

**EAWA SPECIAL MEETING AGENDA  
SEPTEMBER 23, 2023 - 8:00 AM**

**1. CALL TO ORDER:**

**2. PUBLIC COMMENT:**

**3. REPORTS:**

**a. Manager's Report**

**i. Meetings and Dates**

- a. Current meeting schedule is Work Session on 1<sup>st</sup> Wednesday and Regular Meeting on 2<sup>nd</sup> Monday.

**ii. Act 205 Pension**

- a. Balance as of 8/30/2023: \$470,325.81
- b. YTD Return: 5.84%
- c. Current investment objective: Income, with medium risk tolerance and a 5 to 10 year timeline, contribution level at 6.5% of employee income
- d. Anticipated contribution for 2024: \$48,555, see attached memo

**iii. Personnel and Administration**

- a. Personnel Subcommittee looked several items affecting personnel policy and staffing, focusing on items to improve operations and employee retention. Items recommended for adoption:
  - Skills Transfer: set priority to have full time staff absorb tasks and skills currently completed by part time staff.
  - Outsourcing of mowing: each of the municipalities outsource their grass mowing. Difficulty in obtaining summer help and outsourcing of the mowing would allow staff to focus on the core skills of water treatment and distribution.
  - Juneteenth Holiday Observance: most recently adopted Federal, State and Banking holiday
  - Long Term Disability Insurance for Employees: Authority currently provides short term disability insurance for employees (60% pay for 13 weeks). Long Term disability (up to 5 years, 60% pay) relatively low cost employee benefit. Combined short term and long term premium is approximately \$7,700.
  - Assistant Business Manager/Billing Coordinator
  - EAWA Administrative staff to revise and develop position descriptions for 2024
  - Revised Personnel Policy Manual to be presented to Board for approval in January 2024.

iv. **Operations Budget and Cash Flow** – Refer to:

- a. Monthly Cash Flow Summary (attached) and 2024 Draft Operations Budget with updated Revenue and Expenditures through August 31, 2023;

- Inflationary Pressure – inflationary pressures and supply chain disruption have lessened but are expected to continue. Most recent Bureau of Labor Statistics for the Mid-Atlantic year to year, 2.8%”
- Insurance: EHD indicates market pressure is upward on all insurance. Estimates 8 to 10% increase from Travelers.

- b. Unanticipated 2023 Expenses

- Chemical Costs: the cost of sodium hypochlorite more than doubled
- Tree maintenance: large trees (ash especially, were a safety issue)
- Vehicle maintenance: several costly repairs, but should extend vehicle life

- c. Healthcare

- Benecon indicated slight increase for EAWA of approximately 2.0%. Final rates obtained in October.

v. **Capital Reserve Account Update**

- a. Current Balance: refer to summary of accounts (attached);
- b. Minimum balance implemented by Board in 2021;
- c. Propose sweep of all funds in excess of Operational Reserve of \$500,000 from Operating Fund to Capital Reserve at year's end as in years past.

vi. **Capital Budget and Facilities Priorities**

- a. Facilities Subcommittee discussed and developed several priorities:

- Cast Iron Pipe Replacement: Board to consider more aggressive replacement of smaller Cast Iron pipe (4-inch and 6-inch), approximately 80,000 feet over a 3 year period, for both reliability and water quality reasons. Pursue alternative funding resources such as PENNVEST. Select Engineer to assist through a Request for Proposal allowing GHD to focus on other Authority projects.
- Other capital needs: fund with existing Capital Reserve Balance
- Meter Update and AMI Implementation: Board to consider third party assistance in upgrade of installed meters Approximately 3,000 meters in need of replacement. The approximate installed cost of each meter is \$500 (\$200 for meter, \$200 for MXU, \$100 for installation).

b. Treatment Facilities:

- Rheems WTP: GHD study recommends a number of improvements, including replacement of the nitrate system due to age (30 years) and VFDs for pump operation.
- WTP Plant Improvements project: additional intake pipe, potential clearwell modifications, other plant improvements such as relocation of the membrane cleaning skid to the Chemical Storage Room.
- Storage Tanks:
  - established cycle for cleaning, interior coating and painting. In order of priority: Buckingham/Radio Road; Groff; Rockwood; and West Ridge Road. Buckingham Tank on hold waiting for potential grant funding from the Commonwealth.
  - Consider study by GHD to look at adequacy of current storage and plan for future storage needs given projected future growth and service area impacts.
- Tree Removal: long term Capital Improvement, recommend funding from Capital fund for facilities.
- Trailer mounted generator: Applied for County ARPA grant funding.

c. Vehicles and Equipment:

- No replacements or additions anticipated until 2028. Delivery of new truck anticipated November 2023 (unless impacted by UAW strike)

d. Land Development Pending:

<u>Development</u>	<u>Anticipated Year Unit Construction Begins</u>	<u>EDUs Added</u>
StoneyBrook Phase 2B	2024	54
StoneyBrook Phase 3B & 4	2025+	114
Bear Creek Estates	2024	39
Westbrooke IV	2030+	168
Campus Road	2024+	482
Sheaffer Road	2024+	377
Raffensperger	2025+	86
Westmount	2025	289
Cloverleaf & Market	2024+	50
MJT Warehouses	2024?	87
<b>Total</b>		<b>1,746</b>
<b>Current Tapping Fee</b>		<b>\$3,300.00</b>
<b>Potential receipts</b>		<b>\$5,761,800.00</b>

**vii. Billing / Rates**

- a. 2024 Rate Adjustment: preliminary budget indicates an increase in revenue of approximately 3 to 4% is necessary to maintain same relative funding as maintained in previous years

**viii. Other Priorities**

- Continued update to standard practices and all manuals, including Design Standards.
- Succession Planning: training for junior staff has resumed. Identify additional fresher training for senior staff.

**4. UNFINISHED BUSINESS:**

**5. NEW BUSINESS:**

**6. BOARD MEMBER'S REMARKS:**

**7. EXECUTIVE SESSION:**

**8. ADJOURN: \_\_\_\_\_ AM**

Elizabethtown Area Water Authority Employees Pension Plan  
**2024 Minimum Municipal Obligation**

---

1 Employer Contribution Percentage	<u>6.5%</u>
2 Administrative Expense Percentage	<u>0.0%</u>
3 Total Percentage (1 + 2)	<u>6.5%</u>
4 Estimated 2024 Covered Payroll	<u>\$747,000</u>
5 Financial Requirements (3 x 4)	<u>\$48,555</u>
6 Advance Employer Contribution	<u>\$0</u>
7 Minimum Municipal Obligation (5 - 6) (Due Before 12-31-2024)	<u><u>\$48,555</u></u>



Authorized Signature



Date

ELIZABETHTOWN AREA WATER AUTHORITY  
STATUS OF BANKING AND INVESTMENT ACCOUNTS

Account Name	Classification	Interest Bearing?	Rate	January	February	March	April	May	June	July	August
<b>Water Reserve</b>	Government Interest Checking	Yes	3.20%	\$ 1,044,857.47	\$ 1,088,903.19	\$ 969,854.82	\$ 1,446,343.81	\$ 1,503,974.19	\$ 1,347,154.24	1,836,982.58	\$ 1,968,873.96
				\$ 145,486.41	\$ 145,459.16	\$ 146,323.43	\$ 98,506.34	\$ 98,527.53	\$ 98,738.69	98,929.07	\$ 99,162.01
<b>Escrow</b>	Government Interest Checking	Yes	3.20%	\$ 1,190,343.88	\$ 1,234,362.35	\$ 1,116,178.25	\$ 1,544,850.15	\$ 1,602,501.72	\$ 1,445,892.93	1,935,911.65	\$ 2,068,035.97
<b>Capital Reserve</b>											
<b>Capital Reserve</b>				\$ 380,120.95	\$ 284,774.26	\$ 298,489.30	\$ 287,473.58	\$ 276,479.61	\$ 257,012.15	199,189.58	\$ 144,830.93
<b>CRIM</b>	Investment Account	Yes	Varies	\$ 5,048,753.88	\$ 5,057,948.17	\$ 5,084,946.02	\$ 5,100,870.69	\$ 5,116,522.18	5,136,807.33	5,155,497.23	5,181,370.93
<b>PLGIT</b>	Capital Reserve	Yes	Varies	\$3,491,080.30	\$3,493,614.34	\$3,494,272.22	\$3,494,512.76	\$3,550,778.70	\$3,551,035.45	\$3,551,304.18	\$3,551,582.88
<b>Subtotal</b>	<b>Subtotal</b>			\$ 8,919,955.13	\$ 8,836,336.77	\$ 8,877,707.54	\$ 8,882,857.03	\$ 8,943,780.49	\$ 8,944,854.93	8,905,990.99	\$ 8,877,784.74
<b>12/31/2021 Balance: \$ 9,641,807.56</b>											
<b>Total</b>				\$ 10,110,299.01	\$ 10,070,699.12	\$ 9,993,885.79	\$ 10,427,707.18	\$ 10,546,282.21	\$ 10,390,747.86	10,841,902.64	\$ 10,945,820.71
<b>Change from Previous Month:</b>											
				\$ 468,491.45	\$ (39,599.89)	\$ (76,813.33)	\$ 433,821.39	\$ 118,575.03	\$ (155,534.35)	451,154.78	\$ 103,918.07
<b>YTD Change:</b>											
				\$ 468,491.45	\$ 428,891.56	\$ 352,078.23	\$ 785,899.62	\$ 904,474.65	\$ 748,940.30	1,200,095.08	\$ 1,304,013.15

ELIZABETHTOWN AREA WATER AUTHORITY  
2024 OPERATIONS BUDGET (FIRST DRAFT)

Notes for 2024

ACT. #	REVENUES	Actual 2020	Actual 2021	Actual 2022	2023 Budget	2023 As of	2024 Budget
--------	----------	-------------	-------------	-------------	-------------	------------	-------------

Interest rates are not anticipated to drop  
Lower Benecon distribution anticipated

100,000	Begin. Fund Balance	788,760	777,979	585,569	500,000		500,000
340,010	Interest	4,070	815	7,489	12,000	27,109	40,000
360,610	Insurance & Tax Refunds	59,437	58,934	21,935	25,000	23,749	10,000
378,100	Water Sales - Etown Boro	2,081,523	2,227,720	2,216,482	2,343,000	1,714,080	2,425,005
378,110	Water Sales - MJTA	919,895	942,134	975,648	958,500	748,524	992,048
378,120	Water Sales - WDT	484,149	521,129	523,823	532,500	410,505	551,138
378,920	Admin. Dev. Permit	1,900	4,500	3,890	2,500	6,740	2,500
383,020	Cell Tower Rental	52,131	55,538	52,101	53,500	36,499	54,000
392,900	Transfers From Other Funds	0	0	0	0		0

TOTAL REV & FUND BAL:							
\$	4,391,865.34	\$	4,588,749.40	\$	4,386,937.90	\$	4,427,000.00
\$	3,603,105.40	\$	3,810,770.00	\$	3,801,368.42	\$	3,927,000.00
TOTAL REVENUE (Only):							
\$	4,074,690.00	\$	4,574,690.00	\$	2,967,205.71	\$	2,967,205.71
\$	4,074,690.00	\$	4,074,690.00	\$	4,074,690.00	\$	4,074,690.00

427,210	Materials & Supplies	1,323	2,408	2,709	3,250	2,455	3,500
427,240	General Expense	2,192	2,123	2,564	3,750	149	3,750
427,260	Tools	1,315	382	1,294	2,000	0	2,000
427,332	Vehicles - Gas	7,090	11,579	15,000	16,000	8,200	16,000
427,333	Veh. - Maintenance & Repairs	5,331	5,598	14,367	11,000	12,280	12,000
427,350	Electric - Wells	106,439	112,502	113,455	160,000	96,868	155,000
427,370	Lab Testing	54,887	48,054	50,163	75,000	47,452	75,000
427,381	Meters - Purchase	50,771	34,780	21,553	0	0	0
427,382	Meters - Parts & Supplies	9,836	14,027	7,943	12,000	10,841	15,000
427,392	Hydrants - Invent. & Supplies	2,626	1,394	4,371	9,500	1,191	9,500
427,400	Fittings & Valves	9,045	6,351	17,948	30,000	17,176	30,000
427,431	Mains - Maint. & Repairs	15,013	16,672	18,026	22,000	4,470	22,000
427,432	Service - Maint. & Repairs	16,812	22,230	9,531	22,000	10,862	22,000
427,433	Wells - Maint. & Repairs	35,057	32,344	26,594	50,000	20,824	50,000
427,438	Rheems Plant	5,079	140	8,599	7,000	4,599	7,000
427,451	Grounds Maintenance	2,865	3,601	4,096	5,000	14,038	25,000
427,452	Contracted Maint. - Bor	0	1,500	600	1,000	0	1,000
427,500	Maint. Agreements	2,437	3,671	6,775	10,000	3,260	10,000
427,510	Storage Tank Maint.	4,072	9,425	7,119	10,000	1,550	10,000
427,741	Equip. - Repair Parts	5,576	3,411	2,884	8,000	2,874	8,000
427,742	Equip. - Purchase & Replace	11,838	8,213	11,643	13,000	3,803	13,000
427,840	Special Projects	85	593	1,397	2,000	0	2,000
SUBTOTAL							
\$	349,688	\$	340,995	\$	348,630	\$	472,500
\$	262,892	\$	262,892	\$	262,892	\$	491,750

Outsourcing of mowing services; to be bid in  
December/January

UCMR5 shifted to 2024  
Meters are purchased with Capital Funds  
Repairs funded from Operations

428,000	FILTER PLANT SYSTEM	345,488	364,356	377,985	410,000	265,558	422,000
428,110	Salaries - FT Employees	13,293	12,340	14,234	17,000	13,478	20,000
428,120	Salaries - Overtime						
428,150	Salaries - PT Employees	29,721	33,090	29,272	42,000	16,373	40,000
428,190	Incentive Program	13,000	12,200	11,950	12,500	0	12,750
428,200	Uniforms	2,955	2,774	2,570	3,200	1,739	3,500

Steve Bixler & Summer Hires; no applications  
received for summer hires this year

ELIZABETHTOWN AREA WATER AUTHORITY  
2024 OPERATIONS BUDGET (FIRST DRAFT)

Notes for 2024

	Actual 2020	Actual 2021	Actual 2022	2023 Budget	2023 As of	2024 Budget
Materials & Supplies	1,037	152	1,023	2,000	502	2,000
General Expense	2,621	1,018	1,588	3,000	1,300	3,000
DEP Permits & Licenses	22,510	23,125	23,505	25,000	25,065	27,000
Telephone, Fax & Internet	515	450	495	500	330	500
Wireless Devices	5,520	5,803	5,047	6,250	3,326	6,000
Meals & Mileage - Plant	86	340	861	1,000	1,179	1,500
Electric	46,898	52,148	56,722	84,000	51,035	80,000
Natural Gas	986	1,404	382	1,000	196	1,000
Chemicals	54,826	56,210	60,253	60,000	77,621	115,000
Dues, Subscriptions, Memberships	2,180	3,955	2,952	5,000	2,643	5,000
Reservoir - Maint & Repairs	724	900	1,775	4,000	353	4,000
Pumps - Maint & Repairs	1,571	990	4,301	10,000	1,380	10,000
WT Plant - Maint & Repairs	9,634	11,470	20,759	23,000	11,063	23,000
Conewago Pump Stn	978	0	373	7,500	0	7,500
Cornwall Pump Stn	0	667	2,500	2,000	0	2,000
Contractor Repairs	2,794	3,244	3,201	5,000	15,521	10,000
Training & Seminars	2,687	3,385	2,206	7,000	1,540	7,000
Maint. Agreements	61,046	64,221	59,121	75,000	54,089	75,000
Equip. - Repair Parts	4,372	4,872	8,068	10,000	5,991	10,000
Equip. - Purchase & Replace	7,788	6,032	8,414	10,000	8,752	10,000
IT Expense	8,357	13,667	14,049	15,000	5,907	12,000
SUBTOTAL						
	\$	\$	\$	\$	\$	\$
	641,584	678,810	713,605	840,950	564,940	909,750

Chemicals will continue to increase

429,000 ADMINISTRATION

429,100	Salaries - Board	18,975	20,625	19,800	20,000	13,200	20,000
429,120	Salaries - Mgmt	105,732	101,816	104,900	111,200	74,120	111,200
429,140	Salaries - Admin Staff	138,359	138,746	141,123	152,200	106,814	212,000
429,190	Incentive Program	5,200	4,750	5,100	6,500	0	7,000
429,210	Materials & Supplies	3,453	3,850	3,866	4,500	1,724	4,500
429,220	Postage	9,673	18,706	1,310	2,000	1,010	2,000
429,225	Contract Bill Delivery			12,800	15,000	9,149	16,000
429,240	Gen. Expense, Waste Mgmt. Tax	14,810	16,213	14,110	14,000	10,077	15,000
429,250	Petty Cash	212	86	28	500	152	500
429,261	Legal Services	20,605	21,033	23,729	30,000	12,348	30,000
429,262	Actuarial Services	2,000	1,800	1,800	4,000	1,950	4,000
429,264	Auditing	13,373	13,273	13,546	14,200	13,828	14,200
429,265	Accounting Services	1,450	1,711	1,808	2,400	1,406	2,400
429,266	E-payment Fees	7,205	8,634	9,861	11,000	7,365	12,000
429,270	Engineering	27,100	24,457	18,834	30,000	25,869	30,000
429,321	Telephone, Fax, Internet	6,157	4,407	5,058	4,900	3,562	4,900
429,322	Wireless Devices	883	903	594	900	384	900
429,331	Meals & Mileage	575	718	278	1,000	719	1,000
429,340	Advertising & Printing	1,357	1,922	2,293	2,500	1,929	3,000
429,350	SwiftReach 911	3,263	6,525	-3,263	3,600	0	3,600
429,364	Sewage Fee (Bor & ERSA)	51,637	72,831	91,908	120,000	73,143	120,000
429,367	PA One Call Service	892	2,445	1,585	2,500	1,515	2,500
429,370	Office Equip, Alarm, Rental, Maint & Repair	9,632	9,297	8,545	8,500	2,496	8,000

Anticipated Increases in Postage Rate

Includes Asst Business Manager



ELIZABETHTOWN AREA WATER AUTHORITY  
2024 OPERATIONS BUDGET (FIRST DRAFT)

Notes for 2024

Actual 2020	Actual 2021	Actual 2022	2023 Budget	2023 As of	2024 Budget
4,503	2,619	3,797	5,000	4,386	5,000
298	816	208	1,600		4,000
49,155	50,373	52,660	59,000	36,153	61,500
35,299	40,626	39,293	46,000	41,164	48,555
0	0	0	0	0	0
146,233	141,315	140,558	147,000	96,936	150,000
1,174	1,203	1,258	5,000	0	5,000
3,979	3,982	4,290	4,300	2,864	4,300
3,628	3,758	3,881	3,800	2,554	7,700
13,198	12,131	18,035	16,000	15,499	17,049
10,483	10,438	10,425	13,000	13,015	14,317
11,053	12,018	12,019	14,000	13,190	14,509
3,500	3,852	1,865	4,200	3,979	4,377
1,010	1,000	1,000	1,500	970	1,067
24,039	25,302	26,053	26,000	28,254	31,079
6,890	8,807	3,275	8,000	5,168	8,000
25,565	28,915	14,476	18,000	7,992	15,000
		26,700	29,500	21,735	31,000
	3,166	1,841	10,000	3,702	10,000
900,000	1,300,000	1,250,000	1,050,000		1,050,000
Trans to Capital Reserve Fund					
SUBTOTAL					
\$	\$	\$	\$	\$	\$
1,682,548	2,151,770	2,091,671	2,025,700	661,918	2,107,152

TOT Expenditure SUBTOTAL	\$	\$	\$	\$	\$
	2,673,820	3,171,576	3,153,906	3,339,150	1,489,750
	\$	\$	\$	\$	\$
	1,773,820	1,871,576	1,903,906	2,289,150	1,489,750
(without Transfer to Capital Reserve)					
	\$	\$	\$	\$	\$
	1,718,045	1,417,174	1,233,032	1,087,850	1,477,456
Available for Debt Service					
	\$	\$	\$	\$	\$
	1,066,038				

471.000	DEBT - PRINCIPAL					
471.200	2020 Loan - Principal	764,798	537,330	680,690	692,480	0
471.900	Paying Agent Fee	0	0	0	1,000	0
471.950	Other Fees		0	0	0	1,000
SUBTOTAL						
		\$	\$	\$	\$	\$
		764,798	537,330	680,690	693,480	-
						706,850

472.000	DEBT - INTEREST					
472.200	2020 Loan - Interest	170,419	147,437	137,443	124,782	62,391
SUBTOTAL						
		170,419	147,437	137,443	124,782	62,391
TOTAL DEBT:						
		\$	\$	\$	\$	\$
		935,217	684,767	818,133	818,262	62,391
						818,752

TOTAL REVENUE (inc. FBAL)	4,391,865	4,588,749	4,386,938	4,427,000	2,967,206	4,574,690
TOTAL EXPENDITURES (w/o DS Cov)	3,609,037	3,856,343	3,972,039	4,157,412	1,552,141	4,327,404
UNAPPROPRIATED BALANCE	\$	\$	\$	\$	\$	\$
	782,828	732,407	414,899	269,588	1,415,065	247,286
5% of Revenue Target						203,735

Operating Fund Reserve Target (@ 25% of Tot. Expen.)	\$	\$	\$	\$	\$	\$
	420,637	537,942	522,918	506,425	165,479	526,788

# Employers Budgeting 4% Pay Raises in 2024

By Kathryn Mayer  
July 18, 2023

**A**s a tight labor market and inflationary pressures linger, employers are looking to continue competitive pay hikes for employees in 2024—although the aggressiveness of raises may be starting to cool, new data finds.

U.S. organizations are budgeting an average increase of 4 percent in 2024, according to consulting firm WTW, which surveyed more than 2,000 U.S. organizations for its Salary Budget Planning Survey. That number is down from the actual increase of 4.4 percent in 2023 and the 4.2 percent increase in 2022, but the projected 2024 figures remain higher than the 3.1 percent salary increase budget in 2021 as well as other increases in pre-pandemic years.

"While we are seeing lower salary increases forecasted for next year, they're still well above the ones we've seen for the past 10 years," said Hatti Johansson, research director of reward data intelligence at WTW. "This shows that companies are striving to stay competitive in an ever-changing work climate."

Although the survey is an early forecast of next year's pay strategies, it also provides further clarity into how and why companies budgeted for raises in 2023. The survey found that more than two-thirds (70 percent) of U.S. employers budgeted for pay raises to be either the same or higher in 2023 than 2022. Roughly 1 in 6 companies (14 percent) have budgeted for pay raises to be lower than last year.

Many factors are likely driving continued changing compensation strategies, from high inflation to the competitive labor market, which is still strong despite signs of slowdown in some industries. The WTW survey found that concerns over a tighter labor market impacted by worker shortages are the most commonly cited driver influencing changes in 2023, cited by nearly two-thirds of survey respondents expecting changes in their salary budgets.

## FEATURED RESOURCE PAGE



### Working Through an Unstable Economy

([www.shrm.org/hr-today/news/hr-news/Pages/working-through-an-unstable-economy.aspx](http://www.shrm.org/hr-today/news/hr-news/Pages/working-through-an-unstable-economy.aspx))

Feedback

# What's Driving Compensation Changes in 2023?

Many factors continue to affect employers' evolving compensation strategies. **The most commonly cited concerns among those expecting changes in their 2023 salary budgets are:**

<b>Concerns over a tighter labor market impacted by worker shortages</b>	61%
<b>Inflationary pressures</b>	60%
<b>Concerns regarding employee expectations</b>	24%
<b>Anticipated recession or weaker financial results</b>	23%
<b>Cost management</b>	20%

Source: WTW. • Created with Datawrapper

These factors will continue to drive competitive pay hikes in 2024, analysts said.

"While layoffs are happening in certain industries, like tech, they are still not widespread," explained Lesli Jennings, North America leader of work, rewards and careers at WTW. "Therefore, they are not impacting the overall health of the job market."

Meanwhile, she said, high job creation and relatively low unemployment is "putting pressure on organizations to raise starting salaries to attract new employees." That's in part why the survey finds in addition to forecasted pay raises, organizations are making other compensation changes. The survey finds that half of respondents have reviewed compensation of specific employee groups, and another quarter are planning or considering doing so. Additionally, respondents are hiring people higher in relevant salary ranges (44 percent), raising starting salary ranges (43 percent), reviewing compensation of all employees (42 percent), and enhancing use of retention bonuses or spot awards (40 percent).

WTW's survey is among the first to forecast employers' 2024 salary strategies—an important barometer for HR leaders when it comes to retention and attraction efforts.

In 2022 and 2023, pay raises were among the highest they had been in years. Consulting firm Mercer reported earlier this year ([www.shrm.org/resourcesandtools/hr-topics/compensation/pages/2023-compensation-increases-largest-since-2008-financial-crisis.aspx](http://www.shrm.org/resourcesandtools/hr-topics/compensation/pages/2023-compensation-increases-largest-since-2008-financial-crisis.aspx)) that U.S. employers reported 2023 annual merit increases have averaged 3.8 percent, while total compensation—which includes merit awards as well as all other types of compensation increases impacting base pay, such as promotional, cost-of-living and minimum wage—increased by 4.1 percent. Seattle-based compensation software firm Payscale reported ([www.shrm.org/resourcesandtools/hr-topics/compensation/pages/employers-eye-smaller-raises-in-2023.aspx](http://www.shrm.org/resourcesandtools/hr-topics/compensation/pages/employers-eye-smaller-raises-in-2023.aspx)) that 92 percent of organizations gave raises in 2022, while 80 percent plan to do so in 2023.

Employee expectations for higher pay have also jumped considerably, with the ADP Research Institute finding ([www.shrm.org/resourcesandtools/hr-topics/compensation/pages/employees-have-high-expectations-for-pay-increases.aspx](http://www.shrm.org/resourcesandtools/hr-topics/compensation/pages/employees-have-high-expectations-for-pay-increases.aspx)) that the overwhelming majority of workers expect a bigger payday from their employers, and if they don't get it, employees may be ready to walk.

But some insiders have said that the pay situation, although still competitive, is starting to calm down as economic concerns begin to overtake red-hot inflation and the job market.

"Companies were playing catch-up last year [in regard to pay]," Payscale Chief People Officer Lexi Clarke said earlier this year. "That being said, as inflation starts to ease, as the job market cools a little bit and as comp strategies are more set in place in different organizations, we'll start to see those raises really stabilize from last year's payouts as companies become a little more cautious with the uncertainty around economic outlook."

Jennings said that while annual salary increase budgets follow economic indicators, simply because the U.S. economy is slowing is not enough of a direct correlation to say that salary increase budgets should start trending downward again.

"Salary budget changes typically lag economic changes by 12 to 18 months, except in times of drastic economic downturn," she said. "Given our current unemployment rate—even with what most experts are predicting as a gradual increase by year end—it's unlikely that salary increase budgets will be significantly lower in the next year."

In general, employers will likely eye healthy pay increases to keep employees, while overall thinking strategically about their pay models, Jennings said.

"Organizations need to consider other factors impacting budgets, beyond labor market challenges, such as affordability and business performance," she said.

## HR DAILY NEWSLETTER

News, trends and analysis, as well as breaking news alerts, to help HR professionals do their jobs better each business day.

Feedback

**CONTACT US ([WWW.SHRM.ORG/ABOUT-SHRM/PAGES/CONTACT-US.ASPX](http://WWW.SHRM.ORG/ABOUT-SHRM/PAGES/CONTACT-US.ASPX)) | 800.283.SHRM  
(7476)**

Monday - Friday 8:00 am–8:00 pm ET

© 2023 SHRM. All Rights Reserved

SHRM provides content as a service to its readers and members. It does not offer legal advice, and cannot guarantee the accuracy or suitability of its content for a particular purpose.

[Disclaimer \(www.shrm.org/about-shrm/Pages/Terms-of-Use.aspx#Disclaimer\)](http://www.shrm.org/about-shrm/Pages/Terms-of-Use.aspx#Disclaimer)

ELIZABETHTOWN AREA WATER AUTHORITY CAPITAL IMPROVEMENT PLAN (DRAFT)					ITEM
CAPITAL INVESTMENT NEEDS					
YEAR	PROJECTED FUNDS REQUIRED	STAFF PRIORITY	NOTES		
WATER PRODUCTION					
2026	\$ 100,000.00	B	VFD & Electrical Service		
2026	\$ 20,000.00	B	Hypochlorite Feed		
2026	\$ 20,000.00	B	Corrosion Control Feed		
2026	\$ 75,000.00	B	Chlorine Contact Tanks		
2026	\$ 50,000.00	B	Instrumentation & Control		
2027	\$ 35,000.00	B	VFD for Well Pump		
2027	\$ 35,000.00	B	VFD for Well Pump		
2027	\$ 35,000.00	B	VFD for Well Pump		
2027	\$ 35,000.00	B	VFD for Well Pump		
2024	\$ 240,000.00	B	Electrical Improvements		
2024	\$ 20,000.00	B	Corrosion Control Feed		
2024	\$ 500,000.00	B	Electrical Building & Other Improvements		
2024	\$ 950,000.00	B	Nitrate System Replacement		
2025	\$ 20,000.00	B	Corrosion Control Feed		
2030	\$ 50,000.00	B	Pump Replacements		
WATER STORAGE					
2023	\$ 400,000.00	A	Paint and Refurbish		
2023	\$ 20,000.00	A	Altitude Valve		
2032	\$ 50,000.00		Mixer Replacement		
2024	\$ 400,000.00	B	Paint and Reburbish		
2024	\$ 20,000.00	B	Altitude Valve		
2024	\$ 50,000.00	B	Mixer Install		
2029	\$ 500,000.00	C	Paint and Refurbish		
2023	\$ 50,000.00	A	Mixer Install		
2025	\$ 20,000.00	B	Altitude Valve		
2031	\$ 500,000.00	D	Paint and Refurbish		
2030	\$ 50,000.00	C	Mixer Replacement		
2025	\$ 20,000.00	B	Altitude Valve		
MOUNTAINSTONE DR BOOSTER					
2025	\$ 50,000.00	B	Replace Booster Pump with VFD		
ADVANCED METERING INFRASTRUCTURE					
2024	\$ 375,000.00	B	Upgrade of 3000+ meters (750 per year)		
2025	\$ 375,000.00	B	Upgrade of 3000+ meters (750 per year)		
2026	\$ 375,000.00	B	Upgrade of 3000+ meters (750 per year)		
2027	\$ 375,000.00	B	Upgrade of 3000+ meters (750 per year)		
2026	\$ 300,000.00	B	AMI Base Station Installation		
2024	\$ 80,000.00	B	Large Meter Replacement		
2026	\$ 25,000.00	B	Meter & MXU Purchase		
2027	\$ 25,000.00	B	Meter & MXU Purchase		
2028	\$ 25,000.00	B	Meter & MXU Purchase		
2029	\$ 25,000.00	C	Meter & MXU Purchase		
2030	\$ 25,000.00	C	Meter & MXU Purchase		
2031	\$ 25,000.00	C	Meter & MXU Purchase		
2032	\$ 25,000.00	C	Meter & MXU Purchase		
09/23/2023					

ITEM	CAPITAL INVESTMENT NEEDS			YEAR	PROJECTED FUNDS REQUIRED	STAFF PRIORITY	NOTES
New Meter Installation and Change Outs	Meter & MXU Purchase		2026	\$	400,000.00	B	
			2028	\$	200,000.00	B	Replacement of aged equipment, software & processors
SCADA SYSTEM UPGRADES							
TREATMENT FACILITIES & RESERVOIR	Skid A	2024	\$	200,000.00	B		
	Skid B	2025	\$	200,000.00	B		
	Eliminate hydraulic choke point	2024	\$	250,000.00	B		
	Pretreatment and Stabilization of Waste	2024	\$	100,000.00	B		
	Miscellaneous plant improvements	2024	\$	200,000.00	B		
	Streambank stabilization	2024	\$	200,000.00	B		
	3rd Membrane Skid	2030	\$	1,000,000.00	C		
	Distribution Pump Replacement & Upgrade	2024	\$	150,000.00	B		
	Reservoir mixing system upgrade	2026	\$	150,000.00	B		
	Clearwell Upgrade	2026	\$	500,000.00	B		
	Pretreatment Improvements	2029	\$	1,000,000.00	B		
	New Maintenance Facility	2028	\$	2,500,000.00	C		
CORNWALL QUARRY							
Pump Replacement (2 sets)	End of Life Replacement (4 Pumps)	2038	\$	250,000.00	D		
CONEWAGO INTAKE							
Pump Replacement	End of Life Replacement	2028	\$	60,000.00	B		
Intake Improvements	Upgrades and Intake Improvements	2032	\$	250,000.00	C		
VEHICLES & HEAVY EQUIPMENT							
Ford F-250 Pickup (2016)		2029	\$	70,000.00			
Ford F-250 Pickup (2017)		2030	\$	70,000.00			
Ford F-250 Pickup (2023)		2037	\$	70,000.00			
Chevy Express Small Van (2017)		2030	\$	40,000.00			
Ford F-250 Van (2020)		2033	\$	50,000.00			
Chevy Silverado Service Truck (2018)		2038	\$	80,000.00			
Chevy Equinox (2017)		2029	\$	30,000.00			
John Deere Large Backhoe (2029)		2029	\$	120,000.00			
Kubota Mini Excavator (2018)		2038	\$	80,000.00			
International Dump Truck (2010)		2030	\$	140,000.00			
Ford F850 Dump Truck (2023)		2043	\$	140,000.00			
Total			\$	14,835,000.00			
Staff Priority							
A	Immediate						
B	0-5 Years						
C	5-10 Years						
D	10+ Years						

**ELIZABETHTOWN AREA WATER AUTHORITY  
PROJECTED CAPITAL NEEDS BY YEAR (DRAFT)**

<b>YEAR</b>	<b>EAWA FACILITY</b>	<b>Sum of PROJECTED FUNDS REQUIRED</b>	
<b>2023</b>	Buckingham Tank	\$	420,000.00
	West Ridge Tank	\$	50,000.00
<b>2023 Total</b>		<b>\$</b>	<b>470,000.00</b>
<b>2024</b>	Distribution Pump Replacement & Upgrade	\$	150,000.00
	Groff Tank	\$	470,000.00
	Meter Replacement	\$	455,000.00
	Miscellaneous plant improvements	\$	200,000.00
	New intake screen	\$	250,000.00
	Plant Discharge	\$	100,000.00
	Replace Membrane Cartridges	\$	200,000.00
	Streambank stabilization	\$	200,000.00
	Well #6/#7 (Rheems Water Treatment Plant)	\$	1,710,000.00
<b>2024 Total</b>		<b>\$</b>	<b>3,735,000.00</b>
<b>2025</b>	Meter Replacement	\$	375,000.00
	MOUNTAINSTONE DR BOOSTER	\$	50,000.00
	Replace Membrane Cartridges	\$	200,000.00
	Rockwood Tank	\$	20,000.00
	Well #8/#9 (Mount Joy Twp Treatment Plant)	\$	20,000.00
	West Ridge Tank	\$	20,000.00
<b>2025 Total</b>		<b>\$</b>	<b>685,000.00</b>
<b>2026</b>	AMI	\$	300,000.00
	Clearwell Upgrade	\$	500,000.00
	Meter Replacement	\$	375,000.00
	New Meter Installation and Change Outs	\$	425,000.00
	Reservoir mixing system upgrade	\$	150,000.00
	Well #1	\$	265,000.00
<b>2026 Total</b>		<b>\$</b>	<b>2,015,000.00</b>
<b>2027</b>	Meter Replacement	\$	375,000.00
	New Meter Installation and Change Outs	\$	25,000.00
	Well #3	\$	50,000.00
	Well #4	\$	50,000.00
	Well #5	\$	50,000.00
<b>2027 Total</b>		<b>\$</b>	<b>550,000.00</b>
<b>2028</b>	New Maintenance Facility	\$	2,500,000.00
	New Meter Installation and Change Outs	\$	25,000.00
	Pump Replacement	\$	60,000.00
	SCADA SYSTEM UPGRADES	\$	200,000.00
<b>2028 Total</b>		<b>\$</b>	<b>2,785,000.00</b>
<b>2029</b>	Chevy Equinox (2017)	\$	30,000.00
	Ford F-250 Pickup (2016)	\$	70,000.00
	John Deere Large Backhoe (2029)	\$	120,000.00
	New Meter Installation and Change Outs	\$	25,000.00
	Pretreatment Improvements	\$	1,000,000.00
	West Ridge Tank	\$	500,000.00
<b>2029 Total</b>		<b>\$</b>	<b>1,745,000.00</b>

**ELIZABETHTOWN AREA WATER AUTHORITY  
PROJECTED CAPITAL NEEDS BY YEAR (DRAFT)**

<b>2030</b>	<b>3rd Membrane Skid</b>	<b>\$</b>	<b>1,000,000.00</b>
	<b>Chevy Express Small Van (2017)</b>	<b>\$</b>	<b>40,000.00</b>
	<b>Ford F-250 Pickup (2017)</b>	<b>\$</b>	<b>70,000.00</b>
	<b>International Dump Truck (2010)</b>	<b>\$</b>	<b>140,000.00</b>
	<b>New Meter Installation and Change Outs</b>	<b>\$</b>	<b>25,000.00</b>
	<b>Rockwood Tank</b>	<b>\$</b>	<b>50,000.00</b>
	<b>Well #8/#9 (Mount Joy Twp Treatment Plant)</b>	<b>\$</b>	<b>50,000.00</b>
<b>2030 Total</b>		<b>\$</b>	<b>1,375,000.00</b>
<b>2031</b>	<b>New Meter Installation and Change Outs</b>	<b>\$</b>	<b>25,000.00</b>
	<b>Rockwood Tank</b>	<b>\$</b>	<b>500,000.00</b>
<b>2031 Total</b>		<b>\$</b>	<b>525,000.00</b>
<b>2032</b>	<b>Buckingham Tank</b>	<b>\$</b>	<b>50,000.00</b>
	<b>Intake Improvements</b>	<b>\$</b>	<b>250,000.00</b>
	<b>New Meter Installation and Change Outs</b>	<b>\$</b>	<b>25,000.00</b>
<b>2032 Total</b>		<b>\$</b>	<b>325,000.00</b>
<b>2033</b>	<b>Ford F-250 Van (2020)</b>	<b>\$</b>	<b>50,000.00</b>
<b>2033 Total</b>		<b>\$</b>	<b>50,000.00</b>
<b>2037</b>	<b>Ford F-250 Pickup (2023)</b>	<b>\$</b>	<b>70,000.00</b>
<b>2037 Total</b>		<b>\$</b>	<b>70,000.00</b>
<b>2038</b>	<b>Chevy Silverado Service Truck (2018)</b>	<b>\$</b>	<b>80,000.00</b>
	<b>Kubota Mini Excavator (2018)</b>	<b>\$</b>	<b>80,000.00</b>
	<b>Pump Replacement (2 sets)</b>	<b>\$</b>	<b>250,000.00</b>
<b>2038 Total</b>		<b>\$</b>	<b>410,000.00</b>
<b>2043</b>	<b>Ford F850 Dump Truck (2023)</b>	<b>\$</b>	<b>140,000.00</b>
<b>2043 Total</b>		<b>\$</b>	<b>140,000.00</b>
<b>(blank)</b>			
<b>Grand Total</b>		<b>\$</b>	<b>14,880,000.00</b>