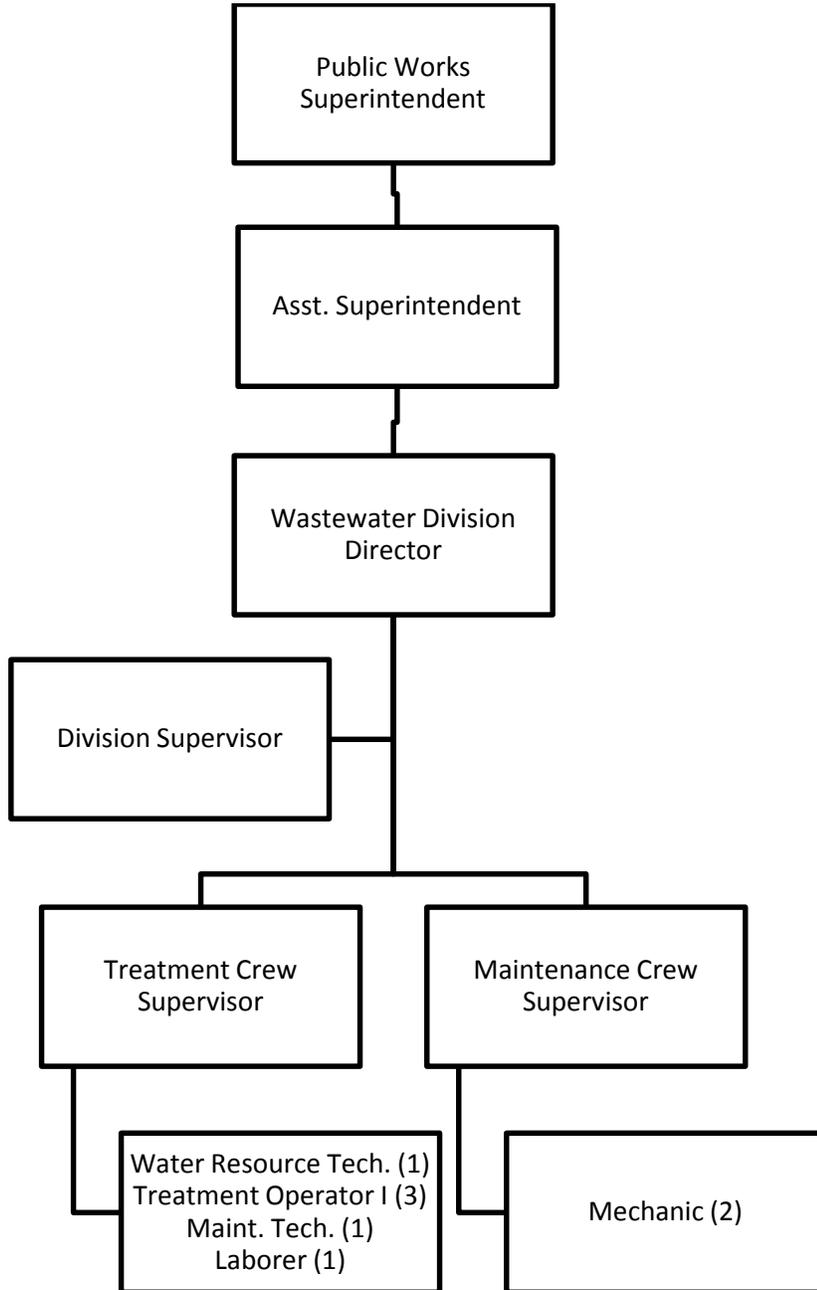


**SEWER
FUND**

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 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15 - 16	Percent Change
Operating Revenues	\$ 3,724,663	3,855,848	4,011,759	4,132,489	4,191,650	59,161	1.4%
Interest and Late Fees	\$ 20,744	26,919	32,556	20,000	20,000	0	0.0%
Grants	\$ 0	120,569	0	0	0	0	0.0%
SUBTOTAL REVENUES	\$ 3,745,407	4,003,336	4,044,315	4,152,489	4,211,650	59,161	1.4%
Borrowing							
Authorizations	\$ 0	0	0	0	0	0	0.0%
Available Funds	\$ 0	0	0	0	0	0	0.0%
Surplus Funds	\$ 248,917	242,668	114,353	0	0	0	0.0%
TOTAL RESOURCES	\$ 3,994,324	4,246,004	4,158,668	4,152,489	4,211,650	59,161	1.4%
Operating Budget	\$ 2,711,541	2,912,414	3,003,786	3,159,265	3,221,352	62,087	2.0%
Debt Service	\$ 309,013	318,066	430,926	404,304	386,158	(18,146)	-4.5%
Capital Program	\$ 336,000	486,000	255,000	240,000	250,000	10,000	4.2%
Interfund Transactions	\$ 0	0	0	0	0	0	0.0%
TOTAL APPROPRIATION	\$ 3,356,554	3,716,481	3,689,712	3,803,569	3,857,510	53,941	1.4%
Indirect Costs Appropriated in General Fund	323,032	336,333	333,949	348,920	354,140	5,220	1.5%
TOTAL EXPENDITURES	\$ 3,679,586	4,052,814	4,023,661	4,152,489	4,211,650	59,161	1.4%

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 16 OBJECTIVES:

- To continue to adequately fund operating and capital needs.
- To develop a more defined policy regarding an appropriate reserve level for Sewer Fund Surplus.

SERVICE LEVELS:

	<u>FY 10</u> <u>Actual</u>	<u>FY 11</u> <u>Actual</u>	<u>FY 12</u> <u>Actual</u>	<u>FY 13</u> <u>Actual</u>	<u>FY 14</u> <u>Actual</u>
Funding Composition (%)					
Operating Revenues	93	93	93	91	96
Interest	1	1	1	1	1
Grants	0	0	0	0	0
Surplus Funds	6	6	6	5	3
Borrowing	0	0	0	0	0

SEWER FUND

RESOURCES

	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15 - 16	Percent Change
Sewer Rates	\$ 3,536,481	3,647,409	3,726,263	3,996,750	4,048,650	51,900	1.3%
Sewer Liens	\$ 69,593	81,644	90,318	50,000	50,000	0	0.0%
Sewer Entrances	\$ 62,275	64,260	112,825	32,739	60,000	27,261	83.3%
Septic Disposal	\$ 30,930	37,185	32,160	33,000	33,000	0	0.0%
Sewer Miscellaneous	\$ 25,384	25,350	50,193	20,000	0	(20,000)	-100.0%
Sewer Interest and Late Fees	\$ 20,744	26,919	32,556	20,000	20,000	0	0.0%
Sewer Grants	\$ 0	120,569	0	0	0	0	0.0%
	\$ 3,745,407	4,003,336	4,044,315	4,152,489	4,211,650	59,161	1.4%

SIGNIFICANT BUDGET CHANGES:

The overall sewer budget of \$4,211,650 increases by 1.4%, and sewer rates will increase by 2.7% per household. The current sewer rate is \$3.65 per 100 CF and is recommended to increase by \$0.10 to \$3.75 per 100 cubic feet, which would result in a \$12 annual increase (+2.7%) to the sewer bill of the average four-person household in Amherst. No funds will be appropriated from Sewer Fund Surplus to support this budget. The July 1, 2014 Sewer Fund Free Cash balance was \$2,032,930. 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:

- Completed the sewer work on Pine Street and paved the base course, providing a smooth roadway for travelers.
- Placed the new sewer flushing truck into service. This has allowed the new Sewer Maintenance Technician to improve the effectiveness of the flushing program. This should reduce the number of sewer backups.
- Completed the Installation of the Harkness Road sewer and pump station.
- Completing the installation of the Amherst Woods Sewer phase I expansion.
- Finalized the plans and bid the Amherst Woods/Station Road Sewer phase II project.
- DPW staff replaced the old undersized generator and upgraded the pumps at the Main Street pump station. This will allow better flow of the wastewater and reduced power consumption during high and low flow events.
- Working with the MA Department of Conservation and Recreation, DPW staff was able to clean the large Snell Street sewer main that follows the Rail Trail. Access to this line is difficult due to people using the trail and limited access.

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 the Town's geographic information system (GIS).
- To continue the review and updating of Town's sewer bylaws and bring them into agreement with new technology and regulations.
- To update Southeast #4 pump station.
- To replace the Mill Valley pump station generator.
- To continue reducing the amount of leakage (infiltration) into the sewer collection system.

FY 16 OBJECTIVES:

- To complete the installation of the sewer line on Amherst Woods/Station phase II.
- To upgrade the air relief valves in the West Street pump station force main. This force main carries all the waste water from South Amherst to the waste water treatment facility. Failure of these valves could cause the force main to go down.
- To begin to add the sewer maintenance records to the sewer plans on the Town GIS.

SERVICE LEVELS:

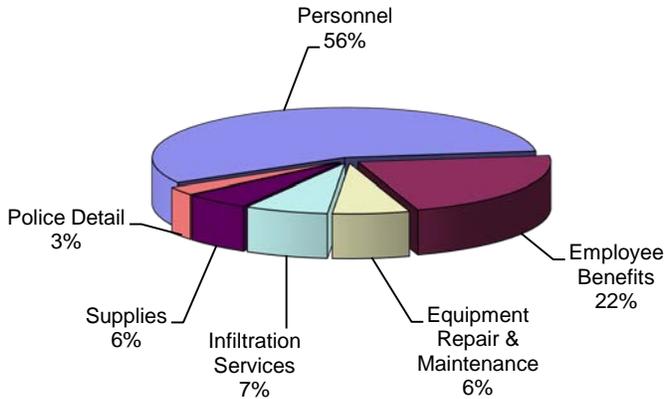
	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Actual	FY 14 Actual
Sanitary sewer complaints	72	79	47	46	42
Sewer main stoppages	21	12	8	4	7
Sewer main flushing (miles)	32	22	25	18	30
Sewer mains treated for roots (in linear feet)	6,636	5,041	5,597	5,421	5,540
Sewer maintained (miles)	92	121	121	121	122
T.V.'d sections of problem sewers (in linear feet)	25,235	33,927	15,125	12,896	11,042
Feet of sewer rehabilitated	0	20	12	1,691	0
Feet of sewer replaced	4,570	550	0	1,805	7,217
Feet of sewer extended	0	1,120	0	5,500	0

SEWER FUND

4441: SEWER MAINTENANCE

	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15 - 16	Percent Change
Personnel Services	\$ 58,502	76,623	108,680	96,138	104,641	8,503	8.8%
Operating Expenses	\$ 74,274	87,610	91,246	86,646	81,711	(4,935)	-5.7%
Capital Outlay	\$ 0	0	0	0	0	0	0.0%
TOTAL APPROPRIATION	\$ 132,776	164,233	199,925	182,784	186,352	3,568	2.0%
SOURCES OF FUNDS							
Sewer Revenues	\$ 132,776	164,233	199,925	182,784	186,352	3,568	2.0%
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 two laborer/truck drivers shared with the Highway budget in the General Fund.

\$40,911 is budgeted for health, retirement, life insurance, and other employee benefits.

Equipment Repair and Maintenance includes 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.

Police Detail provides for traffic control.

SIGNIFICANT BUDGET CHANGES:

Personnel services are in accordance with the current collective bargaining agreement.

Operating expenses decrease slightly because changes in the health insurance choices made by employees when they enrolled in the plans made available by the Town.

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:

- Received Environmental Protection Agency approval to perform in-house nitrogen testing of waste water. This is one of the first approvals of this kind in the state and is a significant savings to the lab testing budget.
- Provided lab analysis services to UMass to test the Reuse Water they produce on campus for boiler water.
- Completed the preliminary electrical upgrades to the main electrical panel. This added the aeration controls to the emergency power side of the main electrical panel.
- Upgraded the Waste Water Treatment Plant (WWTP) heating boiler.
- Plant staff replaced the plants inflow screw pumps.
- Continued replacing the plant controls and instrumentation with fiber optics and programmable logic computer technology. This allows for remote monitoring and minor operations of the facility, reducing response time to plant alarms.
- Continue fine tuning the waste water control system to improve process control to meet new nitrogen limits.
- Began Request for Proposal (RFP) process with UMass on bringing an anaerobic digester facility to locate adjacent to the Town's WWTP.
- Completed the 2014 facility study which will serve as the guide to upgrading the WWTP.
- New aeration outfall pump installed.
- The DPW continues to look at the possible additions of reuse water technology, de-nitrification requirements, and required support for a regional anaerobic digester.

LONG RANGE OBJECTIVES:

- To continue the capital improvement projects at the main treatment plant and 20 pumping stations. Specifically:
 1. Final clarifier drive upgrades.
 2. WWTP generator upgrades.
 3. Mechanical aerator upgrades.
 4. AC unit upgrades.

FY 16 OBJECTIVES:

- Fine tuning facility plan to look at the impact of an anaerobic digester and the potential fiscal impact of the upgrades.
- To continue the investigation of water reuse options when it is environmentally compatible.

SERVICE LEVELS:

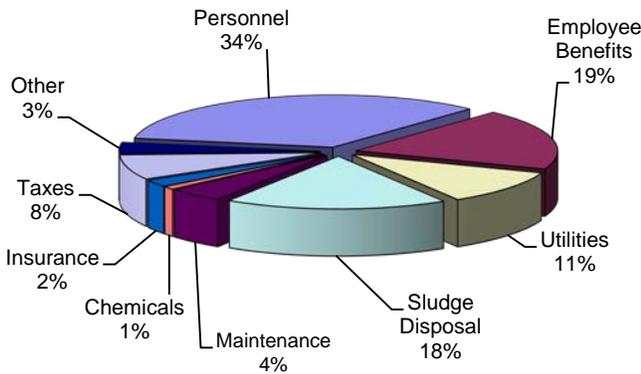
	FY 10	FY 11	FY 12	FY 13	FY 14
	Actual	Actual	Actual	Actual	Actual
Flow totals (billion gals)	1.43	1.45	1.66	1.49	1.41
Chlorine (lbs)	9,465	11,100	9,775	10,570	8,935
Polymer (lbs)	3,176	3,130	3,448	3,068	3,223
Mass WPC Reports & Federal Reports	12	12	12	12	12
% of tests achieving EPA standards:					
Main Plant	100%	99.9%	99.9%	99.9%	99.9%
Pumping stations operated	20	20	20	20	20
Grit & screenings deposited at sanitary landfill (cu.yd)	65	69	52	55	56
Septic waste delivered to plant (loads)	299	247	308	263	254
Gallons of liquid sludge disposed	3,889,900	3,856,100	4,086,000	4,974,300	4,216,300
Tons of dry sludge produced	1,054	1,074	1,106	1,034	1,035

SEWER FUND

4440: WASTEWATER TREATMENT PLANT

	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15 - 16	Percent Change
Personnel Services	\$ 869,709	900,907	875,348	1,001,956	1,035,762	33,806	3.4%
Operating Expenses	\$ 1,640,583	1,839,477	1,921,796	1,960,525	1,985,238	24,713	1.3%
Capital Outlay	\$ 68,473	7,798	6,716	14,000	14,000	0	0.0%
TOTAL APPROPRIATION	\$ 2,578,765	2,748,181	2,803,861	2,976,481	3,035,000	58,519	2.0%
SOURCES OF FUNDS							
Sewer Revenues	\$ 2,578,765	2,748,181	2,803,861	2,976,481	3,035,000	58,519	2.0%
Surplus Funds	\$ 0	0	0	0	0	0	0.0%
POSITIONS							
Full Time	15.83	15.83	16.33	16.33	16.33	0.00	
Part Time with Benefits	0.00	0.00	0.00	0.00	0.00	0.00	
Full Time Equivalents	15.83	15.83	16.33	16.33	16.48	0.15	

MAJOR COMPONENTS:



Personnel Services include salaries for the Assistant Superintendent (shared with the Water Fund and the General Fund), a division director, a division supervisor, a supervisor/mechanic, a senior crew supervisor, a Water Resources technician, three treatment operators, two mechanics, a laborer and a maintenance worker. The Town Engineer, the Assistant Town Engineer, a secretary, an administrative analyst, and an engineer technician are shared with the General Fund and the Water Fund. A utility technician, an environmental scientist, a GIS Administrator, a secretary, a division director and an electrician are shared with the Water Fund. Also included is \$36,000 for overtime.

Employee Benefits include \$571,495 for health, retirement, life insurance, OPEB and other employee benefits.

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 increase in accordance with the current collective bargaining agreement and the addition of one third of the new Administrative Analyst position, which is somewhat offset by a reduction from 50% to 33% of the allocation of the Management Assistant's time that had been charged to the Sewer Fund.

 Operating expenses increase by 1% because of an increase in health benefit costs due to employee plan selection.

SEWER FUND**GENERAL FUND SERVICES**

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

LONG RANGE OBJECTIVES:**FY 16 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:

	<u>FY 10</u> <u>Actual</u>	<u>FY 11</u> <u>Actual</u>	<u>FY 12</u> <u>Actual</u>	<u>FY 13</u> <u>Actual</u>	<u>FY 14</u> <u>Actual</u>
Number of departments reimbursed	6	6	6	6	6
Percentage of total Fund expenses paid to the General Fund	9	9	9	8	8

SEWER FUND

GENERAL FUND SERVICES

	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15 - 16	Percent Change
General Fund Services	\$ 323,032	336,333	333,949	348,920	354,140	5,220	1.5%
Transfers to Other Funds	\$ 0	0	0	0	0	0	0.0%
TOTAL APPROPRIATION	\$ 323,032	336,333	333,949	348,920	354,140	5,220	1.5%
SOURCES OF FUNDS							
Sewer Revenues	\$ 323,032	336,333	333,949	348,920	354,140	5,220	1.5%

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 16 are as follows:

Select Board/Town Manager	7% of budget	\$ 26,291
Finance Department	9% of budget	129,442
Human Resources/ Human Rights	7% of budget	16,911
Information Technology	6% of budget	46,007
Public Works Administration	31% of budget	117,098
Equipment Maintenance	10% of budget	32,673
Town Hall Debt		10,719
Rental of Garage at Wastewater Treatment Facility		(15,000)
Rental of Equipment for Catch Basin Cleaning		<u>(10,000)</u>
TOTAL		\$ 354,140

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 16 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.
- To make payments on debt incurred for the 2012 Harkness Road and Amherst Woods sewer extension projects.

SERVICE LEVELS:

	<u>FY 10 Actual</u>	<u>FY 11 Actual</u>	<u>FY 12 Actual</u>	<u>FY 13 Actual</u>	<u>FY 14 Actual</u>
Number of issues outstanding	2	2	2	3	3

SEWER FUND

DEBT SERVICE

	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15 - 16	Percent Change
Principal	\$ 290,000	308,000	322,400	282,090	267,200	(14,890)	-5.3%
Interest	\$ 19,013	10,066	108,526	122,214	118,958	(3,256)	-2.7%
TOTAL APPROPRIATION	\$ 309,013	318,066	430,926	404,304	386,158	(18,146)	-4.5%
SOURCES OF FUNDS							
Sewer Revenues	\$ 309,013	318,066	430,926	404,304	386,158	(18,146)	-4.5%

MAJOR COMPONENTS:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Sewer Extension	\$210,400	\$89,704	\$300,104
Pine Street Extension	46,800	27,354	74,154
Sewer Extension, Harkness Design	<u>10,000</u>	<u>1,900</u>	<u>11,900</u>
	<u>\$267,200</u>	<u>\$118,958</u>	<u>\$386,158</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 16 OBJECTIVES:

- To complete the following:
 - Replacement Vehicle.
 - Collection System Improvements.
 - To upgrade pumps and generators at several of the waste water pump stations.
 - Sewer upgrade to Fisher Street and Harris Streets
 - DPW Facility Improvements.
 - Treatment System Improvements

SERVICE LEVELS:	FY 10 <u>Actual</u>	FY 11 <u>Actual</u>	FY 12 <u>Actual</u>	FY 13 <u>Actual</u>	FY 14 <u>Actual</u>
Number of Projects:					
Departmental Equipment	1	0	1	2	0
Existing Facilities	4	3	3	3	3
New Facilities	0	0	0	0	0

SEWER FUND

CAPITAL PROGRAM SUMMARY

	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15 - 16	Percent Change
Departmental Equip.	\$ 31,000	411,000	0	35,000	45,000	10,000	0.0%
Existing Facilities	\$ 305,000	75,000	255,000	205,000	205,000	0	0.0%
New Facilities	\$ 0	0	0	0	0	0	0.0%
TOTAL APPROPRIATION	\$ 336,000	486,000	255,000	240,000	250,000	10,000	4.2%
SOURCES OF FUNDS							
Sewer Revenues	\$ 87,083	243,332	140,647	240,000	250,000	10,000	4.2%
Other Available Funds	\$ 0	0	0	0	0	0	0.0%
Surplus Funds	\$ 248,917	242,668	114,353	0	0	0	0.0%
Borrowing	\$ 0	0	0	0	0	0	0.0%
Grants	\$ 0	0	0	0	0	0	0.0%

MAJOR COMPONENTS:

Facilities	\$100,000	WWTP improvements
	\$100,000	Collection System Improvements
	\$5,000	DPW Facility Improvements
Equipment	\$45,000	Pickup Replacement

SIGNIFICANT BUDGET CHANGES:

None.