

2023 Budget Criteria

REVENUE

1. User Fees - At this time an increase in fees is not recommended. Staff will reevaluate after the first quarter of 2023. User rate increases may require a revision prior to July 1st which is when an increase would take effect.
2. This budget assumes .5% increase in customers. Customer growth in 2022 is approximately 1%.
3. In July of 2022, the 2007B, 2013, and 2015 SRF loans were refinanced to extend the life of the loan, and amended to allow for the creation of a Budget Stabilization Fund. The contribution to this fund is to be determined by the Board of Trustees annually.
4. A detailed review of the current pressurized system rates is planned for 2023.
 - a. The addition of QuickBooks Time Keeping along with an inventory tracking spreadsheet, will increase the accuracy of the data used to review employee hours spent, and the number of pumps used at each location.

EXPENSES

PERSONNEL

1. No additional staff recommended for 2023.
2. Wages – To retain and attract qualified dependable employees.
 - a. Proposed Wage Scale Review in 2023
 - b. Proposed 6% COLA and 2% Merit Pool – Proposed cost of approximately \$66,000 annually
 - CPI (Consumer Price Index) for the 1st half of 2022 is 8.3%
 - Social Security Increase for 2023 is 8.7%
 - Proposal is comparable to other local and industry entities surveyed.
3. Possible Promotions
 - 2 Wastewater Treatment Plant and Equipment Operators upgrading to higher license:
 - 5% hourly increase at time of promotion from \$21.06 to \$22.11
 - 5% hourly increase at time of promotion from \$27.69 to \$29.07
 - 1 Equipment Operator promotion to WWTP/E:
 - 5% increase at time of promotion from \$19.67 to \$20.01
4. Insurance - Through Naught-Naught Insurance Agency, based on preliminary numbers:
 - a. Health – Current Anthem plan has a 3.2% increase, approximately \$555.00/month.
 - 2 staff members will be at a higher premium due to a 5th year birthday, which takes the total percentage to 4.9 and is included in the monthly total.
 - A comparison between the current plan, the renewal plan, and an option for United Healthcare is attached. An additional quote from Anthem Chamber is in process.
 - b. Dental - Principal 0% increase
 - c. Life - Principal 0% Increase
 - d. LTD - Principal 0% increase

OPERATIONS

1. Wholesale treatment
 - a. This budget does not assume an increase in the wholesale rate.
 - b. City rates are not currently scheduled to increase in 2023.
2. New Service Contracts – Monthly
 - a. City of Ashland added in July of 2022
 - b. Village of Renick added in September of 2022

3. Existing Service Contracts – Monthly
 - a. City of Hartsburg
 - b. City of Rochepoint (billing for trash)
 - c. City of Sturgeon

CONTRACTUAL/OUTSIDE SERVICES

1. Central Power – Generator Services \$12,000
2. Convergence Accounting – \$20,000 (\$150/hour approx. 8-12 hrs/month)
3. Columbia Landcare (Mowing) - \$36,000
4. Engineering - includes \$10,000 for miscellaneous needs
5. Financial Consulting - \$15,000 for miscellaneous needs
6. Legal Fees - \$100,000
7. Mapping/GIS ongoing additions and training - \$30,000

MISCELLANEOUS

1. Headquarters budget includes a contingency fund of \$18,500 to cover unforeseen repairs or replacement.
2. Replace Vehicles & Equipment \$411,500
 - a. Four pick-up trucks (Update if any purchased in 2022)
 - b. Replace F-550 for the crane
 - c. Replace 18.5' X 8' flatbed trailer
 - d. Purchase 6" trash pump
3. Systems Repairs and Maintenance includes a contingency budget for back up rehabilitation of \$24,000.
4. A general contingency fund of \$50,000 is included in this budget.

OTHER EXPENSE – Cash or Lease Purchase

1. Loss on Assets include the cost to close Rollingwood WWTP. Carried over from 2022 budget.
2. Headquarters Roof Repair
3. Wage Benefit Survey
4. Area-wide Management Plan \$58,000
5. Rochepoint Pump Station Design \$25,000

DEBT SERVICE

1. Proposed construction carried over from 2022
 - a. Rollingwood WWTP closure by way of connection to Midway Crossings WWTP. Staff received an updated approval for an MDNR Water Quality Incentive Grant to fund 60% of the project instead of 50%.
 - 40% Loan through SRF - \$200,730
 - 60% Incentive Grant - \$301,095
2. Proposed construction for 2023
 - b. Highfield Acres lagoon closure by way of connection to the City of Columbia's wastewater collection and treatment system.
 - 40% Loan through SRF – \$107,312
 - 60% Incentive Grant - \$160,968

LEASE PURCHASES - Principal payments scheduled for December 2023

1. Dump Truck \$19,549 – Last payment December 2024
2. Sewer Jet \$57,783 – Last payment December 2026

CAPITAL ADDITIONS - Cash or Lease Purchase

These items are carry overs from 2022.

1. Brookfield Estates
2. Waters Edge