

July 12, 2017

Mr. Scott D. Charpentier, P.E.
Public Works Director
Town of Northborough
63 Main Street
Northborough MA 01532

Dear Mr. Charpentier:

The Town of Northborough has asked us to review the water and sewer rates and make recommendations regarding rate adjustments for the current fiscal year (FY 2018) and projections for future years. This report is a summary of the results of our study.

Water Division

We have reviewed these rates to determine the revenue impacts for the current year as well as project possible future water rate adjustments.

Estimated Expenses

In order to analyze the water rates, we obtained basic information on historic expenses, revenues, fund balances, and water sales. These historic values were analyzed and then projected, along with the probably impacts of new capital improvement financing, for the current and upcoming years.

For this study, we have obtained several years of historic expenses as well as the budget for the current fiscal year (FY 2018). There do not appear to be any unusual expenses, so we believe that the current operating budget can form the basis for the coming years. Expenses were projected through fiscal year 2023. We examined the annual changes in each line item from FY 2015 through the FY 2018 budget to determine any trends in the annual change of expenses. For the most part, we have assumed annual changes that are in-line with past increases. Generally, these have assumed increases in the range of 2% per year, although some line items were projected to grow somewhat faster and some were projected to remain stable.

For the water division, the MWRA assessments are by far the largest line item cost. The MWRA assessments are based on the Authority's annual budget and Northborough's share of historic annual water use. The increases from year to year will thus depend on the Authority's

July 12, 2017

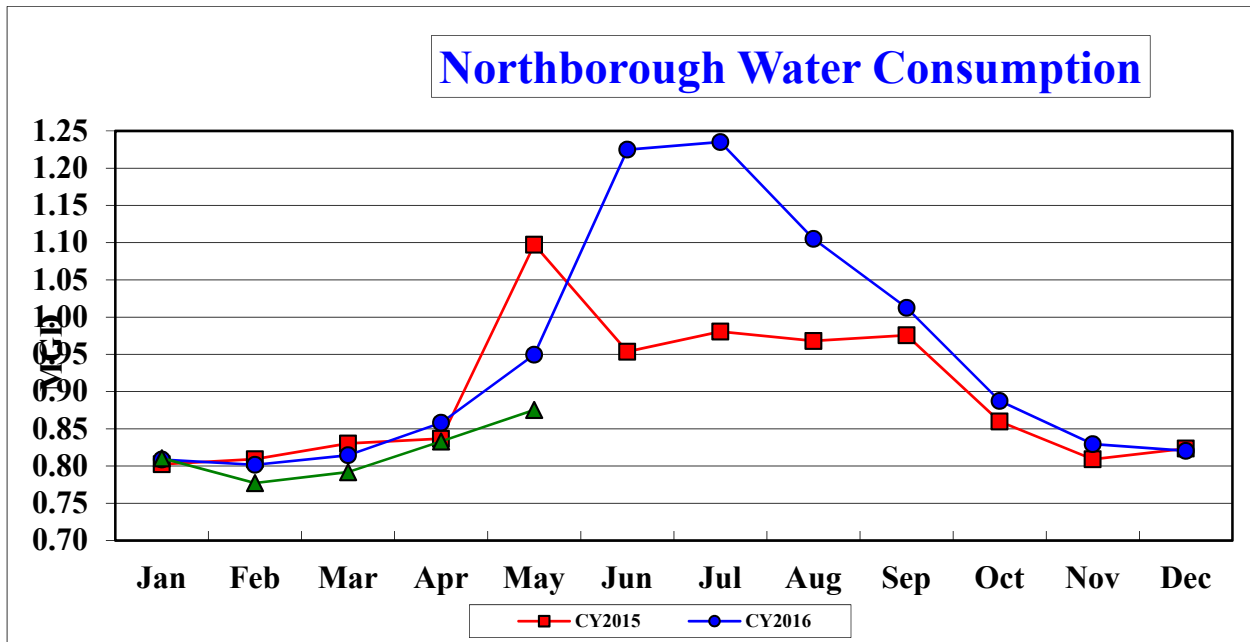
Mr. Scott D. Charpentier, P.E.

Page 2

annual cost increases and how Northborough's water purchases compare to other communities. For this fiscal year, we have used the final projections as published by the Authority. While preliminary FY 2019 estimates suggest a possible increase of nearly 10% for Northborough, these historically have dropped when the final assessments are announced. To project these expenses, we have used an assumed a 5% increase per year after the current year. As an example of the variability of the MWRA Assessment, the increases in recent years have been:

- FY 2018: 9.2% increase
- FY 2017: 3.3%
- FY 2016: 5.7%
- FY 2015: 2.2%
- FY 2014: 15.7%
- FY 2013: 18.3%

Some of the earlier variability had to do with Northborough's partial use of MWRA water. The following graph shows Northborough's recent water use through May 2017.



After the MWRA assessments, the annual debt service on bonds is the next largest water division expense item. We obtained the repayment schedules for each existing bond issue. Working with the Town's Finance Director, Ms. Hubbard-Ward, we have reviewed the funding plan for the water and sewer divisions' capital improvement plan. This funding plan includes a

July 12, 2017

Mr. Scott D. Charpentier, P.E.

Page 3

mix of bond issues and the use of free cash. In addition to the existing bonds we have included the projected debt service on new bonds in FY 2021 for the Edmonds Road water storage tank project.

Table 1, appended to this report, presents the historic and projected water division expenses.

Required Revenue from Water Rates

To develop the new water rates, it was necessary to determine the annual amounts of revenue that will be required to meet the projected expenses. The Town receives revenues from a number of sources other than the water rates that can be used to offset the expenses and reduce the amount needed to be recovered through the rates and charges. In general these other revenues are derived from connection fees, some investment income on fund balances, and charges for various tests and miscellaneous services. For the water fund, these revenues or offsets are projected to amount to approximately \$68,000 per year. Table 2, below, presents the historic and projected revenues from miscellaneous sources that can be used to reduce the requirements from the water rates and charges.

TABLE 2. HISTORIC & PROJECTED WATER CONNECTION FEES AND OTHER REVENUES

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Connection Fees	\$83,055	\$28,804	\$24,804	\$20,804	\$16,804
Other Dept Revenue	\$29,220	\$28,681	\$28,681	\$28,681	\$28,681
Investment Income	<u>\$11,297</u>	<u>\$14,562</u>	<u>\$14,562</u>	<u>\$14,562</u>	<u>\$14,562</u>
Subtotal Other Revenues	\$123,572	\$72,047	\$68,047	\$64,047	\$60,047

Table 3, below, presents a summary of the expenses, other revenues, and the net amounts that need to be derived from the water rates and charges for FY 2018 through FY 2020.

TABLE 3. SUMMARY OF HISTORIC AND PROJECTED WATER EXPENSES AND REVENUES

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Expenses	\$2,430,078	\$2,514,934	\$2,594,873
Less other Revenues	<u>(\$68,047)</u>	<u>(\$64,047)</u>	<u>(\$60,047)</u>
Net Required from Rates	\$2,362,031	\$2,450,887	\$2,534,826

July 12, 2017
Mr. Scott D. Charpentier, P.E.
Page 4

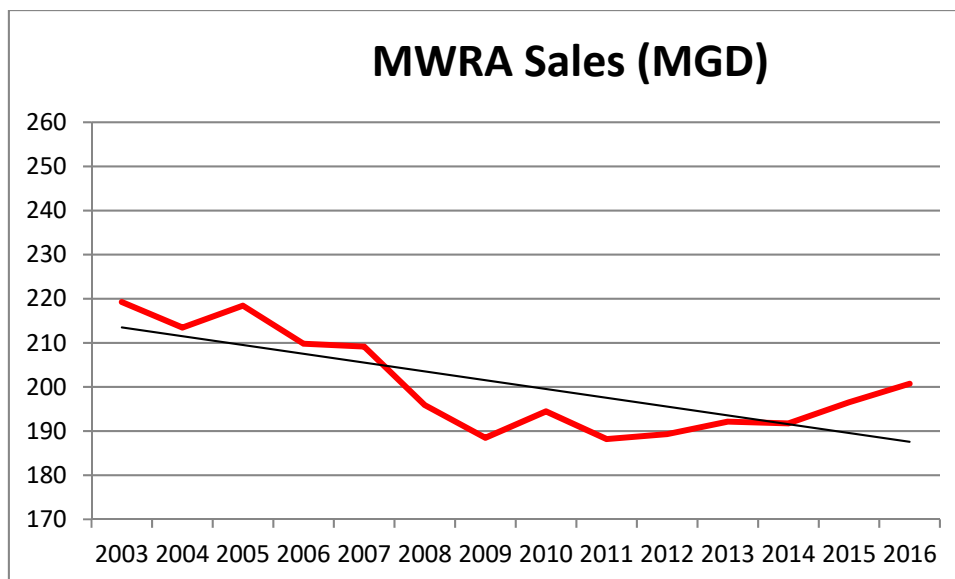
Water Use

Once the amounts that must be recovered through rates and charges are derived, the next step is to determine the estimated metered water sales that will generate water revenues.

In recent years, water sales across the country, and particularly in the Northeast, have been declining. There are many explanations that have been suggested including:

- Greater consumer awareness resulting in less wasteful use
- Growing water and sewer rates that have typically been twice the rate of inflation
- Federal plumbing regulations that have eliminated the sale of higher volume flush toilets and shower heads.

The following graph shows the MWRA's total water sales (in million gallons per day) since 2003.



We have added a trend line to this graph that depicts the drop in the MWRA's sales over this period. In looking at this graph, it must be noted that the communities that are being served have changed over this time period which may tend to skew the results. It also appears that the trend in downward sales may have leveled off since 2009 and even shown some recent increases, although calendar year 2017 has shown nearly a 6% drop through May.

The projection of water sales has a significant impact on the calculation of the future water rates. If sales are projected too high, rates may be too low to generate sufficient

July 12, 2017

Mr. Scott D. Charpentier, P.E.

Page 5

revenues to recover the Town's expenses. Conversely, if sales are projected too low, rates may be too high, providing revenues in excess of needs. In addition to the factors mentioned above, the weather has a major impact on customer water use. Hot, dry summers typically result in higher sales while cooler, moist summers will result in reduced sales. For purposes of this study, it was assumed that water sales in FY 2017 will remain steady for the coming years.

Because Northborough has an increasing block water rate, it was necessary to examine the water use within each individual rate block or tier. To assist with the water rate study, the Town was able to have the billing data base analyzed for a twelve-month period ending in May 2017. Table 4, below, presents the projected water sales for FY 2018.

TABLE 4. PROJECTED WATER SALES BY RATE BLOCK

<u>Rate Tier</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Total</u>
0-2000 cf	213,464	12,191	2,989	228,644
2000-6000 cf	61,760	12,338	3,162	77,259
over 6000 cf	<u>45,119</u>	<u>41,528</u>	<u>23,439</u>	<u>110,086</u>
Total	320,343	66,057	29,590	415,989

For our study of the Town's water and sewer rates in 2013, we recommended the adoption of a base charge to help cover the costs associated with meter reading, billing, collection, meter repairs and replacements, and a portion of the fixed debt costs. Table 5 presents the number of water accounts by customer type. While all water customers do not have sewer service, nearly all sewer customers do have water service and receive water meter readings and bills.

TABLE 5. CUSTOMERS BY TYPE

Residential	3,858
Commercial	221
Industrial	<u>54</u>
Total	4,133

Current Revenues

Applying the current water rates and the base charges to the projected sales and numbers of customers results in projected annual water revenues of \$2,259,545. Comparing this projection to the requirements presented earlier (Table 3), suggests a deficit of about \$102,500 for the current fiscal year (FY 2018). After several years of no water rate increases, we recommend that the Town increase the water rates by 5% for FY 2018.

July 12, 2017

Mr. Scott D. Charpentier, P.E.

Page 6

Current & Proposed Water Rates

In 2013 we examined a number of water rate structure alternatives. As part of this review, the Town adopted based charges that vary by customer type. There have been no changes in the operations to suggest that any changes to the current rate structure are needed.

Based on our projection of expenses and water sales, we have developed new rates for FY 2018 – FY 2020. Table 6 presents the current rates and the projected adjustments for FY 2019-2020. As this table shows, we are projecting a need for 5% water rate increases for the next few years.

TABLE 6. CURRENT & PROJECTED WATER RATES

Metered Rates (\$/1000 cu ft)

<u>Usage (/quarter)</u>	<u>Current</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
0-2000 cf	\$42.76	\$44.90	\$47.15	\$49.51
2000-6000 cf	\$51.25	\$53.82	\$56.52	\$59.35
over 6000 cf	\$63.16	\$66.32	\$69.64	\$73.13

Base Charge

Customer Type

Residential	\$10.00	\$10.00	\$10.00	\$10.00
Commercial	\$30.00	\$30.00	\$30.00	\$30.00
Industrial	\$45.00	\$45.00	\$45.00	\$45.00

Sewer Division

Estimated Expenses

As with the water system, we have projected many of the operational expenses of the sewer division to increase based on past changes, with some particular items projected to increase at greater rates. Northborough discharges its sewage to the City of Marlborough's Westerly Wastewater Treatment Plant (WWTP). The Town's share of these costs is the largest operating cost, amounting to more than one third of the projected operating costs for FY 2018 but increasing to nearly 50% of the costs in future years if estimated debt service is included. The City upgraded the WWTP several years ago, and recently, Marlborough unilaterally changed the way it is billing the Town of Northborough by assessing them at rates that are charged to outside City retail users. This is clearly unfair as Northborough discharges directly to the WWTP and makes no use of the City's retail sewers or billing and administrative systems.

July 12, 2017

Mr. Scott D. Charpentier, P.E.

Page 7

Until this matter is resolved, we have simply increased the FY 2017 charges (that were based on the expired intermunicipal agreement) by 10% per year.

The projection of Northborough's sewer expenses is complicated by the lack of an intermunicipal agreement with the City of Marlborough and questions about Northborough's share of the \$30 million upgrade/expansion of the wastewater treatment facilities. It is unclear what share of the \$30 million upgrade and expansion bonds will be the responsibility of Northborough. In part, this will depend on the share of capacity made available to Northborough, but this cannot be resolved until Marlborough knows the full permitted capacity of the WWTP. The portion of debt that Northborough may be responsible for is further complicated because a portion of the upgrade and expansion costs were funded by a grant to Marlborough. The City maintains that this grant only goes toward the City's share of costs and Northborough gets no credit for it.

For purposes of our rate projections, we are assuming that Northborough may be responsible for up to 50% of the City's new debt service for the WWTP. Marlborough began payment on a \$1.2 million loan in FY 2011. In FY 2013, Marlborough began its payments on the second (\$19.99 million) WPAT loan. It is unclear if or when Northborough may have to reimburse Marlborough for a share of past payments on these two loans. We have assumed that approximately \$2.85 million may be due to Marlborough in FY 2019. If this "back" payment is made to Marlborough, we have assumed it will be made from the existing sewer reserves.

The projected sewer division debt, including payments to Marlborough, is the largest annual expense. In addition to payments to Marlborough, the Town has existing sewer debt that include bond payments on the land acquired for wastewater disposal near the Marlborough town line. If it is later determined that this property is not needed for the Northborough sewer division, the land may be sold and the bonds paid off earlier with a portion of the land sale proceeds. For purposes of our analysis, we have included the continued payment of the debt on these bonds.

Table 7, appended to this report, presents the past and projected expenses for the sewer division. As was the case with our previous studies, the payments to Marlborough are still in question. With such a large share of the sewer division costs in limbo, it is difficult to project what expenses may be in future years. Accordingly, the amounts shown in Table 7 are very rough estimates only.

Required Revenue from Sewer Rates

As with the water rates, it was necessary to estimate the annual amounts of revenue that will be required to meet the projected expenses in order to develop the sewer rates. The sewer division receives revenues from a number of sources other than the rates that can be used to offset the expenses and reduce the amount needed to be recovered through the rates. In general these other revenues are derived from connection fees, some investment income on fund balances, and charges for miscellaneous services. Revenues from miscellaneous fees and charges are projected to range from approximately \$200,000 in FY 2017 to just over \$100,000 in FY 2019. In large part, this reduction is due to past betterments having being paid off.

Table 8 presents the detailed historic and projected revenues from miscellaneous sources that can be used to reduce the requirements from the water and sewer rates and charges.

TABLE 8. HISTORIC & PROJECTED SEWER CONNECTION FEES AND OTHER REVENUES

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Connection Fees	\$472,278	\$188,510	\$138,510	\$88,510	\$38,510
Other Dept Revenue	\$3,650	\$2,850	\$2,850	\$2,850	\$2,850
Investment Income	<u>\$14,451</u>	<u>\$8,628</u>	<u>\$8,700</u>	<u>\$8,700</u>	<u>\$8,700</u>
Subtotal Other Revenues	\$494,694	\$199,988	\$150,060	\$100,060	\$50,060

Table 9 presents a summary of the expenses, other revenues, and the net amounts that need to be derived from rates and charges for FY 2018 through FY 2020.

TABLE 9. SUMMARY OF HISTORIC AND PROJECTED SEWER EXPENSES AND REVENUES

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Expenses	\$1,775,704	\$1,864,862	\$2,618,311
Less other Revenues	<u>-\$150,060</u>	<u>-\$100,060</u>	<u>-\$50,060</u>
Net Required from Rates	\$1,625,644	\$1,764,802	\$2,568,251

By FY 2020 it is projected that the debt payments to Marlborough may become due annually, increasing the overall amount that must be raised through sewer rates. This is somewhat speculative; however, and these projections must be reviewed once a new intermunicipal agreement is entered into with Marlborough. Despite the high degree of uncertainty regarding the exact level future costs of the sewer division, it is clear that there will be significant cost increases that should be planned for in the coming years.

July 12, 2017

Mr. Scott D. Charpentier, P.E.

Page 9

Water Use by Sewer Customers

Because sewer meters are subject to clogging and they are expensive to install and maintain, metered water use is typically used as the basis for sewer charges. The previous section of this report on the Town's water division presented a detailed discussion of the projected metered water sales. Table 10 presents the projected FY 2018 water use by rate block and customer type for those customers connected to the Town's sewer system. Northborough bills for sewer use based on 100% of the customer's metered water use. As this table indicates, the sales to customers connected to the sewer system are significantly less than the sales to the customers connected to the water system.

TABLE 10. PROJECTED WATER SALES BY RATE BLOCK FOR SEWER CUSTOMERS

<u>Rate Tier</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Total</u>
0-2000 cf	86,868	7,523	1,166	95,557
2000-6000 cf	23,021	8,288	1,344	32,654
over 6000 cf	<u>22,586</u>	<u>36,705</u>	<u>14,633</u>	<u>73,924</u>
Total	132,475	52,516	17,143	202,134

Similar to the water sales, it was assumed that residential and commercial water sales in FY 2018 and beyond will remain at the same levels as the sales in FY 2017.

Current Revenues

Applying the current sewer rates (including the flat rate sewer billings) to the projected sales in FY 2018 results in annual sewer revenues of \$2,081,384. The projected revenues at the current sewer rates leave a deficit of about \$280,000 for FY 2018. Because of the uncertainties regarding Northborough's share of operating and debt service costs associated with the Marlborough treatment plant, we recommend that the Town continue to put funds aside to eventually pay off any obligation for the new treatment plant debt in Marlborough.

Projected Sewer Rates

As discussed above, there is considerable uncertainty regarding the future amounts that may reasonably be due to Marlborough for the treatment of Northborough's wastewater. As we suggested several years ago, we continue to recommend a 20% per year sewer increases for FY 2018. By adopting this level of increase, Northborough can accumulate funds in its sewer fund that can be used to make large one-time payments to Marlborough (e.g., a large debt repayment in FY 2020), and the rates can be more gradually increased each year. The

July 12, 2017

Mr. Scott D. Charpentier, P.E.

Page 10

alternative would be to have smaller increases until payments to Marlborough are settled, with the distinct possibility of a massive increase all in one year. Table 11 presents the current and projected sewer rates with the proposed 20% increases for FY 2018, a 10% increase in FY 2019, and an estimated 5% increase in FY 2020.

TABLE 11. CURRENT AND PROJECTED SEWER RATES

Usage (/quarter)	<u>Current</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
0-2000 cf	\$90.00	\$108.00	\$118.80	\$124.74
2000-6000 cf	\$93.46	\$112.16	\$123.38	\$129.55
over 6000 cf	\$97.64	\$117.17	\$128.89	\$135.34
flat sewer	\$270.00	\$324.00	\$356.00	\$374.00

As discussed, these rates are quite speculative, depending on final negotiations with Marlborough. As future costs become more certain, these should be reviewed and adjusted as needed.

Impact of Recommended Rates

Table 12, on the following page, presents the impact of the projected rates on the quarterly bills for various types of customers. As shown on this table, most customers will see increases of about 14%. A typical residential household using 2000 cubic feet per quarter (165 gallons per day) will see an increase of about 45 cents per day.

Looking Forward

Northborough has historically maintained reserves in the water and sewer enterprise funds to provide flexibility for capital funding as well as maintaining amounts for the uncertainties such as charges from Marlborough, unforeseen capital and/or operating needs. It is suggested that the Town's reserve policies be examined this coming winter as the Town prepares the next fiscal year's budgets. We also suggest that the water base charge be examined in the coming years to look at assessing them on the size of the customer's water meter. This is more typical and we believe it can be done with the new water meters in place. Lastly, we suggest that charges for customers with private fire service connections be examined as a possible new water revenue source. This is a valuable service that charges are typically applied in other towns.

July 12, 2017
 Mr. Scott D. Charpentier, P.E.
 Page 11

TABLE 12. IMPACT OF RATES (Based on Quarterly Bill)

<u>Use (cu ft/quarter)</u>	<u>Current</u>			<u>Projected 2018</u>			<u>\$ Incr</u>	<u>% Incr</u>
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>		
<u>Residential</u>								
1,000	\$52.76	\$90.00	\$142.76	\$54.90	\$108.00	\$162.90	\$20.14	14.1%
2,000	\$95.52	\$180.00	\$275.52	\$99.80	\$216.00	\$315.80	\$40.28	14.6%
4,000	\$198.02	\$366.92	\$564.94	\$207.44	\$440.32	\$647.76	\$82.82	14.7%
6,000	\$300.52	\$553.84	\$854.36	\$315.08	\$664.64	\$979.72	\$125.36	14.7%
10,000	\$553.16	\$944.40	\$1,497.56	\$580.36	\$1,133.32	\$1,713.68	\$216.12	14.4%
<u>Commercial</u>								
10,000	\$573.16	\$944.40	\$1,517.56	\$600.36	\$1,133.32	\$1,733.68	\$216.12	14.2%
50,000	\$3,099.56	\$4,850.00	\$7,949.56	\$3,253.16	\$5,820.12	\$9,073.28	\$1,123.72	14.1%
200,000	\$12,573.56	\$19,496.00	\$32,069.56	\$13,201.16	\$23,395.62	\$36,596.78	\$4,527.22	14.1%
<u>Industrial</u>								
100,000	\$6,272.56	\$9,732.00	\$16,004.56	\$6,584.16	\$11,678.62	\$18,262.78	\$2,258.22	14.1%
400,000	\$25,220.56	\$39,024.00	\$64,244.56	\$26,480.16	\$46,829.62	\$73,309.78	\$9,065.22	14.1%

It has been a pleasure working with the Town on this study. We are particularly grateful for the assistance from your office, Mr. John Coderre, Ms. June Hubbard-Ward and Mr. Jason Little. We will be glad to discuss this matter further and answer any questions.

Very truly yours;
 Woodcock & Associates, Inc.



Christopher Woodcock
 President

TABLE 1. HISTORIC & PROJECTED WATER DEPARTMENT EXPENSES

<u>WATER DEPARTMENT</u>	<u>2012</u>	<u>2013</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
LABOR - WAGES FULL TIME	\$138,007	\$139,449	\$143,119	\$155,353	\$162,405	\$165,700	\$169,000
SALARIES FULL TIME	\$19,492	\$31,825	\$48,858	\$63,857	\$62,467	\$63,700	\$65,000
WAGES-FULL TIME-PERMANENT	\$31,829	\$31,153	\$47,026	\$35,460	\$35,084	\$35,400	\$35,800
SALARIES - PART TIME	\$1,080	\$1,080	\$1,080	\$1,080	\$1,080	\$1,100	\$1,100
GIS SALARIES	\$12,000	\$12,000	\$12,000	\$13,507	\$13,912	\$14,200	\$14,500
OVERTIME	\$36,638	\$32,588	\$37,096	\$38,839	\$40,602	\$41,400	\$42,200
LONGEVITY PAY	\$1,590	\$1,635	\$1,560	\$1,560	\$1,170	\$1,200	\$1,200
STIPEND	\$1,020	\$1,020	\$850	\$900	\$900	\$900	\$900
UNIFORMS	\$1,751	\$1,609	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800
Subtotal	\$243,407	\$252,359	\$293,389	\$312,356	\$319,420	\$325,400	\$331,500
WORKMENS' COMPENSATION	\$8,122	\$8,122	\$8,876	\$9,319	\$12,495	\$12,700	\$13,000
F.I.C.A. TOWN SHARE	\$3,414	\$3,836	\$4,453	\$4,453	\$4,587	\$4,700	\$4,800
LIFE INSURANCE	\$88	\$88	\$88	\$88	\$88	\$100	\$100
HEALTH INSURANCE	\$44,362	\$50,274	\$39,828	\$43,421	\$55,488	\$57,200	\$58,900
UTILITIES	\$13,887	\$10,532	\$14,808	\$16,000	\$16,000	\$16,300	\$16,600
BUILDING MAINTENANCE	\$1,919	\$3,843	\$8,853	\$5,000	\$5,000	\$5,000	\$5,000
EQUIPMENT/VEHICLE MAINTENANCE	\$13,105	\$5,625	\$14,446	\$18,000	\$18,000	\$18,400	\$18,800
CONTRACTUAL SERVICES	\$59,784	\$15,056	\$71,022	\$93,400	\$116,570	\$128,200	\$141,000
AUDIT	\$1,680	\$1,731	\$1,837	\$1,873	\$1,911	\$1,900	\$1,900
LEGAL EXPENSE	\$2,378	\$1,408	\$2,570	\$5,000	\$5,000	\$5,300	\$5,600
UTILITY BILLING	\$5,477	\$5,880	\$6,521	\$8,400	\$8,400	\$8,400	\$8,400
WATER ANALYSIS	\$7,624	\$6,802	\$6,224	\$18,500	\$14,000	\$14,300	\$14,600
TRAINING, DUES, LICENSES	\$3,803	\$4,586	\$7,140	\$8,325	\$8,325	\$8,500	\$8,700
OFFICE SUPPLIES	\$198	\$2,925	\$536	\$1,500	\$1,500	\$1,500	\$1,500
MWRA ASSESSMENT	\$747,515	\$883,028	\$1,103,542	\$1,140,248	\$1,240,294	\$1,302,300	\$1,367,400
MATERIALS & SUPPLIES	\$49,116	\$25,329	\$62,330	\$92,300	\$117,115	\$123,000	\$129,200
GASOLINE	\$9,650	\$9,650	\$10,545	\$10,545	\$10,545	\$10,800	\$11,000
COUNTY RETIREMENT ASSESS.	\$29,372	\$31,786	\$37,175	\$40,394	\$42,527	\$43,400	\$44,300
TRAVEL/MILEAGE	\$71	\$348	\$525	\$600	\$600	\$600	\$600
LIAB. & BLDG. INSURANCE	\$14,062	\$14,062	\$15,235	\$15,997	\$16,798	\$17,400	\$18,000
RESERVE FOR EXTRA/UNFORESEEN	\$0	\$0	\$0	\$75,000	\$75,000	\$75,000	\$75,000
PRINCIPAL/LONG TERM DEBT	\$361,524	\$308,700	\$244,000	\$244,000	\$280,755	\$281,605	\$272,855
INTEREST/LONG TERM DEBT	\$112,730	\$101,381	\$77,133	\$68,445	\$59,659	\$52,928	\$46,117
INTEREST/TEMPORARY LOANS	\$0	\$2,785	\$16,510	\$18,309	\$0	\$0	\$0
Subtotal	<u>\$1,549,667</u>	<u>\$1,497,777</u>	<u>\$1,754,197</u>	<u>\$1,939,117</u>	<u>\$2,110,658</u>	<u>\$2,189,534</u>	<u>\$2,263,373</u>
Grand Total	\$1,793,074	\$1,750,136	\$2,047,586	\$2,251,473	\$2,430,078	\$2,514,934	\$2,594,873

TABLE 7. HISTORIC & PROJECTED SEWER DEPARTMENT REVENUES

SEWER DEPARTMENT	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
LABOR - WAGES FULL TIME	\$95,412	\$103,569	\$108,270	\$110,400	\$112,600
SALARIES FULL TIME	\$32,572	\$42,572	\$41,645	\$42,500	\$43,400
WAGES-FULL TIME-PERMANENT	\$31,351	\$23,640	\$23,389	\$23,600	\$23,800
SALARIES - PART TIME	\$720	\$720	\$720	\$700	\$700
GIS SALARIES	\$8,000	\$8,742	\$9,275	\$9,500	\$9,700
OVERTIME	\$24,731	\$25,893	\$27,068	\$27,600	\$28,200
LONGEVITY PAY	\$1,040	\$1,040	\$760	\$800	\$800
STIPEND	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
UNIFORMS	<u>\$1,200</u>	<u>\$1,200</u>	<u>\$1,200</u>	<u>\$1,200</u>	<u>\$1,200</u>
Subtotal	\$196,026	\$208,376	\$213,327	\$217,300	\$221,400
WORKMENS' COMPENSATION	\$5,917	\$6,213	\$7,810	\$7,800	\$7,800
F.I.C.A. TOWN SHARE	\$2,978	\$2,978	\$3,068	\$3,100	\$3,200
LIFE INSURANCE	\$59	\$59	\$59	\$100	\$100
HEALTH INSURANCE	\$26,552	\$28,948	\$36,992	\$37,000	\$37,000
UTILITIES	\$45,026	\$50,800	\$51,640	\$53,200	\$54,800
MARLBOROUGH USE CHARGE	\$400,000	\$580,519	\$638,600	\$702,500	\$772,800
MARLBOROUGH DEBT					\$512,025
BUILDING MAINTENANCE	\$17,925	\$15,000	\$15,000	\$15,300	\$15,600
EQUIPMENT MAINTENANCE	\$15,892	\$42,200	\$35,000	\$35,000	\$35,000
CONTRACTUAL SERVICES	\$22,825	\$31,000	\$48,780	\$49,800	\$50,800
AUDIT	\$1,224	\$1,249	\$1,274	\$1,400	\$1,500
LEGAL EXPENSE	\$14,631	\$5,000	\$50,000	\$51,000	\$52,000
UTILITY BILLING	\$4,347	\$5,600	\$5,600	\$5,900	\$6,200
TESTING	\$1,610	\$2,000	\$2,000	\$2,000	\$2,000
TRAINING, DUES, LICENSES	\$1,155	\$3,240	\$3,240	\$3,300	\$3,400
OFFICE SUPPLIES	\$362	\$1,500	\$1,500	\$1,500	\$1,500
MATERIALS & SUPPLIES	\$9,869	\$46,100	\$33,310	\$35,000	\$36,800
GASOLINE	\$7,030	\$7,030	\$7,030	\$7,200	\$7,300
COUNTY RETIREMENT ASSESS.	\$24,786	\$26,932	\$28,354	\$28,900	\$29,500
TRAVEL/MILEAGE	\$238	\$400	\$400	\$400	\$400
LIAB. & BLDG. INSURANCE	\$10,158	\$10,665	\$11,199	\$11,600	\$12,000
CAPITAL OUTLAY	\$0	\$0	\$0	\$0	\$0
RESERVE FOR EXTRA/UNFORESEEN	\$0	\$75,000	\$75,000	\$75,000	\$75,000
OVERRIDE DEBT	\$0	\$0	\$0	\$0	\$0
PRINCIPAL/LONG TERM DEBT	\$419,843	\$436,004	\$369,852	\$364,851	\$531,396
INTEREST/LONG TERM DEBT	\$148,577	\$111,469	\$110,118	\$129,161	\$148,790
INTEREST/TEMPORARY LOANS	\$1,651	\$20,140	\$26,550	\$26,550	\$0
OTHER FINANCING USES	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal	<u>\$1,182,653</u>	<u>\$1,510,046</u>	<u>\$1,562,377</u>	<u>\$1,647,562</u>	<u>\$2,396,911</u>
Grand Total	\$1,378,679	\$1,718,422	\$1,775,704	\$1,864,862	\$2,618,311