



# Town of Middlebury

FY21 Water & Wastewater  
Budget & Rate Presentation  
Infrastructure Committee  
June 11, 2020

# FY21 Water Budget Major Drivers

## FY21 Water Department Major Drivers:

- Line 15 - Inflationary increases in wages and benefits - \$8,322.
- Line 24 – State Permit fees increased \$2,000 – this is the pumpage-based fee paid to the State.
- Line 34 – Admin Services – compensation to the General Fund for staff.
- Line 40 – Medical Insurance increased by \$4,690.
- Line 45 - Worker’s Comp - \$6,700 increase due to Town Department-wide increase.
- Line 59 & 61 – Equipment Fund. Increased vehicle and equipment expenses.
- Line 63 – Equipment Fund/Building Maintenance; increased by \$7,000 to reflect Dept’s share in the PWks Building.
- Line 172– \$1M Water Bond Payment Principal – \$100,000 added to the budget to reflect first principal payment.
- Line 173- Annual Interest on \$1M water Bond.
- Line 180 – Trans/Capital Improvements - increase of \$110,000 for initiative to fund improvements to the Water System.

# FY21 Wastewater Budget Major Drivers

## FY21 Wastewater Department Major Drivers:

- Lines 27 & 28 – Inflationary increases in wages - \$12,900
- Line 51 – Increase in Medical Insurance, \$5,000.
- Lines 56 - Worker's Comp increase by \$16,500 due to Town Department-wide increase.
- Line 93 – Electricity - Treatment Plant, increased by \$30,000; due to change in sludge characteristics.
- Line 103 – Water increased by \$6,000 due to change in sludge characteristics.
- Line 146 – Capital Improvements slightly increased by \$5,381.
- Overall – Decreases in several line items translate to a very minor increase of total expenses - \$19,449.

# Typical Residential User – Quarterly (Assuming 9,300 gal/qtr)

|   | Current<br>FY20 | Proposed<br>FY21 | \$ Change   |
|---|-----------------|------------------|-------------|
| Water Base Rate   | 50.00           | 60.00            | 10.00       |
| <u>Usage</u> (\$3.43/1000 gal FY19; \$3.75/1000gal<br>FY20) | <u>31.90</u>    | <u>34.88</u>     | <u>2.98</u> |
| Water Total   | \$81.90         | \$94.88          | \$12.98     |
| Wastewater Base Rate  | 30.00           | 31.00            | 1.00        |
| <u>Usage</u> (\$6.78/gal FY19; 6.78/gal FY20)               | <u>63.06</u>    | <u>63.06</u>     | <u>0.00</u> |
| Wastewater Total  | \$93.06         | \$94.06          | \$1.00      |
| Combined Base Rate  | 80.00           | 91.00            | 11.00       |
| <u>Combined Usage</u>                                       | <u>94.96</u>    | <u>97.94</u>     | <u>2.98</u> |
| Combined Total  | \$174.96        | \$188.94         | \$13.98     |

# Water Budget & Rate Recommendations

## FY21 Budget Recommendation:

If the Committee is amenable to adopting the water fund budget as presented, the following motion would be in order: *I move that the Committee recommend the proposed FY21 Water Fund budget of \$1,669,997 to the Selectboard for adoption.*

## FY21 Rate Recommendation:

If the Committee is amenable to adopting water rates as presented, the following motion would be in order: *I move that the Committee recommend to the Selectboard a water base rate of \$60.00 for in-town users and a water base rate of \$65.00 for out-of-town users and usage rate of \$3.75 per 1,000 gallons for in-town users and \$3.95 per 1,000 gallons for out-of-town users for FY21.*

# Wastewater Budget & Rate Recommendations

## FY21 Budget Recommendation:

If the Committee is amenable to adopting the wastewater fund budget as presented, the following motion would be in order: *I move that the Committee recommend the proposed FY19 Wastewater Fund budget of \$2,792,514 to the Selectboard for adoption.*

## FY21 Rate Recommendation:

If the Committee is amenable to adopting wastewater rates as presented, the following motion would be in order: *I move that the Committee recommend to the Selectboard a base rate of \$31.00 per quarter and retain the usage rate of \$6.78 per 1,000 gallons for FY21.*