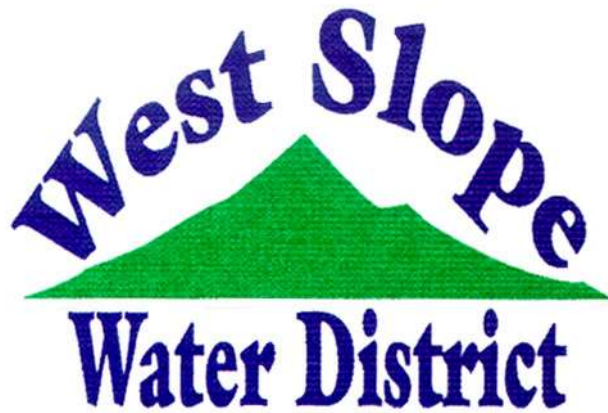


BUDGET DOCUMENT

FY 2021-2022



Prepared by:

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WEST SLOPE WATER DISTRICT

INTRODUCTION

FY 2021-2022

Most local governments in Oregon, from the smallest district to the largest city, must prepare and adopt an annual budget. Schools, counties, cities, rural fire districts, and most special districts are all subject to the same budget provisions.

Oregon's Local Budget Law determines budget provisions. It is found in Chapter 294 of the Oregon Revised Statutes. The law sets out specific procedures that must be followed during the budgeting process. The budget must be completed by June 30 – the day before the start of the fiscal year to which the budget applies. Without a budget for the new fiscal year in place, the local government's authority to spend money or incur obligations expires on June 30. Compliance with Local Budget Law is critical for local governments.

*

The following budget document is designed to clearly outline the West Slope Water District's fiscal policies. To aid the reader the following sections are provided.

Section 1 – Budget Message – A letter to the citizens of the community and the Budget Committee highlighting significant portions of the budget and the District's financial priorities.

Sections 2-6 – Budget by fund proposed by the Budget Officer – The proposed budget sheets include actual requirements and revenues for the two preceding years, the revised current year budget, the projected actuals for the current year, the proposed requirements and revenues for the coming fiscal year and supporting documents for the capital and equipment reserve funds.

Section 7 – Supplemental Financial Schedules - An eight-year financial forecast with assumptions and a bond amortization schedule.

Section 8 – Budget Process Information – A collection of documents that include the Budget Calendar, a roster of the Budget Committee members, a copy of the notice of the Budget committee meeting, and the Budget Committee meeting agenda.

Section 9 – Appendix – Distribution system summary.

*Oregon Department of Revenue, Local Budget Law Manual

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WEST SLOPE WATER DISTRICT

Budget Message

FY 2021-2022

April 23, 2021

To the Citizens, Members of the Budget Committee and Board of Commissioners:

The proposed fiscal year 2021-2022 budget for the West Slope Water District is attached for your review and consideration. This budget message provides background information and highlights portions of the budget document to aid in your review of the proposed budget. The budget message is organized such that it contains information in the following categories:

- Executive Summary
- General Information
- Financial Condition
- Budget Summary
- General Fund Resources
- General Fund Requirements
- Rate Stabilization Reserve Fund
- Equipment Reserve Fund
- Capital Improvement Reserve Fund
- System Development Charges (SDC) Fund

EXECUTIVE SUMMARY

Below please find a summary of the FY 2021-2022 budget assumptions followed by comparisons of the District-wide FY 2021-2022 proposed budget to the prior year's budget. Variances between the years reflect differences in underlying assumptions as the District responds to changing external factors as well as changing priorities within the organization. More detailed discussion around each of the following highlights will be found at the fund level discussions in the body of the budget message.

Fortunately, the District's financial condition remains relatively unscathed from the severe economic downturn experienced by certain business segments across the nation caused by the COVID19 pandemic which began in March 2020. The pandemic is just now nearing its end. The District's revenue has continued at comparable levels throughout the pandemic which may be due to a customer base of 75% residential combined with a drier and warmer late summer and fall in 2020. The District does expect to incur bad debts higher than normal due to the curtailing of customer shut offs for non-payment during 2020. The District booked \$10,000 to an allowance for bad debts on June 30, 2020. This amount still appears adequate.

Customer rates are proposed to increase 6% effective July 1, 2021. Consistent with past budgets, the FY 2021-22 proposed budget revenues are based on the District's 5-year average consumption. Revenues projected for May & June of 2021, were estimated at 100% of May and June 2020 actual revenues. The District did not impose a customer rate increase during FY 2020-21 as a response to the severe economic downturn caused by the COVID-19 pandemic. The economy is beginning to recover and the District desires to resume progress toward financial preparedness for significant increases to future purchased water costs and to restore capital improvement reserves after the completion of the main-line replacement in a portion of the Beaverton-Hillsdale Highway. Increasing rates on July 1 rather than October 1 generates approximately \$85,000 in additional revenue based on the current 5-year average consumption for this time frame. The actual revenues generated will of course vary with actual consumption and weather conditions during the months of July, August, and September. The ten-year average consumption by month indicates 41% of the District's annual consumption occurs in this time frame each year.

Engineering and design for the Beaverton-Hillsdale Highway main-line replacement project has commenced in FY 2020-21 at a cost of \$200 thousand. Construction is planned to commence in the fall of 2021 with completion in spring of 2022, at a cost of an additional \$2.6 million. This will significantly deplete the current \$2.7 million of reserves in the capital improvement fund.

It is known that future purchased water cost will see significant increases. It is unknown exactly how much or exactly when these increases will hit the District. If the District stays with Bull Run water provided by the City of Portland, the District will be required to participate in the recovery of the \$1 billion capital cost of the filtration plant which is being required of the City by the EPA. If the District were to switch providers to Tualatin Valley

Water District, the District would be required to participate in the recovery of the \$1.3 billion construction cost of the Willamette river water line and filtration plant. Either will be at a significantly higher cost (forecasts indicate this could be more than 3 times higher) than what the District is currently paying to purchase water.

Total personnel costs (see page 19) are included in the FY 2021-22 proposed budget at a 7.2% total increase over last year's budget. Base salaries are calculated at a 6% increase. This 6% is comprised of a 4.1% cost of living increase based on the combined increase in the consumer price indexes in 2019 and 2020. An additional 1.9% allows for merit and adjustments to market for certain positions. The additional items making up the 7.2% are explained later in this Budget Message under General Fund Requirements.

This 2021-22 budget is prepared based on the assumption that in the following (FY 2022-23) fiscal year the District will pay off the 2008 revenue bonds to remove the requirement to generate an operating profit of 1.25 times the annual debt service on the bonds in future years. There may be future years when the District desires to buffer its customer's rates from spikes in purchased water costs by supplementing an operating loss or very low operating profit with funds from the rate stabilization reserve fund. The rate stabilization reserve established for this purpose will stay at \$800,000 in this budget. The bond's rate covenants require the District to generate a minimum operating profit equal to each year's debt service. Removing this requirement would allow the District more flexibility to utilize funds reserved in the rate stabilization fund should a large spike in purchased water rates be combined with a cool wet year. This proposed budget includes the assumption that capital reserve funds, and any available SDC funds will be utilized as soon as is possible during FYE 06.30.23, to pay off the \$1.910 million of bond principal remaining at FYE 06.30.22 plus any interest which accrues to the actual payment date.

District Wide Resources: The District wide proposed budget resources are \$10,487,000 an increase of \$1,502,000 or 16.7% from FY 2020-21's revised budget. Beginning working capital in the general fund increases \$188,000, beginning working capital in the reserve funds increases \$520,000, and water revenues increase \$206,000. The increase to the reserve funds working capital is primarily a result of reserving more in the prior year into these funds than was spent. Please see explanations by fund later in this budget summary for details on the causes for the remaining increases.

District Wide Requirements: The proposed budget requirements are \$10,487,000 an increase of \$1,502,000 or 16.7% which matches the increase in resources. Capital outlay increases \$2,310,000, reserved for future requirements declines \$1,740,000, contingencies increase \$464,000, operating expenses decline \$113,000, and transfers increase \$581,000. The capital outlay increase consists primarily of the Beaverton-Hillsdale Highway main line replacement budgeted to be spent in the current fiscal year. An operating contingency in the capital reserve fund of \$500,000 is included this year, up from \$0 in prior years, due to the large expenditures taking place in this fund for the Beaverton Hillsdale Highway project. Decreases to reserves for future expenditures are also caused primarily by the \$2,600,000 of current capital outlay for the BH Highway. Transfers increase due to the additional resources generated in the General Fund which

are available for transfer. See additional explanations by fund later in this budget summary.

Transfers to Other Funds:

The District maintains an Equipment Reserve Fund to provide funds for replacement of aged equipment and purchases of additional equipment such as work trucks, excavators, dump trucks, other field equipment, radio read meters, computers, and software. The transfer from the general fund this year is \$126,000 down from \$180,000 last year.

The District also maintains a Capital Improvement Reserve Fund. The purpose of the Capital Improvement Reserve fund is to accumulate funds over multiple years, and then to track the expenditures for large infrastructure repair, replacement, and upgrade projects identified in the capital improvements plan or for debt service related to capital projects. The transfer in proposed from the General Fund this year is \$1,300,000, an increase of \$635,000 from last year. Increased beginning working capital in the General Fund, combined with increased revenues, and decreased purchased water costs provided higher resources available in the General Fund for transfers to other funds. Generally, the Capital Improvement Reserve Fund receives General Fund resources that exceed General Fund requirements minus transfers needed to the Equipment Reserve Fund or the Rate Stabilization Fund.

The District established a Rate Stabilization Fund effective June 20, 2018. The need for this fund was first identified in an eight-year financial forecast prepared early in 2018 based upon purchased water cost forecasts received at that time from the City of Portland (City). The intent was to build funds in this reserve to help with meeting rate covenants required by the 2008 revenue bond master resolution. It has since been determined that the bond rate covenants only allow a limited amount of rate stabilization transfers in each year (approximately \$90,000 per year) to be utilized in meeting the required debt coverage ratios. Accordingly, this budget proposes, as was mentioned in the executive summary, a payoff of the bonds in the first fiscal year (FY2022-23) following this proposed budget. This allows the District the option to run at a much smaller operating profit. The operating profits could then be supplemented by the rate stabilization reserve at levels higher than \$90,000 per year without running the risk of being out of compliance with the bond rate covenants. This allows the District enhanced flexibility to buffer large spikes in purchased water costs (which the City of Portland's forecasts indicate) from its customers rates. No additional transfers into the rate stabilization fund are proposed in this budget.

Operating Contingency: The General Fund budget includes an operating contingency of \$951,000 or 120 days (33% of annual of operating expenses and debt service). The Capital Reserve Fund includes a \$500,000 operating Contingency. Sound financial management of a sustainable utility includes maintaining an operational contingency to assist with covering the unforeseen. This could be an occurrence of major infrastructure failures that are outside of regular maintenance, the financial impact of unusually cool wet weather conditions which create low water usage and reduced revenues, drastic increases to purchased water costs, a medical pandemic, a natural disaster, unforeseen

surprises on a major capital project, or the combination of any of the above. The published best practices recommendation from the Government Finance Officers Association (GFOA) is a beginning reserve fund balance of 90 to 120 days or 33% of operating expenses. The General Fund operating contingency for the 2021-22 proposed budget declines \$36,000 due to reduced operating costs primarily in purchased water from the City of Portland. The Capital Improvement Reserve Fund includes a \$500,000 operating contingency this year, up from \$0 last year, due to the \$2.7 million project for the Beaverton-Hillsdale Highway mine line replacement in this proposed budget. Amounts budgeted to reserved for future expenditures in an adopted budget are not allowed by Oregon Budget Law to be utilized in that budget year even via a post adoption supplemental budget.

Debt Service: The proposed budget includes the annual debt service payment for the 2008 revenue bonds of \$359,000. The District has approximately level debt payments through 2027 for the bonds. The bonds funded the construction of the District's 3.0-million-gallon (MG) Reservoir #3 and the demolition of the 2.25 MG concrete Reservoir #1. \$322,000 is budgeted from the General Fund and \$37,000 is budgeted from the SDC Fund.

Debt Coverage: The bond covenants require the District's audited financial statements to report adequate revenue to cover operating expenses and meet the debt payment; this is referred to as the debt coverage ratio. The minimum required debt coverage ratio including System Development Charges (SDC) revenues and adjusted for any revenues transferred into or out of the rate stabilization fund, is 1.25 times the annual debt payment or \$448,750 for fiscal year ended June 30, 2021. The proposed budget after estimated General Accepted Accounting Principle (GAAP) adjustments, provides a debt coverage ratio of 4.3 or \$1,553,000 with SDC revenue.

GENERAL INFORMATION

The West Slope Water District is a municipal corporation that provides domestic water service and fire protection water service to residential and commercial customers. The District is situated in Washington County, west of Portland, and it is bounded by the Multnomah County line (generally Scholls Ferry road) on the east and Highway 217 on the West. Oregon Highway 26 marks the northern border and the Beaverton-Hillsdale Highway is generally the southern border. A portion of the District is located within the city limits of the City of Beaverton, the remaining portion is unincorporated Washington County. Incorporated in 1922, the area within the District is approximately three-and-one-half square miles, with an approximate population of 10,300 people and approximately 3,300 service connections.

The District is governed by a five-member Board of Commissioners. District commissioners are required to be residents of the District and are elected to four-year terms by voters who reside within the District.

The estimates for each fund contained in this proposed budget were prepared by assessing the expected benefits to the District ratepayers at the related costs.

The District's goal is to provide reliable delivery of adequate amounts of safe, clean drinking water at the most effective and stable cost.

Once the budget is approved by the budget committee and adopted by the Board of Commissioners, the General Manager has authority to make budget expenditures.

FINANCIAL CONDITION

The District has a solid financial foundation because of effective financial planning and management by District staff under the policies and strategic plan established by the Board of Commissioners. The District is committed to sustaining a sound financial position that ensures the District's ability to successfully respond to future and current challenges. The proposed budget, ratemaking activities and financial planning are critical in establishing a comprehensive operating budget and evaluating the future capital improvements required to ensure the reliable distribution of a clean safe water supply.

Capital reserves and operating contingencies have been established to provide funding for adequate main line, reservoir, control valve, fire hydrant upgrades and maintenance and operating expenses during potential revenue downturns, major failures in the distribution system, natural disaster, or health crisis.

The condition and reliability of the distribution system is of utmost importance. A water main break can create a significant financial requirement for the District, disruption of water service to the rate payers, potential adverse impact to public health and damage to personal and public property. The District is committed to responding to such an event by having a crew of trained water distribution operators available 24 hours/day, by maintaining equipment and materials to perform the work, and by taking measures to prevent such an event by reserving sufficient funds to cover the cost of system repair and replacement.

The District's water sales volumes and operating net income can vary as much as 8% with weather conditions. Revenues decline in cool wet weather and increase in dry hot weather. Water sales within the District are not, however, subject to large population-based fluctuations because West Slope is an area of very stable, desirable, and mature residences and commercial properties. Very little open property is available in the District for new development and growth.

The District signed a 20-year water supply agreement with the City of Portland commencing on July 1, 2006. The District's purchased water rates under the agreement may be significantly impacted by certain capital improvements undertaken by the City of Portland which under the agreement are designated as part of the supply route and therefore a part of the rate base applied to the rates the District pays to Portland. The contract automatically renews for an additional ten-year term in perpetuity, unless either party issues a notice of non-renewal five years prior to termination. West Slope Water

District received a notice of non-renewal of this contact from the City of Portland dated April 12, 2021. The City desires to negotiate a new contract covering wholesale water sales past June 30, 2026 and is actively working on the creation of that contract in conjunction with its wholesale water customers. It is possible for the terms in the new contract to provide some relief from the currently forecast water costs.

The District does not levy or receive tax revenues.

Capital Improvement Plan (CIP)

The District completed a Water System Master Plan in February 2014. Section 6 of the Master Plan documents a recommended capital improvement plan and project schedule covering a period of 1-5 years, 6-10 years, 11-20 years and beyond 20 years. The plan includes improvements to storage facilities and control valves as well as distribution system piping improvements which will improve infrastructure reliability and capacity.

The District's Capital Improvement Program (CIP) combines the recommended capital improvement plan from the Water System Master Plan, the District's revenue forecast, and the District staff's infrastructure condition assessments to identify and prioritize future capital projects for the next one to five years. Typically, the projects identified in the CIP are considered the most important or most critical projects to complete in that time frame considering available funding, the consequence of asset failure, the condition of the asset, and the opportunity to complete the project. Technical and financial details for each of the District's current CIP projects are listed in the Section 5-Capital Improvement Reserve Fund portion of this Budget Document.

The Board of Commissioners established a Capital Improvements Reserve Fund in February 2001 to accommodate designation and accumulation of funds across fiscal years to fund replacement and upgrades to reservoirs, main lines, and other property improvements. Historically the District's Board of Commissioners have approved investing part of operating revenues for future as well as current CIP projects. This practice allows the District to fund distribution system improvements and replacements without issuing additional bonds or securing loans. The FY 2021-22 budget proposes a similar transfer of \$635,000.

System Development Charges (SDC)

SDC's are collected for all new connections to the system. SDC revenue is required by law to be used for CIP projects or for the debt service on past CIP projects. SDC's are allowed by ORS 223.297-314 to compensate current customers for the unused portion of the existing utility and to offset future capital costs necessary to provide capacity for growth.

In 2015, the District hired a financial consultant to update the SDC rates. At the October 21, 2015 regular meeting of the Board of Commissioners, a new SDC rate with an effective date of December 1, 2015 was adopted based on the consultants' findings. SDC's may include a reimbursement component and an improvement component. The new rates were reduced by removing the improvement component of the fee. The

improvement component is not needed due to the stable population within the District. As previously mentioned, the area within the District is essentially built out. SDC fees are increased annually based upon the Engineering News Record Construction Cost Index.

Summary of Proposed FY 2021-22 Budget (all Funds)

A summary of resources and requirements for all funds is outlined below: Oregon budget law requires beginning working capital and transfers to be included in resources.

Table 1:

| Resources-All Funds | Revised 2020-2021 Budget | Proposed 2021-2022 Budget | Change from Previous Year | Percentage Change from Previous Year |
|---|--------------------------------|---------------------------------|---------------------------------|--|
| Beginning Working Capital - Gen Fund | 930,000 | 1,118,000 | 188,000 | 20.2% |
| Beginning Working Capital - Rate Stblz Fund | 800,000 | 800,000 | - | 0.0% |
| Beginning Working Capital - Cap Res Fund | 2,223,000 | 2,687,000 | 464,000 | 20.9% |
| Beginning Working Capital - Eq Res Fund | 217,000 | 253,000 | 36,000 | 16.6% |
| Beginning Working Capital - SDC Fund | 34,000 | 54,000 | 20,000 | 58.8% |
| Total Beginning Fund Balance | 4,204,000 | 4,912,000 | 708,000 | 16.8% |
| Water Rate Revenue | 3,817,000 | 4,023,000 | 206,000 | 5.4% |
| SDC's | 8,000 | 16,000 | 8,000 | 100.0% |
| Interest & Miscellaneous Fees | 111,000 | 110,000 | (1,000) | -0.9% |
| Total Revenue | 3,936,000 | 4,149,000 | 213,000 | 5.4% |
| Total Interfund Transfers | 845,000 | 1,426,000 | 220,000 | 68.8% |
| Total Resources | 8,985,000 | 10,487,000 | 1,502,000 | 16.7% |

Table 2:

| Requirements-All Funds | Revised 2020-2021 Budget | Proposed 2021-2022 Budget | Change from Previous Year | Percentage Change from Previous Year |
|--|--------------------------------|---------------------------------|---------------------------------|--|
| Total Operating Expense | 2,643,000 | 2,530,000 | (113,000) | -4.3% |
| Total Capital Outlay | 390,000 | 2,700,000 | 2,310,000 | 592.3% |
| Total Debt service | 359,000 | 359,000 | - | 100.0% |
| Transfer to Equipment Reserve | 180,000 | 126,000 | (54,000) | -30.0% |
| Transfer to Capital Reserve | 665,000 | 1,300,000 | 635,000 | 95.5% |
| Total Transfers | 845,000 | 1,426,000 | 581,000 | 68.8% |
| Contingency-General Fund | 987,000 | 951,000 | (36,000) | -3.6% |
| Contingency-Rate Stabilization | | - | - | 0.0% |
| Contingency-Capital Reserve | | 500,000 | 500,000 | 0.0% |
| Total Contingency | 987,000 | 1,451,000 | 464,000 | 47.0% |
| Reserved for Future - Equipment Reserve | 244,000 | 281,000 | 37,000 | 15.2% |
| Reserved for Future - Rate Stabilization | 800,000 | 800,000 | - | n/a |
| Reserved for Future - SDC | 42,000 | 33,000 | (9,000) | -21.4% |
| Reserved for Future - Capital Reserve | 2,675,000 | 907,000 | (1,768,000) | -66.1% |
| Total Reserved for Future Req | 3,761,000 | 2,021,000 | (1,740,000) | -46.3% |
| Total Requirements | 8,985,000 | 10,487,000 | 1,502,000 | 16.7% |

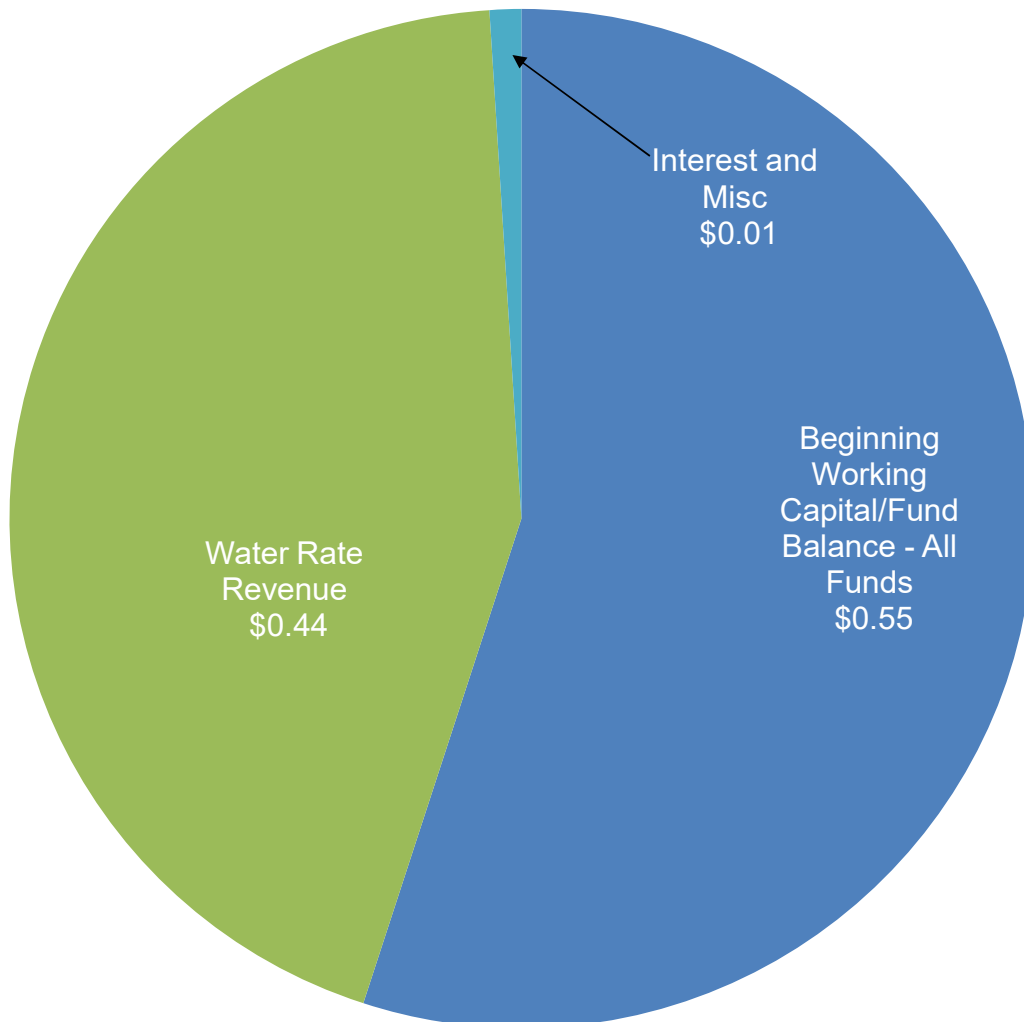
An alternative summary which follows an operating statement format by showing reserves and contingencies as fund balance in addition to “netting” interfund transfers from total resources and requirements is provided on page 16.

Where the District's Budget Dollar Comes From

The proposed FY 2021-22 Budgeted Resources for all funds excluding transfers total \$9.1 million. The following pie chart (Figure 1) represents the proportional source of each resource dollar.

Consistent with Oregon State required budget process, budget resources include beginning working capital and reserves which were generated and unspent from previous years.

Figure 1
West Slope Resources - Minus Transfers
Budget Dollar

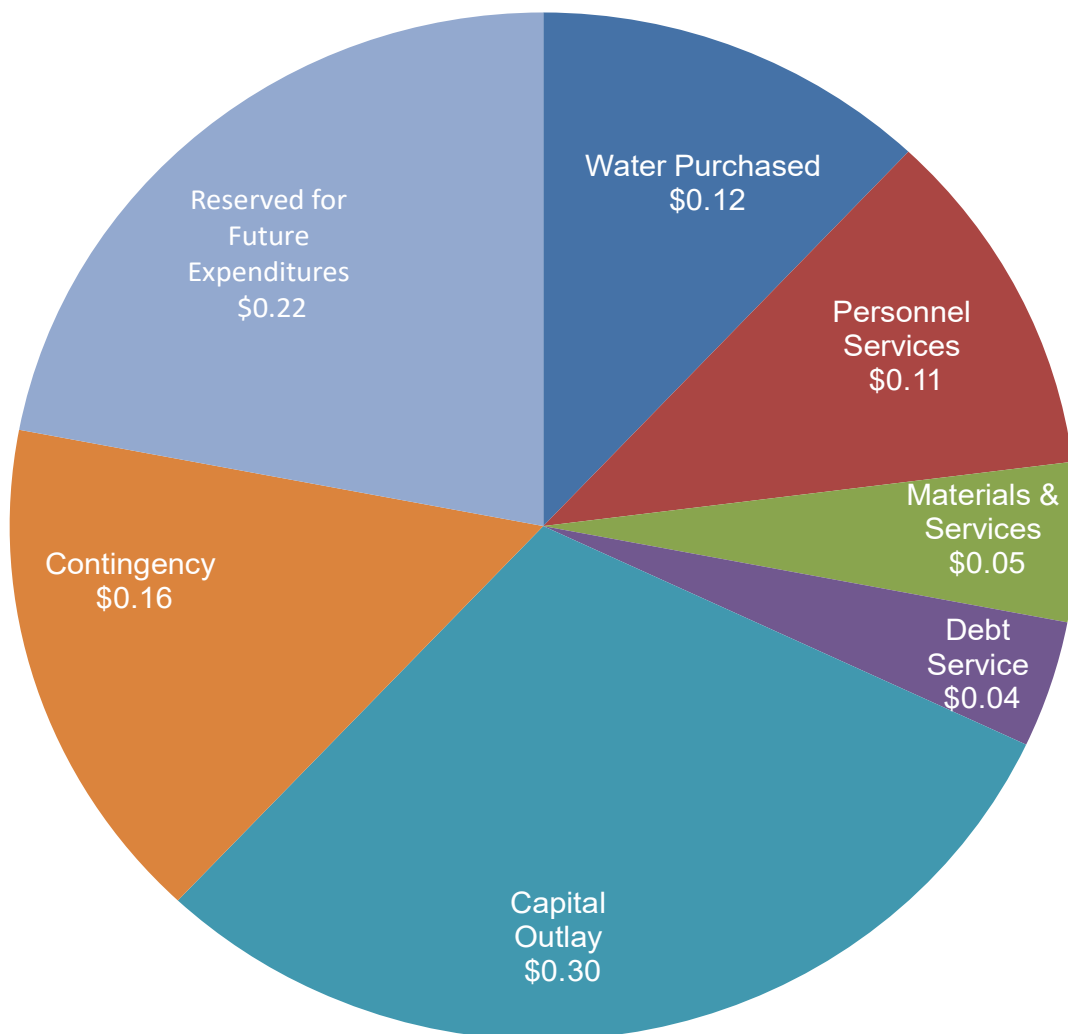


How the District Proposes to Spend Each *Budget Dollar*

The proposed FY 2021-22 budgeted requirements for all funds minus transfers totals \$9.1 million. The following pie chart (Figure 2) represents the proportionate share of each use of a FY 2021-22 budget dollar in the District's budget.

Consistent with the state required budget process, this chart includes the allocation of beginning working capital and reserves which were generated and unspent from previous years' operating revenues. For an illustration of the use of one rate dollar, please see Figure 3 shown on page 15.

Figure 2
West Slope Requirements - Minus Transfers
Budget Dollar



How the District Proposes to Spend Each FY 2021-22 Rate Dollar

The following pie chart (Figure 3) illustrates the allocation of funds from each water revenue dollar of \$4.02 million generated under the current FY 2021-22 budget. It differs from the total resource budget because it does not include beginning working capital or beginning reserves. This chart represents the allocation of the general fund operating revenue of the current year only and corresponds to the presentation of all funds in Table 3 on page 16 which shows showing beginning reserves and working capital as fund balance rather than resources.

Figure 3
West Slope Rate Dollar

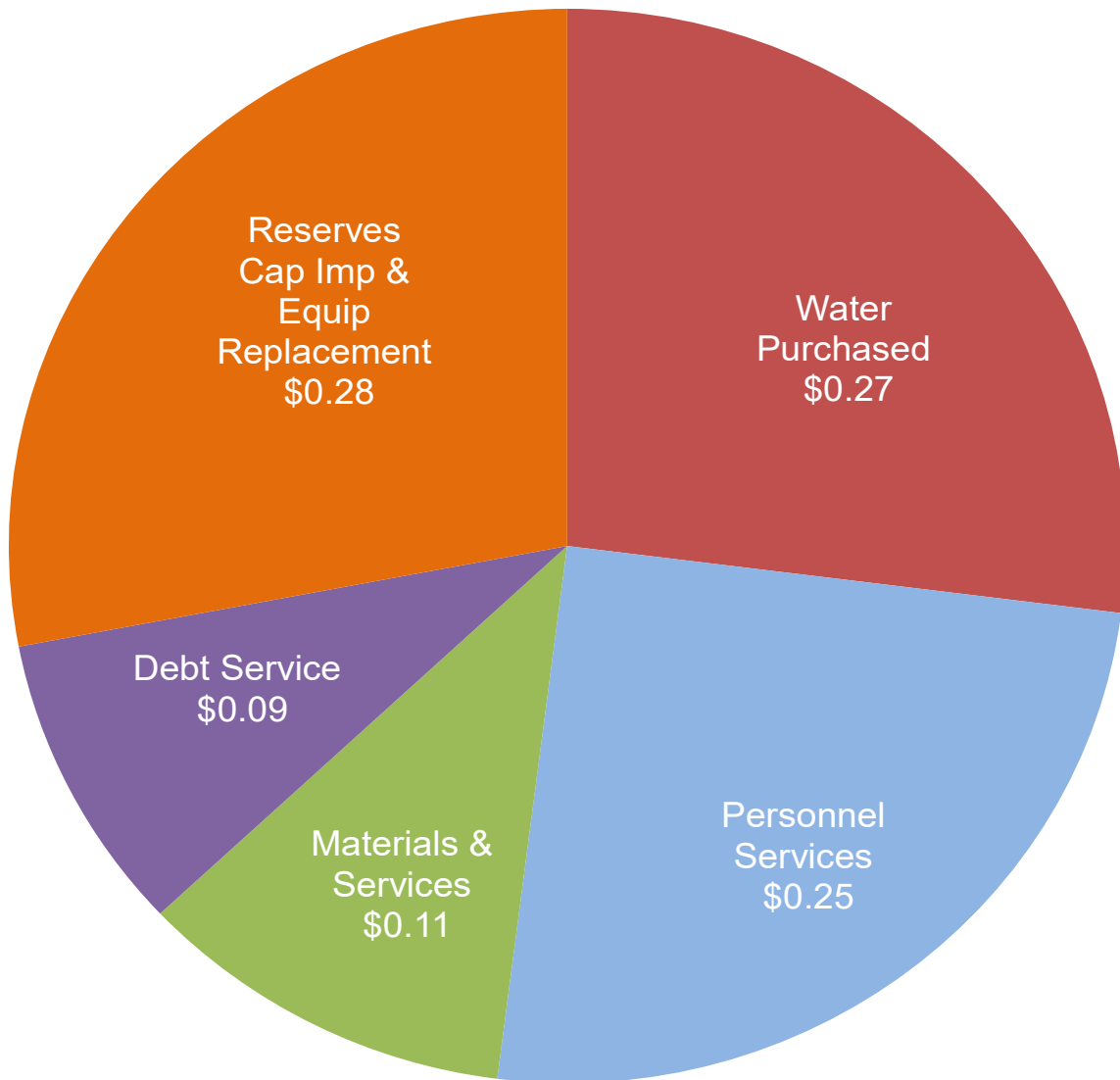


Table 3
West Slope Water District
Proposed Budget for Fiscal Year Ending June 30, 2022
Summary of All funds - Operating Statement

| | General Fund | Rate Stabilization Fund | Equipment Reserve | Capital Improvement Reserve | System Development Charges Fund | 2021-2022 Total | 2020-2021 Projected |
|---|--------------|-------------------------------|----------------------|-----------------------------------|--|--------------------|------------------------|
| Operating Revenues: | | | | | | | |
| Water Rate Revenue | \$ 4,023,000 | \$ - | \$ - | \$ - | \$ - | \$ 4,023,000 | \$ 3,728,000 |
| Other Operating | 81,000 | | | | | 81,000 | 84,554 |
| Total Operating Income | 4,104,000 | - | - | - | - | 4,104,000 | 3,812,554 |
| Operating Expenses | | | | | | | |
| Purchased Water | 1,053,000 | | | | | 1,053,000 | 1,219,396 |
| Personnel Services | 1,025,000 | | | | | 1,025,000 | 948,448 |
| Materials & Services | 452,000 | | - | - | - | 452,000 | 365,253 |
| Total Operating Expenses | 2,530,000 | - | - | - | - | 2,530,000 | 2,533,098 |
| Operating Income | 1,574,000 | | - | - | - | 1,574,000 | 1,279,456 |
| Non-Operating Resources (Requirements) | | | | | | | |
| Capital Outlay | | | (100,000) | (2,600,000) | | (2,700,000) | (374,805) |
| Debt Service | (322,000) | | | | (37,000) | (359,000) | (359,280) |
| Interest Income | 7,000 | - | 2,000 | 20,000 | - | 29,000 | 31,052 |
| SDC Fees | | | | | 16,000 | 16,000 | 23,394 |
| Non-operating Requirements | (315,000) | - | (98,000) | (2,580,000) | (21,000) | (3,014,000) | (679,639) |
| Excess (deficit) before Transfers | 1,259,000 | - | (98,000) | (2,580,000) | (21,000) | (1,440,000) | 599,817 |
| Transfers | (1,426,000) | | 126,000 | 1,300,000 | | | |
| Change in Fund Balance | (167,000) | - | 28,000 | (1,280,000) | (21,000) | (1,440,000) | 599,817 |
| Fund Balance-Working Capital, Beginning of Year: | | | | | | | |
| General Fund | 1,118,000 | | | | | 1,118,000 | 1,033,107 |
| Reserve Funds | | 800,000 | 253,000 | 2,687,000 | 54,000 | 3,794,000 | 3,278,886 |
| | 1,118,000 | 800,000 | 253,000 | 2,687,000 | 54,000 | 4,912,000 | 4,311,993 |
| Fund Balance, End of Year: | | | | | | | |
| Contingency | 951,000 | | | 500,000 | | 1,451,000 | 1,117,983 |
| Reserved for Future Expenditure | | 800,000 | 281,000 | 907,000 | 33,000 | 2,021,000 | 3,793,827 |
| | \$ 951,000 | \$ 800,000 | \$ 281,000 | \$ 1,407,000 | \$ 33,000 | \$ 3,472,000 | \$ 4,911,810 |

GENERAL FUND RESOURCES

The following table (Table 4) shows General Fund resources for both the current and the proposed annual budget. The table also compares the percent increase or decrease between years for each category and in total.

Table 4: General Fund Resources

See Section 2 for detailed line items behind these summary amounts.

| Resources-General Fund | Revised 2020-2021 Budget | Proposed 2021-2022 Budget | Change from Previous Year | Percentage Change from Previous Year |
|-------------------------------|---|--|--|---|
| Beginning Working Capital | 930,000 | 1,118,000 | 188,000 | 20.2% |
| Interest | 9,000 | 7,000 | (2,000) | -22.2% |
| Sale of Water | 3,817,000 | 4,023,000 | 206,000 | 5.4% |
| Other Operating | 78,000 | 81,000 | 3,000 | 3.8% |
| Total | 4,834,000 | 5,229,000 | 395,000 | 8.2% |

The proposed budget includes \$4,023,000 in water sales to District customers (including the \$40k received from the City of Beaverton). This number is based upon the five-year average of water consumption in the District with a 6% customer rate increase on July 1, 2021. The five-year average of units billed customers declined 4,000 units due to FY 2019-2020 consumption coming in lower than the prior five-year average. This was caused by cool damp weather late in 2019. The 6% customer rate increase and the decline of 4,000 units combine to create a 5.4% or \$206,000 increase in water revenue over FY 2020-21 budgeted revenues.

The 6% rate increase is requested to rebuild capital reserves and prepare for significant future increases to purchased water costs. The forecasted purchased water rates received from The City of Portland (City) for water purchased by the District includes the effect of the City’s Washington Park Reservoir project, and the Willamette river crossing pipeline project. These capital projects for the City’s distribution system are added to the rate base assessed to the District and several other water districts as provided by the Regional Water Sales Agreement with the City. The rates are forecast by the City to increase the District’s purchased water in FY 2023-24 to 3.1 times the rate for FY 2021-22 and forecasted rates for subsequent years continue to increase but at a slower rate.

By starting with the 6% in FY 2021-22 this allows the bonds to be paid off in 2022-23 and customer rate increases can be kept level at 6% in 2021-22 and then 10% per year thereafter. The District began raising rates by 12% per year beginning in FY 2018-19, and immediately begin moving any excess net operating income into a rate stabilization fund to be utilized in FY’s 2023-24, 2024-25, and 2025-26. The District has suspended adding to the \$800,000 current reserve in the rate stabilization reserve for several reasons as explained in the next paragraph.

The rate forecast received from the City in the spring of 2021 has flattened some of the earlier reported rates. Additionally, the District has realized that it assists with smoothing rates to the District customers if the bonds are paid off and the debt coverage ratio

restrictions were removed. This allows the District to smooth some the spikes in the purchased water costs across years to a greater degree than is allowed by the bond debt coverage ratios. It has been determined that the Bond rate covenants would only allow \$90,000 per year from the rate stabilization reserve to be utilized in meeting the covenants. The 8-year forecast found in Section 7 of this budget document illustrates that paying off the bonds in FY 2022-23 can be accomplished with a 6% rate increase in this FY 2021-22 proposed budget and purchased water increases can be covered with a 10% customer rate increase in each of the following years. If 2021-22 had a zero rate increase, and the bonds were not paid off, to meet the debt coverage covenants for the 2008 revenue bonds in FY's 2023-24, and 2024-25, and 2024-25 financial forecasts show that the rate increase in each year would need to be 11%, 18% and 20%.

The beginning general fund working capital increase of \$188,000 over the FY2020-21 budget is due to actual and projected results in FY2019-20 and FY2020-21 coming in higher than budget, combined with a higher contingency balance budgeted for FY2020-21 vs FY2019-20. Unspent contingency makes up the most significant portion of the beginning working capital for the following year.

Actual water sales can vary up to 8% or more due to weather conditions. The District does not experience large usage variations based on changes in population.

Interest income is budgeted to decline \$2,000. The District invests funds with the Local Government Investment Pool. The interest rate utilized for last year's budget was 1.75%, and rates declined to the current .6% throughout the year. The FY 2021-22 budget uses .75% which was the current rate being earned prior to the March 2021 decline to .6%. Rates have dropped sharply and abruptly due to the economic impact of the corona virus pandemic business and activity shutdowns. Interest rates are anticipated to stay relatively low throughout a good part of the upcoming fiscal year.

The District has an Intergovernmental Agreement (IGA) with the City of Beaverton for the portion of the District's service territory withdrawn in May 2009. The City of Beaverton will reimburse the District 4.36% of the District's annual bond debt service and a portion of the annual under consumption at the District's annual rate in effect for that year under the City of Portland water wholesale contract. The FY 2021–22 revenue budget includes \$40,000 from the City of Beaverton for the wholesale water underconsumption reimbursement and \$16,000 for the bond debt reimbursement.

Other miscellaneous revenue continues to be derived from fees and penalties charged to customers, new service installation fees, right-of-way fees passed through to the City of Beaverton and other nominal payments.

GENERAL FUND REQUIREMENTS

The following table (Table 5) shows general fund expenditures for both the prior revised and the proposed budgets. The table also compares the percent increase or decrease between years for each category and in total.

Table 5: General Fund Requirements

See Section 2 for detailed line items behind these summary amounts.

| Requirements-General Fund | Revised 2020-2021 Budget | Proposed 2021-2022 Budget | Change from Previous Year | Percentage Change from Previous Year |
|------------------------------------|--------------------------------|---------------------------------|---------------------------------|--|
| Personnel Services | 956,000 | 1,025,000 | 69,000 | 7.2% |
| Purchased Water | 1,224,000 | 1,053,000 | (171,000) | -14.0% |
| Materials and Services | 463,000 | 452,000 | (11,000) | -2.4% |
| Debt Service | 359,000 | 322,000 | (37,000) | -10.3% |
| Transfer to Equipment Reserve Fund | 180,000 | 126,000 | (54,000) | -30.0% |
| Transfer to Capital Reserve Fund | 665,000 | 1,300,000 | 635,000 | 95.5% |
| Operating Contingency | 987,000 | 951,000 | (36,000) | -3.6% |
| Total | 4,834,000 | 5,229,000 | 395,000 | 8.2% |

Personnel Services

District employment remains at 7 FTE's unchanged from recent years. The overall personnel services budget increases \$69,000 or 7.2% more than last year's budget. The increase is caused by the following items.

- A 4.2% cost of living adjustment to salaries based upon the 2019 & 2020 indexes. The District's board of commissions approved a 4.2% upward adjustment to the District's positional salary ranges effective 07/01/2021. Salaries were frozen in fiscal year 2020-21 due to the Covid pandemic.
- An additional 1.9% increase to salaries to allow for merit adjustments.
- Salary for two finance managers for two months to accommodate training of a replacement for the current Finance Manager prior to retirement on June 30, 2022.
- \$16,000 in wages which the District incurs each year as employees banked (earned but not taken) vacation balances increase. This cost has been booked only as an adjustment to the audited financial statements in prior years, but never included in the budget. 2021-22 proposed salaries were calculated at a 6% increase over *projected* actuals for 2020-21 which includes estimated increases to accrued vacation balances. As a result, the 2020-21 projected actuals which included 0% increases did not end up 5% less than the 2020-21 budget (it included a 5% increase). Without the increased vacation accrual cost a 6% wage increase in this proposed budget would have resulted in a 1% increase over the 2020-21 budget. The associated PERS and payroll tax costs increase proportionately on all salary costs.
- New bi-annual rates for the employer portion of PERS effective July 1, 2021 increase the District's weighted average rate by 3.9%. This results in an 11.1% increase to PERS costs.

- Medical, dental, vision, life, and disability insurance costs are included at 6% over 2020-21 *projected actual* costs. This is a 6.2% increase over the 202-21 revised budget.

Purchased Water

The cost of purchased water is the largest single expense for the District. The contractual rate with the City of Portland declined 13.22%, total cost decreased \$171,000 or 14.0% compared to last year's budget. The primary reason for the City's rate decrease is due to actual costs incurred by City on studies were significantly lower than their forecasted studies cost. Additionally, they downgraded the rate of return cost applied to their rate base from 3.36% to 2.58%. The volume of purchased water was budgeted at no change from the FY 2020-21 budget. In both years it is the declared guaranteed minimum purchase volume of 1.4 million gallons per day under the City of Portland water supply contract. The Target Fire line will be removed from Tualatin Valley Water District's section of the Washington county supply line and will be reconnected to West Slope Water District's distribution system late in FY2020-21. This will result in an additional savings of \$5,300 in purchased water which was paid to TVWD in prior years.

Materials and Services

The budgeted materials and services costs for FY 2021-22 decrease minimally \$11,000 from last year's budget. This is primarily due to a decline in professional services for District map updates, legal services for the PWB contract and other general legal.

Materials and services include all general operating expenses of the District other than personnel and water purchases. Examples are maintenance and repairs to water mains, valves and meters, general liability insurance, operational costs for maintenance trucks and equipment, professional services, property maintenance, technology, general administration costs, supplies, and water quality testing.

Water testing and monitoring is not a large component of the District's budget, but it is critical to assuring our customers that the District provides safe, clean, and reliable water. In 2016, the Oregon Health Authority conducted a sanitary survey inspection of the West Slope Water District. The State examined water quality records, District policies and procedures, customer comments, distribution system best management practices including maintaining a robust cross-connection control program, and a physical inspection of the District's reservoirs and standpipe. Based on the inspection, the State designated the District as an "Outstanding Performer" confirming the value of one of the District's Strategic Plan Goals to operate a reliable water system.

The District continues to routinely monitor the distribution system for total coliform bacteria and disinfection byproducts (contaminants that can form when organic compounds bond with disinfectants like chlorine). The District continues to sample lead and copper two times each year as part of the Joint Monitoring Plan managed by the Portland Water Bureau.

Ensuring that the District's distribution pipe system and reservoirs are in good repair, leaks are detected, repaired, or replaced, and valves operate correctly is extremely important. The risk of damage to roadbeds, personal property and customer inconvenience is greatly reduced by performing regular preventive maintenance. By annually maintaining, inspecting, and replacing valves that fail to operate, water mains can be isolated more efficiently when a main break occurs. Community safety requires that fire hydrants be easy to find, operate when called upon by the fire department and have the required water flow to meet demand.

Debt Service

Debt service in the General Fund declines \$37,000 from the revised FY 2020-21 Budget. This is due to the SDC fund having accumulated adequate funds to cover one interest payment of \$37,000. The District's debt service on the 2008 issue of \$5 million in bonded debt is approximately \$360,000 annually for 20-years. For FY 2021-22 \$322,000 of debt service is budgeted from the general fund and \$37,000 is budgeted from the SDC fund.

Transfer to Reserve Funds

Transfers are made from the General Fund to the Truck and Equipment Reserve Fund and the Capital Improvement Reserve Fund to ensure adequate funds are in place to self-fund new equipment purchases, and replace aging vehicles, equipment, and infrastructure. Additionally, in FY 2017-18 the District began transferring funds into a rate stabilization fund. See discussion below under each fund.

Operating Contingency

The General Fund Operating contingency declines \$36,000 or 3.6% less than last years revised budget due to reduced operating expenses in the proposed budget. Any unused portion of the operating contingency becomes working capital for the following fiscal year.

RATE STABILIZATION FUND

The following tables (Tables 6&7) compare both resources and requirements for the Rate Stabilization Fund for the 2020-21 revised budget and the proposed 2021-22 budget. The tables also indicate the percent increase or decrease between years for each category as well as in total.

Table 6 Resources

See Section 3 for detailed line items behind these summary amounts.

| Resources-Rate Stabilization Fund | Revised 2020-2021 Budget | Proposed 2021-2022 Budget | Change from Previous Year | Percentage Change from Previous Year |
|--|--------------------------------|---------------------------------|---------------------------------|--|
| Net working Capital | 800,000 | 800,000 | - | 0.0% |
| Transfer in from the General Fund | | - | - | n/a |
| Total | 800,000 | 800,000 | - | 0.0% |

Table 7 Requirement

See Section 3 for detailed line items behind these summary amounts.

| Requirements-Rate Stabilization Fund | Revised 2020-2021 Budget | Proposed 2021-2022 Budget | Change from Previous Year | Percentage Change from Previous Year |
|---|--------------------------------|---------------------------------|---------------------------------|--|
| Operating Contingency | | | - | 100.0% |
| Reserved for Future Expenditures | 800,000 | 800,000 | - | 0.0% |
| Total | 800,000 | 800,000 | - | 0.0% |

No changes to the reserves in this fund are budgeted for this year. Due to expanded understanding of the 2008 Revenue Bond debt coverage and rate covenants, only \$90,000 per year from the rate stabilization fund could be utilized to supplement operating profits in any given year for the purpose of meeting the rate covenants. Accordingly, no additional amounts are being reserved here.

The \$800,000 of resources in this fund are budgeted as reserved for future expenditure.

The amounts currently in this Reserve Fund are held to be utilized if needed as illustrated in the eight-year financial forecast in Section 7, to supplement operating profits in the years of large, purchased water cost spikes. This will “buffer” these spikes from similar spikes to customer rates.

The cash for this fund is held in the General Fund. Interest earned on that cash will remain in the general fund’s interest income.

EQUIPMENT RESERVE FUND

The following tables (Tables 8 & 9) compare both resources and requirements for the Equipment Reserve Fund for the current revised and the proposed annual budgets. The tables also indicate the percent increase or decrease for each category as well as in total.

Table 8 Resources

See Section 4 for detailed line items behind these summary amounts.

| Resources-Equipment Reserve Fund | Revised 2020-2021 Budget | Proposed 2021-2022 Budget | Change from Previous Year | Percentage Change from Previous Year |
|---|--------------------------------|---------------------------------|---------------------------------|--|
| Net working Capital | 217,000 | 253,000 | 36,000 | 16.6% |
| Interest | 2,000 | 2,000 | - | 0.0% |
| Transfer in from the General Fund | 180,000 | 126,000 | (54,000) | -30.0% |
| Total | 399,000 | 381,000 | (18,000) | -4.5% |

Table 9 Requirements

See Section 4 for detailed line items behind these summary amounts.

| Requirements-Equipment Reserve Fund | Revised 2020-2021 Budget | Proposed 2021-2022 Budget | Change from Previous Year | Percentage Change from Previous Year |
|--|--------------------------------|---------------------------------|---------------------------------|--|
| Reserved for Future Equip Replacement | 244,000 | 281,000 | 37,000 | 15.2% |
| Operations Vehicles Capital Outlay | 30,000 | | (30,000) | -100.0% |
| Technology Capital Outlay | 25,000 | | (25,000) | -100.0% |
| Radio Read Meters Capital Outlay | 100,000 | 100,000 | - | 0.0% |
| Banking Fees | | | | n/a |
| Total | 399,000 | 381,000 | (18,000) | -4.5% |

In the proposed FY2021-22 budget, a transfer of \$126,000 is requested from the General Fund.

\$281,000 is requested to be held to build for future replacement of aging equipment as per the equipment replacement schedule found in Section 4 which accumulates replacement cost over the remaining useful life of scheduled equipment.

\$100,000 is requested for approximately 500 additional radio read meters. About half of the new meters will replace failing existing master radio read meters, the other half will replace a portion of the approximately 200 manual read meters still in use throughout the District.

CAPITAL IMPROVEMENTS RESERVE FUND

The Capital Improvements Reserve Fund was established in March 2001 for the purpose of isolating funds to pay for capital projects.

The following tables (Tables 10 & 11) compare both resources and requirements for the current revised and the proposed annual budgets. The tables also indicate variance amounts and percentages between years for each category as well as in total.

Table 10 Resources

See Section 5 for detailed line items behind these summary amounts.

| | Revised 2020-2021 Budget | Proposed 2021-2022 Budget | Change from Previous Year | Percentage Change from Previous Year |
|--|--------------------------------|---------------------------------|---------------------------------|--|
| Resources-Capital Improvement Reserve | | | | |
| Net working Capital | 2,223,000 | 2,687,000 | 464,000 | 20.9% |
| Interest | 22,000 | 20,000 | (2,000) | -9.1% |
| From General Fund | 665,000 | 1,300,000 | 635,000 | 95.5% |
| Total | 2,910,000 | 4,007,000 | 1,097,000 | 37.7% |

Table 11 Requirements

See Section 5 for detailed line items behind these summary amounts.

| | Revised 2020-2021 Budget | Proposed 2021-2022 Budget | Change from Previous Year | Percentage Change from Previous Year |
|---|--------------------------------|---------------------------------|---------------------------------|--|
| Requirements-Capital Improvement Reserve | | | | |
| Reserved for Future Infrastructure Replacement | 2,675,000 | 907,000 | (1,768,000) | -66.1% |
| Operating Contingency | | 500,000 | 500,000 | n/a |
| Reservoirs & Water Mains Capital Outlay | 225,000 | 2,600,000 | 2,375,000 | 1055.6% |
| Property Improvements | 10,000 | | (10,000) | -100.0% |
| Total | 2,910,000 | 4,007,000 | 1,097,000 | 37.7% |

Total resources in the proposed Capital Improvements Reserve budget increase \$1,097,000 or 37.7% from the FY 2020-21 revised budget. This is due primarily to the \$635,000 increase in transfers in from the general fund combined with increased beginning working capital of \$464,000.

The \$635,000 increase in transfers from the general fund is due primarily to the additional funds generated in the general fund. Additional resources generated in the general fund were primarily from increased water sales of \$206,000 from the 6% rate increase effective 07/01/2021, declines in purchased water cost of \$171,000, and increased beginning working capital of \$188,000.

Beginning net working capital in the capital reserve fund increased \$464,000 primarily due to FY2020-21 transfers in of \$665,000 exceeding capital outlay of \$200,000.

Capital outlay for water system improvements in 2021-22 is proposed to increase \$2,375,000 to complete the Beaverton Hillsdale main replacement. The 2020-21 budget included only \$200,000 in permitting and engineering for the design stage.

A \$500,000 operating contingency is included in current year appropriations rather than reserved for future expenditures to cover the possibility of unforeseen overages on the Beaverton Hillsdale main replacement project. As mentioned earlier, amounts included in reserved for future expenditures in an adopted budget are not allowed by Oregon Budget Law to be utilized in that budget year even via a post adoption supplemental budget. This makes it wise to establish an operating contingency in a fund that will have substantial expenditures in a budget year.

This proposed budget year, FY2021-22, the District requests again to spend \$10,000 on a security gate for the maintenance yard. This cost was included in the last four years budgets but was not spent.

\$907,000 is requested to be held to accumulate funds toward payoff of the 2008 revenue bonds in future years, or for other capital projects as may be determined.

SYSTEM DEVELOPMENT FUND

A system development charge (SDC) is collected for all new or enlarged connections to the system. ORS 223.297-314 provides for the creation of an SDC to compensate current customers for the unused portion of the existing utility. The District’s SDC fees do not include a portion to provide capacity for growth.

The following tables (Tables 12 & 13) show resources and requirements for the current revised and the proposed annual budgets and show the percentage and amounts of variance between the two years for each category and in total.

Table 12 Resources

See Section 6 for detailed line items behind these summary amounts.

| Resources-SDC Fund | Revised 2020-2021 Budget | Proposed 2021-2022 Budget | Change from Previous Year | Percentage Change from Previous Year |
|----------------------|--------------------------------|---------------------------------|---------------------------------|--|
| Net working Capital | 34,000 | 54,000 | 20,000 | 58.8% |
| SDC - Reimbursements | 8,000 | 16,000 | 8,000 | 0.0% |
| Total | 42,000 | 70,000 | 28,000 | 66.7% |

Table 13 Requirements

See Section 6 for detailed line items behind these summary amounts.

| Requirements-SDC Fund | Revised 2020-2021 Budget | Proposed 2021-2022 Budget | Change from Previous Year | Percentage Change from Previous Year |
|---------------------------------|--------------------------------|---------------------------------|---------------------------------|--|
| Reserved for Future Expenditure | 42,000 | 33,000 | (9,000) | -21.4% |
| Debt Service | | 37,000 | | |
| Total | 42,000 | 70,000 | 28,000 | 66.7% |

FY 2021-22 beginning working capital increases \$20,000 due to SDC revenues from FY 2020-21 which were not spent.

FY 2021-22 SDC revenues are budgeted to increase due to the up-tick of in-fill construction that has occurred in the District over the last year. The metropolitan area in general is experiencing a housing shortage and in turn a construction boom caused in large part by extremely low interest rates. The economic downturns from the COVID pandemic have dropped interest rates to a historically low rate. The SDC fee revenue estimate is based upon existing projects with permitting in progress. It is quite possible that the actual fees received may exceed this.

Beginning in FY 2011-12 the District began using SDC’s to make partial bond payments for the District’s debt incurred constructing Reservoir #3. The current budget includes one interest payment of \$37,000 will be made from the SDC fund.

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SECTION 2 – GENERAL FUND PROPOSED BUDGET DETAILS

- General Fund Resources
- General Fund Requirements Summary
- General Fund Requirements Detail

**WEST SLOPE WATER DISTRICT
GENERAL FUND
RESOURCES**

| | Historical Data | | | | RESOURCE DESCRIPTION | Proposed by Budget Officer 2021-2022 | |
|----|----------------------------------|---------------------------------|----------------------|----------------------|---|--|----|
| | Actual | | Revised Budget | Projected Actual | | | |
| | Second Preceding Year 2018-19 | First Preceding Year 2019-20 | This Year 2020-21 | This Year 2020-21 | | | |
| | | | | | BEGINNING FUND BALANCE | | |
| 1 | | | | | 1 Available Cash on Hand* (Cash Basis), or | | 1 |
| 2 | \$ 988,998 | \$ 1,273,946 | \$ 930,000 | \$ 1,033,107 | 2 Net Working Capital* (Accrual Basis) | \$ 1,118,000 | 2 |
| 3 | | | | | 3 | | 3 |
| 4 | | | | | 4 | | 4 |
| 5 | | | | | 5 OTHER RESOURCES | | 5 |
| 6 | \$ 14,232 | \$ 23,066 | \$ 9,000 | \$ 9,700 | 6 INTEREST | \$ 7,000 | 6 |
| 7 | \$ 3,388,236 | \$ 3,462,041 | \$ 3,777,000 | \$ 3,688,000 | 7 SALE OF WATER | \$ 3,983,000 | 7 |
| 8 | \$ 40,283 | \$ 53,760 | \$ 40,000 | \$ 40,000 | 8 SALE OF WATER - WHOLESALE | \$ 40,000 | 8 |
| 9 | \$ 1,706 | \$ 5,059 | \$ 3,000 | \$ 6,500 | 9 NEW SERVICE INSTALLATION | \$ 3,000 | 9 |
| 10 | | | | | 10 GAIN ON TRADE-IN OF EQUIPMENT | | 10 |
| 11 | \$ 3,567 | \$ 2,808 | \$ 4,000 | \$ 13,500 | 11 MISCELLANEOUS | \$ 4,000 | 11 |
| 12 | \$ 9,355 | \$ 6,900 | \$ 6,000 | \$ 1,000 | 12 PENALTIES | \$ 6,000 | 12 |
| 13 | \$ 18,848 | \$ 15,655 | \$ 16,000 | \$ 15,610 | 13 BEAVERTON REIMBURSEMENTS | \$ 16,000 | 13 |
| 14 | | | | | 14 | | 14 |
| 15 | \$ 43,080 | \$ 43,824 | \$ 49,000 | \$ 47,944 | 15 RIGHTS OF WAY FEES BILLED | \$ 52,000 | 15 |
| 16 | | | | | 16 | | 16 |
| 17 | | | | | 17 FROM THE RATE STABILIZATION FUND | \$ - | 17 |
| 18 | | | | | 18 | | 18 |
| 19 | | | | | 19 | | 19 |
| 20 | | | | | 20 | | 20 |
| 21 | | | | | 21 | | 21 |
| 22 | \$ 4,508,305 | \$ 4,887,059 | \$ 4,834,000 | \$ 4,855,361 | 22 Total Resources, Except Taxes to be Levied | \$ 5,229,000 | 22 |
| 23 | | | | | 23 Taxes Necessary to Balance | | 23 |
| 24 | | | | | 24 Taxes Collected in Year Levied | | 24 |
| 25 | \$ 4,508,305 | \$ 4,887,059 | \$ 4,834,000 | \$ 4,855,361 | 25 TOTAL RESOURCES | \$ 5,229,000 | 25 |

**WEST SLOPE WATER DISTRICT
GENERAL FUND
REQUIREMENTS SUMMARY**

| | | Historical Data | | | | EXPENDITURE DESCRIPTION | Proposed by Budget Officer 2021-2022 | |
|----------------------------------|---------------------------------|----------------------|----------------------|----------------------|---------------------------------------|-------------------------|--|--|
| | | Actual | | Revised Budget | Projected Actual | | | |
| Second Preceding Year 2018-19 | First Preceding Year 2019-20 | This Year 2020-21 | This Year 2020-21 | This Year 2020-21 | | | | |
| | | | | | PERSONNEL SERVICES | | | |
| 1 | | | | | 1 | | 1 | |
| 2 | | | | | 2 | | 2 | |
| 3 | | | | | 3 | | 3 | |
| 4 | | | | | 4 | | 4 | |
| 5 | \$ 902,697 | \$ 917,826 | \$ 956,000 | \$ 948,448 | 5 TOTAL PERSONNEL SERVICES | \$ 1,025,000 | 5 | |
| | | | | | MATERIALS AND SERVICES | | | |
| 6 | | | | | 6 | | 6 | |
| 7 | | | | | 7 | | 7 | |
| 8 | | | | | 8 | | 8 | |
| 9 | | | | | 9 | | 9 | |
| 10 | \$ 1,614,981 | \$ 1,736,842 | \$ 1,687,000 | \$ 1,584,649 | 10 TOTAL MATERIALS AND SERVICES | \$ 1,505,000 | 10 | |
| | | | | | DEBT SERVICE | | | |
| 11 | | | | | 11 | | 11 | |
| 12 | | | | | 12 | | 12 | |
| 13 | | | | | 13 | | 13 | |
| 14 | | | | | 14 | | 14 | |
| 15 | \$ 357,681 | \$ 515,784 | \$ 359,000 | \$ 359,280 | 15 TOTAL DEBT SERVICE | \$ 322,000 | 15 | |
| | | | | | TRANSFERRED TO OTHER FUNDS | | | |
| 22 | \$ 200,000 | \$ 400,000 | \$ - | \$ - | 22 TO RATE STABILIZATION FUND | \$ - | 22 | |
| 23 | \$ 141,000 | \$ 30,000 | \$ 180,000 | \$ 180,000 | 23 TO TRUCK AND EQUIPMENT FUND | \$ 126,000 | 23 | |
| 24 | \$ 18,000 | \$ 253,500 | \$ 665,000 | \$ 665,000 | 24 TO CAPITAL IMPROVEMENTS FUND | \$ 1,300,000 | 24 | |
| 25 | | | \$ 987,000 | | 25 GENERAL OPERATING CONTINGENCY | \$ 951,000 | 25 | |
| 26 | \$ 359,000 | \$ 683,500 | \$ 1,832,000 | \$ 845,000 | 26 TOTAL TRANSFERS & CONTINGENCIES | \$ 2,377,000 | 26 | |
| 27 | \$ 3,234,359 | \$ 3,853,952 | \$ 4,834,000 | \$ 3,737,378 | 27 TOTAL EXPENDITURES | \$ 5,229,000 | 27 | |
| 28 | \$ 1,273,946 | \$ 1,033,107 | \$ - | \$ 1,117,983 | 28 UNAPPROPRIATED ENDING FUND BALANCE | \$ - | 28 | |
| 29 | \$ 4,508,305 | \$ 4,887,059 | \$ 4,834,000 | \$ 4,855,361 | 29 TOTAL | \$ 5,229,000 | 29 | |

**WEST SLOPE WATER DISTRICT
GENERAL FUND
DETAILED REQUIREMENTS**

Page 1/2

| | Historical Data | | | | EXPENDITURE DESCRIPTION | Number of FTE Employees | Proposed by Budget Officer 2021-2022 | |
|----|-------------------------------|------------------------------|----------------------------------|------------------------------------|---|-------------------------|--------------------------------------|----|
| | Actual | | Revised Budget This Year 2020-21 | Projected Actual This Year 2020-21 | | | | |
| | Second Preceding Year 2018-19 | First Preceding Year 2019-20 | | | | | | |
| 1 | | | | | 1 PERSONNEL SERVICES | | | 1 |
| 2 | \$ 123,017 | \$ 130,155 | \$ 134,000 | \$ 136,103 | 2 MANAGER | 1 | \$ 144,000 | 2 |
| 3 | \$ 282,105 | \$ 290,825 | \$ 294,000 | \$ 290,651 | 3 LABOR MAINTENANCE | 4 | \$ 308,000 | 3 |
| 4 | \$ 147,594 | \$ 159,374 | \$ 162,000 | \$ 153,267 | 4 OFFICE SALARIES | 2 | \$ 182,000 | 4 |
| 5 | \$ 15,304 | \$ 10,352 | \$ 12,000 | \$ 8,057 | 5 OVERTIME | | \$ 9,000 | 5 |
| 6 | \$ 134,992 | \$ 136,589 | \$ 146,000 | \$ 146,000 | 6 MEDICAL/DENTAL/VISION/LIFE/LTD | | \$ 155,000 | 6 |
| 7 | \$ 141,835 | \$ 132,614 | \$ 144,000 | \$ 152,643 | 7 RETIREMENT PLAN | | \$ 160,000 | 7 |
| 8 | \$ 48,808 | \$ 49,400 | \$ 55,000 | \$ 53,657 | 8 PAYROLL TAXES | | \$ 57,000 | 8 |
| 9 | \$ 5,735 | \$ 6,273 | \$ 6,000 | \$ 5,670 | 9 WORKERS COMPENSATION | | \$ 6,000 | 9 |
| 10 | \$ 3,307 | \$ 2,244 | \$ 3,000 | \$ 2,400 | 10 OTHER EMPLOYEE RELATED COSTS | | \$ 4,000 | 10 |
| 11 | | | | | 11 | | | 11 |
| 12 | \$ 902,697 | \$ 917,826 | \$ 956,000 | \$ 948,448 | 12 TOTAL PERSONNEL SERVICES | | \$ 1,025,000 | 12 |
| 13 | | | | | 13 | | | 13 |
| 14 | | | | | 14 MATERIALS AND SERVICES | | | 14 |
| 15 | | | | | 15 | | | 15 |
| 16 | \$ 1,222,219 | \$ 1,359,983 | \$ 1,224,000 | \$ 1,219,396 | 16 WATER PURCHASED | | \$ 1,053,000 | 16 |
| 17 | \$ 76,277 | \$ 20,536 | \$ 60,000 | \$ 42,155 | 17 MAINTENANCE | | \$ 78,000 | 17 |
| 18 | \$ 5,034 | \$ 14,972 | \$ 8,000 | \$ 6,300 | 18 WATER TESTS | | \$ 7,000 | 18 |
| 19 | \$ 15,064 | \$ 16,786 | \$ 20,000 | \$ 21,808 | 19 TRUCK AND EQUIPMENT EXPENSE | | \$ 20,000 | 19 |
| 20 | \$ 12,753 | \$ 12,826 | \$ 16,000 | \$ 12,600 | 20 UTILITIES | | \$ 14,000 | 20 |
| 21 | \$ 58,948 | \$ 63,717 | \$ 65,000 | \$ 65,400 | 21 BILLING AND PAYMENT | | \$ 71,000 | 21 |
| 22 | \$ 2,807 | \$ 1,894 | \$ 4,000 | \$ 2,800 | 22 OFFICE SUPPLIES AND POSTAGE | | \$ 3,000 | 22 |
| 23 | \$ 924 | \$ 2,603 | \$ 3,000 | \$ 700 | 23 UNIFORMS & PPE | | \$ 3,000 | 23 |
| 24 | \$ 33,374 | \$ 37,048 | \$ 42,000 | \$ 40,000 | 24 GENERAL INSURANCE | | \$ 42,000 | 24 |
| 25 | \$ 47,548 | \$ 74,409 | \$ 43,000 | \$ 22,715 | 25 PROFESSIONAL SERVICES | | \$ 30,000 | 25 |
| 26 | \$ 11,322 | \$ 5,583 | \$ 5,000 | \$ 5,802 | 26 PROPERTY MAINTENANCE | | \$ 6,000 | 26 |
| 27 | \$ 44,084 | \$ 45,620 | \$ 67,000 | \$ 59,839 | 27 IT SERVICES & OFFICE EQUIP | | \$ 69,000 | 27 |
| 28 | \$ 2,828 | \$ 2,836 | \$ 4,000 | \$ 2,348 | 28 GENERAL SUPPORT EXPENSE | | \$ 3,000 | 28 |
| 29 | \$ 2,994 | \$ 3,114 | \$ 4,000 | \$ 2,840 | 29 JANITORIAL EXPENSE | | \$ 4,000 | 29 |
| 30 | \$ 43,241 | \$ 43,970 | \$ 50,000 | \$ 48,903 | 30 RIGHTS OF WAY FEES PAID | | \$ 53,000 | 30 |
| 31 | | | | | 31 | | | 31 |
| 32 | | | | | 32 TOTAL EXPENDITURES (CONT ON NEXT PAGE) | | | 32 |
| 33 | | | | | 33 | | | 33 |

**WEST SLOPE WATER DISTRICT
GENERAL FUND
DETAILED REQUIREMENTS**

Page 2/2

| 1 | Historical Data | | | | EXPENDITURE DESCRIPTION | Proposed by Budget Officer 2021-2022 | 1 |
|----|----------------------------------|---------------------------------|----------------------|----------------------|--|--|----|
| | Actual | | Revised Budget | Projected Actual | | | |
| | Second Preceding Year 2018-19 | First Preceding Year 2019-20 | This Year 2020-21 | This Year 2020-21 | | | |
| 2 | \$ 7,581 | \$ 6,495 | \$ 15,000 | \$ 9,300 | 2 BOARD EXPENSES | \$ 12,000 | 2 |
| 3 | \$ - | \$ - | \$ 20,000 | \$ - | 3 BAD DEBTS | \$ - | 3 |
| 4 | \$ 14,068 | \$ 11,554 | \$ 21,000 | \$ 12,139 | 4 EDUCATION, TRAINING, & MEMBERSHIPS | \$ 25,000 | 4 |
| 5 | \$ 7,410 | \$ 6,060 | \$ 9,000 | \$ 2,768 | 5 COMMUNITY RELATIONS | \$ 5,000 | 5 |
| 6 | \$ 6,505 | \$ 6,836 | \$ 7,000 | \$ 6,836 | 6 CONSERVATION | \$ 7,000 | 6 |
| 7 | | | | | 7 | | 7 |
| 8 | | | | | 8 | | 8 |
| 9 | \$ 1,614,981 | \$ 1,736,842 | \$ 1,687,000 | \$ 1,584,649 | 9 TOTAL MATERIALS & SERVICES | \$ 1,505,000 | 9 |
| 10 | | | | | 10 | | 10 |
| 11 | | | | | 11 DEBT SERVICE | | 11 |
| 12 | | | | | 12 PERS Transition Liability | | 12 |
| 13 | | \$ 157,028 | | | 13 PRINCIPAL PAYMENT - DEC | | 13 |
| 14 | | | | | 14 2008 Revenue Bond (20 year) | | 14 |
| 15 | \$ 250,000 | \$ 260,000 | \$ 270,000 | \$ 270,000 | 15 PRINCIPAL PAYMENT - OCT | \$ 280,000 | 15 |
| 16 | \$ 56,028 | | \$ 47,000 | \$ 47,103 | 16 INTEREST PAYMENT - OCT | \$ 42,000 | 16 |
| 17 | \$ 51,653 | \$ 98,756 | \$ 42,000 | \$ 42,177 | 17 INTEREST PAYMENT - APR | See SDC Fund | 17 |
| 18 | | | | | 18 | | 18 |
| 19 | \$ 357,681 | \$ 515,784 | \$ 359,000 | \$ 359,280 | 19 TOTAL DEBT SERVICE | \$ 322,000 | 19 |
| 20 | | | | | 20 | | 20 |
| 21 | | | | | 21 | | 21 |
| 22 | \$ 2,875,359 | \$ 3,170,452 | \$ 3,002,000 | \$ 2,892,378 | 22 SUB TOTAL | \$ 2,852,000 | 22 |
| 23 | | | | | 23 | | 23 |
| 24 | \$ - | \$ - | \$ 987,000 | \$ - | 24 GENERAL OPERATING CONTINGENCY | \$ 951,000 | 24 |
| 25 | \$ 200,000 | \$ 400,000 | \$ - | \$ - | 25 TRANSFER TO RATE STABILIZATION FUND | \$ - | 25 |
| 26 | \$ 141,000 | \$ 30,000 | \$ 180,000 | \$ 180,000 | 26 TRANSFER TO EQUIPMENT FUND | \$ 126,000 | 26 |
| 27 | \$ 18,000 | \$ 253,500 | \$ 665,000 | \$ 665,000 | 27 TRANSFER TO CAPITAL IMPROVEMENTS FUND | \$ 1,300,000 | 27 |
| 28 | | | | | 28 | | 28 |
| 29 | \$ 3,234,359 | \$ 3,853,952 | \$ 4,834,000 | \$ 3,737,378 | 29 TOTAL EXPENDITURES | \$ 5,229,000 | 29 |
| 30 | \$ 1,273,946 | \$ 1,033,107 | \$ - | \$ 1,117,983 | 30 UNAPPROPRIATED ENDING FUND BALANCE | \$ - | 30 |
| 31 | \$ 4,508,305 | \$ 4,887,059 | \$ 4,834,000 | \$ 4,855,361 | 31 TOTAL | \$ 5,229,000 | 31 |

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SECTION 3 – RATE STABILIZATION FUND

- Rate Stabilization Fund Resources and Requirements

**WEST SLOPE WATER DISTRICT
RATE STABILIZATION RESERVE FUND**

Year this fund will be reviewed to be continued or abolished:
Date cannot be more than 10 years after establishment

Review Year: 2028

| Historical Data | | | | DESCRIPTION | Proposed by Budget Officer 2021-2022 | |
|----------------------------------|---------------------------------|--|--|--|--|----------------------------|
| Actual | | Revised Budget This Year 2020-21 | Projected Actual This Year 2020-21 | | | RESOURCES AND REQUIREMENTS |
| Second Preceding Year 2018-19 | First Preceding Year 2019-20 | | | | | |
| | | | | RESOURCES | | |
| | | | | Beginning Fund Balance | | |
| 1 | | | | 1 Cash on Hand *(Cash Basis), or | 1 | |
| 2 | \$ 200,000 | \$ 400,000 | \$ 800,000 | 2 Working Capital* (Accrual Basis) | \$ 800,000 2 | |
| 3 | | | | 3 | 3 | |
| 4 | | | | 4 | 4 | |
| 5 | | | | OTHER RESOURCES | 5 | |
| 6 | \$ 200,000 | \$ 400,000 | | 6 FROM THE GENERAL FUND | 6 | |
| 7 | | | | 7 | 7 | |
| 8 | | | | 8 | 8 | |
| 9 | \$ 400,000 | \$ 800,000 | \$ 800,000 | 9 Total Resources, Except Taxes to be Levied | \$ 800,000 9 | |
| 10 | | | | 10 Taxes Necessary to Balance | 10 | |
| 11 | | | | 11 Taxes Collected in Year Levied | 11 | |
| 12 | \$ 400,000 | \$ 800,000 | \$ 800,000 | 12 TOTAL RESOURCES | \$ 800,000 12 | |
| | | | | REQUIREMENTS | | |
| 1 | | | \$ - | 1 Operating Contingency | \$ - 1 | |
| 2 | | | | 2 TO THE GENERAL FUND | \$ - 2 | |
| 3 | | \$ 800,000 | \$ 800,000 | 3 RESERVED FOR FUTURE EXPENDITURES | \$ 800,000 3 | |
| 4 | \$ 400,000 | \$ 800,000 | | 4 UNAPPROPRIATED ENDING FUND BALANCE | 4 | |
| 5 | \$ 400,000 | \$ 800,000 | \$ 800,000 | 5 TOTAL REQUIREMENTS | \$ 800,000 5 | |

SECTION 4 – EQUIPMENT RESERVE FUND PROPOSED BUDGET DETAILS

- Equipment Reserve Fund Resources and Requirements
- Equipment Replacement Schedule

**WEST SLOPE WATER DISTRICT
EQUIPMENT & VEHICLE RESERVE FUND**

This fund was reauthorized by resolution 01-2021 on February 17, 2021 for the specific purpose of accumulating funds and recording the payment of funds for the purchases of work trucks and equipment. This fund shall be reviewed and re-established or abolished prior to February 17, 2031.

| Historical Data | | | | DESCRIPTION | | Proposed by Budget Officer 2021-2022 |
|----------------------------------|---------------------------------|--|--|----------------------------------|--|--|
| Actual | | Revised Budget This Year 2020-21 | Projected Actual This Year 2020-21 | RESOURCES AND REQUIREMENTS | | |
| Second Preceding Year 2018-19 | First Preceding Year 2019-20 | | | | | |
| | | | | RESOURCES | | |
| | | | | BEGINNING FUND BALANCE | | |
| 1 | | | | 1 Cash on Hand *(Cash Basis), or | | |
| 2 | \$ 279,261 | \$ 286,251 | \$ 217,000 | \$ 220,128 | 2 Working Capital* (Accrual Basis) | \$ 253,000 |
| 3 | | | | | 3 | |
| 4 | | | | | OTHER RESOURCES | |
| 5 | \$ 6,148 | \$ 5,429 | \$ 2,000 | \$ 2,246 | 4 Earning from Temporary Investments | \$ 2,000 |
| 6 | | | | | 5 Gain on trade-in of Equipment | |
| 7 | \$ 141,000 | \$ 30,000 | \$ 185,000 | \$ 180,000 | 6 FROM THE GENERAL FUND | \$ 126,000 |
| 8 | | | | | 8 | |
| 9 | \$ 426,409 | \$ 321,680 | \$ 404,000 | \$ 402,374 | 9 Total Resources, Except Taxes to be Levied | \$ 381,000 |
| 10 | | | | | 10 | |
| 11 | | | | | 11 | |
| 12 | \$ 426,409 | \$ 321,680 | \$ 404,000 | \$ 402,374 | 12 TOTAL RESOURCES | \$ 381,000 |
| | | | | REQUIREMENTS | | |
| 1 | \$ 18,381 | | \$ 30,000 | \$ 25,000 | 1 OPERATIONS VEHICLES | |
| 2 | | | | | 2 | |
| 3 | \$ 77,757 | | \$ 25,000 | \$ 25,000 | 3 TECHNOLOGY | |
| 4 | | | | | 4 | |
| 5 | \$ 44,020 | \$ 101,552 | \$ 100,000 | \$ 99,805 | 5 RADIO READ METERS | \$ 100,000 |
| 6 | | | | | 6 BANKING FEES | |
| 7 | | | | | 7 | |
| 8 | | | | | 8 | |
| 9 | | | | | 9 | |
| 10 | | | | | 10 Operating Contingency | |
| 11 | \$ 286,251 | \$ 220,128 | \$ 249,000 | \$ 252,569 | 11 RESERVED FOR FUTURE EXPENDITURE | \$ 281,000 |
| 12 | \$ 426,409 | \$ 321,680 | \$ 404,000 | \$ 402,374 | 12 TOTAL REQUIREMENTS | \$ 381,000 |

**West Slope Water District
Equipment Reserve Fund
Vehicle and Mobile Equipment Replacement Schedule
FYE June 30, 2022 Proposed Budget**

| Vehicle/Equipment Description | Purchase Date | Actual Purchase Price | Salvage Estimate | Estimated Useful Life | Estimated Replacement Cost | Savings Goal Per year | Yrs Used At FYE 6/30/2022 | Savings Goal at 6/30/2022 | Estimated Replacement Date | Adopted Budget 6/30/2022 |
|--|---------------|-----------------------|------------------|-----------------------|----------------------------|-----------------------|---------------------------|---------------------------|----------------------------|--------------------------|
| Used Backhoe | 09/01/14 | \$ 40,000 | | 15 | \$ 125,000 | \$ 8,333 | 7.83 | \$ 65,274 | 08/28/29 | \$ 65,000 |
| Compact Excavator w/ Trailer | 06/25/12 | 50,977 | \$ 12,000 | 20 | 60,000 | 2,400 | 10.02 | 24,046 | 06/20/32 | \$ 24,000 |
| Dump Truck 5 Yrd - 2007 Chevy | 03/15/10 | 47,387 | | 15 | 100,000 | 6,667 | 12.30 | 82,009 | 03/11/25 | \$ 82,000 |
| 2001 - 2100 Vactr, 2002 L7500 Sterling Chassis | 12/19/17 | 30,795 | 10,000 | 10 | 45,000 | 3,500 | 4.53 | 15,860 | 12/17/27 | \$ 16,000 |
| 2018 Ford F150 (Foreman) | 08/20/18 | 32,381 | 12,000 | 6 | 40,000 | 4,667 | 3.86 | 18,027 | 08/18/24 | \$ 18,000 |
| 2011 Ford F150 (meter reading) | 03/31/11 | 21,186 | | 10 | 35,000 | 3,500 | 11.26 | 39,401 | 03/28/21 | \$ 39,000 |
| 2017 Ford F450 w/utility box (work truck) | 11/01/17 | 51,205 | 10,000 | 7 | 65,000 | 7,857 | 4.66 | 36,638 | 10/30/24 | \$ 37,000 |
| 2020 Nissan Frontier | 12/31/20 | 24,160 | 5,000 | 7 | 35,000 | 4,286 | 1.50 | 6,411 | 12/30/27 | \$ 6,000 |
| TOTAL | | \$ 298,091 | | | \$ 505,000 | \$ 41,210 | | \$ 281,256 | | \$ 281,000 |

**\$ 281,000
Proposed**

SECTION 5 – CAPITAL IMPROVEMENTS RESERVE FUND PROPOSED BUDGET DETAILS

- Capital Improvements Reserve Fund Resources and Requirements
- Capital Improvements Projects Summary
- Capital Projects Details

**WEST SLOPE WATER DISTRICT
CAPITAL IMPROVEMENTS RESERVE FUND**

This fund was re-authorized on February 17, 2021 by Resolution 02-2021 for the specific purpose of accumulating funds for and recording payment of funds for capital improvements. This fund will be reviewed and either abolished or reestablished prior to February 17, 2021.

| Historical Data | | | | | DESCRIPTION | Proposed by Budget Officer 2021-2022 | |
|----------------------------------|---------------------------------|----------------------|----------------------|----------------------------------|---|--|----|
| Actual | | Revised Budget | Projected Actual | RESOURCES AND REQUIREMENTS | | | |
| Second Preceding Year 2018-19 | First Preceding Year 2019-20 | This Year 2020-21 | This Year 2020-21 | | | | |
| | | | | | RESOURCES | | |
| | | | | | BEGINNING FUND BALANCE | | |
| 1 | | | | 1 Cash on Hand *(Cash Basis), or | | 1 | |
| 2 | \$ 1,871,241 | \$ 1,931,781 | \$ 2,223,000 | \$ 2,227,969 | 2 Working Capital* (Accrual Basis) | \$ 2,687,000 | 2 |
| 3 | | | | | 3 | | 3 |
| 4 | | | | | | | 4 |
| 5 | | | | | OTHER RESOURCES | | 5 |
| 6 | \$ 48,663 | \$ 42,688 | \$ 22,000 | \$ 18,812 | 4 Earning from Temporary Investments | \$ 20,000 | 6 |
| 7 | \$ 18,000 | \$ 253,500 | \$ 665,000 | \$ 665,000 | 7 FROM THE GENERAL FUND | \$ 1,300,000 | 7 |
| 8 | | | | | 8 | | 8 |
| 9 | | | | | 9 | | 9 |
| 10 | \$ 1,937,904 | \$ 2,227,969 | \$ 2,910,000 | \$ 2,911,781 | 10 Total Resources, Except Taxes to be Levied | \$ 4,007,000 | 10 |
| 11 | | | | | 11 | | 11 |
| 12 | | | | | 12 | | 12 |
| | \$ 1,937,904 | \$ 2,227,969 | \$ 2,910,000 | \$ 2,911,781 | 13 TOTAL RESOURCES | \$ 4,007,000 | |
| | | | | | REQUIREMENTS | | |
| | | | | | CAPITAL OUTLAY | | |
| 1 | \$ 6,123 | | \$ 25,000 | \$ 25,000 | 1 RESERVOIRS & MAIN LINES | | 1 |
| 2 | | | | | 2 | | 2 |
| 3 | | | | | 3 BANKING FEES | | 3 |
| 4 | | | | | 4 | | 4 |
| 5 | | | \$ 200,000 | \$ 200,000 | 5 BEAVERTON HILLSDALE HIGHWAY | \$ 2,600,000 | 5 |
| 6 | | | | | 6 | | 6 |
| 7 | | | | | 7 | | 7 |
| 8 | | | \$ 10,000 | | 8 PROPERTY IMPROVEMENTS | | 8 |
| 9 | | | | | 9 | | 9 |
| 10 | | | | | 10 | | 10 |
| 11 | | | | | 11 OPERATING CONTINGENCY | \$ 500,000 | 11 |
| 12 | \$ 1,931,781 | \$ 2,227,969 | \$ 2,675,000 | \$ 2,686,781 | 12 ENDING FUND BALANCE-RESERVED FOR FUTURE | \$ 907,000 | 12 |
| 13 | \$ 1,937,904 | \$ 2,227,969 | \$ 2,910,000 | \$ 2,911,781 | 13 TOTAL REQUIREMENTS | \$ 4,007,000 | 13 |

Capital Improvement Program (CIP) Projects

West Slope Water District will celebrate its 100-year anniversary in 2022. As the West Slope community has changed over the previous 100 years, so has the District changed in how it maintains its assets, manages finances, and connects with its customers. While very little of the original infrastructure installed in the 1920's remains in service today, much of the District's distribution system installed in the early post-World War II era is still in service. Because the District is close to 100% built out, the District's priorities in the last few decades have switched from expanding the distribution system to replacing existing aging infrastructure and ensuring seismic resiliency. The typical useful life of metal pipe is between 70-100 years. Pipe installed in 1946-47 is over 70 years old in 2021. That does not mean that 70+ year old pipe will immediately start to fail. Instead, it means the District must take a proactive approach to assess the current condition and criticality of each section of pipe as well as determine potential threats to that section of pipe (external corrosion, internal pressure, landslide areas, and seismic resiliency). Coordinating and prioritizing repair and ultimately replacement of critical infrastructure before that infrastructure fails is a complex task. To best manage the effective and efficient replacement of aging water infrastructure, the District is building a comprehensive asset management plan that will link several infrastructure metrics to aid the District in determining which sections of pipe should be prioritized for replacement. Those metrics include:

- Condition assessment of pipe and likelihood of failure (can be seen when it is exposed for repairs or tie-in work)
- Pipe age, pipe material, and pipe condition
- Recent history of repairs and breaks
- Consequence of failure (that is, what would happen to the rest of the system if that asset were not available)
- Coordination with roadway improvement projects by others such as ODOT, City of Beaverton or Washington County
- Internal pipe pressure data
- Soil stability, corrosivity, and stray current potential data
- Water loss audit data
- Seismic resiliency assessment
- Operations & engineering staff knowledge and assessments
- Budgetary constraints

The projects listed in the current Multi-Year Capital Improvement Program (CIP) Project Schedule are sections of the distribution system where District field operations staff have responded to water main breaks in recent history. These projects will replace cast iron pipe installed in the late 1940s and early 1950s with new ductile iron pipe. The cast iron pipe will be abandoned in place and all water services would be reconnected to the new water main.

The Beaverton-Hillsdale Highway water line replacement project is a proactive project that is needed **before** a significant water main break occurs in this area. District crews have repaired sections of this pipe as recently as November 2019. The existing pipeline

is buried up to 9 feet below the road surface in sections, and depths of this magnitude pose increased safety risks to District staff to maintain and repair the pipe. The existing 8-inch diameter cast iron pipe will be abandoned, and new 12-inch diameter ductile iron pipe will be installed at a workable depth of around 3 feet below the road surface. The District has hired AKS Engineering & Forestry to design the new water main. Permits for construction are being obtained and final design plans and specifications should be completed late summer in time to advertise to bid, select the construction contractor, and begin construction in late Fall. Completion of the project is scheduled for Spring 2022.

Table 14 below is a summary of the Multi-Year CIP Project Schedule through 2026 as determined at this writing. Individual Project Data sheets for each of the identified projects are included in this section providing a description, justification, and cost summary for each individual CIP project. However, the overall project schedule beyond the Beaverton-Hillsdale Hwy water main project must remain flexible to respond to new information from the District’s new asset management program as well as changes in economic, environmental, and social conditions that can impact District project priorities.

**Table 14: Multi-Year CIP Project Summary
(Not numbered or listed in chronological order)**

| Project Number | 1 | 2 | 3 | 4 | 5 | 6 |
|--|---|---|---|--|--|--|
| Project Name: | SW Beaverton-Hillsdale Hwy: SW Dogwood to SW 91st | SW 75th; Fairmoor to Westmoor | MP: P11-14 SW 98th to 100th Ave.: (SW Vista & Thurlow) | MP: P1-P3 SW 103 Ave.: Canyon Rd to OR 10 | MP: P37 SW 106th: Canyon Rd to Walker Rd | MP: P10 SW 109th: Canyon Rd to B-H Hwy |
| Total Project Cost: | \$2,800,000 | \$1,009,000 | \$994,000 | \$932,000 | \$477,000 | \$399,000 |
| | FY 2021-22 | After 2026 | FY 2024-25 | FY 2025-26 | FY 2023-24 | After 2026 |
| Total Multi-Year CIP Projects Cost: | \$6,611,000 | | | | | |

Project Data

- Project Number:** 01: 2021-2022
- Project Name:** SW Beaverton-Hillsdale Highway (OR Hwy 10) Water Line Replacement – SW Dogwood Lane to SW 91st Avenue
- Project Description:** Install 5820 linear feet of 12-inch ductile iron pipe and abandon the existing 8-inch cast iron water main. All water services along SW Beaverton-Hillsdale Hwy within the project area will be transferred to the new 12-inch water main.

Map:



- Project Justification:** This project will replace an old cast iron water main. The District has made numerous repairs to this section of pipeline, and the pipe is located at least 8 feet below the roadway surface creating a much greater risk for District crews to effectively maintain the water pipe. The new 12-inch water main will be relocated to the north side of the highway and will be installed roughly 3 feet below the roadway surface. The District repaired a main break between SW Laurelwood and SW 78th Avenue in November 2019.

- Project Timeline:** Funding for design and construction of this project is budgeted to take place within FY 2021-22

| | | |
|------------------------|------------------------|------------------|
| Project Cost Estimate: | Construction costs = | \$1,906,000 |
| | Engineering costs = | \$274,000 |
| | Administrative costs = | \$220,000 |
| | Contingency costs = | <u>\$400,000</u> |
| | Total Cost = | \$2,800,000 |

Project Data

Project Number: 02: After 2026

Project Name: SW 75th Avenue: Northshire Street to Westmoor Street Water Line Replacement

Project Description: Install 1580 linear feet of 8-inch and 2120 linear feet of 6-inch ductile iron pipe and abandon the existing cast iron water main. All water services along SW 75th Avenue in the project will be transferred to the new 8-inch water main.

Map:



Project Justification: This project will replace a cast iron main installed in the late 1940s. The District has made numerous repairs on these sections of pipeline over the last few years, and the new water mains would be installed in the street portion of the right-of-way and out of the edge of the right-of-way which is often the customer’s front yard. Increasing the diameter of the water mains will also improve fire flow capacity to the area residents.

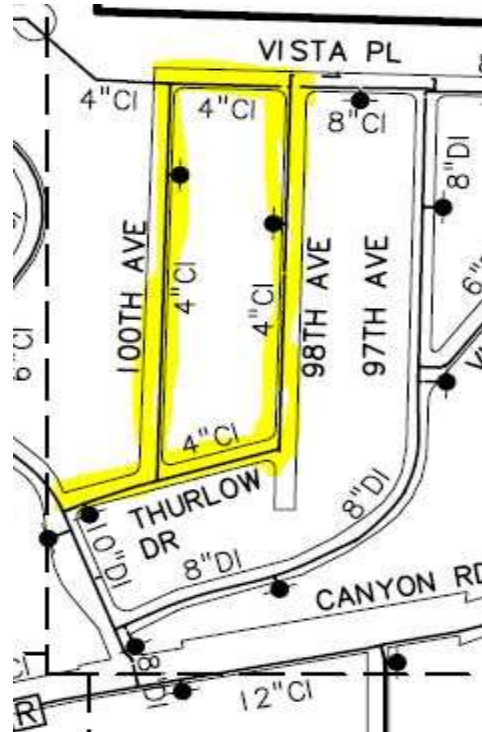
Project Timeline: Funding for design and construction of this project will take place after 2026.

| | | |
|-------------------------------|------------------------|--------------------|
| Project Cost Estimate: | Construction costs = | \$696,000 |
| | Engineering costs = | \$104,000 |
| | Administrative costs = | \$70,000 |
| | Contingency costs = | <u>\$139,000</u> |
| | Total Cost = | \$1,009,000 |

Project Data

- Project Number:** 03: 2024-2025 (Master Plan Projects P11-P14)
- Project Name:** SW 98th & SW 100th Water Line Replacement – SW Vista Street to SW Thurlow Street
- Project Description:** Install 3280 linear feet of 8-inch ductile iron pipe and abandon the existing 4-inch cast iron water main. All water services located in the project area will be transferred to the new 8-inch water mains.

Map:



Project Justification: This project will replace a cast iron main installed in the late 1940s and early 1950s. The District has made numerous repairs on these pipeline segments since 2015. Increasing the diameter of the water from 4-inch to 8-inch will also improve fire flow capacity to the area residents.

Project Timeline: Funding for design and construction of this project could take place within the multi-year CIP Project Schedule.

| | | |
|------------------------|------------------------|------------------|
| Project Cost Estimate: | Construction costs = | \$686,000 |
| | Engineering costs = | \$103,000 |
| | Administrative costs = | \$68,000 |
| | Contingency costs = | <u>\$137,000</u> |
| | Total Cost = | \$994,000 |

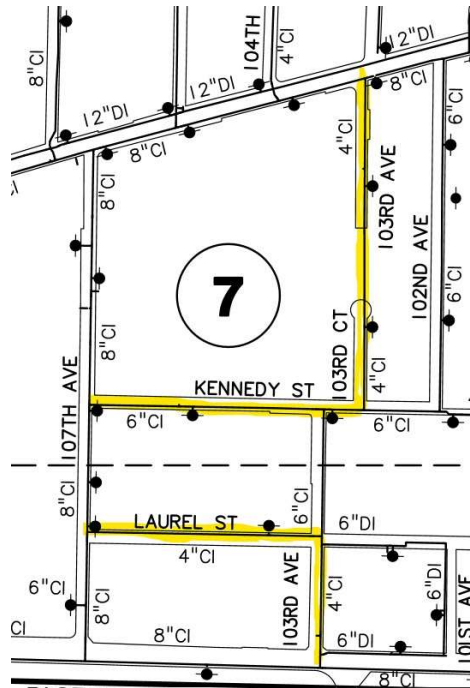
Project Data

Project Number: 04: 2025-2026 (Master Plan Projects P1-P3)

Project Name: SW 103rd Avenue Water Line Replacement – SW Canyon Road to SW Beaverton-Hillsdale Highway

Project Description: Install a total of 3640 linear feet of 8-inch ductile iron pipe (1660 feet on SW 103rd Avenue, 1070 feet on SW Kennedy Street, and 910 feet on SW Laurel Street), and abandon the existing 4-inch and 6-inch cast iron water main. All water services along SW 103rd Avenue in the project will be transferred to the new 8-inch water main.

Map:



Project Justification: This project will replace a cast iron main installed in the late 1940s and early 1950s. The District has made repairs on this section of pipeline. Increasing the diameter of the water from 4-inch to 8-inch will improve fire flow capacity to the area residents and provide a better movement of water in this area.

Project Timeline: Funding for design and construction of this project will take place within the multi-year CIP Project Schedule as a whole project or in parts.

| | | |
|------------------------|------------------------|------------------|
| Project Cost Estimate: | Construction costs = | \$643,000 |
| | Engineering costs = | \$97,000 |
| | Administrative costs = | \$64,000 |
| | Contingency costs = | <u>\$129,000</u> |
| | Total Cost = | \$932,000 |

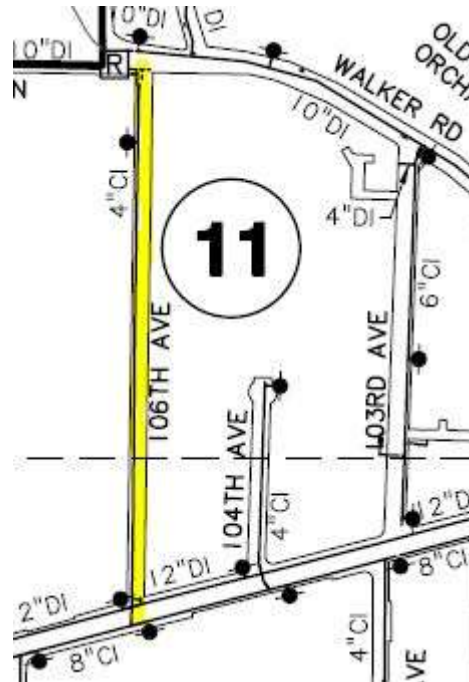
Project Data

Project Number: 05: 2023-2024 (2014 Master Plan Project P37)

Project Name: SW 106th: SW Walker Road to SW Canyon Road

Project Description: Install 1620 linear feet of 8-inch ductile iron pipe and abandon the existing 4-inch cast iron water main. All water services along SW 106th Avenue in the project will be transferred to the new 8-inch water main.

Map:



Project Justification: This project will replace a cast iron main installed after World War II. The District has fixed main breaks on this water line three times since 2012.

Project Timeline: Funding for design and construction of this project will take place within the current multi-year CIP Project Schedule.

| | | |
|------------------------|------------------------|-----------------|
| Project Cost Estimate: | Construction costs = | \$329,000 |
| | Engineering costs = | \$49,000 |
| | Administrative costs = | \$33,000 |
| | Contingency costs = | <u>\$66,000</u> |
| | Total Cost = | \$477,000 |

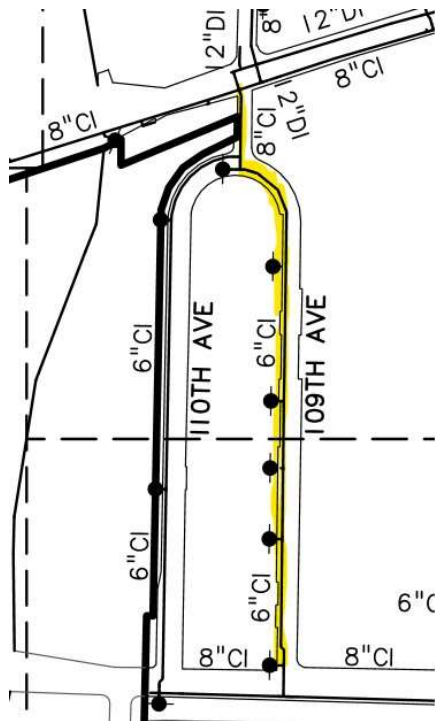
Project Data

Project Number: 06: After 2026 (2014 Master Plan Project P10)

Project Name: SW 109th Avenue: SW Canyon Road to Beaverton-Hillsdale Hwy

Project Description: Install 1500 linear feet of 8-inch ductile iron pipe and abandon the existing 6-inch cast iron water main. All water services along SW 109th Avenue in the project will be transferred to the new 8-inch water main.

Map:



Project Justification: This project will replace a 6-inch cast iron main to provide an 8-inch water main link between the existing 12-inch main on SW Canyon Road and the proposed 12-inch water main on SW Beaverton-Hillsdale Highway. The new main will provide improved fire flow service to customers along SW 107th including the existing Target store after Tualatin Valley Water District transfers the source service from the Washington County Supply Line back to West Slope’s distribution system (June 2021).

Project Timeline: Funding for design and construction of this project will take place after 2026.

| | | |
|------------------------|------------------------|-----------------|
| Project Cost Estimate: | Construction costs = | \$275,000 |
| | Engineering costs = | \$41,000 |
| | Administrative costs = | \$28,000 |
| | Contingency costs = | <u>\$55,000</u> |
| | Total Cost = | \$399,000 |

**SECTION 6 – SYSTEM DEVELOPMENT (SDC) FUND PROPOSED
BUDGET DETAILS**

- System Development Fund Resources and Requirements Detail

**WEST SLOPE WATER DISTRICT
SYSTEM DEVELOPMENT FUND**

This fund is authorized by ORS 280 100 and established by ordinance number 1-01 in 2001 for the specific purpose of Distribution System Improvements

| Historical Data | | | | | DESCRIPTION RESOURCES AND REQUIREMENTS | Proposed by Budget Officer 2021-2022 |
|----------------------------------|---------------------------------|--|--|-----------|---|--|
| Actual | | Revised Budget This Year 2020-21 | Projected Actual This Year 2020-21 | | | |
| Second Preceding Year 2018-19 | First Preceding Year 2019-20 | | | | | |
| | | | | | RESOURCES | |
| | | | | | BEGINNING FUND BALANCE | |
| 1 | | | | | 1 Cash on Hand *(Cash Basis), or | |
| 2 | \$ 3,251 | \$ 14,794 | \$ 34,000 | \$ 30,789 | 2 Working Capital* (Accrual Basis) | \$ 54,000 |
| 3 | | | | | 3 | |
| 4 | | | | | OTHER RESOURCES | |
| 5 | \$ 172 | \$ 478 | | \$ 294 | 5 Earning from Temporary Investments | |
| 6 | \$ 11,371 | \$ 15,517 | \$ 8,000 | \$ 23,394 | 6 SDC - REIMBURSEMENT | \$ 16,000 |
| 7 | | | | | 7 SDC - IMPROVEMENTS | |
| 8 | | | | | 8 | |
| 9 | \$ 14,794 | \$ 30,789 | \$ 42,000 | \$ 54,477 | 9 Total Resources, Except Taxes to be Levied | \$ 70,000 |
| 10 | | | | | 10 | |
| 11 | | | | | 11 | |
| 12 | \$ 14,794 | \$ 30,789 | \$ 42,000 | \$ 54,477 | 12 TOTAL RESOURCES | \$ 70,000 |
| | | | | | REQUIREMENTS | |
| 1 | | | | | 1 | |
| 2 | | | | | 2 | |
| 3 | | | | | 3 BANKING FEES | |
| 4 | | | | | 4 | |
| 5 | | | | | 5 BOND PAYMENT - INTEREST ONLY | \$ 37,000 |
| 6 | | | | | 6 | |
| 7 | \$ 14,794 | \$ 30,789 | \$ 42,000 | \$ 54,477 | 7 RESERVED FOR FUTURE EXPENDITURE | \$ 33,000 |
| 8 | \$ 14,794 | \$ 30,789 | \$ 42,000 | \$ 54,477 | 8 TOTAL REQUIREMENTS | \$ 70,000 |

SECTION 7 - SUPPLEMENTAL FINANCIAL SCHEDULES

- Supplemental Financial Overview
- Schedule 1 -Combined funds eight-year forecast for the fiscal years ended June 30, 2022 to June 30, 2028
- 2008 Revenue Bond Amortization Schedule

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West Slope Water District
Schedule 1 –
Combined funds eight-year financial forecast

Long-range financial planning is an important part of foreseeing upcoming financial challenges or opportunities for an organization. Much of the information utilized in Schedule 1 is a rough estimate but is based on the best information available at the time.

Utilizing the assumptions listed below (starting at 1), it is estimated the customer rates would need to increase as follows:

- **6% in FY 2021-22**
- **10% each year thereafter.**

The following assumptions were used in this forecast:

- 1) Water purchase cost is calculated utilizing:
 - a) Rates: 5 year (through FY 2026-27) forecasted rates provided by the Portland Water Bureau in February 2021. FY's 2027-28 and 2028-29, rates provided by PWB in May 2019.
 - b) Purchased Water Volume – 683,155 CCFs in each year. Which is the guaranteed minimum purchase volume currently declared by the district under the Portland Water Bureau contract.
- 2) Operating income is generated at a level to achieve the following:
 - a) Payoff the revenue bonds by 06/30/2023 at \$1,910,000 to prevent 34% rate increases in FY's 2023-24 & 2024-25 that would be required to meet the debt coverage rate covenants under the bond agreement. Transfers in from the rate stabilization reserve can only be used up to approximately \$90,000 in one year to meet the bond covenants.
 - b) Complete the main line replacement on Beaverton Hillsdale Hwy by 06/30/2022 at \$2,800,000.
 - c) Maintain a General Fund operating contingency of \$1,055,000,
- 3) Quantities billed to customers are assumed to be 523,199 CCF's (100 cubic feet or 748.052 gallons), which is the current five-year average.
- 4) Headcount – no change from the current 7 full time equivalent (FTE) employees.
- 5) Expenses other than PERS and purchased water are assumed to increase 5% each year.
- 6) PERS rates are assumed to increase 20% each two-year rate period.
- 7) Contributions to equipment replacement are estimated at \$35,000/year,
- 8) Contributions to the capital improvement reserve fund are shown as the remaining general fund balance generated beyond the operating contingency, additions to the rate stabilization fund and to the equipment reserve fund.

West Slope Water District (all funds)

Schedule 1 - 06/30/22 Budget 8 Year Financial Forecast (5 yr rates from PWB February 2021)

| Fiscal Year Ended-----> | 6/30/2021 | | 6/30/2022 | | 6/30/2023 | | 6/29/2024 | |
|---|------------------------|------------|---------------------|---------------|---------------------|---------------------|-----------------------|---------------------|
| Bond Balance-----> | Projected | | \$1,910,000 | | \$1,620,000 | | 10/1/2022 \$1,320,000 | |
| Wholesale Water Rates per unit--> | \$ 1.784 | | \$ 1.542 | 02/21 | \$ 3.495 | 02/21 | \$ 4.801 | 02/21 |
| | Projected | % Chng | Budget | Assump/% Chng | Forecast | Assump/% Chng | Forecast | Assump/% Chng |
| Revenue: | | | | | | | | |
| Aver Rev/Unit-Units billed | \$ 7.44 | 495,763 | | 523,199 | | 523,199 | | 523,199 |
| Billed to customers | \$ 3,688,000 | | \$ 3,983,000 | | \$ 4,221,980 | | \$ 4,644,178 | |
| Water Reimbursed by Beavrtn | 40,000 | | 40,000 | | 95,040 | | 130,554 | |
| Units reimbursed at PWB rate | | 27,193 | | 27,193 | | 27,193 | | 27,193 |
| Total Water Revenues | 3,728,000 | 30% | 4,023,000 | 8% | 4,739,218 | 18% | 5,239,149 | 11% |
| Total Misc. Income | 84,554 | 75% | 81,000 | | 80,608 | | 80,655 | |
| SDC Fees | 23,394 | | 16,000 | | 10,000 | | 10,000 | |
| Interest Income | 31,052 | | 29,000 | | 29,000 | | 29,000 | |
| Total Other Operating Income | 139,000 | | 126,000 | | 119,608 | | 119,655 | |
| Total Revenue | \$ 3,867,000 | 31% | \$ 4,149,000 | | \$ 4,858,826 | | \$ 5,358,804 | |
| Operating Expense: | | | | -14% | | | | |
| Total Water Cost | 1,219,396 | 27% | 1,053,000 | -14% | 2,387,627 | 127% | 3,279,827 | 37% |
| Total Wages, Benefits, & Taxes | 948,448 | 23% | 1,025,000 | 8% | 1,109,850 | 8% | 1,165,343 | 5% |
| Total Other Materials & Services | 365,253 | 20% | 452,000 | 24% | 432,600 | -4% | 458,730 | |
| Total Operating Expense | \$ 2,533,098 | 25% | \$ 2,530,000 | 0% | \$ 3,930,077 | 55% | \$ 4,903,900 | |
| Operating Income | \$ 1,333,902 | 44% | \$ 1,619,000 | 21% | \$ 928,749 | -43% | \$ 454,905 | |
| Capital and Debt Requirements | | | | | | | | |
| Equip-Technology & Operations. | 149,805 | | 100,000 | | 35,000 | | 35,000 | |
| Water system & Prop improvements | 225,000 | | 2,600,000 | BH HWY | | | | |
| Total Capital Outlay | 374,805 | | 2,700,000 | | 35,000 | | 35,000 | |
| Debt Service Princ & Int | 359,280 | | 359,000 | | 1,978,694 | 04/01/23 | | |
| Total Capital and Debt | 734,085 | | 3,059,000 | | 2,013,694 | | 35,000 | |
| Net increase (decrease) in fund balance | \$ 599,817 | | (1,440,000) | | (1,084,945) | | 419,905 | |
| Fund Balance, End of year | | | | | | | | |
| General Fund FB-Contingency | 1,113,116 | | 951,000 | Fund Trans | 1,055,000 | Fund Trans (35,000) | 1,055,000 | Fund Trans (35,000) |
| Rate Stabilization Fund -Contingency/Bond Payoff | 800,000 | | 800,000 | | 800,000 | | 800,000 | - |
| Cap Improvement -Water System | 2,686,781 | | 1,407,000 | | 251,055 | | 660,960 | |
| Equip Reserve (LT Eq Replacement) | 257,569 | | 281,000 | | 281,000 | 35,000 | 281,000 | 35,000 |
| System Development (New Development) | 54,477 | | 33,000 | | - | (43,000) | 10,000 | |
| Total Fund Balance, End of year | \$ 4,911,943 | | \$ 3,472,000 | | \$ 2,387,055 | | \$ 2,806,960 | |
| Check Balance. | - | | (57) | | - | | - | |
| Estimated adjustments for GAAP (PERS, OTH) | (50,000) | | (50,000) | | (50,000) | | (50,000) | |
| Beaverton Reimbursement | \$ (15,610) | | \$ (16,000) | | \$ (15,608) | | \$ (15,655) | |
| Transfers (to) from Rate Stabilization | \$ - | | \$ - | | \$ - | | \$ - | |
| Debt Coverage (Op Inc, Minus Gaap, Minus Bv Dbt) | \$ 1,268,292 | | \$ 1,553,000 | | \$ 863,141 | | \$ 389,250 | |
| Bond Covenant Ratios Required: | Generated--> | | | | | | | |
| 1.25 -With SDC Revenue | 6.364 | | 4.326 | | 2.406 | | n/a | |
| 1.15 - With/O SDC Revenue | 6.247 | | 4.281 | | 2.378 | | n/a | |
| 1 - With/O Rate Stblztn Revenue | 6.364 | | 4.326 | | 2.406 | | n/a | |
| Bond Covenant Oper Income \$\$ required--> | | | | | | | | |
| With SDC - 1.25 X Debt Service\$\$ | \$ 449,100 | | \$ 448,750 | | \$ 2,473,368 | | \$ - | |
| W/O SDC - 1.15 X Debt Service\$\$ | \$ 413,172 | | \$ 412,850 | | \$ 2,275,498 | | \$ - | |
| W/O Rate Stab - 1 x Debt Service \$\$ | \$ 359,280 | | \$ 359,000 | | \$ 1,978,694 | | \$ - | |
| Customer rates and increases: | | | | | | | | |
| Useage Charge \$/% Increase - per unit consu | \$ 4.31 | | \$ 4.57 | 6.0% | \$ 5.03 | 10.0% | \$ 5.53 | 10.0% |
| Service Charge \$/% Increase - fixed per mo : | \$ 14.07 | | \$ 14.91 | 6.0% | \$ 16.41 | 10.0% | \$ 18.05 | 10.0% |
| Customer cost based on 7 units/mo - 84/yr | | | | | | | | |
| Monthly cost | \$ 44.24 | | \$ 46.45 | | \$ 51.58 | | \$ 56.74 | |
| Monthly cost increase | | | \$ 2.21 | 5% | \$ 5.14 | 11% | \$ 5.16 | 10% |
| Annual cost | \$ 530.88 | | \$ 557.35 | | \$ 619.01 | | \$ 680.91 | |
| Annual cost increase | | | \$ 26.47 | | \$ 61.65 | | \$ 61.90 | 10% |
| Customer cost based on 14units/mo - 168/yr | | | | | | | | |
| Annual cost | \$ 892.92 | | \$ 946.50 | | \$ 1,041.14 | | \$ 1,145.26 | |
| Annual cost increase | | | \$ 53.58 | | \$ 94.65 | | \$ 104.11 | |

Schedule 1 - 06/30/21 Budget 8 Year Financial Forecast

| 6/30/2025 | | 6/30/2026 | | 6/30/2027 | | 6/30/2028 | | 6/30/2029 | | 8 Yr Totals | |
|---------------------|-----------------|---------------------|-----------------|---------------------|-----------------|---------------------|-----------------|---------------------|-------------------|----------------------|-----------------|
| \$1,010,000 | | \$685,000 | | \$350,000 | | \$0 | | | | | |
| \$ 6.160 | 02/21 | \$ 6.267 | 02/21 | \$ 6.633 | 02/21 | \$ 6.933 | 05/19 | \$ 7.013 | 05/19 | | |
| Forecast | Assump/ Chng | Forecast | Assump/ Chng | Forecast | Assump/ Chng | Forecast | Assump/ Chng | Forecast | Assump/ % Chng | | |
| | 523,199 | | 523,199 | | 523,199 | | 523,199 | | 523,199 | | |
| \$ 5,108,596 | | \$ 5,619,455 | | \$ 6,181,401 | | \$ 6,799,541 | | \$ 7,479,495 | 14.30 | 44,037,646 | 123% |
| \$ 167,509 | | \$ 170,419 | | \$ 180,371 | | \$ 188,529 | | \$ 190,705 | | 1,163,125 | |
| | 27,193 | | 27,193 | | 27,193 | | 27,193 | | 27,193 | | |
| 5,786,964 | 10% | 6,351,819 | 10% | 6,979,912 | 10% | 7,668,024 | 10% | 8,418,149 | 10% | 49,206,236 | 126% |
| 80,678 | | 80,676 | | 80,676 | | 80,676 | | 80,676 | | 645,645 | |
| 10,000 | | 10,000 | | 10,000 | | 10,000 | | 10,000 | | 86,000 | |
| 29,000 | | 29,000 | | 29,000 | | 29,000 | | 29,000 | | 232,000 | |
| 119,678 | | 119,676 | | 119,676 | | 119,676 | | 119,676 | | | |
| \$ 5,906,642 | | \$ 6,471,495 | | \$ 7,099,588 | | \$ 7,787,700 | | \$ 8,537,825 | | \$ 50,169,881 | |
| 4,208,235 | 28% | 4,281,332 | 2% | 4,531,367 | 6% | 4,736,314 | 5% | 4,790,966 | 1% | 29,268,668 | |
| 1,268,062 | | 1,331,466 | | 1,456,850 | | 1,603,794 | | 1,777,352 | | 10,737,717 | |
| 476,280 | | 504,819 | | 524,404 | | 595,161 | | 576,980 | | 4,020,974 | |
| \$ 5,952,577 | | \$ 6,117,617 | | \$ 6,512,621 | | \$ 6,935,269 | | \$ 7,145,299 | | \$ 44,027,359 | |
| \$ (45,935) | | \$ 353,879 | | \$ 586,967 | | \$ 852,432 | | \$ 1,392,527 | | 6,142,522 | |
| 35,000 | | 35,000 | | 35,000 | | 35,000 | | 35,000 | | \$ 368,431 | |
| 35,000 | | 35,000 | | 35,000 | | 35,000 | | 35,000 | | \$ 4,289,047 | |
| 35,000 | | 35,000 | | 35,000 | | 35,000 | | 35,000 | | | |
| (80,935) | | 318,879 | | 551,967 | | 817,432 | | 1,357,527 | | | |
| | Fund Trans | | Fund Trans | | Fund Trans | | Fund Trans | | | | |
| 1,055,000 | 465,000 | 1,055,000 | 265,000 | 1,055,000 | (35,000) | 1,055,000 | (35,000) | 1,055,000 | (35,000) | | |
| 300,000 | (500,000) | - | (300,000) | - | - | - | - | - | - | (800,000) | |
| 1,070,025 | | 1,678,903 | | 2,220,870 | | 3,028,302 | | 4,375,828 | | | |
| 281,000 | 35,000 | 281,000 | 35,000 | 281,000 | 35,000 | 281,000 | 35,000 | 281,000 | 35,000 | | |
| 20,000 | | 30,000 | | 40,000 | | 50,000 | | 60,000 | | | |
| \$ 2,726,025 | | \$ 3,044,903 | | \$ 3,596,870 | | \$ 4,414,302 | | \$ 5,771,828 | | | |
| - | | - | | - | | - | | - | | | |
| (50,000) | | (50,000) | | (50,000) | | (50,000) | | (50,000) | | | |
| \$ (15,678) | | \$ (15,676) | | \$ (15,676) | | \$ (15,676) | | \$ (15,676) | | | |
| \$ 500,000 | | \$ 300,000 | | \$ - | | \$ - | | \$ - | | | |
| \$ 388,387 | | \$ 588,203 | | \$ 521,291 | | \$ 786,756 | | \$ 1,326,851 | | | |
| n/a | | n/a | | n/a | | n/a | | n/a | | | |
| n/a | | n/a | | n/a | | n/a | | n/a | | | |
| n/a | | n/a | | n/a | | n/a | | n/a | | | |
| \$ - | | \$ - | | \$ - | | \$ - | | \$ - | | | |
| \$ - | | \$ - | | \$ - | | \$ - | | \$ - | | | |
| \$ - | | \$ - | | \$ - | | \$ - | | \$ - | | | |
| \$ 6.08 | 10.0% | \$ 6.69 | 10% | \$ 7.36 | 10.0% | \$ 8.09 | 10% | \$ 8.90 | 10% | \$ 4.59 | 107% |
| \$ 19.85 | 10.0% | \$ 21.84 | 10% | \$ 24.02 | 10.0% | \$ 26.42 | 10% | \$ 29.06 | 10% | \$ 14.99 | 107% |
| \$ 62.42 | | \$ 68.66 | | \$ 75.52 | | \$ 83.08 | | \$ 91.38 | | \$ 47.14 | |
| \$ 5.67 | 10% | \$ 6.24 | 10% | \$ 6.87 | 10% | \$ 7.55 | 10% | \$ 8.31 | 10% | \$ 107% | |
| \$ 749.00 | | \$ 823.90 | | \$ 906.29 | | \$ 996.92 | | \$ 1,096.61 | | \$ 565.73 | |
| \$ 68.09 | 10% | \$ 74.90 | 10% | \$ 82.39 | 10% | \$ 90.63 | 10% | \$ 99.69 | 10% | \$ 107% | |
| \$ 1,259.79 | | \$ 1,385.76 | | \$ 1,524.34 | | \$ 1,676.77 | | \$ 1,844.45 | | \$ 951.53 | |
| \$ 114.53 | | \$ 125.98 | | \$ 138.58 | | \$ 152.43 | | \$ 167.68 | | 107% | |
| | | | | | | | | | | 8 Yr chng | Tot Incr |
| | | | | | | | | | | | Avg |

SECTION 8 – BUDGET PROCESS INFORMATION

- Budget Calendar
- Budget Committee Members
- Notice of Budget Committee Meeting.
- Budget Committee Meeting Agenda

WEST SLOPE WATER DISTRICT

BUDGET CALENDAR

Fiscal Year Ending June 30, 2022 (FY2021-22)

| | |
|---|---|
| January 20, 2021 Board Meeting | Board appoints Budget Officer. Board approves Budget Calendar for FYE 06/30/2022 Board approves Budget Committee roster |
| February 2021 | City of Portland announces preliminary wholesale rates for FYE 06/30/2022. |
| February 17, 2021 Board Meeting | Manager introduces preliminary budget concepts for FYE 06/30/2022. |
| March 17, 2021 Board Meeting | General Manager presents staff salary scale recommendations. Board approves salary scale for budgeting purposes. |
| March/April 2021 | Staff finalizes preliminary budget numbers. |
| April 6, 2021 | Deliver cover letter from General Manager, budget calendar, and Budget Committee roster to Budget Committee members. |
| April 21, 2021 Board Meeting | Regular Board Meeting |
| April 23, 2021 | Deliver proposed budget document to full Budget Committee. |
| April 27, 2021 | Request publication of notice of May 19 Budget Committee meeting in Community Newspapers. ORS 294.425 requires two notices 5 to 30 days before the committee meeting (May 6 and May 13, 2021). |
| April 26 – May 14, 2021 | Review process & programs as desired with individual Budget Committee members |
| April 26, 2021 | Email form LB-1 (proposed budget financial summary) to sswashtsc@co.washington.or.us prior to the first budget committee meeting for posting on Washington County's website. Post budget to WSWD website. |
| May 6, 2021 | First notice of May 19 Budget Committee meeting is published in community newspaper. Email meeting reminder to Budget Committee members |
| May 13, 2021 | Second notice of May 19 Budget Committee meeting is published in community newspaper. |

**May 19, 2021
Board Meeting**

Combined Budget Committee and Board Meeting

1. Elect Budget Committee Officers
2. Hear Budget Message from Budget Officer
3. Receive Budget Document – Discuss
4. Hear persons for or against budget.
5. Announce time of next meeting if necessary.
6. If timely, Budget Committee approves budget as submitted or revises.
7. Budget Officer prepares Budget for Publication and makes available to the public.

May 20, 2021

Request publication of notice (form LB-1) of budget hearing in community newspaper. One date of publication required for Budget Hearing (ORS 294.425)

June 3, 2021

Notice of budget (form LB-1) and June 16 Budget Hearing is published in community newspaper.

**June 16, 2021
Board Meeting**

Combined Budget Hearing and Board Meeting

1. Public budget hearing
2. Adopt budget by resolution
3. Make appropriations

June 18, 2021

Mail Resolution only to:

1. Department of Revenue
Property Tax Division
PO Box 14380 NE
Salem 97309-5075

Mail form WH-118 to:

2. Prevailing Wage Rate Unit
Wage and Hour Division, #1045
Bureau of Labor and industries
800 NE Oregon St.
Portland, OR 97232-2180

WEST SLOPE WATER DISTRICT

Budget Committee Members For FY 2021-2022 Budget Process

District Citizens

Susan Meamber

Michael Smith

Ramesh Krishnamurthy

Nicholas De Morgan

Rosalie Stevenson

Board of Commissioners

Charles Conrad, Chair

Andy Smith, Treasurer

Michael Hoffman

Paul Schuler

Carol Wild

NOTICE OF BUDGET COMMITTEE MEETING

A public meeting of the Budget Committee of the **West Slope Water District**, Washington County, State of Oregon, to discuss the budget for fiscal year July 1, 2021 to June 30, 2022 will be held via zoom on the **19th day of May 2021 at 5:00 PM**. Details on joining the video conference are available by emailing your request to customer.servce@wswd.org. Please indicate in your email if you wish to speak at the meeting.

The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget. A copy of the budget document may be inspected or obtained after April 24, 2021 at 3105 SW 89th Ave, Portland, OR 97225, M-F between the hours of 8:00 AM and 4:30 PM by knocking on the front door which is currently closed to public access.

A PDF of the budget document is also available at [WSWD.ORG-ABOUT US-FINANCE AND CUSTOMER SERVICE-ANNUAL BUDGETS](http://WSWD.ORG-ABOUT-US-FINANCE-AND-CUSTOMER-SERVICE-ANNUAL-BUDGETS). This is a public meeting where deliberation of the Budget Committee will take place. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee.

Lucy Dawes, Budget Officer

Beaverton Valley Times

Published

May 6, 2021

May 13, 2021

Notice Posted to West Slope Water District Web Site



OFFICE CLOSED TO WALK-INS

The COVID-19 virus pandemic has prompted us to close our doors to walk-in customers. Please call or email.

[READ MORE](#)

NEWS & ANNOUNCEMENTS

[View all News](#)

01/2021 Quarterly News Letter

Please click [here](#) to view the quarterly news letter.

02/09/2021 RESUMING WATER DOORTAG AND SHUTOFF VISIT FEES FOR PAST DUE ACCOUNTS

Starting February 9, 2021 the district will resume door hanger and water shutoff visit fees for past due accounts. Please click [here](#) for more details.

PLEASE ALLOW ONLY DISTRICT PERSONNEL TO TURN METERS ON OR OFF

If you need your meter turned on or off, please call the District so we can do it for you! If you or your plumber damage a meter while attempting to turn it on or off, the repair or replacement will be at your or your plumbers cost. Call 503-292-2777 and we will do it for you!

UPCOMING EVENTS

[View all Events](#)

Water Bill Due Date

May 10, 2021

Regular Board of Commissioners Meeting

May 19, 2021

BUDGET COMMITTEE MEETING

May 19, 2021

EMAIL AND TEXT NOTIFICATIONS

[Click here for options to receive email and text notifications](#)

Office: 3105 SW 89th, Portland, OR 97225 | 503-292-2777 | customer.service@wswd.org | [Get Directions](#)
Mail: PO Box 25140, Portland, OR 97298
Hours: Monday - Friday, 8:00am - 4:30pm. Closed 12pm - 1pm.
[Site by Revize](#) | [Login](#)



Calendar Name: Master
Event Name: BUDGET COMMITTEE MEETING

 **CLOSE**  **ICAL**  **EDIT**  **DELETE**

| | |
|----------------|---|
| Date: | May 19, 2021 |
| Day: | Wed |
| Time: | 05:00 pm - 07:00 pm |
| Duration: | 2 Hours |
| Notable: | yes |
| Detail: | <p>A public meeting of the Budget Committee of the West Slope Water District, Washington County, State of Oregon, to discuss the budget for fiscal year July 1, 2021 to June 30, 2022 will be held via zoom on the 19th day of May 2021 at 5:00 PM. Details on joining the video conference are available by emailing your request to customer.service@wswd.org. Please indicate in your email if you wish to speak at the meeting.</p> <p>The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget. A copy of the budget document may be inspected or obtained after April 24, 2021 at 3105 SW 89th Ave, Portland, OR 97225, M-F between the hours of 8:00 AM and 4:30 PM by knocking on the front door which is currently closed to public access.</p> <p>A PDF of the budget document is also available at WSWD.ORG-ABOUT US-FINANCE AND CUSTOMER SERVICE-ANNUAL BUDGETS. This is a public meeting where deliberation of the Budget Committee will take place. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee. Lucy Dawes, Budget Officer</p> |
| Contact Name: | <u>West Slope Water Distict</u> |
| Contact Phone: | 503-292-2777 |
| Event updated: | Monday April 19, 2021 11:44:05 am |
| No Signup Form | |

Viewing Event Details as Editor - All fields shown

 **CLOSE**  **ICAL**  **EDIT**  **DELETE**

WEST SLOPE WATER DISTRICT
Budget Committee Meeting
FY 2021-2022

AGENDA

Wednesday, May 19, 2021
5:00 PM

Welcome and Introductions – Board Charlie Conrad

1. Call to Order – Budget Committee Meeting - Board Chair
2. Election of Budget Committee Officers – Chair and Secretary
3. Public Comment/Communications*
4. General Manager Michael Grimm and Budget Officer Lucy Dawes
 - 4.1 Past Year Accomplishments
 - 4.2 Purpose and overview of Budget Process
 - 4.3 2021-22 Budget Requests
 - 4.4 Questions, Answers, and Comments
5. Budget Committee
 - 5.1 Discusses AND recommends budget, or
 - 5.2 Makes appropriate changes AND approves budget, or
 - 5.3 Sets additional meeting.
6. Adjourn Budget Committee

***Public comment is limited to 3 minutes per person to give everyone a chance to speak unless an extension is granted by the Board.**

If you are joining our meeting via zoom log-in, please indicate in your email to customer.service@wswd.org requesting log-in credentials if you wish to speak at the zoom meeting.

SECTION 9 – APPENDIX

- Distribution System Summary

West Slope Water District Distribution System Summary

Customers

3,279 Service Connections
10,500 Population
Residential, commercial & irrigation
5/8" to 6" Diameter Services

Storage

Sylvan Hill – Concrete Reservoirs

Reservoir #3 - 3 MG; Constructed in 2008-2009.

Reservoir #2 – 2.25 MG; Constructed in 1960 – Interior surface renovation and new access hatch built in 2002.

Both reservoirs cleaned and inspected in 2018 using divers.

SW Canyon Drive – Welded Steel Standpipe

Green Tank - .8 MG; Constructed in 1949 –Exterior and interior painted 2017.

Construction project to seismically upgrade the standpipe's foundation and build new walk-in control vault completed December 2017.

Pipelines

48 miles of pipeline - 2" to 18" diameter

Materials:

Cast iron – lined & unlined.

Steel

Ductile iron – lined.

Copper & brass – taps, service lines, meters

Other – plastic, galvanized iron

Age: 1922-2019

System Components

452 Hydrants

3,289 Meters

3 Pressure Zones – 8 sub-zones

19 Pressure Reducing Stations

43 Automatic Control Valves

Over 600 Valves