

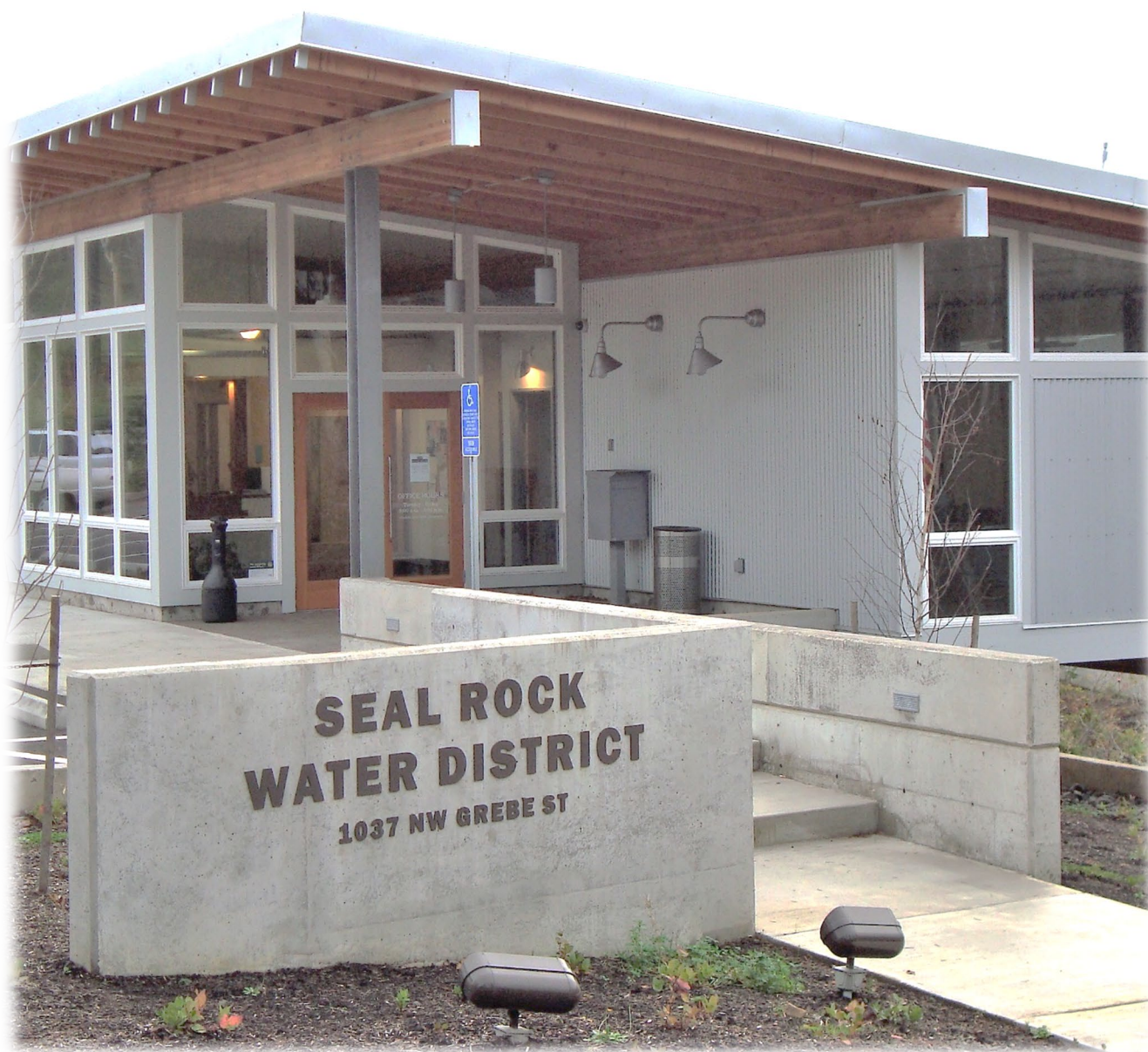


1037 NW Grebe Street
Seal Rock, Oregon 97376
Phone: 541.563.3529 – Fax: 541.563.4246
www.srwd.org



Seal Rock Water District

2026 – 2027 ADOPTED BUDGET



RESOLUTION No. 0626-02

RESOLUTION ADOPTING THE FY 2026-2027 BUDGET

BE IT RESOLVED that the Board of Commissioners of the Seal Rock Water District hereby adopts the budget for fiscal year 2026-2027 in the total amount of **\$10,491,590.*** This budget is now on file at the district office at 1037 NW Grebe Street, Seal Rock, Oregon.

RESOLUTION MAKING APPROPRIATIONS

BE IT RESOLVED that the amounts shown below are hereby appropriated for the fiscal year beginning July 1, 2026, for the following purposes:

General Fund

<u>Allocated to Organizational Unit:</u>	
Personnel Services	1,785,700
Materials and Services	1,304,100
Capital Outlay	51,100

Not Allocated to Organizational:

Transfers Out	607,410
Contingency	200,000
Total	\$3,948,310

Debt Service Fund

Debt Service	1,042,320
Total	\$1,042,320

Revenue Bond Fund

Debt Service	280,220
Total	\$280,220

Capital Projects Fund

Facilities (Capital Outlay)	3,060,500
Total	\$3,060,500

Rural Development Requirement Reserve Fund

System Improvements (Capital)	151,490
Total	\$151,490

System Development Charges Fund

System Improvements (Capital)	401,700
Total	\$401,700

SLARA/Depreciation Reserve Fund

Short-lived Assets Replacements	540,000
Total	\$540,000

Water Source Improvement Reserve Fund

System Improvements	420,200
Total	\$420,200

Total APPROPRIATIONS, All Funds **\$9,844,740**

Total Unappropriated and Reserve Amounts, All Funds **646,850**

TOTAL ADOPTED BUDGET **\$10,491,590 ***

*(*amounts with asterisks must match)*

RESOLUTION IMPOSING THE TAX

BE IT RESOLVED that the following ad valorem property taxes are hereby imposed upon the assessed value of all taxable property within the district for tax year 2026-2027:

- (1) At the rate of **\$0.1259** per \$1000 of assessed value for permanent rate tax;
- (2) In the amount of **\$984,000** for debt service on general obligation bonds;

RESOLUTION CATEGORIZING THE TAX

BE IT RESOLVED that the taxes imposed are hereby categorized for purposes of Article XI section 11b as:

Subject to the General Government Limitation

Permanent Rate Tax..... \$0.1259 /\$1,000

Excluded from Limitation

General Obligation Bond Debt Service.....\$984,000

The above resolution statements were approved and declared adopted on June 11, 2026.

X Robert Mills
Robert Mills, President
SRWD Board of Commissioners

A public meeting of the Seal Rock Water District Board of Commissioners will be held on **May 14, 2026 at 4:00 p.m.** at 1037 NW Grebe Street, Seal Rock, Oregon 97376. The purpose of this meeting is to discuss the budget for the fiscal year beginning **July 1, 2026** as approved by the Seal Rock Water District Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at 1037 NW Grebe Street, Seal Rock, Oregon 97376, between of 9:00 a.m. and 3:30 p.m. or online at www.srw.org. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

Contact: Renee Card

Telephone: (541) 563-3599

Email: info@srwd.org

FINANCIAL SUMMARY - RESOURCES

TOTAL OF ALL FUNDS	Actual Amounts	Adopted Budget	Approved Budget
	2024-25	This Year: 2025-26	Next Year: 2026-27
1. Beginning Fund Balance/Net Working Capital	3,121,720	2,681,170	2,729,500
2. Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	81,036	63,850	74,200
3. Federal, State & all Other Grants, Gifts, Allocations & Donations	867,481	150,000	3,010,000
4. Revenue from Bonds & Other Debt	0	0	0
5. Interfund Transfers/Internal Service Reimbursements	468,050	493,690	620,410
6. All Other Resources Except Current Year Property Taxes	2,605,813	2,750,190	3,012,690
7. Current Year Property Taxes Estimated to be Received	1,111,794	1,168,460	1,070,790
8. Total Resources - add lines 1 through 7	8,255,894	7,307,360	10,517,590

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

9. Personnel Services	1,447,315	1,681,700	1,785,700
10. Materials and Services	872,911	1,310,680	1,304,100
11. Capital Outlay	1,079,368	1,648,640	4,637,990
12. Debt Service	1,384,693	1,317,320	1,322,540
13. Interfund Transfers	468,050	493,690	620,410
14. Contingencies	0	200,000	200,000
15. Special Payments	0	0	0
16. Unappropriated Ending Balance and Reserved for Future Expenditure	3,003,557	655,330	646,850
17. Total Requirements - add lines 9 through 16	8,255,894	7,307,360	10,517,590

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM*

Name of Organizational Unit or Program			
FTE for Unit or Program			
Administration	402,613	462,500	425,000
FTE	4	4	4
Operations	456,904	486,500	561,400
FTE	7	6	7
Total Requirements	859,517	949,000	986,400
Total FTE	11	10	11

STATEMENT OF CHANGES IN ACTIVITIES AND SOURCES OF FINANCING*

PROPERTY TAX LEVIES

	Rate or Amount Imposed	Rate or Amount Imposed	Rate or Amount Approved
Permanent Rate Levy (Rate Limit <u>0.1259</u> Per \$1000)	0.1259	0.1259	0.1259
Local Option Levy	0	0	0
Levy for General Obligation Bonds	986,878	1,090,000	984,000

STATEMENT OF INDEBTEDNESS

Long Term Debt	Estimated Debt Outstanding on July 1	Estimated Debt Authorized, but not Incurred on July 1
General Obligation Bonds	11,572,746	0
Other Bonds - Revenue.....	5,358,274	0
Other Borrowings -Notes Payable.....	0	0
Total	16,931,020	0



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Seal Rock Water District

2026-2027 Annual Budget

District staff would like to extend our sincere appreciation to the SRWD Board of Commissioners and Citizen Members of the Budget Committee. The District greatly appreciates your leadership and dedication in assisting with this year’s annual budget process.

SRWD Board of Commissioners:

Position 1	Sandra Mies-Grantham	Re-elected May 2025	4 Year Term	Term Expires 6/30/29
Position 2	Amy Greer	Elected May 2025	4 Year Term	Term Expires 6/30/29
Position 3	Karen Otta	Re-elected May 2025	4 Year Term	Term Expires 6/30/29
Position 4	Glen Morris	Re-elected May 2023	4 Year Term	Term Expires 6/30/27
Position 5	Robert Mills	Re-elected May 2023	4 Year Term	Term Expires 6/30/27

Appointed Budget Committee Members:

Ronald Anderson	Reappointed January 2026	3 Year Term	Term Expires June 2029
Cheryl Oldenburg	Reappointed January 2025	3 Year Term	Term Expires June 2028
Larry Silverthorn	Appointed February 2024	3 Year Term	Term Expires June 2027
John Garcia	Appointed April 2023	3 Year Term	Term Expires June 2026
Paul Highfill	Appointed March 2026	3 Year Term	Term Expires June 2029

Local Budgeting in Oregon





Local Budgeting in Oregon

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Local Budgeting in Oregon is a supplement to the *Local Budgeting Manual*, 150-504-420, hereafter called the *Manual*. This booklet will introduce you to the requirements of Oregon's Local Budget Law, but it's not a substitute for the *Manual*. Before you take any formal action in the budget process, consult the *Manual*.

First, the basics

What is the law?

Most local governments in Oregon, from the smallest cemetery district to the largest city, must prepare and adopt an annual or biennial budget. (The only exceptions are a few types of local governments specifically exempted.) Schools, counties, cities, ports, rural fire protection districts, water districts, urban renewal agencies, and special districts are all subject to the same budget provisions.

This isn't unusual. Many states have specific laws which require units of local government to prepare and adopt annual operating budgets. Yet, Oregon's budgeting system is considered one of the most progressive in the nation. Why?

Look at Oregon's Local Budget Law. (You'll find it in Chapter 294 of the Oregon Revised Statutes.) The law does two important things:

1. It establishes standard procedures for preparing, presenting, and administering the budget.
2. It requires citizen involvement in the preparation of the budget and public disclosure of the budget before its formal adoption.

Many people rely on you, as an elected or appointed official, to see that the annual budget is prepared correctly. State officials check to see that the budget is prepared and administered according to law, and citizens in your district check to see that programs they want and need are adequately funded. This makes budgeting in Oregon a joint effort between the people affected by the budget and the appointed and elected officials responsible for providing the services.

To give the public ample opportunity to participate in the budgeting process, local budget law requires that a budget officer be appointed and a budget committee be formed. The budget officer draws together necessary information and prepares the first draft of the budget. The budget committee then reviews and revises the proposed budget before it's formally approved. Notices are published, budgets are made available for public review,

and at least two opportunities for public comment are provided. These requirements encourage public participation in the budget-making process and give public exposure to budgeted programs and fiscal policies before their adoption.

Naturally, citizen involvement varies from one community to the next. If the patrons in your district are active and involved, you may find citizens asking for information not specifically required under local budget law. It is up to your local government to prepare a budget that clearly outlines its fiscal policies and is satisfactory to the voters of the district. If you can make your budget clear and concise, you'll find that taxpayers have a better understanding of the purposes for which their tax dollars are spent. You may also find the citizen input informative and beneficial.

What is a budget?

A budget is a financial plan containing estimates of expenditures and revenues for a single fiscal year (July 1 through June 30).

Note: Local governments have the option of budgeting on a 24-month "biennial" budget period or by fiscal year. For the differences entailed in biennial budgeting, see page 8. Throughout this booklet, we refer to "fiscal year" but if a local government adopts a biennial budget, the period referred to is a 24-month period.

Besides outlining programs for the coming year, the budget controls the local government's spending authority. Since the budgeting process encourages citizen input, the budget is also a vehicle for obtaining public opinion about proposed programs and fiscal policies of your district.

The content and detail of each budget will vary substantially because of differences in the purpose, size, and complexity of local governments.

Who is on the budget committee?

The budget committee consists of the members of the local governing body (such as county commissioners or school board members) and an equal number of citizens at large. The citizens are appointed by the governing body and serve terms of three years. Terms are staggered so that about one-third of the appointed terms end each year.

Note: For most of the districts in Multnomah County, because the Tax Supervising and Conservation Commission (TSCC) holds the budget hearing, the governing body is the budget committee and there are no appointive members. These districts should consult with the TSCC about their processes. This publication addresses the budget committee process for all other districts in the state.



The budget cycle

The nine steps

Budgeting isn't something you do once a year. It's a continuous operation, and it takes 12 months to complete a cycle. The budgeting process is actually in three parts: The budget is prepared, approved, and finally adopted. Your budget must be prepared far enough in advance so that it can be adopted on or before June 30. After adopting the budget, the governing body will make the necessary appropriations and certify the tax levy to the county assessor.

To simplify this rather complex process, we've divided budgeting into nine steps.

Preparing the budget

1. **Budget officer appointed.** Each local government must have a budget officer, either appointed by the governing body or designated in the local government's charter. The budget officer is under the supervision of either the executive officer or the governing body.
2. **Proposed budget prepared.** The budget officer is responsible for preparing or supervising the preparation of the proposed budget for presentation to the budget committee.

Approving the budget

3. **Budget officer publishes notice.** When the proposed budget and the budget message are ready, the budget officer publishes a "Notice of Budget Committee Meeting." If notice is only published in a newspaper of general circulation (as outlined in ORS 193.010(3) and 193.020), it must be published at least twice, five to 30 days before the scheduled budget committee meeting date. The notice may be published once in a newspaper (five to 30 days prior to the scheduled budget committee meeting) as long as it is also published on the local government's website at least 10 days before the meeting. The newspaper notice must include the website address. If notice is hand delivered or mailed, only one notice is required not later than 10 days prior to the meeting.
4. **Budget committee meets.** At least one meeting must be held to 1) receive the budget message and budget document, and 2) hear the public. The budget officer provides a copy of the proposed budget to each member of the budget committee. The copies may

be distributed any time before the advertised budget committee meeting. It's also acceptable to wait and distribute the budget at the advertised meeting. When the budget is given to the budget committee, it becomes a public record and must be made available to the public.

The budget committee members can't get together in person, by phone, or email before the advertised meeting to discuss the budget. All budget discussions must be held at public meetings.

At the budget committee meeting, the budget message is delivered. The budget message explains the proposed budget and significant changes in the local government's financial position. At this meeting, the budget committee may provide members of the public the opportunity to ask questions about or comment on the budget. If public comment isn't allowed at this meeting, the budget committee must provide the public with the opportunity at subsequent meetings.

After the initial meeting, if needed, the budget committee may meet as many times as needed to revise and approve the budget. If two or more meetings are held to take comment from the public, only the first meeting to do so must meet the publication requirements explained in step 3. Notice of additional meetings for this or any other purpose may be provided in the same time frame and manner as notices of meetings of the governing body. Notice of other meetings of the budget committee must be provided as required by Oregon public meeting law. All meetings are open to the public.

5. **Committee approves budget.** When the budget committee is satisfied with the proposed budget, including any additions to or deletions from the one prepared by the budget officer, the budget is approved. If the budget requires an ad valorem tax to be in balance, **the budget committee must approve an amount or rate of total ad valorem property taxes to be certified to the assessor.**

Advertising and holding hearings

6. **Budget summary and notice of budget hearing published.** After the budget is approved, a budget hearing must be held by the governing body. The budget officer must publish a summary of the budget approved by the budget committee and notice of budget hearing five to 30 days before the scheduled hearing. This information must either appear in a newspaper of general circulation, be mailed, or be hand delivered.

If no newspaper is published in your district and estimated expenditures for the ensuing year don't exceed \$100,000, you may provide the budget summary and notice of budget hearing by posting it in three conspicuous places within the district for at least 20 days prior to the date of the hearing.

See the *Manual* for details on publication requirements.

7. **Budget hearing held.** The budget hearing must be held by the governing body on the date specified on the public notices.

The purpose of the hearing is to receive citizens' testimony on the budget approved by the budget committee. Additional hearings may be held. All hearings are open to the public.

Adopting the budget

8. **Budget adopted, appropriations made, tax levy declared and categorized.** By law, the governing body may make changes in the approved budget before or after it is adopted, but no later than the beginning of the fiscal year to which the budget relates. However, without first publishing a revised budget summary and holding another budget hearing:

- Taxes may not be increased beyond the amount approved by the budget committee, and
- Estimated expenditures in a fund may not be increased by more than \$5,000 or 10 percent, whichever is greater.

After the budget hearing, and after considering relevant testimony, the governing body adopts the budget. **It shouldn't be formally adopted until the latter part of June** so last-minute revisions to revenue or expenditure estimates can be incorporated.

The governing body must enact a resolution or ordinance to 1) formally adopt the budget, 2) make appropriations, and if needed, 3) levy, and 4) categorize any tax. The budget is the basis for making appropriations and certifying the tax levy. The resolution or ordinance must be adopted no later than June 30. See the *Manual* for the format of the resolution or ordinance.

9. **Budget filed and levy certified.** The final step in the budget cycle is to certify any necessary property tax levy.

Districts levying a property tax must submit to the county assessor's office on or before July 15:

- Two copies of notice of levy and the categorization certification, and
- Two copies of the budget resolution or ordinance.

Each local district that does not levy a property tax must send a copy of the resolution adopting its budget and making appropriations to the Department of Revenue on or before July 15. All local districts send a copy of the complete budget to the county clerk on or before September 30. School districts also submit a copy of the budget to the county education service district office and to the Oregon Department of Education.



The budget document

All budgets must meet certain minimum requirements, outlined here. For specific examples consult the *Manual*.

Under local budget law the budget must follow a basic format. Expenditures generally are broken down first by fund, then by organizational unit or program, and then, more specifically, by object classification and object. Revenues are broken down by fund, at the least.

What is a fund?

A fund is a fiscal and accounting entity with self-balancing accounts set aside to carry on a specific activity or to meet certain objectives in accordance with a specific regulation. The requirements and resources of a fund must always balance. Every budget has at least one fund (commonly called the General Fund) which is used for everyday operation of the local government.

Depending on the size and complexity of your local government and the services it provides, your district may also have a number of special funds. The most common reason for establishing a special fund is to account for a revenue source whose use is limited to a particular kind of expenditure. Examples include: debt service funds, construction funds, reserve funds, street funds, water funds, and sewer funds.

What is an organizational unit?

Some funds are broken down to account for one or more organizational units or activities, which are merely subdivisions of a fund. An organizational unit might be a department, office, or division. What you call these units is up to your local government.

What is a program?

Budget requirements may be prepared by program. Programs are groups of activities to accomplish a major service or function. Schools use programs in budgeting.

Budget format

Your budget detail sheets for expenditures and revenues must show in parallel columns:

1. Actual expenditures and revenues for two years preceding the current year.
2. Budgeted requirements and revenues for the current year.

3. Estimated requirements and revenues for the coming fiscal year. Upcoming fiscal year estimates should be broken into three columns: proposed, approved, and adopted, showing estimated amounts as they are considered through each step of the budget process.

Information in each column must be itemized to show all estimated or incurred requirements and revenues.

Revenues

Budget revenues are divided into two types: ensuing year property tax and nonproperty tax revenues. Property taxes shown in your budget will not be the same as the property tax “levy” you submit to the assessor.

There are three reasons for this. First, not all taxpayers pay their taxes in the year billed. Second, discounts are given for timely property tax payments. Third, the Oregon Constitution sets a limit on the amount of taxes that can be collected from an individual property.

You must estimate the amount of taxes to be lost because of the “constitutional limits” and “discounts allowed and other uncollected amounts.”

The total of these amounts plus estimated taxes to be received can’t exceed your district’s taxing authority, which includes its rate limit, voter approved local option levies, and levies to repay bonded debt. This total is the amount of tax levy that is certified to the assessor.

The amount estimated as “loss due to constitutional limit” will vary from district to district. Late in October or early November each year, the tax collector sends the district a report on the amount of taxes that will actually be billed for the district. This is called the taxes imposed.

“Discounts allowed and other uncollected amounts” normally will represent only a small percentage of the property tax levy. Contact your county tax collector for help in determining this percentage.

You next need to calculate how much tax revenue can be raised using the district’s permanent rate limit.

$$\begin{array}{c} \text{Rate Limit} \\ \text{times} \\ \text{Estimated District Assessed Value} \\ \text{equals} \\ \text{Amount Raised By Rate Limit} \end{array}$$

This amount plus any local option taxes or bond levies, less the estimate of taxes to be lost, is the amount of tax revenue estimated to be received. If this amount is less than the amount needed for the budget, requirements must be reduced, other sources of revenue found, or additional taxing authority approved by voters.

Expenditures and requirements: by fund

Under the law, budget expenditures and other requirements must be itemized to show all estimated expenses. The estimates may be prepared either by program or organizational unit. Within any fund each expenditure must be detailed and identified, arranged by organizational unit if applicable, and put into one of these major object classifications:

- **Personnel services** includes all salaries, fringe benefits, and miscellaneous costs associated with salary expenditures.
- **Materials and services** includes contractual and other services (example: audit or legal services), materials, supplies, and other charges.
- **Capital outlay** includes acquisition of land, buildings, improvements, machinery, and equipment.

Some special expenditures and requirements do not fit logically into one of these three object classifications. These are put in special categories. The most common special categories are:

- **Debt service** includes repayment of principal and interest on bonds, interest-bearing warrants, and short term loans.
- **Transfers.** An amount to be given as a resource to another fund in the budget.
- **General operating contingencies.** A special amount set aside in the upcoming year for unforeseen expenses.
- **Reserved for future expenditure.** An amount which identifies funds to be “saved” for use in future fiscal years. May be used in a reserve fund or in another fund when specifically allowed by statute.
- **Unappropriated ending fund balance.** A special amount set aside in a budget for use as a resource in the beginning of the next fiscal year after it was budgeted.

Expenditures and requirements: program budgets

Program budgets are prepared differently. Estimates for each program must be arranged by activity and then put into separate object classifications, as already described.



Taxes and budgeting

Many local governments rely heavily on property taxes to finance services they offer. In some cases, services are paid for entirely by property taxes.

The amount and type of tax a local government may levy is limited by the Oregon Constitution and Oregon law. The constitution allows a local government to levy annually the amount that would be raised by its permanent rate limit without further authorization from the voters. Revenue from the permanent rate-limited levy can be used for any purpose.

When a local government has no permanent rate limit or when the rate limit doesn't provide enough revenue to meet estimated expenditures, the government may request a local option levy from the voters. These levies are in excess of the rate limit and require voter approval. Currently, ESDs can't use the local option tax. Schools and community colleges can use the local option tax, but the amount they may request is limited.

A local option can be used for general purposes or a specific activity. The levy may be stated as a total dollar amount or rate to be levied uniformly for a period. If the levy is for an operating purpose, the period cannot exceed five years. If the levy is for a capital project, the period can't exceed 10 years or the life of the capital asset, whichever is less.

A debt service levy is used only to pay principal and interest on bonds. The constitution doesn't require voters to approve this type of levy each year. That's because voter approval of a bond issue is considered approval of levies necessary to repay bond interest and principal.

By law, some local governments are limited on the total amount of tax they may levy. These limits are computed as a percentage of a local government's property value. For specific examples, consult the *Manual* or the Department of Revenue, Finance and Taxation Unit.

Tax levies not made according to law may be voided by an appeal to the Oregon Tax Court. Appeals can be made by the county assessor, county court, board of commissioners, Oregon Department of Revenue, Tax Supervising and Conservation Commission, or 10 or more interested taxpayers. An appeal must be submitted within 30 days after the local government certifies the tax levy to the county assessor.

In addition, since 1991, the Oregon Constitution has limited the amount of taxes that may be imposed on any property. For any property, the maximum amount of taxes to support the public school system is \$5 per \$1,000 of real market value. The maximum amount of taxes to support other government operations is \$10 per \$1,000 of real market value. Certain types of taxes may not be subject to the limit. See the *Manual* for further information.



Elections and budgeting

Many local governments find that available revenues, including revenue from levies made under the permanent rate limit, are not enough to finance proposed expenditures. In this case, there are two alternatives:

1. Lower the proposed expenditures to equal available revenues, or
2. Schedule a tax levy election to obtain voter approval to levy a local option tax.

All local governments that decide to schedule a levy election are limited to four election dates each year. The levy election must be on one of these dates.

See your county elections officer for more information. The county elections officer publishes election notices, sample ballots, and a list of polling places.

Election dates

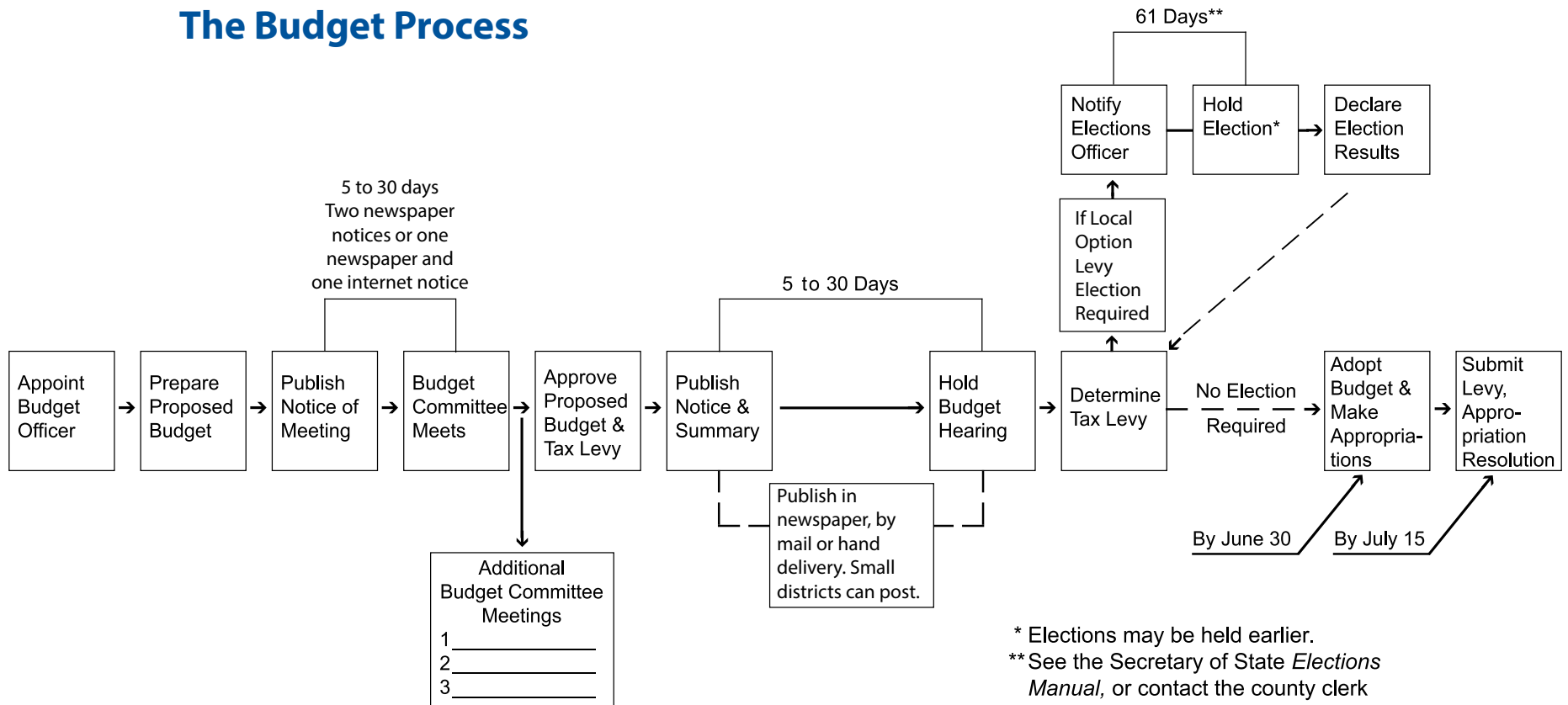
- Second Tuesday in March
- Third Tuesday in May
- Fourth Tuesday in August
- First Tuesday after the first Monday in November

Even if the voters have not yet approved the tax levy before the end of the fiscal year, the governing body must adopt the budget and make appropriations by June 30 to lawfully spend public funds in the new fiscal year. When the district is planning on a tax levy election in August, it must request in writing from the county tax assessor an extension to certify its tax levy. When the tax levy is finally determined, the governing body adopts the resolution to levy taxes and submits its final levy certification to the assessor. If the late levy election failed, the governing body must reduce its budget appropriations to reflect the amount of taxes it actually has authority to levy.

Tax levy ballot language sometimes must contain certain wording or statements required by law or must not exceed other limits. For more details, see the *Manual*, or download a copy of the *Tax Election Ballot Measure Manual*, 150-504-421.

The Budget Process

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* Elections may be held earlier.
 ** See the Secretary of State *Elections Manual*, or contact the county clerk for actual dates of filing.



Appropriations and their use

When the nine budget steps are completed and the new fiscal year begins, the governing body works from appropriations. Amounts listed in the appropriation resolution provide authority to spend public funds in the next 12 months. However, appropriations may be made in broader categories than the detail presented in the budget.

District spending is limited to the schedule of appropriations. But what if it is necessary to exceed original appropriations? This may be done after transferring appropriations or preparing a supplemental budget. There are special provisions for exceeding appropriations due to civil disturbance, fire, flood, earthquake, or other calamity.

Appropriation transfers

The governing body's spending authority in existing appropriations may be changed by 1) transferring amounts among existing appropriations in the same fund, or 2) transferring from an existing appropriation in one fund to an existing appropriation category in another fund.

Whenever you need to transfer an appropriation, the governing body must enact a resolution or ordinance providing for the transfer. This enactment must be made before any overexpenditure is incurred. Once a transfer is authorized, the expenditures can be made.

Supplemental budgets

By transferring appropriations, a governing body usually has enough flexibility to carry out the programs prescribed in an adopted budget. But there will be times when an adopted budget gives no authority to make certain expenditures or when revenues are received for which the governing body had no previous knowledge. In these cases it is possible to use a supplemental budget to authorize expenditures or spend additional revenues in a current fiscal year. (There are a few special revenues which may be spent without a supplemental budget.) Supplemental budgets cannot be used to authorize a tax levy.

Local budget law does not contemplate the involvement of the budget committee in adopting supplemental budgets. The governing body may adopt a supplemental budget at a regular public meeting if prior notice is given and the expenditures in the supplemental budget are 10 percent or **less** than of the budget fund being adjusted. If the expenditures are more, the governing body must

publish a summary of the changes in the supplemental budget and hold a special hearing.

Public officials who spend money unlawfully, in excess of authorized amounts or for purposes not provided by law, are civilly liable. The district attorney or a taxpayer may file suit for return of the money.

For more details, see Oregon Revised Statute 294.471 or the *Manual*.



Audits

The final phase in the budgeting cycle is an audit of the previous fiscal year. This usually is done soon after a new fiscal year begins. Most local governments are subject to Oregon's Local Budget Law. Most of these governments are required to have their accounts and fiscal affairs audited and examined annually.

An audit must be done by the Secretary of State or an auditor certified by the Oregon State Board of Accountancy to conduct municipal audits. The auditor examines financial statements, books, records, and other financial data of your local government. The auditor also will look at any activities that relate to collection, receipt, custody, handling, expenditure, or disbursement of public funds.

Contact the Secretary of State's office, Audits Division for further explanation or questions.



Biennial budgeting

Local governments may budget either on a one-year (fiscal year) or a two-year (biennial) cycle. The governing body may, by ordinance, resolution, or charter, provide that the budget be prepared for a period of 24 months. The biennial budget period begins July 1 and ends June 30 of the second following calendar year. In brief, the differences between fiscal year budgeting and biennial budgeting are:

1. Members of a budget committee who prepare a biennial budget are appointed to four-year terms. The terms of the members should be staggered so that one-fourth of the terms end each year.
2. The budget estimate sheets containing the estimates of resources and expenditures in a biennial budget must show:
 - Actual expenditures for the two budget periods preceding the current budget period,
 - The estimated expenditures for the current budget period, and
 - The estimated expenditures for the ensuing budget period.
3. The summary of the budget as approved by the budget committee that is published along with the notice of the budget hearing will show the proposed budget for a two-year period.
4. If a taxing district adopts biennial budgeting, the budget committee must approve the amount or rate of ad valorem property taxes for each year of the biennium.
5. After the budget committee approves a biennial budget and before the budget is adopted, the governing body may not increase the amount of estimated expenditures for the biennium in any fund by more than \$10,000 or 10 percent, whichever is greater, and may not increase the amount or rate of the tax levies approved by the budget committee for either year of a biennial budget unless the amended budget document is republished and another budget hearing is held. Once the budget is adopted, the tax amount can't be increased in the second year.
6. If a district adopts a biennial budget, then after the budget hearing and before the June 30 that precedes the start of the budget period, the governing body must pass a resolution or ordinance to adopt the budget and make appropriations for the ensuing 24-month budget period. The governing body must also pass a resolution or ordinance to levy and categorize property taxes for each year of the ensuing budget period.

7. Whether a budget is for a fiscal year or for a biennium, certification of property tax levies and a copy of a resolution or ordinance levying and categorizing taxes for the ensuing year must be submitted to the county assessor every year by July 15.
8. Districts that must submit their budgets to the Department of Revenue or to the Tax Supervising and Conservation Commission must do so only during the first year of a biennial budget period.



Questions and answers

What is a budget committee?

The budget committee is the district's fiscal planning advisory committee. The committee consists of the elected governing body members and an equal number of qualified district voters appointed by the governing body.

Who can serve on a budget committee?

Any qualified voter of the district appointed by the governing body except officers, agents, or employees of the district.

Are budget committee members paid for their work?

Budget committee members can't receive any compensation for serving as committee members. They may be eligible to receive reimbursement for travel or meal expenses that are incurred as a result of meetings or other authorized committee functions.

How long do members serve?

Citizen budget committee members are appointed by the governing body for three-year terms. Terms are staggered so that approximately one-third of the terms expire each year. Members may be re-appointed for successive terms. If a member resigns, becomes ineligible, or is unable to serve out his or her term of office, the governing body appoints a replacement to complete the term. There is no provision in the law for "alternate" members.

What if no one will serve on the budget committee?

If the governing body is unable to appoint qualified individuals to vacant positions, the budget committee may function with a reduced number of members. For example, if a five-member governing body, after making a good faith effort to seek qualified citizen members, can fill only three of the appointed positions, the budget committee can function with eight members rather than ten. A majority would then be five instead of six. The membership may not be reduced because governing body positions are currently vacant.

Who are the budget committee officers?

Only a presiding officer position is required by law. The presiding officer's duties are to chair budget committee

meetings. The chair can be either an elected or appointed member. Some districts may elect a vice chair to conduct meetings in the presiding officer's absence. The committee should also designate someone to be responsible for keeping an official record of its proceedings. All members of the budget committee have the same degree of authority and responsibility.

What is the budget committee's main function?

In a series of public meetings the budget committee meets to review, discuss, make additions or deletions, and approve the proposed budget presented by the local government's budget officer. Upon completion of its deliberations, the committee approves the budget and sets the tax rate or amount needed to balance the budget.

What are the rules about budget committee meetings?

Budget committee meetings are open to the public. A quorum is required to conduct committee business. A majority of the budget committee membership is required to approve any motion.

Minutes of each meeting are kept. The minutes are the official record of budget committee meetings. It is important that minutes are accurate. The budget process is required by law and districts may need to document that the process was in compliance with state statutes. The approval of the final budget document and the rate or amount of tax to be imposed, in particular, should be in the form of motions with the votes recorded in the minutes.

What happens at the first budget committee meeting?

Generally, the budget committee elects a chair and other officers, receives the budget message, hears patrons, sets dates for future meetings, and adopts rules of order. These rules should establish an operating procedure for the budget review process. The committee may adopt Robert's Rules of Order or establish its own. In any event, the budget committee needs to discuss and agree upon a procedure. The committee may not adopt any rule which would allow it to take official action with approval of less than a majority of its members in agreement.

What happens at subsequent budget meetings?

Generally, the second and other subsequent meetings take place at least one week after the first meeting. This practice allows budget committee members to review the proposed budget document. Budget committee members may wish to make arrangements with the district administrator and/or budget officer to visit district operations during this week, make inquiries about specific budget items, request additional information, or indicate areas of interest they believe should be highlighted at future

meetings. In subsequent meetings, the entire budget is reviewed fund by fund and/or section by section.

At least one meeting must provide the opportunity for the public to ask questions and make comments about the budget. Notification of the first budget committee meeting in which public questions and comments will be heard is required in a newspaper of general circulation, by a first-class mailing to every street address or P.O. box in the district, or by hand delivery to every street address. See Chapter 9 of the *Manual* for more detail on publication requirements.

How many meetings are required?

The number of meetings required varies from year to year and with the unit of government. Some districts meet only once, others may need to meet several times. Factors such as the detail in the budget documents, size of the district, number of funds, presentation of the budget, and the personalities of individual budget committee members will result in various numbers of meetings.

When will I get a copy of the budget?

The budget officer provides copies of the proposed budget at or before the first budget committee meeting, when the budget message is presented by the executive officer.

What other information is available to the budget committee?

The budget committee may request any information required during consideration of the proposed budget from any district officer or employee. The budget committee may also require staff members to attend budget committee meetings. Such requests by the budget committee should be made through the chief administrative officer of the local government and/or budget officer.

How is the material that is presented by the budget officer at the first meeting prepared?

The budgeting process is a continuous cycle that generally begins long before the budget committee meets. Each district has its own procedures for budget review and development. In larger districts, each part of the organization may have its own budget preparation process, in which funding requests for the upcoming fiscal year are developed and then "rolled up" into the total agency budget requirements. By the time the budget committee receives the budget message and budget document, many hours of work have been put into budget development. The budget officer coordinates these efforts with district staff and other administrators.

What is a quorum? What happens if we don't have a quorum at a budget committee meeting?

A quorum is one more than half the total number of the members. If a quorum is not present, the members who

are present may discuss committee business, but no action may be taken.

What if we have a quorum, but can't get a majority of the members of the budget committee to approve the budget?

Any action by the budget committee requires approval by a majority of the entire committee. For example, if the budget committee has ten members, six are present at a meeting (a quorum), but only five of the six present agree with a motion to approve the proposed budget, then the motion doesn't pass. It is up to the budget committee to negotiate a budget and tax that is acceptable to a majority of its members.

May I ask questions other than at budget committee meetings?

It could be very helpful and a courtesy to other budget committee members if inquiries are not restricted to committee meetings. Checking with the administrator and/or budget officer between meetings allows members to explore budget items of interest in greater detail than might be practical during committee meetings. Questioning also assists the administration/budget officer by giving an indication of concerns, making it possible to highlight issues that may be of interest to the entire budget committee.

Can I consult with other budget committee members about details in the budget other than at budget committee meetings?

Discussion of the budget committee must always take place in the forum of a public meeting. One of the reasons Oregon uses the budget committee process is to ensure public comment and full disclosure of budget deliberations. It is much better to abide by the spirit of the law and hold **all** discussions at budget committee meetings.

Can the budget committee add or delete programs or services?

Generally, the budget committee's role is not to directly establish or eliminate specific programs or services. Standards and budget parameters established by the governing body give the budget officer and administrative staff general guidelines for budget development. The budget officer then prepares a budget which reflects the governing body's parameters. This proposed budget is what the budget committee considers during its meetings. Budget committee influence on programs and services is most often exerted at a higher level, when it approves the overall budget and establishes the tax levy.

Having said all that, if a majority of the budget committee agrees, it can add or delete funding for specific services. Public participation at budget committee meetings may

influence budget committee decisions. However, final authority for administration rests with the governing body. The governing body can make changes after the budget committee has approved the budget, although they may have to re-publish the budget and hold another public hearing to do so.

Can the budget committee determine how much an employee is paid?

The budget committee does not approve new personnel, employee contracts or salary schedules, nor does it negotiate salary contracts.* However, the adopted salary schedules, negotiated contracts, and other materials that have a fiscal impact on the budget document may be requested for review by the budget committee. Through its authority, the budget committee may direct the administration to make dollar adjustments (increases or decreases) in the proposed budget.

What happens after all the sections of the budget are presented?

After all presentations are made, all patron input received, and all other related issues discussed, the budget committee approves the budget. The approved budget recommends a level of spending for the year. The approved budget document also specifies the full amount of the property tax levy authority that may be certified to the tax assessor. The governing body may reduce the levy, but the rate or amount of the levy approved by the budget committee can't be increased without republishing the financial summaries. Approval of the tax levy and the budget should be in the form of a formal motion, with the vote recorded in the minutes of the meeting.

Does the budget committee have any other duties?

At the end of the final meeting where the budget is approved, and the tax levy rate or amount is established, the committee's work is finished as far as local budget law is concerned. Local charters may have additional duties. Frequently, budget committee members express a desire to assist the governing body and administration in any public meetings or appearances concerning the budget. The budget committee may be reconvened by the governing body at a later date in the event the financial conditions in the district change. A meeting for this reason is called at the discretion of the governing body and is not a requirement of the local budget law.

*Note: ORS 204.126 says the county budget committee or TSCC approves changes in the salary of elected county officials.

After the budget is approved by the budget committee and recommended to the governing body, what action does the governing body take?

The governing body must publish a financial summary of the budget that was approved by the budget committee. The notice of the budget hearing is also published with the financial summary. At the public hearing, the governing body hears any citizen input on the approved budget. The governing body may make additional adjustments to the budget that was approved by the budget committee. Following the hearing and no later than June 30, the governing body must adopt the budget, make appropriations, and set the property tax levy rate or amount. If a property tax is required, the governing body must certify the tax to the county assessor no later than July 15.

What if the governing body changes the budget approved by the budget committee in ways that the budget committee does not approve?

The governing body has that right. However, the amount of the estimated expenditure for each fund may not be increased more than 10 percent unless a summary of the revised budget is again published and another public hearing is held. In addition, the total property tax to be levied may not exceed the amount or rate shown in the budget that was approved by the budget committee and published with the notice of the budget hearing without once again publishing the revised budget and holding another public hearing. Of course, budget committee members are free to attend that hearing and voice their opinions of the changes made by the governing body.

What is a supplemental budget?

Districts may find it necessary to prepare a supplemental budget at some point during the fiscal year. Circumstances under which a supplemental budget is authorized are:

- An occurrence, condition, or need arises which wasn't known at the time the budget was adopted.
- Additional funds are made available after the budget was adopted.

Although the budget committee is usually not involved with supplemental budgeting, the procedures for supplemental budgets are similar to those for the annual budget. If estimated expenditures are being changed by more than 10 percent, these procedures include a public hearing and publishing a notice and budget summary five to 30 days prior to the hearing.

Where can I find the law that governs the creation and operation of budget committees?

Budget committees are required in Oregon's Local Budget Law. This law is found in the Oregon Revised Statutes (ORS) beginning at ORS 294.305.

These statutes as well as additional information can be found on the Department of Revenue website at www.oregon.gov/dor.

Where can I direct my questions regarding budget committees?

Oregon Department of Revenue
Finance, Taxation and Exemptions
PO Box 14380
Salem OR 97309-5075

Phone: 503-945-8293

Fax: 503-945-8737

Email: finance.taxation@dor.oregon.gov



Administration Checklist

- ✓ Gather budget requests.
- ✓ Evaluate budget requests and develop proposed budget.
- ✓ Develop estimates of revenue.
- ✓ Prepare budget proposal.
- ✓ Estimate ad valorem taxes in budget document.
- ✓ Prepare budget message.
- ✓ Publish required notices and budget summary.
- ✓ Provide citizens with information about approved budget.

Budget Committee Checklist

- ✓ Establish a meeting calendar.
- ✓ At first meeting, elect presiding officer (required) and vice chair (optional).
- ✓ At first meeting, establish budget committee procedural rules.
- ✓ At first meeting, receive budget message and proposed budget.
- ✓ Request information.
- ✓ Make budget documents available to any person.
- ✓ Provide opportunities for citizens to ask questions.
- ✓ Approve motion setting the rate or amount of taxes necessary to balance budget.
- ✓ Approve budget and recommend to the governing body.



Glossary

Here are some terms you will use as you work on your budget.

Adopted budget. The financial plan adopted by the governing body which forms a basis for appropriations.

Ad valorem tax. A property tax computed as a percentage of the value of taxable property. See “Assessed value.”

Appropriation. Based on an adopted budget, an authorization for spending specific amounts of money for specific purposes during specific periods of time. Presented in a resolution or ordinance adopted by the governing body.

Assessed value. The portion of value of real or personal property that is taxable. It’s the lesser of the property’s real market value or the constitutional value limit Maximum Assessed Value (MAV). The value limit may increase 3 percent annually unless qualifying improvements or changes are made to the property. These improvements or changes allow the value limit to increase by more than 3 percent.

Biennial budget period. A 24-month period beginning July 1 and ending June 30 of the second succeeding year.

Budget. Written report showing the local government’s comprehensive financial plan for one fiscal year. Must include a balanced statement of actual revenues and expenditures during each of the last two years, estimated revenues and expenditures for the current and upcoming year.

Budget committee. Fiscal planning board of a local government, consisting of the governing body plus an equal number of legal voters from the district.

Budget message. An explanation of the budget and local government’s financial priorities. Prepared by or under the direction of the executive officer or presiding officer of the governing body.

Budget officer. Person appointed by the governing body to assemble budget material and information, prepare the proposed budget, and oversee the budget process.

Capital outlay. Items which generally have a useful life of one or more years, such as machinery, land, furniture, equipment, or buildings.

County elections officer. County clerk or registrar of elections.

District. See “Local government.”

Expenditures. Decreases in net financial resources if accounts are kept on an accrual or modified accrual basis; total amount paid if accounts are kept on a cash basis.

Fiscal year. A 12-month period beginning July 1 and ending June 30.

Fund. A division in a budget segregating independent fiscal and accounting requirements. An entity within a government’s financial plan designated to carry on specific activities or to reach certain objectives.

Governing body. County court, board of commissioners, city council, school board, board of trustees, board of directors, or other governing board of a local government.

Line-item budget. The traditional form of budgeting, where proposed expenditures are based on individual objects of expense within a department or division.

Local government. Any city, county, port, school district, public, or quasi-public corporation (including a municipal utility or dock commission) operated by a separate board or commission.

Municipality. See “Local government.”

Ordinance. Written directive or act of a governing body. Has the full force and effect of law within the local government’s boundaries, provided it does not conflict with a state statute or constitutional provision. See also “Resolution.”

Organizational unit. Any administrative subdivision of a local government, especially one charged with carrying on one or more specific functions (such as a department, office, or division).

Payroll expenses. Health and accident insurance premiums, Social Security and retirement contributions, and civil service assessments, for example.

Permanent rate limit. A district’s permanent ad valorem property tax rate for operating purposes. This rate levied against the assessed value of property raises taxes for general operations. Permanent tax rate limits were either computed by the Department of Revenue for districts existing prior to 1997–1998 or are voter-approved for districts formed in 1997–1998 and later.

Program. A group of related activities to accomplish a major service or function for which the local government is responsible.

Property taxes. Amounts imposed on taxable property by a local government within its operating rate limit, levied under local option authority, or levied to repay bonded debt.

Proposed budget. Financial and operating plan prepared by the budget officer, submitted to the public and budget committee for review.

Real market value. Value at which a property would be sold by an informed seller to an informed buyer on the appraisal date. Value set on real and personal property as a basis for testing the (Measure 5) constitutional limits.

Reserve fund. Established to accumulate money from one fiscal year to another for a specific purpose.

Resolution. A formal expression of will or intent voted by an official body. Statutes or charter will specify actions that must be made by ordinance and actions that may be by resolution. (For cities, revenue raising measures such as taxes, special assessments, and service charges always require ordinances.) See “Ordinance.”

Resources. Estimated beginning fund balances on hand at the beginning of the fiscal year, plus all anticipated revenues.

Revenues. Monies received or anticipated by a local government from either tax or nontax sources.

Supplemental budget. Prepared to meet unexpected needs or to spend revenues not anticipated at the time the regular budget was adopted. Can’t be used to increase a tax levy.

Tax levy. Taxes imposed by a local government unit through a rate or amount.

Transfers. Amounts distributed from one fund to finance activities in another fund. Shown as a requirement in the originating fund and a revenue in the receiving fund.

Unappropriated ending fund balance. Amount set aside in the budget to be used as a cash carryover to the next year’s budget, to provide the local government with a needed cash flow until other money is received. This amount can’t be transferred by resolution or used through a supplemental budget during the fiscal year it is budgeted unless there is a significant calamity or natural disaster.

Where to get help preparing your local budget

Finance, Taxation and Exemptions..... 503-945-8293
Emailfinance.taxation@dor.oregon.gov

Each year the Department of Revenue makes available a booklet that contains forms and instructions for summarizing your district's budget for publication and certifying the tax levies to the assessor. These forms meet the minimum requirements of local budget law and are free of charge.

The forms are available each year beginning in January on the department's website at www.oregon.gov/dor.

Your district may also computer-generate the budget detail and publication forms based upon your district's own computer formatting.

Have questions? Need help?

General tax information.....www.oregon.gov/dor
Salem..... 503-378-4988
Toll-free from an Oregon prefix.....800-356-4222

Asistencia en español:

En Salem o fuera de Oregon..... 503-378-4988
Gratis de prefijo de Oregon 800-356-4222

TTY (hearing or speech impaired; machine only):
Salem area or outside Oregon503-945-8617
Toll-free from an Oregon prefix.....800-886-7204

Americans with Disabilities Act (ADA): Call one of the help numbers above for information in alternative formats.

Oregon Department of Revenue:

Local budget law

Most local governments in Oregon, from the smallest cemetery district to the largest city, must prepare and adopt an annual or biennial budget. Schools, counties, cities, rural fire protection districts, and most special districts are all subject to the same budgeting provisions. Only those districts specifically exempted in law do not have to prepare and adopt a budget. Local budget law is found in the Oregon Revised Statute, Chapter 294. The law sets out several specific procedures that must be followed during the budget process. The budget must be completed by June 30 the day before the start of the fiscal year or biennial budget period to which it relates.

What are the purposes of local budget law?

The Legislature clearly identified the purposes of local budget law in the statute. It is designed to:

- Establish standard procedures for preparing, presenting, and administering the budgets of Oregon's local governments,
- Encourage citizen involvement in the preparation of the budget before its final adoption,
- Provide a method of estimating revenues, expenditures, and proposed taxes, and
- Institute a method for control of revenues and expenditures for the promotion of efficiency and economy in the expenditure of public funds.

Many of the requirements in the law, such as public meetings, publication notices, non-governing body representation on the budget committee, and the availability of the budget document throughout the development process are designed to encourage citizen involvement. An overriding theme in the law is that public policy decisions are to be made openly in a public meeting. Citizens have the right to be there and to know what their local government intends to do, before it happens.

The law requires that all local governments use uniform formats prescribed by the Department of Revenue in the preparation of their budget. This requirement lends a semblance of consistency and predictability between both large and small local governments' budget documents. From year to year, comparisons can more easily be made when formats are consistent. This will help in analyzing your local government's fiscal plan.

Do all local governments have to comply with this law?

Schools, counties, cities, rural fire protection districts, urban renewal agencies, and most special districts are all subject to the same budgeting provisions. Some special districts are not. If you have a question about whether or not a local government is subject to this law, you can contact your county assessor or the Department of Revenue at 503-945-8293.

What can citizens expect from the process?

You can expect to be notified of all budget meetings. These generally occur between January and June, and notice is often provided in the newspaper. Check with your local district to learn their method of publication or the meeting schedule.

You can expect to be able to ask questions and/or make comments at the budget committee meeting specifically designated for public input.

You can expect to have the opportunity to submit written and/or verbal testimony at the budget hearing.

You can expect to have the opportunity to review the budget document. You can obtain one for yourself if you so desire. Local government can legally charge for copies but the cost cannot exceed the actual cost of the photocopying.

You can expect to be able to vote on any temporary property tax measures advanced by the local government.

You can expect to be able to challenge the tax levy of the district in tax court if you think it violates the law.

What procedural steps must a local government take to comply with the law?

Local budget law requires many procedural steps in the development and final adoption of the annual budget.

The following are the primary steps each local government must consider:

- The budget officer prepares a proposed budget.
- Notice of the budget committee meeting is published.
- The budget document is made available at or before the budget committee meeting at which the budget is presented.
- The budget committee conducts at least one public meeting for receiving the budget message and the budget document as well as providing opportunity for public questions or comments.
- The budget committee approves the budget.
- Notice of the public hearing and a summary of the approved budget is published.
- The governing body conducts a public hearing on the approved budget.
- The governing body, after public comment and deliberations, adopts the budget and enacts resolutions or ordinances accordingly by June 30.
- The governing body certifies the district's tax, if any, to the county assessor by July 15.

Note: In Multnomah County, some of the publication and hearing requirements are performed for the local government by the Tax Supervising and Conservation Commission.

How is compliance with local budget law monitored?

The citizens of a district have the opportunity and the responsibility to be involved in the process. It is more efficient to the overall system when citizens become involved in the development of the budget itself, rather than mounting a legal challenge to the result.

The Department of Revenue has administrative oversight responsibility for local budget law. The department prescribes forms, writes administrative rules to clarify the legal requirements, produces a manual for use by local governments, and provides training on the correct procedures. The law also specifically prohibits the Department of Revenue from interfering with the fiscal policy of a local government.

How can a citizen participate in the budget process of a local government?

As mentioned, the Legislature designed the procedures of local budget law to encourage citizen participation. Citizens can participate in a variety of ways. Here are a few possibilities:

- Volunteer to become a budget committee member.
- Attend the budget committee and governing body budget meetings and the public hearing.
- Obtain a copy of the budget when it becomes available or simply review it at the office of the district.
- Vote on ballot measures for additional funding requested by the local government.
- Provide written or oral testimony to the budget committee or the governing body on the policy outlined in the budget, and,
- Respectfully challenge irregularities observed in the budget process.

Can a citizen challenge the process and if so, how is that done?

Yes, ORS 294.485 outlines a process that allows 10 "interested taxpayers" to appeal to the Oregon Tax Court any ad valorem property tax made contrary to law. The challenge must be made within 30 days of the district's certification to the county assessor. If the court finds that the budget and the tax certification in question do not substantially comply with local budget law, the tax levy can be declared void or be modified.

For specific questions about local budget law, e-mail us at: Finance.Taxation@state.or.us.



1037 NW Grebe Street
Seal Rock, Oregon 97376
Phone: 541.563.3529 – Fax: 541.563.4246
www.srwd.org



Seal Rock Water District

To: Members of the Seal Rock Water District Budget Committee

Please accept the proposed Seal Rock Water District (SRWD) Budget for Fiscal Year 2026–27. This document presents a comprehensive forecast of revenues and expenditures and outlines the strategic financial decisions that support the District’s continued commitment to providing reliable, high-quality water service to the Seal Rock community. The proposed budget reflects a balanced and forward-looking approach to sustaining operations, managing financial obligations, and preparing for future system needs.

The FY 2026–27 budget supports the ongoing operations and maintenance (O&M) of the District’s distribution system and Membrane Water Treatment Facility. With the Beaver Creek Source Water Project now fully completed and closed out, the District’s focus has transitioned to long-term system performance, regulatory compliance, and financial stability. Prior capital investments have positioned the District well; however, continued diligence is required to manage operational demands and cost pressures.

While existing customer rates have historically supported O&M expenses, the District continues to experience upward pressure on costs associated with energy, fuel, chemicals, materials, and contracted services. These factors introduce ongoing financial uncertainty and necessitate careful monitoring. As part of its long-standing financial strategy, the SRWD Board continues to evaluate modest, incremental rate adjustments to maintain service levels while avoiding significant future increases.

Several key factors have influenced the development of the FY 2026–27 budget:

Organizational Stability and Staffing: Following recent staff transitions, the District is focused on maintaining continuity in financial management and operational capacity. Personnel costs reflect a stabilized staffing structure, with an emphasis on retention and institutional knowledge.

Cost of Living Adjustment (COLA): A COLA increase is included in the proposed budget to address inflationary impacts on salaries and benefits and to remain competitive within the regional labor market.

Cost of Materials and Services: Essential operating expenses, including chemicals, utilities, fuel, and maintenance materials, continue to reflect elevated costs compared to historical levels. While increases are expected to moderate, they remain a key budget consideration.

Regulatory Compliance:

The District continues to address evolving regulatory requirements, including compliance with federal CMR5 and PFAS monitoring and reporting standards, as well as ongoing raw water quality monitoring required under the Beaver Creek water rights permit.

While broader inflationary indicators have begun to stabilize, external economic factors, including supply chain variability and potential tariff impacts, may continue to influence the cost of critical materials and equipment. The District remains committed to identifying efficiencies while maintaining a prudent approach to financial planning.

Revenue projections are based on water sales, property taxes, system development charges, and miscellaneous fees. The District continues to closely monitor financial performance on a monthly basis to ensure alignment with budget expectations. The FY 2026–27 budget has been prepared using the Modified Accrual Basis in accordance with Oregon Local Budget Law and the Oregon Department of Revenue Local Budgeting Manual. No changes to accounting practices are proposed.

The Proposed FY 2026–27 Budget is presented in the required Oregon Local Budget (LB) forms and includes the District’s established fund structure. The five primary funds remain:

- **General Fund:** Supports day-to-day operations of the District.
- **Debt Service Fund:** Meets long-term debt obligations funded through property tax revenues.
- **Revenue Bond Reserve Fund:** Supports annual revenue bond obligations through interfund transfers.
- **Capital Projects Fund:** Accounts for major infrastructure investments.
- **Reserve Funds:** Includes USDA-RD Reserve, Short-Lived Asset Replacement, System Development Charges, and Water Source & Distribution Improvement Reserves.

The permanent tax rate for operations remains unchanged at \$0.1259 per \$1,000 of assessed value. The Exempt Bond levy will continue to support debt service obligations, with appropriate beginning and ending fund balances to ensure coverage throughout the fiscal year.

The District continues to plan for increases in employee-related costs, including health insurance and PERS contributions, consistent with current rate projections. These costs remain a significant component of the overall operating budget.

Budget Assumptions:

- Inflation is expected to moderate but remain a factor in operational costs.
- Population growth within the District will remain limited.
- Water revenues will continue to support O&M expenses.
- The Board will consider a modest rate adjustment to address ongoing cost pressures.
- No major fleet expansions are planned.
- The District will continue to prioritize infrastructure maintenance and asset longevity.
- External funding opportunities, including grants and low-interest loans, will continue to be pursued as appropriate.

Budget Timeline and Adoption:

In accordance with Oregon Local Budget Law, all budget modifications must be completed prior to adjournment of the Budget Committee meeting. If additional deliberation is required, the meeting may be recessed and reconvened.

Budget Hearing: Scheduled for May 14, 2026

Budget Adoption: To be scheduled during a regular SRWD Board meeting on June 11, 2026.

Acknowledgment:

This budget reflects the continued efforts of SRWD staff to responsibly manage the District’s financial resources while maintaining a high level of service to the community. The District extends its appreciation to the Board of Commissioners and the Citizen Members of the Budget Committee for their leadership, guidance, and ongoing commitment to sound governance.

Respectfully submitted,
Adam Denlinger
General Manager

**RESOURCES
GENERAL FUND**

Fund

SEAL ROCK WATER DISTRICT

(Name of Municipal Corporation)

Historical Data			Adopted Budget This Year 2025-26	RESOURCE DESCRIPTION	Budget for Next Year 2026-27			
Actual		Proposed By Budget Officer			Approved By Budget Committee	Adopted By Governing Body		
Second Preceding Year 2023-24	First Preceding Year 2024-25							
				Beginning Fund Balance:				
1				1 Available cash on hand * (cash basis), or				1
2	731,355	1,084,484	800,000	2 Net Working Capital (accrual basis)	870,000	870,000	870,000	2
3	3,443	1,960	3,000	3 Previously levied taxes estimated to be received 4000	3,000	3,000	3,000	3
4	30,041	28,591	26,970	4 Interest 4045, 4050	25,310	25,310	25,310	4
5				5 OTHER RESOURCES				5
6				6				6
7	2,533,188	2,538,108	2,701,600	7 Water Sales/Contract in Lieu of Water Sales 4020,4021	2,894,700	2,894,700	2,881,700	7
8	18,000	13,500	7,500	8 Service Connections x 5 4030	10,500	10,500	10,500	8
9	43,189	38,172	37,000	9 Misc. Income 4040,4051,4052,4053,4060	37,000	37,000	37,000	9
10	0		1,000	10 Subdivision/Partition Assessments 4130	1,000	1,000	1,000	10
11				11				11
12			0	12 Sale of Equipment / Fixed assets 4170,4180,4190				12
13	1,178	585	1,500	13 Prior Year Refund 4900	1,000	1,000	1,000	13
14	0	50,000	50,000	14 Grant-SDAO/FEMA/IFA/COUNTY/DEQ 4014, 4016	10,000	10,000	10,000	14
15				15				15
16				16				16
17				17				17
18				18				18
19				19				19
20				20 TRANSFERS FROM OTHER FUNDS				20
21	0	0	0	21 Water Source Reserve (page 12)				21
22	128,652	0	0	22 SRWD Land & Buildings Reserve (page 13)				22
23				23				23
24				24				24
25				25				25
26				26				26
27				27				27
28				28				28
29	3,489,046	3,755,400	3,628,570	29 Total resources, except taxes to be levied	3,852,510	3,852,510	3,839,510	29
30			105,000	30 Taxes estimated to be received 4010	108,800	108,800	108,800	30
31	97,255	101,516		31 Taxes collected in year levied 4010				31
32	3,586,301	3,856,916	3,733,570	32 TOTAL RESOURCES	3,961,310	3,961,310	3,948,310	32

*Includes unappropriated Balance Budgeted Last Year

DETAILED REQUIREMENTS
Allocated to an Organizational Unit or Program and Activity

GENERAL FUND
Fund

SEAL ROCK WATER DISTRICT
(Name of Municipal Corporation)

1	Historical Data			1	ADMINISTRATIVE & OFFICE	Budget for Next Year			1
	Actual		Adopted Budget This Year 2025-26			2026-27			
	Second Preceding Year 2023-24	First Preceding Year 2024-25				Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
					PERSONNEL SERVICES				
2				2					2
3	358,260	400,037	460,000	3	Salaries - Office 5010,5011	422,000	422,000	422,000	3
4	4,555	2,575	2,500	4	Part Time Office / Overtime 5050,5068	3,000	3,000	3,000	4
5	443,607	485,956	595,200	5	Employees Benefits 5070,5080	666,700	666,700	666,700	5
6	67,677	76,354	88,000	6	Employer Payroll Tax Expense 5090,5096	91,200	91,200	91,200	6
7	1,425	1,369	5,000	7	Training Classes - Office & Board 5060,5062	5,000	5,000	5,000	7
8	4,471	4,469	8,000	8	Mileage & Meal Reimb.-Office & Board 5063,5064	8,000	8,000	8,000	8
9	3,107	4,511	7,000	9	Lodging - Office & Board 5065,5066	7,000	7,000	7,000	9
10	883,102	975,271	1,165,700	10	Total Personnel Services	1,202,900	1,202,900	1,202,900	10
11	4	4	4	11	Total Full-Time Equivalent (FTE)	4	4	4	11
12				12	MATERIALS & SERVICES				12
13	114,089	118,163	213,000	13	Professional Services 5200,5201,5202,5203,5204,5206	267,300	267,300	267,300	13
14	65,228	72,752	86,800	14	Insurance & Bonds 5240	87,900	87,900	87,900	14
15	15,129	15,796	23,000	15	Office Supplies & Postage 5290,5291	22,000	22,000	22,000	15
16	0	0	0	16	Rent & Lease Expense 5260	0	0	0	16
17	32,940	35,336	46,700	17	Phone & Office Equip. Repair/Repl. 5270,5271,5272,5273,5274	46,700	46,700	46,700	17
18	8,160	8,693	13,000	18	Printing, Copying & Advertising 5280	13,000	13,000	13,000	18
19	3,280	4,664	4,500	19	Misc. Expense / Prior Year Exp 5100,5250,5251,5360,5361	4,500	4,500	4,500	19
20	44,578	50,686	52,680	20	Dues, Fees & Assessments 5310	66,200	66,200	66,200	20
21	0	1,290	0	21	Commissioner & Other Election 5120	1,500	1,500	1,500	21
22				22					22
23				23					23
24				24					24
25	283,405	307,380	439,680	25	Total Materials & Services	509,100	509,100	509,100	25
26				26	CAPITAL OUTLAY				26
27	0	0	500	27	Office Furniture 5400	3,100	3,100	3,100	27
28	649	999	1,000	28	Office Equipment/Computer Hardware 5410	2,000	2,000	2,000	28
29	1,000	0	1,000	29	Computer Software 5420	1,000	1,000	1,000	29
30				30					30
31	1,649	999	2,500	31	Total Capital Outlay	6,100	6,100	6,100	31
32	1,168,156	1,283,650	1,607,880	32	TOTAL EXPENDITURES - THIS PAGE	1,718,100	1,718,100	1,718,100	32
33				33	UNAPPROPRIATED ENDING FUND BALANCE				33
34	1,168,156	1,283,650	1,607,880	34	ACCUMULATIVE TOTAL EXPENSE	1,718,100	1,718,100	1,718,100	34

DETAILED REQUIREMENTS
Allocated to an Organizational Unit or Program and Activity

GENERAL FUND
Fund

SEAL ROCK WATER DISTRICT
(Name of Municipal Corporation)

1	Historical Data			1	OPERATIONS & SERVICES	Budget for Next Year			
	Actual		Adopted Budget This Year 2025-26			2026-27			
	Second Preceding Year 2023-24	First Preceding Year 2024-25				Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
1				1	PERSONNEL SERVICES				1
2				2					2
3	381,557	425,848	447,000	3	Salaries - Field 5510,5511,5512,5513	515,000	515,000	515,000	3
4	31,998	31,056	39,500	4	Overtime / On Call - Field 5590,5591	46,400	46,400	46,400	4
5	779	1,591	4,500	5	Mileage & Meal Reimbursement - Field/WTP 5053,5621	4,500	4,500	4,500	5
6	2,878	2,600	13,000	6	Training & Lodging - Field/WTP/CDL/Safety 5051,5052,5061,5067,	12,500	12,500	12,500	6
7	4,000	10,949	12,000	7	Performance Award 5599	4,400	4,400	4,400	7
8	421,212	472,044	516,000	8	Total Personnel Services	582,800	582,800	582,800	8
9	5	7	6	9	Total Full-Time Equivalent (FTE)	7	7	7	9
10				10	MATERIALS & SERVICES				10
11	205	3,673	4,000	11	Uniforms-Jacket & Hat /Clothing 5601,5602	4,000	4,000	4,000	11
12	71,333	24,144	200,000	12	Emergency Water Purchases 5690,5691	150,000	150,000	150,000	12
13	203,908	185,536	290,500	13	Sys Maint 5625,5626,5627,5628,5629,5630,5631,5632,5633,5634,5635	265,000	265,000	265,000	13
14	64,030	72,635	70,000	14	Utilities 5610,5611	70,000	70,000	70,000	14
15	107,386	126,979	170,000	15	Operating Materials/Conserv. 5191,5600,5603,5604,5605,5606	165,000	165,000	165,000	15
16	2,091	14,606	40,000	16	Repl Meter/AMR System 5640,5641	40,000	40,000	40,000	16
17	125	500	1,000	17	Equipment Rental 5620	1,000	1,000	1,000	17
18				18					18
19	45,432	137,458	95,500	19	Consultants - WTP 5208,5205	100,000	100,000	100,000	19
20	494,511	565,531	871,000	20	Total Materials & Services	795,000	795,000	795,000	20
21				21	CAPITAL OUTLAY				21
22	0	0	30,000	22	Supply & Distribution (components in ground) 5720	30,000	30,000	30,000	22
23	0	0	0	23	Automotive Equipment 5800	0	0	0	23
24	1,618	1,271	5,000	24	Shop Equipment 5810	5,000	5,000	5,000	24
25	0	0	0	25	Master Plan/Maps 5710	0	0	0	25
26	0	0	0	26	Vehicle Replacement Program 5820	0	0	0	26
27	0	0	10,000	27	Building Upgrades 5750	10,000	10,000	10,000	27
28				28					28
29				29					29
30				30					30
31	1,618	1,271	45,000	31	Total Capital Outlay	45,000	45,000	45,000	31
32	917,341	1,038,847	1,432,000	32	TOTAL EXPENDITURES - THIS PAGE	1,422,800	1,422,800	1,422,800	32
33				33	UNAPPROPRIATED ENDING FUND BALANCE				33
34	2,085,497	2,322,497	3,039,880	34	ACCUMULATIVE TOTAL EXPENSE	3,140,900	3,140,900	3,140,900	34

DETAILED REQUIREMENTS

GENERAL FUND
Fund

SEAL ROCK WATER DISTRICT
(Name of Municipal Corporation)

	Historical Data			TRANSFERS & CONTINGENCIES	Budget for Next Year <u>2026-27</u>				
	Actual		Adopted Budget		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body		
	Second Preceding Year 2023-24	First Preceding Year 2024-25	This Year <u>2025-26</u>						
1				1				1	
2				2				2	
3				3				3	
4	0	0	0	4	Capital Project Fund (pg. 8) 03-4160			4	
5	10,990	10,990	10,990	5	R.D. Requirement Reserve Fund (pg. 9) 05-4160	10,990	10,990	10,990	5
6	292,760	282,490	273,680	6	Revenue Bond Payment Fund (pg. 7) 04 -4160	278,220	278,220	278,220	6
7	112,570	112,570	209,020	7	Depreciation Reserve Fund/SLARRA (pg. 10) 11-4160	250,000	250,000	250,000	7
8	0	0		8	SDC Reserve Fund (pg. 11) 13-4160	0	0	0	8
9	0	62,000		9	Water Source Impr. Rsrv. Fund (pg. 12) 20-4160	81,200	81,200	68,200	9
10				10					10
11				11					11
12				12					12
13				13					13
14				14					14
15				15					15
16				16					16
17				17					17
18				18					18
19				19					19
20				20					20
21				21					21
22				22					22
23				23					23
24				24					24
25				25					25
26				26					26
27				27					27
28	416,320	468,050	493,690	28	TOTAL INTERFUND TRANSFERS	620,410	620,410	607,410	28
29	0	0	200,000	29	OPERATING CONTINGENCY 01-5950	200,000	200,000	200,000	29
30	416,320	468,050	693,690	30	TOTAL - THIS PAGE	820,410	820,410	807,410	30
31	2,085,497	2,322,497	3,039,880	31	TOTAL EXPENDITURES - prev. pgs.-GENERAL	3,140,900	3,140,900	3,140,900	31
32	1,084,484	1,066,370		32	UNAPPROPRIATED ENDING FUND BALANCE				32
33	3,586,301	3,856,916	3,733,570	33	General Fund TOTAL Expenses	3,961,310	3,961,310	3,948,310	33

REQUIREMENTS SUMMARY

GENERAL FUND
Name of Organization Unit - Fund

SEAL ROCK WATER DISTRICT
(Name of Municipal Corporation)

Historical Data			EXPENDITURE DESCRIPTION	Budget for Next Year <u>2026-27</u>				
Actual		Adopted Budget		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body		
Second Preceding Year 2023-24	First Preceding Year 2024-25	This Year <u>2025-26</u>						
1			1	PERSONNEL SERVICES			1	
2	883,102	975,271	2	Administrative & Office	1,202,900	1,202,900	1,202,900	2
3	421,212	472,044	3	Operations & Services	582,800	582,800	582,800	3
4			4					4
5			5					5
6			6					6
7			7					7
8	1,304,315	1,447,315	8	TOTAL PERSONNEL SERVICES	1,785,700	1,785,700	1,785,700	8
9	9	11	9	<i>Total Full-Time Equivalent (FTE)</i>	11	11	11	9
10			10	MATERIALS & SERVICES			10	
11	283,405	307,380	11	Administrative & Office	509,100	509,100	509,100	11
12	494,511	565,531	12	Operations & Services	795,000	795,000	795,000	12
13			13					13
14			14					14
15			15					15
16			16					16
17	777,915	872,911	17	TOTAL MATERIALS & SERVICES	1,304,100	1,304,100	1,304,100	17
18			18	CAPITAL OUTLAY			18	
19	1,649	999	19	Administrative & Office	6,100	6,100	6,100	19
20	1,618	1,271	20	Operations & Services	45,000	45,000	45,000	20
21			21					21
22			22					22
23			23					23
24			24					24
25	3,267	2,270	25	TOTAL CAPITAL OUTLAY	51,100	51,100	51,100	25
26			26	TRANSFERRED TO OTHER FUNDS			26	
27	0	62,000	27	To WSIRF/CPF	81,200	81,200	68,200	27
28	112,570	112,570	28	To Depr/SLARA	250,000	250,000	250,000	28
29	303,750	293,480	29	To R Bond Pmt/R.D. Req. Rsrv funds	289,210	289,210	289,210	29
30			30	General Fund Operating Contingency	200,000	200,000	200,000	30
31	416,320	468,050	31	TOTAL TRANSFERS & CONTINGENCIES	820,410	820,410	807,410	31
32	2,501,817	2,790,547	32	TOTAL EXPENDITURES	3,961,310	3,961,310	3,948,310	32
33	1,084,484	1,066,370	33	UNAPPROPRIATED ENDING FUND BALANCE				33
34	3,586,301	3,856,916	34	TOTAL	3,961,310	3,961,310	3,948,310	34

*Includes unappropriated Balance Budgeted Last Year

**BONDED DEBT
RESOURCES AND REQUIREMENTS**

DEBT SERVICE FUND (G.O. Bond)
FUND

SEAL ROCK WATER DISTRICT
(Name of Municipal Corporation)

Historical Data			Adopted Budget This Year 2025-26	GENERAL OBLIGATION BONDS RESOURCES AND REQUIREMENTS	Budget for Next Year 2026-27					
Actual		Second Preceding Year 2023-24			First Preceding Year 2024-25	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body		
1				1	Resources			1		
2				2	Beginning Fund Balance:			2		
3				3	Cash on hand * (cash basis), or			3		
4	707,979	710,612	620,000	4	Working Capital (accrual basis)	690,000	690,000	690,000	4	
5	23,253	21,440	25,000	5	Previously Levied Taxes Estimated to be Received 02-4000	25,000	25,000	25,000	5	
6	4,193	6,146	4,000	6	Earnings from Temporary Investments 4050	24,430	24,430	24,430	6	
7	9,403	8,355	1,000	7	Miscellaneous Income 4060	8,100	8,100	8,100	7	
8	7,343	7,971	8,000	8	Boundary Withdrawal & Prop. Annex to CoN Income 4012,4013	7,650	7,650	7,650	8	
9	752,171	754,523	658,000	9	Total Resources, Except Taxes to be Levied	755,180	755,180	755,180	9	
10			1,035,460	10	Taxes Necessary to Balance * 984,000 (95%)	933,990	933,990	933,990	10	
11	1,066,128	986,878		11	Taxes Collected in Year Levied * 4010				11	
12	1,818,299	1,741,400	1,693,460	12	TOTAL RESOURCES	1,689,170	1,689,170	1,689,170	12	
13				13	Requirements				13	
14				14	Miscellaneous Expense 5360				14	
15				15	Bond Principal Payments				15	
16				16	Issue Date	Budgeted Payment Date			16	
17	214,768	218,527	222,350	17	2021 6670	12/17/2026	226,240	226,240	226,240	17
18	122,412	124,707	127,050	18	2016 6660	12/1/2026	129,430	129,430	129,430	18
19	85,000	90,000	90,000	19	2013 6650	6/1/2027	95,000	95,000	95,000	19
20	45,324	47,024	48,790	20	2011 6630	10/27/2026	50,620	50,620	50,620	20
21	320,000	325,000	270,000	21	2012 6640	6/1/2027	280,000	280,000	280,000	21
22	787,504	805,257	758,190	22	Total Principal		781,290	781,290	781,290	22
23				23	Bond Interest Payments					23
24				24	Issue Date	Budgeted Payment Date				24
25	110,914	107,155	103,340	25	2021 6770	12/17/2026	99,450	99,450	99,450	25
26	51,795	49,500	47,170	26	2016 6760	12/1/2026	44,780	44,780	44,780	26
27	44,102	41,552	38,860	27	2013 6750	12/1/2026, 6/1/2027	36,160	36,160	36,160	27
28	45,890	44,190	42,430	28	2011 6730	10/27/2026	40,600	40,600	40,600	28
29	67,481	57,881	48,140	29	2012 6740	12/1/2026, 6/1/2027	40,040	40,040	40,040	29
30	320,183	300,279	279,940	30	Total Interest		261,030	261,030	261,030	30
31				31	Unappropriated Balance for Following Year By					31
32				32	Issue Date	Payment Date				32
33			325,700	33	2021	12/17/2027	325,700	325,700	325,700	33
34			174,000	34	2016	12/1/2027	174,000	174,000	174,000	34
35			18,080	35	2013	12/1/2027	16,650	16,650	16,650	35
36			91,220	36	2011	10/27/2027	91,220	91,220	91,220	36
37			20,020	37	2012	12/1/2027	15,610	15,610	15,610	37
38	710,612	635,864	629,020	38	Total Unappropriated Ending Fund Balance		623,180	623,180	623,180	38
39			26,310	39	Tax Credit Reserve 2013 (2007) G.O. Bond ** C.o.N.		23,670	23,670	23,670	39
40	1,818,299	1,741,400	1,693,460	40	TOTAL REQUIREMENTS		1,689,170	1,689,170	1,689,170	40

*If this form is used for revenue bonds, resource lines 8 and 9 may not be used. The district does not have authority to levy for these bonds.

**BONDED DEBT
RESOURCES AND REQUIREMENTS**

Bond Debt Payments are for:
General Obligation Bonds
Revenue Bonds X

REVENUE BOND RESERVE FUND
FUND

SEAL ROCK WATER DISTRICT
(Name of Municipal Corporation)

Historical Data			RESOURCES AND REQUIREMENTS	Budget for Next Year <u>2026-27</u>			
Actual		Adopted Budget This Year <u>2025-26</u>		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
Second Preceding Year 2023-24	First Preceding Year 2024-25						
1			1	Resources			1
2			2	Beginning Fund Balance:			2
3			3	Cash on hand * (cash basis), or			3
4	7,161	2,180	4	Working Capital (accrual basis)	500	500	500
5	3	74	5	Earnings from Temporary Investments 04-4049,4050	1,500	1,500	1,500
6	292,760	282,490	6	Transfer from General Fund (pg. 4) 4160	278,220	278,220	278,220
7	0	0	7	Loan Proceeds 4015			
8	0	0	8	Misc Income 4048			
9	299,924	284,744	9	Total Resources, Except Taxes to be Levied	280,220	280,220	280,220
10		0	10	Taxes Necessary to Balance *			
11	0		11	Taxes Collected in Year Levied *			
10	299,924	284,744	10	TOTAL RESOURCES	280,220	280,220	280,220
11			11	Requirements			11
12			12	Bond Principal Payments			12
13			13	Issue Date	Budgeted Payment Date		13
14	70,847	71,556	14	2022 - IFA 6605	12/1/2025	73,000	73,000
15	18,404		15	2016 - IFA 6750	11/18/2025		
16	111,985	114,389	16	2012 6620 2020 6610	6/1/2026,11/18/2025	120,370	120,370
17	201,236	185,945	17	Total Principal			193,370
18			18	Bond Interest Payments			18
19			19	Issue Date	Budgeted Payment Date		19
20	24,124	23,416	20	2022 - IFA 6760	12/1/2025	21,980	21,980
21	184	0	21	2016 - IFA 6730			
22	29,932	28,711	22	2012 6720	6/1/2026	26,170	26,170
23	42,268	41,085	23	2020 6750	11/18/2025	38,700	38,700
24			24	Miscellaneous 5360, 5729, 5732			
25	96,508	93,212	25	Total Interest			86,850
26			26	Unappropriated Balance for Following Year By			26
27			27	Issue Date	Payment Date		27
28		0	28				
29		0	29				
30			30				
31	2,180	5,587	31	Total Unappropriated Ending Fund Balance			0
32	299,924	284,744	32	TOTAL REQUIREMENTS			280,220

*If this form is used for revenue bonds, resource lines 8 and 9 may not be used. The district does not have authority to levy for these bonds.

**SPECIAL FUND
RESOURCES AND REQUIREMENTS**

CAPITAL PROJECTS FUND
Fund

SEAL ROCK WATER DISTRICT
(Name of Municipal Corporation)

Historical Data			DESCRIPTION	Budget for Next Year <u>2026-27</u>				
Actual		Adopted Budget This Year <u>2025-26</u>		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body		
Second Preceding Year 2023-24	First Preceding Year 2024-25							
1			1	Beginning Fund Balance:				1
2			2	Cash on hand * (cash basis), or				2
3	177,567	65,100	3	Working Capital (accrual basis)	60,000	60,000	60,000	3
4			4	Misc Income (MCWCC) 4060				4
5	228	300	5	Earning from Temporary Investments 4050,4051	500	500	500	5
6			6	Transf. frm SDC (pg 11) Transf. frm WSIR (pg. 12)				6
7			7	Transf. frm GF (pg 4) 4160				7
8	864	817,481	8	Interim Loan/USDA & IFA Grants/Loans & Other Grants/Loans 4014,401	3,000,000	3,000,000	3,000,000	8
9	0	0	9	Loan Proceeds /Settlement 4011,4012,4017				9
10	178,659	882,881	10	Total Resources, Except Taxes to be Levied	3,060,500	3,060,500	3,060,500	10
11			11	Taxes Necessary to Balance				11
12			12	Taxes Collected in Year Levied				12
13	178,659	882,881	13	TOTAL RESOURCES	3,060,500	3,060,500	3,060,500	13
14			14	REQUIREMENTS				14
15			15	CAPITAL OUTLAY - System Improvements				15
16			16					16
17			17	Environmental Mitigation 5733				17
18	864	0	18	Engineering/Software/Startup/Proj mgt 5724,5730,5731	540,000	540,000	540,000	18
19	0	0	19	Legal/Admin/Financing/Permit/Misc 5711,5715,5717,5360,5732	30,000	30,000	30,000	19
20	0	750,000	20	Construction/Contractor/Retainage 5716,5719,5720,5721,5723	600,000	600,000	600,000	20
21	0	0	21	Granular Activated Filtration System	1,830,000	1,830,000	1,830,000	21
22			22	Interim Loan Interest 5050				22
23			23	Interim Loan/LOC Payments 5040				23
24			24	Land/Easements 5734,5736, 4010				24
25	112,695	48,157	25	SRWD Major Improvements 5756, 5770,5772,5773	40,500	40,500	40,500	25
26			26					26
27	0	0	27	Consultants 5737,5712,5726	20,000	20,000	20,000	27
28			28	TRANSFERS				28
29			29					29
30	65,100	84,724	30	UNAPPROPRIATED ENDING FUND BALANCE	0	0	0	30
31	178,659	882,881	31	TOTAL REQUIREMENTS	3,060,500	3,060,500	3,060,500	31

*Includes unappropriated Balance Budgeted Last Year

**RESERVE FUND
RESOURCES AND REQUIREMENTS**

SEAL ROCK WATER DISTRICT

This fund is authorized by ORS 280.050 and established by resolution/ordnance number 0393-1, on March 11, 1993; extended per Resolution 0525-02 (5/8/2025), for the following specified purposes:

Required by USDA Rural Development Bond Agreements

R.D. REQUIREMENT RESERVE
Fund

Any balance in a fund referred to in ORS 294.346 that is not expended or obligated by definite commitments within 10 years from the date of the election or the adoption of the ordinance or resolution pursuant to which the fund was established shall revert to and become a part of the general fund of the subdivision and shall be transferred thereto by the treasurer or other financial officer thereof. Annual contributions to such funds shall be limited to a period not to exceed ten years. Last year for fund 2042-43 Last year for contributions 2034-35

	Historical Data			DESCRIPTION RESOURCES AND REQUIREMENTS	Budget for Next Year <u>2026-27</u>			
	Actual		Adopted Budget This Year <u>2025-26</u>		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year 2023-24	First Preceding Year 2024-25						
1			1	Beginning Balance				1
2			2	Cash on hand * (cash basis), or				2
3	98,673	109,674	120,670	3 Working Capital (accrual basis)	135,000	135,000	135,000	3
4			4	4 Previously levied taxes estimated to be received				4
5	11	497	10	5 Earning from temporary investments 05-4050	5,500	5,500	5,500	5
6	10,990	10,990	10,990	6 Transferred from other funds(4) 05-4160	10,990	10,990	10,990	6
7			7	7 Reimbursement from GF				7
8			8					8
9			9					9
10	109,674	121,161	131,670	10 Total Resources, except taxes to be levied	151,490	151,490	151,490	10
11		0	11	11 Taxes necessary to balance				11
12			12	12 Taxes collected in year levied				12
13	109,674	121,161	131,670	13 TOTAL RESOURCES	151,490	151,490	151,490	13
14			14	14 REQUIREMENTS				14
15			15					15
16			16	16 CAPITAL OUTLAY				16
17	0	0	17	17 Emergency System Repair/Bond Payment 5780	151,490	151,490	151,490	17
18			18					18
19			19	19 TRANSFERS				19
20	0	0	20	20 Transfer to General Fund (pg. 1) 5900	0			20
21			21					21
22			22					22
23			23					23
24			24					24
25			25					25
26			26					26
27			27					27
28			28					28
29			29					29
30	109,674	121,161	0	30 RESERVE FOR FUTURE EXPENDITURE	0	0	0	30
31	109,674	121,161	131,670	31 TOTAL REQUIREMENTS	151,490	151,490	151,490	31

*Includes unappropriated Balance Budgeted Last Year

**RESERVE FUND
RESOURCES AND REQUIREMENTS**

SEAL ROCK WATER DISTRICT

This fund is authorized by ORS 280.050 and established by resolution / ordinance number 0400-01, on April 27, 2000, extended per Resolution #0522-01 (05/12/2022), for the following specified purposes: For replacing depreciated assets that are of no further use (vehicles, heavy equipment, radios, saws, mowers, computers, furnishings, etc.) \$25,000 / \$250,000 max.

SLARA/DEPRECIATION RESERVE
Fund

Any balance in a fund referred to in ORS 294.346 that is not expended or obligated by definite commitments within 10 years from the date of the election or the adoption of the ordinance or resolution pursuant to which the fund was established shall revert to and become a part of the general fund of the subdivision and shall be transferred thereto by the treasurer or other financial officer thereof. Annual contributions to such funds shall be limited to a period not to exceed ten years. Last year for fund 2031-32

	Historical Data			DESCRIPTION RESOURCES AND REQUIREMENTS	Budget for Next Year				
	Actual		Adopted Budget This Year <u>2025-26</u>		<u>2026-27</u>				
	Second Preceding Year 2023-24	First Preceding Year 2024-25			Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body		
1				1	Beginning Balance				1
2				2	Cash on hand * (cash basis), or				2
3	228,922	312,214	150,000	3	Working Capital (accrual basis)	284,000	284,000	284,000	3
4				4	Previously levied taxes estimated to be received				4
5	2,911	3,465	2,000	5	Earning from temporary investments 11-4050	6,000	6,000	6,000	5
6	112,570	112,570	209,020	6	Transfer from General Fund (pg. 4) 4160	250,000	250,000	250,000	6
7				7					7
8				8					8
9				9					9
10	344,403	428,250	361,020	10	Total Resources, except taxes to be levied	540,000	540,000	540,000	10
11				11	Taxes necessary to balance				11
12				12	Taxes collected in year levied				12
13	344,403	428,250	361,020	13	TOTAL RESOURCES	540,000	540,000	540,000	13
14				14	REQUIREMENTS				14
15				15					15
16				16	CAPITAL OUTLAY - (General Fund)				16
17	25,861	278,719	161,020	17	Replace Depreciated Item 5751	180,000	180,000	180,000	17
18	0	0	100,000	18	Vehicle Repl. Program/Heavy Equipment 5820	180,000	180,000	180,000	18
19	6,327	0	100,000	19	Office Equipment & Machines 5410	180,000	180,000	180,000	19
20				20					20
21				21	TRANSFERS				21
22	0	0	0	22	Transfer to General Fund	0			22
23				23					23
24				24					24
25				25					25
26				26					26
27				27					27
28				28					28
29				29					29
30	312,214	149,531	0	30	RESERVE FOR FUTURE EXPENDITURE	0	0	0	30
31	344,403	428,250	361,020	31	TOTAL REQUIREMENTS	540,000	540,000	540,000	31

*Includes unappropriated Balance Budgeted Last Year

**RESERVE FUND
RESOURCES AND REQUIREMENTS**

SEAL ROCK WATER DISTRICT

This fund is authorized by ORS 280.050 and established by resolution / ordinance number 0400-01, on April 27, 2000; extended per Resolution #0522-01 (5/12/2022), for the following specified purposes: For SRWD improvements to provide capacity to support growth of the district, to include water main & service lines, pumps, vaults, master meters, water treatment plant, water sources, etc.
\$0 / \$1,000,000 max.

**SYSTEM DEVELOPMENT CHARGES
Fund
(Formerly System Investment Plan Reserve)**

Any balance in a fund referred to in ORS 294.346 that is not expended or obligated by definite commitments within 10 years from the date of the election or the adoption of the ordinance or resolution pursuant to which the fund was established shall revert to and become a part of the general fund of the subdivision and shall be transferred thereto by the treasurer or other financial officer thereof. Annual contributions to such funds shall be limited to a period not to exceed ten years. Last year for fund 2031-32

	Historical Data			DESCRIPTION RESOURCES AND REQUIREMENTS RESOURCES	Budget for Next Year <u>2026-27</u>				
	Actual		Adopted Budget This Year <u>2025-26</u>		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body		
	Second Preceding Year 2023-24	First Preceding Year 2024-25							
1				1	Beginning Balance				1
2				2	Cash on hand * (cash basis), or				2
3	697,807	578,174	578,000	3	Working Capital (accrual basis)	350,000	350,000	350,000	3
4	.			4					4
5	2,945	5,170	2,000	5	Earning from temporary investments 13-4050	26,000	26,000	26,000	5
6				6	Transfer from General Fund (pg. 4) 4160				6
7				7	Transfer from Capital Project Fund (pg. 8)				7
8	50,176	29,364	18,350	8	System Development Charges x 7 4400	25,700	25,700	25,700	8
9				9					9
10	750,928	612,707	598,350	10	Total Resources, except taxes to be levied	401,700	401,700	401,700	10
11				11	Taxes necessary to balance				11
12				12	Taxes collected in year levied				12
13	750,928	612,707	598,350	13	TOTAL RESOURCES	401,700	401,700	401,700	13
14				14	REQUIREMENTS				14
15				15	CAPITAL OUTLAY				15
16				16					16
17	0	0	10,000	17	SDC - plan update: SRWD 5726,5780	10,000	10,000	10,000	17
18	18,986	221	350,000	18	Master Plan Study/Update 5710, 5728	200,000	200,000	200,000	18
19	142,478	0	188,350	19	SDC Improvements 5727	141,700	141,700	141,700	19
20	11,290	0	50,000	20	Consultants 5723,5724	50,000	50,000	50,000	20
21				21	TRANSFERS				21
22				22					22
23				23					23
24				24					24
25				25					25
26				26					26
27				27					27
28				28					28
29				29					29
30	578,174	612,486	0	30	RESERVE FOR FUTURE EXPENDITURE	0	0	0	30
31	750,928	612,707	598,350	31	TOTAL REQUIREMENTS	401,700	401,700	401,700	31

*Includes unappropriated Balance Budgeted Last Year

**RESERVE FUND
RESOURCES AND REQUIREMENTS**

SEAL ROCK WATER DISTRICT

WATER SOURCE & DISTRIBUTION SYSTEM IMPROVEMENT RESERVE Any balance in a fund referred to in ORS 294.346 that is not expended or obligated by definite

Fund

This fund is authorized by ORS 280.050 and established by resolution / ordinance number 0400-01, on April 27, 2000, extended per Resolution #0522-01 (5/12/2022), for the following specified purposes: For maintaining and enhancing of water sources & improving SRWD Distribution System.

(Formerly Toledo Investment Plan Reserve)

commitments within 10 years from the date of the election or the adoption of the ordinance or resolution pursuant to which the fund was established shall revert to and become a part of the general fund of the subdivision and shall be transferred thereto by the treasurer or other financial officer thereof. Annual contributions to such funds shall be limited to a period not to exceed ten years.

Last year for fund 2031-32

\$1,000,000 annual / \$2,000,000 max.

Historical Data				DESCRIPTION RESOURCES AND REQUIREMENTS RESOURCES	Budget for Next Year			2026-27
Actual		Adopted Budget This Year 2025-26	Proposed By Budget Officer		Approved By Budget Committee	Adopted By Governing Body		
Second Preceding Year 2023-24	First Preceding Year 2024-25							
1			1	Beginning Balance				1
2			2	Cash on hand * (cash basis), or				2
3	253,661	259,283	3	Working Capital (accrual basis)	340,000	340,000	340,000	3
4	0	0	4	Previously levied taxes estimated to be received	0	0	0	4
5	5,622	6,552	5	Earning from temporary investments 20-4050	12,000	12,000	12,000	5
6	0	62,000	6	Transfer from General Fund (pg. 4) 4160	81,200	81,200	68,200	6
7			7					7
8			8					8
9			9					9
10	259,283	327,835	10	Total Resources, except taxes to be levied	433,200	433,200	420,200	10
11			11	Taxes necessary to balance				11
12			12	Taxes collected in year levied				12
13	259,283	327,835	13	TOTAL RESOURCES	433,200	433,200	420,200	13
14			14	REQUIREMENTS				14
15			15					15
16			16	CAPITAL OUTLAY				16
17			17					17
18			18					18
19	0	0	19	WTP/Pump/Waterline 5671	100,000	100,000	100,000	19
20	0	0	20	Consultants 5712	52,000	52,000	52,000	20
21	0	0	21	SRWD System Improvement 5674	100,000	100,000	100,000	21
22	0	0	22	Emergency System Repair 5675	181,200	181,200	168,200	22
23			23					23
24			24	TRANSFERS				24
25	0	0	25	Transfer to General Fund (pg 1) 5900	0			25
26			26					26
27			27					27
28			28					28
29			29					29
30	259,283	327,835	30	RESERVE FOR FUTURE EXPENDITURE	0	0	0	30
31	259,283	327,835	31	TOTAL REQUIREMENTS	433,200	433,200	420,200	31

*Includes unappropriated Balance Budgeted Last Year

**RESERVE FUND
RESOURCES AND REQUIREMENTS**

SEAL ROCK WATER DISTRICT

This fund is authorized by ORS 280.050 and established by resolution / ordinance number 0403-02, on April 17, 2003; extended per Resolution No. 0416-01 (4/21/2016); for the following specified purposes:

For land acquisition and building needs to support and enhance source water and improving distribution system.

\$80,000 / \$750,000 max.

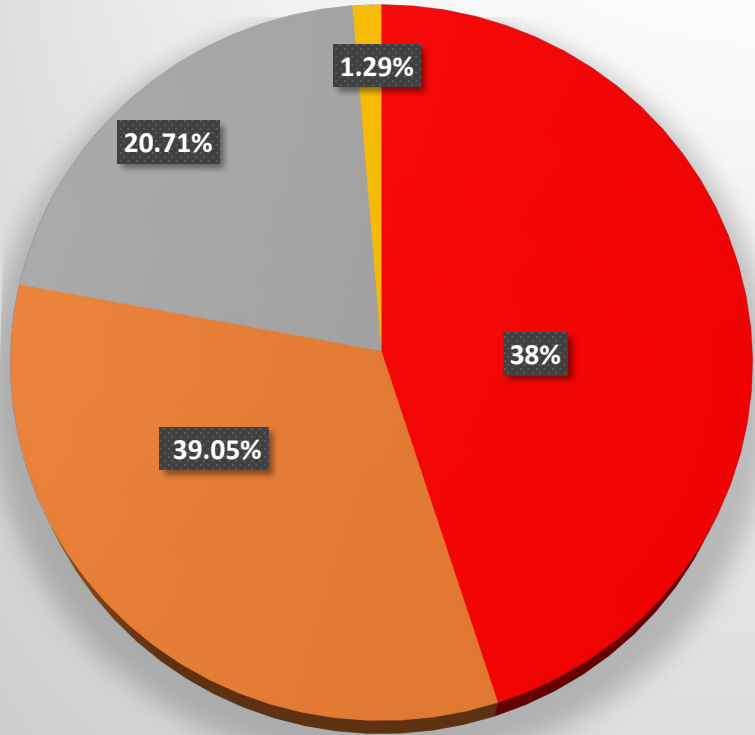
**SRWD LAND & BUILDINGS RESERVE
Fund**

Any balance in a fund referred to in ORS 294.346 that is not expended or obligated by definite commitments within 10 years from the date of the election or the adoption of the ordinance or resolution pursuant to which the fund was established shall revert to and become a part of the general fund of the subdivision and shall be transferred thereto by the treasurer or other financial officer thereof. Annual contributions to such funds shall be limited to a period not to exceed ten years.

Last year for fund 2028-29

	Historical Data			DESCRIPTION RESOURCES AND REQUIREMENTS	Budget for Next Year			
	Actual		Adopted Budget This Year <u>2025-26</u>		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year 2023-24	First Preceding Year 2024-25						
1			1	Beginning Balance				1
2			2	Cash on hand * (cash basis), or				2
3	127,396	0	0	3 Working Capital (accrual basis)	0			3
4	0	0	0	4 Previously levied taxes estimated to be received	0			4
5	1,256	0	0	5 Earning from temporary investments 07-4050	0			5
6			6					6
7			7					7
8			8					8
9			9					9
10	128,652	0	0	10 Total Resources, except taxes to be levied	0	0	0	10
11			0	11 Taxes necessary to balance				11
12	0	0		12 Taxes collected in year levied				12
13	128,652	0	0	13 TOTAL RESOURCES	0	0	0	13
14			14	REQUIREMENTS				14
15			15					15
16			16	CAPITAL OUTLAY				16
17	0	0	0	17 Land / Office and Shop buildings 5730	0			17
18			18					18
19			19	TRANSFERS				19
20	128,652	0	0	20 Transfer to General Fund (pg 1) 5900	0			20
21			21					21
22			22					22
23			23					23
24			24					24
25			25					25
26			26					26
27			27					27
28			28					28
29			29					29
30	0	0	0	30 RESERVE FOR FUTURE EXPENDITURE	0	0	0	30
31	128,652	0	0	31 TOTAL REQUIREMENTS	0	0	0	31

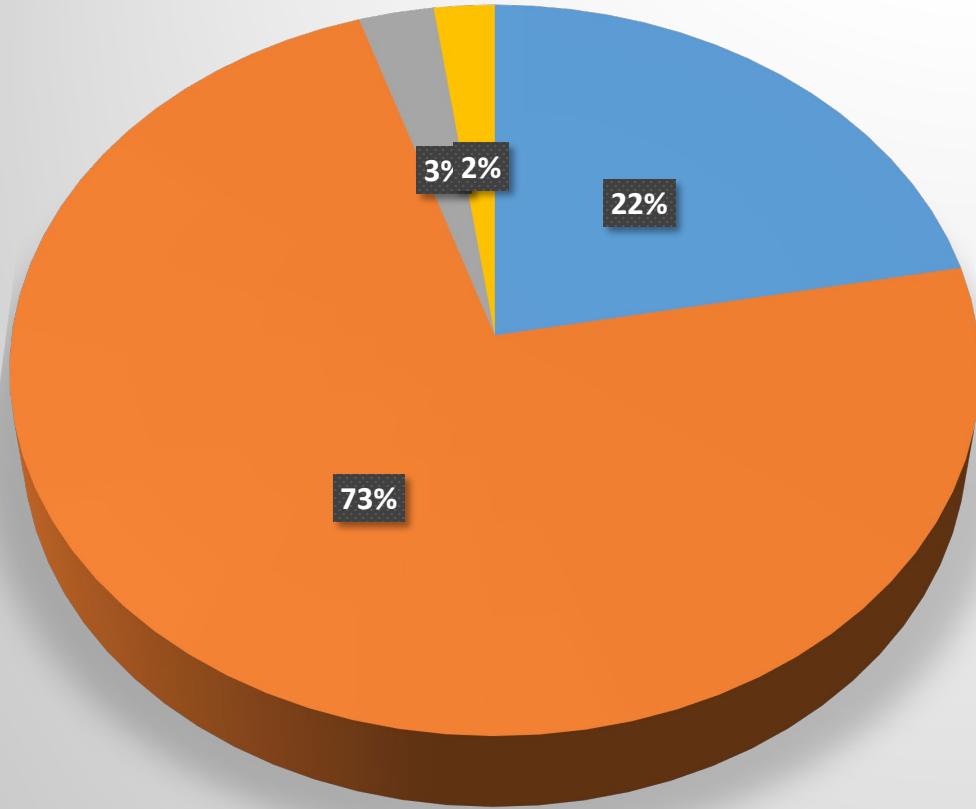
General Fund Expenditures



- Personnel Services \$1,785,700
 - Materials & Services \$1,304,100
 - Transfers Incl Contingency \$820,410
 - Capital Outlay \$51,100
- Total Expenditures \$3,961,310**

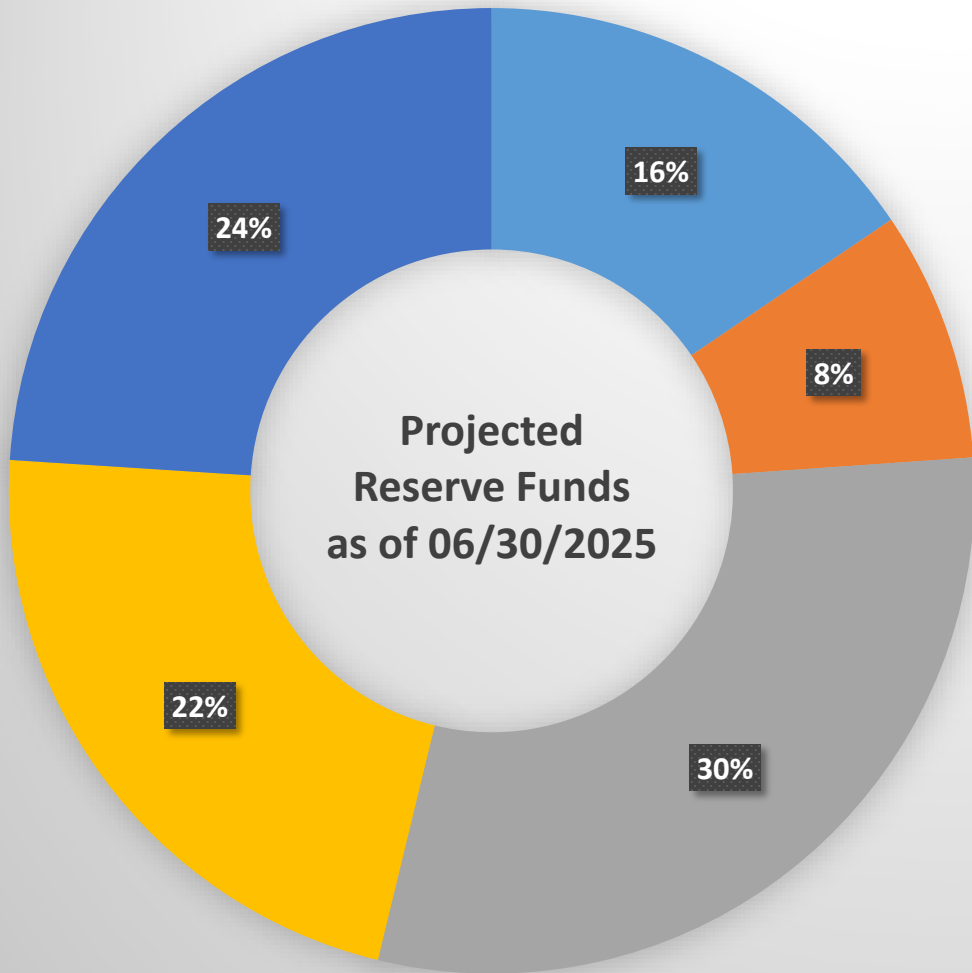
Beginning Fund Balance \$870,000	Water Sales \$2,894,700	Taxes \$108,800	Other \$87,810	Total Revenue \$3,961,310
\$870,000.00	\$2,894,700.00	\$108,800.00	\$87,810	

Where We Receive Funds



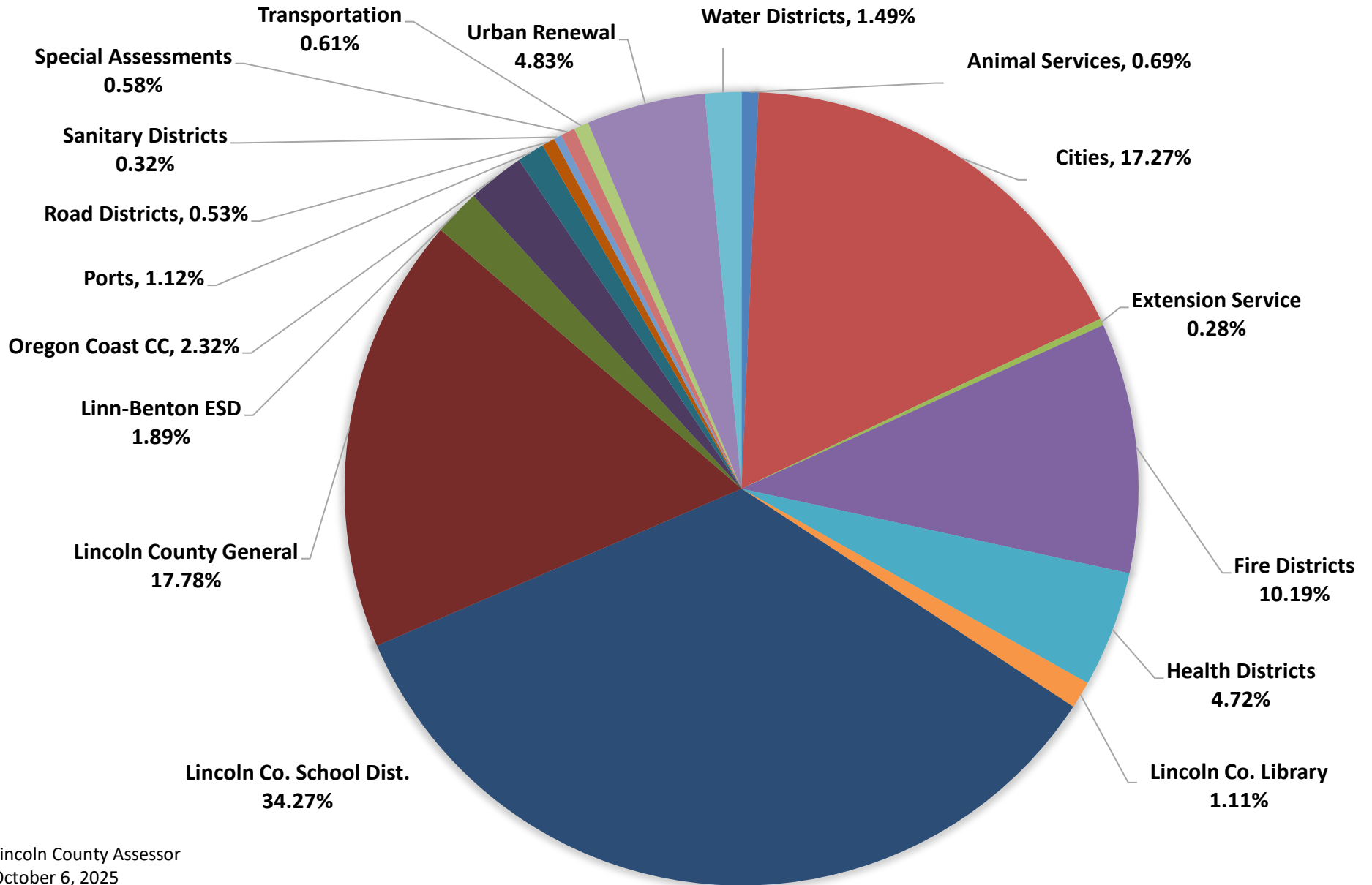
General Fund Revenues

- Beginning Fund Balance \$870,000
- Water Sales \$2,894,700
- Taxes \$108,800
- Other \$87,810
- **TOTAL REVENUE \$3,961,310**



- Revenue Bond Reserves \$280,220
- RD Reserve Fund \$151,490
- Depreciation/SLARA Fund \$540,000
- SDC Reserve Fund \$401,700
- Water Source and Dist Imp Fund \$433,200

LINCOLN COUNTY 2025-2026 YOUR TAX DOLLAR DISTRIBUTION



WHO PAYS LINCOLN COUNTY PROPERTY TAXES 2025-2026

