

***Town of East Hampton***  
**Water Pollution Control Authority**  
**P.O. Box 218, 20 Gildersleeve Drive**  
**East Hampton, Connecticut 06424-0218**  
**Telephone (860) 267-2536, Fax (860) 267-9913**

To: Members of the WPCA

Xc: Michael Maniscalco, Jeff Jylkka

Date: July 27, 2015

From: Tim Smith, PUA

Re: 2014/15 FY Summary & Sewer User Fee Recommendation for 2015/16  
Agenda Item # 5 B c

Total revenue for the year ending June 30, 2015 is expected to be \$1,151,488.00. Expenses are expected to equal \$1,098,688.00 leaving the operating fund balance for this year at \$52,801.00. Upon the closing of the books by the auditors this balance will be transferred to the Undesignated Fund Balance (UFB) bringing the balance to an unaudited \$255,359.00.

Similar to last year the revenue detail indicates this year's budget benefitted from over \$82,000.00 of unanticipated revenue. Management recommends that previous year's practice of balancing the operating budget on current anticipated revenues rather than unexpected windfalls should be continued.

Management's recommended sewer user fee for F/Y 2015/16 takes into account the following:

- The April 7, 2015 approved operating expense budget of \$1,197,867.00.
- Expenses associated with maintaining Town owned grinder pumps. *See attached spreadsheet.* No increase is warranted this year.
- Continue to offset the costs associated with the August 5, 2008 Second Amendment of the 2004 Sewerage Transit & Disposal Agreement with Marlborough whereby all revenues resulting from the commodity charge will be credited back to the MWPCA until all of the EHWPCA costs associated with the East High Street pump station (American Distillery Pumping Facility) upgrade have been paid.

○ Audited Cost of upgrades:	\$238,620.83
○ Commodity Fees a/o 6/30/15:	\$196,106.31
○ Balance of upgrades:	\$42,514.52

- Provide sensitivity to rates while assuring parity with the sister towns, *see attached survey*. The recommended rate places East Hampton midrange of the 17 Town pier group and 4<sup>th</sup> lowest in comparison of our 5 “sister” Towns.

Last year no increase was necessary in the grinder pump use rate (\$125.00) and the rate remained at \$455.00 per (EDU) unit for those users with grinder pumps maintained by the WPCA. The present sewer user charge for gravity laterals is \$330.00 per (EDU) and was adopted for the 2014/15 fiscal year.

Management recommends the annual sewer user fee for gravity connections be increased by \$15.00 (4.5%) from \$330.00 to **\$345.00/EDU** and for those properties served by grinder pumps maintained by the WPCA the fee can remain the same this year **\$125.00/EDU** (0.00%). For those properties served by grinder pumps maintained by the WPCA the sewer use fee will be **\$345.00/EDU plus \$125.00 for maintenance totaling \$370.00**. All rates are to be effective October 1, 2015.  
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No change in the miscellaneous revenue rates is being proposed this year.

#### Proposed Resolutions

**RESOLVED:** The Town of East Hampton Water Pollution Control Authority does hereby established a Public Hearing in accordance with Chapter 103 Section 7-255 of the Connecticut General Statutes, at 7:00 PM on September 1, 2015 at the Town of Colchester -Town of East Hampton Wastewater Treatment Plant, 20 Gildersleeve Drive, East Hampton, Connecticut to accept public comment on a new annual sewer use rate effective October 1, 2015. All users of the system and interested persons will have an opportunity to be heard. Copies of the prepared rates are available at the office of the Town Clerk.

To: Members of the WPCA

Re: Sewer User Fees

AGENDA ITEM #5,B,3

Date: 8/1/15

**ROPOSED OPERATING BUDGET - WPCA  
FISCAL YEAR 2015-16 REVENUES**

	(actual)		7/27/15
	Approved 14-15 BUDGET	Un-Audited 14-15 @ EOY BUDGET	Approved 15/16 BUDGET
Permit Fees -	300	3,810	300
Developer Review & Inspection -	2,500	2,500	2,500
Trans. from Sewer Sinking Fund (3)	0	N/A	0
Use Charges:			
Oct -14 (3315 act. EDU's)	1,041,351		
Oct -15 (3317.92 act. EDUs)			1,091,406
Paid a/o 6/30/15		1,030,452 *	
Interim Billing -14 units	4,500	8,964	4,500
Charges for Services (Prior Years)	7,000	46,767	7,000
Delinquent Interest	5,000	48,700	5,000
Lien Fees	500	5,766	500
Special Use Charges (CL&P, Food Bag)	5,500	4,245	4,500
Other	0	133	0
Marlborough Discharge Fees	0	n/a	n/a
Interest to be Earned	2,500	151	2,500
Subtotal of Revenues -	1,069,151	1,151,488	1,118,206
Trans. From Und. F.B. (Fund 61)	46,714	0	79,662
<b>TOTAL REVENUES -</b>	<b>1,115,865</b>	<b>1,151,488</b>	<b>1,197,868</b>
<b>TOTAL EXPENDITURES -</b>	<b>115,865</b>	<b>1,098,687 **</b>	<b>1,197,867</b>
Fiscal Year End Balance -		52,801	
over/under per unit (3317 units)		15.91	

\* @ \$330 gravity & \$125 grinder pump

\*\* Expenses as of EOY unaudited

	2011	2012	2013	2014	unaudited 2015
(1) Capital Sinking Fd. Balance as of 6/30 (#66)	\$45,302	\$126,413	\$166,574	\$216,574	\$1,233,574
(2) Undesignated Fund Balance as of 6/30 (#61)	\$50,365	\$200,301	\$181,209	\$202,558	\$255,359
(3) Development Sinking Fund as of 6/30 (#52)	\$237	\$26,597	\$54,613	\$94,565	\$141,965
(4) Beneficial Assessment as of 6/30 (#64)	\$973,674	\$986,163	\$1,007,715	\$1,017,000	C/O

#4 Note: To be transferred to Capital Fund Balance a/o April 9, 2015 per 5/6/14 WPCA mtg.

