



Municipal & Industrial Partner Meeting

DRAFT 2024 NEW Water Budget

September 13, 2023

*Protecting our most valuable
resource, water*

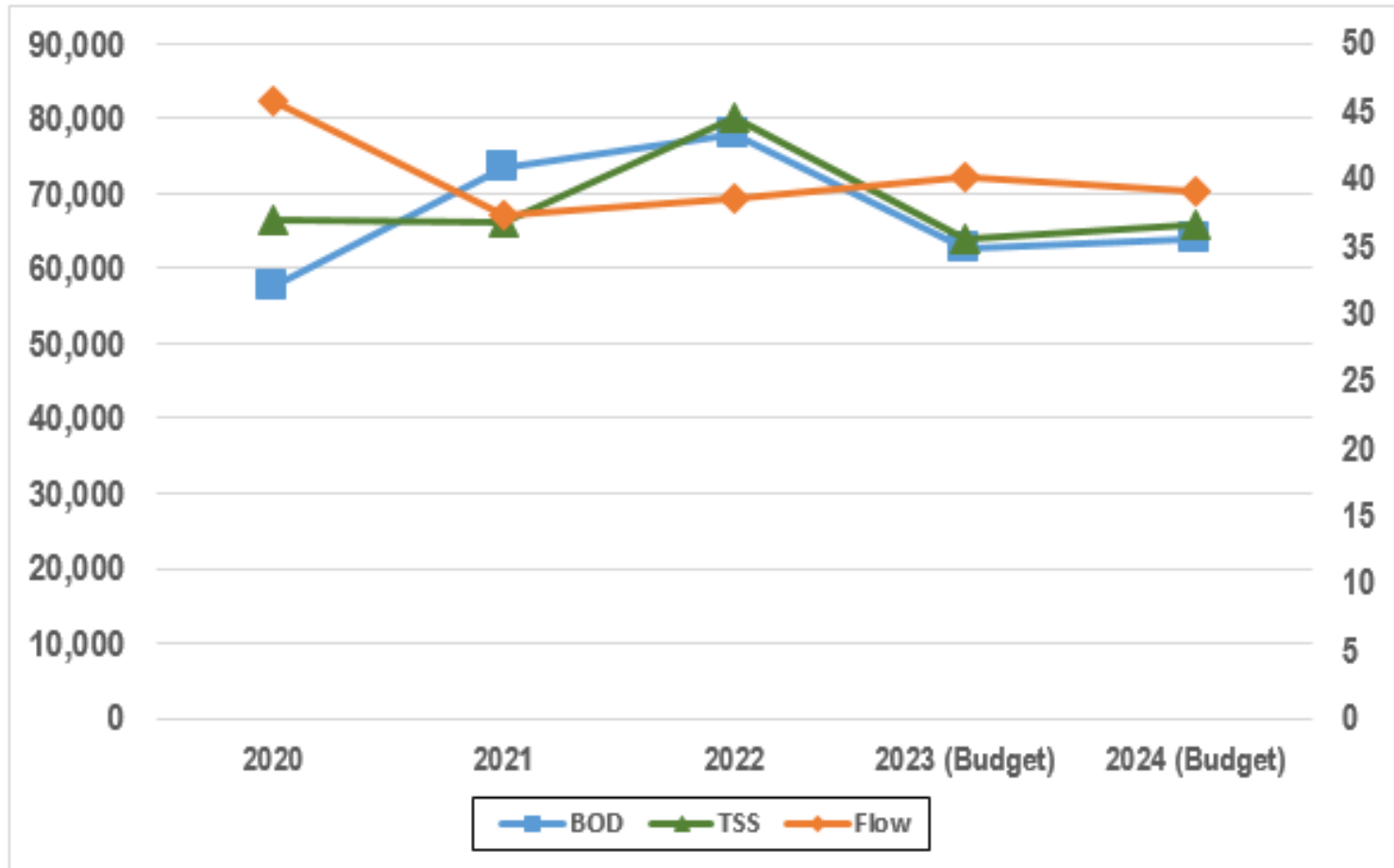




2023 Budget Update (through July)

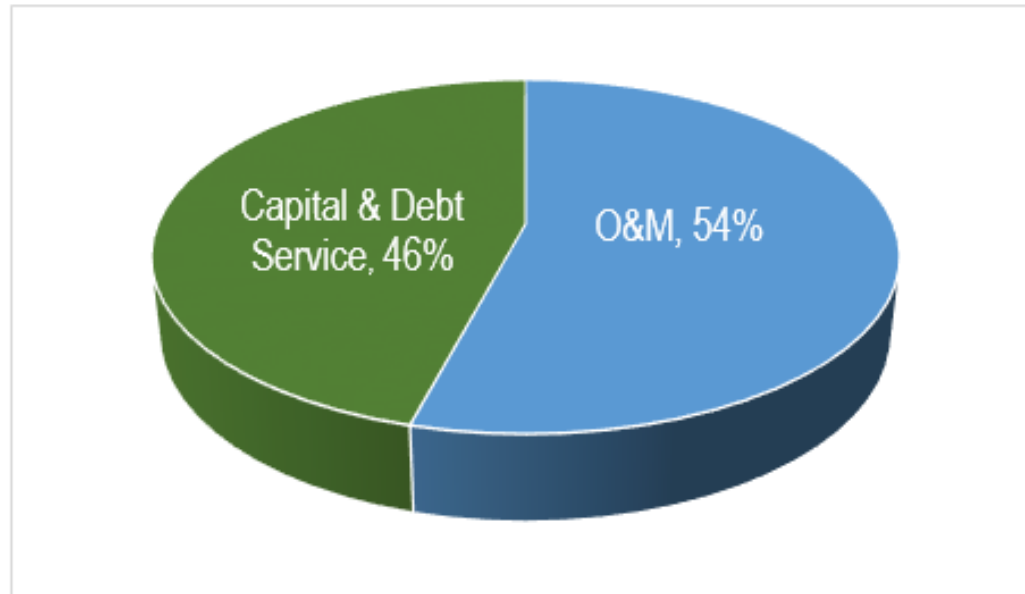
- Overall operating revenue at 104% of budget
- Overall operating expense at 98% of budget
- Expect to finish 2023 slightly ahead of operating revenue and close to budget for operating expense
- Finished 2022 at 105% of operating revenue budget and 99.7% of operating expense budget

Flows and Loads



2024 Proposed Expenses

Budget Category	2023 Budget	2024 Budget	% Change
Operations & Maintenance (O&M)	\$ 26,218,542	\$ 27,993,824	6.8%
Debt Service and Annual Capital	\$ 22,495,949	\$ 23,702,238	5.4%
Total Expenses	\$ 48,714,492	\$ 51,696,063	6.1%

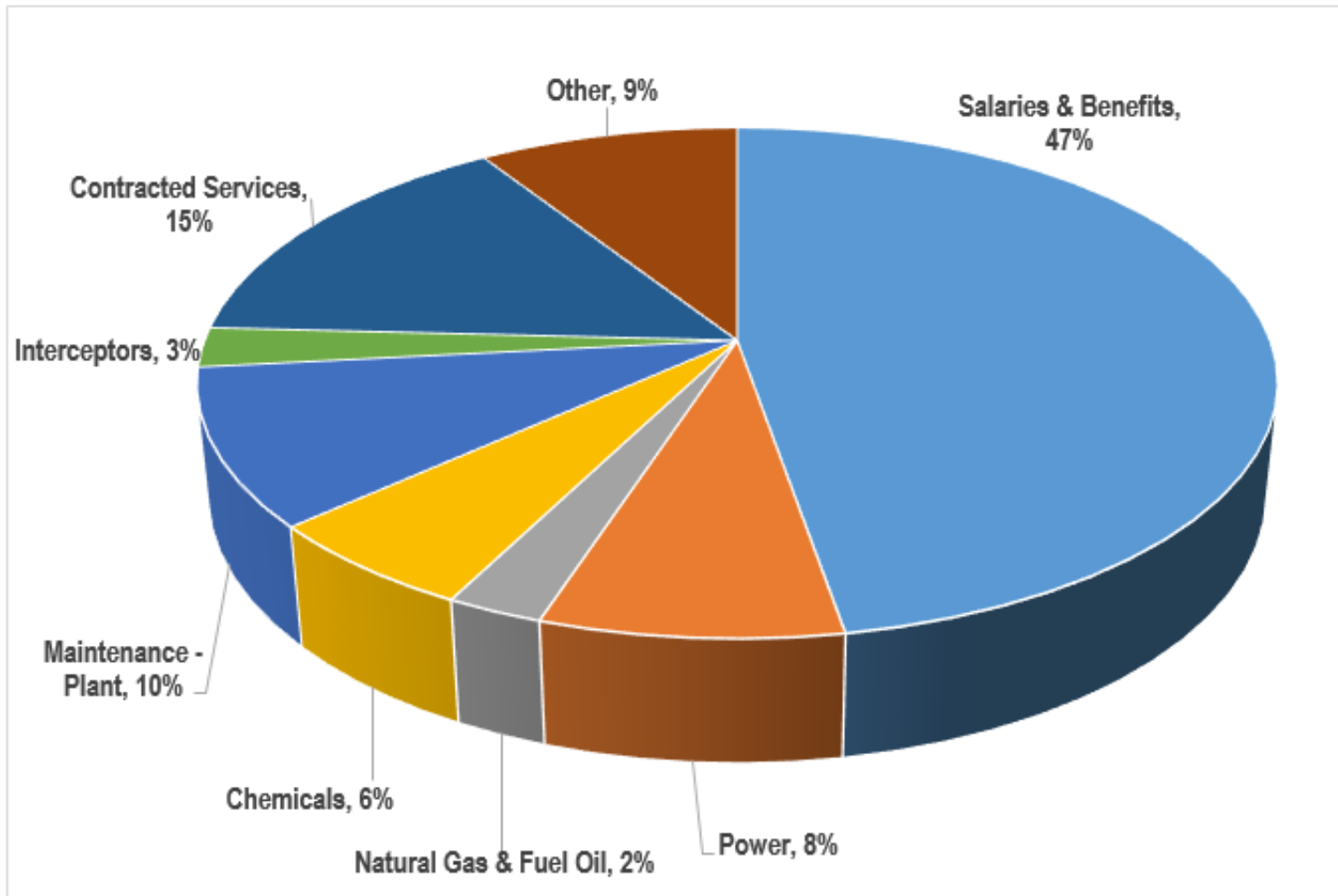


O&M Changes from 2023 Budget

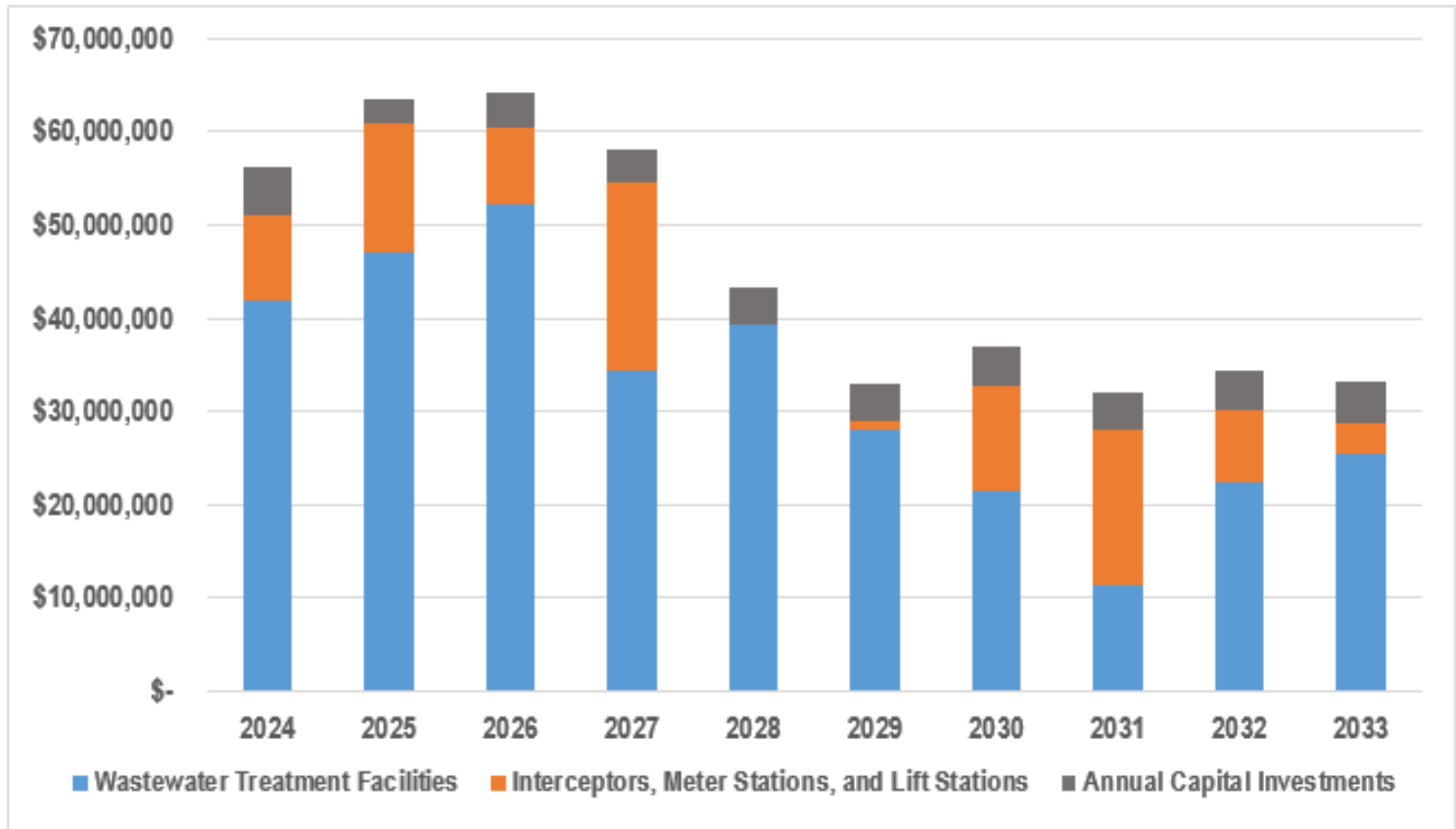
O&M Item	Budget Change
Plant Repairs & Maintenance	+52%
Information Technology	+18%
Natural Gas & Fuel Oil	+15%
Chemicals	+14%

Salary & Benefit item	Budget Change
Health Insurance Premium	+11.8%
Market Adjustment to Base Wages	+3.5%

2024 O&M Expense Distribution



Proposed Long-Term Capital Projects



2024 Revenue

Broad Categories	2023 Budget	2024 Budget	% Change
Municipal User Fees	\$ 41,083,772	\$ 43,641,318	6.2%
Mill Charges	\$ 5,201,740	\$ 5,537,327	6.5%
Other Revenues	\$ 988,310	\$ 1,304,521	32.0%
Reserve Transfers	\$ 1,469,795	\$ 1,237,973	-15.8%
Contribution to Capital Reserve	\$ (29,126)	\$ (25,076)	-13.9%
Total Revenues	\$ 48,714,492	\$ 51,696,063	6.1%

Municipal User Fees are 84% of Total Revenues

Municipal Rate Comparison

Parameter	2023 Budget	2024 Budget	% Change
Volume (1,000 gals)	\$ 0.88669	\$ 1.01398	14.4%
Biochemical Oxygen Demand (lbs)	\$ 0.56491	\$ 0.59985	6.2%
Suspended Solids (lbs)	\$ 0.70913	\$ 0.69960	-1.3%
Phosphorus (lbs)	\$ 3.22273	\$ 2.60281	-19.2%
Total Kjeldahl Nitrogen (lbs)	\$ 0.75539	\$ 0.84045	11.3%

Note: **Rates shown above are for comparison only** and include allocation of:

Capital Charge	\$ 14,622,367	\$ 19,979,147	36.63%
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- Capital Charge methodology changed for the 2024 budget, including 100% of the Capital as a fixed charge. Where as 2023 budget included 65% of Capital as a fixed charge and 35% of Capital included in the unit parameter rates
- Parameter rates billed to customers do not include capital charge; that is billed separately

2024 DRAFT Budget Summary

2024 DRAFT Budget compared to 2023 Budget	Percentage
TOTAL Expenses increased	6.1%
Municipal User Fees increased	6.2%
O&M Expenses increased	6.8%
Capital Expenses increased	5.4%
Note: A portion of the Interceptor Debt Service was offset through the use of ICR Reserves	

Next Steps

- One-on-one meetings for customers not able to attend the all customer meeting
- Second budget workshop on *September 27*
- Customer meeting(s)
- Budget hearing and adoption on *December 6*
- Customer notification