

YOUNGS RIVER LEWIS & CLARK WATER DISTRICT

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Fiscal Year 26/27 Budget Notes

Income

1. **Water Revenue** – This reflects a 2% increase in both the base rate and cost per thousand gallons. This will help cover rising costs of fuel, chemicals, brass, etc., and will also help prepare for upgrades / replacements according to our District Master Plan. This rate increase was in the agreement for the new Grant / Loan we have received. The District seen a dip in approx. \$1,300 per month over the course of this current fiscal year, which does not seem like much but adds up to over \$18,000 during the entire year. With the expected new services and the 2% increase, revenues are expected to just slightly increase for the 26/27 FY.
2. **Interest** – Accounts in the LGIP (Local Government Investment Pool) average \$800 in interest monthly.
3. **SDC Fees** – Estimate 10 new services to be sold, on par with our historical average. There is a development planned for Willow and G Road this upcoming year. This revenue is also reflected in “Installation Costs”, which is the parts and labor the District bills out for new installs. The average cost for parts and labor for a new install is roughly \$2,500 - \$3,500.
4. **Grants and Loans** – Expect to receive a total of \$266,742. This will come from \$5k from the annual Safety & Security Grant, \$141,582 from the Fort Clatsop Line Replacement Project (Design Phase) and \$120,160 from Business Oregon for the Treatment Plant Upgrades. This is down quite a bit from years past, but the District has made great progress on current projects.

Expense

1. **Personnel Expense** – This reflects an increase of 3.3%, on par with the Federal COLA increase, plus any incentives for obtaining certifications
2. **Health Insurance** – Current rates reflect a 6.5% increase from last year while being \$10k less than previously budgeted. This is due to changes in status to some employees.
3. **General Fund Expenses** – Current budget expenses show a modest 5% increase in several categories including Materials & Supplies (repair parts, brass, meters, PPE, etc.) Utilities, and Truck Expense (fuel, upkeep), and \$1k - \$2k increases in a few other categories. We will merge the Advertisement & Publication categories together, hence the increase in Office Supplies from last

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year. District has moved to a digital format for many publications, the reason for almost eliminating the Advertising & Publication line item.

Loan Payments

1. **New Water Plant Loan S23007.** The District will not start repaying this loan until the completion of the project, which may be next fiscal year. The contract end date is Dec 2026, total loan is at \$805k

Treatment Plant B Loan S02004. Payment 25 of 30, 6 years left including 2026 payment. Current balance of \$145k

Reservoir Loan S11004. Payment 13 of 30, 18 years left including 2026 payment. Balance of \$1.15 Mill

Capital Improvements

1. **Safety & Security Grant** – Will submit for a Matching Grant through Special Districts for anything safety & security related, for any project up to \$10k - \$20k, which changes from year to year.
2. **Treatment Plant Upgrades** – District was successful in the Grant / Loan for District wide upgrades. The last phase we implemented upgrades to Aspomo Reservoir, added power to the site to install tank mixers and powered vent and added to our SCADA. There was also vast improvements done at the Plant including new piping, filters / strainer replacements, and adding a powered mixer and vent in the Clearwell. This project is still underway. Currently enhancing all the computer side of things and engineering to replace our aging backwash lagoons.
3. **Fort Clatsop Project** – The District has been working with Fort Clatsop on the replacement of a waterline that runs under the Lewis & Clark River that feeds Fort Clatsop National Park. The District is acting as a “pass-through”, meaning the Federal Park Service will give the federal dollars to the District, then in turn, the District will pay the engineers, etc. This project is still underway.
4. **Lyngstad Line Replacement** – The District is planning on a line replacement from the old Steel Reservoir on Lyngstad Heights, which is no longer owned by the District. This will move the waterline onto Woodland Lane, and not through someone’s back yard, mitigating potential losses. The District is in the process of getting bids for this project, this will be paid for with SDC funds.

Contingency

The District will end up with a healthy contingency at \$25,000. With our SDC project being cash-flowed, our ending balance is expected to decrease by \$80k while still above last fiscal years end of balance.