

Governing Body Name: Tualatin Valley Water District**Contact: Paul Matthews****Ph: (503) 848-3000****Email: Justin.Carlton@tvwd.org****FINANCIAL SUMMARY - RESOURCES**

TOTAL OF ALL FUNDS	Actual Amount Biennium 2021-23	Amended Budget This Biennium 2023-25	Proposed Budget Next Biennium 2025-27
Beginning Fund Balance/Net Working Capital	266,699,450	261,873,626	283,068,325
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	165,007,976	216,517,532	260,376,778
Federal, State and All Other Grants, Gifts, Allocations and Donations	0	11,000,000	12,725,000
Revenue from Bonds and Other Debt	326,342,418	261,106,518	0
Interfund Transfers / Internal Service Reimbursements	602,444,028	967,345,758	398,018,937
All Other Resources Except Current Year Property Taxes	235,810,418	688,491,386	284,024,995
Current Year Property Taxes Estimated to be Received	0	0	0
Total Resources	1,596,304,290	2,406,334,820	1,238,214,035

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

Personnel Services	40,889,489	50,095,791	59,007,873
Materials and Services	44,908,090	70,505,326	104,795,127
Capital Outlay	488,779,799	1,177,669,188	432,602,937
Debt Service	0	11,220,512	16,349,500
Interfund Transfers	590,174,367	956,623,138	380,445,940
Contingencies	0	20,294,900	23,031,455
Special Payments	1,428,006	2,035,000	2,280,000
Unappropriated Ending Balance and Reserved for Future Expenditure	430,124,539	117,890,965	219,701,203
Total Requirements	1,596,304,290	2,406,334,820	1,238,214,035

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *

Name of Organizational Unit or Program FTE for that unit or program			
Administrative Services Department	7,925,579	10,989,062	17,671,348
FTE	12	12	11
Customer Service Department	10,175,658	13,668,690	18,412,137
FTE	33	33	32
Engineering & Operations Department	25,164,443	35,732,992	37,809,638
FTE	61	66	67
Finance Department	8,655,712	11,124,641	11,943,609
FTE	14	15	15
Water Supply Program	4,010,456	4,233,414	4,850,120
FTE	12	12	11
Information Technology Services Department	6,256,452	12,630,348	12,353,748
FTE	10	10	10
Water Purchases (General Fund)	21,498,918	30,650,700	30,952,000
FTE	0	0	0
Capital Improvements Fund	284,677,634	523,589,659	210,907,760
FTE	0	0	0
Capital Reserve Fund	373,038,243	460,876,828	377,431,383
FTE	0	0	0
System Development Charges Fund	0	8,906,616	7,240,437
FTE	0	0	0
WIFIA Proceeds Fund	326,602,863	245,130,240	0
FTE	0	0	0
2023 Bond Fund	0	83,211,329	0
FTE	0	0	0
2024 Bond Fund	0	117,000,000	0
FTE	0	0	0
Revenue Bond Debt Service Fund	0	11,220,512	16,349,500
FTE	0	0	0
Customer Emergency Assistance	556,561	379,875	512,075
FTE	0	0	0
Willamette River Water Coalition Fund	88,923	309,755	351,726
FTE	0	0	0
Willamette Intake Facilities Fund	4,828,312	1,125,495	1,450,175
FTE	0	0	0
Willamette Water Supply System Fund	370,477,310	654,193,129	252,282,452
FTE	0	0	0
Grant Fund	0	11,000,000	12,725,000

FTE	0		
Non-Departmental / Non-Program	152,347,226	170,361,535	224,970,927
FTE	0	0	0
Total Requirements	1,596,304,290	2,406,334,820	1,238,214,035
Total FTE	142	148	146

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

Total proposed 2025-27 General Fund operating expenditures increased 14.9% for the two-year period. The personnel services budget increased by 17.8%, while the budget for materials and services increased by 12.7%. The budget has a decrease of 2 FTE positions.

Total capital outlay expenditures decreased 63.3%. The District's multi-year capital program constructing the Willamette Water Supply System (WWSS) is scheduled to be complete in July 2026, resulting in a decrease in capital spending. Proposed in-District capital improvements plan (CIP) expenditures continue to be planned for reservoir, pump station, and pipeline construction and upgrades. The District completed its financing program for the WWSS during the 2023-25 biennium. The District's debt service for the 2025-27 biennium is \$16.3 million and accounts for interest-only payments on the Revenue Bonds, Series 2023 and Series 2024. The District also has a Water Infrastructure Finance and Innovation Act (WIFIA) loan through the US Environmental Protection Agency. The District will begin paying principal on the revenue bonds and its WIFIA loan in 2028 after the completion of the program.

Transfers to other funds, although not an expenditure category, represents the second largest appropriation item in the Proposed 2025-27 Budget at \$380.4 million. The District uses a Capital Reserve Fund to hold most current and future District reserves. This fund supports the in-District CIP and the District's share of the WWSS. Transfers to the Capital Reserve Fund are initiated from the General Fund and the Grant Fund. General Fund operating contingency is budgeted at \$20 million and contingencies of \$60,480; \$30,975; \$114,000; and \$2.8 million are proposed for the Customer Emergency Assistance, Willamette River Water Coalition, Willamette Intake Facilities (WIF), and WWSS Funds respectively. Contingency can only be accessed through approval by resolution by the District Board of Commissioners. Special payments increased by 12.0% in the Proposed 2025-27 Budget. Special payments represent right-of-way fees the District collects on behalf the cities of Beaverton, Hillsboro, and Tigard for customers who reside within those city boundaries.

Total Proposed 2025-27 budgeted resources, including transfers, debt proceeds, reserves and fund balance decreased 48.5%, resulting from the near completion of the WWSS. Primary resources to support operating, WWSS, WIF and in-District CIP expenditures include water rates and service fees, contributed capital from WWSS and WIF partners, contract reimbursements for services provided to other entities, system development charges, capital reserves, and meter and services installation fees paid by customers/developers. Budgeted water service charges and fees increased 20.3% based on projected rates and fees for services, projected water demand, and customer growth. System development charges are projected to decrease 18.7% based on development trends. WWSS and WIF partners pay their portion of capital and operating expenditures. The Proposed 2025-27 Budget includes \$217.2 million in contributed capital by WWSS/WIF partners and \$32.5 million in administrative fees to pay for operations.

For more information on TVWD's budget visit <https://www.tvwd.org/district/page/budget>

PROPERTY TAX LEVIES

	Rate or Amount Imposed	Rate or Amount Imposed	Rate or Amount Approved
Permanent Rate Levy (rate limit _____ per \$1,000)	0	0	0
Local Option Levy	0	0	0
Levy For General Obligation Bonds	0	0	0

STATEMENT OF INDEBTEDNESS

LONG TERM DEBT	Estimated Debt Outstanding on July 1.	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$0	\$0
Other Bonds	\$564,581,015	\$135,418,985
Other Borrowings	\$0	\$0
Total	\$564,581,015	\$135,418,985

* If more space is needed to complete any section of this form, insert lines (rows) on this sheet or add sheets. You may delete unused lines.