

First Craven Sanitary District Proposed Budget 2022-2023

The total proposed budget for 2022-2023 is **\$1,060,000**. Current year original budget was **1,175,000**. The final amended budget for 2021-2022 is expected to increase by **\$30,000** due to unexpected increase in cost and insurance claims.

Budget Breakdown

<i>Water Operations & Maintenance</i>	<i>38 %</i>
<i>Employees and Board</i>	<i>33 %</i>
<i>Debt Service</i>	<i>12 %</i>
<i>Capital Outlay</i>	<i>14 %</i>
<i>Professional Services</i>	<i>3%</i>

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

- Water rates will remain the same. Tap-on fees and other miscellaneous fees will see a small increase due to increasing cost of equipment and materials needed for installations and replacements.
- Cost of living adjustment of 6 % for employees and Longevity as earned.
- Decrease in Debt obligations due to retirement of debt.
- Capital Improvements funding of \$151,115 that may include purchase of AMI meters, renovation of well #3, and other improvements to be determined by the Board as needs arise.

Expenditures

Board Member Fees

- Budgeted amount of \$ 14,625.
- 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.*”
- There is an election in November, so the fees are eligible to increase as of December 2022. The budgeted amount allows for an increase of \$15 per month in Board member fees effective December 2022.

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 – The estimated cost of the election in November.

Total Nondepartmental expenses are \$ 40,000.

Bonds

The overall cost of our debt decreased by about \$2,140. The 1994 USDA waterline extension bond payment is \$125,060 (last payment will be in 2034).

The total principal payments on the debt will be \$74,000 and the total interest payment on the debt will be \$51,060.

Water Operations

1. Wages – Full Time

The total amount of current full-time salaries (including overtime potential and the Christmas Bonus/Longevity) is approximately \$193,000. The 6 % cost of living increase for the employees will increase this amount by approximately \$11,600. 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 \$ 70,000.

18. Lawn Care - Contracted cost to cut grass at all sights.
19. Gas – Gas and Fuel expense for vehicles and small engines.
20. Salt - Bulk purchase of Salt for water softening.
21. Chlorine and other Chemicals – Chlorine, Zinc-Orthophosphate, sodium permanganate, and other chemicals need to treat the water supply.
22. Fuel for the Generator – Fuel purchases and propane for emergency generators.
23. Office Supplies – needed office supplies and equipment.
24. Departmental Supplies

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

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

Total Water Operations Budget is \$729,200

Capital Outlay

- Capital improvements are budgeted for \$ 151,115 for projects or equipment that may be reviewed and approved by the Board (which includes the approved bulk purchase of meters).

Total Capital Outlay Budget is \$ 151,115

Revenue

1. Water Service Revenue

- Water Revenue from monthly water bills issued to customers is budgeted in the amount of \$993,000.

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 (\$ 775 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 (Example: \$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 \$0.

Total Revenue and Expenses balance at \$1,060,000

Current Water Rates:

Residential	\$16.00 then \$4.00 per 1,000 gallons
Commercial	\$19.00 then \$4.50 per 1,000 gallons
2-inch	\$65.00 then \$4.50 per 1,000 gallons
3-inch	\$100.00 then \$4.50 per 1,000 gallons
Multiple	\$140.00 then \$4.50 per 1,000 gallons

Fees:

Application Fee	\$25.00
Reconnection Fee	\$35.00
Return check/Draft Fee	\$35.00
After-hours Request Fee	\$50.00
Meter Tampering Fee	\$250.00

Miscellaneous Charges:

Cash Deposit	\$75.00
Hourly Charge	
Per Man Hour	\$40.00
Backhoe/Excavator	\$60.00
Broke Lock	\$50.00
Water Meter (damage/replacement)	
Standard	\$60.00 (increase from \$50.00)
Digital	\$150.00 (new fee)
SET Endpoint	\$275.00 (new fee)
Angle valve	\$70.00 (increase from \$50.00)
Meter Box (without lid)	\$35.00 (increase from \$30.00)
Meter Box lid	\$30.00 (increase from \$25.00)
Watts Backflow preventor	\$65.00 (increase from \$40.00)

First Craven Sanitary District
Tap-on for new services
Effective July 1, 2022

¾ inch service

Tap-on Fee \$775 (increase from \$575)

Application Fee \$25

System Development Fee \$400

Total Cost: \$ 1,200 (increase from \$1000)

1 inch service

Tap-on Fee \$857 (increase from \$657)

Application Fee \$25

System Development Fee \$668

Total Cost: \$1550 (increase from \$1350)

2 inch service

Tap-on Fee \$4843 (increase from \$4475)

Application Fee \$25

System Development Fee \$2132

Total Cost: \$7000 (increase from \$6632)

System Development Fee

3-inch Tap \$4268

4-inch Tap \$6668

6-inch Tap \$13332

8-inch Tap \$21332

The District may reject any application for service under the standard rate that involves excessive installation costs.