



Budget Committee Meeting

April 4, 2024



Proposed Budget FY 2024-25 Rate Change

UPDATED

| Average Residential Customer | Winter Average = 6 ccf | | | | Winter Average = 5 ccf | | | | | | | |
|-----------------------------------|------------------------|-----------------|------------|-----------------|------------------------|------------------|------------|------------------|------------|------------------|------------|------------------|
| | FY 2021-22 | | FY 2022-23 | | FY 2023-24 | | FY 2024-25 | | FY 2023-24 | | FY 2024-25 | |
| Drinking Water | | | | | | | | | | | | |
| Base | 1 | \$ 18.14 | 1 | \$ 18.68 | 1 | \$ 23.48 | 1 | \$ 25.88 | 1 | \$ 23.48 | 1 | \$ 25.88 |
| TIERED Consumption Rate | 6 | 7.61 | 6 | 7.61 | 6 | 9.89 * | 6 | 12.11 | 5 | 7.80 * | 5 | 9.55 * |
| | | <u>\$ 25.75</u> | | <u>\$ 26.29</u> | | <u>\$ 33.37</u> | | <u>\$ 37.99</u> | | <u>\$ 31.28</u> | | <u>\$ 35.43</u> |
| | | 0.39 | | 0.54 | | 7.08 | | 4.62 | | 4.99 | | 4.15 |
| | | 0.5% | | 2.1% | | 26.9% | | 13.8% | | 19.0% | | 12.4% |
| Wastewater | | | | | | | | | | | | |
| Base | 1 | \$ 40.69 | 1 | \$ 43.54 | 1 | \$ 56.38 | 1 | \$ 62.09 | 1 | \$ 56.38 | 1 | \$ 62.09 |
| District Winter Average | 6 | 13.86 | 6 | 14.82 | 6 | 19.20 | 6 | 23.04 | 5 | 16.00 | 5 | 19.20 |
| | | <u>\$ 54.55</u> | | <u>\$ 58.36</u> | | <u>\$ 75.58</u> | | <u>\$ 85.13</u> | | <u>\$ 72.38</u> | | <u>\$ 81.29</u> |
| | | 0.78 | | 3.81 | | 17.22 | | 9.55 | | 14.02 | | 8.91 |
| | | 0.5% | | 7.0% | | 29.5% | | 12.6% | | 24.0% | | 11.8% |
| Watershed Protection | | | | | | | | | | | | |
| Base | 1 | \$ 9.65 | 1 | \$ 9.65 | 1 | \$ 10.62 | 1 | \$ 12.15 | 1 | \$ 10.62 | 1 | \$ 12.15 |
| | | 0.14 | | - | | 0.97 | | 1.53 | | 0.97 | | 1.53 |
| | | 0.0% | | 0.0% | | 10.1% | | 14.4% | | 10.1% | | 14.4% |
| | | <u>\$ 89.95</u> | | <u>\$ 94.30</u> | | <u>\$ 119.57</u> | | <u>\$ 135.27</u> | | <u>\$ 114.28</u> | | <u>\$ 128.87</u> |
| | | 1.31 | | 4.35 | | 25.27 | | 15.70 | | 19.98 | | 14.59 |
| | | 0.5% | | 4.8% | | 26.8% | | 13.1% | | 21.2% | | 12.8% |
| AVERAGE Consumption Rate | | \$ 1.52 | | \$ 1.57 | | \$ 1.96 | | \$ 2.40 | | \$ 1.96 | | \$ 2.40 |
| * TIERED Consumption Rates | 1- 5 | \$ 1.20 | | \$ 1.24 | | \$ 1.56 | | \$ 1.91 | | \$ 1.56 | | \$ 1.91 |
| * | 6- 10 | 1.61 | | 1.66 | | 2.09 | | 2.56 | | 2.09 | | 2.56 |
| * | 10 + | 1.90 | | 1.96 | | 2.46 | | 3.01 | | 2.46 | | 3.01 |
| * Large Meter Cons. Rate | | 1.68 | | 1.73 | | 2.17 | | 2.66 | | 2.17 | | 2.66 |

Drinking Water Base Rate

Average Consumption 6 ccf vs. 5 ccf

Drinking Water Operations
FUND 10

Projected Base \$ 3,323,000 98%
Projected Consumption 2,823,000 98%
\$ 6,146,000

| | | | | | |
|--------------------------------------|----------|----------|----------|----------|---------|
| Average Residential Customer - 6 CCF | \$ 25.75 | \$ 26.54 | \$ 33.37 | \$ 37.99 | \$ 4.62 |
| Average Residential Customer - 5 CCF | | | \$ 31.28 | \$ 35.43 | \$ 4.15 |

| | Adopted Budget | | Adopted Budget | | Adopted Budget | | Proposed Budget | | |
|---------------------------------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|--------------------------|-----------------|-----------------|
| | FY 21-22 | % In Base | FY 22-23 | % In Base | FY 23-24 | % In Base | FY 24-25 | % In Base | |
| Billing Units - ERUs - BASE | | 130,000 | | 130,500 | | 131,000 | | 131,000 | |
| Drinking Water Operations | | | | | | | | | |
| Personnel Services | 903,000 | \$ 6.95 | 952,000 | \$ 7.30 | 942,600 | \$ 7.20 | 961,500 | 7.34 | \$ 0.14 |
| Materials & Services * | 153,000 | 1.18 | 268,600 | 2.06 | 378,400 | 2.89 | 416,500 | 3.18 | 0.29 |
| Debt Service | 209,000 | 1.61 | 209,063 | 1.60 | 209,100 | 1.60 | 209,000 | 1.60 | - |
| Admin Transfer | 1,290,000 | 9.92 | 866,900 | 6.64 | 919,300 | 7.02 | 946,000 | 7.22 | 0.20 |
| Capital Transfer | 430,000 | 3.31 | 798,100 | 6.12 | 1,290,000 | 9.85 | 1,100,000 | 8.40 | (1.45) |
| Less Other Revenue | (292,000) | (2.25) | (273,000) | (2.09) | (234,800) | (1.79) | (244,200) | (1.86) | |
| Cost of Service Rate | 2,693,000 | \$ 20.72 | 2,821,663 | \$ 21.63 | 3,504,600 | \$ 26.77 | 3,388,800 | \$ 25.88 | |
| Net Adopted Budget Rate | | \$ 20.72 | | \$ 21.63 | | \$ 26.77 | | \$ 25.88 | \$(0.89) |
| Adopted Rate | | \$ 18.14 | | \$ 18.68 | | \$ 23.48 | Proposed \$ 25.88 | | \$ 2.40 |
| Rate Supported by Fund Balance | 335,400 | \$ 2.58 | 385,000 | \$ 2.95 | 431,000 | \$ 3.29 | - | \$ - | |

Drinking Water Base Rate

Average Consumption 6 ccf vs. 5 ccf

| | Adopted Budget FY 21-22 | | Adopted Budget FY 22-23 | | Adopted Budget FY 23-24 | | Proposed Budget FY 24-25 | | |
|---------------------------------------|---|------------------|-------------------------|------------------|-------------------------|------------------|--------------------------|------------------|------------------------|
| | | % In Base | | % In Base | | % In Base | | % In Base | |
| Billing Units - CCFs | | 1,250,000 | | 1,200,000 | | 1,200,000 | | 1,200,000 | WA CCF |
| | | 6 | | 6 | | 6 | | 5 | 5 |
| Drinking Water Distribution | | | | | | | | | |
| Personnel Services | 147,000 | 0.12 | 155,000 | 0.13 | 153,400 | 0.13 | 156,500 | 0.13 | \$ - |
| M&S: Water+Electricity+Maintenance | 1,399,000 | 1.12 | 1,408,000 | 1.17 | 1,441,000 | 1.20 | 1,501,000 | 1.25 | 0.25 |
| Admin Transfer | 210,000 | 0.17 | 141,100 | 0.12 | 149,700 | 0.12 | 154,000 | 0.13 | 0.05 |
| Capital Transfer | 70,000 | 0.06 | 129,900 | 0.11 | 210,000 | 0.18 | 1,100,000 | 0.92 | 1.90 |
| Less Other Revenue | - | - | - | - | (38,200) | (0.03) | (39,800) | (0.03) | - |
| Cost of Service Rate | 1,679,000 | \$ 1.47 | 1,679,000 | \$ 1.53 | 1,762,500 | \$ 1.60 | 2,715,200 | \$ 2.40 | \$ 2.20 |
| Net Adopted Budget Rate | | \$ 1.47 | | \$ 1.53 | | \$ 1.60 | | \$ 2.40 | \$ 0.80 |
| Adopted Rate * | | \$ 1.52 | | \$ 1.57 | | \$ 1.96 * | Proposed \$ 2.40 | | \$ 0.44 |
| Rate Supported by Fund Balance | (62,500) | \$ (0.05) | (48,000) | \$ (0.04) | (432,000) | \$ (0.36) | - | \$ - | |
| Net Use of Fund Balance | 272,900 | | 337,000 | | (1,000) | | - | | |
| | * per CCF rate based on total revenue/total billed ccf | | | | | | | | |
| Tier 1 | \$ 1.20 | | Tier 1 | \$ 1.24 | Tier 1 | \$ 1.56 | Tier 1 | \$ 1.91 | \$ 0.35 \$ 1.75 |
| Tier 2 | 1.61 | | Tier 2 | 1.66 | Tier 2 | 2.09 | Tier 2 | \$ 2.56 | \$ 0.47 |
| Tier 3 | 1.90 | | Tier 3 | 1.96 | Tier 3 | 2.46 | Tier 3 | \$ 3.01 | 6 CCF |
| Large Meter | 1.68 | | Large Meter | 1.73 | Large Meter | 2.17 | Large Meter | \$ 2.66 | \$ 2.22 |

Wastewater Base Rate

Winter Average 6 ccf vs. 5 ccf

Wastewater Operations
FUND 20

Projected Base \$ 9,835,000 99%
 Projected Consumption 2,946,000 99%
\$12,781,000

| | | | | | |
|--------------------------------------|----------|----------|----------|----------|---------|
| Average Residential Customer - 6 CCF | \$ 54.55 | \$ 58.36 | \$ 75.58 | \$ 85.13 | \$ 9.55 |
| Average Residential Customer - 5 CCF | | | \$ 72.38 | \$ 81.29 | \$ 8.91 |

| | Adopted Budget | | Adopted Budget | | Adopted Budget | | Proposed Budget | | | |
|---------------------------------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|----------------|--|
| | FY 21-22 | % In Base | FY 22-23 | % In Base | FY 23-24 | % In Base | FY 24-25 | % In Base | | |
| Billing Units - EDU - BASE | | 159,300 | | 163,000 | | 160,000 | | 160,000 | - | |
| WASTEWATER TREATMENT | | | | | | | | | | |
| Personnel Services | \$ 1,140,000 | \$ 7.16 | \$ 1,105,000 | \$ 6.78 | \$ 1,103,000 | \$ 6.89 | \$ 1,210,000 | \$ 7.56 | \$ 0.67 | |
| Materials & Services | 1,033,900 | 6.49 | 1,085,250 | 6.66 | 1,077,000 | 6.73 | 1,156,500 | 7.23 | 0.50 | |
| Admin Transfer | 1,481,200 | 9.30 | 1,497,600 | 9.19 | 1,583,400 | 9.90 | 1,716,000 | 10.73 | 0.83 | |
| Debt Services Transfer | 3,412,000 | 21.42 | 3,435,000 | 21.07 | 3,482,000 | 21.76 | 3,467,000 | 21.67 | (0.09) | |
| Capital Transfer | 297,500 | 1.87 | 546,000 | 3.35 | 1,792,000 | 11.20 | 2,400,000 | 15.00 | 3.80 | |
| Less Other Revenue | (31,200) | (0.20) | (15,600) | (0.10) | (15,600) | (0.10) | (15,600) | (0.10) | - | |
| Cost of Service Rate | 7,333,400 | \$ 46.04 | 7,653,250 | \$ 46.95 | 9,021,800 | \$ 56.38 | 9,933,900 | \$ 62.09 | | |
| Net Adopted Budget Rate | | \$ 46.04 | | \$ 46.95 | | \$ 56.38 | | \$ 62.09 | \$ 5.71 | |
| Adopted Rate | | \$ 40.69 | | \$ 43.54 | | \$ 56.38 | <i>Proposed</i> | \$ 62.09 | \$ 5.71 | |
| Rate Supported by Fund Balance | 852,300 | \$ 5.35 | 555,800 | \$ 3.41 | - | \$ - | - | \$ - | | |

Wastewater Base Rate

Winter Average 6 ccf vs. 5 ccf

| | Adopted Budget | | Adopted Budget | | Adopted Budget | | Proposed Budget | | | | |
|--|------------------|----------------|------------------|----------------|------------------|----------------|------------------|----------------|-----------------|----------------|---------------|
| | FY 21-22 | % In Base | FY 22-23 | % In Base | FY 23-24 | % In Base | FY 24-25 | % In Base | | | |
| Billing Units - CCFs (Winter Average) | | 805,041 | | 849,702 | | 806,000 | | 775,000 | | | WA CCF |
| | | 6 | | 6 | | 6 | | 5 | | | 5 |
| WASTEWATER COLLECTIONS | | | | | | | | | | | |
| Personnel Services | \$ 729,000 | \$ 0.91 | \$ 752,000 | \$ 0.89 | \$ 773,000 | \$ 0.96 | \$ 834,000 | \$ 1.08 | \$ 5.40 | \$ 0.60 | |
| Watershed Protection transfer | | | | | \$ (154,600) | (0.19) | \$ (164,500) | (0.21) | (1.05) | (0.10) | |
| Materials & Services | 105,500 | 0.13 | 186,500 | 0.22 | 236,600 | 0.29 | 231,500 | 0.30 | 1.50 | 0.05 | |
| Admin Transfer | 417,800 | 0.52 | 422,400 | 0.50 | 446,600 | 0.55 | 484,000 | 0.62 | 3.10 | 0.35 | |
| Debt Services Transfer | - | - | - | - | - | - | - | - | - | - | |
| Capital Transfer | 577,500 | 0.72 | 854,000 | 1.01 | 1,408,000 | 1.75 | 1,600,000 | 2.06 | 10.30 | 2.30 | |
| Less Other Revenue | (8,800) | (0.01) | (4,400) | (0.01) | (4,400) | (0.01) | (4,400) | (0.01) | (0.05) | - | |
| Cost of Service Rate | 1,821,000 | \$ 2.27 | 2,210,500 | \$ 2.61 | 2,705,200 | \$ 3.35 | 2,980,600 | \$ 3.84 | | | |
| Net Adopted Budget Rate | | \$ 2.27 | | \$ 2.61 | | \$ 3.35 | | \$ 3.84 | \$ 19.20 | | |
| Adopted Rate | | \$ 2.31 | | \$ 2.47 | | \$ 3.20 | <i>Proposed</i> | \$ 3.84 | | \$ 3.20 | |
| | | | | | | | | \$ 0.64 | | | |
| Rate Supported by Fund Balance | (32,200) | \$ (0.04) | 119,000 | \$ 0.14 | 120,900 | \$ 0.15 | - | \$ - | | | |
| Net Use of Fund Balance | 820,100 | | 674,800 | | 120,900 | | - | | | | |

Watershed Protection Rate

Watershed Protection Operations
FUND 30

Projected Revenue \$ 1,995,000

| Average Residential Customer | \$ 9.65 | | \$ 9.65 | | \$ 10.62 | | \$ 12.15 | | \$ 1.53 |
|---------------------------------------|-------------------------------|-----------------|-------------------------------|-----------------|-------------------------------|-----------------|--------------------------------|-----------------|----------------|
| | Adopted Budget FY 21-22 | | Adopted Budget FY 22-23 | | Adopted Budget FY 23-24 | | Proposed Budget FY 24-25 | | |
| Billing Units - ESU | 163,500 | | 164,200 | | 164,200 | | 164,200 | | |
| Personnel Services | \$ 153,000 | \$ 0.94 | \$ 160,000 | \$ 0.97 | \$ 186,000 | \$ 1.13 | \$ 198,500 | \$ 1.21 | \$ 0.08 |
| Materials & Services | 299,100 | 1.83 | 243,800 | 1.48 | 281,400 | 1.71 | 293,900 | 1.79 | 0.08 |
| Debt Service | 64,000 | 0.39 | 120,000 | 0.73 | - | - | - | - | - |
| Admin Transfer | 1,008,000 | 6.17 | 1,008,000 | 6.14 | 1,069,000 | 6.51 | 1,100,000 | 6.70 | 0.19 |
| Wastewater Collections Transfer | | | | | 154,600 | 0.94 | 164,500 | 1.00 | 0.06 |
| Capital Transfer | 480,000 | 2.94 | 250,000 | 1.52 | - | - | 250,000 | 1.52 | 1.02 |
| Contingency | 249,900 | 1.53 | 306,095 | 1.86 | 138,874 | 0.85 | 122,726 | 0.75 | |
| Less Other Revenue | (29,000) | (0.18) | (28,000) | (0.17) | (28,000) | (0.17) | (11,500) | (0.07) | 0.10 |
| Cost of Service Rate | 2,225,000 | \$ 13.62 | 2,059,895 | \$ 12.53 | 1,801,874 | \$ 10.97 | 2,118,126 | \$ 12.90 | |
| Add back Contingency | | (1.53) | | (1.86) | | (0.85) | | (0.75) | |
| Net Adopted Budget Rate | | \$ 12.09 | | \$ 10.67 | | \$ 10.12 | | \$ 12.15 | \$ 2.03 |
| Adopted Rate | | \$ 9.65 | | \$ 9.65 | | \$ 10.62 | <i>Proposed</i> | \$ 12.15 | \$ 1.53 |
| Rate Supported by Fund Balance | 398,900 | \$ 2.44 | 167,500 | \$ 1.02 | (82,100) | \$ (0.50) | - | \$ - | |

Proposed Budget FY 2024-25

Beginning vs. Ending Fund Balance

OLWS

Fund Summary

Proposed Budget FY 2024-25

| | Administrative Services | Drinking Water | Wastewater | Watershed Protection | Revenue Bond Debt Service | Drinking Water Capital | Wastewater Capital | Watershed Protection Capital | Combined |
|--|----------------------------|-------------------|-------------------|-------------------------|---------------------------------|---------------------------|-----------------------|------------------------------------|--------------------|
| Beginning Fund Balance | 1,209,778 | 950,061 | 742,904 | 123,126 | 666,920 | 3,654,753 | 2,595,944 | 2,844,237 | 12,787,723 |
| Revenues | 81,000 | 6,430,000 | 12,801,000 | 2,006,500 | 3,000 | 150,000 | 8,745,000 | 20,000 | 30,236,500 |
| Transfers In | 4,400,000 | - | 164,500 | - | 3,467,000 | 2,200,000 | 4,000,000 | 250,000 | 14,481,500 |
| | 4,481,000 | 6,430,000 | 12,965,500 | 2,006,500 | 3,470,000 | 2,350,000 | 12,745,000 | 270,000 | 44,718,000 |
| Operations | 5,254,000 | 3,035,500 | 3,432,000 | 492,400 | - | - | - | - | 12,213,900 |
| Debt Services | - | 209,000 | - | - | 3,419,000 | - | - | - | 3,628,000 |
| Capital Outlay | - | - | - | - | - | 3,044,000 | 12,383,000 | 300,000 | 15,727,000 |
| Transfers Out | - | 3,300,000 | 9,667,000 | 1,514,500 | - | - | - | - | 14,481,500 |
| | 5,254,000 | 6,544,500 | 13,099,000 | 2,006,900 | 3,419,000 | 3,044,000 | 12,383,000 | 300,000 | 46,050,400 |
| Contingency | 436,778 | 835,561 | 609,404 | 122,726 | - | 400,000 | 1,238,300 | 50,000 | 3,692,769 |
| Reserves | - | - | - | - | 717,920 | 2,560,753 | 1,719,644 | 2,764,237 | 7,762,554 |
| Anticipated Ending Fund Balance | 436,778 | 835,561 | 609,404 | 122,726 | 717,920 | 2,960,753 | 2,957,944 | 2,814,237 | 11,455,323 |
| Change in Fund Balance | (773,000) | (114,500) | (133,500) | (400) | 51,000 | (694,000) | 362,000 | (30,000) | (1,332,400) |

Questions?



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