

2027 MOAB IRRIGATION EXPENSE BUDGET — RECOMMENDED DRAFT

Recommendation incorporates 2025 payment timing to forecast 2026 last months of the year.

Description	2025 Actual	2026 Budget	2026 Forecast	2027 Recom	Diff Est 2026 vs Prop 2027	Perc Diff	Reasoning for Recommendation
Position #1	\$110,854	\$117,599	\$86,589	\$110,000	(\$7,599)	(6.9%)	Dist Mgr was out for three months, so the 2026 spending is low. The 2026 budget included on call pay.
Position #2 (Currently contracted)	\$0	\$0	\$26,074	\$24,000	\$24,000	100.0%	Retain the board member's contracted backup allowance for on-call, leave and emergencies.
Position #3	\$123,390	\$55,129	\$71,459	\$65,000	\$9,871	15.2%	Additional Responsibilities
Position #4	\$0	\$80,000	\$0	\$75,000	(\$5,000)	(6.7%)	Use the board-approved upper end for the vacant assistant-manager position.
Board of Directors Per Diem	\$41,978	\$20,000	\$25,970	\$14,200	(\$5,800)	(40.8%)	Four late-year 2025 board-payment months show the \$2,000 year-end estimate is too low; round the stated meeting formula. 17 meetings (12 reg 5 spec) x 85 meetings x \$166 = \$14,200
FICA - Med .0765%	\$21,742	\$20,864	\$11,578	\$23,200	\$2,336	10.1%	7.65% of recommended taxable payroll, excluding the contracted operator.
Medical Benefits - Moab Portion	\$41,881	\$61,574	\$24,727	\$60,000	(\$1,574)	(2.6%)	Three employees full current coverage for Jan - Jun is \$1,514.37 monthly which equals \$27,300. Rates go up in July of each year; est 10% increase new rate \$1,665.81 which equals \$30,000 + a small cushion
Retirement Benefits - Moab Portion	\$15,415	\$15,164	\$7,135	\$15,900	\$736	4.6%	Use the stated 6% employer contribution on approximately \$265,000 of employee wages.
L&I - Employer Portion	\$0	\$3,280	\$0	\$3,300	\$20	0.6%	Hold near the 2026 budget; quarterly payment timing makes YTD misleading.
Paid Family Leave - WA Cares Act	\$3,835	\$1,200	\$1,256	\$0	(\$1,200)	0.0%	The board voted in 2025 not to pay these expenses - the employees are responsible to pay these
FUTA Tax	\$0	\$0	\$164	\$500	\$500	100.0%	Retain the board estimate for the newly separated FUTA line.

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State Unemployment	\$0	\$0	\$1,501	\$3,800	\$3,800	100.0%	Retain the observed 2026 run rate for the newly separated state unemployment line. Est used current rate x est payroll.
Misc Fees for Payroll	\$0	(\$25)	\$25	\$100	\$125	125.0%	Small allowance prevents an unbudgeted payroll-fee variance.
Cont Ed and Travel	\$4,180	\$6,000	\$2,220	\$6,000	\$0	0.0%	Maintain 2026 authorization for training and required certifications.
Mileage	\$586	\$1,200	\$299	\$1,200	\$0	0.0%	Maintain a modest travel allowance; 2025 actual was \$586.
Safety	\$19	\$1,000	\$237	\$1,200	\$200	16.7%	Maintain the board increase for safety needs.
Employee Contingency	\$0	\$500	\$0	\$500	\$0	0.0%	Double the small employee contingency because 2027 assumes three staffed positions.
Office Supplies and Mailings	\$6,970	\$7,000	\$4,681	\$5,000	(\$2,000)	(40.0%)	Moved \$2,000 to Elections - that is part of mailing costs.
Software And Maintenance	\$19,017	\$16,000	\$15,337	\$18,000	\$2,000	11.1%	Accounting Software, Payroll Software, and MS Office & Email software.
Technical Services	\$7,305	\$10,000	\$8,479	\$3,000	(\$7,000)	(233.3%)	Systems are updated every other month, estimation based on \$475 x 6 = 2,850 + small contingency. The Office Assistant has extensive tech background.
Attorney Fees	\$23,811	\$30,000	\$26,375	\$15,000	(\$15,000)	(100.0%)	The board has intentionally limited the need for the Attorney to be at every board meeting.
Cell Phones/Internet	\$2,800	\$3,200	\$2,598	\$3,300	\$100	3.0%	Current charges are near the 2026 ceiling; add a small inflation allowance.
Office Phones	\$2,800	\$3,045	\$2,598	\$2,500	(\$545)	(21.8%)	About \$200 per month plus a modest inflation allowance.
Garbage	\$592	\$753	\$603	\$775	\$22	2.8%	Apply general inflation to the current recurring service level.

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Description	2025 Actual	2026 Budget	2026 Forecast	2027 Recom	Diff Est 2026 vs Prop 2027	Perc Diff	Reasoning for Recommendation
Director Election	\$1,485	\$10,000	\$1,521	\$4,000	(\$6,000)	(150.0%)	Use the board's conservative election allowance; costs are event-driven. - Also adjusted \$2,000 from Office Supplies and Mailing.
Bank / Service Charges	\$1,569	\$2,200	\$1,613	\$1,700	(\$500)	(29.4%)	Recent monthly run rate is roughly \$126–\$141; include modest inflation.
Audit	\$0	\$6,667	\$17,276	\$8,500	\$1,833	21.6%	Use the board-approved SAO one-year audit quote.
Taxes - Department of Revenue	\$36,206	\$50,000	\$33,022	\$38,000	(\$12,000)	(31.6%)	New Rate Structure reduced Utility Tax
Property Taxes	\$408	\$550	\$741	\$800	\$250	31.3%	2026 actual already exceeds budget; carry the observed tax level plus a small cushion.
Office Maint/Equip/Repairs	\$4,268	\$4,000	\$2,132	\$3,500	(\$500)	(14.3%)	Reduced based on usage
Morris Booster Power	\$5,925	\$8,250	\$6,063	\$6,900	(\$1,350)	(19.6%)	Notification that power is going to increase between 15% & 17%.
Pump Power	\$92,594	\$103,000	\$84,292	\$106,000	\$3,000	2.8%	Notification that power is going to increase between 15% & 17%.
Office Power	\$1,610	\$3,190	\$1,861	\$3,080	(\$110)	(3.6%)	Est use for 2026 is very low so reduced budget amount.
Insurance Coverage	\$71,135	\$90,000	\$90,000	\$90,000	\$0	0.0%	Keep the 2026 authorization until the unpaid annual invoice is known; \$72,000 could understate renewal risk. Insurance commission authorized a significant increase in rates.
Engineering Retainers	\$12,750	\$11,000	\$11,000	\$11,000	\$0	0.0%	Monthly Fee
Water Planning Services	\$1,500	\$5,000	\$1,536	\$5,000	\$0	0.0%	Keep capacity for planning work; historical spending is volatile.
Facilities Maintenance	\$10,913	\$26,000	\$12,565	\$20,000	(\$6,000)	(30.0%)	Blend the \$14,000 2026 forecast with the five-year average of about \$18,550. Make sure we have funds to fix any problems that may occur.

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Fire Hydrant Repair	\$0	\$5,000	\$525	\$5,000	\$0	0.0%	Maintain repair capacity; hydrant failures are irregular rather than absent.
Chlorination Products/Maintenance	\$11,816	\$17,000	\$11,183	\$15,000	(\$2,000)	(13.3%)	Near the \$11,816 2025 actual with inflation additional chemical cost increases.
Truck Fuel/Maintenance	\$2,047	\$5,000	\$1,568	\$3,000	(\$2,000)	(66.7%)	Current cost \$85 a fill up x 24 (continued rising cost of fuel)
Tools/Equipment Maintenance	\$169	\$5,000	\$3,697	\$5,000	\$0	0.0%	Current 2026 spending is already near the ceiling; retain the full amount.
Water Quality Testing	\$3,090	\$1,800	\$2,799	\$3,100	\$1,300	41.9%	Reviewed required tests for 2027. Est funds calculated.
Operating Permit/Wellhead Protect	\$2,679	\$5,000	\$3,035	\$5,000	\$0	0.0%	Recent actuals are between \$2,700–\$2,825; budget near that run rate rather than \$5,000.
Meter Replacement Program	\$560	\$4,000	\$1,575	\$5,000	\$1,000	20.0%	Increase slightly for a recurring replacement program and equipment-price risk.
Debt Payments	\$0	\$109,876	\$109,876	\$0	(\$109,876)	0.0%	The funds for the final payment of 2027 are already in the Loan Fund. Additional funds are not required for final payment.
New Installations for Existing Customers	\$0	\$5,000	\$0	\$5,000	\$0	0.0%	Retain an allowance for customer installation needs, which are event-driven.
Capital Expenditure	\$0	\$150,000	\$145,274	\$0	(\$150,000)	0.0%	This line depends on actions to be taken by BOD.
Operating Contingency Reserve	\$0	\$0	\$0	\$15,000	\$15,000	100.0%	Adds roughly a 2% reserve for price, timing and emergency uncertainty not captured in line items.
TOTAL RECOMMENDED EXPENSE BUDGET	\$687,901	\$1,081,016	\$863,058	\$811,055	(\$269,961)	(33.3%)	

Fund Balances Recap 2024 - 2026

	2024	2025	2026
Beginning Balances			
438 General Exp	524,499.12	536,928.92	848,207.19
439 Bond Fund	44,849.02	64,620.44	113,684.24
440 Resv/Build Fund	1,421.32	50.07	51.33
441 Reserve Fund	252,216.90	354,652.86	366,376.82
452 Bond Fund (loan)	145,634.02	666.76	688.89
	968,620.38	956,919.05	1,329,008.47

Ending Balances			
438 General Exp	536,928.92	848,207.19	1,081,767.37
439 Bond Fund	64,620.44	113,684.24	131,089.81
440 Resv/Build Fund	50.07	51.33	0.00
441 Reserve Fund	354,652.86	366,376.82	375,829.34
452 Bond Fund (loan)	666.76	688.89	0.00
	956,919.05	1,329,008.47	1,588,686.52

<== as of July 31

(546,304.00) <== Est Spending for Aug - Dec 2026

410,000.00 <== Est Tax Revenue still due

100,000.00 <== Est Fall Billing income

1,552,382.52

(480,528.00) <== Est 6 mo of operation funds (based on 2027 proposed budget)

(55,000.00) <== Last Loan Payment

(40,000.00) <== 1/2 of unemployment hold (which ends in Jun or Jul 2027)

(20,000.00) <== Est amount need for Compensated Absences

956,854.52 <== Est Carry-Over from 2026 to 2025

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		Year Needed	Yrs to Save	Amt Per Yr Save	
Water System Plan Update YR	\$50,000	2030	4	\$12,500	
Reserve Contribution				\$20,000	<== 1 to 1.5% of budget is industry standard
Strong Lane Booster Station				\$450,000	<== Estimate we will be required to do this by the health department as we are not meeting our minimal requirements
Honeymoon Bay Meter Setter Replacement		\$150,000	3	\$50,000	<== These meters are starting to fail. Replacing them will require a contractor as we do not have the staff or the equipment for this project
Telemetry System	\$208,633			\$74,000	
Pay 30% down (current budget)	\$65,000	2026 Budget			
	\$143,633				
Encumber from Capt Exp 2026	\$70,000	2026 Budget			
Budget for 2027	\$73,633	2027 funds available		\$606,500	<== total from items in blue above
				\$956,855	<== because of estimated balance - we did not fund any money for Capital Expenditures
				\$350,355	<== undesignated balance