

Fiscal 2026 Year End Treasurer’s Report

We will concentrate only on the “Final FY26 Finance Overview.pdf” document although you can view the detailed reports in the “FY26M12 (JUNE) Financial.pdf”.

Given the major failures that the district reported, I believe we came out of FY26 in fair shape. We received more income than budgeted, which was a bright side. Our operating loss was \$39,517 and coupled with the costs to re-roof our two buildings, we ended with a reduction of our cash position by \$90,817.

You will note that the change in our bank balances was \$81,688 not the \$90,817 since the accrual accounting method recognizes the spending immediately upon entry, not after clearing the bank – so there are many uncleared debits on our accounts.

The table below shows how we did against our submitted county resolutions.

2025-2026 BUDGET RESOLUTION RECONCILIATION

	Resolution 1	Resolution 2	Actual	Variance
Materials & Services	\$133,398	\$215,636	\$179,697	\$35,939
Capital Outlay	\$44,100	\$51,300	\$51,300	\$0
Debt Service Fund	\$52,277	\$52,277	\$52,277	\$0
AWSE-6 Grant Account Fund	\$38,100	\$18,000	\$21,957	-\$3,957
TOTALS	\$267,875	\$337,213	\$305,230	\$31,983

When compiling this table, I recognized an error in our submission of Resolution 2 that created the large Variance. Our budget format lumped the interest payment for the two USDA loans under expenses that automatically roles up into the Materials & Services line while the Resolution format takes those out of the Materials & Services and places it under Debt Servicing. It was my mistake that I did not catch, and moving forward, the FY27 budget sheet has pulled that out of bank expenses and placed both principal and interest into a Debt Servicing section.

I maintain concern that we are not on track to spend all the AWSE grant money, which must be spent by October 2. Currently, we have about \$15,700 left to spend. We need to concentrate on hiring a consultant to find sources of money for implementing this project. I also sent a reminder to NWNWS concerning a previous request for a detailed list of recommended repairs / replacement for each BBWD fire hydrants.

Regarding the development of property behind Finisterre, I spoke with Laura Roderick who lives at the corner of 122nd and Coos St. I forget who she spoke with regarding the development, but surveyors were out a couple of weeks ago establishing corners, and she is concerned about future development on that land and the impact to the water district. To my knowledge, BBWD has not been contacted by the new owner, Lach Litwer, but we should be prepared with a response in case he does.

Background: Lach Litwer, from Hood River, bought 3 adjacent parcels in November of 2024 totaling 40 acres for \$475,000. Combined, the county has designated these properties to include two 1.0-acre undeveloped ocean view sites, one 2.98-acre residential ocean view site, and a remaining total of 35 acres of residential tract.

Questions that I would have include:

1. What is the legal responsibility of BBWD to provide water for new development? This property is documented as being serviced by BBWD. See the OAR document at the end of this report.
2. It seems to me that we, as a board, need to determine our water supply limits and document that policy on the web site. IMO, we need a professional assessment that we feel comfortable with and would stand up in a court of law. His desire for multi-family units is likely out of the question, but he probably could put in a total of three homes on the “ocean view” sites.

Finally, August is approaching and we must re-submit our SIPP proposal for consideration of receiving a grant to generate a master plan. I contacted Christian Ching to update our proposal, and he has completed his assessment and returned the document to all board members. I would like to have a **motion** to permit me to resend this application to Business Oregon.

No bills have been received by me.

NWNWS bill will probably come in another week or so, so I would like to have a **motion** to pre-approve their bill up to a maximum of \$8,000.

PS

Just an FYI, I sent an email to our state representative, David Gomberg, regarding water supply issues along the Oregon coast during dry summer months. My email is attached as “Desalination possibilities for Oregon Coastal Communities.pdf”.

OAR 860-036-1270

Refusal of Water Utility Service

1. A [water utility](#) must refuse to provide service if:
 - a. The applicant's facilities do not comply with the codes, rules, or regulations of the appropriate governing authorities or the best practices governing safe and adequate water service, or with the reasonable rules and regulations of the water utility;
 - b. The water utility does not have adequate facilities, resources, or capacity to provide the requested service without impairing service to other [customers](#); **or**
 - c. The water utility is prohibited by law from providing the service.
2. If a water utility refuses to provide service under section (1) of this rule, the water utility must provide the applicant with written notice of the refusal within seven calendar days of the request for service. The notice must:
 - a. Provide the information required by [OAR 860-036-1100 \(Information for Applicants and Customers\)](#)(2);
 - b. Explain the specific reasons for refusing water service;
 - c. Inform the applicant of the right to request details upon which the water utility's decision was based; **and**
 - d. Inform the applicant of the right to dispute the refusal by contacting the Consumer Services Section at the contact information provided in [OAR 860-001-0020 \(Hours of Operation, Location, and Contact Information\)](#)(2).
3. Except as provided in section (4) of this rule, a water utility may refuse to provide service if:
 - a. The applicant has amounts owing under a tariff or statement of rates; **or**
 - b. The applicant for residential service has a roommate with amounts owing under a tariff or statement of rates, and the applicant lived with the roommate at the time the amounts owing were incurred.
4. If the applicant for residential service was a former residential customer with amounts owing and was involuntarily disconnected for non-payment and applies for service within 20 calendar days of the disconnection, the water utility must provide service upon receipt of one-half of the amount owed with the remainder due within 30 calendar days.
 - a. If the former customer fails to pay the remaining amounts within 30 calendar days, the utility may disconnect service after issuing a 7-calendar day disconnection notice in accordance with [OAR 860-036-1510 \(Required Notices for Involuntary Disconnection\)](#)(4).
 - b. If service is disconnected, the utility may refuse to restore service until it receives full payment of all amounts owing, including reconnection charges allowed under [OAR 860-036-1580 \(Disconnection, Reconnection, and Field Visit Charges\)](#).