

FORM LB-1

NOTICE OF BUDGET HEARING

A public meeting of the Oak Lodge Water District will be held on June 21, 2016 at 6:00 pm at 14496 SE River Road, Milwaukie, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2016 as approved by the Oak Lodge Water District Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at 14496 SE River Road, Milwaukie, OR 97267, between the hours of 9:00 a.m. and 4:00 p.m. Monday through Friday or online at www.oaklodgewater.org. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year. If different, the major changes and their effect on the budget are:

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FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount 2014-2015	Adopted Budget This Year 2015-2016	Approved Budget Next Year 2016-2017
Beginning Fund Balance/Net Working Capital	2,202,098	2,271,049	2,598,280
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	3,603,916	3,090,000	3,125,000
Interfund Transfers / Internal Service Reimbursements	1,215,386	350,000	570,000
All Other Resources Except Current Year Property Taxes	365,864	282,400	295,000
Total Resources	7,387,264	5,993,449	6,588,280

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	1,421,464	1,653,000	1,834,000
Materials and Services	1,350,022	1,641,900	1,595,300
Capital Outlay	507,140	1,321,000	1,442,000
Debt Service	0	0	0
Interfund Transfers	1,215,386	350,000	670,000
Contingencies	0	396,282	989,480
Unappropriated Ending Balance and Reserved for Future Expenditure	2,893,252	631,267	57,500
Total Requirements	7,387,264	5,993,449	6,588,280

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *			
Name of Organizational Unit or Program			
FTE for that unit or program			
Water Distribution Service	3,278,626	4,615,900	4,871,300
FTE	13	13	13
Not Allocated to Organizational Unit or Program	4,108,638	1,377,549	1,716,980
FTE			
Total Requirements	7,387,264	5,993,449	6,588,280
Total FTE	13	13	13

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

On May 17, 2016 a ballot measure to consolidate Oak Lodge Water District with Oak Lodge Sanitary District passed by an overwhelming margin. The consolidation will take several months therefore a definite effective date is not yet known. The approved budget is for Oak Lodge Water District only. The \$1,000,000 in last years budget to install a seismic valve on one of the Valley View Reservoir discharge lines has been rebudgeted for the 2016/2017 year as the project was not started during the current year to maintain a sufficient cash flow since the District has a "pay-as-you-go" policy. The distribution system maintenance budget line is being increased to \$200,000 to match the spending necessary to maintain the District's current level of service. The capital outlay for new meters is increase by \$50,000, bring it to \$200,000 as many large meters are nearing the end of their expected life. A major capital expenditure in this budget includes \$150,000 to replace the current financial and utility billing software. Five Hurricane units for distribution to the public are to be purchased. These are portable emergency water units to aid the Oak Lodge Community Emergency Response Team in the event of an emergency and are to be deployed throughout the District. In personnel services, employees will receive a .4% cost of living allowance, merit increases for eligible employees, as well as increases in salaries to bring employees up to standards as justified in a recent salary survey.

STATEMENT OF INDEBTEDNESS		
LONG TERM DEBT	Estimated Debt Outstanding on July 1.	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$0	
Other Bonds	\$0	
Other Borrowings	\$0	
Total	\$0	

* If more space is needed to complete any section of this form, insert lines (rows) on this sheet. You may delete blank lines.