

Budget Notes – FY22

Water, Water Meter Deposits, Sewer, WRRF Construction Project, City Hall Part 1, Monday January 11, 2021 5:30p.m.

Water –

Revenues

- 600-810-4543 – water sales
 - FY22 – 3.5% increase figured into revenues; Also going to see a significant bump from Valero as our development agreement with them that included somewhat reduced water rates. This is still a work in progress to know exactly where it will be. Before budget season is over we will also be creating a separate Revenue line for Valero to keep easier track of water sales coming from them.

Expenses

- 600-810-6010 – Wages –2.25% increase
- 600-810-6420 – Contact Services
 - FY22 – turbidimeters and lab equip calibrating.
- 600-810-6507 – Operating supplies - \$175,000
 - FY21 – Mainly expense on Lime for softening – Simply Essentials closing should reduce this some, but probably not as much as I've reduced it in your packet.
- 600-810-6725 – Cap Equipment - \$70,000 Portable Generator; Vac Trailer - \$45,000; \$35,000 in misc.
- 600-810-6750 - \$5,000- alarm system door control
- 600-811-6310 – Building repair & Maint
 - FY21 Re-Estimate– \$334,000 – Water Tower – Painting & lighting
 - Paint tower - \$227,000; Engineering- design & bid - \$27,000
 - Lighting – phase II project \$35,000 lights; \$45,000 for electrical work
 - FY22 – Charles St. Tower wash & interior inspection
- 600-811-6415 - Rent/Leases -FY21 – Valero agreement – The lease purchase agreement that was set up by Valero was found to be amended a few years after it was initially put in place which effectively added one more year of payments per the lease/purchase agreement. These payments have been paid by the SW Bypass TIF historically and those payments and TIF certification were wound down to a close. Additionally, the water department operating fund received some funds as a result of that early amendment, so from a practical standpoint it seemed best to pay these final two payments out of water operating as opposed to amending and collecting through SW Bypass TIF.
- 600-811-6420 – \$55,000
 - FY22 – \$20,000 Clear Well-design & study; Leak Audit & c.s. repairs
- 600-811-6499 – Other contracted services
 - FY22 – \$75,000 - This year's project will be to clean out the remainder of the original lagoon that was unreachable previously.
- 600-811-6504 — meter purchase specific -
 - FY22 – Continues aggressive on-going replacement

- 600-811-6766 – \$50,000
 - FY21 – street projects water main work; we are moving this out via a transfer out to the 303 street capital projects
 - FY22 – misc. project work

Sewer – 610

Revenues

- 610-815-4510/4511 –
 - FY21 – Current Year budget included a 20% increase that we did not implement due impact of Covid-19, the timing just didn't seem right to implement an increase at that time, so we are seeing a reduced amount of sewer revenues. With the closing of simply essentials and without this increase we have cut some annual slip-lining work for the next 2-3 years.
 - FY22 -planning the 3.5% increase which we have done annually for the last 13 years.
- 610-815-4515 – Simply Essentials- until new user comes on-line this will be zero

Expenses

- 610-815-6371 – FY22 - \$160,000 increase related to start up of oxidation ditch at new plant
- 610-815-6507
 - UV Disinfection Bulbs- Dan has been working on alternatives to bulb replacement but it is limited due to specific bulb that is used with the system.
- 610-815-6725 – \$5,000 – Hoist replacement for lift stations
- 610-816-6420 – FY22 –\$50,000 – annual monoform work and slip-lining work decreased from annual \$300,000+ level
- 610-910-6910 – Transfer outs – still need to figure in an amount for P&I for WRRF SRF Revenue loan

Water Resource Recovery Facility – 613

- FY22 – At last status report the WRRF project is moving along well despite the 90 work stoppage that we had to endure in spring of 2020. At this point Portzen might get done with the project based on the original schedule. That means that if things continue as they are the project may be wrapping up by June 2022. We will have some final payments and release of retainage that spills into FY23, but most of work should be done by FY22.
- FY21 – we've full drawn down the \$3M G.O. SRF Loan (less \$15,000 set up fee to IFA), and are now working on the next draw. I suspect we'll be drawing down the vast majority of the loan yet here in FY21. We've got an anticipated expense draw schedule planned out for the remainder of the project and so based on that and what we've already expended IFA is updating our P&I schedule for payments

General Fund – 001-

- 690 -City Hall/Business office – nothing too exciting here, maybe some additional cost/work on front doors to city hall or doors to council chambers to secure area with dispatch and 24/7 presence no longer happening at city hall/PD

- 611 – City Admin – conferences mostly cancelled in 2020 with some going 100% online.
- 620 – City Clerk – largely unchanged, added cost for new modules with Time & Attendance