

Section V
Sewer Fund

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Mission Statement

The mission of the Sewer Division is to enhance Concord's quality of life, and through sound management, innovation, teamwork and vision, provide dependable, high quality, responsive sewer utility services, consistent with values and at reasonable costs to Concord's citizens, businesses, institutions and visitors.

Sewer Fund Budget Contents

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Highlights

- The proposed FY2010 sewer rate of \$8.35 per unit represents a 5% increase over the FY 2009 rate of \$7.95 per unit.
- The proposed FY2010 capital improvement plan is \$643,000.
- Article 41, Wastewater Planning Capacity Study, seeks Town Meeting support for \$142,000 to assess wastewater management alternatives required to meet long-range community development and redevelopment visions.
- The proposed FY2010 operating budget, excluding depreciation and transfers to the general fund, is \$1,221,419. This represents a requested 1% increase in comparison to the revised FY09 operating budget.

Income and Fund Balance Summary

	FY07 Actual	FY08 Actual	FY09 Revised	FY10 Estimate
Operating Income	\$ (778,746)	\$(1,185,200)	\$ (633,373)	\$ (617,949)
Net Income	\$ (463,922)	\$(1,374,048)	\$ (769,013)	\$ (796,036)
Fund Balance	\$ 4,146,221	\$ 2,772,173	\$ 1,762,996	\$ 1,262,335

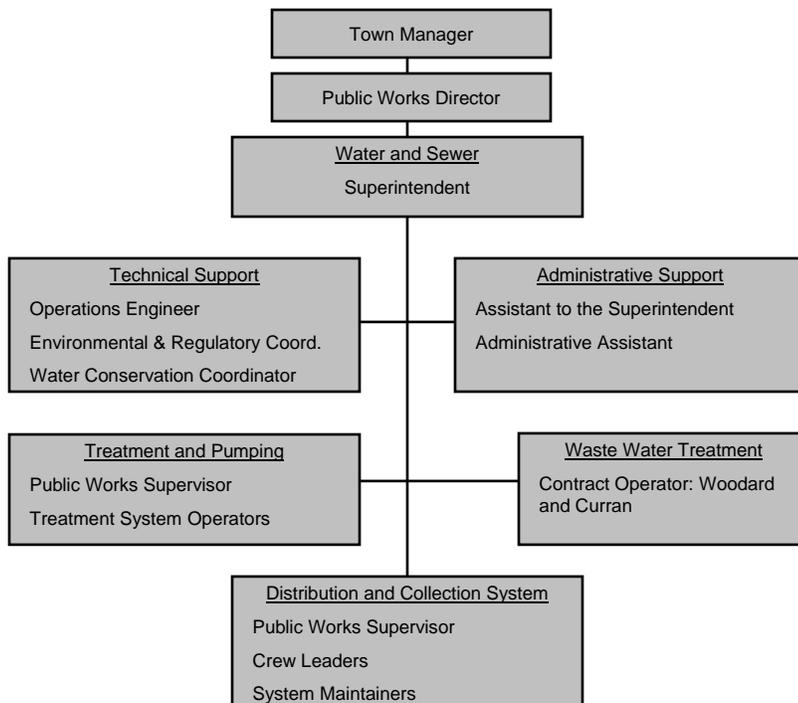
See page V-11 for greater detail on income and fund balance results.

Description:

In 1894, Concord received legislative authority to create a municipal sewer system. Today, the system consists of 33 miles of collection main, two pumping stations, six neighborhood lift stations, and an advanced treatment plant.

In 1976, Annual Town Meeting established a Sewer Fund to ensure that the operation, maintenance, and capital improvement of the sewer system would be a financially viable enterprise. Expenses for this system are covered entirely by user fees. As of 2008, the total value of collection system and treatment plant assets was approximately 29 million dollars.

The municipal sewer system serves over 1,780 residential and commercial customers representing approximately 35% of the community. The wastewater treatment facility also handles approximately 1.5 million gallons per year of septage pumped from residential and commercial establishments served by private septic systems within the Town of Concord.



Long-Term Financial Stability

Along with its core mission to operate and maintain the Town’s municipal sewer system in a reliable and efficient manner, the sewer enterprise must also be financially self-supporting. This means that the Sewer Division is expected to cover all costs associated with operations, capital maintenance and repairs by generating sufficient revenue through user fees and special service fees. The Sewer Division maintains a detailed 10-year financial proforma to facilitate long range planning for all revenues and anticipated investments.

Since the sewer enterprise fund was formally established in 1976, there have been no property tax contributions to subsidize pre-existing operations or infrastructure improvements. Taxpayer support has been sought through Town Meeting for projects which have been designed to expand the sewer collection system and to support major upgrades to the Wastewater Treatment plant, as it also accepts septage from properties which are not directly connected to the sewer system.

Citizen Survey

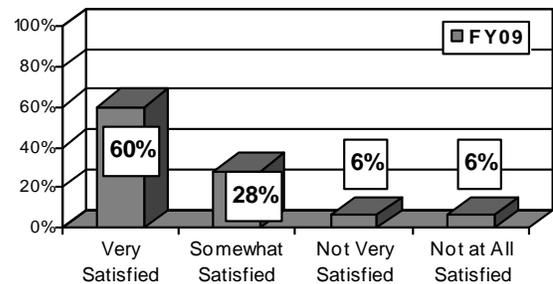
In September of 2006 and again in November of 2008, the Town conducted a telephone survey of 300 randomly selected Concord residents. For the Sewer Division, three questions were asked:

1. How satisfied are you with the overall quality of Town Sewer Services?

Nearly 90% of respondents reported being at least “somewhat satisfied” with the Town’s Sewer Services, while 60% reported being “very satisfied.”

The FY09 survey was the first to include this question.

1. Satisfaction with Sewer Services



2. What is your opinion of the price of Town Sewer Services?

The vast majority of Concord households that are on Town sewer lines feel that the service is at least “reasonably priced,” while 23% of survey respondents even describe it as “a good bargain.”

2. Opinion of Sewer Service Price



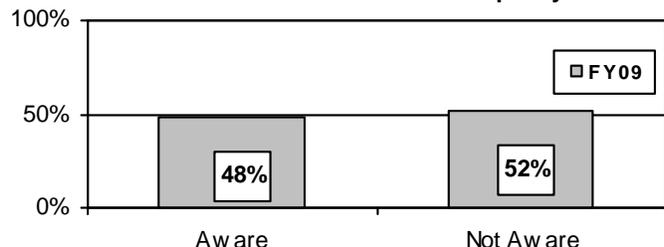
3. Are you aware that the wastewater treatment plant is nearing capacity and that this may limit the ability of sewer services to be expanded in the future?

The response suggests that many residents are aware of limitations that the current wastewater treatment capacity imposes on the Town.

A component of the proposed \$142,000 wastewater management plan (Art. 41) will involve public education efforts on this issue.

See page V-4 for more on capacity issues.

3. Awareness of WWTP Capacity



Sewer Rates:

The total projected revenue raised through sewer rates in FY 2009 is: **\$2,154,811**. This represents 94% of total Sewer Fund revenues.

Rates are set each year by the Public Works Commission following a public hearing with the following goals:

1. To ensure that the Division has the resources to operate, maintain and improve the system;
2. To minimize rate "shock" so that sewer costs can be a relatively predictable expense; and
3. To accurately reflect sewer use (which may be different than seasonally skewed water use).

Sewer Rate Highlights

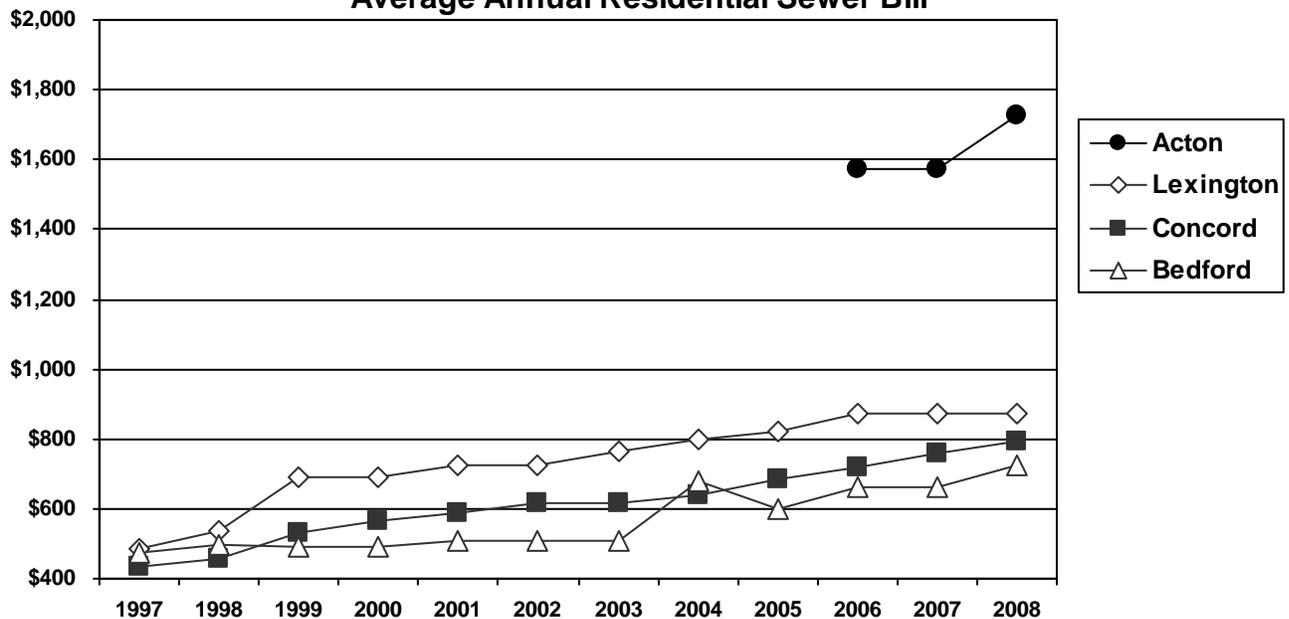
The proposed FY 2010 sewer rate is \$8.35 per unit (1 unit = 748 gallons) which represents a 5% increase over the FY 2009 rate.

- Summer/fall residential sewer usage is billed at the level of winter/spring water consumption to eliminate the effect of seasonal outdoor water use.
- Non-residential sewer billing is based on water use year-round.
- The proposed FY 2010 septage rate is \$0.074 per gallon which represents a 2.8% increase from FY 2009.

Benchmarking Sewer Rates

The comparison of sewer rates between individual systems and communities can be particularly vexing, given the wide variation in management and financial structures and customer demographics. Some level of public sewerage service is provided by 58% of Massachusetts communities. Some systems, like Concord, adhere to strict enterprise principles (i.e., full cost accounting with consideration of long range investments and depreciation of fixed assets) while other systems are subsidized through a municipality's general fund. Statewide, 58% of communities have adopted a flat rate structure, 26% use an ascending rate structure and 13% assess a flat fee. More sophisticated and flexible rate designs, such as the winter/spring demand basis employed by Concord for residential customers, have been adopted by only 3% of systems across the state.

Average Annual Residential Sewer Bill



Discussion: This table demonstrates how rate adjustments (and cost of service) over time have impacted Concord and three neighboring systems.

Wastewater services and treatment needs have received a significant amount of attention within the past decade, both within the community and by outside regulatory agencies. These interests have spurred a number of studies, which have culminated in capital improvements (including process upgrades and service area expansions) and, of equal importance, identified service limitations.

The programs and initiatives detailed below have been designed to strike a balance between customer interests relating to cost effective and reliable service, and broader community and regulatory interests attributed to evolving water resource protection challenges and publicly supported land-use development and re-development.

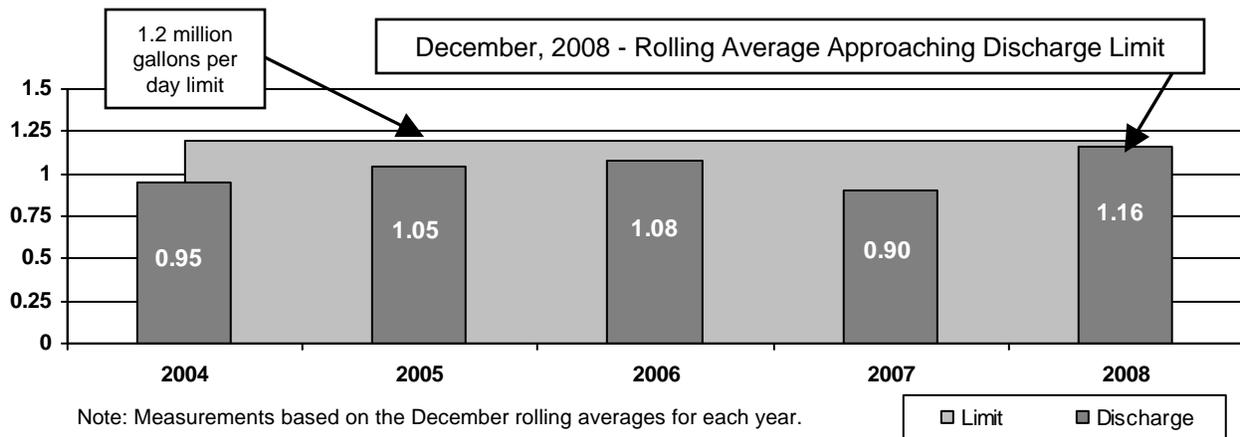


The Bedford Street Wastewater Treatment Facility

Most notably, the Sewer Division has just completed a major overhaul of the 1.2 million gallon per day Wastewater Treatment Facility located on Bedford Street. In addition to replacing all antiquated process equipment, an advanced tertiary treatment system (CoMag) was added that will allow the Town to achieve increasingly rigorous discharge standards.

Wastewater Planning: The Report entitled “The Status of Municipal Wastewater Treatment in Concord, Massachusetts, December 2007” concluded that projected wastewater flows from properties already sewered, along with committed flows from properties previously assessed a fee allowing for future connection, will generate flows to the treatment plant exceeding the maximum discharge permit limit of 1.2 million gallons per day. A Wastewater Planning Task Force was established at the request of the Board of Selectmen to review present build-out scenarios allowed under existing zoning with consideration of modifications required to allow for long-range economic development and housing goals. Based on this work, the task force recommended Town staff immediately begin to address up to 320,000 gallons per day of existing municipal wastewater management needs and drafted Article 41 to seek support for additional planning and funding to identify cost effective alternatives required to handle an additional 280,000 gallons per day of wastewater.

Wastewater – Approaching Capacity



Pumping Station Equipment/Structures: Efforts are underway to systematically replace all of the original pumping equipment associated with the pumping facilities as it reaches the end of its useful life. Much of this equipment was installed in the late 1980s. Specific work to be performed includes the replacement of the second of three 75-hp pumps located within the Lowell Road pumping facility; replacement of the two 75-hp pumps located within the Assabet pumping facility (West Concord), and the complete replacement and possible reconfiguration of the first of four neighborhood lift stations.

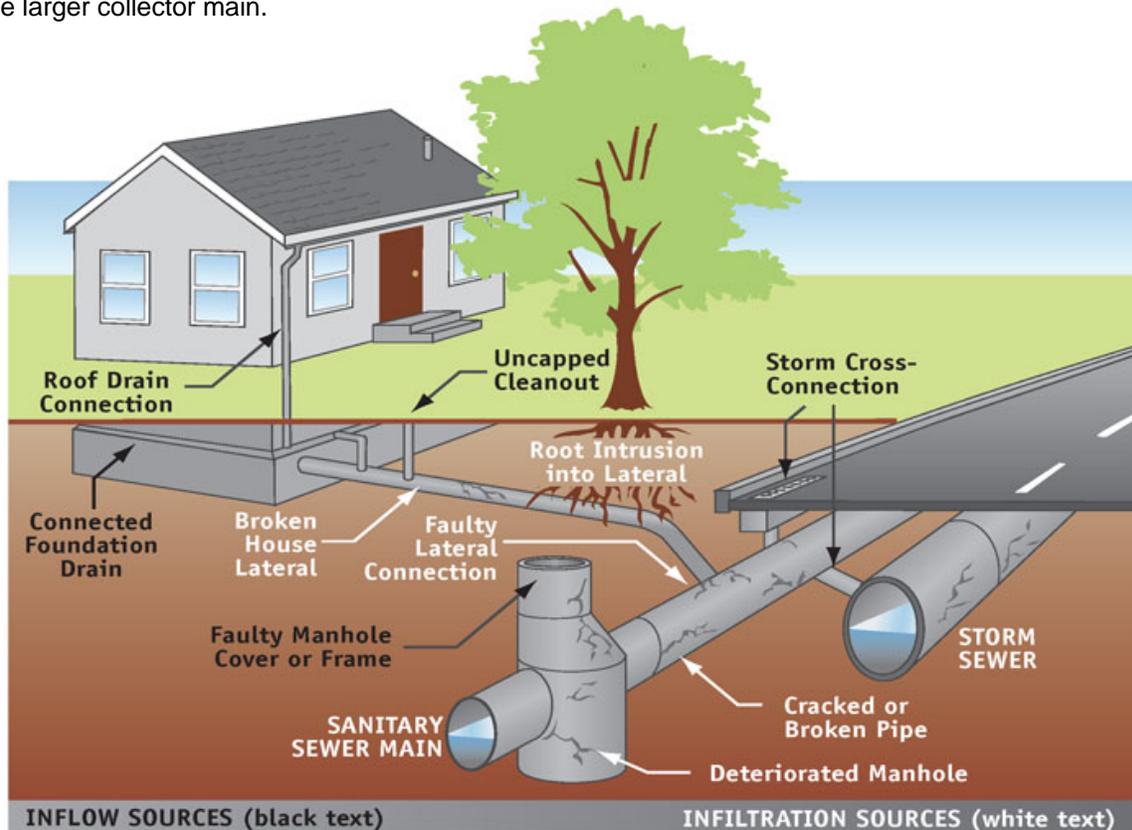
Wastewater Treatment Plant Facilities Improvements: Final payment was issued to Waterline Industries of Seabrook, New Hampshire, for the completion of the facility upgrade. Additional work performed at the Plant included the installation of a new epoxy lining within the effluent channel, rehabilitation of one of two primary clarifiers, rehabilitation of the detritor chamber (grit removal system), and refurbishing of original electrical control panels.

Meter Replacement Program: Effort and investment continued on the multi-year meter system upgrade, performed in conjunction with CMLP, which involves the installation of a radio-based technology which will allow for more efficient and customer friendly meter-reading capabilities.

Keys Road Operations Facility: Planned improvements to rehabilitate and upgrade the electric room and heating system are to be undertaken pending the outcome of the larger Town-wide facilities needs assessment initiative. A modest investment was made to create a field supervisor office area.

Inflow and Infiltration (I/I)

Inflow/Infiltration: In 2008, the wastewater treatment plant (WWTP) received an average of 1.16 million gallons per day of wastewater. The annual inflow and infiltration (I/I) program continues to reduce the groundwater/stormwater presently entering the collection system through deteriorating pipes or illicit stormwater connections. National Water Main Cleaning Company of Hyde Park, Massachusetts completed a three-year contract to perform sewer system inspection and rehabilitation activities, which included the following: TV inspections of pipes; joint testing and sealing; root control treatment; manhole inspections; cementitious lining of leaky manholes; and miscellaneous cleaning services. In coordination with water main work and scheduled road rehabilitation activities planned along Walden Terrace, National Water Main also installed a number of service liners (referred to as “top hats” within the industry) at the physical connections between individual service lines and the larger collector main.



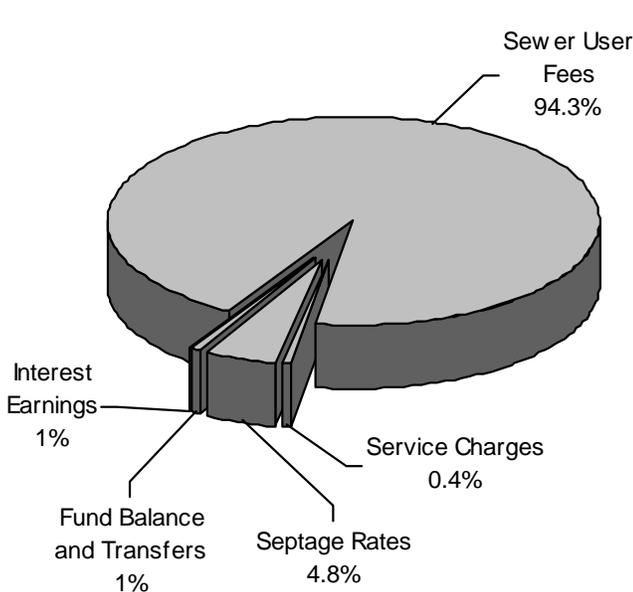
Graphic Credit: King County, Washington, Department of Natural Resources and Parks

Program Implementation:

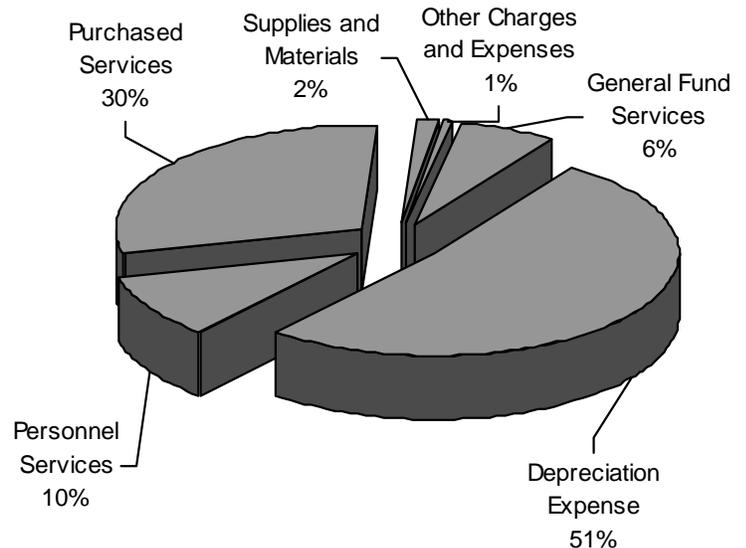
The proposed fiscal year 2010 operating budget, excluding depreciation and transfers to the general fund, is \$1,221,419. This represents a 1% increase as compared to the sewer fund's revised FY09 operating budget. Depreciation expense reflects the cost of the annual use, or wear-and-tear, of the Sewer Division's more than \$29 million worth of infrastructure (as of the end of FY08). The budgeted depreciation expense, totaling \$1,503,059, therefore reflects a depreciation of roughly 5% of these capital assets in FY10. Personnel Services are budgeted to total \$290,140 in FY10, a 0.2% decrease from the revised FY09 total of \$290,601. No additional personnel have been requested.

Overall, the operating and maintenance expenses associated with the wastewater collection and treatment systems, less depreciation, will increase from the revised FY09 budget of \$1,384,601 to a proposed FY10 budget plan of \$1,400,017 or 1.1%. The proposed budget increase for the wastewater collection system is negligible with a 1.8% increase proposed for the Wastewater Treatment Plant. The increased costs associated with the operation of the Wastewater Treatment facility are directly related to meeting state and federally mandated phosphorus effluent standards imposed through a National Pollutant Discharge Elimination System (NPDES) permit (0.2 milligrams per liter during summer flow periods) and a contract service adjustment tied to projected changes in the Consumer Price Index (CPI).

Operating Revenues
Totalling \$2,285,127



Operating Expenses
Totalling \$2,903,076



Operating Income:

This FY10 Budget calls for Operating Expenditures that are \$617,949 above Operating Revenues. This results in an operating loss for the year. However, by FY14, the Sewer Fund recovers its operating balance as its depreciation expense, which accounts for roughly 50% of all operating expenses, begins to decline and revenues increase (see page V-11, Sewer Financial Statements).

OPERATING REVENUES (\$)

	FY07 Actual	FY08 Actual	Rev. FY09 Budget	FY10 Estimate
Sewer User Fees (net of audit adj.)	\$ 1,356,452	\$ 1,670,297	\$ 2,070,000	\$ 2,154,811
Service Charges	32,228	8,587	10,000	9,000
Septage Rates	95,250	90,970	96,000	110,316
Liens & Tax Titles	6,537	5,158	9,000	8,000
Other Revenue	3,567	322	24,081	3,000
Operating Revenues Total	\$ 1,494,035	\$ 1,775,334	\$ 2,209,081	\$ 2,285,127

OPERATING EXPENSES (\$)

<u>Sewer Divisions</u>				
<u>Collection</u>				
Personnel Exp. (net of audit adj.)	\$ 218,479	\$ 246,339	\$ 244,429	\$ 242,119
Purchased Services	113,263	101,159	118,594	119,333
Supplies & Materials	30,436	43,574	48,223	47,332
Other Charges & Expenses	4,123	14,308	15,962	16,578
General Fund Services	78,676	82,104	87,404	89,299
Subtotal	\$ 444,977	\$ 487,482	\$ 514,612	\$ 514,661
<u>Treatment</u>				
Personnel Expenses	41,227	45,012	46,172	48,021
Purchased Services	563,587	603,618	736,413	748,036
Supplies & Materials	-	-	-	-
Other Charges & Expenses	-	-	-	-
General Fund Services	78,676	82,104	87,404	89,299
Subtotal	\$ 683,491	\$ 730,733	\$ 869,989	\$ 885,356
<u>Other</u>				
Depreciation Expense	1,114,055	1,329,981	1,457,853	1,503,059
Capital Reserve	-	-	-	-
Audit Adjustment	30,258	412,338	-	-
Subtotal	\$ 1,144,313	\$ 1,742,319	\$ 1,457,853	\$ 1,503,059
Total Operating Expense	\$ 2,272,781	\$ 2,960,535	\$ 2,842,454	\$ 2,903,076
Note: Revised FY09 Budget as of March, 2009.				

AUTHORIZED POSITIONS (\$)

Collections Personnel Costs	FY09 Revised Budget		FY10 Initial Budget	
	Positions/Hours	\$ Amount	Positions/Hours	\$ Amount
Regular Staff				
Water and Sewer Superintendent	0.20 FTEs	\$ 18,900	0.20 FTEs	\$ 18,900
Assistant to Superintendent	0.20	14,579	0.20	14,579
Environmental Analyst	0.20	11,599	0.20	11,599
Administrative Assistant	0.20	10,005	0.20	10,187
Public Works Supervisor	0.40	26,702	0.40	27,095
Crew Leader	0.40	22,323	0.40	22,684
Treatment System Operator	0.60	27,091	0.60	29,170
System Maintainer	1.00	41,795	1.00	42,267
Technology Administrator	N/A	712	N/A	712
Technology Assistant	N/A	478	N/A	478
Subtotal	3.20 FTEs	\$ 174,184	3.20 FTEs	\$ 177,671
Other Personnel				
GIS Intern	312 hrs.	4,680	312 hrs.	4,680
Subtotal	0.15 FTEs	\$ 4,680	0.15 FTEs	\$ 4,680
Employee Benefits				
Health Insurance	N/A	\$ 16,800	N/A	\$ 13,500
Life Insurance	N/A	125	N/A	125
Dental Insurance	N/A	75	N/A	75
Retirement Contribution	N/A	8,943	N/A	5,824
Subtotal	N/A	\$ 25,943	N/A	\$ 19,524
Payroll Taxes				
Medicare Tax	N/A	\$ 2,000	N/A	\$ 2,200
Social Security Contribution	N/A	300	N/A	300
Subtotal	N/A	\$ 2,300	N/A	\$ 2,500
Other Personnel Costs				
Overtime (5130)	400 hrs.	\$ 14,540	400 hrs.	\$ 14,512
Police Overtime (5131)	90 hrs.	3,600	90 hrs.	3,600
Standby Pay (5111)	680 hrs.	20,105	680 hrs.	20,264
Charges to Snow Account	40 hrs.	(923)	40 hrs.	(923)
Vacancy Savings (Sys. Maintainer)	N/A	-	N/A	(3,863)
Salary Adjustments (2%)	N/A	-	N/A	4,154
Subtotal	N/A	\$ 37,322	N/A	\$ 37,744
Total Collections	3.35 FTEs	\$ 244,429	3.35 FTEs	\$ 242,119
Treatment Personnel Costs				
Operations Engineer	0.60 FTEs	\$ 43,072	0.60 FTEs	\$ 43,942
Salary Adjustments (2%)	N/A	-	N/A	879
Health	N/A	2,400	N/A	2,700
Dental	N/A	175	N/A	-
Life	N/A	25	N/A	-
Social Security	N/A	500	N/A	500
Total Treatment	0.60 FTEs	\$ 46,172	0.60 FTEs	\$ 48,021
Total Sewer Personnel	3.95 FTEs	\$ 290,601	3.95 FTEs	\$ 290,140

Note: Revised FY09 Budget as of March, 2009.

NET INCOME (\$)

	FY07 Actual	FY08 Actual	Rev. FY09 Budget	FY10 Estimate
Statement of Net Income:				
Operating Revenues	\$ 1,494,035	\$ 1,775,334	\$ 2,209,081	\$ 2,285,127
Less Operating Expenses	(2,272,781)	(2,960,535)	(2,842,454)	(2,903,076)
Operating Income	\$ (778,746)	\$ (1,185,200)	\$ (633,373)	\$ (617,949)
Non-operating Revenues (Expenses)				
Add Investment Income	\$ 206,565	\$ 160,841	\$ 55,000	\$ 29,200
Add Sewer Improvement Fees	\$ 205,859	\$ 69,591	\$ 62,000	\$ 29,000
Less Interest Expense	(138,306)	(357,598)	(252,640)	(236,287)
Less Issuance Expense	(1,000)	(61,681)	-	-
Other Non-operating	41,705	-	-	-
Non-operating Income	\$ 314,823	\$ (188,847)	\$ (135,640)	\$ (178,087)
Net Income	\$ (463,922)	\$ (1,374,048)	\$ (769,013)	\$ (796,036)

Note: Revised FY09 Budget as of March, 2009.

AVAILABLE RESOURCES (\$)

	FY07 Actual	FY08 Actual	Rev. FY09 Budget	FY10 Estimate
Resources Available from Current Operations for Replacement & Renewal of Facility:				
Capital Purposes				
Add Depreciation Exp. & Cap. Rsv.	\$ 1,114,055	\$ 1,329,981	\$ 1,457,853	\$ 1,503,059
Add Net Income	(463,922)	(1,374,048)	(769,013)	(796,036)
Add Bond Proceeds	4,400,463	5,686,026	-	-
Less Bonds Payable	(255,525)	(710,128)	(561,727)	(564,684)
Net Available for Capital	\$ 4,795,071	\$ 4,931,831	\$ 127,113	\$ 142,339

CASH POSITION AND FUND BALANCE FORECAST

	FY09		FY10	
	Operating Fund	Depreciation Fund	Operating Fund	Depreciation Fund
Cash at Year Opening				
Cash on July 1st	\$ 3,593,643		\$ 2,584,466	
Add Receivables	333,673		333,673	
Less Cash held for Liabilities	(1,155,143)		(1,155,143)	
Fund Balance on July 1st	\$ 2,772,173		\$ 1,762,996	
Fund Balance Details (projected)				
Fund Balance on July 1st	\$ 2,772,173	\$ -	\$ 1,441,433	\$ 321,563
Net Income	(769,013)	-	(796,036)	-
Bonds Payable	(561,727)	-	(564,684)	-
Capital Outlay (non-borrowing)	-	(1,136,290)	-	(643,000)
Add Depreciation Exp./Capital Rsv.	-	1,457,853	-	1,503,059
Balance Projected at June 30th	1,441,433	321,563	80,713	1,181,622
Fund Balance on June 30th	\$ 1,762,996		\$ 1,262,335	
Cash at Year End (projected)				
Fund Balance on June 30th	\$ 1,762,996	\$ -	\$ -	\$ 1,262,335
Less Receivables	(333,673)	-	-	(333,673)
Add Cash Held for Liabilities	1,155,143	-	-	1,155,143
Projected Cash at June 30th	\$ 2,584,466		\$ 2,083,805	
Sewer Improvement Fund Cash	\$ 1,758,360		\$ 1,545,360	
Unrestricted Cash	\$ 826,106		\$ 538,445	

Sewer Improvement Fund

	FY07		FY08		Rev. FY09		FY10	
	Actual		Actual		Budget*		Estimate	
Cash on July 1st	\$	1,881,744	\$	1,881,774	\$	1,906,360	\$	1,758,360
Revenues		205,859		69,591		62,000		29,000
Expenditures	\$	(88,142)	\$	(45,005)	\$	(210,000)	\$	(242,000)
Adjustment	\$	(117,687)	\$	-	\$	-	\$	-
Cash on June 30th	\$	1,881,774	\$	1,906,360	\$	1,758,360	\$	1,545,360

Note: The Sewer Improvement Fund is included in the cash and fund analysis found on the preceding page (the Sewer Betterment Account, shown below, is not).

Sewer Betterment Account

	FY07		FY08		Rev. FY09		FY10	
	Actual		Actual		Budget*		Estimate	
Original Loan Receivable	\$	2,551,710	\$	2,060,228	\$	1,822,201	\$	1,680,265
Revenue - Collection on Principal		491,482		238,028		141,936		113,039
End of Year Receivable	\$	2,060,228	\$	1,822,201	\$	1,680,265	\$	1,567,226
Revenue - Collection on Interest	\$	7,299	\$	46,003	\$	49,339	\$	46,961
Total Revenue (Prin. + Int.)		498,781		284,031		191,275		160,000
Revenue to Date	\$	498,781	\$	782,812	\$	974,087	\$	1,134,087
Expenditures for Debt Retirement	\$	174,756	\$	159,037	\$	158,876	\$	158,710
Expenditures to Date	\$	174,756	\$	333,793	\$	492,669	\$	651,379
Cash (Rev. - Exp. to date)	\$	324,025	\$	449,019	\$	481,418	\$	482,708
Assets								
Add Cash	\$	324,025	\$	449,019	\$	481,418	\$	482,708
Add Receivable - betterment prin.		2,060,228		1,822,201		1,680,265		1,567,226
Add Other Receivable - liens		757		3,778		3,778		3,778
Less Bonds Payable		(2,456,996)		(2,349,629)		(2,240,092)		(2,128,343)
Less Interest Payable		(533,460)		(481,789)		(432,450)		(385,489)
Net Assets	\$	(605,445)	\$	(556,420)	\$	(507,081)	\$	(460,120)

Note: The negative number shown as Net Assets will be offset by future collections on interest (which accounting practices do not allow to be shown as a receivable).

Sewer Fund: Plan and Projection	ACTUAL	BUDGET			PROJECTION								10 years
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY10-19
Operating Revenue													
User Fees	1,670,297	2,079,000	2,162,810	2,279,000	2,400,000	2,528,000	2,663,000	2,806,000	2,955,000	3,114,000	3,279,000	3,454,000	27,640,810
Other	105,037	130,081	122,317	125,000	128,000	131,000	134,000	137,000	140,000	143,000	146,000	150,000	1,356,317
Subtotal	1,775,334	2,209,081	2,285,127	2,404,000	2,528,000	2,659,000	2,797,000	2,943,000	3,095,000	3,257,000	3,425,000	3,604,000	28,997,127
Operating Expense													
O & M	1,630,554	1,384,601	1,400,017	1,442,018	1,485,278	1,529,836	1,575,731	1,623,003	1,671,694	1,721,844	1,773,500	1,826,705	16,049,626
Depreciation	1,329,981	1,457,853	1,503,059	1,516,020	1,513,509	1,369,851	1,191,788	1,131,424	1,080,001	1,098,783	1,118,650	1,129,048	12,652,134
Subtotal	2,960,535	2,842,454	2,903,076	2,958,038	2,998,787	2,899,687	2,767,520	2,754,428	2,751,695	2,820,627	2,892,150	2,955,752	28,701,760
Operating Income	-1,185,200	-633,373	-617,949	-554,038	-470,787	-240,687	29,480	188,572	343,305	436,373	532,850	648,248	295,368
ADD: Interest Income	160,841	55,000	29,200	51,500	50,100	49,600	53,200	63,200	76,700	87,600	103,000	131,600	695,700
Sewer Improvement Fees	69,591	62,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	290,000
LESS: Interest Expense													
Existing Debt	357,598	252,640	236,287	222,445	208,400	194,146	179,931	165,398	150,620	134,242	122,634	110,791	1,724,894
Bond Anticipation Notes (BANs)	0	0	0	0	0	0	0	0	0	0	0	0	0
Issuance expense	61,681	0	0	0	0	0	0	0	0	0	0	0	0
Net Income	-1,374,048	-769,013	-796,036	-695,983	-600,087	-356,233	-68,251	115,374	298,385	418,731	542,216	698,057	-443,826
Available Resources from:													
Net income	-1,374,048	-769,013	-796,036	-695,983	-600,087	-356,233	-68,251	115,374	298,385	418,731	542,216	698,057	-443,826
Depreciation expense	1,329,981	1,457,853	1,503,059	1,516,020	1,513,509	1,369,851	1,191,788	1,131,424	1,080,001	1,098,783	1,118,650	1,129,048	12,652,134
subtotal	-44,067	688,840	707,023	820,037	913,422	1,013,618	1,123,538	1,246,799	1,378,386	1,517,514	1,660,866	1,827,104	12,208,307
Bond proceeds													0
Loan proceeds	5,686,026												0
LESS: Principal repayments													
Existing Debt	710,128	561,727	564,684	574,072	583,649	593,420	603,388	613,557	623,932	534,516	545,314	556,331	5,792,863
Net Available for Capital Purposes	4,931,831	127,113	142,339	245,965	329,773	420,198	520,150	633,242	754,454	982,998	1,115,552	1,270,773	6,415,444
Capital Plan	4,927,731	1,136,290	643,000	290,000	405,000	378,000	275,000	276,000	293,000	866,500	391,000	321,500	4,139,000
Cash Position													
Beginning balance	3,979,899	3,593,643	2,584,466	2,083,806	2,039,771	1,964,544	2,006,742	2,251,891	2,609,133	3,070,587	3,187,085	3,911,637	
ADD: Net available	4,931,831	127,113	142,339	245,965	329,773	420,198	520,150	633,242	754,454	982,998	1,115,552	1,270,773	
LESS: Planned Capital	4,927,731	1,136,290	643,000	290,000	405,000	378,000	275,000	276,000	293,000	866,500	391,000	321,500	
net adjustment to audit	34,127												
Ending balance	3,593,643	2,584,466	2,083,806	2,039,771	1,964,544	2,006,742	2,251,891	2,609,133	3,070,587	3,187,085	3,911,637	4,860,911	
Sewer Improvement Fund Balance (included in Ending Balance)	1,906,360	1,758,360	1,545,360	1,474,360	1,403,360	1,332,360	1,261,360	1,190,360	1,119,360	1,048,360	974,360	900,360	
Ending balance w/o Sewer Improvement	1,687,283	826,106	538,446	565,411	561,184	674,382	990,531	1,418,773	1,951,227	2,138,725	2,937,277	3,960,551	

DEBT SERVICE (\$)

	FY07 Actual	FY08 Actual	FY09 Revised	FY10 Estimate
Long Term Debt Repayment:				
Principal	\$ 100,000	\$ 533,827	\$ 561,727	\$ 564,684
Interest	38,100	285,256	252,640	236,287
BAN Interest Expense	5,144	-	-	-
Debt Issuance Expenses	20,322	61,681	-	-
Totals	\$ 163,566	\$ 880,764	\$ 814,367	\$ 800,971

Note: The Debt Schedule above and on the facing page does not account for Accrual periods across fiscal years, and so differs from the Town's Audited Financial Statements.

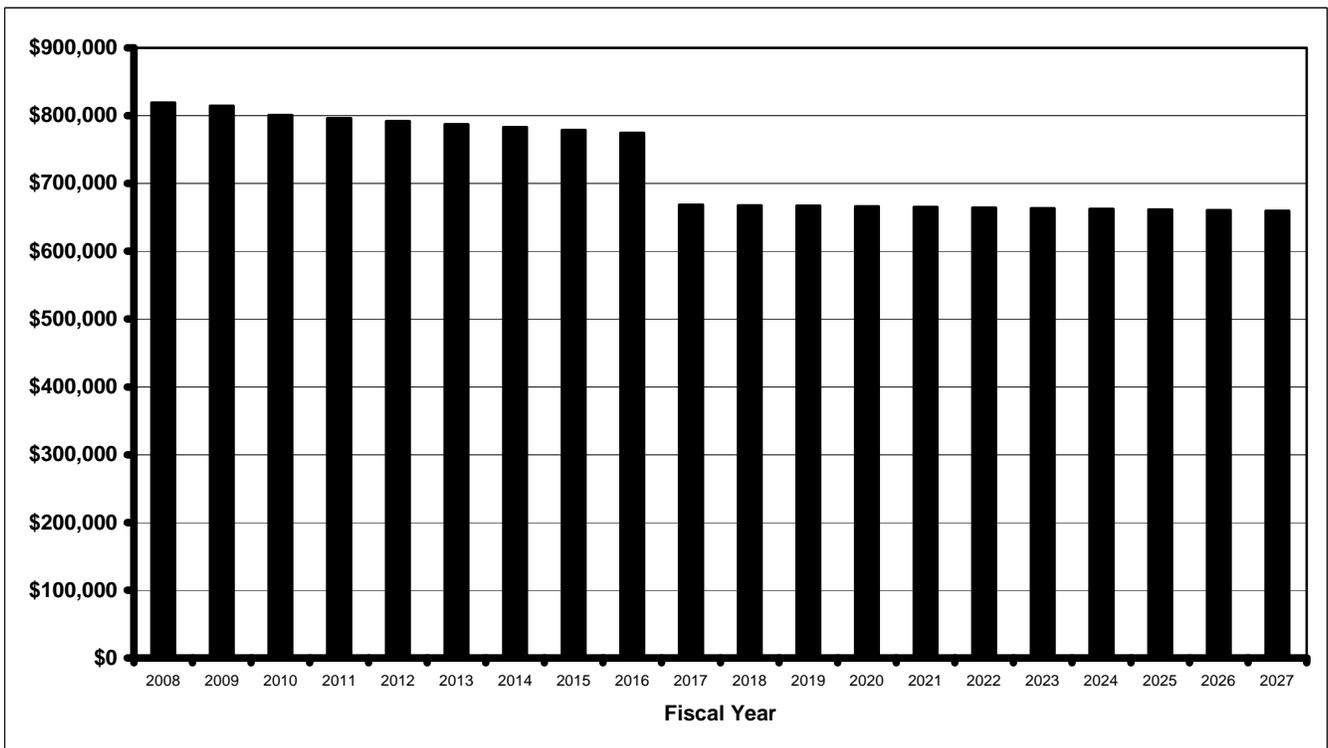
PAYMENTS TO THE GENERAL FUND (\$)

	FY07 Actual	FY08 Actual	FY09 Revised	FY10 Estimate
Management & Engineering:				
Highway Maintenance	\$3,079	\$3,642	3,828	\$3,864
133/135 Keyes Road	11,949	13,344	12,852	12,670
Public Works Engineering	14,375	15,134	16,096	15,990
Public Works Administration	26,097	28,178	27,870	28,362
Subtotals	\$55,500	\$60,298	\$60,646	\$60,887
Financial & Administrative:				
Town Manager	\$22,928	\$23,827	\$ 26,083	\$ 26,162
Town Accountant:				
General Services	9,865	10,837	10,352	10,667
Audit Services	6,000	5,520	6,000	6,000
Treasurer-Collector	10,143	10,472	10,684	10,923
Finance Administration	11,584	13,715	16,821	16,204
Personnel Administration	2,810	2,911	3,094	3,821
Information Systems	0	0	1,282	1,327
Town House Facilities	3,023	3,059	2,961	2,960
Subtotals	\$66,353	\$70,341	\$77,277	\$78,063
Natural Resource Protection:				
Planning	\$5,115	\$5,234	\$ 5,468	\$5,452
Natural Resource Protection	4,643	4,913	5,232	5,080
Health	22,406	23,421	26,185	26,268
Subtotals	\$32,164	\$33,568	\$36,885	\$36,800
Salary Reserve	\$0	\$0	\$0	\$2,847
Totals	\$154,017	\$164,207	\$174,808	\$178,597

Sewer Debt Service (\$)

Exclusive of betterment financing

Fiscal Year	Principal	Interest	Admin. Fees	Total
2008	533,827	269,081	16,175	\$819,083
2009	561,727	237,158	15,482	\$814,367
2010	564,684	221,684	14,603	\$800,971
2011	574,072	208,546	13,899	\$796,517
2012	583,649	195,219	13,181	\$792,049
2013	593,420	181,698	12,448	\$787,566
2014	603,388	168,230	11,700	\$783,318
2015	613,557	154,461	10,938	\$778,956
2016	623,932	140,461	10,160	\$774,553
2017	534,516	124,876	9,366	\$668,758
2018	545,314	114,078	8,556	\$667,948
2019	556,331	103,062	7,730	\$667,123
2020	567,570	91,823	6,887	\$666,280
2021	579,036	80,357	6,027	\$665,420
2022	590,734	68,659	5,149	\$664,542
2023	602,668	56,725	4,254	\$663,647
2024	614,843	44,550	3,341	\$662,734
2025	627,265	32,129	2,410	\$661,804
2026	639,936	19,457	1,459	\$660,852
2027	652,865	6,529	490	\$659,884
Totals	\$11,763,334	\$2,518,781	\$174,254	\$14,456,369



FY10 Capital Plan:**COLLECTION SYSTEM****Station Structures: \$10,000**

Annual capital outlay for improvements and replacement of structures including six neighborhood lift stations and two main pump stations.

Station Equipment: \$225,000

Annual capital outlay for improvements and replacement of equipment housed within six neighborhood lift stations and two main pump stations. This equipment is required to control, monitor, pump, store, and treat wastewater en-route to the WWTP including mechanical systems (motors, pumps, air compressors, piping, valves, etc.) and associated instrumentation and electrical systems. Specific work scheduled to be performed includes the replacement of the second of three 75-hp pumps located within the Lowell Road pumping facility, replacement of the second of two 75-hp pumps located within the Assabet pumping facility (West Concord), and the complete replacement and possible reconfiguration of the second of four neighborhood lift stations.

Mains (Sewer Collectors): \$10,000

Annual capital outlay for improvements and extension to sewer collector system. The program is intended to insure that aging, deteriorating mains and appurtenances are replaced in a methodical and prudent manner. The Division will continue to coordinate system upgrades with other Town Departments to insure division needs are considered in light of other public works improvement efforts (such as Roads Program and CMLP initiatives).

Inflow/Infiltration: \$100,000

The wastewater treatment plant currently receives about one million gallons of sewer flow per day. Annual inflow and infiltration (I/I) activities are required to reduce groundwater and stormwater which enters the collection system through deteriorating pipes, leaking manholes or illicit stormwater connections. An active annual I/I program is also a requirement of our WWTP National Pollutant Discharge Elimination System (NPDES) permit.

Meter Replacement Program: \$4,000

Sewer fund portion (20%) of costs associated with system-wide meter replacement efforts. Investment and effort expanded in coordination with CMLP's initiative to adopt radio-read technology which will allow for more progressive meter-reading capabilities.

Services: \$5,000

Costs associated with the replacement/installation (street to property line) of approximately 2-3 new sewer-service connections to our collection system plus installation of 10-20 service cleanouts in Concord Center — to be coordinated with the improvements associated with the Roads Program.

WASTE WATER TREATMENT PLANT**Structures: \$100,000**

Annual capital outlay for improvements and replacement of WWTP structures. Planned work includes the rehabilitation of a primary clarifier (unit #1), rehabilitation of the mechanical system associated with a trickling filter (unit #1), and repairs to the main building roofing system.

Equipment: \$30,000

Annual cost to replace equipment presently in use beyond its recommended service life, including motors, pumps, motor control panels, chemical feed systems, and process instrumentation. Planned work includes replacement of the influent flow meter, replacement of one pump associated with the building drain system and CoMag sludge disposal system, and other unscheduled improvement needs.

Capacity/Treatment Optimization: \$142,000

Design and permitting activities associated with wastewater treatment expansion/enhancement interests which will likely include groundwater recharge alternatives.

Based upon the recommendations of the Wastewater Planning Task Force, a wastewater management alternatives study will be conducted to identify potential alternatives and associated costs required to handle up to 600,000 gallons per day of wastewater flow to support the Town's long-range economic and residential planning visions.

GENERAL PLANT**Keyes Road Facility: \$7,000**

Sewer Fund portion (20%) of capital outlay for improvements to Water/Sewer Administrative Office and Garage facilities. The plan is to complete a rehabilitation project involving the electric room, heating system and field operations work area.

Miscellaneous Field Equipment and Tools: \$3,000

Miscellaneous equipment not included in 5-year capital equipment/vehicle plan.

Vehicles: \$7,000

Sewer Fund portion (20%) of fleet replacement costs. The Water/Sewer Fleet consists of 17 vehicles and miscellaneous service equipment such as a compressor, vacuum, etc., which are replaced in accordance with CPW criteria based on industry-accepted useful life measures.

Capital Spending Plan

<u>Capital Activities</u>	FY07 Actual	FY08 Actual	Rev. FY09 Budget	FY10 Estimate
<u>Collection System</u>				
<u>Pumping Plant</u>				
Station Structures	40,900	4,995	10,000	10,000
Station Equipment	15,090	61,520	165,000	225,000
Other	2,780	-	-	-
Subtotal	58,770	66,515	175,000	235,000
<u>Collection Plant</u>				
Sewer Mains/Laterals	15,385	18,041	26,000	10,000
Inflow & Infiltration	178,255	90,032	210,000	100,000
Meter Replacement	33,149	45,192	6,000	4,000
Sewer Service Connections	863	-	10,000	5,000
Subtotal	227,652	153,265	252,000	119,000
<u>Wastewater Treatment Plant</u>				
Structures	24,100	12,821	72,000	100,000
Plant Equipment	18,115	10,400	39,000	30,000
Other	-	-	-	-
Facilities Plan Improvements	6,066,252	4,353,042	445,000	-
Capacity/Treatment Optimization	135,148	564,622	60,000	-
Personnel Services	9,446	9,968	6,845	-
Subtotal	6,253,061	4,950,853	622,845	130,000
<u>General Plant</u>				
Keyes Road CPW Facility	\$ 19,650	\$ -	\$ 7,000	\$ 7,000
Harris System/GIS	-	-	-	-
Vehicle Replacement	18,557	5,958	10,600	7,000
Miscellaneous Equipment	850	2,575	10,000	3,000
Personnel Services	7,398	7,503	6,845	-
Subtotal	46,455	16,036	34,445	17,000
<u>Wastewater Management Project</u>				
Wastewater Planning	40,480	31,218	45,000	142,000
Phase I Construction Cost	392,582	176,522	7,000	-
Subtotal	433,062	207,740	52,000	142,000
<u>Audit Adjustments</u>				
Audit Adjustment (Personnel)	-	-	-	-
Audit Adjustment (Other)	231,840	(466,678)	-	-
Subtotal	231,840	(466,678)	-	-
Total	\$ 7,250,840	\$ 4,927,731	\$ 1,136,290	\$ 643,000
Funding the Capital Plan				
From Debt*	\$ -	\$ -	\$ 6,845	\$ -
From Water Fund Resources	\$ 7,250,840	\$ 4,927,731	\$ 1,129,445	\$ 643,000
Total	\$ 7,250,840	\$ 4,927,731	\$ 1,136,290	\$ 643,000

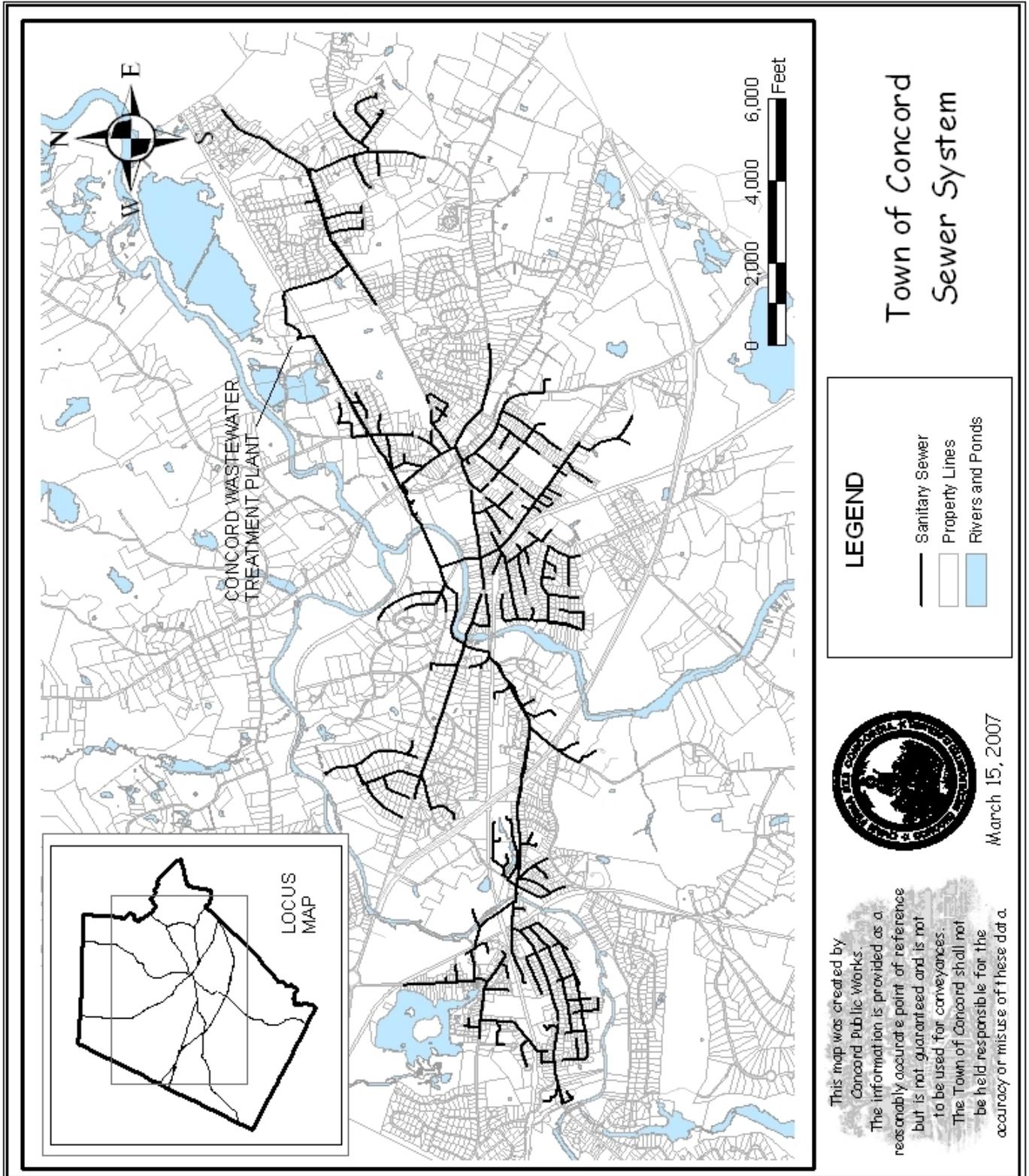
*For Deaconess Well, Iron and Manganese Removal Project

FY09 - FY10 SEWER RATES

(Per 100 Cubic Feet)

Class of Customer	Current	Proposed	%Chg.
S-09	(1 unit = 100 cubic feet = 748 gallons)		
1 Residential Service Rate billed year around but uses wintertime average consumption for non-wintertime months.	\$ 7.95	\$ 8.35	5%
2 Non-Residential Service Rate billed year around using actual readings for each billing period.	\$ 7.95	\$ 8.35	5%

Sample Impacts	Current Annual	Proposed Annual	Annual Change	Monthly Change	% Chg.
1 Average Residential Customer (17 units bimonthly wintertime use)	\$ 795	\$ 835	\$ 40.00	\$ 3.33	5%
2 Typical Non-Residential Customer (18 cubic feet bimonthly)	\$ 859	\$ 902	\$ 43.20	\$ 3.60	5%



This map was created by Concord Public Works. The information is provided as a reasonably accurate point of reference but is not guaranteed and is not to be used for conveyances. The Town of Concord shall not be held responsible for the accuracy or misuse of these data.



March 15, 2007

LEGEND

- Sanitary Sewer
- Property Lines
- Rivers and Ponds

Town of Concord Sewer System

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