

Proposed 2023 Budget Summary

	2022 Approved Budget	2022 Year End Projection	2023 Proposed Budget *	Variance in 2022 Budget	Variance in 2022 Year End
Gross Revenue (Unrestricted Only) of	12,817,348	12,490,147	13,876,714	8%	13%
- Admin Expense of	8,623,223	6,945,434	8,411,163	-2%	21%
- Water Expense of	2,237,914	2,173,626	2,319,058	4%	7%
- Wastewater Expense of **	1,683,665	1,470,483	1,771,870	5%	20%
- Bond Principal Payment	160,000	160,000	160,000	0%	0%
Forecast Budget Gain/Loss Before Depreciation/Amortization	112,546	1,740,605	1,214,623	979%	-30%

* Proposed budget as of 12/15/2022 subject to change

** Includes Board Approved Sprayfield Expenses

- Depreciation/Amortization of ***	1,132,106	1,132,106	1,132,106	0%	0%
Forecast Budget Gain/Loss After Depreciation/Amortization	(1,019,560)	608,499	82,517	108%	-86%

*** 2023 Depreciation not yet determined, used 2022 Depreciation as a place holder

Historical Net Income Budgeted						
	2016	2017	2018	2019	2020	2021
Gross Revenue (Unrestricted Only) of	8,144,500	10,025,950	10,453,952	11,207,344	11,262,065	12,634,260
- Admin Expense of	5,179,120	5,155,692	5,345,935	6,605,404	7,029,295	7,637,386
- Water Expense of	1,654,063	1,659,373	1,835,528	1,916,088	1,981,063	2,048,206
- Wastewater Expense of	833,400	903,390	1,070,842	1,150,500	1,178,860	1,202,238
- TCHC Subsidy	474,000	525,000	525,000	234,000	187,200	100,000
- Bond Principal Payment	145,000	145,000	150,000	155,000	160,000	160,000
Forecast Budget Gain/Loss Before Depreciation/Amortization	(141,083)	1,637,496	1,526,647	1,146,352	725,647	1,486,430
- Depreciation/Amortization of	873,310	868,159	751,750	801,170	779,616	1,058,009
Forecast Budget Gain/Loss After Depreciation/Amortization	(1,014,393)	769,337	774,897	345,182	(53,969)	428,421

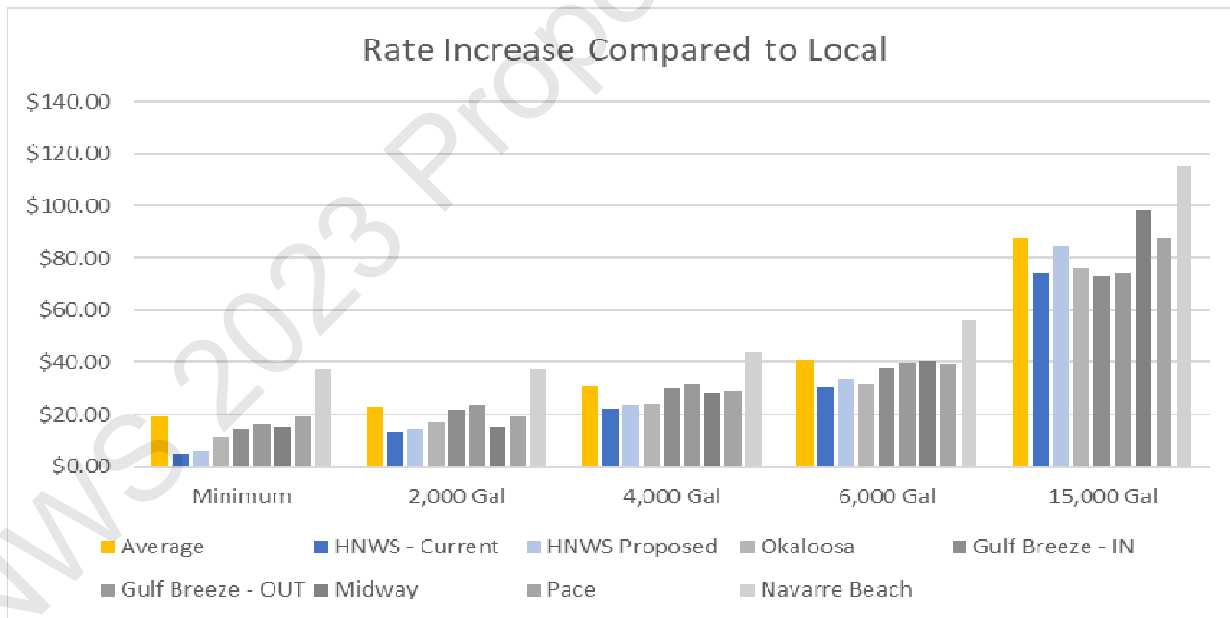
Historical Wages								
	2016	2017	2018	2019	2020	2021	2022	Proposed 2023*
Budget	2,600,000	2,650,000	2,543,875	3,149,428	3,168,904	3,276,887	4,078,336	4,222,145
Actual	2,545,385	2,477,751	2,660,142	2,734,359	2,949,122	3,342,762	3,734,615	
Difference	54,615	172,249	(116,267)	415,069	219,782	(65,875)	343,720	

* 2023 Proposed Wage Budget includes a 8.7% COLA raise for all current employees

Water Only

	Current Rates	Proposed Rates	\$ Increase	% Increase
1,000	\$9.29	\$10.05	\$0.76	8%
2,000	\$13.59	\$14.35	\$0.76	6%
3,000	\$17.89	\$18.65	\$0.76	4%
4,000	\$22.19	\$23.60	\$1.41	6%
5,000	\$26.49	\$28.55	\$2.06	8%
6,000	\$30.79	\$33.50	\$2.71	9%
7,000	\$35.09	\$38.45	\$3.36	10%
8,000	\$39.39	\$43.40	\$4.01	10%
9,000	\$43.69	\$48.35	\$4.66	11%
10,000	\$47.99	\$54.45	\$6.46	13%
11,000	\$53.29	\$60.55	\$7.26	14%
12,000	\$58.59	\$66.65	\$8.06	14%
13,000	\$63.89	\$72.75	\$8.86	14%
14,000	\$69.19	\$78.85	\$9.66	14%
15,000	\$74.49	\$84.95	\$10.46	14%
16,000	\$79.79	\$91.05	\$11.26	14%
17,000	\$85.09	\$97.15	\$12.06	14%
18,000	\$90.39	\$103.25	\$12.86	14%
19,000	\$95.69	\$109.35	\$13.66	14%
20,000	\$100.99	\$115.45	\$14.46	14%

Current Rates	
Base Fee	\$4.99
0-10,000 Gal	\$4.30
10,000+	\$5.30
Proposed Rates	
Base Fee:	\$5.75
0-3,000 Gal	\$4.30
3,000-9,000	\$4.95
9,000+ Gal	\$6.10



	Combined Water and Sewer			
	Current Rates	Proposed Rates	\$ Increase	% Increase
1,000	\$39.53	\$40.93	\$1.40	4%
2,000	\$47.86	\$49.90	\$2.04	4%
3,000	\$56.19	\$58.87	\$2.68	5%
4,000	\$64.52	\$68.49	\$3.97	6%
5,000	\$72.85	\$78.11	\$5.26	7%
6,000	\$81.18	\$87.73	\$6.55	8%
7,000	\$89.51	\$97.35	\$7.84	9%
8,000	\$97.84	\$106.97	\$9.13	9%
9,000	\$106.17	\$116.59	\$10.42	10%
10,000	\$114.50	\$127.36	\$12.86	11%
11,000	\$123.83	\$138.13	\$14.30	12%
12,000	\$133.16	\$148.90	\$15.74	12%
13,000	\$142.49	\$159.67	\$17.18	12%
14,000	\$151.82	\$170.44	\$18.62	12%
15,000	\$161.15	\$181.21	\$20.06	12%
16,000	\$170.48	\$191.98	\$21.50	13%
17,000	\$179.81	\$202.75	\$22.94	13%
18,000	\$189.14	\$213.52	\$24.38	13%
19,000	\$198.47	\$224.29	\$25.82	13%
20,000	\$207.80	\$235.06	\$27.26	13%

Current Water Rates

Base Fee	\$4.99
0-10,000 Gal	\$4.30
10,000+	\$5.30

Proposed Water Rates

Base Fee:	\$5.75
0-3,000 Gal	\$4.30
3,000-9,000	\$4.95
9,000+ Gal	\$6.10

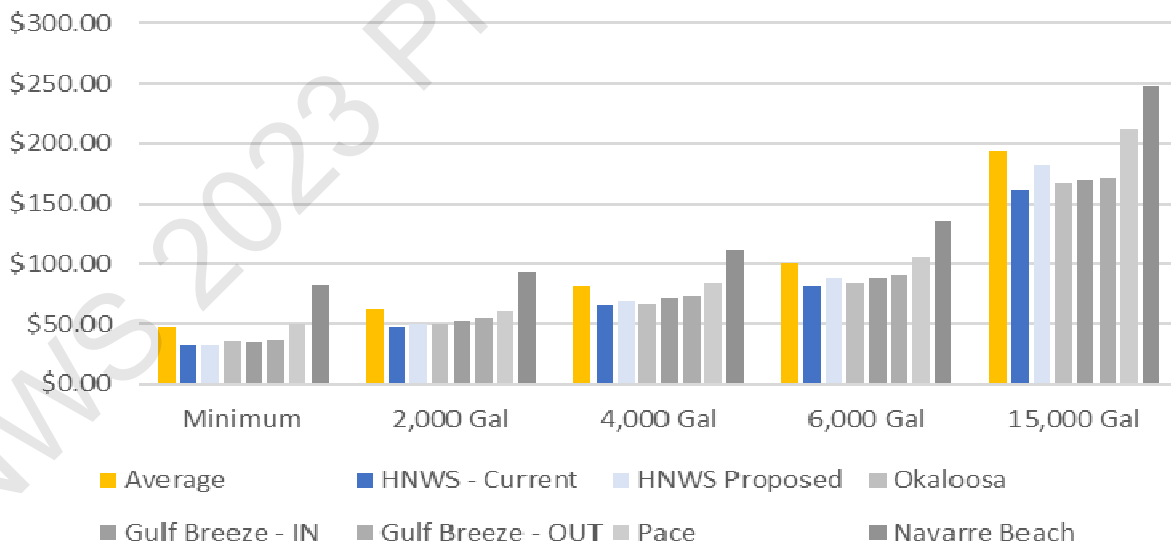
Current Sewer Rates

Base Fee	\$26.21
Per 1K Gal	\$4.03

Proposed Sewer Rates

Base Fee	\$26.21
Per 1K Gal	\$4.67

Rate Increase Compared to Local



The Average
HNWS
Residential
Member Uses
4,600 per
Month

2023 Proposed Rates

Increased by 2022 and 2023 COLA combined

Left at current 0-10K Gal rate to create rate division between tiers

Capped lowest tier below the average useage to promote conservation

Increased current 0-10K Gal Rate by 2022 and 2023 COLA combined

Capped middle tier at the national average usage to promote conservation

Increased current 10K+ Gal Rate by 2022 and 2023 COLA combined

Left at current rate

Increased by 2022 and 2023 COLA combined

The EPA Reports the average American household uses 300 Gal per day ~9,000 Gal per month

Water Rates	
Base Fee:	\$5.75
Per 1,000 Gallons:	
0 - 3,000	\$4.30
3,001 - 9,000	\$4.95
9,001 +	\$6.10

Sewer Rates	
Base Fee:	\$26.21
Per 1,000 Gallons:	\$4.67

The Northwest Florida Water Management District requires a rate structure that will "provide financial incentives to customers to conserve and use water efficiently"