



## **CITY OF STANWOOD 2015-2016 BUDGET**

### **INTRODUCTION**

The City owns, operates and maintains sewer, water and drainage facilities and infrastructure. The functions of these departments are funded through utility rates set through our rate study.

### **PUBLIC WORKS ENTERPRISE FUNDS**

There are three utility divisions that are part of the enterprise fund budget – Sewer, Water and Drainage. There was a public works supervisor position funded that was not filled. The plan is to move Carly Ruacho from community development to public works to update codes and public works standards and develop a non-motorized plan. The position is budgeted for 24 hours a week and will be funded with portions of all 3 enterprise funds. The department staffing budgets, including seasonal employees, are as follows:

- Sewer            4.72 FTEs
- Water            5.40 FTEs
- Drainage        2.03 FTEs

### **SEWER SUMMARY:**

The City of Stanwood owns, operates and maintains the wastewater collection system as well as a 1.5 MGD wastewater treatment plant. The collection system consists of approximately 27 miles of sewer mains, 674 manholes and 7 sewer lift stations. The City WWTP also houses a State accredited lab in which we perform tests consistent with requirements in our NPDES permit.

In past years staffing used to be an issue in the sewer department. In 2013 there was only one employee dedicated to this department and staffing levels were below standard. Since then, three (3) full time public works technicians have been added so that the sewer utility is now fully staffed. The proposed 2015-2016 budget for sewer would maintain this current level of full-time equivalents (FTEs).

### **2015-2016 SEWER OPERATING REVENUES:**

The City completed an in-house sewer rate study in 2013. Based on the study, the finance committee recommended annual 3.5% sewer rate increases for six consecutive years on each January 1<sup>st</sup>, January 2014 through 2019. On October 10, 2013 the city council adopted Ordinance Number 1353 which adopted sewer rate increases of 3.5% at the beginning of each year from 2014 through 2019. The 2015-2016 budget projects



**CITY OF STANWOOD  
2015-2016 BUDGET**

that the city will receive \$1,660,000 in service charges in 2015. The annual sewer rate increases of 3.5% were adopted to achieve the following long term goals:

- Maintain minimum cash reserves of \$1.4 million per the city's financial policy
- Make capital improvements averaging \$635,000 per year over the next six (6) years
- Fully staff sewer operations with 4.80 FTE
- "Self-fund sewer utility capital projects over the next six (6) years via modest rate increases and spending down capital reserves before additional borrowing is considered

*Table 15 – Sewer Utility Revenues*

Description	2013 Actual	2014 Budget	2015 Proposed	2016 Proposed
Beginning Balance	\$ 1,154,814	\$ 826,879	\$ 664,092	\$ 664,000
<b>Revenues</b>				
Charges for Services	\$ 1,571,186	\$ 1,629,000	\$ 1,660,000	\$ 1,718,000
Misc. Revenues	\$ 3,495	\$ 4,000	\$ 4,000	\$ 6,000
<b>Total Revenues</b>	\$ 1,574,681	\$ 1,633,000	\$ 1,664,000	\$ 1,724,000

**2015-2016 SEWER OPERATING BUDGET:**

The sewer operating budget is part of the city's enterprise fund budget. Revenues collected for this utility fund the maintenance and operation as well as the personnel to perform these duties.

The total 2015 proposed sewer operating budget, including non-operating expenditures such as debt service and machinery and equipment, is \$1,508,973, which allows for \$155,027 transfers-out to capital funds and a projected ending cash balance of \$664,092.



**CITY OF STANWOOD  
2015-2016 BUDGET**

*Table 16 – Sewer Utility Expenditures*

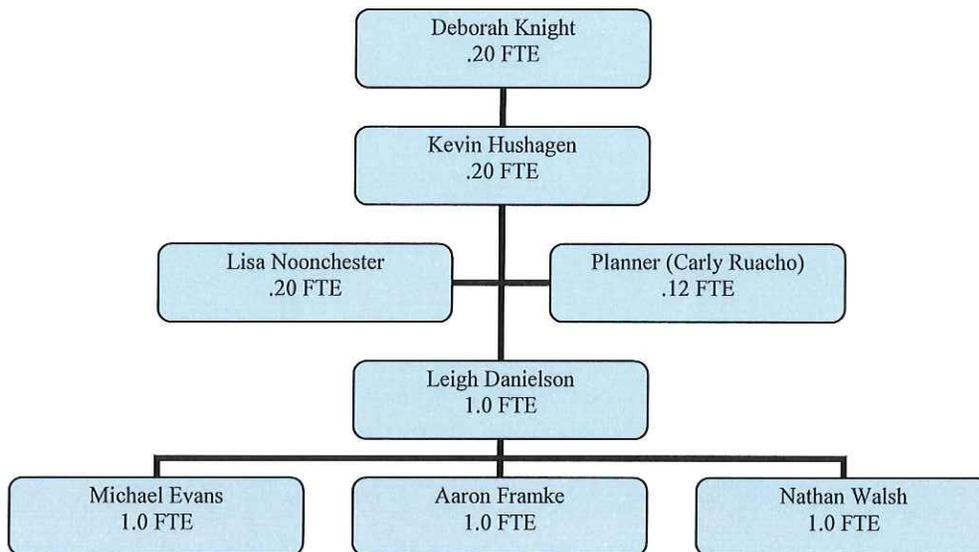
Description	2013 Actual	2014 Budget	2015 Proposed	2016 Proposed
<b>Operating Expenditures</b>				
Salaries & Wages	162,681	313,567	271,637	278,147
Overtime	2,047	1,748	3,186	3,186
Social Security	12,315	24,122	21,024	21,522
Retirement	13,222	31,532	27,893	31,341
Medical Benefits	41,750	67,257	77,521	81,397
L & I	2,674	5,907	5,607	5,775
Unemployment Insurance	4,942	9,459	8,245	8,440
Supplies	22,920	25,000	35,000	30,000
Uniforms	1,548	4,000	5,500	4,000
Fuel	4,428	7,500	9,000	7,500
Small Equipment	18,296	2,500	2,500	2,500
Professional Services	53,920	70,000	70,000	70,000
Communications	14,967	15,000	8,000	15,000
Advertising	436	500	500	500
Rentals	0	500	500	500
Insurance	28,518	30,600	30,600	30,600
Utilities	110,262	95,000	100,000	95,000
Repair/maintenance	16,544	20,000	30,000	25,000
Miscellaneous	12,155	0	0	0
B & O Tax	32,083	30,000	30,000	30,000
Meetings, Training & Travel	2,476	3,000	5,000	4,500
Dues	165	500	500	500
Permits	7,880	9,000	9,000	9,000
Interfund Payment For Servic	167,187	154,395	154,395	154,395
<b>Total Operating Expenditures</b>	<b>733,416</b>	<b>921,087</b>	<b>905,608</b>	<b>908,803</b>
<b>Non-Operating Expenditures</b>				
Principal Payments	1,115,280	571,950	571,950	571,950
Interest Payments	13,920	6,950	6,415	5,881
Machinery & Equipment	0	25,000	25,000	25,000
<b>Total Non-Operating Exp.</b>	<b>1,129,200</b>	<b>603,900</b>	<b>603,365</b>	<b>602,831</b>
<b>Total Expenditures</b>	<b>1,862,616</b>	<b>1,524,987</b>	<b>1,508,973</b>	<b>1,511,634</b>
Less: Transfers-Out	-40,000	-270,800	-155,027	-212,366
<b>Ending Cash Balance</b>	<b>826,879</b>	<b>664,092</b>	<b>664,092</b>	<b>664,000</b>



**CITY OF STANWOOD  
2015-2016 BUDGET**

### 2015 Sewer Staffing Levels

The 2015 budget includes 3 new staff hired since the end of 2013 and the addition of Carly Raucho. This is still minimal staffing to maintain Stanwood’s sewer system. There are approximately 4.72 full-time equivalent (FTE) dedicated staff to this department. The staff in this department maintains the treatment plant, the pump stations and the collection system.



### 2014 Sewer Accomplishments

- Outstanding WWTP award for 8<sup>th</sup> consecutive year
- Worked with RH2 on sewer comp plan
- Rebuild of disinfection system on plant washwater system
- Hired 3 new staff
- Upgraded SCADA server

### 2015-2016 Sewer Goals

- Develop long term plan for removal of bio-solids from stabilization pond
- Continue sewer line cleaning and televising
- Design new sewer main on 271<sup>st</sup> between 94<sup>th</sup> and 99<sup>th</sup>
- Coordinate telemetry system with WWTP and all lift stations
- Update sewer system plan
- Install sewer on 270<sup>th</sup> between 94<sup>th</sup> and 96<sup>th</sup>