



March 12, 2009

Town Council Members:

Presented herein is the proposed operating budget for the Water Pollution Control Facility for the fiscal year commencing July 1, 2009. This budget is based on maintaining the current residential and commercial sewer user fees at \$250 and \$2.86 per unit per annum, respectively.

Several years ago, the WPCA approved a plan to build a capital reserve to support a comprehensive overhaul and upgrade of the treatment plant to be completed in FY2009. This action will provide the funding needed to offset the cost associated with future borrowings. The comprehensive improvements are expected to cost \$61.1 million, of which grants will fund approximately 23.8% of the overall cost with the remainder being eligible for 2% loan financing through the State.

As of June 30, 2008, the Wastewater Operating Fund had a healthy balance of cash and cash equivalents in the amount of \$6.1 million. This FY2010 budget provides for necessary salaries and benefits and essential operating costs as well as a major increase for the purchase of nitrogen credits. Debt service costs are the same as in the current fiscal year and will not increase significantly until FY2011 when the payments become due for the upgrade of the plant.

The administration remains committed to finding new ways in which to operate this facility as efficiently as possible. Much of this effort involves controlling labor and benefit costs, along with nitrogen credits, utility and sludge disposal costs, which together account for the majority of operating expenses. Still, at less than \$21 per month for the average-sized family, the cost of wastewater treatment is quite reasonable when compared to other public utilities.

Respectfully submitted,

James R. Miron, Mayor



**TOWN OF STRATFORD
PROPOSED OPERATING BUDGET
FISCAL YEAR 2010**

**38 - SEWER USE (WPCA) FUND
938 - SEWER USE (WPCA)**

REVENUE SUMMARY - SEWER USE (WPCA) FUND							
ORG	OBJ	ACCT DESCRIPTION	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 MAYOR PROPOSED
SEWER USE							
38938	4061	Curr Res Sewer Use Fee	4,053,958	4,543,340	4,724,696	4,477,825	4,474,500
38938	4062	Curr ResSewer Use - Int	41,947	41,368	45,953	24,000	24,000
38938	4063	Curr Res Sewer Use - Lien	4,490	7,010	5,064	1,000	1,000
38938	4064	Arr Res Sewer Use Fee	139,175	(430)	(530)	186,000	247,267
38938	4065	Arr Res Sewer Use - Int	38,463	35,465	37,785	40,000	53,176
38938	4066	Arr Res Sewer Use Fee - Lien	16,436	19,074	18,706	22,000	22,000
38938	4071	Curr Comm Sewer Use Fee	1,195,658	1,428,739	1,555,032	1,496,265	1,437,906
38938	4072	Curr Comm Sewer Use-Int	9,631	5,822	6,069	3,000	3,000
38938	4073	Curr Comm Sewer Use-Penalty	216	384	264	-	-
38938	4074	Arr Comm Sewer Use Fee	10,819	-	(900)	38,000	48,000
38938	4075	Arr Comm Sewer Use Fee - Int	2,296	3,531	7,640	8,000	8,000
38938	4076	Arr Comm Sewer Use Fee - Lien	559	998	962	1,082	1,082
38938	4080	WPCA - Connection Charges	-	133,296	1,104	5,000	5,000
38938	4276	Revenue - Misc Grants	-	50,147	-	-	-
38938	4649	Other - Misc Revenue	87,490	-	375	-	-
38938	4202 2039	WPCA Upgrade Rev State	177,123	3,107,559	6,856,618	-	-
38938	4802 2039	WPCA Upgrade Rev CWF Loan	728,599	7,700,669	22,339,814	18,148,519	825,000
38938	4802 2038	Pump Stat Improv. CWF Loan	-	1,115,406	38,612	-	-
			6,506,860	18,192,378	35,637,264	24,450,691	7,149,931
INVESTMENT INCOME							
38938	4501	Investment Income	266,732	350,477	257,814	215,679	220,667
			266,732	350,477	257,814	215,679	220,667
GRAND TOTALS			6,773,592	18,542,856	35,895,078	24,666,370	7,370,598



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SEWER USE (WPCA) FUND - EXPENDITURES

ORG	OBJ	ACCOUNT DESCRIPTION	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010
							MAYOR PROPOSED
38938	6003	Payroll - Regular	1,075,769	1,169,805	1,168,055	1,241,008	1,199,566
38938	6009	Payroll - Supplementary	-	6,503	33,284	6,500	6,500
38938	6020	Payroll - Overtime	228,032	242,920	309,859	275,000	275,000
38938	6022	Shift Differential	4,339	4,362	4,327	4,400	4,400
38938	6025	Out of Category	2,841	1,880	2,597	3,000	3,000
38938	6051	Pension Fund	336,000	141,300	180,126	179,365	260,766
38938	6052	Social Security	99,544	109,174	119,279	117,045	117,045
38938	6053	Hospital Insurance	206,000	220,348	231,358	249,288	249,288
38938	6054	Life Insurance	15,133	7,400	7,400	7,400	7,400
38938	6055	401a Retirement	48,169	53,960	55,864	52,883	52,883
38938	6056	Longevity	6,080	8,370	8,540	10,320	10,015
38938	6058	Uniform Maintenance	9,352	8,990	9,299	10,550	10,550
38938	6061	Education	2,919	569	3,301	4,000	4,000
38938	6102	Printing & Stationary	1,601	1,781	2,236	2,200	2,200
38938	6152	Chemical Supplies	72,945	72,105	76,428	90,000	105,000
38938	6157	Gas & Oil	10,017	14,382	18,128	11,000	11,000
38938	6163	Safety Equipment	3,283	1,467	3,435	3,400	3,400
38938	6199	Materials - Other	18,941	18,833	23,163	21,000	21,000
38938	6206	Lab Maintenance	3,491	2,594	3,469	3,500	3,500
38938	6212	Small Tool Equipment	1,210	1,233	1,140	1,500	1,500
38938	6302	Equipment Service	14,200	13,270	11,245	15,000	15,000
38938	6307	Sewer Line Maintenance	10,955	40,605	29,542	40,000	40,000
38938	6308	Pump Station Maintenance	13,998	8,569	19,377	20,000	20,000



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SEWER USE (WPCA) FUND - EXPENDITURES

continued:

ORG	OBJ	ACCOUNT DESCRIPTION	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 MAYOR PROPOSED
38938	6309	Auto Maintenance	9,708	12,030	14,572	8,500	8,500
38938	6319	Plant Maintenance	36,136	21,699	44,133	35,000	35,000
38938	6361	Gas - Heating	50,153	61,525	13,500	65,000	65,000
38938	6362	Electric	480,372	680,204	732,396	885,000	885,000
38938	6363	Heating - Oil	45,191	15,850	-	15,000	9,000
38938	6364	Water	23,407	23,613	32,061	25,000	25,000
38938	6393	Project Contractor	11,186	-	19,152	-	-
38938	6393	Sewer Treatment Plant Upgrade	2,916,736	16,180,891	28,282,828	15,382,496	525,000
38938	6469	Sludge Contract Service	644,754	767,034	1,036,759	1,027,100	1,027,100
38938	6499	Contractual Services	74,156	45,642	72,804	75,000	75,000
38938	6500	Capital Equipment	20,000	17,000	19,558	25,000	25,000
38938	6501	Purchased Insurance	-	28,120	26,175	26,175	26,175
38938	6519	TV Sewer Inspections	4,200	5,400	7,500	7,500	7,500
38938	6528	Refunds	153,154	164,980	207,755	383,000	1,300,000
38938	7001	Transfer to General Fund	222,500	228,300	234,008	240,000	246,000
38938	6621	Workers Compensation	-	-	29,700	115,200	115,200
38938	6641	Capital Outlay Contingency	253,442	14,753	54,838	115,000	115,000
38938	6689	Other Contingency	(3,173,621)	(15,984,036)	(28,080,787)	40,000	40,000
38938	6705	Amortization Expense	20,673	-	-	-	-
38938	6902	Bond Principal Payment	1,134,336	321,833	373,388	326,850	338,594
38938	6921	Bond Interest Payment	-	41,928	69,794	70,554	58,810
DEPARTMENT TOTALS			5,111,302	4,797,185	5,511,586	21,235,734	7,349,892



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RATE FORMULATION WORKSHEET

RESIDENTIAL ACCOUNTS

USER RATE	\$	250
NUMBER OF UNITS		18,840
ESTIMATED REVENUE	\$	4,710,000
@ 95% COLLECTION RATE	\$	4,474,500

COMMERCIAL ACCOUNTS

USER RATE	\$	2.86
ESTIMATED USAGE (ccf)		509,128
ESTIMATED REVENUE	\$	1,456,106
@ 98.75% COLLECTION RATE	\$	1,437,906



PROGRAM DESCRIPTION

The Water Pollution Control Facility is responsible for the collection and treatment of sewage in the Town of Stratford. The staff of 22 full-time employees operate the treatment facility on a 24-hour/day, 7-day/week schedule year-round, while maintaining approximately 75 miles of storm sewers and 200 miles of sanitary sewers, as well as the fifteen pumping stations in Town.

Personnel	FY 06 Approved	FY 07 Approved	FY 08 Approved	FY 09 Approved	FY 10 Mayor Proposed
Positions	23.0	21.0	22.0	22.0	22.0

BASIC BUDGET LINE ITEM JUSTIFICATION

Department	Sewer Use (Water Pollution Control)	2010 Proposed Budget
38938-6020	Overtime	\$ 275,000
Anticipated overtime expenses: Weekend/holiday/standby coverage [\$160,000]; Emergency/scheduled overtime [\$115,000].		
38938-6058	Uniforms	\$ 10,550
Pursuant to the terms of the applicable union contract, payments for uniform maintenance/safety shoes.		
38938-6061	Education	\$ 4,000
This account reflects the cost of dues for WPCF, AWWA, and CASHO; training for sewer crew and plant operators; and receipt of federal newsletters and professional and technical journals.		
38938-6152	Chemicals	\$ 105,000
This account covers the cost of Soda Ash [\$75,000], Polymer [\$15,000] and Methanol [\$15,000].		
38938-6157	Gas, Oil, Lube	\$ 11,000
This account covers the purchase of approximately 3,500 gallons of fuel for the facility's vehicles and mobile equipment.		



