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Ivan D. Thomas, General Manager

MEETING NOTICE

SUBJECT: FY2025-26 Budget Committee Meeting
LOCATION: Board Office
DATE & TIME: Thursday, June 5, 2025 – 12:00 noon

Budget meetings are open to the public. Anyone from the public can call into the meeting to speak during the public comment period by calling: 1(213) 293-2303 and use access code 946 990 03# to join the meeting or you can request a link to attend the meeting virtually by contacting Stacey Parrott at stacey_parrott@cbnbh2o.com.

AGENDA BUDGET COMMITTEE MEETING (12:00 noon – 2:00 p.m.)

1. Open meeting - Board Chair Carmen Matthews
2. Flag Salute
3. Introductions
4. Election of Budget Committee Chair
5. Approval of June 13, 2024 Budget Committee Minutes
6. Public Comment - the Public Comments period allows the public to share ideas and concerns, not engage in interactive discussion with the Board. Comments should be limited to five minutes or as directed by the chair, and individuals must remain respectful, avoiding personal attacks or inappropriate conduct.
7. Water Rate Adjustment
 - a. Planning Need
 - b. Preliminary Water Rate Analysis
8. Schedule B and C (O & M Expenses)
9. Fixed Assets | Schedule C | Schedule I (Debt)
10. Capital Improvement Program
11. Questions or Comments
12. Next meeting date: Friday, June 20, 2025, 12:00 noon
Recap of projects, revenues, balancing, and breakdown of proposed rate adjustment.

COOS BAY-NORTH BEND WATER BOARD
P. O. Box 539 – 2305 Ocean Boulevard
Coos Bay, Oregon 97420

Minutes
Budget Committee Meeting

12:00 noon
June 13, 2024

The Budget Committee of the Coos Bay-North Bend Water Board met in open session in the Board Room at the above address, date, and time for the purpose of reviewing the proposed budget for Fiscal Year 2024-25. Committee members present: Aaron Speakman, Patty Scott, Melissa Olson, Greg Solarz, Rob Kilmer, Bill Richardson and Carmen Matthews. Committee members absent: Jeff Bridgens. Water Board staff present: Ivan Thomas, General Manager; Monica Kemper, Finance Director; Matt Whitty, Engineering Manager; Jeff Miller, Interim Operations Manager/Water Treatment Supervisor; Aimee Hollis, Customer Relations Manager; Jason Mills, Distribution Supervisor; Micah Demanett, Meter Services Supervisor; and Stacey Parrott, Executive Assistant-HR Specialist; Board Legal Counsel Melissa Cribbins was present. Media present: none.

Budget Committee Chair Melissa Olson opened the meeting at 12:01p.m. and led the Board and assembly in the Pledge of Allegiance.

Budget Chair Melissa Olson asked if there were any corrections or additions to the June 6, 2024, Budget Committee Minutes. Mr. Solarz moved the minutes be approved as written. The motion was seconded by Ms. Scott and passed unanimously.

Budget Committee Chair Melissa Olson asked Mr. Thomas to present the proposed budget.

General Manager Ivan Thomas presented an overview of the budget, covering financial tracking and a comprehensive recap of the Capital Improvement Plan. The presentation primarily focused on bank balance trends, upcoming infrastructure investments, and how the budget ties into long-term system goals. The committee was reminded that these discussions would support a recommendation to adopt the FY25 budget, with any necessary modifications to follow. To begin, Mr. Thomas reviewed the current and projected bank balances, noting that the April figure stood at just over \$6.5 million, with a projected increase to \$6.9 million by June.

	ACTUAL	PROJECTED
Reserve Balances	24-Apr	24-Jun
DEBT FUND	\$676,846	\$944,800
RESERVE FOR O & M EXPENSES	\$603,016	\$710,900
TIMBER MANAGEMENT PROGRAM TMP	\$104,591	\$104,600
VEHICLE REPLACEMENT PROGRAM	\$554,415	\$571,600
ACTIVE CAPITAL IMPROVEMENTS FUND	\$3,282,403	\$3,293,779
RESERVE FOR SICK LEAVE PAYOUT	\$11,335	\$7,500
REPLACEMENT RESERVES	\$1,270,903	\$1,277,600
BANK BALANCE	\$6,503,509	\$6,910,779

The monthly tracking report shared with the Board displays seven key fund categories. Among these, the most dynamic is the “Active Capital Improvements” line, currently carrying around \$400,000 in reserves but fluctuating based on ongoing projects - totaling approximately \$2.8 million in capital work either underway or planned. Other funds include O&M Reserves, Replacement Reserves, the Debt Service Fund, which builds monthly before payments are issued, the Timber Management Fund - variable depending on timber sales, and the Vehicle Replacement Fund.

Mr. Thomas transitioned into a recap of planned capital projects for FY25 and how the agency has incrementally increased its annual capital budget since 2015, which at the time was just under \$1 million. Through steady water rate increases of 1–2% annually, this amount has now grown to over \$2 million in water user fee revenue alone. For FY25, the agency plans to draw an additional \$280,000 from timber fund proceeds, anticipating a large timber sale in the next fiscal year. A 2.17% water rate increase, scheduled for implementation, is expected to add another \$198,000 in funding, bringing the total projected capital revenue to roughly \$2.5 million.

Among the notable capital projects are continued water main replacements, which have become an annual priority. Last year’s investment of just over \$900,000 will be surpassed by this year’s allocation exceeding \$1 million. Tank-related work is also prominent, including a final large payment for the Steel Tank Reservoir Coating Program and a \$100,000 allocation to maintain the system moving forward. Additionally, \$80,000 has been set aside for a tank mixer in the primary 9-million-gallon reservoir to improve water quality, along with \$30,000 for contracted underwater washing services.

Two pump stations, Telegraph and TerraMar are slated for upgrades totaling \$193,000. Treatment plant projects are also featured in this year’s improvements, totaling \$305,000 and covering a range of needs including HVAC system replacements, fiber internet upgrades, and safety system enhancements.

Attention was given to SCADA upgrades, with \$240,000 budgeted for the coming year. SCADA (Supervisory Control and Data Acquisition) is the digital control system that manages water treatment operations. Mr. Thomas explained the short-term and long-term efforts underway. Immediate work includes a treatment plant “manual mode” analysis, which would prepare staff to operate systems manually during outages or cyber incidents. This comes in light of increasing cyber threats to water utilities across the country. A cybersecurity assessment focused specifically on the SCADA system will also be conducted. The company is also looking to bring on additional regional SCADA integrators, as the current provider is located in Bellevue, Washington, limiting response times. A key goal for the year is to select new hardware and software for eventual full SCADA replacement, as current equipment is outdated and some parts are only obtainable via secondhand sources such as eBay. He noted that SCADA upgrades are guided by the SCADA Master Plan, the team is now preparing to secure funding and integrate this into the broader Capital Improvement Plan. The ultimate goal is to design and implement a new SCADA system by 2028, with a projected cost of \$3 to \$5 million.

The discussion concluded with a return to the meter replacement program, where Mr. Thomas reiterated the importance of strategic, area-based AMR installation. This not only enhances efficiency but also supports better customer service through more accurate and timely data. The meter replacement program, launched in 2021, continues to be a key investment. The FY25 budget allocates \$338,000 toward this initiative. He emphasized that the program began as a

response to outdated meters, some dating back to the 1950s, which result in lost revenue due to decreased accuracy over time. Additionally, since meter reading has become a labor challenge with high turnover, the utility has adopted an Automated Meter Reading (AMR) system. This has significantly improved efficiency and service, enabling thousands of meters to be read per day from a vehicle, compared to just a few hundred by hand.

Meter Replacement Program (Funding Scenario)					
FY	Rate Increase	Funding From Water Sales/Capital	Funding from Rate increase	Funding from existing Operations budget	Total Funding for year
2021	0.75	\$76,000	\$57,000		\$133,000
2022	0.5	\$133,000	\$39,000	\$20,000	\$192,000
2023	0.5	\$192,000	\$39,000		\$231,000
2024	0.5	\$231,000	\$44,000		\$275,000
2025	0.7	\$275,000	\$63,000		\$338,000
2026	0.5	\$338,000	\$48,000		\$386,000
2027	0.5	\$386,000	\$50,000		\$436,000
2028	0	\$436,000	\$0		\$436,000
2029	0	\$436,000	\$0		\$436,000
2030	0	\$436,000	\$0		\$436,000
					\$3,299,000

Finance Director Monica Kemper presented a detailed overview of revenue trends and budget forecasting tools for Fiscal Year 2025, beginning with a 36-month trending graph used to project water revenue through the end of the current fiscal year. This graph highlighted seasonal consumption patterns by customer class: residential, commercial, multi-residential, industrial, and public authorities, with residential water use accounting for over 62% of total revenue. Commercial usage followed at 30%, with industrial and public authority use making up the remainder. These patterns remain relatively consistent year over year, enabling the Finance Department to reasonably estimate future revenue.

For projecting the final months of FY24, the team used the lowest historical monthly usage over the past five years, multiplied by the current average rate to arrive at a conservative estimate. While this method involves a degree of estimation, it is grounded in trend analysis and provides a realistic revenue picture. The forecasted total for FY24 water sales is slightly over \$9.1 million, with FY25 water revenue budgeted at \$9.7 million.

Current Budget FY 24/25	Operating Income Sale of Water	Estimated Year Ending 06/30/2024	Budget FY 24/25
5,641,900	Residential	5,802,200	6,174,100
1,971,600	Commercial / Multi-Residential	2,004,400	2,135,800
801,400	Industrial	654,200	697,300
56,900	Commercial Fire Protection	57,200	61,000
514,200	Public Authorities	521,100	555,200
44,900	Public Hydrants	46,900	50,000
41,100	Other Water Sales	45,800	48,800
9,072,000	Total Water Sales	9,131,800	9,722,200

Additional income sources were discussed, including interest income, which remains unusually high due to favorable Local Government Investment Pool (LGIP) rates, currently at 5.2%. However, recognizing this rate is likely unsustainable, the budget conservatively projects lower returns. Other operating revenues categorized as a "catch-all" include sources like scrap metal sales, surplus equipment, or timber proceeds. While \$700,000 had been previously allocated from an anticipated timber sale, that transaction did not occur. For FY25, \$100,000 is conservatively budgeted from timber revenue.

The utility also collects sewer, stormwater, and related fees on behalf of partner cities. These pass-through revenues and their corresponding disbursements are included in both income and deductions sections but do not affect net operating totals. Interest expenses related to long-term debt total \$218,000 for the current fiscal year, with similar figures expected for FY25.

Ms. Kemper reviewed Schedule G, which reflects a projected end-of-year snapshot if all planned capital projects are completed and all expenditures reconciled. This view helps illustrate available fund balances for future capital planning.

Moving into water rate adjustments, the proposed rate increase for FY25 is 6.6%. Of this, 4.43% supports operations and maintenance, including wage and benefit changes. Specific allocations include \$131,000 for retirement pension obligations, \$57,000 for rising inventory and supply costs, and a projected \$110,000 increase in utility expenses—largely driven by Pacific Power’s unexpected rate hikes. Additionally, the budget includes increased merchant fees due to higher-than-expected customer use of credit cards, leading to a projected \$23,000 budget overage in that area. Insurance premiums are also expected to rise, driven by both market conditions and increased payroll.

Operations & Maintenance (4.43%)

Labor & Benefits (Pension)	\$185,600
Inventory and Supplies	\$57,300
Utilities (Pacific Power)	\$109,800
Credit Card	\$23,000
Insurance Property, Casualty	\$29,400
Sub-Total	\$405,100

Capital Funding (2.17%)

Capital Improvement	\$198,000
Sub-Total	\$198,000

Proposed Rate Adjustment:	6.6% or \$603,100
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Historical rate data showed that even with the proposed 6.6% increase, the average annual adjustment over the last 11 years remains under 4.5%. In real dollar terms, the average inside-residential water bill would rise from \$27.53 to \$29.35. For outside-residential customers, the average bill would increase from \$38.00 to \$41.00.

System Development Charges (SDCs) were also reviewed. While the Seattle Construction Cost Index (SCI) reported a modest 0.39% increase this year, Ms. Kemper proposes a 3.38% SDC adjustment. This recommendation aims to recapture the portion of the 10.49% increase left on the table last year, when the Board opted for a 7.5% adjustment. Historical data shows the Board has occasionally opted to forgo or lower SDC adjustments in low-inflation years. The

proposed increase helps smooth future fluctuations and keeps average annual adjustments aligned with system needs.

The SDC methodology, developed in 2016, incorporates the value of existing water infrastructure, outstanding debt, and projected capital costs. Charges are based on meter size equivalents and are designed to represent a “buy-in” to the system. These charges do not include the cost of actual construction or meter installation, which are charged separately. While SDC revenues fluctuate based on development trends, they support long-term infrastructure needs and ensure equitable cost-sharing between existing and new users.

After discussion, committee members acknowledged the reasoning behind both the rate and SDC proposals. Some comments suggested favoring an SDC adjustment closer to the SCI figure, while others supported recapturing the under-collection from the prior year. The consensus leaned toward proceeding with the 3.38% adjustment as a fair compromise.

Mr. Thomas concluded with a request for final comments or modifications, followed by a recommendation to approve the Fiscal Year 2025 budget.

There being no further discussion of the proposed budget for FY24-25, Mr. Matthews moved they accept the budget as proposed by staff and recommended to the Board approval of the budget as presented, including adjustments to general water rates, fire services, and fire hydrants by 6.60% and increase of System Development Charges by 3.38%. The motion was seconded by Mr. Kilmer and passed unanimously.

Budget Committee Chair Melissa Olson declared the meeting adjourned at 12:37 p.m.

Approved _____

By _____
Melissa Olson
Budget Committee Chair

ATTEST _____

Coos Bay-North Bend Water Board
Budget Estimate of Receipts and Expenditures for the Period:
July 1, 2025 to June 30, 2026

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We hereby certify that the amounts shown herein for the Coos Bay-North Bend Water Board are correct to the best of our knowledge and belief.

Ivan D. Thomas General Manager				Carmen Matthews Chair		Rob Kilmer Secretary	
SCHEDULE A							
Actual 7/1/21 to 7/1/2022	Actual 7/1/22 to 7/1/2023	Actual 7/1/23 to 7/2/2024	Current Budget 2024-2025	ITEM	Estimated Year Ending 6/30/2025	Budget Fiscal Year 7/1/25-6/30/26	
OPERATING INCOME							
8,441,428	8,972,923	9,494,511	9,722,200	Water Sales	9,561,100	10,311,200	
37,500	49,514	43,628	32,700	Rent From Water Property	32,300	34,000	
7,679	5,660	8,014	5,300	Servicing Customer's Installations	2,400	2,600	
57,089	139,977	199,516	152,800	Misc Water Revenues	209,500	167,600	
8,543,696	9,168,074	9,745,668	9,913,000	Total Operating Revenues	9,805,300	10,515,400	
OPERATING REVENUE DEDUCTIONS							
5,253,279	4,986,941	6,064,648	7,063,300	Operating and Maintenance Expenses	6,620,800	7,784,700	
1,826,188	1,877,577	1,877,690	1,935,900	Depreciation	1,976,400	2,015,900	
7,079,467	6,864,518	7,942,338	8,999,200	Total Operating Expenses	8,597,200	9,800,600	
1,464,229	2,303,556	1,803,330	913,800	NET OPERATING INCOME	1,208,100	714,800	
OTHER INCOME							
32,339	175,685	268,160	199,800	Interest Revenue	295,300	221,500	
34,033	446,194	(75,309)	219,000	Misc Non-Operating Revenue	1,500,400	19,000	
11,082,398	13,333,732	11,907,781	12,612,900	Sewer Funds Collected	13,036,600	13,680,600	
161,097	178,528	190,471	193,800	Sewage Billing & Collection Fees	193,700	197,100	
11,309,867	14,134,138	12,291,104	13,225,500	Total Other Income	15,026,000	14,118,200	
12,774,096	16,437,694	14,094,434	14,139,300	Total Income	16,234,100	14,833,000	
INCOME REDUCTIONS							
277,111	239,864	293,756	232,800	Int on Long Term Debt & Other Int	275,100	191,900	
26,370	26,369	26,369	13,200	Amortization of Bond Discount & Exp	13,200	0	
11,082,398	13,333,732	11,838,885	12,612,900	Sewer Funds Remitted	13,036,600	13,680,600	
11,385,879	13,599,965	12,159,010	12,858,900	Total Income Deductions	13,324,900	13,872,500	
NET INCOME AVAILABLE FOR DEBT REDUCTION AND CAPITAL CONSTRUCTION							
1,388,217	2,837,729	1,935,424	1,280,400		2,909,200	960,500	

Coos Bay-North Bend Water Board
Budget Estimate of Receipts and Expenditures for the Period:
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SCHEDULE B						
Actual 7/1/21 to 7/1/2022	Actual 7/1/22 to 7/1/2023	Actual 7/1/23 to 7/2/2024	Current Budget 2024-2025	ITEM	Estimated Year Ending 6/30/2025	Budget Fiscal Year 7/1/25-6/30/26
OPERATING REVENUE						
Sale of Water						
5,232,740	5,566,593	5,924,523	6,174,100	Residential	5,977,100	6,442,000
1,861,723	1,966,738	2,127,477	2,135,800	Commercial / Multi-Residential	2,113,000	2,281,000
718,091	787,264	739,185	697,300	Industrial	766,100	827,300
52,879	57,372	60,887	61,000	Commercial Fire Protection	65,300	70,500
489,068	506,197	543,756	555,200	Public Authorities	546,700	590,100
41,627	44,225	46,853	50,000	Public Hydrants	50,800	54,900
45,300	44,534	51,829	48,800	Other Water Sales	42,100	45,400
8,441,428	8,972,923	9,494,511	9,722,200	Total Water Sales	9,561,100	10,311,200
Other Operating Revenue						
37,500	49,514	43,628	32,700	Rent from Water Property	32,300	34,000
7,679	5,660	8,014	5,300	Servicing Customer's Installations	2,400	2,600
57,089	139,977	199,516	152,800	Misc Water Revenue	209,500	167,600
102,268	195,151	251,157	190,800	Total Other Operating Revenue	244,200	204,200
8,543,696	9,168,074	9,745,668	9,913,000	Total Operating Revenue	9,805,300	10,515,400
OPERATING REVENUE DEDUCTIONS						
Operating Expenses						
138,823	136,959	162,021	216,500	Source of Supply	214,800	290,500
408,252	396,032	442,558	536,000	Power and Pumping	527,300	579,800
1,004,468	1,163,052	1,381,664	1,620,800	Purification	1,313,100	1,575,200
11,835	0	981	12,800	Transmission	14,600	19,400
1,057,169	752,829	1,369,825	1,608,900	Distribution	1,478,300	1,914,400
1,422,771	1,361,514	1,522,017	1,807,100	Customer Accounting & Collecting	1,765,300	1,994,200
1,209,961	1,176,554	1,185,584	1,261,200	Administrative & General	1,307,400	1,411,200
5,253,279	4,986,941	6,064,648	7,063,300	Total Operating Expenses Excl Depreciation	6,620,800	7,784,700
1,826,188	1,877,577	1,877,690	1,935,900	Depreciation	1,976,400	2,015,900
7,079,467	6,864,518	7,942,338	8,999,200	Total Operating Expense	8,597,200	9,800,600
1,464,229	2,303,556	1,803,330	913,800	NET OPERATING INCOME	1,208,100	714,800

Coos Bay-North Bend Water Board
Budget Estimate of Receipts and Expenditures for the Period:
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				SCHEDULE C		
Actual 7/1/21 to 7/1/2022	Actual 7/1/22 to 7/1/2023	Actual 7/1/23 to 7/2/2024	Current Budget 2024-2025	ITEM	Estimated Year Ending 6/30/2025	Budget Fiscal Year 7/1/25-6/30/26
				OTHER INCOME		
32,339	175,685	268,160	199,800	Interest Revenues	295,300	221,500
34,033	446,194	(75,309)	219,000	Misc Non-Operating Revenues	1,500,400	19,000
11,082,398	13,333,732	11,907,781	12,612,900	Sewer / City Fees Collected	13,036,600	13,680,600
161,097	178,528	190,471	193,800	Sewer/City Fees Billing & Collecting Fee	193,700	197,100
11,309,867	14,134,138	12,291,104	13,225,500	Total Other Income	15,026,000	14,118,200
12,774,096	16,437,694	14,094,434	14,139,300	TOTAL INCOME	16,234,100	14,833,000
				INCOME DEDUCTIONS		
277,111	239,864	293,756	232,800	Interest on Long Term Debt & Other Interest	275,100	191,900
26,370	26,369	26,369	13,200	Amortization of Bond Discount & Expense	13,200	0
11,082,398	13,333,732	11,838,885	12,612,900	Sewer / City Fees Remitted	13,036,600	13,680,600
11,385,879	13,599,965	12,159,010	12,858,900	Total Income Deductions	13,324,900	13,872,500
1,388,217	2,837,729	1,935,424	1,280,400	NET INCOME FOR THE YEAR	2,909,200	960,500

Coos Bay-North Bend Water Board
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SCHEDULE D						
Actual 7/1/21 to 7/1/2022	Actual 7/1/22 to 7/1/2023	Actual 7/1/23 to 7/2/2024	Current Budget 2024-2025	ITEM	Estimated Year Ending 6/30/2025	Budget Fiscal Year 7/1/25-6/30/26
SOURCE OF SUPPLY EXPENSE						
Operating Expense						
21,545	24,586	21,260	32,300	Labor	33,500	41,400
94,517	112,373	80,271	102,900	Supplies & Expenses	124,700	121,900
Maintenance Expense						
17,267	16,310	25,375	28,500	Labor	26,800	47,700
5,494	6,529	35,114	52,800	Supplies & Expenses	29,800	79,500
138,823	159,798	162,021	216,500	Total Source of Supply Expense	214,800	290,500
POWER AND PUMPING EXPENSE						
Operating Expense						
61,268	73,160	48,721	68,500	Labor	74,700	106,500
19,759	22,298	19,250	20,000	Supplies & Expenses	13,700	21,300
290,532	300,574	336,940	413,600	Purchased Power	372,700	413,000
Maintenance Expense						
17,313	21,386	18,491	22,400	Labor	20,700	28,900
19,380	24,561	19,156	11,500	Supplies & Expenses	45,500	10,100
408,252	441,980	442,558	536,000	Total Power & Pumping Expense	527,300	579,800
PURIFICATION EXPENSE						
Operating Expense						
538,344	709,504	712,823	762,800	Labor	699,100	806,500
394,785	453,547	499,244	646,800	Supplies & Expenses	455,900	650,700
Maintenance Expense						
22,174	26,776	73,629	178,000	Labor	111,500	77,800
49,165	69,255	95,968	33,200	Supplies & Expenses	46,600	40,200
1,004,468	1,259,083	1,381,664	1,620,800	Total Purification Expense	1,313,100	1,575,200
TRANSMISSION EXPENSE						
Operating Expense						
525	-	-	5,100	Labor	-	5,500
81	-	-	2,200	Supplies & Expenses	-	2,000
Maintenance Expense						
7,324	-	785	5,100	Labor	7,700	11,000
3,905	-	196	400	Supplies & Expenses	6,900	900
11,835	-	981	12,800	Total Transmission Expense	14,600	19,400
1,563,378	1,860,861	1,987,223	2,386,100		2,069,800	2,464,900

Coos Bay-North Bend Water Board
Budget Estimate of Receipts and Expenditures for the Period:
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SCHEDULE E						
Actual 7/1/21 to 7/1/2022	Actual 7/1/22 to 7/1/2023	Actual 7/1/23 to 7/2/2024	Current Budget 2024-2025	ITEM	Estimated Year Ending 6/30/2025	Budget Fiscal Year 7/1/25-6/30/26
DISTRIBUTION EXPENSE						
Operating Expense						
Storage						
62,958	64,008	54,757	73,300	Labor	50,700	72,300
14,746	16,293	16,323	8,800	Supplies & Expenses	7,400	8,500
Mains						
331,389	365,937	460,550	552,800	Labor	527,300	641,300
57,818	71,352	91,488	36,600	Supplies & Expenses	63,500	33,600
Meters						
74,973	74,685	123,346	168,700	Labor	64,000	133,200
32,848	21,840	29,267	43,900	Supplies & Expenses	37,100	61,200
Services						
114,442	115,559	146,401	183,300	Labor	148,100	253,700
27,767	23,156	55,244	22,200	Supplies & Expenses	31,800	19,600
Maintenance Expense						
Storage						
20,284	25,865	32,255	40,200	Labor	30,900	44,000
15,439	38,527	17,881	21,900	Supplies & Expenses	56,600	25,000
Mains						
102,012	92,554	86,257	104,200	Labor	165,000	179,800
85,229	79,508	109,448	142,600	Supplies & Expenses	175,300	268,300
Meters						
12,726	9,569	9,314	14,200	Labor	13,800	19,700
6,837	13,193	15,339	17,100	Supplies & Expenses	24,300	19,000
Services						
63,616	53,661	67,604	77,200	Labor	53,700	76,700
34,085	44,448	54,334	101,900	Supplies & Expenses	28,800	58,500
1,057,169	1,110,154	1,369,807	1,608,900	Total Distribution Expense	1,478,300	1,914,400

Coos Bay-North Bend Water Board
Budget Estimate of Receipts and Expenditures for the Period:
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SCHEDULE F					Estimated	Budget
Actual	Actual	Actual	Current		Year Ending	Fiscal Year
7/1/21 to	7/1/22 to	7/1/23 to	Budget	ITEM	6/30/2025	7/1/25-6/30/26
7/1/2022	7/1/2023	7/2/2024	2024-2025			
CUSTOMER SERVICE EXPENSE						
Operating Expense						
Customer Service - Meter Services						
296,855	296,712	299,084	378,700	Labor	470,500	587,200
37,487	42,647	73,565	37,300	Supplies & Expenses	40,900	40,400
Customer Service						
627,780	651,354	686,882	918,400	Labor	701,100	778,600
357,073	370,801	383,200	384,400	Supplies & Expenses	466,500	500,000
103,576	118,414	79,285	88,300	Uncollectible Accounts	86,300	88,000
1,422,771	1,479,928	1,522,017	1,807,100	Total Customer Service Expense	1,765,300	1,994,200
ADMINISTRATIVE AND GENERAL EXPENSE						
Operating Expense						
240,419	130,727	246,476	244,100	Salaries of Administrative Officers	254,600	244,800
529,209	541,207	437,832	432,300	Other General Office Salaries	459,900	539,600
216,082	234,687	211,617	278,800	General Office Supplies & Expense	311,100	321,300
21,200	22,000	25,300	44,800	Audit	37,400	44,800
58,256	42,296	58,162	40,000	Legal Services	35,600	40,000
69,633	83,589	90,589	100,700	Insurance- Property, Cyber	105,100	106,900
15,269	22,049	22,866	18,300	Misc General Expense	20,400	19,100
Maint. Expense- General Property						
19,097	30,576	32,813	39,700	Labor	28,000	40,000
40,796	45,488	62,929	62,500	Supplies & Expenses	55,300	54,700
1,209,961	1,152,618	1,188,584	1,261,200	Total Admin. & General Expense	1,307,400	1,411,200
5,253,279	5,603,561	6,067,630	7,063,300	TOTAL OPERATING EXPENSE	6,620,800	7,784,700

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SCHEDULE G

	Amount	Total
FUNDS PROVIDED DURING THE YEAR:		
NET INCOME FOR THE YEAR FROM OPERATIONS		960,500
NON-CASH REDUCTIONS TO INCOME:		
DEPRECIATION	2,015,900	
VEHICLE DEPRECIATION	45,000	
BOND DISCOUNT AND EXPENSE AMORTIZATION	0	2,060,900
BY CASH BALANCE AT JUNE 30, 2025:		
ACCUMULATED DEBT PRINCIPAL	346,200	
PAID DEBT FUND (accrual of prior debt service)	314,800	
RESERVE FOR O & M EXPENSES	544,200	
RESERVE FOR TMP	1,158,200	
RESERVE FOR VEHICLE REPLACEMENT	698,000	
RESERVE FOR SICK LEAVE PAYOUT	2,900	
RESERVE FOR (RESTRICTED) REPAIR & REPLACEMENT INFRASTRUCTURE	1,318,100	
SURPLUS FUNDS AT YEAR END	859,200	5,241,600
BY CONTRIBUTIONS IN AID OF CONSTRUCTION	404,400	
		404,400
TOTAL FUNDS PROVIDED		8,667,400
FUNDS TO BE APPLIED DURING THE YEAR:		
TO RETIREMENT OF OTIB LOAN	86,200	
TO CAPITAL INCREASE IN UTILITY PLANT	3,629,400	
TO INDIRECT CAPITAL CONSTRUCTION OVERHEAD	346,700	
TO CUSTOMER FUNDED MAIN EXTENSION PROJECTS & SERVICES	84,000	
TO RETIREMENT OF IFA WTP EXPANSION PRINCIPAL	543,200	
TO RETIREMENT OF WSEP SPWF PRINCIPAL	-	
TO TMP FUNDING	61,800	DS-M-05
TO RETIREMENT OF BAY CROSSING OECDD PRINCIPAL	-	DS-M-05
TO ACCUMULATED DEBT PRINCIPAL	316,900	
TO PAID DEBT FUND (accrual of prior debt service)	229,700	
TO RESERVE FOR VEHICLE REPLACEMENT PROGRAM	698,000	
TO RESERVE FOR SICK LEAVE PAYOUT	7,500	
TO ACTIVE CAPITAL IMPROVEMENTS FUND	201,600	
TO RESERVE FOR O & M EXPENSES	639,800	
TO RESERVE (RESTRICTED) FOR REPAIR & REPLACEMENT - INFRASTRUCTURE	1,084,500	
TO RESERVE FOR TMP	738,400	
TOTAL FUNDS APPLIED		3,916,400
		8,667,700

Coos Bay-North Bend Water Board			4/21/2025
Budget Estimates of Capital Expenditures			
July 1, 2025 to June 30, 2026			
	SCHEDULE H		
		Budget Code	
No	Project Listing		Project Amount
1	MERRITT LAKE OUTLET CMP REPAIR	DS-M-9	\$ 68,200
2	NEESE/WALLACE 1,000' 6" PVC - RETIRE 460' 4" CI & 540' 4" AC	DS-M-9	\$ 231,000
* 3	ANDREWS ROAD 1,000' 8" PVC - RETIRE 988' 2" PVC	DS-M-9	\$ 319,000
* 4	FLANAGAN ROAD 1,100' 8" DI - RETIRE 1,100' 6" AC (70% Funded)	DS-M-9	\$ 343,000
5	10TH AVENUE 610' 2" PVC - RETIRE 610' 2" AC	DS-M-17	\$ 83,600
6	McCULLUM 460' 2" PVC - RETIRE 460' 2" GI	DS-M-17	\$ 63,800
7	TRANSMISSION MAIN TUNNEL REHABILITATION	DS-M-9	\$ 281,000
8	METER REPLACEMENT PROGRAM - AMR (On-going multi-year project)	CS-M-16	\$ 386,000
9	SERVICE CENTER UPGRADES - BOARD ROOM AND BATHROOMS	AD-M-8	\$ 35,000
* 10	WISCONSIN PUMP STATION REPLACEMENT	DS-M-9	\$ 336,000
11	PUMP AND MOTOR CONTROL REPLACEMENT 10TH & E PS	DS-M-9	\$ 50,000
12	TERRAMAR PUMP STATION GENERATOR	DS-M-17	\$ 127,000
12	STEEL TANK COATING MAINTENANCE PROGRAM (On-going multi-year project)	DS-M-9	\$ 115,000
13	CHARLESTON RESERVOIR INTERIOR LADDER	DS-M-9	\$ 10,000
14	ROOF REPLACEMENT - WOODLAWN PUMP STATION	DS-M-9	\$ 10,000
15	ROOF REPLACEMENT - HIGH LEVEL RESERVOIR	DS-M-9	\$ 229,400
16	SCADA SYSTEM DESIGN	DS-M-9	\$ 500,000
17	PCTP HVAC TREATMENT PLANT AND CHEM BLDG (+\$80K FROM FY 25)	TR-M-8	\$ 17,000
18	PCTP BLUE/WHITE CHEMICAL FEED PUMP	TR-M-12	\$ 7,000
19	PCTP ROTORK VALVE ACTUATOR REPLACEMENT	TR-M-12	\$ 95,000
20	PCTP STREAMING CURRENT MONITOR	TR-M-12	\$ 15,000
21	PCTP HVAC TREATMENT PLANT AND CHEM BLDG	TR-M-12	\$ 60,000
22	MERRITT LAKE SOLAR BEE	TR-M-12	\$ 80,000
23	WEBSITE UPDATE	AD-M-08	\$ 10,000
24	GRANT AND LOAN ASSISTANCE	AD M-09	\$ 30,000
25	10-INCH METER FOR COQUILLE TRIBE	CS-M-16	\$ 20,000
	Total Project Costs		\$ 3,522,000
* Outside Fund project			
No	Equipment Listing	Budget Code	Equip. Amount
1	RIDING MOWER	DS-M-04	\$16,000
2	ROTARY CUTTER	DS-M-05	\$14,000
3	TILT TRAILER	DS-M-04	\$15,000
4	PLATE COMPACTOR	DS-M-05	\$12,000
	Total Equipment Costs		\$ 57,000
	Total Estimated Capital Expenditures		\$ 3,579,000

**Coos Bay-North Bend Water Board
Budget Schedule of Bond Retirements and Debt Service
July 1, 2025 to June 30, 2026**

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SCHEDULE I

BOND ISSUE	TRANSACTIONS THRU 6/30/2026			To Be RETIRED 7/1/2025 THRU 6/30/2026	OUTSTANDING 6/30/2026
	ISSUED	RETIRED	OUTSTANDING		
City of Coos Bay:					
Issue of February 16, 2011 (S10009)	5,000,000	2,734,200	2,265,800	271,600	1,994,200
Issue of March 31,2016 OTIB #0059	404,000	360,900	43,100	43,100	0
City of North Bend:					
Issue of February 16, 2011 (S10008)	5,000,000	2,734,200	2,265,800	271,600	1,994,200
Issue of March 31,2016 OTIB #0060	404,000	360,900	43,100	43,100	0
TOTALS	10,808,000	6,190,200	4,617,800	629,400	3,988,400

DEBT SERVICE PAYMENT SCHEDULE	TO COOS BAY	TO NORTH BEND	PRINCIPAL	INTEREST	PRINCIPAL & INTEREST
Issue of February 16, 2011 (IFA)					
Principal	271,600	271,600	543,200		
Interest	77,000	77,000		154,000	
Total	348,600	348,600			697,200
Issue of March 31,2016 (OTIB)					
Principal	43,100	43,100	86,200		
Interest	400	400		800	
Total	43,500	43,500			87,000
TOTALS	392,100	392,100	629,400	154,800	784,200