

**ST. MARY'S COUNTY  
METROPOLITAN COMMISSION  
OPERATING BUDGET**



**FY 2023**

**ST. MARY'S COUNTY METROPOLITAN COMMISSION  
FY 2023 OPERATING BUDGET  
APPROVED**

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ST. MARY'S COUNTY METROPOLITAN COMMISSION  
FY 2023 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 2023 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 in the County. The basis of wastewater flow estimates is a combination of the recorded influent to seven MetCom treatment plants. The Fiscal Year 2023 budget includes the results of the a market adjustment to the salary scale of 5.2% as recommended in the FY 2022 Compensation & Classification Study, and a 2.7% merit increase for employees.

## ST. MARY'S COUNTY METROPOLITAN COMMISSION FY 2023 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, 2021 was completed and presented on January 27, 2022. 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, 2021, MetCom had \$39,492,568 in Deposits and Investments, \$11,000,000 in the Certificate of Deposit Account Registry Service (CDARS), \$18,550,395 in Insured Cash Sweep (ICS), \$9,823,944 in the Maryland Local Government Investment Pool, \$118,229 in cash, and \$1,500 in Petty Cash.

ST. MARY'S COUNTY METROPOLITAN COMMISSION  
FY 2023 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 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 2023 budget reflects a healthier revenue balance. Under a reduced rate of increase initiative, the budget includes rates of increase of a 2.7% increase in water service rates, and a 3.4% increase in sewer service rates.

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 continue to be available to potential customers in FY 2023. The customer base continues to grow at a rate of 2% to 2.7% per year.

For the third year in a row, MetCom expects to receive an Enhanced Nutrient Removal (ENR) operations and maintenance grant of \$180,000 for the Marlay-Taylor Wastewater Treatment Plant. The grant will help offset increased expenses as a result of the State mandated implementation of ENR, including additional maintenance, power, chemicals and sludge handling.

Revenue from Other Income is realized from interest earnings on securities and investments. Interest rates have been lower in the past year, a conservative approach has been taken to budgeting Other Income in FY 2023.

**ST. MARY'S COUNTY METROPOLITAN COMMISSION  
FY 2023 OPERATING BUDGET**

Budget Message - Continued

**Service Rates effective July 1, 2021 and effective July 1, 2022:**

	<b>FY22 Rates</b>	<b>FY23 Rates</b>
<b>Sewer</b>		
Non-metered per EDU per Month	\$44.37	\$45.88
Metered Rate 5/8"	\$18.81	\$19.45
Metered Rate 1"	\$47.03	\$48.63
Metered Rate 1-1/2"	\$94.04	\$97.24
Metered Rate 2"	\$150.48	\$155.60
Metered Rate 3"	\$300.92	\$311.15
Metered Rate 4"	\$470.20	\$486.19
Metered Rate 6"	\$940.42	\$972.39
Metered Rate 8"	\$1,504.64	\$1,555.80
Metered Rate 10"	\$2,164.06	\$2,237.64
Usage Rate per 1,000 Gallons	\$5.11 *	\$5.29
* 5/8" Meter Residential Use Capped at 10,000 Gallons/Month		
 Navy (per 1,000 gallons)	 \$3.73	 \$3.85
 Septage Hauler Rates per 1,000 Gallons		
Holding Tank Waste	\$16.81	\$17.38
Septic Tank Waste	\$71.80	\$74.24
Portable Toilet Waste	\$90.49	\$93.56
Grease Trap Waste	\$142.26	\$147.09

**ST. MARY'S COUNTY METROPOLITAN COMMISSION**  
**FY 2023 OPERATING BUDGET**

Budget Message - Continued

	<b>FY22 Rates</b>	<b>FY23 Rates</b>
<b>Water</b>		
Non-Metered per EDU/Month	\$18.73	\$19.23
Metered Rate 5/8"	\$9.87	\$10.14
Metered Rate 1"	\$24.67	\$25.33
Metered Rate 1-1/2"	\$49.32	\$50.65
Metered Rate 2"	\$78.90	\$81.03
Metered Rate 3"	\$157.82	\$162.08
Metered Rate 4"	\$246.58	\$253.24
Metered Rate 6"	\$493.18	\$506.50
Metered Rate 8"	\$789.07	\$810.37
Metered Rate 10"	\$1,134.31	\$1,164.94
Water Usage Rate per 1,000 Gallons	Tiered	
Water Usage Rate - Tier 1	\$1.78	\$1.82
Water Usage Rate - Tier 2	\$3.54	\$3.64
Water Usage Rate - Tier 3	\$7.10	\$7.29
Irrigation Usage Rate per 1,000 Gallons	Tiered	
Water Usage Rate - Tier 1	\$3.54	\$3.64
Water Usage Rate - Tier 2	\$7.10	\$7.29
Hydrant Meter Rate per 1,000 Gallons	\$3.54	\$3.64

# ST. MARY'S COUNTY METROPOLITAN COMMISSION

## FY 2023 OPERATING BUDGET

Budget Message - Continued

### **EXPENSES:**

During FY 2022 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 2023 operating expenses are \$2,752,387 more than the approved FY 2022 budget. Between FY 2016 - FY 2021 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, 45% of FY 2023 estimated expenses. The FY 2023 budget includes the incorporation of the Compensation/Classification Study done in FY 2022, which incorporates a salary market adjustment as a result of the study, provides a Merit Step Adjustment (2.7%) and also includes a 2.7% equivalent stipend for those at top-of-grade.

### 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 2023
- No new FTE's were recommended in the FY 2023 budget
- The Intern Program was not funded in FY 2023. Mid-year implementation is an option



**ST. MARY'S COUNTY METROPOLITAN COMMISSION**  
**FY 2023 OPERATING BUDGET**

Budget Message - Continued

**Sewer Department Expenses:**

- Maintenance budgeted at \$1,115,734, to provide sufficient funds for both preventative and operational maintenance and emergency repairs
- Power continues to be one of the larger expenses, budgeted at \$868,585. Recent rate increases by the local electric cooperative, is the largest contributing factor to the increase in power. MetCom's recent capital project for energy efficiencies is helping to offset the rate increase
- Inflationary impacts have been applied at an average of 16% to fuel, chemicals, contracted services, materials, and utilities
- FY 2023 Budget is \$1,263,617 more than the Approved FY 2022 Sewer Department Budget

**Water Department Expenses:**

- Water Maintenance budgeted at \$797,746, to provide sufficient funds for both preventative and operational maintenance and emergency repairs
- Power is one of the Water Department largest expenses, budgeted at \$614,801 (See energy efficiency comment above)
- Increased water testing under the Unregulated Contaminant Monitoring Rule (UCMR 5); Requires collection and testing of 30 chemical contaminants between 2023 and 2025
- FY 2023 Budget is \$620,974 more than the Approved FY 2022 Water Department Budget

**Engineering Department Expenses:**

- As has been the budgeting practice in prior years, Engineering costs in FY 2023 that are not completely covered by Engineering revenues are allocated 60% to the Sewer Department and 40% to the Water Department
- Implementation of the Miss Utility pilot program to outsource utility locating and GIS/GPS mapping was implemented with the FY 2022 budget. The program is very successful and efficient for MetCom and their customers, and allows for a reduction in budget in this area for FY 2023
- FY 2023 Budget is \$47,785 less than the Approved FY 2022 Engineering Department Budget

# ST. MARY'S COUNTY METROPOLITAN COMMISSION

## FY 2023 OPERATING BUDGET

Budget Message - Continued

### **General & Administrative Expenses:**

- Hospitalization of \$1,917,454 includes a 2.5% increase in health insurance premiums
- The Other Post-Employment Benefit expense (OPEB) is being fully funded at \$473,000 (\$210,000 Retirees, \$263,000 Contribution)
- Budget includes all employee benefits, insurances, Information Technology, legal services, bank fees, etc.
- FY 2023 incorporates the one-time expense for a Rate Study Analysis update to incorporate into the FY 2024 budget
- General and Administrative Expenses are allocated to operations: 62.13% to Sewer, 28.39% to Water and 9.48% to Engineering
- FY 2023 Budget is \$915,579 more than the Approved FY 2022 General & Administrative Department Budget

### **CAPITAL EQUIPMENT AND EXPENDITURES:**

- Priority items include a replacement sign board, roof replacement at the Wicomico Shores control building, and radios & equipment for SCADA third and final year to improve polling times
- Includes six vehicle replacements, lab equipment replacement, trailer mounted vacuum excavator, two - zero turn mowers, and one developer cost share agreement
- New capital equipment and replacement capital equipment are budgeted at \$573,000

### **CONTINUING INITIATIVES:**

- Revolving Loan Fund for new residential customer connections - \$25,000 maximum loan/5-year payback
- 50% Sewer 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

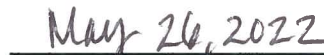
ST. MARY'S COUNTY METROPOLITAN COMMISSION  
FY 2023 OPERATING BUDGET

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 19, 2022 to discuss the recommended FY 2023 Operating Budget and proposed rates. The hearing was advertised in the Enterprise newspaper 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**  
**FY 2023 OPERATING BUDGET**  
**SUMMARY**

	<b>FY 19 BUDGET</b>	<b>FY 19 ACTUALS</b>	<b>FY 20 BUDGET</b>	<b>FY 20 ACTUALS</b>	<b>FY 21 BUDGET</b>	<b>FY 21 ACTUALS</b>	<b>FY 22 BUDGET</b>	<b>FY 23 APPROVED BUDGET</b>
Sewer Income	\$ 9,424,836	\$ 9,338,542	\$ 9,771,496	\$ 9,880,045	\$ 9,771,496	\$ 10,488,221	\$ 9,966,926	\$ 12,096,838
Sewer Expenses	(9,775,375)	(9,334,649)	(9,875,107)	(9,329,570)	(10,429,611)	(10,568,854)	(10,835,887)	(12,685,266)
Water Income	\$5,131,954	\$5,186,057	\$5,405,388	\$5,380,159	\$5,405,388	\$5,478,849	\$5,526,998	\$6,359,473
Water Expenses	(5,022,962)	(4,227,065)	(4,866,264)	(4,432,425)	(4,884,855)	(4,819,321)	(5,088,036)	(5,991,045)
Engineering Income	\$245,100	\$171,985	\$245,100	\$187,100	\$245,100	\$207,528	\$245,100	\$245,100
Engineering Expense	(245,100)	(171,985)	(245,100)	(187,100)	(245,100)	(245,100)	(245,100)	(245,100)
Other Income/Misc Revenue	\$ 305,374	\$ 581,812	\$ 430,000	\$ 695,919	\$ 430,000	\$ 236,154	\$ 430,000	\$ 220,000
Total Income	\$ 15,107,264	\$ 15,278,396	\$ 15,851,984	\$ 16,143,223	\$ 15,851,984	\$ 16,410,751	\$ 16,169,024	\$ 18,921,411
Total Expense	(15,043,437)	(13,733,699)	(14,986,471)	(13,949,095)	(15,559,566)	(15,633,275)	(16,169,024)	(18,921,411)
One-Time Use of General Fund Reserves to establish Connection Incen			(250,000)					
Net Income From Service Charges	\$63,827	\$1,544,697	\$615,513	\$2,194,127	\$292,418	\$777,476	\$(0)	\$(0)

**ST. MARY'S COUNTY METROPOLITAN COMMISSION**  
**FY 2023 OPERATING BUDGET**  
**SEWER DEPARTMENT**

	<b>FY 19 BUDGET</b>	<b>FY 19 ACTUALS</b>	<b>FY 20 BUDGET</b>	<b>FY 20 ACTUALS</b>	<b>FY 21 BUDGET</b>	<b>FY 21 ACTUALS</b>	<b>FY 22 BUDGET</b>	<b>FY 23 APPROVED BUDGET</b>
<b>Operating Income</b>								
Service Charge - Metered	\$ 7,712,562	\$ 7,749,418	\$ 7,990,655	\$8,035,959	\$7,990,655	\$8,597,554	\$8,154,068	\$9,924,082
Service Charge - Non-Metered	1,329,091	1,331,894	1,397,658	1,376,320	1,397,658	1,371,024	1,425,611	1,582,100
Septage Haulers	127,777	133,424	127,777	158,674	127,777	220,399	130,333	277,656
ENR Grant	180,000	-	180,000	180,000	180,000	180,000	180,000	180,000
Other Revenue	75,406	123,806	75,406	129,092	75,406	119,245	76,914	133,000
From Reserves	-	-						
<b>Total Operating Income</b>	<b>\$ 9,424,836</b>	<b>\$ 9,338,542</b>	<b>\$ 9,771,496</b>	<b>\$ 9,880,045</b>	<b>\$ 9,771,496</b>	<b>\$ 10,488,221</b>	<b>\$ 9,966,926</b>	<b>\$ 12,096,838</b>
<b>Operating Expenses</b>								
Salaries	\$ 2,718,928	\$ 2,683,836	\$ 2,705,867	\$ 2,840,028	\$ 2,956,820	\$ 3,045,297	\$ 3,080,610	\$ 3,335,345
Contractual Labor	14,040	3,831	6,000	8,240	10,400	774,423	751,963	1,019,651
Maintenance	596,000	642,231	646,099	484,011	711,401	1,208	1,500	1,818
Leonardtown Plant	180,000	135,072	145,000	148,453	145,000	148,751	150,450	150,275
Power	703,800	671,737	653,204	660,416	668,226	691,365	705,410	868,585
Telephone/Dialers	23,500	33,995	14,276	13,654	13,500	13,017	13,050	13,350
Fuel (Diesel & Oil)	78,000	83,772	79,034	85,931	85,931	83,397	78,500	185,196
Lab & Soils Testing	13,000	8,098	15,000	14,102	15,000	17,909	22,700	31,000
Chemicals	397,000	437,024	463,700	535,227	501,700	449,583	511,700	812,200
Employee Related Expense	76,100	48,888	72,977	42,957	76,160	34,538	84,903	76,709
Materials & Supplies	138,000	145,620	133,805	110,930	126,793	134,645	136,037	147,869
Building Utilities	25,870	34,494	39,405	34,635	41,043	37,965	50,572	56,740
Miscellaneous	3,550	7,247	5,050	6,839	4,975	2,683	4,975	5,475
Misc Consultants								
Vehicles	75,000	89,609	73,289	67,821	77,649	80,061	72,525	156,808
Sludge Removal Expense	192,000	384,024	192,000	346,839	255,000	287,969	280,100	301,716
Depreciation	255,000	170,104	210,000	156,447	216,150	193,504	162,000	197,000
SSO's & Penalties	13,000		12,000	90	9,125	-	9,125	20,000
Contingencies						-	-	-
Recv'ry of Cost						-	-	-
Allocation of OH	3,523,611	2,991,534	3,701,433	3,122,820	3,750,331	3,847,342	3,732,665	4,376,278
Allocation of Engineering	748,976	592,983	622,508	650,130	764,407	725,198	987,103	929,252
<b>Total Operating Expenses</b>	<b>\$ 9,775,375</b>	<b>\$ 9,164,099</b>	<b>\$ 9,790,647</b>	<b>\$ 9,329,570</b>	<b>\$ 10,429,611</b>	<b>\$ 10,568,854</b>	<b>\$ 10,835,887</b>	<b>\$ 12,685,266</b>
<b>Net Direct Sewer Operating Income</b>	<b>\$ (350,539)</b>	<b>\$ 174,444</b>	<b>\$ (19,151)</b>	<b>\$ 550,475</b>	<b>\$ (658,115)</b>	<b>\$ (80,633)</b>	<b>\$ (868,961)</b>	<b>\$ (588,428)</b>

**ST. MARY'S COUNTY METROPOLITAN COMMISSION**  
**FY 2023 OPERATING BUDGET**  
**WATER DEPARTMENT**

	<b>FY 19 BUDGET</b>	<b>FY 19 ACTUALS</b>	<b>FY 20 BUDGET</b>	<b>FY 20 ACTUALS</b>	<b>FY 21 BUDGET</b>	<b>FY 21 ACTUALS</b>	<b>FY 22 BUDGET</b>	<b>FY 23 APPROVED BUDGET</b>
<b>Operating Income</b>								
Service Charge - Metered	\$ 4,765,443	\$ 4,765,443	\$ 5,007,147	\$ 4,958,634	\$5,007,147	\$ 5,086,409	\$5,120,793	\$5,947,341
Service Charge - Non-Metered	174,599	174,599	182,767	173,647	\$182,767	152,002	\$186,422	\$167,583
Water Tower Rental	150,412	150,412	171,474	186,012	\$171,474	180,995	\$174,903	\$175,000
Other Revenue - mostly turn on/offers	41,500	41,500	44,000	61,866	\$44,000	59,443	\$44,880	\$69,550
<b>Total Operating Income</b>	<b>\$ 5,131,954</b>	<b>\$ 5,131,954</b>	<b>\$ 5,405,388</b>	<b>\$ 5,380,159</b>	<b>\$ 5,405,388</b>	<b>\$ 5,478,849</b>	<b>\$ 5,526,998</b>	<b>\$ 6,359,474</b>
<b>Operating Expenses</b>								
Salaries	\$ 1,182,328	\$ 1,051,813	\$ 1,217,327	\$ 1,218,466	\$ 1,128,288	\$ 1,197,800	\$ 1,191,011	\$ 1,350,107
Maintenance	450,000	325,709	433,855	354,699	469,020	339,204	458,182	647,746
Meter Installation (net)	28,000	26,336	18,500	69,452	20,000	51,046	45,000	60,000
Fire Hydrant ISO Inspection (50%)	45,000	45,687	45,000	45,258	46,000	44,785	62,000	62,000
Power	529,800	555,373	487,416	509,546	507,416	487,463	507,416	614,801
Telephone/Dialers	10,200	388	1,050		1,100	-	1,100	-
Fuel (Diesel & Oil)	3,600	1,906	3,600	1,349	3,700	3,138	3,700	7,593
Water Testing	24,000	19,091	14,120	17,143	17,500	26,897	35,000	35,000
Chemicals	119,500	115,555	131,500	126,357	131,500	121,523	140,000	150,000
Employee Related Expense	20,800	16,835	25,665	19,287	28,265	11,036	32,822	34,405
Materials & Supplies	75,000	88,889	88,362	60,022	105,048	90,402	109,560	136,810
Building Utilities	14,500	23,922	28,193	23,523	27,150	31,277	35,608	39,625
Miscellaneous	3,000	294	3,500	2,367	3,375	738	3,375	3,375
Vehicles	32,000	41,448	32,512	32,965	31,650	53,313	37,077	77,363
Depreciation	220,000	140,948	173,000	119,445	157,650	150,901	89,000	153,000
Contingencies								
Recv'ry of Cost		(5,867)		(2,138)		(39)	-	-
Allocation of OH	1,765,916	1,499,257	1,691,352	1,401,265	1,697,589	1,726,371	1,679,117	1,999,719
Allocation of Engineering	499,318	395,322	415,005	433,420	509,604	483,465	658,068	619,501
<b>Total Operating Expenses</b>	<b>\$ 5,022,962</b>	<b>\$ 4,342,907</b>	<b>\$ 4,809,957</b>	<b>\$ 4,432,425</b>	<b>\$ 4,884,855</b>	<b>\$ 4,819,321</b>	<b>\$ 5,088,036</b>	<b>\$ 5,991,045</b>
<b>Net Direct Water Operating Income</b>	<b>\$ 108,992</b>	<b>\$ 789,047</b>	<b>\$ 595,431</b>	<b>\$ 947,733</b>	<b>\$ 520,533</b>	<b>\$ 659,528</b>	<b>\$ 438,962</b>	<b>\$ 368,429</b>

**ST. MARY'S COUNTY METROPOLITAN COMMISSION**  
**FY 2023 OPERATING BUDGET**  
**ENGINEERING DEPARTMENT**

	<b>FY 19 BUDGET</b>	<b>FY 19 ACTUALS</b>	<b>FY 20 BUDGET</b>	<b>FY 20 ACTUALS</b>	<b>FY 21 BUDGET</b>	<b>FY 21 ACTUALS</b>	<b>FY 22 BUDGET</b>	<b>FY 23 APPROVED BUDGET</b>
<b>Engineering Income</b>								
Review Fees	\$ 59,100	\$ 60,045	\$ 59,100	\$ 49,118	\$ 59,100	\$ 44,253	\$ 59,100	\$ 59,100
Inspection Fees	143,300	93,137	143,300	114,040	143,300	136,805	143,300	143,300
Admin & Other Fees	42,700	18,803	42,700	23,942	42,700	26,470	42,700	42,700
<b>Total Engineering Income</b>	<b>\$ 245,100</b>	<b>\$ 171,985</b>	<b>\$ 245,100</b>	<b>\$ 187,100</b>	<b>\$ 245,100</b>	<b>\$ 207,528</b>	<b>\$ 245,100</b>	<b>\$ 245,100</b>
<b>Engineering Expenses</b>								
Salaries	\$ 711,555	\$ 739,025	\$ 729,599	\$ 814,134	\$ 1,017,959	\$ 763,974	\$ 1,048,033	\$ 1,148,598
Salaries- Locates	83,835	89,789	83,530	98,669	93,877	124,121	64,871	52,706
sub-total	<b>\$ 795,390</b>	<b>\$ 828,814</b>	<b>\$ 813,129</b>	<b>\$ 912,803</b>	<b>\$ 1,111,836</b>	<b>\$ 888,095</b>	<b>\$ 1,112,904</b>	<b>\$ 1,201,304</b>
Contractual Labor	\$ 10,800	\$ 39	\$ 10,800	\$ 5,005	\$ 13,200	\$ -	\$ -	\$ -
Contractual Locates								
Casual Labor								
Professional Service	30,000	6,983	10,000		10,000	500		5,000
Vehicle Operation & Maintenance	12,400	4,029	8,000	4,962	7,000	6,508	6,500	13,546
Office Supplies & Expense	9,750	5,928	8,450	6,460	8,450	7,181	7,850	8,400
Building Utilities (power,cable,trash,fuel,cleaning)	9,400	9,597	10,800	9,010	11,350	11,038	15,500	16,562
Phone	4,900	5,002	7,780	7,510	7,780	4,738	7,780	5,500
Mileage	200							
Employee Related Expense(training,pagers,physicals)	11,900	5,875	11,905	7,793	11,605	5,641	11,855	12,565
Depreciation	35,000	35,833	96,074	27,592	45,000	18,757	155,000	45,000
Miss Utility Expense	8,500	9,101	8,500	9,528	10,000	11,771	191,000	150,000
Miscellaneous Expense	500	298	750	207	750		750	750
Recv'ry of Cost	(178,585)	(308,705)	(410,000)	(274,926)	(410,000)	(221,131)	(410,000)	(410,000)
Allocation of OH	583,158	495,099	564,777	480,434	612,732	591,899	716,382	667,747
Allocation to Inspections	(140,767)	(54,708)	(140,767)	(58,619)	(60,000)	(80,243)		
Inspection Salaries	144,081	46,106	124,648	59,050	64,658	76,956		
Contractual Inspections								
Inspection Vehicle Charges(Fuel/Mileage)	15,000	15,250	16,500	13,850	14,000	13,406	14,000	15,479
Inspection - Supplies	1,000	1,043	500	1,372	750	830	750	2,000
Inspection Overhead	140,767	54,708	140,767	58,619	60,000	80,243	60,000	60,000
Inspection Total	<b>\$ 300,848</b>	<b>\$ 117,107</b>	<b>\$ 282,415</b>	<b>\$ 132,891</b>	<b>\$ 139,408</b>	<b>\$ 171,436</b>	<b>\$ 74,750</b>	<b>\$ 77,479</b>
<b>Total Engineering Expenses</b>	<b>\$ 1,493,394</b>	<b>\$ 1,160,290</b>	<b>\$ 1,282,613</b>	<b>\$ 1,270,649</b>	<b>\$ 1,519,111</b>	<b>\$ 1,416,191</b>	<b>\$ 1,890,271</b>	<b>\$ 1,793,853</b>
Allocation to Sewer (60%)	(748,976)	(592,983)	(622,508)	(650,130)	(764,407)	(725,198)	(987,103)	(929,252)
Allocation to Water (40%)	(499,318)	(395,322)	(415,005)	(433,420)	(509,604)	(483,465)	(658,068)	(619,501)
<b>Income From Engineering</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**ST. MARY'S COUNTY METROPOLITAN COMMISSION**  
**FY 2023 OPERATING BUDGET**  
**GENERAL & ADMINISTRATIVE EXPENSES**

	<b>FY 19 BUDGET</b>	<b>FY 19 ACTUALS</b>	<b>FY 20 BUDGET</b>	<b>FY 20 ACTUALS</b>	<b>FY 21 BUDGET</b>	<b>FY 21 ACTUALS</b>	<b>FY 22 BUDGET</b>	<b>FY 23 APPROVED BUDGET</b>
Administrative Salaries	\$ 1,501,408	\$ 1,392,156	\$ 1,613,200	\$ 1,518,253	\$ 1,510,135	\$ 1,544,416	\$ 1,567,157	\$ 1,660,108
Contractual Labor	20,020	29,673	17,020	10,694	26,400	310		
Commissioner Stipend	14,500	14,500	14,500	14,500	14,500	14,167	14,500	14,500
Casual Labor	5,000	14,760	10,000	317	10,000		5,000	5,000
Payroll Taxes	486,022	464,197	510,705	482,494	518,586	510,561	486,561	475,000
Hospitalization	1,647,541	1,198,767	1,767,441	1,198,226	1,787,281	1,187,528	1,736,401	1,917,454
OPEB	395,000	322,348	256,000	188,284	249,000	1,143,262	246,000	263,000
Maryland State Pension Plan	535,401	501,510	574,624	543,194	627,375	629,595	677,582	678,000
Pension Loan	113,092	103,668	113,092	113,092	113,092	113,092	113,092	113,092
Long Term Disability& Life Insurance	24,800	29,633	24,800	24,964	26,000	25,614	25,100	25,100
Tuition Reimbursement/Beneficial Suggestions	15,000	4,771	20,000	4,565	24,000	2,997	6,000	6,700
Vehicle Operation	1,100	3,768	3,300	934	3,900	3,305	3,800	5,122
Office Supplies & Printing	80,000	68,465	71,250	48,356	84,250	64,234	91,060	98,975
Postage Expense	96,600	82,359	95,000	88,867	95,000	88,872	95,000	95,000
Insurance	286,500	232,434	286,500	270,868	310,206	287,890	293,641	335,700
Accounting & Audit	18,400	17,310	22,000	14,000	17,420	17,420	17,900	18,299
Computer & IT Services	117,300	90,746	118,000	62,647	143,187	112,055	120,000	140,000
Legal Services	155,000	113,039	143,200	88,774	143,200	76,420	143,200	143,200
Misc.Consultants	11,500	5,487	17,000	3,366	7,500	3,228	92,000	37,000
Building Utilities(power,cable,trash,fuel,cleaning)	35,900	35,220	35,275	34,243	37,520	33,621	38,620	42,176
Phone & FAX	55,300	41,093	66,800	54,946	73,000	53,284	65,000	67,000
Employee Related Expense(training,physicals, uniforms)	33,493	13,356	32,405	11,801	35,850	7,374	37,800	53,800
Advertising for Staff/Recruiting	6,000	6,161	8,000	3,138	6,000	3,402	8,000	10,000
Advertising - Other	9,000	2,674	6,000	2,927	3,000	3,888	3,000	3,000
Admin. Bond Expense		150	2,000	526	2,000	2,844	2,000	3,000
Public Relations								
Bank Fees/On-Line Bill Payment Fees	109,758	127,671	118,700	145,350	130,000	171,740	170,000	175,000
Miscellaneous Expense	5,000	4,033	11,750	11,436	10,750	8,146	10,750	10,750
Dues & Subscriptions	12,135	8,455	12,000	8,881	10,000	11,308	10,000	13,000
Depreciation	100,000	57,487	5,000	54,878	59,500	45,039	67,000	55,000
Recv'ry of Cost (Grants & Projects)	(18,085)		(18,000)		(18,000)		(18,000)	(18,000)
Board Emergency Reserve								597,767
<b>Total G &amp; A Expenses</b>	<b>\$ 5,872,685</b>	<b>\$ 4,985,891</b>	<b>\$ 5,957,562</b>	<b>\$ 5,004,520</b>	<b>\$ 6,060,652</b>	<b>\$ 6,165,612</b>	<b>\$ 6,128,164</b>	<b>\$ 7,043,743</b>
<b>FY 2023 Allocation</b>								
To Sewer	62.13%	\$ 3,523,611	\$ 2,991,534	\$ 3,701,433	\$ 3,122,820	\$ 3,750,331	\$ 3,847,342	\$ 4,376,278
To Water	28.39%	1,765,916	1,499,257	1,691,352	1,401,265	1,697,589	1,726,371	1,999,719
To Engineering	9.48%	583,158	495,099	564,777	480,434	612,732	591,899	667,747
		<b>\$ 5,872,685</b>	<b>\$ 4,985,891</b>	<b>\$ 5,957,562</b>	<b>\$ 5,004,520</b>	<b>\$ 6,060,652</b>	<b>\$ 6,165,612</b>	<b>\$ 7,043,743</b>



**ST. MARY'S COUNTY METROPOLITAN COMMISSION  
FY 2023 OPERATING BUDGET  
OTHER INCOME & EXPENSES**

	<b>FY 19 BUDGET</b>	<b>FY 19 ACTUALS</b>	<b>FY 20 BUDGET</b>	<b>FY 20 ACTUALS</b>	<b>FY 21 BUDGET</b>	<b>FY 21 ACTUALS</b>	<b>FY 22 BUDGET</b>	<b>FY 23 APPROVED BUDGET</b>
<b>OTHER INCOME AND EXPENSE :</b>								
Interest Income	\$ 206,550	\$ 421,315	\$ 290,000	\$ 462,009	\$ 290,000	\$ 135,401	\$ 305,000	\$ 100,000
Late Charge Income	88,824	98,106	100,000	107,421	100,000	57,940	100,000	120,000
Miscellaneous	10,000	62,391	40,000	126,490	40,000	42,813	25,000	
Total Other Income and Expense	\$ 305,374	\$ 581,812	\$ 430,000	\$ 695,919	\$ 430,000	\$ 236,154	\$ 430,000	\$ 220,000
<b>NET INCOME FROM SERVICE CHARGES</b>	\$ (183,775)	\$ 1,545,303	\$ 1,006,280	\$ 2,194,127	\$ 292,418	\$ (193,846)	\$ (0)	
<b>Total Revenue</b>	\$ 15,107,264	\$ 15,278,396	\$ 15,851,984	\$ 16,143,223	\$ 15,851,984	\$ 16,410,751	\$ 16,169,024	\$ 18,921,411
<b>Total Expenses</b>	\$ 15,043,437	\$ 13,733,699	\$ 14,986,471	\$ 14,000,195	\$ 15,619,566	\$ 15,633,275	\$ 16,169,024	\$ 18,921,411
<b>Net Income From Service Charges</b>	\$ 63,827	\$ 1,544,697	\$ 865,513	\$ 2,143,028	\$ 232,418	\$ 777,476	\$ 0	\$ 0
<b>Use of Unrestricted Reserves for Revolving Loan Fund</b>			\$ (250,000)					
<b>Net Impact to Unrestricted Reserves</b>			\$ 615,513					

ST. MARY'S COUNTY METROPOLITAN COMMISSION CAPITAL EQUIPMENT & EXPENDITURES FY 2023 OPERATING BUDGET				
Tracking ID#	Project Description	FY23 Approved	FY24 Draft	FY25 Draft
<b>Water (555)</b>				
23-01	Replacement for Truck 598 (4wd w/ snow plow) GPS Installed on Various Vehicles	45,000		5,000
23-02	Programmable Sign Board (solar) Replacement for Truck 573 (4wd w/ snow plow) Replacement for Truck 605 (4wd w/ snow plow)	25,000	50,000	50,000
<b>Sub-total Water</b>		70,000	50,000	55,000
<b>Wastewater (504)</b>				
23-03	Replacement for Truck 603 (4wd w/ utility body) Replacement for Truck 604 (4wd w/ utility body)	50,000		50,000
23-04	Replacement for Truck 581 (4wd w/ utility body) Replacement for Trucks 583 (4wd w/ utility body) GPS Installed on Various Vehicles	50,000	50,000	10,000
23-05	Replacement for Truck 611 (4wd w/ utility body) Zero Turn Lawn Mower	15,000		50,000
<b>Sub-total Wastewater Collections</b>		115,000	50,000	110,000
<b>Maintenance (502)</b>				
23-06	New Crane Work Truck GPS Installed on Various Vehicles Replacement for Crane Work Truck 596		150,000	150,000
23-07	Replacement for Truck 602 (4wd w/ utility body)	50,000		10,000
23-08	Replacement for Truck 608 (4wd w/ utility body) Safety & Security Improvements	50,000 34,000		
<b>Sub-total Maintenance</b>		134,000	150,000	160,000
<b>Marlay-Taylor (516)</b>				
	Cylinder scales for cl2 and so2 Complete Airedale Road fencing		20,000	10,000
<b>Sub-total Marlay-Taylor</b>		0	20,000	10,000
<b>Other Treatment Plants (517)(518)</b>				
23-09	SCS Replacement for Truck 589 (4wd w/ snow plow) SCS New 4wd utility body w/ snow plow)	40,000	65,000	
23-10	SCS Scag Zero Turn mower (replace Kubota above)	18,000		
23-11	Wicomico Shores Control Bldg Roof Replacement	35,000		
<b>Sub-total Other Treatment Plants</b>		93,000	65,000	0
<b>Laboratory</b>				
23-12	Disposal, Analytical Scale, Autoclave)	10,000	10,000	
<b>Sub-total Laboratory</b>		10,000	10,000	0
<b>Construction (501)(551)</b>				
23-13	Trailer Replacement (small)	20,000		
23-14	Trailer mounted vacuum excavator	65,000		
<b>Sub-total Construction</b>		85,000	0	0
<b>Engineering (578)</b>				
23-15	Developer Cost Share Agreements Replacement for Tool Body, Utility Truck 567	50,000	115,000	
<b>Sub-total Engineering</b>		50,000	115,000	0
<b>SCADA (phased upgrades for wastewater)</b>				
23-16	TCU w/ RTU radio upgrades x75 (polling times) 3-year implementation	50,000	46,000	
<b>Sub-total SCADA</b>		50,000	46,000	0
<b>Fiscal, Administration &amp; IT Camden Bldg (567)(568)</b>				
23-17	Safety & Security Improvements	58,000		
<b>Sub-total Fiscal &amp; Administration</b>		58,000	0	0
<b>DRAFT TOTAL</b>		<b>665,000</b>	<b>506,000</b>	<b>335,000</b>

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

<b>Depreciation*</b>	
Sewer Depreciation	352,000
Water Depreciation	70,000
Engineering Depreciation	135,000
Admin Depreciation	108,000

\*Note: FY2021 Established target budget limit of 15-20% of depreciation expended annually

**ST. MARY'S COUNTY METROPOLITAN COMMISSION  
 FY 2023 APPROVED Payscale (Effective Date 7/1/22)**

2023 COLA 0.00%

2023 Implement Compensation/Reclassification Market Adjustment

Grade/Step	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
104	34,332	35,309	36,317	37,351	38,415	39,508	40,636	41,793	42,983	44,207	45,466	46,761	48,093	49,464	50,873	52,322
105	36,907	37,959	39,040	40,152	41,297	42,472	43,681	44,926	46,206	47,523	48,876	50,270	51,702	53,174	54,688	56,246
106	39,676	40,806	41,968	43,164	44,393	45,658	46,958	48,296	49,672	51,087	52,541	54,038	55,579	57,161	58,790	60,465
107	42,651	43,867	45,115	46,402	47,722	49,082	50,480	51,919	53,397	54,920	56,483	58,094	59,747	61,448	63,200	65,001
108	45,850	47,157	48,499	49,881	51,301	52,762	54,266	55,812	57,402	59,037	60,719	62,449	64,228	66,057	67,939	69,875
109	49,289	50,693	52,137	53,621	55,150	56,720	58,337	59,998	61,707	63,465	65,273	67,132	69,046	71,012	73,035	75,117
110	52,985	54,495	56,047	57,642	59,284	60,974	62,712	64,498	66,335	68,225	70,168	72,168	74,222	76,338	78,512	80,749
111	56,959	58,582	60,250	61,967	63,733	65,548	67,415	69,335	71,310	73,341	75,431	77,581	79,790	82,063	84,401	86,805
112	61,231	62,976	64,770	66,615	68,513	70,463	72,471	74,535	76,658	78,843	81,089	83,397	85,774	88,218	90,731	93,316
113	65,823	67,698	69,627	71,612	73,651	75,748	77,907	80,126	82,407	84,756	87,171	89,654	92,208	94,835	97,535	100,315
114	70,760	72,775	74,849	76,981	79,175	81,430	83,750	86,135	88,588	91,112	93,708	96,377	99,124	101,946	104,850	107,839
115	76,067	78,234	80,462	82,755	85,111	87,538	90,030	92,596	95,232	97,946	100,736	103,605	106,557	109,593	112,715	115,926
116	81,772	84,102	86,496	88,961	91,496	94,102	96,784	99,539	102,375	105,290	108,292	111,376	114,548	117,812	121,167	124,620
117	87,904	90,409	92,984	95,633	98,358	101,159	104,041	107,004	110,054	113,189	116,413	119,730	123,140	126,648	130,255	133,967
118	94,498	97,189	99,959	102,806	105,734	108,747	111,845	115,031	118,307	121,677	125,145	128,709	132,375	136,148	140,025	144,015
119	101,584	104,478	107,455	110,516	113,664	116,904	120,233	123,658	127,179	130,804	134,529	138,362	142,303	146,357	150,528	154,815
120	109,204	112,314	115,515	118,806	122,189	125,670	129,250	132,933	136,719	140,613	144,621	148,739	152,976	157,335	161,817	166,427
121	117,394	120,738	124,178	127,715	131,353	135,096	138,944	142,903	146,974	151,159	155,466	159,895	164,450	169,134	173,953	178,908
122	126,199	129,794	133,491	137,294	141,205	145,229	149,364	153,619	157,996	162,497	167,126	171,887	176,782	181,819	186,999	192,327
123	135,664	139,529	143,503	147,591	151,795	156,120	160,568	165,142	169,846	174,684	179,661	184,780	190,042	195,456	201,024	206,752
124	145,838	149,994	154,266	158,659	163,180	167,829	172,609	177,527	182,584	187,785	193,135	198,637	204,295	210,115	216,101	222,258
125	156,776	161,242	165,835	170,561	175,419	180,416	185,557	190,840	196,278	201,869	207,621	213,535	219,618	225,873	232,308	238,927