

**TOWN OF SUFFIELD
WATER POLLUTION CONTROL AUTHORITY
2023/2024 BUDGET**

FUNDS:

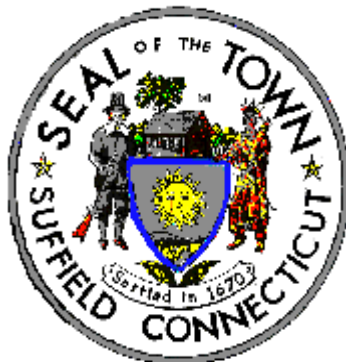
**ADMINISTRATION
ASSESSMENT
RESERVE CAPACITY MAINTENANCE
KENT FARMS**

WPCA Meeting – May 30, 2023

WPCA Public Hearing - May 30, 2023

Questions May Be Directed To:

**Jamie Kreller, Superintendent OR Julie Nigro, Business Administrator
Town of Suffield WPCA
860-668-3856**



WATER POLLUTION CONTROL AUTHORITY BUDGET SUMMARY

	2022-2023	2023-2024
ADMINISTRATION:	\$3,687,000	\$3,981,000
ASSESSMENT:	\$910,000	\$288,000
RESERVE CAPACITY MAINTENANCE:	\$1,663,000	\$3,737,000
	\$6,260,000	\$8,006,000

	2022-2023		2023-2024	
2023-2024 Town of Suffield Sewer Use Fee:	\$370	per unit	\$380	per unit
2023-2024 Kent Farm Sewer Use Fee:	\$370	per unit	\$440	per unit
2023-2024 Dollar Per 1,000 Gallons:	\$8.89		\$9.09	

Water Pollution Control Authority Commission Members:

Janet Davis, Chairman
 Roger Ives, Vice Chairman/Treasurer
 Frank Bauchiero
 Jeff Davis
 Daniel Holmes
 John Murphy
 Chris Rago

TOWN OF SUFFIELD WATER POLLUTION CONTROL AUTHORITY
2023/2024 Expense Budget - \$3,981,000

General

A copy of the WPCA Administration Expense Budget is attached. The major points are as follows:

- The 2023-2024 Expense Budget increased \$293,999 or 7.97% with the inclusion of Fund Balance money, however, the actual increase in expenses is 1.91%. The Overall budget (ALL 3 BUDGETS: ADMIN, RCM, ASSESSMENT) has increased by 27.89%.
- The Equivalent Dwelling unit (EDU) charge for FY 2023-2024 has increased to \$380 , representing a 2.70% increase.
- The use of Fund Balance in the amount of \$673,000 will be used for the large amount of projects to be completed this year. Note that uncompleted projects in the 2022/2023 budgeted Capital Projects will be moved to 2023/2024.
- The most recent rate change of \$10/year, was for the last fiscal period; we have capital projects planned out for future years and must plan for level increases accordingly.

Capital projects this year include:

- Morton building to house equipment and spare pumps (if not completed in fiscal 22/23)
- Vactor lease annual payment
- Pipe lining/point repairs
- Stony Brook Repair Study (if not completed in fiscal 22/23)
- Stony Brook repair (If grant is approved **OR** use of DEEP 2% loan)
- Pump station generator replacement (if not completed in fiscal 22/23)

Payroll, Social Security & Pension:

- Costs for WPCA employees total \$1,238,000 , or approximately 31.10% of operation and maintenance expenses.
- The aggregate increase in Payroll of 3.86% is comprised of: (1) A budgeted annual increase for administrative staff of 2.25%, with actual increases determined by the Commission in June.
- This line item also includes an estimated 2.25% increase for the union staff under the Collective Bargaining Unit contract.
- Additionally, this includes unscheduled overtime and the cost of the WPCA's contribution to deferred compensation accounts.

- Social Security is based on 7.65% of budgeted salaries. The town's Pension Administrator determines WPCA's contribution to the Pension Fund. Employees hired after 6/30/2014 participate in the Town's 457 Deferred Compensation plan with matching up to 7% in lieu of a pension.

Workers' Compensation, Employee Medical Insurance, Property, General Liability, Umbrella, Automobile and Boiler and Machinery Insurance:

- The WPCA is included in the Town contracts.

OPEB Contribution:

This line item represents the WPCA's portion of "Other Postemployment Benefits" as provided by the Finance Director for the Town.

Operation and Maintenance:

- **Chemicals**

-The cost of purchasing chemicals used to treat wastewater. Chemical costs (Polymer) are estimated to be approximately 10.55% higher per tote than last year. Polymer is used for sludge dewatering and usage is based on the Hood demand on the system.

- **Waste:**

- The cost of disposing of sludge at the Metropolitan District Commission sludge handling facility, and other waste produced during the treatment process. MDC's rate is increasing from \$315/ton to \$360/ton and we've been trending 20.84% higher in tons delivered to MDC over last year. This change represents a \$79k increase in the line item – \$47k due to the cost/ton change.

- **Uniforms:**

- The cost of supplying uniforms, foul weather gear and safety footwear to all of its operational employees as required under the collective bargaining agreement is up, based on the last 3 year's actuals.

- **Laboratory Testing:**

- The cost of performing and reporting laboratory analysis using an outside vendor for the WPCA main facility and the Kent Farms Sewer District (due to the complex nature of the tests and advanced level of the technical equipment that is required, these tests are performed by outside vendors).

- **Training, Safety Supplies, and medical expenses:**

- The cost for employees to participate in appropriate training opportunities including training for Operators to pursue advanced licenses, safety courses, exam fees, safety supplies, and equipment. In addition, any administrative classes (Business writing, advanced spreadsheet prep., etc.) are included in this line item.

- The Safety supplies line item is for the purchase of safety supplies including: OSHA compliance items, first aid supplies, gloves, and hard hats.

- Required medical tests and treatments for new hires, and DOT mandated testing.

- **Plant/ Process Equipment R&M and Collection System Maintenance:**

General Plant Maintenance- Plant maintenance is guided by our JobPlus program and helps identify actual maintenance needs on a predictive and ideally, preventative basis.

Buildings and Grounds – These are expenses that are associated with the repair and maintenance of the treatment facility,

-Utilities related equipment

-Buildings HVAC,

-Windows and Doors,

-Structural repairs

-Computers and related equipment

-Process Equipment R&M- The cost of major process equipment maintenance including:

-Instrumentation

-repairs and maintenance for major mechanical components of the biological treatment process.

-annual UV parts - \$35k per year

Collection system maintenance of public sewer system

There is a significant increased focus on maintenance of the aging sewer system dating back to the 1960's, with an advanced focus on system requirements based on EPA recommended practices. This includes repair and maintenance of:

- Five low pressure sewer systems. Plant Staff are only responsible for the pipes and related specialized low pressure sewer equipment in the public right of way, only up to and including the curb box shut off structures (generally at the private property line).

- Predictive, Preventive, and Corrective Maintenance (parts and materials) for underground assets such as pipes, manholes, force mains, CCTV, subcontracted repair work

- **Tools & Equipment:**

- This line item includes all miscellaneous tools and equipment (gauges, shovels, lab equipment, mower parts and accessories, etc.).

- **Utilities: Telephone, Electricity, Fuel oil-generators, and Water:**

-These line items fund the cost of telephone, Cable internet, electrical service (including electric heat), generator, and potable water service to the treatment facility.

-The WPCA participates in the Town wide fuel oil contract for the small usage of heating oil for the Headworks building and pump station generators. The WPCA is currently in a three-year electricity contract for supply generation with a rate of \$0.0763 (to expire 11/19/2024). This line item has increased from last year, due to an increase in kilowatt usage by about 6.30%.

- **Vehicles: Gas-automotive, Mileage, R&M Vehicles:**

These line items fund the cost of providing gasoline and diesel fuel to:

-WPCA vehicles through the Town's Dieselgard and Keegard service; the cost of reimbursing WPCA employees for use of a personal vehicle for work related travel; vehicle repair and maintenance costs.

-The repair and maintenance budget increased to accommodate inspections & preventative maintenance on a 7-year-old Roll-off truck and a 4-year-old Vactor truck.

-Auto gas has increased based on actual usage over the last 2 years and volatile gas/diesel prices. The mileage reimbursement rate has increased from \$0.585 to \$0.655 per mile.

Administration Costs: Office Supplies, Postage, Advertising, Legal/Advice, Engineering Services, Service Contracts, Dues & Subscriptions:

These line items fund costs associated with office operations:

-routine correspondence,

- Invoices and notices

- Certified mailings

- Legal advertising – including RFP's

- Engineering review and advice

- Outside consultants

- Legal advice

- Copy machine, a wide format printer, and

- Various professional organizations and journals.

- **Contingency:**

- This line item represents approximately 3% of the Operating budget (less the “Contingency” line item itself and the “Transfer to RCM” line item) and is designated for unforeseen items not planned for in the RCM Budget for emergencies.

- **Capital Costs:**

- Include the following Capital line items:

- The “**Capital Replacement – Vehicles**”

- This line item funds the cost of replacing WPCA vehicles. This year’s line item is \$0 – with no new vehicle purchases.

- The “**Interest Expense**” line item represents the interest portion of any financing (VACTOR truck)- \$5,000 this year.

- The **Reserve Cap Projects** – line item is designated to be transferred to the RCM fund for Capital Projects, using Sewer Use fees revenue.

KENT FARMS COMMUNITY SEPTIC SYSTEM
2023/2024 Expense Budget - \$440

The Kent Farms Community Septic System is operated by the WPCA as a separate sewer district.

- The system was designed to a maximum of 44 homes, and currently serves 44 homes.
- Based on the schedule of expenses for “Pump Station #8 – Plantation Drive”, the WPCA levies a separate user fee against property owners using that system.
- The WPCA is responsible for maintaining on-site septic systems in the Kent Farms Sewer District.
- The 2023/2024 Kent Farms Sewer Use Fee will increase from \$370 to \$440 , representing an approximate 18.92% increase. The additional increase is to cover capital expenditures for replacing aging tanks. Tanks will be replaced at a rate of about 3 tanks per year (total of 44).
- The fee covers pump station maintenance, electricity, time and labor for station monitoring, as well as pump-outs of the separate septic tanks for 1/3 of Kent Farms each year (homes are pumped out every three years), and the cost to treat this at the Plant.

2023/2024 WPCA Assessment Fund Budget - \$288,000

The WPCA Assessment Fund is the account into which all WPCA Sewer Benefit Assessment payments or Sewer Connection Charges are deposited.

- A Sewer Benefit Assessment is levied against any property owner whose property is “specially benefited” by the installation of a public sewer line, as enabled by Chapter 103, Section 7-249 through 7-254 of the Connecticut General Statutes.
- The Sewer Connection Charges are assigned to a property whenever construction results in the creation of additional units connected to the existing sanitary sewer system per CGS§7-255.
- The cash in this fund is used to pay down any debt from the financing of the acquisition or construction of the sewerage system OR for the acquisition or construction of the sewerage system.
- There is currently no debt to the Town from the WPCA, therefore all Assessment and Sewer Connection revenues are transferred into the RCM fund for Capital Improvement Projects allowable by State statute.

2023/2024 WPCA Reserve Capacity Maintenance Fund Budget – \$3,737,000

This fund is used to help finance WPCA Collection System & Plant construction projects. Included in this year’s RCM budget besides Sewer Development are the following Plant Upgrade projects:

Capital - Plant		\$
Morton building	Morton building	\$ 95,000
		<hr/>
Total Capital - Plant		\$95,000
		<hr/>
Capital - Pump Stations/Collections System		
pump station generators replacement		\$100,000
Vactor 7 year lease (6th yr)		\$63,000
Pipe lining/point repairs		\$1,000,000
Stony Brook Crossing repairs (permanent)		\$2,277,000
Stony Brook Repair Study		\$202,000
Total Capital - Pump Stations/Collections System		<hr/>
		\$3,642,000
		<hr/>
TOTAL CAPITAL PROJECTS		\$3,737,000
		<hr/>

Suffield WPCA 2023/2024 O&M Revenue Budget

	2022/2023	2023/2024	variance	
Proposed 2023/2024 Use Fee	\$370.00	\$380.00	2.70%	2.70% increase in EDU cost from 2022 (*See Definition of EDU below)
Proposed Dollar Per Gallon (Com)	\$8.89	\$9.09	2.25%	Commercial excess gallons charge in excess of 1 EDU
Use Charges - Commercial	\$ 295,000	\$ 305,000	3.39%	collection rate of 99% (as of 4/2023)
Use Charges - Residential billed	\$ 1,216,000	\$ 1,248,000	2.63%	collection rate of 96% (as of 4/2023)
Use Charges - Kent Farms	\$ 16,000	\$ 19,000	18.75%	collection rate of 96% (as of 4/2023) Last year's collection rate was 98%.
Use Charges - Prison	\$ 859,000	\$ 895,000	4.19%	Increase based on higher Commercial rate from \$8.89 to \$9.09
Use Charges - Hood	\$ 587,000	\$ 665,000	13.29%	Increase based 1st 3 quarters of 2022/2023 & estimates on 4th qtr's with recent Hood flows and strength of flow.
Use Charges - Delinquent	\$ 45,000	\$ 51,000	13.33%	based on past delinquent collection rate of 69% on projected delinquent
Interest & Fees	\$ 28,000	\$ 31,000	10.71%	based on average rate of 41% of total delinquent
Permits & Septic	\$ 64,000	\$ 54,000	-15.63%	based on last year's receipts
Investment Income	\$ 3,000	\$ 40,000	1233.33%	based on higher interest rates over the last year
Transfer from Fund Balance	\$ 574,000	\$ 673,000		Use of Fund Balance for projects budgeted - to be transferred to RCM Budget for Cap Projects

	\$ 3,687,000	\$ 3,981,000		
Kent Farms rate	\$370	\$440		

* **EDU - Equivalent Dwelling Unit =**
46,000 gpy per single family dwelling or 126 gpd

	Expenses \$	3,981,000
	Revenue \$	3,981,000
	Difference from Revenue \$	0

**Suffield WPCA O&M
2023/2024 Budget**

	2022/2023	2023/2024		variance	Description
Payroll	\$ 1,011,000	\$ 1,050,000	39,000	3.86%	Assumes Admin wage increases of 2.25% and 2.25% for Union. Actual wage increases for Admin staff are approved in June.
Social security	\$ 78,000	\$ 80,000	2,000	2.56%	7.65% of Payroll
Pension	\$ 106,000	\$ 108,000	2,000	1.89%	Per Pension valuation from Finance Director 3/1/2023
Workers Comp	\$ 17,000	\$ 18,000	1,000	5.88%	based on CIRMA's projection - provided by the Finance Director
Office supplies	\$ 16,000	\$ 21,000	5,000	31.25%	based on last 3 years spend
Chemicals	\$ 27,000	\$ 27,000	0	0.00%	based on same usage of Polymer totes
Postage	\$ 4,000	\$ 4,000	0	0.00%	no change
Telephone	\$ 16,000	\$ 16,000	0	0.00%	no change
Electricity	\$ 175,000	\$ 185,000	10,000	5.71%	incr. due to higher kwh usage (approx 8% more in 22/23 vs 21/22)
Water	\$ 7,000	\$ 7,000	0	0.00%	no change
Gas - automotive	\$ 18,000	\$ 23,000	5,000	27.78%	incr. due to fluctuating/volatile gas prices and additional VACTOR usage for sewer line cleaning
Fuel oil - heat	\$ 7,000	\$ 7,000	0	0.00%	no change
Mileage	\$ 1,000	\$ 2,000	1,000	100.00%	incr. due to additional training
Waste disposal	\$ 176,000	\$ 255,000	79,000	44.89%	incr. based on a price increase per dry ton from \$315 to \$360 for disposal at MDC, as well as an average 9 month increase of 20% in the amount of dry tons to be disposed.
Insurance	\$ 35,000	\$ 36,000	1,000	2.86%	incr. based on a 3% increase over last year's cost and projection from CIRMA
Advertising	\$ 4,000	\$ 3,000	(1,000)	-25.00%	decr. Based on number of bid requests this year; delinquent notices; accounts payable
Legal/advice	\$ 55,000	\$ 48,000	(7,000)	-12.73%	decr. based on 3 yrs legal fees & No union negotiations this year
Engineering Services	\$ 12,000	\$ 11,000	(1,000)	-8.33%	decr. based on 3 yrs of actuals and majority of Engineering performed under Capital Projects
Service Contracts	\$ 43,000	\$ 46,000	3,000	6.98%	incr- based on 3 YRS actuals on service contracts with: TAB computers, WINN -11, HACH, Huber, Otis, HACH sensors, service from TAB, and addition of IDEX contract - all with estimated rate increases
Uniforms	\$ 7,000	\$ 7,000	0	0.00%	no change
Tests	\$ 29,000	\$ 45,000	16,000	55.17%	incr. due to additional testing being performed
Dues & Subscriptions	\$ 4,000	\$ 4,000	0	0.00%	no change
Employee Insur	\$ 453,000	\$ 331,000	(122,000)	-26.93%	The cost of Health insurance for current employees & 100% of 1 retiree, plus cost of: Life, std & ltd insurance, H S A contributions, used estimate of 5.5% incr. in cost over last year. Note that retirees medicare supplemental policies will be accounted for within OPEB from now on - therefore a significant decrease in this line item.
Training	\$ 20,000	\$ 20,000	0	0.00%	no change
Medical Expenses	\$ 3,000	\$ 3,000	0	0.00%	no incr. - based on Union contract allowable medical injections for industry-type exposures (ex: hepatitis, typhoid, diphtheria, flu, and tetanus).
Plant Maintenance	\$ 60,000	\$ 77,000	17,000	28.33%	incr. based on last 5 years actuals
Collection System	\$ 45,000	\$ 44,000	(1,000)	-2.22%	decr. Based on last 5 years actuals
R & M - Vehicles	\$ 16,000	\$ 16,000	0	0.00%	no change
Cap Replace - Vehicles	\$ -	\$ -	0	0.00%	no change
Cap Improve	\$ -	\$ -	0	0.00%	no change
Tools & Equipment	\$ 26,000	\$ 35,000	9,000	34.62%	incr. due to purchase of misc tools & annual Tractor lease payment (4th of 5 annual payments at 0% interest)
Process Equipment - R&M	\$ 115,000	\$ 115,000	0	0.00%	no change
Reserve Cap Projects	\$ 179,000	\$ 318,000	139,000	77.65%	use fees to be applied to current year capital projects - See RCM budget
Interest Expense	\$ -	\$ 5,000	5,000	100.00%	incr. due to Vactor interest charge
OPEB Contribution	\$ 101,000	\$ 82,000	(19,000)	-18.81%	decr. Based on Finance Director's projections from 3/6/23
Transfer to RCM	\$ 574,000	\$ 673,000	99,000	17.25%	Planned usage of Fund balance, however this includes the possibility of moving uncompleted projected from 2022/2023 to 2023/2024 fiscal period.
Safety Supplies	\$ 14,000	\$ 14,000	0	0.00%	no change
Contingency	\$ 91,000	\$ 96,000	5,000	5.49%	3%+ of budget (less the fund balance transfer) for unforeseen items not planned for in RCM for emergencies
#1 -Thompsonville Rd	\$ 18,000	\$ 19,000	1,000	5.56%	routine exp including Electricity + Mission Commun.
#10 - Mapleton Estates	\$ 4,000	\$ 4,000	0	0.00%	routine exp including Electricity + Mission Commun.
#11 - Mapleton Ave	\$ 9,000	\$ 9,000	0	0.00%	routine exp including Electricity + Mission Commun.
#12 - Bridge St	\$ 9,000	\$ 11,000	2,000	22.22%	routine exp including Electricity + Mission Commun.
#13 - Stony Brook	\$ 5,000	\$ 5,000	0	0.00%	routine exp including Electricity + Mission Commun.
#2 - Willow Creek	\$ 4,000	\$ 4,000	0	0.00%	routine exp including Electricity + Mission Commun.
#3 - Mountain Road	\$ 15,000	\$ 15,000	0	0.00%	routine exp including Electricity + Mission Commun.
#4 - River Blvd	\$ 9,000	\$ 9,000	0	0.00%	routine exp including Electricity + Mission Commun.
#5 - Fairhill Lane	\$ 12,000	\$ 12,000	0	0.00%	routine exp including Electricity + Mission Commun.
#6 - Suffield Meadows	\$ 10,000	\$ 10,000	0	0.00%	routine exp including Electricity + Mission Commun.
#7 - Poole Rd.	\$ 9,000	\$ 9,000	0	0.00%	routine exp including Electricity + Mission Commun.
#8 - Plantation Dr	\$ 9,000	\$ 12,000	3,000	33.33%	routine exp including Electricity + Mission Commun. (includes \$3k for tank replacement)
#9 - Eagles Watch	\$ 6,000	\$ 7,000	1,000	16.67%	routine exp including Electricity + Mission Commun.
#16 Prospect Hill Estates	\$ 6,000	\$ 6,000	0	0.00%	routine exp including Electricity + Mission Commun.
#17 Cedar Crest Drive	\$ 6,000	\$ 6,000	0	0.00%	routine exp including Electricity + Mission Commun.
#18 Wisteria Lane	\$ 6,000	\$ 6,000	0	0.00%	routine exp including Electricity + Mission Commun.
#19 Malec Farms	\$ 5,000	\$ 5,000	0	0.00%	routine exp including Electricity + Mission Commun.
	3,687,000	3,981,000	294,000		
					1.91% BUDGET INCR/DECR W/O INCLUDING FUND BALANCE USAGE 7.97% BUDGET INCR/DECR - INCLUDING FUND BALANCE USAGE

**Town of Suffield Water Pollution Control Authority
2023/2024 Reserve Capacity Maintenance (RCM) Revenue Budget**

	2022/2023	2023/2024	Variance	
Transfer from RCM Fund Balance	\$ -	\$ 562,000		Balance on hand year end 2022/2023
Transfer from Assessment Fund	\$ 910,000	\$ 288,000	\$ (622,000)	All funds generated from Assessment Fund transferred into this fund for Capital Projects
Transfer from O&M Line Item	\$ 179,000	\$ 318,000	\$ 139,000	revenue generated by sewer use fees & earmarked for cap projects
Grant Income	\$ -	\$ 1,896,000	\$ 1,896,000	Possible grant income for Stony Brook (80%) \$1,821,000 & American Rescue Plan \$75k
Transfer from Fund Balance	\$ 574,000	\$ 673,000	\$ 99,000	Use of Fund Balance
TOTAL REVENUE	\$ 1,663,000	\$ 3,737,000		
Plant Upgrades (Capital Improvements)	\$ 375,000	\$ 95,000	\$ (280,000)	
Plant Upgrades-Collection system (Capital Improvements)	\$ 1,288,000	\$ 3,642,000	\$ 2,354,000	
TOTAL EXPENSES	\$ 1,663,000	\$ 3,737,000	\$ 2,074,000	

**Town of Suffield Water Pollution Control Authority
2023/2024 Assessment/Connection Revenue Budget**

	2022/2023	2023/2024	Variance	
2023-2024 New Assessments/Sewer Connections	\$ 2,500	\$ 2,500	\$ -	2 new accounts
Developer's Agreements	\$ 106,000	\$ 110,000	\$ 4,000	Based on current Developments & estimated over 3 yrs of "normal" receipts
Current Assessments	\$ 22,000	\$ 18,500	\$ (3,500)	based on 2023 annual billing @ 89% collection rate (as of 2/28/2023)
Assessments - Prior Years	\$ 1,000	\$ 1,000	\$ (0)	20% of delinquent balance
Penalty Interest & Fees	\$ 1,000	\$ 1,000	\$ -	estimate 5% of (current assessments + delinquent assessments)
Advance Collection	\$ 2,000	\$ 2,000	\$ -	2% of principal not billed
Investment Interest	\$ 500	\$ 7,000	\$ 6,500	based on anticipated average balance and avg interest earned
Total:	<u>\$ 135,000</u>	<u>\$ 142,000</u>		
Transfer from Assessment Fund Balance	\$ 775,000	\$ 146,000	\$ (629,000)	Estimated year end cash balance year end 2223
TOTAL REVENUE	<u>\$ 910,000</u>	<u>\$ 288,000</u>		
Transfer to Town General Fund	\$ -	\$ -	\$ -	
Transfer to RCM	\$ 910,000	\$ 288,000	\$ (622,000)	
TOTAL EXPENSES	<u>\$ 910,000</u>	<u>\$ 288,000</u>		