

PROPOSED
FY24 SEWER
RATES

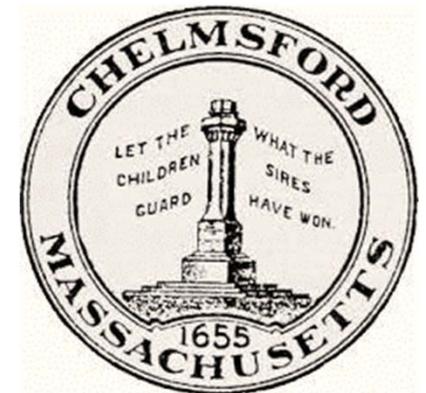


Christine Clancy, P.E.
DPW Director

5/11/2023

AGENDA

- Sewer Division (Enterprise) Overview
- Current Sewer Rate Summary
- Rate Comparisons to Other Communities
- Proposed FY24 Sewer Rates
- Questions/Comments



5/11/2023

Sewer Division (Enterprise)

- Overall 8.3% Increase
- Major Maintenance increase for grinder pump purchases at Katrina and Southwell
- Gasoline price increase
- Contract Services increase for force main assessment and pump station repairs
- Debt service adjusted for 10 Year Pump Station CIP
- \$100K increase in Lowell User Fee

	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGET	FY2024 BUDGET	\$ Change	% Change
SEWER ENTERPRISE 606000								
<i>Personnel Services</i>								
51110 Full Time	\$801,445	\$952,389	\$968,709	\$986,201	\$1,150,441	\$1,144,252	(\$6,189)	-0.54%
51120 Part Time	\$5,122	\$530						
51310 Overtime Regular	\$29,970	\$36,764	\$28,236	\$26,735	\$35,000	\$35,000		
51430 Longevity	\$31,701	\$34,342	\$35,848	\$37,527	\$40,212	\$44,767	\$4,555	11.33%
51510 Vacation Leave								
51515 PTO - Paid Time Off	\$115,218	\$102,186	\$109,354	\$114,614				
51579 Funeral Leave	\$2,403	\$839		\$655				
51540 Sick Days	\$36,968	\$9,070		\$1,683				
51545 Emergency Sick Leave				\$5,174				
51610 Jury Duty		\$348						
51000 Total	\$1,022,828	\$1,136,467	\$1,142,146	\$1,172,590	\$1,225,653	\$1,224,019	(\$1,634)	-0.13%
<i>Direct Expenses</i>								
52110 Electricity	\$122,967	\$142,188	\$150,656	\$162,679	\$170,000	\$170,000		
52130 Gas Heat	\$10,822	\$15,229	\$15,766	\$11,862	\$16,000	\$17,600	\$1,600	10.00%
52310 Water Bills		\$22						
52415 Major Maintenance	\$129,692	\$175,401	\$207,670	\$137,144	\$88,000	\$160,000	\$72,000	81.82%
52460 Equipment Repair	\$446,509	\$422,850	\$286,527	\$364,681	\$325,000	\$350,000	\$25,000	7.69%
52470 Computer Maintenance	\$4,983	\$3,001	\$984	\$1,093	\$3,500	\$3,000	(\$500)	-14.29%
53040 Legal Expense	\$4,545	\$19,747	\$1,720		\$1,500		(\$1,500)	-100.00%
53165 Traffic Duty	\$1,635	\$1,701	\$1,063	\$9,236	\$2,000		(\$2,000)	-100.00%
53410 Telephone	\$15,285	\$11,741	\$11,427	\$12,946	\$12,600	\$13,000	\$400	3.17%
53420 Postage	\$9,852	\$9,399	\$9,283	\$9,731	\$12,000	\$12,000		
53990 Contract Services	\$159,858	\$982,667	\$139,923	\$234,713	\$240,000	\$462,000	\$222,000	92.50%
54190 Gasoline	\$29,227	\$23,913	\$23,922	\$41,014	\$36,000	\$51,267	\$15,267	42.41%
54200 Office Supplies	\$2,107	\$2,624	\$2,153	\$1,237	\$3,000	\$3,000		
54860 Newspaper Ads	\$600							
56010 User Fee-Lowell	\$1,317,261	\$1,258,622	\$1,698,698	\$1,957,892	\$1,900,000	\$2,000,000	\$100,000	5.26%
58100 Grinder Pumps	\$114,152	\$91,047	\$107,038	\$110,514	\$125,000	\$125,000		
57120 Expense Allowance			\$6,882					
57310 Dues & Subscriptions	\$75	\$220	\$295	\$245	\$500	\$500		
58000 Outlay	\$521,313	\$256,473	\$212,241	\$148,425	\$140,000	\$100,000	(\$40,000)	-28.57%
51730 OPEB Liability	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000		
57810 Staff Education	\$1,257	\$3,196	\$156		\$2,000	\$2,000		
Debt Service	\$83,235	\$81,735	\$85,235	\$128,076	\$170,303	\$184,996	\$14,693	8.63%
54000 Total: Direct Expenses	\$2,997,375	\$3,523,775	\$2,983,638	\$3,353,488	\$3,269,403	\$3,676,363	\$406,960	12.45%
TOTAL BUDGET								
	\$4,020,203	\$4,660,242	\$4,125,784	\$4,526,077	\$4,495,056	\$4,900,382	\$405,326	9.02%
<i>Indirect Expenses</i>								
Administrative/ Other Charges	\$313,508	\$283,349	\$304,448	\$315,013	\$325,100	\$328,997	\$3,897	1.20%
Employee Benefits	\$322,682	\$369,356	\$353,229	\$353,658	\$374,489	\$396,695	\$22,206	5.93%
54000 Total: Indirect Expenses	\$636,190	\$652,705	\$657,677	\$668,671	\$699,589	\$725,692	\$26,103	3.73%
Total: Enterprise Fund	\$4,656,393	\$5,312,947	\$4,783,461	\$5,194,748	\$5,194,645	\$5,626,074	\$431,429	8.31%

Sewer Division (Enterprise)

Current Rates per 1000 gallons			
Residential	\$5.07	\$1.05	\$6.12
Commercial	\$6.01	\$1.05	\$7.06
Industrial	\$6.52	\$1.05	\$7.57
\$1.05: Capital Construction Fee			
Minimum Annual Bill: \$81.00			
Well Water Flat Annual Fee = \$284.84			

- Average Residential Annual Sewer Bill = \$406
- Average Commercial Annual Sewer Bill = \$2,000
- Average Industrial Annual Sewer Bill = \$17,600

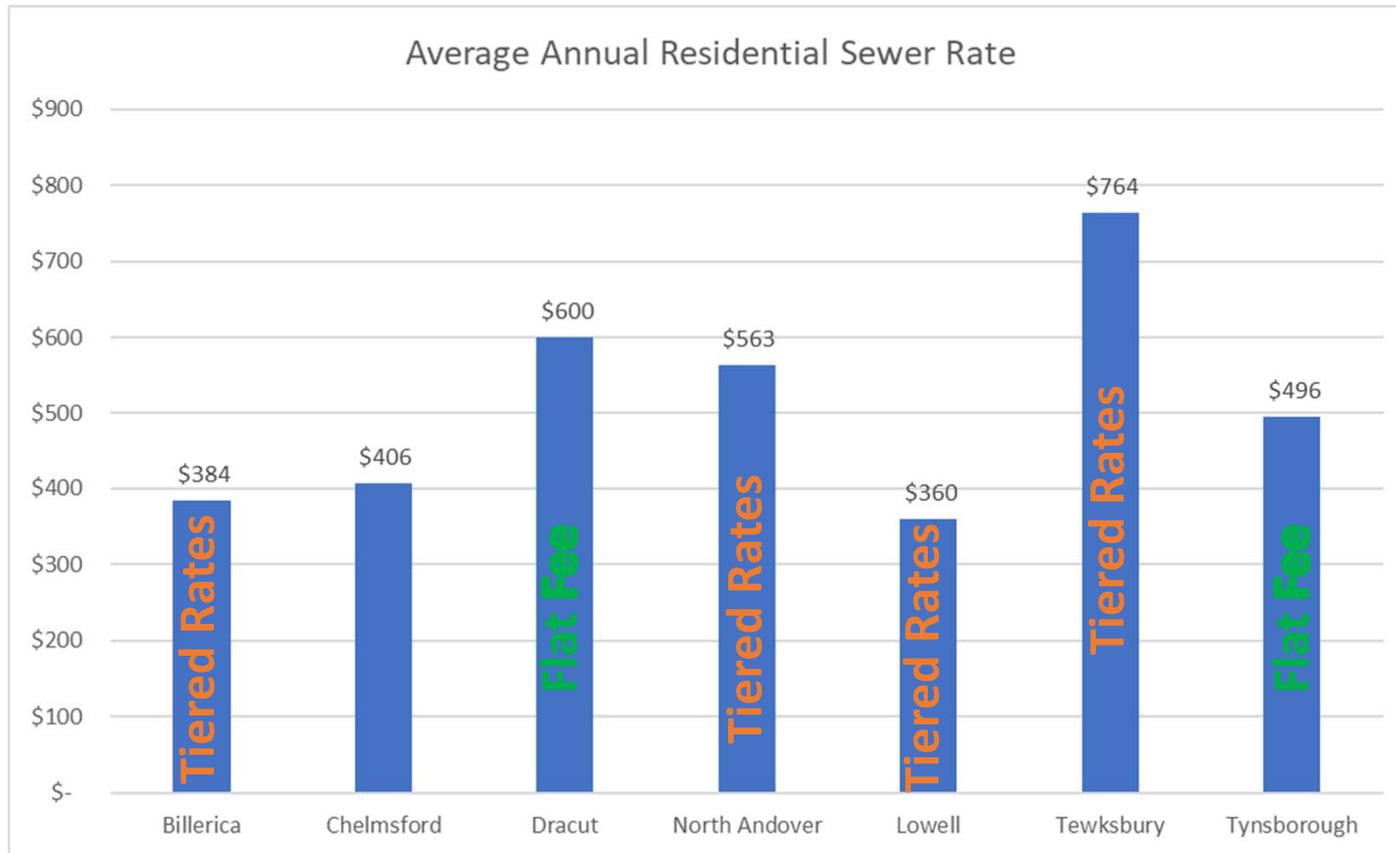
Note: Based on FY22 annual usages

Sewer Division (Enterprise)

FY24 SEWER RATES -- REVENUE PROJECTIONS	
	Projected Revenue
	0% increase
Users (Res, Coml, and Indl)	\$4,748,495
Tyngsborough	\$275,000
Miscellaneous: Permits/Licenses	\$37,540
TOTAL PROJECTED REVENUE	\$5,061,035
FY24 BUDGET	\$5,626,704
SHORTFALL	\$565,669

Would need a 10% flat rate increase to make up for budget shortfall

Comparisons to Other Communities



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FY24 Proposed Sewer Rate

	6 Month Sewer Rate Fee Schedule per 1000 gallons			
	Tier 1	Tier 2	Tier 3	Tier 4
	0-40,000	40,000-100,000	100,000-150,000	>150,000
Current Residential	\$5.07	\$5.07	\$5.07	\$5.07
Current Commercial	\$6.01	\$6.01	\$6.01	\$6.01
Current Industrial	\$6.52	\$6.52	\$6.52	\$6.52
FY24 Residential	\$5.48	\$5.58	\$5.83	\$6.08
FY24 Commercial	\$6.49	\$6.61	\$6.91	\$7.21
FY24 Industrial	\$7.04	\$7.17	\$7.50	\$7.82

\$1.05 Capital Construction Fee would still apply to FY24 rates

Minimum Residential 6 Month Bill = \$45 (current \$40.50)

Minimum Commercial 6 Month Bill = \$55 (current \$40.50)

Minimum Industrial 6 Month Bill = \$65 (current \$40.50)

Well Water Flat Fee (6 months) = \$155 (current \$142.42)

- Average FY24 Residential Annual Sewer Bill = \$433 (6.7% increase)
- Average FY24 Commercial Annual Sewer Bill = \$2,188 (9.4% increase)
- Average FY24 Industrial Annual Sewer Bill = \$20,522 (17% increase)

5/11/2023

Questions/Comments



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