

**ST. MARY'S COUNTY
METROPOLITAN COMMISSION
CAPITAL IMPROVEMENT BUDGET & PLAN**



FY 2023-FY 2028

FY 2023 – FY 2028 CIB BUDGET MESSAGE

MetCom continues to identify economies within the Capital Improvement Budget (CIB) in an effort to further reduce MetCom's outstanding / proposed future debt, maintain reasonable charges to its customers and reflect the current priorities in water and sewer infrastructure needs. We will continue to construct, operate and maintain public water supply and public wastewater conveyance and treatment systems in a manner that is sustainable, reliable, economical and safe for the Commission's employees, the environment, and the citizens of St. Mary's County.

During the FY 2023 budget process, limited changes were made to the Capital Improvement Budget (CIB) with respect to project timing. More realistic scheduling, updated estimates, progress on the backlog of existing projects, and the further lowering of MetCom's outstanding and proposed future debt has resulted in both sustainable and workable plans. A new recurring project was added in both Sewer and Water in support of state required emergency generators and transfer switch replacement. The Inflow & Infiltration project has been given priority budgeting to: replace, rehabilitate and reline sanitary sewers; perform interceptor cleaning; and remove obstructions in an effort to help prevent/minimize the recurrence of sanitary sewer overflows. In conjunction with the County Highways project for infrastructure improvements in the Southampton Subdivision, the MetCom budget includes construction funding for the first phase of replacement and rehabilitation of sewer and water infrastructure in the subdivision. The FY 2023 budget also includes Phase 1 construction funding for the replacement the aging water system in Breton Bay, which serves approximately 200 customers. The CIB will continue to fund various water and sewer rehabilitation projects in FY 2023 and through the planning period between FY 2024 and FY 2028. The new customer connection incentive program continues to be funded and provides an optional 50% deferral of sewer capital contribution charges for new residential development. Reasonable Equivalent Dwelling Unit (EDU) projections have been maintained which reflect customer growth rates of between 2-2.7% per year, with no proposed change to the Capital Contribution and Sewer System Improvement Charges. Water System Improvement Charges incorporate a reasonable rate of increase to our customers, which are no longer subsidized by the Commission.

The proposed FY 2023 CIB funding request is less than the prior FY 2022 projection by \$1,435,849 for Sewer Projects and reflects an increase of \$2,066,655 for Water Projects, as approved by both the Commissioners of St. Mary's County and the Metropolitan Commission Board in accordance with Section 113-30 of the *Code of St. Mary's County*. The maintenance of existing infrastructure remains the primary focus of the Commission thru FY 2028, with 97% of the funding dedicated to rehabilitation / replacement projects and 3% to expansions / upgrades.

The Metropolitan Commission adopted a Debt Policy with several Key Performance Measures (*Service Affordability, Sufficient Operational Reserves, Debt Service Coverage Ratio, and Outstanding Debt vs Operating / Debt Service Revenues*). The Commission achieved all of our measures, which demonstrates that MetCom is in strong overall financial condition, as evidenced by comparative, national medians and industry best practices. In addition, MetCom is able to carry out the planned five (5) year Capital Improvement Budget/Plan within the recently legislated (HB 862 Ch.510) debt calculation of 1.26% of the Assessed Value Real Property Base of St. Mary's County, Maryland.

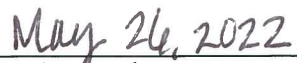
We are striving to become stronger leaders in the protection of the environment and to ensure that safety is built into our daily operations, and executed in the development of new programs. We will strive to become a more responsive, efficient organization by exploring, identifying and implementing best practices and processes that are innovative and "open" to next century technologies as they are developed.

In accordance with Chapter 113-27D and 30A of the Public Laws of St. Mary's County, Maryland being part of Article 19 of the Code of Public Laws of the State of Maryland, a Public Hearing was held on April 19, 2022 to discuss the recommended FY 23 Capital Improvement Budget, the FY 2024-2028 Plan and proposed charges. The hearing was advertised in The Enterprise on April 8, and April 15, 2022.


Patricia M. Stiegman, Chief Financial Officer

Approved by the St. Mary's County Metropolitan Commission


Joseph I. Russell, Chairperson


Date Approved

St. Mary's County Metropolitan Commission
 Capital Improvements Budget
 FY 2023 - 2028 Water

With Escalation i=2.5%

Project Name	Status	Project ID	Prior Approved	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2023 - 2028 TOTAL
Water Lines										
Various Water and Service Line Rehabilitation	1	WO2302		\$937,860 ^A		\$95,204 ^B		\$100,024 ^B		\$1,133,088
MD 235 Water Main-Southampton to Hermanville Rd	2	8210WL	\$92,973	\$1,220,998						\$1,220,998
Southampton Water System Rehabilitation	2	8201WL	\$280,617	\$1,877,421		\$1,679,001				\$3,556,422
Hollywood Water Systems Connector & Phase 2 Replacement	1	8141WM	\$156,624		\$1,450,097 ^C					\$1,450,097
MD247 Loveville Road Water Main Replacement	1	3231WL		\$113,141	\$1,043,724					\$1,156,865
Breton Bay Water System Replacement	2	2201WL	\$408,527	\$4,703,417		\$208,431		\$2,737,289		\$7,649,137
Town Creek Water System Phase 1 - 5	2	8081WR 8161WL	\$6,187,242		\$260,931 ^D		\$2,543,744 ^D		\$3,471,880 ^E	\$6,276,555
FY 2023 CIB (FY23-FY28) Water Lines =			\$7,125,983	\$8,852,837	\$2,754,752	\$1,982,636	\$2,543,744	\$2,837,313	\$3,471,880	\$22,443,162
Approved FY 2022 CIB (FY22-FY27)				\$7,982,837	\$3,466,610	\$1,958,753	\$3,155,572	\$2,812,221		\$19,375,993
Change to Program from FY2022 CIB				\$870,000	-\$711,858	\$23,883	-\$611,828	\$25,092		-\$404,711

Status:

- 1 Planning Phase
- 2 Design Phase
- 3 Contract Phase
- 4 Construction Phase
- 5 Close-out Phase

Property Acquisition (to be initiated after Planning)

- A - Added ARPA & Metcom funds (\$720K total) for Mechanicsville & Wicomico Shores saddles
- B - Added \$25K for miscellaneous paving
- C - Reduced scope due to developer construction
- D - Changed construction phasing to 1-2-5-4-3 and moved funds accordingly
- E - Moved Construction phase 4 and design phase 3 into FY28 from out years

St. Mary's County Metropolitan Commission
 Capital Improvements Budget
 FY 2023 - 2028 Water

With Escalation i=2.5%

Project Name	Status	Project ID	Prior Approved	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2023 - 2028 TOTAL
Wells										
Charlotte Hall Well #1	1	0231WW		\$851,006						\$851,006
Well Rehabilitation, Replacement, Installation and Inspections	1	WO2301	\$55,000	\$283,669	\$59,229	\$298,029	\$62,227	\$313,117	\$65,378	\$1,081,649
	1									
FY 2023 CIB (FY23-FY28) Wells =			\$55,000	\$1,134,675	\$59,229	\$298,029	\$62,227	\$313,117	\$65,378	\$1,932,655

Approved FY 2022 CIB (FY22-FY27)	\$1,134,675	\$59,229	\$298,029	\$62,227	\$313,117		\$1,867,277
Change to Program from FY2022 CIB	\$0	\$0	\$0	\$0	\$0		\$0

Water Storage Tanks (WST)										
St. Clements Shores Water Storage Tank	1	2191WT	\$249,075				\$2,526,968			\$2,526,968
Water Tank Inspections, Painting and Replacement/Upgrades	4	WO2317	\$689,315	\$164,766 ^A	\$724,212	\$106,918	\$760,875	\$112,331	\$799,394	\$2,668,496
Greenbrier Water Storage Tank	2	8161WT	\$435,469	\$880,047 ^B						\$880,047
FY 2023 CIB (FY23-FY28) Water Storage Tanks (WST) =			\$1,373,859	\$1,044,813	\$724,212	\$106,918	\$3,287,843	\$112,331	\$799,394	\$6,075,511

Approved FY 2022 CIB (FY22-FY27)	\$101,766	\$724,212	\$106,918	\$3,287,843	\$112,331		\$4,333,070
Change to Program from FY2022 CIB	\$943,047	\$0	\$0	\$0	\$0		\$943,047

Status:

- 1 Planning Phase
- 2 Design Phase
- 3 Contract Phase
- 4 Construction Phase
- 5 Close-out Phase

Property Acquisition (to be initiated after Planning)

A - Added \$60K in ARPA funds for Water Quality Monitoring Devices

B - FY23 Funding moved out from FY20, funds transferred to Clarifier Replacement, and increased by \$286K

St. Mary's County Metropolitan Commission
 Capital Improvements Budget
 FY 2023 - 2028 Water

With Escalation i=2.5%

Project Name	Status	Project ID	Prior Approved	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2023 - 2028 TOTAL
Miscellaneous										
Generator Replacement-Water	A	WO2303		\$120,000 ^A	\$120,000 ^A	\$120,000 ^A	\$120,000 ^A	\$120,000 ^A	\$120,000	\$720,000
FY 2023 CIB (FY23-FY28) Miscellaneous =			\$0	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$720,000

Approved FY 2022 CIB (FY22-FY27)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change to Program from FY2022 CIB	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$720,000

Totals										
Water Lines			\$7,125,983	\$8,852,837	\$2,754,752	\$1,982,636	\$2,543,744	\$2,837,313	\$3,471,880	\$22,443,162
Wells			\$55,000	\$1,134,675	\$59,229	\$298,029	\$62,227	\$313,117	\$65,378	\$1,932,655
Water Storage Tanks (WST)			\$1,373,859	\$1,044,813	\$724,212	\$106,918	\$3,287,843	\$112,331	\$799,394	\$6,075,511
Miscellaneous			\$0	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$720,000
Subtotal			\$8,554,842	\$11,152,325	\$3,658,193	\$2,507,583	\$6,013,814	\$3,382,761	\$4,456,652	\$31,171,328
Capital Reserves		7.5%	\$642,000	\$836,000	\$274,000	\$188,000	\$451,000	\$254,000	\$334,000	\$2,337,000
FY 2023 CIB (FY23-FY28) Totals =			\$9,196,842	\$11,988,325	\$3,932,193	\$2,695,583	\$6,464,814	\$3,636,761	\$4,790,652	\$33,508,328

Approved FY 2022 CIB (FY22-FY27)	\$9,910,278	\$4,569,051	\$2,540,700	\$6,993,642	\$3,480,669	\$27,494,340
Change to Program from FY2022 CIB	\$2,078,047	-\$636,858	\$154,883	-\$528,828	\$156,092	\$1,223,336

Status: A - New Project.

1 Planning Phase
 2 Design Phase
 3 Contract Phase
 4 Construction Phase
 5 Close-out Phase
Property Acquisition (to be initiated after Planning)

St. Mary's County Metropolitan Commission
 Capital Improvements Budget
 FY 2023 - 2028 Sewer

With Escalation i=2.5%

Project Name	Status	Project ID	Prior Approved	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2023 - 2028 TOTAL
Rehabilitation / Replacement										
Various Rehabilitation at MTWRF	2	SM2312	\$1,263,937	\$120,822	\$123,842 ^B		\$29,699			\$274,363
Piney Point Road Sewer Line Analysis and Force Main Replacement	2	5171MS	\$505,664		\$1,159,693	\$4,446,041				\$5,605,734
Southampton Sewer System Rehabilitation	2	8201SR	\$73,570	\$909,192		\$2,017,112				\$2,926,304
Inflow & Infiltration Sewer Replacement, Rehabilitation and Upgrade	4	SM2306	\$242,880	\$348,820 ^C	\$355,200 ^C	\$361,580 ^C	\$367,960 ^C	\$399,636 ^C	\$409,627	\$2,242,823
Manhole Rehabilitation	4	SM2305	\$104,880	\$107,445	\$110,200	\$112,955	\$115,748	\$118,642	\$121,608	\$686,598
Various Wastewater System Rehabilitation	4	SM2310	\$89,335	\$191,545	\$93,840	\$196,135	\$98,574	\$219,907	\$103,564	\$903,565
Glenn Forest to NAS Interceptor	1							\$829,282		\$829,282
Generator Replacement-Sewer	^A 1	SM2303		\$120,000 ^A	\$120,000 ^A	\$120,000 ^A	\$120,000 ^A	\$120,000 ^A	\$120,000	\$720,000
FY 2023 CIB (FY23-FY28) Rehabilitation / Replacement =			\$2,280,266	\$1,797,824	\$1,962,775	\$7,253,823	\$731,981	\$1,687,467	\$754,799	\$14,188,669
Approved FY 2022 CIB (FY22-FY27)				\$1,577,824	\$1,618,933	\$7,033,823	\$511,981	\$1,442,581		\$12,185,142
Change to Program from FY2022 CIB				\$220,000	\$343,842	\$220,000	\$220,000	\$244,886		\$1,248,728

Status:

- 1 Planning Phase
- 2 Design Phase
- 3 Contract Phase
- 4 Construction Phase
- 5 Close-out Phase

Property Acquisition (to be initiated after Planning)

A - New Project

B - Added Low DO treatment feasibility study to FY23 (no change), moved Sludge Study from FY23 to FY24.

C - Added \$100K annually for Contract Services to provide a more proactive program.

St. Mary's County Metropolitan Commission
 Capital Improvements Budget
 FY 2023 - 2028 Sewer

With Escalation i=2.5%

Project Name	Status	Project ID	Prior Approved	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2023 - 2028 TOTAL
Pump Stations										
Bradley Boulevard WWPS	1	8211SS	\$38,439			\$339,397				\$339,397
Forest Run WWPS	1	8131SS	\$326,291	\$0 ^A	\$787,969 ^A	\$1,306,202 ^A	\$1,338,857 ^A			\$3,433,028
Greenbrier WWPS	2					\$45,521	\$373,270			\$418,791
Wicomico Shores #2 WWPS Replacement	1				\$391,519 ^B					\$391,519
Wicomico Shores #1 WWPS Replacement	1	1221SS	\$46,498		\$390,812					\$390,812
Hunting Quarters WWPS	1					\$385,216 ^C				\$385,216
Broad Creek WWPS	1							\$113,141		\$113,141
FY 2023 CIB (FY23-FY28) Pump Stations =			\$411,228	\$0	\$1,570,300	\$2,076,336	\$1,712,127	\$113,141	\$0	\$5,471,904

Approved FY 2022 CIB (FY22-FY27)	\$1,662,205	\$2,464,811	\$727,332	\$373,270	\$113,141			\$1,971,849
Change to Program from FY2022 CIB	-\$1,662,205	-\$894,511	\$1,349,004	\$1,338,857	\$0			\$131,145

Status:

- 1 Planning Phase
- 2 Design Phase
- 3 Contract Phase
- 4 Construction Phase
- 5 Close-out Phase

Property Acquisition (to be initiated after Planning)

- A - Moved funding out 1 year. Separated SPS for FY24 and FM in FY25 & FY26
- B - Moved \$30k for Design from FY23 to FY24
- C - Moved Design funding from FY24 to FY25

St. Mary's County Metropolitan Commission
 Capital Improvements Budget
 FY 2023 - 2028 Sewer

With Escalation i=2.5%

Project Name	Status	Project ID	Prior Approved	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2023 - 2028 TOTAL
System Upgrades / Expansion										
St. Clements Shores WWTP Expansion Phase B	2	2151SF	\$10,260,643	\$250,000 ^A						\$250,000
Methane Co-Generator Upgrade at Marlay-Taylor WWTP	2	8171SF	\$446,379		\$93,935 ^B			\$0 ^C	\$582,374 ^C	\$676,309
Sewer Vacuum Truck	1				\$581,521					\$581,521
Grinder Pump Replacements	4	SM2309		\$782,000 ^D	\$782,000 ^D	\$782,000 ^D	\$782,000 ^D	\$782,000 ^D	\$782,000	\$4,692,000
Marlay-Taylor Expansion	1							\$315,000 ^E	\$2,730,000 ^F	\$3,045,000
FY 2023 CIB (FY23-FY28) System Upgrades / Expansion =			\$10,707,022	\$1,032,000	\$1,457,456	\$782,000	\$782,000	\$1,097,000	\$4,094,374	\$9,244,830

Approved FY 2022 CIB (FY22-FY27)				\$941,644	\$581,521	\$850,000	\$0	\$1,516,862		\$7,011,702
Change to Program from FY2022 CIB				\$90,356	\$875,935	-\$68,000	\$782,000	-\$419,862		\$1,260,429

Totals										
Rehabilitation / Replacement			\$2,280,266	\$1,797,824	\$1,962,775	\$7,253,823	\$731,981	\$1,687,467	\$754,799	\$14,188,669
Pump Stations			\$411,228	\$0	\$1,570,300	\$2,076,336	\$1,712,127	\$113,141	\$0	\$5,471,904
System Upgrades / Expansion			\$10,707,022	\$1,032,000	\$1,457,456	\$782,000	\$782,000	\$1,097,000	\$4,094,374	\$9,244,830
Subtotal			\$13,398,516	\$2,829,824	\$4,990,531	\$10,112,159	\$3,226,108	\$2,897,608	\$4,849,173	\$28,905,402
Capital Reserves		6.20%	\$831,000	\$175,000	\$309,000	\$627,000	\$200,000	\$180,000	\$301,000	\$1,792,000
FY 2023 CIB (FY23-FY28) Totals =			\$14,229,516	\$3,004,824	\$5,299,531	\$10,739,159	\$3,426,108	\$3,077,608	\$5,150,173	\$30,697,402

Approved FY 2022 CIB (FY22-FY27)				\$4,440,673	\$4,954,265	\$9,145,155	\$940,251	\$3,263,584		\$22,743,927
Change to Program from FY2022 CIB				-\$1,435,849	\$345,266	\$1,594,004	\$2,485,857	-\$185,976		\$2,803,302

Status:

- 1 Planning Phase
- 2 Design Phase
- 3 Contract Phase
- 4 Construction Phase
- 5 Close-out Phase

Property Acquisition (to be initiated after Planning)

- A - Added \$250K ARPA funds
- B - Moved out from FY23 to FY24
- C - Engine #2 rebuild changed to replacement and moved out to FY28
- D - Changed from every other year to annual
- E - Updated cost estimate
- F - Moved design \$ into FY28 from out years

**St. Mary's County Metropolitan Commission
Capital Improvement Budget/Plan Approved
Capital Improvement Rates Per EDU - Actual & Projected
FY 2023-2028 Water & Sewer**

Approved by CSMC 5/24/2022
Approved by MetCom Board 5/26/2022

	FY 2022 Actual	FY 2023 Approved	FY 2024 Projected	FY 2025 Projected	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected	FY 2023 Recommended from Assumptions	
System Improvement Charges - per EDU/month									
Draft CIB FY 23-28	Calculated	\$12.87	\$13.76	\$14.06	\$15.11	\$14.99	\$14.05	Debt calculation results in a 3% increase in charges from FY22 to FY23.	
Water - Residential	Recommended	\$12.87	\$13.76	\$14.06	\$15.11	\$15.11	\$15.11		
Water - Commercial	Recommended	\$15.44	\$16.51	\$16.87	\$18.13	\$18.13	\$18.13		
<i>CIB FY 22-27 - Prior Approved</i>									
Water - Residential	\$12.48	\$13.20	\$13.93	\$14.24	\$15.39	\$15.39			
Water - Commercial	\$14.98	\$15.84	\$16.72	\$17.09	\$18.47	\$18.47			
System Improvement Charges - per EDU/month									
Draft CIB FY 23-28	Calculated	\$14.43	\$14.78	\$16.27	\$15.67	\$15.58	\$14.67	Debt calculation results in a zero increase in charges from FY22 to FY23.	
Sewer - Residential	Recommended	\$15.39	\$15.39	\$16.27	\$16.27	\$16.27	\$16.27		
Sewer - Commercial	Recommended	\$18.47	\$18.47	\$19.52	\$19.52	\$19.52	\$19.52		
<i>CIB FY 22-27 - Prior Approved</i>									
Sewer - Residential	\$15.39	\$15.70	\$16.01	\$16.33	\$16.66	\$16.99			
Sewer - Commercial	\$18.47	\$18.84	\$19.21	\$19.60	\$19.99	\$20.39			
Capital Contribution Charge - per EDU									
Draft CIB FY 23-28	Calculated	\$7,262.40	\$6,365.88	\$6,246.72	\$6,111.93	\$5,999.00	\$4,596.88	Charges remain flat from FY19 through the CIB Plan.	
Water - Residential	Recommended	\$10,955.87	\$10,955.87	\$10,955.87	\$10,955.87	\$10,955.87	\$10,955.87		
Water - Commercial	Recommended	\$13,147.04	\$13,147.04	\$13,147.04	\$13,147.04	\$13,147.04	\$13,147.04		
<i>CIB FY 22-27 - Prior Approved</i>									
Water - Residential	\$10,955.87	\$10,955.87	\$10,955.87	\$10,955.87	\$10,955.87	\$10,955.87			
Water - Commercial	\$13,147.04	\$13,147.04	\$13,147.04	\$13,147.04	\$13,147.04	\$13,147.04			
Capital Contribution Charge - per EDU									
Draft CIB FY 23-28	Calculated	\$5,096.53	\$4,466.91	\$4,339.16	\$3,884.44	\$3,819.45	\$3,201.01	Charges remain flat from FY19 through the CIB Plan.	
Sewer - Residential	Recommended	\$6,941.21	\$6,941.21	\$6,941.21	\$6,941.21	\$6,941.21	\$6,941.21		
Sewer - Commercial	Recommended	\$8,329.44	\$8,329.44	\$8,329.44	\$8,329.44	\$8,329.44	\$8,329.44		
<i>CIB FY 22-27 - Prior Approved</i>									
Sewer - Residential	\$6,941.21	\$6,941.21	\$6,941.21	\$6,941.21	\$6,941.21	\$6,941.21			
Sewer - Commercial	\$8,329.44	\$8,329.44	\$8,329.44	\$8,329.44	\$8,329.44	\$8,329.44			

Assumptions:

New debt based on 30 year term (actual debt may be shorter term depending on the projected life of the asset.)

System Improvement Charges are designed to cover debt service for loans for the upgrade and replacement of existing systems and direct pay of smaller projects. Paid by all customers with an EDU allocation on the system.

Capital Contribution Charges are designed to cover the debt service for loans to build new water supply and storage and sewer collection and treatment systems and to expand capacity to provide service to new customers. All Revenues associated with new EDU's are calculated at the Residential rate. Commercial rates are established at 1.2 x the Residential rate.

**St. Mary's County Metropolitan Commission
 Capital Improvement Budget/Plan Approved
 WATER - System Improvement Costs Recovered Through Uniform EDU-Based
 Assessment on all Customers**

	FY22	FY23	FY24	FY25	FY26	FY27	FY28
WATER							
Amortized Cost of:							
Existing System Improvements (C1)	\$ 2,849,920	\$ 3,133,913	\$ 3,220,241	\$ 3,220,570	\$ 3,223,171	\$ 3,205,046	\$ 2,930,774
New System Improvements (C2)	277,737	782,553	982,899	1,091,592	1,427,422	1,427,422	1,427,422
System Improvement Costs	\$ 3,127,658	\$ 3,916,466	\$ 4,203,140	\$ 4,312,163	\$ 4,650,593	\$ 4,632,468	\$ 4,358,196
Water Debt Service Reserves Applied	\$ (137,803)						
Net System Improvement Costs	\$ 2,989,855	\$ 3,916,466	\$ 4,203,140	\$ 4,312,163	\$ 4,650,593	\$ 4,632,468	\$ 4,358,196
Projected EDUs (incl. unserved)	25,271	25,367	25,463	25,560	25,657	25,754	25,852
Calculated Residential Assessment (\$/mo/EDU)	\$ 9.86	\$ 12.87	\$ 13.76	\$ 14.06	\$ 15.11	\$ 14.99	\$ 14.05
Residential Actual/Proposed Rate	\$ 12.48	\$ 12.87	\$ 13.76	\$ 14.06	\$ 15.11	\$ 15.11	\$ 15.11
Commercial Actual/Proposed Rate	\$ 14.98	\$ 15.44	\$ 16.51	\$ 16.87	\$ 18.13	\$ 18.13	\$ 18.13
Residential Increase	\$ -	\$ 0.39	\$ 0.89	\$ 0.30	\$ 1.05	\$ -	\$ -
Increase %	0%	3%	7%	2%	7%	0%	0%
Commercial Increase	\$ -	\$ 0.46	\$ 1.07	\$ 0.36	\$ 1.26	\$ -	\$ -
Water Capital Project Upgrade Reserves							
Beginning Balance	5,205,547	2,873,977	1,047,336	868,107	247,956	65,729	(542,657)
Committed FY20 & Prior							
Estimated Gain/Loss	794,520	-	-	-	-	37,086	328,837
Proposed Projects *	(2,648,585)	(1,826,641)	(179,229)	(620,151)	(182,227)	(645,472)	-
Projected Ending Balance	3,351,482	1,047,336	868,107	247,956	65,729	(542,657)	(213,820)
Recommended Reserve - MetCom Policy	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<i>CIB 22-27</i>	2,213,607	1,760,312	1,701,083	1,224,815	1,162,588	777,316	
<i>CIB 21-26</i>	1,915,065	1,461,770	1,461,770	1,056,823	1,056,823		
<i>CIB 20-25</i>	1,275,813	1,123,128	1,007,128	917,953			

St. Mary's County Metropolitan Commission
Capital Improvement Budget/Plan Approved
SEWER - System Improvement Costs Recovered Through Uniform EDU-Based
Assessment on all Customers

	FY22	FY23	FY24	FY25	FY26	FY27	FY28
SEWER							
Amortized Cost of:							
Existing System Improvements (C1)	\$ 4,657,466	\$ 4,678,751	\$ 4,568,249	\$ 4,511,096	\$ 4,263,307	\$ 4,269,887	\$ 4,020,478
New System Improvements (C2)	173,874	234,869	479,329	1,020,041	1,117,270	1,117,270	1,117,270
Direct Pay							
System Improvement Costs	\$ 4,831,340	\$ 4,913,620	\$ 5,047,578	\$ 5,531,137	\$ 5,380,577	\$ 5,387,158	\$ 5,137,749
Other Metcom Funds							
Sewer Debt Services Reserves - Projected	\$ 2,718,790	\$ 2,610,384	\$ 2,623,436	\$ 2,636,553	\$ 2,649,736	\$ 2,662,985	\$ 2,676,300
Interest income	13,594	13,052	13,117	13,183	13,249	13,315	13,382
Applied to System Improvement Cost	122,000						
Impact to Unrestricted Reserves to stabilize Rate at \$15.09 / mo / EDU	122,000	-	-	-	-	-	-
Navy Payment thru 5/30/28	80,049	80,049	80,049	80,049	80,049	80,049	80,049
Navy Payment - ENR loan thru 6/1/34	497,615	497,615	497,615	497,615	497,615	497,615	497,615
Net System Improvement Cost	\$ 4,131,676	\$ 4,335,956	\$ 4,469,914	\$ 4,953,473	\$ 4,802,913	\$ 4,809,494	\$ 4,560,085
Projected EDUs (incl. unserved)	24,864	25,033	25,203	25,374	25,547	25,721	25,896
Calculated Residential Assessment (\$/mo/EDU)	\$ 15.50	\$ 14.43	\$ 14.78	\$ 16.27	\$ 15.67	\$ 15.58	\$ 14.67
Option #1 increase @ 2% per year	\$ 15.39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2% per year will require subsidy of:	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Residential Actual/Proposed Rate	\$ 15.39	\$ 15.39	\$ 15.39	\$ 16.27	\$ 16.27	\$ 16.27	\$ 16.27
Commercial Actual/Proposed Rate	\$ 18.47	\$ 18.47	\$ 18.47	\$ 19.52	\$ 19.52	\$ 19.52	\$ 19.52
Residential Increase	\$ 0.30	\$ -	\$ -	\$ 0.88	\$ -	\$ -	\$ -
Increase %	1.99%	0.00%	0.00%	5.72%	0.00%	0.00%	0.00%
Commercial Increase	\$ 0.36	\$ -	\$ -	\$ 1.05	\$ -	\$ -	\$ -
Sewer Capital Project Upgrade Reserves							
Beginning Balance	3,661,927	2,116,998	1,516,746	1,253,350	778,739	(145,639)	(391,218)
Committed FY21 & Prior							
Estimated Gain/Loss	459,487	288,380	184,486	-	180,873	212,970	497,203
Proposed Projects *	(2,612,305)	(888,632)	(447,882)	(474,611)	(1,105,251)	(458,549)	-
Projected Ending Balance	1,509,109	1,516,746	1,253,350	778,739	(145,639)	(391,218)	105,985
Recommended Reserve - MetCom Policy	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
CIB 22-27	1,194,137	1,185,834	1,260,035	1,395,944	1,021,697	1,269,587	
CIB 21-26	3,169,696	3,078,151	2,874,111	2,777,976	2,510,016		
CIB 20-25	2,556,435	2,556,435	2,446,235	2,446,235			

Note: FY23 Calculated Sewer System Improvement Charges will not require a subsidy for the Sewer Reserves. Rates are calculated to remain flat.
 Note: System Improvement Reserves are being used for a portion of St. Clements Shores WWTP Expansion project

**St. Mary's County Metropolitan Commission
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**WATER - Capital Contribution to Recover Cost of Capacity Expansion and Service Area Expansion
 Paid By New Customers**

	FY22	FY23	FY24	FY25	FY26	FY27	FY28
WATER							
Debt Service for:							
Service Area Expansion (A1) Debt Outstanding	\$ 106,062	\$ 117,116	\$ 92,514	\$ 92,735	\$ 92,803	\$ 92,989	\$ 93,209
New Service Area Expansion (A2)	-	-	-	-	-	-	-
Existing non-allocated Capacity (B1)	502,898	529,238	486,782	488,210	487,831	488,914	361,883
New Capacity Expansion (B2)	-	-	-	-	-	-	-
Total Amortized Cost	\$ 608,960	\$ 646,353	\$ 579,295	\$ 580,945	\$ 580,634	\$ 581,903	\$ 455,091
Other MetCom Funds							
Water Supply & Storage Fees	\$ 99,611	\$ 100,109	\$ 100,610	\$ 101,113	\$ 101,619	\$ 102,127	\$ 102,638
Interest Income	498	501	503	506	508	511	513
Applied to Capital Contribution Charge							
Net Capital Contribution Costs	\$ 608,960	\$ 646,353	\$ 579,295	\$ 580,945	\$ 580,634	\$ 581,903	\$ 455,091
Projected New EDUs (2% Growth)	87	89	91	93	95	97	99
Actual EDU's (Thru 6/30/19)							
Calculated Residential Assessment (\$/EDU)	\$ 6,999.54	\$ 7,262.40	\$ 6,365.88	\$ 6,246.72	\$ 6,111.93	\$ 5,999.00	\$ 4,596.88
Residential Actual/Proposed Rate	\$ 10,955.87	\$ 10,955.87	\$ 10,955.87	\$ 10,955.87	\$ 10,955.87	\$ 10,955.87	\$ 10,955.87
Commercial Actual/Proposed Rate	\$ 13,147.04	\$ 13,147.04	\$ 13,147.04	\$ 13,147.04	\$ 13,147.04	\$ 13,147.04	\$ 13,147.04
Residential Increase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Increase %	0%	0%	0%	0%	0%	0%	0%
Commercial Increase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Capital Project Expansion Reserves							
Beginning Balance	2,841,858	2,998,733	3,327,452	3,745,141	4,183,092	4,643,266	5,124,082
Projected Gain/Loss	344,201	328,719	417,689	437,951	460,174	480,816	629,540
Committed FY20 & Prior							
Proposed Projects	-	-	-	-	-	-	-
Projected Ending Balance **	3,186,059	3,327,452	3,745,141	4,183,092	4,643,266	5,124,082	5,753,622
Recommended Reserve - MetCom Policy	750,000	750,000	750,000	750,000	750,000	750,000	750,000
CIB 22-27	3,126,900	3,433,577	3,762,456	4,111,878	4,484,294	4,877,899	
CIB 21-26	1,489,249	1,748,583	2,030,355	2,332,311	2,657,226		
CIB 20-25	649,659	892,220	1,157,230	1,442,405			

**St. Mary's County Metropolitan Commission
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**SEWER - Capital Contribution to Recover Cost of Capacity Expansion and Service Area Expansion
 Paid By New Customers**

	FY22	FY23	FY24	FY25	FY26	FY27	FY28
SEWER							
Debt Service for:							
Service Area Expansion (A1) After Issue 21	\$ 163,949	\$ 191,771	\$ 140,609	\$ 134,789	\$ 104,192	\$ 104,681	\$ 104,432
New Service Area Expansion (A2)	-	-	-	-	-	-	-
Existing non-allocated Capacity (B1)	521,657	557,419	529,427	529,102	501,781	502,611	414,131
New Capacity Expansion (B2)	-	-	-	-	-	-	-
Total Amortized Cost	\$ 685,606	\$ 749,189	\$ 670,036	\$ 663,891	\$ 605,973	\$ 607,293	\$ 518,564
Marlay-Taylor Sinking Fund	\$ 707,104	\$ 707,104	\$ 707,104	\$ 707,104	\$ 707,104	\$ 707,104	\$ 707,104
Marlay-Taylor Sinking Fund Applied	\$ -	\$ -					
Net Debt Service	\$ 685,606	\$ 749,189	\$ 670,036	\$ 663,891	\$ 605,973	\$ 607,293	\$ 518,564
Projected New EDUs (2% Growth)	144	147	150	153	156	159	162
Actual EDU's (Thru 6/30/19)							
Calculated Residential Assessment (\$/EDU)	\$ 4,761.15	\$ 5,096.53	\$ 4,466.91	\$ 4,339.16	\$ 3,884.44	\$ 3,819.45	\$ 3,201.01
Residential Actual/Proposed Rate	\$ 6,941.21	\$ 6,941.21	\$ 6,941.21	\$ 6,941.21	\$ 6,941.21	\$ 6,941.21	\$ 6,941.21
Commercial Actual/Proposed Rate	\$ 8,329.44	\$ 8,329.44	\$ 8,329.44	\$ 8,329.44	\$ 8,329.44	\$ 8,329.44	\$ 8,329.44
Residential Increase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Increase %	0%	0%	0%	0%	0%	0%	0%
Commercial Increase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer Capital Project Expansion Reserves							
Beginning Balance	3,146,514	2,700,249	2,971,417	3,342,562	3,740,676	4,217,532	4,713,891
Projected Gain	313,928	271,168	371,145	398,114	476,856	496,359	605,912
Committed Prior							
Proposed Projects	(1,712,944)	-	-	-	-	-	3,761,140
Projected Ending Balance **	1,747,498	2,971,417	3,342,562	3,740,676	4,217,532	4,713,891	9,080,943
Recommended Reserve - MetCom Policy	750,000	750,000	750,000	750,000	750,000	750,000	750,000
CIB 22-27	1,505,582	1,669,769	1,854,943	2,066,522	2,358,324	2,670,489	
CIB 21-26	1,788,657	1,911,799	2,056,010	2,226,552	2,477,331		
CIB 20-25	2,172,056	2,321,645	2,492,300	2,689,293			

Note: Capital Contribution Reserves are being used for a portion of St. Clements Shores WWTP Expansion project