

2023 Budget summary comments

The 2023 budget projects a deficit of \$ 1,405,830 due to some large infrastructure improvement projects planned during the year. They are:

- \$ 1,175,000 capital improvement for a water main replacement on Snow Rd. Due to supply chain issues with pipe we were unable to complete the water main project planned for 2022. The pipe is ordered and this project is expected to be completed in 2023.
- The water department also has several smaller projects including \$ 100,000 for replacing distribution valves and various other capital projects totaling \$ 321,000.00
- The park is budgeting \$ 220,000 total capital improvements including \$ 56,000 to repair and replace playground structures, \$ 81,500 for the trail engineering, a new mower and truck plus various other improvements.
- The fire department received and we have paid for the fire truck. They have a few other more minor capital improvements scheduled.

Summary

The budget takes into consideration a 5% water rate increase proposed for 2023. Inflation has significantly affected the 2023 budget now currently estimated at 7.9%. Utility costs, fuel, water department chemicals and many other items have pushed expenses higher. The budget takes into consideration 5% compensation increases to staff and a significant health insurance increase (tempered by increasing employee contributions). We have still continued to experience supply chain issues resulting from Covid. Without capital improvements at the water plant and the water bond payment the net budget would be \$ 894,170 to be positive.

Revenues have been consistent with prior years in general and increasing in water and sewer due to rate increases.