



**TOWN OF STRATFORD
PROPOSED OPERATING BUDGET
FISCAL YEAR 2009**

**WATER POLLUTION CONTROL
FACILITY**



March 28, 2008

Town Council Members:

Presented herein is the proposed operating budget for the Water Pollution Control Facility for the fiscal year commencing July 1, 2008. 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 yielded a fund that has been set aside to offset the cost associated with future borrowings. The comprehensive overhaul is expected to cost \$61.9 million, of which the State is expected to provide a grant of approximately 21.9% of the overall cost with the remainder being eligible for low-interest loan financing through the State.

As of June 30, 2007, the Wastewater Operating Fund had a healthy balance of cash and cash equivalents in the amount of \$6.4 million, which is more than the annual operating cost of the facility. This budget provides for necessary salaries and benefits as well as significant increases in the costs for sludge disposal, electricity and the purchase of nitrogen credits. Debt service costs are projected to increase significantly in Fiscal 2010 as 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 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



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

REVENUE SUMMARY - SEWER USE (WPCA) FUND

<u>ACCOUNT DESCRIPTION</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>MAYOR PROPOSED</u>
SEWER USE					
4061 Current Residential Sewer Use Fee	\$ 3,978,870	\$ 4,053,958	\$ 4,543,340	\$ 4,463,813	\$ 4,477,825
4062 Current Residential Sewer Use - Interest	\$ 36,497	\$ 41,947	\$ 41,368	\$ 20,000	\$ 24,000
4063 Current Residential Sewer Use - Lien	\$ 776	\$ 4,490	\$ 7,010	\$ 1,000	\$ 1,000
4064 Arrears Residential Sewer Use Fee	\$ 116,239	\$ 139,175	\$ (430)	\$ 167,000	\$ 186,000
4065 Arrears Residential Sewer Use - Interest	\$ 37,482	\$ 38,463	\$ 35,465	\$ 35,000	\$ 40,000
4066 Arrears Residential Sewer Use Fee - Lien	\$ 17,019	\$ 16,436	\$ 19,074	\$ 23,000	\$ 22,000
4071 Current Commercial Sewer Use Fee	\$ 1,003,541	\$ 1,195,658	\$ 1,428,739	\$ 1,464,838	\$ 1,496,265
4072 Current Commercial Sewer Use - Interest	\$ 8,379	\$ 9,631	\$ 5,822	\$ 5,000	\$ 3,000
4073 Current Commercial Sewer Use - Penalty	\$ 159	\$ 216	\$ 384	\$ -	\$ -
4074 Current Commercial Sewer Use Fee - Fee	\$ 27,254	\$ 10,819	\$ -	\$ 39,000	\$ 38,000
4075 Arrears Commercial Sewer Use Fee - Interest	\$ 9,938	\$ 2,296	\$ 3,531	\$ 5,000	\$ 8,000
4076 Arrears Commercial Sewer Use Fee - Lien	\$ 1,348	\$ 559	\$ 998	\$ -	\$ 1,082
4080 WPCA - Connection Charges	\$ -	\$ -	\$ 133,296	\$ -	\$ 5,000
4276 Revenue - Miscellaneous Grants	\$ -	\$ -	\$ 50,147	\$ -	\$ -
4649 Other - Miscellaneous Revenue	\$ 404,862	\$ 87,490	\$ -	\$ 4,880	\$ -
2039 WPCA Upgrade Revenue	\$ 1,206,864	\$ 905,722	\$ 10,808,228	\$ 31,000,000	\$ 18,148,519
2038 Pump Station Improvements Revenue	\$ -	\$ -	\$ 1,115,406	\$ -	\$ -
	\$ 6,849,228	\$ 6,506,860	\$ 18,192,378	\$ 37,228,531	\$ 24,450,691
INVESTMENT INCOME					
4501 Investment Income	\$ 172,163	\$ 266,732	\$ 350,477	\$ 285,083	\$ 215,679
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GRAND TOTALS	\$ 7,021,391	\$ 6,773,592	\$ 18,542,856	\$ 37,513,614	\$ 24,666,370



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

<u>ACCOUNT DESCRIPTION</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>MAYOR PROPOSED</u>
6003 Payroll - Regular	\$ 1,017,186	\$ 1,075,769	\$ 1,169,805	\$ 1,236,071	\$ 1,241,008
6009 Payroll - Supplementary	\$ -	\$ -	\$ 6,503	\$ 4,000	\$ 6,500
6020 Payroll - Overtime	\$ 218,164	\$ 228,032	\$ 242,920	\$ 237,000	\$ 275,000
6022 Shift Differential	\$ 4,365	\$ 4,339	\$ 4,362	\$ 4,400	\$ 4,400
6025 Out of Category	\$ 2,822	\$ 2,841	\$ 1,880	\$ 3,000	\$ 3,000
6051 Pension Fund	\$ 293,624	\$ 336,000	\$ 141,300	\$ 180,126	\$ 179,365
6052 Social Security	\$ 101,115	\$ 99,544	\$ 109,174	\$ 110,552	\$ 117,045
6053 Hospital Insurance	\$ 186,857	\$ 206,000	\$ 220,348	\$ 231,358	\$ 249,288
6054 Life Insurance	\$ -	\$ 15,133	\$ 7,400	\$ 7,400	\$ 7,400
6055 401a Retirement	\$ 47,158	\$ 48,169	\$ 53,960	\$ 52,836	\$ 52,883
6056 Longevity	\$ 4,575	\$ 6,080	\$ 8,370	\$ 9,360	\$ 10,320
6058 Uniform Maintenance	\$ 10,493	\$ 9,352	\$ 8,990	\$ 10,550	\$ 10,550
6061 Education	\$ 5,498	\$ 2,919	\$ 569	\$ 5,000	\$ 4,000
6102 Printing & Stationary	\$ 1,617	\$ 1,601	\$ 1,781	\$ 2,200	\$ 2,200
6152 Chemical Supplies	\$ 67,111	\$ 72,945	\$ 72,105	\$ 90,000	\$ 90,000
6157 Gas & Oil	\$ 9,935	\$ 10,017	\$ 14,382	\$ 9,500	\$ 11,000
6163 Safety Equipment	\$ 3,016	\$ 3,283	\$ 1,467	\$ 3,400	\$ 3,400
6199 Materials - Other	\$ 16,155	\$ 18,941	\$ 18,833	\$ 25,000	\$ 21,000
6206 Lab Maintenance	\$ 3,087	\$ 3,491	\$ 2,594	\$ 3,500	\$ 3,500
6212 Small Tool Equipment	\$ 1,368	\$ 1,210	\$ 1,233	\$ 1,500	\$ 1,500
6302 Equipment Service	\$ 11,748	\$ 14,200	\$ 13,270	\$ 15,000	\$ 15,000
6307 Sewer Line Maintenance	\$ 17,640	\$ 10,955	\$ 40,605	\$ 40,000	\$ 40,000
6308 Pump Station Maintenance	\$ 16,803	\$ 13,998	\$ 8,569	\$ 20,000	\$ 20,000



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SEWER USE (WPCA) FUND - EXPENDITURES

continued:

<u>ACCOUNT DESCRIPTION</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>MAYOR PROPOSED</u>
6309 Auto Maintenance	\$ 7,908	\$ 9,708	\$ 12,030	\$ 8,500	\$ 8,500
6319 Records Maintenance	\$ 30,498	\$ 36,136	\$ 21,699	\$ 50,000	\$ 35,000
6361 Gas - Heating	\$ 31,456	\$ 50,153	\$ 61,525	\$ 36,700	\$ 65,000
6362 Electric	\$ 416,515	\$ 480,372	\$ 680,204	\$ 885,000	\$ 885,000
6363 Heating - Oil	\$ 21,819	\$ 45,191	\$ 15,850	\$ 50,000	\$ 15,000
6364 Water	\$ 35,523	\$ 23,407	\$ 23,613	\$ 25,000	\$ 25,000
6393 Project Contractor	\$ 1,942,201	\$ 2,927,922	\$ 16,180,891	\$ 31,000,000	\$ 15,382,496
6469 Sludge Contract Service	\$ 695,170	\$ 644,754	\$ 767,034	\$ 1,027,100	\$ 1,027,100
6499 Contractual Services	\$ 45,102	\$ 74,156	\$ 45,642	\$ 75,000	\$ 75,000
6500 Capital Equipment	\$ 228,647	\$ 20,000	\$ 17,000	\$ 25,000	\$ 25,000
6501 Purchased Insurance	\$ 54,244	\$ -	\$ 28,120	\$ 59,600	\$ 26,175
6519 TV Sewer Inspections	\$ 1,200	\$ 4,200	\$ 5,400	\$ 7,500	\$ 7,500
6528 Refunds	\$ 129,712	\$ 153,154	\$ 164,980	\$ 188,000	\$ 383,000
7001 Transfer to General Fund	\$ 110,000	\$ 222,500	\$ 228,300	\$ 234,008	\$ 240,000
6621 Workers Compensation	\$ -	\$ -	\$ -	\$ 115,200	\$ 115,200
6641 Capital Outlay Contingency	\$ 45,223	\$ 253,442	\$ 14,753	\$ 115,000	\$ 115,000
6689 Other Contingency	\$ (2,573,896)	\$ (3,173,621)	\$ (15,984,036)	\$ 40,000	\$ 40,000
6705 Amortization Expense	\$ 20,673	\$ 20,673	\$ -	\$ -	\$ -
6902 Bond Principal Payment	\$ 183,429	\$ 1,066,209	\$ 321,833	\$ 777,326	\$ 326,850
6921 Bond Interest Payment	\$ 30,272	\$ 68,127	\$ 41,928	\$ -	\$ 70,554
DEPARTMENT TOTALS	\$ 3,496,033	\$ 5,111,302	\$ 4,797,185	\$ 37,020,687	\$ 21,235,734



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SEWER USE (WPCA) FUND RATE FORMULATION WORKSHEET

RESIDENTIAL ACCOUNTS

USER RATE \$ 250

NUMBER OF UNITS 18,854

ESTIMATED REVENUE \$ 4,713,500

@ 95% COLLECTION RATE \$ 4,477,825

COMMERCIAL ACCOUNTS

USER RATE \$ 2.86

ESTIMATED USAGE (ccf) 550,705

ESTIMATED REVENUE \$ 1,575,016

@ 95% COLLECTION RATE \$ 1,496,265



938 SEWER USE (WATER POLLUTION CONTROL FACILITY)

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 and 200 miles of sanitary sewers, as well as the fifteen pumping stations in town.

Personnel	FY 05 Approved	FY 06 Approved	FY 07 Approved	FY 08 Approved	FY 09 Mayor Proposed
Positions	23	23	21	22	22

BASIC BUDGET LINE ITEM JUSTIFICATION

Department	Sewer Use (Water Pollution Control)	2009 Proposed Budget
38938-6020	Overtime	\$ 275,000
Anticipated overtime expenses based on the following:		
	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	\$ 90,000
This account covers the cost of Sodium Hypo-chlorite (\$31,000), Potassium Odor Control (\$32,000), Polymer (\$24,000), and Purafil Odor Control (\$1,000).		



38938-6157	Gas, Oil, Lube	\$	11,000
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This account covers the purchase of approximately 3,500 gallons of fuel for the facility's vehicles and mobile equipment.

38938-6199	Operating Supplies	\$	21,000
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This account provides for the purchase of degreasers, cleaning equipment and supplies, steel and aluminum stock, grease and oil, electrical & plumbing supplies, and other maintenance necessities.

38938-6206	Lab Maintenance	\$	3,500
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Provides for consumable lab supplies and chemicals, replacement glassware, and maintenance on the mettler balance.

38938-6309	Vehicle Maintenance	\$	8,500
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This account covers the cost of tune-ups, oil changes, replacement tires and batteries, and other vehicle servicing needs.

38938-6362	Electricity	\$	885,000
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This account provides for the cost of electricity at the WPC facility and outlying pump stations.

38938-6499	Contractual Services	\$	75,000
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This account covers the cost of service contracts for equipment including all instrumentation within the plant, computers, copiers and office equipment, oxygen, acetylene and Scott Air Packs, auxiliary generators, and State-mandated quarterly toxicity tests.

38938-6519	TV Inspection Services	\$	7,500
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Reflects the cost of TV inspection of sewers and smoke-testing to detect illegal connections and breaks in the line.

38938-6621	Workers' Compensation	\$	115,200
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This account provides funds to the department's allocation of Workers' Compensation Costs.

38938-6902	Debt Retirement	\$	397,404
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Principal and interest payments on sewer projects for which bonds were issued.

