

Farmdale Sanitation District -- Rate increase for Sewer Service

Effective August 1, 2022 , our rates will increase to a base rate of \$ 44.00 plus \$ 5.00 per thousand gallons of water used.

While we have seen a need for increasing our rates for quite some time, we have been trying to hold off until the economy got better. We are now at a point where we have no choice.

In the past 12 months, our income from sewer fees has been \$ 486,514.91 and our expenses have totaled \$ 711,039.01. We have operated at a loss of \$ 224,524.10 in this 12 month period. This loss is unsustainable. We simply cannot stay in business without raising rates.

Another issue is that our debt ratio has gotten to the point that we no longer qualify for additional money from KIA. If something major happened to one of the plants, we have no way to get a loan to pay for it.

Expenses are primarily due to several factors –

These plants are all at least 30 years old and rust is taking a toll on the steel tanks and the metal lines inside them. Every plant in the district has had significant problems, and there is still much left to do with the plants and lift stations.

Costs have gone up significantly for all types of parts, labor, and chlorine.

People have been staying home more, and many are flushing wipes, diapers, condoms, dental floss, Q-tips etc. down the drains. These items clog the lines and burn up pumps at a high rate. There is hardly a week that goes by without having to clear these items from main lines, manholes, lift stations, and aeration lines in the main tanks.

We have done our own calculations and have also reached out to Rural Community Assistance Partnership (RCAP) to help determine a new rate structure – both sets of numbers were nearly identical, and these new rates are necessary to get us to where we need to be. Below is a chart of our expenses and income for the past 12 months, so you can see for yourself.

12 Month Expense/Income for Farmdale Sanitation

	Income	Expenses	Gain/loss
Jun-21	\$ 39,519.92	\$ 55,015.60	\$ (15,495.68)
Jul-21	\$ 39,479.99	\$146,125.23	\$ (106,645.24)
Aug-21	\$ 42,296.37	\$ 57,468.07	\$ (15,171.70)
Sep-21	\$ 43,910.84	\$ 34,055.97	\$ 9,854.87
Oct-21	\$ 43,170.71	\$ 25,399.60	\$ 17,771.11
Nov-21	\$ 43,518.68	\$ 50,370.93	\$ (6,852.25)
Dec-21	\$ 38,384.54	\$ 54,793.06	\$ (16,408.52)
Jan-22	\$ 37,774.45	\$ 81,948.65	\$ (44,174.20)
Feb-22	\$ 39,209.70	\$ 64,388.18	\$ (25,178.48)
Mar-22	\$ 40,533.63	\$ 49,654.70	\$ (9,121.07)
Apr-22	\$ 40,325.60	\$ 54,670.85	\$ (14,345.25)
May-22	\$ 38,390.48	\$ 37,148.17	\$ 1,242.31
Total	\$ 486,514.91	\$ 711,039.01	\$ (224,524.10)