

**WATER AND SANITARY SEWER FUND
REVENUE BUDGET FOOTNOTES**

- 1) **Community Development Block Grant: (\$250,000)** A water main replacement project is planned in the Braeside area on Surrey Drive from Roosevelt Road to Briar. This project, estimated to cost \$420,000, is eligible to receive funding from a Community Development Block Grant.

- 2) **Metered Water Revenue: (\$5,015,000)** Projected revenues for metered water sales are based on estimated water purchased from the DuPage Water Commission of 1 billion gallons annually. We usually bill about 90% of the water we purchase (a portion of the water we purchase is unmetered or otherwise unaccounted for and is unbilled; examples include hydrant flushing, system leaks, meter accuracy). Based on this, we would expect to bill 900,000,000 gallons in FY09/10.

Water = 900,000 X \$5.57*/1000 gal = approx. \$5,015,000

- * The proposed rate for in-town customers (eff. 7/1/09) is \$5.49/1,000 gal. The “blended” rate shown above is \$5.57/1,000 gal to account for water sales at \$8.24/1,000 gal. to approximately 150 non-resident accounts who are charged 150% of the resident/in-town rate.

Proposed for July 1, 2009 is an increase of 7.6% in the Village’s water rate for FY09/10. This rate increase is needed to cover a projected \$350,000 increase in our cost of purchasing water through the DuPage Water Commission. On May 1, 2009, the Village’s cost of purchasing water from the Commission will increase by 17%, from \$1.45 to \$1.70 per 1,000 gallons. The Commission is passing through to its municipal members a 3 year, 50% City of Chicago rate increase for the sale of Lake Michigan water to the Water Commission. See Water Fund expenditure footnote 12 for additional details. Notwithstanding the increase in water purchase costs, operating expenditures for FY09/10 will not increase over the current year adopted budget.

Schedule of Water Rate Changes

Date of Change	Rate per 1,000 Gallons	%
		Change
January 1, 1994	\$4.54	
May 1, 1995	4.36	(4.0%)
July 1, 2003	4.72	8.3%
May 1, 2004	4.92	4.2%
June 1, 2008	5.10	3.7%
proposed July 1, 2009	5.49	7.6%

- 3) **Water Main Construction Reimbursements: (\$20,000)** As the Village expands its boundaries into unincorporated areas over time, it seeks to recoup the initial capital costs of extending water and sanitary sewer services to the immediately benefited property owners. Planned reimbursements for FY09/10 will come from extensions serving the Valley Road and Arboretum Estates East subdivisions.
- 4) **DuPage Water Commission (DWC) Rebate: (FY07/08 Actual - \$1,355,003)** At their February 8, 2007 meeting, the DuPage Water Commission approved a reduction in the water rate charged to its municipal customers (from \$1.45 to \$1.25 per 1,000 gallons purchased – effective May 1, 2007) and a \$40 million cash rebate as part of a plan to draw down cash reserve balances which exceed the Commission’s reserve policy. Glen Ellyn received a total of \$1,355,003 from this \$40 million rebate, based on a 3.3875% share of Water Commission purchases over the years.
- 5) **Special Service Area Tax (Lambert Farms): (\$97,000)** FY09/10 represents year 3 of a 20 year special service area which was established in 2006 to reimburse the Village for the construction of a new sanitary sewer system in the Lambert Farms subdivision which was previously served by private septic systems.
- 6) **Community Development Block Grant: (\$390,000)** A major sanitary sewer lining project is planned in the Braeside Area to address significant clear water inflow/infiltration in this area. This project, estimated to cost \$650,000, is eligible to receive \$390,000 from a Community Development Block Grant.
- 7) **Metered Sewer Revenue: (\$3,725,000)** Projected revenues for sanitary sewer usage are based on estimated water purchased from the DuPage Water Commission of 1 billion gallons annually. We usually bill about 90% of the water we purchase (a portion of the water we purchase is unmetered or otherwise unaccounted for and is unbilled; examples include hydrant flushing, system leaks, meter accuracy). Based on this, we would expect to bill 900,000,000 gallons in FY09/10.

Sanitary Sewer = 900,000 X 93%* X \$4.45/1000 gal = approx. \$3,725,000

- * There are approximately 200 Glen Ellyn water customers who presently do not receive sanitary sewer service and are served either by private septic systems, the Wheaton Sanitary District, or the DuPage County Sewer System. Water consumption which serves as the basis for estimating sanitary sewer billings is at 93% of billed water.

There is no proposed increase in sanitary sewer fees for fiscal year 2009/10.

A summary of prior sewer rate adjustments is presented below:

Schedule of Sewer Rate Changes

Date of Change	Rate per 1,000 Gallons	% Change
January 1, 1994	\$2.60	
May 1, 1995	2.78	6.9%
July 1, 2003	3.49	25.5%
May 1, 2004	3.91	12.0%
July 1, 2007	4.30	10.0%
June 1, 2008	4.45	3.5%

- 8) **Illinois American Water: (\$570,000)** The Illinois American Water Company (formerly Citizens Utilities) is a privately owned utility company that serves an area south of Butterfield Road (such as the Valley View subdivision), and an area east of the river, north of Butterfield Road. Illinois American is a sanitary sewer customer of the Village of Glen Ellyn whose sewage is treated by, and represents about 9% of the total sewage flow treated by the Glenbard Wastewater Authority (GWA). Illinois American pays Glen Ellyn fees for sewage treatment at a rate based on the Wastewater Authority's operating budget and maintenance costs of the South Regional Interceptor which is the transmission line to the GWA.
- 9) **DuPage County: (\$360,000)** There are some 480 unincorporated addresses north of Glen Ellyn which are on the DuPage County sanitary sewer collection and utility billing system but whose sanitary sewage is treated by the Glenbard Wastewater Authority. DuPage County remits amounts billed for sanitary sewer service to the Village on a bi-monthly basis.
- 10) **Sanitary Sewer Repair Reimbursement: (\$300,000)** This account is designed to assist residents with a 50-50 share of repair costs to their private sanitary service lines under a street or within 10 feet of the edge of a street. Each village utility customer address with a sanitary sewer charge pays \$2 per month to fund this program. An additional flat charge of \$1 per month (\$100,000 annual) was added effective May 1, 2006 to assist the Village in completing "inflow and infiltration" reduction projects which will reduce the amount of storm water ("clear water") which enters the sanitary sewer system. This "clear water" increases sewage treatment costs, causes capacity problems at the Glenbard Wastewater Plant, and causes sewage back-ups into some homes during significant storm events.