



July 1, 2011

Residents:

Presented herein is the adopted operating budget for the Water Pollution Control Facility for the fiscal year commencing July 1, 2011. This budget is based on maintaining the current residential and commercial sewer user fees of \$280 and \$3.26 per unit per annum, respectively, in accordance with the plan referenced below to support plant upgrades.

Several years ago, the WPCA approved a plan to build a capital reserve to support a comprehensive overhaul and upgrade of the treatment plant, which was completed in FY2011. This plan of action will provide the funding needed to offset the cost associated with future borrowings. The comprehensive improvements were approximately \$61.1 million, of which grants will fund approximately 23.8% of the overall project cost with the remainder being eligible for 2% loan financing through the State of Connecticut. The Town Council chose to maintain the current sewer user fees for FY12. This will result in a substantial FY12 operating deficit and negatively impact fund balance. It will be important that the plan to build capital reserves be reinstated in FY13.

As of June 30, 2011, the Wastewater Operating Fund will have a reduced balance of cash and cash equivalents due to the required debt service payments that have become due in FY2011. This FY2012 budget includes the necessary salaries, essential operating costs and a significant increase for the debt service costs related to the upgrade of the plant. It does not, however, include the incremental sewer use fee increases necessary to support these increased debt services costs.

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 \$24 per month for the average-sized family, the cost of wastewater treatment is quite reasonable when compared to the sewer use fees of surrounding communities.

Respectfully submitted,

John A. Harkins, Mayor
Town of Stratford



**TOWN OF STRATFORD
ADOPTED OPERATING BUDGET
FISCAL YEAR 2012**

ORG	OBJ	DEPARTMENT/DESCRIPTION	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 BUDGET	FY2012 MAYOR PROPOSED	FY2012 TC ADOPTED BUDGET	PERCENT CHANGE
SEWER USE (WPCA) - REVENUES									
SEWER USE									
38938	4061	Curr Res Sewer Use Fee	4,724,696	4,692,432	4,720,545	5,024,474	6,183,659	5,018,622	
38938	4062	Curr Res Sewer Use - Int	45,953	47,827	51,603	50,000	50,000	50,000	
38938	4063	Curr Res Sewer Use - Lien	5,064	7,454	8,454	1,000	1,000	1,000	
38938	4064	Arr Res Sewer Use Fee	(530)	(249)	250	250,000	250,000	250,000	
38938	4065	Arr Res Sewer Use - Int	37,785	67,215	93,776	63,728	63,728	63,728	
38938	4066	Arr Res Sewer Use Fee - Lien	18,706	21,788	26,524	25,306	25,306	25,306	
38938	4071	Curr Comm Sewer Use Fee	1,555,032	1,452,304	1,398,193	1,609,673	2,031,166	1,639,010	
38938	4072	Curr Comm Sewer Use-Int	6,069	4,304	7,016	5,000	5,000	5,000	
38938	4073	Curr Comm Sewer Use-Penalty	264	360	456	-	-	-	
38938	4074	Arr Comm Sewer Use Fee	(900)	(490)	(598)	48,000	48,000	48,000	
38938	4075	Arr Comm Sewer Use Fee - Int	7,640	9,367	6,726	8,000	8,000	8,000	
38938	4076	Arr Comm Sewer Use Fee - Lien	962	840	1,224	1,082	1,082	1,082	
38938	4080	WPCA - Connection Charges	1,104	-	-	-	-	-	
38938	4202 2039	WPCA Upgrade Rev State	6,856,618	2,738,672	-	-	-	-	
38938	4276	Revenue - Misc Grants	-	-	-	-	-	-	
38938	4309	Misc Revenue	-	2,000	37,800	-	-	-	
38938	4649	Other - Misc Revenue	375	-	-	-	-	-	
38938	4802 2038	Pump Stat Improv. CWF Loan	38,612	-	-	-	-	-	
38938	4802 2039	WPCA Upgrade Rev CWF Loan	22,339,814	10,041,118	2,091,971	-	-	-	
			35,637,264	19,084,942	8,443,939	7,086,263	8,666,941	7,109,748	0.3%
INVESTMENT INCOME									
38938	4501	Investment Income	257,814	219,741	68,960	84,000	25,000	25,000	
			257,814	219,741	68,960	84,000	25,000	25,000	-70.2%
GRAND TOTALS			35,895,078	19,304,683	8,512,899	7,170,263	8,691,941	7,134,748	-0.5%

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SEWER USE (WPCA) - EXPENSES									
		Superintendent							
		Process Control Supervisor							
		Secretary I							
		WPC Technician XI							
		WPC Operations Crew Chief							
		Mechanic Crew Leader							
		Mechanic VII							
		Shift Operator (2)							
		Laboratory Technician							
		WPC Maintainer V (2)							
		WPC Operator V							
		Dewater Operator V							
		Custodian/Caretaker							
38938	6003	Payroll - Regular	1,168,055	1,149,739	1,243,067	1,260,144	901,763	901,763	
38938	6009	Payroll - Supplementary	33,284	7,689	4,981	6,500	6,500	6,500	
38938	6020	Payroll - Overtime	309,859	330,173	348,273	275,000	310,000	310,000	
38938	6022	Shift Differential	4,327	4,340	4,385	4,400	4,400	4,400	
38938	6025	Out of Category	2,597	2,623	2,360	3,000	3,000	3,000	
38938	6051	Pension Fund	180,126	179,365	260,766	307,803	306,128	306,128	
38938	6052	Social Security	119,279	125,116	119,074	117,045	117,045	117,045	
38938	6053	Hospital Insurance	231,358	249,288	249,288	297,002	322,247	322,247	
38938	6054	Life Insurance	7,400	7,400	7,400	7,400	7,400	7,400	
38938	6055	401a Retirement	55,864	14,403	124,098	52,883	98,053	98,053	
38938	6056	Longevity	8,540	-	16,835	8,670	8,520	8,520	
38938	6058	Uniform Maintenance	9,299	9,282	4,465	10,000	10,000	10,000	
38938	6061	Education	3,301	3,682	2,612	4,000	4,000	4,000	
38938	6102	Printing & Stationary	2,236	1,604	1,587	2,200	2,200	2,200	
38938	6152	Chemical Supplies	76,428	92,350	84,810	105,000	105,000	105,000	
38938	6157	Gas & Oil	18,128	29,426	17,980	11,000	16,000	16,000	
38938	6163	Safety Equipment	3,435	2,244	3,328	3,400	3,400	3,400	
38938	6199	Materials - Other	23,163	16,540	19,207	21,000	21,000	21,000	
38938	6206	Lab Maintenance	3,469	3,224	2,373	3,500	3,500	3,500	
38938	6212	Small Tool Equipment	1,140	459	1,323	1,500	1,500	1,500	
38938	6302	Equipment Service	11,245	13,174	10,811	15,000	15,000	15,000	
38938	6307	Sewer Line Maintenance	29,542	40,200	39,778	40,000	40,000	40,000	
38938	6308	Pump Station Maintenance	19,377	15,617	15,942	20,000	20,000	20,000	
38938	6309	Auto Maintenance	14,572	5,358	11,238	8,500	8,500	8,500	
38938	6319	Plant Maintenance	44,133	24,941	37,716	30,000	30,000	30,000	
38938	6328	Land Use					600,000	600,000	

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38938	6361	Gas - Heating	13,500	70,624	96,310	82,589	82,600	82,600	
38938	6362	Electric	732,396	779,933	681,723	934,441	800,000	800,000	
38938	6363	Heating - Oil	-	-	6,818	5,000	13,000	13,000	
38938	6364	Water	32,061	25,295	30,233	26,335	28,000	28,000	
38938	6393	Project Contractor	19,152	-	2,437	-	-	-	
38938	6393 2038	Pump Station Improvements	-	4,351	-	-	-	-	
38938	6393 2039	Sewer Treatment Plant Upgrade	28,282,828	10,706,529	397,829	1,808,625	100,000	100,000	
38938	6393 2044	Otis Street Sewers	-	46,294	-	-	-	-	
38938	6469	Sludge Contract Service	1,036,759	1,226,851	1,101,270	1,027,100	1,100,000	1,100,000	
38938	6499	Contractual Services	72,804	89,038	66,896	75,000	75,000	75,000	
38938	6500 0221	Capital Equipment	19,558	-	-	25,000	27,000	27,000	
38938	6501	Purchased Insurance	26,175	25,791	25,200	26,175	26,175	26,175	
38938	6519	TV Sewer Inspections	7,500	4,486	2,670	5,000	5,000	5,000	
38938	6528	Refunds	207,755	375,360	1,273,686	400,618	190,000	190,000	
38938	6599	Other Miscellaneous Expense	-	24,225	10,907	-	67,881	67,881	
38938	6621	Workers Compensation	29,700	26,944	26,182	215,000	16,865	16,865	
38938	6633	Heart Bill - Medical	-	191,382	61,710	-	-	-	
38938	6641	Capital Outlay Contingency	54,838	33,693	219,471	465,000	1,935,000	1,935,000	
38938	6689	Other Contingency	(28,080,787)	(10,939,260)	(537,029)	40,000	40,000	40,000	
38938	6705	Amortization Expense	-	-	-	-	-	-	
38938	6902	Bond Principal Payment	373,388	331,895	338,594	345,429	2,294,089	2,294,089	
38938	6921	Bond Interest Payment	69,794	65,509	58,810	51,976	878,573	878,573	
38938	7001	Transfer to General Fund	234,008	240,000	246,000	260,000	300,000	300,000	
DEPARTMENT TOTALS			5,511,586	5,657,174	6,743,407	8,408,235	10,944,339	10,944,339	30.2%

**TOWN OF STRATFORD
ADOPTED BUDGET
FISCAL YEAR 2012**

ADOPTED RATE FORMULATION WORKSHEET

RESIDENTIAL ACCOUNTS

USER RATE	\$	280
NUMBER OF UNITS		18,867
ESTIMATED REVENUE	\$	5,282,760
@ 95% COLLECTION RATE	\$	5,018,622

COMMERCIAL ACCOUNTS

USER RATE	\$	3.26
ESTIMATED USAGE (ccf)		509,128
ESTIMATED REVENUE	\$	1,659,757
@ 98.75% COLLECTION RATE	\$	1,639,010