

DOWNERS GROVE SANITARY DISTRICT
FIVE YEAR FINANCIAL PLAN
FISCAL YEARS 2022-2023 TO 2026-2027

Approved 03/15/22

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Introduction

This five-year plan presents recommended expenditures and revenues necessary to meet the operation, maintenance, replacement, capital improvement and debt service requirements of the District over the five-year period from May 1, 2022 to April 30, 2027. The plan contains separate projections for the combined General Corporate and Replacement Fund (operation, maintenance and replacement needs), the Construction Fund (Wastewater Treatment Center capital improvements), the Improvement Fund (sewer system and pump station capital improvements) and the Public Benefit Fund. A brief overview of each of these separate projections is provided below.

General Corporate Fund – This plan treats the Replacement Fund as a designated portion of the General Corporate Fund. The balance in the Replacement Fund is maintained throughout the five-year period at the April 30, 1991, level of \$820,000. This treatment allows major replacements to be included in the operation and maintenance budget of the General Corporate Fund, allows all interest earned on the Replacement Fund to be fully utilized, and applies the balance in the Replacement Fund towards meeting the minimum recommended working balance in the General Corporate Fund.

The plan includes expenditures for the replacement and rehabilitation of the wastewater collection system, including building service repairs to help control sewer system backups and overflows. The goal is to sustain annual replacement and rehabilitation expenses at a level equal to 1.0% of the replacement value of the sewer infrastructure. Expenses include the portion of ARRA loan repayments to the Illinois Environmental Protection Agency (IEPA) associated with sewer rehabilitation work previously conducted with ARRA loan funding.

Planned replacements and major maintenance items for non-sewer fixed assets necessary for continued reliable operation are identified. The FY 2022-23 non-sewer annual replacement, rehabilitation and upgrade expenses budget for all funds represents about 295% of the FY 2020-21 annual depreciation of non-sewer fixed assets. This percentage is much higher than in previous years due to the Centex Lift Station construction start being delayed.

The user rate is proposed to increase from the current level of \$1.95 per 1,000 gallons to \$2.05 per 1,000 gallons in FY 2022-23 with a \$0.15 increase projected in FY 2023-24, \$0.20 increases projected in FY 2024-25 and FY 2025-26 and no user rate increase projected in FY 2026-27. Monthly service fees are proposed to increase from the current amount of \$17.00 to \$19.00 in FY 2022-23 with \$2.00 increases projected in FY 2023-24 through FY 2026-27. The projected user rate and monthly service fee increases for FY 2022-23 through FY 2025-26 result in higher rate and fee increases than the District has historically implemented. The higher increases are proposed due to current inflation in the cost of goods and services which the District has experienced in the past year and planned increases that have been shared with District Staff from vendors. The higher increases are also needed to address aging infrastructure. The increases continue to accommodate the desired levels of sewer system replacement and rehabilitation expenditures while keeping up with inflation. The surcharge rates are proposed to be increased for an average surcharge customer by 8.1% in FY 2022-23 with proposed increases ranging from 2.4% to 7.6% in the four subsequent years. The surcharge rate increases are planned to gradually bring the costs per pound of biological oxygen demand (BOD) and per pound of total suspended solids (TSS) up to the match the cost of service. Other user charges such as sampling and monitoring charges will increase as the cost to provide services increases with inflation.

Construction Fund – The primary source of revenue to the Construction Fund is sewer permit fees. These fees are utilized for improvements and additions at the WWTC and for the repayment of loans from the IEPA. Revenues are accumulated for the next major expansion of WWTC capacity, purchase of adjacent property, or other capital improvements that upgrade the facility. Improvements to biosolids processing are planned for FY 2023-24. Design and construction of a chemical feed system for phosphorus removal are planned in FY2025-26 and FY 2026-27, respectively. It should be noted that the remainder of the construction costs for the chemical feed system would be expended in FY 2027-28, which is outside of this five-year plan.

Improvement Fund – The primary sources of revenue to the Improvement Fund have historically been trunk and lateral sewer service charges. Revenues are accumulated for sewer additions and sewer and lift station capital improvements. Starting in FY 2021-22, additional revenue to the Improvement Fund will include transfers from the General Corporate Fund. This is necessary as the cost of address aging infrastructure at the lift stations is outpacing the revenue received from trunk and lateral sewer service charges.

The Improvement Fund is used to finance special assessments extending sewers into unsewered areas, with funds repaid by the owners of properties benefited by the new sewers using vouchers. Replacement of the Centex Lift Station is included in FY 2022-23. Replacement of the Venard Lift Station force main is planned for FY 2023-24. Replacement of the Butterfield Lift Station is planned for FY2026-27.

Public Benefit Fund – The public benefit fund may only be used to pay for the portion of sewer extensions or sewer special assessments which the Board of Trustees deems to be of benefit to an area larger than the immediate service area.

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2022-2023 to 2026-2027

EXHIBIT 1

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Projected Actual	FY 22-23 Budget	FY 22-23 Appropriation	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
11. Administration												
A. Salary & Wages												
001. Trustees	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000		\$18,000	\$18,000	\$18,000	\$18,000
002. B.O.L.I.	0	0	0	0	900	0	900		900	900	900	900
003. General Management	212,437	234,862	345,560	242,887	296,500	240,814	256,600		269,400	278,800	288,600	298,700
004. Financial Records	186,692	197,403	203,039	198,066	201,550	206,987	211,350		221,900	229,700	237,700	246,050
005. Administrative Records	40,688	49,549	28,343	25,335	24,600	27,714	27,250		28,600	29,600	30,650	31,800
006. Engineering			7,067	4,503	5,900	4,793	5,150		5,400	5,600	5,800	6,000
007. Code Enforcement	328,764	375,864	420,277	366,512	368,950	337,957	367,100		385,450	398,950	412,900	427,350
008. Safety Activities	1,212	810	11,895	27,658	39,850	34,526	48,000		50,400	52,150	54,000	55,900
030. Building & Grounds	1,988	1,333	605	1,006	5,400	1,021	1,350		1,400	1,450	1,500	1,550
085. Incentive					2,800	2,025	0		0	0	0	0
086. Vacation Buyout					12,700	5,650	0		0	0	0	0
090. Work from Home Reimbursement Allowance				4,475	4,550	4,325	5,200		0	0	0	0
Subtotal	\$789,783	\$877,821	\$1,034,786	\$888,440	\$981,700	\$883,812	\$940,900	\$1,080,000	\$981,450	\$1,015,150	\$1,050,050	\$1,086,250
B. Operation & Maintenance												
100. Electricity	\$5,092	\$2,118	\$3,172	\$3,737	\$4,450	\$11,161	\$10,000		\$10,400	\$10,800	\$11,250	\$11,700
101. Natural Gas	1,161	1,278	1,240	912	3,000	1,855	3,000		3,100	3,200	3,300	3,400
102. Water, Garbage, Other	1,316	454	741	767	1,250	944	1,250		1,250	1,300	1,350	1,400
110. Bank Charges	15,709	14,746	15,158	20,299	19,000	22,702	23,200		24,350	25,500	26,750	28,050
112. Communication	12,907	13,883	16,562	22,190	24,000	27,500	29,200		29,550	30,100	30,700	31,250
113. Emergency/Safety Eqpt				29,399	29,000	17,400	30,000		20,400	10,850	14,350	15,050
115. Eqpt/Eqpt Repair	86,011	87,084	92,596	88,604	142,000	136,550	169,700		133,150	201,550	97,550	136,650
116. Supplies	6,811	6,792	7,109	3,020	7,500	5,400	6,800		6,900	6,950	7,000	7,100
117. Employee/Duty Costs	10,280	11,050	19,256	4,988	16,750	5,900	24,750		24,450	24,900	16,900	17,200
118. Building & Grounds	53,584	12,541	20,157	26,947	166,000	67,000	167,000		72,950	49,500	26,300	28,950
119. Postage	6,262	6,308	4,225	3,286	8,000	4,450	7,550		7,900	10,300	8,700	9,100
120. Printing/Photography	7,935	11,509	8,121	7,125	12,500	10,000	12,700		12,500	13,150	12,750	13,400
121. User Billing Material	60,735	64,580	63,831	67,672	75,000	70,500	84,150		71,350	76,550	80,750	86,000
124. Contract Services	92,766	135,569	70,220	52,387	106,500	71,000	150,300		151,700	154,550	158,000	161,050
137. Memberships/Subscriptions	9,929	6,969	8,469	7,497	9,500	7,500	8,500		8,400	8,600	8,600	8,800
Subtotal	\$370,498	\$374,883	\$330,858	\$338,832	\$624,450	\$459,864	\$728,100	\$870,000	\$578,350	\$627,800	\$504,250	\$559,100
C. Vehicles												
222. Gas/Fuel	\$933	\$858	\$1,114	\$299	\$1,500	\$800	\$2,000		\$2,000	\$2,000	\$2,000	\$2,000
225. Operation/Repair	334	1,113	2,217	380	2,600	1,700	2,600		2,650	2,700	2,800	2,850
226. Vehicle Purchase	0	0	0		17,500	0	12,000		0	24,000	0	0
Subtotal	\$1,267	\$1,971	\$3,331	\$680	\$21,600	\$2,500	\$16,600	\$20,000	\$4,650	\$28,700	\$4,800	\$4,850
TOTALS	\$1,161,547	\$1,254,674	\$1,368,974	\$1,227,952	\$1,627,750	\$1,346,176	\$1,685,600	\$1,970,000	\$1,564,450	\$1,671,650	\$1,559,100	\$1,650,200

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2022-2023 to 2026-2027

EXHIBIT 1

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Projected Actual	FY 22-23 Budget	FY 22-23 Appropriation	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
12. Wastewater Treatment Center												
A. Salary & Wages												
006. Engineering			\$29,473	\$47,440	\$41,600	\$51,873	\$48,800		\$51,250	\$53,050	\$54,900	\$56,800
009. Oper. Management	\$112,052	\$99,519	107,667	100,206	99,750	101,075	108,550		114,000	117,950	122,100	126,350
010. Maintenance	498,714	542,819	524,751	526,489	591,900	576,880	696,250		752,600	778,950	806,200	834,400
020. WWTC	513,848	531,533	536,379	597,945	569,400	592,096	561,750		589,850	610,500	631,850	653,950
030. Building & Grounds	65,648	57,751	87,810	104,344	112,150	98,492	107,250		113,300	117,250	121,350	125,600
085. Incentive				200	3,400	2,000	0		0	0	0	0
086. Vacation Buyout					24,850	4,871	0		0	0	0	0
090. Work from Home Reimbursement Allowance				288	650	50	0		0	0	0	0
Subtotal	\$1,190,263	\$1,231,621	\$1,286,080	\$1,376,912	\$1,443,700	\$1,427,336	\$1,522,600	\$1,750,000	\$1,621,000	\$1,677,700	\$1,736,400	\$1,797,100
B. Operation & Maintenance												
100. Electricity	\$140,576	\$75,263	\$80,975	\$125,288	\$93,000	\$69,000	\$53,600		\$51,000	\$52,000	\$53,100	\$54,100
101. Natural Gas	6,820	6,010	6,346	4,991	10,000	9,500	10,400		10,800	11,250	11,700	12,200
102. Water, Garbage, Other	28,603	22,573	17,838	23,816	35,000	29,000	48,400		34,400	35,450	36,500	37,600
103. Odor Control	4,591	3,603	39,195	1,806	3,000	2,800	3,000		3,100	3,200	3,300	3,400
104. Fuel - Generators	16,023	15,301	3,382	3,423	14,000	10,300	12,500		12,900	13,250	13,650	14,100
112. Communication	15,620	15,094	17,690	18,515	22,000	22,750	24,900		23,900	24,100	25,300	25,500
113. Emergency/Safety Eqpt	9,538	15,005	13,018	10,391	23,000	19,390	43,600		24,300	25,000	25,750	27,200
116. Supplies	29,175	27,058	31,799	26,144	31,300	27,500	31,350		31,550	32,500	33,500	34,500
117. Employee/Duty Costs	22,151	19,573	20,039	11,348	26,000	14,750	26,000		26,450	26,950	27,400	27,900
124. Contract Services	127,218	131,034	203,705	209,816	216,100	216,110	222,600		203,500	204,300	205,000	27,300
130. NPDES Permit Fees	53,000	53,000	53,000	53,000	53,000	53,000	53,000		53,000	53,000	53,000	53,000
131. Sludge Hauling/Disposal Services	20,000	64,274	134,615	119,669	80,000	80,000	85,000		43,800	45,100	46,450	47,850
400. Chemicals	84,369	127,772	125,859	109,342	130,250	130,300	229,800		236,700	243,800	251,100	258,650
500. Eqpt/Eqpt Repair	763,286	642,336	997,579	2,178,507	1,094,550	928,450	1,191,250		1,435,650	1,825,000	1,742,750	899,800
800. Building & Grounds	200,700	222,016	231,631	242,897	245,850	213,850	412,350		324,950	334,850	243,150	228,300
Subtotal	\$1,521,669	\$1,439,911	\$1,976,672	\$3,138,955	\$2,077,050	\$1,826,700	\$2,447,750	\$2,940,000	\$2,516,000	\$2,929,750	\$2,771,650	\$1,751,400
C. Vehicles												
222. Gas/Fuel	\$18,255	\$16,834	\$16,360	\$10,798	\$22,000	\$22,800	\$24,500		\$25,250	\$26,000	\$26,750	\$27,600
225. Operation/Repair	9,911	10,073	5,065	5,132	8,000	7,500	8,500		8,750	9,000	9,300	9,550
226. Vehicle Purchase	4,851	10,778	64,060	0	54,500	50,850	59,000		24,000	(7,000)	55,000	0
Subtotal	\$33,017	\$37,685	\$85,486	\$15,930	\$84,500	\$81,150	\$92,000	\$110,000	\$58,000	\$28,000	\$91,050	\$37,150
TOTALS	\$2,744,949	\$2,709,217	\$3,348,238	\$4,531,797	\$3,605,250	\$3,335,186	\$4,062,350	\$4,800,000	\$4,195,000	\$4,635,450	\$4,599,100	\$3,585,650

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EXHIBIT 1

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Projected Actual	FY 22-23 Budget	FY 22-23 Appropriation	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
13. Laboratory												
A. Salary & Wages												
009. Oper. Management	\$54,228	\$75,106	\$75,903	\$78,304	\$82,150	\$66,710	\$85,250		\$89,500	\$92,650	\$95,900	\$99,250
040. Laboratory	156,506	145,486	158,457	164,102	172,200	181,146	182,800		191,950	198,650	205,650	212,800
085. Incentive					600	400	0		0	0	0	0
086. Vacation Buyout					4,600	1,934	0		0	0	0	0
090. Work from Home Reimbursement Allowance				25	0	0	0		0	0	0	0
Subtotal	\$210,735	\$220,591	\$234,360	\$242,431	\$259,550	\$250,189	\$268,050	\$310,000	\$281,450	\$291,300	\$301,550	\$312,050
B. Operation & Maintenance												
112. Communication					\$3,500	\$2,150	\$4,300		\$3,500	\$4,200	\$3,600	\$4,300
114. Chemicals	\$9,566	\$11,478	\$16,704	\$12,740	22,400	18,390	24,500		25,500	26,500	27,500	29,000
115. Eqpt/Eqpt Repair	29,948	18,238	12,532	12,480	53,000	37,820	36,000		28,000	56,000	21,000	20,000
116. Supplies	11,721	8,171	13,207	13,186	23,000	18,190	24,900		25,900	26,900	28,000	29,100
117. Employee/Duty Costs	2,498	3,039	2,265	2,224	5,500	2,100	5,500		5,600	5,700	5,800	5,850
122. Monitoring Equipment	377	769	1,508	2,419	9,000	2,400	9,500		5,500	9,500	5,500	9,500
123. Outside Lab Services	13,344	16,701	18,498	19,321	31,400	20,520	23,000		23,900	24,900	25,900	26,900
Subtotal	\$67,454	\$58,395	\$64,713	\$62,368	\$147,800	\$101,569	\$127,700	\$150,000	\$117,900	\$153,700	\$117,300	\$124,650
C. Vehicles												
222. Gas/Fuel	\$392	\$362	\$444	\$251	\$600	\$530	\$650		\$650	\$700	\$700	\$750
225. Operation/Repair	96	106	1,245	189	250	120	250		250	250	300	300
226. Vehicle Purchase	0	0	0	0	0	0	18,500		0	0	27,500	0
Subtotal	\$487	\$469	\$1,689	\$440	\$850	\$650	\$19,400	\$30,000	\$900	\$950	\$28,500	\$1,050
TOTALS	\$278,675	\$279,455	\$300,762	\$305,239	\$408,200	\$352,408	\$415,150	\$490,000	\$400,250	\$445,950	\$447,350	\$437,750

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EXHIBIT 1

	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 21-22	FY 22-23	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	Actual	Actual	Actual	Actual	Budget	Projected	Budget	Appropriation	Projected	Projected	Projected	Projected
14. Collection System												
A. Salary & Wages												
006. Engineering			\$8,324	\$7,641	\$10,250	\$3,303	\$9,600		\$10,050	\$10,400	\$10,750	\$11,150
050. Sewer Maintenance	\$161,571	\$184,433	189,689	233,518	203,350	224,575	202,800		212,950	220,400	228,100	236,100
060. Inspection	271,723	295,613	195,426	168,752	247,100	220,361	294,400		309,100	319,950	331,150	342,700
070. Investigations	10,595	9,245	4,245	1,312	4,800	1,983	1,550		1,600	1,650	1,700	1,800
085. Incentive				200	1,400	1,400	0		0	0	0	0
086. Vacation Buyout					10,850	0	0		0	0	0	0
090. Work from Home Reimbursement Allowance				800	1,300	238	650		0	0	0	0
Subtotal	\$443,889	\$489,291	\$397,684	\$412,223	\$479,050	\$451,859	\$509,000	\$590,000	\$533,700	\$552,400	\$571,700	\$591,750
B. Operation & Maintenance												
112. Communication	\$8,534	\$7,605	\$7,828	\$8,100	\$11,500	\$8,100	\$13,400		\$13,300	\$13,700	\$13,600	\$13,800
113. Emer/Safety Equipment	4,697	1,031	958	3,580	4,600	2,960	2,800		3,100	3,200	3,300	3,400
115. Eqpt/Eqpt Repair	73,191	27,514	50,497	21,821	37,400	36,230	59,000		40,700	41,900	43,200	61,950
116. Supplies	4,893	4,943	3,077	4,786	4,500	6,400	4,650		5,400	5,550	5,750	5,900
117. Employee/Duty Costs	9,951	7,708	9,315	6,063	13,500	5,050	13,600		13,850	14,100	14,350	14,600
124. Contract Services	71,093	107,940	120,840	80,808	105,000	79,752	105,000		105,000	105,000	105,000	105,000
127. JULIE	17,386	16,526	16,489	16,224	15,750	15,800	16,100		16,400	16,700	17,000	17,300
128. Overhead Sewer Program	11,080	22,634	6,088	27,333	40,000	14,800	15,000		15,000	15,000	15,000	15,000
129. Public Sewer Blockage Program	3,232	5,426	502	3,559	12,000	7,300	12,000		12,000	12,000	12,000	12,000
900. Collection System Repair	1,887,222	1,972,430	1,054,951	1,412,771	2,833,600	1,686,823	3,796,600		2,391,600	2,417,600	2,408,600	2,476,600
Subtotal	\$2,091,278	\$2,173,756	\$1,270,544	\$1,585,044	\$3,077,850	\$1,863,213	\$4,038,150	\$4,850,000	\$2,616,350	\$2,644,750	\$2,637,800	\$2,725,550
C. Vehicles												
222. Gas/Fuel	\$14,490	\$13,263	\$12,253	\$8,436	\$26,000	\$15,400	\$22,000		\$22,700	\$23,850	\$25,050	\$26,300
225. Operation/Repair	10,189	6,188	12,175	6,994	6,700	6,300	7,000		7,100	7,200	7,300	7,400
226. Vehicle Purchase	36,242	411	25,720	26,461	(12,500)	30,795	0		555,500	28,000	62,000	170,000
Subtotal	\$60,921	\$19,862	\$50,149	\$41,891	\$20,200	\$52,495	\$29,000	\$40,000	\$585,300	\$59,050	\$94,350	\$203,700
TOTALS	\$2,596,088	\$2,682,909	\$1,718,377	\$2,039,158	\$3,577,100	\$2,367,568	\$4,576,150	\$5,480,000	\$3,735,350	\$3,256,200	\$3,303,850	\$3,521,000

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	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Projected Actual	FY 22-23 Budget	FY 22-23 Appropriation	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
15. Lift Stations												
A. Salary & Wages												
006. Engineering			\$1,361	\$726	\$9,150	\$5,012	\$6,850		\$7,200	\$7,450	\$7,700	\$7,950
009. Oper. Management	\$5,734	\$9,494	3,998	106	4,000	1,698	300		300	300	350	350
030. Building & Grounds	1,943	1,355	3,394	286	7,200	1,103	750		750	800	800	850
080. Lift Station Maint.	73,740	69,327	53,858	11,861	65,650	9,356	21,650		25,600	26,450	27,400	28,350
Subtotal	\$81,418	\$80,176	\$62,611	\$12,979	\$86,000	\$17,170	\$29,550	\$40,000	\$33,850	\$35,000	\$36,250	\$37,500
B. Operation & Maintenance												
100. Electricity	\$109,875	\$115,955	\$119,635	\$101,719	\$135,000	\$115,940	\$128,000		\$133,100	\$138,400	\$143,900	\$149,700
102. Water, Garbage, Other	0	0	0		0	0			0	0	0	0
104. Fuel - Generators	3,337	3,729	2,789	3,734	3,500	3,600	3,750		3,900	4,000	4,100	4,250
112. Communication	4,040	4,228	4,396	4,390	6,500	4,550	6,300		6,150	6,250	6,350	6,650
113. Emer/Safety Eqpt.	74	0	274	59	1,000	1,200	1,000		1,050	1,050	1,100	1,150
116. Supplies	387	432	73	183	400	120	300		300	300	350	350
500. Eqpt/Eqpt Repair	93,296	155,538	112,519	72,416	398,700	364,940	675,550		707,650	698,750	645,000	1,160,150
800. Building & Grounds	61,657	36,795	88,461	15,122	149,500	92,700	62,350		63,950	45,850	39,750	46,700
Subtotal	\$272,665	\$316,677	\$328,148	\$197,622	\$694,600	\$583,049	\$877,250	\$1,050,000	\$916,100	\$894,600	\$840,550	\$1,368,950
TOTALS	\$354,083	\$396,853	\$390,759	\$210,601	\$780,600	\$600,219	\$906,800	\$1,090,000	\$949,950	\$929,600	\$876,800	\$1,406,450
17. Insurance & Employee Benefits												
E. Insurance & Payroll												
452. Liability/Property	\$182,779	\$173,012	\$190,591	\$199,837	\$220,000	\$215,000	\$231,000		\$232,950	\$233,250	\$234,900	\$237,100
455. Employee Group Coverage	456,818	509,573	472,701	451,363	524,000	521,000	597,300		631,850	668,900	717,050	750,400
460. I.M.R.F.	311,454	320,556	275,719	296,425	317,000	289,000	296,000		339,600	335,700	331,200	326,100
461. Social Security	209,026	213,468	218,714	220,546	242,000	229,000	245,000		257,500	266,000	275,000	284,500
TOTALS	\$1,160,077	\$1,216,608	\$1,157,725	\$1,168,171	\$1,303,000	\$1,254,000	\$1,369,300	\$1,570,000	\$1,461,900	\$1,503,850	\$1,558,150	\$1,598,100
GRAND TOTALS	\$8,295,420	\$8,539,717	\$8,284,836	\$9,482,918	\$11,301,900	\$9,255,557	\$13,015,350	\$15,400,000	\$12,306,900	\$12,442,700	\$12,344,350	\$12,199,150

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2022-2023 to 2026-2027

EXHIBIT 1

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Projected Actual	FY 22-23 Budget	FY 22-23 Appropriation	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
REVENUES												
User receipts	\$3,181,525	\$3,132,389	\$3,097,564	\$3,317,633	\$3,470,300	\$3,589,362	\$3,692,500	\$3,692,500	\$3,874,800	\$4,135,300	\$4,393,600	\$4,343,600
Surcharges	335,186	333,079	343,452	310,537	307,500	343,425	312,000	\$312,000	336,000	360,000	384,000	393,000
Monthly service fees	3,571,582	3,843,884	4,068,677	4,126,210	4,132,000	4,132,047	4,535,600	4,535,600	5,019,700	5,503,700	5,987,800	6,471,800
Plan review fees	2,481	364	418	230	500	2,837	500	500	500	500	500	500
Const inspection fees	0	0	0	0	500	548	500	500	500	500	500	500
Permit inspection fees	27,661	25,810	24,728	16,952	20,000	16,285	20,000	20,000	20,000	20,000	20,000	20,000
Interest	14,562	43,087	51,925	21,539	18,000	5,860	7,000	7,000	4,800	3,350	3,200	4,300
Sampling & monitoring charges	94,702	100,401	103,235	104,388	75,000	109,350	105,000	105,000	110,250	113,550	116,950	120,500
Real estate taxes	1,144,467	1,183,080	1,219,196	1,255,378	1,291,800	1,301,388	1,339,900	1,339,900	1,379,600	1,420,400	1,462,400	1,505,700
Television inspection fees	0	0	0	0	150	0	150	150	150	150	150	150
Replacement taxes	72,184	74,500	98,083	92,480	75,000	132,105	85,000	85,000	85,000	85,000	85,000	85,000
Lease payments	33,375	33,899	34,456	34,707	35,000	35,626	35,600	35,600	35,950	36,300	36,650	37,050
Miscellaneous	15,017	14,225	13,502	31,930	10,000	8,200	10,000	10,000	10,000	10,000	10,000	10,000
Grease Waste	201,690	224,488	186,142	149,426	220,000	199,670	210,000	210,000	220,000	220,000	220,000	220,000
Renewable Energy Credits	4,644	11,627	3,722	0	3,000	2,000	3,000	3,000	3,000	3,000	3,000	3,000
Grants and Incentives						230,260	1,150,000	1,150,000	0	0	0	0
TOTAL REVENUES	\$8,699,075	\$9,020,833	\$9,245,099	\$9,461,410	\$9,658,750	\$10,108,962	\$11,506,750	\$11,506,750	\$11,100,250	\$11,911,750	\$12,723,750	\$13,215,100
TOTAL EXPENSES	\$8,295,420	\$8,539,717	\$8,284,836	\$9,482,918	\$11,301,900	\$9,255,557	\$13,015,350	\$15,400,000	\$12,306,900	\$12,442,700	\$12,344,350	\$12,199,150
EXCESS (DEFICIT) REVENUES OVER EXPENSES	\$403,655	\$481,117	\$960,263	(\$21,507)	(\$1,643,150)	\$853,405	(\$1,508,600)	(\$3,893,250)	(\$1,206,650)	(\$530,950)	\$379,400	\$1,015,950
ENDING FUND BALANCE	\$2,796,510	\$3,277,627	\$4,237,890	\$4,216,382	\$2,573,232	\$5,069,788	\$3,561,188	\$1,176,538	\$2,354,538	\$1,823,588	\$2,202,988	\$3,218,937
DESIGNATED FOR REPLACEMENT	\$820,000	\$820,000	\$820,000	\$820,000	\$820,000	\$820,000	\$820,000		\$820,000	\$820,000	\$820,000	\$820,000
UNDESIGNATED	\$1,976,510	\$2,457,627	\$3,417,890	\$3,396,382	\$1,753,232	\$4,249,788	\$2,741,188		\$1,534,538	\$1,003,588	\$1,382,988	\$2,398,937
ENDING FUND BALANCE AS PERCENTAGE OF TOTAL EXPENSES	34%	38%	51%	44%	23%	55%	27%		19%	15%	18%	26%
USER RATE	\$1.65	\$1.65	\$1.70	\$1.80	\$1.95	\$1.95	\$2.05		\$2.20	\$2.40	\$2.60	\$2.60
INCREASE FROM PRIOR YEAR'S RATE	0.0%	0.0%	3.0%	5.9%	14.7%	14.7%	5.1%		7.3%	9.1%	8.3%	0.0%
MONTHLY SERVICE FEE	\$15.00	\$16.00	\$17.00	\$17.00	\$17.00	\$17.00	\$19.00		\$21.00	\$23.00	\$25.00	\$27.00
INCREASE FROM PRIOR YEAR'S FEE	11.1%	6.7%	6.3%	0.0%	0.0%	0.0%	11.8%		10.5%	9.5%	8.7%	8.0%

GENERAL CORPORATE FUND
EXPENDITURES

Summary

The annual budgets for operation, maintenance and replacement for the next five years are contained in Exhibit 1. The proposed budget amounts represent the best estimates of actual expenditures each year. Necessary contingencies for FY 2022-23 are provided in the proposed appropriation amounts for the major categories in each department. The appropriation amounts represent the legal limit on spending during the year as established in the appropriation ordinance.

Actual expenditures for FY 2021-22 are projected to be \$9,255,557, which is approximately 18% less than was budgeted. A large portion of this difference is due to the outfall sewer repair project bid being delayed and hence the construction being moved into FY 2022-23. Total operation, maintenance and replacement expenditures for FY 2022-23 are budgeted at \$13,015,350 and actual expenditures are expected to be 100% of budget. The FY 2022-23 budget is approximately 15% higher than the FY2021-22 budget. This increase in budgeted expenses over the previous year's budget is primarily due to the delay in bidding the outfall sewer repair project and the Centex Lift Station replacement bids coming in over budget. For the past few years, the ending fund balance has been above the target level, which is 25% of the total annual expenses. The increase in expenditures in FY 2022-23 will spend down the surplus. The following table presents budget and actual totals for the last ten years and projected budget totals for the next five years:

<u>Fiscal Year</u>	<u>O & M Budget</u>	<u>Actual Expenditures</u>	<u>% of Actual to Budget</u>	<u>Annual Increase in Actual Expenditures</u>
2012-13	7,275,100	7,414,342	102%	-4.8%
2013-14	7,589,050	7,559,060	100%	2.0%
2014-15	7,509,450	7,546,493	100%	-0.2%
2015-16	7,824,150	7,379,248	94%	-2.2%
2016-17	8,343,000	8,299,047	99%	12.5%
2017-18	8,796,200	8,295,420	94%	0.0%
2018-19	9,204,250	8,539,717	93%	2.9%
2019-20	9,429,400	8,284,836	88%	-3.0%
2020-21	10,931,950	9,482,918	87%	14.5%
2021-22	11,301,900	9,255,557*	82%*	-2.4%*
2022-23	13,015,350	13,015,350*	100%*	40.6%*
2023-24	12,306,900	12,306,900*	100%*	-5.4%*
2024-25	12,442,700	12,442,700*	100%*	1.1%*
2025-26	12,344,350	12,344,350*	100%*	-0.8%*
2026-27	12,199,150	12,199,150*	100%*	-1.2%*

*Projected

The decrease in FY 2012-13 was primarily due to reduced operating costs associated with low rainfall totals during this period. The increase from FY 2015-16 to FY 2016-17 represents the successful completion of new and outstanding sewer system rehabilitation and replacement projects and new equipment in the sewer televising truck. The increase from FY 2017-18 to FY 2018-19 represents an increase in the annual expenditures for sewer replacement and rehabilitation. The increase from FY 2019-20 to FY 2020-21 is due to

carryover of FY 2019-20 projects as well as CHP engine replacement. In general, the increase in proposed O&M budget for the next five years over expenditures for the past ten years is due to several projects and equipment replacements associated with aging infrastructure which are shown in Exhibit 2. The FY 2022-23 is significantly higher than the projected actual expenditures in FY 2021-22 for several additional reasons, which are discussed in more detail below.

Analysis by Type of Expenditure

I. Salaries and Wages

<u>Year</u>	<u>Salaries and Wages</u>	<u>Change</u>	<u>Full Time Equivalents</u>
FY 2017-18	2,716,088	4.8%	37.8
FY 2018-19	2,899,501	6.8%	38.7
FY 2019-20	3,015,522	4.0%	36.7
FY 2020-21	2,932,985	-2.7%	35.5
FY 2021-22	3,030,367	3.3%	36.3
FY 2022-23	3,270,100	7.9%	37.4
FY 2023-24	3,431,650	5.5%	37.7
FY 2024-25	3,571,550	3.5%	37.7
FY 2025-26	3,695,950	3.5%	37.7
FY 2026-27	3,824,650	3.5%	37.7

Increases in FY 2017-18 and FY 2018-19 reflect turnover at the sewer technician position and some overlapping hires needed to address pending retirements. The increase in FY 2019-20 reflects the retirement of an inspector, the addition of a staff engineering position, and some overlapping hires needed to address pending retirements. Salaries and wages decreased in FY 2020-21 reflects turnover at two higher salary positions, the general manager and sewer construction supervisor positions, due to retirement. The increase in FY 2021-22 reflects hiring of a permit technician to fill the position that was vacated by a promotion to the sewer construction supervisor position, hiring an operator due to a pending retirement, and the COVID pandemic related compensation, including the work from home allowance, vaccination incentives and a vacation buyout. The increase in FY 2021-22 due to these items was offset by the administrative supervisor position being open for a couple of months. The increase in FY 2022-23 reflects an average full-time salary adjustment of 5% plus expected hire of a mechanic in July 2022. FY 2023-24 salaries and wages also reflects a 5% salary adjustment. Annual salary adjustments of 3.5% at full staffing account for future increases beyond FY 2023-24.

II. O & M Expenses – Utilities

<u>Year</u>	<u>Utilities</u>	<u>Change</u>
FY 2017-18	293,443	-13.5%
FY 2018-19	223,652	-23.8%
FY 2019-20	229,948	2.8%
FY 2020-21	261,230	13.6%
FY 2021-22	237,400	-9.1%
FY 2022-23	254,650	7.3%
FY 2023-24	244,050	-4.2%
FY 2024-25	252,400	3.4%
FY 2025-26	261,100	3.4%
FY 2026-27	270,100	3.4%

Reductions in FY 2017-18 and FY 2018-19 reflect implementation of the second phase of the CHP gas utilization system. The increases in FY 2019-20 and FY 2020-21 are due to one and at times both CHP gas utilization systems being out of service. The CHP system to replace the CHP unit that failed in 2019 was placed into full-time operation in March of 2021. The decrease in FY 2021-22 is due to the second CHP system being in service for the entire year. The increase in FY 2022-23 and subsequent decrease in FY 2023-24 is due to garbage expenses associated with years of accumulated grit removed from the sewer system during cleaning and spent media from the biogas cleaning system, which are planned to be removed in 2022. Electric price increases are projected to grow at 2% per year. Natural gas use is expected to remain low compared to historic levels.

III. O & M Expenses – Other

<u>Year</u>	<u>O & M Expenses - Excluding Utilities</u>	<u>Change</u>
FY 2017-18	4,030,120	-4.1%
FY 2018-19	4,139,970	2.7%
FY 2019-20	3,740,986	-9.6%
FY 2020-21	5,061,591	35.3%
FY 2021-22	4,596,995	-9.2%
FY 2022-23	7,964,300	73.3%
FY 2023-24	6,500,650	-18.4%
FY 2024-25	6,998,200	7.7%
FY 2025-26	6,610,450	-5.5%
FY 2026-27	6,259,550	-5.3%

The increase from FY 2017-18 to FY 2018-19 represents an increase in the annual expenditures for sewer replacement and rehabilitation. The FY 2020-21 expenses are significantly higher than previous years due to replacement of a CHP engine and a composting pilot as well as the WAS thickener project not being completed in FY 2019-20 as originally planned. In general, expenses over the next five years are significantly higher in comparison to the last five years to address aging infrastructure. Expenses for FY 2022-23 are significantly higher than previous years for several reasons in addition to aging infrastructure. These include the outfall sewer sag repair project bid being delayed, Centex Lift Station bids coming in high, higher than historic inflation rates, ADA compliance issues being addressed at the Administrative Center,

digester cleaning, and SCADA software upgrades. Another major expense budgeted for FY 2022-23 is the Curtiss St inceptor lining project which was included in the Fiscal Year 2022 Interior, Environment, and Related Agencies Funding Bill approved by the House Appropriations Committee. The requested federal share for this project is included under FY 2022-23 revenue. Should the funding not be approved, sufficient funds would not be available in FY 2022-23 and a smaller sewer project would be completed instead. Three major lift station projects will be funded out of the Improvement Fund over the next five years. The Improvement Fund does not have a sufficient balance to fully fund these projects. As a result, transfer of funds from the General Corporate Fund is planned for every year in the five-year period. A biosolids processing/storage improvements project is planned to be funded out of the Construction Fund in FY 23-24. Transfer of funds from the General Corporate Fund to replenish the Construction Fund for future needs is planned for FY 24-25 and FY 25-26. Major planned expenses are detailed in Exhibit 2.

IV. Vehicles

<u>Year</u>	<u>Vehicle Expenses</u>	<u>Number of Vehicles</u>	<u>Change</u>
FY 2017-18	95,692	2	120.7%
FY 2018-19	59,986	1	-37.3%
FY 2019-20	140,654*	3*	134.5%
FY 2020-21	58,941	1	-58.1%
FY 2021-22	136,795	4	132.1%
FY 2022-23	157,000	4	14.8%
FY 2023-24	648,850	4	313.3%
FY 2024-25	116,700	2	-82.0%
FY 2025-26	218,700	6	87.4%
FY 2026-27	246,750	1	12.8%

*Revenue from the sale of a portion of the vehicles replaced is not included in the expense shown, whereas it is for all other years.

Vehicle expenses fluctuate based on vehicle replacement needs and average \$188,007 per year during the ten-year period shown. Small vehicles are generally scheduled for replacement after six years of use, while larger heavy-duty vehicles have a longer service life. Small CNG vehicles are scheduled for replacement after 10 years. The planned replacement schedule, however, has been affected by the COVID pandemic. Ordered vehicles are taking much longer to arrive, vehicle costs have significantly increased, and the District has opted to keep a few vehicles after the replacement arrived to limit employees riding in a vehicle together. Replacement of the heavy-duty sewer system jetter/vacuum truck is anticipated in FY 2023-24. The budgeted value for this vehicle was substantially increased above what was budgeted previously based on recent quotes received. Proposed vehicle replacements are detailed in Exhibit 2 under budget codes 11C226, 12C226, 13C226 and 14C226. The two vehicles which were planned to be sold in FY19-20 were not sold until FY20-21 due to delays associated with the COVID pandemic. Rather than posting the revenue against the vehicle expenses as is normally done, the \$20,251 sales revenue was posted to miscellaneous revenue for FY20-21.

V. Insurance and Employee Benefits

<u>Year</u>	<u>Ins/Emp Benefits</u>	<u>Change</u>
FY 2017-18	1,160,077	3.3%
FY 2018-19	1,216,608	4.9%
FY 2019-20	1,157,725	-4.8%
FY 2020-21	1,168,171	0.9%
FY 2021-22	1,254,000	7.3%
FY 2022-23	1,369,300	9.2%
FY 2023-24	1,461,900	6.8%
FY 2024-25	1,503,850	2.9%
FY 2025-26	1,558,150	3.6%
FY 2026-27	1,598,100	2.6%

The proposed increases in these expenditures are due to anticipated premium increases on all coverages, particularly employee group medical, workers compensation and property and liability. IMRF contributions are expected to decrease moderately each year over the next five years due to anticipated retirement activity. Proposed employee group insurance expenses reflect the addition of another employee. Proposed IMRF and social security expenses reflect the proposed annual salary adjustments.

Analysis by Department

The following tables provide an analysis of proposed expenditures from the General Corporate Fund by Department.

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2022-2023 to 2026-2027

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Projected Actual	FY 22-23 Budget	FY 22-23 Appropriation	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
SUMMARY AND ANALYSIS												
EXPENSE ANALYSIS BY DEPARTMENT												
ADMINISTRATION												
SALARIES AND WAGES	\$789,783	\$877,821	\$1,034,786	\$888,440	\$981,700	\$883,812	\$940,900	\$1,080,000	\$981,450	\$1,015,150	\$1,050,050	\$1,086,250
% CHANGE FROM PRIOR YEAR	1.9%	11.1%	17.9%	-14.1%	10.5%	-0.5%	6.5%		4.3%	3.4%	3.4%	3.4%
OFFICE EXPENSES	\$370,498	\$374,883	\$330,858	\$338,832	\$624,450	\$459,864	\$728,100	\$870,000	\$578,350	\$627,800	\$504,250	\$559,100
% CHANGE FROM PRIOR YEAR	6.5%	1.2%	-11.7%	2.4%	84.3%	35.7%	58.3%		-20.6%	8.6%	-19.7%	10.9%
VEHICLE EXPENSES	\$1,267	\$1,971	\$3,331	\$680	\$21,600	\$2,500	\$16,600	\$20,000	\$4,650	\$28,700	\$4,800	\$4,850
% CHANGE FROM PRIOR YEAR	-1.7%	55.6%	69.0%	-79.6%	3077.6%	267.8%	564.0%		-72.0%	517.2%	-83.3%	1.0%
TOTAL ADMINISTRATION EXPENSES	\$1,161,547	\$1,254,674	\$1,368,974	\$1,227,952	\$1,627,750	\$1,346,176	\$1,685,600	\$1,970,000	\$1,564,450	\$1,671,650	\$1,559,100	\$1,650,200
% CHANGE FROM PRIOR YEAR	3.3%	8.0%	9.1%	-10.3%	32.6%	9.6%	25.2%		-7.2%	6.9%	-6.7%	5.8%

COMMENTS

Salaries and Wages

Salary levels generally increase with projected salary adjustments. The higher salary level in FY19-20 was a result of succession planning for the General Manager position. The decrease in salary level in FY20-21 was a result of retirements at the General Manager and Sewer Construction Supervisor positions. The projected actual salary in FY21-22 is lower than budgeted due to the planned IT Specialist position not being filled, the Administrative Supervisor position being open for two months and a much larger portion of the Permit Tech's time being spent on inspections (which are coded to the Collection System Department) instead of permit work.

Office

Planned improvements to the Administration Center include remodeling the reception area, a kitchenette in the Board room, new carpeting and re-roofing. Office servers, network infrastructure, software updates, a new timekeeping system and new accounting system software are also included in the five-year plan. With the FY21-22 change in staffing at the Administrative Supervisor position, contract services for IT support have been increased and are reflected in the office costs.

Vehicles

Vehicle costs reflect fuel, normal maintenance and repairs and replacement of vehicles in FY22-23 and FY24-25. Starting in FY22-23, the Sewer Maintenance Supervisor vehicle, which was historically shared with office staff, has been moved out of this billing code and into the Collection System Department vehicles costs.

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2022-2023 to 2026-2027

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Projected Actual	FY 22-23 Budget	FY 22-23 Appropriation	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
SUMMARY AND ANALYSIS												
EXPENSE ANALYSIS BY DEPARTMENT												
WASTEWATER TREATMENT CENTER												
SALARIES AND WAGES	\$1,190,263	\$1,231,621	\$1,286,080	\$1,376,912	\$1,443,700	\$1,427,336	\$1,522,600	\$1,750,000	\$1,621,000	\$1,677,700	\$1,736,400	\$1,797,100
% CHANGE FROM PRIOR YEAR	4.7%	3.5%	4.4%	7.1%	4.9%	3.7%	6.7%		6.5%	3.5%	3.5%	3.5%
OPERATION & MAINTENANCE EXPENSES	\$1,521,669	\$1,439,911	\$1,976,672	\$3,138,955	\$2,077,050	\$1,826,700	\$2,447,750	\$2,940,000	\$2,516,000	\$2,929,750	\$2,771,650	\$1,751,400
% CHANGE FROM PRIOR YEAR	-2.5%	-5.4%	37.3%	58.8%	-33.8%	-41.8%	34.0%		2.8%	16.4%	-5.4%	-36.8%
VEHICLE EXPENSES	\$33,017	\$37,685	\$85,486	\$15,930	\$84,500	\$81,150	\$92,000	\$110,000	\$58,000	\$28,000	\$91,050	\$37,150
% CHANGE FROM PRIOR YEAR	106.8%	14.1%	126.8%	-81.4%	430.4%	409.4%	13.4%		-37.0%	-51.7%	225.2%	-59.2%
TOTAL PLANT EXPENSES	\$2,744,949	\$2,709,217	\$3,348,238	\$4,531,797	\$3,605,250	\$3,335,186	\$4,062,350	\$4,800,000	\$4,195,000	\$4,635,450	\$4,599,100	\$3,585,650
% CHANGE FROM PRIOR YEAR	1.1%	-1.3%	23.6%	35.3%	-20.4%	-26.4%	21.8%		3.3%	10.5%	-0.8%	-22.0%

COMMENTS

Salaries and Wages WWTC salaries and wages reflect full staffing and projected annual salary adjustments. Retirement of an operator in March of 2022 and hiring an additional mechanic in Summer of 2022 are also reflected.

Operation & Maintenance Planned upgrades and replacements are detailed in Exhibit 2 under codes 12B500 and 12B800. Operation & maintenance expenses in FY22-23 are planned to increase due to digester cleaning, wheel loader replacement, SCADA PLC upgrades and SCADA software platform replacement. Costs are also budgeted higher due to expected increases in pricing from vendors across all items. The increase shown for FY24-25 and FY25-26 is for a planned transfer to the Construction Fund as repayment for the proposed FY23-24 biosolids improvements project. The significant decrease in FY26-27 is due to no major expenditures other than digester cleaning being planned for that FY at this time.

Vehicles Vehicle costs vary based on replacement needs. Vehicle replacements are detailed in Exhibit 2 under budget code 12C226.

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2022-2023 to 2026-2027

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Projected Actual	FY 22-23 Budget	FY 22-23 Appropriation	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
SUMMARY AND ANALYSIS												
EXPENSE ANALYSIS BY DEPARTMENT												
LABORATORY												
SALARIES AND WAGES	\$210,735	\$220,591	\$234,360	\$242,431	\$259,550	\$250,189	\$268,050	\$310,000	\$281,450	\$291,300	\$301,550	\$312,050
% CHANGE FROM PRIOR YEAR	5.8%	4.7%	6.2%	3.4%	7.1%	3.2%	7.1%		5.0%	3.5%	3.5%	3.5%
OPERATION & MAINTENANCE EXPENSES	\$67,454	\$58,395	\$64,713	\$62,368	\$147,800	\$101,569	\$127,700	\$150,000	\$117,900	\$153,700	\$117,300	\$124,650
% CHANGE FROM PRIOR YEAR	-42.1%	-13.4%	10.8%	-3.6%	137.0%	62.9%	25.7%		-7.7%	30.4%	-23.7%	6.3%
VEHICLE EXPENSES	\$487	\$469	\$1,689	\$440	\$850	\$650	\$19,400	\$30,000	\$900	\$950	\$28,500	\$1,050
% CHANGE FROM PRIOR YEAR	-93.3%	-3.9%	260.5%	-73.9%	93.0%	47.6%	2884.2%		-95.4%	5.6%	2900.0%	-96.3%
TOTAL LABORATORY EXPENSES	\$278,675	\$279,455	\$300,762	\$305,239	\$408,200	\$352,408	\$415,150	\$490,000	\$400,250	\$445,950	\$447,350	\$437,750
% CHANGE FROM PRIOR YEAR	-13.7%	0.3%	7.6%	1.5%	33.7%	15.5%	17.8%		-3.6%	11.4%	0.3%	-2.1%

COMMENTS

- Salaries and Wages Projected lab salaries and wages reflect future annual salary adjustments with 2 full-time analysts.

- Operation & Maintenance Major expenditures include casework replacements, mold abatement, scheduled equipment replacements and renewal of the online analyzer service contracts.

- Vehicles Vehicle fuel and repair costs for the five year period, with replacement of the lab car identified for FY22-23 and the lab van in FY25-26.

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2022-2023 to 2026-2027

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Projected Actual	FY 22-23 Budget	FY 22-23 Appropriation	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
SUMMARY AND ANALYSIS												
EXPENSE ANALYSIS BY DEPARTMENT												
COLLECTION SYSTEM												
SALARIES AND WAGES	\$443,889	\$489,291	\$397,684	\$412,223	\$479,050	\$451,859	\$509,000	\$590,000	\$533,700	\$552,400	\$571,700	\$591,750
% CHANGE FROM PRIOR YEAR	0.1%	10.2%	-18.7%	3.7%	16.2%	9.6%	12.6%		4.9%	3.5%	3.5%	3.5%
OPERATION & MAINTENANCE EXPENSES	\$2,091,278	\$2,173,756	\$1,270,544	\$1,585,044	\$3,077,850	\$1,863,213	\$4,038,150	\$4,850,000	\$2,616,350	\$2,644,750	\$2,637,800	\$2,725,550
% CHANGE FROM PRIOR YEAR	-6.8%	3.9%	-41.6%	24.8%	94.2%	17.5%	116.7%		-35.2%	1.1%	-0.3%	3.3%
VEHICLE EXPENSES	\$60,921	\$19,862	\$50,149	\$41,891	\$20,200	\$52,495	\$29,000	\$40,000	\$585,300	\$59,050	\$94,350	\$203,700
% CHANGE FROM PRIOR YEAR	223.0%	-67.4%	152.5%	-16.5%	-51.8%	25.3%	-44.8%		1918.3%	-89.9%	59.8%	115.9%
TOTAL COLLECTION SYSTEM EXPENSES	\$2,596,088	\$2,682,909	\$1,718,377	\$2,039,158	\$3,577,100	\$2,367,568	\$4,576,150	\$5,480,000	\$3,735,350	\$3,256,200	\$3,303,850	\$3,521,000
% CHANGE FROM PRIOR YEAR	-4.1%	3.3%	-36.0%	18.7%	75.4%	16.1%	93.3%		-18.4%	-12.8%	1.5%	6.6%

COMMENTS

Salaries and Wages The plan reflects full staffing and normal planned annual increases.

Operation & Maintenance Continued implementation of the Building Sanitary Service Repair Assistance Program (BSSRAP) is reflected, with an expected increase. This is anticipated due to the need to rebid the BSSRAP services in early FY22-23 as the current 5-year contract will be ending. The increase in operation & maintenance costs for FY22-23 is a result of planned replacement of a section of the Wastewater Treatment Center outfall sewer pipe and the proposed Curtiss St interceptor lining project. The Curtiss St lining project will only be done in FY22-23 if federal funding is received. The expected federal funding is reflected under grants and incentives revenue for FY22-23.

Vehicles Vehicle costs reflect fuel and normal maintenance and repairs. Future vehicle purchases are shown in Exhibit 2 under section 14C226. FY23-24 includes replacement of the combination vacuum/jet truck and FY26-27 includes the replacement of the jetter truck.

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2022-2023 to 2026-2027

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Projected Actual	FY 22-23 Budget	FY 22-23 Appropriation	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
SUMMARY AND ANALYSIS												
EXPENSE ANALYSIS BY DEPARTMENT												
LIFT STATIONS												
SALARIES AND WAGES	\$81,418	\$80,176	\$62,611	\$12,979	\$86,000	\$17,170	\$29,550	\$40,000	\$33,850	\$35,000	\$36,250	\$37,500
% CHANGE FROM PRIOR YEAR	116.0%	-1.5%	-21.9%	-79.3%	562.6%	32.3%	72.1%		14.6%	3.4%	3.6%	3.4%
OPERATION & MAINTENANCE EXPENSES	\$272,665	\$316,677	\$328,148	\$197,622	\$694,600	\$583,049	\$877,250	\$1,050,000	\$916,100	\$894,600	\$840,550	\$1,368,950
% CHANGE FROM PRIOR YEAR	0.9%	16.1%	3.6%	-39.8%	251.5%	195.0%	50.5%		4.4%	-2.3%	-6.0%	62.9%
TOTAL LIFT STATION EXPENSES	\$354,083	\$396,853	\$390,759	\$210,601	\$780,600	\$600,219	\$906,800	\$1,090,000	\$949,950	\$929,600	\$876,800	\$1,406,450
% CHANGE FROM PRIOR YEAR	15.0%	12.1%	-1.5%	-46.1%	270.7%	185.0%	51.1%		4.8%	-2.1%	-5.7%	60.4%

COMMENTS

Salaries and Wages The budget reflects salary adjustments based on the proportion of recent time spent on lift stations for maintenance staff. The higher increase shown for FY22-23 reflects anticipated staff time spent on the larger lift station projects planned for the next few years, as shown in Exhibit 2.

Operation & Maintenance Planned expenses for the lift stations are shown in Exhibit 2 under 15B500 and 15B800. Major expenses include internal testing of the Wroble forcemain and transfer of funds to the Improvement Fund for replacement of the Centex and Butterfield Lift Stations and the Venard force main.

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2022-2023 to 2026-2027

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Projected Actual	FY 22-23 Budget	FY 22-23 Appropriation	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
SUMMARY AND ANALYSIS												
EXPENSE ANALYSIS BY DEPARTMENT												
INSURANCE AND EMPLOYEE BENEFITS												
TOTAL INSURANCE/EMPLOYEE BENEFITS	\$1,160,077	\$1,216,608	\$1,157,725	\$1,168,171	\$1,303,000	\$1,254,000	\$1,369,300	\$1,570,000	\$1,461,900	\$1,503,850	\$1,558,150	\$1,598,100
% CHANGE FROM PRIOR YEAR	3.3%	4.9%	-4.8%	0.9%	11.5%	7.3%	9.2%		6.8%	2.9%	3.6%	2.6%

COMMENTS

Projected expenses for insurance and employee benefits reflect the following factors:

1. Generally expecting annual net increases in liability and property premiums of 5%.
2. An increase of 12% for employee group medical was included for FY22-23 at the recommendation of the District's broker. Increases of 6% for employee group medical and dental are included for each year thereafter. This year's budget request also includes additional anticipated expenses related to providing this benefit for an additional employee planned to be hired during the course of the fiscal year.
3. IMRF contributions are expected to decrease moderately each year over the next five years. This is due to significant investment returns in 2019 (19.57%) being reflected now in the District's funded status and employer contribution rate. There are several longer-term employee retirements anticipated in the next four years which will impact projected employer contribution rates in the years following.
4. No change is expected in the District's social security contribution rate. The overall social security expense accounts for potential increases in wages associated with the hiring of an additional employee as discussed.

DOWNERS GROVE SANITARY DISTRICT
 MAJOR REPLACEMENTS AND PURCHASES BY BUDGET CODE
 FISCAL YEARS 2022-23 TO 2026-27

EXHIBIT 2

	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
GENERAL CORPORATE FUND					
11B115 (ADMIN-Eqpt/Eqpt Repair)					
1. MS Office software licensing updates	10,200	10,400	10,600	10,800	11,050
2. Replace data servers		30,000			30,000
3. Update website		10,000			
4. Replace entire network infrastructure	55,000				
5. Replace timeclock & accounting system software			100,000		
Annual Totals	\$65,200	\$50,400	\$110,600	\$10,800	\$41,050
11B118 (ADMIN-Building & Grounds)					
1. Remodel front entrance/kitchenette	130,000				
2. Replace carpeting		25,000			
3. Re-roof admin building			17,500		
Annual Totals	\$130,000	\$25,000	\$17,500	\$0	\$0
11B137 (ADMIN-Dues/Subscriptions)					
1. National association of clean water agencies	1,200	1,200	1,250	1,250	1,250
2. Illinois association of wastewater agencies	4,600	4,650	4,750	4,800	4,900
Annual Totals	\$5,800	\$5,850	\$6,000	\$6,050	\$6,150
11C226 (ADMIN-Vehicle Purchases)					
1. Administration vehicles	18,000		28,000		
2. Sale of old vehicles	(6,000)		(4,000)		
Annual Totals	\$12,000	\$0	\$24,000	\$0	\$0
12B124 (WWTC-Contract Services)					
1. DRSCW membership/stream restoration	222,600	203,500	204,300	205,000	27,300
Annual Totals	\$222,600	\$203,500	\$204,300	\$205,000	\$27,300
12B130 (WWTC-NPDES Permit Fees)					
1. Annual permit fees	53,000	53,000	53,000	53,000	53,000
Annual Totals	\$53,000	\$53,000	\$53,000	\$53,000	\$53,000
12B131 (WWTC-Sludge Hauling/Disposal Services)					
1. Class B Land Application	85,000	43,800	45,100	46,450	47,850
Annual Totals	\$85,000	\$43,800	\$45,100	\$46,450	\$47,850

DOWNERS GROVE SANITARY DISTRICT
 MAJOR REPLACEMENTS AND PURCHASES BY BUDGET CODE
 FISCAL YEARS 2022-23 TO 2026-27

EXHIBIT 2

	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
12B500 (WWTC-Eqpt/Eqpt Repair)					
1. Raw sewage pumping					
a. Compactor overhaul	8,500			9,000	9,250
b. Bar screen motor replacement	20,000				
2. Grit removal system					
a. Conveyor overhaul	25,000				
b. Grit classifier overhaul					16,000
c. Grit pump overhaul	6,750	7,000		7,500	
3. Primary treatment					
a. Scum trough replacement	20,000	20,600	21,200		
b. Sludge collector replacement	8,250	8,500	8,750		9,000
c. Sludge collector gear reducer replacement					11,000
4. Secondary treatment					
a. Protective coatings - secondary clarifiers	48,500	50,000	51,500		40,000
b. Secondary clarifier main gear reducer				25,000	25,000
c. Secondary clarifier weir replacement			70,000		
d. Hoffman/PD blower overhaul	5,000			24,500	25,000
e. Aeration tank influent gate actuator			8,500		
f. DO probe replacement		15,000			
g. Railing, decking and concrete repairs	59,000	40,000			
h. RAS pump overhaul	6,500	15,500	16,000		
i. RAS system VFDs	15,000				
5. Intermediate clarifiers					
a. Protective coatings	37,500	38,600	39,750		
b. Railings	17,500	18,150	18,750		
c. Intermediate sludge pump overhaul	7,500	7,750			
6. Sand filters					
a. Waste washwater pump overhaul	5,250	5,500			
7. Disinfection equipment					
a. Fiberglass tank inspections/repairs			35,000		
b. OSEC brine pump replacement					10,000
c. Bisulfite pump replacements		8,500		9,000	
d. Hypochlorite feed pump VFD replacements		4,700			
e. Hypo brine transfer pump replacement		12,500			
8. Excess flow tanks					
a. Overhaul sludge grinder		12,000			
b. Clarifier scum trough replacement	20,000				
c. Overhaul sludge pumps	7,750		8,500		
d. Clarifier scraper blade/roller wheel replacements					20,000
e. Protective Coatings - Bridge				80,000	
9. Sludge concentration					
a. Concentrator main gear reducers				25,000	25,750
b. WAS thickener feed pump replacement				15,000	
c. TWAS pump replacement					15,500
10. Sludge digestion					
a. Re-coat/repair covers	14,000				
b. Digester 3 gas wasting control upgrade		20,000			
c. Digester 5 gas flare burner replacement	15,000				
d. Replace digester 2 mixing equipment			175,000		
e. Digester mixing compressor overhaul		7,250		7,500	7,750
f. Digester cleaning	100,000	105,000	107,500	110,000	110,000
g. Grease grinder overhaul			5,000	5,000	
h. Grease pump replacement				15,000	15,500

DOWNERS GROVE SANITARY DISTRICT
 MAJOR REPLACEMENTS AND PURCHASES BY BUDGET CODE
 FISCAL YEARS 2022-23 TO 2026-27

EXHIBIT 2

	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
11. Sludge dewatering system					
a. Belt press feed pump replacement	12,750			14,500	
b. Belt press conveyor liner replacement					12,000
c. Belt press washwater system pump motor/skid					15,000
12. Biosolids aging and disposal					
a. Wheel loader replacement	78,000			85,000	
b. Auger rebuilds	12,500	12,500	12,500	12,500	12,500
c. Dump truck - 12 yd, replacement		100,000			
d. Curtiss lagoon drain system repairs	30,000				
e. Transfer to Construction Fund (Biosolids Imprvmnts)			500,000	500,000	
13. Maintenance/utilities					
a. Maintenance Services Building equipment	3,500				
b. Replace portable pump					9,500
c. Main switchgear maintenance	12,300		700		
d. CHP Engine/Generator overhaul	10,500	299,000	11,500	318,000	12,500
e. Emergency generator control panel replacement			100,000		
f. SCADA PLC Upgrades	85,000	70,000	80,000	75,000	
g. SCADA software platform replacement	80,000	70,000	70,000		
h. Software Upgrades (MP2, Hach WIMS, BioWin)	2,500	13,500	19,500	2,500	2,500
i. Yard piping repairs	42,400	43,700	45,000	46,400	47,750
Annual Totals	\$816,450	\$1,005,250	\$1,404,650	\$1,386,400	\$451,500
12B800 (WWTC-Building & Grounds)					
1. Roof repairs	4,000	18,000	27,500	35,000	9,500
2. Road / sidewalk repair	25,000	25,000	50,000	17,500	25,000
3. Window / door replacement	50,500	56,750	54,750	14,500	49,000
4. HVAC repairs	25,000	11,000	20,000		
5. Outside stairs, railings, gratings, and fencing	10,000				
6. Tuckpointing	40,000	30,000	30,000	30,000	20,000
7. Interior painting	60,000	60,000	35,000	25,000	
8. Locker room remodeling	2,000	10,000			
9. Code review	85,000				
Annual Totals	\$301,500	\$210,750	\$217,250	\$122,000	\$103,500
12C226 (WWTC-Vehicle Purchases)					
1. Operations supervisor pickup				29,000	
2. Maintenance supervisor pickup				29,000	
3. Electric cart	16,000			17,500	
4. OPS/Maintenance/Electrical trucks		40,000			
5. Lift station pickup	55,500				
6. Sale of old vehicles	(12,500)	(16,000)	(7,000)	(20,500)	
Annual Totals	\$59,000	\$24,000	(\$7,000)	\$55,000	\$0
13B115 (LAB-Eqpt/Eqpt Repair)					
1. Casework/mold abatement	15,000				
2. Autosampler replacement		7,000		10,000	
3. Autoclave			15,000		
4. Incubators	10,000	10,000			
5. pH/Mult-function Meter					5,000
6. TSS Drying Oven					4,000
7. Amtax/Phosphax/Filtrax Service Partnership			30,000		
Annual Totals	\$25,000	\$17,000	\$45,000	\$10,000	\$9,000
13C226 (LAB-Vehicle Purchase)					
1. Lab Supervisor vehicle	26,000				
2. Lab van				35,000	
3. Sale of old vehicle	(7,500)			(7,500)	
Annual Totals	\$18,500	\$0	\$0	\$27,500	\$0

DOWNERS GROVE SANITARY DISTRICT
 MAJOR REPLACEMENTS AND PURCHASES BY BUDGET CODE
 FISCAL YEARS 2022-23 TO 2026-27

EXHIBIT 2

	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
14B115 (SEWER SYSTEM-Eqpt/Eqpt Repair)					
1. Camera and monitor	17,500				17,500
Annual Totals	\$17,500	\$0	\$0	\$0	\$17,500
14B124 (SEWER SYSTEM-Contract Services)					
1. Contract Televising	100,000	100,000	100,000	100,000	100,000
Annual Totals	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
14B900 (SEWER SYSTEM-System Repairs)					
1. Structural/O&M					
a. Main sewers	80,000	80,000	80,000	80,000	80,000
b. Manholes	30,000	30,000	30,000	30,000	30,000
c. Building sanitary services	600,000	600,000	600,000	600,000	600,000
2. Sewer replacements and rehabilitation					
a. Sewer rehab/replacement	1,675,000	1,350,000	500,000	1,100,000	900,000
3. I/I Program	100,000	100,000	100,000	100,000	100,000
4. Outfall pipe rehabilitation and repair	1,130,000	50,000	926,000	317,000	585,000
5. IEPA ARRA loan repayment	181,600	181,600	181,600	181,600	181,600
Annual Totals	\$3,796,600	\$2,391,600	\$2,417,600	\$2,408,600	\$2,476,600
14C226 (SEWER SYSTEM-Vehicle Purchases)					
1. Inspection/technician vans/trucks		35,000		77,000	
2. Supervisor pickup		28,000	28,000		
3. Combination vacuum/jet truck		600,000			200,000
4. Sale of old vehicles		(107,500)		(15,000)	(30,000)
Annual Totals	\$0	\$555,500	\$28,000	\$62,000	\$170,000
15B500 (LIFT STATIONS-Eqpt/Eqpt Repair)					
1. Butterfield lift station					
a. Pump overhaul		3,600	3,700		
b. Transfer to Improvement Fund (LS replacement)			500,000	500,000	1,000,000
2. Centex lift station					
a. Transfer to Imprvmnt Fund (LS replacement)	250,000				
3. College lift station					
a. Pump overhaul	15,000		16,000		17,000
b. Air relief valves	16,000				
4. Earlston lift station					
a. Replace pump			25,000		
5. Hobson lift station					
a. Pump overhaul	10,000	10,500	10,750		
b. Intake valve replacement	20,000				
c. Motor replacement				45,000	
d. Switchgear PM					8,000
6. Northwest lift station					
a. Pump overhaul	3,500				5,000
b. Intake valve replacement	9,000				
c. VFD replacement	5,000	5,150		5,450	
7. Venard lift station					
a. Pump overhaul			11,500	12,000	12,500
b. Transfer to Improvement Fund (FM replacement)	250,000	600,000			
8. Wroble lift station					
a. Pump overhaul		5,150	5,300		
b. Forcemain internal investigation		45,000			
c. VFD replacement	7,000				
9. General maintenance					
a. Portable pump replacements	8,500				25,000
Annual Totals	\$594,000	\$669,400	\$572,250	\$562,450	\$1,067,500

DOWNERS GROVE SANITARY DISTRICT
 MAJOR REPLACEMENTS AND PURCHASES BY BUDGET CODE
 FISCAL YEARS 2022-23 TO 2026-27

EXHIBIT 2

	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
15B800 (LIFT STATIONS-Building & Grounds)					
1. Northwest access road improvements	25,000				
2. Cathodic protection testing		1,500			1,650
3. Painting	8,250	17,500	15,000		14,000
4. Earlston biofilter replacement		15,000			
5. Hobson elevator repair/rehabilitation	20,000				
6. Roof replacements				8,000	
7. Venard concrete repairs	5,000				
Annual Totals	\$58,250	\$34,000	\$15,000	\$8,000	\$15,650
IMPROVEMENT FUND					
1. Future special assessments	200,000	200,000	200,000	200,000	200,000
2. IEPA loan repayment	93,200	93,200	93,200	93,200	93,200
3. Replace Centex LS	1,538,000				
4. Replace Venard LS forcemain	50,000	800,000			
5. Replace Butterfield LS					2,000,000
6. Transfer from General Corporate Fund	(500,000)	(600,000)	(500,000)	(500,000)	(1,000,000)
Annual Totals	\$1,381,200	\$493,200	(\$206,800)	(\$206,800)	\$1,293,200
CONSTRUCTION FUND					
1. IEPA loan repayment	28,900	28,900	28,900	28,900	28,900
2. Biosolids processing/storage improvements		1,000,000			
3. Chemical feed system - phosphorus removal				121,000	605,000
4. Transfer from General Corporate Fund			(500,000)	(500,000)	
Annual Totals	\$28,900	\$1,028,900	(\$471,100)	(\$350,100)	\$633,900
GRAND TOTALS	\$7,770,500	\$6,911,150	\$4,575,350	\$4,506,350	\$6,513,700

**GENERAL CORPORATE FUND
REVENUES**

Summary

General Corporate Fund revenues are detailed on the last page of Exhibit 1. Actual revenues for the last five years and budgeted revenues for the next five years are presented in this exhibit. Revenues are adequate to fund the expenditure levels recommended in this plan. Per the District's Fund Balance/Net Assets Policy, the fund balance is held near 25% of annual expenses. Due to growing expenses associated with aging infrastructure and the current high inflation rate, the expenses for the next three years are projected to outpace the revenue, causing the fund balance to drop below the target of 25% of annual expenses. Rate and fee increases are proposed to bring the fund balance back up to the target of 25% of annual expenses by the end of the five-year plan.

Analysis by Revenue Type

The District's annual residential charge for wastewater collection and treatment includes user charges, the monthly service charge and the real estate tax levy for sewer rehabilitation, as detailed in Exhibit 3.

I. User Receipts

This plan reflects an increase in the user rate from \$1.95 to \$2.05 per 1000 gallons of metered water consumption. A user rate increase of \$0.15 is anticipated in FY 2023-24 with an increase \$0.20 anticipated in FY 2024-25 and FY 2025-26 and no user rate increase anticipated in FY 2026-27. User receipts during FY 2021-22 are projected at \$3,589,362. This estimate of billable flow compares with recent experience as indicated below:

<u>Fiscal Year</u>	<u>Net Billable Flow (MGD)</u>	<u>Amount of Summer Usage Adjustments</u>
2002-03	6.661	135,641
2003-04	6.601	83,400
2004-05	6.333	96,616
2005-06	6.645	296,891
2006-07	6.236	125,215
2007-08	6.223	183,910
2008-09	5.893	112,621
2009-10	5.913	110,369
2010-11	5.753	112,363
2011-12	5.633	107,538
2012-13	5.768	251,934
2013-14	5.537	109,116
2014-15	5.242	60,919
2015-16	5.257	68,643
2016-17	5.243	82,814
2017-18	5.291	139,711
2018-19	5.121	94,995
2019-20	4.960	76,759
2020-21	4.992	187,250
2021-22	5.064*	160,930

*Projected for final 2 months

FY 2017-18 had a dry summer, compared to recent years, temporarily reversing the downward trend of billable flow. The downward trend in billable flow also reversed in FY 2020-21, likely due to customers being at home more during the COVID pandemic. The summer usage adjustments also appear to have been impacted in FY 2020-21 by the COVID pandemic, likely by customers who were at home more than in a normal year having more time to focus on their lawns. FY 2022-23 projections of user receipts are based on a billable flow of 4.962 MGD, which represents a billable flow 2.0% less than the FY 2021-22 levels. Water supply utilities' efforts at reducing water consumption are expected to continue to result in future reductions in billable flow. After FY 2022-23, this plan reflects a 2.0% per year reduction in billable flow consistent with target reductions established by water supply utilities, corroborated by historic trends.

II. Surcharges

Surcharge rates for discharges in excess of normal domestic waste strengths (200 mg/l BOD and 250 mg/l TSS) are proposed to increase by 8.1% for an average customer in FY 2022-23. This increase is not evident in Exhibit 1 as the projected actual for FY 2021-22 is much higher than proposed for FY 2022-23 due to one surcharge customer paying a large delinquent bill in FY 2021-22. Surcharge rate increases varying between 2.4% and 7.6% are planned for FY 2023-24 through FY 2026-27. These increases will bring the per pound cost of treating BOD and TSS closer to the per pound costs that non-surcharge customers pay by the end of the five-year period.

III. Monthly Service Fees

The plan reflects an increase in the monthly fee from \$17.00 per month (\$204.00 per year) for FY 21-22 to \$19.00 per month (\$228.00 per year) for FY 22-23, with \$2.00 increases in each of the following fiscal years. The monthly fee was last increased in April 2019. The number of customers is not expected to change over the 5-year period.

IV. Plan Review Fees

Plan review fees are assessed based upon the estimated construction cost of proposed sanitary sewer extensions. These fees are not expected to change over the next few years.

V. Construction Inspection Fees

Construction inspection fees represent the cost of inspections by District personnel of sanitary sewer extensions. These fees are not expected to change over the next five years.

VI. Permit Inspection Fees

The cost of inspections by District personnel of service connections and new building construction is recovered from permit inspection fees. The number of inspections decreased in FY 2020-21 and is projected to also be lower than previous years in FY 2021-22. After FY 2021-22, the number of inspections is expected to return to pre-2020 levels and remain constant.

VII. Interest

Interest is estimated based on the average fund balance each year and an interest rate of roughly 0.16% over the five-year period.

VIII. Sampling and Monitoring Charges

Sampling and monitoring charges are assessed to all users subject to surcharge or pretreatment to recover the costs to sample and analyze wastewater from these users and are projected to increase as the cost to provide these services increases.

IX. Real Estate Taxes

The real estate tax levy is included in the General Corporate Fund and is utilized for operation, maintenance and repair of sewerage facilities. It is proposed that these levies be increased by 5% each year. The amount of future levies is limited in accordance with the tax cap limitation, reflected in budgeted increases of 2.9% each year over the 5-year planning period.

X. Television Inspection Fees

Television inspection fees are assessed to developers for the costs of televising new sewers prior to the expiration of the one-year warranty period.

XI. Replacement Taxes

Personal property replacement taxes received from the state, estimated at \$85,000 per year for FY 2022-23 and projected to continue at this level, will be used to fund sewer system repairs.

XII. Lease Payments

During FY 1996-97, the District signed a lease with the Village of Downers Grove for District property located on Walnut Avenue, adjacent to the Village's public works facility. The lease agreement provides for lease payments by the Village to the District.

XIII. Miscellaneous

Miscellaneous revenues include revenues from levying and collecting special assessments, fees to administer recapture agreements, and costs received for other District services. These revenues are estimated at \$10,000 each year.

XIV. Grease Waste

Hauled restaurant grease trap waste continues to be accepted for treatment at the WWTC. The amount of grease waste accepted in FY 2020-21 was reduced due to only one CHP unit being in operation and also due to limitations on the amount of gas which can be flared. The new CHP unit was placed into operation at the end of FY 2020-21. As a result, the District increased the amount of grease waste that is accepted. This is reflected in the projected revenue for FY 2022-23 and is expected to remain constant over the five-year period.

XV. Renewable Energy Credits

Renewable energy credits can be sold as they are generated by the new CHP equipment. The budget reflects anticipated market pricing and production.

XVI. Grants and Incentives

The grants and incentives revenue code was created under the General Corporate Fund in FY 2021-22. The first three incentive payments from the ComEd Energy Efficiency program for operation of the new CHP unit are expected in FY 2021-22 with the fourth expected in FY 2022-23. The final amount of the incentive will be based upon the actual output during the first year of operation of the new CHP unit. The anticipated federal funding for the Curtiss St inceptor lining project is reflected in FY 2022-23.

GENERAL CORPORATE FUND
FUND BALANCE

Summary

The projected fund balance of the consolidated General Corporate and Replacement Fund as of 4/30/22 is \$3,561,188. The fund balance is projected to be spent down in FY 2023-24 and FY 2024-25 causing the fund balance to drop below the target of 25% of annual expenses identified in the District's Fund Balance/Net Assets Policy. With the proposed rate and fee increases, the fund balance will return to 25% of total annual expenditures by the end of the five-year plan. Projected fund balance levels are presented on the last page of Exhibit 1.

DOWNERS GROVE SANITARY DISTRICT
 ANNUAL RESIDENTIAL CHARGES FOR WASTEWATER COLLECTION AND TREATMENT SERVICES

EXHIBIT 3

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Budgeted	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
USER CHARGES										
RATE PER 1000 GALS	\$1.65	\$1.65	\$1.70	\$1.80	\$1.95	\$2.05	\$2.20	\$2.40	\$2.60	\$2.60
AVERAGE ANNUAL USAGE	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000
ANNUAL USER CHARGES	\$158.40	\$158.40	\$163.20	\$172.80	\$187.20	\$196.80	\$211.20	\$230.40	\$249.60	\$249.60
PROPERTY TAXES										
YEAR TAXES PAID	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
MEDIAN ASSESSED VALUE	\$88,150	\$93,940	\$95,680	\$101,120	\$104,575	\$108,758	\$113,108	\$117,633	\$122,338	\$127,231
DISTRICT TAX RATE	0.0413	0.0404	0.0398	0.0406	0.0400	0.0396	0.0392	0.0388	0.0384	0.0380
ANNUAL TAXES PAID	\$36.41	\$37.95	\$38.08	\$41.05	\$41.83	\$43.07	\$44.34	\$45.64	\$46.98	\$48.35
MONTHLY SERVICE FEE										
MONTHLY SERVICE FEE	\$15.00	\$16.00	\$17.00	\$17.00	\$17.00	\$19.00	\$21.00	\$23.00	\$25.00	\$27.00
ANNUAL SERVICE FEE	\$180.00	\$192.00	\$204.00	\$204.00	\$204.00	\$228.00	\$252.00	\$276.00	\$300.00	\$324.00
TOTAL ANNUAL COST	\$374.81	\$388.35	\$405.28	\$417.85	\$433.03	\$467.87	\$507.54	\$552.04	\$596.58	\$621.95
TOTAL MONTHLY COST	\$31.23	\$32.36	\$33.77	\$34.82	\$36.09	\$38.99	\$42.29	\$46.00	\$49.71	\$51.83
ANNUAL PERCENT CHANGE	4.5%	3.6%	4.4%	3.1%	3.6%	8.0%	8.5%	8.8%	8.1%	4.3%
TEN YEAR AVERAGE ANNUAL PERCENT CHANGE	3.3%	2.9%	3.2%	3.4%	3.7%	4.3%	4.9%	5.4%	5.8%	5.7%

DOWNERS GROVE SANITARY DISTRICT
 FIVE YEAR FINANCIAL PLAN
 CONSTRUCTION FUND
 FISCAL YEARS 2022-23 TO 2026-27

EXHIBIT 4

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Projected Actual	FY 22-23 Budget	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
REVENUES											
Sewer permit fees	\$296,607	\$189,349	\$237,232	\$259,377	\$250,000	\$345,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Interest	\$324	\$1,559	\$9,114	\$1,564	\$1,400	\$400	\$1,200	\$1,000	\$950	\$1,450	\$1,500
Repayments - equipment replacement Plant switchgear	\$194,588										
Transfer from General Corporate Fund									\$500,000	\$500,000	
State of Illinois Grant	\$197,876										
ICECF Grant			\$500,000								
Total Revenues	\$689,395	\$190,908	\$746,346	\$260,941	\$251,400	\$345,400	\$251,200	\$251,000	\$750,950	\$751,450	\$251,500
EXPENSES											
IEPA loan repayment	\$28,807	\$28,807	\$28,807	\$28,807	\$28,900	\$28,807	\$28,900	\$28,900	\$28,900	\$28,900	\$28,900
Digester gas utilization equipment	\$378,775										
Grease receiving expansion	\$594,682										
Biosolids processing/storage improvements								\$1,000,000			
Chemical feed system - phosphorus removal										\$121,000	\$605,000
Total Expenses	\$1,002,265	\$28,807	\$28,807	\$28,807	\$28,900	\$28,807	\$28,900	\$1,028,900	\$28,900	\$149,900	\$633,900
Excess (Deficiency) of Revenues over Expenses	(\$312,870)	\$162,100	\$717,539	\$232,134	\$222,500	\$316,593	\$222,300	(\$777,900)	\$722,050	\$601,550	(\$382,400)
Ending Fund Balance	\$153,270	\$315,371	\$1,032,909	\$1,265,043	\$1,487,543	\$1,581,636	\$1,803,936	\$1,026,036	\$1,748,086	\$2,349,636	\$1,967,236

CONSTRUCTION FUND

Summary

The Construction Fund is intended to provide funds for improvements and expansions to the WWTC. The primary source of revenue to the Construction Fund, sewer permit fees, is directly related to development activity within the District. As development proceeds, sewer permit fees are generated and accumulated to construct WWTC facilities. As of December 31, 2021, there are 37,823 population equivalents of hydraulic capacity remaining on the WWTC. It is not anticipated that the next incremental expansion in capacity, from 11.0 MGD to 12.0 MGD, will be needed during the next five years. Permit fees are projected to continue at historic levels over the 5-year plan. The plan for the Construction Fund envisions the continued accumulation of funds for future improvements, expansions or property acquisition adjacent to the WWTC if such property becomes available for purchase.

Revenues

1. Sewer permit fees – These fees are projected to remain at \$250,000 per year going forward. Development activity is not expected to decline during the 5-year period.
2. Interest – Interest is estimated based on the average fund balance each year and an interest rate of 0.07%.
3. Transfers from the General Corporate Fund – Transfers from the General Corporate Fund are planned in FY 2024-25 and FY 2025-26. These transfers are included under 12B500 in Exhibit 1 and are also shown in Exhibit 2 and Exhibit 4. The transfers are proposed to reimburse the Construction Fund for planned expenditures on biosolids processing/storage improvements in FY 2023-24.

Expenses

1. IEPA loan repayment – Repayments to IEPA associated with ARRA-funded treatment plant projects being repaid from this fund are expected to be \$28,900 per year until the loan principal is fully repaid in 2031.
2. Biosolids processing/storage improvements are proposed to be made in FY 2023-24.
3. Chemical feed system for the addition of phosphorus reducing chemicals is expected to be designed in FY 2025-26 and constructed in FY 2026-27 and FY 2027-28.

Fund Balance

The balance in the Construction Fund is projected to be \$1,967,236 by April 30, 2026, as depicted in Exhibit 4. This balance will be reserved for future improvements and expansions to the WWTC.

DOWNERS GROVE SANITARY DISTRICT
 FIVE YEAR FINANCIAL PLAN
 IMPROVEMENT FUND
 FISCAL YEARS 2022-23 TO 2026-27

EXHIBIT 5

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Projected Actual	FY 22-23 Budget	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
REVENUES											
Trunk and lateral sewer service charges	\$115,496	\$47,857	\$57,500	\$107,112	\$90,000	\$138,885	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000
Interest	14,183	21,542	24,628	7,373	3,000	663	250	50	100	200	150
Repayments											
Special assessment vouchers								200,000	200,000	200,000	200,000
Sewer replacements	317,200										
Transfer from General Corporate Fund					275,000	275,000	500,000	600,000	500,000	500,000	1,000,000
Total Revenues	\$446,879	\$69,399	\$82,128	\$114,485	\$368,000	\$414,548	\$590,250	\$890,050	\$790,100	\$790,200	\$1,290,150
EXPENSES											
Unsewered areas											
Planning	\$3,163	\$6,174	\$11,370	\$900	\$500	\$250	\$500	\$7,500	\$500	\$500	\$7,500
Special assessments								200,000	200,000	200,000	200,000
Lift station improvements											
Liberty Park replacement	894,366	150,658									
Centex replacement				39,346	1,310,000	70,795	1,538,000				
Venard forcemain replacement							50,000	800,000			
Butterfield replacement											2,000,000
IEPA Loan Repayment	93,191	93,191	93,191	93,191	93,200	93,191	93,200	93,200	93,200	93,200	93,200
Total Expenses	\$990,720	\$250,024	\$104,561	\$133,437	\$1,403,700	\$164,236	\$1,681,700	\$1,100,700	\$293,700	\$293,700	\$2,300,700
Excess (Deficiency) of Revenues over Expenses	(\$543,841)	(\$180,625)	(\$22,433)	(\$18,952)	(\$1,035,700)	\$250,312	(\$1,091,450)	(\$210,650)	\$496,400	\$496,500	(\$1,010,550)
Ending Fund Balance	\$1,342,254	\$1,161,629	\$1,139,196	\$1,120,244	\$84,544	\$1,370,556	\$279,106	\$68,456	\$564,856	\$1,061,356	\$50,806

IMPROVEMENT FUND

Summary

The Improvement Fund is intended to be utilized for sewer system and lift station expansions and improvements. The historic source of revenue for this fund, trunk and lateral sewer service charges, is projected to continue at average levels over the 5-year plan. As development proceeds, charges are generated and accumulated to construct additional system capacity and improvements, as needed. The unsewered area plan does not currently identify any specific capacity needs to serve remaining unsewered areas in the facility planning area. I/I removal generally provides the most cost-effective way of creating system capacity where needed. The plan anticipates a full replacement of the Centex Lift Station in FY 2022-23, replacement of the Venard Lift Station force main in FY 2023-24 and replacement of the Butterfield Lift Station in FY 2026-27. Historically, the plan for the Improvement Fund envisioned the gradual accumulation of funds for future improvements or expansions. The lift station needs, however, are greater than the current revenue to the Improvement Fund can sustain. The plan shows transfers from the General Corporate Fund to the Improvement Fund every year from FY 2021-22 through FY 2026-27 to ensure sufficient funds are available to complete the above-mentioned projects.

Revenues

1. Trunk and lateral sewer service charges – These charges are projected at \$90,000 annually for the five-year period.
2. Interest – Interest is estimated based on the average fund balance each year and an interest rate 0.03%.
3. Annual repayments from special assessments – These amounts represent reimbursements from special assessment projects for costs advanced by the improvement fund.
4. Transfers from the General Corporate Fund – Transfers from the General Corporate Fund are planned in every year in the five-year plan. These transfers are included in 15B500 in Exhibit 1 and are also shown in Exhibit 2 and Exhibit 5.

Expenses

1. Planning for unsewered areas – The plan depicting the locations of proposed sanitary sewers in currently unsewered areas within the District facility planning area was prepared in FY 2006-07 and is updated annually. The reduction in unsewered area planning expenses shown in Exhibit 5 reflects shifting the unsewered area plan updates from the District's engineering consultant to the District's Staff Engineer. It is anticipated that the District will have the engineering consultant review the unsewered area plan every third year based on their experience with the construction market.
2. Special assessments in unsewered areas – The improvement fund advances funds to approved special assessment projects and is then reimbursed by the issuance of vouchers for each special assessment project. Exhibit 5 anticipates limited potential future Special Assessment project activity starting in FY 2023-24.

3. IEPA Loan Repayment – Repayments to IEPA associated with ARRA-funded collection system projects being repaid from this fund are expected to be \$93,200 per year until the loan principal is fully repaid in 2031.
4. Centex Lift Station Replacement – The budget includes costs associated with replacing the Centex Lift Station as it reaches the end of its useful service life. The project was bid and awarded in FY 2021-22. The start of construction has been delayed by the contractor and is now planned for FY 2022-23. The expenses shown for FY 2022-23 reflect the actual bid results and expected construction engineering services.
5. Venard Lift Station Force Main Replacement – The budget includes anticipated costs associated with replacing the Venard Lift Station force mains. The older of the two force mains had two breaks in 2020 and one break in 2022. The newer force main had a break in 2021. Design is planned for FY 2022-23, and construction is planned for FY 2023-24.
6. Butterfield Lift Station Replacement – The budget includes anticipated costs associated with replacing the Butterfield Lift Station as it reaches the end of its useful service life. Construction is planned for FY 2026-27.

Fund Balance

The balance in the improvement fund is projected to be \$50,806 on April 30, 2026. Future expenses for sewer extensions into unsewered areas will be determined based upon the maintenance of an adequate balance in this fund.

DOWNERS GROVE SANITARY DISTRICT
 FIVE YEAR FINANCIAL PLAN
 PUBLIC BENEFIT FUND
 FISCAL YEARS 2022-23 TO 2026-27

EXHIBIT 6

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 21-22 Projected Actual	FY 22-23 Budget	FY 23-24 Projected	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected
REVENUES											
Interest	\$349	\$542	\$856	\$480	\$350	\$13	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$349	\$542	\$856	\$480	\$350	\$13	\$0	\$0	\$0	\$0	\$0
EXPENSES											
Sewer deepening	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Excess (Deficiency) of Revenues over Expenses	\$349	\$542	\$856	\$480	\$350	\$13	\$0	\$0	\$0	\$0	\$0
Ending Fund Balance	\$35,926	\$36,468	\$37,325	\$37,805	\$38,155	\$37,818	\$37,818	\$37,818	\$37,818	\$37,818	\$37,818

PUBLIC BENEFIT FUND

Summary

The Public Benefit Fund may only be used to pay for the portion of sewer extensions or sewer special assessments which the Board of Trustees deems to be of benefit to an area larger than the immediate service area. The projected balance in this fund as of April 30, 2022, is \$37,818.

Revenues

In 2021, money market interest rates had fallen so significantly that the interest earned by Fund 03 investments could not justify staff's bookkeeping expenses. In July of 2021, the District Treasurer transferred the Fund 03 money markets funds to Fund 01 money market funds and the same amount from Fund 01 cash to Fund 03 cash. This essentially reclassified the Fund 03 investment funds to cash. No revenue is shown in the five-year plan.

Expenses

There are no planned expenses over the duration of the five-year plan.

Fund Balance

The remaining fund balance at the end of FY 2026-27, projected to be \$37,818, will be available to fund improvements with public benefit.

When this fund is depleted, the tax cap limitation would prevent the District from adopting a tax levy for public benefit without decreasing the general corporate levy for sewer system repairs by an identical amount. As funding of any future public benefit expenditures may be made from the Improvement or General Corporate Funds, it would not be necessary to continue the Public Benefit Fund.

PROJECTS NOT INCLUDED IN PLAN

There are several major projects which have not been included in this financial plan. As these projects may be incorporated into the plan in a future update, they are listed below for reference.

I. WWTC

A. Improvements/Enhancements

1. Capacity expansion from 11.0 MGD to 12.0 MGD and from 12.0 MGD to 15.0 MGD, as needed.
2. Aeration tank feed flow splitter.
3. Nitrogen removal processes.
4. Secondary clarifier feed flow splitter.
5. Additional sludge drying beds.
6. Increase paved area for sludge treatment and storage, included a covered storage area.
7. Composting facility.
8. Improved odor control facilities.
9. Outfall 003 excess flow treatment optimization improvements

B. Replacements

1. Influent bar screens.
2. Raw sewage pumps nos. 1 – 5.
3. Excess clarifier sludge scraping equipment.

II. SEWER SYSTEM

- A. Permanent flow metering network.
- B. Purchase of sewer grouting equipment.

III. LIFT STATIONS

- A. Install odor control equipment at the Butterfield, Centex, College, Liberty Park, Northwest, Venard and Wroble lift stations.
- B. Major upgrades to College lift station
- C. Second NWLS force main crossing under I-355.

IV. ADMINISTRATION

- A. Relocate office to WWTC site.