

## Notes for Proposed Budget - Budget Committee Meeting 4/4/2022

Note: Many budget amounts have been entered in the same amount as last year and may be adjusted during the budget committee deliberations.

- 1) Cash on Hand – estimated bank checking account balance as of June 30, less funds for the restricted funds that are now listed at the bottom. This figure will likely be updated in early June.
  - 2) Commercial Water Fees - recalculated at current rates. The committee will likely be discussing a rate increase.
  - 3) Residential Water Fee – recalculated at current rates with 3 additional billable units. The committee will likely be discussing a rate increase.
  - 4) Additional account code detail to estimate and track various Other Fees.
  - 5) Interest from the General Fund only, from the checking account, is shown. Other interest is now listed with each fund.
  - 6) Property/Liability insurance increased this year from \$ 2836 to \$ 4558. The amount entered for next year is this year plus 5%. (Will require Appropriation Transfer this year.)
  - 7) Payroll costs were underestimated for this current year and the amount for the next year has been updated to closer match the estimated total for the current year. (Will require Appropriation Transfer this year.)
  - 8) Only partially updated. We know about increased software subscriptions. Columbia Bank started charging a monthly fee last August. Other bank fees and other items yet to be fully researched may be proposed.
  - 9) Water testing costs are partially updated. Waiting for more information from Hiland.
  - 10) General Fund \$ were budgeted last year for additional funds, if needed, for the chlorination facility, but were not needed. Some of these funds will be “transferred” for this year's budget for the needed Appropriations Transfer. The remaining funds (\$5700) are part of the estimated bank account balance.
  - 11) Water Operations – Hiland Additional Services was underestimated this year and the amount for the next year has been updated to match the estimated total for the current year. (Will require Appropriation Transfer this year.)
- \*12, 13, & 14 are all separate funds that are now shown separately from the General Fund.
- 12) Our savings account is a Reserve Fund. Transfer of funds in or out to other funds or the General Fund may occur if the Transfer is included in the budget.
  - 13) Chlorination Project Fund. The revenue in this fund was donated by Cape Foulweather Sanitary District for the construction of our interim chlorination facility. These funds are restricted by the terms of the agreement with the donor entity. A budget amount has been entered for the next year, but this should be discussed by the committee.
  - 14) System Development Fund – The revenue in this fund is collected from our SDC (System Development Charge) and is a restricted fund. “System Development Fees are defined as one-time charges assessed against new development to recover a proportional share of the costs of capital facilities constructed to provide service capacity for new customers connecting to the water and sewer systems.” These monies can only be used for increasing the capacity of the system which will happen during our system rebuild.