

FY 2023/2024

BUDGET  
DEVELOPMENT  
MATERIAL



Rockwood Water

People's Utility District

19601 NE HALSEY STREET  
PORTLAND, OREGON 97230-7430

503-665-4179

[WWW.RWPUD.ORG](http://WWW.RWPUD.ORG)

**BUDGET COMMITTEE MEETING  
ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT  
April 26, 2023  
Following Regular Board Meeting  
District Boardroom**

**Zoom Video Conference**

<https://us02web.zoom.us/j/89717581778?pwd=cGUya3B5NE9neFU0dmxBSTZ5MnJzd09>

**Passcode: 434693**

**Or Phone: +1-253-215-8782**

**Webinar ID: 897 1758 1778 - Passcode: 434693**

**PRELIMINARY AGENDA**

1. Call to Order by President of the Board
2. Approval of Agenda - Action
3. Elect Budget Committee Officers - Action
4. President of the Board Defers to Budget Committee Chair
5. Budget Committee Chair Defers to Budget Officer, GM Duncan
6. Budget Officer Delivers Budget Message - GM Duncan
7. Public Comment
8. Overview of Budget Packet Contents - Budget Officer, GM Duncan
9. Discussion and Approval of Budget Items
10. Approve and Recommend to the Board of Directors the Proposed Budget - Action
11. Schedule Next Meeting (If Necessary) - Wednesday, May 10, 2023, 6:00 p.m.
12. Adjournment



## **MEMORANDUM**

**To:** Budget Committee  
Rockwood Water People's Utility District

**From:** Kari J. Duncan  
General Manager/Budget Officer

**Date:** April 19, 2023

**Re:** **Fiscal Year (FY) 2023/2024 Budget Message and Document Transmittal**

### **BUDGET MESSAGE**

I am pleased to present the FY 2023/2024 Budget message and proposal. The District made substantial progress in the construction and design of the Cascade Groundwater Development Projects, and continues in its progress to meet the June 2026 Portland Wholesale contract expiration date. However, increases in the FY 2023/2024 expenses, primarily the 22% increase in the Portland wholesale water rate and increases in personnel costs related to inflation and cost of living (COLA) increases, as well as the impact of high inflation on the cost of planned construction for the Cascade Groundwater Development Program are major drivers in the budget and rate model.

In FY 2022/2023, the District made significant progress in design and construction of the Cascade Groundwater Alliance water supply facilities, in partnership with the City of Gresham. This includes the issuance of Design Request for Proposals and contracts for the design of package 4, the Cascade Water Treatment Plant and Pump Station, and package 3, the 142<sup>nd</sup> Ave Water Treatment Plant and Pump Station improvements. The District is nearing completion of the new 6-million-gallon Cascade Reservoir #2, has completed the transmission main for Cascade Well # 7 located near NE 202<sup>nd</sup> Avenue and NE Glisan Street and is nearing completion of the Cascade Well #7 well house and pump. The District also expects to complete the design of the transmission main. The District continues compliance with its WIFIA loan and Revenue Bond requirements, and is beginning the process of application and evaluation of financing options for the remaining portion of the project.

In FY 2023/2024, the District will complete the design and begin construction of District only packages 2a and 3 which include a transmission line that will provide a backup water source from the main Bella Vista Pressure zone into the Glendoveer pressure zone, and 141<sup>st</sup> avenue improvements, including a pumping and treatment system for Well #8. The District also expects to complete the design of package 4 of the project which includes the 25 million gallon per day pumping and treatment facility for the Cascade site. This project will be split 50/50 between the District and the City of Gresham. Gresham, in partnership with Rockwood has completed design and will begin construction on the package 2b transmission main to transport water from the Cascade WTP at the District headquarters to the Bella Vista and Grants Butte reservoirs. The

City of Gresham is also managing the package 5 and 6 projects that include the development of Well #6 on NE 223<sup>rd</sup> Avenue and SE Stark Street, and the wellhouse for Cascade Well #9 at Kirk Park. The Kirk Park project design has been completed and will begin construction this fiscal year, and Well #6 has been drilled and the design for the pumping and treatment facilities for this well will occur in 2023/2024.

The budget packet includes the 2023/2024 Financial Rate Model, which by following, allows the District to remain financially stable and provide the greatest value to the ratepayers. The development of groundwater resources has required strategic increases in revenue in the previous three FYs and in FY 2023/2024 this increase is moderately higher than predicted due to high inflation rates and will be around 6%. The initial rate model, prior to substantial budget cuts required a higher adjustment of 8%, however staff made significant efforts to prioritize near term projects and purchases to reduce the rate adjustment to 6%.

The District is currently in excellent financial health, however, the impacts of inflation and the substantial capital projects that the Board have committed to will require an investment and it is critical that we continue to plan and budget with sufficient contingency to maintain a stable economic future for the District.

Due to the cost and staffing demands of the Cascade Groundwater Alliance (CGA) development projects, and the recent impact of inflation, the budget and rate model proposed includes delays to some Capital Improvement Projects (CIP) anticipated in the 2013 Water System Master Plan. The District continues to update its aging fleet of heavy equipment and vehicles as well as planned technology replacements through the efforts outlined in the District's two comprehensive replacement plans for both vehicle/equipment and technology.

In the previous three FYs, the District implemented rate adjustments of 4.1% in July of 2022, 10.5% in July 2021, and 11.5% in July 2020. Staff have made substantial efforts to reduce and prioritize upcoming purchases and capital projects to smooth the future rate adjustments required to complete the CGA projects and maintain day to day Operations of the District. The proposed rate adjustment for the District in FY 2023/2024 is **6.0%, the impact to the average customer using 6 ccf or 4500 gallons of water per month is an additional \$1.98 per month.** The base meter charges and the variable water rate will be adjusted to move the District's fixed revenue closer to the 30% goal listed in the financial policy.

## **BUDGET INTRODUCTION**

Included in this binder is information that will support the FY 2023/2024 Budget for the District. It includes the following documents:

- **FY 2023/2024 Budget Message**
- **Auditor's Communication to Governing Body on the FY 2021/2022 Audit**
- **Calendar Year 2022 Statistics and Highlights**
  - **Conservation**
  - **Customer Service Year to Year Comparison**
  - **Calendar Year 2022 Field Services**
- **2023 Financial Plan Update**
- **FY 2023/2024 Budget Detail and Narrative**
- **5 Year Line-Item Budget**

- **FY 2023/2024 Capital Improvement Plan**
- **FY 2023/24 Groundwater Development Capital Improvement Plan**
- **Projected FY 2023/2024 Fees and Charges**
- **2023 Strategic Plan**
- **Supplemental Information**
  - **2023 District Organization Chart**
  - **FY 2023/2024 Five Year Budget Line Code Comparisons**
  - **FY 2023/2024 10-Year Vehicle/Equipment Replacement Plan**
  - **FY 2023/2024 10-Year Technology Replacement Plan**
  - **Monthly Regional Bill Comparison**
  - **Wage Scales for All District Employees for FY 2023/2024**

## **FUND STRUCTURE**

<b>101 General Fund</b>	Most operations occur in the General Fund.
<b>201 System Development Fund-Reimbursement</b>	This consists of SDCs paid by new customers, which can be spent on ordinary water system capital projects.
<b>202 System Development Fund-Improvement</b>	This consists of SDCs paid by new customers, which can be spent only on projects that expand the capacity of the water system.
<b>301 Debt Reserve Fund</b>	Money accumulates in this fund to pay annual debt service and meet bond covenant reserve requirements.
<b>401 Debt Service Fund</b>	Debt service payments are made from this fund.
<b>501 Groundwater Production Fund</b>	This fund handles the Gresham-District groundwater partnership.
<b>601 Groundwater Construction Fund</b>	This fund handles the consulting, engineering, and construction of projects identified within the Cascade Groundwater Alliance Groundwater Development Master Plan.

A budget is developed for each fund depicting how resources will be collected and expended during the FY. This budget is provided for the Budget Committee and public's review and comment.



**ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT**  
**MULTNOMAH COUNTY, OREGON**

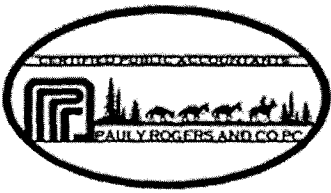
**COMMUNICATION TO THE GOVERNING BODY**

**FOR THE YEAR ENDED JUNE 30, 2022**



12700 SW 72<sup>nd</sup> Ave.  
Tigard, OR 97223





PAULY, ROGERS AND CO., P.C.  
12700 SW 72<sup>nd</sup> Ave. ♦ Tigard, OR 97223  
(503) 620-2632 ♦ (503) 684-7523 FAX  
www.paulyrogersandcpcpas.com

October 5, 2022

To the Board of Directors  
Rockwood Water People's Utility District  
Multnomah County, Oregon

We have audited the basic financial statements of the business-type activities of Rockwood Water People's Utility District (PUD) for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

### **Purpose of the Audit**

Our audit was conducted using sampling, inquiries and analytical work to opine on the fair presentation of the basic financial statements and compliance with:

- generally accepted accounting principles and auditing standards
- the Oregon Municipal Audit Law and the related administrative rules

### **Our Responsibility under U.S. Generally Accepted Auditing Standards**

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the basic financial statements does not relieve you or management of your responsibilities. Our engagement letter details our nonaudit services we provide; these services do not constitute an audit under Government Auditing Standards.

In planning and performing our audit, we considered internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Planned Scope and Timing of the Audit**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; therefore, our audit involved judgment about the number of transactions examined and the areas to be tested.

Our audit included obtaining an understanding of the Rockwood Water People's Utility District and its environment, including internal control, sufficient to assess the risks of material misstatement of the basic financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Rockwood Water People's Utility District or to acts by management or employees acting on behalf of the Rockwood Water People's Utility District.

We also communicated any internal control related matters that are required to be communicated under professional standards.

### **Results of Audit**

1. Audit opinion letter - an unmodified opinion on the basic financial statements has been issued. This means we have given a “clean” opinion with no reservations.
2. State minimum standards – We found no exceptions or issues requiring comment.
3. Management letter – No separate management letter was issued.

### **Significant Audit Findings**

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2022, except for the implementation of GASB Statement No. 87 *Leases*. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimates in the financial statements are the actuarial estimate of the District’s portion of the statewide Net Pension Liability (or Asset) and Other Post Employment Benefits which are based on actuarial assumptions. Other sensitive estimate(s) affecting the basic financial statements were Management’s estimate of Accounts Receivable, Capital Asset Depreciation, and the fair value of investments, which are based on estimated collectability of receivables, useful lives of assets, and active market values or significant observable inputs, respectively. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the basic financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was: management override of controls which was addressed in the audit testing. The disclosures in the basic financial statements are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements or determined that their effects are immaterial. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, taken as a whole. There were immaterial uncorrected misstatements noted during the audit which were discussed with management. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even if, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the basic financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the basic financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to our retention as the auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

*Required Supplementary Information*

We applied certain limited procedures to the required supplementary information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the required supplementary information and do not express an opinion or provide any assurance on it.

*Supplementary Information*

We were engaged to report on the supplementary information, which accompany the basic financial statements but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

*Other Information*

We were not engaged to report on the listing of Board Members, which accompanies the basic financial statements but is not required supplementary information. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

## **Other Matters – Future Accounting and Auditing Issues**

In order to keep you aware of new auditing standards issued by the American Institute of Certified Public Accountants and accounting statements issued by the Governmental Accounting Standards Board (GASB), we have prepared the following summary of the more significant upcoming issues:

### **GASB 91 – CONDUIT DEBT OBLIGATIONS**

This Statement is effective for fiscal years beginning after December 15, 2021, as extended by GASB 95. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

### **GASB 96 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS**

The effective date for this Statement is for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

### **GASB 97 – CERTAIN COMPONENT UNIT CRITERIA, AND ACCOUNTING AND FINANCIAL REPORTING FOR INTERNAL REVENUE CODE SECTION 457 DEFERRED COMPENSATION PLANS – AN AMENDMENT OF GASB 14 & 84, AND A SUPERSESSION OF GASB 32**

The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021.

The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

**GASB 99 – OMNIBUS 2022**

The requirements of this Statement that are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

**Best Practices – Not Significant Deficiencies**

1. **Segregation of Duties**

Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records or to all phases of a transaction. Consequently, the possibility exists that unintentional or intentional errors or irregularities could exist and not be promptly detected. We noted that the Senior Accountant and Office Supervisor have the ability to input information into the accounting system and have access to the check stock, check printer, and signature stamp. This could allow for the issuance of an unauthorized check which may not be detected within a reasonable time period. We recommend that the Board continually monitor the financial activities to mitigate this risk and consider obtaining additional fidelity (employee honesty) insurance coverage to compensate for this risk.

2. **Accounting for Capital Assets**

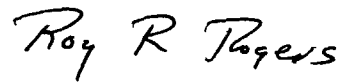
During our audit testing we found that Capital Assets were not correctly reconciled to the general ledger. We recommend that all accounts be reconciled to the general ledger at year end and on a timely basis throughout the year. Procedures should be implemented and documented to assist in the tracking of acquisition, disposal, and depreciation of capital assets. We noted that staff has in the past maintained the capital asset register in excel and continues to maintain an excel listing for fully depreciated assets with the implementation of a new capital asset register. Using excel for this process is prone to formula errors and other problems. We recommend utilization of an off the shelf fixed asset system to account for capital assets.

3. **Utility Billings Batch Deposits**

During our testing of utility billing receipts, we found that while all individual tested receipts were traceable to a cash receipt batch, not all of the batches were easily traceable to deposits on the bank statements. This can make it difficult to verify that all receipts are included in the actual bank deposits. We recommend the District implement a cleaner tracking system to show how each cash receipt batch is included in the bank deposits, by either depositing each cash receipt batch individually, or documenting which batches make up each deposit reported on the bank statements.

Pauly, Rogers and Co., P.C.

This information is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Roy R Rogers". The signature is written in a cursive style with a large, stylized "R" and "R".

ROY R. ROGERS, CPA  
PAULY, ROGERS AND CO., P.C.

## **MEMORANDUM**

To: Budget Committee  
Rockwood Water People's Utility District

From: Kari J. Duncan, General Manager/Budget Officer

Date: April 12, 2023

Re: Calendar Year 2022 District Highlights

The following reports include year-to-year comparisons of the District activities in Customer Services, Field Operations and Water Conservation between January and December 2022. In 2022, some key activities show a return to more normal status in the third year after the COVID-19 Pandemic, although some activities are still moderately impacted. The Water Conservation and Public Outreach program was able to return to some of the in-person school programs and public events in 2022 that had been cancelled in 2020 and 2021.

One other notable item in the data is the high number of Meter estimates. This was caused by a 'perfect storm' of challenges encountered in 2022 starting with a Meter Reader staffing shortage, differences with how the new Tyler Billing system organizes and produces the meter reading routes, and several major weather events. A return to typical readings is expected in Fiscal Year (FY) 2023/2024.

## Conservation

Data is from January 1 through December 31 for each year.					
	2019	2020**	2021	2022	Difference 2021/2022
Conservation Devices	217	16	131	183	39.7%
Water Bottles for Filling Station	1,700	0	0	300	3000.0%
Outdoor Conservation Kits	50	13	19	77	305.3%
Indoor Conservation Kits	24	5	15	38	153.3%
Toilet Rebates	47	36	32	19	-40.6%
School Assembly Programs	1	0	0	0	0.0%
Festivals and Events	4	0	0	2	200.0%
Emergency Water Storage Bags	325	0	0	0	0.0%
**As of March 2020, the District office was closed to the public and all events were cancelled due to the COVID-19 pandemic.					



## Customer Service Year to Year Comparison

Data is from 1/1 to 12/31 of each year.

	2019	2020	2021	2022	Change
Meter Reads	82,739	79,666	81,013	82,045	1.27%
Estimates	56	3,466	2,444	5,866	140.02%
Bills	83,883	77,532	84,281	85,767	1.76%
Late Notices	15,225	13,676	14,615	16,223	11.00%
Door Hangers	6,432	2,647	5,977	5,834	-2.39%
Turn Offs	931	437	997	1,011	1.40%
Final Reads	1,157	1,042	1,100	820	-25.45%
New Accts	1,424	1,208	1,318	765	-41.96%
Bill Assistance	511	404	343	168	-51.02%
Collection Agency	176	200	148	190	28.38%
Leak Adjustments	202	205	220	238	8.18%
Phone Calls	26,713	29,913	27,490	30,875	12.31%
Walk Ins	6,119	1,266	2,951	7,175	143.14%
Work Orders	249	284	307	475	54.72%
Misreads	77	171	152	35	-76.97%
Found Ons	16	1	3	-	-100.00%
Meters Pulled	2	0	1	-	-100.00%

Due to the weather we had to estimate reads February 2021

Due to Covid, we estimated part of a zone in March 2020 and we halted door hangers and offs between March 2020 and October 2020 Our doors were closed to the public between March 2020 and June 2021.

Due to the new system, staffing issues, and weather, we had more estimated reads this past year.

	2019	2020	2021	2022	Change
E-bills	1,373	1,618	1,854	1,903	2.57%
On Line Payments	33,448	34,168	37,682	39,875	5.50%

Calendar Year 2022 Field Services									
Data is from January 1, 2022 to December 31, 2022									
Activity	2020	2021	2022	Change from Prior Year					
Leak Repairs	14	15	13	-13.33%					
Emergency Repairs	23	29	20	-31.03%					
Emergency Calls	31	55	46	-16.36%					
Hydrant Repairs	13	28	25	-10.71%					
Blow Off Repairs	15	11	12	9.09%					
NR and Meter Ugrades	297	199	150	-24.62%					
Meter Boxes Replaced	75	83	84	1.20%					
Water Services Installed	39	41	33	-19.51%					
Fire Services Installed	15	11	10	-9.09%					
Hydrants Installed	11	2	7	250.00%					
Utility Locates	3,761	4,031	4,324	7.27%					
System Sampling	1,014	947	950	0.32%					
	5,308	5,452	5,674						

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# Technical Memorandum FINAL

**Date:** 4/19/2023  
**Client:** Rockwood Water People's Utility District  
**Project:** 2023 Financial Plan Update  
**To:** Kari Duncan, *General Manager – RWPUD*  
**From:** Josiah Close, *Senior Financial Analyst – HDR*  
Shawn Koorn, *Associate Vice President – HDR*

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## Summary

HDR Engineering Inc. (HDR) has been working with Rockwood Water People's Utility District (District) providing technical and financial assistance for nearly ten years. Over the years, a variety of financial and planning services have been provided to the District. Most frequently, HDR has worked with the District in the development and update of the annual financial plan to assist the District in developing water rate projections for the upcoming fiscal year and beyond. The annual financial plan update helps to inform the District's Board of Directors (Board) of anticipated future rate impacts, based on current projections and information.

For the District's 2023 financial plan update (2023 Update), the District retained HDR Engineering Inc. (HDR) to perform a review and update of the water financial rate model which is used to establish the District's revenue requirement. A major component of the 2023 Update was migrating the model from the historical one to a more contemporary and user friendly version. Additionally, the new model will aid in the future development of the cost of service analysis to aid in establishing proposed rates for the different customer groups (e.g., rate schedules). This component is planned to be completed after the transition from Portland Water Bureau as a source of supply to Cascade Groundwater Alliance since the operating costs will be more known at that time. Once the revenue requirement has been established, a rate transition plan can be developed that fully funds the District's operations and maintenance (O&M) expenses and prudently funds the capital improvement needs as well as meeting key financial metrics (e.g., target ending reserve balances, debt service coverage ratios, etc.). The rate transition plan details are then relayed to the District's Board which then provides feedback which is incorporated into the budget for the next fiscal year, in this case FY 2024.

The 2023 Update - as summarized in this memo - includes the revenue requirement analysis (operating and maintenance, capital, and financial policy related expenses) for FY 2023 through FY 2042. As part of the revenue requirement analysis, a capital funding plan was developed to determine the funding sources for the planned capital improvements. The capital funding plan utilizes a mix of rate revenues, available reserves, long-term borrowing, and system development charges in order to fully fund capital projects. As with other recent updates, a significant

component of the capital funding plan is the use of Water Infrastructure Finance and Innovation Act (WIFIA) funding.

Another critical component in the development of the District’s 2023 Update is the departure of the District from purchasing water from the Portland Water Bureau (Bureau) after FY 2026. This will change the annual O&M expenses of the District as purchased water costs will be eliminated, however, the tradeoff is an increase in O&M costs related to operating the new groundwater system. The additional costs may include costs such as additional staff with peripheral expenses to operate the water system as well as increased renewal and replacement needs of the infrastructure.

## Assumptions

HDR worked with District staff to develop, review, and refine the assumptions used as inputs in the 2023 Update. These assumptions are identified in general terms in Table 1.

**Table 1**  
**Key Financial Plan Assumptions**

- |                                    |                      |
|------------------------------------|----------------------|
| • Operations and Maintenance (O&M) | • Taxes              |
| • Capital Improvement Plan (CIP)   | • SDC Revenues       |
| • Rate and Non-Rate Revenues       | • Reserve Funds      |
| • Long-Term Debt                   | • Escalation Factors |

The assumptions identified above in Table 1 had been reviewed and updated with information from historical trends and knowledge of any future impacts, for example, the Portland Water Bureau rate schedule. The results presented in this memorandum are based on the latest assumptions which were reviewed and updated with District staff. This final result is projected to generate sufficient rate revenue to meet the District’s revenue requirement, maintain prudent reserve fund balances, and achieve target debt service coverage (DSC) ratios over the projected time period. The model also aims to provide the overall funding level in the smoothest transition possible while still meeting the financial parameters. The model, as developed, is one of many tools available for the District to prudently and sufficiently fund the operating and capital needs of the District. The projections from the model will aid the District in making long-term decisions as impacts can be modeled and reviewed with the Board. It is important to note that - regardless of whether the District is able to control them or not - should the assumption inputs used change, the results provided in this Technical Memo would also change.

## Revenue Requirement Analysis

The overall financial planning strategy for the District’s water utility is based on a “cash-flow” approach, also known as the “cash basis” methodology. The cash basis methodology is a generally accepted methodology, as outlined in the American Water Works Association (AWWA) M1

Manual Principles of Water Rates, Fees, and Charges. This approach compares revenues to expenses on an annual basis so that, over the planning period, revenue will be equal to the utility's expenses over the long term. Table 2, below, provides a summary of the cash basis methodology used to develop the water revenue requirement for the District's 2023 Update.

**Table 2**  
**Overview of the "Cash Basis" Methodology**

+	Operations and Maintenance Expenses
+	Taxes / Transfer Payments
+	Rate Funded Capital Projects
+	Debt Service Payments (P + I)
=	<b>Total Revenue Requirement</b>
-	Miscellaneous Revenues
=	<b>Net Total Revenue Requirement</b>

Provided below is a detailed discussion of the steps and key assumptions contained within the development of the District's water utility revenue requirement analysis for the 2023 Update.

### Rate Revenue

The District receives revenue for the water utility from two primary sources: water (user) rates and miscellaneous or non-rate revenue. Water rate revenues are based on the current water rate structure and collected on a bi-monthly basis. Miscellaneous or other revenue includes items such as licenses, permits, late fees, and other miscellaneous revenues.

The first step in developing the revenue requirement was to develop a projection of water rate revenues. The FY 2023 budgeted rate revenue figure of \$11.9 million was used as the starting place for the projection of rate revenues. Recently, the District has seen a significant level of consumption growth and so customer growth is increased in FY 2024 by 1.5% to reflect that change. After that, customer growth is expected to be flat or 0.0%, annually over the financial planning period. That is, it is assumed that the only increase in water rate revenues will be due to proposed water rate adjustments. Based on the assumed level of growth, it is projected that the District will receive approximately \$12.1 million in FY 2042, absent any rate adjustments.

### Miscellaneous Revenue

The District also collects a variety of other revenues that can offset the overall rate revenue needed. The other revenue sources include non-rate revenue, system development charges, and interest revenue.

### Non-Rate Revenue

For planning purposes, non-rate revenue includes backflow charges, set-up fees, late fees, scrap metal income, service installations, other service income, rental income, miscellaneous income, other government income, general fund interest earnings, fixed asset disposition, and utility tax

offsets. Total non-rate revenues are anticipated to be approximately \$2.2 million in FY 2023. Incorporating the assumptions on the growth of non-rate revenues, the District is projected to receive \$2.8 million in FY 2042.

### System Development Charges

In FY 2023, the District has projected that approximately \$330,000 - including the reimbursement and improvement components - in revenues from the water SDC will be collected. The District has seen an increase recently in revenues due to the increase in the fee, which was updated with the GDMP project costs in 2020, as well as an increase in customers connecting to the District's water system. Currently, it is assumed that the District will have 59 connections per year but that future SDC collections would decrease slightly in FY 2025 to 45 connections per year and then remain consistent at that level over time. This conservative assumption is important as the overreliance on growth related fees for rate setting purposes may result in the need for additional rate adjustments, or deferral of growth related capital projects, in the future should growth not occur at the projected levels.

### Operations and Maintenance Expenses

The first expense component of the revenue requirement is the operations and maintenance (O&M) expense. O&M expenses are those related to running the day-to-day operations of the District's water utility. O&M expenses include labor, benefits, insurance, purchased water, utilities, etc. The District's projected year end FY 2023 budget and proposed FY 2024 budget were used as the starting point for the revenue requirement analysis. Starting with the FY 2023 budget, O&M costs were projected based on annual inflationary factors which are specific to each line item based on known changes or assumed general inflationary rates. Details of individual O&M cost escalation factors are shown in Table 3.

Table 3 O&M Cost Escalation Factors		
Expense Category	Escalation Percentage	Notes
Personal Services	3.0%	
PERS-Related Costs	10.0%	<i>Bi-annually, starting in FY 2025</i>
Materials & Services	3.5%	
Purchased Water	Variable	Based on PWB projections
Employment Insurance	10.0%	
All others	3.0%	

Based on the District's budgets, known future changes, and the cost escalation assumptions described in Table 3, the total annual O&M is expected to increase from approximately \$9.1 million in FY 2023 to approximately \$20.2 million by FY 2042. Two major components that impact the total O&M expenses during this period are the purchased water costs to the Portland Water Bureau (Bureau) and groundwater production O&M. Full purchased water costs end in FY 2026.

The groundwater production O&M is anticipated to start in FY 2027 at just under \$3.0 million and increases annually at 4.0% per year reaching a projected \$5.0 million in FY 2042.

## Capital Improvement Plan

The capital improvement plan (CIP) consists of the major additions to the District's water utility infrastructure that is oftentimes infrequent and can occur at irregular intervals. Capital improvement projects are designed to fulfill a number of different needs, but typically there are four main types:

1. Renewal and replacement of the existing system to maintain service levels
2. Compliance with new state and/or federal regulations
3. Enhancement of the level and reliability of the service provided
4. Meet ongoing demands of system growth and economic development

A major component of the District's capital improvement plan is the capital projects related to implementing the GDMP. The GDMP project is comprised of a number of smaller projects or packages which the District will complete over the several years (FY 2023 – FY 2025). At the completion of the GDMP projects, the District will transition the drinking water source from the Portland Water Bureau to 100% groundwater. It is assumed that the GDMP includes the capital improvements needed for this transition and outlines the scope, cost, and timing of the projects. It is important to note that the capital costs have increased significantly

A summary of the District's current CIP over the 20-year review period is shown below in Table 5. This long-term approach to capital planning will further help the District plan for future years and place the water utility in position to adequately fund renewal and replacements while minimizing rate impacts. All amounts shown in Table 4 include the effects of estimated cost escalation.<sup>1</sup> Over the next 20 years (FY 2023 – FY 2042), the District's CIP includes \$113.2 million in total capital improvement projects which includes those related to the GDMP as well as the advanced metering infrastructure (AMI) project and other projects.

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<sup>1</sup> The District provided capital improvement plan costs using a FY 2023 cost-basis. The assumed escalation rate for future cost increase by an annual escalation rate of 3.0%.

**Table 4**  
**Summary of the District's Capital Improvement Plan (\$000s)**

Year	Capital Cost	Reserves	Funding Assumptions		WIFIA Proceeds
			Long-Term Debt	Rates	
FY 2023	\$16,740	\$0	\$0	\$3,486	\$13,254
FY 2024	36,324	33	0	2,180	34,111
FY 2025	36,984	0	5,000	1,161	30,823
FY 2026	1,572	972	0	600	0
FY 2027	2,660	0	0	2,660	0
FY 2028	2,350	0	0	2,350	0
FY 2029	6,076	76	4,000	2,000	0
FY 2030	2,776	541	0	2,235	0
FY 2031	2,251	51	0	2,200	0
FY 2032	3,134	899	0	2,235	0
FY 2033	2,370	0	0	2,370	0
FY 2034	4,621	0	2,281	2,340	0
FY 2035	2,345	0	0	2,345	0
FY 2036	2,335	0	0	2,335	0
FY 2037	2,400	0	0	2,400	0
FY 2038	2,460	0	0	2,460	0
FY 2039	2,510	0	0	2,510	0
FY 2040	2,520	0	0	2,520	0

As can be seen in Table 4, the level of capital projects for the District may vary from year to year and the impact of the GDMP projects totaling \$82.8 million can be seen in FY 2023 through FY 2025 as the District moves to transition from Portland Water Bureau water purchases to groundwater by FY 2026. Another significant capital program included in this model is the advanced metering infrastructure (AMI) project that , if approved by the Board, would run from FY 2024 through FY 2029 and totals \$5.9 million. Some pipeline replacement CIP's were delayed in the model to allow for the AMI project and if the District chooses not to move forward with AMI then the CIP schedule would be adjusted accordingly. The model that is developed for the 2023 Update is designed to smooth the impacts from any one year as well as start planning to fund years with larger expenditures earlier thereby minimizing rate impacts to customers and maintaining a smooth rate transition. This creates a more predictable bill for customers and aides District management in making informed decisions at the same time so as to continue to be good stewards of the District customers' funds and resources.

### Debt Service Costs

The next component of the District's water revenue requirement is long-term debt service. Debt service relates to the District's annual debt repayment obligations, both principal and interest, incurred when capital projects are financed with long-term borrowing. Utilities frequently finance major capital improvement, such as the GDMP program of capital projects, by issuing long-term debt for two primary reasons. First, the financial resources required for these types of projects typically exceed the utility's available resources from the normal operation of its system. Second, spreading the debt service costs for the project over the repayment period effectively



spreads the financial burden of financing large improvements to both existing and future users of the system, which can enhance intergenerational equity. This burden sharing allows the utility to more closely align the cost of improvements with those customers benefiting from the improvements.

Currently, the District has two outstanding long-term debt issues: the 2021 Revenue Bond and the 2022 WIFIA Loan. The 2021 revenue bond is a refunding of the 2011 Revenue Bond as well as providing the initial funding source for the GDMP package of capital projects. It is important to note that the WIFIA loan is only the interest portion and is then ratcheted up over time. The District's total annual debt service payment is \$1.6 million in FY 2023.

With the District continuing to complete substantial water system improvements and developments due to the GDMP, it has been identified that the District will need to issue additional long-term debt. It is assumed that the District have an additional WIFIA loan in FY 2024 and then issue a revenue bond in FY 2025 to fund the remainder of capital projects not funded by the 2021 Revenue Bond or the first WIFIA loan proceeds. The District is also applying for funding through the State Drinking Water Revolving Loan Fund and the Bipartisan Infrastructure Bill. To be conservative, this funding was not included in the rate model, but if some or all of the request is approved it may reduce future rate adjustments.

The District Board and staff continue to prioritize maintaining a pay-as-you-go approach in order to minimize the need of long-term debt issuance. It is because of this long standing approach that the District now has the financial flexibility to incur long-term debt and still remain fiscally sound while also limiting rate impacts. Table 5 below shows the existing and future projected annual debt service for the District's water utility.

**Table 5**  
**Summary of the District's Debt Service Payments (\$000s)**

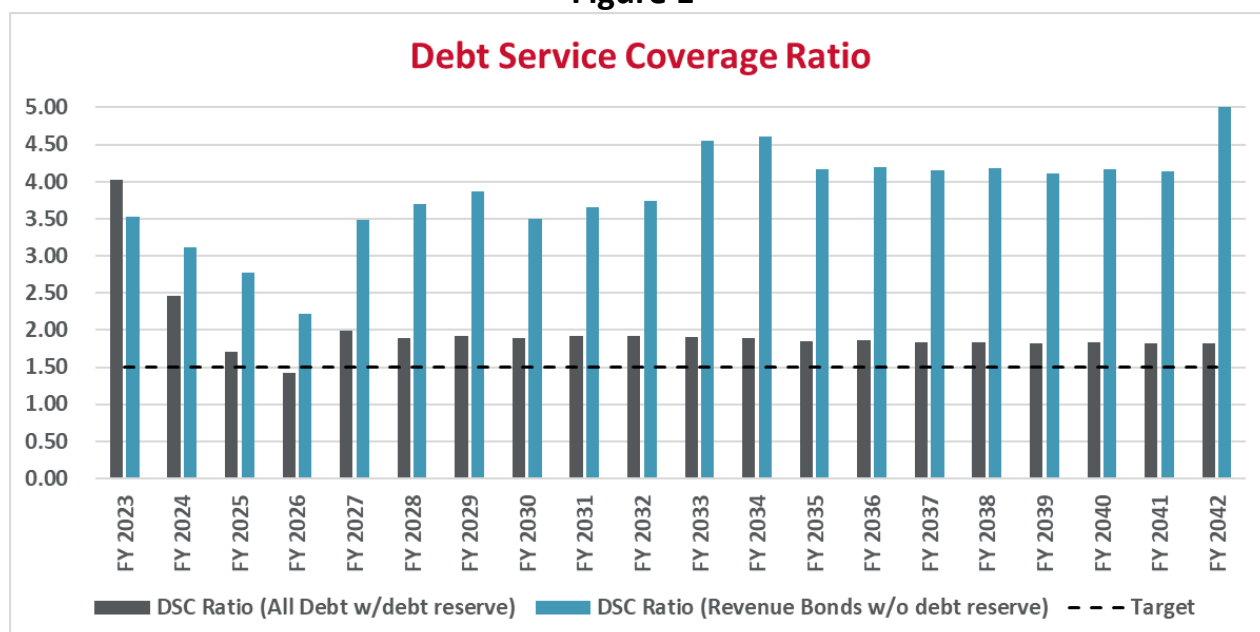
Year	2021 Rev Bond	WIFIA	New Rev Bond	New WIFIA	Total
FY 2023	\$1,436	\$181	\$0	\$0	<b>\$1,618</b>
FY 2024	1,440	440	0	533	<b>2,413</b>
FY 2025	1,437	679	0	1,066	<b>3,182</b>
FY 2026	1,433	788	384	1,522	<b>4,127</b>
FY 2027	1,437	788	384	1,522	<b>4,131</b>
FY 2028	1,435	1,183	384	1,522	<b>4,524</b>
FY 2029	1,437	1,296	384	1,522	<b>4,639</b>
FY 2030	1,437	1,406	692	1,522	<b>5,056</b>
FY 2031	1,435	1,512	692	1,522	<b>5,161</b>
FY 2032	1,432	1,615	692	1,522	<b>5,261</b>
FY 2033	1,077	1,888	692	1,522	<b>5,179</b>
FY 2034	1,075	1,956	692	1,522	<b>5,244</b>
FY 2035	1,076	1,971	867	1,522	<b>5,437</b>
FY 2036	1,075	1,986	867	1,522	<b>5,450</b>
FY 2037	1,078	1,999	867	1,522	<b>5,466</b>
FY 2038	1,075	2,011	867	1,522	<b>5,475</b>
FY 2039	1,076	2,021	867	1,522	<b>5,487</b>
FY 2040	1,077	2,030	867	1,522	<b>5,496</b>
FY 2041	1,076	2,038	867	1,522	<b>5,504</b>
FY 2042	0	2,552	867	1,522	<b>4,941</b>

Note: Table may not foot due to rounding

It should be noted that as part of this planning process HDR is not acting as the District's municipal advisor related to debt financing terms. The initial WIFIA terms have been determined but the future WIFIA and debt service payments for the FY 2025 revenue bond issuance were estimated based on assumed terms as they are not determined yet.

An important metric for the District to evaluate and maintain is the debt service coverage ratio (DSC). The DSC ratio shows the ability of a utility to pay back outstanding debt issuances after O&M expenses have been paid for. Typically, a utility will target at least 1.30 as a DSC ratio calculation which means that the agency is able to cover the debt and has 30% of the debt service remaining to go towards other needs of the utility such as capital investment or reserve fund enhancement. For the District, the target DSC ratio is stronger at 1.50. The graphic below in Figure 1 shows the District's water utility calculated DSC ratio.

Figure 1



As can be seen in the Figure 1, the District is maintaining a prudent debt service coverage ratio over the 20 year period. As the District's annual debt service increases substantially, the DSC ratio is maintained at a strong level of at around 1.50 for all debt.

### Revenue Requirement Summery

After all of the expense components, as discussed above, have been determined, a comparison to the existing water rate revenues of the District can be made. The results are shown as a balance or deficiency of funds. Shown in Table 6 below is a summary of the District's water utility revenue requirement.

**Table 6**  
**Revenue Requirement Summary (\$000s)**

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
<b>Revenue</b>										
Rate Revenues	\$11,900	\$12,079	\$12,079	\$12,079	\$12,079	\$12,079	\$12,079	\$12,079	\$12,079	\$12,079
Non-Operating Rev	<u>2,243</u>	<u>2,263</u>	<u>2,209</u>	<u>2,213</u>	<u>2,244</u>	<u>2,269</u>	<u>2,299</u>	<u>2,319</u>	<u>2,350</u>	<u>2,374</u>
<b>Total Revenues</b>	<b>\$14,143</b>	<b>\$14,342</b>	<b>\$14,287</b>	<b>\$14,291</b>	<b>\$14,322</b>	<b>\$14,348</b>	<b>\$14,377</b>	<b>\$14,397</b>	<b>\$14,429</b>	<b>\$14,453</b>
<b>Expenses</b>										
O & M	\$9,078	\$10,590	\$11,667	\$12,299	\$10,710	\$11,114	\$11,600	\$12,044	\$12,582	\$13,071
Net Debt Service	1,578	2,373	3,151	4,096	4,101	4,493	4,608	5,025	5,130	5,230
Rate Funded Capital	3,486	2,180	1,161	600	2,660	2,350	2,000	2,235	2,200	2,235
Reserve Funding	<u>2</u>	<u>(77)</u>	<u>(327)</u>	<u>(667)</u>	<u>(405)</u>	<u>(126)</u>	<u>431</u>	<u>172</u>	<u>454</u>	<u>484</u>
<b>Total Expenses</b>	<b>\$14,143</b>	<b>\$15,066</b>	<b>\$15,652</b>	<b>\$16,328</b>	<b>\$17,065</b>	<b>\$17,831</b>	<b>\$18,639</b>	<b>\$19,476</b>	<b>\$20,366</b>	<b>\$21,020</b>
Bal/(Def.) of Funds	\$0	(\$725)	(\$1,365)	(\$2,037)	(\$2,743)	(\$3,484)	(\$4,262)	(\$5,079)	(\$5,937)	(\$6,567)
As a % of Rate Rev.	0.0%	6.0%	11.3%	16.9%	22.7%	28.8%	35.3%	42.1%	49.2%	54.4%
<b>Proposed Rate Adj.</b>	<b>0.0%</b>	<b>6.0%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>3.5%</b>
Add'l Revenue from Adj.	\$0	\$725	\$1,365	\$2,037	\$2,743	\$3,484	\$4,262	\$5,079	\$5,937	\$6,567
Total Bal/(Def.) of Funds	0	(0)	(0)	0	0	0	0	0	0	0
<b>Revenue</b>										
Rate Revenues	\$12,079	\$12,079	\$12,079	\$12,079	\$12,079	\$12,079	\$12,079	\$12,079	\$12,079	\$12,079
Non-Operating Rev	<u>2,429</u>	<u>2,465</u>	<u>2,497</u>	<u>2,532</u>	<u>2,567</u>	<u>2,602</u>	<u>2,637</u>	<u>2,673</u>	<u>2,709</u>	<u>2,760</u>
<b>Total Revenues</b>	<b>\$14,508</b>	<b>\$14,543</b>	<b>\$14,576</b>	<b>\$14,611</b>	<b>\$14,646</b>	<b>\$14,681</b>	<b>\$14,715</b>	<b>\$14,751</b>	<b>\$14,787</b>	<b>\$14,838</b>
<b>Expenses</b>										
O & M	\$13,666	\$14,206	\$14,866	\$15,465	\$16,200	\$16,865	\$17,685	\$18,427	\$19,345	\$20,174
Net Debt Service	5,148	5,214	5,406	5,419	5,435	5,444	5,456	5,466	5,473	4,910
Rate Funded Capital	2,370	2,340	2,345	2,335	2,400	2,460	2,510	2,520	2,520	2,920
Reserve Funding	<u>544</u>	<u>583</u>	<u>354</u>	<u>402</u>	<u>253</u>	<u>206</u>	<u>29</u>	<u>110</u>	<u>56</u>	<u>304</u>
<b>Total Expenses</b>	<b>\$21,728</b>	<b>\$22,342</b>	<b>\$22,971</b>	<b>\$23,620</b>	<b>\$24,288</b>	<b>\$24,975</b>	<b>\$25,680</b>	<b>\$26,523</b>	<b>\$27,394</b>	<b>\$28,308</b>
Bal/(Def.) of Funds	(\$7,220)	(\$7,799)	(\$8,395)	(\$9,010)	(\$9,642)	(\$10,294)	(\$10,965)	(\$11,771)	(\$12,606)	(\$13,470)
As a % of Rate Rev.	59.8%	64.6%	69.5%	74.6%	79.8%	85.2%	90.8%	97.5%	104.4%	111.5%
<b>Proposed Rate Adj.</b>	<b>3.5%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.5%</b>	<b>3.5%</b>	<b>3.5%</b>
Add'l Revenue from Adj.	\$7,220	\$7,799	\$8,395	\$9,010	\$9,642	\$10,294	\$10,965	\$11,771	\$12,606	\$13,470
Total Bal/(Def.) of Funds	0	0	0	0	0	0	0	0	0	0

Table 6 shows the results of the revenue requirement developed for the District's water utility over the review period. As can be seen, the deficiency – absent any rate adjustments – ranges from \$725,000 in FY 2024 to \$13.5 million by FY 2042. The proposed rate adjustments provide the additional revenue to fund the costs of operating and maintaining the existing water infrastructure as well as the capital improvements necessary to maintain service to the District's customers. A key cost in the revenue requirement is the long-term debt service related to funding the GDMP capital projects as well as maintaining a strong debt service coverage ratio. The rate adjustments also help to maintain other prudent financial planning criteria and achieving strong key financial metrics such as healthy reserve fund balances.

## Reserve Funds

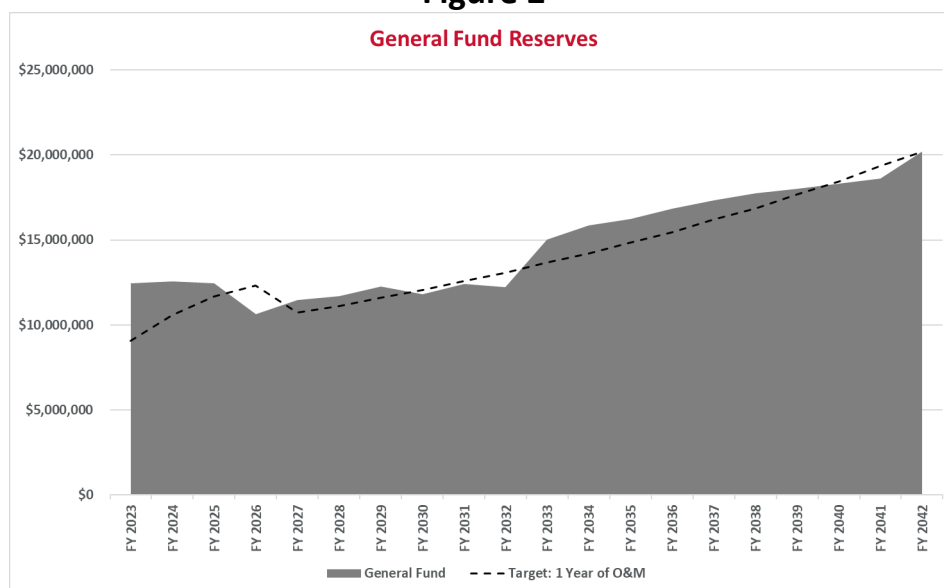
Reserves funds play a critical role in the prudent financial management of the District's water utility and healthy reserve levels provide many benefits. These benefits may become much more apparent when embarking on a significant capital improvement program like the District has planned over the next few years. Having healthy reserve balances in this capital intensive environment will provide the District with an additional buffer should some capital costs come in higher than anticipated or some interruption of revenues occur. Another benefit is that adequate reserve levels can provide the District with necessary funding during an emergency capital need or in times of a natural disaster. These scenarios show how adequate reserve levels would help in minimizing the impacts to rates in the short-term. In the longer term, they can help provide a slow and steady approach to rate revenue adjustments which is beneficial to the District's customers.

The District has a number of different reserves which service various purposes and include:

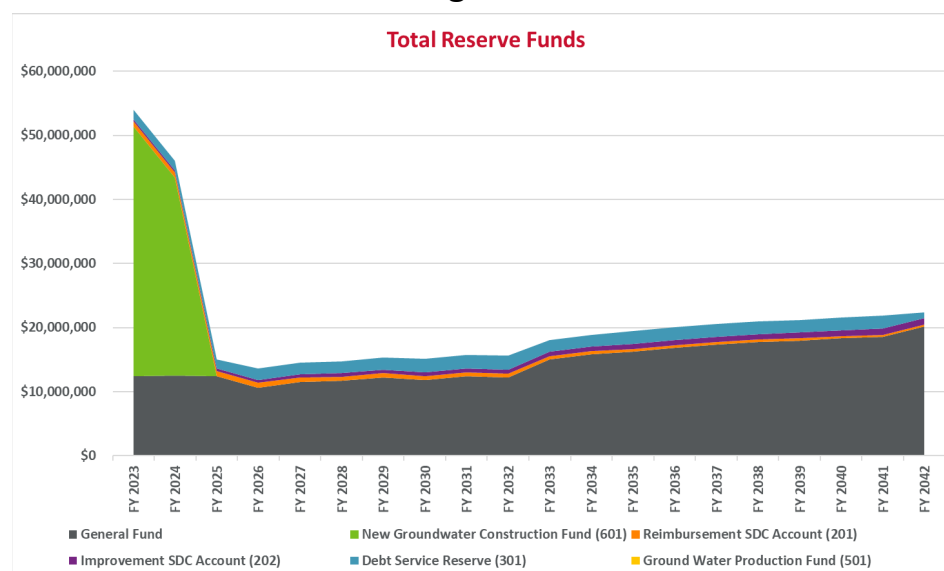
- General Fund
- Groundwater Construction Fund (601)
- Reimbursement SDC Account (201)
- Improvement SDC Account (202)
- Debt Service Reserve (301)
- Groundwater Production Fund (501)

Not every reserve has a target minimum but the District Financial Management Policy targets 365 days of O&M expenses as the minimum for the General Fund of the water utility. Based on the analysis and assumptions contained in this memo, overall the District will meet this minimum target reserve level. Shown in Figure 2 below is a summary of the General Fund and Figure 3 shows the total reserve levels over the review period.

**Figure 2**



**Figure 3**



Utilities may establish multiple reserve funds with target minimum policies that serve a variety of different purposes. These can include – but are not limited to – a capital fund, a rate stabilization fund, and an emergency fund. A capital fund is typically established to maintain funds for future capital improvement projects. These can be for a specific project, or general capital improvements that will need funding greater than what annual rates can provide. In this way, the capital reserve can “store funds” from one year to save for a large capital improvement project in future years. Next, a rate stabilization fund allows the utility to save surplus revenues in years where water sales are above projections in order to be used at a future time when, perhaps, rate revenues are less than anticipated. The rate stabilization funds can then be used to “fill the gap” and make the District whole, eliminating, or reducing, the need for current or

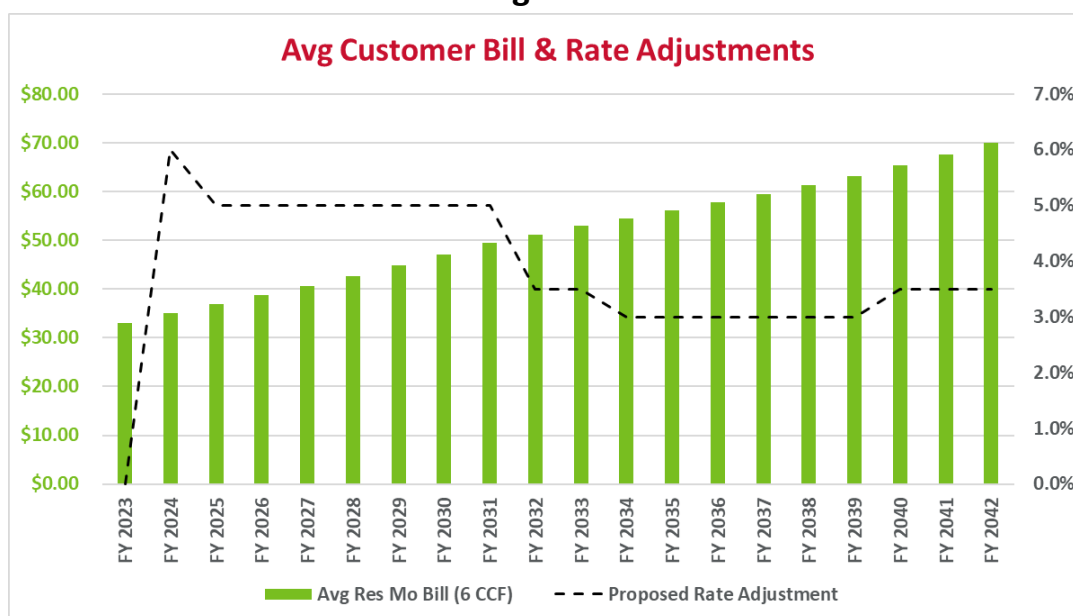
possible future rate adjustments. Finally, an emergency fund, as the name suggests, is a fund that is set aside to aid in funding a major infrastructure emergency. This could be a major main break, pump failure, or storage failure. These funds can then be used in the short-term to meet financial obligations in an emergency situation. Although the District does not have a separate reserve for all of the purposes outlined above, the general fund aims to accomplish all of these reserve needs and uses. Over the review period, the general fund appears to be healthy and sufficient.

## Summary of the Results of the Water Financial Plan Update

The revenue requirement analysis that was developed as part of the 2023 Financial Plan Update and detailed above has calculated the necessary rate revenue adjustments. These rate revenue adjustments have been developed to fund the District's O&M and capital requirements – including the GDMP related projects – over the long-term review period (FY 2023 – FY 2042). As part of the analysis, careful attention was given to maintaining adequate funding of the water utility's O&M expenses as well as sufficiently funding capital improvement projects. As was mentioned previously, the District aims to couple this prudent financial planning with minimizing long-term rate impacts to its customers while providing a high level of service. An example of this is the migration from Portland Water Bureau water to groundwater. This transition - over the long-term –should provide significant financial savings as well as flexibility to the District's customers. Additionally, the District will have better control of policy decisions and addressing issues that customers will be impacted by. These goals were also targeted with the goal of maintaining key financial planning metrics such as adequate reserve levels and strong debt service coverage.

The financial model developed as part of the 2023 Update for the District aims to produce level rate adjustments over the review period, as can be seen in Table 6 (Revenue Requirement Summary), above. The average monthly bill for a residential customer with a 5/8" meter and consuming 6 hundred cubic feet (CCF) of water would be increased from \$33.11 per month, currently, to \$71.91 over the next 20 years, or averaging 4.2%, annually, based on the current analysis assumptions. Figure 4, below, shows the annual rate adjustments and the average bill impact to customers over the review period. The rate impacts from the projected rate adjustments are summarized below. The rate transition plan that was developed is then used to calculate the average customer bill impact (for a 5/8" meter with 6 CCF / month of water usage). It is important to note that the projection of bill impacts does not take into account any adjustments to the fixed / variable revenue generation of the rates and simply calculates the impact of an 'across the board' rate adjustment implementation.

Figure 4



## Rate Design

Currently, the District has a single rate structure for all customers. The customers are charged a fixed meter charge on a bi-monthly basis that varies based on the size of the service meter. Customers are also charged a uniform volumetric rate for water consumption on a dollar per CCF basis. Recently, the District has placed a greater importance on the revenue stability of the District's revenue stream while maintaining cost-based and equitable rates through the fixed / variable components of the rate structure. This is due in part to recent trends in customer water consumption characteristics (i.e., the decline in per capita use over the last few decades). The other factor that can play into this thought process is the fact that, in the short term, the fixed costs of a utility are generally 80% - 90% of the total costs. It is important to note that, when considering various rate designs, there are always tradeoffs, and no one rate design can meet all rate design goals and objectives. As a result, each rate structure will have advantages and disadvantages and it is a balancing of these which will help develop rates that best meet the District's goals and objectives. For example, a high level of revenues from the variable charge may incentivize additional conservation, the drawback is that the water utility is left vulnerable to swings in revenues due to how customers are using water.

## Conclusion of the Financial Planning Analysis

This concludes the 2023 Update to the District's financial planning model. The model results shown have been predicated on numerous assumptions used in the analysis. The results of the model are dynamic in nature and can shift and move if one assumption is adjusted. For this reason, the financial model is best described as a long-range financial planning model for the District and the actual results for the end of the review period may vary from what the District realizes in the future. However, based on the assumptions and results of this analysis, HDR



determined that the District could meet its near-term water utility financial targets with rate revenue adjustments averaging approximately 4.0% over the next 20 years. It is important to note that the District will need higher than average rate increases in the near term such as an 6.0% in FY 2024 and then 5.0% in FY 2025 through FY 2031 in order to transition rates to a level that pays for the anticipated long-term debt service related to the GDMP. Rate adjustments are then projected to settle in at more inflationary levels of 3.0% to 3.5% per year from FY 2032 through FY 2042. The results of the analysis enable the District to maintain prudent financial management of the utility by providing adequate funding of O&M. Additionally, the rate revenues generated should provide sufficient levels of rate funding for capital projects – especially the GDMP – as well as meeting debt service coverage ratios and target reserve levels that are in accordance with Board policy. When combined, these attributes give the District both a stable financial footing going forward as well as enough flexibility to overcome any obstacles that might arise and all while minimizing the rate impacts to its customers.



## **ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT**

### **ANNUAL BUDGET FISCAL YEAR (FY) 2023/2024**

The Rockwood Water People's Utility District budget is divided into six funds:

**FUND 101 - GENERAL FUND**

**FUND 201 - SYSTEM DEVELOPMENT FUND-REIMBURSEMENT**

**FUND 202 - SYSTEM DEVELOPMENT FUND-IMPROVEMENT**

**FUND 301 - DEBT RESERVE FUND**

**FUND 401 - DEBT SERVICE FUND**

**FUND 501 - GROUNDWATER PRODUCTION FUND**

**FUND 601 - GROUNDWATER CONSTRUCTION FUND**

The day-to-day operations of the District are handled through Fund 101, General Fund. The primary income for the District is through the sale of water. This income funds the purchase of water for resale, customer service, business functions and the maintenance, repair, and replacement of the water system. Expenditures in the General Fund are divided into three main categories: Personal Services, Materials and Services, and Capital Outlay.

Funds 201 and 202 are the District's System Development Charge (SDC) Funds. SDCs help pay for renewal, replacement, and expansion of the water system. SDCs are charged to developers for their new connections to the District's water system or for existing customers who want to increase their use by installing a larger service connection. The Reimbursement Fund 201 collects that portion of the SDC which reimburses the District for infrastructure already built and can be spent on regular system capital improvement projects. The Improvement Fund 202 collects that portion of the charge that contributes to future projects of the District and can only be spent on projects that increase the capacity of the water system.

Funds 301 and 401 are used to pay debt that has been taken on by the District. The Debt Reserve Fund 301 provides funding for the Debt Service Fund 401. Contributions to this restricted account are intended to accumulate enough cash to meet current debt service obligations and one year's reserve, as required by the District's financial policies, to cover debt which has been taken on for capital improvements by the District.

The Debt Service Fund 401 provides the mechanism for the repayment of financed debt. This includes the 2021 Bond which refinanced the remaining debt from construction of the 2011 Cleveland Reservoir and Pump Station and will fund construction of the Cascade Groundwater Development Projects. This will also provide debt service for the federal Water Infrastructure Finance and Innovation Act (WIFIA) loan. The bonded debt will be repaid in 2041 and the WIFIA loan will be repaid in 2047.

The Groundwater Production Fund 501 was established to manage operational costs in the production of groundwater for domestic drinking water purposes. The fund provides an accounting of costs associated with producing and pumping groundwater; costs are

split between the District and the City of Gresham. Because the groundwater system is a partnership with the City of Gresham, the fund allows for transparency in how revenue and costs of operation are managed for both partners.

The Groundwater Construction Fund 601 was created in 2020 to receive and track all revenue received by the District from the issuance of revenue bonds or other financial instruments, governmental transfers through partnership with the City of Gresham, and interest received from investments. The fund provides transparency in how such revenue is spent related to the development of groundwater. The District is in the middle of a significant groundwater development project in order to avoid or eliminate significant future wholesale water purchase costs from the City of Portland. With Portland's construction of the Bull Run Water Treatment Plant, costs will be shared by Portland and any wholesale customers continuing to purchase water from Portland. Wholesale water costs are expected to triple by 2030, if the District remains on the wholesale purchase contract. Through the development of an independent water supply system, the District is anticipating mitigating these increases and controlling costs directly to our customers into the future.

### **CHANGES TO THE FY 2023/2024 BUDGET**

The District and the City of Gresham are well into the Design and Construction of the projects defined in the 2020 Groundwater Development Master Plan (GDMP). Based on the 2020 GDMP, the total estimated cost of the projects in 2020 dollars was \$119.8 million, and Rockwood's share of the program was \$59.1 million. As a result of the high inflation rates in recent years, and supply chain disruptions impacting the cost of construction, and some minor adjustments in the capacity and scope of work, the new projected cost of the groundwater development facilities is \$165.3 million, and Rockwood's share of the program is \$89.3 million. The partnership with the City of Gresham for water supply, outlined in the IGA 5794 and named the Cascade Groundwater Alliance (CGA), provide the District and the City of Gresham greater resiliency and a way to share costs for the groundwater supply system construction and operation. In FY 2022/2023, the District continued with the construction of the 6 million gallon Cascade Reservoir No. 2, construction of the well pumping facility for Well 7, and the installation of 20" and 36" transmission mains between Well 7 and the Cascade facility titled the "Package 1 Improvements" project. All work on Package 1, except for the rehabilitation of Cascade Reservoir No. 1, is expected to be substantially complete by the end of FY 2023/2024. The District is completing the design phase of Package 2a, the Glendoveer transmission line, and construction on the main will begin in FY 2023/2024. The District is in the design phase of Package 3, the 141<sup>st</sup> Avenue Improvements including the Well 8 pump station and manganese treatment plant, and Package 4, the Cascade Site Improvements which consist of pumping and treatment for 25 million gallons per day of water from the existing wells and new wells 7 and 9. Construction for Package 3 and Package 4 will begin in the middle of FY 2023/2024. Rockwood is also contributing to City of Gresham-managed projects; Package 5, Cascade Well 6 223<sup>rd</sup> Avenue, which was drilled in FY 2022/2023 and will begin design for the well house and treatment facility in FY 2023/2024. The City of Gresham managed project Package 6, Cascade Well 9 at Kirk Park, completed design in FY 2022/2023 and be in construction at the end of the current FY and continue into FY 2023/2024.

Design and Construction of the CGA projects will allow the District to supply treated groundwater to all customers prior to the end of the Portland Wholesale Water Purchase Contract in June 2026. A Memorandum of Understanding between Portland and its wholesale customers describes a plan to sunset the existing contract and develop a new contract. The District has notified Portland that it is developing groundwater as its primary source and will not continue to purchase wholesale water after June of 2026, with the exception of a potential emergency intertie.

The District provides updates to both the Technology and Vehicle/Equipment Replacement Plans for review and approval as part of the FY 2023/2024 budget process. The multi-year plans were approved by the Board in FY 2017/2018 to allow for better planning, fiscal control, and orderly replacements. Future budgets will continue to be guided by the replacement schedule and approaches outlined in these plans.

Due to the high rate of inflation, a substantial 22% increase in the wholesale water rate, and increased cost of construction, the District has made some reductions in its planned CIP work in order to minimize the customer rate impacts. Staff will be recommending a rate adjustment which will anticipate a 7.7% increase in base (Fixed) charges with a 4.8% increase in volume (Variable) charges. This represents an overall rate adjustment of 6% for FY 2023/2024. The rate adjustment is in line with the recommendations of the 2023 District Finance Model (6%) and results conservatively to an overall Water Sales Revenue of \$12,095,864 based on a 3-year average of water demands.

The following is an explanation of the FY 2023/2024 budget line items and the proposed budget.

**GENERAL FUND  
Fund 101**

**INCOME ACCOUNTS**

<b>3-01-0101</b>	<b>Beginning Fund Balance</b>	<b>\$11,494,340</b>
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This estimate is based on actual figures year-to-date and anticipated income and expenses for the remainder of the current year. The balance between actual and projected revenues and projected expenses are shown here.

<b>3-10-1100</b>	<b>Water Sales</b>	<b>\$12,095,864</b>
	Base Meter Charge	\$3,511,689
	Commodity Charge	\$8,584,175

Estimated water sales revenue is based on projected sales of **2.60 million ccf** (ccf = hundred cubic feet). Water sales revenue has two components; the first is the base meter charge (a fixed charge based on meter size for **~13,752 accounts**) and the second is the commodity charge (the cost per volume of water sold per hundred cubic feet or ccf). The water rate adjustment proposed is \$2.42 for the bimonthly base meter charge (increase of ~7.8%) and the volume charge increased by \$0.15 per ccf (increase of ~4.8%). The change results in Fixed Revenue of 29% and Variable Revenue of 71%.

**The overall water rate adjustment proposed for the average District customer (6 ccf per month) is 6%, and the total water rate adjustment is 6%.** Rate revenue is expected to be slightly higher than 6%, due growth in the District.

**3-20-2100      Backflow Charges      \$40,000**

Oregon Administrative Rule 333-61-070 states, "Water suppliers shall undertake programs for controlling and eliminating cross-connections." Rockwood follows the Oregon State Public Health Division guidelines for monitoring this program. Water accounts with assemblies are charged a "per device" charge of approximately \$2 per billing cycle. The District monitors approximately 2,280 assemblies in the service area. This budget is the same as the previous year.

**3-20-2200      Set-up Fees      \$20,000**

This one-time account set-up fee is charged to new customers in the District. This budget is \$7,270 lower than the past year.

**3-20-2300      Late Fees      \$290,000**

Service charges include late charges, door hanger charges, service off charges, dishonored check charges, etc. This budget is the same as the past year.

**3-40-4100      Service Installations      \$250,000**

Projected installations of new meters in the District. This includes all types and sizes of new service connections. This budget is the same as the past year.

**3-40-4200      Sub-Division Project Income      \$50,000**

The revenue in this budget line is primarily from developers for main extensions and fire hydrants. It cannot be predicted with accuracy. This budget is the same as the past year.

**3-40-4300      Other Service Income      \$150,000**

Most of this revenue is generated by selling meter reads to the cities of Gresham, Portland, and Fairview. Some income is generated from repairs performed by our crews for other entities (e.g., Interlachen), rental of equipment (such as hydrant meters), and other miscellaneous income not directly related to service installations. This budget is the same as the past year.

**3-50-5100      Interest Income      \$200,000**

Annual anticipated earnings on our cash reserve account in the Oregon State Investment Pool and other small investments. The budget is higher than the past year due to the increase in interest rates.

**3-50-5200      Rental Income      \$16,000**

3-60-6100	Scrap Metal Income	\$7,500
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<b>3-60-6600</b>	<b>Other Miscellaneous Income</b>	<b>\$40,000</b>
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<b>3-60-6800</b>	<b>Gresham Utility Tax</b>	<b>\$457,936</b>
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<b>3-60-6900</b>	<b>Portland Utility Tax</b>	<b>\$209,657</b>
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<b>3-60-7000</b>	<b>Fairview Utility Tax</b>	<b>\$15,007</b>
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<b>3-90-9200</b>	<b>Interfund Transfers</b>	<b>\$505,000</b>
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<b>3-90-9300</b>	<b>Fixed Asset Disposition</b>	<b>\$500,000</b>
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This code reflects the sale of surplus District assets in 2024. It is expected that the 185<sup>th</sup> property will sell in FY 2023/2024, and this is a placeholder in the event of a sale. Funds from the sale of land or equipment will be earmarked for future land and equipment/vehicle purchases by the District.

**3-90-9500            Other Government Agencies            \$18,500**

The budget reflects anticipated program participation and contributions for the Children's Clean Water Festival. Previously, the fund also included the City of Gresham contribution to well development. The City of Gresham contributions into the GDMP are now going directly into the 601 fund and are no longer reflected in this account.

### **EXPENSE ACCOUNTS**

#### **PERSONAL SERVICES**

**5-10-4450                            Salaries & Wages                            \$2,500,000**

This fund represents salaries and wages for 25 full time employees at the District and an expected addition of some temporary and part time employees to assist with the heavy staffing demands of the Groundwater Development Projects and also includes expected cost of living adjustment of 5.2% based on the CPI (Consumer Price Index) and the Union Contract.

**5-10-4500 to 5-10-4630            Other Personnel Expenses                            \$139,760**

Anticipated costs for office and field overtime (\$19,000), on-call pay (\$80,100), certification pay (\$13,000), employee bonus (\$1,000), and market-based wage adjustments (\$15,000).

**5-10-4800 to 5-10-4920            Payroll Taxes & Employee Benefits                            \$1,539,469**

Social Security (\$152,000), Medicare (\$36,000), Unemployment Insurance (\$2,500), Tri-Met (\$17,800), and Workers Compensation (\$29,600) are covered in this line item. Employees' Retirement is through the Public Employee Retirement System (PERS). PERS premiums increased for FY 2023/2024 and PERS is budgeted this year at \$715,000. Health insurance renewal is budgeted at \$577,000, and the new Oregon Paid Leave Law is budgeted at \$9,850.



## **MATERIALS & SERVICES**

### **5-20-5010      Water Purchased for Sale      \$3,761,530**

We will purchase 3.80 million ccf (2.85 billion gallons) from the City of Portland under the water sales agreement. Our wholesale rate for FY 2023/2024 is projected to be approximately \$0.987 per ccf. The budgeted value represents an increase of 22.8% from the FY 2022/2023 wholesale rate.

### **5-20-5110      Contract Services      \$130,000**

This represents the annual contract for billing and support services. The District is transitioning its billing and support services from Chaves Consulting to the Tyler Technologies/Incode system, and the budget reflects this transition between systems. Pavelcomm is the District's service provider for computer system monitoring, updates, and security. Contract paving, miscellaneous consulting, daily off-site data storage (replication) and website maintenance is also included in this line code. Represents a \$5,000 increase from last year.

### **5-20-5120      Technical & Consulting      \$30,000**

This primarily funds the annual update of the Financial Plan and miscellaneous survey/consulting/technical assistance. This line item also funds specialty reviews regarding test well development and future land purchases. This reflects a decrease due to the completion of the budgeted Water Management and Conservation Plan (WMCP) and a financial model update in the previous FY.

### **5-20-5130      Auditing      \$23,020**

This line item represents an additional year for auditing service from the District's independent financial audit firm. This code also includes the annual fee to the State of Oregon for review of our financial reports (\$500). Added in this FY budget is funding for a single audit, which is required as part of the Federal funding received for the CGA projects.

### **5-20-5140      Legal Services      \$100,000**

The proposed level is the same as the current fiscal year. The amount represents legal services for General Counsel and employment-related matters. Budget remains unchanged.

### **5-20-5210      Telephone/Cell Phone      \$44,880**

This line code funds expenses related to office telephones, cellular service, data cards, tablet communication, etc. It is not related to telemetry and SCADA control. Budget reflects a small increase based on expected rate increases.

<b>5-20-5220</b>	<b>Sewer/Storm Water</b>	<b>\$12,000</b>
<b>5-20-5230</b>	<b>Heating/Electricity</b>	<b>\$22,000</b>
<b>5-20-5310</b>	<b>Engineering Supplies</b>	<b>\$1,500</b>

Supplies specific to the engineering department are included here. Special paper, plotter pens, truck maps, large plots, etc.

<b>5-20-5320</b>	<b>Office Supplies</b>	<b>\$40,000</b>
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All office supplies are included in this budget line. Examples are billing supplies, late notices, door hangers, envelopes, stationery, computer supplies, printer supplies, copier supplies, fax supplies, pens, tablets, pencils, paper clips, rubber bands, storage boxes, and mailing supplies. This line code provides funds for District water conservation brochures, lead/copper notices and District's Consumer Confidence Report. Budget has increased by \$16,000 due in part to higher rates for the newsletter and Consumer Confidence Report (CCR) production.

<b>5-20-5330</b>	<b>Postage</b>	<b>\$45,300</b>
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This category covers sending out bills, late notices, and miscellaneous daily mailings. Budget reflects recent trend and the reduction of requested mailings of the District's CCR. Budget has remained the same.

<b>5-20-5410</b>	<b>Conservation</b>	<b>\$40,000</b>
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This line funds our Toilet Rebate programs (\$3,000 single family; \$3,000 multi-family, commercial and non-profit); Children's Clean Water Festival (\$22,000); School Programs (34 assemblies \$11,000); conservation devices/brochures/supplies (\$9,000); emergency preparedness (\$5,000); school grants (\$2,250); and District events, donations, and meetings (\$1,100). Budget has decreased.

<b>5-20-5420</b>	<b>Elections &amp; Legal Advertising</b>	<b>\$3,000</b>
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This budget will cover a variety of ads: bids, proposal solicitations, personnel recruitments, Board meetings, budget hearings, lead/copper outreach and newspaper ads. Budget has remained the same.

<b>5-20-5430</b>	<b>General Insurance</b>	<b>\$117,270</b>
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This covers all insurance related to District liability and property and does not include employee health benefits. Budget has increased by \$20,000.

<b>5-20-5440</b>	<b>Safety Gear &amp; Equipment</b>	<b>\$23,000</b>
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Safety equipment and supplies required by OSHA including such things as gloves, eye protection, respiratory masks, ear protection, first aid supplies, foot protection, hard hats, shoring and safety vests. Budget remains unchanged.





**5-20-5660      Telemetry      \$15,192**

Telephone expense and other repairs throughout the telemetry system. Budget remains the same.

**5-20-5670      Pumping      \$65,192**

This is an electrical expense for pumping at all sites except groundwater activity which is tracked separately. Budget has increased due to a trend in higher water production and higher electrical costs.

**5-20-5710      Board Meeting Fees      \$5,800**

Allows for regular Board meetings, consortium meetings, special meetings and Metro East media expenses. Budget remains unchanged.

**5-20-5720      Directors' Expense      \$24,000**

Miscellaneous expenses directly related to the Board of Directors, including attendance at conferences such as AWWA and SDAO, or consulting fees for Board activities. Budget remains unchanged.

**5-20-5730      Manager's Expense      \$7,000**

Allowance for General Manager's miscellaneous expenditures relating directly to conducting District business. Budget remains unchanged.

**5-20-5740      General Office      \$94,900**

This line code funds annual bond administration costs, bank card and credit card fees, Veri-check, AMEX, and pool fees. Budget has increased by \$30,000.

**5-20-5760      Bad Debt Collection Expense      \$25,000**

This budgeted amount is adjusted at year-end based on current and historical financial information. Budget remains unchanged.

**5-20-5770      Gresham Utility Tax      \$457,936**

This tax is charged by the City of Gresham.

**5-20-5780      Portland Utility Tax      \$209,657**

This tax is charged by the City of Portland.

**5-20-5790      Fairview Utility Tax      \$15,007**

This tax is charged by the City of Fairview.

<b>5-20-5800</b>	<b>Customer Assistance</b>	<b>\$60,000</b>
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The District pays approximately \$6.00 per contact to Human Solutions. Participation in the program remained steady in FY 2019/2020 until the pandemic occurred. Budget was increased in FY 2020/2021 in anticipation of potential need within the community due to the COVID-19 pandemic and remains the same for FY 2022/2023.

<b>5-20-5820</b>	<b>Taxes &amp; Assessments</b>	<b>\$9,300</b>
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This is for Multnomah County Drainage District #1 property taxes for District properties along Sandy Boulevard. Budget has increased.

## **CAPITAL EXPENDITURES AND TRANSFERS**

**5-40-6010      Water System      \$1,139,820**

This line item covers the following capital improvement projects:

<u>Projects</u>	
Steel 7, 8: ductile iron pipe	\$864,820
Placeholder for CIP or AMI launch	\$250,000
Specialty surveys and engineering	\$25,000

**5-40-6020      New Meters      \$65,000**

Meters for new service installations. Budget is unchanged.

**5-40-6030      Meter Upgrades      \$50,000**

Upgrade all meters as schedule and time dictates. Budget is unchanged.

**5-40-6110      Meter/Field Equipment      \$11,500**

This is for unanticipated replacement of equipment. Budget has decreased.

**5-40-6120      Shop Equipment      \$8,800**

This will fund unidentified items of equipment. Budget has increased due to the planned purchase of a heavy-duty diagnostic scanner for fleet vehicles.

**5-40-6130      Automotive/Equipment      \$270,000**

The FY 2023/2024 Vehicle and Equipment Replacement Plan has established a replacement schedule for new and aging vehicles and rolling stock in the District. The plan will anticipate vehicle and equipment upgrades maximizing the longevity of use and trade-in value. Budget has increased due to the replacement of the large service truck and is anticipated to decrease in future years.

**5-40-6140      Computer and Office Equipment      \$29,000**

Budget includes replacement of computers and monitors, as outlined in the FY 2023/2024 Technology Replacement Plan. Budget has decreased slightly.

**5-40-6210      Buildings      \$75,000**

This budget includes \$5,000 for routine building upgrades, \$25,000 for replacement of exterior building soffit, \$30,000 for security upgrades at the Cleveland and Bella Vista sites, and \$15,000 for the replacement of the failing rooftop heating unit. The Budget has increased by \$36,000.

<b>5-40-6220</b>	<b>Land</b>	<b>\$500,000</b>
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Budget considers land purchase for production wells. Budget remains unchanged.

<b>5-60-7110</b>	<b>Transfer to Other Funds</b>	<b>\$2,281,150</b>
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This is the amount necessary to transfer to the Debt Reserve Fund 301 (\$2,006,150) and the Groundwater Production Fund 501 (\$275,000). The Debt Reserve Fund has increased as the District begins to draw from its WIFIA loan. Groundwater production costs have increased due to higher water production and demand and increasing costs for electricity and materials such as treatment chemicals.

<b>5-70-7210</b>	<b>Contingency</b>	<b>\$1,700,000</b>
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This represents at least two months (60 days) of operating expenses (Personnel and Materials & Services) in keeping with the policy established in the Financial Plan. Budget has increased.

<b>5-90-8010</b>	<b>Ending Fund Balance</b>	<b>\$11,589,683</b>
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The ending fund balance is projected by adding the beginning fund balance to anticipated revenues and subtracting anticipated expenditures for the upcoming fiscal year. The Ending Fund Balance plus Contingency provides approximately 415 days of operation (Personnel and Materials & Services).



**SYSTEM DEVELOPMENT FUND-REIMBURSEMENT  
Fund 201**

**INCOME ACCOUNTS**

<b>3-01-0101</b>	<b>Beginning Fund Balance</b>	<b>\$745,546</b>
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<b>3-40-4500</b>	<b>System Development Fees</b>	<b>\$250,000</b>
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In FY 2020/2021 the District conducted a system development charge (SDC) analysis that resulted in an increase of the SDC rates. The District budgets and accounts for Reimbursement and Improvement SDCs separately. Reimbursement SDCs will be used for normal capital replacement.

<b>3-50-5100</b>	<b>Interest Income</b>	<b>\$10,000</b>
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Anticipated earnings on investments.

**EXPENSE ACCOUNTS**

<b>5-60-7110</b>	<b>Transfer to Other Fund</b>	<b>\$300,000</b>
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Money transferred to the General Fund for reimbursement towards applicable capital replacement projects identified in Capital Line code 5-40-6010.

<b>5-90-8010</b>	<b>Ending Fund Balance</b>	<b>\$705,546</b>
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**SYSTEM DEVELOPMENT FUND-IMPROVEMENT  
Fund 202**

**INCOME ACCOUNTS**

<b>3-01-0101</b>	<b>Beginning Fund Balance</b>	<b>\$378,269</b>
<b>3-40-4500</b>	<b>System Development Fees</b>	<b>\$80,000</b>
<b>3-50-5100</b>	<b>Interest Income</b>	<b>\$1,200</b>

Anticipated earnings on investments.

**EXPENSE ACCOUNTS**

<b>5-60-7110</b>	<b>Transfer to Other Fund</b>	<b>\$0</b>
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Improvement SDCs will be transferred when the identified projects are scheduled to be built.

<b>5-90-8010</b>	<b>Ending Fund Balance</b>	<b>\$459,469</b>
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**DEBT RESERVE FUND  
Fund 301**

**INCOME ACCOUNTS**

<b>3-01-0101</b>	<b>Beginning Fund Balance</b>	<b>\$2,228,016</b>
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This is the estimated beginning fund balance.

<b>3-50-5100</b>	<b>Interest Income</b>	<b>\$6,000</b>
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<b>3-90-9200</b>	<b>Transfer from Other Funds</b>	<b>\$2,006,150</b>
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This figure represents an amount necessary to provide for an adequate reserve balance. At least one year's payment on bonded debt must be held here.

**EXPENSE ACCOUNTS**

<b>5-60-7110</b>	<b>Transfer to Debt Service Fund</b>	<b>\$2,006,150</b>
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<b>5-90-8010</b>	<b>Ending Fund Balance</b>	<b>\$2,234,016</b>
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The Ending Fund Balance will serve as our Bond Reserve to ensure adequate funds for payment of the principal and interest portion of long-term debt due in the FY. It provides a balance adequate to cover current obligations and provide a one-year cushion of funds available for future payments. The District issued a bond at the end of FY 2020/2021, and was awarded a WIFIA loan in FY 2021/2022 to fund the Cascade Groundwater Development Projects, so the debt reserve and debt service funds have increased. The District expects to issue new financing in FY 2024/2025 to complete the CGA projects.

**DEBT SERVICE FUND  
Fund 401**

**INCOME ACCOUNTS**

<b>3-90-9200</b>	<b>Transfer from Other Fund</b>	<b>\$2,006,150</b>
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This is a transfer from the Debt Reserve Fund to make principal and interest payments.

**EXPENSE ACCOUNTS**

<b>5-50-7050</b>	<b>Payments on Financing</b>	<b>\$1,436,350</b>
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<b>5-50-7070</b>	<b>Interest on Financing</b>	<b>\$569,800</b>
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Payments will be made according to the Bond Amortization Schedule.

**GROUNDWATER PRODUCTION FUND  
Fund 501**

**INCOME ACCOUNTS**

<b>3-01-0101</b>	<b>Beginning Fund Balance</b>	<b>\$57,285</b>
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The beginning and ending fund balance for this fund has decreased from FY 2021/2022 because the fund was rebalanced in the previous year to account for a historical overpayment by the District into the fund.

<b>3-50-5100</b>	<b>Interest Income</b>	
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**Interest income is no longer reflected in this fund, all interest income is reflected in the General Fund.**

<b>3-90-9200</b>	<b>Inter-fund Transfer</b>	<b>\$275,000</b>
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The District's contribution for the cost of operation of the groundwater treatment facility from General Fund 101 Line code 5-60-7110.

<b>3-90-9400</b>	<b>City of Gresham</b>	<b>\$275,000</b>
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The City of Gresham will pay for half the cost of operation of the groundwater treatment facility.

**EXPENSE ACCOUNTS**

<b>5-20-5530</b>	<b>Equipment Maintenance</b>	<b>\$26,000</b>
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This line will cover the cost to maintain the treatment and booster pump facility. Increased to begin improvements identified in the Groundwater Development Master Plan. Budget has increased due to the need to maintain and replace operating equipment.

<b>5-20-5610</b>	<b>Operating Supplies</b>	<b>\$42,000</b>
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This line will cover the cost of all supplies, including chlorine and ammonia, for the treatment facility. Increase due to rising costs of chlorine and increasing water production.

<b>5-20-5615</b>	<b>Wellhead Protection</b>	<b>\$70,000</b>
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This line will pay for a portion of the Wellhead Protection Program administered by the City of Gresham. The Well Field Protection Area was expanded with the delineation of the future Cascade 7, 8, and 9 wells, which will increase business surveillance activities.

<b>5-20-5620</b>	<b>Testing</b>	<b>\$5,000</b>
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Pays for all testing of the treated water leaving the facility. No change.

<b>5-20-5630</b>	<b>Reservoir Maintenance</b>	<b>\$5,000</b>
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This will fund routine annual maintenance of the Cascade Reservoirs.

<b>5-20-5670</b>	<b>Pumping</b>	<b>\$335,000</b>
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This pays for all groundwater pumping costs. Budget has increased by \$100,000 due to higher electrical rates combined with increased water production to meet higher industrial and residential water demands.

<b>5-60-7110</b>	<b>Transfer to General Fund</b>	<b>\$65,000</b>
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This line offsets personnel operating costs and a true-up of contributions to the fund for groundwater operation and use. Budget unchanged.

<b>5-90-8010</b>	<b>Ending Fund Balance</b>	<b>\$58,285</b>
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**GROUNDWATER CONSTRUCTION FUND  
Fund 601**

**INCOME ACCOUNTS**

<b>3-01-0101</b>	<b>Beginning Fund Balance</b>	<b>\$8,305,600</b>
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<b>3-90-9600</b>	<b>Bond Proceeds</b>	<b>\$10,000,000</b>
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A revenue Bond in the amount of \$22,036,894 was taken out in FY 2020/2021 to fund the GDMP in FY 2021/2022 and to refinance the existing Bond. Additional funding, either from the Drinking Water State Revolving Fund (DWSRF), WIFIA, or Bonds will be needed to complete the project and this is a placeholder in anticipation of this financing.

<b>3-90-9650</b>	<b>WIFIA Loan Proceeds</b>	<b>\$20,419,935</b>
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WIFIA (Water Infrastructure Finance and Innovation Act) Loan disbursements will begin towards the end of FY 2020/2021 and will continue through FY 2022/2023. The total WIFIA Loan for the Cascade Groundwater Development Project is approved for up to \$30,419,935 and the District will apply for loan disbursements as project costs are expended.

<b>3-50-5100</b>	<b>Interest Income</b>	<b>\$0</b>
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<b>3-90-9200</b>	<b>Inter-fund Transfer</b>	<b>\$0</b>
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The District's contribution for the construction of the joint and independent groundwater supply system from General Fund 101 Line code 5-60-7110.

<b>3-90-9400</b>	<b>City of Gresham</b>	<b>\$11,950,000</b>
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The City of Gresham will fund part of the design and construction of the joint groundwater supply system.

**EXPENSE ACCOUNTS**

<b>5-20-5110</b>	<b>Contracting Services</b>	<b>\$150,000</b>
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This line will cover the cost for Bond Counsel and SDAO Advisor (\$80,000) services and reporting requirements related to the revenue bonds, WIFIA loan, and new financing (\$30,000), and additional contracting services to support the management of the CGA Projects.

<b>5-20-5120</b>	<b>Engineering Services</b>	<b>\$15,100,000</b>
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This line will cover the cost of engineering, administration, and permitting services for Package 1, 2A, 3 and 4 of the CGA Projects and will cover the costs of Gresham-managed projects for the CGA.

<b>5-40-6035</b>	<b>Groundwater Construction</b>	<b>\$29,000,000</b>
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This line will pay for the construction contracts associated with the CGA Projects, which will include construction for Packages 2A, 3 and 4.

<b>5-40-6220</b>	<b>Land</b>	<b>\$0</b>
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Pays for the purchase of property(s) related to the GDMP.

<b>5-60-7110</b>	<b>Transfer to Other Funds</b>	<b>\$140,000</b>
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This line offsets personnel operating costs in the management and supervision of the CGA Projects. Funding is planned for temporary staff that will assist Engineering and Operations with the project.

<b>5-90-8010</b>	<b>Ending Fund Balance</b>	<b>\$6,285,535</b>
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			Rockwood Water PUD									
			Fiscal Year 2023/24 Multi Year Line Code Comparisons									
			Budget Adoption - June 2023									
				FY17/18	FY18/19	FY19/20	FY 20/21	FY 21/22	FY22/23	FY22/23	FY23/24	% Change
				Actual	Actual	Actual	Actual	Actual	Budget	End of Year Projections	Proposed	FY22/23 vs FY23/24
			ACCOUNT DESCRIPTION									
			FUND 101 - GENERAL FUND									
			INCOME ACCOUNTS							Audited		
3	1	101	Beginning Fund Balance	\$7,617,479	\$10,153,577	\$10,112,444	\$8,800,467	\$8,379,197	\$10,419,346	\$9,242,178	\$11,494,340	10.3%
3	10	1100	Water Sales	8,272,343	8,628,331	8,865,870	10,422,569	11,321,016	11,410,250	11,900,000	12,095,864	6.0%
3	20	2100	Backflow Charges	29,267	31,269	33,939	36,985	39,252	40,000	40,000	40,000	0.0%
		2200	Set-up Fees	23,805	25,094	23,378	25,870	26,661	27,270	15,000	20,000	-26.7%
		2300	Late Fees	192,067	208,337	257,897	240,458	306,971	290,000	278,407	290,000	0.0%
3	40	4100	Service Installations	112,763	141,820	343,614	283,038	180,648	250,000	180,000	250,000	0.0%
		4200	Sub-Divison Projects	26,030	44,776	61,394	10,927	6,160	50,000	20,000	50,000	0.0%
		4300	Other Service income	151,203	137,388	133,948	144,755	148,250	150,000	150,000	150,000	0.0%
3	50	5100	Interest Income	119,570	217,527	173,818	54,242	127,428	70,000	368,113	200,000	185.7%
		5200	Rental Income	49,680	52,195	80,725	74,921	69,926	16,000	10,000	16,000	0.0%
3	60	6100	Scrap Metal Sales	11,776	10,133	7,048	11,968	30,896	7,500	2,000	7,500	0.0%
		6200	Construction Plan Sales	50	-	-	-	-	-	0	-	
		6600	Other Misc. Income	25,718	36,768	45,135	46,134	58,234	40,000	34,059	40,000	0.0%
		6800	Gresham Utility Tax	295,954	314,754	302,289	362,127	410,047	432,015	435,000	457,936	6.0%
		6900	Portland Utility Tax	123,537	126,107	157,893	161,451	197,128	197,790	197,000	209,657	6.0%
		7000	Fairview Utility Tax	10,180	9,428	10,330	11,191	12,699	14,158	14,000	15,007	6.0%
3	90	9200	Interfund Transfers	145,000	145,000	165,000	498,328	365,000	505,000	415,000	505,000	0.0%
		9300	Fixed Asset Disposition	590,878	-	23,312	31,150	125	500,000	0	500,000	0.0%
		9500	Other Government Agencies	18,500	27,160	353,302	906,544	263,453	18,500	168,500	18,500	0.0%
			Revenue	17,815,800	20,309,664	21,151,336	22,123,125	21,943,091	24,437,829	23,469,257	26,359,805	7.9%
			EXPENSE ACCOUNTS									
5	10	4450	Salaries/Wages	1,607,835	1,717,686	1,870,049	1,956,608	2,002,967	2,302,200	2,300,000	2,500,000	8.6%
		4450	PTO Payout						0	0	11,660	
		4500	Office Overtime	907	1,319	804			1,000	300	1,000	0.0%
		4550	Field Overtime	11,927	16,755	13,654	15,857	16,779	16,000	24,000	18,000	12.5%
		4600	On Call Pay	51,065	54,285	54,315	55,793	52,912	76,600	60,000	80,100	4.6%
		4610	Water Certifications	12,704	12,472	14,152	15,018	13,917	12,500	16,000	13,000	4.0%
		4620	Employee Bonus	-	0	0	0	0	1,000	0	1,000	0.0%
		4630	Market Based Wage Adjustment	-	0	0	0	0	15,000	0	15,000	0.0%
		4800	Social Security	103,500	108,882	117,577	120,193	127,875	141,700	140,000	152,000	7.3%
		4810	Medicare	24,547	25,992	28,159	28,845	29,930	33,200	33,200	36,000	8.4%
		4820	Unemployment Insurance	1,262	1,821	1,984	2,183	1,950	2,300	500	2,500	8.7%
		4830	Tri-Met Payroll Tax	9,269	13,654	14,926	15,498	15,160	16,600	16,600	17,800	7.2%
		4840	Workers Compensation	6,188	11,637	16,292	15,539	16,168	27,600	25,500	29,600	7.2%

				FY17/18	FY18/19	FY19/20	FY 20/21	FY 21/22		FY22/23	FY22/23	FY23/24	% Change
				Actual	Actual	Actual	Actual	Actual		Budget	End of Year	Proposed	FY22/23 vs
			ACCOUNT DESCRIPTION								Projections		FY23/24
		4900	P.E.R.S	331,530	378,853	501,050	484,867	561,266		606,500	606,500	715,000	17.9%
		4920	Employee Insurance Expense	355,748	387,098	441,426	491,772	489,703		549,000	549,000	583,000	6.2%
		4930	Oregon Paid Leave Law							4,400	4,400	9,850	123.9%
		*	Personnel Services	2,516,482	2,730,454	3,074,388	3,202,172	3,328,627		3,805,600	3,776,000	4,185,510	10.0%
5	20	5010	Water Purchase from Portland	2,713,064	2,785,902	3,167,838	3,113,709	2,908,551		3,088,892	3,088,680	3,761,530	21.8%
		5110	Contract Services	65,458	75,492	81,227	71,612	166,390		125,430	125,000	130,180	3.8%
		5120	Technical & Consulting	25,851	7,768	4,937	21,884	3,563		65,000	43,000	30,000	-53.8%
		5130	Auditing	15,990	16,940	10,300	17,820	19,375		19,020	19,020	24,500	28.8%
		5140	Legal Services	22,448	13,406	43,097	78,152	16,874		100,000	20,000	100,000	0.0%
		5210	Telephone/Cell Phone	44,197	28,303	35,880	35,595	38,133		42,140	44,812	44,880	6.5%
		5220	Sewer/Storm	3,474	5,821	6,382	9,384	10,783		8,050	11,000	12,000	49.1%
		5230	Heating/Electricity	17,891	20,238	22,345	21,895	21,695		16,500	21,200	22,000	33.3%
		5310	Engineering Supplies	368	97	-	600	335		1,000	1,000	1,500	50.0%
		5320	Office Supplies	29,010	30,595	32,463	26,403	37,114		24,000	45,000	40,000	66.7%
		5330	Postage	40,399	40,300	41,152	40,005	42,330		45,300	45,000	45,300	0.0%
		5410	Conservation	39,882	33,747	21,846	26,941	14,225		56,350	23,200	50,350	-10.6%
		5420	Elections/Legal Advertising	3,111	2,895	2,631	3,087	2,608		3,000	2,770	3,000	0.0%
		5430	Insurance General	74,328	69,577	74,039	80,287	93,525		96,839	93,700	117,270	21.1%
		5440	Safety Gear and Equipment	19,249	13,591	25,052	22,920	22,197		23,000	22,000	23,000	0.0%
		5450	Training and Education	30,511	33,787	19,365	6,745	27,498		41,500	33,625	36,500	-12.0%
		5460	Dues, License and Subscriptions	55,895	84,075	87,040	111,634	85,003		93,766	90,000	100,969	7.7%
		5470	Office Equipment	1,876	733	324	1,047	1,007		2,000	1,500	2,000	0.0%
		5510	Computer/Office Equipment Mai	6,076	1,540	119	980	2,510		7,400	2,500	10,760	45.4%
		5520	Building & Grounds Maintenance	57,564	59,470	65,111	96,140	72,474		74,460	54,312	75,160	0.9%
		5530	Shop Equipment Maint.	8,731	8,536	6,412	9,054	5,650		10,000	2,000	10,000	0.0%
		5540	Vehicle Maintenance	47,475	30,020	33,199	30,229	40,692		35,000	20,000	35,000	0.0%
		5550	Tires	7,854	6,716	7,423	6,554	7,835		14,000	8,000	10,000	-28.6%
		5560	Gas, Lubricants, Disposal	28,741	27,878	28,180	24,997	38,159		45,000	40,000	45,000	0.0%
		5570	Small Tools and Equipment	13,738	7,925	10,544	8,956	11,862		10,000	15,000	15,000	50.0%
		5610	Utility Operating Supply	214,630	263,087	229,442	252,090	221,100		300,000	250,000	300,000	0.0%
		5620	Water Sampling and Testing	29,952	25,509	36,239	26,956	23,770		65,000	40,000	67,300	3.5%
		5625	Water Quality and Notices	5,565	5,766	7,023	6,393	0		8,000	5,000	8,000	0.0%
		5630	Reservoir Maintenance	6,526	3,925	8,688	4,710	12,365		15,000	8,000	20,000	33.3%
		5640	Meter Maintenance	14,695	21,024	30,892	10,020	13,853		40,000	5,000	20,000	-50.0%
		5650	Hydrant Maintenance	0	2,461	2,695	3,883	3,278		3,000	5,000	5,000	66.7%
		5660	Telemetry	1,748	19,585	13,890	21,921	20,923		15,192	13,076	15,192	0.0%
		5670	Pumping	43,935	40,395	35,961	44,003	45,503		41,720	59,604	65,150	56.2%
		5710	Board Meeting Fees	3,979	5,350	3,475	3,750	3,463		5,800	3,000	5,800	0.0%
		5720	Director's Expense	23,956	20,596	9,043	3,130	10,068		24,000	10,000	24,000	0.0%

				FY17/18 Actual	FY18/19 Actual	FY19/20 Actual	FY 20/21 Actual	FY 21/22 Actual	FY22/23 Budget	FY22/23 End of Year Projections	FY23/24 Proposed	% Change FY22/23 vs FY23/24
			ACCOUNT DESCRIPTION									
			5730 Manager's Expense	2,877	2,753	7,404	761	1,266	7,000	5,000	7,000	0.0%
			5740 General Office	51,368	57,025	46,724	63,211	80,709	64,900	100,000	94,900	46.2%
			5750 Cash Over/Short	34	2	-	-	24	-	20	-	
			5760 Bad Debt Expense	10,729	24,476	18,856	25,232	30,500	25,000	25,000	25,000	0.0%
			5770 Gresham Utility Tax	294,745	310,485	316,603	382,342	409,502	432,015	377,570	457,936	6.0%
			5780 Portland Utility Tax	121,393	139,354	143,245	160,961	196,795	197,790	172,500	209,657	6.0%
			5790 Fairview Utility Tax	10,198	10,369	10,023	11,162	12,699	14,158	12,330	15,007	6.0%
			5800 Customer Assistance	20,128	22,922	22,115	23,199	25,018	60,000	30,000	60,000	0.0%
			5820 Taxes and Assessments	2,725	0	10,256	6,045	6,933	3,100	8,748	9,300	200.0%
			<b>Material and Services</b>	<b>4,232,364</b>	<b>4,380,436</b>	<b>4,779,480</b>	<b>4,916,400</b>	<b>4,808,157</b>	<b>5,369,322</b>	<b>5,002,167</b>	<b>6,155,142</b>	<b>14.6%</b>
5	40	6010	Water System	175,171	1,058,049	3,456,947	2,530,254	872,411	722,200	562,000	1,139,820	57.8%
		6020	New Services	15,364	35,829	90,984	115,968	63,094	65,000	65,000	65,000	0.0%
		6030	Meter Upgrades	7,769	10,318	48,830	44,805	41,565	50,000	50,000	50,000	0.0%
		6110	Field Equipment	0	15,769	835	16,681	9,787	25,000	15,000	11,500	-54.0%
		6120	Shop Equipment	4,395	0	5,414	2,499	0	8,800	5,000	8,000	-9.1%
		6130	Automotive/Equipment	0	119,372	224,108	237,177	199,994	240,000	240,000	270,000	12.5%
		6140	Computer/Office Equipment	55,985	24,155	20,960	73,729	111,210	33,500	35,000	29,000	-13.4%
		6210	Buildings	19,244	9,275	-	-	48,778	39,000	39,000	75,000	92.3%
		6220	Land	-	1,169,048	-	21,243	-	500,000	-	500,000	0.0%
		*	<b>Capital Outlay</b>	<b>277,928</b>	<b>2,441,815</b>	<b>3,848,078</b>	<b>3,042,354</b>	<b>1,346,839</b>	<b>1,683,500</b>	<b>1,011,000</b>	<b>2,148,320</b>	<b>27.6%</b>
5	60	7110	Transfers to Other Funds - *Debt	461,450	463,125	468,925	2,403,000	3,017,291	1,735,950	1,735,750	2,006,150	15.6%
			*Groundwater Operations	170,000	181,388	180,000	180,000	200,000	220,000	300,000	275,000	25.0%
			Fund 601 Groundwater Construction						-		0	
			*Rate Stabilization		0	0	0		0	-	0	
		*	<b>Transfers</b>	<b>631,450</b>	<b>644,513</b>	<b>648,925</b>	<b>2,583,000</b>	<b>3,217,291</b>	<b>1,955,950</b>	<b>2,035,750</b>	<b>2,281,150</b>	<b>16.6%</b>
5	70	7210	Contingency	-		-	-	-	1,500,000	150,000	1,700,000	13.3%
		*	<b>Contingency</b>	<b>-</b>	<b>-</b>	<b>-</b>			<b>1,500,000</b>	<b>150,000</b>	<b>1,700,000</b>	<b>13.3%</b>
5	90	8010	Unapprop. Ending Fund Balance	10,157,576	10,112,446	8,800,465	8,379,198	9,242,177	11,638,457	11,494,340	9,889,683	-15.0%
		*	<b>Ending Fund Balance</b>	<b>10,157,576</b>	<b>10,112,446</b>	<b>8,800,465</b>	<b>8,379,198</b>	<b>9,242,177</b>	<b>11,638,457</b>	<b>11,494,340</b>	<b>11,589,683</b>	<b>-0.4%</b>
				=====	=====	=====	=====		=====	=====	=====	=====
			Total Personnel Service	2,516,482	2,730,454	3,074,388	3,202,172	3,328,627	3,805,600	3,776,000	4,185,510	10.0%

[illegible]

				FY17/18 Actual	FY18/19 Actual	FY19/20 Actual	FY 20/21 Actual	FY 21/22 Actual	FY22/23 Budget	FY22/23 End of Year Projections	FY23/24 Proposed	% Change FY22/23 vs FY23/24
			ACCOUNT DESCRIPTION									
5	90	8010	Ending Fund Balance	48,097	66,052	118,246	231,275	291,716	393,675	378,269	459,469	16.7%
			<b>FUND 301 - DEBT RESERVE FUND</b>									
			<b>INCOME ACCOUNTS</b>							Audited		
3	1	101	Beginning Fund Balance	\$514,879	\$523,991	\$537,563	\$549,330	\$553,753	\$1,688,373	\$1,959,518	\$2,228,016	32.0%
3	50	5100	Interest Income	9,112	13,572	11,767	4,423	3,110	6,000	11,698	6,000	0.0%
3	90	9200	Transfers from Other Funds	461,450	463,125	468,925	463,000	2,817,291	1,735,950	1,735,950	2,006,150	15.6%
			Revenue	985,441	1,000,688	1,018,255	1,016,753	3,374,154	3,430,323	3,707,166	4,240,166	23.6%
			<b>EXPENSE ACCOUNTS</b>									
5	60	7110	Transfer to Debt Serv Fund 401	461,450	463,125	468,925	463,000	1,414,636	1,479,150	1,479,150	2,006,150	35.6%
5	90	8010	Ending Fund Balance	523,991	537,563	549,330	553,753	1,959,518	1,959,173	2,228,016	2,234,016	14.0%
			<b>FUND 401 - DEBT SERVICE FUND</b>									
			<b>INCOME ACCOUNTS</b>							Audited		
3	1	101	Beginning Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	\$0	
3	90	9200	Transfer from Fund 301	461,450	463,125	468,925	463,000	1,414,636	1,479,150	1,479,150	2,006,150	35.6%
			Revenue	461,450	463,125	468,925	463,000	1,414,636	1,479,150	1,479,150	2,006,150	35.6%
			<b>EXPENSE ACCOUNTS</b>									
5	50	7050	Payments on Financing	255,000	265,000	280,000	285,000	755,000	790,000	790,000	1,436,350	81.8%
5	50	7070	Interest on Financing	206,450	198,125	188,925	178,000	659,636	689,150	689,150	569,800	-17.3%
5	90	8010	Ending Fund Balance	-	-	-	-	-	-	-	-	
			<b>FUND 501 - GROUNDWATER PRODUCTION FUND</b>									
			<b>INCOME ACCOUNTS</b>							Audited		
3	1	101	Beginning Fund Balance	\$213,738	\$261,526	\$225,295	\$282,849	\$74,796	\$43,796	\$36,735	\$57,285	30.8%

				FY17/18 Actual	FY18/19 Actual	FY19/20 Actual	FY 20/21 Actual	FY 21/22 Actual		FY22/23 Budget	FY22/23 End of Year Projections	FY23/24 Proposed	% Change FY22/23 vs FY23/24
			ACCOUNT DESCRIPTION										
3	50	5100	Interest Income	2,253	3,213	1,776	969	-		3,000			-100.0%
3	90	9200	Interfund Transfer - Fund 100	170,000	181,388	180,000	180,000	200,000		220,000	300,000	275,000	25.0%
3	90	9400	City of Gresham	160,000	181,388	180,000	165,602	200,000		200,000	200,000	275,000	37.5%
			Revenue	545,991	627,515	587,071	629,420	474,796		466,796	536,735	607,285	30.1%
			EXPENSE ACCOUNTS										
5	20	5530	Equipment Maintenance	91	6,915	11,284	16,539	6,523		10,000	21,450	26,000	160.0%
		5610	Operating Supplies	16,148	27,130	7,170	29,561	40,121		30,000	31,000	42,000	40.0%
		5615	Wellhead Protection	60,968	68,495	70,000	70,000	70,000		70,000	70,000	70,000	0.0%
		5620	Testing	544	1,310	5,486	1,863	1,979		5,000	1,000	5,000	0.0%
		5630	Reservoir Maintenance	0	930	-	-	503		5,000	1,000	5,000	0.0%
		5670	Pumping	161,714	252,438	145,282	238,333	253,935		235,000	290,000	335,000	42.6%
5	60	7110	Transfer to General Fund 101	45,000	45,000	65,000	198,328	65,000		65,000	65,000	65,000	0.0%
			Expense	284,465	402,218	304,222	554,624	438,061		420,000	479,450	548,000	30.5%
5	90	8010	Ending Fund Balance	261,526	225,297	282,849	74,796	36,735		46,796	57,285	59,285	26.7%
			FUND 601 - GROUNDWATER CONSTRUCTION FUND										
			INCOME ACCOUNTS								Audited		
3	1	101	Beginning Fund Balance				\$0	\$18,491,356		\$12,664,357	\$9,675,013	\$8,305,600	
3	90	9600	Bond Proceeds				18,531,702	-		-		10,000,000	
3	90	9650	WIFIA Loan Proceeds				-	-		15,000,000	10,000,000	20,419,935	
3	50	5100	Interest Income				-	-		-		-	
3	90	9200	Interfund Transfer - Fund 100				1,940,000			-		-	
3	90	9400	City of Gresham					4,777,380		6,826,000	6,449,000	11,950,000	
			Revenue				20,471,702	23,268,736		34,490,357	26,124,013	50,675,535	46.9%
			EXPENSE ACCOUNTS										
5	20	5110	Contracting Services					285952		150,000	30,000	150,000	
		5120	Groundwater Eng and PM				1,980,346	1439243		5,780,000	5,840,413	15,100,000	
5	40	6035	Groundwater Construction					11,868,528		21,711,794	11,898,000	29,000,000	
		6220	Land							-		-	
5	60	7110	Transfer to Other Funds							140,000	50,000	140,000	

				FY17/18	FY18/19	FY19/20	FY 20/21	FY 21/22		FY22/23	FY22/23	FY23/24	% Change
				Actual	Actual	Actual	Actual	Actual		Budget	End of Year	Proposed	FY22/23 vs
			ACCOUNT DESCRIPTION								Projections		FY23/24
			Expense				1,980,346	13,593,723		27,781,794	17,818,413	44,390,000	59.8%
5	90	8010	Ending Fund Balance				18,491,356	9,675,013		6,708,563	8,305,600	6,285,535	







Rockwood Water  
People's Utility District

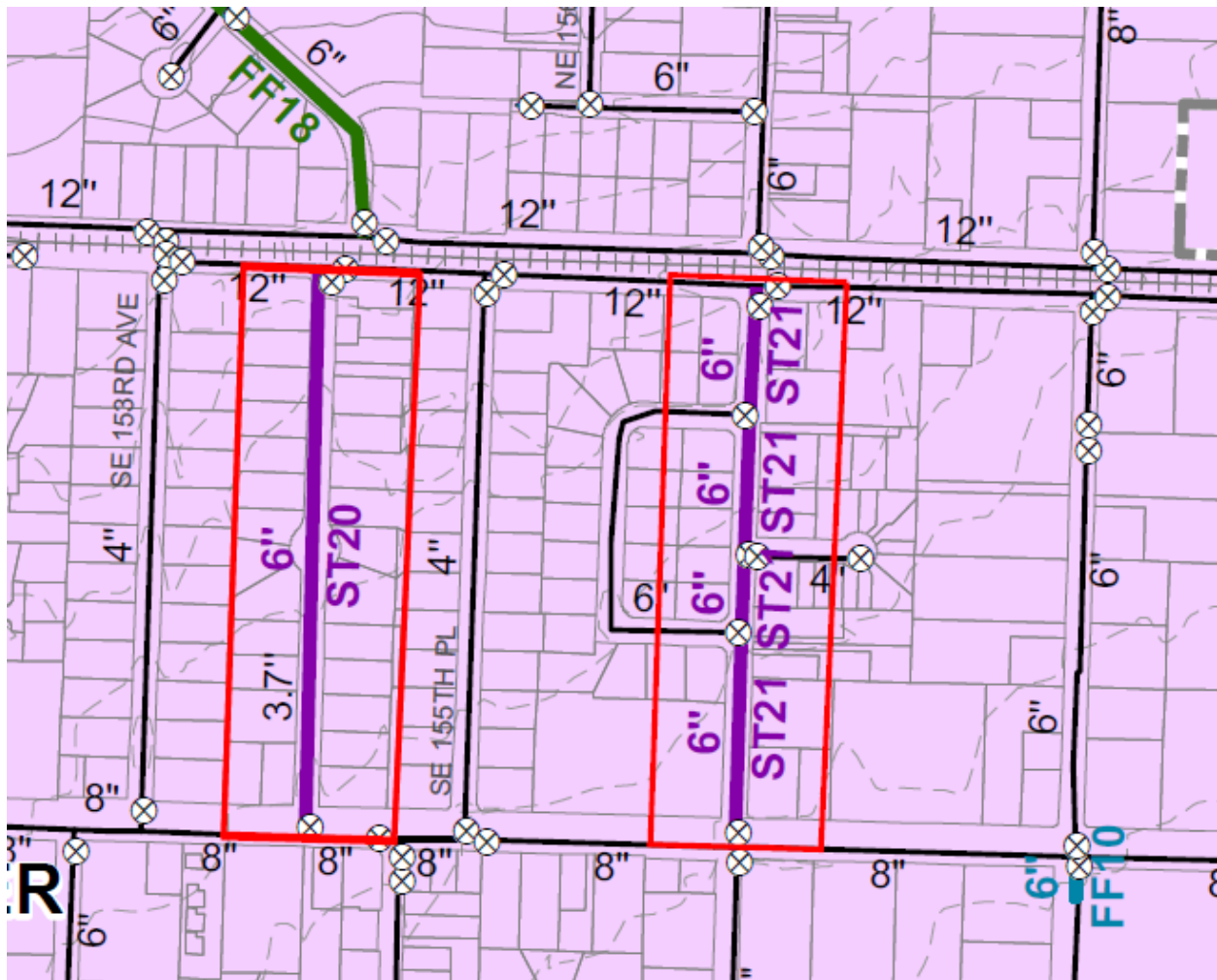
19601 NE Halsey Street  
Portland, OR 97230-7430  
503-665-4179 - Phone  
503-667-5108 - Fax  
[www.rwpud.org](http://www.rwpud.org)

## The Current Fiscal Year (FY) 2022/2023 Capital Improvement Projects (CIP)



**ST20** – Located on SE 154th Avenue between SE Stark Street and E Burnside Street, this project replaces 1,120 linear feet (lf) of 4" outside diameter steel (OD) with 6" ductile iron (DI) lines.

**ST21** - Located on SE 157th Avenue between SE Stark Street and E Burnside Street, this project replaces 1,102 lf of 4" OD with 6" DI lines.

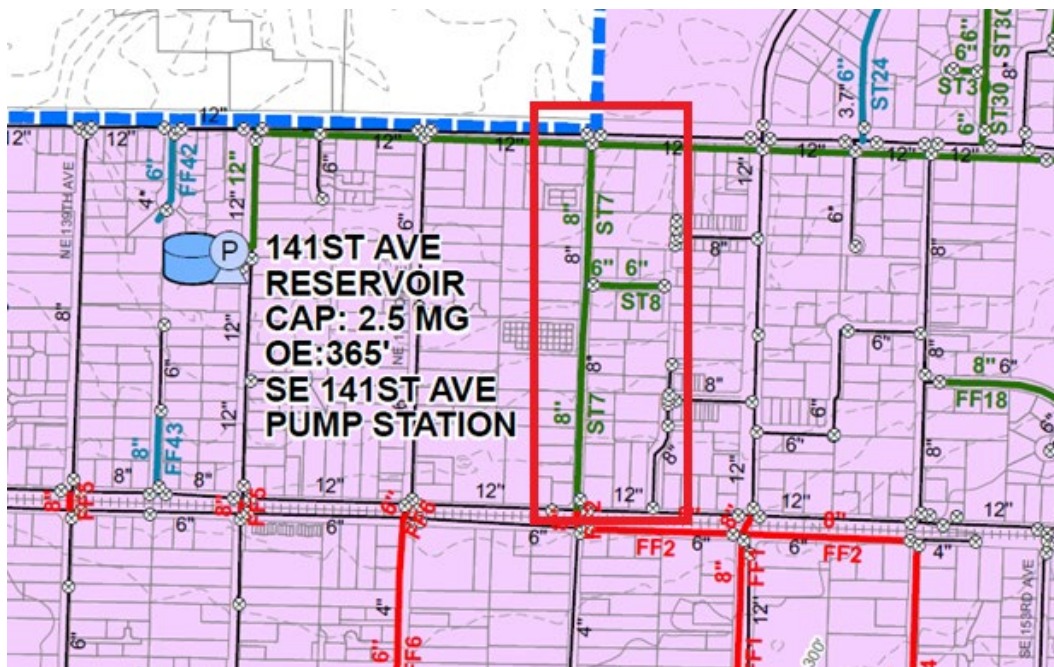


An updated 20 year Water Master Plan is underway. The last Master Plan was completed in 2013. Significant changes have occurred since then for water demands, source water and estimated project costs. This update will accompany the 2020 Groundwater Development Master Plan (GDMP) in planning upcoming projects for the next 20 years, and should be updated every 7-10 years.

### **The Upcoming Fiscal Year (FY) 2023/2024 Capital Improvement Projects**



**ST7 & ST8** – These projects are located on NE 146<sup>th</sup> Avenue from NE Glisan Street to E Burnside Street, and NE Everett Street from NE 146<sup>th</sup> Avenue to the dead-end to the east. These replace 1,460 lf of 8" OD with 8" DI and 312 lf of 4" OD with 6" DI.



**Specialty Surveys and Engineering Consulting** – This item covers any unknown survey and engineering related consulting work needed throughout the year.

**Advanced Metering Infrastructure (AMI)** – District staff are currently piloting several meter brands to determine what product/system would best serve the District. If AMI installation began this coming FY, it will be a multi-year project that will run from FY 2023/2024 through 2028/2029.

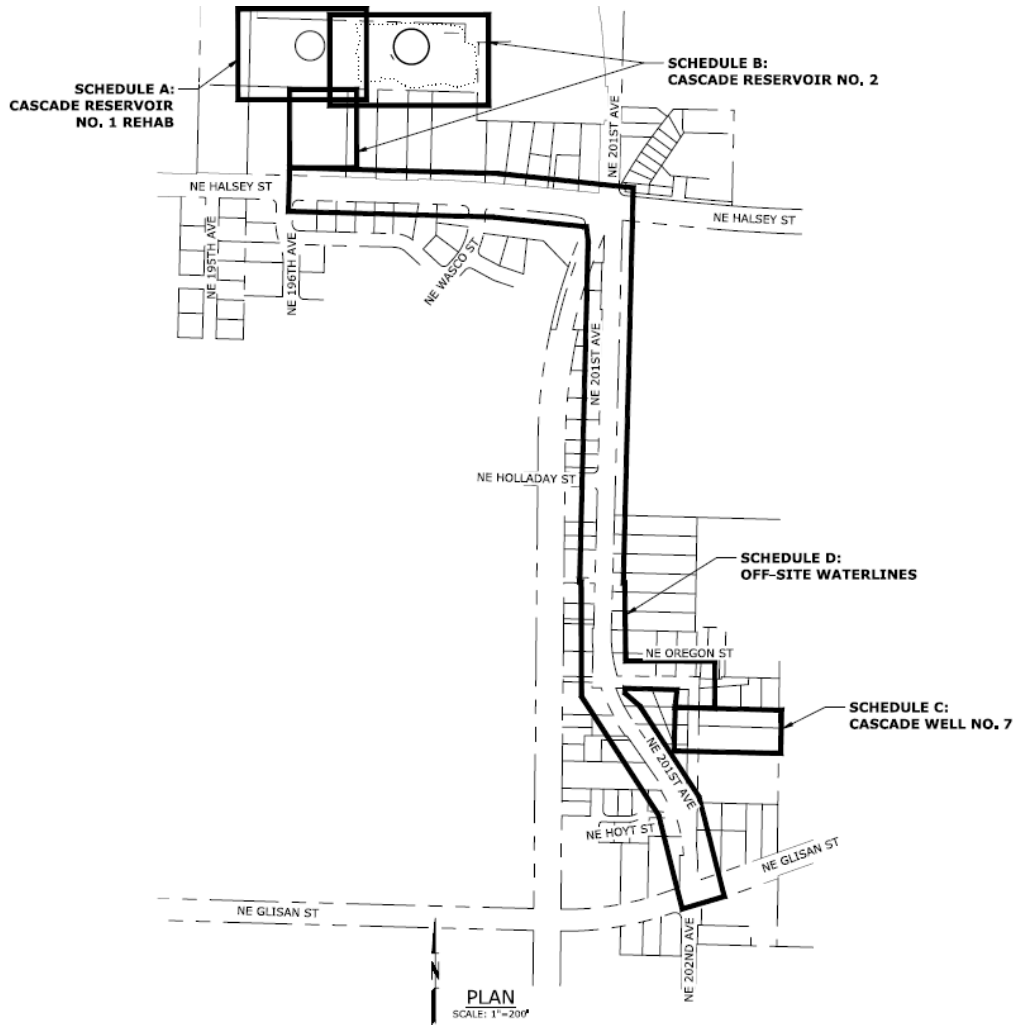


## **The Upcoming Fiscal Year (FY) 2023/2024 Groundwater Development Improvement Projects**

The Groundwater Development Master Plan (GDMP) for the District and City of Gresham identified 9 packages to be completed by 2026 to make the transition to an independent water system. Some of these packages benefit the District and City, and some benefit only the District or City. The packages that only benefit one partner will be managed by that entity. Project Management for the packages that are shared will be managed by one entity or the other. The description of packages that will be active this coming fiscal year (FY) are below.

**Package No. 1, Cascade Reservoir Improvements** – Construction began in June of 2021 and will continue through the third quarter of 2023. This package includes the rehabilitation of the existing 4 million gallon (MG) Cascade Reservoir 1, a new 6 MG Cascade Reservoir 2, a Cascade 7 wellhouse and transmission main, and construction of approximately 3,600 linear feet (lf) of 36" Cascade to Bella Vista/Grant Butte transmission main (Package 2B). Also included in part of this project due to the proximity of the pipeline construction is the District Capital Improvement Project (CIP) ST4 identified in the 2013 Master Plan. The bulk of this project is complete, with only the rehabilitation for Cascade Reservoir 1 remaining. This is a shared project with Gresham that the District is managing. The total estimated project cost for Package 1 is \$22,630,000 and the planned expenditure on this project in FY 2023/2024 is \$4,000,000 split 55:45 between the District and the City of Gresham.









**LEGEND**

- PROPOSED MAIN (Red line)
- EXISTING MAIN (Blue line)
- RESERVOIR (Green circle)
- METER VAULT (M in a circle)

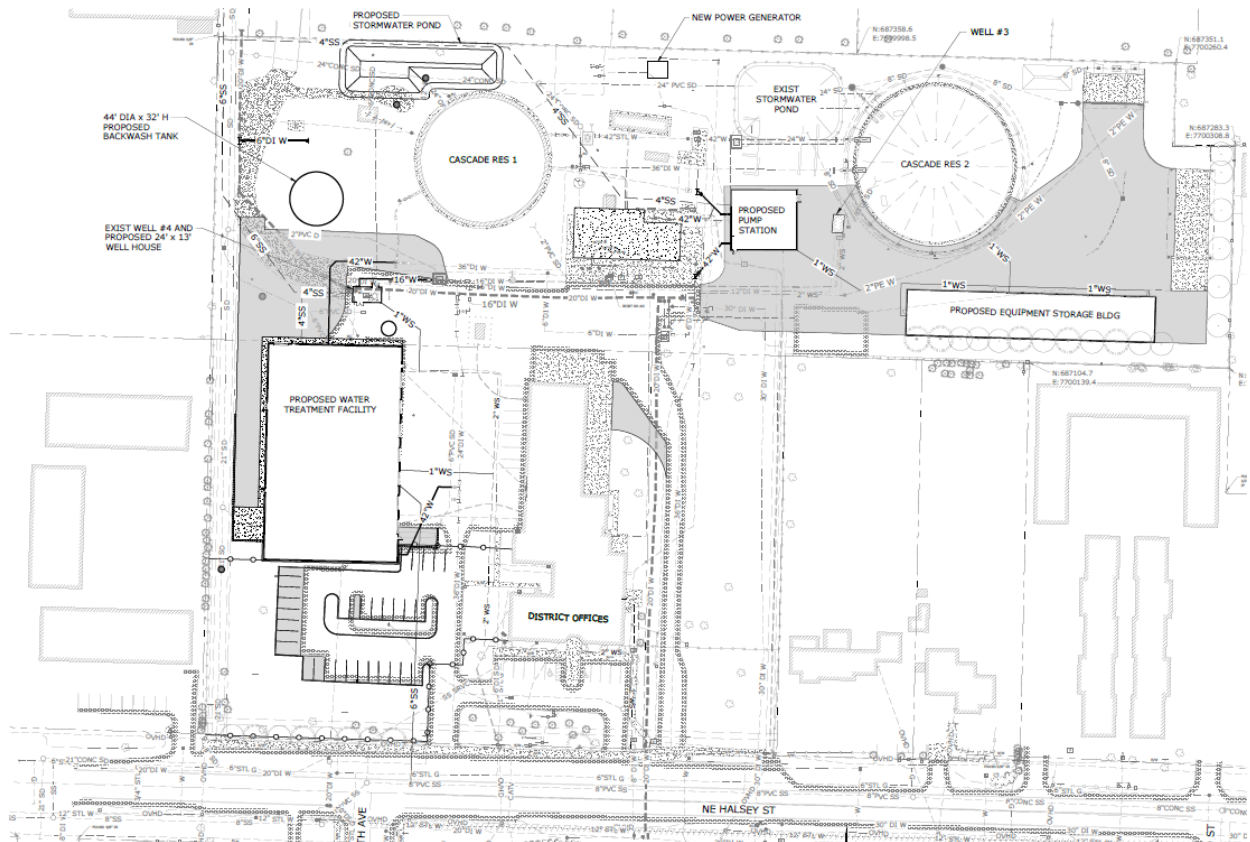
**Map Labels:**

- Cascade Site - 26 MGD (Cascade Res 1/2 and Cascade PS)
- Existing Rockwood 24" Main - To Be Transitioned to CGA Transmission
- 30" - 12.6 MGD
- Gresham - North Meter Station
- RWPUD - Groundwater Supply to Bella Vista
- RWPUD - 5th & Riverview Main - to be intertied with parallel 16" Main
- Gresham - Grant Butte Reservoir - 13 MGD
- Gresham - South Meter Station

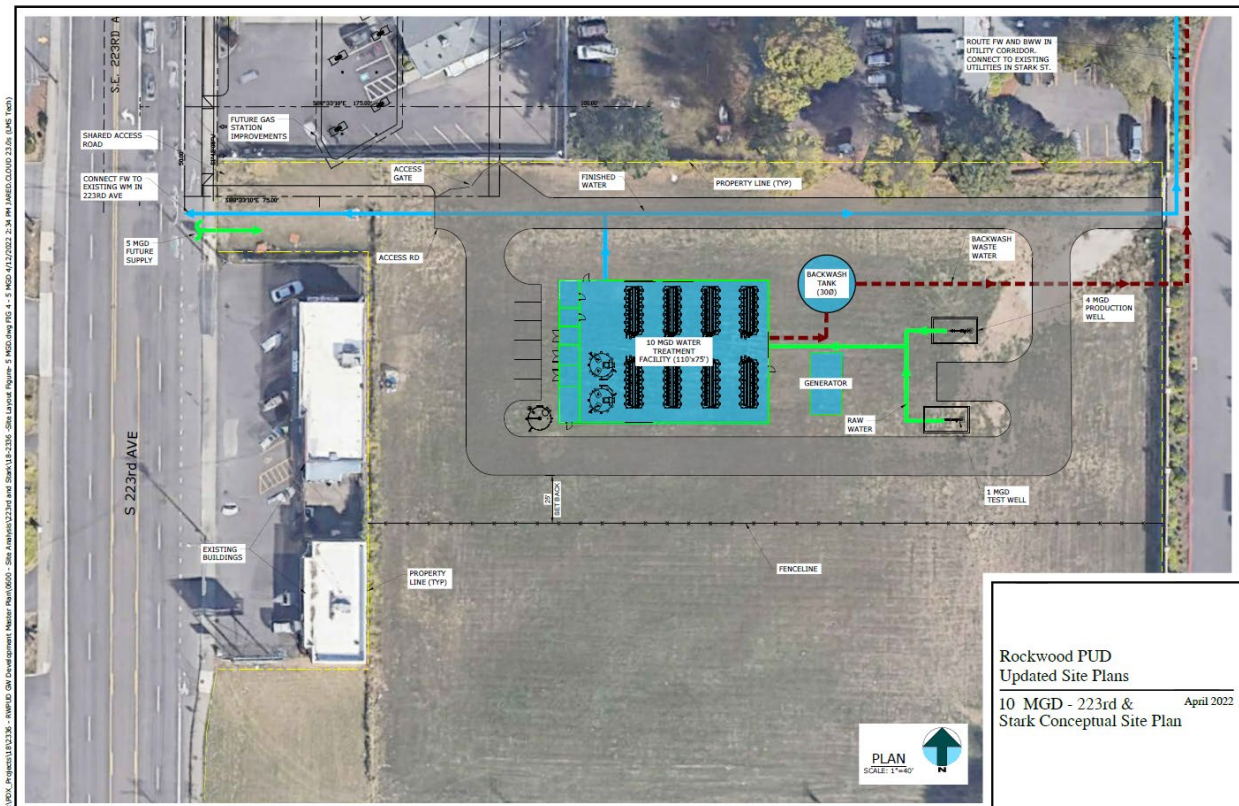




**Package No. 4** – Design started in FY 2022/2023 for a 25-30 MGD water treatment facility, and pump station upgrades, located at the District office location. Construction to take place in FY 2023/2024 and FY 2024/2025. This is a shared project the District is managing. The total estimated cost for Package 4 is \$52,746,950 and the expenditure planned for the District in FY 2023/2024 is \$10,200,000.



**Package No. 5, Cascade Well No. 6** – Currently a test well is located at SE 223<sup>rd</sup> Avenue and SE Stark Street, and the drilling of the production well is almost complete. In FY 2023/2024 design for a future wellhouse, a water treatment plant, onsite piping and a transmission main will begin. Construction is planned to start at the end of FY 2023/2024. The production well is estimated to produce 4 MGD. In the future, the City of Gresham also plans to treat water from a nearby Gresham-only well at this site, increasing the water treatment plant buildout capacity to 10 MGD. This is a shared project the City of Gresham will manage. Total estimated cost for this project is \$20,714,268 split 50:50, with the exception of the additional treatment needed for the Gresham-only well. The planned cost for the District in FY 2023/2024 is \$2,000,000.





**Package No. 6, Cascade Well No. 9** – Located at the City of Gresham’s Kirk Park, on NE 188<sup>th</sup> Avenue, South of Halsey Street. The well has been drilled and the yield is 4 MGD. The site improvements and transmission main design was completed in FY 2022/2023, which consists of a wellhouse, onsite piping and transmission piping to bring the water back to the Cascade water treatment facility. The construction contract was issued in FY 2022/2023 and construction will be completed in FY 2023/2024. This is a shared project the City of Gresham will manage. The total cost estimate for this project is \$10,176,146 split 50:50 and the planned cost for the District in FY 2023/2024 is \$4,000,000.



### **Pilot Testing and Water Quality**

A pilot test was completed for groundwater treatment in FY 2021/2022. This identified what treatment is needed for the manganese removal facility for each of the new and existing Cascade Wells. Additional pipe loop testing and water quality analysis is underway to ensure that all treatment is optimized to ensure optimum water quality for customers.

## CURRENT WATER RATES

Effective July 1, 2022~~22~~23

METER CHARGE (bi-monthly by meter size):	
Size in Inches	Charge
5/8	<del>\$27.38</del> 29.49
3/4	<del>41.09</del> 44.25
1	<del>68.47</del> 73.74
1 1/2	<del>136.86</del> 147.40
2	<del>218.98</del> 235.84
3	<del>479.04</del> 515.93
4	<del>821.18</del> 884.41
6	<del>1,710.75</del> 1,842.47
8	<del>2,463.46</del> 2,653.15
10	<del>3,968.88</del> 4,274.49
Fire meters charged 5/8 inch meter size rate.	
Partial billing periods are prorated.	
Two (or three) separate buildings on the same meter (2-user or 3-user) shall be charged twice (or three times) the meter charge.	

WATER CHARGE:	
Rate per 100 cf (one hundred cubic feet):	<del>\$3.20</del> 3.35
Users outside the District pay a fifty percent (50%) surcharge for water.	

CHARGES AND FEES  
EFFECTIVE JULY 1, 2021~~23~~

Late Notice	<b>\$10.00</b>
48-Hour Door Hanger	<b>20.00</b>
Turn Meter Off for Nonpayment	<b>30.40</b>
Turn Meter on weekdays (4:30 p.m. - 5:00 p.m.)	<b>15.00</b>
Pull Meter/Reinstall	<del>62.14</del> <b>65.87</b>
Move in/Found on Meter	<del>31.07</del> <b>32.93</b>
Broken Curb Stop	<del>124.22</del> <b>131.67</b>
Dishonored Payment	<del>31.07</del> <b>32.93</b>
Cut off at Main	Time and Materials
Broken Lock	<del>28.67</del> <b>30.39</b>
Inspection (turn off/on)	<del>31.07</del> <b>32.93</b>
Repeat Service Calls	<del>31.07</del> <b>32.93</b>
Nonemergency turn on outside of normal working hours	<del>111.81</del> <b>118.52</b>
Backflow Fee	<del>1.33</del> <b>1.41</b> /month
Meter Testing Fee* (at customer site) 5/8" - 1" 1.5" and Over	<del>63.36</del> <b>67.16</b> <del>126.73</del> <b>134.33</b>
Meter Testing Fee* (at Meter Shop) 5/8" 3/4" 1" 1.5" 2"	<del>127.85</del> <b>135.52</b> <del>154.07</del> <b>163.31</b> <del>202.46</del> <b>214.61</b> <del>528.27</del> <b>559.97</b> <del>717.90</del> <b>760.97</b>
	*If meter is not reading accurately per AWWA standards, no fee is charged.
Set-up Fee - New Account	<del>30.40</del> <b>32.22</b>
Late Payment Charge	Bills issued to vendors by District which remain unpaid for over 30 days may be subject to a Late Payment Charge of 1.5% and compounded monthly on the unpaid balance.
Contract Backflow Test	At Cost
Hydrant Use Permit	1 month - <del>29.79</del> <b>31.58</b> 2 - 6 months - <del>59.58</del> <b>63.15</b> 7 - 12 months - <del>119.17</del> <b>126.32</b>
Credit Card Use	Credit cards may be used by District customers to pay for <b>all District related transactions. Credit card use over \$5,000 will be subject to a 5% surcharge fee.</b> <del>routine monthly or bi-monthly water charges at no additional charge. Credit card use will not be permitted to pay for services involved with development services,</del>

	<del>construction activities or other District operations and maintenance items.</del>
Fines for Unpermitted Hydrant Use	First Offense - 175.00* Second Offense - 350.00 Third Offense - 600.00 *This may be waived if arrangements are made with the District within 24 hours of notice of violation.
Additional labor, material and equipment charges may be assessed for special circumstances (i.e., meters in vault, safety and security issues, counting coins, etc.)	

DEPOSITS
<p>The minimum amount of deposit is fifty dollars (\$50). A greater deposit is required on accounts where the usage is known to be higher than a single family dwelling, such as an apartment complex or industrial user. A greater deposit may also be required if there is a high usage history of six months or longer.</p> <p>The deposit shall be calculated as follows: Three to six (3 - 6) bimonthly bills are averaged, and that amount is multiplied by 1.75. The amount is rounded to the nearest five dollars (\$5). The basis for this calculation is that by the time an account has been terminated for non-payment, one (1) entire billing period and three-quarters (3/4) of the next billing period have passed without payment.</p>

PRIVILEGE TAX		
City of Portland	Effective 8/15/94	5.2635%
City of Fairview	Effective 7/1/00	5%
City of Gresham	Effective 7/1/03	5%

### HYDRANT METER RENTAL CHARGES (No Change)

\$13.30 for the first day.

\$6.65 per day thereafter - up to two (2) weeks.

\$3.30 per day thereafter - up to one (1) month.

(Seven [7]-day week computation),

plus current volumetric charge as adjusted by the Board.

For Contractors' uses in excess of thirty (30) days: \$13.30 for the first day, \$6.65 per day for the next fourteen (14) days, weekends excluded, \$3.30 for the balance of the month, weekends excluded, thence \$3.30 per day for as many months as they retain it, weekends excluded; plus current volumetric charge as adjusted by the Board.

For religious, fraternal and charitable organizations using a meter for a legitimate fund-raising activity, the applicable fee shall be exactly one half (1/2) of the fee for the usual, customary residential use.

### APPROVED BACKFLOW PREVENTION DEVICE

Rental rate:

Two-inch (2") double check valve:

First three (3) days or part thereof	\$29.80
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Each additional day or part thereof	9.95
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Two-inch (2") combination meter and backflow device:

First three (3) days or part thereof	\$44.70
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Each additional day or part thereof	\$14.90
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Deposit (refundable):

Meter	\$311.70
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Backflow	\$155.90
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Combination Device	\$435.00
--------------------	----------

(ENR CCI adjustment from January 1, 2020 to December 31, 2021 representing 20 City ENR CCI is 2.2%)



SYSTEM DEVELOPMENT CHARGES <b>NO CHANGE</b>			
Meter Size	Maximum Gallons Per Minute	ERU Equivalent	Total SDC Charge
5/8 inch	20	1	\$ 3,741
3/4 inch	30	1.5	5,611
1.0 inch	50	2.5	9,352
1.5 inch	100	5	18,704
2.0 inch	160	8	29,926
3.0 inch	350	17.5	65,464
4.0 inch	600	30	112,224
6.0 inch	1,250	62.5	233,800
8.0 inch	1,800	90	336,672
10.0 inch	3,900	145	542,416

(ENR CCI adjustment from January 1, 2020 to December 31, 2021 representing 20 City ENR CCI is 2.2%)

## DISCLOSURE OF RECORDS

General. All requests for disclosure of public records shall be handled in accordance with ORS 192.410-192-505. These statutes require disclosure of public records upon request and at a reasonable time and place.

Definition. "Public Records" are defined as "a document, book, paper, photograph, file, sound recording, machine readable electronic record or other material, such as court files, mortgage and deed records, regardless of physical form or characteristics, made, received, filed or recorded in pursuance of law or in connection with the transaction of public business, whether or not confidential or restricted in use. 'Public Records' include correspondence, public records made by photocopying and public writings." (ORS 192.005[5].)

Procedure.

1. Requests for disclosure of public records must be made by filling out a Request for Disclosure of Public Records Form and submit to the District's Custodian of Records (General Manager) or designee.
2. The request must specify the records and time period sought.
3. Upon receipt of the request, the Custodian will review it to determine whether the requested records are statutorily exempt from disclosure. The Custodian may need to inquire as to the propriety of the request with legal counsel.
4. If the records are to be disclosed, the Custodian will contact the requester to arrange a mutually convenient time for examination of the records. The examination will take place at the District's offices and will be made only in the presence of a representative of the District.
5. Copies of the records will be made available for a fee as set forth on the attached schedule.
6. Electronically stored data may be printed and will be charged per page according to the attached schedule.

Interpretation. Questions about the intent or interpretation of this policy shall be referred to the Custodian of Records or District Counsel.

## RECORDS FEE SCHEDULE

Photocopies.

Up to and including 11" x 17" per page or double-sided

(First five pages free)

Black and White

\$0.30

Color

\$1.10

Oversize

Black and White

\$0.30 per square foot

Color

\$1.25 per square foot

Electronic Data.

Cost of storage device and/or reproduction cost

Copies Requiring Scanning

\$0.25 per page

Delivery Method.

Shipping

Actual cost

Fax

\$1.25 per page

Email

No charge

Search Time.

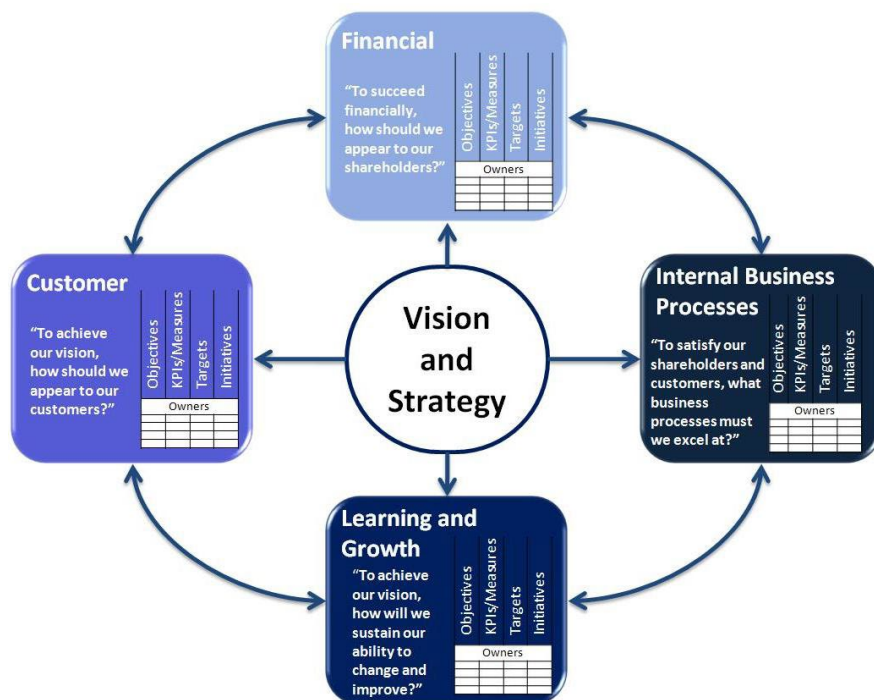
Any request for records requiring more than one half (1/2) hour of staff time to search for and assemble shall be charged at the District's standard hourly rate for the employee(s) involved.



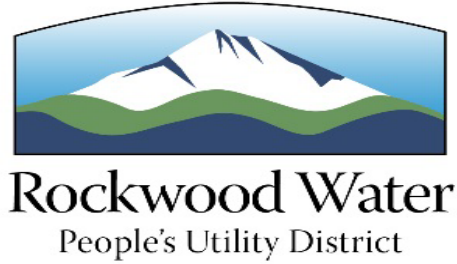


Rockwood Water  
People's Utility District

# 2023 STRATEGIC PLAN



Rockwood Water People's Utility District  
19601 NE Halsey Street  
Portland, OR 97230-7430  
[rwpud.org](http://rwpud.org)



## STRATEGIC PLAN 2023

To: Interested Parties

From: Rockwood Water People's Utility District Board of Directors

The purpose of this Plan is communicating to our customers and all stakeholders the following:

**Our Mission:** What we exist to do.

**Our Values:** How our actions are guided.

**Our Strengths, Weaknesses, Opportunities and Threats:** The environment in which we operate.

**Our Objectives:** What we strive to achieve for our customers and all stakeholders.

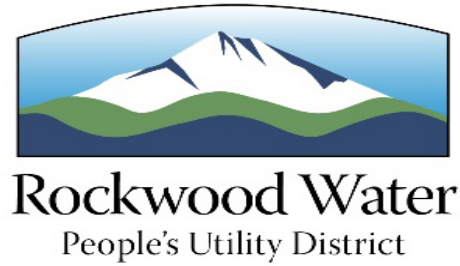
**Our Activities:** What we do in order to meet our objectives.

**Our Key Performance Indicators:** What we monitor, track and evaluate to determine how well we are meeting our objectives.



## Table of Contents

1. Our Mission Statement
2. Our Values
3. Strengths, Weaknesses, Opportunities, Threats (SWOT) Analysis
4. Objectives, Activities, Key Performance Indicators



## **OUR MISSION STATEMENT**

*To strive for total customer satisfaction by providing the safest and highest quality water at the most responsible price.*

*To professionally manage Rockwood Water to assure its financial health for the ongoing protection of our customers.*

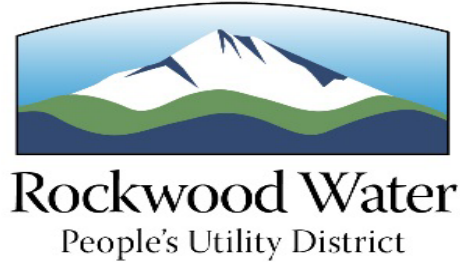




## OUR VALUES

These are the values of the Rockwood Water People's Utility District. They guide us on a daily basis.

<b>Quality</b>	We are committed to providing the highest quality product and service to our customers.
<b>Stewardship</b>	We are exceptional stewards of all District resources (water, money, water system) and the natural environment, and will ensure the District's ability to provide service into the future.
<b>Diversity</b>	We will strive to foster diversity, equity and inclusion in the District and among our staff.
<b>Resilience</b>	We will plan and prepare for emergencies and natural disasters and respond quickly and effectively to unforeseen or unpredictable events.
<b>Community</b>	We are an integral part of the community we serve and are dedicated to serving it and our customers.
<b>Integrity</b>	We are honest, transparent, and have strong moral principles.
<b>Professionalism</b>	We have the skills and competence to provide excellent service to our customers in a way that is reliable and accountable.
<b>Innovation</b>	We continuously strive to implement new processes in order to improve productivity and performance.
<b>Efficiency</b>	We competently perform all District functions and business in a cost-efficient manner.



## **STRENGTHS, WEAKNESSES, OPPORTUNITIES, THREATS ANALYSIS**

### **STRENGTHS**

- Strong brand name; good reputation; respected service provider
- Natural monopoly; no competition for customers
- Competent, able staff; efficient and effective service provision
- Healthy work culture and environment
- Informed and engaged Board; members represent multi-year continuity and fresh perspectives
- Informed and engaged Budget Committee members
- Adopted staffing plan that allows upward mobility for staff
- Developing water supply independence and self-sufficiency
- Water rights are sufficient for future needs of both Rockwood and Gresham
- Strong partnership with Gresham, Cascade Groundwater Alliance (joint well development, Groundwater Protection Program, operational problem solving, system interconnections)
- 98 years of experience as a water utility; **33 years as a People's Utility District**
- Affordable water rates
- Regionally active with partners (e.g., Regional Water Providers Consortium, AWWA, SDAO)
- Solid conservation and environmental stewardship ethic and program

- Good management systems in place (e.g., production reporting, productivity analysis, business process re-engineering, asset management, staff development, financial planning and management)
- Solid multi-year Financial Plan, Capital Improvement Plan, Master Plan, and Water Management and Conservation Plan
- Strong communications protocols internally and with customers (including customer outreach, informative website, newsletters, bill stuffers, history project, social media, involvement with neighborhood associations)

## **WEAKNESSES**

- Potential for increased costs and delays in the Cascade Groundwater Development projects
- Aging infrastructure
- Non-revenue water, or water loss, is higher than desired
- Rate increases required to prepare the District for Debt Service related to construction of the Cascade Groundwater Development Project.
- Inflation
- Impacts of Pandemic (primarily regional staffing shortages)

## **OPPORTUNITIES**

- Partnership with Gresham through the Cascade Groundwater Alliance to develop an independent groundwater supply.
- Service opportunities with smaller neighboring water utilities: Fairview, Wood Village, Interlachen
- Partnership with community organizations to promote DEI objectives and better serve our community
- Economic development with improving economy
- Substantial capacity for growth to saturation
- Sustain improved organization health and culture

- Enhanced focus on safety and security
- Continue public involvement and presence in the community
- 100% Groundwater supply by 2026, no dependence on wholesale water

## **THREATS**

- Pandemic impacts including inflation and supply chain disruptions, personnel, and customer impacts.
- New regulations requiring expensive infrastructure: Manganese, Portland treatment decisions
- Revenue collection issues
- Security breaches/terrorism
- Localized crime, theft, and staff safety
- Loss of a water source (Bull Run forest fire, groundwater contamination)
- Loss of a large customer (Note: Microchip represents 11%-12% of water sales)
- Natural disaster (e.g., forest fire, earthquake, flood)
- Potential cost increases (e.g., purchased water, health insurance, PERS)
- New federal or state fees on water providers (e.g., taxes/fees on water rights; per capita or per meter fees to fund state agencies)



## **OBJECTIVES, ACTIVITIES AND KEY PERFORMANCE INDICATORS**

### **FINANCE**

#### **Objectives:**

- Improve and sustain the financial operating performance and health of the District
- Operate a safe and high performance water utility for the lowest possible cost
- Ensure long-term rate stability and revenue adequacy

#### **Activities:**

- Annually update the 20-year Financial and Capital Improvement Plans
- Raise rates and manage finances in accordance with the Financial Plan
- Develop and report against an adopted annual Financial Plan

#### **Key Performance Indicators:**

- Actual vs. planned budget performance
- Debt service coverage, operating ratio, other Moody's medians for comparison
- Review and adjust rates and charges annually
- Actual rate increases compared to the Financial Plan
- Percent of bills written off
- Average monthly water bill compared to utilities in metro area

## **CUSTOMER**

### **Objectives:**

- Provide outstanding customer service and promote engagement with the community
- Improve customer satisfaction and constituents' perceptions of the District by providing effective and responsive customer care

### **Activities:**

- Employ best customer service management practices and procedures
- Promote a customer service ethic on an ongoing basis
- Participate in neighborhood associations and other community events
- Communicate with customers continually via website, printed material and social media
- Offer assistance for ESL customers when possible
- Offer multiple bill pay options
- Keep website current and accessible, including ADA compliance and language translation features

### **Key Performance Indicators:**

- Percent of bills mailed per schedule
- Percent of bills based on actual meter read
- Percent of billing done by email
- Percent of bills paid through home banking accounts and financial institutions
- Number of neighborhood and community events participated in
- Number of newsletters, CCRs and other informational documents published and distributed
- Customer feedback (by phone, in writing, survey)
- Website hits
- Number of engagements and followers on Facebook
- Google Reviews ratings

## **BUSINESS OPERATIONS**

### **Objectives:**

- Produce and deliver high quality water to customers
- Improve maintenance of aging water system infrastructure by making effective and efficient capital investments in an Asset Management Program context
- Meet or exceed all federal and state water quality and other regulations
- Continuously undertake multi-year planning
- Ensure continuity of service in the event of an emergency
- Be a good steward of the environment
- Ensure the adequacy of water supply and pressure for fire-fighting
- Support economic development by ensuring the availability of required water supply
- Operate and maintain the water system to ensure uninterrupted service

### **Activities and Key Performance Indicators:**

#### **a) Water Quality and Regulatory Compliance Activities:**

- Perform required compliance water sampling and activities
- Continue financial support of Gresham's Cascade Groundwater Protection Program
- Uni-directionally flush one half of the District each year
- Continuously monitor water quality parameters

#### **Key Performance Indicators:**

- Percent of planned samples completed
- Annual payment to Gresham for Groundwater Protection Program
- 1/2 of District flushed per year
- 100% of water quality regulations met 100% of the time

- Water quality report published annually per EPA regulations

**b) System O&M and Construction Activities:**

- Develop and utilize work order system in Tyler
- Implement Capital Improvement Program
- Plan, schedule, monitor and report preventative and corrective maintenance work
- Ensure employees are appropriately trained, resourced and certified
- Continue ongoing O&M and initiatives (e.g., Valve and Hydrant Programs, leak detection, meter repair and replacement)

**Key Performance Indicators:**

- Tracking of work orders completed in Tyler
- Construction of planned Capital Improvement Projects (CIPs)
- Status of employee training and certifications
- Status of initiatives (e.g., valves and hydrants, leak detection)

**c) Water Supply Reliability Activities:**

- Provide multiple sources of supply
- Complete groundwater supply expansion all water by 2026)
- Maintain partnership with Gresham for groundwater development and O&M
- Protect and preserve the District's water rights through compliance with the Water Management and Conservation Plan goals
- Actively locate and repair leaks via O&M and capital projects

**Key Performance Indicators:**

- Scope, schedule and budget of the Cascade Groundwater Expansion Project
- Negotiate emergency supply agreement with Portland
- Maintain compliance with water rights
- Leak detection and repairs tracked and reported monthly



**d) Planning Activities:**

- Update Master Plan and Water Management and Conservation Plan every five years or as otherwise mandated
- Complete Groundwater Development Master Plan Projects by 2026
- Update SWOT analysis annually during the budget process
- Update the Financial Plan annually
- Review operational plans annually
- Actively participate at policy and technical levels of the Regional Water Providers Consortium

**Key Performance Indicators:**

- Implementation of recommendations derived from the Groundwater Development Master Plan, updating Finance Model to include capital investments, and adjust rates to assure adequate financial resources
- Status of Master Plan and Water Management and Conservation Plan updates
- SWOT updated as part of the budget development process
- Financial Plan updated annually
- Status of review of operational plans
- Status of involvement with the Regional Water Providers Consortium

**e) Emergency Preparedness Activities:**

- Keep the Emergency Response Plan (ERP) current
- Ensure availability of resources
- Educate and train staff on responsibilities and SOPs
- Enter mutual aid agreements with responsible parties

**Key Performance Indicators:**

- ERP is current and updated annually
- Appropriation of funds for emergency preparedness and response

- Familiarization of staff with ERP responsibilities and SOPs
- Status of mutual aid agreements with others

**f) Environmental Stewardship Activities:**

- Continue to offer a robust conservation program as a District and as a member of the Regional Water Providers Consortium
- Include renewable energy analysis in the Groundwater facility design and planning
- Evaluate and plan for Electric fleet options where feasible
- Comply with all Groundwater Protection Zone requirements and regulations

**Key Performance Indicators:**

- Status of conservation programs (funding and other resources)
- Status of energy efficiency and renewable energy projects
- Status of compliance with the Groundwater Protection Zone regulations

**g) Public Safety Activities:**

- Build all Fire Flow projects identified in the CIP (see System O&M)

**Key Performance Indicators:**

- Status of implementation of planned Fire Flow CIPS

**h) Economic Development Activities:**

- Respond to all requests for new service in a timely and responsive manner
- Institute compliant and equitable System Development Charges (SDCs)
- Implement actions itemized elsewhere to ensure water supply availability
- Keep Developer Handbook up to date and accessible on the website

**Key Performance Indicators:**

- Status of response to requests for new services
- Equitability of SDCs and compliance with Oregon State Law
- Developer Manual up to date and available on the website and in the office

## **LEARNING AND GROWTH**

### **Objectives:**

- Invest in recruiting, retraining and developing a knowledgeable, multi-skilled and culturally competent workforce by improving knowledge, skills and abilities
- Enhance work force safety and satisfaction of employees
- Improve awareness of diversity and inclusion issues in the workplace

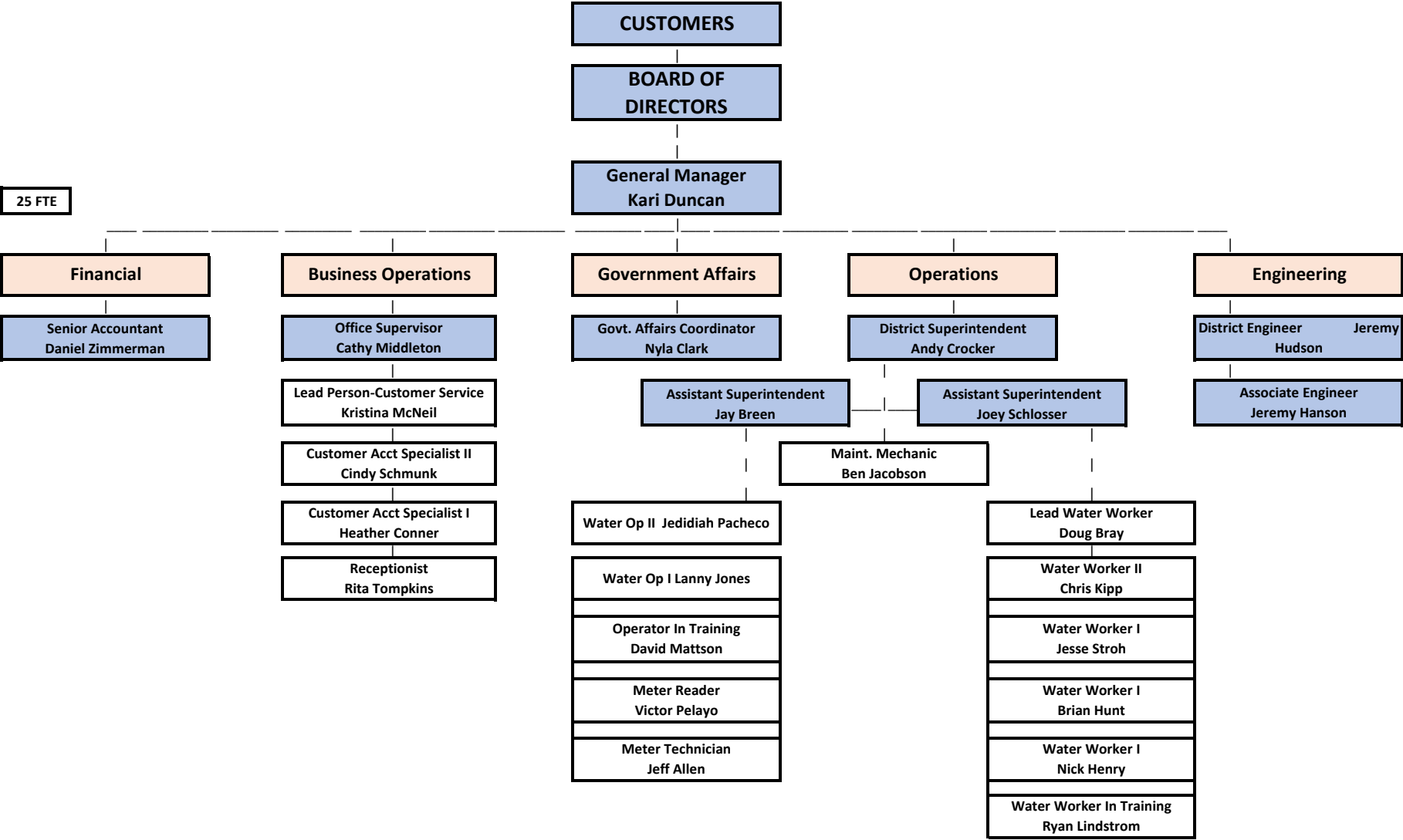
### **Activities:**

- Provide employee growth and training opportunities
- Maintain safety program and monitor and report implementation
- Monitor and report safety incidents, develop corrective action plans for all deficiencies.
- Develop strategies to recruit talent from diverse backgrounds

### **Key Performance Indicators:**

- Employee training and tracking
- Status of safety meetings and compliance
- Status of daily monitoring and reporting accidents

**Rockwood Water PUD  
2023 Organization Chart**



10 Year Vehicle Replacement Plan  
(Prepared by: J. Schlosser 01272023)

FY 2023/24

Prepared by Joey Schlosser 1/27/2023

Vehicle No.	Year	Make	Model	Miles/ Hours	Vin #	Fuel	Trade Value												Replace with/	Cost - Comparisons	Cost - New	Budget Cost
								2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34				
TRUCKS																						
New Truck										X									Mechanic shop Truck F-250 XL SC 4x4 Boxes and lights	\$57,280 5000	\$62,280	\$55,000
RW 52	2022	Ford	F-150 CC 4x4	2,232	MKF08842	Gas	\$0										X		New Jauary 2022	\$42,238	\$42,238	\$42,238
RW 12	2015	Dodge	3500 SC	21,636	3CWRSBJ1F625841	Gas	Bluebook \$20,794						X						Ford F-350 XL FB Flat Bed, Lights	29,909 \$10,000	\$39,909	\$19,115
RW 51	2020	Ford	F-450 SC 4X4 Dump Body	5,233	1FDUF4HN2LDA14448	Gas	\$0								X				Replaced in 2021			
RW 35	2004	Ford	Freestar Van	21,297	2FMZA57634BA49561	Gas	Bluebook \$1,800		X										Bronco Sport Lights	35,000 \$1,000		
RW 36	2018	Westward Industries Go-4	Interceptor	28,679	2W9M1PM68JW044572	Gas	\$0							X					Replaced in 2018			
RW 50	2021	Ford	Connect Tran	9,814	NM0LS7E23M1483264	Gas	\$0										X		Replaced in 2021			
RW39	2018	Westward Industries Go-4	Interceptor	19,568	2W9M1PM66JW044571	Gas	\$0							X					Replaced in 2018			
RW 40	2007	Ford	F-150 CC	36,512	1FTPX12V97FB73595	Gas	Bluebook \$5,000		X										Ford F-150 XLT CC 4X4 Extras Boxes, Lights	42,238 5000	\$47,238	\$42,238
RW 47	2020	Ford	F-350 SC Flatbed	6,434	1FDRF3GN1LEC31128	Gas	\$0								X				Replaced in 2020			
RW 42	2008	F-150	F-150 SC	47,676	1FTRF12268KE70964	Gas	Bluebook \$5,000		X										Ford F-550 XL FB/CRANE Flat Bed, Crane and Lights	\$54,000 40,000	\$94,000	\$89,000
RW 43	2008	Ford	F-150 SC	19,972	1FTRF12248KF04965	Gas	Blue book \$5,000					X							Ford F-150 XL Single Cab 4x4 Lights, Boxes,	42,238 \$5,000	\$47,238	\$42,238
RW 44	2008	Dodge	Sprinter Van	72,648	WDOPE745685258317	Diesel	Bluebook \$11,721					X							Ford Transit Connect Cargo Van Tool boxes, shelving, Lights	50,000 \$12,000	62000	\$50,279
RW 46	2020	Chevy	Colorado EX-Cab	42,442	1GCHSBEA5L1112995	Gas	\$0							X					Replaced in October 2019			

EQUIPMENT																						
RW 48	2020	Freightliner	12 YARD	8,241	1FVHC5FE0LHLV8476	Diesel	\$0												Replaced in February 2020			
RW 49	2021	Freightliner	12 YARD	5333.9	1FVHC5FE3MHMG4398	Diesel	\$0												Replaced in September of 2020			
RW 28	2000	Volvo	12 YARD	30,363.00	4V5JC2HE7YN870074	Diesel	\$0				X								2026 F-450 with Dump Body dump box and flashers	\$50,000 \$20,000	\$70,000	\$70,000
RW 29	2001	Freightliner	12 YARD	50,260	1FVHBXBS11HH90701	Diesel	\$0						X						New rules will require this replacement 2027 Freightliner M2 112 Dump Truck Columbia dump box with tarp for asphalt	\$101,000 \$42,000	\$143,000	\$143,000
RW 53	2023	Freightliner	Service	0		Diesel	Surplus @end of 23/24 \$25,000												Replaced in 2023			
RW 33	2002	International	Service	52,439	1HTMMAAN52H529179	Diesel	Surplus @end of 24/25 \$25,000	X											OR CAT Tax Freightliner M2 106 Custom Enclosed Utility Box		\$1,014 \$95,738 \$168,245	\$264,997
BACKHOE JD-2	1993	John Deere	Backhoe 710C	8147 Hours	T0710CD785777	Diesel	\$10,000												Surplus in 2026/27			
Volvo Roller	2018	Volvo	DD25B	193.3 Hours	VCE0D25BLOH660995	Diesel	\$0												Replaced in 2018			
MINI X TRAILER	2026	Valor/Trail Max	24TS	N/A	N/A	N/A	\$0		X										Felling Trailer FT-24-2 T Valor/Trail Max TD-24-T Trail King TKT24LP Electric brakes 29267.66	25,896 32,000 29,268	\$35,000	\$35,000
New Vac		Ditch Witch Ditch Witch Ditch Witch	HX30G FX20/300 Fx25/500	N/A	N/A	Gas Gas Gas	\$0												HX 30G Ditch Witch FX20/300 gallon Ditch Witch FX25/500 gallon Ditch Witch	\$44,042 \$38,252 \$43,984		\$0
MX I	2013	Takeuchi	250	3422.5	4PT5T62238D1196998	Diesel	\$0				X								John Deere 60G Extra Accessories Breaker and Compactor	\$83,450 \$18,531	\$101,981	\$101,981
Vac	2012	Vermeer	V1200HD	1434.7	V12H100412214	Diesel	\$0			X									Ditch Witch HX 75	112413.25	\$112,413	\$112,413

FL 1	2005	Ingersoll Rand	8000lb	1822.01	182631	Diesel	\$0											Low hours no need to replace. Evaluate after 2029		\$0	\$0
FL 2	2020	Toyota	5000lb	149.7	L87764706	Propane	\$0											Toyota Core IC Pneumatic Leased for 8 months purrchased in July 2021			
CO	1997	Ingersoll Rand	Air Compressor	383.2 Hours	278355UFH221	Diesel	\$0											Rarely used no need to replace. Evaluate after 2029		\$0	\$0
Tailer	2019	Trail Max	TD-24-T	N/A	5UCPT3329KA003805	N/A	\$0											Replaced in 2018			
NEW	2024	John Deere	344L	\$88	1LU344LXKZB063518*	Diesel	\$0											Replaced in 2021 John Deere Wheel Loader 344L W/Forks Bought new on July 7th for 136,000	\$136,000		
MX 2	2019	John Deere	60G	1078.6 Hours	1FF060GXCKJ290741	Diesel	\$0											Replaced July 2019			
Flat Saw	2021	Meco 35	WA 1770	1502	96011073	Gas	\$500					X						Husqvarna 3500G	24,232	\$24,232	23,732

Annual Budget	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	\$264,997	\$166,238	\$167,413	\$171,981	\$116,249	\$162,115	\$0	\$0	\$0	\$0	\$0

Replaced Vehicles

10 Year IT Budget

Item	Inventory Number	Fund	Fiscal Year Purchased	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033
Pavelcomm (\$2860.81/mo)	-	5-20-5110	-	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00
-													
Search Commander (\$65/mo)	-	5-20-5110	-	\$ 780.00	\$ 780.00	\$ 780.00	\$ 780.00	\$ 780.00	\$ 780.00	\$ 780.00	\$ 780.00	\$ 780.00	\$ 780.00
-													
BOEC Annual Fee	-	5-20-5110	-	\$ 700.00	\$ 700.00	\$ 700.00	\$ 700.00	\$ 700.00	\$ 700.00	\$ 700.00	\$ 700.00	\$ 700.00	\$ 700.00
-													
	<b>Total</b>	<b>5-20-5110</b>		<b>\$ 41,480.00</b>	<b>\$ 41,480.00</b>	<b>\$ 41,480.00</b>	<b>\$ 41,480.00</b>	<b>\$ 41,480.00</b>	<b>\$ 41,480.00</b>	<b>\$ 41,480.00</b>	<b>\$ 41,480.00</b>	<b>\$ 41,480.00</b>	<b>\$ 41,480.00</b>
Mitel Software Assurance	-	5-20-5460	20/21	\$ 855.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-													
HPE ProLiant ML350 Gen9 Server Warranty	-	5-20-5460	21/22	\$ -	\$ -	\$ 1,620.00	\$ -	\$ -	\$ 1,620.00	\$ -	\$ -	\$ 1,620.00	\$ -
-													
VM Hardware Essentials License	-	5-20-5460	22/23	\$ -	\$ -	\$ 270.00	\$ -	\$ -	\$ 270.00	\$ -	\$ -	\$ -	\$ -
-													
Sonicwall Advanced Gateway Security Suite	-	5-20-5460	20/21	\$ 2,140.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-													
Word Press Engine (renews 10/5/2023)	-	5-20-5460	22/23	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00
-													
AutoCAD - 3 licenses	-	5-20-5460	-	\$ 4,681.08	\$ 4,681.08	\$ 4,681.08	\$ 4,681.08	\$ 4,681.08	\$ 4,681.08	\$ 4,681.08	\$ 4,681.08	\$ 4,681.08	\$ 4,681.08
-													
ESRI ArcGIS Single Use - 3 licenses	-	5-20-5460	-	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
-													
ESRI ArcGIS Publisher - 1 license	-	5-20-5460	-	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
-													
ESRI ArcGIS Mobile Worker - 1 license	-	5-20-5460	-	\$ 385.00	\$ 385.00	\$ 385.00	\$ 385.00	\$ 385.00	\$ 385.00	\$ 385.00	\$ 385.00	\$ 385.00	\$ 385.00
-													
BlueBeam Revu - 1 license	-	5-20-5460	-	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00
-													
Zoom Room - 1 license	-	5-20-5460	-	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
-													
Zoom Webinar - 2 licenses	-	5-20-5460	-	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00
-													
Zoom Pro - 3 licenses	-	5-20-5460	-	\$ 449.70	\$ 449.70	\$ 449.70	\$ 449.70	\$ 449.70	\$ 449.70	\$ 449.70	\$ 449.70	\$ 449.70	\$ 449.70
-													
Office 365 E1 - 20 licenses	-	5-20-5460	-	\$ 2,400.00	\$ 2,400.00	\$ 2,400.00	\$ 2,400.00	\$ 2,400.00	\$ 2,400.00	\$ 2,400.00	\$ 2,400.00	\$ 2,400.00	\$ 2,400.00
-													
Office 365 E3 - 17 licenses	-	5-20-5460	-	\$ 4,692.00	\$ 4,692.00	\$ 4,692.00	\$ 4,692.00	\$ 4,692.00	\$ 4,692.00	\$ 4,692.00	\$ 4,692.00	\$ 4,692.00	\$ 4,692.00
-													
Adobe Acrobat - 12 licenses	-	5-20-5460	-	\$ 3,454.56	\$ 3,455.56	\$ 3,456.56	\$ 3,457.56	\$ 3,458.56	\$ 3,459.56	\$ 3,460.56	\$ 3,461.56	\$ 3,462.56	\$ 3,166.68
-													
Metro RLIS Live Annual Subscription	-	5-20-5460	-	\$ 480.00	\$ 480.00	\$ 480.00	\$ 480.00	\$ 480.00	\$ 480.00	\$ 480.00	\$ 480.00	\$ 480.00	\$ 480.00
-													

10 Year IT Budget

Item	Inventory Number	Fund	Fiscal Year Purchased	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033
Go Daddy (rwpud.org) (rockwoodwater.org)	-	5-20-5460	-	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
-													
OV SSL Certificate for SonicWall VPN	-	5-20-5460	-	\$ 169.99	\$ 169.99	\$ 169.99	\$ 169.99	\$ 169.99	\$ 169.99	\$ 169.99	\$ 169.99	\$ 169.99	\$ 169.99
-													
	<b>Total</b>	<b>5-20-5460</b>		<b>\$ 22,437.33</b>	<b>\$ 19,443.33</b>	<b>\$ 21,334.33</b>	<b>\$ 19,445.33</b>	<b>\$ 19,446.33</b>	<b>\$ 21,337.33</b>	<b>\$ 19,448.33</b>	<b>\$ 19,449.33</b>	<b>\$ 21,070.33</b>	<b>\$ 19,154.45</b>
Customer Account Specialist Lead - Kristina Dell Optiplex 3050	RW-PC16	5-20-5510	18/19	\$ 1,590.00	\$ -	\$ -	\$ -	\$ -	\$ 1,925.00	\$ -	\$ -	\$ -	\$ -
Customer Account Specialist I - Heather Dell Optiplex 3000 i5 16GB	RW-PC04	5-20-5510	22/23	\$ -	\$ -	\$ -	\$ -	\$ 1,850.00	\$ -	\$ -	\$ -	\$ -	\$ 2,250.00
Customer Account Specialist II - Cindy Dell Optiplex 3050	RW-PC15	5-20-5510	18/19	\$ 1,590.00	\$ -	\$ -	\$ -	\$ -	\$ 1,925.00	\$ -	\$ -	\$ -	\$ -
District Engineer - Hudson Dell Precision 5820 Custom	RW-PC14	5-20-5510	18/19	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -	\$ 6,075.00	\$ -	\$ -	\$ -
Engineer Associate - Hanson Dell Precision 5820 Custom	RW-PC17	5-20-5510	18/19	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -	\$ 6,075.00	\$ -	\$ -	\$ -
Locates Dell Optiplex 3070	RW-PC20	5-20-5510	19/20	\$ -	\$ -	\$ 1,700.00	\$ -	\$ -	\$ -	\$ -	\$ 2,100.00	\$ -	\$ -
Mechanic - Ben Dell Optiplex 3070	RW-PC19	5-20-5510	19/20	\$ -	\$ -	\$ 1,700.00	\$ -	\$ -	\$ -	\$ -	\$ 2,100.00	\$ -	\$ -
Water Operations Support Specialist - Lanny Dell Optiplex 3050	RW-PC11	5-20-5510	22/23	\$ -	\$ -	\$ -	\$ -	\$ 1,850.00	\$ -	\$ -	\$ -	\$ -	\$ 2,250.00
Receptionist - Rita Dell OptiPlex 3070	RW-PC18	5-20-5510	19/20	\$ -	\$ -	\$ 1,700.00	\$ -	\$ -	\$ -	\$ -	\$ 2,100.00	\$ -	\$ -
Assistant Superintendent - Joey Dell Inspiron 3510	RW-LT03	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ 3,500.00	\$ -	\$ -	\$ -	\$ -	\$ 4,250.00	\$ -
General Manager - Kari Dell Latitude 5500 i5 8 GB RAM	RW-LT08	5-20-5510	19/20	\$ -	\$ -	\$ 3,400.00	\$ -	\$ -	\$ -	\$ -	\$ 4,125.00	\$ -	\$ -
District Superintendent - Andy Dell Inspiron 3510	RW-LT11	5-20-5510	21/22	\$ -	\$ -	\$ -	\$ 3,500.00	\$ -	\$ -	\$ -	\$ -	\$ 4,250.00	\$ -
Government Affairs Coordinator - Nyla Dell Latitude 5531	RW-LT07	5-20-5510	22/23	\$ -	\$ -	\$ -	\$ -	\$ 3,725.00	\$ -	\$ -	\$ -	\$ -	\$ 4,525.00
Office Supervisor - Cathy Dell Latitude 5531	RW-LT14	5-20-5510	22/23	\$ -	\$ -	\$ -	\$ -	\$ 3,725.00	\$ -	\$ -	\$ -	\$ -	\$ 4,525.00
Water Operations Specialist - Jay Dell Inspiron 3510	RW-LT09	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ 3,500.00	\$ -	\$ -	\$ -	\$ -	\$ 4,250.00	\$ -
Senior Accountant - Dan Dell Latitude 5531	RW-LT15	5-20-5510	22/23	\$ -	\$ -	\$ -	\$ -	\$ 3,725.00	\$ -	\$ -	\$ -	\$ -	\$ 4,525.00
Water Operations Support Specialist - Jed Dell Latitude 3420	RW-LT12	5-20-5510	21/22	\$ -	\$ -	\$ -	\$ 3,500.00	\$ -	\$ -	\$ -	\$ -	\$ 4,250.00	\$ -
District Engineer - Hudson -	RW-LT02	5-20-5510	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



10 Year IT Budget

Item	Inventory Number	Fund	Fiscal Year Purchased	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033
Board Room Dell Latitude 5580	BoardRoom	5-20-5510	17/18	\$ 3,185.00	\$ -	\$ -	\$ -	\$ -	\$ 3,875.00	\$ -	\$ -	\$ -	\$ -
Lead Person - Doug HP Probook 450 G9	RW-LT16	5-20-5510	22/23	\$ -	\$ -	\$ -	\$ -	\$ 1,800.00	\$ -	\$ -	\$ -	\$ -	\$ -
Lead Person - Doug HP Probook 450 G9	RW-LT17	5-20-5510	22/23	\$ -	\$ -	\$ -	\$ -	\$ 1,800.00	\$ -	\$ -	\$ -	\$ -	\$ -
Laptop for Engineer Intern Latitude 7670 BTX, WD19DCS	RW-LT18	5-20-5510	22/23	\$ -	\$ -	\$ -	\$ -	\$ 4,440.00	\$ -	\$ -	\$ -	\$ -	\$ -
Board Member - Coby Riley Apple iPad 12.9" 6th Gen, A2764	K7LPW6C27V	5-20-5510	22/23	\$ -	\$ -	\$ -	\$ -	\$ 1,490.00	\$ -	\$ -	\$ -	\$ -	\$ -
Board Member - Kathy Zimmerman Apple iPad 12.9" 6th Gen, A2764	MG2VC9KJXC	5-20-5510	22/23	\$ -	\$ -	\$ -	\$ -	\$ 1,490.00	\$ -	\$ -	\$ -	\$ -	\$ -
Board Member - Larry Dixon Apple iPad 12.9" 5th Gen, A2379	QP2WT7MMV5	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ 1,490.00	\$ -	\$ -	\$ -	\$ -	\$ -
Board Member - Steve Okazaki Apple iPad 12.9" 6th Gen, A2764	HD71370J5P	5-20-5510	22/23	\$ -	\$ -	\$ -	\$ -	\$ 1,490.00	\$ -	\$ -	\$ -	\$ -	\$ -
Board Member - Tom Apple iPad 12.9" 5th Gen, A2379	Q3H6DH4VC3	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ 1,490.00	\$ -	\$ -	\$ -	\$ -	\$ -
Engineering APPLE iPd8gen 32GB SGY	F9FDW034Q1KV	5-20-5510	20/21	\$ -	\$ -	\$ 800.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer Service APPLE iPd6genA1954	DMPXCHLDJF88	5-20-5510	20/21	\$ -	\$ -	\$ 1,300.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
On Off APPLEiPdPro13 21 128GB SGY	M5J44T2Q6C	5-20-5510	20/21	\$ -	\$ -	\$ 1,300.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Locates Apple iPad Pro 12.9-inch (2021)	356142831010731	5-20-5510	20/21	\$ -	\$ -	\$ 1,300.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FirstNet Signal Booster -	-	5-20-5510	-	\$ 1,400.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Weekend On Call APPLE iPhoXR (1)	DX4DF9D5KXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mechanic - Ben APPLE iPhoXR (1)	DX4DF9NWKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assistant Superintendent - Joey APPLE iPhoXR (1)	DX4DF6FJKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District Superintendent - Andy APPLE iPhoXR (1)	DX3DDXLPKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Engineer Associate - Hanson APPLE iPhoXR (1)	DX4DDEZDKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District Engineer - Hudson APPLE iPhoXR (1)	DX3DDPNWKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Government Affairs Coordinator - Nyla APPLE iPhoXR (1)	DX4DDBS8KXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

10 Year IT Budget

Item	Inventory Number	Fund	Fiscal Year Purchased	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033
General Manager - Kari APPLE iPhoXR (1)	DX3DDQXHKKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Operations Support Specialist - Lanny APPLE iPhoXR (1)	DX3DDSF6KKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility Worker 1 - Brian APPLE iPhoXR (1)	DX3DFEGGKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility Worker 2 - Chris Apple Iphone 12 (1)	DX3H2M0B0DXP	5-20-5510	21/22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lead Person - Doug APPLE iPhoXR (1)	DX4DD47KKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Meter Technician On/Off - Jeff APPLE iPhoXR (1)	DX3DDWMQKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility Worker 1 - Jesse APPLE iPhoXR (1)	DX3DDPPKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Worker in Training - Ryan APPLE iPhoXR (1)	DX3DDSXPKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Operator in Training - David APPLE iPhoXR (1)	DX3DDSFJKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility Worker 1 - Nick APPLE iPhoXR (1)	DX3DDY1UKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Meter Reader - Victor APPLE iPhoXR (1)	DX3DDQU5KXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Operations Specialist - Jay APPLE iPhoXR (1)	DX4DD7YYKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Operations Support Specialist - Jed APPLE iPhoXR (1)	DX3DDSAEKXKN	5-20-5510	20/21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WAP - Board Room / Break Room (2) Ubiquiti UniFi UAP-AC-PRO	-	5-20-5510	21/22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WAP - Outdoor AP (2) -	-	5-20-5510	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Server Room Switch (2) Dell 48 N1548P	48 N1548P	5-20-5510	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SCADA Room Switch (2) Dell 24 N1524P	24 N1524P	5-20-5510	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ubiquiti Switch (2) Ubiquiti 8 PoE (150 watt)	US-8-150W	5-20-5510	22/23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Server Room Switch (2) Cisco SG100-24	SG100-24	5-20-5510	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Verkada Mokerlink Switch 18 Port PoE (2) Mokerlink POE-G162G	POE-G162G	5-20-5510	22/23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>		<b>5-20-5510</b>		<b>\$ 7,765.00</b>	<b>\$ 10,000.00</b>	<b>\$ 13,200.00</b>	<b>\$ 14,000.00</b>	<b>\$ 32,165.00</b>	<b>\$ 9,975.00</b>	<b>\$ 13,950.00</b>	<b>\$ 11,775.00</b>	<b>\$ 17,000.00</b>	<b>\$ 19,075.00</b>

10 Year IT Budget

Item	Inventory Number	Fund	Fiscal Year Purchased	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033
Ricoh	-	5-40-6140	-	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ricoh MP C4503													
Engineering Plotter	-	5-40-6140	18/19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -
Canon Image Prograf TM-305													
Printer - Engineering	-	5-40-6140	18/19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000.00	\$ -	\$ -	\$ -	\$ -
HP LaserJet M750dn													
Mitel Office 250	-	5-40-6140	-	\$ -	\$ -	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mitel													
Server	-	5-40-6140	16/17	\$ -	\$ -	\$ -	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HP ProLiant ML350 SRV-DC													
Datto Alto	-	5-40-6140	21/22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Datto Backup Appliance 4TB													
Additional Server / Upgrade	-	5-40-6140	-	\$ -	\$ -	\$ -	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-													
Sonicwall	TZ400	5-40-6140	16/17	\$ -	\$ -	\$ -	\$ -	\$ 3,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Dell Sonicwall TZ400													
	<b>Total</b>	<b>5-40-6140</b>		<b>\$ 15,000.00</b>	<b>\$ -</b>	<b>\$ 15,000.00</b>	<b>\$ 40,000.00</b>	<b>\$ 3,000.00</b>	<b>\$ 14,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>Grand Total</b>			<b>\$ 86,682.33</b>	<b>\$ 70,923.33</b>	<b>\$ 91,014.33</b>	<b>\$ 114,925.33</b>	<b>\$ 96,091.33</b>	<b>\$ 86,792.33</b>	<b>\$ 74,878.33</b>	<b>\$ 72,704.33</b>	<b>\$ 79,550.33</b>	<b>\$ 79,709.45</b>

Notes:

(1) Apple iPhones are typically free, through FirstNet, as an upgrade and are replaced when the upgrade becomes available. Scheduled replacement is fiscal year 25/26.

(2) Asset scheduled replacement is longer than 10 years.



## Bill Comparisons between CURRENT FY 22-23 Charges and FY 23-24 Estimated Charges

		FY22-23 Current	Projected FY23-24					
		Bi-Monthly Bill	Flat % Increase 6%/6%			Alternative (base/per unit) 7.7%    4.8%		
5/8 Inch	Base	\$27.38	\$29.02			\$29.49		
	Per Unit	\$3.20	\$3.39			\$3.35		
			% Change			% Change		
Monthly								
		Monthly Bill	Monthly Bill	Diff.		Monthly Bill	Diff.	
Use in ccf/mo	1	\$16.89	\$17.90	\$1.01	6.0%	\$18.10	\$1.21	7.2%
	2	\$20.09	\$21.29	\$1.21		\$21.45	\$1.36	6.8%
	3	\$23.29	\$24.69	\$1.40		\$24.80	\$1.51	6.5%
	4	\$26.49	\$28.08	\$1.59		\$28.16	\$1.67	6.3%
	5	\$29.69	\$31.47	\$1.78		\$31.51	\$1.82	6.1%
	6	\$32.89	\$34.86	\$1.97	6.0%	\$34.86	\$1.98	6.0%
	7	\$36.09	\$38.25	\$2.17		\$38.22	\$2.13	5.9%
Bi-Monthly								
		Bi-Monthly Bill	Bi-Monthly Bill	Diff.		Bi-Monthly Bill	Diff.	
Use in ccf/2x mc	1	\$33.78	\$35.80	\$2.03	6.0%	\$36.19	\$2.42	7.2%
	2	\$40.18	\$42.59	\$2.41		\$42.90	\$2.72	6.8%
	4	\$52.98	\$56.16	\$3.18		\$56.31	\$3.34	6.3%
	6	\$65.78	\$69.72	\$3.95		\$69.73	\$3.95	6.0%
	8	\$78.58	\$83.29	\$4.71		\$83.14	\$4.57	5.8%
	10	\$91.38	\$96.86	\$5.48		\$96.56	\$5.18	5.7%
	12	\$104.18	\$110.43	\$6.25		\$109.97	\$5.79	5.6%
	14	\$116.98	\$124.00	\$7.02		\$123.39	\$6.41	5.5%
	16	\$129.78	\$137.56	\$7.79		\$136.80	\$7.02	5.4%
	24	\$180.98	\$191.84	\$10.86	6.0%	\$190.46	\$9.48	5.2%



**Monthly Regional Bill Comparison**  
**FY 2022/23 Utility Total Monthly Charge**

(comparisons are adjusted to 6ccf or 4,500 gallons per month)

	Utility Name	Meter Size	Monthly charge	Per ccf	1000 gals	6 ccf	Monthly Total Charge
	Troutdale	5/8"	0		\$5.07	\$22.82	\$22.82
	Oak Lodge	5/8"	\$18.68	1.24/1.66	tier	\$7.86	\$26.54
	Raleigh	5/8"	\$16.57	\$2.08		\$12.48	\$29.05
	Tualatin	5/8"	\$8.42	\$3.48		\$20.88	\$29.30
	Fairview	5/8"	\$18.30	\$2.12		\$12.72	\$31.02
	Wood Village	5/8"	\$28.69	\$2.05	tier	\$4.10	\$32.79
FY 22/23	Rockwood PUD	5/8"	\$13.69	\$3.20		\$19.20	\$32.89
	Wilsonville	5/8"	\$17.61	\$4.23		\$16.92	\$34.53
	Milwaukee	5/8"	\$9.08	\$4.27		\$25.62	\$34.70
7.7%/4.8% FY 23/24	Rockwood PUD	5/8"	\$14.75	\$3.35		\$20.10	\$34.85
6% FY 23/24	Rockwood PUD	5/8"	\$14.51	\$3.39		\$20.34	\$34.85
	Forest Grove	3/4"	\$26.44		\$2.00	\$9.00	\$35.44
	Sunrise	5/8"	\$19.84	2.76/3.30	tier	\$16.56	\$36.40
	Sandy	5/8"	\$11.60	\$4.42		\$26.52	\$38.12
	Hillsboro	5/8"	\$20.15	\$3.26	tier	\$19.56	\$39.71
	Gladstone	3/4"	\$31.21	\$1.73	tier	\$10.38	\$41.59
	Gresham	5/8"	\$23.58	\$3.36		\$20.16	\$43.74
	Cornelius	5/8"	\$24.17		\$4.50	\$20.25	\$44.42
	Lake Oswego	5/8"	\$29.37	\$3.09		\$18.54	\$47.91
	CRW	3/4"	\$30.31	2.59/2.87/3.42	tier	\$17.76	\$48.07
	Newberg	5/8"	\$22.41	\$4.34		26.04	\$48.45
	Sherwood	5/8"	\$22.39		tier	\$27.45	\$49.84
	Beaverton	5/8"	\$20.00	\$5.40		\$32.40	\$52.40
	Portland	5/8"	\$18.24	\$6.49		\$38.94	\$57.18
	West Slope	5/8"	\$19.83	\$6.30		\$37.80	\$57.63
	Tigard	5/8"	\$32.31	\$4.50		\$27.00	\$59.31
	TVWD	5/8"	\$21.25	\$7.03		\$42.18	\$63.43

## FY 2022/23 Utility Total Monthly Charge

(comparisons are adjusted to 6ccf or 4,500 gallons per month)

Accounts	Utility Name	# Accounts	Meter Size	Monthly charge	Per ccf	1000 gals	6 ccf	Total Charge
0 - 5,000	Troutdale	4683	5/8"	0		\$5.07	\$22.82	\$22.82
	Raleigh	1022	5/8"	\$16.57	\$2.08		\$12.48	\$29.05
	Sandy	3987	5/8"	\$11.60	\$4.42		\$26.52	\$38.12
	Wood Village	627	5/8"	\$28.69	\$2.05		\$4.10	\$32.79
	Fairview	1732	5/8"	\$18.30	\$2.12		\$12.72	\$31.02
	Gladstone	3645	3/4"	\$31.21	\$1.73		\$10.38	\$41.59
	Cornelius	3456	5/8"	\$24.17		\$4.50	\$20.25	\$44.42
	West Slope	3240	5/8"	\$19.83	\$6.30		\$37.80	\$57.63
5,001 - 10,000	Oak Lodge	8272	5/8"	\$18.68	1.24/1.66		\$7.86	\$26.54
	Tualatin	7051	5/8"	\$8.42	\$3.48		\$20.88	\$29.30
	Milwaukee	6890	5/8"	\$9.08	\$4.27		\$25.62	\$34.70
	Wilsonville	6844	5/8"	\$17.61	\$4.23		\$16.92	\$34.53
	Forest Grove	6858	3/4"	\$26.44		\$2.00	\$9.00	\$35.44
	Newberg	7240	5/8"	\$22.41	\$4.34		26.04	\$48.45
	Sherwood	5533	5/8"	\$22.39		\$6	\$27.45	\$49.84
10,001 - 25,000	Rockwood PUD	13659	5/8"	\$13.69	\$3.20		\$19.20	\$32.89
	Rockwood (7.7/4.8%)	13752	5/8"	\$14.75	\$3.35		\$20.10	\$34.85
	Rockwood 23/24 (6%)	13752	5/8"	\$14.51	\$3.39		\$20.34	\$34.85
	Sunrise	16191	5/8"	\$19.84	2.63/3.15	tier	\$16.56	\$36.40
	CRW	12812	3/4"	\$30.31	2.59/2.87/3.42	tier	\$17.76	\$48.07
	Gresham	17513	5/8"	\$23.58	\$3.36		\$20.16	\$43.74
	Lake Oswego	12560	5/8"	\$29.37	\$3.09		\$18.54	\$47.91
	Beaverton	26817	5/8"	\$20.00	\$5.40		\$32.40	\$52.40
	Tigard	20117	5/8"	\$32.31	\$4.50		\$27.00	\$59.31
25,001 - +	Hillsboro	25943	5/8"	\$20.15	\$3.26	tier	\$19.56	\$39.71
	Portland	187221	5/8"	\$18.24	\$6.49		\$38.94	\$57.18
	TVWD	60094	5/8"	\$21.25	\$7.03		\$42.18	\$63.43



*\*\* A COLA of 5.2% has been assigned to the salary scales according to the results of the CPI.*

## FY 2023/24 Budget

### REPRESENTED EMPLOYEES

<u>Position</u>	<u>Step 1</u>	<u>Step 5</u>
Customer Account Specialist I	\$4,992	\$6,166
Customer Account Specialist II	\$4,433	\$5,389
Lead Person - Field	\$5,962	\$7,364
Lead Person - Front	\$5,962	\$7,364
Maintenance Mechanic	\$5,377	\$6,587
Meter Reader	\$4,725	\$5,787
Meter Technician	\$5,313	\$6,641
Operator 1	\$5,065	\$6,172
Operator 2	\$5,773	\$7,133
Operator in Training	\$4,725	\$5,743
Receptionist	\$3,830	\$4,731
Utility Worker I	\$5,065	\$6,172
Utility Worker II	\$5,377	\$6,587
Water Worker in Training	\$4,725	\$5,743

### NON-REPRESENTED EMPLOYEES

<u>Position</u>	<u>Step 1</u>	<u>Step 5</u>
General Manager		\$14,383
District Superintendent	\$8,921	\$11,151
District Engineer	\$9,734	\$12,521
Associate Engineer	\$8,025	\$9,742
Business Office Supervisor	\$8,079	\$10,100
Assistant District Superintendent - Field	\$8,104	\$9,723
Assistand District Superintendent - Opera	\$8,104	\$9,723
Senior Accountant	\$7,608	\$9,373
Governmental Affairs Coordinator	\$6,838	\$8,312