

First Craven Sanitary District Proposed Budget 2020-2021

The total proposed budget for 2019-2020 is **\$975,000**. Current year original budget was **\$965,000**. The final amended budget for 2019-2020 is expected to increase to **\$975,000** due to increase in expected revenue.

Budget Breakdown

<i>Water Operations & Maintenance</i>	<i>32 %</i>
<i>Employees and Board</i>	<i>33 %</i>
<i>Debt Service</i>	<i>18 %</i>
<i>Capital Outlay</i>	<i>14 %</i>
<i>Professional Services</i>	<i>3 %</i>

This budget, if adopted as is and previously discussed, includes the following and should be noted:

- No water rate or fee increase.
- Cost of living /merit adjustment of 6 % for employees and Longevity as earned.
- Decrease in Debt obligations
- Capital Improvements funding of \$131,900 to be determined by the Board as needs arise.

Expenditures

Board Member Fees

- Budgeted amount of \$ 14,100.
- Current NC law concerning pay for Sanitary District Boards allows for the increase by adoption of the annual budget ordinance *“but no increase may become effective earlier than the first meeting of the board following the next election of board members after adoption of the ordinance.”* The next opportunity to increase this allowance will be June 2021 to take effect December 2021.

Nondepartmental

1. Audit – Annual Audit Expense.
2. Legal – Attorney Fees.
3. Engineer – Engineering Services.
4. Computer Services – This mostly includes water billing software support, license fees, computer support, and online backup.
5. Advertising – Used for legal ads and other advertising needs.
6. Accounting services – CPA for monthly bookkeeping and other related services.
7. Cleaning services – Monthly cleaning of office building.
8. Bank Service Charges – The Union Bank service charges.
9. Christmas Dinner – Employee Christmas Dinner Expense.
10. Printing Services – Printing reports, meter reading sheets, and bills.
11. Election – There is no election this budget year.

Total Nondepartmental expenses are \$34,000.

Bonds

The overall cost of our debt decreased by about \$39,000. This year the original bond payment is \$45,150, which is also the last payment. The 1994 USDA waterline extension bond payment is \$127,110 (last payment will be in 2034). The Revolving Fund loan for the treatment plant upgrades in 2000 was paid in full last year.

The total principal payments on the debt will be \$111,000 and the total interest payment on the debt will be \$61,260.

Water Operations

1. Wages – Full Time

The total amount of current salaries (including overtime potential and the Christmas Bonus/Longevity) is approximately \$202,000. The 6 % salary increase for the employees will increase this amount by approximately \$12,100. There is additional money for approved pay adjustments for employees when receiving water certifications in the budget if needed.

2. Wages – Part Time – Part-time help if needed.
3. Payroll Tax Expense – Payroll tax expense
4. Group Insurance – Health Insurance cost to the State Health Care plan.
5. Retirement – Retirement Expense to the NC State Retirement System
6. Worker Compensation – Premium for Worker Compensation.
7. Uniform Rental – Uniforms for Employees.

8. Employee Education – Employee schools, training, and continuing education requirements
9. Security Monitoring – Yearly security monitoring and maintenance
10. Locating service – Membership to 811 utility locating notification service
11. Water Testing – Required water testing for drinking water and wastewater.
12. Gifts – Donations, flowers, etc.
13. Postage – Mailing of monthly bills and notices.
14. Telephone/Website – Charges for telephone/internet/website service
15. Utilities – Electricity for office, plant, shop, wells, and elevated tower
16. Mileage & Travel – Used for any needed travel or reimbursements
17. Repairs and Maintenance

- Overall Repairs and Maintenance is budgeted at \$ 39,800. This includes payment 2 of 4 for elevated tank power wash/cleanout contract in the amount of \$7,316.

18. Gas – Gas and Fuel expense for vehicles and small engines.
19. Salt

- Budgeted amount of \$76,000. We are currently paying \$ 166.40 per ton. Depending on water demand, we order approximately 25 tons of salt every 3 to 5 weeks to soften the water.

20. Chlorine and other Chemicals – Chlorine, Zinc-Orthophosphate, sodium permanganate, and other chemicals need to treat the water supply.
21. Fuel for the Generator – Fuel purchases for emergency generator
22. Office Supplies – needed office supplies and equipment
23. Departmental Supplies

- Materials used in repairing and maintaining the water system, such as pipe, brass fittings, tools, meters, valves, etc.

24. Supplies for Lab – Daily water testing supplies
25. Dues and Subscriptions – Permit fees, memberships, and certification renewals
26. Property Insurance – Estimated premium.
27. Miscellaneous Expense – Purchases that do not fit in the other categories.

Total Water Operations Budget is \$621,000

Capital Outlay

- Capital improvements are budgeted for \$ 131,900 for projects or equipment that may be reviewed and approved by the Board.

Total Capital Outlay Budget is \$ 131,900

Revenue

1. Water Service Revenue

- Water Revenue from monthly water bills issued to customers is budgeted in the amount of \$918,000. There is no rate increase considered.

2. Interest – Interest earnings on investments.

3. Sales Tax Refund – Sales Tax reimbursement from State.

4. Gas Tax Refund – Gas Tax reimbursement from the State.

5. Water Tap Fees – Water tap-on fees charged (\$575 for ¾ inch service) for installation of new water services.

6. Reconnection Fees – Fees charged (\$35) to reinstate service after locked for nonpayment.

7. Application Fees – Fees charged to every customer (\$25) when establishing new service.

8. Meter Readings

- This is charged to the Town of Bridgeton for meter readings needed to bill sewer service and allowing the town to do cutoffs. This fee is based on 265 meters @ \$0.50 each (\$132 per month).

9. Miscellaneous Income – Special fees charged (such as tampering or return check fees), reimbursements received (such as insurance), and any other income not categorized.

10. System Development Fees - Fees paid along with the tap-on fee based on meter size for new connections (\$400 for ¾ inch service)

11. Appropriated Retained Earnings - This is the amount of money needed from the fund balance to balance this budget. The amount budgeted is zero.

Total Revenue and Expenses balance at \$975,000

Current Water Rates

Residential	\$15.00 then \$3.85 per 1,000 gallons
Commercial	\$18.00 then \$4.35 per 1,000 gallons
2-inch	\$60.00 then \$4.35 per 1,000 gallons
3-inch	\$95.00 then \$4.35 per 1,000 gallons
Multiple	\$135.00 then \$4.35 per 1,000 gallons