

**PURPOSE**

This Operating Budget provides funds to operate and maintain 76 sewage pumping stations and 350 miles of sewage collection lines located throughout the Primary Service Area (PSA). Indirect operating and maintenance costs are reimbursed to the Administration Fund. Revenues are received from service charges, interest, and miscellaneous items.

**BUDGET SUMMARY**

	FY 04 Budget	FY 05 Adopted	FY 06 Adopted
<u>Revenues:</u>			
Service Charges	\$ 3,973,925	\$ 4,373,525	\$ 4,544,084
Interest	135,000	137,700	140,454
Miscellaneous	200,205	262,255	273,855
Total	\$ <u>4,309,130</u>	\$ <u>4,773,480</u>	\$ <u>4,958,393</u>
<u>Expenditures:</u>			
Admin. Fund Allocation	\$ 2,381,333	\$ 2,585,016	\$ 2,723,986
Direct Expenses	1,457,567	1,620,489	1,693,356
Capital Equipment Outlay	50,000	93,000	86,800
To CIP	420,230	0	0
Operating Reserve	0	132,884	134,802
To CIP for "3R"	0	342,091	319,449
Total	\$ <u>4,309,130</u>	\$ <u>4,773,480</u>	\$ <u>4,958,393</u>

**WORKLOAD INDICATORS**

	FY 04 Budget	FY 05 Adopted Plan	FY 06 Adopted
Sewer Customers	16,600	17,167	17,806
Pump Stations	76	76	77
Miles of Sewer Lines	345	350	355
Gallons Collected (millions)	1,563	1,619	1,682
Pump Station Work Orders	1,300	1,100	1,200
Pump Station PM's	3,860	3,900	4,000
Pump Station Emergencies	400	250	260
Sewer System Work Orders	2,200	2,000	2,100
Residential Grinder Pumps	645	650	655
Grinder Pumps Repaired	350	180	190

**PERSONNEL**

Full-time	10	10	11
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**BUDGET COMMENTS**

The Sewer Fund Budget continues to reflect customer service enhancement by placing emphasis on Sewer System Preventive Maintenance and Rehabilitative Programs. Existing systems are aging and require rehabilitative measures to meet the demands of increased usage and protect the public investment. These measures will improve wastewater collection and movement reliability. The wastewater system collected and moved has grown 25 percent since FY 1995.

**FY 2005 Comments**

Overall, the FY 2005 Sewer Fund will increase 10.8 percent from FY 2004. The revenue increase in FY 2005 is due to a proposed sewer rate increase to \$2.70 from \$2.50 per 1,000 gallons to adequately fund the sewer fund operating costs and restore the CIP contribution to a higher level.

The Sewer Fund reflects an increase to Direct Operating Expenses primarily for infrastructure maintenance and utilities. Personnel expenses include a salary adjustment consistent with those granted to County employees. Capital Equipment Outlay includes miscellaneous tools and facility security items. As recommended in the MFSG Rate Study a new line item for a **Operational Reserve and Reserve for Repair, Renewal, and Replacement "3R"** has been established.

**FY 2006 Comments**

The FY 2006 revenues will increase by 3.9 percent from FY 2005. The revenue increase in FY 2006 is due primarily to projected customer growth.

The FY 2006 expenditures reflect minor increases for sewer facility operations and one full-time permanent position (Wastewater Maintenance Section – Utility Operations Technician) and salary adjustment consistent with those granted to County employees.

The FY 2006 Budget does not reflect the rate increase proposed in the MFSG Rate Study. The result will be a reduction in the **Reserve for Repair, Renewal, and Replacement "3R"** transfer to the Capital Improvements Program by approximately \$515,000.