

ENTERPRISE FUNDS

530 - WATER DIVISION / OPERATING & MAINTENANCE



The mission of the Water Division of the Department of Public Service (DPS) is to effectively maintain the City's water supply system in order to insure uninterrupted water service to its customers.

The Water Division is responsible for providing municipal water supply services to approximately 22,570 residential and business customers. Water revenues are collected exclusively through fees and user charges. The water supply system consists of over 425 miles of water main, over 4,200 isolation valves, 4 master meter facilities, and approximately 31,000 water meters. The water is purchased wholesale from the Detroit Water & Sewer Department (DWSD) and is then distributed throughout the City's water supply network to customers.

Goals:

- Provide seamless service in order to protect the health, safety, and welfare of our customers.
- Respond to customer requests in a prompt, courteous, and efficient manner.
- Improve the reliability and performance of the overall water system through preventative maintenance, technological enhancements, and timely capital improvements.
- Administer the City of Rochester Hills Code of Ordinances, Chapter 102-Utilities.

Objectives:

- Conduct an evaluation of the City's water distribution system, known as an Initial Distribution System Evaluation (IDSE), to identify any locations with high disinfection byproduct concentrations. These locations will then be used as sampling sites for Stage 2 Disinfection Byproduct (DBP) rule compliance monitoring.
- Utilize the City's Geographic Information System (GIS) and Asset Management system to determine lifecycle cost of water facilities so that usage rates can most accurately reflect the cost of service.
- Complete the Automatic Meter Reading Program within the City.
- Continue the program to check, test, repair, and/or replace 3" and larger water meters to assure that they are properly calibrated so that correct revenues are being realized from high-volume users.

Significant Revenue, Expense, Staff, & Program Notes:

- 452006 / License & Permits: Water Inspections decreased [(50%) or (\$5,000)] due to recent trends.
- 607001 / Charge for Service: Administrative Fees decreased [(25%) or (\$2,500)] due to recent trends.
- 610001 / Charge for Service: Water Taps decreased [(29%) or (\$20,000)] due to recent trends.
- 610003 / Charge for Service: City Inspections decreased [(33%) or (\$10,000)] due to an anticipated reduction in public/private projects.
- 610004 / Charge for Service: Labor decreased [(40%) or (\$2,000)] due to recent trends.

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- 610005 / Charge for Service: Engineering Consultant decreased [(37%) or (\$11,000)] due to an anticipated reduction in public/private projects.
- 610006 / Charge for Service: City Site Plan Review was added [\$2,500] due to recent trends.
- 632001 / Fees: Water Meter decreased [(47%) / (\$35,000)] due to recent trends.
- 659000 / Water: Commodity Charge increased [2.8% or \$383,000] due to anticipated commodity per unit rate increases.
- 659001 / Water: Customer Charge decreased [(13%) or (\$87,000)] due to a reduction in the per bill Customer Charge as collection for the Radio Read Unit project was completed in FY 2009-10.
- 659002 / Water: Capacity Charge increased [3.0% or \$24,180] due to anticipated per unit increases.
- 659003 / Water: Construction Usage Fees decreased [(80%) or (\$23,700)] due to recent trends.
- 659004 / Water: Fire Lines increased [3.2% or \$5,440] due to anticipated per unit increases
- 659005 / Oakland Twp / Shelby Twp Residents increased [2.4% or \$7,350] due to anticipated per unit commodity increases.
- 661001 / Water: Capital & Lateral Charge decreased [(42%) or (\$25,000)] due to recent trends.
- 661002 / Water: Capital & Lateral Charge – 20-Year decreased [(33%) or (\$4,000)] due to recent trends.
- 664001 / Interest Earnings decreased [(44%) or (\$53,000)] due to lower interest rates anticipated.
- 699736 / Transfer In: Retiree Health Care Trust Fund was added [\$5,000] to reflect the cost for the implicit rate healthcare reimbursement.
- Personnel Services decreased [(4.1%) or (\$80,640)] due to the elimination of one (1) position and staffing reallocations.
 - – 1.20 FTE Laborer II
 - + 0.05 FTE General Superintendent
 - – 0.20 FTE Miss Dig Inspector
 - – 0.05 FTE Engineering Aide
- 740005 / Operating Supplies: Meters decreased [(17%) or (\$15,000)] due to recent trends.
- 740006 / Operating Supplies: Water Taps increased [13% or \$9,000] due to a reduction in FY 2009 for a valve turning device reclassified as capital equipment.
- 781000 / Materials increased [15% or \$3,000] due to additional screened topsoil.
- 801000 / Professional Services decreased [(8.1%) or (\$6,000)] due to a reduction in IDSE Water Sampling costs offset by an increase in SCADA Maintenance.
- 802001 / Interfund Charges: MIS decreased [(6.6%) or (\$13,450)] due to a reduction in supported applications and maintenance.
- 802004 / Interfund Charges: Fleet decreased [(5.3%) or (\$29,150)] due to staffing reallocations.
- 802005 / Interfund Charges: Facilities decreased [(10%) or (\$19,550)] due to a reduction in operational costs associated with the new DPS Facility.
- 802206 / Interfund Charges: Dispatch increased [15% or \$5,750] to reflect the cost of one dispatcher.

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- 802371 / Interfund Charges: Building increased [17% or \$17,680] due to Area Maintenance Meter Inspections performed by the Building Department.
- 805002 / Legal Fees: Labor & Other decreased [(42%) or (\$11,000)] due to anticipated completion of Union negotiations in 2009.
- 927000 / Water Charges increased [4.4% or \$435,270] due to anticipated per unit cost increases.
- 932000 / Maintenance: Equipment decreased [(46%) or (\$8,970)] due in part to a decrease in weigh scale and plotter maintenance.
- 999593 / Transfer-Out: W&S Capital Fund decreased [(9.3%) or (\$243,070)] due to an anticipated reduction in Capital & Lateral Charge revenue to be transferred as well as the completion of the Radio Meter Reading project in 2009.

2010 Budget Summary Report						
530 Water / Operating & Maintenance Revenues	2008 Amended Budget	2008 Audited Actual	2009 Amended Budget	2009 June YTD Actual	2010 Adopted Budget	2011 Projected Budget
Retained Earnings to Balance	\$ 545,910	\$ -	\$ 730,250	\$ -	\$ 377,450	\$ -
Licenses & Permits	15,250	11,131	10,250	3,128	5,450	5,450
Charges for Service	14,896,330	14,609,544	16,472,080	4,762,725	16,685,150	17,353,660
Fines & Forfeitures	70,000	71,347	75,000	45,151	75,000	75,000
Investment Earnings	97,080	148,937	125,020	3,541	67,000	70,000
Other Revenue	4,000	13,009	4,000	1,032	3,000	3,000
Transfer - In	-	-	-	-	5,000	7,500
TOTAL	\$ 15,628,570	\$ 14,853,967	\$ 17,416,600	\$ 4,815,577	\$ 17,218,050	\$ 17,514,610
<i>Per Capita</i>	\$ 227.08	\$ 215.82	\$ 253.06	<i>n/a</i>	\$ 250.17	\$ 254.48
530 Water / Operating & Maintenance Expenses	2008 Amended Budget	2008 Audited Actual	2009 Amended Budget	2009 June YTD Actual	2010 Adopted Budget	2011 Projected Budget
Personnel Services	1,891,320	2,070,656	1,954,390	875,142	1,873,750	1,909,570
Supplies	223,000	201,237	250,000	56,559	247,000	247,000
Other Services	2,059,330	1,919,112	2,381,850	1,053,990	2,335,840	2,355,840
Commodity Services	8,700,000	8,452,747	9,825,000	2,859,000	10,260,270	10,260,270
Transfer - Out	2,754,920	2,754,920	3,005,360	1,273,520	2,501,190	2,528,790
TOTAL	\$ 15,628,570	\$ 15,398,672	\$ 17,416,600	\$ 6,118,211	\$ 17,218,050	\$ 17,301,470
<i>Per Capita</i>	\$ 227.08	\$ 223.74	\$ 253.06	<i>n/a</i>	\$ 250.17	\$ 251.38