

MEDFORD WATER COMMISSION ADOPTED BUDGET

FISCAL YEAR JULY 1, 2022 – JUNE 30, 2023



A COMPONENT UNIT OF THE
CITY OF MEDFORD, OREGON

APPROVED JUNE 15, 2022





Fiscal Year 2022-23 Adopted Budget

BOARD OF WATER COMMISSIONERS

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Jason Anderson
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GENERAL MANAGER

Brad Taylor

MANAGEMENT TEAM

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Cover Photo by Anthony Thompson

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Our Vision

To be the Rogue Valley's trusted municipal water provider for present and future generations; through responsible stewardship, accountability, and the pursuit of excellence.



MEDFORD WATER

Our Mission

To safeguard public health by providing a reliable, high-quality water supply at the best value.

Our Values

WORTH. To our community.

We build strong relationships through open communication.

ACCOUNTABILITY.

In everything we do.

Public health is our number one priority.

TRUST.

We strive to earn it.

EXCELLENCE.

In water quality, customer service, and reliability. We bring forward-thinking solutions to challenges.

RESPECT. For everyone.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Medford Water Commission
Oregon**

For the Fiscal Year Beginning

July 01, 2021

Christopher P. Morrell

Executive Director

Medford Water has received the Distinguished Budget Presentation Award for the third year in a row. The GFOA Distinguished Budget Presentation Awards Program judges submissions by state and local governments and only awards those that adhere to GFOA and national financial advisory councils for best budget practices and excellent presentation.

Transparency in budgeting is one of GFOA's goals in the award program. Medford Water also aims to provide transparency to the public in budgeting as well as operating policies, procedures and communication with the public.



Introduction

Introduction

Overview

Personnel



Transmittal Letter

June 15, 2022

To Commission Chair Bob Strosser and the Medford Water Commission Board of Commissioners:

It is our pleasure to present the 2022-23 budget as approved on June 15, 2022. This budget is designed to meet the existing and emerging needs of Medford Water Commission (Medford Water). It also takes into consideration the challenges of and the potential impacts of the COVID-19 pandemic, a drought year, and debt funding from WIFIA.

Considering the uncertain times, the budget also reflects management's recommendations on how to best accomplish Medford Water's mission statement: **To safeguard public health by providing a reliable, high-quality water supply at the best value.**

One of the key budget principles was to follow previously adopted long-term financial policies. Other principles included maintaining service levels, use of conservative revenue estimates, and the repair and maintenance of existing infrastructure as high priorities. Budget estimates were obtained by analyzing production volume, productivity, and any regulatory requirements. Staff analyzed historical data and adjusted for items that may or may not occur.

As in the past, Medford Water management continually strives to provide high quality drinking water to the citizens of Medford and its other customers in the most cost-effective and efficient manner.

The 2022-23 budget has been prepared with specific revenue, expense, and fund transfer targets in mind. The goal was to meet the targets as outlined in the 2021 Cost of Service Study. Revenues were adjusted downward because of the COVID-19 pandemic and capital expenditures were increased as a result of the WIFIA funding received. It is known that if cash flows decrease, spending will need to decrease in order to maintain proper cash reserves and carry over balances.

Medford Water utilizes key performance indicators and benchmarks to determine the utility's financial health and measures service level targets, efficiency, quality, and effectiveness into the 2022-23 fiscal year and beyond. Resources/requirements for all funds total approximately \$94 million in the 2022-23 budget. Water revenues/rates have steadily increased annually since the 2014-15 fiscal year. There will likely be a water rate increase in March 2023.

We would like to acknowledge the dedication of staff to the Board of Commissioners and to the customers of Medford Water. This document represents the resourcefulness and expertise of management and staff. We would also like to thank the Board of Commissioners for your continuing support, direction, and thoughtful analysis of the issues facing Medford Water. It is with your help that we can face the challenges to come.

We hereby respectfully present this Medford Water Commission Adopted Budget for the 2022-23 fiscal year.



Brad Taylor
General Manager



Anna Roeder
Interim Finance Manager



Budget Message

The 2022-2023 Annual Budget was prepared by Medford Water management studying historical results and adjusting for items that had a significant impact on expenses (Payroll, Benefits, Materials, and Contract Services). Medford Water management was highly discouraged to budget for the “what if’s” and encouraged to budget for what is “likely” to occur. Most importantly, the Budget was prepared with Medford Water’s current Mission Statement and Board Goals in mind.

The Budget is one of many steps to improving Medford Water’s Financial outlook. Other steps include adequate planning for renewal and replacement of our aging infrastructure, and the annual review of the Cost of Service, Financial Policies and the Ten Year Financial Plan.

Medford Water strives for consistent and defensible rates and fees, to build the required cash reserves in the Water Construction and Infrastructure Replacement Fund and maintaining reasonable levels of operating reserve contingencies.

Total Budget Amount:
\$93,600,989

Improvement of Medford Water staff, resource efficiencies and workflows are continuously pursued.

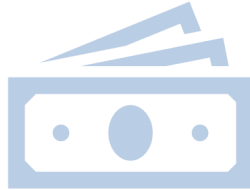
As part of our commitment to providing our customers with a reliable, high-quality water supply at the best value, we conduct annual studies to analyze revenues and identify the funding needs for the many capital improvement projects that are needed in the coming years. To reduce the impact on our customers, our strategy is to spread any increases out over time.

Medford Water has bundled several projects that are part of our critical backbone into a larger one called the Rogue Valley Water Supply Resiliency Program, which will be funded in part through the Water Infrastructure Finance and Innovation Act (WIFIA). This will build resiliency and capacity into the system and will allow Medford Water to make infrastructure improvements over the next 10 years, representing a great value to our customers. Program benefits include increased system storage, improved treatment capacity, water quality, and resiliency, and saves ratepayers approximately \$12 million in financing costs. The bundled projects will improve the risk and resiliency of our system, such as the expansion of the Duff Water Treatment Plant to 65 mgd, the Water Quality Improvement Project, as well as other ozone, filters, reservoir, high service pump, and conveyance projects.

O&M Expenditures

Clearing	(17,715,334)
Contract Services	1,317,000
Electricity	926,300
Franchise Tax	390,000
Fuel	95,000
Grants and Incentives	60,000
Insurance	291,709
Labor Expense	15,005,256
Other	3,809,236
Payroll Expense	5,817,441
Payroll Taxes and Benefits	3,196,129
Vehicle/Equipment	479,926
Customer Service	472,000
Work Order Fee Expense	600,000
Grand Total	14,774,662

Key Budget Factors



Expenditures

- ◆ Continued focus will be on service lines, meter box lids and adjusting meter/radio positions in order to enhance the functionality of the FlexNet radio read system.
- ◆ Expenses across various categories have increased due to supply chain issues and inflation.
- ◆ Contract expenses have increased to support ongoing planning level work and inflation
- ◆ Labor expenses are higher due to increases in pay associated with the market based pay and increased overhead costs..
- ◆ Electricity expense has increased due to an anticipated rise in rates up to 6.8%.
- ◆ Capital Expenditures have increased \$26 million due to Rogue Valley Water Supply Resiliency Program.



Revenue

- ◆ Water Revenue is based upon 2021 COSA calculations and adjusted downward for COVID-19 and likely drought conditions.
- ◆ Work Order, Fee Revenue, and System Development Charges actual amounts to be collected are unknown and highly contingent on growth and development. Estimates are based upon historical activity and “conservatively” adjusted downward.
- ◆ Investment income is based on a “conservative” .55 % interest rate (LGIP) and does not include any unanticipated gains/losses on investments.
- ◆ Debt Revenue is budgeted based on our 10 year Capital Improvement Plan and WIFIA funding.
- ◆ Forest Product Revenue is based on estimated board feet of harvestable timber, prices are volatile and are assumed at a 7% decrease to last fiscal year.

Short Term Factors & Budget Guidelines

Annual review of rates, fees, and charges

- ◆ All are reviewed annually and adjusted as needed.
- ◆ Frequent, but moderate, increases are preferable to infrequent, but large, rate increases.

Conservative, but realistic projections

Conservative projections help ensure that adequate resources will be able to meet budgeted obligations.

- ◆ Revenue estimates were generated using a three-year average and with the assistance of the 2021 Cost of Service Study.
- ◆ Expenditures were formulated with the 2021 Cost of Service Study in mind.

Employee Benefits and Payroll Taxes

- ◆ The cost of employee benefits has increased over the past several years. PERS and other employee costs have had an impact on rates and fees.
- ◆ Some benefits such as VEBA and payroll taxes such as Social Security and Medicare have remained unchanged for both the employer and employee.

Fund Balances

- ◆ Medford Water's Comprehensive Financial Management Policy has helped to recalibrate fund balance targets.
- ◆ Fund Balances are expected to decline as the Rogue Valley Water Supply Resiliency Program is underway. The need for additional bonding will arise as fund balances decrease.

Staffing Levels

- ◆ Medford Water is slowly increasing staffing levels to properly operate and maintain its water system.
- ◆ Staffing levels/assignments are currently being analyzed and staffing efficiencies within the organization are being sought.



Introduction

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Local Economy

Local Economy

The Southern Oregon Rogue Valley economy revolves around timber, agriculture, manufacturing, health care and tourism. It is centrally located along Interstate 5 between Portland, Oregon and San Francisco, California. It offers beautiful scenery, mild climate and exceptional quality of life.

Population continues to grow, the top three employment groups are retail, health care, and government. Those include Harry and David's mail order business which is the largest employer, Asante Health System, and the Federal Government, respectively.

The Rogue Valley is also a popular retirement destination. The Rogue Valley Manor, which is perched atop Barneburg Hill and has a 360-degree view of the Rogue Valley, is often listed in the top ten of national retirement communities.

Lakes & Rivers

Outdoor adventurers enjoy many options for recreational areas and camping spots along the rivers and lakes in the area. Here are a few:

- ◆ Agate Lake
- ◆ Applegate Lake
- ◆ Crater Lake
- ◆ Diamond Lake
- ◆ Emigrant Lake
- ◆ Howard Prairie Lake
- ◆ Lake of the Woods
- ◆ Lost Creek Lake
- ◆ Willow Lake
- ◆ Rogue River

Recreation

The wild and scenic Rogue Valley offers a multitude of recreational activities during all seasons, bringing visitors from all over. Snow sports, fishing, hiking, biking, water sports, hunting, camping, wine tasting, performing arts and music festivals are just a few of the local activities available in the area. A few of the most popular destinations are:

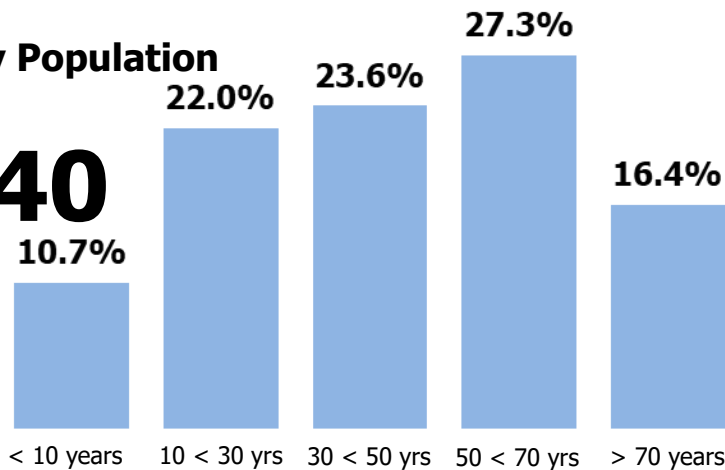
- ◆ Britt Music and Arts Festival
- ◆ Crater Lake National Park
- ◆ Diamond Lake Resort
- ◆ Emigrant Lake Waterslides
- ◆ Lake of the Woods Resort
- ◆ Mt. Ashland Ski Resort
- ◆ Oregon Shakespeare Festival
- ◆ Oregon Vortex
- ◆ Willow Lake Resort

Jackson County Demographics

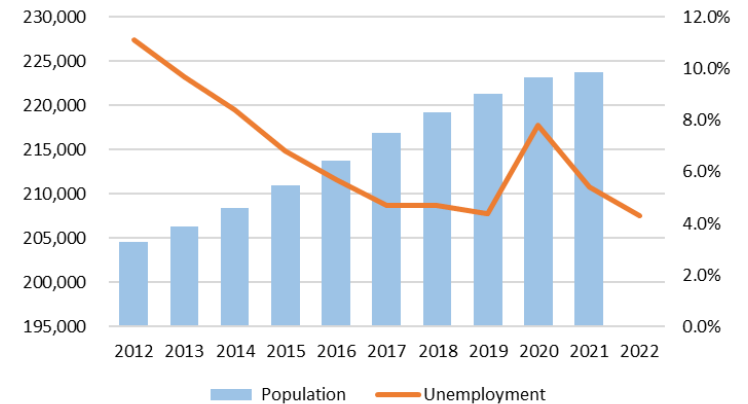
Jackson County Population (2020)

223,240

+9.5%
10 Year
Population
Growth



Population & Unemployment



Household Statistics (2019)



\$56,450
Median household income



63.2%
Owner-occupied housing



2.0
Persons per household



88.8%
High School graduate or higher



26.6%
Bachelor's degree or higher

Top 5 Industries By number of jobs (2016)



20,087
Education, Social Assistance & Health



13,453
Retail Trade



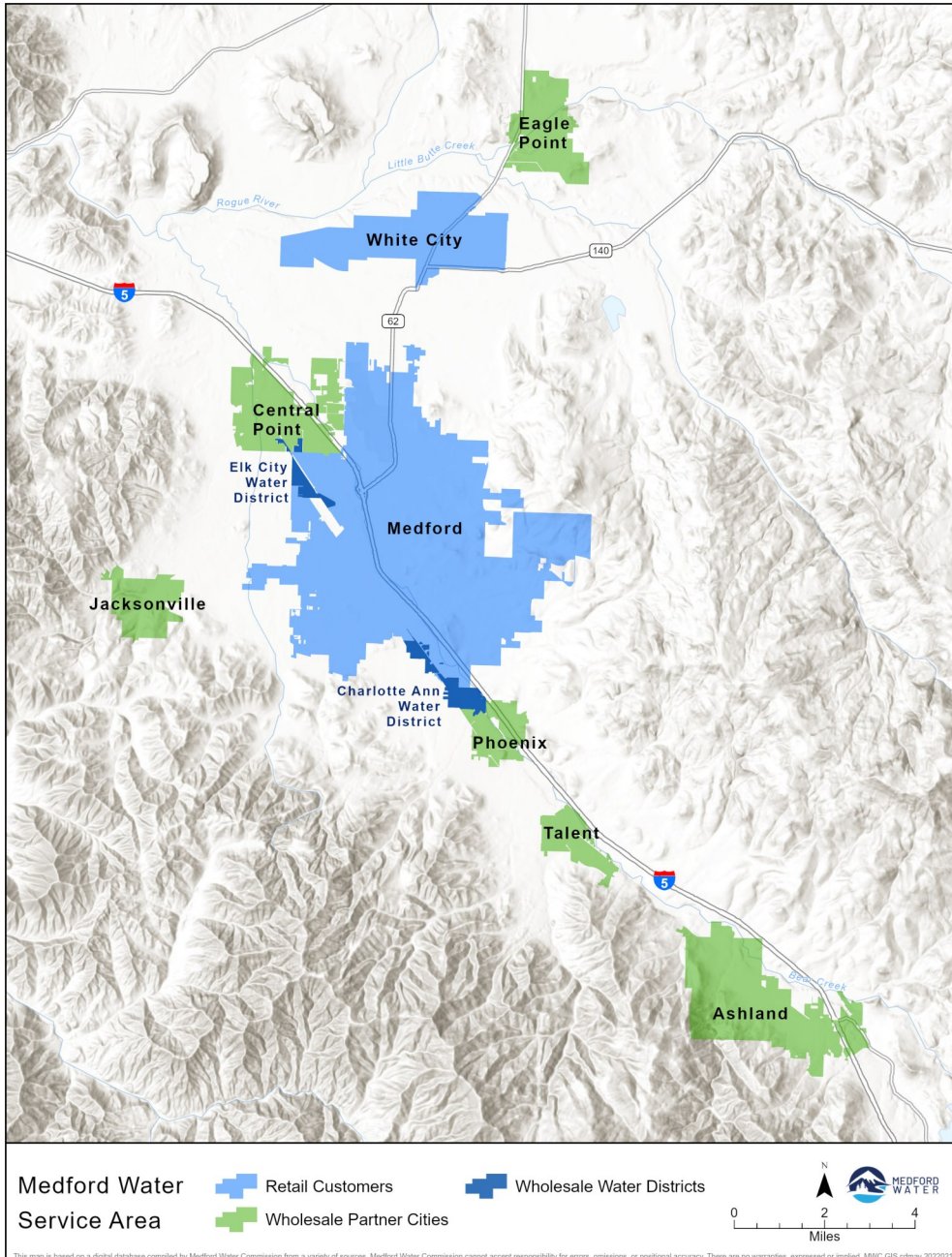
13,329
Leisure, Food & Hospitality



9,783
Manufacturing



6,946
Professional, Scientific & Administrative
Services



Customers Served (3 Types)

Medford Retail Customers:

The City of Medford and the unincorporated community of White City.

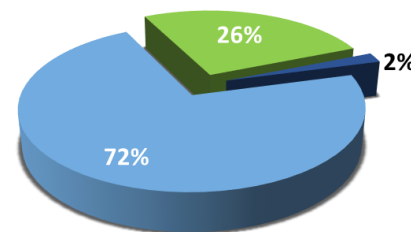
Wholesale Partner Cities:

The Partner Cities of Central Point, Eagle Point, Jacksonville, Phoenix, Talent, and Ashland are served on a surplus, wholesale basis.

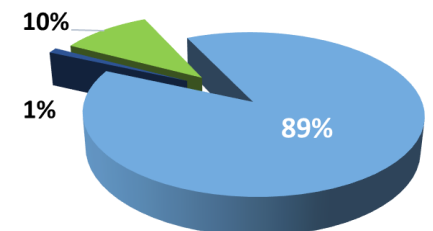
Wholesale Water Districts:

Charlotte Ann and Elk City Water Districts purchase wholesale water, meter reading, system maintenance, and billing services from Medford Water.

Water Consumption by Customer Class



Water Revenue by Customer Class

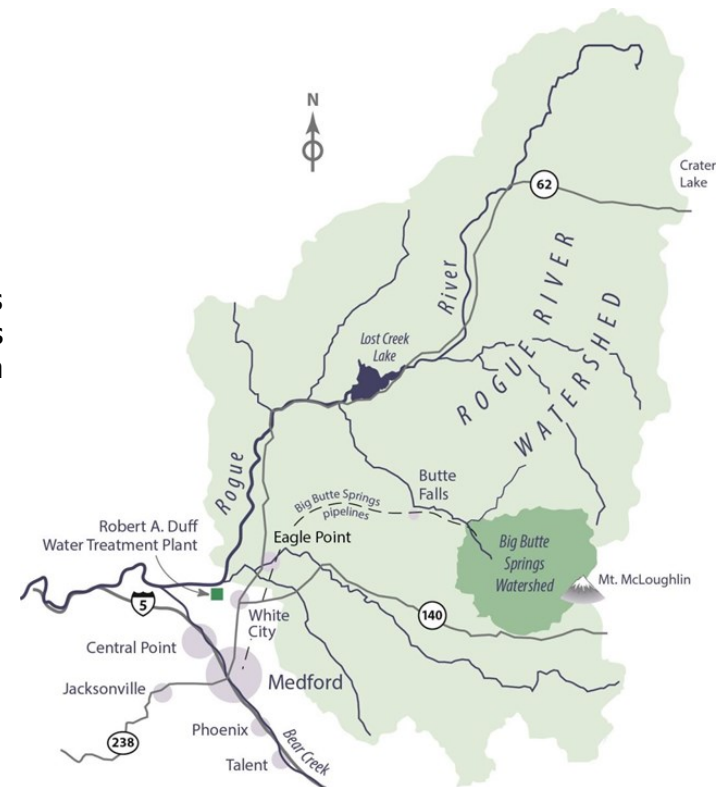




Clean, abundant water comes from healthy forested watersheds.

Medford Water owns about 3,700 acres (7%) of the 56,000-acre Big Butte Springs Watershed and works actively to sustain a healthy watershed.

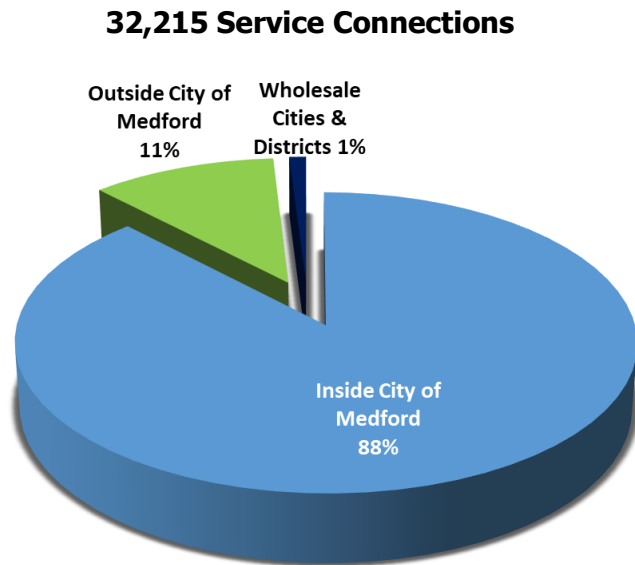
Annual projects outlined in Medford Water's Forest Management Plan involve working to reduce the risk of wild-fire, improve wild-fire resiliency, and preserve and restore an ecologically resilient forest.






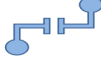




Medford Water Overview

The Utility

Medford Water Commission (Medford Water) is one of the largest water providers in the State of Oregon and located in Jackson County. It operates and maintains the water system that delivers high-quality drinking water to approximately 136,000 Rogue Valley residents. As an autonomous agency of the City of Medford, Oregon, established through a change in the City's Charter on November 7, 1922, the water utility is governed by a five-member Board of Commissioners. The board appoints the general manager, who is authorized to direct the operations of the utility.



Facilities

	2 Offices (Annex, Service Center)		14 Covered Reservoirs
	2 Treatment Facilities (BBS, Rogue River)		513 Miles of treatment & distribution pipelines
	3 Pressure Control Stations		12,166 Valves
	9 Pump Stations		4,663 Fire Hydrants

The Board

There are five members on the Board of Water Commissioners who volunteer to serve five-year overlapping terms. Each year a board member is appointed or re-appointed by the Mayor and that appointment is approved by the City Council. The sole responsibility of the Board of Water Commissioners is the operation of the community's water system. Medford Water functions independently from other City of Medford operations. Board meetings, which are open to the public, are held twice monthly, on the first and third Wednesdays unless otherwise scheduled.

2 Treatment Facilities



Big Butte Springs

The Big Butte Springs (BBS) near Butte Falls have been Medford Water's primary source of drinking water since 1927. Providing 26.4 MGD, the springs are one of the City of Medford's most valuable and significant resources.

The springs discharge water of remarkable quality. It is consistently cold and clear with natural chemical and physical characteristics, which place this source in a "pristine" classification. No unnatural contaminants have ever been detected in the springs' water. The water is low in turbidity and has an average temperature of 43 degrees F. It requires no filtration or treatment other than disinfection, which is accomplished with on-site chlorination. Spring flows are collected underground and never see the light of day until emerging from customers' taps.

Duff Water Treatment Plant

During the peak-use summer months, water from the Rogue River is used to supplement the springs supply. Treatment of this surface water supply at the Robert A. Duff Water Treatment Plant (Duff WTP) consists of coagulation, settling, filtration, and disinfection. When both sources are used during the cooler months, the water is blended within the distribution system, although some areas receive more water from one source or the other. The finished water from both supplies is very similar, with temperature being the most detectable difference.

Duff WTP uses ozone in the treatment process to disinfect and reduce unpleasant taste and odors occasionally found in the river water. High-rate multimedia filters and chlorine are primary disinfectants.



History of Medford's Water



Medford's first ditch & piped water system from Bear Creek. Water levels were low and unclear.

Medford grew and water quality suffered. The city voted for a separate water utility from the city. Medford Water Commission was created.

Citizens voted to construct steel pipelines underground from Big Butte Springs using \$975,000 in bonds to fund the project.

1888

1908

1922

1923

1925

Agreement with Fish Lake Water Co. to transport water to town from Little Butte Creek using wooden pipes.

Medford Water Commission Obtained Big Butte Creek Water Rights.

Medford's Million Dollar Water System

A Rogue Valley Water Supply Resiliency Program is underway and includes an expanded 65 MGD water treatment plant, water quality improvements, a new reservoir at Coker Butte and the rebuilding of Capital Hill Reservoir.

Today

1968

The Robert A. Duff Water Treatment Plant was constructed on the Rogue River in Central Point and is used today to supplement the springs water supply.



Medford Water Commission obtained Rogue River water rights to prepare for future water needs.

1954

1951

A second Big Butte Springs pipeline was constructed, doubling the capacity of the water supply system.



The Big Butte Springs pipeline was completed. Citizens achieved their dream of "a mountain spring in every home," (the Commission's slogan for many years.)

1927



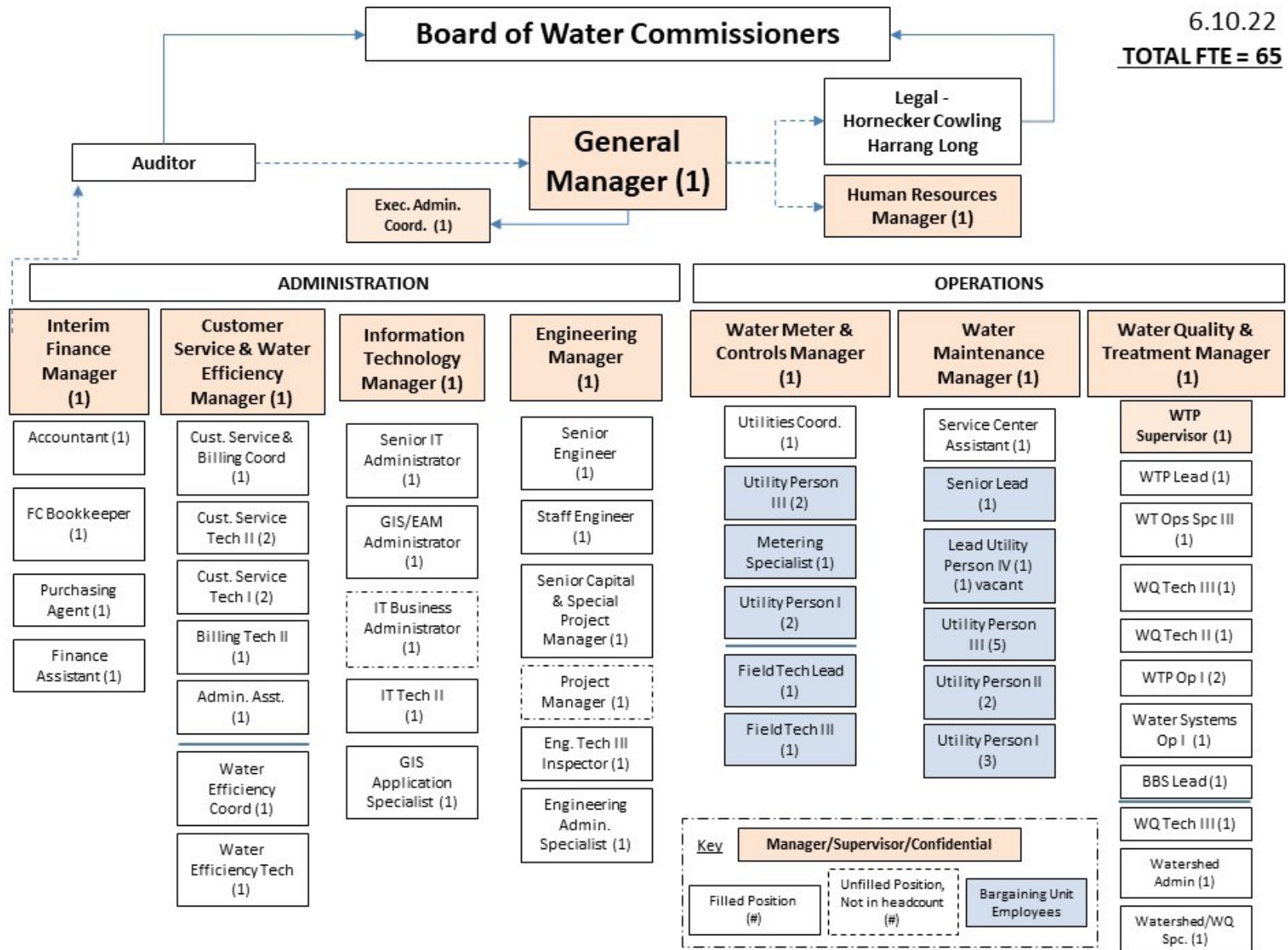
Introduction

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Organizational Chart



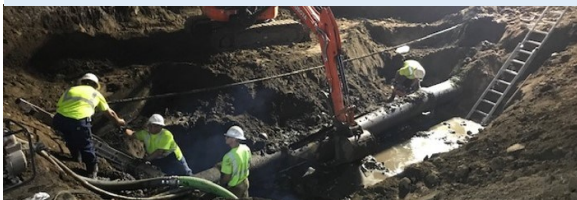
Department Descriptions

General Manager & Human Resources

The **General Manager** (GM) of Medford Water is responsible for directing and managing all its activities as well as serving as its officer of finance, budgeting, purchasing, personnel, contract negotiations, and serves as the business agent on matters related to the sale or purchase of property. The departments of Finance, Engineering, Operations, Information Technology, Customer Service & Water Efficiency, Water Treatment and Quality are under the GM.

The **Human Resources Manager** reports directly to the GM. The GM is selected by and operates under the direction of the **Board of Water Commissioners**.

Operations



The operations departments share responsibility for the operations and maintenance of facilities located at both sources of water, Big Butte Springs, and the Rogue River.

The **Water Maintenance Department** handles the construction, operation and maintenance of the water system including distribution appurtenances such as hydrants, mains and valves. Line Patrol is a shared duty between Meters and Maintenance Department.

The **Water Meter & Controls Department** is responsible for the operation and maintenance of the water system including supply pumping, BSS transmission lines, pumping stations, covered reservoirs, and distribution appurtenances such as meters, PRV valves, and SCADA. This department is responsible for meter reading, meter change outs, customer service field work, AMI implementation and testing of large meters.

The **Water Treatment & Water Quality Department** operates and maintains the facilities located at both sources of water, Big Butte Springs and the Rogue River. Water treatment, watershed management, and water quality activities are constantly in focus.

Administration



procurement, and grant management.

The **Customer Service & Water Efficiency Department** directs customer service, utility billing, public records requests, customer outreach, and water efficiency programs. With the purpose to promote the sustainable use of our water resources, water efficiency programs include but are not limited to, rebates for indoor and outdoor efficiency upgrades, indoor and outdoor water use evaluations, community engagement through presentations, booth events, and stakeholder outreach.

The **Engineering Department** oversees the planning, design, and construction management of the majority of water system facility projects, from source to point of delivery. This department manages the development of the Capital Improvements Plan including tracking schedules and expenditures. All development within the service area, whether public or private, usually includes water service provided by Medford Water. Engineering reviews and approves planning and construction documents for all of these developments, as well as assists individual landowners with new service connections to the water system. The department also advises the Board of Water Commissioners on technical matters, advances in the water industry, and of government laws and regulations that will influence the design and operation of the system. Engineering also monitors water supply and demand projections for use in considering future expansion and maintenance of the water system.

The **Information Technology Department** (IT) manages the technology needs of Medford Water. This includes IT hardware infrastructure such as computers, servers, and networking as well as the software systems such as Customer Billing, Finance, Asset Management, and GIS. IT is also responsible

The **Finance Department** is responsible for tasks and business activities such as timely and accurate financial statements, data analytics, accounts payable, accounts receivable, annual budgeting, risk management, cash management, investments, payroll, public solicitation and



Financial Structure

Financial Structure and Process
Financial Planning Policies

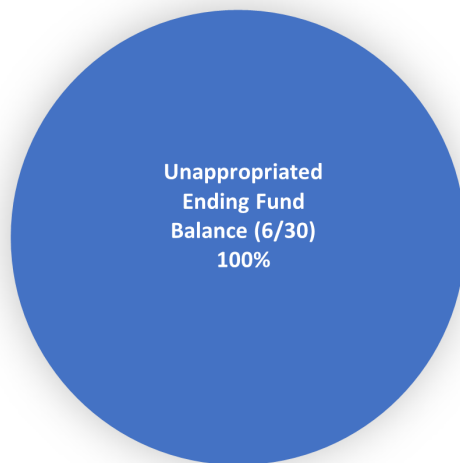
Fund Descriptions & Structure

Funds

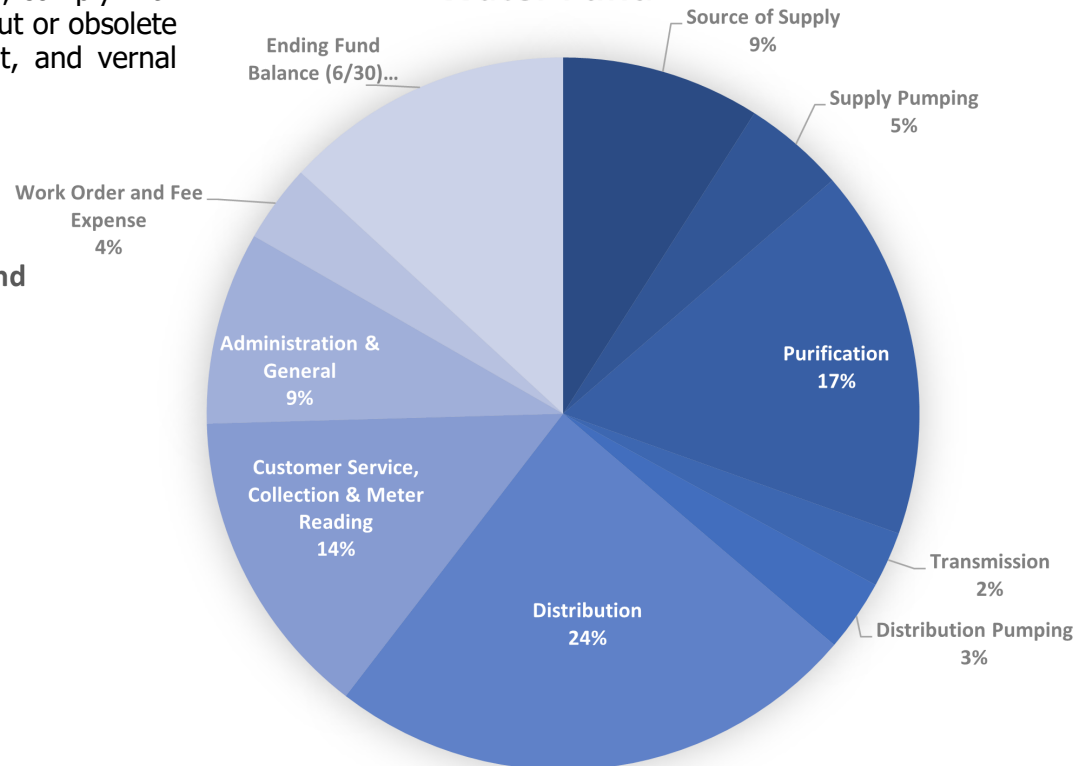
The **Water Fund** is the general fund of Medford Water. The income available to Medford Water, except investment revenue in the Construction and Infrastructure Replacement Fund, is shown as a resource to the Water Fund.

The **Construction and Infrastructure Replacement Fund** formerly known as the Water System Construction Fund. This fund is used to fund capital projects that expand system capacity, comply with regulatory requirements or for the replacement of worn out or obsolete assets, water rights, future water supply and treatment, and vernal pool management.

Construction & Infrastructure Replacement Fund



Water Fund



Financial Structure & Process

Basis of Budgeting and Accounting

Under ORS 294.316, municipal public utilities operating under separate commissions, are authorized under ORS 225 and city charters, and which have no ad valorem tax support, are not required to separately prepare, and adopt a budget. However, Medford Water has prepared and adopted a budget for operational accountability, transparency, and control purposes.

- 1) Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), except:
- 2) Capital acquisitions are reported as capital outlay expenditures. No depreciation expense is recognized on this basis.

The effects of GASB 68 (Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27) are not recognized. The primary objective of GASB 68 is to improve accounting and financial reporting by state and local governments for pensions.

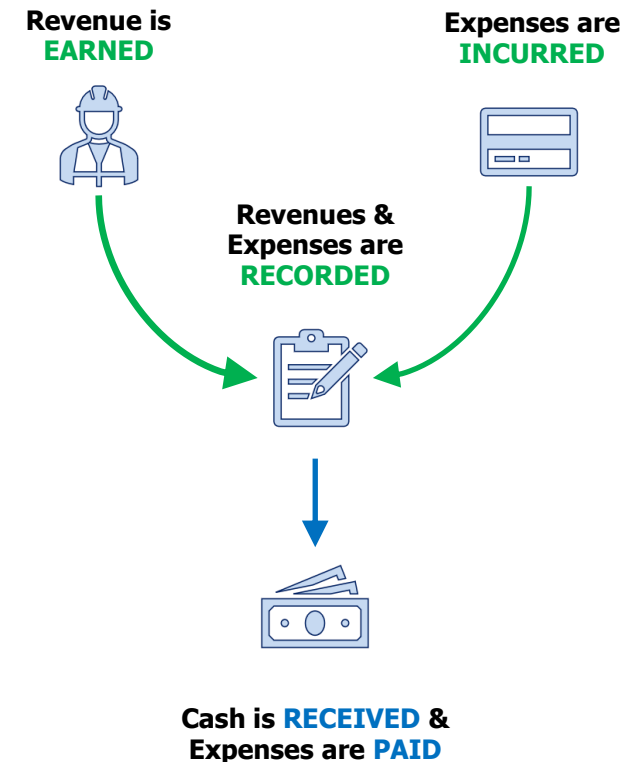
Medford Water is governed by a Board of Commissioners who are appointed by the Mayor of Medford and confirmed by the Medford City Council. As a result, it is a single enterprise fund comprised of two sub-funds. Additionally, Medford Water is considered a discretely presented component unit of the City of Medford in the city's basic financial statements.

Accounting Basis

The basis of accounting refers to when revenues and expenditures or expenses are recorded in the accounts and reported on the financial statements. Medford Water's Comprehensive Annual Financial Report shows the status of the utility's finance in conformance with GAAP.

Basis of Budgeting

The basis of budgeting is the accrual method. All the funds are budgeted using the accrual basis of accounting. Under accrual accounting, revenues are recorded at the time that they are earned, and expenses are recorded at the time liabilities are incurred.



ACCRUAL METHOD

Budget Process

STUDY — September - October

◆ Annual Cost of Service Study

- ⇒ estimate costs, set department goals and plan projects
- ⇒ submit estimated costs to Finance
- ⇒ finance prepares preliminary balanced proposed budget where planned resources equal planned requirements
- ⇒ create assumptions for 10 Year Financial Plan
- ⇒ establish water rate change recommendations
- ⇒ establish high level targets for budget

◆ 10 Year Financial Plan

PLAN - January - February

◆ Proposed Budget

- ⇒ update cost estimates
- ⇒ submit updated estimates to Finance
- ⇒ finance prepares the balanced proposed budget where planned resources equal planned requirements



REVIEW – March – April

◆ Review Proposed Budget

- ⇒ department review
- ⇒ management review
- ⇒ Board of Water Commissioners review
- ⇒ revise if necessary & present again to the Board
- ⇒ advertise Public Hearing for budget adoption
- ⇒ Board approval of proposed budget

APPROVE - June

- ◆ Public Hearing
- ◆ Budget Approval

ENACT - July

- ◆ New Fiscal Year
- ◆ Publish Adopted Budget to Website

BUDGET AMENDMENTS

Actual revenues and expenditures may vary from the original adopted budget. Projects that are imposed by other governmental entities or needed because of emergency replacement/repair may result in other budgeted or anticipated projects to be rescheduled, scaled back, or omitted completely.



Financial Structure

Financial Structure and Process
Financial Planning Policies

Financial Planning Policies

Comprehensive Financial Management Policy

Purpose: The Comprehensive Financial Management Policy assembles all the financial policies of Medford Water in one document. They are the tools used to ensure the fiscal stability required to meet both immediate and long-term service objectives.

Medford Water is accountable to its customers for the use of water revenue, fees, and charges. The Medford Water resources must be used in a manner that ensures adequate funding for operations, renewal of aging infrastructure, new infrastructure, and long-term water supply needs. The water industry is capital intensive and Medford Water is expected to provide uninterrupted service 24 hours a day, 7 days a week, 365 days a year. As one of the primary water providers within the Rogue Valley, Medford Water must understand and anticipate changes in local, statewide, and national economic trends to properly engage in strategic financial and management planning.

Objectives

The Comprehensive Financial Management Policy has the following objectives for Medford Water's fiscal performance:

- A Guide the Board of Water Commissioners and management's policy decisions that have significant financial impact.
- B Establish operating principles that minimize the cost of service and financial risk.
- C Establish fair and balanced revenue policies that provide adequate funding for desired programs.
- D Maintain appropriate financial capacity for present and future needs.
- E Promote sound financial management by providing accurate and timely information on Medford Water's financial condition.
- F Ensure the legal use of financial resources through an effective system of internal controls.
- G Promote cooperation and coordination with the City of Medford as well as other local municipalities and water users in financing system improvements and delivering high-quality drinking water to consumers.
- H To be the Rogue Valley's trusted municipal water provider for present and future generations through responsible stewardship, accountability, and the pursuit of excellence.
- I Provide transparency to the Board, Medford City Council, Medford Water's customers (retail and wholesale), and Commission staff.

Revenue Policies

The Revenue Policies summarized below and within the Comprehensive Financial Management Policy guides Medford Water in setting rates and fees and seeking government funding to help support costs for the continuous operation and maintenance of the water supply infrastructure.

Medford Water must be sensitive to the balance between the need for services and Medford Water's ability to raise rates, fees and charges to support those services. Medford Water will aim at developing rates that utilize contemporary and industry recognized "generally accepted" rate setting methodologies. A Cost of Service Study will be prepared as needed and its assumptions will be recalibrated and updated on an annual basis. Other rates, fees and charges will all be reviewed and recalibrated on an annual basis.

A Rates

- I. Strive to set rates in a manner that is consistent with the principles and methodologies established by the American Water Works Association (AWWA) M1 Manual, Principles of Water Rates, Fees and Charges.
- II. Develop a revenue requirement analysis to provide prudent and adequate funding levels for operations and maintenance (O&M) and capital projects, and in addition, will develop a ten-year financing planning model (revenue requirements) that provides prudent funding levels for O&M activities along with capital projects identified in Medford Water's capital improvement planning documents.
- III. Develop a cost allocation methodology that equitably allocates the cost of providing water service to Medford Water's various types of customers.
- IV. Strive to set user rates at levels where Medford Water's operating and capital expenses are met with the revenues generated from customers.
- V. Develop water rates that are cost-based and defensible using generally accepted methodologies (i.e., AWWA M1 Manual).

B

Systems Development Charges (SDC's)

Medford Water will strive to update its SDC's on an annual basis to update the cost-based charges for new customers connecting to, or requesting additional capacity to, Medford Water's water system.

By establishing cost-based SDC's, Medford Water attempts to have "growth pay for growth" and existing utility customers will, for the most part, be sheltered from the financial impacts of growth.

Medford Water has three types of SDC's:

- I. Systemwide (Treatment Plant and Transmission Expansion)
- II. East Side High Level
- III. Southwest High Level

Revenue Policies (continued)

C

Fees and Charges

- I. Medford Water shall strive to set fees in a manner that recovers the full cost of the service provided.
- II. Medford Water will analyze current and future costs when determining fees.
- III. Medford Water will prepare a methodology that captures all costs including materials, labor, and equipment.

D

Governmental Agency Resources (Funding Programs)

In order to soften the financial impacts of various programs and projects, Medford Water will approach the following, nonexclusive list of state and federal governmental agencies which may periodically offer funding programs to support the planning, predevelopment, design and construction of drinking water infrastructure projects and emergencies.

- I. U.S. Environmental Protection Agency – Drinking Water State Revolving Fund
- II. U.S. Department of Health and Human Services
- III. Oregon Health Authority (OHA)
- IV. U.S. Department of Agriculture Development (USDA)
- V. U.S. Department of Commerce Economic Development Administration (EDA)
- VI. Oregon Business Development Department (OBDD)
- VII. Federal Emergency Management Agency (FEMA)
- VIII. Water Infrastructure Finance and Innovation Act (WIFIA)

Operating Policies

The Operating Policies within Medford Water's Comprehensive Financial Policy can be read below. These policies outline how Medford Water manages expenditures and funds, as well as inventory procedures.

Medford Water should accommodate both one-time and ongoing expenditures within current resources, establish and adequately fund reserves, regularly monitor, and report on budget variances, evaluate the fiscal impact of new proposals, operate as efficiently as possible, and constantly review services for appropriateness and effectiveness.

A

Operating Expenditures Should be Within Current Resource Projection

Operating expenditures should be equal to or less than operating revenues, excluding capital expenditures. One-time resources and non-recurring ending fund balances should be applied to reserves or to fund one-time expenditures; they should not be used to fund water services.

B

Restricted Resources and Restricted Funds

Restricted resources and restricted funds may only be used in compliance with the specific constraints that have been imposed in connection with receipt of those resources. Unrestricted resources or funds are all Commission revenues and resources that are not restricted, and may, at the discretion of the Board as exercised through adoption of a budget, be utilized in connection with any Commission projects, activities or expenditures.

C

Continual Improvement of Water Service

Medford Water will seek the efficiency and effectiveness of its water services through business process improvements, actual to budget variance analysis, and evaluation of its services with comparable utilities to reduce costs and improve service quality.

D

Cash Management

Finance will develop, maintain, and constantly seek to improve cash management systems which ensure the accuracy and timely accounting, investment, and security of all cash assets. All cash received by Medford Water is expected to be deposited within 48 hours of receipt.

E

Fixed Asset Inventories

- I. Accurate inventories of all physical assets, their condition, life spans, and cost will be maintained to ensure proper stewardship of public property. Finance will establish policies and appropriate procedures to manage fixed assets, including establishing the threshold dollar amount for which fixed asset records are maintained.
- II. Medford Water will maintain all its assets at a level adequate to protect its capital investment and to minimize future maintenance and replacement costs.
- III. Medford Water will project its equipment replacement and maintenance needs for the next several years and will update this projection every year. From the projection a maintenance and replacement schedule will be developed and followed.
- IV. Medford Water will conduct a physical inventory of capital assets on an annual basis.
- V. Medford Water will conduct a physical count of parts in inventory no less than once a year. A perpetual inventory system and cycle count process will be encouraged.

F

Allocation of Overhead Costs

Overhead costs will be allocated to determine the full cost of providing water and other services. Overhead costs will be allocated according to consistent methodology as defined by the Finance Department.

Balanced Budget & Preparation

I Medford Water will annually adopt a balanced budget where planned resources equal planned requirements for the fiscal year for all Medford Water's funds.

II The budget is a plan for matching resources to requirements and raising and allocating resources. The objective is to maintain a reliable and excellent drinking water supply with allocated resources. Service needs must be delivered to the customers at a level that will meet real needs as efficiently and effectively as possible.

The budget must be structured so that the Board and the customers can readily establish the relationship between revenues, expenditures and the achievement of service objectives. It is driven by the Cost of Service Analysis (COSA), the Ten-Year Financial Plan, the goals of the Board of Water Commissioners and various Master Plans.

III The budget shall be prepared with Medford Water's organizational mission statement and Board goals in mind.

IV The budgetary review by Commission staff and the Board will focus on the following basic concepts:

- a. Staff Economy
- b. System Maintenance
- c. Capital Construction
- d. Program Expansions
- e. New Programs
- f. Existing Service Costs
- g. Administrative Costs

V Commission budget submissions must be prepared with the basic assumption that there may not be a substantial increase and/or a decrease to water rates and/or service fees.

VI It is important that adequate cash on hand be available to fund operating expenses and purchase capital assets during the fiscal year. Medford Water will avoid borrowing for ongoing operational expenses and shall maintain adequate fund balances in all funds.

VII Finance will prepare and present the budget in such a way that it is easy to read and understand. The budget will be available on Medford Water's website at www.medfordwater.org.

Debt Issuance & Debt Management Policy

Medford Water currently has no long-term or short-term debt, although the utility is obtaining debt funding for the Rogue Valley Water Resiliency Project (made up by 4 different projects).

Debt incurred for these projects would be from a combination of a Water Infrastructure Finance and Innovation Act (WIFIA) loan and Revenue Bonds. Read below for Medford Water's policy on Debt Issuance and Management.

A

Medford Water, during normal operations, may need to issue long-term debt to fund certain capital improvements. The establishment of policies related to debt issuance and debt management are intended to minimize the overall long-term costs of Medford Water and utilize long-term debt to the benefit of Medford Water's customers.

B

Medford Water will confine long-term borrowing to capital improvements or projects that cannot be financed from current rates and revenues (including anticipated rate increases) except where approved justification is provided.

C

Medford Water may find short term debt or a line of credit to be necessary. It is Medford Water's desire that short term debt should not be used for the normal course of business.

D

When Medford Water finances capital improvements or other projects by issuing bonds or entering capital leases, it will repay its debt within a period not to exceed the useful life of the asset or project.

E

Medford Water will maintain regular and good communication with the bond rating agencies about its financial condition and will provide requested information in a timely manner. Medford Water will follow a policy of full disclosure and transparency on every financial report and in official statements related to bond issues.

Water Fund Budget Resources & Requirements

Water Fund Budget Resources

Beginning Fund Balance

- ◆ Unappropriated ending fund balance of the previous year

Water Revenue

- ◆ Retail & wholesale water sales
- ◆ Estimated utilizing the Cost of Service Study rate model, historical trends & conservative approach

Work Order & Fee Revenue

- ◆ New service connections
- ◆ Private engineering projects
- ◆ Hydrants & air valves

Investment Income

- ◆ Interest & gains on investments
- ◆ Local Government Investment tool rate

Systems Development Charges (SDCs)

- ◆ New customers in the Eastside & Southwest High-Level
- ◆ System-wide SDC supports the Water Treatment Plant & large transmission facilities

Forest Product Revenue

- ◆ Timber sales in the Big Butte Springs Watershed

Debt Proceeds

- ◆ Debt Proceeds from Water Infrastructure Finance and Innovation Act (WIFIA) loan

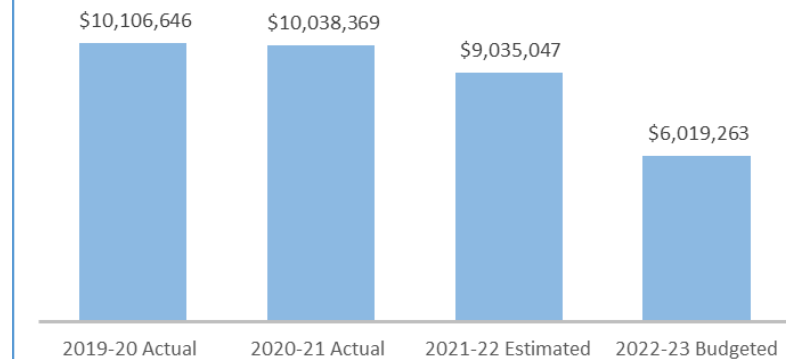
Grants

- ◆ Oregon Water Resources Department / Oregon Health Authority

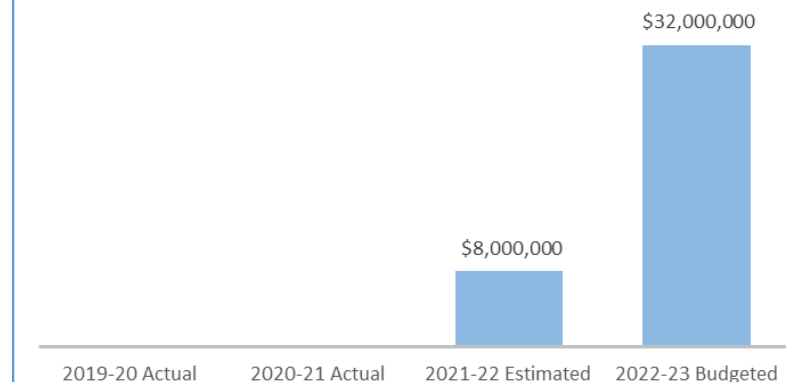
Miscellaneous Income

- ◆ Sale of scrap metal, meters, miscellaneous, etc.

Beginning Fund Balance



Debt Proceeds



Water Fund Budget Requirements

Requirements include operating requirements, capital outlay, franchise taxes, amortization expense, and ending fund balance. Operation and maintenance programs are flexible and relate directly to the number of customers and the level of service provided. Some preventive maintenance programs can be postponed until a later date, however, postponing them indefinitely ultimately results in lower standards of service. It is in the area of capital expenditures where goals to be reached are most meaningful. It is important to budget major capital expenditures many years in advance to properly plan projects and develop methods of financing.

Operating Requirements

- ◆ New customers, inflation on labor, materials, and equipment costs
- ◆ Affected by production at the Rogue River
- ◆ New regulations by the Safe Drinking Water Act
- ◆ Employee salary adjustments

Programs

- ◆ Big Butte Springs & Rogue River watershed management
- ◆ Timber management
- ◆ Public information

Franchise Tax

- ◆ Water service and fire protection provided to the City of Medford outlined through an IGA and offset by a franchise tax. This results in no charge to the city.
- ◆ Fire hydrants
- ◆ Oversizing water mains for fire flows in excess of normal system demands
- ◆ Water mains used exclusively for fire protection
- ◆ Reserve storage utilized for fire protection

Capital Expenditures

- ◆ Estimated capital expenditures

Transfer to Construction & Infrastructure Fund

- ◆ Treatment and Supply, Main Replacement, & to bring fund balance to proper level

Operating Contingency Reserve

- ◆ \$250,000 set aside to cover emergencies and unforeseen expenses

Unappropriated Ending Fund Balance

- ◆ Unappropriated ending fund balance of the previous year using resources less requirements

Water Fund Budget Requirements (Continued)

Source of Supply Expenses

Operation, management & maintenance of water supplies - The objective for watershed operation is to produce high quality water with quantities sufficient to operate the Big Butte Springs transmission mains at optimum capacity.

- ◆ Big Butte Springs & Rogue River watersheds
- ◆ Willow Creek Dam and grounds
- ◆ Water & stream gauge measuring facilities
- ◆ Intake facilities & structures
- ◆ BBS patrol house & related improvements

Medford Water's Drinking Water Protection Plan and Forest Management Plan guides resource activities on watershed lands. The U.S. Forest Service cooperates with drinking water protection efforts throughout federal lands.

Supply Pumping Expenses

Pumping water between reduced pressure zones and gravity zones within the water system - The objective is to operate and maintain the facilities in an efficient manner while providing the optimum degree of reliability.

Control equipment and electrical expenses at:

- ◆ Big Butte Springs
- ◆ Rogue River Intake
- ◆ Robert A. Duff Water Treatment Plant
- ◆ The Conrad, Martin and Rossanley Pressure Control Stations transfer water from the reduced pressure zone near the Rogue River source into the main gravity distribution system when the Plant is in operation. The inverse occurs when the Plant is offline during the winter months.

The **Big Butte Springs Watershed** is 56,000-acres at the base of Mt. McLoughlin in the Cascade Mountains east of Butte Falls. Medford Water owns approximately 3,700 acres of these lands, private ownership accounts for 10,000 acres, with the balance in federal ownership. The management objective for watershed operation is to produce high quality water for Medford residents with quantities sufficient to operate the Big Butte Springs transmission mains at optimum capacity. Commission owned land carries with it responsibilities for fire protection and management of timber resources. The operator living in Medford Water's residence at the springs provides surveillance of the watershed for fire protection, trespass and water quality control.

Medford Water is required to pay a portion of the cost of maintaining continual measurement and recording of water yield and water use in the area. Watershed property taxes are on Commission owned lands that carry life estate agreements with the current tenants/owners. The maintenance of the Big Butte Springs and Rogue intake structures is a continuing process that involves preventive maintenance and repair as required.

The **Willow Creek Dam** owned by Medford Water stores water that is exchanged with Eagle Point Irrigation District during periods when Medford Water is utilizing more water from the springs than the agreed upon split of water rights measured on the South Fork of Big Butte Creek.

Medford Water owns approximately 920 acres of land within and around Willow Lake. The land is leased to Jackson County for recreational purposes. Medford Water retains control of the water level in the reservoir, the dam and related appurtenances.

Water Fund Budget Requirements (Continued)

Purification Expenses

Operation and maintenance of disinfection facilities - The objective is to provide for purification for both water supplies to meet federal and state standards. Labor is the largest expense in this cost category.

Big Butte Springs supply - operation, preventive maintenance and surveillance must be provided 7 days per week since the natural water source at the springs will not meet state and federal standards without minimal disinfection.

- ◆ Labor - Big Butte Springs Operator
- ◆ Chemicals - bulk hypochlorite
- ◆ Electrical power

Duff Water Treatment Plant - supplements the spring's source usually from April into October depending on weather and system demand. During peak water-demand months, continuous 24-hour operation is required.

- ◆ Labor - Water Treatment Plant Director, Water Treatment Plant Supervisor, 5 full time Water Treatment Plant Operators, 1 Water System Operator, 1 BBS Lead
- ◆ Chemicals - bulk hypochlorite, coagulants, carbon dioxide, polymers and liquid oxygen

Water Quality & Compliance -

- ◆ Labor - Water Quality Director, 2 Water Quality Technicians
- ◆ Temp Labor - Hydrant Flushing
- ◆ Chemical
- ◆ Investigative and microbiological analysis
- ◆ Vehicle expense

Transmission Expenses

Operation and maintenance of the transmission mains - The objective is to operate these pipelines to provide system reliability. Labor is the largest expense.

The transmission mains are regularly patrolled, which ensures preventive maintenance on the pipelines, roads, and structures. It also prevents encroachment on pipeline easements.

- ◆ 2 Big Butte Springs transmission mains from the Big Butte Springs east of Butte Falls to the Capital Hill Reservoirs in Medford
- ◆ Structure at Nichols Gap
- ◆ Coal Mine Station
- ◆ Rogue Supply transmission mains
- ◆ Any main over 27" in the distribution system

Cathodic Protection - system used on the Big Butte Springs steel transmission mains to inhibit corrosion of the pipelines. Electrical power is used for the rectifiers, which impose a small direct current on the pipelines, preventing electro-chemical corrosion. Sacrificial anode beds are also installed in carefully selected locations along the lines.

The operation and maintenance costs of the cathodic protection system are significant; however, utilizing cathodic protection on the 91-year-old Big Butte Springs Transmission Line #1 has reduced the leak frequency below that experienced decades ago. The 68-year-old Line #2 also has a cathodic protection system.

Water Fund Budget Requirements (Continued)

Distribution Pumping Expenses

Operation and maintenance of the distribution pumping stations utilized to pump water to water storage reservoirs in the higher elevation zones within the water system. - Reliability of service through these booster stations is extremely important for fire protection and customer satisfaction. Electrical is the largest expense.

9 pump/booster stations: Angelcrest, Archer, Barneburg, Brookdale, Hillcrest, Lone Pine, Pierce Heights, Stanford and Stardust.

- ◆ Pumping stations & properties are maintained in a manner compatible with the surrounding areas and neighborhoods.

Distribution Expenses

Distribute water to the place of use in adequate quantities with adequate pressure to provide for customer needs, including fire protection - The objective of the distribution system to maintain the quality of water to the point of use. Reliability and continuity of service are extremely important for fire protection and overall customer satisfaction.

- ◆ 14 covered reservoirs
- ◆ 513 miles of water mains
- ◆ 12,166 air valves
- ◆ 4,663 fire hydrants
- ◆ service lines
- ◆ water meters
- ◆ drinking fountains
- ◆ supervisory control equipment

Customer Service, Collection & Meter Reading Expenses

Provide an accurate, rapid and up to date billing service for our customers - It is the objective of this operation to provide a high standard of prompt, courteous and accurate water service to the customer.

- ◆ Opening new accounts
- ◆ Answering customer inquiries
- ◆ Meter reading
- ◆ Processing bill payments
- ◆ Making collection calls
- ◆ Providing face-to-face over-the-counter availability to the customer

Administration & General Expenses

Management, finance, administration, engineering, legal and recording services, quarterly newsletter, annual water quality report (CCR), website, water efficiency programs, customer relations, employee insurance, training, the annual audit, Board expenses, office maintenance, supplies, personnel expenses, public outreach, and general operations of Medford Water.

- ◆ Duff Water Treatment Plant (Home/Clearing Account)
- ◆ Service Center (Clearing/Home Account)
- ◆ Lausmann Annex (Home/Clearing Account)
- ◆ Engineering
- ◆ Inspection and Patrolling
- ◆ Water Efficiency
- ◆ Fleet Clearing

Long Term Financial Planning

Long Term Financial Planning

In order to serve the community with a reliable, high-quality water supply now and for future generations, Medford Water continuously plans ahead and makes adjustments to the budget as needed.

The Ten-Year Financial Plan is within Medford Water's Comprehensive Financial Management Policy and outlined below.

Ten-Year Financial Plan

- i. Medford Water recognizes the many benefits of long-range financial forecasting including the early identification of potential fiscal constraints related to revenue and expenditure trends, the need to incorporate the impact of capital projects within the operating budget, and the need to maintain adequate resources during economic downturns to sustain system reliability and ensure the continued delivery of high quality drinking water. Accordingly, Medford Water shall develop and maintain a Ten-Year Financial Plan that projects resources and requirements beyond the scope of the current budget period. The purpose of the plan is to provide long term context for annual decisions that will be made in conjunction with the Cost of Service Study, the annual Budget and the Ten-Year Capital Plan.
- ii. The Ten-Year Financial Plan will be updated annually at the time of the Cost of Service Study. Any unexpected changes in economic conditions or circumstances may prompt more frequent updates. Any significant changes shall be reported to Medford Water Management Team, General Manager, and the Board of Water Commissioners.

The Ten-Year Plan will:

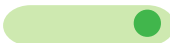
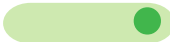
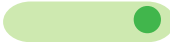
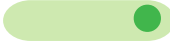
1. Provide the Board with the projected long-term fiscal impact of current policies and budget decisions;
2. Recognize the effects of economic cycles, growth, and inflation on the demand for services and Commission resources;
3. Provide revenue and expenditure projections, including the operating budget impacts of all planned capital expenditures;
4. Differentiate between revenues and expenditures associated with one-time fiscal activities;
5. Identify the impact to overall rate levels for both retail and wholesale customers;
6. Provide insight into whether the current mix of resources and requirements are enough to cover current service levels into the future; and
7. Allow staff and Commissioners to test "what if" scenarios and examine the financial impact of such scenarios on future years.

Financial Policy Benchmarks

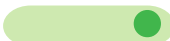
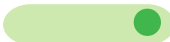
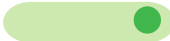
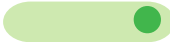
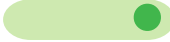
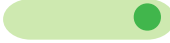
Financial Planning Policies

Ten Year Financial Plan		Ten Year Financial Plan is updated on an annual basis.
Water Fund		Exceeds target balance of 20% of annual budgeted revenue.
Water Construction Fund		Target balance is more than the required amount of two times annual depreciation.
Rate Stabilization Fund		Medford Water has not established a rate stabilization fund yet. This is projected to begin fiscal year 2023-24.


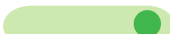
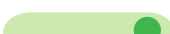
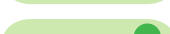
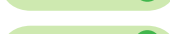
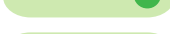
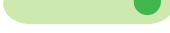
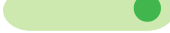

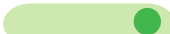
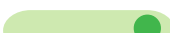
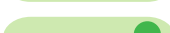
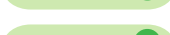
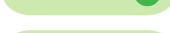
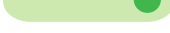
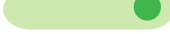
Revenue Policies

Rates		Cost allocation methodology & calculation consistent with policies of AWWA's M1 Manual. Cost based & defensible.
Systems Development Charges		Methodology and calculations updated on annual basis.
Fees and Charges		Recovers full cost of service provided. Analyzed & calculated on annual basis.
Agencies with Resources		List of governmental agencies who provide potential grants and low income loans is updated on annual basis.

Operating Policies

Operating Expenditures Should be within Current Resource Projection		Operating expenditures are within current resource projection.
Restricted Resources and Restricted Funds		Medford Water is in compliance with specific requirements.
Continual Improvement of Water Services		Business processes are continually updated and budget variance analysis updated on a monthly basis.
Cash Management		Medford Water follows policies that are in place. Cash reconciliations completed on a daily and monthly basis.
Fixed Asset Inventories		Capital assets are inventoried on an annual basis. Physical counts of inventory parts on at least an annual basis.
Allocation of Overhead Costs		Overhead costs allocated on an annual basis.

General Budget Policies

Balanced Budget Presentation		Balanced budget for all funds prepared on an annual basis.
Resources Greater than Budget Estimates		New policy. No transfers are expected to be incurred in 2022-23 fiscal year.
Public Hearings		Medford Water holds public hearing for the budget on annual basis.
Overhead Allocation		Overhead allocation calculated in conjunction with the annual budget.
Examination of the Existing Budget		Throughout the year, management looks for efficiencies and identifies services that are valued less than cost.
Water Services to Keep Pace with Needs of Medford Water's Customers		No decrease in service levels in the 2022-23 fiscal year.
Maintenance of Quality Water Service Programs		Continuance of quality programs in the 2022-23 fiscal year.
Maintenance of Existing Services vs. Addition or Enhanced Service Needs		Service quality is maintained and inflationary factor included in many items within the Annual and Capital Budgets.
Budget Monitoring		Management responsible for formulation, monitoring and administration of the Annual and Capital Budgets.
Performance Budgeting		Trends, metrics, and performance measures are completed on a monthly, quarterly and annual basis.
Distinguished Budget Presentation		Medford Water will work to create and obtain the GFOA Distinguished Budget Presentation Award for each annual budget.
Capital Improvement Budget Policies		Ten year plan is updated annually in conjunction with the expense budget.
Agenda Memorandum Review		Medford Water agenda items are reviewed and commented on by Finance for fiscal impacts.
Accounting, Auditing, & Financial Records		A comprehensive annual financial report is prepared annually & submitted to GFOA for review and award.
Debt Issuance & Debt Management Policy		Medford Water currently has no short or long term debt.
Financial Ratios and Key Indicators		Current Ratio, Age of System, Cash on Hand & Days Sales Outstanding calculated on a monthly & quarterly basis.



Budget Expenses

Fund Balances & Revenue

Water Fund Budget Resources
& Requirements

Water Fund Expense Categories

**MEDFORD WATER COMMISSION
WATER FUND
SCHEDULE OF BUDGETED AND ACTUAL RESOURCES AND REQUIREMENTS**

ACTUAL 2019 - 20	ACTUAL 2020 - 21	ESTIMATED 2021-22	BUDGET 2021-22		BUDGET 2022-23
				RESOURCES	
				Operating/non operating resources:	
17,866,243	21,004,195	21,400,000	20,000,000	Water Revenue	22,000,000
718,644	786,665	990,000	700,000	Work Order and Fee Revenue	700,000
240,288	119,023	50,000	75,000	Investment Income	50,000
1,184,139	1,344,464	1,700,000	1,000,000	System Development Charges	1,000,000
873,050		637,000	700,000	Forest Product Revenue	500,000
-		8,000,000	12,000,000	Debt Proceeds	32,000,000
28,765		31,000	-	Grant Revenue	20,000
106,163	356,952	80,000	85,000	Miscellaneous Income	70,000
21,017,292	23,611,299	32,888,000	34,560,000	Total resources from operations	56,340,000
-		-	-	Transfers In	-
10,106,646	10,038,369	9,035,047	8,816,681	Beginning fund balance available for appropriation (7/1)	6,019,263
\$ 31,123,938	\$ 33,649,668	\$ 41,923,047	\$ 43,376,681	Total resources	\$ 62,359,263
				REQUIREMENTS	
				Operating requirements:	
1,232,315	799,403	1,359,293	1,317,291	Source of Supply	1,531,792
541,434	743,738	668,370	660,890	Supply Pumping	783,371
1,856,691	2,260,423	2,305,403	2,340,048	Purification	2,856,378
266,193	273,448	307,327	241,833	Transmission	428,938
365,774	387,248	404,636	442,106	Distribution Pumping	553,430
2,628,013	2,865,060	3,193,273	3,551,365	Distribution	4,108,430
2,065,084	2,317,685	2,393,615	2,415,001	Customer Service, Collection & Meter Reading	2,396,600
2,341,825	1,890,125	2,571,736	1,798,314	Administration & General	1,485,722
579,580	740,424	882,000	600,000	Work Order and Fee Expense	600,000
11,818,682	12,277,554	14,085,653	13,366,847	Total operating requirements	14,744,662
7,090,651	8,208,391	16,818,131	18,193,000	Capital Expenditures	43,885,290
-		-	250,000	Operating Contingency Reserve	250,000
2,176,236	4,128,676	5,000,000	5,000,000	Transfers Out	1,245,000
9,266,887	12,337,067	21,818,131	23,443,000	Total nonoperating requirements	45,380,290
21,085,569	24,614,621	35,903,784	36,809,847	Total before ending fund balance	60,124,952
10,038,369	9,035,047	6,019,263	6,566,833	Unappropriated ending fund balance (6/30)	2,234,311
\$ 31,123,938	\$ 33,649,668	\$ 41,923,047	\$ 43,376,681	Total requirements	\$ 62,359,263

**MEDFORD WATER COMMISSION
CONSTRUCTION AND INFRASTRUCTURE REPLACEMENT FUND
SCHEDULE OF BUDGETED AND ACTUAL RESOURCES AND REQUIREMENTS**

ACTUAL 2019-20	ACTUAL 2020-21	ESTIMATED 2021-22	BUDGET 2021-22		BUDGET 2022-23
				RESOURCES	
				Operating/non operating resources:	
107,216	34,879	40,000	250,000	Investment income	90,000
1,000,000	19,556,528	5,000,000	5,000,000	Transfer in from other funds	1,245,000
4,168,102	5,275,319	24,866,726	24,464,731	Beginning fund balance available for appropriation (7/1)	29,906,726
\$ 5,275,318	\$ 24,866,726	\$ 29,906,726	\$ 29,714,731	Total resources	\$ 31,241,726
				REQUIREMENTS	
-	-	-	-	Transfer out to Water Fund	-
5,275,318	24,866,726	29,906,726	29,714,731	Unappropriated ending fund balance (6/30)	31,241,726
\$ 5,275,318	\$ 24,866,726	\$ 29,906,726	\$ 29,714,731	Total requirements	\$ 31,241,726



Budget Expenses

Fund Balances & Revenue

Water Fund Budget Resources
& Requirements

Water Fund Expense Categories

Water Fund Budget Resources & Requirements

Water Fund Budget Resources

Beginning Fund Balance

- ◆ Unappropriated ending fund balance of the previous year

Water Revenue

- ◆ Retail & wholesale water sales
- ◆ Estimated utilizing the Cost of Service Study rate model, historical trends & conservative approach

Work Order & Fee Revenue

- ◆ New service connections
- ◆ Private engineering projects
- ◆ Hydrants & air valves

Investment Income

- ◆ Interest & gains on investments
- ◆ Local Government Investment tool rate

Systems Development Charges (SDCs)

- ◆ New customers in the Eastside & Southwest High-Level
- ◆ System-wide SDC supports the Water Treatment Plant & large transmission facilities

Forest Product Revenue

- ◆ Timber sales in the Big Butte Springs Watershed

Debt Proceeds

- ◆ Debt Proceeds from Water Infrastructure Finance and Innovation Act (WIFIA) loan

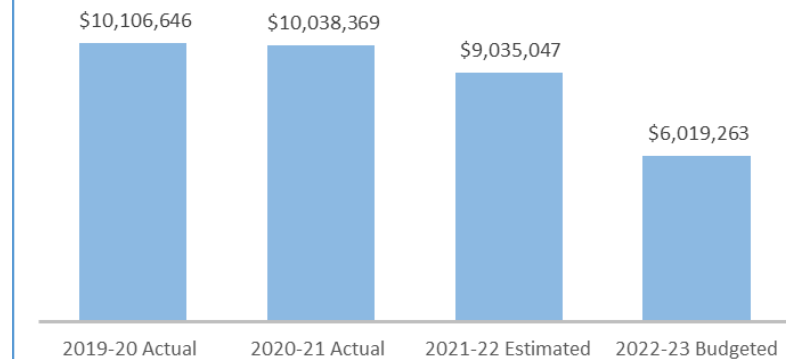
Grants

- ◆ Oregon Water Resources Department / Oregon Health Authority

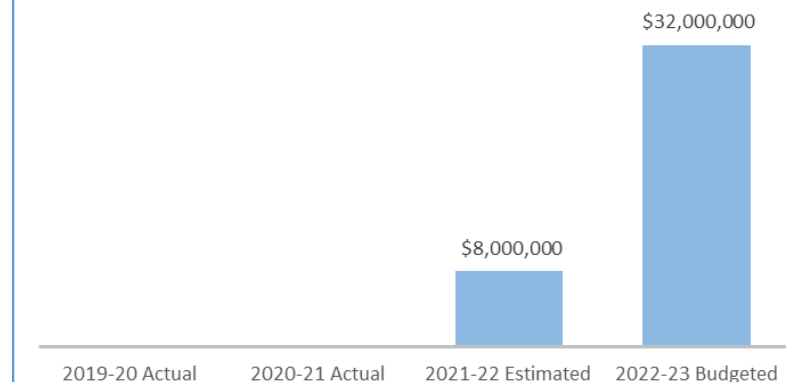
Miscellaneous Income

- ◆ Sale of scrap metal, meters, miscellaneous, etc.

Beginning Fund Balance



Debt Proceeds



Water Fund Budget Requirements

Requirements include operating requirements, capital outlay, franchise taxes, amortization expense, and ending fund balance. Operation and maintenance programs are flexible and relate directly to the number of customers and the level of service provided. Some preventive maintenance programs can be postponed until a later date, however, postponing them indefinitely ultimately results in lower standards of service. It is in the area of capital expenditures where goals to be reached are most meaningful. It is important to budget major capital expenditures many years in advance to properly plan projects and develop methods of financing.

Operating Requirements

- ◆ New customers, inflation on labor, materials, and equipment costs
- ◆ Affected by production at the Rogue River
- ◆ New regulations by the Safe Drinking Water Act
- ◆ Employee salary adjustments

Programs

- ◆ Big Butte Springs & Rogue River watershed management
- ◆ Timber management
- ◆ Public information

Franchise Tax

- ◆ Water service and fire protection provided to the City of Medford outlined through an IGA and offset by a franchise tax. This results in no charge to the city.
- ◆ Fire protection service to City
- ◆ Fire hydrants
- ◆ Oversizing water mains for fire flows in excess of normal system demands
- ◆ Water mains used exclusively for fire protection
- ◆ Reserve storage utilized for fire protection

Capital Expenditures

- ◆ Estimated capital expenditures

Transfer to Construction & Infrastructure Fund

- ◆ Treatment and Supply, Main Replacement, and to bring fund balance to proper level.

Operating Contingency Reserve

- ◆ \$250,000 set aside to cover emergencies and unforeseen expenses

Unappropriated Ending Fund Balance

- ◆ Unappropriated ending fund balance of the previous year using resources less requirements

Water Fund Budget Requirements (Continued)

Source of Supply Expenses

Operation, management & maintenance of water supplies - The objective for watershed operation is to produce high quality water with quantities sufficient to operate the Big Butte Springs transmission mains at optimum capacity.

- ◆ Big Butte Springs & Rogue River watersheds
- ◆ Willow Creek Dam and grounds
- ◆ Water & stream gauge measuring facilities
- ◆ Intake facilities & structures
- ◆ BBS patrol house & related improvements

Medford Water's Drinking Water Protection Plan and Forest Management Plan guides resource activities on watershed lands. The U.S. Forest Service cooperates with drinking water protection efforts throughout federal lands.

Supply Pumping Expenses

Pumping water between reduced pressure zones and gravity zones within the water system - The objective is to operate and maintain the facilities in an efficient manner while providing the optimum degree of reliability.

Control equipment and electrical expenses at:

- ◆ Big Butte Springs
- ◆ Rogue River Intake
- ◆ Robert A. Duff Water Treatment Plant
- ◆ The Conrad, Martin and Rossanley Pressure Control Stations transfer water from the reduced pressure zone near the Rogue River source into the main gravity distribution system when the Plant is in operation. The inverse occurs when the Plant is offline during the winter months.

The **Big Butte Springs Watershed** is 56,000-acres at the base of Mt. McLoughlin in the Cascade Mountains east of Butte Falls. Medford Water owns approximately 3,700 acres of these lands, private ownership accounts for 10,000 acres, with the balance in federal ownership. The management objective for watershed operation is to produce high quality water for Medford residents with quantities sufficient to operate the Big Butte Springs transmission mains at optimum capacity. Commission owned land carries with it responsibilities for fire protection and management of timber resources. The operator living in Medford Water's residence at the springs provides surveillance of the watershed for fire protection, trespass and water quality control.

Medford Water is required to pay a portion of the cost of maintaining continual measurement and recording of water yield and water use in the area. Watershed property taxes are on Commission owned lands that carry life estate agreements with the current tenants/owners. The maintenance of the Big Butte Springs and Rogue intake structures is a continuing process that involves preventive maintenance and repair as required.

The **Willow Creek Dam** owned by Medford Water stores water that is exchanged with Eagle Point Irrigation District during periods when Medford Water is utilizing more water from the springs than the agreed upon split of water rights measured on the South Fork of Big Butte Creek.

Medford Water owns approximately 920 acres of land within and around Willow Lake. The land is leased to Jackson County for recreational purposes. Medford Water retains control of the water level in the reservoir, the dam and related appurtenances.

Water Fund Budget Requirements (Continued)

Purification Expenses

Operation and maintenance of disinfection facilities - The objective is to provide for purification for both water supplies to meet federal and state standards. Labor is the largest expense in this cost category.

Big Butte Springs supply - operation, preventive maintenance and surveillance must be provided 7 days per week since the natural water source at the springs will not meet state and federal standards without minimal disinfection.

- ◆ Labor - Big Butte Springs Operator
- ◆ Chemicals - bulk hypochlorite
- ◆ Electrical power

Duff Water Treatment Plant - supplements the spring's source usually from April into October depending on weather and system demand. During peak water-demand months, continuous 24-hour operation is required.

- ◆ Labor - Water Treatment Plant Director, Water Treatment Plant Supervisor, 5 full time Water Treatment Plant Operators, 1 Water System Operator, 1 BBS Lead
- ◆ Chemicals - bulk hypochlorite, coagulants, carbon dioxide, polymers and liquid oxygen

Water Quality & Compliance -

- ◆ Labor - Water Quality Director, 2 Water Quality Technicians
- ◆ Temp Labor - Hydrant Flushing
- ◆ Chemical
- ◆ Investigative and microbiological analysis
- ◆ Vehicle Expense

Transmission Expenses

Operation and maintenance of the transmission mains - The objective is to operate these pipelines to provide system reliability. Labor is the largest expense.

The transmission mains are regularly patrolled, which ensure preventive maintenance on the pipelines, roads, and structures. It also prevents encroachment on pipeline easements.

- ◆ 2 Big Butte Springs transmission mains from the Big Butte Springs east of Butte Falls to the Capital Hill Reservoirs in Medford
- ◆ Structure at Nichols Gap
- ◆ Coal Mine Station
- ◆ Rogue Supply transmission mains
- ◆ Any main over 27" in the distribution system

Cathodic Protection - system used on the Big Butte Springs steel transmission mains to inhibit corrosion of the pipelines. Electrical power is used for the rectifiers, which impose a small direct current on the pipelines, preventing electro-chemical corrosion. Sacrificial anode beds are also installed in carefully selected locations along the lines.

The operation and maintenance costs of the cathodic protection system are significant, however, utilizing cathodic protection on the 91-year-old Big Butte Springs Transmission Line #1 has reduced the leak frequency below that experienced decades ago. The 68-year-old Line #2 also has a cathodic protection system.

Water Fund Budget Requirements (Continued)

Distribution Pumping Expenses

Operation and maintenance of the distribution pumping stations utilized to pump water to water storage reservoirs in the higher elevation zones within the water system. - Reliability of service through these booster stations is extremely important for fire protection and customer satisfaction. Electrical is the largest expense.

9 pump/booster stations: Angelcrest, Archer, Barneburg, Brookdale, Hillcrest, Lone Pine, Pierce Heights, Stanford and Stardust

- ◆ Pumping stations & properties are maintained in a manner compatible with the surrounding areas and neighborhoods.

Distribution Expenses

Distribute water to the place of use in adequate quantities with adequate pressure to provide for customer needs, including fire protection - The objective of the distribution system to maintain the quality of water to the point of use. Reliability and continuity of service are extremely important for fire protection and overall customer satisfaction.

- ◆ 14 covered reservoirs
- ◆ 513 miles of water mains
- ◆ 12,166 air valves
- ◆ 4,663 fire hydrants
- ◆ service lines
- ◆ water meters
- ◆ drinking fountains
- ◆ supervisory control equipment

Customer Service, Collection & Meter Reading Expenses

Provide an accurate, rapid and up to date billing service for our customers - It is the objective of this operation to provide a high standard of prompt, courteous and accurate water service to the customer.

- ◆ opening new accounts
- ◆ answering customer inquiries
- ◆ meter reading
- ◆ processing bill payments
- ◆ making collection calls
- ◆ providing face to face over the counter availability to the customer

Administration & General Expenses

Management, finance, administration, engineering, legal and recording services, quarterly newsletter, annual water quality report (CCR), website, water efficiency programs, customer relations, employee insurance, training, the annual audit, Board expenses, office maintenance, supplies, personnel expenses, public outreach, and general operations of Medford Water.

- ◆ Duff Water Treatment Plant (Home/Clearing Account)
- ◆ Service Center (Clearing/Home Account)
- ◆ Lausmann Annex (Home/Clearing Account)
- ◆ Engineering
- ◆ Inspection and Patrolling
- ◆ Water Efficiency
- ◆ Fleet Clearing



Budget Expenses

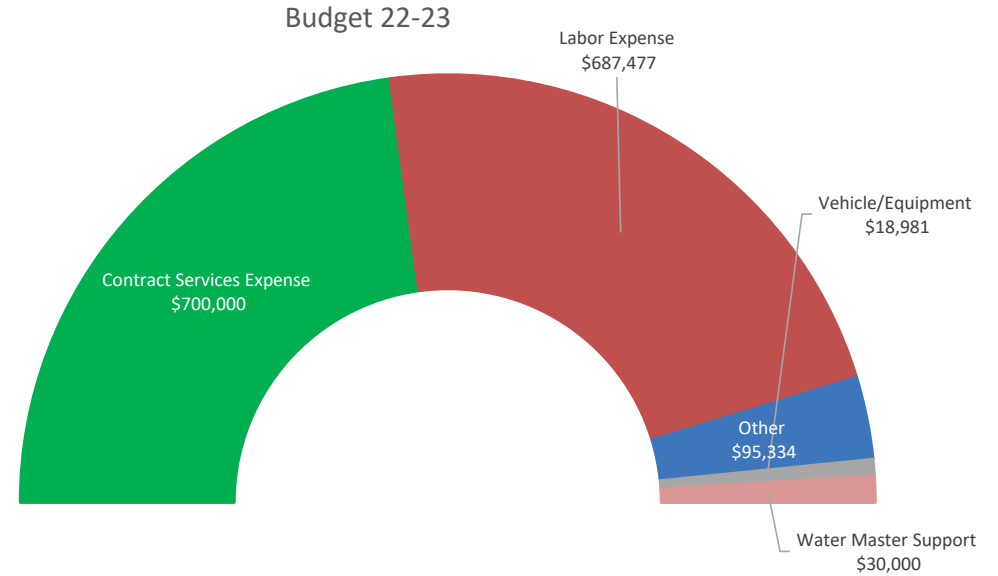
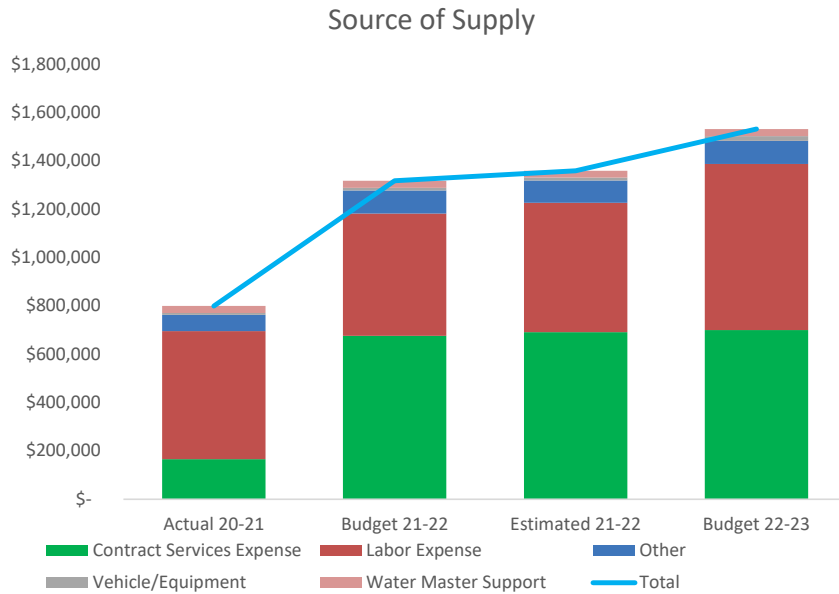
Fund Balances & Revenue

Water Fund Budget Resources
& Requirements

Water Fund Expense Categories

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Source of Supply Expenses



Labor Expense - \$687,477
 Regular and Overtime Hours.

Other - \$95,334
 Fire Protection, Materials and
 Supplies, Property Insurance,
 Miscellaneous, Property Taxes.

\$ 1,531,792
Total Source of Supply Expense

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Source of Supply Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Source of Supply - Rogue River Intake							\$ 3,500
<i>Project:</i>	<i>SS-23-110RR</i>						
01-110-6200-00	Contract Services Expense	-	165	2,000	2,000	3,000	
	● Intake Inspection						
01-110-6490-00	Materials and Supplies	-	-	500	500	500	
Source of Supply - Rogue Watershed Management							\$ 379,162
<i>Project:</i>	<i>SS-23-111WM</i>						
01-111-6200-00	Contract Services Expense	78,341	82,539	50,000	65,000	70,000	
	● Watershed Monitoring Support; Diversion Maintenance; Vernal Pool Management; Sonde Maintenance						
01-111-6370-00	Grants/Partnerships/Donations	8,160	32,645	38,000	38,000	38,500	
01-111-6420-00	Labor Expense	195,869	205,657	204,067	195,751	233,662	
01-111-6490-00	Materials and Supplies	7,918	5,383	7,000	7,000	7,000	
01-111-6540-00	Miscellaneous	575	-	-	-	-	
01-111-6810-00	Vehicle Expense	-	-	2,741	2,741	-	
01-111-6860-00	Water Master Support	26,662	28,576	29,000	29,000	30,000	
Source of Supply - BBS Patrol House and Grounds							\$ 142,399
<i>Project:</i>	<i>SS-23-120PH</i>						
01-120-6200-00	Contract Services Expense	10,585	-	12,000	12,000	12,000	
	● Grounds maintenance						
01-120-6320-00	Fire Protection	135	135	140	140	140	
01-120-6385-00	Insurance - Property	614	721	824	824	824	
01-120-6420-00	Labor Expense	81,789	87,366	81,981	92,634	118,961	
01-120-6421-00	Labor Expense - OT	-	-	-	213	-	
01-120-6490-00	Materials and Supplies	6,562	1,886	8,000	8,000	8,000	
01-120-6540-00	Miscellaneous	380	-	-	-	-	
01-120-6810-00	Vehicle Expense	2,127	2,616	5,568	5,568	2,474	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

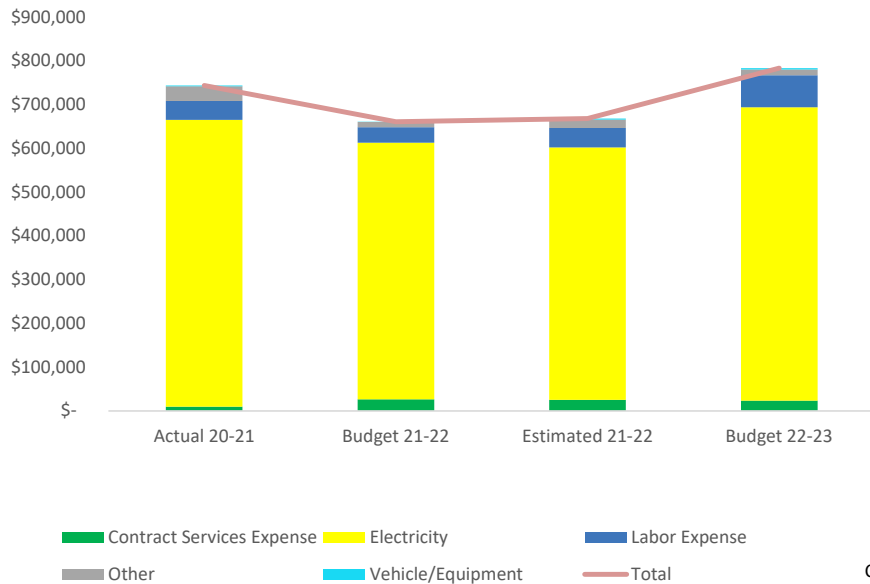
Source of Supply Expenses (continued)

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Source of Supply - Big Butte Springs Watershed Management							\$ 286,761
<i>Project:</i>	<i>SS-23-121WM</i>						
01-121-6200-00	Contract Services Expense	3,676	-	12,000	12,000	15,000	
	● Life Estate Management; Restoration; WQ Monitoring						
01-121-6320-00	Fire Protection	16,658	18,655	20,000	20,000	21,000	
01-121-6385-00	Insurance - Property	3,550	4,169	4,770	4,770	4,770	
01-121-6420-00	Labor Expense	176,661	192,745	180,875	192,416	225,884	
01-121-6421-00	Labor Expense - OT	698	531	-	-	-	
01-121-6490-00	Materials and Supplies	-	55	2,500	2,500	2,500	
01-121-6540-00	Miscellaneous	803	785	900	900	1,100	
01-121-6660-00	Property Tax	2,196	1,246	-	-	-	
01-121-6810-00	Vehicle Expense	5,322	5,109	2,836	2,836	16,507	
Source of Supply - Forest Stand Improvements							\$ 719,971
<i>Project:</i>	<i>SS-23-124FS</i>						
01-124-6200-00	Contract Services Expense	552,469	83,281	600,000	600,000	600,000	
	● Commercial Timber Harvest; Forest Management						
01-124-6420-00	Labor Expense	44,118	43,042	39,589	55,000	108,971	
01-124-6490-00	Materials and Supplies	194	2,097	5,000	5,000	5,000	
01-124-6777-00	Timber Tax Expense	6,253	-	7,000	4,500	6,000	
Totals		\$ 1,232,315	\$ 799,403	\$ 1,317,291	\$ 1,359,293	\$ 1,531,792	\$ 1,531,792

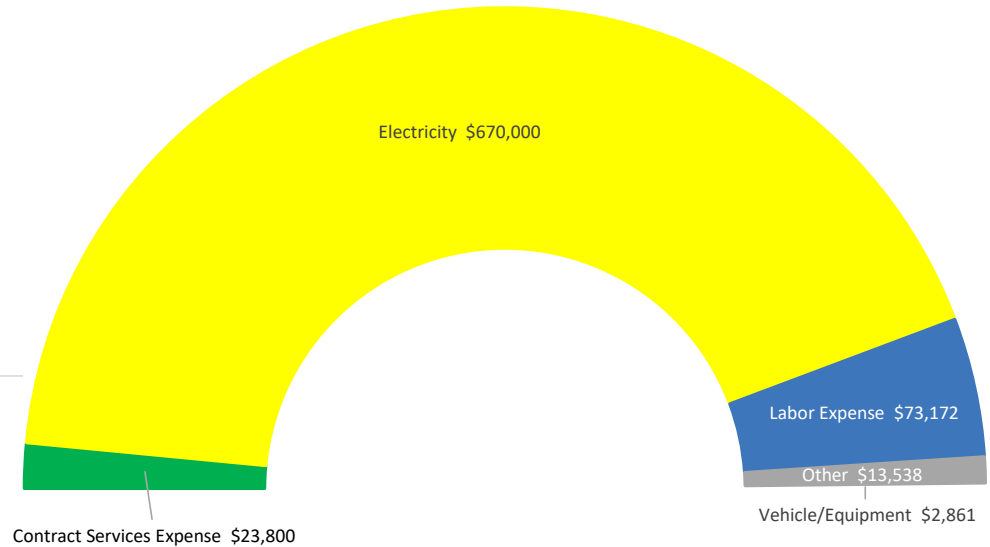
MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Supply Pumping Expenses

Supply Pumping



Budget 22-23



Contract Services - \$23,800

Generator and Pump Maintenance, Weed Spray, Cla-val Maintenance.

Other - \$2,861

Materials and Supplies, Property Insurance, Property Taxes, Storm Drain & Street Fees.

Vehicle/Equipment - \$2,861

Various Service Vehicles / Equipment.

Electricity - \$670,000

Pumping Water at Duff Intake, Duff High Service Pumps, BBS Intake and 3 Pressure Control Stations: Conrad, Martin & Rossanley.

Labor Expense - \$73,172

Regular and Overtime Hours.

\$ 783,371

Total Supply Pumping Expense

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Supply Pumping Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Supply Pumping - Control Equipment							\$ -
<i>Project:</i>	<i>SP-23-201CE</i>						
01-201-7000-00	Loss on Disposal of Assets	-	15,158	-	-	-	
Supply Pumping - Rogue River Intake							\$ 201,488
<i>Project:</i>	<i>SP-23-210RR</i>						
01-210-6200-00	Contract Services Expense	6,827	5,638	10,000	10,000	10,000	
	● Generator and Pump Maintenance						
01-210-6280-00	Electricity	143,319	179,204	160,000	160,000	185,000	
01-210-6385-00	Insurance - Property	862	1,012	1,160	1,160	1,160	
01-210-6403-00	Inventory	-	721	-	-	-	
01-210-6420-00	Labor Expense	2,437	8,175	6,580	1,671	2,138	
01-210-6421-00	Labor Expense - OT	-	1,637	-	-	-	
01-210-6490-00	Materials and Supplies	456	5,600	2,000	6,580	2,000	
01-210-6810-00	Vehicle Expense	-	1,079	-	2,000	1,191	
Supply Pumping - Duff WTP High Service Pumps							\$ 376,138
<i>Project:</i>	<i>SP-23-211PU</i>						
01-211-6200-00	Contract Services Expense	3,368	769	10,000	10,000	10,000	
	● Generator and Pump Maintenance						
01-211-6280-00	Electricity	287,688	359,787	315,000	315,000	362,000	
01-211-6420-00	Labor Expense	2,881	5,314	-	-	2,138	
01-211-6490-00	Materials and Supplies	-	5,506	1,200	3,500	2,000	
Supply Pumping - Big Butte Springs Pumps							\$ 2,865
<i>Project:</i>	<i>SP-23-220PU</i>						
01-220-6200-00	Contract Services Expense	-	-	750	750	-	
	● Pump Maintenance						
01-220-6385-00	Insurance - Property	190	223	255	255	255	
01-220-6403-00	Inventory	571	-	-	-	-	
01-220-6420-00	Labor Expense	2,292	-	-	-	2,610	
01-220-6490-00	Materials and Supplies	81	-	-	-	-	
01-220-6810-00	Vehicle Expense	360	-	-	-	-	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Supply Pumping Expenses (continued)

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Supply Pumping - Rancheria Pumps							\$ 5,383
<i>Project:</i>	<i>SP-23-230RA</i>						
01-230-6200-00	Contract Services Expense	-	846	-	-	-	
01-230-6280-00	Electricity	1,512	4,494	5,000	5,000	5,000	
01-230-6385-00	Insurance - Property	69	81	93	93	93	
01-230-6420-00	Labor Expense - Reg	-	646	-	-	-	
01-230-6490-00	Materials and Supplies	-	-	-	-	-	
01-230-6810-00	Vehicle Expense	-	249	-	-	290	
Supply Pumping - Conrad Pressure Control Station							\$ 69,221
<i>Project:</i>	<i>SP-23-240CO</i>						
01-240-6200-00	Contract Services Expense	51	397	2,050	1,550	1,200	
	● Pump Maintenance; Weed Spray; Cla-val Maintenance						
01-240-6280-00	Electricity	22,833	42,132	37,000	33,000	40,000	
01-240-6385-00	Insurance - Property	480	564	645	645	645	
01-240-6403-00	Inventory	-	-	-	-	-	
01-240-6420-00	Labor Expense	3,349	5,787	9,116	6,832	22,606	
01-240-6421-00	Labor Expense - OT	73	-	455	1,843	1,473	
01-240-6490-00	Materials and Supplies	525	996	1,500	1,500	2,000	
01-240-6660-00	Property Tax	-	-	-	-	-	
01-240-6730-00	Storm Drain	359	387	360	360	375	
01-240-6810-00	Vehicle Expense	335	135	161	611	922	
Supply Pumping - Martin Pressure Control Station							\$ 64,030
<i>Project:</i>	<i>SP-23-241MA</i>						
01-241-6200-00	Contract Services Expense	51	1,670	1,500	2,000	1,500	
	● Pump Maintenance; Weed Spray; Cla-val Maintenance						
01-241-6280-00	Electricity	26,223	36,138	35,000	29,000	38,000	
01-241-6385-00	Insurance - Property	438	514	590	590	590	
01-241-6420-00	Labor Expense	930	12,961	9,116	24,727	19,386	
01-241-6421-00	Labor Expense - OT	698	759	455	3,823	2,455	
01-241-6490-00	Materials and Supplies	323	621	1,000	2,000	1,000	
01-241-6730-00	Storm Drain	898	879	850	850	1,100	

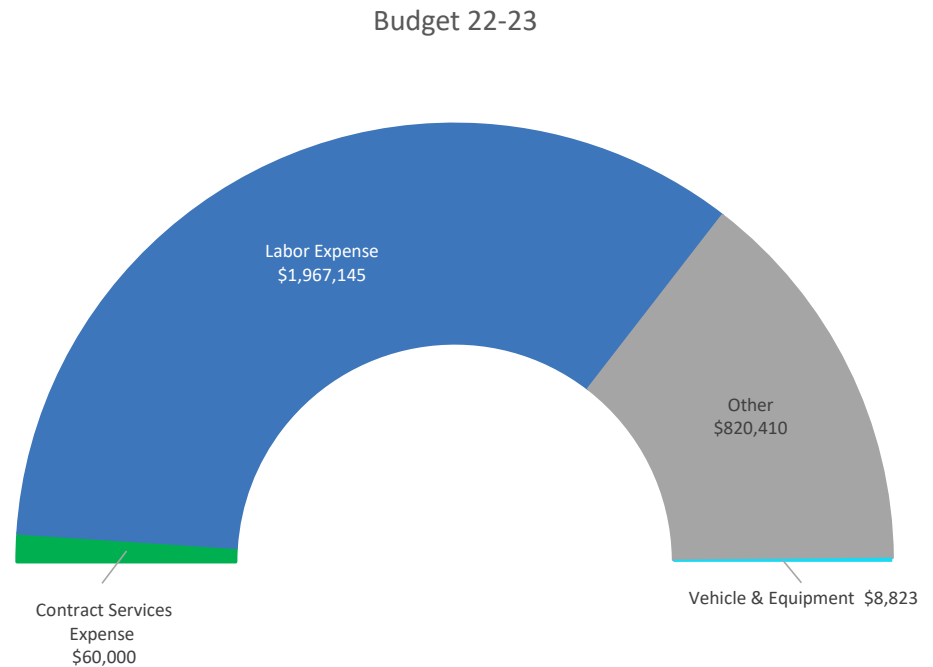
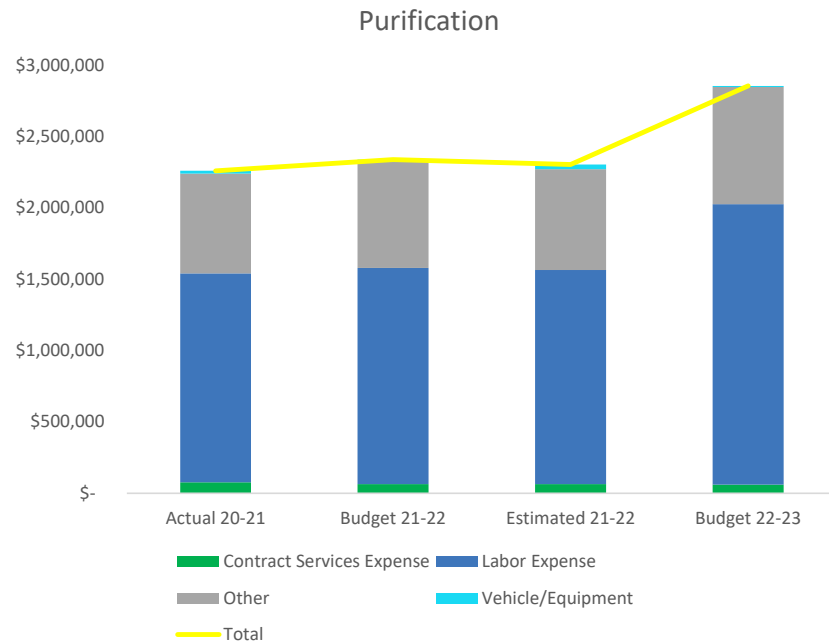
MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Supply Pumping Expenses (continued)

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Supply Pumping - Rossanley Pressure Control Station							\$ 64,246
<i>Project:</i>	<i>SP-23-242RO</i>						
01-242-6200-00	Contract Services Expense	51	397	2,000	1,200	1,100	
	● Pump Maintenance; Weed Spray; Cla-val Maintenance						
01-242-6280-00	Electricity	26,916	33,898	35,000	34,500	40,000	
01-242-6385-00	Insurance - Property	425	499	570	570	570	
01-242-6420-00	Labor Expense	1,802	7,921	9,116	5,035	19,386	
01-242-6421-00	Labor Expense - OT	-	-	455	614	982	
01-242-6490-00	Materials and Supplies	1,302	313	1,500	700	1,500	
01-242-6730-00	Storm Drain	246	227	250	250	250	
01-242-6810-00	Vehicle Expense	210	405	161	161	458	
Totals		\$ 541,434	\$ 743,738	\$ 660,890	\$ 668,370	\$ 783,371	\$ 783,371

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Purification Expenses



Contract Services - \$60,000

WQ Consultant Support, Plant Equipment/Ozone/Generator/Building and Grounds Maintenance.

Labor Expense - \$1,967,145

Regular and Overtime Hours.

Vehicle/Equipment Expense - \$8,823

Various Service Vehicles / Equipment.

Other - \$820,410

Chemicals, Electricity, Equipment, Fees & Permits, Filter Media, Garbage, Materials And Supplies, Miscellaneous, Property Insurance, Sewer, Software Maintenance, Telephone and Water Analysis.

\$ 2,856,378

Total Purification Expense

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Purification Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Purification - Water Quality and Compliance							\$ 412,511
<i>Project:</i>	<i>PU-23-301WQ</i>						
01-301-6200-00	Contract Services Expense	1,135	-	5,000	5,000	5,000	
	● WQ Consultant Support						
01-301-6310-00	Equipment Expense	10,990	1,393	3,000	3,000	5,000	
01-301-6400-00	Internet	83	-	-	-	-	
01-301-6415-00	Lab and Testing Supplies	4,394	1,752	3,000	3,000	3,000	
01-301-6420-00	Labor Expense	194,071	285,829	296,653	229,804	313,936	
01-301-6421-00	Labor Expense - OT/CTE	-	360	-	-	-	
01-301-6490-00	Materials and Supplies	2,441	1,432	2,000	2,000	2,000	
01-301-6715-00	Software Maintenance	3,179	-	3,000	2,200	3,000	
01-301-6770-00	Temporary Labor/Interns	-	-	-	-	-	
01-301-6810-00	Vehicle Expense	3,581	1,979	16,406	16,406	3,575	
01-301-6830-00	Water Analysis - Chemical	24,158	34,559	25,000	24,000	25,000	
01-301-6840-00	Water Analysis - Investigative	16,741	7,483	20,000	17,500	20,000	
01-301-6850-00	Water Analysis - Microbiological	27,454	26,821	32,000	27,000	32,000	
Purification - Corrosion Study							\$ -
<i>Project:</i>	<i>PU-23-305CO</i>						
01-305-6200-00	Contract Services Expense	-	-	-	-	-	
01-305-6420-00	Labor Expense	-	-	-	-	-	
01-305-6490-00	Materials and Supplies	-	-	-	-	-	
01-305-6540-00	Miscellaneous	-	-	-	-	-	
01-305-6810-00	Vehicle Expense	-	-	-	-	-	
01-305-6830-00	Analysis - Chemical	1,185	-	-	-	-	
01-305-6840-00	Analysis - Investigative	-	-	-	-	-	
Purification - Duff Water Treatment Plant Operations							\$ 1,954,433
<i>Project:</i>	<i>PU-23-310OP</i>						
01-310-6090-00	Chemicals - Carbon Dioxide	17,390	20,795	21,000	27,000	24,000	
01-310-6100-00	Chemicals - Chlorine	57,225	88,646	75,000	85,000	93,000	
01-310-6110-00	Chemicals - Coagulants	98,107	139,724	135,000	135,000	178,000	
01-310-6130-00	Chemicals - Other	-	-	-	-	-	
01-310-6150-00	Chemicals - Polymers	18,353	29,422	22,000	22,000	25,000	
01-310-6170-00	Computer Hardware Purchase	1,496	-	-	-	-	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Purification Expenses (continued)

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Purification - Duff Water Treatment Plant Operations							
<i>Project:</i>	<i>PU-23-310OP</i>						
01-310-6200-00	Contract Services Expense	29,357	50,337	28,000	28,000	30,000	
	● Plant Equipment and Generator Maintenance						
01-310-6312-00	Fees and Permits	3,300	44,270	45,000	45,000	45,000	
01-310-6315-00	Filter Media Expense	-	-	-	-	-	
01-310-6330-00	Freight Expense	309	151	-	-	-	
01-310-6345-00	Garbage	94	-	-	-	-	
01-310-6385-00	Insurance - Property	11,047	12,971	14,850	14,850	14,850	
01-310-6420-00	Labor Expense	871,929	960,497	1,020,689	1,085,166	1,458,116	
01-310-6421-00	Labor Expense - OT	37,182	93,397	67,662	73,368	40,990	
01-310-6490-00	Materials and Supplies	20,714	18,565	22,000	34,000	22,000	
01-310-6540-00	Miscellaneous	405	-	-	-	-	
01-310-6675-00	Repair Expense	1,839	-	-	-	-	
01-310-6680-00	Safety Equipment/Expense	-	2,890	-	-	-	
01-310-6684-00	Security	165	-	-	-	-	
01-310-6715-00	Software Maintenance	6,320	5,127	20,000	11,000	10,000	
01-310-6750-00	Telephone	129	-	-	-	-	
01-310-6770-00	Temporary Labor/Interns	166	-	11,000	11,000	11,000	
01-310-6810-00	Vehicle Expense	16,843	14,476	50	16,000	2,477	
Purification - Ozonation							\$ 147,138
<i>Project:</i>	<i>PU-23-311OZ</i>						
01-311-6140-00	Chemicals - Oxygen	36,557	47,201	55,000	55,000	63,000	
01-311-6200-00	Contract Services Expense	14,207	9,015	10,000	10,000	3,000	
	● Ozone and Generator Maintenance						
01-311-6280-00	Electricity	47,773	59,735	64,000	44,000	74,000	
01-311-6310-00	Equipment Expense	-	738	-	-	-	
01-311-6330-00	Freight Expense	98	19	-	-	-	
01-311-6420-00	Labor Expense	5,826	5,014	969	1,508	2,138	
01-311-6490-00	Materials and Supplies	4,443	37,766	15,000	5,000	5,000	
Purification - Duff Water Treatment Plant Building and Grounds							\$ 79,482
<i>Project:</i>	<i>PU-23-312BG</i>						
01-312-6200-00	Contract Services Expense	23,078	16,419	20,000	20,000	20,000	
	● Bulding and Grounds Maintenance						

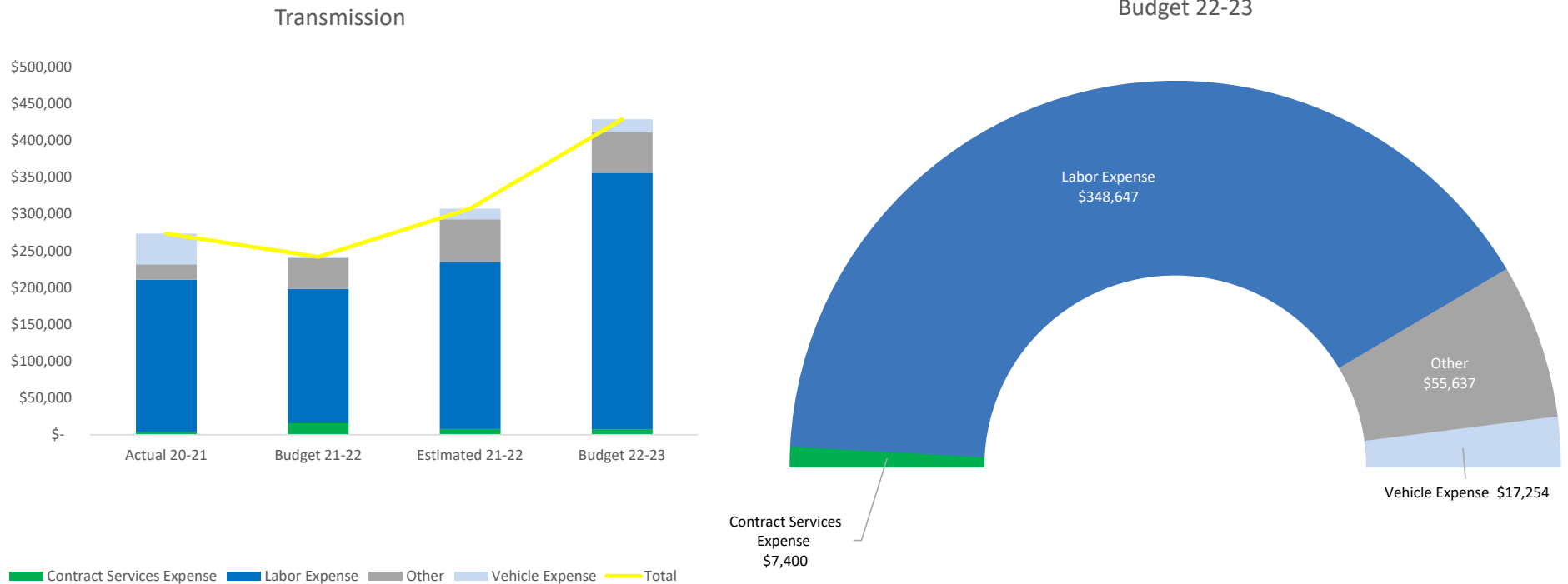
MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Purification Expenses (continued)

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Purification - Duff Water Treatment Plant Building and Grounds							
<i>Project:</i>	<i>PU-23-312BG</i>						
01-312-6312-00	Fees and Permits	83	-	250	250	250	
01-312-6345-00	Garbage	1,552	1,650	1,600	1,600	2,000	
01-312-6385-00	Insurance - Property	25,653	30,121	34,500	34,500	34,500	
01-312-6410-00	Janitorial	2,790	5,289	-	-	-	
01-312-6420-00	Labor Expense	8,491	12,720	7,287	6,457	1,651	
01-312-6490-00	Materials and Supplies	5,931	3,346	15,000	15,000	15,000	
01-312-6680-00	Safety Equipment Expense	540	-	-	-	-	
01-312-6684-00	Security	225	-	-	-	-	
01-312-6688-00	Sewer	625	258	800	800	1,000	
01-312-6750-00	Telephone	4,695	4,934	5,000	5,000	5,000	
01-312-6810-00	Vehicle Expense	75	50	-	-	82	
Purification - Duff Water Treatment Plant Equipment							\$ 1,651
<i>Project:</i>	<i>PU-23-313EQ</i>						
01-313-6420-00	Labor Expense	294	2,972	15,015	1,000	1,651	
01-313-6421-00	Labor Expense - OT	-	-	-	-	-	
01-313-6490-00	Materials and Supplies	-	-	-	-	-	
Purification - Big Butte Springs							\$ 261,164
<i>Project:</i>	<i>PU-23-320BB</i>						
01-320-6100-00	Chemicals - Chlorine	44,805	44,469	50,000	50,000	57,000	
01-320-6200-00	Contract Services Expense	1,725	914	2,000	2,000	2,000	
	● Equipment Maintenance						
01-320-6280-00	Electricity	17,094	15,294	20,000	20,000	23,000	
01-320-6310-00	Equipment Expense	-	862	1,000	1,000	1,500	
01-320-6385-00	Insurance - Property	451	530	610	610	610	
01-320-6400-00	Internet	1,084	1,089	18,000	2,000	15,000	
01-320-6420-00	Labor Expense	114,196	102,085	106,458	98,170	141,454	
01-320-6421-00	Labor Expense - OT	2,238	2,586	-	4,968	7,209	
01-320-6490-00	Materials and Supplies	5,538	3,105	5,000	5,000	6,000	
01-320-6540-00	Miscellaneous	781	2,212	2,500	-	-	
01-320-6650-00	Propane	11	2,145	-	2,496	2,500	
01-320-6750-00	Telephone	1,926	2,426	1,750	1,750	2,200	
01-320-6810-00	Vehicle Expense	2,127	2,583	-	-	2,690	
Totals	Medford Water Adopted 22-23 Budget	\$ 1,856,691	\$ 2,260,423	\$ 2,340,048	\$ 2,305,403	\$ 2,856,378	\$ 2,856,378

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Transmission Expenses



Contract Services - \$7,400

Welding of BBS pipelines #1 & #2 and Weed Control.

Labor Expense - \$348,647

Regular and Overtime Hours.

Other - \$55,637

Chemicals, Electricity, Equipment, Materials & Supplies, and Property Insurance.

Vehicle/Equipment Expense - \$17,254

Various Service Vehicles / Equipment.

\$ 428,938

Total Transmission Expense

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Transmission Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Transmission - Roads						\$	23,998
<i>Project: TR-23-401TR</i>							
01-401-6200-00	Contract Services Expense	-	-	-	-	-	
01-401-6310-00	Equipment Expense	-	7,839	11,000	11,000	11,000	
01-401-6420-00	Labor Expense	-	-	-	900	8,998	
01-401-6490-00	Materials and Supplies	258	229	4,000	4,000	4,000	
01-401-6810-00	Vehicle Expense	-	-	-	-	-	
Transmission - Big Butte Springs Line #1						\$	155,819
<i>Project: TR-23-421BB</i>							
01-421-6200-00	Contract Services Expense	2,757	363	3,000	1,500	3,000	
	● Welding Services						
01-421-6403-00	Inventory	1,026	-	-	-	-	
01-421-6420-00	Labor Expense	84,661	81,339	70,041	79,732	135,761	
01-421-6421-00	Labor Expense - OT	4,334	-	2,323	2,323	-	
01-421-6490-00	Materials and Supplies	2,236	-	7,000	7,000	12,000	
01-421-6770-00	Temporary Labor/Interns	283	-	-	-	-	
01-421-6810-00	Vehicle Expense	6,544	5,965	715	8,215	5,057	
Transmission - Big Butte Springs Line #2						\$	116,848
<i>Project: TR-23-422BB</i>							
01-422-6120-00	Chemicals - Dechlorination	31,896	-	-	-	-	
01-422-6200-00	Contract Services Expense	403	-	2,500	1,250	2,500	
	● Welding Services						
01-422-6420-00	Labor Expense	75,095	66,435	58,256	53,818	97,707	
01-422-6421-00	Labor Expense - OT	-	-	1,532	782	-	
01-422-6490-00	Materials and Supplies	2,133	-	7,000	7,000	10,000	
01-422-6810-00	Vehicle Expense	4,216	5,609	715	2,715	6,641	
Transmission - Cathodic Protection						\$	53,662
<i>Project: TR-23-423BB</i>							
01-423-6280-00	Electricity	4,551	4,471	4,400	4,400	4,600	
01-423-6420-00	Labor Expense	12,476	10,559	19,162	45,934	39,791	
01-423-6421-00	Labor Expense - OT	37	-	-	140	2,455	
01-423-6490-00	Materials and Supplies	275	-	1,500	10,000	5,000	
01-423-6810-00	Vehicle Expense	3,595	14,904	-	1,000	1,817	

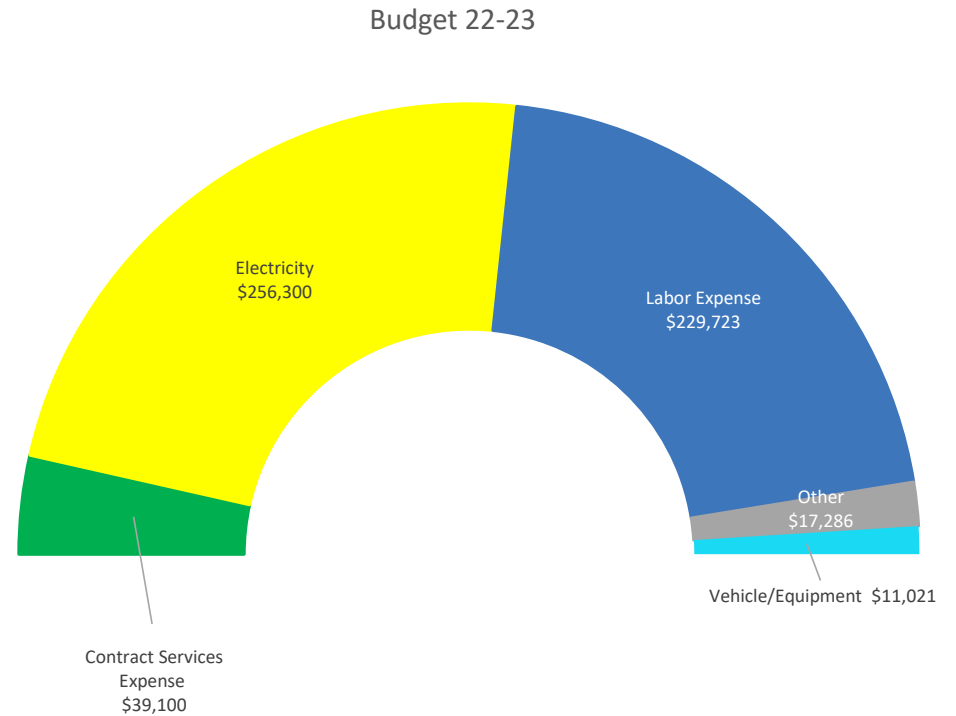
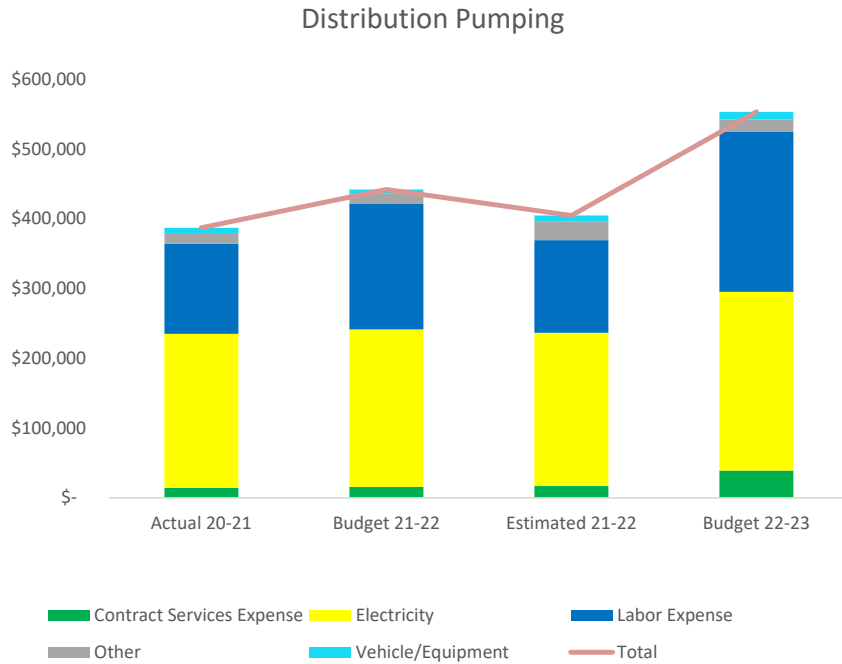
MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Transmission Expenses (continued)

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Transmission - Coal Mine							\$ 71,961
<i>Project: TR-23-440CM</i>							
01-440-6120-00	Chemicals - Dechlorination	-	-	150	-	150	
01-440-6200-00	Contract Services Expense	56	57	5,000	1,000	1,200	
	● Weed Spray; Cla-val Maintenance						
01-440-6280-00	Electricity	1,197	1,306	1,200	1,400	1,500	
01-440-6385-00	Insurance - Property	50	58	67	67	67	
01-440-6403-00	Inventory	-	-	-	-	-	
01-440-6420-00	Labor Expense	12,153	27,213	13,110	34,889	49,164	
01-440-6421-00	Labor Expense - OT	1,307	7,902	3,695	3,431	9,819	
01-440-6490-00	Materials and Supplies	6,102	6,833	5,250	13,250	7,000	
01-440-6810-00	Vehicle Expense	2,942	7,865	161	1,961	3,061	
Transmission - Nichols Gap							\$ 6,650
<i>Project: TR-23-441NG</i>							
01-441-6200-00	Contract Services Expense	51	3,558	5,000	4,000	700	
	● Weed Spray; Cla-val Maintenance						
01-441-6385-00	Insurance - Property	14	17	20	20	20	
01-441-6420-00	Labor Expense	2,488	6,955	14,735	5,000	4,952	
01-441-6421-00	Labor Expense - OT/CTE	-	6,497	-	-	-	
01-441-6490-00	Materials and Supplies	114	33	300	200	300	
01-441-6810-00	Vehicle Expense	2,942	7,440	-	400	678	
Totals		\$ 266,193	\$ 273,448	\$ 241,833	\$ 307,327	\$ 428,938	\$ 428,938

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Distribution Pumping Expenses



Contract Services - \$39,100

Weed Control, Landscaping, Pump Maintenance, COM Propane Motor.

Other - \$17,286

Materials and Supplies, Property Insurance, Storm Drain & Street Fees and Vehicle Expense.

Labor Expense - \$229,723

Regular and Overtime Hours.

Electricity - \$256,300

All Pump Stations: Angelcrest, Archer, Barneburg, Brookdale, Hillcrest, Lone Pine, Pierce Heights, Stanford And Stardust.

Vehicle/Equipment Expense - \$11,021

Various Service Vehicles / Equipment.

\$ 553,430

Total Distribution Pumping Expense

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Distribution Pumping Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Distribution Pumping - Inspections							\$ 99,985
<i>Project: DP-23-500IN</i>							
01-500-6200-00	Contract Services Expense	7,077	7,667	8,000	7,000	26,000	
	• Landscape						
01-500-6420-00	Labor Expense	39,755	44,513	66,956	67,000	65,603	
01-500-6490-00	Materials and Supplies	30	-	250	(0)	300	
01-500-6770-00	Temporary Labor/Interns	211	-	-	-	-	
01-500-6810-00	Vehicle Expense	1,748	7,543	4,147	5,547	8,082	
Distribution Pumping - Angelcrest Pump Station							\$ 54,861
<i>Project: DP-23-570AN</i>							
01-570-6200-00	Contract Services Expense	176	757	450	450	800	
	• Weed Spray; Pump Maintenance						
01-570-6280-00	Electricity	17,173	16,806	18,000	16,500	20,000	
01-570-6385-00	Insurance - Property	64	76	90	90	90	
01-570-6420-00	Labor Expense	2,986	5,912	15,744	11,000	31,132	
01-570-6421-00	Labor Expense - OT	426	3,569	1,065	315	1,964	
01-570-6490-00	Materials and Supplies	10	349	500	3,500	500	
01-570-6730-00	Storm Drain	359	360	350	350	375	
Distribution Pumping - Archer Pump Station							\$ 62,371
<i>Project: DP-23-572AR</i>							
01-572-6200-00	Contract Services Expense	4,524	1,382	1,250	1,250	2,250	
	• Weed Spray; Pump Maintenance; COM Propane Motor						
01-572-6280-00	Electricity	17,640	20,146	19,000	18,000	24,000	
01-572-6385-00	Insurance - Property	473	555	635	635	635	
01-572-6403-00	Inventory	515	-	-	-	-	
01-572-6420-00	Labor Expense	13,712	20,510	14,566	9,664	31,132	
01-572-6421-00	Labor Expense - OT	1,792	1,099	1,065	200	1,964	
01-572-6490-00	Materials and Supplies	2,541	1,182	1,000	2,500	1,500	
01-572-6730-00	Storm Drain	366	333	375	375	375	
01-572-6810-00	Vehicle Expense	1,103	135	315	315	515	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Distribution Pumping Expenses (continued)

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Distribution Pumping - Barneburg Pump Station							\$ 18,374
<i>Project: DP-23-574BA</i>							
01-574-6200-00	Contract Services Expense	2,250	230	1,000	650	1,500	
	• Weed Spray; Pump Maintenance						
01-574-6280-00	Electricity	8,497	9,010	9,500	10,500	11,800	
01-574-6385-00	Insurance - Property	161	189	220	220	220	
01-574-6420-00	Labor Expense	4,682	5,349	1,065	4,393	1,964	
01-574-6490-00	Materials and Supplies	328	2,037	800	2,000	1,200	
01-574-6730-00	Storm Drain	899	659	750	750	775	
01-574-6810-00	Vehicle Expense	250	450	315	315	916	
Distribution Pumping - Brookdale Pump Station							\$ 61,040
<i>Project: DP-23-576BR</i>							
01-576-6200-00	Contract Services Expense	1,040	730	1,000	2,800	2,000	
	• Weed Spray; Pump Maintenance						
01-576-6280-00	Electricity	47,149	43,008	52,000	36,000	38,000	
01-576-6385-00	Insurance - Property	454	533	610	610	610	
01-576-6420-00	Labor Expense	5,254	10,361	14,566	5,066	16,506	
01-576-6421-00	Labor Expense - OT	-	-	1,065	565	1,964	
01-576-6490-00	Materials and Supplies	1,909	659	750	1,650	1,000	
01-576-6730-00	Storm Drain	359	389	370	370	370	
01-576-6810-00	Vehicle Expense	698	450	315	315	590	
Distribution Pumping - Hillcrest Pump Station							\$ 48,722
<i>Project: DP-23-578HC</i>							
01-578-6200-00	Contract Services Expense	3,489	330	500	500	600	
	• Weed Spray; Pump Maintenance						
01-578-6280-00	Electricity	23,197	25,202	26,500	24,500	28,000	
01-578-6385-00	Insurance - Property	74	87	100	100	100	
01-578-6420-00	Labor Expense	7,590	2,434	14,566	5,566	16,506	
01-578-6421-00	Labor Expense - OT	441	-	1,065	2,065	1,964	
01-578-6490-00	Materials and Supplies	540	148	1,000	2,300	800	
01-578-6730-00	Storm Drain	359	392	375	375	380	
01-578-6810-00	Vehicle Expense	600	-	315	315	372	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Distribution Pumping Expenses (continued)

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Distribution Pumping - Lone Pine Pump Station							\$ 86,860
<i>Project: DP-23-580LP</i>							
01-580-6200-00	Contract Services Expense	17,366	1,438	1,000	1,700	1,500	
	• Weed Spray; Pump Maintenance; COM Propane Motor						
01-580-6280-00	Electricity	41,318	46,462	46,000	56,000	63,000	
01-580-6385-00	Insurance - Property	345	405	465	465	465	
01-580-6420-00	Labor Expense	13,496	10,938	14,566	7,066	16,506	
01-580-6421-00	Labor Expense - OT	220	-	1,065	1,065	1,964	
01-580-6490-00	Materials and Supplies	2,156	1,287	1,800	1,800	2,500	
01-580-6730-00	Storm Drain	963	1,071	850	850	925	
01-580-6810-00	Vehicle Expense	2,240	-	315	715	-	
Distribution Pumping - Pierce Heights Pump Station							\$ 34,798
<i>Project: DP-23-582PH</i>							
01-582-6200-00	Contract Services Expense	-	-	-	-	1,200	
01-582-6280-00	Electricity	7,190	13,856	8,000	16,500	21,000	
01-582-6385-00	Insurance - Property	171	201	230	230	230	
01-582-6420-00	Labor Expense	686	4,233	14,566	5,184	9,904	
01-582-6421-00	Labor Expense - OT	588	-	1,065	565	1,964	
01-582-6490-00	Materials and Supplies	25	214	500	2,500	500	
01-582-6810-00	Vehicle Expense	-	-	315	315	-	
Distribution Pumping - Stanford Pump Station							\$ 54,837
<i>Project: DP-23-584SF</i>							
01-584-6200-00	Contract Services Expense	-	330	1,000	500	750	
	• Weed Spray; Pump Maintenance						
01-584-6280-00	Electricity	33,817	40,391	40,000	34,500	42,000	
01-584-6385-00	Insurance - Property	90	105	120	120	120	
01-584-6420-00	Labor Expense	4,333	11,381	14,566	4,566	8,253	
01-584-6421-00	Labor Expense - OT	3,915	3,768	1,065	565	1,964	
01-584-6490-00	Materials and Supplies	481	291	600	1,200	1,000	
01-584-6730-00	Storm Drain	742	713	750	750	750	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

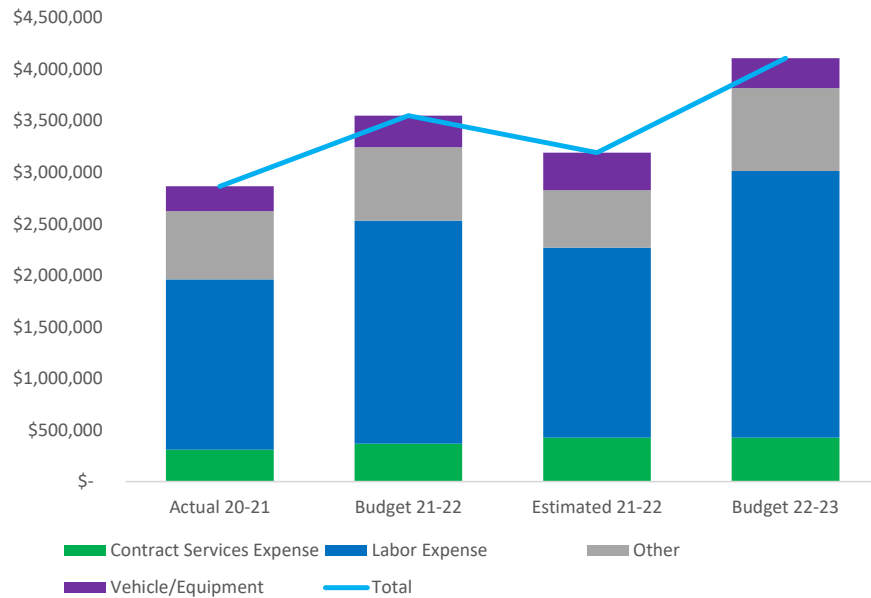
Distribution Pumping Expenses (continued)

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Distribution Pumping - Stardust Pump Station							\$ 31,582
<i>Project: DP-23-586SD</i>							
01-586-6200-00	Contract Services Expense	-	1,351	1,500	2,000	2,500	
	• Weed Spray; Pump Maintenance; COM Propane Motor						
01-586-6280-00	Electricity	6,115	6,251	7,000	7,200	8,500	
01-586-6385-00	Insurance - Property	64	75	86	86	86	
01-586-6403-00	Inventory	404	-	-	-	-	
01-586-6420-00	Labor Expense	5,122	4,742	138	7,138	16,506	
01-586-6421-00	Labor Expense - OT	-	-	1,065	1,065	1,964	
01-586-6490-00	Materials and Supplies	326	1,742	500	2,500	1,000	
01-586-6730-00	Storm Drain	471	463	480	480	480	
01-586-6810-00	Vehicle Expense	233	-	-	400	546	
Totals		\$ 365,774	\$ 387,248	\$ 442,106	\$ 404,636	\$ 553,430	\$ 553,430

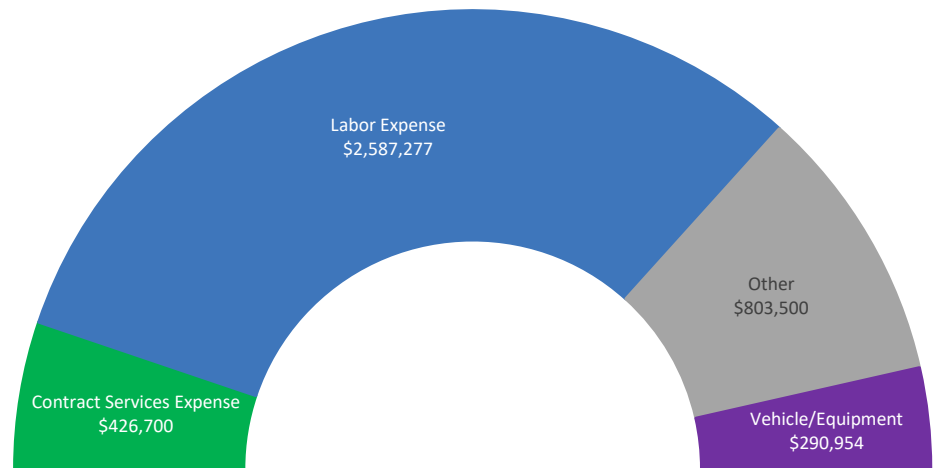
MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Distribution Expenses

Distribution



Budget 22-23



Contract Services - \$426,700

US Cubed, Day Wireless, Asphalt, Sawcutting, and Patching, Sensus AMI Gallon Conversion, Weed Control, Parts Fabrication Tree Service; Landscape; Dive Services; Misc. Engineering

Other - \$803,500

Chemicals, Electricity, Fees & Permits, Inventory, Materials & Supplies, Non-Stock Materials, Property Insurance, Software Maintenance, Storm Drain & Street Fees and Telephone.

Labor Expense - \$2,587,277

Regular and Overtime Hours.

Vehicle Expense - \$290,954

Various Service Vehicles / Equipment.

\$ 4,108,430

Total Distribution Expense

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Distribution Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Distribution - Service Center Control Equipment							\$ 220,025
<i>Project: DI-23-641CE</i>							
01-641-6170-00	Computer Hardware Purchase	-	-	-	-	-	
01-641-6200-00	Contract Services Expense	20,416	19,116	17,300	43,500	25,000	
	● US Cubed; Day Wireless						
01-641-6420-00	Labor Expense	40,935	78,528	108,772	104,000	118,167	
01-641-6421-00	Labor Expense - OT	32,929	42,056	37,864	46,000	52,753	
01-641-6490-00	Materials and Supplies	1,746	4,626	7,500	10,500	7,500	
01-641-6710-00	Software Purchase	-	-	-	-	-	
01-641-6715-00	Software Maintenance	4,137	5,433	8,500	8,500	8,500	
01-641-6750-00	Telephone	1,665	1,723	1,750	1,750	1,900	
01-641-6810-00	Vehicle Expense	-	255	-	6,825	6,205	
Distribution - Service Lines							\$ 584,560
<i>Project: DI-23-642SL</i>							
01-642-6130-00	Chemicals - Other	6,915	6,498	6,000	4,104	4,000	
01-642-6200-00	Contract Services Expense	27,479	29,196	30,000	42,797	40,000	
	● Asphalt, Sawcutting, and Patching						
01-642-6312-00	Fees and Permits	1,296	948	-	888	900	
01-642-6403-00	Inventory	59,720	71,899	75,000	43,987	65,000	
01-642-6420-00	Labor Expense	178,901	244,169	268,320	285,000	366,717	
01-642-6421-00	Labor Expense - OT	25,684	17,406	17,671	38,000	25,201	
01-642-6490-00	Materials and Supplies	15,314	27,873	22,000	26,240	25,000	
01-642-6770-00	Temporary Labor/Interns	2,225	770	-	994	-	
01-642-6810-00	Vehicle Expense	47,407	48,562	48,082	77,706	57,743	
Distribution - Hydrants (Operations)							\$ 353,552
<i>Project: DI-23-643OP</i>							
01-643-6120-00	Chemicals - Dechlorination	180	-	-	-	750	
01-643-6200-00	Contract Services Expense	25,649	24,559	22,000	27,724	26,000	
	● Asphalt, Sawcutting, and Patching						
01-643-6312-00	Fees and Permits	-	418	500	132	500	
01-643-6403-00	Inventory	11,493	7,917	6,000	12,229	12,000	
01-643-6420-00	Labor Expense	228,764	124,009	193,890	46,769	295,349	
01-643-6421-00	Labor Expense - OT	1,058	1,064	2,337	4,634	3,627	
01-643-6490-00	Materials and Supplies	5,474	2,919	5,000	2,158	2,500	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Distribution Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Distribution - Hydrants (Operations) - continued							
<i>Project: DI-23-643OP</i>							
01-643-6560-00	Nonstock Material Expense	-	2,201	1,000	-	1,000	
01-643-6770-00	Temporary Labor/Interns	2,638	133	1,000	957	1,000	
01-643-6810-00	Vehicle Expense	23,795	10,753	10,217	5,042	10,826	
Distribution - Mains							\$ 648,873
<i>Project: DI-23-644MA</i>							
01-644-6100-00	Chemicals - Chlorine	528	-	600	1,137	1,500	
01-644-6120-00	Chemicals - Dechlorination	-	-	400	-	500	
01-644-6130-00	Chemicals - Other	-	840	500	-	500	
01-644-6200-00	Contract Services Expense	10,761	51,840	60,000	63,022	60,000	
	● Paving and Sawcutting						
01-644-6312-00	Fees and Permits	702	896	1,000	5,990	5,000	
01-644-6403-00	Inventory	3,712	6,142	8,000	10,873	9,000	
01-644-6420-00	Labor Expense	69,991	142,879	249,278	220,000	440,793	
01-644-6421-00	Labor Expense - OT	21,684	30,684	24,192	70,000	42,506	
01-644-6490-00	Materials and Supplies	15,387	29,063	25,500	30,509	28,000	
01-644-6540-00	Miscellaneous	-	-	-	200	250	
01-644-6770-00	Temporary Labor/Interns	1,123	367	6,400	994	6,400	
01-644-6810-00	Vehicle Expense	26,991	38,621	49,787	88,051	54,424	
01-644-7000-00	Gain/Loss on Disposal of Fixed Assets	5,678	5,672	-	-	-	
Distribution - Meters							\$ 1,101,566
<i>Project: DI-23-645ME</i>							
01-645-6200-00	Contract Services Expense	1,821	5,460	3,500	2,000	22,500	
	● Sensus AMI Gallon Conversion; Weed Control; Parts Fabrication						
01-645-6312-00	Fees and Permits	-	200	50	50	-	
01-645-6403-00	Inventory	407,390	349,863	385,000	235,000	443,000	
01-645-6420-00	Labor Expense	281,642	288,622	388,379	235,000	530,857	
01-645-6421-00	Labor Expense - OT	2,909	2,652	6,416	4,000	12,254	
01-645-6490-00	Materials and Supplies	18,207	32,614	21,000	11,000	16,000	
01-645-6560-00	Nonstock Material Expense	7,040	-	7,500	7,500	12,000	
01-645-6770-00	Temporary Labor/Interns	2,445	10,410	6,400	34,400	35,000	
01-645-6810-00	Vehicle Expense	39,553	27,267	59,955	34,955	29,956	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Distribution Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Distribution - Reservoirs							\$ 224,732
<i>Project: DI-23-646RE</i>							
01-646-6120-00	Chemicals - Dechlorination	15,068	13,920	16,000	10,000	15,000	
01-646-6200-00	Contract Services Expense	39,353	17,717	25,000	35,000	63,000	
	● Tree Service; Landscape; Dive Services; Misc. Engineering						
01-646-6280-00	Electricity	2,566	2,666	3,000	3,000	3,000	
01-646-6385-00	Insurance - Property	16,914	19,861	22,700	22,700	22,700	
01-646-6420-00	Labor Expense	49,302	92,153	95,214	65,000	95,043	
01-646-6421-00	Labor Expense - OT	1,844	5,659	7,324	3,824	3,437	
01-646-6490-00	Materials and Supplies	4,380	3,413	7,000	12,000	11,000	
01-646-6540-00	Miscellaneous	545	748	-	1,000	500	
01-646-6730-00	Storm Drain	7,413	6,999	7,300	7,300	7,400	
01-646-6770-00	Temporary Labor/Interns	-	1,326	-	-	-	
01-646-6810-00	Vehicle Expense	3,151	1,673	12,063	12,063	3,652	
Distributions - Valves							\$ 758,529
<i>Project: DI-23-647VA</i>							
01-647-6200-00	Contract Services Expense	29,746	49,692	60,000	62,000	40,000	
	● Paving and Sawcutting						
01-647-6312-00	Fees and Permits	852	1,026	1,200	-	1,000	
01-647-6403-00	Inventory	23,793	22,594	35,000	38,620	37,000	
01-647-6420-00	Labor Expense	371,751	518,380	729,037	650,000	517,877	
01-647-6421-00	Labor Expense - OT	32,989	36,517	24,627	42,355	33,676	
01-647-6490-00	Materials and Supplies	7,660	4,680	6,000	9,242	9,000	
01-647-6540-00	Miscellaneous	837	191	500	-	500	
01-647-6770-00	Temporary Labor/Interns	14,919	13,031	15,000	2,393	5,000	
01-647-6810-00	Vehicle Expense	108,992	107,089	97,285	132,000	114,475	
Distributions - Sample Stations							\$ 11,784
<i>Project: DI-23-648SS</i>							
01-648-6200-00	Contract Services Expense	1,200	-	200	-	200	
	● Miscellaneous						
01-648-6403-00	Inventory	-	-	150	-	200	
01-648-6420-00	Labor Expense	3,835	6,103	8,155	5,190	7,745	
01-648-6421-00	Labor Expense - OT	66	-	-	-	-	
01-648-6490-00	Materials and Supplies	16	377	750	-	1,500	

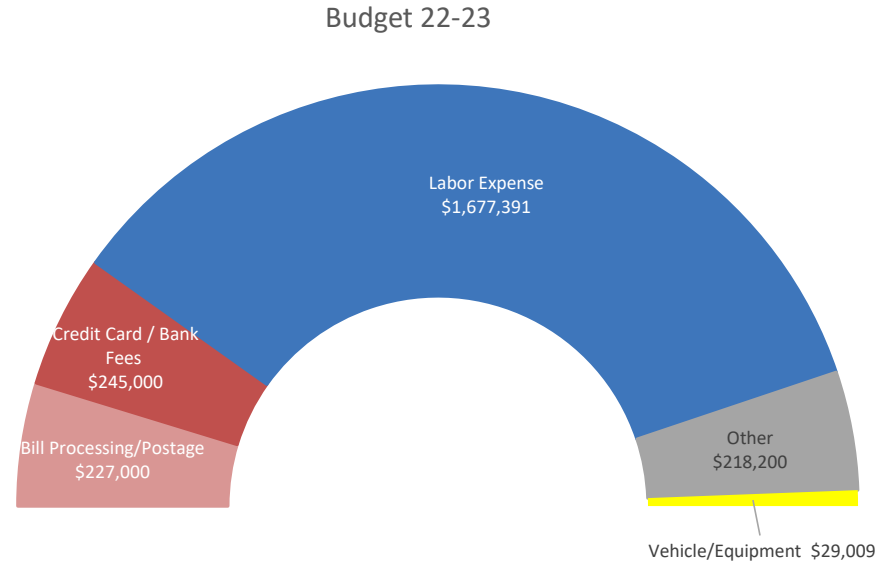
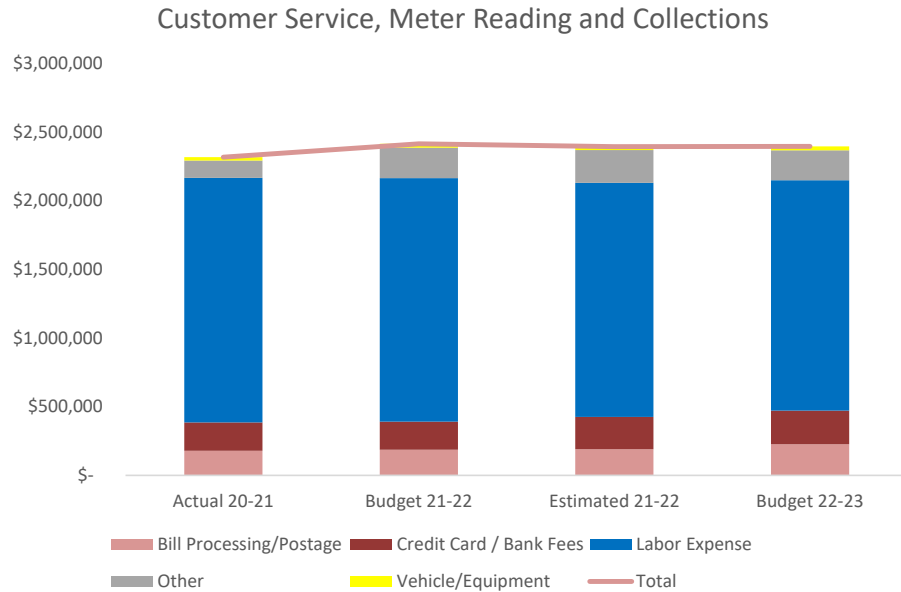
MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Distribution Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Distributions - Sample Stations - (continued)							
<i>Project: DI-23-648SS</i>							
01-648-6770-00	Temporary Labor/Interns	-	265	-	-	-	
01-648-6810-00	Vehicle Expense	410	1,768	1,893	456	2,139	
Distribution - Cross Connection Control							\$ 204,810
<i>Project: DI-23-650CC</i>							
01-650-6200-00	Contract Services Expense	137,881	112,556	150,000	150,000	150,000	
	• Annual Backflow Testing						
01-650-6420-00	Labor Expense	61,959	20,668	3,571	24,011	41,276	
01-650-6490-00	Materials and Supplies	477	965	2,000	2,000	2,000	
01-650-6540-00	Miscellaneous	379	-	-	-	-	
01-650-6810-00	Vehicle Expense	6,332	5,903	25,833	8,000	11,535	
Totals		\$ 2,628,013	\$ 2,865,060	\$ 3,551,365	\$ 3,193,273	\$ 4,108,430	\$ 4,108,430

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Customer Service, Collection and Meter Reading Expenses



Bill Processing/Postage - \$227,000
 Bill Printing and Mailing.

Other - \$218,200
 Bad Debt Expense, Computer Hardware Maintenance, CCR, Newsletter, Courier Expense, Emergency Payment Assistance, Maintenance & Equipment, Materials & Supplies, Printing, Software Maintenance.

Vehicle Expense - \$29,009
 Various Service Vehicles / Equipment.

Credit Card/Bank Fees - \$245,000
 Bank Fees and Credit Card Processing Fees.

Labor Expense - \$1,677,391
 Regular & Overtime Hours – Meter Turn-Ons, Turn-Offs and Collections.

\$ 2,396,600
Total Customer Service Expense

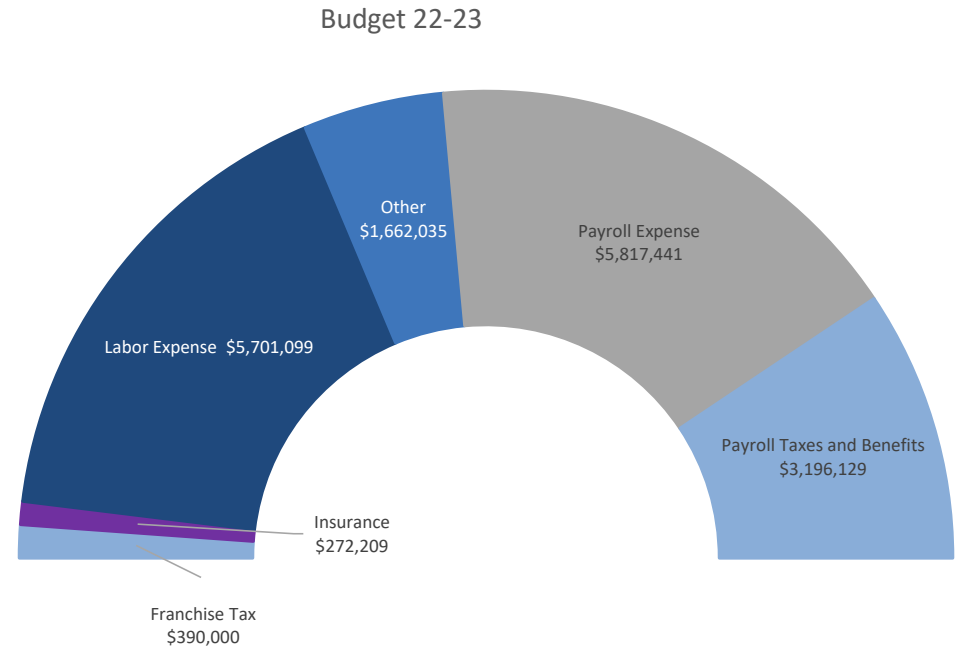
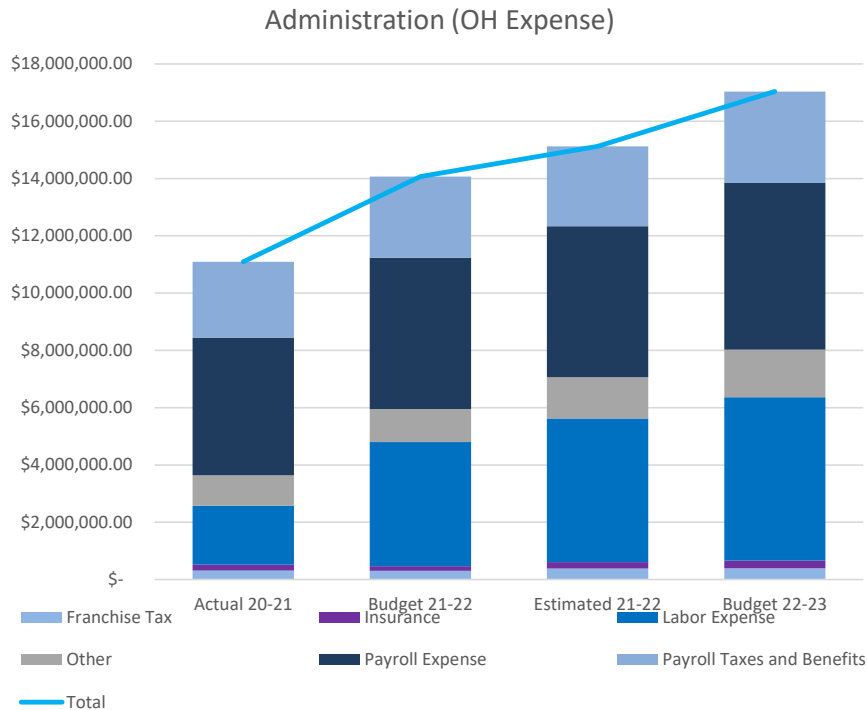
MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Customer Service, Collection and Meter Reading Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Customer Service							\$ 1,904,782
<i>Project: MWC-23-761CS</i>							
01-761-6020-00	Bad Debt Expense	773	784	10,000	57,000	15,000	
01-761-6030-00	Bank Fees	189,243	206,344	205,000	235,000	245,000	
01-761-6040-00	Bill Processing/Outsource	36,588	35,764	40,000	43,967	45,000	
01-761-6060-00	Cash Short	(16)	(0)	-	1	-	
01-761-6070-00	CCR, Newsletter & Misc. Info	-	-	21,300	-	16,000	
01-761-6170-00	Computer Hardware Purchase	1,408	-	-	-	-	
01-761-6175-00	Computer Hardware Maintenance	1,487	1,117	2,000	1,713	2,000	
01-761-6210-00	Courier Expense	4,060	1,663	4,000	5,481	5,500	
01-761-6290-00	Emergency Payment Assistance	-	765	15,000	-	10,000	
01-761-6300-00	Envelopes and Bill Insertion	4,276	6,018	12,000	166	12,000	
01-761-6420-00	Labor Expense	949,453	1,111,419	1,031,711	890,000	1,218,582	
01-761-6421-00	Labor Expense - OT	1,062	4,999	3,242	55	-	
01-761-6480-00	Maintenance Equipment	1,582	1,619	1,500	686	1,500	
01-761-6490-00	Materials and Supplies	75	387	-	1,120	1,000	
01-761-6540-00	Miscellaneous	1,258	-	1,000	229	500	
01-761-6620-00	Postage	129,874	137,069	135,000	146,000	170,000	
01-761-6630-00	Printing	2,315	707	1,200	-	1,200	
01-761-6715-00	Software Maintenance	77,822	117,551	161,300	168,300	161,500	
01-761-6770-00	Temporary Labor/Interns	4,073	-	-	-	-	
01-761-6810-00	Vehicle Expense	1,367	-	-	-	-	
Meter Reading							\$ 491,818
<i>Project: MWC-23-762MR</i>							
01-762-6400-00	Internet	464	-	-	-	-	
01-762-6420-00	Labor Expense	612,750	645,648	713,217	794,555	437,853	
01-762-6421-00	Labor Expense - OT	22,655	20,040	24,415	21,228	20,955	
01-762-6490-00	Materials and Supplies	749	1,275	4,000	4,000	4,000	
01-762-6540-00	Miscellaneous	-	-	-	-	-	
01-762-6810-00	Vehicle Expense	21,767	24,518	29,116	24,116	29,009	
Totals		\$ 2,065,084	\$ 2,317,685	\$ 2,415,001	\$ 2,393,615	\$ 2,396,600	\$ 2,396,600

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Administration and Clearing Account Expenses



Administration Home/Clearing

Franchise Tax - \$390,000
 Franchise Tax Payments To The City Of Medford

Payroll Expense - \$5,817,441

Payroll Taxes & Benefits - \$3,196,129

Labor Expense - \$5,701,099
 Regular & Overtime Hours.

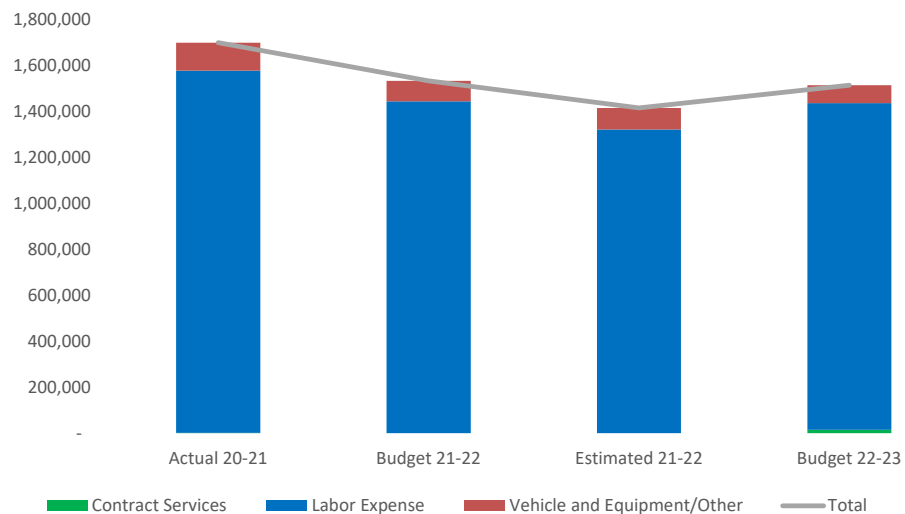
Other - \$1,662,035
 Advertising, Amortization, Answering Service, Audits & Accounting, Bank Fees, Benefits, Board & Commissioner, City Recorder, Computer Expense, Water Efficiency Grants & Incentives, Contract Services, Dues & Subscriptions, Electricity, Freight, Garbage, Grants, Internet, Investments, Janitorial, Landscaping, Legal, Materials & Supplies, Meeting Expense, Miscellaneous, Professional License, Safety Equipment, Safety Program, Small Tools, Storm Drain & Street Fees, Telephone, Training, Uniforms, Vacation/Comp-Time, Vehicle Expense, Website And Wellness Program.

Insurance - \$272,209
 General Liability, Property And Workers Compensation

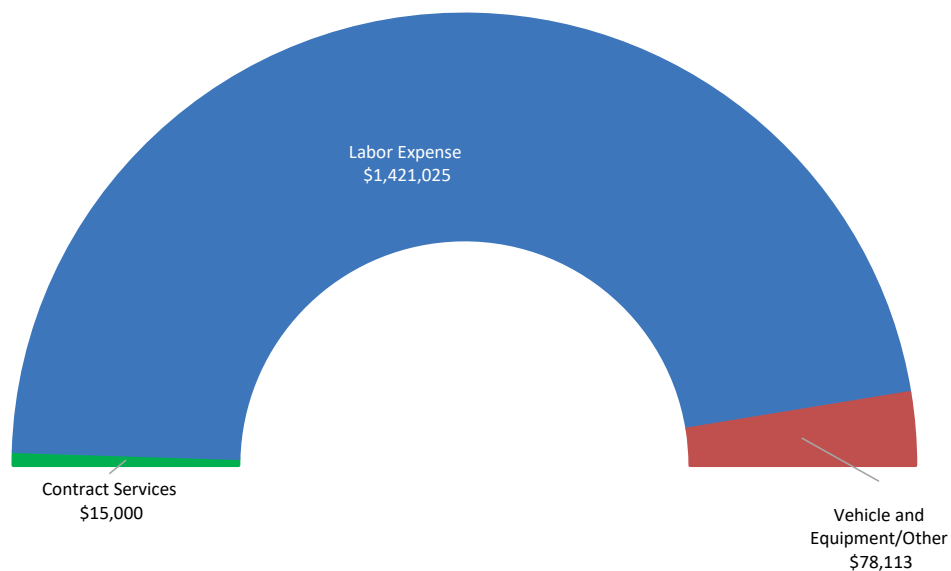
MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Engineering - Maps and Records, Technical Assistance and Patrolling Expense Summary

Engineering - Maps and Records, Technical Assistance, and Inspection



Budget 22-23



Other - \$78,113

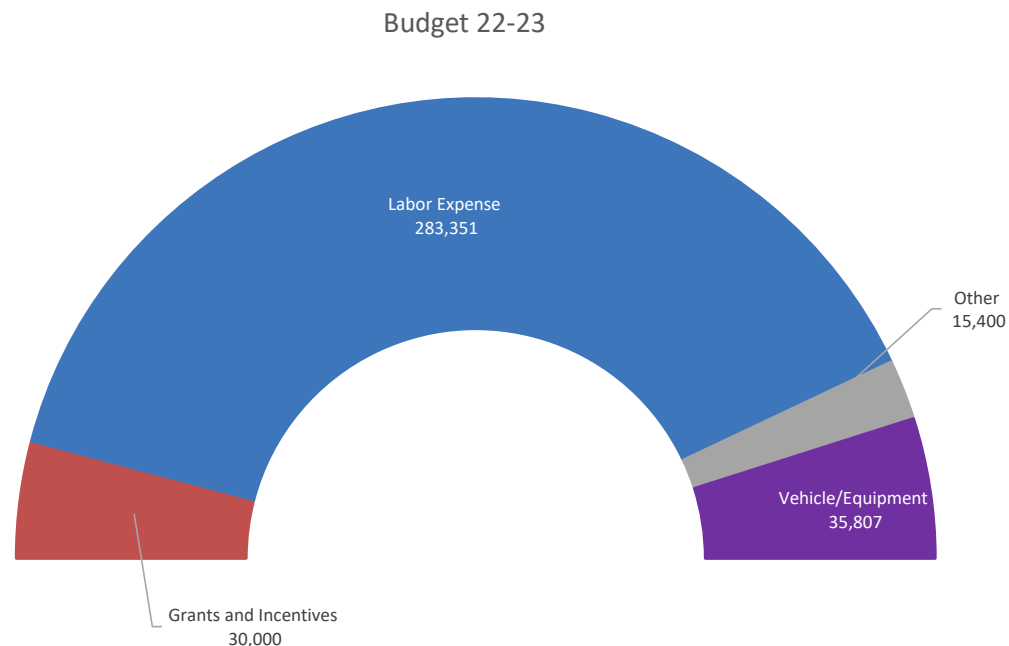
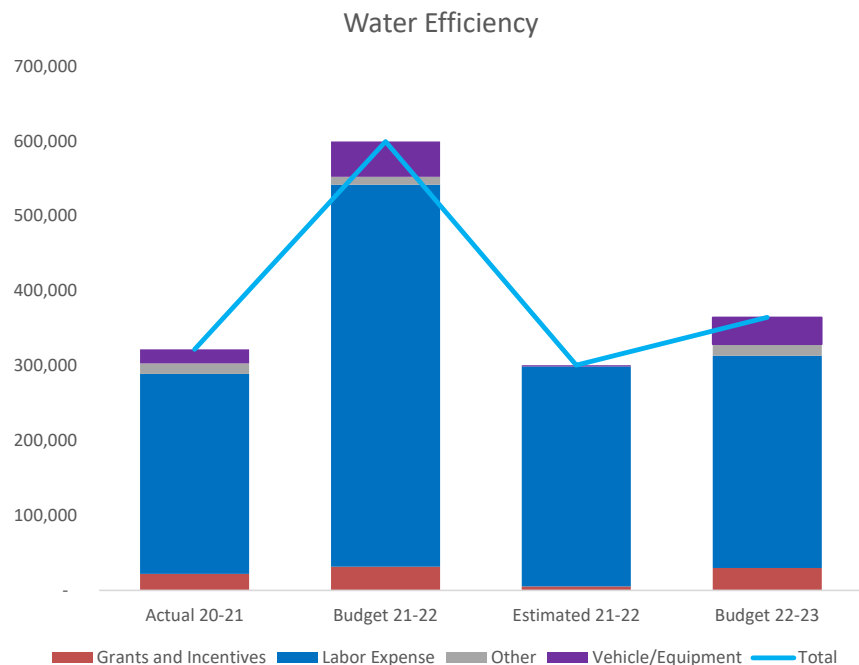
Locates, Materials & Supplies, Miscellaneous, Recording Fees, Software Maintenance, and Various Service Vehicles / Equipment.

\$ 1,514,137

Total Engineering Expense

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Water Efficiency Expense Summary



Grants and Incentives - \$30,000
Regular and Overtime Hours.

Labor Expense - \$283,351
Regular and Overtime Hours.

Vehicle & Equipment - \$ 35,807
Service Vehicles.

Other - \$15,400
Locates, Materials & Supplies, Miscellaneous,
Recording Fees and Software Maintenance.

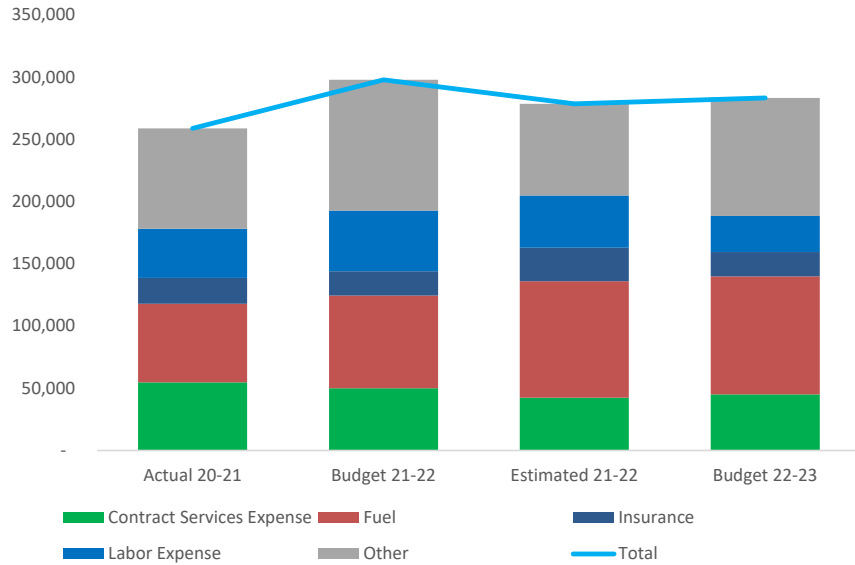
\$ 364,558

Total Water Efficiency Expense

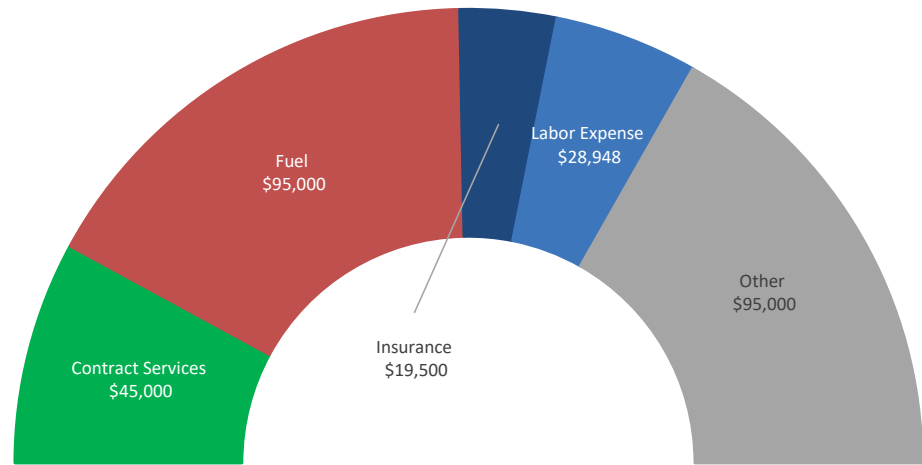
MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Transportation and Fleet/Clearing Expense Summary

Fleet - Vehicles and Equipment



Budget 22-23



Transportation and Fleet Clearing

Contract Services - \$45,000
 Fleet Maintenance for the City of Medford.

Fuel - \$95,000
 Fuel for Small Equipment.

Insurance - \$19,500
 Auto and Equipment.

Labor Expense - \$28,948
 Regular and Overtime Hours.

Other - \$95,000
 Materials & Supplies.

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Administration and Clearing Account Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Robert A. Duff Water Treatment Plant (Clearing/Home Account)							
<i>Project: MWC-23-710RR</i>							
01-710-6000-00	Advertising	574	1,495	1,368	4,337	2,850	
01-710-6005-00	Amortization Expense	21,068	21,595	20,015	20,015	20,015	
01-710-6015-00	Audits and Accounting	4,662	4,491	5,700	12,544	7,600	
01-710-6050-00	Board/Commissioner Expense	-	-	190	190	190	
01-710-6065-00	Cafeteria Expense	385	357	285	-	475	
01-710-6155-00	City Recorder	1,255	-	-	-	-	
01-710-6170-00	Computer Hardware Purchase	2,087	966	5,000	4,068	8,000	
01-710-6175-00	Computer Hardware Maintenance	-	1,178	2,400	6,400	4,000	
01-710-6200-00	Contract Services Expense	44,943	44,946	38,000	134,226	85,500	
	● SDC, Financial Plan & Rate Setting, Legal (Employment/Bond/Other), Financial Advisor, Strategic Planning, Ph 1 Water Distribution Master Plan, Other Planning Support						
01-710-6215-00	Damages	-	-	4,750	4,700	4,750	
01-710-6230-00	Dental Insurance	19,652	20,253	19,014	25,399	20,709	
01-710-6245-00	Disability Expense	3,377	3,772	3,500	-	3,800	
01-710-6250-00	Dues and Subscriptions	3,486	4,544	6,120	6,120	6,120	
01-710-6325-00	Franchise Tax	56,221	59,107	57,000	78,000	74,100	
01-710-6390-00	Insurance - Workers Comp	13,891	10,770	12,003	-	33,056	
01-710-6395-00	Insurance - General Liability	17,106	60,704	23,465	32,542	31,350	
01-710-6400-00	Internet	431	566	9,500	23,850	58,000	
01-710-6405-00	Investment Expense	2,400	1,710	2,500	2,400	2,500	
01-710-6410-00	Janitorial	1,185	779	1,000	1,000	1,000	
01-710-6420-00	Labor Expense	488,464	487,592	1,133,830	1,327,491	1,605,082	
01-710-6421-00	Labor Expense - OT	1,042	26,139	-	3,000	-	
01-710-6455-00	Legal	2,966	4,442	4,750	4,518	4,750	
01-710-6460-00	Life Insurance	990	990	1,000	-	1,090	
01-710-6490-00	Materials and Supplies	1,251	1,067	500	-	1,000	
01-710-6520-00	Medical Insurance	235,941	205,673	247,345	269,000	255,503	
01-710-6530-00	Medicare	12,424	13,894	16,011	17,538	15,977	
01-710-6535-00	Meeting Expense	583	274	1,500	1,500	1,500	
01-710-6540-00	Miscellaneous	573	2,400	500	500	2,000	
01-710-6555-00	Network	7,481	7,291	7,245	8,000	7,245	
01-710-6568-00	Occupational Health	(4,397)	291	1,000	-	1,000	
01-710-6570-00	Office Equipment	4,744	1,677	2,600	2,600	1,200	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Administration and Clearing Account Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Robert A. Duff Water Treatment Plant (Clearing/Home Account)							
<i>Project: MWC-23-710RR</i>							
01-710-6580-00	Office Supplies	2,051	2,070	1,500	1,500	1,500	
01-710-6595-00	Payroll Expense	863,654	942,514	1,104,240	1,024,000	1,101,862	
01-710-6600-00	PERS Retirement	121,447	138,093	149,976	154,000	179,689	
01-710-6620-00	Postage	7	49	-	-	-	
01-710-6630-00	Printing	43	-	-	-	-	
01-710-6640-00	Professional License	1,165	1,187	2,000	2,000	2,000	
01-710-6650-00	Propane	-	6,047	-	-	-	
01-710-6680-00	Safety Equipment	5,112	1,732	3,000	3,000	3,000	
01-710-6685-00	Safety Program	1,553	706	1,000	-	1,000	
01-710-6690-00	Small Tools	-	85	500	500	500	
01-710-6700-00	Social Security	49,871	55,440	68,463	74,992	68,315	
01-710-6710-00	Software Purchase	1,867	1,287	11,610	4,610	8,700	
01-710-6715-00	Software Maintenance	14,873	22,898	30,815	22,815	35,020	
01-710-6720-00	Special Events	620	1,422	2,850	-	2,850	
01-710-6750-00	Telephone	-	-	-	-	-	
01-710-6770-00	Temporary Labor/Interns	-	3,162	-	-	-	
01-710-6780-00	Training	5,134	1,700	10,800	15,800	12,000	
01-710-6790-00	Uniforms	1,534	-	1,000	1,000	1,000	
01-710-6795-00	Vacation / Comp Time	19,463	46,150	10,500	(18,939)	15,000	
01-710-6805-00	Veba	16,500	29,225	36,028	33,920	35,927	
01-710-6810-00	Vehicle Expense	2,024	1,208	2,071	249	704	
01-710-6870-00	Website Expense	-	274	143	-	475	
01-710-6890-00	Wellness Program	222	178	780	-	780	
01-710-8000-00	Labor Clearing	(738,389)	(812,371)	(923,740)	(812,051)	(942,939)	
01-710-8001-00	Overhead Clearing - Duff Water Treatment Plant	(1,241,121)	(1,470,806)	(2,141,624)	(2,094,034)	(2,787,745)	
Service Center (Clearing/Home Account)							
<i>Project: MWC-23-730SC</i>							
01-730-6000-00	Advertising	1,727	1,930	2,736	4,584	5,780	
01-730-6005-00	Amortization Expense	38,976	38,975	40,029	40,029	35,816	
01-730-6010-00	Answering Service	3,253	3,692	4,000	3,819	4,000	
01-730-6015-00	Audits and Accounting	8,625	8,745	11,400	22,581	13,600	
01-730-6050-00	Board/Commissioner Expense	-	-	380	-	340	
01-730-6065-00	Cafeteria Expense	1,313	752	570	930	850	
01-730-6080-00	Cell Phone Expense	-	-	9,600	-	14,000	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Administration and Clearing Account Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Service Center (Clearing/Home Account)							
<i>Project: MWC-23-730SC</i>							
01-730-6155-00	City Recorder	2,322	-	-	-	-	
01-730-6170-00	Computer Hardware Purchase	10,539	5,672	17,250	-	50,800	
01-730-6175-00	Computer Hardware Maintenance	-	2,180	4,440	4,122	7,400	
01-730-6200-00	Contract Services Expense	116,632	92,433	76,000	135,000	153,000	
	● SDC, Financial Plan & Rate Setting, Legal (Employment/Bond/Other), Financial Advisor, Strategic Planning, Ph 1 Water Distribution Master Plan, Other Planning Support						
01-730-6215-00	Damages	12,882	619	9,500	-	8,500	
01-730-6230-00	Dental Insurance	37,837	37,089	38,791	38,575	39,882	
01-730-6245-00	Disability Expense	6,065	6,294	6,300	7,237	6,300	
01-730-6250-00	Dues and Subscriptions	6,159	8,622	7,400	-	7,400	
01-730-6280-00	Electricity	13,990	15,395	15,000	11,090	15,000	
01-730-6310-00	Equipment Expense	8	-	-	-	-	
01-730-6325-00	Franchise Tax	104,008	115,103	114,000	140,000	132,600	
01-730-6330-00	Freight Expense	747	479	500	881	500	
01-730-6345-00	Garbage	3,235	3,304	3,400	3,909	3,400	
01-730-6385-00	Insurance - Property	1,370	1,609	1,840	2,175	1,840	
01-730-6390-00	Insurance - Workers Comp	25,966	19,938	19,817	17,014	59,332	
01-730-6395-00	Insurance - General Liability	54,153	40,482	46,930	64,297	56,100	
01-730-6400-00	Internet	6,177	7,084	9,000	10,448	22,000	
01-730-6403-00	Inventory	-	108	-	-	-	
01-730-6404-00	Inventory Adjustments	4,327	(6,207)	-	701	-	
01-730-6405-00	Investment Expense	4,440	3,330	4,500	4,320	4,500	
01-730-6410-00	Janitorial	31,580	32,829	30,000	34,000	33,000	
01-730-6420-00	Labor Expense	921,797	947,964	2,071,896	2,245,000	2,427,139	
01-730-6421-00	Labor Expense - OT	2,505	19,087	4,380	8,401	2,484	
01-730-6450-00	Landscaping Expense	3,228	3,305	3,300	3,300	3,300	
01-730-6455-00	Legal	5,516	8,619	9,500	8,132	8,500	
01-730-6460-00	Life Insurance	1,988	2,033	2,000	-	2,080	
01-730-6490-00	Materials and Supplies	16,764	17,399	17,000	13,762	18,000	
01-730-6520-00	Medical Insurance	420,600	430,646	493,881	413,000	472,989	
01-730-6530-00	Medicare	22,526	24,228	27,520	27,838	28,677	
01-730-6535-00	Meeting Expense	422	-	400	524	400	
01-730-6540-00	Miscellaneous	4,551	611	500	1,001	750	
01-730-6550-00	Natural Gas	5,626	6,118	5,500	4,069	6,000	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Administration and Clearing Account Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Service Center (Clearing/Home Account)							
<i>Project: MWC-23-730SC</i>							
01-730-6555-00	Network	13,839	14,199	14,490	14,490	12,965	
01-730-6565-00	Obsolescence	1,093	-	-	1,169	-	
01-730-6568-00	Occupational Health	2,300	2,468	5,000	-	5,000	
01-730-6570-00	Office Equipment	1,217	2,200	1,000	2,269	2,200	
01-730-6580-00	Office Supplies	2,892	1,689	2,800	1,549	2,800	
01-730-6595-00	Payroll Expense	1,569,663	1,707,835	1,822,964	1,750,000	1,902,731	
01-730-6600-00	PERS Retirement	274,626	304,159	349,385	310,000	367,833	
01-730-6620-00	Postage	7	96	-	66	-	
01-730-6630-00	Printing	39	80	-	-	-	
01-730-6640-00	Professional License	-	-	800	-	800	
01-730-6680-00	Safety Equipment	9,439	6,494	10,000	-	10,000	
01-730-6685-00	Safety Program	709	1,027	1,500	5,597	1,500	
01-730-6690-00	Small Tools	21,138	23,313	20,000	29,688	23,000	
01-730-6700-00	Social Security	89,186	100,677	117,674	119,031	122,619	
01-730-6710-00	Software Purchase	2,280	2,507	21,478	7,978	16,095	
01-730-6715-00	Software Maintenance	27,221	39,954	49,833	43,833	60,162	
01-730-6720-00	Special Events	1,783	3,309	5,700	9,907	5,100	
01-730-6730-00	Storm Drain	6,297	5,839	6,300	6,843	6,300	
01-730-6750-00	Telephone	10,176	10,011	10,000	14,447	10,000	
01-730-6770-00	Temporary Labor/Interns	2,848	1,072	-	479	-	
01-730-6780-00	Training	8,929	11,382	12,000	6,382	22,500	
01-730-6790-00	Uniforms	15,560	16,400	15,500	18,500	19,000	
01-730-6795-00	Vacation / Comp Time	44,390	67,619	10,500	10,000	15,000	
01-730-6805-00	Veba	27,950	35,550	63,306	60,275	66,593	
01-730-6810-00	Vehicle Expense	20,207	27,503	4,237	7,076	15,931	
01-730-6870-00	Website Expense	-	533	285	-	850	
01-730-6890-00	Wellness Program	354	347	1,440	22	1,500	
01-730-8000-00	Labor Clearing	(1,336,023)	(1,415,358)	(1,524,979)	(1,348,360)	(1,692,481)	
01-730-8001-00	Overhead Clearing	(2,176,515)	(2,919,594)	(4,130,475)	(3,785,269)	(4,644,257)	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Administration and Clearing Account Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Lausman Annex (Clearing/Home Account)							
<i>Project: MWC-23-760AX</i>							
01-760-6000-00	Advertising	11,546	9,130	3,096	13,872	7,990	
01-760-6005-00	Amortization Expense	45,296	44,770	45,296	45,296	49,510	
01-760-6015-00	Audits and Accounting	10,368	10,749	12,900	28,300	18,800	
01-760-6020-00	Bad Debt Expense	0	-	-	-	-	
01-760-6030-00	Bank Fees	6,101	9,163	10,000	9,419	10,000	
01-760-6060-00	Cash Short	0	14	-	-	-	
01-760-6065-00	Cafeteria Expense	1,264	1,018	645	1,137	1,175	
01-760-6080-00	Cell Phone Expense	-	-	2,000	-	2,000	
01-760-6155-00	City Recorder	2,699	-	-	-	-	
01-760-6165-00	Board/Commissioner Expense	801	959	430	1,709	470	
01-760-6170-00	Computer Hardware Purchase	19,794	23,883	20,250	20,050	47,200	
01-760-6175-00	Computer Hardware Maintenance	3,513	4,093	5,160	5,672	8,600	
01-760-6200-00	Contract Services Expense	138,626	147,126	86,000	210,000	211,500	
	● SDC, Financial Plan & Rate Setting, Legal (Employment/Bond/Other), Financial Advisor, Strategic Planning, Ph 1 Water Distribution Master Plan, Other Planning Support						
01-760-6213-00	Credit Card Processing Fees	371	431	-	400	400	
01-760-6215-00	Damages	-	-	10,750	11,000	11,750	
01-760-6225-00	Deferred Compensation	-	15,263	-	12,428	12,000	
01-760-6230-00	Dental Insurance	40,547	41,661	42,857	49,760	56,062	
01-760-6245-00	Disability Expense	7,495	7,841	8,000	9,362	8,000	
01-760-6250-00	Dues and Subscriptions	15,035	19,501	25,000	28,693	25,000	
01-760-6280-00	Electricity	22,861	19,773	25,000	19,821	25,000	
01-760-6325-00	Franchise Tax	120,875	136,879	129,000	170,000	183,300	
01-760-6330-00	Freight Expense	482	296	1,000	1,000	1,000	
01-760-6385-00	Insurance - Property	303	355	410	439	410	
01-760-6390-00	Insurance - Workers Comp	29,933	23,260	3,526	33,061	12,571	
01-760-6395-00	Insurance - General Liability	36,779	48,141	53,105	72,924	77,550	
01-760-6400-00	Internet	12,483	13,894	11,000	26,227	15,000	
01-760-6405-00	Investment Expense	6,514	8,210	5,200	6,530	8,000	
01-760-6410-00	Janitorial	30,963	32,070	30,000	32,000	33,000	
01-760-6420-00	Labor Expense	657,066	571,861	1,132,822	1,420,000	1,666,394	
01-760-6421-00	Labor Expense - OT	21,911	9,049	-	6,391	-	
01-760-6430-00	Labor Overhead Applied - Annex	-	-	-	-	-	
01-760-6450-00	Landscaping Expense	3,624	3,727	3,500	-	3,500	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Administration and Clearing Account Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Lausman Annex (Clearing/Home Account)							
<i>Project: MWC-23-760AX</i>							
01-760-6455-00	Legal	6,427	10,321	10,750	22,495	11,750	
01-760-6460-00	Life Insurance	2,319	2,402	2,600	3,067	2,890	
01-760-6485-00	Management Expense	1,042	-	-	-	-	
01-760-6490-00	Materials and Supplies	1,985	734	500	476	1,000	
01-760-6500-00	Meals	404	-	-	215	-	
01-760-6520-00	Medical Insurance	486,679	504,000	547,089	528,000	664,921	
01-760-6530-00	Medicare	28,544	30,599	33,060	40,252	39,699	
01-760-6535-00	Meeting Expense	4,788	87	6,500	2,545	6,500	
01-760-6540-00	Miscellaneous	3,179	1,491	1,000	2,755	1,000	
01-760-6550-00	Natural Gas	6,391	7,870	6,500	10,144	9,970	
01-760-6555-00	Network	16,084	16,885	16,397	17,180	17,922	
01-760-6568-00	Occupational Health	(763)	317	2,500	50	2,500	
01-760-6570-00	Office Equipment	14,708	4,903	4,000	8,628	6,500	
01-760-6580-00	Office Supplies	11,398	6,900	10,200	6,946	10,200	
01-760-6595-00	Payroll Expense	1,993,878	2,157,952	2,354,971	2,500,000	2,812,848	
01-760-6600-00	PERS Retirement	276,834	291,031	316,439	370,000	430,498	
01-760-6620-00	Postage	77	1,145	2,000	421	2,000	
01-760-6630-00	Printing	694	428	1,000	1,236	1,000	
01-760-6640-00	Professional License	-	38	500	670	500	
01-760-6680-00	Safety Equipment	161	2,562	250	1,776	250	
01-760-6685-00	Safety Program	(780)	(9,607)	2,000	7,326	2,000	
01-760-6700-00	Social Security	128,976	134,062	141,358	145,000	169,747	
01-760-6710-00	Software Purchase	9,249	4,717	24,962	11,162	18,705	
01-760-6715-00	Software Maintenance	35,427	54,104	59,228	59,728	71,718	
01-760-6720-00	Special Events	1,679	7,752	6,450	17,009	7,050	
01-760-6730-00	Storm Drain	3,962	3,684	4,150	4,317	4,150	
01-760-6750-00	Telephone	2,249	5,023	1,000	4,169	5,000	
01-760-6770-00	Temporary Labor/Interns	28,401	4,980	15,000	-	15,000	
01-760-6780-00	Training	13,693	3,587	24,300	15,846	30,600	
01-760-6783-00	Travel Expense	2,485	-	-	2,692	-	
01-760-6790-00	Uniforms	680	361	500	500	500	
01-760-6795-00	Vacation / Comp Time	26,298	10,287	10,500	13,000	15,000	
01-760-6805-00	Veba	39,768	98,551	73,854	85,000	88,829	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Administration and Clearing Account Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Lausman Annex (Clearing/Home Account)							
<i>Project: MWC-23-760AX</i>							
01-760-6810-00	Vehicle Expense	741	221	1,363	-	4,869	
01-760-6870-00	Website Expense	-	634	323	1,109	1,175	
01-760-6885-00	Safety Program	61	-	-	-	17,009	
01-760-6890-00	Wellness Program	493	462	1,740	26	2,010	
01-760-8000-00	Labor Clearing	(1,730,459)	(1,828,528)	(1,907,283)	(1,999,250)	(2,342,966)	
01-760-8001-00	Overhead Clearing - Annex	(2,290,303)	(2,477,907)	(3,442,642)	(3,837,287)	(4,628,524)	
Engineering - Maps and Records/Technical Assistance							\$ 936,692
<i>Project: MWC-23-766MR</i>							
01-766-6170-00	Computer Hardware Purchase	370	-	-	30	-	
01-766-6175-00	Computer Hardware Maintenance	300	-	-	-	300	
01-766-6200-00	Contract Services Expense	388	1,817	-	-	15,000	
	● On-Call Hydraulic Modeling; Jacobs Engineering						
01-766-6400-00	Internet	83	-	-	-	-	
01-766-6420-00	Labor Expense	880,096	1,170,902	979,753	890,000	880,485	
01-766-6421-00	Labor Expense - OT	82	19,575	-	17,000	13,259	
01-766-6490-00	Materials and Supplies	2,696	1,367	4,400	310	4,000	
01-766-6540-00	Miscellaneous	52	614	400	28	400	
01-766-6665-00	Recording Fees	1,846	3,945	500	390	500	
01-766-6710-00	Software Purchase	100	200	-	-	-	
01-766-6715-00	Software Maintenance	26,382	27,383	24,565	45,565	9,700	
01-766-6810-00	Vehicle Expense	9,114	14,626	-	-	13,048	
Public Information (DO NOT USE)							\$ -
<i>Project: MWC-23-767PI</i>							
01-767-6000-00	Advertising	-	-	-	-	-	
01-767-6070-00	CCR, Newsletter & Misc. Info	15,804	14,463	-	-	-	
01-767-6270-00	Education Programs	-	-	-	-	-	
01-767-6290-00	Emergency Payment Assistance	10,580	10,065	-	-	-	
01-767-6420-00	Labor Expense	-	13,870	-	-	-	
01-767-6720-00	Special Events	863	-	-	-	-	
01-767-6870-00	Website	3,160	1,720	-	-	-	

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
DETAIL BUDGET - OPERATING EXPENSES

Administration and Clearing Account Expenses

Account Number	Account Description	Actual 2019-20	Actual 2020-21	Budgeted 2021-22	Estimated 2021-22	Budget 2022-23	Budget Totals 2022-23
Water Efficiency						\$	364,558
<i>Project: MWC-23-769WE</i>							
01-769-6180-00	Water Efficiency Grants	450	5,604	10,000	-	10,000	
01-769-6190-00	Water Efficiency Incentives	21,810	16,392	20,000	5,346	20,000	
01-769-6250-00	Dues and Subscriptions	-	550	-	-	2,000	
01-769-6370-00	Grants/Partnerships/Donations	550	50	1,500	50	-	
01-769-6420-00	Labor Expense	327,516	267,082	508,430	293,096	280,093	
01-769-6421-00	Labor Expense - OT	-	-	1,657	617	3,259	
01-769-6490-00	Materials and Supplies	795	933	1,000	-	1,000	
01-769-6630-00	Printing	-	331	150	-	400	
01-769-6720-00	Special Events	15	-	-	-	-	
01-769-6770-00	Temporary Labor/Interns	10,412	12,252	9,600	-	12,000	
01-769-6810-00	Vehicle Expense	2,059	18,724	47,085	1,678	35,807	
Engineering - Inspection and Patrolling (Underground Locates)						\$	577,445
<i>Project: MWC-23-770IP</i>							
01-770-6420-00	Labor Expense	259,756	369,992	440,869	400,000	510,738	
01-770-6421-00	Labor Expense - OT	13,586	15,793	22,895	14,736	16,543	
01-770-6465-00	Locate Expense	13,792	15,442	13,000	14,905	18,000	
01-770-6490-00	Materials and Supplies	356	4,820	1,000	100	1,000	
01-770-6770-00	Temporary Labor/Interns	75	-	-	-	500	
01-770-6810-00	Vehicle Expense	26,215	52,815	46,101	32,216	30,665	
Transportation and Fleet Clearing						\$	(392,974)
<i>Project: FL-23-"Various"</i>							
01-800-6200-00	Contract Services Expense	34,025	54,664	50,000	42,518	45,000	
	● City of Medford Fleet Services						
01-800-6350-00	Gas/Fuel - Equipment	4,063	3,584	4,500	7,179	10,000	
01-800-6360-00	Gas/Fuel - Fleet	61,665	59,735	70,000	86,245	85,000	
01-800-6380-00	Insurance - Auto & Equipment	17,794	20,640	19,500	27,000	19,500	
01-800-6420-00	Labor Expense	27,201	39,647	48,904	42,000	28,948	
01-800-6490-00	Materials and Supplies	86,005	80,499	105,000	73,678	95,000	
01-800-6540-00	Miscellaneous	-	126	-	-	-	
01-800-8002-00	Transportation Clearing	(508,796)	(598,252)	(632,502)	(665,652)	(676,421)	
Totals		\$ 2,341,825	\$ 1,890,125	\$ 1,798,314	\$ 2,571,736	\$ 1,485,722	\$ 1,485,722

Overhead Expenses



Overhead costs are indirect costs that are crucial for the day-to-day running of the business, but do not generate revenue. Some overhead costs are shared between business locations, or billed to the direct account number.

**MEDFORD WATER COMMISSION
OVERHEAD EXPENSE ALLOCATION
BY CLEARING/HOME ACCOUNT**

Overhead Expense Type	Project	Allocation	Total	Duff	Service Center	Annex
Advertising Expense	MWC-23-780SH	Shared	17,000.00	3,230.00	5,780.00	7,990.00
Amortization Expense	MWC-23-780SH	Shared	105,340.00	20,014.60	35,815.60	49,509.80
Answering Service	Various	Direct	4,000.00	-	4,000.00	-
Audits/Accounting	MWC-23-780SH	Shared	40,000.00	7,600.00	13,600.00	18,800.00
Bank Fees	Various	Direct	10,000.00	-	-	10,000.00
Board of Commissioners Expense	MWC-23-780SH	Shared	1,000.00	190.00	340.00	470.00
Cafeteria Plan Expense	MWC-23-780SH	Shared	2,500.00	475.00	850.00	1,175.00
Cell Phone Expense	Various	Direct	16,000.00	-	14,000.00	2,000.00
Computer Hardware Purchase	Various	Direct	106,000.00	8,000.00	50,800.00	47,200.00
Computer Hardware Maintenance/Support	Various	Direct	20,000.00	4,000.00	7,400.00	8,600.00
Contract Services Expense	MWC-23-780SH	Shared	450,000.00	85,500.00	153,000.00	211,500.00
Damages/Deductible	MWC-23-780SH	Shared	25,000.00	4,750.00	8,500.00	11,750.00
Deferred Compensation	Various	Direct	12,000.00	-	-	56,061.72
Dental Insurance	Various	Direct	116,652.50	20,709.04	39,881.74	8,000.00
Disability Expense	MWC-23-780SH	Shared	18,100.00	3,800.00	6,300.00	25,000.00
Dues and Subscriptions	Various	Direct	38,520.00	6,120.00	7,400.00	25,000.00
Electricity	Various	Direct	40,000.00	-	15,000.00	183,300.00
Franchise Fee	MWC-23-780SH	Shared	390,000.00	74,100.00	132,600.00	1,000.00
Freight Expense	Various	Direct	1,500.00	-	500.00	-
Garbage	Various	Direct	3,400.00	-	3,400.00	12,570.81
Insurance - Workers Compensation	Various	Direct	104,958.58	33,055.85	59,331.93	77,550.00
Insurance - General Liability	MWC-23-780SH	Shared	165,000.00	31,350.00	56,100.00	410.00
Insurance - Property	Various	Direct	2,250.00	-	1,840.00	15,000.00
Internet (hot spots)	MWC-23-780SH	Shared	95,000.00	58,000.00	22,000.00	8,000.00
Investment Expense	MWC-23-780SH	Shared	15,000.00	2,500.00	4,500.00	33,000.00
Janitorial	Various	Direct	67,000.00	1,000.00	33,000.00	1,666,393.59
Labor Expense (chargeable time)	Various	Direct	5,698,615.34	1,605,082.48	2,427,139.27	-
Labor Expense - OT (chargeable time)	Various	Direct	2,483.95	-	2,483.95	11,750.00
Legal	MWC-23-780SH	Shared	25,000.00	4,750.00	8,500.00	2,890.00
Life Insurance	Various	Direct	6,060.00	1,090.00	2,080.00	1,000.00
Materials and Supplies	Various	Direct	20,000.00	1,000.00	18,000.00	664,920.84
Medical Insurance	Various	Direct	1,393,412.76	255,502.88	472,989.04	39,698.80
Medicare	Various	Direct	84,352.89	15,976.99	28,677.10	39,698.80
Meeting Expense	Various	Direct	8,400.00	1,500.00	400.00	6,500.00

(continued)

**MEDFORD WATER COMMISSION
OVERHEAD EXPENSE ALLOCATION
BY CLEARING/HOME ACCOUNT**

Overhead Expense Type	Project	Allocation	Total	Duff	Service Center	Annex
Miscellaneous	Various	Direct	3,750.00	2,000.00	750.00	1,000.00
Natural Gas	Various	Direct	15,970.00	-	6,000.00	9,970.00
Network/Tech Services	MWC-23-780SH	Shared	38,131.88	7,245.06	12,964.84	17,921.99
Occupational Health	Various	Direct	8,500.00	1,000.00	5,000.00	2,500.00
Office Equipment	Various	Direct	9,900.00	1,200.00	2,200.00	6,500.00
Office Supplies	Various	Direct	14,500.00	1,500.00	2,800.00	10,200.00
Payroll Expense (Reg Salaries + OT)	Various	Direct	5,817,440.77	1,101,861.51	1,902,730.85	2,812,848.41
PERS	Various	Direct	978,020.17	179,688.62	367,833.36	430,498.19
Postage	Various	Direct	2,000.00	-	-	2,000.00
Printing	Various	Direct	1,000.00	-	-	1,000.00
Professional License	Various	Direct	3,300.00	2,000.00	800.00	500.00
Safety Equipment	Various	Direct	13,250.00	3,000.00	10,000.00	250.00
Safety Program	Various	Direct	4,500.00	1,000.00	1,500.00	2,000.00
Small Tools/Equipment	Various	Direct	23,500.00	500.00	23,000.00	-
Social Security	Various	Direct	360,681.33	68,315.41	122,619.31	169,746.60
Software Purchase	Various	Both	43,500.00	8,700.00	16,095.00	18,705.00
Software Maintenance	Various	Both	166,900.00	35,020.00	60,162.00	71,718.00
Special Events	MWC-23-780SH	Shared	15,000.00	2,850.00	5,100.00	7,050.00
Storm Drain/Street Fees	Various	Direct	10,450.00	-	6,300.00	4,150.00
Telephone	Various	Direct	15,000.00	-	10,000.00	5,000.00
Temporary Labor	Various	Direct	15,000.00	-	-	15,000.00
Training	Various	Direct	65,100.00	12,000.00	22,500.00	30,600.00
Uniforms	Various	Direct	20,500.00	1,000.00	19,000.00	500.00
HRA Veba	Various	Direct	191,348.90	35,927.30	66,592.82	88,828.77
Vacation Expense	Various	Direct	45,000.00	15,000.00	15,000.00	15,000.00
Vehicle Expense	Various	Direct	21,504.35	704.14	15,931.03	4,869.18
Website	MWC-23-780SH	Shared	2,500.00	475.00	850.00	1,175.00
Wellness Program	MWC-23-780SH	Shared	4,290.00	780.00	1,500.00	2,010.00
			\$ 17,015,083.43	\$ 3,731,063.89	\$ 6,333,437.84	\$ 6,978,280.51

Overhead % by Home Account

234.6%

205.5%

150.0%

	Total	Duff	Service Center	Annex
Number of Employees by Location	72	13	25	34
% by Location using % Employees and % Salaries	100%	19%	34%	47%



Capital Expenditures

Capital Expenditures
Ten Year Capital Plan

DANGER
CRANE
SWING

Fiscal Year 2022/23 Summary

Capital Expenditures

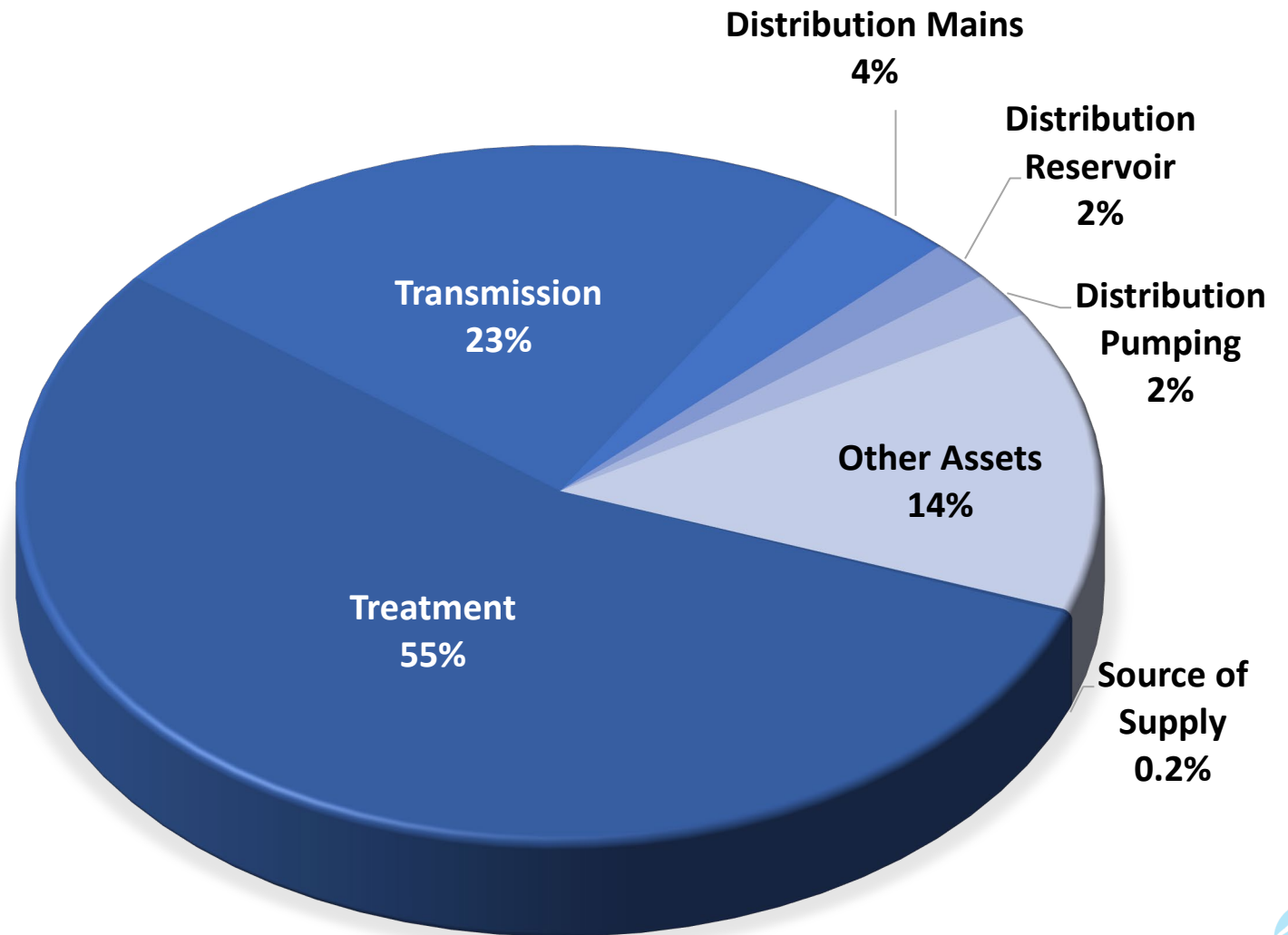
2022-23

Source of Supply:	\$70,000
Treatment:	\$24,077,183
Transmission:	\$10,147,187
Distribution Mains:	\$1,660,000
Distribution Pumping:	\$810,679
Distribution Reservoirs:	\$947,200
Other Assets:	\$6,173,042

CIP Budget Total: \$43,885, 290



Fiscal Year 2022/23 Summary





Capital Expenditures

Capital Expenditures
Ten Year Capital Plan

DANGER
CRANE
SWING

10 Year Summary

10 Year Capital Expenditures

Source of Supply:	\$20,610,864
Treatment:	\$66,024,101
Transmission:	\$67,818,802
Distribution Mains:	\$15,777,162
Distribution Pumping:	\$6,029,776
Distribution Reservoirs:	\$55,296,159
Other Assets:	\$49,186,479

10 Year CIP Total: \$280,743,343



10 Year Capital Plan

Capital Expenditures	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
Source of Supply	70,000	-	-	-	-	-	2,212,529	8,482,050	6,813,450	3,032,835
Treatment	24,077,183	24,623,234	15,648,684	200,000	150,000	150,000	150,000	325,000	300,000	400,000
Transmission	10,147,187	22,474,127	2,946,322	3,240,596	12,411,350	8,634,527	4,007,136	-	475,356	3,482,201
Distribution Mains	1,660,000	369,588	383,067	1,721,916	1,154,177	1,899,514	1,813,280	1,363,235	1,427,423	3,984,964
Distribution Pumping	810,679	2,009,147	75,000	75,000	376,979	2,333,804	124,167	75,000	75,000	75,000
Distribution Reservoir	947,200	7,944,278	12,088,297	8,135,991	2,684,872	2,965,180	10,140,636	10,389,706	-	-
Other Assets	6,173,042	6,634,056	17,269,125	16,233,487	693,307	436,568	435,255	240,211	546,428	525,000
Total	\$ 43,885,290	\$ 64,054,429	\$ 48,410,494	\$ 29,606,990	\$ 17,470,685	\$ 16,419,593	\$ 18,883,004	\$ 20,875,202	\$ 9,637,657	\$ 11,500,000



The background features a close-up of blue water with shimmering ripples. Overlaid on the right side are several geometric shapes: a large dark blue triangle pointing upwards, a medium blue triangle pointing downwards, and a light blue triangle pointing downwards, all outlined in white.

Long Term Financial Planning

Ten Year Financial Plan
Fund Balance Analysis

Long Term Financial Planning

Long Term Financial Planning

In order to serve the community with a reliable, high-quality water supply now and for future generations, Medford Water continuously plans ahead and makes adjustments to the budget as needed.

The Ten-Year Financial Plan is within Medford Water's Comprehensive Financial Management Policy and outlined below.

Ten-Year Financial Plan

- i. Medford Water recognizes the many benefits of long-range financial forecasting including the early identification of potential fiscal constraints related to revenue and expenditure trends, the need to incorporate the impact of capital projects within the operating budget, and the need to maintain adequate resources during economic downturns to sustain system reliability and ensure the continued delivery of high quality drinking water. Accordingly, Medford Water shall develop and maintain a Ten-Year Financial Plan that projects resources and requirements beyond the scope of the current budget period. The purpose of the plan is to provide long term context for annual decisions that will be made in conjunction with the Cost of Service Study, the annual Budget and the Ten-Year Capital Plan.
- ii. The Ten-Year Financial Plan will be updated annually at the time of the Cost of Service Study. Any unexpected changes in economic conditions or circumstances may prompt more frequent updates. Any significant changes shall be reported to Medford Water Management Team, General Manager, and the Board of Water Commissioners.

The Ten-Year Plan will:

1. Provide the Board with the projected long-term fiscal impact of current policies and budget decisions;
2. Recognize the effects of economic cycles, growth, and inflation on the demand for services and Commission resources;
3. Provide revenue and expenditure projections, including the operating budget impacts of all planned capital expenditures;
4. Differentiate between revenues and expenditures associated with one-time fiscal activities;
5. Identify the impact to overall rate levels for both retail and wholesale customers;
6. Provide insight into whether the current mix of resources and requirements are enough to cover current service levels into the future; and
7. Allow staff and Commissioners to test "what if" scenarios and examine the financial impact of such scenarios on future years.

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
Fund Balance Analysis

Water Fund

*Based off April 2022 COSA Proforma Calculation and Capital Outlay. SUBJECT TO CHANGE

Fiscal Year	Capital Cost from 10 year CIP Plan	Beginning Fund Balance	Water Revenue	FWTP Revenue	FWRD Revenue	SDC's and Other Operating Revenue	Operating and Other Expense	Debt Proceeds	Debt Payments	Transfers In	Transfers Out	Capital Outlay	Adjusted Ending Balance
13-14	4,675,097	5,654,793	9,645,087	578,317	500,193	1,418,392	(8,270,274)	-	-	1,243,540	(1,223,061)	(4,675,097)	4,871,890
14-15	4,751,046	4,871,890	10,377,815	547,884	394,922	4,388,739	(8,442,484)	-	-	3,252,416	(1,217,805)	(4,751,046)	9,422,331
15-16	6,527,816	9,422,331	11,632,493	609,777	397,880	2,593,593	(8,909,638)	-	-	-	(1,282,657)	(6,527,816)	7,935,963
16-17	8,224,836	7,935,963	12,865,785	601,078	355,037	2,323,715	(9,291,298)	-	-	2,122,828	(1,486,115)	(8,224,836)	7,202,157
17-18	7,636,072	7,096,553	14,510,119	594,868	354,933	2,090,071	(9,948,654)	-	-	2,500,000	(949,800)	(7,636,072)	8,612,018
18-19	5,694,475	8,612,018	16,794,082	600,000	400,000	3,254,187	(10,948,783)	-	-	-	(3,275,000)	(5,694,475)	9,742,029
19-20	7,090,651	10,106,646	16,965,007	562,423	338,813	3,151,050	(11,818,680)	-	-	-	(2,176,236)	(7,090,651)	10,038,372
20-21	8,208,391	10,038,369	19,961,967	790,743	251,485	2,607,104	(12,277,554)	-	-	-	(4,128,676)	(8,208,391)	9,035,047
21-22	16,818,131	9,035,047	20,678,586	721,414	-	3,488,000	(14,085,653)	-	-	-	(5,000,000)	(16,818,131)	6,019,263
22-23	43,885,289	6,019,263	21,400,000	600,000	-	2,340,000	(14,994,662)	-	-	-	(1,245,000)	(43,885,289)	2,234,312
23-24	64,054,429	2,234,312	23,806,355	600,000	-	3,744,930	(15,121,617)	43,002,618	-	13,000,000	(2,029,000)	(64,054,429)	5,183,169
24-25	48,410,494	2,183,169	24,001,227	600,000	-	4,608,889	(15,508,411)	35,550,341	(1,819,000)	7,000,000	(2,372,000)	(48,410,494)	5,833,721

MEDFORD WATER COMMISSION
Fiscal Year 2022-23
Fund Balance Analysis

Water Construction Fund

*Based off April 2022 COSA Proforma Calculation and Capital Outlay. SUBJECT TO CHANGE

Fiscal Year	Beginning Balance	Resources	Transfers In	Transfers Out	Ending Balance
13-14	10,424,579	60,138	-	(1,243,540)	9,241,177
14-15	9,241,177	58,657	-	(3,252,416)	6,047,418
15-16	6,047,418	50,005	-	-	6,097,423
16-17	6,097,423	17,734	500,000	(2,025,199)	4,589,958
17-18	4,589,958	19,142	-	(2,500,000)	2,109,100
18-19	2,109,100	59,002	2,000,000	-	4,168,102
19-20	4,168,102	107,216	1,000,000	-	5,275,318
20-21	5,275,318	34,880	19,556,528	-	24,866,726
Estimated 21-22	24,866,726	40,000	5,000,000	-	29,906,726
Budgeted 22-23	29,906,726	90,000	1,245,000	-	31,241,726
23-24	31,241,726	859,147	1,828,000	(10,000,000)	23,928,873
24-25	23,928,873	658,044	2,372,000	(5,000,000)	21,958,917

Glossary

AAA Bond Rating: Bonds of the highest quality that offer the lowest degree of investment risk. Issuers are considered extremely stable and dependable.

Accrual Basis: The recording of the financial transactions, and other events and circumstances that have cash consequences, in the periods in which those transactions, events and circumstances occur, rather than only in the period in which cash is received. Revenues are earned and expenses are recognized when they are incurred.

Adopted Budget: Financial plan adopted by the governing body, forming the basis for appropriations.

Annual Financial Report: The official Annual financial Report of Medford Water. It includes management discussion and analysis of the financial activities for the year, financial statements and supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, required supplementary information, and a statistical section.

Appropriations: Expenditure authority approved by the governing body with specific limitations as to amount, purpose, and time.

Audit: A review of Medford Water's operations by an independent accounting firm to verify that the financial statements accurately reflect Medford Water's financial position.

Audit Report: A report in a form prescribed by the Secretary of State made by an auditor expressing an opinion about the propriety of a local government's financial statements, and compliance with requirements, orders, and regulations.

Authority: A government or public agency created to perform a single function or a restricted group of related activities. An authority may be completely independent of other governments or be partially dependent upon other governments for its financing or the exercise of certain powers.

Balanced Budget: Revenues + Fund Balance + Transfers \geq Expenses.

Basis of Accounting: A term used to refer to when revenues, expenditures, expenses, and transfers – and the related assets and liabilities – are recognized in the accounts and reported in the financial statements.

Benchmarking: A method of comparing the performance of Medford Water to other utilities.

Best Practices: The processes, practices, and systems identified in organizations that are performed exceptionally well and are widely recognized as improving performance and efficiency in specific areas or programs. Successfully identifying and applying best practices can reduce expenses and improve program efficiency.

Board: A body of elected or appointed members who jointly oversee the activities of an organization.

Bond: A means for long-term borrowing of funds to finance capital projects.

Budget: The plan of financial operation for each calendar or fiscal year estimating proposed expenditures and the proposed means of financing them. Upon approval by the Commissioners, the budget appropriation ordinance is the legal basis for expenditures during the budget year.

Glossary (continued)

Budget Document: The instrument used by the budget-making authority to present a comprehensive financial program to the appropriate governing body.

Budget Message: Written explanation of the budget and the local government's financial priorities prepared and presented by the executive officer or chairperson of the governing body.

Budget Officer: Person appointed by the governing body to assemble budget material and information and to physically prepare the proposed budget.

Budget Transfers: Amounts moved from one fund to finance activities in another fund shown as expenditures in the originating fund and revenues in the receiving fund.

Capital Improvement (Capital Expenditure): A permanent major addition to Medford Water's real property assets, including the design, construction, or purchase of land, buildings or facilities, water infrastructure or major renovations of the same. Capital improvements have a cost of \$5,000 or more and are budgeted in the Capital Expenditure budget category.

Capital Improvement Budget: A financial plan of proposed capital improvement projects and the means of financing them for a given period. Medford Water annually updates the next year's Capital Improvement Budget and the ten-year Capital Improvement Plan.

Cash Flow: Amount of cash generated and used in a given period.

Contingency: An appropriation category to cover unforeseen events that occur during the budget year.

COSA: (Cost of Service Analysis) A study completed to determine the allocation of costs to the various customer classes served.

COVID-19: An acute respiratory illness in humans caused by a coronavirus, capable of producing severe symptoms and in some cases death, especially in older people and those with underlying health conditions. It was originally identified in China in 2019 and became a pandemic in 2020.

Credit Rating: The creditworthiness, determined through a statistical analysis of available credit data.

Debt Financing: When a government raises money for capital expenditures by selling bonds, bills, or notes to individual and/or institutional investors. In return for lending the money, the individuals or institutions become creditors and receive a promise to repay principal and interest on the debt.

Debt Proceeds Fund: The fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Debt Revenue: Income from debt proceeds obtained from a loan that will be paid back at a later date.

Department: The largest organizational unit of Medford Water.

Depreciation: An allowance made for loss in value of property because of age, wear, or market conditions.

Glossary (continued)

Encumbered: Commitments related to appropriated funds for future expenditures. Funds are encumbered by means of purchase orders and contracts.

Enterprise Resource Planning (ERP): An enterprise-wide information system designed to coordinate all the resources, information, and activities needed to complete business processes. An ERP system supports most of the business system that maintains the data needed for a variety of business functions such as financials, projects, HR, and payroll in a single database. The common database can allow every department of a business to store and retrieve information in real-time.

Expenditures: The cost of goods received, or services rendered regardless of when payment is made. Expenditures decrease a fund's assets. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service, capital outlays, entitlements, and shared revenue.

Expense: The act of expending; expenditure.

Fiscal Year: A 12-month period of time to which the annual budget applies. Medford Water's fiscal year is July 1 through June 30.

Fixed Assets: Long-lived tangible assets obtained or controlled because of past transactions, events, or circumstances. Fixed assets, also referred to as capital assets, include land, right-of-way, buildings, improvements, infrastructure and equipment costing over \$5,000 with an estimated life of one year or more.

Fringe Benefits: Employee benefits paid by the employer (Federal Insurance Contributions Act, Withholding Tax, Insurance, Workers' Compensation, etc.).

Full-Time Equivalent (FTE): A quantifiable unit of measurement used to convert hours worked by part-time or temporary employees into the equivalency of a full-time position. Standard hours for Medford Water employees are 1,840 except for the 24/7 departments in which the standard hours are 2,080.

Fund: A grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

Fund Balance: The excess of a fund's assets over its liabilities. For accounting purposes, fund balance is identified as non-spendable, restricted, committed, assigned, or unassigned.

General Fund: The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General Fund is the main operating fund of Medford Water.

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. The primary authoritative body on the application of GAAP to governments is the Government Accounting Standards Board.

Goal: A long-term, attainable target for an organization. Its vision of the future.

Government Finance Officers Association (GFOA): An association of public finance professionals which develops and promotes Generally Accepted Accounting Principles (GAAP) for state and local governments, and sponsors a Certificate of Achievement for Excellence in Financial Reporting Program.

Governmental Accounting Standards Board: The authoritative accounting and financial reporting standard-setting body for government entities.

Glossary (continued)

Grant: A contribution of cash or other assets by one governmental unit to another, usually for a specified purpose or activity.

Interest: A fee paid for using other people's money. To the borrower it is the cost of using money, to the lender interest is the income from lending money.

Liabilities: Debt or other legal obligation arising from transactions in the past that must be liquidated, renewed, or refunded at a future date.

Local Government: Any city, county, port, school district, community college, public or quasi-public corporation (including a municipal utility or dock commission) operated by a separate board or commission; a municipal corporation or municipality.

Materials & Services: A budget category. Examples include office supplies, minor equipment, motor vehicle expense and professional and contractual services.

Medford Water: A brand used to represent Medford Water Commission.

Merit Based Compensation: A system of employee pay that links compensation to measures of work quality or goals.

Mission Statement: Provides a clear presentation of a department's function or mandate. A good mission statement answers who the stakeholders are, why the program is needed, and what services are provided.

Modified Accrual Basis: Refers to the basis of accounting in which revenues are recognized when they become susceptible to accrual, that is, when they are both measurable and available to finance expenditures of the fiscal period. Revenues considered susceptible to accrual include interest, rent, grants, and certain miscellaneous revenues. All governmental funds are accounted for using the modified accrual basis of accounting.

Objective: The expected result or achievement of a budget activity.

Operating Budget: Annual appropriation of funds for ongoing program costs, including employee services, supplies, equipment and debt service.

Operating Revenue: Revenue of a fund, excluding Beginning Fund Balance (Fund Balance). Trends in current year resources are evaluated by focusing on Operating Revenue.

Per Capita: A unit of measurement that indicates an amount of some quantity per person in the County.

Performance Measure: Data collected to determine how effective or efficient a program is in achieving its objectives.

Personnel Services: A budget category which accounts for salaries, wages, and overtime of employees, as well as all employer-paid fringe benefits such as health and dental insurance, retirement, and workers' compensation insurance.

Proposed Budget: Financial and operating plan prepared by the Budget Officer and submitted to the public and the board of commissioners to review.

Publication: Public notice given by publication in a newspaper of general circulation within the boundaries of the local government; mailing through the U.S. Postal Service by first class mail to each street address within the boundaries of the local government; and hand delivery to each street address within the boundaries of the local government.

Glossary (continued)

Resolution: A formal order of a governing body; lower legal status than an ordinance.

Resources: Total amount available for appropriation during the fiscal year, including beginning fund balances, revenue, and fund transfers.

Restricted Fund Balance: Resources that are subject to enforceable legal restrictions: external parties, constitutional provisions, or enabling legislation.

Return on Investment: A measure used to evaluate how much profit or cost savings will be realized from a project.

Revenue: Financial resources received from tax payments, fees for service, licenses and permits, fines, costs and forfeitures, grants, rents, and interest. Revenues increase a fund's assets.

Revenue Bonds: Bonds issued to construct capital facilities, repaid from revenue produced by the operation of those facilities.

SDC: A System Development Charge (SDC) is imposed on new development to mitigate the impact of growth on Medford Water infrastructure. These fees are used to fund improvements that increase capacity of the utility.

Unappropriated Fund Balance: Net resources in excess of what is properly categorized in one of the four categories.

Unencumbered: Free of encumbrance, not subject to claims.



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