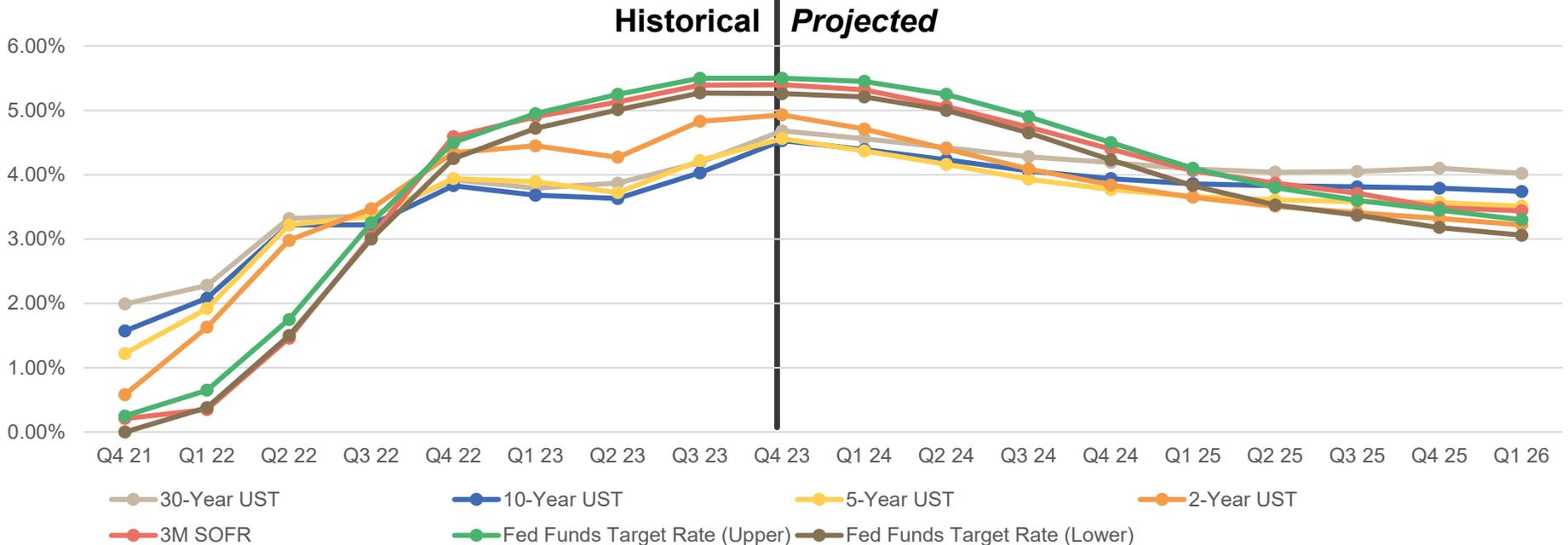


# Historical and Forecasted Interest Rates

The charts below show consensus forecasts from numerous financial institutions as reported by Bloomberg.

**Bloomberg Bond Yield Forecast**

Average Forecasts	Current	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26
<b>30-Year UST</b>	4.57%	4.68%	4.56%	4.42%	4.28%	4.19%	4.09%	4.04%	4.05%	4.10%	4.02%
<b>10-Year UST</b>	4.44%	4.53%	4.39%	4.23%	4.06%	3.94%	3.86%	3.83%	3.81%	3.79%	3.74%
<b>5-Year UST</b>	4.45%	4.56%	4.37%	4.16%	3.93%	3.77%	3.66%	3.61%	3.58%	3.57%	3.51%
<b>2-Year UST</b>	4.93%	4.93%	4.71%	4.40%	4.09%	3.84%	3.65%	3.51%	3.41%	3.32%	3.22%
<b>3M SOFR</b>	5.39%	5.40%	5.32%	5.06%	4.74%	4.40%	4.06%	3.87%	3.71%	3.49%	3.44%
<b>Fed Funds Target Rate (Upper)</b>	5.50%	5.50%	5.45%	5.25%	4.90%	4.50%	4.10%	3.80%	3.60%	3.45%	3.30%
<b>Fed Funds Target Rate (Lower)</b>	5.25%	5.26%	5.21%	5.00%	4.65%	4.23%	3.83%	3.53%	3.37%	3.18%	3.06%



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## AGENDA ITEM

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<b>Title</b>	Consideration of Borrowing Choices
<b>Item No.</b>	5
<b>Date</b>	December 12, 2023

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## AGENDA ITEM

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<b>Title</b>	Presentation of Outreach Plan and Budget Calendar
<b>Item No.</b>	6
<b>Date</b>	December 12, 2023

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### Attachments

1. Outreach Plan
2. Budget Calendar
3. Budget Timeline

# Budget Outreach Plan

## Summary

Oak Lodge Water Services (OLWS) plays a crucial role in maintaining public health by managing wastewater removal and delivering safe drinking water. However, the aging infrastructure poses challenges, not unique to OLWS, as utilities nationwide grapple with similar issues.

The aging systems, over 60 years old, require repairs to prevent future costly issues. Research indicates significant repairs are needed, with a focus on building a tertiary filtration facility at the Wastewater Treatment Plant and addressing inflow and infiltration in the wastewater collections system.

Failure to make these repairs could lead to non-compliance with state laws and subsequent fines. The organization acknowledges the difficulty of discussing rate increases but emphasizes the commitment to finding fiscally responsible solutions to maintain reliable services. The Board of Directors and Budget Committee, comprised of community volunteers, have worked diligently on a cost-effective budget to balance the impact on customers' finances.

OLWS recognizes the importance of customer involvement in shaping the budget process. Customer engagement is invaluable in maintaining a water service that aligns with community values. Together, we can work towards a sustainable and cost-effective budget that prioritizes reliable water services for everyone.

## Outreach Strategy

### Objective

To effectively communicate with the community about OLWS's infrastructure challenges, the need for repairs, and the importance of community involvement in sustaining reliable water services.

# Budget Outreach Plan

## Stakeholders

- OLWS Residential customers
- OLWS Business customers
- OLWS staff
- OLWS elected officials
- Community Partners, including Jennings Lodge Community Planning organization, Oak Grove Community Council, and Historic Downtown Oak Grove.
- Partner agencies, including North Clackamas Water Commission, City of Gladstone, City of Milwaukie, etc.

## Communication Channels

- 1. Outreach Events**
  - a. OLWS Open House on February 15, 2024, from 5pm – 7pm
  - b. OLWS Community Pop-up events
- 2. Out of Home Advertising**
  - a. Yards Signs about meeting and active construction projects
- 3. Newsletter/Email Campaigns**
  - a. Bi-monthly Customer Newsletter
  - b. Bi-monthly Email Customer Newsletter
- 4. Social Media**
  - a. Share engaging and informative posts about the infrastructure challenges and repair projects.
  - b. Share meeting dates.
  - c. Encourage community members to share their thoughts and questions.
- 5. Website**
  - a. Update the Active Projects page with current construction.
  - b. Encourage community members to share their thoughts and questions.
- 6. Press Releases**
  - a. Issue press releases to local media outlets to reach a broader audience. Highlight key milestones, community involvement, and the importance of the projects.

# Budget Outreach Plan

## 7. Educational Materials

- a. Fact sheets
- b. Active Projects Flyer
- c. Update CIP format

## 8. Direct Mail

- a. Send a letter to customers outlining the Budget Committee process and meeting dates.
- b. Include information on how they can get involved and stay informed.

## 9. Partnerships

- a. Collaborate with local community organizations and nonprofits to amplify the message.
- b. Seek endorsements and support from influential community leaders.

## Evaluation

- Monitor community engagement metrics on social media.
- Collect feedback through surveys and community meetings.
- Assess media coverage and public sentiment.

## Outreach & Communication: Calendar, Cost, and Reach

Action	Date	Overview	Budgeted Cost	Customers Reach
Bill Insert: Customer Newsletter	January/February 2024		Included in Finance Budget	9,100
Email: Customer Newsletter	January 29, 2024		\$80 per month and/or \$964 per year for email services from Streamline. Budgeted in 05-03-6350	5,097
OLWS Event: Open House	February 15, 2024, from 5pm - 7pm	Customers can learn about current and upcoming projects as well as ask questions about their bill.	Staff Time	20-50
Customer Letter	February 2024	Outline of Budget Committee Process, Meeting Dates, how	\$7,600 – was not approved in budget request	9,100

# Budget Outreach Plan

		to participate, and provide feedback	05-02-6730. This action will exceed this budget line by \$3,345.	
Bill Insert: Customer Newsletter	March/April 2024		Included in Finance Budget	9,100
Email: Customer Newsletter	March 18, 2024		\$80 per month and/or \$964 per year for email services from Streamline. Budgeted in 05-03-6350	5,097
OLWS Event: Community Pop-up Event	March 23, 2024, from 7:30 AM – 12:00 PM	Customers can learn about current and upcoming projects as well as ask questions about their bill.	\$1,000 – approved in FY24 Budget	120-200
Bill Insert: Customer Newsletter	May/June 2024		Included in Finance Budget	9,100
Email: Customer Newsletter	May 20, 2024		\$80 per month and/or \$964 per year for email services from Streamline. Budgeted in 05-03-6350	5,097
OLWS Event: Community Pop-up event for Public Works Week	May 15, 2024	Celebrate and highlight what's been accomplished by OLWS.	\$1,000 – approved in FY24 Budget	120-200
Water Quality Postcard	May 2024		\$5,400 – approved in FY24 Budget	9,100
Rates Hearing Postcard	May 20, 2024	BMS needs 2-week notice for delivery to customer mailboxes by June 3.	\$5,400 – approved in FY24 Budget	9,100
Bill Insert: Customer Newsletter	July/August 2024		Included in Finance Budget	9,100
Rates Update Letter	July 1, 2024	Customer Mailing with rate increase information. Submit Rate Update Letter to BMS in June.	\$7,600 – pending approval for the FY25 budget.	9,100

# Budget Outreach Plan

Email: Customer Newsletter	July 22, 2024		\$80 per month and/or \$964 per year for email services from Streamline. Budgeted in 05-03-6350	5,097
Community Event: Oak Grove Festival	July 2024		\$1,000 - pending approval for the FY25 budget.	5,000
Community Event: Jennings Lodge Picnic	August 2024	OLWS is a sponsor.	\$200 - pending approval for the FY25 budget.	200

## Budget Summary

Budget for Outreach and Communication cost as listed above:

FY24 (Jan '24 – June '24)	\$21,364
FY25 (July '24 – September '24)	\$8,800

### FY24 Outreach and Communication Budget (05-02-6730)

- FY24 Requested – \$82,950
- FY24 Adopted – \$38,100
- FY24 Spent/Encumbered as of November 13, 2023 – \$33,845

OLWS will need an additional \$3,345 in 05-02-6730 to complete an All-Customer Mailing in February 2024 about the upcoming Budget Committee meetings.



## FISCAL YEAR 2024-2025 BUDGET CALENDAR

- |                          |   |
|--------------------------|---|
| Tuesday, March 5, 2024   | Budget Committee Meeting <ul style="list-style-type: none"><li>• Administrative Tasks</li><li>• Presentation of Capital Improvement Plan</li></ul>                    |
| Tuesday, March 12, 2024  | Budget Committee Meeting <ul style="list-style-type: none"><li>• Presentation of Proposed Budget</li><li>• Public Hearing</li><li>• Committee Deliberations</li></ul> |
| Tuesday, April 2, 2024   | Budget Committee Meeting <ul style="list-style-type: none"><li>• Committee Deliberations</li></ul>  |
| Thursday, April 12, 2024 | Budget Committee Meeting <ul style="list-style-type: none"><li>• Committee Deliberations</li><li>• Budget Approval</li></ul>  |
| Tuesday, May 21, 2023    | Board of Directors Meeting <ul style="list-style-type: none"><li>• Budget Adoption</li></ul>  |

All meetings will be hybrid, in-person and online, beginning at 6:00 p.m. unless otherwise stated.

In-person at Oak Lodge Water Services  
14496 SE River Rd,  
Oak Grove, OR 97267

Online link will be published one week prior to the meeting.

**DRAFT UNTIL ADOPTED**

# BUDGET TIMELINE

2024

## Color Key

- Meetings
- Noticing
- Communications
- Outreach Events
- Other Information

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1/1 – Bill Insert: January/February Customer Newsletter

1/29 – Email: January/February Customer Newsletter

2/15 – OLWS Open House from 5pm – 7pm

TBD – All Customer Letter with information about the Budget Committee meetings (send City of Gladstone OLWS customer letter)

2/16 – Budget Committee Meetings Master Notice Submitted to Oregonian

2/21 – Budget Committee Meetings Master Notice Published in Oregonian and on OLWS Website

2/28 – March 5 Individual Budget Committee Meeting Notice and Packet Published on OLWS Website

3/1 – Bill Insert: March/April Customer Newsletter

3/5 – Budget Committee Meeting (Capital Only)

3/6 – March 12 Individual Budget Committee Meeting Notice and Packet Published on OLWS Website

3/12 – Budget Committee Meeting

3/18 – Email: March/April Customer Newsletter

3/13 – March 19 Meeting Notice and Packet Published on OLWS Website

3/19 – Board of Directors Meeting

3/23 – OLWS Community Pop-up Event at Awakening Coffee from 7:30 AM – 12:00 PM.

3/28 – North Clackamas County Water Commission Meeting

3/27 – April 2 Individual Budget Committee Meeting Notice and Packet Published on OLWS Website

4/2 – Budget Committee Meeting

4/3 – April 9 Individual BC Meeting Notice and Packet Published on OLWS Website

4/9 – Budget Committee Meeting

4/10 – April 16 Meeting Notice and Packet Published on OLWS Website

4/16 – Board of Directors Meeting

TBD – Water Quality Report Postcard (send date is flexible, send in the month of May)

5/1 – Bill Insert: May/June Customer Newsletter

5/15 – OLWS Community Pop-up Event for Public Works Week from 7:30 AM – 12:00 PM

5/8 – Notice of Budget Hearing and Financial Summary (LB1) submitted to Oregonian

5/10 – Notice of Budget Hearing and Financial Summary (LB1) published in the Oregonian

5/15 – May 21 Meeting Notice and Packet Published on OLWS Website

5/20 – Email: March/April Customer Newsletter

5/20 – Rates Hearing Postcard to Printer

5/21 – Board of Directors Meeting – BUDGET ADOPTION

6/3 – Hearing Postcard Hits Customer Mailboxes (statute requires delivery within 30-day window)

6/12 – June 18 Meeting Notice and Packet Published on OLWS Website

6/18 – Board of Director Meeting – RATES ADOPTION

7/1 – Bill Insert: July/August Customer Newsletter

7/1 – Rate Update All Customer Mailing

7/22 – Email: July/August Customer Newsletter

7/## – Community Event: Oak Grove Festival

8/## – Community Event: Jennings Lodge Picnic

**OAK LODGE**  
WATER SERVICES  
**AGENDA ITEM**

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<b>Title</b>	Adjourn Meeting
<b>Item No.</b>	7

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**Summary**

If there is no further business to be discussed, the Chair will note the time and adjourn the meeting.