

**ST. MARY'S COUNTY
METROPOLITAN COMMISSION
FY 2025**



OPERATING BUDGET

**ST. MARY'S COUNTY METROPOLITAN COMMISSION
FY 2025 OPERATING BUDGET
APPROVED**

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ST. MARY'S COUNTY METROPOLITAN COMMISSION
FY 2025 OPERATING BUDGET
BUDGET MESSAGE

GENERAL COMMENTS:

The St. Mary's County Metropolitan Commission (MetCom) was created by the State Legislature in 1957 as a quasi-governmental, non-profit body, to supply water and sewer service to St. Mary's County, Maryland and has been providing those services since 1964. MetCom is committed to providing quality, reliable services to St. Mary's County. While fulfilling our mission, we strive to:

- Conserve and protect our reliable, high quality water supply for present and future generations
- Meet or surpass public health standards, environmental standards, and support fire protection
- Operate, maintain, improve, and manage our water and wastewater infrastructure in a cost-effective manner
- Manage finances to support Commission needs and maintain reasonable water and wastewater rates
- Maintain an adequate, safe and professional workforce
- Understand and respond to customers' expectations for service

The Fiscal Year 2025 Operating Budget was prepared from data and input obtained from staff conferences, Commission meetings, cost analysis, prior years' water and sewer flows, comparative figures, operation policies, and regulations from the US Environmental Protection Agency and the Maryland Department of the Environment (MDE). This budget was prepared as a consolidated budget for the whole of St. Mary's County Metropolitan Commission. Water flow estimates used in establishing rates are based upon recorded withdraws from 55 water pumping stations and 67 well sites in the County. The basis of wastewater flow estimates is a combination of the recorded influent to seven MetCom-operated treatment plants. The Fiscal Year 2025 budget includes a Cost of Living Adjustment (COLA) of 2% to the salary scale, and a 2.7% merit increase for employees, effective July 1, 2024. An additional 2% COLA will also be applied on January 1, 2025.

ST. MARY'S COUNTY METROPOLITAN COMMISSION

FY 2025 OPERATING BUDGET

Budget Message - Continued

GENERAL COMMENTS:

MetCom continues to operate under the rate structure implemented on July 1, 2015, which established a Ready-To-Serve charge based on meter size. The minimum monthly billed amount was eliminated and customers are now billed based on actual consumption. The water usage rates are set up in three tiers and an inclining block usage rate structure based on meter size. Sewer usage is based on metered water volume for both commercial and residential customers. Two additional changes were made effective July 1, 2016: 1) The Ready-To-Serve charge was eliminated for irrigation meters for residential customers with deduct irrigation meters; and 2) Sewer usage is capped at a maximum of 10,000 gallons per month for residential customers with a 5/8" meter.

The audit of the Financial Statements dated June 30, 2023 was completed and presented on January 25, 2024. The auditor issued an unmodified opinion, the highest opinion available. The report on internal controls and on compliance and other matters did not note any instances of non-compliance with laws or regulations or deficiencies in internal control over financial reporting that were considered to be material weaknesses.

In July 2017, Davenport & Company issued the 2017 Debt Policy Study, which demonstrated that MetCom is in strong overall financial condition, as evidenced by comparative, national medians and industry best practices. The Board adopted a Debt Policy FIN-19-04 on July 1, 2019. Moody's Investor Service has assigned an A1 Issuer Rating to St. Mary's County Metropolitan Commission which reflects the satisfactory financial operations, including adequate liquidity and healthy debt service coverage.

As of June 30, 2023, MetCom had \$49,918,948 in Deposits and Investments, \$12,000,000 in the Certificate of Deposit Account Registry Service (CDARS), \$31,653,478 in Insured Cash Sweep (ICS), \$6,263,970 in the Maryland Local Government Investment Pool, and \$1,500 in Petty Cash.

ST. MARY'S COUNTY METROPOLITAN COMMISSION

FY 2025 OPERATING BUDGET

Budget Message - Continued

REVENUES:

Of the 24 revenue sources, 94% of operating revenue is generated from water and sewer metered service and usage charges.

The rate structure includes a Ready-To-Serve charge for both sewer and water service and usage fees for all water and sewer used. The water usage fees are on an increasing block rate basis, which means as the usage goes up the rates are also tiered based on meter size.

The tiered rate structure is designed to encourage water conservation. In the initial years of the new rate structure, revenues were negatively impacted by more than \$600,000. The FY 2025 budget reflects a healthy revenue balance which supports the tiered rate structure. Under a reduced rate of increase initiative, the budget includes rates of increase of a 2.10% increase in water service rates, and a 2.70% increase in sewer service rates, which were previously 2.40% and 3.05% in FY 2024, respectively.

The build up of reserves allowed MetCom to develop a self-sustaining revolving loan fund program for residential connections to help increase our customer base. This Revolving Loan Fund will be expanded upon in FY 2025 to include not only sewer connections, but water connections. Income eligible properties will be able to take advantage of these loan programs to address the Environmental Protection Agency's Lead & Copper Rule regarding the replacement of thier service lines and to resolve illegal discharges into the sewer system as a result of Inflow & Infiltration. The customer base continues to grow at a rate of approximately 1% per year.

Revenue from Other Income is realized from interest earnings on securities and investments. Interest rates have realized a significant increase in the past year, though a conservative approach is adopted, this budget recognizes the expected income from interest earnings.

ST. MARY'S COUNTY METROPOLITAN COMMISSION
FY 2025 OPERATING BUDGET

Budget Message - Continued

Service Rates effective July 1, 2023 and effective July 1, 2024:

| | FY 2024 Rates | FY 2025 Rates |
|---|----------------------|----------------------|
| Sewer | | |
| Non-metered per EDU per Month | \$47.28 | \$48.56 |
| Metered Rate 5/8" | \$20.04 | \$20.58 |
| Metered Rate 1" | \$50.11 | \$51.46 |
| Metered Rate 1-1/2" | \$100.21 | \$102.92 |
| Metered Rate 2" | \$160.35 | \$164.68 |
| Metered Rate 3" | \$320.64 | \$329.30 |
| Metered Rate 4" | \$501.02 | \$514.55 |
| Metered Rate 6" | \$1,002.05 | \$1,029.11 |
| Metered Rate 8" | \$1,603.25 | \$1,646.54 |
| Metered Rate 10" | \$2,305.89 | \$2,368.15 |
| Usage Rate per 1,000 Gallons | \$5.45 * | \$5.60 * |
| * 5/8" Meter Residential Use Capped at 10,000 Gallons/Month | | |
| Navy (per 1,000 gallons) | \$3.97 | \$4.08 |
| Septage Hauler Rates per 1,000 Gallons | | |
| Holding Tank Waste | \$17.91 | \$18.39 |
| Septic Tank Waste | \$76.50 | \$78.57 |
| Portable Toilet Waste | \$96.41 | \$99.01 |
| Grease Trap Waste | \$151.58 | \$155.67 |

ST. MARY'S COUNTY METROPOLITAN COMMISSION
FY 2025 OPERATING BUDGET

Budget Message - Continued

| | FY 2024 Rates | FY 2025 Rates |
|---|----------------------|----------------------|
| Water | | |
| Non-Metered per EDU/Month | \$19.69 | \$20.10 |
| Metered Rate 5/8" | \$10.38 | \$10.60 |
| Metered Rate 1" | \$25.94 | \$26.48 |
| Metered Rate 1-1/2" | \$51.87 | \$52.96 |
| Metered Rate 2" | \$82.97 | \$84.71 |
| Metered Rate 3" | \$165.97 | \$169.46 |
| Metered Rate 4" | \$259.32 | \$264.77 |
| Metered Rate 6" | \$518.66 | \$529.55 |
| Metered Rate 8" | \$829.82 | \$847.25 |
| Metered Rate 10" | \$1,192.90 | \$1,217.95 |
| Water Usage Rate per 1,000 Gallons | | |
| Water Usage Rate - Tier 1 | \$1.86 | \$1.90 |
| Water Usage Rate - Tier 2 | \$3.73 | \$3.81 |
| Water Usage Rate - Tier 3 | \$7.46 | \$7.62 |
| Irrigation Usage Rate per 1,000 Gallons | | |
| Water Usage Rate - Tier 1 | \$3.73 | \$3.81 |
| Water Usage Rate - Tier 2 | \$7.46 | \$7.62 |
| Hydrant Meter Rate per 1,000 Gallons | \$3.73 | \$3.81 |

ST. MARY'S COUNTY METROPOLITAN COMMISSION

FY 2025 OPERATING BUDGET

Budget Message - Continued

EXPENSES:

In recent years, the Commission realized the direct fiscal impacts associated with unprecedented increase in costs resulting from escalation, inflation, and supply chain shortages. As a result, the FY 2025 operating expenses are \$450,059 more than the approved FY 2024 budget. Between FY 2016 - FY 2023 budget expense efficiency has increased from 85.3% to 100%.

Salaries:

Salaries (including contractual salaries, overtime and standby time) are the largest component of MetCom's operating budget, 43% of FY 2025 estimated expenses. The FY 2025 budget includes the incorporation of a 2% cost of living adjustment, provides a Merit Step Adjustment (2.7%), a 2.7% equivalent stipend for those at top-of-grade effective July 1, 2024, and an additional 2% cost of living adjustment effective January 1, 2025.

Other Salary Highlights:

- The budget continues to maintain the position authorizations for the Assistant Director and the Database Administrator, but these positions are again not budgeted in FY 2025.
- Three (3) new FTE's were approved in the FY 2025 budget, effective January 1, 2025; SCADA Technician, Fiscal Specialist, and Building Maintenance Laborer
- The paid Internship Program is fully funded in FY 2025.

ST. MARY'S COUNTY METROPOLITAN COMMISSION

FY 2025 OPERATING BUDGET

Budget Message - Continued

Sewer Department Expenses:

- Maintenance is budgeted at \$2,535,392, to provide sufficient funds for both preventative and operational maintenance and emergency repairs. Chemical expenditures alone are budgeted at \$1,036,560. The chemical market volatility has resulted in suppliers inability to hold contract pricing for more than a quarter period at a time.
- Power, budgeted at \$870,558, is the second largest Sewer Department expenses next to Chemicals. MetCom's recent capital project for energy efficiencies has made a marked savings to offset any rate increases.
- FY 2025 Budget includes one new FTE in building and grounds maintenance, which will allow for a reduction in contracted
- FY 2025 Budget is \$416,408 more than the Approved FY 2024 Sewer Department Budget.

Water Department Expenses:

- Water Maintenance budgeted at \$951,298, to provide sufficient funds for both preventative and operational maintenance and emergency repairs.
- Power is one of the Water Department largest expenses, budgeted at \$586,000.
- Increased water testing under the Unregulated Contaminant Monitoring Rule (UCMR 5) requires collection and testing of 30 chemical contaminants between 2023 and 2025.
- FY 2025 Budget is \$88,880 more than the Approved FY 2024 Water Department Budget.

Engineering Department Expenses:

- As has been the budgeting practice in prior years, Engineering costs in FY 2025 that are not completely covered by Engineering revenues are allocated 60% to the Sewer Department and 40% to the Water Department.
- The outsourced utility locating pilot program and GIS/GPS mapping has been in place for three years. The program has proved to be very successful and the FY 2025 budget includes funding for the rebid of the contracted service.
- FY 2025 Budget is \$292,602 more than the Approved FY 2024 Engineering Department Budget.

ST. MARY'S COUNTY METROPOLITAN COMMISSION

FY 2025 OPERATING BUDGET

Budget Message - Continued

General & Administrative Expenses:

- Hospitalization costs of \$1,835,268 includes a 2% increase in health insurance premiums.
- FY 2025 Budget includes the first year of participation in the Everside Healthcare Center option for all participating employees. This employee benefit is fully funded by MetCom in FY 2025.
- Due to successful recruiting, hiring and retention practices, a 2% vacancy rate was incorporated into the budget.
- The Other Post-Employment Benefit expense (OPEB) is being fully funded at \$140,000.
- Budget includes all employee benefits, insurances, Information Technology, legal services, bank fees, etc.
- General and Administrative Expenses are allocated to operations: 62.55% to Sewer, 27.30% to Water and 10.15% to
- FY 2025 Budget for General & Administrative Overhead Expenses is increasing by \$206,524.

CAPITAL EQUIPMENT AND EXPENDITURES:

- Priority items include five (5) utility body trucks, one (1) tool body truck.
- Includes a multi-year fencing project around Forest Farms, and one developer cost share agreement.
- New capital equipment and replacement capital equipment are budgeted at \$530,000

CONTINUING INITIATIVES:

- Revolving Loan Fund for new residential customer connections - \$25,000 maximum loan/5-year payback
- 50% Capital Contribution deferral for all new connections - 50% of balance due each year, not to exceed 3-years
- Special Benefit Assessment program (CIB) - allows for voluntary community water/sewer connections

DEBT POLICY PARAMETERS:

- Target annual customer bill as a percent (%) of median household income. Target: 1.5%
- Debt service coverage ratio. Target: 1.25 - 1.50
- Sufficient operating reserves. Target: 90-180 days of cash on hand (unrestricted reserves)
- Outstanding debt to operating / debt service revenues. Target: 5x or below

ST. MARY'S COUNTY METROPOLITAN COMMISSION
FY 2025 OPERATING BUDGET

In accordance with Chapter 113-27D of the Public Laws of St. Mary's County, Maryland, being part of Article 19 of the Code of Public Local Laws of the State of Maryland a Public Hearing was held on April 16, 2024 to discuss the recommended FY 2025 Operating Budget and proposed rates. The hearing was advertised in the Enterprise newspaper on March 29, April 5, and April 12, 2024, posted on social media, and notices provided to all customers.



Patricia M. Stiegman, Chief Financial Officer

**Approved by the
St. Mary's County Metropolitan Commission**



Gerald E. Meyerman, Chairman



Date Approved

**ST. MARY'S COUNTY METROPOLITAN COMMISSION
FY 2025 OPERATING BUDGET
SUMMARY**

| | FY 21 BUDGET | FY 21 ACTUALS | FY 22 BUDGET | FY 22 ACTUALS | FY 23 BUDGET | FY 23 ACTUALS | FY 24 BUDGET | FY 25 APPROVED BUDGET |
|---|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------------------|
| Sewer Income | \$ 9,771,496 | \$ 10,488,221 | \$ 9,966,926 | \$ 10,709,195 | \$ 12,096,838 | \$ 11,039,871 | \$ 12,346,156 | \$ 12,174,836 |
| Sewer Expenses | (10,429,611) | (10,568,854) | (10,835,887) | (10,572,197) | (12,685,266) | (11,736,520) | (13,395,235) | (13,778,506) |
| Water Income | \$5,405,388 | \$5,478,849 | \$5,526,998 | \$5,653,723 | \$6,359,473 | \$5,802,629 | \$6,518,380 | \$6,486,969 |
| Water Expenses | (4,884,855) | (4,819,321) | (5,088,036) | (4,665,035) | (5,991,045) | (5,175,918) | (6,197,361) | (6,264,149) |
| Engineering Income | \$245,100 | \$207,528 | \$245,100 | \$245,100 | \$245,100 | \$213,814 | \$245,100 | \$245,100 |
| Engineering Expense | (245,100) | (245,100) | (245,100) | (245,100) | (245,100) | (213,814) | (245,100) | (245,100) |
| Other Income/Misc Revenue | \$ 430,000 | \$ 236,154 | \$ 430,000 | \$ 246,795 | \$ 220,000 | \$ 1,257,731 | \$ 728,060 | \$ 1,380,850 |
| Total Income | \$ 15,851,984 | \$ 16,410,751 | \$ 16,169,024 | \$ 16,854,813 | \$ 18,921,411 | \$ 18,314,045 | \$ 19,837,696 | \$ 20,287,755 |
| Total Expense | (15,559,566) | (15,633,275) | (16,169,024) | (15,482,331) | (18,921,411) | (17,126,251) | (19,837,696) | (20,287,755) |
| One-Time Use of General Fund Reserves to establish Connection Incentive Revolving Loan Fund | | | | | | | | |
| Net Income From Service Charges | \$292,418 | \$777,476 | \$0 | \$1,372,482 | \$0 | \$1,187,794 | \$0 | \$0 |

**ST. MARY'S COUNTY METROPOLITAN COMMISSION
FY 2025 OPERATING BUDGET
SEWER DEPARTMENT**

| SEWER DEPARTMENT | FY 21 BUDGET | FY 21 ACTUALS | FY 22 BUDGET | FY 22 ACTUALS | FY 23 BUDGET | FY 23 ACTUALS | FY 24 BUDGET | FY 25 APPROVED BUDGET |
|--|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------------------|
| Operating Income | | | | | | | | |
| Service Charge - Metered | \$7,990,655 | \$8,597,554 | \$8,154,068 | \$8,692,065 | \$9,924,082 | \$9,115,107 | \$10,259,374 | \$10,076,837 |
| Service Charge - Non-Metered | 1,397,658 | 1,371,024 | 1,425,611 | 1,404,343 | 1,582,100 | 1,437,024 | 1,646,658 | 1,536,807 |
| Septage Haulers | 127,777 | 220,399 | 130,333 | 237,548 | 277,656 | 283,018 | 286,125 | 363,192 |
| ENR Grant | 180,000 | 180,000 | 180,000 | 211,784 | 180,000 | | | |
| Other Revenue | 75,406 | 119,245 | 76,914 | 163,455 | 133,000 | 204,722 | 154,000 | 198,000 |
| Total Operating Income | \$ 9,771,496 | \$ 10,488,221 | \$ 9,966,926 | \$ 10,709,195 | \$ 12,096,838 | \$ 11,039,871 | \$ 12,346,156 | \$ 12,174,836 |
| Operating Expenses | | | | | | | | |
| Salaries | \$ 2,956,820 | \$ 3,045,297 | \$ 3,080,610 | \$ 2,989,574 | \$ 3,335,345 | \$ 3,255,357 | \$ 3,639,958 | \$ 3,642,671 |
| Contractual Labor | 10,400 | 774,423 | 751,963 | 224,911 | 362,200 | 46,181 | 295,000 | 104,000 |
| Maintenance | 711,401 | 1,208 | 1,500 | 443,552 | 578,951 | 775,776 | 744,685 | 989,883 |
| Leonardtwn Plant | 145,000 | 148,751 | 150,450 | 146,582 | 150,000 | 161,722 | 150,000 | 165,000 |
| Power | 668,226 | 691,365 | 705,410 | 753,392 | 882,940 | 846,678 | 885,058 | 870,558 |
| Telephone/Dialers | 13,500 | 13,017 | 13,050 | 13,917 | 13,625 | 10,730 | 9,600 | 11,796 |
| Fuel (Diesel & Oil) | 85,931 | 83,397 | 78,500 | 120,997 | 192,339 | 131,590 | 225,962 | 203,748 |
| Lab & Soils Testing | 15,000 | 17,909 | 22,700 | 15,772 | 31,000 | 16,020 | 36,000 | 23,600 |
| Chemicals | 501,700 | 449,583 | 511,700 | 690,650 | 812,200 | 787,950 | 893,900 | 1,036,560 |
| Employee Related Expense | 76,160 | 34,538 | 84,903 | 45,818 | 75,334 | 57,848 | 77,413 | 79,621 |
| Materials & Supplies | 126,793 | 134,645 | 136,037 | 150,345 | 149,869 | 188,869 | 203,742 | 208,207 |
| Building Utilities | 41,043 | 37,965 | 50,572 | 26,305 | 37,060 | 26,911 | 34,400 | 32,400 |
| Miscellaneous | 4,975 | 2,683 | 4,975 | 5,627 | 5,475 | 3,852 | 1,725 | 1,725 |
| Vehicles | 77,649 | 80,061 | 72,525 | 200,678 | 234,683 | 257,134 | 238,449 | 238,949 |
| Sludge Removal Expense | 255,000 | 287,969 | 280,100 | 257,185 | 301,716 | 254,183 | 331,887 | 270,000 |
| Depreciation | 216,150 | 193,504 | 162,000 | 167,226 | 197,000 | 226,580 | 245,000 | 275,000 |
| SSO's & Penalties | 9,125 | - | 9,125 | 31,000 | 20,000 | 86,568 | 15,000 | |
| Allocation of OH | 3,750,331 | 3,847,342 | 3,732,665 | 3,445,954 | 4,376,278 | 3,848,605 | 4,420,890 | 4,535,798 |
| Allocation of Engineering | 764,407 | 725,198 | 951,103 | 842,710 | 893,252 | 753,963 | 913,429 | 1,088,990 |
| Total Operating Expenses | \$ 10,429,611 | \$ 10,568,854 | \$ 10,799,887 | \$ 10,572,197 | \$ 12,649,266 | \$ 11,736,520 | \$ 13,362,098 | \$ 13,778,506 |
| Net Direct Sewer Operating Income | \$ (658,115) | \$ (80,633) | \$ (832,961) | \$ 136,999 | \$ (552,428) | \$ (696,649) | \$ (1,015,942) | \$ (1,603,670) |

**ST. MARY'S COUNTY METROPOLITAN COMMISSION
FY 2025 OPERATING BUDGET
WATER DEPARTMENT**

| WATER DEPARTMENT | FY 21 BUDGET | FY 21 ACTUALS | FY 22 BUDGET | FY 22 ACTUALS | FY 23 BUDGET | FY 23 ACTUALS | FY 24 BUDGET | FY 25 APPROVED BUDGET |
|--|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------------------|
| Operating Income | | | | | | | | |
| Service Charge - Metered | \$5,007,147 | \$ 5,086,409 | \$5,120,793 | \$5,218,000 | \$5,947,341 | \$5,357,668 | \$6,093,510 | \$6,034,875 |
| Service Charge - Non-Metered | 182,767 | 152,002 | 186,422 | 151,383 | 167,583 | 151,158 | 173,321 | 159,594 |
| Water Tower Rental | 171,474 | 180,995 | 174,903 | 185,126 | 175,000 | 181,988 | 177,000 | 190,500 |
| Other Revenue - mostly turn on/offers | 44,000 | 59,443 | 44,880 | 99,215 | 69,550 | 111,815 | 74,550 | 102,000 |
| Total Operating Income | \$ 5,405,388 | \$ 5,478,849 | \$ 5,526,998 | \$ 5,653,723 | \$ 6,359,474 | \$ 5,802,629 | \$ 6,518,381 | \$ 6,486,969 |
| Operating Expenses | | | | | | | | |
| Salaries | \$ 1,128,288 | \$ 1,197,800 | \$ 1,191,011 | \$ 1,203,151 | \$ 1,350,107 | \$ 1,293,729 | \$ 1,440,182 | \$ 1,467,160 |
| Maintenance | 469,020 | 339,204 | 458,182 | 282,661 | 616,850 | 395,725 | 639,160 | 598,798 |
| Meter Installation (net) | 20,000 | 51,046 | 45,000 | 38,852 | 60,000 | 58,297 | 60,000 | 60,000 |
| Fire Hydrant ISO Inspection (50%) | 46,000 | 44,785 | 62,000 | 55,250 | 62,000 | 61,576 | 62,000 | 62,000 |
| Power | 507,416 | 487,463 | 507,416 | 494,425 | 625,093 | 584,945 | 625,093 | 586,000 |
| Fuel (Diesel & Oil) | 3,700 | 3,138 | 3,700 | 2,721 | 7,593 | 1,961 | 7,593 | 7,593 |
| Water Testing | 17,500 | 26,897 | 35,000 | 23,716 | 35,000 | 15,449 | 45,000 | 40,000 |
| Chemicals | 131,500 | 121,523 | 140,000 | 123,252 | 150,000 | 159,854 | 180,000 | 175,000 |
| Employee Related Expense | 28,265 | 11,036 | 32,822 | 20,021 | 34,405 | 23,793 | 31,655 | 34,625 |
| Materials & Supplies | 105,048 | 90,402 | 109,560 | 91,135 | 136,810 | 162,939 | 198,162 | 195,426 |
| Building Utilities | 27,150 | 31,277 | 35,608 | 21,884 | 29,333 | 18,645 | 29,333 | 25,026 |
| Miscellaneous | 3,375 | 738 | 3,375 | 306 | 3,375 | 647 | 3,375 | 3,375 |
| Vehicles | 31,650 | 53,313 | 37,077 | 79,215 | 108,259 | 91,061 | 103,000 | 115,500 |
| Depreciation | 157,650 | 150,901 | 89,000 | 117,098 | 153,000 | 165,545 | 165,000 | 188,000 |
| Contingencies | | | | | | | | |
| Recv'ry of Cost | | (39) | - | (602) | | | | |
| Allocation of OH | 1,697,589 | 1,726,371 | 1,679,117 | 1,550,142 | 1,999,719 | 1,639,110 | 1,976,763 | 1,979,653 |
| Allocation of Engineering | 509,604 | 483,465 | 634,068 | 561,807 | 595,501 | 502,642 | 608,953 | 725,993 |
| Total Operating Expenses | \$ 4,884,855 | \$ 4,819,321 | \$ 5,064,036 | \$ 4,665,035 | \$ 5,967,045 | \$ 5,175,918 | \$ 6,175,269 | \$ 6,264,149 |
| Net Direct Water Operating Income | \$ 520,533 | \$ 659,528 | \$ 462,962 | \$ 988,688 | \$ 392,429 | \$ 626,711 | \$ 343,112 | \$ 222,820 |

**ST. MARY'S COUNTY METROPOLITAN COMMISSION
FY 2025 OPERATING BUDGET
ENGINEERING DEPARTMENT**

| ENGINEERING DEPARTMENT | FY 21 BUDGET | FY 21 ACTUALS | FY 22 BUDGET | FY 22 ACTUALS | FY 23 BUDGET | FY 23 ACTUALS | FY 24 BUDGET | FY 25 APPROVED BUDGET |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------------------|
| Engineering Income | | | | | | | | |
| Review Fees | \$ 59,100 | \$ 44,253 | \$ 59,100 | \$ 32,440 | \$ 59,101 | \$ 63,660 | \$ 59,101 | \$ 59,101 |
| Inspection Fees | 143,300 | 136,805 | 143,300 | 85,685 | 143,300 | 125,365 | 143,300 | 143,300 |
| Admin & Other Fees | 42,700 | 26,470 | 42,700 | 23,690 | 42,699 | 24,789 | 42,699 | 42,699 |
| Total Engineering Income | \$ 245,100 | \$ 207,528 | \$ 245,100 | \$ 141,815 | \$ 245,100 | \$ 213,814 | \$ 245,100 | \$ 245,100 |
| Engineering Expenses | | | | | | | | |
| Salaries | \$ 1,017,959 | \$ 763,974 | \$ 1,048,033 | \$ 819,356 | \$ 1,148,598 | \$ 912,135 | \$ 1,222,875 | \$ 1,371,110 |
| Salaries- Locates | 93,877 | 124,121 | 64,871 | 66,289 | 52,706 | 29,141 | | |
| sub-total | \$ 1,111,836 | \$ 888,095 | \$ 1,112,904 | \$ 885,645 | \$ 1,201,304 | \$ 941,276 | \$ 1,222,875 | \$ 1,371,110 |
| Contractual Labor | \$ 13,200 | | | | | \$ 4,376 | | \$ 15,000 |
| Contractual Locates | | | | | | | | |
| Casual Labor | | | | | | 32,978 | | |
| Professional Service | 10,000 | 500 | | 101,965 | 155,000 | 104,474 | 215,000 | 180,000 |
| Vehicle Operation & Maintenance | 7,000 | 6,508 | 6,500 | 3,270 | 13,546 | 3,848 | 13,546 | 7,000 |
| Office Supplies & Expense | 8,450 | 7,181 | 7,850 | 6,604 | 8,400 | 9,416 | 11,400 | 8,400 |
| Building Utilities (power,cable,trash,fuel,cleaing) | 11,350 | 11,038 | 15,500 | 11,804 | 16,562 | 51,227 | 18,362 | 33,200 |
| Phone | 7,780 | 4,738 | 7,780 | 3,860 | 5,500 | 3,465 | 5,500 | 5,948 |
| Employee Related Expense(training,physicals) | 11,605 | 5,641 | 11,855 | 7,421 | 12,565 | 8,546 | 15,500 | 12,794 |
| Depreciation | 45,000 | 18,757 | 155,000 | 9,794 | 45,000 | 1,050 | 2,000 | 5,400 |
| Miss Utility Expense | 10,000 | 11,771 | 191,000 | | | | | |
| Miscellaneous Expense | 750 | | 750 | 430 | 1,000 | 606 | 1,000 | 1,000 |
| Rec'ry of Cost | (410,000) | (221,131) | (410,000) | (261,829) | (410,000) | (313,712) | (410,000) | (410,000) |
| Allocation of OH | 612,732 | 591,899 | 716,382 | 661,356 | 667,747 | 516,350 | 647,298 | 736,025 |
| Allocation to Inspections | (60,000) | (80,243) | (60,000) | (96,393) | (60,000) | (67,149) | (55,229) | |
| Inspection Salaries | 64,658 | 76,956 | | 98,939 | | 88,040 | | |
| Inspection Vehicle Charges(Fuel/Mileage) | 14,000 | 13,406 | 14,000 | 16,759 | 15,479 | 16,243 | 17,500 | 17,500 |
| Inspection - Supplies | 750 | 830 | 750 | 316 | 1,750 | 2,237 | 7,500 | 6,706 |
| Inspection Overhead | 60,000 | 80,243 | 60,000 | 96,393 | 60,000 | 67,149 | 55,229 | 70,000 |
| Inspection Total | \$ 139,408 | \$ 171,436 | \$ 74,750 | \$ 212,406 | \$ 77,229 | \$ 173,669 | \$ 80,229 | \$ 94,206 |
| Total Engineering Expenses | \$ 1,519,111 | \$ 1,416,191 | \$ 1,830,271 | \$ 1,546,332 | \$ 1,733,853 | \$ 1,470,420 | \$ 1,767,481 | \$ 2,060,083 |
| Allocation to Sewer (60%) | (764,407) | (725,198) | (951,103) | (842,710) | (893,252) | (753,963) | (913,429) | (1,088,990) |
| Allocation to Water (40%) | (509,604) | (483,465) | (634,068) | (561,807) | (595,501) | (502,642) | (608,953) | (725,993) |
| Income From Engineering | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

**ST. MARY'S COUNTY METROPOLITAN COMMISSION
FY 2025 OPERATING BUDGET
GENERAL & ADMINISTRATIVE EXPENSES**

| ADMINISTRATIVE DEPARTMENT | FY 21 BUDGET | FY 21 ACTUALS | FY 22 BUDGET | FY 22 ACTUALS | FY 23 BUDGET | FY 23 ACTUALS | FY 24 BUDGET | FY 25 APPROVED BUDGET | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------------------|---------------------|
| Administrative Salaries | \$ 1,510,135 | \$ 1,544,416 | \$ 1,567,157 | \$ 1,544,772 | \$ 1,660,108 | \$ 1,776,696 | \$ 1,857,167 | \$ 2,023,654 | |
| Contractual Labor | 26,400 | 310 | | 3,407 | | 11,557 | | 25,000 | |
| Commissioner Stipend | 14,500 | 14,167 | 14,500 | 14,500 | 14,500 | 14,500 | 14,500 | 14,500 | |
| Casual Labor | 10,000 | | 5,000 | | 5,000 | - | - | - | |
| Payroll Taxes | 518,586 | 510,561 | 486,561 | 501,625 | 475,000 | 556,855 | 561,156 | 599,044 | |
| Hospitalization | 1,787,281 | 1,187,528 | 1,736,401 | 1,275,597 | 1,917,454 | 1,177,935 | 1,750,000 | 1,835,268 | |
| OPEB | 249,000 | 1,143,262 | 246,000 | 246,000 | 263,000 | 411,318 | 128,000 | 140,000 | |
| Maryland State Pension Plan | 627,375 | 629,595 | 677,582 | 658,862 | 678,000 | 679,257 | 825,187 | 940,208 | |
| Pension Loan | 113,092 | 113,092 | 113,092 | 113,092 | 113,092 | 113,092 | 113,092 | 113,092 | |
| Long Term Disability& Life Insurance | 26,000 | 25,614 | 25,100 | 25,685 | 25,100 | 27,298 | 26,000 | 31,300 | |
| Tuition Reimbursement/Beneficial Suggestions | 24,000 | 2,997 | 6,000 | 3,257 | 6,700 | 3,128 | 6,000 | 8,000 | |
| Vehicle Operation | 3,900 | 3,305 | 3,800 | 1,926 | 5,122 | 2,339 | 3,000 | 2,400 | |
| Office Supplies & Printing | 84,250 | 64,234 | 91,060 | 82,661 | 98,975 | 99,706 | 105,400 | 119,000 | |
| Postage Expense | 95,000 | 88,872 | 95,000 | 75,202 | 95,000 | 103,385 | 105,000 | 112,000 | |
| Insurance | 310,206 | 287,890 | 293,641 | 407,152 | 335,700 | 320,850 | 370,000 | 397,000 | |
| Accounting & Audit | 17,420 | 17,420 | 17,900 | 14,853 | 18,299 | 15,300 | 19,000 | 19,231 | |
| Computer & IT Services | 143,187 | 112,055 | 120,000 | 168,721 | 140,000 | 150,892 | 160,000 | 190,000 | |
| Legal Services | 143,200 | 76,420 | 143,200 | 96,994 | 143,200 | 88,576 | 131,200 | 131,200 | |
| Misc.Consultants | 7,500 | 3,228 | 92,000 | 80,973 | 37,000 | 10,639 | 37,000 | 37,000 | |
| Building Utilities(power,cable,trash,fuel,cleaing) | 37,520 | 33,621 | 38,620 | 30,861 | 42,176 | 52,561 | 49,700 | 45,200 | |
| Phone & FAX | 73,000 | 53,284 | 65,000 | 49,583 | 67,000 | 51,125 | 62,000 | 60,000 | |
| Employee Related Expense(training,physicals, uniform | 35,850 | 7,374 | 37,800 | 13,026 | 53,800 | 22,480 | 57,550 | 33,350 | |
| Advertising for Staff/Recruiting | 6,000 | 3,402 | 8,000 | 8,935 | 10,000 | 7,787 | 10,000 | 8,000 | |
| Advertising - Other | 3,000 | 3,888 | 3,000 | 1,707 | 3,000 | 1,708 | 5,000 | 3,000 | |
| Admin. Bond Expense | 2,000 | 2,844 | 2,000 | 6,000 | 3,000 | 1,500 | - | - | |
| Bank Fees/On-Line Bill Payment Fees | 130,000 | 171,740 | 170,000 | 180,335 | 175,000 | 208,183 | 185,000 | 75,000 | |
| Miscellaneous Expense | 10,750 | 8,146 | 10,750 | 14,613 | 10,750 | 32,830 | 5,000 | 25,650 | |
| Dues & Subscriptions | 10,000 | 11,308 | 10,000 | 9,922 | 13,000 | 10,396 | 14,000 | 14,000 | |
| Depreciation | 59,500 | 45,039 | 67,000 | 27,191 | 55,000 | 52,171 | 55,000 | 66,500 | |
| Recv'ry of Cost (Grants & Projects) | (18,000) | | (18,000) | | (18,000) | | - | - | |
| Board Emergency Reserve | | | | | 597,767 | | 390,000 | 182,879 | |
| Total G & A Expenses | \$ 6,060,652 | \$ 6,165,612 | \$ 6,128,164 | \$ 5,657,453 | \$ 7,043,743 | \$ 6,004,064 | \$ 7,044,952 | \$ 7,251,476 | |
| FY 2025 Allocation | | | | | | | | | |
| To Sewer | 62.55% | \$ 3,750,331 | \$ 3,847,342 | \$ 3,732,665 | \$ 3,445,954 | \$ 4,376,278 | \$ 3,848,605 | \$ 4,420,890 | \$ 4,535,798 |
| To Water | 27.30% | 1,697,589 | 1,726,371 | 1,679,117 | 1,550,142 | 1,999,719 | 1,639,110 | 1,976,763 | 1,979,653 |
| To Engineering | 10.15% | 612,732 | 591,899 | 716,382 | 661,356 | 667,747 | 516,350 | 647,298 | 736,025 |
| | | \$ 6,060,652 | \$ 6,165,612 | \$ 6,128,164 | \$ 5,657,453 | \$ 7,043,743 | \$ 6,004,064 | \$ 7,044,952 | \$ 7,251,476 |

**ST. MARY'S COUNTY METROPOLITAN COMMISSION
FY 2025 OPERATING BUDGET
OTHER INCOME & EXPENSES**

| | FY 21 BUDGET | FY 21 ACTUALS | FY 22 BUDGET | FY 22 ACTUALS | FY 23 BUDGET | FY 23 ACTUALS | FY 24 BUDGET | FY 25 APPROVED BUDGET |
|---|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------------------|
| OTHER INCOME AND EXPENSE : | | | | | | | | |
| Interest Income | \$ 290,000 | \$ 135,401 | \$ 305,000 | \$ 74,762 | \$ 100,000 | \$ 1,101,441 | \$ 550,000 | \$ 1,200,000 |
| Late Charge Income | 100,000 | 57,940 | 100,000 | 121,913 | 120,000 | 131,596 | 155,000 | 155,000 |
| Miscellaneous | 40,000 | 42,813 | 25,000 | 50,120 | 0 | 21,995 | 23,060 | 25,850 |
| Total Other Income and Expense | \$ 430,000 | \$ 236,154 | \$ 430,000 | \$ 246,795 | \$ 220,000 | \$ 1,255,031 | \$ 728,060 | \$ 1,380,850 |
| NET INCOME FROM SERVICE CHARGES | \$ 292,418 | \$ (133,846) | \$ 60,000 | \$ 1,372,482 | \$ 60,000 | \$ 1,185,093 | \$ 55,230 | \$ 0 |
| Total Revenue | \$ 15,851,984 | \$ 16,410,751 | \$ 16,169,024 | \$ 16,751,528 | \$ 18,921,411 | \$ 18,314,045 | \$ 19,837,696 | \$ 20,287,755 |
| Total Expenses | \$ 15,619,566 | \$ 15,633,275 | \$ 16,169,024 | \$ 15,475,295 | \$ 18,921,411 | \$ 17,126,967 | \$ 19,837,696 | \$ 20,287,755 |
| Net Income From Service Charges | \$ 232,418 | \$ 777,476 | \$ 0 | \$ 1,276,233 | \$ 0 | \$ 1,187,078 | \$ 0 | \$ 0 |
| Use of Unrestricted Reserves for Revolving Loan Fund | | | | | | | | |
| Net Impact to Unrestricted Reserves | | | | | | | | |

**ST. MARY'S COUNTY METROPOLITAN COMMISSION
CAPITAL EQUIPMENT & EXPENDITURES
FY 2025 OPERATING BUDGET**

| Project Description | FY 2025 Approved | FY 2026 Draft | FY 2027 Draft |
|---|-----------------------------|--------------------------|--------------------------|
| <u>Water (555)</u> | | | |
| Replacement for Truck 605 (4wd w/ snow plow) | 65,000 | | |
| Replacement for Truck 586 (3/4 ton) | 65,000 | | |
| Replacement for Truck 614 (3/4 ton) | | 65,000 | |
| Sub-total Water | 130,000 | 65,000 | 0 |
| <u>Wastewater (504)</u> | | | |
| Replacement for Truck 604 (4wd w/ utility body) | 65,000 | | |
| Replacement for Truck 611 (4wd w/ utility body) | 65,000 | | |
| Replacement for Truck 584 (3/4 ton) | | | 65,000 |
| Sub-total Wastewater Collections | 130,000 | 0 | 65,000 |
| <u>Maintenance (502)</u> | | | |
| Replacement for Truck 630 (3/4 ton) | | | 65,000 |
| Sub-total Maintenance | 0 | 0 | 65,000 |
| <u>Marlay-Taylor (516)</u> | | | |
| Replacement for Truck 593 (4wd 1/2 ton) | | | 65,000 |
| Replacement for Truck 570 (4wd 1/2 ton) | | | 65,000 |
| Sub-total Marlay-Taylor | 0 | 0 | 130,000 |
| <u>Other Treatment Plants (517)(518)</u> | | | |
| SCS Replacement for Truck 610 (4wd w/ snow plow) | | 65,000 | |
| Forest Farms Security Fencing (Phased in over 5-y | 40,000 | 40,000 | 40,000 |
| Sub-total Other Treatment Plants | 40,000 | 105,000 | 40,000 |

**ST. MARY'S COUNTY METROPOLITAN COMMISSION
CAPITAL EQUIPMENT & EXPENDITURES
FY 2025 OPERATING BUDGET**

| | | | |
|--|----------------|----------------|----------------|
| <u>Laboratory</u> | | | |
| Deionized Water System (model discontinued, difficult to find parts) * | | | |
| Sub-total Laboratory | 0 | 0 | 0 |
| <u>Construction (501)(551)</u> | | | |
| Replacement for truck 606 (1-ton Utility body 4wd) | 65,000 | | |
| Replacement for Tool Body, Utility Truck 567 | 115,000 | | |
| Replace Box Van 600 (2-ton 2wd) | | 80,000 | |
| Sub-total Construction | 180,000 | 80,000 | 0 |
| <u>Engineering (578)</u> | | | |
| Developer Cost Share Agreements | 50,000 | 50,000 | 50,000 |
| Large Format Scanner/Plotter | | | 30,000 |
| Sub-total Engineering | 50,000 | 50,000 | 80,000 |
| <u>SCADA (phased upgrades for wastewater)</u> | | | |
| SCADA Upgrade at MTWTF | | 36,167 | |
| Sub-total SCADA | 0 | 0 | 0 |
| TOTAL | 530,000 | 300,000 | 380,000 |

Prior Approved: FY18-\$561,460 FY19-\$608,719 FY20-\$434,074
FY21-\$478,300 FY22-\$450,000 FY23-\$665,000 FY24-\$615,600

**ST. MARY'S COUNTY METROPOLITAN COMMISSION
FY 2025 APPROVED PAYSCALE (Effective Date 07/01/2024)**

07/01/24 COLA 2.00%

| Grade/Step | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
|------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 104 | 36,433 | 37,470 | 38,540 | 39,637 | 40,766 | 41,926 | 43,123 | 44,351 | 45,614 | 46,913 | 48,249 | 49,623 | 51,037 | 52,492 | 53,987 | 55,525 |
| 105 | 39,166 | 40,282 | 41,430 | 42,610 | 43,825 | 45,072 | 46,355 | 47,676 | 49,034 | 50,432 | 51,868 | 53,347 | 54,867 | 56,429 | 58,035 | 59,689 |
| 106 | 42,104 | 43,304 | 44,537 | 45,806 | 47,110 | 48,453 | 49,832 | 51,252 | 52,712 | 54,214 | 55,757 | 57,346 | 58,981 | 60,660 | 62,388 | 64,166 |
| 107 | 45,262 | 46,552 | 47,876 | 49,242 | 50,643 | 52,086 | 53,570 | 55,097 | 56,665 | 58,282 | 59,940 | 61,650 | 63,404 | 65,209 | 67,068 | 68,980 |
| 108 | 48,656 | 50,043 | 51,468 | 52,934 | 54,441 | 55,991 | 57,588 | 59,228 | 60,915 | 62,651 | 64,435 | 66,271 | 68,159 | 70,100 | 72,097 | 74,152 |
| 109 | 52,306 | 53,796 | 55,328 | 56,903 | 58,526 | 60,192 | 61,908 | 63,670 | 65,484 | 67,350 | 69,268 | 71,241 | 73,272 | 75,359 | 77,505 | 79,715 |
| 110 | 56,228 | 57,831 | 59,478 | 61,170 | 62,913 | 64,706 | 66,550 | 68,446 | 70,395 | 72,401 | 74,463 | 76,585 | 78,765 | 81,010 | 83,318 | 85,691 |
| 111 | 60,445 | 62,168 | 63,938 | 65,760 | 67,634 | 69,560 | 71,541 | 73,579 | 75,675 | 77,830 | 80,048 | 82,330 | 84,674 | 87,086 | 89,567 | 92,118 |
| 112 | 64,979 | 66,831 | 68,734 | 70,692 | 72,707 | 74,776 | 76,907 | 79,097 | 81,350 | 83,669 | 86,052 | 88,502 | 91,024 | 93,618 | 96,284 | 99,028 |
| 113 | 69,852 | 71,842 | 73,889 | 75,995 | 78,159 | 80,384 | 82,676 | 85,030 | 87,451 | 89,944 | 92,507 | 95,142 | 97,852 | 100,640 | 103,505 | 106,455 |
| 114 | 75,091 | 77,229 | 79,430 | 81,693 | 84,021 | 86,414 | 88,876 | 91,407 | 94,010 | 96,689 | 99,444 | 102,276 | 105,191 | 108,186 | 111,268 | 114,440 |
| 115 | 80,723 | 83,023 | 85,387 | 87,820 | 90,320 | 92,896 | 95,541 | 98,264 | 101,061 | 103,941 | 106,902 | 109,946 | 113,079 | 116,301 | 119,614 | 123,022 |
| 116 | 86,777 | 89,250 | 91,790 | 94,406 | 97,096 | 99,862 | 102,708 | 105,632 | 108,641 | 111,735 | 114,920 | 118,193 | 121,559 | 125,023 | 128,583 | 132,248 |
| 117 | 93,284 | 95,943 | 98,675 | 101,487 | 104,378 | 107,351 | 110,409 | 113,554 | 116,790 | 120,117 | 123,538 | 127,058 | 130,677 | 134,400 | 138,228 | 142,167 |
| 118 | 100,282 | 103,138 | 106,077 | 109,099 | 112,206 | 115,403 | 118,691 | 122,072 | 125,548 | 129,125 | 132,805 | 136,587 | 140,477 | 144,481 | 148,596 | 152,830 |
| 119 | 107,802 | 110,873 | 114,032 | 117,280 | 120,621 | 124,059 | 127,592 | 131,227 | 134,963 | 138,810 | 142,763 | 146,831 | 151,013 | 155,315 | 159,742 | 164,291 |
| 120 | 115,888 | 119,189 | 122,585 | 126,078 | 129,668 | 133,362 | 137,161 | 141,070 | 145,087 | 149,220 | 153,473 | 157,843 | 162,339 | 166,965 | 171,721 | 176,614 |
| 121 | 124,579 | 128,128 | 131,779 | 135,532 | 139,393 | 143,365 | 147,448 | 151,650 | 155,970 | 160,411 | 164,982 | 169,682 | 174,516 | 179,486 | 184,600 | 189,859 |
| 122 | 133,923 | 137,738 | 141,662 | 145,697 | 149,848 | 154,118 | 158,506 | 163,022 | 167,667 | 172,443 | 177,355 | 182,408 | 187,602 | 192,948 | 198,445 | 204,099 |
| 123 | 143,968 | 148,069 | 152,287 | 156,625 | 161,086 | 165,676 | 170,396 | 175,250 | 180,242 | 185,376 | 190,658 | 196,090 | 201,674 | 207,419 | 213,328 | 219,407 |
| 124 | 154,764 | 159,175 | 163,708 | 168,370 | 173,168 | 178,101 | 183,174 | 188,393 | 193,760 | 199,279 | 204,956 | 210,795 | 216,799 | 222,976 | 229,328 | 235,862 |
| 125 | 166,372 | 171,111 | 175,985 | 181,001 | 186,156 | 191,459 | 196,915 | 202,521 | 208,292 | 214,225 | 220,329 | 226,605 | 233,060 | 239,698 | 246,527 | 253,551 |

NOTE: Additional 2% COLA effective 01/01/2025 is not reflected in the above payscale