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DEPARTMENT

WRRF

ACTIVITY

Administration

INSTRUCTIONS:

Please limit text and utilize bullets when possible. **Bold items that require special attention.** Note any significant changes to revenue. Do not list individual line item changes unless there is a significant change in amount. **Please limit memo to less than 3 pages.**

REVISED ESTIMATE FOR CURRENT FISCAL YEAR (2025/2026)

Items of Concerns for Current Fiscal Year:

- No items of concern for the Current Fiscal Year.

Significant Line Item Increases/Decreases for Revised Estimate:

- No significant Line Item increases/decreases for the Revised Estimate.

Is Revised Estimate for Activity the same as Approved Budget? If not, explain why:

- Yes, Revised Estimate is the same as the Approved Budget

FY 2026/2027 BUDGET REQUEST

Items of Concern for Fiscal Year 2026/2027 (changes in service levels, revenue, etc. that impact budget):

- Insurance cost increases of 15%.

Significant Line Item Increases/Decreases proposed for FY 2026/2027 (include justification for increases)

- 66100 Liability Insurance: Increase \$5,600.00. Insurance costs are rising 15%..
- 66200 Fire & Property Insurance: Increase \$32,900.00. Insurance costs are rising 15%.
- 66300 Other Insurance: Increase \$7,200.00. Insurance costs are rising 15%.

**"I remember Muscatine for its sunsets. I have never seen any
on either side of the ocean that equaled them" — Mark Twain**

Is Budget Request the same as the Revised Estimate for the Previous Fiscal Year? If not, explain why:

- No, Budget Request is \$47,700.00 higher than the Revised Estimate due to insurance costs rising 15%.

FY 2026/2027 CAPITAL OUTLAY REQUESTS

Capital Outlay Requests (item and cost) for FY 2026/2027 (item and cost)

- Rate Study: \$20,000.00. The new rate study needs to be done and the new rate structure in place prior to July 2028. The study generally takes 4-5 months then the new structure needs to be passed by Council. We always do the study 1 year before the new rate structure is implemented.

Water Pollution Control Operations Fund

Fund Statement

	<u>Actual 2023/2024</u>	<u>Actual 2024/2025</u>	<u>Budget 2025/2026</u>	<u>Department Revised Estimate 2025/2026</u>	<u>City Admin. Revised Estimate 2025/2026</u>	<u>Department Budget Request 2026/2027</u>	<u>City Admin. Recommendation Budget 2026/2027</u>	<u>Budget 2026/2027</u>
Beginning Balance, July 1	\$ 2,354,196	\$ 2,273,816	\$ 2,271,706	\$ 2,207,795	\$ 2,207,795	\$ 1,703,100	\$ 1,668,070	
Revenues	<u>6,175,736</u>	<u>6,476,678</u>	<u>6,318,600</u>	<u>6,403,700</u>	<u>6,403,700</u>	<u>6,403,700</u>	<u>6,403,700</u>	
Funds Available	\$ 8,529,932	\$ 8,750,494	\$ 8,590,306	\$ 8,611,495	\$ 8,611,495	\$ 8,106,800	\$ 8,071,770	\$ -
Expenditures (1)	<u>6,256,116</u>	<u>6,542,699</u>	<u>6,674,525</u>	<u>6,908,395</u>	<u>6,943,425</u>	<u>6,711,940</u>	<u>6,609,670</u>	
Ending Balance, June 30	<u>\$ 2,273,816</u>	<u>\$ 2,207,795</u>	<u>\$ 1,915,781</u>	<u>\$ 1,703,100</u>	<u>\$ 1,668,070</u>	<u>\$ 1,394,860</u>	<u>\$ 1,462,100</u>	<u>\$ -</u>
Increase (Decrease) in								
Fund Balance	\$ (80,380)	\$ (66,021)	\$ (355,925)	\$ (504,695)	\$ (539,725)	\$ (308,240)	\$ (205,970)	\$ 0

W/ New Positiom W/O New Position

1. Expenditures include changes in compensated absences.

Water Pollution Control Operations Fund

Summary of Revenues

	Actual		Actual		Budget		Department		City Admin.		Department		City Admin.						
	2023/2024		2024/2025		2025/2026		Revised Estimate		Revised Estimate		Budget Request		Recommendation Budget		Budget				
							2025/2026		2025/2026		2026/2027		2026/2027		2026/2027				
Sewer Charges-Residential and Commercial (Billed by MP&W)	\$	3,795,959	(1)	\$	3,914,576	(1)	\$	4,010,000	(1)	\$	4,032,000	(1)	\$	4,153,000	(1)	\$	4,153,000	(1)	(1)
Industrial and City-billed Commercial																			
Sewer Charges		1,783,260			1,796,915			1,785,000			1,687,200			1,687,200			1,458,200		1,458,200
Charges for Fats, Oils, and Grease (FOG)		133,661			137,498			150,000			185,000			185,000			194,000		194,000
Charges for High Strength Waste		73,335			263,996			150,000			245,000			245,000			257,000		257,000
Wastewater Discharge Permits		17,415			1,750			1,600			4,500			4,500			1,600		1,600
Fines		63,600			25,900			10,000			10,000			10,000			10,000		10,000
Interest		85,269			81,216			30,000			30,000			30,000			30,000		30,000
Sale of Equipment/Other Sales		13,838			3,366			0			0			0			0		0
Analytical Income		94,628			98,441			90,000			90,000			90,000			90,000		90,000
Wastewater Samples		28,000			34,185			0			28,000			28,000			14,400		14,400
Sales Tax		70,708			72,520			72,000			72,000			72,000			72,000		72,000
Reimbursements of Damages		0			24,621			0			0			0			0		0
Reimbursements for Diesel Fuel		15,863			16,545			18,000			18,000			18,000			18,000		18,000
Miscellaneous		200			5,149			2,000			2,000			2,000			2,000		2,000
Total Revenues	\$	6,175,736		\$	6,476,678		\$	6,318,600		\$	6,403,700		\$	6,403,700		\$	6,300,200		\$ 6,300,200
																			\$ -

1. A sewer rate study was completed in the spring of 2023 which set rates for the next five years. Per the rate study, 3% rate increases were implemented July 1, 2023, July 1, 2024, July 1, 2025, July 1, 2026, and July 1, 2027.

Water Pollution Control Operations Fund

Summary of Expenditures

	<u>Actual 2023/2024</u>	<u>Actual 2024/2025</u>	<u>Budget 2025/2026</u>	<u>Department Revised Estimate 2025/2026</u>	<u>City Admin. Revised Estimate 2025/2026</u>	<u>Department Budget Request 2026/2027</u>	<u>City Admin. Recommendation Budget 2026/2027</u>	<u>Budget 2026/2027</u>
Administration	\$ 2,396,144	\$ 2,549,555	\$ 2,627,925	\$ 2,603,729	\$ 2,603,725	\$ 2,684,940	\$ 2,684,970	
Plant Operations	2,002,724	1,865,998	2,017,500	2,153,878	2,153,900	2,120,200 w/ New Position	2,017,900 w/o New Position	
Pumping Stations	478,729	540,776	573,700	640,048	640,000	503,400	503,400	
Laboratory Operations	527,859	640,706	589,600	598,573	598,600	586,000	586,000	
Biosolids Operations	492,610	785,137	490,800	489,287	489,300	482,300	482,300	
High Strength Waste Operations	<u>365,629</u>	<u>354,377</u>	<u>375,000</u>	<u>422,880</u>	<u>457,900</u>	<u>335,100</u>	<u>335,100</u>	
Total Expenditures	<u>\$ 6,263,695</u>	<u>\$ 6,736,549</u>	<u>\$ 6,674,525</u>	<u>\$ 6,908,395</u>	<u>\$ 6,943,425</u>	<u>\$ 6,711,940</u>	<u>\$ 6,609,670</u>	<u>\$ -</u>

Sewer Revenue Bond Sinking Fund

Fund Statement

	<u>Actual 2023/2024</u>	<u>Actual 2024/2025</u>	<u>Budget 2025/2026</u>	<u>Department Revised Estimate 2025/2026</u>	<u>City Admin. Revised Estimate 2025/2026</u>	<u>Department Budget Request 2026/2027</u>	<u>City Admin. Recommendation Budget 2026/2027</u>	<u>Budget 2026/2027</u>
Beginning Balance, July 1	\$ 146,432	\$ 173,303	\$ 190,183	\$ 200,484	\$ 200,484	\$ 217,319	\$ 217,319	
Revenues:								
Interest	\$ 26,031	\$ 26,301	\$ 16,000	\$ 16,000	\$ 16,000	\$ 13,000	\$ 13,000	
Transfers In:								
Water Pollution Control Fund	<u>960,240</u>	<u>970,360</u>	<u>980,875</u>	<u>980,875</u>	<u>980,875</u>	<u>991,018</u>	<u>991,018</u>	
Total Revenues	<u>\$ 986,271</u>	<u>\$ 996,661</u>	<u>\$ 996,875</u>	<u>\$ 996,875</u>	<u>\$ 996,875</u>	<u>\$ 1,004,018</u>	<u>\$ 1,004,018</u>	<u>\$ -</u>
Funds Available	<u>\$ 1,132,703</u>	<u>\$ 1,169,964</u>	<u>\$ 1,187,058</u>	<u>\$ 1,197,359</u>	<u>\$ 1,197,359</u>	<u>\$ 1,221,337</u>	<u>\$ 1,221,337</u>	<u>\$ -</u>
Expenditures:								
Bonds	\$ 796,000	\$ 822,000	\$ 849,000	\$ 849,000	\$ 849,000	\$ 876,000	\$ 876,000	
Interest and Fees (1)	<u>163,400</u>	<u>147,480</u>	<u>131,040</u>	<u>131,040</u>	<u>131,040</u>	<u>114,060</u>	<u>114,060</u>	
Total Expenditures	<u>\$ 959,400</u>	<u>\$ 969,480</u>	<u>\$ 980,040</u>	<u>\$ 980,040</u>	<u>\$ 980,040</u>	<u>\$ 990,060</u>	<u>\$ 990,060</u>	<u>\$ -</u>
Ending Balance, June 30	<u><u>\$ 173,303</u></u>	<u><u>\$ 200,484</u></u>	<u><u>\$ 207,018</u></u>	<u><u>\$ 217,319</u></u>	<u><u>\$ 217,319</u></u>	<u><u>\$ 231,277</u></u>	<u><u>\$ 231,277</u></u>	<u><u>\$ -</u></u>
Increase (Decrease) in Fund Balance	\$ 26,871	\$ 27,181	\$ 16,835	\$ 16,835	\$ 16,835	\$ 13,958	\$ 13,958	\$ 0

1. Interest and fees since December of 2018, are based on the amended State Revolving Fund Loan debt schedule that was effective December 1, 2018. The amendment provided for a reduction in the effective interest rate on the loan from 3.25% to 2.00%.

West Hill Sewer Separation Project Long-Term Financing Plan Reserve

Fund Statement

	<u>Actual</u> <u>2023/2024</u>	<u>Actual</u> <u>2024/2025</u>	<u>Budget</u> <u>2025/2026</u>	<u>Department</u> <u>Revised</u> <u>Estimate</u> <u>2025/2026</u>	<u>City Admin.</u> <u>Revised</u> <u>Estimate</u> <u>2025/2026</u>	<u>Department</u> <u>Budget</u> <u>Request</u> <u>2026/2027</u>	<u>City Admin.</u> <u>Recommendation</u> <u>Budget</u> <u>2026/2027</u>	<u>Budget</u> <u>2026/2027</u>
Beginning Balance, July 1	\$ 5,120,636	\$ 5,767,998	\$ 6,347,998	\$ 6,442,748	\$ 6,442,748	\$ 7,022,748	\$ 6,442,748	\$ 6,347,998
Revenues:								
Interest	\$ 247,362	\$ 274,750	\$ 180,000	\$ 180,000	Prel.	\$ 180,000	Prel.	
Transfers In:								
Water Pollution Control Fund (1)	200,000	200,000	200,000	200,000		200,000		
Collection & Drainage Fund (1)	200,000	200,000	200,000	200,000		200,000		
Total Revenues	<u>\$ 647,362</u>	<u>\$ 674,750</u>	<u>\$ 580,000</u>	<u>\$ 580,000</u>	<u>\$ -</u>	<u>\$ 580,000</u>	<u>\$ -</u>	<u>\$ -</u>
Funds Available	\$ 5,767,998	\$ 6,442,748	\$ 6,927,998	\$ 7,022,748	\$ 6,442,748	\$ 7,602,748	\$ 6,442,748	\$ 6,347,998
Expenditures:								
Bonds								
Interest and Fees								
Transfer to West Hill Sewer Project	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Balance, June 30	<u>\$ 5,767,998</u>	<u>\$ 6,442,748</u>	<u>\$ 6,927,998</u>	<u>\$ 7,022,748</u>	<u>\$ 6,442,748</u>	<u>\$ 7,602,748</u>	<u>\$ 6,442,748</u>	<u>\$ 6,347,998</u>
Increase (Decrease) in Fund Balance	\$ 647,362	\$ 674,750	\$ 580,000	\$ 580,000	\$ 0	\$ 580,000	\$ 0	\$ 0

1. Since 2011/2012 the WPCP and Collection and Drainage funds have each included \$200,000 in annual transfers to this Reserve which was established to accumulate funds for the West Hill Sewer Separation project mandated by the Consent Order with the E.P.A. Funds from this Reserve will be used when Local Option Sales Tax funds are insufficient to fund project costs for this multi-year, multi-phase project.

Collection and Drainage Fund

Sewer Extension and Improvement Reserve (1)

Fund Statement

	<u>Actual 2023/2024</u>	<u>Actual 2024/2025</u>	<u>Budget 2025/2026</u>	<u>Department Revised Estimate 2025/2026</u>	<u>Revised Estimate 2025/2026</u>	<u>Department Budget Request 2026/2027</u>	<u>City Admin. Recommendation Budget 2025/2026</u>	<u>Budget 2025/2026</u>
Beginning Balance, July 1	\$ 2,044,033	\$ 1,976,984	\$ 2,404,484	\$ 2,429,818	\$ 2,429,818	\$ 2,442,318	\$ 2,442,318	
Revenues								
Interest	\$ 103,373	\$ 103,406	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	
Sewer Connection Fees	515	0	5,000	5,000	5,000	5,000	5,000	
Transfers In								
Collection and Drainage Fund	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>	
Total Revenues	<u>\$ 453,888</u>	<u>\$ 453,406</u>	<u>\$ 415,000</u>	<u>\$ 415,000</u>	<u>\$ 415,000</u>	<u>\$ 415,000</u>	<u>\$ 415,000</u>	<u>\$ 0</u>
Funds Available	<u>\$ 2,497,921</u>	<u>\$ 2,430,390</u>	<u>\$ 2,819,484</u>	<u>\$ 2,844,818</u>	<u>\$ 2,844,818</u>	<u>\$ 2,857,318</u>	<u>\$ 2,857,318</u>	<u>\$ 0</u>
Expenditures								
Love's Development Agreement for Upsizing New Lift Station	\$ 500,000 (3)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
T & T Hackett Development Agreement for Clarabeck Infrastructure	0	0	0	400,000 (4)	400,000 (4)	0	0	
Transfers Out:								
Papoose Force Main Redundant Line - Design (2)	20,907	572	6,800	2,500	2,500	7,000	7,000	
Papoose Force Main Redundant Line - Construction (2)	0	0	0	0	0	1,800,000	1,800,000	
Lake Park Watershed Study	<u>30</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Total Expenditures	<u>\$ 520,937</u>	<u>\$ 572</u>	<u>\$ 6,800</u>	<u>\$ 402,500</u>	<u>\$ 402,500</u>	<u>\$ 1,807,000</u>	<u>\$ 1,807,000</u>	<u>\$ 0</u>
Ending Balance, June 30	<u>\$ 1,976,984</u>	<u>\$ 2,429,818</u>	<u>\$ 2,812,684</u>	<u>\$ 2,442,318</u>	<u>\$ 2,442,318</u>	<u>\$ 1,050,318</u>	<u>\$ 1,050,318</u>	<u>\$ 0</u>
Increase (Decrease) in Fund Balance	\$ (67,049)	\$ 452,834	\$ 408,200	\$ 12,500	\$ 12,500	\$ (1,392,000)	\$ (1,392,000)	\$ 0

1. This fund was formerly the Depreciation, Extension and Improvement Reserve and was accounted for in the Water Pollution Control Fund. As of June 30, 2006 the former E.P.A Replacement Reserve was allocated between the Water Pollution Control Replacement Reserve and the Sewer Extension and Improvement Fund. This fund is now a reserve fund for the Collection and Drainage Fund to be used for sewer extension or improvement projects.
2. The City has a mandate to construct a redundant line from the Papoose Lift Station to the Water Pollution Control Plant. This mandate requires the project to be completed by 2026. Engineering design has been completed. The project cost estimate is \$3.8 million. Federal earmark funds of \$2 million have been awarded for this project. (SRF funds cannot be used as matching funds.) The City will apply for an extension to the 2026 mandate deadline.
3. As part of the Love's Travel Stop development agreement, the City agreed to pay Love's \$500,000 (and also provided TIF funding assistance) to upsize the new lift station so that it could serve a much larger area and open the area for development. The City will receive sewer connection fees as this area develops.
4. As part of the T&T Hackett development agreement, the City agreed to pay T&T Hackett \$400,000 (and also provided TIF funding assistance) for the infrastructure for this new housing development.

Water Pollution Control Fund
Water Pollution Control Plant Replacement Reserve
Fund Statement

	<u>Actual 2023/2024</u>	<u>Actual 2024/2025</u>	<u>Budget 2025/2026</u>	<u>Revised Estimate 2025/2026</u>	<u>Revised Estimate 2025/2026</u>	<u>Budget Request 2026/2027</u>	<u>Recommendation Budget 2026/2027</u>	<u>Budget 2026/2027</u>
Beginning Balance, July 1	\$ 2,765,763	\$ 2,214,317	\$ 2,119,917	\$ 2,388,386	\$ 2,388,386	\$ 2,559,386	\$ 2,559,386	\$ 2,119,917
Revenues								
Interest	\$ 119,810	\$ 105,918	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000		
Transfers In								
Water Pollution Control								
Operations Fund	400,000 (1)	400,000 (1)	400,000 (1)	400,000 (1)	400,000 (1)	400,000 (1)		(1)
Total Revenues	<u>\$ 519,810</u>	<u>\$ 505,918</u>	<u>\$ 475,000</u>	<u>\$ 475,000</u>	<u>\$ 475,000</u>	<u>\$ 475,000</u>	<u>\$ 0</u>	<u>\$ 0</u>
Funds Available	<u>\$ 3,285,573</u>	<u>\$ 2,720,235</u>	<u>\$ 2,594,917</u>	<u>\$ 2,863,386</u>	<u>\$ 2,863,386</u>	<u>\$ 3,034,386</u>	<u>\$ 2,559,386</u>	<u>\$ 2,119,917</u>
Expenditures								
Transfers Out:								
UV Disinfection System	\$ 1,054,006 (2)	\$ -	\$ 0	\$ 0	\$ 0	\$ 0		
Houser Lift Station Upgrades	17,250	45,500	200,000	304,000	304,000	0		
Lift Station HVAC Project	0	286,349	0	0	0	0		
Plant Electrical Package (3)	0	0	0	0	0	0		
Lift Station Electrical Package (3)	0	0	0	0	0	0		
Total Expenditures	<u>\$ 1,071,256</u>	<u>\$ 331,849</u>	<u>\$ 200,000</u>	<u>\$ 304,000</u>	<u>\$ 304,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Ending Balance, June 30	<u><u>\$ 2,214,317</u></u>	<u><u>\$ 2,388,386</u></u>	<u><u>\$ 2,394,917</u></u>	<u><u>\$ 2,559,386</u></u>	<u><u>\$ 2,559,386</u></u>	<u><u>\$ 3,034,386</u></u>	<u><u>\$ 2,559,386</u></u>	<u><u>\$ 2,119,917</u></u>

Increase (Decrease) in Fund Balance	\$ (551,446)	\$ 174,069	\$ 275,000	\$ 171,000	\$ 171,000	\$ 475,000	\$ 0	\$ 0
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1. The annual funding transfer to this fund will continue at \$400,000 for 2023/2024 through 2027/2028, as recommended by the 2023 rate study.
2. A Capital Planning Study was completed in 2022. The UV Disinfection System project was rated as the highest priority in this study. This project was completed in 2023/2024.
3. The Plant Electrical Package and the Lift Station Electrical Package have been included with the WPCP and Lift Station Asset Replacement project which is being financed with a State Revolving Fund (SRF) Loan.

Function:
Business Type

Department:
Water Pollution Control

Activity:
Administration

	Actual 2023/2024	Actual 2024/2025	Budget 2025/2026	Revised Estimate 2025/2026	Budget 2026/2027	Percent Change
Expenditure Summary						
Personal Services	\$ 246,962	\$ 258,481	\$ 267,500	\$ 267,100	\$ 274,600	2.65%
Commodities	4,381	4,396	4,900	4,900	4,900	0.00%
Contractual Services	260,961	384,168	433,100	409,300	448,600	3.58%
Capital Outlay	-	-	-	-	20,000	
Transfers	<u>1,883,840</u>	<u>1,902,510</u>	<u>1,922,425</u>	<u>1,922,425</u>	<u>1,936,870</u>	0.75%
Total Expenditures	<u>\$ 2,396,144</u>	<u>\$ 2,549,555</u>	<u>\$ 2,627,925</u>	<u>\$ 2,603,725</u>	<u>\$ 2,684,970</u>	2.17%
Funding Sources						
Sewer Charges	\$ 2,381,550	\$ 2,120,515	\$ 2,317,000	\$ 2,061,913	\$ 2,229,574	-3.77%
Interest	<u>85,269</u>	<u>81,216</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	0.00%
Total Funding Sources	<u>\$ 2,466,819</u>	<u>\$ 2,201,731</u>	<u>\$ 2,347,000</u>	<u>\$ 2,091,913</u>	<u>\$ 2,259,574</u>	-3.73%

Personnel Schedule						
	Actual 2023/2024	Actual 2024/2025	Budget 2025/2026	Revised Estimate 2025/2026	Budget 2026/2027	Budget Amount 2026/2027
Full Time Positions:						
Director of Water						
Pollution Control	1.00	1.00	1.00	1.00	1.00	
Administrative Specialist	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	
Total	2.00	2.00	2.00	2.00	2.00	\$ 200,400
Employee Benefits						<u>74,200</u>
Total Personal Services						<u>\$ 274,600</u>

Capital Outlay			
Item	Quantity	Replacement	Amount
Rate Study	1	No	<u>\$ 20,000</u>
			<u>\$ 20,000</u>

CITY OF MUSCATINE
DETAILED EXPENDITURE CLASSIFICATION
FORM 2

FUNCTION: BUSINESS TYPE		DEPARTMENT: WATER POLLUTION CONTROL							ACTIVITY: ADMINISTRATION		
ACCT NO.	ACCOUNT CLASSIFICATION	ACTUAL FISCAL YEAR 2023/2024	ACTUAL FISCAL YEAR 2024/2025	BUDGET FISCAL YEAR 2025/2026	FIRST 3 MOS FISCAL YEAR 2025/2026	LAST 9 MOS FISCAL YEAR 2025/2026	ESTIMATE FISCAL YEAR 2025/2026	CITY ADMIN ESTIMATE FISCAL YEAR 2025/2026	BUDGET REQUEST FISCAL YEAR 2026/2027	CITY ADMIN REVISION FISCAL YEAR 2026/2027	APPROVED BUDGET 2026/2027
(A)	(B)	(C)	(D)	(E)	(F1)	(F2)	(F)	(G)	(H)	(I)	(J)
PERSONAL SERVICES											
41XXX	REGULAR SALARIES & WAGES	\$180,035	\$188,860	\$194,500	\$43,975	\$150,558	\$194,533	\$194,500	\$200,400	\$200,400	
42XXX	PART TIME SALARIES & WAGES	0	0	0	0	0	\$0	0	0	0	
43XXX	OVERTIME SALARIES & WAGES	0	0	0	0	0	\$0	0	0	0	
44XXX	OTHER SALARIES & WAGES	812	799	1,000	195	819	\$1,014	1,000	1,100	1,100	
45XXX	PENSION & RETIREMENT	30,412	31,931	33,700	7,466	26,100	\$33,566	33,600	34,700	34,700	
46XXX	INSURANCE	35,703	36,891	38,300	10,448	27,533	\$37,981	38,000	38,400	38,400	
	SUBTOTAL	\$246,962	\$258,481	\$267,500	\$62,084	\$205,010	\$267,094	\$267,100	\$274,600	\$274,600	\$0
COMMODITIES											
51XXX	OFFICE SUPPLIES	\$4,136	\$3,829	\$4,200	\$438	\$3,762	\$4,200	\$4,200	\$4,200	\$4,200	\$0
52XXX	OPERATING SUPPLIES	245	567	700	150	550	700	700	700	700	0
53XXX	REPAIR & MAINTENANCE SUPPLIES	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$4,381	\$4,396	\$4,900	\$588	\$4,312	\$4,900	\$4,900	\$4,900	\$4,900	\$0
CONTRACTUAL SERVICES											
61XXX	PROFESSIONAL FEES	\$42,348	\$78,265	\$81,400	\$13,258	\$67,242	\$80,500	\$80,500	\$82,200	\$82,200	\$0
62XXX	TECHNICAL SERVICES	592	485	600	48	552	600	600	600	600	0
63XXX	RENTALS	0	0	0	0	0	0	0	0	0	0
64XXX	TRAVEL AND EDUCATION	5,241	6,598	7,100	750	6,350	7,100	7,100	7,100	7,100	0
65XXX	COMMUNICATIONS & UTILITIES	1,483	1,174	1,900	276	1,424	1,700	1,700	1,700	1,700	0
66XXX	INSURANCE	184,050	262,610	303,500	41,236	237,664	278,900	278,900	318,500	318,500	0
67XXX	REPAIR & MAINTENANCE SERVICES	0	0	300	0	300	300	300	300	300	0
68XXX	AID TO AGENCIES	25,483	33,360	36,400	9,697	28,413	38,110	38,100	36,070	36,100	0
69XXX	MISCELLANEOUS	1,764	1,676	1,900	1,275	825	2,100	2,100	2,100	2,100	0
	SUBTOTAL	\$260,961	\$384,168	\$433,100	\$66,540	\$342,770	\$409,310	\$409,300	\$448,570	\$448,600	\$0
CAPITAL OUTLAY											
71XXX	LAND	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
72XXX	BUILDINGS	0	0	0	0	0	0	0	0	0	0
73XXX	IMPROVEMENTS	0	0	0	0	0	0	0	20,000	20,000	0
74XXX	EQUIPMENT	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,000	\$20,000	\$0
9XXXX	TRANSFERS	\$1,883,840	\$1,902,510	\$1,922,425	\$452,194	\$1,470,231	\$1,922,425	\$1,922,425	\$1,936,870	\$1,936,870	
	TOTAL EXPENDITURES	\$2,396,144	\$2,549,555	\$2,627,925	\$581,406	\$2,022,323	\$2,603,729	\$2,603,725	\$2,684,940	\$2,684,970	\$0

Form 11

FY 2026/2027 Budget

Five Year Capital Outlay Projections - _____ Department/Division

Fiscal Year 2026/2027	Capital Outlay Classification (Check One)				Estimated Cost
	Vehicles	Equip- ment	Improve- ments	Other	
1. Rate Study				X	20,000
2.					
3.					
4.					
5.					
6.					
7.					
8.					
Fiscal Year Total					20,000
Fiscal Year 2027/2028					
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
Fiscal Year Total					-
Fiscal Year 2028/2029					
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
Fiscal Year Total					-
Fiscal Year 2029/2030					
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
Fiscal Year Total					-
Fiscal Year 2030/2031					
1. Rate Study				X	20,000
2.					
3.					
4.					
5.					
6.					
7.					
8.					
Fiscal Year Total					20,000
Grand Total					40,000

Form 12

FY 2026/2027 Budget

Department-Prioritized Budget Reductions if Necessary

		Reductions Needed Based on Form 2 Department Budget Request for 2026/2027		
		If 1%	If 3%	If 5%
Amount of Reduction Needed Based on Form 2 Amounts (Personal Services + Commodities + Contractual) x %		\$ 7,603	\$ 22,809	\$ 38,015
Detail of Potential Reductions:				
Account	Description			
Personal Services Accounts:				
Commodities Accounts:				
51100	Office Supplies	500	500	500
51300	Printing	900	800	2,000
Contractual Services Accounts:				
64120	Actual Travel	2,900	5,000	5,000
64200	Registrations		1,600	1,600
61420	Engineering Fees	3,400	15,000	15,000
5668.6152	Engineering Fees			5,000
5668.6253	Misc Technical Services			4,900
5668.6224	TRANSFER STATION/LANDFILL			4,100
Total Department-Prioritized Budget Reductions		\$ 7,700	\$ 22,900	\$ 38,100
Difference Over (Under) Targeted Amount		\$ 97	\$ 91	\$ 85

**CITY OF MUSCATINE
2026/2027 BUDGET**

**GOALS & OBJECTIVES
For 2026/2027**

DEPARTMENT:

WRRF

ACTIVITY:

Administration

STATUS REPORT ON 2025/2026 OBJECTIVES:

- To move through the WRRF and Lift Station Asset Replacement Project as part of the CIP. **Council goal of Improving Infrastructure, Safety and Innovation.** *The RFQ has been issued and the project is moving forward*
- To initiate the new Safety and Health at Work Program. **Council Goal of Safety and Innovation.** *The new position of Safety Coordinator is being developed and is awaiting Council approval to move forward.*
- To develop succession planning for key staff and aid in staff retention through staffing assessments. **Council Goal of Succession Planning, Sustainment of Gains, Attraction and Retention of Talent.** *This is ongoing.*
- To develop a Resilient and Renewable Energy Plan for the WRRF, incorporating sustainability and lean goals. **Council Goal of Improve Infrastructure, Innovation-Systems, Technology, Data** *The CMAR assets project is the first step in this initiative and is on course to be completed Winter 2027.*
- To assist in developing environmental and recreational plans for the Muscatine Slough. **Council Goal of Infrastructure, Entertainment, Tourism/Attractions, Sports, Bike Trails.** *Working with Community Development, we are working on a plan for the area that aligns with community support.*
- To implement new regulations as outlined by the DNR NPDES permit. **Council Goal of Innovation, Improve Infrastructure.** *All regulations have been met.*
- To present a Sustainability Plan to Council. **Council Goal of Improving Infrastructure, Innovation-Systems, Technology, Data.** *No plan has yet to be completed for presentations. This is still an aspirational goal.*
- To continue exploring using the biogas created at the plant for energy generation or sale to the natural gas pipeline. **Council Goal of Innovation, Improve Infrastructure.** *New sources for receiving the biogas are under consideration.*
- To continue working with key stakeholders in attracting new industry to Muscatine. **Council Goal of Making Muscatine a Great Place to Work.** *We continue to assist the Mayor and the Chamber with RFI inquiries from businesses looking to locate in Muscatine.*

NARRATIVE ON RECENT DEPARTMENT/ACTIVITY ACCOMPLISHMENTS:

The Water and Resource Recovery Facility continues to work toward the goal of consistently operating in a manner that protects public health, recovers available resources and efficiently meets the requirements of State and Federal regulations.

The Operations and Maintenance Department had a very busy year as we cleaned the anaerobic digesters and found that they were not operating well due to broken pipes within the digester. This was discovered once they were drained and had to be repaired. They continue to be a focal point of recovering resources and new opportunities are being sought to convert the biogas they create to natural gas for sale. The much anticipated CMAR or Construction Manager At Risk project is underway which will span most of the facility and multiple lift stations with replacement of many electrical components that are old and inefficient. Multiple pumps, valves, controls and other equipment will also be replaced to help keep the facility operating at peak performance. To be sure we do it safely, the department is adding a Safety Coordinator position who will be building a very robust safety program to ensure the project and work in the future is done to proper standards and regulations.

The Lift Stations Department was very busy this year repairing and rebuilding pumps. Regular maintenance and rebuilding most equipment in-house saves money and keeps spares on hand for ensured continuous operation. The Houser Lift Station Project was completed that installed two new pumps with greater capacity and more energy efficient motor drives to save money. The Papoose Station Project is looking at options to complete the West Hill project with either a new station or a remodel of the existing station. The existing station is in the flood plain and is dangerous to reach during flooding while a new station would move out of the flood area and function to keep stormwater from flooding the downtown areas.

The Muscatine Environmental Laboratory had a lot of work done to the mechanical air unit that keeps toxic fumes from collecting in the building. A new air intake duct was completed and new computer control system installed to ensure a safe working environment for staff. The Lab was certified by the State and should be commended for all the work they do while going through the certification process. They continue to work on the new lab data program or WIMS that links lab data input with operators data for better process control. They completed over 7,500 sample tests this year, an increase from 6,800 last year.

The Biosolids Department land applied 10,380,000 gallons of biosolids to 477 acres of land, a typical amount for the land available. This department also dredges the harbor and is preparing for the switch to the new dredge spoils site on 2nd Street. They mowed 400+ acres of grass at the airport three times this year to keep in compliance with the FAA. They manage the Muscatine Organics Recycling Center, or MORC, as well and installed a new tip floor to help with the extra waste being received from an additional 30 grocery centers in the area.

The High Strength Waste Department had a busy year and continues to receive organic solid food waste at the MORC and liquid organic waste at the WRRF. It received 2.1 million gallons of liquid waste, an increase of 800,000 gallons, and are on track to receive 4,000 tons of packaged and loose food waste at the MORC as anticipated. The department continues to work with regional energy groups to convert the biogas created from the organic waste to natural gas and sell it for additional revenue. Currently some of the biogas is used to fire boilers at the WRRF saving money and lowering our carbon footprint.

The HSW department was awarded the 2025 1000 Friends of Iowa Renovated Civic Best Development Award, the 2025 National Association of Clean Water Agencies National Environmental Achievement Award, the national Water Environment Federation 2023 Project Excellence Award, the national Solid Waste Association of North America 2023 Sustainable Materials Management Organization Award Honorable Mention, the Iowa Society of Solid Waste Operations 2022 Innovative Project Award, the Iowa Chapter of the American Public Works Association 2021 Project of the Year Award, American Academy of Environmental Engineers & Scientists 2021 Honor Award, Engineering News/Record 2021 Merit Award, American Council of Engineering Companies of Iowa 2021 Grand Place and Grand Conceptor Award for Engineering Excellence in Water & Wastewater and the American Council of Engineering Companies 2021 National Grand Award. This award-winning program continues to attract national attention and has been toured by people from all over the country looking to do similar projects.

**CITY OF MUSCATINE
2026/2027 BUDGET
GOALS & OBJECTIVES**

GOAL STATEMENT:

(Only complete if different from 2025/2026)

To consistently operate the City's waste treatment facilities in a manner that protects public health, recovers available resources and efficiently meets the requirements of State and Federal regulations.

OBJECTIVES TO BE ACCOMPLISHED IN 2026/2027:

- To complete the Construction Manager At Risk (CMAR) Asset Replacement Project **Council Goal for Reliable Public Infrastructure**
- To continue building the new Safety and Health At Work Program. **Council Goal for Healthy, Safe Community**
- To continue working with key stakeholders in attracting new industry to Muscatine. **Council Goal of Vaibrant Community**
- To assist in developing environmental and recreational plans for the Muscatine Slough. **Council Goal of Infrastructure, Entertainment, Tourism/Attractions, Sports, Bike Trails.**
- To implement new regulations as outlined by the DNR NPDES permit. **Council Goal for Reliable Infrastructure.**
- To develop a Resilient and Renewable Energy Plan for the WRRF, incorporating sustainability and lean goals. **Council Goal of Reliable Infrastructure**
- To continue exploring using the biogas created at the plant for energy generation or sale to the natural gas pipeline. **Council Goal of Health Community, Reliable Infrastructure.**

CITY OF MUSCATINE
2026/2027 BUDGET
PERFORMANCE MEASURES

PERFORMANCE MEASURES:

Fiscal Year Measures	Actual 2022/2023	Actual 2023/2024	Actual 2024/2025	Estimated 2025/2026	Estimated 2026/2027
Million Cubic Feet of Wastewater Treated	160.9	150.74	153.8	169.0	160.0
Biological Oxygen Demand Treated (1,000 lbs./yr.)	5,093	5,565	4,142	4,217	4,700
Total Suspended Solids Treated (1,000 lbs./yr.)	2,241	2,271	2,250	2,492	2,495
Number of Customer Bills – Industrial - Non-Industrial -	112	112	112	112	112
	<u>112,120</u> 112,232	<u>110,935</u> 111,047	<u>112,800</u> 112,912	<u>112,000</u> 112,112	<u>112,000</u> 112,112

Calendar Year Measures	Actual 2022	Actual 2023	Actual 2024	Actual 2025	Estimated 2026
High Strength Solid Waste Received in Tons (1)	3,913	2,700	2,391	3,901	4,000
HSW Liquid Waste Received in Gallons (1)	1,785,148 (4)	1,506,569	1,301,260	2,100,000 (1)	2,000,000
Gallons of Sludge/Number of Acres	10,485,813/ 546 (5)	10,268,461/ 474 (5)	10,627,789/ 551 (5)	10,380,000 477	10,500,000 550
Lift Station Preventive Maintenance Tasks (PMs)	4,700	4,808	4,808	4,432	4,400
Lift Station Corrective Work Orders (CMs)	130	144	160	150	150
Plant Preventive Maintenance Tasks	5,367 (3)	6,629 (2)	5,371	5,301	5,300
Plant Corrective Work Orders	73 (3)	100	63	98	100

1. The volume of HSW liquid and solid waste can vary if large loads come in from sources that do not have consistent needs for services (the HSW facility opened in May 2020).
2. PMs were reduced by lack of labor due to the COVID-19 pandemic in 2020 and 2021. CMs were lower in 2022 due to lack of parts due to supply chain issues.
3. Implementation of the new Preventive Maintenance software was not complete in 2020 and 2021.
4. The decrease in hauled wastewater in 2022 was due to one customer (Vitalix) moving to on-site treatment (Vitalix brought in 1.86 million gallons in 2021).
5. More water from the decant pond was added to the biosolids applied this season to reduce the amount brought back to the plant.