

Our Mission: To build and maintain water delivery, sanitary sewer collection, and wastewater treatment systems that provide high-quality water and sewer services and products

SIGNIFICANT BUDGET CHANGES

The FY 2025 adopted expenditure budget for the Utilities Fund is \$102,060,122, a six percent increase from the FY 2024 adopted budget. The FY 2025 budget reflects:

- ↑ Personnel increases due to the transfer in of a Management and Budget Specialist from the DES General Fund budget partially offset by a reduction in the associated staff charge out (net increase of \$34,705, 1.0 FTE), employee salary increases, an increase in the County's cost for employee health insurance, slightly higher retirement contributions based on current actuarial projections, adjustments to salaries resulting from the Finance, Accounting and Administrative job family studies (\$25,492), and adjustments to staff charge outs due to adopted budget reductions (\$54,613).
- ↑ Non-personnel increases primarily due to increased costs for electricity (\$1,131,589), Water Pollution Control Bureau chemicals (\$962,589), purchased water (\$820,000), contracted services (\$268,950), software maintenance (\$97,500), water meters and other operating equipment at Water, Sewer, Streets Bureau (\$75,000), adjustments to the annual expense for maintenance replacement of County vehicles (\$152,220), one-time funding for training (\$25,000), partially offset by elimination of FY 2024 one-time expenses (\$104,034).
 - Purchased water costs are based on the County's projected prorated share of the Washington Aqueduct's costs to produce and supply finished drinking water.
- ↑ Debt service increases based on the current repayment schedule (\$68,199) and the issuance of new General Obligation bonds in 2024 (\$1,091,087) for various Utilities Fund capital projects.
- ↑ Other expenses increase due to overhead charges (\$262,842).
- ↑ Revenues increase primarily due to the adopted water and sewer rate increase (\$2,611,728), sewage treatment charges from neighboring jurisdictions (\$487,990), Lee Pumping Station lease agreement renewal (\$42,400), utility marking fees (\$35,000), interest income (\$30,000), and late fees (\$15,000).
- ↓ Transfers decrease due to the planned mix of funding strategies for the capital program (\$5,317,000) and the elimination of the one-time Auto Fund transfer (\$539,520). This is slightly offset by the addition of the FY 2025 transfer for heavy equipment (\$311,541) and the conversion of electric vehicles (\$99,876).

PROGRAM FINANCIAL SUMMARY

	FY 2023 Actual*	FY 2024 Adopted	FY 2025 Adopted	% Change '24 to '25
Personnel	\$27,447,675	\$29,537,751	\$30,695,740	4%
Non-Personnel	29,864,129	31,353,384	34,676,353	11%
Debt Service	28,006,612	28,602,158	29,761,144	4%
Other	5,855,516	6,664,043	6,926,885	4%
GASB	55,447	-	-	-
Total Operating Expenditures	91,229,379	96,157,336	102,060,122	6%
Revenues	107,647,722	110,006,856	113,231,820	3%
GASB	266,568	-	-	-
Total Revenues	107,914,290	110,006,856	113,231,820	3%
Transfer to Capital	15,295,000	13,310,000	7,993,000	-40%
Transfer to Auto Fund	53,267	539,520	411,417	-24%
Total Transfers Out (In)	\$15,348,267	\$13,849,520	\$8,404,417	-39%
Permanent FTEs	252.75	252.75	253.75	
Temporary FTEs	2.20	2.20	2.20	
Total Authorized FTEs	254.95	254.95	255.95	

* FY 2023 actual expenditures and revenues received reflect the first year of implementing new Governmental Accounting Standard Board (GASB) standards for Statement No. 87 on leases and Statement No. 96 for subscription-based software. See the County Government GASB Summary for department details in the front section of the budget book.

Expenses & Revenues by Line of Business

	FY 2023 Actual Expense	FY 2024 Adopted Expense	FY 2025 Adopted Expense	% Change '24 to '25	FY 2025 Adopted Revenue	FY 2025 Net Fee Support
Water, Sewer, Streets Bureau	\$28,532,956	\$30,386,856	\$32,142,645	6%	\$1,622,400	\$30,520,245
Water Sewer Records	1,315,496	1,115,985	1,308,042	17%	305,200	1,002,842
Customer Services Office	1,747,474	2,173,419	2,118,782	-3%	106,311,235	(104,192,453)
Water Pollution Control Bureau	25,458,515	26,989,067	29,404,108	9%	4,992,985	24,411,123
Debt Service and Other	34,174,938	35,492,009	37,086,545	4%	-	37,086,545
Transfers Out	15,348,267	13,849,520	8,404,417	-39%	-	8,404,417
Total	\$106,577,646	\$110,006,856	\$110,464,539	-	\$113,231,820	(\$2,767,281)

- The Utilities Fund is an enterprise fund, which is a self-supporting fund. All user fees must provide sufficient revenues to fund all activities.
- Water and sewer revenue, late fees, new account fees, turn-on fees, and interest are included in Customer Services Office revenue; however, they support the Utilities Fund overall.

Authorized FTEs by Line of Business

	FY 2024 FTEs Adopted	FY 2025 Permanent FTEs Adopted	FY 2025 Temporary FTEs Adopted	FY 2025 Total FTEs Adopted
Water, Sewer, Streets Bureau	135.60	132.00	0.60	132.60
Water Sewer Records	5.00	6.00	-	6.00
Customer Services Office	17.75	18.75	-	18.75
Water Pollution Control Bureau	94.60	94.00	1.60	95.60
Debt Service and Other	2.00	3.00	-	3.00
Total Authorized FTEs	254.95	253.75	2.20	255.95

UTILITIES FUND
OPERATING STATEMENT

	FY 2023 ACTUAL*	FY 2024 ADOPTED	FY 2024 RE-ESTIMATE	FY 2025 ADOPTED
BALANCE JULY 1	\$15,392,519	\$16,686,430	\$16,729,163	\$15,060,164
REVENUE				
Interest	250,628	50,000	75,000	80,000
Water/Sewer Billing	100,083,703	103,079,507	101,791,013	105,691,235
Water Service Connection Fee	1,452,185	1,360,000	1,360,000	1,360,000
Water Service Discontinuation	11,500	140,000	140,000	140,000
Meter Installation	-	30,000	30,000	30,000
Sewage Treatment Charges	4,326,966	4,300,000	4,385,800	4,787,990
Late Fee	467,051	410,000	425,000	425,000
New Account Fee	98,467	105,000	105,000	105,000
Turn-On Fee	11,665	10,000	10,000	10,000
Flow Test Fee	7,200	10,200	10,200	10,200
Pretreatment Fee	3,326	5,200	1,000	1,000
Utility Marking Fee	294,823	250,000	285,000	285,000
Hazardous Household Material Fee	3,750	8,000	7,500	8,000
Miscellaneous Revenue	636,458	248,949	273,949	298,395
GASB	266,568	-	-	-
TOTAL REVENUE	107,914,290	110,006,856	108,899,462	113,231,820
OPERATING EXPENSES				
Customer Services Office	1,747,474	2,173,419	2,150,000	2,118,782
WSS Operations	21,924,277	21,486,856	21,936,856	22,422,645
Water Purchase	6,556,753	8,900,000	8,500,000	9,720,000
Water/Sewer Records	1,315,496	1,115,985	1,265,985	1,308,042
Water Pollution Control	25,454,994	26,989,067	27,388,942	29,404,108
Debt Service	28,006,612	28,602,158	28,602,158	29,761,144
Other	6,168,326	6,889,851	6,875,000	7,325,401
GASB	55,447	-	-	-
TOTAL EXPENSES	91,229,379	96,157,336	96,718,941	102,060,122
BALANCE (SUBTOTAL)	32,077,430	30,535,950	28,909,684	26,231,862
TRANSFERS OUT				
Utility Construction (Fund 519)	15,295,000	13,310,000	13,310,000	7,993,000
Auto Fund	53,267	539,520	539,520	411,417
TOTAL TRANSFERS	15,348,267	13,849,520	13,849,520	8,404,417
TOTAL EXPENSE AND TRANSFERS	106,577,646	110,006,856	110,568,461	110,464,539
BALANCE JUNE 30	16,729,163	16,686,430	15,060,164	17,827,445
Board-adopted Three-month Operating Reserve (excludes debt service)	\$15,805,692	\$16,657,441	\$16,795,919	\$17,827,145

* FY 2023 actual expenditures and revenues received reflect the first year of implementing new Governmental Accounting Standard Board (GASB) standards for Statement No. 87 on leases and Statement No. 96 for subscription-based software. See the County Government GASB Summary for department details in the front section of the budget book.

Fee Definitions

The following fees and other revenue are used to fund operating and capital costs for the Utilities Fund. The capital costs are reflected in the Pay-As-You-Go Capital portion of the budget.

Fund Balances from Prior Years: The County maintains a fund balance, consistent with the Board-adopted financial policy to maintain an operating reserve equal to three months of expenses, to cover emergency events that might impact water and sewer services. If utilized, the reserve will be replenished over a three-year period to the minimum reserve level.

Interest Earnings: Interest earned on the fund balance accrues to the Utilities Fund monthly.

Water/Sewer Billing: Charges for water/sewer service based on consumption of water as reflected by periodic readings of water meters serving the property. These charges generate approximately 94 percent of the income for the Utilities Fund. This category also includes sewer revenue from government facilities and authorities and other organizations (such as the Pentagon and Reagan National Airport) that use the County’s sewage system but receive their drinking water from other sources. Set by County Code, Chapter 26; effective date July 1 each fiscal year.

- The rate structure, effective January 1, 2022, includes:
 - Customer classes: residential, multi-family, and commercial
 - Base charge per billing cycle for each service (water and sewer)
 - Residential –
 - Tiered water usage:
 - Tier 1: Usage from 0-9 Thousand Gallons (TG per quarter)
 - Tier 2: Usage above 9 TG per quarter
 - Sewer – Average Winter Quarter Billing for sewage consumption
 - Multi-family and Commercial water and sewer based on 100% on water meter readings.

Water/ Sewer Billing Rate Schedule	FY 2024	FY 2025
	Adopted: July 1, 2023 – June 30, 2024	Adopted: July 1, 2024 – June 30, 2025
Residential:		
Water Base (\$/Quarter)	16.37	16.81
Water – Volumetric (per Thousand Gallons (TG)):		
Tier 1: 0-9 TG (\$/TG)	4.09	4.17
Tier 2: >9 TG (\$/TG)	6.55	6.68
Sewer Base (\$/ Quarter)	13.52	13.95
Sewer – Volumetric – Average Winter Quarter basis (\$/TG)	9.61	10.29
Multi-Family:		
Water Base (\$/Month)	11.43	12.01
Water – Volumetric (\$/TG)	4.86	4.96
Sewer Base (\$/Month)	9.35	9.91
Sewer – Volumetric (\$/TG)	9.61	10.29
Commercial:		
Water Base (\$/Month)	11.43	12.01
Water – Volumetric (\$/TG)	5.27	5.37
Sewer Base (\$/Month)	9.35	9.91
Sewer – Volumetric (\$/TG)	9.61	10.29

Water Service Connection Charge: This fee is paid by new water users for a physical connection and meter installation to the water system. The fee recovers 100 percent of personnel, materials, and equipment rental costs. The fee ranges from \$4,350 for a 1-inch connection line with a ¾-inch meter up to \$6,600 for a 2-inch line with a 2-inch meter. Sizes 3-inch and above would be at cost based upon a quote per project. Set by County Code, Chapter 26; effective date July 1, 2021.

Meter Installation Charge: This fee is paid by developers which have established the water service connection to the system themselves and only require the County to install the meter. The adopted fees range from \$270 for a ¾-inch meter up to \$8,060 for an 8-inch meter. Set by County Code, Chapter 26; effective July 1, 2023.

Sewage Treatment Charges: These charges are paid by neighboring jurisdictions (Fairfax County and the Cities of Falls Church and Alexandria). Consistent with memoranda of understanding that the County has signed with Fairfax County and the Cities of Falls Church and Alexandria, the neighboring jurisdictions are charged both for their share of costs associated with operating the County's sewage system as well as with making necessary capital improvements to it.

Water/Sewer Late Fee: The County imposes a six percent (6%) fee on any water and sewer charges if, 30 days after the billing date, there is an outstanding balance on the account. Set by County Code, Chapter 26; effective date July 1, 1992. Late fees were waived during the COVID-19 Pandemic but were reintroduced November 2021.

New Account Fee: This \$25 fee is charged to new customers when they set up a new utilities account. Set by County Code, Chapter 26; effective date July 1, 1992.

Discontinuation Fee: Fee to discontinue and disconnect a water service. Fee is \$500. Set by County Code, Chapter 26; effective date July 1, 2008.

Reactivation Fee: This \$25 fee is charged when the County turns on a customer's water service after it had previously been shut off either at the customer's request or for non-payment. Set by County Code, Chapter 26; effective date July 1, 1992.

Flow Test Fee: This \$300 fee is charged when developers request fire flow information necessary to do sprinkler system design. Set by County Code, Chapter 26; effective date July 1, 2008.

Hydrant Permit Fee: This \$300 fee is charged for a fire hydrant permit for three months or any portion thereof. Set by County Code, Chapter 26; effective date July 1, 2024.

DFU Credit Inspection Fee: This fee is charged when developers request an inspection to certify the existing drainage fixture units (DFUs) at properties that will be demolished. The credit offsets the Infrastructure Availability Fees (IAF) that a developer will be charged for new construction DFUs. The fee is \$175 for inspections of 1-24 fixtures; \$275 for 25 plus fixtures. Set by County Code, Chapter 26; effective date July 1, 2008.

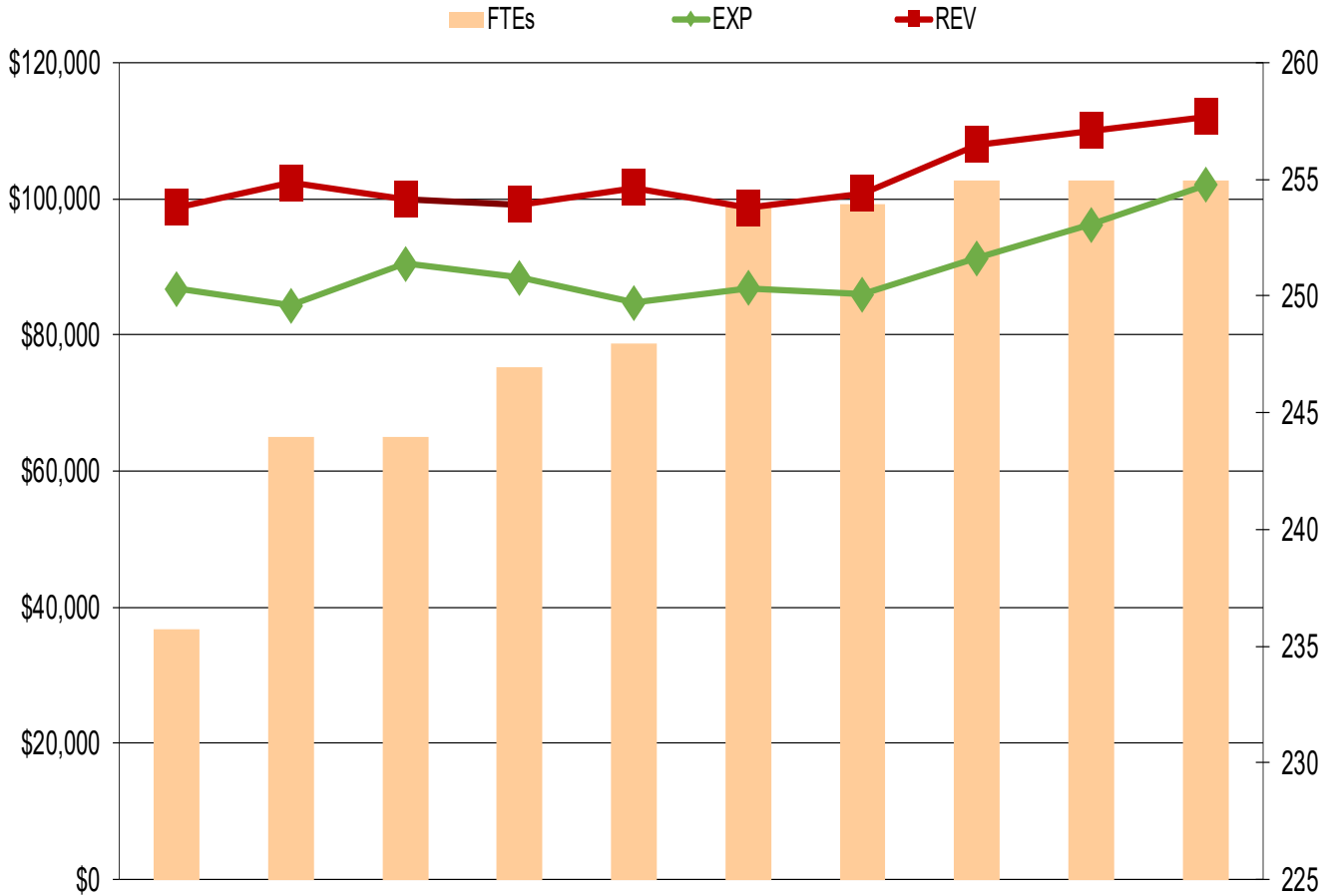
Pretreatment Fee: This fee is assessed on certain businesses that introduce pollutants into the sewer system, or "Significant Industrial Users," to recover the costs of the industrial pretreatment program, which ensures compliance with state and federal standards. Annual fee of \$1,560 plus \$3,640 for each monitoring point. Set by County Code, Chapter 26; effective date October 2, 2004.

Utility Marking Fee: This fee is charged to developers to have utility lines marked before construction begins. \$45 fee. Set by County Code, Chapter 22; effective date July 1, 2013.

Hazardous Household Material Fee/ Appliance Fee: This fee is charged for the safe disposal of household waste products that contain cathode ray tubes (CRTs). Fee is \$20 per television and \$15 per monitor. Set by County Code, Chapter 10; effective date April 30, 2005.

Infrastructure Availability Fee: This fee is charged to developers for adding new demand on the water and sewer systems, based on the number of drainage fixture units (DFUs) added to the system. DFUs are established by the Plumbing Code to service as a proxy for water usage and range from 5 DFUs for a full bathroom to ½ for a drinking fountain. For a renovation or tear-down, full credit is granted for any pre-existing DFUs. Revenues for this fee are accounted for in the Utilities Capital Pay-As-You-Go Fund. The adopted fees are \$260 per DFU combined water and sewer service. For structures which have water-only service, the fee is \$105 per fixture. For structures with sewer-only service, the fee is \$155 per fixture. Set by County Code, Chapter 26; effective date July 1, 2023.

EXPENDITURE, REVENUE, AND FULL-TIME EQUIVALENT TRENDS



	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
\$ in 000s	Actual	Actual	Actual	Actual	Actual	Actual	Actual*	Actual	Adopted Budget	Adopted Budget
EXP	\$86,735	\$84,326	\$90,478	\$88,442	\$84,674	\$86,909	\$85,993	\$91,229	\$96,157	\$102,060
REV	\$98,710	\$102,319	\$99,972	\$99,018	\$101,646	\$98,612	\$100,775	\$107,914	\$110,007	\$113,232
FTEs	235.75	243.95	243.95	246.95	247.95	253.95	253.95	254.95	254.95	255.95

The Utilities Fund is an enterprise fund, a self-supporting fund. The difference between the operating expenses and revenues are typically attributable to the Transfers to Other Funds and/ or may be a planned use of fund balance for rate mitigation purposes.

* Beginning in FY 2022, actual expenditures and revenues received reflect the first year of implementing new Governmental Accounting Standard Board (GASB) standards for Statement No. 87 on leases and Statement No. 96 for subscription-based software. See the County Government GASB Summary for department details in the front section of the budget book.

Fiscal Year	Description	FTEs
FY 2016	<ul style="list-style-type: none"> ▪ Transferred in a Management and Budget Specialist from the Facilities Design and Construction Bureau in the General Fund to increase from 0.80 to 1.0 FTE (\$25,696, 0.20 FTE). ▪ Added a Capital Projects Engineer (\$113,533, 1.0 FTE), a Large Water Meter Service Team (\$165,921, 3.0 FTEs), and a Valve Exercise Team (\$221,228, 4.0 FTEs) replacing contractors for budget savings. ▪ Increased maintenance supplies (\$71,066), contracted services (\$51,762), chemicals (\$36,572), redundant (wireless) SCADA service at lift stations (\$30,688), security system monitoring (\$30,000), and the annual expense for maintenance and replacement of County vehicles (\$26,609). ▪ Added one-time expenses for the Utility Billing System replacement project management (\$99,842), one-time equipment expenses for the new FTEs (\$63,000), and operating expenses for the new FTEs (\$32,902). ▪ Eliminated contractual valve work (\$350,000). ▪ Debt service decreased due to repayment of General Obligation Bonds for various Utilities Fund capital projects (\$736,502) and repayment and refinancing of a portion of funds borrowed through the Virginia Wastewater Revolving Loan Fund for the Master Plan 2001 project at the WPCP (\$293,746). ▪ Other expenses increased due to higher overhead charges based on FY 2016 projections (\$75,594). ▪ Intra-county revenues increase based on historic trend analysis of water revenue from county departments (\$57,600). 	<p>0.20</p> <p>8.00</p>
FY 2017	<ul style="list-style-type: none"> ▪ Added funding for licensing and operating costs for asset management software (\$229,950), mobile meter management software (\$35,000), and capital project tracking software (\$27,093), redundant (wireless) SCADA service at pumping stations (\$22,320). ▪ Decreased the annual expense for maintenance and replacement of County vehicles (\$26,739). ▪ Debt service decreased due to repayment of General Obligation Bonds for various Utilities Fund capital projects (\$261,145) and repayment and refinancing of a portion of funds borrowed through the Virginia Wastewater Revolving Loan Fund for the Master Plan 2001 project at the WPCP (\$176,147). ▪ Other expenses increased due to higher overhead charges based on FY 2017 projections (\$418,512). 	
FY 2018	<ul style="list-style-type: none"> ▪ Added a Contract Specialist (\$119,466), Engineering Technician (\$63,476), and a Trades Worker (\$59,743). 	3.00

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Eliminated contractual equipment rental and operation costs (\$200,000). ▪ Eliminated FY 2017 one-time expenses (\$134,842). ▪ Decreased operating costs associated with asset management software (\$127,989). ▪ Decreased the annual expense for the maintenance and replacement of County vehicles (\$15,927). ▪ Added funding for one-time equipment for new FTEs (\$37,999), operating expenses associated with new FTEs (\$35,414). ▪ Debt service decreased due to repayment of General Obligation Bonds for various Utilities Fund capital projects (\$577,747) and repayment and refinancing of a portion of funds borrowed through the Virginia Wastewater Revolving Loan Fund for the Master Plan 2001 project at the Water Pollution Control Plant (WPCP) (\$64,000). ▪ Other expenses increased due to the higher overhead charges based on FY 2018 projections (\$23,284). ▪ Increased the water and sewer rate (\$2,443,503). ▪ Increased revenue for water discontinuation fees (\$10,000). ▪ Decreased revenue for sewage treatment charges from neighboring jurisdictions (\$311,269), water service connections (\$50,000), late fees (\$35,000), and utility marking fees (\$15,000). 	
FY 2019	<ul style="list-style-type: none"> ▪ Added a Public Engagement Specialist (\$127,381). ▪ Decreased purchased water (\$800,000). ▪ Eliminated FY 2018 one-time expenses (\$37,999). ▪ Added funding for sewer preventative maintenance equipment (\$144,000), and the Trades Center optimization study (\$100,000). ▪ Increased the annual expense for the maintenance and replacement of County vehicles (\$18,301). ▪ Debt service decreased due to repayment of General Obligation Bonds for various Utilities Fund Capital projects and the repayment of a portion of funds borrowed through the Virginia Wastewater Revolving Loan Fund for the Master Plan 2001 project at the Water Pollution Control Plant (WPCP) (\$613,007). ▪ Other expenses increased due to higher overhead charges based on FY 2019 projections (\$343,061). ▪ Revenue decreased due to a projected decrease in sewage treatment charges from neighboring jurisdictions (\$454,147). ▪ Increased interest income (\$25,000). ▪ Fund Balance Utilized increased from the prior year by \$598,448 and reflects the planned drawdown of fund balance, consistent with the County's financial policies. 	1.00

Fiscal Year	Description	FTEs
FY 2020	<ul style="list-style-type: none"> ▪ Transferred in three employees from the Solid Waste Bureau to support the consolidated Customer Service Office now budgeted within the Utilities Fund (\$285,154), offset by an increase in interdepartmental charges to the Solid Waste Bureau (DES-General Fund) to support the call center consolidation (\$289,110). ▪ Transferred in a utility underground program coordinator position from the General Fund (\$165,956). ▪ Added a Heating Ventilation and Air Conditioning (HVAC) Technician at the Plant (\$129,563). ▪ Added two employees to expand Call Center hours (\$139,198). ▪ Eliminated an Instrumentation supervisory position due to the consolidation of the Electrical and Instrumentation division at the Plant (\$135,195). ▪ Reduced overtime and standby pay for tank cleaning efforts at the Water Pollution Control Plant (\$429,160). ▪ Eliminated FY 2019 one-time expenses (\$105,220). ▪ Eliminated HVAC preventative maintenance contractual activities (\$456,099), contractual changes for utility markings (\$94,000), budget reductions and reallocations as identified based on historical spending and operational needs (\$263,225), elimination of the lease payment budget due to equipment having been paid off (\$34,412). ▪ Reduced the annual expense for maintenance and replacement of County vehicles (\$55,174). ▪ Increased funding for new positions (\$22,005 one-time, \$62,549 ongoing), meter replacements (\$346,362), annual maintenance costs for the newly implemented billing information system (\$146,238), contractual increases (\$325,141), and an increase in various overhead line items which were transferred from the Solid Waste Bureau to support the consolidation of the call center (\$36,551). ▪ Debt service decreased due to repayment of General Obligation Bonds for various Utilities Fund capital projects (\$517,970) and the repayment of a portion of funds borrowed through the Virginia Wastewater Revolving Loan Fund for the Master Plan 2001 project at the Water Pollution Control Plant (WPCP) (\$272,437). ▪ Other expenses increased due to higher overhead charges based on FY 2020 projections (\$483,729), offset by a decrease of Bozman Government Center rent (\$74,401). ▪ Intra-county revenue increased based on historic trend analysis of water and sewer revenue from county departments and the increase in the water and sewer rate (\$75,000). ▪ Revenues increased due to the adopted water and sewer rate increase (\$973,399). ▪ Increased revenue for sewage treatment charges from neighboring jurisdictions (\$529,147). 	<p>3.00</p> <p>1.00</p> <p>1.00</p> <p>2.00</p> <p>(1.00)</p>

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Increased miscellaneous revenues (\$14,500). ▪ Fund Balance Utilized decreased from the prior year by \$1,579,039 and reflects the continued drawdown of fund balance, as planned, and consistent with the County’s financial policies. 	
FY 2021	<ul style="list-style-type: none"> ▪ Salaries increased due to job family studies for trades and planners (\$738,518). ▪ Increased charges to the Solid Waste Bureau (DES-General Fund) to pay their pro-rata share of the Customer Services Office (\$13,754). ▪ Increased funding for purchased water (\$900,000), chemicals (\$201,150), biosolids hauling (\$78,315), and various contracts (\$16,130), projected demand for utility markings (\$30,000), budget reallocations as identified based on historical spending and operational needs (\$20,866). ▪ Added one-time funding for large valve inspections (\$300,000). ▪ Eliminated FY 2020 one-time expenses (\$22,005), annual maintenance costs for the decommissioned billing information system (\$32,425). ▪ Decreased the annual expense for maintenance and replacement of County vehicles (\$30,796). ▪ Debt service decreased due to repayment of General Obligation Bonds for various Utilities Fund capital projects (\$31,211). ▪ Other expenses increased for the contingency due to the reclassification of positions identified to be substantially below comparative pay studies (\$414,117), fund-wide benefit changes (\$14,095), higher overhead charges based on FY 2021 projections (\$176,181), and consultant funding (\$18,110), partially offset by the elimination of Bozman Government Center rent due to relocation of the Customer Services Office (\$59,059). ▪ Intra-county revenue increased based on historic trend analysis of water and sewer revenue from county departments and the increase in the water and sewer rate (\$100,000). ▪ Revenues increased due to the adopted water and sewer rate increase (\$1,521,958). ▪ Increased revenue for sewage treatment charges from neighboring jurisdictions (\$100,000), interest income (\$50,000), projected demand for utility marking fees (\$20,000), and miscellaneous revenues (\$31,512). ▪ Fund balance utilized decreased from the prior year by \$520,961 and reflects the current deficit in the 90-day operating reserve. There is a planned addition to the reserve of \$1,000,000 in FY 2021. 	
FY 2022	<ul style="list-style-type: none"> ▪ The County Board added funding for a one percent merit pay adjustment, a five percent increase in the range, and an increase to the one-time bonus for staff from \$500 to approximately \$900. ▪ Personnel increased primarily due to the adjustments to salaries resulting from job family studies, the addition of a Design Engineer at the Water Pollution Control Bureau (\$118,174), and the addition of a Service Assistant at the Customer Services Office (\$74,257). 	2.00

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Debt service decreased due to repayment of General Obligation Bonds for various Utilities Fund capital projects (\$809,836) and the refinancing of VRA loans (\$369,285). ▪ Other expenses decreased due to the reclassification of positions identified to be substantially below comparative pay studies being allocated out to the personnel of affected lines of business from the contingent account (\$1,106,331) and slightly lower overhead charges based on FY 2022 projections (\$34,854). ▪ Intra-county revenue decreased based on the current trend of lower County facility occupancy and water consumption (\$125,000). ▪ Based on the results of the Water and Wastewater Rate Study (2021), the County modified the water and sewer rate structure beginning January 1, 2022. The new rate structure adopted effective January 1, 2022, includes: <ul style="list-style-type: none"> ○ Customer classes: residential, multi-family, and commercial ○ Base charge per billing cycle for each service (water and sewer) ○ Residential – <ul style="list-style-type: none"> ▪ Tiered water usage: <ul style="list-style-type: none"> • Tier 1: Usage from 0-9 Thousand Gallons (TG per quarter) • Tier 2: Usage above 9 TG per quarter ▪ Sewer – Average Winter Quarter Billing for sewage consumption ○ Multi-family and Commercial water and sewer based on 100% on water meter readings. ▪ Revenues increased due to the adopted water and sewer rate increase (\$1,158,258), water service connection fees increase due to an adopted fee increase (\$260,000), partially offset by a decrease in interest income (\$50,000). 	
FY 2023	<ul style="list-style-type: none"> ▪ The County Board approved an additional one percent merit pay adjustment for a total increase of 5.25 percent, increased the pay-for-performance budget by an additional 0.5 percent, and increased the pay range movement to five percent. Additional compensation changes approved by the County Board include an optional one-time cash-out of 40 hours of compensation time for those with balances of 80 or more, a one-time increase in shift differential pay from \$0.75 to \$1.00 per hour for the B shift and from \$1.00 to \$1.30 per hour for the C shift, and a one-time increase in language premium from \$0.69 to \$0.92 per hour. ▪ Salaries increased due to the Engineering job family study (\$170,610), and a one-time bonus (\$300,000). ▪ Total FTE count decreased by 1 FTE due to the transfer of a warehouse technician position to Transportation Engineering & Operations (DES-General Fund) due to organizational needs. ▪ Added funds for one-time costs to perform a water service line material inventory (\$475,000), one-time cost to upgrade replacements in the County fleet to electric vehicles (EV) (\$120,792), and the one-time cost for an electric van and charging infrastructure at the Water Pollution Control Plant (\$68,000). ▪ Increased funding for purchased water (\$250,000). 	(1.00)

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Increased the annual expense for maintenance replacement of County vehicles (\$127,226). ▪ Eliminated FY 2022 one-time expenses (\$305,800). ▪ Debt service decreased due to refinancing and repayment of General Obligation Bonds for various Utilities Fund capital projects (\$1,188,629). ▪ Other expenses increased due to overhead charges (\$730,263). ▪ Intra-county revenue was transferred to water and sewer customer receipt revenue in FY 2023 due to changes implemented from the recently completed water-sewer rate study (\$900,000). ▪ Revenues increased due to the adopted water and sewer rate increase (\$2,127,578) and miscellaneous revenues (\$64,150). ▪ Lease revenue decreased due to the expiration of Lee Pumping Station lease agreements (\$121,680). 	
FY 2024	<ul style="list-style-type: none"> ▪ Transferred Sewer Maintenance staff (\$186,865) to the Stormwater Management Fund due to organizational needs. ▪ Added a Customer Service Representative (\$88,232) in the Customer Service Office and a Warehouse Technician position (\$74,652) at the Water Pollution Control Bureau (WPCB). ▪ Salaries increased due to administrative job family studies (\$68,660), and one-time \$2,000 (gross) employee bonuses (\$636,752). ▪ Increased costs for WPCB chemicals (\$808,311), purchased water (\$300,000), water meters and other operating equipment at Water, Sewer, Streets Bureau (\$300,000), biosolids hauling and disposal (\$142,000), and contracted services (\$70,286). ▪ Added funding for one-time cost for the billing information system upgrade (\$100,000). ▪ Eliminated FY 2023 one-time expenses (\$663,792). ▪ Reduced expenses based on projected electricity rebate associated with the Maplewood solar farm (\$611,842). ▪ Decreased the annual expense for maintenance replacement of County vehicles (\$347,044). ▪ Debt service increased based on the current repayment schedule of General Obligation Bonds for various Utilities Fund capital projects (\$595,546). ▪ Other expenses increased primarily due to overhead charges (\$646,750). ▪ The Board adopted a water and sewer rate increase (\$1,691,743). ▪ Increased sewage treatment charges from neighboring jurisdictions (\$200,000), utility marking fees (\$35,000). ▪ Decreased interest income (\$25,000). ▪ Decreased lease revenue based on the expiration of Lee Pumping station lease agreements (\$13,120). 	<p style="text-align: right;">(2.00)</p> <p style="text-align: right;">2.00</p>
FY 2025	<ul style="list-style-type: none"> ▪ Transferred in a Management and Budget Specialist from the DES General Fund offset by a reduction in the associated staff charge-out (net increase of \$34,705). 	<p style="text-align: right;">1.00</p>

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Salary adjustments resulting from the Finance, Accounting and Administrative job family studies (\$25,492), and adjustments to staff charge outs due to adopted budget reductions (\$54,613). ▪ Increased costs for electricity (\$1,131,589), Water Pollution Control Bureau chemicals (\$962,589), purchased water (\$820,000), contracted services (\$268,950), software maintenance (\$97,500), water meters and other operating equipment at Water, Sewer, Streets Bureau (\$75,000), adjustments to the annual expense for maintenance replacement of County vehicles (\$152,220), and one-time funding for training (\$25,000). ▪ Increased debt service based on the current repayment schedule (\$68,199) and the issuance of new General Obligation bonds in 2024 (\$1,091,087) for various Utilities Fund capital projects. ▪ Increase overhead charges (\$262,842). ▪ The board adopted a water and sewer rate increase (\$2,611,728). ▪ Increased sewage treatment charges from neighboring jurisdictions (\$487,990). ▪ Increased revenue from the Lee Pumping Station lease agreement renewal (\$42,400). ▪ Increased utility marking fees (\$35,000). ▪ Increased interest income (\$30,000) and late fees (\$15,000). ▪ Decreased the Capital transfer due to the planned mix of funding strategies for the capital program (\$5,317,000). ▪ Adjusted Auto Fund transfer based on elimination of the FY 2024 one-time amount (\$539,520), the FY 2025 transfer for heavy equipment (\$311,541) and the conversion of electric vehicles (\$99,876). 	