



2305 Ocean Boulevard
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Ivan D. Thomas, General Manager

MEETING NOTICE

SUBJECT: FY2026-27 Budget Committee Meeting
LOCATION: Board Office
DATE & TIME: Thursday, June 4, 2026, 12:00 noon

Budget meetings are open to the public. The public is welcome to attend in person or virtually and may speak during the public comment period. To join by phone, call: 1(213) 293-2303 and use access code 499 049 501#. Contact Stacey Parrott at stacey_parrott@cbnbh2o.com to request a virtual meeting link.

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

1. Open meeting - Board Chair Bill Richardson
2. Flag Salute
3. Introductions
4. Election of Budget Committee Chair
5. Approval of June 20, 2025 Budget Committee Minutes
6. Public Comment - this 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. 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: Thursday, June 18, 2026, 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 20, 2025

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 2025-26. Committee members present: Aaron Speakman, Jennifer Wirsing, Timm Slater; Patty Scott, Greg Solarz, Bill Richardson. Committee members absent: Rob Kilmer, Carmen Matthews. Water Board staff present: Ivan Thomas, General Manager; Monica Kemper, Finance Director; Matt Whitty, Engineering Manager; Jeff Miller, Operations Manager; Aimee Hollis, Customer Relations Manager; Micah Demanett, Meter Services Supervisor; Junibert Magalona, Accounting Technician; Stacey Parrott, Executive Assistant-HR Specialist; Board Legal Counsel Melissa Cribbins was present. Media present: none.

Board Vice-Chair Bill Richardson opened the meeting at 12:01p.m. and led the Board and assembly in the Pledge of Allegiance.

Budget Committee Chair Aaron Speakman asked if there were any corrections or additions to the June 5, 2025, Budget Committee Minutes. Ms. Jennifer Wirsing moved the minutes be approved as written. The motion was seconded by Ms. Patty Scott and passed unanimously.

Budget Committee Chair asked if there were any public comments, there were none.

Budget Committee Chair Aaron Speakman 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 and fund tracking, budget balancing, the proposed water rate adjustment, and System Development Charges (SDCs). Mr. Thomas noted that the goal of the meeting was to develop a budget recommendation for consideration by the Board of Directors.

To begin, Mr. Thomas reviewed the reserve balances and fund tracking process. He reported that the Water Board's actual bank balance at the end of April 2025 was approximately \$8.1 million, with a higher balance projected by the end of June 2025. He explained the purpose of each reserve category, including the Debt Fund, Operations and Maintenance Reserve, Timber Management Program Fund, Vehicle Replacement Program Fund, Active Capital Improvements Fund, Reserve for Sick Leave Payouts, and Replacement Reserves. He also discussed the newly established Paid Debt Fund, which was created following the payoff of two loans during the fiscal year, with a third loan scheduled to be paid off in March 2026. Funds accumulated in the Paid Debt Fund may be used for future capital improvements or future debt service needs.

	ACTUAL	PROJECTED
Reserve Balances	25-Apr	25-Jun
DEBT FUND	\$ 404,173	\$ 534,816
PAID DEBT FUND	\$ 276,564	\$ 340,210
RESERVE FOR O & M EXPENSES	\$ 673,720	\$ 685,504
TIMBER MANAGEMENT PROGRAM TMP	\$ 1,158,357	\$ 1,158,357
VEHICLE REPLACEMENT PROGRAM	\$ 657,615	\$ 674,815
ACTIVE CAPITAL IMPROVEMENTS FUND	\$ 3,651,282	\$ 3,940,474
RESERVE FOR SICK LEAVE PAYOUT	\$ 1,675	\$2,925
REPLACEMENT RESERVES	\$ 1,311,351	\$ 1,318,093
BANK BALANCE	\$ 8,134,737	\$ 8,655,194

Mr. Thomas noted that the Active Capital Improvements Fund contains approximately \$3.5 million already allocated toward ongoing and planned infrastructure projects. He also explained that replacement reserves have recently been used to purchase automated meter reading (AMR) meters ahead of anticipated price increases, allowing the Water Board to take advantage of favorable contract pricing. Committee members asked no questions regarding the reserve balances and fund tracking report.

Mr. Thomas then provided a recap of the FY 2025-26 Capital Improvement Program, noting that more than \$3.5 million in capital projects are planned for the fiscal year. Funding sources include ratepayer revenues, timber sale proceeds, paid debt reserves, replacement reserves, grant funding, and a portion of the proposed rate adjustment. Major project categories include water main replacements, tank maintenance, pumping system improvements, water treatment plant upgrades, metering projects, and continued development of the Water Board's Supervisory Control and Data Acquisition (SCADA) system.

Mr. Thomas reviewed the status of the SCADA replacement project, describing it as one of the Water Board's most significant and critical infrastructure initiatives. He explained that the system provides centralized monitoring and control of treatment plant and distribution system operations and is essential for regulatory compliance and operational reliability. Over the past several years, the Water Board has completed a SCADA master plan, a basis of design report, and a treatment plant manual mode analysis. Current efforts include development of hardware and software procurement documents and upgrades to remote communication systems throughout the distribution network. He noted that portions of the existing system have become outdated and increasingly difficult to maintain, with replacement parts often difficult to obtain. The basis of design report estimates the overall SCADA replacement project at approximately \$6 million, with engineering and design work scheduled over the next two fiscal years.

SCADA Improvement Project ROM Estimates		
<u>Project Name</u>	<u>Project Start Date</u>	<u>Capital Cost Midpoint</u>
Pony Creek SCADA detailed design, programming, standards	2026	\$ 850,000
Pony Creek SCADA construction	2027	\$ 6,094,000
Cybersecurity assessment	2026	\$50,000
Integration with Mission data source	2029	\$ 50,000
	TOTAL	\$ 7,044,000

Committee members discussed system redundancy, manual operation capabilities during system transitions, cybersecurity considerations, and staffing impacts. Staff explained that the new system will be implemented with redundant controls and manual operating capabilities to maintain uninterrupted water production and service reliability. It was further noted that the project is not expected to reduce staffing levels, as current staffing is already at minimum operational requirements.

Mr. Thomas also provided an update on the Water Board's automated meter replacement program. He reported that approximately \$386,000 has been budgeted for meter replacements in FY 2025-26 and explained that incremental rate adjustments implemented since FY 2020-21 have established a sustainable funding mechanism for ongoing meter replacement. Discussion followed regarding future meter replacement costs, anticipated price increases, and the long-term funding strategy. Staff explained that funds collected beyond immediate replacement needs will accumulate in reserve to support future replacement cycles and maintain meter accuracy and revenue reliability.

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

Mr. Thomas turned the presentation over to Finance Director Monica Kemper to present an overview of revenue trends and budget forecasting for Fiscal Year 2026. Ms. Kemper reported that water sales through April 2025 were approximately 20 million gallons lower than the previous fiscal year, with the largest reductions occurring in the residential and multi-family customer classes. She explained that staff uses conservative projections based on historical usage trends when estimating revenues for the remainder of the fiscal year. During discussion, committee members inquired about potential causes for the reduced water sales, including seasonal occupancy changes, industrial usage, and the impact of automated meter reading (AMR) technology. Staff noted that residential customers account for approximately 62 percent of water revenue, commercial and multi-family customers account for approximately 22.5 percent, and industrial customers account for approximately 8 percent. Staff further explained that the increased accuracy of AMR meters may result in a modest increase in billed consumption over time.

Ms. Kemper also reviewed other revenue and expense categories. She reported that interest earnings have remained higher than originally anticipated due to interest rates not declining as quickly as expected. Miscellaneous non-operating revenue for the current fiscal year was

significantly impacted by proceeds from the Water Board's timber sale, while future miscellaneous revenues are expected to return to more typical levels. She also noted that debt-related interest expenses continue to decline as outstanding loans are paid off and that bond amortization expenses have been eliminated following repayment of the Water Board's bonds.

Ms. Kemper then reviewed Schedule G, explaining how the Water Board balances reserve funds, capital expenditures, debt service obligations, and operational reserves within the overall budget. She noted that projected year-end bank balances reflect both reserve allocations and planned expenditures for capital projects, vehicle replacement, debt service, operations and maintenance reserves, replacement reserves, and timber management activities.

Schedule G	
TO ACCUMULATED DEBT PRINCIPAL	316,900
TO RESERVE FOR VEHICLE REPLACEMENT PROGRAM	698,000
TO RESERVE FOR SICK LEAVE PAYOUT	7,500
TO ACTIVE CAPITAL IMPROVEMENTS FUND	201,300
TO RESERVE FOR O & M EXPENSES	639,800
TO RESERVE (RESTRICTED) FOR REPAIR & REPLACEMENT - INFRASTRUCTURE	1,084,500
TO RESERVE FOR TMP	738,400

Concluding her presentation, Ms. Kemper reviewed the proposed 8 percent water rate adjustment. She explained that approximately 5.35 percent of the increase is dedicated to operations and maintenance costs, including labor, benefits, inventory, supplies, credit card processing fees, and insurance costs, while approximately 2.65 percent supports capital improvement funding.

Operations & Maintenance (5.35%)

Labor & Benefits (Pension)	\$365,700
Inventory and Supplies	\$90,000
Credit Card	\$40,000
Insurance Property, Casualty	\$6,100
Sub-Total	\$501,800

Capital Funding (2.65%)

Sub-Total	\$248,300
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Proposed Rate Adjustment:	8.0% or \$750,100
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Committee members reviewed examples of the projected impact on customer bills for various customer classes and usage levels. Ms. Kemper noted that, when averaged over the past ten years, the annual rate adjustments have been approximately 4.92 percent.

Mr. Thomas then reviewed the Water Board's System Development Charges (SDCs). He explained that the most recent SDC methodology study, completed in 2017-18, recommended annual adjustments based on the Seattle Engineering News Record Construction Cost Index (ENR-CCI). Staff reported that the current ENR-CCI reflected a

decrease of approximately 2.52 percent for the year; therefore, the proposed budget recommended no change to SDC rates for FY 2025-26. Mr. Thomas noted that, historically, the Board has not always adopted the exact ENR-CCI adjustment and has occasionally implemented alternative increases based on local circumstances and policy considerations.

During discussion, Budget Committee members questioned whether maintaining SDCs at current levels was appropriate given ongoing inflation and rising construction costs. Mr. Thomas explained that staff is currently updating the Water Board's SDC methodology study and that preliminary results indicate existing SDCs are significantly below the levels that could be justified under the updated analysis. He noted that the updated study is expected to be completed later in the year and will provide additional guidance regarding future SDC adjustments.

Committee members discussed the benefits of implementing modest, incremental SDC increases rather than waiting to make larger adjustments in future years. Staff also noted that most new service applications involve larger meter sizes and that SDCs are only one component of the overall cost of development. Following discussion, the Budget Committee reached consensus to recommend a 3 percent increase to System Development Charges for FY 2025-26 in place of the staff recommendation to leave rates unchanged.

Mr. Thomas concluded with a request for final comments or modifications, followed by a recommendation to approve the Fiscal Year 2026 budget.

There being no further discussion of the proposed budget for FY25-26, Ms. Scott moved to recommend Board approval of the budget as presented, including the proposed 8.00 percent adjustment to general water rates, fire service charges, and fire hydrants, with a modification to increase System Development Charges (SDCs) by 3.00 percent. The motion was seconded by Mr. Richardson and passed unanimously.

Budget Committee Chair Aaron Speakman declared the meeting adjourned at 12:51 p.m.

Approved _____

By _____
Aaron Speakman
Budget Committee Chair

ATTEST _____

Coos Bay-North Bend Water Board
Budget Estimate of Receipts and Expenditures for the Period:
July 1, 2026 to June 30, 2027

5/19/2026 10:18

DRAFT Page 1

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

Bill Richardson
 Chair

Rob Kilmer
 Secretary

SCHEDULE A

Actual 7/1/22 to 6/30/2023	Actual 7/1/23 to 6/30/2024	Actual 7/1/24 to 6/30/2025	Current Budget 2025-2026	ITEM	Estimated Year Ending 6/30/2026	Budget Fiscal Year 7/1/26-6/30/27
OPERATING INCOME						
8,972,923	9,494,511	9,886,155	10,311,200	Water Sales	10,223,500	11,211,800
49,514	43,628	31,064	34,000	Rent From Water Property	33,600	34,000
5,660	8,014	13,457	2,600	Servicing Customer's Installations	13,200	14,300
139,977	199,516	226,495	167,600	Misc Water Revenues	241,400	193,100
9,168,074	9,745,668	10,157,171	10,515,400	Total Operating Revenues	10,511,700	11,453,200
OPERATING REVENUE DEDUCTIONS						
4,986,941	6,064,648	6,840,571	7,784,700	Operating and Maintenance Expenses	6,787,800	7,999,600
1,877,577	1,877,690	1,976,381	2,015,900	Depreciation	2,100,800	2,142,800
6,864,518	7,942,338	8,816,953	9,800,600	Total Operating Expenses	8,888,600	10,142,400
2,303,556	1,803,330	1,340,219	714,800	NET OPERATING INCOME	1,623,100	1,310,800
OTHER INCOME						
175,685	268,160	329,546	221,500	Interest Revenue	324,200	243,200
446,194	(75,309)	1,431,078	19,000	Misc Non-Operating Revenue	-	19,000
13,333,732	11,907,781	12,894,486	13,680,600	Sewer Funds Collected	13,323,700	13,904,800
178,528	190,471	193,671	197,100	Sewage Billing & Collection Fees	197,100	272,500
14,134,138	12,291,104	14,848,781	14,118,200	Total Other Income	13,845,000	14,439,500
16,437,694	14,094,434	16,188,999	14,833,000	Total Income	15,468,100	15,750,300
INCOME REDUCTIONS						
239,864	293,756	230,570	191,900	Int on Long Term Debt & Other Int	191,900	176,200
26,369	26,369	13,185	-	Amortization of Bond Discount & Exp	-	-
13,333,732	11,838,885	12,825,590	13,680,600	Sewer Funds Remitted	13,323,700	13,904,800
13,599,965	12,159,010	13,069,344	13,872,500	Total Income Deductions	13,515,600	14,081,000
2,837,729	1,935,424	3,119,655	960,500	NET INCOME AVAILABLE FOR DEBT REDUCTION AND CAPITAL CONSTRUCTION	1,952,500	1,669,300

Coos Bay-North Bend Water Board
Budget Estimate of Receipts and Expenditures for the Period:
July 1, 2026 to June 30, 2027

5/19/2026 10:18

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Actual 7/1/22 to 6/30/2023	Actual 7/1/23 to 6/30/2024	Actual 7/1/24 to 6/30/2025	Current Budget 2025-2026	SCHEDULE B ITEM	Estimated Year Ending 6/30/2026	Budget Fiscal Year 7/1/26-6/30/27
OPERATING REVENUE						
Sale of Water						
5,566,593	5,924,523	6,160,081	6,442,000	Residential	6,374,200	6,871,000
1,966,738	2,127,477	2,184,218	2,281,000	Commercial / Multi-Residential	2,222,100	2,509,300
787,264	739,185	796,530	827,300	Industrial	887,100	1,002,300
57,372	60,887	69,019	70,500	Commercial Fire Protection	75,500	81,500
506,197	543,756	577,030	590,100	Public Authorities	569,800	643,300
44,225	46,853	50,567	54,900	Public Hydrants	53,900	58,200
44,534	51,829	48,710	45,400	Other Water Sales	40,900	46,200
8,972,923	9,494,511	9,886,155	10,311,200	Total Water Sales	10,223,500	11,211,800
Other Operating Revenue						
49,514	43,628	31,064	34,000	Rent from Water Property	33,600	34,000
5,660	8,014	13,457	2,600	Servicing Customer's Installations	13,200	14,300
139,977	199,516	226,495	167,600	Misc Water Revenue	241,400	193,100
195,151	251,157	271,016	204,200	Total Other Operating Revenue	288,200	241,400
9,168,074	9,745,668	10,157,171	10,515,400	Total Operating Revenue	10,511,700	11,453,200
OPERATING REVENUE DEDUCTIONS						
Operating Expenses						
136,959	162,021	228,883	290,500	Source of Supply	224,200	299,300
396,032	442,558	483,759	579,800	Power and Pumping	525,600	564,900
1,163,052	1,381,664	1,369,062	1,575,200	Purification	1,317,100	1,649,300
-	981	8,540	19,400	Transmission	1,200	13,200
752,829	1,369,825	1,819,882	1,914,400	Distribution	1,305,500	1,596,100
1,361,514	1,522,017	1,617,352	1,994,200	Customer Accounting & Collecting	1,949,400	2,365,100
1,176,554	1,185,584	1,313,094	1,411,200	Administrative & General	1,464,800	1,511,700
4,986,941	6,064,648	6,840,571	7,784,700	Total Operating Expenses Excl Depreciation	6,787,800	7,999,600
1,877,577	1,877,690	1,976,381	2,015,900	Depreciation	2,100,800	2,142,800
6,864,518	7,942,338	8,816,953	9,800,600	Total Operating Expense	8,888,600	10,142,400
2,303,556	1,803,330	1,340,219	714,800	NET OPERATING INCOME	1,623,100	1,310,800

Coos Bay-North Bend Water Board
Budget Estimate of Receipts and Expenditures for the Period:
July 1, 2026 to June 30, 2027

5/19/2026 10:18

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				SCHEDULE C		
Actual 7/1/22 to 6/30/2023	Actual 7/1/23 to 6/30/2024	Actual 7/1/24 to 6/30/2025	Current Budget 2025-2026	ITEM	Estimated Year Ending 6/30/2026	Budget Fiscal Year 7/1/26-6/30/27
				OTHER INCOME		
175,685	268,160	329,546	221,500	Interest Revenues	324,200	243,200
446,194	(75,309)	1,431,078	19,000	Misc Non-Operating Revenues	-	19,000
13,333,732	11,907,781	12,894,486	13,680,600	Sewer / City Fees Collected	13,323,700	13,904,800
178,528	190,471	193,671	197,100	Sewer/City Fees Billing & Collecting Fee	197,100	272,500
14,134,138	12,291,104	14,848,781	14,118,200	Total Other Income	13,845,000	14,439,500
16,437,694	14,094,434	16,188,999	14,833,000	TOTAL INCOME	15,468,100	15,750,300
				INCOME DEDUCTIONS		
239,864	293,756	230,570	191,900	Interest on Long Term Debt & Other Interest	191,900	176,200
26,369	26,369	13,185	-	Amortization of Bond Discount & Expense	-	-
13,333,732	11,838,885	12,825,590	13,680,600	Sewer / City Fees Remitted	13,323,700	13,904,800
13,599,965	12,159,010	13,069,344	13,872,500	Total Income Deductions	13,515,600	14,081,000
2,837,729	1,935,424	3,119,655	960,500	NET INCOME FOR THE YEAR	1,952,500	1,669,300

Coos Bay-North Bend Water Board
Budget Estimate of Receipts and Expenditures for the Period:
July 1, 2026 to June 30, 2027

5/19/2026 10:18

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SCHEDULE D						
Actual 7/1/22 to 6/30/2023	Actual 7/1/23 to 6/30/2024	Actual 7/1/24 to 6/30/2025	Current Budget 2025-2026	ITEM	Estimated Year Ending 6/30/2026	Budget Fiscal Year 7/1/26-6/30/27
SOURCE OF SUPPLY EXPENSE						
Operating Expense						
24,586	21,260	23,441	41,400	Labor	30,700	37,100
112,373	80,271	120,767	121,900	Supplies & Expenses	124,800	168,600
Maintenance Expense						
16,310	25,375	32,986	47,700	Labor	19,400	22,800
6,529	35,114	51,689	79,500	Supplies & Expenses	49,300	70,800
159,798	162,021	228,883	290,500	Total Source of Supply Expense	224,200	299,300
POWER AND PUMPING EXPENSE						
Operating Expense						
73,160	48,721	61,660	106,500	Labor	57,500	70,700
22,298	19,250	13,084	21,300	Supplies & Expenses	9,900	8,700
300,574	336,940	352,790	413,000	Purchased Power	406,800	449,500
Maintenance Expense						
21,386	18,491	19,465	28,900	Labor	21,100	25,600
24,561	19,156	36,760	10,100	Supplies & Expenses	30,300	10,400
441,980	442,558	483,759	579,800	Total Power & Pumping Expense	525,600	564,900
PURIFICATION EXPENSE						
Operating Expense						
709,504	712,823	714,416	806,500	Labor	706,500	843,700
453,547	499,244	515,827	650,700	Supplies & Expenses	478,200	696,300
Maintenance Expense						
26,776	73,629	74,243	77,800	Labor	58,900	67,300
69,255	95,968	64,575	40,200	Supplies & Expenses	73,500	42,000
1,259,083	1,381,664	1,369,062	1,575,200	Total Purification Expense	1,317,100	1,649,300
TRANSMISSION EXPENSE						
Operating Expense						
-	-	-	5,500	Labor	-	-
-	-	-	2,000	Supplies & Expenses	-	-
Maintenance Expense						
-	785	4,506	11,000	Labor	1,000	10,200
-	196	4,033	900	Supplies & Expenses	200	3,000
-	981	8,540	19,400	Total Transmission Expense	1,200	13,200
1,860,861	1,987,223	2,090,244	2,464,900		2,068,100	2,526,700

Coos Bay-North Bend Water Board
Budget Estimate of Receipts and Expenditures for the Period:
July 1, 2026 to June 30, 2027

5/19/2026 10:18

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				SCHEDULE E			
Actual 7/1/22 to 6/30/2023	Actual 7/1/23 to 6/30/2024	Actual 7/1/24 to 6/30/2025	Current Budget 2025-2026	ITEM	Estimated Year Ending 6/30/2026	Budget Fiscal Year 7/1/26-6/30/27	
DISTRIBUTION EXPENSE							
Operating Expense							
Storage							
64,008	54,757	53,151	72,300	Labor	58,200	71,300	
16,293	16,323	7,896	8,500	Supplies & Expenses	6,900	3,900	
Mains							
365,937	460,550	711,823	641,300	Labor	677,800	805,500	
71,352	91,488	77,485	33,600	Supplies & Expenses	107,100	34,700	
Meters							
74,685	123,346	116,183	133,200	Labor	32,100	38,800	
21,840	29,267	39,660	61,200	Supplies & Expenses	7,200	15,900	
Services							
115,559	146,401	288,933	253,700	Labor	60,800	73,500	
23,156	55,244	33,171	19,600	Supplies & Expenses	7,300	15,500	
Maintenance Expense							
Storage							
25,865	32,255	29,797	44,000	Labor	29,300	34,200	
38,527	17,881	45,539	25,000	Supplies & Expenses	36,200	31,800	
Mains							
92,554	86,257	143,626	179,800	Labor	129,900	153,400	
79,508	109,448	154,238	268,300	Supplies & Expenses	67,200	161,500	
Meters							
9,569	9,314	8,598	19,700	Labor	1,800	2,200	
13,193	15,339	22,951	19,000	Supplies & Expenses	2,500	2,300	
Services							
53,661	67,604	53,317	76,700	Labor	52,100	63,400	
44,448	54,334	33,514	58,500	Supplies & Expenses	29,100	88,200	
1,110,154	1,369,807	1,819,882	1,914,400	Total Distribution Expense	1,305,500	1,596,100	

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SCHEDULE F						
Actual 7/1/22 to 6/30/2023	Actual 7/1/23 to 6/30/2024	Actual 7/1/24 to 6/30/2025	Current Budget 2025-2026	ITEM	Estimated Year Ending 6/30/2026	Budget Fiscal Year 7/1/26-6/30/27
CUSTOMER SERVICE EXPENSE						
Operating Expense						
Customer Service - Meter Services						
296,712	299,084	370,732	587,200	Labor	552,300	661,900
42,647	73,565	44,422	40,400	Supplies & Expenses	103,700	48,800
Customer Service						
651,354	686,882	607,661	778,600	Labor	689,200	827,800
370,801	383,200	510,411	500,000	Supplies & Expenses	514,500	744,300
118,414	79,285	84,126	88,000	Uncollectible Accounts	89,700	82,300
1,479,928	1,522,017	1,617,352	1,994,200	Total Customer Service Expense	1,949,400	2,365,100
ADMINISTRATIVE AND GENERAL EXPENSE						
Operating Expense						
130,727	246,476	275,858	244,800	Salaries of Administrative Officers	263,800	267,600
541,207	437,832	475,456	539,600	Other General Office Salaries	541,500	755,900
234,687	211,617	262,158	321,300	General Office Supplies & Expense	326,600	155,800
22,000	25,300	52,940	44,800	Audit	40,000	47,500
42,296	58,162	36,530	40,000	Legal Services	62,400	48,000
83,589	90,589	105,135	106,900	Insurance- Property	113,700	99,100
22,049	22,866	20,289	19,100	Misc General Expense	17,300	24,400
Maint. Expense- General Property						
30,576	32,813	28,978	40,000	Labor	31,800	37,100
45,488	62,929	55,750	54,700	Supplies & Expenses	67,700	76,300
1,152,618	1,188,584	1,313,094	1,411,200	Total Admin. & General Expense	1,464,800	1,511,700
5,603,561	6,067,630	6,840,571	7,784,700	TOTAL OPERATING EXPENSE	6,787,800	7,999,600

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SCHEDULE G

	Amount	Total
FUNDS PROVIDED DURING THE YEAR:		
NET INCOME FOR THE YEAR FROM OPERATIONS		1,669,300
NON-CASH REDUCTIONS TO INCOME:		
DEPRECIATION	2,142,800	
VEHICLE DEPRECIATION	28,200	2,171,000
BY CASH BALANCE AT JUNE 30, 2026:		
ACCUMULATED DEBT PRINCIPAL	327,600	
PAID DEBT FUND (accrual of prior debt service)	424,800	
RESERVE FOR O & M EXPENSES	557,900	
RESERVE FOR TMP	795,200	
RESERVE FOR VEHICLE REPLACEMENT	442,100	
RESERVE FOR SICK LEAVE PAYOUT	7,500	
RESERVE FOR (RESTRICTED) REPAIR & REPLACEMENT INFRASTRUCTURE	1,108,500	
SURPLUS FUNDS AT YEAR END	5,313,600	8,977,200
BY CONTRIBUTIONS IN AID OF CONSTRUCTION	443,400	
		443,400
TOTAL FUNDS PROVIDED		13,260,900
FUNDS TO BE APPLIED DURING THE YEAR:		
TO CAPITAL INCREASE IN UTILITY PLANT	4,071,600	
TO INDIRECT CAPITAL CONSTRUCTION OVERHEAD	393,800	
TO CUSTOMER FUNDED MAIN EXTENSION PROJECTS & SERVICES	222,200	
TO RETIREMENT OF IFA WTP EXPANSION PRINCIPAL	561,600	
TO TMP FUNDING	66,000	
		5,315,200
TO ACCUMULATED DEBT PRINCIPAL	338,800	
TO PAID DEBT FUND (accrual of prior debt service)	725,300	
TO RESERVE FOR VEHICLE REPLACEMENT PROGRAM	472,500	
TO RESERVE FOR SICK LEAVE PAYOUT	38,200	
TO ACTIVE CAPITAL IMPROVEMENTS FUND	4,260,300	
TO RESERVE FOR O & M EXPENSES	657,500	
TO RESERVE (RESTRICTED) FOR REPAIR & REPLACEMENT - INFRASTRUCTURE	1,030,700	
TO RESERVE FOR TMP	422,400	
		7,945,700
TOTAL FUNDS APPLIED		13,260,900

Coos Bay-North Bend Water Board			5/19/2026
Budget Estimates of Capital Expenditures			
July 1, 2026 to June 30, 2027			
SCHEDULE H			
No	Project Listing	Budget Code	Project Amount
1	MILLIGAN 260' 6" PVC, 270' 2" PVC, RETIRE 530' 3" AC	DS-M-17	92,400
2	N 16TH CT 180' 2" PVC, RETIRE 180' 2" GI	DS-M-17	28,100
3	EVERETT 300' & MARIÓN 250' 2" PVC, RETIRE 550' 2" GI	DS-M-17	60,000
4	KOOSBAY BLVD 2,100' 8" DI, RETIRE 2,100' 6" CI	DS-M-9	808,500
5	FLANAGAN ROAD 1,250' 8" DI - RETIRE 1,250' 6" AC (\$343K FUNDED IN FY '26)	DS-M-9	249,700
6	ARAGO 490' 6" PVC, RETIRE 490' 4" AC	DS-M-9	111,100
7	METER REPLACEMENT PROGRAM - AMR (On-going multi-year project)	CS-M-16	436,000
* 8	SHOSHONE PS MOTOR, VFD AND BLADDER TANK	DS-M-17	11,000
9	CRESTVIEW PS PUMP, MOTOR STARTER AND PIPING	DS-M-17	18,000
10	HIGH LEVEL PS SOFT STARTER	DS-M-17	30,000
11	STEEL TANK COATING MAINTENANCE PROGRAM (On-going program)	DS-M-9	121,000
12	MERRITT LAKE SPILLWAY CULVERT REPLACEMENT	DS-M-9	81,500
13	SCADA SYSTEM DESIGN	DS-M-9	566,200
14	PCTP ROTORK VALVE ACTUATOR REPLACEMENT	TR-M-12	150,000
15	PCTP CL-17 ANALYZERS	TR-M-12	7,500
16	PCTP BASIN LADDERS (4)	TR-M-12	13,500
17	PCTP GANTRIES (2)	TR-M-12	35,000
18	WOW (Water on Wheels) CART	TR-M-12	50,000
19	STORAGE BUILDING	DS M-08	500,000
20	DISTRIBUTION OFFICE/LADIES LOCKER ROOM REMODEL	AD-M-08	40,000
21	LADIES BREAKROOM REMODEL	AD-M-08	30,000
22	ADMIN REMODEL	AD-M-08	140,000
23	PALLET RACKS FOR SERVICE CENTER STORAGE	DS-M-06	12,000
24	HYDRANT BUDDY W/VALVE KEY	DS-M-05	6,000
	Total Project Costs		3,597,500
* 8	Outside Fund project		
No	Equipment Listing	Budget Code	Equip. Amount
1	PLANER ATTACHMENT FOR BOBCAT	DS-M-04	25,000
2	ROLLER - CAT CV 1.7 DOUBLE DRUM	DS-M-04	38,000
3	FORD F450 3-YARD DUMP TRUCK W/PTO	DS-M-04	94,500
4	POLARIS RANGER 1000 W/ UTILITY TRAILER	DS-M-04	18,500
	Total Equipment Costs		176,000
	Total Estimated Capital Expenditures		3,773,500

**Coos Bay-North Bend Water Board
 Budget Schedule of Bond Retirements and Debt Service
 July 1, 2026 to June 30, 2027**

SCHEDULE I

BOND ISSUE	TRANSACTIONS THRU 6/30/2027			To Be RETIRED 7/1/2026 THRU 6/30/2027	OUTSTANDING 6/30/2027
	ISSUED	RETIRED	OUTSTANDING		
City of Coos Bay:					
Issue of February 16, 2011 (S10009)	5,000,000	3,005,800	1,994,200	280,800	1,713,400
City of North Bend:					
Issue of February 16, 2011 (S10008)	5,000,000	3,005,800	1,994,200	280,800	1,713,400
TOTALS	10,000,000	6,011,600	3,988,400	561,600	3,426,800

DEBT SERVICE PAYMENT SCHEDULE	TO COOS BAY	TO NORTH BEND	PRINCIPAL	INTEREST	PRINCIPAL & INTEREST
Issue of February 16, 2011 (IFA)					
Principal	280,800	280,800	561,600		
Interest	67,800	67,800		135,600	
Total	348,600	348,600			697,200
TOTALS	348,600	348,600	561,600	135,600	697,200