

# **QUALITYLIFE (QLIFE) INTERGOVERNMENTAL AGENCY**

## **PROPOSED BUDGET FISCAL YEAR 2026**

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# QUALITYLIFE (QLIFE) INTERGOVERNMENTAL AGENCY

## BUDGET MESSAGE

### FISCAL YEAR 2026

I am pleased to present to you the QLife Proposed Budget for the Fiscal Year 2026 (FY26). This budget covers the period of July 1<sup>st</sup> 2025 to Jun 30<sup>th</sup> 2026.

The QualityLife Intergovernmental Agency (QLife) has been a partnership between the City of The Dalles and Wasco County. In FY25, Wasco People's Utility District (PUD) joined as an equal partner. QLife is an intergovernmental agency consisting of the City of The Dalles and Wasco County, governed by a Board of Directors and run by an Administrator. QLife is a transport and dark fiber service provider that facilitates broadband, Ethernet, wide area networks, internet access, and virtual private networks through local internet service providers. QLife has been operational since December of 2003. The original mission and purpose of QLife was to bring a middle mile fiber solution to the City of The Dalles in an effort to meet certain needs of critical agencies for reliable high speed data services and to provide and promote an environment for successful economic development.

This narrative explains the proposed QLife budget for FY26. The budget encompasses three (3) funds: The Operating (General) Fund, the Capital Fund and the Maupin Fund. The Maupin Fund is for operations and capital bringing and building QLife services in the Maupin area.

| Fund        | Fund Name               | FY25 Budget | FY26 Proposed Budget | Difference | %    |
|-------------|-------------------------|-------------|----------------------|------------|------|
| 6000        | General Operations Fund | 1,294,266   | 1,518,014            | 223,748    | 17%  |
| 6010        | Capital Fund            | 7,998,036   | 14,433,717           | 6,435,681  | 80%  |
| 6020        | Maupin Fund             | 62,917      | 54,276               | (8,641)    | -14% |
| Grand Total |                         | 9,355,219   | 16,006,007           | 6,650,788  | 71%  |

- *The General Operations Fund is primarily for operations in The Dalles area*
- *The Capital Fund is used for system expansion in The Dalles area*
- *The Maupin Fund is used to provide services in the Maupin area*

### Financial Health

The General (Operations) Fund for The Dalles area is in good shape. The projected resources are 1,518,014 for FY26. This includes a Beginning Fund Balance of \$474,104. Normal operations expenses are \$1,025,231 compared to \$566,697 last fiscal year. This increase is due to planned changes in the direction of QLife which are discussed later in this document. An additional \$20,000 is set aside each year for capital equipment. This fund is stable at this point. Part of the stability has been by building a budget basing the planned transfers to the Capital Fund base on expected revenue. For FY26, this

amount will decrease to \$260,000 (this is \$220,000 less than FY25). This is due to the planned increase in expenditures out of the fund.

The Capital Fund starts FY25 with \$3,067,881 in Beginning Fund Balance. Another \$260,000 will be transferred in from the General (Operations) Fund. Additionally, the intent is to apply for a Broadband Equity Access and Deployment (BEAD) grant – this is an unknown but has been budgeted as \$5,000,000. While this had been budgeted in FY25 also, it was not awarded. Additionally, \$6,000,000 has been budgeted as potential loan receipts to match for the BEAD grant. This is planned to be borrowed from partner agencies (Wasco County, The Dalles & Wasco PUD). This puts the total resources of the fund at \$14,433,717. The Capital Fund has budgeted \$13,367,573 in capital outlay for equipment, primary system improvement/repair/expansion, and secondary line extensions. This is assuming \$11,000,000 in spending if the Broadband Equity grant is received and the partner loans are utilized. (If it is not received, the funds will not be spent.) The remaining \$1,066,144 is split between Contingency and Reserve for System Improvements – the same as last fiscal year. (Reserve for System Improvements is being treated as Unappropriated.) The fund remains healthy and continues to grow.

The Maupin Fund has resources totaling \$54,276. No expenses are projected to be paid out in FY25 – except the final transfer to the Capital Fund - which allows the fund balance to remain steady.

### Transfers

Transfers are used to move funds from one fund to another – this is not an exchange of funds for value but rather a reallocation of resources. The General (Operations) Fund is budgeted to transfer \$480,000 to the Capital Fund. This is to set resources aside for current and future capital needs. This allows the General Fund to operate with fewer spikes and smooths out the business cycle. A summary is shown below.

| From Fund | To Fund | Amount    | Purpose  |
|-----------|---------|-----------|--|
| General   | Capital | \$260,000 | Fund capital expenses and move excess fund balance |

### Contingency and Reserves

Contingency amounts are appropriations included in the budget but cannot be spent – it is available to be transferred to an appropriate expense line by the governing body. The Qlife budget also uses Reserves which are treated as Unappropriated (Appropriated for use in a future fiscal period).

The General (Operating) Fund has a contingency of \$128,565 – same as FY25. This is 12.5% of the budgeted operating cost of the fund not including the transfer to the Capital Fund. This is essentially 1.5 months of expenses. This is considered a healthy level by management. Contingency funds were not utilized in FY25.

The Capital Fund has a contingency of \$391,019 and a reservation for \$675,125 – the total is \$1,066,144. The reservation is dedicated to system improvements. This is the same since FY21. Contingency funds were not utilized in FY25.

The Maupin Fund contingency is \$9,852. The contingency did not have to be utilized in FY25.

### Capital Outlay

The General (Operations) Fund has budgeted \$20,000 for capital outlay. This is to meet Item #3 of the agencies Financial Priorities Policy – specifically to have \$20,000 available for expansion and replacement of electronics in the system.

The Capital Fund has budgeted \$13,367,573 for capital outlay in FY26. The primary system has \$1,817,573 to address potential projects with an additional \$11,000,000 budgeted in case the BEAD grant is received and the partner loans utilized. The process for QLife has been to bring all projects to the QLife Board for approval before moving forward. For this reason, the budget has been built to focus on giving the capacity for QLife to proceed on projects at the discretion of the board. Secondary line extension is the third category of capital outlay for the fund – this is \$500,000 and will be used for new connections requiring a line extension which increases the value of the system. No specific extensions are identified at this time.

The Maupin Fund has \$25,924 budgeted for capital outlay in FY26. There are funds in contingency to transfer in if necessary, but it is not expected. The \$25,924 is not dedicated to any specific item but rather for needs of the primary system. Since the completion of the project in FY20, capital outlay has decreased significantly.

| Capital Outlay       |                                |               |
|----------------------|--------------------------------|---------------|
| Fund                 | Purpose                        | Amount        |
| General Operating    | Telcomm Equipment              | \$ 20,000     |
| Capital Fund         | Primary System Maintenance     | 1,817,573     |
|                      | Primary System - BEAD Grant    | 5,000,000     |
|                      | Primary System - Partner Loans | 6,000,000     |
|                      | Secondary Line Extension       | 500,000       |
|                      | Capital Equipment              | 50,000        |
| Maupin Fund          | Primary System                 | 25,924        |
| Total Capital Outlay |                                | \$ 13,413,497 |

### Budget Appropriation

The Proposed Budget contains line item detail; however the legal level of control for the budget is at the Fund/Department level. This means for each fund, amounts will be appropriated at the legal level of

control by Beginning Balance, Operations (materials & services plus capital), Pass-Through, Transfer In/Out, Reserve, Contingency and Unappropriated.

### **Significant Changes**

In FY25, Wasco People's Utility District (PUD) joined QLife as an equal partner. Instead of a direct buy-in by contributing capital, an Administrator for QLife was hired as an employee of Wasco PUD. This led to the reforming the QLife board. The Board is now seven (7) members; 2 from Wasco County (County Administrator & Commissioner), 2 from The Dalles (City Administrator & Councilor), 2 from Wasco PUD (CEO & Director), with a final member at large. The organization has decided to refocus and pursue grants to provide fiber service to underserved areas directly to residential customers. This is going to require increased capital and operating costs. The intent is for Wasco PUD to assist and take over operations. These changes are a result of Leadership exploring ways to expand the customer base and continue to grow QLife.

### **Future Economic Considerations**

The Proposed Budget presents a strong path for the next fiscal year. The pursuit of the BEAD grant has the potential to allow the organization to grow significantly. The loans from partner agencies are intended to leverage the BEAD grant by meeting the matching requirements. Even without the potential grant, the budget is growing. Growth of The Dalles specifically will impact which projects for capital development are prioritized. The Maupin Fund is looking sustainable if the current trends continue. Leadership is continuing exploring additional ways to expand the customer base to continue the growth into the future.

QLife FY26 Budget Summary for Resolution  
Budget by Fund-Department

| <b>Fund</b>  | <b>Department<br/>Classification</b> | <b>Budget<br/>Revenue/<br/>Resource</b> | <b>Budget<br/>Expense/<br/>Requirement</b> |
|--|--------------------------------------|---|--|
| <b>General (Operations)</b>                              | Operations                           | \$ 1,518,014                            | \$ 1,045,231                               |
|  | Transfers                            |   | 260,000                                    |
|  | Contingency                          |   | 128,565                                    |
|  | Unappropriated                       |   | 84,218                                     |
| <b>Total General</b>                                     |                                      | 1,518,014                               | 1,518,014                                  |
| <b>Capital</b>   | Operations                           | 14,173,717                              | 13,367,573                                 |
|  | Transfers                            | 260,000                                 |  |
|  | Contingency                          |   | 391,019                                    |
|  | Unappropriated                       |   | 675,125                                    |
| <b>Total Capital</b>                                     |                                      | 14,433,717                              | 14,433,717                                 |
| <b>Maupin</b>  | Operations                           | 54,276                                  | 44,424                                     |
|  | Contingency                          |   | 9,852                                      |
| <b>Total Maupin</b>                                      |                                      | 54,276                                  | 54,276                                     |
| <b>Total Appropriation</b>                               |                                      | 16,006,007                              | 16,006,007                                 |
| <b>Unappropriated - for use in future fiscal periods</b> |                                      | -                                       | 759,343                                    |
| <b>Appropriated for FY26 Use</b>                         |                                      | \$ 16,006,007                           | \$ 15,246,664                              |

| Organization         | Object | Account Description            | FY23 Actuals        | FY24 Actuals          | FY25 Actuals<br>YTD   | FY25 Budget           | FY26 Proposed         | FY26 Approved | FY26 Adopted |
|----------------------|--------|--------------------------------|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------|--------------|
| 600Q54G1             | 400000 | BEGINNING FUND BALANCE         | (273,787.80)        | (329,036.91)          | (506,889.67)          | (424,104.00)          | (474,104.00)          |               |              |
| 600Q5414             | 412101 | STATE GRANT/REIMBURSEMENT      | -                   | -                     | -                     | (100,000.00)          | (240,000.00)          |               |              |
| 600Q5416             | 414500 | UTILITY SERVICE CHARGES        | (708,224.22)        | (904,892.52)          | (590,971.36)          | (766,800.00)          | (775,548.00)          |               |              |
| 600Q5416             | 414501 | CONNECT CHARGES                | -                   | (9,000.00)            | -                     | (1,000.00)            | (1,000.00)            |               |              |
| 600Q5499             | 417100 | INTEREST EARNED                | (4,313.67)          | (2,939.44)            | (3,228.08)            | (2,162.00)            | (2,162.00)            |               |              |
| 600Q541D             | 421100 | MISCELLANEOUS RECEIPTS         | -                   | (22,186.90)           | -                     | (200.00)              | (25,200.00)           |               |              |
| <b>Total Revenue</b> |        |                                | <b>(986,325.69)</b> | <b>(1,268,055.77)</b> | <b>(1,101,089.11)</b> | <b>(1,294,266.00)</b> | <b>(1,518,014.00)</b> |               |              |
| 600Q541I             | 510xxx | PERSONNEL                      | -                   | -                     | -                     | -                     | -                     |               |              |
| 600Q541I             | 521100 | ADVERTISING & PROMOTIONS       | -                   | 457.60                | -                     | 11,000.00             | 15,000.00             |               |              |
| 600Q541I             | 521110 | BANK CHARGES                   | -                   | 60.00                 | 60.05                 | -                     | -                     |               |              |
| 600Q541I             | 521120 | LEGAL NOTICES & PUBLISHING     | 267.00              | 421.25                | -                     | 300.00                | 300.00                |               |              |
| 600Q541I             | 521125 | POSTAGE                        | 112.51              | 163.46                | 55.02                 | 200.00                | 200.00                |               |              |
| 600Q541I             | 521140 | SCHOLARSHIP                    | 2,000.00            | 1,000.00              | 2,000.00              | 2,000.00              | 2,000.00              |               |              |
| 600Q541I             | 521205 | TAXES/PERMITS/ASSESSMENTS      | -                   | -                     | -                     | 800.00                | 800.00                |               |              |
| 600Q541I             | 521500 | CONTRACTED SERVICES - GENERAL  | -                   | -                     | 25,000.00             | 75,100.00             | 347,100.00            |               |              |
| 600Q541I             | 521505 | CONTRACTED SERVICES - LEGAL    | 21,252.00           | 34,972.00             | 39,357.25             | 50,000.00             | 50,000.00             |               |              |
| 600Q541I             | 521515 | CONTRACTED SERVICES - AUDIT    | -                   | 19,200.00             | -                     | 9,200.00              | 9,200.00              |               |              |
| 600Q541I             | 521560 | CONTRACTED SERVICES - ENGINEER | 35,432.19           | 84,483.75             | 33,901.25             | 115,000.00            | 115,000.00            |               |              |
| 600Q541I             | 521575 | CONTRACTED SERVICES - PUD      | -                   | -                     | -                     | -                     | 300,000.00            |               |              |
| 600Q541I             | 521600 | ADMINISTRATIVE COSTS           | 67,226.00           | 81,103.00             | 50,931.00             | 75,816.00             | 39,803.00             |               |              |
| 600Q541I             | 521610 | POLE CONNECTION FEES           | 12,117.96           | 15,664.50             | 14,073.25             | 15,000.00             | 15,000.00             |               |              |
| 600Q541I             | 521720 | CONTRACTED SERVICES - NETWORKS | 129,213.65          | 78,922.25             | 64,804.79             | 105,000.00            | 20,000.00             |               |              |
| 600Q541I             | 522100 | TELEPHONE                      | 25.75               | 351.54                | -                     | 150.00                | 150.00                |               |              |
| 600Q541I             | 522131 | UTILITIES - ELECTRICITY        | 762.04              | 638.98                | 395.68                | 800.00                | 800.00                |               |              |
| 600Q541I             | 523100 | RENT - LAND/BUILDING           | 9,690.00            | 7,752.00              | 3,876.00              | 7,752.00              | 7,752.00              |               |              |
| 600Q541I             | 523500 | MEALS LODGING & REGISTRATION   | 2,606.59            | 2,160.46              | 2,959.20              | 5,700.00              | 5,700.00              |               |              |
| 600Q541I             | 524100 | DUES & SUBSCRIPTIONS           | 10,696.60           | 3,053.25              | 8,218.24              | 5,075.00              | 8,360.00              |               |              |
| 600Q541I             | 524500 | INSURANCE & BONDS              | 19,986.00           | 24,351.00             | 28,867.00             | 30,000.00             | 30,000.00             |               |              |
| 600Q541I             | 525130 | R&M - BUILDINGS GENERAL        | -                   | -                     | -                     | 1,600.00              | 1,600.00              |               |              |
| 600Q541I             | 525135 | R&M - OUTSIDE PLANT MAINTENANC | 2,040.00            | 21,958.25             | 13,583.15             | 20,000.00             | 20,000.00             |               |              |
| 600Q541I             | 526105 | SUPPLIES - OFFICE              | (116.59)            | 15.99                 | -                     | 200.00                | 200.00                |               |              |
| 600Q541I             | 527100 | RIGHT OF WAY FEES              | 19,907.83           | 19,743.07             | 17,749.61             | 23,004.00             | 23,266.00             |               |              |
| 600Q541I             | 527105 | EASMENTS - NON-CAPITAL         | -                   | -                     | -                     | -                     | -                     |               |              |
| 600Q541I             | 527170 | EQUIPMENT - NETWORK NON-CAPITA | -                   | -                     | -                     | 5,000.00              | 5,000.00              |               |              |
| 600Q541I             | 527180 | EQUIPMENT - NON-CAPITAL        | -                   | -                     | -                     | 5,000.00              | 5,000.00              |               |              |
| 600Q541I             | 528100 | SUPPORTED AGENCY/FLOWTHROUGH   | -                   | -                     | -                     | -                     | -                     |               |              |
| 600Q541I             | 529100 | MISCELLANEOUS EXPENDITURES     | (89.09)             | -                     | -                     | -                     | -                     |               |              |

| Organization         | Object | Account Description       | FY23 Actuals        | FY24 Actuals        | FY25 Actuals<br>YTD | FY25 Budget         | FY26 Proposed       | FY26 Approved | FY26 Adopted |
|----------------------|--------|---------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------|--------------|
| 600Q541I             | 529105 | GENERAL GRANTS            | -                   | -                   | -                   | 3,000.00            | 3,000.00            |               |              |
| 600Q545J             | 532100 | CAPITAL EQUIPMENT         | -                   | -                   | -                   | 20,000.00           | 20,000.00           |               |              |
| 600Q545J             | 537110 | EASEMENTS                 | -                   | 21,000.00           | -                   | -                   | -                   |               |              |
| 600Q545J             | 539100 | DEPRECIATION              | -                   | -                   | -                   | -                   | -                   |               |              |
| 600Q545J             | 539200 | CAPITALIZATION            | -                   | -                   | -                   | -                   | -                   |               |              |
| 600T54CL             | 556010 | TRANSFER TO QLIFE CAPITAL | 324,000.00          | 360,000.00          | 480,000.00          | 480,000.00          | 260,000.00          |               |              |
| 600C54DN             | 570000 | CONTINGENCY               | -                   | -                   | -                   | 128,565.00          | 128,565.00          |               |              |
| 600U54EP             | 590000 | UNAPPROPRIATED            | -                   | -                   | -                   | 99,004.00           | 84,218.00           |               |              |
| <b>Total Expense</b> |        |                           | <b>657,130.44</b>   | <b>777,472.35</b>   | <b>785,831.49</b>   | <b>1,294,266.00</b> | <b>1,518,014.00</b> |               |              |
| <b>Net</b>           |        |                           | <b>(329,195.25)</b> | <b>(490,583.42)</b> | <b>(315,257.62)</b> | <b>-</b>            | <b>-</b>            |               |              |



| Organization         | Object | Account Description            | FY23 Actuals          | FY24 Actuals          | FY25 Actuals<br>YTD   | FY25 Budget           | FY26 Proposed          | FY26 Approved | FY26 Adopted |
|----------------------|--------|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|---------------|--------------|
| 601Q54G1             | 400000 | BEGINNING FUND BALANCE         | (2,222,177.32)        | (2,414,233.92)        | (2,623,535.19)        | (2,439,521.00)        | (3,067,881.00)         |               |              |
| 601Q5412             | 413122 | BROADBAND EQUITY #11.035       | -                     | -                     | -                     | (5,000,000.00)        | (5,000,000.00)         |               |              |
| 601Q5416             | 414501 | CONNECT CHARGES                | -                     | -                     | -                     | (19,000.00)           | (19,000.00)            |               |              |
| 601Q5499             | 417100 | INTEREST EARNED                | (39,294.41)           | (74,435.18)           | (64,322.96)           | (59,515.00)           | (86,836.00)            |               |              |
| 601Q541D             | 421100 | MISCELLANEOUS RECEIPTS         | (56,160.00)           | (85,377.21)           | (24,570.00)           | -                     | (6,000,000.00)         |               |              |
| 601T54CF             | 456000 | TRANSFER FROM QLIFE OPERATING  | (324,000.00)          | (360,000.00)          | (480,000.00)          | (480,000.00)          | (260,000.00)           |               |              |
| 601T54CF             | 456020 | TRANSFER FROM QLIFE MAUPIN FUN | (50,000.00)           | (6,000.00)            | -                     | -                     | -                      |               |              |
| <b>Total Revenue</b> |        |                                | <b>(2,691,631.73)</b> | <b>(2,940,046.31)</b> | <b>(3,192,428.15)</b> | <b>(7,998,036.00)</b> | <b>(14,433,717.00)</b> |               |              |
| 601Q541I             | 521560 | CONTRACTED SERVICES - ENGINEER | -                     | 30,000.00             | -                     | -                     | -                      |               |              |
| 601Q545J             | 532100 | CAPITAL EQUIPMENT              | -                     | -                     | -                     | -                     | 50,000.00              |               |              |
| 601Q545J             | 533100 | BUILDINGS                      | -                     | -                     | -                     | -                     | -                      |               |              |
| 601Q545J             | 535100 | PRIMARY SYSTEM                 | 256,407.41            | 209,875.54            | 151,219.28            | 6,431,892.00          | 12,817,573.00          |               |              |
| 601Q545J             | 535105 | SECONDARY LINE EXTENSION       | 20,990.40             | 76,635.18             | 5,489.79              | 500,000.00            | 500,000.00             |               |              |
| 601Q545J             | 537110 | EASEMENTS                      | -                     | -                     | -                     | -                     | -                      |               |              |
| 601C54DN             | 570000 | CONTINGENCY                    | -                     | -                     | -                     | 391,019.00            | 391,019.00             |               |              |
| 601D54DO             | 581100 | RESERVE FOR SYSTEM IMPROVEMENT | -                     | -                     | -                     | 675,125.00            | 675,125.00             |               |              |
| 601U54EP             | 590000 | UNAPPROPRIATED                 | -                     | -                     | -                     | -                     | -                      |               |              |
| <b>Total Expense</b> |        |                                | <b>277,397.81</b>     | <b>316,510.72</b>     | <b>156,709.07</b>     | <b>7,998,036.00</b>   | <b>14,433,717.00</b>   |               |              |
| <b>Net</b>           |        |                                | <b>(2,414,233.92)</b> | <b>(2,623,535.59)</b> | <b>(3,035,719.08)</b> | <b>-</b>              | <b>-</b>               |               |              |

| Organization         | Object | Account Description            | FY23 Actuals       | FY24 Actuals       | FY25 Actuals<br>YTD | FY25 Budget        | FY26 Proposed      | FY26 Approved | FY26 Adopted |
|----------------------|--------|--------------------------------|--------------------|--------------------|---------------------|--------------------|--------------------|---------------|--------------|
| 602Q54G1             | 400000 | BEGINNING FUND BALANCE         | (70,771.50)        | (36,103.85)        | (41,881.93)         | (46,517.00)        | (46,104.00)        |               |              |
| 602Q5416             | 414104 | CITY OF MAUPIN                 | 3,200.98           | -                  | -                   | -                  | -                  |               |              |
| 602Q5416             | 414505 | CITY OF MAUPIN - GORGE.NET REC | (8,122.42)         | (7,492.58)         | -                   | (9,000.00)         | (2,000.00)         |               |              |
| 602Q5416             | 414506 | CITY OF MAUPIN - LSN RECEIPTS  | (9,026.40)         | (1,754.22)         | (1,034.61)          | (5,000.00)         | (3,272.00)         |               |              |
| 602Q5499             | 417100 | INTEREST EARNED                | (1,384.51)         | (2,531.28)         | (2,187.39)          | (2,400.00)         | (2,900.00)         |               |              |
| 602Q541D             | 421100 | MISCELLANEOUS RECEIPTS         | -                  | -                  | -                   | -                  | -                  |               |              |
| <b>Total Revenue</b> |        |                                | <b>(86,103.85)</b> | <b>(47,881.93)</b> | <b>(45,103.93)</b>  | <b>(62,917.00)</b> | <b>(54,276.00)</b> |               |              |
| 602Q541I             | 521505 | CONTRACTED SERVICES - LEGAL    | -                  | -                  | -                   | 500.00             | 3,000.00           |               |              |
| 602Q541I             | 521560 | CONTRACTED SERVICES - ENGINEER | -                  | -                  | -                   | -                  | -                  |               |              |
| 602Q541I             | 521600 | ADMINISTRATIVE COSTS           | -                  | -                  | -                   | -                  | -                  |               |              |
| 602Q541I             | 521610 | POLE CONNECTION FEES           | -                  | -                  | -                   | 500.00             | 500.00             |               |              |
| 602Q541I             | 521715 | CONTRACTED SERVICES - WIFI     | -                  | -                  | -                   | -                  | -                  |               |              |
| 602Q541I             | 521725 | CONTRACTED SERVICES - CUSTOMER | -                  | -                  | -                   | 15,000.00          | 15,000.00          |               |              |
| 602Q541I             | 524500 | INSURANCE & BONDS              | -                  | -                  | -                   | -                  | -                  |               |              |
| 602Q541I             | 525115 | R&M - EQUIPMENT                | -                  | -                  | -                   | -                  | -                  |               |              |
| 602Q545J             | 532100 | CAPITAL EQUIPMENT              | -                  | -                  | -                   | -                  | -                  |               |              |
| 602Q545J             | 533100 | BUILDINGS                      | -                  | -                  | -                   | -                  | -                  |               |              |
| 602Q545J             | 535100 | PRIMARY SYSTEM                 | -                  | -                  | -                   | 35,326.00          | 25,924.00          |               |              |
| 602T54CL             | 556010 | TRANSFER TO QLIFE CAPITAL      | 50,000.00          | 6,000.00           | -                   | -                  | -                  |               |              |
| 602C54DN             | 570000 | CONTINGENCY                    | -                  | -                  | -                   | 11,591.00          | 9,852.00           |               |              |
| 602U54EP             | 590000 | UNAPPROPRIATED                 | -                  | -                  | -                   | -                  | -                  |               |              |
| <b>Total Expense</b> |        |                                | <b>50,000.00</b>   | <b>6,000.00</b>    | <b>-</b>            | <b>62,917.00</b>   | <b>54,276.00</b>   |               |              |
| <b>Net</b>           |        |                                | <b>(36,103.85)</b> | <b>(41,881.93)</b> | <b>(45,103.93)</b>  | <b>-</b>           | <b>-</b>           |               |              |

| Organization                               | Object | Object Title                   | Line | Quantity | Amount       | Description  |
|--|--------|--------------------------------|------|----------|--------------|--|
| 600Q54G1                                   | 400000 | BEGINNING FUND BALANCE         | 20   | 1        | (474,104.00) | Projected by Mike M 3/19/2025  |
| 600Q5414                                   | 412101 | STATE GRANT/REIMBURSEMENT      | 10   | 1        | (240,000.00) | USDA - BTA Broadband tech assistance   |
| 600Q5416                                   | 414500 | UTILITY SERVICE CHARGES        | 20   | 12       | (775,548.00) | March 2025 monthly billing used to calculate   |
| 600Q5416                                   | 414501 | CONNECT CHARGES                | 10   | 1        | (1,000.00)   | Estimated at just over 2 services added; Estimated connection fees are \$6,450; \$450 for Turn up fee \$1,000 for Electronic Switch and \$5,000 for service line |
| 600Q5499                                   | 417100 | INTEREST EARNED                | 10   | 1        | (2,162.00)   | Interest is has increased  |
| 600Q541D                                   | 421100 | MISCELLANEOUS RECEIPTS         | 10   | 1        | (200.00)     | as title implies. not known  |
| 600Q541D                                   | 421100 | MISCELLANEOUS RECEIPTS         | 20   | 1        | (10,000.00)  | Ford Foundation grant to assist in funding RARE contract (\$32K)   |
| 600Q541D                                   | 421100 | MISCELLANEOUS RECEIPTS         | 30   | 1        | (15,000.00)  | Roundhouse Foundation to assist in funding RARE contract (\$32K)   |
| <b>(1,518,014.00) Total Revenue Detail</b> |        |                                |      |          |              |  |
| 600Q541I                                   | 521100 | ADVERTISING & PROMOTIONS       | 10   | 1        | 1,000.00     | Regular budgeted amount  |
| 600Q541I                                   | 521100 | ADVERTISING & PROMOTIONS       | 20   | 1        | 10,000.00    | Promotion for project  |
| 600Q541I                                   | 521100 | ADVERTISING & PROMOTIONS       | 30   | 1        | 4,000.00     | Planned increase per Liz   |
| 600Q541I                                   | 521120 | LEGAL NOTICES & PUBLISHING     | 10   | 1        | 300.00       | Keep flat  |
| 600Q541I                                   | 521125 | POSTAGE                        | 10   | 1        | 200.00       | same as last year  |
| 600Q541I                                   | 521140 | SCHOLARSHIP                    | 10   | 2        | 2,000.00     | Scholarship paid to CGCC Foundation - two @ \$1,000  |
| 600Q541I                                   | 521205 | TAXES/PERMITS/ASSESSMENTS      | 10   | 1        | 800.00       | Same as FY22   |
| 600Q541I                                   | 521500 | CONTRACTED SERVICES - GENERAL  | 10   | 1        | 12,100.00    | Continuous budgeted balance  |
| 600Q541I                                   | 521500 | CONTRACTED SERVICES - GENERAL  | 20   | 1        | 3,000.00     | tree trimming to clear hazard lines  |
| 600Q541I                                   | 521500 | CONTRACTED SERVICES - GENERAL  | 30   | 1        | 50,000.00    | Financial Advisor and Contract with PUD  |
| 600Q541I                                   | 521500 | CONTRACTED SERVICES - GENERAL  | 40   | 1        | 10,000.00    | MCEDD for County Contract assistance   |
| 600Q541I                                   | 521500 | CONTRACTED SERVICES - GENERAL  | 50   | 1        | 240,000.00   | USDA - BTA Broadband tech assistance   |
| 600Q541I                                   | 521500 | CONTRACTED SERVICES - GENERAL  | 60   | 1        | 32,000.00    | RARE contract  |
| 600Q541I                                   | 521505 | CONTRACTED SERVICES - LEGAL    | 10   | 1        | 15,000.00    | Expected normal level  |
| 600Q541I                                   | 521505 | CONTRACTED SERVICES - LEGAL    | 20   | 1        | 35,000.00    | Increased legal fees due to project and contract with PUD  |
| 600Q541I                                   | 521515 | CONTRACTED SERVICES - AUDIT    | 10   | 1        | 9,200.00     | Audit costs  |
| 600Q541I                                   | 521560 | CONTRACTED SERVICES - ENGINEER | 10   | 1        | 115,000.00   | FY25 BUDGET  |
| 600Q541I                                   | 521575 | CONTRACTED SERVICES - PUD      | 10   | 1        | 300,000.00   | Proposed to have PUD operate Qlife   |
| 600Q541I                                   | 521600 | ADMINISTRATIVE COSTS           | 20   | 1        | 39,803.00    | County Admin fee; County only 5% increase  |
| 600Q541I                                   | 521610 | POLE CONNECTION FEES           | 10   | 1        | 15,000.00    | Trending   |
| 600Q541I                                   | 521720 | CONTRACTED SERVICES - NETWORKS | 10   | 1        | 11,900.00    | \$80/hr regular business time; \$160/hr outside normal hours. Historically \$24,000. New rates for FY22 are 19% increase over the prior \$10K                    |
| 600Q541I                                   | 521720 | CONTRACTED SERVICES - NETWORKS | 20   | 1        | 17,000.00    | Preventative Maintenance   |
| 600Q541I                                   | 521720 | CONTRACTED SERVICES - NETWORKS | 40   | 12       | 30,720.00    | Basic Service \$2,560/mth  |
| 600Q541I                                   | 521720 | CONTRACTED SERVICES - NETWORKS | 50   | 1        | 45,380.00    | Trending adjustment in FY25  |
| 600Q541I                                   | 521720 | CONTRACTED SERVICES - NETWORKS | 60   | 1        | 7,000.00     | FY26 Trending increase   |
| 600Q541I                                   | 521720 | CONTRACTED SERVICES - NETWORKS | 70   | 1        | (92,000.00)  | Due to hiring FTE - Contracting with PUD   |
| 600Q541I                                   | 522100 | TELEPHONE                      | 10   | 1        | 150.00       | Trending   |
| 600Q541I                                   | 522131 | UTILITIES - ELECTRICITY        | 10   | 1        | 800.00       | based on trending - same as last FY  |
| 600Q541I                                   | 523100 | RENT - LAND/BUILDING           | 10   | 1        | 7,752.00     | Space rent of City Hall space. One room \$141/mth; second room \$121/mth; third addition \$176/mth; covered storage at City PW facility \$209/mth = \$646/mth    |
| 600Q541I                                   | 523500 | MEALS LODGING & REGISTRATION   | 10   | 1        | 700.00       | keep the budget the same   |

| Organization | Object | Object Title                   | Line | Quantity | Amount              | Description  |
|--------------|--------|--------------------------------|------|----------|---------------------|--|
| 600Q541I     | 523500 | MEALS LODGING & REGISTRATION   | 20   | 1        | 2,000.00            | keep the budget the same   |
| 600Q541I     | 523500 | MEALS LODGING & REGISTRATION   | 30   | 1        | 3,000.00            | Next 3 years will be in Ashland - not Hood River. To this point we have not needed to worry about hotel & meals.   |
| 600Q541I     | 524100 | DUES & SUBSCRIPTIONS           | 20   | 1        | 600.00              | OJUA Membership  |
| 600Q541I     | 524100 | DUES & SUBSCRIPTIONS           | 30   | 1        | 5,985.00            | OSPINSIGHT International renewal based on FY25 actual cost   |
| 600Q541I     | 524100 | DUES & SUBSCRIPTIONS           | 40   | 1        | 100.00              | Oregon Public Utility Commissioner annual fee statement  |
| 600Q541I     | 524100 | DUES & SUBSCRIPTIONS           | 50   | 1        | 350.00              | Oregon Ethics Commission   |
| 600Q541I     | 524100 | DUES & SUBSCRIPTIONS           | 60   | 1        | 700.00              | Special District Insurance SDAO Membership   |
| 600Q541I     | 524100 | DUES & SUBSCRIPTIONS           | 70   | 1        | 50.00               | Wasco County UCC Membership  |
| 600Q541I     | 524100 | DUES & SUBSCRIPTIONS           | 80   | 1        | 90.00               | ICONECTIV Local number portability Charge  |
| 600Q541I     | 524100 | DUES & SUBSCRIPTIONS           | 90   | 1        | 25.00               | Annual fee for numbering   |
| 600Q541I     | 524100 | DUES & SUBSCRIPTIONS           | 100  | 1        | 360.00              | Interstate TRS Fund -  |
| 600Q541I     | 524100 | DUES & SUBSCRIPTIONS           | 110  | 1        | 100.00              | Sec of State - assumed business name   |
| 600Q541I     | 524500 | INSURANCE & BONDS              | 10   | 1        | 30,000.00           | Trending   |
| 600Q541I     | 525130 | R&M - BUILDINGS GENERAL        | 10   | 1        | 1,600.00            | keep the budget the same   |
| 600Q541I     | 525135 | R&M - OUTSIDE PLANT MAINTENANC | 10   | 1        | 20,000.00           | Repair of the fiber optic lines. Placing fiber on poles and repairing breaks. If new work or reimbursable by others it is in the capital fund.                   |
| 600Q541I     | 526105 | SUPPLIES - OFFICE              | 10   | 1        | 200.00              | same as last FY  |
| 600Q541I     | 527100 | RIGHT OF WAY FEES              | 10   | 1        | 23,266.00           | Fee of 3% of customer revenues<br>775,548*3%=23,266.44   |
| 600Q541I     | 527170 | EQUIPMENT - NETWORK NON-CAPITA | 10   | 1        | 5,000.00            | keep the budget the same   |
| 600Q541I     | 527180 | EQUIPMENT - NON-CAPITAL        | 10   | 1        | 5,000.00            | equipment purchased that does not meet the definition of capital (capital is over \$5k and useful life exceeds 3 years)  |
| 600Q541I     | 529100 | MISCELLANEOUS EXPENDITURES     | 10   | 0        | -                   | Eliminate as not needed  |
| 600Q541I     | 529105 | GENERAL GRANTS                 | 10   | 1        | 2,000.00            | School robotics program  |
| 600Q541I     | 529105 | GENERAL GRANTS                 | 20   | 1        | 1,000.00            | Increased by \$1,000 at request from school program; OKed by Matt  |
| 600Q545J     | 532100 | CAPITAL EQUIPMENT              | 10   | 1        | 20,000.00           | Item #3 of the agencies Financial Priorities Policy is to reserve \$20,000 for expansion and replacement of the electronics of the system. Planned portion \$10K |
| 600T54CL     | 556010 | TRANSFER TO QLIFE CAPITAL      | 10   | 1        | 480,000.00          | \$40,000 per month transfer  |
| 600T54CL     | 556010 | TRANSFER TO QLIFE CAPITAL      | 20   | 1        | (220,000.00)        | Due to hiring FTE Contracting with PUD to operate  |
| 600C54DN     | 570000 | CONTINGENCY                    | 10   | 1        | 128,565.00          | Set Contingency FY26   |
| 600U54EP     | 590000 | UNAPPROPRIATED                 | 20   | 1        | 84,218.00           | for future periods   |
|              |        |                                |      |          | <b>1,518,014.00</b> | <b>Total Expense Detail</b>  |
|              |        |                                |      |          | -                   | <b>Net</b>   |

| Organization                                | Object | Object Title                   | Line | Quantity | Amount         | Description  |
|---|--------|--------------------------------|------|----------|----------------|--|
| 601Q54G1                                    | 400000 | BEGINNING FUND BALANCE         | 20   | 1        | (3,067,881.00) | Projected by Mike M 3/19/2025  |
| 601Q5412                                    | 413122 | BROADBAND EQUITY #11.035       | 10   | 1        | (5,000,000.00) | BEAD - Broadband Equity Access & Deployment Grant in the process of applying.<br>Amount to be determined but \$5M is placeholder           |
| 601Q5416                                    | 414501 | CONNECT CHARGES                | 10   | 1        | (19,000.00)    | Based on trending - should be \$6,000 per newcustomer. This amount is just slightly<br>about 3new customers - None in FY19 or FY20         |
| 601Q5499                                    | 417100 | INTEREST EARNED                | 10   | 1        | (86,836.00)    | Interest is has increased; current average \$8,040/mth * 12 = 96,484 - decrease 10%<br>as rates decrease and spending is proposed = 86,836 |
| 601Q541D                                    | 421100 | MISCELLANEOUS RECEIPTS         | 10   | 1        | (6,000,000.00) | Potential Loan receipts from partners to be Match for BEAD. Potentially up to \$15M  |
| 601T54CF                                    | 456000 | TRANSFER FROM QLIFE OPERATING  | 10   | 1        | (480,000.00)   | \$40,000 per month   |
| 601T54CF                                    | 456000 | TRANSFER FROM QLIFE OPERATING  | 10   | 1        | 220,000.00     | Decrease due to PERSONNEL  |
| <b>(14,433,717.00) Total Revenue Detail</b> |        |                                |      |          |                |  |
| 601Q545J                                    | 532100 | CAPITAL EQUIPMENT              | 10   | 1        | 50,000.00      | Purchase a truck for FTE   |
| 601Q545J                                    | 535100 | PRIMARY SYSTEM                 | 30   | 1        | 1,817,573.00   | Available for capital projects   |
| 601Q545J                                    | 535100 | PRIMARY SYSTEM                 | 40   | 1        | 5,000,000.00   | BEAD - Broadband Equity Access & Deployment Grant - Amount TBD - using \$5M as<br>placeholder  |
| 601Q545J                                    | 535100 | PRIMARY SYSTEM                 | 50   | 1        | 6,000,000.00   | Spend Loan proceeds building out system as match to BEAD   |
| 601Q545J                                    | 535105 | SECONDARY LINE EXTENSION       | 10   | 1        | 300,000.00     | To be used as needed - no specified projects at this time  |
| 601Q545J                                    | 535105 | SECONDARY LINE EXTENSION       | 20   | 1        | 200,000.00     | As needed - no specific identified project atthis time   |
| 601C54DN                                    | 570000 | CONTINGENCY                    | 10   | 1        | 391,019.00     | The FY21 amount carried forward  |
| 601D54DO                                    | 581100 | RESERVE FOR SYSTEM IMPROVEMENT | 10   | 1        | 675,125.00     | Board Priority #9: Create a reserve for futureexpansion, modernization or<br>replacement ofsystems. - FY21 budget carried forward          |
| <b>14,433,717.00 Total Expense Detail</b>   |        |                                |      |          |                |  |
| <b>- Net</b>                                |        |                                |      |          |                |  |

| Organization | Object | Object Title                   | Line | Quantity | Amount             | Description   |
|--------------|--------|--------------------------------|------|----------|--------------------|---|
| 602Q54G1     | 400000 | BEGINNING FUND BALANCE         | 20   | 1        | (46,104.00)        | Re-Projected by Mike M 3/19/2025  |
| 602Q5416     | 414505 | CITY OF MAUPIN - GORGE.NET REC | 10   | 1        | (8,000.00)         | No receipts in FY25 as of Feb, should be coming. Base on FY24 actuals   |
| 602Q5416     | 414505 | CITY OF MAUPIN - GORGE.NET REC | 20   | 1        | 6,000.00           | orge.Net/Blue Mountain is not paying the franchise fees for FY25 as of March so although it should probably be \$8K, reduce expectations but not all the way to \$0 |
| 602Q5416     | 414506 | CITY OF MAUPIN - LSN RECEIPTS  | 10   | 4        | (3,272.00)         | Based on 1st quarter receipts   |
| 602Q5499     | 417100 | INTEREST EARNED                | 10   | 1        | (2,900.00)         | Interest is has increased   |
|              |        |                                |      |          | <b>(54,276.00)</b> | <b>Total Revenue Detail</b>   |
| 602Q541I     | 521505 | CONTRACTED SERVICES - LEGAL    | 10   | 1        | 500.00             | Legal services - Same as FY25   |
| 602Q541I     | 521505 | CONTRACTED SERVICES - LEGAL    | 20   | 1        | 2,500.00           | Increase due to additional planned legal work   |
| 602Q541I     | 521610 | POLE CONNECTION FEES           | 10   | 1        | 500.00             | Trending  |
| 602Q541I     | 521725 | CONTRACTED SERVICES - CUSTOMER | 10   | 1        | 15,000.00          | Potential Contracts   |
| 602Q545J     | 535100 | PRIMARY SYSTEM                 | 10   | 1        | 25,924.00          | FY25 Funding - no specific project identified yet   |
| 602C54DN     | 570000 | CONTINGENCY                    | 20   | 1        | 9,852.00           | FY26 balancing  |
|              |        |                                |      |          | <b>54,276.00</b>   | <b>Total Expense Detail</b>   |
|              |        |                                |      |          | <b>-</b>           | <b>Net</b>  |