

A. WATER GENERAL FUND

* **Connections:** Connections: FY2025-2026 projected includes 8 new 3/4-inch connections. FY2026-2027 assumes 2 new 3/4-inch connections, then long-range planning generally alternates between 2 and 3 new 3/4-inch connections per year connections the next

* **Expense Allocation with Sanitary:** 57% annually for Personnel Service. 50% annually for shared materials and services

* **Inflation factor:** 3.0% in FY2026-2036

* **Ending Balance:** Target is \$50,000

* **Key Changes in Expenditures:**

- FY2026-2027 personnel costs are lower than the FY2025-2026 budget because the budget assumes Matt remains in the manager role and the second operations position is filled by a lower-cost entry-level operator rather than a more experienced operator.

* The proposed operator salary is intended to align with area starting salaries for operators and utility workers with no operator experience.

*The budget assumes a full-year employee in that position, plus standard benefits and payroll costs.

* This entry-level assumption should make the position easier to fill than the prior staffing assumption.

- FY2027-2028 assumes appropriate raises for the manager and operator, and the addition of a half-time administrator position at approximately \$67,000 annually with typical benefits..

- All other costs increase with inflation

ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT
LONG RANGE FINANCIAL PLAN -FY2026-2027
ASSUMPTIONS

* **Rates (usage + debt surcharge):** Rates (user fees plus debt surcharge) are increased by 6.3% annually (rounded to the nearest dollar) through approximately FY2031-2032 to support operations, capital needs, and working capital. Beginning after FY2031-2032, annual increases are generally assumed at about 3%. This is generally consistent with the long-range projections included in last year's adopted budget projections included in last year's adopted budget.

Size	2025 Rate	2026 Rate	%change
3/4 inch	\$ 203.00	\$ 216.00	6.40%
1 inch	\$ 247.00	\$ 263.00	6.48%

* **Excess Usage:** Fee will increase at the same % as rates
Projected Revenue: \$37,500

WATER DISTRICT ONLY EXCESS USAGE TIERS AND PRICING
Cumulative Pricing for Tiers 1-4 if maximum usage at that tier

Usage	Rate per 100 gallons		Max Fee per tier	Cum. Max Fee
	2025	2026		
5,001-8,000	\$ 0.60	\$ 0.64	\$ 19.15	\$ 19.15
8,001-12,000	\$ 1.79	\$ 1.90	\$ 76.19	\$ 95.34
12,001-16,000	\$ 11.93	\$ 12.69	\$ 507.76	\$ 603.10
16,001-25,000	\$ 21.53	\$ 22.91	\$ 2,061.79	\$ 2,664.89
>25,000	\$ 35.88	\$ 38.18		

NOTE: Sale of Surplus Water will be continued to be pursued to help offset operations costs.

B. CAPITAL FUND - Current projections do not show a shortfall, but the fund relies heavily on outside funding and planned support during the Asbury Creek / ODOT-related capital period.

- * Approximately 288,950 is budgeted for the Asbury Creek intake move associated with the ODOT project. These costs are assumed to be fully reimbursed by ODOT.
- * Approximately \$160,995 is budgeted for Asbury waterline relocation associated with the ODOT project. These costs are currently assumed to be financed through a Business Oregon loan, which is still being developed.
- * Approximately \$17,000 is budget for half of a mini excavator
- * Approximately \$5,000 is budgeted to replace the corroded electrical panel at the water plant.
- * Approximately \$5,000 is budgeted for evaluation of a second water source.
- * Approximately \$42,500 is budgeted for a new vehicle, with financing currently assumed through a loan.
- * Approximately \$42,600 is budgeted for SDC planning and SDC compliance work. This work is funded with SDC revenues and is intended to review existing and planned capital projects, confirm the best use of current SDC funds, and support development of future capital funding strategy. This project is listed the District's 2015 SDC methodology/report prepared by Curran-McLeod.
- * The FY2026-2027 capital budget therefore relies on a combination of ODOT reimbursement, loan financing, SDC funding, and rates.

FY2027-2028:

- * Approximately \$50,000 is budgeted for membrane replacement.
- * Approximately \$10,000 is budgeted for storage planning / preliminary design.

FY2029-2030:

- * Approximately \$40,500 is budgeted for water system distribution upsizing (Funded through SDC).

FY2032-2033:

- * Approximately \$280,000 is budgeted for the South Reservoir project.
- Funding for the South Reservoir project is assumed to come from SDC funds

FY2035-2036:

- * Approximately \$20,000 is budgeted for radio read equipment.

C. FOREST FUND - Harvest projected in FY2030-2031

FY2026-2027:

- * The proposed budget assumes reduced grant-related revenue compared to the prior year, with revenue primarily from ARPA reimbursement, private donations, road maintenance fees, and interest earnings.
- * Expenditures remain focused on ongoing road maintenance & related forester oversight, general forestry with preparation for a logging event in 2030, certification for a logging event in 2030, finance and admin management.
- * Road maintenance fees are projected: 60% of estimated road work will either be done by neighboring property owners or will be reimbursed by them
- * No capital outlay is currently budgeted in FY2026-2027.
- * A transfer to the General Fund is continued for staff time related to property management.
- * A procurement and contract with a forester will be required as of Sept 1. The ARPA procurement and contract will no longer apply.
- * A procurement and contract with roads contractor will be required as of Sept 1. The ARPA procurement and contract will no longer apply.
- * Hollis Funds will start to be used for eligible expense - inventory work by forester for pre-logging and road work that is not reimbursed. These are the only qualified expenses

Long-range assumptions:

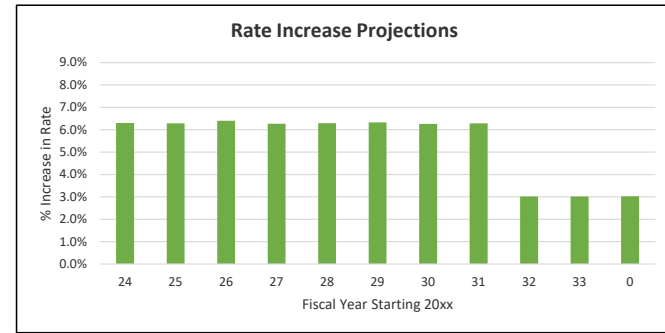
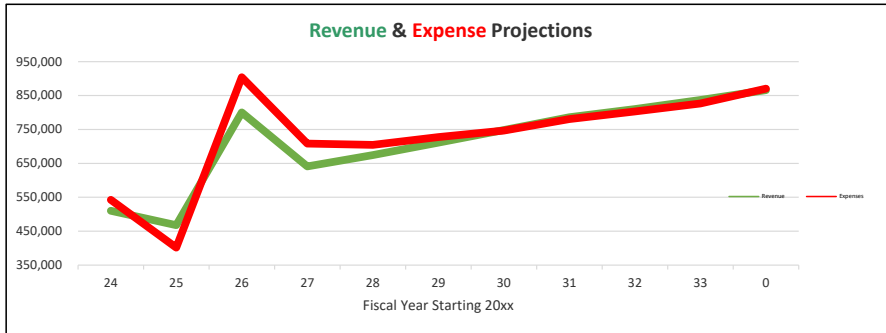
- * No rate increase, no tax levy and not significant donations are anticipated
- * Inflation assumptions generally follow the broader LRFPP inflation approach in the out-years unless a specific project or contract assumption is identified.
- * Harvest-related revenue is currently assumed in FY2030-2031, and those future assumptions will need to be updated as planning, timing, regulatory requirements, and market conditions become clearer.
- * Harvest-related costs are assumed to occur in the year before, the year of, and the year after harvest.
- * Certification-related costs are assumed to occur during the several years leading up to harvest and continue for a period afterward, depending on final harvest strategy and management requirements.
- * Given the limited amount of qualified expenses, the Hollis Funds may not all be spent by the time they expire in December 2029. Any funds remaining after September 2029 will be spent to purchase gravel for future road work
- * Forest Fund transfers to the General Fund are intended to recognize District staff time and related support associated with management of forest property and related activities.

ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT
LONG RANGE FINANCIAL PLAN -FY2026-2027
GENERAL FUND

	2023-24 AUDITED	2024-25 AUDITED	2025-26 AMENDED	2025-26 PROJECTED	2026-27 PROPOSED	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
ASSUMPTIONS														
SD IGA % : PERSONNEL + ALLOC	57.0%	55.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%
GENERAL INFLATION	3.2%	2.3%	2.8%	2.8%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
TOTAL HOOKUPS	305	306	308	314	316	318	321	323	326	328	331	333	336	338
3/4 inch	293	294	296	302	304	306	309	311	314	316	319	321	324	326
1 inch	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Change in 3.4 inch Hookups	5	1	2	8	2	2	3	2	3	2	3	2	3	2
Change in 1 inch Hookups	0	0	0	0	0	0	0	0	0	0	0	0	0	0
* This entry-level assumption should make	6,581	6,713	6,847	6,847	7,018	7,208	7,403	7,602	7,808	8,018	8,235	8,457	8,686	8,920
Systems Development Charge (1")	16,792	17,128	17,128	17,128	17,556	18,030	18,517	19,017	19,530	20,058	20,599	21,155	21,727	22,313
Excess usage Charge % of User Fees*	9.75%	16.4%	13.8%	15.7%	14.9%	14.6%	14.4%	14.3%	14.1%	13.9%	13.8%	13.7%	13.5%	13.4%
RATE SMOOTHING FACTOR			7.17%	7.17%	6.90%	6.80%	6.80%	6.80%	6.70%	6.70%	3.20%	3.20%	3.20%	3.20%
WD Quarterly User Rates - 3/4 inch	184	191	203	203	216	230	244	259	276	293	302	311	320	330
WD Quarterly User Rates - 1 inch	224	232	247	247	263	280	298	317	337	358	369	380	392	404
3/4 inch Usage Charges	167	174	186	186	199	213	227	242	259	276	285	294	303	313
1 inch Usage charges	207	215	230	230	246	263	281	300	320	341	352	363	375	387
Debt service surcharges	17	17	17	17	17	17	17	17	17	17	17	17	17	17
Annual increase - Total	4.9%	3.8%	6.3%	6.3%	6.4%	6.3%	6.3%	6.3%	6.3%	6.3%	3.0%	3.0%	3.0%	3.0%
Annual increase - Usage chg. Only	5.9%	4.2%	6.9%	6.9%	6.9%	6.8%	6.8%	6.8%	6.7%	6.7%	3.2%	3.2%	3.2%	3.2%
BEGINNING BALANCE	50,222	54,565	164,986	215,261	281,475	177,702	110,247	79,750	63,310	64,581	70,096	76,887	87,352	82,985
REVENUE														
USER FEES	210,764	213,551	231,264	225,000	252,200	272,750	294,021	315,954	340,227	365,230	380,335	394,857	411,133	426,793
EXCESS USAGE CHARGES	17,654	34,932	32,000	35,300	37,500	39,849	42,358	45,038	47,858	50,867	52,400	53,982	55,615	57,300
FEE SURCHARGE FOR DEBT	19,802	19,161	20,808	18,958	21,352	21,624	21,828	21,964	22,168	22,304	22,508	22,644	22,848	22,984
SD IGA REVENUE	160,899	161,410	206,084	146,365	221,271	290,883	299,610	308,598	317,856	327,392	337,213	347,330	357,750	368,482
TRANSFER FROM FOREST FUND		145,622	3,000	3,000	4,000	4,084	4,166	6,884	7,022	7,162	3,872	3,949	4,028	4,109
GRANT/LOAN PROCEEDS	0	46,588	10,000	14,266	252,500									
OTHER - INTEREST	15,445	17,199	7,413	24,908	11,556	11,903	12,260	12,628	13,006	13,397	13,798	14,212	14,639	15,078
TOTAL REVENUE	424,564	638,463	510,569	467,797	800,379	641,093	674,242	711,065	748,136	786,351	810,127	836,975	866,013	894,747
TOTAL RESOURCES	474,786	693,028	675,555	683,058	1,081,854	818,795	784,489	790,815	811,446	850,931	880,222	913,862	953,365	977,732
EXPENDITURES														
PERSONNEL														
SALARY/WAGE	177,759	100,388	186,790	105,593	170,000	248,500	255,955	263,634	271,543	279,689	288,080	296,722	305,624	314,792
TAXES & BENEFITS	49,748	40,313	95,923	38,262	90,825	130,632	134,551	138,587	142,745	147,027	151,438	155,981	160,661	165,481
TOTAL PERSONNEL	227,507	140,701	282,712	143,855	260,825	379,132	390,506	402,221	414,288	426,716	439,518	452,703	466,285	480,273
MATERIALS & SERVICES														
ALLOCABLE EXPENSES	60,194	100,341	89,762	66,810	88,200	90,846	93,571	96,379	99,270	102,248	105,315	108,475	111,729	115,081
ADMINISTRATION														
TEMPORARY HELP	430	34,787	100	54,320	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239
SD FACILITIES USE	3,750	3,750												
PROJECTS, OPS & MAINTENANCE	44,954	81,056	95,000	56,000										
General Maintenance					30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143
Recurring Maintenance					20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095
PROJECT & RELATED PARTS														
Valve Rehab Program					10,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Reservoir Bypass Line					5,000									

ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT
LONG RANGE FINANCIAL PLAN -FY2026-2027
GENERAL FUND

	2023-24 AUDITED	2024-25 AUDITED	2025-26 AMENDED	2025-26 PROJECTED	2026-27 PROPOSED	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Chemical Handling Equipment					5,000									
Shark Reservoir Sluice Valve						5,000								
Turbidity Meter					5,000									
Lone Worker Protection					800									
Cross Training								3,000						
Playbook									2,000					
Valve Testing/GIS						1,000								
Service the Compressor & New Dryer					3,000									
Asbury creek - Pump 1					2,700									
PROFESSIONAL SERVICES														
Water Master Plan & WMCP					88,500									
CHEMICALS	6,479	6,334	6,000	6,000	6,000	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829
UTILITIES	9,412	9,841	10,000	15,500	16,500	16,995	17,505	18,030	18,571	19,128	19,702	20,293	20,902	21,529
GEN'L & ADMINISTRATIVE	46,279	80,185	38,134	38,326	42,275	43,543	44,850	46,195	47,581	49,008	50,479	51,993	53,553	55,159
TOTAL MATERIALS & SERVICES	171,497	316,294	238,996	236,956	372,975	271,564	273,381	284,433	291,726	323,267	332,965	342,954	353,243	363,840
CAPITAL OUTLAY	2	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENDITURES	399,006	456,995	521,708	380,811	633,800	650,696	663,887	686,654	706,013	749,984	772,483	795,658	819,528	844,113
TRANSFER TO CAPITAL FUND		0	0	0	229,500	17,000							20,000	25,000
Original (Debt Service)	20,772	20,772	20,772	20,772	20,772	20,772	20,772	20,772	20,772	20,772	20,772	20,772	20,772	20,772
Vehicle Debt Service					10,000	10,000	10,000	10,000	10,000					
Asbury Debt Service					10,080	10,080	10,080	10,080	10,080	10,080	10,080	10,080	10,080	10,080
DEBT SERVICE	20,772	20,772	20,772	20,772	40,852	40,852	40,852	40,852	40,852	30,852	30,852	30,852	30,852	30,852
TOTAL EXPENDITURES	419,778	477,767	542,480	401,583	904,152	708,548	704,739	727,506	746,865	780,836	803,335	826,510	870,380	899,965
CONTINGENCY & ENDING BALANCE														
CONTINGENCY	0		78,000	78,000	90,000									
DESIGNATED RESERVES														
UNDESIGNATED	55,007	215,261	55,075	203,475	87,702	110,247	79,750	63,310	64,581	70,096	76,887	87,352	82,985	77,767
TOTAL ENDING BALANCE	55,007	215,261	133,075	281,475	177,702	110,247	79,750	63,310	64,581	70,096	76,887	87,352	82,985	77,767
TOTAL REQUIREMENTS	474,785	693,028	675,555	683,058	1,081,854	818,795	784,489	790,815	811,446	850,931	880,222	913,862	953,365	977,732



ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT
LONG RANGE FINANCIAL PLAN -FY2026-2027
CAPITAL FUND

	2023-24 AUDITED	2024 -25 AUDITED	2025-26 AMENDED	2025-26 PROJECTED	2026-27 PROPOSED	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
RESOURCES														
BEGINNING BALANCE	117,085	122,039	106,943	113,656	120,165	98,106	62,522	84,730	59,434	82,857	98,894	118,599	135,514	81,571
REVENUE														
SDC REVENUE	26,135	20,139	13,694	27,388	14,036	14,416	22,208	15,205	23,423	16,037	24,705	16,915	26,057	17,840
ODOT GRANT - REIMBURSEMENT			355,000	66,050	288,950						280,000			
SDWRLF GRANT/LOAN						10,000								
OTHER REVENUE				2,126	7,500									
TOTAL REVENUE	26,135	20,139	368,694	95,564	310,486	24,416	22,208	15,205	23,423	16,037	304,705	16,915	26,057	17,840
TRANSFER FROM GENERAL FUND	0	0	0	0	229,500	0	0	0	0	0	0	0	0	20,000
TOTAL RESOURCES	143,220	142,178	475,637	209,220	660,151	122,522	84,730	99,934	82,857	98,894	403,599	135,514	161,571	119,412
REQUIREMENTS														
EXPENDITURES														
PLANT - I.T. UPGRADE	21,181	28,522												
ASBURY CREEK INTAKE MOVE			355,000	66,050	288,950									
ASBURY WATERLINE RELOCATION				23,005	160,995									
CORRODED ELECTRICAL PANEL					5,000									
SDC - MEMBRANE REPLACEMENT***						50,000							80,000	
SECOND WATER SOURCE					5,000									
SDC - STORAGE PLANNING						10,000								
NEW VEHICLE					42,500									
SOUTH RESERVOIR											280,000			
SDC - PLANNING & SDC COMPLIANCE					42,600									
SDC - DISTRIBUTION SYSTEM UPSIZING								40,500						
WTP CORROSION														
NEW WATERLINE											5,000			
MINI EXCAVATOR					17,000									
RADIO READ EQUIPMENT														20,000
TOTAL EXPENDITURES	21,181	28,522	355,000	89,055	562,045	60,000	0	40,500	0	0	285,000	0	80,000	20,000
ENDING BALANCE	122,039	113,656	120,637	120,165	98,106	62,522	84,730	59,434	82,857	98,894	118,599	135,514	81,571	99,412
TOTAL REQUIREMENTS	143,220	142,178	475,637	209,220	660,151	122,522	84,730	99,934	82,857	98,894	403,599	135,514	161,571	119,412

ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT
LONG RANGE FINANCIAL PLAN -FY2026-2027
FOREST FUND

	2023-24 AUDITED	2024-25 AUDITED	2025-26 AMENDED	2025-26 PROJECTED	2026-27 PROPOSE D	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
ASSUMPTIONS														
Interest		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
LGIP Yield			4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Inflation	3.20%	2.30%	2.80%	2.80%	2.70%	2.10%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
UNRESTRICTED BALANCE	229,567	315,714	207,836	209,308	191,355	216,944	212,045	205,927	182,926	756,844	706,229	662,785	652,529	640,858
RESTRICTED BALANCE (Hollis Funds)		75,000	77,852	77,852	77,852	66,977	55,059	42,837						
BEGINNING BALANCE	229,567	390,714	285,688	287,160	269,207	283,921	267,104	248,764	182,926	756,844	706,229	662,785	652,529	640,858
REVENUE														
LOGGING									624,000					
INTEREST	14,214	12,093	8,000	4,272	5,000	11,357	10,684	9,951	7,317	30,274	28,249	26,511	26,101	25,634
PRIVATE DONATIONS	21,726	20,000	10,000	20,000	15,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
ROAD MAINTENANCE FEES					1,000	8,827	9,092	9,365	9,953	19,879	10,233	10,540	10,856	11,183
GRANT/LOAN PROCEEDS	414,436	198,124	346,480	342,783	170,000									
CELL TOWER														
TOTAL REVENUE	450,376	230,217	364,480	367,055	191,000	30,184	29,776	29,315	651,270	60,152	48,482	47,052	46,958	46,817
TOTAL RESOURCES	679,943	620,931	650,168	654,215	460,207	314,105	296,880	278,079	834,196	816,996	754,712	709,836	699,487	687,675
EXPENDITURES														
MATERIALS & SERVICES														
ODF - Fire Protection		2,884	3,028	3,028	3,113	3,197	3,264	3,329	3,396	3,464	3,533	3,604	3,676	3,750
Audit	2,702		3,000	3,000	3,125	3,209	3,277	3,342	3,409	3,477	3,547	3,618	3,690	3,764
Legal/ Land Use	4,848	2,195	4,000	550	2,500	2,000	2,042	2,388	2,436	2,484	2,410	2,458	2,507	2,558
Finance Mgmt		6,051	6,480	6,480	4,770	4,637	4,734	7,164	7,307	7,453	5,587	5,699	5,813	5,929
Business Oregon - ARPA														
Project Management	33,658	3,544												
Road Management Consulting		16,777	25,000	13,541	16,000									
Forest Management Consulting	109,502	1,402	3,000	5,704	11,750	12,067	12,321	33,242	33,907	34,585	19,444	19,833	20,230	20,634
Certification					2,513	2,581	2,635	2,688	2,742	2,796	2,852			
Update Mgmt Plan (Per FLP Contract)										15,657				
Road Maintenance		56,416	125,000	159,605	125,000	14,712	15,153	15,608	16,588	33,131	17,055	17,567	18,094	18,638
Road Maintenance Supplies														
Land Restoration		7,086	15,000	15,000										
PreCommercial Thinning											33,059			
Miscellaneous		185	500	100	500	514	524	535	545	556	568	579	590	602
TOTAL MATERIALS & SERVICES	150,710	96,540	185,008	207,008	169,271	42,917	43,950	68,296	70,330	103,605	88,055	53,357	54,600	55,874
CAPITAL OUTLAY														
Road Construction	138,519	19,863	125,000	125,000										
Road Decommissioning		43,218	50,000	50,000										
Safe Drinking Water (Crushed Rock)		30,000												
TOTAL CAPITAL OUTLAY	138,519	93,081	175,000	175,000	0	0	0	0	0	0	0	0	0	0
INTERFUND TRANSFERS														
Transfer to General Fund (Forest Expense pre-purchase)														
Transfer to General Fund (Audit)		145,622												
Transfer to General Fund (Property Management)			3,000	3,000	4,000	4,084	4,166	6,884	7,022	7,162	3,872	3,949	4,028	4,109
TOTAL INTERFUND TRANSFERS	0	145,622	3,000	3,000	4,000	4,084	4,166	6,884	7,022	7,162	3,872	3,949	4,028	4,109
Hollis Expenditure					10,875	11,918	12,222	22,864						
Non-Hollis Expenditures			363,008	385,008	162,396	35,083	35,894	52,316						
TOTAL EXPENDITURES	289,229	335,243	363,008	385,008	173,271	47,001	48,116	75,180	77,352	110,767	91,927	57,307	58,629	59,983
CONTINGENCY & UNAPPROPRIATED BALANCE														
CONTINGENCY	0		60,501	38,501	120,000									
RESTRICTED BALANCE	0		77,852	77,852	66,977	55,059	42,837	19,973						
UNAPPROPRIATED BALANCE	390,714	285,688	148,807	152,854	99,959	212,045	205,927	182,926	756,844	706,229	662,785	652,529	640,858	627,692
TOTAL CONTINGENCY & BALANCES	390,714	285,688	287,160	269,207	286,936	267,104	248,764	202,899	756,844	706,229	662,785	652,529	640,858	627,692
TOTAL REQUIREMENTS	679,943	620,931	650,168	654,215	460,207	314,105	296,880	278,079	834,196	816,996	754,712	709,836	699,487	687,675