

**2015**

**OPERATIONS BUDGET**

**AND**

**BUDGET NARRATIVE**

**Approved by Board of Trustees**

**20 November 2014**

BRUNSWICK SEWER DISTRICT  
2015 OPERATIONS BUDGET

November 20, 2014

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**BRUNSWICK SEWER DISTRICT  
ANNUAL BUDGET FUNDS AND EXPENDITURES: 2014 - 2015**

11/20/2014

FUNDS: ANNUAL	2014		2015	
	BUDGET	ESTIMATED YEAR END	PROPOSED	ESTIMATED YEAR END
<b>OPERATING REVENUES</b>				
Residential	\$1,293,000	\$1,307,000	\$1,428,000	\$1,428,000
Commercial	879,000	905,000	991,000	991,000
Brunswick Landfill	242,000	430,000	476,000	476,000
Topsham Sewer District	123,000	136,000	112,000	112,000
Catch Basins & Drainage	15,000	15,000	16,000	16,000
Septage	249,000	249,000	243,000	243,000
<b>Total Operating Revenues</b>	<b>\$2,801,000</b>	<b>\$3,042,000</b>	<b>\$3,266,000</b>	<b>\$3,266,000</b>
<b>NON-OPERATING REVENUES</b>				
All Jobbing and Contract Work	\$105,000	\$138,000	\$123,000	\$123,000
Interest Income	7,000	10,000	14,000	14,000
Miscellaneous	37,000	61,000	8,000	8,000
<b>Total Other Revenues</b>	<b>\$149,000</b>	<b>\$209,000</b>	<b>\$145,000</b>	<b>\$145,000</b>
<b>Total Operating &amp; Non-Operating Revenues</b>	<b>\$2,950,000</b>	<b>\$3,251,000</b>	<b>\$3,411,000</b>	<b>\$3,411,000</b>
<b>DESIGNATED REVENUES</b>				
Entrance Charge Fund	\$15,000	\$25,000	\$20,000	\$20,000
Donation of Capital Assets	\$0	\$50,000	\$0	\$0
<b>Total Designated Revenues</b>	<b>\$15,000</b>	<b>\$75,000</b>	<b>\$20,000</b>	<b>\$20,000</b>
<b>OTHER SOURCE OF FUNDS</b>				
Appropriation of Funds: Capital & Depr Reserve	\$0	\$0	\$0	\$0
Appropriation of Funds: Entrance Charge	0	0	0	0
Appropriation of Funds: Operations	0	0	0	0
<b>Total Other Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TREATMENT PLANT UPGRADE PROJECT</b>				
<i>Total Funds Available for Project</i>	<i>\$2,965,000</i>	<i>\$3,326,000</i>	<i>\$6,200,000</i>	<i>\$6,200,000</i>
<i>See attached Budget Sheet for details</i>				
<b>Grand Total Funds Available:</b>	<b>\$2,965,000</b>	<b>\$3,326,000</b>	<b>\$6,200,000</b>	<b>\$6,200,000</b>
<b>EXPENDITURES: ANNUAL</b>				
<b>OPERATING EXPENSES</b>				
Collection & Pumping Systems	\$679,000	\$719,000	\$727,000	\$727,000
Wastewater Treatment	920,000	953,000	870,000	870,000
Administration	849,000	864,000	914,000	914,000
<b>Total Operating Expenses</b>	<b>\$2,448,000</b>	<b>\$2,536,000</b>	<b>\$2,511,000</b>	<b>\$2,511,000</b>
<b>CAPITAL &amp; MISCELLANEOUS EXPENDITURES</b>				
Capital Improvements	\$102,000	\$171,000	\$192,000	\$192,000
Construction	171,000	639,000	280,000	280,000
Miscellaneous	10,000	13,000	14,000	14,000
<b>Total Capital &amp; Misc. Expenditures</b>	<b>\$283,000</b>	<b>\$823,000</b>	<b>\$486,000</b>	<b>\$486,000</b>
<b>Total Operating, Capital &amp; Misc. Expenditures</b>	<b>\$2,731,000</b>	<b>\$3,359,000</b>	<b>\$2,997,000</b>	<b>\$2,997,000</b>
<b>DESIGNATED EXPENDITURES</b>				
Capital & Depreciation Reserve	\$56,000	56,000	\$191,500	\$191,500
Entrance Charge Fund	\$15,000	25,000	20,000	20,000
Donation of Capital Assets	\$0	50,000	0	0
<b>Total Designated Expenditures</b>	<b>\$71,000</b>	<b>\$131,000</b>	<b>\$211,500</b>	<b>\$211,500</b>
<b>OTHER EXPENDITURES</b>				
Bond Principal	\$130,000	\$130,000	\$133,000	\$133,000
Bond Interest	33,000	33,000	30,000	30,000
<b>Total Other Expenditures</b>	<b>\$163,000</b>	<b>\$163,000</b>	<b>\$163,000</b>	<b>\$163,000</b>
<b>TREATMENT PLANT UPGRADE PROJECT</b>				
<i>Total Expenditures for Project</i>	<i>\$2,965,000</i>	<i>\$3,653,000</i>	<i>\$6,259,500</i>	<i>\$6,259,500</i>
<i>See attached Budget Sheet for details</i>				
<b>Grand Total Expenditures:</b>	<b>\$2,965,000</b>	<b>\$3,653,000</b>	<b>\$6,259,500</b>	<b>\$6,259,500</b>

Total Funds vs. Expenditures: \$0 (\$327,000)

**BRUNSWICK SEWER DISTRICT  
TREATMENT PLANT UPGRADE PROJECT BUDGET: 2015**

11/20/2014

<b>FUNDS: ANNUAL</b>		<b>2015</b>	<b>EXPENDITURES: ANNUAL</b>	<b>2015</b>
<b>FUNDING</b>		<u>PROPOSED</u>	<b>EXPENDITURES</b>	<u>PROPOSED</u>
Interim Loan		\$5,700,000	Phase 1 Full Project Design	\$1,130,200
			Construction Management Services	288,000
			Vehicle and Equipment Garage	1,750,000
			Construction & Pre-purchase Equipment	3,031,800
	<b>Total Funding Revenues</b>	<b>\$5,700,000</b>	<b>Total Operating Expenses</b>	<b>\$6,200,000</b>
<b>OTHER REVENUES</b>		<u>PROPOSED</u>	<b>OTHER EXPENDITURES</b>	<u>PROPOSED</u>
Topsham Sewer District Reimbursement		0	Bond Counsel	2,500
Miscellaneous		0	Miscellaneous	0
	<b>Total Other Revenues</b>	<b>\$0</b>	<b>Total Other Expenditures</b>	<b>\$2,500</b>
<b>OTHER SOURCE OF FUNDS</b>		<u>PROPOSED</u>	<b>OTHER EXPENDITURES</b>	<u>PROPOSED</u>
Appropriation of Funds: Entrance Charge		\$500,000	Interim Loan Interest	57,000
	<b>Total Other Funds</b>	<b>\$500,000</b>	<b>Total Other Expenditures</b>	<b>\$57,000</b>
<b>Grand Total Funds Available:</b>		<b>\$6,200,000</b>	<b>Grand Total Expenditures:</b>	<b>\$6,259,500</b>

**Total Funds vs. Expenditures:**

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**(\$59,500)**

**BRUNSWICK SEWER DISTRICT  
2014 ESTIMATED REVENUE**

11/20/2014

OPERATING REVENUE	2014												OVER / (UNDER)		
	ACTUAL JAN	ACTUAL FEB	ACTUAL MAR	ACTUAL APR	ACTUAL MAY	ACTUAL JUN	ACTUAL JUL	ACTUAL AUG	ACTUAL SEPT	forecast OCT	forecast NOV	forecast DEC		2014 anticipated TOTAL	2014 BUDGET
RESIDENTIAL															
- METERED	\$310	\$172,109	\$141,052	\$418	\$160,819	\$142,219	\$2,478	\$171,664	\$152,269	\$15,500	\$170,000	\$171,000	\$1,299,838	\$1,285,000	\$14,838
- FLAT	0	0	1,882	0	0	1,882	0	0	1,882	0	0	1,882	7,526	8,464	(938)
TOTAL RESIDENTIAL:	310	172,109	142,933	418	160,819	144,100	2,478	171,664	154,151	15,500	170,000	172,882	1,307,365	1,293,464	13,901
COMMERCIAL															
- METERED	\$58	\$66,572	\$150,936	\$20	\$70,009	\$143,177	\$6,730	\$83,828	157,088	1,600	82,000	142,000	904,019	877,800	26,219
- FLAT	0	0	289	0	0	289	0	0	289	0	0	289	1,156	900	256
TOTAL COMMERCIAL:	58	66,572	151,225	20	70,009	143,466	6,730	83,828	157,377	1,600	82,000	142,289	905,175	878,700	26,475
CATCH BASINS/ROOF DRAIN:	0	2,069	1,590	0	2,069	1,590	0	2,069	1,590	0	2,069	1,590	14,636	14,760	(124)
SEPTAGE	6,632	4,936	6,212	19,717	29,910	29,635	34,740	33,631	22,197	24,000	24,000	13,500	249,109	249,000	109
TOPSHAM SEWER	21,799	12,063	13,020	12,026	8,751	9,368	10,336	7,259	19,614	721	10,000	11,000	135,957	123,000	12,957
MARRA	43,389	29,639	31,604	45,730	37,124	36,448	42,994	34,833	25,749	32,000	36,000	34,000	429,510	242,000	187,510
<b>TOTALS:</b>	<b>\$72,188</b>	<b>\$287,388</b>	<b>\$346,584</b>	<b>\$77,912</b>	<b>\$308,683</b>	<b>\$364,607</b>	<b>\$97,277</b>	<b>\$333,284</b>	<b>\$380,678</b>	<b>\$73,821</b>	<b>\$324,069</b>	<b>\$375,261</b>	<b>\$3,041,752</b>	<b>\$2,800,924</b>	<b>\$240,828</b>

NON-OPERATING REVENUE	2014												OVER / (UNDER)		
	ACTUAL JAN	ACTUAL FEB	ACTUAL MAR	ACTUAL APR	ACTUAL MAY	ACTUAL JUN	ACTUAL JUL	ACTUAL AUG	ACTUAL SEPT	forecast OCT	forecast NOV	forecast DEC		2014 anticipated TOTAL	2014 BUDGET
JOBGING - BRUNSWICK	\$1,923	\$645	\$309	\$2,860	\$895	\$729	\$762	\$2,203	\$947	\$1,000	\$1,500	\$1,000	\$14,773	\$15,100	(\$327)
JOBGING - MARRA	0	3,000	1,876	1,500	8,100	4,437	20,900	14,909	1,500	2,000	2,000	2,000	62,222	30,000	32,222
JOBGING - TOPSHAM	2,778	3,917	4,065	4,757	2,895	4,290	9,763	5,422	5,645	5,000	5,000	5,000	58,533	60,000	(1,467)
JOBGING - MISC	585	0	0	0	0	1,500	0	0	0	0	0	0	2,085	0	2,085
LATE CHARGES	0	0	0	0	0	0	255	0	0	0	500	300	1,055	3,350	(2,295)
EARNED INTEREST	1,124	(2,115)	1,202	1,347	1,141	975	1,077	1,320	304	1,110	1,060	1,060	9,605	7,000	2,605
MISCELLANEOUS	(2,249)	184	1,095	0	21,420	12,331	21,580	6,432	(1,125)	0	0	0	59,667	33,980	25,687
ENTRANCE CHARGE	2,356	0	0	3,612	3,612	2,356	6,213	2,356	1,767	1,178	1,178	0	24,629	15,314	9,315
DONATED ASSETS	0	0	0	49,500	0	0	0	0	0	0	0	0	49,500	0	49,500
<b>TOTALS:</b>	<b>\$6,518</b>	<b>\$5,630</b>	<b>\$8,547</b>	<b>\$63,576</b>	<b>\$38,064</b>	<b>\$26,618</b>	<b>\$60,549</b>	<b>\$32,642</b>	<b>\$9,038</b>	<b>\$10,288</b>	<b>\$11,238</b>	<b>\$9,360</b>	<b>\$282,069</b>	<b>\$164,744</b>	<b>\$117,325</b>
<b>GRAND TOTALS:</b>	<b>\$78,706</b>	<b>\$293,019</b>	<b>\$355,131</b>	<b>\$141,488</b>	<b>\$346,747</b>	<b>\$391,225</b>	<b>\$157,826</b>	<b>\$365,926</b>	<b>\$389,716</b>	<b>\$84,109</b>	<b>\$335,307</b>	<b>\$384,621</b>	<b>\$3,323,820</b>	<b>\$2,965,668</b>	<b>\$358,152</b>

**BRUNSWICK SEWER DISTRICT**  
**2015 BUDGETED REVENUE W/RATE INCREASE EFFECTIVE 04/01/2015**

11/20/2014

OPERATING REVENUE	2015 budget												OVER / (UNDER)		
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC		TOTAL	2014 estimated
RESIDENTIAL															
- METERED	\$310	\$172,109	\$141,052	\$418	\$168,538	\$155,872	\$2,835	\$196,383	\$174,196	\$17,732	\$194,480	\$195,624	\$1,419,550	\$1,299,838	\$1,19,712
- FLAT	0	0	1,882	0	0	2,062	0	0	2,153	0	0	2,153	8,249	7,526	723
TOTAL RESIDENTIAL:	\$310	\$172,109	\$142,933	\$418	\$168,538	\$157,934	\$2,835	\$196,383	\$176,349	\$17,732	\$194,480	\$197,777	\$1,427,799	\$1,307,365	\$120,434
COMMERCIAL															
- METERED	\$58	\$66,572	\$150,936	\$20	\$73,370	\$156,922	\$7,699	\$95,900	\$179,709	\$1,830	\$93,808	\$162,448	\$989,272	\$904,019	\$85,253
- FLAT	0	0	289	0	0	317	0	0	331	0	0	331	1,267	1,156	111
TOTAL COMMERCIAL:	\$58	\$66,572	\$151,225	\$20	\$73,370	\$157,239	\$7,699	\$95,900	\$180,039	\$1,830	\$93,808	\$162,779	\$990,539	\$905,175	\$85,364
CATCH BASINS/ROOF DRAINS	\$0	\$2,069	\$1,590	\$0	\$2,168	\$1,743	\$0	\$2,367	\$1,819	\$0	\$2,367	\$1,819	\$15,942	\$14,636	\$1,306
SEPTAGE	5,200	5,000	6,200	19,800	29,200	30,200	33,300	31,300	25,000	25,000	21,900	10,400	242,500	249,109	(6,609)
TOPSHAM SEWER	12,000	11,000	12,000	11,000	7,000	9,000	6,000	7,000	8,000	8,000	9,000	12,000	112,000	135,957	(23,957)
MRRA	43,400	29,600	31,600	52,300	42,500	41,700	49,200	39,800	29,500	36,600	41,200	38,900	476,300	429,510	46,790
TOTALS:	\$60,968	\$286,351	\$345,549	\$83,538	\$322,776	\$397,815	\$99,034	\$372,750	\$420,707	\$89,162	\$362,755	\$423,674	\$3,265,080	\$3,041,752	\$223,328

NON-OPERATING REVENUE	2015 budget												OVER / (UNDER)		
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC		TOTAL	2014 estimated
JOBING - BRUNSWICK	\$300	\$400	\$600	\$800	\$600	\$1,800	\$3,000	\$3,000	\$2,000	\$1,000	\$1,500	\$1,000	\$16,000	\$14,773	\$1,227
JOBING - MRRA	1,500	1,500	1,500	1,500	6,500	6,500	7,500	7,500	6,500	1,500	1,500	1,500	45,000	62,222	(17,222)
JOBING - TOPSHAM SEWER	\$3,500	\$3,500	\$4,000	\$4,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$5,000	\$5,000	\$5,000	60,000	58,533	1,467
JOBING - MISC	250	250	250	500	250	500	500	500	250	250	250	250	1,500	2,085	(585)
LATE CHARGES	1,135	1,135	1,135	1,135	1,135	1,145	1,145	1,155	1,155	1,175	1,175	1,175	13,800	1,055	1,945
EARNED INTEREST	20	20	95	0	20	75	300	4,020	75	20	20	95	4,760	59,667	(54,907)
MISCELLANEOUS	1,178	1,178	1,178	2,356	2,356	2,356	2,356	2,356	1,178	1,178	1,178	1,178	20,026	24,629	(4,603)
ENTRANCE CHARGE													0	49,500	(49,500)
DONATED ASSETS															
TOTALS:	\$7,883	\$7,983	\$8,758	\$10,541	\$16,861	\$18,626	\$20,551	\$24,781	\$17,158	\$10,123	\$10,623	\$10,198	\$164,086	\$282,069	(\$117,983)

<b>GRAND TOTALS:</b>	<b>\$68,851</b>	<b>\$294,334</b>	<b>\$354,307</b>	<b>\$94,079</b>	<b>\$339,637</b>	<b>\$416,441</b>	<b>\$119,585</b>	<b>\$397,531</b>	<b>\$437,865</b>	<b>\$99,285</b>	<b>\$373,378</b>	<b>\$433,872</b>	<b>\$3,429,166</b>	<b>\$3,323,820</b>	<b>\$105,346</b>
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**BRUNSWICK SEWER DISTRICT**  
**OPERATIONS, MAINTENANCE AND GENERAL EXPENSES**  
**2014 ANTICIPATED**

11/20/2014

DESCRIPTION	2014			2014		2014
	TOTAL	COLLECTION	TREATMENT	ADMIN	TOTAL	BUDGET VS
	BUDGET	& PUMPING			ANTICIPATED	ANTICIPATED
						(\$)
Salaries & Wages	\$1,098,000	\$363,563	\$370,462	\$395,076	\$1,129,101	(\$31,101)
Employee Benefits	519,250	160,153	185,972	178,733	524,858	(\$5,608)
Uniforms	4,200	2,100	2,100		4,200	\$0
Heating	32,030	5,426	31,472		36,898	(\$4,868)
Power	115,962	29,663	87,983	7,923	125,569	(\$9,607)
Telecommunications	18,518	7,484	6,103	5,321	18,908	(\$390)
Water	5,093	1,697	2,210	83	3,990	\$1,103
Maintenance - Buildings	15,800	6,306	5,882	5,193	17,381	(\$1,581)
Maintenance - Equipment	49,300	19,273	37,902	10,186	67,361	(\$18,061)
Maintenance - Vehicles	10,100	8,923	5,049	8,156	22,128	(\$12,028)
Vehicle Fuel	28,354	19,027	9,159	5,468	33,654	(\$5,300)
Travel	7,000	1,215	5,213	1,686	8,114	(\$1,114)
Professional Development	22,875	5,323	4,622	9,835	19,780	\$3,095
Supplies & Expenses	14,410	5,369	6,397	5,247	17,013	(\$2,603)
Outside Printing	5,500			5,600	5,600	(\$100)
Small Tools & Equipment	7,350	6,171	1,592		7,763	(\$413)
Equipment Fuel	1,863	1,489	315		1,804	\$59
Maintenance - Lines	9,850	10,730			10,730	(\$880)
Maintenance - Holes	9,910	7,737			7,737	\$2,173
Sludge Disposal	67,600		91,606		91,606	(\$24,006)
Licenses	5,261		5,419		5,419	(\$158)
Instrumentation	2,500		2,195		2,195	\$305
Laboratory Expense	10,350		10,340		10,340	\$10
Laboratory Testing	9,650		11,156		11,156	(\$1,506)
Purification Supplies	1,900		900		900	\$1,000
Lime	11,000		3,768		3,768	\$7,232
Sodium Hypochlorite	12,000		7,581		7,581	\$4,419
Polymer	6,500		7,066		7,066	(\$566)
Sodium Hydroxide	47,000		31,185		31,185	\$15,815
Trustees Fees	7,150			6,700	6,700	\$450
Temporary Help	0			0	0	\$0
Safety	12,475	2,639	4,363	160	7,162	\$5,313
Maintenance-Service Contracts	100,628	53,367	6,619	40,370	100,356	\$272
Postage/Delivery	14,550	281	241	12,590	13,112	\$1,438
Miscellaneous	2,850	592	357	1,377	2,326	\$524
Advertising	640			2,057	2,057	(\$1,417)
Dues & Subscriptions	3,029	653	631	2,145	3,429	(\$400)
Consulting Fees	31,100		7,013	34,884	41,897	(\$10,797)
<b>Sub-Total Expenses</b>	<b>\$2,321,548</b>	<b>\$719,181</b>	<b>\$952,873</b>	<b>\$738,790</b>	<b>\$2,410,844</b>	<b>(\$89,296)</b>
Insurance - General	65,500			65,329	65,329	\$171
Meter Reading	61,000			60,238	60,238	\$762
<b>Total Expenses</b>	<b>\$2,448,048</b>	<b>\$719,181</b>	<b>\$952,873</b>	<b>\$864,357</b>	<b>\$2,536,411</b>	<b>(\$88,363)</b>
Depreciation	1,080,000			1,079,342	1,079,342	658
<b>Net Expense to Operate District</b>	<b>\$3,528,048</b>	<b>\$719,181</b>	<b>\$952,873</b>	<b>\$1,943,699</b>	<b>\$3,615,753</b>	<b>(\$87,705)</b>
<b>2014 BUDGET</b>		<b>\$679,273</b>	<b>\$919,804</b>	<b>\$848,971</b>	<b>\$2,448,048</b>	
<b>Under / (- Over) Budget</b>		<b>(\$39,908)</b>	<b>(\$33,069)</b>	<b>(\$15,386)</b>	<b>(\$88,363)</b>	w/o depreciation

**BRUNSWICK SEWER DISTRICT  
OPERATIONS, MAINTENANCE AND GENERAL EXPENSES  
2015 PROPOSED BUDGET**

11/20/2014							
DESCRIPTION	COLLECTION			2015	2014	VARIANCE	
	& PUMPING	TREATMENT	ADMIN	TOTAL BUDGET	ANTICIPATED EXPENSES	2015 BUDGET TO	2014 ANTICIPATED
						(%)	(\$)
Salaries & Wages	\$372,000	\$305,000	\$410,000	\$1,087,000	\$1,129,101	-3.7%	(\$42,101)
Employee Benefits	178,000	171,000	198,300	547,300	\$524,858	4.3%	22,442
Uniforms	2,400	2,000		4,400	\$4,200	4.8%	200
Heating Fuel	5,600	33,170	0	38,770	\$36,898	5.1%	1,872
Power	27,611	95,160	8,535	131,306	\$125,569	4.6%	5,737
Telecommunications	7,510	6,000	6,548	20,058	\$18,908	6.1%	1,150
Water	1,600	1,824	100	3,524	\$3,990	-11.7%	(466)
Maintenance - Buildings	950	3,150	4,930	9,030	\$17,381	-48.0%	(8,351)
Maintenance - Equipment	16,550	22,900	13,317	52,767	\$67,361	-21.7%	(14,594)
Maintenance - Vehicles	5,120	6,500	3,150	14,770	\$22,128	-33.3%	(7,358)
Vehicle Fuel	17,550	6,500	5,200	29,250	\$33,654	-13.1%	(4,404)
Travel & Meals	4,200	2,200	3,160	9,560	\$8,114	17.8%	1,446
Professional Development	6,200	5,100	11,545	22,845	\$19,780	15.5%	3,065
Supplies & Expense	4,500	7,000	5,335	16,835	\$17,013	-1.0%	(178)
Outside Printing			5,500	5,500	\$5,600	-1.8%	(100)
Small Tools & Equipment	5,050	3,450		8,500	\$7,763	9.5%	737
Small Equipment Fuel	1,073	300		1,373	\$1,804	-23.9%	(431)
Maintenance - Lines	9,850			9,850	\$10,730	-8.2%	(880)
Maintenance - Holes	6,910			6,910	\$7,737	-10.7%	(827)
Sludge Disposal		120,000		120,000	\$91,606	31.0%	28,394
License		5,261		5,261	\$5,419	-2.9%	(158)
Instrumentation		2,300		2,300	\$2,195	4.8%	105
Laboratory Supplies		10,350		10,350	\$10,340	0.1%	10
Laboratory Testing		8,160		8,160	\$11,156	-26.9%	(2,996)
Purification Supplies		900		900	\$900	0.0%	0
Lime		0		0	\$3,768	-100.0%	(3,768)
Sodium Hypochlorite		6,000		6,000	\$7,581	-20.9%	(1,581)
Polymer		6,732		6,732	\$7,066	-4.7%	(334)
Sodium Hydroxide		27,000		27,000	\$31,185	-13.4%	(4,185)
Trustees Fees			6,750	6,750	\$6,700	0.7%	50
Safety	2,520	3,705	300	6,525	\$7,162	-8.9%	(637)
Maintenance-Service Contracts	50,366	7,124	43,260	100,750	\$100,356	0.4%	394
Postage/Delivery	300	250	14,200	14,750	\$13,112	12.5%	1,638
Miscellaneous	600	350	1,850	2,800	\$2,326	20.4%	474
Advertising			2,640	2,640	\$2,057	28.3%	583
Dues & Subscriptions	689	510	2,680	3,879	\$3,429	13.1%	450
Consulting Fees			33,700	33,700	\$41,897	-19.6%	(8,197)
<b>Sub-Total Expenses</b>	<b>\$727,149</b>	<b>\$869,896</b>	<b>\$781,000</b>	<b>\$2,378,045</b>	<b>\$2,410,844</b>	<b>-1.36</b>	<b>(\$32,799)</b>
Insurance - General			67,500	67,500	\$65,329	3.3%	2,171
Meter Reading			65,000	65,000	\$60,238	7.9%	4,762
<b>Total Expenses</b>	<b>\$727,149</b>	<b>\$869,896</b>	<b>\$913,500</b>	<b>\$2,510,545</b>	<b>\$2,536,411</b>	<b>-1.0%</b>	<b>(\$25,866)</b>
Depreciation			1,097,000	1,097,000	1,079,342	1.6%	17,658
<b>Net Expense to Operate District</b>	<b>\$727,149</b>	<b>\$869,896</b>	<b>\$2,010,500</b>	<b>\$3,607,545</b>	<b>\$3,615,753</b>	<b>-0.2%</b>	<b>(\$8,208)</b>



**BRUNSWICK SEWER DISTRICT  
CONSOLIDATED EXPENSES FOR 2011, 2012, 2013, ANTICIPATED 2014  
AND 2015 PROPOSED BUDGET**

11/20/2014

DESCRIPTION	2011 AUDITED	2012 AUDITED	2013 AUDITED	2014 ANTICIPATED	2015 BUDGET	VARIANCE	
						2014 BUDGET TO	
						2013 ANTICIPATED	(%) (\$)
Salaries & Wages	\$909,351	\$982,608	\$1,083,630	\$1,129,101	\$1,087,000	-3.7%	(\$42,101)
Employee Benefits	\$360,697	\$409,712	\$482,358	\$524,858	\$547,300	4.3%	\$22,442
Uniforms	\$2,821	\$3,012	\$3,394	\$4,200	\$4,400	4.8%	\$200
Heating	\$46,786	\$20,906	\$28,121	\$36,898	\$38,770	5.1%	\$1,872
Power	\$163,007	\$112,176	\$111,813	\$125,569	\$131,306	4.6%	\$5,737
Telecommunications	\$13,675	\$25,372	\$18,395	\$18,908	\$20,058	6.1%	\$1,150
Water	\$4,404	\$3,849	\$3,921	\$3,990	\$3,524	-11.7%	(\$466)
Maintenance - Buildings	\$41,329	\$11,731	\$34,979	\$17,381	\$9,030	-48.0%	(\$8,351)
Maintenance - Equipment	\$54,078	\$62,855	\$83,057	\$67,361	\$52,767	-21.7%	(\$14,594)
Non-Capital Equipment (moved to Maintenance - Equipment in 2012)	\$5,940			\$0	\$0	0.0%	\$0
Maintenance - Vehicles	\$14,523	\$18,665	\$16,245	\$22,128	\$14,770	-33.3%	(\$7,358)
Vehicle Fuel	\$18,815	\$28,614	\$30,887	\$33,654	\$29,250	-13.1%	(\$4,404)
Travel	\$6,988	\$12,178	\$10,478	\$8,114	\$9,560	17.8%	\$1,446
Professional Development	\$11,984	\$20,461	\$20,387	\$19,780	\$22,845	15.5%	\$3,065
Supplies & Expense	\$18,215	\$18,464	\$13,151	\$17,013	\$16,835	-1.0%	(\$178)
Outside Printing	\$3,574	\$3,341	\$4,504	\$5,600	\$5,500	-1.8%	(\$100)
Small Tools & Equipment	\$3,781	\$9,564	\$1,347	\$7,763	\$8,500	9.5%	\$737
Small Equipment Fuel	\$3,352	\$5,621	\$7,290	\$1,804	\$1,373	-23.9%	(\$431)
Maintenance - Lines	\$5,332	\$26,410	\$3,960	\$10,730	\$9,850	-8.2%	(\$880)
Maintenance - Holes	\$10,439	\$21,899	\$6,944	\$7,737	\$6,910	-10.7%	(\$827)
Maintenance - Tractor (moved to Maintenance - Vehicles in 2012)	\$4,549			\$0	\$0	0.0%	\$0
Sludge Disposal	\$81,098	\$68,157	\$67,735	\$91,606	\$120,000	31.0%	\$28,394
License	\$4,540	\$5,120	\$4,673	\$5,419	\$5,261	-2.9%	(\$158)
Instrumentation	\$1,664	\$1,623	\$723	\$2,195	\$2,300	4.8%	\$105
Laboratory Supplies	\$9,337	\$8,354	\$8,985	\$10,340	\$10,350	0.1%	\$10
Laboratory Non-Capital (moved to Laboratory Supplies in 2012)	\$0			\$0	\$0	0.0%	\$0
Laboratory Testing	\$7,948	\$9,764	\$13,139	\$11,156	\$8,160	-26.9%	(\$2,996)
Purification Supplies	\$244	\$1,325	\$716	\$900	\$900	0.0%	\$0
Lime	\$10,094	\$4,746	\$5,903	\$3,768	\$0	-100.0%	(\$3,768)
Sodium Hypochlorite	\$12,108	\$8,143	\$8,367	\$7,581	\$6,000	-20.9%	(\$1,581)
Polymer	\$7,195	\$6,209	\$6,209	\$7,066	\$6,732	-4.7%	(\$334)
Sodium Hydroxide	\$98,063	\$58,744	\$40,308	\$31,185	\$27,000	-13.4%	(\$4,185)
Trustees Fees	\$5,325	\$5,063	\$5,963	\$6,700	\$6,750	0.7%	\$50
Temporary Help	\$20,013	\$7,331	\$79	\$0	\$0	0.0%	\$0
Insurance - General	\$60,726	\$59,742	\$61,416	\$65,329	\$67,500	3.3%	\$2,171
Safety	\$8,185	\$15,001	\$5,639	\$7,162	\$6,525	-8.9%	(\$637)
Maintenance-Service Contract	\$25,111	\$34,845	\$57,026	\$100,356	\$100,750	0.4%	\$394
Radio Commun/Pager (moved to Telecommunications in 2012)	\$673			\$0	\$0	0.0%	\$0
Alarm System Monitoring (moved to Maint-Svc Contracts in 2012)	\$9,287			\$0	\$0	0.0%	\$0
Meter Reading	\$50,876	\$54,005	\$56,895	\$60,238	\$65,000	7.9%	\$4,762
Remote Payments (moved to Maint-Svc Contracts in 2012)	\$158			\$0	\$0	0.0%	\$0
Postage/Delivery	\$10,446	\$12,613	\$12,818	\$13,112	\$14,750	12.5%	\$1,638
Miscellaneous	\$11,098	\$16,353	\$1,864	\$2,326	\$2,800	20.4%	\$474
Advertising	\$647	\$1,239	\$3,033	\$2,057	\$2,640	28.3%	\$583
Dues & Subscriptions	\$2,833	\$3,406	\$3,795	\$3,429	\$3,879	13.1%	\$450
Consulting Fees	\$21,694	\$173,606	\$27,292	\$41,897	\$33,700	-19.6%	(\$8,197)
Uncollectible Expense	\$0	\$0	\$787	\$0	\$0	0.0%	\$0
<b>Total Expenses</b>	<b>\$2,163,003</b>	<b>\$2,352,827</b>	<b>\$2,358,226</b>	<b>\$2,536,411</b>	<b>\$2,510,545</b>	<b>-1.0%</b>	<b>(\$25,866)</b>
Depreciation	<u>1,018,739</u>	<u>1,010,916</u>	<u>1,071,184</u>	<u>1,079,342</u>	<u>1,097,000</u>	1.6%	<u>17,658</u>
Net Expenses to Operate the District	\$3,181,742	\$3,363,743	\$3,429,410	\$3,615,753	\$3,607,545	-0.2%	(\$8,208)

**BRUNSWICK SEWER DISTRICT  
2014 CAPITAL & CONSTRUCTION BUDGET  
ESTIMATED YEAR-END**

11/20/2014

<u>DIVISION</u>	<u>DESCRIPTION</u>	<u>BUDGET</u>	<u>ESTIMATED YEAR-END</u>	<u>BALANCE</u>
<u>CAPITAL</u>				
Collection	Auxiliary pump for Maine Street pump station	\$15,000	\$15,000	\$0
Collection	2014 John Deere Gator (yard utility vehicle)	9,000	8,152	848
Treatment	2008 Yale Veracitor Fork Lift Truck	17,000	21,500	(4,500)
Admin	New Trio billing & receipting system	11,000	16,085	(5,085)
Collect/Treat	New JCB 260W Skid Steer Loader	50,000	49,315	685
	<b>TOTAL CAPITAL:</b>	<b>\$102,000</b>	<b>\$110,052</b>	<b>(\$8,052)</b>

CONSTRUCTION

Collection	Nancy/Pierce/Patricia Road construction	\$36,000	\$52,970	(\$16,970)
Collection	Whittier St -replace 500 lf 6' main (\$160/lf)	75,000	55,044	19,956
Collection	McLellan St -replace 400 lf 6' main (\$160/lf)	60,000	46,687	13,313
	<b>TOTAL CONSTRUCTION:</b>	<b>\$171,000</b>	<b>\$154,701</b>	<b>\$16,299</b>

**TOTAL BUDGETED CAPITAL & CONSTRUCTION: \$273,000**

**TOTAL UNBUDGETED: \$594,989**

**TOTAL 2014 CAPITAL: \$1,095,483**

ADDITIONAL - APPROVED/ACCEPTED BY BOARD OF TRUSTEES

Donated Asset	Sparwell Ln-4 in sewer force main & 1 manhole	\$49,500	\$49,500	\$0
Collection	Belmont & Bowker - replace sewer wye	8,998	8,998	0
Collection	Columbia Ave - replace 450 ft sewer main	46,225	54,050	(7,825)
Admin	2015 Ford Explorer	25,956	27,199	(1,243)
Collection	New generator (to replace stolen generator)	0	33,896	(33,896)
Treatment	Treatment Plant Upgrade - Phase I - Full Design of Project	1,551,546	421,346	1,130,200
	<b>TOTAL UNBUDGETED:</b>	<b>\$1,682,225</b>	<b>\$594,989</b>	<b>\$1,087,236</b>

**TOTAL BUDGETED /UNBUDGETED CAPITAL & CONSTRUCTION: \$1,955,225**

**TOTAL 2014 CAPITAL: \$1,095,483**

TOTAL CAPITAL	\$171,147	(\$43,191)
TOTAL CONSTRUCTION - OTHER	217,749	8,474
TOTAL CONSTRUCTION - TREATMENT PLANT UPGRADE	421,346	1,130,200
TOTAL DONATED ASSETS	\$49,500	\$0
<b>TOTAL 2014 CAPITAL:</b>	<b>\$859,742</b>	<b>\$1,095,483</b>

**BRUNSWICK SEWER DISTRICT  
2015 CAPITAL & CONSTRUCTION BUDGET**

11/20/2014

<u>DIVISION</u>	<u>DESCRIPTION</u>	<u>BUDGET</u>
<u>CAPITAL</u>		
Treatment	Rider Lawn Mower (To replace 2002 unit)	\$12,000
Treatment	Second Roll-off Container for Sludge Truck	12,000
Admin	Fiber Optics Cable to Pine Tree Road Property	27,000
Admin	Upgrade to hi-def cameras and rolling chairs- Conference Room	15,000
Collection	Map/Plan Sized Plotter and Printer	6,000
Collection	Video capable Closed Circuit Push Camera	10,000
Collection	Gurnet Road Pump Station standby generator (purchase & installation)	40,000
Collection	Box Truck to house CCTV System (purchase and set-up)	60,000
Collection	Wetwell Level Control Upgrade at two Pump Stations to tie into SCADA	10,000
	<b>TOTAL CAPITAL:</b>	<b>\$192,000</b>
<u>CONSTRUCTION</u>		
Collection	River Road Pump Station #2 upgrade & generator (design & construction)	\$280,000
	<b>TOTAL CONSTRUCTION:</b>	<b>\$280,000</b>
	<b>TOTAL CAPITAL &amp; CONSTRUCTION:</b>	<b>\$472,000</b>

<u>CONSTRUCTION</u>	<u>DESCRIPTION</u>	<u>BUDGET</u>
Treatment	<b>TREATMENT PLANT UPGRADE PROJECT</b>	
Treatment	Treatment Plant Upgrade - Phase I - Full Design of Project	\$1,130,200
Treatment	Treatment Plant Upgrade - Phase I - CM Services	288,000
Treatment	Treatment Plant Upgrade - Vehicle & Equipment Garage	1,750,000
Treatment	Treatment Plant Upgrade - Phase I - Begin Construction, Purchase Equipment	3,031,800
	<b>TOTAL CONSTRUCTION FOR PROJECT:</b>	<b>\$6,200,000</b>

5 YEAR PIPE REPLACEMENT PLAN  
2016-2020

Location	Dia (in)	Type	Length (ft)	Depth (ft)	# Services	Estimated Cost	Accum Total	
							Year #1	Year #2
BOODY ST.	8	VCP	406	7	5	\$ 50,600	\$ 50,600	\$ 50,600
CHAMBERLAIN AVE.	6	VCP	581	7 to 9	9	\$ 122,580	\$ 173,180	\$ 173,180
COFFIN ST.	8	VCP	317	5	5	\$ 41,748	\$ 214,928	\$ 214,928
COLUMBIA AVE.	8	VCP	416	5	8	\$ 57,633	\$ 272,561	\$ 272,561
UNION ST.	6	VCP	618	7	5	\$ 71,800	\$ 344,361	\$ 344,361

Location	Dia (in)	Type	Length (ft)	Depth (ft)	# Services	Estimated Cost	Accum Total	
							Year #2	Year #3
LINCOLN ST.	6	VCP	362	10	3	\$ 60,312	\$ 60,312	\$ 60,312
LONGFELLOW AVE.	8	VCP	586	6	2	\$ 62,600	\$ 122,912	\$ 122,912
MAINE ST.	8	VCP	59	7	0	\$ 5,854	\$ 128,766	\$ 128,766
MCKEEN ST.	8	VCP	555	9	5	\$ 76,600	\$ 205,366	\$ 205,366
NOBLE ST.	6	VCP	774	7	5	\$ 87,400	\$ 292,766	\$ 292,766

Location	Dia (in)	Type	Length (ft)	Depth (ft)	# Services	Estimated Cost	Accum Total	
							Year #3	Year #4
PAGE ST.	6	VCP	334	5	2	\$ 37,425	\$ 37,425	\$ 37,425
PARK ROW	6	VCP	609	9	0	\$ 73,080	\$ 110,505	\$ 110,505
PINE ST.	8	VCP	532	14	4	\$ 103,760	\$ 214,265	\$ 214,265
SPRING ST.	6	VCP	547	9	3	\$ 71,640	\$ 285,905	\$ 285,905

Location	Dia (in)	Type	Length (ft)	Depth (ft)	# Services	Estimated Cost	Accum Total	
							Year #4	Year #5
THOMAS POINT RD.	10	ACP	1944	7	20	\$ 244,120	\$ 244,120	\$ 244,120
TOWN HALL PL.	6	VCP	337	13	4	\$ 68,660	\$ 312,780	\$ 312,780

Location	Dia (in)	Type	Length (ft)	Depth (ft)	# Services	Estimated Cost	Accum Total	
							Year #5	5 Yr. Total
CURTIS ST.	8	VCP	299	5	5	\$ 39,888	\$ 39,888	\$ 39,888
WATER ST.	8	VCP	1803	7	7	\$ 194,300	\$ 234,188	\$ 234,188
WHEELER PARK	15	ACP	549	9	11	\$ 101,605	\$ 335,793	\$ 335,793
						<b>\$ 1,571,605</b>	<b>5 Yr. Total</b>	

Cost Calculation Values		
Depth	Cost	Unit
5-7'	\$ 100.00	LF
7'-9'	\$ 120.00	LF
9-12'	\$ 150.00	LF
12'+	\$ 180.00	LF

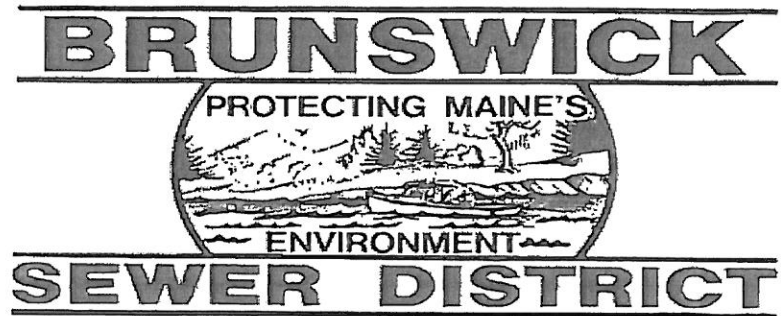
Service	\$2,000	EA
Pipe Diameter	Premium	
10-inch	\$ 5.00	
12-inch	\$ 12.00	
15-inch	\$ 25.00	

VCP = Vetrified Clay Pipe  
ACP = Asbestos Concrete Pipe

BRUNSWICK SEWER DISTRICT  
BOND PAYMENT SCHEDULE FOR 2015

11/20/2014

<u>TYPE OF BOND</u>	<u>BOND HOLDER</u>	<u>ISSUE DATE</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>ORIGINAL AMOUNT</u>	<u>BALANCE AT 1/1/2015</u>	<u>PYMT DATES</u>	<u>PRINCIPAL</u>	<u>BALANCE</u>	<u>2015 INTEREST</u>
2005 ME MUNICIPAL WWRLF	Maine Bond Bank	4/22/2005	4/01/2025	1.8100%	\$1,750,000	\$1,054,882	4/01/2015	85,896	968,986	\$21,594
2012 ME BOND BANK SEWER BOND	Maine Bond Bank	10/25/2012	11/1/2022	2.1227%	\$500,000	\$408,349	5/01/2015	47,310	361,039	\$8,531
TOTAL:										<u>\$ 30,125</u>



**2015**

**BUDGET NARRATIVE**



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## **EXECUTIVE SUMMARY – 2015 BUDGET**

### **User Rates**

As presented, the 2015 budget proposal includes increases to our user rates to become effective 01 April 2015. The Board of Trustees has taken the first of two votes required to implement the rate increases proposed here.

### **Revenue**

Overall, annual revenue (defined as Operating Revenue and Other Revenue) is proposed at 4.9% (\$160,000) above our projection for year-end 2014. This is based on the revenue experienced for the residential, commercial, municipal, and septage accounts in 2014. We expect a lower level of revenue from Other Revenue for 2015, the bulk of the 2014 other revenue coming from the sale of surplus assets.

For the Treatment Plant Upgrade Project we have included \$5.7 million interim loan which is noted in a separate Treatment Plant Upgrade Project Worksheet (page 3 in the Draft Operations Budget).

### **Entrance Charge**

Based on the uptick of housing in 2014, we saw an increase of some \$10,000 over projection. But not wanting to be over-optimistic, we have budgeted 2015 at \$20,000. Though the entrance charge is revenue, it is dedicated to the entrance charge fund reserve account and is not available to cover either operating expenses or capital project costs.

### **Expenses**

The combined division expenses are budgeted at 1.3% below anticipated 2014 year-end, a decrease of \$34,000. The year-end 2014 is expected to come in some \$88,000 more than originally budgeted. A year-end increase of 3.6% over the 2014 budget.

### **Capital**

The capital budget for 2015 is proposed at \$472,000 for the 2015 Capital Improvement Plan for vehicle, equipment, and pump station upgrades. The Treatment Plant Upgrade project's capital expenditures are included on that project's worksheet.





### **Bond Payment**

Combining principal and interest, the 2015 bond payment for the 2005 SRF Loan will be \$107,859, and the bond payment for the 2012 MMBB bond will be \$56,021. A total of \$163,880 for 2015.

### **2015 Budget**

The 2015 Operations Budget is presented as a balanced budget with revenue and other fund sources equaling the proposed expenditures.

*Note: For the purpose of balancing the Analysis Sheet, revenue sent to reserve accounts (Entrance Charge and Capital & Depreciation) are treated as expenditures.*

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## **YEAR-END 2014 BUDGET**

### **2014 Revenue**

Operating Revenue is expected to come in some \$241,000 over projection. The breakdown by Over/ (Under) is: Residential \$14k, Commercial \$26k, Brunswick Landing \$188k, Topsham Sewer District \$13k, Catch Basins and Septage/Holding expect to come in on budget.

Other Revenue is expected to come in \$60,000 over projection. The breakdown by Over/ (Under) is: Jobbing/Contract Work \$33k, Interest Earned \$3k, and Miscellaneous \$24k.

Entrance Charge is expected to come in \$10,000 over projection.

Donated Assets: The acceptance of The Pines Homeowners Association's 4-inch diameter force main within Sparwell Lane accounted for a \$50,000 gain in the Donation of Capital Assets. Donated Assets are required to be treated as revenue thus inflating the total revenue.

### **Revenue Summary**

Without including the Donated Assets (an asset value, not a cash receipt) and the Entrance Charge revenue (which is dedicated to the Entrance Charge Reserve Fund) we expect to come in \$301,000 over the budget projection for the combined Operating Revenue and Other Revenue.



## **2014 Appropriation of Funds**

**Entrance Charge Reserve:** We did not budget for, nor do we expect to request, an appropriation from the Entrance Charge Fund for 2014. The Reserve account is expected to increase by some \$25,000 by year-end 2014.

**Capital & Depreciation Reserve:** In 2013 we did not seek Board authorization to move ahead with Phase 1 of the Treatment Plant Upgrade project, and were not sure if, or how far, it would advance in 2014. As such, the 2014 budget did not include any funding for Phase 1. Subsequent authorizations in 2014 to begin the Phase 1 project and the selection and engagement of the design firm will result in expenditures of some \$639,000 for fiscal year 2014. It was decided during the authorization process that we would fund the expenditures from any surplus revenue and the Capital and Depreciation Reserves and seek eventual reimbursement from the Clean Water State Revolving Fund loan.

## **2014 Operating Expenses**

We expect to come in over-budget in the 2014 Operating Expenses (the division expense budgets) by some \$88,000 (3.6% over). The Collection and Pumping Division is projected to end the year some \$40,000 over budget (5.9%). The Treatment Division is projected to end the year some \$33,000 over budget (3.6%). The Administrative Division is expected to end the year some \$15,000 over budget (1.76%).

## **2014 Capital**

The approved 2014 Capital budget totaled \$273,000. Total capital expenditures for 2014 are expected to be some \$389,000 for budgeted and subsequently authorized additions. As noted earlier, no funds were requested for the Treatment Plant Upgrade project, but subsequent approval and expenditures towards implementation of Phase 1 is expected to total some \$421,000. This extra costs will be funded with unexpected surplus revenue and the Capital & Depreciation Reserve fund.

## **2014 Budget Summary**

In summary, the 2014 Operations Budget is expected to end the year with an approximate over-expenditure of \$327,000.



## **2015 OPERATIONS BUDGET**

### **2015 Revenue**

#### **Rates.**

As presented, the 2015 budget proposal does include increases to our user rates planned to become effective 01 April 2015. The detail of the changes to each Rate Schedule is as follows:

Rate Schedule I-Metered Use and Rate Schedule II-Flat Rate Fixtures: There is proposed increases for the Schedule I - Metered Use and Schedule II - Flat Rate Fixtures. The current Metered Use rate would increase \$6.75, from \$46.85 per 1,000 cubic feet to \$53.60 per 1,000 cubic feet per quarter or from \$4.685 to \$5.36 per 100 cu. ft. On a per gallon basis, the rate will increase from 0.0062 cents to 0.0072 cents per gallon or in other words to 7/100<sup>ths</sup> of a cent per gallon. The minimum use will remain at 800 cu. ft. per quarter for the Metered Use and Flat Rate Fixture and the charge will increase from \$37.48 to \$42.88 (8 x\$5.36). A 14.4% increase in Rate Schedules I & II.

Rate Schedule II-Roof Drains: We are proposing that the charge for Roof Drains become equal to the cu.ft. charge for Rate Schedules I and II, as it requires the same transport, treatment and discharge efforts and costs as sanitary flow. As proposed, the minimum charge for roof drains for 1,000 square feet is to increase from \$42.40 to \$53.60 and the charge for each 100 sq. ft. increment thereafter to be \$5.36 from \$4.24. A 26.4% increase.

Rate Schedule IV-Catch Basins: We are proposing to increase the quarterly rate for Catch Basins from \$265.00 to \$303.16 per basin. An increase of 14.4%.

Rate Schedule V-Septic Tank and Holding Tank Waste: The revenue from septage haulers will be almost 8% of our Operating Revenues for 2014. As the destination for disposal is by choice of the haulers, we do not want to discourage this revenue source that we have worked diligently over the past two years to increase. As such, we are proposing to change the disposal rate for septage from \$120.00 to \$125.00 per 1,000 gallons, a 4.17% increase. Though Holding Waste makes up almost one-third of the total, we are proposing to increase its disposal rate from \$52.00 to \$60.00 for 1,000 gallons as we feel it is less sensitive to an increase than Septage. An increase of 15.4%. The minimum charge for small quantity disposal will increase from \$10.00 to \$15.00.



Rate Schedule VI-TSS and BOD Surcharge Rates: The sewer use surcharge rate for excessive TSS (Total Suspended Solids) is proposed to increase from \$0.72 per pound to \$0.82 per pound. The surcharge rate for excessive BOD (Biochemical Oxygen Demand) is proposed to increase from \$0.70 to \$0.80 per pound. At this point in time we are not proposing any change to the discharge limits of 400 mg/l for TSS and 500 mg/l for BOD as noted in the User Rules and Regulations. <sup>1</sup>

## 2015 Revenue

**Operating Revenue:** Operating Revenue for 2015 is estimated at \$3,266,000; some \$224,000 more (7.3%) than the estimated year-end for 2014. The major factor is the proposed rate schedule increases averaging 14% which impact the latter three-quarters of the fiscal year.

The Operating Revenue projection is as follows:

- Residential sector revenue will increase \$124,000 above year-end 2014. An increase of 9.5%.
- Commercial sector revenue will increase \$86,000 above year-end 2014. An increase of 9.5%.
- Brunswick Landing's revenue will increase by \$46,000 above year-end 2014. An increase of 10.7%.
- Topsham Sewer District's revenue will decrease by \$24,000. A decrease of 17.6% from year-end 2014.
- Catch Basins and Roof Drains revenues will increase by \$1,000 over year-end 2014. A 6.6% increase.
- Septage revenue will decrease by \$6,000 from year-end 2014. A decrease of 2.4%.

**Other Revenues:** Lorraine has set the 2015 *Jobbing and Contract Work* revenue at \$145,000. This category is now segregated into four components: ToB O&M, TSD O&M, MRRA O&M, and Misc.

- ToB O&M revenue is set at \$16,000.
- TSD O&M revenue is set at \$60,000.
- The Midcoast Regional Redevelopment Authority O&M revenue is project at \$45,000.
- Miscellaneous Jobbing revenue has been set at \$1,500.
- Interest Income has been set at \$13,800. An increase of \$4,200 from year-end 2014.
- Miscellaneous Income has been set at \$8,000. A reduction of \$53,000 from estimated year-end 2014.

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<sup>1</sup> Please reference "Draft Proposed Schedule of Rate – 2015" in the Charts & Graphs Appendix.



- Entrance Charge revenues have been set at \$20,000, a reduction of \$5,000 from year-end 2014.
- Donation of Capital Assets has been set at \$0. We do not expect any takeover request for 2015.<sup>2</sup>

### **2015 Appropriation of Funds**

We are requesting an appropriation of \$500,000 from the Entrance Charge reserve in the 2015 Treatment Plant Upgrade Budget to partially fund the Headworks expansion. We expect to fund the regular Expense and Capital budgets from User Revenue. And plan to fund the 2015 Treatment Plant Phase 1 Upgrade costs from a portion of the User Rates (Based on estimated 2014 revenues, we expect to generate approximately \$294,000 from the rate increases in 2015.) and a substantial portion from a \$5.7M Interim Loan which itself is expected to be repaid from the Maine Department of Environmental Protection's Clean Water State Revolving Fund (CWSRF) loan through the Maine Municipal Bond Bank. The full amount of the CWSRF loan has not yet been determined and has not been included in the 2015 budget.

### **2015 Operating Expenses**

**Collection and Pumping Division:** The 2014 budget was \$679,000. Year-end is estimated at \$719,000. The 2015 Division budget is proposed at \$724,000, a 0.7% increase over year-end 2014 and a \$7,000 increase over the 2014 Budget.

**Treatment Division:** The 2014 budget was \$920,000. Year-end is estimated at \$952,000. The 2015 budget is proposed at \$867,000, a (5.4%) decrease from the 2014 budget and an (8.7%) decrease over the 2014 year-end projection.

The division continues its efforts to reduce major operating expenses:

- Reduced electrical usage. From a high of 1.244M kilowatt hours (kWh) at a cost of \$150,000 for 2009, electrical consumption and cost for 2014 is estimated to be 840,000 kWh at \$88,000. Up until 2012 the annual kWh consumption was 1.1million. Since 2012 the annual kWh consumption has average 840,000. A 24% decrease. Annual cost has dropped from an average \$140,000 to \$86,000, a decrease of 38%!<sup>3</sup> With a new power supply contract for 2015, the supply cost is expected to increase by 14.5% (6.75 cents to 7.72 cents per kWh) or about \$8,000.

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<sup>2</sup> Please reference "Proposed 2015 Revenue Sources" in the Charts & Graphs Appendix.

<sup>3</sup> Please reference "Annual Treatment Plant Electrical Usage & Cost" in the Charts & Graphs Appendix.



- Reduced heating cost. With the installation in 2011 of the natural gas fired boilers, 2012 was the first full budget year on natural gas versus heating oil. The annual usage of some 30,000 to 35,000 gallons of heating oil at \$3/gal equals to a cost of \$90,000 to \$105,000/yr. We expect to come in at \$31,500 for 2014. We are saving a minimum of \$60,000 per year to heat the Plant! The budget for 2015 is set at \$33,000 to provide a cushion for the expected cold weather spikes in cost associated with 2014.
- Reduced chemical cost.<sup>4</sup>
  - Sodium Hydroxide:
    - \$98,000 in 2011.
    - \$59,000 in 2012.
    - \$40,000 in 2013.
    - \$31,000 anticipated for 2014.
    - Budget for 2015 set at \$27,000. A 72% decrease in usage and cost since 2011!
  - Sodium hypochlorite:
    - \$12,000 in 2011.
    - \$8,000 in 2012 to 2014.
    - Budget for 2015 set at \$6,000. A 50% decrease in usage and cost since 2011!
- In summary, annual savings beginning with 2012:
  - Electricity - \$45,000
  - Heating - \$60,000
  - Chemicals - \$70,000
  - A continuing annual savings of \$175,000!

Staffing: With the retirement of long time Treatment Operations Supervisor Gregory H. Thulen, the staffing for the Plant will be reduced to five members. While we expect to promote from within to fill the position, we are not planning to bring the staffing level up to six members. The reduction in staff level is the major reason for the reduction in the overall expense budget for 2015.

**Administrative Division:** The 2014 budget was \$849,000. Year-end is estimated at \$864,000. The 2015 Division budget is proposed at \$911,000, a 7.3% increase from 2014 budget and a 5.5% increase over year-end 2014.

It is important to understand that a number of budget items are included in the Administrative Division budget that affect all the divisions but cannot easily be apportioned. Such as all of the

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<sup>4</sup> Please reference "Annual Hypochlorite and Hydroxide Cost" in the Charts & Graphs Appendix.



insurance costs (worker's comp and property & liability) (\$67k [up \$2k from 2014]), the meter reading costs from the water district (\$65k [up \$4k from 2014]), payroll service, postage [for billing, disbursements, and public notices] (\$14k), Trustee fees (\$6.7k), and Consulting Fees [audit, legal, and engineering] (\$33k). This skews the division budget as compared with the Operation Divisions.

For 2011 we changed our health insurance plan with the Maine Municipal Association from a POS-A to a POS-C plan, saving some \$36,000 per year. Those annual savings for the last four years have now totaled some \$140,000. In 2015 we will once again be reviewing the health plan to determine if we should move from a POS (Point-of-Service) plan to a PPO (Preferred Provider Organization) plan. Depending on the PPO plan, we could see additional savings around 30%.

## **General**

### **Facilities**

With the last major upgrade to the Treatment Plant now 23 years old, we commissioned an evaluation of the facilities and its processes to determine the efficiencies, improvements, and new technologies to bring to the facility and its operations, and develop a new 20-year improvement plan. The report, completed in 2012, divides the upgrade into two phases, each with a substantial cost estimate. Year 2013 saw the first steps in the process to determine the timing and scope of work to pursue in the next upgrade project. In 2014 the Board authorized the Staff to proceed with implementing Phase 1 of the upgrade. Also in 2014, Wright-Pierce, the engineering firm that conducted the 2012 Plant Evaluation (through a Request For Qualifications (RFQ) process – was selected to provide design services. As a first for the State of Maine, the District decided on a construction management (CM) format for its Treatment Plant Upgrade project. Through a RFQ process PC Construction, Inc. was selected. At this early planning level, the preliminary cost estimated for Phase One is \$22M. The 2015 Capital Budget contemplates expenditures of some \$6,200,000 on the project and plans to obtain an interim loan (short-term) to cover the costs. As the CM updates the expected project costs, we will use that information to determine and apply for the CWSRF to cover the full project costs. Proceeds from the CWSRF, which is expected to be available by late 2015, will be used to pay for the Interim Loan and to reimburse the District for project cost paid for from the Capital & Depreciation Reserve account.

Part of the Upgrade project will involve the siting and construction of a Vehicle and Equipment storage building that will also serve to house the Collection and Pumping Division and provide a larger workshop facility for the Treatment Operations.



### **Personnel Programs:**

We have continued with the personnel programs for 2015 and have included their funding in the budget. The three key programs are the bonus pay for achieving goals, end-of-year sick leave buy-back option, and the education program. With these programs, we have seen an amazing change in the staff's outlook, attitude, and more importantly, their willingness and drive to take on new and more challenging tasks and responsibilities. During 2014 we continued to see the efforts of staff to find operational savings --permanent operational savings-- to offset the costs of these programs. I want to thank the Board for their continued support and belief in the staff.

**Annual Economic Adjustment and Merit:** The 2015 budget includes a full economic adjustment and full merit. The economic adjustment (i.e. COLA [Cost-of-Living Adjustment]) is based on the new formula adopted by the Board in 2007. The formula is based on the CPI data for the November to October timeframe. As we have moved the entire budget adoption process ahead by one month, we will not have the October number until November. We have calculated the latest CPI based on the September data. Based on that formula, the **CPI adjustment is 1.58%**. A Merit award (as determined by the performance evaluations) will average 2.6% across the board. Combined, this is **an average wage adjustment of 4.2%**. These adjustments have been included in the wages budget.

### **2015 Capital**

The total CIP capital budget is proposed at \$472,000 for 2015.

The total 2015 portion of the Phase 1 Treatment Plant Upgrade is estimated at \$6.2M for which its major components include:

- Design services by Wright-Pierce (\$1.13M)
- Construction Management services of PC Construction (\$288,000)
- Constructing the Vehicle and Equipment Building (\$1.75M)
- New equipment purchases (\$3M)

The 2015 portion of the 5-year Capital Improvement Plan (CIP) is budgeted at \$472,000. The major items include:

- \$280,000 for the evaluation, design, and construction of a major upgrade to the River Road #1 Pump Station;
- \$60,000 for the purchase and up-fitting of a new CCTV Vehicle;
- \$27,000 to have high-speed fiber optic cable brought to the Pine Tree Road property;





- \$12,000 for riding lawn mower;
- \$12,000 for the second roll-on/roll-off container for the sludge truck, and;
- \$10,000 for a video capable CCTV push Camera.<sup>5</sup>

We do not plan for any pipeline replacements or rehabilitations for 2015, though a 5-year Plan has been developed for implementation beginning in 2016.

## **Bonds**

The 2015 bond payment for the 2005 SRF Loan will total some \$107,490 (Principal is \$85,896, Interest is \$21,594 [1.81% Rate]).

The bond payment for the new MMBB bond for the Administrative Office Building will total some \$55,841 (Principal \$47,310, Interest \$8,531[2.12% Rate]).

For a 2015 total of \$163,880 principal and interest.

As in 2014, \$56,000 of revenue is being dedicated to the Capital & Depreciation Reserve to replenish the \$475,000 used for the Administrative Building.

## **2015 Summary**

The 2015 Operations Budget is presented as a balanced budget with revenue and other fund sources equaling the proposed expenditures. **Operating Revenues** are proposed to be some \$224,000 more than year-end 2014. The key component will be the 14% on average increase in the Rate Schedules. Total **Other Revenues** are expected to decrease by \$64K over 2014 year-end. The net effect is an expected increase of \$160k in billing revenue from 2014.

As with 2014, we have assigned \$56k of revenue to the Capital & Depreciation Reserve as the third payment in a 10-year plan to replenish the \$475k used to fund the Administrative Office Building.

The budget includes continuing the programs adopted in 2012 to promote, recognize, and reward employee performance and education. These additional costs are being offset with ongoing operational cost savings achieved primarily through lower electrical, heating, chemical, and health insurance cost over the past several years; and by not filling two staff vacancies (One in Treatment Operations and one in Collection and Pumping Operations).

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<sup>5</sup> Please reference "Proposed 2015 Expense & Capital Allocation" in the Charts & Graphs Appendix.



## Future Budgets

We will complete the first District wide Strategic Plan by the end of 2015. From this 'master' plan, proposed as a 10-year plan (reviewed annually), we will develop the detailed projects, goals and direction, envisioned in the Strategic Plan. The 2016 Operations Budget should see the first inclusion of the Strategic Plan.

To finance the expected annual debt payment for the estimated \$20M to \$22M Treatment Plant Upgrade project cost, and the 5-year pipe replacement/rehabilitation plan developed in 2014 (as part of the Strategic Plan), we have developed a 5-year rate adjustment schedule. The first year's adjustment has received preliminary Board approval and is included in this 2015 Operations Budget.

Lorraine Caron, Finance Manager, is also working towards the development of a multi-year Operations Budget. Tied in with the Strategic Plan, the multi-year budget will provide a more comprehensive guide to the Board in planning and determining a sustainable rate structure.

Lorraine has a goal of submitting our budget proposal document to a national review program for recognition as an award winning budget document. As such, we will be including other information and data not normally included in the past. (As a side note, Lorraine was a judge for two 2013 submissions.)

Respectfully Submitted for Your Consideration,

Budget Narrative	Operations / Capital Budgets	Draft 2015 Operations Budget
Leonard Blanchette General Manager	Robert A. Pontau, P.E. Asst. General Manager	Lorraine M. Caron Finance Manager



## GRAPHS & CHARTS APPENDIX

# Brunswick Sewer District

10 Pine Tree Road  
Brunswick, Maine 04011

10/14/2014

## DRAFT PROPOSED SCHEDULE OF RATES - 2015

### Current and Proposed

**Rate Schedule I - METERED USE:** The sewer use rate for property deriving its main supply of potable water from a METERED source will be based on water meter readings for the property.

	<u>Current</u>	<u>Proposed</u>	<u>Increase of</u>	<u>Increase of</u>	<u>Change</u>
		(per quarter)	(per quarter)	(per month)	
Minimum quantity in cubic feet (cf)	800	800			
Minimum charge (800 cf)	\$ 37.48	\$ 42.88	\$ 5.40	\$ 1.80	14.4%
Rate thereafter per 100 cf	\$ 4.685	\$ 5.36	\$ 0.68	\$ 0.23	14.4%
Charge per 1,000 cf	\$ 46.85	\$ 53.60	\$ 6.75	\$ 2.25	14.4%
Average <u>annual</u> charge (8,000 cf/yr.)	\$ 374.80	\$ 428.80	\$ 13.50	\$ 4.50	14.4%

**Rate Schedule II - Flat Rate Fixtures:** The quarterly sewer use charge for property deriving its potable water from an UN-METERED source will be based on the following schedule of fixture unit rates.

	<u>Current</u>	<u>Proposed</u>	<u>Increase of</u>	<u>Increase of</u>	<u>Change</u>
		(per quarter)	(per quarter)	(per month)	
Minimum quantity (1 sink, 1 wash, 1 flush, 1 tub)	4 fixtures	4 fixtures			
Minimum charge fixtures 1 through 4	\$ 37.48	\$ 42.88	\$ 5.40	\$ 1.80	14.4%
Rate thereafter for fixtures 5 through 8	\$ 29.50	\$ 33.75	\$ 4.25	\$ 1.42	14.4%
Rate thereafter for remaining fixtures	\$ 22.10	\$ 25.28	\$ 3.18	\$ 1.06	14.4%
Average <u>annual</u> charge	\$ 149.92	\$ 171.52	\$ 5.40	\$ 1.80	14.4%

**Rate Schedule III - ROOF DRAINS:** The sewer use rate for property having an existing roof drain(s) discharging to District sewers.

	<u>Current</u>	<u>Proposed</u>	<u>Increase of</u>	<u>Change</u>
			(per quarter)	
Minimum quantity in square feet (sf)		1,000	1,000	
Minimum charge	\$ 42.40	\$ 53.60	\$ 11.20	26.4%
Rate thereafter per 100 cf	\$ 4.24	\$ 5.36	\$ 1.12	26.4%
Average annual charge	\$ 190.10	\$ 240.29	\$ 50.19	26.4%

**Rate Schedule IV - CATCH BASINS:** The quarterly sewer use rate for existing catch basins discharging to District sewers.

	<u>Current</u>	<u>Proposed</u>	<u>Increase of</u>	<u>Change</u>
			(per quarter)	
Rate per catch basin	\$ 265.00	\$ 303.16	\$ 38.16	14.4%
Average annual charge	\$ 1,060.00	\$ 1,212.64	\$ 152.64	14.4%

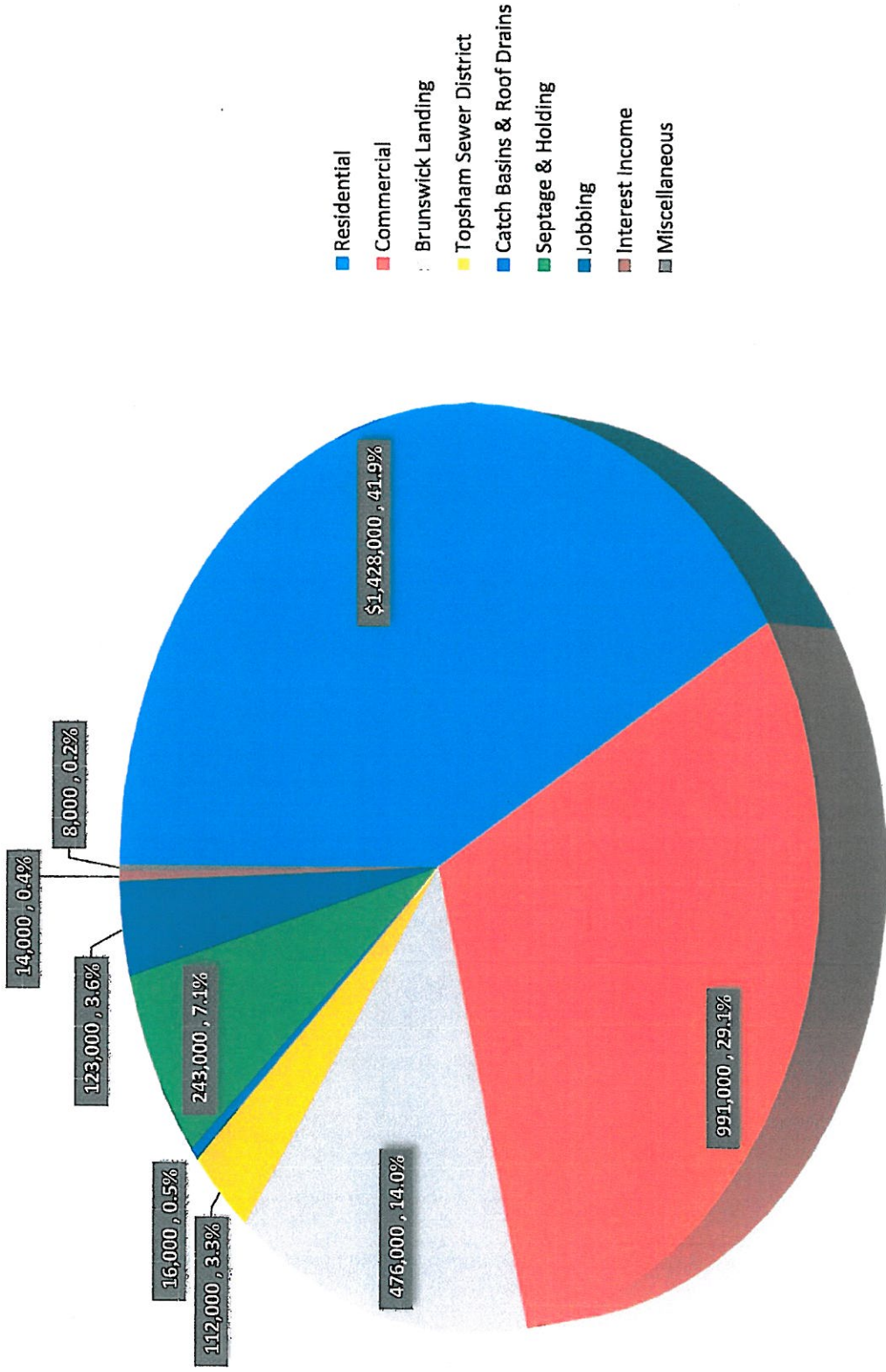
**Rate Schedule V - SEPTIC TANKS & HOLDING TANK WASTE:** The facility use rate for discharge of septic tank waste.

	<u>Current</u>	<u>Proposed</u>	<u>Increase of</u>	<u>Change</u>	
Rate per disposal of 1,000 gallons	\$ 120.00	\$ 125.00	\$ 5.00	4.17%	
The facility use rate for discharge of <u>holding tank waste</u> to District facilities.					
Rate per disposal of 1,000 gallons	\$ 52.00	\$ 60.00	\$ 8.00	15.4%	
Minimum charge	\$ 10.00	\$ 15.00	\$ 5.00	50.0%	

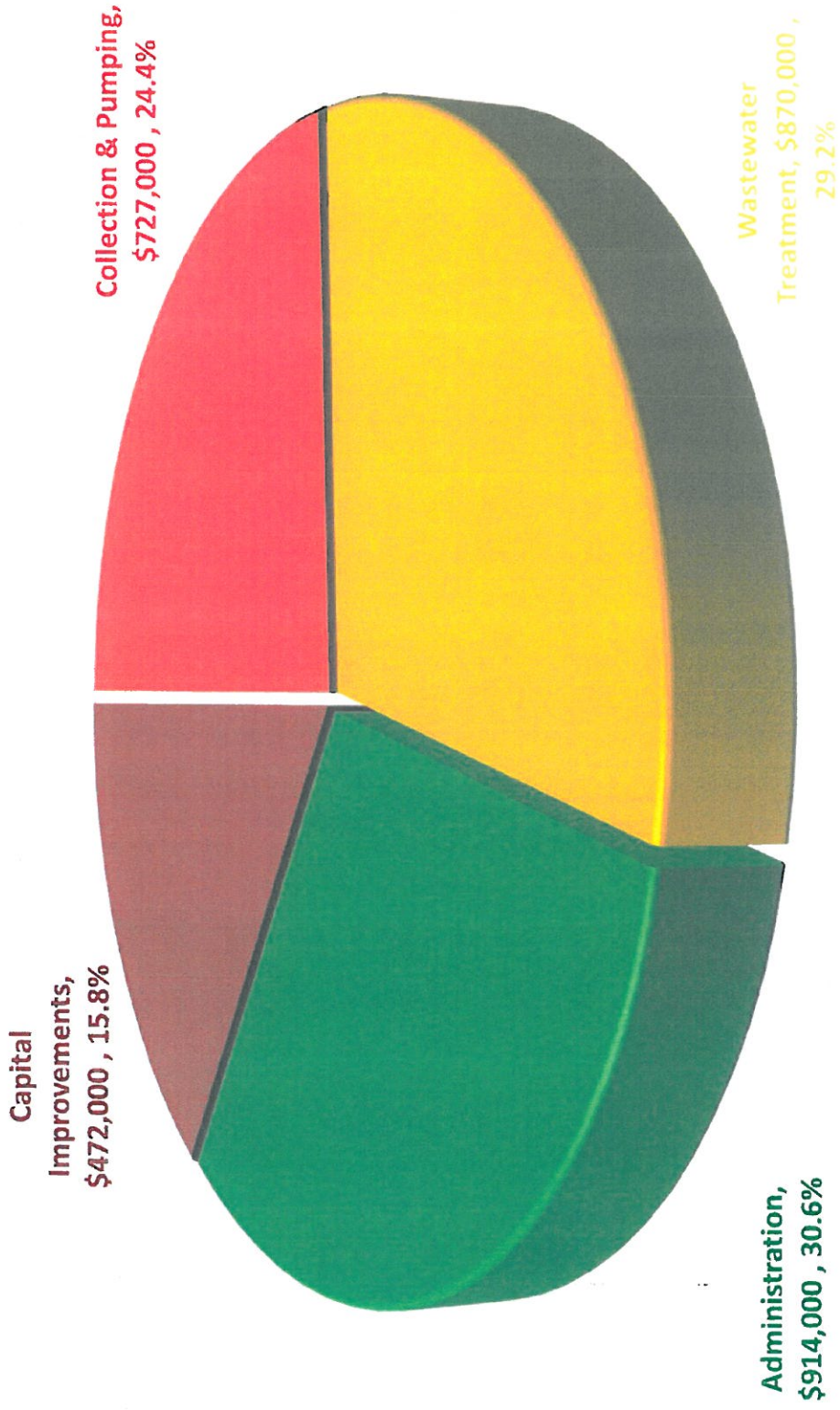
**Rate Schedule VI - TSS & BOD LIMITS:** The sewer use surcharge rate for discharge of excessive Total Suspended Solids (TSS) and/or Biochemical Oxygen Demand (BOD) to District facilities.

	<u>Current</u>	<u>Proposed</u>	<u>Increase of</u>	<u>Change</u>
TSS rate per pound (lb) discharge	\$0.72	\$ 0.82	\$ 0.10	13.9%
BOD rate per pound (lb) discharge	\$0.70	\$ 0.80	\$ 0.10	14.3%

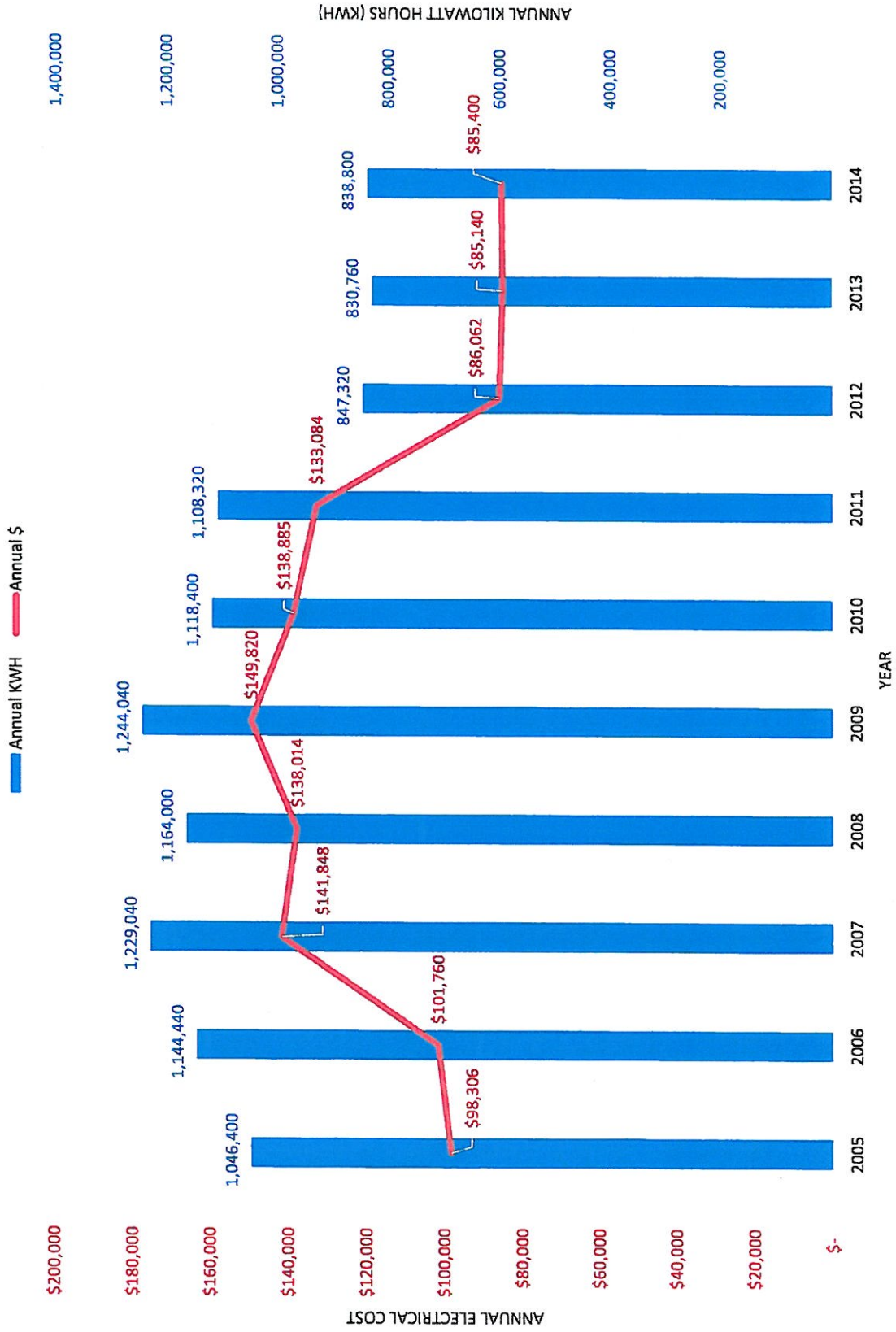
# Proposed 2015 Revenue Sources



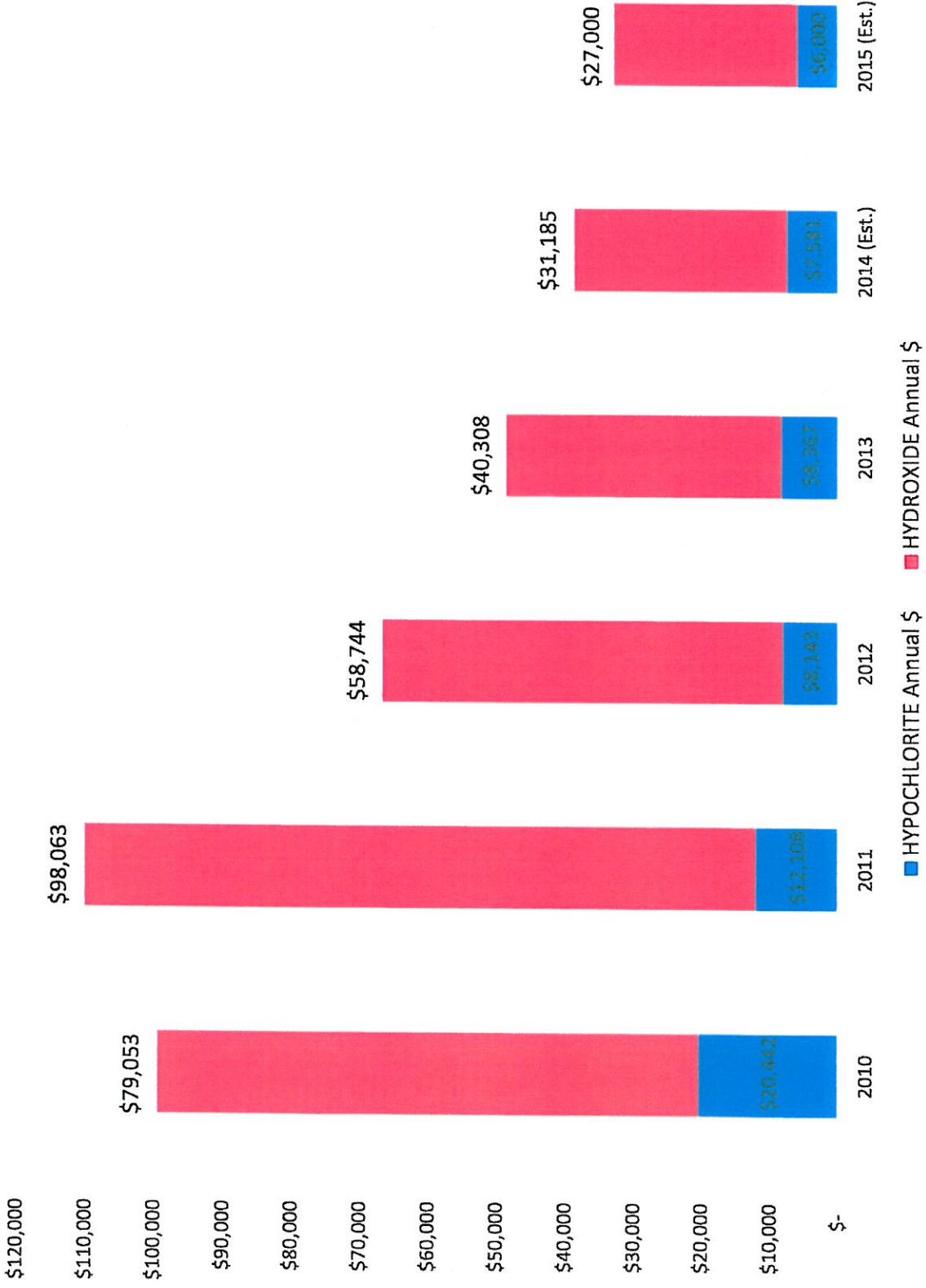
**PROPOSED 2015 EXPENSE & CAPITAL ALLOCATION**  
(NON-TREATMENT PLANT UPGRADE RELATED)



# Annual Treatment Plant Electrical Usage (KWH) & Cost (\$)



ANNUAL HYPOCHLORITE AND HYDROXIDE COST





### Capital Improvement Plan 2014 to 2018 (w/o Treatment Plant Upgrade)

