

City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

CHAPTER 2011-54

No. 536

AN ORDINANCE

making an Appropriation of Thirty Two Million Four Hundred Seven Thousand Three Hundred Fifty Seven Dollars (\$32,407,357) for the Water Supply Board Infrastructure Replacement Program Fund for the Fiscal Year Ending June 30, 2011.

Approved November 22, 2011

Be it ordained by the City of Providence:

Section 1. WATER SUPPLY BOARD INFRASTRUCTURE REPLACEMENT PROGRAM FUND BUDGET 2010-2011

REVENUES:

Transfer from Water Operations	\$16,000,000
Deferred IFR Transfer from Operations	1,113,852
Carryover from prior year	15,123,368
Interest Income	<u>170,138</u>
TOTAL REVENUE & OTHER FIN SOURCES	\$32,407,357

EXPENSES:

Salaries/ Fringes and Retirement	\$394,490
Transfer to Operations-Labor	998,154
Transfer to Operations-Materials	109,640
Replacement Projects	27,390,000
Debt Service	<u>3,500,000</u>
	\$32,392,284

SURPLUS/(DEFICIT) \$15,073

Section 2. This ordinance shall take effect retroactive to July 1, 2010.

IN CITY COUNCIL

NOV 03 2011

FIRST READING

READ AND PASSED

[Signature] CLERK

IN CITY COUNCIL

NOV 17 2011

FINAL READING

READ AND PASSED

[Signature] PRESIDENT

[Signature] ACTING CLERK

I HEREBY APPROVE.

[Signature] Mayor

Date: 11/22/11

Summary of Providence Water's Budget for Fiscal Year 2010-2011

Overall

- Operating and Restricted budgets are balanced.
- Revenues are based on rates approved by the PUC on April 27, 2010.
- Even with approved increase Providence Water residential rates are still among the lowest in the State.
- Enterprise Fund with no impact on City Finances.

Revenues

- FY 2011 revenues are set based on rates approved by the PUC on April 27, 2010. Revenues are projected to increase approximately \$1.6 million or 3% over FY 2010.
- Miscellaneous revenues are based on 3 year average and are rounded up approximately \$200,000 to reflect what is approved by the PUC.

Restricted Transfers

- Restricted funds have been established by the PUC, the tax agreement or legislature and are based on amounts approved in Docket 4061.
- Restricted funds increased \$2 million or 9% over FY 2010. This is the result of our requested increases to the IFR Fund and the Revenue Reserve Fund approved by the PUC in DK 4061.

Expenses

- Salaries include the 2% contractual raise as per the union contract amendment of April 2011. Merit increases for any employees eligible for a step increase have also been included.
- Fringe Benefits are projected to increase approximately \$300,000 or 5% over FY 2010. Health Insurance rates are based on actual rates for fiscal year 2010 with an estimated increase of 10% and a small increase in union trust benefits.
- Retirement Contribution is based on the actuarial amount provided from the Buck report. This amount actually decreased \$200,000 from FY 2010.
- For Service and Materials each department was required to cut their budgets from the prior fiscal year. As a result of this effort, service and material expenses are projected to decrease from the prior fiscal year.
- Property taxes are based on FY 2010 actual bills with an estimated statutory limit of 4.5%. The exception is Scituate, which is based on the amount per the tax treaty with the Town of Scituate. Because of this treaty total Property Tax expense is projected to decrease \$200,000 from FY 2010.

Personnel

- There is no change in the number of maximum positions of 265 for the FY2011.

FY 2010 vs. FY 2011 Ordinances

Changes to Classification and Compensation Ordinances

Classification Ordinance:

1. Add (1) Manager of Engineering Customer Service
2. Add (1) Systems Analyst

Proposed Changes March 2011:

3. Add (2) Engineering Project Coordinator
4. Add (1) Engineering Aide III
5. Add (1) Senior Equipment Mechanic

Compensation Ordinance:

1. Change Deputy Dir. of T&D from M26 to M22