



ANNUAL BUDGET
FISCAL YEAR 2023-2024



75 EAST MORGAN
MARSHALL, MISSOURI 65340-2198

PHONE: 660/886-6966
FAX: 660/886-6724
Email: mmu@mmumo.net
Homepage: www.mmumo.net

August 31, 2023

Board of Public Works
Marshall Municipal Utilities
Marshall, MO 65340

Gentlemen:

The proposed 2023-2024 Budget for Water, Electric, IT & Broadband, Wastewater, and Natural Gas Departments of Marshall Municipal Utilities is hereby submitted for your consideration. As presented, the budget doesn't reflect any changes to rates in any department. We are, however, waiting on the completion of a cost-of-service electric rate study including Time-Of-Use (TOU) electric rates for residential customers. This study is expected to be completed in October of 2023. While not reflected in this budget, changes to the electric rates may be needed depending on the study results.

Marshall Municipal Utilities' operating revenue and other income of \$34,062,100 is based on minimum growth in all departments except IT & Broadband, where an increase is projected due to the expansion of our high-speed fiber to Saline County. Also included in the revenue is \$4,565,00 in grant income in several departments: \$2,225,000 in Water, \$2,075,000 in IT & Broadband and \$265,000 in Electric. MMU's operating expense, less depreciation, is projected to total \$28,444,267 with capital improvements of \$12,094,644. A decrease in working capital is projected for all departments, except natural gas. Wholesale power costs are forecast to remain stable for fiscal year 2024.

The budget includes several significant capital expenditure items:

- Overhaul of generating Unit #6 turbine and maintenance of auxiliary systems.
- Beginning phase of Miami #1 substation switchgear replacement.
- Continued expansion of fiber to the home availability, including rural areas outside the City of Marshall into Saline County through USDA funding.
- Beginning phase for replacement of the ultraviolet lighting system for Wastewater Treatment Plant.
- Completion of the Water Treatment Plant system study.
- Ongoing construction of North Street Pump Station improvements (expect project completion in fall of 2024).
- Beginning phase of water meter upgrade to an automated meter reading system.
- Painting of water tower interior (wet interior).
- Replacement of a bucket truck in the electric distribution department.

- Continuation of the efforts to reduce inflow & infiltration, including cured-in-place pipe rehabilitation and open cut replacement of sanitary sewer lines.
- Beginning phase of planning for new administrative building.

Also included for each department is a list of future improvements needed, including cost estimates and the year anticipated. This information is especially important when projects span multiple years and budgets. It also provides a much broader view of the financial health and requirements of each department over a longer period of time.

Staff continues to work on planning for future improvements and the timing of project completions as it relates to budgeted cash flows. Supply chain issues and third-party delays continue to make this more difficult.

While not included in this budget, staff is working to extend the financial statement forecast to five years; this would match the five-year capital improvements forecast. We are also planning to add information in future budget proposals regarding the various funds within each department, including a description of each fund and its purpose. Improvements to the budget process and the information included will be ongoing and will expand on what has historically highlighted capital projects.

Also in need of consideration are the inflationary cost increases we have seen. While material costs have increased across the board, several key supplies have seen dramatic increases. For examples: electric transformer costs have more than doubled, disinfectant and lime used in water treatment have increased 30% and 18% respectively. While hard to predict, these types of increases need to be considered when making long range plans.

This budget reflects our best estimates as to revenues and expenses for the next year. As always, there will be issues that arise that were not anticipated. We will need to closely monitor the finances of each department as we move forward, not only considering the impact on this budget year, but future budgets as well.

Respectfully submitted,

/s/ 

Jeff Bergstrom
General Manager

By action at its 8/31/2023 meeting, the Board of Public Works recommends approval

of the 2023-2024 Budget.

/s/ [Signature]
President

Date 8-31-2023

Attest:

/s/ [Signature]
Secretary (or other title)

Date 8/31/23

Approved by the City Council of the City of Marshall by Ord. # 8779

[Signature]
Mayor, City of Marshall

Date 09/20/2023

Attest:

/s/ [Signature]
City Clerk, City of Marshall

Date 09/20/2023

ORDINANCE NO. 8779

AN ORDINANCE OF THE CITY OF MARSHALL, MISSOURI, APPROVING THE ANNUAL OPERATING BUDGET FOR THE CITY'S BOARD OF PUBLIC WORKS.

WHEREAS, the City of Marshall's Board of Public Works ("Board"), operating as Marshall Municipal Utilities, has prepared and submitted to the City Council a proposed budget for the coming fiscal year beginning October 1, 2023, and ending September 30, 2024; and

WHEREAS, the City's Code of Ordinances requires the City Council to approve the Board's annual budget.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MARSHALL, MISSOURI:

Section 1. The proposed budget of the City's Board of Public Works for the fiscal year beginning October 1, 2023, and ending September 30, 2024, which has been approved by the Board of Public Works, shall be deemed to be an appropriation of the money authorized for disbursement thereby and is hereby approved by the City Council.

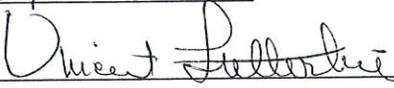
Section 2. This ordinance shall be in force and take effect from and after its passage and approval.

PASSED by the Council of the City of Marshall, Missouri, this 19th day of September, 2023.



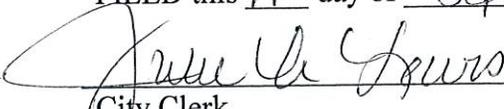
President

APPROVED by the Mayor this 19th day of September, 2023.



Mayor

FILED this 19th day of September, 2023.



City Clerk

Marshall Municipal Utilities

BOARD OF PUBLIC WORKS

Steve Mills,	President
Spencer Fricke,	Vice President
Chuck Hines,	Secretary
Ken Bryant,	Member

MARSHALL CITY COUNCIL

Vince Lutterbie,	Mayor
John Allen Jr,	Ward I
Drew Green,	Ward I
Phil Perkins,	Ward II
Nathan Swisher,	Ward II
Dan Brandt,	Ward III
Charles Guthrey,	Ward III
Craig Thompson,	Ward IV
Steve Cook,	Ward IV

DIRECTORS

Jeff Bergstrom,	General Manager
Megan Baldrige,	Human Resources
Tony Bersano,	Controller
Jarad Muller,	Electric Production
Doug Root,	Electric Distribution
Jim Widel,	IT & Broadband
Grant Piper,	Underground Facilities
Eric Perkins,	Wastewater Treatment
Travis Boss,	Water Treatment

TABLE OF CONTENTS

<u>FISCAL YEAR 2024 CAPITAL IMPROVEMENTS</u>	<u>Page</u>
Water Treatment Plant 2024 Capital Improvements-----	1
Water Distribution 2024 Capital Improvements-----	3
Electric Production 2024 Capital Improvements-----	6
Electric Distribution 2024 Capital Improvements-----	8
IT & Broadband 2024 Capital Improvements-----	12
Wastewater Treatment Plant 2024 Capital Improvements-----	14
Wastewater Collection 2024 Capital Improvements-----	17
Administration 2024 Capital Improvements-----	18
 <u>CAPITAL IMPROVEMENT BUDGET FISCAL YEARS 2024-2028</u>	
Department Summary Budget 2024-2028-----	19
Water Department Budget 2024-2028-----	20
Electric Department Budget 2024-2028-----	22
IT & Broadband Department Budget 2024-2028-----	25
Wastewater Department Budget 2024-2028-----	26
Administrative Department Budget 2024-2028-----	28
 <u>STATEMENT OF OPERATIONS</u>	
Water Department-----	29
Electric Department-----	30
Gas Department-----	31
IT & Broadband Department-----	32
Wastewater Department-----	33
Statement of Financial Position-----	34

WATER TREATMENT PLANT	
Major Capital Improvements	
Exterior Doors (Bids rejected 2021)	\$ 80,000
Truck #206	48,000
Truck #207 (Carryover 2021)	56,000
Replace Air Compressors	65,000
Filter Effluent Valves and Actuators 10"	72,000
Asbestos Removal	10,000
Spreader Truck	250,000
Recurring Capital Improvements	
Well Treatment & Maintenance	55,000
Total	\$ 636,000

Replace Exterior Doors (Bids rejected 2021)

Budget: \$80,000

Purpose: Multiple exterior doors and door frames have deteriorated and need to be replaced. The project will consist of replacing eight doors, (4 double doors & 4 single doors) on the original water treatment plant building. One single door on the disinfection building and one single door on the #3 sludge pump building. The original bid that was rejected was for doors and included installation. We are looking at in house labor for installation, which should reduce the cost significantly.

Duration: Anticipated completion in 2024

Replace Truck #206

Budget: \$48,000

Purpose: The truck is a 2010 Ford F-150, half-ton 4x2 pickup. We would like to replace this truck with a half-ton 4x4 pickup. The old truck can be sold.

Duration: Anticipated purchase 2024

Truck #207 (Carryover 2021)

Budget: \$56,000

Purpose: The truck is a 2005 Ford F-250, ¾ ton 4x4 pickup. We would like to replace this truck with a ¾ ton 4x4 pickup. The old truck will be sold.

Duration: Anticipated purchase 2024

Replace Air Compressors

Budget: \$ 65,000

Purpose: The current air compressors were installed in 2002 and they run 24 hours per day. These air compressors supply air for control and operation of valves and equipment at the plant.

Duration: Anticipated completion in 2024

Replace Filter Effluent Valves and Actuators 10"

Budget: \$72,000

Purpose: The filter effluent valves are leaking and will no longer completely seal. The valves are allowing water to continue to flow through the filters.

Duration: Anticipated completion in 2024

Asbestos Removal

Budget: \$10,000

Purpose: Remove asbestos containing materials from the original water treatment plant building. This will include removal and replacement of the floor tile in an old office.

Duration: Anticipated completion in 2024

Spreader Truck

Budget: \$250,000

Purpose: This vehicle is needed to enable the utility to spread lime sludge from the water treatment plant to local area farmland. We would include GPS based software and precision application technology to optimize the application of the product.

Duration: Anticipated purchase in 2024

Well Treatment & Maintenance

Budget: \$55,000

Purpose: We will treat five wells and pull two for inspection and repair. This project has lengthened the life of our wells and maintained the product of said wells at almost new levels.

Duration: Annually

WATER DISTRIBUTION	
Major Capital Improvements	
North Street Pump Station	\$2,500,000
AMI Water Meters	500,000
Truck #403	60,000
Clean #1 Reservoir	70,000
HVAC Upgrade Underground Facilities Building	40,000
Paint Water Tower Wet Interior (Carryover 2021)	160,000
Remove #2 Reservoir (Carryover 2020)	130,000
Vacuum Excavator (Carryover 2021)	125,000
North Lincoln 6" Main Replacement Slater to State (Carryover 2023)	35,000
Boyd 6" Main Replacement Benton to Grant	50,000
Total	\$3,670,000

North Street Pump Station

Budget: \$2,500,000

Purpose: Burns & McDonnell have completed phase one planning and phase two preliminary design and are currently mobilized for phase three. This project will include replacement of all motors, pumps, valves, piping; upgrade of the electric panels and replacement of the diesel pump with a generator and auto-transfer switch. Building renovations including replacement of the roof, window, doors and tuckpointing along with asbestos and lead paint abatement. This project is estimated to be completed in 2024.

Duration: Ongoing.

AMI Water Meters

Budget: \$500,000

Purpose: AMI metering would replace manually reading all water meters. Additional benefits will be improvement of water losses, staffing issues, billing during inclement weather and leak detection.

Duration: Anticipated completion 2026.

Truck #403

Budget: \$60,000

Purpose: The truck is a 2013 Ford F-350 4X4 diesel. This unit would be replaced with a similar 4X4 model. The old unit will be transferred to the mechanics shop with that 2006 F-350 being sold.

Duration: Anticipated purchase 2024.

Clean #1 Reservoir**Budget:** \$70,000**Purpose:** The reservoir was cleaned and inspected in 2014. This reservoir will need to be drained for construction on North Street Pump Station, we would like to clean and inspect it during this time.**Duration:** Anticipated completion 2024.**HVAC Upgrade Underground Facilities Building****Budget:** \$40,000**Purpose:** The current unit was installed in 2000 and has failed multiple times in the past years. This upgrade will include return air duct work, replacement of the original unit and will improve the efficiency of heating and cooling this building.**Duration:** Anticipated purchase 2024.**Paint Water Tower Wet Interior (Carryover 2021)****Budget:** \$160,000**Purpose:** The tower was drained, cleaned, and inspected in 2017. All repairs were made and the coating was touched up. Upon inspection it was recommended the interior be sand blasted and recoated in the next few years. The tank would be cleaned, inspected, and recoated by an outside contractor. The new coating is expected to last 20-25 years.**Duration:** Anticipated completion 2024.**Remove #2 Reservoir (Carryover 2020)****Budget:** \$130,000**Purpose:** This reservoir has severe deterioration to the concrete ceiling/roof. With the THM reduction improvements complete, the #2 reservoir should be taken out of service.**Duration:** Anticipated completion 2024.**Vacuum Excavator (Carryover 2021)****Budget:** \$125,000**Purpose:** The current unit is a 2008 model with 1,116 hours. This is the oldest of two machines and is starting to have mechanical and structural issues. The old unit would be sold.**Duration:** Anticipated purchase 2024.

North Lincoln 6” Main Replacement Slater to State (Carryover 2023)

Budget: \$35,000

Purpose: This 6” cast iron water main on North Lincoln was installed in 1953 and has failed several times in the past. A new 6” C900 plastic main would be installed and services connected.

Duration: Anticipated completion 2024.

Boyd 6” Main Replacement Benton to Grant

Budget: \$50,000

Purpose: The water main on Boyd from Benton to Grant was installed in 1915 and has failed several times in the past. A new 6” C900 plastic pipe would be installed and services connected.

Duration: Anticipated completion 2024.

ELECTRIC PRODUCTION	
Major Capital Improvements	
Shop Welder	\$ 15,000
Unit #10 and #11 Water Treatment	50,000
Unit #11 Intercooler Replacement	170,000
Auto-Tie Baler (Region F Solid Waste Grant 85%)	300,000
Unit #6 Overhaul	1,850,000
Skid-Steer Loader (Region F Solid Waste Grant 85%)	50,000
Total	\$2,435,000

Shop Welder

Budget: \$15,000

Purpose: The current shop welder is 25+ years old and it was purchased used. The welder has been giving us more issues the last few years and it is getting harder to get parts. We do many welding projects in Electric Production, but also many welding jobs for other departments. The new unit would be a multiprocessor welder capable of performing different types of welding like Mig, Tig, and Arc. The new unit would also be much smaller than the current unit, making it a little more portable when welding at the recycle center or other departments such as the water plant.

Duration: Anticipated purchase 2024.

Unit #10 and #11 Water Treatment

Budget: \$50,000

Purpose: The water treatment at units #10 and #11 has been minimal since the demolition of the power plant. Once the big boilers were gone, the water treatment company we were using didn't provide us assistance anymore. The need for water treatment has become evident after seeing the intercoolers we had repaired and the circulating water pumps that have been rebuilt. The corrosion on this equipment was significant. The initial cost of water treatment would be for controllers, meters, probes, pumps, and the initial chemicals. There would then be a reoccurring cost to replenish chemicals as needed.

Duration: Anticipated completion 2024.

Unit #11 Intercooler Replacement

Budget: \$170,000

Purpose: The intercoolers on unit 11 have started to show some slight loss in cooling over the last year. Visual inspections show some corrosion taking place in the coolers and piping. We replaced unit 10's coolers in 2022 due to the same issues, so these coolers will need to be replaced soon.

Duration: Anticipated completion 2024.

Auto-Tie Baler (Region F Solid Waste Grant 85%)**Budget:** \$300,000

Purpose: The auto-tie baler is used to bale most of our recycle products for sale and shipping. This baler is used every day and is a key part of the recycling process. The current auto-tie baler was purchased used in 2016. There have been countless repairs made to the unit over the years. These repairs are becoming more frequent and more costly. We would apply for an 85% grant with the Solid Waste District to purchase this unit.

Duration: Anticipated completion 2024.**Unit #6 Overhaul****Budget:** \$1,850,000

Purpose: Unit #6 was last overhauled in 2005-2006. The unit had been overhauled roughly every 5 years before the last one. The last few years have shown some loss in production. We have also been seeing new issues with vibrations and some temperature issues. Unit #6 has shown itself to be much more valuable over the last few years and was a vital generator during winter storm Uri. This project would require a third-party crew with assistance from MMU staff.

Duration: In progress with anticipated completion 2024.**Skid-Steer Loader (Region F Solid Waste Grant 85%)****Budget:** \$50,000

Purpose: The skid-steer in the recycle center is used on a daily basis to sort products and load products into the baler for baling. The current skid-steer was purchased in 2017 with a grant received from Region F Solid Waste District. We try to replace this unit every 5 years as it is a key part of the recycling process and it does get used on a daily basis. We would apply for a grant from the Solid Waste District to purchase this unit.

Duration: Anticipated purchase 2024.

ELECTRIC DISTRIBUTION	
Major Capital Improvements	
Truck #302 (Delivery 2024)	\$ 60,000
Miami #1 Substation Transformer and Switchgear Replacement	500,000
Truck #329 (Delivery 2024)	70,000
West Substation Relay and Breaker Testing (Approved 2023)	30,000
Southeast Substation T1 Inspection/Recondition	180,000
A Substation Recloser Replacement and Maintenance	70,000
Truck #305 (Delivery 2024)	310,000
HVAC Upgrade Electric Distribution Building	26,000
Electric Distribution Garage Door Replacement/Maintenance	20,000
Recurring Capital Improvements	
Convert Overhead Single Phase in Walkway Easements to Underground	150,000
Contract Tree Trimming/Brush Spraying	150,000
Total	<u><u>\$ 1,566,000</u></u>

Truck #302 (Delivery 2024)

Budget: \$60,000

Purpose: This truck is a 2005 Ford F-550 4x4 with a V-10 gas engine and a flat bed. The BOPW approved the purchase in April of 2021. Due to supply chain issues this truck has been pushed back and we expect delivery during the 2023-2024 budget year.

Duration: Anticipated delivery 2024.

Miami #1 Substation Switchgear Replacement

Budget: \$500,000

Purpose: Miami #1 Substation was put into service in 1985 and consists of a 161kV Circuit Switcher, a 15/20/25 MVA transformer, a grounding transformer, and 15kV metal clad switchgear lineup with nine 15kV breakers and an auxiliary switch to feed Unit #10 and #11 house power. Toth & Associates was selected as the engineering firm to design and spec the equipment to be replaced. We requested testing be completed on the transformers and circuit switcher to determine their condition. The transformers were rated on a scale of 1-5, both transformers are in good condition with a 4 rating. The circuit switcher was rated as pass/fail, it passed and is in good condition with the exception of a few maintenance recommendations that will be addressed when taken out of service. After evaluation, it was determined the 15kV switchgear is in need of replacement. Toth & Associates has started working on this.

Duration: Anticipated completion 2025.

Truck #329 (Delivery 2024)**Budget:** \$70,000

Purpose: This truck is a 2008 Ford one-ton with approximately 76,000 miles. The BOPW approved the purchase in November of 2022. Due to supply chain issues this truck has been pushed back and we expect delivery during the 2023-2024 budget year.

Duration: Anticipated delivery 2024.**West Substation Relay and Breaker Testing (Approved 2023)****Budget:** \$30,000

Purpose: West Sub was finished in 1995, it has one 2000-amp Main Breaker and six 1200-amp Feeder Breakers. There are a total of 9 mechanical relays and 16 SEL Microprocessor Relays for over current and differential protection. We would like to have the relays and breakers at West Substation tested to ensure correct operation. While the Substation is down, we plan to inspect the bus duct (the overhead connection between the transformer and switchgear). This hasn't been open for inspection since it was put in service.

Duration: Anticipated completion 2024.**Southeast Substation T1 Inspection/Recondition****Budget:** \$180,000

Purpose: The Southeast Substation Transformer T1 has been in service since 1976 and has served the community well over the years with very little maintenance. With the addition of the Southeast Substation T2 this would be a good opportunity to complete an inspection and oil processing on T1. This process gives the transformer a "life extension" that involves using an oil processing rig that heats up and circulates the oil while removing gasses. The inspection crew would also inspect the Load Tap Changer and replace worn or defective parts as needed; they would also look at replacing all necessary gaskets and hardware while the transformer oil is pumped down.

Duration: Anticipated completion 2024.**A Substation Recloser Replacement and Maintenance****Budget:** \$70,000

Purpose: A Substation has two oil-filled reclosers with Cooper Form 6 controls. We plan to replace the oil-filled reclosers with NOVA vacuum reclosers. We currently have five NOVA reclosers in service and they have performed very well. We also plan to inspect connections, replace post insulators and station arresters while the substation is switched out.

Duration: Anticipated completion 2024.

Truck #305 (Delivery 2024)**Budget:** \$310,000**Purpose:** This truck is a 2010 Altec 55' bucket truck with approximately 30,000 miles and 6,400 engine hours which equates to 192,000 miles. We would like to replace this unit with a similar unit. The old unit would then be sold.**Duration:** Anticipated delivery 2024.**HVAC Upgrade Electric Distribution Building****Budget:** \$26,000**Purpose:** The Electric Distribution building was completed in 2000. The ground source heat pump has a small refrigerant leak that has been topped off several times, the unit uses R22 which is no longer manufactured and becoming difficult to find. There have been several service calls and repairs made on this unit in the past few years. We would like to replace it with a similar size unit.**Duration:** Anticipated completion 2024.**Electric Distribution Garage Door Replacement/Maintenance****Budget:** \$20,000**Purpose:** The Electric Distribution Building was completed in 2000. There a total of 11 overhead garage doors. We would like to replace three doors on the south end that see heavy use and service several other doors that need gaskets and seals replaced.**Duration:** Anticipated completion 2024.**Convert Overhead Single Phase in Walkway Easements to Underground****Budget:** \$150,000**Purpose:** This is a long-term project to convert single-phase overhead lines in walkway easements to underground. These lines are difficult to access, cost more to maintain than overhead lines on the street and are a major tree trimming burden. Converting these lines to underground lowers future maintenance cost, eliminates the tree trimming burden and increases reliability. Once easements are signed, we would like to bury the area between Benton and Highland Ct. north of College St. After that project is complete, we would like to focus on the Potomac Hills Subdivision east of Lincoln St.**Duration:** Ongoing.

Contract Tree Trimming/Brush Spraying

Budget: \$150,000

Purpose: We currently have a three-year contract with Poor Boy Tree Service through 2023. We will be seeking another three-year tree trimming/brush spraying contract through 2026. We plan to continue concentrating on three phase distribution lines along the street along with single phase along the street and backyards. We would also like to continue focusing on areas that need sprayed for trees and brush along the transmission and distribution right of way. These areas are very difficult to access and mow.

Duration: Ongoing.

IT & BROADBAND	
Major Capital Improvements	
Broadband Grant #1	\$ 20,000
Truck #511 (Approved 2022)	30,000
Covered Storage Building (Approved 2023)	60,000
Broadband Grant #2	1,810,000
New IT Truck (Carryover 2023)	45,000
Van #336 (Carryover 2023)	35,000
Truck #415 (Carryover 2023)	45,000
Total	\$2,045,000

Broadband Grant #1

Budget: \$20,000

Purpose: The backbone construction is complete. We have received the loan amount of \$575,000 and only have additional capital costs of \$20,000 remaining on this project. In June of 2023 we received additional supplemental funding in the amount of \$149,478. We expect total grant reimbursement of \$724,478 during the 2023-2024 budget year.

Duration: Anticipated completion 2024.

Truck #511 (Approved 2022)

Budget: \$30,000

Purpose: A Maverick pick-up was approved by the BOPW and ordered in July of 2022 and has since been cancelled and reordered twice. We anticipate delivery and payment of this truck during the 2023-2024 budget year.

Duration: Anticipated purchase 2024.

Covered Storage Building (Approved 2023)

Budget: \$60,000

Purpose: With the IT & Broadband Department growing we have several pieces of equipment that do not fit in our garages or in the warehouse. We would like to build a three-sided pole barn, roughly 32x72 with 16-foot sidewalls. The BOPW approved request for bids on June 29, 2023 with construction and completion expected in 2024.

Duration: Anticipated completion 2024.

Broadband Grant #2**Budget:** \$1,810,000

Purpose: In October 2021, MMU was awarded \$7,578,843 in grant funding for broadband expansion in a majority of Saline County. In July of 2023 MMU was awarded an additional \$1,032,346 in supplemental funding and one additional year from USDA bringing the total Grant #2 amount to \$8,611,189 with a six-year completion time. MMU will need to spend \$2.5 million before using any grant and supplement funding. Contractor began conduit installation in May of 2023.

Duration: Ongoing.**New IT Truck (Carryover 2023)****Budget:** \$45,000

Purpose: We would like to add a pick-up to be used by our IT staff for service calls and transporting materials.

Duration: Anticipated purchase 2024.**Van #336 (Carryover 2023)****Budget:** \$35,000

Purpose: This is a 2010 Ford cargo van used by the IT & Broadband Director. We would like to replace this van with a similar van.

Duration: Anticipated purchase 2024.**Truck #415 (Carryover 2023)****Budget:** \$45,000

Purpose: This is a 2011 Ford Escape SUV, originally used by the Environmental Service Director and now by IT support staff. Its beginning to have some reliability issues. When the truck is replaced, it would be a good time to consider either plug-in hybrid or all electric.

Duration: Anticipated purchase 2024.

WASTEWATER PLANT	
Major Capital Improvements	
Filter Building Upper Roof Replacement (Approved 2022)	\$ 41,444
Waste Aeration Building Blower Replacement (Approved 2023)	186,200
Sludge Pad Trench Drain Expansion (Approved 2023)	60,000
Truck #413 (Carryover 2021)	40,000
Truck #401 (Carryover 2022)	40,000
Waste Aeration Building Roof Replacement (Carryover 2023)	15,000
Crack Seal Asphalt (Carryover 2023)	10,000
Driveway Asphalt Overlay and Repairs (Carryover 2023)	70,000
Diffuser Manifold Waste Holding Basin Replacement	150,000
Replace UV System	500,000
Total	\$ 1,112,644

Filter Building Upper Roof Replacement (Approved 2022)

Budget: \$41,444

Purpose: This roof was installed during the 1988-1993 upgrades to the filter building. Over the past years it has started to develop small leaks. It is a rubber membrane roof. There are two exhaust fans and the lime silo to go around while installing the membrane.

Duration: Anticipated completion 2024.

Waste Aeration Building Blower Replacement (Approved 2023)

Budget: \$186,200

Purpose: The existing blowers for the waste aeration have been in service since 1993; we are starting to have some issues with reliability on these two units. These units would be replaced using contract labor.

Duration: Anticipated completion 2024.

Sludge Pad Trench Drain Expansion (Approved 2023)

Budget: \$60,000

Purpose: Located at the front edge of our two sludge pads are trench drains to collect any rain or runoff from the sludge that is being stored there. This was brought up as a concern in a previous DNR inspection. We will purchase new grating and use in-house labor.

Duration: Anticipated completion 2024.

Truck #413 (Carryover 2021)

Budget: \$40,000

Purpose: This truck is a 1999 F-150 and is the oldest pickup at the plant. This truck has significant rust and is starting to show its age. We would like to replace it with another 1/2-ton pickup with four wheel-drive.

Duration: Anticipated purchase 2024.

Truck #401 (Carryover 2022)**Budget:** \$40,000**Purpose:** Truck 401 is a 2006 ½-ton pickup used by wastewater staff. We will be looking to replace it with another similar unit.**Duration:** Anticipated purchase 2024.**Waste Aeration Building Roof Replacement (Carryover 2023)****Budget:** \$15,000**Purpose:** This roof was replaced around 2011, but is starting to leak around the air intakes for the blowers. We need to replace this roof after the new blowers have been installed, just in case there are any changes to the intake size and location.**Duration:** Anticipated completion 2024.**Crack Seal Asphalt (Carryover 2023)****Budget:** \$10,000**Purpose:** There was an overlay on approximately 80% of the driveway in the fall of 2008. We have started to get areas with cracks and weeds growing through. We would like to have these cracks cleaned and sealed to prevent further damage.**Duration:** Anticipated completion 2024.**Driveway Asphalt Overlay and Repairs (Carryover 2023)****Budget:** \$70,000**Purpose:** The section of asphalt on the south end of the plant and going up the hill towards the south aeration basin is deteriorating and is need attention. About half of it can have overlay done and repairs will need to be made then asphalt laid on the other half. We will need to time this just after the trench drain changes have been made so everything can be seamless.**Duration:** Anticipated completion 2024.**Diffuser Manifold Waste Holding Basin Replacement****Budget:** \$150,000**Purpose:** The existing piping in these basins are made of a fiberglass material, and have become very brittle and the down pipes are breaking off easily. The frame holding the pipes has rusted in multiple places and needs repaired/replaced. We will be looking to replace these with stainless steel piping. We will be looking at using in house labor for this project.**Duration:** Anticipated completion 2024.

Replace UV System

Budget: \$500,000

Purpose: The system that is in place now has been giving us trouble for some time. The wipers and scrubber piping have been cut off of them, causing the units to be very unstable. The bulbs will not cycle off and on like they should. UV disinfection is required to meet DNR effluent limits from April thru October. We feel it would be more effective to replace the current system with a new one.

Duration: Anticipated completion 2025.

WASTEWATER COLLECTION	
Major Capital Improvements	
Valves for Southwest Lift Station (Carryover 2020)	\$ 35,000
Inflow and Infiltration Improvements	150,000
Recurring Capital Improvements	
Sewer Main Replacement	300,000
Collection System Rehabilitation (CIPP)	150,000
Total	\$ 635,000

Valves for Southwest Lift Station (Carryover 2020)

Budget: \$35,000

Purpose: The valves on the two force mains are not working or sealing properly. The new valves would be installed by outside contractors. These valves are installed with special equipment without shutting down the lift stations. These valves will allow us to perform maintenance on the force mains.

Duration: Anticipated completion 2024.

Inflow and Infiltration Improvements

Budget: \$150,000

Purpose: Based on the Burns & McDonnell 2022 study we will work to develop a plan to correct inflow and infiltration of private sewer laterals and foundation drains.

Duration: Ongoing

Sewer Main Replacement

Budget: \$300,000

Purpose: Will continue to replace some of the older sewer mains that cannot be improved by the Cured in Place Pipe (CIPP) method. These Mains are often 6” and are in poor condition. We anticipate completing one or two main replacements each year with an estimated total annual cost of \$200,000 - \$300,000.

Duration: Ongoing.

Collection System Rehabilitation (CIPP)

Budget: \$150,000

Purpose: Will continue to improve the collection system with the Cured in Place Pipe (CIPP) method. This type of rehab will improve a main that is structurally sound, but has cracks, leaking joints, roots, and small holes. Mains rehabbed with CIPP are in excellent condition when finished. This year we are planning to rehab mains from 6” up to 10”. The CIPP project will be completed by outside contractors.

Duration: Ongoing.

ADMINISTRATIVE	
Major Capital Improvements	
Warehouse Concrete Pad	\$ 40,000
Administrative Building - Architect	250,000
Total	\$ 290,000

Warehouse Concrete Pad

Budget: \$40,000

Purpose: Because of pricing and lead times, we increased our transformer inventory. This has caused excessive crowding on the existing transformer pad. We would like to pour a 16’x200’ pad north of the existing pad. This would allow us to organize transformers by size and have a separate storage area for junk transformers that are waiting for pickup. The pad could also be used to store other material.

Duration: Anticipated completion 2024.

Administrative Building - Architect

Budget: \$250,000

Purpose: The growth of our IT & Broadband Department has created the need to expand some facilities. In addition to needing more room, we need to consolidate staff in this department into one location. The construction of a new administrative building, including a shop area for IT field staff, would support this continued growth.

With the demolition of the power plant complete we are looking at building an administrative building at this site. This new administrative building would house the administrative, customer service and IT staff. The building would possibly allow two drive-thru lanes to shorten customer wait time. The building would have a hardened room to protect IT and broadband equipment that supplies broadband internet to the city and county, as well as the servers involved in operation of the utility. This building would also include a board room constructed to allow enough room for guests, hard-wired to allow presentations, and have the ability to broadcast live streams of board meetings to the public.

Our intent is to engage an Architect this year to help with the planning, design and construction. Staff and Board of Public Works feedback will be key to creating a facility that would serve the community for the future.

Duration: Anticipated completion 2027.

DEPARTMENT BUDGET SUMMARY

Fiscal Years 2024-2028

DEPARTMENT	TOTAL PROJECT COST	BUDGET 2024	BUDGET 2025	BUDGET 2026	BUDGET 2027	BUDGET 2028
WATER TREATMENT PLANT	\$ 856,000	\$ 636,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000
WATER DISTRIBUTION	6,671,160	3,670,000	1,757,000	250,000	170,000	35,000
WATER DEPARTMENT TOTAL	7,527,160	4,306,000	1,812,000	305,000	225,000	90,000
ELECTRIC PRODUCTION	2,891,000	2,435,000	220,000	95,000	111,000	30,000
ELECTRIC DISTRIBUTION	5,375,000	1,566,000	1,714,000	655,000	820,000	620,000
ELECTRIC DEPARTMENT TOTAL	8,266,000	4,001,000	1,934,000	750,000	931,000	650,000
WASTEWATER PLANT	3,291,000	1,112,644	510,000	1,100,000	776,000	80,000
WASTEWATER COLLECTION	3,285,000	635,000	850,000	600,000	600,000	600,000
WASTEWATER DEPARTMENT TOTAL	6,576,000	1,747,644	1,360,000	1,700,000	1,376,000	680,000
IT & BROADBAND DEPARTMENT	11,798,189	2,045,000	2,650,000	2,560,000	2,542,000	2,001,189
ADMINISTRATIVE DEPARTMENT	3,065,000	290,000	750,000	1,025,000	1,000,000	-
TOTAL	\$ 37,232,349	\$ 12,389,644	\$ 8,506,000	\$ 6,340,000	\$ 6,074,000	\$ 3,421,189

WATER DEPARTMENT BUDGET

Fiscal Years 2024-2028

PROJECT	TOTAL PROJECT COST	BUDGET 2024	BUDGET 2025	BUDGET 2026	BUDGET 2027	BUDGET 2028
WATER TREATMENT PLANT						
Replace Exterior Doors (Bids rejected 2021)	\$ 80,000	\$ 80,000	\$ -	\$ -	\$ -	\$ -
Truck #206	48,000	48,000	-	-	-	-
Truck #207 (Carryover 2021)	56,000	56,000	-	-	-	-
Replace Air Compressors	65,000	65,000	-	-	-	-
Filter Effluent Valves and Actuators on all Five Filters 10 Inch	72,000	72,000	-	-	-	-
Asbestos Removal	10,000	10,000	-	-	-	-
Spreader Truck	250,000	250,000	-	-	-	-
Annual Well Treatment	275,000	55,000	55,000	55,000	55,000	55,000
Pending completion of Treatment Plant Study						
WATER TREATMENT PLANT TOTAL	856,000	636,000	55,000	55,000	55,000	55,000

WATER DISTRIBUTION

North Street Pump Station	3,396,160	2,500,000	107,000	-	-	-
AMI Water Meters	1,500,000	500,000	1,000,000	-	-	-
Truck #403	60,000	60,000	-	-	-	-
Clean #1 Reservoir	70,000	70,000	-	-	-	-
HVAC Upgrade Underground Facilities Building	40,000	40,000	-	-	-	-
Paint Water Tower Wet Interior (Carryover 2021)	160,000	160,000	-	-	-	-
Remove #2 Reservoir (Carryover 2020)	\$ 130,000	\$ 130,000	\$ -	\$ -	\$ -	\$ -

Marshall Municipal Utilities

Capital Improvements

WATER DEPARTMENT BUDGET

Fiscal Years 2024-2028

PROJECT	TOTAL PROJECT COST	BUDGET 2024	BUDGET 2025	BUDGET 2026	BUDGET 2027	BUDGET 2028
WATER DISTRIBUTION						
Vacuum Excavator (Carryover 2021)	\$ 125,000	\$ 125,000	\$ -	\$ -	\$ -	\$ -
North Lincoln 6" Main Replacement Slater to State (Carryover 2023)	35,000	35,000	-	-	-	-
Boyd 6" Main Replacement Benton to Grant	50,000	50,000	-	-	-	-
Park Ave 12" Main Replacement Sand Hollow to Vest (Carryover 2022)	250,000	-	250,000	-	-	-
Truck #510	40,000	-	40,000	-	-	-
Replace 2011 CAT Backhoe	180,000	-	180,000	-	-	-
6' Water Main Replacement on College at Lafayette West to Benton	180,000	-	180,000	-	-	-
Replace Skid Steer	70,000	-	-	70,000	-	-
Replace Bobcat Mini	100,000	-	-	100,000	-	-
Replace Truck 203	40,000	-	-	40,000	-	-
Replace Truck 322	40,000	-	-	40,000	-	-
Replace Truck 404	40,000	-	-	-	40,000	-
Replace Truck 503	40,000	-	-	-	40,000	-
Risk and Resilience Assessment	30,000	-	-	-	30,000	-
Rea 6" Main Replacement Brunswick to Sharp	60,000	-	-	-	60,000	-
Owner Supervised Plan	35,000	-	-	-	-	35,000
WATER DISTRIBUTION TOTAL	6,671,160	3,670,000	1,757,000	250,000	170,000	35,000
WATER DEPARTMENT TOTAL	\$ 7,527,160	\$ 4,306,000	\$ 1,812,000	\$ 305,000	\$ 225,000	\$ 90,000

Annual Operating Budget

Fiscal Year 2023-2024

Marshall Municipal Utilities

Capital Improvements

ELECTRIC DEPARTMENT BUDGET

Fiscal Years 2024-2028

PROJECT	TOTAL PROJECT COST	BUDGET 2024	BUDGET 2025	BUDGET 2026	BUDGET 2027	BUDGET 2028
ELECTRIC PRODUCTION						
Shop Welder	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	\$ -
Unit #10 and #11 Water Treatment	50,000	50,000	-	-	-	-
Unit #11 Intercooler Replacement	170,000	170,000	-	-	-	-
Auto-Tie Baler *	300,000	300,000	-	-	-	-
Unit #6 Overhaul	1,850,000	1,850,000	-	-	-	-
Skid-Steer Loader *	50,000	50,000	-	-	-	-
Part 70 Operating Permit	10,000	-	10,000	-	-	-
Forklift *	40,000	-	40,000	-	-	-
Unit #11 Intercoolers	170,000	-	170,000	-	-	-
NESHAP RICE Testing Units #7,#8, and #9	15,000	-	-	15,000	-	-
Electronic Governors for Unit #10 and #11	80,000	-	-	80,000	-	-
NESHAP RICE Testing Units #10 & #11	15,000	-	-	-	15,000	-
Concrete at Recycle Center	36,000	-	-	-	36,000	-
Retrofit #4 Cooling Tower Basin for Storage	60,000	-	-	-	60,000	-
Cover Over Loading Dock	30,000	-	-	-	-	30,000
ELECTRIC PRODUCTION TOTAL	\$ 2,891,000	\$ 2,435,000	\$ 220,000	\$ 95,000	\$ 111,000	\$ 30,000

* Eligible for Region F Solid Waste Funding, which would cover 85% of the total cost.

Annual Operating Budget

Fiscal Year 2023-2024

Marshall Municipal Utilities

Capital Improvements

ELECTRIC DEPARTMENT BUDGET
Fiscal Years 2024-2028

PROJECT	TOTAL PROJECT COST	BUDGET 2024	BUDGET 2025	BUDGET 2026	BUDGET 2027	BUDGET 2028
ELECTRIC DISTRIBUTION						
Truck #302 (Delivery 2024)	\$ 60,000	\$ 60,000	\$ -	\$ -	\$ -	\$ -
Miami #1 Substation Switchgear Replacement	1,250,000	500,000	750,000	-	-	-
Truck #329 (Delivery 2024)	70,000	70,000	-	-	-	-
West Substation Relay and Breaker Testing (Approved 2023)	30,000	30,000	-	-	-	-
Southeast Substation T1 Inspection/Recondition	180,000	180,000	-	-	-	-
A Substation Recloser Replacement and Maintenance	70,000	70,000	-	-	-	-
Convert Overhead Single Phase in Walkway Easements to Underground	750,000	150,000	150,000	150,000	150,000	150,000
Contract Tree Trimming	750,000	150,000	150,000	150,000	150,000	150,000
Replace Truck 305 (Carryover 2023)	310,000	310,000	-	-	-	-
HVAC Upgrade Electric Dist Building	26,000	26,000	-	-	-	-
Electric Dist Garage Door Replacement and Maintenance	20,000	20,000	-	-	-	-
Arc Hazard Study	40,000	-	40,000	-	-	-
Replace 2006 Bucket Truck #307	320,000	-	320,000	-	-	-
Replace 2012 Kubota Tractor	90,000	-	90,000	-	-	-
Southeast Substation Protection Maintenance	\$ 82,000	\$ -	\$ 82,000	\$ -	\$ -	\$ -

Annual Operating Budget

Fiscal Year 2023-2024

ELECTRIC DEPARTMENT BUDGET

Fiscal Years 2024-2028

PROJECT	TOTAL PROJECT COST	BUDGET 2024	BUDGET 2025	BUDGET 2026	BUDGET 2027	BUDGET 2028
ELECTRIC DISTRIBUTION (Cont.)						
West Substation Protection Maintenance	\$ 62,000	\$ -	\$ 62,000	\$ -	\$ -	\$ -
Update Arc Hazard Study	70,000	-	70,000	-	-	-
Replace Gator	35,000	-	-	35,000	-	-
Replace 2006 Line Truck #320	320,000	-	-	320,000	-	-
Replace 2012 Line Truck #317	320,000	-	-	-	320,000	-
2008 Ditch Witch Boring Machine	200,000	-	-	-	200,000	-
Replace 2012 Line Truck #303	320,000	-	-	-	-	320,000
ELECTRIC DISTRIBUTION TOTAL	5,375,000	1,566,000	1,714,000	655,000	820,000	620,000
ELECTRIC DEPARTMENT TOTAL	\$ 8,266,000	\$ 4,001,000	\$ 1,934,000	\$ 750,000	\$ 931,000	\$ 650,000

IT & BROADBAND DEPARTMENT BUDGET
Fiscal Years 2024-2028

PROJECT	TOTAL PROJECT COST	BUDGET 2024	BUDGET 2025	BUDGET 2026	BUDGET 2027	BUDGET 2028
IT & BROADBAND						
Broadband Grant #1 **	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -
Truck #511 (Approved 2022)	30,000	30,000	-	-	-	-
Covered Storage Building (Approved 2023)	60,000	60,000	-	-	-	-
Broadband Grant #2 ***	11,111,189	1,810,000	2,500,000	2,500,000	2,500,000	1,801,189
New IT Truck (Carryover 2023)	45,000	45,000	-	-	-	-
Van #336 (Carryover 2023)	35,000	35,000	-	-	-	-
Truck #415 (Carryover 2023)	45,000	45,000	-	-	-	-
Replace Bucket Truck #342	150,000	-	150,000	-	-	-
Fiber Plow	60,000	-	-	60,000	-	-
Replace Fiber Truck #331	42,000	-	-	-	42,000	-
In-Town Expansion & Replacement	200,000	-	-	-	-	200,000
IT & BROADBAND TOTAL	\$ 11,798,189	\$ 2,045,000	\$ 2,650,000	\$ 2,560,000	\$ 2,542,000	\$ 2,001,189

** This project was awarded by USDA for a total amount of \$1,299,478 and is being funded through a \$575,000 USDA loan and a \$724,478 USDA grant.

*** This project was awarded by USDA for a total amount of \$11,111,189, with \$2,500,000 matching funds and \$8,611,189 in USDA grant funding.

Marshall Municipal Utilities

Capital Improvements

WASTEWATER DEPARTMENT BUDGET Fiscal Years 2024-2028

PROJECT	TOTAL PROJECT COST	BUDGET 2024	BUDGET 2025	BUDGET 2026	BUDGET 2027	BUDGET 2028
WASTEWATER PLANT						
Filer Building Upper Roof Replacement (Approved 2022)	\$ 41,444	\$ 41,444	\$ -	\$ -	\$ -	\$ -
Waste Aeration Building Blower Replacement (Approved 2023)	186,200	186,200	-	-	-	-
Sludge Pad Trench Drain Expansion (Approved 2023)	60,000	60,000	-	-	-	-
Truck #413 (Carryover 2021)	40,000	40,000	-	-	-	-
Truck #401 (Carryover 2022)	40,000	40,000	-	-	-	-
Waste Aeration Building Roof Replacement (Carryover 2023)	15,000	15,000	-	-	-	-
Crack Seal Asphalt (Carryover 2023)	10,000	10,000	-	-	-	-
Driveway Asphalt Overlay and Repairs (Carryover 2023)	70,000	70,000	-	-	-	-
Diffuser Manifold Holding Basins	150,000	150,000	-	-	-	-
Replace UV System	1,000,000	500,000	500,000	-	-	-
Rebuild RAS Pump	10,000	-	10,000	-	-	-
Replace Sludge Conveyor	350,000	-	-	350,000	-	-
Replace Belt Filter Presses	1,500,000	-	-	750,000	750,000	-
Replace Truck #416	26,000	-	-	-	26,000	-
Paint Filter Building	80,000	-	-	-	-	80,000
WASTEWATER PLANT TOTAL	\$ 3,291,000	\$ 1,112,644	\$ 510,000	\$ 1,100,000	\$ 776,000	\$ 80,000

Annual Operating Budget

Fiscal Year 2023-2024

Marshall Municipal Utilities**Capital Improvements****WASTEWATER DEPARTMENT BUDGET**
Fiscal Years 2024-2028

PROJECT	TOTAL PROJECT COST	BUDGET 2024	BUDGET 2025	BUDGET 2026	BUDGET 2027	BUDGET 2028
WASTEWATER COLLECTION						
Valves For Southwest Lift Station (Carryover 2020)	\$ 35,000	\$ 35,000	\$ -	\$ -	\$ -	\$ -
Inflow and Infiltration Improvements	750,000	150,000	150,000	150,000	150,000	150,000
Sewer Main Replacement	1,500,000	300,000	300,000	300,000	300,000	300,000
Sewer Jetter	250,000	-	250,000	-	-	-
Collection System Rehabilitation Using the Cured-in-Place Pipe CIPP Method	750,000	150,000	150,000	150,000	150,000	150,000
WASTEWATER COLLECTION TOTAL	3,285,000	635,000	850,000	600,000	600,000	600,000
WASTEWATER DEPARTMENT TOTAL	\$ 6,576,000	\$ 1,747,644	\$ 1,360,000	\$ 1,700,000	\$ 1,376,000	\$ 680,000

Marshall Municipal Utilities

Capital Improvements

ADMINISTRATIVE DEPARTMENT BUDGET
Fiscal Years 2024-2028

PROJECT	TOTAL PROJECT COST	BUDGET 2024	BUDGET 2025	BUDGET 2026	BUDGET 2027	BUDGET 2028
ADMINISTRATION						
Warehouse Concrete Pad	\$ 40,000	\$ 40,000	\$ -	\$ -	\$ -	\$ -
New Administration Building	3,000,000	250,000	750,000	1,000,000	1,000,000	-
Replace Vehicle 335	25,000	-	-	25,000	-	-
ADMINISTRATION TOTAL	\$ 3,065,000	\$ 290,000	\$ 750,000	\$ 1,025,000	\$ 1,000,000	\$ -

STATEMENT OF OPERATIONS - WATER
Fiscal Years Ending September 30

	Actual 2022	Estimated 2023	Budget 2023	Budget 2024	Budget % Difference
Operating Revenues:					
Charges for Services					
Residential	\$ 1,659,840	\$ 1,677,356	\$ 1,625,000	\$ 1,650,000	1.54%
Small General	248,047	206,321	210,000	215,000	2.38%
Large General	231,097	303,161	240,000	250,000	4.17%
Industrial	767,425	751,650	750,000	760,000	1.33%
Resale	884,814	971,608	900,000	925,000	2.78%
Commercial	334,318	333,338	323,700	330,350	2.05%
Payment In Lieu Of Taxes	201,716	212,000	202,400	200,000	-1.19%
Total Charges for Services	4,327,258	4,455,433	4,251,100	4,330,350	1.86%
Miscellaneous Revenue	4,243	101,236	15,500	5,000	-67.74%
Grant Income	650	-	5,000	2,225,000	44400.00%
Interest Income	4,661	3,692	5,000	5,000	0.00%
Total Operating Revenue	4,336,812	4,560,362	4,276,600	6,565,350	53.52%
Operating Expenses:					
Salaries and Benefits	1,620,168	1,852,499	1,789,289	2,097,134	17.20%
Insurance	103,911	92,061	140,000	95,000	-32.14%
Utilities	321,833	311,289	377,500	318,500	-15.63%
Maintenance	429,208	309,754	355,300	512,000	44.10%
Supplies	596,057	732,049	563,500	712,000	26.35%
Depreciation And Amortization	639,568	677,813	658,000	681,000	3.50%
Payments and/or Services in Lieu of Taxes	261,201	250,529	258,400	257,500	-0.35%
Other General Expenses	45,524	87,596	173,100	172,183	-0.53%
Interest Expense	8,212	39,445	30,000	36,000	20.00%
Total Operating Expense	4,025,682	4,353,035	4,345,089	4,881,317	12.34%
Operating Income (Loss)	\$ 311,129	\$ 207,327	\$ (68,489)	\$ 1,684,033	-2558.84%

STATEMENT OF OPERATIONS - ELECTRIC
Fiscal Years Ending September 30

	Actual 2022	Estimated 2023	Budget 2023	Budget 2024	Budget % Difference
Operating Revenues:					
Charges for Services					
Residential	\$ 5,718,162	\$ 5,659,686	\$ 5,700,000	\$ 5,700,000	0.00%
Small General	1,780,410	1,915,899	1,900,000	1,900,000	0.00%
Large General	2,956,490	2,735,472	2,600,000	2,800,000	7.69%
Industrial	4,848,755	4,565,821	5,300,000	4,600,000	-13.21%
Resale	899,639	346,280	671,000	-	-100.00%
Commercial	1,478,258	1,411,928	1,500,000	1,500,000	0.00%
Other	233,408	203,640	215,000	239,000	11.16%
Payment In Lieu Of Taxes	1,657,837	1,556,963	1,705,900	1,650,000	-3.28%
Total Charges for Services	19,572,958	18,395,689	19,591,900	18,389,000	-6.14%
Miscellaneous Revenue	164,279	166,124	161,000	153,500	-4.66%
Grant Income	250	-	10,000	265,000	2550.00%
Interest Income	156,403	715,007	180,000	350,000	94.44%
Total Operating Revenue	19,893,891	19,276,820	19,942,900	19,157,500	-3.94%
Operating Expenses:					
Salaries and Benefits	4,112,426	4,493,058	4,479,840	4,835,495	7.94%
Fuel and Purchased Power	12,003,806	10,360,662	12,770,000	11,190,000	-12.37%
Insurance	290,622	280,675	300,000	285,000	-5.00%
Utilities	233,663	251,947	211,000	248,750	17.89%
Maintenance	900,128	691,513	653,500	634,500	-2.91%
Supplies	233,858	194,129	166,600	154,750	-7.11%
Depreciation And Amortization	956,805	1,023,129	995,000	1,064,500	6.98%
Payments and/or Services in Lieu of Taxes	1,813,986	1,663,084	1,890,900	1,835,000	-2.96%
Other General Expenses	173,344	290,597	259,000	257,500	-0.58%
Total Operating Expense	20,718,638	19,248,793	21,725,840	20,505,495	-5.62%
Operating Income (Loss)	\$ (824,747)	\$ 28,027	\$ (1,782,940)	\$ (1,347,995)	-24.39%

STATEMENT OF OPERATIONS - GAS
Fiscal Years Ending September 30

	Actual 2022	Estimated 2023	Budget 2023	Budget 2024	Budget % Difference
Operating Revenues:					
Charges for Services					
Transportation	\$ 280,719	\$ 281,419	\$ 276,000	\$ 276,000	0.00%
Total Charges for Services	280,719	281,419	276,000	276,000	0.00%
Miscellaneous Revenue	9,314	8,414	-	4,000	0.00%
Interest Income	9,468	26,775	3,000	6,000	100.00%
Total Operating Revenue	299,500	316,608	279,000	286,000	2.51%
Operating Expenses:					
Salaries and Benefits	3,029	51	2,615	-	-100.00%
Insurance	1,980	2,128	2,000	2,200	10.00%
Utilities	3,323	4,413	3,500	4,500	28.57%
Maintenance	40,472	73,989	37,500	53,500	42.67%
Supplies	216	1,789	1,600	1,400	-12.50%
Depreciation And Amortization	258,299	262,190	258,066	258,066	0.00%
Other General Expenses	1,503	1,966	2,500	1,500	-40.00%
Total Operating Expense	308,821	346,526	307,781	321,166	4.35%
Operating Income (Loss)	\$ (9,321)	\$ (29,918)	\$ (28,781)	\$ (35,166)	22.18%

STATEMENT OF OPERATIONS - IT & BROADBAND
Fiscal Years Ending September 30

	Actual 2022	Estimated 2023	Budget 2023	Budget 2024	Budget % Difference
Operating Revenues:					
Charges for Services					
Tier 1 - City Limits	\$ 758,057	\$ 802,109	\$ 756,000	\$ 790,000	4.50%
Tier 1 - Grant 1	4,603	21,794	70,000	36,000	-48.57%
Tier 2 - City Limits	641,336	701,203	636,000	720,000	13.21%
Tier 2 - Grant 1	4,115	26,381	15,000	36,000	140.00%
Tier 3 - City Limits	168,252	214,779	156,000	220,000	41.03%
Tier 3 - Grant 1	3,050	12,935	9,600	21,000	118.75%
Other	120,033	114,840	116,500	112,000	-3.86%
Total Charges for Services	1,699,445	1,894,041	1,759,100	1,935,000	10.00%
Miscellaneous Revenue	48,605	85,837	82,000	101,750	24.09%
Grant Income	-	-	575,000	2,075,000	260.87%
Interest Income	6,134	55,533	5,000	70,000	1300.00%
Total Operating Revenue	1,754,184	2,035,411	2,421,100	4,181,750	72.72%
Operating Expenses:					
Salaries and Benefits	635,473	757,271	642,143	1,013,161	57.78%
Purchased Bandwidth	354,295	379,955	365,000	384,000	5.21%
Insurance	31,171	31,394	34,000	40,000	17.65%
Utilities	7,833	8,506	6,000	8,500	41.67%
Maintenance	39,334	42,428	69,000	75,750	9.78%
Supplies	100,681	84,270	94,440	80,250	-15.03%
Depreciation And Amortization	414,305	442,550	420,000	484,000	15.24%
Payments and/or Services in Lieu of Taxes	20,443	12,445	21,000	20,000	-4.76%
Other General Expenses	15,965	34,218	32,000	43,500	35.94%
Interest Expense	-	73,405	-	130,000	0.00%
Total Operating Expense	1,619,499	1,866,441	1,683,583	2,279,161	35.38%
Operating Income (Loss)	\$ 134,686	\$ 168,970	\$ 737,517	\$ 1,902,589	157.97%

STATEMENT OF OPERATIONS - WASTEWATER
Fiscal Years Ending September 30

	Actual 2022	Estimated 2023	Budget 2023	Budget 2024	Budget % Difference
Operating Revenues:					
Charges for Services					
Residential	\$ 2,040,221	\$ 2,172,071	\$ 2,200,000	\$ 2,200,000	0.00%
Small General	181,342	166,117	180,000	180,000	0.00%
Large General	120,443	165,978	110,000	150,000	36.36%
Industrial	825,694	795,447	900,000	912,000	1.33%
Commercial	313,774	314,519	315,000	322,000	2.22%
Extra Stength	41,804	34,586	30,000	32,000	6.67%
Total Charges for Services	3,523,279	3,648,718	3,735,000	3,796,000	1.63%
Miscellaneous Revenue	23,617	53,965	22,500	25,500	13.33%
Grant Income	99,167	162,280	131,000	-	-100.00%
Interest Income	20,678	109,061	24,000	50,000	108.33%
Total Operating Revenue	3,666,740	3,974,024	3,912,500	3,871,500	-1.05%
Operating Expenses:					
Salaries and Benefits	1,238,707	1,344,013	1,375,482	1,495,994	8.76%
Insurance	74,323	72,672	80,000	80,000	0.00%
Utilities	403,107	450,816	431,000	412,200	-4.36%
Maintenance	239,545	464,703	235,000	226,500	-3.62%
Supplies	151,985	134,790	140,500	124,000	-11.74%
Depreciation And Amortization	602,437	636,075	895,000	1,080,000	20.67%
Payments and/or Services in Lieu of Taxes	29,157	10,375	17,000	5,000	-70.59%
Other General Expenses	36,209	105,247	59,500	81,000	36.13%
Interest Expense	9,758	46,873	100,000	520,000	420.00%
Total Operating Expense	2,785,228	3,265,565	3,333,482	4,024,694	20.74%
Operating Income (Loss)	\$ 881,513	\$ 708,459	\$ 579,018	\$ (153,194)	-126.46%

STATEMENT OF CHANGE IN FINANCIAL POSITION
Fiscal Years Ending September 30

	Actual 2022	Estimated 2023	Budget 2023	Budget 2024	Budget % Difference
Water Department					
Operating Revenue	\$ 4,336,812	\$ 4,560,362	\$ 4,276,600	\$ 6,565,350	53.52%
Operating Expense	4,025,682	4,353,035	4,345,089	4,881,317	12.34%
Net Income	311,129	207,327	(68,489)	1,684,033	-2558.84%
Add: Depreciation And Amortization	639,568	677,813	658,000	681,000	3.50%
Less: Loan Principal Payments	284,826	291,288	286,000	286,000	0.00%
Less: Capital Projects	494,857	792,741	1,613,500	4,066,000	152.00%
Increase (Decrease) in Working Capital	171,015	(198,889)	(1,309,989)	(1,986,967)	51.68%
Electric Department					
Operating Revenue	19,893,891	19,276,820	19,942,900	19,157,500	-3.94%
Operating Expense	20,718,638	19,248,793	21,725,840	20,505,495	-5.62%
Net Income	(824,747)	28,027	(1,782,940)	(1,347,995)	-24.39%
Add: Depreciation And Amortization	956,805	1,023,129	995,000	1,064,500	6.98%
Add: Loan payments from:					
Water Dept	284,826	291,288	286,000	286,000	0.00%
Wastewater Dept	(6,029,949)	(1,732,048)	855,000	732,000	-14.39%
IT Broadband Dept	-	(2,370,000)	-	200,000	0.00%
City of Marshall	(391,700)	213,000	258,000	220,000	-14.73%
Add: Transfer payments from:					
IT & Broadband	120,000	120,000	120,000	120,000	0.00%
Natural Gas	2,650,000	850,000	500,000	200,000	-60.00%
Less: Capital Projects	1,464,386	579,696	1,221,000	4,036,000	230.55%
Increase (Decrease) in Working Capital	(7,349,151)	(636,300)	(489,940)	(2,561,495)	422.82%
Natural Gas Department					
Operating Revenue	299,500	316,608	279,000	286,000	2.51%
Operating Expense	308,821	346,526	307,781	321,166	4.35%
Net Income	(9,321)	(29,918)	(28,781)	(35,166)	22.18%
Add: Depreciation And Amortization	258,299	262,190	258,066	258,066	0.00%
Less: Transfer to Electric	2,650,000	850,000	500,000	200,000	-60.00%
Increase (Decrease) in Working Capital	\$(2,401,022)	\$ (617,728)	\$ (270,715)	\$ 22,900	-108.46%

Annual Operating Budget

Fiscal Year 2023-2024

STATEMENT OF CHANGE IN FINANCIAL POSITION
Fiscal Years Ending September 30

	Actual 2022	Estimated 2023	Budget 2023	Budget 2024	Budget % Difference
IT & Broadband Department					
Operating Revenue	\$ 1,754,184	\$ 2,035,411	\$ 2,421,100	\$ 4,181,750	72.72%
Operating Expense	1,619,499	1,866,441	1,683,583	2,279,161	35.38%
Net Income	134,686	168,970	737,517	1,902,589	157.97%
Add: Depreciation And Amortization	414,305	442,550	420,000	484,000	0.00%
Less: Transfer to Electric	120,000	120,000	120,000	120,000	0.00%
Less: Capital Projects	1,125,528	1,127,334	1,589,000	2,220,000	39.71%
Less: Loan Principal Payments	-	(2,370,000)	-	200,000	0.00%
USDA Loan Principal Payments	-	(575,000)	50,000	70,000	40.00%
Increase (Decrease) in Working Capital	(696,537)	2,309,186	(601,483)	(223,411)	-62.86%
Wastewater Department					
Operating Revenue	3,666,740	3,974,024	3,912,500	3,871,500	-1.05%
Operating Expense	2,785,228	3,265,565	3,333,482	4,024,694	20.74%
Net Income	881,513	708,459	579,018	(153,194)	-126.46%
Add: Depreciation And Amortization	602,437	636,075	895,000	1,080,000	20.67%
Less: Loan Principal Payments	346,206	333,000	340,000	344,000	1.18%
Less: Loan Principal Payments	(6,376,155)	(2,065,048)	515,000	388,000	-24.66%
Less: Capital Projects	6,227,182	5,213,788	3,321,000	1,772,644	-46.62%
Increase (Decrease) in Working Capital	1,286,716	(2,137,205)	(2,701,982)	(1,577,838)	-41.60%
Marshall Municipal Utilities					
Total Operating Revenue	29,951,127	30,163,226	30,832,100	34,062,100	10.48%
Total Operating Expense	29,457,867	29,080,360	31,395,775	32,011,833	1.96%
Total Net Income	493,260	1,082,866	(563,675)	2,050,267	-463.73%
Add: Total Depreciation	2,871,414	3,041,757	3,226,066	3,567,566	10.59%
Add: Total Payments					
Paid To Electric City	(391,700)	213,000	258,000	220,000	-14.73%
Paid To Electric MMU	(2,975,123)	(2,840,760)	1,761,000	1,538,000	-12.66%
Less: Total Loan Payments					
Paid From Water	284,826	291,288	286,000	286,000	0.00%
Paid From Wastewater	(6,029,949)	(1,732,048)	855,000	732,000	-14.39%
Paid From IT & Broadband	-	(2,370,000)	-	200,000	0.00%
Paid From IT & Broadband USDA	-	(575,000)	50,000	70,000	40.00%
Less: Total Transfer Payments					
Paid From IT & Broadband	120,000	120,000	120,000	120,000	0.00%
Paid From Natural Gas	2,650,000	850,000	500,000	200,000	-60.00%
Less: Total Capital Projects	9,311,953	7,713,559	7,744,500	12,094,644	56.17%
Increase (Decrease) in Working Capital	\$ (6,338,980)	\$ (2,800,936)	\$ (4,874,109)	\$ (6,326,811)	29.80%

