



Town of Middlebury

FY22 Water & Wastewater
Budget & Rate Presentation
Infrastructure Committee
June 10, 2021

FY22 Water Budget Major Drivers

FY22 Water Department Major Drivers:

- Line 34 – Admin Services – compensation to the General Fund for staff,+ \$10,000.
- Line 40 – Medical Insurance increased by \$2,574.
- Line 46 - Worker's Comp - \$4,943 increase due to Town Department-wide increase.
- Line 60 – Equipment Fund. Increased vehicle and equipment expenses.
- Line 130 – Maintenance of Mains – Contractual Services increased \$15,600 to reflect higher costs for these services and difficult repairs.
- Line 161- Cellular Meters – Increased by \$50,000 for one year to purchase these meters.
- Line 179 – Trans/Capital Improvements – Retained the FY21 amount of \$454,800 (no increase of \$110,000) to fund improvements to the Water System to reduce impact on rates.

FY22 Wastewater Budget Major Drivers

FY22 Wastewater Department Major Drivers:

- Lines 28 – Inflationary increases in wages - \$5,130.
- Line 45 – Administrative Services, compensation to the General Fund for staff services: \$8,000.
- Lines 49-58 Employee Benefits – Overall decrease by \$4,267.
- Line 71-74 – Equipment Fund – Combined increase of \$14,318 for maintenance costs and future equipment set-aside (reserve).
- Line 122 – Pump Station equipment repair increased by \$4,000.
- Line 134 – Cellular Meters – One-year \$50,000 increase for purchases of cellular meter initiative.
- Line 149 – Capital Improvements decreased by \$43,500. (one-year) to reduce COVID effect on rates. Also proposed set-aside of \$100,000 for future plant upgrades- deleted from budget.
- Overall – Slight decrease in expenses compared to FY21 by \$3,288, but revenues forecasts are affected by COVID-19.

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

	Current FY21	Proposed FY22	\$ Change
Water Base Rate	60.00	65.00	5.00
<u>Usage</u> (\$3.75/1000 gal FY21; \$3.87/1000gal FY22)	<u>34.88</u>	<u>35.99</u>	<u>1.11</u>
Water Total	\$94.88	\$100.99	\$6.11
Wastewater Base Rate	31.00	34.00	3.00
<u>Usage</u> (\$6.78/1000gal FY21; \$6.94/1000gal FY22)	<u>63.06</u>	<u>64.54</u>	<u>1.48</u>
Wastewater Total	\$93.06	\$98.54	\$4.48
Combined Base Rate	91.00	99.00	8.00
<u>Combined Usage</u>	<u>97.94</u>	<u>100.53</u>	<u>2.59</u>
Combined Total	\$188.94	\$199.53	\$10.59

Water Budget & Rate Recommendations

FY22 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 to the Selectboard, the proposed FY22 Water Fund budget of \$1,752,860.*

FY22 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 \$65.00 per quarter for in-town users and a water base rate of \$70.00 per quarter for out-of-town users and usage rate of \$3.87 per 1,000 gallons for in-town users and \$4.07 per 1,000 gallons for out-of-town users for FY22.*

Wastewater Budget & Rate Recommendations

FY22 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 to the Selectboard, the proposed FY22 Wastewater Fund budget of \$2,789,226.*

FY22 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 \$34.00 per quarter and a usage rate of \$6.94 per 1,000 gallons for FY22.*