September Treasurer's Report

Budget Status

P&L for this month was negative by $8,085 due mostly to the $6,527 spent in repairs – mainly leaks. I strongly suggest that we update our documents to reflect the responsibility for repairs if they should be owned by the property owner!

Approvals

I move that we approve the $6,188.58 payment to NWNWS. So, a question here, that since we are under contract with NWNWS that has a minimum monthly payment of $5,790, can we make an exception to our $2,000 requirement to exclude that amount – meaning the NWNWS bill can be paid without approval as long as the bill is less than $7,790?

No other bills have been received to my knowledge that exceed our $2,000 limit.

State of Grant Spending

We have cut a check for NWNWS to buy two fire hydrants from the grant. They do not have the specific depth information to actually place the order, but just guessed at 4 feet for the pricing on these two hydrants. The check was cut (but not sent) to use up the AWSE-6 funds. With the latest bill from Civil West (Verdantas) of $346, that leaves the Grant account balance at -$323.79 (over spent).

We need to discuss:

- When do we proceed with the install of the fire hydrants? The check that was cut covers the hydrants but not the installation. We can expect installation to be on the order of $4-8K per hydrant – I don't have an official quote.
- We do have funds in the "Bond" account that can be used for this purpose, so should we communicate with NWNWS to select two hydrants for replacement and be prepared to pay for their installation?
- We need to answer Andrew's question about getting OHA to review the water line plans.

Issues Concerning Our SDC Account

In the past, Tim freely transferred money from the SDC account to our general account. I believe the rationale was that the small USDA loan was taken out to complete the expansion of the water plant and that money could be justified for that purpose. In addition, houses that were added and paid the SDC fee makes that money eligible for

spending on those hookups. **But the paper trail for documenting the intake and uses of the SDC account appear lacking. Has this been done legally correct in the past?**

Here is an AI overview of the requirements:

Yes, small districts in Oregon are required to provide an annual accounting of their System Development Charge (SDC) account usage. Under Oregon law, there is no exemption based on the size of the district or the volume of SDCs collected.

The primary regulations governing this requirement include:

- The Annual Accounting Mandate: According to ORS 223.311, any local government or special district that collects SDCs must complete an annual accounting by January 1 of each year. This review covers the total revenues collected and the specific projects funded during the previous fiscal year.
- Statutory Content Requirements: The final accounting report must explicitly detail a complete list of the amounts spent on each project funded (in whole or in part) by SDC revenues, as well as the total administration/compliance costs attributed to managing the funds.
- Public Transparency: Per ORS 223.316, districts must make this SDC documentation and annual tracking available to the public.

Clarification on Filing vs. Reporting

While small districts do not necessarily have to "file" this standalone SDC report directly with a state oversight body like the Oregon Secretary of State, they must prepare the accounting internally, present it to their governing board, and make it available to the public. However, this data is heavily reviewed during general municipal reviews; even small districts are subject to the Oregon Municipal Audit Law and must file regular, scaled financial reports with the Oregon Secretary of State Audits Division based on their annual expenditure levels.

SIPP Proposal Status

No word from biz.oregon.gov

BUDGET 2027 HIGH LEVEL OVERVIEW

		FISCAL YEAR 2026	FISCAL YEAR 2027		
		ACTUAL	BUDGET	ACTUAL to DATE	Variance from Plan
OPERATIONS	TOTAL OPERATING INCOME	$ 124,716	$ 140,332	$ 28,848	$ (6,235)
	PROPERTY TAX INCOME	$ 15,464	$ 71,128	$ 1,034	$ 761
	TOTAL INCOME	**$ 192,456**	**$ 211,459**	**$ 29,882**	**$ (5,474)**
	TOTAL PLANT EXPENSE	$ 144,382	$ 101,180	$ 29,917	$ (4,622)
	TOTAL OFFICE EXPENSE	$ 10,541	$ 11,171	$ 4,111	$ (281)
	TOTAL INSURANCE	$ 11,519	$ 13,095	$ 950	$ (950)
	TOTAL ACCOUNTING	$ 12,373	$ 13,000	$ 3,398	$ 1,728
	TOTAL BANK CHARGES	$ 882	$ 1,000	$ 236	$ 14
	CONTINGENCY	$ -	$ 19,736		
	TOTAL EXPENSES	**$ 179,697**	**$ 159,182**	**$ 38,611**	**$ (4,111)**
DEBT	USDA BOND LOAN - Principal	$ 19,490	$ 20,221	$ -	
	USDA SUPPLEMENTAL LOAN - Principal	$ 8,456	$ 8,773	$ -	
	TOTAL USDA LOAN INTEREST	$ 24,331	$ 23,283	$ -	
	TOTAL DEBT EXPENSE	**$ 52,277**	**$ 52,277**		
	NET INCOME less CAPITAL OUTLAY	**$ (39,517)**	**$ -**	**$ (8,728)**	

CAPITAL	RE-ROOF WATER PLANT BUILDING	$ 33,950	
	RE-ROOF OFFICE BUILDING	$ 17,350	
	TOTAL CAPITAL EXPENSE	**$ 51,300**	$ -

BBWD BANK ACCOUNTS	7/1/26	9/30/26	
USDA LOAN RESERVES	$ 16,264	$ 16,305	Bond Reserve Account xxx2229
SYSTEM DEVELOPMENT RESERVES	$ 66,250	$ 66,418	SDC Account xxx4499
OPERATING RESERVES	$ 174,080	$ 175,549	Reserve Account xxx6428 + Bond Account xxx705
CHECKING ACCOUNT	$ 26,808	$ 16,430	Account xxx6019
BANK TOTALS	$ 283,402	$ 274,702	

2027 **BBWD Budget for FY27 (July 1, 2026 to June 30, 2027)** ***FY 2027***

Month Ending 9/30/26 | Month Num = 9

ACCT #		FY 2026	BUDGET		9/30/26 Actual	9/30/26 Plan	Year to Date Actual	Year to Date Plan	Variance	%
	INCOME									
	INCOME from OPERATIONS									
1-0401	Water Sales	$ 122,130	$ 133,233		$ 9,927		$ 30,117			
1-0402	Water Sales Late Fees	$ 130	$ 300	est	$ 4		$ 32			
1-0403	Transfer of Service	$ -	$ 100	est	$ -		$ 50			
1-0404	Service Disconnects	$ -	$ 100	est	$ -		$ -			
1-0405	Hookups	$ -	$ 600	est	$ -		$ -			
1-0406	SDC Account Allocation	$ -	$ -		$ -		$ -			
1-0410	**INTEREST INCOME**		$ 2,874		$ 228		$ 713			
	1731025 AWSE-6 Grant Account	$ 258	*$ 50*	est	$ -		$ -			
	1912229 Bond Reserve Account	$ 165	*$ 180*	est	$ -		$ -			
	1904499 SDC	$ 672	*$ 733*	est	$ -		$ -			
	2906428 District Fund Reserves	$ 413	*$ 50*	est	$ -		$ -			
	2907053 Bond Account	$ 1,711	*$ 1,711*	est	$ -		$ -			
	1706019 General Account	$ 242	*$ 150*	est	$ -		$ -			
	OTHER INCOME and ADJUSTMENTS				$ -		$ -			
5010	Credit Card Fees	$ 158	$ 250	est	$ 14		$ 43			
5009	Returned check charges	$ -	$ -		$ -		$ -			
Unapplied	Unapplied cash income	$ -	$ -		$ -		$ (2,520)			
1-0112	Accounts Receivable	$ 1,219	$ -		$ (1,299)		$ (416)	These rows are subtracted from the totals		
1499	Undeposited Funds	$ -	$ -		$ 76		$ 76			
4999	Uncategorized Income	$ 54	$ -		$ -		$ 74			
	TOTAL OPERATING INCOME	**$ 124,716**	**$ 140,332**		**$ 11,395**	**$ 11,694**	**$ 28,848**	**$ 35,083**	**($6,235)**	**-17.77%**
	OTHER INCOME SOURCES & DEBT SERVICING									
1-0450	Property Tax Income from Bond + Permanent Tax Rate	$ 67,741	$ 71,128		$ 213		$ 1,034			
1-0306	Loan 91-07 Principal Debt Servicing	$ (19,490)	$ (20,221)		$ -		$ -			
1-0305	Loan 91-09 Principal Debt Servicing	$ (8,456)	$ (8,773)		$ -		$ -			
1-0788	Loans 91-07 & 91-09 Interest Payments	$ (24,331)	$ (23,283)		$ -		$ -			
	Forgiven Grants									
	TOTAL OTHER INCOME	**$ 15,464**	**$ 18,851**		**$ 213**	**$ 123**	**$ 1,034**	**$ 274**	**$761**	**278.15%**
	TOTAL INCOME	**$ 140,179**	**$ 159,182**		**$ 11,608**	**$ 11,817**	**$ 29,882**	**$ 35,357**	**$ (5,474)**	**-15.48%**
	OPERATING EXPENSES									
	WATER PLANT & DISTRIBUTION EXPENSE									
0700.1	Water Plant Maintenance & Repairs	*$ 26,446*	*$ 4,500*	est	$ 986		$ 2,573			
0700.4	Tank Maintenance and Repairs	*$ 17,915*	*$ 2,500*	est	$ -		$ -			
0700.6	Dock Repair	*$ 2,427*								
0700.11	Customer/Distribution Maintenance & Repairs	*$ 19,359*	*$ 5,500*	est	$ 7,199		$ 8,380			
1-0763	Electricity (Plant)	$ 4,485	$ 5,138	5%	$ 236		$ 597			
1-0764	Propane (Plant)	$ -	$ 250	est	$ -		$ -			
0700.20	Tools/Equipment	*$ 6,427*	*$ 2,500*	est	$ -		$ 105			
new	The Automation Group Support	*$ -*	*$ 5,000*	est	$ -		$ -			
1-0762B	Telephone & Internet	*$ -*	*$ 1,500*	est	$ 77		$ 232	TRUE		
1-0796	Chemicals	$ 411	$ 493	10%	$ 24		$ 97			
1-0797	Testing	$ 3,599	$ 4,319	10%	$ 98		$ 893			
1-0701	NW Natural Water Services Operational Costs	$ 63,313	$ 69,480	contract	$ 5,790		$ 17,040			
	TOTAL WATER PLANT AND DISTRIBUTION EXPENSE	**$ 144,382**	**$ 101,180**		**$ 14,410**	**$ 8,432**	**$ 29,917**	**$ 25,295**	**($4,622)**	**-18.27%**
	OFFICE EXPENSE									
new	District Office Maintenance & Repairs	*$ 1,461*	*$ 1,000*	est	$ -		$ -			
1-0706	Licenses & Fees	$ 574	$ 750	est	$ -		$ -			
1-0761	Electricity (office)	$ 759	$ 800	est	$ 40		$ 128			
1-0762A	Telephone	$ 4,049	$ 4,638	5%	$ 77		$ 230			
1-0766	TCB Answering Service	$ -	$ -	10%	$ 99		$ 198			
1-0765	Garbage & Recycling Service	$ 274	$ 360	est	$ 29		$ 87			
1-0707	Membership Fees	$ 920	$ 1,000	est	$ 119		$ 224			

2027 **BBWD Budget for FY27 (July 1, 2026 to June 30, 2027)** ***FY 2027***

Month Ending 9/30/26 | Month Num = 9

		FY 2026	BUDGET		Actual	Plan	Actual	Plan	Variance	%
					Year to Date					
1-0709	USPS	$ 673	$ 808	10%	$ 167		$ 245			
1-0711	Office Supplies	$ 47	$ 100	est	$ -		$ -			
1-0712	Office Equipment	$ -	$ -		$ -		$ -			
1-0714	District Events	$ 224								
1-0716	Streamline (web page)	$ 1,560	$ 1,716	10%	$ 3,000		$ 3,000			
	TOTAL OFFICE EXPENSE	**$ 10,541**	**$ 11,171**		$ 3,530	$ 705	$ 4,111	$ 3,830	($281)	-7.34%
	INSURANCE									
1-0752	Property & Liability	$ 11,519	$ 12,095	5%	$ -		$ -			
1-0753	Bonding (Pres / Treas / Clerk)	$ -	$ 1,000	est	$ -		$ 950			
	TOTAL INSURANCE	**$ 11,519**	**$ 13,095**		$ -	$ -	$ 950	$ -	($950)	
	ACCOUNTING									
1-0772	Grimstad (Audit)	$ 2,000	$ 2,500	est	$ -		$ -			
1-0773	Accounting	$ 10,373	$ 10,500	est	$ 1,665		$ 3,398			
	TOTAL ACCOUNTING	**$ 12,373**	**$ 13,000**		$ 1,665	$ 3,375	$ 3,398	$ 5,125	$1,728	33.71%
	BANK CHARGES									
1-0786	NSF/ACH Returned Check	$ 74	$ 100	est	$ -		$ -			
1-0787	Other Charges	$ 88	$ 100	est	$ -		$ 30			
1-0789	Bank ACH Fees	$ 200	$ 200	est	$ 25		$ 50			
1-0790	Credit Card Fees	$ 521	$ 600	est	$ 3		$ 11			
QuickBooks	QuickBooks Fees		$ -		$ 59		$ 145			
	TOTAL BANK CHARGES	**$ 882**	**$ 1,000**		$ 87	$ 83	$ 236	$ 250	$14	5.66%
	TOTAL BUDGETED EXPENSES	**$ 179,697**	**$ 139,446**							
	Contingency		**$ 19,736**							
	TOTAL EXPENSE	**$ 179,697**	**$ 159,182**		$ 19,692	$ 12,595	$ 38,611	$ 34,500	$ (4,111)	-11.92%
	OPERATING PROFIT / (LOSS)	**$ (39,517)**	**$ -**		$ (8,085)		$ (8,728)			

SPECIAL SPENDING

	MASTER PLAN DEVELOPMENT - Contingent on $50K SIPP Award			if awarded, the budget resolution will be updated
	Reservoir and Treatment Plant Investigation		$ 4,351	
	Distribution System Investigation		$ 22,916	
	Engineering		Covered by SIPP	
	TOTAL FY27 MASTER PLAN DEVELOPMENT SPENDING		**$ 27,267**	
	CAPITAL IMPROVEMENTS			
1-8001	Water Plant Maint/Improvement (Capital)	$ 33,950	$ -	$ - / $ -
	Distribution Line Improvements (Capital)	$ -	$ -	
1-8002	District Office maint/improvement (Capital)	$ 17,350	$ -	$ - / $ -
	TOTAL CAPITAL IMPROVEMENTS	**$ 51,300**	**$ -**	$ - / $ - / $ - / $ - / $0
	AWSE-6 GRANT			
1-0601A	Opportunity Analysis and Engineering Report	$ 21,193	$ 14,000	$ 2,366 / $ 6,378
1-0601B	System Flushing & Distribution Line Evaluation	$ 2,232	$ 3,460	$ - / $ 451
1-0601C	Accounting Services	$ 225	$ 3,000	$ 90 / $ 180
END	**AWSE-6 GRANT TOTAL**	**$ 23,650**	**$ 20,460**	$ 2,456 / $ - / $ 7,008 / $ - / ($7,008)

FY 2026 BBWD Bank Balances

Acct #	Account Type	Purpose	BALANCES AT END OF MONTH											
			July		August		September		October		November		December	
			Balance	Interest	Balance	Interest	Balance	Interest	Balance	Interest	Balance	Interest	Balance	Interest
1731025	Rewards Checking	AWSE-6 Grant Account	$ 15,973.28	$ 9.63	$ 15,982.78	$ 9.50	$ 9,070.75	$ 6.14						
1912229	Business Advantage MMA	Bond Reserve Account	$ 16,277.54	$ 13.82	$ 16,286.36	$ 13.82	$ 16,304.75	$ 18.39						
1904499	Business Advantage Checking	SDC	$ 66,306.66	$ 56.27	$ 66,362.97	$ 56.31	$ 66,417.52	$ 54.55						
2906428	Advantage Savings	District Fund Reserves	$ 6,714.45	$ 5.69	$ 6,720.16	$ 5.71	$ 6,725.68	$ 5.52						
2907053	Advantage Savings	Bond Account	$ 167,966.29	$ 142.38	$ 168,477.93	$ 142.87	$ 168,829.20	$ 138.60						
1706019	Rewards Checking	General Account	$ 20,769.56	$ 17.99	$ 16,050.92	$ 11.39	$ 16,430.17	$ 9.60						
		BANK TOTAL	$ 278,034.50	$ 245.78	$ 273,898.34	$ 239.60	$ 274,707.32	$ 232.80	$ -	$ -	$ -	$ -	$ -	$ -
		x6019 Uncleared Checks (agree with reconciliation)	$ (15,362.49)		$ (10,888.46)		$ (15,326.00)		$ -		$ -		$ -	
		x6019 Unreimbursed Spend for AWSE-6 Grant	$ (3,915.75)		$ (4,552.35)		$ (90.00)							
		Pending Balance (QuickBooks Register) from reconciliation report	$ 5,407.07		$ 5,162.46		$ 1,104.17							
		PENDING TOTAL	$ 266,855.55		$ 267,839.52		$ 259,754.75		$ -		$ -		$ -	
		CHANGE IN PENDING (QUICKBOOKS REGISTER)	$ (1,627.69)	✓	$ 983.97	✓	$ (8,084.77)	✓	$ -		$ -		$ -	
		MONTH END NET INCOME (FROM BUDGET SHEET)	$ (1,627.69)		$ 983.97		$ (8,084.77)		$ -		$ -		$ -	
		Delta	$ -		$ -		$ -		$ -		$ -		$ -	

Acct #	Account Type	Purpose	BALANCES AT END OF MONTH											
			January		February		March		April		May		June	
			Balance	Interest	Balance	Interest	Balance	Interest	Balance	Interest	Balance	Interest	Balance	Interest
1731025	Rewards Checking	AWSE-6 Grant Account												
1912229	Business Advantage MMA	Bond Reserve Account												
1904499	Business Advantage Checking	SDC												
2906428	Advantage Savings	District Fund Reserves												
2907053	Advantage Savings	Bond Account												
1706019	Rewards Checking	General Account												
		BANK TOTAL	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
		x6019 Uncleared Checks	$ -		$ -		$ -		$ -		$ -		$ -	
		x6019 Unreimbursed Spend for AWSE-6 Grant												
		Pending Balance (QuickBooks Register) from reconciliation report												
		PENDING TOTAL	$ -		$ -		$ -		$ -		$ -		$ -	
		CHANGE IN PENDING (QUICKBOOKS REGISTER)	$ -		$ -		$ -		$ -		$ -		$ -	
		MONTH END NET INCOME (FROM BUDGET SHEET)	$ -		$ -		$ -		$ -		$ -		$ -	
		Delta	$ -		$ -		$ -		$ -		$ -		$ -	

Fund Transfers between Bank Accounts

Date	FROM	TO	AMT	PURPOSE
7/2/26	1731025 - AWSE-6	1706019 - Checking	$ 7,559.87	Reimburse for AWSE Spends
9/7/26	1731025 - AWSE-6	1706019 - Checking	$ 6,918.17	Reimburse for AWSE Spends
10/5/26	2907053 - Bond Account	1706019 - Checking	$ 10,000.00	Transfer for Operational Needs