



*Serving the Svensen Community since 1938*

# Budget

## Fiscal Year 2026-2027



Dam at Little Creek



Little Creek Pond



Intake for Slow Sand



Intake for Slow Sand



*Serving the Svensen Community since 1938*

## 2026 – 2027 BUDGET COMMITTEE

Wickiup Water District would like to extend our appreciation to the community members of the Budget Committee. The District greatly appreciates your leadership and dedication in assisting with this year’s annual budget process.

### Wickiup Water District Board of Commissioners

Gary Heilmann	Position 1	Term Expires: 6/30/2027
Ole Gifford	Position 2	Term Expires: 6/30/2027
Rodney Bloom	Position 3	Term Expires: 6/30/2027
vacant	Position 4	Term Expires: 6/30/2027
Laura Germond	Position 5	Term Expires: 6/30/2027

### Budget Committee Members

Sue Stunkard		06/30/2026
Nathan Mahoney		06/30/2026
Carole Trotter		06/30/2027
Ron Marks		06/30/2027
Casey Wray		06/30/2028





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## **WICKIUP WATER DISTRICT**

92648 SVENSEN MARKET ROAD • ASTORIA, OREGON 97103

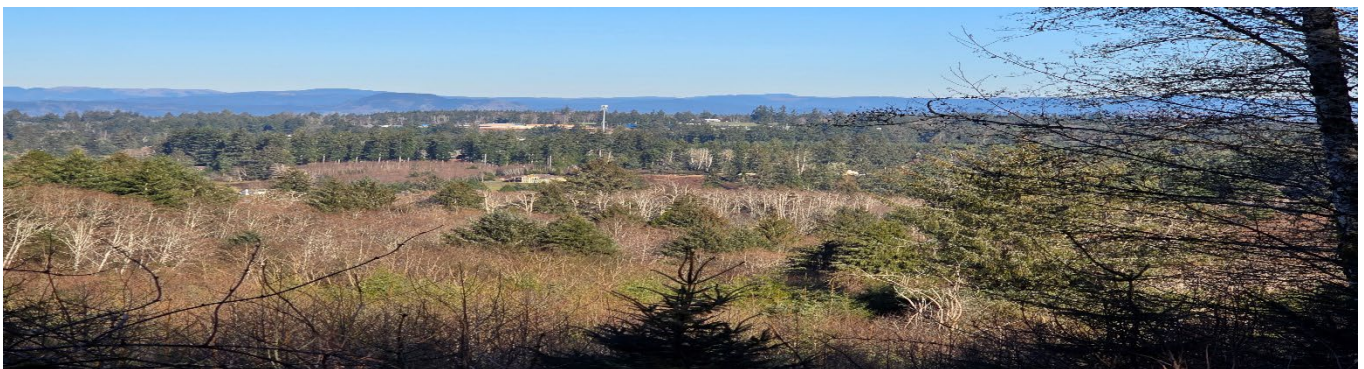
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Please accept the Wickiup Water District's proposed budget for the 2026–2027 fiscal year (July 1, 2026, through June 30, 2027). This document provides detailed information on the District's projected revenues and expenditures for the upcoming year.

This budget reflects the District's commitment to balancing the financial resources necessary to support ongoing operations and to provide reliable, high-quality water service to the Svensen community. It serves as the District's operational plan, translated into expenditures and supported by anticipated revenues. The budget establishes the District's current direction while helping guide future improvements. It also takes into account current local and global economic conditions.

The District's only source of revenue is water sales and customer fees. At this time, the District does not receive county taxes, levies, or other subsidies. As a result, the District must rely on rate adjustments when necessary to maintain financial stability and continue meeting service expectations. Revenues and expenditures are monitored monthly to ensure alignment with the approved budget and planned activities.

Last year's budget committee proposed a rate increase to address rising operational costs, including materials, energy, and regulatory compliance requirements. The adjustment was necessary to maintain the District's infrastructure, ensure system reliability, and continue providing safe and dependable water service. The increase also supported planned maintenance, helping to reduce the risk of more costly emergency repairs in the future. Every effort was made to limit the impact of the increase while still ensuring long-term financial sustainability. The rate increase went into effect on January 20, 2026.



*The proposed budget has been prepared in accordance with Oregon Local Budget Law and meets or exceeds the guidance provided in the Oregon Department of Revenue's Local Budgeting Manual. This budget is prepared on a cash basis.*

## **BUDGET PROCESS AND BUDGET COMMITTEE**

### ***Purpose and Structure of the Budget Message***

This Budget Message explains the Wickiup Water District (District) budget for July 1, 2026, through June 30, 2027 (Fiscal Year (FY) 2026-2027). The budget is submitted for consideration under Oregon Budget Law, which guides the District through the budgeting process and is defined in Oregon Revised Statutes (ORS) Chapter 294.305 to 294.565 of Oregon State Law. This document is organized into three sections. Section 1 contains background information for a better understanding of the budgeting process. Section 2 provides a review of all our programs. Section 3 provides a written explanation of the budget.

### ***Requirements of a Special District***

Wickiup Water District was established over 80-years ago by enterprising local businessmen and has been a special district of the State of Oregon for over 35-years. It is a local unit of government formed under the authority of, and with the powers and duties described under ORS chapter 264. The District is governed by an elected Board of five Commissioners and overseen/managed by a District Manager.

The District is required to establish a Budget Committee, hold public meetings, and approve the proposed budget. All meetings of the Budget Committee are subject to Oregon's Public Meetings Law (ORS 192.610 through ORS 192.690).

The Budget Message and data are provided to the Budget Committee and the public for review and are intended to explain the proposed budget and highlight any significant changes in the District's financial position. These documents will be available at the District office and on the District website (<http://wickiupwater.specialdistrict.org>) throughout the budget process.

### ***Budget Committee***

This year's Budget Committee is composed of the District's four-member Board of Commissioners and an equal number of local registered voters (Electors) residing within the District's boundary. Each person is appointed for a 3-year term.

### ***Duties of the Budget Committee***

The official duties of the Budget Committee are to:

1. Meet publicly to review the proposed budget document and message.
2. Provide an opportunity for public input and discussion on the proposed budget; and
3. Approve the budget as proposed or as modified with all funds in balance.

After the Budget Committee has approved the budget and submitted it to the Board of Commissioners, their work as the Budget Committee is done.

### ***Duties of the Board of Commissioners***

Following approval of the budget by the Budget Committee, the District's Board of Commissioners hold a budget hearing on the budget as approved by the Committee. Any person may comment on the budget at the hearing.

After the hearing, the Board of Commissioners may change the budget expenditures approved by the Budget Committee. However, if the Board increases expenditures by 10 percent or more, the District must republish the amended budget summary and hold another budget hearing.

The deadline for the Board of Commissioners to enact a resolution that adopts the budget, makes appropriations, and imposes a tax levy, if any, is June 30.

### ***Post-Adoption Budget Changes***

Once the budget is adopted, the District is bound by the resources and requirements for each fund as detailed in the budget document and summarized in the resolution. The resolution makes appropriations in total for District operations, which includes requirements by category: personnel services, material & supplies, and capital outlay. Budget law allows transfers of budgeted funds between line-item categories as long as the appropriated funds in total are not exceeded. It is illegal to overspend an appropriation in total.

There are a number of ways to amend the budget should it become necessary during the fiscal year. The process will vary depending on the nature and magnitude of the change. In all cases, action is required prior to an appropriated amount being exceeded. Some changes require the Board of Commissioners to pass a resolution; some changes require a supplemental budget; and certain changes require that a public hearing be held before the Board can make the change.

### ***District Goals***

We are committed to delivering high-quality, reliable water to homes, schools, and businesses throughout our community. At the same time, aging infrastructure and the need to balance growth with conservation present ongoing challenges for the District. We strive to ensure our customers understand the continuous efforts made to improve water treatment and distribution systems, as well as our commitment to protecting and sustaining local water resources.

This document provides a comprehensive forecast of revenues and expenditures that supports the District's mission. The proposed budget reflects a responsible and forward-looking approach to meeting operational needs, addressing rising costs, and planning for long-term system reliability for the Svensen community.

### ***Fiscal Oversight***

The District Manager and the Board of Commissioners regularly monitor accounts and compare expenditures to limits authorized in the budget. Each month, the Board of Commissioners review the District's financial statements and obtain explanations for any variances from budget or changes in financial position.

All District funds are held in federally insured depositories approved by the Oregon State Treasury.

## **BUDGET AND ASSUMPTIONS**

### ***Budget Preparation***

The proposed fiscal year 2026-2027 budget is in balance and complies with Oregon Local Budget Law, state statutes, and generally accepted accounting principles. The budget supports implementation of

the District's annual work plans and is consistent with the District's mission, vision, and desired outcomes. It is prepared on a cash basis, which is consistent with how the District's audited financial statements are prepared.

### ***Budget Documents and Funds***

Budget documents are provided to the Budget Committee and to the public for their review. The District is required to submit the final budget on standardized Local Budget (LB) forms prescribed by the Oregon Department of Revenue.

The LB forms contain fiscal years 2023-2024, 2024-2025, the adopted 2025-2026 budget, and the Proposed Budget for 2026-2027. The District has a General Fund and two Special Funds. The purpose of the General Fund is to account for operations and general services of the District. The two special funds are used to record revenue dedicated to specific expenditures. Resources and requirements within each fund are equal, creating a balanced fund.

Specific forms submitted by the District are: General Fund Resources (Form LB-20); General Fund Requirements (Form LB-30); Special Funds (LB-10 and LB-11). Each are described below.

### ***General Fund Resources (Form LB-20)***

Revenue for the General Fund is generated through water sales and service fees. Under the new rate structure, customers are billed a monthly base fee of \$35.00, a system development debt service fee of \$10.00 (required by Business Oregon for repayment of debt obligations), and a consumption charge of \$13.08 per 1,000 gallons of water used.

Water sales (Line 7, Page 1) were calculated as follows:

The District sells approximately 3,067,061 gallons of water each month to 659 customers. Approximately 15 low-income households within the District qualify for a reduced base rate of \$35.00 per month, plus the \$10.00 debt service fee. For purposes of these calculations, the debt service fee is excluded. (15 x \$35.00 = \$525.00)

Approximately 22 inactive meters are maintained within the system and are charged a monthly fee of \$10.00 to retain service availability. (22 x \$10.00 = \$220.00)

This leaves approximately 622 active customers paying the standard base rate. (622 x \$35.00 = \$21,770.00)

Usage charges are based on an average monthly consumption of 3,067,061 gallons, or approximately 4,900 gallons per customer. (3,067.061 x \$13.08 = approximately \$40,129.00)

### **Monthly Revenue Estimate**

<b>Category</b>	<b>Amount</b>
Low-Income Accounts	\$525.00
Inactive Meters	\$220.00
Customer Base Charges	\$21,770.00

<b>Category</b>	<b>Amount</b>
Water Usage Charges	<u>\$39,725.00</u>
Total Monthly Revenue	\$62,240.00

2026–2027 Projected Income  
\$62,240.00 x 12 months = \$746,880.00

**General Fund Requirements (Form LB-30)**

Categories in the General Fund requirements, detailed in LB-31 page 2, for Administrative and page 3 for Maintenance, summarized on page 4.

<b>Category</b>	<b>FY 23-24 Actual</b>	<b>FY 24-25 Actual</b>	<b>FY 25-26 Projected</b>	<b>FY 26-27 Proposed</b>
<b>Personnel Services</b>				
Administrative	104,898	113,103	107,500	165,000
Maintenance	327,117	229,132	231,000	291,513

Reason for change: Both Administrative and Maintenance personnel services reflect substantial increases in the proposed budget. In prior budgets, employee benefits were included entirely on the Maintenance side, while payroll taxes were reflected under Administrative. To improve transparency and more accurately represent personnel costs, wages, taxes, and benefits are now allocated to their appropriate categories.

Benefits include paid time off (PTO), stability pay, Public Employees Retirement System (PERS) contributions, and insurance. Both employees have been with the District for more than five years and have accumulated approximately 280 hours of PTO each. Stability pay begins after five years of service and consists of 2% of monthly gross wages. Staff currently alternate weekends as the plants are required to be monitored 24/7. They do not receive on-call pay for being available outside of their regular working hours.

Overtime – The office is operating remotely on Mondays and Wednesday. Because of this, no overtime is claimed on the administrative side, except for board meetings and this budget meeting. Overtime for weekend plant rounds is allocated to maintenance overtime as it is plant related.

It should be noted that even though we are a smaller community and have a smaller customer base, we have a complex water processing system that still requires as much maintenance and upkeep as larger communities. In addition, our rapid sand plant requires a level two treatment and distribution operator with a filter endorsement. As of May 7, 2026, there were five operators in Clatsop, Tillamook and Columbia county with these credentials. A total of 29 in the state of Oregon.

Lastly, the proposed budget includes hiring a third employee for maintenance, resulting in increased wages, taxes, and benefit costs.

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Category	FY 23-24 Actual	FY 24-25 Actual	FY 25-26 Projected	FY 26-27 Proposed
<b>Materials &amp; Services</b>				
Administrative	77,780	82,081	112,900	111,800
Maintenance	162,234	184,616	184,500	174,000

Reason for change: Administrative contractual services currently include Paychex, QuickBooks, Streamline, and American Business Software. Dues and subscriptions include services such as Google Workspace, Zoom, and Fantom. It is anticipated that Paychex, QuickBooks, and American Business Software will be discontinued and replaced with software provided by Frey. The Frey system will integrate billing, accounts payable, and payroll functions into a single platform. Using the single platform and eliminating Paychex, Quickbooks, and American Business Software, will result in a savings of approximately \$350 per month or \$4,200 annually.

Maintenance contractual services include Badger Meter and One Call services. In previous budgets, Kinney & Sons were included under Contractual Services; however, those costs will now be categorized under Repairs and Maintenance.

Repairs and Maintenance expenditures include costs associated with repairing or replacing components within the existing system infrastructure. Contractual Services will continue to include Badger Meter, One Call, and contractor expenses related to new infrastructure improvements or system expansions, that is not included in capital outlay. Previous budgets also included funding for a part-time employee within Contractual Services. The proposed budget now reflects this position within Personnel Services.

Laboratory expenses have increased due to additional statewide testing requirements.

Category	FY 23-24 Actual	FY 24-25 Actual	FY 25-26 Projected	FY 26-27 Proposed
<b>Capital outlay</b>				
Maintenance	16,691	0	150,000	100,000

Reason for change: Capital outlay is a purchase over \$5,000 with a life span of more than one year. Significant upgrades need to be made at the plants, including replacing the filter media at Little Creek and making upgrades to equipment. There is no automation at Slow Sand, so monitoring the plant off site is impossible. An updated system would allow Slow Sand to send data to Little Creek's SCADA system. This would make monthly reporting much more efficient as well as alerting the operator if chemicals needed to be adjusted or there is a problem with the plant. There is no power at the Ivy Station tank. Lighting for security purposes is important as well as tank monitoring. Fire hydrants need to start being replaced. We are hopefully that grants and other financing can be obtained to assist with these upgrades. Proposed Capital Improvements are attached.

**Debts Service Fund (Form LB-10) page 5**

In July 2009, the District received a loan from the State of Oregon Business Development Department in the amount of \$510,313.00 (SZ9017) to help finance construction of the 450,000-gallon water storage tank located at the Little Creek Treatment Plant, and approximately 16,000 feet of 10-inch water main. In 2017, Oregon Business Development Department agreed to loan the District \$329,000.00 (S17030)

to abandon the then existing water line between Little Creek Reservoir and the intersection of Palmrose, Hillcrest, and Koppisch and to replace it with approximately 1,800 linear feet of new 12-inch PVC water line. Additional work was required during this project to correct parts of the distribution system that were discovered to be deficient during construction causing the final loan amount to be \$409,000.00.

The Debt Service Loan Fund was established to repay the debts. The “system development fee” of \$10.00 on patron’s billing statement is transferred each month into this fund. In 2023, the District was able to make an additional principal payment of \$37,884.49 on loan SZ9017. In 2025, an additional principal payment of \$10,000.00 was made. Prior to making the November 25, 2025 payments, the balances of the two loans were:

SZ6017 \$ 146,842.17  
S17030 \$ 324,353.32

**System Development Charge Fund (LB-11) page 6**

The System Development Charge Fund was established by Ordinance 91-01 on November 20, 1991. The purpose of this fund is to direct revenues received from new development toward improvements to the existing water system and future infrastructure expansion.

As of late 2024, new construction is required to pay a connection fee of \$4,000.00 and a system development charge of \$4,242.00.

Due to capacity and production concerns, the District limited new service connections over the past several years. Recent evaluations have determined that the District can support approximately 50 additional services while continuing to provide adequate drinking water capacity and fire suppression capability for the community.

The proposed 2026–2027 budget estimates seven new service installations.

***Financial Policies***

The District’s financial policies establish the framework for the overall fiscal management of the District. These policies provide guidance for the Board of Commissioners and District staff in making financial decisions, regardless of changing circumstances or conditions. The policies apply to both current operations and future planning and are reviewed and revised as necessary.

***Budget and Financial Planning***

The Board of Commissioners reviews the District’s financial statements during regularly scheduled monthly board meetings. The Board will continue to establish funding priorities that support the District’s mission of providing high-quality drinking water to the Svensen community.

The District is committed to being a responsible steward of public funds and ensuring that budgeting and financial management practices comply with all applicable laws and regulations while serving the best interests of the District and its patrons.

The budgeting and financial reporting process will be conducted in a transparent manner that is understandable and accessible to District patrons.

Water and the infrastructure required to deliver it are among the community's most essential resources, yet they are often overlooked until problems arise. As infrastructure continues to age and the need to balance growth with conservation increases, the District faces significant long-term challenges. Through careful budgeting, responsible financial planning, and continued investment in infrastructure, the District will remain committed to maintaining and improving the water system for future generations.

### ***Use of District Resources***

It is the policy of District to be a good steward of public funds. To that end, expenditures must be for a valid public purpose which benefits the community, is directly related to the District's authorized functions, and which does not have as its primary objective the benefit of a private person.

### ***Revenue and Cash Management***

The District will fund current expenditures with current revenues whenever possible. The District will avoid relying on one-time funding sources or unpredictable revenues to support ongoing operational expenses, postponing necessary expenditures, or depleting reserves to meet current obligations.

### ***Asset Management***

It is the policy of the District to maintain accountability for all District assets. The District will maintain its physical infrastructure and equipment at levels necessary to protect its capital investments, minimize future maintenance and replacement costs, and ensure reliable system operations.

The District's budget will provide for the appropriate maintenance, repair, and orderly replacement of District assets and infrastructure.

This budget document is the result of ongoing review and evaluation by the District Manager and staff. Wickiup Water District extends its appreciation to the Board of Commissioners and Budget Committee for their continued guidance, leadership, and service to the District and the Svensen community.



