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Finance Department
Stephen G. Barrett, CPA, Director

TO: Board of Selectmen

FROM: Stephen G. Barrett, CPA SGB

RE: Finance Department Status Report on Sewer District O & M Billing – April 2004

DATE: April 23, 2004

- Since our March 26, 2004 memo to you, we have had one (1) new commercial hook up, supporting six (6) businesses and seven (7) residential hook ups (one 2-Family property, the first building of the two building Fenton development by K-Mart with four units in it, two being affordable units, and one single family residence). Presently, we have 342 residential accounts, at least 47 commercial businesses, 4 schools, 2 municipal properties and 2 religious organizations connected to the sewer system as of close of business April 23, 2004.
- The following is the average daily billable flow volume as of the respective billing cutoff dates for the last four billing periods, and this present month:

December 2003	= 94,919 gpd
January 2004	= 95,205 gpd
February 2004	= 95,205 gpd
March 2004	= 95,381 gpd
April 2004	= 96,545 gpd

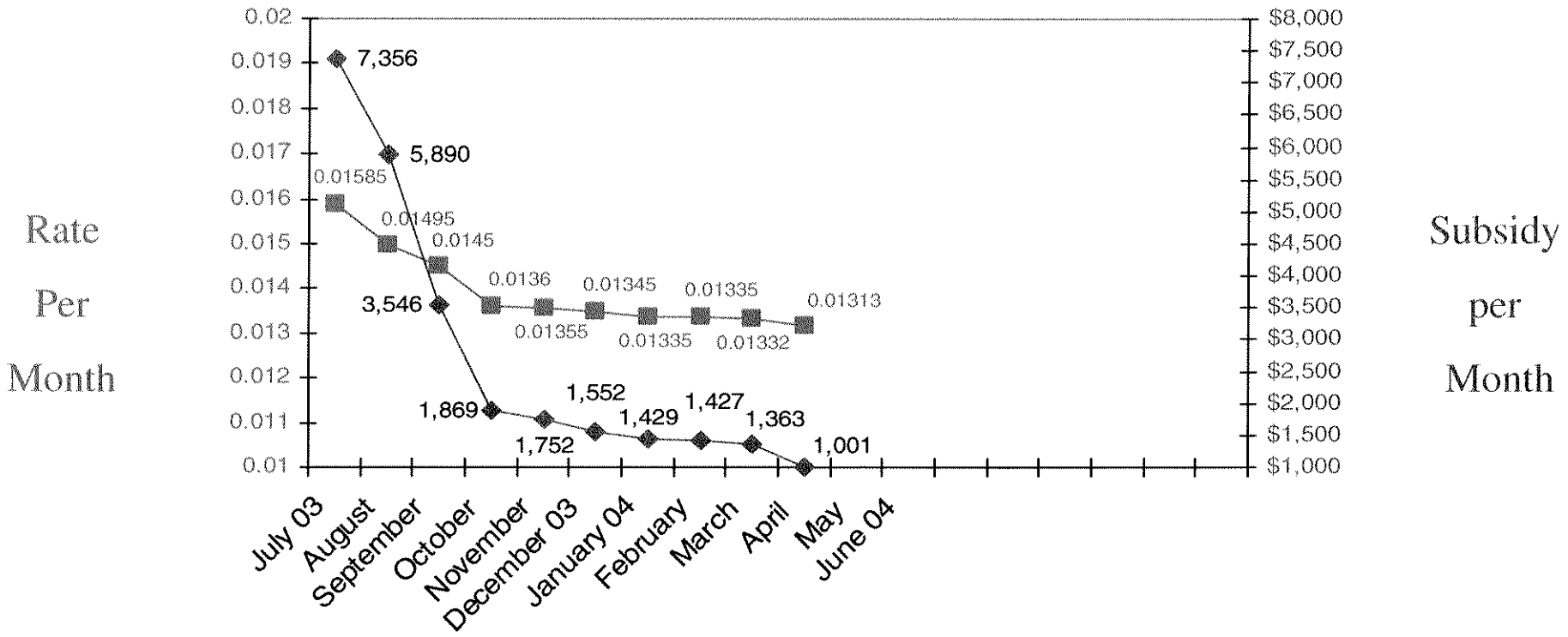
- Commercial accounts will continue to be billed at $.01660 cents per gallon. Residential accounts for April will be billed at the gross rate of $.01313 cents per gallon, less subsidy utilization of $.00045 cents per gallon, for a net residential rate of $.01268 cents per gallon.

Attached, please find:

1. Graphs depicting the Residential Billing Rate and the Subsidy Utilization Amount from inception, Feb. 02, to date.
2. A chart detailing billing rates and subsidy amounts used since inception, Feb. 02.
3. A summary of Sewer Gift Fund Financial Activity, to date.

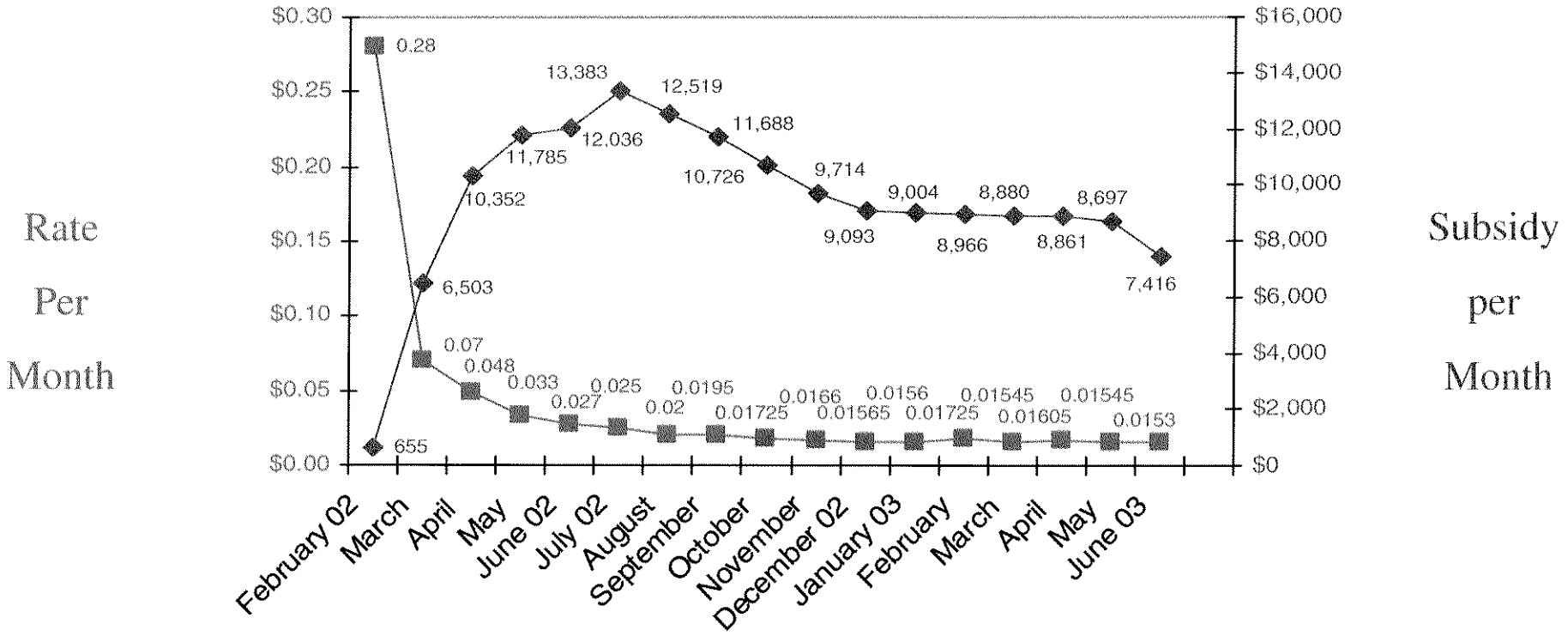
When we view the above April information against the FY 04 billing plan, presented to and passed by the Board on 14 July 2003, we are slightly ahead of 'plan' in all categories. The plan predicted our average daily billable flow volume at 94,602 gallons per day, vs our actual 96,545 gallons per day. The plan indicated the gross residential billing rate would be approximately .01340 cents per gallon, with the subsidy rate being approximately .00076 cents per gallon, vs our actual gross residential billing rate of .01313 cents per gallon and a subsidy of .00045 cents per gallon. Please remember that we continue to step down the monthly subsidy utilization amount used. **Again, the average Single Family Resident bill has been stabilized at approximately $60 per month.** The subsidy to be used this month will be approximately $1,001.12, and cumulatively the subsidy used thru the end of April will be approximately $4,863.91 lower than the plan predicted. The plan predicted a year end Gift Fund balance of $5,162.52; in fact, we predict a year end balance of approximately $10,000.

Rate vs. Subsidy



Beginning July 2003, due to space limitations, Staff is presenting this detail in two (2) separate Graphs: one covering FY 02 thru FY 03, and the second covering FY 04.

Rate vs. Subsidy



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TOWN OF ACTON
SUMMARY OF SUBSIDY USED
INCEPTION THROUGH APRIL 2004

Month	Commercial Billing Rate Per Gallon	Gross Residential Billing Rate Per Gallon	Residential Subsidy Rate Per Gallon	Net Rate to Residential Customers	Residential Volume Billed	Actual Subsidy used / to be used	Cumulative Subsidy used / to be used	Total Subsidy used / to be used
February 02	0.28000	0.28000	0.26662	0.01338	2,457.8	655.29	655.29	
March	0.07000	0.07000	0.05856	0.01144	111,048.8	6,503.01	7,158.30	
April	0.04800	0.04800	0.03708	0.01092	279,167.3	10,352.36	17,510.66	
May	0.03300	0.03300	0.02293	0.01007	514,039.9	11,784.83	29,295.49	
June	0.02700	0.02700	0.01602	0.01098	751,227.7	12,036.17	41,331.66	
FY 02 Sub-total						41,331.66		41,331.66
July 02	0.02500	0.02500	0.01448	0.01052	924,257.2	13,383.15	13,383.15	54,714.81
August	0.02000	0.02000	0.00924	0.01076	1,347,371.6	12,519.38	25,902.54	67,234.20
September	0.01950	0.01950	0.00842	0.01108	1,388,065.9	11,687.53	37,590.07	78,921.73
October	0.01725	0.01725	0.00659	0.01066	1,627,556.6	10,725.65	48,315.72	89,647.38
November	0.01660	0.01660	0.00558	0.01102	1,740,858.3	9,713.97	58,029.69	99,361.35
December	0.01565	0.01565	0.00498	0.01067	1,825,963.7	9,093.35	67,123.04	108,454.70
January 03	0.01560	0.01560	0.00488	0.01072	1,845,125.7	9,004.27	76,127.31	117,458.97
February 03	0.01725	0.01725	0.00540	0.01185	1,660,403.2	8,966.14	85,093.45	126,425.11
March 03	0.01545	0.01545	0.00475	0.01070	1,869,462.6	8,880.01	93,973.46	135,305.12
April 03	0.01605	0.01605	0.00495	0.01110	1,790,184.6	8,861.35	102,834.81	144,166.47
May 03	0.01545	0.01545	0.00466	0.01079	1,866,267.7	8,696.81	111,531.62	152,863.28
June 03	0.01530	0.01530	0.00406	0.01124	1,826,670.7	7,416.28	118,947.90	160,279.56
FY 03 Sub-total						118,947.90		
July 03	0.01660	0.01585	0.00397	0.01188	1,853,293.0	7,356.09	7,356.09	167,635.65
August	0.01660	0.01495	0.00299	0.01196	1,968,996.3	5,889.60	13,245.69	173,525.25
September	0.01660	0.01450	0.00175	0.01275	2,026,017.0	3,545.53	16,791.22	177,070.78
October	0.01660	0.01360	0.00086	0.01274	2,173,563.8	1,869.26	18,660.48	178,940.04
November	0.01660	0.01355	0.00081	0.01274	2,162,584.4	1,751.69	20,412.17	180,691.73
December 03	0.01660	0.01345	0.00071	0.01274	2,185,300.7	1,551.56	21,963.73	182,243.29
January 04	0.01660	0.01335	0.00065	0.01270	2,198,221.5	1,428.84	23,392.57	183,672.13
February	0.01660	0.01335	0.00065	0.01270	2,194,795.5	1,426.67	24,819.24	185,098.80
March	0.01660	0.01332	0.00062	0.01270	2,198,847.6	1,363.30	26,182.54	186,462.10
April	0.01660	0.01313	0.00045	0.01268	2,224,716.7	1,001.12	27,183.66	187,463.22
May								
June 04								
FY 04 Sub-total						27,183.66		

April 04 rate set. & sub. used

4/23/2004

TOWN OF ACTON, MASSACHUSETTS
SUMMARY OF SEWER GIFT FUND FINANCIAL ACTIVITY

Beginning Balance @ 1/1/2001	$	419,602
Permanent Uses - MWPAT/Borrowing Costs/etc.		(70,091)
Amount currently reserved for construction		(150,000)
Balance available		199,511
Expended for FY 02 sewer rate subsidy		41,332
Expended for FY 03 sewer rate subsidy		118,947
Expended for FY 04 sewer rate subsidy, thru 04/2004		27,185
Balance available - 4/30/2004	$	12,047