

OTTER ROCK WATER DISTRICT
2024-2025 BUDGET MESSAGE
March 26, 2024

Budget Committee and Otter rock Water Board:

The purpose of the Budget message is to highlight the major issues and changes and to discuss future projections for the fiscal year 2024-2025.

The District is required to present a balanced budget for the upcoming fiscal year by June 30th of each year. The budget committee, consisting of up to five citizens and the governing board members, meets to build and approve the budget for the district. During the budget process the public is asked to comment on the proposed budget at two different times. Once near the beginning and again at the end at the budget hearing. After the budget is approved by the budget committee, a budget hearing will be scheduled before final approval by the governing body – the Otter Rock Water District board.

In the last fiscal year, 2023-2024, the District has recruited one new board member and is now operating with four members with one position staying open. Hiland Water Inc has been purchased by Northwest Natural Water LLC. We continue to have the same contacts with the new company and hope to continue using them as our water operator. Throughout the last year more meters have been installed and other information has been collected to satisfy a mandated EPA survey on Lead pipes.

Last year Columbia Bank transitioned to 1st Security Bank of Washington and there are no plans to make changes at this time. The funds in the Chlorination account have been depleted and this account has been closed. The System Development fund and our Treasury account have increased through dividends and two new fees from new construction in Otter Rock. The Mahala subdivision continues to be developed and there is a possibility of at least one more development in this area.

We have continued discussions on potential funding for our aging infrastructure. Representative Gomberg has shown support, and we are hopeful he can help with some funding options through his work with the Oregon Legislature. Portland State University was successful in getting the Median Income survey completed and unfortunately, we were slightly above the income level for any USDA funding. We continue to wait on FEMA and are hopeful grant money will be available to assist with replacing our aging water tank. There has been some movement, and we did meet with FEMA representatives earlier this fall but as of right now has been approved. Business Oregon would like us to move forward with a loan as they are holding funds for our specific project. We will continue to work with Civil West Engineering regarding both Business Oregon and FEMA.

Rates were increased with the 2023-2024 budget, and we will again review water rates and fees. Discussions about water rates and fee increases will be part of the budget committee discussions. The District will hold an initial hearing along with the budget hearing required on the approved budget, both as required by Oregon statutes.

As noted in last year's message, the District will continue to focus on installing meters throughout our system. Knowing the age of our system, we anticipate the continuing need to budget for limited system repairs until the system can be rebuilt.

The District has tentatively scheduled the budget hearing and final approval of the budget for June 25, at the latest.

Respectfully submitted,
Eileen Goldhammer
Treasurer – Otter Rock Water District