
2014 Overview: Sewer Maintenance Fund

Finance & Personnel Committee
October 14, 2013

Objectives

Measure	2012 Actual	2013 Planned	2013 Year To Date	2014 Planned
Sanitary sewer overflows	0	0	3	0
Number of basement backups reported	23	0	17	0
Miles of sewer replaced or relined	35	46	--	32

2014 Budget Summary

	2013 ADOPTED BUDGET	2014 PROPOSED BUDGET	DIFFERENCE (amount, %)
FTEs – O&M	103.65	100.05	-3.60, (-3.5%)
FTEs - Other	11.35	14.95	3.60, (31.7%)
Salaries & Wages	\$4,421,553	\$4,603,485	\$181,932, (4.1%)
Fringe Benefits	2,122,345	2,163,638	41,293, (1.9%)
Operating Expenditures	6,215,500	6,430,000	214,500, (3.5%)
Equipment	416,100	460,000	43,900, (10.6%)
Special Funds	44,448,050	41,559,074	-2,888,976, (-6.5%)
O&M TOTAL	\$57,623,548	\$55,216,197	\$-2,407,351, (-4.2%)
Capital	\$44,510,000	\$44,550,000	\$40,000, (0.1%)
Total	\$102,133,548	\$99,766,197	\$-2,367,351, (-2.3%)

Budget Highlights

1. Auxiliary personnel

- Funding restored in 2014 (+\$165,000)
- Provides department required flexibility during busy season

2. Crew Operations

- 2013 budget initiative to improve fund sustainability
- Initiative reduced budget by \$234,000
- No change in 2014

3. Fund Transfers

4. Capital Program

- Continues commitment to a 90-year replacement program

5. Rate Plan

- Increases in both fees relates to the commitment to 90-year replacement program

Special Funds Summary

1. General Fund Transfer - \$15.1 million
 - Brush & leave collection -\$2.1 million
 - Street sweeping - \$2.6 million
 - Tree care - \$10.4 million
2. Capital Fund Transfer - \$2.5 million
 - EAB - \$952,000
 - Tree production - \$1.5 million
3. Debt Service - \$22.2 million

Capital Budget

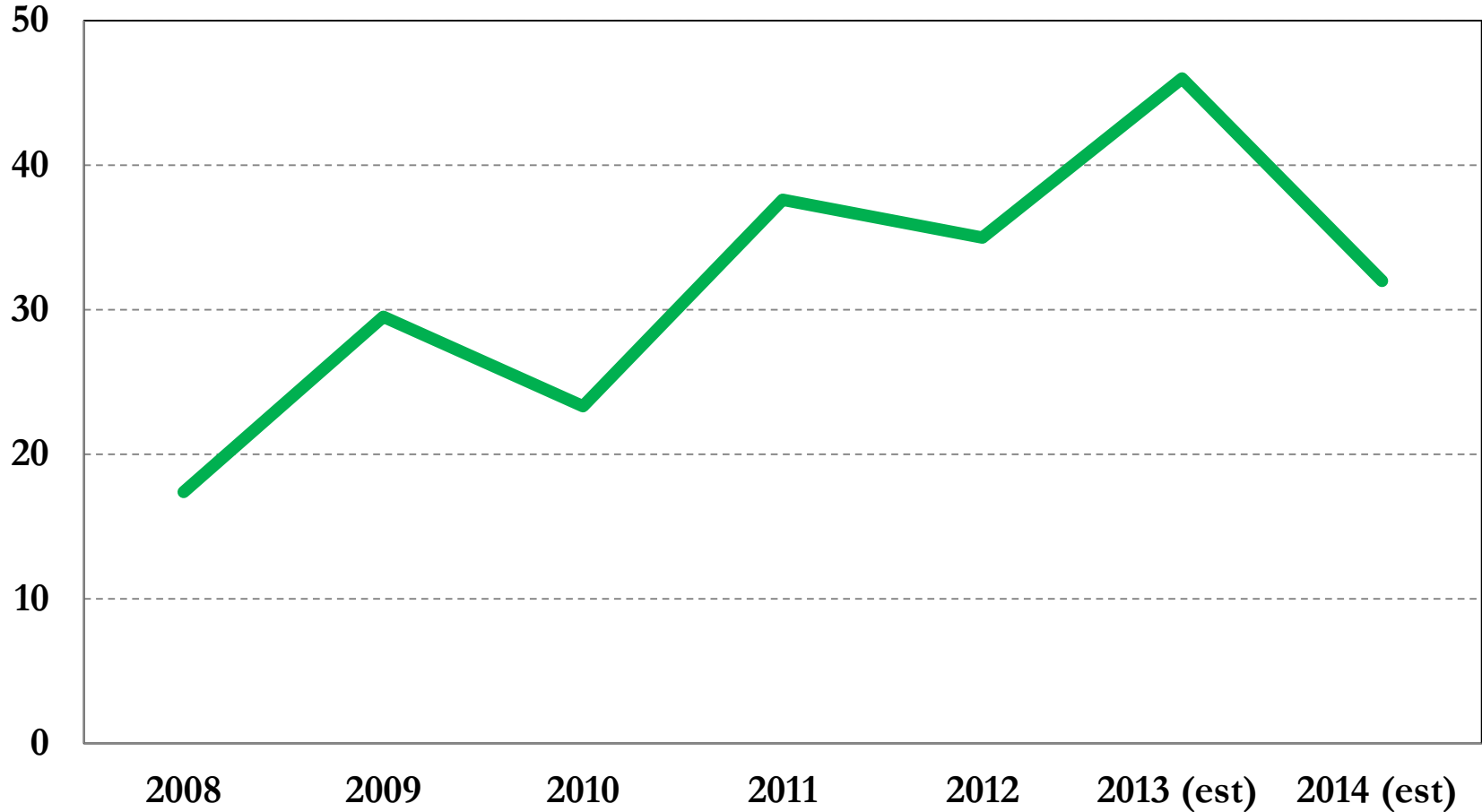
Project	2013 ADOPTED BUDGET	2014 PROPOSED BUDGET	DIFFERENCE (amount, %)
Sewer Relay	\$32,800,000	\$33,900,000	\$1,100,000, (3.4%)
I & I Reduction	10,300,000	8,650,000	-1,650,000, (-16.0%)
Water Quality projects	750,000	1,000,000	250,000, (33.3%)
Pump Facility Rehab	500,000	700,000	200,000, (40.0%)
Channel Restoration	160,000	200,000	40,000, (25.0%)
Developer Out of Program Agreement	0	100,000	100,000
TOTAL	\$44,510,000	\$44,550,000	\$40,000, (0.1%)

Sewer Maintenance Fund Capital Improvement Allocation



In 2010, \$15.5 million of Federal stimulus money was available for the Sewer capital program. In 2011, \$2.8 million of MMSD grant funds were budgeted for Infiltration and Inflow reduction projects. In 2012, \$2.6 million of MMSD grant funds were budgeted for Infiltration and Inflow reduction projects. In 2013, \$2.6 million of MMSD grant funds were budgeted for Infiltration and Inflow reduction projects. In 2014, \$1.65 million of MMSD grant funds were budgeted for Infiltration and Inflow reduction projects.

Sewer Maintenance Fund Miles Replaced or Relined



Revenues

	2013 ADOPTED BUDGET	2014 PROPOSED BUDGET	DIFFERENCE (amount, %)
Sewer Maintenance Fee	\$28,389,121	\$28,934,192	\$545,071, (1.9%)
Stormwater Maintenance Fee	25,720,339	27,006,356	1,286,017, (5.0%)
Charges for Services	1,782,830	1,727,338	-55,492, (-3.1%)
Interest Revenue	242,623	163,813	-78,810, (-32.5%)
Developer Out of Program Revenue	0	100,000	100,000
Proceeds from Borrowing	38,060,000	39,500,000	1,440,000, (3.8%)
Grant and Aid	2,640,000	1,650,000	-990,000, (-37.5%)
Withdrawal from Retained Earnings	5,298,635	684,498	-4,614,137, (-87.1%)
TOTAL	\$102,133,548	\$99,766,197	\$-2,367,351, (-2.3%)

Rate Plan

Fee	2013	2014	Difference	%Change
Sewer Maintenance Fee (per billable CCF)	\$1.29	\$1.34	\$0.05	4.0%
Stormwater Fee per ERU	\$16.13	\$16.94	\$0.81	5.0%

Average Residential User	2013	2014	Difference	%Change
Sewer Maintenance Fee	\$87.19	\$90.57	\$3.38	4.0%
Stormwater Fee	\$64.52	\$67.76	\$3.24	5.0%
Total	\$151.71	\$158.33	\$6.62	4.4%