



**BUDGET HEARING & REGULAR MEETING
NORTH CLACKAMAS COUNTY WATER COMMISSION**

**BOARD OF DIRECTORS
JUNE 18, 2026 at 5:30 p.m.**

Join Live In-Person or Online

**14496 SE River Rd.
Oak Grove, OR 97267
<https://us02web.zoom.us/j/83206582105>**

Call-In: (833) 548-0282
Meeting ID: 832 0658 2105
Passcode: 413338

AGENDA

5:30 PM Convene Budget Hearing

- Invite Public Comment on Budget (Approved March 26)
- Directors Comments and Discussion
- Close Public Hearing

Approx. 5:40 PM Regular Meeting of the Board of Directors

- 1. Convene Regular Meeting**
- 2. Approve Agenda**
- 3. Public Comment**
 - 3.1 Public Comment
- 4. Approval of Minutes**
 - 4.1 Approve Minutes from March 26, 2024 Budget Committee and Regular Meeting
- 5. Adoption of Consent Calendar**
 - 5.1 Authorization of Checks for March, April and May 2026
- 6. Board Discussion**
 - 6.1 Adopt FY2026-27 Budget & Authorize Appropriations (Resolution 2026-2)
 - 6.2 Establish FY2026-27 Wholesale Water Rate (Resolution 2026-3)
 - 6.3 Initiate FY 2025-26 Audit
- 7. Monthly Items**
 - 7.1 Financial Reports
 - 7.2 Operations Report
 - 7.3 Manager's Report
 - 7.4 Business from the Board
- 8. Adjourn Regular Meeting**



Adopted Budget

2026 - 2027



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**Approved Budget
Fiscal Year 2026-2027**

Budget Committee Members

Kevin Bailey
Sunrise Water Authority

James Kerr
Sunrise Water Authority

Chris Hawes
Sunrise Water Authority

Michael Morrow
Sunrise Water Authority

Paul Gornick
Oak Lodge Water Services

Ron Weigel
Oak Lodge Water Services

Kevin Williams
Oak Lodge Water Services

Robert Weber
Oak Lodge Water Services

Michael Milch
City of Gladstone

Eric Butler
City of Gladstone

Budget Officer

Angie Wilson, Finance Director
Direct (503) 353-4203

Administrative Office

14496 SE River Road
Milwaukie, OR 97267
Office (503) 654-7765
Fax (503) 653-1973

**North Clackamas County Water Commission
Approved Budget
Fiscal Year 2026-2027**

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**NORTH CLACKAMAS COUNTY WATER COMMISSION
BUDGET CALENDAR
Fiscal Year 2026-2027**

- | | |
|------------------|---|
| January 29, 2026 | - Appoint Budget Officer
- Approve Budget Schedule |
| March 4, 2026 | - Publish 1st notice of Budget Committee Meeting |
| March 18, 2026 | - Publish 2nd notice of Budget Committee Meeting
(5-30 days prior) |
| March 20, 2026 | - Proposed budget sent to Budget Committee |
| March 26, 2026 | - Appoint Budget Committee
- Budget Committee Meeting |
| April 23, 2026 | - Budget Committee Meeting (if necessary) |
| June 10, 2026 | - Publish Notice and Summary of Budget Adoption hearing |
| June 18, 2026 | - Budget Adoption |

ADMINISTRATIVE OFFICE
14496 SE River Road
Milwaukie, OR 97267
Tel. (503) 654-7765
Fax (503) 653-1973

TREATMENT PLANT
14275 S. Clackamas River Dr.
Oregon City, OR 97045
Tel. (503) 723-3505
Fax (503) 723-350

March 26, 2026

North Clackamas County Water Commission Budget Committee Members:

Thank you for taking the time to participate in the budget process for the North Clackamas County Water Commission (NCCWC). We are pleased to present the NCCWC's proposed budget for fiscal year 2026-2027 for your consideration and approval.

At the center of our operations, there is a highly experienced professional team of plant operators and technical staff, along with management. The staff is very proud of its continuous record in meeting all State and Federal regulatory compliance standards. To this end, the NCCWC remains in sound financial condition. The General Fund continues to be strategically managed to balance operational costs with responsible rate adjustments in support of ongoing operations. The Plant Reserve Fund also continues to accumulate important reserves designed to ensure long-term infrastructure sustainability. Notwithstanding, the treatment plant is now more than 25 years old and needs repair and replacement of its key mechanical, electrical and chemical systems.

In this fiscal year, the General Fund budget is projected to be \$6.32 million. This total includes an operating budget of \$2.89 million for personnel and material & services, along with \$1.50 million in wholesale water purchases from Clackamas River Water. The projected increase in operating expenditure for this next year is less than 1% over the prior period. This small increase is reflective of a 5.6% reduction in Personnel cost and only a 2.5% increase in Material & Services. The General Fund also includes Other Expenditures totaling \$1.3 million, composed of \$800 thousand in Transfers to the Plant Reserve Fund, a \$500 thousand in Contingency (set at 17.3% of operating expense). This brings the total anticipated expenditure to \$5.68 million, yielding an ending fund balance of just over \$647 thousand.

These expenditures are, in turn, balanced by an estimate in direct water sales of \$3.75 million (from plant production) along with the resale (or pass through) of the wholesale water purchases from CRW of \$1.50 million. These revenues are additionally supported by a beginning fund balance and interest of \$881 thousand.

By design, capital funding is executed in the Plant Reserve Fund. Over the next couple of years, plans are to spend significant reserves is rebuilding the plant. Part of this includes more than \$1.5 million going into new mechanical, electrical and chemical equipment. In addition, there is \$1.25 million in possible membrane replacements, \$700 thousand in new sand media, and \$250 thousand in a new HVAC system. There is also \$50 thousand to complete security system upgrades, \$100 thousand to begin cathodic protection of the old raw water pipeline, and \$25 thousand to complete the required water rights planning (under an updated Water Management & Conservation Plan). A detailed list of the planned capital projects is outlined in the appendix of this document. This fund also includes \$1 million in Contingency, bringing the planned requirements to more than \$4.875 million.

Our continued financial performance requires strict adherence to the fiscal policies implemented by the Board of Directors and the staff's continued diligence in operating and maintaining the treatment plant in an effective and efficient manner. Those same fundamentals continue to guide the budgeting process

each year. Herein, we again look to present a fiscally responsible budget to the Board of Directors and the citizens of the communities we serve.

As we move ahead, we wanted to thank each of you for taking time out of your busy schedules to assist in the budget process and for your dedication to the North Clackamas County Water Commission.

Respectfully submitted,

Wade Hathorn
General Manager

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**North Clackamas County Water Commission
Proposed Budget FY 2026-2027**

Actual 2023-24	Actual 2024-2025	Adopted Budget 2025-2026	Fund - Acct	DESCRIPTION	Proposed Budget 2026-2027	Approved Budget 2026-2027	Adopted Budget 2026-2027
10 GENERAL FUND							
1,760,504	1,464,408	1,037,559	3000	Beginning Fund Balance	1,018,843	1,018,843	861,343
58,318	26,719	18,000	4010	Interest	12,000	12,000	12,000
3,117,116	3,331,322	3,504,000	4020	Water Sales	3,753,000	3,753,000	3,593,640
1,102,520	1,176,541	1,238,000	-01	OLWD 1,350,000 (ccf)	1,353,000	1,353,000	1,305,720
584,473	638,067	653,000	-02	City Gladstone 650,000 (ccf)	713,000	713,000	628,680
1,413,322	1,497,250	1,598,000	-03	SWA 1,700,000 (ccf)	1,672,000	1,672,000	1,644,240
16,801	19,464	15,000	-09	Clackamas River Water	15,000	15,000	15,000
1,870,206	1,415,528	1,496,000	4025	Wholesale Water Sales	1,500,000	1,500,000	1,500,000
38,122	31,319	87,000	4060	Miscellaneous	50,000	50,000	50,000
-	-	-	4100	TRANSFERS IN	-	-	-
-	-	-	-17	Revenue Bond Debt Service Reserve	-	-	-
-	-	-	-19	Revenue Bond Redemption Fund	-	-	-
\$ 6,844,266	\$ 6,269,296	\$ 6,142,559		TOTAL RESOURCES	\$ 6,333,843	\$ 6,333,843	\$ 6,016,983
10 GENERAL FUND (continued)							
10 PERSONNEL SERVICES:							
348,469	321,868	439,000	5000	Plant Operators	440,000	440,000	440,000
48,922	77,195	69,000	5005	Overtime/On Call	60,000	60,000	60,000
-	-	-	5030	Seasonal/Temporary	-	-	-
-	1,192	22,000	5045	Apprenticeship	24,000	24,000	24,000
112,700	78,788	143,000	5050	Medical, Dental, Vision	120,000	120,000	120,000
96,380	51,680	133,000	5060	Retirement	110,000	110,000	110,000
32,316	33,947	45,000	5070	Payroll Taxes	50,000	50,000	50,000
9,008	7,058	8,000	5080	Workers' Compensation Ins.	7,000	7,000	7,000
\$ 647,795	\$ 571,728	\$ 859,000		TOTAL PERSONNEL SERVICES	\$ 811,000	\$ 811,000	\$ 811,000
10 MATERIALS AND SERVICES:							
1,745,654	1,415,528	1,496,000	5204	Wholesale Water Purchases	1,500,000	1,500,000	1,500,000
137,746	347,082	372,000	5206	Contracted Services	338,000	338,000	338,000
39,862	51,173	54,000	-10	Management	56,000	56,000	56,000
-	155,711	150,000	-11	Operations Services(includes NW Natural)	100,000	100,000	100,000
29,325	37,645	40,000	-12	Plant Engineer	42,000	42,000	42,000
51,575	84,890	110,000	-13	Financial	120,000	120,000	120,000
16,984	17,663	18,000	-16	HVAC Maintenance	20,000	20,000	20,000
2,554	8,425	5,000	5208	General Office Supplies/Postage	5,000	5,000	5,000
14,888	18,309	18,000	5210	Permits/Licensing Fees	18,000	18,000	18,000
81,188	100,196	104,000	5212	Insurance - General	110,000	110,000	110,000
13,754	24,132	60,000	5215	Computers/Technology	25,000	25,000	25,000
206,104	284,506	328,000	5230	Professional Services	389,000	389,000	389,000
34,520	49,320	61,000	-04	Audit	50,000	50,000	50,000
4,018	4,125	15,000	-06	Legal	75,000	75,000	75,000
6,421	62,889	75,000	-08	Engineering / General	75,000	75,000	75,000
161,145	168,172	177,000	-21	Watershed Services	189,000	189,000	189,000
124,922	234,237	170,000	5236	Water Treatment	184,000	184,000	184,000
9,673	7,965	15,000	-10	Water Analysis & Testing	10,000	10,000	10,000
101,263	180,848	130,000	-11	Chemicals	149,000	149,000	149,000
13,986	45,424	25,000	-12	Instrumentation & Lab Supplies	25,000	25,000	25,000

**North Clackamas County Water Commission
Proposed Budget FY 2026-2027**

Actual 2023-24	Actual 2024-2025	Adopted Budget 2025-2026	Fund - Acct	DESCRIPTION	Proposed Budget 2026-2027	Approved Budget 2026-2027	Adopted Budget 2026-2027
10 GENERAL FUND (continued)							
10 MATERIALS AND SERVICES: (continued)							
7,307	9,756	18,000	5238	Telemetry (SCADA)	25,000	25,000	25,000
586,559	653,735	689,000	5240	Electricity	700,000	700,000	700,000
13,080	20,471	20,000	5244	Education/Training/Dues	20,000	20,000	20,000
9,610	9,425	8,000	5245	Telephone	8,000	8,000	8,000
849	(43)	1,500	5246	Travel/Mileage	1,500	1,500	1,500
297	-	500	5247	Books and Publications	500	500	500
1,337	493	1,000	5248	Public notices	1,500	1,500	1,500
2,801	4,662	4,000	5250	Other Utilities	4,000	4,000	4,000
2,133	2,272	2,000	-10	Natural Gas	2,500	2,500	2,500
668	2,390	2,000	-20	Garbage	1,500	1,500	1,500
3,368	1,060	5,000	5252	Miscellaneous	5,000	5,000	5,000
-	-	-	5256	Commissioner Expenses	100	100	100
12,723	41,452	23,000	5300	Vehicle Equipment Maintenance	38,000	38,000	38,000
5,132	1,817	5,000	-10	Vehicle Maintenance	5,000	5,000	5,000
5,104	2,702	5,000	-20	Fuels/Oils	5,000	5,000	5,000
-	2,701	3,000	-30	Equipment Rental	3,000	3,000	3,000
2,487	34,232	10,000	-40	Equipment Maintenance	25,000	25,000	25,000
116,955	125,177	154,000	5305	Building & Grounds Maintenance	192,500	192,500	192,500
765	2,941	25,000	-10	Building Maintenance	25,000	25,000	25,000
10,890	13,385	10,000	-11	Grounds Maintenance	20,000	20,000	20,000
566	800	2,000	-13	Janitorial Supply	2,500	2,500	2,500
1,113	1,628	5,000	-14	Security Monitoring/Maintenance	5,000	5,000	5,000
87,049	87,606	75,000	-15	Plant Maintenance	100,000	100,000	100,000
-	-	2,000	-16	Intake Structure Maintenance	5,000	5,000	5,000
10,028	5,557	20,000	-17	Membrane Maintenance	20,000	20,000	20,000
6,544	13,260	15,000	-20	Safety Supplies	15,000	15,000	15,000
367	655	10,000	5310	Small Tools & Equipment	10,000	10,000	10,000
\$ 3,082,063	\$ 3,299,258	\$ 3,487,000		TOTAL MATERIAL & SERVICES	\$ 3,575,100	\$ 3,575,100	\$ 3,575,100
\$ 3,729,858	\$ 3,870,986	\$ 4,346,000		TOTAL OPERATING EXPENDITURES	\$ 4,386,100	\$ 4,386,100	\$ 4,386,100
10 OTHER REQUIREMENTS							
150,000	150,000	300,000	6900	Special Payments	-	-	-
150,000	150,000	300,000	-00	PERS Side Account Contribution	-	-	-
1,500,000	1,200,000	750,000	7300	TRANSFERS OUT	800,000	800,000	800,000
1,500,000	1,200,000	750,000	-13	Plant Reserve	800,000	800,000	800,000
-	-	-	-19	Revenue Bond Debt Redemption	-	-	-
-	-	500,000	9000	Fund Contingency	500,000	500,000	500,000
				TOTAL OTHER EXPENDITURES	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000
\$ 1,650,000	\$ 1,350,000	\$ 1,550,000		TOTAL APPROPRIATIONS	\$ 5,686,100	\$ 5,686,100	\$ 5,686,100
\$ 1,464,408	\$ 1,048,310	\$ 246,559		UNAPPROPRIATED FUND BALANCE	\$ 647,743	\$ 647,743	\$ 330,883
\$ 6,844,267	\$ 6,269,296	\$ 6,142,559		TOTAL REQUIREMENTS	\$ 6,333,843	\$ 6,333,843	\$ 6,016,983

**North Clackamas County Water Commission
Proposed Budget FY 2026-2027**

Actual 2023-24	Actual 2024-2025	Adopted Budget 2025-2026	Fund - Acct	DESCRIPTION	Proposed Budget 2026-2027	Approved Budget 2026-2027	Adopted Budget 2026-2027
13 PLANT RESERVE FUND							
5,186,223	5,537,971	6,156,884	3000	Beginning Fund Balance	7,333,424	7,333,424	6,883,424
259,920	277,895	162,000	4010	Interest	50,000	50,000	50,000
-	-	-	4060	Miscellaneous Income	-	-	-
1,500,000	1,200,000	750,000	4100	TRANSFERS IN	800,000	800,000	800,000
1,500,000	1,200,000	750,000	-10	General Fund	800,000	800,000	800,000
\$ 6,946,143	\$ 7,015,866	\$ 7,068,884		TOTAL RESOURCES	\$ 8,183,424	\$ 8,183,424	\$ 7,733,424
1,408,172	312,752	1,160,000	7000	CAPITAL OUTLAY	3,875,000	3,875,000	3,875,000
-	44,668	50,000	-10	Computers/SCADA/Technology	-	-	-
88,409	183,645	630,000	-20	Equipment	1,500,000	1,500,000	1,500,000
1,303,589	-	-	-30	Sand	700,000	700,000	700,000
-	84,439	100,000	-40	Membranes	1,250,000	1,250,000	1,250,000
-	-	200,000	-50	Buildings	300,000	300,000	300,000
16,174	-	180,000	-60	Other	125,000	125,000	125,000
-	-	500,000	9000	Fund Contingency	1,000,000	1,000,000	1,000,000
1,408,172	312,752	1,660,000		TOTAL CAPITAL OUTLAY & OTHER EXP.	4,875,000	4,875,000	4,875,000
1,408,172	312,752	1,660,000		TOTAL APPROPRIATIONS	4,875,000	4,875,000	4,875,000
\$ 5,537,971	\$ 6,703,114	\$ 5,408,884		PLANT RESERVE BALANCE	\$ 3,308,424	\$ 3,308,424	\$ 2,858,424
\$ 6,946,143	\$ 7,015,866	\$ 7,068,884		TOTAL REQUIREMENTS	\$ 8,183,424	\$ 8,183,424	\$ 7,733,424

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**North Clackamas County Water Commission
All Fund Summary
Fiscal Year 2026-2027**

Funds	10 General Fund	13 Plant Reserve	Totals
Resources			
Beginning Balance	861,343	6,883,424	\$ 7,744,767
Interest	12,000	50,000	\$ 62,000
Water Sales	5,093,640	-	\$ 5,093,640
Miscellaneous	50,000	-	\$ 50,000
Transfers	-	800,000	\$ 800,000
Total Resources	\$ 6,016,983	\$ 7,733,424	\$ 13,750,407
Expenditures			
Personnel Services	811,000	-	\$ 811,000
Material & Services	3,575,100	-	\$ 3,575,100
Capital Outlay	-	3,875,000	\$ 3,875,000
Debt	-	-	\$ -
Transfers & Contingency	1,300,000	1,000,000	\$ 2,300,000
Unappropriated fund balances	330,883	2,858,424	\$ 3,189,307
Total Requirements	\$ 6,016,983	\$ 7,733,424	\$ 13,750,407

Descriptions - Materials & Services

Account #	Description	Budget
5204	Wholesale Water Purchase	1,500,000
	Cost of purchasing water from other sources in the event that current production cannot meet demands.	
5206	Contracted Services	338,000
	Charges for services contracted for operations and management necessary for water production.	
5208	General Office Expense	5,000
	Supplies, postage, forms, stationery, office reproductions supplies, and other miscellaneous office supplies. Does not include subscriptions, books, and publications.	
5210	Permits/Licensing Fees	18,000
	Cost of permits and licensing fees necessary or required for the production of drinking water. Includes fees paid to DEQ, OHA, and other regulatory entities.	
5212	Insurance	110,000
	Cost of insurance premiums to include but not limited to property, liability, and auto coverage.	
5215	Computers/Technology	25,000
	Costs associated with computer technology including hardware, software, licensing, associated peripherals and accessories.	
5230	Professional Services	389,000
	Covers legal counsel, auditing service, consulting engineering services, source water protection and conservation program.	
5236	Water Treatment	184,000
	Cost of water quality sample analysis including cost of chemicals, lab supplies, instrumentation supplies and equipment necessary for the testing process with a replacement value of less that \$5,000.	
5238	Telemetry	25,000
	Cost of collection and transmission of measurements and other data for monitoring. Includes costs of Supervisory and Data Acquisition (SCADA) system.	
5240	Electricity	700,000
	Electric utility costs associated with production operations and facilities.	
5244	Education/Travel/Training/Dues	20,000
	Costs associated with employee continuing education and training to maintain certification requirements. Includes related travel expenditures and membership in related professional organizations.	

Descriptions - Materials & Services

Account #	Description	Budget
5245	Telephone	8,000
	Cost associated with telephony, including phone, fax, and mobile devices.	
5246	Mileage	1,500
	Reimbursement for the cost of private mileage incurred by an employee when traveling for business purposes.	
5247	Books and Publications	500
	Cost of reference material used in the normal course of business, such as books, magazines, periodicals, leaflets, pamphlets, etc.	
5248	Public Notices	1,500
	Cost of published required public notifications in accordance with public law.	
5250	Other Utilities	4,000
	Cost of fuels and utilities for facilities, such as heat, gas, light, power, water, sewer, garbage, and steam. Excludes cost of electricity used for water production.	
5252	Miscellaneous	5,000
	Cost of incidental expenses arising during the year not classified in other accounts.	
5256	Commissioner Expense	100
	Reimburse of costs to Board Members for associated meeting costs.	
5300	Vehicle and Equipment Maintenance	38,000
	Costs of maintaining vehicle and equipment including fuel, repairs, tires, oil and other cost to maintain in good working condition.	
5305	Building and Grounds	192,500
	Cost of maintaining buildings and grounds, including landscaping services, janitorial, wiring, plumbing, carpentry, painting, etc.	
5310	Small Tools & Equipment	10,000
	Cost of small tools and equipment with a replacement value of less than \$5,000 per item necessary for the performance of work.	
	Total	3,575,100

North Clackamas County Water Commission
2026-2027 Budget - Line Item Detail
 Staff Travel, Training, and Dues
 5244/5246

# Attending	Sponsor	Dates	Registration Fees	Transport Costs	Lodging Expense	Meal Expense	Total Cost
2	AWWA Annual Conference	June	\$ 2,000	\$ 2,000	\$ 2,800	\$ 300	\$ 7,100
1	AWWA Water Quality Conf.	Nov	\$ 1,000	\$ 1,500	\$ 2,500	\$ 150	\$ 5,150
1	Water Works School	June	\$ 700	\$ -	\$ -	\$ 50	\$ 750
	Miscellaneous Seminars		\$ 4,000	\$ -	\$ -	\$ 400	\$ 4,400
2	NWMOA	Misc.	\$ 800	\$ 1,500	\$ 1,000	\$ 300	\$ 3,600
	Mileage			\$ 500			\$ 500
						Total	\$ 21,500

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**North Clackamas County Water Commission
2026-2027 Budget
Capital Outlay**

Fund 13 Capital Outlay Account Number Listing

		Proposed Budget
	7000 CAPITAL OUTLAY	3,875,000
	-10 Computers/SCADA/Technology	-
	-20 Equipment	1,500,000
	-30 Sand	700,000
	-40 Membranes	1,250,000
	-50 Buildings	300,000
	-60 Other	125,000

Capital Project Summary Overview				
Account #	Account Description	Page#	Project Name	Budget
-20	Equipment		Raw and Finished Water Pump Replacements	400,000
-20	Equipment		Electrical System Upgrades	350,000
-20	Equipment		Chemical System Upgrades	500,000
-20	Equipment		Mechanical System Upgrades	250,000
-30	Sand		Slow Sand Filtration - Re-sand Filters #1 and #3 (2nd Half)	700,000
-40	Membranes		Membrane Replacements	1,250,000
-50	Buildings		HVAC Replacement	250,000
-50	Buildings		Property Security System & Cameras Replacement	50,000
-60	Other		Restore Cathodic Protection Equipment on Emergency Pipeline	100,000
-60	Other		Water Management & Conservation Plan	25,000
Subtotal				3,875,000

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**North Clackamas County Water Commission
2026-27 Budget
Capital Outlay Justification**

Item: Raw and Finished Water Pump Upgrades

Cost: \$ 400,000

GL Code: 13.7000.20

Justification: Replace motors for raw water pumps #1 (75 HP) and #3 (75 HP), along with their variable frequency drives (beyond useful life). Add variable frequency drive to finish water pump #3. Also, replace raw water pumps #2 (40 HP) and #4 (40 HP) each with new 75 HP motor with soft starts. Additionally, examine “power quality” and assess need for electrical supply control (i.e. line conditioning) for both finished and raw water pumps. Replace worn and aged control valves on various pumps.



**North Clackamas County Water Commission
2026-27 Budget
Capital Outlay Justification**

Item: Electrical System Upgrades

Cost: \$ 350,000

GL Code: 13.7000.20

Justification: Replace electrical switchgear and related equipment for the raw and finished water pump station. Equipment has reached useful life.



Similar equipment. (Stock photo)

**North Clackamas County Water Commission
2026-27 Budget
Capital Outlay Justification**

Item: Chemical System Upgrades

Cost: \$ 500,000

GL Code: 13.7000.20

Justification: Replace sodium hypochlorite storage tanks and related equipment. Also replace soda ash delivery system, along with 3 main chemical storage and pump “skids”. Possibly add CO2 delivery system.



**North Clackamas County Water Commission
2026-27 Budget
Capital Outlay Justification**

Item: Mechanical System Upgrades

Cost: \$ 250,000

GL Code: 13.7000.20

Justification: Repair surge tank and compressed air equipment, along with various control valves. Some of this work may be scheduled for FY27 but funds are being requested now based on pending contractor availability and compatibility with other equipment replacement projects.



**North Clackamas County Water Commission
2026-27 Budget
Capital Outlay Justification**

Item: Slow Sand Filter Media

Cost: \$ 700,000

GL Code: 13.7000.20

Justification: There are four slow sand filter bays. Scheduled replacement of the sand media for each of these filters began back in 2022. The sand media in each of the four filters were replaced under a staggered schedule where two of the filters were initially replaced with half the required media and the other two with full media two years later. The initial half-full filters (2) now need to be filled.



**North Clackamas County Water Commission
2026-27 Budget
Capital Outlay Justification**

Item: Membrane Replacements

Cost: \$ 1,250,000

GL Code: 13.7000.20

Justification: The existing membrane cartridges have reached their useful life (10 years) and need replaced. Staff have been working to extend the life of this equipment with advanced cleaning and repair, but funds are needed to begin the process of full (or partial) replacement of this filter equipment. There are approximately 350 cartridges per membrane cell and there are currently 4 active cells (a 5th cell is available for planned expansion).



Similar equipment. (Stock photo)

**North Clackamas County Water Commission
2026-27 Budget
Capital Outlay Justification**

Item: HVAC Replacement

Cost: \$ 250,000

GL Code: 13.7000.50

Justification: The HVAC system for the main building (housing the membranes and pump station) has reached its useful life and needs replaced. There are six separate roof mounted units, each serving a specific area within the building. The planned replacements will be supported by a comprehensive system assessment and re-design.



Similar equipment. (Stock photo)

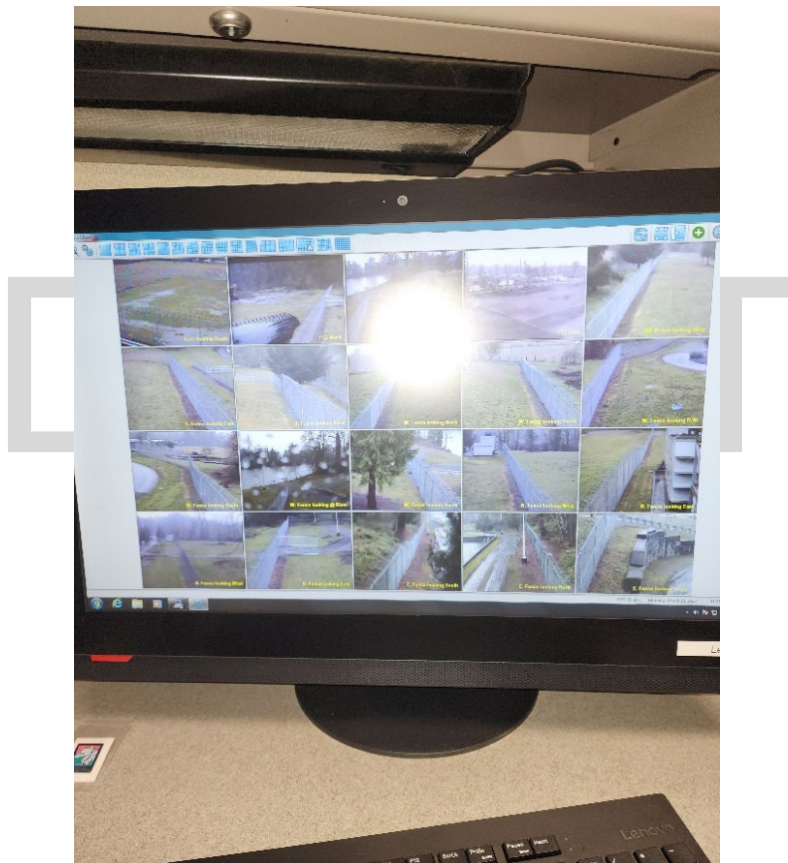
**North Clackamas County Water Commission
2026-27 Budget
Capital Outlay Justification**

Item: On-Going Security System Upgrades.

Cost: \$ 50,000

GL Code: 13.7000.50

Justification: Work is on-going to replace and upgrade the existing security cameras and access control system. The work will likely be expanded to add cameras at the intake, in the pump station and membrane area. The work began in FY 26 and will extend into FY 27.



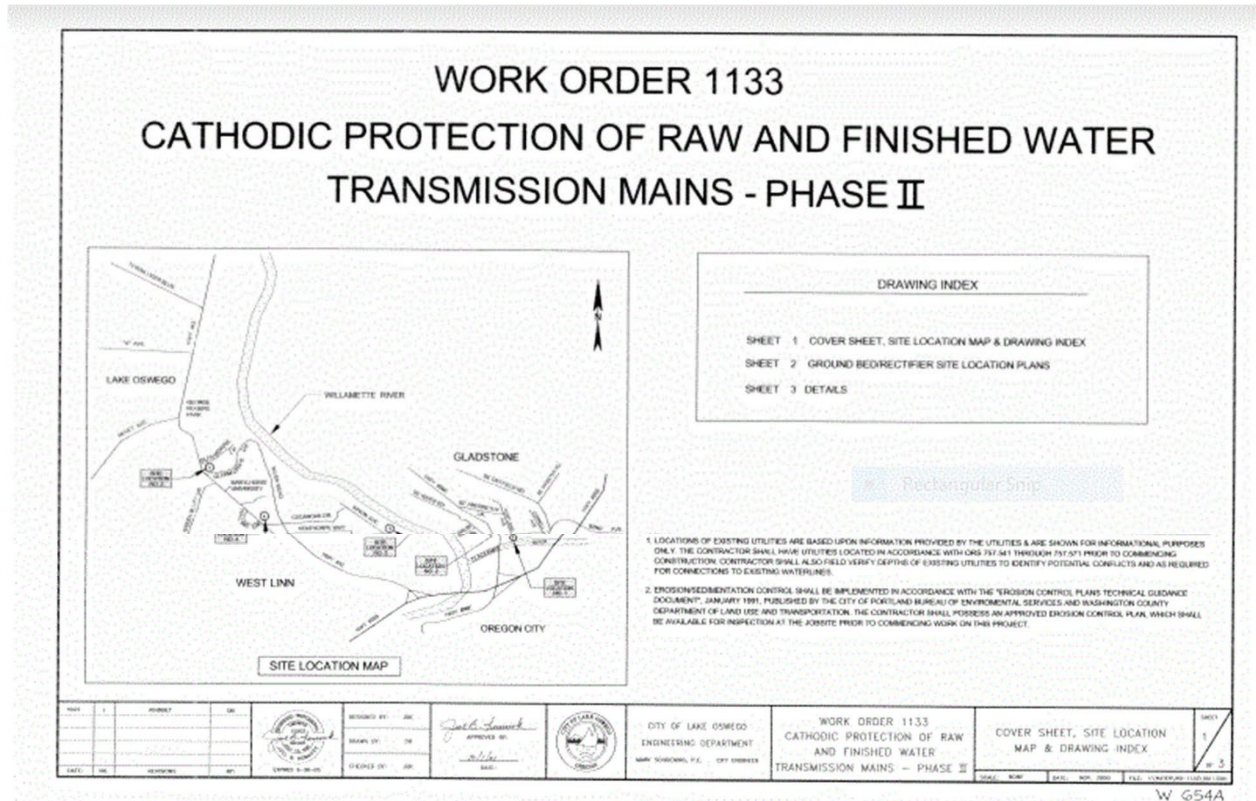
**North Clackamas County Water Commission
2026-27 Budget
Capital Outlay Justification**

Item: Restore Cathodic Protection Equipment on Emergency Pipeline

Cost: \$ 100,000

GL Code: 13.7000.60

Justification: In 2017, NCCWC acquired the old raw water pipeline serving the Lake Oswego treatment plant from their intake on the Clackamas River. The pipeline is being repurposed to serve as an important non-potable delivery option across the Willamette River during an emergency (up to 6-8 MGD). Prior to its abandonment, the pipeline was protected by an active cathodic (corrosion) protection system. Staff have been working with City of Lake Oswego to complete the transfer of this asset to the NCCWC and begin the process of restoring the associated cathodic protection equipment. This project includes an investigation into the restoration of that system, along with related design and implementation. Existing work remains focused on the transfer of the asset. Preliminary design of the cathodic protection system was completed in 2021. This activity is carried forward from prior year.



**North Clackamas County Water Commission
2026-27 Budget
Capital Outlay Justification**

Item: Water Management & Conservation Plan Update

Cost: \$25,000

GL Code: 13.7000.60

Justification: The water right(s) for the NCCWC are subject to the state's permit extension rules, requiring the preparation of a Water Management & Conservation Plan (as prescribed under OAR 690-086). Staff is working with a consulting team on preparation of various documents required under this process. The work is largely complete, except for some updating of water use data and demand forecasts since 2023. The final documentation is scheduled for completion in the Fall 2026. This project is partially carried forward from fiscal year 2025-2026.



NORTH CLACKAMAS COUNTY WATER COMMISSION

March 26, 2026

Agenda Item 4.1



BUDGET COMMITTEE MEETING MINUTES – 5:30 P.M. March 26, 2026

BOARD MEMBERS PRESENT:

Chris Hawes	Sunrise Water Authority
Kevin Bailey	Sunrise Water Authority
Kevin Williams	Oak Lodge Water Services
Paul Gornick	Oak Lodge Water Services
Michael Milch	City of Gladstone

BUDGET COMMITTEE MEMBERS PRESENT:

James Kerr	Sunrise Water Authority
Michael Morrow	Sunrise Water Authority
Ron Weigel	Oak Lodge Water Services
Robert Weber	Oak Lodge Water Services
Eric Butler	City of Gladstone

STAFF PRESENT:

Jennifer Sampson	Sunrise Water Authority
Angie Wilson	NCCWC, Finance Director

STAFF ATTENDING VIRTUALLY:

Wade Hathhorn	NCCWC, General Manager
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GUESTS ATTENDING VIRTUALLY:

Jamey Pietzold	Sunrise Water Authority, Executive Director
Brad Albert	Oak Lodge Water Services, General Manager
Lester Garrison	Clackamas River Water, Board

1. Call to Order

Chair Milch called the Budget Committee meeting to order at 5:30 p.m. Introductions were made around the room.

2. Elect Budget Committee Chair

Chair Milch opened nominations to elect a Budget Committee Chair. Director Hawes nominated Michael Morrow for Budget Committee Chair. Director Bailey seconded. Morrow agreed to accept the Chair position if elected. Voting Aye: Directors Bailey, Gornick, Hawes, Milch, and Williams; Budget Committee Members Butler, Kerr, Morrow, Weber, and Weigel.

MOTION CARRIED

3. Staff Presentation Proposed FY 2026-27 Budget

Finance Director Wilson presented an overview of the proposed FY2026-27 Budget, highlighting the changes from the FY2025-26 Budget. She distributed a handout with budget highlights, and noted a correction in the General Fund from the previously distributed budget: the Total Requirements were listed as \$6,326,343 but should read \$6,333,843; changing the Total Requirements in both the General Fund and the Plant Reserve Fund to be \$14,517,267 (previously \$14,509,767).

General Manager Hathhorn presented an overview of the Plant Reserve Fund and the anticipated plant improvement projects in FY2026-27 and beyond.

4. Committee Discussion with Public Input/Comment

The Budget Committee asked questions and made comments regarding:

- The budgeted increase in legal fees,
- PERS side account contribution,
- The Plant Reserve Fund,
- Anticipated capital expenditures,
- Water Treatment Plant improvements,
- Estimated water sales,
- Backup generators,
- Water rates,
- Personnel services,
- And contracted services.

Budget Committee Chair Morrow opened the floor to members of the public for comment.

There were none.

5. Consider Motion to Approve/Amend FY2026-27 Budget

Budget Committee Chair Morrow called for a motion. Director Hawes moved to approve the FY2026-27 Proposed Budget as corrected for \$14,517,267. Director Williams seconded. Voting Aye: Directors Bailey, Gornick, Hawes, Milch, and Williams; Budget Committee Members Butler, Kerr, Morrow, Weber, and Weigel.

MOTION CARRIED

6. Adjourn Budget Committee Meeting

Budget Committee Chair Morrow adjourned the Budget Committee meeting at 6:06 p.m.

NORTH CLACKAMAS COUNTY WATER COMMISSION

March 26, 2026

Agenda Item 4.1



**BOARD OF DIRECTORS
MEETING MINUTES – 5:30 P.M.
March 26, 2026**

BOARD MEMBERS PRESENT:

Chris Hawes	Sunrise Water Authority
Kevin Bailey	Sunrise Water Authority
Kevin Williams	Oak Lodge Water Services
Paul Gornick	Oak Lodge Water Services
Michael Milch	City of Gladstone

STAFF PRESENT:

Jennifer Sampson	Sunrise Water Authority
Angie Wilson	NCCWC, Finance Director

STAFF ATTENDING VIRTUALLY:

Wade Hathhorn	NCCWC, General Manager
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GUESTS ATTENDING VIRTUALLY:

Jamey Pietzold	Sunrise Water Authority, Executive Director
Brad Albert	Oak Lodge Water Services, General Manager
Lester Garrison	Clackamas River Water, Board

1. Call Regular Meeting to Order

Chair Milch called the regular meeting to order at 6:07 p.m.

2. Approve Agenda

Chair Milch called for a motion. Director Gornick moved to approve the agenda as presented. Director Hawes seconded. Voting Aye: Directors Bailey, Gornick, Hawes, Milch, and Williams.

MOTION CARRIED

3. Public Comment

There was no public comment.

4. Approval of Minutes

4.1 Approval of Minutes of the January 29, 2026 Regular Meetings

Chair Milch called for a motion. Director Williams moved to approve the January 29, 2026 regular meeting minutes. Director Gornick seconded. Voting Aye: Directors Bailey, Gornick, Hawes, Milch, and Williams.

MOTION CARRIED

5. Adoption of Consent Calendar

5.1 Authorization of Checks for January and February 2026

Chair Milch called for a motion. Director Hawes moved to adopt the Consent Calendar. Director Bailey seconded. Voting Aye: Directors Bailey, Hawes, Gornick, Milch, and Williams.

MOTION CARRIED

6. Board Discussion

7. Monthly Items

7.1 Financial Reports

Finance Director Wilson overviewed the written report.

7.2 Operations Report

General Manager Hathhorn overviewed the written report. He highlighted the recent flooding event on the Clackamas River and the effects on the water treatment plant, planned capital improvements to the membranes, and the timing of those improvements.

7.3 Manager's Report

General Manager Hathhorn overviewed the written report. He highlighted low snowpack and current weather patterns and its future effect on river flow rates. He also noted that Sunrise is working with the City of Gladstone to track down potential water loss as their winter water demand has increased over the last three years, but their summer peak water demand has not really increased. Meaning there may be a leak in the overall water system somewhere.

7.4 Business from the Board

The Board thanked Finance Director Wilson for presenting her first NCCWC budget and commented that she did a great job.

8. Adjourn Regular Meeting

Chair Milch adjourned the meeting at 6:30 p.m.

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 18, 2026

Agenda Item 5.1

- Subject: Authorization of ACH & Check Payments for March, April & May 2026.
- Presenter(s): Angie Wilson, Finance Director
- Board Action: The Board to formally authorize the ACH & Check issuances.
- Attachments: Bank Reconciliation Module Checks by Date Report
- Background: The Board is responsible for retrospectively reviewing and approving monthly ACH & Check payments.
- Analysis: In the three-month period March 2026 through May 2026, the following ACH and Check payments were issued and processed:
- Wells Fargo Account:
- 56 valid ACH payments totaling \$507,730.36.
 - 48 valid checks issued numbered 31714 through 31790 totaling \$479,078.02.
 - Total valid Wells Fargo period payments of \$986,808.98.
 - 0 voided transactions.
- LGIP Account:
- Nil payment transactions.
- Consolidated Payment Total (Valid) = \$986,808.98
- Options: Approve Issuance and/or requests additional clarification.
- Staff Recommendation: Approve ACH & Check issuances as presented for March 2026 through May 2026.
- Draft Motion: Move to approve all valid ACH & Checks payments for March through May 2026, totaling \$986,808.98. Noting zero (0) voided transaction.

Bank Reconciliation
 Checks by Date
 User: angie_wilson@olws.org
 Printed: 6/3/2026
 Cleared and Not Cleared Checks
 Print Void Checks

ACH Disbursement Activity

Number	Issue Date	Vendor	Comment	Module	Void	Clear Date	Amount
0	3/5/2026	Internal Revenue Service-ACH		AP		3/31/2026	5,255.77
0	3/5/2026	OR Department of Revenue		AP		3/31/2026	1,627.60
0	3/5/2026	State of Oregon Savings Growth Plan		AP		3/31/2026	1,042.25
0	3/6/2026	Portland General Electric (PGE)		AP		3/31/2026	251.94
0	3/6/2026	Portland General Electric (PGE)		AP		3/31/2026	43,120.73
0	3/6/2026		DD 00001.03.2026	AP		3/31/2026	12,534.59
0	3/9/2026	Wells Fargo Remittance Ctr MC		AP		3/31/2026	7,299.22
0	3/13/2026	Confluence Engineering Group, LLC		AP		4/30/2026	2,002.00
0	3/13/2026	Univar USA Inc		AP		4/30/2026	2,899.99
0	3/19/2026	Internal Revenue Service-ACH		PR		3/31/2026	5,440.08
0	3/19/2026	OR Department of Revenue		AP		3/31/2026	1,677.06
0	3/19/2026	State of Oregon Savings Growth Plan		AP		3/31/2026	1,112.87
0	3/20/2026		DD 00002.03.2026	AP		3/31/2026	12,672.32
0	3/25/2026	Carollo Engineers, Inc.		AP		4/30/2026	17,709.81
0	3/25/2026	Endress-Hauser		AP		4/30/2026	1,450.00
0	3/25/2026	Groundwater Solutions, Inc. (GSI)		PR		4/30/2026	1,365.00
0	3/25/2026	Malvern Panalytical Inc		AP		4/30/2026	50,504.00
0	3/25/2026	Sunrise Water Authority		AP		4/30/2026	9,441.57
0	3/25/2026	Univar USA Inc		AP		4/30/2026	2,899.99
0	4/2/2026	Internal Revenue Service-ACH		AP		4/30/2026	5,196.49
0	4/2/2026	OR Department of Revenue		AP		4/30/2026	1,597.66
0	4/2/2026	State of Oregon Savings Growth Plan		AP		4/30/2026	1,074.61
0	4/3/2026		DD 00003.03.2026	AP		4/30/2026	12,252.21
0	4/9/2026	Aquatic Informatics Inc.		AP		4/30/2026	9,574.88
0	4/9/2026	NORTH COAST ELECTRIC COMPANY		PR		4/30/2026	1,128.00
0	4/9/2026	Portland General Electric (PGE)		AP		4/30/2026	286.57
0	4/9/2026	Portland General Electric (PGE)		AP		4/30/2026	41,460.57
0	4/9/2026	Wells Fargo Remittance Ctr MC		AP		4/30/2026	3,738.87
0	4/16/2026	Internal Revenue Service-ACH		AP		4/30/2026	5,511.69
0	4/16/2026	OR Department of Revenue		AP		4/30/2026	1,702.31
0	4/16/2026	State of Oregon Savings Growth Plan		AP		4/30/2026	1,116.76
0	4/17/2026		DD 00001.04.2026	AP		4/30/2026	12,811.78
0	4/24/2026	Carollo Engineers, Inc.		PR		4/30/2026	14,516.51
0	4/24/2026	Univar USA Inc		AP		4/30/2026	2,979.99
0	5/1/2026	Internal Revenue Service-ACH				5/31/2026	5,382.05
0	5/1/2026	OR Department of Revenue				5/31/2026	1,659.61
0	5/1/2026	State of Oregon Savings Growth Plan				5/31/2026	1,116.51
0	5/1/2026		DD 00002.04.2026			5/31/2026	12,651.28
0	5/5/2026	Portland General Electric (PGE)				5/31/2026	43,226.61
0	5/5/2026	Portland General Electric (PGE)				5/31/2026	380.96
0	5/8/2026	Hach Company				5/31/2026	33.95
0	5/8/2026	Sunrise Water Authority				5/31/2026	8,544.30
0	5/11/2026	Wells Fargo Remittance Ctr MC				5/31/2026	8,035.33
0	5/15/2026	Internal Revenue Service-ACH				5/31/2026	5,302.50
0	5/15/2026	OR Department of Revenue				5/31/2026	1,635.88
0	5/15/2026	State of Oregon Savings Growth Plan				5/31/2026	1,107.34
0	5/15/2026		DD 00001.05.2026			5/31/2026	12,577.08
0	5/19/2026	Confluence Engineering Group, LLC				5/31/2026	1,958.50
0	5/19/2026	Groundwater Solutions, Inc. (GSI)				5/31/2026	2,346.25
0	5/19/2026	Hach Company				5/31/2026	9,207.20
0	5/19/2026	Sunrise Water Authority				5/31/2026	9,458.52
0	5/19/2026	Univar USA Inc				5/31/2026	2,979.99
0	5/27/2026	Internal Revenue Service-ACH				5/31/2026	262.79
0	5/29/2026	Carollo Engineers, Inc.				5/31/2026	19,110.60
0	5/29/2026	Hach Company				5/31/2026	52,558.05
0	5/29/2026		DD 00002.05.2026			5/31/2026	12,939.37
ACH Disbursement Activity Subtotal					56		507,730.36
Voided ACH Activity							-
Adjusted ACH Disbursement Activity Subtotal					56		507,730.36

Paper Check Disbursement Activity

Number	Issue Date	Vendor	Comment	Module	Void	Clear Date	Amount
31714	3/2/2026	Cintas Corporation - 463		AP		3/31/2026	184.93
31715	3/2/2026	Hasco Stations. LLC/H&S Enerav Products. LLC		AP		3/31/2026	221.79
31716	3/2/2026	Verizon Wireless		AP		3/31/2026	227.25
31717	3/5/2026	Employment Tax State of Oreoon - Employment Department		AP		3/31/2026	599.99
31718	3/13/2026	AFI AC		AP		3/31/2026	203.76
31719	3/13/2026	Cintas Corporation - 463		AP		3/31/2026	153.25
31720	3/13/2026	Cintas Fas Lockbox 636525		AP		3/31/2026	99.00
31721	3/13/2026	Clackamas River Water District		AP		3/31/2026	92,559.38
31722	3/13/2026	Hasco Stations. LLC/H&S Enerav Products. LLC		AP		3/31/2026	97.89
31723	3/13/2026	NW Natural		AP		3/31/2026	205.42
31724	3/13/2026	Oak Lodge Water Services Authority		AP		3/31/2026	6,860.36
31725	3/13/2026	Oreoon City Garbaae Co.		AP		3/31/2026	59.15
31726	3/13/2026	PDM Specialists. LLC		AP		3/31/2026	212.00
31727	3/13/2026	Portland Engineering Inc.		AP		3/31/2026	50.00
31728	3/13/2026	Special Districts Insurance Sv (SDIS)		AP		3/31/2026	9,220.10
31729	3/25/2026	AFI AC		AP		3/31/2026	203.76
31730	3/25/2026	Cable Huston LLP		AP		3/31/2026	145.00
31731	3/25/2026	Hasco Stations. LLC/H&S Enerav Products. LLC		AP		3/31/2026	263.61
31732	3/25/2026	PGI Parent LLC		AP		3/31/2026	2,281.00
31733	3/26/2026	OR Dept of Environmental Quality (DEQ)		AP		3/31/2026	274.98
31734	3/31/2026	Alexin Analytical Laboratories		AP		4/30/2026	910.00
31735	3/31/2026	Cintas Corporation - 463		AP		4/30/2026	184.93
31736	3/31/2026	Clackamas River Water Provider		AP		4/30/2026	44,990.25
31737	3/31/2026	Corv Watson		AP		4/30/2026	22,789.65
31738	3/31/2026	Hasa. Inc		AP		4/30/2026	4,581.60
31739	3/31/2026	PGI Parent LLC		AP		4/30/2026	15,636.00
31740	3/31/2026	Verizon Wireless		AP		4/30/2026	229.22
31741	4/9/2026	ALS Group USA. Corp		AP		4/30/2026	325.00
31742	4/9/2026	Cintas Corporation - 463		AP		4/30/2026	153.25
31743	4/9/2026	Cintas Fas Lockbox 636525		AP		4/30/2026	99.00
31744	4/9/2026	CMG Oreoon		AP		4/30/2026	81.95
31745	4/9/2026	Hasco Stations. LLC/H&S Enerav Products. LLC		AP		4/30/2026	227.49
31746	4/9/2026	NW Natural		AP		4/30/2026	321.20
31747	4/9/2026	Clackamas River Water District		AP		4/30/2026	85,825.04
31748	4/9/2026	Corv Watson		AP		4/30/2026	864.18
31749	4/9/2026	Henderson Turf & Wear. Inc.		AP		4/30/2026	601.58

Number	Issue Date	Vendor	Comment	Module	Void	Clear Date	Amount
31750	4/9/2026	Oak Lodge Water Services Authority		AP		4/30/2026	8,772.02
31751	4/9/2026	Portland Engineering Inc.		AP		4/30/2026	50.00
31753	4/24/2026	Buel Impressions Printing		AP		4/30/2026	108.00
31754	4/24/2026	Cable Huston LLP		AP		4/30/2026	1,944.00
31755	4/24/2026	Cintas Corporation - 463		AP		4/30/2026	184.93
31756	4/24/2026	Fedex Freight, Inc		AP		5/31/2026	216.35
31757	4/24/2026	Hasa, Inc		AP		4/30/2026	4,666.70
31758	4/24/2026	Hasco Stations, LLC/H&S Enerov Products, LLC		AP		5/31/2026	242.96
31759	4/24/2026	Moore Holding Corp		AP		5/31/2026	4,548.25
31760	4/24/2026	Oregon City Garbage Co.		AP		5/31/2026	59.15
31761	4/24/2026	PDM Specialists, LLC		AP		5/31/2026	1,060.00
31762	4/24/2026	PGI Parent LLC		AP		4/30/2026	222.00
31763	4/24/2026	Portland Engineering Inc.		AP		5/31/2026	437.50
31764	4/24/2026	Special Districts Insurance Sv (SDIS)		AP		5/31/2026	9,220.10
31765	4/24/2026	Verizon Wireless		AP		5/31/2026	227.43
31766	5/1/2026	FII MTF CORPORATION		AP		5/31/2026	3,492.97
31767	5/1/2026	U.S. Crane & Hoist Inc		AP		5/31/2026	400.00
31768	5/1/2026	Benjamin Koebeke		AP		5/31/2026	150.00
31769	5/8/2026	AFLAC		AP		5/31/2026	203.76
31770	5/8/2026	Cintas Corporation - 463		AP		5/31/2026	153.25
31771	5/8/2026	Cintas Fas Lockbox 636525		AP		5/31/2026	99.00
31772	5/8/2026	Clackamas River Water District		AP		5/31/2026	97,759.67
31773	5/8/2026	Hasco Stations, LLC/H&S Enerov Products, LLC		AP		5/31/2026	391.89
31774	5/8/2026	Lawrence Arnold Potter Jr.		AP		5/31/2026	3,690.00
31775	5/8/2026	NW Natural		AP		5/31/2026	292.46
31776	5/8/2026	Portland Engineering Inc.		AP		5/31/2026	50.00
31777	5/8/2026	Special Districts Insurance Sv (SDIS)		AP		5/31/2026	9,220.10
31778	5/19/2026	Cable Huston LLP		AP		5/31/2026	114.00
31779	5/19/2026	Benjamin Koebeke		AP		5/31/2026	37.50
31780	5/19/2026	Oak Lodge Water Services Authority		AP		5/31/2026	8,344.44
31781	5/19/2026	Oregon City Garbage Co.		AP		5/31/2026	60.00
31782	5/19/2026	Portland Engineering Inc.		AP		5/31/2026	175.00
31783	5/19/2026	River City Environmental, Inc		AP		5/31/2026	10,688.67
31784	5/29/2026	AFLAC		AP			203.76
31785	5/29/2026	Cable Huston LLP		AP			1,271.00
31786	5/29/2026	Cintas Corporation - 463		AP			184.93
31787	5/29/2026	Hasa, Inc		AP			4,577.00
31788	5/29/2026	Hasco Stations, LLC/H&S Enerov Products, LLC		AP			519.95
31789	5/29/2026	PGI Parent LLC		AP			5,212.00
31790	5/29/2026	South Fork Water Board		AP			7,884.84
					48		\$479,078.62
					48		479,078.62

Summary of Check by Date Detail inclusive of LGIP ACH Payments

Wells Fargo	Total Void ACH & Check Count:	-
Wells Fargo	Total Void ACH & Check Amount:	-
Wells Fargo	Total Valid ACH & Check Count:	104.00
Wells Fargo	Total Valid ACH & Check Amount:	986,808.98
Wells Fargo	Total ACH & Check Count:	104.00
Wells Fargo	Total ACH & Check Amount:	986,808.98
LGIP	Total Valid ACH Payment Count	-
LGIP	Total Valid ACH Payment Amount	-
Consolidated	Total Valid ACH & Check Payment Amount	986,808.98

WF:

Control	Total Void Count:	-
Control	Total Void Amount:	0.00
Control	Total Valid ACH & Check Count:	104
Control	Total Valid ACH & Check Amount:	986,808.98
Control	Total ACH & Check Count:	104
Control	Total ACH & Check Amount:	986,808.98
	LGIP	-
Control	Total Void Count:	-
Control	Total Valid ACH & Check Count:	-
Control	Total Void Amount:	-

SB Control	Variance
	0.00
	0.00
	104
	986,808.98
	104
	986,808.98
SB Control	Variance
	-
	0.00
	-
	0.00

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 18, 2026

Agenda Item 6.1

Subject: Adopt FY2026-2 Budget and Authorize Appropriations

Presenter(s): Angie Wilson, Budget Officer

Board Action: The Board is requested to approve Resolution 2026-2 adopting the approved FY2026-27 Budget and authorizing stated appropriations.

Attachments: Resolution 2026-2 Adopting FY2026-27 Budget and Authorizing Stated Appropriations

Background: Procedurally, the NCCWC follows the state's budget law, as prescribed under Oregon Revised Statutes (ORS), Chapter 294. This law requires the NCCWC to develop and adopt a budget on an annual (or biennial) basis.

The NCCWC Budget Committee met in March to discuss the FY 2026-27 proposed budget. The Budget Committee unanimously approved the budget as proposed on March 3, 2026. The Board in turn held a Public Hearing to gather input on the approved budget on June 18, 2026. That hearing was properly noticed in the Clackamas Review.

Analysis: Subsequent to Budget Committee approval, updated year-end financial projections resulted in revisions to estimated beginning fund balances and water sales revenues for FY2026-27. These revisions reflect updated operational and financial information available after completion of the Budget Committee process.

The General Fund is expecting \$7,500 in Legal fees and the PERS side accounts has an additional \$150,000 that was not included in the original estimated beginning fund balance.

The Plant Reserve Fund is projected to receive an additional \$750,000 transfer that was not reflected in the original estimated beginning fund balance.

The revisions include:

- a reduction in estimated beginning fund balance within the Water Fund;
- a reduction in projected water sales revenues; and
- corresponding reductions to unappropriated ending fund balance and reserve balances.

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 18, 2026

These revisions do not increase appropriations or tax levies and are not considered substantial changes under Oregon Local Budget Law.

Schedule of Changes Following Budget Committee Approval

General Fund

Description	Approved Budget	Revised Budget	Change
Beginning Fund Balance	\$1,018,843	\$861,343	(\$157,500)
Water Sales Revenue	\$3,753,000	\$3,593,640	(\$159,360)
Unappropriated Ending Fund Balance	\$647,743	\$330,843	(\$316,900)

Plant Reserve Fund

Description	Approved Budget	Revised Budget	Change
Beginning Fund Balance	\$7,333,424	\$6,883,424	(\$450,000)
Plant Reserve Balance	\$3,308,424	\$2,858,424	(\$450,000)

The Budget Officer recommends the Board adopt the FY2026-27 Budget as revised and presented.

Options:

- Adopt budget as presented
- Amend budget and provide direction to staff

Staff Adopt Resolution 2026-2 as requested.

Recommendation:

Draft Motion(s): Move to approve Resolution 2026-2 adopting the approved FY2026-27 Budget in the amount of \$13,750,407 and so authorize the stated appropriations for fiscal year beginning July 1, 2026, as presented.

North Clackamas County Water Commission

RESOLUTION 2026-2

A RESOLUTION OF THE NORTH CLACKAMAS COUNTY WATER COMMISSION ADOPTING THE FY 2026-27 BUDGET AND AUTHORIZING APPROPRIATIONS AS STATED

WHEREAS, pursuant to the requirements of ORS Chapter 294, the Board of Directors for the North Clackamas County Water Commission (NCCWC) are required to adopt a budget and make appropriations for the 2026-27 fiscal period; and

WHEREAS, on March 26, 2026, following public notice and meetings thereon, the duly appointed and authorized Budget Committee approved the annual budget proposed for the 2026-27 fiscal period, thereafter held on file at the Commission's office and made available to the public upon request; and

WHEREAS, on June 18, 2026, the Board of Directors held a Budget Hearing following public notice thereon as required by ORS 294.453, resulting in no changes to the approved FY 2026-27 Budget.

WHEREAS, subsequent to Budget Committee approval, updated year-end financial projections resulted in revisions to estimated beginning fund balances, projected water sales revenues, and ending reserve balances, which do not increase appropriations or tax levies and are not considered substantial changes under Oregon Local Budget Law.

THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTH CLACKAMAS COUNTY WATER COMMISSION THAT:

1. The Board of Directors of the North Clackamas County Water Commission hereby adopts the FY 2026-27 budget in the total sum of \$13,750,407, as approved by the Budget Committee and subsequently amended and approved by the Board of Directors, and on file at the NCCWC's office as required by ORS 294.556.
2. The amounts for the fiscal year beginning July 1, 2026 for the purposes shown below are hereby appropriated as follows:

GENERAL FUND

Personnel	\$ 811,000	
Materials & Services	3,575,100	
Transfers	800,000	
Capital Outlay	-	
Special Payment (PERS)	-	
Fund Contingency	500,000	
	<hr/>	
	Fund Total Appropriation	\$5,686,100
Unappropriated Ending fund balance	\$330,883	

PLANT RESERVE FUND

Capital Outlay	\$3,875,000	
Fund Contingency	<u>1,000,000</u>	
	Fund Total Appropriation	\$4,875,000
Unappropriated Fund Reserve Balance	\$2,858,424	

2026-2027 TOTAL APPROPRIATIONS, All Funds	\$10,561,100
Total Unappropriated and Reserve Amounts, All Funds	\$ 3,189,307

Total Adopted Budget \$13,750,407

This resolution and its statements are hereby approved and declared DULY ADOPTED this 18th day of June 2026.

By _____
Michael Milch, Chair

By _____
Wade Hathhorn, General Manager

Attest this 18th day of June 2026

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 18, 2026

Agenda Item 6.2

Subject: Approve Resolution 2026-3 Adopting Wholesale Water Rate for FY 2026-27

Presenter(s): Angie Wilson, Finance Director

Board Action: The Board is requested to adopt Resolution 2026-3 setting the wholesale water rate for FY 2026-27

Attachments: Resolution 2026-3 Setting the Wholesale Water Rate for FY 2026-27

Background: Following the adoption of the FY 2026-27 budget, staff calculates the new wholesale rate based on the budgeted requirements for the General Fund and estimated annual demand. The associated rate is common to each Member Agency throughout the year. At year's end, a "true-up" is applied to correct for differences in actual costs and demand.

In 2017, the Board establish a uniform unit pricing structure for wholesale water based on the total operating requirements plus funding of the plant reserve (i.e. total costs) and total demand.

Analysis: The calculation for the wholesale rate is as follows:

Total Operating Expenditures	\$ 4,386,100
Less Wholesale Water Purchases	(1,500,000)
Plant Reserve Funding	800,000
Special Payments (PERS)	0
Less Beginning Fund Balance	(107,500)
Adjusted Requirements	<u>\$ 3,578,600</u>

Estimated Demand (Units as 100 cubic feet):

Oak Lodge Water Services	1,350,000	ccf
City of Gladstone	650,000	ccf
Sunrise Water Authority	1,700,000	ccf
Total Estimated Demand	<u>3,700,000</u>	ccf
Estimated Unit Cost	\$0.9672 / ccf	

This represents an 7.86% change in price from last year (\$0.9000 per ccf).

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 18, 2026

Options: None

Draft Motion: Move to adopt Resolution 2026-3 setting the wholesale rate for FY 2026-27.

NORTH CLACKAMAS COUNTY WATER COMMISSION

Resolution No. 2026-3

**A RESOLUTION SETTING WHOLESALE WATER RATE
FOR FISCAL YEAR 2026-2027**

WHEREAS, the Board approved the rate setting methodology by motion on September 28, 2017; and

WHEREAS, the cost of service methodology approved by the Board was used to develop the rates for the current year; and

WHEREAS, the rates are to be adopted by the Board of Commissioners;

NOW, THEREFORE BE IT RESOLVED, BY THE NORTH CLACKAMAS COUNTY WATER COMMISSION BOARD OF DIRECTORS THAT:

Effective for the period of July 1, 2026 through June 30, 2027, the new wholesale water rate charged to member agencies is:

\$0.9692 per 100 cubic feet (CCF)

Approved by the Board of Director's on this 18th day of June 2026.

By _____
Michael Milch, Chair

By _____
Wade Hathhorn, General Manager

Attest this 18th day of June 2026.

NORTH CLACKAMAS COUNTY WATER COMMISSION

JUNE 18, 2026

Agenda Item 6.3

Subject: Initiate FY2025-26 Audit

Presenter(s): Angie Wilson, Finance Director

Board Action: Receive NCCWC's FY2025-26 Audit Engagement Letter

Attachments: Audit Services Engagement Letter (FY2025-26 Audit)

Background: Baker Tilly has historically served as the independent accounting firm conducting the annual financial audit for the North Clackamas County Water Commission (NCCWC).

Analysis: The annual audit is a legal requirement and an essential process that provides an independent evaluation of NCCWC's financial reporting and compliance practices. The audit includes an opinion on the material accuracy of financial statements and the effectiveness of internal controls and compliance with applicable laws and regulations.

Options: NA

Staff

Recommendation: The Board is presented with a copy of the audit engagement letter for formal record.



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May 18, 2026

Wade Hathhorn
North Clackamas County Water Commission
17563 SE Armstrong Ct
Happy Valley, OR 97015

Re: Audit Services

Dear Mr. Hathhorn:

Thank you for the opportunity to provide services to North Clackamas County Water Commission. This engagement letter ("Engagement Letter") and the attached Professional Services Agreement, which is incorporated by this reference (collectively, the "Agreement"), confirm our acceptance and understanding of the terms and objectives of our engagement, and limitations of the services that Baker Tilly US, LLP ("Firm," "we," "us," and "our") will provide to North Clackamas County Water Commission ("you," "your," and "Commission").

Scope of Services – Audit

You have requested that we audit the Commission's financial statements, which comprise the statements of net position as of June 30, 2026, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements. We will also report on whether the combining balance sheet – all funds, the combining schedule of revenues, expenditures, other financing sources and uses and changes in fund balance – actual and budget, and the schedule of revenues, expenditures, other financing sources and uses and changes in fund balance – actual and budget, presented as supplementary information, are fairly stated, in all material respects, in relation to the financial statements as a whole.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information ("RSI"), such as management's discussion and analysis, to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Commission's RSI in accordance with auditing standards generally accepted in the United States of America. We will not express an opinion or provide assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide assurance. The following RSI will be subjected to certain limited procedures, but will not be audited:

- 1) Management's discussion and analysis
- 2) Schedule of proportionate share of the net pension liability
- 3) Schedule of contributions

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

Timing

Keith Simovic is responsible for supervising the engagement and authorizing the signing of the report. We expect to begin our audit on approximately September 14, 2026, complete fieldwork on approximately September 25, 2026, and issue our report no later than December 2026. As we reach the conclusion of the audit, we will coordinate with you the date the audited financial statements will be available for issuance. You understand that (1) you will be required to consider subsequent events through the date the financial statements are available for issuance, (2) you will disclose in the notes to the financial statements the date through which subsequent events have been considered, and (3) the subsequent event date disclosed in the footnotes will not be earlier than the date of the management representation letter and the date of the report of independent auditors.

Our scheduling depends on your completion of the year-end closing and adjusting process prior to our arrival to begin the fieldwork. We may experience delays in completing our services due to your staff's unavailability or delays in your closing and adjusting process. You understand our fees are subject to adjustment if we experience these delays in completing our services.

Fees

We estimate that our fees for the services will be in the range of \$41,000 to \$46,000. You will also be billed for expenses.

In addition to fees, we will charge you for expenses. Our invoices include a flat expense charge, calculated as five percent (5%) of fees, to cover expenses such as copying costs, postage, administrative billable time, report processing fees, filing fees, and technology expenses. Travel expenses and client meals/entertainment expenses will be billed separately and are not included in the 5% charge.

Our ability to provide services in accordance with our estimated fees depends on the quality, timeliness, and accuracy of the Commission's records, and, for example, the number of general ledger adjustments required as a result of our work. To assist you in this process, we will provide you with a Client Audit Preparation Schedule that identifies the key work you will need to perform in preparation for the audit. We will also need your accounting staff to be readily available during the engagement to respond in a timely manner to our requests. Lack of preparation, poor records, general ledger adjustments, and/or untimely assistance will result in an increase of our fees.

Reporting

We will issue a written report upon completion of our audit of the Commission's financial statements. Our report will be addressed to the Board of Commissioners of the Commission. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement. Our services will be concluded upon delivery to you of our report on your financial statements for the year ended June 30, 2026.

We also will issue a written report on compliance and internal control over financial reporting based on an audit of financial statements in accordance with Oregon Audit Standards upon completion of our audit.

We appreciate the opportunity to be of service to you. If you agree with the terms of our engagement as set forth in the Agreement, please sign the enclosed copy of this letter and return it to us with the Professional Services Agreement.

Very truly yours,

Baker Tilly US, LLP

Baker Tilly US, LLP

Enclosures

Accepted and Agreed:

This Engagement Letter and the attached Professional Services Agreement set forth the entire understanding of North Clackamas County Water Commission with respect to this engagement and the services to be provided by the Firm:

Signature: *Wade Hathorn*

Print Name: WADE HATHORN

Title: General Manager

Date: 5/21/26

PROFESSIONAL SERVICES AGREEMENT

Audit Services

This Professional Services Agreement (the "PSA") together with the Engagement Letter, which is hereby incorporated by reference, represents the entire agreement (the "Agreement") relating to services that the Firm will provide to the Commission. Any undefined terms in this PSA shall have the same meaning as set forth in the Engagement Letter.

Objectives of the Audit

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our audit are also to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The Auditor's Responsibility

We will conduct our audit in accordance with U.S. GAAS. As part of an audit conducted in accordance with U.S. GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control or to identify deficiencies in the design or operation of internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

The supplementary information will be subject to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.

If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Procedures and Limitations

Our procedures may include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of certain receivables and certain other assets, liabilities and transaction details by correspondence with selected customers, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from management about the financial statements and supplementary information and related matters. Management's failure to provide representations to our satisfaction will preclude us from issuing our report.

An audit includes examining evidence, on a test basis, supporting the amounts and disclosures in the financial statements. Therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Material misstatements may include errors, fraudulent financial reporting, misappropriation of assets, or noncompliance with the provisions of laws or regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity that may have a direct financial statement impact. Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements and

noncompliance may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS. An audit is not designed to detect immaterial misstatements or noncompliance with the provisions of laws or regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors, fraudulent financial reporting, misappropriation of assets, and noncompliance with the provisions of laws or regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any time period for which we are not engaged as auditors.

We may assist management in the preparation of the Commission's financial statements and supplementary information. Regardless of any assistance we may render, all information included in the financial statements and supplementary information remains the representation of management. We may issue a preliminary draft of the financial statements and supplementary information to you for your review. Any preliminary draft financial statements and supplementary information should not be relied upon, reproduced, or otherwise distributed without the written permission of the Firm.

Management's Responsibility for Financial Statements

As a condition of our engagement, management acknowledges and understands that management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. We may advise management about appropriate accounting principles and their application and may assist in the preparation of your financial statements, but management remains responsible for the financial statements. Management also acknowledges and understands that management is responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud. This responsibility includes the maintenance of adequate records, the selection and application of accounting principles, and the safeguarding of assets. You are responsible for informing us about all known or suspected fraud affecting the Commission involving: (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. You are responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Commission received in communications from employees, former employees, regulators or others. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole. Management is also responsible for identifying and ensuring that the Commission complies with applicable laws and regulations.

Management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Management agrees that as a condition of our engagement, management will provide us with:

- access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, whether obtained from within or outside of the general and subsidiary ledgers (including all information relevant to the preparation and fair presentation of disclosures), such as records, documentation, and other matters;
- additional information that we may request from management for the purpose of the audit; and
- unrestricted access to persons within the Commission from whom we determine it necessary to obtain audit evidence.

Management's Responsibility to Notify Us of Affiliates

Our professional standards require that we remain independent of the Commission as well as any "affiliate" of the Commission. Professional standards define an affiliate as follows:

- a fund, component unit, fiduciary activity or entity that the Commission is required to include or disclose, and is included or disclosed in its basic financial statements, in accordance with generally accepted accounting principles (U.S. GAAP);
- a fund, component unit, fiduciary activity or entity that the Commission is required to include or disclosed in its basic financial statements in accordance with U.S. GAAP, which is material to the Commission but which the Commission has elected to exclude, and for which the Commission has more than minimal influence over the entity's accounting or financial reporting process;
- an investment in an investee held by the Commission or an affiliate of the Commission, where the Commission or affiliate controls the investee, excluding equity interests in entities whose sole purpose is to directly enhance the Commission's ability to provide government services;

- an investment in an investee held by the Commission or an affiliate of the Commission, where the Commission or affiliate has significant influence over the investee and for which the investment is material to the Commission's financial statements, excluding equity interests in entities whose sole purpose is to directly enhance the Commission's ability to provide government services

In order to fulfill our mutual responsibility to maintain auditor independence, you agree to notify the Firm of any known affiliate relationships, to the best of your knowledge and belief. Additionally, you agree to inform the Firm of any known services provided or relationships between affiliates of the Commission and the Firm or any of its employees or personnel.

Management's Responsibility for Supplementary Information

Management is responsible for the preparation of the supplementary information in accordance with the applicable criteria. Management agrees to include the auditor's report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information. Management is responsible to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon. For purposes of this Agreement, audited financial statements are deemed to be readily available if a third party user can obtain the audited financial statements without any further action by management. For example, financial statements on your Web site may be considered readily available, but being available upon request is not considered readily available.

Other Information Included in an Annual Report

When financial or nonfinancial information, other than financial statements and the auditor's report thereon, is included in an entity's annual report, management is responsible for that other information. Management is also responsible for providing the document(s) that comprise the annual report to us as soon as it is available.

Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. Our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the audited financial statements. If we identify that a material inconsistency or misstatement of the other information exists, we will discuss it with you; if it is not resolved U.S. GAAS requires us to take appropriate action.

Key Audit Matters

U.S. GAAS does not require the communication of key audit matters in the audit report unless engaged to do so. You have not engaged us to report on key audit matters, and the Agreement does not contemplate the Firm providing any such services. You agree we are under no obligation to communicate key audit matters in the auditor's report.

If you request to engage the Firm to communicate key audit matters in the auditor's report, before accepting the engagement we would discuss with you the additional fees to provide any such services, and the impact to the timeline for completing the audit.

Dissemination of Financial Statements

Our report on the financial statements must be associated only with the financial statements that were the subject of our engagement. You may make copies of our report, but only if the entire financial statements (including related footnotes and supplementary information, as appropriate) are reproduced and distributed with our report. You agree not to reproduce or associate our report with any other financial statements, or portions thereof, that are not the subject of this engagement.

Offering of Securities

This Agreement does not contemplate the Firm providing any services in connection with the offering of securities, whether registered or exempt from registration, and the Firm will charge additional fees to provide any such services. You agree not to incorporate or reference our report in a private placement or other offering of your equity or debt securities without our express written permission. You further agree we are under no obligation to reissue our report or provide written permission for the use of our report at a later date in connection with an offering of securities, the issuance of debt instruments, or for any other circumstance. We will determine, at our sole discretion, whether we will reissue our report or provide written permission for the use of our report only after we have conducted any procedures we deem necessary in the circumstances. You agree to provide us with adequate time to review documents where (a) our report is requested to be reissued, (b) our report is included in the offering document or referred to therein, or (c) reference to our firm is expected to be made. If we decide to reissue our report or provide written permission to the use of our report, you agree that the Firm will be included on each distribution of draft offering materials and we will receive a complete set of final documents. If we decide not to reissue our report or withhold our written permission to use our report, you may be required to engage another firm to audit periods covered by our audit reports, and that firm will likely bill you for its services. While the successor auditor may request access to our engagement documentation for those periods, we are under no obligation to permit such access.

Changes in Professional or Accounting Standards

To the extent that future federal, state, or professional rule-making activities require modification of our audit approach, procedures, scope of work, etc., we will advise you of such changes and the impact on our fee estimate. If we are unable to agree on the additional fees, if any, that may be required to implement any new accounting and auditing standards that are required to be adopted and applied as part of our engagement, we may terminate this Agreement as provided herein, regardless of the stage of completion.

Representations of Management

During the course of our engagement, we may request information and explanations from management regarding, among other matters, the Commission's operations, internal control, future plans, specific transactions, and accounting systems and procedures. At the conclusion of our engagement, we will require, as a precondition to the issuance of our report, that management provide us with a written representation letter confirming some or all of the representations made during the engagement. The procedures that we will perform in our engagement will be heavily influenced by the representations that we receive from management. Accordingly, false representations could cause us to expend unnecessary efforts or could cause a material error or fraud to go undetected by our procedures. In view of the foregoing, you agree that we will not be responsible for any misstatements in the Commission's financial statements and supplementary information that we fail to detect as a result of false or misleading representations, whether oral or written, that are made to us by the Commission's management. While we may assist management in the preparation of the representation letter, it is management's responsibility to carefully review and understand the representations made therein.

In addition, because our failure to detect material misstatements could cause others relying upon our audit report to incur damages, the Commission further agrees to indemnify and hold us harmless from any liability and all costs (including legal fees) that we may incur in connection with claims based upon our failure to detect material misstatements in the Commission's financial statements and supplementary information resulting in whole or in part from knowingly false or misleading representations made to us by any member of the Commission's management.

Fees and Expenses

The Commission acknowledges that the following circumstances will result in an increase of our fees:

- Failure to prepare for the audit as evidenced by accounts and records that have not been subject to normal year-end closing and reconciliation procedures;
- Failure to complete the audit preparation work by the applicable due dates;
- Significant unanticipated transactions, audit issues, or other such circumstances;
- Delays causing scheduling changes or disruption of fieldwork;
- After audit or post fieldwork circumstances requiring revisions to work previously completed or delays in resolution of issues that extend the period of time necessary to complete the audit;
- Issues with the prior audit firm, prior year account balances or report disclosures that impact the current year engagement; and
- An excessive number of audit adjustments.

We will endeavor to advise you in the event these circumstances occur, however we may be unable to determine the impact on the estimated fee until the conclusion of the engagement. We will bill any additional amounts based on the experience of the individuals involved and the amount of work performed.

Billings are due upon presentation and become delinquent if not paid within 30 days of the invoice date. Any past due fee under this Agreement shall bear interest at the highest rate allowed by law on any unpaid balance. In addition to fees, you may be billed for expenses and any applicable sales and gross receipts tax. Direct expenses may be charged based on out-of-pocket expenditures, per diem allotments, and mileage reimbursements, depending on the nature of the expense. Indirect expenses, such as processing time and technology expenses, may be passed through at our estimated cost and may be billed as a flat charge or a percentage of fees. If we elect to suspend our engagement for nonpayment, we may not resume our work until the account is paid in full. If we elect to terminate our services for nonpayment, or as otherwise provided in this Agreement, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our work. You will be obligated to compensate us for fees earned for services rendered and to reimburse us for expenses. You acknowledge and agree that in the event we stop work or terminate this Agreement as a result of your failure to pay on a timely basis for services rendered by the Firm as provided in this Agreement, or if we terminate this Agreement for any other reason, we shall not be liable to you for any damages that occur as a result of our ceasing to render services.

Commission Information

All information provided by you or on your behalf ("Commission Information") will be accurate and complete. You represent the provision of Commission Information to us will not infringe any intellectual property, privacy, proprietary, or other third-party rights. You also represent that you have obtained all necessary consents and have provided all necessary notifications to the extent required by applicable law in connection with the provision of Commission Information to us. The Firm will use at least the same degree of care to protect the confidentiality of Commission Information as it employs in maintaining in confidence its own confidential information of a similar nature, but in no event less than a reasonable degree of care. The Firm will not disclose Commission Information to any third party without your consent, except we may disclose Commission Information: (1) as required by law or regulation, or to respond to governmental inquiries, or in accordance with applicable professional standards or rules, or in connection with litigation or arbitration pertaining hereto; (2) to the extent such information (i) is or becomes publicly available other than as the result of a disclosure in breach hereof, (ii) becomes available to the Firm on a nonconfidential basis from a source that the Firm believes is not prohibited from disclosing such information to the Firm, or (iii) is already known by the Firm without any obligation of confidentiality with respect thereto; (3) to contractors providing administrative, infrastructure, and other support services to the Firm and subcontractors providing services in connection with this engagement, in each case, whether located within or outside of the United States, provided that such contractors and subcontractors have agreed to be bound by confidentiality obligations related to Commission Information; or (4) as otherwise permitted under this Agreement. This paragraph replaces and supersedes any prior confidentiality or non-disclosure agreements entered into by the Firm or its affiliates with respect to Commission Information.

Data Privacy and Security

To the extent the Services require the Firm to receive personal data or personal information from Commission, the Firm may process, and engage subcontractors to assist with processing, any personal data or personal information, as those terms are defined in applicable privacy laws, and such processing shall be in accordance with the requirements of the applicable privacy laws relevant to the processing in providing Services hereunder, including Services performed to meet the business purposes of the Commission, such as the Firm's tax, advisory, and other consulting services. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which the Firm or its clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records, and other similar requirements applicable to the processing of personal data or personal information. The Firm is acting as a Service Provider/Data Processor, as those terms are defined respectively under the CCPA/GDPR, in relation to Commission personal data and personal information. As a Service Provider/Data Processor processing personal data or personal information on behalf of Commission, the Firm shall, unless otherwise permitted by applicable privacy law, (a) follow Commission instructions; (b) not sell personal data or personal information collected from the Commission or share the personal data or personal information for purposes of targeted advertising; (c) process personal data or personal information solely for purposes related to the Commission's engagement and not for the Firm's own commercial purposes; and (d) cooperate with and provide reasonable assistance to Commission to ensure compliance with applicable privacy laws. Commission is responsible for notifying the Firm of any applicable privacy laws the personal data or personal information provided to the Firm is subject to, and Commission represents and warrants it has all necessary authority (including any legally required consent from individuals) to transfer such information and authorize the Firm to process such information in connection with the Services described herein. Commission further understands the Firm, Baker Tilly Advisory Group, LP and Moss Adams Advisory Group, LP and their affiliated entities (collectively, the "Firm Entities") may co-process Commission data as necessary to perform the Services, pursuant to the alternative practice structure in place among the entities, and by executing this Agreement, you hereby consent to the sharing of Commission data, Commission files, workpapers and work product with such Firm Entities. Baker Tilly Advisory Group, LP maintains custody of client files for the Firm. The Firm Entities are bound by the same confidentiality obligations as the Firm. The Firm is responsible for notifying Commission if the Firm becomes aware that it can no longer comply with any applicable privacy law and, upon such notice, shall permit Commission to take reasonable and appropriate steps to remediate personal data or personal information processing. Commission agrees that the Firm Entities have the right to utilize Commission data to improve internal processes and procedures and to generate aggregated/de-identified data from the data provided by Commission to be used for the Firm Entities' business purposes and with the outputs owned by the Firm Entities. For clarity, the Firm Entities will only disclose aggregated/de-identified data in a form that does not identify Commission, Commission employees, or any other individual or business entity and that is stripped of all persistent identifiers. Commission is not responsible for the Firm Entities' use of aggregated/de-identified data.

The Firm has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations and other information security related system requirements. Such requirements are documented in the Firm's policies and procedures. Information security policies have been implemented that define our approach to how systems and data are protected. Commission is responsible for providing timely written notification to the Firm of any additions, changes or removals of access for Commission personnel to the Firm provided systems or applications. If Commission becomes aware of any known or suspected information security or privacy related incidents or breaches related to this Agreement, Commission should timely notify the Firm via email at dataprotectionofficer@bakertilly.com.

Subpoena or Other Release of Documents

As a result of our services to you, we may be required or requested to provide information or documents to you or a third-party in connection with governmental regulations or activities, or a legal, arbitration or administrative proceeding (including a grand jury investigation), in which we are not a party. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate to protect information from discovery. If you take no action within the time permitted for us to respond or if your action does not result in a judicial order protecting us from supplying requested information, we will construe your inaction or failure as consent to comply with the request. Our efforts in complying with such requests or demands will be deemed a part of this engagement and we shall be entitled to additional compensation for our time and reimbursement for our out-of-pocket expenditures (including legal fees) in complying with such request or demand.

Document Retention Policy

At the conclusion of this engagement, we will return to you all original records you supplied to us. Your Commission records are the primary records for your operations and comprise the backup and support for the results of this engagement. Our records and files, including our engagement documentation whether kept on paper or electronic media, are our property and are not a substitute for your own records. Our firm policy calls for us to destroy our engagement files and all pertinent engagement documentation after a retention period of seven years (or longer, if required by law or regulation), after which time these items will no longer be available. We are under no obligation to notify you regarding the destruction of our records. We reserve the right to modify the retention period without notifying you. Catastrophic events or physical deterioration may result in our firm's records being unavailable before the expiration of the above retention period.

Except as set forth above, you agree that the Firm may destroy paper originals and copies of any documents, including, without limitation, correspondence, agreements, and representation letters, and retain only digital images thereof.

Use of Electronic Communication

In the interest of facilitating our services to you, we may communicate by facsimile transmission or send electronic mail over the Internet. Such communications may include information that is confidential. We employ measures in the use of electronic communications designed to provide reasonable assurance that data security is maintained. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept we have no control over the unauthorized interception of these communications once they have been sent. Unless you issue specific instructions to do otherwise, we will assume you consent to our use of electronic communications to your representatives and other use of these electronic devices during the term of this Agreement as we deem appropriate.

Enforceability

In the event that any portion of this Agreement is deemed invalid or unenforceable, said finding shall not operate to invalidate the remainder of this Agreement.

Entire Agreement

This Professional Services Agreement and Engagement Letter constitute the entire agreement and understanding between the Firm and the Commission. The Commission agrees that in entering into this Agreement it is not relying and has not relied upon any oral or other representations, promise or statement made by anyone which is not set forth herein.

In the event the parties fail to enter into a new Agreement for each subsequent calendar year in which the Firm provides services to the Commission, the terms and conditions of this PSA shall continue in force until such time as the parties execute a new written agreement or terminate their relationship, whichever occurs first.

Use of the Firm's Name

The Commission may not use any of the Firm's or its affiliates' names, trademarks, service marks or logos in connection with the services contemplated by this Agreement or otherwise without the prior written permission of the Firm, which permission may be withheld for any or no reason and may be subject to certain conditions.

Use of Nonlicensed Personnel

Certain engagement personnel who are not licensed as certified public accountants may provide services during this engagement.

Resolution of Disagreements

In the unlikely event that differences concerning services, fees, this Agreement or any services subsequently provided to Commission by the Firm should arise ("Dispute(s)") that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the Dispute by mediation administered by the American Arbitration Association (AAA) under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation, and the parties shall share equally in the mediator's fees and expenses.

If mediation does not settle the Dispute, then the parties agree that the Dispute shall be settled by binding arbitration to be initiated by the party seeking damages or other permitted relief in any form (the "Claimant"). The arbitration proceeding shall take place in the city in which the Firm office providing the services in Dispute is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) and will proceed in accordance with the Arbitration Rules for Professional Accounting and Related Disputes of the AAA (the "Rules") as amended and effective February 1, 2015, except that no prehearing discovery shall be permitted unless specifically authorized by the arbitrator. Any issue concerning the extent to which the Dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the FAA and resolved by the arbitrators. The arbitration will be conducted before a panel of three (3) arbitrators, with experience in accounting and auditing matters or resolving accounting and auditing matters. In the thirty (30) days after the arbitration is initiated, the parties shall attempt to mutually agree on the three (3) arbitrators, including one arbitrator who will serve as chair of the panel, and all of whom may be selected from AAA, JAMS, the Center for Public Resources, or any other internationally or nationally-recognized organization mutually agreed upon by the parties. If the parties cannot agree on a panel of three (3) arbitrators within the thirty (30) day period, the three (3) arbitrators shall be selected according to Rules A-16(a) and (b) of the Rules except that the AAA shall send an identical list of fifteen (15) names to the parties to the arbitration. The arbitrator shall have no authority to award nonmonetary or equitable relief and will not have the right to award punitive damages or statutory awards. Furthermore, in no event shall the arbitrator have power to make an award that would be inconsistent with this Agreement or any amount that could not be made or imposed by a court deciding the matter in the same jurisdiction. The award of the arbitration shall be in writing and shall be accompanied by a well-reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Discovery shall be permitted in arbitration only to the extent, if any, expressly authorized by the arbitrators upon a showing of substantial need. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrators shall be equally divided by the parties. Both parties agree and acknowledge that they are each giving up the right to have any Dispute heard in a court of law before a judge and a jury, as well as any appeal. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. The arbitrators shall apply the limitations period that would be applied by a court deciding the matter in the same jurisdiction, including the contractual limitations set forth in this Agreement, and shall have no power to decide the Dispute in any manner not consistent with such limitations period. The arbitrators shall be empowered to interpret the applicable statutes of limitations subject to the choice of law provision set forth herein.

However, in the event of a receivership or delinquency proceeding commenced against the Commission, the mediation or arbitration agreement may operate at the option of the Department of Justice or may be disavowed by the statutory receiver.

Limitations

IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR OTHERWISE ARISING OUT OF THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT.

THE LIABILITY (INCLUDING ATTORNEY'S FEES AND ALL OTHER COSTS) OF THE FIRM AND ITS PRESENT OR FORMER PARTNERS, PRINCIPALS, AGENTS OR EMPLOYEES RELATED TO ANY CLAIM FOR DAMAGES RELATING TO THE SERVICES PERFORMED UNDER THIS AGREEMENT SHALL NOT EXCEED THE FEES PAID TO THE FIRM FOR THE PORTION OF THE WORK TO WHICH THE CLAIM RELATES, EXCEPT TO THE EXTENT FINALLY DETERMINED TO HAVE RESULTED FROM THE WILLFUL MISCONDUCT OR FRAUDULENT BEHAVIOR OF THE FIRM RELATING TO SUCH SERVICES. THIS LIMITATION OF LIABILITY IS INTENDED TO APPLY TO THE FULL EXTENT ALLOWED BY LAW, REGARDLESS OF THE GROUNDS OR NATURE OF ANY CLAIM ASSERTED, INCLUDING THE NEGLIGENCE OF EITHER PARTY.

EACH PARTY FURTHER AGREES THAT ANY LEGAL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT MUST BE COMMENCED WITHIN ONE (1) YEAR AFTER THE CAUSE OF ACTION ARISES.

Termination

This Agreement may be terminated by either party, with or without cause, upon ten (10) days' written notice. In such event, we will stop providing services hereunder except on work, mutually agreed upon in writing, necessary to carry out such termination. In the event of termination: (a) you shall pay us for services provided and expenses incurred through the effective date of termination, (b) we will provide you with all finished reports that we have prepared pursuant to this Agreement, (c) neither party shall be liable to the other for any damages that occur as a result of our ceasing to render services, and (d) we will require any new accounting firm that you may retain to execute access letters satisfactory to the Firm prior to reviewing our files.

Hiring of Employees

Any offer of employment to members of the audit team prior to issuance of our report may impair our independence, and as a result, may result in our inability to complete the engagement and issue a report.

No Legal Advice Provided

The services performed under this Agreement do not include the provision of legal advice and the Firm makes no representations regarding questions of legal interpretation. You should consult with your attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the state of Illinois, without giving effect to the provisions relating to conflict of laws.

Alternative Practice Structure: Baker Tilly International

Baker Tilly US, LLP and Baker Tilly Advisory Group, LP and its subsidiary entities provide professional services through an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable laws, regulations and professional standards. Baker Tilly US, LLP is a licensed independent CPA firm that provides attest services to clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and business advisory services to their clients. Baker Tilly Advisory Group, LP and its subsidiary entities are not licensed CPA firms.

Baker Tilly Advisory Group, LP and its subsidiaries and Baker Tilly US, LLP, trading as Baker Tilly, are independent members of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP are not Baker Tilly International's agents and do not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly Advisory Group, LP, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 18, 2026

Agenda Item 7.1

Subject: Financial Reports (Period March, April and May 2026)

Presenter(s): Angie Wilson, Finance Director

Board Action: Review

Attachments:

FY 2025-26

- Monthly Water Production and Cost Summary March 2026
- Monthly Water Production and Cost Summary April 2026
- Monthly Water Production and Cost Summary May 2026
- FYTD Water Production and Cost Summary
- Budget to Actuals Report FY2025-26 Period 09 March 2026
- Budget to Actuals Report FY2025-26 Period 10 April 2026
- Budget to Actuals Report FY2025-26 Period 11 May 2026

Background: A summary of financial reports is presented for review.

Analysis:

FY 2025-26 Revenue & Expenditure as of May 2026:

Water Sales	Budget	Budget to Date	Actuals	BTD vs Actuals	
OLWS	\$ 1,238,000	\$ 1,134,833	\$ 1,100,120	\$ (34,713)	96.9%
Gladstone	653,000	598,583	655,918	57,335	109.6%
SWA	1,598,000	1,464,833	1,272,026	(192,807)	86.8%
CRW	15,000	13,750	13,722	(28)	99.8%
	<u>\$ 3,504,000</u>	<u>\$ 3,211,999</u>	<u>\$ 3,041,786</u>	<u>\$ (170,213)</u>	
		86.8%			

Wholesale Water Sales

From CRW	<u>1,496,000</u>	<u>1,371,333</u>	<u>1,377,270</u>	<u>\$ 5,937</u>	100.4%
		92.1%			

Water revenue sales are invoiced a month in arrears.

Expenditures	Budget	Budget to Date	Actuals	BTD vs Actuals	
Personnel Services	\$ 859,000	\$ 787,417	\$ 662,297	\$ (125,120)	84.1%
Materials & Services	3,787,000	3,471,417	3,151,630	(319,787)	90.8%
Capital Outlay	1,160,000	1,063,333	486,525	(576,808)	45.8%
	<u>\$ 5,806,000</u>	<u>\$ 5,322,167</u>	<u>\$ 4,300,451</u>	<u>\$ (1,021,716)</u>	
		74.1%			

Water & Electricity are billed a month in arrears.

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 18, 2026

Options: NA

Staff

Recommendation: Review financial statements as presented.

Draft Motion: None required. Chair should acknowledge receipt of the financial reports for the following periods:

- FY 2025-26
 - March 2026
 - April 2026
 - May 2026

NCCWC Monthly Water Production and Cost Summary -

March 2026

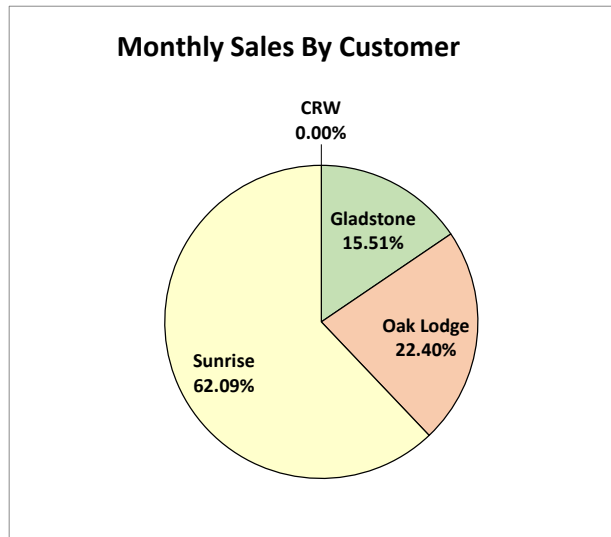
	<u>Combined</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Wholesale CRW</u>
Average Daily Production (MG)	6.99	5.21	(0.02)	1.80

	<u>TOTAL</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Wholesale CRW</u>
Water Production/Purchases (MG)	216.73	161.40	(0.60)	55.93
Water Production/Purchases (ccf) (divide MG by 0.000748)	289,745	215,775	(800)	74,770

NCCWC Expenditures (\$):		<u>SSF/Membrane</u>	<u>SFWB</u>	<u>CRW</u>
Operations:				
Personnel Services	\$ 61,731	\$ 61,731	\$ -	\$ -
Electricity	\$ 43,373	\$ 43,373	\$ -	\$ -
Water Treatment	\$ (1,041)	\$ (1,041)	\$ -	\$ -
Other - Material & Services	\$ 37,761	\$ 37,761	\$ -	\$ -
Capital Outlay	\$ - (In Transfers)	\$ -	\$ -	\$ -
Special Payments-PERS	\$ - (Excluded - From Beg. Balance)	\$ -	\$ -	\$ -
Transfer	\$ 62,500 (Excludes Debt Service Transfer)	\$ 62,500	\$ -	\$ -
Administration:				
Contracted Services	\$ 15,758	\$ 15,758	\$ -	\$ -
Professional Services	\$ 48,502	\$ 48,502	\$ -	\$ -
Wholesale Purchases	\$ 92,559	\$ -	\$ -	\$ 92,559
Total Requirements w/out Debt	\$ 361,144	\$ 268,584	\$ -	\$ 92,559
Cost w/out Debt: \$/(ccf):	\$ 1.2464	\$ 1.2447	\$ -	\$ 1.2379

<u>VOLUME PURCHASED:</u>		<u>Gladstone</u>	<u>Oak Lodge</u>	<u>Sunrise</u>	<u>CRW</u>
Water Sales (MG)	266.90	41.39	59.80	165.71	-
Water Sales (ccf)	356,811	55,329	79,942	221,540	-
% Water Sales per Entity (ccf)	100%	15.51%	22.40%	62.09%	0.00%

GLAD Rate	\$ 0.90000	49,796.10			
OLWD Rate	\$ 0.90000		71,947.80		
SWA Rate	\$ 0.90000			\$73,482	
CRW Water Rate 1	\$ 1.14770			\$92,564	\$0
SFWB Rate	\$ 1.17930				
Monthly Weighted Avg Cost	\$ 0.80660				
Monthly Gain/(Loss) w/out Debt	\$ (0.43982)				



NCCWC Monthly Water Production and Cost Summary -

April 2026

	<u>Combined</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Wholesale CRW</u>
Average Daily Production (MG)	8.10	5.98	(0.00)	2.12

	<u>TOTAL</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Wholesale CRW</u>
Water Production/Purchases (MG)	242.98	179.28	(0.00)	63.71
Water Production/Purchases (ccf) (divide MG by 0.000748)	324,844	239,679	(4)	85,169

NCCWC Expenditures (\$):

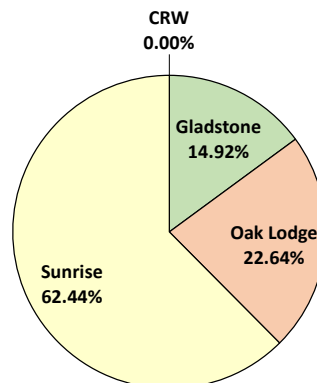
		<u>SSF/Membrane</u>	<u>SFWB</u>	<u>CRW</u>
Operations:				
Personnel Services	\$ 76,989	\$ 76,989	\$ -	\$ -
Electricity	\$ 41,747	\$ 41,747	\$ -	\$ -
Water Treatment	\$ 7,996	\$ 7,996	\$ -	\$ -
Other - Material & Services	\$ 3,850	\$ 3,850	\$ -	\$ -
Capital Outlay	\$ - (In Transfers)	\$ -	\$ -	\$ -
Special Payments-PERS	\$ - (Excluded - From Beg. Balance)	\$ -	\$ -	\$ -
Transfer	\$ 62,500 (Excludes Debt Service Transfer)	\$ 62,500	\$ -	\$ -
Administration:				
Contracted Services	\$ 11,460	\$ 11,460	\$ -	\$ -
Professional Services	\$ 1,944	\$ 1,944	\$ -	\$ -
Wholesale Purchases	\$ 85,825	\$ -	\$ -	\$ 85,825
Total Requirements w/out Debt	\$ 292,311	\$ 206,486	\$ -	\$ 85,825
Cost w/out Debt: \$/(ccf):	\$ 0.8999	\$ 0.8615	\$ -	\$ 1.0077

VOLUME PURCHASED:

		<u>Gladstone</u>	<u>Oak Lodge</u>	<u>Sunrise</u>	<u>CRW</u>
Water Sales (MG)	307.03	45.80	69.52	191.71	-
Water Sales (ccf)	410,467	61,233	92,936	256,298	-
% Water Sales per Entity (ccf)	100%	14.92%	22.64%	62.44%	0.00%

GLAD Rate	\$ 0.90000	55,109.70			
OLWD Rate	\$ 0.90000		83,642.40		
SWA Rate	\$ 0.90000			\$73,482	
CRW Water Rate 1	\$ 1.14770			\$92,564	\$0
SFWB Rate	\$ 1.17930				
Monthly Weighted Avg Cost	\$ 0.74260				
Monthly Gain/(Loss) w/out Debt	\$ (0.15725)				

Monthly Sales By Customer



NCCWC Monthly Water Production and Cost Summary -

May 2026

	<u>Combined</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Wholesale CRW</u>
Average Daily Production (MG)	10.35	8.44	0.00	1.90

	<u>TOTAL</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Wholesale CRW</u>
Water Production/Purchases (MG)	320.71	261.76	0.00	58.95
Water Production/Purchases (ccf) (divide MG by 0.000748)	428,763	349,946	1	78,816

NCCWC Expenditures (\$):

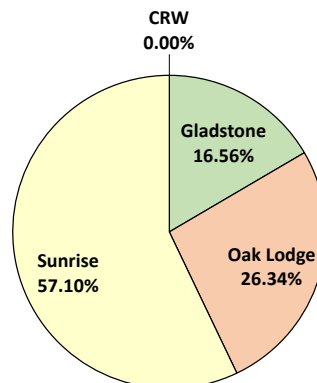
		<u>SSF/Membrane</u>	<u>SFWB</u>	<u>CRW</u>
Operations:				
Personnel Services	\$ 87,489	\$ 87,489	\$ -	\$ -
Electricity	\$ 43,608	\$ 43,608	\$ -	\$ -
Water Treatment	\$ 7,823	\$ 7,823	\$ -	\$ -
Other - Material & Services	\$ 36,695	\$ 36,695	\$ -	\$ -
Capital Outlay	\$ - (In Transfers)	\$ -	\$ -	\$ -
Special Payments-PERS	\$ - (Excluded - From Beg. Balance)	\$ -	\$ -	\$ -
Transfer	\$ 62,500 (Excludes Debt Service Transfer)	\$ 62,500	\$ -	\$ -
Administration:				
Contracted Services	\$ 25,726	\$ 25,726	\$ -	\$ -
Professional Services	\$ 5,690	\$ 5,690	\$ -	\$ -
Wholesale Purchases	\$ 97,760	\$ -	\$ -	\$ 97,760
Total Requirements w/out Debt	\$ 367,291	\$ 269,531	\$ -	\$ 97,760
Cost w/out Debt: \$/(ccf):	\$ 0.8566	\$ 0.7702	\$ -	\$ 1.2404

VOLUME PURCHASED:

		<u>Gladstone</u>	<u>Oak Lodge</u>	<u>Sunrise</u>	<u>CRW</u>
Water Sales (MG)	320.62	53.09	84.46	183.07	-
Water Sales (ccf)	428,644	70,979	112,913	244,752	-
% Water Sales per Entity (ccf)	100%	16.56%	26.34%	57.10%	0.00%

GLAD Rate	\$ 0.90000	63,881.10			
OLWD Rate	\$ 0.90000		101,621.70		
SWA Rate	\$ 0.90000			\$73,482	
CRW Water Rate 1	\$ 1.14770			\$92,564	\$0
SFWB Rate	\$ 1.17930				
Monthly Weighted Avg Cost	\$ 0.77350				
Monthly Gain/(Loss) w/out Debt	\$ (0.08313)				

Monthly Sales By Customer



NCCWC

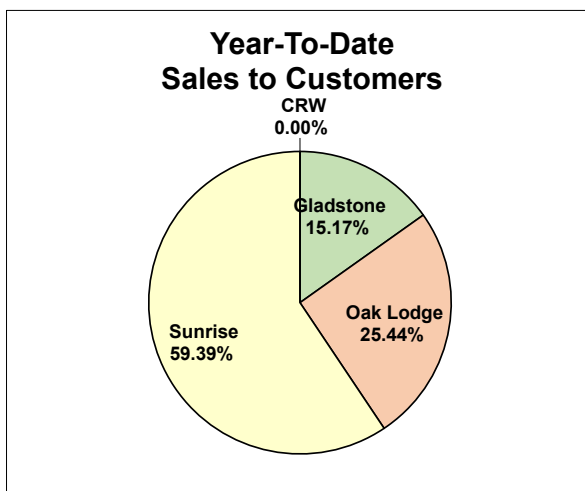
Water Production and Cost Summary - Year to Date

		July 2025 -	May 2026
	Combined	Production SSF/Membrane	Production SFWB
Average Daily Production (MG)	10.31	7.63	(0.00)
			Wholesale CRW
			28.95

	TOTAL	NCCWC Plant	SFWB	Wholesale CRW
Water Production/Purchases (MG)	3,453.58	2,556.18	(0.14)	897.54
Water Production/Purchases (ccf) (divide MG by 0.000748)	4,617,092	3,417,353	(183)	1,199,922

NCCWC Expenditures (\$):		NCCWC Plant	SFWB	CRW
Operations				
Personnel Services	\$ 662,297	\$ 662,297	\$ -	\$ -
Electricity	\$ 498,516	\$ 498,516	\$ -	\$ -
Water Treatment	\$ 142,236	\$ 142,236	\$ -	\$ -
Other -Material & Services	\$ 368,298	\$ 368,298	\$ -	\$ -
Capital Outlay	\$ - (In Transfers)	\$ -	\$ -	\$ -
Special Payments-PERS	\$ 300,000 (Excluded - From Beg. Balance)	\$ 300,000	\$ -	\$ -
Transfer	\$ 687,500 (Excludes Debt Service Transfer)	\$ 687,500	\$ -	\$ -
Administration				
Contracted Services	\$ 259,602	\$ 259,602	\$ -	\$ -
Professional Services	\$ 287,401	\$ 287,401	\$ -	\$ -
Wholesale Purchases	\$ 1,295,577	\$ -	\$ -	\$ 1,295,577
Total Requirements w/out Debt	\$ 4,501,427	\$ 3,205,849	\$ -	\$ 1,295,577
Cost: w/o Debt \$(ccf):	\$ 0.9749	\$ 0.9381	\$ -	\$ 1.0797

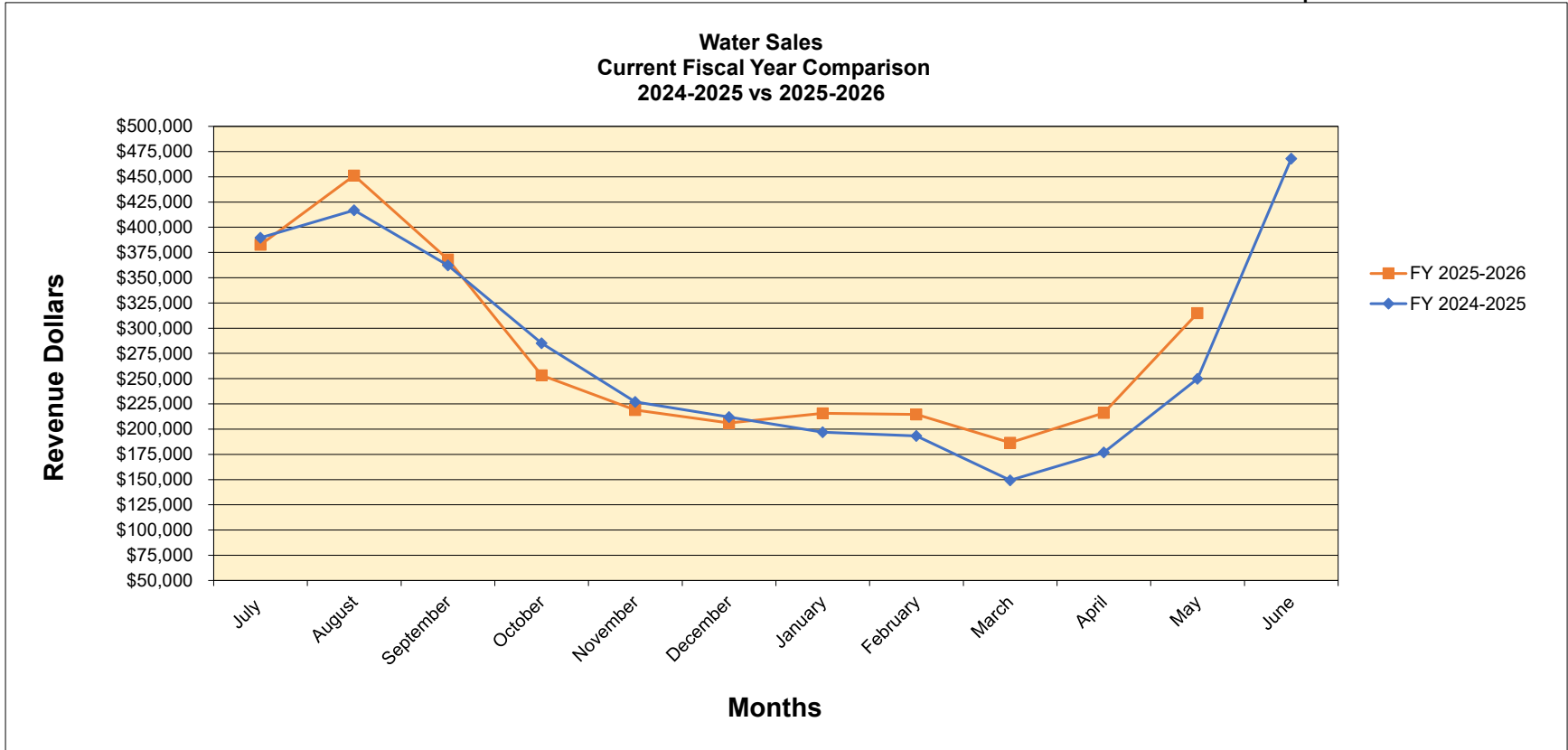
VOLUME PURCHASED:		Gladstone	Oak Lodge	Sunrise	CRW
Water Sales (MG)	3,594.15	545.14	914.32	2,134.69	-
Total Water Sales (ccf)	4,805,019	728,798	1,222,356	2,853,865	-
% Water Sales per Entity (ccf)	100%	15.17%	25.44%	59.39%	0.00%
Gladstone Rate	\$ 0.90000	\$ 655,918			
OLWD Rate	\$ 0.90000		\$ 1,100,120		
SWA Rate	\$ 0.90000			\$ 1,272,026	
CRW Water Rate 1	\$ 1.14770			\$ 1,377,270	\$ -
YTD Weighted Avg Cost	\$ 0.91682				
YTD Gain/(Loss) w/out Debt	\$ (0.05813)				



NORTH CLACKAMAS COUNTY WATER COMMISSION

Water Sales Fiscal Year Comparison 2024-2025 vs 2025-2026

	July	August	September	October	November	December	January	February	March	April	May	June	Total
GRAPH:													
FY 2024-2025	\$ 389,549	\$ 416,948	\$ 362,093	\$ 285,114	\$ 227,020	\$ 212,044	\$ 196,955	\$ 193,265	\$ 149,333	\$ 176,840	\$ 249,841	\$ 467,966	\$ 3,326,967
FY 2025-2026	\$ 382,617	\$ 451,269	\$ 368,183	\$ 253,272	\$ 218,925	\$ 206,137	\$ 215,686	\$ 214,471	\$ 186,544	\$ 216,116	\$ 314,845		\$ 3,028,064
FY % Comparison	-1.78%	8.23%	1.68%	-11.17%	-3.57%	-2.79%	9.51%	10.97%	24.92%	22.21%	26.02%	TBD	TBD
												FY % Comparison FYTD	-0.65%



General Ledger Budget to Actual Report

User: lisa.rowland@olws.org
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 Period 09 - 09
 Fiscal Year 2026



Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
10	General Fund				
	<i>Beginning Fund Balance</i>				
10-3000-00	Fund Balance	1,037,559.00	0.00	1,048,310.92	101.04
	<i>Beginning Fund Balance</i>	<i>1,037,559.00</i>	<i>0.00</i>	<i>1,048,310.92</i>	<i>101.04</i>
	<i>Revenue</i>				
10-4010-00	Interest Income	18,000.00	62.88	597.62	3.32
10-4020-01	Water Sales-OLWSD	1,238,000.00	71,947.80	914,856.30	73.90
10-4020-02	Water Sales-City of Gladstone	653,000.00	49,796.10	536,927.40	82.22
10-4020-03	Water Sales-SWA	1,598,000.00	64,800.00	1,045,319.40	65.41
10-4020-09	Water Sales-Clackamas RiverWtr	15,000.00	-395.00	9,440.10	62.93
10-4025-00	Wholesale Water Sales	1,496,000.00	85,825.04	1,189,045.79	79.48
10-4060-00	Miscellaneous Income	87,000.00	0.00	25,225.71	29.00
	<i>Revenue</i>	<i>5,105,000.00</i>	<i>272,036.82</i>	<i>3,721,412.32</i>	<i>72.90</i>
	<i>Personnel Services</i>				
10-5000-00	Plant Operators	439,000.00	31,300.50	259,393.07	59.09
10-5005-00	OvertimeOn-Call	69,000.00	5,834.21	57,460.02	83.28
10-5045-00	Internship	22,000.00	3,045.00	13,612.20	61.87
10-5050-00	MedicalDentalVision Ins.	143,000.00	9,300.96	73,812.16	51.62
10-5060-00	Retirement	133,000.00	7,683.19	53,683.11	40.36
10-5070-00	Payroll Taxes	45,000.00	4,010.91	32,071.38	71.27
10-5080-00	Workers Compensation	8,000.00	556.20	7,786.75	97.33
	<i>Personnel Services</i>	<i>859,000.00</i>	<i>61,730.97</i>	<i>497,818.69</i>	<i>57.95</i>
	<i>Materials & Services</i>				
10-5204-00	Wholesale Water Purchases	1,496,000.00	92,559.38	1,111,992.62	74.33
10-5206-10	Contracted Services-Management	54,000.00	4,477.82	35,822.56	66.34
10-5206-11	Contracted Svcs-Operations Mgt	150,000.00	0.00	82,765.72	55.18
10-5206-12	Contracted Svcs-Plant Engineer	40,000.00	3,335.90	26,687.20	66.72
10-5206-13	Contracted Services-Fin_Admin	110,000.00	7,944.36	63,496.01	57.72
10-5206-16	HVAC	18,000.00	0.00	13,644.75	75.80
10-5208-00	General Office Expenses	5,000.00	580.20	1,670.98	33.42
10-5210-00	PermitsLicensing Fees	18,000.00	1,174.98	22,062.80	122.57
10-5212-00	General Insurance	104,000.00	0.00	106,829.02	102.72

Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
10-5215-00	ComputersTechnology	60,000.00	110.79	17,289.42	28.82
10-5230-04	Audit Services	61,000.00	0.00	46,600.00	76.39
10-5230-06	Legal Services	15,000.00	145.00	449.00	2.99
10-5230-08	Engineering - General	75,000.00	3,367.00	52,756.87	70.34
10-5230-21	Watershed Services	177,000.00	44,990.25	179,961.00	101.67
10-5236-10	Water Analysis and Testing	15,000.00	1,010.97	4,006.21	26.71
10-5236-11	Chemicals	130,000.00	-2,288.82	107,752.58	82.89
10-5236-12	Instrumentation & Lab Supplies	25,000.00	236.88	14,657.20	58.63
10-5238-00	Telemetry (SCADA)	18,000.00	0.00	18,912.00	105.07
10-5240-00	Electricity	689,000.00	43,372.67	413,160.90	59.97
10-5244-00	EducationTraining and Dues	20,000.00	769.97	14,767.19	73.84
10-5245-00	Telephone	8,000.00	956.52	5,608.60	70.11
10-5246-00	Travel Expenses	1,500.00	1,742.02	1,930.03	128.67
10-5247-00	Books & Publications	500.00	0.00	0.00	0.00
10-5248-00	Public Notices	1,000.00	0.00	9,784.81	978.48
10-5250-10	Natural Gas	2,000.00	205.42	1,251.83	62.59
10-5250-20	Garbage	2,000.00	59.15	474.09	23.70
10-5252-00	Miscellaneous Expense	5,000.00	0.00	0.00	0.00
10-5300-10	Vehicle Maintenance	5,000.00	30.08	1,608.09	32.16
10-5300-20	FuelsOils	5,000.00	583.29	2,437.26	48.75
10-5300-30	Equipment Rental	3,000.00	0.00	0.00	0.00
10-5300-40	Equipment Maintenance	10,000.00	22,789.65	40,476.31	404.76
10-5305-10	Building Maintenance	25,000.00	0.00	165.95	0.66
10-5305-11	Grounds Maintenance	10,000.00	0.00	12,770.00	127.70
10-5305-13	Janitorial Supplies	2,000.00	4.74	341.88	17.09
10-5305-14	Security MonitoringMaint	5,000.00	0.00	0.00	0.00
10-5305-15	Plant Maintenance	75,000.00	5,373.83	44,712.54	59.62
10-5305-16	Intake Structure Maintenance	2,000.00	0.00	1,335.94	66.80
10-5305-17	Membrane Maintenance	20,000.00	1,545.14	13,217.32	66.09
10-5305-20	Safety Supplies	15,000.00	1,835.49	6,084.45	40.56
10-5310-00	Small Tools & Equipment	10,000.00	0.00	4,023.17	40.23
10-6900-45	PERS Side Account	300,000.00	0.00	300,000.00	100.00
	Contribution				
	<i>Materials & Services</i>	<i>3,787,000.00</i>	<i>236,912.68</i>	<i>2,781,506.30</i>	<i>73.45</i>
	<i>Transfers & Contingencies</i>				
10-7300-13	Transfer to Plant Reserve	750,000.00	62,500.00	562,500.00	75.00
10-9000-00	Operating Contingency	500,000.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>1,250,000.00</i>	<i>62,500.00</i>	<i>562,500.00</i>	<i>45.00</i>
10	General Fund	246,559.00	-89,106.83	927,898.25	376.34
13	Plant Reserve				
	<i>Beginning Fund Balance</i>				
13-3000-00	Fund Balance	6,156,884.00	0.00	6,703,114.76	108.87
	<i>Beginning Fund Balance</i>	<i>6,156,884.00</i>	<i>0.00</i>	<i>6,703,114.76</i>	<i>108.87</i>
	<i>Revenue</i>				
13-4010-00	Interest Income	162,000.00	21,930.57	208,447.77	128.67

Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
13-4100-10	Transfer In - General Fund <i>Revenue</i>	750,000.00 <i>912,000.00</i>	62,500.00 <i>84,430.57</i>	562,500.00 <i>770,947.77</i>	75.00 <i>84.53</i>
	<i>Capital Outlay</i>				
13-7000-00	Capital TBA	0.00	17,709.81	117,521.40	0.00
13-7000-10	Computers, Scada, Tech	50,000.00	0.00	21,115.63	42.23
13-7000-20	Equipment	630,000.00	66,140.00	212,308.33	33.70
13-7000-40	Membranes	100,000.00	0.00	25,399.96	25.40
13-7000-50	Buildings	200,000.00	0.00	0.00	0.00
13-7000-60	Other	180,000.00	0.00	0.00	0.00
	<i>Capital Outlay</i>	<i>1,160,000.00</i>	<i>83,849.81</i>	<i>376,345.32</i>	<i>32.44</i>
	<i>Transfers & Contingencies</i>				
13-9000-00	Operating Contingency	500,000.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>500,000.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
13	Plant Reserve	5,408,884.00	580.76	7,097,717.21	131.22
Revenue Total		6,017,000.00	356,467.39	4,492,360.09	74.6611
Expense Total		7,556,000.00	444,993.46	4,218,170.31	55.8254
Grand Total		5,655,443.00	-88,526.07	8,025,615.46	1.4191

General Ledger Budget to Actual Report

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 Period 10 - 10
 Fiscal Year 2026



Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
10	General Fund				
	<i>Beginning Fund Balance</i>				
10-3000-00	Fund Balance	1,037,559.00	0.00	1,048,310.92	101.04
	<i>Beginning Fund Balance</i>	<i>1,037,559.00</i>	<i>0.00</i>	<i>1,048,310.92</i>	<i>101.04</i>
	<i>Revenue</i>				
10-4010-00	Interest Income	18,000.00	61.06	658.68	3.66
10-4020-01	Water Sales-OLWSD	1,238,000.00	83,642.40	998,498.70	80.65
10-4020-02	Water Sales-City of Gladstone	653,000.00	55,109.70	592,037.10	90.66
10-4020-03	Water Sales-SWA	1,598,000.00	77,364.00	1,122,683.40	70.26
10-4020-09	Water Sales-Clackamas RiverWtr	15,000.00	1,985.98	11,426.08	76.17
10-4025-00	Wholesale Water Sales	1,496,000.00	97,759.67	1,286,805.46	86.02
10-4060-00	Miscellaneous Income	87,000.00	7,996.55	33,222.26	38.19
	<i>Revenue</i>	<i>5,105,000.00</i>	<i>323,919.36</i>	<i>4,045,331.68</i>	<i>79.24</i>
	<i>Personnel Services</i>				
10-5000-00	Plant Operators	439,000.00	31,168.00	290,561.07	66.19
10-5005-00	OvertimeOn-Call	69,000.00	5,846.95	63,306.97	91.75
10-5045-00	Internship	22,000.00	3,066.00	16,678.20	75.81
10-5050-00	MedicalDentalVision Ins.	143,000.00	26,958.70	100,770.86	70.47
10-5060-00	Retirement	133,000.00	7,658.41	61,341.52	46.12
10-5070-00	Payroll Taxes	45,000.00	3,403.45	35,474.83	78.83
10-5080-00	Workers Compensation	8,000.00	-1,112.40	6,674.35	83.43
	<i>Personnel Services</i>	<i>859,000.00</i>	<i>76,989.11</i>	<i>574,807.80</i>	<i>66.92</i>
	<i>Materials & Services</i>				
10-5204-00	Wholesale Water Purchases	1,496,000.00	85,825.04	1,197,817.66	80.07
10-5206-10	Contracted Services-Management	54,000.00	0.00	35,822.56	66.34
10-5206-11	Contracted Svcs-Operations Mgt	150,000.00	0.00	82,765.72	55.18
10-5206-12	Contracted Svcs-Plant Engineer	40,000.00	0.00	26,687.20	66.72
10-5206-13	Contracted Services-Fin_Admin	110,000.00	6,911.72	70,407.73	64.01
10-5206-16	HVAC	18,000.00	4,548.25	18,193.00	101.07
10-5208-00	General Office Expenses	5,000.00	505.03	2,176.01	43.52
10-5210-00	PermitsLicensing Fees	18,000.00	-2,155.56	19,907.24	110.60
10-5212-00	General Insurance	104,000.00	0.00	106,829.02	102.72

Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
10-5215-00	ComputersTechnology	60,000.00	282.00	17,571.42	29.29
10-5230-04	Audit Services	61,000.00	0.00	46,600.00	76.39
10-5230-06	Legal Services	15,000.00	1,944.00	2,393.00	15.95
10-5230-08	Engineering - General	75,000.00	0.00	52,756.87	70.34
10-5230-21	Watershed Services	177,000.00	0.00	179,961.00	101.67
10-5236-10	Water Analysis and Testing	15,000.00	325.00	4,331.21	28.87
10-5236-11	Chemicals	130,000.00	7,626.69	115,379.27	88.75
10-5236-12	Instrumentation & Lab Supplies	25,000.00	44.78	14,701.98	58.81
10-5238-00	Telemetry (SCADA)	18,000.00	-2,157.50	16,754.50	93.08
10-5240-00	Electricity	689,000.00	41,747.14	454,908.04	66.02
10-5244-00	EducationTraining and Dues	20,000.00	-225.96	14,541.23	72.71
10-5245-00	Telephone	8,000.00	277.43	5,886.03	73.58
10-5246-00	Travel Expenses	1,500.00	0.00	1,930.03	128.67
10-5247-00	Books & Publications	500.00	0.00	0.00	0.00
10-5248-00	Public Notices	1,000.00	81.95	9,866.76	986.68
10-5250-10	Natural Gas	2,000.00	321.20	1,573.03	78.65
10-5250-20	Garbage	2,000.00	59.15	533.24	26.66
10-5252-00	Miscellaneous Expense	5,000.00	0.00	0.00	0.00
10-5300-10	Vehicle Maintenance	5,000.00	130.45	1,738.54	34.77
10-5300-20	FuelsOils	5,000.00	533.36	2,970.62	59.41
10-5300-30	Equipment Rental	3,000.00	0.00	0.00	0.00
10-5300-40	Equipment Maintenance	10,000.00	1,465.76	41,942.07	419.42
10-5305-10	Building Maintenance	25,000.00	106.77	272.72	1.09
10-5305-11	Grounds Maintenance	10,000.00	9.27	12,779.27	127.79
10-5305-13	Janitorial Supplies	2,000.00	99.65	441.53	22.08
10-5305-14	Security MonitoringMaint	5,000.00	33.48	33.48	0.67
10-5305-15	Plant Maintenance	75,000.00	1,782.86	46,495.40	61.99
10-5305-16	Intake Structure Maintenance	2,000.00	218.59	1,554.53	77.73
10-5305-17	Membrane Maintenance	20,000.00	1,569.40	14,786.72	73.93
10-5305-20	Safety Supplies	15,000.00	892.26	6,976.71	46.51
10-5310-00	Small Tools & Equipment	10,000.00	19.97	4,043.14	40.43
10-6900-45	PERS Side Account	300,000.00	0.00	300,000.00	100.00
	Contribution				
	<i>Materials & Services</i>	<i>3,787,000.00</i>	<i>152,822.18</i>	<i>2,934,328.48</i>	<i>77.48</i>
	<i>Transfers & Contingencies</i>				
10-7300-13	Transfer to Plant Reserve	750,000.00	62,500.00	625,000.00	83.33
10-9000-00	Operating Contingency	500,000.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>1,250,000.00</i>	<i>62,500.00</i>	<i>625,000.00</i>	<i>50.00</i>
10	General Fund	246,559.00	31,608.07	959,506.32	389.16
13	Plant Reserve				
	<i>Beginning Fund Balance</i>				
13-3000-00	Fund Balance	6,156,884.00	0.00	6,703,114.76	108.87
	<i>Beginning Fund Balance</i>	<i>6,156,884.00</i>	<i>0.00</i>	<i>6,703,114.76</i>	<i>108.87</i>
	<i>Revenue</i>				
13-4010-00	Interest Income	162,000.00	21,297.35	229,745.12	141.82

Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
13-4100-10	Transfer In - General Fund <i>Revenue</i>	750,000.00 <i>912,000.00</i>	62,500.00 <i>83,797.35</i>	625,000.00 <i>854,745.12</i>	83.33 <i>93.72</i>
	<i>Capital Outlay</i>				
13-7000-00	Capital TBA	0.00	14,516.51	132,037.91	0.00
13-7000-10	Computers, Scada, Tech	50,000.00	9,574.88	30,690.51	61.38
13-7000-20	Equipment	630,000.00	0.00	212,308.33	33.70
13-7000-40	Membranes	100,000.00	0.00	25,399.96	25.40
13-7000-50	Buildings	200,000.00	0.00	0.00	0.00
13-7000-60	Other	180,000.00	0.00	0.00	0.00
	<i>Capital Outlay</i>	<i>1,160,000.00</i>	<i>24,091.39</i>	<i>400,436.71</i>	<i>34.52</i>
	<i>Transfers & Contingencies</i>				
13-9000-00	Operating Contingency	500,000.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>500,000.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
13	Plant Reserve	5,408,884.00	59,705.96	7,157,423.17	132.33
Revenue Total		6,017,000.00	407,716.71	4,900,076.80	81.4372
Expense Total		7,556,000.00	316,402.68	4,534,572.99	60.0129
Grand Total		5,655,443.00	91,314.03	8,116,929.49	1.4352

General Ledger Budget to Actual Report

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 Period 11 - 11
 Fiscal Year 2026



Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
10	General Fund				
	<i>Beginning Fund Balance</i>				
10-3000-00	Fund Balance	1,037,559.00	0.00	1,048,310.92	101.04
	<i>Beginning Fund Balance</i>	<i>1,037,559.00</i>	<i>0.00</i>	<i>1,048,310.92</i>	<i>101.04</i>
	<i>Revenue</i>				
10-4010-00	Interest Income	18,000.00	63.31	721.99	4.01
10-4020-01	Water Sales-OLWSD	1,238,000.00	101,621.70	1,100,120.40	88.86
10-4020-02	Water Sales-City of Gladstone	653,000.00	63,881.10	655,918.20	100.45
10-4020-03	Water Sales-SWA	1,598,000.00	149,342.40	1,272,025.80	79.60
10-4020-09	Water Sales-Clackamas RiverWtr	15,000.00	2,296.00	13,722.08	91.48
10-4025-00	Wholesale Water Sales	1,496,000.00	90,465.00	1,377,270.46	92.06
10-4060-00	Miscellaneous Income	87,000.00	3,341.52	36,563.78	42.03
	<i>Revenue</i>	<i>5,105,000.00</i>	<i>411,011.03</i>	<i>4,456,342.71</i>	<i>87.29</i>
	<i>Personnel Services</i>				
10-5000-00	Plant Operators	439,000.00	46,424.76	336,985.83	76.76
10-5005-00	OvertimeOn-Call	69,000.00	9,665.88	72,972.85	105.76
10-5045-00	Internship	22,000.00	5,040.00	21,718.20	98.72
10-5050-00	MedicalDentalVision Ins.	143,000.00	9,300.96	110,071.82	76.97
10-5060-00	Retirement	133,000.00	11,605.17	72,946.69	54.85
10-5070-00	Payroll Taxes	45,000.00	5,452.71	40,927.54	90.95
10-5080-00	Workers Compensation	8,000.00	0.00	6,674.35	83.43
	<i>Personnel Services</i>	<i>859,000.00</i>	<i>87,489.48</i>	<i>662,297.28</i>	<i>77.10</i>
	<i>Materials & Services</i>				
10-5204-00	Wholesale Water Purchases	1,496,000.00	97,759.67	1,295,577.33	86.60
10-5206-10	Contracted Services-Management	54,000.00	8,955.64	44,778.20	82.92
10-5206-11	Contracted Svcs-Operations Mgt	150,000.00	0.00	82,765.72	55.18
10-5206-12	Contracted Svcs-Plant Engineer	40,000.00	6,671.80	33,359.00	83.40
10-5206-13	Contracted Services-Fin_Admin	110,000.00	10,098.44	80,506.17	73.19
10-5206-16	HVAC	18,000.00	0.00	18,193.00	101.07
10-5208-00	General Office Expenses	5,000.00	169.32	2,345.33	46.91
10-5210-00	PermitsLicensing Fees	18,000.00	0.00	19,907.24	110.60
10-5212-00	General Insurance	104,000.00	0.00	106,829.02	102.72

Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
10-5215-00	ComputersTechnology	60,000.00	361.59	17,933.01	29.89
10-5230-04	Audit Services	61,000.00	0.00	46,600.00	76.39
10-5230-06	Legal Services	15,000.00	1,385.00	3,778.00	25.19
10-5230-08	Engineering - General	75,000.00	4,304.75	57,061.62	76.08
10-5230-21	Watershed Services	177,000.00	0.00	179,961.00	101.67
10-5236-10	Water Analysis and Testing	15,000.00	76.93	4,408.14	29.39
10-5236-11	Chemicals	130,000.00	7,556.99	122,936.26	94.57
10-5236-12	Instrumentation & Lab Supplies	25,000.00	189.56	14,891.54	59.57
10-5238-00	Telemetry (SCADA)	18,000.00	175.00	16,929.50	94.05
10-5240-00	Electricity	689,000.00	43,607.57	498,515.61	72.35
10-5244-00	EducationTraining and Dues	20,000.00	6,167.50	20,708.73	103.54
10-5245-00	Telephone	8,000.00	469.78	6,355.81	79.45
10-5246-00	Travel Expenses	1,500.00	0.00	1,930.03	128.67
10-5247-00	Books & Publications	500.00	0.00	0.00	0.00
10-5248-00	Public Notices	1,000.00	0.00	9,866.76	986.68
10-5250-10	Natural Gas	2,000.00	292.46	1,865.49	93.27
10-5250-20	Garbage	2,000.00	60.08	593.32	29.67
10-5252-00	Miscellaneous Expense	5,000.00	86.40	86.40	1.73
10-5300-10	Vehicle Maintenance	5,000.00	0.00	1,738.54	34.77
10-5300-20	FuelsOils	5,000.00	911.84	3,882.46	77.65
10-5300-30	Equipment Rental	3,000.00	0.00	0.00	0.00
10-5300-40	Equipment Maintenance	10,000.00	0.00	41,942.07	419.42
10-5305-10	Building Maintenance	25,000.00	23.00	295.72	1.18
10-5305-11	Grounds Maintenance	10,000.00	3,729.99	16,509.26	165.09
10-5305-13	Janitorial Supplies	2,000.00	21.78	463.31	23.17
10-5305-14	Security MonitoringMaint	5,000.00	0.00	33.48	0.67
10-5305-15	Plant Maintenance	75,000.00	19,053.50	65,548.90	87.40
10-5305-16	Intake Structure Maintenance	2,000.00	0.00	1,554.53	77.73
10-5305-17	Membrane Maintenance	20,000.00	3,492.97	18,279.69	91.40
10-5305-20	Safety Supplies	15,000.00	972.88	7,949.59	53.00
10-5310-00	Small Tools & Equipment	10,000.00	706.62	4,749.76	47.50
10-6900-45	PERS Side Account	300,000.00	0.00	300,000.00	100.00
	Contribution				
	<i>Materials & Services</i>	<i>3,787,000.00</i>	<i>217,301.06</i>	<i>3,151,629.54</i>	<i>83.22</i>
	<i>Transfers & Contingencies</i>				
10-7300-13	Transfer to Plant Reserve	750,000.00	62,500.00	687,500.00	91.67
10-9000-00	Operating Contingency	500,000.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>1,250,000.00</i>	<i>62,500.00</i>	<i>687,500.00</i>	<i>55.00</i>
10	General Fund	246,559.00	43,720.49	1,003,226.81	406.89
13	Plant Reserve				
	<i>Beginning Fund Balance</i>				
13-3000-00	Fund Balance	6,156,884.00	0.00	6,703,114.76	108.87
	<i>Beginning Fund Balance</i>	<i>6,156,884.00</i>	<i>0.00</i>	<i>6,703,114.76</i>	<i>108.87</i>
	<i>Revenue</i>				
13-4010-00	Interest Income	162,000.00	22,079.61	251,824.73	155.45

Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
13-4100-10	Transfer In - General Fund <i>Revenue</i>	750,000.00 <i>912,000.00</i>	62,500.00 <i>84,579.61</i>	687,500.00 <i>939,324.73</i>	91.67 <i>103.00</i>
	<i>Capital Outlay</i>				
13-7000-00	Capital TBA	0.00	19,110.60	151,148.51	0.00
13-7000-10	Computers, Scada, Tech	50,000.00	0.00	30,690.51	61.38
13-7000-20	Equipment	630,000.00	66,977.25	279,285.58	44.33
13-7000-40	Membranes	100,000.00	0.00	25,399.96	25.40
13-7000-50	Buildings	200,000.00	0.00	0.00	0.00
13-7000-60	Other	180,000.00	0.00	0.00	0.00
	<i>Capital Outlay</i>	<i>1,160,000.00</i>	<i>86,087.85</i>	<i>486,524.56</i>	<i>41.94</i>
	<i>Transfers & Contingencies</i>				
13-9000-00	Operating Contingency	500,000.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>500,000.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
13	Plant Reserve	5,408,884.00	-1,508.24	7,155,914.93	132.30
Revenue Total		6,017,000.00	495,590.64	5,395,667.44	89.6737
Expense Total		7,556,000.00	453,378.39	4,987,951.38	66.0131
Grand Total		5,655,443.00	42,212.25	8,159,141.74	1.4427

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 18, 2026

Subject: Operations Report

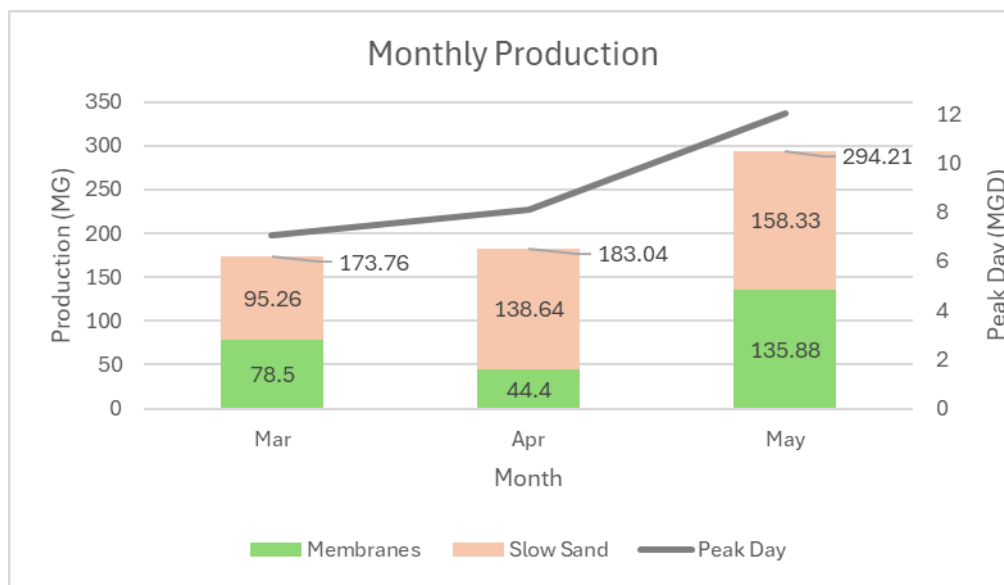
Presenter(s): Brent Carrar, DRC

Board Action: Open discussion

Attachments: None

Topics

Monthly Water Production



Plant Updates

Finished Water Pumps

Finished water pump #4 was recently rebuilt, along with the replacement of the variable frequency drive for FW#4. FW #1 went out for motor/pump rebuild and then failed on restart. The motor appears to be in good condition but parts of the pump (bowls, etc.) failed and need to be rebuilt. We have had a number of on-going issues with reliable pump/motor service and are in the process of searching for alternative vendors.

Other Projects: The new camera/gate security system (equipment) is being procured and readied for installation. Slayden Construction did some preliminary work installing new control valves on the backwash/membrane cleaning system. Carollo is in the process of finalizing their Preliminary Design Report (PDR) and we will be working with Slayden on design and equipment procurement for replacement of the chemical systems, pumps/motors upgrades, valves replacements and other plant improvement priorities.

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 18, 2026

Agenda Item 7.3

Subject: Manager's Report

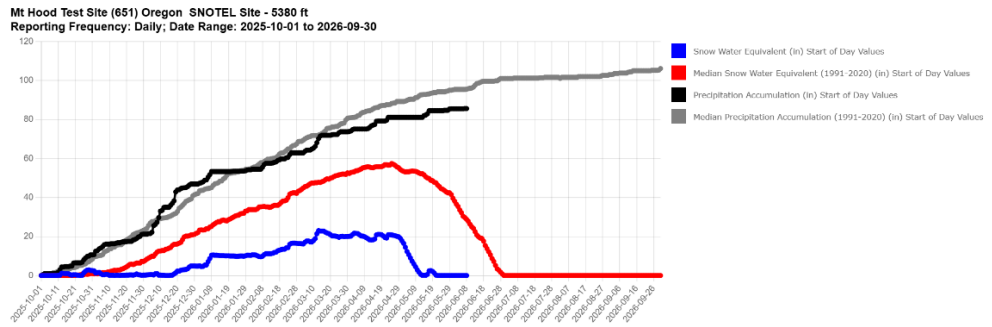
Presenter(s): Wade Hathhorn, General Manager

Board Action: Open discussion

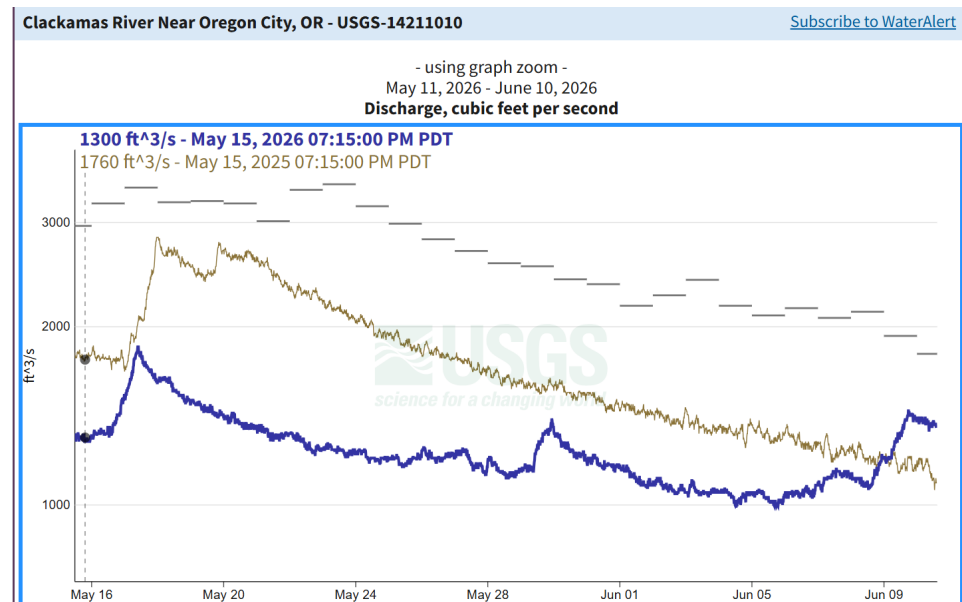
Attachments: None

Update on Snowpack

As you know, this year may be the "worst" recorded with regards to snowpack on Mt. Hood. We experienced the earliest "snow off" (no snow) in recorded history, with snowpack reaching "zero" before mid-May. We are also falling behind median total precipitation, setting the stage for a "very dry" summer season.



The immediate impact, of course, is on river flows, which are also now the lowest" recorded at this time of year. You can see that, except for the small amount of recent rain, the flows are well below the medians and below last year.



NORTH CLACKAMAS COUNTY WATER COMMISSION

June 18, 2026

We are anticipating flows that will reach (or drop below) minimum instream requirements (650 cfs) before Labor Day, bringing the likelihood of actual curtailment by the State into our supply strategy. This is further exacerbated by the rise in minimum flow requirements (800 cfs) after Labor Day.

Public Messaging and Plea to Reduce Outdoor Use

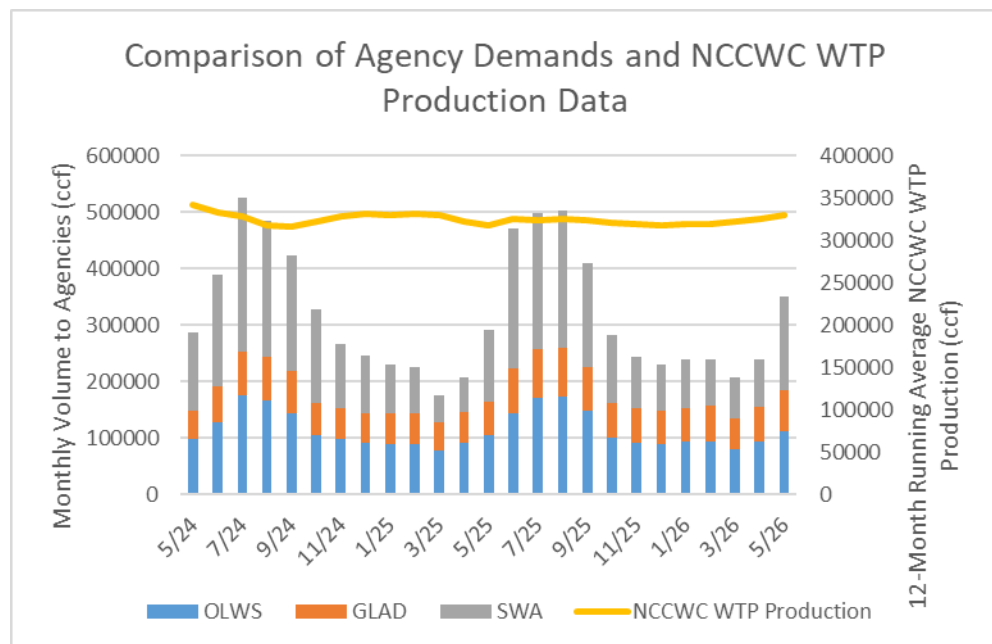
We are working with the CRWP on messaging campaigns that will call for individuals to reduce outdoor use, especially lawn irrigation, throughout the summer (with special emphasis moving into August). A useful tool you can share is the “weekly watering” tool from the Regional Water Providers Consortium (RWPC):

<https://www.regionalh2o.org/water-conservation/outdoor-water-conservation/weekly-watering-number>

Staff also worked with “Claude AI” to develop “talking points” around the issues and general tools for water conservation (i.e. targeting reduced outdoor use). A copy of the “talking points” is attached.

Summary of Production and Deliveries

The graph below shows a 12-month rolling average of total production and monthly deliveries to member agencies:



The seasonal impacts on demand (deliveries) are evidenced in the drop observed across subsequent summer periods. The influence from peak (hot) weather periods is also evidenced, as well as general flattening of the 12-mo. Average – the latter is owed to operations approaching plant capacity each year (especially during the summer).

THE RIVER NEEDS YOU

2026 Summer Conservation · Clackamas River Water Providers · Executive & Community Leader Talking Points

Outdoor irrigation — especially lawn watering — is the #1 summer water use. Reducing it is the single most effective action residents can take.

THE PRIMARY ASK

Water your lawn to no more than **1 inch per week**. Most automated systems apply 2–3 times that amount. Simply reducing to the agronomic standard — no more — is the single highest-impact conservation action available to residential customers.

Near-Record Low Flows

The Clackamas River at Oregon City is tracking at historic lows. Near-record low Cascade snowpack this winter left no mountain water reserve for summer.

Legal Flow Minimums

State law requires 650 cfs through Labor Day, then 800 cfs for fall salmon migration. When flows hit these floors, plant withdrawals are legally curtailed.

350,000+ Residents

Four treatment plants on the same 3-mile river reach serve all of urbanized Clackamas County. Voluntary action across the region is the primary available tool.

KEY TALKING POINTS

Outdoor Irrigation Is the Target

Summer lawn irrigation is the largest single driver of water demand in our region — typically 40–60% of peak-day use. It is also where behavior change has the greatest impact. Indoor conservation, while worthwhile, is secondary to this ask.

The Ask Is Specific & Grounded

One inch per week is the established Pacific Northwest agronomic standard for healthy turf — not an arbitrary number. Most automated systems over-irrigate significantly. Watering to this standard typically means reducing run times by 30–50%, with no visible impact on lawn health.

The River Has Legal Flow Floors

This is not simply a supply preference — it is a regulatory reality. When flows reach 650 cfs at Oregon City, state law constrains plant withdrawals. High irrigation demand in July accelerates our approach to that threshold.

The Salmon Connection Is Real

The flow minimum rises to 800 cfs after Labor Day for fall Chinook and coho migration. What residents do with their sprinklers in July directly affects whether the river has enough flow for the salmon run in September.

This Is a Regional, Unified Campaign

"The River Needs You" is a collective CRWP effort — all four providers, one message. It runs through mid-August and hands off to the established "Fish on the Run, Irrigation Done" campaign.

HOW COMMUNITY LEADERS CAN HELP

Say it publicly — and make it about irrigation.

The most effective message community leaders can deliver is simple and direct: "Turn down your sprinklers this summer." A statement from a Mayor, Council, or Board focused specifically on outdoor irrigation cuts through in a way that general conservation appeals do not.

Lead with your own facilities.

Audit irrigation schedules for parks, medians, and public landscaping now — before peak season. Reducing public facility irrigation to the 1-inch standard sets a visible community norm and demonstrates that the ask applies to everyone.

Point residents to the tool.

The Regional Water Providers Consortium "1 Inch Per Week" lawn irrigation tracker gives residents a concrete, measurable way to act. Direct them to it through your communications channels. Pair it with a link to "Watch the River" — our live USGS Oregon City flow tracker.

Ask your parks & public works staff to act now.

Review all automated irrigation controllers. Reduce run times. Schedule watering before 9 AM or after 7 PM. July is the critical month — not August.

FLOW RESPONSE STAGES — OREGON CITY GAGE

WATCH	Flows declining — campaign active, 1" ask in market
WARNING	Approaching 1,000 cfs — intensified outreach
CRITICAL	At/below 750 cfs — mandatory measures considered
650 cfs	State minimum — municipal withdrawals legally constrained