

***CANBY UTILITY
REGULAR BOARD MEETING
JUNE 10, 2025
7:00 P.M.***

AGENDA

- 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 13, 2025 (pp. 1-5)
 - 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 May 13, 2025 with your name, the topic you would like to speak on, and contact information: bbenson@canbyutility.org or 503-263-4312.*
- V. CANBY WATER SUPPLY PROGRAM PRESENTATION Aligning Authority, Budgets, and Change – Stantec
- VI. RECOMMENDATION Approve the Recommended Fiscal Year 2026 Electric and Water Fund Operation and Capital Budgets –Mike Schelske, Finance Manager (pp. 6-50)
- VII. RECOMMENDATION Adopt Official Compensation Package for Employees – Barbara Benson, Human Resources/Administration Manager (pp. 51-52)
- VIII. BOARD REPORT
 - Chair Comments
 - Board Member Comments
- IX. STAFF REPORTS

Operations Manager:

 - Wildfire Risk Mitigation Plan Update
 - Clackamas County Bridge Project Impacts

General Manager Updates
- X. ADJOURN

CANBY UTILITY REGULAR BOARD MEETING MINUTES MAY 13, 2025

Board Present: Chair Thompson; Members Molamphy, Pendleton, Hill, and Westcott

Staff Present: Carol Sullivan, General Manager; Barbara Benson, Board Secretary; Jason Berning, Operations Manager; Mike Schelske, Finance Manager; and Cindy Dittmar, Customer Service Supervisor

Others Present: Jodi Collehon, Board Attorney; Dan Seligman, Columbia Research Corporation; Daniel Stearns, City Council Liaison; Brian Hutchins, Veolia Water North America; Joe Brennan; Kirk Olsen, Trammel Crow; Samra Egger and Jeff Samuels, Oregon Liquor and Cannabis Commission; Corianne Burnett, Carollo; Don Hardy, Jamie Stickel and Spencer Polack, City of Canby; and Patty Travis

Chair Thompson called the Regular Board Meeting to order at 7:00 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, special meeting minutes of March 3, 2025, work session minutes of April 2, 2025, regular meeting minutes of April 8, 2025, and payment of the electric and water department bills in the amount of \$1,951,508.91. Member Hill seconded, and the motion passed 5-0.

Chair Thompson asked for citizen input on non-agenda items. Samra Egger, Owner's Representative for the Oregon Liquor and Cannabis Commission (OLCC), addressed the Board regarding electrical service to OLCC's new facility under construction at 165 S. Walnut in Canby. Egger expressed concern after recently learning that Canby Utility is unable to provide power to the site, an issue that had not been raised during the land use process. The facility is a 360,000-square-foot warehouse currently under construction, and the lack of clarity around power service is now jeopardizing the project. Egger noted that a system impact study is being recommended but sought clarity on who is leading that process. She emphasized that if Portland General Electric (PGE) is responsible, OLCC has significant concerns about potential delays, citing experience with PGE's extended timelines. She stressed the urgency of the situation, stating that OLCC must decide whether to continue construction or halt the project. Egger appealed to the Board for assistance in expediting the process to avoid a possible 90 to 120 day delay, which could be detrimental to the project's viability.

Kirk Olsen, Principal with Trammell Crow Company, also spoke before the Board. He referenced prior public comments and reiterated his ongoing request, which has been pending for over 10 months, for a "will-serve" letter for the Pioneer Industrial Project, a very large speculative project. The project anticipates needing a total of 3.3 MW of power. Construction is anticipated to take approximately 15 months, followed by tenant occupancy. Olsen noted that the development is shovel-ready, with approximately \$2 million in fees and system development charges to be paid, and will create jobs.

Olsen echoed Egger's concerns about the timing of the proposed system impact study, stating that further delays in closing will cost them more money. He said that the Line and Load Interconnection Request (LLIR) study submitted by Canby Utility to BPA for 7.5 MW of power painted a dire picture for future power availability in Canby. Olsen cited data showing that PGE's infrastructure would exceed its peak summer thermal ratings in 2026.

Olsen proposed a mitigation strategy involving the installation of two Level-4 generators for the Pioneer Industrial Project, which Canby Utility could control to reduce strain on the grid during peak usage. He noted that similar practices are used by Pacific Gas & Electric in California. Additionally, Olsen suggested forming a task force comprising representatives from Canby Utility, OLCC, and Trammell Crow that would meet weekly to coordinate efforts and develop solutions in parallel with the PGE impact study.

General Manager Carol Sullivan brought to the Board's attention the results of the Feasibility Study's power flow analysis, which identified 47 contingencies. She expressed concern that adding an additional 7.5 MW of load could compromise service reliability for existing Canby Utility customers.

Operations Manager Jason Berning reported that Canby Utility received the Feasibility Study results on April 14. A meeting was subsequently held to review the findings, during which it became apparent that issues on PGE's 57 kV line are more significant than previously understood. Berning explained the need to approach the problem in two phases—first, finding a solution for immediate power needs, and then planning for longer-term future development.

Canby Utility met with BPA and PGE. Both agreed that the next step is a system impact study. Berning emphasized to both entities the importance of expediting the process. PGE indicated they may be able to reorder projects in their queue to begin Canby Utility's study sooner. Berning informed the Board that if approval is granted tonight, he is prepared to notify PGE and BPA immediately to initiate the study. Berning said the impact study takes 90 days to complete. The feasibility study was also supposed to be 90 days but exceeded its timeline. However, he believes PGE is positioned to fast-track this next phase. A discussion followed on potential outcomes should the impact study conclude that PGE cannot support the new loads. Berning shared that PGE will evaluate incremental load ramping, considering when each project is expected to come online. The OLCC facility is scheduled for 2026, the Clackamas County Fairgrounds in 2027, and the Trammell Crow Pioneer Industrial Project in 2028. The Board also

discussed the requirement for loads over 1 MW to undergo a study, strategies to ensure PGE's timeliness and accountability, the unique position of Canby Utility's contractual relationship with BPA rather than PGE, and concerns about PGE being unaware that their 57kV line was nearing capacity.

Chair Thompson responded to an earlier comment from Samra Egger regarding having recently learned that Canby Utility cannot serve power. The Board discussed the process for new developments and whether there is a gap in the dissemination of utility information to developers. Olsen added that he became aware of the study requirements in August 2024.

Member Hill inquired about the possibility of paying a fee to expedite PGE's study and whether the team could meet with those conducting the study to gain a better understanding of its framework. Berning noted that he scheduled a kick-off meeting the next day with BPA, PGE, and Canby Utility's consultants. Additional discussion ensued regarding connected loads, customer-owned generators used for load shedding, solar generation, load ramping, and reliance on the load demand information provided by the customer's design engineers.

The Board also discussed drafting a formal letter to Oregon's U.S. Senators, to be signed by Mayor Hodson, along with additional letters to BPA and PGE from Canby Utility's General Manager. These letters will outline Canby's concerns and emphasize the negative impacts on current commercial and industrial development.

Egger asked about the agenda for the upcoming meeting with BPA, PGE, and Canby Utility's consultants. Berning explained that it will serve as the initial planning meeting to gather data for the impact study. Olsen offered support to Canby Utility, including engineering and financial resources, should PGE require a surcharge to expedite the study. Olsen reiterated their interest in partnering with Canby Utility to form a task group. Member Hill inquired about this request, and Berning responded that staff would need to review and discuss it internally.

Member Hill made the *MOTION to authorize the General Manager to reimburse the Bonneville Power Administration in accordance with the reimbursement agreement for a System Impact Study. Member Molamphy seconded, and the motion passed 5-0.

Finance Manager Mike Schelske presented a recommendation to award a professional services contract for audit services. Schelske explained that he distributed a Request for Proposals to eight qualified accounting firms and published a public notice in the Daily Journal of Commerce, as well as posted it on the Canby Utility website. Moss Adams was the only firm to submit a proposal. The proposal included not-to-exceed amounts of \$50,250 for FY 2025, \$54,600 for FY 2026, and \$56,700 for FY 2027. Schelske noted that Moss Adams has served as Canby Utility's auditor since 2015, providing continuity and familiarity with the utility's financial operations. Member Westcott made the *MOTION to authorize the General Manager to sign a contract with Moss Adams LLP for annual audit services for fiscal years 2025, 2026, and 2027. Member Molamphy seconded, and the motion passed 5-0.

Member Hill provided an update on the General Manager recruitment process. Mark Knudson, a consultant with the Special Districts Association of Oregon (SDAO) and facilitator of the recruitment, reported that six applications have been received to date. The application deadline is June 2. Member Hill reviewed the schedule, highlighting that the subcommittee will meet to score applications on June 11, conduct screening interviews with semifinalists on June 24 and 26, and finalists will be notified on June 27. Interviews with the full board are tentatively scheduled for July 17.

Finance Manager Mike Schelske presented the financial results for the nine months ending March 31, 2025. The electric fund revenues are higher than budgeted by 2.1%, primarily due to higher revenues from small commercial accounts. In this group, data center customers represent the majority of the increase. The operating expenses are tracking slightly over budget. The end of March represents 75% of the year, and 78% of the budget has been expended. The main variance is in power costs. Schelske said that the higher revenues, offset by higher operating costs, resulted in operating income lower than budget yet still positive.

Schelske then reviewed the water fund. Revenues are higher than budget by 3.3%, primarily due to higher revenues from residential customers. The operating expenses are under budget, with only 67% of the budget expended for 75% of the year. The higher revenues and lower expenses produced an operating income higher than the budget. Schelske noted that net income for both funds is lower than budget due to lower capital contributions.

Schelske also presented a summary of accounts submitted to collections and the amounts recovered, comparing FY 2023 through FY 2025. The amount of uncollectible accounts remains very low compared to the total revenue, noting that Canby Utility has a highly proactive account management process that minimizes past-due and uncollectible accounts.

General Manager Carol Sullivan provided an update on the Canby Drinking Water Supply System Project. She reported that staff met with Stantec on April 16 to discuss project branding and naming. As a result, the project name has been shortened to the Canby Water Supply Program (CWSP). During the conceptual engineering workshop held the same day, the team discussed potential facility locations for both the water treatment plant and the river intake. Three intake site options were identified: the City of Canby, the Willamette Valley Country Club, and a private landowner. The private landowner expressed that they are currently not interested in having the intake facility located on their property, citing concerns about potential impacts on future development.

On May 6, an owners' representative workshop was held to discuss internal and external communications strategies, including stakeholder engagement and messaging. A follow-up meeting was held on May 7 to review document management procedures, including a walk-through of Stantec's project portal.

Sullivan also reported that the job description for the Administrative Assistant position has been finalized and reviewed by HR Answers and City/County Insurance Services. HR Answers

completed a salary market study. Sullivan noted that Procedure 405 will need to be updated to reflect this new position, which is non-exempt and non-represented due to the confidential nature of its human resources duties.

Finally, Sullivan provided an update on the NW 4th & Fir water tank property. She has requested two demolition cost estimates from Penhall for the removal of the tank and the building. She also shared that Clackamas County's 2024–2025 tax assessment values the land at \$234,000 and the building at \$133,000.

Member Molamphy made the *MOTION to adjourn the meeting. Member Hill seconded, and the motion passed 5-0.

The meeting adjourned at 8:08 p.m.

Melody Thompson, Chair

John Molamphy, Member

Jake Hill, Member

Jack Pendleton, Member

Robert Westcott, Member

Barbara Benson, Board Secretary



MEMORANDUM

June 4, 2025

TO: Chair Thompson, Member Molamphy, Member Pendleton, Member Hill, Member Westcott

FROM: Mike Schelske, Finance Manager

SUBJECT: Fiscal Year 2026 Operating and Capital Budgets

Suggested Motion: *I move that the Fiscal Year 2026 Electric and Water Operating and Capital Budgets be approved as presented.*

Attached for your review are the proposed Fiscal Year (FY) 2026 Operating and Capital Budgets. Below is a summary of key highlights for both the Electric and Water Funds:

Electric Fund Highlights

Revenues: Projected to increase by 6% over FY 2025 Budget, driven by:

- Growth in the customer base
- Increased energy usage

Operating Expenses: Expected to rise by 7% over FY 2025 Budget, primarily due to increased costs for:

- Lower capitalized labor (increases net labor costs)
- Purchased power costs
- Depreciation
- Franchise tax
- Computer support and maintenance
- Engineering fees

Operating Income: Negative operating income of \$187,162

Non-Operating Revenues & Expenses: Decrease of 17%, mainly impacted from the end of the BPA Power Dividend payments

Capital Contributions: Projected to be lower due to an anticipated slow-down in construction activity

Change in Net Assets / Net Income: Decrease of 46%

Capital Purchases: Totaling \$1.87 million; major items include:

- Line extensions – \$702,976

- Powered wire pulling trailer – \$220,000
- Westcott substation bay build-out – \$195,160
- Service/meter connections – \$141,322

Increase in estimated cash balance (June 30, 2026): \$1,007,586.

Water Fund Highlights

Revenues: Anticipated increase of 23% over FY 2025 Budget, due to:

- Higher revenues due to the May 1, 2025, rate adjustment
- Higher consumption
- Customer base growth

Operating Expenses: Increase of 3% over FY 2025 Budget, attributed to:

- Lower capitalized labor (which increases net labor costs)

Operating Income: Positive operating income of \$1,168,952

Non-Operating Revenues & Expenses: Increase of 37%, reflecting higher earned interest

Capital Contributions: Projected to be lower due to an anticipated slow-down in construction activity

Change in Net Assets / Net Income: Increase of 14%

Capital Purchases: Totaling \$3.95 million, major items include:

- Canby Water Supply Program (conceptual engineering and program management) – \$2,400,000 (placeholder amount)
- New projects – \$1,149,159
- Mainline replacement (S. Manzanita and Maple) – \$259,688
- 3” and 4” meter replacements – \$47,412

Increase in estimated cash balance (June 30, 2026) is \$484,721.

Please let me know if you have any questions or would like to discuss any aspect of the proposed budgets in more detail.



Fiscal Year 2026 Budget

Summaries - Electric and Water

Executive Summary - Electric

pages

Executive Summary - Electric

Chart - Revenue Changes

Chart - Expense Changes

Executive Summary - Water

pages

Executive Summary - Water

Chart - Revenue Changes

Chart - Expense Changes

Departmental Summary - Electric & Water

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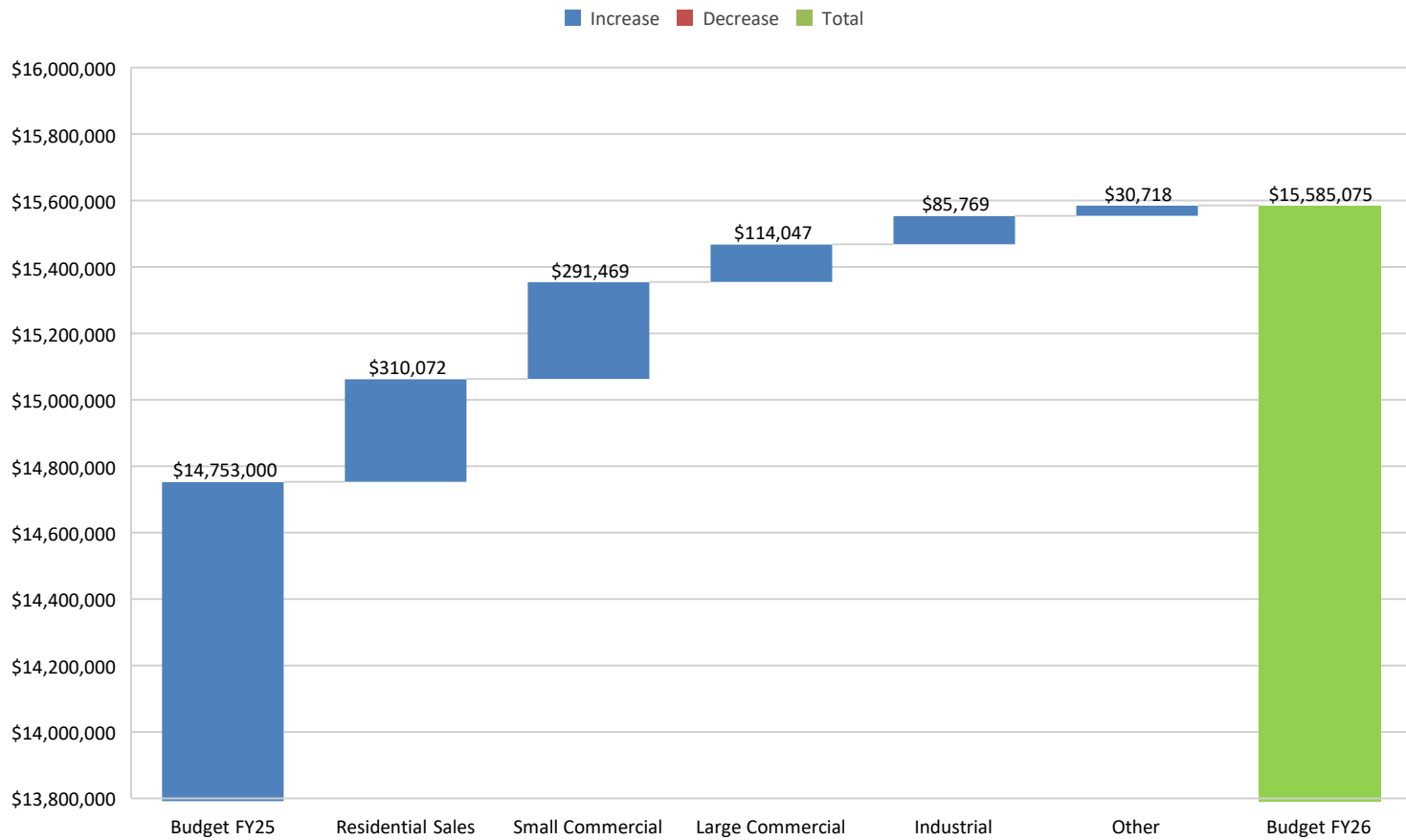
Personel Costs

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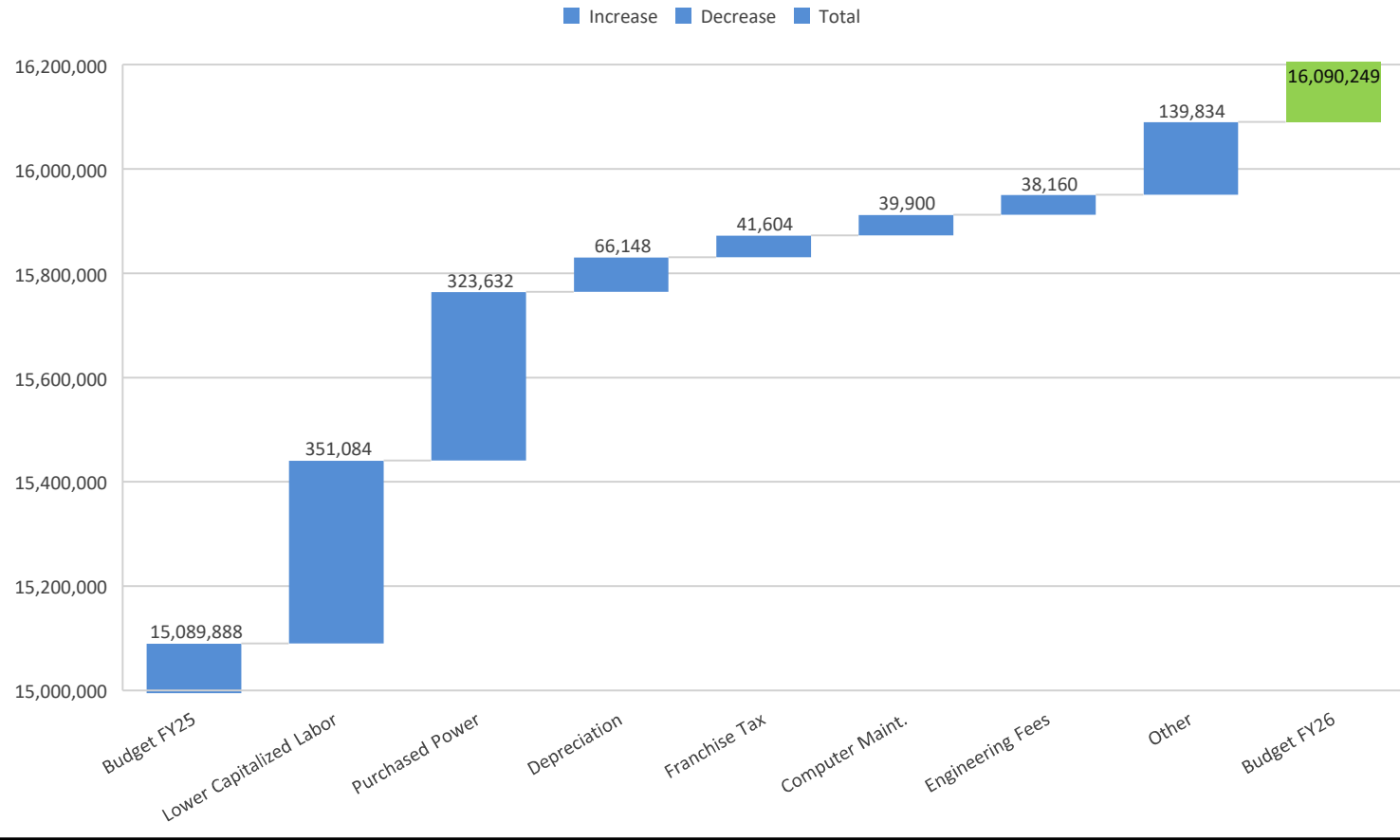
**Canby Utility - Electric
Executive Summary of FY26 Budget**

DESCRIPTION	FY26 Budget	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes:
Total Electric Sales	\$ 15,585,075	\$ 14,753,000	\$ 832,075	6%	FY26 is based on FY25 actuals with a 1% growth factor.
Total Other Electric Energy Revenues	318,012	322,884	(4,872)	-2%	FY26 is based on history and BPA's new contract amount for the conservation program.
OPERATING REVENUES	15,903,087	15,075,884	827,203	5%	The overall increase in revenues is mainly due to higher revenues from residential, small commercial, and large commercial customers.
TOTAL OPERATING EXPENSES	(16,090,249)	(15,089,888)	1,000,361	7%	The overall increase in expenses is mainly due to increased costs for purchased power, franchise taxes, depreciation, and engineering, and lower capitalized labor.
OPERATING INCOME	(187,162)	(14,004)	(173,159)	-1236%	Operating income is expected to decline due to expenses increasing more than revenues.
Total Non-Operating Revenues & Expenses	842,948	1,018,162	(175,214)	-17%	Decrease due to no BPA Power Dividend in FY26.
Total Capital Contributions	844,298	1,191,682	(347,384)	-29%	Projected 74 service/meter connections. Possible projects: 1 subdivision, 1 multi-family, 2-3 commercial, 1 City park, and 1 street extension.
Change in Net Assets	1,500,084	\$ 2,195,840	\$ (695,757)	-46%	
Cash and Investments Estimate, June 30, 2024	16,115,590				Estimated cash on hand.
Cash Used For Capital Purchases	(1,870,857)				Capital Budget for the year.
Add Back Depreciation	1,378,359				This is a non-cash item in the operating expense budget so it is added back to cash on hand.
Total Estimated End Of FY26 Cash & Investments	\$ 17,123,175				This is the amount we expect to have in CASH RESERVES at year end, 6/30/26.
Change in Estimated Cash & Investments	\$ 1,007,586				

**Electric - Revenue
Major Changes by Customer Group
FY26 vs. FY25**



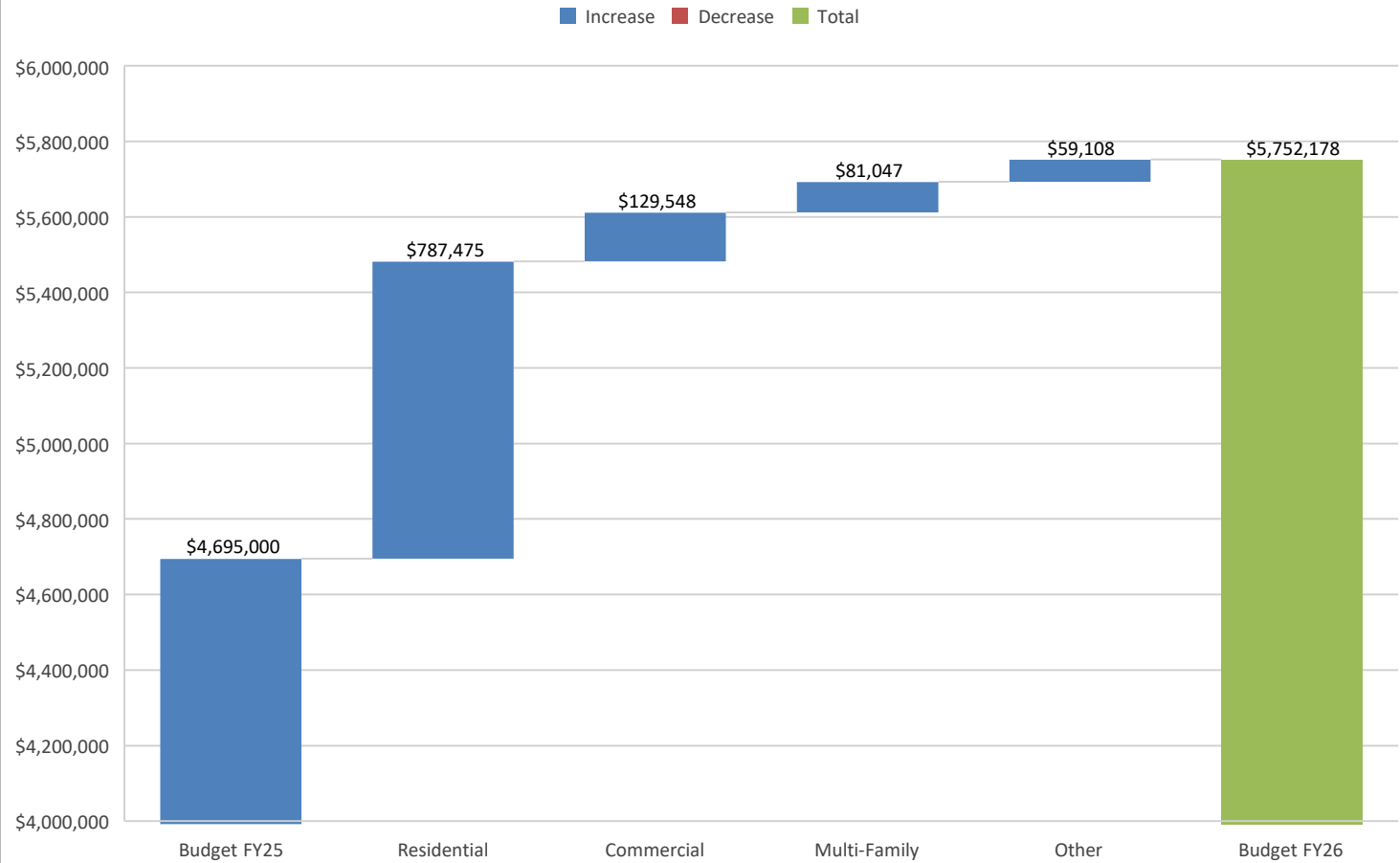
Electric - Operating Expenses Major Changes by Cost Type FY 26 vs. FY 25



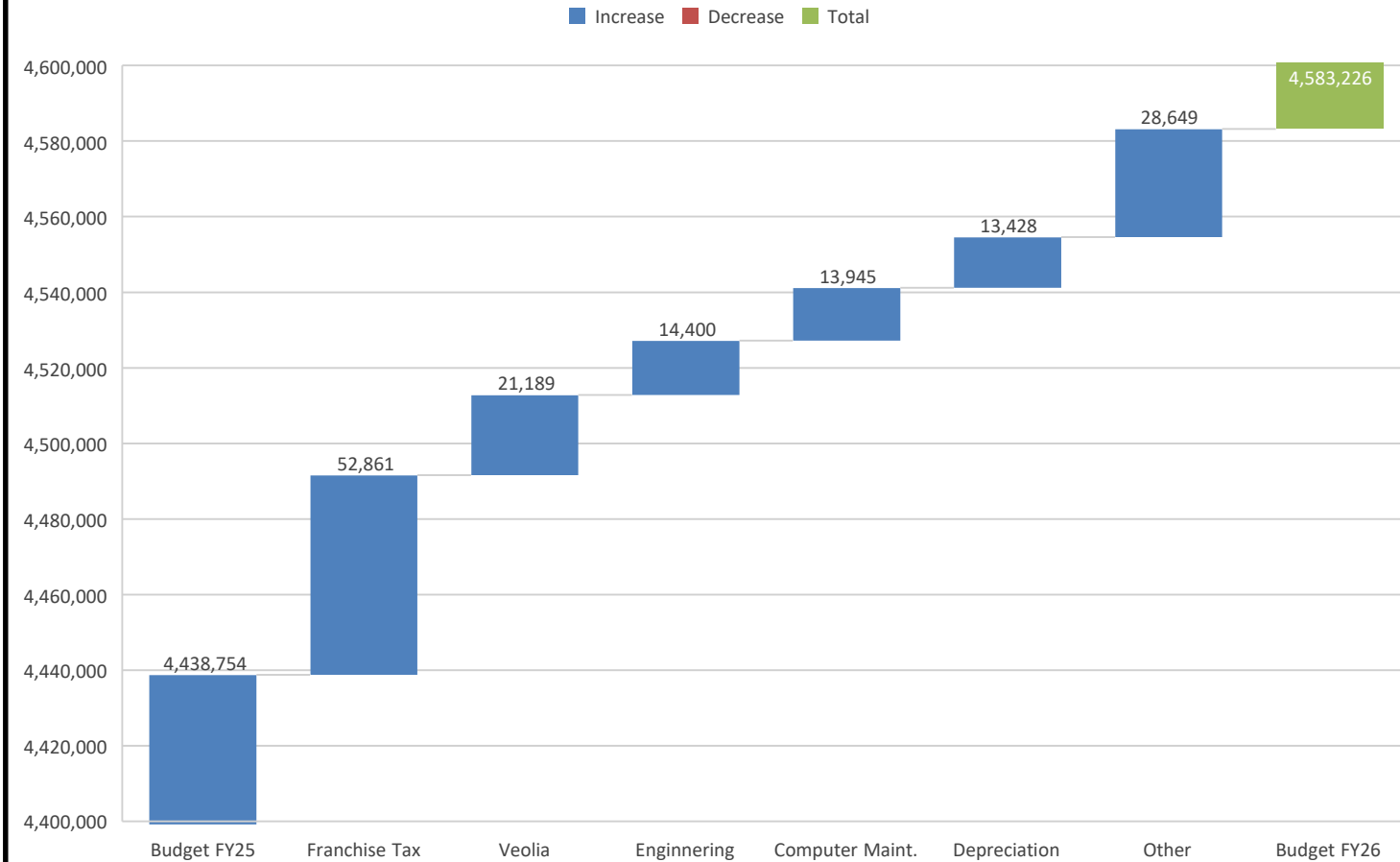
**Canby Utility - Water
Executive Summary of FY26 Budget**

DESCRIPTION	FY26 Budget	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes:
TOTAL WATER USAGE SALES	\$ 5,752,178	\$ 4,695,000	\$ 1,057,178	23%	Water sales are based on FY24-25 consumption adjusted for the 5/01/25 rate increase. Largest increase from Residential revenues.
TOTAL OPERATING EXPENSES	(4,583,226)	(4,438,754)	144,472	3%	The main cost increase are for Veolia (annual contract fee and variable cost adjustments), franchise taxes, engineering, depreciation, and computer maintenance.
OPERATING INCOME (LOSS)	1,168,952	256,246	912,705	356%	Operating income increased due to higher revenues from the 5/01/24 rate change.
Total Non-Operating Revenues & Expenses	641,003	467,028	173,975	37%	Non-operating revenues are increasing due to higher interest earning on cash reserves.
Total Capital Contributions	1,892,018	2,510,661	(618,643)	-25%	Projected 56 service/meter connections. Possible projects: 1 subdivision, 1 multi-family, 2-3 commercial, 1 City park, and 1 street extension.
Change in Net Assets	3,701,973	\$ 3,233,935	\$ 468,037	14%	
Cash and Investments Estimate, June 30, 2024	12,019,768				Estimated cash on hand.
Cash Used For Capital Purchases	(3,951,480)				Capital Budget for the year.
Principal Payments on Water Bonds	(213,000)				2017 Bond principal payment.
Add Back Depreciation	947,228				This is a non-cash item in the operating expense budget so it is added back to cash on hand.
Total Estimated End Of FY26 Cash & Investments	\$ 12,504,489				This is the amount we expect to have in CASH RESERVES at year end, 6/30/26.
Change in Estimated Cash & Investments	\$ 484,721				

Water - Revenue Major Changes by Customer Group FY26 vs. FY25



Water - Operating Expenses Major Changes by Cost Type FY26 vs. FY25



Combined Electric and Water System FY 2026 Budget Department Summary - Electric & Water													
Categories	Board of Directors	Executive	Administrative	Customer Service	Finance	Operations	Distribution	WTP	Risk Mgt	FY26 Total by Category	FY25 Total by Category	\$ Change FY26 vs. FY25	% Change FY26 vs. FY25
Payroll	\$ -	\$ 218,676	\$ 193,584	\$ 397,488	\$ 267,600	\$ 552,168	\$ 1,420,980	\$ -	\$ -	\$ 3,050,496	\$ 3,010,728	\$ 39,768	1.3%
PERS	-	66,780	61,212	105,396	81,732	168,624	452,004	-	-	935,748	859,488	76,260	8.9%
Medical/Vision Insurance	-	10,752	53,508	97,188	61,368	98,436	290,364	-	-	611,616	646,428	(34,812)	-5.4%
Dental Insurance	-	648	3,468	6,444	2,328	9,336	17,688	-	-	39,912	48,384	(8,472)	-17.5%
Life Insurance	-	1,344	1,500	3,552	3,636	1,908	5,856	-	-	17,796	1,740	16,056	922.8%
Worker's Comp	-	372	384	684	492	10,032	33,732	-	-	45,696	51,492	(5,796)	-11.3%
Taxes State Unemployment	-	228	192	336	276	552	1,488	-	-	3,072	3,012	60	2.0%
Taxes FICA/Medicare	-	16,896	14,820	25,884	20,472	42,240	113,220	-	-	233,532	230,328	3,204	1.4%
City Transit	-	1,308	1,164	2,028	1,596	3,312	8,880	-	-	18,288	18,072	216	1.2%
HRA VEBA	-	2,100	4,212	8,400	4,212	8,400	27,300	-	-	54,624	58,812	(4,188)	-7.1%
Subtotal Employer-Paid Expenses	-	100,428	140,460	249,912	176,112	342,840	950,532	-	-	1,960,284	1,917,756	42,528	2.2%
Total Payroll and Employer Paid Expenses	-	319,104	334,044	647,400	443,712	895,008	2,371,512	-	-	5,010,780	4,928,484	82,296	1.7%
Wages - Capitalized	-	-	-	-	-	-	(341,064)	-	-	(341,064)	(760,164)	419,100	-55.1%
Net Total Payroll & Employer-Paid Expenses	-	319,104	334,044	647,400	443,712	895,008	2,030,448	-	-	4,669,716	4,168,320	501,396	12.0%
401 (k)	-	-	-	-	1,932	-	-	-	-	1,932	1,840	92	5.0%
Dues, Fees & Subscriptions	310	2,180	5,153	1,800	130,668	208	1,320	-	1,000	142,639	135,244	7,396	5.5%
Meeting Expenses	-	960	1,396	96	-	596	-	-	-	3,048	2,276	772	33.9%
Safety	-	-	666	50	-	21,204	37,200	-	-	59,120	65,294	(6,174)	-9.5%
Special Events	-	-	20,811	-	-	-	-	-	-	20,811	18,499	2,312	12.5%
Office Supplies	-	-	8,004	150	-	4,656	8,040	-	-	20,850	21,858	(1,008)	-4.6%
Postage	-	-	-	49,440	-	-	-	-	-	49,440	53,788	(4,348)	-8.1%
Printing & Stationery Supplies	-	-	9,404	5,500	-	-	-	-	-	14,904	16,312	(1,408)	-8.6%
BPA Conservation	-	-	-	202,212	-	-	-	-	-	202,212	209,280	(7,068)	-3.4%
Comm Audits	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Customer Info	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Customer Relations	-	-	-	2,600	-	-	-	-	-	2,600	2,600	-	0.0%
Heat Pump	-	-	-	300	-	-	-	-	-	300	450	(150)	-33.3%
Res. Weatherization	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
School/Comm	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Share the Warmth	-	-	-	40,000	-	-	-	-	-	40,000	40,000	-	0.0%
Water Heater Rebates	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Water Promotion	-	-	-	7,200	-	-	-	-	-	7,200	1,500	5,700	380.0%
Rent	-	-	60,000	-	-	-	-	-	-	60,000	60,000	-	0.0%
Maint. Of Office Equipment	-	-	8,991	-	-	-	-	-	-	8,991	12,340	(3,349)	-27.1%
Maintenance of Substations	-	-	-	-	-	-	13,200	-	-	13,200	12,000	1,200	10.0%
Shop & Work Equipment Expenses	-	-	-	-	-	-	41,004	-	-	41,004	40,800	204	0.5%
Maint. Of Bldgs. & Grounds	-	-	96,049	-	-	-	-	-	-	96,049	80,469	15,580	19.4%
Utilities	-	-	18,612	-	-	18,984	-	-	-	37,596	35,748	1,848	5.2%
After Hours Dispatching	-	-	-	-	-	7,548	-	-	-	7,548	7,500	48	0.6%
One Call	-	-	-	-	-	1,008	-	-	-	1,008	1,008	-	0.0%
PGE Pole Contract	-	-	-	-	-	-	3,890	-	-	3,890	3,120	770	24.7%
Purchased Power	-	-	-	-	9,239,029	-	-	-	-	9,239,029	8,915,397	323,632	3.6%
Property & Liability Insurance	-	-	-	-	-	-	-	-	152,862	152,862	136,662	16,200	11.9%
Reporters	-	-	-	8,265	-	-	-	-	-	8,265	8,660	(395)	-4.6%
Bad Debts	-	-	-	6,972	-	-	-	-	-	6,972	7,400	(428)	-5.8%
Computer Supplies	-	-	3,504	-	-	-	-	-	-	3,504	6,000	(2,496)	-41.6%
Computer Upgrades	-	-	-	-	2,450	-	-	-	-	2,450	2,552	(102)	-4.0%
Maintenance of Computers	-	-	-	-	208,471	-	-	-	-	208,471	154,626	53,845	34.8%
Software Upgrades	-	-	-	-	23,300	-	-	-	-	23,300	16,546	6,754	40.8%
Telephone	-	-	35,304	-	-	-	-	-	-	35,304	34,284	1,020	3.0%
Franchise Tax	-	-	-	-	1,066,865	-	-	-	-	1,066,865	972,400	94,465	9.7%
Energy Resource Supplier Assessment	-	-	-	-	14,123	-	-	-	-	14,123	18,000	(3,878)	-21.5%
Hazardous Substance Fee	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Director Fees	6,480	-	-	-	-	-	-	-	-	6,480	6,480	-	0.0%
Other Expenses	1,890	-	-	-	-	-	-	-	-	1,890	890	1,000	112.4%

Combined Electric and Water System													
FY 2026 Budget													
Department Summary - Electric & Water													
Categories	Board of Directors	Executive	Administrative	Customer Service	Finance	Operations	Distribution	WTP	Risk Mgt	FY26 Total by Category	FY25 Total by Category	\$ Change FY26 vs. FY25	% Change FY26 vs. FY25
Depreciation	-	-	-	-	2,325,587	-	-	-	-	2,325,587	2,246,011	79,576	3.5%
Trade Organizations	-	60,644	-	-	-	-	-	-	-	60,644	57,551	3,093	5.4%
Cash Over/Short	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Maintenance of Overhead Lines	-	-	-	-	-	-	28,800	-	-	28,800	21,000	7,800	37.1%
Maintenance of Underground Lines	-	-	-	-	-	-	39,408	-	-	39,408	33,996	5,412	15.9%
Maintenance of Line Transformers	-	-	-	-	-	-	2,004	-	-	2,004	1,704	300	17.6%
Uncollectible Accounts	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Maintenance Of Distribution Mains	-	-	-	-	-	-	44,292	-	-	44,292	39,204	5,088	13.0%
Maintenance Of Water Services	-	-	-	-	-	-	13,500	-	-	13,500	7,272	6,228	85.6%
Maintenance of Electric Meters	-	-	-	-	-	-	12,300	-	-	12,300	9,000	3,300	36.7%
Maintenance of Water Meters	-	-	-	-	-	-	1,800	-	-	1,800	1,800	-	0.0%
Maintenance of Water Hydrants	-	-	-	-	-	-	3,744	-	-	3,744	3,012	732	24.3%
Equipment Rental	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Street Maintenance Fee	-	-	-	-	10,932	-	-	-	-	10,932	10,884	48	0.4%
Maintenance, Supervision & Engineering	-	-	-	-	-	-	18,300	-	-	18,300	18,300	-	0.0%
Total Departmental Expenses	8,680	63,784	267,894	324,585	13,023,356	54,204	268,802	-	153,862	14,165,167	13,551,557	613,611	4.5%
Audit	-	-	-	-	52,500	-	-	-	-	52,500	38,560	13,940	36.2%
Computer Consultants	-	-	-	-	25,284	-	-	-	-	25,284	69,420	(44,136)	-63.6%
Infra-Red Scanning	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Labor Negotiations	-	-	11,004	-	-	-	-	-	-	11,004	7,004	4,000	57.1%
Legal	-	9,600	-	-	-	-	-	-	-	9,600	9,360	240	2.6%
Mapping	-	-	-	-	-	-	-	-	-	-	24,984	(24,984)	-100.0%
Other Consultants	-	180	15,004	-	684	-	-	7,400	-	23,268	18,315	4,953	27.0%
Pole Inspection & Treatment	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Rate Studies	-	-	-	-	27,000	-	-	-	-	27,000	-	27,000	0.0%
Regulatory	-	-	-	-	-	-	-	12,025	-	12,025	12,900	(875)	-6.8%
Translation Services	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Tree Trimming	-	-	-	-	-	-	12,000	-	-	12,000	24,720	(12,720)	-51.5%
Veolia Water NA	-	-	-	-	-	-	-	1,456,299	-	1,456,299	1,435,110	21,189	1.5%
Marketing	-	661	-	-	-	-	-	-	-	661	525	136	25.9%
Engineering	-	-	-	-	-	50,400	24,960	-	-	75,360	22,800	52,560	230.5%
Meter Expenses	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Leak Detection Survey	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Arc-Flash Hazard Assessment	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Inspections	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Office Contract Help	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Paving/Road	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Other Expenses	-	-	-	-	-	-	-	3,200	-	3,200	25,900	(22,700)	-87.6%
Total Consulting/Contract	-	10,441	26,008	-	105,468	50,400	36,960	1,478,924	-	1,708,201	1,689,598	18,603	1.1%
Training	4,614	2,170	4,884	2,265	5,100	13,200	47,184	-	-	79,417	60,506	18,911	31.3%
Transportation	3,598	3,110	4,549	8,898	4,539	11,880	14,400	-	-	50,974	58,661	(7,687)	-13.1%
Total Transportation & Training	8,212	5,280	9,433	11,163	9,639	25,080	61,584	-	-	130,391	119,167	11,224	9.4%
Total Operating Expenses	\$ 16,892	\$ 398,609	\$ 637,379	\$ 983,148	\$ 13,582,175	\$ 1,024,692	\$ 2,397,794	\$ 1,478,924	\$ 153,862	\$ 20,673,475	\$ 19,528,642	\$ 1,144,834	5.9%



Personnel Costs

Category	FY26 Budget					
	Electric System	% of Total Compensation	Water System	% of Total Compensation	Combined	% of Total Compensation
Payroll	\$ 2,216,280	61.8%	\$ 834,216	58.6%	\$ 3,050,496	60.9%
PERS	666,420	18.6%	269,328	18.9%	935,748	18.7%
FICA/Med	166,284	4.6%	67,248	4.7%	233,532	4.7%
Medical/Vision	417,168	11.6%	194,448	13.7%	611,616	12.2%
Dental	29,340	0.8%	10,572	0.7%	39,912	0.8%
Life	12,540	0.3%	5,256	0.4%	17,796	0.4%
Unemployment	2,172	0.1%	900	0.1%	3,072	0.1%
Worker's Comp	28,116	0.8%	17,580	1.2%	45,696	0.9%
Transit	13,032	0.4%	5,256	0.4%	18,288	0.4%
VEBA Account	35,712	1.0%	18,912	1.3%	54,624	1.1%
Total Payroll & Employer Paid Expenses	\$ 3,587,064	100.0%	\$ 1,423,716	100.0%	\$ 5,010,780	100.0%

Category	FY25 Budget					
	Electric System	% of Total Compensation	Water System	% of Total Compensation	Combined	% of Total Compensation
Payroll	\$ 2,150,052	61.8%	\$ 860,676	59.4%	\$ 3,010,728	61.1%
PERS	614,052	17.6%	245,436	16.9%	859,488	17.4%
FICA/Med	164,472	4.7%	65,856	4.5%	230,328	4.7%
Medical/Vision	430,680	12.4%	215,748	14.9%	646,428	13.1%
Dental	33,780	1.0%	14,604	1.0%	48,384	1.0%
Life	1,152	0.0%	588	0.0%	1,740	0.0%
Unemployment	2,208	0.1%	804	0.1%	3,012	0.1%
Worker's Comp	31,920	0.9%	19,572	1.4%	51,492	1.0%
Transit	12,912	0.4%	5,160	0.4%	18,072	0.4%
VEBA Account	38,328	1.1%	20,484	1.4%	58,812	1.2%
Total Payroll & Employer Paid Expenses	\$ 3,479,556	100.0%	\$ 1,448,928	100.0%	\$ 4,928,484	100.0%

Category	Increase/(Decrease) FY26 vs. FY25					
	Electric System	% Increase/(Decrease)	Water System	% Increase/(Decrease)	Combined	% Increase/(Decrease)
Payroll	\$ 66,228	3.1%	\$ (26,460)	-3.1%	\$ 39,768	1.3%
PERS	52,368	8.5%	23,892	9.7%	76,260	8.9%
FICA/Med	1,812	1.1%	1,392	2.1%	3,204	1.4%
Medical/Vision	(13,512)	-3.1%	(21,300)	-9.9%	(34,812)	-5.4%
Dental	(4,440)	-13.1%	(4,032)	-27.6%	(8,472)	-17.5%
Life	11,388	988.5%	4,668	793.9%	16,056	922.8%
Unemployment	(36)	-1.6%	96	11.9%	60	2.0%
Worker's Comp	(3,804)	-11.9%	(1,992)	-10.2%	(5,796)	-11.3%
Transit	120	0.9%	96	1.9%	216	1.2%
VEBA Account	(2,616)	-6.8%	(1,572)	-7.7%	(4,188)	-7.1%
Total Payroll & Employer Paid Expenses	\$ 107,508	3.0%	\$ (25,212)	-1.7%	\$ 82,296	1.7%

Payroll Expense Change	\$ 66,228	3.1%	\$ (26,460)	-3.1%	\$ 39,768	1.3%
Employer Paid Benefits Change	41,280	3.1%	1,248	0.2%	42,528	2.2%
Total Change	\$ 107,508		\$ (25,212)		\$ 82,296	1.7%



Fiscal Year 2026 Budget

Electric

Electric Operating Budget (Statement of Operations and Changes In Net Assets)	<i>pages</i>
Electric Capital Budget	<i>pages</i>
Electric Cash Reserve Calculation	<i>page</i>
Departmental Summary - Electric	<i>pages</i>
Electric Departmental Budgets	<i>pages</i>

Canby Utility Electric Fund
FY 2026 Budget
Statement of Operations and Changes In Net Assets

Description	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
OPERATING REVENUES						
Residential Sales	\$ 7,794,072	\$ 7,358,496	\$ 7,484,000	\$ 310,072	4.1%	Based on FY25 sales + 1% growth
Unbilled Revenue	-	126,392	-	-	N/A	Not budgeted - unknown until year-end
Green Power Sales	13,299	13,249	12,000	1,299	11%	Based on FY25 sales + 1% growth
Small Commercial	1,563,469	1,312,642	1,272,000	291,469	23%	Based on FY25 sales + 1% growth
Large Commercial	3,534,047	3,339,549	3,420,000	114,047	3%	Based on FY25 sales + 1% growth
Industrial	2,221,769	2,101,937	2,136,000	85,769	4%	Based on FY25 sales + 1% growth
City Street Lighting	46,236	44,534	48,000	(1,764)	-4%	Based on FY25 sales + 1% growth
Municipal	220,497	204,940	206,000	14,497	7%	Based on FY25 sales + 1% growth
Canby Utility	191,686	178,733	175,000	16,686	10%	Based on FY25 sales + 1% growth
Total Electric Sales	15,585,075	14,680,472	14,753,000	832,075	6%	
NSF Check Charge	1,200	990	1,200	-	0%	Based on FY25 actuals
Reconnect Fees	14,004	14,425	14,796	(792)	-5%	Based on FY25 actuals
Door Hanger Fees	-	-	-	-	N/A	N/A
Account Set-up Fees	27,996	25,700	29,004	(1,008)	-3%	Based on FY25 actuals
Failed Payment Arrangement	600	450	600	-	0%	Based on FY25 actuals
Disconnect Notice Fee	72,000	65,075	68,004	3,996	6%	Based on FY25 actuals
BPA Conservation Rate Credit	202,212	123,069	209,280	(7,068)	-3%	Based on contract amount
Total Other Electric Energy Revenues	318,012	229,709	322,884	(4,872)	-2%	
TOTAL OPERATING REVENUES	15,903,087	14,910,181	15,075,884	827,203	5%	
OPERATING EXPENSES						
Board of Directors	12,744	6,034	13,073	(329)	-3%	See Departmental Page
Executive	307,365	271,121	293,937	13,428	5%	See Departmental Page
Administrative	413,363	275,912	405,332	8,031	2%	See Departmental Page
Customer Service	780,966	623,283	710,222	70,744	10%	See Departmental Page
Finance	12,114,188	10,522,676	11,726,439	387,749	3%	See Departmental Page
Operations	788,928	537,388	655,444	133,484	20%	See Departmental Page
Distribution	1,584,434	945,138	1,209,744	374,690	31%	See Departmental Page
Risk Management	88,261	60,813	75,697	12,564	17%	See Departmental Page
TOTAL OPERATING EXPENSES	16,090,249	13,242,365	15,089,888	1,000,361	7%	
OPERATING INCOME (LOSS)	(187,162)	1,667,816	(14,004)	(173,159)	-1236%	
OPERATING MARGIN	-1.2%	11.2%	-0.1%			

Canby Utility Electric Fund
FY 2026 Budget
Statement of Operations and Changes In Net Assets

Description	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
NON-OPERATING REVENUES & EXPENSES						
Rental Lights	33,996	34,966	36,000	(2,004)	-6%	Based on FY25 actuals
Rental Lights Expenses	-	-	-	-	N/A	N/A
St. Light Maintenance Sales	24,000	34,239	38,004	(14,004)	-37%	Based on FY25 actuals
Material Sales	-	94,602	-	-	N/A	N/A
Billed for Dig In's	6,000	407	13,404	(7,404)	-55%	Based on FY25 actuals
Custom Work Sales	-	-	-	-	N/A	N/A
Public St. Lights Sold	27,996	64,189	77,400	(49,404)	-64%	Based on FY25 actuals
Misc. Other Sales	60,000	226,689	235,428	(175,428)	-75%	Facility rental for Water Fund
Material Sales Cost	-	-	-	-	N/A	N/A
Custom Work Costs	-	-	-	-	N/A	N/A
St. Light Maintenance Costs	(60,000)	(99,324)	(115,404)	55,404	-48%	Based on FY25 actuals
Misc. Other Costs	-	(185,255)	-	-	N/A	N/A
Temp Service	-	1,159	16,800	(16,800)	-100%	Based on FY25 actuals
Interest Income/Other	770,960	633,653	700,734	70,226	10%	Estimated interest rate 4.60% - 5.00%
Gain On Disposition of Property	-	18,540	25,000	(25,000)	-100%	N/A
Loss On Disposition of Property	-	(2,618)	-	-	N/A	N/A
Other Interest Expense	(20,004)	(19,363)	(9,204)	(10,800)	117%	Based on FY25 actuals
Total Non-Operating Revenues & Expenses	842,948	801,884	1,018,162	(175,214)	-17%	
Net Income/(Loss) Before Capital Contributions	655,786	2,469,700	1,004,158	(348,373)	-35%	
CAPITAL CONTRIBUTIONS						
Hook-up Fees	141,322	344,314	190,837	(49,515)	-26%	Projected 74 service/meter connections.
Contribution From Others	-	63,159	-	-	N/A	Unknown
Line Extension Fees	702,976	732,589	1,000,845	(297,869)	-30%	Possible: 1 subdivision, 1 multi-family, 2-3 commercial, 1 City park, and 1 street extension.
Total Capital Contributions	844,298	1,140,062	1,191,682	(347,384)	-29%	
Change in Net Assets	\$ 1,500,084	\$ 3,609,762	\$ 2,195,840	\$ (695,757)	-46%	
CASH FLOW						
Estimated Cash and Investments, June 30, 2025	\$ 16,115,590					
Cash Used For Capital Purchases	(1,870,857)					
Change in Net Assets	1,500,084					
Add Back Depreciation	1,378,359					
Net Cash Generated/(Used)	1,007,586					
Estimated Cash and Investments, June 30, 2026	\$17,123,175					

**Canby Utility
Electric System
FY 2026 Capital Budget**

Project Name	Project ID	Description of Project	Labor	Inventory	Transport. Charges	Labor Overheads 67.84%	Purchases & Outside Costs	Project Cost / Totals
Executive - Projects								
5 year electrical system study (rollover)		An evaluation of our electric system will be performed by Ben Leland, our lead engineer, and staff of David Evans & Associates. This analysis will provide a map for future energy needs of Canby and recommendations for system improvements.	\$ 2,605	\$ -	\$ -	\$ 1,767	\$ 87,000	\$ 91,372
Replace both Pine St gates going into the shop property		Replace both 40'x10' double cantilever style slide gates. Gate are constantly failing and not up to code.	\$ 440	\$ -	\$ -	\$ 298	\$ 85,286	\$ 86,024
Admin - Projects								
Finance - Projects								
Computer Equipment		Various office software upgrades, new computers, new printers, new scanners, new monitors. Split 75/25.	-	-	-	-	33,225	33,225
Operations & Distribution - Capital Equipment								
Powered wire pulling trailer		This trailer will replace our 1988 wire puller. Parts are hard to find for the 1988 puller and it is not reliable when needed.	-	-	-	-	220,000	220,000
Locate and Fault Detection Machine (Aquatronics)		Replace our locator machines and the accessories. This piece of equipment is used daily and quickly wears out.	-	-	-	-	8,000	8,000
Hyster Forklift H120FT		A larger forklift is needed to move larger transformers, vaults, vault lids, and wire reels. Such items are becoming more common and we are unable to unload and move them around our yard.	-	-	-	-	90,000	90,000
Hyster Forklift J40XNT		This forklift is to replace our current 2003 unit. Our old unit is having more and more mechanical issues to the point we are having to rent a forklift until ours gets repaired. This new forklift will be battery powered and be CUB's first electric vehicle.	-	-	-	-	60,000	60,000
John Deere MH60D Mulching Head for Skid Steer		This mulching head will help us clear the bottom lands and areas around our substations. With this head we can also mulch our brush pile in-house and not have to hire a contractor.	-	-	-	-	42,000	42,000
15kV Elbow Grounding Set		Three (3) 15kV URD Elbow Grounding Set with 6ft. Yellow 1/0 Grounding Cable to replace our old grounding elbows.	-	-	-	-	4,500	4,500
Jpro computer and tools for vehicle diagnostic repairs (split 75/25)		Currently, we borrow code readers from the City or take our vehicles to repairs shops to obtain error code readings. This diagnostic system will help us repair our vehicles in-house at a lower cost and more quickly. Annual system updates cost \$2,200 but the first year is included with the purchase. This cost will be split 75/25 between Electric and Water.	-	-	-	-	5,429	5,429
Westcott Bay 7 build		Build out bay 7 at Westcott substation in preperation for area J.	-	-	-	-	195,160	195,160

**Canby Utility
Electric System
FY 2026 Capital Budget**

Project Name	Project ID	Description of Project	Labor	Inventory	Transport. Charges	Labor Overheads 67.84%	Purchases & Outside Costs	Project Cost / Totals
Operations & Distribution - Projects								
Overhead reconductor and replace 2 poles on 898 SW 4th (high school)	2025-14152	This item is a weak link in our overhead system. It is configured with #6 copper 1000mcm conductor on one side and 4/0 conductor on the other side. This causes issues when switching our feeders. Both poles have a steel butt brace and need to be replaced.	41,000	6,900	16,000	27,814	-	91,714
Replace bad dead-end pole 499 NW 5th	2025-14153	This pole has a steel butt brace and needs to be replaced.	20,000	3,000	8,000	13,568	-	44,568
Replace bad dead-end pole SW 6th and S Fir		This pole has a steel butt brace and needs to be replaced. A second digger truck may need to be rented for this work.	20,000	3,000	8,000	13,568	10,000	54,568
CONTRIBUTED CAPITAL:								
Various Connections		Projected 74 service/meter connections based on 144 possible connections.	52,800	47,840	4,862	35,820	-	141,322
Line Extensions		Possible 1 subdivision, 1 multi-family project, 2-3 commercial projects, 1 street extension, and 1 city park.	7,852	647,884	41,913	5,327	-	702,976
Totals			\$ 144,697	\$ 708,624	\$ 78,774	\$ 98,162	\$ 840,600	\$ 1,870,857

Procedure 520
Attachment 1
FY 2026

Canby Utility
Cash Reserve Procedure

Cash Reserve Calculation

The cash reserve calculations are targeted end-of-year balances at June 30, 2026.

Electric	Input	Pro-rate	Policy	Reserve Dollars	Basis
Annual O&M Expenditures (excluding power supply costs and depreciation)	\$ 5,472,862	365	180	\$ 2,698,945	Budget 2026
High Month Power Supply Costs	\$ 944,715	30	45	1,417,072	Budget 2026
Power Supply Risk				250,000	BPA (placeholder for CRAC)
Rate Base Factor for Catastrophic Event	Assets	Deprec.	Deprec./Assets	Assumption	
	\$ 53,991,146	\$ 19,429,887	36.0%	2.0%	1,079,823
Debt Service Highest Payment				-	From Balance Sheet at 4/30/2025
					NA
Capital Improvements	2019-2024	\$1,763,080	20.0%	\$352,616	352,616
Vehicle/Equipment Replacement Program					1/5 of 5 year September 2019 CIP
					190,312
Labor Contingency					Rotation Schedule
					100,000
					To help cover less labor intensive capital years
Total Before Project Reserve					6,088,768
Project Reserve					11,034,407
					Project Reserve
Targeted Cash Reserve					\$ 17,123,175
Minimum Cash Reserve \$4,000,000			Over / (Under) Minimum	\$ 13,123,175	

**Canby Utility
FY 2026 Budget
Departmental Summary - Electric**

Categories	Board of Directors	Executive	Administrative	Customer Service	Finance	Operations	Distribution	Risk Mgt	[not used]	FY26 Total by Category	FY25 Total by Category	\$ Change FY26 vs. FY25	% Change FY26 vs. FY25
Payroll	\$ -	\$ 164,004	\$ 145,188	\$ 298,116	\$ 200,700	\$ 437,652	\$ 970,620			\$ 2,216,280	\$ 2,150,052	\$ 66,228	3.1%
PERS		50,088	45,912	79,044	61,296	133,656	296,424			666,420	614,052	52,368	8.5%
Medical/Vision Insurance		8,064	40,128	72,888	46,020	73,824	176,244			417,168	430,680	(13,512)	-3.1%
Dental Insurance		480	2,604	4,836	1,752	7,596	12,072			29,340	33,780	(4,440)	-13.1%
Life Insurance		1,008	1,128	2,664	2,724	1,560	3,456			12,540	1,152	11,388	988.5%
Worker's Comp		276	288	516	372	8,028	18,636			28,116	31,920	(3,804)	-11.9%
Taxes State Unemployment		168	144	252	204	432	972			2,172	2,208	(36)	-1.6%
Taxes FICA/Medicare		12,672	11,112	19,416	15,348	33,480	74,256			166,284	164,472	1,812	1.1%
City Transit		984	876	1,524	1,200	2,628	5,820			13,032	12,912	120	0.9%
HRA VEBA		1,572	3,156	6,300	3,156	6,828	14,700			35,712	38,328	(2,616)	-6.8%
Subtotal Employer-Paid Expenses	-	75,312	105,348	187,440	132,072	268,032	602,580	-	-	1,370,784	1,329,504	41,280	3.1%
Total Payroll and Employer Paid Expenses	\$ -	\$ 239,316	\$ 250,536	\$ 485,556	\$ 332,772	\$ 705,684	\$ 1,573,200	\$ -		\$ 3,587,064	\$ 3,479,556	\$ 107,508	6.2%
Wages - Capitalized							(229,152)			(229,152)	(580,236)	351,084	-60.5%
Net Total Payroll & Employer-Paid Expenses	-	239,316	250,536	485,556	332,772	705,684	1,344,048	-		3,357,912	2,899,320	458,592	15.8%
401 (k)					1,452					1,452	1,380	72	5.2%
Dues, Fees & Subscriptions	233	2,180	3,313	600	98,004	108	-	500		104,938	89,780	15,158	16.9%
Meeting Expenses		360	825	72	-	396				1,653	1,299	354	27.3%
Safety			497			15,900	30,000			46,397	53,538	(7,141)	-13.3%
Special Events			15,362							15,362	13,629	1,733	12.7%
Office Supplies			6,000	150		2,496	7,920			16,566	17,322	(756)	-4.4%
Postage				37,080						37,080	40,340	(3,260)	-8.1%
Printing & Stationery Supplies			5,973	4,125						10,098	11,473	(1,375)	-12.0%
BPA Conservation				202,212						202,212	209,280	(7,068)	-3.4%
Comm Audits				-						-	-	-	0.0%
Customer Relations				1,950						1,950	1,950	-	0.0%
Heat Pump				300						300	450	(150)	-33.3%
Res. Weatherization				-						-	-	-	0.0%
School/Comm				-						-	-	-	0.0%
Share the Warmth				30,000						30,000	30,000	-	0.0%
Water Heater Rebates				-						-	-	-	0.0%
Rent				-						-	-	-	0.0%
Maint. Of Office Equipment			6,746							6,746	9,200	(2,454)	-26.7%
Maintenance of Substations							13,200			13,200	12,000	1,200	10.0%
Shop & Work Equipment Expenses							29,004			29,004	28,800	204	0.7%
Maint. Of Bldgs. & Grounds			60,023							60,023	49,357	10,666	21.6%
Utilities			13,622			15,000				28,622	27,168	1,454	5.4%
After Hours Dispatching						5,664				5,664	5,616	48	0.8%
One Call						600				600	600	-	0.0%
PGE Pole Contract							3,890			3,890	3,120	770	24.7%
Purchased Power					9,239,029					9,239,029	8,915,397	323,632	3.6%
Property & Liability Insurance								87,761		87,761	75,197	12,564	16.7%
Reporters				4,692						4,692	6,045	(1,353)	-22.4%
Bad Debts				5,857						5,857	6,800	(943)	-13.9%
Computer Supplies			2,628							2,628	4,500	(1,872)	-41.6%
Computer Upgrades					1,800					1,800	1,875	(75)	-4.0%
Maintenance of Computers					154,092					154,092	114,192	39,900	34.9%
Software Upgrades					17,112					17,112	12,156	4,956	40.8%
Telephone			23,016							23,016	23,628	(612)	-2.6%
Franchise Tax					779,254					779,254	737,650	41,604	5.6%
Energy Resource Supplier Assessment					14,123					14,123	18,000	(3,878)	-21.5%
Director Fees	5,100									5,100	5,100	-	0.0%
Other Expenses	1,418									1,418	668	750	112.4%
Depreciation					1,378,359					1,378,359	1,312,211	66,148	5.0%
Trade Organizations		56,568								56,568	53,726	2,843	5.3%
Cash Over/Short				-						-	-	-	0.0%

**Canby Utility
FY 2026 Budget
Departmental Summary - Electric**

Categories	Board of Directors	Executive	Administrative	Customer Service	Finance	Operations	Distribution	Risk Mgt	[not used]	FY26 Total by Category	FY25 Total by Category	\$ Change FY26 vs. FY25	% Change FY26 vs. FY25
Maintenance of Overhead Lines							28,800			28,800	21,000	7,800	37.1%
Maintenance of Underground Lines							39,408			39,408	33,996	5,412	15.9%
Maintenance of Line Transformers							2,004			2,004	1,704	300	17.6%
Uncollectible Accounts				-						-	-	-	0.0%
Maintenance of Electric Meters							12,300			12,300	9,000	3,300	36.7%
Street Maintenance Fee					5,112					5,112	5,100	12	0.2%
Maintenance, Supervision & Engineering							1,500			1,500	1,500	-	0.0%
Total Departmental Expenses	6,750	59,108	138,005	287,038	11,688,336	40,164	168,026	88,261	-	12,475,688	11,965,746	509,942	4.3%
Audit					39,375					39,375	28,920	10,455	36.2%
Computer Consultants					18,960					18,960	52,068	(33,108)	-63.6%
Infra-Red Scanning							-			-	-	-	0.0%
Labor Negotiations			7,500							7,500	4,500	3,000	66.7%
Legal		4,920			-	-		-		4,920	4,680	240	5.1%
Mapping						-				-	12,492	(12,492)	-100.0%
Other Consultants		-	10,248		516	-				10,764	6,876	3,888	56.5%
Pole Inspection & Treatment							-			-	-	-	0.0%
Rate Studies					27,000					27,000	-	27,000	0.0%
Translation Services				-						-	-	-	0.0%
Tree Trimming							12,000			12,000	24,720	(12,720)	-51.5%
Marketing		541								541	525	16	3.1%
Engineering					-	25,200	24,960			50,160	12,000	38,160	318.0%
Meter Expenses							-			-	-	-	0.0%
Arc-Flash Hazard Assessment							-			-	-	-	0.0%
Inspections					-					-	-	-	0.0%
Office Contract Help				-						-	-	-	0.0%
Paving/Road							-			-	-	-	0.0%
Total Consulting/Contract	-	5,461	17,748	-	85,851	25,200	36,960	-	-	171,220	146,781	24,439	16.7%
Training	3,424	970	3,663	1,700	3,825	9,600	27,000	-		50,182	41,699	8,483	20.3%
Transportation	2,570	2,510	3,411	6,672	3,404	8,280	8,400	-		35,247	36,342	(1,095)	-3.0%
Total Transportation & Training	5,994	3,480	7,074	8,372	7,229	17,880	35,400	-	-	85,429	78,041	7,388	9.5%
Total Operating Expenses	\$ 12,744	\$ 307,365	\$ 413,363	\$ 780,966	\$ 12,114,188	\$ 788,928	\$ 1,584,434	\$ 88,261	\$ -	\$ 16,090,249	\$ 15,089,888	\$ 1,000,361	6.6%

Canby Utility
FY 2026 Budget
Board of Directors - Electric

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
Expense:									
Director Fees	1	10-068	930.2	\$ 5,100	\$ 4,130	\$ 5,100	\$ -	0%	Stipend added for SDAO & PPC meetings
Total Director Fees				5,100	4,130	5,100	-	0%	
Dues, Fees & Subscriptions	1	10-012	930.2	233	221	233	(1)	0%	Zoom subscription
Other Expenses	1	10-069	930.2	1,418	614	668	750	112%	Lamp, refreshments, meeting Owl Camera
Total Departmental				1,650	835	901	749	83%	
Training	1	10-016	930.2	2,570	-	2,854	(284)	-10%	SDAO Conf (2) Seaside + placeholder
Transportation	1	10-063	930.2	3,424	1,069	4,218	(794)	-19%	SDAO Conf (2) Seaside + placeholder
Total Transportation & Training				5,994	1,069	7,072	(1,078)	-15%	
Total Board of Directors Expense				\$ 12,744	\$ 6,034	\$ 13,073	\$ (329)	-3%	

**Canby Utility
FY 2026 Budget
Executive - Electric**

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
Total Payroll & Employer Paid Expenses				\$ 239,316	\$ 213,165	\$ 225,564	\$ 13,752	6%	Estimated 2.0% CPI-U
Dues, Fees & Subscriptions	1	20-012	921	2,180	2,140	1,703	478	28%	News Data, Kiwanis, newspapers
Meeting Expenses	1	20-013	921	360	-	360	-	0%	Estimate
Total Departmental				2,540	2,140	2,063	478	23%	
Legal	1	20-040	923	4,920	5,201	4,680	240	5%	Estimate based on prior years
Other Consultants	1	20-043	923	-	-	-	-	N/A	N/A
Marketing	1	20-061	923	541	454	525	16	3%	Chamber of Commerce dues
Total Consulting/Contract				5,461	5,655	5,205	256	5%	
APPA	1	20-062	930.2	9,300	8,793	9,000	300	3%	Estimate based on FY25
LOC	1	20-073	930.2	488	375	488	-	0%	Based on rate notice
LGPI	1	20-074	930.2	-	-	-	-	N/A	N/A
OMEU	1	20-075	930.2	23,000	20,688	21,000	2,000	10%	Estimate based on FY25
SDAO	1	20-077	930.2	3,938	470	3,938	1	0%	Estimate based on FY25 dues
PNUCC	1	20-079	930.2	-	-	-	-	N/A	N/A
NWPPA	1	20-089	930.2	10,000	9,098	10,000	-	0%	Estimate based on FY25
PPC	1	20-097	930.2	9,842	9,656	9,300	542	6%	Estimate based on FY25
ICMA	1	20-099	930.2	-	-	-	-	N/A	N/A
Total Trade Organizations				56,568	49,080	53,726	2,843	5%	
Training	1	20-016	926	2,510	507	2,160	350	16%	Estimate (OMEU Meetings)
Transportation	1	20-063	921	970	574	5,220	(4,250)	-81%	Estimate
Total Transportation & Training				3,480	1,081	7,380	(3,900)	-53%	
Total Executive Expense				\$ 307,365	\$ 271,121	\$ 293,937	\$ 13,428	5%	

**Canby Utility
FY 2026 Budget
Administrative - Electric**

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase % Increase		Notes
							(Decrease)	(Decrease)	
				FY26 - FY25	FY26 - FY25				
Total Payroll & Employer Paid Expenses				\$ 250,536	\$ 147,554	\$ 242,340	\$ 8,196	3%	Estimated 2.0% CPI-U
Dues, Fees & Subscriptions	1	30-012	921	3,313	2,455	4,527	(1,214)	-27%	Fewer recruitments
Meeting Expenses	1	30-013	921	825	177	453	372	82%	Labor negotiations & Stantec meetings
Safety	1	30-014	925	497	248	8,334	(7,837)	-94%	No safety manual
Special Events	1	30-015	926	15,362	10,484	13,629	1,733	13%	55th Anniversary event
Office Supplies	1	30-017	921	6,000	4,425	6,756	(756)	-11%	Closer to actual
Printing & Stationery Supplies	1	30-019	921	5,973	7,375	8,167	(2,194)	-27%	Less envelopes, new business cards
Rent	1	30-027	935	-	-	-	-	N/A	N/A
Maint. Of Office Equipment	1	30-030	935	6,746	9,697	9,200	(2,454)	-27%	No maint. contract on folder/mail machines
Maint. Of Bldgs. & Grounds	1	30-033	935	60,023	50,168	49,357	10,666	22%	Parking lot stripe, resurface; general increase
Utilities	1	30-034	921	13,622	11,805	13,080	542	4%	Based on 2024-25 costs + 10%
Computer Supplies	1	30-055	921	2,628	5,664	4,500	(1,872)	-42%	Closer to actual
Telephone	1	30-059	921	23,016	20,443	23,628	(612)	-3%	Additional phone, data plans
Total Departmental				138,005	122,941	141,631	(3,626)	-3%	
Labor Negotiations	1	30-039	923	7,500	-	4,500	3,000	67%	Bargaining year, Handbook update
Other Consultants	1	30-043	923	10,248	4,553	6,876	3,372	49%	SDAO GM recruitment
Total Consulting/Contract				17,748	4,553	11,376	6,372	56%	
Training	1	30-016	926	3,663	691	4,712	(1,049)	-22%	No SHRM conference
Transportation	1	30-063	921	3,411	173	5,273	(1,862)	-35%	No SHRM conference
Total Transportation & Training				7,074	864	9,985	(2,911)	-29%	
Total Administrative - Expense				\$ 413,363	\$ 275,912	\$ 405,332	\$ 8,031	2%	

**Canby Utility
FY 2026 Budget
Customer Service - Electric**

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
Total Payroll & Employer Paid Expenses				\$ 485,556	\$ 398,565	\$ 398,460	\$ 87,096	22%	Estimated 2.0% CPI-U, step increases, and 3.5% CBA
Dues, Fees & Subscriptions	1	35-012	903	600	1,178	1,260	(660)	-52%	No need for stuffing & folding
Meeting Expenses	1	35-013	903	72	-	90	(18)	-20%	Based on FY25
Office Supplies	1	35-017	902	150	206	150	-	0%	Same as last year
Postage	1	35-018	903	37,080	43,064	40,340	(3,260)	-8%	Increase in paperless billing
Reporters	1	35-053	909	4,692	6,876	6,045	(1,353)	-22%	New printer and graphic designer
Bad Debt	1	35-054	903	5,857	6,941	6,800	(943)	-14%	Average of past 5 years
Cash Over/Short	1	35-082	903	-	11	-	-	N/A	N/A
Uncollectible Accounts	1	35-089	904	-	5	-	-	N/A	N/A
Total Departmental				48,451	58,281	54,685	(6,234)	-11%	
Printing & Stationery Supplies	1	35-019	903	4,125	3,235	3,306	819	25%	Estimated future printing
Translation Services	1	35-048	923	-	-	-	-	N/A	N/A
Outside Services Employed	1	35-074	923	-	-	-	-	N/A	N/A
Office Contract Help	1	35-084	923	-	-	-	-	N/A	N/A
Total Consulting/Contract				4,125	3,235	3,306	819	25%	
Training	1	35-016	926	1,700	1,517	3,450	(1,750)	-51%	1 person going to 3Cs
Transportation (meter reading)	1	35-063	903	6,672	774	6,672	-	0%	Same as last year
Transportation (conferences, mileage)	1	35-063	921	-	4,799	1,969	(1,969)	-100%	
Total Transportation & Training				8,372	7,090	12,091	(3,719)	-31%	
BPA Conservation	1	35-020	909	202,212	123,971	209,280	(7,068)	-3%	Based on BPA funding projections
Comm Audits	1	35-021	909	-	-	-	-	N/A	N/A
Customer Relations	1	35-023	909	1,950	770	1,950	-	0%	Same as last year
Heat Pump	1	35-024	909	300	150	450	(150)	-33%	No applications last year
Res. Weatherization	1	35-025	909	-	900	-	-	N/A	N/A
School/Community	1	35-026	909	-	-	-	-	N/A	N/A
Share the Warmth	1	35-027	930.2	30,000	30,320	30,000	-	0%	Same as last year
Water Heater Rebates	1	35-028	909	-	-	-	-	N/A	N/A
Total Programs				234,462	156,111	241,680	(7,218)	-3%	
Total Customer Service Expense				\$ 780,966	\$ 623,283	\$ 710,222	\$ 70,744	10%	

Canby Utility
FY 2026 Budget
Finance - Electric

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
Total Payroll & Employer Paid Expenses				\$ 332,772	\$ 409,653	\$ 442,656	\$ (109,884)	-25%	Estimated 2.0% CPI-U; 3.5% CBA
Depreciation Exp - Electric Plant	1	45-072	403.1	1,243,512	1,277,170	1,191,597	51,915	4%	From Schedule
Depreciation Exp - Equipment	1	45-072	403.2	41,609	-	40,815	794	2%	From Schedule
Depreciation Exp - Office Equipment	1	45-072	403.3	93,238	-	79,799	13,439	17%	From Schedule
Franchise Tax	1	45-060	408.6	779,254	729,452	737,650	41,604	6%	5% of Sales
Purchased Power & Transmission	1	45-051	555	9,239,029	7,848,616	8,915,397	323,632	4%	BPA power forecast, transmission estimate
Dues, Fees & Subscriptions	1	45-012	921	98,004	85,215	81,450	16,554	20%	Based on current year expenses
Meeting Expenses	1	45-013	921	-	22	-	-	N/A	N/A
401(k), Sec. 125	1	45-011	926	1,452	1,291	1,380	72	5%	ASI Flex fees, 401(k) annual report
Computer Upgrades	1	45-056	930.2	1,800	3,813	1,875	(75)	-4%	Printers, monitors, and battery backup units
Maintenance of Computers	1	45-057	930.2	154,092	86,146	114,192	39,900	35%	Software maintenance and support
Software Upgrades	1	45-058	930.2	17,112	8,485	12,156	4,956	41%	Software renewals
Energy Resource Supplier Asses.(ODOE)	1	45-064	930.2	14,123	14,411	18,000	(3,878)	-22%	OR DOE Energy Resource Supplier Assessment
Street Maintenance Fee	1	45-095	930.2	5,112	4,866	5,100	12	0%	City fee
Total Departmental				11,688,336	10,059,487	11,199,411	488,925	4%	
Audit	1	45-036	923	39,375	20,190	28,920	10,455	36%	Contract not to exceed amount
Computer Consultants	1	45-037	923	18,960	12,021	52,068	(33,108)	-64%	PCS system upgrades & enhancements
Legal	1	45-040	923	-	-	-	-	N/A	N/A
Other Consultants	1	45-043	923	516	447	-	516	N/A	FY26 CIS - GASB 75 valuation + 10%
Rate Studies	1	45-046	923	27,000	18,100	-	27,000	N/A	Estimate based on FY24
Engineering	1	45-065	923	-	-	-	-	N/A	N/A
Inspections	1	45-083	923	-	-	-	-	N/A	N/A
Total Consulting/Contract				85,851	50,758	80,988	4,863	6%	
Training	1	45-016	926	3,825	2,625	2,484	1,341	54%	Training and staff development
Transportation	1	45-063	921	3,404	153	900	2,504	278%	Annual PCS (AEUC) conference
Total Transportation & Training				7,229	2,778	3,384	3,845	114%	
Total Finance Expense				\$ 12,114,188	\$ 10,522,676	\$ 11,726,439	\$ 387,749	3%	

**Canby Utility
FY 2026 Budget
Operations - Electric**

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY25	% Increase (Decrease) FY25	Notes
Total Payroll & Employer Paid Expenses				\$ 705,684	\$ 492,732	\$ 582,540	\$ 123,144	21%	Estimated 2.0% CPI-U; 3.5% per CBA
Dues, Fees & Subscriptions	1	50-012	921	108	-	108	-	0%	Subscriptions
Meeting Expenses	1	50-013	921	396	-	396	-	0%	OMEU meetings
Office Supplies	1	50-017	921	2,496	-	2,496	-	0%	Set up mapping/media center
Utilities	1	50-034	921	15,000	12,528	14,088	912	6%	FY25, 9 month actuals
After Hours Dispatching	1	50-035	921	5,664	5,557	5,616	48	1%	Based on current contract and on FY25, 9 month actuals
One Call	1	50-042	921	600	375	600	-	0%	811 fees
Total Departmental				24,264	18,460	23,304	960	4%	
Safety	1	50-014	925	15,900	15,735	14,208	1,692	12%	Based on current ESCI contract and FY25 + 3% increase
Legal	1	50-040	923	-	-	-	-	N/A	N/A
Mapping	1	50-041	921	-	-	12,492	(12,492)	-100%	N/A
Other Consultants	1	50-043	923	-	-	-	-	N/A	N/A
Engineering	1	50-065	923	25,200	9,447	12,000	13,200	110%	Engineering support
Total Consulting/Contract				41,100	25,182	38,700	2,400	6%	
Training	1	50-016	926	9,600	1,014	2,535	7,065	279%	NWPPA / ESRI / leadership / OAWU
Transportation	1	50-063	921	8,280	-	8,365	(85)	-1%	FY25
Total Transportation & Training				17,880	1,014	10,900	6,980	64%	
Total Operations Expense				\$ 788,928	\$ 537,388	\$ 655,444	\$ 133,484	20%	

**Canby Utility
FY 2026 Budget
Distribution - Electric**

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
Net Payroll & Employer Paid Expenses				1,344,048	777,846	1,007,760	336,288	33%	3.5% COLA per CBA
Dues, Fees & Subscriptions	1	60-012	921	-	-	-	-	N/A	N/A
Safety	1	60-014	925	30,000	38,448	30,996	(996)	-3%	Based on FY25, 9 month actuals
Office Supplies	1	60-017	921	7,920	11	7,920	-	0%	Based on FY25, warehouse organization system and locking storage
Maintenance of Substations	1	60-031	591	13,200	13,091	12,000	1,200	10%	Based on 9 month actuals
Shop & Work Equipment Expenses	1	60-032	594	29,004	21,016	28,800	204	1%	Based on FY25, 9 month actuals
PGE Pole Contract Agreement	1	60-044	923	3,890	3,021	3,120	770	25%	Based on FY25 actuals
Maintenance of Overhead Lines	1	60-085	593	28,800	19,889	21,000	7,800	37%	Based on FY25, 9 month actuals
Maintenance of Underground Lines	1	60-086	594	39,408	41,541	33,996	5,412	16%	Based on FY25, 9 month actuals
Maintenance of Line Transformers	1	60-087	595	2,004	1,480	1,704	300	18%	Based on FY25, 9 month actuals
Maintenance of Electric Meters	1	60-091	597	12,300	10,877	9,000	3,300	37%	Based on FY25, 9 month actuals
Maintenance Supervision & Engineerii	1	60-096	590	1,500	645	1,500	-	0%	Based on FY25
Total Departmental				168,026	150,019	150,036	17,990	12%	
Infra-Red Scanning	1	60-038	593	-	-	-	-	N/A	N/A
Pole Inspection & Treatment	1	60-045	592	-	-	-	-	N/A	N/A
Tree Trimming	1	60-049	593	12,000	-	24,720	(12,720)	-51%	Tree trimming: hazard trees, weather events
Engineering	1	60-065	594	24,960	-	-	24,960	N/A	Based on FY25, Ops budget item
Metering	1	60-067	586	-	-	-	-	N/A	N/A
Other Expenses	1	60-069	594	-	-	-	-	N/A	N/A
Arc-Flash Hazard Assessment	1	60-081	923	-	-	-	-	N/A	N/A
Paving/Road	1	60-088	594	-	-	-	-	N/A	N/A
Total Consulting/Contract				36,960	-	24,720	12,240	50%	
Training	1	60-016	926	27,000	17,049	19,080	7,920	42%	More employees, more training opportunities (meter, transformer, GIS) and apprentice school
Transportation	1	60-063	921	8,400	224	8,148	252	3%	Based on FY25; employee training
Total Transportation & Training				35,400	17,273	27,228	8,172	30%	
Total Distribution Expense				\$ 1,584,434	\$ 945,138	\$ 1,209,744	\$ 374,690	31%	

Canby Utility
FY 2026 Budget
Risk Management - Electric

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
Expense:									
Dues, Fees and Subscriptions	1	75-012	921	\$ 500	\$ 500	\$ 500	\$ -	0%	WRMAA membership dues
Property & Liability Insurance	1	75-052	924	87,761	60,313	75,197	12,564	17%	Anticipated increase
Total Departmental				88,261	60,813	75,697	12,564	17%	
Legal	1	75-040	923	-	-	-	-	N/A	N/A
Total Consulting/Contract				-	-	-	-	N/A	
Training	1	75-016	926	-	-	-	-	N/A	N/A
Transportation	1	75-063	921	-	-	-	-	N/A	N/A
Total Transportation & Training				-	-	-	-	N/A	
Total Risk Management Expense				\$ 88,261	\$ 60,813	\$ 75,697	\$ 12,564	17%	



Fiscal Year 2026 Budget

Water

Water Operating Budget (Statement of Operations and Changes In Net Assets)	<i>pages</i>
Water Capital Budget	<i>pages</i>
Water Cash Reserve Calculation	<i>page</i>
Departmental Summary	<i>pages</i>
Detailed Departmental Budgets	<i>pages</i>

Canby Utility Water Fund
FY 2026 Budget
Statement of Operations and Changes In Net Assets

Description	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
OPERATING REVENUES						
Residential	\$ 3,825,475	\$ 2,821,173	\$ 3,038,000	\$ 787,475	26%	Based FY25 actuals and 5/01 rate increase
Commercial	689,548	492,614	560,000	129,548	23%	Based FY25 actuals and 5/01 rate increase
Industrial	70,597	49,141	46,000	24,597	53%	Based FY25 actuals and 5/01 rate increase
Municipal	66,497	44,628	48,000	18,497	39%	Based FY25 actuals and 5/01 rate increase
Multi-Family	925,047	736,926	844,000	81,047	10%	Based FY25 actuals and 5/01 rate increase
Irrigation/Hydrant	175,014	113,811	159,000	16,014	10%	Based FY25 actuals and 5/01 rate increase
Unbilled Revenue	-	72,643	-	-	N/A	Not budgeted - unknown until year-end
Total Water Usage Sales	5,752,178	4,330,936	4,695,000	1,057,178	23%	
Other Water Revenue	-	-	-	-	N/A	N/A
Total Other Water Revenues	-	-	-	-	N/A	
Total Operating Revenues	5,752,178	4,330,936	4,695,000	1,057,178	23%	
OPERATING EXPENSES						
Board of Directors	4,148	1,428	4,258	(110)	-3%	See Departmental Page
Executive	91,244	76,721	86,403	4,842	6%	See Departmental Page
Administrative	224,016	166,752	219,061	4,955	2%	See Departmental Page
Customer Service	202,182	167,480	179,998	22,184	12%	See Departmental Page
Finance	1,467,987	1,319,404	1,430,635	37,352	3%	See Departmental Page
Operations	235,764	168,364	270,497	(34,733)	-13%	See Departmental Page
Distribution	813,360	440,246	704,627	108,733	15%	See Departmental Page
Water Treatment Plant	1,478,924	1,369,269	1,481,310	(2,386)	0%	See Departmental Page
Risk Management	65,601	49,594	61,965	3,636	6%	See Departmental Page
TOTAL OPERATING EXPENSES	4,583,226	3,759,258	4,438,754	144,472	3%	
OPERATING INCOME (LOSS)	1,168,952	571,678	256,246	912,705	356%	
OPERATING MARGIN	20.3%	13.2%	5.5%			
NON-OPERATING REVENUES & EXPENSES						
Material Sales	-	-	-	-	N/A	N/A
Billed for Dig In's	3,923	6,513	4,280	(357)	-8%	Based on prior year(s)
Custom Work Sales	-	-	-	-	N/A	N/A
Misc. Other Sales	46,000	82,256	46,000	-	0%	Estimated year-end transportation adjustment
Inspection Fees	44,133	15,110	75,813	(31,680)	-42%	From Capital Budget estimate
Sewer Billing Fees - City	-	(2,439)	-	-	N/A	N/A
Material Sales Costs	-	-	-	-	N/A	N/A
Misc. Other Costs and Expenses	-	-	-	-	N/A	N/A
Inspection Fees Cost	(44,133)	(15,724)	(75,813)	31,680	-42%	From Capital Budget estimate

**Canby Utility Water Fund
FY 2026 Budget
Statement of Operations and Changes In Net Assets**

Description	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
Interest Income	587,316	436,875	437,172	150,144	34%	Estimated interest rate 4.60% - 5.00%
Gain On Disposition of Property	15,000	-	15,000	-	0%	N/A
Loss On Disposition of Property	-	(14,241)	(20,000)	20,000	-100%	N/A
Other Deductions	-	-	-	-	N/A	N/A
Interest Expense	(11,236)	(23,600)	(15,424)	4,188	-27%	Per amortization schedules
Total Non-Operating Revenues & Expenses	641,003	484,750	467,028	173,975	37%	
Net Income/(Loss) before Capital Contributions	1,809,955	1,056,428	723,274	1,086,680	150%	
CAPITAL CONTRIBUTIONS						
Hook-up Fees	30,204	26,030	75,813	(45,609)	-60%	Projected 56 service/meter connections
Contribution From Others	1,149,159	565,377	1,293,364	(144,205)	-11%	Possible: 1 subdivision, 1 multi-family, 2-3 commercial, 1 City park, and 1 street extension.
SDC Fees	712,655	448,960	1,141,484	(428,829)	-38%	SDC's for the above contributed capital
Total Capital Contributions	1,892,018	1,040,367	2,510,661	(618,643)	-25%	
Change in Net Assets	\$ 3,701,973	\$ 2,096,795	\$ 3,233,935	\$ 468,037	14%	
CASH FLOW						
Estimated Cash and Investments, June 30, 2025	\$ 12,019,768					
Cash Used For Capital Purchases	(3,951,480)					
Change in Net Assets	3,701,973					
Add Back Depreciation	947,228					
Principle Payments on Water Bonds	(213,000)					
Net Cash Generated/(Used)	484,721					
Estimated Cash and Investments, June 30, 2026	\$12,504,489					

Canby Utility Water System FY 2026 Capital Budget								
Project Name	Project ID	Description of Project	Labor	Inventory	Transport. Charges	Labor Overheads 78.05%	Purchases & Outside Costs	Project Cost / Totals
Executive - Projects								
None			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Admin - Projects								
None								
Finance - Projects								
Computer Equipment		Computer replacement and hardware upgrades. Split 75/25.	-	-	-	-	11,075	11,075
Operations & Distribution Capital Equipment								
Tow behind electric concrete mixer		We do not have our own mixer and we have to rent or borrow one. We are pouring hydrant pads and sidewalk panels, and doing more in-house maintenance. Having this mixer would make the work physically easier and improve scheduling efficiency.	-	-	-	-	5,100	5,100
Rotary laser level and receiver (transit level)		We are doing more and more in-house main line replacement and we currently do not have a transit level. A new transit level will make mainline construction more efficient and accurate.	-	-	-	-	3,000	3,000
Locate Machine		Replace our locator machine and the accessories. This piece of equipment is used every working day and quickly is worn out.	-	-	-	-	8,000	8,000
Concrete hand saw (hot saw) roll over due to price increase last year		This gas powered had saw will replace an old worn out saw. The old saw is used frequently and has worn out.	-	-	-	-	2,300	2,300
Jpro computer and tools for vehicle diagnostic repairs (split 75/25)		Currently, we borrow code readers from the City or take our vehicles to repairs shops to obtain error code readings. This diagnostic system will help us repair our vehicles in-house at a lower cost and more quickly. Annual system updates cost \$2,200 but the first year is included with the purchase. This cost will be split 75/25 between Electric and Water.	-	-	-	-	1,810	1,810
Arrow Board for units 1710 / 2012		We want to add safety arrow board to the backs of unit 1710 and 2012. These vehicles are used for flagging and traffic control setup. The arrow boards are an industry standard for traffic safety and work site safety.	1,815	-	-	1,417	5,500	8,732
Operations & Distribution - Projects								
S Manzanita and Maple Mainline replacement carry over		This project will be completed in three phases with phase one from Township Road to SE 5th Ave. This is also included in our Water Master Plan.	21,066	150,000	14,680	16,442	57,500	259,688
4" and 3" meter replacement		Replace failing 4" water meter	8,877	15,000	11,607	6,928	5,000	47,412
WTP								

**Canby Utility
Water System
FY 2026 Capital Budget**

Project Name	Project ID	Description of Project	Labor	Inventory	Transport. Charges	Labor Overheads 78.05%	Purchases & Outside Costs	Project Cost / Totals
Capital Expenditure Modifications		Capital draw-down upon request per Veolia Water O&M Service Agreement.	-	-	-	-	25,000	25,000
New Facility for Willamette River Supply		Secondary water source development planning and conceptual design.	-	-	-	-	2,400,000	2,400,000
CONTRIBUTED CAPITAL								
Various Residential Connects		Projected 56 service/meter connections based on 95 possible connections.	2,089	20,216	6,268	1,631	-	30,204
New Projects		Possible 1 subdivision, 1 multi-family project, 2-3 commercial projects, 1 street extension, and 1 city park.	4,807	-	1,000	3,752	1,139,600	1,149,159
Total			\$ 38,654	\$ 185,216	\$ 33,555	\$ 30,170	\$ 3,663,885	\$ 3,951,480

Procedure 520
Attachment 1
FY 2026

Canby Utility
Cash Reserve Procedure

Cash Reserve Calculation

The cash reserve calculations are targeted end-of-year balances at June 30, 2026.

Water	Input	Pro-rate	Policy	Reserve Dollars	Basis
Annual O&M Expenditures (excluding depreciation)	\$ 3,635,998	365	120	\$ 1,195,397	Budget 2026
Rate Base Factor for Catastrophic Event	Assets	Depre	Depre/Assets	Assumption	
	\$ 40,885,828	\$ 15,943,018	39.0%	2.0%	817,717
Debt Service Highest Payment		10/1/2024	4/1/2025		From Balance Sheet at 4/30/2025
	Series 2014	\$0	\$0		
	Series 2017	\$213,000	\$11,234		Not funded - Bonds require a reserve dollar amount - see next line
		\$213,000	\$11,234	-	
Water Revenue Bonds, Series 2014 & 2017 Reserves				198,800	Bond requirement - will move to Project Reserve when the bonds are paid off.
Capital Improvements - WMP 2023	2011-2015	\$14,325,000		20%	2,865,000
Vehicle/Equipment Replacement Program					197,194
					Rotation Schedule
Total Before Project Reserve					5,274,108
Project Reserve					7,230,381
					CWSP Reserve
Targeted Cash Reserve				\$ 12,504,489	
Minimum Cash Reserve \$2,000,000			Over / (Under) minimum	\$ 10,504,489	

**Canby Utility
FY 2026 Budget
Department Summary - Water**

Categories	Board of Directors	Executive	Administrative	Customer Service	Finance	Operations	Distribution	WTP	Risk Mgt	FY26 Total by Category	FY25 Total by Category	\$ Change FY26 vs. FY25	% Change FY26 vs. FY25
Wages - Expense	\$ -	\$ 54,672	\$ 48,396	\$ 99,372	\$ 66,900	\$ 114,516	\$ 450,360	\$ -	\$ -	\$ 834,216	\$ 860,676	\$ (26,460)	-3.1%
PERS		16,692	15,300	26,352	20,436	34,968	155,580			269,328	245,436	23,892	9.7%
Medical/Vision Insurance		2,688	13,380	24,300	15,348	24,612	114,120			194,448	215,748	(21,300)	-9.9%
Dental Insurance		168	864	1,608	576	1,740	5,616			10,572	14,604	(4,032)	-27.6%
Life Insurance		336	372	888	912	348	2,400			5,256	588	4,668	793.9%
Worker's Comp		96	96	168	120	2,004	15,096			17,580	19,572	(1,992)	-10.2%
Taxes State Unemployment		60	48	84	72	120	516			900	804	96	11.9%
Taxes FICA/Medicare		4,224	3,708	6,468	5,124	8,760	38,964			67,248	65,856	1,392	2.1%
City Transit		324	288	504	396	684	3,060			5,256	5,160	96	1.9%
HRA VEBA		528	1,056	2,100	1,056	1,572	12,600			18,912	20,484	(1,572)	-7.7%
Subtotal Employer-Paid Expenses	-	25,116	35,112	62,472	44,040	74,808	347,952	-	-	589,500	588,252	1,248	0.2%
Total Payroll and Employer Paid Expenses	-	79,788	83,508	161,844	110,940	189,324	798,312	-	-	1,423,716	1,448,928	(25,212)	-1.7%
Wages - Capitalized							(111,912)			(111,912)	(179,928)	68,016	-37.8%
Net Total Payroll & Employer-Paid Expenses	-	79,788	83,508	161,844	110,940	189,324	686,400	-	-	1,311,804	1,269,000	42,804	3.4%
401 (k)					480					480	460	20	4.4%
Dues, Fees & Subscriptions	78	-	1,840	1,200	32,664	100	1,320		500	37,702	45,464	(7,762)	-17.1%
Meeting Expenses		600	571	24	-	200				1,395	977	418	42.8%
Safety			169	50		5,304	7,200			12,723	11,756	967	8.2%
Special Events			5,449							5,449	4,870	579	11.9%
Office Supplies			2,004			2,160	120			4,284	4,536	(252)	-5.6%
Postage				12,360						12,360	13,448	(1,088)	-8.1%
Printing & Stationery Supplies			3,431	1,375						4,806	4,839	(33)	-0.7%
Customer Info				-						-	-	-	0.0%
Customer Relations				650						650	650	-	0.0%
School/Comm				-						-	-	-	0.0%
Share the Warmth				10,000						10,000	10,000	-	0.0%
Water Promotion				7,200						7,200	1,500	5,700	380.0%
Rent			60,000							60,000	60,000	-	0.0%
Maint. Of Office Equipment			2,245							2,245	3,140	(895)	-28.5%
Shop & Work Equipment Expenses							12,000			12,000	12,000	-	0.0%
Maint. Of Bldgs. & Grounds			36,026							36,026	31,112	4,914	15.8%
Utilities			4,990			3,984				8,974	8,580	394	4.6%
After Hours Dispatching						1,884				1,884	1,884	-	0.0%
One Call						408				408	408	-	0.0%
Property & Liability Insurance									65,101	65,101	61,465	3,636	5.9%
Reporters				3,573						3,573	2,615	958	36.6%
Bad Debts				1,115						1,115	600	515	85.8%
Computer Supplies			876							876	1,500	(624)	-41.6%
Computer Upgrades					650					650	677	(27)	-4.0%
Maintenance of Computers					54,379					54,379	40,434	13,945	34.5%
Software Upgrades					6,188					6,188	4,390	1,798	41.0%
Telephone			12,288							12,288	10,656	1,632	15.3%
Franchise Tax					287,611					287,611	234,750	52,861	22.5%
Hazardous Substance Fee					-					-	-	-	0.0%
Director Fees	1,380									1,380	1,380	-	0.0%
Other Expenses	473									473	223	250	112.4%
Depreciation					947,228					947,228	933,800	13,428	1.4%
Trade Organizations		4,076								4,076	3,826	251	6.5%
Cash Over/Short				-						-	-	-	0.0%
Uncollectible Accounts				-						-	-	-	0.0%
Maint. Of Distribution Mains							44,292			44,292	39,204	5,088	13.0%
Maintenance of Water Services							13,500			13,500	7,272	6,228	85.6%
Maintenance of Water Meters							1,800			1,800	1,800	-	0.0%
Maintenance of Water Hydrants							3,744			3,744	3,012	732	24.3%
Equipment Rental							-			-	-	-	0.0%

**Canby Utility
FY 2026 Budget
Department Summary - Water**

Categories	Board of Directors	Executive	Administrative	Customer Service	Finance	Operations	Distribution	WTP	Risk Mgt	FY26 Total by Category	FY25 Total by Category	\$ Change FY26 vs. FY25	% Change FY26 vs. FY25
Street Maintenance Fee					5,820					5,820	5,784	36	0.6%
Maintenance, Supervision & Engineering							16,800			16,800	16,800	-	0.0%
Total Departmental Expenses	1,930	4,676	129,889	37,547	1,335,020	14,040	100,776	-	65,601	1,689,479	1,585,811	103,668	6.5%
Audit					13,125					13,125	9,640	3,485	36.2%
Computer Consultants					6,324					6,324	17,352	(11,028)	-63.6%
Labor Negotiations			3,504							3,504	2,504	1,000	39.9%
Legal		4,680			-	-			-	4,680	4,680	-	0.0%
Mapping						-				-	12,492	(12,492)	-100.0%
Other Consultants (Maint Material & Exp's WTP)		180	4,756		168	-		7,400		12,504	11,439	1,065	9.3%
Rate Studies					-					-	-	-	0.0%
Regulatory								12,025		12,025	12,900	(875)	-6.8%
Translation Services				-						-	-	-	0.0%
Veolia Water NA								1,456,299		1,456,299	1,435,110	21,189	1.5%
Marketing		120								120	-	120	0.0%
Engineering					-	25,200				25,200	10,800	14,400	133.3%
Leak Detection Survey							-			-	-	-	0.0%
Inspections					-					-	-	-	0.0%
Office Contract Help										-	-	-	0.0%
Paving/Road							-			-	-	-	0.0%
Other Expenses								3,200		3,200	25,900	(22,700)	-87.6%
Total Consulting/Contract	-	4,980	8,260	-	19,617	25,200	-	1,478,924	-	1,536,981	1,542,817	(5,836)	-0.4%
Training	1,190	1,200	1,221	565	1,275	3,600	20,184		-	29,235	18,807	10,428	55.5%
Transportation	1,028	600	1,138	2,226	1,135	3,600	6,000		-	15,727	22,319	(6,592)	-29.5%
Total Transportation & Training	2,218	1,800	2,359	2,791	2,410	7,200	26,184	-	-	44,962	41,126	3,836	9.3%
Total Operating Expenses	\$ 4,148	\$ 91,244	\$ 224,016	\$ 202,182	\$ 1,467,987	\$ 235,764	\$ 813,360	\$ 1,478,924	\$ 65,601	\$ 4,583,226	\$ 4,438,754	\$ 144,472	3.3%

Canby Utility
FY 2026 Budget
Board of Directors - Water

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
Expense:									
Director Fees	2	10-068	930.2	\$ 1,380	\$ 1,150	\$ 1,380	\$ -	0%	Stipend added for SDAO
Total Director Fees				1,380	1,150	1,380	-	0%	
Dues, Fees & Subscriptions	2	10-012	930.2	78	74	78	-	0%	Zoom subscription
Other Expenses	2	10-069	930.2	473	204	223	250	112%	Lamp, refreshments, meeting Owl Camera
Total Departmental				550	278	300	250	83%	
Training	2	10-016	930.2	1,190	-	1,285	(95)	-7%	SDAO Conf (2) Seaside + placeholder
Transportation	2	10-063	930.2	1,028	-	1,293	(265)	-20%	SDAO Conf (2) Seaside + placeholder
Total Transportation & Training				2,218	-	2,578	(360)	-14%	
Total Board of Directors Expenses				\$ 4,148	\$ 1,428	\$ 4,258	\$ (110)	-3%	

**Canby Utility
FY 2026 Budget
Executive - Water**

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
Total Payroll & Employer Paid Expenses				\$ 79,788	\$ 69,435	\$ 75,180	\$ 4,608	6%	Estimated 2.0% CPI-U
Dues, Fees & Subscriptions	2	20-012	921	-	30	142	(142)	-100%	N/A
Meeting Expenses	2	20-013	921	600	90	600	-	0%	Estimate
Total Departmental Expenses				600	120	742	(142)	-19%	
Legal	2	20-040	923	4,680	4,084	4,680	-	0%	Average of past six years
Other Consultants	2	20-043	923	120	-	-	120	N/A	N/A
Marketing	2	20-061	923	180	151	175	5	3%	Chamber of Commerce dues
Total Consulting/Contract				4,980	4,235	4,855	125	3%	
LOC	2	20-073	930.2	163	125	163	-	0%	Based on rate notice
LGPI	2	20-074	930.2	-	-	-	-	N/A	N/A
OAWU	2	20-076	930.2	1,450	1,400	1,200	250	21%	Estimate based on FY25
SDAO	2	20-077	930.2	1,313	157	1,313	1	0%	New dues calculation
Tri County	2	20-078	930.2	-	-	-	-	N/A	N/A
AWWA	2	20-094	930.2	450	412	450	-	0%	Estimate based on FY25
OWUC	2	20-098	930.2	700	700	700	-	0%	Estimate based on FY25
ICMA	2	20-099	930.2	-	-	-	-	N/A	N/A
Total Trade Organizations				4,076	2,794	3,826	251	7%	
Training	2	20-016	926	1,200	78	1,200	-	0%	Estimate
Transportation	2	20-063	921	600	59	600	-	0%	Estimate
Total Transportation & Training				1,800	137	1,800	-	0%	
Total Executive Expenses				\$ 91,244	\$ 76,721	\$ 86,403	\$ 4,842	6%	

**Canby Utility
FY 2026 Budget
Administrative - Water**

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase	% Increase	Notes
							(Decrease)	(Decrease)	
				FY26 - FY25	FY26 - FY25	FY26 - FY25			
Total Payroll & Employer Paid Expenses				\$ 83,508	\$ 48,764	\$ 80,784	\$ 2,724	3%	Estimated 2.0% CPI-U
Dues, Fees & Subscriptions	2	30-012	921	1,840	233	3,808	(1,968)	-52%	Fewer recruitments
Meeting Expenses	2	30-013	921	571	59	147	424	288%	Labor negotiations & Stantec meetings
Safety	2	30-014	925	169	83	2,778	(2,609)	-94%	No safety manual
Special Events	2	30-015	926	5,449	3,760	4,870	579	12%	55th Anniversary event
Office Supplies	2	30-017	921	2,004	1,455	2,256	(252)	-11%	Closer to actual
Printing & Stationery Supplies	2	30-019	921	3,431	2,479	3,737	(306)	-8%	Less envelopes, new business cards
Rent	2	30-027	935	60,000	60,000	60,000	-	0%	Facility rental for Water Fund
Maint. Of Office Equipment	2	30-030	935	2,245	3,232	3,140	(895)	-29%	No maint. contract on folder/mail machines
Maint. Of Bldgs. & Grounds	2	30-033	935	36,026	30,495	31,112	4,914	16%	Parking lot stripe, resurface; general increase
Utilities	2	30-034	921	4,990	4,324	4,812	178	4%	Based on 2024-25 costs + 10%
Computer Supplies	2	30-055	921	876	1,888	1,500	(624)	-42%	Closer to actual
Telephone	2	30-059	921	12,288	8,395	10,656	1,632	15%	Additional phone, data plans
Total Departmental				129,889	116,403	128,816	1,073	1%	
Labor Negotiations	2	30-039	923	3,504	-	2,504	1,000	40%	Bargaining year, Handbook update
Other Consultants	2	30-043	923	4,756	1,297	3,624	1,132	31%	SDAO GM recruitment
Total Consulting/Contract				8,260	1,297	6,128	2,132	35%	
Training	2	30-016	926	1,221	230	1,571	(350)	-22%	No SHRM conference
Transportation	2	30-063	921	1,138	58	1,762	(624)	-35%	No SHRM conference
Total Transportation & Training				2,359	288	3,333	(974)	-29%	
Total Administrative Expenses				\$ 224,016	\$ 166,752	\$ 219,061	\$ 4,955	2%	

Canby Utility
FY 2026 Budget
Customer Service - Water

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
Total Payroll & Employer Paid Expenses				\$ 161,844	\$ 130,603	\$ 132,828	\$ 29,016	22%	Estimated 2.0% CPI-U, step increases, and 3.5% CBA
Dues, Fees & Subscriptions	2	35-012	903	1,200	1,187	13,128	(11,928)	-91%	No need for stuffing & folding
Meeting Expenses	2	35-013	903	24	-	30	(6)	-20%	Estimate
Office Supplies	2	35-017	902	50	69	50	-	0%	Same as last year
Postage	2	35-018	903	12,360	14,461	13,448	(1,088)	-8%	Increase in paperless billing
Reporters	2	35-053	909	3,573	3,580	2,615	958	37%	New printer and creator
Bad Debt	2	35-054	903	1,115	3,867	600	515	86%	Average of past 5 years
Cash Over/Short	2	35-082	903	-	-	-	-	N/A	N/A
Uncollectible Accounts	2	35-089	904	-	-	-	-	N/A	N/A
Total Departmental				18,322	23,162	29,871	(11,549)	-39%	
Printing & Stationery Supplies	2	35-019	903	1,375	1,078	1,102	273	25%	Estimated future printing
Translation Services	2	35-048	923	-	-	-	-	N/A	N/A
Outside Services Employed	2	35-074	923	-	-	-	-	N/A	N/A
Office Contract Help	2	35-084	923	-	-	-	-	N/A	N/A
Total Consulting/Contract				1,375	1,078	1,102	273	25%	
Training	2	35-016	926	565	506	1,165	(600)	-52%	1 person going to 3Cs
Transportation (meter reading)	2	35-063	903	2,226	258	2,226	-	0%	Same as last year
Transportation (conferences, mileage)		35-063	921	-	1,441	656	(656)	-100%	N/A
Total Transportation & Training				2,791	2,205	4,047	(1,256)	-31%	
Customer Info	2	35-022	909	-	-	-	-	N/A	N/A
Customer Relations	2	35-023	909	650	257	650	-	0%	Same as last year
School/Community	2	35-026	909	-	-	-	-	N/A	N/A
Share the Warmth	2	35-027	930.2	10,000	10,000	10,000	-	0%	Same as last year
Water Promotion	2	35-029	909	7,200	175	1,500	5,700	380%	Estimate - water filter credits
Total Programs				17,850	10,432	12,150	5,700	47%	
Total Customer Service Expenses				\$ 202,182	\$ 167,480	\$ 179,998	\$ 22,184	12%	

**Canby Utility
FY 2026 Budget
Finance - Water**

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase % Increase		Notes
							(Decrease)	(Decrease)	
				FY26 - FY25	FY26 - FY25				
Total Payroll & Employer Paid Expenses				\$ 110,940	\$ 133,533	\$ 147,540	\$ (36,600)	-25%	Estimated 2.0% CPI-U; 3.5% CBA
Depre Exp - Plant	2	45-072	403.1	529,532	869,128	551,534	(22,002)	-4%	From Schedule
Depre Exp - Transportation Equip	2	45-072	403.2	-	-	-	-	N/A	From Schedule
Depre Exp - Office Equipment	2	45-072	403.3	4,868	-	5,648	(780)	-14%	From Schedule
Depre Exp - WTP	2	45-072	403.4	412,828	-	376,618	36,210	10%	From Schedule
Franchise Tax	2	45-060	408.6	287,611	212,915	234,750	52,861	23%	5% of Sales
Dues, Fees & Subscriptions	2	45-012	921	32,664	28,405	26,700	5,964	22%	Based on current charges
Meeting Expenses	2	45-013	921	-	8	-	-	N/A	N/A
401(k), Sec. 125	2	45-011	926	480	430	460	20	4%	ASI Flex fees, 401(k) annual report
Computer Upgrades	2	45-056	930.2	650	1,271	677	(27)	-4%	Printers, monitors, and battery backup units
Maintenance of Computers	2	45-057	930.2	54,379	29,461	40,434	13,945	34%	Software maintenance and support
Software Upgrades	2	45-058	930.2	6,188	2,573	4,390	1,798	41%	Software renewals
Hazardous Substance Fee	2	45-064	930.2	-	-	-	-	N/A	N/A
Street Maintenance Fee	2	45-095	930.2	5,820	5,529	5,784	36	1%	City fee
Total Departmental				1,335,020	1,149,720	1,246,995	88,025	7%	
Audit	2	45-036	923	13,125	6,730	9,640	3,485	36%	Contract not to exceed amount
Computer Consultants	2	45-037	923	6,324	6,480	17,352	(11,028)	-64%	PCS system upgrades & enhancements
Legal	2	45-040	923	-	-	-	-	N/A	N/A
Other Consultants	2	45-043	923	168	149	240	(72)	-30%	FY26 CIS - GASB 75 valuation + 10%
Rate Studies	2	45-046	923	-	21,866	-	-	N/A	N/A
Engineering	2	45-065	923	-	-	-	-	N/A	N/A
Inspections	2	45-083	923	-	-	-	-	N/A	N/A
Total Consulting/Contract				19,617	35,225	27,232	(7,615)	-28%	
Training	2	45-016	926	1,275	875	1,518	(243)	-16%	Training and staff development
Transportation	2	45-063	921	1,135	51	7,350	(6,215)	-85%	Annual PCS (AEUC) conference
Total Transportation & Training				2,410	926	8,868	(6,458)	-73%	
Total Finance Expense				\$ 1,467,987	\$ 1,319,404	\$ 1,430,635	\$ 37,352	3%	

Canby Utility
FY 2026 Budget
Operations - Water

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
Total Payroll & Employer Paid Expenses				\$ 189,324	\$ 158,182	\$ 228,660	\$ (39,336)	-17%	Estimated 2.0% CPI-U; 3.5% per CBA
Dues, Fees & Subscriptions	2	50-012	921	100	-	100	-	0%	Subscriptions
Meeting Expenses	2	50-013	921	200	-	200	-	0%	Meetings
Office Supplies	2	50-017	921	2,160	-	2,160	-	0%	Set up mapping/media center
Utilities	2	50-034	921	3,984	2,747	3,768	216	6%	FY25, 9 month actuals
After Hours Dispatching	2	50-035	921	1,884	1,852	1,884	-	0%	Based on current contract and FY25, 9 month actuals
One Call	2	50-042	921	408	125	408	-	0%	811 fees
Total Departmental				8,736	4,724	8,520	216	3%	
Safety	2	50-014	925	5,304	5,353	4,728	576	12%	Based on current ESCI contract and FY25 + 3% increase
Legal	2	50-040	923	-	-	-	-	N/A	N/A
Mapping	2	50-041	921	-	-	12,492	(12,492)	-100%	N/A
Other Consultants	2	50-043	923	-	-	-	-	N/A	N/A
Engineering	2	50-065	923	25,200	-	10,800	14,400	133%	Engineering support
Total Consulting/Contract				30,504	5,353	28,020	2,484	9%	
Training	2	50-016	926	3,600	105	1,713	1,887	110%	ESRI / leadership / OAWU
Transportation	2	50-063	921	3,600	-	3,584	16	0%	Based on FY25
Total Transportation & Training				7,200	105	5,297	1,903	36%	
Total Operations Expense				\$ 235,764	\$ 168,364	\$ 270,497	\$ (34,733)	-13%	

Canby Utility
FY 2026 Budget
Distribution - Water

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
Net Payroll & Employer Paid Expenses				686,400	352,507	604,008	82,392	14%	3.5% COLA per CBA
Dues, Fees & Subscriptions	2	65-012	921	1,320	869	1,008	312	31%	WD Certs - based on FY25, 9 month actuals
Safety	2	65-014	925	7,200	4,029	4,200	3,000	71%	Based on FY25, 9 month actuals, new signs
Office Supplies	2	65-017	921	120	-	120	-	0%	Based on FY25, 9 month actuals
Shop and Work Equipment Expenses	2	65-032	594	12,000	3,249	12,000	-	0%	Based on FY25, 9 month actuals
Maintenance of Distribution Mains	2	65-089	594	44,292	41,692	39,204	5,088	13%	Based on FY25, 9 month actuals & Locates
Maintenance of Water Services	2	65-090	593	13,500	9,395	7,272	6,228	86%	Based on FY25, 9 month actuals
Maintenance of Water Meters	2	65-091	597	1,800	866	1,800	-	0%	Based on FY25, 9 month actuals
Maintenance of Water Hydrants	2	65-092	595	3,744	4,882	3,012	732	24%	Based on FY25, 9 month actuals
Equipment Rental	2	65-093	594	-	-	-	-	N/A	N/A
Maintenance Supervision & Engineerii	2	65-096	590	16,800	8,561	16,800	-	0%	Based on FY25, 9 month actuals
Total Departmental				100,776	73,543	85,416	15,360	18%	
Other Expenses	2	65-069	598	-	-	-	-	N/A	N/A
Leak Detection Survey	2	65-079	594	-	-	-	-	N/A	N/A
Paving / Road	2	65-088	594	-	-	-	-	N/A	N/A
Total Consulting/Contract				-	-	-	-	0%	
Training	2	65-016	926	20,184	11,666	10,355	9,829	95%	Training and certifications, more crew members
Transportation	2	65-063	921	6,000	2,530	4,848	1,152	24%	Training and certifications, new hires
Total Transportation & Training				26,184	14,196	15,203	10,981	72%	
Total Distribution Expenses				\$ 813,360	\$ 440,246	\$ 704,627	\$ 108,733	15%	

Canby Utility
FY 2026 Budget
Risk Management - Water

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
Expense:									
Dues, Fees & Subscriptions	2	75-012	921	\$ 500	\$ -	\$ 500	\$ -	0%	WRMAA membership dues
Property & Liability Insurance	2	75-052	924	65,101	49,594	61,465	3,636	6%	Anticipated increase
Total Departmental				65,601	49,594	61,965	3,636	6%	
Legal	2	75-040	923	-	-	-	-	N/A	N/A
Total Consulting/Contract				-	-	-	-	N/A	
Training	2	75-016	926	-	-	-	-	N/A	N/A
Transportation	2	75-063	921	-	-	-	-	N/A	N/A
Total Transportation & Training				-	-	-	-	N/A	
Total Risk Management Expenses				\$ 65,601	\$ 49,594	\$ 61,965	\$ 3,636	6%	

**Canby Utility
FY 2026 Budget
Water Treatment Plant**

Description	Fund	Insight Sector	GL Acct	FY26 Budget	FY24 Actual	FY25 Budget	Increase (Decrease) FY26 - FY25	% Increase (Decrease) FY26 - FY25	Notes
Expense:									
Maint. Material and Expenses	2	70-031	923	\$ 7,400	\$ 2,125	\$ 7,400	\$ -	0%	Clean 1 pond & vegetation removal OR Health Authority fee, OR Dept of Human Services fees; no known testing requirements.
Regulatory	2	70-047	930.2	12,025	14,525	12,900	(875)	-7%	
Veolia Water NA	2	70-050	923	1,456,299	1,343,819	1,435,110	21,189	1%	Contract cost increase and estimated increase of 5.0%, effective April '26
Total Consulting/Contract				1,475,724	1,360,469	1,455,410	20,314	1%	
Other Expenses	2	70-069	930.2	3,200	8,800	25,900	(22,700)	-88%	DRC, algae testing
Total WTP Expenses				\$ 1,478,924	\$ 1,369,269	\$ 1,481,310	\$ (2,386)	0%	



MEMORANDUM

To: Chair Thompson, Members Molamphy, Pendleton, Hill, and Westcott
From: Barbara Benson, Human Resources/Administration Manager
Date: June 4, 2025
Subject: Official Compensation Package for Employees

Suggested Motion: Motion to adopt the official compensation package for Canby Utility employees.

Background: The Oregon Government Ethics Commission (OGEC) recently issued an opinion interpreting ORS 244.040 to prohibit the provision of any food and beverages by a public body to elected or appointed officials and employees unless such provisions are part of their official compensation package.

Common examples that are now prohibited unless policies are updated include:

- Meals during governing body meetings held over lunch/dinner
- Appreciation events
- Team-building gatherings with food
- Holiday potlucks or retirement receptions

Board Attorney Ashley Driscoll advised that Canby Utility immediately stop these practices unless and until the following steps are taken:

1. The Board adopt a policy designating food/beverages as part of compensation for the Board of Directors.
2. Update existing or adopt a stand-alone policy to include food/beverage as official compensation for employees.

The attached policy was drafted from sample language Driscoll provided to Canby Utility for the employees. The policy for the Board of Directors will be presented next month.

It was also noted that adopting an official compensation package will require staff to review whether or not the compensation and benefits being provided are taxable fringe benefits under federal tax law.

I will answer any questions the board has during the meeting.

CANBY UTILITY

JUNE 2025

Official Compensation Package for Employees

Purpose: This policy is to address any issues that might arise from providing meals, food, beverages, or other compensation to employees as a result of performing their official duties for Canby Utility.

Covered Individuals: This policy applies for all employees serving Canby Utility.

Policy: As part of their official compensation package as that term is used under ORS 244.040(2)(a), employees may receive the following from Canby Utility:

- (1) Food, beverage, and other related items provided by Canby Utility including any of their relatives or household members who are accompanying them during a Canby Utility-related event such as, but not limited to meetings, team building activities, potlucks, employee appreciation events, retirement parties, retreats, and conferences.
- (2) Items with Canby Utility logo provided to them in their role as an employee such as clothing, water bottles, pens, paper, etc.
- (3) This policy does not apply to:
 - (a) Food, lodging, transportation and other related costs reimbursed by Canby Utility and covered under existing Canby Utility reimbursement policies.
 - (b) Food, beverage, and other related items provided by Canby Utility to the employee that are also available to the public at large.
 - (c) Items that are considered “gifts” under ORS 244.020(7).
- (4) Compensation provided as part of an official compensation package may be subject to income tax per the IRS rules on taxable fringe benefits (See IRS Publication 5137, Tax Exempt & Government Entities).

Examples: The following are examples of when this policy would apply:

- (1) At its regular meetings, the Canby Utility Board provides meals and beverages for employees staffing a Canby Utility meeting. Those meals would be considered part of the official compensation package.
- (2) After being hired, all Canby Utility employees receive a Canby Utility logo sweatshirt. This sweatshirt would be considered part of the official compensation package.
- (3) Employee, while performing Canby Utility related business is provided with a meal by an outside third party. This is not considered part of the official compensation package and must be analyzed under ORS 244. Canby Utility generally does not allow contractors and vendors to pay for an employee’s meal.
- (4) Members of Canby Utility Board are provided dinner at a utility staff recognition event which employees are invited to attend as well. Dinner and a prize would be considered part of the official compensation package.

The Board of Directors adopted this procedure on ____ day of June, 2025.

Barbara Benson, Board Secretary

Date