

CANBY UTILITY
REGULAR BOARD MEETING
JUNE 14, 2022
7:00 P.M.

AGENDA

The Board of Directors and staff have resumed in-person meetings. The public is invited to attend the meeting virtually or in person at Canby Utility's office.

- I. CALL TO ORDER
- II. AGENDA
 - Additions, Deletions or Corrections to the Meeting Agenda
- III. CONSENT AGENDA
 - Approval of Agenda
 - Approval of Regular Board Meeting Minutes of May 10, 2022 (pp. 1-3)
 - Approval of Write-Offs
 - Approval of Payment of Water and Electric Bills
- IV. CITIZEN INPUT ON NON-AGENDA ITEMS *Citizen's wanting to speak virtually, please email or call the Board Secretary-Clerk by 4:30 p.m. on June 14, 2022 with your name, the topic you would like to speak on, and contact information: bbenson@canbyutility.org or 503-263-4312.*
- V. RECOMMENDATION Adopt new Wildfire Risk Mitigation Plan – Jason Berning, Operations Manager (pp. 4-20)
- VI. ELECTRIC AND WATER FUND OPERATING AND CAPITAL BUDGETS
Recommended Fiscal Year 2023 Electric and Water Operating and Capital Budgets – Carol Sullivan, General Manager (pp. 21-55)
- VII. BOARD REPORT
 - Chair Comments
 - Board Member Comments
- VIII. STAFF REPORTS
General Manager Updates:
 - First Quarter Financials (pp. 56-59)
- IX. ADJOURN

CANBY UTILITY REGULAR BOARD MEETING MINUTES MAY 10, 2022

Due to COVID-19 Pandemic, the Board of Directors meeting was a hybrid of in-person and virtual. The public was invited to attend the meeting virtually or in-person at Canby Utility's office.

Board Present: Chair Thompson; Members Hill, Gustafson, Horrax, and Molamphy

Staff Present: Carol Sullivan, General Manager; Barbara Benson, Board Secretary; Jason Berning, Operations Manager; Sue Arthur, Purchasing Agent; Cindy Dittmar, Customer Service Supervisor; and Jason Peterson, Operations Field Supervisor

Others Present: Joe Brennan

Chair Thompson called the Regular Board Meeting to order at 7:05 p.m.

Chair Thompson presented the meeting agenda for consideration. She asked for any additions, deletions, or corrections to the meeting agenda, and there were none.

Chair Thompson presented the consent agenda for approval. Member Molamphy made the *MOTION to approve the consent agenda, consisting of the meeting agenda, meeting minutes of April 12, 2022, write-offs of \$361.95, and payment of the electric and water department bills of \$1,947,136.99. Member Hill seconded, and the motion passed unanimously.

Chair Thompson asked for citizen input on non-agenda items, and there was none.

General Manager Carol Sullivan and HR/Administration Manager Barbara Benson presented a recommendation to enter into a Memorandum of Understanding (MOU) with the IBEW Local 125 to establish a new four-ten work week. The MOU was prepared with the guidance of our labor counsel, and it incorporated the elements staff discussed with the Board. The four-day workweek has become a trend, with many utilities in Oregon having adopted this workweek schedule. The union's business representative shared with Benson that the represented employees favored the MOU and are waiting for board approval before they gather to vote on it. Operations Field Supervisor Jason Peterson reported on his completed research following the April board meeting. In the past two years, three power outages occurred on a Friday, and 12 service calls between 7:00 – 8:00 a.m. and 4:30 – 5:00 p.m. in the past year. Benson explained that, per the MOU, if a utility-recognized holiday falls on a Saturday and if the Christmas Eve holiday falls on Sunday, employees will bank those to minimize holiday office closures. A brief discussion ensued regarding the important driver of the new schedule to address recruitment challenges. The MOU establishes a trial period through the end of 2022. The Board will revisit the continuation of the schedule through the end of the collective bargaining agreements later

this year. Following discussion, Member Horrax made the *MOTION to authorize the General Manager to sign the Memorandum of Understanding with the International Brotherhood of Electrical Workers, Local 125, for the office and water workers and electric workers and implement a 4-10 workweek trial period beginning July 4. Member Molamphy seconded, and the motion passed unanimously. A discussion ensued about the recruitment challenges for the Journeyman Lineman position and the options under consideration.

Member Molamphy gave a brief report on the recent Public Power Council (PPC) meetings he attended. The discussion topics included changes in the industry and western services expansion of the transmission grid, build-out of transmission lines to interconnect to the grid, and power movement to cover peak loads. Molamphy noted that this could affect Canby Utility's rates should Portland General Electric, Canby Utility's transmission service provider, decide to join the new northwest grid. Molamphy also heard about the growing pressures to remove dams along the Snake River and a solar generation field near Hanford. Molamphy said that the PPC would be following developments closely, and it is a topic the Board will want to monitor.

General Manager Carol Sullivan reported on the recruitment status for the Finance Manager position. For the interim period, Canby Utility will be utilizing the services of Robert Half. The individual serving in an acting capacity will begin working on May 11. Sullivan provided details about the temporary assignment and noted that the individual might also be able to do project management for the computer software conversion.

Sullivan reported participating in an Oregon Department of Energy webinar for the Community Renewable Energy Grant Program, which focused on consumer-owned utilities. Sullivan noted that the funding application is not yet available through the Department of Energy's website and applications are due by June 10.

Sullivan stated that she had put together a list of projects for the General Manager's review, as previously discussed. The list of identified projects includes adopting a budget, catching up on the financial reports, adopting the Oregon Wildfire Mitigation plan, updating the master fee schedule, training on the Emergency Response Plan, attending emergency operators of Canby meetings, testing and demonstrating the use of the emergency well at Baker Prairie School, accessing grants for an electric vehicle charging station, updating the Water System Master Plan, looking at water rates, updating of the water system development charge methodology, modifying the fire retardant clothing policy, revisiting the exempt employee salary study, updating the safety manual, updating the customer service policies, updating the electric service policies, updating the water service policies, updating the personnel handbook, and converting the computer software program to a new system. Sullivan anticipates staff will be able to complete four or five of the items identified by her six-month review, noting that some items, like the budget and the Wildfire Mitigation Plan, must be completed next month.

Member Hill made the *MOTION to adjourn the meeting. Member Gustafson seconded, and the motion passed unanimously.

**Canby Utility
Regular Board Meeting Minutes
May 10, 2022
Page 3 of 3**

The meeting adjourned at 7:53 p.m.

Melody Thompson, Chair

David Horrax, Member

Tim Gustafson, Member

Robert Hill, Member

John Molamphy, Member

Barbara Benson, Board Secretary



MEMORANDUM

June 8, 2022

TO: Chair Thompson; Members Hill, Horrax, Gustafson, and Molamphy

FROM: Jason Berning, Operations Manager

SUBJECT: Wildfire Risk Mitigation Plan

Suggested Motion: Move to adopt Canby Utility's Wildfire Risk Mitigation Plan.

Background: The Oregon legislature passed Senate Bill 762 "Electric System Plans" in the 2021 regular session. This comprehensive piece of legislation aimed to improve wildfire preparedness through three key strategies: creating fire-adapted communities, developing safe and effective responses, and increasing the resiliency of Oregon's landscapes. Specifically, the law requires utilities, such as CU to prepare wildfire mitigation measures in high-risk areas of wildfire where powerlines and electric equipment are located.

Canby is located in a low-risk area for wildfire; however, a risk still does exist. The Wildfire Risk Mitigation Plan identifies CU's areas with the greatest threat for a utility infrastructure-caused wildfire. This plan lays out preventative actions and options to adjust power system operations to minimize risks in those areas, of which includes de-energizing our two feeders from the Knights Bridge substation in a high-risk weather event, such as dry conditions, high heat, and strong winds.

Canby Utility's customers are fortunate in that we have a large portion of our powerlines buried and only a small area of overhead powerlines that travel through a vegetation rich area – Knights Bridge Road along the Molalla River and west to the substation. In a fire weather (Red Flag Warning) event, most customers served from the Knights Bridge Substation can be temporarily served from the Westcott Substation, leaving only a few customers and one business without power on the west side of the Molalla River.

This plan will be submitted to the Oregon PUC, who then has 180 days to approve the plan or approve it with conditions. We anticipate revisiting the plan annually for potential updates. The law requires that the Canby Utility Board of Directors approve the plan prior to submission.

I will be available to answer questions you may have.



2022 Wildfire Risk Mitigation Plan



Table of Contents

Executive Summary.....	3
Wildfire Policy Statement	3
Wildfire Risk Background	4
Utility Facilities.....	4
Power Generation.....	4
Goals	5
Hazard Identification and Analysis.....	5
Service Territory Map	6
U.S. Forestry Fire Threat Map	7
Wildfire Prevention Strategies.....	10
Improving Operations Practices and Response:	10
Improve Collaboration between Community Stakeholders and First Responders:	11
Standards, Material, and Strengthening system:	12
Strategy-Reclosing, De-energization, and Substation System Information:.....	12
Strategy-Public Safety, Education, and Notification:	13
Restoration of Service:	13
Plan Implementation, Monitoring, and Review:.....	14
Chain of Command and Responsibilities in a Wildfire Event.....	14
General Manager:	14
Operations Manager:	15
Customer Service Supervisor:	15
Organizational Chart	16

Executive Summary

Canby Utility (CU) owns and operates electric distribution facilities presently servicing approximately 8,000 customer connections within the city of Canby. This Wildfire Risk Mitigation Plan (WRM Plan) aims to mitigate risk and respond to utility-caused wildfires in our service area.

Over the past several years, wildfires have been increasing at alarming rates. Warmer temperatures and a dryer climate have provided the perfect storm for wildfires in the Pacific Northwest. The 2018 wildfires in California have proven just how deadly and devastating wildfires can be on residential and business communities, and more recently, the 2020 Riverside and Beachie Creek wildfires combined caused an unprecedented fire danger that destroyed homes and properties in communities west of the Cascades and even threatened our community by forcing Canby into a Level 2 emergency evacuation status. Other nearby fires, such as the RSG Forest Products mill fire that started on Macksburg Road just north of the town of Molalla, were started when a tree fell on live powerlines that spread to a nearby lumber mill along Canby's rural south eastern border.

As a result of the recent wildfires in Oregon, the legislature passed Senate Bill 762. This comprehensive piece of legislation aimed to improve wildfire preparedness through three key strategies: creating fire-adapted communities, developing safe and effective responses, and increasing the resiliency of Oregon's landscapes. Specifically, the law requires utilities, such as CU to prepare wildfire mitigation measures in high-risk areas of wildfire where powerlines and electric equipment are located.

CU's goal in this WRM Plan is to ensure public safety, reduce risk to life and property, and ensure our Board's mission is achieved by providing safety and reliable electricity while complying with applicable regulatory requirements or changes in the law.

Wildfire Policy Statement

CU's WRM Plan provides direction to staff on public awareness, communications, construction, and equipment standards within high-risk wildfire areas, collaboration with community stakeholders and first responders on risk mitigation, and identifying preventative measures to reduce or eliminate the risk of wildfires caused by CU's electric infrastructure and activities.

CU will monitor the National Weather Service reports for Red Flag Warnings, which notifies the public of warm temperatures, very low humidities, and stronger winds that are expected to combine to produce an increased risk of fire danger

Wildfire Risk Background

With a city limit of approximately five square miles, Canby is relatively protected from the risk of a catastrophic wildfire event due to its location, small service area, minimal wildland-urban interface, and access to emergency services. Response to a wildfire will likely be immediate, with the Canby Fire District having its primary fire station on S. Pine Street in the city limits, a newly constructed fire station annex on N. Territorial Road in the city limits, and a rural fire station located within a mile south of Canby on Highway 170. Canby's small size makes access and response to emergencies favorable. In addition to Canby's emergency services within the city, the nearby town of Aurora is home to Columbia Helicopters, who provide aerial firefighting in wildfire events, which would be another resource for Canby Fire District to seek assistance from if needed.

CU provides electric and water service to Canby customers, with approximately 8,000 residential, commercial, and industrial electric connections. CU's five-member Board of Directors is committed to creating a plan that takes an active approach to reducing fire-related risks for its customers.

Utility Facilities

CU is located at 1265 SE 3rd Avenue in Canby, Oregon. This location serves as our headquarters and is where we conduct our daily operations.

CU owns two power substations. The Westcott Substation is located off N. Redwood Street and is adjacent to the Portland General Electric's (PGE) Twilight Substation. The Knights Bridge Substation is located off S. Barlow Road, adjacent to PGE's Canby Substation located at the intersection of Knights Bridge Road and S. Barlow Road. CU's two substations are fed power through PGE's 57kV transmission lines that also feed their adjacent substations. CU's distribution system begins at these substations and distributes power to customers within the city limits and a short section just outside the city to the west, see CU's Service Territory map (enclosed).

CU's total electric distribution system consists of 112 miles of overhead and underground lines. Nearly 80% of those lines are underground. CU's system is fed by eight 12kV feeders with about 72 customers per mile of line.

Power Generation

CU does not have any power generation facilities. All generation is provided by the Bonneville Power Administration (BPA) and sold to CU. The power purchased by CU is delivered from BPA to Canby over PGE's transmission facilities. CU's transmission consists of less than 100 feet of line interconnecting PGE's substations to CU's owned substations.

Goals

The main objective of CU's WRM Plan is to mitigate and prevent wildfires caused by electric utility infrastructure while providing safe and reliable power to its customers. To achieve this objective, CU will identify and implement its activities based on the industry's best practices, pursue cost-effective measures, and establish policies and procedures for system improvements where needed to mitigate the risk and impact of utility-caused wildfires. CU will develop new strategies for public outreach and awareness.

CU's WRM Plan goals complement its board-adopted mission statement, which states, in part: "... to efficiently provide fair, honest, and responsible hometown service to our customers by furnishing adequate amounts of safe, reliable electricity ... with a balanced, flexible approach to the environmental concerns and future needs." CU's WRM Plan also identifies its ongoing efforts to create a fire-adapted community, develop a safe and effective response, and increase the resiliency as it looks for ways to lessen the threat of causing a fire ignition from power lines and electrical equipment.

Hazard Identification and Analysis

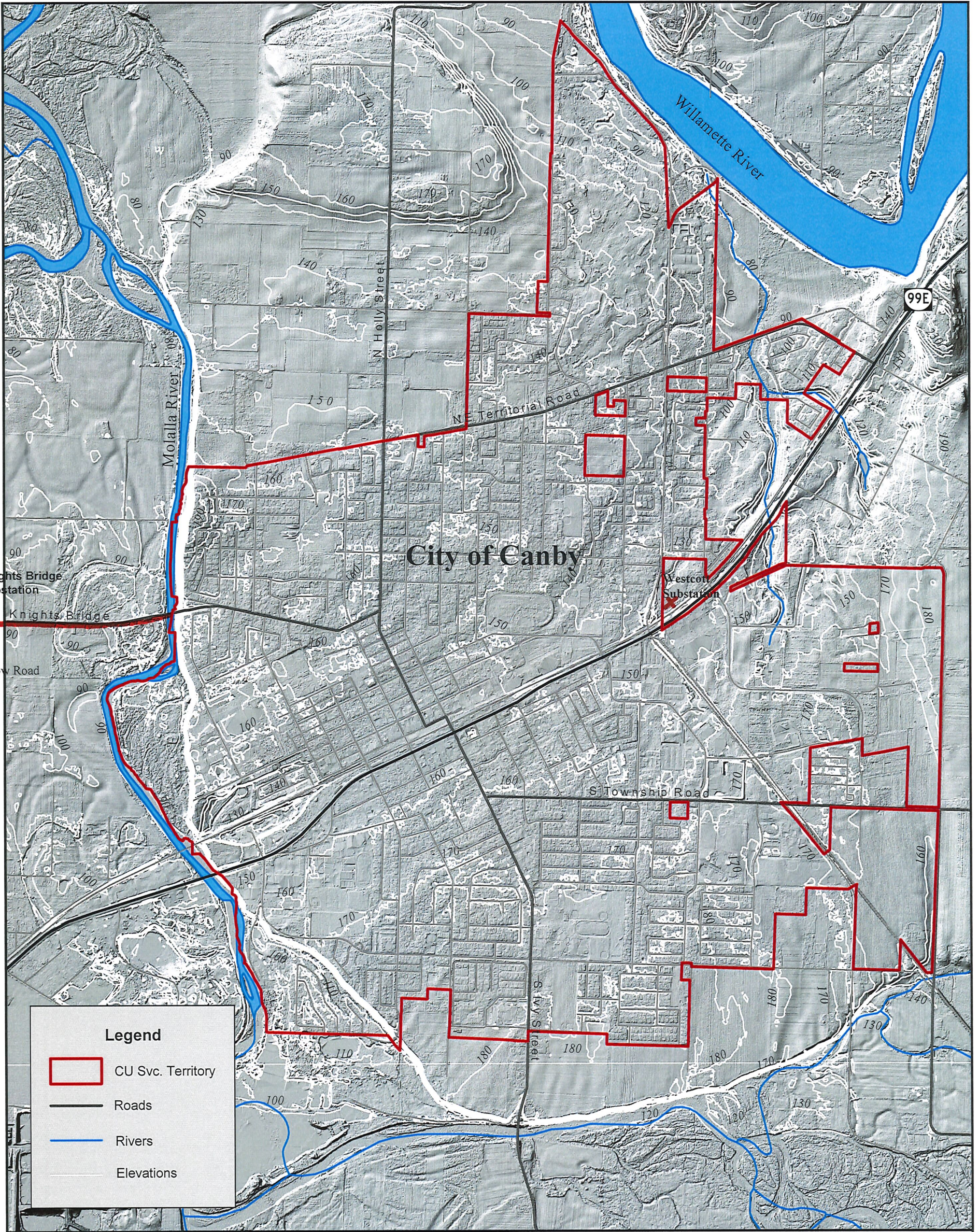
CU serves an approximate five-mile radius within the city of Canby. According to the U.S. Forestry Fire Threat Map (enclosed), CU's service territory is in a low-risk wildfire area. The city does not have any Oregon Department of Forestry properties within its boundaries. CU has a high percentage of conductors underground lessening exposure.

CU has identified its higher probability areas of wildfire and will implement strategies to lessen the likelihood of an event, utilizing best practices methods to ensure safety. The areas identified include somewhat dense vegetation of trees, grasses, and other plants that extends from CU's Knights Bridge substation, easterly along the public right-of-way, across the Molalla River into Canby's city limits, and the adjacent CU owned land along the Molalla River for its water intake facilities.

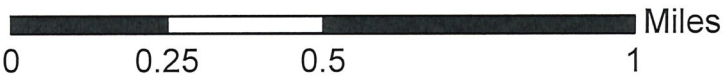
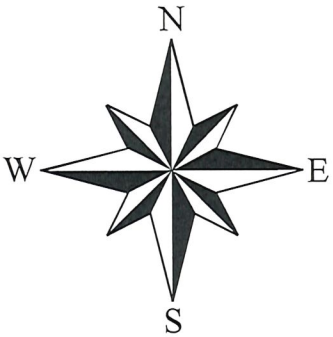
Other areas considered include locations where overhead distribution lines exist within the city. In these areas, CU's right-of-way vegetation maintenance program takes prudent measures to reduce powerlines from coming into contact with fuel sources, such as trees, tree limbs, and other vegetation.

Fortunately, CU's risk of causing wildfire is substantially reduced by having nearly 80% of its powerlines being underground. New construction projects are designed to serve power from underground infrastructure that minimizes wildfire risk now and into the future.

CU's distribution system is monitored by visual inspections and a Supervisory Control and Data Acquisition (SCADA) system. Wildfire risk hazards that are discovered, will be addressed and corrected timely. CU will take a systematic approach to refine and improve its practices, maintenance, system protections, system hardening, and restoration of services through wildfire prevention strategies.



Canby Utility Service Map



The information depicted on this map is for general reference only.
The City of Canby cannot accept any responsibility for errors, omissions, or positional accuracy.



Search...



Sign in



Layers

☒ Overall Wildfire Risk

☒ Very high

☒ High

☒ Moderate

☒ Low

☒ Low benefit

☒ Benefit

☐ Wildfire Risk to Assets

☐ Wildfire Risk to People and Property

☒ Wildfire Threat

☒ Burn Probability

☐ 0

☐ Low (≤ 1 -in-10,000)

☐ Low - Moderate (1-in-10,000 to 1-in-5,000)

☐ Moderate (1-in-5,000 to 1-in-1,000)

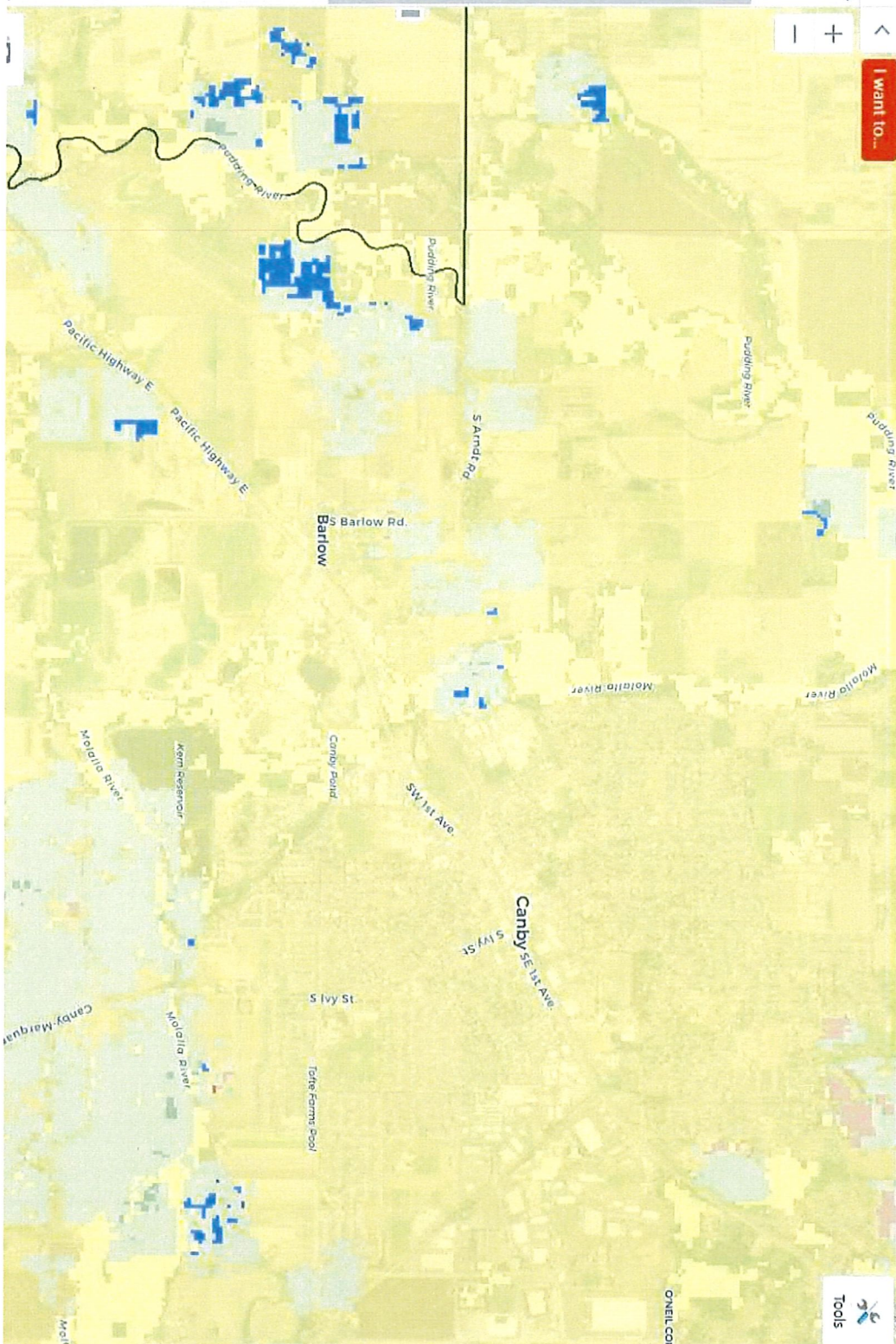
☐ Moderate - High (1-in-1,000 to 1-in-500)

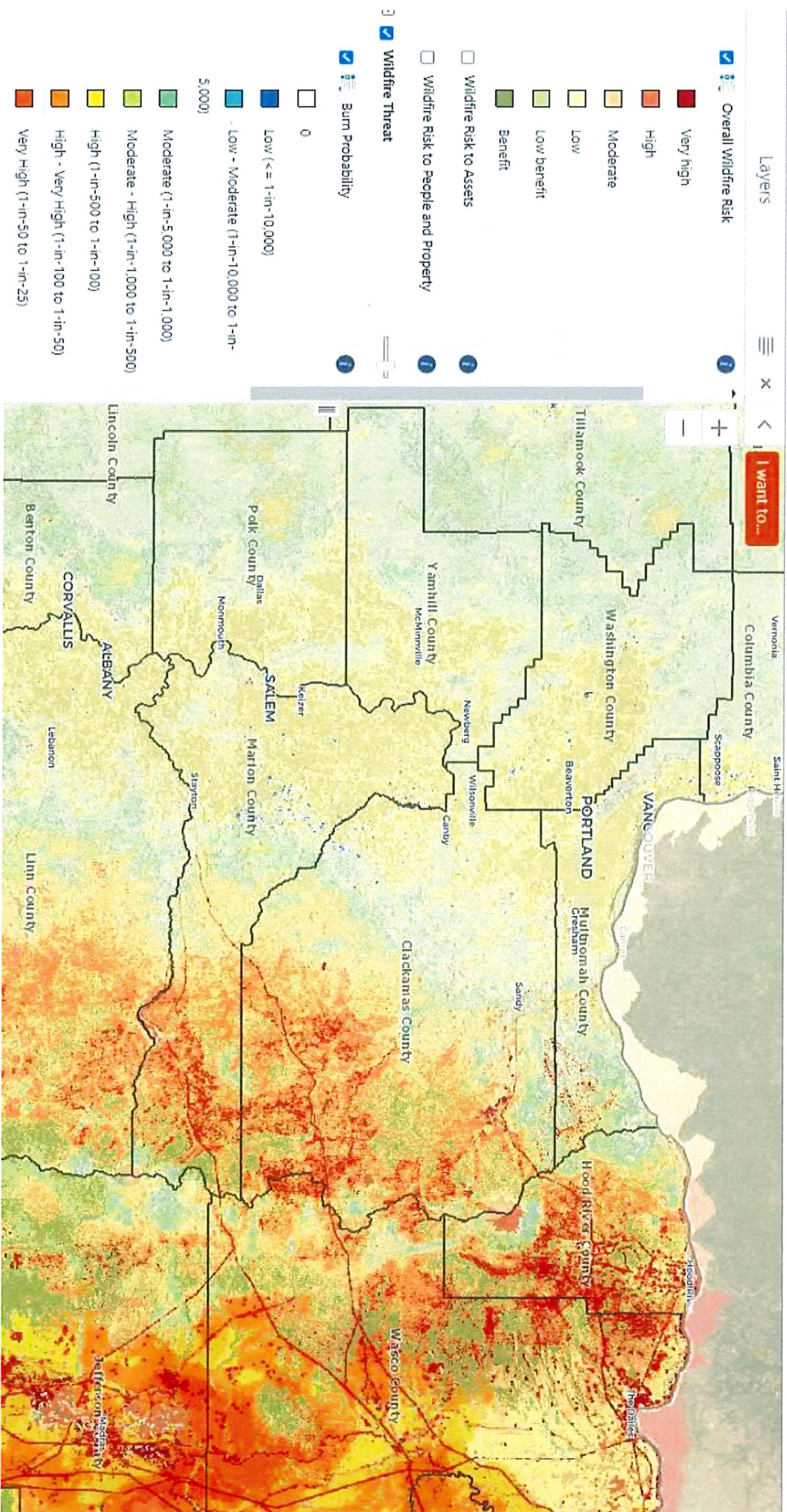
☐ High (1-in-500 to 1-in-100)

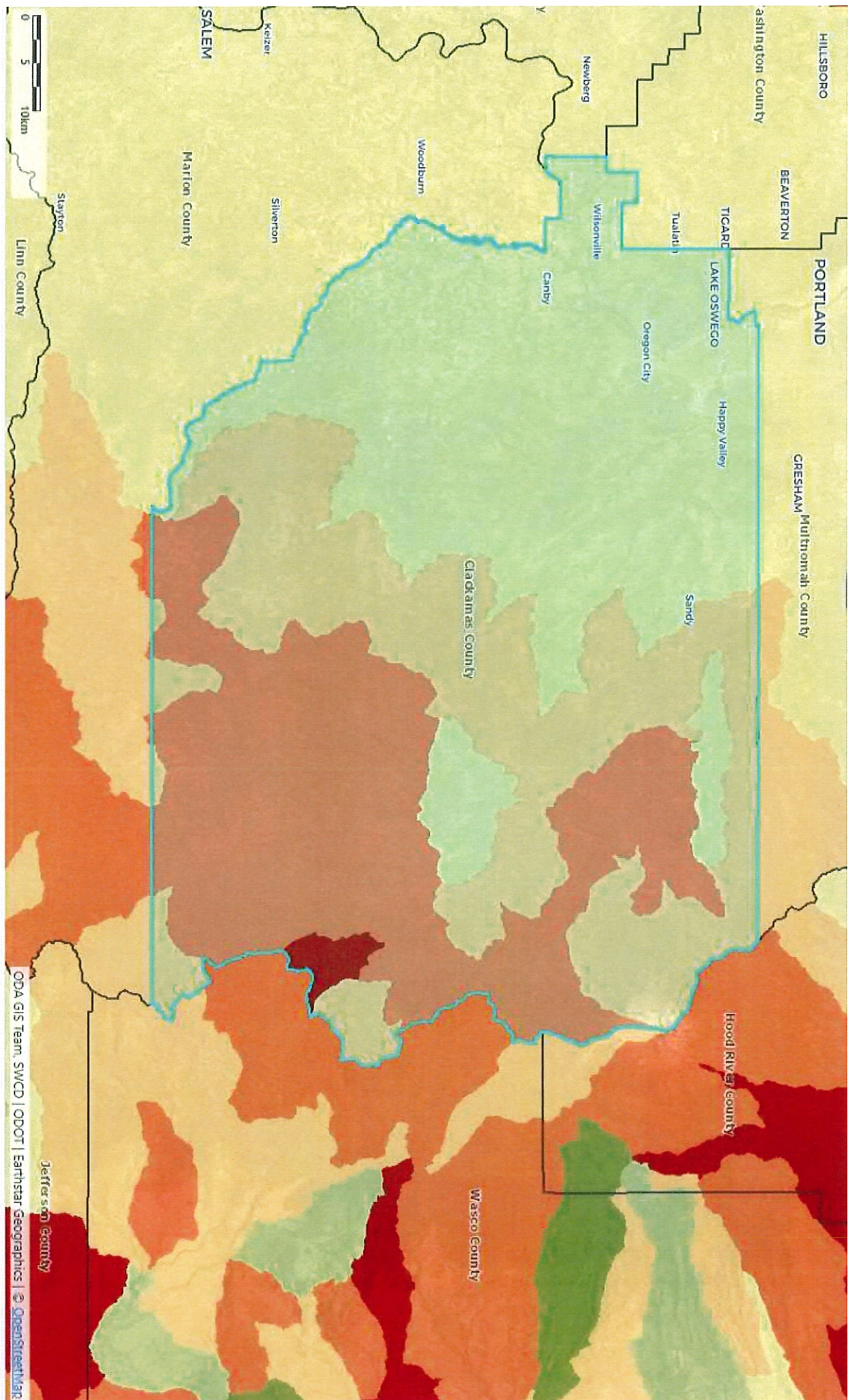
☐ High - Very High (1-in-100 to 1-in-50)

☐ Very High (1-in-50 to 1-in-25)

☐ Average Flame Length







Wildfire Prevention Strategies

Improving Operations Practices and Response:

- Right-of-way vegetation maintenance program – Continue the two-year tree and vegetation management in the public right-of-way. Continually strive to identify trees that are a hazard to the CU distribution system and make appropriate corrections before Oregon’s fire season. Develop a list of potential areas of concern to monitor for additional mitigation efforts actively.
- Inspection of overhead powerlines and power poles program – Continue routine visual inspections of overhead powerline infrastructure, poles, and equipment with more attention focused on the areas identified as higher-risk. The inspections are performed through the use of aerial bucket trucks, climbing of poles, and from the ground. The inspections are completed by qualified electrical workers. CU maintains a schedule of when various inspections are completed, all of which are done at least annually. CU performs enhanced equipment inspections on its feeders in those higher-risk areas by utilizing advanced infrared equipment to locate potential electrical problems and eliminate failures in the distribution system.
- Review construction and material standards – Continually review standards and seek improvements to utilize system hardening technologies in higher-risk areas. Consider the use of materials best suited for the type of construction to provide greater protections.
- A switching plan has been established to de-energize the two higher-risk feeders along Knights Bridge Road and transfer the power load to the Westcott Substation feeders. This action will eliminate the highest risk of wildfire caused by powerlines and electric equipment in this area and enable continuity of service for most customers by being served by another source. CU’s SCADA system will be vigilantly monitored during red flag warning events so that staff can immediately de-energize the feeder and transfer the load via the remotely-accessed computer system.
- Ensure that all secondary connections at poles are appropriately taped and wire shaped not to cause arcs or other hazardous conditions.
- Continue to install powerlines underground in accordance with Canby Municipal Code, Chapter 16.

- Monitor the National Weather Service website and, if available, sign-up for alerts that provide notification on the issuance of Red Flag Warnings for wildfire favorable weather.
- Increase communication frequency with operations staff and General Manager in preparation for the fire season to discuss risk mitigation during Red Flag alerts. Equip vehicles with fire mitigation tools and equipment to be ready for use during the fire season should a fire occur.
- Collaborate with CU's SCADA team to ensure that switching procedures are reviewed and understood so that the identified feeders can be immediately switched out of service should an event dictate the need to de-energize the feeder. In addition to monitoring the SCADA system, blocking reclosing on the two identified feeders in place of switching may be done depending on risk conditions.
- Develop or revisit mutual aid agreements with other utilities in Oregon to prepare for an event. Agreements include personnel, equipment, and materials necessary to respond to an event or recover from damages caused by a wildfire.

Improve Collaboration between Community Stakeholders and First Responders:

- Engage city leaders and emergency responders in discussions on the risks of electric utility-related wildfire causes during routine emergency operations meetings.
- Schedule a pre-fire season planning session with Canby Fire District for strategic planning in preparation for the fire season. Share the WRM Plan and CU's identified high-risk areas, including feeder locations and implement strategies designed to lessen the likelihood of an event.
- On Red Flag Warning days, check in with Canby Fire District to review issued warnings and discuss coordinating their Incident Command expectations in response.
- Present CU's planning efforts and response to a utility-caused wildfire at a Canby Area Chamber of Commerce meeting to prepare the business community for potential power interruptions.

Standards, Material, and Strengthening system:

- Continual development and review of CU's standards and specifications with scheduled review cycles to allow for best practice improvements and incorporation of new technologies. These standards will guide construction, design, and materials used in its operations. If emerging technologies or design practices are introduced between CU's review cycles, CU will make its best effort to incorporate the new technology and practices into the work to prevent contact between infrastructures and fuel sources.
- Identify existing at-risk poles, conductors, crossarms, insulators, and cutouts. Consider replacing materials with products that offer greater protection in those areas. Examples may be the use of steel poles and fiberglass products.
- Where practical and affordable, transfer existing overhead powerlines to underground.

Strategy-Reclosing, De-energization, and Substation System Information:

CU's WRM plan includes isolating the two feeder lines originating from the Knights Bridge substation through a process to de-energize the lines and transfer the load to another substation that will enable most customers to maintain reliable electric service. Some customers will be without power when this occurs due to the inability to maintain service and protect the environment from wildfire risk at the same time. Switching the load from those feeders to the Westcott substation is completed via remote access using the utility's SCADA system. This process will be managed by designated and trained CU staff. If the SCADA system is compromised or fails, CU staff will perform manual switching processes following established procedures. A qualified electrical worker would do this work.

For informational purposes, the Knights Bridge substation has one 15/20/25 MVA transformer serving a single 12.47kV distribution rack with two feeders (1 and 2) and a transfer bay. In addition to transformer differential protection, fast bus protection is enabled to act effectively as a 12.47kV bus differential protection element within the substation. Transformer overcurrent protection is configured to pick up approximately 145% (phase) and 50% (ground secondary) of transformer full load amps (FLA). Transformer curves are configured to stay below the transformer damage curves while allowing maximum room for downstream feeder coordination. Feeder overcurrent protection is configured to pick up at 720 A (phase) and 331 A (ground), with an instantaneous setting that acts as a "fast" fuse

saving curve for trip #1 in a reclosing sequence that includes one “fast” operation and two “slow operations.

CU is confident that its plan to de-energize feeders in a high-risk situation will eliminate Canby’s exposure to utility-related wildfire events.

Strategy-Public Safety, Education, and Notification:

- In the event of a wildfire threat, CU will engage in discussions with city officials and fire personnel as previously discussed in this plan and collaboratively develop a crisis communications plan related to an emergency that could develop. CU management will give these partners status updates if power is interrupted.
- CU will post emergency alerts on its website of anticipated or current power shutdowns in identified, high-risk areas, and encourage the City of Canby and the Canby Fire District to do the same.
- CU will make every effort to contact affected customers by phone or in person when the feeder will be de-energized and the expected duration. Staff will also provide those customers with information on the City’s Emergency Operations Center should it be activated.
- Provide access to links to resources and information about Wildfire Risk on our website, and include articles in the CU’s Reporter newsletter that is distributed to customers along with their utility bills.
- Issue public releases to the news media and local social media pages.

Restoration of Service:

- Should CU proactively de-energize powerlines, the lines will be re-energized following these steps:
 - 1) Patrol and visually inspect overhead facilities in high-fire risk areas to ensure they are clear of hazards, damage, or vegetation before re-energizing the two feeders.
 - 2) If facilities are damaged, they will be isolated. Then the sections of overhead lines not damaged can be re-energized to restore power to customers. To the extent that additional resources are needed to repair the system, CU will request assistance through mutual aid agreements

or available electrical contractors to obtain materials and qualified personnel to help in the restoration process.

- 3) All damaged facilities or vegetation issues will be documented and photographed before being repaired or cleared.
- 4) Repairs to damaged facilities will be performed to CU's design standards and completed by qualified electrical workers.
- 5) CU will restore electric services to homes and businesses as soon as possible after the wildfire risk has ended.

Plan Implementation, Monitoring, and Review:

- The CU board will adopt the WRM plan, and it will then be submitted to the Public Utilities Commission for approval before June 30, 2022.
- CU staff will monitor for emerging technologies and operational practices that will assist in hardening CU's distribution system and preventing utility-caused wildfires. The plan will be shared with Canby Fire District personnel during pre-fire season meetings and CU operation meetings.
- CU staff will conduct an annual review of the plan on or before June each year, before the start of the fire season, to look for ways to improve the plan, incorporate changes made throughout the year, and adopt any new provisions.

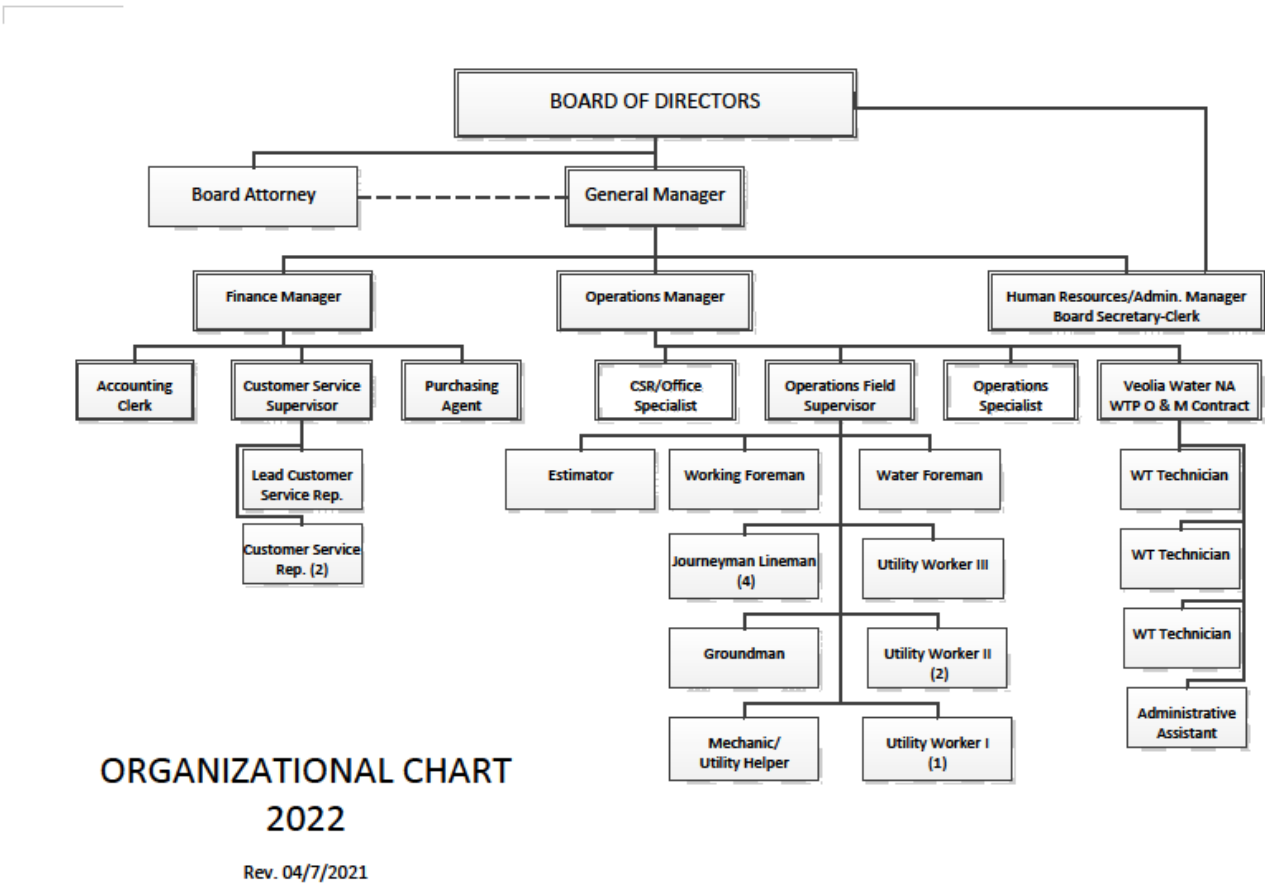
Chain of Command and Responsibilities in a Wildfire Event

General Manager:	<ul style="list-style-type: none">• Responsible for the overall management and decision-making for CU's Electric power system.• Serve as a Public Information Officer (PIO) for the media; authorize and release information to the news media.• Assign staff to Emergency Operations Center (EOC) to serve as a liaison between CU and other agencies.• Supervise or monitor supervision of all CU personnel and ensure their safety and welfare during an emergency event.• Notify the Board of Directors, Mayor, and City Council of the CU's response to the emergency, and
------------------	---

	<p>provide periodic updates on incident status and activities.</p> <ul style="list-style-type: none"> • Ensure that all regulatory agencies impacted by the emergency are notified. • Request emergency assistance from local agencies, including police, fire, and medical. • Ensure coordination between CU staff and external emergency response agencies if EOC is not activated.
Operations Manager:	<ul style="list-style-type: none"> • Aid the General Manager in the planning and decision-making process. • Responsible for the operational management of CU's power facilities. • Supervise operational staff, including electric and water crew activities, during an emergency event. • Enforce the use of protective clothing and equipment • Provide updates to the General Manager and others; work with operational staff from other agencies in coordinating response efforts. • Determine the need for additional resources (personnel, equipment, tools, etc.); utilize mutual aid partners for support during and post-emergency activities. • Develop and manage critical operations to meet incident objectives established by General Manager and report to (EOC) when appropriate. • Document all significant actions and information.
Customer Service Supervisor:	<ul style="list-style-type: none"> • Post emergency alerts on CU's website, including Red Flag Warnings that have the potential or actual need for electric service interruptions. • Contact City and Canby Fire District staff requesting they also post notices on their websites. • Ensure customers affected by the power interruption are notified timely and updated on the status of power restoration efforts. • Oversee that all customer communication and outreach are timely and accurate. Update operations staff on any issues reported by the public. • Ensure operations staff is aware of any known critical care customers, such as a person living in a residence who uses life-sustaining medical services requiring power.

	<ul style="list-style-type: none"> Prepare customer newsletters and other correspondence for customers to be aware of CU's planned response to Red Flag Warning conditions.
--	--

Organizational Chart





MEMORANDUM

June 10, 2022

TO: Chair Thompson, Member Hill, Member Horrax, Member Gustafson, and
Member Molamphy

FROM: Carol Sullivan, General Manager

SUBJECT: Fiscal Year 2023 Operating and Capital Budget Highlights

Suggested Motion: *I move that the Fiscal Year 2023 Electric and Water Operating and Capital Budgets be approved as presented.*

Summary: The proposed Fiscal Year (FY) 2023 operating and capital budgets are attached. In brief:

Electric: The budget revenue is based on FY 2022 actuals with a 3% growth factor applied to most customer classes. Operating expenditures have increased slightly with more labor in the expense budget (as opposed to capital), and an increase in expenses for the new facility (operating, maintenance, and insurance). These increases are somewhat offset by lower BPA conservation program payouts. Overall electric reserves will increase due to anticipated contributed capital projects.

Water: The budget revenue is based on rates effective November 2020, a low consumption year, and an increased meter count for expected growth. Operating expenditures have increased mainly due to Veolia's annual contract fee and variable cost adjustments. Overall water reserves will increase mainly due to anticipated system development charges.

Personnel costs: The budget reflects an increase of 2.9% to all payroll costs. This increase is mainly a result of the cost of living adjustment, 4% for union represented employees and an estimated 8.5% CPI for non-represented. A table of personnel costs follows the electric and water executive summaries.

I will present to the Board an overview of revenues, expenses, capital, and cash reserves from the Executive Summary. Staff and I will be available to answer any questions.

Canby Utility - Electric Executive Summary of FY23 Budget

DESCRIPTION			Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes:
	FY23 Budget	FY22 Budget			
Total Electric Sales	\$ 14,136,864	\$ 13,807,336	\$ 329,528	2%	FY23 is based on FY21 actuals with a three percent growth factor.
Total Other Electric Energy Revenues	331,548	355,207	(23,659)	-7%	FY23 is based on history and BPA's remaining contract amount for the conservation program.
OPERATING REVENUES	14,468,412	14,162,543	305,869	2%	The overall increase in revenues is mainly due to large commercial electrical sales.
TOTAL OPERATING EXPENSES	(13,565,304)	(13,517,429)	47,875	0%	The overall increase in expenses is mainly due to more labor in the in the expense budget (less in the capital budget) and an increase in operating and maintenance expenses for the new facility.
OPERATING INCOME	903,108	645,114	257,994	40%	Operating income is up mainly due to increased large commercial sales.
Total Non-Operating Revenues & Expenses	178,825	154,018	24,807	14%	Non-operating revenues are increasing due to interest on cash reserves.
Total Capital Contributions	1,280,931	1,154,940	125,991	11%	Estimated 131 new residential meter connects, 3 subdivisions, 3 multi-family developments, and 9 commercial projects scheduled for completion during the fiscal year.
Change in Net Assets	2,362,864	\$ 1,954,072	\$ 408,792	17%	
Cash and Investments Estimate, June 30, 2022	8,845,470				Estimated cash on hand.
Cash Used For Capital Purchases	(1,958,101)				Capital Budget for the year.
Add Back Depreciation	1,228,507				Non-cash item in the operating expense budget so need to add it back to cash on hand.
Total Estimated End Of FY23 Cash & Investments	\$ 10,478,740				This is the amount we expect to have in CASH RESERVES at year end, 6/30/23.

Canby Utility - Water Executive Summary of FY23 Budget

DESCRIPTION	FY23 Budget	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes:
TOTAL WATER USAGE SALES	\$ 3,716,000	\$ 3,675,000	\$ 41,000	1%	Increased meter count for expected growth, rate increase in 2020, and based use on a low consumption year.
TOTAL OPERATING EXPENSES	(3,694,725)	(3,523,281)	171,445	5%	The overall increase in expenses is mainly due to Veolia's annual contract fee adjustment and variable cost adjustment.
OPERATING INCOME (LOSS)	21,275	151,720	(130,445)	-86%	Operating income decreased due to increased expenses.
Total Non-Operating Revenues & Expenses	17,454	(10,087)	27,541	273%	Non-operating revenues are increasing due to interest on cash reserves.
Total Capital Contributions	2,284,657	1,934,400	350,257	18%	Estimated 136 new residential meter connects, 3 subdivisions, 3 multi-family developments, and 7 commercial projects scheduled for completion during the fiscal year.
Change in Net Assets	2,323,386	\$ 2,076,033	\$ 247,353	12%	
Cash and Investments Estimate, June 30, 2022	6,218,942				Estimated cash on hand.
Cash Used For Capital Purchases	(2,385,382)				Capital Budget for the year.
Principle Payments on Water Bonds	(416,000)				2017 & 2014 Bond principle payments.
Add Back Depreciation	764,204				Non-cash item in the operating expense budget so we need to add it back to cash on hand.
Total Estimated End Of FY23 Cash & Investments	\$ 6,505,150				This is the amount we expect to have in CASH RESERVES at year end, 6/30/23.



Personnel Costs

Category	FY23 Budget					
	Electric System	% of Total Compensation	Water System	% of Total Compensation	Combined	% of Total Compensation
Payroll	\$ 1,922,805	62.9%	\$ 722,894	60.9%	\$ 2,645,699	62.4%
PERS	523,219	17.1%	200,614	16.9%	723,833	17.1%
FICA/Med	146,922	4.8%	55,160	4.6%	202,082	4.8%
Medical/Vision	363,299	11.9%	163,914	13.8%	527,213	12.4%
Dental	28,252	0.9%	10,378	0.9%	38,630	0.9%
Life	1,261	0.0%	597	0.1%	1,858	0.0%
Unemployment	1,835	0.1%	709	0.1%	2,544	0.1%
Worker's Comp	20,205	0.7%	9,714	0.8%	29,919	0.7%
Transit	11,527	0.4%	4,333	0.4%	15,860	0.4%
VEBA Account	36,228	1.2%	18,384	1.5%	54,612	1.3%
Total Payroll & Employer Paid Expenses	\$ 3,055,553	100.0%	\$ 1,186,697	100.0%	\$ 4,242,250	100.0%
Category	FY22 Budget					
	Electric System	% of Total Compensation	Water System	% of Total Compensation	Combined	% of Total Compensation
Payroll	\$ 1,856,685	62.4%	\$ 698,918	61.3%	\$ 2,555,603	62.1%
PERS	508,375	17.1%	193,246	16.9%	701,621	17.0%
FICA/Med	141,870	4.8%	53,324	4.7%	195,194	4.7%
Medical/Vision	374,003	12.6%	151,338	13.3%	525,341	12.8%
Dental	27,316	0.9%	10,906	1.0%	38,222	0.9%
Life	1,861	0.1%	777	0.1%	2,638	0.1%
Unemployment	1,763	0.1%	685	0.1%	2,448	0.1%
Worker's Comp	20,769	0.7%	10,002	0.9%	30,771	0.7%
Transit	11,131	0.4%	4,177	0.4%	15,308	0.4%
VEBA Account	33,648	1.1%	17,088	1.5%	50,736	1.2%
Total Payroll & Employer Paid Expenses	\$ 2,977,421	100.0%	\$ 1,140,461	100.0%	\$ 4,117,882	100.0%
Category	Increase/(Decrease) FY23 vs. FY22					
	Electric System	% Increase/(Decrease)	Water System	% Increase/(Decrease)	Combined	% Increase/(Decrease)
Payroll	\$ 66,120	3.6%	\$ 23,976	3.4%	\$ 90,096	3.5%
PERS	14,844	2.9%	7,368	3.8%	22,212	3.2%
FICA/Med	5,052	3.6%	1,836	3.4%	6,888	3.5%
Medical/Vision	(10,704)	-2.9%	12,576	8.3%	1,872	0.4%
Dental	936	3.4%	(528)	-4.8%	408	1.1%
Life	(600)	-32.2%	(180)	-23.2%	(780)	-29.6%
Unemployment	72	4.1%	24	3.5%	96	3.9%
Worker's Comp	(564)	-2.7%	(288)	-2.9%	(852)	-2.8%
Transit	396	3.6%	156	3.7%	552	3.6%
VEBA Account	2,580	7.7%	1,296	7.6%	3,876	7.6%
Total Payroll & Employer Paid Expenses	\$ 78,132	2.6%	\$ 46,236	4.1%	\$ 124,368	2.9%
Employer Paid Benefits Change	\$ 12,012		22,260		\$ 34,272	2.2%



Fiscal Year 2023 Budget

Electric Operating Budget see pages 26-27
Statement of Operations and Changes In Net Assets - Electric

Electric Capital Budget see page 28

Electric Cash Reserve Calculation see page 29

Departmental Summary - Electric see pages 30-31
Followed by detailed departmental budgets see pages 32-39

Canby Utility
FY 23 Budget
Statement of Operations and Changes In Net Assets - Electric

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
OPERATING REVENUES						
Residential Sales	\$ 7,336,000	\$ 6,851,771	\$ 7,362,000	\$ (26,000)	-0.4%	3% growth factor of FY 22 actual
Unbilled Revenue	-	158,241	-	-	N/A	Unknown Until FY Year-End
Green Power Sales	13,728	12,978	12,804	924	7%	Based May 2022 sales
Small Commercial	1,094,000	899,532	918,000	176,000	19%	3% growth factor of FY 22 actual
Large Commercial	3,309,000	2,909,999	2,970,000	339,000	11%	3% growth factor of FY 22 actual
Industrial	1,988,000	2,068,661	2,161,000	(173,000)	-8%	3% growth factor of FY 22 actual
City Street Lighting	44,136	44,793	44,532	(396)	-1%	Based May 2022 sales
Municipal	178,000	165,513	167,000	11,000	7%	Based on FY22 actual
Canby Utility	174,000	176,820	172,000	2,000	1%	Based on FY22 actual
Total Electric Sales	14,136,864	13,288,308	13,807,336	329,528	2%	
NSF Check Charge	1,188	759	1,188	-	0%	Estimate three a month
Reconnect Fees	11,040	4,130	5,760	5,280	92%	Estimated twenty three a month
Door Hanger Fees	-	-	-	-	N/A	
Account Set-up Fees	30,000	31,625	32,475	(2,475)	-8%	Estimate one hundred a month
Failed Payment Arrangement	600	-	600	-	0%	Estimate two a month
Disconnect Notice Fee	69,000	-	40,150	28,850	72%	Estimate two hundred thirty a month
BPA Conservation Rate Credit	219,720	71,149	275,034	(55,314)	-20%	Contract amount
Total Other Electric Energy Revenues	331,548	107,663	355,207	(23,659)	-7%	
TOTAL OPERATING REVENUES	14,468,412	13,395,971	14,162,543	305,869	2%	
OPERATING EXPENSES						
Board of Directors	16,718	4,558	13,083	3,635	28%	See Departmental Page
Executive	269,380	251,343	272,054	(2,674)	-1%	See Departmental Page
Administrative	311,137	238,476	259,735	51,402	20%	See Departmental Page
Customer Service	662,475	512,441	721,068	(58,593)	-8%	See Departmental Page
Finance	10,534,488	10,056,753	10,551,699	(17,211)	0%	See Departmental Page
Operations	530,142	376,176	530,178	(36)	0%	See Departmental Page
Distribution	1,192,534	675,089	1,131,562	60,972	5%	See Departmental Page
Risk Management	48,430	36,116	38,050	10,380	27%	See Departmental Page
TOTAL OPERATING EXPENSES	13,565,304	12,150,952	13,517,429	47,875	0%	
OPERATING INCOME (LOSS)	903,108	1,245,019	645,114	257,994	40%	
OPERATING MARGIN	6%	9%	5%			
NON-OPERATING REVENUES & EXPENSES						
Rental Lights	34,104	34,275	34,176	(72)	0%	Based on May 2022 sales
Rental Lights Expenses	-	-	-	-	N/A	N/A
St. Light Maintenance Sales	24,000	16,693	24,000	-	0%	Based on prior years
Material Sales	-	1,432	-	-	N/A	N/A
Billed for Dig In's	4,944	3,676	4,944	-	0%	Based on prior years
Custom Work Sales	-	-	-	-	N/A	N/A
Public St. Lights Sold	31,968	35,552	31,968	-	0%	Based on prior years

Canby Utility
FY 23 Budget
Statement of Operations and Changes In Net Assets - Electric

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Misc. Other Sales	60,000	163,765	60,000	-	0%	Facility rental to Water department
Material Sales Cost	-	-	-	-	N/A	N/A
Custom Work Costs	-	-	-	-	N/A	N/A
St. Light Maintenance Costs	(55,968)	(56,147)	(55,968)	-	0%	Based on prior years
Misc. Other Costs	-	(224,891)	-	-	N/A	N/A
Temp Service	7,800	(4,564)	10,056	(2,256)	-22%	Based last six years
Interest Income/Other	70,669	74,463	47,746	22,923	48%	0.75% applied to estimated cash on hand
Gain On Disposition of Property	-	1,465,687	-	-	N/A	Unknown
Loss On Disposition of Property	-	(925)	-	-	N/A	Unknown
Other Interest Expense	1,308	(2,406)	(2,904)	4,212	-145%	Based on current year
Total Non-Operating Revenues & Expenses	178,825	1,506,610	154,018	24,807	14%	
Net Income/(Loss) Before Capital Contributions	1,081,933	2,751,629	799,132	282,801	26%	
Capital Contributions:						
Hook-up Fees	228,592	523,166	208,000	20,592	10%	131 Residential meter connects
Contribution From Others	-	3,075	-	-	N/A	Unknown
Line Extension Fees	1,052,339	214,047	946,940	105,399	11%	3 Subdivisions, 3 Multi Fam, and 9 Comm
Total Capital Contributions	1,280,931	740,288	1,154,940	125,991	11%	
Change in Net Assets	\$ 2,362,864	\$ 3,491,917	\$ 1,954,072	\$ 408,792	17%	

Cash Flow:

Cash and Investments Estimate, June 30, 2022	\$ 8,845,470
Cash Used For Capital Purchases	(1,958,101)
Change in Net Assets	2,362,864
Add Back Depreciation	1,228,507
Basis of Asset sold	-
Net Cash Generated/(Used)	1,633,270
Cash and Investments Estimate, June 30, 2023	\$ 10,478,740

Canby Utility Electric System FY 23 Capital Budget								
Project Name	Description of Project	Labor	Inventory	Transportation	Labor Overheads	Outside Costs	Project Cost	
				Charges	69.81%			
Executive - Projects								
N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Finance - Projects								
75% of New Utility Software costs 25% Water Fund (carryover)	Our current software has given us some issues during operating changes, staff wants to look into what is available to see if there a product that will better suit our needs to be more efficient.	-	-	-	-	112,500	112,500	
Operations & Distribution - Capital Equipment								
Vac Truck 75% Elect	Our vacor was due for replacement in fiscal year 2021. CUB is pricing a truck over a trailer system for ease of use, versatility, and allows for a larger vacuum and spoils tank. The water system has a larger capacity and a greater PSI for hydro excavation. Hydro excavation is becoming the standard for both protecting underground utilities and decreasing on the job injury.	-	-	-	-	225,000	225,000	
Tools Elect	We are looking at finishing our metal shop so its fully functional. A plasma cutter, aluminum welder, or more welding tables would make this possible. These items would help us keep more projects in house and less contractor costs.	-	-		-	3,000	3,000	
Locate Machine	Update or replace our locator machines and the accessories. We are taking back our locates in house. We have been contracting this out for the last 2 years so our machines may need an update or purchase a new machine.	-	-	-	-	2,500	2,500	
Operations & Distribution - Projects								
Feeder Extension (In progress)	Westcott Feeder 4, Extension along south Ivy approx. 2100 ft. This includes recondutoring to accommodate new subdivisions and City sanitary pump station. Recondutor/switch - corner of south 13th to 16th. Vault and conduit have been installed.	24,930	100,777	5,315	17,403	7,800	156,225	
Move shipping container from emergency water system to Westcott substation	Buy shipping container from Water Dept. and move it from the emergency water well site to Westcott substation. It needs some refurbish to be used as storage at Westcott. All in house work.	800	-	200	558	2,500	4,058	
Substation 10 Year preventative maintenance	Per the electrical system study, Nights Bridge substation is due and Westcott substation is overdue for a 10 year comprehensive inspection by a qualified engineering contractor.	5,000	-	2,000	3,491	155,000	165,491	
Contract a GIS consultant to finish our GIS set up and a year service contract for training.	Our previous GSI contractor is no longer in business. We were only partially set up and had been given a small amount of training. This new contractor would be local and readily available for set up, questions, and future training.	2,000	-	-	1,396	5,000	8,396	
CONTRIBUTED CAPITAL:								
Various Residential Connections	Estimated 131 new service/meter connections, based on prior years	83,392	78,338	8,646	58,216	-	228,592	
Line Extensions	3 Subdivisions, 3 Multi Fam, and 9 Comm	207,482	650,041	49,973	144,843	-	1,052,339	
Totals		\$ 323,604	\$ 829,156	\$ 66,134	\$ 225,907	\$ 513,300	\$ 1,958,101	

Procedure 520
Attachment 1

Canby Utility
Cash Reserve Procedure

Cash Reserve Calculation

The cash reserve calculations are targeted end of year balances at June 30, 2023.

Electric	Input	Pro-rate	Policy	Reserve Dollars	Basis
Annual O&M Expenditures (excluding power supply costs and depreciation)	\$ 4,368,970	365	180	\$ 2,154,561	Budget 2023
High Month Power Supply Costs	777,850	30	45	1,166,775	Budget 2022
Power Supply Risk				250,000	BPA
Rate Base Factor for Catastrophic Event	Assets	Depre	Depre/Assets	Assumption	
	47,132,892	15,607,878	33.1%	2.0%	942,658
Debt Service Highest Payment					March 2022 Balance Sheet w/ WIP
					-
Capital Improvements	2019-2024	\$1,763,080	20.0%	352,616	352,616
Vehicle/Equipment Replacement Program					190,595
					Rotation Schedule
Labor Contingency					100,000
					To cover less labor intensive capital years
Total Before Project Reserve					5,157,205
Project Reserve					5,321,535
					Project Reserve
Targeted Cash Reserve					\$ 10,478,740
Minimum Cash Reserve \$4,000,000					Over / (Under) Minimum \$ 6,478,740

Canby Utility FY 23 Budget Departmental Summary - Electric												
Categories	Board of Directors	Executive	Administrative	Customer Service	Finance	Operations	Distribution	Risk Mgt	FY23 Total by Category	FY22 Total by Category	\$ Change FY23 vs. FY22	% Change FY23 vs. FY22
Payroll		\$ 146,870	\$ 79,933	\$ 205,176	\$ 243,875	\$ 295,322	\$ 951,629		\$ 1,922,805	\$ 1,856,685	\$ 66,120	3.56%
PERS		39,468	25,320	58,487	65,537	79,359	255,048		523,219	508,375	14,844	2.92%
Medical/Vision Insurance		6,408	18,337	57,778	48,591	61,022	171,163		363,299	374,003	(10,704)	-2.86%
Dental Insurance		420	1,463	3,921	3,373	4,482	14,593		28,252	27,316	936	3.43%
Life Insurance		96	58	252	255	131	469		1,261	1,861	(600)	-32.24%
Worker's Comp		204	129	582	385	2,035	16,870		20,205	20,769	(564)	-2.72%
Taxes State Unemployment		144	81	204	234	304	868		1,835	1,763	72	4.08%
Taxes FICA/Medicare		11,232	6,120	15,699	18,663	22,592	72,616		146,922	141,870	5,052	3.56%
City Transit		876	480	1,237	1,461	1,771	5,702		11,527	11,131	396	3.56%
HRA VEBA		1,572	1,572	6,300	4,728	5,256	16,800		36,228	33,648	2,580	7.67%
Subtotal Employer-Paid Expenses	-	60,420	53,560	144,460	143,227	176,952	554,129	-	1,132,748	1,120,736	12,012	1.07%
Wages - Capitalized							(549,516)		(549,516)	(582,192)	32,676	-5.61%
Net Total Payroll & Employer-Paid Expenses	-	207,290	133,493	349,636	387,102	472,274	956,242	-	2,506,037	2,395,229	110,808	4.63%
401 (k)					1,450				1,450	1,382	68	4.92%
Dues, Fees & Subscriptions	456	2,165	5,789	1,260	75,075	108	-	-	84,853	73,223	11,630	15.88%
Meeting Expenses		397	678	72	-	396			1,543	1,280	263	20.55%
Safety			9,022			14,400	39,600		63,022	52,887	10,135	19.16%
Special Events			12,843						12,843	12,667	176	1.39%
Office Supplies			8,628	150		1,992	240		11,010	7,818	3,192	40.83%
Postage				37,080					37,080	36,000	1,080	3.00%
Printing & Stationery Supplies			8,971	1,903					10,874	12,581	(1,707)	-13.57%
BPA Conservation				219,720					219,720	275,034	(55,314)	-20.11%
Comm Audits				-					-	-	-	#DIV/0!
Customer Relations				1,950					1,950	1,950	-	0.00%
Heat Pump				750					750	750	-	0.00%
Res. Weatherization				-					-	-	-	#DIV/0!
School/Comm				-					-	-	-	#DIV/0!
Share the Warmth				30,000					30,000	30,000	-	0.00%
Water Heater Rebates				-					-	-	-	#DIV/0!
Rent				-					-	-	-	#DIV/0!
Maint. Of Office Equipment			8,133						8,133	7,175	958	13.35%
Maintenance of Substations							4,992		4,992	15,000	(10,008)	-66.72%
Shop & Work Equipment Expenses							21,380		21,380	15,000	6,380	42.53%
Maint. Of Bldgs. & Grounds			56,973						56,973	42,154	14,819	35.15%
Utilities			14,406			16,320			30,726	23,693	7,033	29.68%
After Hours Dispatching						4,500			4,500	4,500	-	0.00%
One Call						732			732	29,880	(29,148)	-97.55%
PGE Pole Contract							2,940		2,940	5,000	(2,060)	-41.20%
Purchased Power					7,967,827				7,967,827	7,972,987	(5,160)	-0.06%
Property & Liability Insurance								48,430	48,430	38,050	10,380	27.28%
Reporters				7,375					7,375	7,656	(281)	-3.67%
Bad Debts				5,857					5,857	5,196	661	12.72%
Computer Supplies			2,256						2,256	1,500	756	50.40%
Computer Upgrades					6,162				6,162	6,162	-	0.00%
Maintenance of Computers					95,083				95,083	123,276	(28,193)	-22.87%
Software Upgrades					4,448				4,448	2,198	2,250	102.37%
Telephone			26,148						26,148	27,672	(1,524)	-5.51%
Franchise Tax					706,842				706,842	690,368	16,474	2.39%
Energy Resource Supplier Assessment					18,000				18,000	18,000	-	0.00%
Director Fees	4,740								4,740	4,073	667	16.38%

Canby Utility FY 23 Budget													
Departmental Summary - Electric													
Categories	Board of Directors	Executive	Administrative	Customer Service	Finance	Operations	Distribution	Risk Mgt		FY23 Total by Category	FY22 Total by Category	\$ Change FY23 vs. FY22	% Change FY23 vs. FY22
Other Expenses	2,515						60			2,575	856	1,719	200.82%
Depreciation					1,228,507					1,228,507	1,236,187	(7,680)	-0.62%
Trade Organizations		47,775								47,775	48,040	(265)	-0.55%
Cash Over/Short				-						-	-	-	#DIV/0!
Maintenance of Overhead Lines							19,992			19,992	26,000	(6,008)	-23.11%
Maintenance of Underground Lines							33,996			33,996	30,000	3,996	13.32%
Maintenance of Line Transformers							6,000			6,000	6,000	-	0.00%
Uncollectible Accounts				-						-	-	-	#DIV/0!
Maintenance of Electric Meters							9,996			9,996	5,496	4,500	81.88%
Street Maintenance Fee					4,860					4,860	11,052	(6,192)	-56.03%
Maintenance, Supervision & Engineering							1,200			1,200	3,000	(1,800)	-60.00%
Total Departmental Expenses	7,711	50,337	153,847	306,117	10,108,254	38,448	140,396	48,430		10,853,540	10,911,743	(58,203)	-0.53%
Audit					27,252					27,252	26,460	792	2.99%
Computer Consultants					7,680					7,680	7,200	480	6.67%
Infra-Red Scanning							-			-	-	-	#DIV/0!
Labor Negotiations			10,254							10,254	2,004	8,250	411.68%
Legal		5,400			-	-		-		5,400	5,520	(120)	-2.17%
Mapping						1,992				1,992	-	1,992	#DIV/0!
Other Consultants		-	8,376		-	-				8,376	8,001	375	4.69%
Pole Inspection & Treatment							-			-	-	-	#DIV/0!
Rate Studies					-					-	16,500	(16,500)	-100.00%
Translation Services				-						-	-	-	#DIV/0!
Tree Trimming							60,000			60,000	60,000	-	0.00%
Marketing		413								413	450	(37)	-8.22%
Engineering					-	10,000	10,000			20,000	20,000	-	0.00%
Meter Expenses							2,400			2,400	6,000	(3,600)	-60.00%
Arc-Flash Hazard Assessment							-			-	-	-	#DIV/0!
Inspections					-					-	-	-	#DIV/0!
Office Contract Help				-						-	-	-	#DIV/0!
Paving/Road							6,000			6,000	6,000	-	0.00%
Total Consulting/Contract	-	5,813	18,630	-	34,932	11,992	78,400	-		149,767	158,135	(8,368)	-5.29%
Training	5,761	5,220	2,213	50	3,000	1,668	9,936	-		27,848	25,750	2,098	8.15%
Transportation	3,246	720	2,954	6,672	1,200	5,760	7,560	-		28,112	26,572	1,540	5.80%
Total Transportation & Training	9,007	5,940	5,167	6,722	4,200	7,428	17,496	-		55,960	52,322	3,638	6.95%
Total Operating Expenses	\$ 16,718	\$ 269,380	\$ 311,137	\$ 662,475	\$ 10,534,488	\$ 530,142	\$ 1,192,534	\$ 48,430		\$ 13,565,304	\$ 13,517,429	\$ 47,875	0.35%

**Canby Utility
FY 23 Budget
Board of Directors - Electric**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Director Fees	\$ 4,740	\$ 3,600	\$ 4,073	\$ 667	16%	Stipend added for SDAO & PPC Mtgs
Total Director Fees	4,740	3,600	4,073	667	16%	
Dues, Fees & Subscriptions	456	135	456	-	0%	No Change, zoom mtgs
Other Expenses	2,515	823	856	1,659	194%	Recording Equip/Lamp
Total Departmental	2,971	958	1,312	1,659	126%	
Training	3,246	-	3,044	202	7%	SDAO Conf (4) Bend + Placeholder
Transportation	5,761	-	4,654	1,107	24%	SDAO Conf (4) Bend + Placeholder
Total Transportation & Training	9,007	-	7,698	1,309	17%	
Total Board of Directors Expense	\$ 16,718	\$ 4,558	\$ 13,083	\$ 3,635	28%	

**Canby Utility
FY 23 Budget
Executive - Electric**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Total Payroll & Employer Paid Expenses	\$ 207,290	\$ 202,468	\$ 209,642	\$ (2,352)	-1%	8.5% COLA New General Manager
Dues, Fees & Subscriptions	2,165	1,563	2,065	100	5%	News Data, Kiwanis, newspapers
Meeting Expenses	397	39	397	-	0%	Based on FY19
Total Departmental	2,562	1,602	2,462	100	4%	
Legal	5,400	3,394	5,520	(120)	-2%	Average of past six years
Other Consultants	-	450	-	-	N/A	N/A
Marketing	413	413	450	(37)	-8%	Chamber dues
Total Consulting/Contract	5,813	4,257	5,970	(157)	-3%	
APPA	9,000	8,393	9,000	-	0%	Estimated increase
LOC	375	375	375	-	0%	Same as prior years
LGPI	-	-	854	(854)	-100%	No longer exist
OMEU	18,200	16,603	18,000	200	1%	Estimated increase
SDAO	900	776	1,111	(211)	-19%	Estimate
PNUCC	-	-	-	-	N/A	N/A
NWPPA	10,000	8,744	10,000	-	0%	Estimated increase
PPC	9,300	8,087	8,700	600	7%	Estimated increase
ICMA	-	-	-	-	N/A	N/A
Total Trade Organizations	47,775	42,978	48,040	(265)	-1%	
Training	720	-	720	-	0%	Same as prior budget
Transportation	5,220	38	5,220	-	0%	Same as prior budget
Total Transportation & Training	5,940	38	5,940	-	0%	
Total Executive Expense	\$ 269,380	\$ 251,343	\$ 272,054	\$ (2,674)	-1%	

**Canby Utility
FY 23 Budget
Administrative - Electric**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Total Payroll & Employer Paid Expenses	\$ 133,493	\$ 123,546	\$ 122,561	\$ 10,932	9%	8.5% COLA and inc'd exp's
Dues, Fees & Subscriptions	5,789	4,532	5,102	687	13%	FM/JL Recruitment
Meeting Expenses	678	87	415	263	63%	Bargaining year/mtgs
Safety	9,022	1,034	2,487	6,535	263%	Safety Manual Rewrite
Special Events	12,843	2,209	12,667	176	1%	Emp Rec Event cost increases
Office Supplies	8,628	6,666	7,128	1,500	21%	Closer to actual
Printing & Stationery Supplies	8,971	6,832	8,075	896	11%	Envelop costs
Rent	-	-	-	-	N/A	No longer applicable for Electric
Maint. Of Office Equipment	8,133	6,073	7,175	958	13%	actual copy charges, maint costs closer to actual
Maint. Of Bldgs. & Grounds	56,973	35,869	42,154	14,819	35%	Increased costs with new facility
Utilities	14,406	9,072	9,245	5,161	56%	Based on FY 22
Computer Supplies	2,256	2,289	1,500	756	50%	Closer to Actual
Telephone	26,148	23,929	27,672	(1,524)	-6%	Phase 2 phonelines, iPhones and data plans for crew, Modem costs moved to finance
Total Departmental	153,847	98,592	123,620	30,227	24%	
Labor Negotiations	10,254	11,826	2,004	8,250	412%	Bargaining Yr/Schedule MOU
Other Consultants	8,376	3,994	6,876	1,500	22%	MT survey revisit, EP Analysis Carry-over
Total Consulting/Contract	18,630	15,820	8,880	9,750	110%	
Training	2,213	446	1,988	225	11%	SHRM Conf, SDAO, CIS Ins Mtgs
Transportation	2,954	72	2,686	268	10%	SHRM, SDAO Mtg Travel
Total Transportation & Training	5,167	518	4,674	493	11%	
Total Administrative - Expense	\$ 311,137	\$ 238,476	\$ 259,735	\$ 51,402	20%	

**Canby Utility
FY 23 Budget
Customer Service - Electric**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Total Payroll & Employer Paid Expenses	\$ 349,636	\$ 345,536	\$ 353,224	\$ (3,588)	-1%	New CS Supervisor and Lead - lower steps
Dues, Fees & Subscriptions	1,260	110	-	1,260	N/A	stuff and folding issues
Meeting Expenses	72	-	72	-	0%	same as last year
Office Supplies	150	-	150	-	0%	same as last year
Postage	37,080	35,734	36,000	1,080	3%	rate increase
Reporters	7,375	3,422	7,656	(281)	-4%	not printing green power flyer
Bad Debt	5,857	12,757	5,196	661	13%	average of past 5 years
Cash Over/Short	-	(1)	-	-	N/A	not applicable
Uncollectible Accounts	-	14	-	-	N/A	not applicable
Total Departmental	51,794	52,036	49,074	2,720	6%	
Printing & Stationery Supplies	1,903	199	4,506	(2,603)	-58%	unclear future printing
Translation Services	-	-	-	-	N/A	not applicable
Outside Services Employed	-	-	-	-	N/A	not applicable
Office Contract Help	-	-	-	-	N/A	not applicable
Total Consulting/Contract	1,903	199	4,506	(2,603)	-58%	
Training	50	-	50	-	0%	same as last year
Transportation	6,672	5,649	6,480	192	3%	gas price increase
Total Transportation & Training	6,722	5,649	6,530	192	3%	
BPA Conservation	219,720	78,571	275,034	(55,314)	-20%	based on BPA funding projections
Comm Audits	-	-	-	-	N/A	not applicable
Customer Relations	1,950	-	1,950	-	0%	same as last year
Heat Pump	750	450	750	-	0%	same as last year
Res. Weatherization	-	-	-	-	N/A	not applicable
School/Community	-	-	-	-	N/A	not applicable
Share the Warmth	30,000	30,000	30,000	-	0%	same as last year
Water Heater Rebates	-	-	-	-	N/A	not applicable
Total Programs	252,420	109,021	307,734	(55,314)	-18%	
Total Customer Service Expense	\$ 662,475	\$ 512,441	\$ 721,068	\$ (58,593)	-8%	

**Canby Utility
FY 23 Budget
Finance - Electric**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Total Payroll & Employer Paid Expenses	\$ 387,102	\$ 352,778	\$ 370,026	\$ 17,076	5%	8.5% COLA New Finance Manager lower step
Depreciation Exp - Electric Plant	1,121,427	952,937	1,136,930	(15,503)	-1%	From Schedule
Depreciation Exp - Equipment	33,556	26,206	27,108	6,448	24%	From Schedule
Depreciation Exp - Office Equipment	73,524	56,811	72,149	1,375	2%	From Schedule
Franchise Tax	706,842	658,217	690,368	16,474	2%	5% of Sales
Purchased Power & Transmission	7,967,827	7,825,784	7,972,987	(5,160)	0%	BPA power forecast, transmission estimate
Dues, Fees & Subscriptions	75,075	64,204	65,475	9,600	15%	Based on current year charges
Meeting Expenses	-	-	-	-	N/A	N/A
401(k), Sec. 125	1,450	2,075	1,382	68	5%	Monthly fees, Annual Report & Plan Reinstatement
Computer Upgrades	6,162	4,107	6,162	-	0%	Printers, monitors, and battery back ups
Maintenance of Computers	95,083	66,667	123,276	(28,193)	-23%	Software maint and support, mapping and AMI meters, new software
Software Upgrades	4,448	2,723	2,198	2,250	102%	Software renewals
Energy Resource Supplier Asses.	18,000	-	18,000	-	0%	OR DOE Energy Resource Supplier Assessment
Street Maintenance Fee	4,860	11,049	11,052	(6,192)	-56%	Current charges, office and shops 1 location
Total Departmental	10,108,254	9,670,780	10,127,087	(18,833)	0%	
Audit	27,252	25,427	26,460	792	3%	Contract not to exceed amount
Computer Consultants	7,680	7,637	7,200	480	7%	Based on current year
Legal	-	-	-	-	N/A	
Other Consultants	-	-	1,125	(1,125)	-100%	FY 24 exp CIS - GASB 75 valuation
Rate Studies	-	-	16,500	(16,500)	-100%	Next year will possibly review rates
Engineering	-	-	-	-	N/A	N/A
Inspections	-	-	-	-	N/A	N/A
Total Consulting/Contract	34,932	33,064	51,285	(16,353)	-32%	
Training	3,000	131	2,572	428	17%	Placeholder
Transportation	1,200	-	729	471	65%	Placeholder
Total Transportation & Training	4,200	131	3,301	899	27%	
Total Finance Expense	\$ 10,534,488	\$ 10,056,753	\$ 10,551,699	\$ (17,211)	0%	

**Canby Utility
FY 23 Budget
Operations - Electric**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expenses						
Total Payroll & Employer Paid Expenses	\$ 472,274	\$ 329,366	\$ 448,934	\$ 23,340	5%	8.5% COLA New personnel lower steps
Dues, Fees & Subscriptions	108	-	125	(17)	-14%	Subscriptions
Meeting Expenses	396	-	396	-	0%	OMEU Meetings
Office Supplies	1,992	-	300	1,692	564%	Set up mapping/media center
Utilities	16,320	14,008	14,448	1,872	13%	Based on '22, 10 month actuals. New shop adj
After Hours Dispatching	4,500	4,410	4,500	-	0%	Based on current contract.
One Call	732	28,258	29,880	(29,148)	-98%	USCI contract canceled / 811 fees.
Total Departmental	24,048	46,676	49,649	(25,601)	-52%	
Safety	14,400	134	14,400	-	0%	Based on current contract ESCI
Legal	-	-	-	-	N/A	N/A
Mapping	1,992	-	-	1,992	N/A	Support contracts.
Other Consultants	-	-	-	-	N/A	N/A
Engineering	10,000	-	10,000	-	0%	Support contracts.
Total Consulting/Contract	26,392	134	24,400	1,992	8%	
Training	1,668	-	1,627	41	3%	more training opportunities NWPPA/ESRI
Transportation	5,760	-	5,568	192	3%	more training opportunities
Total Transportation & Training	7,428	-	7,195	233	3%	
Total Operations Expense	\$ 530,142	\$ 376,176	\$ 530,178	\$ (36)	0%	

**Canby Utility
FY 23 Budget
Distribution - Electric**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Net Payroll & Employer Paid Expenses	956,242	559,114	890,842	65,400	7%	4% COLA and less labor in capital budget
Dues, Fees & Subscriptions	-	-	-	-	N/A	N/A
Safety	39,600	32,636	36,000	3,600	10%	Based on FY '22, 10 month actuals.
Office Supplies	240	439	240	-	0%	Extra print materials/Plotter usage/ Battery charging station
Maintenance of Substations	4,992	3,194	15,000	(10,008)	-67%	Lower anticipated maint, having a 10 year service on both SS
Shop & Work Equipment Expenses	21,380	10,491	15,000	6,380	43%	Based on FY '22, 10 month actuals. Tooling up for new shop.
PGE Pole Contract Agreement	2,940	1,954	5,000	(2,060)	-41%	Based on FY '22, 10 month actuals. Removal of attachments
Maintenance of Overhead Lines	19,992	13,867	26,000	(6,008)	-23%	Based on FY '22, 10 month actuals.
Maintenance of Underground Lines	33,996	26,898	30,000	3,996	13%	Based on FY '22, 10 month actuals. Locates back in house.
Maintenance of Line Transformers	6,000	4,032	6,000	-	0%	Based on FY '22, 10 month actuals and future needs
Maintenance of Electric Meters	9,996	12,121	5,496	4,500	82%	Based on FY '22, 10 month actuals and future needs
Maintenance Supervision & Engineering	1,200	170	3,000	(1,800)	-60%	Based on FY '22, 10 month actuals.
Total Departmental	140,336	105,802	141,736	(1,400)	-1%	
Infra-Red Scanning	-	-	-	-	N/A	In-house
Pole Inspection & Treatment	-	-	-	-	N/A	N/A
Tree Trimming	60,000	-	60,000	-	0%	Annual tree trimming
Engineering	10,000	4,001	10,000	-	0%	Based on FY '22, 10 month actuals.
Metering	2,400	-	6,000	(3,600)	-60%	Based on FY '22, 10 month actuals. Metering as needed
Other Expenses	60	11	-	60	N/A	Based on FY '22, 10 month actuals.
Arc-Flash Hazard Assessment	-	-	-	-	N/A	N/A
Paving/Road	6,000	-	6,000	-	0%	Based on projected future needs
Total Consulting/Contract	78,460	4,012	82,000	(3,540)	-4%	
Training	9,936	625	9,639	297	3%	Employee Training and more training opportunities
Transportation	7,560	5,536	7,345	215	3%	Employee Training
Total Transportation & Training	17,496	6,161	16,984	512	3%	
Total Distribution Expense	\$ 1,192,534	\$ 675,089	\$ 1,131,562	\$ 60,972	5%	

**Canby Utility
FY 23 Budget
Risk Management - Electric**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Dues, Fees and Subscriptions	\$ -	\$ -	\$ -	\$ -	N/A	N/A
Property & Liability Insurance	48,430	36,116	38,050	10,380	27%	Estimate
Total Departmental	48,430	36,116	38,050	10,380	27%	
Legal	-	-	-	-	N/A	N/A
Total Consulting/Contract	-	-	-	-	N/A	
Training	-	-	-	-	N/A	N/A
Transportation	-	-	-	-	N/A	N/A
Total Transportation & Training	-	-	-	-	N/A	
Total Risk Management Expense	\$ 48,430	\$ 36,116	\$ 38,050	\$ 10,380	27%	



Fiscal Year 2023 Budget

Water Operating Budget see pages 41-42

Statement of Operations and Changes In Net Assets - Water

Water Capital Budget see page 43

Water Cash Reserve Calculation see page 44

Departmental Summary - Water see pages 45-46

Followed by detailed departmental budgets see pages 47-55

**Canby Utility
FY 23 Budget
Statement of Operations and Changes In Net Assets - Water**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
OPERATING REVENUES						
Residential	\$ 2,425,000	\$ 2,434,619	\$ 2,384,000	\$ 41,000	2%	Based on low consumption year
Commercial	446,000	451,321	447,000	(1,000)	0%	Based on low consumption year
Industrial	42,000	43,626	42,000	-	0%	Based on low consumption year
Municipal	34,000	34,873	33,000	1,000	3%	Based on low consumption year
Multi-Family	656,000	671,321	656,000	-	0%	Based on low consumption year
Irrigation/Hydrant	113,000	132,164	113,000	-	0%	Based on low consumption year
Unbilled Revenue	-	132,390	-	-	N/A	Unknown Until FY Year-End
Total Water Usage Sales	3,716,000	3,900,314	3,675,000	41,000	1%	
Other Water Revenue	-	-	-	-	N/A	N/A
Total Other Water Revenues	-	-	-	-	N/A	
Total Operating revenues	3,716,000	3,900,314	3,675,000	41,000	1%	
Operating expenses:						
Board of Directors	5,426	1,519	4,434	992	22%	See Departmental Page
Executive	76,850	73,081	76,417	433	1%	See Departmental Page
Administrative	188,362	114,403	168,587	19,775	12%	See Departmental Page
Customer Service	149,601	147,415	150,728	(1,127)	-1%	See Departmental Page
Finance	1,160,913	1,106,283	1,154,142	6,772	1%	See Departmental Page
Operations	249,302	204,584	257,246	(7,944)	-3%	See Departmental Page
Distribution	578,374	609,823	575,583	2,791	0%	See Departmental Page
Water Treatment Plant	1,244,953	1,073,900	1,098,248	146,705	13%	See Departmental Page
Risk Management	40,944	32,199	37,896	3,048	8%	See Departmental Page
Total Operating Expenses	3,694,725	3,363,207	3,523,281	171,445	5%	
Operating Income/(Loss)	21,275	537,107	151,720	(130,445)	-86%	
Operating Margin	1%	14%	4%			
NON-OPERATING REVENUES & EXPENSES						
Material Sales	-	-	-	-	N/A	Unknown, not a usual occurrence
Billed for Dig In's	4,280	6,565	4,280	-	0%	Based on FY 2020
Custom Work Sales	-	-	-	-	N/A	Unknown, not a usual occurrence
Misc. Other Sales	-	84,833	-	-	N/A	Misc, unknown YE adj's - GASB & Transpo
Inspection Fees	37,137	77,310	75,888	(38,751)	-51%	From Capital Budget estimate
Sewer Billing Fees - City	-	-	-	-	N/A	N/A
Material Sales Costs	-	-	-	-	N/A	Unknown, not a usual occurrence

**Canby Utility
FY 23 Budget
Statement of Operations and Changes In Net Assets - Water**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Misc. Other Costs and Expenses	-	(222,313)	-	-	N/A	Misc, unknown YE adj's - GASB
Inspection Fees Cost	(37,137)	(41,164)	(75,888)	38,751	-51%	From Capital Budget estimate
Interest Income	45,949	45,704	27,435	18,514	67%	0.75% applied to estimated cash on hand
Gain On Disposition of Property	-	12,788	-	-	N/A	Unknown
Loss On Disposition of Property	-	(9,753)	-	-	N/A	Unknown
Other Deductions	-	-	-	-	N/A	N/A
Interest Expense	(32,775)	(50,572)	(41,802)	9,027	-22%	Per amortization schedules
Total Non-Operating Revenues & Expenses	17,454	(96,602)	(10,087)	27,541	273%	
Net Income/(Loss) before Capital Contributions	38,729	440,505	141,633	(102,904)	-73%	
Capital Contributions						
Hook-up Fees	61,437	63,815	48,750	12,687	26%	138 Residential meter connects
Contribution From Others	1,464,860	96,003	1,297,977	166,883	13%	3 Subdivisions, 3 Multi Fam, and 7 Comm
SDC Fees	758,360	799,400	587,673	170,687	29%	SDC's for the above contributed capital
Total Capital Contributions	2,284,657	959,218	1,934,400	350,257	18%	
Change in Net Assets	\$ 2,323,386	\$ 1,399,723	\$ 2,076,033	\$ 247,353	12%	

Cash Flow:

Cash and Investments Estimate, June 30, 2022	\$ 6,218,942
Cash Used For Capital Purchases	(2,385,382)
Change in Net Assets	2,323,386
Add Back Depreciation	764,204
Principle Payments on Water Bonds	(416,000)
Net Cash Generated/(Used)	286,208
Cash and Investments Estimate, June 30, 2023	\$ 6,505,150

Canby Utility								
Water System								
FY 23 Capital Budget								
Project Name	Description of Project	Labor	Inventory	Transportation	Labor Overheads	Outside	Project Cost	
				Charges	75.55%	Costs		
Executive - Projects								
Water System Master Plan Update (In progress)	Required by Oregon Administrative Rules (OAR) 333-061, the Oregon Health Authority – Drinking Water Services (OHA-DWS) requires water utilities serving more than 1,000 people to maintain a current Water System Master Plan (WSMP) that forecasts water system needs for at least a 20-year planning horizon. Canby Utility's last WSMP was completed in 2010. The WSMP Update will identify system deficiencies and address new State requirements for evaluation of seismic hazards, updates to the Utility's long-term water supply strategy, and water quality regulations that are currently being enacted.	\$ -	\$ -	\$ -	\$ -	\$ 80,000	\$ 80,000	
SDC methodology update and cost of service analysis on water rates.	After the WSMP is updated the SDC methodology will need to be looked at to be in line with the replacement and improvement projects identified. This is also a good time to look at our water rates and coatomer classifications to determine that rates are fair and equitable among classes and use levels.	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	
Finance - Projects								
25% of New Utility Software costs 75% Electric Fund	Our current software has given us some issues during operating changes, staff wants to look into what is available to see if there a product that will better suit our needs to be more efficient.	-	-	-	-	37,500	37,500	
Operations & Distribution Capital Equipment								
Vac Truck 25% Water	Our vactor was due for replacement in fiscal year 2021. CUB is pricing a truck over a trailer system for ease of use, versatility, and allows for a larger vacuum and spoils tank. The water system has a larger capacity and a greater PSI for hydro excavation. Hydro excavation is becoming the standard for both protecting underground utilities and decreasing on the job injury.	-	-	-	-	75,000	75,000	
Swift Comply software for backflow testing	Backflow software is out of date, having had no updates in the last seven years. Current product is obsolete as of 2024 and all data will be lost. The maintenance contract will end September 2022 with no support thereafter. Software conversion (to Swift Comply) has been bid in the amount of \$9,875 for training and an annual maintenance contract for 5,000+ customers.	3,240	-	-	2,448	12,875	18,563	
Contract a GIS consultant to finish our GIS set up and a year service contract for training.	Our previous GSI contractor is no longer in business. We were only partially set up and had been given a small amount of training. This new contractor would be local and readily available for set up, questions, and future training.	2,000	-	-	1,511	5,000	8,511	
Locate Machine	Update or replace our locator machines and the accessories. We are taking back our locates in house. We have been contracting this out for the last 2 years so our machines may need an update or purchase a new machine.	-	-	-	-	2,500	2,500	
Operations & Distribution - Projects								
Water Main Replacement as directed by the Water Master Plan	Water Main Replacement as needed by age and material and frequency of leaks suggested by the Water Master Plan	58,666	250,000	12,000	44,322	30,000	394,988	
Valve Can replacements in City streets	In advance of city street resurfacing projects at various locations. Canby Utility will need to replace damaged / deteriorated valve cans. (Contractor cost for replacement of pavement not part of resurfacing project) Estimated (20) Cans.	4,100	2,200	2,625	3,098	5,000	17,023	
WTP								
Capital Expenditure Modifications	Capital Draw-down upon request Per VEOLIA WATER O&M Service Agreement.	-	-	-	-	25,000	25,000	
Paint Reservoir	The paint on the exterior of the clearwell is failing to a foot below grade. The existing coating needs to be removed to "white metal", a primer needs to be applied, and than an industrial paint. The other 10 feet of tank that is below grade is protected by impressed current cathodic protection.	-	-	-	-	150,000	150,000	
CONTRIBUTED CAPITAL								
New Projects	3 Subdivisions, 3 Multi Family units, and 7 Commercial Projects	-	-	-	-	1,464,860	1,464,860	
Various Residential Connects	Estimated 138 residential connects	4,968	49,818	2,898	3,753	-	61,437	
Total		\$ 72,974	\$ 302,018	\$ 17,523	\$ 55,132	\$ 1,937,735	\$ 2,385,323	

Procedure 520
Attachment 1

Canby Utility
Cash Reserve Procedure

Cash Reserve Calculation

The cash reserve calculations are targeted end of year balances at June 30, 2023.

Water	Input	Pro-rate	Policy	Reserve Dollars	Basis
Annual O&M Expenditures (excluding depreciation)	\$ 2,930,521	365	120	\$ 963,459	Budget 2023
Rate Base Factor for Catastrophic Event	Assets	Depre	Depre/Assets	Assumption	
	39,560,804	13,367,269	33.8%	2.0%	791,216 March 2022 Balance Sheet w/ WIP
Debt Service Highest Payment	10/1/2022	4/1/2023			
	Series 2014	\$221,781	\$4,244		
	Series 2017	\$208,031	\$10,993		
		\$429,812	\$15,237	-	Not funding due to Bonds require a reserve dollar amount.
Water Revenue Bonds, Series 2014 & 2017 Reserves				393,900	Bond requirements, to be moved to Project Reserve when the bonds are paid off.
Capital Improvements - Pushed out till 2022	2011-2015	\$2,420,000	20.0%	484,000	484,000 1/5 of 5 year CIP
Vehicle/Equipment Replacement Program				39,739	Rotation Schedule
Total Before Project Reserve				2,672,314	
Project Reserve				3,832,836	WTP project
Targeted Cash Reserve				\$ 6,505,150	
Minimum Cash Reserve \$2,000,000			Over / (Under) minimum	\$ 4,505,150	

Canby Utility FY 23 Budget													
Department Summary - Water													
Categories	Board of Directors	Executive	Administrative	Customer Service	Finance	Operations	Distribution	WTP	Risk Mgt	FY23 Total by Category	FY22 Total by Category	\$ Change FY23 vs. FY22	% Change FY23 vs. FY22
Wages - Expense		\$ 48,961	\$ 26,637	\$ 68,388	\$ 81,286	\$ 138,954	\$ 358,668	\$ -	\$ -	\$ 722,894	\$ 698,918	\$ 23,976	3.43%
PERS		13,151	8,436	19,500	21,844	37,350	100,333			200,614	193,246	7,368	3.81%
Medical/Vision Insurance		2,136	6,108	19,263	16,201	36,653	83,553			163,914	151,338	12,576	8.31%
Dental Insurance		144	496	1,303	1,132	2,799	4,504			10,378	10,906	(528)	-4.84%
Life Insurance		31	23	80	89	120	254			597	777	(180)	-23.17%
Worker's Comp		69	44	193	126	761	8,521			9,714	10,002	(288)	-2.88%
Taxes State Unemployment		43	19	68	86	141	352			709	685	24	3.50%
Taxes FICA/Medicare		3,739	2,036	5,236	6,213	10,634	27,302			55,160	53,324	1,836	3.44%
City Transit		301	152	408	487	838	2,147			4,333	4,177	156	3.73%
HRA VEBA		528	528	2,100	1,572	3,156	10,500			18,384	17,088	1,296	7.58%
Subtotal Employer-Paid Expenses	-	20,142	17,842	48,151	47,750	92,452	237,466	-	-	463,803	441,543	22,260	5.04%
Wages - Capitalized							(128,112)			(128,112)	(103,980)	(24,132)	23.21%
Net Total Payroll & Employer-Paid Expenses	-	69,103	44,479	116,539	129,036	231,406	468,022	-	-	1,058,585	1,036,481	22,104	2.13%
401 (k)					484					484	447	37	8.20%
Dues, Fees & Subscriptions	156	71	3,202	408	25,425	100	1,200		-	30,562	25,840	4,722	18.27%
Meeting Expenses		63	222	24	-	200				509	422	87	20.62%
Safety			3,010	50		4,800	9,492			17,352	13,682	3,670	26.82%
Special Events			4,356							4,356	4,343	13	0.30%
Office Supplies			2,880			1,200	156			4,236	2,648	1,588	59.97%
Postage				12,360						12,360	12,000	360	3.00%
Printing & Stationery Supplies			3,872	634						4,506	5,081	(575)	-11.32%
Customer Info				-						-	-	-	#DIV/0!
Customer Relations				650						650	650	-	0.00%
School/Comm				-						-	-	-	#DIV/0!
Share the Warmth				10,000						10,000	10,000	-	0.00%
Water Promotion				1,500						1,500	1,500	-	0.00%
Rent			60,000							60,000	60,000	-	0.00%
Maint. Of Office Equipment			2,708							2,708	2,381	327	13.73%
Shop & Work Equipment Expenses							9,492			9,492	6,000	3,492	58.20%
Maint. Of Bldgs. & Grounds			34,695							34,695	29,243	5,452	18.64%
Utilities			4,634			3,648				8,282	6,847	1,435	20.96%
After Hours Dispatching						1,500				1,500	1,500	-	0.00%
One Call						408				408	29,880	(29,472)	-98.63%
Property & Liability Insurance									40,944	40,944	37,896	3,048	8.04%
Reporters				4,080						4,080	3,949	131	3.32%
Bad Debts				1,115						1,115	1,115	-	0.00%
Computer Supplies			756							756	504	252	50.00%
Computer Upgrades					2,052					2,052	2,052	-	0.00%
Maintenance of Computers					31,695					31,695	41,091	(9,396)	-22.87%
Software Upgrades					1,483					1,483	733	750	102.39%
Telephone			11,064							11,064	11,892	(828)	-6.96%
Franchise Tax					185,800					185,800	183,750	2,050	1.12%
Hazardous Substance Fee					-					-	-	-	#DIV/0!
Director Fees	1,420									1,420	1,358	62	4.57%
Other Expenses	848						-			848	354	494	139.55%
Depreciation					764,204					764,204	761,022	3,182	0.42%
Trade Organizations		2,795								2,795	3,130	(335)	-10.70%
Cash Over/Short				-						-	-	-	#DIV/0!
Uncollectible Accounts				-						-	-	-	#DIV/0!

Canby Utility FY 23 Budget													
Department Summary - Water													
Categories	Board of Directors	Executive	Administrative	Customer Service	Finance	Operations	Distribution	WTP	Risk Mgt	FY23 Total by Category	FY22 Total by Category	\$ Change FY23 vs. FY22	% Change FY23 vs. FY22
Maint. Of Distribution Mains							28,992			28,992	34,992	(6,000)	-17.15%
Maintenance of Water Services							12,000			12,000	9,450	2,550	26.98%
Maintenance of Water Meters							6,000			6,000	6,000	-	0.00%
Maintenance of Water Hydrants							9,996			9,996	15,000	(5,004)	-33.36%
Equipment Rental							-			-	-	-	#DIV/0!
Street Maintenance Fee					5,495					5,495	7,548	(2,053)	-27.20%
Maintenance, Supervision & Engineering							18,000			18,000	4,200	13,800	328.57%
Total Departmental Expenses	2,424	2,929	131,399	30,821	1,016,637	11,856	95,328	-	40,944	1,332,338	1,338,500	(6,161)	-0.46%
Audit					9,084					9,084	8,820	264	2.99%
Computer Consultants					2,556					2,556	2,400	156	6.50%
Labor Negotiations			6,586							6,586	2,004	4,582	228.64%
Legal		2,880			-	-			-	2,880	3,000	(120)	-4.00%
Mapping						1,992				1,992	-	1,992	#DIV/0!
Other Consultants (Maint Material & Exp's WTP)		138	4,124		-	-		7,696		11,958	9,649	2,309	23.93%
Rate Studies					-					-	-	-	#DIV/0!
Regulatory								12,750		12,750	7,750	5,000	64.52%
Translation Services				-						-	-	-	#DIV/0!
Veolia Water NA								1,209,207		1,209,207	1,080,198	129,009	11.94%
Marketing		-								-	-	-	#DIV/0!
Engineering					-	2,500				2,500	2,500	-	0.00%
Leak Detection Survey							-			-	3,600	(3,600)	-100.00%
Inspections					-					-	-	-	#DIV/0!
Office Contract Help										-	-	-	#DIV/0!
Paving/Road							6,000			6,000	6,000	-	0.00%
Other Expenses								15,300		15,300	4,800	10,500	218.75%
Total Consulting/Contract	-	3,018	10,710	-	11,640	4,492	6,000	1,244,953	-	1,280,813	1,130,721	150,092	13.27%
Training	1,086	1,200	734	2,226	2,400	516	5,004		-	13,166	9,982	3,184	31.90%
Transportation	1,916	600	1,040	15	1,200	1,032	4,020		-	9,823	7,597	2,226	29.30%
Total Transportation & Training	3,002	1,800	1,774	2,241	3,600	1,548	9,024	-	-	22,989	17,579	5,410	30.78%
Total Operating Expenses	\$ 5,426	\$ 76,850	\$ 188,362	\$ 149,601	\$ 1,160,913	\$ 249,302	\$ 578,374	\$ 1,244,953	\$ 40,944	\$ 3,694,725	\$ 3,523,281	\$ 171,445	4.87%

**Canby Utility
FY 23 Budget
Board of Directors - Water**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Director Fees	\$ 1,420	\$ 1,200	\$ 1,358	\$ 62	5%	Stipend added for SDAO
Total Director Fees	1,420	1,200	1,358	62	5%	
Dues, Fees & Subscriptions	156	45	156	-	0%	No Change, zoom meetings
Other Expenses	848	274	354	494	140%	Recording Equip/Lamp
Total Departmental	1,004	319	510	494	97%	
Training	1,086	-	1,019	67	7%	SDAO Conf (4) Bend + Placeholder
Transportation	1,916	-	1,547	369	24%	SDAO Conf (4) Bend + Placeholder
Total Transportation & Training	3,002	-	2,566	436	17%	
Total Board of Directors Expenses	\$ 5,426	\$ 1,519	\$ 4,434	\$ 992	22%	

**Canby Utility
FY 23 Budget
Executive - Water**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Total Payroll & Employer Paid Expenses	\$ 69,103	\$ 67,489	\$ 69,859	\$ (756)	-1%	8.5% COLA New General Manager
Dues, Fees & Subscriptions	71	521	71	-	0%	Kiwanis, newspapers
Meeting Expenses	63	4	63	-	0%	Based on FY19
Total Departmental Expenses	134	525	134	-	0%	
Legal	2,880	2,254	3,000	(120)	-4%	Average of past six years
Other Consultants	-	-	-	-	N/A	N/A
Marketing	138	202	150	(12)	-8%	Chamber dues
Total Consulting/Contract	3,018	2,456	3,150	(132)	-4%	
LOC	125	125	125	-	0%	Same as prior years
LGPI	-	-	285	(285)	-100%	No longer exist
OAWU	1,250	1,150	1,250	-	0%	Estimated increase
SDAO	300	259	370	(70)	-19%	Estimate
Tri County	-	-	-	-	N/A	No longer exist
AWWA	420	377	400	20	5%	Estimated increase
OWUC	700	700	700	-	0%	Same as prior years
ICMA	-	-	-	-	N/A	N/A
Total Trade Organizations	2,795	2,611	3,130	(335)	-11%	
Training	1,200	-	96	1,104	1150%	Placeholder
Transportation	600	-	48	552	1150%	Placeholder
Total Transportation & Training	1,800	-	144	1,656	1150%	
Total Executive Expenses	\$ 76,850	\$ 73,081	\$ 76,417	\$ 433	1%	

**Canby Utility
FY 23 Budget
Administrative - Water**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Total Payroll & Employer Paid Expenses	\$ 44,479	\$ 41,182	\$ 40,843	\$ 3,636	9%	8.5% COLA
Dues, Fees & Subscriptions	3,202	428	1,838	1,364	74%	FM/UW I Recruitment
Meeting Expenses	222	29	135	87	64%	Bargaining year/mtgs
Safety	3,010	344	832	2,178	262%	Safety Manual Rewrite
Special Events	4,356	1,087	4,343	13	0%	Emp Rec Event cost increases
Office Supplies	2,880	2,338	2,372	508	21%	Closer to actual
Printing & Stationery Supplies	3,872	2,265	3,579	293	8%	Envelop costs
Rent	60,000	21,600	60,000	-	0%	Water rents space from electric
Maint. Of Office Equipment	2,708	2,024	2,381	327	14%	copy charges, maint costs closer to actual
Maint. Of Bldgs. & Grounds	34,695	24,301	29,243	5,452	19%	Increased costs with new facility
Utilities	4,634	3,413	3,463	1,171	34%	Based on FY 22
Computer Supplies	756	763	504	252	50%	Closer to Actual
Telephone	11,064	9,424	11,892	(828)	-7%	Phase 2 phonelines, iPhones and data plans for crew, Modem costs moved to finance
Total Departmental	131,399	68,016	120,582	10,817	9%	
Labor Negotiations	6,586	3,916	2,004	4,582	229%	Bargaining Yr/Schedule MOU
Other Consultants	4,124	1,140	3,624	500	14%	MT survey revisit, EP Analysis Carry-over
Total Consulting/Contract	10,710	5,056	5,628	5,082	90%	
Training	734	149	659	75	11%	SHRM Conf, SDAO, CIS Ins Mtgs
Transportation	1,040	-	875	165	19%	SHRM, SDAO Mtg Travel
Total Transportation & Training	1,774	149	1,534	240	16%	
Total Administrative Expenses	\$ 188,362	\$ 114,403	\$ 168,587	\$ 19,775	12%	

**Canby Utility
FY 23 Budget
Customer Service - Water**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Dues, Fees & Subscriptions	408	37	-	408	N/A	stuff & folding issues
Meeting Expenses	24	-	24	-	0%	same as last year
Office Supplies	50	-	50	-	0%	same as last year
Postage	12,360	12,240	12,000	360	3%	rate increase
Reporters	4,080	4,499	3,949	131	3%	3% increase in printing
Bad Debt	1,115	4,459	1,115	-	0%	average past 5 years
Cash Over/Short	-	-	-	-	N/A	not applicable
Uncollectible Accounts	-	1	-	-	N/A	not applicable
Total Departmental	18,037	21,236	17,138	899	5%	
Printing & Stationery Supplies	634	66	1,502	(868)	-58%	unclear future printing
Translation Services	-	-	-	-	N/A	not applicable
Outside Services Employed	-	-	-	-	N/A	not applicable
Office Contract Help	-	-	-	-	N/A	not applicable
Total Consulting/Contract	634	66	1,502	(868)	-58%	
Training	15	-	15	-	0%	same as last year
Transportation	2,226	1,893	2,160	66	3%	gas price increases
Total Transportation & Training	2,241	1,893	2,175	66	3%	
Customer Info	-	-	-	-	N/A	not applicable
Customer Relations	650	-	650	-	0%	same as last year will purchase items
School/Community	-	-	-	-	N/A	not applicable
Share the Warmth	10,000	10,000	10,000	-	0%	same as last year
Water Promotion	1,500	100	1,500	-	0%	same as last year
Total Programs	12,150	10,100	12,150	-	0%	
Total Customer Service Expenses	\$ 149,601	\$ 147,415	\$ 150,728	\$ (1,127)	-1%	

**Canby Utility
FY 23 Budget
Finance - Water**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Total Payroll & Employer Paid Expenses	\$ 129,036	\$ 116,970	\$ 123,324	\$ 5,712	5%	8.5% COLA New Finance Manager lower step
Depre Exp - Plant	439,026	415,306	441,808	(2,782)	-1%	From Schedule
Depre Exp - Transportation Equip	-	-	-	-	N/A	From Schedule
Depre Exp - Office Equipment	5,552	4,122	4,008	1,544	39%	From Schedule
Depre Exp - WTP	319,626	314,697	315,206	4,420	1%	From Schedule
Franchise Tax	185,800	188,396	183,750	2,050	1%	5% of Sales
Dues, Fees & Subscriptions	25,425	21,427	21,825	3,600	16%	Based on current charges
Meeting Expenses	-	-	-	-	N/A	N/A
401(k), Sec. 125	484	692	447	37	8%	Monthly fees, Annual Report & Plan Reinstatement
Computer Upgrades	2,052	1,614	2,052	-	0%	Printers, monitors, and battery back ups
Maintenance of Computers	31,695	23,538	41,091	(9,396)	-23%	Software maint and support, mapping and AMI meters, new software
Software Upgrades	1,483	908	733	750	102%	Software renewals
Hazardous Substance Fee	-	-	-	-	N/A	N/A
Street Maintenance Fee	5,495	7,548	7,548	(2,053)	-27%	Current charges, office and shops 1 location
Total Departmental	1,016,637	978,248	1,018,468	(1,830)	0%	
Audit	9,084	8,475	8,820	264	3%	Contract not to exceed amount
Computer Consultants	2,556	2,546	2,400	156	7%	Based on current year
Legal	-	-	-	-	N/A	N/A
Other Consultants	-	-	375	(375)	-100%	FY 24 exp CIS - GASB 75 valuation
Rate Studies	-	-	-	-	N/A	N/A
Engineering	-	-	-	-	N/A	N/A
Inspections	-	-	-	-	N/A	N/A
Total Consulting/Contract	11,640	11,021	11,595	45	0%	
Training	2,400	44	548	1,852	338%	Placeholder
Transportation	1,200	-	207	993	480%	Placeholder
Total Transportation & Training	3,600	44	755	2,845	377%	
Total Finance Expense	\$ 1,160,913	\$ 1,106,283	\$ 1,154,142	\$ 6,772	1%	

**Canby Utility
FY 23 Budget
Operations - Water**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Total Payroll & Employer Paid Expenses	\$ 231,406	\$ 171,457	\$ 213,262	\$ 18,144	9%	3.9% COLA and inc'd exp's
Dues, Fees & Subscriptions	100	-	100	-	0%	Subscriptions
Meeting Expenses	200	-	200	-	0%	Meetings
Office Supplies	1,200	-	120	1,080	900%	Set up mapping/media center
Utilities	3,648	3,305	3,384	264	8%	Based on '22, 10 month actuals. New shop adj
After Hours Dispatching	1,500	1,470	1,500	-	0%	Based on Current Contract
One Call	408	28,008	29,880	(29,472)	-99%	USCI contract canceled / 811 fees.
Total Departmental	7,056	32,783	35,184	(28,128)	-80%	
Safety	4,800	44	4,800	-	0%	Based on current Contract '22.
Legal	-	-	-	-	N/A	N/A
Mapping	1,992	-	-	1,992	N/A	Support contracts.
Other Consultants	-	-	-	-	N/A	N/A
Engineering	2,500	-	2,500	-	0%	Support contracts.
Total Consulting/Contract	9,292	44	7,300	1,992	27%	
Training	516	300	500	16	3%	more training opportunities
Transportation	1,032	-	1,000	32	3%	more training opportunities
Total Transportation & Training	1,548	300	1,500	48	3%	
Total Operations Expense	\$ 249,302	\$ 204,584	\$ 257,246	\$ (7,944)	-3%	

**Canby Utility
FY 23 Budget
Distribution - Water**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Net Payroll & Employer Paid Expenses	468,022	490,921	471,430	(3,408)	-1%	4% COLA, and more labor capitalized
Dues, Fees & Subscriptions	1,200	1,088	1,850	(650)	-35%	WD Certs - Based on FY '22, 10 month actuals.
Safety	9,492	9,201	8,000	1,492	19%	Based on FY '22, 10 month actuals.
Office Supplies	156	-	156	-	0%	Based on FY '22, 10 month actuals.
Shop and Work Equipment Expenses	9,492	2,814	6,000	3,492	58%	Based on FY '22, 10 month actuals. Tooling up.
Maintenance of Distribution Mains	28,992	46,137	34,992	(6,000)	-17%	Based on FY '22, 10 month actuals & Locates
Maintenance of Water Services	12,000	12,898	9,450	2,550	27%	Based on FY '22, 10 month actuals & Locates
Maintenance of Water Meters	6,000	8,309	6,000	-	0%	Based on FY '22, 10 month actuals.
Maintenance of Water Hydrants	9,996	21,312	15,000	(5,004)	-33%	Based on FY '22, 10 month actuals.
Equipment Rental	-	-	-	-	N/A	N/A
Maintenance Supervision & Engineering	18,000	11,702	4,200	13,800	329%	Based on FY '22, 10 month actuals.
Total Departmental	95,328	113,461	85,648	9,680	11%	Based on FY '22, 10 month actuals.
Other Expenses	-	-	-	-	N/A	N/A
Leak Detection Survey	-	-	3,600	(3,600)	-100%	Based on FY '22, 10 month actuals. In-house
Paving / Road	6,000	459	6,000	-	0%	Based on projected future needs
Total Consulting/Contract	6,000	459	9,600	(3,600)	-38%	
Training	5,004	1,975	5,000	4	0%	Training and certifications.
Transportation	4,020	3,007	3,905	115	3%	Training and certifications.
Total Transportation & Training	9,024	4,982	8,905	119	1%	
Total Distribution Expenses	\$ 578,374	\$ 609,823	\$ 575,583	\$ 2,791	0%	

**Canby Utility
FY 23 Budget
Water Treatment Plant**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Maint. Material and Expenses	\$ 7,696	\$ 18,867	\$ 5,500	\$ 2,196	40%	Clean 1 pond & vegetation removal
Regulatory	12,750	4,400	7,750	5,000	65%	OR Health Auth fee, OR Dept of Human Services, No known testing requirements
Veolia Water NA	1,209,207	1,046,433	1,080,198	129,009	12%	Annual Fee Adjustment 4.355%
Total Consulting/Contract	1,229,653	1,069,700	1,093,448	136,205	12%	
Other Expenses	15,300	4,200	4,800	10,500	219%	DRC and algae testing - 42 @ \$250
Total WTP Expenses	\$ 1,244,953	\$ 1,073,900	\$ 1,098,248	\$ 146,705	13%	

**Canby Utility
FY 23 Budget
Risk Management - Water**

Description	FY23 Budget	FY21 Actual	FY22 Budget	Increase (Decrease) FY23 - FY22	% Increase (Decrease) FY23 - FY22	Notes
Expense:						
Dues, Fees & Subscriptions	\$ -	\$ -	\$ -	\$ -	N/A	N/A
Property & Liability Insurance	40,944	32,199	37,896	3,048	8%	Estimate
Total Departmental	40,944	32,199	37,896	3,048	8%	
Legal	-	-	-	-	N/A	N/A
Total Consulting/Contract	-	-	-	-	N/A	
Training	-	-	-	-	N/A	N/A
Transportation	-	-	-	-	N/A	N/A
Total Transportation & Training	-	-	-	-	N/A	
Total Risk Management Expenses	\$ 40,944	\$ 32,199	\$ 37,896	\$ 3,048	8%	



Memorandum

June 10, 2022

To: Chair Thompson, Member Hill, Member Horrax, Member Gustafson, and Member Molamphy

From: Craig Tuholski, Interim Finance Manager

Subject: Quarterly Financial Update as of September 30, 2021 Fiscal Year 2022

Please find attached the Executive Financial Summary through September 30, 2021, the Utility's first three months of fiscal year 2022. The report is cumulative to date and gives a quick overview of profit and loss resulting from operations and capital contributions, a comparison to budget with notes, and cash reserves compared to the budget target and minimum. For monthly information refer to the financial packet sent via e-mail.

Carol Sullivan will present these at the next board meeting and will be available for comments or to answer any questions.

Canby Utility Executive Financial Summary
Profit (Loss) Resulting From Operations and Capital Contributions***
Year To Date (YTD) Three Months Ending September 30, 2021

Legend	
	= Electric
	= Water

Electric

Profit (Loss) From Operations

Revenue	Expense	Operating Profit (Loss)
\$ 3,725,591	\$ 3,371,127	\$ 354,464

Operations And Capital Contributions***

Operating Profit (Loss)	Capital Contributions	Net Income (Loss)
\$ 354,464	\$ 252,022	\$ 606,486

Water

Profit (Loss) From Operations

Revenue	Expense	Operating Profit (Loss)
\$ 1,591,886	\$ 917,555	\$ 674,331

Operations And Capital Contributions ***

Operating Profit (Loss)	Capital Contributions	Net Income (Loss)
\$ 674,331	\$ 965,680	\$ 1,640,011

*****Capital Contributions** are contributions of capital, in the form of money or assets/infrastructure to Canby Utility from a customer or a vendor.

Canby Utility Executive Financial Summary
Profit (Loss) Resulting From Operations With Capital Contributions Compared To Budget
Year To Date (YTD) Three Months Ending September 30, 2021

Electric

Net Income (Loss)		Budget		Over (Under) Budget	
\$	606,486	\$	318,457	\$	288,029

Notes : YTD total operating revenue is 6.88% or \$233,307 over budget mainly due to greater residential and commercial sales.

YTD operating expenses are 2.58% or \$87,764 under budget mainly due to labor capitalization, vacant positions, and lower purchased power .

YTD Capital contributions are 12.96% or \$37,515 under budget due to less line extension fees than budgeted.

YTD Change in Net Assets is 90.45% or \$288,029 over budget mainly due to more residential and commercial sales than budgeted

Water

Net Income (Loss)		Budget		Over (Under) Budget	
\$	1,640,011	\$	863,275	\$	776,737

Notes : YTD operating revenue is 19.17% or \$251,088 over budget mainly due to higher residential, commercial, and multi-family sales.

YTD Operating expenses are 4.86% or \$44,475 under budget mainly due to vacant position and labor capitalization.

YTD Capital contributions are 104.51% or \$493,477 over budget due to the timing of contributions of infrastructure from developers.

YTD Change in Net Assets is 89.98% or \$776,737 over budget mainly due to higher residential sales and timing of contributions of infrastructure from developers.

Canby Utility Executive Financial Summary
Cash Reserves
Year To Date (YTD) Three Months Ending September 30, 2021

Electric

<u>Budget Target 6/30/2022</u>	Current Cash Reserves		FYE 2021 Target		Over (Under) Target
	\$	8,316,175	\$	9,031,163	\$ (714,988)

<u>MINIMUM</u>	Current Cash Reserves		Minimum		Over (Under) Minimum
	\$	8,316,175	\$	4,000,000	\$ 4,316,175

Water

<u>Budget Target 6/30/2022</u>	Current Cash Reserves		FYE 2021 Target		Over (Under) Target
	\$	5,827,366	\$	4,820,707	\$ 1,006,659

<u>MINIMUM</u>	Current Cash Reserves		Minimum		Over (Under) Minimum
	\$	5,827,366	\$	2,000,000	\$ 3,827,366