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Office of Sewer Utility District Commission

TO: Sewer Utility District Commission
FROM: Kevin Driscoll, Deputy Director of Utilities
DATE: October 31, 2019
SUBJECT: RESOLUTION 3658 A Resolution Approving the 2020 Sanitary Sewer Budget and Establishing the 2020 Sanitary Sewer User Fee Schedule

Background

The City's annual sanitary sewer budget, the basis for establishing sanitary sewer user charges, is administered separately from the City's general operating and capital budgets. This is based on the City's original determination to treat sanitary sewer operations as an enterprise operation. The following materials include revisions to the proposed 2020 budget as recommended by the Sewer Utility District Commission (SUDC) on October 22, 2019.

Attached to this staff report are three exhibits - A, B & C:

- Exhibit A details the capital funds as proposed for the sewer utility.
- Exhibit B provides the calculation for the establishment of the user rate.
- Exhibit C provides the budget and cash flow analysis.

Analysis

The sanitary sewer revenue budget is comprised of two sources: property taxes and user charges. The property tax portion of the budget pays for MMSD annual capital charges and recurring debt service. This portion of the budget establishes the mill rate of \$1.81 per \$1,000 assessed value. The tax levy will also generate \$957,000 in capital funding. The user charge portion of the budget funds annual operation and maintenance expenses and several ongoing capital needs.

FY2019 Accomplishments:

The City's sewer utility manages, maintains and operates all of the City's sanitary sewer mains, 23 lift stations, manholes and siphons. In 2019 the sewer utility accomplished a number of its objectives including:

- Continued efforts toward compliance with the Compliance Maintenance Annual Report (CMAR) and Capacity, Management, Operation and Maintenance (CMOM) programs to reduce the number and magnitude of releases from the sanitary sewers to the environment while protecting sewage collection and treatment facilities from high flows.
- Collection system staff attended hazard and safety training in addition to collections systems operation training to reinforce awareness of potential hazards, using proper safety gear and equipment.
- Of nearly 3800 structures, inspected 715 manholes, and repaired and rehabilitated 119 with

manhole lining and grout.

- Of approximately 183 miles of sewer pipeline, continued the sewer utility's 5-year maintenance cycle (water jet cleaned 155,000 feet; and televised 50,000 feet of mainline sewer).
- Completed construction of the East Trunk Relief Sewer.
- Initiated Private Property Inflow and Infiltration warranty exams in the Shoreland Drive and Lake Shore Drive and Corey Lane areas.
- Continued to evaluate the East Growth Area sanitary sewer service area extension and conducting outreach with stakeholders.
- Amended Sewer Service Area to remove 154 parcels from sanitary tax.
- Awarded a contract to rehabilitate 5,210 feet of sewer along the IH 43 easement.
- Designed lift station back-up generators for East Gate Lift Station B and County Line Lift Station Q.
- Completed preliminary design for flow equalization improvements at Sherwood Drive and Donges Bay Road in Cedarburg Road prior to Cedarburg Road / STH 57 resurfacing
- Completed preliminary design for rehabilitation of over 8,750 feet of the joint Mequon-Thiensville sanitary interceptor sewer in Cedarburg Road / STH 57.
- Completed condition assessments on a number of lift stations and procuring quotes to replace items such as pumps and valves (LS C, D, J, M, N, P, Q, L, S).
- Continued commercial sewer meter replacements and improvements.
- Continued to collect and update City's infrastructure data and incorporate into GIS.

FY2020 Objectives

- Continue efforts toward compliance with the CMAR, CMOM and MMSD Chapter 13 programs.
- Perform required upgrades, modifications and/or improvements and maintenance on the public sanitary sewer system to provide a consistent level of service in all but the most extreme and unfavorable conditions.
- Perform preventive maintenance on manholes and sewer pipes on regular intervals.
- Ensure that condition assessments are conducted on sewer assets to catalog and prioritize critical levels of service.
- Confirm the existence of any sanitary system components that do not function according to established reliability standards.
- Continue collection system staff training on operations and potential hazards, and provide proper equipment and safety gear.
- Continue to collect, organize and update the City's infrastructure data and incorporate into GIS.
- Continue with outreach, clear water compliance inspections, lateral investigations and implementing repairs on lateral defects for PPI/I projects in the areas bounded by the Milwaukee River and Riverland Road to the west, Mequon Road to the south, Highland Road to the north, and Port Washington Road to the east.
- Install additional metering in Ranch Road Lift Station E, Circle Drive Lift Station F, and Riverland Drive Lift Station H areas.

- Finalize design for flow equalization at Donges Bay Road and Sherwood Drive ahead of Cedarburg Road (STH 57) resurfacing.
- Implement sanitary sewer rehabilitation work in Cedarburg Road from Sherwood Drive to County Line Road.
- Install new back-up and replacement generators at multiple lift stations.
- Perform a condition assessment on Ranch Road Lift Station E.
- Design and install pump replacements at multiple lift stations (L,T, O, R).
- Complete the force main cleaning operations at river crossings (Lift Stations G, N, T, V).
- Complete a design study report for capital improvement of the siphon in Heritage Estates.
- Continue the City's 5-year sewer maintenance cycle with jetting, rodding and TV inspection of identified sewer mainlines.

Updates from October 22nd SUDC Meeting

At its meeting on October 22, 2019, the SUDC recommended conditional approval of the FY2020 Sanitary Sewer Budget. The conditions of approval included addressing the anticipated cost reduction from MMSD as a result of the City opting out of the Green Infrastructure Program. The SUDC directed staff to evenly divide the savings between self-funding capital programming and passing the savings on to the sewer users.

MMSD provided revised fees, and the 2020 Sewer Utility Budget Exhibits were updated to include the following:

- Capital Charges = \$4,969,618 (reduced from \$5,984,436)
- Operations and Maintenance GI Credit of \$20,809
- Annual Household Charge = \$129.61 (reduced from \$131.31)
- Volumetric Charge = \$2.253140/1,000 (reduced from \$2.292855/1,000)
- Connection Charge = \$33.13 (unchanged)
- Equivalent Residential Unit = 50 (unchanged)
- Residential Occupancy Factor = 2.37 (unchanged)

The staff memo, proposed budget and associated rates were updated based upon the direction from the SUDC. As a result, the proposed user rates and mil rates changed as follows:

- Non-Metered User Charge (per Quarter): \$73.00 (unchanged)
- Metered User Charge Rate: \$6.765/ 1,000 gal (increased from \$6.633/1,000 gal proposed)
- Sewer District Tax Rate: \$1.81/ \$1,000 (est.) (reduced from \$1.97/ \$1,000 est. proposed)

The total self-funding capital amount is a healthy \$1.732M (\$775,000 from user charges and \$957,000 for levy supported capital). Please see the attached documents for the full budget analysis and recommendation.

Fiscal Impact

The proposed FY2020 Sewer Utility budget is attached to this memo. The proposed user charge remains unchanged while the levy decreases due to the adequate level of funding for capital projects that currently exists. Please see the rate history table below:

	2015	2016	2017	2018	2019	2020 (Proposed)
Non-Metered User Charge (per Quarter):	\$69.00	\$70.00	\$71.00	\$72.00	\$73.00	\$73.00
Metered User Charge Rate:	\$5.095/ 1,000gal	\$5.534/ 1,000gal	\$5.887/ 1,000gal	\$6.343/ 1,000gal	\$6.664/ 1,000gal	\$6.765/ 1,000gal
Sewer District Tax Rate:	\$1.89/ \$1,000	\$1.91/ \$1,000	\$1.89/ \$1,000	\$1.93/ \$1,000	\$1.97/ \$1,000	\$1.81/ \$1,000 (est.)

- Non-metered User Charge (per Quarter): Fixed charge based upon capacity of service and maintenance of the sewer system for a residential equivalent unit.
- Metered User Charge Rate: Variable charge based on volume to address operations and maintenance charges due to volume of flow.
- Sewer District Tax Rate: Fixed charge based upon the cost of annual capital charges from the Milwaukee Metropolitan Sewerage District (MMSD) and scheduled debt service.

Recommendation

Staff recommends that the Common Council approve the revised resolution adopting the 2020 sanitary sewer budget and establishing the 2020 sanitary sewer user fee schedule that reflects the budget changes that were made by the Sewer Utility District Commission on October 22, 2019.

Attachments:

- Ex A - 2020 Sewer Capital Project Fund (PDF)
- Ex B - 2020 Sewer Budget Rate Data(PDF)
- Ex C - 2020 Proposed Sewer Budget (PDF)

SEWER CAPITAL PROJECT FUND

The sewer utility applies user fees to provide capital self-funding. The types of projects for the sewer capital project fund are based upon expected life-cycle of greater than 10 years, where a depreciable asset value is established.

The utility has been successful in self-funding a number of projects. These projects are improvements to extend the service life of the system, add capacity and provide efficiency in addition to keeping the collection system functional and avoid non-compliance. In the last decade, past projects funded from reserves include lift station pump and force main replacements, phase one of the Cedarburg Road Interceptor Rehabilitation, and subdivision gravity sewer pipe lining. By providing capital funding for these projects, the user rates have remained stable.

Table 1 – History of Self-Funded Capital Budgets

	2014	2015	2016	2017	2018	2019
Total Self-Funding Capital	\$500,000	\$375,000	\$500,000	\$1,000,000	\$1,040,000	\$720,000

In 2018, the SUDC approved consolidation of specific project accounts to universal sinking fund accounts. These categorical accounts ensure that Sewer Utility has funds available to meet long term needs rather than just be project specific. The funds formed by periodically setting aside money for the replacement of assets gives the Sewer Utility the long term financial ability to perform required capital projects, where the sinking funds will earmark or reserve funds for specific purposes and categories, rather than only for specific projects.

Table 2 – Self-Funded Capital Expense Categories

Account Name	2020	2021	2022	2023	2024
1. Gravity Sanitary Sewer Fund	\$1,010,000	\$710,000	\$650,000	\$650,000	\$650,000
2. Sanitary Lift Station Fund	\$350,000	\$150,000	\$150,000	\$150,000	\$150,000
3. Sanitary Force Main Fund	\$250,000	\$50,000	\$140,000	\$140,000	\$140,000
4. Asset Management Fund	\$22,000	\$10,000	\$10,000	\$10,000	\$10,000
5. Equipment Replacement Fund	\$100,000	\$80,000	\$50,000	\$50,000	\$50,000
TOTALS	\$1,732,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000

The self-funded capital accounts are established as sinking funds to provide for level budgeting and long term funding. The sewer utility has identified a number of specific projects that would utilize the funding. For some projects, the account will require funding over a multi-year budget cycle in order to achieve sufficient funding. The scale or proportion of funding established for each individual account is intended to match the priority and need for the sewer utility. The sinking funds are required for various types of projects. The funds will be utilized for projects identified as a part of a study, in addition to addressing any regulatory requirement to complete the work.

SEWER CAPITAL PROJECT FUND

1. Gravity Sanitary Sewer Fund

The gravity sewer sinking funds are required for relay and replacement of over 162 miles of sewer and over 3,800 manhole structures that will require replacement over its life cycle. Methods of sewer installation include open-cut trenching and trenchless technologies such as guided boring method, micro-tunneling, and cured-in-place pipe (CIPP) installation. In addition to complete replacement, rehabilitation methods for mainlines and manholes include epoxy lining, spot grouting and flood grouting. System condition assessments studies showed high inflow and infiltration in locations near the river. CMOM and CMAR regulatory requirements for system upgrades will be completed, such as reducing inflow and infiltration during wet weather to avoid sanitary sewer overflows and bypass events. In addition, a 20 year master plan study will be prepared and then utilized for projects identified as a part of that study, as an update to the SSES finalized in January 2011. Where master plan updates should be planned every 10 years, or as necessary to address any compliance issues.

Prioritized projects include:

- Sanitary CIPP Lining in Cedarburg Road, STH 57 (\$1,010,000) Phase II
- Sanitary CIPP Lining in Cedarburg Road, STH 57 (\$1,120,000) Phase III
- Sanitary Sewer Main Rehabilitation in PPI/I Project LS H area (\$260,000)
- Sanitary Sewer Main Rehabilitation in PPI/I Project LS F area (\$800,000)
- Sanitary Sewer Main Rehabilitation in PPI/I Project LS E area (\$734,000)
- Sanitary Manhole Seal Replacement (\$70,000/year)
- Sanitary Flow Equalization in Cedarburg Road, STH 57 (\$200,000)
- Sanitary Flow Equalization in Mequon Road, STH 167 (\$150,000)
- Sanitary Exam Contract for 14,000 feet in Mequon Road, IH43 to River (\$35,000)
- Sanitary Exam Contract for 8,000 feet in STH 181, Freistadt to Essex (\$25,000)
- Design Study Report for Heritage Estates Siphon Replacement (\$35,000)

2. Sanitary Lift Station Fund

The sanitary lift station sinking fund is required for various types of projects including the replacement and expansions of existing lift stations and their appurtenances, as well as the construction of new stations. The funds will also be utilized for projects identified as part of condition assessment studies. In addition, CMOM and CMAR regulatory requirement will be addressed to optimize the system by upsizing pumps, increasing wet well capacity, and flow monitoring with magnetic flow meters.

Prioritized projects include:

SEWER CAPITAL PROJECT FUND

- Continue Condition Assessments of Lift Stations (\$10,000/year)
- Condition Assessments of Ranch Road Lift Station “E” (\$50,000)
- Install Magnetic Flow Meters at LS E,F,G,H,T (\$50,000)
- Install Lift Station Emergency Generators at LS B,Q,J,K,H, M (\$50,000/each)
- Install Lift Station Transfer Switches at LS B,Q,J,K,H,M (\$10,000/each)
- Replace Pumps, Valves, Motors at LS D,H,J,K,Q,P,S (\$100,000/each)
- Replace Control Panels (\$10,000/each)
- Replace Cathodic Protection (\$10,000/each)

3. Sanitary Force Main Fund

The sanitary force main fund is required for the design, replacement, new construction, retrofits, and large scale cleaning of over 20 miles of sanitary force main. Prioritized projects outlined below were identified as part of systematic replacement of cast iron force mains and the 2018 force main maintenance study. CMOM and CMAR require collection system upgrades and maintenance to maintain and keep the sewer system in compliance with WDNR requirements.

Prioritized projects include:

- Relocate Lift Station “V” Force Main Discharge at Donges Bay Rd. (\$75,000)
- Force Main Condition Assessments (\$50,000)
- Retro-fit Force Main Access Ports for Maintenance (\$25,000)
- Clean Large Diameter Force Mains, LS A,E (\$125,000)
- Clean Force Mains under the Milwaukee River, LS N,V,T (\$75,000)
- Cast Iron Force Main Replacement Huntington Park Lift Station “R” (\$180,000)

4. Asset Management Fund

The Asset Management Fund is a sinking fund to upgrade, install and expand the SCADA (System Control And Data Acquisition) equipment, and to improve or add equipment and facilities. Proposed projects include replacing commercial remote access meters, valves, SCADA upgrades, GIS upgrades for CMAR and CMOM reporting, a 20 year master plan including evaluation of system life cycle costs and projections. Additional upgrades include installation of sewer meters.

Prioritized projects include:

- SCADA Study for Sewer Utility (\$25,000)
- Sanitary Lateral Exam Contract in PPI/I Targeted Areas, (\$50,000)
- Commercial Sewer ERT Replacement (\$10,000)
- Upgrades to Asset Management Software in GIS, (\$10,000)
- 20 Year Sewer Master Plan (\$55,000)

SEWER CAPITAL PROJECT FUND

5. Equipment Replacement Fund

The equipment replacement fund is a sinking fund for the replacement of sewer equipment. It has been utilized previously for the purchase of a sewer camera truck, a vacuum truck and replacement of pick-up trucks for sewer maintenance crew. Other equipment that will need to be replaced includes portable pumps and portable generators, and cleaning equipment such as jet nozzles. Future acquisitions are planned to include two additional pick-up trucks, a pole camera for manhole inspections, replacement of the hose reel camera, and acquisition of a new lateral evaluation televising system (LETS) camera for lateral inspections. This equipment is required to meet the CMOM and CMAR required routine inspections, cleaning operations, and condition assessments to maintain and keep the sewer system in compliance with WDNR requirements.

Prioritized projects include:

- Portable Back-up Generators Replacement (\$15,000)
- Portable Back-up Pumps Replacement (\$10,000)
- Lateral Evaluation Televising Inspection Camera Acquisition (\$25,000)
- Maintenance Crew Pick-up Trucks Replacement (\$80,000)

The annual budget process establishes the total capital funding, as well as allocates those funds among the various accounts. The expenditure of those capital funds follows the City's procurement policy, generally requiring Sewer Utility Commission authorization. While staff will work according to the prioritization of projects below, the Sewer Utility Commission ultimately controls which projects will be awarded on an annual basis.

SEWER CAPITAL PROJECT FUND

Table 3 – Five Year Project Plan

Project Name	2020	2021	2022	2023	2024
20 Year Master Plan Study	\$55,000				
Manhole Seals	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000
Replacement and New Generator Installations	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Lift Station Flow Meter Installations	\$10,000	\$50,000	\$50,000	\$50,000	\$50,000
Lift Station Condition Assessments	\$60,000	\$10,000	\$10,000	\$10,000	\$10,000
Lift Station Improvements	\$50,000	\$50,000	\$150,000	\$150,000	\$150,000
SCADA Study and Upgrades	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Cedarburg Road CIPP Lining	\$1,050,000	\$1,250,000			
Cedarburg Road Flow Equalization			\$300,000		
Mequon Road Flow Equalization				\$250,000	
New Lift Station (North East)					\$500,000
Sanitary Force Main Cleaning	\$10,000	\$10,000	\$10,000	\$10,000	\$200,000
Lift Station R Force Main Replacement				\$50,000	\$200,000
Mainline CIPP in PPI/I Priority Areas (LS F, H, E Areas)	\$734,000	\$260,000	\$800,000	\$500,000	\$500,000
TOTALS	\$2,114,000	\$1,775,000	\$1,465,000	\$1,165,000	\$1,755,000

The total capital improvement project expenditures over the next five years are projected at over \$8.3 Million. Accumulation of capital funds allows for level funding and minimizes fluctuations in user rates. Some capital projects have required large scale funding and several years' worth of funding prior to utilization of the funds, such as the Mequon Thiensville Interceptor in Cedarburg Road.

The Five Year Project plan does not include the \$2.133M allocated by the Milwaukee Metropolitan Sewerage District for private property lateral work to reduce inflow and infiltration. The planning for sanitary main work is being programmed in conjunction with the private property inflow and infiltration reduction projects.

In addition, the Five Year Project plan did not include the \$19.4Million East Trunk Sewer Capacity Expansion project in prior years. The remaining balance was approximately of \$3.64M and upon the project close out anticipated in the spring of 2020, an adjustment to the capital program will be made to account for this remaining funding. The ETS work that was completed in the vicinity of Donges Bay Road south to County Line Road performed as expected during a major wet weather event in early October 2019, where no overflows occurred in the vicinity of the new work. However the Ranch Road Lift Station "E" experienced another overflow in the area north of Mequon Road, and a condition assessment is planned to address upgrades but the estimated costs for major lift station improvements are unknown at this time.

Another project that is not currently programmed and that may be costly is the East Growth Area sewer extension. A sewer extension in this area requires a lift station in the north east part of Mequon in addition to sanitary sewer system improvements.

SEWER CAPITAL PROJECT FUND

The cash flow is summarized in Table 4, accounting for this balance reallocation to fund future projects included in the capital expense categories listed in Table 2.

Table 4 - Cash Flow Analysis – Capital Projects Fund

	2019	2020	2021	2022	2023	2024
Funds Available (Jan.1)	*\$14,430,254	\$10,159,207	\$9,777,207	\$9,002,207	\$8,537,207	\$8,372,207
Capital Revenue	\$720,000	\$1,732,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Total Construction Funds Available	\$15,150,254	\$11,891,207	\$10,777,207	\$10,002,207	\$9,537,207	\$9,372,207
Expenses	\$4,991,047	\$2,114,000	\$1,775,000	\$1,465,000	\$1,165,000	\$1,755,000
End of Year Balance	\$10,159,207	\$9,777,207	\$9,002,207	\$8,537,207	\$8,372,207	\$7,617,207

*The \$19,400,000 East Trunk Sewer financing is included.

2020 CALCULATION OF SEWER USER CHARGE RATES

Exhibit B

<u>Rate Components</u>	<u>Annual Cost</u>	<u>Total</u> <u>(1,000 gals)</u>	<u>2020 Rate</u> <u>(1,000 gals)</u>	<u>2019 Rate</u> <u>(1,000 gals)</u>	<u>Change</u>
MMSD O&M	\$1,368,892	496,887	\$2.755	\$2.702	0.053
Mequon O&M	\$1,218,938	496,887	\$2.453	\$2.520	(0.067)
Self Funded Capital	\$775,000	496,887	\$1.560	\$1.445	0.115
Capital Debt Service	\$0	496,887	\$0.000	\$0.000	0.000
Totals:	\$3,362,830		\$6.765	\$6.667	0.101

Quarterly Flat Rate

<u>Customer Type</u>	<u>Rate</u> <u>(1,000 gals)</u>	<u>MMSD</u> <u>ROF</u>	<u>MMSD</u> <u>ERU</u>	<u>Days</u>	<u>2020</u>	<u>2019</u>	<u>Change</u>
Residential	\$6.765	2.37	50.0	365	\$73.00	\$73.00	0.0%
			43,253				

Estimated Flow Volume:

<u>Customer Type</u>	<u>Customers</u>	<u>MMSD</u> <u>ROF</u>	<u>MMSD</u> <u>ERU</u>	<u>Days</u>	<u>Total</u> <u>(1,000 gals)</u>	<u>2019</u>	<u>2020 Revenues</u>
Residential	7,338	2.37	50.0	365	317,387	318,373	\$2,147,058
Commercial	438	N/A	N/A	N/A	179,500	180,000	\$1,214,281
Totals:	7,776				496,887	498,373	\$3,361,339

MMSD O&M Charges

<u>Customer Type</u>	<u>Connections</u>	<u>MMSD Fee</u>	<u>Connection</u> <u>Charges</u>	<u>MMSD</u> <u>volume rate</u> <u>(1,000 gals)</u>	<u>Total</u> <u>(1,000 gals)</u>	<u>Volume</u> <u>Charges</u>	<u>Total Costs</u>
Residential	7,050	\$33.13	\$233,567	\$2.253140	317,387	\$715,117	\$948,683
Commercial	476	\$33.13	\$15,770	\$2.253140	179,500	\$404,439	\$420,209
Totals:	7,526		\$249,336		496,887	\$1,119,556	\$1,368,892

Mequon O&M Charges

<u>Expense Type</u>	<u>2020</u>	<u>2019</u>	<u>Change</u>
Total Operating Costs	\$7,713,543	\$8,680,349	(\$966,806)
* Less - MMSD O&M	(\$1,368,892)	(\$1,395,000)	\$26,108
** Less - MMSD Capital	(\$4,969,618)	(\$5,946,489)	\$976,871
*** Less - Other Income	(\$156,095)	(\$82,000)	(\$74,095)
Totals:	\$1,218,938	\$1,256,860	(\$37,922)

* MMSD O&M costs are calculated as a separate component and need to be deducted in order not to be counted twice.

** MMSD sewer capital charges are paid through the tax levy and should not be included in the amount needed to be covered through user fees.

*** Interest, Late fees, and Misc revenues reduce the amount of the Mequon O&M charges needed to be covered through user fees.

Tax Exempt Capital Rate

Budgeted MMSD Capital Costs	\$4,969,618
(CSM, MATC, Concordia)	
Total annual estimated sewer flow	<u>496,887</u>
Calculated rate per 1,000 gallons	\$10.00

**CITY OF MEQUON
2020 SEWER UTILITY BUDGET**

ACCOUNTS FOR:
Sewer UT Fund

	2015 ACTUAL	2016 ACTUAL	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2019 PROJECTED	2020 PROPOSED	PCT CHANGE
REVENUES								
45 GENERAL FEES								
610669 445106 Misc Rev	\$ -	\$ 1,082	\$ 3,838	\$ 109	\$ -	\$ -	\$ -	NA
TOTAL GENERAL FEES	0	1,082	3,838	109	0	0	0	NA
55 SPECIAL ASSESSMENTS								
610669 455102 Special Assessments	129,700	485,161	56,165	44,666	30,000	30,000	45,095	50.32%
610669 455103 Interest on Special Assessments	0	12,323	21,239	8,695	5,000	65,000	12,000	140.00%
TOTAL SPECIAL ASSESSMENT REVENUE	129,700	497,484	77,404	53,361	35,000	95,000	57,095	63.13%
58 OTHER REVENUE								
610669 458201 LT Debt Proceeds	0	0	0	0	0	0	0	NA
610669 458203 Amortization of Bond Premium	74,822	79,306	79,714	21,865	57,450	57,450	57,450	0.00%
610669 458301 PILOT Revenue	42,392	42,873	42,386	46,966	47,000	47,930	48,000	2.13%
610669 458302 Prior Year Transfers	0	0	0	0	0	0	0	NA
610669 458303 Revenue Reduction	0	0	0	0	0	0	0	NA
610669 458501 Other Grants	0	0	0	0	0	0	0	NA
TOTAL OTHER REVENUE	117,214	122,179	122,100	68,831	104,450	105,380	105,450	0.96%
59 INVESTMENT REVENUE								
610669 459101 Interest Income	8,622	9,245	11,378	44,169	28,000	74,000	75,000	167.86%
610669 459102 Capital Lease Proceeds	0	0	0	0	0	0	0	NA
TOTAL INVESTMENT REVENUE	8,622	9,245	11,378	44,169	28,000	74,000	75,000	167.86%
60 SEWER - OPERATING								
610669 460201 Service-Measured	616,499	684,604	747,785	798,498	820,000	798,000	812,000	-0.98%
610669 460202 Service-PublicAuthority	0	0	0	0	0	0	0	NA
610669 460203 Service-Commercial	942,604	733,626	892,820	1,067,466	1,125,000	1,038,000	1,195,467	6.26%
610669 460204 Service-MMSDCap	0	0	0	0	0	0	0	NA
610669 460205 Service-Flat Fees	1,275,640	1,295,406	1,313,928	1,333,505	1,350,000	1,351,522	1,352,000	0.15%
610669 460206 Service-TaxExempt Users	332,550	284,338	248,864	370,149	315,000	490,000	494,000	56.83%
610669 460208 Miscellaneous Revenue	17,027	5,542	17,030	21,038	10,000	10,000	15,000	50.00%
TOTAL SEWER - OPERATING	3,184,320	3,003,516	3,220,427	3,590,656	3,620,000	3,687,522	3,868,467	6.86%

**CITY OF MEQUON
2020 SEWER UTILITY BUDGET**

**ACCOUNTS FOR:
Sewer UT Fund**

			2015	2016	2017	2018	2019	2019	2020	PCT
			ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROJECTED	PROPOSED	CHANGE
61 SEWER - NON OPERATING										
610669	461101	Sewer Property Taxes	7,024,285	7,147,130	7,226,437	7,405,627	7,644,478	7,644,478	7,033,788	-7.99%
610669	461102	Sewer Grants	0	0	0	0	0	0	0	NA
610669	463701	Late Penalties	11,098	12,217	7,784	12,419	9,000	9,000	9,000	0.00%
610669	461302	Special Assessment Interest	0	0	0	0	0	0	0	NA
610669	465421	Contributed Capital	0	0	0	0	0	0	0	NA
TOTAL SEWER - NON OPERATING			7,035,383	7,159,347	7,234,221	7,418,046	7,653,478	7,653,478	7,042,788	-7.98%
TOTAL REVENUES			\$ 10,475,239	\$ 10,792,853	\$ 10,669,368	\$ 11,175,172	\$ 11,440,928	\$ 11,615,380	\$ 11,148,800	-2.55%
EXPENSES										
70 SALARIES										
610669	670101	Salaries	297,579	317,649	400,059	430,505	487,041	398,000	462,331	-5.07%
610669	670104	Vacation	0	0	0	0	0	0	0	NA
610669	670105	Sick Pay	0	0	0	0	0	0	0	NA
610669	670106	Comp Time	15,019	17,496	13,396	13,425	15,000	10,500	15,000	0.00%
610669	670201	Overtime	2,321	2,600	4,938	8,349	10,000	4,000	6,000	-40.00%
610669	670202	Stand By	15,094	13,484	19,450	15,559	18,000	16,500	16,000	-11.11%
610669	670204	PTO	79,017	40,982	46,973	0	0	0	0	NA
610669	670205	FMLA	0	5,870	5,351	0	0	1,028	0	NA
610669	670301	Longevity	0	0	0	0	0	0	0	NA
610669	670401	MuniSupSvs	272,699	279,988	118,854	120,217	120,000	150,000	152,900	27.42%
TOTAL SALARIES			681,729	678,069	609,021	588,055	650,041	580,028	652,231	0.34%
73 FRINGE BENEFITS										
610669	673101	Social Sec	27,509	28,469	35,623	37,334	34,851	33,400	35,998	3.29%
610669	673102	Retirement	25,957	51,951	32,608	34,765	31,903	30,350	33,705	5.65%
610669	673103	W/C Insure	16,176	18,735	20,646	18,205	14,416	16,572	15,697	8.89%
610669	673104	UnempComp	0	0	0	0	0	0	0	NA
610669	673201	Health Ins	115,977	123,827	151,556	141,450	136,776	117,000	120,187	-12.13%
610669	673202	Dental Ins	5,439	5,439	5,989	5,809	5,471	5,245	5,454	-0.31%
610669	673203	Life Ins	824	933	1,206	1,559	1,507	1,500	1,499	-0.53%
610669	673204	Disability	2,299	2,339	2,479	2,318	2,425	2,425	2,250	-7.22%
610669	676205	OPEB & Supp Pension	0	0	27,209	6,765	0	0	7,000	NA
TOTAL FRINGE BENEFITS			194,182	231,693	277,316	248,205	227,349	206,492	221,790	-2.45%

**CITY OF MEQUON
2020 SEWER UTILITY BUDGET**

ACCOUNTS FOR: Sewer UT Fund	2015 ACTUAL	2016 ACTUAL	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2019 PROJECTED	2020 PROPOSED	PCT CHANGE
75 OTHER STAFF COSTS								
610669 675101 Uniforms	2,070	2,070	1,986	2,070	2,070	2,070	2,070	0.00%
TOTAL OTHER STAFF COSTS	2,070	2,070	1,986	2,070	2,070	2,070	2,070	0.00%
80 MATERIALS & SUPPLIES								
610669 680101 Office Sup	2,305	552	505	338	1,000	500	1,000	0.00%
610669 680301 WS-Admin	16,947	16,866	18,389	14,877	17,000	17,000	17,000	0.00%
610669 680402 Motor Fuel	12,220	9,519	10,378	12,724	15,000	15,000	15,000	0.00%
610669 680504 Telephone	1,935	1,728	1,988	2,222	2,300	2,300	2,300	0.00%
610669 680505 Postage	14,919	12,010	12,219	14,178	13,000	13,000	13,000	0.00%
TOTAL MATERIALS & SUPPLIES	48,326	40,675	43,479	44,339	48,300	47,800	48,300	0.00%
83 PURCHASED SERVICES								
610669 683101 Consulting Services-General	7,210	6,441	24,095	21,862	20,000	20,000	25,000	25.00%
610669 683201 Contractual Services-Gen	20,596	19,653	26,491	19,578	23,300	23,300	24,000	3.00%
610669 683202 Contractual Svcs-Maintenance	3,545	0	7,687	1,204	8,500	8,500	5,000	-41.18%
610669 683401 Liab Insurance	21,417	0	18,649	18,669	19,000	19,000	20,000	5.26%
610669 683402 Auto Insurance	3,945	4,136	4,222	4,277	4,300	4,323	4,500	4.65%
610669 683501 Train/Conferences	0	2,550	1,752	4,829	4,000	4,000	5,000	25.00%
610669 683702 Misc.Servs	0	0	0	0	0	0	0	NA
610669 683901 Contingency	0	0	0	0	0	0	0	NA
TOTAL PURCHASED SERVICES	56,713	32,780	82,896	70,419	79,100	79,123	83,500	5.56%
88 EQUIPMENT / LEASES								
610669 688120 Rentals	12,000	12,000	57,142	57,142	58,000	57,142	57,142	-1.48%
TOTAL EQUIPMENT / LEASES	12,000	12,000	57,142	57,142	58,000	57,142	57,142	1.50%

**CITY OF MEQUON
2020 SEWER UTILITY BUDGET**

**ACCOUNTS FOR:
Sewer UT Fund**

	2015 ACTUAL	2016 ACTUAL	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2019 PROJECTED	2020 PROPOSED	PCT CHANGE
95 OPERATING EXPENSES								
610669 695102 Power/Fuel	81,375	90,134	90,335	84,175	100,000	100,000	100,000	0.00%
610669 695103 System Rehab	105,090	139,680	141,480	121,716	135,000	135,000	135,000	0.00%
610669 695104 TV Equipment	0	328	7,681	4,095	4,000	15,000	15,000	275.00%
610669 695105 System Repairs	29,682	44,388	56,196	48,965	50,000	50,000	50,000	0.00%
610669 695108 MMSD SewageO&M Charge	1,230,317	1,274,924	1,239,985	1,370,540	1,395,000	1,395,000	1,368,892	-1.87%
610669 695109 MMSD SewageCapital Charge	5,538,623	5,608,899	5,745,807	5,699,750	5,946,489	5,946,489	4,969,618	-16.43%
610669 695111 Transportation	3,169	4,254	5,172	2,891	5,000	5,000	5,000	0.00%
610669 695114 Equip Replacement Fd Transfer	700	3,255	10,469	2,191	5,000	5,000	5,000	0.00%
610669 695201 Capital Reserve Transfer	375,000	500,000	1,000,000	1,040,000	720,000	720,000	1,732,000	140.56%
TOTAL OPERATING EXPENSES	7,363,956	7,665,862	8,297,125	8,374,323	8,360,489	8,371,489	8,380,510	0.24%
96 NON-OPERATING EXPENSE								
610669 696101 Depreciation	743,278	759,771	782,745	777,369	825,000	1,100,000	1,165,000	41.21%
610669 696201 Amortization	0	0	0	0	0	0	0	NA
610669 696204 Amort Bond Discount	0	0	0	0	0	0	0	NA
610669 696401 Principal	0	0	0	0	0	0	0	NA
610669 696501 Interest Expense	235,768	133,170	35,214	469,530	609,765	609,765	552,213	-9.44%
TOTAL NON-OPERATING EXPENSES	979,045	892,941	817,959	1,246,899	1,434,765	1,709,765	1,717,213	19.69%
TOTAL EXPENSES	\$ 9,338,022	\$ 9,556,090	\$ 10,186,924	\$ 10,631,452	\$ 10,860,114	\$ 11,053,909	\$ 11,162,756	2.79%
NET INCOME (LOSS)	\$ 1,137,218	\$ 1,236,763	\$ 482,444	\$ 543,720	\$ 580,814	\$ 561,471	\$ (13,956)	-102.40%

CASH FLOW ADJUSTMENTS

	2015 ACTUAL	2016 ACTUAL	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2019 PROJECTED	2020 PROPOSED	% Change
Net Income /(Loss) Plus:	1,137,218	1,236,763	482,444	543,720	580,814	561,471	-13,956	-102.40%
Depreciation	743,278	759,771	782,745	777,369	825,000	1,100,000	1,165,000	41.21%
Amortization of Bond Discount	0	0	0	0	0	0	0	NA
Less:								NA
Principal Payments	1,640,000	1,635,000	1,706,250	1,855,000	1,625,000	1,625,000	1,325,000	-18.46%
Amortization of Bond Premium	74,822	79,306	79,714	21,865	57,450	57,450	57,450	0.00%
Net Change in Cash	\$ 165,673	\$282,228	(\$520,775)	(\$555,776)	(\$276,636)	(\$20,979)	(\$231,406)	16.35%