

Tooley Water District Budget Committee Agenda

FISCAL YEAR 2024/2025 Budget

Version 1.1 (updated 5/13/24)

Meeting Date: Tuesday, May 14, 2024 5:30pm

Location: Microsoft Teams ONLINE MEETING

[Click here to join the meeting now](#)

Dial-in by phone

[+1 312-600-3709](tel:+13126003709),16923910# United States, Chicago

[Find a local number](#)

Phone conference ID: 169 239 10#

Type of meeting

Budget Committee Meeting

Chairperson

To Be Determined

Minute keeper

To Be Determined

Tooley Water District Budget Committee

Position	Method	Term length	Name	Term expires
Budget Member – Position 1	Appointed	3 Years	Susan Russ	06/30/26
Budget Member – Position 2	Appointed	3 Years	David Child	06/30/26
Budget Member – Position 3	Appointed	3 Years	Jeff Radford	06/30/24
Budget Member – Position 4	Appointed	3 Years	Jovonne Lentz	06/30/24
Budget Member – Position 5	Appointed	3 Years	Mark Stern	06/30/25
Board Member – Position 1	Elected	4 Years	John Amery	06/30/25
Board Member – Position 2	Elected	4 Years	Larry Russ	06/30/25
Board Member – Position 3	Elected	4 Years	Carol Mauser	06/30/27
Board Member – Position 4	Appointed	4 Years	Amanda Valentine	06/30/27
Board Member – Position 5	Elected	4 Years	Debby Jones	06/30/27

Topics

Item 1 - Approval of Agenda – Carol Mauser	2
Item 2 – Approval of 2023/2024 Minutes – Carol Mauser	3
Item 3 – Election of Officers – Carol Mauser.....	4
Item 4 – Budget Statement – John Amery	5
Overview Statement.....	5
Revenue projection	5
Current fiscal year to date budget performance.....	6
Proposed Budget for next fiscal year.....	7
Rate and fees recommendation	8
Item 5 – LB-20 and LB-30 discussion – John Amery	9
Item 6 – Public Discussion.....	9
Item 7 – Vote on Budget for fiscal year 2024/2025	9
Item 8 – Meeting Adjourned.....	10

Item 1 - Approval of Agenda – Carol Mauser

Item 2 – Approval of 2023/2024 Minutes – Carol Mauser

Minutes

5-11-23 Tooley Water District Board Meeting

Present: Board Members- John Amery, Larry Russ, Amanda Valentine, Debby Jones, Carol Mauser
Citizens: Susie Russ, Mark Stearn, Jovonne Lentz, Jeff Radford, David Childs

The Meeting was called to order at 5:35 by Carol Mauser.

The agenda was read.

A motion was made to approve the agenda by Larry Russ and seconded by Jovanne.

The minutes from the 2022/23 budget meeting were presented.

Motion to approve John Amery, second Larry Russ.

Carol Mauser explained the procedure for election of officers for the meeting.

John Amery moved Carol Mauser be elected as chairperson, second by Mark Stearn.

A motion was made and seconded for Larry Russ to be Secretary.

John Amery read the budget statement and asked for any questions regarding the approximate 11%(10.92%) increase in overall budget which translates to a 10.92 % increase in base rate water cost.

The rate increase is necessary primarily due to an increase in Hiland Water Corp labor rates and base fee rate.

John stated he expected revenue to remain stable during the next fiscal year. He followed with a discussion of the profit/loss performance page and the method by which the new proposed budget is derived. He then followed with an explanation of forms LB 20 and 30 required by the State of Oregon.

An announcement was made that Hiland Water Corp has been purchased by Northwest Natural.

A discussion followed regarding data concerning water loss within the distribution system and whether that loss is actual(leaks) vs faulty meters.

Larry Russ moved and David Childs seconded the approval of a Tooley Water District budget of \$73,435.69 for fiscal year 2023/24 with

- \$15,000 allocated for capital projects
- \$45640.27 allocated for materials and services
- \$4,313.42 allocated for Personnel services
- \$8500.00 allocated unallocated for contingencies

The meeting was adjourned at 6:38 pm

Item 3 – Election of Officers – Carol Mauser

The Tooley Water District Budget Committee is a 10 person committee. 5 of the 10 members are Tooley Water District board members. The additional 5 members are community members within the district. Each member of the committee has equal votes.

The role of the Chairperson is to run budget meetings (this meeting). In the event Tooley Water District required supplemental budget meeting(s) later in the year this person would also run that/those meetings.

The role of the secretary is to be a scribe for budget meetings. This person will take notes for the minutes to be approved next year.

1. Motion to elect _____ as chairperson for Tooley Water District's budget committee.
 - o New chairperson to take over running meeting
2. Motion to elect _____ as Secretary for Tooley Water District's budget committee.

Item 4 – Budget Statement – John Amery

Tooley Water District

Budget Statement

Fiscal Year 2024/2025

By John Amery – Board Member / Treasurer – Tooley Water District

Overview Statement

This year I am recommending a budget requirement increase of 13.69%. The primary drivers for this increase are:

1. Tooley's contract maintenance provider "Hiland Water Corporation" now purchased by "Northwest Natural Water Services" rate increases. This is a bit tricky forecasting as Hiland has moved items that used to be covered under the "Base Fee" over to "Time and Material" billing. Additionally, the base fee has been increased. It is currently unclear as to the overall impact of these changes, however it is expected that they will be significant.
2. Recommendations from SDIS that insurance rates could increase 15-20% starting in 2025. It should be noted that I only increased by 10% as I am hoping they are simply being conservative. However, it is clear that rates will increase significantly.
3. Increased costs associated with Engineering grant fulfillment towards a new well.
4. Increased costs associated with a higher budget (due to engineering grants Tooley intends to apply for).

I am attempting to keep Tooley Water District's budget below \$150k as that is the threshold allowed for "In Lieu of Audit". Preliminary requests for a full audit estimates are around \$5k-\$10k. This additional expense would have a significant impact on Tooley Water District and should only be utilized when required (for example, when we apply for a construction grant for a new well).

In order to balance these requirements, I have lowered Tooley's Capital category as I believe Tooley Water District will be focusing on engineering of a new well during this next fiscal year (which is not a capital expense). If we are successful in developing a full engineering plan under this fiscal year's budget, then next fiscal year we may try to apply for construction grants for the development of a new well. It should be noted that even though we are attempting to utilize grants for some/all of this, there will still be significant additional costs Tooley Water District will be required to pay in order to complete such a project.

Revenue projection

Revenue projections have been pretty accurate over the last few years. I am using the same methodology this year by increasing revenue projections by the same percentage as my proposed rate increases. We have had some changes regarding the number of paying members. This number fluctuates up and down as we get new hookups, or as households remove service (and in some cases we pull their meter). But overall, the last few years have seen very few changes.

Current fiscal year to date budget performance

1:50 PM

05/13/24

Accrual Basis

Tooley Water District Profit & Loss Budget Performance April 2024

	Apr 24	Budget	% of Budget	Jul '23 - Apr 24	YTD Budget	% of Budget	Annual Budget
Ordinary Income/Expense							
Income							
Water Revenue							
Water Sales	3,864.37	3,624.31	106.6%	42,364.33	38,834.01	109.1%	47,761.09
Total Water Revenue	3,864.37	3,624.31	106.6%	42,364.33	38,834.01	109.1%	47,761.09
Total Income	3,864.37	3,624.31	106.6%	42,364.33	38,834.01	109.1%	47,761.09
Expense							
Capital Improvements	0.00	500.00	0.0%	0.00	5,000.00	0.0%	15,000.00
Contingency	0.00	0.00	0.0%	0.00	0.00	0.0%	8,500.00
Materials and Services							
Activation Fees	0.00	0.00	0.0%	0.00	0.00	0.0%	100.00
Computer and Internet Expenses	228.00	500.00	45.6%	228.00	500.00	45.6%	762.92
Copies	0.00	0.00	0.0%	0.00	0.00	0.0%	200.00
Dues and Fees	0.00	100.00	0.0%	453.21	1,000.00	45.3%	1,200.00
Legal Services	0.00	416.66	0.0%	0.00	4,166.60	0.0%	5,000.00
Liability Insurance							
Equipment Breakdown Coverage	0.00	0.00	0.0%	150.00	150.00	100.0%	150.00
Excess	0.00	0.00	0.0%	0.00	192.00	0.0%	192.00
Excess Liability	0.00	0.00	0.0%	207.00	0.00	0.0%	0.00
General Liability	0.00	0.00	0.0%	1,111.00	1,063.00	104.5%	1,063.00
Insurance Refund	0.00	0.00	0.0%	0.00	-162.00	0.0%	-162.00
N/O Auto Liability	0.00	0.00	0.0%	0.00	175.00	0.0%	175.00
Non-Owned Auto Liability	0.00	0.00	0.0%	175.00	0.00	0.0%	0.00
Property	0.00	0.00	0.0%	497.00	450.00	110.4%	450.00
Liability Insurance - Other	0.00	0.00	0.0%	0.00	0.00	0.0%	446.41
Total Liability Insurance	0.00	0.00	0.0%	2,140.00	1,868.00	114.6%	2,314.41
Maintenance and Repairs	0.00	745.53	0.0%	3,820.64	7,455.30	51.2%	8,946.46
Network Monitoring Maintenance	0.00	340.00	0.0%	0.00	340.00	0.0%	340.00
Office Supplies	0.00	8.33	0.0%	0.00	83.30	0.0%	100.00
Operating Expenses							
Disconnect Fee	0.00	8.33	0.0%	160.00	83.30	192.1%	100.00
Hiland Base Maintenance Fee	0.00	2,206.37	0.0%	21,150.00	22,063.70	95.9%	26,476.48
Operating Expenses - Other	0.00	0.00	0.0%	45.00	0.00	0.0%	0.00
Total Operating Expenses	0.00	2,214.70	0.0%	21,355.00	22,147.00	96.4%	26,576.48
Postage and Delivery	0.00	8.33	0.0%	0.00	83.30	0.0%	100.00
Materials and Services - Other	0.00	0.00	0.0%	42.47	0.00	0.0%	0.00
Total Materials and Services	228.00	4,333.55	5.3%	28,039.32	37,643.50	74.5%	45,640.27
Personal Services							
Boardmember Incentives	250.00	250.00	100.0%	2,399.95	2,500.00	96.0%	3,000.00
Boardmember training/meetings	0.00	50.00	0.0%	0.00	150.00	0.0%	250.00
Crime Bond	0.00	0.00	0.0%	154.00	175.00	88.0%	175.00
Meeting Expense	0.00	200.00	0.0%	0.00	200.00	0.0%	200.00
Workmans Compensation Insurance	0.00	0.00	0.0%	0.00	0.00	0.0%	688.42
Total Personal Services	250.00	500.00	50.0%	2,553.95	3,025.00	84.4%	4,313.42
Total Expense	478.00	5,333.55	9.0%	30,593.27	45,668.50	67.0%	73,453.69
Net Ordinary Income	3,386.37	-1,709.24	-198.1%	11,771.06	-6,834.49	-172.2%	-25,692.60
Other Income/Expense							
Other Income							
Interest Income	2.69	20.83	12.9%	425.10	208.30	204.1%	250.00
Total Other Income	2.69	20.83	12.9%	425.10	208.30	204.1%	250.00
Net Other Income	2.69	20.83	12.9%	425.10	208.30	204.1%	250.00
Net Income	3,389.06	-1,688.41	-200.7%	12,196.16	-6,626.19	-184.1%	-25,442.60

Proposed Budget for next fiscal year

Revenue						Proposed	
		2022/23	% Change	2023/24	% Change	2024/25	
Revenue	Revenue	\$43,060.42	10.92%	\$47,761.09	13.69%	\$54,299.02	
Revenue	Grants	\$0.00	#DIV/0!	\$0.00	N/A	\$80,000.00	
Revenue	Interest Income	\$30.00	733.33%	\$250.00	0.00%	\$250.00	
Totals		\$43,090.42	11.42%	\$48,011.09	180.25%	\$134,549.02	Factors Towards Water Rate Change?
Expenses							
Capital Outlay	Capital Improvements	\$12,000.00	25.00%	\$15,000.00	-66.67%	\$5,000.00	
	Totals	\$12,000.00		\$15,000.00	-66.67%	\$5,000.00	
Materials and Services	Dues and Fees	\$1,200.00	0.00%	\$1,200.00	0.00%	\$1,200.00	
Materials and Services	Liability/Property Insurance	\$2,247.00	3.00%	\$2,314.41	10.00%	\$2,545.85	\$231.44
Materials and Services	Maintenance and Repairs	\$6,677.52	33.98%	\$8,946.46	22.95%	\$11,000.00	\$2,053.54
Materials and Services	Activation Fees	\$0.00	#DIV/0!	\$100.00	0.00%	\$100.00	
Materials and Services	Customer CC Charge passthrough	\$238.70	-100.00%	\$0.00	0.00%	\$0.00	
Materials and Services	Disconnect Fees	\$60.00	66.67%	\$100.00	200.00%	\$300.00	\$200.00
Materials and Services	Operating Expenses – Hiland base	\$24,504.83	8.05%	\$26,476.48	6.51%	\$28,200.00	\$1,723.52
Materials and Services	Postage and Delivery	\$100.00	0.00%	\$100.00	0.00%	\$100.00	
Materials and Services	Office Supplies	\$100.00	0.00%	\$100.00	0.00%	\$100.00	
Materials and Services	Copies	\$200.00	0.00%	\$200.00	0.00%	\$200.00	
Materials and Services	Network Monitoring Maintenance	\$340.00	0.00%	\$340.00	0.00%	\$340.00	
Materials and Services	Computer and Internet	\$762.92	0.00%	\$762.92	9.18%	\$832.92	\$70.00
Materials and Services	Legal Services	\$5,000.00	0.00%	\$5,000.00	0.00%	\$5,000.00	
Materials and Services	Grant Bridge Gap Loan	\$0.00	0.00%	\$0.00	N/A	\$2,000.00	\$2,000.00
Materials and Services	Grant Fulfillment	\$0.00	#DIV/0!	\$0.00	N/A	\$80,000.00	
	Totals	\$41,430.97	10.16%	\$45,640.27	189.04%	\$131,918.77	
Personnel Services	Boardmember Training	\$250.00	0.00%	\$250.00	0.00%	\$250.00	
Personnel Services	Crime Bond	\$175.00	0.00%	\$175.00	128.57%	\$400.00	\$225.00
Personnel Services	Meeting Expenses	\$200.00	0.00%	\$200.00	0.00%	\$200.00	
Personnel Services	Workmans Comp Ins.	\$668.37	3.00%	\$688.42	5.00%	\$722.84	\$34.42
Personnel Services	Boardmember Incentive	\$3,000.00	0.00%	\$3,000.00	0.00%	\$3,000.00	
	Totals	\$4,293.37	0.47%	\$4,313.42	6.01%	\$4,572.84	
Contingency	Contingency	\$8,500.00	0.00%	\$8,500.00	0.00%	\$8,500.00	
	Totals	\$8,500.00	0.00%	\$8,500.00	0.00%	\$8,500.00	
Total Expenses		\$79,682.43	-16.89%	\$66,224.34	126.49%	\$149,991.61	\$6,537.92

Summary of 2024/25 Budget

Total Revenue:	\$134,549.02
Total Expenses:	\$149,991.61
*Budget from savings:	\$15,442.59

Rate and fees Recommendation

The following is my recommendation for next year's fee structure. These recommendations are based upon the previously recommended rate increase of 13.69%, previous year's fee structures, as well as new fees being proposed in NWNWS (North West Natural Water Services) newly proposed contract.

Increase Rate 13.69%

Base Rate **Old** **New**
 \$85.40 \$97.09

Monthly base rate of \$97.09 per month (monthly water usage is added to base rate).

1st 10000 \$2.56 \$2.91
2nd 10000 \$2.64 \$3.00
3rd 10000 \$2.89 \$3.29
4th 10000 \$3.64 \$4.14
5th 10000 \$4.21 \$4.79

Gallage Rate	Rate charge	Up to Gallons
1st 10,000 gallons	\$2.91 per 1,000 gallons	10,000 gallons
next 10,000 gallons	\$3.00 per 1,000 gallons	20,000 gallons
next 10,000 gallons	\$3.29 per 1,000 gallons	30,000 gallons
next 10,000 gallons	\$4.14 per 1,000 gallons	40,000 gallons
next 10,000 gallons	\$4.79 per 1,000 gallons	50,000 gallons

The gallon usage rate beyond 50,000 gallons continues at \$4.79 per 1,000 gallons of water used.

Additional Fees

- \$7,500.00 System Development Fees (aka "Hook-up Fee")
- Direct Credit Card Processing Fee
- Passthrough from NWNWS
- \$65.00 Disconnect notice due to non-payment
- \$80.00 Turn-on Fee due to disconnected service
- \$25.00 NSF (Non Sufficient Funds) check fee
- \$35.00 Activation Fee (new services)

Item 5 – LB-20 and LB-30 discussion – John Amery

Item 6 – Public Discussion

Time is allotted for public input of up to 3 minutes per billing household if the public would like to weigh in on Tooley Water District's budget.

Item 7 – Vote on Budget for fiscal year 2024/2025

Potential Motion:

I move we approve a Tooley Water District total budget of \$149,991.61 for fiscal year 2024/25 with

- \$5,000 allocated for Capital Projects,
- \$131,918.77 allocated for Materials and Services,
- \$4,572.84 allocated for Personnel Services,
- and \$8,500.00 for purposes of Contingency.

Item 8 – Vote on Rate increase and Fees

Potential Motion:

I move we approve Tooley Water District rates for fiscal year 2024/25 as the following:

- \$97.09 Base Rate,
- \$2.91 per 1,000 gallons for the 1st 10,000 gallons,
- \$3.00 per 1,000 gallons for the next 10,000 gallons,
- \$3.29 per 1,000 gallons for the next 10,000 gallons,
- \$4.14 per 1,000 gallons for the next 10,000 gallons,

- \$4.79 per 1,000 gallons for the next 10,000 gallons,
- And the following additional fees:
 - \$7,500.00 for System Development Fees (aka "Hook-up Fee")
 - Direct Passthrough from NWNWS for Credit Card Processing Fee
 - \$65.00 for Disconnect notice due to non-payment
 - \$80.00 for Turn-on Fee due to disconnected service
 - \$25.00 for NSF (Non Sufficient Funds) check fee
 - \$35.00 for Activation Fee (new services)

Item 8 – Meeting Adjourned