



ROBERTS CREEK

WATER DISTRICT

2020-2021 BUDGET



ROBERTS CREEK WATER DISTRICT

2020-2021

BOARD OF COMMISSIONERS

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BUDGET COMMITTEE

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STAFF

**DAVID CAMPOS
ALAN PAULSON**

**Office Manager & Budget Officer
Plant Superintendent**

**SHARON CASON
BETH DEWSNUP
STACEY WERNER
DANIEL RADFORD
JEREMY WOLFORD
WILL HOPE
SHAWN HASTINGS
JOSH MANSON**

**Office Assistant/Utility Clerk
Office Assistant/Utility Clerk
Office Assistant/Utility Clerk
Foreman
Plant Operator
Utility II
Utility II
Utility II**



OUR DISTRICT'S GOAL

Roberts Creek Water District's Board of Commissioners and staff strive to provide a safe and reliable source of water coupled with excellent customer service.

SERVICE AREA

Roberts Creek Water District serves the Green District and outlying areas such as the Roberts Creek and Glengary areas as well as the area around McClain Avenue. The District is bounded on the north by the City of Roseburg, on the west by the City of Winston, on the south by the South Umpqua River, and on the east by Roberts Mountain.

GOVERNING BODY

The District is a municipality incorporated in 1937 and formed under an Act of the Legislative Assembly of 1916. The District operates under Oregon Revised Statutes, Chapter 264 Domestic Water Supply Districts and its adopted ordinances. The government of the District is vested in a Board of Commissioners. The Board is composed of five district members elected at large, three of whom are elected to terms of four years at one election, and two of whom are elected at the next biennial election for a term of four years. The Board of Commissioners holds open meetings the second Thursday of each month at 6:00 p.m. at the District office located at 4336 Old Highway 99 S., Roseburg.

DISTRICT ORIGIN & HISTORY

When the District was first designed it was intended to serve a small area around Roberts Creek Road. Cooper Spring, the beginning of Roberts Creek, was to be the main source of water thereby giving the District the name of Roberts Creek Water District. Over time, other residents of an area later to be known as the Green District expressed an interest in being included as a part of the water District. As a result, it was decided that the South Umpqua River would be a more constant and reliable source of water to serve the larger area.

The original plant and main reservoir constructed in 1948 were replaced with a 2,500,000 gallon-per-day treatment plant in 1975. That plant reached capacity in 1990, resulting in a moratorium on new service. A major plant upgrade was completed in 1994. Our most recent upgrade was completed July 2012 and increased the average output capability to 4,000,000 gallons of treated water per day. The District's treatment plant is located off Grange Road on the South Umpqua River.

More information, photos and interesting facts about Roberts Creek Water District can be found by visiting our website www.rcwaterdistrict.com.

Population	7,700 +/-
Service Area	9 sq. miles
Number of Services	3,100
	<i>Includes larger meters that serve mobile home parks, RV parks, schools and several commercial and industrial sites.</i>
Number of Employees	11
Number of Storage Tanks	3
Number of Pump Stations	3
Total Miles of Pipe	55 +/-
Range of Pipe Size:	2" to 16" diameter
Current Max Output at Plant	4 million gals./day
Average Demand	1.2 million gals./day
Plant's Future Capability	8 million gals./ day
PSI Pressure.....	Gravity-fed: 20-150 lbs.
Water Hardness	32 milligrams/liter (med.)
Service Meter Pipe Size:	¾" to 8" diameter

The District draws its water from the South Umpqua River. The District also has inter-ties with the City of Roseburg and Winston-Dillard Water District. In the summer months when the river reaches minimum flows, reserved water may be released from Ben Irving Reservoir/Galesville Reservoir to make water available for our District's customers (750 acre-feet reserved annually).

Fire protection for our district is provided by Douglas County Fire District No. 2.



ROBERTS CREEK
WATER DISTRICT

2020-2021 BUDGET

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ROBERTS CREEK WATER DISTRICT

BUDGET MESSAGE for 2020-2021 FISCAL YEAR

I am pleased to present the annual budget for Roberts Creek Water District (The District) for the 2020-2021 fiscal year. This accompanying Budget Message is a requirement of Local Budget Law that provides background information and highlights portions of the budget document to aid in your review of the budget. The District's budget as prepared, submitted and adopted is intended to serve as a financial plan and guide for our District. It includes a forecast of anticipated revenues and proposed expenditures to guide our Board of Commissioners and executive staff.

The adopted budget also serves as a form of internal control that enables the Board to oversee that The District is staying within the adopted guidelines for expenditures. Each month, expenditures are entered into a spreadsheet and a running total is kept to compare with the annual amount allotted within the budget for that specific expenditure. Quarterly reports are issued to the Board of Commissioners showing the total for each line item, the percentage expended thus far, and the available balance remaining in the budget.

Management prepares the budget within the context of the Board's goals, initiatives and long-term financial plan. The public budget process begins when the "proposed budget" is presented to the Budget Committee for consideration, public comment and approval. The budget, as approved by the Budget Committee, is then presented to the Board of Commissioners who will conduct a public hearing, make revisions if necessary, and formally adopt the budget. Oregon Local Budget Law limits the revisions that can be made by the Board of Commissioners after the Budget Committee has approved the budget. The Board of Commissioners makes appropriations for the budget in conformity with the adopted budget.

As a Special District water utility, virtually all The District's costs and planning efforts revolve around the importance of providing on-demand high-quality water at a competitive price to all residential customers and businesses within our service boundaries. This budget reflects the results of planning efforts as well as the impact of the most recent data available on population growth provided in The District's Master Plan.

The District does not levy a tax on the customers of The District; therefore, it must be self-sustaining through water rates and meter sales. The District last adopted revised water service rates during the 2017-2018 fiscal year; these rates are projected to sustain District operations through at least the 2020-2021 fiscal year. With the potential of a consolidation with Green Sanitary District to form a Joint Water-Sewer Authority in 2021, we do not plan on assessing our current water rates in the upcoming year.

The 2020-2021 fiscal year is expected to be a busy one. The 2020-2021 year will be a year where we see a major planned improvement project completed such as the construction of the Town Tank Reservoir on Old Hwy 99 near Shady. The new reservoir will allow for improved water quality in that area of the District and ensure that customers in that area are not without water in the event of a main line break. As an added benefit, the Town Tank will provide for better fire protection. We also expect to complete an emergency intertie with Umpqua Basin Water Association. The intertie will provide for additional water resources between The District and UBWA in the event of an emergency. In the near future we also plan to implement a power backup

to the treatment plant via an onsite generator, which will be capable of powering the plant on-demand thanks to the recently installed power transfer switch. Before procuring the backup generator, we plan to have a study done to identify any electrical frequency issues that may arise.

The 2020-2021 fiscal year will also be a year of planning for the future. As stated above, we could potentially see the forming of a Joint Water-Sewer Authority come to fruition before the end of the 2020-2021 fiscal year. We are in the beginning stages of the consolidation process, and while much of the next year will be business as usual, there will be significant planning and preparation taking place behind the scenes to ensure that, if our District and Green Sanitary District are to consolidate, the transition will be seamless and our customers will reap the benefits from Day 1.

There will be some retirements of both operations and administrative personnel in the 2020-2021 fiscal year. One Utility Crew employee will be retired as of the beginning of the fiscal year. It is planned to fill the open Utility Crew position in the year. One Office Assistant/Utility Clerk will be retiring midway through the fiscal year. In anticipation of this upcoming retirement, a recently hired Office Assistant is currently in training. This new Office Assistant is also splitting her time between Roberts Creek Water and Green Sanitary District through a Shared Personnel Intergovernmental Agreement. The sharing of resources will also help us in preparation for the potential consolidation.

The enclosed budget document consists of two funds: the General Fund (which contains resources and expenditures for the everyday operations of the District) and the Capital Projects Fund (which is for capital improvements such as line replacement, water storage capability and plant upgrade and District growth.) The budget contains a three-year history comprised of actual history for two years and the adopted budget for the current year. You will find a synopsis with each fund resource and expenditure that will outline any major changes and should help you understand the function of each fund.

I would like to thank Plant Superintendent Alan Paulson for his assistance in the preparation of this budget and for his partnership in managing the everyday operations of The District. I would like to thank office staff for their continued support and assistance to management in ensuring the office runs smoothly. I also would like to thank the members of the Budget Committee for their continued support, fiscal prudence and thoughtful analysis of the issues facing the District. I look forward to working with all of you to review the budget plan and discuss any suggestions or alternative approaches and issues. Please do not hesitate to contact me at 541-679-6451 or email me at david@rcwaterdistrict.com if you have any questions or concerns.

A copy of the final budget, once adopted by the Board of Commissioners in June, will be available on our website www.rcwaterdistrict.com and at our District office at 4336 Old Hwy 99 S in Roseburg, OR.

Respectfully Submitted,

David M Campos

David M Campos, CPA
Budget Officer



BUDGET USER ASSISTANCE for the 2020-2021 BUDGET

Each local government operates within a fiscal year beginning July 1st and ending on the following June 30th. Local governments can choose to budget and operate on a biennial basis which is a 24-month period beginning on July 1st of the first fiscal year and ending June 30th of the second fiscal year. The governing body of a municipal corporation may govern by ordinance, resolution, or charter, provided that the budget is prepared for a budget period of 24 months.

A budget is a financial plan for a fiscal year. It shows the estimated costs of items or services the local government wants to purchase in the coming fiscal year. These are called "**expenditures.**" It shows other budget requirements that must be planned for in case of an emergency, but likely will not be spent. It also shows the funds, called "**resources,**" that the local government estimates will be available to pay for these expenditures.

The budget authorizes the local government to spend funds and limits how much can be spent. A budget may also justify the levy of property taxes; however, Roberts Creek Water District does not levy any tax upon its customers. In order to submit its property taxes to the county assessor, most local governments must prepare a budget following Oregon's Local Budget Law process.

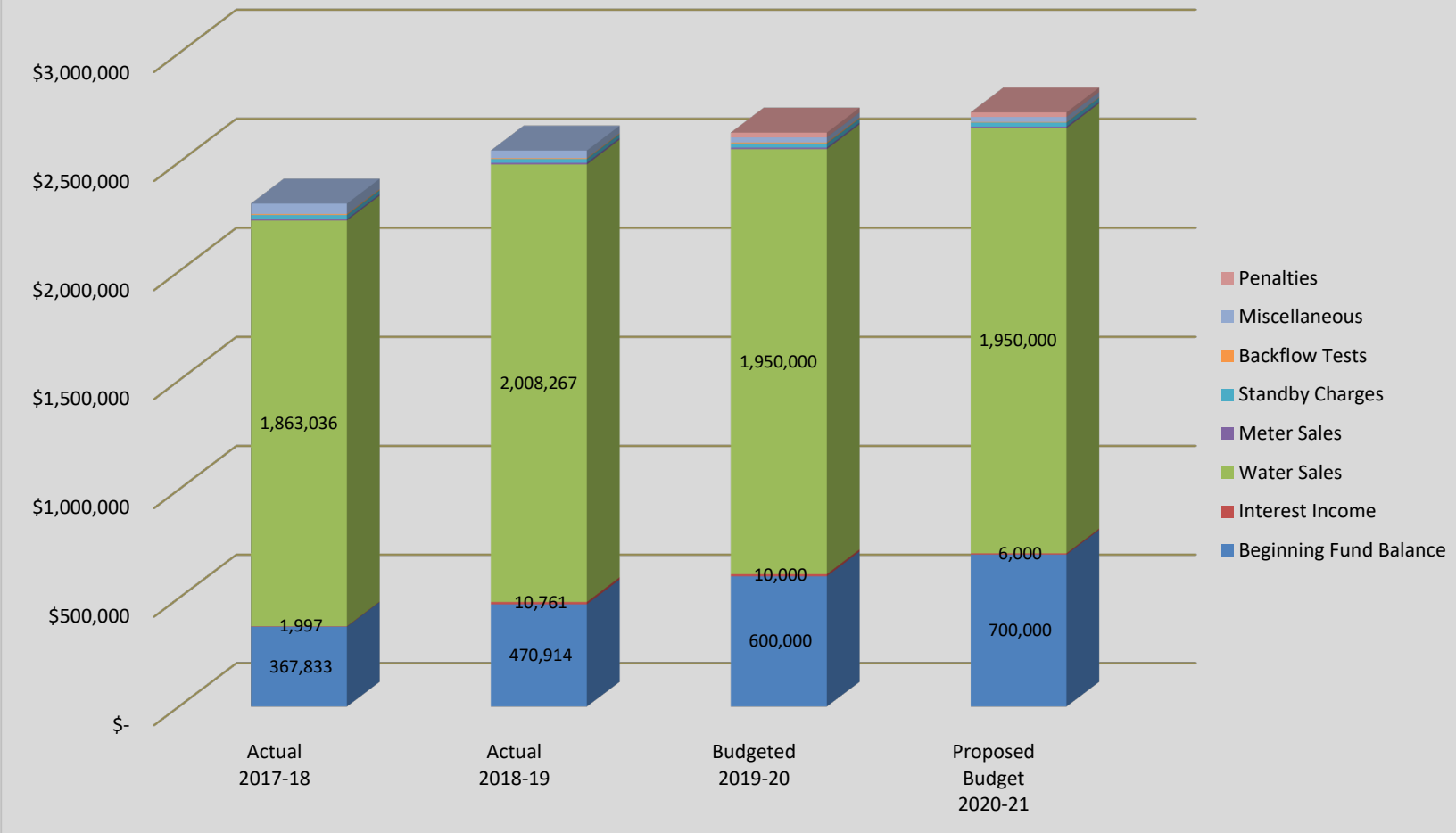
Preparing a budget allows a local government to look at its fiscal requirements while considering the funds available to meet those needs. In Oregon, all local governments must plan a budget that contains equal resources and requirements...in other words, a balanced budget. A local government cannot plan to purchase more goods or services than the funds it has available to pay for them.

Oregon's Local Budget Law is a group of statutes that require local governments to prepare and adopt annual or biennial budgets following a very specific process.

Local Budget Law does several specific things:

- It sets standard procedures for preparing, presenting, and using budgets for most of Oregon's local governments.
- It encourages citizen involvement in the budget process.
- It gives a method for estimating expenses, resources, and proposed taxes.
- It offers a way of outlining the programs and services provided by the local government, and the fiscal policy used to carry them out.

General Fund Resources



GENERAL FUND RESOURCES

Net Working Capital: is the actual cash available projected for July 1st. It includes the sum of the checking accounts, savings accounts and investment accounts minus estimated expenses and service deposits on hand.

Interest Earned: The District maintains its General Fund reserves in the Oregon Local Government Investment Pool. In the past year, the interest rate in the LGIP has dropped from 2.75% to 1.3% and may continue to drop.

Water Sales to Plant Upgrade: A portion of revenues generated from water sales is designated to make the annual treatment plant upgrade loan (recently refinanced) payment of approximately \$400,000.

Meter Sales: This amount is based on the sale of 15 residential meter services for 2020-2021. Currently, the charge for a 5/8 x 3/4" meter service is \$5,021, a \$500 portion of which is deposited into the General Fund to cover the cost of installation, with the remainder to Capital Systems Development Charges. This category can include the sale of larger commercial meters at greater fee rates. Revenue derived from the impact of new development must be spent on Master Plan system improvements that maintain and/or increase the District's capacity to provide services.

Backflow Receipts: The District orders backflow tests to be done for customers who have been notified of, but do not comply with, the State's annual testing requirement. The District's cost for the testing, plus an administrative fee, is added to the customer's bill or invoiced to the property owner.

Standby Charges: This is revenue generated from standby fire service. It represents approximately 30 customers and over 320 hydrants. Standby fees are billed and collected annually for sprinkler systems and fire hydrants on customers' premises, primarily on a commercial business basis such as a lumber mill, grocery store, warehouse, school, etc.

Miscellaneous Income: This consists of other revenues not directly related to water sales. It includes funds received on accounts sent for collection, the \$2,825 lease fee received annually for the freeway sign erected on our Carnes Rd. property, refunds, reimbursements, and unforeseen income such as the SDAO longevity credit and insurance premium refunds. This line also includes the \$500 re-install fee for meters that have been pulled or have reverted to the District at customer request.

Special Surcharge Revenue (Lines): This revenue comes from Special System Development Surcharges wherein meter service is requested for property fronting a main that the District installed with loan money from Special Public Works.

Special Surcharge Revenue (Tank): Industrial properties benefitting from the construction of the Speedway Tank will be required to pay a System Development Surcharge in addition to the cost for a meter service. The amount collected for this System Development Surcharge will, in turn, be paid to Douglas County as repayment for their portion of the cost of the installation of the tank.

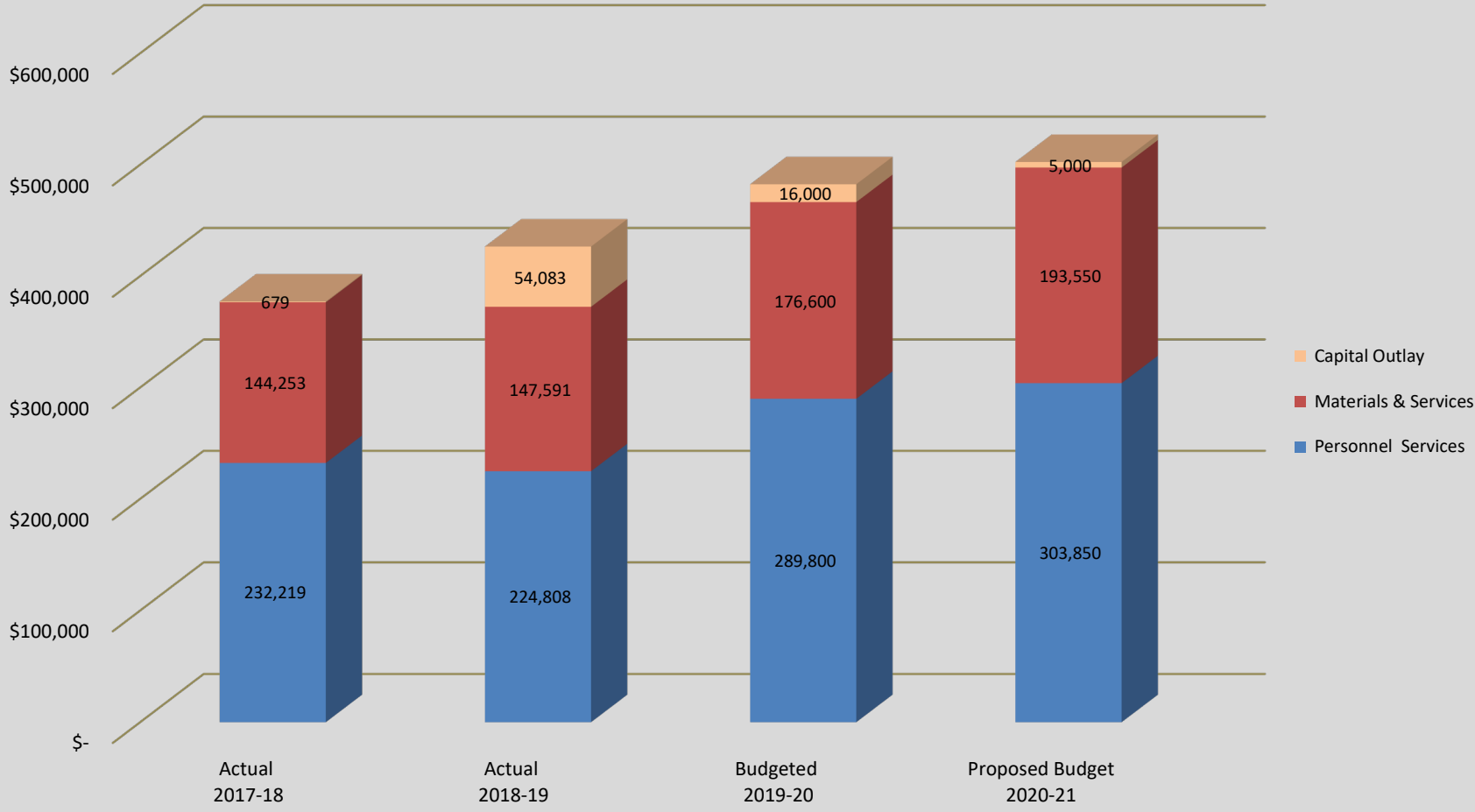
Penalties and other service charges: Fees related to water sales, such as late notification fees, door hanger fees, activation fees, reconnect fees.

GENERAL FUND RESOURCES - LB-20

ROBERTS CREEK WATER DISTRICT

HISTORICAL DATA							2020-21 BUDGET		
Second Actual Preceding 2017-18	First Actual Preceding 2018-19	ADOPTED BUDGET 2019-20	RESOURCE DESCRIPTION				Proposed by Budget Officer	APPROVED BY BUDGET COMMITTEE	ADOPTED BY BOARD
367,833	470,914	700,000	1	Net Working Capital (Modified Accrual Basis)			650,000	650,000	650,000
1,997	10,761	10,000	2	Interest Earned			6,000	6,000	6,000
4,090	3,361	2,500	3	Backflow Test Receipts			2,000	2,000	2,000
1,463,036	1,608,267	1,550,000	4	Water Sales			1,600,000	1,600,000	1,600,000
400,000	400,000	400,000	5	Water Sales Transferred to Plant Upgrade			400,000	400,000	400,000
7,000	8,000	6,000	6	Meter Sales			7,500	7,500	7,500
18,606	17,778	19,000	7	Standby Charges			18,000	18,000	18,000
48,035	34,825	23,000	8	Miscellaneous			25,000	25,000	25,000
-	-	50,000	9	Special Intergov't. Surcharge Revenue (Lines)			50,000	50,000	50,000
-	-	50,000	10	Special Intergov't. Surcharge Revenue (Tank)			50,000	50,000	50,000
-	20,395	21,000	11	Penalties & Other Water Service Charges			20,000	20,000	20,000
-	4,637	-	12	Grant Proceeds			-	-	-
			13						
			14						
			15						
2,310,597	2,578,938	2,831,500	16	Total Resources, Except Taxes to be Levied			2,828,500	2,828,500	2,828,500
			17	Taxes Necessary to Balance Budget			-	-	-
			18	Taxes Collected in Year Levied			-	-	-
2,310,597	2,578,938	2,831,500	19	TOTAL RESOURCES			2,828,500	2,828,500	2,828,500

General Fund Administrative Expenditures



GENERAL FUND ADMINISTRATIVE EXPENDITURES

Staff: The amounts under salaries reflect the Board's discretion to act on a cost of living increase and individual evaluations that may recommend a merit raise. The Office Manager position reflects the salary for the Office Manager, David Campos. One Office Assistant has a planned retirement date of December 31, 2020. A new Office Assistant staff person has been hired and is currently training. This new staff person is employed full-time, but her time is split between Roberts Creek Water District and Green Sanitary District (GSD). GSD is billed for its share of the monthly salary based on hours worked.

Insurance: The District provides health/dental/visions benefits for employees, along with disability, limited life insurance, and an HRA VEBA account. For the 2020-2021 fiscal year, health insurance premiums through SDIS are expected to increase by 12%. The VEBA contribution for 2020-2021 will be \$2,000 per participant, so health plans with employee+spouse will have a contribution of \$4,000 instead of \$2,000. This change is to align our benefits with GSD's benefits.

Medicare, Social Security, Unemployment, Workers' Compensation: These line items include the District's portion based on payroll, plus the District's annual Worker's Comp (SAIF) insurance premium. For 2020-2021, the State Unemployment Tax rate for the District is 0.1%

Retirement: The District currently deposits an amount equal to 12% of an employee's base pay into a SEP IRA at Edward Jones Company. The deposits are made on a quarterly basis and asset distribution within the IRA is at the employee's discretion.

Auditing: The District's annual audit is performed by Neuner Davidson & Co. CPA.

Elections: Payment is made to Douglas County for our portion of the costs of the public election where we have candidates running for election or re-election to the Board of Commissioners. There are 3 elected positions set to expire in 2021. In addition, RCWD and GSD will be splitting the election costs for the Joint Water-Sewer Authority, along with elections for the Authority's 5 Board Members-elect.

Supplies: This category covers a wide list of items needed to carry on everyday business within the office such as printer ink, pens, copy paper, kitchen and bathroom supplies, file storage boxes, cleaning supplies, etc. This line has decreased in recent years due to the 3rd party mailing services that the District now uses. This has eliminated the purchase of billing cardstock and bill-cutting services. Our copier lease costs have also decreased.

Communications & IT: The District has signed a service agreement with Douglas Fast Net for the following services for one monthly fee of \$539: hosted phone service, internet, Office 365 licenses, managed IT, server and workstation backups, and internet security. Also included in this expenditure line is the \$200 monthly streamline website fee and \$50 monthly cell phone stipend for the Office Manager.

Legal Fees: This represents consultation for District legal matters, such as landlord/tenant issues, governing documents and public contracting laws. We have budgeted for additional legal consultation in 2020-2021 to assist RCWD and GSD with the legal process of Districts consolidation with GSD.

Dues & Subscriptions: Dues & Subscriptions reflects administrative portions of District annual association dues, professional association dues for the Office Manager, local newspaper subscription, and other software subscription fees. The UMS annual maintenance fee (\$2,519) has been moved to Billing Costs. This line also included annual managed server backups (\$2,100) which were replaced by the DFN service agreement.

Property/Liability/Auto Insurance: These figures allow for annual cost increases for coverage for office, plant, shop and vehicles. An increase in premiums is always anticipated.

GENERAL FUND ADMINISTRATIVE EXPENDITURES (cont')

R & M Office: Includes garbage, pest control, office rugs, sewer fees, computer repair, landscaping, waterfall maintenance and other miscellaneous maintenance items.

Bank Charges: Transaction fees for the LGIP accounts are recorded in bank charges. Umpqua Bank currently waives analysis fees for our accounts.

Billing Costs and OBP Fees: These budget line items represent the costs associated with using BMS Technologies for statement producing/ mailing services. The *Online Bill-Pay Fees* line is eliminated with the conversion to our billing management system (UMS) and integrated web portal.

Website: This expenditure is now included in Communications & IT.

Merchant Service Fees: This is the monthly fee we pay to process debit/credit cards and e-checks for water payments. As we continue to see increased use of our web portal and phone payment options, these fees will increase.

Budgeting: These dollars are generally attributed to the cost of publishing the required public notices associated with the Budget.

Miscellaneous: This category covers those items for which there is no other applicable designation of expenditure. This can include costs for employee luncheons at the office, staff meetings, Board meetings and incidental unexpected expenditures as they arise.

Advertising: This generally includes project bid advertising in the newspapers. On occasion we also advertise for open employment positions.

Postage: The use of BMS Technologies for producing/ mailing monthly billing statements has reduced the postage requirements. The majority of postage is used for past-due notices, backflow test reminder letters, and disbursement check mailings.

Administrative Services: This provides the Board of Commissioners a per-meeting compensation for their hours of service each year.

Training & Travel: Represents Office Staff and/or Board Members' costs of attending annual conferences such as SDAO or OAWU, including lodging and mileage. It will also include the cost of continuing professional education related to performing the duties of the Office Manager.

Contract Services: This outsourced meter-reading service contract with Metereaders LLC is on biennial renewal program. The service contract renewal price is 73 cents per meter read, with a contract expiration date of June 2021.

Consulting Service: In planning for the potential consolidation of RCWD and GSD, we will utilize the services of a consultant with Special Districts Association of Oregon (SDAO). These costs will be split with GSD.

Office Equipment: We do not anticipate any significant equipment expenditures in the 2020-2021 fiscal year. The amount budgeted is to allow for unanticipated replacement of equipment due to breakdown.

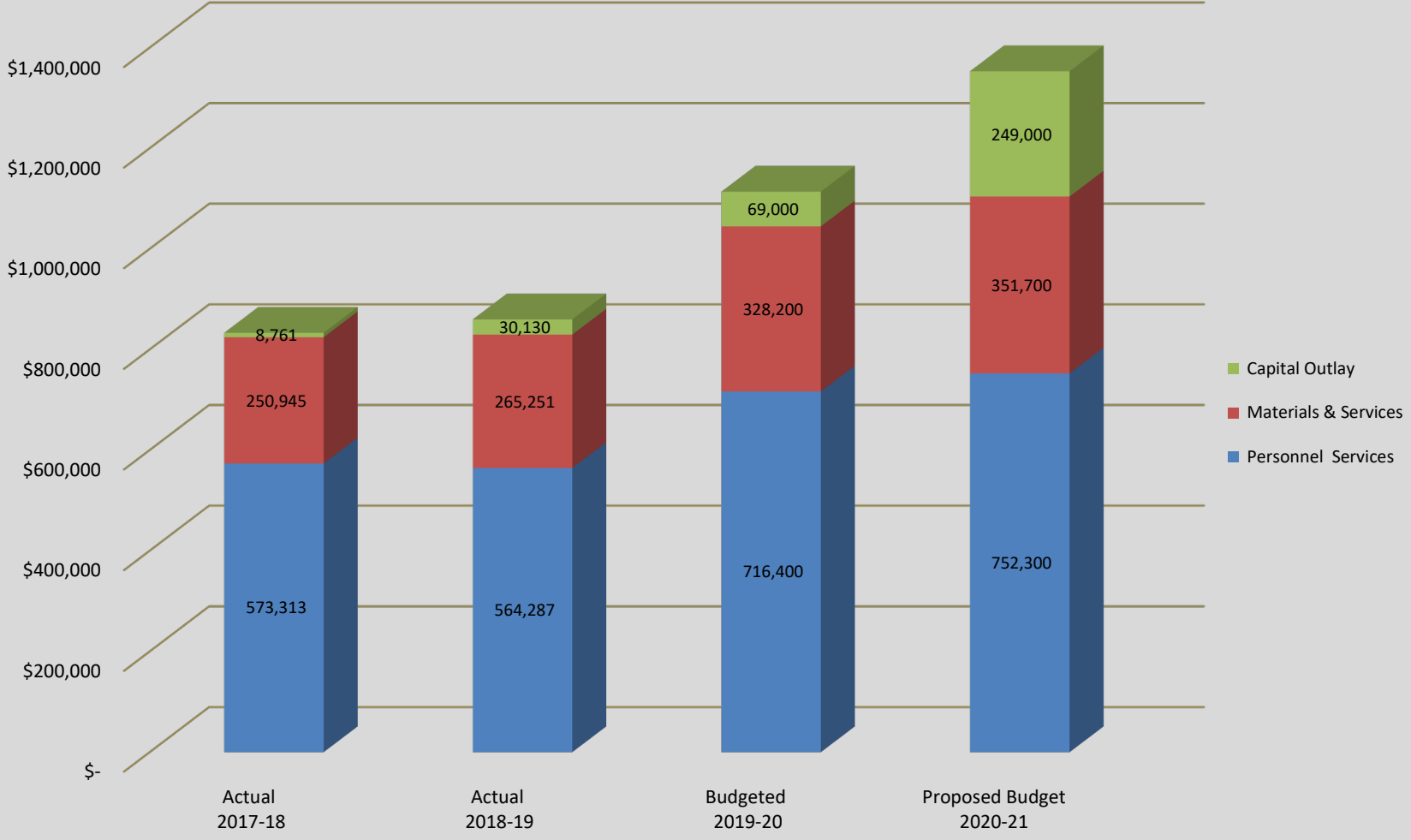
Office Improvement: There are no major improvements planned for the 2020-2021 year.

GENERAL FUND - ADMINISTRATIVE EXPENDITURES - FORM LB-31

ROBERTS CREEK WATER DISTRICT

HISTORICAL DATA							2020-21 BUDGET		
Second Actual Preceding 2017-18	First Actual Preceding 2018-19	ADOPTED BUDGET 2019-20	EXPENDITURE DESCRIPTION				Proposed by Budget Officer	APPROVED BY BUDGET COMMITTEE	ADOPTED BY BOARD
67,094	70,171	75,000	1	Personnel Services / Office (# employees)					
70,777	63,771	98,000	2	Office Manager (1)			84,000	84,000	84,000
10,590	10,293	13,500	3	Office Assistants (2.5)			93,500	93,500	93,500
242	198	300	4	Social Security & Medicare (3.5)			13,600	13,600	13,600
61,188	63,291	79,000	5	Workmen's Compensation (3.5)			250	250	250
1,539	137	300	6	Insurance (3.5) (medical + VEBA + life/LTD/STD)			87,700	87,700	87,700
16,473	16,035	20,700	7	Unemployment Compensation (3.5)			300	300	300
4,316	912	3,000	8	Retirement (3.5)			21,500	21,500	21,500
			9	Vacation and Compensation Time (3.5)			3,000	3,000	3,000
232,219	224,808	289,800	10	TOTAL PERSONNEL SERVICES			303,850	303,850	303,850
			11	Materials & Services					
8,750	9,150	10,000	12	Auditing			9,750	9,750	9,750
-	1,002	1,000	13	Elections			5,000	5,000	5,000
3,262	3,113	4,000	14	Supplies			4,000	4,000	4,000
1,898	1,924	3,000	15	Communications & IT			9,600	9,600	9,600
2,640	2,420	3,500	16	Electricity & Gas			3,500	3,500	3,500
852	1,785	10,000	17	Legal Fees			10,000	10,000	10,000
7,298	10,200	10,000	18	Dues & Subscriptions			5,500	5,500	5,500
33,570	28,674	31,000	19	Property Insurance			32,500	32,500	32,500
8,659	15,199	16,500	20	Liability & Auto Insurance			19,000	19,000	19,000
5,851	2,440	4,000	21	R & M Office			4,000	4,000	4,000
2	-	2,000	22	Bank Charges			500	500	500
22,725	19,336	21,500	23	Billing Costs			24,500	24,500	24,500
9,286	11,264	12,000	24	Merchant Service fees			17,000	17,000	17,000
1,325	1,714	2,000	25	Online Bill-Pay Fees / Web Portal			-	-	-
2,600	2,400	2,600	26	Website			-	-	-
308	516	800	27	Budgeting			1,000	1,000	1,000
1,837	2,804	3,500	28	Miscellaneous			3,500	3,500	3,500
279	20	500	29	Advertising			500	500	500
1,984	2,002	2,000	30	Postage			2,000	2,000	2,000
2,600	2,550	3,200	31	Administrative (Board of Commissioners)			3,200	3,200	3,200
2,294	2,913	6,000	32	Training & Travel			5,000	5,000	5,000
26,233	26,165	27,500	33	Contract Services			27,500	27,500	27,500
-	-	-	34	Consulting Services			6,000	6,000	6,000
144,253	147,591	176,600	35	TOTAL MATERIALS & SERVICES			193,550	193,550	193,550
			36	Capital Outlay					
679	39,967	9,000	37	Office Equipment			2,000	2,000	2,000
-	14,116	7,000	38	Office Improvement			3,000	3,000	3,000
679	54,083	16,000	39	TOTAL CAPITAL OUTLAY			5,000	5,000	5,000
377,151	426,482	482,400	40	SUB-TOTAL EXPENDITURES			502,400	502,400	502,400
377,151	426,482	482,400	41	SUBTOTAL EXPENDITURES THIS PAGE			502,400	502,400	502,400

General Fund Operations Expenditures



GENERAL FUND OPERATIONS EXPENDITURES

Staff: This amount in the Operations Budget allows for cost of living and merit increases, plus overtime, on-call and call-out time for the crew.

Social Security/FICA, Unemployment, and Workers' Compensation: See description for same line under Administrative Expenditures.

Insurance: The District provides health/dental/visions benefits for employees, along with disability, limited life insurance, and an HRA VEBA account. See description for same line under Administrative Expenditures for any changes.

Retirement: The District currently deposits an amount equal to 12% of an employee's base pay into a SEP IRA at Edward Jones Company. The deposits are made on a quarterly basis and asset distribution within the IRA is at the employee's discretion.

Freight & Fuel: We do not anticipate any substantial changes in these costs charged for mailing and delivery of parts and commodities.

Supplies & Operations Items: This includes general plant supplies, crew uniforms and general operational necessities.

Communications & IT: The new monthly services agreement with DFN for the Operations Department is \$326. See the same line in Administrative Expenditures for description. This line also includes the monthly cell phone stipend (\$50) for all Operations staff.

Electricity & Gas: Although rate increases are not expected, the 2020-2021 budget provides for any potential utility rate increases.

Fees & Dues: These include the State's One-Calls (pre-digs), membership dues to UBOS, OAWU, and AWWA. There are also several annual fees & permits to the County and State such as Filter Backwash Fee, Hazardous Substance Fee, Water System Survey fee, cross-connection & asbestos certification fees that are paid from this category.

Equipment Maintenance: This category covers all maintenance, tires, upkeep, oil, parts and labor associated with keeping all District vehicles and equipment in good working order. Several District service trucks have been in service for approximately six years and will require maintenance.

R&M Field: This includes items such as rock, asphalt, pipe, fittings, maintenance items, materials and costs associated with the repair, replacement and upkeep of various aspects of the District's water system, including the pump station at The Highlands.

R&M Plant: This category covers monthly sewer fees from Green Sanitary, quarterly maintenance fee for the sewer tie-in at Rising River RV Park, purchasing items like fencing, and for parts and supplies for repairing/maintaining all equipment, pumps and operations at the plant. In the 2020-2021 year, we plan replacing pH probes on the Clean-In-Place system.

Chemicals: Although our filter and UV treatment process provides for minimal chemical treatment, we still utilize some food-grade chemicals and minerals such as aluminum chlorohydrate (ACH), salt, phosphoric acid, citric acid and calcium theosulfate in the treatment and disinfection processes. Plant staff has done a great job of dialing in chemical utilization to a point where costs are fairly predictable. However, periods of inclement weather could result in unexpected spikes in chemical requirements.

GENERAL FUND OPERATIONS EXPENDITURES (cont')

Water Samples: This fee is paid to Umpqua Research in Myrtle Creek. Fees are paid monthly but vary from year to year based on which test samples are required by the State at particular intervals.

Training & Travel: This category includes the costs for out-of-town seminars, meals & lodging, local and online classes, as well as those that may become necessary to fulfill certification requirements for the superintendent and crew such as asbestos handling and traffic flagging. Crew education has been increased to allow for additional travel to out-of-area classes and conferences, and for training of a new crew employee.

MiOX System: MIOX is an on-site chlorine generation system used in the disinfection process. A new MiOX system was installed in the 2020-2021 year. This line is designated for maintenance to the MiOX system.

New Connections Material: Costs associated with installing new service connections for water service, such as valves and traffic boxes.

Miscellaneous: This line item covers those expenditures not designated by other line items in the budget such as annual property taxes on the Plant/Carnes properties and occasional employee luncheons.

Engineering: Most engineering services are included in the project cost itself. However, there are, from time to time, small projects such as monitoring the erosion and slope on the hillside below the main tank that require outside engineering services. In the 2020-2021 year, we plan on commissioning a study to identify any potential electrical frequency issues that may arise with a backup generator for the treatment plant.

Summer-Stored Water: In 2015 we locked in a 10-year annual reservation fee of \$2,175 which is collected through Douglas County on behalf of Lookingglass-Olalla Water District.

Emergency Intertie: Ongoing maintenance such as painting and adding rock is needed at pump sites.

Backflow Testing: The District orders backflow tests to be done for customers who have been notified of, but do not comply with, the State's annual testing requirement. The District's cost for the testing, plus an administrative fee, is added to the customer's bill or invoiced to the property owner. In return, this category tracks those payments made to certified testers for performing non-compliant testing at District's request.

Reservoir Maintenance: We plan on performing some maintenance work on the tank roads to ensure their structural integrity.

GENERAL FUND - OPERATIONS EXPENDITURES - FORM LB-31

ROBERTS CREEK WATER DISTRICT

HISTORICAL DATA							2020-21 BUDGET		
Second Actual Preceding 2017-18	First Actual Preceding 2018-19	ADOPTED BUDGET 2019-20	EXPENDITURE DESCRIPTION				Proposed by Budget Officer	APPROVED BY BUDGET COMMITTEE	ADOPTED BY BOARD
			1	Personnel Services / Plant (# employees)					
82,720	84,363	87,000	2	Superintendent (1)			90,500	90,500	90,500
279,064	267,124	354,000	3	Service Crew (6)			365,000	365,000	365,000
27,618	26,765	33,800	4	Social Security & Medicare (7)			34,800	34,800	34,800
8,205	6,736	9,500	5	Workmen's Compensation (7)			8,000	8,000	8,000
131,439	134,192	175,100	6	Insurance (7) (medical + VEBA + life/LTD)			197,000	197,000	197,000
3,986	355	2,000	7	Unemployment (7)			500	500	500
42,234	43,855	52,000	8	Retirement (7)			53,500	53,500	53,500
(1,953)	897	3,000	9	Vacation and Compensation Time (7)			3,000	3,000	3,000
573,313	564,287	716,400	10	TOTAL PERSONNEL SERVICES			752,300	752,300	752,300
			11	Material & Services					
684	3,990	3,000	12	Freight			3,000	3,000	3,000
1,568	891	3,000	13	Tools			5,000	5,000	5,000
3,188	3,995	4,000	14	Supplies & Operations Items			4,000	4,000	4,000
3,914	5,028	5,700	15	Communications & IT (Operations)			8,700	8,700	8,700
112,061	103,467	130,000	16	Electricity & Gas			130,000	130,000	130,000
5,248	6,714	6,000	17	Fees & Dues			6,000	6,000	6,000
7,516	8,097	10,000	18	Fuel			10,000	10,000	10,000
4,506	9,927	12,000	19	Equipment & Vehicle Maintenance			12,000	12,000	12,000
24,631	22,082	35,000	20	R & M Field			35,000	35,000	35,000
17,335	27,045	35,000	21	R & M Plant			45,000	45,000	45,000
37,445	46,102	40,000	22	Chemicals			40,000	40,000	40,000
6,997	5,864	8,500	23	Water Samples			9,500	9,500	9,500
6,810	6,870	10,000	24	Training & Travel			10,000	10,000	10,000
171	126	2,000	25	Miox System			2,000	2,000	2,000
199	302	2,000	26	Miscellaneous			2,000	2,000	2,000
-	-	1,000	27	Engineering			8,000	8,000	8,000
1,372	1,502	2,000	28	New Connection Materials			3,000	3,000	3,000
2,175	2,175	6,000	29	Summer Stored Water Fee			6,000	6,000	6,000
-	-	1,500	30	Emergency Inter-tie			1,500	1,500	1,500
3,947	7,456	5,000	31	Inventory Adjustment			5,000	5,000	5,000
2,950	2,581	3,500	32	Backflow Testing / Non Compliance Testing			3,000	3,000	3,000
8,228	1,037	3,000	33	Reservoir Maintenance			3,000	3,000	3,000
250,945	265,251	328,200	34	TOTAL MATERIALS & SERVICES			351,700	351,700	351,700
824,258	829,538	1,044,600	35	SUB-TOTAL EXPENDITURES			1,104,000	1,104,000	1,104,000
824,258	829,538	1,044,600	36	SUBTOTAL EXPENDITURES THIS PAGE			1,104,000	1,104,000	1,104,000

GENERAL FUND CAPITAL OUTLAY EXPENDITURES

Meter Installations: This line item is the cost to the District for the actual meter portion of the installation of a service.

Line Replacement: Smaller line improvements done by the service crew are budgeted in the General Fund allowing inventory to be tracked more efficiently.

Equipment Purchase: We plan to purchase a street sweeper for the skid steer, with an estimated cost of \$5,500.

Vehicle Purchase: No vehicle purchases are anticipated.

Repair River Intake: No major repairs are anticipated for this next year.

Replace Filter Membranes: This covers the cost of maintaining and replacing the filter membranes. We plan on replacing 285 membranes. By purchasing the state-approved Sinor filter membranes we will receive a \$100 per unit volume discount, bringing the per-membrane cost to approximately \$650.

Transferred to Capital Project Fund: This year's budget projects a \$240,000 transfer to Capital Projects from the General Fund at \$60,000 per quarter. These funds are then available for capital expenditure.

Rate Transfers to Plant Upgrade: These funds are transferred from the General Fund to pay the annual Plant Upgrade Loan payment.

General Operating Contingency: When placed in this category (as opposed to Unappropriated Funds Balance) this money can be used in the event of an emergency or unanticipated expense.

Reserve for Repayment (Lines): This is money collected under Special Surcharge Revenue (Lines). The District has accumulated \$65,000 in this account. It can be applied to the loans or used at the direction of the Board.

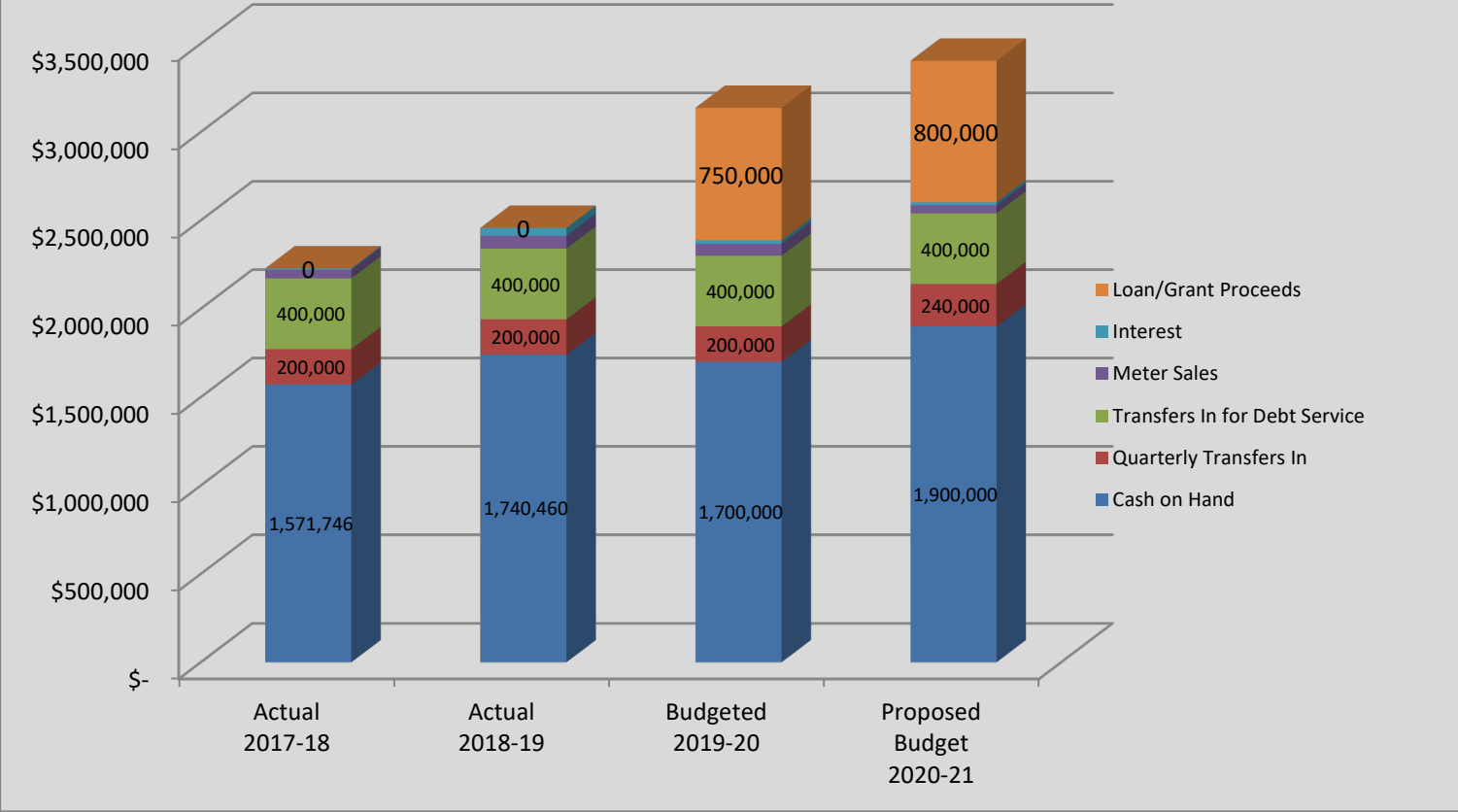
Intergovernmental Agreement Payment: The amount collected under Special Surcharge Revenue (Tank) will be paid, as it is received, to Douglas County as repayment for its portion of the cost of the installation of the tank.

GENERAL FUND - OPERATIONS EXPENDITURES - FORM LB-31

ROBERTS CREEK WATER DISTRICT

HISTORICAL DATA			EXPENDITURE DESCRIPTION	2020-21 BUDGET		
Second Actual Preceding 2017-18	First Actual Preceding 2018-19	ADOPTED BUDGET 2019-20		Proposed by Budget Officer	APPROVED BY BUDGET COMMITTEE	ADOPTED BY BOARD
			1 Capital Outlay			
827	890	3,000	2 Meter Installations	3,000	3,000	3,000
1,936	14	50,000	3 Replace Lines (non-capital projects)	50,000	50,000	50,000
387	12,175	18,000	4 Equipment Purchases	6,500	6,500	6,500
5,225	9,760	35,000	5 Replace Filter Membranes	186,000	186,000	186,000
386	7,291	3,000	6 Safety Equipment	3,500	3,500	3,500
8,761	30,130	109,000	7 TOTAL CAPITAL OUTLAY	249,000	249,000	249,000
833,019	859,668	1,153,600	8 TOTAL OPERATING DEPARTMENT	1,353,000	1,353,000	1,353,000
			9 Transferred to Other Funds			
200,000	200,000	240,000	10 Capital Projects Fund (quarterly transfers)	240,000	240,000	240,000
400,000	400,000	400,000	11 Rate Transfers (monthly) to Upgrade Loan Payment	400,000	400,000	400,000
-	-	75,000	12 General Operating Contingency	75,000	75,000	75,000
26,156	29,791	paid off	13 Deferred Loan - Principal (Business Oregon)	paid off	paid off	paid off
3,357	1,787	paid off	14 Deferred Loan - Interest (Business Oregon)	paid off	paid off	paid off
-	-	50,000	15 Reserve for Repayment (Lines)	50,000	50,000	50,000
-	-	50,000	16 Intergovernmental Agmt. Payment (Tank)	50,000	50,000	50,000
629,513	631,578	815,000	17 TOTAL DEBT SERVICE & TRANSFERS	815,000	815,000	815,000
1,839,683	1,917,728	2,451,000	18 SUB-TOTAL EXPENDITURES	2,670,400	2,670,400	2,670,400
470,914	661,210	380,500	19 Unappropriated Fund Balance	158,100	158,100	158,100
2,310,597	2,578,938	2,831,500	20 TOTAL ADMINISTRATIVE & OPERATING	2,828,500	2,828,500	2,828,500

Capital Projects Fund Resources



CAPITAL PROJECTS FUND RESOURCES

Net Working Capital: This is the actual cash (working capital) available projected for July 1.

Meter Sales: This amount represents the system development charge (SDC) portion of new connections and is based on the estimated sale of 15 residential meter services for 2020-2021. The charge for a 5/8 x 3/4" meter service is currently \$5,021, a \$500 portion of which is deposited into the General Fund to cover the cost of installation, with the remaining \$4,521 going to Systems Development Charges. This category can include the sale of larger commercial meters at greater fee rates. Revenue derived from the impact of new development must be spent on Master Plan system improvements that increase the District's capacity to provide services.

Interest: The Oregon LGIP is currently paying 1.30% interest, however the rate has been on a steady decline recently. The reserve for capital projects improvements is currently \$1,413,000 and the reserve for debt service is \$530,000.

Transfers from other Funds: General Fund transfers of \$60,000 quarterly will yield \$240,000 into Capital Projects, and monthly General Fund transfers of rates to Plant Upgrade will yield \$400,000 to be utilized for the plant upgrade loan payment.

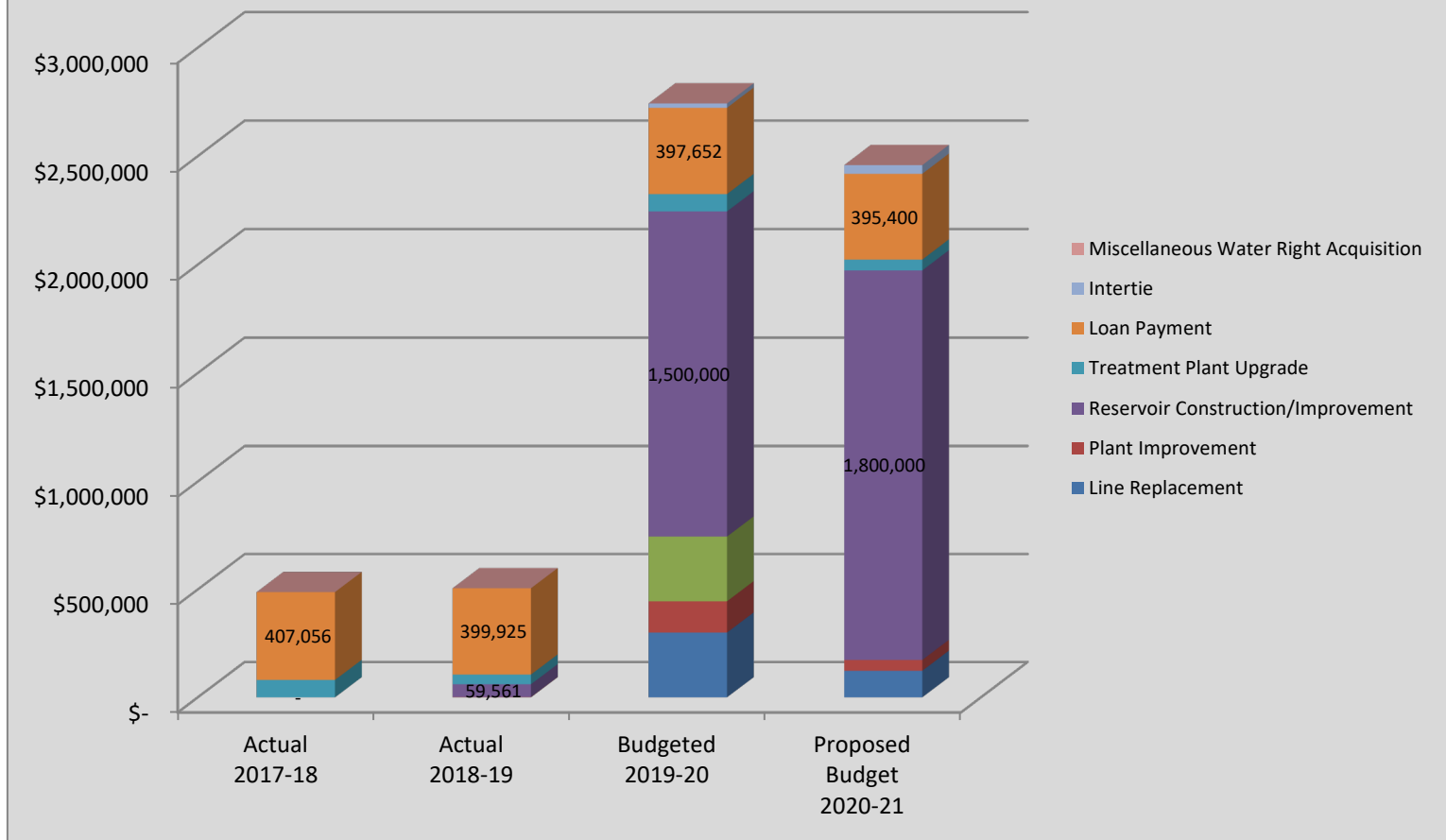
Grant/Loan Proceeds- Town Tank: The Town Tank Reservoir construction was budgeted in 2019-2020, however construction will not begin until the 2020-2021 year, and should be completed within the same year. To fund the construction of the Town Tank Reservoir, we plan on contributing \$1,000,000 of District reserve funds. For the remainder of the \$1,800,000 project costs, we plan on securing some combination of loan and/or grant funds.

CAPITAL PROJECTS FUND RESOURCES - FORM LB-20

ROBERTS CREEK WATER DISTRICT

HISTORICAL DATA			RESOURCE DESCRIPTION	2020-21 BUDGET		
Second Actual Preceding 2017-18	First Actual Preceding 2018-19	ADOPTED BUDGET 2019-20		Proposed by Budget Officer	APPROVED BY BUDGET COMMITTEE	ADOPTED BY BOARD
1,571,746	1,740,460	1,750,000	1 Net Working Capital (Modified Accrual Basis)	1,900,000	1,900,000	1,900,000
48,748	72,336	54,000	2 Meter Sales (SDC Portion)	45,000	67,815	67,815
7,517	44,656	40,000	3 Interest	18,000	18,000	18,000
			4 Transferred from Other Funds			
200,000	200,000	240,000	5 General Fund (from quarterly transfer)	240,000	240,000	240,000
400,000	400,000	400,000	6 General Fund for Loan Payment (from rates)	400,000	400,000	400,000
			7 Other Resources			
-	-	750,000	8 Grant / Loan Proceeds: Town Tank	800,000	800,000	800,000
			9			
2,228,011	2,457,452	3,234,000	10 SUBTOTAL RESOURCES	3,403,000	3,425,815	3,425,815
			11 Taxes Necessary to Balance Budget	-	-	-
			12 Taxes Collected in Year Levied	-	-	-
2,228,011	2,457,452	3,234,000	13 TOTAL RESOURCES	3,403,000	3,425,815	3,425,815

Capital Projects Fund Expenditures



CAPITAL PROJECTS FUND EXPENDITURES

Line Replacement: Expenditures budgeted for the replacement of aging water distribution lines or re-routing water lines when necessary. Fiscal year 2020-2021 budgeted amounts included service line relocation and replacement on Carnes Road in conjunction with Douglas County's sidewalk project.

Plant Improvement: Continued programming and telecommunications work between plant and reservoirs.

Miscellaneous: Currently, only the minimal transaction fees associated with the State Pool reserve funds transfers are charged to miscellaneous expense.

Water Rights Acquisition: There are no pending or anticipated water rights acquisitions, but we are ever vigilant should opportunities arise.

Reservoir Construction & Improvement: No capital maintenance to the reservoirs is planned for 2020-2021; however, we do plan to construct a new additional water reservoir tank off Old Hwy 99 near Shady. The estimated project costs total \$1,800,000. The increase from the 2019-2020 budgeted cost is due to receiving the engineer's cost estimate after preliminary engineering. This project was budgeted for in 2019-2020 but will be carried to the next budget year for construction and completion.

Treatment Plant Upgrade: No upgrades to the water treatment are planned for 2020-2021, however we budget for potential outlay in the event any upgrades to the plant become necessary.

Intertie: We plan to complete an intertie with Umpqua Basin Water Association, which will allow for additional water resources for both agencies in the event of an emergency. This project was budgeted in 2019-2020 but we plan to execute the project in the 2020-2021 budget year. The increase in budgeted cost is due to Douglas County requirement that we bore under Happy Valley Road for the line placement rather than cut and replace the asphalt.

Loan Payment - Plant Upgrade: The treatment plant upgrade refunding note is held by JP Morgan Chase and has a maturity date of December 2031. Interest at 2.53% is paid semi-annually and principal payments are made annually. Debt service payments for 2020-2021 total \$395,400 of which \$295,000 is allocated to principal and \$100,400 is allocated to interest.

CAPITAL PROJECTS FUND EXPENDITURES - FORM LB-31

ROBERTS CREEK WATER DISTRICT

HISTORICAL DATA			EXPENDITURE DESCRIPTION	2020-21		
Second Actual Preceding 2017-18	First Actual Preceding 2018-19	ADOPTED BUDGET 2019-20		Proposed by Budget Officer	APPROVED BY BUDGET COMMITTEE	ADOPTED BY BOARD
-	-	300,000	1 Capital Outlay			
-	1,124	145,000	2 Line Replacement	123,000	123,000	123,000
9	1	2,000	3 Plant Improvements	50,000	50,000	50,000
-	-	300,000	4 Miscellaneous	500	500	500
-	-	2,000	5 For Future Requirements	-	-	-
-	-	2,000	6 Water Rights Acquisition	2,000	2,000	2,000
-	59,561	1,500,000	7 Reservoir Construction & Improvement	1,800,000	1,800,000	1,800,000
80,486	44,935	80,000	8 Treatment Plant Upgrade	50,000	50,000	50,000
-	-	20,000	9 Intertie	40,000	40,000	40,000
			10 Debt Service			
407,056	399,925	397,652	11 Loan Payment - Plant Upgrade	395,400	395,400	395,400
			12			
487,551	505,546	2,746,652	13 SUBTOTAL EXPENDITURES	2,460,900	2,460,900	2,460,900
1,571,746	1,951,906	487,348	14 Unappropriated Funds Balance	942,100	964,915	964,915
2,059,297	2,457,452	3,234,000	15 TOTAL CAPITAL EXPENDITURES	3,403,000	3,425,815	3,425,815

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