

DOWNERS GROVE SANITARY DISTRICT
FIVE YEAR FINANCIAL PLAN
FISCAL YEARS 2023-2024 TO 2027-2028

Proposed 02/14/2023

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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, 2023 to April 30, 2028. 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 2023-24 non-sewer annual replacement, rehabilitation and upgrade expenses budget for all funds represents about 320% of the FY 2021-22 annual depreciation of non-sewer fixed assets. This percentage is much higher than in previous years due to delayed construction projects which resulted in budgeted expenses being carried over to the next fiscal year.

The user rate is proposed to increase from the current level of \$2.05 per 1,000 gallons to \$2.25 per 1,000 gallons in FY 2023-24 with proposed increases varying between \$0.30 and \$1.00 per 1,000 gallons over the subsequent four years. Monthly service fees are proposed to increase from the current amount of \$19.00 to \$20.00 in FY 2023-24 with a \$1.00 increase projected in FY 2024-25 and a \$1.50 increase projected in both FY 2025-26 and FY 2026-27. The combined user rate and monthly service fee increases implemented in FY 2022-23 and the proposed increases for FY 2023-24 through FY 2027-28 are higher rate and fee increases than the District has historically implemented. The higher increases are needed due to current inflation in the cost of goods and services which the District has experienced in the past few years and planned increases that have been shared with District Staff from vendors. The higher increases are also needed to address aging infrastructure and the recommended improvements in the Baxter & Woodman (B&W) WWTC and lift station code review report which was completed in FY 2022-23. The increases also continue to accommodate the desired levels of sewer system replacement and rehabilitation expenditures while keeping up with inflation. The proposed rate increase in FY 2027-28 is much higher than what is proposed in the previous years due to the anticipated addition of chemicals for phosphorus removal, as scheduled in the District's current NPDES permit. The surcharge rates are proposed to be increased for an

average surcharge customer by 10% - 11% annually over the five-year period. 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. The rates for hauled grease waste are also proposed to increase in FY 2023-24.

Construction Fund – The Construction Fund is utilized for improvements and additions at the WWTC, including purchasing of adjacent property. Gas detection and alarming systems are proposed to be installed in FY 2023-24. Improvements to biosolids processing are planned for FY 2023-24 through FY 2024-25. Improvements to the digester gas safety equipment are planned in FY 2024-25. Design and construction of a chemical feed system for phosphorus removal are planned in FY 2025-26 through FY 2027-28.

The primary source of revenue for the Construction Fund has historically been sewer permit fees. Starting in FY 2024-25, additional revenue to the Construction Fund will include transfers from the General Corporate Fund. This is necessary as the cost of addressing aging infrastructure and other needs at the wastewater treatment center is expected to outpace the revenue received from sewer permit fees.

Improvement Fund – The Improvement Fund is used for sewer additions and sewer and lift station capital improvements as well as to finance special assessments extending sewers into unsewered areas, with funds repaid by the owners of properties benefited by the new sewers using vouchers. Construction of the Centex Lift Station is expected to start late in FY 2022-23 and finish in FY 2023-24. Replacement of a portion of the Venard Lift Station force main is planned for FY 2023-24. Replacement of a portion of the Wroble Lift Station force main is planned for FY 2025-26. Replacement of the Butterfield Lift Station is planned for FY 2027-28.

The primary sources of revenue to the Improvement Fund have historically been trunk and lateral sewer service charges. 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.

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 2023-2024 to 2027-2028

EXHIBIT 1

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Budget	FY 22-23 Projected Actual	FY 23-24 Budget	FY 23-24 Appropriation	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 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	234,862	345,560	242,887	222,921	256,600	246,810	272,250		288,600	300,100	312,150	324,600
004. Financial Records	197,403	203,039	198,066	204,280	211,350	199,620	254,450		269,700	280,500	291,750	303,400
005. Administrative Records	49,549	28,343	25,335	26,371	27,250	24,180	24,900		26,400	27,450	28,550	29,700
006. Engineering		7,067	4,503	3,677	5,150	9,860	4,250		4,500	4,700	4,900	5,100
007. Code Enforcement	375,864	420,277	366,512	332,411	367,100	373,240	430,700		456,500	474,800	493,750	513,500
008. Safety Activities	810	11,895	27,658	35,868	48,000	35,420	49,500		52,500	54,600	56,800	59,050
030. Building & Grounds	1,333	605	1,006	1,133	1,350	6,540	1,150		1,200	1,250	1,300	1,350
085. Incentive				2,025	0	0	0		0	0	0	0
086. Vacation Buyout				5,650	0	0	0		0	0	0	0
090. Work from Home Reimbursement Allowance			4,475	4,163	5,200	75	0		0	0	0	0
Subtotal	\$877,821	\$1,034,786	\$888,440	\$856,498	\$940,900	\$913,745	\$1,056,100	\$1,210,000	\$1,118,300	\$1,162,300	\$1,208,100	\$1,255,600
B. Operation & Maintenance												
100. Electricity	\$2,118	\$3,172	\$3,737	\$6,023	\$10,000	\$4,528	\$5,500		\$5,750	\$6,000	\$6,250	\$6,500
101. Natural Gas	1,278	1,240	912	1,902	3,000	2,420	3,000		3,100	3,200	3,350	3,500
102. Water, Garbage, Other	454	741	767	803	1,250	840	1,250		1,300	1,350	1,400	1,450
110. Bank Charges	14,746	15,158	20,299	21,739	23,200	14,800	25,200		26,450	27,750	29,100	30,500
112. Communication	13,883	16,562	22,190	25,391	29,200	25,000	28,000		27,500	29,000	29,000	30,500
113. Emergency/Safety Eqpt			29,399	13,872	30,000	21,360	20,450		16,500	23,200	17,450	18,000
115. Eqpt/Eqpt Repair	87,084	92,596	88,604	89,741	169,700	174,700	165,000		242,700	121,400	154,500	157,000
116. Supplies	6,792	7,109	3,020	4,119	6,800	4,500	7,000		7,300	7,500	7,600	7,800
117. Employee/Duty Costs	11,050	19,256	4,988	5,736	24,750	21,000	19,000		18,000	18,500	12,500	12,500
118. Building & Grounds	12,541	20,157	26,947	44,148	167,000	199,800	74,500		45,500	26,000	55,000	28,500
119. Postage	6,308	4,225	3,286	4,223	7,550	5,200	7,550		7,950	10,400	8,850	9,300
120. Printing/Photography	11,509	8,121	7,125	8,142	12,700	11,200	12,700		12,700	13,500	12,900	13,700
121. User Billing Material	64,580	63,831	67,672	69,466	84,150	82,400	88,000		90,100	85,350	84,650	89,950
124. Contract Services	135,569	70,220	52,387	62,255	150,300	113,244	167,000		153,500	152,000	157,000	158,000
137. Memberships/Subscriptions	6,969	8,469	7,497	7,290	8,500	7,500	9,500		9,550	9,700	9,850	10,000
Subtotal	\$374,883	\$330,858	\$338,832	\$364,848	\$728,100	\$688,492	\$633,650	\$760,000	\$667,900	\$534,850	\$589,400	\$577,200
C. Vehicles												
222. Gas/Fuel	\$858	\$1,114	\$299	\$697	\$2,000	\$2,850	\$3,200		\$3,200	\$3,200	\$3,200	\$3,200
225. Operation/Repair	1,113	2,217	380	1,321	2,600	1,100	2,600		2,650	2,700	2,800	2,850
226. Vehicle Purchase	0	0	0	0	12,000	18,637	0		28,000	28,000	0	0
Subtotal	\$1,971	\$3,331	\$680	\$2,019	\$16,600	\$22,587	\$5,800	\$10,000	\$33,850	\$33,900	\$6,000	\$6,050
TOTALS	\$1,254,674	\$1,368,974	\$1,227,952	\$1,223,365	\$1,685,600	\$1,624,824	\$1,695,550	\$1,980,000	\$1,820,050	\$1,731,050	\$1,803,500	\$1,838,850

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EXHIBIT 1

	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 22-23	FY 23-24	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
	Actual	Actual	Actual	Actual	Budget	Projected	Budget	Appropriation	Projected	Projected	Projected	Projected
12. Wastewater Treatment Center												
A. Salary & Wages												
006. Engineering		\$29,473	\$47,440	\$52,406	\$48,800	\$59,540	\$58,350		\$61,850	\$64,350	\$66,900	\$69,600
009. Oper. Management	\$99,519	107,667	100,206	100,335	108,550	109,360	113,900		120,750	125,600	130,600	135,800
010. Maintenance	542,819	524,751	526,489	578,180	696,250	677,660	689,650		731,000	760,250	790,650	822,300
020. WWTC	531,533	536,379	597,945	584,269	561,750	548,520	614,600		651,500	677,550	704,650	732,850
030. Building & Grounds	57,751	87,810	104,344	103,355	107,250	102,520	119,150		126,250	131,300	136,600	142,000
085. Incentive			200	2,000	0	0	0		0	0	0	0
086. Vacation Buyout				4,871	0	0	0		0	0	0	0
090. Work from Home Reimbursement Allowance			288	50	0	0	0		0	0	0	0
Subtotal	\$1,231,621	\$1,286,080	\$1,376,912	\$1,425,466	\$1,522,600	\$1,497,600	\$1,595,650	\$1,830,000	\$1,691,350	\$1,759,050	\$1,829,400	\$1,902,550
B. Operation & Maintenance												
100. Electricity	\$75,263	\$80,975	\$125,288	\$64,278	\$53,600	\$71,790	\$65,000		\$67,600	\$70,300	\$73,100	\$76,000
101. Natural Gas	6,010	6,346	4,991	9,708	10,400	12,160	12,500		13,000	13,500	14,000	14,550
102. Water, Garbage, Other	22,573	17,838	23,816	27,549	48,400	46,950	40,550		42,100	43,650	42,900	44,650
103. Odor Control	3,603	39,195	1,806	3,391	3,000	3,300	3,400		3,550	3,700	3,850	4,000
104. Fuel - Generators	15,301	3,382	3,423	4,799	12,500	20,750	16,500		17,150	17,850	18,550	19,300
112. Communication	15,094	17,690	18,515	23,948	24,900	26,000	27,600		26,100	28,600	27,600	31,600
113. Emergency/Safety Eqpt	15,005	13,018	10,391	22,289	43,600	42,056	35,350		30,200	31,450	33,350	34,000
116. Supplies	27,058	31,799	26,144	27,016	31,350	27,000	32,750		33,100	34,450	35,850	37,250
117. Employee/Duty Costs	19,573	20,039	11,348	15,759	26,000	16,500	30,000		30,000	30,500	31,000	32,000
124. Contract Services	131,034	203,705	209,816	216,110	222,600	222,594	203,500		204,300	205,000	27,300	28,100
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	64,274	134,615	119,669	34,524	85,000	119,197	90,000		93,600	97,350	101,250	105,300
400. Chemicals	127,772	125,859	109,342	148,897	229,800	140,000	287,950		299,450	311,450	323,900	1,043,900
500. Eqpt/Eqpt Repair	642,336	997,579	2,178,507	872,710	1,191,250	740,150	1,851,250		1,701,950	1,831,800	1,431,300	1,531,300
800. Building & Grounds	222,016	231,631	242,897	180,314	412,350	381,660	362,750		374,450	285,350	235,950	494,250
Subtotal	\$1,439,911	\$1,976,672	\$3,138,955	\$1,704,291	\$2,447,750	\$1,923,108	\$3,112,100	\$3,730,000	\$2,989,550	\$3,057,950	\$2,452,900	\$3,549,200
C. Vehicles												
222. Gas/Fuel	\$16,834	\$16,360	\$10,798	\$22,194	\$24,500	\$38,600	\$40,000		\$41,600	\$43,250	\$45,000	\$46,800
225. Operation/Repair	10,073	5,065	5,132	6,408	8,500	4,820	8,500		8,850	9,200	9,600	10,000
226. Vehicle Purchase	10,778	64,060	0	47,647	59,000	17,403	93,300		68,500	54,250	35,000	0
Subtotal	\$37,685	\$85,486	\$15,930	\$76,248	\$92,000	\$60,824	\$141,800	\$170,000	\$118,950	\$106,700	\$89,600	\$56,800
TOTALS	\$2,709,217	\$3,348,238	\$4,531,797	\$3,206,006	\$4,062,350	\$3,481,532	\$4,849,550	\$5,730,000	\$4,799,850	\$4,923,700	\$4,371,900	\$5,508,550

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EXHIBIT 1

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Budget	FY 22-23 Projected Actual	FY 23-24 Budget	FY 23-24 Appropriation	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected
13. Laboratory												
A. Salary & Wages												
009. Oper. Management	\$75,106	\$75,903	\$78,304	\$73,366	\$85,250	\$64,990	\$83,450		\$88,450	\$91,950	\$95,650	\$99,450
040. Laboratory	145,486	158,457	164,102	173,521	182,800	156,850	189,350		200,700	208,750	217,100	225,800
085. Incentive				400	0	820	0		0	0	0	0
086. Vacation Buyout				2,438	0	0	0		0	0	0	0
090. Work from Home Reimbursement Allowance			25	0	0	0	0		0	0	0	0
Subtotal	\$220,591	\$234,360	\$242,431	\$249,725	\$268,050	\$222,660	\$272,800	\$310,000	\$289,150	\$300,700	\$312,750	\$325,250
B. Operation & Maintenance												
112. Communication				\$2,122	\$4,300	\$2,500	\$4,000		\$4,000	\$4,000	\$4,000	\$4,000
114. Chemicals	\$11,478	\$16,704	\$12,740	15,755	24,500	18,760	25,500		26,500	27,600	28,700	29,800
115. Eqpt/Eqpt Repair	18,238	12,532	12,480	39,209	36,000	29,390	28,000		46,000	41,000	25,000	62,400
116. Supplies	8,171	13,207	13,186	15,876	24,900	22,480	25,900		26,950	28,000	28,150	30,300
117. Employee/Duty Costs	3,039	2,265	2,224	1,542	5,500	3,500	6,000		6,000	6,000	6,000	6,000
122. Monitoring Equipment	769	1,508	2,419	4,365	9,500	7,720	5,500		9,500	5,500	9,500	5,500
123. Outside Lab Services	16,701	18,498	19,321	17,473	23,000	21,070	24,800		25,800	26,800	27,900	29,000
Subtotal	\$58,395	\$64,713	\$62,368	\$96,343	\$127,700	\$105,421	\$119,700	\$140,000	\$144,750	\$138,900	\$129,250	\$167,000
C. Vehicles												
222. Gas/Fuel	\$362	\$444	\$251	\$576	\$650	\$900	\$900		\$950	\$950	\$1,000	\$1,000
225. Operation/Repair	106	1,245	189	884	250	900	250		300	300	350	350
226. Vehicle Purchase	0	0	0	0	18,500	22,701	0		0	35,000	0	0
Subtotal	\$469	\$1,689	\$440	\$1,461	\$19,400	\$24,501	\$1,150	\$10,000	\$1,250	\$36,250	\$1,350	\$1,350
TOTALS	\$279,455	\$300,762	\$305,239	\$347,528	\$415,150	\$352,582	\$393,650	\$460,000	\$435,150	\$475,850	\$443,350	\$493,600

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2023-2024 to 2027-2028

EXHIBIT 1

	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 22-23	FY 23-24	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
	Actual	Actual	Actual	Actual	Budget	Projected	Budget	Appropriation	Projected	Projected	Projected	Projected
14. Collection System												
A. Salary & Wages												
006. Engineering		\$8,324	\$7,641	\$4,782	\$9,600	\$3,820	\$7,600		\$8,100	\$8,400	\$8,750	\$9,100
050. Sewer Maintenance	\$184,433	189,689	233,518	223,340	202,800	292,260	274,200		290,650	302,250	314,350	326,900
060. Inspection	295,613	195,426	168,752	224,655	294,400	181,620	243,600		258,200	268,500	279,250	290,450
070. Investigations	9,245	4,245	1,312	2,747	1,550	6,540	4,450		4,750	4,900	5,100	5,300
085. Incentive			200	1,400	0	0	0		0	0	0	0
086. Vacation Buyout				0	0	0	0		0	0	0	0
090. Work from Home Reimbursement Allowance			800	225	650	0	0		0	0	0	0
Subtotal	\$489,291	\$397,684	\$412,223	\$457,150	\$509,000	\$484,240	\$529,850	\$610,000	\$561,700	\$584,050	\$607,450	\$631,750
B. Operation & Maintenance												
112. Communication	\$7,605	\$7,828	\$8,100	\$7,718	\$13,400	\$10,000	\$12,000		\$14,500	\$12,500	\$14,500	\$13,500
113. Emer/Safety Equipment	1,031	958	3,580	2,301	2,800	4,260	3,400		2,900	3,500	6,600	3,700
115. Eqpt/Eqpt Repair	27,514	50,497	21,821	35,104	59,000	61,530	44,500		48,300	46,700	148,100	67,000
116. Supplies	4,943	3,077	4,786	5,821	4,650	5,020	4,100		5,500	5,650	5,800	6,000
117. Employee/Duty Costs	7,708	9,315	6,063	7,050	13,600	12,700	15,500		15,000	15,500	16,000	16,000
124. Contract Services	107,940	120,840	80,808	79,814	105,000	126,724	0		105,000	105,000	105,000	105,000
127. JULIE	16,526	16,489	16,224	15,819	16,100	15,370	15,400		15,700	16,000	16,300	16,600
128. Overhead Sewer Program	22,634	6,088	27,333	8,814	15,000	15,010	15,000		15,000	15,000	15,000	15,000
129. Public Sewer Blockage Program	5,426	502	3,559	4,803	12,000	9,011	12,000		12,000	12,000	12,000	12,000
900. Collection System Repair	1,972,430	1,054,951	1,412,771	1,824,173	3,796,600	1,241,997	4,271,600		2,457,600	2,448,600	2,516,600	2,431,600
Subtotal	\$2,173,756	\$1,270,544	\$1,585,044	\$1,991,418	\$4,038,150	\$1,501,622	\$4,393,500	\$5,270,000	\$2,691,500	\$2,680,450	\$2,855,900	\$2,686,400
C. Vehicles												
222. Gas/Fuel	\$13,263	\$12,253	\$8,436	\$14,107	\$22,000	\$24,450	\$26,000		\$27,000	\$28,100	\$29,200	\$30,350
225. Operation/Repair	6,188	12,175	6,994	10,904	7,000	9,587	9,000		9,350	9,800	10,200	10,600
226. Vehicle Purchase	411	25,720	26,461	30,795	0	0	567,500		31,000	32,000	180,000	100,000
Subtotal	\$19,862	\$50,149	\$41,891	\$55,807	\$29,000	\$34,036	\$602,500	\$700,000	\$67,350	\$69,900	\$219,400	\$140,950
TOTALS	\$2,682,909	\$1,718,377	\$2,039,158	\$2,504,375	\$4,576,150	\$2,019,898	\$5,525,850	\$6,580,000	\$3,320,550	\$3,334,400	\$3,682,750	\$3,459,100

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EXHIBIT 1

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Budget	FY 22-23 Projected Actual	FY 23-24 Budget	FY 23-24 Appropriation	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected
15. Lift Stations												
A. Salary & Wages												
006. Engineering		\$1,361	\$726	\$4,955	\$6,850	\$550	\$7,750		\$8,200	\$8,550	\$8,850	\$9,200
009. Oper. Management	\$9,494	3,998	106	3,861	300	\$1,820	4,250		4,500	4,700	4,900	5,100
030. Building & Grounds	1,355	3,394	286	808	750	\$160	900		950	1,000	1,050	1,100
080. Lift Station Maint.	69,327	53,858	11,861	9,603	21,650	\$11,120	15,700		16,650	17,300	18,000	18,700
Subtotal	\$80,176	\$62,611	\$12,979	\$19,227	\$29,550	\$13,650	\$28,600	\$30,000	\$30,300	\$31,550	\$32,800	\$34,100
B. Operation & Maintenance												
100. Electricity	\$115,955	\$119,635	\$101,719	\$115,814	\$128,000	\$159,000	\$162,000		\$168,050	\$174,750	\$181,750	\$189,050
104. Fuel - Generators	3,729	2,789	3,734	4,298	3,750	4,095	4,000		4,150	4,350	4,500	4,700
112. Communication	4,228	4,396	4,390	4,425	6,300	5,000	5,400		5,850	5,800	5,800	6,250
113. Emer/Safety Eqpt.	0	274	59	514	1,000	720	11,100		1,100	1,150	1,200	1,250
116. Supplies	432	73	183	171	300	224	300		300	300	350	350
500. Eqpt/Eqpt Repair	155,538	112,519	72,416	88,694	675,550	232,720	249,350		223,200	174,600	148,300	181,900
800. Building & Grounds	36,795	88,461	15,122	80,157	62,350	22,160	153,350		46,450	52,200	53,700	60,350
Subtotal	\$316,677	\$328,148	\$197,622	\$294,073	\$877,250	\$423,918	\$585,500	\$700,000	\$449,100	\$413,150	\$395,600	\$443,850
TOTALS	\$396,853	\$390,759	\$210,601	\$313,300	\$906,800	\$437,568	\$614,100	\$730,000	\$479,400	\$444,700	\$428,400	\$477,950
17. Insurance & Employee Benefits												
E. Insurance & Payroll												
452. Liability/Property	\$173,012	\$190,591	\$199,837	\$214,321	\$231,000	\$232,150	\$249,850		\$254,900	\$256,300	\$258,500	\$261,000
455. Employee Group Coverage	509,573	472,701	451,363	518,159	597,300	550,000	658,000		696,650	746,650	791,350	839,950
460. I.M.R.F.	320,556	275,719	296,425	286,739	296,000	252,000	250,000		348,000	344,550	341,050	336,550
461. Social Security	213,468	218,714	220,546	226,100	245,000	237,400	260,000		274,500	285,000	296,500	308,000
TOTALS	\$1,216,608	\$1,157,725	\$1,168,171	\$1,245,319	\$1,369,300	\$1,271,550	\$1,417,850	\$1,630,000	\$1,574,050	\$1,632,500	\$1,687,400	\$1,745,500
GRAND TOTALS	\$8,539,717	\$8,284,836	\$9,482,918	\$8,839,892	\$13,015,350	\$9,187,954	\$14,496,550	\$17,110,000	\$12,429,050	\$12,542,200	\$12,417,300	\$13,523,550

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2023-2024 to 2027-2028

EXHIBIT 1

	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 22-23	FY 23-24	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
	Actual	Actual	Actual	Actual	Budget	Projected	Budget	Appropriation	Projected	Projected	Projected	Projected
REVENUES												
User receipts	\$3,132,389	\$3,097,564	\$3,317,633	\$3,670,965	\$3,692,500	\$3,751,878	\$3,959,800	\$3,959,800	\$4,460,700	\$4,893,400	\$5,371,700	\$6,783,100
Surcharges	333,079	343,452	310,537	354,923	312,000	372,164	418,000	\$418,000	463,500	509,000	562,800	620,000
Monthly service fees	3,843,884	4,068,677	4,126,210	4,174,355	4,535,600	4,429,867	4,836,800	4,836,800	5,080,200	5,429,500	5,794,600	5,842,100
Plan review fees	364	418	230	3,585	500	334	500	500	500	500	500	500
Const inspection fees	0	0	0	548	500	316	500	500	500	500	500	500
Permit inspection fees	25,810	24,728	16,952	19,144	20,000	17,076	20,000	20,000	20,000	20,000	20,000	20,000
Interest	43,087	51,925	21,539	8,441	7,000	54,680	67,050	67,050	38,400	23,050	21,250	31,000
Sampling & monitoring charges	100,401	103,235	104,388	111,473	105,000	112,175	113,000	113,000	119,800	124,550	129,550	134,750
Real estate taxes	1,183,080	1,219,196	1,255,378	1,301,388	1,339,900	1,363,346	1,403,700	1,403,700	1,445,200	1,488,000	1,532,000	1,577,300
Television inspection fees	0	0	0	0	150	0	150	150	150	150	150	150
Replacement taxes	74,500	98,083	92,480	214,976	85,000	260,000	120,000	120,000	120,000	120,000	120,000	120,000
Lease payments	33,899	34,456	34,707	35,624	35,600	37,742	39,300	39,300	39,900	40,850	36,800	44,700
Miscellaneous	14,225	13,502	31,930	17,554	10,000	9,005	5,000	5,000	5,000	5,000	5,000	5,000
Sale of electricity				4,547		12,000	12,000	12,000	12,000	12,000	12,000	12,000
Sale of property				19,405		19,820	37,700	37,700	16,900	28,000	9,400	27,000
Grease waste	224,488	186,142	149,426	210,066	210,000	212,471	230,000	230,000	230,000	230,000	230,000	230,000
Interfund transfer				(275,000)		(500,000)	(800,000)	(800,000)	(1,050,000)	(1,050,000)	(1,050,000)	(1,050,000)
Renewable energy credits	11,627	3,722	0	0	3,000	62,620	24,000	24,000	24,000	24,000	24,000	24,000
Grants and incentives				160,259	1,150,000	63,427	1,589,881	1,589,881	0	0	0	0
TOTAL REVENUES	\$9,020,833	\$9,245,099	\$9,461,410	\$10,032,253	\$11,506,750	\$10,278,920	\$12,077,381	\$12,077,381	\$11,026,750	\$11,898,500	\$12,820,250	\$14,422,100
TOTAL EXPENSES	\$8,539,717	\$8,284,836	\$9,482,918	\$8,839,892	\$13,015,350	\$9,187,954	\$14,496,550	\$17,110,000	\$12,429,050	\$12,542,200	\$12,417,300	\$13,523,550
EXCESS (DEFICIT) REVENUES OVER EXPENSES	\$481,117	\$960,263	(\$21,507)	\$1,192,361	(\$1,508,600)	\$1,090,965	(\$2,419,169)	(\$5,032,619)	(\$1,402,300)	(\$643,700)	\$402,950	\$898,550
ENDING FUND BALANCE	\$3,277,627	\$4,237,890	\$4,216,382	\$5,408,744	\$3,900,144	\$6,499,709	\$4,080,540	\$1,467,090	\$2,678,240	\$2,034,540	\$2,437,490	\$3,336,040
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	\$2,457,627	\$3,417,890	\$3,396,382	\$4,588,744	\$3,080,144	\$5,679,709	\$3,260,540		\$1,858,240	\$1,214,540	\$1,617,490	\$2,516,040
ENDING FUND BALANCE AS PERCENTAGE OF TOTAL EXPENSES	38%	51%	44%	61%	30%	71%	28%		22%	16%	20%	25%
USER RATE	\$1.65	\$1.70	\$1.80	\$1.95	\$2.05	\$2.05	\$2.25		\$2.60	\$2.90	\$3.25	\$4.25
INCREASE FROM PRIOR YEAR'S RATE	0.0%	3.0%	5.9%	8.3%	5.1%	5.1%	9.8%		15.6%	11.5%	12.1%	30.8%
MONTHLY SERVICE FEE	\$16.00	\$17.00	\$17.00	\$17.00	\$19.00	\$19.00	\$20.00		\$21.00	\$22.50	\$24.00	\$24.00
INCREASE FROM PRIOR YEAR'S FEE	6.7%	6.3%	0.0%	0.0%	11.8%	11.8%	5.3%		5.0%	7.1%	6.7%	0.0%

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 2023-24 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 2022-23 are projected to be \$9,187,954, which is approximately 29% less than was budgeted. A large portion of this difference is due to the Curtiss St lining project bid being delayed hence the construction being moved into FY 2023-24. Slow progress on the outfall sewer repair project has also reduced the year-end projection for FY 2022-23. When the budget for FY 2023-24 was prepared, a transfer of \$500,000 from the General Corporate Fund to the Improvement Fund was included as an expense under the lift station operation and maintenance budget. The District's auditor has since instructed staff to handle this transfer as a negative revenue in the General Corporate Fund rather than an expense, and hence it is not included in the year-end projected expenses. Total operation, maintenance and replacement expenditures for FY 2023-24 are budgeted at \$14,496,550 and actual expenditures are expected to be 100% of the budget. The FY 2023-24 budget is approximately 11% higher than the FY2022-23 budget. This increase in budgeted expenses over the previous year's budget is due to the delay in bidding the Curtiss St lining project, the delay in construction of the outfall sewer repair, higher than historic inflation, beginning of annual digester cleaning, recommended improvements identified in the B&W code review report and replacement of the heavy-duty sewer system jetter/vacuum truck. 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 2023-24 will bring 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>
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	8,839,892	78%	-6.8%
2022-23	13,015,350	9,187,954*	71%*	3.9%*
2023-24	14,496,550	14,496,550*	100%*	57.8%*
2024-25	12,429,050	12,429,050*	100%*	-14.3%*
2025-26	12,542,200	12,542,200*	100%*	0.9%*
2026-27	12,417,300	12,417,300*	100%*	-1.0%*
2026-27	13,523,550	13,523,550*	100%*	8.9%*

*Projected

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, as well as an overall increase in the cost of goods. The FY 2023-24 proposed expenditures are significantly higher than the projected actual expenditures in FY 2022-23 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 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	3,008,065	2.6%	35.9
FY 2022-23	3,131,895	4.1%	36.5
FY 2023-24	3,483,000	11.2%	38.9
FY 2024-25	3,690,800	6.0%	38.9
FY 2025-26	3,837,650	4.0%	38.9
FY 2026-27	3,990,500	4.0%	38.9
FY 2027-28	4,149,250	4.0%	38.9

The increase in FY 2018-19 reflects some overlapping hires needed to address pending retirements. The increase in FY 2019-20 reflects 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 was due to an average full-time salary adjustment of 5% plus the hiring of a mechanic in anticipation of retirement at the maintenance supervisor position and hiring of a part-time billing assistant. The increase in FY 2023-24 salaries and wages reflects a 7.7% salary adjustment for full-time employees, overlapping hires needed to address retirement at two positions, and planned vacation buyout for the retirees. In addition, the District intends to restart the summer intern program in FY 2023-24 and continue it moving forward. An annual salary adjustment of 6.0% is shown for FY 2024-25 in case higher than historic social security cost of living adjustments continue. Annual salary adjustments of 4.0% at full staffing account for future increases beyond FY 2024-25.

II. O & M Expenses – Utilities

<u>Year</u>	<u>Utilities</u>	<u>Change</u>
FY 2018-19	223,652	-23.8%
FY 2019-20	229,948	2.8%
FY 2020-21	261,230	13.6%
FY 2021-22	226,077	-13.5%
FY 2022-23	297,689	31.7%
FY 2023-24	289,800	-2.6%
FY 2024-25	300,900	3.8%
FY 2025-26	312,750	3.9%
FY 2026-27	322,750	3.2%
FY 2027-28	335,700	4.0%

The reductions in FY 2018-19 reflects 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 new 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 partly 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 were removed in 2022. The increase in FY 2022-23 is also partly due to sale of electricity no longer being applied against the expense code. (See the revenue section herein for more details.) Electricity and natural gas pricing increased significantly in 2022. Electricity and natural gas prices are projected to grow at 4% per year.

III. O & M Expenses – Other

<u>Year</u>	<u>O & M Expenses - Excluding Utilities</u>	<u>Change</u>
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	4,224,898	-16.5%
FY 2022-23	4,344,872	2.8%
FY 2023-24	8,554,650	96.9%
FY 2024-25	6,641,900	-22.4%
FY 2025-26	6,512,550	-1.9%
FY 2026-27	6,100,300	-6.3%
FY 2027-28	7,087,950	16.2%

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 2023-24 are significantly higher than previous years for several reasons in addition to aging infrastructure. These include bidding of the Curtiss St lining

project being delayed while the District works through the grant application process with USEPA, construction on the outfall sewer sag repair project progressing very slowly, higher than historic inflation rates, code compliance issues identified in the B&W report being addressed at the Wastewater Treatment Center, digester cleaning, and SCADA software upgrades. 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 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	135,534**	3	129.9%
FY 2022-23	141,948**	3	14.8%
FY 2023-24	751,250**	5	429.2%
FY 2024-25	221,400**	4	-70.5%
FY 2025-26	246,750**	5	11.4%
FY 2026-27	316,350**	2	28.2%
FY 2027-28	205,150**	3	-35.2%

*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.

** Revenue from the sale of vehicles is not included.

Vehicle expenses fluctuate based on vehicle replacement needs. Historically, 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 and by supply chain issues over the past three years. 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. In addition to these challenges, the District was unable to purchase a scheduled truck in FY 2022-23 as the needed model was not available through the government purchasing cooperatives. District staff have been informed by representatives of the government purchasing programs that it is highly unlikely the District will be able to purchase cars, vans and trucks through these programs in the future, and if we do, it will be at MSRP. For this reason, the van and truck purchases for FY 2023-24 were budgeted at MSRP. Discounted prices were used for the four following years with the assumption that the government purchasing programs would return. The heavy-duty sewer system jetter/vacuum truck will be replaced in FY 2023-24. 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 was historically done, the \$20,251 sales revenue was posted to miscellaneous revenue for FY 2020-21. As recommended by the District's auditor in FY 2021-22, the sale of vehicles started to be applied to sale of property under revenue rather than to the vehicle expense code. The exception to this is trade-ins which were applied directly to the purchase price of the new vehicle.

V. Insurance and Employee Benefits

<u>Year</u>	<u>Ins/Emp Benefits</u>	<u>Change</u>
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	1,254,319	6.6%
FY 2022-23	1,271,550	2.1%
FY 2023-24	1,417,850	11.5%
FY 2024-25	1,574,050	11.0%
FY 2025-26	1,632,500	3.7%
FY 2026-27	1,687,400	3.4%
FY 2027-28	1,745,500	3.4%

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 for FY 2023-24 reflect the addition of employees in planned preparation for two retirements. 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 2023-2024 to 2027-2028

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Budget	FY 22-23 Projected Actual	FY 23-24 Budget	FY 23-24 Appropriation	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected
SUMMARY AND ANALYSIS												
EXPENSE ANALYSIS BY DEPARTMENT												
ADMINISTRATION												
SALARIES AND WAGES	\$877,821	\$1,034,786	\$888,440	\$856,498	\$940,900	\$913,745	\$1,056,100	\$1,210,000	\$1,118,300	\$1,162,300	\$1,208,100	\$1,255,600
% CHANGE FROM PRIOR YEAR	11.1%	17.9%	-14.1%	-3.6%	9.9%	6.7%	15.6%		5.9%	3.9%	3.9%	3.9%
OFFICE EXPENSES	\$374,883	\$330,858	\$338,832	\$364,848	\$728,100	\$688,492	\$633,650	\$760,000	\$667,900	\$534,850	\$589,400	\$577,200
% CHANGE FROM PRIOR YEAR	1.2%	-11.7%	2.4%	7.7%	99.6%	88.7%	-8.0%		5.4%	-19.9%	10.2%	-2.1%
VEHICLE EXPENSES	\$1,971	\$3,331	\$680	\$2,019	\$16,600	\$22,587	\$5,800	\$10,000	\$33,850	\$33,900	\$6,000	\$6,050
% CHANGE FROM PRIOR YEAR	55.6%	69.0%	-79.6%	197.0%	722.4%	1018.9%	-74.3%		483.6%	0.1%	-82.3%	0.8%
TOTAL ADMINISTRATION EXPENSES	\$1,254,674	\$1,368,974	\$1,227,952	\$1,223,365	\$1,685,600	\$1,624,824	\$1,695,550	\$1,980,000	\$1,820,050	\$1,731,050	\$1,803,500	\$1,838,850
% CHANGE FROM PRIOR YEAR	8.0%	9.1%	-10.3%	-0.4%	37.8%	32.8%	4.4%		7.3%	-4.9%	4.2%	2.0%

COMMENTS

Salaries and Wages 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 higher than typical increase in requested salary budget in FY23-24 is mostly due to planning for the retirement of the Sewer Maintenance Supervisor. This was also impacted by the proposed salary increases which are higher than historic increases in order to keep up with the social security cost of living adjustment.

Office With the FY21-22 change in staffing at the Administrative Supervisor position, contract services for IT support were increased. The increase in office expenses in FY22-23 was primarily due to the Administration Center remodeling of the reception area and the Board room and due to replacement of the office server and network infrastructure. Replacement of the Wastewater Treatment Center server, website updates, new carpeting in the main office area and installation of the old Centex Lift Station generator to provide standby power at the Administration Center are planned for FY23-24. Major expenses planned in FY24-25 are a new timekeeping system and a new accounting system software.

Vehicles Vehicle costs reflect replacement of vehicles in FY22-23, FY24-25 and FY25-26 as well as fuel and normal maintenance and repairs in all years. Fuel costs significantly increased in FY22-23.

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2023-2024 to 2027-2028

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Budget	FY 22-23 Projected Actual	FY 23-24 Budget	FY 23-24 Appropriation	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected
SUMMARY AND ANALYSIS												
EXPENSE ANALYSIS BY DEPARTMENT												
WASTEWATER TREATMENT CENTER												
SALARIES AND WAGES	\$1,231,621	\$1,286,080	\$1,376,912	\$1,425,466	\$1,522,600	\$1,497,600	\$1,595,650	\$1,830,000	\$1,691,350	\$1,759,050	\$1,829,400	\$1,902,550
% CHANGE FROM PRIOR YEAR	3.5%	4.4%	7.1%	3.5%	6.8%	5.1%	6.5%		6.0%	4.0%	4.0%	4.0%
OPERATION & MAINTENANCE EXPENSES	\$1,439,911	\$1,976,672	\$3,138,955	\$1,704,291	\$2,447,750	\$1,923,108	\$3,112,100	\$3,730,000	\$2,989,550	\$3,057,950	\$2,452,900	\$3,549,200
% CHANGE FROM PRIOR YEAR	-5.4%	37.3%	58.8%	-45.7%	43.6%	12.8%	61.8%		-3.9%	2.3%	-19.8%	44.7%
VEHICLE EXPENSES	\$37,685	\$85,486	\$15,930	\$76,248	\$92,000	\$60,824	\$141,800	\$170,000	\$118,950	\$106,700	\$89,600	\$56,800
% CHANGE FROM PRIOR YEAR	14.1%	126.8%	-81.4%	378.6%	20.7%	-20.2%	133.1%		-16.1%	-10.3%	-16.0%	-36.6%
TOTAL PLANT EXPENSES	\$2,709,217	\$3,348,238	\$4,531,797	\$3,206,006	\$4,062,350	\$3,481,532	\$4,849,550	\$5,730,000	\$4,799,850	\$4,923,700	\$4,371,900	\$5,508,550
% CHANGE FROM PRIOR YEAR	-1.3%	23.6%	35.3%	-29.3%	26.7%	8.6%	39.3%		-1.0%	2.6%	-11.2%	26.0%

COMMENTS

Salaries and Wages WWTC salaries and wages reflect full staffing and projected annual salary adjustments. Retirement planning for the Maintenance Supervisor is reflected by the increases in FY22-23 and FY23-24. The proposed hiring of summer interns, which was halted in FY20-21 due to COVID, is included in FY23-24 and all future years.

Operation & Maintenance Planned upgrades and replacements are detailed in Exhibit 2 under codes 12B500 and 12B800. Operation & maintenance expenses are planned to be higher over the next five years due to digester cleaning, SCADA software platform and PLC replacement, and items identified in the Baxter & Woodman code review report. Costs are also budgeted higher due to expected increases in pricing from vendors across all items. In addition to chemicals generally costing more, chemical costs are also budgeted to increase in FY23-24 as the District will have to purchase bulk hypochlorite should the OSEC generator fail and to increase again in FY27-28 due to the anticipated startup of chemical phosphorus removal. The decrease in FY26-27 is due to the special assessments in the District's current agreement with the DuPage River Salt Creek Workgroup ending.

Vehicles Vehicle costs vary based on replacement needs. Vehicle replacements are detailed in Exhibit 2 under budget code 12C226. The cost of fuel increased significantly in FY22-23, and this increase is reflected in fuel costs moving forward.

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2023-2024 to 2027-2028

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Budget	FY 22-23 Projected Actual	FY 23-24 Budget	FY 23-24 Appropriation	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected
SUMMARY AND ANALYSIS												
EXPENSE ANALYSIS BY DEPARTMENT												
LABORATORY												
SALARIES AND WAGES	\$220,591	\$234,360	\$242,431	\$249,725	\$268,050	\$222,660	\$272,800	\$310,000	\$289,150	\$300,700	\$312,750	\$325,250
% CHANGE FROM PRIOR YEAR	4.7%	6.2%	3.4%	3.0%	7.3%	-10.8%	22.5%		6.0%	4.0%	4.0%	4.0%
OPERATION & MAINTENANCE EXPENSES	\$58,395	\$64,713	\$62,368	\$96,343	\$127,700	\$105,421	\$119,700	\$140,000	\$144,750	\$138,900	\$129,250	\$167,000
% CHANGE FROM PRIOR YEAR	-13.4%	10.8%	-3.6%	54.5%	32.5%	9.4%	13.5%		20.9%	-4.0%	-6.9%	29.2%
VEHICLE EXPENSES	\$469	\$1,689	\$440	\$1,461	\$19,400	\$24,501	\$1,150	\$10,000	\$1,250	\$36,250	\$1,350	\$1,350
% CHANGE FROM PRIOR YEAR	-3.9%	260.5%	-73.9%	231.6%	1228.2%	1577.5%	-95.3%		8.7%	2800.0%	-96.3%	0.0%
TOTAL LABORATORY EXPENSES	\$279,455	\$300,762	\$305,239	\$347,528	\$415,150	\$352,582	\$393,650	\$460,000	\$435,150	\$475,850	\$443,350	\$493,600
% CHANGE FROM PRIOR YEAR	0.3%	7.6%	1.5%	13.9%	19.5%	1.5%	11.6%		10.5%	9.4%	-6.8%	11.3%

COMMENTS

- Salaries and Wages Projected lab salaries and wages reflect future annual salary adjustments with the laboratory supervisor and two full-time analysts. The projected actual for FY22-23 is lower than budgeted due to turnover at a lab analyst position.

- Operation & Maintenance Major expenditures include scheduled equipment replacements and renewal of the online analyzer service contracts. These are detailed in Exhibit 2 under code 13B115.

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

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2023-2024 to 2027-2028

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Budget	FY 22-23 Projected Actual	FY 23-24 Budget	FY 23-24 Appropriation	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected
SUMMARY AND ANALYSIS												
EXPENSE ANALYSIS BY DEPARTMENT												
COLLECTION SYSTEM												
SALARIES AND WAGES	\$489,291	\$397,684	\$412,223	\$457,150	\$509,000	\$484,240	\$529,850	\$610,000	\$561,700	\$584,050	\$607,450	\$631,750
% CHANGE FROM PRIOR YEAR	10.2%	-18.7%	3.7%	10.9%	11.3%	5.9%	9.4%		6.0%	4.0%	4.0%	4.0%
OPERATION & MAINTENANCE EXPENSES	\$2,173,756	\$1,270,544	\$1,585,044	\$1,991,418	\$4,038,150	\$1,501,622	\$4,393,500	\$5,270,000	\$2,691,500	\$2,680,450	\$2,855,900	\$2,686,400
% CHANGE FROM PRIOR YEAR	3.9%	-41.6%	24.8%	25.6%	102.8%	-24.6%	192.6%		-38.7%	-0.4%	6.5%	-5.9%
VEHICLE EXPENSES	\$19,862	\$50,149	\$41,891	\$55,807	\$29,000	\$34,036	\$602,500	\$700,000	\$67,350	\$69,900	\$219,400	\$140,950
% CHANGE FROM PRIOR YEAR	-67.4%	152.5%	-16.5%	33.2%	-48.0%	-39.0%	1670.2%		-88.8%	3.8%	213.9%	-35.8%
TOTAL COLLECTION SYSTEM EXPENSES	\$2,682,909	\$1,718,377	\$2,039,158	\$2,504,375	\$4,576,150	\$2,019,898	\$5,525,850	\$6,580,000	\$3,320,550	\$3,334,400	\$3,682,750	\$3,459,100
% CHANGE FROM PRIOR YEAR	3.3%	-36.0%	18.7%	22.8%	82.7%	-19.3%	173.6%		-39.9%	0.4%	10.4%	-6.1%

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 based on the current 5-year contract which was signed in FY22-23. The projected actual collection system operation and maintenance expenses for FY22-23 are significantly lower than budgeted due to the delay in bidding the Curtiss St lining project and the contractor's slow progress on the outfall repair project. The delay in these projects is also reflected in the FY23-24 budget, which is significantly higher than what is normally spent or budgeted. The FY23-24 budget includes lining of a section of clay sewer in downtown Downers Grove. This is needed to reduce I/I in anticipation of future development at the current Village Hall location. Replacement of a section of sewer in Westmont is also included in the FY23-24 budget in coordination with the Village's project to install permeable pavers over the pipe. Lining of the outfall pipe is planned to be spread over three fiscal years, starting in FY 24-25. Additional detail on sewer repair work is found in Exhibit 2 under code 14B900.

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 2023-2024 to 2027-2028

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Budget	FY 22-23 Projected Actual	FY 23-24 Budget	FY 23-24 Appropriation	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected
SUMMARY AND ANALYSIS												
EXPENSE ANALYSIS BY DEPARTMENT												
LIFT STATIONS												
SALARIES AND WAGES	\$80,176	\$62,611	\$12,979	\$19,227	\$29,550	\$13,650	\$28,600	\$30,000	\$30,300	\$31,550	\$32,800	\$34,100
% CHANGE FROM PRIOR YEAR	-1.5%	-21.9%	-79.3%	48.1%	53.7%	-29.0%	109.5%		5.9%	4.1%	4.0%	4.0%
OPERATION & MAINTENANCE EXPENSES	\$316,677	\$328,148	\$197,622	\$294,073	\$877,250	\$423,918	\$585,500	\$700,000	\$449,100	\$413,150	\$395,600	\$443,850
% CHANGE FROM PRIOR YEAR	16.1%	3.6%	-39.8%	48.8%	198.3%	44.2%	38.1%		-23.3%	-8.0%	-4.2%	12.2%
TOTAL LIFT STATION EXPENSES	\$396,853	\$390,759	\$210,601	\$313,300	\$906,800	\$437,568	\$614,100	\$730,000	\$479,400	\$444,700	\$428,400	\$477,950
% CHANGE FROM PRIOR YEAR	12.1%	-1.5%	-46.1%	48.8%	189.4%	39.7%	40.3%		-21.9%	-7.2%	-3.7%	11.6%

COMMENTS

- Salaries and Wages The budget reflects salary adjustments based on the proportion of recent time spent on lift stations for engineering and maintenance staff. The higher increase shown for FY23-24 and continued through the following four years reflects the anticipated shift in staff time from the wastewater treatment center to the lift stations due to planned lift station and force main projects, which are detailed in Exhibit 2.
- Operation & Maintenance Planned expenses for the lift stations are shown in Exhibit 2 under 15B500 and 15B800. Major expenses include the arc flash study, automatic throwover switch (ATO) and motor replacements and elevator repair at Hobson Lift Station and internal testing of the Wroble forcemain.

DOWNERS GROVE SANITARY DISTRICT - FIVE YEAR FINANCIAL PLAN - FISCAL YEARS 2023-2024 to 2027-2028

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Budget	FY 22-23 Projected Actual	FY 23-24 Budget	FY 23-24 Appropriation	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected
SUMMARY AND ANALYSIS												
EXPENSE ANALYSIS BY DEPARTMENT												
INSURANCE AND EMPLOYEE BENEFITS												
TOTAL INSURANCE/EMPLOYEE BENEFITS	\$1,216,608	\$1,157,725	\$1,168,171	\$1,245,319	\$1,369,300	\$1,271,550	\$1,417,850	\$1,630,000	\$1,574,050	\$1,632,500	\$1,687,400	\$1,745,500
% CHANGE FROM PRIOR YEAR	4.9%	-4.8%	0.9%	6.6%	10.0%	2.1%	11.5%		11.0%	3.7%	3.4%	3.4%

COMMENTS

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

1. An expected increase in liability and property premiums of 7% is budgeted for FY23-24. Annual net increases of 5% are shown thereafter.
2. An increase of 12% for employee group medical was included for FY23-24 at the recommendation of the District's broker. Increases of 6% for employee group medical, dental and vision are included for each year thereafter. The FY23-24 budget request also includes additional anticipated expenses related to additional employees hired to prepare for two retirements in FY23-24.
3. IMRF contributions are expected to decrease over the next five years due to investment returns reported at 16.82% in 2021 that is now being reflected in the District's funded status and employer contribution rate. There are also some anticipated retirements of long-term employees over the next five years which will also impact projected employer contribution rates.
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 2023-24 TO 2027-28

EXHIBIT 2

	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
GENERAL CORPORATE FUND					
11B115 (ADMIN-Eqpt/Eqpt Repair)					
1. Replace data server	30,000			30,000	30,000
2. Update website	10,000				
3. Accounting system replacement		100,000			
4. Timekeeping system replacement		20,000			
5. Copier replacement					11,000
Annual Totals	\$40,000	\$120,000	\$0	\$30,000	\$41,000
11B118 (ADMIN-Building & Grounds)					
1. Remodel workstations				30,000	
2. Replace carpeting	25,000				
3. Re-roof admin building		20,000			
4. Install standby generator (from Centex)	10,000				
Annual Totals	\$35,000	\$20,000	\$0	\$30,000	\$0
11B137 (ADMIN-Dues/Subscriptions)					
1. National association of clean water agencies	1,200	1,200	1,250	1,250	1,300
2. Illinois association of wastewater agencies	4,600	4,700	4,800	4,900	5,000
Annual Totals	\$5,800	\$5,900	\$6,050	\$6,150	\$6,300
11C226 (ADMIN-Vehicle Purchases)					
1. Administration vehicles		28,000	28,000		
Annual Totals	\$0	\$28,000	\$28,000	\$0	\$0
12B124 (WWTC-Contract Services)					
1. DRSCW membership/stream restoration	203,500	204,300	205,000	27,300	28,100
Annual Totals	\$203,500	\$204,300	\$205,000	\$27,300	\$28,100
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	90,000	93,600	97,350	101,250	105,300
Annual Totals	\$90,000	\$93,600	\$97,350	\$101,250	\$105,300
12B500 (WWTC-Eqpt/Eqpt Repair)					
1. Raw sewage pumping					
a. Compactor overhaul	8,850			9,550	9,950
b. Discharge valve replacement	20,000				
2. Grit removal system					
a. Conveyor overhaul	28,000				28,750
b. Grit classifier overhaul				16,000	
c. Grit pump overhaul	7,000	7,300	7,750		
d. Grit tank protective lining					80,000
3. Primary treatment					
a. Scum trough replacement		20,600	21,200		
b. Sludge collector replacement	8,250	8,500	8,750	9,000	
c. Sludge collector gear reducer replacement				11,000	
d. Railing, grating and concrete repairs	98,000	31,500		40,000	
e. Sludge grinder overhaul					7,500

DOWNERS GROVE SANITARY DISTRICT
 MAJOR REPLACEMENTS AND PURCHASES BY BUDGET CODE
 FISCAL YEARS 2023-24 TO 2027-28

EXHIBIT 2

	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
4. Secondary treatment					
a. Protective coatings - secondary clarifiers	54,000	56,000	58,000		45,000
b. Secondary clarifier main gear reducer					51,000
c. Secondary clarifier weir replacement				40,000	
d. Hoffman/PD blower rebuild/overhaul	5,000			25,000	25,500
e. Aeration tank influent gate actuator			8,500		
f. DO probe replacement		15,000			
g. Railing, grating, decking and concrete repairs		134,000	116,000		
h. RAS pump overhaul	15,500	22,500			
i. RAS system VFDs		15,000			
j. Fine bubble diffuser replacement					34,000
5. Intermediate clarifiers					
a. Protective coatings	45,000	47,000	49,000		
b. Railings and concrete repairs	46,000	47,850	49,750	40,000	
c. Intermediate sludge pump overhaul	7,750	8,000			
6. Sand filters					
a. Waste washwater pump overhaul	5,500	5,750			
b. Filter control panel replacement			10,000	10,500	11,000
7. Disinfection equipment					
a. Fiberglass tank inspections/repairs		36,000			
b. Bisulfite pump replacements	9,000		9,750		
c. Hypochlorite feed pump VFD replacements		2,350	2,450	2,400	2,500
d. Hypo bulk mix-down pump VFD replacement	1,500				
e. Potable water piping/accessories for bulk hypo	10,000				
f. Division box concrete slab replacement				30,000	
8. Excess flow tanks					
a. Clarifier scum trough replacement		20,000			
b. Clarifier scraper blade/roller wheel replacements				20,000	
c. Protective Coatings - Bridge				80,000	
d. Railings and sidewalk			100,000		
e. Overhaul sludge grinder	12,000				
f. Overhaul sludge pumps	7,750	8,500			
9. Sludge concentration					
a. Concentrator main gear reducers			25,000	25,750	
b. Concentrator protective coatings				40,000	
c. WAS thickener feed pump replacement			15,000		
d. TWAS pump replacement				15,500	
10. Sludge digestion					
a. Re-coat/repair covers		14,000			
b. Digester cleaning	150,000	160,000	162,000	168,000	174,000
c. Railings	20,000	20,000	15,500	15,500	31,000
d. Digester 5 gas flare burner replacement	20,000				
e. Replace Digester 2 mixing equipment			250,000		
f. Digester mixing compressor overhaul	8,000		8,750		19,000
g. Grease grinder overhaul		5,250	5,500		
h. Grease pump replacement			15,000	15,500	
11. Sludge dewatering system					
a. Belt press feed pump replacement				15,000	
b. Belt press conveyor liner replacement					12,000

DOWNERS GROVE SANITARY DISTRICT
 MAJOR REPLACEMENTS AND PURCHASES BY BUDGET CODE
 FISCAL YEARS 2023-24 TO 2027-28

EXHIBIT 2

	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
12. Biosolids aging and disposal					
a. Wheel loader replacement			85,000		125,000
b. Wheel loader tires	18,000				
c. Auger rebuilds	12,500	12,500	12,500	12,500	12,500
d. Dump truck - 12 yd, replacement	150,000				
e. Curtiss lagoon drain system repairs	30,000				
13. Maintenance/utilities					
a. Maintenance Services Building equipment	4,700	6,300	14,000		
b. Replace portable pump				9,500	
c. Main switchgear maintenance	700				14,000
d. ComEd ATO replacement	73,000				
e. CHP Engine/Generator overhaul	146,500	186,500	200,850	157,750	169,500
f. Emergency generator control panel replacement	10,000	125,000			
g. Emergency generator diesel tank replacement	125,000				
h. SCADA PLC Upgrades		83,700	120,000		
i. SCADA software platform replacement	160,000	77,000			
j. Software Upgrades (MP2, BioWin)	3,300		40,000		
k. Yard piping repairs	44,350	46,100	47,950	49,900	51,900
i. Excess Flow (003) gate actuator replacement	22,500				
ii. Natural gas main replacement					225,000
Annual Totals	\$1,387,650	\$1,222,200	\$1,458,200	\$858,350	\$1,129,100
12B800 (WWTC-Building & Grounds)					
1. Roof repairs	44,000	42,500	40,000	9,500	10,000
2. Road / sidewalk repair	50,000	50,000	17,500	25,000	25,000
3. Window / door replacement	50,000	54,750	30,500	49,000	
4. HVAC repairs	24,000	24,750	40,000		4,500
a. Munters dehumidifier replacement					200,000
5. Outside stairs, railings, gratings, and fencing					
6. Interior stairs					32,000
7. Tuckpointing	30,000	30,000	30,000	20,000	20,000
8. Interior painting	35,000	35,000			65,000
9. Locker room remodeling	12,000				
10. Lighting		15,000			
Annual Totals	\$245,000	\$252,000	\$158,000	\$103,500	\$356,500
12C226 (WWTC-Vehicle Purchases)					
1. Operations supervisor truck				35,000	
2. Maintenance supervisor truck			35,000		
3. Electric cart	17,800	18,500	19,250		
4. OPS/Maintenance/Electrical trucks		50,000			
5. Lift station truck	85,000				
Annual Totals	\$102,800	\$68,500	\$54,250	\$35,000	\$0
13B115 (LAB-Eqpt/Eqpt Repair)					
1. Autosampler replacement	7,000		15,000		
2. Autoclave			15,000		
3. Incubators	10,000				
4. pH/Mult-function Meter					6,000
5. TSS Drying Oven				5,000	
6. Amtax/Phosphax/Filtrax Service Partnership		35,000			39,400
7. Balance				9,000	6,000
Annual Totals	\$17,000	\$35,000	\$30,000	\$14,000	\$51,400

DOWNERS GROVE SANITARY DISTRICT
 MAJOR REPLACEMENTS AND PURCHASES BY BUDGET CODE
 FISCAL YEARS 2023-24 TO 2027-28

EXHIBIT 2

	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
13C226 (LAB-Vehicle Purchase)					
1. Lab Supervisor vehicle					
2. Lab van			35,000		
Annual Totals	\$0	\$0	\$35,000	\$0	\$0
14B115 (SEWER SYSTEM-Eqpt/Eqpt Repair)					
1. Main line and lateral TV systems				100,000	
2. House service inspection camera system/monitor					17,500
Annual Totals	\$0	\$0	\$0	\$100,000	\$17,500
14B124 (SEWER SYSTEM-Contract Services)					
1. Contract Televising		100,000	100,000	100,000	100,000
Annual Totals	\$0	\$100,000	\$100,000	\$100,000	\$100,000
14B900 (SEWER SYSTEM-System Repairs)					
1. Structural/O&M					
a. Main sewers	75,000	75,000	75,000	75,000	75,000
b. Manholes	25,000	25,000	25,000	25,000	25,000
c. Building sanitary services	650,000	650,000	650,000	650,000	650,000
2. Sewer replacements and rehabilitation					
a. Sewer rehab/replacement	2,570,000	500,000	1,100,000	900,000	1,350,000
3. I/I Program					
	100,000	100,000	100,000	100,000	100,000
4. Outfall pipe rehabilitation and repair					
	670,000	926,000	317,000	585,000	50,000
5. IEPA ARRA loan repayment					
	181,600	181,600	181,600	181,600	181,600
Annual Totals	\$4,271,600	\$2,457,600	\$2,448,600	\$2,516,600	\$2,431,600
14C226 (SEWER SYSTEM-Vehicle Purchases)					
1. Inspection/technician vans/trucks	45,500		32,000		100,000
2. Supervisor truck	39,000	31,000			
3. Combination vacuum/jet truck	483,000			180,000	
Annual Totals	\$567,500	\$31,000	\$32,000	\$180,000	\$100,000
15B113 (LIFT STATIONS-Emergency/Safety Eqpt)					
1. Arc Flash Study	10,000				
Annual Totals	\$10,000	\$0	\$0	\$0	\$0
15B500 (LIFT STATIONS-Eqpt/Eqpt Repair)					
1. Butterfield lift station					
a. Pump overhaul	3,750	3,900			
2. Centex lift station					
3. College lift station					
a. Pump overhaul	15,500	16,500			17,500
b. Air relief valves	16,000				
4. Earlston lift station					
a. Replace pump		27,500			
b. Air relief valves	4,000				
5. Hobson lift station					
a. Pump overhaul	10,500	11,000			
b. Intake valve replacement			11,500		12,500
c. Motor replacement			45,000		
d. Switchgear PM				8,700	
e. ATO replacement	73,000				

DOWNERS GROVE SANITARY DISTRICT
 MAJOR REPLACEMENTS AND PURCHASES BY BUDGET CODE
 FISCAL YEARS 2023-24 TO 2027-28

EXHIBIT 2

	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
6. Liberty Park lift station					
a. Pump overhaul				12,500	13,000
7. Northwest lift station					
a. Pump overhaul	4,000			10,000	10,500
b. VFD replacement	5,150	5,350	5,550		
8. Venard lift station					
a. Pump overhaul		11,625	12,100	12,575	
9. Wroble lift station					
a. Pump overhaul		5,300	5,500		
b. Forcemain internal investigation		50,000			
c. VFD replacement	7,250				
10. General maintenance					
a. Portable pump replacements	8,850				
b. Portable generator replacements					26,000
Annual Totals	\$148,000	\$131,175	\$79,650	\$43,775	\$79,500
15B800 (LIFT STATIONS-Building & Grounds)					
1. Cathodic protection testing	1,500			1,700	
2. Painting	28,600	15,000	10,000	18,000	25,000
3. Earlston biofilter replacement	20,000				
4. Hobson elevator repair/rehabilitation	21,000				
5. Roof replacements			9,500		
6. Road / sidewalk repair	35,000				
7. Stairs, railings, gratings repair	12,000				
8. Earlston HVAC improvements	5,000				
Annual Totals	\$123,100	\$15,000	\$19,500	\$19,700	\$25,000
IMPROVEMENT FUND					
1. Future special assessments		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	304,400				
4. Replace portion of Venard LS forcemain	850,000				
5. Replace portion of Wroble LS forcemain		17,000	183,000		
6. Replace Butterfield LS					2,000,000
Annual Totals	\$1,247,600	\$310,200	\$476,200	\$293,200	\$2,293,200
CONSTRUCTION FUND					
1. IEPA loan repayment	28,900	28,900	28,900	28,900	28,900
2. Gas detection and alarming systems	419,000				
3. Digester gas safety equipment		464,000			
4. Biosolids processing/storage improvements	997,500	427,500			
5. Chemical feed system - phosphorus removal			139,000	834,000	417,000
Annual Totals	\$1,445,400	\$920,400	\$167,900	\$862,900	\$445,900
GRAND TOTALS	\$9,982,950	\$6,067,875	\$5,448,700	\$5,374,725	\$7,263,400

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, code improvements 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 \$2.05 to \$2.25 per 1,000 gallons of metered water consumption in FY 2023-24. User rate increases are anticipated for the subsequent four years varying between \$0.30 and \$1.00 as shown in Exhibit 1 and Exhibit 3. User receipts during FY 2022-23 are projected at \$3,751,878. This estimate of billable flow compares with recent experience as indicated below:

<u>Fiscal Year</u>	<u>Net Billable Flow (MGD)</u>	<u>Summer Usage Adjustments (\$)</u>
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	5.067	160,930
2022-23	4.970*	158,271

*Projected for final three months

The downward trend in billable flow 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 2023-24 projections of user receipts are based on a billable flow of 4.871 MGD, which represents a billable flow 2.0% less than the FY 2022-23 levels. Water supply utilities' efforts at reducing water consumption are expected to continue to result in future reductions in billable flow. After FY 2023-24, 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 for an average surcharge customer by 10% to 11% annually. 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 \$19.00 per month (\$228.00 per year) for FY 2022-23 to \$20.00 per month (\$240.00 per year) for FY 2023-24. The monthly fee is expected to increase by \$1.00 in FY 2024-25 and \$1.50 in both FY 2025-26 and FY 2026-27.

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. The number of inspections is expected to return to pre-2020 levels and remain constant.

VII. Interest

Interest is estimated based on investing half the average fund balance each year at an interest rate of roughly 3% 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 \$120,000 per year for FY 2023-24 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. Sale of miscellaneous property was historically coded to miscellaneous revenue. A sale of property revenue code was created in FY 2021-22, and therefore sale of property will no longer be included in miscellaneous revenue, which is why miscellaneous revenues will be budgeted lower than what has historically been collected. These revenues are estimated at \$5,000 each year.

XIV. Sale of Electricity

Electricity produced by the CHP engines in excess of what is used at the WWTC flows onto ComEd's distribution system. The excess generation is credited on the District's ComEd invoices, offsetting distribution expenses. ComEd will pay the District for any additional credit above what offsets the distribution expenses. Historically, this was applied against the expense code for WWTC electricity. In FY 2021-22, the District's auditors recommended that revenue not be applied to expense codes as it is not a good accounting practice. The budget reflects a steady revenue from electricity sales.

XV. Sale of Property

Historically, sales of vehicles and cell phones were applied against the related expense code for the items being replaced. In FY 2021-22, the District's auditors recommended that revenue not be applied to expense codes as it is not a good accounting practice. The sale of property revenue code was created as a result. Sale of vehicles except those that are traded in, sale of cell phones and sale of miscellaneous property are included in this revenue source. The anticipated revenues vary from year to year, following the proposed vehicle and cell phone replacements.

XVI. 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 collected for FY 2022-23. The fee collected for this waste has been constant since the District began accepting this type of waste over a decade ago. An increase in fees is proposed for FY 2023-24 and reflected in the budget.

XVII. Interfund Transfer

As mentioned in the discussions herein on the Construction Fund and the Improvement Fund, the historic source of revenue for those two funds will not be sufficient to meet the needs of the funds. Starting in FY 2021-22, funds will be transferred from the General Corporate Fund to cover shortages in the Construction Fund and the Improvement Fund. The District's auditor instructed staff to handle these transfers as negative revenue under the General Corporate Fund.

XVIII. 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.

XIX. Grants and Incentives

The grants and incentives revenue code was created under the General Corporate Fund in FY 2021-22. The first two incentive payments from the ComEd Energy Efficiency program for operation of the new CHP unit were received in FY 2021-22 and the third was received in FY 2022-23. The FY 2023-24 budget includes an anticipated \$1,080,000 in Community Grant Funding for the Curtiss St lining project and \$509,881 from the DuPage County LARPA grant program which is proposed to be used for the outfall repair project.

GENERAL CORPORATE FUND
FUND BALANCE

Summary

The projected fund balance of the consolidated General Corporate and Replacement Fund as of 4/30/24 is \$4,080,540. The fund balance is projected to be spent down over the next three years 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 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Budgeted	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected
USER CHARGES										
RATE PER 1000 GALS	\$1.65	\$1.70	\$1.80	\$1.95	\$2.05	\$2.25	\$2.60	\$2.90	\$3.25	\$4.25
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	\$163.20	\$172.80	\$187.20	\$196.80	\$216.00	\$249.60	\$278.40	\$312.00	\$408.00
PROPERTY TAXES										
YEAR TAXES PAID	2018	2019	2020	2021	2021	2022	2023	2024	2025	2026
MEDIAN ASSESSED VALUE	\$93,940	\$95,680	\$101,120	\$104,575	\$106,940	\$111,218	\$115,666	\$120,293	\$125,105	\$130,109
DISTRICT TAX RATE	0.0404	0.0398	0.0406	0.0400	0.0393	0.0389	0.0385	0.0381	0.0377	0.0373
ANNUAL TAXES PAID	\$37.95	\$38.08	\$41.05	\$41.83	\$42.03	\$43.26	\$44.53	\$45.83	\$47.16	\$48.53
MONTHLY SERVICE FEE										
MONTHLY SERVICE FEE	\$16.00	\$17.00	\$17.00	\$17.00	\$19.00	\$20.00	\$21.00	\$22.50	\$24.00	\$24.00
ANNUAL SERVICE FEE	\$192.00	\$204.00	\$204.00	\$204.00	\$228.00	\$240.00	\$252.00	\$270.00	\$288.00	\$288.00
TOTAL ANNUAL COST	\$388.35	\$405.28	\$417.85	\$433.03	\$466.83	\$499.26	\$546.13	\$594.23	\$647.16	\$744.53
TOTAL MONTHLY COST	\$32.36	\$33.77	\$34.82	\$36.09	\$38.90	\$41.61	\$45.51	\$49.52	\$53.93	\$62.04
ANNUAL PERCENT CHANGE	3.6%	4.4%	3.1%	3.6%	7.8%	6.9%	9.4%	8.8%	8.9%	15.0%
TEN YEAR AVERAGE ANNUAL	2.9%	3.2%	3.4%	3.7%	4.3%	4.7%	5.3%	5.8%	6.1%	7.2%

DOWNERS GROVE SANITARY DISTRICT
 FIVE YEAR FINANCIAL PLAN
 CONSTRUCTION FUND
 FISCAL YEARS 2023-24 TO 2027-28

EXHIBIT 4

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Budget	FY 22-23 Projected Actual	FY 23-24 Budget	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected
REVENUES											
Sewer permit fees	\$189,349	\$237,232	\$259,377	\$359,857	\$250,000	\$184,200	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Interest	\$1,559	\$9,114	\$1,564	\$869	\$1,200	\$15,700	\$17,700	\$7,650	\$10,850	\$14,550	\$16,250
Interfund transfer (from General Corporate Fund)								\$500,000	\$500,000	\$500,000	\$500,000
ICECF Grant		\$500,000									
Total Revenues	\$190,908	\$746,346	\$260,941	\$360,726	\$251,200	\$199,900	\$267,700	\$757,650	\$760,850	\$764,550	\$766,250
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
Gas detection and alarming systems							\$419,000				
Digester gas safety equipment								\$464,000			
Biosolids processing/storage improvements							\$997,500	\$427,500			
Chemical feed system - phosphorus removal									\$139,000	\$834,000	\$417,000
Total Expenses	\$28,807	\$28,807	\$28,807	\$28,807	\$28,900	\$28,807	\$1,445,400	\$920,400	\$167,900	\$862,900	\$445,900
Excess (Deficiency) of Revenues over Expenses	\$162,100	\$717,539	\$232,134	\$331,919	\$222,300	\$171,093	(\$1,177,700)	(\$162,750)	\$592,950	(\$98,350)	\$320,350
Ending Fund Balance	\$315,371	\$1,032,909	\$1,265,043	\$1,596,962	\$1,819,262	\$1,768,055	\$590,355	\$427,605	\$1,020,555	\$922,205	\$1,242,555

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, 2022, there are 45,493 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 includes safety and biosolids handling improvements at the WWTC as well as installation of chemical feed systems for phosphorus removal. The plan shows annual transfers from the General Corporate Fund to the Construction Fund starting in FY 2024-25 to ensure sufficient funds are available to complete the above-mentioned projects. The plan for the Construction Fund also 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 half of the average fund balance each year being invested at an interest rate of 3.0%.
3. Transfers from the General Corporate Fund – Transfers from the General Corporate Fund are planned annually starting in FY 2024-25. The transfers are proposed to reimburse the Construction Fund for planned expenditures which are shown in Exhibit 4 and discussed below.

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. Safety improvements associated with hazards typically found in the wastewater treatment facility were recommended in the Baxter & Woodman code review report which was completed in FY 2022-23. Gas detection and alarming systems for the bar screen building and the digester control buildings are planned in FY 2023-24. The addition of digester gas safety equipment and replacement of the waste gas burners are proposed for FY 2024-25.
3. Biosolids processing/storage improvements are proposed starting in FY 2023-24 and finishing in FY 2024-25.
4. 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 projected Construction Fund balance by April 30, 2024 is expected to be \$590,355, which is an anticipated decrease in fund balance of \$1,177,700 across the fiscal year. Interfund transfers are planned over the subsequent four years to offset expenses and bring the balance up to \$1,242,555 by April 30, 2028, 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 2023-24 TO 2027-28

EXHIBIT 5

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Budget	FY 22-23 Projected Actual	FY 23-24 Budget	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected
REVENUES											
Trunk and lateral sewer service charges	\$47,857	\$57,500	\$107,112	\$130,885	\$90,000	\$128,660	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000
Interest	21,542	24,628	7,373	1,279	250	15,676	4,700	4,950	11,800	18,800	12,250
Repayments											
Special assessment vouchers								200,000	200,000	200,000	200,000
Interfund transfer (from General Corporate Fund)				275,000	500,000	500,000	800,000	550,000	550,000	550,000	550,000
Total Revenues	\$69,399	\$82,128	\$114,485	\$407,164	\$590,250	\$644,335	\$894,700	\$844,950	\$851,800	\$858,800	\$852,250
EXPENSES											
Unsewered areas											
Planning	\$6,174	\$11,370	\$900	\$119	\$500	\$250	\$500	\$500	\$500	\$500	\$500
Special assessments								200,000	200,000	200,000	200,000
Lift station improvements											
Liberty Park replacement	150,658										
Centex replacement			39,346	134,071	1,538,000	1,233,600	304,400				
Venard forcemain partial replacement					50,000	50,000	850,000				
Wroble forcemain partial replacement								17,000	183,000		
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	\$250,024	\$104,561	\$133,437	\$227,381	\$1,681,700	\$1,377,041	\$1,248,100	\$310,700	\$476,700	\$293,700	\$2,293,700
Excess (Deficiency) of Revenues over Expenses	(\$180,625)	(\$22,433)	(\$18,952)	\$179,784	(\$1,091,450)	(\$732,706)	(\$353,400)	\$534,250	\$375,100	\$565,100	(\$1,441,450)
Ending Fund Balance	\$1,161,629	\$1,139,196	\$1,120,244	\$1,300,027	\$208,577	\$567,322	\$213,922	\$748,172	\$1,123,272	\$1,688,372	\$246,922

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 includes replacements of lift stations and force mains over the next five years. 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 annual transfers from the General Corporate Fund to the Improvement Fund starting in FY 2021-22 to ensure sufficient funds are available to complete the above-mentioned projects and future sewer system and lift station 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 half of the average fund balance each year being invested at an interest rate of 3.0%.
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 annually starting in FY 2024-25.

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 between FY 2019-20 and FY 2020-21 reflects shifting the unsewered area plan updates from the District's engineering consultant to the District's Staff Engineer.
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 2024-25.
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 spring of 2023. The expenses for this project are shown spread between FY 2022-23 and FY 2023-24 and 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. Wroble Lift Station Force Main Replacement – The budget includes anticipated costs associated with replacing a portion of the Wroble Lift Station force main that has had multiple breaks. Design is planned for FY 2024-25, and construction is planned for FY 2025-26. The full extent of the project may be modified after completion of the force main internal investigation, which is budgeted for FY 2024-25 under 15B500 in the General Corporate Fund as shown in Exhibit 2.
7. 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 2027-28.

Fund Balance

The balance in the improvement fund is projected to be \$246,922 on April 30, 2028. 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 2023-24 TO 2027-28

EXHIBIT 6

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Budget	FY 22-23 Projected Actual	FY 23-24 Budget	FY 24-25 Projected	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected
REVENUES											
Interest	\$542	\$856	\$480	\$13	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$542	\$856	\$480	\$13	\$0	\$0	\$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	\$542	\$856	\$480	\$13	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Fund Balance	\$36,468	\$37,325	\$37,805	\$37,818	\$37,818	\$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, 2023, 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 2027-28, 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 THE 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.
4. OSEC generator (consider UV disinfection)
5. Motor control centers

II. SEWER SYSTEM

- A. Permanent flow metering network.
- B. Purchase of sewer grouting equipment.
- C. Garage sized and designed specifically for sewer system program needs.

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.