

Our Mission: To build and maintain water delivery, sanitary sewer collection, and wastewater treatment systems that provide high-quality water and sewer services and products

SIGNIFICANT BUDGET CHANGES

The FY 2022 adopted expenditure budget for the Utilities Fund is \$90,490,756, a one percent decrease from the FY 2021 adopted budget. The FY 2022 budget reflects:

- The County Board added funding for a one percent merit pay adjustment, a five percent increase in the range, and an increase to the one-time bonus for staff from \$500 to approximately \$900.
- ↑ Personnel increases primarily due to the adjustments to salaries resulting from job family studies, the addition of a Design Engineer at the Water Pollution Control Bureau (\$118,174; 1.0 FTE), and the addition of a Service Assistant at the Customer Services Office (\$74,257; 1.0 FTE).
 - The Design Engineer at the Water Pollution Control Bureau adds 1.0 FTE (\$118,174 personnel; \$956 ongoing and \$3,000 one-time non-personnel) to support the Plant's engineering program and the capital improvement plan (CIP). It is funded through a combination of contractual reductions (\$142,500 ongoing) and chargeback to the capital projects this FTE will support (\$59,000 ongoing), for a net savings of \$79,370. Prior to this position being added the functions were performed by a contractor.
 - The Services Assistant at the Customer Services Office adds 1.0 FTE (\$74,257 personnel; \$360 ongoing and \$2,800 one-time non-personnel) to support the billing activities.
- There were no significant changes in non-personnel expenses.
- ↓ Debt service decreases due to repayment of General Obligation Bonds for various Utilities Fund capital projects (\$809,836) and the refinancing of VRA loans (\$369,285).
- ↓ Other expenses decrease due to the reclassification of positions identified to be substantially below comparative pay studies being allocated out to the personnel of affected lines of business from the contingent account (\$1,106,331) and slightly lower overhead charges based on FY 2022 projections (\$34,854).
- ↓ Intra-county revenue decreases based on the current trend of lower County facility occupancy and water consumption (\$125,000).
- ↑ Revenues increase due to the adopted water and sewer rate increase (\$1,158,258), water service connection fees increase due to an adopted fee increase (\$260,000), increases for Lee Pumping Station lease agreements (\$5,400), partially offset by a decrease in interest income (\$50,000), and miscellaneous revenues (\$2,197).
 - An increase in Infrastructure Availability Fees (IAF) were adopted for FY 2022. These fees are directly credited to the Utilities Construction Fund, not the Operating Fund. However, they do directly impact the Operating Fund since the increased revenues offset the amount of the transfer required to fund the capital program and have the effect of lowering the water and sewer rate.

PROGRAM FINANCIAL SUMMARY

	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	% Change '21 to '22
Personnel	\$23,524,699	\$25,236,410	\$26,397,224	5%
Non-Personnel	26,923,783	30,503,260	30,516,213	-
Debt Service	30,206,084	30,374,362	29,195,241	-4%
Other	5,029,423	6,423,263	5,282,078	-18%
Subtotal	85,683,989	92,537,295	91,390,756	-1%
Intra-County Revenue	(1,010,306)	(1,025,000)	(900,000)	-12%
Total Operating Expenditures	84,673,683	91,512,295	90,490,756	-1%
Revenues	101,646,075	104,667,295	106,038,756	1%
Total Revenues	101,646,075	104,667,295	106,038,756	1%
Transfer to Capital	14,190,500	12,155,000	15,548,000	28%
Transfer to Auto Fund	47,000	-	-	-
Total Transfers Out (In)	\$14,237,500	\$12,155,000	\$15,548,000	28%
Permanent FTEs	251.75	251.75	253.75	
Temporary FTEs	2.20	2.20	2.20	
Total Authorized FTEs	253.95	253.95	255.95	

Expenses & Revenues by Line of Business

	FY 2020 Actual Expense	FY 2021 Adopted Expense	FY 2022 Adopted Expense	% Change '21 to '22	FY 2022 Adopted Revenue	FY 2022 Net Fee Support
Water, Sewer, Streets Bureau	\$26,104,466	\$27,351,743	\$28,434,200	4%	\$1,709,800	\$26,724,400
Water Sewer Records	793,733	773,473	780,044	1%	235,200	544,844
Customer Services Office	630,016	704,537	894,093	27%	99,860,186	(98,966,093)
Water Pollution Control Bureau	21,692,730	25,672,921	25,779,198	-	4,233,570	21,545,628
Debt Service and Other	35,452,738	37,009,621	34,603,221	-7%	-	34,603,221
Transfers Out	14,237,500	12,155,000	15,548,000	28%	-	15,548,000
Total	\$98,911,183	\$103,667,295	\$106,038,756	2%	\$106,038,756	\$ -

- The Utilities Fund is an enterprise fund, which is a self-supporting fund. All user fees and revenues must provide sufficient revenues to fund all activities.
- Water and sewer revenue, late fees, new account fees, turn-on fees, and interest are included in Customer Services Office revenue; however, they support the Utilities Fund overall.

Authorized FTEs by Line of Business

	FY 2021 FTEs Adopted	FY 2022 Permanent FTEs Adopted	FY 2022 Temporary FTEs Adopted	FY 2022 Total FTEs Adopted
Water, Sewer, Streets Bureau	134.00	134.00	0.60	134.60
Water Sewer Records	5.00	5.00	-	5.00
Customer Services Office	16.75	17.75	-	17.75
Water Pollution Control Bureau	93.00	94.00	1.60	95.60
Debt Service and Other	3.00	3.00	-	3.00
Total Authorized FTEs	251.75	253.75	2.20	255.95

For the period July 1, 2021 through December 31, 2021, the total water/sewer rate increases \$0.15, from \$14.20 to \$14.35 per thousand gallons (TG). The water rate is maintained at \$4.91/TG and sewer rate increases \$0.15, from \$9.29/TG to \$9.44/TG. Based on the results of the Water and Wastewater Rate Study, the County will modify the water and sewer rate structure, as seen in the below table, beginning January 1, 2022. Overall, this is a one percent increase projected to produce \$1.2 million of additional revenue. Although the rate is increasing by one percent, due to the adopted rate structure change half-way through the fiscal year, customers will see various impacts upon their quarterly bills based upon their individual household consumption.

The average homeowner, using approximately 48 TG annually, would actually see their bill decrease \$14, from \$682 to \$668 per year (\$14 annually or \$3.50 per quarter). The decrease is due to the change in the rate structure which recovers revenue differently than the prior volumetric-only rate structure.

	FY 2021 Adopted: July 1, 2020 – June 30, 2021	FY 2022 Adopted: July 1 – December 31, 2021	FY 2022 Adopted: January 1, 2022
Water (\$/TG)	4.91	4.91	
Sewer (\$/TG)	9.29	9.44	
Total	14.20	14.35	
Residential:			
Water Base (\$/Quarter)			13.26
Water - Volumetric:			
Tier 1: 0-9 TG (\$/TG)			3.71
Tier 2: >9 TG (\$/TG)			5.94
Sewer Base (\$/ Quarter)			10.76
Sewer – Volumetric – Average Winter Quarter basis (\$/TG)			9.61
Multi-Family:			
Water Base (\$/Month)			9.10
Water – Volumetric (\$/TG)			4.42
Sewer Base (\$/Month)			7.42
Sewer – Volumetric (\$/TG)			9.61
Commercial:			
Water Base (\$/Month)			9.10
Water – Volumetric (\$/TG)			4.79
Sewer Base (\$/Month)			7.42
Sewer – Volumetric (\$/TG)			9.61

The following fees and other revenue are used to fund operating and capital costs for the Utilities Fund. The capital costs are reflected in the Pay-As-You-Go Capital portion of the budget, found in Tab E.

Fund Balances From Prior Years: The County maintains a fund balance, consistent with the Board-adopted financial policy to maintain an operating reserve equal to three months of expenses, to cover emergency events that might impact water and sewer services. If utilized, the reserve will be replenished over a three-year period to the minimum reserve level.

Interest Earnings: Interest earned on the fund balance accrues to the Utilities Fund monthly.

Water/Sewer Billing: Charges for water/sewer service based on consumption of water as reflected by periodic readings of water meters serving the property. These charges generate approximately 93 percent of the income for the Utilities Fund. This category also includes sewer revenue from government facilities and authorities and other organizations (such as the Pentagon and Reagan National Airport) that use the County's sewage system but receive their drinking water from other sources. Set by County Code, Chapter 26; effective date July 1 each fiscal year.

- The new rate structure adopted effective January 1, 2022, includes:
 - Customer classes: residential, multi-family, and commercial
 - Base charge per billing cycle for each service (water and sewer)
 - Residential –
 - Tiered water usage:
 - Tier 1: Usage from 0-9 Thousand Gallons (TG per quarter)
 - Tier 2: Usage above 9 TG per quarter
 - Sewer – Average Winter Quarter Billing for sewage consumption
 - Multi-family and Commercial water and sewer based on 100% on water meter readings.

Water Service Connection Charge: This fee is paid by new water users for a physical connection and meter installation to the water system. The fee recovers 100 percent of personnel, materials, and equipment rental costs. The fee will increase for FY 2022. The current fee varies by meter size, ranging from \$3,200 for a 1" connection line with a ¾" meter up to \$25,300 for an 8" line with an 8" meter. Set by County Code, Chapter 26; effective date July 1, 2008. The adopted fee ranges from \$4,350 for a 1-inch connection line with a ¾-inch meter up to \$6,600 for an 2-inch line with an 2-inch meter. Sizes 3-inch and above would be at cost based upon a quote per project. The adopted fees have an effective date of July 1, 2021.

Meter Installation Charge: This fee is paid by developers which have established the water service connection to the system themselves and only require the County to install the meter. This adopted amendment also increases the meter installation charges based on the meter size. Existing fees range from \$100 for a ¾-inch meter up to \$3,000 for an 8-inch meter. The fee will increase for FY 2022. Adopted fees range from \$150 for a ¾-inch meter up to \$5,525 for an 8-inch meter. The adopted fees have an effective date of July 1, 2021.

Sewage Treatment Charges: These charges are paid by neighboring jurisdictions (Fairfax County and the Cities of Falls Church and Alexandria). Consistent with memoranda of understanding that the County has signed with Fairfax County and the Cities of Falls Church and Alexandria, the neighboring jurisdictions are charged both for their share of costs associated with operating the County's sewage system as well as with making necessary capital improvements to it.

Water/Sewer Late Fee: The County imposes a six percent (6%) fee on any water and sewer charges if, 30 days after the billing date, there is an outstanding balance on the account. Set by County Code, Chapter 26; effective date July 1, 1992.

New Account Fee: This \$25 fee is charged to new customers when they set up a new utilities account. Set by County Code, Chapter 26; effective date July 1, 1992.

Discontinuation Fee: Fee to discontinue a public way service. Fee is \$500. Set by County Code, Chapter 26; effective date July 1, 2008.

Reactivation Fee: This \$25 fee is charged when the County turns on a customer's water service after it had previously been shut off either at the customer's request or for non-payment. Set by County Code, Chapter 26; effective date July 1, 1992.

Flow Test Fee: This \$300 fee is charged when developers request fire flow information necessary to do sprinkler system design. Set by County Code, Chapter 26; effective date July 1, 2008.

DFU Credit Inspection Fee: This fee is charged when developers request an inspection to certify the existing drainage fixture units (DFUs) at properties that will be demolished. The credit offsets the Infrastructure Availability Fees (IAF) that a developer will be charged for new construction DFUs. The fee is \$175 for inspections of 1-24 fixtures; \$275 for 25 plus fixtures. Set by County Code, Chapter 26; effective date July 1, 2008.

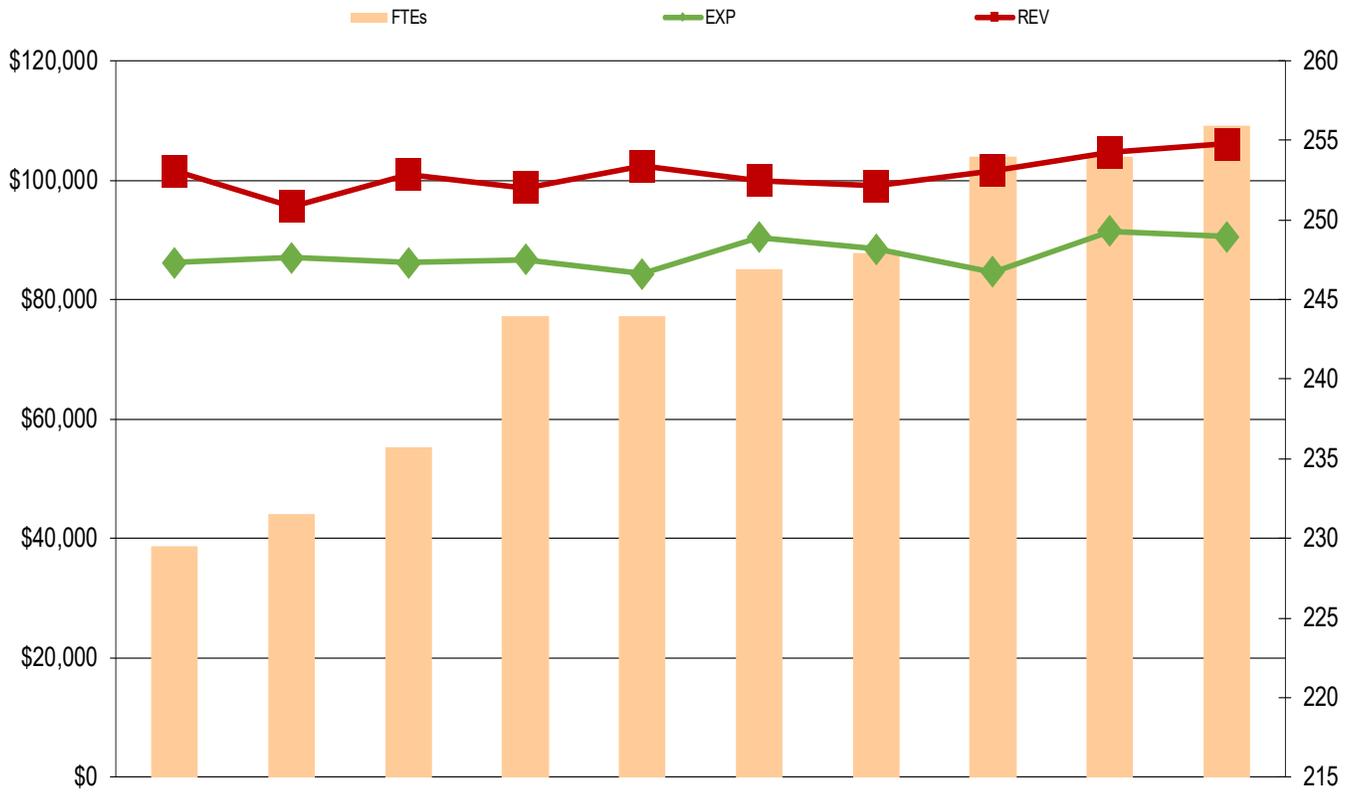
Pretreatment Fee: This fee is assessed on certain businesses that introduce pollutants into the sewer system, or "Significant Industrial Users," to recover the costs of the industrial pretreatment program, which ensures compliance with state and federal standards. Annual fee of \$1,560 plus \$3,640 for each monitoring point. Set by County Code, Chapter 26; effective date October 2, 2004.

Utility Marking Fee: This fee is charged to developers to have utility lines marked before construction begins. \$45 fee. Set by County Code, Chapter 22; effective date July 1, 2013.

Hazardous Household Material Fee/ Appliance Fee: This fee is charged for the safe disposal of household waste products that contain cathode ray tubes (CRTs). Fee is \$20 per television and \$15 per monitor. Set by County Code, Chapter 10; effective date April 30, 2005.

Infrastructure Availability Fee: This fee is charged to developers for the capital costs associated with adding new demand on the water and sewer systems, based on the number of drainage fixture units (DFUs) added to the system. DFUs are established by the Plumbing Code to service as a proxy for water usage and range from 5 DFUs for a full bathroom to ½ for a drinking fountain. For a renovation or tear-down, full credit is granted for any pre-existing DFUs. Revenues for this fee are accounted for in the Utilities Capital Pay-As-You-Go Fund. The fee will increase for FY 2022. Current fees are \$200 per DFU combined water and sewer service. For structures which have water-only service, it is \$85 per fixture. For structures with sewer-only service, it is \$115 per fixture. Set by County Code, Chapter 26; effective date July 1, 2013. The fee will increase for FY 2022. Adopted fees are \$230 per DFU combined water and sewer service. For structures which have water-only service, it is adopted at \$95 per fixture. For structures with sewer-only service, it is adopted at \$135 per fixture. The adopted fees have an effective date of July 1, 2021.

EXPENDITURE, REVENUE, AND FULL-TIME EQUIVALENT TRENDS



	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted Budget	FY 2022 Adopted Budget
EXP	\$86,146	\$87,020	\$86,157	\$86,735	\$84,326	\$90,478	\$88,442	\$84,674	\$91,512	\$90,491
REV	\$101,522	\$95,637	\$100,996	\$98,710	\$102,319	\$99,972	\$99,018	\$101,646	\$104,667	\$106,039
FTEs	229.50	231.50	235.75	243.95	243.95	246.95	247.95	253.95	253.95	255.95

Fiscal Year	Description	FTEs
FY 2013	<ul style="list-style-type: none"> ▪ The total water/sewer rate increases \$0.42 to a total of \$12.61 per thousand gallons (TG), a 3.4% increase, which will produce \$5.0 million of additional revenue. The water rate increases by \$0.30/TG to \$3.98/TG. The sewer rate will increase by \$0.12/TG to \$8.63/TG. ▪ Personnel includes seven new FTE's (a water quality engineer and a new six-person water maintenance crew). ▪ A partial FTE is transferred to the Department of Environmental Services General Fund budget. ▪ Non-personnel expenditures increased \$861,100 for chemicals, supplies, and contractual services for the process control system at the Water Pollution Control Plant. ▪ County vehicle charges increase \$161,392 for new equipment approved in the FY 2011 closeout process and for the new vehicles and equipment for the new water maintenance crew. The transfer to the Auto Fund increases \$502,500 for the purchase of vehicles and equipment for the new Water Maintenance Crew. ▪ Utilities increase by \$144,200 for water and electricity at the WPCP. ▪ Wholesale water purchases from the Washington Aqueduct increase by \$100,000. ▪ Other WPCP increases include \$100,000 for safety consulting at the plant and \$80,651 for increased level of security guards required during continued construction at the WPCP. ▪ Debt service increases \$635,758 for repayment of General Obligation bonds and VRA bonds for various Utilities Fund capital projects. ▪ The transfer to PAYG capital decreases \$897,282, based on the planned FY 2013 maintenance capital program. 	<p>7.00</p> <p>(0.20)</p>
FY 2014	<ul style="list-style-type: none"> ▪ Personnel includes two new positions, a Construction Manager and a Sanitary Sewer Engineer (\$799,040). ▪ Non-personnel increases include \$639,400 for maintenance supplies at the Water Pollution Control Plant (WPCP), \$400,000 in consulting for various studies and ongoing capital project support at the Water Sewer Street Bureau (WSS), \$476,141 for electricity, Contracted Services and the apprenticeship and succession planning programs at the WPCP, \$100,000 for wholesale water purchases from the Washington Aqueduct, the addition of \$52,000 for the replacement of an existing server for the Utility Services Office (USO), \$30,419 for operating supplies and \$7,725 for landfill charges at WSS, \$22,000 to purchase a vehicle for the new Construction Manager at WSS, the addition of \$10,000 for automation of real estate agreement records, \$7,662 for printing and mailing of utility bills, \$2,037 for charges from the County's print shop to USO, and \$1,000 for the utilities share of base map maintenance. ▪ Non-personnel expenses decrease by \$498,440 for generator fuel at the WPCP, decrease for the transfer of Water / Sanitary Sewer Frames and Covers to the Utilities PAYG budget (\$400,000), solids hauling (\$295,497), chemicals at the WPCP (\$154,274), based on updated volume and pricing assumptions, gas at the WPCP (\$40,500), based on an anticipated price decrease, water at the WPCP (\$29,050), County vehicle charges 	<p>2.00</p>

Fiscal Year	Description	FTEs
	<p>(\$26,710), and elimination of the Telecom & Communications budget for Water Sewer Records (\$2,773).</p> <ul style="list-style-type: none"> ▪ Debt service decreased by \$590,424 for repayment of general obligation bonds for various Utilities capital projects. ▪ Total revenues include revenue from Inter-jurisdictional Partners (\$624,433), revenue from the County's participation in Dominion Virginia Power's Demand Side Management program (\$68,985), Utility Marking revenue (\$50,000), and Lee Pumping Station lease revenue (\$5,725). ▪ The Infrastructure Availability Fee (IAF) increases by \$18 per drainage fixture unit (DFU) to a total of \$200 per DFU, a 10 percent increase. The water IAF increases by \$13/DFU to \$85/DFU. The sewer IAF increases by \$5/DFU to \$115/DFU. ▪ The transfer to the Auto Fund decreased to zero. 	
FY 2015	<ul style="list-style-type: none"> ▪ Added a Chief Engineer, a Control Systems Engineer, an Electrical Power Technician, and a Control Systems Technician (\$580,648). ▪ Increased a Records Assistant position from 0.50 to 0.75 FTE (\$12,458). ▪ Reduced generator fuel expenses based on lower than anticipated use (\$394,200). ▪ Eliminated sixteen over-strength positions (\$391,020). ▪ Non-personnel decreases include equipment repair expenses (\$165,910), payments for leased equipment (\$31,911), and wholesale water purchases from the Washington Aqueduct (\$200,000). ▪ Non-personnel decreases are partially offset by increases in maintenance supplies (\$446,796), contracted services (\$92,775), insurance claims (\$31,464), operating equipment and supplies (\$61,854), inspection and repair of water valves (\$350,000), and adjustment to the annual expense for maintenance and replacement of County vehicles (\$6,389). ▪ Debt service decreased due to repayment of General Obligation Bonds for various Utilities Fund capital projects (\$644,644) and repayment of funds borrowed through the Virginia Wastewater Revolving Loan Fund for the Master Plan 2001 project at the WPCP (\$81,507). ▪ Other expenses increased include higher overhead charges based on FY 2015 projections (\$230,863), funding for over-strength positions to meet succession planning and other needs (\$150,000), and the annual payment to the Virginia Waterworks Fund (\$35,631). ▪ Increased the water/sewer rate by \$0.43, from \$12.61 to \$13.04 per thousand gallons (TG). ▪ Revenue increased due to water consumption estimates and the adopted rate increase (\$3,091,257). ▪ Revenue increases also include water service connections (\$100,000), water service discontinuations (\$20,000), meter installations (\$10,000), pretreatment revenue (\$340), and the Lee Pumping Station lease agreements with Sprint and Omnipoint (\$4,425). ▪ Revenue increases were partially offset by decrease in interest (\$100,000), a decrease in household hazardous material revenue (\$5,000), and the County's participation in Dominion Virginia Power's 	<p>4.00</p> <p>0.25</p>

Fiscal Year	Description	FTEs
	(DVP) Demand Side Management program (\$394,200).	
FY 2016	<ul style="list-style-type: none"> ▪ Transfer in of a Management and Budget Specialist from the Facilities Design and Construction Bureau in the General Fund to increase from 0.80 to 1.0 FTE (\$25,696, 0.20 FTE) ▪ Added a Capital Projects Engineer (\$113,533, 1.0 FTE), a Large Water Meter Service Team (\$165,921, 3.0 FTEs), and a Valve Exercise Team (\$221,228, 4.0 FTEs) replacing contractors for budget savings. ▪ Non-personnel increased primarily due to increases in maintenance supplies (\$71,066), contracted services (\$51,762), chemicals (\$36,572), redundant (wireless) SCADA service at lift stations (\$30,688), security system monitoring (\$30,000), adjustments to the annual expense for maintenance and replacement of County vehicles (\$26,609), one-time expenses for the Utility Billing System replacement project management (\$99,842), one-time equipment expenses for the new FTEs (\$63,000), and operating expenses for the new FTEs (\$32,902). ▪ Non-personnel decreased due to the elimination of contractual valve work (\$350,000). ▪ Debt service decreased due to repayment of General Obligation Bonds for various Utilities Fund capital projects (\$736,502) and repayment and refinancing of a portion of funds borrowed through the Virginia Wastewater Revolving Loan Fund for the Master Plan 2001 project at the WPCP (\$293,746). ▪ Other expenses increased due to higher overhead charges based on FY 2016 projections (\$75,594). ▪ Intra-county revenues increase based on historic trend analysis of water revenue from county departments (\$57,600). ▪ Revenues increased due to the adopted water and sewer rate increase (\$974,847), sewage treatment charges from neighboring jurisdictions (\$325,531), late fees (\$100,000), interest earnings (\$50,000), water service connections (\$50,000), water service discontinuations (\$10,000), utility marking fees (\$10,000), meter installations (\$7,000), turn on fees (\$6,000), fire flow test fees (\$4,000), pretreatment revenue (\$3,550), and Lee Pumping Station lease agreements with Sprint and Omnipoint (\$2,832). 	<p>0.20</p> <p>8.00</p>
FY 2017	<ul style="list-style-type: none"> ▪ Non-personnel increased due to the addition of costs for licensing and operating costs for asset management software (\$229,950), mobile meter management software (\$35,000), and capital project tracking software (\$27,093), redundant (wireless) SCADA service at pumping stations (\$22,320), offset by adjustments to the annual expense for maintenance and replacement of County vehicles (\$26,739). ▪ Debt service decreased due to repayment of General Obligation Bonds for various Utilities Fund capital projects (\$261,145) and repayment and refinancing of a portion of funds borrowed through the Virginia Wastewater Revolving Loan Fund for the Master Plan 2001 project at the WPCP (\$176,147). 	

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Other expenses increased are due to higher overhead charges based on FY 2017 projections (\$418,512). ▪ Revenues decreased due to lower pretreatment revenue (\$10,650) and appliance fees (\$7,500), offset by an increase in Lee Pumping Station lease agreements with Sprint and Omnipoint (\$4,643). 	
FY 2018	<ul style="list-style-type: none"> ▪ Added a Contract Specialist (\$119,466), Engineering Technician (\$63,476), and a Trades Worker (\$59,743). ▪ Non-personnel decreased due to the elimination of contractual equipment rental and operation (\$200,000), elimination of FY 2017 one-time expenses (\$134,842), decreased operating costs associated with asset management software (\$127,989), adjustments to the annual expense for the maintenance and replacement of County vehicles (\$15,927), partially offset by one-time equipment for new FTEs (\$37,999), operating expenses associated with new FTEs (\$35,414), increases due to Security Information and Event Management (SIEM) (\$7,000), and insurance claims (\$3,536). ▪ Debt service decreased due to repayment of General Obligation Bonds for various Utilities Fund capital projects (\$577,747) and repayment and refinancing of a portion of funds borrowed through the Virginia Wastewater Revolving Loan Fund for the Master Plan 2001 project at the Water Pollution Control Plant (WPCP) (\$64,000). ▪ Other expenses increased due to the higher overhead charges based on FY 2018 projections (\$23,284) and Courthouse Plaza rent (\$5,133). ▪ Revenues increased due to the increase in the water and sewer rate (\$2,443,503), water discontinuation fees (\$10,000), meter installation fees (\$8,000), Lee Pumping Station lease agreements (\$4,180), inspections (\$7,000), and miscellaneous revenue (\$3,720), offset by decreases in sewage treatment charges from neighboring jurisdictions (\$311,269), water service connections (\$50,000), late fees (\$35,000), appliance fees (\$2,500), utility marking fees (\$15,000), and fire flow test fees (\$6,500). 	3.00
FY 2019	<ul style="list-style-type: none"> ▪ Added a Public Engagement Specialist (\$127,381). ▪ Non-personnel decreased due to the reduction for purchased water (\$800,000) and elimination of FY 2018 one-time expenses (\$37,999), partially offset by sewer preventative maintenance equipment funding (\$144,000), Trades Center optimization study funding (\$100,000), and adjustments to the annual expense for the maintenance and replacement of County vehicles (\$18,301). ▪ Debt service decreased due to repayment of General Obligation Bonds for various Utilities Fund Capital projects and the repayment of a portion of funds borrowed through the Virginia Wastewater Revolving Loan Fund for the Master Plan 2001 project at the Water Pollution Control Plant (WPCP) (\$613,007). 	1.00

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Other expenses increased due to higher overhead charges based on FY 2019 projections (\$343,061). ▪ Revenue decreased due to a projected decrease in sewage treatment charges from neighboring jurisdictions (\$454,147), offset by increases for Lee Pumping Station lease agreements (\$5,495) and the interest income (\$25,000). ▪ Fund Balance Utilized increased from the prior year by \$598,448 and reflects the planned drawdown of fund balance, consistent with the County's financial policies. 	
FY 2020	<ul style="list-style-type: none"> ▪ Transfer in of three employees from the Solid Waste Bureau to support the consolidated Customer Service Office now budgeted within the Utilities Fund (\$285,154), offset by an increase in interdepartmental charges to the Solid Waste Bureau (DES-General Fund) to support the call center consolidation (\$289,110). ▪ Transfer in of a utility underground program coordinator position from the General Fund (\$165,956). ▪ Added a Heating Ventilation and Air Conditioning (HVAC) Technician at the Plant (\$129,563). ▪ Added two employees to expand Call Center hours (\$139,198). ▪ Eliminated an Instrumentation supervisory position due to the consolidation of the Electrical and Instrumentation division at the Plant (\$135,195). ▪ Reduced overtime and standby pay for tank cleaning efforts at the Water Pollution Control Plant (\$429,160). ▪ Eliminated FY 2019 one-time expenses (\$105,220). ▪ Elimination of HVAC preventative maintenance contractual activities (\$456,099), contractual changes for utility markings (\$94,000), budget reductions and reallocations as identified based on historical spending and operational needs (\$263,225), elimination of the lease payment budget due to equipment having been paid off (\$34,412), and adjustments to the annual expense for maintenance and replacement of County vehicles (\$55,174). ▪ Increased funding for new positions (\$22,005 one-time, \$62,549 ongoing), meter replacements (\$346,362), annual maintenance costs for the newly implemented billing information system (\$146,238), contractual increases (\$325,141), and an increase in various overhead line items which were transferred from the Solid Waste Bureau to support the consolidation of the call center (\$36,551). ▪ Debt service decreased due to repayment of General Obligation Bonds for various Utilities Fund capital projects (\$517,970) and the repayment of a portion of funds borrowed through the Virginia Wastewater Revolving Loan Fund for the Master Plan 2001 project at the Water Pollution Control Plant (WPCP) (\$272,437). 	<p>3.00</p> <p>1.00</p> <p>1.00</p> <p>2.00</p> <p>(1.00)</p>

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Other expenses increased are due to higher overhead charges based on FY 2020 projections (\$483,729), offset by a decrease of Bozman Government Center rent (\$74,401). ▪ Intra-county revenue increased based on historic trend analysis of water and sewer revenue from county departments and the increase in the water and sewer rate (\$75,000). ▪ Revenues increased due to the adopted water and sewer rate increase (\$973,399), sewage treatment charges from neighboring jurisdictions (\$529,147), increases for Lee Pumping Station lease agreements (\$5,040), and miscellaneous revenues (\$14,500); partially offset by a decrease in hazardous household material fees (\$2,000). ▪ Fund Balance Utilized decreased from the prior year by \$1,579,039 and reflects the continued drawdown of fund balance, as planned, and consistent with the County's financial policies. 	
FY 2021	<ul style="list-style-type: none"> ▪ Personnel increases due to employee salary increases, retirement contributions decreased based on current actuarial projections, decreased charge-backs to capital, adjustments to salaries resulting from job family studies for trades and planners (\$738,518, partially offset by a decrease in the County's cost for employee health insurance and an increase in charges to the Solid Waste Bureau (DES-General Fund) to pay their pro-rata share of the Customer Services Office (\$13,754). ▪ Non-personnel increases due to purchased water (\$900,000), non-discretionary contractual increases for chemicals (\$201,150), biosolids hauling (\$78,315), and various contracts (\$16,130), projected demand for utility markings (\$30,000), budget reallocations as identified based on historical spending and operational needs (\$20,866), operating expenses associated with the new position (\$2,550 one-time and \$1,360 ongoing), and one-time funding for large valve inspections (\$300,000), partially offset by the elimination of FY 2020 one-time expenses (\$22,005), elimination of annual maintenance costs for the decommissioned billing information system (\$32,425), budget reductions and reallocations as identified based on historical spending and operational needs (\$5,700), and adjustments to the annual expense for maintenance and replacement of County vehicles (\$30,796). ▪ Debt service decreases due to repayment of General Obligation Bonds for various Utilities Fund capital projects (\$31,211). ▪ Other expenses increase for the contingency due to the reclassification of positions identified to be substantially below comparative pay studies (\$414,117), fund-wide benefit changes (\$14,095), higher overhead charges based on FY 2021 projections (\$176,181), and consultant funding (\$18,110), partially offset by the elimination of Bozman Government Center rent due to relocation of the Customer Services Office (\$59,059). ▪ Intra-county revenue increases based on historic trend analysis of water and sewer revenue from county departments and the increase in the water and sewer rate (\$100,000). 	

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Revenues increase due to the adopted water and sewer rate increase (\$1,521,958), sewage treatment charges from neighboring jurisdictions (\$100,000), interest income (\$50,000), projected demand for utility marking fees (\$20,000), increases for Lee Pumping Station lease agreements (\$5,280), miscellaneous revenues (\$31,512), and historic trend analysis of water-sewer engineering fees (\$2,500) and flow test fees (\$2,200); partially offset by a decrease in turn-on fees (\$3,000). ▪ Fund balance utilized decreases from the prior year by \$520,961 and reflects the current deficit in the 90-day operating reserve. There is a planned addition to the reserve of \$1,000,000 in FY 2021. 	
FY 2022	<ul style="list-style-type: none"> ▪ The County Board added funding for a one percent merit pay adjustment, a five percent increase in the range, and an increase to the one-time bonus for staff from \$500 to approximately \$900. ▪ Personnel increases primarily due to the adjustments to salaries resulting from job family studies, the addition of a Design Engineer at the Water Pollution Control Bureau (\$118,174; 1.0 FTE), and the addition of a Service Assistant at the Customer Services Office (\$74,257; 1.0 FTE). ▪ Debt service decreases due to repayment of General Obligation Bonds for various Utilities Fund capital projects (\$809,836) and the refinancing of VRA loans (\$369,285). ▪ Other expenses decrease due to the reclassification of positions identified to be substantially below comparative pay studies being allocated out to the personnel of affected lines of business from the contingent account (\$1,106,331) and slightly lower overhead charges based on FY 2022 projections (\$34,854). ▪ Intra-county revenue decreases based on the current trend of lower County facility occupancy and water consumption (\$125,000). ▪ Revenues increase due to the adopted water and sewer rate increase (\$1,158,258), water service connection fees increase due to a adopted fee increase (\$260,000), increases for Lee Pumping Station lease agreements (\$5,400), partially offset by a decrease in interest income (\$50,000), and miscellaneous revenues (\$2,197). 	2.00