

***CANBY UTILITY
REGULAR BOARD MEETING
NOVEMBER 12, 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 August 12 and September 9, 2025 (pp. 1-10)
 - 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 November 12, 2025, with your name, the topic you would like to speak on, and contact information: bbenson@canbyutility.org or 503-263-4312.*
- V. PRESENTATION Electric Cost of Service Study – Craig Woycheese, CPA, Toth & Associates and Mike Schelske, Finance Manager (pp. 11-34)
- VI. RECOMMENDATION Proposed Overall Electric Rate Adjustment and Schedule Public Rate Hearing – Mike Schelske, Finance Manager and Kari Duncan, General Manager (pp. 35-36)
- VII. PRESENTATION Canby Water Supply Project Update – Andrew Nishihara, Stantec (pp. 37-39)
- VIII. RESOLUTION NO. 337 Authorizing Updates to Banking Signature Authority - Barbara Benson, HR/Administration Manager (pp. 40-41)
- IX. RECOMMENDATION Authorizing Kari Duncan to be Added to the Local Government Investment Pool Account – Barbara Benson, HR/Administration Manager
- X. BOARD REPORT
 - Chair Comments
 - Board Member Comments

XI. STAFF REPORTS

Operations Manager:

- New Hyster Lifts Arrived

Finance Manager:

- FY 25 Fourth Quarter/Year End Financials (42-54)
- FY 26 First Quarter Financials (pp. 55-67)

Board Secretary:

- Employee Recognition Event – December 13

General Manager Updates

- General Manager Report (pp. 68-69)

XII. ADJOURN

CANBY UTILITY REGULAR BOARD MEETING MINUTES AUGUST 12, 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; Cindy Dittmar, Customer Service Supervisor; and Jason Peterson, Operations Field Supervisor

Others Present: Brian Hutchins, Veolia Water North America; Joe Brennan; Andrew Nishihara and Eric Ward, Stantec; Corrienne Burnette, Carollo; Patty Travis; and Jeff Wall

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. Chair Thompson noted that there is an update to the attachment for Resolution No. 331.

Chair Thompson presented the consent agenda for approval. Member Molamphy made the *MOTION to approve the consent agenda, consisting of the meeting agenda, regular and executive session meeting minutes of July 8, 2025, and payment of the electric and water department bills in the amount of \$2,406,815.50. Member Hill seconded, and the motion passed 5-0.

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

Stantec project managers Andrew Nishihara and Eric Ward provided an update on the Canby Water Supply Program. Nishihara reviewed progress on project deliverables, including Service Level Goals and Communication Support, and noted that Stantec will participate in Canby Utility's anniversary event to discuss the project with community members. He reported that the bathymetry survey of the Willamette River, conducted to determine river elevations, confirmed that the designated point of diversion is not suitable for a raw water intake due to shallow riverbed conditions. As a result, Stantec is continuing to evaluate alternative intake locations. Nishihara also discussed schedule delays attributed to staffing changes at the City, limited response from ODFW, and the transition in General Manager leadership. He further noted that Senate Bill 427, which could have impacted the proposed change in point-of-diversion from the Molalla River to the Willamette River, did not advance this legislative session; therefore, there is no immediate urgency to apply for the additional point of diversion.

Board members asked questions regarding conditions on Willamette River water rights, the process for selecting an intake site, and the status of outstanding deliverables. Chair Thompson offered the Board's assistance should help be needed with outside agencies. Ward added detail on concurrent activities, including evaluation of alternative intake sites and coordination with ODFW to understand potential restrictions associated with ODFW conservation easements.

Member Pendleton asked whether the proposed new treatment plant would address PFAS ("forever chemicals"). Nishihara confirmed that the planned filtration system includes granulated activated carbon (GAC), the most effective known technology for PFAS removal. Member Pendleton also commented that the Board should begin considering rate impacts once updated cost estimates become available later this year.

Human Resources/Administration Manager Barbara Benson presented a proposed revision to Canby Utility's Exempt Employee Compensation procedure. An updated attachment to the resolution was distributed. Benson explained that the Board had approved the addition of a new Administrative Assistant - Confidential position to the organization chart. Because this position is non-exempt and non-represented, it is not covered by a collective bargaining agreement or the existing compensation policy. She noted that the personnel handbook does not provide the same clarity as Procedure 405 regarding salary structure, cost-of-living increases, or the frequency of market studies; therefore, staff recommends updating Procedure 405 to include non-represented positions explicitly.

Benson further stated that during the recent salary study for the new position, conducted by HR Answers, staff identified conflicting language in the existing policy related to equal steps and the range spread. To resolve this, staff revised the order of application to first establish the range spread and then set equal steps within that range. She also noted that the purchasing agent position remains listed in the schedule as a placeholder should the utility decide to reinstate the role in the future. Member Westcott made the *MOTION to Adopt Resolution No. 331, a resolution adopting a revision to Procedure 405 Compensation Plan for Non-Represented and Exempt Employees using the updated CPI attachment dated July 1, 2025. Member Hill seconded, and the motion passed 5-0.

Chair Thompson reported that she has initiated conversations with the General Manager candidate selected by the Board. She noted that Canby Utility's board attorney is currently on vacation and that she will continue discussions with the attorney upon her return. Thompson requested that the Board plan for a special meeting later in the month and asked Board Secretary Barb Benson to contact each Board member to confirm their availability.

Member Westcott asked about the upcoming electric rate study presentation scheduled for October. Finance Manager Mike Schelske explained that the rate consultant will present two or three options for retail electric rates and solicit feedback from the Board prior to the public hearing the following month. Westcott commented that there may be policy change and rate design considerations the Board would like incorporated into the study approach, noting recent challenges related to both large and small loads. Member Pendleton also expressed interest in

evaluating a progressive rate structure for large loads. Schelske stated that staff will need to obtain more data and analysis to offer recommendations. Chair Thompson asked whether the rate study would analyze capital improvement projects, particularly the costs associated with projects such as the Line and Load Interconnection Request. Schelske explained that the study will focus on reviewing how costs are allocated across customer classes mostly based on the new wholesale power rates. Discussion ensued regarding the existing tiered retail rate structure, the potential to incorporate infrastructure upgrade costs, and the upcoming five-year electrical capital study. Staff noted that there is currently insufficient information on projected capital costs to include in the current rate study. Schelske concluded that the study's timing is driven by the Bonneville Power Administration's two-year rate cycle that begins October 1.

Board Secretary Barbara Benson presented the Board planning calendar for the fiscal year, noting that it outlines anticipated items of interest expected to come before the Board. She encouraged Board members to provide feedback on topics of interest and noted that the dates listed are subject to change throughout the year.

Member Pendleton asked about the BPA 20-year contract that is scheduled to come before the Board in November and whether a separate transmission contract with PGE is required. Discussion followed regarding the current Regional Dialogue 20-year contract, which expires in 2028. Staff noted that while the existing contract references transmission, its primary focus is on power supply. Chair Thompson inquired about the contract negotiation process, and Benson and Member Molamphy explained the Public Power Council's role in negotiating contract terms. The contract will be presented to the Board for approval. General Manager Carol Sullivan added that the Board's attorney has recommended engaging special counsel from Cable Huston to review the agreement.

Board Secretary Barbara Benson provided an update on Canby Utility's 55th anniversary celebration. The event will feature hamburgers and hot dogs, as well as children's activities and bucket truck rides. Efficiency Services Group will distribute smart thermostats funded through the BPA conservation program. Stantec will be present to speak with the public about the Canby Water Supply Program, and Veolia will offer water treatment demonstrations and answer questions about the current water treatment plan. The electric and water crews will host a booth to answer questions about their respective departments. Benson invited Board members to attend and engage with the community if they are available.

General Manager Carol Sullivan reported that BPA concluded the BP-26 rate case, beginning October 1, 2025, and ending September 30, 2028. BPA's average Tier 1 rate increase is 8.9% and its transmission rate increase is 19.9%. However, the rate impact on Canby's wholesale power is estimated to be 0.31%, including the Tier 2 power supply (\$25,428 per year), and the transmission rate impact is estimated to be 17.4% (\$142,650 per year).

Sullivan reported that on July 31, the City notified the Department of Land Conservation and Development of its intent to explore the need for a moratorium on construction and land development. If declared, it would be justified on demonstration of a compelling need. Staff has

met with city staff to further discuss the need on August 11. Sullivan noted that Canby Utility and city staff will be meeting every two weeks.

Sullivan reported that PGE system impact study review meeting is scheduled for August 18.

Sullivan reported that Interim City Administrator Randy Ealy is planning to have PGE and potentially BPA representatives attend the September 17 City Council meeting to discuss the transmission constraints. This topic will be an agenda item during their council meeting and the public is welcome to attend. Sullivan will learn more when she hears back from Ealy and will forward it to the board when she receives it.

Sullivan announced that it is her last board meeting before her retirement and thanked the board for entrusting her with the role of General Manager. Chair Thompson provided some positive remarks on Sullivan's time with Canby Utility. Staff is having a potluck on August 26th in her honor.

Operations Manager Jason Berning reported that last Friday, a City of Canby contractor damaged a watermain on NE 10th. The water crew and Brian Hutchins from Veolia responded. Berning noted this is the third time that this contractor has hit the water main. They have also damaged twelve service lines. Berning expressed the challenges with the contractor and added that the city is helping to get a resolution. Canby Utility will be submitting a claim to the contractor's insurance company. Work has halted during the County Fair.

Member Pendleton asked about the System Impact Study results expected on August 18 and whether staff would have more information at that time, noting concerns regarding the projected five- to seven-year timeline to address the transmission constraints. Berning said he anticipates the results to be completed around that date. Pendleton also confirmed with Berning that the Sequoia Logistics, Clackamas County Fairgrounds, and Oregon Liquor and Cannabis Commission projects have received their will-serve letters and are fully committed. Berning confirmed this and stated that Canby Utility will be able to serve those new loads. To accommodate the new load, Canby Utility will permanently shift about four megawatts to the Knights Bridge substation as demand comes online.

Pendleton further asked if natural load growth projections align with BPA's estimates. Berning explained that BPA does not disclose its natural load growth forecast for Canby, although he has an approximate sense of what that load may be. He noted that BPA incorporates natural load growth into its internal forecasting. Discussion followed regarding the forecasting process, which begins on August 30, and Berning described the challenges of projecting growth when future load needs are uncertain.

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

The meeting adjourned at 8:16 p.m.

Canby Utility
Regular Board Meeting Minutes
August 12, 2025
Page 5 of 5

Melody Thompson, Chair

John Molamphy, Member

Jake Hill, Member

Jack Pendleton, Member

Robert Westcott, Member

Barbara Benson, Board Secretary

CANBY UTILITY REGULAR BOARD MEETING MINUTES SEPTEMBER 9, 2025

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

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

Others Present: Daniel Stearns, City Council Liaison; Brian Hutchins, Veolia Water North America; Joe Brennan; Andrew Nishihara and Eric Ward, Stantec; Corianne Burnette, Carollo; Patty Travis; Keith Bekman, Slayden Construction; and Brian Murphy, CDM Smith

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 Hill made the *MOTION to approve the consent agenda, consisting of the meeting agenda, special board meeting and executive session minutes of July 21 and July 22, 2025, and payment of the electric and water department bills for \$535,028.30. Member Molamphy seconded, and the motion passed 5-0.

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

Stantec Project Manager Andrew Nishihara and Eric Ward provided an update on Canby Water Supply Program activities over the past month. Nishihara reported that he attended the Canby Utility 55th Anniversary event, where Stantec presented a project display board. He noted strong public interest in the proposed plant location, the ability to address taste and odor water quality concerns, and the potential impact on customer rates.

Utility staff and Stantec continue to advance the evaluation of a preferred alternative site. Title reports are being reviewed to identify any property encumbrances. Stantec recommends initiating a pre-application process with Clackamas County to assess the site's feasibility further. Stantec is also progressing environmental and regulatory work, having initiated outreach to applicable agencies. Nishihara also noted that City of Canby staff are being included in these discussions. Ward briefly discussed plans for an upcoming workshop and ongoing work related to system integration and the siting of the water treatment plant.

Additionally, Stantec is preparing the scope and cost estimate for Year-Two services, which are anticipated to be delivered in October. Due to the timing of the new General Manager's arrival and the upcoming holiday season, Stantec suggested we could extend the Year-One services contract to allow sufficient time for the new General Manager to become familiar with the project before moving into the next phase of work.

Chair Thompson reported on the status of appointing an Interim General Manager. An employment offer letter has been issued to the Board's selected candidate; however, finalizing the employment contract has been delayed due to the Board attorney being on vacation. The candidate's proposed start date is October 25. A special board meeting is scheduled for September 16, at which Thompson will provide an update on the contract negotiations. Thompson noted that the candidate is enthusiastic about joining the organization.

Due to the delayed start date, the Board Attorney recommended appointing an interim to serve in the General Manager role until the new General Manager begins. Member Molamphy agreed and made the *MOTION to appoint Barbara Benson to serve in the interim role, citing her experience and knowledge of Canby Utility. Member Hill seconded, and the motion passed 5-0. Member Hill asked for clarification on the effective date. Chair Thompson responded that it would be effective immediately.

Finance Manager Mike Schelske presented a recommendation to adjust Water System Development Charges (SDCs) for inflation, effective October 1, 2025. He explained that the Board receives an annual staff recommendation to adjust SDCs based on an inflationary index, using the Engineering News-Record (ENR) Construction Cost Index.

SDC's account for new development impacts on water infrastructure needs and planning. When a new water connection is made, the SDC must be paid to buy into the existing infrastructure and support capital reserves for future water needs. Infrastructure costs are calculated in our 2023 Water Master Plan.

Schelske explained that SDC amounts are based on the size of the meter requested, which corresponds to water consumption needs measured in dwelling unit equivalents (DUEs). For fiscal year 2025, the inflation factor increase is 1.97%, or \$221 per DUE. For comparison, fiscal year 2024's inflation factor increase was 2.29% or \$251 per DUE.

Schelske said that Staff notified interested parties of the proposed adjustment to provide an opportunity for comment. Chair Thompson asked how Canby Utility's SDCs compare to those of other cities. Schelske did not have the comparison figures available, but stated that Canby Utility's SDCs are relatively low by comparison. Following discussion, Member Westcott made the *MOTION to Adopt Resolution No. 332, adjusting Canby Utility's Water System Development Charges by the prescribed inflationary amount effective October 1, 2025, and repealing Resolution No. 327. Member Pendleton seconded, and the motion passed 5-0.

Chair Thompson requested clarification regarding the City Council meeting scheduled for September 17, specifically whether Canby Utility Board members would have an opportunity to participate in the discussion. Board Secretary Barbara Benson suggested that Board members provide staff with a list of questions, which can then be forwarded to Interim City Administrator Randy Ealy. Because the discussion will occur during a City Council meeting, Board members may not have the opportunity to directly ask Portland General Electric (PGE) or Bonneville Power Administration (BPA) questions.

Operations Manager Jason Berning reported on the preliminary results of PGE's System Impact Study. PGE indicated that it will be able to provide an additional two megawatts of load to the Westcott Substation. To support this outcome, Canby Utility will need to shift Feeder 4 to the Knights Bridge Substation, allowing a total of six megawatts to serve the three large customer loads. Berning noted that he is awaiting BPA's review of the study findings before considering the study complete.

Member Westcott shared that he had previously expressed interest in Canby Utility doing more to market its services and strengthen public relations. As a customer-owned utility, he said it is important that the organization proactively advocates for its product and be known for more than backflow devices, billing, and rate adjustments.

Westcott presented a draft single-page customer message for discussion, highlighting electricity as the cleanest and most adaptable energy source, supporting lower emissions, healthier communities, and economic growth. He noted that electricity is increasingly the preferred choice for heating, cooking, and transportation. His messaging focused on four key points: 1) the case for electrification, 2) environmental and health benefits, 3) economic advantages, and 4) Canby Utility's role. Westcott also provided examples of rebates and incentive programs, including induction stove and EV charger rebates, Time-of-Day billing options, heat pump rebates, and public/fast-charging rate schedules.

Chair Thompson stated that it is up to the Board to determine whether and how to pursue expanded public outreach and suggested that the topic would be appropriate for a goal-setting session with the new General Manager. Board members expressed support for promoting Canby Utility's products and encouraging customers to optimize their electric service. They emphasized that messaging should highlight Canby Utility's nonprofit, low-cost, and reliable service, incorporate water alongside electric messaging, and balance these messages with conservation goals and power-supply challenges. Discussion ensued.

Finance Manager Mike Schelske presented discussion topics related to the electric rate study. He said that due to increases in power and electric operating costs, Canby Utility is conducting an electric rate study to evaluate changes to our current rates. The last electric rate adjustment occurred on November 1, 2023. The study will also assess the current rate structure and policies in light of evolving electricity-use patterns and customer growth. The goal is to continue delivering cost-effective electric service while maintaining fair and appropriate rates for all customer classes.

Schelske introduced three proposed rate design and policy changes for discussion. The first proposal is to establish a new customer class and rate for data centers. He explained that data center growth in Canby has increased from 0.9% of total kilowatt-hour consumption in 2018 to 7.4%, representing approximately 600% growth.

The second discussion item is the General Service two-tier declining block rate. Schelske explained that once a customer's usage exceeds 25,000 kWh, their rate decreases by 12.8%. In contrast, residential customers who exceed 2,000 kWh experience an 8% rate increase. He noted that the original intent of the declining block rate for commercial customers was to promote business growth. As part of the study, staff will evaluate whether it remains appropriate to maintain a declining block structure or whether an inclining block rate is more suitable today.

The third discussion item involved establishing or clarifying policies for commercial customers with multiple meters at a single location but billed under different rate classes. The proposed policy change would allow multiple accounts at the same service address to be treated as a single customer for rate-classification purposes. Schelske noted that this consideration would primarily affect data centers.

Member Pendleton asked how many customers exceed 25,000 kWh, noting that this information would help the Board better understand the potential impacts of changing the declining block rate to either a flat rate or an inclining block rate. He expressed support for the New and Emerging Large Load (NELL) classification for data centers but also raised concerns about implementing a new rate design that applies to only one customer class. Schelske provided background on why the NELL rate has not historically applied to data centers. Operations Manager Jason Berning added that, although data centers are currently billed under multiple separate accounts, they operate as a single business under one roof.

Schelske noted that revenues need to increase by approximately \$300,000 to avoid operating at a deficit, and determining how that additional revenue should be distributed across rate classes will be a key component of the study. A discussion followed regarding residential customers, who account for approximately 43% of total kilowatt-hour usage, the need to consider the potential impacts on businesses that may be struggling, and the similarity between "one roof" data center operations and multi-unit housing models, such as apartment complexes. There was also discussion of potential support for an inclining block rate structure, depending on the number of affected business customers and the overall effect on them. Member Westcott recommended consideration for a separate rate schedule for EV charging stations, noting that demand charges for fast chargers can make installation cost-prohibitive for businesses.

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

The meeting adjourned at 8:11 p.m.

Canby Utility
Regular Board Meeting Minutes
September 9, 2025
Page 5 of 5

Melody Thompson, Chair

John Molamphy, Member

Jake Hill, Member

Jack Pendleton, Member

Robert Westcott, Member

Barbara Benson, Board Secretary



Electric Cost of Service Study - 2025

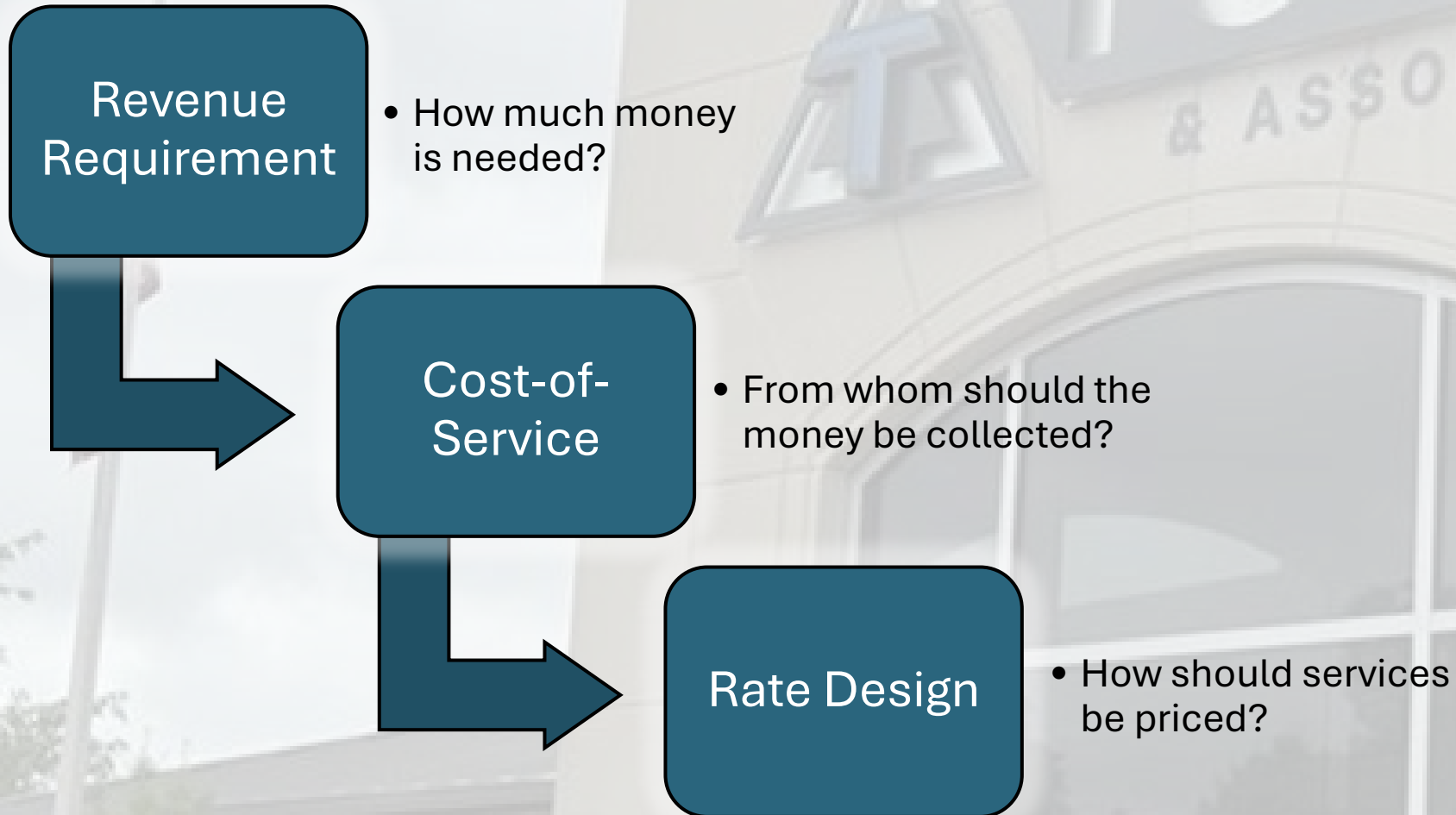
Test Year : June 30, 2025 - Forecast Year : June 30, 2026

Craig Woycheese, CPA

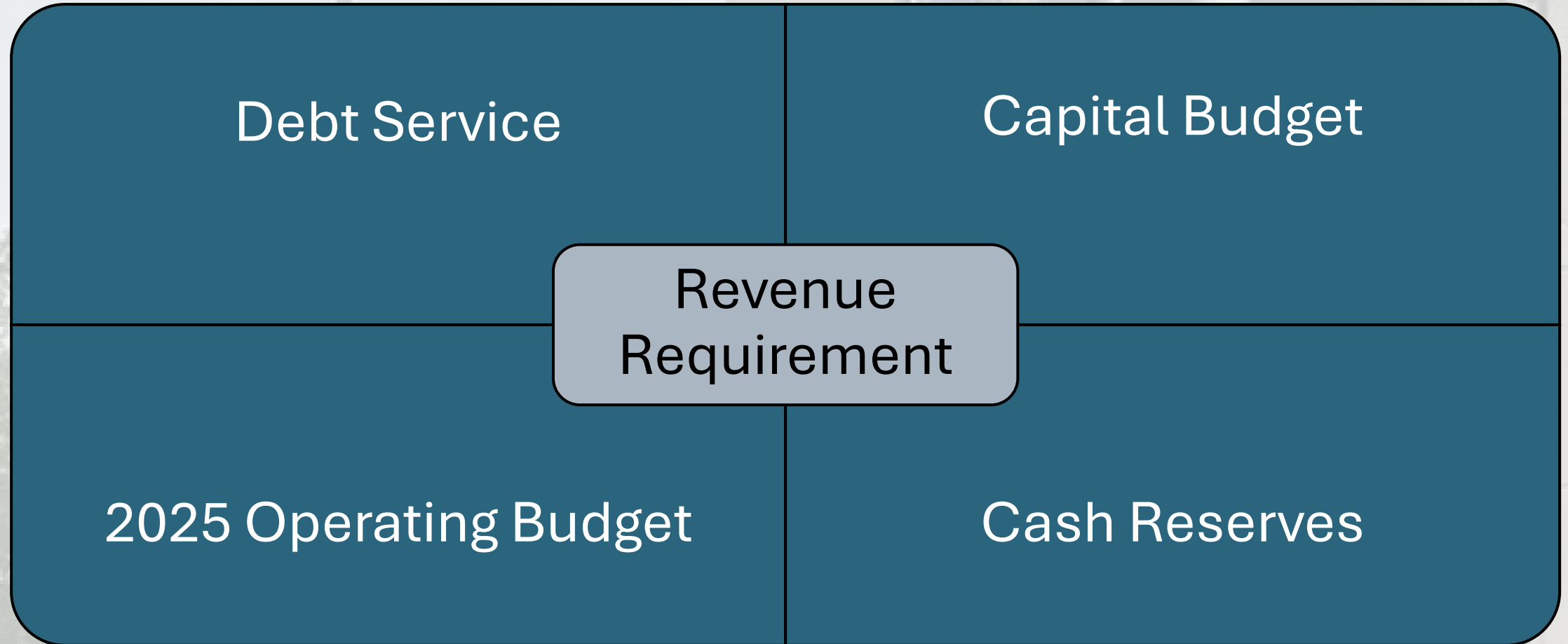
Utility Rates and Financial Analysis, Manager
(e) - cwoycheese@tothassociates.com



Elements of a Comprehensive Cost of Service Study



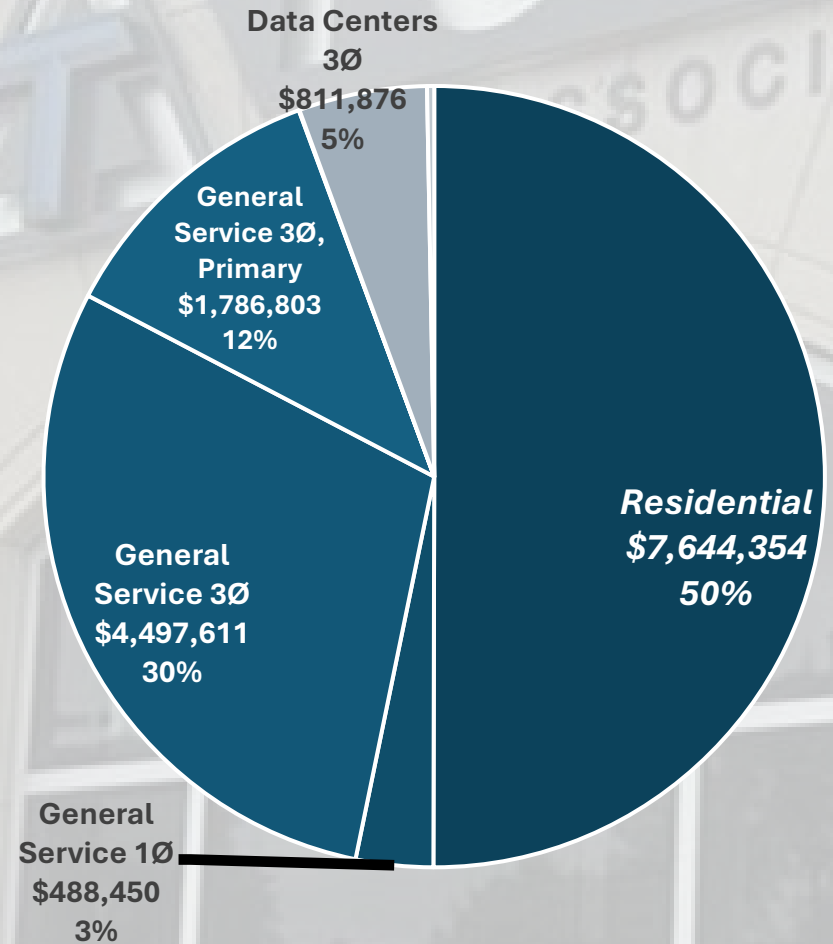
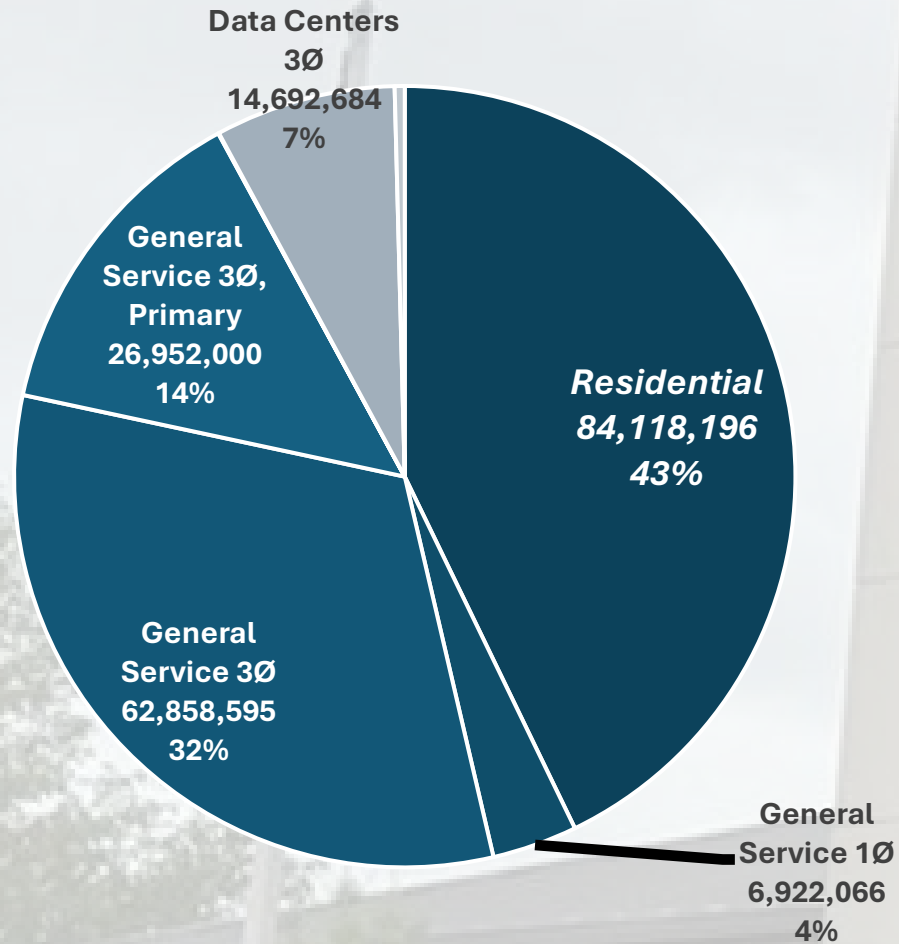
Revenue Requirement



Present Electric Sales Revenues

Rate Class	No. of Customers	kWh Sold	Avg. kWh Sold	Sales Revenue	Revenue Per kWh
Residential	7,619	84,118,196	920	\$7,644,354	\$0.0909
General Service 1Ø	420	6,922,066	1,375	\$488,450	\$0.0706
General Service 3Ø	367	62,858,595	14,260	\$4,497,611	\$0.0716
General Service 3Ø, Primary	3	26,952,000	748,667	\$1,786,803	\$0.0663
Data Centers 1Ø	5	54,462	908	\$4,172	\$0.0766
Data Centers 3Ø	47	14,692,684	26,097	\$811,876	\$0.0553
Street Lighting Service	--	812,767	0	\$45,027	\$0.0554
Total	8,461	196,410,770	1,934	\$15,278,294	\$0.0778

Electric Usage vs. Revenues



Test Year vs Forecasted Power Bills Based on Test Year Load Requirements

Power Costs			
Description	Test Year	Forecast Year	\$ Increase
Composite and Non-Slice	\$5,903,988	\$6,120,192	\$216,204
Load Shaping	-\$10,693	\$530,822	\$541,515
Demand	\$560,042	\$838,498	\$278,456
Dividend Distribution	-\$175,428	\$0	\$175,428
Tier 2 Short Term	\$1,975,989	\$1,183,492	-\$792,497
Other	\$156,400	\$159,411	\$3,011
Subtotal	\$8,410,298	\$8,832,415	\$422,117
Transmission Costs			
Description	Test Year	Forecast Year	\$ Increase
NT Service Charge	\$716,085	\$845,835	\$129,750
SCD NT Long Term Firm	\$137,152	\$161,834	\$24,682
Spin and Supp Reserves	\$57,974	\$72,570	\$14,596
Subtotal	\$911,211	\$1,080,239	\$169,028
Total	\$9,321,509	\$9,912,654	\$591,145

Income Statement Summary With Proposed 8% Option 1

Item	Test Year Ending 6/2025	Adjustments	Adjusted Fiscal Year 2026	Rate Adjustment	Pro Forma Fiscal Year 2026
Operating Revenues					
Electric Sales	\$15,301,128	(\$22,842)	\$15,278,286	\$1,224,979	\$16,503,265
Other Electric Energy Revenues	\$229,250	\$88,762	\$318,012	\$0	\$318,012
Total Operating Revenues	\$15,530,379	\$65,919	\$15,596,298	\$1,224,979	\$16,821,277
Operating Expenses					
Board of Directors	\$6,283	(\$1,183)	\$5,100	\$0	\$5,100
Executive	\$306,329	\$856	\$307,185	\$0	\$307,185
Administrative	\$288,276	\$125,087	\$413,363	\$0	\$413,363
Customer Service	\$737,279	\$43,687	\$780,966	\$0	\$780,966
Finance - Purchase Power	\$9,497,210	\$415,444	\$9,912,654	\$0	\$9,912,654
Finance excluding Purchase Power	\$2,740,684	\$134,475	\$2,875,160	\$0	\$2,875,160
Operations	\$570,693	\$218,235	\$788,928	\$0	\$788,928
Distribution	\$1,153,432	\$431,002	\$1,584,434	\$0	\$1,584,434
Risk Management	\$67,476	\$20,785	\$88,261	\$0	\$88,261
Total Operating Expenses	\$15,367,661	\$1,388,389	\$16,756,051	\$0	\$16,756,051
Operating Margin	\$162,717	(\$1,322,470)	(\$1,159,753)	\$1,224,979	\$65,226
Total Non-Operating Income/(Expenses)	\$959,879	(\$116,931)	\$842,948	\$0	\$842,948
Total Change in Net Position	\$1,122,596	(\$1,439,401)	(\$316,805)	\$1,224,979	\$908,174

Income Statement Summary With Proposed 5% Option 2

Item	Test Year Ending 6/2025	Adjustments	Adjusted Fiscal Year 2026	Rate Adjustment	Pro Forma Fiscal Year 2026
Operating Revenues					
Electric Sales	\$15,301,128	(\$22,842)	\$15,278,286	\$763,542	\$16,041,828
Other Electric Energy Revenues	\$229,250	\$88,762	\$318,012	\$0	\$318,012
Total Operating Revenues	\$15,530,379	\$65,919	\$15,596,298	\$763,542	\$16,359,840
Operating Expenses					
Board of Directors	\$6,283	(\$1,183)	\$5,100	\$0	\$5,100
Executive	\$306,329	\$856	\$307,185	\$0	\$307,185
Administrative	\$288,276	\$125,087	\$413,363	\$0	\$413,363
Customer Service	\$737,279	\$43,687	\$780,966	\$0	\$780,966
Finance - Purchase Power	\$9,497,210	\$415,444	\$9,912,654	\$0	\$9,912,654
Finance excluding Purchase Power	\$2,740,684	\$134,475	\$2,875,160	\$0	\$2,875,160
Operations	\$570,693	\$218,235	\$788,928	\$0	\$788,928
Distribution	\$1,153,432	\$431,002	\$1,584,434	\$0	\$1,584,434
Risk Management	\$67,476	\$20,785	\$88,261	\$0	\$88,261
Total Operating Expenses	\$15,367,661	\$1,388,389	\$16,756,051	\$0	\$16,756,051
Operating Margin	\$162,717	(\$1,322,470)	(\$1,159,753)	\$763,542	(\$396,210)
Total Non-Operating Income/(Expenses)	\$959,879	(\$116,931)	\$842,948	\$0	\$842,948
Total Change in Net Position	\$1,122,596	(\$1,439,401)	(\$316,805)	\$763,542	\$446,738

Revenue Summary by Rate Without Rate Increase

Rate	Rate Schedule Revenue	Other Operating Revenue	Total Present Revenue
Residential	\$7,644,354	\$159,114	\$7,803,469
General Service 1Ø	\$488,450	\$10,167	\$498,617
General Service 3Ø	\$4,497,611	\$93,616	\$4,591,227
General Service 3Ø, Primary	\$1,786,803	\$37,192	\$1,823,995
City Street Lights	\$45,027	\$937	\$45,965
General Service 1Ø, Data Centers	\$4,172	\$87	\$4,259
General Service 3Ø, Data Centers	\$811,876	\$16,899	\$828,775
Total	\$15,278,294	\$318,012	\$15,596,306

Revenue Summary by Rate With Rate Increase

Option 1 - 8%

Rate	Rate Schedule Revenue	Other Operating Revenue	Total Revenue	Change in Rate Revenue	% Change	Total Change in Revenue	% Change
Residential	\$7,971,313	\$159,114	\$8,130,428	\$326,959	4.3%	\$326,959	4.2%
General Service 1Ø	\$602,609	\$10,167	\$612,776	\$114,159	23.4%	\$114,159	22.9%
General Service 3Ø	\$4,920,749	\$93,616	\$5,014,365	\$423,138	9.4%	\$423,138	9.2%
General Service 3Ø, Primary	\$1,945,502	\$37,192	\$1,982,693	\$158,698	8.9%	\$158,698	8.7%
City Street Lights	\$58,926	\$937	\$59,863	\$13,898	30.9%	\$13,898	30.2%
General Service 1Ø, Data Centers	\$5,148	\$87	\$5,235	\$976	23.4%	\$976	22.9%
General Service 3Ø, Data Centers	\$999,025	\$16,899	\$1,015,924	\$187,149	23.1%	\$187,149	22.6%
Total	\$16,503,272	\$318,012	\$16,821,284	\$1,224,979	8.0%	\$1,224,979	7.9%

Option 2 - 5%

Rate	Rate Schedule Revenue	Other Operating Revenue	Total Revenue	Change in Rate Revenue	% Change	Total Change in Revenue	% Change
Residential	\$7,845,136	\$159,114	\$8,004,251	\$200,782	2.6%	\$200,782	2.6%
General Service 1Ø	\$559,692	\$10,167	\$569,859	\$71,243	14.6%	\$71,243	14.3%
General Service 3Ø	\$4,763,603	\$93,616	\$4,857,219	\$265,992	5.9%	\$265,992	5.8%
General Service 3Ø, Primary	\$1,886,207	\$37,192	\$1,923,399	\$99,404	5.6%	\$99,404	5.4%
City Street Lights	\$53,886	\$937	\$54,824	\$8,859	19.7%	\$8,859	19.3%
General Service 1Ø, Data Centers	\$4,811	\$87	\$4,898	\$639	15.3%	\$639	15.0%
General Service 3Ø, Data Centers	\$928,500	\$16,899	\$945,399	\$116,624	14.4%	\$116,624	14.1%
Total	\$16,041,836	\$318,012	\$16,359,848	\$763,542	5.0%	\$763,542	4.9%

COSS Summary at Present Rates

Item	Residential Service	General Service 1Ø	General Service 3Ø	General Service 3Ø, Primary Discount	Data Centers 1Ø	Data Centers 3Ø	City Street Lighting	Total
Revenue								
Revenue - Existing Sales	\$7,644,354	\$488,450	\$4,497,611	\$1,786,803	\$4,172	\$811,876	\$45,027	\$15,278,294
Revenue - Other	\$159,114	\$10,167	\$93,616	\$37,192	\$87	\$16,899	\$937	\$318,012
Total Revenue	\$7,803,469	\$498,617	\$4,591,227	\$1,823,995	\$4,259	\$828,775	\$45,965	\$15,596,306
Operating Expense	\$8,108,590	\$657,281	\$4,944,563	\$1,838,876	\$5,348	\$1,134,984	\$66,409	\$16,756,051
Operating Margin	(\$305,121)	(\$158,664)	(\$353,336)	(\$14,881)	(\$1,089)	(\$306,209)	(\$20,444)	(\$1,159,745)
Margin as % of Revenue	(3.9%)	(31.8%)	(7.7%)	(0.8%)	(25.6%)	(36.9%)	(44.5%)	(7.4%)
Relative Margin as % of Revenue	0.53	4.28	1.03	0.11	3.44	4.97	5.98	1.00

COSS Summary with Option 1 – 8%

Item	Residential Service	General Service 1Ø	General Service 3Ø	General Service 3Ø, Primary Discount	Data Centers 1Ø	Data Centers 3Ø	City Street Lighting	Total
Revenue								
Revenue - Proposed Sales	\$7,971,313	\$602,609	\$4,920,749	\$1,945,502	\$5,148	\$999,025	\$58,926	\$16,503,272
Revenue - Other	\$159,114	\$10,167	\$93,616	\$37,192	\$87	\$16,899	\$937	\$318,012
Total Revenue	\$8,130,428	\$612,776	\$5,014,365	\$1,982,693	\$5,235	\$1,015,924	\$59,863	\$16,821,284
Operating Expense	\$8,108,590	\$657,281	\$4,944,563	\$1,838,876	\$5,348	\$1,134,984	\$66,409	\$16,756,051
Operating Margin	\$21,838	(\$44,505)	\$69,802	\$143,817	(\$113)	(\$119,060)	(\$6,546)	\$65,234
Margin as % of Revenue	0.3%	(7.3%)	1.4%	7.3%	(2.2%)	(11.7%)	(10.9%)	0.4%
Relative Margin as % of Revenue	0.69	(18.73)	3.59	18.70	(5.56)	(30.22)	(28.20)	1.00
Rate Increase Dollars	\$326,959	\$114,159	\$423,138	\$158,698	\$976	\$187,149	\$13,898	\$1,224,979
Rate Increase Percentage	4.3%	23.4%	9.4%	8.9%	23.4%	23.1%	30.9%	8.0%

COSS Summary with Option 2 – 5%

Item	Residential Service	General Service 1Ø	General Service 3Ø	General Service 3Ø, Primary Discount	Data Centers 1Ø	Data Centers 3Ø	City Street Lighting	Total
Revenue								
Revenue - Proposed Sales	\$7,845,136	\$559,692	\$4,763,603	\$1,886,207	\$4,811	\$928,500	\$53,886	\$16,041,836
Revenue - Other	\$159,114	\$10,167	\$93,616	\$37,192	\$87	\$16,899	\$937	\$318,012
Total Revenue	\$8,004,251	\$569,859	\$4,857,219	\$1,923,399	\$4,898	\$945,399	\$54,824	\$16,359,848
Operating Expense	\$8,108,590	\$657,281	\$4,944,563	\$1,838,876	\$5,348	\$1,134,984	\$66,409	\$16,756,051
Operating Margin	(\$104,339)	(\$87,422)	(\$87,344)	\$84,523	(\$451)	(\$189,585)	(\$11,585)	(\$396,203)
Margin as % of Revenue	(1.3%)	(15.3%)	(1.8%)	4.4%	(9.2%)	(20.1%)	(21.1%)	0.0%
Relative Margin as % of Revenue	0.54	6.33	0.74	(1.81)	3.80	8.28	8.73	-
Rate Increase Dollars	\$200,782	\$71,243	\$265,992	\$99,404	\$639	\$116,624	\$8,859	\$763,542
Rate Increase Percentage	2.6%	14.6%	5.9%	5.6%	15.3%	14.4%	19.7%	5.0%

Rate Summary – Current and Proposed

Rate	COSA Rates	Current Rates	Proposed Rates Opt 1	Proposed Rates Opt 2
Residential Service - 1000				
Base Charge	\$16.18	\$15.00	\$16.00	\$16.00
Energy Charge: First 2,000 kWh	\$0.0788	\$0.0743	\$0.0771	\$0.0756
Energy Charge: Over 2,000 kWh	\$0.0788	\$0.0801	\$0.0829	\$0.0814
General Service Single-Phase - 1031, 1051				
Base Charge	\$20.92	\$19.25	\$20.00	\$20.00
Demand Charge: Under 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
Demand Charge: Over 50 kW	\$0.00	\$8.50	\$0.00	\$0.00
Energy Charge: First 25,000 kWh	\$0.0773	\$0.0554	\$0.0725	\$0.0663
Energy Charge: Over 25,000 kWh	\$0.0773	\$0.0483	\$0.0786	\$0.0724

Rate Summary – Current and Proposed

Rate	COSA Rates	Current Rates	Proposed Rates Opt 1	Proposed Rates Opt 2
General Service Three-Phase - 1033, 1053, 1073				
Base Charge	\$46.84	\$43.25	\$46.75	\$46.75
Demand Charge: Under 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
Demand Charge: Over 50 kW	\$14.92	\$8.50	\$9.25	\$9.25
Energy Charge: First 25,000 kWh	\$0.0502	\$0.0554	\$0.0554	\$0.0529
Energy Charge: Over 25,000 kWh	\$0.0502	\$0.0483	\$0.0594	\$0.0569
Primary General Service Three-Phase - 1074				
Base Charge	\$46.75	\$43.25	\$46.75	\$46.75
Demand Charge: Under 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
Demand Charge: Over 50 kW	\$10.86	\$8.50	\$9.25	\$9.25
Demand Charge: Primary Discount	\$0.00	-\$0.62	-\$0.67	-\$0.67
Energy Charge: First 25,000 kWh	\$0.0457	\$0.0554	\$0.0528	\$0.0506
Energy Charge: Over 25,000 kWh	\$0.0457	\$0.0483	\$0.0528	\$0.0506

Rate Summary – Current and Proposed

Rate	COSA Rates	Current Rates	Proposed Rates Opt 1	Proposed Rates Opt 2
Data Centers Single-Phase - 1031				
Base Charge	\$16.77	\$19.25	\$20.00	\$20.00
Demand Charge: Under 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
Demand Charge: Over 50 kW	\$0.00	\$8.50	\$0.00	\$0.00
Energy Charge: First 25,000 kWh	\$0.0754	\$0.0554	\$0.0725	\$0.0663
Energy Charge: Over 25,000 kWh	\$0.0754	\$0.0483	\$0.0786	\$0.0724
Data Centers Three-Phase - 1033				
Base Charge	\$48.83	\$43.25	\$46.75	\$46.75
Demand Charge: Under 50 kW	\$303.61	\$0.00	\$9.25	\$9.25
Demand Charge: Over 50 kW	\$303.61	\$8.50	\$9.25	\$9.25
Energy Charge: First 25,000 kWh	\$0.0503	\$0.0554	\$0.0608	\$0.0560
Energy Charge: Over 25,000 kWh	\$0.0503	\$0.0483	\$0.0608	\$0.0560
City Lighting Service - 7001				
Energy Charge		\$0.0554	\$0.0725	\$0.0663

Rate Summary – Current and Proposed

Rate	COSA Rates	Current Rates	Proposed Rates Opt 1	Proposed Rates Opt 2
New and Emerging Large Load > 3.1 aMW				
Demand Charge		\$9.50	\$10.25	\$10.25
Energy Charge: First 25,000 kWh		\$0.0854	\$0.0887	\$0.0887
Energy Charge: Over 25,000 kWh		\$0.0783	\$0.0887	\$0.0887

Bill Comparison Residential – 1000

Percentage of Total Bills	Average kWh Usage	Existing Revenue	Proposed Revenue Option 1	Proposed Revenue Option 2
0-10%	212	\$30.74	\$32.34	\$32.02
11-20%	398	\$44.58	\$46.69	\$46.09
21-30%	517	\$53.39	\$55.84	\$55.06
31-40%	631	\$61.89	\$64.65	\$63.71
41-50%	753	\$70.94	\$74.05	\$72.92
51-60%	889	\$81.09	\$84.58	\$83.24
61-70%	1,047	\$92.83	\$96.76	\$95.19
71-80%	1,250	\$107.89	\$112.39	\$110.51
81-90%	1,550	\$130.19	\$135.53	\$133.20
91-100%	2,392	\$195.02	\$202.72	\$199.13
System Average	964	\$86.62	\$90.32	\$88.88

Bill Comparison

Single-Phase General Service < 50 – 1031

Percentage of Total Bills	Average kWh Usage	Average kW Usage	Existing Revenue	Proposed Revenue Option 1	Proposed Revenue Option 2
0-10%	22	1	\$ 20.49	\$ 21.62	\$ 21.48
11-20%	116	1	\$ 25.69	\$ 28.43	\$ 27.71
21-30%	271	0	\$ 34.24	\$ 39.62	\$ 37.94
31-40%	454	0	\$ 44.39	\$ 52.90	\$ 50.08
41-50%	653	1	\$ 55.43	\$ 67.35	\$ 63.30
51-60%	943	1	\$ 71.47	\$ 88.34	\$ 82.49
61-70%	1,300	2	\$ 91.24	\$ 114.22	\$ 106.16
71-80%	1,811	2	\$ 119.61	\$ 151.33	\$ 140.10
81-90%	2,808	4	\$ 174.81	\$ 223.57	\$ 206.17
91-100%	6,074	11	\$ 355.77	\$ 460.39	\$ 422.73
System Average	1,442	2	\$ 99.16	\$ 124.58	\$ 115.63

Bill Comparison

Three-Phase General Service > 50 - 1053

Percentage of Total Bills	Average kWh Usage	Average kW Usage	Existing Revenue	Proposed Revenue Option 1	Proposed Revenue Option 2
0-10%	774	32	\$ 86.13	\$ 87.62	\$ 85.92
11-20%	3,314	20	\$ 226.82	\$ 221.70	\$ 214.41
21-30%	5,542	33	\$ 350.26	\$ 339.35	\$ 327.16
31-40%	8,001	37	\$ 486.51	\$ 469.21	\$ 451.60
41-50%	9,812	43	\$ 586.82	\$ 564.81	\$ 543.23
51-60%	12,049	50	\$ 710.76	\$ 682.93	\$ 656.43
61-70%	15,286	63	\$ 1,002.61	\$ 976.30	\$ 942.67
71-80%	22,467	121	\$ 1,892.25	\$ 1,890.65	\$ 1,841.23
81-90%	34,568	347	\$ 4,417.86	\$ 4,622.43	\$ 4,546.38
91-100%	86,263	312	\$ 6,618.11	\$ 7,029.14	\$ 6,839.36
System Average	20,126	107	\$ 1,641.10	\$ 1,634.88	\$ 1,590.60

Bill Comparison

Three-Phase General Service > 50 - 1073

Percentage of Total Bills	Average kWh Usage	Average kW Usage	Existing Revenue	Proposed Revenue Option 1	Proposed Revenue Option 2
0-10%	1,001	11	\$ 98.69	\$ 102.19	\$ 99.69
11-20%	4,401	21	\$ 287.05	\$ 290.55	\$ 279.55
21-30%	9,857	46	\$ 589.32	\$ 592.82	\$ 568.18
31-40%	15,029	105	\$ 1,344.02	\$ 1,388.82	\$ 1,351.25
41-50%	20,783	78	\$ 1,431.39	\$ 1,455.78	\$ 1,403.82
51-60%	28,271	140	\$ 2,352.45	\$ 2,459.87	\$ 2,389.19
61-70%	37,052	187	\$ 3,174.52	\$ 3,414.52	\$ 3,321.89
71-80%	49,423	212	\$ 3,982.82	\$ 4,378.73	\$ 4,255.18
81-90%	96,633	245	\$ 6,545.21	\$ 7,490.05	\$ 7,248.47
91-100%	197,693	424	\$12,948.78	\$ 15,149.71	\$ 14,655.48
System Average	45,831	147	\$ 3,254.99	\$ 3,562.12	\$ 3,447.54

Bill Comparison

Three-Phase General Service > 50, Primary Discount - 1074

Acct Number	Avg Monthly kWh Usage	Avg Monthly kW Usage	Avg Monthly PF Usage	Existing Revenue	Proposed Revenue Option 1	Proposed Revenue Option 2
3093	1,327,200	2,563	1	\$ 84,135.26	\$ 91,693.50	\$ 88,773.66
3094	907,800	2,169	404	\$ 63,948.17	\$ 69,625.32	\$ 67,628.16
105033	11,000	68	0	\$ 790.55	\$ 777.70	\$ 753.50
System Average	2,246,000	4,800	404	\$148,873.99	\$162,096.53	\$157,155.33

Bill Comparison

Three-Phase General Service < 50, Data Centers - 1033

Percentage of Total Bills	Avg Monthly kWh Usage	Avg Monthly kW Usage	Existing Revenue	Proposed Revenue Option 1	Proposed Revenue Option 2
0-10%	0	8	\$ 43.25	\$ 117.77	\$ 117.77
11-20%	760	7	\$ 85.37	\$ 157.71	\$ 154.06
21-30%	32,314	15	\$ 1,781.49	\$ 2,148.13	\$ 1,993.02
31-40%	64,732	21	\$ 3,347.28	\$ 4,174.14	\$ 3,863.43
41-50%	122,072	84	\$ 6,407.65	\$ 8,247.71	\$ 7,661.76
51-60%	177,954	129	\$ 9,485.65	\$ 12,057.67	\$ 11,203.49
61-70%	191,281	131	\$10,145.84	\$ 12,885.90	\$ 11,967.75
71-80%	199,581	97	\$10,261.28	\$ 13,079.90	\$ 12,121.91
81-90%	205,430	70	\$10,314.10	\$ 13,185.57	\$ 12,199.50
91-100%	230,268	154	\$12,226.90	\$ 15,471.77	\$ 14,366.48
System Average	26,051	15	\$ 1,479.01	\$ 1,771.40	\$ 1,646.36



THANK YOU



MEMORANDUM

November 12, 2025

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

FROM: Mike Schelske, Finance Manager and Kari Duncan, General Manager

SUBJECT: Set Proposed Electric Rate Hearing for December 9, 2025

Suggested Motion: *Motion to approve Management's recommendation of a proposed overall Electric rate adjustment of 8.0% and schedule a rate hearing for public input for December 9, 2025.*

Recommendation:

Management recommends that the Board approve a proposed overall Electric rate adjustment of 8.0% and schedule a public rate hearing for December 9, 2025, to gather input. This proposal is based on the Cost-of-Service Study conducted by Toth & Associates.

Key Information:

The last electric rate increase took effect on November 1, 2023, with an overall increase of 7.5%.

The primary drivers for the proposed adjustment are rising wholesale power costs and operating expenses:

- Power costs are projected to increase by 5%
- Transmission costs are projected to increase by 18.5%

The proposed 8.0% overall retail rate increase is expected to generate sufficient revenue to:

- Achieve a positive operating margin for FY 2026
- Maintain current reserve levels

The proposed rate adjustments reduce negative operating margins across several customer classes and better align revenues with costs.

Note: This rate adjustment does not provide additional revenue to fund future infrastructure investments.

Two rate options were evaluated:

- Option 1: 8% **overall** increase (recommended)
- Option 2: 5% **overall** increase (not recommended)

Option 2 results in negative operating income, with net income remaining positive only due to non-operating income. The majority of this non-operating income comes from interest earnings on cash reserves, which are budgeted at \$771,000 for FY 2026.

Rate Structure Changes:

Both rate options include two proposed changes:

- The tiered rate structure for several rate classes has changed from declining block to inclining block or a flat rate.
- A new rate class for Data Centers. This rate class will apply to data centers and similar high-density load customers, such as cloud service providers, colocation facilities, large-scale server farms, and high-performance computing operations.

Rate Impact Example:

For Residential customers, Option 1 would increase the average monthly bill by \$3.70. Examples for each rate class will be provided in the Electric Cost of Service Study presentation.

Thank you. We will be available to answer any questions the Board may have.



MEMORANDUM

To: Chair Thompson, Member Molamphy, Member Pendleton, Member Hill, and Member Westcott

Copy to: Kari Duncan, Jason Berning

From: Mike Schelske, Finance Manager

Date: November 12, 2025

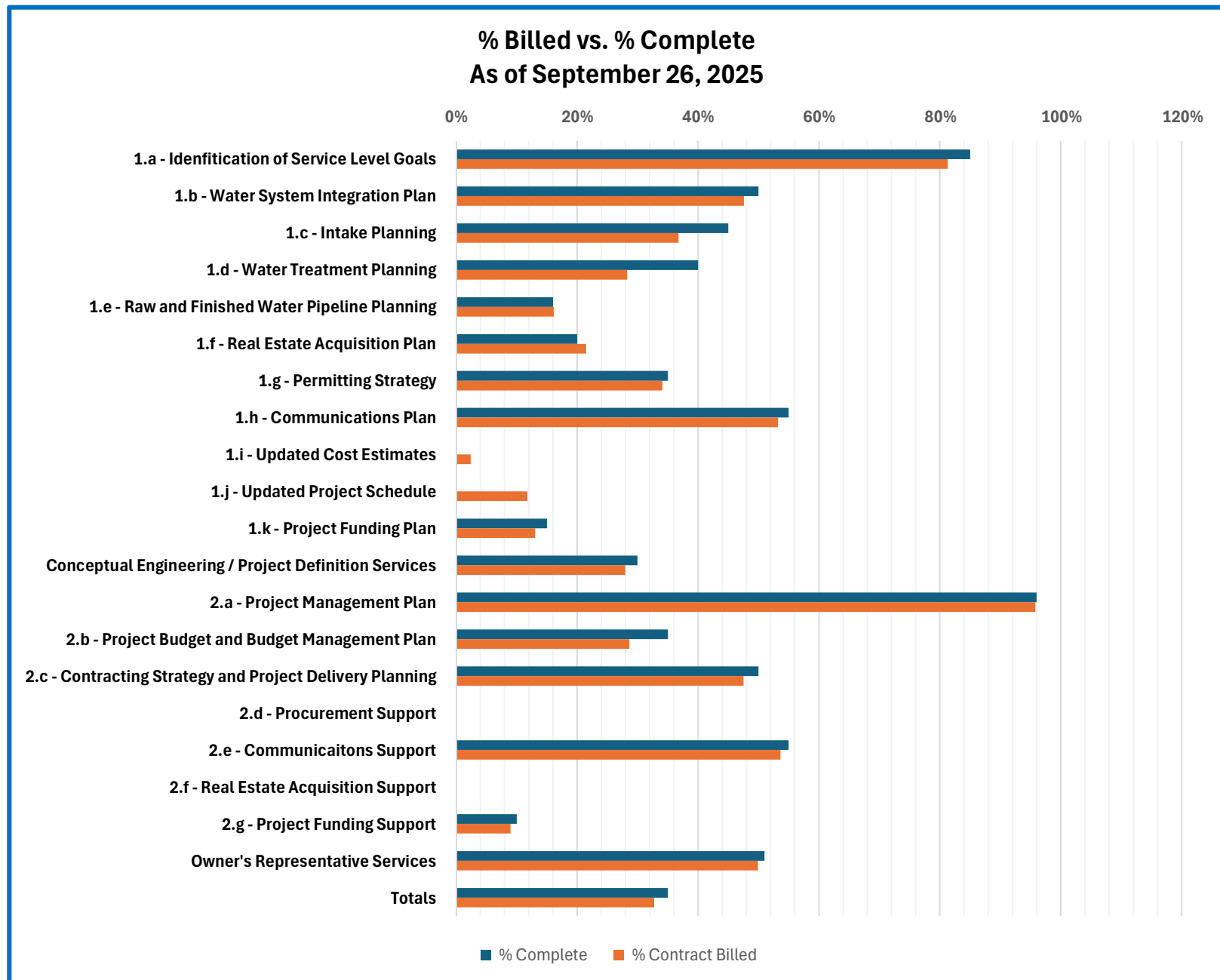
Subject: CWSP Budget Report as of September 26, 2025

Attached is a report outlining CWSP expenditures through September 26, 2025, for each task, alongside the corresponding budget allocations. The report also includes a chart comparing the percentage of each task billed to its percentage of completion, providing a snapshot of progress and financial alignment.

Stantec staff will be available to address any questions or provide further clarification as needed.

CWSP Budget Report
As of September 26, 2025

Task	Contract Amount	Amount this Invoice	Amount Previously Billed	Amount Billed to Date	% Billed of Contract	Contract Amount Remaining	Physical Percent Complete	Earned Value
1.a - Identification of Service Level Goals	\$ 34,532	\$ 137	\$ 27,943	\$ 28,080	81%	\$ 6,452	85.0%	\$ 29,352
1.b - Water System Integration Plan	98,091	2,808	\$ 43,867	46,674	48%	51,417	50.0%	49,046
1.c - Intake Planning	194,816	8,464	\$ 63,149	71,613	37%	123,203	45.0%	87,667
1.d - Water Treatment Planning	163,777	4,313	\$ 42,009	46,322	28%	117,455	40.0%	65,511
1.e - Raw and Finished Water Pipeline Planning	84,656	2,765	\$ 10,909	13,674	16%	70,982	16.0%	13,545
1.f - Real Estate Acquisition Plan	52,712	8,212	\$ 3,112	11,324	21%	41,388	20.0%	10,542
1.g - Permitting Strategy	420,671	19,892	\$ 123,566	143,458	34%	277,212	35.0%	147,235
1.h - Communications Plan	44,035	-	\$ 23,441	23,441	53%	20,594	55.0%	24,219
1.i - Updated Cost Estimates	191,329	4,564	\$ -	4,564	2%	186,765	0.0%	-
1.j - Updated Project Schedule	69,560	8,186	\$ -	8,186	12%	61,375	0.0%	-
1.k - Project Funding Plan	127,805	1,335	\$ 15,322	16,656	13%	111,149	15.0%	19,171
Conceptual Engineering / Project Definition Services	1,481,983	60,674	353,317	413,991	28%	1,067,992	30.0%	446,288
2.a - Project Management Plan	106,106	-	101,648	101,648	96%	4,457	96.0%	101,861
2.b - Project Budget and Budget Management Plan	47,481	3,096	10,507	13,602	29%	33,879	35.0%	16,618
2.c - Contracting Strategy and Project Delivery Planning	63,053	6,364	23,605	29,969	48%	33,084	50.0%	31,527
2.d - Procurement Support	30,891	-	-	-	0%	30,891	0.0%	-
2.e - Communicaitons Support	109,272	3,513	55,105	58,618	54%	50,654	55.0%	60,099
2.f - Real Estate Acquisition Support	24,914	-	-	-	0%	24,914	0.0%	-
2.g - Project Funding Support	32,673	-	2,938	2,938	9%	29,735	10.0%	3,267
Owner's Representative Services	414,390	12,973	193,802	206,775	50%	207,615	51.0%	213,373
Totals	\$ 1,896,373	\$ 73,647	\$ 547,119	\$ 620,766	33%	\$ 1,275,607	35.0%	\$ 659,661





MEMORANDUM

November 6, 2025

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

FROM: Barbara Benson, Human Resources/Administration Manager

SUBJECT: Banking Services Signature Authority Update

Suggested Motions:

- 1) Move to adopt Resolution number 337, a resolution updating the Canby Utility Board's banking services signature authority and related information.
- 2) Move to add General Manager Kari Duncan to the Local Government Investment Pool account.

Background:

With the appointment of Kari Duncan as Canby Utility's new General Manager, the staff recommends updating banking and money market account signature authorities for appropriate financial administration.

Kari will be added as the primary representative on all Columbia Bank accounts, including the General, Payroll, Online/ACH Banking, Share the Warmth, Money Market, and Credit Card accounts. In addition, Mike Schelske will be added as an authorized signer on the Share the Warmth account to approve customer bill-assistance payments.

Staff further recommends adding Kari to the Local Government Investment Pool (LGIP) account and removing me. Mike Schelske will serve as the second staff representative on the LGIP account. Our auditors have requested formal Board approval of this change in the past; therefore, a second motion is included.

I will remain an authorized signer on the General, Payroll, Share the Warmth, and Credit Card accounts.

Mike will ensure that Cindy Dittmar, recently retired Customer Service Supervisor and Carol Sullivan, recently retired General Manager, have been removed from all accounts.

Thank you for your consideration. Mike and I will be available to answer any questions the Board may have.

RESOLUTION NO. 337

A RESOLUTION UPDATING THE CANBY UTILITY BOARD'S BANKING SERVICES SIGNATURE AUTHORITY AND RELATED INFORMATION.

WHEREAS, the Canby Utility Board is an Oregon municipal utility operating in accordance with the Canby City Charter and ORS Chapter 225;

WHEREAS, the Canby Utility Board hired a new General Manager who needs to be added to Canby Utility's General, Credit Card, Share the Warmth, Money Market, and Payroll accounts at Columbia Bank; and

WHEREAS, Finance Manager Mike Schelske needs to be added to the Share the Warmth account; and

WHEREAS, Carol Sullivan and Cindy Dittmar retired and need to be removed from all Canby Utility banking information at Columbia Bank.

NOW, THEREFORE, the Canby Utility Board resolves as follows:

1. Authorize Kari Duncan to be added to the General, Payroll, Online Banking, Share the Warmth, Money Market, and Credit Card accounts at Columbia Bank as the new General Manager.
2. Authorize Mike Schelske to be added to the Share the Warmth account.
3. Remove Carol Sullivan and Cindy Dittmar from all banking accounts.
4. All other designated signors on the accounts remain unchanged.

THIS RESOLUTION IS ADOPTED BY THE CANBY UTILITY BOARD THIS
12th DAY OF November, 2025.

Melody Thompson, Chair

John Molamphy, Member

Jake Hill, Member

Jack Pendleton, Member

Robert Westcott, Member

Barbara Benson, Board Secretary



MEMORANDUM

To: Chair Thompson, Member Molamphy, Member Pendleton, and Member Hill, Member Westcott

Copy to: Kari Duncan, Jason Berning, Jason Peterson, Barb Benson

From: Mike Schelske, Finance Manager

Date: November 12, 2025

Subject: Financial Results for Twelve Months Ending June 30, 2025

*Please refer to the attached **Charts, Financial Highlights, Summary Income Statement, and Balance Sheet** for supporting details and additional information.*

YTD Electrical Highlights

- Operating revenue of \$15.5 million exceeded the budget by 3.0%.
- Purchased power of \$9.5 million was 6.5% higher than budget due to higher sales and an error in the Q1 purchased power budget calculation.
- Total expenses – purchased power and operating expenses – were 1.8% over budget mainly due to higher purchased power costs partially offset by lower BPA energy incentive payments and lower costs for some supplies and contractors.
- The operating profit was \$162,000 compared to the budget loss of \$(14,000).
- Net income of \$2.0 million was 7.0% lower than budget due to lower contributed capital (a result of lower line extension fees due to significantly fewer projects than budgeted).

Water Highlights

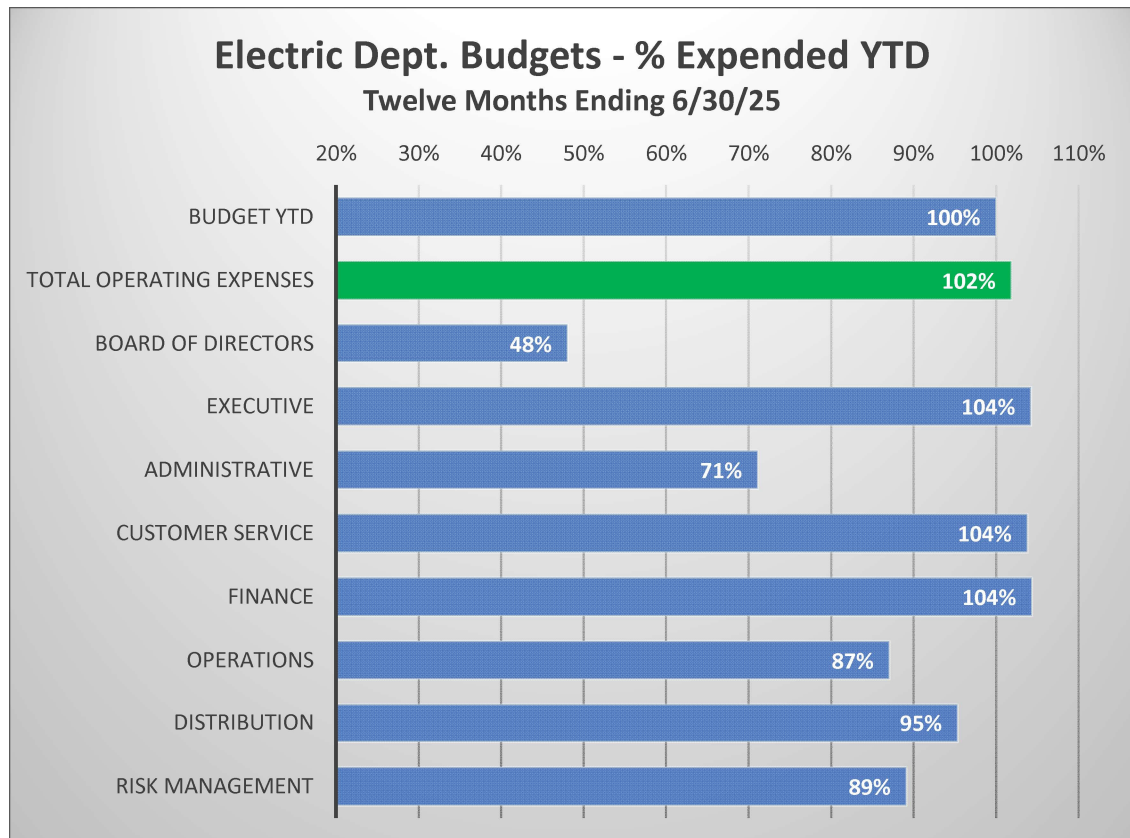
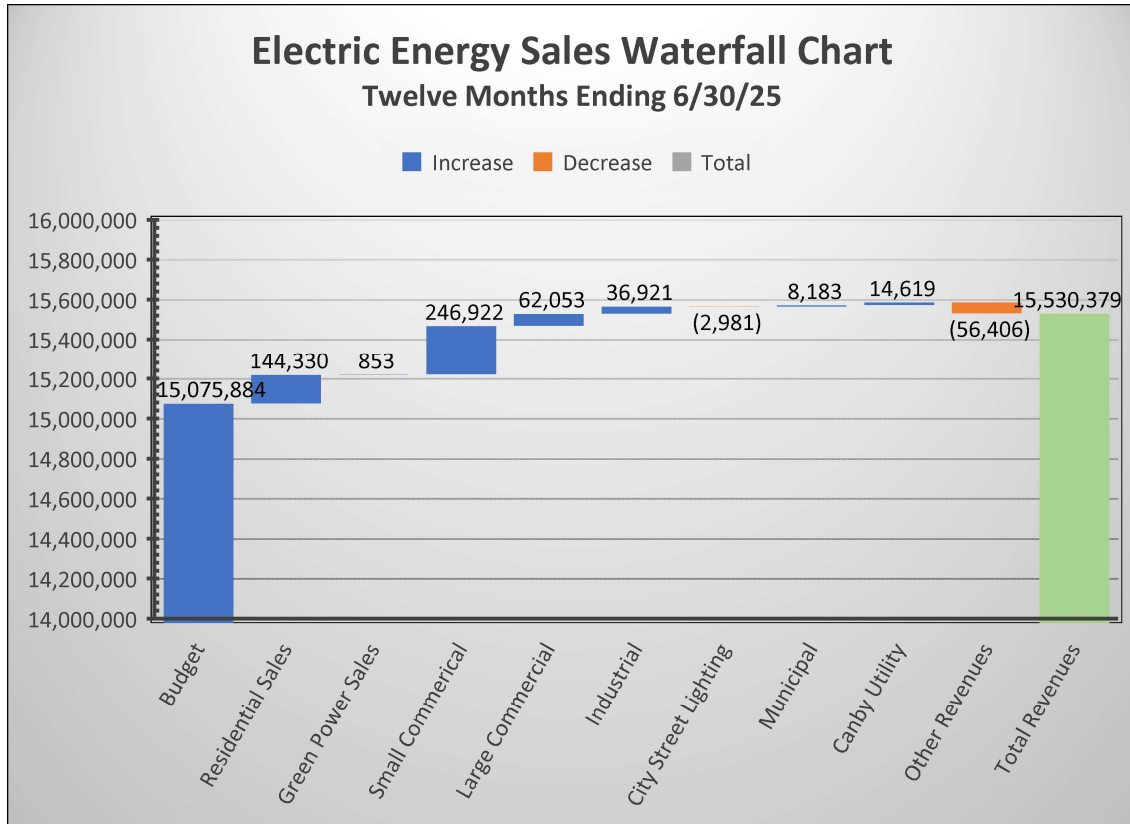
- Operating revenue of \$5.0 million was 7.6% higher than budget due to the rate increase in May and a 3.3% increase in cubic feet sold.
- Operating expenses of \$4.0 million were 9.2% under budget due to lower expenses for depreciation, personnel, mapping, engineering, and other costs.
- Operating income of \$1.0 million was 300.2% higher than budget.
- Net income of \$3.2 million was 0.3% lower than budget.

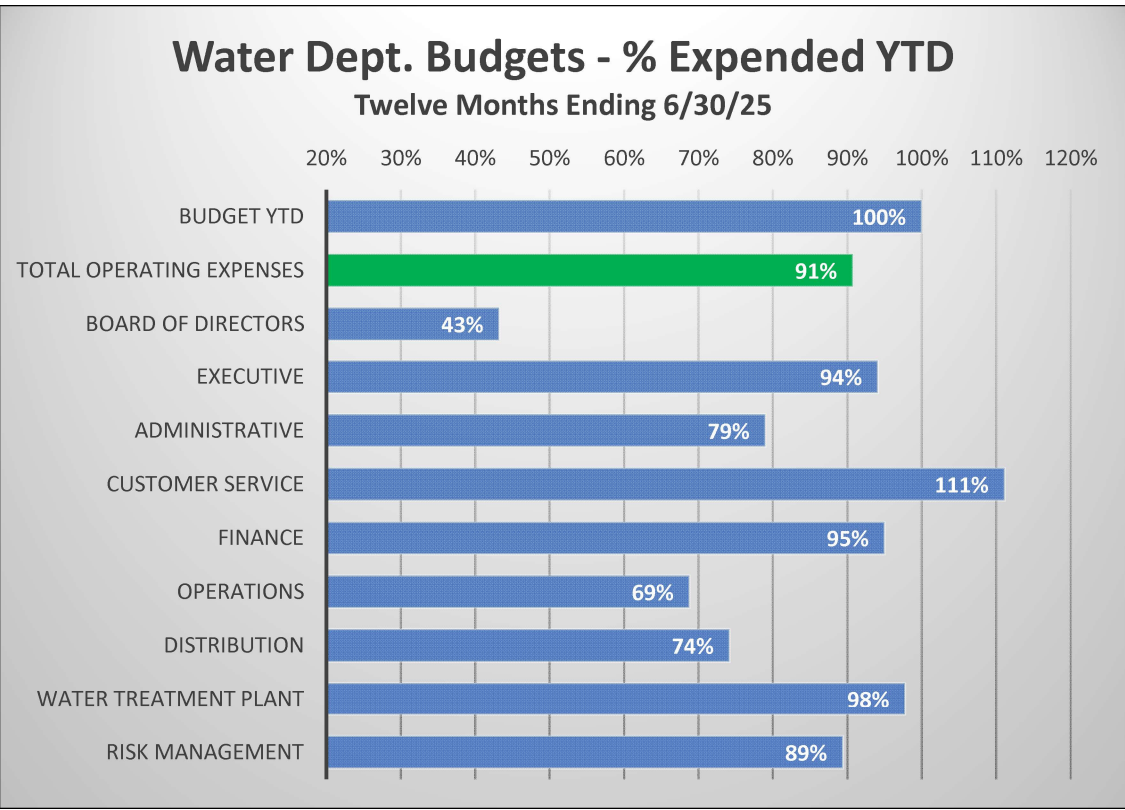
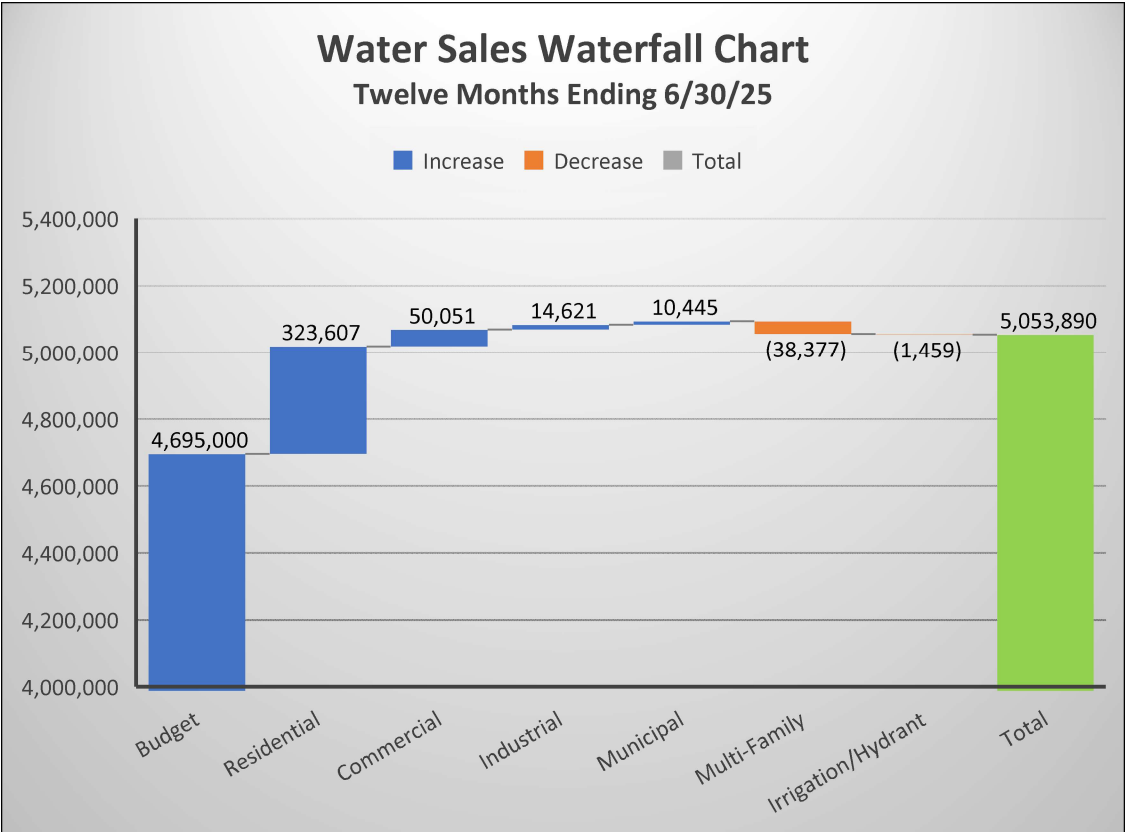


Please feel free to contact me if you have any questions or comments.

Charts on following pages:

- Electric Revenue Waterfall Chart
- Electric Department Budgets – Percentage Expended YTD
- Water Revenue Waterfall Chart
- Water Department Budgets – Percentage Expended YTD





Canby Utility
Financial Highlights
Quarter and YTD Ending June 30, 2025

Electric Operations	Quarter		YTD		YTD	
	Actual	Budget	Actual	Budget	Over (Under) Budget	Budget Status

Balance Sheet

Cash & Investments \$ 16,537,871

Income Statement

Operating Revenue	\$ 3,624,536	\$ 3,412,721	\$ 15,530,379	\$ 15,075,884	\$ 454,495	Favorable
Purchased Power	2,112,185	2,106,838	9,497,210	8,915,397	581,813	Unfavorable
Operating Expenses	1,509,207	1,513,527	5,870,451	6,174,491	(304,040)	Favorable
Operating Profit (Loss)	3,144	(207,644)	162,717	(14,004)	176,721	Favorable
Operating Margin	0.1%	-6.1%	1.0%	-0.1%		
Other Rev. (Exp.)	160,447	216,397	959,879	1,018,162	(58,283)	Unfavorable
Capital Contributions	652,815	297,919	918,835	1,191,682	(272,847)	Unfavorable
Net Income (Loss)	\$ 816,406	\$ 306,672	\$ 2,041,432	\$ 2,195,840	\$ (154,408)	Unfavorable

Sales Data

kWh Sold 198,048,152
kWh Purchased 203,202,213

Water Operations	Quarter		YTD		YTD	
	Actual	Budget	Actual	Budget	Over (Under) Budget	Budget Status

Balance Sheet

Cash & Investments \$ 11,755,544

Income Statement

Operating Revenue	\$ 1,306,344	\$ 1,066,000	\$ 5,053,890	\$ 4,695,000	\$ 358,890	Favorable
Operating Expenses	1,049,755	1,103,342	4,028,288	4,438,754	(410,466)	Favorable
Operating Profit (Loss)	256,589	(37,342)	1,025,601	256,246	769,355	Favorable
Operating Margin	19.6%	-3.5%	20.3%	5.5%		
Other Rev. (Exp.)	215,199	147,607	685,785	467,028	218,757	Favorable
Capital Contributions	303,561	\$ 627,654	1,512,739	2,510,661	(997,922)	Unfavorable
Net Income (Loss)	\$ 775,348	\$ 737,919	\$ 3,224,126	\$ 3,233,935	\$ (9,809)	Variance <1%

Sales Data

Cu. Ft. Sold 104,166,987

Statement of Operations and Changes in Net Assets - Budget - Electric

June 30, 2025

	-----Month Totals-----				-----Year to Date Totals-----			
	This Year June	Budget June	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent
<u>Operating Revenues</u>								
Residential Sales	520,811.17	468,000.00	52,811.17	11.28%	7,628,329.60	7,484,000.00	144,329.60	1.93%
Unbilled Electric Revenue	37,227.99	0.00	37,227.99	na	37,227.99	0.00	37,227.99	na
Green Power Sales	1,051.56	1,000.00	51.56	5.16%	12,853.32	12,000.00	853.32	7.11%
Small Commercial	116,261.44	77,000.00	39,261.44	50.99%	1,518,922.21	1,272,000.00	246,922.21	19.41%
Large Commercial	296,730.25	276,000.00	20,730.25	7.51%	3,482,053.13	3,420,000.00	62,053.13	1.81%
Industrial	177,480.73	162,000.00	15,480.73	9.56%	2,172,920.67	2,136,000.00	36,920.67	1.73%
City Street Lighting	3,740.40	4,000.00	(259.60)	-6.49%	45,019.31	48,000.00	(2,980.69)	-6.21%
Municipal	15,549.33	14,000.00	1,549.33	11.07%	214,182.94	206,000.00	8,182.94	3.97%
Canby Utility	17,946.29	11,000.00	6,946.29	63.15%	189,619.14	175,000.00	14,619.14	8.35%
Total Electric Energy Sales	1,186,799.16	1,013,000.00	173,799.16	17.16%	15,301,128.31	14,753,000.00	548,128.31	3.72%
NSF Check Fees	132.00	100.00	32.00	32.00%	1,353.00	1,200.00	153.00	12.75%
Reconnect Fees	650.00	1,233.00	(583.00)	-47.28%	14,300.00	14,796.00	(496.00)	-3.35%
Account Set-up Fee	1,675.00	2,417.00	(742.00)	-30.70%	24,100.00	29,004.00	(4,904.00)	-16.91%
Failed Payment Arrangement Fee	50.00	50.00	0.00	0.00%	500.00	600.00	(100.00)	-16.67%
Disconnect Notice	5,550.00	5,667.00	(117.00)	-2.06%	75,275.00	68,004.00	7,271.00	10.69%
Other Electric Revenues	26,795.92	17,440.00	9,355.92	53.65%	113,722.36	209,280.00	(95,557.64)	-45.66%
Total Other Electric Energy Revenues	34,852.92	26,907.00	7,945.92	29.53%	229,250.36	322,884.00	(93,633.64)	-29.00%
Total Operating Revenues	1,221,652.08	1,039,907.00	181,745.08	17.48%	15,530,378.67	15,075,884.00	454,494.67	3.01%
<u>Operating Expenses</u>								
Board Of Directors	0.00	731.00	(731.00)	-100.00%	6,282.53	13,073.00	(6,790.47)	-51.94%
Executive	39,875.87	19,455.50	20,420.37	104.96%	306,328.89	293,937.00	12,391.89	4.22%
Administrative	29,781.70	35,804.00	(6,022.30)	-16.82%	288,275.76	405,332.00	(117,056.24)	-28.88%
Customer Service	77,937.10	65,993.00	11,944.10	18.10%	737,279.41	710,222.00	27,057.41	3.81%
Finance	964,643.33	879,263.50	85,379.83	9.71%	12,237,894.39	11,726,439.00	511,455.39	4.36%
Operations	61,734.11	57,044.00	4,690.11	8.22%	570,692.56	655,444.00	(84,751.44)	-12.93%
Distribution	111,607.74	100,812.00	10,795.74	10.71%	1,153,431.76	1,209,744.00	(56,312.24)	-4.65%
Risk Management	5,716.00	6,246.00	(530.00)	-8.49%	67,475.95	75,697.00	(8,221.05)	-10.86%
Total Operating Expenses	1,291,295.85	1,165,349.00	125,946.85	10.81%	15,367,661.25	15,089,888.00	277,773.25	1.84%
Operating Income/(Loss)	(69,643.77)	(125,442.00)	55,798.23	44.48%	162,717.42	(14,004.00)	176,721.42	1,261.94%
Operating Margin	-5.70%	-12.06%			1.05%	-0.09%		

Statement of Operations and Changes in Net Assets - Budget - Electric

June 30, 2025

	-----Month Totals-----				-----Year to Date Totals-----			
	This Year June	Budget June	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent
<u>Non-Operating Revenues & Expenses</u>								
Rental Lights	2,767.52	3,000.00	(232.48)	-7.75%	33,440.42	36,000.00	(2,559.58)	-7.11%
St. Light Maint. Sales	847.36	3,167.00	(2,319.64)	-73.24%	22,501.93	38,004.00	(15,502.07)	-40.79%
Billed For Dig In's	0.00	1,117.00	(1,117.00)	-100.00%	7,597.93	13,404.00	(5,806.07)	-43.32%
Public St. Lights Sold	0.00	6,450.00	(6,450.00)	-100.00%	48,135.05	77,400.00	(29,264.95)	-37.81%
Misc. Other Sales & Income	58,081.05	5,000.00	53,081.05	1,061.62%	317,484.35	235,428.00	82,056.35	34.85%
St. Light Maint. Costs	(847.36)	(9,617.00)	8,769.64	-91.19%	(88,050.34)	(115,404.00)	27,353.66	-23.70%
Misc. Other Costs & Expenses	(80,089.16)	0.00	(80,089.16)	na	(80,590.73)	0.00	(80,590.73)	na
Temporary Service	1,080.60	1,400.00	(319.40)	-22.81%	11,266.61	16,800.00	(5,533.39)	-32.94%
Interest Income	59,426.26	62,997.00	(3,570.74)	-5.67%	718,051.27	700,734.00	17,317.27	2.47%
Gain On Disposition of Property	0.00	0.00	0.00	na	12,550.53	25,000.00	(12,449.47)	-49.80%
Loss On Disposition of Property	(21,163.42)	0.00	(21,163.42)	na	(21,909.34)	0.00	(21,909.34)	na
Other Interest Expense	(1,568.12)	(767.00)	(801.12)	104.45%	(20,598.84)	(9,204.00)	(11,394.84)	123.80%
Total Non-Operating Revenues & Expenses	18,534.73	72,747.00	(54,212.27)	-74.52%	959,878.84	1,018,162.00	(58,283.16)	-5.72%
Net Income/(Loss) before Capital Contributions	(51,109.04)	(52,695.00)	1,585.96	-3.01%	1,122,596.26	1,004,158.00	118,438.26	11.79%
<u>Capital Contributions</u>								
Electric Hook-up Fees	(144,601.99)	15,904.00	(160,505.99)	-1,009.22%	497,682.96	190,837.00	306,845.96	160.79%
Contributed by Others	0.00	0.00	0.00	na	114,394.30	0.00	114,394.30	na
Line Extension Fees	0.00	83,401.00	(83,401.00)	-100.00%	306,758.16	1,000,845.00	(694,086.84)	-69.35%
Total Capital Contributions	(144,601.99)	99,305.00	(243,906.99)	-245.61%	918,835.42	1,191,682.00	(272,846.58)	-22.90%
Change in Net Assets	(195,711.03)	46,610.00	(242,321.03)	-519.89%	2,041,431.68	2,195,840.00	(154,408.32)	-7.03%

Statement of Operations and Changes in Net Assets - Budget - Water

June 30, 2025

	-----Month Totals-----				-----Year to Date Totals-----			
	This Year June	Budget June	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent
<u>Operating Revenues</u>								
Unbilled Water Revenue	81,051.22	0.00	81,051.22	na	81,051.22	0.00	81,051.22	na
Residential	350,280.18	294,000.00	56,280.18	19.14%	3,280,555.95	3,038,000.00	242,555.95	7.98%
Commercial	64,944.97	49,000.00	15,944.97	32.54%	610,051.12	560,000.00	50,051.12	8.94%
Industrial	6,507.52	5,000.00	1,507.52	30.15%	60,621.46	46,000.00	14,621.46	31.79%
Municipal	6,851.01	4,000.00	2,851.01	71.28%	58,445.43	48,000.00	10,445.43	21.76%
Multi-Family	78,889.26	71,000.00	7,889.26	11.11%	805,623.36	844,000.00	(38,376.64)	-4.55%
Irrigation/Hydrant	20,640.26	15,000.00	5,640.26	37.60%	157,541.09	159,000.00	(1,458.91)	-0.92%
Total Water Usage Sales	609,164.42	438,000.00	171,164.42	39.08%	5,053,889.63	4,695,000.00	358,889.63	7.64%
Total Other Water Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Total Operating Revenues	609,164.42	438,000.00	171,164.42	39.08%	5,053,889.63	4,695,000.00	358,889.63	7.64%
<u>Operating Expenses</u>								
Board Of Directors	0.00	234.00	(234.00)	-100.00%	1,841.31	4,258.00	(2,416.69)	-56.76%
Executive	9,790.82	7,555.00	2,235.82	29.59%	81,305.57	86,403.00	(5,097.43)	-5.90%
Administrative	16,335.57	19,191.00	(2,855.43)	-14.88%	173,067.41	219,061.00	(45,993.59)	-21.00%
Customer Service	14,184.62	17,357.00	(3,172.38)	-18.28%	200,039.97	179,998.00	20,041.97	11.13%
Finance	118,012.67	127,649.00	(9,636.33)	-7.55%	1,359,409.42	1,430,635.00	(71,225.58)	-4.98%
Operations	21,123.58	23,350.00	(2,226.42)	-9.53%	186,124.01	270,497.00	(84,372.99)	-31.19%
Distribution	57,686.38	58,261.00	(574.62)	-0.99%	522,764.42	704,627.00	(181,862.58)	-25.81%
Water Treatment Plant	124,564.32	129,422.00	(4,857.68)	-3.75%	1,448,334.44	1,481,310.00	(32,975.56)	-2.23%
Risk Management	4,685.04	5,110.00	(424.96)	-8.32%	55,401.70	61,965.00	(6,563.30)	-10.59%
Total Operating Expenses	366,383.00	388,129.00	(21,746.00)	-5.60%	4,028,288.25	4,438,754.00	(410,465.75)	-9.25%
Operating Income/(Loss)	242,781.42	49,871.00	192,910.42	386.82%	1,025,601.38	256,246.00	769,355.38	300.24%
Operating Margin	39.85%	11.39%			20.29%	5.46%		
<u>Non-Operating Revenues & Expenses</u>								
Material Sales	0.00	0.00	0.00	na	(130,000.00)	0.00	(130,000.00)	na
Billed For Dig In's	0.00	353.00	(353.00)	-100.00%	642.38	4,280.00	(3,637.62)	-84.99%
Custom Work Sales	0.00	0.00	0.00	na	210,000.00	0.00	210,000.00	na
Misc. Other Sales & Income	53,996.80	46,000.00	7,996.80	17.38%	74,626.53	46,000.00	28,626.53	62.23%
Inspection Fees	3,910.00	6,315.00	(2,405.00)	-38.08%	19,674.37	75,813.00	(56,138.63)	-74.05%

Statement of Operations and Changes in Net Assets - Budget - Water

June 30, 2025

	-----Month Totals-----				-----Year to Date Totals-----			
	This Year June	Budget June	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent
Misc. Other Costs & Expenses	(5,771.57)	0.00	(5,771.57)	na	(5,771.57)	0.00	(5,771.57)	na
Inspection Fees Cost	0.00	(6,315.00)	6,315.00	-100.00%	(14,882.70)	(75,813.00)	60,930.30	-80.37%
Interest Income	43,291.77	34,334.00	8,957.77	26.09%	524,194.17	437,172.00	87,022.17	19.91%
Gain On Disposition of Property	22,968.80	0.00	22,968.80	na	22,968.80	15,000.00	7,968.80	53.13%
Loss On Disposition of Property	0.00	0.00	0.00	na	(248.64)	(20,000.00)	19,751.36	-98.76%
Interest Expense	(1,492.60)	(1,126.00)	(366.60)	32.56%	(15,418.03)	(15,424.00)	5.97	-0.04%
Total Non-Operating Revenues & Expenses	116,903.20	79,561.00	37,342.20	46.94%	685,785.31	467,028.00	218,757.31	46.84%
Net Income/(Loss) before Capital Contributions	359,684.62	129,432.00	230,252.62	177.89%	1,711,386.69	723,274.00	988,112.69	136.62%
<u>Capital Contributions</u>								
Water Hook-up Fees	23,720.00	6,315.00	17,405.00	275.61%	52,290.00	75,813.00	(23,523.00)	-31.03%
Contributed by Others	0.00	107,784.00	(107,784.00)	-100.00%	543,982.95	1,293,364.00	(749,381.05)	-57.94%
SDC Fees	67,380.00	95,109.00	(27,729.00)	-29.15%	916,466.00	1,141,484.00	(225,018.00)	-19.71%
Total Capital Contributions	91,100.00	209,208.00	(118,108.00)	-56.45%	1,512,738.95	2,510,661.00	(997,922.05)	-39.75%
Change in Net Assets	450,784.62	338,640.00	112,144.62	33.12%	3,224,125.64	3,233,935.00	(9,809.36)	-0.30%

Balance Sheet - Electric

June 30, 2025

	<u>This Year YTD</u>	<u>Last Year YTD</u>	<u>Variance Dollar</u>	<u>Variance Percent</u>
Assets				
Current Assets				
<i>Cash</i>	386,602.58	197,567.62	189,034.96	95.68%
<i>Allocate Cash to Reserves</i>	(17,123,174.53)	(15,275,876.53)	(1,847,298.00)	12.09%
<i>Local Government Investment Pool</i>	16,151,268.11	13,613,221.84	2,538,046.27	18.64%
<i>Current Accounts Receivable</i>	1,687,524.87	1,580,126.96	107,397.91	6.80%
<i>Plant Materials & Operating Supplies</i>	2,487,005.02	2,529,165.65	(42,160.63)	-1.67%
<i>Prepayments</i>	48,683.56	44,149.69	4,533.87	10.27%
Total Current Assets	3,637,909.61	2,688,355.23	949,554.38	35.32%
Noncurrent Assets				
<i>Other Deferred Charges</i>	1,367,494.72	1,130,269.37	237,225.35	20.99%
Total Noncurrent Assets	1,367,494.72	1,130,269.37	237,225.35	20.99%
Property Plant and Equipment				
<i>Property Plant & Equipment in Service</i>	52,724,707.54	50,886,473.51	1,838,234.03	3.61%
<i>Accumulated Depreciation</i>	(19,659,676.36)	(18,409,539.56)	(1,250,136.80)	6.79%
<i>Construction Work in Progress</i>	264,745.89	516,389.80	(251,643.91)	-48.73%
Total Property Plant and Equipment	33,329,777.07	32,993,323.75	336,453.32	1.02%
Cash Designated for Future Use				
<i>Reserve-Emergency</i>	0.00	0.00	0.00	na
<i>Reserve-Capital Improvement</i>	0.00	0.00	0.00	na
<i>Reserve-Capital Replacement</i>	0.00	0.00	0.00	na
<i>Rate Stabilization</i>	0.00	0.00	0.00	na
<i>Future Improvement/Replacement</i>	17,123,174.53	15,275,876.53	1,847,298.00	12.09%
Total Cash Designated for Future Use	17,123,174.53	15,275,876.53	1,847,298.00	12.09%
<u>Total Assets</u>	<u>55,458,355.93</u>	<u>52,087,824.88</u>	<u>3,370,531.05</u>	<u>6.47%</u>
Liabilities and Net Assets				
Current Liabilities				
<i>Accounts Payable</i>	992,626.44	814,793.22	177,833.22	21.83%
<i>Customer Deposits</i>	443,735.93	421,739.50	21,996.43	5.22%
<i>Accrued Payroll Taxes Payable</i>	(24,936.79)	(22,874.02)	(2,062.77)	9.02%
<i>Accrued Payroll</i>	87,845.32	82,582.68	5,262.64	6.37%
<i>Accrued Employee Leave</i>	208,924.40	135,124.91	73,799.49	54.62%
<i>Other Current & Accrued Liabilities</i>	881,994.87	17,995.87	863,999.00	4,801.10%
Total Current Liabilities	2,590,190.17	1,449,362.16	1,140,828.01	78.71%
Noncurrent Liabilities				
<i>Noncurrent Liabilities</i>	3,493,664.57	3,305,393.21	188,271.36	5.70%
Total Noncurrent Liabilities	3,493,664.57	3,305,393.21	188,271.36	5.70%
Total Liabilities	6,083,854.74	4,754,755.37	1,329,099.37	27.95%
Net Assets - Unrestricted				
<i>Reserves</i>	0.00	0.00	0.00	na

Balance Sheet - Electric

June 30, 2025

	<u>This Year YTD</u>	<u>Last Year YTD</u>	<u>Variance Dollar</u>	<u>Variance Percent</u>
Liabilities and Net Assets				
<i>Unappropriated Retained Earnings</i>	48,814,624.51	45,204,862.20	3,609,762.31	7.99%
<i>YTD Net Income(Loss)</i>	2,041,431.68	3,609,762.31	(1,568,330.63)	-43.45%
<i>Other Equities</i>	(1,481,555.00)	(1,481,555.00)	0.00	0.00%
Less PP&E, Net	(33,329,777.07)	(32,993,323.75)	336,453.32	1.02%
Total Net Assets - Unrestricted	<u>16,044,724.12</u>	<u>14,339,745.76</u>	<u>1,704,978.36</u>	<u>11.89%</u>
Investment in Capital Assets	<u>33,329,777.07</u>	<u>32,993,323.75</u>	<u>336,453.32</u>	<u>1.02%</u>
Total Net Assets	<u>49,374,501.19</u>	<u>47,333,069.51</u>	<u>2,041,431.68</u>	<u>4.31%</u>
 <u>Total Liabilities and Net Assets</u>	 <u>55,458,355.93</u>	 <u>52,087,824.88</u>	 <u>3,370,531.05</u>	 <u>6.47%</u>

Balance Sheet - Water

June 30, 2025

	<u>This Year YTD</u>	<u>Last Year YTD</u>	<u>Variance Dollar</u>	<u>Variance Percent</u>
Assets				
Current Assets				
<i>Cash</i>	500.00	258,595.36	(258,095.36)	-99.81%
<i>Allocate Cash to Reserves</i>	(12,504,489.00)	(8,660,430.00)	(3,844,059.00)	44.39%
<i>Local Government Investment Pool</i>	11,755,044.13	9,130,844.96	2,624,199.17	28.74%
<i>Current Accounts Receivable</i>	795,296.97	748,861.75	46,435.22	6.20%
<i>Plant Materials & Operating Supplies</i>	451,016.77	332,064.66	118,952.11	35.82%
<i>Prepayments</i>	25,209.51	23,682.56	1,526.95	6.45%
Total Current Assets	522,578.38	1,833,619.29	(1,311,040.91)	-71.50%
Noncurrent Assets				
<i>Other Deferred Charges</i>	505,245.00	415,818.71	89,426.29	21.51%
Total Noncurrent Assets	505,245.00	415,818.71	89,426.29	21.51%
Property Plant and Equipment				
<i>Property Plant & Equipment in Service</i>	43,649,920.72	42,599,558.82	1,050,361.90	2.47%
<i>Accumulated Depreciation</i>	(16,094,023.40)	(15,191,359.18)	(902,664.22)	5.94%
<i>Construction Work in Progress</i>	598,161.58	265,627.59	332,533.99	125.19%
Total Property Plant and Equipment	28,154,058.90	27,673,827.23	480,231.67	1.74%
Cash Designated for Future Use				
<i>Bond Reserve Requirement</i>	0.00	0.00	0.00	na
<i>Reserve-SDC</i>	0.00	0.00	0.00	na
<i>Reserve-Capital Improvement</i>	0.00	0.00	0.00	na
<i>Reserve-Capital Replacement</i>	0.00	0.00	0.00	na
<i>Future Improvement/Replacement</i>	12,504,489.00	8,660,430.00	3,844,059.00	44.39%
Total Cash Designated for Future Use	12,504,489.00	8,660,430.00	3,844,059.00	44.39%
<u>Total Assets</u>	<u>41,686,371.28</u>	<u>38,583,695.23</u>	<u>3,102,676.05</u>	<u>8.04%</u>
Liabilities and Net Assets				
Current Liabilities				
<i>Accounts Payable</i>	289,696.97	168,458.18	121,238.79	71.97%
<i>Sewer Collections Payable</i>	0.00	0.00	0.00	na
<i>Accrued Interest</i>	3,364.87	5,323.34	(1,958.47)	-36.79%
<i>Accrued Payroll Taxes Payable</i>	(4,448.43)	(2,839.66)	(1,608.77)	56.65%
<i>Accrued Payroll</i>	32,783.12	23,656.20	9,126.92	38.58%
<i>Accrued Employee Leave</i>	39,135.76	10,284.75	28,851.01	280.52%
<i>Other Current & Accrued Liabilities</i>	(255.40)	(5,541.63)	5,286.23	-95.39%
Total Current Liabilities	360,276.89	199,341.18	160,935.71	80.73%
Noncurrent Liabilities				
<i>Noncurrent Liabilities</i>	1,950,974.07	2,233,359.37	(282,385.30)	-12.64%
Total Noncurrent Liabilities	1,950,974.07	2,233,359.37	(282,385.30)	-12.64%
Total Liabilities	2,311,250.96	2,432,700.55	(121,449.59)	-4.99%

Net Assets - Unrestricted

Balance Sheet - Water

June 30, 2025		This Year YTD	Last Year YTD	Variance Dollar	Variance Percent
Liabilities and Net Assets					
<i>Reserves</i>		76,619.57	53,814.89	22,804.68	42.38%
<i>Unappropriated Retained Earnings</i>		34,665,421.61	32,568,625.29	2,096,796.32	6.44%
<i>YTD Net Income(Loss)</i>		3,224,125.64	2,096,796.32	1,127,329.32	53.76%
<i>Other Equities</i>		1,408,953.50	1,431,758.18	(22,804.68)	-1.59%
Less PP&E, Net		(28,154,058.90)	(27,673,827.23)	480,231.67	1.74%
Total	Net Assets - Unrestricted	11,221,061.42	8,477,167.45	2,743,893.97	32.37%
Investment in Capital Assets		28,154,058.90	27,673,827.23	480,231.67	1.74%
Total Net Assets		39,375,120.32	36,150,994.68	3,224,125.64	8.92%
<u>Total Liabilities and Net Assets</u>		<u>41,686,371.28</u>	<u>38,583,695.23</u>	<u>3,102,676.05</u>	<u>8.04%</u>



MEMORANDUM

To: Chair Thompson, Member Molamphy, Member Pendleton, and Member Hill, Member Westcott

Copy to: Kari Duncan, Jason Berning, Jason Peterson, Barb Benson

From: Mike Schelske, Finance Manager

Date: November 12, 2025

Subject: Financial Results for Three Months Ending September 30, 2025

*Please refer to the attached **Charts, Financial Highlights, Summary Income Statement, and Balance Sheet** for supporting details and additional information.*

YTD Electrical Highlights

- Operating revenue of \$4.1 million exceeded the budget by 4.4%.
- Total expenses – purchased power and operating expenses - are slightly over budget with 28% of the budget expended after 25% of the year has been completed.
- Purchased power of \$2.8 million was 10.6% higher than budget.
- Operating expenses of \$1.6 million were 5.4% lower than budget, mainly due to savings from open positions and lower costs for supplies and contractors, partially offset by a large BPA energy incentive payment.
- The operating loss of \$(299,289) was \$1,344 greater than budget.
- Net income was \$11,225 compared to budget of \$113,540 mainly due to lower contributed capital.

Water Highlights

- Operating revenue of \$2.1 million was 0.8% higher than budget.
- Operating expenses are under budget with 23% of the budget expended after 25% of the year has been completed.
- Operating income of \$1.0 million was 13.8% higher than budget.
- Net income of \$1.4 million was 3.1% lower than budget due to lower contributed capital.



Please feel free to contact me if you have any questions or comments.

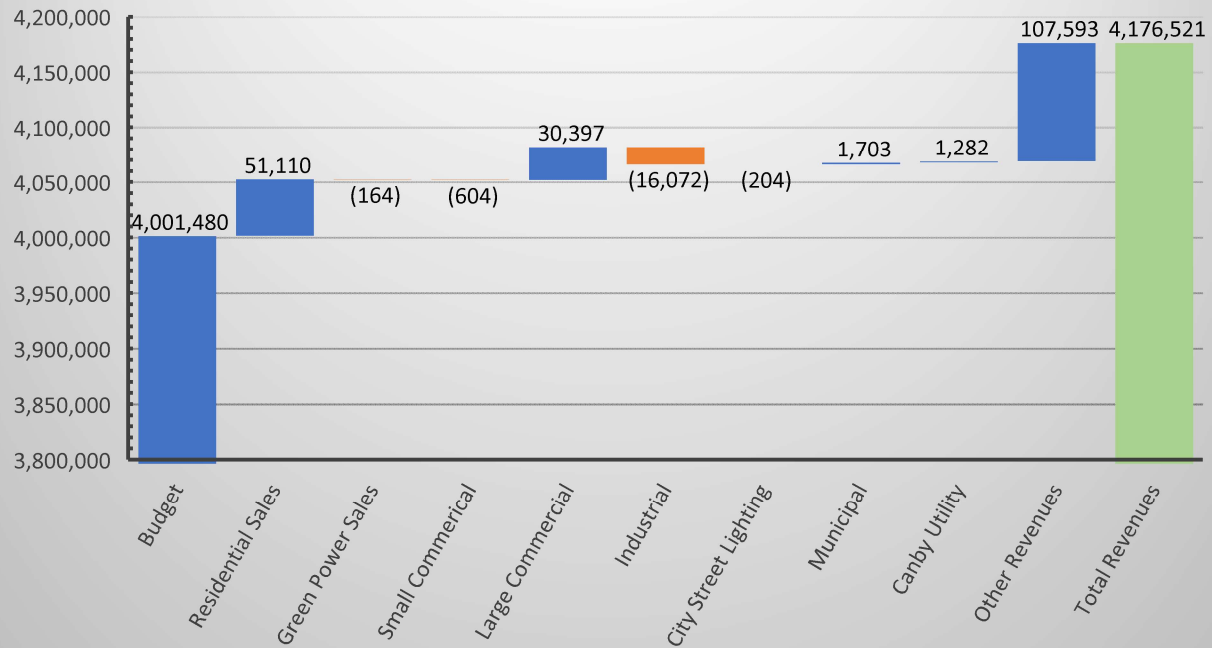
Charts on following pages:

- Electric Revenue Waterfall Chart
- Electric Department Budgets – Percentage Expended YTD
- Water Revenue Waterfall Chart
- Water Department Budgets – Percentage Expended YTD

Electric Energy Sales Waterfall Chart

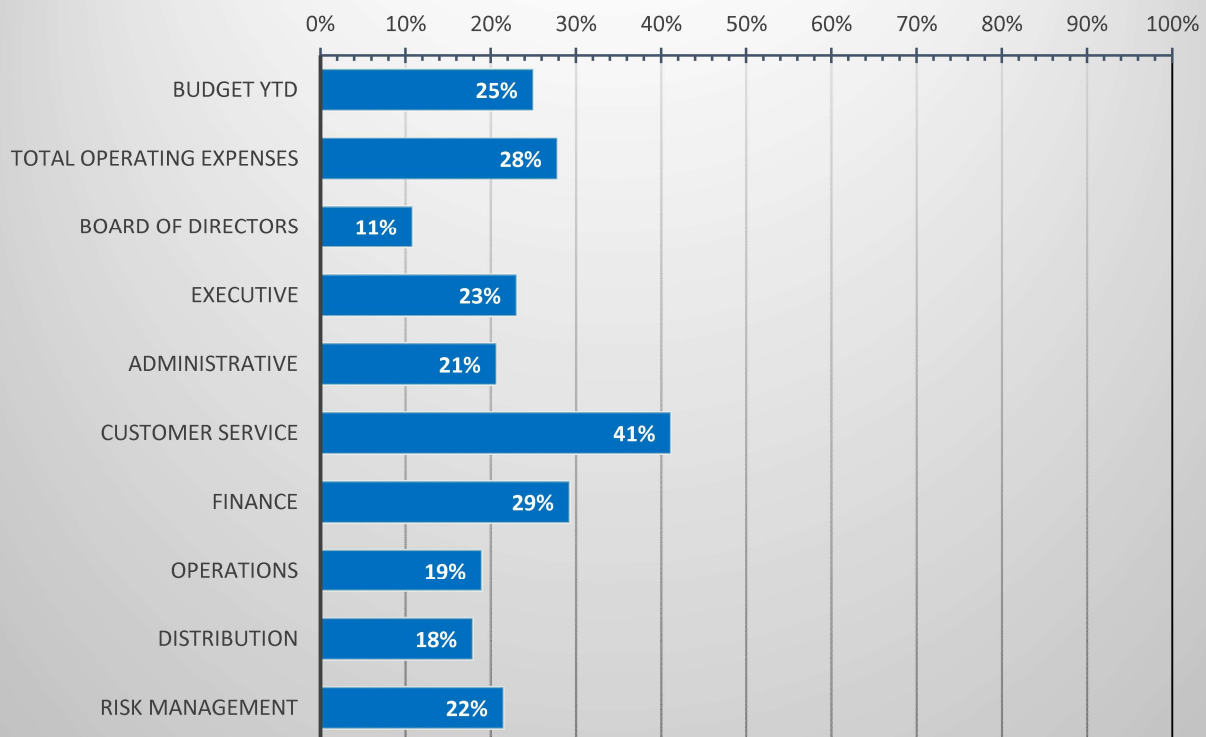
Three Months Ending 9/30/25

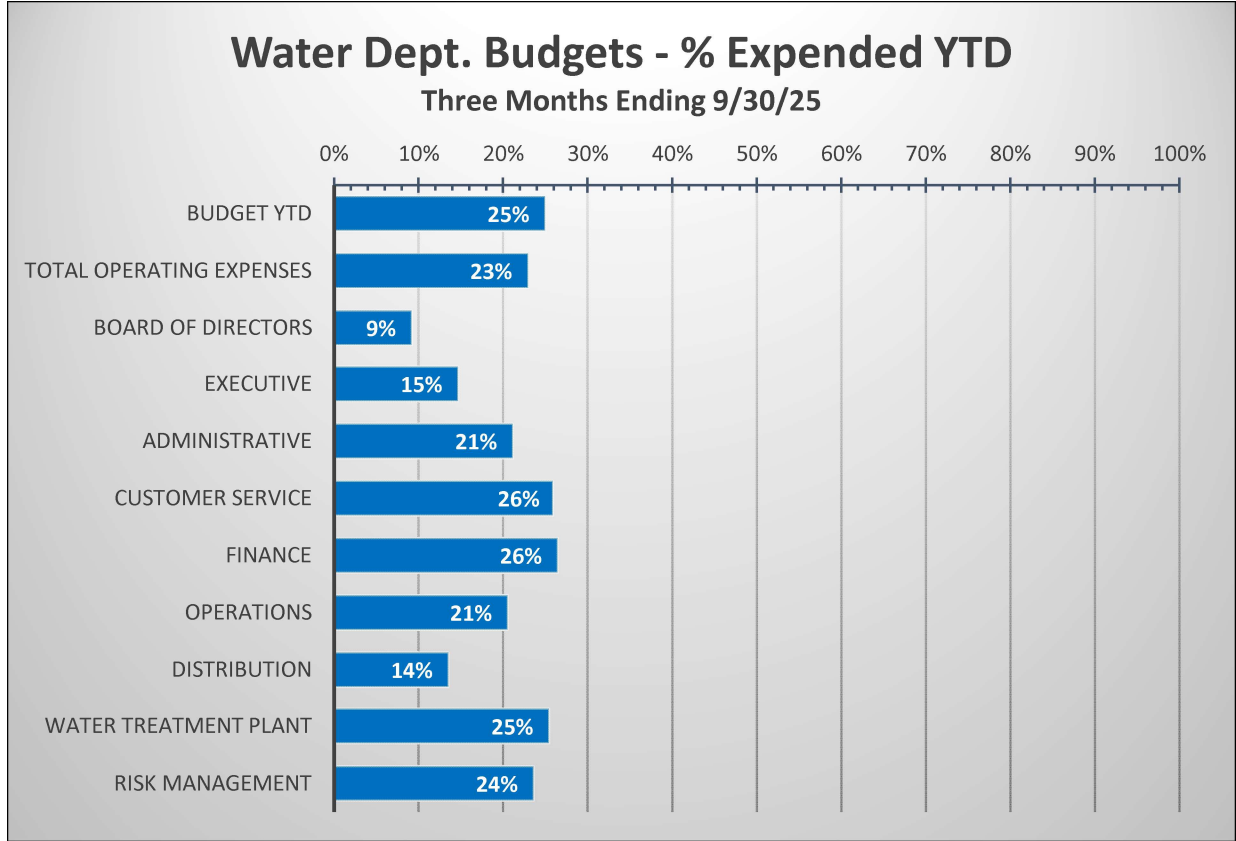
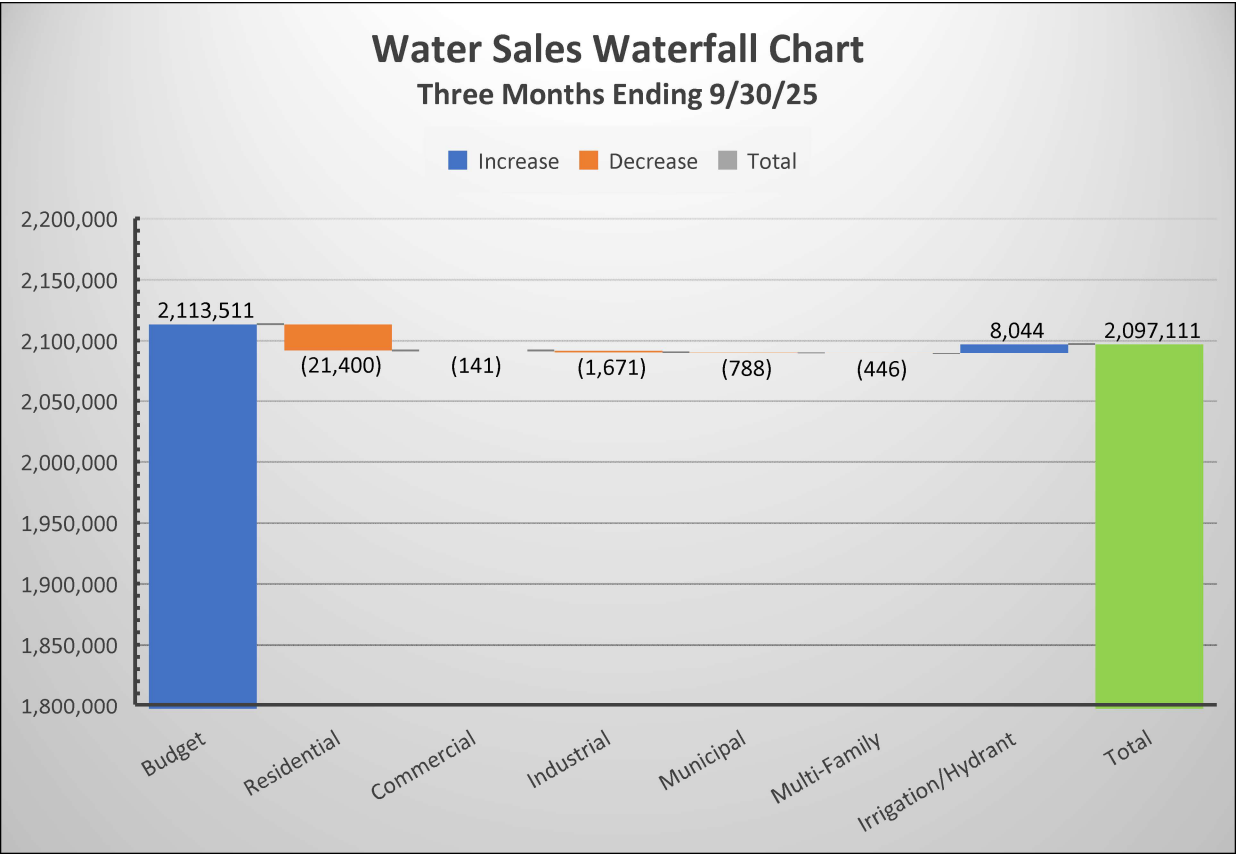
■ Increase ■ Decrease ■ Total



Electric Dept. Budgets - % Expended YTD

Three Months Ending 9/30/25





Canby Utility
Financial Highlights
Quarter and YTD Ending September 30, 2025

Electric Operations	Quarter		YTD		YTD	
	Actual	Budget	Actual	Budget	Over (Under) Budget	Budget Status

Balance Sheet

Cash & Investments \$ 17,032,607

Income Statement

Operating Revenue	\$ 4,176,521	\$ 4,001,481	\$ 4,176,521	\$ 4,001,481	\$ 175,040	Favorable
Purchased Power	2,823,816	2,552,457	2,823,816	2,552,457	271,359	Unfavorable
Operating Expenses	1,651,993	1,746,969	1,651,993	1,746,969	(94,975)	Favorable
Operating Profit (Loss)	(299,289)	(297,945)	(299,289)	(297,945)	(1,344)	Variance < 1%
Operating Margin	-7.2%	-7.4%	-7.2%	-7.4%		
Other Rev. (Exp.)	278,514	200,408	278,514	200,408	78,106	Favorable
Capital Contributions	32,000	211,077	32,000	211,077	(179,077)	Unfavorable
Net Income (Loss)	\$ 11,225	\$ 113,540	\$ 11,225	\$ 113,540	\$ (102,315)	Unfavorable

Sales Data

kWh Sold 51,801,416

kWh Purchased 53,249,551

Water Operations	Quarter		YTD		YTD	
	Actual	Budget	Actual	Budget	Over (Under) Budget	Budget Status

Balance Sheet

Cash & Investments \$ 12,984,550

Income Statement

Operating Revenue	\$ 2,097,111	\$ 2,113,512	\$ 2,097,111	\$ 2,113,512	\$ (16,401)	Variance < 1%
Operating Expenses	1,050,725	1,193,934	1,050,725	1,193,934	(143,209)	Favorable
Operating Profit (Loss)	1,046,386	919,578	1,046,386	919,578	126,808	Favorable
Operating Margin	49.9%	43.5%	49.9%	43.5%		
Other Rev. (Exp.)	155,973	153,669	155,973	153,669	2,304	Variance < 1%
Capital Contributions	296,039	\$ 473,004	\$ 296,039	473,004	(176,965)	Unfavorable
Net Income (Loss)	\$ 1,498,397	\$ 1,546,251	\$ 1,498,397	\$ 1,546,251	\$ (47,854)	Unfavorable

Sales Data

Cu. Ft. Sold 45,574,655

Statement of Operations and Changes in Net Assets - Budget - Electric

September 30, 2025

	-----Month Totals-----				-----Year to Date Totals-----			
	This Year September	Budget September	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent
<u>Operating Revenues</u>								
Residential Sales	663,838.10	583,536.40	80,301.70	13.76%	1,963,355.56	1,912,246.38	51,109.18	2.67%
Green Power Sales	1,047.88	1,102.96	(55.08)	-4.99%	3,147.32	3,310.74	(163.42)	-4.94%
Small Commercial	137,946.87	127,648.17	10,298.70	8.07%	373,475.45	374,079.59	(604.14)	-0.16%
Large Commercial	329,576.21	323,415.59	6,160.62	1.90%	965,944.79	935,547.90	30,396.89	3.25%
Industrial	195,948.08	187,613.37	8,334.71	4.44%	560,511.89	576,583.86	(16,071.97)	-2.79%
City Street Lighting	3,732.67	3,801.22	(68.55)	-1.80%	11,204.51	11,409.04	(204.53)	-1.79%
Municipal	16,990.55	16,650.37	340.18	2.04%	50,498.91	48,796.35	1,702.56	3.49%
Canby Utility	20,551.00	20,611.27	(60.27)	-0.29%	61,286.16	60,003.76	1,282.40	2.14%
Total Electric Energy Sales	1,369,631.36	1,264,379.35	105,252.01	8.32%	3,989,424.59	3,921,977.62	67,446.97	1.72%
NSF Check Fees	33.00	100.00	(67.00)	-67.00%	264.00	300.00	(36.00)	-12.00%
Reconnect Fees	1,125.00	1,167.00	(42.00)	-3.60%	4,525.00	3,501.00	1,024.00	29.25%
Account Set-up Fee	2,225.00	2,333.00	(108.00)	-4.63%	6,200.00	6,999.00	(799.00)	-11.42%
Failed Payment Arrangement Fee	25.00	50.00	(25.00)	-50.00%	25.00	150.00	(125.00)	-83.33%
Disconnect Notice	7,525.00	6,000.00	1,525.00	25.42%	20,475.00	18,000.00	2,475.00	13.75%
Other Electric Revenues	145,390.08	16,851.00	128,539.08	762.80%	155,606.99	50,553.00	105,053.99	207.81%
Total Other Electric Energy Revenues	156,323.08	26,501.00	129,822.08	489.88%	187,095.99	79,503.00	107,592.99	135.33%
Total Operating Revenues	1,525,954.44	1,290,880.35	235,074.09	18.21%	4,176,520.58	4,001,480.62	175,039.96	4.37%
<u>Operating Expenses</u>								
Board Of Directors	425.61	730.00	(304.39)	-41.70%	1,380.65	3,060.00	(1,679.35)	-54.88%
Executive	20,422.92	20,623.00	(200.08)	-0.97%	70,891.99	73,837.00	(2,945.01)	-3.99%
Administrative	25,048.08	43,285.00	(18,236.92)	-42.13%	85,537.74	119,678.00	(34,140.26)	-28.53%
Customer Service	201,246.40	72,365.00	128,881.40	178.10%	321,443.34	190,392.00	131,051.34	68.83%
Finance	1,145,931.25	1,033,480.89	112,450.36	10.88%	3,544,558.07	3,296,221.45	248,336.62	7.53%
Operations	48,152.24	65,744.00	(17,591.76)	-26.76%	149,514.75	197,232.00	(47,717.25)	-24.19%
Distribution	89,771.83	135,042.00	(45,270.17)	-33.52%	283,491.69	397,126.00	(113,634.31)	-28.61%
Risk Management	6,330.39	7,293.00	(962.61)	-13.20%	18,991.17	21,879.00	(2,887.83)	-13.20%
Total Operating Expenses	1,537,328.72	1,378,562.89	158,765.83	11.52%	4,475,809.40	4,299,425.45	176,383.95	4.10%
Operating Income/(Loss)	(11,374.28)	(87,682.54)	76,308.26	87.03%	(299,288.82)	(297,944.83)	(1,343.99)	-0.45%
Operating Margin	-0.75%	-6.79%			-7.17%	-7.45%		

Statement of Operations and Changes in Net Assets - Budget - Electric

September 30, 2025

	-----Month Totals-----				-----Year to Date Totals-----			
	This Year September	Budget September	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent
<u>Non-Operating Revenues & Expenses</u>								
Rental Lights	2,767.52	2,833.00	(65.48)	-2.31%	8,286.85	8,499.00	(212.15)	-2.50%
St. Light Maint. Sales	1,294.73	2,000.00	(705.27)	-35.26%	3,544.39	6,000.00	(2,455.61)	-40.93%
Billed For Dig In's	0.00	500.00	(500.00)	-100.00%	0.00	1,500.00	(1,500.00)	-100.00%
Public St. Lights Sold	0.00	2,333.00	(2,333.00)	-100.00%	0.00	6,999.00	(6,999.00)	-100.00%
Misc. Other Sales & Income	73,916.17	5,000.00	68,916.17	1,378.32%	85,404.45	15,000.00	70,404.45	469.36%
St. Light Maint. Costs	(1,294.73)	(5,000.00)	3,705.27	-74.11%	(3,544.39)	(15,000.00)	11,455.61	-76.37%
Temporary Service	1,651.00	0.00	1,651.00	na	1,804.00	0.00	1,804.00	na
Interest Income	61,774.49	60,270.00	1,504.49	2.50%	188,044.62	182,411.00	5,633.62	3.09%
Other Interest Expense	(1,563.54)	(1,667.00)	103.46	-6.21%	(5,025.74)	(5,001.00)	(24.74)	0.49%
Total Non-Operating Revenues & Expenses	138,545.64	66,269.00	72,276.64	109.07%	278,514.18	200,408.00	78,106.18	38.97%
Net Income/(Loss) before Capital Contributions	127,171.36	(21,413.54)	148,584.90	-693.88%	(20,774.64)	(97,536.83)	76,762.19	-78.70%
<u>Capital Contributions</u>								
Electric Hook-up Fees	14,400.00	11,777.00	2,623.00	22.27%	32,000.00	35,333.00	(3,333.00)	-9.43%
Line Extension Fees	0.00	58,581.00	(58,581.00)	-100.00%	0.00	175,744.00	(175,744.00)	-100.00%
Total Capital Contributions	14,400.00	70,358.00	(55,958.00)	-79.53%	32,000.00	211,077.00	(179,077.00)	-84.84%
Change in Net Assets	141,571.36	48,944.46	92,626.90	189.25%	11,225.36	113,540.17	(102,314.81)	-90.11%

Statement of Operations and Changes in Net Assets - Budget - Water

September 30, 2025

	-----Month Totals-----				-----Year to Date Totals-----			
	This Year September	Budget September	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent
<u>Operating Revenues</u>								
Residential	439,397.98	417,359.41	22,038.57	5.28%	1,417,446.20	1,438,845.79	(21,399.59)	-1.49%
Commercial	84,939.29	81,835.32	3,103.97	3.79%	257,553.49	257,694.25	(140.76)	-0.05%
Industrial	7,879.36	8,103.46	(224.10)	-2.77%	23,735.19	25,406.48	(1,671.29)	-6.58%
Municipal	8,068.59	7,492.86	575.73	7.68%	24,367.14	25,155.58	(788.44)	-3.13%
Multi-Family	89,182.76	86,973.41	2,209.35	2.54%	279,275.29	279,721.10	(445.81)	-0.16%
Irrigation/Hydrant	29,866.43	31,073.86	(1,207.43)	-3.89%	94,733.25	86,688.79	8,044.46	9.28%
Total Water Usage Sales	659,334.41	632,838.32	26,496.09	4.19%	2,097,110.56	2,113,511.99	(16,401.43)	-0.78%
Total Other Water Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Total Operating Revenues	659,334.41	632,838.32	26,496.09	4.19%	2,097,110.56	2,113,511.99	(16,401.43)	-0.78%
<u>Operating Expenses</u>								
Board Of Directors	115.70	235.00	(119.30)	-50.77%	381.70	995.00	(613.30)	-61.64%
Executive	685.62	7,249.00	(6,563.38)	-90.54%	13,386.36	21,910.00	(8,523.64)	-38.90%
Administrative	14,952.86	21,499.00	(6,546.14)	-30.45%	47,387.55	62,274.00	(14,886.45)	-23.90%
Customer Service	18,017.07	20,988.00	(2,970.93)	-14.16%	52,355.56	54,662.00	(2,306.44)	-4.22%
Finance	129,901.77	133,077.00	(3,175.23)	-2.39%	386,960.72	396,371.00	(9,410.28)	-2.37%
Operations	16,091.94	19,646.00	(3,554.06)	-18.09%	48,453.54	58,938.00	(10,484.46)	-17.79%
Distribution	42,610.24	67,780.00	(25,169.76)	-37.13%	110,212.84	203,340.00	(93,127.16)	-45.80%
Water Treatment Plant	122,864.32	121,460.00	1,404.32	1.16%	376,092.96	379,205.00	(3,112.04)	-0.82%
Risk Management	5,164.46	5,413.00	(248.54)	-4.59%	15,493.38	16,239.00	(745.62)	-4.59%
Total Operating Expenses	350,403.98	397,347.00	(46,943.02)	-11.81%	1,050,724.61	1,193,934.00	(143,209.39)	-11.99%
Operating Income/(Loss)	308,930.43	235,491.32	73,439.11	31.19%	1,046,385.95	919,577.99	126,807.96	13.79%
Operating Margin	46.85%	37.21%			49.90%	43.51%		
<u>Non-Operating Revenues & Expenses</u>								
Billed For Dig In's	0.00	357.00	(357.00)	-100.00%	0.00	714.00	(714.00)	-100.00%
Misc. Other Sales & Income	27.39	0.00	27.39	na	1,515.67	0.00	1,515.67	na
Inspection Fees	11,385.00	3,678.00	7,707.00	209.54%	19,828.31	11,034.00	8,794.31	79.70%
Inspection Fees Cost	0.00	(3,678.00)	3,678.00	-100.00%	(169.43)	(11,034.00)	10,864.57	-98.46%
Interest Income	46,168.78	48,037.00	(1,868.22)	-3.89%	138,162.94	140,763.00	(2,600.06)	-1.85%
Gain On Disposition of Property	0.00	0.00	0.00	na	0.00	15,000.00	(15,000.00)	-100.00%

Statement of Operations and Changes in Net Assets - Budget - Water

September 30, 2025

	-----Month Totals-----				-----Year to Date Totals-----			
	This Year September	Budget September	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent
Interest Expense	(1,121.63)	(936.00)	(185.63)	19.83%	(3,364.89)	(2,808.00)	(556.89)	19.83%
Total Non-Operating Revenues & Expenses	56,459.54	47,458.00	9,001.54	18.97%	155,972.60	153,669.00	2,303.60	1.50%
Net Income/(Loss) before Capital Contributions	365,389.97	282,949.32	82,440.65	29.14%	1,202,358.55	1,073,246.99	129,111.56	12.03%
<u>Capital Contributions</u>								
Water Hook-up Fees	3,240.00	2,517.00	723.00	28.72%	(14,720.00)	7,551.00	(22,271.00)	-294.94%
Contributed by Others	0.00	95,763.00	(95,763.00)	-100.00%	0.00	287,289.00	(287,289.00)	-100.00%
SDC Fees	205,512.00	59,388.00	146,124.00	246.05%	310,758.57	178,164.00	132,594.57	74.42%
Total Capital Contributions	208,752.00	157,668.00	51,084.00	32.40%	296,038.57	473,004.00	(176,965.43)	-37.41%
Change in Net Assets	574,141.97	440,617.32	133,524.65	30.30%	1,498,397.12	1,546,250.99	(47,853.87)	-3.09%

Balance Sheet - Electric

September 30, 2025

	<u>This Year YTD</u>	<u>Last Year YTD</u>	<u>Variance Dollar</u>	<u>Variance Percent</u>
Assets				
Current Assets				
<i>Cash</i>	193,293.89	123,322.06	69,971.83	56.74%
<i>Allocate Cash to Reserves</i>	(17,123,174.53)	(15,275,876.53)	(1,847,298.00)	12.09%
<i>Local Government Investment Pool</i>	16,839,312.73	14,528,134.45	2,311,178.28	15.91%
<i>Current Accounts Receivable</i>	1,502,029.81	1,392,079.01	109,950.80	7.90%
<i>Plant Materials & Operating Supplies</i>	2,550,899.50	2,752,656.46	(201,756.96)	-7.33%
<i>Prepayments</i>	108,110.86	111,287.71	(3,176.85)	-2.85%
Total Current Assets	4,070,472.26	3,631,603.16	438,869.10	12.08%
Noncurrent Assets				
<i>Other Deferred Charges</i>	1,381,202.82	1,156,191.17	225,011.65	19.46%
Total Noncurrent Assets	1,381,202.82	1,156,191.17	225,011.65	19.46%
Property Plant and Equipment				
<i>Property Plant & Equipment in Service</i>	52,841,476.76	50,970,417.73	1,871,059.03	3.67%
<i>Accumulated Depreciation</i>	(20,006,195.27)	(18,702,180.75)	(1,304,014.52)	6.97%
<i>Construction Work in Progress</i>	(497,674.31)	257,341.10	(755,015.41)	-293.39%
Total Property Plant and Equipment	32,337,607.18	32,525,578.08	(187,970.90)	-0.58%
Cash Designated for Future Use				
<i>Reserve-Emergency</i>	0.00	0.00	0.00	na
<i>Reserve-Capital Improvement</i>	0.00	0.00	0.00	na
<i>Reserve-Capital Replacement</i>	0.00	0.00	0.00	na
<i>Rate Stabilization</i>	0.00	0.00	0.00	na
<i>Future Improvement/Replacement</i>	17,123,174.53	15,275,876.53	1,847,298.00	12.09%
Total Cash Designated for Future Use	17,123,174.53	15,275,876.53	1,847,298.00	12.09%
<u>Total Assets</u>	<u>54,912,456.79</u>	<u>52,589,248.94</u>	<u>2,323,207.85</u>	<u>4.42%</u>
Liabilities and Net Assets				
Current Liabilities				
<i>Accounts Payable</i>	1,255,435.26	1,166,219.47	89,215.79	7.65%
<i>Customer Deposits</i>	428,914.13	418,456.63	10,457.50	2.50%
<i>Accrued Payroll Taxes Payable</i>	(24,291.03)	(22,977.29)	(1,313.74)	5.72%
<i>Accrued Payroll</i>	81,212.23	81,441.36	(229.13)	-0.28%
<i>Accrued Employee Leave</i>	214,798.77	136,511.88	78,286.89	57.35%
<i>Other Current & Accrued Liabilities</i>	34,880.38	21,704.34	13,176.04	60.71%
Total Current Liabilities	1,990,949.74	1,801,356.39	189,593.35	10.53%
Noncurrent Liabilities				
<i>Noncurrent Liabilities</i>	3,535,780.50	3,339,339.48	196,441.02	5.88%
Total Noncurrent Liabilities	3,535,780.50	3,339,339.48	196,441.02	5.88%
Total Liabilities	5,526,730.24	5,140,695.87	386,034.37	7.51%
Net Assets - Unrestricted				
<i>Reserves</i>	0.00	0.00	0.00	na

Balance Sheet - Electric

September 30, 2025

	<u>This Year YTD</u>	<u>Last Year YTD</u>	<u>Variance Dollar</u>	<u>Variance Percent</u>
Liabilities and Net Assets				
<i>Unappropriated Retained Earnings</i>	50,856,056.19	48,814,624.51	2,041,431.68	4.18%
<i>YTD Net Income(Loss)</i>	11,225.36	115,483.56	(104,258.20)	-90.28%
<i>Other Equities</i>	(1,481,555.00)	(1,481,555.00)	0.00	0.00%
Less PP&E, Net	(32,337,607.18)	(32,525,578.08)	(187,970.90)	-0.58%
Total Net Assets - Unrestricted	<u>17,048,119.37</u>	<u>14,922,974.99</u>	<u>2,125,144.38</u>	<u>14.24%</u>
Investment in Capital Assets	<u>32,337,607.18</u>	<u>32,525,578.08</u>	<u>(187,970.90)</u>	<u>-0.58%</u>
Total Net Assets	<u>49,385,726.55</u>	<u>47,448,553.07</u>	<u>1,937,173.48</u>	<u>4.08%</u>
 <u>Total Liabilities and Net Assets</u>	 <u><u>54,912,456.79</u></u>	 <u><u>52,589,248.94</u></u>	 <u><u>2,323,207.85</u></u>	 <u><u>4.42%</u></u>

Balance Sheet - Water

September 30, 2025

	<u>This Year YTD</u>	<u>Last Year YTD</u>	<u>Variance Dollar</u>	<u>Variance Percent</u>
Assets				
Current Assets				
<i>Cash</i>	191,342.51	528,531.61	(337,189.10)	-63.80%
<i>Allocate Cash to Reserves</i>	(12,823,381.40)	(8,893,758.08)	(3,929,623.32)	44.18%
<i>Local Government Investment Pool</i>	12,793,207.07	10,214,562.84	2,578,644.23	25.24%
<i>Current Accounts Receivable</i>	850,547.57	835,133.00	15,414.57	1.85%
<i>Plant Materials & Operating Supplies</i>	445,391.22	350,801.85	94,589.37	26.96%
<i>Prepayments</i>	73,958.04	69,450.98	4,507.06	6.49%
Total Current Assets	1,531,065.01	3,104,722.20	(1,573,657.19)	-50.69%
Noncurrent Assets				
<i>Other Deferred Charges</i>	490,164.71	412,815.62	77,349.09	18.74%
Total Noncurrent Assets	490,164.71	412,815.62	77,349.09	18.74%
Property Plant and Equipment				
<i>Property Plant & Equipment in Service</i>	43,703,290.94	42,843,903.57	859,387.37	2.01%
<i>Accumulated Depreciation</i>	(16,317,678.99)	(15,412,142.91)	(905,536.08)	5.88%
<i>Construction Work in Progress</i>	1,003,690.61	178,125.96	825,564.65	463.47%
Total Property Plant and Equipment	28,389,302.56	27,609,886.62	779,415.94	2.82%
Cash Designated for Future Use				
<i>Bond Reserve Requirement</i>	0.00	0.00	0.00	na
<i>Reserve-SDC</i>	318,892.40	233,328.08	85,564.32	36.67%
<i>Reserve-Capital Improvement</i>	0.00	0.00	0.00	na
<i>Reserve-Capital Replacement</i>	0.00	0.00	0.00	na
<i>Future Improvement/Replacement</i>	12,504,489.00	8,660,430.00	3,844,059.00	44.39%
Total Cash Designated for Future Use	12,823,381.40	8,893,758.08	3,929,623.32	44.18%
<u>Total Assets</u>	<u>43,233,913.68</u>	<u>40,021,182.52</u>	<u>3,212,731.16</u>	<u>8.03%</u>
Liabilities and Net Assets				
Current Liabilities				
<i>Accounts Payable</i>	339,556.70	166,201.53	173,355.17	104.30%
<i>Sewer Collections Payable</i>	0.00	0.00	0.00	na
<i>Accrued Interest</i>	6,729.76	10,646.70	(3,916.94)	-36.79%
<i>Accrued Payroll Taxes Payable</i>	(5,114.42)	(2,934.21)	(2,180.21)	74.30%
<i>Accrued Payroll</i>	33,680.67	24,795.36	8,885.31	35.83%
<i>Accrued Employee Leave</i>	34,364.96	6,810.05	27,554.91	404.62%
<i>Other Current & Accrued Liabilities</i>	204.50	(6,222.20)	6,426.70	-103.29%
Total Current Liabilities	409,422.17	199,297.23	210,124.94	105.43%
Noncurrent Liabilities				
<i>Noncurrent Liabilities</i>	1,950,974.07	2,233,359.37	(282,385.30)	-12.64%
Total Noncurrent Liabilities	1,950,974.07	2,233,359.37	(282,385.30)	-12.64%
Total Liabilities	2,360,396.24	2,432,656.60	(72,260.36)	-2.97%

Net Assets - Unrestricted

Balance Sheet - Water

September 30, 2025

	<u>This Year YTD</u>	<u>Last Year YTD</u>	<u>Variance Dollar</u>	<u>Variance Percent</u>
Liabilities and Net Assets				
<i>Reserves</i>	77,699.97	55,706.97	21,993.00	39.48%
<i>Unappropriated Retained Earnings</i>	37,889,547.25	34,665,421.61	3,224,125.64	9.30%
<i>YTD Net Income(Loss)</i>	1,498,397.12	1,437,531.24	60,865.88	4.23%
<i>Other Equities</i>	1,407,873.10	1,429,866.10	(21,993.00)	-1.54%
Less PP&E, Net	(28,389,302.56)	(27,609,886.62)	779,415.94	2.82%
Total Net Assets - Unrestricted	<u>12,484,214.88</u>	<u>9,978,639.30</u>	<u>2,505,575.58</u>	<u>25.11%</u>
Investment in Capital Assets	<u>28,389,302.56</u>	<u>27,609,886.62</u>	<u>779,415.94</u>	<u>2.82%</u>
Total Net Assets	<u>40,873,517.44</u>	<u>37,588,525.92</u>	<u>3,284,991.52</u>	<u>8.74%</u>
 <u>Total Liabilities and Net Assets</u>	 <u><u>43,233,913.68</u></u>	 <u><u>40,021,182.52</u></u>	 <u><u>3,212,731.16</u></u>	 <u><u>8.03%</u></u>



MEMORANDUM

To: Chair Thompson, Members Molamphy, Pendleton, Hill, and Westcott
From: Kari Duncan, General Manager
Date: November 12, 2025
Subject: Staff Report – November Board Meeting

New General Manager

Staff and Board members at Canby Utility have been very welcoming and I am rapidly getting up to speed on the Utility, and meeting the staff and Board members. The City Manager Randy Ealy visited the Utility on November 4th for a brief facility tour and an introductory meeting where we discussed coordination and communication between the City and Utility. Brian Hutchins with Veolia took me over to the current Water Treatment Plant and Molalla River Intake, and I visited the prospective River Intake and Water Treatment Plant sites with Jason Berning. I want to thank the staff and board for the warm welcome.

OMEU Annual Meeting

The OMEU annual meeting was held October 16 - 17. Presentations from Janine Benner, Director of the Oregon Department of Energy (ODOE), State Representative Mark Gamba, Vice Chair of the House Climate, Energy & Environment, Bonneville Power Administration Deputy Administrator and Chief Operating Officer Suzanne Cooper, Public Power Council CEO and Executive Director Scott Simms as well as other partners and stakeholders. This was an excellent opportunity to meet and discuss priorities and current topics with the heads of agencies listed above and our Municipal Electric Utility peers.

Customer Service Supervisor Recruitment

Cindy Dittmar, Customer Service Supervisor and Canby Utility employee for the past 28 years retired at the end of October leaving a vacancy for this position. A recruitment was posted for the Customer Service Supervisor position with a short posting window. Interviews for the position will be conducted in early November.

BPA Residential Exchange Program and Possible Surcharge

Communication from BPA and the PPC this month have provided information related to a possible surcharge allowed under the current BPA power supply agreement. The Utility was informed that BPA may institute the 2% surcharge effective December 1, and would remain in place for the balance of the current fiscal year. The surcharge is in response to recent low water years that have reduced BPA's financial reserves. If triggered, the charge would total less than \$20,000 based on projected transmission expenses through the end of the fiscal year. We will

know more after a BPA meeting on November 13 if this surcharge will be implemented. We are also tracking discussions related to the Residential Exchange Program (REP) and further updates are expected on this topic from BPA and at the PPC meeting to be held on November 5 - 6.

PGE Transmission Capacity

Staff have been meeting with the City, PGE, and BPA related to the current transmission capacity constraints to evaluate options going forward. A meeting is scheduled on November 20 with Canby Utility staff, City staff, and PGE to continue this discussion. A line and load study with BPA has also been initiated, and staff will continue to report back to the Board on these topics.

PCC Meeting

The annual PCC meeting will be held in Portland on November 5 - 6, to be attended by Board Member Molamphy and GM Duncan. The theme of the event is “Champions of Public Power” and it will feature speakers from the PPC, the American Public Power Council (APPA) President Scott Corwin, BPA Administrator John Hairston, and others.

Stantec Contract –Project Update

A joint meeting between Canby Utility staff, City staff, Stantec, and Clackamas County was held on November 4 to evaluate the suitability of an alternative site for the proposed water treatment plant. The results of the meeting were very promising, and this site, along with the existing five-acre Canby Utility property, both appear to be viable locations for the proposed Water Treatment Plant. Planned further assessment of the alternative site is recommended to ensure that all considerations and drawbacks are examined prior to determining a final preferred location.

Electric Rate Cost of Service Study

Staff have continued to work with our rate consultants, Toth and Associates, to complete the Electric Cost of Service Study. Rate design options will be presented to the Board at the November meeting, with a public hearing planned for December.