

City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

CHAPTER 2011-65

No. 547

AN ORDINANCE

making an Appropriation of Four Million Eight Hundred Ten Thousand Nine Hundred Ninety Dollars (\$4,810,990) for the Water Supply Board Insurance Fund for the Fiscal Year Ending June 30, 2012.

Approved November 22, 2011

Be it ordained by the City of Providence:

Section 1. WATER SUPPLY BOARD INSURANCE FUND BUDGET 2011-2012

REVENUES:

Transfer from Water Operations	\$1,777,062
Carryover from prior year	<u>3,033,928</u>
TOTAL REVENUE & OTHER FIN SOURCES	\$4,810,990

EXPENSES:

Services	\$172,000
Materials	\$25,000
Claims	103,000
Property and Casualty	1,050,000
Worker's Compensation	<u>850,000</u>
TOTAL EXPENSES	\$2,200,000

SURPLUS/(DEFICIT) \$2,610,990

Section 2. This ordinance shall take effect retroactive to July 1, 2011.

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

Providence Water Supply Board
FY 2010 vs. FY 2012
Changes to Classification and Compensation Ordinances

Classification Ordinance:

Add	1	Assistant Dispatcher
Add	1	Engineering Aide III
Add	2	Engineering Project Coordinator
Add	1	Manager – Engineering Customer Service
Add	2	Senior Equipment Mechanic
Add	1	Systems Analyst
Delete	1	Account Collector
Delete	1	Aide to Chief Engineer
Delete	1	Associate Engineer III
Delete	1	Associate Engineer IV
Delete	1	Clerk I
Delete	2	Confidential Assistant to Chief Engineer
Delete	1	Land Management Specialist
Delete	1	Manager – Accounting
Delete	1	Manager – Personnel
Delete	1	Manager of Regulatory
Delete	1	Manager – Training and Communications
Delete	1	Material Handler
Delete	1	Senior Manager of Information Systems
Delete	0	Supervisor of Security and Enforcement
Delete	1	Utility Worker
Delete	1	Utility Maintenance Worker
Delete	1	Water Plant Operator I
Delete	4	Watershed Inspector

Compensation Ordinance:

Add	Assistant Dispatcher \$19.69/hr
Change	Deputy Director of T&D from M26 to M22
Change	Director of Special Projects from M27 to M25
Change	Manager of Planning & Development from M17 to M18
Adjust	Utility Worker in Training to \$16.872/hr
Adjust	Scheduler/Dispatcher to \$22.68

Highlights of Providence Water's Budget for Fiscal Year 2011-2012

Overall

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

Revenues

- FY 2012 revenues are set based on rates approved by the PUC. No rate increase is needed. Revenues are projected to increase approximately \$1.9 million or 3% over FY 2011.
- Miscellaneous revenues are based on 3 year average.

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 less than 1% over FY 2011.

Expenses

- Salary expense includes funding for 263 positions. Also, a 1% contractual decrease was deducted from the salaries line item as a result of the amended union contract.
- Fringe Benefits are projected to increase approximately \$460,000 or 7% over FY 2011. Fringe Benefits are based on actual rates for fiscal year 2011 with an estimated increase of 11% for health insurance 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 \$33,499 from FY 2011.
- Services are expected to increase \$.8 million or 13% this was the result of increases in heat, electricity, repairs to streets as well as private contractor fees.
- Materials increased \$.15 million or 9%. This was a result of increases in hydrant parts, gate valves and motor fuel.
- Property taxes are based on FY 2011 actual bills with an estimated statutory limit of 4.5%. The exceptions are the Towns of Scituate and Glocester, which are based on the the tax treaty with each Town. Because of these treaties, is treaty total Property Tax expense is projected to decrease \$91,720 from FY 2011.

Personnel

- There is no change in the number of maximum positions of 265 for FY2012.

PROVIDENCE WATER SUPPLY BOARD						
Operating Budget Prior Fiscal Years vs. FY 2012						
REVENUE		FY 2010	FY 2011	Net	FY 2012	
		Budget	Budget	Change	Proposed	% CHANGE
Water Revenue:						
Service Charge		7174382	\$ 7,965,764	\$ -	\$ 7,965,764	0.00%
Hydrants		\$ 1,853,920	2,063,805	0	2,063,805	0.00%
Wholesale consumption		16,402,040	15,805,703	0	15,805,703	0.00%
Retail consumption		33,343,957	32,640,443	0	32,640,443	0.00%
Consumption adjustment		0	0	1,427,421	1,427,421	
Total Water Revenue		58,774,299	58,475,715	1,427,421	59,903,136	2.44%
Miscellaneous:						
Misc Revenue		672,530	896,450	5,887	902,337	0.66%
Misc State Revenue		220,748	190,531	16,208	206,739	8.51%
Total Operating Revenues		59,667,577	59,562,695	1,449,517	61,012,212	2.43%
Interest on Delinquent Accts		406,953	412,587	25,642	438,229	6.22%
Mains & Services		631,018	468,101	155,099	623,200	33.13%
Water Quality Protection Fund		2,512,893	2,106,313	182,666	2,288,979	8.67%
State Surcharge \$.0133		1,823,573	1,573,947	133,896	1,707,843	8.51%
Total Revenue		65,042,013	\$ 64,123,643	\$ 1,946,820	\$ 66,070,463	3.04%
Transfer from IFR (Labor Reimb.)		980,128	998,154	-110,000	888,154	-11.02%
Transfer from IFR (Material Reimb.)		106,447	109,640	-50,000	59,640	-45.60%
Transfer from Property Tax Refund		375,000	0	0	0	0.00%
Transfer from Revenue Reserve			1,113,852	0	1,113,852	0.00%
Transfer to Capital		-2,450,000	-2,450,000	0	-2,450,000	0.00%
Transfer to Infrastructure Replacement		-14,950,000	-16,000,000	0	-16,000,000	0.00%
Deferred IFR Transfer		0	-1,113,852	278,463	-835,389	
Transfer to Equipment		-600,000	-600,000	0	-600,000	0.00%
Transfer to Insurance		-2,555,903	-1,777,062	0	-1,777,062	0.00%
Transfer to AMR/Meter Replacement		-1,000,000	-1,000,000	0	-1,000,000	0.00%
Transfer to Chemical/Sludge Fund		-3,003,599	-2,458,942	0	-2,458,942	0.00%
Transfer to Western Cranston		-62,069	-62,069	0	-62,069	0.00%
Transfer to Revenue Reserve		-1,418,792	-1,113,852	0	-1,113,852	0.00%
Transfer to Water Quality Protection		-2,512,893	-2,106,313	-182,666	-2,288,979	8.67%
Transfer to State Resources Board		-1,823,573	-1,573,947	-133,896	-1,707,843	8.51%
Total Transfers		-28,915,254	\$ (28,034,391)	\$ (198,099)	\$ (28,232,490)	0.71%
OPERATING EXPENSES:						
Salaries		13,376,174	13,256,454	494,883	13,751,337	3.73%
Fringe benefits		5,642,468	5,925,870	463,256	6,389,126	7.82%
City Retirement		2,788,304	2,589,285	-33,499	2,555,786	-1.29%
Services		6,415,064	6,371,464	821,207	7,192,671	12.89%
Materials		1,468,467	1,614,764	150,500	1,765,264	9.32%
Special Items		30,000	21,000	0	21,000	0.00%
Equipment		1,000	3,000	47,100	50,100	1570.00%
Property Taxes		6,387,772	6,183,241	-91,720	6,091,521	-1.48%
Other Unemployment		16,489	16,489	3,511	20,000	21.29%
TOTAL OPERATING EXPENSES		36,125,739	\$ 36,086,568	\$ 1,855,237	\$ 37,836,805	5.14%
REVENUE BILLED - EXPENSES		1,021	\$ 2,684		\$ 1,168	