

**CANBY UTILITY**  
**REGULAR BOARD MEETING**  
**FEBRUARY 10, 2026**  
**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 December 9, 2025 (pp. 1-6)
  - Approval of Payment of Water and Electric Bills
- IV. CITIZEN INPUT ON NON-AGENDA ITEMS *Citizens wanting to speak virtually, please email or call the Board Secretary-Clerk by 4:30 p.m. on February 10, 2026, with your name, the topic you would like to speak on, and contact information: [bbenson@canbyutility.org](mailto:bbenson@canbyutility.org) or 503-263-4312.*
- V. PRESENTATION Canby Water Supply Project Update – Andrew Nishihara, Bryan Black, and Eric Ward, Stantec (pp. 7-11)
- VI. BOARD REPORT
  - Chair Comments
  - Board Member Comments
- VII. STAFF REPORTS

Finance Manager:

  - Water Rate Proposal Timeline (pg. 12)
  - Second Quarter Financials (pp. 13-25)

General Manager:

  - General Manager Report (pp. 26-27)
- VIII. EXECUTIVE SESSION The Canby Utility Board will recess its regular meeting to go into executive session pursuant to ORS 192.660(2)(h)(i) to discuss litigation and the performance of a public employee. Upon completion of the executive session, the Board will return to its regular meeting.
- IX. DISCUSSION Interim General Manager Retroactive Compensation – Chair Thompson
- X. ADJOURN

**CANBY UTILITY**  
**REGULAR BOARD MEETING MINUTES**  
**DECEMBER 9, 2025**

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

**Staff Present:** Kari Duncan, General Manager; Barbara Benson, Board Secretary; Jason Berning, Operations Manager; Mike Schelske, Finance Manager; Sergio Avalos, Customer Service Supervisor; Jason Peterson, Operations Field Supervisor; and Stacey Savory, Administrative Assistant

**Others Present:** Emily Guimont, Board Attorney; Representative Matt Bunch; Brian Hutchins, Veolia Water; Ron Yarbrough; Council Liaison; Irene Dewar; Tyler Walden; Shatrine Krake; Joe Lively; Buddy Bell; Jean Stevens; Patty Travis; Christine Dewar; Jonathan Dewar; Elaine Denning; Joe Brennan; Mike Harmon; John Todd; Jared Taylor; Peter Hostetler; Tom Brandt; Kevin Bauman; Mike Strandberg; Alex Lavery; Mark Dewar; Jeff Brandt; Mark Fitz; Drake Teebles; and David Dewar

Chair Thompson called the Regular Board Meeting to order at 7:03 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, regular meeting minutes of October 14, 2025, and payment of the electric and water department bills in the amount of \$612,517.11. Member Molamphy seconded, and the motion passed 5-0.

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

Finance Manager Mike Schelske stated that management recommends adopting Resolution No. 338 to establish a new rate classification for High-Density Load Service (HDLS), applicable to High-Use Computing Facilities (HUCF), including data centers, cryptocurrency mining, artificial intelligence hosting, and similar uses.

Schelske reviewed applicable City of Canby Charter requirements and stated that the recommended rates meet the Charter's standards. He summarized selected findings from the Cost-of-Service Study, noting that without rate adjustments, the utility is projected to incur a net operating loss of approximately \$1.1 million in fiscal year 2026.

Schelske also discussed that customers in the proposed HDLS rate class have high and variable power usage. Chair Thompson confirmed that the residential rate class currently subsidizes other

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**Regular Board Meeting Minutes**  
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classes and that the information presented supports establishing a new rate class to better align usage, revenues, and cost allocation.

General Manager Kari Duncan clarified that the proposed resolution would establish the new rate classification only and would not set rates. She noted that rate-setting would occur as part of the public hearing process after receiving public testimony. Following discussion, Member Hill made the \*MOTION to adopt Resolution No. 338, updating Canby Utility's Customer Service Policies and Procedures to establish a new rate classification for High-Density Load Service, Repealing Resolution No. 323. Member Molamphy seconded, and the motion passed 5-0.

The next agenda item was the public hearing on the proposed electric rates. Chair Thompson opened the public rate hearing at 7:15 p.m. and reviewed the hearing process, including the legal standards and the option to continue the hearing if necessary.

Schelske presented the proposed electric rate adjustments and summarized the cost-of-service study conducted by Toth & Associates, noting that without rate changes, the utility is forecast to incur a \$1.1 million loss. He stated that the proposed rates are intended to rebalance revenues among customer classes.

Schelske reviewed a comparison of Canby Utility's residential electric rates with 28 regional utilities, noting that Canby ranks the sixth lowest. The proposed 8 percent revenue increase would restore a positive operating margin, though some customer classes would continue to have negative margins. Staff addressed the Board's questions regarding High-Density Load Service, rate drivers, differences from the 2023 rate adjustment, and ongoing cross-subsidization.

Board Attorney Emily Guimont discussed the Canby City Charter, which clearly states that rates must be adopted that are fair, reasonable, and compensatory.

**Public Testimony:**

Tom Brandt, Canby resident, spoke in opposition to creation of a data center rate classification, referenced federal guidelines, questioned a reported 3-MW allocation, and expressed concern about impacts to data center viability.

Kevin Bauman, employee of Sunbreak Electronics, opposed the HDLS proposal, stating the rate increase is disproportionate, would severely impact operations, and could cause customers to relocate outside Canby.

Mark Dewar, Canby resident and co-owner of Sunbreak Electronics, opposed the HDLS rate, stating that while rate adjustments are understood, the proposed increase would be devastating to their business, and requested clarification of the HDLS definition.

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Jeff Brandt, Culebra, Puerto Rico resident and co-owner of Sunbreak Electronics, opposed the HDLS rate and discussed the company's history, expansion, operations, and impacts of utility-related delays.

Mark Fitz, Clackamas County resident, spoke about concerns for the business community, stating that the loss of the data center would reduce utility revenues and urging the maintenance of commercial rates to allow continued operations.

Peter Hostetler, Canby business owner, opposed the proposal, citing disproportionate increases for data centers and small businesses, questioning the cost-of-service calculations, and expressing concerns regarding the notice and timing.

Mike Harmon, Canby resident, opposed the HDLS rate, stated it unfairly targets a single business, and requested identification of other data centers.

John Todd, Marquam resident and customer of Sunbreak Electronics, opposed the HDLS rate, stating the increase is unprecedented, harmful to the data center industry, and requested that any increase be softened and phased in.

Jared Taylor, Attorney for Sunbreak Electronics, opposed the proposal, stating the increase would effectively be 60 percent, the notice period was insufficient, and approval would result in closure, job losses, and broader community impacts, requesting postponement for further review.

Drake Teeple, a Canby resident and Sunbreak Electronics employee, opposed the HDLS rate, citing the company's community involvement and the support he has received as an employee, and stated that closure would require him to relocate.

David Dewar, a Canby resident and business owner, acknowledged that costs may need to increase, encouraged further review, suggested examining other data centers, and urged the Board to ask additional questions before proceeding.

Chair Thompson read written testimony submitted electronically into the record, including:

Buddy Bell, Canby resident, submitted questions regarding the proposal, which Chair Thompson directed to staff for response.

Julio Recci, Puerto Rico resident, Cloud Smash, submitted comments emphasizing the importance of reliable data center services and support for Sunbreak Electronics.

Benjamin Sherman, Des Moines, Iowa resident, Cloud Smash co-founder, opposed the HDLS rate and cited impacts to his company if Sunbreak closed.

Scott Brown, Oregon resident, submitted concerns regarding communications infrastructure resiliency and requested phased-in alternatives.

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Amber Pham, Portland resident and Executive Director of Northwest Access Exchange, opposed the HDLS rate and requested adoption of a fair, phased approach.

Scott Long, Bend resident, Cloud Smash, opposed the HDLS rate, citing reliance on Sunbreak Electronics and concerns about unstable operating costs.

Nathan Sales, Portland resident and former Sunbreak employee, strongly opposed the HDLS rate and urged equal distribution of rate impacts.

Edward Evi, Fiberfi Internet, opposed the HDLS rate, citing Sunbreak's role as a regional fiber hub serving low-income communities.

Hector Misael Miranda Alfonso, Puerto Rico resident, Puerto Rico Internet Exchange, opposed the HDLS rate, citing nationwide and international telecommunications impacts.

Steve Clark, Canby resident, submitted comments supporting the HDLS rate class, stating residential customers should not subsidize HDLS customers and expressing concern about broader energy costs.

Ivan Rivera, Puerto Rico resident, Vice President of the Puerto Rico Internet Exchange and affiliated companies, opposed the HDLS rate, citing immediate closure risks and widespread communications disruption in the Caribbean.

Charles Luchterhand, Canby resident, supported the HDLS rate increase and expressed that residential customers should not subsidize them. HDLS customers should pay a higher rate than residential customers.

Greg Brewster, address unknown, SandyNet General Manager, expressed concern about the proposed HDLS rate impacts, citing reliance on Sunbreak Electronics and insufficient time to secure alternatives.

Matt Ashburn, private advisor, opposed the HDLS rate, stating the proposal is well-intentioned but misguided and would jeopardize essential services.

Chair Thompson closed the public testimony, asking the Board if there are any additional questions for staff.

Member Pendleton asked whether Sunbreak Electronics could provide financial information demonstrating the impact of the proposed rate increase. Jared Taylor, attorney for Sunbreak Electronics, responded that information could be provided, noting that the data center operates through 48 individual meters that are direct utility customers. Board Attorney Emily Guimont suggested staff coordinate with Sunbreak Electronics to obtain the requested information, and Taylor stated that Sunbreak would welcome further discussion.

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Member Molamphy expressed appreciation for the information presented but questioned the magnitude of the proposed impact, noting that large-load energy charges did not appear significantly higher. Schelske responded that large-load and HDLS rates are similar. Member Hill asked whether any customer class would receive a decrease; General Manager Kari Duncan clarified that all customer classes would experience increases.

Discussion followed regarding multiple meters at a single facility and demand charges. Schelske explained that under the proposal, each meter would be subject to its own demand charge. He confirmed that some meters currently meet the demand threshold while others operate just below it. Duncan described the staff's research and benchmarking to other utilities used to develop the proposed demand charge.

Chair Thompson asked whether the Board wished to continue the public hearing to allow additional review or proceed with a decision. Several members expressed a desire for more time to review testimony, explore potential rate implementation options, and allow staff to conduct further analysis. Board Attorney Guimont confirmed the Board's authority to continue the hearing.

The Board discussed continuing the public hearing to January 13, 2026, noting that this would delay the originally proposed January 1, 2026, effective date. After the discussion, Member Molamphy made the **\*MOTION** to continue the public hearing until January 13, 2026, at 6:00 p.m. Member Hill seconded, and the motion passed 5-0.

Chair Thompson stated that the rate hearing portion of the meeting was concluded. Board Attorney Emily Guimont noted that written submissions would continue to be accepted and that all materials received, including those not fully read during the meeting, have been reviewed.

Chair Thompson asked the Board if there were any comments for the Board Report; none were offered.

Customer Service Supervisor Sergio Avalos provided an annual update on the Red Flag Rules, noting that the Federal Trade Commission requires utilities to maintain an Identity Theft Prevention Program. He stated that Canby Utility's program, established in 2008, is reviewed annually and remains in full compliance with federal requirements.

General Manager Kari Duncan provided a staff report update and thanked the Board for the recent goal-setting session. She reported attending the Canby High School trades event with water and electric department staff and Veolia representatives, as well as a December OMEU meeting focused on budget and roundtable discussions.

Duncan stated that staff continues to monitor the BPA surcharge, which is not included in the current budget and will be brought forward as a future agenda item. She also provided updates

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**Regular Board Meeting Minutes**  
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on PGE transmission capacity coordination and the Canby Water Supply Project, noting that potential sites are being finalized and environmental reviews are underway.

Chair Thompson asked whether the City had declared a moratorium; Board Attorney Emily Guimont confirmed that it has not. The Board discussed potential new large loads and development activity, the need for early coordination with Canby Utility, and considerations related to load studies, land use approvals, infrastructure upgrades, and potential policy changes. General Manager Kari Duncan stated that the Utility does not currently pass BPA or PGE line and load study costs to developers, but staff is evaluating that option.

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

The meeting adjourned at 9:27pm.

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Melody Thompson, Chair

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John Molamphy, Member

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Jake Hill, Member

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Jack Pendleton, Member

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Robert Westcott, Member

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Barbara Benson, Board Secretary



## MEMORANDUM

**To:** Chair Thompson, Member Molamphy, Member Pendleton, Member leBlanc, and Member Westcott

**Copy to:** Kari Duncan, Barbara Benson, Jason Berning, Mike Schelske

**From:** Bryan Black, Andrew Nishihara - Stantec

**Date:** February 10, 2026

**Subject:** CWSP Progress Update – February 2026

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This memorandum summarizes Owner's Representative and Conceptual Engineering services through January 2026 related to the Canby Water Supply Program (CWSP) to accompany the presentation to the board. The CWSP intends to develop a new water supply from the Willamette River. The 2023 Water Master Plan indicates the supply capacity of the existing Molalla system is limited to 8.0 mgd and the City's Maximum Day Demand is expected to reach this capacity by 2035. Canby Utility's (CU) request indicated that the Master Plan was based on high-level assumptions and additional conceptual engineering is needed to provide Project Definition including updated scope, schedule and budget. The water supply infrastructure required is a new intake and raw water pump station located on the Willamette River, raw and finished water pipelines, and a water treatment plant (WTP).

CU acquired property for the WTP from the City in 2019 and the City granted an easement for the intake pump station and raw water pipeline. CWSP services included an Alternatives Analysis of other potential locations, and no better locations were identified. A promising alternate intake location was identified downstream that would require relocation of the City's wastewater effluent discharge. However, this alternate intake location does not appear to be cost-effective at this time. An alternate WTP location was identified east of the CU WTP property just outside of the Urban Growth Boundary (UGB) and City Limits. However, this alternate WTP location may not be able to be served by CU power, so could be less desirable from a cost standpoint.

Field services were completed to determine the depth of the river in the vicinity of the intake site. The summer effort indicated that the area adjacent to the intake site was too shallow to perform the survey, creating concern that the intake could not be deep enough to access during low water conditions. Additional effort was completed in November when the river flow was higher, increasing the depth sufficiently for boat access, and identified a deeper pool adjacent to the intake site that appears suitable but requires additional verification.

The project timeline is significant due to the permitting and construction required. Federal permit applications are planned for submittal in 2026 and have a two-year Agency review period planned for completion in 2028. Final design is planned for 2027 with construction starting following approval of permits in 2028 and finishing in 2032.

The intake and raw water pump station costs are expected to exceed the early planning level estimate from 2023 due to the in-water work required and depth needed to access low water elevations while keeping

Reference: Canby Water Supply Program

equipment and electrical systems elevated above the 100-year flood elevation. Moreover, it does not appear that cost escalation (accounting for inflation through construction) was included in the original estimates. Therefore, the current opinion of probable project costs exceeds the original plan. Options will be presented along with potential rate impacts to get Board input on how best to proceed.

Next steps in the project include:

- Gaining guidance from the Board on affordability goals and project budget.
- As needed, the conceptual design would be revised to meet an acceptable budget.
- An Owner's Representative contract amendment can be considered to continue the work beyond April 2026.
- A Board workshop is recommended to discuss the project and gain Board input on the project direction.

Status of work deliverables and tasks completed to date are as follows.

#### ***Conceptual Engineering / Project Definition Services***

##### ***1.a - Identification of Service Level Goals***

- *CU comments on draft submittal received*
- *Task completion in February*

##### ***1.b - Water System Integration Plan***

- Deliverable scheduled to CU by February
- Task completion in February

##### ***1.c - Intake Planning***

- *Deliverable submitted to CU*
- *Task completion in February*

##### ***1.d - Water Treatment Planning***

- *Deliverable submitted to CU*
- *Task completion in February*

##### ***1.e - Raw and Finished Water Pipeline Planning***

- *Deliverable submitted to CU*
- *Task completion in February*

##### ***1.f - Real Estate Acquisition Plan (on track)***

- *Deliverable submitted to CU*

##### ***1.g - Permitting Strategy (on track)***

- Deliverable scheduled to CU in February
- Task completion in March

##### ***1.h - Communications Plan (on track)***

- *Deliverable submitted and reviewed by CU*

##### ***1.i - Updated Cost Estimates (schedule adjusted)***

- Deliverable submitted to CU
- Task completion in March

##### ***1.j - Updated Project Schedule***

Reference: Canby Water Supply Program

- Deliverable scheduled in February
- Task completion in February

*1.k - Project Funding Plan*

- *Deliverable submitted to CU*
- *Task completion in February*

**Owner's Representative Services**

*2.a - Project Management Plan*

- *Task is complete, no further work anticipated*

*2.b - Project Budget and Budget Management Plan*

- *Task is complete, no further work anticipated*

*2.c - Contracting Strategy and Project Delivery Planning*

- Task to be progressed January through end of Year 1 services

*2.d - Procurement Support*

- *Task deferred to Year 2*

*2.e - Communications Support*

- Continued routine support through end of Year 1 (January 2025 – April 2026)

*2.f - Real Estate Acquisition Support*

- *No real estate acquisition support has been required for shortlisted sites*
- *Task deferred to Year 2*

*2.g - Project Funding Support*

- Letter of interest for funding opportunities and general support through March



## MEMORANDUM

**To:** Chair Thompson, Member Molamphy, Member Pendleton, Member Westcott, and Member leBlanc

**Copy to:** Kari Duncan, Jason Berning

**From:** Mike Schelske, Finance Manager

**Date:** February 10, 2026

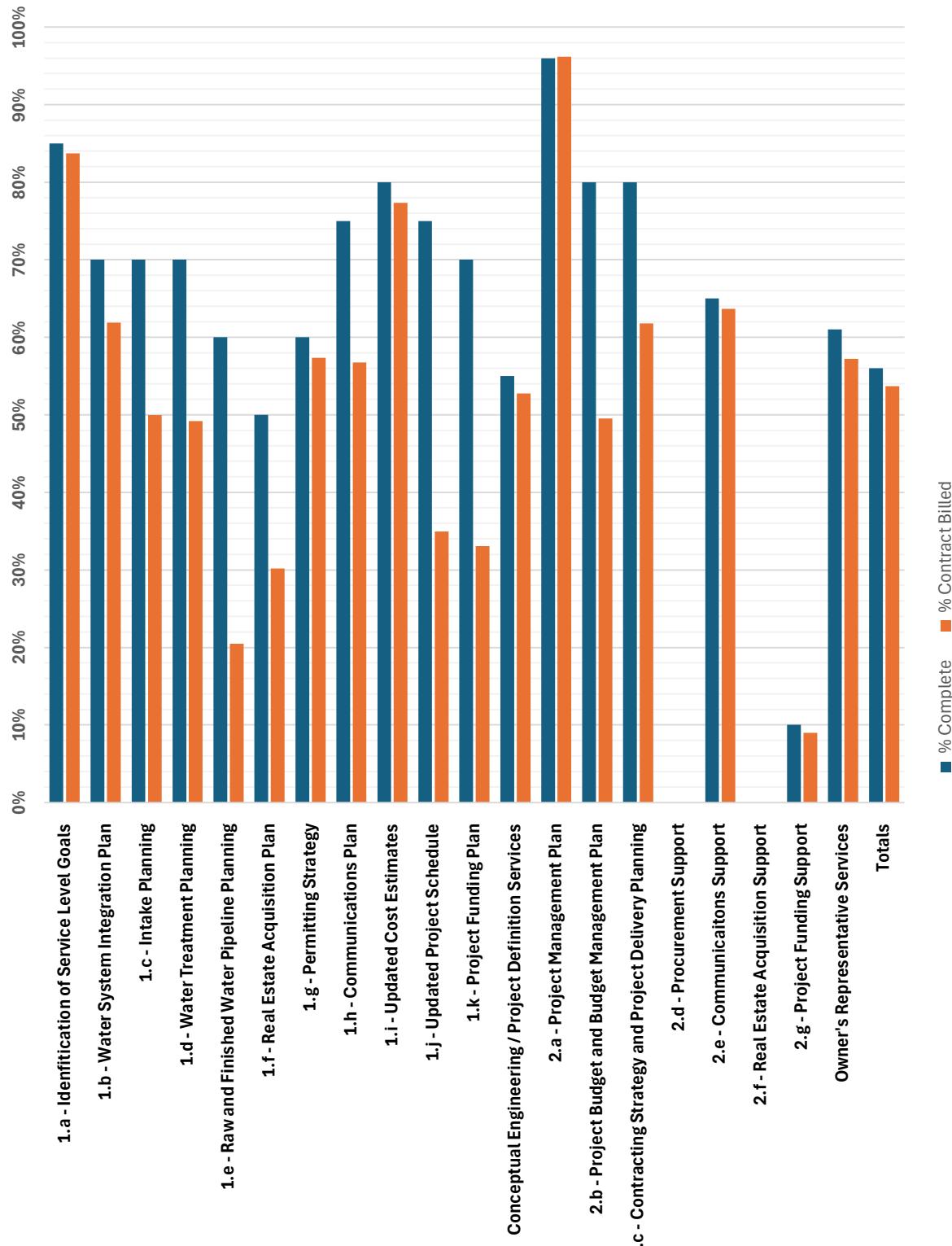
**Subject:** CWSP Budget Report as of January 2, 2026

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Attached is a report outlining CWSP expenditures through January 2, 2026, 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.

## % Billed vs. % Complete As of January 2, 2026





## MEMORANDUM

**To:** Chair Thompson, Member Molamphy, Member Pendleton, Member Westcott, and Member leBlanc

**Copy to:** Kari Duncan, Jason Berning, Jason Peterson, Barb Benson, Sergio Avalos

**From:** Mike Schelske, Finance Manager

**Date:** February 10, 2026

**Subject:** Schedule for Proposed Water Rate Adjustment

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The schedule for the next Water Rate Adjustment, scheduled for May 1, 2026, is as follows:

Date	Action
March 10 <sup>th</sup> Board Meeting	Staff will present proposed rate increase to Board and ask Board to set April 14, 2026 as the date for a public hearing on the water rate adjustment.
March	Notice of the public hearing will be published in The Reporter newsletter.  This is a notice of the hearing only. Due to the timing, rates will not be included in this notice.
April 1 and April 8	Notice of public hearing on proposed rates will be published in the Canby Herald.
April 14 <sup>th</sup> Rate Hearing	Staff will present Resolution for new rates for public comment and Board approval.
May 1, 2026	If approved, rate adjustment becomes effective May 1, 2026.



## MEMORANDUM

**To:** Chair Thompson, Member Molamphy, Member Pendleton, Member Westcott, and Member leBlanc

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

**From:** Mike Schelske, Finance Manager

**Date:** February 10, 2026

**Subject:** Financial Results for Three Months and YTD Ending December 31, 2025

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*Please refer to the attached **Charts**, **Financial Highlights**, **Income Statements** (Statement of Operations and Changes in Net Assets), and **Balance Sheets** for supporting details and additional information.*

### YTD Electrical Highlights

- Operating revenue of \$7.8 million was 0.9% higher than budget.
- Total expenses (purchased power and operating expenses) were slightly over budget with 51% of the budget expended after 50% of the year completed.
- Purchased power of \$5.1 million was 3.9% higher than budget.
- The operating loss of \$316,073 was 41.8% lower than budget.
- Net income of \$353,091 was 24.0% higher than budget mainly due to lower operating loss and higher non-operating income, offset partially by lower contributed capital.

### Water Highlights

- Operating revenue of \$3.3 million was slightly lower than budget by 0.6%.
- Operating expenses were under budget with 46% of the budget expended with 50% of the year completed.
- Operating profit of \$1.2 million was 21.7% higher than budget.
- Net income of \$2.0 million was 9.9% lower than budget due to lower contributed capital. This has been partially offset by higher operating profit.

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



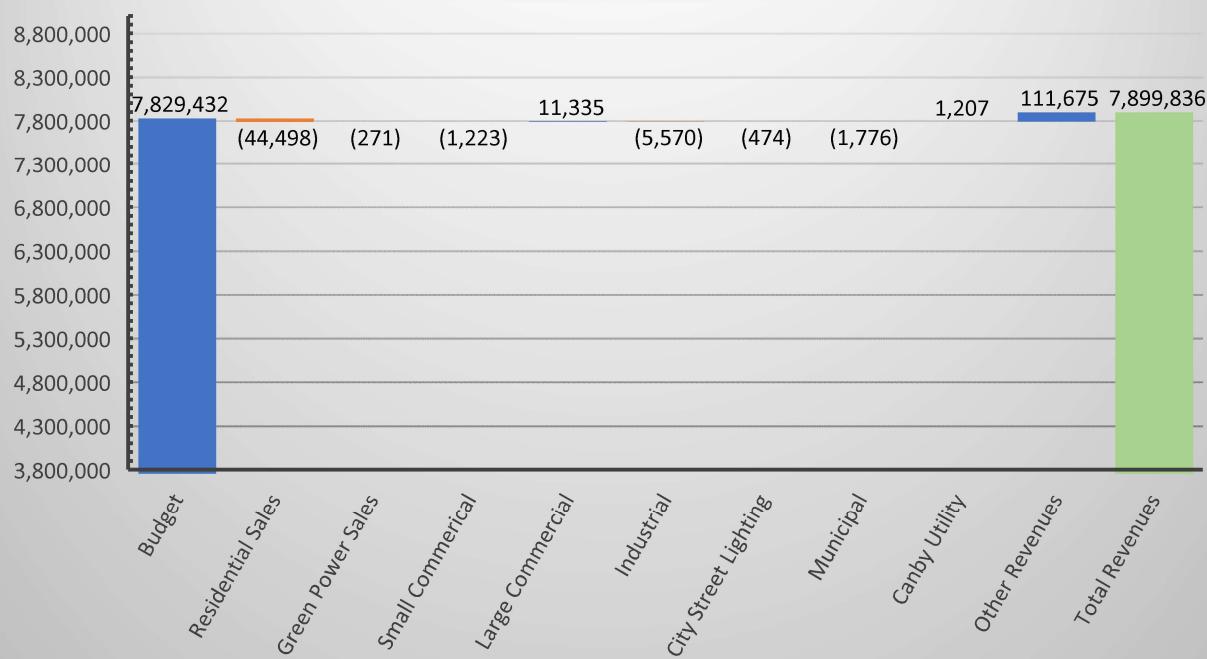
**Charts** on following pages:

- 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

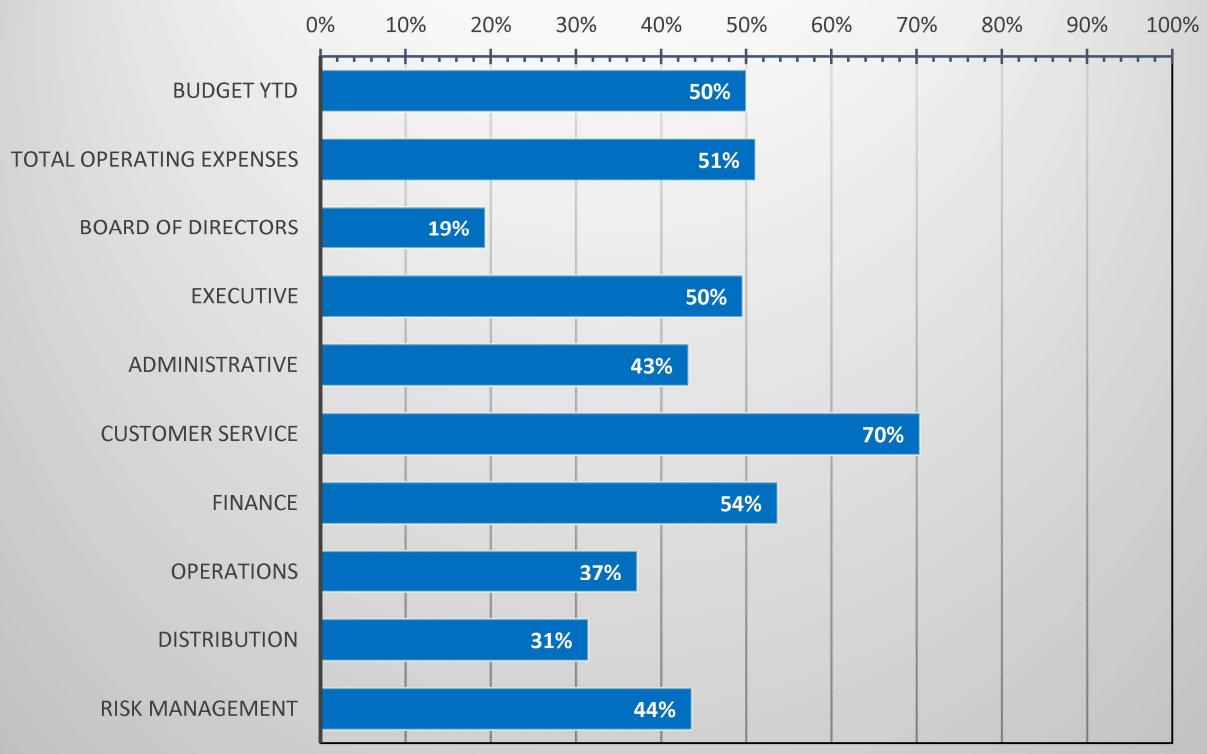
Six Months Ending 12/31/25

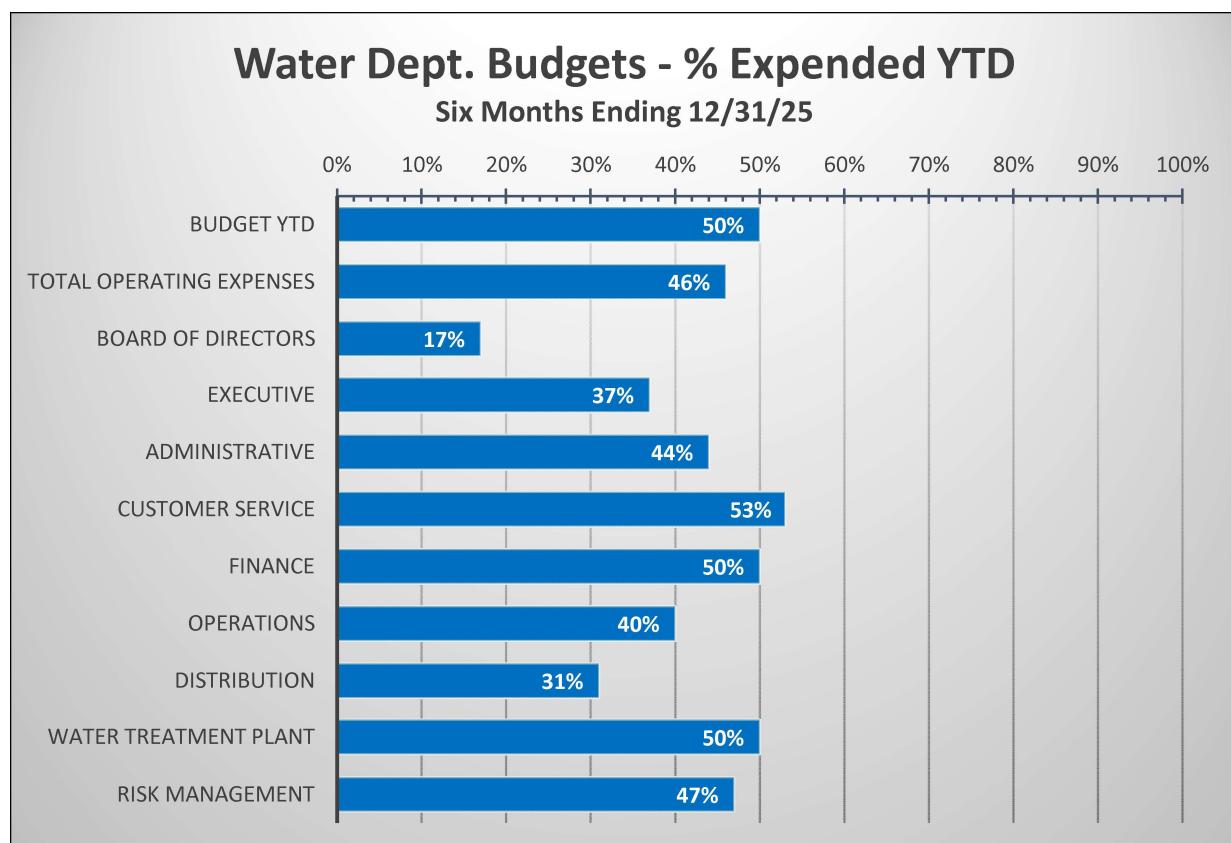
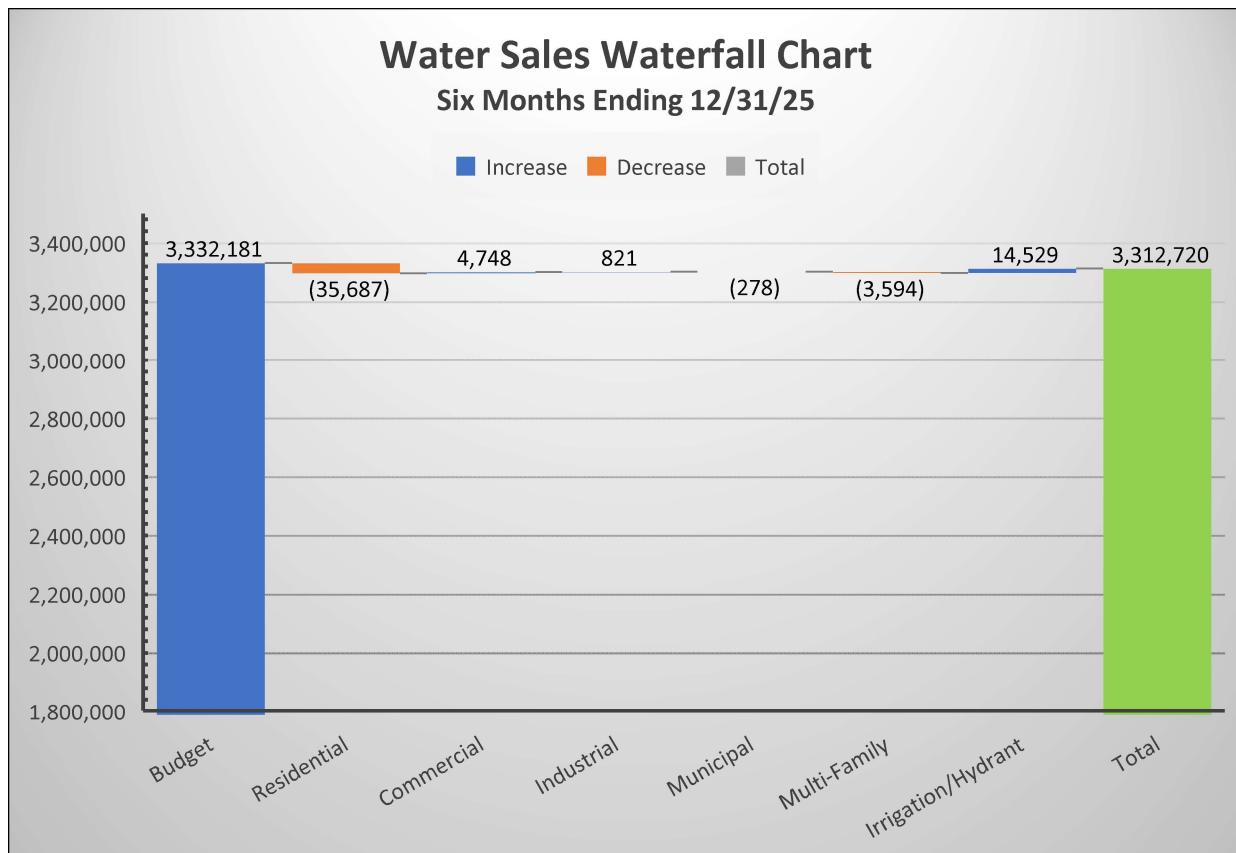
■ Increase ■ Decrease ■ Total



## Electric Dept. Budgets - % Expended YTD

Six Ending 12/31/25





**Canby Utility**  
**Financial Highlights**  
**Quarter and YTD Ending**  
**December 31, 2025**

Electric Operations	Quarter		YTD		YTD	
	Actual	Budget	Actual	Budget	Over (Under) Budget	Budget Status
<u>Balance Sheet</u>						
Cash & Investments			<u>\$ 17,328,379</u>			
<u>Income Statement</u>						
Operating Revenue	\$ 3,723,314	\$ 3,827,955	\$ 7,899,835	\$ 7,829,436	\$ 70,399	Favorable
Purchased Power	2,272,547	2,350,984	5,096,363	4,903,441	192,922	Unfavorable
Operating Expenses	<u>1,467,552</u>	<u>1,721,672</u>	<u>3,119,546</u>	<u>3,468,640</u>	<u>(349,094)</u>	Favorable
Operating Profit (Loss)	(16,785)	(244,700)	(316,074)	(542,645)	226,571	Favorable
Operating Margin	-0.5%	-6.4%	-4.0%	-6.9%		
Other Rev. (Exp.)	230,238	204,789	508,752	405,197	103,555	Favorable
Capital Contributions	<u>128,413</u>	<u>211,074</u>	<u>160,413</u>	<u>422,151</u>	<u>(261,738)</u>	Unfavorable
Net Income (Loss)	<u>\$ 341,866</u>	<u>\$ 171,163</u>	<u>\$ 353,091</u>	<u>\$ 284,703</u>	<u>\$ 68,389</u>	Favorable

Sales Data

kWh Sold	-	47,372,795
kWh Purchased	-	50,369,014

Water Operations	Quarter		YTD		YTD	
	Actual	Budget	Actual	Budget	Over (Under) Budget	Budget Status
<u>Balance Sheet</u>						
Cash & Investments			<u>\$ 13,054,227</u>			
<u>Income Statement</u>						
Operating Revenue	\$ 1,215,609	\$ 1,218,669	\$ 3,312,720	\$ 3,332,181	\$ (19,461)	Variance < 1%
Operating Expenses	<u>1,038,535</u>	<u>1,133,148</u>	<u>2,089,260</u>	<u>2,327,082</u>	<u>(237,821)</u>	Favorable
Operating Profit (Loss)	177,074	85,521	1,223,460	1,005,099	218,361	Favorable
Operating Margin	14.6%	7.0%	36.9%	30.2%		
Other Rev. (Exp.)	166,068	148,010	322,041	301,679	20,362	Favorable
Capital Contributions	<u>188,699</u>	<u>\$ 473,004</u>	<u>\$ 484,738</u>	<u>946,008</u>	<u>(461,270)</u>	Unfavorable
Net Income (Loss)	<u>\$ 531,841</u>	<u>\$ 706,535</u>	<u>\$ 2,030,238</u>	<u>\$ 2,252,786</u>	<u>\$ (222,548)</u>	Unfavorable

Sales Data

Cu. Ft. Sold	-	21,055,940
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## Statement of Operations and Changes in Net Assets - Budget - Electric

**December 31, 2025**

	Month Totals		Variance Percent	This Year YTD	Year to Date Totals		Variance Dollar	Variance Percent
	This Year December	Budget December			Budget YTD	YTD		
<b>Operating Revenues</b>								
Residential Sales	633,458.38	741,899.02	(108,440.64)	-14.62%	3,712,643.43	3,757,140.81	(44,497.38)	-1.18%
Green Power Sales	1,040.52	1,078.80	(38.28)	-3.55%	6,284.52	6,559.22	(274.70)	-4.19%
Small Commercial	126,274.83	130,617.58	(4,342.75)	-3.32%	750,652.65	751,876.05	(1,223.40)	-0.16%
Large Commercial	264,461.00	277,279.11	(12,818.11)	-4.62%	1,808,768.84	1,797,434.60	11,334.24	0.63%
Industrial	174,520.10	184,492.65	(9,972.55)	-5.41%	1,121,085.60	1,126,655.82	(5,570.22)	-0.49%
City Street Lighting	3,675.08	3,777.34	(102.26)	-2.71%	22,288.94	22,763.11	(474.17)	-2.08%
Municipal	17,021.01	19,594.10	(2,573.09)	-13.13%	101,099.23	102,875.38	(1,776.15)	-1.73%
Canby Utility	12,950.04	12,849.10	100.94	0.79%	106,331.60	105,124.97	1,206.63	1.15%
<b>Total Electric Energy Sales</b>	<b>1,233,400.96</b>	<b>1,371,587.70</b>	<b>(138,186.74)</b>	<b>-10.07%</b>	<b>7,629,154.81</b>	<b>7,670,429.96</b>	<b>(41,275.15)</b>	<b>-0.54%</b>
NSF Check Fees	66.00	100.00	(34.00)	-34.00%	528.00	600.00	(72.00)	-12.00%
Reconnect Fees	925.00	1,167.00	(242.00)	-20.74%	8,100.00	7,002.00	1,098.00	15.68%
Account Set-up Fee	1,725.00	2,333.00	(608.00)	-26.06%	11,875.00	13,998.00	(2,123.00)	-15.17%
Failed Payment Arrangement Fee	50.00	50.00	0.00	0.00%	175.00	300.00	(125.00)	-41.67%
Disconnect Notice	7,100.00	6,000.00	1,100.00	18.33%	39,350.00	36,000.00	3,350.00	9.31%
Other Electric Revenues	53,094.77	16,851.00	36,243.77	215.08%	210,652.23	101,106.00	109,546.23	108.35%
<b>Total Other Electric Energy Revenues</b>	<b>62,960.77</b>	<b>26,501.00</b>	<b>36,459.77</b>	<b>137.58%</b>	<b>270,680.23</b>	<b>159,006.00</b>	<b>111,674.23</b>	<b>70.23%</b>
<b>Total Operating Revenues</b>	<b>1,296,361.73</b>	<b>1,398,088.70</b>	<b>(101,726.97)</b>	<b>-7.28%</b>	<b>7,899,835.04</b>	<b>7,829,435.96</b>	<b>70,399.08</b>	<b>0.90%</b>
<b>Operating Expenses</b>								
Board Of Directors	346.77	730.00	(383.23)	-52.50%	2,466.30	6,307.50	(3,841.20)	-60.90%
Executive	28,635.72	24,561.00	4,074.72	16.59%	152,410.68	140,785.00	11,625.68	8.26%
Administrative	30,865.13	37,853.00	(6,987.87)	-18.46%	178,603.19	219,287.00	(40,683.81)	-18.55%
Customer Service	101,257.02	68,252.00	33,005.02	48.36%	549,467.24	406,113.00	143,354.24	35.30%
Finance	941,387.51	1,032,133.59	(90,746.08)	-8.79%	6,502,912.39	6,366,464.63	136,447.76	2.14%
Operations	50,571.07	65,744.00	(15,172.93)	-23.08%	293,520.06	394,464.00	(100,943.94)	-25.59%
Distribution	81,040.75	135,042.00	(54,001.25)	-39.99%	498,046.57	794,252.00	(296,205.43)	-37.29%
Risk Management	6,330.39	7,293.00	(962.61)	-13.20%	38,482.34	44,408.00	(5,925.66)	-13.34%
<b>Total Operating Expenses</b>	<b>1,240,434.36</b>	<b>1,371,608.59</b>	<b>(131,174.23)</b>	<b>-9.56%</b>	<b>8,215,908.77</b>	<b>8,372,081.13</b>	<b>(156,172.36)</b>	<b>-1.87%</b>
<b>Operating Income/(Loss)</b>	<b>55,927.37</b>	<b>26,480.11</b>	<b>29,447.26</b>	<b>111.21%</b>	<b>(316,073.73)</b>	<b>(542,645.17)</b>	<b>226,571.44</b>	<b>41.75%</b>
<b>Operating Margin</b>	<b>4.31%</b>	<b>1.89%</b>					<b>-4.00%</b>	<b>-6.93%</b>

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

<b>December 31, 2025</b>		Month Totals		Year to Date Totals	
This Year December	Budget December	Variance Dollar	Variance Percent	This Year YTD	Budget YTD
<b><u>Non-Operating Revenues &amp; Expenses</u></b>					
Rental Lights	2,767.52	2,833.00	(65.48) -2.31%	16,589.41	16,998.00 (408.59) -2.40%
St. Light Maint. Sales	2,721.83	2,000.00	721.83 36.09%	16,698.08	12,000.00 4,698.08 39.15%
Billed For Dig In's	0.00	500.00	(500.00) -100.00%	0.00	3,000.00 (3,000.00) -100.00%
Public St. Lights Sold	0.00	2,333.00	(2,333.00) -100.00%	0.00	13,998.00 (13,998.00) -100.00%
Misc. Other Sales & Income	5,000.00	5,000.00	0.00 0.00%	148,092.02	30,000.00 118,092.02 393.64%
(8,119.38)	(5,000.00)	(3,119.38)	(22,095.63) 62.39%	(30,000.00)	(22,095.63) 7,904.37 -26.35%
St. Light Maint. Costs	(149.00)	0.00	(149.00) na	866.37	0.00 866.37 na
Temporary Service	54,639.43	62,293.00	(7,653.57) -12.29%	358,689.71	369,203.00 (10,513.29) -2.85%
Interest Income	(1,821.47)	(1,667.00)	(154.47) 9.27%	(10,087.72)	(10,002.00) (85.72) 0.86%
Other Interest Expense					
<b>Total Non-Operating Revenues &amp; Expenses</b>	<b>55,038.93</b>	<b>68,292.00</b>	<b>(13,253.07)</b> <b>-19.41%</b>	<b>508,752.24</b>	<b>405,197.00</b> <b>103,555.24</b> <b>25.56%</b>
<b>Net Income/(Loss) before Capital Contributions</b>	<b>110,966.30</b>	<b>94,772.11</b>	<b>16,194.19</b> <b>17.09%</b>	<b>192,678.51</b>	<b>(137,448.17)</b> <b>330,126.68</b> <b>-240.18%</b>
<b><u>Capital Contributions</u></b>					
Electric Hook-up Fees	4,800.00	11,777.00	(6,977.00) -59.24%	160,412.86	70,664.00 (351,487.00) 127.01%
Line Extension Fees	0.00	58,581.00	(58,581.00) -100.00%	0.00	351,487.00 -100.00%
<b>Total Capital Contributions</b>	<b>4,800.00</b>	<b>70,358.00</b>	<b>(65,558.00)</b> <b>-93.18%</b>	<b>160,412.86</b>	<b>422,151.00</b> <b>(261,738.14)</b> <b>-62.00%</b>
<b>Change in Net Assets</b>	<b>115,766.30</b>	<b>165,130.11</b>	<b>(49,363.81)</b> <b>-29.89%</b>	<b>353,091.37</b>	<b>284,702.83</b> <b>68,388.54</b> <b>24.02%</b>

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

**December 31, 2025**

	Month Totals		Variance Percent	This Year YTD	Year to Date Totals		Variance Dollar	Variance Percent
	This Year December	Budget December			Budget YTD	YTD		
<b>Operating Revenues</b>								
Residential	210,180.90	214,366.93	(4,186.03)	-1.95%	2,183,585.94	2,219,272.87	(35,686.93)	-1.61%
Commercial	42,228.30	41,624.84	603.46	1.45%	420,054.56	415,307.01	4,747.55	1.14%
Industrial	5,170.54	4,097.71	1,072.83	26.18%	41,088.84	40,268.09	820.75	2.04%
Municipal	3,656.10	4,066.28	(410.18)	-10.09%	39,132.96	39,410.61	(277.65)	-0.70%
Multi-Family	64,018.75	66,318.06	(2,299.31)	-3.47%	492,091.41	495,685.30	(3,593.89)	-0.73%
Irrigation/Hydrant	6,955.37	5,280.79	1,674.58	31.71%	136,766.18	122,236.70	14,529.48	11.89%
<b>Total Water Usage Sales</b>	<b>332,209.96</b>	<b>335,754.61</b>	<b>(3,544.65)</b>	<b>-1.06%</b>	<b>3,312,719.89</b>	<b>3,332,180.58</b>	<b>(19,460.69)</b>	<b>-0.58%</b>
<b>Total Other Water Revenues</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>na</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>na</b>
<b>Total Operating Revenues</b>	<b>332,209.96</b>	<b>335,754.61</b>	<b>(3,544.65)</b>	<b>-1.06%</b>	<b>3,312,719.89</b>	<b>3,332,180.58</b>	<b>(19,460.69)</b>	<b>-0.58%</b>
<b>Operating Expenses</b>								
Board Of Directors	115.59	235.00	(119.41)	-50.81%	717.87	2,052.50	(1,334.63)	-65.02%
Executive	9,988.20	9,012.00	976.20	10.83%	33,356.37	45,600.00	(12,243.63)	-26.85%
Administrative	16,604.82	19,280.00	(2,675.18)	-13.88%	97,564.69	116,605.00	(19,040.31)	-16.33%
Customer Service	15,168.66	17,217.00	(2,048.34)	-11.90%	106,890.47	109,967.00	(3,076.53)	-2.80%
Finance	110,797.75	114,141.00	(3,343.25)	-2.93%	726,867.13	755,886.00	(29,018.87)	-3.84%
Operations	16,185.40	19,647.00	(3,461.60)	-17.62%	94,844.47	117,878.00	(23,033.53)	-19.54%
Distribution	46,154.52	67,780.00	(21,625.48)	-31.91%	253,135.04	406,680.00	(153,544.96)	-37.76%
Water Treatment Plant	123,064.32	120,060.00	3,004.32	2.50%	744,885.92	739,385.00	5,500.92	0.74%
Risk Management	5,168.23	5,413.00	(244.77)	-4.52%	30,998.07	33,028.00	(2,029.93)	-6.15%
<b>Total Operating Expenses</b>	<b>343,247.49</b>	<b>372,785.00</b>	<b>(29,537.51)</b>	<b>-7.92%</b>	<b>2,089,260.03</b>	<b>2,327,081.50</b>	<b>(237,821.47)</b>	<b>-10.22%</b>
<b>Operating Income/(Loss)</b>	<b>(11,037.53)</b>	<b>(37,030.39)</b>	<b>25,992.86</b>	<b>70.19%</b>	<b>1,223,459.86</b>	<b>1,005,099.08</b>	<b>218,360.78</b>	<b>21.73%</b>
<b>Operating Margin</b>	<b>-3.32%</b>	<b>-11.03%</b>			<b>36.93%</b>	<b>30.16%</b>		
<b>Non-Operating Revenues &amp; Expenses</b>								
Billed For Dig In's	0.00	357.00	(357.00)	-100.00%	0.00	1,785.00	(1,785.00)	-100.00%
Misc. Other Sales & Income	0.00	0.00	na	na	4,807.18	0.00	4,807.18	na
Inspection Fees	3,712.50	3,678.00	34.50	0.94%	36,453.31	22,068.00	14,385.31	65.19%
Inspection Fees Cost	0.00	(3,678.00)	3,678.00	-100.00%	(169.43)	(22,068.00)	21,898.57	-99.23%
Interest Income	48,605.04	49,523.00	(917.96)	-1.85%	286,566.37	290,510.00	(3,943.63)	-1.36%
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

<b>December 31, 2025</b>		Month Totals		Year to Date Totals				
	This Year December	Budget December	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent
Interest Expense	(750.66)	(936.00)	185.34	-19.80%	(5,616.87)	(5,616.00)	(0.87)	0.02%
<b>Total Non-Operating Revenues &amp; Expenses</b>	<b>51,566.88</b>	<b>48,944.00</b>	<b>2,622.88</b>	<b>5.36%</b>	<b>322,040.56</b>	<b>301,679.00</b>	<b>20,361.56</b>	<b>6.75%</b>
<b>Net Income/(Loss) before Capital Contributions</b>	<b>40,539.35</b>	<b>11,913.61</b>	<b>28,615.74</b>	<b>240.19%</b>	<b>1,545,500.42</b>	<b>1,306,778.08</b>	<b>238,722.34</b>	<b>18.27%</b>
<b>Capital Contributions</b>								
Water Hook-up Fees	3,928.19	2,517.00	1,411.19	56.07%	(5,801.81)	15,102.00	(20,903.81)	-138.42%
Contributed by Others	0.00	95,763.00	(95,763.00)	-100.00%	0.00	574,578.00	(574,578.00)	-100.00%
SDC Fees	34,353.00	59,388.00	(25,035.00)	-42.15%	490,539.57	356,328.00	134,211.57	37.67%
<b>Total Capital Contributions</b>	<b>38,281.19</b>	<b>157,668.00</b>	<b>(119,386.81)</b>	<b>-75.72%</b>	<b>484,737.76</b>	<b>946,008.00</b>	<b>(461,270.24)</b>	<b>-48.76%</b>
<b>Change in Net Assets</b>	<b>78,810.54</b>	<b>169,581.61</b>	<b>(90,771.07)</b>	<b>-53.53%</b>	<b>2,030,238.18</b>	<b>2,252,786.08</b>	<b>(222,547.90)</b>	<b>-9.88%</b>

# Balance Sheet - Electric

<b>December 31, 2025</b>	<b>This Year YTD</b>	<b>Last Year YTD</b>	<b>Variance Dollar</b>	<b>Variance Percent</b>
<b>Assets</b>				
<b>Current Assets</b>				
<i>Cash</i>	18,421.55	365,130.77	(346,709.22)	-94.95%
<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>	17,309,957.82	14,406,968.82	2,902,989.00	20.15%
<i>Current Accounts Receivable</i>	1,417,482.62	1,469,844.68	(52,362.06)	-3.56%
<i>Plant Materials &amp; Operating Supplies</i>	2,501,985.80	2,660,149.87	(158,164.07)	-5.95%
<i>Prepayments</i>	56,720.79	64,209.54	(7,488.75)	-11.66%
<b>Total Current Assets</b>	<b>4,181,394.05</b>	<b>3,690,427.15</b>	<b>490,966.90</b>	<b>13.30%</b>
<b>Noncurrent Assets</b>				
<i>Other Deferred Charges</i>	1,387,647.45	1,177,431.37	210,216.08	17.85%
<b>Total Noncurrent Assets</b>	<b>1,387,647.45</b>	<b>1,177,431.37</b>	<b>210,216.08</b>	<b>17.85%</b>
<b>Property Plant and Equipment</b>				
<i>Property Plant &amp; Equipment in Service</i>	53,146,285.31	51,104,815.67	2,041,469.64	3.99%
<i>Accumulated Depreciation</i>	(20,364,290.18)	(18,975,893.21)	(1,388,396.97)	7.32%
<i>Construction Work in Progress</i>	(678,424.71)	432,790.33	(1,111,215.04)	-256.76%
<b>Total Property Plant and Equipment</b>	<b>32,103,570.42</b>	<b>32,561,712.79</b>	<b>(458,142.37)</b>	<b>-1.41%</b>
<b>Cash Designated for Future Use</b>				
<i>Reserve-Emergency</i>	107,834.00	0.00	107,834.00	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%
<b>Total Cash Designated for Future Use</b>	<b>17,231,008.53</b>	<b>15,275,876.53</b>	<b>1,955,132.00</b>	<b>12.80%</b>
<b>Total Assets</b>	<b>54,903,620.45</b>	<b>52,705,447.84</b>	<b>2,198,172.61</b>	<b>4.17%</b>
<b>Liabilities and Net Assets</b>				
<b>Current Liabilities</b>				
<i>Accounts Payable</i>	838,595.59	937,752.94	(99,157.35)	-10.57%
<i>Customer Deposits</i>	434,655.23	429,048.53	5,606.70	1.31%
<i>Accrued Payroll Taxes Payable</i>	(29,609.51)	(26,956.74)	(2,652.77)	9.84%
<i>Accrued Payroll</i>	96,851.63	96,318.89	532.74	0.55%
<i>Accrued Employee Leave</i>	215,775.95	133,043.42	82,732.53	62.18%
<i>Other Current &amp; Accrued Liabilities</i>	39,592.78	20,693.42	18,899.36	91.33%
<b>Total Current Liabilities</b>	<b>1,595,861.67</b>	<b>1,589,900.46</b>	<b>5,961.21</b>	<b>0.37%</b>
<b>Noncurrent Liabilities</b>				
<i>Noncurrent Liabilities</i>	3,512,123.77	3,333,042.70	179,081.07	5.37%
<b>Total Noncurrent Liabilities</b>	<b>3,512,123.77</b>	<b>3,333,042.70</b>	<b>179,081.07</b>	<b>5.37%</b>
<b>Total Liabilities</b>	<b>5,107,985.44</b>	<b>4,922,943.16</b>	<b>185,042.28</b>	<b>3.76%</b>
<b>Net Assets - Unrestricted</b>				
<i>Reserves</i>	107,834.00	0.00	107,834.00	na

# Balance Sheet - Electric

December 31, 2025		This Year YTD	Last Year YTD	Variance Dollar	Variance Percent
<b>Liabilities and Net Assets</b>					
<i>Unappropriated Retained Earnings</i>	50,816,264.64	48,814,624.51	2,001,640.13	4.10%	
<i>YTD Net Income(Loss)</i>	353,091.37	449,435.17	(96,343.80)	-21.44%	
<i>Other Equities</i>	(1,481,555.00)	(1,481,555.00)	0.00	0.00%	
Less PP&E, Net	(32,103,570.42)	(32,561,712.79)	(458,142.37)	-1.41%	
<b>Total Net Assets - Unrestricted</b>	<b>17,692,064.59</b>	<b>15,220,791.89</b>	<b>2,471,272.70</b>	<b>16.24%</b>	
<b>Investment in Capital Assets</b>	<b>32,103,570.42</b>	<b>32,561,712.79</b>	<b>(458,142.37)</b>	<b>-1.41%</b>	
<b>Total Net Assets</b>	<b>49,795,635.01</b>	<b>47,782,504.68</b>	<b>2,013,130.33</b>	<b>4.21%</b>	
<b>Total Liabilities and Net Assets</b>	<b>54,903,620.45</b>	<b>52,705,447.84</b>	<b>2,198,172.61</b>	<b>4.17%</b>	

# Balance Sheet - Water

<b>December 31, 2025</b>	<b>This Year YTD</b>	<b>Last Year YTD</b>	<b>Variance Dollar</b>	<b>Variance Percent</b>
<b>Assets</b>				
<b>Current Assets</b>				
<i>Cash</i>	(37,383.39)	135,596.53	(172,979.92)	-127.57%
<i>Allocate Cash to Reserves</i>	(13,000,628.78)	(9,087,421.85)	(3,913,206.93)	43.06%
<i>Local Government Investment Pool</i>	13,091,610.50	10,946,372.75	2,145,237.75	19.60%
<i>Current Accounts Receivable</i>	675,781.08	689,608.75	(13,827.67)	-2.01%
<i>Plant Materials &amp; Operating Supplies</i>	407,337.70	331,972.08	75,365.62	22.70%
<i>Prepayments</i>	43,463.45	42,677.60	785.85	1.84%
<b>Total Current Assets</b>	<b>1,180,180.56</b>	<b>3,058,805.86</b>	<b>(1,878,625.30)</b>	<b>-61.42%</b>
<b>Noncurrent Assets</b>				
<i>Other Deferred Charges</i>	480,030.28	409,422.24	70,608.04	17.25%
<b>Total Noncurrent Assets</b>	<b>480,030.28</b>	<b>409,422.24</b>	<b>70,608.04</b>	<b>17.25%</b>
<b>Property Plant and Equipment</b>				
<i>Property Plant &amp; Equipment in Service</i>	43,913,687.57	42,972,187.96	941,499.61	2.19%
<i>Accumulated Depreciation</i>	(16,545,072.07)	(15,641,158.38)	(903,913.69)	5.78%
<i>Construction Work in Progress</i>	1,393,284.80	124,602.36	1,268,682.44	1,018.18%
<b>Total Property Plant and Equipment</b>	<b>28,761,900.30</b>	<b>27,455,631.94</b>	<b>1,306,268.36</b>	<b>4.76%</b>
<b>Cash Designated for Future Use</b>				
<i>Bond Reserve Requirement</i>	0.00	0.00	0.00	na
<i>Reserve-SDC</i>	496,139.78	426,991.85	69,147.93	16.19%
<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%
<b>Total Cash Designated for Future Use</b>	<b>13,000,628.78</b>	<b>9,087,421.85</b>	<b>3,913,206.93</b>	<b>43.06%</b>
<b>Total Assets</b>	<b>43,422,739.92</b>	<b>40,011,281.89</b>	<b>3,411,458.03</b>	<b>8.53%</b>
<b>Liabilities and Net Assets</b>				
<b>Current Liabilities</b>				
<i>Accounts Payable</i>	207,619.52	124,563.85	83,055.67	66.68%
<i>Sewer Collections Payable</i>	0.00	0.00	0.00	na
<i>Accrued Interest</i>	2,251.94	3,364.89	(1,112.95)	-33.08%
<i>Accrued Payroll Taxes Payable</i>	(5,611.46)	(4,025.63)	(1,585.83)	39.39%
<i>Accrued Payroll</i>	36,461.82	27,758.42	8,703.40	31.35%
<i>Accrued Employee Leave</i>	43,268.26	10,181.57	33,086.69	324.97%
<i>Other Current &amp; Accrued Liabilities</i>	813.65	(6,254.45)	7,068.10	-113.01%
<b>Total Current Liabilities</b>	<b>284,803.73</b>	<b>155,588.65</b>	<b>129,215.08</b>	<b>83.05%</b>
<b>Noncurrent Liabilities</b>				
<i>Noncurrent Liabilities</i>	1,748,162.39	1,876,359.37	(128,196.98)	-6.83%
<b>Total Noncurrent Liabilities</b>	<b>1,748,162.39</b>	<b>1,876,359.37</b>	<b>(128,196.98)</b>	<b>-6.83%</b>
<b>Total Liabilities</b>	<b>2,032,966.12</b>	<b>2,031,948.02</b>	<b>1,018.10</b>	<b>0.05%</b>
<b>Net Assets - Unrestricted</b>				

# Balance Sheet - Water

December 31, 2025		This Year YTD	Last Year YTD	Variance Dollar	Variance Percent
<b>Liabilities and Net Assets</b>					
<i>Reserves</i>		82,219.78	58,460.74	23,759.04	40.64%
<i>Unappropriated Retained Earnings</i>		37,873,962.55	34,665,421.61	3,208,540.94	9.26%
<i>YTD Net Income(Loss)</i>		2,030,238.18	1,828,339.19	201,898.99	11.04%
<i>Other Equities</i>		1,403,353.29	1,427,112.33	(23,759.04)	-1.66%
Less PP&E, Net		(28,761,900.30)	(27,455,631.94)	1,306,268.36	4.76%
<b>Total Net Assets - Unrestricted</b>		<b>12,627,873.50</b>	<b>10,523,701.93</b>	<b>2,104,171.57</b>	<b>19.99%</b>
<b>Investment in Capital Assets</b>		<b>28,761,900.30</b>	<b>27,455,631.94</b>	<b>1,306,268.36</b>	<b>4.76%</b>
<b>Total Net Assets</b>		<b>41,389,773.80</b>	<b>37,979,333.87</b>	<b>3,410,439.93</b>	<b>8.98%</b>
<b>Total Liabilities and Net Assets</b>		<b>43,422,739.92</b>	<b>40,011,281.89</b>	<b>3,411,458.03</b>	<b>8.53%</b>



## MEMORANDUM

**To:** Chair Thompson, Members Molamphy, Pendleton, Westcott, and leBlanc

**From:** Kari Duncan, General Manager

**Date:** February 5, 2026

**Subject:** Staff Report – February 10<sup>th</sup> Board Meeting

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### ***Neighboring Building Incident***

On February 3<sup>rd</sup> 2026 at approximately 3:32 PM, the building immediately adjacent to Canby Utility, the Kittyhawk building, had a pressure vessel explosion. Debris from the explosion was ejected and landed in the surrounding area, including on the Canby Utility property and roofs. The Fire department issued an evacuation notice for the surrounding area out of an abundance of caution due to concern of an additional explosion and staff were evacuated. The Utility remained closed on 2/4, with only essential staff reporting. The hazard was confirmed cleared by 10 AM on 2/4. A building inspection of the utility's site was performed by County Building Engineers and a contractor and arrangements made for roof repairs and debris clean up through the Utility's Insurance provider. There is significant damage to the roofs, including one very large and several smaller holes in the shop roof. Temporary repairs to the roof are scheduled for 2/6. The inspectors anticipate that full roof replacements will be needed on both buildings. The building has been declared safe and was ready to open to staff and the public on Thursday February 5<sup>th</sup>, but please note that clean up and repairs will be ongoing. Utility Staff also provided response to the Kittyhawk facility by turning off power, providing water for cooling and firefighting efforts, and performing emergency locates.

### ***Canby Water Supply Program –Project Update***

Canby Utility staff have received several draft reports for review by the project management team including the Facility Land Use Considerations, Water Treatment Planning Tech Memo, Real Estate Plan, and Funding Plan. Staff received the updated project cost estimate in January, and this estimate will be presented to the Board at the February meeting. The estimate is higher than the cost from the 2023 Master Plan, and discussion will be needed to determine the next steps for the Utility related to project cost.

### ***Canby Water Supply Program – Funding Requests***

An application for direct funding of the Canby Water Supply Program from the State of Oregon Capital Funding Request was submitted for consideration through State Representative Matt Bunch. The request was for a total of \$9.6 Million dollars that would be used towards design and construction of the project. Each Senator and Legislature is allowed to submit two projects

for consideration, and we were very fortunate that Representative Bunch has chosen to include our project. Staff met with Representative Bunch at the Canby Utility office to review the application for funding and discuss the project. I also met with Senator Christine Drazan to discuss the project and the application. There is no guarantee that the project will be accepted and funded during this round of requests, and we anticipate the program to be open for requests again next year during the long Legislative session.

### **Water Legislative Days and the Capital**

I attended Water Legislative Days at the State Capital on Monday February 2<sup>nd</sup>. The event included presentations and discussions with State Departments, members of Congress and their staff, as well as water providers and interested parties throughout the State. I gave a brief presentation about the Canby Utility, highlighting the utility's obligations and challenges, along with broader issues facing the utility and water providers in general.

### **Staffing**

The Utility currently is recruiting for a Customer Service Representative and a Utility Worker to fill vacancies in the Customer Service and Water Utility departments.