

**PURPOSE**

This Sewer Fund Operating Budget contains revenues and expenses for operation of the sanitary sewer collection and transmission system. Indirect operating and maintenance costs are reimbursed to the Administrative Fund. Revenues are received from service charges, interest, and miscellaneous items.

**KEY WORKPLAN ITEMS**

1. Provide and maintain wastewater collection services for residential and commercial customers within Primary Service Area in accordance with the Commonwealth of Virginia, Department of Environmental Quality
2. Operate and maintain 77 sanitary sewer lift stations to transmit wastewater to Hampton Roads Sanitation District wastewater treatment facilities
3. Educate citizens about safe ways to dispose of fats, oils and grease
4. Respond to and repair interruptions to the sanitary sewer service collection, lift stations, and transmission system 24-hours a day and 7-days a week
5. Rehabilitate sanitary sewer system in accordance with Virginia Department of Environmental Quality Consent Order

**BUDGET SUMMARY**

	FY 12 Adopted	FY 13 Adopted	FY 14 Plan
<u>Revenues:</u>			
Sewer Service Charges	\$ 5,186,938	\$ 5,989,783	\$ 6,315,442
Interest	352,000	117,665	117,665
Grinder Pump Charges	209,100	209,100	213,570
Miscellaneous	142,000	142,000	142,000
Total	\$ <u>5,890,038</u>	\$ <u>6,458,548</u>	\$ <u>6,788,677</u>
<u>Expenses:</u>			
Admin. Fund Allocation	\$ 3,537,814	\$ 3,682,997	\$ 3,705,339
Direct Expenses	1,968,724	1,691,291	1,711,118
Grinder Pump Expenses	309,000	313,860	318,720
Capital Equipment Outlay	74,500	20,400	53,500
CIP Transfer-DEQ Consent Order	-	750,000	1,000,000
Total	\$ <u>5,890,038</u>	\$ <u>6,458,548</u>	\$ <u>6,788,677</u>

**PERSONNEL**

Full-Time Personnel	11	11	11
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**PERFORMANCE MEASURES**

	<u>FY 11 Actual</u>	<u>FY 12 Projected</u>	<u>FY 13 Adopted</u>	<u>FY 14 Plan</u>
Wastewater collected (gallons in millions)	1,598M	1,852M	1,860M	1,892M
Wastewater customers served	21,127	21,476	21,905	22,343
# Grinder pumps maintained	902	898	925	945
# Miles of sewer pipe maintained	419	424	433	443
# Sewer system spills per 100 miles of sewer pipe	2.39	1.0	1.0	1.0
% of Sewer service interruptions repaired in 8 hours or less	96.9%	90%	90%	90%

**BUDGET COMMENTS**

The Sewer Fund Operating Budget continues to reflect customer service enhancement by placing emphasis on Sewer System Preventive Maintenance and Rehabilitative Programs. Existing systems are aging and require rehabilitative measures to meet the demands of increased usage and protect the public investment. These measures will improve wastewater collection and movement reliability.

The FY2013 and FY2014 Sewer Fund service charges increase due to a 15 percent service rate increase in FY2013 and a planned 5 percent service rate increase in FY2014 to begin to fund the sewer infrastructure rehabilitation program requirements of the JCSEA's Consent Order with the Virginia Department of Environmental Quality. These funds are shown as a transfer to the Capital Improvements Program Budget under Expenses. Interest income decreases due to current market conditions and continued conservative expectations for investment returns over the next two years. A decrease in the expenses for emergent infrastructure and equipment repairs and maintenance is offset by an increase in the Administrative Allocation. Capital Equipment Outlay decreases in FY2013 with no planned vehicle replacements. One vehicle replacement is planned for FY2014.