



FY13 Sewer Fund Budget

As Introduced

By The

Town Council

Updated Through
November 20, 2012

TABLE OF CONTENTS

Introduction

Table of Contents	2
Budget Message by the Town Manager	3

Line Items

Operating Fund

Operating Fund Balance	8
Operating Revenues	9
Operating Expenditures	10
Personnel Services	10
Employee Benefits	10
Contractual Services	10
Materials & Supplies	11
Utilities & Commodities	11
Repairs & Maintenance	11
Equipment Purchases	12
Other Expenses, Travel, Etc.	12
Operating Transfers Out	12

Capital Fund

Capital Fund Balance	13
Capital Revenues	14
Capital Expenditures	
Capital Fund Status	15
Capital Fund Expenditures Plan (Years One through Five)	16
Equipment Replacement Schedule	17

Charts

A.	Capital Improvement Program Narrative	20
B.	Personnel Services & Benefits	27
C.	Contractual Services	30
D.	Materials & Supplies	36
E.	Utilities & Commodities	38
F.	Repairs & Maintenance	39
G.	Equipment Purchases	41
H.	Other Expenses	44
I.	Debt Service	46
J.	Operating Revenue Notes	49
K.	Net Income Statement	51
L.	Sewer Rate Schedule	52
M.	Sewer Rate Calculations	53
N.	Typical Bills	54
O.	Budgeting Standards: Operating & Capital	56
P.	Combined Fund Balance	57
Q.	Non-Cash Expenses	58
R.	Sewer Budget Ordinance	59



Town Of Bar Harbor

Office of the Town Manager

93 Cottage Street, Suite I
 Bar Harbor, Maine 04609-1400
 Tel. 207-288-4098 Fax 207-288-4461

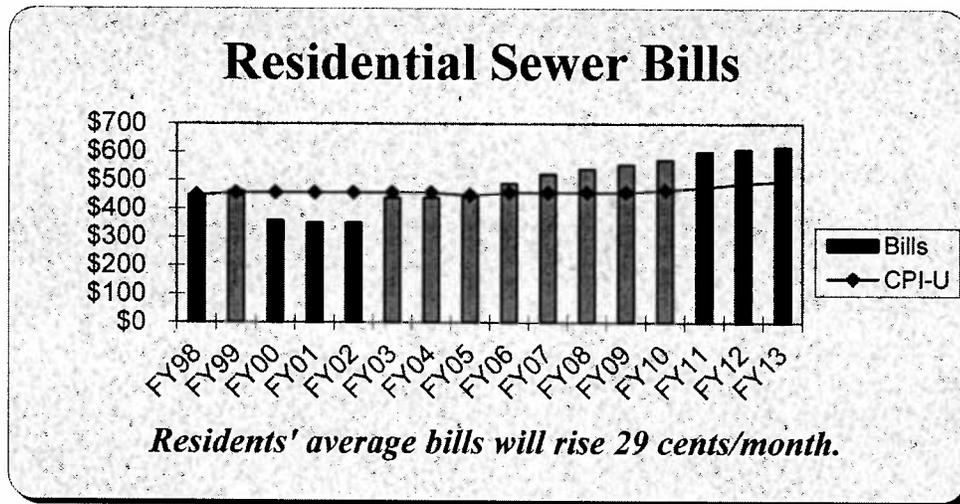
Dana J. Reed, Town Manager

manager@barharbormaine.gov

November 20, 2012

Budget Message

You will find attached the proposed Sewer Budget for FY13. I am pleased to report that, under the requested budget, the estimated annual sewer bill for a typical four-member residential household will rise only \$3.48 next year, about 29 cents per month. That's just 0.6%, even less than the Social Security COLA recently announced. Businesses should see increases about the same or just slightly lower, varying according to the type of business.



Fund Balance (page 57)

Interfund Transfer

FY12 sewer connection fees exceeded budget by \$142,000 last year. Combined with excess connection fees in FY11, this windfall has allowed us to fully fund the Working Capital Designation in the Operating Fund for the first time. It also enables me to recommend that \$155,000 be transferred from the Operating Fund to the Capital Fund and nearly eliminates next year's capital rate increase. To reduce such complicated fund balance transfers in the future, I have also recommended that sewer connection fees now be deposited directly to the Capital Fund. Good budgeting demands that one-time revenues (such as connection fees) be used for one-time expenses (such as our capital needs). It is bad policy to rely on unreliable one-time revenues for operating expenses, which continue year after year. (See page 50 for more information on connection fees.)

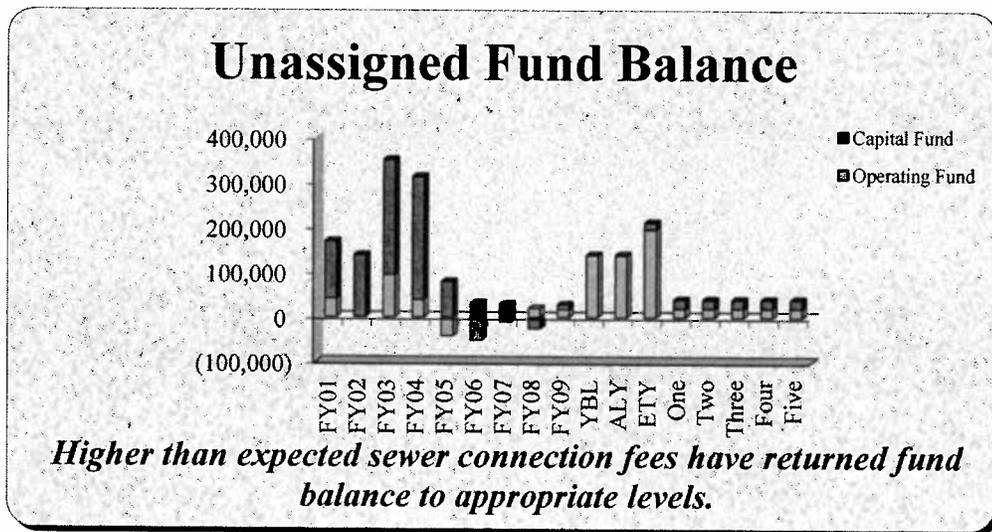
The proposed FY13 budget is balanced, once adjusted for the interfund transfer noted above, although the Capital Fund will see a very small \$3,586 increase, since we need to rebuild our minimal Unallocated Fund Balance. Over the next five years, the unallocated fund balances of both the Operating Fund and Capital Fund are projected to remain relatively constant.

Fund Balance – Capital Fund (page 13)

Over the next five years, we expect only relatively minor fluctuations in the Unallocated Fund Balance of the Capital Fund. As explained below, we'll need to spend considerable funds on the sewer portion of the DPW Road Improvement Program, much of which was financed by a \$1.3 million bond issue last year. Similarly, bond anticipation notes will need to be sold in Year Four to finance the engineering and construction work needed to implement our federal-mandated Combined Sewer Overflow Plan. However, financing these large projects will enable us to keep our fund balance reasonably stable. For the coming year (FY13) we anticipate a small gain of only \$3,586.

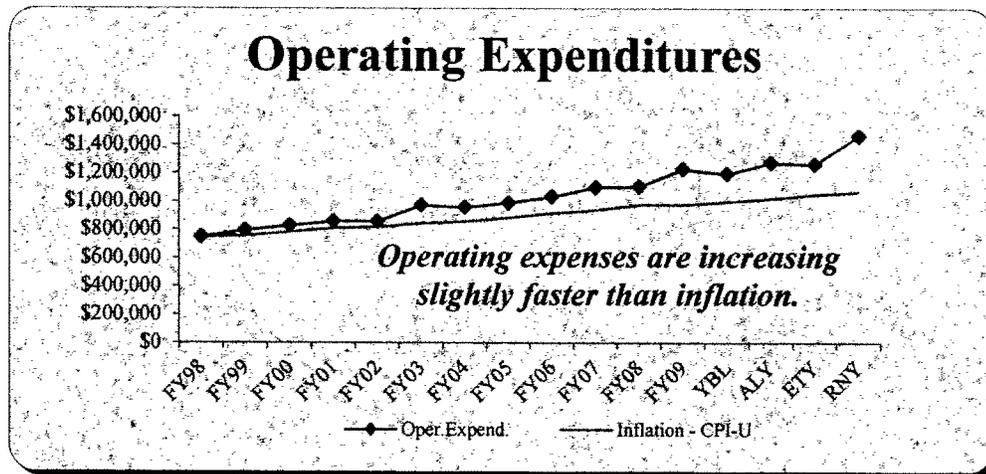
Fund Balance – Operating Fund (page 8)

Due to billing volume shortfalls in FY09 and FY10, we ended that period with losses totaling \$53,000. Fortunately, FY11 was some better, as we were able to recover that loss and add another \$70,000 or so to the operating fund balance. Please keep in mind that this is only our unreserved and undesignated fund balance. For the coming year, I recommend designating another \$40,000 of unexpended funds for working capital. In other words, this is cash which is held in reserve to finance expenses between July 1 and October, when the first sewer bill revenue arrives.



Operating Expenditures (page 10)

Exclusive of the interfund transfer mentioned above, my recommended budget for operating expenses will rise only \$48,000 in the coming year, just 3.7% more than the previous year. By comparison, the January 2012 Social Security cost of living adjustment (COLA) will be 3.6%. To be honest, this accomplishment was helped immensely by the fact that we made our last \$60,000 payment on a 1992 bond issue last year, but our aging physical plant now requires about \$40,000 in engineering to keep it in good shape. Our other big expense next year will be for a \$20,000 cost-of-service study to equalize sewer rates for our customers.



Capital Expenditures (page 16)

A “Year by Year Overview” of our Capital Improvement Program is on page 16 of the budget, with a narrative description in Chart A, starting on page 20, so I will touch only on the highlights here. The Five Year capital plan proposed in this year’s budget looks quite similar to that approved last year, with a few major exceptions.

Debt Service

We’re facing our first full year of payments for the 2011 Sewer Rehabilitation bonds issued last fall, raising our debt service expenses by over \$60,000.

Combined Sewer Overflow Elimination Project (page 20)

This federally mandated \$7.5 million project has been postponed for one more year while we continue to remove leaks and inflow from the sewage collection system. Over the last three decades, we have removed 99% of our sewage overflows to the ocean. This project should remove the last 1%. Engineering is scheduled to start in Year Four of the capital plan at a cost of \$1.1 million. Year Five includes \$6.1 million for construction of the swirl concentrator, pump station and forcemain. While we have the Holland, Shannon and Glen Mary streets torn up to install the forcemain, we plan to rebuild their gravity sewer mains at a cost of \$280,000. The full \$7.5 million project cost will be financed using a bond issue, which we plan to postpone until after Bond Issue E (our 1996 Main Plant Upgrade) is paid off in FY18, freeing-up close to a half million dollars per year for the new bond payments. Of course, we will also need some short-term construction financing. The bad news is that we will still need about a 12% blended rate increase in Year Four, but nothing close to the huge increase we would have been facing had not the Maine DEP postponed our CSO construction schedule.

Construction & Repair Projects (page 21)

Throughout the five years of the CIP, we plan to continue relining sewer mains and basins and replacing services in order to reduce infiltration and inflow (I&I) and help us comply with the State/Federal mandates to reduce CSOs. All of these projects are detailed in Chart A, the narrative description of the CIP and are timed to coincide with the other road, sidewalk and stormdrain projects of Public Works Director Chip Reeves’s Consolidated Capital Work Plan.

In Year One, we anticipate replacing \$150,000 worth of mains and services under town road projects, and building a new \$80,000 pump station at Ocean Avenue in Hulls Cove to elimi-

nate the unsightly and high maintenance sewer interceptor across Breakneck Cove. We are also getting quite close to obtaining all the easements necessary to start the Woodbury Park project, which has been postponed to Year One.

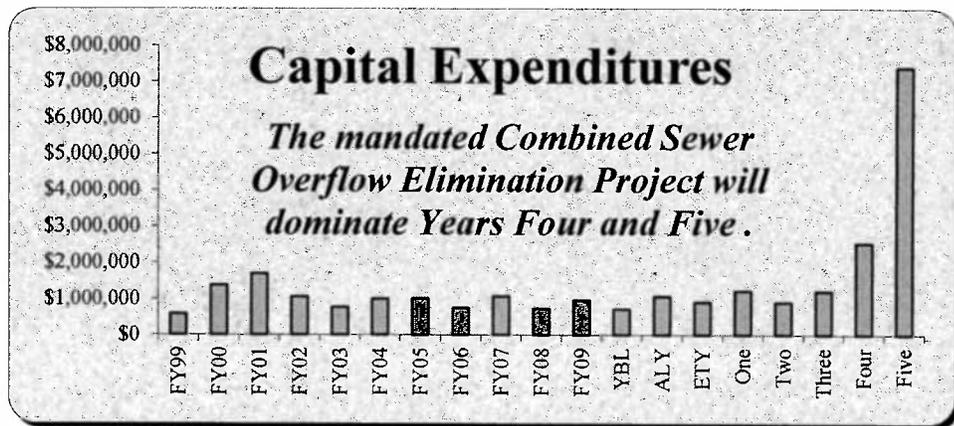
Equipment Replacements (page 22)

Our aging sewer plants are starting to need more attention as evidenced by the \$30,000 needed for siding, a furnace replacement and a DEP ordered refrigerated sampler.

We're still on track to start our Pump Station Reconstruction program in Year One, although we have postponed the next pump station for a year due to lack of funds. Thereafter, we will replace one pump station a year until all are rebuilt. We are coming under increasing DEP pressure to add more standby power, so we propose installing generators for the Hulls Cove Treatment Plant, as well as the Hancock Street and Ocean Avenue pump stations. The Hulls Cove pump station generator needs to be replaced as well. We postponed the budgeted replacement of our laptop computers last year, as well as our six year old utility billing software, so we have again shown these as being replaced in Year One.

Due to the rising cost of vehicles, last year we lengthened the replacement cycles for a number of our trucks so as not to increase funding for our annual reserves. This year, we have done the same for the Inspector's truck. As a result, only one vehicle is scheduled for replacement over the next five years, the Line Crew truck in FY13.

Our utility billing software is scheduled for replacement when it is six years old during FY13, the same year that the telephone system at the Main Treatment Plant is scheduled for replacement at the age of fifteen.



Billing Volume (page 53)

Forecasting revenue continues to be difficult due to fluctuations in our billing volume, that is, our customers' water consumption upon which their bills are calculated. For example, for five years billing volumes dropped. Then, an early FY10 up-tick raised our hopes, but final FY10 volume fell 5.6%, and we lost over \$100,000. Once again, volume rose in FY11, this time by 3.7%, but FY12 increased only 1.5%. So what do we do about next year?

For FY13, staff recommends a very small increase in billing volume, just 1%. While volume has dropped an average of 0.4% per year over the last three years, tourism sectors did well this summer, so our volume should rise, even if only slightly. Given recent trends, staff recom-

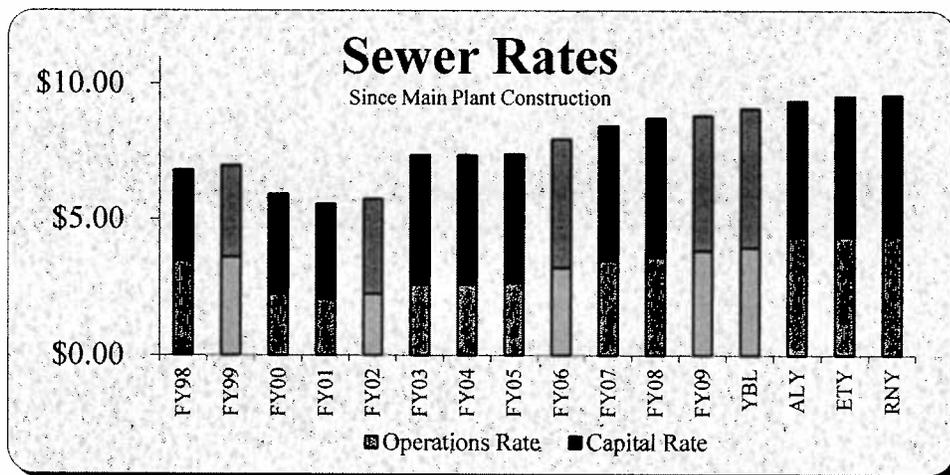
mends that Council increase our volume estimate by only 1%, a reasonable, yet conservative, projection.

Revenues (page 49)

Income other than user fees is an important part of the budget, since it helps to keep down sewer rates. The real wild card in the revenue deck is our estimate for connection fees. Any time a customer substantially increases their sewage flow (like constructing a new building), a sewer connection fee is charged. A history of these fee collections is on page 50. Due to the historically unstable real estate market at this time, we estimated this revenue very conservatively: at the same level as the lowest receipts of the last nine years, \$37,000, rather than our nine year average receipts of \$82,000, even though the higher figure would have lowered rates by 2%. Because they are so unstable, there is real danger in overestimating these revenues.

Rates (page 52)

Staff is suggesting that rates be increased only enough to break even at this time: an increase to the Operations Rate of only 0.7%, with a 0.4% increase to the Capital Rate. If approved as proposed, the estimated annual sewer bill for a typical four-member residential household will rise 0.6% next year to \$611, as compared to a \$608 bill this year. That’s only 87 cents more per quarterly bill or 29 cents per month.



Requested Action

In summary, the budget Council has tentatively adopted pending a public hearing:

- Projects that overall billable volume will rise just 1%.
- Increases the Operations Rate by 0.7%.
- Increases the Capital Rate by 0.4%.
- Increases the average homeowner’s sewer bill by just 0.6%.

While it’s never a good time for a rate increase, I feel that adoption of this budget is the best option we have available. Accordingly, I respectfully suggest that the Town Council pass a motion to adopt the Sewer Budget Ordinance as proposed [or amended].

Respectfully submitted,

Dana J. Reed
Town Manager

	Actual Yr. Before Last: FY10	Actual Last Year FY11	Budgeted This Year FY12	Estimated This Year FY12	Requested Next Year FY13
--	------------------------------------	-----------------------------	-------------------------------	--------------------------------	--------------------------------

Operating Fund Balance

FUND BALANCE - Operating Fund

Starting Fund Balance	288,619	286,133	406,744	406,613	626,649
Revenues & Other Sources	1,191,170	1,393,989	1,279,207	1,481,789	1,286,280
Expenditures & Other Uses	1,193,656	1,273,509	1,278,700	1,261,753	1,461,946
Ending Fund Balance	286,133	406,613	407,251	626,649	450,984
Designated Fund Balance					
Working Capital (See Note A)	268,619	268,619	389,230	431,124	431,124
Total Designated Fund Balance	268,619	268,619	389,230	431,124	431,124
Unreserved & Undesignated Fund Balance	17,514	137,994	18,021	195,525	19,860
Change in Unreserved & Undesignated Fund Balance		120,480	507	57,531	(175,665)

RNY/BTY

Notes:

- A. Since our first billing of the new fiscal year doesn't go out until October, and cash doesn't start coming in until November, we need to reserve at least four months' operating expenses at the end of each fiscal year to get us started the next fiscal year. This should be calculated at four month's expenditures. i.e.- 33% of the total current year (BTY) expenditures for the operating fund, less any Operating Transfers Out. For next fiscal year, this equals \$431,124

	Actual Yr.Before Last: FY10	Actual Last Year FY11	Budgeted This Year FY12	Actual This Year FY12	Requested Next Year FY13	Request's Change From This Year's Budget	Estimate
--	-----------------------------------	-----------------------------	-------------------------------	-----------------------------	--------------------------------	--	----------

Operating Fund Revenues

3597 OPERATIONS RATE CHARGES (See Chart J)

<i>Sub Total: Charges from Operations Rate</i>	982,578	1,125,044	1,127,630	1,138,792	1,158,094	30,464	19,302
		<i>ALY:YBL</i>	<i>BTY:ALY</i>	<i>ETY:BTY</i>	<i>RNY:ETY</i>	<i>RNY:BTY</i>	<i>RNY:ETY</i>
		14%	0%	1%	1.7%	2.7%	1.7%

OTHER CUSTOMER CHARGES (* = See Chart J)

4932 Sludge Dewatering *	72,209	75,439	68,920	82,748	77,327	12.2%	-6.6%
4934 Septic Tank Dumping *	25,517	29,334	25,656	59,059	27,614	7.6%	-53.2%
4936 Connection Fees *	85,922	139,247	37,008	179,038	<i>Old Acct.</i>		<i>Moved to CIP Fund</i>
<i>Sub Total: Other Charges</i>	183,648	244,020	131,584	320,845	104,941	-26,643	-215,904
		33%	-46%	31%	-67%	-20.2%	-67.3%

OTHER INCOME (* = See Chart J)

4700 Interest on Investments *	7,612	5,120	6,000	7,595	6,776	12.9%	-10.8%
4702 Gain (Loss) on Investments	0	0	0	0	0		
4704 Penalties for Late Payments *	6,199	5,299	5,299	4,606	4,606	-13.1%	0.0%
4938 Miscellaneous	2,351	8,163	2,351	2,539	4,351	85.1%	71.4%
4940 Lien Cost Reimbursements *	8,782	6,343	6,343	7,412	7,512	18.4%	1.4%
<i>Sub Total: Other Income</i>	24,944	24,925	19,993	22,152	23,245	3,252	1,093
		0%	-20%	-11%	5%	16.3%	4.9%

Total Operating Fund Revenues

1,191,170	1,393,989	1,279,207	1,481,789	1,286,280	0.6%	-13.2%
	202,819	(114,782)	87,800	(195,509)	7,073	-195,509
	<i>ALY:YBL</i>	<i>BTY:ALY</i>	<i>ETY:BTY</i>	<i>RNY:ETY</i>	<i>RNY:BTY</i>	<i>RNY:ETY</i>
		-8%	6%	-13%	0.6%	-13.2%

Note:

Charges for Services are shown as the amount billed, which will vary from the amount actually collected.

	Actual Yr. Before Last: FY10	Actual Last Year FY11	Budgeted This Year FY12	Actual This Year FY12	Requested Next Year FY13	Request's Change From This Year's: Budget	Estimate
--	------------------------------------	-----------------------------	-------------------------------	-----------------------------	--------------------------------	---	----------

Operating Fund Expenditures

51 PERSONNEL SERVICES (* = See Chart B)

5105	Wages-Hourly Full Time *	329,936	344,993	344,911	346,586	348,360	1.0%	0.5%
5110	Wages-Overtime *	40,075	44,551	37,934	37,907	41,164	0.8%	8.6%
5130	Wages-Summer/Seasonal *	13,841	15,350	13,593	14,553	14,589	7.3%	0.2%
5170	Wages - 27th Payperiod Accruals	<i>New Acct.</i>		0	1,160	1,172	1.0%	
5175	Wages - Vacation Accruals	318	0	167	2,595	1,324	692.6%	-49.0%
Total Personnel Services		384,170	404,894	396,605	402,801	406,608	2.5%	0.9%
					(6,196)		10,003	3,807
								(Over Budget)

52 EMPLOYEE BENEFITS (* = See Chart B)

5160	ICMA Retirement *	0	0	1	0	0	n/a	n/a
5200	FICA & Medicare *	28,523	29,683	30,327	30,310	30,915	1.9%	2.0%
5210	MSRS Retirement *	12,328	14,744	17,593	14,384	23,364	32.8%	62.4%
5215	Workers' Compensation *	9,717	8,879	8,722	9,113	8,082	-7.3%	-11.3%
5220	Unemployment Compensation *	2,215	2,219	2,268	2,228	2,538	11.9%	13.9%
5225	Health Insurance *	59,167	76,358	85,048	82,367	84,526	-0.6%	2.6%
5230	Health Insurance Opt Out	13,810	12,292	14,087	14,544	14,036	-0.4%	-3.5%
5245	Retirement Health Savings Acct. *	479	1,106	793	1,000	893	12.5%	-10.7%
5255	Innoculations & Physical Exams	165	0	109	486	225	106.1%	-53.8%
Total Employee Benefits		126,403	145,281	158,948	154,432	164,579	3.5%	6.6%
					4,516		5,631	10,147
								Under Budget

53 CONTRACTUAL SERVICES (* = See Chart C)

5300	Alarms & Paging *	1,822	1,188	498	821	540	8.4%	-34.2%
5304	Audit & Accounting *	1,508	1,600	1,666	1,729	1,791	7.5%	3.6%
5306	Town Management Fees *	82,093	82,217	113,477	113,477	114,187	0.6%	0.6%
5308	Billing Fees	1,016	1,153	1,099	545	937	-14.7%	72.0%
5310	Office and Lab Cleaning	5,330	5,400	5,470	5,570	5,629	2.9%	1.1%
5311	Special Waste Cleaning *	33	2,100	2,200	2,100	4,000	81.8%	90.5%
5312	Pump Station Pumping *	600	1,895	1,297	0	862	-33.6%	n/a
5314	Copier & Time Clock	335	352	339	388	400	18.0%	3.1%
5326	Engineering	3,282	1,381	1,573	10,851	55,017	3397.6%	407.0%
5332	Generator Service *	615	4,368	4,712	4,368	4,712	0.0%	7.9%
5334	General Professional Fees	308	308	450	345	332	-26.3%	-3.8%
5336	General Equipment Maintenance*	3,331	2,757	2,790	2,625	9,073	225.2%	245.6%
5340	Legal Services	0	825	435	825	570	31.0%	-30.9%
5348	Mowing *	3,382	3,873	3,581	3,360	3,666	2.4%	9.1%
5358	Heating System Cleaning *	0	1,240	1,240	0	0		Old Account
5366	Sludge Disposal *	46,300	55,918	51,276	49,740	54,336	6.0%	9.2%
5368	Technology Licenses & Support *	2,077	2,187	2,475	2,475	2,475	0.0%	0.0%
5380	Testing - Drug & Alcohol	387	360	332	317	367	10.7%	15.9%
5384	Laboratory Testing *	8,545	4,397	3,120	4,100	2,395	-23.2%	-41.6%
5388	Uniform Cleaning & Rental *	8,490	7,535	7,466	8,210	8,362	12.0%	1.9%
Total Contractual Services		169,454	181,054	205,496	211,846	269,649	31.2%	27.3%
					(6,350)		64,153	57,804
								(Over Budget)

	Actual Yr. Before Last: FY10	Actual Last Year FY11	Budgeted This Year FY12	Actual This Year FY12	Requested Next Year FY13	Request's Change From This Year's Budget	Estimate	
OPERATING FUND EXPENDITURES								
Page 2								
54 MATERIALS & SUPPLIES (* = See Chart D)								
5410	Clothing Purchases *	3,622	3,375	3,484	4,552	3,988	14.5%	-12.4%
5412	Copier & Printer Supplies	1,529	958	1,360	731	1,111	-18.3%	52.0%
5418	Forms, Checks, Etc.	708	0	423	1,084	619	46.3%	-42.9%
5424	Sodium Hypochlorite *	8,599	11,691	10,017	7,423	9,570	-4.5%	28.9%
5428	Lab Supplies	8,939	6,800	7,671	9,411	8,685	13.2%	-7.7%
5432	Mains & Services	6,579	7,681	7,616	8,444	7,840	2.9%	-7.1%
5436	Office Supplies	1,190	1,726	1,329	668	1,238	-6.9%	85.3%
5438	Operating Supplies	9,731	9,227	10,167	10,603	10,208	0.4%	-3.7%
5441	Magnesium Hydroxide & Other *	31,128	28,494	28,681	28,870	30,559	6.5%	5.9%
5442	Polymer Supplies *	14,401	12,740	11,559	13,756	14,123	22.2%	2.7%
5444	Safety Supplies *	5,524	2,318	1,533	1,533	2,252	46.9%	46.9%
5452	Sodium Bisulphite *	3,029	4,623	3,246	4,366	4,150	27.9%	-4.9%
5458	Vehicle Supplies - D.I.Y. *	3,598	3,465	2,429	2,429	3,272	34.7%	34.7%
Total Materials & Supplies		98,577	93,098	89,515	93,870	97,617	9.1%	4.0%
					<i>(4,355)</i>		<i>8,102</i>	<i>3,747</i>
								<i>(Over Budget)</i>
55 UTILITIES & COMMODITIES (* = Chart E)								
5504	Electricity - Plants *	98,238	102,846	102,292	98,684	103,520	1.2%	4.9%
5506	Electricity - Pumping *	56,244	56,952	59,265	52,743	57,304	-3.3%	8.6%
5508	#2 Heating Oil & Kerosene *	14,341	16,570	22,013	<i>18,351</i>	<i>25,411</i>	15.4%	38.5%
5514	Motor Fuel - Diesel	6,905	10,089	9,789	10,981	10,854	10.9%	-1.2%
5516	Motor Fuel - Unleaded Gasoline	13,220	17,411	16,768	18,342	19,002	13.3%	3.6%
5518	Motor Oils & Grease	1,573	1,010	1,281	1,582	1,616	26.2%	2.2%
5520	Propane	2,192	2,817	2,615	1,435	2,500	-4.4%	74.2%
5528	Telephone & Cellular	3,437	3,640	3,581	3,430	3,654	2.0%	6.5%
5530	Water *	3,904	4,093	3,635	2,996	3,994	9.9%	33.3%
Total Utilities & Commodities		200,053	215,428	221,239	208,544	227,855	3.0%	9.3%
					<i>12,695</i>		<i>6,616</i>	<i>19,311</i>
								<i>Under Budget</i>
56 REPAIRS & MAINTENANCE (* = Chart F)								
5602	Buildings	2,849	2,339	3,082	<i>6,011</i>	<i>1,500</i>	-51.3%	-75.0%
5612	Technology	0	375	1	119	1	0.0%	-99.2%
5616	Line Equipment	9,651	8,930	8,854	12,125	10,604	19.8%	-12.5%
5628	Mains & Services *	24,509	29,716	30,393	12,638	23,090	-24.0%	82.7%
5634	Plant Equipment	15,918	28,568	22,133	30,152	25,775	16.5%	-14.5%
5640	Pump Station Equipment *	14,780	28,788	25,258	<i>13,301</i>	<i>23,792</i>	-5.8%	78.9%
5644	Radios	1,053	2,004	1,164	71	1,080	-7.2%	1421.4%
5658	Vehicles - Repair by Others *	986	2,533	4,367	<i>3,743</i>	<i>1,120</i>	-74.4%	-70.1%
Total Repairs & Maintenance		69,746	103,253	95,252	78,160	86,961	-8.7%	11.3%
					<i>17,092</i>		<i>-8,291</i>	<i>8,801</i>
								<i>Under Budget</i>

	Actual Yr.Before Last: FY10	Actual Last Year FY11	Budgeted This Year FY12	Actual This Year FY12	Requested Next Year FY13	Request's Change From This Year's: Budget	Estimate
--	-----------------------------------	-----------------------------	-------------------------------	-----------------------------	--------------------------------	---	----------

OPERATING FUND EXPENDITURES

57 EQUIPMENT PURCHASES (* = Chart G)

5700	Technology Equipment *	3,473	1,008	928	928	6,880	641.4%	641.4%
5702	Office Equipment *	0	1,310	1,500	1,500	850	-43.3%	-43.3%
5704	Operating Equipment *	6,218	9,239	6,925	6,925	6,095	-12.0%	-12.0%
Total Equipment Purchases		9,691	11,557	9,353	9,353	13,825	47.8%	47.8%
					0		4,472	4,472
		<i>Under Budget</i>						

58 OTHER EXPENSES, TRAVEL, ETC. (* = Chart H)

5800	Advertising	443	166	400	207	282	-29.6%	36.1%
5802	Uncollectable Customer Accts.	<i>New Acct.</i>	0	0	3,000	1	-100.0%	
5808	Dues & Licenses *	520	325	633	625	455	-28.1%	-27.1%
5822	Insurance: Liability & Crime	7,412	6,374	7,204	6,130	6,878	-4.5%	12.2%
5824	Insurance: Property & Casualty	13,614	13,545	13,644	13,472	14,031	2.8%	4.2%
5826	Insurance: Automobiles	3,176	2,766	2,887	3,708	3,332	15.4%	-10.1%
5832	Facility Permits & Fees *	3,819	3,154	2,878	3,170	3,216	11.8%	1.5%
5836	Postage & Shipping	4,202	3,598	3,988	4,467	4,236	6.2%	-5.2%
5838	Registry & Lien Costs	3,666	3,107	3,377	2,821	3,313	-1.9%	17.4%
5844	Training, Workshops, Etc.*	1,447	1,520	2,448	675	3,070	25.4%	354.9%
5846	Travel: Rooms, Miles & Meals	525	762	763	402	525	-31.2%	30.6%
Total Other Expenses, Travel, Etc.		38,824	35,317	38,222	38,677	39,341	2.9%	1.7%
					(455)		1,119	664
		<i>(Over Budget)</i>						

080 "OLD" DEBT SERVICE (* = See Chart I)

Total Old Debt Service *		96,738	83,627	64,070	64,070	0		
					0		-64,070	-64,070
		<i>Under Budget</i>						

88 OPERATING TRANSFERS OUT

5980	Wastewater C.I.P. Fund	0	0	0	0	155,510	<i>New Acct.</i>	
Total Operating Transfers Out		0	0	0	0	155,510		
					0		155,510	155,510
		<i>Under Budget</i>						

Total Operating Fund Expenditures		1,193,656	1,273,509	1,278,700	1,261,753	1,461,946	14.3%	15.9%
Increase (Decrease)			7%	0.4%		15.9%	183,246	200,193
			79,853	5,191	16,947	200,193		
		<i>Under Budget</i>						
<i>Without Operating Transfers Out</i>		1,193,656	1,273,509	1,278,700	1,261,753	1,306,436	2.2%	3.5%
							27,736	44,683

Capital Fund Balance

	Actual Yr. Before Last: FY10	Actual Last Year FY11	Budgeted This Year FY12	Estimated This Year FY12	<i>Five Year Plan</i>				
					Year One FY13	Year Two FY14	Year Three FY15	Year Four FY16	Year Five FY17
FUND BALANCE - Capital Fund									
Starting Fund Balance	627,548	600,975	253,874	251,832	1,622,456	1,454,187	1,358,258	963,293	6,971,157
Revenues & Other Sources (Cash In)	940,350	717,398	2,134,058	2,061,149	1,048,779	808,027	813,680	8,541,022	1,023,397
Expenditures & Other Uses (Cash Out)	966,923	1,066,541	905,636	690,525	1,217,047	903,956	1,208,645	2,533,158	7,378,179
Ending Fund Balance	600,975	251,832	1,482,296	1,622,456	1,454,187	1,358,258	963,293	6,971,157	616,375
Designated Fund Balance at Year End									
Unfinished CIP Projects (Note A)	534,745	1,591,589	1,416,066	1,551,400	1,387,075	1,291,146	879,576	6,887,439	502,513
October Bond Payment (Note B)	54,642	54,642	54,642	54,642	47,112	47,112	63,716	63,716	93,860
Due To (From) Bonds	0	(1,316,000)	0	0	0	0	0	0	0
Due To (From) Assessments - Woodbury Park		(79,775)		0					
Total Designated Fund Balance	589,387	250,456	1,470,708	1,606,042	1,434,187	1,338,258	943,292	6,951,155	596,373
Unallocated Fund Balance	11,588	1,376	11,588	16,414	20,000	20,000	20,001	20,002	20,002
<i>As a percent of total expenditures</i>					2%	2%	2%	1%	0%
Change in Unallocated Fund Balance	41,822	(10,212)	8,171	15,038	3,586	0	1	1	1

Notes:

A. Unfinished CIP Projects

Some of these projects were funded in the current or prior years, but are not yet finished, so we have not yet paid for them. Another example would be equipment replacement reserves, where we plan to purchase a replacement vehicle in a future year.

B. October Bond Payment

Each year, we must make a \$400,000 bond payment before the first quarter (summer) billings are mailed. In other words, we need to have enough cash at the end of each fiscal year in June to make the \$400,000 payment in October. Unfortunately, since we refunded \$600,000 to ratepayers in FY01, we no longer have sufficient money available to fund this designation. Consequently, we should increase this designation when budget surpluses occur.

Capital Fund Revenues

	Actual Yr. Before Last: FY10	Actual Last Year FY11	Budgeted This Year FY12	Actual This Year FY12	Year One's Change From This Year's:		Five Year Plan				
					Budget	Estimate	Yr. One FY13	Yr. Two FY14	Yr. Three FY15	Yr. Four FY16	Yr. Five FY17
CUSTOMER CHARGES											
4942 Capital Rate Charges	737,642	716,780	738,283	745,149	2.3%	1.4%	755,512	766,019	776,672	787,473	798,425
Rate Increase for CSO Project		0	0	0			0	0	0	187,964	187,964
4936 Connection Fees *					<i>Account Moved from Operating Fund</i>		37,008	37,008	37,008	37,008	37,008
	737,642	716,780	738,283	745,149	7.3%	6.4%	792,520	803,027	813,680	1,012,446	1,023,397
		-3%	3%	4%	54,237	47,371	6%	1%	1%	24%	1%
OTHER SOURCES											
Bonds & BAN's	197,408	0	1,316,000	1,316,000			0	0	0	7,518,577	0
4232 Other Federal Grants	0	618	0	0			0	0	0	0	0
4930 DEP / USDA. Grants	0	0	0	0			0	0	0	0	0
4944 Special Assessment to Neighborhood		0	79,775	0	0.0%		79,775	0	0	0	0
4928 Sale of Fixed Assets:	5,300	0	0	0			0	0	0	0	0
Line Crew Truck	0	0	0	0			5,000	0	0	0	0
Rodding Machine	0	0	0	0			0	5,000	0	0	0
Sewer Jet	0	0	0	0			0	0	0	10,000	0
Plant Crew Truck	0	0	0	0			0	0	0	0	0
Sludge Truck	0	0	0	0			0	0	0	0	0
Total Other Sources	202,708	618	1,395,775	1,316,000	0	0	84,775	5,000	0	7,528,577	0
		-100%	225754%	212845%	(1,311,000)	(1,231,225)	-94%	-94%	-100%	#DIV/0!	-100%
88 OPERATING TRANSFERS IN											
4806 From Cruise Ship Fund		<i>New Acct.</i>	0	0			15,974	0	0	0	0
New From Wastewater Operating Fund		<i>New Acct.</i>	0	0			155,510	0	0	0	0
Total Operating Transfers In	0	0	0	0			171,484	0	0	0	0
Total Capital Fund Revenues	940,350	717,398	2,134,058	2,061,149	-50.9%	-49.1%	1,048,779	808,027	813,680	8,541,022	1,023,397
		-24%	197%	187%	(1,085,279)	(1,012,370)	-49%	-23%	1%	950%	-88%

Capital Fund Status

Capital Improvement Program

Status This Year

68 Acct. No.	Wastewater Division Account Description	Actual Exp. Yr. Before Last: FY10	Actual Exp. Last Year FY11	Yr. End Bal. Last Year FY11	Approp. This Yr. FY12	Approp. Mid-Year FY12	Approp. YTD This Year FY12	Est. Expense This Year FY12	Yr. End Bal. This Year FY12
Bond Issue Payments (See Chart I)									
n/a	Bond Issue E: Main Plant 1996	471,181	470,950		470,707		470,707	470,707	0
n/a	Bond Issue H: Hulls Cove 2000 SRF	29,529	28,972		0		0	0	0
n/a	Bond Issue N: Hulls Cove 2000	53,592	52,748		56,748		56,748	56,748	0
n/a	Bond Issue Q: Sewer Rehab 2011	0	0		25,259		25,259	25,259	0
n/a	BAN for CSO Elimination Project	0	0		0		0	0	0
Projects, Equipment & Facilities (See Chart A)									
6801	Woodbury Park Reconstruction		5,843	153,707	0	(79,775)	73,932	17,064	56,868
6803	Rodick Street Outfall	44,482	0		0		0	0	0
6804	CSO Elimination Project	1,255	1,338	10,262	5,000		15,262	0	15,262
6805	Ocean Ave. Pump Station Construction		1,800	78,200	0		78,200	51,795	26,405
6828	Sewer Mains & Services	305,818	194,518	918,478	0		918,478	47,260	871,218
Equipment & Facilities (See Chart A)									
6819	Main Treatment Plant - Equipment			25,000	5,000		30,000	0	30,000
6815	Hulls Cove Plant - Equipment			11,046	3,000		14,046	0	14,046
6809	DeGregoire Plant - Equipment			5,000	1,000		6,000	0	6,000
6802	Pump Station Replacement			79,784	32,026		111,810	0	111,810
6806	Air Compressor, mobile			6,726	807		7,533	0	7,533
6808	Bucket Machine			24,978	10,000		34,978	0	34,978
6810	Flow Monitoring Equipment	9,600	14,797	0	0		0	0	0
6812	Generators			39,495	0		39,495	0	39,495
6814	GIS System, incl. Laptop Computers	8,533	1,641	9,932	9,489		19,421	0	19,421
6816	Microscope, Olympus			3,599	0		3,599	0	3,599
6818	Sewer Cameras			27,709	32,373		60,082	0	60,082
6820	Communication Systems		0	25,546	0		25,546	0	25,546
6824	Rodding Machine			23,459	4,544		28,003	0	28,003
6826	Sewer Jet			38,298	5,867		44,165	0	44,165
6830	Inspector's Truck			14,783	0		14,783	0	14,783
6832	Line Crew Truck			31,309	8,298		39,607	0	39,607
6834	Plant Crew Truck	42,933		6,004	6,133		12,137	0	12,137
6836	Sludge Truck			27,999	9,933		37,932	0	37,932
6837	Sludge Truck Liquid Tank		38,809	0	2,917		2,917	0	2,917
6838	Superintendent's Truck			9,000	4,714		13,714	0	13,714
6825	SCADA System Replacement		253,700	17,700	23,270		40,970	21,692	19,278
6823	Rain Gauge & USB Logger		1,425	3,575	0		3,575	0	3,575
6827	Generator Purchase	0			13,026		13,026	0	13,026
6899	Undesignated				0		0	0	0
Total		966,923	1,066,541	1,591,589	730,111	(79,775)	2,241,925	690,525	1,551,400

Note: Amounts shown inside a box are contingent on offsetting revenue such as a trade-in, grant or donation.

Capital Fund Expenditures Plan

Capital Improvement Program

Year By Year Overview

Yr. End Bal. This Year FY12	Account Description	Year One FY13			Year Two FY14			Year Three FY15			Year Four FY16			Year Five FY17		
		Appropriation	Spending	Balance	Funding	Spending	Balance	Funding	Spending	Balance	Funding	Spending	Balance	Funding	Spending	Balance
	Bond Issue Payments (See Chart I)															
0	Bond Issue E: Main Plant 1996	470,452	470,452	0	470,185	470,185	0	469,902	469,902	0	469,606	469,606	0	469,293	469,293	0
0	Bond Issue H: Hulls Cove 2000 SRF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	Bond Issue N: Hulls Cove 2000	55,604	55,604	0	54,423	54,423	0	53,223	53,223	0	56,923	56,923	0	55,523	55,523	0
0	Bond Issue Q: Sewer Rehab 2011	89,659	89,659	0	88,031	88,031	0	89,228	89,228	0	88,099	88,099	0	89,250	89,250	0
0	BAN for CSO Elimination Project	0	0	0	0	0	0	0	0	0	187,964	187,964	0	187,964	187,964	0
	Projects, Equipment & Facilities (See Chart A)															
56,868	Woodbury Park Reconstruction	96,839	153,707	0	0	0	0	0	0	0	0	0	0	0	0	0
0	Rodick Street Outfall	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15,262	CSO Elimination Project	5,000	5,000	15,262	5,000	5,000	15,262	5,000	5,000	15,262	7,223,640	1,146,902	6,092,000	0	6,092,000	0
26,405	Ocean Ave. Pump Station Construction	51,795	78,200	0	0	0	0	0	0	0	0	0	0	0	0	0
871,218	Sewer Mains & Services	118,545	152,119	837,644	4,863	107,514	734,993	0	479,133	255,860	285,854	242,704	299,010	0	279,675	19,335
	Equipment & Facilities (See Chart A)															
30,000	Main Treatment Plant - Equipment	100	18,000	12,100	100	0	12,200	5,366	0	17,566	5,560	0	23,126	5,760	0	28,886
14,046	Hulls Cove Plant - Equipment	3,000	6,500	10,546	3,108	0	13,654	3,220	0	16,874	3,336	0	20,210	3,456	0	23,666
6,000	DeGregoire Plant - Equipment	38,300	7,800	36,500	1,036	0	37,536	1,073	0	38,609	1,112	0	39,721	1,152	0	40,873
111,810	Pump Station Replacement	10,964	59,607	63,167	32,732	0	95,899	22,182	60,641	57,440	42,940	65,493	34,887	30,200	65,086	1
7,533	Air Compressor, mobile	995	0	8,528	1,031	0	9,559	1,068	0	10,628	1,107	0	11,734	1,634	0	13,368
34,978	Bucket Machine	10,120	0	45,098	10,484	0	55,582	10,862	0	66,444	11,253	0	77,697	23,676	101,373	0
0	Flow Monitoring Equipment	0	0	0	0	0	0	0	0	0	12,829	0	12,829	13,689	0	26,518
39,495	Generators	13,026	40,000	12,521	47,479	60,000	0	47,762	47,762	0	44,478	44,477	1	0	0	1
19,421	GIS System, incl. Laptop Computers	7,900	19,500	7,821	8,184	7,252	8,753	4,948	0	13,701	8,784	19,500	2,986	9,101	0	12,086
3,599	Microscope, Olympus	(1,060)	0	2,539	0	2,538	1	173	0	174	188	0	362	167	0	529
60,082	Sewer Cameras	3,824	0	63,906	3,824	67,729	1	8,550	0	8,551	8,858	0	17,409	9,177	0	26,586
25,546	Communication Systems	13,394	14,500	24,440	0	0	24,440	0	3,757	20,683	14,893	0	35,576	15,429	0	51,005
28,003	Rodding Machine	6,641	0	34,644	6,641	41,285	0	1,921	0	1,921	1,851	0	3,772	2,084	0	5,856
44,165	Sewer Jet	9,488	0	53,653	9,488	0	63,141	9,488	0	72,628	9,489	82,116	1	6,843	0	6,844
14,783	Inspector's Truck	2,826	0	17,609	3,053	0	20,662	3,591	0	24,253	3,634	0	27,887	3,217	0	31,104
39,607	Line Crew Truck	6,793	46,400	0	5,698	0	5,698	5,946	0	11,643	7,371	0	19,014	6,847	0	25,860
12,137	Plant Crew Truck	6,207	0	18,344	6,354	0	24,698	6,583	0	31,281	3,922	0	35,203	5,960	0	41,163
37,932	Sludge Truck	9,933	0	47,865	10,291	0	58,156	10,661	0	68,818	11,045	0	79,863	18,908	0	98,771
2,917	Sludge Truck Liquid Tank	3,167	0	6,084	3,281	0	9,364	3,399	0	12,763	3,521	0	16,284	3,648	0	19,932
13,714	Superintendent's Truck	4,714	0	18,428	4,884	0	23,312	5,060	0	28,372	5,242	0	33,614	4,401	38,015	0
19,278	SCADA System Replacement	27,524	0	46,802	27,524	0	74,326	27,524	0	101,850	27,524	129,374	0	25,875	0	25,875
3,575	Rain Gauge & USB Logger	0	0	3,575	333	0	3,908	345	0	4,254	0	0	4,254	0	0	4,254
13,026	Generator Purchase	(13,026)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1,551,400	Total	1,052,723	1,217,047	1,387,075	808,027	903,956	1,291,146	797,075	1,208,645	879,576	8,541,022	2,533,158	6,887,439	993,253	7,378,179	502,513

Notes:

- A. The amount shown in the "Year One Appropriation" column is established as a continuing appropriation. Figures shown for Year Two through Year Five are the amounts that we expect to request in those future fiscal years.
- B. Amounts shown inside a box are contingent on offsetting revenue such as a trade-in, grant or donation.

Equipment Replacement Schedule

Capital Improvement Program

Fiscal Year 2013

Unit No.	Description of Present Equipment	FY in Service	Recommended		Proposed		Current Cost Equipped (No Trade-In)	Proposed Years Until Replaced	Replacement Cost in Chosen Year	Straight Line Funding Year One	Notes
			Replacement Age	Replacement Fiscal Year	Replacement Fiscal Year	Replacement Age					

Wastewater Division

Vehicles											
43	Pickup Truck, 2006, Ford F150XL, 4x4	2007	10	2017	2018	11	23,400	6	27,926	2,793	Inspector's Truck (No Plow)
46	Sludge Truck, Volvo D-13, swap loader body	2008	15	2023	2023	15	149,000	11	212,219	9,933	Sludge Truck without liquid tank
44	Pickup Truck, F350XL, Dump Body, 4x4	2004	7	2011	2013	9	46,400	1	46,400	6,629	Line Crew Truck w/ Plow - New body FY09
47	Pickup Truck, 2009 Ford, F250XL, 4x4	2009	7	2016	2017	8	33,000	5	38,015	4,714	Superintendent's Truck - with Plow
45	Pickup Truck, F350, Maintenance Body	2010	7	2017	2019	9	42,933	7	53,082	6,133	Plant Crew Truck - w/ Plow & Bins
<i>Total Vehicles</i>										<u>30,202</u>	
Equipment											
	Compressor, Air, Ingersoll/Rand XP185	2001	20	2021	2021	20	15,000	9	19,905	995	Trailer Mounted
	Bucket Machine, Flexible Sewer Tool Corp.	1957	60	2017	2017	60	88,000	5	101,373	1,690	Age Estimated
	Flow Monitoring Equipment (Flo-Totes)	Varies	8	n/a	varies	n/a	97,850	n/a	97,850	12,231	Flo-Tote equipment & software
	GIS Software & Laptop Computers	2009	3	2012	2013	4	19,500	1	19,500	6,500	Also budgeted for FY16
	GPS Handheld Unit, & ESRI Software	2009	5	2014	2014	5	7,000	2	7,252	1,400	a/k/a Trimble (handheld) Unit
	Microscope, Olympus	1997	15	2012	2014	17	2,450	2	2,538	169	
	Rodding Machine, Serco, 18 Hp.	1991	20	2011	2014	23	39,850	2	41,285	2,064	
	Sewer Jet, SECOA*, Series II, model 747-FR2000	2004	12	2016	2016	12	73,850	4	82,116	6,843	Includes trailer, heads and tools.
	Liquid Tank for Sludge Truck, 2500 Gallons	2011	12	2023	2023	12	38,000	11	54,123	3,167	
	SCADA System, GE, iFix	2011	5	2016	2016	5	116,350	4	129,374	23,270	SCADA is independent of alarm system.
	Rain Gauge & Logger, Sigma "Rain Logger"	2011	10	2021	2021	10	5,000	9	6,635	500	
	Plotter, Map, HP Design Jet 800 Color	2004	See Note	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Redeployed from Planning/Code Office FY11.
<i>Total Equipment</i>										<u>58,829</u>	
Sewer Cameras											
	Camera, Sewer: Aries, Saturn III w/ pan & tilt	2004	10	2014	2014	10	65,375	2	67,729	6,773	Incl. attachments. For 6" to 30" pipe.
	Camera, Service: RaTech, Inspector PC	2006	12	2018	2018	12	12,000	6	14,321	1,193	Used for smaller lines.
<i>Total Sewer Cameras</i>										<u>7,966</u>	
Communication Systems											
	Phone System - Main Plant	1998	7	2005	2013	15	8,500	1	8,500	1,214	
	WAN Network Equipment	2005	10	2015	2015	10	3,500	3	3,757	376	
	Utility Billing System, Munis	2007	5	2012	2013	6	6,000	1	6,000	1,200	
	Pump Station Alarm System	2011	25	2036	2036	25	265,092	24	597,958	10,604	
<i>Total Communication Systems</i>										<u>13,394</u>	

~ Equipment Replacement Schedule Continued on Next Page ~

Fiscal Year 2013												
Unit No.	Description of Present Equipment	FY in Service	Recommended		Proposed		Current Cost Equipped (No Trade-In)	Proposed Years Until Replaced	Replacement Cost in Chosen Year	Straight Line Funding Year One	Notes	
			Replacement Age	Replacement Fiscal Year	Replacement Fiscal Year	Replacement Age						
Mains												
	Sewer Mains	Varies	75	n/a	n/a	n/a	4,580,212	n/a	n/a	30,000		
Plants (including their primary pump stations)												
	Main Treatment Plant	1998	30	2028	2028	30	8,009,673	16	n/a	5,000	Cost includes Main St. pump station.	
	Hulls Cove Treatment Plant	2001	30	2031	2031	30	2,256,000	19	n/a	3,000	Cost includes Hulls Cove pump station.	
	DeGregoire Park Treatment Plant	1974	30	2004	2020	46	300,000	8	n/a	1,000	Cost includes DeG. Pk. pump station.	
										<i>Total Plants</i>	9,000	
Pump Stations												
	Albert Meadow Pump Station	1974	35	2009	2016	42	58,900	4	65,493	1,871	Main Street, Hulls Cove and DeGregoire Park pump stations are included with their respective plants.	
	Ferry Terminal Pump Station	2006	35	2041	2041	35	58,900	29	158,558	4,530		
	Hancock Street Pump Station	1974	35	2009	2017	43	56,500	5	65,086	1,860		
	Rodick Street Pump Station	1974	35	2009	2015	41	56,500	3	60,641	1,733		
	Wilcomb Lane Pump Station	2000	35	2035	2035	35	31,000	23	67,496	1,928		
	West Street Pump Station	1974	35	2009	2018	44	70,000	6	83,540	2,387		
	Harbor Place Pump Station	1974	35	2009	See Note	n/a	n/a	n/a	n/a	n/a		REPLACED FY13 BY TOWN PIER P/S
										<i>Total Pump Stations</i>	14,309	
Generators												
	Generator, Hulls Cove P/S, Onan, 85 KW	1974	30	2004	2015	41	44,500	3	47,762	1,592	Model #85.0 KR-15R 7678 R	
	Generator, Main Plant, Onan, 300 KW	1997	30	2027	2027	30	64,350	15	105,581	3,519	Model# 300 DFC B83915M	
	Generator, Main Street P/S, Onan, 230 KW	1997	30	2027	2027	30	58,850	15	96,557	3,219	Model# 230 DFAB83914F	
	Generator, West St. P/S, Onan 35 KW, Quiet Site	2003	30	2033	2033	30	36,200	21	73,435	2,448	Model# DGGD-5618637	
	Generator, Rodick St. P/S, Onan 40 KW, Quiet Site	2007	30	2037	2037	30	41,200	25	96,279	3,209	Model# DGBC 5775831	
	Generator, Albert Meadow, Onan 35KW, Quiet Site	2005	30	2035	2035	30	36,200	23	78,818	2,627	Model# 35 DGGD 5709583	
	Generator, Ferry Term., Onan, 50 KW, Quiet Site	2005	30	2035	2035	30	46,200	23	100,590	3,353	Model# 50 DGHE 570945	
	Generator, DeGregoire Pk., Onan, 35 KW, Quiet Sit	2008	30	2038	2038	30	36,200	26	87,640	1,207	Model# DGBB 593002	
										<i>Total Generators</i>	21,174	
Total Wastewater Division							16,999,435			184,874		

NOTE: The notation "P/S" stands for "Pump Station".

Table of Contents

Detail Charts

<i>Chart</i>	<i>Page</i>	<i>Title</i>
A.	20	Capital Improvement Program Narrative
B.	27	Personnel Services & Benefits
C.	30	Contractual Services
D.	36	Materials & Supplies
E.	38	Utilities & Commodities
F.	39	Repairs & Maintenance
G.	41	Equipment Purchases
H.	44	Other Expenses
I.	46	Debt Service
J.	49	Revenues
K.	51	Net Income Statement
L.	52	Rate Schedule
M.	53	Rate Calculations
N.	54	Typical Bills
O.	56	Budgeting Standards
P.	57	Combined Fund Balance: Operating and Capital Budgets
Q.	58	Non-Cash Expenses
R.	59	Sewer Budget Ordinance

C.I.P. Details

Chart A

Capital Improvement Program Narrative

Purpose of the C.I.P.

In order to better understand our Capital Improvement Program, it may be helpful for me to explain its purpose and function. As required by Section C-30.A of the Town Charter, the CIP is "a program consisting of projects any one of which costs more than \$5,000 and meets one or more of the following requirements:

- construction time extends to two or more fiscal years;
- includes planning for, construction of or major renovation of a Town building, wharf, public way, sewer, drain or appurtenant equipment; or
- replacement or acquisition of equipment with life expectancy of five years or longer."

While not fully articulated in the Charter, contemporary thinking further suggests that the CIP should help the Town to avoid surprises by forcing us to look ahead for the next five years or even longer. Typically, this helps stabilize the CIP capital rate, so that it does not exhibit wild swings from year to year despite changes in expenditures.

Bond Issue Payments

See Chart I for detailed information on bond payments.

The big change over the next five years will be the bond issue for the construction of the CSO Elimination Project as detailed below.

Projects

CSO (Combined Sewer Overflow) Elimination Project

We are required by the DEP to "eliminate overflows" at our pump stations. The reason why we overflow is due to storm water entering our system from two sources: Inflow and Infiltration. Water entering from cracks in sewer pipes, basins and service entrances is called "Infiltration", while water entering from a storm drain or roof gutter is called "Inflow". Collectively these are called Infiltration/Inflow or I&I. For many years, we have been addressing our Combined Sewer Overflows (CSO's) by aggressively reducing the amount of I&I entering our collection system.

To determine the areas for our I&I work, we gathered flow information and studied flow rates of completed projects. Even though we have determined that our I&I work removed all but 0.9% of our total flow (sewage plus I&I), our estimates indicate that we still will not eliminate all overflows. Consequently, the Maine Department of Environmental Protection (DEP) has required us to create a CSO Master Plan to map the way for CSO elimination.

The focus of the plan approved by the DEP in FY10 was the construction of a new \$7.7 million combined sewer overflow abatement system, including expansion of the West Street Pump Station so that it can accommodate the excess flows and construction of a forcemain from the expanded station to the Main Treatment Plant on Ledge lawn Avenue, where we will build a new swirl concentrator, complete with chlorination and dechlorination equipment.

Project Schedule

- FY13 through FY15 - We will continue to monitor flows, as we work to reduce I&I. An engineer will be used to analyze the data we collect.
- FY16 - Construction Drawings begin and a Bond Anticipation Note negotiated.
- FY17 - Construction of the CSO prevention system begins
- FY18 - Main Treatment Plant paid off
- FY18 - Construction complete
- FY20 - First payment on permanent financing

~ CIP Details Continued on Next Page ~

C.I.P. Details	CHART A
Capital Improvement Program	<i>Page 2</i>

Estimated Project Cost

FY16 - Engineering in FY16 at 18% of construction cost	18%	\$1,146,902
FY17 - Plant Construction: CSO Pump Station, Forcemain and Swirl Concentrator		6,092,000
FY17 - Gravity Sewers on Shannon, Glen Mary & Holland Ave. (see detail below)		279,675
Principal Amount of Bond Issue Sold in FY19		\$7,518,577

Woodbury Park Reconstruction

Town Council has approved the complete replacement of the services, sewer mains and manholes in the neighborhood bounded by Cleftstone, Bloomfield, Champlain and Highbrook Roads because they are leaking very badly. Residents will pay 50% of this cost, capped at a maximum of \$6,648, with the Sewer Fund paying the balance. In addition, The General Fund will finance the installation of storm drains. This project has been postponed for several years in order to acquire the easements needed to obtain legal ownership of the system.

Sewer Mains & Services

Funds from this account will be used to repair services, mains and manholes during road reconstruction projects.

FY12 This Year	<i>Ft. of Mains</i>	<i>No. Of Services</i>	<i>No. Manholes</i>	Cost
White Spruce Rd. MH 24-9G to 24-9H	529	2	3	<i>Complete</i>
Ledgelawn Ave. (Lower) MH 24-9B to 24-9F	1,100	3	5	<i>Complete</i>
Lower Main St. MH 27-12, 13 14 15 15A	0	0	5	<i>Complete</i>
WEST STREET HOTEL - We rebuilt manholes while the street was torn up:				<i>Complete</i>
West & Main Streets: MH 13-4, 4D, 4E, 13-3				<i>Complete</i>
Current Year Total				\$47,260
FY13 Year One				Cost
<i>Listed in Priority Order:</i>	<i>Ft. of Mains</i>	<i>No. Of Services</i>	<i>No. Manholes</i>	
Pine St. (Upper) MH 4-12D1	409	0	1	23,892
Cottage St. Secondary Main	385	8	2	36,300
Oliver St. - Relining	564	14	2	55,946
Center St. - Relining	529	3	2	35,981
Year One Total				\$152,119
FY14 Year Two				Cost
<i>Listed in Priority Order:</i>	<i>Ft. of Mains</i>	<i>No. Of Services</i>	<i>No. Manholes</i>	
Lower Rodick St.	0	0	1	22,528
Park St.	993	0	2	84,986
Year Two Total				\$107,514

~ CIP Narrative Continued on Next Page ~

C.I.P. Details				CHART A
Capital Improvement Program				<i>Page 3</i>
FY15 Year Three				Cost
<i>Listed in Priority Order:</i>	<i>Ft. of Mains</i>	<i>No. Of Services</i>	<i>No. Manholes</i>	
Wayman Ln.	0	16	0	14,520
Lower Main Streetscape Project (Mt. Desert to Park	1,692	31	8	235,455
Norris Ave.	412	4	2	39,424
Holland Ave. MH 8-3, 4, 5 MH 5-5A	986	21	4	115,297
Stephens Ln.	469	2	2	29,766
Derby Ln.	440	5	0	27,071
Pleasant St. (School St. to Main St.)	0	4	0	17,600
Year Three Total				\$479,133
FY16 Year Four				Cost
<i>Listed in Priority Order:</i>	<i>Ft. of Mains</i>	<i>No. Of Services</i>	<i>No. Manholes</i>	
Livingston Rd.	0	6	0	11,880
Des Isle Ave.	352	11	3	40,073
Hancock St. MH 25-5C, 5D	683	17	2	68,057
Atlantic Ave. (All)	720	13	4	79,299
Route Three Reconstruction:	0	0	55	43,395
Year Four Total				\$242,704
FY17 Year Five				Cost
<i>Listed in Priority Order:</i>	<i>Ft. of Mains</i>	<i>No. Of Services</i>	<i>No. Manholes</i>	
Gravity Sewers Required for the CSO Project:				
Shannon Road (entire length)	473	12	7	126,203
Holland Avenue (entire length)	986	21	4	40,392
Glen Mary Road (entire length)	0	18	0	113,080
Year Five Total				\$279,675

Total Sewer Mains & Services Work - All Five Years \$1,261,145

Main Treatment Plant - Equipment

We've setup a plant equipment CIP account for things like the dewatering machine, sludge pumps and other major pieces of plant equipment, so that we'll have money to fix or replace them as they fail.

FY13	SIDING FOR THE MAIN PLANT: The cedar shingles on the Main Plant were installed in the early 90's and they have begun to show their age. During a recent insurance inspection, it was brought to our attention that the shingles should be addressed "sooner rather than later" to prevent water damage to the building. We will replace the cedar shingles with vinyl for an increased life span.	18,000
------	--	--------

Total Main Treatment Plant - Equipment \$18,000

~ CIP Narrative Continued on Next Page ~

C.I.P. Details	CHART A
Capital Improvement Program	<i>Page 4</i>

Hulls Cove Plant - Equipment

We've setup a plant equipment CIP account for things like sludge pumps and other major pieces of plant equipment, so that we'll have money to fix or replace them as they fail.

FY13	HULLS COVE SAMPLER & SHED: This is like the purchase of the same unit last year and the year before. Both of the previous units were purchased for Hulls Cove, however more crucial units at other plants failed. Now that we have replaced both samplers at the Main Treatment Plant we should finally be able to replace the unit in Hulls Cove as originally intended last year and the year before. These units are used to gather samples of treated wastewater for mandated tests and must be kept at the very strict temperatures mandated by the DEP. This new unit ensures that we will continue to stay in compliance with these mandates. The shed would be approximately 5' x 5' and would keep the sampler out of the elements to extend its lifespan.	6,500
Total Hulls Cove Plant - Equipment		\$6,500

DeGregoire Plant - Equipment

We've setup a plant equipment CIP account for things like sludge pumps and other major pieces of plant equipment, so that we'll have money to fix or replace them as they fail.

FY13	The proposed operating budget for "Contract Services" includes an engineering evaluation of the plant to determine its useful life and any major repairs needed.....	n/a
	That plant evaluation will include non-destructive testing of the steel "Oxigest" treatment unit	n/a
	We still plan to replace the furnace this year, but not until we have evaluated the plant.....	7,800
Total DeGregoire Plant - Equipment		\$7,800

Pump Station Replacement

The Town has seven pumping stations, in addition to the three pumping stations which are integral to our three treatment plants. Of the seven, five were built in 1974, making them 39 years old. Since the replacement cycle should be somewhere around 35 years, we have started a replacement program. Our present plan is to upgrade the West Street station as part of the CSO Elimination Project, whenever that occurs. The Harbor Place station will be turned over to Ocean Properties, once we have completed the new pump station to service the comfort stations and Port Security Office, so there is no longer a need to replace that station. The remaining three pump stations will be replaced one at a time on the schedule shown below, using the reserve account started in FY05.

- FY13 New pump station at the end of the Town Pier. Harbor Place pump station turned over to Ocean Properties.
- FY15 Rodick Street
- FY16 Albert Meadow
- FY17 Hancock Street

C.I.P. Details

CHART A

Capital Improvement Program

Page 5

Air Compressor, Mobile

A reserve account has been funded to allow us to pay cash when we are scheduled to replace this twenty year old machine in FY21.

Bucket Machine

This 1957 model sewer cleaning machine uses buckets to remove sand and gravel from the lines. A reserve account has been funded so we can pay cash when we replace this 60 year old machine in FY17.

Flow Monitoring Equipment

These are the 22 Flo-Totes and related equipment that allow us to measure sewer flows by installing a weir and sensors in the sewer and then hooking them to a laptop computer to download the flow data. As our Flo-Totes age it becomes increasingly expensive to have them calibrated as well as to have repairs or routine maintenance work done, so we have funded a replacement reserve starting in FY16. Once the CSO Elimination Program is built, we should be able to reduce the number of Flo-Totes required, but we will still need to monitor flows to prove regulatory compliance.

Generators

The Town Manager has proposed combining our two Generator accounts in FY13 to eliminate some of the confusion surrounding them, since one account was supposed to pay for new generators, while the other was to be used for replacement of existing generators. This seems an appropriate time for this change, since the DEP is encouraging us to install standby power for all of our facilities. Consequently, the balance in the "Generator Purchase" account will be transferred to this account in FY13, which will be renamed simply "Generators", rather than "Generator Replacement". The expected construction schedule follows.

FY13 Ocean Avenue Pump Station	\$40,000	New, sound attenuated generator
FY14 Hulls Cove Plant	\$60,000	New generator
FY15 Hulls Cove Pump Station	\$47,762	Replacement of existing generator
FY16 Hancock Street Pump Station	\$44,477	New, sound attenuated generator

GIS System, including Laptop Computers

Our Line Maintenance crew has heavy-duty laptop computers which they use in the field to edit and store records such as maps, service cards, basin diagrams, etc. When combined with the rest of the Town's computerized maps and digital records, this system is known as a GIS, or Geographic Information System. The portability of the laptops allows us to review sewer information in the field. In addition, our laptops can be used in the office for word processing and data input and even from home, to monitor the plant without taking the time to drive there. We have funded a replacement reserve using a three year cycle for all laptops, which will be replaced in FY13 and FY16. In FY14 we propose to replace our five year old, heavy-duty handheld GPS Trimble unit and the ESRI software which allow us to locate points in the field, so that they can be mapped and entered into the GIS system.

Microscope, Olympus

A reserve account has been funded so we can pay cash when we replace this 17 year old machine in FY14.

~ CIP Narrative Continued on Next Page ~

C.I.P. Details**CHART A****Capital Improvement Program**

Page 6

Sewer Cameras

We purchased a new camera in FY04 for TV'ing sewer mains, and a reserve account was funded to allow us to pay cash in FY14, when we are scheduled to upgrade this ten year old machine. In FY06, we purchased a portable camera with locator, which allows us to inspect small services with odd fittings. This equipment also allows us to locate the service once outside the foundation of the building all the way to the main. The latter camera is scheduled for replacement on a 12 year cycle, next due in FY18.

Communication Systems

This account is used for our utility billing software, the telephone system at the Main Plant, our Wide Area Network (WAN) and the pump station alarm system. A single reserve account has been funded so we can pay cash when each piece of equipment reaches the end of its life expectancy. Our utility billing software is scheduled for replacement when it is six years old during FY13, the same year that the telephone system at the Main Treatment Plant is scheduled for replacement when it is fifteen years old. Our WAN is a computer system which allows us to communicate electronically with our widespread equipment and facilities. We expect to replace this ten year old equipment in FY15.

Rodding Machine

As its name implies, this machine pushes a long rod back and forth in the sewer to remove obstructions. A reserve account has been funded so we can pay cash when we replace this twenty-three year old machine in FY14.

Sewer Jet

We purchased a new sewer jet in FY04 for cleaning sewer mains. A reserve account has been funded to allow us to pay cash when we are scheduled to replace this twelve year old machine in FY16.

Inspector's Truck

A reserve account has been funded so we can pay cash when we replace this eleven year old pickup truck in FY18.

Line Crew Truck

A reserve account has been funded so we can pay cash when we replace this nine year old stake-body dump truck in FY13. A shorter replacement cycle has been used, since this truck is used for plowing snow.

Plant Crew Truck

A reserve account has been funded so we can pay cash when we replace this nine year old truck in FY19. A shorter replacement cycle has been used, since this truck is used for plowing snow.

Sludge Truck

This truck is used to haul sludge to the compost site. The replacement reserve includes the cost of the sludge containers, but not of the liquid waste tank, since it is a physically separate and expensive piece of equipment, and it wears out at a different rate. A reserve account has been funded so we can pay cash when we replace this 15 year old truck in FY23.

~ CIP Narrative Continued on Next Page ~

C.I.P. Details

CHART A

Capital Improvement Program

Page 7

Sludge Truck Liquid Tank

This tank is used to haul liquid (un-dewatered) sludge from our DeGregoire and Hulls Cove plants to the main plant for dewatering. Although it is mounted in the Sludge Truck when used, we expect it to wear out more quickly than the truck, so a separate replacement account has been established. This reserve account has been funded so we can pay cash when we replace this twelve year old tank in FY23.

Superintendent's Truck

A reserve account has been funded so we can pay cash when we replace this eight year old pickup truck in FY17. A shorter replacement cycle has been used, since this truck is used for plowing snow.

SCADA System Replacement

SCADA stands for "supervisory control and data acquisition", the computer system which monitors and controls our sewage collection system and treatment process controls at the plants. A reserve account has been funded based on a five year expected life cycle, with the first replacement scheduled for FY16.

Rain Gauge & USB Logger

Used for the purpose of reporting rainfall data to the DEP as a part of our yearly CSO report. Once the debt for the Main Treatment Plant is paid off in 2018, we should establish a replacement reserve and purchase a new one in 2021.

Generator Purchase

In order to assure that we can keep the entire sewer system running in a power outage, we need to add a generator at the Hancock Street Pump Station, which is proposed for FY14.

~~ End of C.I.P. ~~

Personnel Services & Benefits

Chart B

HOURLY RATE CALCULATIONS		Fiscal Year Starting: July 1, 2012		
Classification	FY12 Base Rate This Yr.	1.0% C.O.L.A. This July	One Time Adjustment	FY13 Base Rate This July
Chief Operator	27.61	0.28	0.00	27.89
Operator III	23.01	0.23	0.00	23.24
Operator II	21.09	0.21	0.00	21.30
Maintenance Tech	19.37	0.19	0.00	19.56
Maintenance Worker II	18.00	0.18	0.00	18.18
Maintenance Worker I	17.82	0.18	0.00	18.00
Seasonal Worker	13.54	0.49	0.00	14.03

Hourly Rate (Continued)	Authorized Base Rate Next Yr.	LONGEVITY PAY				Total Hourly Rate Next Yr.	Name
		Seniority Date	Years of Service				
			10	15	20		
Classification			\$0.25	\$0.15	\$0.10		
Chief Operator	\$27.89	9/15/69	\$0.25	\$0.15	\$0.10	\$28.39	Bob Kane
Operator III	\$23.24	3/7/77	\$0.25	\$0.15	\$0.10	\$23.74	Brion Kane
Operator II	\$21.30	8/19/85	\$0.25	\$0.15	\$0.10	\$21.80	Eddy McFarland
Maintenance Tech	\$19.56	9/7/04	\$0.00	\$0.00	\$0.00	\$19.56	Travis Jones
Maintenance Tech	\$19.56	2/25/08	\$0.00	\$0.00	\$0.00	\$19.56	Tony Griffin
Maintenance Worker II	\$18.18	6/21/99	\$0.25	\$0.00	\$0.00	\$18.43	Shawn Young
Maintenance Worker I	\$18.00	7/27/09	\$0.00	\$0.00	\$0.00	\$18.00	Dan Ranzoni
Maintenance Worker I	\$18.00	3/19/07	\$0.00	\$0.00	\$0.00	\$18.00	Michael Ganz
Seasonal Worker	\$14.03	n/a	\$0.00	\$0.00	\$0.00	\$14.03	Dick Trennam

Total Annual Pay	Positions Next Yr.	Regular Hours	Standby O.T. Hours	Sludge O.T. Hours	CSO O.T. Hours	Emergency O.T. Hours	Plant Check O.T. Hours	Total Pay Next Year
Chief Operator	1	2,080	156	0	0	6	93	69,882
Operator III	1	2,080	156	0	0	6	93	58,444
Operator II	1	2,080	156	0	0	6	93	53,670
Maintenance Tech	1	2,080	156	0	84	6	93	50,628
Maintenance Tech	1	2,080	0	0	0	6	0	40,856
Maintenance Worker II	1	2,080	0	0	0	6	0	38,488
Maintenance Worker I	1	2,080	0	0	84	6	0	39,854
Maintenance Worker I	1	2,080	0	0	0	6	0	37,586
Seasonal Worker	1	1,040	0	0	0	6	0	14,705
Next Year's Total	9	17,680	624	0	168	50	372	\$404,113
Total Overtime Hours Above >					1,214			
As a % of Regular Hours >					6.9%			

~~ Personnel Services Continued on Next Page ~~

PERSONNEL SERVICES & BENEFITS **CHART B**

Page 2

BREAKOUT OF WAGES	Regular Wages	Standby OT Wages	Sludge OT Wages	CSO OT Wages	Emergency OT Wages	Plant Check OT Wages	Gross Pay
Chief Operator	59,043	6,642	0	0	237	3,960	69,882
Operator III	49,379	5,555	0	0	198	3,312	58,444
Operator II	45,346	5,101	0	0	182	3,041	53,670
Maintenance Tech	40,692	4,578	0	2,465	163	2,729	50,628
Maintenance Tech	40,692	0	0	0	163	0	40,856
Maintenance Worker II	38,334	0	0	0	154	0	38,488
Maintenance Worker I	37,436	0	0	2,268	150	0	39,854
Maintenance Worker I	37,436	0	0	0	150	0	37,586
Full Time Totals	348,360	21,877	0	4,733	1,396	13,042	389,408
Seasonal Worker	14,589	0	0	0	117	0	14,705
Next Year's Total	\$362,949	\$21,877	\$0	\$4,733	\$1,513	\$13,042	\$404,113
				Total Overtime Above >		\$41,164	
				% of Regular Wages >		11%	

FY 13 - A mistake was discovered in the above spreadsheet. Previous to this year, the overtime wages for weekend treatment plant checks had been omitted from the total. The actual FY13 budget increase is only 0.8% above the three year average actual expenses.

52 EMPLOYEE BENEFITS

	Gross Wages Next Year	ICMA Retirement	FICA & Medicare	MSRS Retirement	Workers Comp.	Unem- ployment	Health Insurance
Chief Operator	69,882	0	5,346	4,193	1,398	282	11,885
Operator III	58,444	0	4,471	3,507	1,169	282	0
Operator II	53,670	0	4,106	3,220	1,073	282	16,339
Maintenance Tech	50,628	0	3,873	3,038	1,013	282	16,339
Maintenance Tech	40,856	0	3,125	2,451	817	282	16,339
Maintenance Worker II	38,488	0	2,944	2,309	770	282	0
Maintenance Worker I	39,854	0	3,049	2,391	797	282	7,284
Maintenance Worker I	37,586	0	2,875	2,255	752	282	16,339
Seasonal Worker	14,705	N/A	1,125	N/A	294	282	N/A
Next Year's Total	\$404,113	\$0	\$30,915	\$23,364	\$8,082	\$2,538	\$84,520
	Rates ->	Up To	7.65%	6.00%	2.00%	2.35%	Net/Mo. Nov
		6.50%	of Gross	of Gross	of Gross	Of Regular	Family
		of Gross	Wages			Wages	\$1,335.17
						< \$12,001	Adult&Child
							\$971.20
							Single
							\$595.23
							Next CY
							3.96%

~~ Personnel Services Continued on Next Page ~~

PERSONNEL SERVICES & BENEFITS

CHART B

Page 3

5245 Retirement Health Savings Acct.

For employees who have accumulated their maximum amount of sick leave, the Town calculates the amount of sick leave the employee would have earned beyond his/her maximum following each calendar year, and the Town contributes 25% of that amount to the employee's Retirement Health Savings account.

~~ End of Personnel Services ~~

Contractual Services **CHART C**
Page 2

Sewer Fund's Share of Management Expenses	<i>Biweekly Rate</i>	<i>Hourly Rate</i>	<i>Salary/Day</i>	<i>Days/Yr.</i>	<i>Total</i>
Public Works Director	3,174	n/a	\$317.40	40	12,696
Public Works Office Manager	n/a	\$19.56	\$156.48	92	14,396
Technical Systems Administrator	2,768	n/a	\$276.80	20	5,536
Town Manager	3,990	n/a	\$399.00	12	4,788
Total Wages and Salaries					37,416
Benefits		Rate		37.2%	13,919
Sewer Fund's Share of Management Expenses					51,335
Total Sewer Fund Administrative Services Charge					\$114,187

5311 SPECIAL WASTE CLEANING	<i>Estimated This Year</i>	<i>Requested Next Year</i>
<p>We have to clean the grit out of the septic receiving station every year and from the digester as needed. In the past, this has been done by the contractor AllWaste. The contract includes trucking. Disposal is charged to the sludge disposal account.</p>		
Septage Receiving Station cleaning (annual)	2,100	2,200
FY13 - Next Digester cleaning scheduled.	n/a	1,800
Total Septic Receiving Station Cleaning	\$2,100	\$4,000

5312 PUMP STATION PUMPING

Occasionally, we have to hire a septic hauler to pump out one of our pump stations due to a power outage or for service.

5326 ENGINEERING	<i>Estimated This Year</i>	<i>Requested Next Year</i>
Items Funded Every Year		
Routine Maintenance	10,851	11,242
Items Already Funded This Year		
No exceptional items funded this year	0	n/a
Items Requested For Next Year		
MAIN STREET WET WELL MIXING EVALUATION:	n/a	4,975
MAIN PLANT AERATION CONTROLS AND SLIDE GATES:	n/a	2,300
STEEL TANK TESTING:		
- DEGREGOIRE PARK PLANT:	n/a	7,000
- PUMP STATIONS:	n/a	4,500
DEGREGOIRE PARK TREATMENT PLANT EVALUATION:	n/a	25,000

~~ Engineering Services Continued On Next Page ~~

Description of Items Requested For Next Year**MAIN STREET WET WELL MIXING EVALUATION:**

The Main Street Pump Station is the primary pump station to the Main Plant, which means all the wastewater in town must pass through this pump station. Over the last few years “flushables” have become increasingly popular with consumers, which have led to issues for our division. Flushables do not readily break down, and worse yet they float. This allows grease to build up and form a thick floating “mat” in the wet well. This requires our Division to use four to five employees, once a week for roughly 3 hours, to manually scoop out this “mat” and dispose of it. This method of action represents a highly inefficient way of dealing with this issue, not to mention the numerous safety issues that accompany it. We are requesting Wright Pierce to propose an engineering solution to this issue that greatly simplifies and streamlines how this is dealt with while minimizing the risk to our employees.

MAIN PLANT AERATION CONTROLS AND SLIDE GATES:

Over the past couple of years it has become increasingly difficult to control and maintain the proper amount of air to our aeration bays at the Main Treatment Plant. The aeration bay is where the “bugs” break down the waste entering the system. In order for them to do this they require oxygen at a specific level. It has become harder for us to continue to meet this demand while balancing both electrical and manpower efficiency. We have asked Wright Pierce to assist us in finding and providing a solution to this issue. While onsite Wright Pierce will also evaluate the slide gates on our contact tanks. These gates are used to isolate flow when cleaning the tanks. The gates continually leak and make it extremely difficult to accomplish any cleaning whatsoever.

STEEL TANK TESTING:

We have a proposal from Wright – Pierce to have our steel aeration tank at the DeGregoire Park Treatment Plant and the 4 pump stations with steel drywells to be ultrasonically tested to determine the structural integrity of these assets. Both the tank and the “cans” were installed in the mid 1970’s.

DEGREGOIRE PARK PLANT:

The Oxigest Unit at DeGregoire separates the wastewater from the rest of the treatment facility. We need this test to determine whether the rust which is showing is just superficial or points to a larger, much more problematic issue. Based on the finding we will be better equipped to make decisions concerning the plant.

PUMP STATIONS:

Much the same as the tank, we have 4 dry well pump station “cans” that we have requested to be tested at the same time. These “cans” house all of the electronics and the pumps for these pump stations at an equal depth of the wet well (12 to 20 feet underground). The testing will tell us just what kind of a situation we have on our hands. This will give us needed information which will aid in the planning of our pump station replacement schedule.

DEGREGOIRE PARK TREATMENT PLANT EVALUATION:

DeGregoire Park Plant is all housed under one roof, because of that, the plant is given an OSHA designation of a Class I Division I environment. This means that the atmosphere within the building has the potential to be explosive. This is due to the fact that the raw wastewater that enters the building could contain explosive gases. When an area carries this designation all equipment within this area must be explosion proof in order to comply with OSHA and electrical regulations. All of the equipment in the building is just standard, but currently grandfathered. However if, and when, a piece of equipment fails and needs to be replaced, it needs to be replaced with its explosion proof counterpart to meet code. Explosion proof equipment is exponentially more expensive than standard equipment. However, if the equipment could be moved out of the explosive area as it is replaced, it could be replaced with standard equipment.

~~ Contractual Services Continued On Next Page ~~

Contractual Services **CHART C**

Page 4

Scheduled in FY13 is the replacement of the furnace at the plant. The price of an explosion proof furnace is astronomical. In order to meet OSHA requirements and budget constraints, we would need to add on to the building to house a "normal furnace". This addition was not budgeted but is likely less expensive than an explosion proof furnace. Since this facility's construction in the early 1970's, its performance has been very good and we have met regulatory compliance with minor treatment additions. At this juncture it seems prudent to look at the facility as a whole, not just to meet safety regulations but also to meet wastewater treatment rules, with an eye towards potential build out of the service area and all of the equipment within the facility. We have asked Wright Pierce for a proposal for a plant evaluation to take a more holistic view of a potential addition to the plant. It is our intention, by having the evaluation done, to prevent building something that is vastly undersized or poorly conceptualized for the long term.

Total Engineering	\$10,851	\$55,017
--------------------------	----------	----------

5332 GENERATOR SERVICE

	<i>Number This Year</i>	<i>Number Next Year</i>	<i>Cost Each This Year</i>	<i>Cost Each Next Year</i>	<i>Estimated This Year</i>	<i>Requested Next Year</i>
Generator Maintenance Agreements	8	8	545	588	4,360	4,704
Miscellaneous Repairs by Contractor					8	8
FY10 - Scheduling Problems - Service Delayed to Following Fiscal Year FY11 - DeGregoire Park Plant added. FY14 - The new Ocean Avenue pump station will be added.						
Total Generator Service					\$4,368	\$4,712

5336 GENERAL EQUIPMENT MAINTENANCE

	<i>Estimated This Year</i>	<i>Requested Next Year</i>
Process Servicing Corp - Annual Chlorine Equipment Maintenance	1,325	1,373
QC Labs - Annual Lab Equipment Maintenance & Calibration	800	1,100
FY11 - Removed four pieces of equipment from maintenance contract		
Overhead Door Maintenance Contract	500	500
FY11 - Moved overhead door repairs to a maintenance contract to reduce expense.		
Variable Frequency Drive (VFD) Maintenance Contract	0	6,100
VARIABLE FREQUENCY DRIVE MAINTENANCE CONTRACT: FY13 We have entered into a Maintenance Contract with Horizon Solutions to cover the 12 VFD's (Variable Frequency Drive) we have installed at the Main Plant and at the Main Street Pump Station. The current VFD's were installed during the plant upgrade in 1997 and have an expected lifespan of 12 to 14 years. We are now beyond that expected lifespan, and we have had to replace 2 of these VFD's already at roughly \$8,000 each. This 5 year maintenance contract now covers all parts and labor on all of our current VFD's. And, if an issue arises with one of our older units that can't be fixed, we receive a new unit at no extra cost. It is conceivable that, at the end of this contract, all of our VFD's will have been replaced with new units at a considerable cost savings to the town.		
Total General Equipment Maintenance	\$2,625	\$9,073

~~ Contractual Services Continued On Next Page ~~

Contractual Services

CHART C

Page 5

5348 MOWING

FY10 - Contract rebid.

5366 SLUDGE DISPOSAL

<u>Historical Use</u>	<i>Tons Hauled</i>	<i>Annual Change</i>	<i>Annual Change</i>	<i>Estimated This Year</i>	<i>Requested Next Year</i>
FY07	824				
FY08	1,014	190	23.1%		
FY09	956	(58)	-5.7%		
FY10	894	(62)	-6.5%		
FY11	836	(58)	-6.5%		
<i>Average</i>	<i>905</i>	<i>3</i>	<i>1.1%</i>		
<u>Estimated Use</u>	<i>Est. Tons This Yr.</i>	<i>Tons Next Yr.</i>	<i>Cost/Ton This Yr.</i>	<i>Cost/Ton Next Yr.</i>	
Treatment and Disposal	860	907	\$57.45	\$59.52	49,407
Hauling by Others (when our truck is down for repairs, etc. About 12 tons per trip.)	12	12	\$27.75	\$28.75	333
Total Sludge Disposal					\$49,740
					\$54,336

5368 TECHNOLOGY LICENSES & SUPPORT

These are the annual licensing fees which must be paid in order to continue using the software or hardware and to receive maintenance and support services. These fees also include upgrades, enhancements, modem support, etc.

<i>Product</i>	<i>Estimated This Year</i>	<i>Requested Next Year</i>
ArcView - GIS mapping software license - Single Use, Secondary, Maintenance	300	300
ArcPad - Application Builder - Primary, Maintenance	400	400
SCADA (System Control And Data Acquisition) license and support This is the software that runs the plant and keeps track of equipment maintenance.	1,775	1,775
Total Technology Licenses and Support	\$2,475	\$2,475

~~ Contractual Services Continued On Next Page ~~

Contractual Services

CHART C

Page 6

5384 LABORATORY TESTING

The US EPA and Maine DEP require us to do some very expensive testing, which is beyond our capabilities, so we must hire it out. Testing requirements change from year to year, depending on our license renewal cycle. Licenses must be renewed every five years. Our next renewal is scheduled for FY16.

FY11 - First year under our new discharge license, which has lower testing requirements.

<i>Parameter</i>	<i>No. Tests This Year</i>	<i>No. Tests Next Year</i>	<i>Cost Each This Year</i>	<i>Cost Each Next Year</i>	<i>Estimated This Year</i>	<i>Requested Next Year</i>
Main Plant						
Mercury	2	1	105	105	210	105
Arsenic	4	0	35	35	140	0
Copper	2	0	35	35	70	0
Chronic	1	1	1,200	1,200	1,200	1,200
Acute	1	0	700	700	700	0
Analytical	1	0	300	300	300	0
TRO - Chlorine residual in sampling water.	1	1	35	35	35	35
Acute & Chronic Chemicals	0	0	11	11	0	0
Sludge	2	2	385	375	770	750
Hulls Cove Plant						
Mercury	1	1	105	105	105	105
Arsenic	2	0	35	35	70	0
Chronic	0	0	1,200	1,200	0	0
Acute	0	0	700	700	0	0
Analytical	1	0	300	300	300	0
TRO - Chlorine residual in sampling water.	0	0	35	35	0	0
DeGregoire Park Plant						
Mercury	1	1	105	105	105	105
Other						
Courier Charges	1	1	50	50	50	50
Special Mercury	0	0	0	0	0	0
DMR Discharge Monitoring Report	1	1	45	45	45	45
Acute & Chronic Chemicals	0	0	0	0	0	0
Total Laboratory Testing					\$4,100	\$2,395

5388 UNIFORM CLEANING & RENTAL

	<i>Workers Next Yr.</i>	<i>Cost/Wk. This Yr.</i>	<i>Cost/Wk. Next Yr.</i>	<i>Weeks/ Year</i>	<i>Estimated This Year</i>	<i>Requested Next Year</i>
Uniform Rentals (Incl.Environmental Charge)						
Year Round Employees	8	\$13.42	\$13.63	52	5,583	5,670
Seasonal Employee	1	\$13.42	\$13.63	26	349	354
Floor Mats at Plants		\$27.48	\$28.03	52	1,429	1,458
Miscellaneous Repair & Replacement (lump sum)					849	880
Total Uniform Cleaning & Rental					\$8,210	\$8,362

~~ End of Contractual Services Details ~~

<i>Materials & Supplies</i>	<i>Chart D</i>
--	-----------------------

5410 CLOTHING PURCHASES

Safety Boots, Hip Boots, Foul Weather Gear, Coveralls, Jackets, etc.

FY10 - One new employee required a new outfit.

FY11 - We had to replace a bunch of rain gear and boots because the older stuff was rotting out.

5424 SODIUM HYPOCHLORITE

We disinfect our effluent with sodium hypochlorite, the equivalent of super strong bleach.

5441 MAGNESIUM HYDROXIDE & OTHER SUPPLIES

We use magnesium hydroxide to adjust the pH of our effluent.

Miscellaneous - Other treatment supplies are also charged to this account.

FY10 - Substantial price increase.

5442 POLYMER SUPPLIES

We use polymer chemicals in the sludge dewatering process.

FY10 - Substantial price increase.

5444 SAFETY SUPPLIES

	<i>Estimated</i>	<i>Requested</i>
	<i>This Year</i>	<i>Next Year</i>
Miscellaneous	533	552
FY11 - Replaced our manhole blower, which was over 20 years old.	n/a	n/a
FY12 - Replaced fire extinguishers	n/a	n/a
FY12 - Barricades and Signs	1,000	500
FY13 - OSHA Required hood for sandblaster	n/a	1,200
Last Year this Division purchased a sand blaster and a leather hood for the refurbishing of equipment. During the voluntary SafetyWorks! inspection last year we were informed that under new OSHA regulations a ventilated hood connected to a filtered air compressor is required when using the sand blaster. The purchase of this equipment will bring us into compliance with these new regulations.		
Total Safety Supplies	\$1,533	\$2,252

~~ Materials & Supplies Continued On Next Page ~~

Materials & Supplies

CHART D

Page 2

5452 SODIUM BISULFITE

We use this chemical to remove sodium hypochlorite from our effluent prior to discharge to the ocean.
 FY10 - Substantial price increase.

5458 VEHICLE SUPPLIES - (Do It Yourself)

This account is used for the purchase of parts and supplies needed by Town employees to maintain and repair Wastewater Division vehicles and equipment. Typical examples of items charged to this account include motor oil, filters, tires, wipers, mufflers, starters, etc.

Account 5658 "Vehicle Repairs" is used for parts and supplies for repair and maintenance jobs sent to an outside repair shop.

	<i>Estimated</i>	<i>Requested</i>
	<i>This Year</i>	<i>Next Year</i>
*** Routine Maintenance ***	1,348	1,397
*** Items Already Purchased This Year ***		
Tires for Inspector's Truck, #43	981	n/a
Battery for Line Crew Truck, #44 - Postponed from FY11	100	n/a
*** Items Requested For Next Year ***		
Tires for Superintendent's Truck, #47	n/a	900
Tires for Sludge Truck, #46	n/a	975
Total Vehicle Supplies - D.I.Y.	\$2,429	\$3,272

~~ End of Materials & Supplies Details ~~

Utilities & Commodities

Chart E

5504 ELECTRICITY - PLANTS

The largest variable in our electric bills is not the rate, but the consumption. In very wet years, we use a lot more electricity, and our bills are much higher. Therefore, we budget using a three year average of consumption.

5506 ELECTRICITY - PUMPING

The largest variable in our electric bills is not the rate, but the consumption. In very wet years, we use a lot more electricity, and our bills are much higher. Therefore, we budget using a three year average of consumption.

5508 HEATING OIL & KEROSENE

In very cold years, we use a lot more fuel oil, and our bills are correspondingly higher. Therefore, we budget using a five year average of consumption. For further background on prices, please see Chart MM of the general Town budget. All plants, pump stations and other facilities are heated with oil, except for the DeGregoire Plant, which is heated with kerosene. Since our kerosene bills are less than 10% of our heating expense, they are included in this account.

Historical Use	Fiscal Year	Gals. Bought	Price /Gal.	Price Increase		
	FY07	9,000	\$1.7800	42.0%		
	FY08	6,886	\$2.5300	42.1%		
	FY09	7,236	\$3.6500	44.3%		
	FY10	6,930	\$2.0600	-43.6%		
	FY11	7,075	\$2.3400	13.6%		
	<i>Averages</i>	<i>7,425</i>	<i>\$2.4720</i>	<i>19.7%</i>		
Estimated Use					Estimated This Year	Requested Next Year
This Year	FY12	6,416	\$2.9400	42.7%	18,863	
Next Year	FY13	7,425	\$3.4222	16.4%		25,411
Adjustment to Actual					(512)	n/a
Total Utilities - Heating Oil & Kerosene					\$18,351	\$25,411

5530 Water

FY10 - Due to a pump failure, we had to use Town water instead of our "plant water" system to operate our sludge dewatering machine for an extended period of time, causing higher than normal water bills.

~~ End of Utilities & Commodities Details ~~

Repairs & Maintenance

Chart F

5602 BUILDING REPAIRS & MAINTENANCE

	<i>Estimated</i>	<i>Requested</i>
	<i>This Year</i>	<i>Next Year</i>
Items Funded Every Year		
Routine Maintenance	6,011	1,500
Items Already Funded This Year		
No exceptional items budgeted this year	0	n/a
Items Requested For Next Year		
Hulls Cove Plant - Influent Sampler Shed (Budgeted as a capital expense - See CIP)	n/a	0
Main Plant - Replacement of Siding (Budgeted as a capital expense - See CIP)	n/a	0
Description of Items Requested For Next Year		
Nothing Exceptional Requested		
Total Building - Repairs & Maintenance	\$6,011	\$1,500

5628 MAINS & SERVICES - REPAIRS & MAINTENANCE

This line item is very unpredictable since it accounts for many unexpected repairs. In addition, whenever a property owner repairs or replaces their sewer service entrance, we do likewise within the right-of-way, in order to reduce I&I and the likelihood that we'll have to open the street again to repair an old service. Of course, these expenses are also impossible to predict, so the amount spent is a matter nearly beyond our control.

FY13 - Next Year's expenses are estimated at the average of the last three years' actual expenses, plus COLA.

5640 PUMP STATION EQUIPMENT - REPAIRS & MAINTENANCE

We are seeing increasing repair bills at many of our older pump stations.

	<i>Estimated</i>	<i>Requested</i>
	<i>This Year</i>	<i>Next Year</i>
Items Funded Every Year		
Routine Maintenance	10,851	18,793
Items Already Funded This Year		
SLIDE COUPLING FOR HARBOR PLACE PUMP STATION:	600	n/a
6" PLUG VALVES FOR HANCOCK ST. PUMP STATION:	1,850	
Items Requested For Next Year		
MAIN STREET PUMP STATION BIOFILTER:	n/a	4,999

~~ Repairs & Maintenance Continued On Next Page ~~

Repairs & Maintenance

CHART F

Page 2

Description of Items Requested For Next Year

MAIN STREET PUMP STATION BIOFILTER:

The Biofilter is the primary odor control unit used at the Main St. Pump station. The unit was installed during the upgrade of the plant in 1996. The filter, as its name suggests, uses organic filter media to “scrub” the odors emitted from the wastewater entering the pump station. Over time the organic media as broken down and lost its ability to work effectively. We need to remove the old media and replace it. In doing so we are working to address odor complaints we have received about this location. This will also give us the opportunity to inspect the drainage and piping installed at the base of the filter, making any necessary repairs.

Total Pump Station Equipment - Repairs & Maintenance	\$13,301	\$23,792
---	----------	----------

5658 VEHICLES - REPAIR & MAINTENANCE BY OTHERS

This account is used to pay for labor and material bills when we send vehicles or equipment to an outside shop. No bills from the Highway Division garage are charged here.

	<i>Estimated This Year</i>	<i>Requested Next Year</i>
Items Funded Every Year		
Routine Maintenance	743	770
Items Already Funded This Year		
Tires & Alignment for Sludge Truck #46	3,000	n/a n/a
Items Requested For Next Year		
Alignment for Truck #47	n/a	100
Alignment for Truck #46	n/a	250
Crane for Truck #44 (See Operating Equipment Purchase - 5704)	n/a	0

Description of Items Requested For Next Year

Nothing Exceptional Requested

Total Vehicles - Repair & Maintenance by Others	\$3,743	\$1,120
--	---------	---------

~~ End of Repairs & Maintenance Details ~~

Equipment Purchases

Chart G

5700 TECHNOLOGY EQUIPMENT - PURCHASE *Estimated This Year* *Requested Next Year*

This account is used only for non-capital equipment. Anything which costs more than \$5,000 and has a life expectancy of five years or longer is budgeted in the Capital Improvement Program.

Items Already Funded This Year

NEW OFFICE PC	650	n/a
CD FLAT PANEL MONITOR FOR OFFICE PC	150	n/a
WINDOWS 7 UPGRADE KEY	128	n/a

Items Requested For Next Year

Replacement PC for WW Map	n/a	950
LCD Flat Panel Monitor for Supt PC	n/a	150
Windows 7 key for Supt PC	n/a	128
Laptop for Inspector	n/a	3,250
Desktop PC for Plant Operator	n/a	950
Wireless Access Point & Antenna	n/a	1,452

Description of Requests

ITEM – Replacement PC for WW Map
 PURCHASE JUSTIFICATION – Existing PC will be moved to the WW Supt who has no PC currently.
 INITIAL COST \$950
 RECURRING COST – N/A
 REPLACEMENT CYCLE – 3 years

ITEM – LCD Flat Panel Monitor for Supt PC
 PURCHASE JUSTIFICATION – There is currently no monitor
 INITIAL COST \$150
 RECURRING COST – N/A
 REPLACEMENT CYCLE – N/A

ITEM – Windows 7 key for Supt PC
 PURCHASE JUSTIFICATION – No license exists.
 INITIAL COST \$128
 RECURRING COST – N/A
 REPLACEMENT CYCLE – N/A

ITEM – Laptop for Inspector (Tony)
 PURCHASE JUSTIFICATION Current laptop has reached its replacement age (3+ yrs old)
 INITIAL COST \$3250
 RECURRING COST – N/A
 REPLACEMENT CYCLE – 3 yrs

~~ Equipment Purchases Continued On Next Page ~~

Equipment Purchases

CHART G

Page 2

ITEM – Desktop PC for Plant Operator (Travis)

PURCHASE JUSTIFICATION – Travis currently has a laptop and will be migrating to a desktop to run more powerful programs. He will still use the existing CF-29 Toughbook for field ops/data gathering.

INITIAL COST \$950

RECURRING COST – N/A

REPLACEMENT CYCLE – 3 years

ITEM – Cisco 1262 Wireless Access Point & Antenna

PURCHASE JUSTIFICATION – The wireless coverage in the concrete building is poor. The Town has invested in a WLAN controller for the Park and Municipal building and can utilize commercial grade products with limited investment.

INITIAL COST \$1452 (includes POE device and Smartnet)

RECURRING COST – N/A

REPLACEMENT CYCLE – N/A

Total Technology Equipment Purchases	\$928	\$6,880
---	--------------	----------------

5702 OFFICE EQUIPMENT - PURCHASE	<i>Estimated</i>	<i>Requested</i>
	<i>This Year</i>	<i>Next Year</i>

Items Already Funded This Year

LAB CHAIR:	300	n/a
MAP FILE:	1,200	

Items Requested For Next Year

FRONT OFFICE CHAIRS	n/a	850
---------------------	-----	-----

Description of Requests

FRONT OFFICE CHAIRS:

These chairs, much the same as the chairs replaced in the two previous years, are in need of replacement. They have been repaired numerous times, however continue to have issues. Whether the fabric has torn or worn away, or the chair no longer sits straight, it is time for replacement. The new chairs will be sturdy and ergonomically correct.

Total Office Equipment Purchases	\$1,500	\$850
---	----------------	--------------

5704 OPERATING EQUIPMENT - PURCHASE	<i>Estimated</i>	<i>Requested</i>
	<i>This Year</i>	<i>Next Year</i>

Items Already Funded This Year

SIDE MOUNT TOOL BOXES FOR TRUCK #43:	800	n/a
REFRIGERATED SAMPLER:	5,500	n/a
SAND BLASTER WITH SAFETY HOOD:	625	n/a

Items Requested For Next Year

UNDERGROUND UTILITY LOCATOR:	n/a	3,600
CRANE FOR LINE MAINTENANCE TRUCK:		2,495
HULLS COVE PLANT - ISCO SAMPLER (Budgeted as a capital expense - See CIP)		

~~ Equipment Purchase Details Continued on Next Page ~~

Equipment Purchases

CHART G

Page 3

Description of Requests

UNDERGROUND UTILITY LOCATOR:

At times we require the ability to locate underground utilities for property owners or to comply with Dig Safe regulations. We are not always able to access these utilities with our service camera. The unit we have now uses a battery that is no longer manufactured, rendering it inoperable and requiring us to replace it. The new unit will allow us to locate these underground assets more accurately in a shorter amount of time. It also runs on "AA" and "D" batteries.

CRANE FOR LINE MAINTENANCE TRUCK:

The current crane on the line maintenance truck is used to lift manhole frames and covers, concrete basin risers, pumps, and other equipment too heavy for employees. The current crane needs to have the motor replaced, which has been done once already. The wiring has begun to fail and is starting to cause issues with the truck's electrical system. Finally, despite our efforts to sand and repaint this piece of equipment, it continues to rust and deteriorate. A replacement for this crane and the actions it performs is requested.

Total Operating Equipment Purchases

\$6,925

\$6,095

~~ End of Equipment Purchases Details ~~

Other Expenses

Chart H

5808 DUES & LICENSES

Estimated This Year Requested Next Year

No training expenses are charged here.

	<i>Number This Yr.</i>	<i>Number Next Yr.</i>	<i>Cost Each This Yr.</i>	<i>Cost Each Next Yr.</i>		
Professional Dues	0	0	\$0	\$0	0	0
Wastewater Operator License Renewals	4	1	\$75	\$78	300	78
Wastewater Operator License (New)	2	2	\$125	\$150	250	300
Commercial Driver Licenses	1	1	\$75	\$78	75	78
Total Dues & Licenses					\$625	\$455

5832 FACILITY PERMITS & FEES

This account is used to record permits, licenses and fees relating to facilities, not personnel.

Estimated This Year Requested Next Year

DEP Discharge Permits						
Main Plant					1,242	1,331
Hulls Cove Plant					510	511
DeGregoire Park Plant					387	396
Hazardous Materials						
Registration Fee					100	100
Road Opening Permits					307	350
Water Quality Improvement Fund						
Main Plant					275	238
Hulls Cove Plant					39	40
Permit by Rule - Hulls Cove					65	n/a
Miscellaneous					245	250

FY10 - We were required to pay the DEP \$1100 for a consent agreement penalty.

Total Facility Permits and Fees					\$3,170	\$3,216
--	--	--	--	--	----------------	----------------

~~ Other Expenses Continued On Next Page ~~

Other Expenses, Travel, Etc.

CHART H

Page 2

5844 TRAINING, WORKSHOPS, ETC.

Classification	Current	Days		Cost/Day		Estimated	Requested
	Employee	This Yr.	Next Yr.	This Yr.	Next Yr.	This Year	Next Year
Chief Operator	Bob Kane	2	2	175	181	350	363
Operator III	Brion Kane	2	2	175	181	350	363
Operator II	Eddy McFarland	2	2	175	181	350	363
Maintenance Tech	Travis Jones	2	2	175	181	350	363
Maintenance Worker II	Tony Griffin	2	3	0	270	0	810
Maintenance Worker I	Dan Ranzoni	3	3	175	270	525	810
Miscellaneous						0	0
Adjustment to Actual						(1,250)	n/a
Total Training, Workshops, Etc.						\$675	\$3,070

~~ End of Other Expenses, Travel, Etc. ~~

Debt Service

Chart I

"Old" Debt

Old Debt is that debt incurred prior to the 1996 upgrades of the Bar Harbor Plant and Hulls Cove Plant. For rate setting purposes, "Old" debt is included in the Operating Rate.

Previously Issued Bonds

Bond Issue ID Project Name	Actual Yr. Before Last: FY10	Actual Last Year FY11	Budgeted This Year FY12	Estimated This Year FY12	Requested Next Year FY13	Change: R.N.Y vs. B.T.Y.	Change: R.N.Y vs. E.T.Y.
Bond Issue A							
Treatment Plant & Sewer Rehabilitation							
Last Payment in FY11							
Interest	1,761	591	0	0	0		
Fees	0	0	0	0	0		
Principal	14,736	15,066	0	0	0		
Bond Issue Total	16,497	15,657	0	0	0		
Bond Issue C							
Septic Receiving & Browning Point Outfall							
Last Payment in FY10							
Interest	796	0	0	0	0		
Fees	185	0	0	0	0		
Principal	7,920	0	0	0	0		
Bond Issue Total	8,901	0	0	0	0		
Bond Issue D							
Sewer Rehabilitation and SSES: Phase One							
Last Payment in FY12							
Interest	11,170	7,800	3,900	3,900	0		
Fees	170	170	170	170	0		
Principal	60,000	60,000	60,000	60,000	0		
Bond Issue Total	71,340	67,970	64,070	64,070	0		
Total "Old Debt"							
Interest	13,727	8,391	3,900	3,900	0		
Fees	355	170	170	170	0		
Principal	82,656	75,066	60,000	60,000	0		
Old Debt Total	96,738	83,627	64,070	64,070	0		

~~ Debt Service Continued on Next Page ~~

DEBT SERVICE

CHART I

Page 2

"New" Debt								
New Debt is that incurred for the 1996 upgrades of the Bar Harbor and Hulls Cove Plants and subsequent debt issues. For rate setting purposes, "New" debt is included in the Capital Rate.								
<i>Project Name</i>	<i>Actual Yr. Before Last: FY10</i>	<i>Actual Last Year FY11</i>	<i>Budgeted This Year FY12</i>	<i>Estimated This Year FY12</i>	<i>Requested Next Year FY13</i>	<i>Change: R.N.Y vs. B.T.Y.</i>	<i>Change: R.N.Y vs. E.T.Y.</i>	
Bond Issue E								
Main Wastewater Treatment Plant Upgrade - 1996								
Last Payment in FY18								
Interest & Svc.Fee	100,059	91,050	81,576	81,576	71,611	-12.2%	-12.2%	
Paying Agent Fees	500	500	500	500	500	0.0%	0.0%	
Principal	370,622	379,400	388,631	388,631	398,341	2.5%	2.5%	
Bond Issue Total	471,181	470,950	470,707	470,707	470,452	-0.1%	-0.1%	
Bond Issue H								
Hulls Cove Wastewater Treatment Plant Forcemain & Compost Site Upgrade - 2000								
State Revolving Fund			2.400%		\$275,000			
Last Payment in FY11								
Interest	1,529	972	0	0	0			
Fees	500	500	0	0	0			
Principal	27,500	27,500	0	0	0			
Bond Issue Total	29,529	28,972	0	0	0			
Bond Issue N								
Hulls Cove Wastewater Treatment Plant Forcemain & Sewer Rehab - 2000								
A.G. Edwards & Sons, Inc.		Average Rate = 4.12%			Original Principal = \$800,000			
Last Payment in FY28		Can be refinanced after February 2016						
Interest	28,592	27,748	26,748	26,748	25,604	-4.3%	-4.3%	
Fees	0	0	0	0	0			
Principal	25,000	25,000	30,000	30,000	30,000	0.0%	0.0%	
Bond Issue Total	53,592	52,748	56,748	56,748	55,604	-2.0%	-2.0%	
Bond Issue Q								
Sewer Rehabilitation - 2011								
Morgan Stanley & Co., LLC		Average Rate = 2.7%			Original Principal = \$1,316,000			
Last Payment in FY32		Can be refinanced after February 2016						
Interest	0	0	25,259	25,259	34,973	38.5%	38.5%	
Fees	0	0	0	0	0			
Principal	0	0	0	0	54,686			
Bond Issue Total	0	0	25,259	25,259	89,659	255.0%	255.0%	

~~ Debt Service Continued on Next Page ~~

DEBT SERVICE

CHART I

Page 3

Bonds Not Yet Issued

Bond Anticipation Note

Combined Sewer Overflow Elimination Project		First Payment: FY16	Last Payment: FY18
<p>We will be making our last payments on the Ledgeawn Avenue Main Treatment Plant in FY18. We propose to structure the debt for the new CSO Elimination Project by using a Bond Anticipation Note. A BAN is similar to a home construction loan, in that you pay interest only on the amount of principal you have drawn down. While this means that we will have to pay a slightly higher interest rate, we will not be paying interest on the principal until the project is complete. In this case, we expect to finish construction in FY18. Depending on the construction schedule, interest rates and the bond market, we are thinking that we would like to structure the new bond issue so that our first principal payment doesn't come due until FY19, the first year after our last payment on the Main Plant, thus helping prevent a huge rate increase. For budgeting and rate setting purposes, we have used the average amount of principal, that is, one half of the total principal. However, this assumption may have to be adjusted for the second and third years of BAN financing, since we will then be paying interest on the full amount of principal.</p>			
Loan Terms:	Interest Rate: 5.0%	Term: 3 Years	Principal: \$3,759,288
Payments:			Annual Payment: \$187,964

Bond Issue T

Combined Sewer Overflow Elimination Project		First Payment: FY19	Last Payment: FY39
	Interest Rate: 5.0%	Term: 20 Years	Principal: \$7,518,577
Payments:			Annual Payment: \$603,310

	<i>Actual Yr. Before Last: FY10</i>	<i>Actual Last Year FY11</i>	<i>Budgeted This Year FY12</i>	<i>Estimated This Year FY12</i>	<i>Requested Next Year FY13</i>	<i>Change: R.N.Y vs. B.T.Y.</i>	<i>Change: R.N.Y vs. E.T.Y.</i>
Total "New Debt"							
Interest	130,180	119,770	133,583	133,583	132,187	-1.0%	-1.0%
Fees	1,000	1,000	500	500	500	0.0%	0.0%
Principal	423,122	431,900	418,631	418,631	428,341	2.3%	2.3%
New Debt Total	554,302	552,670	552,714	552,714	561,028	1.5%	1.5%

Total "New" and "Old" Debt							
Interest	143,907	128,161	137,483	137,483	132,187	-3.9%	-3.9%
Fees	1,355	1,170	670	670	500	-25.4%	-25.4%
Principal	505,778	506,966	478,631	478,631	428,341	-10.5%	-10.5%
Total Payments	651,040	636,297	616,784	616,784	561,028	-9.0%	-9.0%
Increase or (Decrease)		(14,743)	(19,513)	(19,513)	(55,756)		
		-2.3%	-3.1%	-3.1%	-9.0%		

FOR FULL DETAILS OF DEBT, SEE CHART J OF THE GENERAL TOWN BUDGET.

~~ End of Debt Service ~~

Revenues

Chart J

Operating Fund Revenues

OPERATIONS RATE CHARGES 3597

Estimated This Year

Since our budget preparation is running later than usual, the Estimated This Year is the actual Year To Date billings through the end of June.

Requested Next Year

We took the Requested Next Year operating expenses, deducted non-rate revenues and divided the remainder by the estimated volume.

Volume estimates and their predicted changes are detailed in Chart M.

FY13 - For next year, we estimated that volume would increase 1.0%

SLUDGE DEWATERING 4932

This is the fee we charge other communities for dewatering and processing their sludge.

FY13 - We used the average for the last three years and increased it by the operating rate increase.

SEPTIC TANK DUMPING 4934

This is the fee we charge septic tank pumpers to dump their septage at our plant for dewatering and processing.

FY12 - Acadia National Park pumps all their septic tanks in a single fiscal year.

FY13 - We used the average for the last three years, excluding the year when ANP pumped its tanks, and increased that average by the operating rate increase.

INTEREST ON INVESTMENTS 4700

FY12 - We have less money to invest and interest rates remain low.

FY13 - Estimated at the average of the last three years.

PENALTIES FOR LATE PAYMENTS 4704

FY12 - Despite the sorry state of the economy, late fees have been trending lower.

FY13- Estimated at the lowest of the last three years.

~~ Revenues Continued on Next Page ~~

Capital Fund Revenues

CONNECTION FEES 4936

These are fees charged to persons first connecting to the sewer or expanding their home or business. Since the fees can be very large, a single large construction project can really skew our budget projections. For this reason, you will find a longer-term history below:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Number of Connections</i>
FY02	87,959	29
FY03	n/a	Since FY03 fees of \$265,380 were unusually high, they are not used in revenue projections.
FY04	90,514	33
FY05	39,744	32
FY06	75,800	37
FY07	104,213	21
FY08	79,954	27
FY09	37,008	12
FY10	85,922	15
FY11	139,247	28
FY12	179,038	16 <Estimated This Year
Average >	91,940	25 < Average >
FY13	37,008	12 < Requested Next Year

FY13 - Due to the historically unstable real estate market at this time, the Manager recommends estimating Next Year's Connection Fees at the same level as the lowest receipts of the last nine years. It should also be noted that the Town Manager has proposed moving this revenue source from the Operating Fund to the CIP Fund for the same reason. The large variance in this account makes forecasting very difficult. Depositing Connection Fees to the CIP will allow us to use these one time windfalls for one time expenses, so that we don't become overly reliant on them.

FY13 Connection Fee RATES were not increased.

LIEN COST REIMBURSEMENTS 4940

FY10 - Lien reimbursements increased only slightly, about 5%.

FY11 - Lien reimbursements dropped 15%.

FY12 - Lien reimbursements were close to the average of the previous two years.

FY13- Estimated at the average of the previous three years.

~~ End of Revenues ~~

Net Income Statement

Chart K

	Actual Yr. Before Last: FY10	Actual Last Year FY11	Budgeted This Year FY12	Estimated This Year FY12	Requested Next Year FY13	Change: E.T.Y. vs. R.N.Y.
OPERATING REVENUES:						
Charges for Services	1,168,577	1,377,227	1,261,565	1,462,176	1,267,386	(194,790)
Capital Charge & Connection Fees	737,642	716,780	738,283	745,149	792,520	47,371
Interest (on late payments+lien costs)	14,981	11,642	11,642	12,018	12,118	100
Total Operating Revenues	1,921,200	2,105,649	2,011,490	2,219,343	2,072,025	(147,318)
Change in Charges >>		17.9%	-8.4%	6.2%	-13.3%	
OPERATING EXPENDITURES:						
Wages & Benefits	510,573	550,175	555,553	557,233	571,188	13,955
Contractual Services	169,454	181,054	205,496	211,846	269,649	57,804
Utilities & Commodities	200,053	215,428	221,239	208,544	227,855	19,311
Repairs & Maintenance	69,746	103,253	95,252	78,160	86,961	8,801
Equipment Purchases	9,691	11,557	9,353	9,353	13,825	4,472
Other Expenses, Travel, Etc.	38,824	35,317	38,222	38,677	39,341	664
Depreciation & Amortization *	501,032	507,324	501,032	521,779	521,309	(470)
Materials & Supplies	98,577	93,098	89,515	93,870	97,617	3,747
Total Operating Expenditures	1,597,950	1,697,206	1,715,662	1,719,462	1,827,745	108,283
		6.2%	1.1%	1.3%	6.3%	
Net Operating Income	<u>323,250</u>	<u>408,443</u>	<u>295,828</u>	<u>499,881</u>	<u>244,280</u>	<u>(255,601)</u>
NON-OPERATING REVENUES (EXPENSES)						
Interest Revenue (Investment)	7,612	5,120	6,000	7,595	6,776	(819)
Gain/(Loss) on Disposal of Assets	5,300	0	0	0	5,000	5,000
Federal & State Grants	0	618	0	0	0	0
Bond Refinancing Refund	197,408	0	0	0	0	Old Acct.
Less Interest Expense	(141,168)	(123,588)	(138,153)	(136,467)	(132,687)	3,780
Total Non-Operating Revenue (Expense)	69,152	(117,850)	(132,153)	(128,872)	(120,912)	7,960
		-270.4%	12.1%	9.4%	-6.2%	
NET INCOME (LOSS) YTD	392,402	290,593	163,675	371,009	123,368	(247,641)
Change from Previous Year		(101,809)	(126,918)	80,416	(247,641)	

* Note - Depreciation & Amortization account has been adjusted to account for their omission from the FY12 Budget.

Sewer Rate Schedule

Chart L

<i>Type of Rate</i>	<i>Measure</i>	<i>Old Rate FY12</i>	<i>New Rate FY13</i>	<i>Percent Change</i>
Operations Rate (See Chart M)	Per 100 Cubic Feet of Water Used	\$4.36	\$4.39	0.7%
Capital Rate (See Chart M)	Per 100 C.F. of Seasonal Water Used	\$5.17	\$5.19	0.4%
Minimum Operations Bills: (per quarter)				
- Residential Customers	Based on 1000 Cu. Ft. of Water Used	\$43.60	\$43.90	0.7%
- Non-Residential Cust.	Based on 2800 Cu. Ft. of Water Used	\$122.08	\$122.92	0.7%
- Unmetered Customers	Based on 2150 Cu. Ft. of Water Used	\$93.74	\$94.39	0.7%
Septic Tank Pumpage (Note B)	Per 100 Gallons	\$10.95	\$11.03	0.7%
Sludge Disposal (Notes A & B)	Per 100 Gallons	\$6.56	\$6.61	0.7%
Connection Fee Rate	Per Gallon of Sewage Per Day	\$9.83	\$9.83	0.7%
Late Payment Penalty(Note C)	Per Annum	7.0%	7.0%	0.0%

Typical Bills (See Chart N For Details)	<i>Old Rate FY12</i>	<i>New Rate FY13</i>	<i>Dollar Change/Year</i>	<i>Dollar Change/Qtr.</i>	<i>Percent Change</i>
Residential - Average Four Person Household	\$608	\$611	\$3.48	\$0.87	0.6%
Restaurant - Year Round	\$2,078	\$2,090	\$11.98	\$3.00	0.6%
Restaurant - Seasonal	\$2,464	\$2,478	\$13.92	\$3.48	0.6%
Lodging - Year Round	\$5,418	\$5,448	\$29.68	\$7.42	0.5%
Lodging - Seasonal	\$15,149	\$15,232	\$82.88	\$20.72	0.5%
			Average		0.6%

Notes:

- A. We dewater and dispose of sewage plant sludge for the towns of Mount Desert and Southwest Harbor.
- B. This rate was set based on market. Annually, it is increased by the same percentage as the Operations Rate.
- C. The maximum amount of this rate is set by State Law as determined by the State Treasurer.

~~ End of Sewer Rate Schedule ~~

Sewer Rate Calculations

Chart M

This spreadsheet calculates the minimum rates required in order to "break even" on a cash basis.

VOLUME ESTIMATE

Quarter	Ending	Actual Yr. Before Last: FY10	Actual Last Year FY11	Budget This Year FY12	Actual This Year FY12	Requested Next Year FY13	Change: R.N.Y vs. B.T.Y.	Change: R.N.Y vs. E.T.Y.
Summer	September 30	8,450,000	9,560,000	9,560,000	9,980,000	10,079,800	5.4%	1.0%
Fall	December 31	5,080,000	5,250,000	5,250,000	4,920,000	4,969,200	-5.3%	1.0%
Winter	March 31	3,090,000	2,950,000	2,950,000	3,360,000	3,393,600	15.0%	1.0%
Spring	June 30 (See Note A)	4,990,000	4,970,000	4,970,000	5,260,000	5,312,600	6.9%	1.0%
Unmetered Accounts		266,000	260,000	260,000	250,000	252,500	-2.9%	1.0%
Minimum Bills (See Note F)		2,800,000	2,600,000	2,600,000	2,200,000	2,222,000	-14.5%	1.0%
Annual Volume in Cubic Feet (See Note B)		24,676,000	25,590,000	25,590,000	25,970,000	26,229,700	2.5%	1.0%
Change			914,000	0	380,000	259,700 << Increase		
		-5.6%	3.7%		1.5%	Volume Assumption	1.0%	RNY vs. ETY

OPERATIONS RATE

Quarter	Ending	Requested Next Year FY13
Operating Fund Expenditures		1,481,946
Less Operating Transfers Out		(155,510)
Less Non Rate Revenues:		
Other Customer Charges		(106,615)
Other Income		(23,245)
Net Needed from Operations Charges		\$1,196,576
Estimated Minimum Operations Rate / 100 cu.ft.		\$4.56

CAPITAL RATE

Quarter	Ending	Estimated This Year FY12	Requested Next Year FY13		
Capital Appropriations			1,052,723		
Less Capital Fund:					
Connection Fees			(37,008)		
Other Sources of Revenue			(84,775)		
Operating Transfers In			(171,484)		
Change in Unallocated Fund Balance			8,412		
Net Needed from Capital Charges			\$767,868		
Peak Season Volume (See Note D)		14,900,000	15,049,000	1.0%	1.0%
Estimated Minimum Capital Rate / 100 Cu.Ft. (See Note E)			\$5.10		

NOTES

- The volume estimate for this year is usually actual for the first three quarters, and estimated for the spring quarter. However, due to late budget preparation this year, we were able to use actual spring quarter numbers.
- Annual volume of water consumed, stated in cubic feet. One cubic foot is equal to 7.48 gallons.
- Peak Season Volume is used for the Capital Rate because the plant must be built large enough to accommodate peak season volumes.
- The Capital Rate is determined by dividing the "Net Needed from Capital Charges" by the "Peak Season Volume" (C/D=E).
- In order to calculate the needed rate, we must use the estimated volume. This volume must include an allowance for the cubic feet that are not used by the customer, but which we bill as part of the minimum bill.

~~ End of Sewer Rate Calculations ~~

Typical Bills

Chart N

Residential - Four Person Household		Current Rates			Proposed Rates			
Quarter	Water Consumed (Cubic Ft.)	Operations Charge	Capital Charge	Total Sewer Bill	Operations Charge	Capital Charge	Total Sewer Bill	
		\$4.36	\$5.17		\$4.39	\$5.19		
		Per 100 C.F.	Per 100 C.F.		Per 100 C.F.	Per 100 C.F.		
Summer	2,100	\$91.56	\$58.16	\$149.72	\$92.19	\$58.39	\$150.58	
Fall	2,400	\$104.64	\$58.16	\$162.80	\$105.36	\$58.39	\$163.75	
Winter	2,100	\$91.56	\$58.16	\$149.72	\$92.19	\$58.39	\$150.58	
Spring	2,000	\$87.20	\$58.16	\$145.36	\$87.80	\$58.39	\$146.19	
Total Year	8,600			\$607.61			\$611.09	
							Change in Bill	0.6%

Restaurant - Open Year Round		Current Rates			Proposed Rates			
Quarter	Water Consumed (Cubic Ft.)	Operations Charge	Capital Charge	Total Sewer Bill	Operations Charge	Capital Charge	Total Sewer Bill	
		\$4.36	\$5.17		\$4.39	\$5.19		
		Per 100 C.F.	Per 100 C.F.		Per 100 C.F.	Per 100 C.F.		
Summer	7,300	\$318.28	\$192.58	\$510.86	\$320.47	\$193.33	\$513.80	
Fall	7,600	\$331.36	\$192.58	\$523.94	\$333.64	\$193.33	\$526.97	
Winter	8,000	\$348.80	\$192.58	\$541.38	\$351.20	\$193.33	\$544.53	
Spring	7,100	\$309.56	\$192.58	\$502.14	\$311.69	\$193.33	\$505.02	
Total Year	30,000			\$2,078.33			\$2,090.31	
							Change in Bill	0.6%

Restaurant - Seasonal		Current Rates			Proposed Rates			
Quarter	Water Consumed (Cubic Ft.)	Operations Charge	Capital Charge	Total Sewer Bill	Operations Charge	Capital Charge	Total Sewer Bill	
		\$4.36	\$5.17		\$4.39	\$5.19		
		Per 100 C.F.	Per 100 C.F.		Per 100 C.F.	Per 100 C.F.		
Summer	16,100	\$701.96	\$252.30	\$954.26	\$706.79	\$253.27	\$960.06	
Fall	3,420	\$149.11	\$252.30	\$401.41	\$150.14	\$253.27	\$403.41	
Winter	0	\$122.08	\$252.30	\$374.38	\$122.92	\$253.27	\$376.19	
Spring	11,053	\$481.91	\$252.30	\$734.21	\$485.23	\$253.27	\$738.50	
Total Year	30,573			\$2,464.25			\$2,478.16	
							Change in Bill	0.6%

~~ Typical Bills Continued on Next Page ~~

TYPICAL BILLS (continued)

CHART N

Page 2

Lodging - Year Round		Current Rates			Proposed Rates			
		Water Consumed (Cubic Ft.)	Operations Charge \$4.36 Per 100 C.F.	Capital Charge \$5.17 Per 100 C.F.	Total Sewer Bill	Operations Charge \$4.39 Per 100 C.F.	Capital Charge \$5.19 Per 100 C.F.	Total Sewer Bill
Quarter								
Summer	31,100	\$1,355.96	\$630.74	\$1,986.70	\$1,365.29	\$633.18	\$1,998.47	
Fall	17,700	\$771.72	\$630.74	\$1,402.46	\$777.03	\$633.18	\$1,410.21	
Winter	5,800	\$252.88	\$630.74	\$883.62	\$254.62	\$633.18	\$887.80	
Spring	11,800	\$514.48	\$630.74	\$1,145.22	\$518.02	\$633.18	\$1,151.20	
Total Year	66,400			\$5,418.00			\$5,447.68	
							Change in Bill	0.5%

Lodging - Seasonal		Current Rates			Proposed Rates			
		Water Consumed (Cubic Ft.)	Operations Charge \$4.36 Per 100 C.F.	Capital Charge \$5.17 Per 100 C.F.	Total Sewer Bill	Operations Charge \$4.39 Per 100 C.F.	Capital Charge \$5.19 Per 100 C.F.	Total Sewer Bill
Quarter								
Summer	112,500	\$4,905.00	\$1,772.35	\$6,677.35	\$4,938.75	\$1,779.21	\$6,717.96	
Fall	24,626	\$1,073.69	\$1,772.35	\$2,846.05	\$1,081.08	\$1,779.21	\$2,860.29	
Winter	0	\$122.08	\$1,772.35	\$1,894.43	\$122.92	\$1,779.21	\$1,902.13	
Spring	44,921	\$1,958.56	\$1,772.35	\$3,730.91	\$1,972.03	\$1,779.21	\$3,751.24	
Total Year	182,047			\$15,148.74			\$15,231.62	
							Change in Bill	0.5%

~~ End of Typical Bills ~~

Budgeting Standards

Chart O

Description	Inflation Factors	
	This Year	Next Year
Fuel Oil (Heating)	14.9%	16.4%
Motor Fuels (Diesel)	15.4%	15.4%
Electricity	1.2%	3.6%
Water	8.3%	9.0%
Wages (Part-time & Seasonal)	0.0%	3.6%
Wages (Union)	1.0%	1.0%
Postage	2.2%	2.2%
Other	1.2%	3.6%
Social Security COLA (January)	0.0%	3.6%

Combined Fund Balance

Chart P

Operating and Capital Budgets

	Actual Yr.Before Last: FY10	Actual Last Year FY11	Budgeted This Year FY12	Estimated This Year FY12	Requested Next Year FY13
Starting Fund Balance	916,167	887,108	660,618	658,445	2,249,105
Revenues & Other Sources	2,131,520	2,111,387	3,413,265	3,542,938	2,335,059
Expenditures & Other Uses	2,160,579	2,340,050	2,184,336	1,952,278	2,678,993
Ending Fund Balance	887,108	658,445 118,287	1,889,547	2,249,105	1,905,171
Total Reserved & Designated Fund Balance	858,006	519,075	1,859,938	2,037,166	1,865,311
Unassigned Fund Balance	29,102	139,370	29,609	211,939	39,860
Change in Unassigned Fund Balance		110,268	8,678	72,569	(172,079)

~~ End of Combined Fund Balance ~~

Non-Cash Expenses

Chart Q

	Actual Yr.Before Last: FY10	Actual Last Year FY11	Budgeted This Year FY12	Estimated This Year FY12	Requested Next Year FY13	Change: R.N.Y vs. B.T.Y.	Change: R.N.Y vs. E.T.Y.
80 ACCRUED INTEREST							
082 Total interest payment (incl. fees)	141,168	123,588	138,153	138,153	132,687	-4.0%	-4.0%
010 Accrued interest	0	0	0	(1,686)	0		
Total Interest Expense	141,168	123,588	138,153	136,467	132,687	-4.0%	-2.8%
						-5,466	-3,780
60 DEPRECIATION & AMORTIZATION							
6004 Contributed Capital Amortization	(123,518)	(123,518)	(123,518)	(123,522)	(122,522)	-0.8%	-0.8%
6006 Ammortization of Bond Issue Costs*	6,309	6,309	6,309	6,309	6,309	0.0%	0.0%
6012 Depreciation *	494,723	501,015	494,723	515,470	515,000	4.1%	-0.1%
Total Asset Depreciation	377,514	383,806	377,514	398,257	398,787	5.6%	0.1%
						21,273	530

* Note - Depreciation & Amortization account has been adjusted to account for their omission from the FY12 Budget.

~~ End of Non-Cash Expenses ~~

Sewer Budget Ordinance

Chart R

Draft

As Introduced by
Town Council 11-20-12

Sewer Budget Ordinance

Town of Bar Harbor

An Ordinance to Adopt the Fiscal Year ~~2012-2013~~ Sewer Budget, Rates, Fees and Charges.

The Town of Bar Harbor hereby ordains that Chapter 165, Sewers, of the Town Code is amended as follows:

[Please Note: Old language is ~~stricken~~. New language is underlined.]

Chapter 165, SEWERS

• • • •

ARTICLE III, Sewer Budget and Rates

• • • •

§ 165-6. Definitions and word usage.

As used in this article, the following terms shall have the meanings indicated:

• • • •

RESIDENTIAL

Property that is used primarily as a single family home or dwelling and is so classified in the Town of Bar Harbor assessing records.

• • • •

§ 165 -7.1. Sewer Budget, Fees and Charges.

A. **Budget Adopted.** The fiscal year ~~2012-2013~~ Sewer Budget dated ~~September 26, 2011~~ October 31, 2012 is hereby adopted as published and summarized below.

(1) **Fund Balance.** Unreserved & Undesignated Fund Balances are estimated as follows:

(a) Starting Unreserved and Undesignated Fund Balance:

[1] Operating Fund: \$~~17,514~~ \$195,525

[2] Capital Fund: \$~~3,418~~ \$16,414

(b) Ending Unreserved and Undesignated Fund Balance:

[1] Operating Fund: \$~~18,017~~ \$19,860

Sewer Budget Ordinance

Chart R

Draft

As Introduced by
Town Council 11-20-12

[2] Capital Fund: ~~\$11,589~~ \$20,000

(2) Revenues.

(a) Total Revenues & Other Sources are estimated to be:

[1] Operating Fund: ~~\$1,279,207~~ \$1,286,280

[2] Capital Fund: ~~\$2,134,058~~ \$1,048,779

(b) Revenue from sewer rates shall be calculated as follows:

[1] Operations Rate Charges: ~~\$1,127,630~~ \$1,158,094

[2] Capital Rate Charges: ~~\$738,283~~ \$755,512

(3) Expenses. Total Appropriations shall be:

(a) Operating Fund: ~~\$1,278,704~~ \$1,461,946

(b) Capital Fund: ~~\$730,113~~ \$1,052,723

(4) Rates.

(a) Operations Rate: ~~\$4.36~~ \$4.39 per 100 cubic feet of water used

(b) Capital Rate: ~~\$5.17~~ \$5.19 per 100 Cubic Feet of seasonal water used

(c) Minimum Operations Bills:

[1] Residential Customers: ~~\$43.60~~ \$43.90 for up to 1000 cubic feet of water used per quarter

[2] Non-Residential Customers: ~~\$122.08~~ \$122.92 for up to 2800 cubic feet of water used per quarter

[3] Unmetered Customers: ~~\$93.74~~ \$94.39 per quarter (based on 2150 cubic feet of water used)

(d) Septic Tank Pumpage: ~~\$10.95~~ \$11.03 per 100 gallons

(e) Sludge Disposal: ~~\$6.56~~ \$6.61 per 100 gallons

(f) Connection Fee Rate: \$9.83 per gallon of sewage per day

(g) Late Payment Penalty: 7.0% per annum

(end of ordinance)

LEGISLATIVE HISTORY:

11-20-12	Introduced
12-18-12	Public Hearing
_____	Council Adopted
_____	Sent for Codification