



RWDonline.net

P.O. Box 8, Springfield, OR 97477

1550 42nd Street, Springfield, OR 97477

Phone: 541-746-1676

Fax: 541-747-0845

TO: RAINBOW WATER AND FIRE DISTRICT BOARD OF COMMISSIONERS AND BUDGET COMMITTEE
FROM: JAMIE PORTER, SUPERINTENDENT (BUDGET OFFICER)
DATE: JUNE 14, 2023
RE: FISCAL YEAR 2023-24 ADOPTED BUDGET MESSAGE SUMMARY

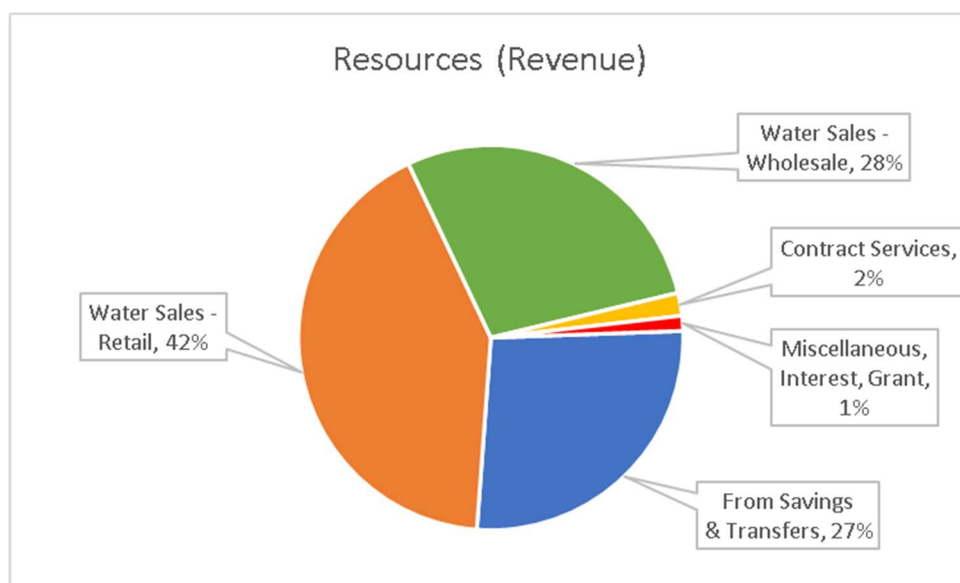
RESOURCES (INCOME)

Water Sales-Retail is money earned when Rainbow sells water directly to our county customers. Rates include a base charge for our overhead costs, and a three-tier usage charge with the rate increasing as larger amounts of water are used (to encourage reasonable conservation). The Budget Committee's primary tool for adjusting revenue is by making changes to the water rate charged to customers.

Rainbow earns money from Springfield Utility Board as **Water Sales-Wholesale** sold under a bulk purchase contract. This rate adjusts each year based on an established formula. This water serves city customers in north and west Springfield in the service area managed by Rainbow.

Rainbow receives **Miscellaneous & Interest** income from customer service fees, new development connection charges, earnings on investments, and **Contract Services** we provide to other entities.

Rainbow collects property taxes as revenue into our Fire Protection Fund. These taxes come from both our permanent rate and a supplemental five-year local option levy. The property taxes are used to hire Eugene-Springfield Fire for fire protection and emergency medical services. When we have funds left over, **Savings & Transfers** may be used to store money. The Capital Reserve Fund saves for larger projects that maintain firefighting capabilities, and the Resilience Fund for broader general fund operational support.



REQUIREMENTS (EXPENSES)

Rainbow’s staff is our greatest asset, and nearly half of our budget is dedicated to labor costs. The **Personnel Services** budget item includes wages, employer-paid payroll taxes, and employer-paid benefits for benefits including sick and vacation pay, retirement contributions, and healthcare coverage.

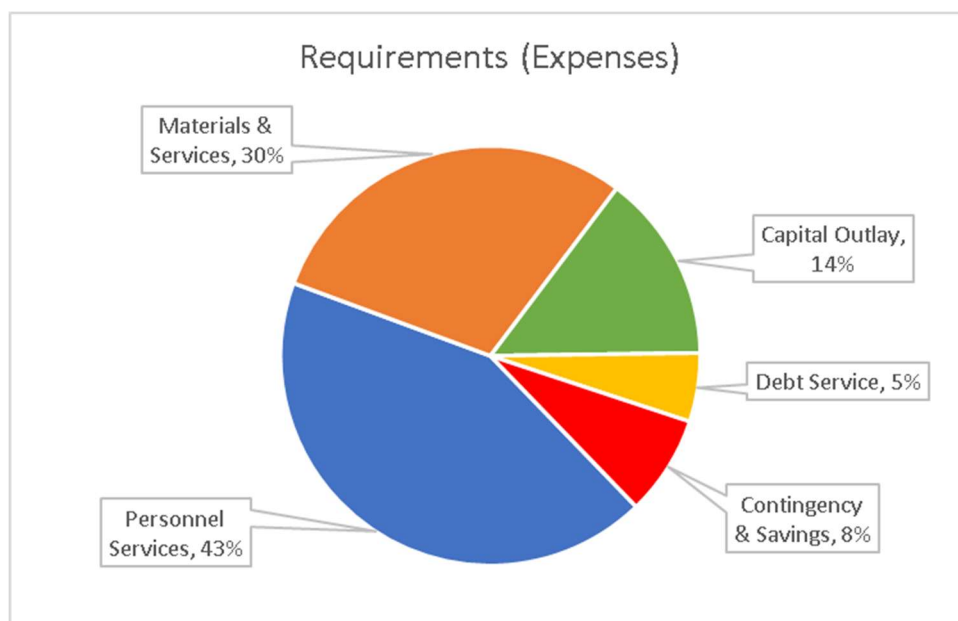
The **Materials & Services** portion of our budget covers operational costs ranging from electricity for our pumps, treatment chemicals, maintenance parts and tools, staff training expenses, computer software subscriptions and payments we make to accountants, lawyers, engineers and technical advisors.

Capital Outlay describes our investments in water system infrastructure, projects that replace or add to our assets including wells and tanks, pumps, pipes, fire hydrants and treatment equipment.

Debt Service is where we budget for principal and interest payments on our one outstanding loan for the Chase Water Treatment Facility.

Contingency & Savings is how we budget to leave some money available for emergencies. Money that is not spent or is specifically saved in the budget, carries over to the next year to start our working capital.

Many costs are fixed and required, such as our annual loan payment, monthly electric bill, or the need to hire an outside auditor to review our finances. Others are discretionary, such as paying a cost of living adjustment for staff, or the type of employee benefits we provide. We need to keep pumping water and perform necessary maintenance and repairs, but we can postpone some equipment replacements and some of our larger projects can be delayed or reduced in scope if funding is limited.



**RAINBOW WATER DISTRICT
2023-24 WATER OPERATIONS (GENERAL FUND) ADOPTED BUDGET**

June Meeting

2021-22 ACTUAL	2022-23 ADOPTED	BUDGETED RESOURCES (INCOME)	2023-24 ADOPTED
\$ 549,367	\$ 537,500	<i>Working Capital Beginning Balance</i>	\$ 300,000
\$ 964,990	\$ 1,097,500	Water Sales - Retail	\$ 1,169,964
\$ 734,245	\$ 716,455	Water Sales - Wholesale Contract to SUB	\$ 792,770
\$ 10,571	\$ 3,200	Development/Connection Charges	\$ 3,200
\$ 95,703	\$ 59,600	Contract Services To Others	\$ 53,700
\$ 38,085	\$ 11,329	Cust Svc Fees / Miscellaneous / Sale of Asset	\$ 9,050
\$ 998	\$ 1,200	Interest Earnings	\$ 3,600
\$ -	\$ -	Grant Income / State Revolving Loan Fund	\$ 19,500
\$ 148,216	\$ 148,216	Transfers From Fire Protection Fund	\$ 148,216
\$ 113,975	\$ 250,000	Transfers From Capital Reserve Fund	\$ 300,000
\$ 2,656,150	\$ 2,825,000	TOTAL RESOURCES	\$ 2,800,000

2021-22 ACTUAL	2022-23 ADOPTED	BUDGETED REQUIREMENTS (EXPENSES)	2023-24 ADOPTED
\$ 1,030,788	\$ 1,185,000	Personnel Services (Wages and Benefits)	\$ 1,200,000
\$ 612,298	\$ 750,000	Materials & Services (Operating Costs)	\$ 830,000
\$ 285,916	\$ 465,000	Capital Outlay (Infrastructure Investments)	\$ 406,200
\$ 148,215	\$ 148,216	Debt Service (Loan Principal and Interest)	\$ 148,216
\$ 250,000	\$ 275,000	Transfer to Resilience Fund (Rainy Day Save)	\$ 200,000
\$ -	\$ -	Contingency	\$ 15,000
\$ 328,933	\$ 1,784	<i>Working Capital Ending Balance</i>	\$ 584
\$ 2,656,150	\$ 2,825,000	TOTAL REQUIREMENTS	\$ 2,800,000

2023-24 RESILIENCE FUND ADOPTED BUDGET

2021-22 ACTUAL	2022-23 ADOPTED	BUDGETED RESOURCES (INCOME)	2023-24 ADOPTED
\$ 85,635	\$ 337,000	<i>Working Capital Beginning Balance</i>	\$ 468,000
\$ 1,662	\$ 1,500	Interest Earnings	\$ 7,000
\$ 250,000	\$ 275,000	Transfer From Water Operating Fund	\$ 200,000
\$ 337,297	\$ 613,500	TOTAL RESOURCES	\$ 675,000

2021-22 ACTUAL	2022-23 ADOPTED	BUDGETED REQUIREMENTS (EXPENSES)	2023-24 ADOPTED
\$ -	\$ 50,000	Water Operating - Personnel	\$ 50,000
\$ -	\$ 50,000	Water Operating - Materials & Services	\$ 150,000
\$ -	\$ -	Water Operating - Debt Service	\$ -
\$ -	\$ 500,000	Reserved For Future Expenditure	\$ 450,000
\$ 337,297	\$ 13,500	<i>Working Capital Ending Balance</i>	\$ 25,000
\$ 337,297	\$ 613,500	TOTAL REQUIREMENTS	\$ 675,000

**RAINBOW WATER DISTRICT
2023-24 CAPITAL RESERVE FUND ADOPTED BUDGET**

June Meeting

2021-22 ACTUAL	2022-23 ADOPTED	BUDGETED RESOURCES (INCOME)	2023-24 ADOPTED
\$ 244,687	\$ 445,000	<i>Working Capital Beginning Balance</i>	\$ 565,000
\$ 2,871	\$ 5,000	Interest Earnings	\$ 15,000
\$ 340,000	\$ 300,000	Transfers From Fire Protection Fund	\$ 500,000
\$ -	\$ -	Transfers From Water Operations / Gen Fund	\$ -
\$ 587,558	\$ 750,000	TOTAL RESOURCES	\$ 1,080,000

2021-22 ACTUAL	2022-23 ADOPTED	BUDGETED REQUIREMENTS (EXPENSES)	2023-24 ADOPTED
\$ -	\$ 200,000	Water Operations - Debt Service	\$ 150,000
\$ 113,975	\$ 300,000	Water Operations - Capital Outlay	\$ 250,000
\$ -	\$ -	Transfers To Water Operations / Gen Fund	\$ 300,000
\$ -	\$ 250,000	Reserved For Future Expenditure	\$ 350,000
\$ 473,583	\$ -	<i>Working Capital Ending Balance</i>	\$ 30,000
\$ 587,558	\$ 750,000	TOTAL REQUIREMENTS	\$ 1,080,000

2023-24 FIRE PROTECTION FUND ADOPTED BUDGET

2021-22 ACTUAL	2022-23 ADOPTED	BUDGETED RESOURCES (INCOME)	2023-24 ADOPTED
\$ 501,231	\$ 415,000	<i>Working Capital Beginning Balance</i>	\$ 745,000
\$ 3,478	\$ 4,778	Interest Earnings	\$ 15,000
\$ 1,638,749	\$ 1,682,222	Property Taxes Levied	\$ 1,715,000
\$ -	\$ -	Transfers From Other Funds	\$ -
\$ 2,143,458	\$ 2,102,000	TOTAL RESOURCES	\$ 2,475,000

2021-22 ACTUAL	2022-23 ADOPTED	BUDGETED REQUIREMENTS (EXPENSES)	2023-24 ADOPTED
\$ 1,238,831	\$ 1,238,831	Springfield Fire Protection Contract	\$ 1,238,831
\$ 340,000	\$ 300,000	Transfer To Capital Replacement Reserve	\$ 500,000
\$ 148,216	\$ 148,216	Transfer To Water Operating / General Fund	\$ 148,216
\$ -	\$ 412,944	Contingency and Unappropriated	\$ 412,944
\$ 416,411	\$ 2,009	<i>Working Capital Ending Balance</i>	\$ 175,009
\$ 2,143,458	\$ 2,102,000	TOTAL REQUIREMENTS	\$ 2,475,000

**RAINBOW WATER DISTRICT
2023-24 ADOPTED BUDGET FINANCIAL SUMMARY OF RESOURCES**

Resources Summary	Gen Fund	Fire Fund	Cap Reserve	Resilience	Total
Beginning Fund Balance / Net Working Capital	\$300,000	\$745,000	\$565,000	\$468,000	\$2,078,000
Fees, Licenses, Permits, Fines, Assessments, Service Charges	\$3,200	\$0	\$0	\$0	\$3,200
Grants, Gifts, Allocations & Donations	\$19,500	\$0	\$0	\$0	\$19,500
Revenue from Bonds and Other Debt	\$0	\$0	\$0	\$0	\$0
Interfund Transfers / Internal Service Reimbursements	\$448,216	\$0	\$500,000	\$200,000	\$1,148,216
All Other Resources Except Current Year Property Taxes	\$2,029,084	\$30,000	\$15,000	\$7,000	\$2,081,084
Current Year Property Taxes Estimated To Be Received	\$0	\$1,700,000	\$0	\$0	\$1,700,000
Total Resources	\$2,800,000	\$2,475,000	\$1,080,000	\$675,000	\$7,030,000