



2024 Budget Criteria

REVENUE

1. User Fees: The budget assumes a 2.5% rate increase effective July 2024. A 2.5% increase to the pressure system maintenance surcharge is recommended.
2. The current number of customers is 7,736. The budget assumes a 1% increase in customers or 77 new customers. With proposed new base service fee of \$28.34, the increase in revenue is \$26,334 annually.
3. In July of 2022, 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.

The recommendation is to transfer \$567,162.32 to the Budget Stabilization Fund from the refinance through 2023. This topic will be presented at the January 2024 Board of Trustees meeting.

4. Contracted Service income will remain stable.

EXPENSES

PERSONNEL

1. Wages: To retain and attract qualified dependable employees.
 - a. The proposed Executive Director position (at \$150,000.00) and two Equipment Operator positions (at \$37,440.00 each) are added to Personnel expenses.
 - COLA: Social Security 3.2%
 - Proposal is comparable to other local and industry entities surveyed.
2. Insurance: Current Anthem plan has a 9.9% increase, approximately \$1055.00/month.

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 2024.
2. Existing Service Contracts – Monthly:
 - a. City of Hartsburg
 - b. City of Rocheport (billing for trash)
 - c. City of Sturgeon
 - d. Village of Renick
 - e. City of Ashland

CONTRACTUAL/OUTSIDE SERVICES

1. Central Power – Generator Services \$27,600
2. Convergence Accounting – \$300/month payroll services: \$3,600
3. Columbia Landcare (Mowing) - \$36,000 – Current contract for 2021-2023
4. Engineering - includes \$10,000 for miscellaneous needs
5. Financial Consulting - \$20,000 for audit
6. Legal Fees - \$100,000
7. Mapping/GIS ongoing additions and training - \$30,000

MISCELLANEOUS

1. Employee training costs will increase with focus on updating skills and development.

2. Headquarters budget includes a contingency fund of \$5,000 to cover unforeseen repairs or replacement.
3. Replace Vehicles & Equipment
 - a. Two pick-up trucks (\$43,000 each)
 - b. Replace F-550 for the crane with a 5-ton truck (\$190,000)
 - c. Purchase 4" trash pump
 - d. Aeration Equipment, Line Locators, Multi Gas Detector, Shelters for Lift Station Control Panels & SL-Rat.
4. Systems Repairs and Maintenance includes a contingency budget for back up rehabilitation of \$18,000.
5. A general contingency fund of \$50,000 is included in this budget.

OTHER EXPENSE – Cash or Lease Purchase

1. Area-wide Management Plan, est. \$159,000
2. Rocheport Pump Station Design \$25,000

DEBT SERVICE

1. Proposed construction carried over from 2023
 - a. Rollingwood WWTP closure by way of connection to Midway Crossings WWTP. Staff received approval for an MDNR Water Quality Incentive Grant to fund 60% of the project.
 - 40% Loan through SRF - \$147,000
 - 60% Incentive Grant - \$220,000
2. Proposed construction for 2024
 - 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 2024

1. Dump Truck \$20,063.17 – Last payment December 2024
2. Sewer Jet \$53,236 – Last payment December 2026

CAPITAL ADDITIONS - Cash or Lease Purchase

These items are carry-overs from 2023.

1. Brookfield Estates - \$177,750
2. Water's Edge - \$608,982