

**SEWER
FUND**

SEWER FUND

MISSION STATEMENT: To provide an environmentally safe system for collection, treatment, and disposal of sewage and to do so through a user fee based revenue system.

SEWER FUND SUMMARY

	FY 09 Actual	FY 10 Budget	FY 10 Actual	FY 11 Budget	FY 12 Manager	Change FY 11 - 12	Percent Change
Operating Revenues	\$ 3,695,472	3,459,500	3,592,414	3,459,500	3,504,800	45,300	1.3%
Interest	\$ 57,861	31,000	22,150	42,000	20,000	(22,000)	-52.4%
Grants	\$ 0	0	0	0	0	0	0.0%
SUBTOTAL REVENUES	\$ 3,753,333	3,490,500	3,614,564	3,501,500	3,524,800	23,300	0.7%
Borrowing							
Authorizations	\$ 0	0	0	0	0	0	0.0%
Available Funds	\$ 0	0	0	0	0	0	0.0%
Surplus Funds	\$ 0	232,658	232,658	248,917	238,399	(10,518)	-4.2%
TOTAL RESOURCES	\$ 3,753,333	3,723,158	3,847,222	3,750,417	3,763,199	12,782	0.3%
Operating Budget	\$ 2,507,929	2,709,610	2,536,246	2,805,442	2,787,591	(17,852)	-0.6%
Gen. Fund Services	\$ 302,264	--	--	--	--	--	--
Debt Service	\$ 336,158	333,804	327,803	325,284	316,576	(8,708)	-2.7%
Capital Program	\$ 405,000	373,600	373,600	295,000	336,000	41,000	13.9%
Interfund Transactions	\$ 0	0	0	0	0	0	0.0%
TOTAL APPROPRIATION	\$ 3,551,351	3,417,014	3,237,649	3,425,726	3,440,167	14,440	0.4%
Indirect Costs Appropriated in General Fund		306,144	306,144	324,691	323,032	(1,659)	-0.5%
TOTAL EXPENDITURES	\$ 3,551,351	3,723,158	3,543,793	3,750,417	3,763,199	12,781	0.3%

SEWER FUND**RESOURCES**

GOAL STATEMENT: To provide an adequate amount and proper balance of revenue sources to ensure that the Sewer Fund is completely self-supporting.

LONG RANGE OBJECTIVES:

To maintain projection models to facilitate rate setting.
To plan rate increases to meet long term Fund objectives.

FY 12 OBJECTIVES:

Continue to adequately fund operating and capital needs.
Develop a more defined policy regarding an appropriate reserve level for Sewer Fund Surplus.

SERVICE LEVELS:

	FY 06	FY 07	FY 08	FY 09	FY 10
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
Funding Composition (%)					
Operating Revenues	93	90	98	98	93
Interest	3	3	2	2	1
Grants	0	1	0	0	0
Surplus Funds	4	7	0	0	6
Borrowing	0	0	0	0	0

SEWER FUND**RESOURCES**

	FY 09 Actual	FY 10 Budget	FY 10 Actual	FY 11 Budget	FY 12 Manager	Change FY 11 - 12	Percent Change
Sewer Rates	3,542,299	3,334,500	3,421,315	3,334,500	3,376,800	42,300	1.3%
Sewer Liens	65,250	35,000	72,174	35,000	50,000	15,000	42.9%
Sewer Entrances	27,083	40,000	34,800	40,000	25,000	(15,000)	-37.5%
Septic Disposal	38,640	32,000	36,210	32,000	33,000	1,000	3.1%
Sewer Miscellaneous	22,200	18,000	27,915	18,000	20,000	2,000	11.1%
Sewer Interest	57,861	31,000	22,150	42,000	20,000	(22,000)	-52.4%
Sewer Grants	0	0		0		0	0.0%
	<u>3,753,333</u>	<u>3,490,500</u>	<u>3,614,564</u>	<u>3,501,500</u>	<u>3,524,800</u>	<u>23,300</u>	<u>0.7%</u>

SIGNIFICANT BUDGET CHANGES:

The current sewer rate is \$3.25 per 100 CF. After no increase in the current fiscal year, the sewer rate is recommended to increase by \$0.10 to \$3.35 per 100 cubic feet, which would result in a \$12 annual increase (+3%) to the sewer bill of the average four-person household in Amherst. \$238,399 from Sewer Fund Surplus will be appropriated to support this budget. The July 1, 2010 Sewer Fund Free Cash balance is \$1,420,593. The Town's water/sewer rates remain below state and regional averages.

SEWER FUND**4441: SEWER MAINTENANCE**

GOAL STATEMENT: To maintain sanitary sewers throughout the Town and provide a 24 hour a day response capability for emergency situations.

RECENT ACCOMPLISHMENTS & CURRENT CHALLENGES:

Installed a new section (1400 feet) of Sewer line on West Street to support the Atkins Corner Project.
Installed a new sewer line on Spring Street from Boltwood Ave to Churchill.

LONG RANGE OBJECTIVES:

To accelerate the repair and replacement of defective and undersized sewer lines throughout the collection system.

To continue to improve sewer system mapping using GIS.

To minimize the number of sewer blockages by performing preventative maintenance to the collection system.

To review and update the Town's sewer ordinance.

FY 12 OBJECTIVES:

Review and acceptance of the Collection System expansion plan.

To video inspect approximately 5 miles of sewer lines to determine source of problems and repair or replace as necessary.

Continue the sewer flushing, root control, and grease removal programs in the sewer system.

To repair recognized deficiencies in the sewer collection system.

SERVICE LEVELS:

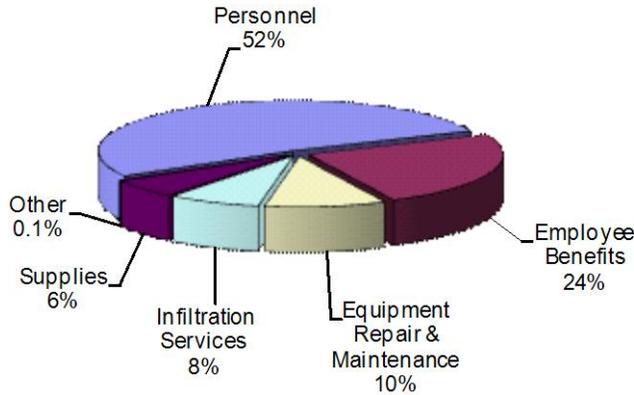
	FY 06	FY 07	FY 08	FY 09	FY 10
	Actual	Actual	Actual	Actual	Actual
Sanitary sewer complaints	78	113	106	70	72
Sewer main stoppages	11	21	30	9	21
Sewer main flushing (miles)	30	30	30	34	32
Sewer mains treated for roots (in linear feet)	5,189	5,617	6,240	8,077	6,636
Sewer maintained (miles)	92	92	92	92	92
T.V.'d sections of problem sewers (in linear feet)	2,000	10,211	26,342	11,035	25,235
Feet of sewer rehabilitated	0	0	0	0	0
Feet of sewer replaced	166	79	150	500	4,570
Feet of sewer extended	11,630	0	0	0	0

SEWER FUND

4441: SEWER MAINTENANCE

	FY 09 Actual	FY 10 Budget	FY 10 Actual	FY 11 Budget	FY 12 Manager	Change FY 11 - 12	Percent Change
Personnel Services	\$ 90,945	137,067	118,636	129,730	128,795	(935)	-0.7%
Operating Expenses	\$ 33,316	36,100	38,623	40,100	40,100	0	0.0%
Capital Outlay	\$ 0	0	0	0	0	0	0.0%
TOTAL APPROPRIATION	\$ 124,261	173,167	157,259	169,830	168,895	(935)	-0.6%
SOURCES OF FUNDS							
Sewer Revenues	\$ 124,261	173,167	157,259	169,830	168,895	(935)	-0.6%
POSITIONS							
Full Time	2.00	2.00	2.00	2.00	2.00	0.00	
Part Time with Benefits	0.00	0.00	0.00	0.00	0.00	0.00	
Full Time Equivalents	2.00	2.00	2.00	2.00	2.00	0.00	

MAJOR COMPONENTS:



Personnel Services include funds for one maintenance worker, and a laborer/truck driver and of a laborer/truck driver shared with the Highway budget in the General Fund, and health insurance and retirement benefits for these employees.

Equipment Repair and Maintenance include funds for renting equipment to pump sewers.

Infiltration Services provide funds for root control and video inspections.

Departmental Supplies provide miscellaneous sewer materials such as pipes, elbows, caps, etc.

<p>SIGNIFICANT BUDGET CHANGES: None.</p>

SEWER FUND**4440: WASTEWATER TREATMENT PLANT**

GOAL STATEMENT: To treat all wastewater discharges to the Connecticut River within Environmental Protection Agency Standards.

RECENT ACCOMPLISHMENTS & CURRENT CHALLENGES:

- The emergency generator at the West Street pumping station was replaced by town staff.
- Work continued on replacing the plant controls and instrumentation with fiber optic and programmable logic computer technology.
- Two new Aerators were installed at the WTTP.
- Primary clarifiers were painted.

LONG RANGE OBJECTIVES:

To investigate and promote water reuse when it is environmentally compatible.

To reduce the amount of leakage into the sewer collection system.

To continue the capital improvement projects at the main treatment plant and 20 pumping stations.

Promote the reuse of treated effluent at the new central heating plant and athletic fields at UMass.

FY 12 OBJECTIVES:

To evaluate the possibility of creating reuse water at the WWTP to promote the reuse of treated effluent at the new central heating plant and athletic fields at UMass.

To update the telemetry and alarm systems at the treatment plant and pump stations.

To replace the baffles on all treatment plant clarifiers.

SERVICE LEVELS:

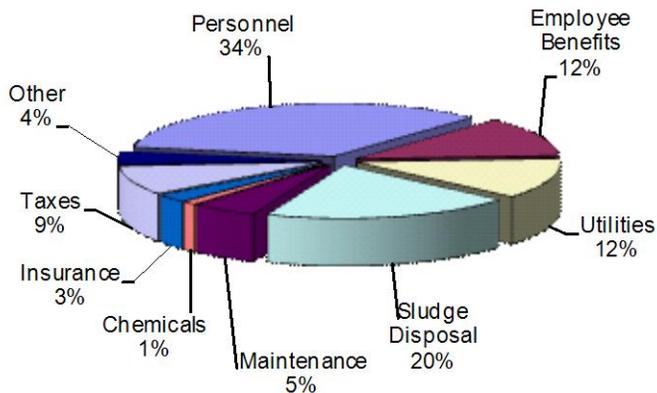
	FY 06	FY 07	FY 08	FY 09	FY 10
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
Flow totals (billion gals)	1.61	1.45	1.48	1.56	1.43
Chlorine (lbs)	9,480	9,535	9,800	12,496	9,465
Polymer (lbs)	2,680	2,999	2,993	3,079	3,176
Mass WPC Reports & Federal Reports	12	12	12	12	12
% of tests achieving EPA standards:					
Main Plant	100%	100%	100%	100%	100%
Pumping stations operated	20	20	20	20	20
Grit & screenings deposited at sanitary landfill (cu.yd)*	77	78	78	69	65
Septic waste delivered to plant (loads)	187	180	292	279	299
Gallons of liquid sludge disposed	3,677,100	3,901,000	4,126,500	3,970,600	3,889,900
Tons of dry sludge produced	1,011	1,052	1,104	1,130	1,054

SEWER FUND

4440: WASTEWATER TREATMENT PLANT

	FY 09 Actual	FY 10 Budget	FY 10 Actual	FY 11 Budget	FY 12 Manager	Change FY 11 - 12	Percent Change
Personnel Services	\$ 1,070,030	1,202,487	1,141,180	1,225,252	1,222,953	(2,299)	-0.2%
Operating Expenses	\$ 1,303,148	1,320,456	1,224,746	1,396,860	1,381,743	(15,118)	-1.1%
Capital Outlay	\$ 10,490	13,500	13,061	13,500	14,000	500	3.7%
TOTAL APPROPRIATION	\$ 2,383,668	2,536,443	2,378,987	2,635,612	2,618,696	(16,917)	-0.6%
SOURCES OF FUNDS							
Sewer Revenues	\$ 2,383,668	2,536,443	2,378,987	2,635,612	2,618,696	(16,917)	-0.6%
Surplus Funds	\$ 0	0	0	0	0	0	0.0%
POSITIONS							
Full Time	15.50	15.50	15.50	14.83	15.33	0.50	
Part Time with Benefits	0.00	0.00	0.00	0.00	0.00	0.00	
Full Time Equivalents	15.50	15.50	15.50	14.83	15.33	0.50	

MAJOR COMPONENTS:



Personnel Services include salaries for the Assistant Superintendent/Water Resources Director (shared with the Water Fund and the General Fund), a division director, a division supervisor, a supervisor/mechanic, a senior crew supervisor, three equipment operators, two mechanics, and two maintenance workers. The Town Engineer, the Assistant Town Engineer, and an engineer technician are shared with the General Fund and the Water Fund. A utility technician, and environmental scientist, a GIS Administrator and three electricians shared with the Water Fund. Also included is \$317,902 for health, retirement, life insurance and other employee benefits and \$36,000 for overtime.

Utilities include \$280,000 for electricity, \$35,000 for fuel and \$5,200 for water.

Maintenance includes funds for repair of facilities, vehicles and equipment.

Insurance includes building, vehicle and liability coverage.

SIGNIFICANT BUDGET CHANGES:

Personnel services include the addition of 0.5 FTE of an electrician/programmer which is shared with the Water Fund and increases to the Sewer Fund's share of health insurance costs and retirement assessments, which is offset by personnel turnover.

SEWER FUND**GENERAL FUND SERVICES**

GOAL STATEMENT: To compensate the General Fund for services provided by various departments.

LONG RANGE OBJECTIVES:**FY 12 OBJECTIVES:**

To ensure that all costs related to sewer services are identified and appropriately charged through evaluation and modification of the indirect cost model used to assess charges for General Fund administrative support.
To charge the General Fund for services provided.

SERVICE LEVELS:

	FY 06 <u>Actual</u>	FY 07 <u>Actual</u>	FY 08 <u>Actual</u>	FY 09 <u>Actual</u>	FY 10 <u>Actual</u>
Number of departments reimbursed	6	6	6	6	6
Percentage of total Fund expenses paid to the General Fund	8	10	9	9	9

SEWER FUND**GENERAL FUND SERVICES**

	FY 09 Actual	FY 10 Budget	FY 10 Actual	FY 11 Budget	FY 12 Manager	Change FY 11 - 12	Percent Change
General Fund Services	\$ 302,264	306,144	306,144	324,691	323,032	(1,659)	-0.5%
Transfers to Other Funds	\$ 0	0	0	0	0	0	0.0%
TOTAL APPROPRIATION	\$ 302,264	306,144	306,144	324,691	323,032	(1,659)	-0.5%
SOURCES OF FUNDS							
Sewer Revenues	\$ 302,264	306,144	306,144	324,691	323,032	(1,659)	-0.5%

MAJOR COMPONENTS:

General Fund Services: The General Fund provides services which are used by the Sewer Fund. Transfers are made from the Sewer Fund to the General Fund to compensate for the cost of these services. Additionally, the General Fund uses resources of the Sewer Fund and pays for that use. These payments are netted against amounts owed to the General Fund. Charges for FY 12 are as follows:

Select Board/Town Manager	6% of budget	\$ 21,242
Finance Department	9% of budget	104,033
Human Resources/ Human Rights	6% of budget	14,682
Information Technology	6% of budget	43,096
Public Works Administration	30% of budget	118,770
Equipment Maintenance	10% of budget	30,772
Town Hall Debt		21,437
Rental of Ruxton Space		(6,000)
Rental of Garage at Wastewater Treatment Facility		(15,000)
Rental of Equipment for Catch Basin Cleaning		<u>(10,000)</u>
TOTAL		<u>\$ 323,032</u>

SIGNIFICANT BUDGET CHANGES:

None.

SEWER FUND**DEBT SERVICE**

GOAL STATEMENT: To provide funds for principal and interest payments for temporary and long-term debt.

LONG RANGE OBJECTIVES:**FY 12 OBJECTIVES:**

To make payments on debt incurred to reconstruct Middle Street sewer mains.

To make payments on debt incurred for the Chapel Road/Mechanic Street sewer extension.

SERVICE LEVELS:

	<u>FY 06 Actual</u>	<u>FY 07 Actual</u>	<u>FY 08 Actual</u>	<u>FY 09 Actual</u>	<u>FY 10 Actual</u>
Number of issues outstanding	2	2	2	2	2

SEWER FUND**DEBT SERVICE**

		FY 09 Actual	FY 10 Budget	FY 10 Actual	FY 11 Budget	FY 12 Manager	Change FY 11 - 12	Percent Change
Principal	\$	290,000	290,000	290,000	290,000	290,000	0	0.0%
Interest	\$	46,158	43,804	37,803	35,284	26,576	(8,708)	-24.7%
TOTAL APPROPRIATION	\$	336,158	333,804	327,803	325,284	316,576	(8,708)	-2.7%
SOURCES OF FUNDS								
Sewer Revenues	\$	336,158	333,804	327,803	325,284	316,576	(8,708)	-2.7%

MAJOR COMPONENTS:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Middle Street Sewer	\$190,000	\$ 9,263	\$199,263
Chapel/Mechanic Sewer	<u>100,000</u>	<u>17,313</u>	<u>117,313</u>
	<u>\$290,000</u>	<u>\$26,576</u>	<u>\$316,576</u>

SIGNIFICANT BUDGET CHANGES:
None.

SEWER FUND**CAPITAL PROGRAM SUMMARY**

GOAL STATEMENT: To provide for the maintenance and improvement of the Town's sewer system.

LONG RANGE OBJECTIVES:

To implement a long range Sewer Extension Master Plan consistent with economic development goals of the Town.

FY 12 OBJECTIVES:

To complete the following:

Replacement Vehicle

Collection System Improvements

DPW Facility Improvements

Treatment System Improvements. Note: This is a new category. Funds allocated to this account will be used to complete upgrades and emergency repairs to systems at the Waste Water Treatment Plant (WWTP) and the main waste water pump stations. The goal for FY 12 is to replace two – three more of the WWTPs 9 aerators.

SERVICE LEVELS:

	FY 06	FY 07	FY 08	FY 09	FY 10
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
Number of Projects:					
Departmental Equipment	4	0	3	0	1
Existing Facilities	2	3	3	4	4
New Facilities	0	0	0	0	0

SEWER FUND

CAPITAL PROGRAM SUMMARY

		FY 09 Actual	FY 10 Budget	FY 10 Actual	FY 11 Budget	FY 12 Manager	Change FY 11 - 12	Percent Change
Departmental Equip.	\$	0	0	0	0	31,000	31,000	0.0%
Existing Facilities	\$	405,000	373,600	373,600	295,000	305,000	10,000	3.4%
New Facilities	\$	0	0	0	0		0	0.0%
TOTAL APPROPRIATION	\$	405,000	373,600	373,600	295,000	336,000	41,000	13.9%
SOURCES OF FUNDS								
Sewer Revenues	\$	405,000	140,942	140,942	46,083	97,601	51,518	111.8%
Other Available Funds	\$	0	0	0	0	0	0	0.0%
Surplus Funds	\$	0	232,658	232,658	248,917	238,399	(10,518)	0.0%
Borrowing	\$	0	0	0	0	0	0	0.0%
Grants	\$	0	0	0	0	0	0	0.0%

MAJOR COMPONENTS:	Facilities	\$ 200,000	Collection System Improvements
		100,000	Treatment System Improvements
		5,000	DPW Facility Improvements
	Equipment	31,000	Replacement Vehicle