Revenue and Expenses Overview

The Authority recognizes the slow economic recovery from the down turn of the last several years and mixed signals for the future. By primarily funding only essential services, moving some contracted service in-house, and using the Construction Department for projects, the Operating Expenses have maintained approximately the same levels for the last five years.

In FY17, the Authority's Total Operating Expenses have been increased by 4.84%. As stated above, a significant portion of the expense increase is due to the ENR operating costs and depreciation expense. Also, a COLA and longevity step has been included in the salary program for the employees, but at the rate less than prior years before the current economic down turn occurred.

An important strategy in helping to keep the expenses down for our customers is to manage the debt service for the Authority. The Chesapeake Bay Enhanced Nutrient Reduction program, a partially funded mandate, is and will be a major cost for the Authority and our customers. The Authority has planned to upgrade the Marshall and Remington plants to meet the nutrient requirement in two phases. However, the major costs for these plants will not come until after 2028 ($25M+). In planning the current debt obligation, the Authority has set terms for approximately $6,959,148 of the $8,067,682 to be repaid by 2024 with the exception of the first phase of the Remington WWTP which is on a twenty year note scheduled to be paid off in FY 2031.