

Water and Sewer Enterprise Budgets CIP FY2013-FY2017

Board of Selectmen

February 28, 2012



Water and Sewer Rate Meeting



- Enterprise Funds
 - Water Enterprise Budgets
 - Water Enterprise Capital
 - Water Rates Recommendation
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 - Sewer Enterprise Capital
 - Sewer Rates Recommendation
- Capital Improvement Plan FY2013-FY2017
- Use of Free Cash

Water Enterprise Fund



Water Enterprise Fund Budget



Water Distribution Budget

	Fiscal Year 2012	Fiscal Year 2013	Inc.(Dec)
Salaries:	520,180	564,243	44,063
Operating:	190,076	213,981	23,905
Capital Outlay:	<u>63,094</u>	<u>0.00</u>	<u>(63,094)</u>
Total	773,350	778,224	4,874

Major Budget Changes:

Salaries: Sick Leave Buy-Back \$47,000 increase, full-time salaries decreased \$3,137

Operating: Leases/Contracts increased \$13,605 to repair water break trenches, \$10,000 From Repairs and Maint. for additional cost for replacing all brass supplies with non-lead type due to new regulation (1/13)

Capital Outlay: Decrease of lease payments \$63,094; retained earnings will be used to pay-off leases

Water Enterprise Fund Budget



Water Filtration Budget

	Fiscal Year 2012	Fiscal Year 2013	Inc.(Dec)
Salaries:	729,642	731,407	6,235
Operating:	1,049,484	1,102,268	52,784
Capital Outlay:	<u>19,837</u>	<u>0.00</u>	<u>(19,837)</u>
Total	1,798,963	1,833,675	34,712

Major Budget Changes:

Salaries: Full-time salaries decreased \$3,137 and overtime increased \$8,000

Operating: Utilities increased \$7,000; Repairs and Maint. Increased \$4,500

Leases/Contracts increased \$26,679, Communications increased \$4,100 and Chemicals increased \$18,512. Various decreases most notable All Other Supplies and Expenses decreased \$7,096.

Capital Outlay: Decrease of lease payments \$19,837; retained earnings will be used to pay-off leases,

Water Enterprise Fund Budget



Combined Water Enterprise Budgets

	Fiscal Year 2012	Fiscal Year 2013	Inc.(Dec)
Salaries:	1,249,822	1,295,650	45,828
Operating:	1,239,560	1,316,249	76,689
STM Appropriation	260,000	0.00	(260,000)
Capital Outlay:	<u>82,931</u>	<u>0.00</u>	(82,931)
Total	2,832,313	2,611,899	(220,414)
Other Budgeted Expenses:			
Debt P&I	2,236,692	2,194,035	(42,659)
Capital Proj./Exp.	175,000	125,000	(50,000)
Indirect Expenses	<u>747,141</u>	<u>807,708</u>	<u>60,567</u>
Total	3,158,833	3,126,743	(32,092)
Grand Total Water	5,991,148	5,738,642	(252,506)



Water Enterprise Fund Budget

- Future Capital Improvements FY13-FY17: 11,503,000
 - Water Treatment Plant Upgrades: 6,250,000
 - Water System Improvements:
 - Hydrants Replacement: 500,000
 - Water Mains: 4,550,000
 - Vehicle Replacement: 203,000
 - Capital Improvements FY13:
 - Water Treatment Plant: 650,000 (Borrowing)
 - Water Mains: 1,000,000 (Borrowing)
 - Hydrants Replacement: 100,000 (Raise and Appropriate)
 - Vehicle Replacement: 25,000 (Raise and Appropriate)



Water Enterprise Fund Budget

Debt Service as percent of Water Budget:

• FY2012	\$2,131,472	37%
• FY2013	\$2,069,916	38%
• FY2014	\$2,165,504	39%
• FY2015	\$2,492,634	41%
• FY2016	\$2,660,033	42%
• FY2017	\$2,660,033	43%



Water Enterprise Fund Budget

Water Usage (million gallons)

	Pumped	Billed
• FY05	856.30	729.72
• FY06	919.30	780.96
• FY07	901.30	732.37
• FY08	984.40	758.95
• FY09	871.00	725.45
• FY10	817.20	664.07
• FY11	881.10	722.86
• FY12(Projected)	813.70	680.57
• FY13(Projected)	813.70	680.57

Water Enterprise Fund Budget



Projected Revenues

	Fiscal Year 2012	Fiscal Year 2013	Inc.(Dec)
Revenue User Fees	6,441,335	6,441,335	
90% Collection User Fees	5,797,202	5,797,202	
Water Liens	250,000	200,000	(50,000)
Connection Fees	15,000	15,000	
Investment Income	20,000	20,000	
Other Income	2,000	2,000	
Prior Year Surplus	<u>0.00</u>	<u>0.00</u>	
Total:	6,084,202	6,034,202	(50,000)

Water Enterprise Fund Budget



Water Budget/Revenue:

	Budget	Revenue
FY07	4,268,722	3,953,070
FY08	4,983,397	5,126,450
FY09	5,384,337	5,411,198
FY10	5,711,692	4,911,692
FY11	6,058,981	7,365,757
FY12(Projected)	5,991,147	6,034,202
FY13(Projected)	5,738,642	6,034,202



Water Enterprise Fund Budget

Proposed Water Rates: No increase

Proposed Tier	Proposed Rate (\$)
0-34 gals	6.67 per 1000
35-70	9.44 per 1000
71-140	12.30 per 1000
140+	14.31 per 1000



Water Enterprise Fund Budget

Rate Comparison

- 2010 rates/90,000 Gallons per year
- State Average 470
- State Range 113-1,962
- State Median 446
- MWRA Average 489
- Tewksbury (current) 813
- Tewksbury (proposed) 813

Sewer Enterprise Fund



Sewer Enterprise Fund Budget



Sewer Enterprise Budget

	Fiscal Year 2012	Fiscal Year 2013	Inc.(Dec)
Salaries	263,890.00	257,812.00	(6,078.00)
Operating	312,400.00	317,200.00	4,800.00
Lowell Sewer	1,200,000.00	1,380,000.00	180,000.00
STM Appropriation	242,318.16	0.00	(242,318.16)
Capital Outlay	<u>68,970.00</u>	<u>0.00</u>	<u>(68,970.00)</u>
Total	2,087,578.16	1,955,011.00	(132,566.16)
Other Budgeted Expenses:			
Debt P&I	3,716,588.00	3,685,132.00	(31,456.00)
Capital Proj./Exp.	0.00	0.00	0.00
Indirect Expenses	<u>391,680.00</u>	<u>418,268.00</u>	<u>26,588.00</u>
Total	4,108,268.00	4,103,400.00	(4,868.00)
Grand Total Sewer:	6,195,846.16	6,058,412	(137,434.16)



Sewer Enterprise Fund Budget

- Future Capital Improvements FY13-FY17: 1,233,000
 - Sewer Pump Station Upgrades: 325,000
 - Inflow and Infiltration: 730,000
- Capital Improvements FY13:
 - Sewer Pump Station Upgrades: 125,000
 - 75,000
 - Inflow and Infiltration:
 - 50,000



Sewer Enterprise Fund Budget

Debt Service as percent of Sewer Budget:

- | | | |
|----------|--------------|-----|
| ● FY2012 | 3,716,587.71 | 60% |
| ● FY2013 | 3,685,131.77 | 61% |
| ● FY2014 | 3,650,571.33 | 60% |
| ● FY2015 | 3,625,501.92 | 58% |
| ● FY2016 | 3,590,823.75 | 57% |
| ● FY2017 | 3,560,517.95 | 56% |
- *In FY2021 Debt Service will peak at 4.364 million*



Sewer Enterprise Fund Budget

Sewer Usage Billed (million gallons)

- FY05 409.42
- FY06 425.14
- FY07 433.51
- FY08 484.89
- FY09 478.51
- FY10 455.42
- FY12(Projected) 465.53
- FY13(Projected) 465.53

Sewer Enterprise Fund Budget



Projected Revenues

	Fiscal Year 2012	Fiscal Year 2013	Inc.(Dec)
Revenue User Fees	4,343,903	4,692,054	348,151
90% Collection User Fees	3,909,513	4,222,849	313,336
New Connections	16,676.95	18,014.56	1,338
Sewer Liens	150,000	150,000	-
Sewer Connection Liens	200,000	200,000	-
Connection Fees	1,820,024	1,288,554	(531,470)
Application Fees	15,000	15,000	-
Interest/Demands	10,000	10,000	-
Investment Income	30,000	30,000	-
Prior Year Surplus			
Transfer from the GF	<u>296,089</u>	<u>281,485</u>	(14,604)
Total:	6,447,302	6,215,902	(231,400)

Sewer Enterprise Fund Budget



Sewer Budget/Revenue:

	Budget	Revenue
FY07	5,056,345	5,145,457
FY08	6,687,622	6,445,539
FY09	7,502,728	8,079,994
FY10	8,735,266	8,013,174
FY11	9,467,881	8,808,392
FY12(Projected)	6,195,846	6,447,303
FY13(Projected)	6,058,411	6,215,904

In FY11 1,437,375 was used from Sewer Retained Earnings to balance the budget



Sewer Enterprise Fund Budget

- Proposed Sewer Rate In-Town : 8% Increase

	Budget	Revenue
FY12(Projected)	6,195,846	6,447,303
FY13(Projected)	6,058,411	6,215,904

Current Tier	Current Rate (\$)	Proposed Rate (\$)
0-35gals	6.06 per 1000	6.55 per 1000
35-70	7.81 per 1000	8.43 per 1000
70-140	10.68 per 1000	11.53 per 1000
140+	12.49 per 1000	13.49 per 1000



Sewer Enterprise Fund Budget

- Proposed Sewer Rate Out of Town and Exempt Property:
8% Increase

	Budget	Revenue
FY12(Projected)	6,195,846.16	6,447,302
FY13(Projected)	6,058,411	6,215,902

Current Tier	Current Rate (\$)	Proposed Rate (\$)
0-35gals	13.42 per 1000	14.49 per 1000
35-70	16.66 per 1000	17.99 per 1000
70-140	21.36 per 1000	23.07 per 1000
140+	23.50 per 1000	25.38 per 1000



Sewer Enterprise Fund Budget

<u>Usage</u>	<u>Current (\$)</u>	<u>Est. (\$)</u>	<u>Change (\$)</u>	<u>%</u>
25,000	151.55	163.75	12.20	8%
35,000	213.92	231.13	17.21	8%
50,000	331.03	357.58	26.55	8%
60,000	409.10	441.88	32.78	8%
70,000	487.18	526.18	39.00	8%
90,000	700.78	756.78	56.00	8%
100,000	807.58	872.08	64.50	8%
150,000	1,359.64	1,468.18	108.54	8%
250,000	2,608.29	2,817.18	208.89	8%
300,000	3,232.62	3,491.68	259.06	8%
400,000	4,481.27	4,840.68	359.41	8%

Approximately 50,000 gallons is the Town average use and approximately 90,000 gallons per year is the State average use.



Sewer Enterprise Fund Budget

- Comparison Other Communities
 - Based 2010 rates and on 90,000 Gallons per year
 - State Average 638
 - State Range 193-1,455
 - State Median 600
 - MWRA Average 764
 - Tewksbury (current) 700
 - Tewksbury (proposed) 756

Capital Improvement Plan FY2013-FY2017



DEPARTMENT	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Council on Aging						
Install Chair lift in kitchen	-	50,000	-	-	-	50,000
Construct Woodworking Shop Building	-	-	40,000	-	-	40,000
Subtotal Council on Aging	-	50,000	40,000	-	-	90,000
 All Departments						
Facility Upgrades and Improvements	-	50,000	75,000	75,000	75,000	275,000
Total All Departments	-	50,000	75,000	75,000	75,000	275,000
 Fire Department						
New Car 1	28,290					28,290
New Ambulance	-	150,000	-	150,000	-	300,000
Firefighting Structural Gear	-	115,000	-	-	-	115,000
New Ladder Truck	-	-	950,000	-	-	950,000
New Center Fire Station	-	-	-	8,480,886	-	8,480,886
Fire Department	28,290	265,000	950,000	8,630,886	-	9,874,176
 Emergency Management						
Back Up Microwave	-	8,100	-	-	-	8,100
700 Mhz Broadband Network	-	10,000	60,000	-	-	70,000
Emergency Management	-	18,100	60,000	-	-	78,100

DEPARTMENT	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Public Works Department						
Drain/Stormwater Improvement Projects	50,000	180,000	470,000	495,000	215,000	1,410,000
Pavement Management	615,000	1,305,000	1,173,500	660,000	1,100,000	4,853,500
Drain and Roadway Improvement Projects	85,000	75,000	110,000	-	-	270,000
Project Development and Design	30,000	125,000	30,000	25,000	35,000	245,000
DPW Building Repairs	65,000	-	-	-	-	65,000
Salt Shed Construction	-	350,000	-	-	-	350,000
Fleet Equipment Replacement Program	170,000	233,000	281,000	235,000	173,000	1,092,000
Total Public Works	1,015,000	2,268,000	2,064,500	1,415,000	1,523,000	8,285,500
Sewer Enterprise Fund						
Sewer Pump Station Modification	75,000	25,000	25,000	100,000	100,000	325,000
I/I Investigation and Repair	50,000	175,000	175,000	165,000	165,000	730,000
Total Sewer Enterprise Fund	125,000	200,000	200,000	265,000	265,000	1,055,000
Water Enterprise Fund						
Water Distribution System Improvements	1,000,000	50,000	1,000,000	2,500,000	-	4,550,000
Hydrant Replacement Program	100,000	100,000	100,000	100,000	100,000	500,000
Water Treatment Plant Asst and Upgrade	650,000	5,125,000	125,000	-	350,000	6,250,000
Fleet Equipment Replacement Program	25,000	-	-	-	-	25,000
Total Water Enterprise Fund	1,775,000	5,275,000	1,225,000	2,600,000	450,000	11,325,000
Public Works Water/Sewer	-	-	60,000	169,000	127,000	356,000

Capital Plan Summary	FY2013	FY2014	FY2015	FY2016	FY2017	Total
General Fund	1,043,290	2,651,100	3,189,500	10,120,886	1,598,000	18,602,776
Sewer Enterprise Fund	125,000	200,000	200,000	265,000	265,000	1,055,000
Water Enterprise Fund	1,775,000	5,275,000	1,225,000	2,600,000	450,000	11,325,000
Water/Sewer Enterprise Fund	-	-	60,000	169,000	127,000	356,000
Total Capital Plan Funded	2,943,290	8,126,100	4,674,500	13,154,886	2,440,000	31,338,776

Annual CIP Cost

R&A or Transfer Stab. Fund or Free Cash	263,290	616,100	456,000	460,000	248,000	2,043,390
R&A or Transfer Sewer Enterprise Fund	125,000	200,000	200,000	265,000	265,000	1,055,000
R&A or Transfer Water Enterprise Fund	125,000	150,000	225,000	100,000	100,000	700,000
R&A or Trans. Sewer/Water Ent. Fund	-	-	60,000	169,000	127,000	356,000
Chapter90	780,000	955,000	778,500	695,000	835,000	4,043,500
General Fund Debt Service	13,800	53,456	185,265	299,932	361,296	913,749
Water Enterprise Funds Debt Service	39,188	424,631	809,339	966,992	1,250,895	3,491,045
Total Fiscal Year Cost	1,346,278	2,399,188	2,714,104	2,955,924	3,187,192	12,602,685



Use of Free Cash

- Total Free Cash: 2,163,059
 - School: 656,835, One Time Expenditures
 - Town: 906,224, One Time Expenditures
 - Storm Water Pollution Prevention Plans (SWPPP) for each municipal facility.: 50,000
 - DPW Facility Upgrades 65,000
 - Elign Sweeper 170,000
 - Police SUV 38,661
 - Fire Vehicle 28,290
 - Sick Leave Buy Backs 47,285
 - Lease Pay off 506,988
 - Total 906,224
- Transfer remaining 600,000 into Stabilization Fund
(Funds originally set aside for potential snow/ice deficit)