

FISCAL YEAR 2014-2015 BUDGET

MONROE METROPOLITAN POLLUTION CONTROL SYSTEM BUDGET

**Presented by Barry S. LaRoy, P.E.
Director of Water & Wastewater Utilities**

March 31, 2014

Wastewater Collection Service Area

17,590 Connections, 51,300 Population, 303 Sanitary Sewer Miles



Fiscal Year 2013-2014 Highlights

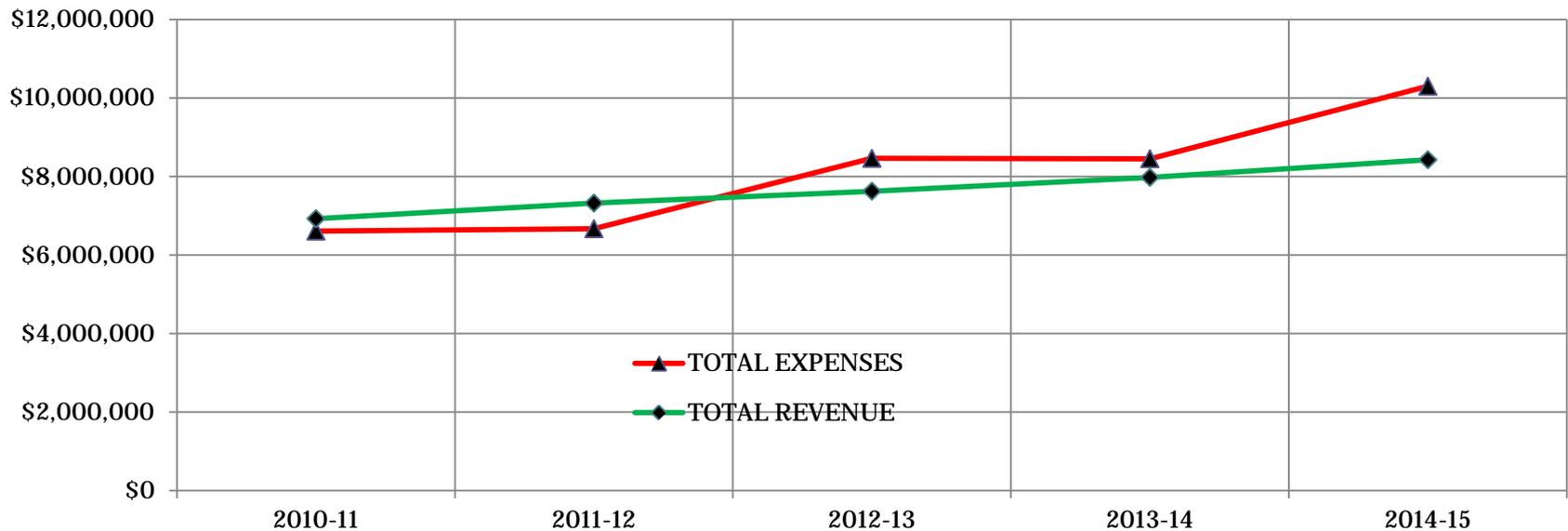
- 26.1 FTE – reduced from 31.0 in 2008
- Settlement / Inspections - 2009 Sewer Litigation
- WWTP Phase 2 Improvements Completed (NPDES compliance)
- WWTP Phase 3 Improvements %95 completed (NPDES compliance)
- Johnson Control, Inc Initiative – Guaranteed Energy Performance Based Contract (11 Past & Future CIPs)
- Exceeded all water quality requirements of NPDES permit
- 4.6 Billion Gallons of Sewage Transported & Treated
- 9,800 feet (1.9 miles) of Sewer Root Treatment
- 2,100 Pump Stations, Manhole & Sewer Inspections / Investigations
- 138,000 feet (26.1 miles) of sewer jetted / cleaned
- 24,000 feet (4.6 miles) of sewer TV'd
- 1,800 Hours In-House Major Repair and CIP Project
- Completed ~0.7 miles Sanitary Sewer Rehabilitation (CIP)

Fiscal Year 2014-2015 Goals

- **Maintain 26.1 FTE for operations, service and projects**
- **Complete Phase 3 Improvements (NPDES compliance)**
- **Johnson Control, Inc - Final Report / Contract / Build**
- **Exceed all water quality and regulatory compliance requirements of NPDES permit**
- **Educate customers – Apply mitigation measures for removing cross connections (floor / footing drains/ sump pumps) and Fats, Oils, & Grease (FOG) reduction**
- **Continue implementing Preventative Maintenance Program (all facilities)**
- **2 CIP projects - Rehabilitating / Installing ~0.6 miles sanitary sewer**

EXPENSES & REVENUE TREND

	2010-11	2011-12	2012-13	2013-14	2014-15
DIVISION	ACTIVITY BUDGET	ACTIVITY BUDGET	ACTIVITY BUDGET	PROJECTED BUDGET	REQUESTED BUDGET
ADMINISTRATION	\$2,775,998	\$2,786,136	\$2,718,878	\$2,909,437	\$3,239,710
TREATMENT & DISPOSAL	\$2,660,795	\$2,687,348	\$2,849,535	\$2,845,546	\$2,914,176
SANITARY SEWER MAINTENANCE	\$386,618	\$402,699	\$1,155,200	\$433,828	\$442,839
PUMP STATION MAINTENANCE	\$495,395	\$515,440	\$518,910	\$504,144	\$497,340
DEBT SERVICE	\$291,281	\$279,375	\$1,220,876	\$1,760,853	\$3,205,332
TOTAL EXPENSES	\$6,610,087	\$6,670,998	\$8,463,399	\$8,453,808	\$10,299,397
TOTAL REVENUE	\$6,927,352	\$7,323,183	\$7,626,992	\$7,978,342	\$8,426,929



FY 2014-2015 Expenditures

Overall Budget

- Expenses reviewed / reduced where possible
- Operational Budget Increased 22%
 - 22% Increase Breakdown*
 - *Debt Service Increased 17%*
 - *Depreciation Increased 4%*
 - *Labor, Fringes, City & Meter Read Fees Increased ~1%*

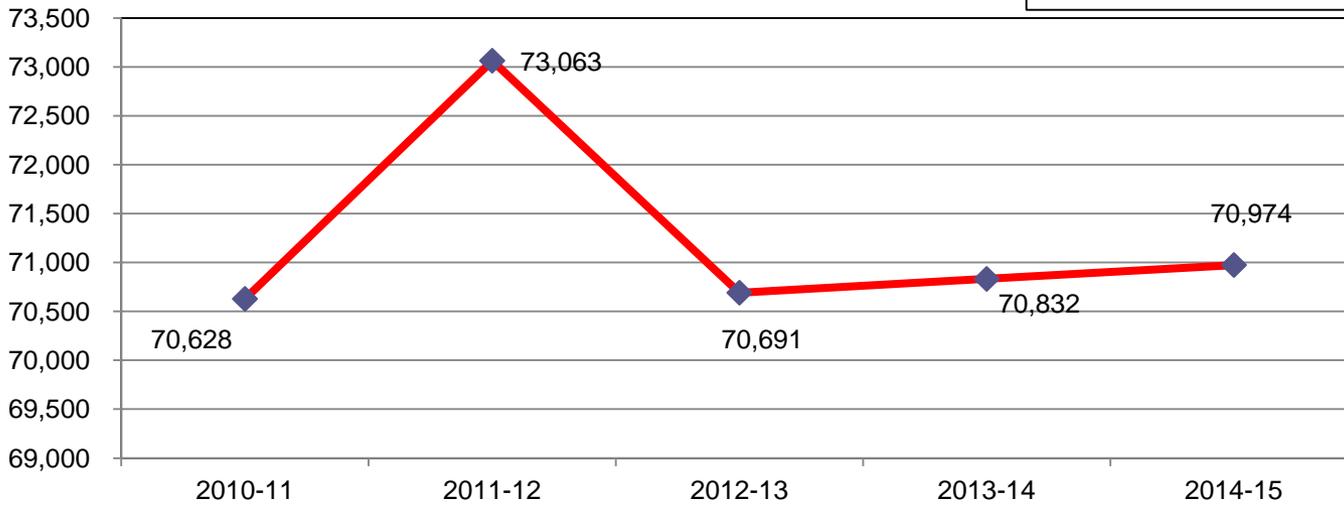
Specific Areas of Concern

- Debt Service – 82%
- Depreciation – 26%
- City / Meter Reading Fees – 2%
- Post Retirement Healthcare - 2%
- Medicare – 5%
- Pension Contribution - 3%
- Vehicle Fuel – 10%

Efficiencies:

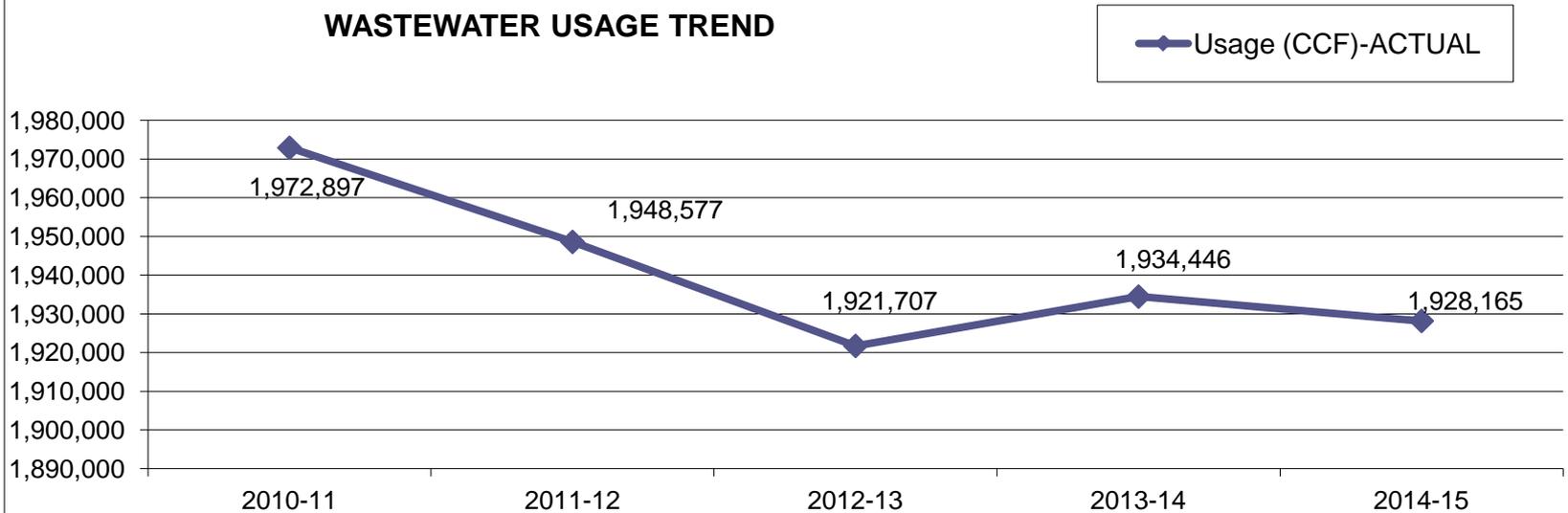
- ❖ Utilize Wastewater Rate Model
- ❖ WWTP Improvements – Reduced Electric & Water Usage, Reliability, SCADA
- ❖ Reduced Staff to 26.1 FTE
- ❖ Health Department Testing
- ❖ Replacing / Repairing Infrastructure with Staff
- ❖ Work Order Coordination – Departments / Time / Fuel Savings
- ❖ Single Operator Shifts / Call Back System
- ❖ All WWTP Operations using Cell Phones
- ❖ Pump Station Rehabilitations / Radio System

METER READ TREND



METER READ & USAGE TRENDS

WASTEWATER USAGE TREND



Proposed Wastewater Rates - FY 2014-2015

- **Increase Commodity Charge:** **\$3.25 / ccf**
- **Maintain Meter Read Charge:** **\$13.59 / Read**
- **Maintain Septic Dumping Rate:** **\$0.070 / Gallon**
- **Maintain BOD Surcharge Rate :** **\$0.34 / BOD lb**
- **Maintain TSS Surcharge Rate :** **\$0.22 / TSS lb**
- **Maintain Nitrogen Surcharge Rate :** **\$0.95 / Nitrogen lb**

	Previous Cost	Proposed Cost (5.8% INCREASE)	Increase
Annual Bill	\$334.04	\$353.36	\$19.32

(Based on 92 ccf usage)

Sewage Rates Comparison

Annual Cost for 92 ccf

1. Village of Maybee \$231.00
2. City of Woodhaven \$232.62
3. London Township \$249.00
4. City of Flat Rock \$255.26
5. YUCA \$259.17
6. City of Wyandotte \$268.58
7. City of Tecumseh \$331.42
8. City of Howell \$331.98
9. City of Saline \$349.16
- 10. Monroe Metropolitan \$353.36**

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(Continuation)

11. Bedford Township \$355.52
12. Ida / Raisinville Twps \$360.00
13. City of Petersburg \$360.00
14. City of Ann Arbor \$380.80
15. Village of Blissfield \$417.15
16. City of Adrian \$455.00
17. Village of South Rockwood \$496.50
18. City of Milan \$560.14
19. Village of Dundee \$622.64
20. Village of Dexter \$630.14
21. Berlin Township \$635.56
22. Ash Township \$688.16
23. LaSalle Township \$1,359.86

FY 2014-2015 Revenue

- **5.8% Increase Breakdown**

- Debt Service 4.5%
- Depreciation 0.9%
- Labor, Fringe Benefits & City/Meter Reading Fees 0.4%

- **Wastewater Sales Flat Since FY 2008**

- Metropolitan down 13% (67% of system)
- Frenchtown down 12% (33% of system)
- **FY 2014-2015 expect flat wastewater usage (<1% increase)**