



Middletown

**AGENDA FOR THE
VIRTUAL
WATER & SEWER COMMITTEE MEETING
April 22, 2020
7:00 p.m.**

- Water & Sewer Enterprise Fund Budgets
 - FY2020 Water & Sewer Operating
 - FY2021 – FY2025 Capital Improvements Program (CIP)

TOWN OF MIDDLETOWN
Water Sewer Operating Budget
FY 2021

| | AUDIT FY 2011 | AUDIT FY 2012 | AUDIT FY 2013 | AUDIT FY 2014 | AUDIT FY 2015 | AUDIT FY 2016 | AUDIT FY 2017 | AUDIT FY 2018 | AUDIT FY 2019 | Draft Budget FY 2021 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------------|
| Operating Revenue | | | | | | | | | | |
| Water Revenue | 487,966 | 507,375 | 544,682 | 557,321 | 557,826 | 587,860 | 600,572 | 607,180 | 609,447 | 614,272 |
| Sewer Revenue | 484,182 | 506,864 | 541,468 | 554,722 | 557,502 | 584,783 | 598,261 | 602,269 | 600,798 | 614,892 |
| Penalties and Reconnects | 14,286 | 14,389 | 15,608 | 18,876 | 21,311 | 14,758 | 21,422 | 13,135 | 12,606 | - |
| General Fund Grant | | | - | - | 102,740 | 80,000 | - | - | - | - |
| Rain Barrels | | | | | 1,000 | 720 | | | | |
| MISC | 8,366 | 8,127 | - | - | - | 8,627 | | | | |
| Total Revenue | 994,800 | 1,036,755 | 1,101,758 | 1,130,919 | 1,240,379 | 1,276,748 | 1,220,255 | 1,222,584 | 1,222,851 | 1,229,164 |
| Expenses | | | | | | | | | | |
| Administrative | | | | | | | | | | |
| Salaries | 42,093 | 36,078 | 44,202 | 38,059 | 43,379 | 36,631 | 39,206 | 28,510 | 48,134 | 40,517 |
| Communications | 7,521 | 6,785 | 7,107 | 7,761 | 11,178 | 10,748 | 12,200 | 11,540 | 12,271 | 13,386 |
| Postage | 6,919 | 8,589 | 7,426 | 9,098 | 10,304 | 9,226 | 8,030 | 8,013 | 6,620 | 7,863 |
| Office Supplies/Expenses | 9,584 | 12,050 | 8,381 | 14,470 | 13,668 | 10,761 | 10,848 | 12,005 | 16,354 | 15,160 |
| Professional Services/Legal | 933 | 6,226 | - | 10,578 | 16,447 | 2,512 | 2,727 | 2,717 | 5,264 | 6,450 |
| Meetings & Seminars | 305 | 496 | 331 | 895 | 392 | 350 | 486 | 758 | 800 | 3,500 |
| Advertising | 56 | 997 | - | 863 | 994 | 350 | 559 | 11,540 | 490 | 500 |
| Uniforms | 2,477 | 3,258 | 2,992 | 2,726 | 3,719 | 3,770 | 4,119 | 5,835 | 3,371 | 4,573 |
| Dues/Subscriptions/Certifications | 265 | 650 | 415 | 987 | 3,342 | 50 | 420 | 330 | 879 | 500 |
| I&I Principal and Interest | 70,729 | 73,803 | 72,008 | | 32,498 | 32,979 | 29,454 | 33,099 | 121,000 | 63,000 |
| Travel/Mileage | 33 | 202 | 203 | 175 | - | - | 17 | 52 | 150 | 200 |
| Payroll Taxes | 16,320 | 20,506 | 19,971 | 19,081 | 21,477 | 24,113 | 22,451 | 23,483 | 24,611 | 24,526 |
| Insurance | | | | | | | | | | |
| Property | 12,452 | 11,347 | 7,603 | 7,643 | 7,949 | 9,917 | 11,172 | 8,448 | 8,065 | 8,552 |
| Health | 40,446 | 46,026 | 46,367 | 37,781 | 36,608 | 19,348 | 44,913 | 52,216 | 45,042 | 32,982 |
| Worker's Compensation | 9,263 | 13,081 | 11,142 | 8,168 | 7,858 | 7,287 | 8,684 | 8,770 | 7,026 | 7,771 |
| Retirement/Pension | 18,589 | 20,379 | 17,250 | 18,954 | 19,685 | 21,550 | 22,169 | 44,256 | 25,649 | 12,811 |
| Real Estate Taxes | 292 | 292 | 292 | 292 | (22) | 292 | 292 | 292 | 292 | 292 |
| Conservation Environment | 11,342 | 4,691 | 105 | 3,276 | 5,755 | 1,600 | - | 75 | - | - |
| Vehicle/Equipment Expenses | 13,723 | 12,101 | 12,749 | 15,680 | 11,138 | 12,259 | 15,521 | 18,521 | 15,553 | 20,000 |
| Total Administrative | 263,342 | 277,557 | 258,544 | 196,487 | 246,369 | 203,743 | 233,268 | 270,460 | 341,571 | 262,584 |
| Water | | | | | | | | | | |
| Salaries | 87,976 | 108,348 | 109,602 | 113,066 | 131,501 | 150,384 | 167,083 | 170,981 | 145,992 | 143,953 |
| Water Distribution | | | | | | | | | | |
| Supplies | 1,454 | 2,435 | 2,894 | 3,764 | 3,468 | 8,185 | 5,831 | 17,720 | 23,286 | 3,000 |
| Repairs & Maintenance | 42,517 | 30,681 | 41,907 | 67,276 | 48,553 | 44,802 | 72,317 | 69,984 | 14,418 | 33,400 |
| Water Meters | 44,023 | 31,745 | - | - | - | - | - | - | - | - |
| Waterline Break Repairs | 9,764 | 17,697 | 246 | 72 | 3,452 | - | 182 | 1,435 | 3,498 | 1,644 |
| Chemicals | | 477 | 353 | 185 | - | 233 | 1,857 | - | 2,106 | 839 |
| Tools & Equipment | 502 | 2,058 | 6,407 | 9,468 | 933 | 1,660 | 6,674 | - | 50 | 2,050 |
| Subtotal | 98,260 | 85,093 | 51,807 | 80,765 | 56,406 | 54,880 | 86,861 | 89,139 | 43,358 | 40,933 |
| Water Plant, Reservoir, Booster, Tower, BS Wellhouse | | | | | | | | | | |
| Supplies | 586 | 22,426 | 1,666 | 787 | 3,568 | 1,492 | 795 | 1,323 | 9,174 | 3,397 |
| Repairs & Maintenance | 14,625 | 4,825 | 32,259 | 32,305 | 17,211 | 27,112 | 39,668 | 19,920 | 10,907 | 16,100 |
| Tank Maintenance Contract | | | | | | | | | | 35,814 |
| Chemicals | 3,300 | 50,115 | 24,176 | 20,454 | 21,672 | 22,512 | 23,154 | 13,114 | 14,777 | 24,163 |
| Tools & Equipment | | | 4,375 | 2,007 | 1,590 | - | 1,407 | - | 631 | 798 |
| Testing & Analysis | | | 7,857 | 10,488 | 11,661 | 10,783 | 11,877 | 7,562 | 4,235 | 5,738 |
| SUB-TOTAL | 18,511 | 77,367 | 70,333 | 66,041 | 55,702 | 61,899 | 76,901 | 41,919 | 39,724 | 86,010 |
| Abandoned Well Costs | | | | | | | | | | |
| Water Electric | | 8,814 | 27,509 | 26,703 | 24,588 | 23,349 | 33,368 | 39,233 | 44,721 | 45,615 |

TOWN OF MIDDLETOWN
Water Sewer Operating Budget
FY 2021

| | AUDIT FY 2011 | AUDIT FY 2012 | AUDIT FY 2013 | AUDIT FY 2014 | AUDIT FY 2015 | AUDIT FY 2016 | AUDIT FY 2017 | AUDIT FY 2018 | AUDIT FY 2019 | Draft Budget FY 2021 |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------------|
| TOTAL WATER | 204,747 | 270,808 | 231,742 | 259,872 | 243,609 | 267,163 | 330,845 | 341,272 | 273,795 | 316,511 |
| Sewer | | | | | | | | | | |
| Salaries | 85,514 | 109,381 | 113,488 | 107,724 | 120,064 | 128,101 | 127,311 | 144,908 | 121,015 | 110,564 |
| Sewer Collection System | | | | | | | | | | |
| Conebranch Pump Station | 14,450 | 15,418 | 11,503 | 27,036 | 19,518 | 34,851 | 22,062 | 26,474 | 17,506 | 18,155 |
| Brookridge South Pump Station | 9,994 | 6,545 | 13,703 | 9,854 | 11,153 | 10,465 | 5,421 | 3,844 | 2,503 | 3,500 |
| Foxfield Pump Station | 6,743 | 5,769 | 6,165 | 6,968 | 6,348 | 6,973 | 5,692 | 5,574 | 4,674 | 5,462 |
| Sanitary Sewer Lines/Manholes | 12,698 | 14,643 | 22,850 | 17,316 | 17,484 | 45,670 | 4,582 | 37,559 | 18,020 | 24,500 |
| I & I Accrual | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 93,205 | 75,000 |
| Subtotal | 118,885 | 117,375 | 129,221 | 136,174 | 129,503 | 172,959 | 112,757 | 148,451 | 135,908 | 126,616 |
| East WWTP | | | | | | | | | | |
| Parts & Supplies | 4,316 | 6,457 | 3,749 | 8,162 | 6,325 | 7,069 | 2,598 | 3,726 | 14,222 | 6,588 |
| Repairs & Maintenance | 5,682 | 8,596 | 32,355 | 11,960 | 23,354 | 28,731 | 22,145 | 14,852 | 19,663 | 24,500 |
| Chemicals | 37,050 | 42,961 | 40,867 | 32,727 | 28,329 | 31,766 | 29,271 | 47,650 | 46,725 | 45,291 |
| Mowing | 3,102 | 3,525 | - | - | - | - | - | - | - | - |
| Tools & Equipment | 1,372 | 7,834 | 7,721 | 2,849 | 8,091 | 3,954 | 1,693 | 982 | 1,827 | 3,309 |
| Testing & Analysis | 16,797 | 20,299 | 20,812 | 22,982 | 25,170 | 26,125 | 30,220 | 25,263 | 28,597 | 28,750 |
| Sludge Hauling Expense | 66,013 | 66,293 | 66,093 | 45,596 | 61,642 | 59,432 | 45,581 | 44,428 | 63,145 | 63,846 |
| Subtotal | 134,332 | 155,965 | 171,597 | 124,276 | 152,911 | 157,077 | 131,508 | 136,901 | 174,179 | 172,284 |
| West WWTP | | | | | | | | | | |
| Supplies | 578 | 678 | 1,987 | 4,474 | 2,121 | 2,380 | 1,624 | 1,292 | 862 | 1,656 |
| Repairs & Maintenance | 3,099 | 5,202 | 3,196 | 7,102 | 20,740 | 9,796 | 4,833 | 5,289 | 2,689 | 4,000 |
| Chemicals | 39,265 | 51,972 | 50,684 | 53,057 | 54,073 | 54,389 | 51,684 | 51,638 | 53,561 | 45,291 |
| Mowing | 2,139 | 2,225 | - | - | - | - | - | - | - | - |
| Tools & Equipment | 2,120 | 391 | 7,407 | 1,400 | 756 | 2,598 | 1,671 | 705 | 15 | 1,149 |
| Testing & Analysis | 7,319 | 8,958 | 8,303 | 8,808 | 9,106 | 9,831 | 11,071 | 9,908 | 9,040 | 9,640 |
| Sludge Hauling Expense | 30,300 | 6,358 | 22,959 | 17,663 | 17,250 | 17,250 | 17,250 | 17,250 | 17,250 | 17,250 |
| SUB-TOTAL | 84,820 | 75,784 | 94,536 | 92,504 | 104,046 | 96,244 | 88,133 | 86,082 | 83,417 | 78,986 |
| Sewer Electric | | | | | | | | 92,544 | 99,488 | 98,896 |
| TOTAL SEWER | 423,551 | 458,505 | 508,842 | 460,678 | 506,524 | 554,381 | 459,709 | 608,886 | 614,007 | 587,346 |
| TOTAL OPERATING EXPENSES | 891,640 | 1,006,870 | 999,128 | 917,037 | 996,502 | 1,025,287 | 1,023,822 | 1,220,618 | 1,229,373 | 1,166,440 |
| Contingency Fund | | | | | | | | | | 25,006 |
| Adjusted Operating Expense | | | | | | 1,025,287 | 1,023,822 | 1,220,618 | 1,229,373 | 1,191,446 |
| OPERATING INCOME (LOSS) | 103,160 | 29,885 | 102,630 | 213,882 | 243,877 | 251,461 | 196,433 | 1,966 | (6,522) | 37,718 |



**Burgess and Commissioners of Middletown
Water & Sewer Capital Improvement Program
FY 2021 - FY 2025**

| INCOME | FY '21 | FY '22 | FY '23 | FY '24 | FY '25 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| CASH Reserves | \$510,104 | \$81,305 | \$163,338 | \$326,667 | \$539,585 |
| Operation Fund Contribution (Surplus) | \$28,210 | \$20,000 | \$10,000 | \$5,000 | \$0 |
| CAPITAL IMPROVEMENT FEE | \$345,000 | \$348,200 | \$351,400 | \$356,000 | \$362,200 |
| Inflow & Infiltration - Reserve Account <small>(Footnote #1)</small> | | \$250,000 | | \$125,000 | |
| Sludge Removal - Reserve Account <small>(Footnote #2)</small> | | | \$35,000 | | |
| Land Leases | \$202,517 | \$209,605 | \$216,941 | \$224,534 | \$232,393 |
| Tap Fees <small>(Footnote #3)</small> | \$288,000 | \$414,000 | \$647,100 | \$647,100 | \$558,000 |
| State of MD Bay Restoration Fee - Grant | | | | | \$1,000,000 |
| Reservoir Tank Loan <small>(Footnote #5)</small> | \$2,058,605 | | | | |
| Total Revenue | \$3,432,437 | \$1,323,110 | \$1,423,779 | \$1,684,301 | \$2,692,178 |
| Debt Service | | | | | |
| MAIN STREET WATERLINE LOAN <small>(Footnote #4)</small> | \$134,076 | \$134,076 | \$134,076 | \$134,076 | \$134,076 |
| RESERVOIR TANK LOAN <small>(Footnote #5)</small> | \$23,564 | \$113,054 | \$113,054 | \$113,054 | \$113,054 |
| Total Debt Service | \$157,640 | \$247,129 | \$247,129 | \$247,129 | \$247,129 |
| Net Income | \$3,274,797 | \$1,075,980 | \$1,176,650 | \$1,437,172 | \$2,445,048 |
| Projects | | | | | |
| SYSTEM UPGRADE PROJECTS | | | | | |
| WATER SYSTEM | | | | | |
| Reservoir Improvements - Ground Storage Tank & New Suction Line | \$2,843,905 | \$357,000 | | | |
| Booster Station - Upgrade; Pumps; VFD's; Piping | \$200,000 | | | | |
| PRV Vault Pipe Painting and Cleaning | \$9,000 | | | | |
| Booster Station - Roof Replacement/Building Painting | | | | \$5,000 | |
| SCADA System Installation - Phase II | | | \$50,000 | | |
| Water Meter Replacements | \$12,587 | \$15,642 | \$14,983 | \$12,587 | \$18,645 |
| WASTEWATER SYSTEM | | | | | |
| West WWTP - Curtain Replacement | | \$25,000 | | \$80,000 | |
| West WWTP - Plug Valve Replacement Micro Strainer Bldg | | | \$15,000 | | |
| West WWTP - New Chemical Storage Structure | | | | \$85,000 | |
| Upgrade of West WWTP <i>(Possible Future)</i> | | | | \$175,000 | \$1,550,000 |
| East WWTP - Bar Screen Refurbishment | \$70,000 | | | | |
| East WWTP - Dewatering Solution Sludge Tank - Engineering | | | \$15,000 | \$25,000 | |
| East WWTP - Influent Flume & Ultrasonic Meter | | | \$20,000 | | |
| East WWTP - Reconstruction of Filter Tank | \$58,000 | | | | |
| East WWTP - Replace Effluent Pump #1 | | \$20,000 | | | |
| East WWTP - Filter Building Roof Replacement | | \$30,000 | | | |
| East WWTP - New Filter Tank | | | \$500,000 | | |
| East WWTP - Sludge Removal Reed Beds | | | \$35,000 | | |
| East WWTP - Sludge Mag Meter | | \$15,000 | | | |
| Vactor Trailer & Excavator | | | | \$190,000 | |
| Inflow & Infiltration | | \$250,000 | | \$125,000 | |
| Total Projects | \$3,193,492 | \$712,642 | \$649,983 | \$697,587 | \$1,568,645 |
| Gross Surplus/Deficit | \$81,305 | \$363,338 | \$526,667 | \$739,585 | \$876,403 |
| CAPITAL IMPROVEMENT RESERVE ACCOUNT | \$0 | \$200,000 | \$200,000 | \$200,000 | \$200,000 |
| Net Surplus / Deficit | \$81,305 | \$163,338 | \$326,667 | \$539,585 | \$676,403 |
| Capital Improvement Reserve Account Total | \$600,000 | | | | |

Footnotes

- #1 As of 4/7/2020 - \$316,749 Balance in the I&I Reserve Account
- #2 As of 4/7/2020 - \$201,388 Balance in the Sludge Reserve Account
- #3 See Growth Projections Worksheet
- #4 See Loan Breakdown Worksheet (30 Year Loan)
- #5 See Loan Breakdown Worksheet (30 Year Loan)