

Proposed FY 2022-23 & FY 2023-24 Budget

*Wally Ritchie,
Controller*

*Operations
Committee*

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Overview

- FY 2022-23 and FY 2023-24 Budget
 - Stable Revenues
 - Challenging Inflationary Environment
 - Expenses Include
 - Operating
 - Capital Improvement Program
 - Debt Service
 - Staffing – FY 2022-23 (647 FTE) FY 2023-24 (648 FTE)
 - No New Debt

*All figures in millions unless otherwise noted

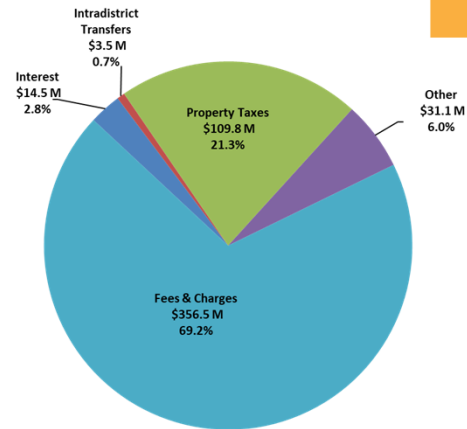
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REVENUE

Where the Money Comes From

Category	2021-22 Projected	2022-23 Proposed	2023-24 Proposed
Service Fees	\$311.7	\$326.1	\$339.2
Property Taxes	107.6	109.8	112.1
Permit User Fees	12.4	12.5	12.9
Capital Facilities Capacity Charges	17.2	17.9	18.5
Interest	5.8	14.5	13.7
Intradistrict Transfers	0.0	3.5	3.5
Debt Proceeds	0.0	0.0	0.0
Other Revenue	27.2	31.1	26.1
Total Funding Sources	\$481.9	\$515.4	\$526.0

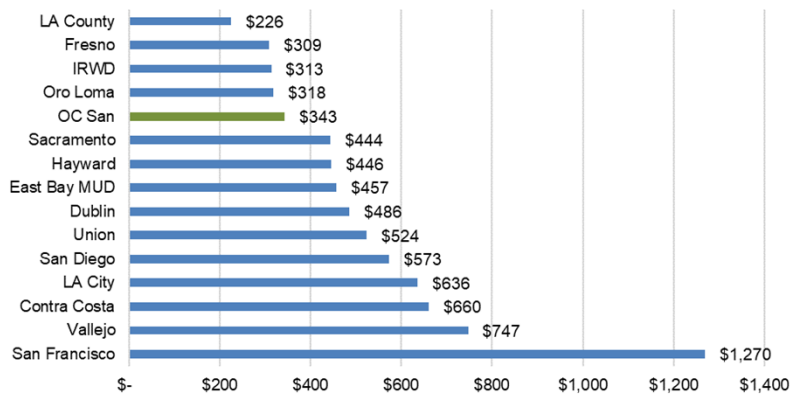


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REVENUE - RATES

Annual Single Family Residential Rates
(July 2021)



SFR Rate for FY 2022-23

\$347

\$4 or 1.2% Increase

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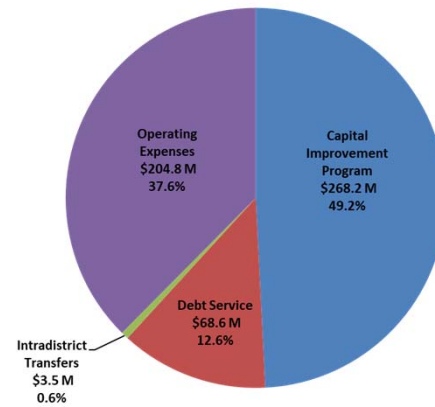
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EXPENSES

Where the Money Goes

Category	2021-22 Projected	2022-23 Proposed	2023-24 Proposed
Capital Improvement Program, Net	\$203.3	\$268.2	\$315.3
Operating Expenses *	185.8	204.8	213.7
Debt Service	70.7	68.6	68.6
Intradistrict Transfers	0.0	3.5	3.5
Total Funding Uses	\$459.8	\$545.1	\$601.2

* Operating Expenses include \$3.7 million in Self-Insurance costs

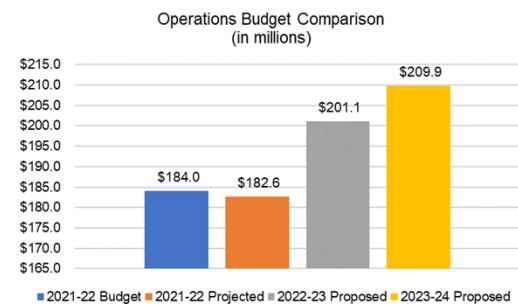


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OPERATING EXPENSES

Department	Budget 2021-22	Proposed 2022-23	Percent Change	Proposed 2023-24	Percent Change
<i>Administration Units</i>					
General Manager's Office	\$4.1	\$4.5	9.8%	\$4.3	(4.4%)
Human Resources	7.3	7.8	6.8%	8.0	2.6%
Administrative Services	30.0	32.0	6.7%	33.4	4.4%
<i>Sub-Total</i>	<i>\$41.4</i>	<i>\$44.3</i>	<i>7.0%</i>	<i>\$45.7</i>	<i>3.2%</i>
<i>Operating Units</i>					
Environmental Services	21.3	22.7	6.6%	23.8	4.8%
Engineering	5.4	8.9	64.8%	9.0	1.1%
Operations & Maintenance	115.9	125.2	8.0%	131.4	5.0%
<i>Sub-Total</i>	<i>\$142.6</i>	<i>\$156.8</i>	<i>10.0%</i>	<i>\$164.2</i>	<i>4.7%</i>
Total	\$184.0	\$201.1	9.3%	\$209.9	4.3%



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OPERATING EXPENSES

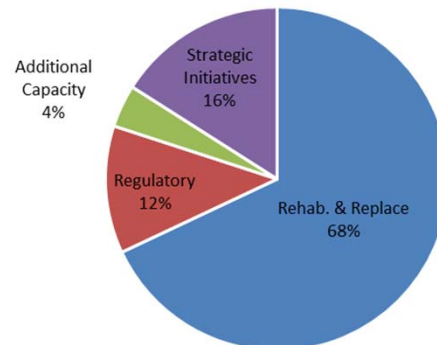
Category	2021-22 Projected	2022-23 Proposed	2023-24 Proposed
Salaries and Benefits	\$105.1	\$112.8	\$118.4
Contractual Services	17.6	20.1	21.3
Repairs and Maintenance	34.8	32.1	33.8
Operating Materials & Supplies	21.7	24.3	26.0
Utilities	10.9	12.8	12.6
Professional Services	5.2	7.8	7.6
Other Materials, Supplies, Services	4.0	6.0	6.4
Administrative Expenses	2.3	2.3	2.2
Training and Meetings	0.4	1.2	1.1
Research and Monitoring	1.1	1.7	1.8
Printing and Publications	0.3	0.8	0.4
Cost Allocation	(20.8)	(20.8)	(21.6)
Net Operating Expenses	\$182.6	\$201.1	\$209.9

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CAPITAL IMPROVEMENT PROGRAM

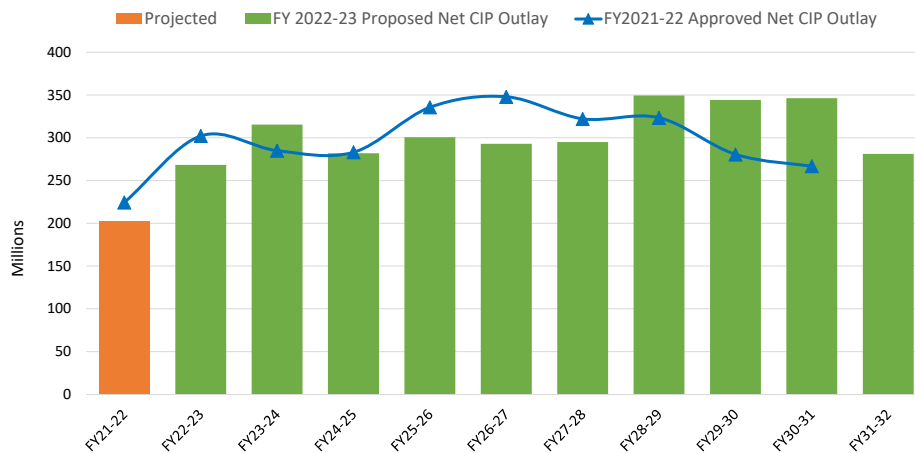
<u>CIP Categories</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
Treatment Projects	\$ 230.0	\$ 252.3
Collection Projects	47.6	69.2
Equipment	7.0	7.8
FY 2021-22 CIP Authority	284.6	329.3
CIP Savings & Deferrals	(16.4)	(24.0)
Alloc. for Future Rehab	-	10.0
FY 2021-22 Net CIP	<u>\$ 268.2</u>	<u>\$ 315.3</u>
10-Year Net CIP Outlay	\$ 3.1 Billion	



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CAPITAL IMPROVEMENT PROGRAM



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DEBT SERVICE

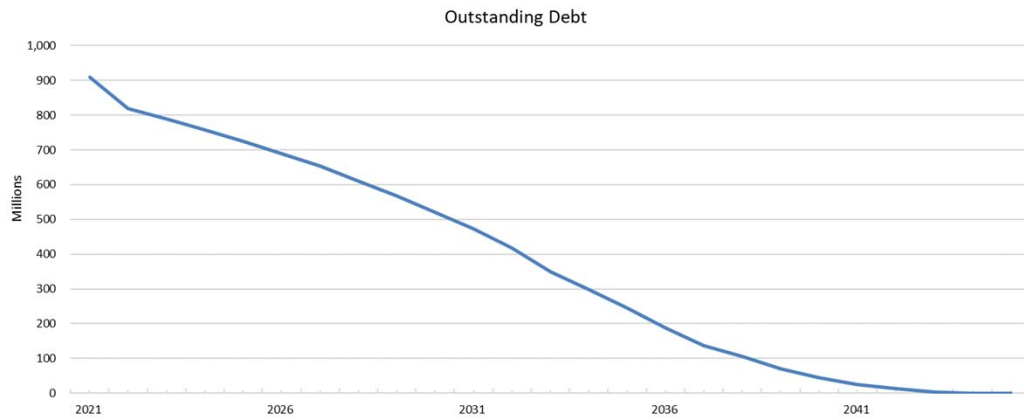
Total Outstanding COP Balance 7/1/22	\$ 819,785,000
Blended Interest Rate	2.71%
FY 2022-23 Debt Service	\$ 68.6M

* All outstanding debt to be paid off by 2044

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DEBT SERVICE



* No New Debt Issues are Planned

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SUMMARY

Revenue

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Other Revenue	31.1	26.1
Total Revenue	\$515.4	\$526.0

Expenses

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Operating Expenses	204.8	213.7
Debt Service	68.6	68.6
Intradistrict Transfers	3.5	3.5
Total Expenses	\$545.1	\$601.2

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Questions



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