

2026 Expenditure – Initial Review

- **Payroll and benefits** - The projections for 2026 are over \$43k less than for 2025. There are a total of 6/11 employees that are on Step 1 of their respective salary grades. All five new hires in 2025 came into employ on the first step of the salary grid. We also have one employee that isn't taking District provided health insurance and two that take single plans versus the family insurance plans taken by prior staff.

All the 2025 position vacancies have been refilled with two that will be eligible for a grade bump once they complete the required DNR certification exams. We have used a placeholder of 4% across the board for calculating 2026 wages.

- **Administration** – This class of expenditures saw very little change from 2025 and only the usual up/down adjustments based on expected savings or inversely expenses.
- **Insurance** – The notable change in insurance is the increase in property expenses due to insuring the assets/equipment from the effluent filter project.
- **Professional Services** – The large increase in line 59900 is for the Headworks building and screening equipment project for 2027. The increase is for a full design, specs, and bidding documents for that project which is estimated at \$4M. The legal services and public relations lines represent reduced costs anticipated as the District will not have active construction projects in 2026.
- **Utilities** – There are major savings in this group of expenses most notable the cost savings attributed to the change over from ferric sulfate to alum as the coagulants for Actiflo and the disk filters. We are projecting a major savings in 2026 and hope for operations to allow us to realize the savings. Note also that the polymer use has been split into three sperate budget lines according to where the polymer is being used.
- **O&M & Quality Control** – The budget lines contain the usual ups and downs associated with the annual moves in pricing and amount used within the utility. The increase in chemical equipment is for the annual reagents needed to keep the ortho phosphorus analyzers in action. Line 57715 is increased to cover the cost of wear items inside the Actiflo sand pumps. The totality of budget lines that make up this category would be for maintenance and upkeep of existing equipment in service that continues to age and require more attention/parts as time goes on.

Heart of the Valley Metropolitan Sewerage District - 2026

PAYROLL & BENEFITS

	2025 EXPENSE END OF YEAR	SURPLUS VS. DEFICIT	2025 BUDGET	2026 PROPOSED	BUDGET INCREASE/ DECREASE	Allocation Code	Allocation Dollars						
							Demand	Volume	BOD	SS	Phos	Ammonia	Chl
TOTALS:	\$ 0	\$ 1,522,900	\$ 1,522,900	\$ 1,479,600	\$ (43,300)		\$697,570	\$193,072	\$125,554	\$168,562	\$117,891	\$ 97,873	\$ 79,079
59090 Social Security (.062)	66,000		66,000	63,000	(3,000)	13	29,702	8,221	5,346	7,177	5,020	4,167	3,367
59091 Medicare (.0145)	16,000		16,000	15,000	(1,000)	13	7,072	1,957	1,273	1,709	1,195	992	802
56010 Salary-Regulatory Compliance	90,000		90,000	91,000	1,000	12	91,000	0	0	0	0	0	0
56020 Wages-Regular (Operators)	188,000		188,000	180,000	(8,000)	11	0	45,990	27,594	39,312	25,506	20,052	21,546
56030 Wages-Overtime	5,300		5,300	7,000	1,700	11	0	1,789	1,073	1,529	992	780	838
57010 Salary-O & M Director	97,000		97,000	98,000	1,000	12	49,000	12,520	7,512	10,702	6,943	5,459	5,865
Wages-Regular													
57020 Foreman/Mechanic)	143,000		143,000	142,000	(1,000)	11	0	36,281	21,769	31,013	20,121	15,819	16,997
57021 Wages-Summer Help/Intern	8,400		8,400	8,400	0	11	0	2,146	1,288	1,835	1,190	936	1,005
58010 Wages-Lab	74,000		74,000	71,000	(3,000)	2	0	14,200	14,200	14,200	14,200	14,200	0
59010 Salary-Administration	265,000		265,000	250,000	(15,000)	12	250,000	0	0	0	0	0	0
59040 Commissioners Compensation	18,000		18,000	18,000	0	12	18,000	0	0	0	0	0	0
59100 Health Insurance	326,000		326,000	330,000	4,000	13	155,581	43,061	28,003	37,595	26,294	21,829	17,637
59110 Life/Disability Insurance	3,200		3,200	3,200	0	13	1,509	418	272	365	255	212	171
59120 Wisconsin Retirement	71,000		71,000	68,000	(3,000)	13	32,059	8,873	5,770	7,747	5,418	4,498	3,634
59200 Sick Leave	0		0	0	0	13	0	0	0	0	0	0	0
59220 Stand-By	23,000		23,000	24,000	1,000	13	11,315	3,132	2,037	2,734	1,912	1,588	1,283
59230 Holiday	29,000		29,000	29,000	0	13	13,672	3,784	2,461	3,304	2,311	1,918	1,550
59240 Vacation	98,000		98,000	80,000	(18,000)	13	37,717	10,439	6,789	9,114	6,374	5,292	4,276
59250 Funeral	0		0	0	0	13	0	0	0	0	0	0	0
59270 Call In	2,000		2,000	2,000	0	13	943	261	170	228	159	132	107

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ADMINISTRATION

	Allocation Dollars													
	2025		2025		2026		BUDGET		Allocation					
	EXPENSE	SURPLUS VS. DEFICIT	BUDGET	PROPOSED	INCREASE/ DECREASE	Code	Demand	Volume	BOD	SS	Phos	Ammonia	Chl	
TOTALS:	END OF YEAR													
	\$	0	\$ 124,800	\$ 124,800	\$ 121,900	\$ (2,900)		\$ 91,900	\$ 0	\$ 10,200	\$ 14,400	\$ 3,300	\$ 2,100	\$ 0
56150	Health & Safety - ie: First Aid, Physicals, Shoes, Glasses, Etc.		16,000	16,000	16,000	0	12	16,000						
59050	Commissioners Expenses		8,000	8,000	8,000	0	12	8,000						
59320	Office Equipment- Rental, Repair, & Service		1,800	1,800	1,900	100	12	1,900						
59330	Postage/Shipping		4,000	4,000	4,000	0	12	4,000						
59340	Office Supplies & Ink/Toner		3,100	3,100	3,300	200	12	3,300						
59350	Printing and Publications		2,000	2,000	2,000	0	12	2,000						
59360	Education and Training		6,000	6,000	6,000	0	12	6,000						
59370	Memberships and Subscription - ie: Organizations, Magazines		500	500	500	0	12	500						
59380	Environmental Fees/Licenses		31,000	31,000	30,000	(1,000)	17			10,200	14,400	3,300	2,100	
59390	Travel Reimbursement		800	800	700	(100)	12	700						
59400	Computer Support & Maintenance		40,000	40,000	40,000	0	12	40,000						
59410	Asset Computer Support		3,000	3,000	1,000	(2,000)	12	1,000						
59940	Financial Support - (Water related Public Education Efforts)		1,500	1,500	1,500	0	12	1,500						
59990	Misc. Expenses - ie: Bank Service Chgs, Meetings, Employee Appreciation Day, Kitchen Supplies, Safety Recognition, Golf Outing, HOV Apparel, etc.		7,100	7,100	7,000	(100)	12	7,000						

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INSURANCE

	2025 EXPENSE END OF YEAR	SURPLUS VS. DEFICIT	2025 BUDGET	2026 <u>PROPOSED</u>	BUDGET INCREASE/ DECREASE	Allocation Code	Allocation Dollars						
							Demand	Volume	BOD	SS	Phos	Ammonia	Chl
TOTALS:	\$ 0	\$ 164,562	\$ 164,562	\$ 181,128	\$ 16,566		\$ 181,128	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
59465 Workers Compensation		11,475	11,475	9,079	(2,396)	12	9,079						
59440 Crime		710	710	664	(46)	12	664						
59450 Property		124,422	124,422	139,741	15,319	12	139,741						
59455 Liability & Cyber		9,900	9,900	10,945	1,045	12	10,945						
59460 Vehicles		5,611	5,611	6,182	571	12	6,182						
59470 Umbrella		6,230	6,230	7,215	985	12	7,215						
59480 Public Officials Liability		6,214	6,214	7,302	1,088	12	7,302						

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PROFESSIONAL SERVICES

	2025 EXPENSE END OF YEAR	SURPLUS VS. DEFICIT	2025 BUDGET	2026 PROPOSED	BUDGET INCREASE/ DECREASE	Allocation Code	Allocation Dollars						
							Demand	Volume	BOD	SS	Phos	Ammonia	Chl
TOTALS:	\$ 0	\$ 480,700	\$ 480,700	\$ 699,050	\$ 218,350		<u>\$354,550</u>	<u>\$ 53,330</u>	<u>\$ 58,498</u>	<u>\$130,654</u>	<u>\$ 69,177</u>	<u>\$21,859</u>	<u>\$10,982</u>
56900 Contractual Yearly Service-Operations ie: Interceptor Land Rental, Pager, Alarm Monitoring, Torch Tank Rental	3,500	3,500	3,500	2,000	(1,500)	11		511	307	437	283	223	239
56950 Misc. Contractual Service-Operations ie: Nursed Sludge Transport	220,000	220,000	220,000	227,500	7,500	7			45,500	113,750	56,875	11,375	
57900 Contractual Yearly Services-Maint. ie: HVAC Controls and Usage, Instrumentation & Metering	32,000	32,000	32,000	40,000	8,000	11		10,220	6,132	8,736	5,668	4,456	4,788
57950 Misc. Contractual Services-Maint. ie: Chemical Disposal, Office Cleaning Eaton Drive Maint., Breaker Tests	18,000	18,000	18,000	18,000	0	11		4,599	2,759	3,931	2,551	2,005	2,155
58942 Outside Lab Testing - Plant	16,000	16,000	16,000	16,000	0	2			3,200	3,200	3,200	3,200	3,200
58943 Outside Pretreatment Lab Testing	3,000	3,000	3,000	3,000	0	2			600	600	600	600	600
58980 Antifreeze Disposal	200	200	200	200	0	12	200						
59900 Contractual Services - Administration	56,000	56,000	56,000	281,750	225,750	12	281,750						
59910 Accounting & Auditing Services	15,700	15,700	17,900	17,900	2,200	12	17,900						
59920 Legal Services	30,000	30,000	30,000	20,000	(10,000)	12	20,000						
59922 Public Relations	30,000	30,000	30,000	20,000	(10,000)	12	20,000						
59924 Financial Advisory	3,000	3,000	3,000	3,000	0	12	3,000						
59930 Special Projects Support	10,000	10,000	10,000	5,000	(5,000)	18	5,000						
59950 Inflow Reduction	36,600	36,600	36,600	38,000	1,400	1		38,000					
59960 Interceptor/Manhole Rehab	5,000	5,000	5,000	5,000	0	12	5,000						
59970 FOG Control Program	400	400	400	400	0	12	400						
59975 FOG - Community Televising	1,300	1,300	1,300	1,300	0	12	1,300						

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UTILITIES

	2025 EXPENSE END OF YEAR	SURPLUS VS. DEFICIT	2025 BUDGET	2026 PROPOSED	BUDGET INCREASE/ DECREASE	Allocation Code	Allocation Dollars						
							Demand	Volume	BOD	SS	Phos	Ammonia	Chl
TOTALS:	\$ 0	\$ 1,573,800	\$ 1,573,800	\$ 1,363,450	\$ (283,350)		<u>\$ 64,055</u>	<u>\$ 387,814</u>	<u>\$ 250,754</u>	<u>\$ 307,486</u>	<u>\$ 202,385</u>	<u>\$ 137,656</u>	<u>\$ 13,299</u>
56300 Support Meter Station- 010 - 850 Telemetry and Electricity		10,500	10,500	12,350	1,850	18	2,470	9,880					
56500 Water Utility Plant Use	26,000		26,000	29,250	3,250	11		7,473	4,484	6,388	4,145	3,258	3,501
56510 Natural Gas - Plants	59,000		59,000	63,500	4,500	11		16,224	9,735	13,868	8,998	7,074	7,601
56530 Gas, Diesel, Propane	2,200		2,200	2,000	(200)	11		511	307	437	283	223	239
56535 Lubricant - Solvent - Grease	4,800		4,800	7,500	2,700	11		1,916	1,150	1,638	1,063	836	898
56540 Electricity - General Plant	620,000		620,000	617,000	(3,000)	7	56,085	97,548	143,823	127,472	75,768	116,305	
56545 Sulfuric Acid - Odor Control	54,000		54,000	48,000	(6,000)				9,600	24,000	12,000	2,400	
56560 Alum/Coagulant-Actifo	475,000		475,000	300,000	(175,000)	5		165,000	45,000	45,000	45,000		
56565 Storm Water Utility Fees	4,700		4,700	4,850	150	11		1,239	744	1,059	687	540	581
56570 Alum/Coagulant-Effl Disc Filters	100,000		100,000	60,000	(40,000)	8		9,000	9,000	21,000	21,000		
56575 Polymer - DAF Thickening	120,000		120,000	52,000	(68,000)	7			10,400	26,000	13,000	2,600	
56576 Polymer - Effl Disc Filters				25,000		7			5,000	12,500	6,250	1,250	
56577 Polymer - Actifo				48,000		7			9,600	24,000	12,000	2,400	
56580 Solids Disposal Fees, Taxes, and Permits	6,500		6,500	6,500	0	7			1,300	3,250	1,625	325	
56590 Sodium Hypochlorite	65,000		65,000	62,000	(3,000)	1		62,000					
56595 Sodium Bisulfite	16,000		16,000	16,000	0	1		16,000					
56600 Other Chemicals & Fabrication Expenses ie: Bleach, Fly Spray, Salt, Torch Gas, Sewer Cleaner Telephone - Local & Long Dist.	5,000		5,000	4,000	(1,000)	11		1,022	613	874	567	446	479
59300 Telephone - Local & Long Dist.	5,100		5,100	5,500	400	12	5,500						

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OPERATIONS, MAINTENANCE, & QUALITY CONTROL

	2025 EXPENSE END OF YEAR	SURPLUS VS. DEFICIT	2025 BUDGET	2026 <u>PROPOSED</u>	BUDGET INCREASE/ DECREASE	Allocation Code	Allocation Dollars						
							Demand	Volume	BOD	SS	Phos	Ammonia	Chl
TOTALS:	\$ 0	\$ 194,500	\$ 194,500	\$ 217,750	\$ 23,250		\$ 0	\$ 80,336	\$ 32,366	\$ 45,311	\$ 31,036	\$ 21,240	\$ 7,460
56690 Other Operating Expenses ie: Work Orders, Fire Ext. Recharge, Film, Etc.		2,000	2,000	2,000	0			738	297	416	285	195	69
57701 Communications Equip.	1,500		1,500	1,250	(250)	11		319	192	273	177	139	150
57702 Pumps-All Phases	6,500		6,500	7,500	1,000	14		7,125		375			
57703 Valves and Piping	8,000		8,000	7,500	(500)	1		7,500					
57704 Meter Station Support	6,000		6,000	6,000	0	1		6,000					
57705 Sampler Equipment	4,000		4,000	4,000	0	2		800	800	800	800	800	0
57706 Screening & Degritting Equip.	4,500		4,500	4,000	(500)	15		3,200		800			
57707 Chemical Equipment	5,000		5,000	10,000	5,000	16		2,471	1,702	2,959	2,251	616	0
57708 Bioslur Backwash System	7,000		7,000	8,000	1,000	6		400	2,000	2,000	400	3,200	0
57709 Interceptor Sewer Support	6,000		6,000	6,000	0	1		6,000					
57710 Tools	3,000		3,000	3,000	0	11		767	460	655	425	334	359
57711 Sludge Process-All Methods	3,000		3,000	2,500	(500)	7		0	500	1,250	625	125	0
57712 Pump Controls	2,000		2,000	1,500	(500)	14		1,425		75			
57713 Instrumentation Equipment	2,000		2,000	3,000	1,000	11		767	460	655	425	334	359
57714 Plant Electrical Equipment	6,000		6,000	6,000	0	11		1,533	920	1,310	850	668	718
57715 Acftio Equipment	32,000		32,000	39,000	7,000	5		21,450	5,850	5,850	5,850		
57716 Heating Boilers & LP System	3,000		3,000	3,000	0	11		767	460	655	425	334	359
57717 ATAD Equipment	14,000		14,000	18,000	4,000	7		0	3,600	9,000	4,500	900	0
57718 Gravity Thickener	500		500	500	0	7		0	100	250	125	25	0
57719 Heating, Cooling, Ventil.	10,000		10,000	11,500	1,500	11		2,938	1,763	2,512	1,630	1,281	1,377
57720 Janitorial Supplies	3,000		3,000	3,000	0	11		767	460	655	425	334	359
57721 Paints & Painting Supplies	2,000		2,000	2,000	0	11		511	307	437	283	223	239
57722 Building & Grounds Upkeep	14,000		14,000	20,000	6,000	11		5,110	3,066	4,368	2,834	2,228	2,394
57723 Scada System & Radio Telemetry	5,000		5,000	4,500	(500)	11		1,150	690	983	638	501	539
57724 Bioslur Equipment	3,000		3,000	3,000	0	6		150	750	750	150	1,200	0
57800 Motor Vehicle Expenses	1,500		1,500	1,500	0	11		383	230	328	213	167	180
57890 Other Maintenance Expense: ie: Nuts, Bolts, Blades, Etc.	3,500		3,500	3,000	(500)	11		767	460	655	425	334	359
58480 Laboratory Equipment Repairs	2,000		2,000	2,000	0	2		400	400	400	400	400	0
58490 Laboratory Expenses	33,000		33,000	33,000	0	2		6,600	6,600	6,600	6,600	6,600	0
58990 Misc. Expenses - Lab	1,500		1,500	1,500	0	2		300	300	300	300	300	0