

Town of Lunenburg



Mark Erickson
3/31/16

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Finance Committee:
Mark Erickson, Chairman
Terri Burchfield, Vice-Chairman
John Henshaw, Secretary
Karin Menard
Jay Simeone

Lunenburg Finance Committee Minutes March 17, 2016

Location: Town Hall
Present: Mark Erickson, Terri Burchfield, Karin Menard, Jay Simeone, John Henshaw
Absent: None
Also Present: Kerry Lafleur, Town Manager.

1. Mark E. called the Finance Committee meeting to order at 7:00 pm. He announced that this meeting is being recorded and broadcast over Lunenburg Public Access Cable Channel. The video recording is posted on YouTube at <https://www.youtube.com/user/LunenburgAccess>
2. Comments:
 - a. Public: None
 - b. New Communications:
 - Mark received a letter from Monty Tech advising the Town of the assessment for fiscal 2017, which they had presented at the Finance Committee Thursday, March 10.
 - The committee has two openings and interested citizens may apply by filling out a talent bank form.

Note: These minutes are an overview of the presentations. For specific details of the presentations, a hard copy of each one is attached to these minutes on file at the Town Clerk's office at Town Hall.

3. Public Access Cable Committee FY17 Budget Presentation

Public Access Cable Committee Fiscal 2017 Budget Presentation by Steve Walker
Overview: <ul style="list-style-type: none">• Funding is from a 2 ½% franchise fee. It was not certain Revenues average \$94,000 to \$96,000 per year.• The balance of unexpended revenue from prior years totals \$280,000.
Issues: <ul style="list-style-type: none">• The franchise fee comes up for renewal this year. Most comparable communities have a franchise fee of 4 ½%.• The Cable Advisory Committee is working to raise the fee Comcast pays from 2 ½% to 4 ½%.

Sewer Enterprise Fund Fiscal 2017 Budget Presentation by Carl Luck
Overview: <ul style="list-style-type: none">• This is the second year of positive cash flow from operations and Enterprise Fund projections through FY47 are improving.• Based on projected cash flow from Betterment Income and drawing down retained earnings, the Sewer Commission plans to decrease its debt service from over \$800,000 now to about \$200,000 in FY2029.

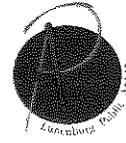
4. Town Manager's Report on Warrant Article #29—Financing the Pavement Management Plan [PMP] by Debt Exemption Borrowing:
 - Situation:
 - In fiscal 2016, funding of the PMP is \$666,626: \$416,626 of Chapter 90 state aid and \$250,000 from the Town's operating budget for the PMP.
 - This level is sufficient to improve the pavement condition index [PCI] of main, secondary main, and collector roads.
 - Local roads, about a third of all Town roads by length, have a comparatively low average PCI of 53 and due to lack of sufficient funding, their condition has not been addressed.
 - Proposed Solution:
 - Invest \$3.4 million in road maintenance and \$510,000 in improvements in the stormwater system to be funded by a one-time debt exclusion authorized by the voters.
 - Increase the budget appropriation for road maintenance by \$50,000 per year; when added to current funding levels results in projected annual funding levels of \$1,000,000 to \$1,200,000.
 - Mark, with the concurrence of the committee, tabled a vote on PMP financing until the Finance Committee Meeting of March 24.
5. Review of Minutes:
 - March 17: Terri moved to accept the minutes; Jay seconded the motion, which was approved 5-0.
6. Budget Goals and Opportunities: There was no discussion at this meeting.
7. Committee and Department Updates:

<u>Committee/Department</u>	<u>Update</u>
DPW, Capital Planning, Public Access Cable—John H.	No report.
Library—Terri B.	No report.
Public Safety—Terri B.	No report.
Schools, Monty Tech, COA—Karin M.	No report.
Sewer Commission, Green Task Force—Jay S.	No report.
School Bldg. Comm., Building Re-use- -Mark E.	Building Re-use: No report. School Building: No report.

8. Next meeting: Thursday, March 24th. The primary business will be to review the monied articles on the FY17 warrant.
9. Adjournment: Karin made a motion to adjourn and Jay seconded the motion. The committee approved the motion 5-0 at 9:15.

Respectfully submitted by John Henshaw March 30, 2016

Attachments (2)



PACC FY-17

Public Access Cable Committee



PACC Mission

- Develop, modernize, establish, and operate the Town of Lunenburg's Public and Government (PG) Access Channel(s) to reflect what matters to Lunenburg.
- *At this time we do not have an Education channel*

PACC Goals



- Responsible for the long-term plan to manage the Public Access Channels available to the Lunenburg community through Comcast
- The overall strategy includes:
 - Providing and improving equipment to acquire, record, broadcast and re-broadcast programming from both town functions and meetings, as well as programming from publically available sources
 - This requires supporting places where meetings can be covered (such as the Town Hall, the Ritter Building, and other sites), such that proceedings can be both recorded and broadcast on the Public or Government channel, as appropriate
 - Town departments are encouraged to take advantage of such a facility, to improve town government to community information flow
- Other strategies include:
 - Providing studio space and equipment to enable people to create programming,
 - Having equipment available for mobile, portable, and public use.
- Programming can be informative and/entertaining, and generally is of a local nature.
- As funds are limited, staffing is augmented by volunteers and paid vendors for specific events and activities.
- Students are actively encouraged to take advantage of the facilities offered.

PACC Goals - Technical



- From a technical perspective, and in support of the strategic targets outlined above, we plan to explore a number of issues, planning to implement them as opportunities allow:
 - Acquire new space for a full-function studio, as our present space is inadequate, and potentially unavailable in the near term
 - Within the new studio space, include a well-equipped meeting space suitable for town committee and commission meetings, to improve and simplify the recording and broadcasting of meetings
 - Be prepared to move to high definition services
 - Define and create a mobile system – a self-contained vehicle with multi-camera support
 - Define and acquire one or two portable multi-camera systems for off-site use
 - Add a third channel, as and when demand occurs (the Educational channel)
 - Attempt to get our programming schedule on the Comcast guide
 - Archiving

PACC Organization



- Sole employee reports to the Town Manager
- PACC acts in an advisory role

PACC Income



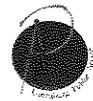
- The only PAC income comes from the Comcast franchise fee
- Presently there is a Special Revenue Fund to manage this income
- MGL Chapter 44 Section 53F $\frac{3}{4}$ requires a new fund be set up
- The amount is about \$96,000 per year
- This does not impact the Town's finances, as it is restricted

PACC Budget Detail

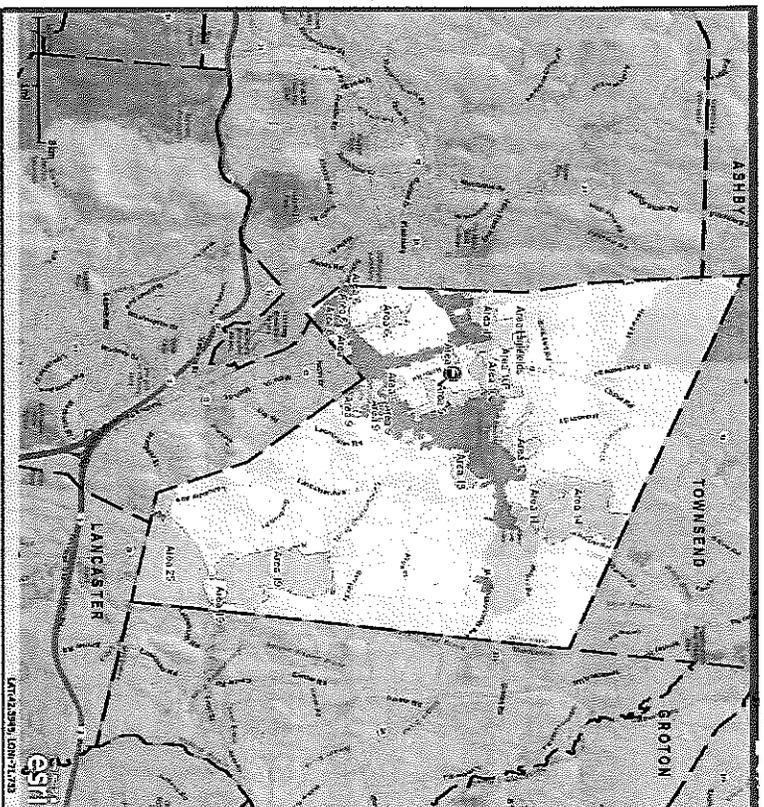


			FY14	FY15	FY16	FY14 ACTUAL	FY17 BUDGET	FY17 ABOVE	COMMENT
			ACTUALS	ACTUALS	BUDGET	11/30/2016	TARGET	TARGET	
PACC									
SALARIES PACC									
15101	512100	SALARIES PEG ACCESS COMMITTEE	\$ 22,010.37	\$ 28,587.72	\$ 60,000.00	\$ 11,704.41	\$ 29,857.64		
SALARIES PACC			\$ 27,010.37	\$ 28,587.72	\$ 60,000.00	\$ 11,704.41	\$ 29,857.64	\$	
PACC EXPENSES									
15102	525012	LEASE OFFICE SPACE/EQUIPMENT	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$	\$ 6,000.00		
15102	531003	VENDOR EXPENSES	\$	\$	\$ 6,000.00	\$ 450.00			
15102	531006	PURCHASE OF SERVICE	\$ 6,855.00	\$ 5,042.50	\$ 20,000.00	\$ 2,350.00	\$ 5,194.29		
15102	531013	CONSULTANT SERVICES	\$ 5,880.00	\$ 8,480.00	\$ 25,000.00	\$ 4,240.00	\$ 8,734.40		
15102	534500	ADVERTISING	\$ 1,750.00	\$ 1,475.00	\$ 10,000.00	\$ 810.00	\$ 1,519.25		
15102	540000	OFFICE SUPPLIES	\$	\$	\$ 500.00	\$ 72.00	\$ 500.00		
15102	541018	EQUIPMENT MTC/SUPPLIES	\$ 12,601.00	\$ 15,896.70	\$ 30,000.00	\$ (306.10)	\$ 16,167.91		
15102	555050	NEW EQUIPMENT	\$	\$ 23,802.00	\$ 216,900.00	\$			See cover memo
15102	570001	HEALTH INSURANCE	\$ 5,302.92	\$ 5,302.92	\$	\$ 5,880.84	\$ 6,057.17		
SELECTMEN'S ADMIN EXPENSES			\$ 18,389.03	\$ 65,858.12	\$ 304,490.00	\$ 12,996.83	\$ 48,179.12	\$	
TOTAL SELECTMEN'S ADMINISTRATION			\$ 85,399.38	\$ 94,846.84	\$ 364,490.00	\$ 24,701.24	\$ 74,090.76	\$	

PACC New Equipment



- Due to the uncertainty of our future space, we cannot be sure how to account for 'new equipment'
- We are in the middle of developing a business plan for CAC to use in the Comcast negotiations for 2017
- The business plan itself requires some commitment from the Building Re-use committee regarding a potential home for the PACC studio - we hope to get clarification on this shortly
- If we have to move from our present accommodation to commercial space, then rent, insurance and utilities will need to be accounted for, which would have a large potential impact on our annual expenses.



Lunenburg Sewer Commission
FY 17 Budget Presentation
to the Finance Committee

March 17, 2016

Current Sewer Team

- Business Manager: Barb Lefebvre
- DPW Director: Jack Rodriguez
- Commissioners:
 - Carl Luck Chairman
 - Mike Nault Vice Chairman
 - Troy Daniels Clerk (resigned January 2016)
 - Sue Bunish Member
 - John Reynolds Member
- Small Water Systems Service: Systems operations and maintenance contractor
- Weston and Sampson: Primary Engineering Consultants
- Wright Pierce: Betterment Project Engineering/Special Projects
- **Many Thanks to this Hard Working and Dedicated Team**
Especially Troy Daniels for His Significant Contributions. We
Thank Him for His Service and Wish Him Well

Sewer Commission Mission

- Provide sewer service to areas of need as identified in the 2010 Comprehensive Wastewater Management Plan (CWMP)
- With approval at Town Meeting, update the CWMP as conditions and needs change
- Assist residents in expanding the sewer system through Betterments or Private Extensions consistent with the CWMP
- Define and implement regulations, policies, procedures consistent with Lunenburg's needs and State Law
- Oversee the management of the Lunenburg Sewer System and Enterprise Fund to assure reliable and cost-effective operations with no direct impact to the Lunenburg Town Budget
- Work with the Lunenburg BOS and our neighboring Cities, Leominster and Fitchburg, to secure and maintain Inter-municipal Agreements for wastewater disposal that are fair, reasonable and meet the needs of the community

Development Policy

▪ Sewer Use Regulations Article 11-2.1:

A guiding principle of the Sewer Commission is to determine the most effective method of providing service to existing and new developments where alternate, on-site solutions are not able to meet local and state health and environmental requirements. It is not the intention or goal of the Commission to control or enable development.

Accomplishments FY 15/16

- Pratt, Lakeview and Pleasant View Extension:
 - SRF Funding and Contract released for all three projects
 - Substantial completion achieved and accepting applications to connect
 - 11 applications received, 9 connections completed *what %? future potential?*
- Funding update to 2010 Comprehensive Wastewater Management Plan
 - Update will formalize proposed changes to future flows to Fitchburg vs Leominster to reduce costs to Lunenburg users *to update*
 - New development and future capacity needs will be updated
 - Cost models will be refreshed based on current cost data and ongoing extension actual costs
 - Revised CWMMP will be presented at Town Meeting for approval via Warrant Article
- Fat, Oil and Grease (FOG) reduction on going key focus area *– out ^{system} source _{time} ^{to} _{concerns}*
 - Adversely effects cost and reliability of highest cost item in the Budget, Pump Station Operations *?*
 - Working with system operator, SWSS, and establishment owners/operators to train and improve maintenance of grease traps and reporting
 - Current focus external "interceptors" but internal traps is next step
- On site visits and inspections by SWSS and Commissioners has been well supported by establishments and provided valuable information that should improve results

Additional Accomplishments in FY 15/16

- I/I Reduction
 - Phase II House-to-house inspection completed – 163 homes
 - 4 Residences still need to be visited
 - 1 Sump pump issue identified and corrected
 - Projected I/I reduction of 14,400 gallons per day – *what correct does this leave on CA.*
 - Next Phase of I/I reduction program initiated
 - Grant for \$30,000 ^(REV'D) applied for and received for all manholes to be inspected *360 manholes*
 - Contract in place with Wright Pierce, inspections to start in early spring
 - I/I funding set aside to start work on identified issues
 - Competitive quotes for second and third pump station upgrade for remote how much? monitoring/control (SCADA) in process
 - Goal to release contract before the end FY 16
 - Operating Budget has been balanced or returning positive cash flow for last four years
 - No rate increase since 2013 and none forecasted for remainder of FY 16
 - Projected excess to retained earnings for FY 17 is \$78,144

Ongoing Sewer Commission Project Management

- **Goal: Assign Member of Sewer Commission as Champion for Major Projects**
 - Responsible for maintaining project overview and regular reporting to SC.
 - Works with appropriate operations, business management, suppliers and or other Town governing groups to achieve goals set by Sewer Commission
 - Investigate and propose new activities and/or policies within assigned areas
- **Grease Trap Policy/Compliance:**
Sue Bunish
- **Outflow Rate Metering and Tracking:**
Mike Nault
- **Betterments:**
Carl Luck
- **Inflow and Infiltration Reduction:**
Troy Daniels
- **Privately Funded Extension Policy:**
Troy Daniels
- **Improved Business Practices:**
Carl Luck

FY 17 Goals and Key Activities

- Financial Management
 - Establish Dedicated Stabilization Funds for I/I fee if required.
 - Continue Enterprise Fund tracking and projections through 2047
 - Include Pratt/Lakeview and Pleasant View Betterments
- ■ Pratt, Lakeview and Pleasant View Extension *complete but for overlays.*
 - Based on completing paving overlay in spring, finalize Betterment Assessments by August and have first payment in December 2016 Tax bill - *same year as work done.*
- Continue I/I reduction efforts
 - Follow up on findings from Spring FY 15 house to house inspections
 - Implement manhole inspections and remediation as required
- Update Comprehensive Wastewater Management Plan
 - Minimum: incorporate changes resulting from Fitchburg IMA work
 - Investigate Grant funding for more comprehensive update

FY 17 Goals and Key Activities

- Review, update and or develop Regulations, Policies and Procedures
 - Grease Trap, Private Extensions, Change Process, etc. *will create fees*
- Continue technology update to improve availability and cost of pump stations
 - Implement SCADA in two remaining large stations *Smart Tech?*
 - Perform value analysis on additional station upgrades
- Continue efforts to improve business practice efficiencies including additional outsourcing of key target areas:
 - Continue investigation of outsourcing FOG program
 - Investigate outsourcing Billing to same firm that Water District uses - *copy*
- Improve Communications, Cooperation and Sharing with Other Town Boards; BOH, Planning, Conservation, Selectmen *Car cost
language*

Overview of Usage and Rates FY14 - FY16

Usage Rates Paid by Lunenburg		FY 14	FY 15	FY 16	FY 17 (forecasted)
■ Leominster	(per 100 cu. ft.)	\$4.57	\$4.57	\$4.57	\$4.80
■ Fitchburg	" "	\$8.95	\$7.30	\$7.30	\$7.30
■ Lunenburg Rates (per 100 cu. ft.)		\$11.50	\$11.50	\$11.50	\$11.50
(minimum charge \$97.20/quarter)					
■ Total Number of Users/Connections		712	730	752	772
■ To Leominster		577	589	610	630
■ To Fitchburg		135	141	142	142
■ Parcels with access not Connected		390	475*	455	
■ Total Parcels with Access		1120	1237	1237	

* Includes 88 new potential connections from Pratt/Lakeview Pleasant View Extensions, 5 connections in FY 16 and 15 in FY 17

BUT DO NOT EXPECT INCREASE

Δ FUNDS

*2017
ENTRANCE
LAST YEAR*

*2
25*

FY 17 Key Operating Budget Assumptions

- Addition of 20 new connections/users
- No rate increase to Lunenburg customers
- Outsource contract increase of 2.5% used in FY 17 Forecast(including Generator Maintenance)
 - RFQ being prepared as we are entering the fourth year of this contract
 - Outsourcing of FOG program also may be included
- No new rate increases from Fitchburg
- Leominster rate increase assumption of 5% included in Budget (same as FY 16, not realized)
- No extraordinary legal fees
- Increase funding of I/I reduction from \$25,000 to \$30,000 gross
- Both debt payments and revenue timing fall in line in FY 17
 - Requires Betterment assessment in August 2016
 - On tax bills in December 2016

FY 17 Operating Budget Items to Note

- Excess of \$ 78,144 from Operations offsetting debt service shortfall
- John Fitch Highway Upgrade costs included in budget but may not be required in FY 17 (\$18,598 possible upside) .
- Inflow and Infiltration Fee
 - Income of \$13,200 used to offset forecast total cost for I/I reduction of ^{Grant} \$30,000 in FY 17. ~~net~~ \$16,800.
- Capacity Fee income forecast at \$9,257 assumed transferred to separate account at year end, nets to zero impact to budget
- Retained Earnings as of 10/13/15 were \$1,239,995
- Projected Retained Earnings at end of FY 16 are \$1,163,303
- Projected Retained Earnings at end of FY 17 are \$1,080,992

FY 17 Sewer Commission Operations Revenues

Should not be making money off of operations. Not the goal.

SEWER ENTERPRISE	FY16 BUDGET	FY17 BUDGET	FY 16 Thru 6 mo.	FY 17 to FY 16 Change %
REVENUES Minus as of 12/21/15 (wk 25 of 52, 48% of year)				
User Charges	\$ 760,268	739,988.00	49%	-2.7%
Connection Fees <i>paid on 20 in 2017.</i>	\$ 54,000	45,000.00	77%	-16.7%
Sewer Bank Fees - I/I	\$ 15,840	13,200.00	69%	-16.7%
Penalties & Interest	\$ 9,000	6,496.00	36%	-27.8%
Drain Layer Fees	\$ 1,000	1,000.00	60%	0.0%
Grease Trap permit fees (annual/non-compliance)	\$ 2,000	3,000.00	80%	50.0%
Investment Income	\$ 2,490	2,436.00	49%	-2.2%
Reserve Fund - (Highfield Capacity -one time pmt)	\$ 57,716	57,716.00	0%	0.0%
Reserve Capacity Fund -new un-bettered connections	\$ 14,810	9,257.00		
Fines & Fees	\$ 1,000	0.00		
Adjusted Total Revenues	\$ 918,124	878,093.00	49%	-4.4%

FY 16 Sewer Commission Operations Expenses

SEWER ENTERPRISE	FY16 BUDGET	FY17 BUDGET	FY 16 Thru 6 mo.	FY 17 to FY 16 Change %
EXPENSES Munis as of 12/21/15 (wk 25 of 52, 48% of year)				
Total Payroll	56,200	59,774	49%	6.4%
Total Purchase of Service	214,291	173,034	25%	-19.3%
Total Utilities	48,745	45,360	35%	-6.9%
Total Miscellaneous Expense	567,645	521,781	33%	-8.1%
General Fund Transfer - in misc	38,032	63,707		67.5%
Grand Total Expenses	886,881	799,949	32%	-9.8%

Major Expense Summary

Leominster Processing(Misc)	235,013	241,039	45%	2.6%
Fitchburg Processing (Misc)	130,430	100,000	35%	-23.3%
Outsourcing Operations/Maint. (POS)	99,291	92,234	45%	-7.1%
Engineering (POS)	47,000	25,000	0%	-46.8%
Subtotal	511,734	458,273		-10.4%
% of Total Expenses	57.7%	57.3%		

FY 16 Sewer Commission Enterprise Fund

	FY16 BUDGET	FY17 BUDGET	FY 16 Thru 6 mo.	FY 17 to FY 16 Change %
SEWER ENTERPRISE				
Grand Total Expenses	886,881	799,949	32%	-9.8%
Revenues	918,124	878,093	49%	-4.4%
Excess to Retained Earnings		78,144		

Betterment fund projected revenue-orig sewer proj		489,985		
Town's Betterment payment		84,023		
Privilege fee projected revenue -newer priv fees		8,584		
Projected revenue SRF assmts		110,651		
Total projected revenue		693,243		
Debt service (file from KB) -		848,585		
(deficit for Betterment fund)		(155,342)		
Projected FY 17 Operating Budget Excess Income		78,144		
Net change in Retained earnings projected		(77,198)		

Revenue from Betterment fund

- from Current Profits taken

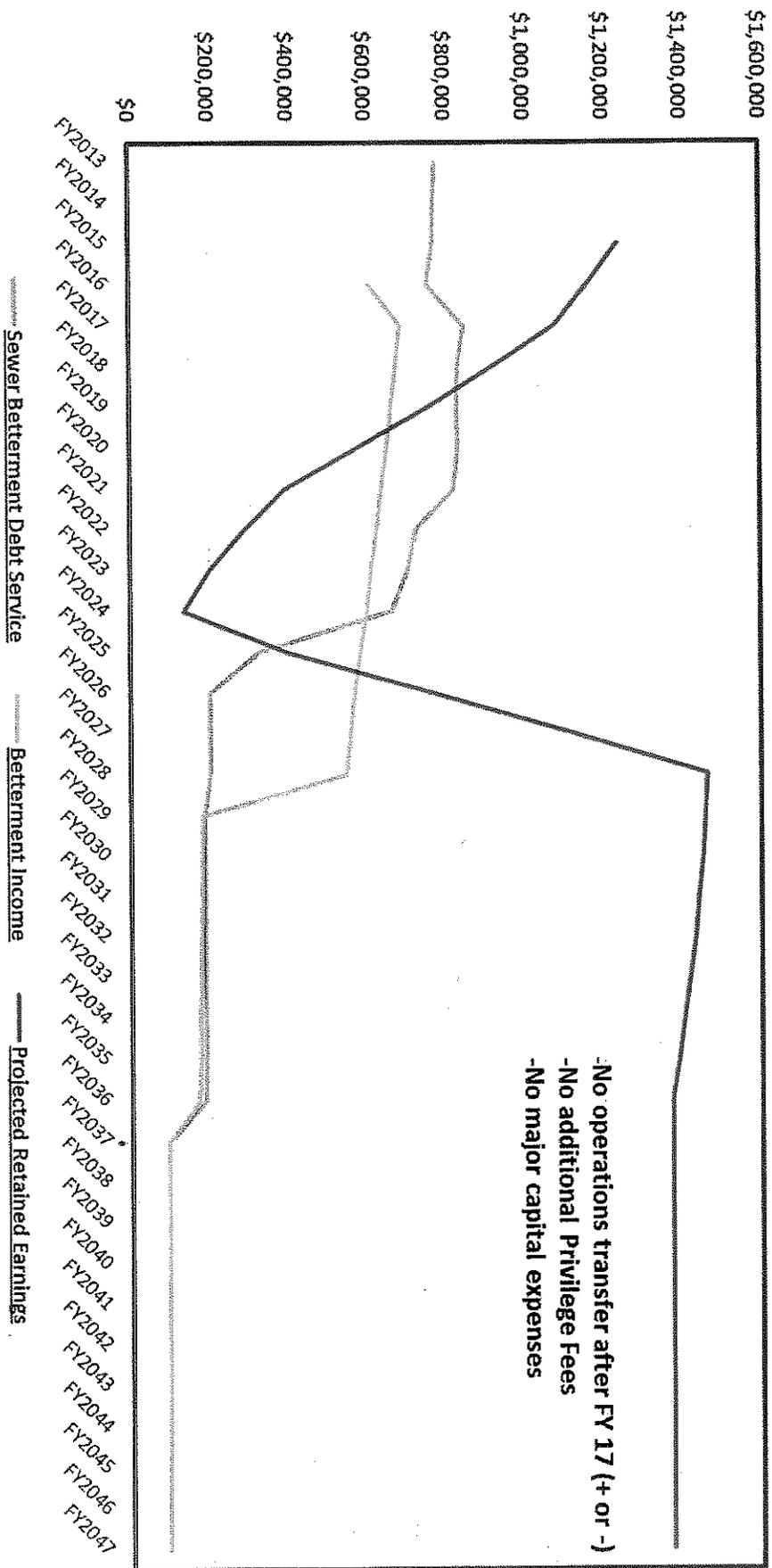
RETAINED EARNINGS BALANCE CERTIFIED		\$1,239,995
10/13/15		

Sewer Commission Enterprise Fund Projection

Enterprise Fund Financial Forecast	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Sewer Betterment Debt Service	770,439	756,878	848,585	833,659	830,059	833,100	821,232	724,482	703,401	664,279	326,184
Betterment Income		610,411	688,130	675,817	663,413	651,233	637,901	625,463	613,037	599,753	584,191
Projected Retained Earnings	1,239,995	1,163,303	1,080,992	923,149	756,503	574,636	391,304	292,286	201,921	137,396	395,402
Transfer To/From Operating Budget		69,775	78,144	<i>Assumes forecast even in operation</i>							
Betterment Income Phase 1/2	655,061	610,411	581,618	570,826	559,944	549,285	537,475	526,559	515,654	503,892	489,852
Betterment Income P/L/PV			106,512	104,991	103,469	101,947	100,426	98,904	97,383	95,861	94,339

Enterprise Fund Retained Earnings Projection

Pumps



DAW's Sur
vertical 2037

↑
ind. expenditures

Sewer Commission Proposed Warrant Articles

1. Transfer of available funds to operate Sewer System
Currently estimated at \$813,439 *with SEC?*
2. Transfer available funds into Reserve Capacity Stabilization Fund
Currently at \$8,433
3. Approval of updated CWMP *low rate waste mgmt plan* *NO*
4. Approval of Bylaw Change to implement Regulation change process
5. Create and transfer available funds into Inflow/Infiltration (Sewer Bank) Stabilization Fund
Currently at \$14,520

Summary Of Budget Proposal

- No Increase in User Fees in Past Four Years
- Second Year of Positive Cash Flow from Operations
- Enterprise Fund Projections thru 2047 Improving, Even with Conservative Assumptions.
- Three New Extensions, Driven by Resident Initiatives, Nearing Completion Serving 88 New Residences in Need
- Operations Efficiency Continuing to Improve
 - Aggressive I/I Reduction Projects
 - Judicious/Targeted Outsourcing (FOG Administration, Billing,,)
 - Improve Regulations, Processes and Procedures
- Cooperation and Communications with Other Boards Increasing

Many Thanks to:

- Troy Daniels for his dedication, service and making us think
- Barb for her unwavering support, hard work and patience
- Emily Lehto for helping us catch up and keep ahead of minutes
- Jack for sharing his expertise and helping us to be a better operation
- Our contractors:
 - Small Water for their excellent performance in running the system
 - Wright Pierce for the outstanding work overseeing the ongoing Betterment projects
 - Weston & Sampson for their engineering support and I/I work
 - Flow Assessment for oversight of our metering systems
- Town Manager and BOS for their input and support
- Karen Brochu for her financial assistance and patience
- Finance Committee for their support and confidence

Questions?

- Peat, ~~long~~ Lakeview, Pleasant ~~holds~~ $\frac{1}{8}$ of potential.
- Pine Station ^{Renovation} is ~~is~~ long term view, when others
- Graph

TOWN OF LUNENBURG - SEWER ENTERPRISE

FY17 BUDGET -working copy														
SEWER ENTERPRISE	Org Code/Acct.	ACTUAL FY14 AMOUNTS	ACTUAL FY14 SUB-CATEGORIES	ACTUAL FY15 AMOUNTS	ACTUAL FY15 SUB-CATEGORIES	APPROVED FY16 BUDGET (adjd)	sub-categories	FY16 ADJUSTED BUDGET	RECEIVED* / EXPENDED* TO DATE	FY17 BUDGET	sub-categories	INCR/DECR OVER FY16 FINAL BUDGET	FY 16 To Date	FY 17 Increase
REVENUES Muni's as of 12/21/15 (wk 25 of 52, 48% of year)										as of 12/21/15				
1	User Charges (YTD is actual 50% based on Commitments)	60004 422000		673,961.17		716,908.06		760,268.00	374,185.17	739,988.00		\$ (20,280.00)	49%	-2.7%
2	Connection Fees	60004 432200		71,912.00		24,848.00		54,000.00	41,450.00	45,000.00		\$ (9,000.00)	77%	-16.7%
3	Sewer Bank Fees - I/I	60004 433500		16,720.00		8,820.00		15,840.00	11,000.00	13,200.00		\$ (2,640.00)	69%	-16.7%
4	Penalties & Interest	60004 417000		10,310.17		10,231.84		9,000.00	3,248.04	8,496.00		\$ (2,504.00)	36%	-27.8%
5	Drain Layer Fees	60004 432000		1,000.00		900.00		1,000.00	600.00	1,000.00		\$ -	60%	0.0%
6	Grease Trap permit fees (annual/non-compliance)	60004 432100		3,500.00		4,350.00		2,000.00	1,600.00	3,000.00		\$ 1,000.00	80%	50.0%
7	Investment Income	60004 480100		2,564.18		3,211.82		2,490.00	1,217.83	2,438.00		\$ (54.00)	49%	-2.2%
8	Reserve Fund - (Highfield Capacity - one time pmt)	60004 423000		617.70		57,716.00		57,716.00	0.00	57,716.00		\$ -	0%	0.0%
8a	Reserve Capacity Fund - new un-bettered connect	60004 423000		0.00		14,810.40		14,810.40	5,759.60	9,257.00		\$ (5,553.40)		
9	Fines & Fees	60004 471300	\$0.00	773.24		1,000.00		1,000.00	0.00	0.00		\$ (1,000.00)		
	Insurance claim adjustments	60004 480500		\$0.00		0.00		0.00	0.00	0.00		\$ -		
	Tax liens redeemed (prior FY's)	60004 414200		395.93		0.00		0.00	6,878.35	0.00		\$ -		
	Penalty/Interest tax (prior FY's)	60004 417800		\$0.00		0.00		0.00	232.81	0.00		\$ -		
	DEP GRANT-MANHOLES			\$0.00		0.00		0.00	-	0.00		\$ -		
Adjusted Total Revenues				\$ 779,967.52		\$770,855.79		\$ 918,124.40	\$446,171.80	878,093.00		\$ (40,031.40)	49%	-4.4%
EXCESS TO RETAINED EARNINGS						69,775.27		\$ 69,775.27						
Total Adjusted Revenues						848,349.13		\$ 848,349.13		878,093.00				
CURRENT CUSTS= 752. For purpose of this section: we are assuming 20 more(2.66%) for FY16 conn, 15 from Pratt/Lakeview/Pleasantview properties (all Leominster flow)(0 Lunenburg Village,0 274 Prospect)FOR FY17. TOTAL 772 customers (3% increase over current 752); (11 new conns fy16 to-date)														
1) Sewer User Charges -374185 1st half year, 2nd half less 8% for less usage historically =344,250=\$718,435 x 3% increase in customers (20)= \$739,988(plus gain in customers for remainder fy16?)rate stays same (rate set 4/1/13to \$11.50/100cf and min chg change to \$97.20);														
2) conn fees \$2250 x 20 new proposed conns = 45,000;														
3) Sewer Bank fee -based on avg 3BR home in Pratt/Lakeview x 20 new crxns (\$660 x20)=13,200														
4) penalty fees 3248.04 projects to \$9496.08														
5) Drain layer fees (avg since 2008-10/yr) assume 10 X \$100														
6) Grease trap permit fees include annual fees -- 20 FSE accounts -assume PARTIAL compliance \$100/yr fee = \$2000, and non-compliance (\$750/mo) x ? How many accounts x ? How many mos														
7) Investment income of \$1217.83 projects to \$2438														
8) Reserve Fund - Highfield Capacity payment toward Fitchburg IMA-no revenue impact - instead (once project cost known), we'll reduce Highfield reserve fund expense line(same as capital line 60005 583000 expense line by 1/20th of 57,716 or 2885.8 (allocation agreement between JEG & Town); KB created reserve fund FY15 for Highfield payment from which to draw each year for 20 years-not used FY15-carry ill project start														
8a) Reserve Capacity -non Highfield Village - policy adopted 7/8/14 to reserve funds from newly connecting parcels, not previously accounted for in original capacity numbers with Leominster & Fitchburg, to offset increase costs at IMA negotiations. proposed 15 new conns(from yet unbettered acct's) x 205.70 per BR x avg 3BR=estimated revenue FY17 of \$9257														
9) Lines Tax Liens redeemed and Penalty interest tax (414200, 417800) are non budgeted items(to track revenue) for collection on delinquencies on tax bills, collected in tax title														
10) Fines & Fees-incorrectly budgeted \$1000 in grease trap fines previously (actual amount is 432100)-this was used for illegal connection fine in FY13-and recd \$773 in FY15. No amount should be budgeted														
PAYROLL Muni's as of 12/21/15 (wk 25 of 52, 48% of year)														
	Business Manager	60001 511000		51,600.00		49,966.00		51,666.40	24,255.60	53,014.00		1,347.60	47%	2.6%
	Business Manager-longevity 10/16/02	60002 514000		999.32		999.32		1,033.33	1,033.33	1,060.00		26.67	100%	2.6%
	Sewer Commission - minutes	60001 511000		0.00		0.00		0.00	500.00	2,700.00		2,200.00		
	DPW-Overtime-labor -pump stations	60001 513000		0.00		750.00		0.00	3,000.00	3,000.00		0.00		
Total Payroll				\$ 52,499.32		\$ 51,715.32		\$ 52,699.73	27,497.26	59,774.00		3,574.27	49%	6.4%
	Business Manager-3% step increase 7/1/15													
	Minutes help \$15/hr x 15hrs/mo x 12													
	DPW-Overtime-labor -pump stations-started in FY15													
PAYROLL - FY16 DPW Indirect costs moved to Indirect Costs (see below)														

TOWN OF LUNENBURG - SEWER ENTERPRISE

FY17 BUDGET -working copy

SEWER ENTERPRISE	Org Code/Acct.	ACTUAL FY14 AMOUNTS	ACTUAL FY14 SUB CATEGORIES	ACTUAL FY15 AMOUNTS	ACTUAL FY15 SUB CATEGORIES	APPROVED FY16 BUDGET (adj'd)	sub-categories	FY16 ADJUSTED BUDGET	RECEIVED* / EXPENDED* TO DATE	FY17 BUDGET	sub-categories	INCR/DECR OVER FY16 FINAL BUDGET	FY 16 To Date	FY 17 Increase	
PURCHASE OF SERVICE as of 12/31/15 (wk 28 of 52, 50% of year)		2,325.23	2,325.23	13,762.06	13,762.06	34,000.00		34,000.00	1,211.18	32,000.00		(2,000.00)	4%	-5.9%	
1 Infrastructure							15,000.00				15,000.00				
1a - Pump station equipment (incl. generators, wetwells)	60002 531006						10,000.00				10,000.00				
1b - Sewer lines-jetting, stubs, camera	60002 531008										0.00				
1c - Manhole repair/replacement-moved under I/I	60002 531006						4,000.00				4,000.00				
1d - Meter Pits/Flow meters	60002 531006						2,000.00				2,000.00				
1e - System upgrades-office	60002 531006						3,000.00				1,000.00				
1f - DPW supplies/labor	60002 531006														
2 I/I remediation	60002 531006	0.00	0.00	31,466.88	2,976.43	27,000.00	2,000.00	27,000.00	0.00	16,800.00	2,000.00	(10,200.00)	0%	-37.8%	
2a - Manhole repair/replacement(prev. Infrastructure)	60002 531006				2,976.43		40,840.00				28,000.00				
2b - I/I consulting services (prev Engineering-moved from 5d)	60002 531008		29,993.06		28,490.45		(19,840.00)				(13,200.00)				
2c - I/I (reduction for I/I monies on acct-see Revenues (prev und)	60002 531006			\$ 86,113.00	\$ 86,113.00	102,291.00		99,291.00	44,207.50	92,234.00		(7,057.00)	45%	-7.1%	
3 Outsourcing							91,791.00				81,200.00				
3a - Pump Station contract	60002 531006	69,697.00	69,697.00				7,500.00				8,034.00				
3b - Generator maintenance contract	60002 531006						3,000.00				3,000.00				
3c Grease Trap outsourcing contract-initial-self funding?	60002 531006			7,114.00	7,114.00	7,000.00	7,000.00	7,000.00	2,183.90	7,000.00	7,000.00		0.00	31%	0.0%
4 Legal Counsel	60002 531006	8,636.00	8,636.00	7,114.00	7,114.00	47,000.00		47,000.00		25,000.00		(22,000.00)	0%	-46.8%	
5 Engineering Services		44,327.82		9,960.00			15,000.00				15,000.00				
5a - General consulting services	60002 531006		4,834.72				20,000.00				0.00				
5b - CWMP addendum- Engineering	60002 531006		0.00						4,980.00		10,000.00				
5c - Flow metering annual contract	60002 531006		9,500.04		9,960.00		12,000.00								
5d - I/I remediation work (moved up to 2c FY17)	60002 531006														
5e - reduction for I/I Bank monies on account (see item 2)	60002 531006														
Total Purchase of Service		\$ 124,986.05	\$ 124,986.05	\$ 148,415.94	\$ 148,415.94	\$ 217,291.00	\$ 217,291.00	214,291.00	52,682.58	173,034.00	\$ 173,034.00	(41,257.00)	25%	-19.3%	
1) Infrastructure includes the following subcategories and carries balance for emergency repairs/capital investment. (Additional 6 stations upgraded with SCADA @\$10k each from original project monies)															
1a) Pump Station Electrical/Mechanical repairs (outside contract) - Generator repair, clean & maintain Wet Wells (10) (replacement parts-seals, pumps, etc)															
1b) Pressure Clean Main Lines (annual), stub location															
1c) Manhole Repairs/replacement -moved under I/I for FY17															
1d) Maintain Meter Pits (3), Flow Meters															
1e) system upgrades(including scheduled laptop replacement)															
1f) various DPW Materials - general supplies (labor moved under Payroll)															
2) I/I remediation -see also revenue acct SEWER BANK FEES - \$13,200 for collection estimate FOR I/I REMEDIATION															
2a) Manhole repairs as I/I Remediation- moved from Infrastructure for FY17:															
2b) I/I consulting/contracting (prev. under Engineering)- with Sewer Bank expected rev of 13,200, additional 18,800 for 30,000 in I/I consulting/contract work															
2c) (prev under Engineering) -Sewer Bank (aka Inflow/Infiltration (I/I) costs) reversed to make revenue neutral (see Revenue line 3)															
3) Outsourcing - - need to go out for bid															
3a)Outsourcing-pump stations - need to go out for bid - asked SWSS for informal estimate (prior year \$78,795)-assume another 3% increase for now; 3% on 78795=81159-budget \$81,200.															
3b) Generator maintenance -- asked SWSS for informal estimate (prior year \$7800) estimate 3% increase for now=8034															
3c)grease trap program outsourced \$3K- would like to be self-funding - also included in bid? Or stay T&M?															
4)Legal counsel - Hollis Hills, Whalom Lux Apts., private extension, regs review															
5) Engineering Services -includes:															
5a) Consulting services (\$15k) - Weston & Sampson general services (Betterment in proj costs?), Wright Pierce -task order?															
5b) CWMP updated FY16 - additional? Asset Management for fiscal sustainability studies - no estimates --add to budget?															
5c) Flow Assessment annual contract on Flow Meter maint \$10K - if \$10,000 or over, must go out to bid															
5d) Engineering I/I work moved under I/I to keep all I/I together (see 2b eff with FY17 budget)															
5e) Engineering-Sewer Bank (aka Inflow/Infiltration (I/I) moved 2c -FY17 budget															
UTILITIES as of 12/31/15 (wk 26 of 52, 50% of year)															
Postage	60002 534400	1,926.33		1,959.63		2,000.00		2,000.00	819.75	1,900.00		(100.00)	41%	-5.0%	
Electricity (10 Stations)	60002 521011	26,818.02		31,251.58		34,125.00		34,125.00	12,311.57	35,000.00		875.00	36%	2.8%	
Water (3 Stations)	60002 523001	1,850.00		2,980.00		3,420.00		3,420.00	2,238.00	3,260.00		(160.00)	65%	-4.7%	
Telephone/Internet (10 Stations)	60002 521014	3,307.78		3,326.83		8,000.00		8,000.00	1,509.08	4,000.00		(4,000.00)	19%	-50.0%	
Diesel Fuel (10 stations)	60002 -521012	330.00		611.19		1,200.00		1,200.00	0.00	1,200.00		0.00	0%	0.0%	
Total Utilities		34,232.13		40,129.23		48,745.00		48,745.00	16,875.40	45,360.00		(3,385.00)	35%	-6.9%	
1) Postage at \$819.75 projects out to \$1640 plus allowance for add'l accts,Pratt/Lakeview priv fee mailings, continued mailings (grease trap mailings, I/I, etc) -increase to \$1900															
2) Electricity at 12,311.57 projects out to \$24,623-higher months still to come; (Assumed 30% increase in Electricity & Fuel accounts over fy15 for fy16-came in about 10%;															
-go with \$35k-almost level funded															
3) Water - at \$2235 (75% of year) projects out to \$2980 for year(includes qtrly readings/water usage); assuming increase to qtrly minimum water charge from \$180 to \$200 x 4=80 plus backflow testing-semi-annually 2x \$100=200. qtrly readings -565x4=2260 steady; 2980 +80(incr)+200 backflow=3260															
4) Telephone at 1509.08 projects out to \$3018, consider SCADA system on 2 stations 36x2x12=864; 3018+864=\$3882 + potential rate increase - budget \$4000															
5) Diesel for generators - level fund for risk management															
(Vehicle Expense removed FY16)															

TOWN OF LUNENBURG - SEWER ENTERPRISE

FY17 BUDGET -working copy														
SEWER ENTERPRISE	Org Code/Acct.	ACTUAL FY14 AMOUNTS	ACTUAL FY14 SUB-CATEGORIES	ACTUAL FY15 AMOUNTS	ACTUAL FY15 SUB-CATEGORIES	APPROVED FY16 BUDGET (adjd)	sub-categories	FY16 ADJUSTED BUDGET	RECEIVED* / EXPENDED* TO DATE	FY17 BUDGET	sub-categories	INCR/DECR OVER FY16 FINAL BUDGET	FY 16 To Date	FY 17 Increase
MISCELLANEOUS as of 12/31/15 (wk 26 of 52, 50% of year)														
1	Advertising	60002 534500		13.90		135.00		100.00	40.00	200.00		100.00	40%	100.0%
2	Supplies-Office	60002 540000		694.49		909.72		1,700.00	(21.37)	1,000.00		(700.00)	-1%	-41.2%
3	Supplies-Field	60002 541018		75.62		110.59		200.00	51.94	200.00		0.00	26%	0.0%
4	Professional Meetings/Training/Subscriptions	60002 573000		180.00		229.00		400.00	0.00	400.00		0.00	0%	0.0%
	Capital costs-Fitchburg	60004 583000				0.00		0.00	0.00	0.00		0.00		
5	Capital costs-JFHwy improvement-loan portion Fitchburg	60002 583000		0.00		0.00		18,598.00	0.00	18,598.00		0.00	0%	0.0%
5a	Highfield Capacity reserve fund -balancing entry	60002 583000		0.00		0.00		54,830.00	0.00	54,830.00		0.00	0%	0.0%
5b	Other New Connections-Reserve Capacity expenses	60002 583000				0.00		14,810.40	0.00	9,257.00		14,810.40		
5c	Capital costs-Leominster	60004 583000		0.00		0.00		15,000.00	0.00	15,000.00		0.00	0%	0.0%
6	Leominster Usage 50% YTD	60002 521005		203,081.66		218,628.80		235,013.00	104,767.25	241,039.00		6,026.00	45%	2.6%
7	Fitchburg Usage 50% YTD	60002 521006		140,896.15		127,749.99		130,430.00	45,341.98	100,000.00		(30,430.00)	35%	-23.3%
9	Leominster Connection Fees	60002 523004		12,000.00		2,000.00		18,000.00	0.00	15,000.00		(3,000.00)	0%	-16.7%
8	Fitchburg connection fees	60002 523004		4,000.00		10,500.00		2,000.00	0.00	2,000.00		0.00	0%	0.0%
10	Registry of Deeds recording fees	60002 531007		150.00		0.00		200.00	75.00	200.00		0.00	38%	0.0%
11	Mileage	60002 571000		297.75		340.18		300.00	146.12	350.00		50.00	49%	16.7%
12	General Fund Transfer							38,032.00		63,707.00		19,494.00	100%	25.1%
12a	Indirect Costs	60002 575004		15,585.00		15,585.00		15,585.00	15,585.00	15,585.00		30,845.00	100%	288.5%
12b	Fringe Benefits / Health Ins	60002 570001		7,940.00		7,940.00		7,940.00	7,940.00	13,029.00		12,979.00		-0.4%
12c	Director/Superintendent (.15)*	60001 511000				12,146.27		13,029.00	391.00	391.00		(2.00)		-0.5%
12d	Director's Longevity(5/5/95) (.15 of 2.5%)	60002 514000		0.00		389.37		1,063.00	0.00	0.00		(1,063.00)		-100.0%
12e	Technician (prev FT, FY14-15 @ 2%)	60001 511000				848.00		1,063.00	24.00	24.00		0.00		-100.0%
12f	Technician -Longevity (6/11/07) (backup-.02)	60002 514000		0.00		0.00		24.00	24.00	24.00		0.00		
	Total Miscellaneous Expense			384,694.57		397,511.92		529,613.40	188,432.92	521,781.00		12,531.40	36%	-1.5%
1) Advertising - posting of hearings, bid posting, etc.														
2) Office supplies -- paper, envelopes;														
3) Field Supplies-by contractor -reduce based on past 2 years														
4) Professional Meetings/Training/Subscriptions - level fund for training, meetings, subscriptions														
5) Capital costs for JFHwy improvement per Joe J 10/13, estimate 18,598 for 20 years-not yet assessed. (no General capital costs for Fitchburg-part of rate 12/15/13)														
5a) Highfield capacity -\$57,716 in reserve; pmt of 2885.80 over 20yrs from reserve fund-KB) = 57716-2885.8=54830 as balancing entry for \$ in reserve)-awaiting commencement of JFHwy project														
5b) Other New Connections- Reserve Capacity expense-balancing entry to Reserve Capacity Revenue account 60004/423000; any expense to be offset by drawing from Reserve account. Balance to Stabilization Fund created FY15.														
5c) Capital costs-Leominster -per B.Ebersole's conversation with Rbrooks Feb. '12. Leom has been able to raise capital thru grants to date, but in July 2012 would need to charge Lun for 10-15k; left as is														
6) Leominster Usage of 104767.25 for 1st 2 qtrs projects to \$209534.50; FY15 actual amt \$218629 - last increase to 4.57 4/1/13 = (5%); potential increase fy16 (@5%) = \$229,561 plus new fy16 custs not yet reflected (10%-2%)and fy17 proposed customers(15)not full year (2%)= \$241,039 - current custs 810 (keep under consideration pending changeover to meter readings)														
7) Fitchburg usage - curr amt \$45,342, projected = 90,684. FY15 actual amt \$127,750; no new custs fy16 =rate of 7.30 (other residents)last increase was 49% increase(7/1/11)-hopefully good for couple years; figure 10% over projected =100,000; current cust 142 -no expected growth; keep under consideration Mass Ave. re-route														
8) Leom cxns - assuming 20 new conns in fy17 (750x20=15,000)														
9) Fitchburg cxns -\$2000 fee per connection; none projected-buffer?(level fund) --watch Highfields, Maple Pkwy														
10) Registry of Deeds - recording expenses - level fund (SRF betterments under project costs)														
11) Mileage - FY15 actual \$340. Bus. Mgr. mileage to/from DPW, runs to TH, PO, Passios (meter),Registry,misc accts (easement docs), meetings/workshops, that Bus. Mgr. is required to attend (no add'l pay)														
12) Gen Fund -indirect costs(lab ins, town hall services) & Fringe benefits (retirement,health ins)-increases per Karen B 1/16 worksheet-may increase based on town's FY17 budget														
12c-f) DPW Payroll costs (Director, Technician) moved under Indirect costs for fy15 per town mgr req, Tech not on FY16 #'s from DPW														

