



**CONESTOGA-ROVERS
& ASSOCIATES**

**MERGER FEASIBILITY STUDY - PHASE 2
THE TOWNS OF AMHERST AND CLARENCE, THE
VILLAGE OF WILLIAMSVILLE, AND ERIE COUNTY
SEWER DISTRICT NO. 5**

Prepared for:

**ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT AND THE TOWN OF
AMHERST, TOWN OF CLARENCE, AND VILLAGE OF
WILLIAMSVILLE**

This report was prepared in part with funds provided by the New York Department of State under the Local Government Efficiency (formerly the shared Municipal Services Incentive) grant program.

DECEMBER 2010



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DECEMBER 2010
REF. NO. 630392 (5)

EXECUTIVE SUMMARY

The Erie County Department of Environment and Planning, Division of Sewerage Management (DSM), in collaboration with the Towns of Amherst and Clarence and the Village of Williamsville (Participants), has evaluated the potential economic benefits of consolidating sewer services in northeastern Erie County.

The study has been conducted in two phases. Under the first phase, a high level analysis was performed comparing the existing operational structure to that of a Comparison Utility. The results of Phase 1 showed potential savings from the consolidation of the involved parties into a single entity. Analysis of a Comparison Utility cost structure constructed from national survey data showed the opportunity for up to 23 percent savings over continuation of the Status Quo. Consequently, a second phase was initiated to perform a more detailed analysis of the potential consolidation.

Based on the Phase 2 scope of work, a primary element of the detailed analysis was determination of an organization structure for a Consolidated District. Based on discussions with the DSM, it was decided that the initial structure of a Consolidated District would mirror that of the current Amherst organization structure. Meetings were held with the participant communities to determine work requirements and responsibilities. Using the 2008 Amherst sewer division organization structure, a proposed consolidated organization structure was created based on the following assumptions:

- At the creation of the Consolidated District, existing Amherst employees would become County employees, but would retain their Amherst job title and be covered under existing Amherst union contracts applicable to the title.
- All vacant positions existing in the 2008 organization structure would be filled for the Consolidated District using comparable County job titles.
- After consolidation, any vacancies in positions held by employees under an Amherst job title that result through either transfer or retirement, would be filled by a new employee under a County job title.
- Although continuing to be located in the new district, the existing Amherst sewer televising crew would be used in all districts throughout the County.
- A new crew for sewer cleaning and maintenance would be transferred from the DSM's Northern Region operations due to the anticipated increase in coverage area for the new district.

Based on these assumptions, the projected organization structure would be increased by 16 full-time equivalents (FTEs) above the current number of FTEs used to operate and maintain the same facilities and systems.

Once the personnel analysis was completed, a financial analysis was performed to project expenses for both the Status Quo and Consolidated District. Using actual expenses from 2007 and 2008, and budgets from 2009 and 2010, as well as discussions with community representatives, a base year was created. Inflation factors similar to those used in Phase 1 were applied to the base year to calculate expense projections. In addition to the inflation factors, the following are other adjustments or assumptions made in projecting expenses for the Status Quo and Consolidated District.

- Utility expenses were considered the same under either scenario.
- Under a Consolidated District, benefit expenses were calculated based on a percentage of wages using the County rate of approximately 50 percent.
- Retiree expenses, to the extent determinable, were not carried forward to the Consolidated District and remained the responsibility of the respective community (Amherst had budgeted approximately \$1 million in retiree health insurance in 2010).
- All general and administrative expenses would be covered under the County structure and were not carried forward under the Consolidated District.
- Utilized Phase 1 projections for capital expenditures and debt service.

Although all line items were analyzed, the primary focus of the analysis was allocated and personnel expenses. Allocated expenses consisted of those administrative costs that were not directly related to operations and maintenance of sewer systems and facilities, but provided important support services to these systems, such as attorney, finance, and central data processing. Personnel in this context concerned only those expenses related to the work performed and did not include benefits related to employment.

Although initially increasing due to the increase in FTEs, consolidated personnel expenses are projected to be less than Status Quo. At the end of Year 5, a savings of 0.35 percent is projected even though a larger staff would be used to operate and maintain the current systems and facilities. However, allocated expenses in most instances, unlike other expenses which would be eliminated or reduced in consolidation, would continue in the general fund. This is primarily due to their payment for indirect support services rather than direct operations costs. The services covered by these allocated expenses would still be needed and must be paid for. However, the scope of

these services may decrease due to the loss of workload associated with assisting the respective sewer departments. Furthermore, sewer customers under a Consolidated District would be responsible for the allocated costs charged by the County to the new district, resulting in payment for former allocated expenses in the General Fund and County allocated expenses in their sewer bill. Ultimately, though, the projected overall savings from the consolidation exceeds the allocated costs to be paid out of the general fund. At the end of Year 6, projected total savings exceed projected Status Quo allocated costs by 1 percent.

The detailed analysis performed for the Consolidated District showed potential savings beginning in Year 1. The projected savings is approximately 5.9 percent in Year 1 increasing to approximately 14.4 percent in Year 10. These savings are primarily from personnel, reallocation of administrative expenses, and post retirement benefits from the sewer funds to the general funds. In comparison, the projected savings determined in Phase 1 using a Comparison Utility was approximately 23 percent after full implementation of the consolidation. Table No. 1 provides a summary of the projected dollar and percentage savings over the 10-year analysis period.

TABLE NO. 1
PROJECTED ANNUAL SAVINGS SUMMARY

<i>Year</i>	<i>Total Savings (in dollars)</i>	<i>Total Savings (in percent)</i>
2011	\$1,328,000	5.9%
2012	\$1,573,000	6.8%
2013	\$1,845,000	7.5%
2014	\$2,191,000	8.6%
2015	\$2,540,000	9.6%
2016	\$2,938,000	10.4%
2017	\$3,371,000	11.3%
2018	\$3,837,000	12.2%
2019	\$4,381,000	13.2%
2020	\$5,014,000	14.4%

Using these financial projections, a rate analysis was performed to determine the required rate structure needed to provide revenue or cost coverage under a Consolidated District. A typical single-family home was created in each district from

property and usage data collected from the respective communities. These typical homes contained the property and usage characteristics of a large majority of the customers in the respective district. The resulting rate structure uses the number of accounts and the proportional expenses to be recovered to determine an annual bill for the typical single-family home in each existing district.

Based on results presented, there is the potential for savings by consolidating the districts. A significant obstacle may be the necessity of moving allocated costs to the General Fund budgets in Amherst and Williamsville. However, the calculated projections anticipate that the savings to the individual customer over the long term would exceed the allocated expenses that must be paid for out of the communities' general funds. It is recommended that these results be presented to the respective boards to allow them to make an informed decision regarding moving forward with this proposed consolidation.

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1.0 INTRODUCTION/PURPOSE

The Erie County Department of Environment and Planning, Division of Sewerage Management (DSM) in collaboration with the Towns of Amherst and Clarence and the Village of Williamsville (Participants), has evaluated the potential economic benefits of consolidating sanitary sewer services in northeastern Erie County. Currently, sewer services are provided for each of the above communities through a complex structure of districts and inter-municipal agreements. There are eight sewer districts, three municipalities, a County division, and multiple legal agreements regarding sewer services within this small region of Erie County. Refer to Figure No. 1 for a map of the service areas.

To identify the possible economic benefits of simplifying the structure of sanitary sewer services through consolidation, the participating utilities selected CRA Infrastructure & Engineering, Inc. (CRA) to perform a merger feasibility study. A majority of the study was funded by the New York Department of State under what is currently the Local Government Efficiency (LGE) program. The objective of the study was to determine if economies may be gained through improved efficiencies and/or by eliminating redundant services by implementation of a regional consolidation of sewer services.

The study has been conducted in two phases. Under the first phase, a high level analysis was performed comparing the existing operational structure to that of a theoretical Comparison Utility derived from industry data. CRA provided results of the Phase 1 analysis to the Participants. These results showed potential savings from the consolidation of the involved parties into a single entity. The results were reviewed and discussed by all steering committee members. It was mutually agreed by the participants that a more detailed analysis should be undertaken based on projections of the participant budgets rather than a theoretical Comparison Utility. Consequently, a second phase was initiated to perform a more detailed investigation of a potential consolidation.

The scope of work for Phase 2 completed by CRA included:

- Development of a staffing plan for the Consolidated District based on the assumption that all staff would be employed by the DSM and associated compensation and benefits would fall within the County's structure.
- Utilizing the templates developed in Phase 1 of the study to project costs for a combined utility. Based on these projections, the anticipated savings that would be available to the region from a Consolidated District utility will be determined.

- Preparation of a preliminary rate analysis to allocate costs to the customers of the Consolidated District. Projected costs savings will be equitably distributed to the existing customers such that all customers will benefit from operations by a Consolidated District.
- Discussion of methodology and presentation of findings to the Steering Committee and preparation of a final summary report of the feasibility study.

2.0 BACKGROUND

Sewer services are provided for each of the communities through a complex structure of districts and inter-municipal agreements. In general, each community is responsible for operations and maintenance of their own collection system. The exception to this is Clarence. Their system is operated and maintained on a contract basis by Erie County Sewer District (ECSD) No. 5. Amherst provides treatment services on a contracted basis for all the Participants of the study.

2.1 TREATMENT

Treatment for all of the communities/districts participating in the study is provided by the Town of Amherst through their Water Pollution Control Facility (WPCF). The one exception is a very small portion of ECSD No. 5 where treatment is provided at the County-owned Clarence Research Park Wastewater Treatment Plant. The Amherst WPCF has a rated capacity of 36 million gallons per day (MGD). Over the 6 years preceding this study, it received on average 26 MGD from the Towns of Amherst and Clarence, the Village of Williamsville, and Erie County Sewer District No. 5.

Each community has a separate agreement with Amherst for treatment of their wastewater. These agreements establish a volumetric rate for all sewer flows Amherst receives. In recent years, there has been some disagreement regarding the manner in which these contractual rates are established.

2.2 COLLECTION

Amherst, Williamsville, and the DSM each own and operate their respective collection systems. While Clarence owns its system, it is operated and maintained by the DSM for an annual fee. Each system is comprised of several sewer districts each with its own budgets and revenues.

Table No. 2 lists the characteristics of each community's collection system, including the miles of collection pipe and number of lift stations. Although multiple operators provide collection services, it is important to note that the systems are interconnected.

TABLE NO. 2
COLLECTION SYSTEM CHARACTERISTICS

<i>Community</i>	<i>Collection Piping (Miles)</i>	<i>Number of Lift Stations</i>
Amherst	532.6	37
Clarence	16.2	3
Williamsville	18	0
ECSD No. 5	52.4	5
Totals	619.2	45

3.0 PHASE 1 - SUMMARY

3.1 ANALYSIS

3.1.1 METHODOLOGY

The analysis performed in Phase 1 looked at a 10-year period to compare the operational, administrative, and capital expenses of the existing systems under the existing service structure, heretofore called Status Quo, versus the operational, administrative, and capital expenses for a conceptual regional utility or Comparison Utility. This Comparison Utility was constructed based on data from a 2005 survey conducted by the National Association of Clean Water Agencies (NACWA Survey). This data was evaluated to produce a Comparison Utility that had similar characteristics to the communities participating in this study. A more detailed discussion of how the Comparison Utility was created and evaluated can be found in the Phase 1 Merger Feasibility Study report dated May 5, 2008.

The projections for Status Quo and the Comparison Utility were analyzed to determine the potential economic benefit that could be realized if a consolidation were to occur. The following provides a brief description of the determination of the categories used in determining Status Quo-projected costs for comparison against the Comparison Utility in Phase 1.

3.1.2 OPERATIONAL EXPENDITURES

The 10-year operations and maintenance (O&M) budgetary projections for the Status Quo scenario were based on anticipated inflation factors applied to a base year. The base year was used as a starting point for the analysis of each budgetary category. Different escalation factors were applied to specific line items (with the exception of non-budgetary operating expenses) in an attempt to reflect current industry trends as follows:

- Five percent to all utility expenses such as gas, electric, and telephone
- Four percent to all labor-related expenses including salaries and benefits
- Three percent to all other expenses, which included all materials, chemicals, and equipment

The blended average impact of these inflationary factors equated to an annual budgetary increase of just over 4 percent. This corresponded well with industry trends

over the last 10 years. Inter-jurisdictional payments for treatment and collection services were not included in the respective community's total O&M budget projections to avoid double-counting of these costs.

3.1.3 CAPITAL IMPROVEMENT PROJECTIONS

The necessary capital improvements for the Participants were assumed to be equal under both the Status Quo and Comparison Utility. Since no major capital work would be necessary to facilitate a merger, it was assumed that capital investment levels would be similar under either scenario. Therefore, a common capital improvement cost projection approach was developed for the participating utilities under both the Status Quo and the Comparison Utility. The 10-year capital cost projections were estimated based on the current capital plans and on the value of each utility's assets.

The major categories of assets evaluated include treatment facilities, lift stations, and pipes. The value of the Amherst WPCF was based on an interpolation of data collected from other wastewater treatment plants of various capacities. The remaining service life for other assets was established by subtracting the years since installation from the assets' original useful life projection. Since the assets have been installed at different times, a blended installation date was used. The original asset useful life projection was established based on industry-wide and local utility experience. All unit values and remaining service life projections were reviewed by key staff for verification of these capital investment estimates.

3.1.4 DEBT SERVICE

Direct capital expenditures were not included in the 10-year budgetary projections for the Status Quo scenario; rather, projected debt service was used. First, existing debt service schedules for the next 10 years were gathered and tabulated for each participant. Next, it was assumed that each participant would annually issue bonds in the amount of the following year's required capital investment. A bond term of 30 years at an interest rate of 4 percent was determined to be representative of current financing terms and rates.

3.2 PRELIMINARY RESULTS

Both a quantitative and qualitative economic analysis was performed in Phase 1 to compare Status Quo and Comparison Utility cost determinants. The results of this analysis follow.

3.2.1 QUANTITATIVE

Two metrics were defined to serve as a basis for comparing the potential economic impacts of the Status Quo and the Comparison Utility. The specific metrics included the average unit cost of providing wastewater service and the Net Present Value (NPV) summary of total costs.

The average cost per unit (1,000 gallons or kgal) on an annual basis of providing wastewater service was defined as total O&M, capital, and General and Administrative (G&A) costs divided by the combined average annual sewer flows for all of the Participating Utilities.

The combined average annual wastewater flows from each participating utility was 26.0 MGD (9.5 billion gallons), which results in an average unit cost for the Status Quo of \$2.11 per kgal. The average unit cost of providing wastewater services for the Comparison Utility was \$1.61 per kgal, representing potential savings of approximately 23 percent. The components of the average unit cost for the Status Quo and the Comparison Utility include treatment system O&M, collection system O&M, capital, and G&A costs.

The second metric, NPV summary of total costs, considered all current and projected costs and provided a high level metric for comparing service delivery alternatives. The NPV summary of total costs was designed to capture the difference in the timing of and level of future costs, thus providing a meaningful basis for comparing alternatives. For the Status Quo and the Comparison Utility, total O&M, capital, and G&A costs for providing wastewater service for the participant utilities were projected over the 10-year planning period (2007 - 2017). The total cost in each year was then discounted back to a present value term based on a discount rate of five percent.

The NPV summary of total costs for the Comparison Utility of \$166.8 million was \$49.9 million, or 29.9 percent less than the NPV summary of total costs for the Status Quo (\$216.7 million). It is important to note, however, that the calculation of the NPV summary of total costs for the Comparison Utility assumes that the operating cost

reductions could be achieved instantaneously. This is unrealistic based on what could be achieved under real world conditions. As a result, it is likely that the level of potential savings for the Comparison Utility would be less than \$49.9 million over the planning period.

3.2.2 QUALITATIVE

The quantitative analysis indicated that there appeared to be potential opportunities for savings by Consolidated Utility operations. In order to provide additional clarity and understanding as to where these potential savings existed, a qualitative analysis was conducted. This analysis targeted more specific metrics to identify potential savings opportunities within certain operational categories and functions.

Cost metrics were evaluated to target potential opportunities for savings that included:

- Wastewater treatment system O&M cost per average annual flows (kgal)
- Wastewater collection system O&M cost per foot of pipe

Wastewater treatment system O&M costs for the Comparison Utility were \$0.63 per kgal, which was \$0.37 less than the wastewater treatment system O&M cost of \$1.00 per kgal for the Status Quo, representing a savings of approximately 37 percent. Wastewater collection system O&M costs for the Comparison Utility were \$0.91 per foot of pipe, which was \$0.35 less than the wastewater collection system O&M cost of \$1.27 per foot of pipe for the Status Quo, representing a potential savings of approximately 28 percent.

Additional metrics related to operational functions and, in particular, staffing levels were evaluated; which included:

- Wastewater treatment system FTE staff members per average daily flows
- Wastewater collection system FTEs per 100 miles of pipe
- Total treatment and collection personnel cost per FTE

The median number of wastewater treatment system FTEs per MGD for the Comparison Utility was 1.58, approximately 13 percent less than the 1.83 wastewater treatment system FTEs per MGD for Status Quo. The median number of wastewater collection system FTEs per 100 miles of pipe for the Comparison Utility was 3.90, which was approximately 37 percent less than the 6.20 wastewater collection system FTEs per

100 miles of pipe for Status Quo. Total personnel costs for the Comparison Utility were \$89,545 per FTE, approximately 4 percent more than the total personnel costs of \$86,205 per FTE for the Status Quo.

The qualitative analysis of the FTE metrics showed that the Comparison Utility operated its system with a smaller number of FTEs. However, the median cost per FTE for the Comparison Utility was similar to the cost per FTE for the Status Quo, indicating that the Participating Utilities are compensating employees at a level lower than the compensation provided at similar utilities.

3.3 PRELIMINARY CONCLUSIONS AND RECOMMENDATIONS

Analysis of the theoretical Comparison Utility cost structure showed the opportunity for up to 23 percent savings over continuation of the Status Quo. However, it was noted that the initial analysis based on the Comparison utility might overstate actual savings potential due to regional differences in labor rates, administrative allocations, utility costs, infrastructure age, regulatory requirements, flow characteristics, and other items.

Due to the significant savings potential identified, with the understanding that additional validation of such savings within the local community was required, the project team concluded that the savings opportunities were sufficient to continue with Phase 2 of the study. In order to validate the actual savings and develop a plan for consolidation of services, it was recommended that a Steering Committee be created and a more detailed analysis of the potential savings be performed within the local environment.

4.0 PHASE 2 - DETAILED ECONOMIC ANALYSIS

4.1 DESCRIPTION

The economic analysis for Phase 1 provided a preliminary view of potential savings using a Comparison Utility versus the Status Quo condition. Based on the results of Phase 1, which indicated a strong savings potential, a decision was made by the Steering Committee to conduct a more detailed analysis based on local needs, costs, and conditions. In addition, the Steering Committee decided, after a series of meetings, that the analyses should be performed with the assumption that the Division of Sewerage Management would be the service provider. In this phase of the project, detailed assumptions were made regarding expenditures and staffing in an attempt to project the structure and operations of a Consolidated District for the participating communities and ECSD No. 5. Using these assumptions, projected expenditures for a Consolidated District were determined and more locally applicable savings potential was identified.

4.2 DETAILED ANALYSIS

4.2.1 CONSOLIDATED ORGANIZATION CHART

The first task required under Phase 2 of the study required the development of a consolidated organization chart. CRA conducted several meetings with the DSM, Amherst maintenance and plant personnel, Town of Clarence personnel, and Village of Williamsville Department of Public Works to discuss the current structure, work processes, and tasks necessary for sewer system maintenance and operations in the participant communities. It was determined that the largest number of FTEs (refer to Table No. 3 for current FTEs) and the majority of the facilities in a new district would be from Amherst. As a result, the process of creating an organization structure for a Consolidated District centered on the current structure used to operate and maintain these facilities.

TABLE NO. 3
CURRENT FULL-TIME EQUIVALENTS

<i>Division</i>	<i>Amherst¹</i>	<i>Williamsville</i>	<i>Clarence</i>	<i>ECSD No. 5</i>	<i>Total</i>
System Operations	27	1	0	3	31
Water Pollution Control Center	51.5	NA	NA	NA	51.5
Environmental Control	3	NA	NA	NA	3
Totals	81.5	1	0	3	85.5

1-Amherst FTEs based on budget years 2009 and 2010

After obtaining a basic understanding of the current organization structure, meetings were held between CRA and the respective Amherst department heads to gain a greater understanding of the operations, staffing levels, and budgets within each department. Following further analysis of personnel information and discussions with the DSM, it was determined that operationally, starting “Day 1,” the Consolidated District would benefit by maintaining a personnel structure to that currently used in Amherst. Over time, the DSM would have the opportunity to assess the current operations and determine if the staffing structure would be modified. Consequently, Amherst and DSM, in conjunction with CRA, made the determination that the Consolidated District personnel structure for the purposes of this evaluation would be similar, with minor modifications, to that of the Amherst maintenance and WPCF divisions.

Meetings were then held with DSM to obtain an understanding of ECSD No. 5 and the County’s larger Northern Region operations. This information was used to determine how those operational processes could be transferred to the new Consolidated District and what impacts that would have on the proposed structure through either centralized services or additional crews. Furthermore, an analysis was done to compare job titles under the County structure and those under Amherst's structure.

Based on these meetings, it was determined by DSM personnel that the starting point for the consolidated organization structure was an organization chart provided in November of 2008 by the Town of Amherst (refer to Appendix G for the original structure). Current position vacancies within the structure were evaluated and any further positions that could potentially become vacant due to retirements were identified. An important statistic determined from this analysis is that of the number of employees in Amherst eligible for retirement over the next 10 years. Although

retirements and hires have continued in Amherst during data analysis and completion of the feasibility study, it has been determined that approximately 50 percent of the Amherst staff is eligible for retirement over the next 10 years.

Once this information was compiled and reviewed with the DSM, the following assumptions were established by Amherst and DSM personnel in conjunction with CRA for the new organizational structure for the purposes of the financial analyses.

- At the creation of the Consolidated District, existing Amherst employees would become County employees, but continue to receive their step increases and pay raises under the contract in effect at the time of the consolidation. Step increases would continue in this manner until the top grade was achieved. However, determination of future pay raises would be based on the final agreements at the time of any consolidation.
- All necessary vacant positions existing in the 2008 organization structure would be filled for the Consolidated District using comparable County job titles. It was CRA's understanding that these vacant positions were included in the respective department budgets. (Note that the structure used as a starting point was from 2008, and has changed over the past 2 years. Consequently, the number of vacant positions may have changed over the intervening years. Vacancy determinations would be made during negotiations of the final consolidation agreements.)
- After consolidation, any vacancies in positions held by employees under an Amherst job title resulting from either transfer or retirement would be filled by a new employee under a County job title.
- Amherst's sewer televising crew would be part of the new district but utilized throughout DSM's service area.
- A new crew for sewer cleaning and maintenance would be added due to the anticipated increase in coverage area for the new district. The crew would likely be transferred from DSM's Northern Region. It would consist of a Sewer Maintenance Worker (equivalent in job title only to an Amherst Labor Crew Chief) and two employees with the title of Maintenance Worker Sewerage (equivalent in job title only to an Amherst Motor Equipment Operator).

A new organization chart was created using these assumptions (refer to Appendix G). Although the proposed organization chart is similar to the original, over time the job titles would change from Amherst job titles to County job titles. In addition, as a result of the filled vacancies and additional crew, this approach lead to an increase in personnel for the new district of 16 FTEs (refer to Table No. 4). This is a conservative approach to ensure that the financial analyses do not overstate the potential savings.

The financial impact of these additional staff under the Consolidated District is described in the following section.

In addition to the new staff needed to operate and maintain the system and facilities in the Consolidated District, a small increase in the DSM's downtown administrative (Central Services) staff would be required. The DSM has recommended the inclusion of additional staff in Central Services to address the increased accounts and facilities that would come under County control as a result of the consolidation. Staff added would include one FTE in accounting/billing and one FTE in engineering.

TABLE NO. 4
PROJECTED FTES

<i>Division</i>	<i>No. FTES</i>
Maintenance	36
Water Pollution Control Center	62.5
Environmental Control	3
Total	101.5

4.2.2 PRELIMINARY EXPENSE REVIEW

All budgetary expenses within the participating communities were evaluated for potential reductions resulting from a consolidation. It was identified that the opportunity for major savings was limited to only a few key areas. Consequently, the focus of the analysis was these major areas where potential savings could be the greatest. Four areas were selected and included:

- Centralization of maintenance
- Personnel through reductions in staffing costs
- General and Administrative Expenditures (described as allocated expenses in the analysis) and Engineering
- Pooled purchasing of materials, power (utilities), and fuels

Using these categories as a focus, CRA performed a high level analysis of existing expenditures and the potential for savings within these four groups, which included a review of utility billing data, purchasing records, personnel records, and allocated expenditure amounts. Although savings would likely result from all of these categories,

the analysis determined that most savings would be found in the areas of personnel and allocated expenditures.

4.2.3 ANALYSIS METHODOLOGY

The assumed year of consolidation for the analysis was 2011. Since original projections used budget years 2007 through 2009 in Phase 1, it was necessary to update the financial data. Actual expenditure data for 2007 and 2008, and budgetary data from 2009 and 2010 were included for the Phase 2 analysis. As in Phase 1, a base year was used to project expenditures for the Status Quo and the Consolidated District. The base year values were determined from the updated financial data with 2010 budgetary data more heavily weighted than previous years.

Inflation Factors

The inflation factors from Phase 1 were reviewed to determine if they were still applicable. Part of this review included discussions with the participants and the review of other sources to make a determination. The final inflation factors used in the analysis were similar to those used in Phase 1 which included:

- Five percent for all utility expenses such as gas, electric, and telephone
- Three percent for "personnel services" expenditures
- Eight percent for benefit expenditures
- 5.06 percent for Allocated expenditures in Amherst (those allocated from the General Fund to the Sewer Fund; percentage provided by Amherst for the Phase 1 analysis)
- Three percent for all other expenses, which included all materials, chemicals, and equipment

Minor Expenditure Reductions

As noted above, and described in detail below, major expense savings were limited to personnel expenses and allocated expenses. However, the elimination of or combination of other expenses or expense categories, although minor, also presented the potential for savings in a consolidated scenario. The sewer budgets of the three communities and ECSD No. 5 were reviewed to assess which other minor expenses could be eliminated. Some other categories in which potential savings were identified included:

- Office supplies

- Postage and freight
- Travel expenses
- Printing
- Association dues
- Outside engineering services

Although some of these may be added back into the consolidated expenses through the County allocations described below, these expenses would be spread over a larger operation and customer base effectively reducing the cost per customer.

Capital Expenditures and Debt Service

In Phase 1 of the feasibility study, general projections were made of capital expenditures and debt service. This approach was also used for Phase 2 with inclusion of actual capital and debt costs for 2007 and 2008 and budgeted debt costs for 2009 and 2010. Ultimately, the capital investment required under the Status Quo vs. the Consolidated scenario would be very similar and has limited impact on the financial analysis.

4.2.4 ANALYSIS AND DETERMINATION OF PERSONNEL EXPENSES FOR THE CONSOLIDATED DISTRICT

As noted above, based on a review of operations, discussions with staff and the age of the system, it was determined that the organization structure for the Consolidated District would be similar to that of the Town of Amherst Sewer Division. Furthermore, it has been assumed, for purposes of the financial analysis, that personnel would be added to fill vacant positions and a maintenance crew added to support the larger service area. Using this newly created organization chart, the total expenses for personnel were calculated for the Consolidated District. Salary data provided by the Town of Amherst was used to determine the current wage level for all job titles as related to specific employees. Job title salary data was also provided by the County and used for the projection.

The process and assumptions used for projecting consolidated personnel costs for maintenance and treatment were as follows:

- Determined retirement eligibility for each Amherst employee and the 2008 salary for each employee in the respective job title.
- Determine the County job title salary for the corresponding Amherst job title.

- The Amherst employee salary was projected to the retirement eligible year using a 3 percent inflation rate. (All personnel costs were assumed to inflate at a rate of 3 percent even though current wage increases may be less than this amount. Based on the current volatility in inflation and historical inflation rates of approximately 3 percent, this assumption is considered reasonable for the purposes of this analysis. Furthermore, this rate of inflation would not significantly overstate raises over the analysis period.)
- At the retirement eligible year assumed that the Amherst employee would retire and be replaced by a new employee under a County job title and at the current rate of pay for the equivalent County worker. The new employee would start at step 5 in the latest County wage tables (as of 2008).
- In the year the new County employee started and going forward, the County salary would increase annually by the 3 percent inflation factor and the appropriate step increase. The step increases continue until the top step in the job title was reached or the end of the 10-year analysis period was reached.
- In a similar manner, vacant positions and new crew positions were filled with employees under County job titles at step 5 in the County wage tables. Step increases and inflation were applied accordingly.
- One of the crews (sewer televising) was assumed to be used on a centralized basis and only 66 percent of their wages was charged to the new district.

Although separate from the actual personnel costs, benefits were calculated for the Consolidated District based on the personnel expenses calculated above. Benefit levels varied between the County and Amherst and were provided as a percentage of wages. The County benefit percentage was used to calculate the benefit costs, because after consolidation, this will be a County district and all new employees would be County employees.

Other personnel costs were included in the "Personnel Services" accounts in Amherst. In the maintenance division these included out-of-title/out-of-class work, seasonal, shift differential, and paid lunch. In the WPCF these included out-of-title/out-of-class work, seasonal and shift differential. If it was assumed staff would be added, there is the potential for these types of expenses to decrease. Nevertheless, to be conservative, an assumption for these expenses is that operations would be similar after consolidation. As such, these numbers were used to project future personnel costs for the Consolidated District. As with wages, these were increased at 3 percent per year. In 2011 the projected additional expenses accounted for approximately 6 percent of maintenance personnel expenses and less than 2 percent for the WPCF personnel expenses.

In addition to using these extra items from Amherst, overtime from Amherst was used to calculate the projected overtime in a Consolidated District. As with the other items, it is assumed that operations would be similar under a Consolidated District as they are currently conducted. Although overtime costs may be reduced due to the increased staff levels, a determination of the future levels is difficult to make. Therefore, to be conservative in the analysis of Consolidated District personnel costs, the projected overtime levels remained the same as those under Status Quo. The overtime dollar amount was increased at a rate of 3 percent annually in a similar manner to other personnel accounts.

Projected personnel expenses for a Consolidated District were compared to those under a Status Quo condition. The comparison uses only expenses related to field personnel to the extent that they can be separated from administrative personnel costs. In this instance, administrative personnel expenses include those costs for administrative staff allocated from the general fund.

Table No. 5, *Projected Personnel Services Savings*, compares the personnel services and overtime expenses from Status Quo and a Consolidated District.

TABLE NO. 5
PROJECTED PERSONNEL SERVICES SAVINGS

<i>Year</i>	<i>Status Quo</i>	<i>Consolidated</i>	<i>Savings</i>
2011	\$5,330,000	\$5,421,000	\$(91,000)
2012	\$5,495,000	\$5,574,000	\$(79,000)
2013	\$5,664,000	\$5,728,000	\$(64,000)
2014	\$5,840,000	\$5,854,000	\$(14,000)
2015	\$6,020,000	\$5,999,000	\$21,000
2016	\$6,206,000	\$6,136,000	\$70,000
2017	\$6,398,000	\$6,275,000	\$123,000
2018	\$6,596,000	\$6,419,000	\$177,000
2019	\$6,800,000	\$6,540,000	\$260,000
2020	\$7,011,000	\$6,634,000	\$377,000

As shown in the table, Years 1 through 4 of the consolidation show an increase in personnel expenses rather than a savings. The source of the projected increase in

personnel expenses is due to the addition of 16 staff to the Consolidated District, including filling of vacancies and the additional crew. This would slowly decrease over time and a savings from the projected personnel changes could be realized in Year 5 of the analysis. Based on the assumptions described above and the resulting projections, the projected savings in Year 10 of the consolidation is 6 percent of the projected Status Quo expenses.

It should be noted that in the Village of Williamsville and ECSD No. 5, personnel are not solely dedicated to the operation and maintenance of the sewer system in those areas. In Williamsville, the personnel in the Department of Public Works (DPW) are responsible for repair and maintenance of all Village infrastructure, and in ECSD No. 5 the facilities are maintained by a staff responsible for all areas within the Northern Region of Erie County. In the case of Williamsville, these expenses would likely be moved to the general fund. However, a crew consisting primarily of personnel responsible for the maintenance of ECSD No. 5 (approximately three employees) would be transferred to the new district and become part of the personnel structure in the new district. In the Town of Clarence, maintenance of their system is completed by ECSD No. 5 by contract and does not allocate any other personnel costs to their sewer fund.

In summary, the potential for personnel savings is significant despite the assumption of an additional 16 FTEs and no reduction in overtime. It is likely that further personnel savings would be realized in the future as the DSM identifies efficiencies due to the economies associated with operating a larger entity.

4.2.5 ANALYSIS AND DETERMINATION OF UTILITY EXPENSES

An initial analysis was performed to determine if utility usage (natural gas and electric) would change under a Consolidated District. The analysis showed that the majority of the utility expenses in Amherst were electricity usage at the WPCF. Although the Village of Williamsville and the Town of Clarence did have utility expenses, they were insignificant to the overall utility analysis and not considered further. The analysis determined that the WPCF would continue to operate in the same manner under either the Status Quo or Consolidated District with similar flows. Consequently, there is little potential for the reduction in usage.

The second area of analysis was purchasing costs. Through discussions with Amherst and DSM it was determined that the method of purchase for electricity and natural gas is the same for both Amherst and the County. As such, no savings would be realized from the combined purchasing power of the Consolidated District with the rest of the

County. Therefore, projected utility expenses for both the Status Quo and Consolidated District were the same for the 10-year projection.

4.2.6 ANALYSIS AND DETERMINATION OF ALLOCATED EXPENSES

Allocated expenses for Williamsville, Amherst, and ECSD No. 5 are a significant portion of their respective budgets, and would also be for the potential Consolidated District. Two types of allocated expenses were examined. The first type consists of those expenses directly related to sewer operations and maintenance. For example, Williamsville operates a DPW and annual salaries for personnel are allocated to the sewer fund based on actual time spent performing sewer maintenance work. These expenses are personnel services rather than allocated administrative expenses and not considered in the analysis of allocated costs.

The second type of allocation is not directly an operations and maintenance expense. In general, this second type includes those costs that relate to the support of the sewer operations and maintenance, such as legal and technology support. An example of this type of allocation can be found in the Town of Amherst. Amherst allocated support expenses from the Town Attorney, Finance, Central Data Processing, and Town Auditor just to name a few. Few of these expenses can be directly tied to the operations of the Sewer Division but they provide important support services to assist with the efficient operation of the division.

Under a Consolidated District the support service type of allocated expenses would be performed by Erie County, and these services would no longer be provided by the communities. As a result, the current allocated expenses may be eliminated in part or in whole or be transferred to the General Fund should such services still be necessary for the respective communities after a consolidation. Table No.6 below provides the projected allocated expenses for each community under Status Quo. These amounts do not include insurance and other allocated costs, which may or may not continue if consolidation were to occur. The following table does not include the Town of Clarence, since they do not allocate any general fund expenses to their sewer fund.

TABLE NO. 6
PROJECTED STATUS QUO ALLOCATED EXPENSES

<i>Year</i>	<i>Amherst</i>	<i>Williamsville</i>	<i>ECSD No. 5</i>	<i>Total</i>
2011	\$1,892,000	\$138,000	\$323,000	\$2,353,000
2012	\$1,985,000	\$143,000	\$336,000	\$2,464,000
2013	\$2,083,000	\$149,000	\$349,000	\$2,581,000
2014	\$2,186,000	\$155,000	\$363,000	\$2,704,000
2015	\$2,293,000	\$162,000	\$377,000	\$2,832,000
2016	\$2,407,000	\$168,000	\$392,000	\$2,967,000
2017	\$2,526,000	\$175,000	\$408,000	\$3,109,000
2018	\$2,650,000	\$182,000	\$424,000	\$3,256,000
2019	\$2,781,000	\$190,000	\$441,000	\$3,412,000
2020	\$2,919,000	\$198,000	\$458,000	\$3,575,000

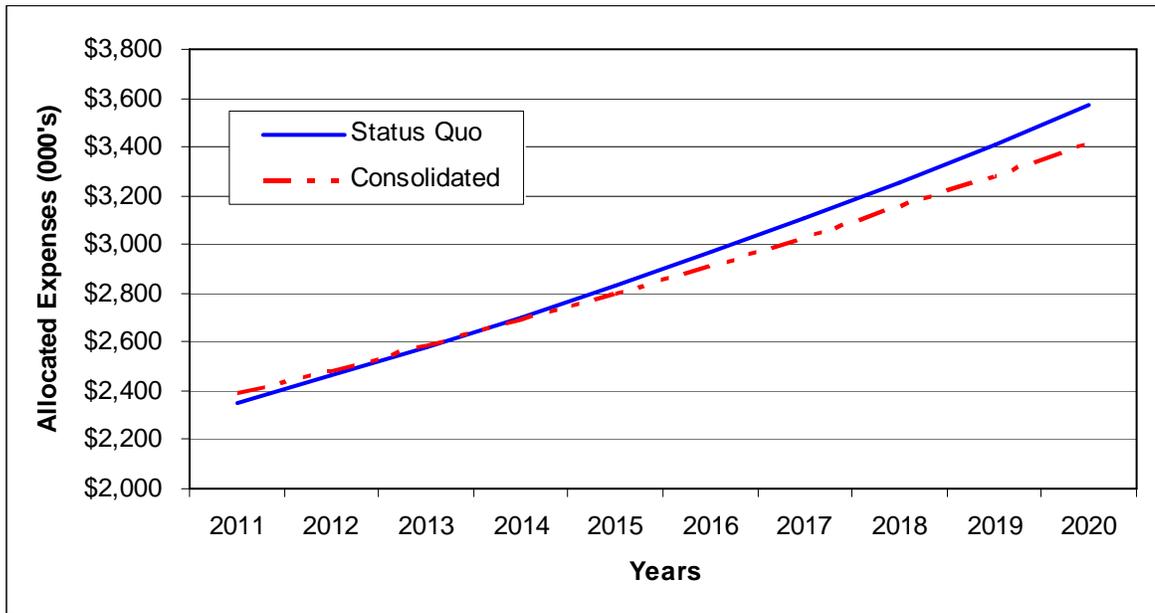
Administrative and engineering support for the new district would be provided by Erie County. These expenses are currently allocated to each County sewer district in proportion to the number of customers in the district. Based on information obtained from the DSM, approximately 33 percent of the accounts in the Erie County sewer system would be located in the new district. To forecast this and other allocated expenses under a consolidated district, an inflation rate of 4 percent was used. This was based on the average inflation used in projecting future Amherst operations expenditures. The resulting allocation to the new district from Central Services, including new staff, would be approximately \$2.2 million and \$3.1 million for Years 1 and 10, respectively.

In addition, the Division of Information and Support Services (DISS) is the County information technology support group. This group's expenses are currently allocated to a district based on the number of employees working in that district. The costs are allocated over a 1-year period at a rate of approximately \$200 per employee per month. Allocation from the new district to DISS based on this formula would be \$244,000 and \$348,000 for Years 1 and 10, respectively. Therefore, total allocated expenses, including DISS charges for a Consolidated District, would be approximately \$2.39 million in Year 1, increasing to \$3.42 million in Year 10.

As a result of the consolidation, the expenses to the general funds in the Village of Williamsville and the Town of Amherst may increase by the amounts noted above, but final allocations would be determined by the respective community. The reallocation of expenses would not impact the Town of Clarence because they do not allocate any costs from their general fund to their sewer fund, and maintenance on their sewer system is performed by the DMS Northern region.

In the event of a potential consolidation, allocated costs for the consolidated district, when compared to the Status Quo, may initially increase. However, based on projected inflation factors provided by the participants, allocated expenses, primarily those in Amherst, may increase faster than those projected under a consolidated scenario. Using the participant provided inflation factors, and those assumed for a Consolidated scenario, projected allocated expenses would increase at a slower rate than those under Status Quo. Figure No. 2 illustrates the growth in allocated expenses under the Status Quo and Consolidated scenarios. A summary of the total savings due to consolidation can be found in Appendix A.

Figure No. 2
ALLOCATED EXPENSE COMPARISON



4.2.7 MISCELLANEOUS

There are other items not noted above that would be impacted by the consolidation and have an impact on the general funds of the respective communities. Williamsville, as

noted previously, would be impacted from their allocated DPW salaries. In the fiscal year 2010 budget, approximately \$136,000 was included for wages and benefits. Since all of the employees perform multiple tasks and are not just tasked with operation and maintenance of the sewer system, the expenses related to these employees would continue to be borne by the Village if consolidation were to occur and increase the impact to their general fund over that noted above in the description of allocated expenses.

There are two other major employee benefit expense items in the sewer fund account that could be called legacy costs and are not allocated from the General Fund. These include payments to the New York State Retirement System and the expense for retiree health insurance. Payment for the New York State Retirement System would be included in the benefit costs under a Consolidated District and would have no impact on the Amherst General Fund. However, costs related to retiree health insurance would not be reduced under a Consolidated District and their full amount would likely transfer to the General Fund. It is projected that in 2011 this cost would be slightly over \$1 million.

Insurance is a major expenditure in the Town of Amherst. Amherst self insures and contributes funds annually or as needed to an Insurance Fund. Since Amherst did not budget an insurance payment for 2010, discussions with Amherst resulted in using the 2008 actual insurance expense as a basis for projecting the Amherst Status Quo insurance expense. The total insurance expense in 2008 was almost \$500,000. Insurance costs for Erie County are paid for in a myriad of ways, primarily as payment of an individual claim or award, but are not allocated to a specific fund from the respective districts on an annual basis. Therefore, it is difficult to forecast the insurance expenses in a consolidated district. Thus, a certain amount of insurance expense was projected to account for the different manners in which Amherst and the DSM budget such costs.

4.2.8 CAPITAL EXPENDITURES AND DEBT SERVICE

As noted above, the capital expenditure and debt service determination for Phase 1 was used in Phase 2 because the assumptions did not change. The debt service schedules were updated to reflect new bonding occurring since the completion of Phase 1. In addition, the capital costs for Status Quo were the same as consolidated because no new infrastructure was being added or eliminated due to consolidation and no changes to the infrastructure were being made.

4.3 RATE ANALYSIS

As part of the Phase 2 analysis, the rate structure(s) of each participant community were evaluated to determine what the potential rate impacts would be if consolidation were to occur. The analysis required projecting annual rate adjustments under the Status Quo and the Consolidated District scenario throughout the 10-year study period.

Each of the participating communities recovers expenses through various taxes, fees, and rates charged to the property owner. The first step was to determine the level of revenue generated from the various rate structures of each of the communities. It was noted that the percentage of revenues from the fees and charges assessed varied widely between each of the communities. For instance, Amherst recovers about 80 percent of their total revenues from a consumption charge and the remaining 20 percent of revenues are generated from assessed valuation and other levies, while Clarence recovers close to 80 percent of their revenues from a flat fee and the remainder of revenues is recouped from assessed valuation charges.

Initially for this study, it was intended to use a common rate structure similar to the current DSM to evaluate the feasibility of the consolidated district. However, based on the discrepancies with this structure and those of each community, the resulting adjustments to the residential bills would be drastic and would not present stakeholders with an accurate comparison of the scenarios. Furthermore, there could be the perception of inequities due to the major shift in how revenues would be recovered from ratepayers. Thus, for these purposes the current rate structures were used to projecting the residential impact and to demonstrate shared savings for all ratepayers. If it is determined by the Steering Committee to move forward with consolidation of the districts, a separate rate study is recommended.

Based on usage and property tax data, and discussions with the respective communities, a typical single family bill was created to represent the property and usage characteristics of a significant majority of the properties in each of the major districts. Then rates for the typical family were projected for the 10-year study period under the Status Quo and Consolidated scenarios.

For the Status Quo scenario, a typical bill was calculated for each community based on the current rates and rate structure. It was assumed the rates charged by each community provided sufficient revenue for the current adopted budget. The current residential bill was then projected starting in 2011 for each year throughout the 10-year study period based on the percentage change to the community's operating budget under the Status Quo scenario. Similar to Status Quo, the residential bill under the

Consolidated District scenario is projected throughout the 10-year period, based on the annual projected Consolidated District budget.

Table No. 7 below is a comparison of the rate adjustments to the communities' typical bill under the Status Quo Scenario and the Consolidated District scenario. As can be seen from the table, the projected rates continue to increase under a Consolidated District scenario. However, they increase at a slower rate than under the Status Quo scenario. A typical bill for both scenarios along with summary tables from the rate impact analysis can be found in Appendix H.

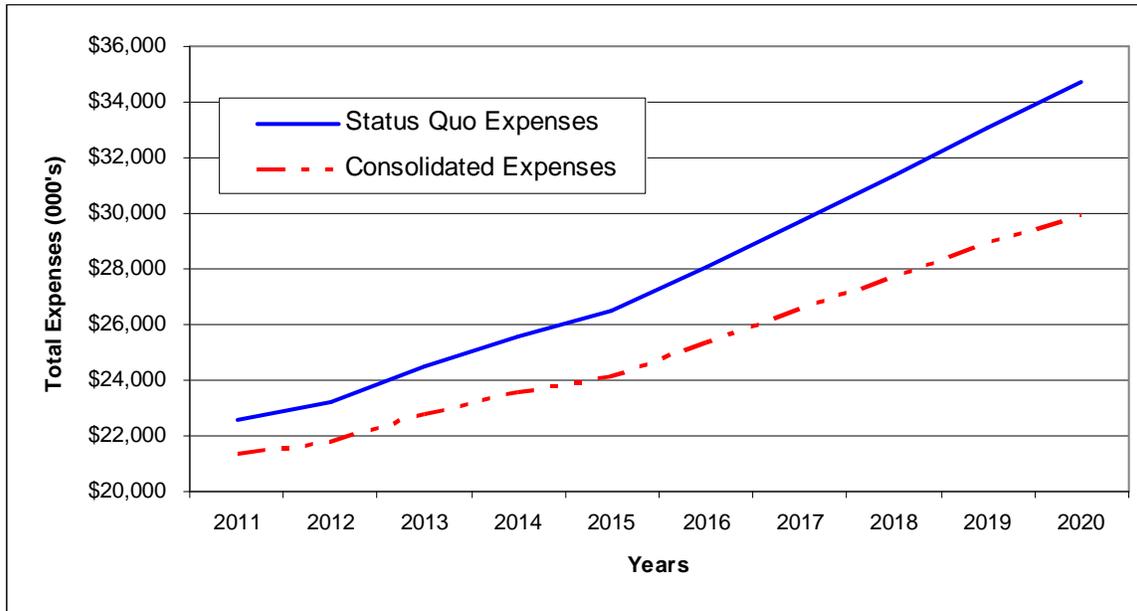
TABLE NO. 7
ANNUAL PERCENTAGE CHANGE TO THE TYPICAL RESIDENTIAL BILL

Community	Projected Rate Adjustments									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>Amherst</u>										
-Status Quo	5.3%	7.8%	5.8%	4.5%	3.7%	6.2%	6.1%	5.9%	5.8%	5.0%
-Consolidated	0.0%	0.1%	4.7%	3.3%	2.6%	4.9%	4.8%	4.6%	4.4%	3.4%
<u>Williamsville</u>										
-Status Quo	5.0%	6.6%	3.7%	4.1%	4.1%	4.1%	4.0%	4.0%	4.0%	4.0%
-Consolidated	0.0%	0.1%	4.7%	3.3%	2.6%	4.9%	4.8%	4.6%	4.4%	3.4%
<u>Clarence</u>										
-Status Quo	0.0%	3.5%	3.5%	3.5%	3.6%	3.5%	3.4%	3.4%	3.4%	3.4%
-Consolidated	0.0%	0.1%	4.7%	3.3%	2.6%	4.9%	4.8%	4.6%	4.4%	3.4%
<u>ECSD No. 5</u>										
-Status Quo	0.0%	4.1%	4.5%	4.6%	4.5%	4.5%	4.6%	4.4%	4.4%	4.4%
-Consolidated	0.0%	0.1%	4.7%	3.3%	2.6%	4.9%	4.8%	4.6%	4.4%	3.4%

Note – all percentages rounded to the nearest 10th. Refer to Appendix H for calculations.

This table shows that system costs would increase under both Status Quo and Consolidated scenarios. These costs increases would be allocated to the participant communities through rate increases. As described above, the increases in rates is slower under a Consolidated scenario than the Status Quo scenario. Figure No. 3 below illustrates this concept by comparing the total increase in expenses under the Status Quo and Consolidated scenarios. As can be seen in the figure, the total expense lines diverge over time, illustrating the slower increase in expenses under the Consolidated scenario.

Figure No. 3
 TOTAL COST COMPARISON STATUS QUO VS. CONSOLIDATED



It should be noted that in addition to charging wastewater rates and property tax levies to recover expenses, it is common for utilities to charge miscellaneous fees to offset rate adjustments to the residential bills. These miscellaneous revenues include tap fees, flow, and contaminant-based user fees, permitting, sewer flushing, etc. For this study, such revenues are insignificant for Williamsville, Clarence, and ECSD No. 5 and have no material impact on rates. However, the additional miscellaneous revenues Amherst receives each year are significant and are considered in this analysis. It is projected that these revenues would continue at approximately \$927,000 in 2011 and are projected to grow by 3 percent each year. As such, these projected revenues continue to offset the rate adjustments necessary to recover the total revenue requirements.

5.0 RESULTS AND CONCLUSIONS

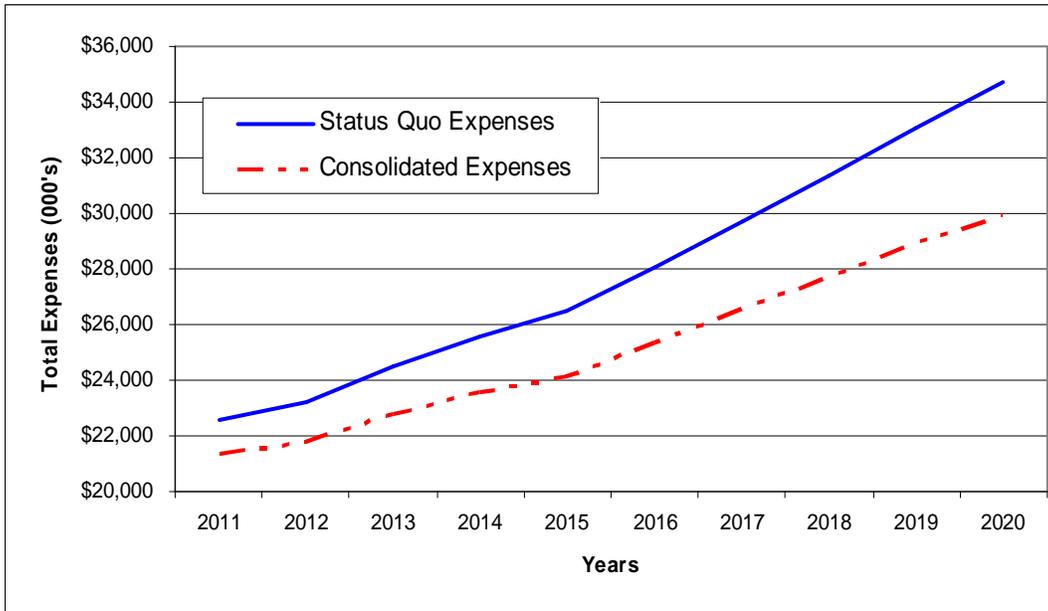
The detailed analysis performed for a Consolidated District showed the potential for savings beginning in Year 1. The projected savings is approximately 5.9 percent in Year 1 increasing to approximately 14.4 percent in Year 10. Table No. 8 provides a summary of the projected dollar and percentage savings over the 10-year analysis period.

TABLE NO. 8
PROJECTED ANNUAL SAVINGS SUMMARY

<i>Year</i>	<i>Total Savings (in dollars)</i>	<i>Total Savings (in percent)</i>
2011	\$1,328,000	5.9%
2012	\$1,573,000	6.8%
2013	\$1,845,000	7.5%
2014	\$2,191,000	8.6%
2015	\$2,540,000	9.6%
2016	\$2,938,000	10.4%
2017	\$3,371,000	11.3%
2018	\$3,837,000	12.2%
2019	\$4,381,000	13.2%
2020	\$5,014,000	14.4%

Figure No. 3 is repeated here to again show the cost savings over time if the Consolidated District is created. The savings is reflected in the gap between the two lines and is equivalent to the total savings column in Table No. 8 above.

Figure No. 3
 TOTAL COST COMPARISON STATUS QUO VS. CONSOLIDATED



Although allocated costs in Amherst and Williamsville are a significant source of savings, they would still be an expense to the community under the general fund. In Amherst allocated costs potentially moved to the projected 2011 general fund, would be approximately 3.2 percent of general fund and 1.8 percent of projected 2011 total budget (not including sewer fund). In Williamsville, allocated costs included DPW personnel and benefit costs, as well as other costs such as administrative support. The allocated funds could add up to \$346,000 to the general fund or 7.8 percent in Year 1. The analysis projects that savings from the consolidation would make up for the transfer of allocated expenses to the general funds of Amherst and Williamsville by Year 7, assuming that the costs associated with allocated expenses remain the same even with the loss of workload associated with assisting sanitary sewer services.

In Phase 1 it was assumed that staffing under a Consolidated scenario would be similar to that required by a theoretical Comparison utility used in the Phase 1 analysis. However, they were not similar. Detailed analysis was performed and wastewater treatment plant staffing guidelines, based on results from a survey performed by the New England Interstate Water Pollution Control Commission, were used to estimate the staff needed for the new district. The differences between the Phase 1 Comparison utility and Phase 2 budget based cost projections can be attributed to differing operational requirements and the operating environment in the northeastern United States.

A proposed staffing transition plan had to be developed for the proposed DSM managed district. Amherst and DSM personnel worked in conjunction with CRA to review existing staffing requirements and develop a proposed staffing plan and transition assumptions for the Consolidated scenario. The proposed staffing transition plan was initially based on the 2008 Amherst organization charts and the current FTE information for Williamsville, Clarence and ECSD No. 5. Based on this starting point, it was assumed, for the purposes of the financial analysis, that a total of 16 FTEs would be added to staff the Consolidated District. These staff would consist of vacant positions filled and extra crews for operations and maintenance of the new district. This would amount to an increase in staffing of approximately 19 percent above the staffing level currently used to operate and maintain the current facilities and systems. This was a conservative approach to ensure that the financial analyses did not overstate the potential savings. Furthermore, although costs increase for the first 3 years, savings is realized by Year 4 and increases to 6 percent by Year 10.

Based on results presented, there is the potential for savings by consolidating the districts. These savings can be attributed primarily to personnel changes and the reallocation of administrative and other allocated expenses, and post-retirement benefits from the sewer funds to the general funds. However, the reallocation may be a significant obstacle in the implementation of this consolidation. Nevertheless, the calculated projections anticipate that the savings to the individual customer over the long term would exceed the allocated expenses that may be paid for out of the communities' general funds. It is recommended that these results be presented to the respective boards to allow them to make an informed decision regarding moving forward with this proposed consolidation.

6.0 DRAFT FEASIBILITY REPORT - REVIEW AND COMMENTS

The Draft Feasibility report was issued for review by the Sanitary Sewer Merger Steering Committee members from the participant communities on May 18, 2010. Each participant was asked to issue comments on the Draft Feasibility report, which were summarized and submitted to CRA prior to a review meeting held on September 2, 2010. At this meeting CRA presented a summary of the draft report and specifically addressed technical comments previously transmitted by the Steering Committee. Following the presentation of the draft report, there was significant discussion addressing a number of other less technical, but potentially more critical issues, that were raised. The minutes from this meeting are included in Appendix I.

The scope of services for this report (as defined by the Steering Committee) was to evaluate the financial impacts of a merger of sanitary sewer services; therefore, some of the issues brought forth during the meeting discussions were deferred to future Steering Committee meetings. The two remaining issues of primary concern that directly impacted the financial analyses were: the amount of expenses that may be transferred to the respective general funds (including retiree costs), and the conservative approach taken in the financial analysis of increasing staffing by 16 employees in the consolidated entity.

Of these two, the most important appeared to be the transfer of general/administrative expenses from the respective sewer funds to the general funds. As noted in Section 4.2.7 of the report, the transfer of these expenses could have an impact on savings to the consolidated system customers due to the loss of revenue from the respective sewer funds and the subsequent increase in the general fund taxes to offset the loss. During the review meeting it was agreed that it will be incumbent upon the participants to review the impacts to their general fund budgets when determining the benefits of consolidation to their ratepayers. Some Steering Committee members indicated that, due to the loss of workload that a merger of sanitary sewer services would bring about, certain positions, over time, may be able to be eliminated through attrition to offset the potential general fund impact. Other Steering Committee members stated that they did not see how the loss of revenue from the sewer fund could be made up. There may be options such as transferring general/administrative positions from the municipalities to the County to assist with the increased workload associated with a merger of this magnitude. Furthermore, the allocation of retiree costs to either the respective general funds or to the consolidated entity could be a part of further discussions regarding implementation of the merger.

The second major concern of the participants was that the addition of 16 employees to a consolidated entity due to the filling of vacancies and transfer of county personnel was too conservative for the analysis. Since this was a financial analysis to determine the potential for savings under a merger, CRA attempted to be conservative in all assumptions so as to not overinflate the savings projections, but also have a reasonable basis for them. This assumption was based on the existing organizational structure of the current operations including vacancies in the participant communities, and research of staffing levels in similarly situated sewer systems in the Northeast United States. It is anticipated that if a merger is instituted, on Day One the staffing levels would likely be the same as current operations. It would then be incumbent upon the DSM to analyze the staffing in the context of its regional operations and ascertain if the filling of vacancies is warranted. The inclusion of the 16 full-time equivalents is a “worst-case” scenario, but keeping the positions in the financial calculations prevents the argument that the analyses were skewed in favor of the merger by not including previously filled jobs. In short, if the merger is implemented, staffing requirements would be at the levels needed to operate the consolidated system and may not match the conservative levels set for the financial analysis.

Based on the September 2, 2010 meeting and the comments discussed, all participants were asked to submit any additional concerns they may have that might not have been addressed sufficiently during the review meeting. These additional comments and all comments received from the Draft Feasibility Report review are included in Appendix J.

This financial analysis has been a first step in the determination of the feasibility of a merger of the participant sanitary sewer systems. When the scope of this study was developed by the Steering Committee, it was determined that the savings potential of a DSM-run system would need to be quantified before the important non-financial issues were addressed (i.e. do not focus on these non-financial issues before knowing if the merger makes sense monetarily). If the participants agree to move forward with the merger, operational, personnel, and funding issues would need to be concentrated on. The manner in which these issues are addressed would be the next step in the merger process and subsequent Steering Committee meetings.

APPENDIX A

PROJECTED COMPARISON SUMMARY OF STATUS QUO VS. CONSOLIDATED

The following spreadsheet is a summary of the Status Quo and Consolidated expenses for years 2007 through 2020. Years 2007 and 2008 are actual expenses and Years 2009 and 2010 are budget expenses that were provided by the respective municipalities. These 4 years were used to create a base year for every expense category. This base year was utilized to project expenses for both the Status Quo and Consolidated scenarios.

Under the Consolidated District Expenses, those expenses listed under each community as "Transferred Expenses" are those projected expenses assumed to continue in the consolidated district after implementation. They have been presented this way for simplicity. Under a consolidation they would be incurred by the new district and not by the individual community. Also shown are the new allocated expenses charged to the new district for services provided by Erie County Central Services and Erie County DISS.

The last two lines show the projected total savings and the projected total percentage saved in relation to the Status Quo scenario.

ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT

MERGER FEASIBILITY STUDY
AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5

Projected Comparison Summary of Status Quo vs. Consolidated

	Actual		Budget		Projected									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Status Quo Expenses														
Amherst	\$ 18,143,317	\$ 19,293,484	\$ 20,038,807	\$ 20,138,386	\$ 20,951,857	\$ 21,510,574	\$ 22,705,021	\$ 23,695,483	\$ 24,558,980	\$ 26,019,517	\$ 27,542,968	\$ 29,104,138	\$ 30,727,141	\$ 32,225,761
Clarence	129,082	134,971	159,374	154,263	223,604	233,461	243,644	254,150	265,839	277,059	288,647	300,613	312,970	325,728
ECDEP District No. 5	785,214	883,483	1,056,746	1,079,000	1,048,837	1,092,053	1,146,650	1,204,434	1,262,895	1,324,052	1,392,179	1,458,982	1,528,936	1,601,060
Williamsville	599,656	297,763	342,515	338,382	367,429	413,502	432,901	457,608	483,411	510,369	538,542	567,999	598,808	631,045
Total Projected Expenses	\$ 19,657,270	\$ 20,609,701	\$ 21,597,442	\$ 21,710,031	\$ 22,591,726	\$ 23,249,589	\$ 24,528,216	\$ 25,611,675	\$ 26,571,125	\$ 28,130,997	\$ 29,762,336	\$ 31,431,731	\$ 33,167,855	\$ 34,783,595
Consolidated District Expenses														
Transferred Expenses from:														
Amherst	\$ 18,143,317	\$ 19,293,484	\$ 20,038,807	\$ 20,138,386	\$ 10,630,808	\$ 10,674,727	\$ 11,323,590	\$ 11,735,584	\$ 11,985,477	\$ 12,794,860	\$ 13,627,009	\$ 14,453,943	\$ 15,296,781	\$ 15,966,091
Clarence	129,082	134,971	159,374	154,263	221,544	231,339	241,458	251,899	263,520	274,671	286,187	298,079	310,360	323,041
ECDEP District No. 5	785,214	883,483	1,056,746	1,079,000	459,207	478,889	509,013	541,346	573,340	606,973	646,476	683,512	722,511	762,444
Williamsville	599,656	297,763	342,515	338,382	72,090	104,760	110,050	119,899	130,049	140,510	151,291	162,402	173,854	185,657
New Allocated Expenses:														
Erie County Allocated Central Services (for projected)	-	-	-	-	2,144,000	2,231,000	2,321,000	2,415,000	2,513,000	2,615,000	2,721,000	2,832,000	2,947,000	3,067,000
Erie County Allocated DISS (for projected)	-	-	-	-	243,600	253,400	263,600	274,200	285,200	296,700	308,600	321,000	333,900	347,300
Projected Personnel Exp. (Field and WWTP)	\$ -	\$ -	\$ -	\$ -	\$ 5,062,550	\$ 5,204,436	\$ 5,347,833	\$ 5,461,810	\$ 5,595,574	\$ 5,720,692	\$ 5,847,006	\$ 5,978,000	\$ 6,085,890	\$ 6,165,675
Projected Personnel Benefits	-	-	-	-	\$ 2,430,339	\$ 2,498,288	\$ 2,566,913	\$ 2,620,857	\$ 2,684,544	\$ 2,743,858	\$ 2,803,682	\$ 2,865,743	\$ 2,916,245	\$ 2,952,705
Total Projected Expenses	\$ 19,657,270	\$ 20,609,701	\$ 21,597,442	\$ 21,710,031	\$ 21,264,137	\$ 21,676,839	\$ 22,683,458	\$ 23,420,594	\$ 24,030,706	\$ 25,193,263	\$ 26,391,251	\$ 27,594,679	\$ 28,786,541	\$ 29,769,911
Total Projected Savings (Loss) from Merger	\$ -	\$ -	\$ -	\$ -	\$ 1,328,000	\$ 1,573,000	\$ 1,845,000	\$ 2,191,000	\$ 2,540,000	\$ 2,938,000	\$ 3,371,000	\$ 3,837,000	\$ 4,381,000	\$ 5,014,000
Total Savings (Loss) Percentage from Merger	0.00%	0.00%	0.00%	0.00%	5.88%	6.77%	7.52%	8.55%	9.56%	10.44%	11.33%	12.21%	13.21%	14.41%

APPENDIX B

PROJECTED CONSOLIDATED EXPENSES AS CONTRIBUTED FROM EACH COMMUNITY

This appendix contains a summary of projected expenses and the associated supporting detail for a consolidated scenario. They have been presented under each participant for simplicity of calculation and presentation and, in reality, would be incurred by the new district and not by the individual community.

The summary sheets "roll up" all the expenses into similar categories to allow for easy comparison between the participants. Years 2007 and 2008 are actual expenses and Years 2009 and 2010 are budget expenses that were provided by the respective municipalities. The base year was determined based on these 4 years. The base year value and the inflation factors used for projecting the Consolidated District expenses are also shown in the supporting detail.

Of specific note is the presentation of existing and proposed debt service. Debt service is shown as two separate line items on the attached summary spreadsheets: existing debt service and proposed incremental debt service. Existing debt service is that debt incurred prior to the start of the analysis, while proposed incremental debt service is that projected as part of the financial analysis. If all existing debt is retired during the analysis period, this line shows a zero value and the proposed incremental debt service line would account for new debt.

**ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT**

**MERGER FEASIBILITY STUDY
AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5**

Summary- Amherst

	<i>Actual</i>				<i>Projections of Expenses Contributed to Consolidated District</i>									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operations & Maintenance														
Plant O&M														
Personnel Expenses	\$ 2,965,360	\$ 2,992,747	\$ 2,870,840	\$ 3,192,032	\$ 154,500	\$ 159,135	\$ 163,909	\$ 168,826	\$ 173,891	\$ 179,108	\$ 184,481	\$ 190,016	\$ 195,716	\$ 201,587
Benefits allocated to plant	1,312,329	1,110,993	1,124,521	1,735,850	-	-	-	-	-	-	-	-	-	-
Total Plant O&M Expenses	\$ 8,665,040	\$ 8,423,620	\$ 8,676,103	\$ 9,414,862	\$ 4,835,281	\$ 5,037,980	\$ 5,249,642	\$ 5,470,680	\$ 5,701,527	\$ 5,942,636	\$ 6,194,481	\$ 6,457,559	\$ 6,732,392	\$ 7,019,526
			3%	9%										
Pretreatment O&M														
Personnel Expenses	\$ 343,124	\$ 390,950	\$ 127,486	\$ 137,229	\$ 146,775	\$ 151,178	\$ 155,714	\$ 160,385	\$ 165,197	\$ 170,152	\$ 175,257	\$ 180,515	\$ 185,930	\$ 191,508
Benefits	44,868	81,539	84,566	52,538	75,148	81,139	87,609	94,596	102,141	110,289	119,089	128,591	138,853	149,935
Materials/ Chemicals/ Equipment/ Operations	36,795	57,612	11,979	13,215	22,964	23,653	24,362	25,093	25,846	26,621	27,420	28,243	29,090	29,963
Professional & Contract Services	34,563	17,949	19,353	19,000	13,596	14,004	14,424	14,857	15,302	15,761	16,234	16,721	17,223	17,740
Total Pretreatment O&M Expenses	\$ 459,350	\$ 548,050	\$ 243,383	\$ 221,983	\$ 258,483	\$ 269,974	\$ 282,109	\$ 294,931	\$ 308,486	\$ 322,825	\$ 338,000	\$ 354,070	\$ 371,096	\$ 389,146
Field Services O&M														
Personnel Expenses	\$ 1,665,555	\$ 1,727,093	\$ 1,585,077	\$ 1,478,994	\$ 64,890	\$ 66,837	\$ 68,842	\$ 70,907	\$ 73,034	\$ 75,225	\$ 77,482	\$ 79,807	\$ 82,201	\$ 84,667
Benefits allocated to field from plant	69,070	58,473	59,185	91,361	-	-	-	-	-	-	-	-	-	-
Benefits	306,151	714,262	1,338,633	1,173,059	-	-	-	-	-	-	-	-	-	-
Materials/ Chemicals/ Equipment/ Operations	342,149	352,333	390,254	344,782	320,189	330,771	341,719	353,048	364,769	376,899	389,453	402,445	415,892	429,812
Total Field Services O&M Expenses	\$ 3,008,959	\$ 3,434,137	\$ 3,966,883	\$ 3,721,295	\$ 1,025,529	\$ 1,058,132	\$ 1,091,806	\$ 1,126,586	\$ 1,162,510	\$ 1,199,619	\$ 1,237,953	\$ 1,277,554	\$ 1,318,466	\$ 1,360,735
Total O&M Expenses	\$ 12,133,349	\$ 12,405,808	\$ 12,886,369	\$ 13,358,140	\$ 6,119,292	\$ 6,366,086	\$ 6,623,557	\$ 6,892,197	\$ 7,172,523	\$ 7,465,079	\$ 7,770,433	\$ 8,089,183	\$ 8,421,954	\$ 8,769,406
Non-Operating Expenses														
Capital Expenses	\$ 195,000	\$ 418,663	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Existing Debt Service	3,592,430	4,016,011	4,206,865	4,089,261	3,164,403	2,500,861	2,417,912	2,072,841	1,539,479	1,538,439	1,531,983	1,491,072	1,435,725	1,175,363
Proposed Incremental Debt Service	-	-	-	-	217,409	658,749	1,113,330	1,581,547	2,063,812	2,560,544	3,072,178	3,599,161	4,141,954	4,701,031
Contingency	-	-	543,000	717,500	728,210	735,492	742,847	750,275	757,778	765,356	773,010	780,740	788,547	796,433
Coverage Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Expenses	\$ 3,787,430	\$ 4,434,674	\$ 4,749,865	\$ 4,806,761	\$ 4,110,022	\$ 3,895,102	\$ 4,274,089	\$ 4,404,664	\$ 4,361,069	\$ 4,864,339	\$ 5,377,171	\$ 5,870,973	\$ 6,366,226	\$ 6,672,826
Allocated Expenses & General Admin														
Other Allocated Expenses	\$ -	\$ 110,000	\$ 121,614	\$ 121,614	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	582,000	582,000	276,450	-	226,394	233,186	240,181	247,387	254,808	262,453	270,326	278,436	286,789	295,393
Property Taxes	128,388	133,182	145,000	170,000	175,100	180,353	185,764	191,336	197,077	202,989	209,079	215,351	221,811	228,466
CIP Taxes	-	-	189,600	-	-	-	-	-	-	-	-	-	-	-
Councilmembers	64,446	66,575	71,806	72,321	-	-	-	-	-	-	-	-	-	-
Finance/ Comptroller	215,822	201,036	237,962	239,667	-	-	-	-	-	-	-	-	-	-
Supervisor	47,004	49,135	52,639	53,016	-	-	-	-	-	-	-	-	-	-
Assessor	171,680	243,226	200,389	201,825	-	-	-	-	-	-	-	-	-	-
Auditor	30,000	33,379	33,215	33,453	-	-	-	-	-	-	-	-	-	-
Emergency Services	67,797	76,500	75,146	75,684	-	-	-	-	-	-	-	-	-	-
Personnel/ Administrative	90,333	94,724	98,525	99,231	-	-	-	-	-	-	-	-	-	-
Town Attorney	55,368	67,354	61,787	62,229	-	-	-	-	-	-	-	-	-	-
Engineering	327,541	365,719	367,381	370,013	-	-	-	-	-	-	-	-	-	-
Central Phone	86,929	69,441	96,855	97,549	-	-	-	-	-	-	-	-	-	-
Building Maintenance	85,265	87,461	93,515	94,185	-	-	-	-	-	-	-	-	-	-
Central Data Processing/ Computer Services	120,919	117,856	113,554	114,367	-	-	-	-	-	-	-	-	-	-
Highway Office	72,615	73,115	83,638	84,237	-	-	-	-	-	-	-	-	-	-
Town Clerk/ Tax Receiver	76,430	82,299	83,496	84,094	-	-	-	-	-	-	-	-	-	-
Total Allocated Expenses	\$ 2,222,538	\$ 2,453,002	\$ 2,402,572	\$ 1,973,485	\$ 401,494	\$ 413,539	\$ 425,945	\$ 438,723	\$ 451,885	\$ 465,442	\$ 479,405	\$ 493,787	\$ 508,601	\$ 523,859
Total Actual/Budgetary Expenses	\$ 18,143,317	\$ 19,293,484	\$ 20,038,807	\$ 20,138,386	\$ 10,630,808	\$ 10,674,727	\$ 11,323,590	\$ 11,735,584	\$ 11,985,477	\$ 12,794,860	\$ 13,627,009	\$ 14,453,943	\$ 15,296,781	\$ 15,966,091

Amherst Budget - Expenses

SEWER FUND

Contingent Account

Item Code	Item Description	Actual				Budget		Projections of Expenses Contributed to Consolidated District										
		2007	2008	2009	2010	Base Year Projection	Inflation Factor	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
4040	Travel	\$ -	\$ -	\$ -	\$ -	\$ -	3%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9001	Contingent	-	-	87,000	109,000	110,000	1%	111,100	112,211	113,333	114,466	115,611	116,767	117,935	119,114	120,305	121,508	
9016	Contingent	-	-	87,000	109,000	110,000	1%	111,100	112,211	113,333	114,466	115,611	116,767	117,935	119,114	120,305	121,508	
9916	Contingent	-	-	355,000	479,000	480,000	1%	484,800	489,648	494,544	499,490	504,485	509,530	514,625	519,771	524,969	530,219	
9999	Contingent	-	-	14,000	20,500	21,000	1%	21,210	21,422	21,636	21,853	22,071	22,292	22,515	22,740	22,967	23,197	
	Contingent Expenses	\$ -	\$ -	\$ 543,000	\$ 717,500			\$ 728,210	\$ 735,492	\$ 742,847	\$ 750,275	\$ 757,778	\$ 765,356	\$ 773,010	\$ 780,740	\$ 788,547	\$ 796,433	

Sanitary Sewer District 1 and Extension

Item Code	Item Description	Actual				Budget		Projections of Expenses Contributed to Consolidated District										
		2007	2008	2009	2010	Base Year Projection	Inflation Factor	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
1000	Personnel Services	\$ 781,186	\$ 758,840	\$ 749,570	\$ 695,522	\$ 695,000	3%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1200	Overtime	33,905	39,791	26,858	30,000	30,000	3%	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317	
1300	Longevity	16,375	16,325	15,625	13,975	16,500	3%	-	-	-	-	-	-	-	-	-	-	-
1400	Vacation Buyback	1,588	1,078	485	-	1,000	3%	-	-	-	-	-	-	-	-	-	-	-
1600	Retro-Pay	92	47,480	-	-	-	0%	-	-	-	-	-	-	-	-	-	-	-
170-02	OT Debris- Town Costs	-	-	-	-	-	0%	-	-	-	-	-	-	-	-	-	-	-
170-06	OT Lift Stations	-	-	-	-	-	0%	-	-	-	-	-	-	-	-	-	-	-
170-07	OT Basement Flooding	-	-	-	-	-	0%	-	-	-	-	-	-	-	-	-	-	-
170-09	OT EOC Emergency Oper. Cen.	-	-	-	-	-	0%	-	-	-	-	-	-	-	-	-	-	-
1800	Clothing	5,485	5,404	5,213	5,893	6,000	3%	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063	
1850	Lump Sum- Retirement	-	5,051	18,967	-	8,500	3%	-	-	-	-	-	-	-	-	-	-	-
1853	Sick Leave Incentive	1,928	1,264	1,841	1,900	1,900	3%	-	-	-	-	-	-	-	-	-	-	-
2130	Computer Equipment	1,302	1,212	-	1,000	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	
2150	Building Improve. & Equipment	499	1,806	950	5,000	5,000	3%	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720	
2250	Trucks, Tractors, Trailers	-	-	-	-	2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688	
2300	Other Motorized Equipment	1,920	476	6,700	3,200	2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688	
2550	Other Specialized Equipment	13,786	6,214	8,350	8,000	5,000	3%	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720	
2600	Other Equipment	2,803	1,552	-	3,500	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	
4010	Office Supplies (Dues & Sub)	1,164	2,039	1,725	1,300	2,000	3%	-	-	-	-	-	-	-	-	-	-	-
4020	Postage & Freight	10	91	400	100	200	3%	-	-	-	-	-	-	-	-	-	-	-
4025	Print/ Adv/Lease	1,604	2,547	1,500	1,200	1,500	3%	-	-	-	-	-	-	-	-	-	-	-
4030	Printing	-	-	-	-	500	3%	-	-	-	-	-	-	-	-	-	-	-
4040	Expenses/ Travel Reimbursement	157	-	200	200	200	3%	-	-	-	-	-	-	-	-	-	-	-
4050	Mileage & Travel	9	63	150	150	150	3%	155	159	164	169	174	179	184	190	196	202	
4060	Telephone	6,614	6,142	7,500	3,900	5,000	5%	5,250	5,513	5,788	6,078	6,381	6,700	7,036	7,387	7,757	8,144	
4070	Utilities	16,167	19,196	17,000	15,650	16,000	5%	16,800	17,640	18,522	19,448	20,421	21,442	22,514	23,639	24,821	26,062	
4080	Dues and Subscriptions	-	184	75	85	100	3%	-	-	-	-	-	-	-	-	-	-	-
4090	Professional Services	26,550	23,094	28,934	30,000	35,000	3%	36,050	37,132	38,245	39,393	40,575	41,792	43,046	44,337	45,667	47,037	
4110	Contractual Services	255,672	266,009	260,000	270,000	260,000	3%	267,800	275,834	284,109	292,632	301,411	310,454	319,767	329,360	339,241	349,418	
4120	Training & Education Expenses	1,372	1,488	1,500	900	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	
4160	Physical Exam & Blood Test	381	835	800	750	800	3%	824	849	874	900	927	955	984	1,013	1,044	1,075	
4190	Tax Refunds (Erie County)	3,726	559	1,841	15,986	4,000	3%	-	-	-	-	-	-	-	-	-	-	-
4220	Building & Grounds	11,819	11,672	12,000	12,000	10,000	3%	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	
4230	Passenger Vehicles	2,206	1,452	2,200	1,500	1,500	3%	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016	
4240	Trucks, Tractors, Equipment	23,424	21,132	17,000	25,000	23,000	3%	23,690	24,401	25,133	25,887	26,663	27,463	28,287	29,136	30,010	30,910	
4280	R&M Public Safety Equipment	1,747	2,152	2,400	1,900	1,500	3%	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016	
4300	Specialized Equipment	14,433	19,530	17,500	14,000	11,500	3%	11,845	12,200	12,566	12,943	13,332	13,732	14,144	14,568	15,005	15,455	
4310	Gas & Oil	26,032	35,484	30,000	16,500	30,000	5%	31,500	33,075	34,729	36,465	38,288	40,203	42,213	44,324	46,540	48,867	
4320	M&S Auto Parts & Accessories	9,584	8,652	10,000	9,700	10,000	3%	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	
4330	Resurfacing Materials	-	-	750	1,000	800	3%	824	849	874	900	927	955	984	1,013	1,044	1,075	
4340	Landscaping Materials	2,172	2,032	2,000	2,000	2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688	
4350	Chemicals	451	57	500	500	750	3%	773	796	820	844	869	896	922	950	979	1,008	
4410	Public Safety & Medical Equipment	2,279	3,110	2,500	2,400	3,000	3%	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	
4420	Uniforms & Shoes	-	8	350	-	100	3%	103	106	109	113	116	119	123	127	130	134	
4430	Rnge, Photo, Sewer Pipe Sup	42,488	31,050	36,750	37,000	42,000	3%	43,260	44,558	45,895	47,271	48,690	50,150	51,655	53,204	54,800	56,444	
4450	Small Tools	3,999	8,433	6,000	4,000	3,000	3%	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	
4520	Drug & A.	-	-	-	-	500	3%	515	530	546	563	580	597	615	633	652	672	
4930	Liability Insurance Costs	181,000	181,000	85,975	-	181,000	3%	-	-	-	-	-	-	-	-	-	-	-

496-02	Debris- Town Costs	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	-	-
496-06	Lift Stations	-	-	-	-	100	3%	103	106	109	113	116	119	123	127	130	134		
496-07	Basement Flooding	-	-	-	-	200	3%	206	212	219	225	232	239	246	253	261	269		
6010	Principal on Bonds	280,701	317,637	319,576	326,686	-		-	-	-	-	-	-	-	-	-	-	-	-
7010	Interest on Bonds	82,266	82,208	101,101	138,544	-		-	-	-	-	-	-	-	-	-	-	-	-
8010	St. Retirement- Town	80,000	75,891	65,500	101,000	100,000	8%	-	-	-	-	-	-	-	-	-	-	-	-
8030	Social Security	63,927	66,523	62,647	57,168	60,000	8%	-	-	-	-	-	-	-	-	-	-	-	-
8040	Workmen's Compensation	6,210	6,210	-	-	21,000	8%	-	-	-	-	-	-	-	-	-	-	-	-
8050	Hospital & Medical Insurance	-	67,891	179,232	163,039	165,000	8%	-	-	-	-	-	-	-	-	-	-	-	-
8051	Dental	-	10,441	12,720	21,500	22,000	8%	-	-	-	-	-	-	-	-	-	-	-	-
8052	Vision	-	764	1,835	1,600	1,600	8%	-	-	-	-	-	-	-	-	-	-	-	-
8053	Retiree Health Ins	-	123,106	326,449	240,318	245,000	8%	-	-	-	-	-	-	-	-	-	-	-	-
8054	MCR Reimbursement	-	-	-	-	-	8%	-	-	-	-	-	-	-	-	-	-	-	-
9000	Interfund Transfers	429,442	639,375	243,500	252,375	-	4%	-	-	-	-	-	-	-	-	-	-	-	-
9100	CIP-Taxes	-	-	189,600	-	-	0%	-	-	-	-	-	-	-	-	-	-	-	-
Sewer District 1 Expenses		\$ 2,438,475	\$ 2,924,546	\$ 2,884,268	\$ 2,537,941			526,217	543,075	560,491	578,487	597,081	616,295	636,151	656,671	677,878	699,797		

Sanitary Sewer District 16

Item Code	Item Description	Actual				Budget		Projections of Expenses Contributed to Consolidated District												
		2007	2008	2009	2010	Base Year Projection	Inflation Factor	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020			
1000	Personnel Services	\$ 780,518	\$ 759,248	\$ 749,570	\$ 695,522	\$ 695,000	3%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1200	Overtime	33,836	40,167	26,858	30,000	33,000	3%	33,990	35,010	36,060	37,142	38,256	39,404	40,586	41,803	43,058	44,349			
1300	Longevity	16,375	16,325	15,625	13,975	14,000	3%	-	-	-	-	-	-	-	-	-	-	-	-	
1400	Vacation Buyback	1,588	-	485	-	1,000	3%	-	-	-	-	-	-	-	-	-	-	-	-	
1600	Retro-Pay	92	47,840	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	-	-	
170-02	OT Debris- Town Costs	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	-	-	
170-06	OT Lift Stations	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	-	-	
170-07	OT Basement Flooding	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	-	-	
170-09	OT EOC Emergency Oper. Cen.	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	-	-	
1800	Clothing	5,485	5,404	4,813	5,893	5,500	3%	5,665	5,835	6,010	6,190	6,376	6,567	6,764	6,967	7,176	7,392			
1850	Lump Sum- Retirement	-	5,051	18,967	-	8,500	3%	-	-	-	-	-	-	-	-	-	-	-	-	
1853	Sick Leave Incentive	1,928	1,357	1,841	1,900	1,400	3%	-	-	-	-	-	-	-	-	-	-	-	-	
2130	Computer Equipment	1,302	1,212	-	1,000	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344			
2150	Building Improve. & Equipment	499	1,806	950	5,000	5,000	3%	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720			
2250	Trucks, Tractors, Trailers	-	-	-	-	2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688			
2300	Other Motorized Equipment	1,920	476	6,800	3,200	2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688			
2550	Other Specialized Equipment	2,886	6,214	8,350	8,000	5,000	3%	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720			
2600	Other Equipment	2,803	1,552	-	3,500	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344			
4010	Office Supplies (Dues & Sub)	1,823	2,054	1,725	1,300	1,500	3%	-	-	-	-	-	-	-	-	-	-	-	-	
4020	Postage & Freight	10	91	400	100	200	3%	-	-	-	-	-	-	-	-	-	-	-	-	
4025	Print/ Adv/Lease	1,604	2,547	1,500	1,200	1,300	3%	-	-	-	-	-	-	-	-	-	-	-	-	
4030	Printing	-	-	-	-	500	3%	-	-	-	-	-	-	-	-	-	-	-	-	
4040	Expenses/ Travel Reimbursement	157	-	200	200	200	3%	-	-	-	-	-	-	-	-	-	-	-	-	
4050	Mileage & Travel	10	134	150	150	150	3%	155	159	164	169	174	179	184	190	196	202			
4060	Telephone	7,556	6,142	7,500	3,900	4,000	5%	4,200	4,410	4,631	4,862	5,105	5,360	5,628	5,910	6,205	6,516			
4070	Utilities	16,167	19,195	17,000	15,650	16,000	5%	16,800	17,640	18,522	19,448	20,421	21,442	22,514	23,639	24,821	26,062			
4080	Dues and Subscriptions	-	113	75	85	100	3%	-	-	-	-	-	-	-	-	-	-	-	-	
4090	Professional Services	17,652	10,705	5,800	24,000	25,000	3%	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619	33,598			
4110	Contractual Services	279,656	231,493	250,000	270,000	260,000	3%	267,800	275,834	284,109	292,632	301,411	310,454	319,767	329,360	339,241	349,418			
4120	Training & Education Expenses	1,372	1,756	1,500	900	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344			
4160	Physical Exam & Blood Test	381	835	800	750	800	3%	824	849	874	900	927	955	984	1,013	1,044	1,075			
4190	Tax Refunds (Erie County)	7,759	4,767	54,488	11,241	10,000	3%	-	-	-	-	-	-	-	-	-	-	-	-	
4220	Building & Grounds	13,649	11,026	12,000	12,000	12,000	3%	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127			
4230	Passenger Vehicles	2,206	1,452	1,500	1,500	1,500	3%	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016			
4240	Trucks, Tractors, Equipment	23,424	23,677	17,000	25,000	23,750	3%	24,463	25,196	25,952	26,731	27,533	28,359	29,210	30,086	30,988	31,918			
4280	R&M Public Safety Equipment	1,747	2,152	2,400	1,900	1,400	3%	1,442	1,485	1,530	1,576	1,623	1,672	1,722	1,773	1,827	1,881			
4300	Specialized Equipment	14,210	19,530	17,500	14,000	10,000	3%	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439			
4310	Gas & Oil	26,032	35,484	30,000	16,500	16,500	5%	17,325	18,191	19,101	20,056	21,059	22,112	23,217	24,378	25,597	26,877			
4320	M&S Auto Parts & Accessories	9,584	8,652	10,000	9,700	9,500	3%	9,785	10,079	10,381	10,692	11,013	11,343	11,684	12,034	12,395	12,767			
4330	Resurfacing Materials	-	-	750	1,000	500	3%	515	530	546	563	580	597	615	633	652	672			
4340	Landscaping Materials	3,102	2,032	1,410	2,000	2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688			
4350	Chemicals	451	81	500	500	500	3%	515	530	546	563	580	597	615	633	652	672			
4410	Public Safety & Medical Equipment	2,279	3,110	2,500	2,400	2,500	3%	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360			
4420	Uniforms & Shoes	-	8	750	-	100	3%	103	106	109	113	116	119	123	127	130	134			
4430	Rnge, Photo, Sewer Pipe Sup	38,603	38,507	36,840	37,000	37,000	3%	38,110	39,253	40,431	41,644	42,893	44,180	45,505	46,870	48,277	49,725			
4450	Small Tools	3,999	8,433	6,000	4,000	4,500	3%	4,635	4,774	4,917	5,065	5,217	5,373	5,534	5,700	5,871	6,048			

4520	Drug & A.	-	-	-	-	750	3%	773	796	820	844	869	896	922	950	979	1,008
4930	Liability Insurance Costs	181,000	181,000	85,975	-	181,000	3%	-	-	-	-	-	-	-	-	-	-
496-02	Debris- Town Costs	-	-	-	-	10	3%	10	11	11	11	12	12	12	13	13	13
496-06	Lift Stations	-	-	-	-	100	3%	103	106	109	113	116	119	123	127	130	134
496-07	Basement Flooding	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-
6010	Principal on Bonds	636,857	618,697	518,541	517,072	-	-	-	-	-	-	-	-	-	-	-	-
7010	Interest on Bonds	177,327	153,920	161,388	120,811	-	-	-	-	-	-	-	-	-	-	-	-
8010	St. Retirement- Town	80,000	75,875	65,500	101,000	100,000	8%	-	-	-	-	-	-	-	-	-	-
8030	Social Security	63,878	66,514	62,647	57,177	58,000	8%	-	-	-	-	-	-	-	-	-	-
8040	Workmen's Compensation	8,280	8,250	-	-	5,000	8%	-	-	-	-	-	-	-	-	-	-
8050	Hospital & Medical Insurance	-	66,257	179,232	163,039	165,000	8%	-	-	-	-	-	-	-	-	-	-
8051	Dental	-	8,717	12,720	21,500	22,000	8%	-	-	-	-	-	-	-	-	-	-
8052	Vision	-	764	1,835	1,600	1,700	8%	-	-	-	-	-	-	-	-	-	-
8053	Retiree Health Insurance	-	124,337	326,700	240,318	240,000	8%	-	-	-	-	-	-	-	-	-	-
8054	MCR Reimbursement	-	-	-	-	-	8%	-	-	-	-	-	-	-	-	-	-
9000	Interfund Transfers	398,551	454,038	413,500	454,000	-	4%	-	-	-	-	-	-	-	-	-	-
Sewer District 16 Expenses		\$ 2,868,558	\$ 3,078,993	\$ 3,142,585	\$ 2,901,482			\$ 499,312	\$ 515,058	\$ 531,314	\$ 548,099	\$ 565,429	\$ 583,324	\$ 601,802	\$ 620,883	\$ 640,588	\$ 660,938

Disposal Plant 16

Item Code	Item Description	Actual				Base Year Projection	Inflation Factor	Projections of Expenses Contributed to Consolidated District											
		2007	2008	2009	2010			2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
1000	Personnel Services	\$ 2,730,573	\$ 2,516,035	\$ 2,799,090	\$ 2,983,427	\$ 2,980,000	3%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1200	Overtime	181,531	229,697	15,000	150,000	\$ 150,000	3%	154,500	159,135	163,909	168,826	173,891	179,108	184,481	190,016	195,716	201,587	201,587	201,587
1300	Longevity	49,850	53,300	56,750	57,500	\$ 55,000	3%	-	-	-	-	-	-	-	-	-	-	-	-
1400	Vacation Buyback	2,169	3,283	-	1,105	\$ 1,700	3%	-	-	-	-	-	-	-	-	-	-	-	-
1600	Retro Pay	1,237	190,432	-	-	\$ 10,000	3%	-	-	-	-	-	-	-	-	-	-	-	-
170-06	OT Lift Stations	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-	-	-
1800	Clothing	18,948	18,767	19,220	23,490	\$ 20,000	3%	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095	26,878	26,878	
1850	Lump Sum- Retirement	37,829	29,448	1,031	-	\$ 25,000	3%	-	-	-	-	-	-	-	-	-	-	-	-
1853	Sick Leave Incentive	4,393	4,389	6,000	7,500	\$ 7,500	3%	-	-	-	-	-	-	-	-	-	-	-	-
2130	Computer Equipment	-	6,285	-	5,400	\$ -	3%	-	-	-	-	-	-	-	-	-	-	-	-
2150	Building Improve. & Equipment	91,960	137,213	145,000	140,000	\$ 140,000	3%	144,200	148,526	152,982	157,571	162,298	167,167	172,182	177,348	182,668	188,148	188,148	
2250	Trucks, Tractors, Trailers	-	-	-	-	\$ 8,000	3%	8,240	8,487	8,742	9,004	9,274	9,552	9,839	10,134	10,438	10,751	10,751	
2600	Other Equipment	-	6,495	-	4,800	\$ 2,500	3%	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360	3,360	
4010	Office Supplies (Dues & Sub)	3,388	5,107	4,000	4,800	\$ 4,500	3%	4,635	4,774	4,917	5,065	5,217	5,373	5,534	5,700	5,871	6,048	6,048	
4020	Postage & Freight	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-	-	-
4025	Print/ Adv/Lease	2,913	5,246	3,000	3,000	\$ 3,000	3%	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	4,032	
4030	Printing	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-	-	-
4040	Expenses/ Travel Reimbursement	-	-	1,800	800	\$ 1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,344	
4050	Mileage & Travel	779	90	1,000	900	\$ 800	3%	824	849	874	900	927	955	984	1,013	1,044	1,075	1,075	
4060	Telephone	600	-	1,000	700	\$ 800	5%	840	882	926	972	1,021	1,072	1,126	1,182	1,241	1,303	1,303	
4070	Utilities	-	-	-	-	\$ -	5%	-	-	-	-	-	-	-	-	-	-	-	-
4090	Professional Services	106,908	54,597	60,000	60,000	\$ 60,000	3%	61,800	63,654	65,564	67,531	69,556	71,643	73,792	76,006	78,286	80,635	80,635	
4110	Contractual	-	116,156	80,000	60,000	\$ 60,000	3%	61,800	63,654	65,564	67,531	69,556	71,643	73,792	76,006	78,286	80,635	80,635	
4420	Uniforms & Shoes	-	-	5,055	-	\$ 800	3%	824	849	874	900	927	955	984	1,013	1,044	1,075	1,075	
4650	Property Tax- Disposal Plant	128,388	133,182	145,000	170,000	\$ 170,000	3%	175,100	180,353	185,764	191,336	197,077	202,989	209,079	215,351	221,811	228,466	228,466	
4700	Utilities- Gas	542,227	552,243	600,000	585,250	\$ 575,000	5%	603,750	633,938	665,634	698,916	733,862	770,555	809,083	849,537	892,014	936,614	936,614	
4710	Utilities- Electric	2,308,618	2,032,971	2,300,000	2,021,000	\$ 2,050,000	5%	2,152,500	2,260,125	2,373,131	2,491,788	2,616,377	2,747,196	2,884,556	3,028,784	3,180,223	3,339,234	3,339,234	
4730	Utilities- Telephone	8,853	1,481	8,000	-	\$ 8,000	5%	8,400	8,820	9,261	9,724	10,210	10,721	11,257	11,820	12,411	13,031	13,031	
4740	Utilities- Water	104,457	56,888	65,000	70,800	\$ 70,000	5%	73,500	77,175	81,034	85,085	89,340	93,807	98,497	103,422	108,593	114,023	114,023	
4800	Chemicals- Conditioning	277,431	211,537	272,662	237,037	\$ 238,000	3%	245,140	252,494	260,069	267,871	275,907	284,184	292,710	301,491	310,536	319,852	319,852	
4810	Chemicals- Dewatering	64,948	69,854	86,718	96,121	\$ 95,000	3%	97,850	100,786	103,809	106,923	110,131	113,435	116,838	120,343	123,953	127,672	127,672	
4820	Chemicals- Processing	35,690	38,522	53,948	57,382	\$ 57,000	3%	58,710	60,471	62,285	64,154	66,079	68,061	70,103	72,206	74,372	76,603	76,603	
4830	Chemicals- Deodorizing	19,944	14,880	22,960	24,640	\$ 25,000	3%	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619	33,598	33,598	
4850	Operator Training & Education	10,724	16,267	18,000	15,000	\$ 14,750	3%	15,193	15,648	16,118	16,601	17,099	17,612	18,141	18,685	19,245	19,823	19,823	
4860	Lab Supplies & Equipment	6,965	-	50,000	58,000	\$ 58,000	3%	59,740	61,532	63,378	65,280	67,238	69,255	71,333	73,473	75,677	77,947	77,947	
4870	Plant Safety Equipment	15,152	17,091	15,000	20,000	\$ 14,000	3%	14,420	14,853	15,298	15,757	16,230	16,717	17,218	17,735	18,267	18,815	18,815	
4900	Plant Contracts	84,379	88,000	35,000	50,000	\$ 60,000	3%	61,800	63,654	65,564	67,531	69,556	71,643	73,792	76,006	78,286	80,635	80,635	
4910	Plant Vehicle Repair	34,475	18,845	34,000	34,000	\$ 30,000	3%	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317	40,317	
4920	Repair/ Replace Fac. & Eq.	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-	-	-
4921	Repair/ Replace- Mechanical	117,490	150,422	129,932	150,000	\$ 150,000	3%	154,500	159,135	163,909	168,826	173,891	179,108	184,481	190,016	195,716	201,587	201,587	
4922	Repair/ Replace- Electrical	79,493	100,179	80,000	90,000	\$ 80,000	3%	82,400	84,872	87,418	90,041	92,742	95,524	98,390	101,342	104,382	107,513	107,513	
4923	Repair/ Replace- HVAC	60,247	62,618	50,000	50,000	\$ 45,000	3%	46,350	47,741	49,173	50,648	52,167	53,732	55,344	57,005	58,715	60,476	60,476	
4924	Repair/ Replace- Build & Grounds	14,529	22,226	18,000	20,000	\$ 16,000	3%	16,480	16,974	17,484	18,008	18,548	19,105	19,678	20,268	20,876	21,503	21,503	
4925	Repair/ Replace- Office	4,486	4,065	2,200	2,200	\$ 4,000	3%	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219	5,376	5,376	
4926	Repair/ Replace- Operations	6,347	8,988	8,000	8,000	\$ 14,000	3%	14,420	14,853	15,298	15,757	16,230	16,717	17,218	17,735	18,267	18,815	18,815	

4929	Repair/ Replace- Lift Station	44,015	47,692	83,647	75,000	\$ 75,000	3%	77,250	79,568	81,955	84,413	86,946	89,554	92,241	95,008	97,858	100,794
4930	Plant Insurance Costs	217,100	217,100	103,123	-	\$ 217,000	3%	223,510	230,215	237,122	244,235	251,562	259,109	266,883	274,889	283,136	291,630
4940	Gas & Oil Plant Vehicle	29,556	35,715	57,600	43,000	\$ 41,000	5%	43,050	45,203	47,463	49,836	52,328	54,944	57,691	60,576	63,604	66,785
4950	Plant Sludge Removal	177,549	246,109	220,000	275,661	\$ 270,000	3%	278,100	286,443	295,036	303,887	313,004	322,394	332,066	342,028	352,289	362,857
4960	Plant Service Agreement	114,280	173,332	150,000	200,000	\$ 200,000	3%	206,000	212,180	218,545	225,102	231,855	238,810	245,975	253,354	260,955	268,783
6000	Installment Debt Principal	313,558	329,276	344,869	361,200	\$ -		-	-	-	-	-	-	-	-	-	-
6010	Principal on Bonds	1,449,094	1,799,554	1,864,675	1,859,801	\$ -		-	-	-	-	-	-	-	-	-	-
7000	Installment Debt Interest	86,202	71,324	55,731	39,400	\$ -		-	-	-	-	-	-	-	-	-	-
7010	Interest on Bonds	566,425	643,395	840,985	725,747	\$ -		-	-	-	-	-	-	-	-	-	-
8010	St. Retirement- Town	380,000	246,232	267,000	445,000	\$ 420,000	8%	-	-	-	-	-	-	-	-	-	-
8030	Social Security	230,642	239,671	247,481	246,561	\$ 240,000	8%	-	-	-	-	-	-	-	-	-	-
8040	Workmen's Compensation	24,840	24,840	-	-	\$ 30,000	8%	-	-	-	-	-	-	-	-	-	-
8050	Hospital & Medical Insurance	624,199	422,540	240,896	584,302	\$ 675,000	8%	-	-	-	-	-	-	-	-	-	-
8051	Dental	66,696	56,977	53,606	52,000	\$ 50,000	8%	-	-	-	-	-	-	-	-	-	-
8052	Vision	12,800	10,031	6,168	6,500	\$ 14,000	8%	-	-	-	-	-	-	-	-	-	-
8053	Retiree Health Insurance	-	135,338	361,524	485,347	\$ 490,000	8%	-	-	-	-	-	-	-	-	-	-
8060	Unemployment Insurance	-	-	-	-	\$ -	8%	-	-	-	-	-	-	-	-	-	-
9000	Interfund Transfers	879,157	953,070	912,000	953,000	\$ 850,000	4%	-	-	-	-	-	-	-	-	-	-
Disposal Plant 16 Expenses		\$ 12,374,034	\$ 12,628,995	\$ 13,001,670	\$ 13,615,370			\$ 5,233,891	\$ 5,448,548	\$ 5,672,527	\$ 5,906,252	\$ 6,150,166	\$ 6,404,734	\$ 6,670,442	\$ 6,947,799	\$ 7,237,340	\$ 7,539,621

Environmental Control

Item Code	Item Description	Actual				Budget		Projections of Expenses Contributed to Consolidated District									
		2007	2008	2009	2010	Base Year Projection	Inflation Factor	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1000	Personnel Services	326,875	346,003	124,141	132,235	\$ 133,000	3%	\$ 136,990	\$ 141,100	\$ 145,333	\$ 149,693	\$ 154,183	\$ 158,809	\$ 163,573	\$ 168,480	\$ 173,535	\$ 178,741
1200	Overtime	9,499	8,285	-	1,000	\$ 2,500	3%	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360
1300	Longevity	6,750	6,300	3,345	3,350	\$ 5,000	3%	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
1400	Vacation Buyback	-	635	-	644	\$ -	3%	-	-	-	-	-	-	-	-	-	-
1600	Retro Pay	-	29,726	-	-	\$ 2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688
1800	Clothing	2,751	2,947	1,200	1,115	\$ 3,000	3%	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032
1853	Sick Leave Incentive	1,322	1,365	1,855	2,000	\$ 400	3%	412	424	437	450	464	478	492	507	522	538
2130	Computer Equipment	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-
2250	Trucks, Tractors, Trailers	-	-	-	-	\$ 3,000	3%	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032
2450	Public Safety Equipment	-	-	-	-	\$ 100	3%	103	106	109	113	116	119	123	127	130	134
2550	Other Special Equipment	-	-	-	4,500	\$ 1,500	3%	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016
4010	Office Supplies (Dues & Sub)	1,078	1,793	1,500	1,300	\$ 800	3%	824	849	874	900	927	955	984	1,013	1,044	1,075
4020	Postage & Freight	29	224	268	300	\$ 20	3%	21	21	22	23	23	24	25	25	26	27
4025	Print/ Adv/Lease	900	702	860	500	\$ 775	3%	798	822	847	872	898	925	953	982	1,011	1,042
4030	Printing & Advertising	-	-	20	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-
4050	Mileage & Travel	1,261	1,184	1,500	800	\$ 400	3%	412	424	437	450	464	478	492	507	522	538
4060	Telephone	482	-	900	900	\$ 700	3%	721	743	765	788	811	836	861	887	913	941
4080	Dues & Subscriptions	565	490	600	500	\$ 400	3%	412	424	437	450	464	478	492	507	522	538
4090	Professional Services	-	-	-	-	\$ 200	3%	206	212	219	225	232	239	246	253	261	269
4110	Contractual Services	34,563	17,949	19,353	19,000	\$ 13,000	3%	13,390	13,792	14,205	14,632	15,071	15,523	15,988	16,468	16,962	17,471
4120	Training & Education Expenses	1,822	1,531	1,700	1,000	\$ 500	3%	515	530	546	563	580	597	615	633	652	672
4230	Passenger Vehicles	892	59	1,600	1,000	\$ 1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
4250	R&M Other Motor Vehicles	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-
4310	Gas & Oil	-	-	500	300	\$ 100	3%	103	106	109	113	116	119	123	127	130	134
4420	Uniforms & Shoes	-	-	420	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-
4860	Lab Supplies	27,015	48,683	911	1,000	\$ 10,000	3%	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439
4930	Plant Insurance Costs	2,900	2,900	1,378	-	\$ 2,800	3%	2,884	2,971	3,060	3,151	3,246	3,343	3,444	3,547	3,653	3,763
8010	St. Retirement- Town	15,000	24,515	10,500	19,000	\$ 15,000	8%	16,200	17,496	18,896	20,407	22,040	23,803	25,707	27,764	29,985	32,384
8030	Social Security	26,476	30,135	9,999	10,736	\$ 30,000	8%	32,400	34,992	37,791	40,815	44,080	47,606	51,415	55,528	59,970	64,768
8040	Workmen's Compensation	2,070	2,070	-	-	\$ 2,000	8%	2,160	2,333	2,519	2,721	2,939	3,174	3,428	3,702	3,998	4,318
8050	Hospital & Medical Insurance	-	21,496	56,749	14,608	\$ 15,000	8%	16,200	17,496	18,896	20,407	22,040	23,803	25,707	27,764	29,985	32,384

8051	Dental	-	1,653	4,668	5,500	\$ 6,000	8%	6,480	6,998	7,558	8,163	8,816	9,521	10,283	11,106	11,994	12,954
8052	Vision	-	284	747	600	\$ 1,000	8%	1,080	1,166	1,260	1,360	1,469	1,587	1,714	1,851	1,999	2,159
8053	Retiree Health Insurance	-	20	48	94	\$ 200	8%	216	233	252	272	294	317	343	370	400	432
9000	Interfund	-	-	-	22,500	\$ -	4%	-	-	-	-	-	-	-	-	-	-
Environmental Control Expenses		\$ 462,250	\$ 550,950	\$ 244,761	\$ 244,483			\$ 261,367	\$ 272,945	\$ 285,169	\$ 298,082	\$ 311,732	\$ 326,168	\$ 341,444	\$ 357,617	\$ 374,749	\$ 392,909
Total Expenses before allocation of interfund transfer		\$ 18,143,317	\$ 19,183,484	\$ 19,816,284	\$ 20,016,776			\$ 7,248,996	\$ 7,515,117	\$ 7,792,349	\$ 8,081,196	\$ 8,382,187	\$ 8,695,877	\$ 9,022,848	\$ 9,363,709	\$ 9,719,102	\$ 10,089,697

Interfund Transfer Allocation (Calculated below)	Actual				Budget		Projections of Expenses Contributed to Consolidated District									
	Sewer Contribution 2007	Sewer Contribution 2008	Estimated Sewer Contribution 2009	Estimated Sewer Contribution 2010	Base Year Projection	Inflation Factor	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Councilmembers	\$ 64,446	\$ 66,575	\$ 71,806	\$ 72,321	\$ 72,321	5.06%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Finance/ Comptroller	215,822	201,036	237,962	239,667	239,667	5.06%	-	-	-	-	-	-	-	-	-	-
Supervisor	47,004	49,135	52,639	53,016	53,016	5.06%	-	-	-	-	-	-	-	-	-	-
Assessor	171,680	243,226	200,389	201,825	201,825	5.06%	-	-	-	-	-	-	-	-	-	-
Auditor	30,000	33,379	33,215	33,453	33,453	5.06%	-	-	-	-	-	-	-	-	-	-
Emergency Services	67,797	76,500	75,146	75,684	75,684	5.06%	-	-	-	-	-	-	-	-	-	-
Personnel	90,333	94,724	98,525	99,231	99,231	5.06%	-	-	-	-	-	-	-	-	-	-
Town Attorney	55,368	67,354	61,787	62,229	62,229	5.06%	-	-	-	-	-	-	-	-	-	-
Engineering	327,541	365,719	367,381	370,013	370,013	5.06%	-	-	-	-	-	-	-	-	-	-
Central Phone	86,929	69,441	96,855	97,549	97,549	5.06%	-	-	-	-	-	-	-	-	-	-
Building Maintenance	85,265	87,461	93,515	94,185	94,185	5.06%	-	-	-	-	-	-	-	-	-	-
Central Data Processing	8,285	12,605	10,019	10,091	10,091	5.06%	-	-	-	-	-	-	-	-	-	-
Highway Office	72,615	73,115	83,638	84,237	84,237	5.06%	-	-	-	-	-	-	-	-	-	-
Town Clerk/ Tax Receiver	76,430	82,299	83,496	84,094	84,094	5.06%	-	-	-	-	-	-	-	-	-	-
Central Computer Services	112,634	105,252	103,535	104,276	104,276	5.06%	-	-	-	-	-	-	-	-	-	-
General Fund Expenses Allocated to Sewer	1,512,150	1,627,820	1,669,908	1,681,871			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Allocated Items																
	Actual				Budget		Projections of Expenses Contributed to Consolidated District									
Attorney costs to Disposal Plant Personnel		80,000	80,000	80,000	80,000	3.00%	-	-	-	-	-	-	-	-	-	-
Building and Maintenance to Disposal Plant Personnel		30,000	41,614	41,614	41,614	3.00%	-	-	-	-	-	-	-	-	-	-
Total Other Allocated Items	\$ -	\$ 110,000	\$ 121,614	\$ 121,614			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT**

**MERGER FEASIBILITY STUDY
AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5**

Summary- Williamsville

	<i>Actual</i>		<i>Budget</i>		<i>Projections of Expenses Contributed to Consolidated District</i>									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operations & Maintenance														
Plant O&M														
Personnel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials/ Chemicals/ Equipment/ Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities (Elec., Gas, Tele.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Plant O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Pretreatment O&M														
Personnel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials/ Chemicals/ Equipment/ Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Pretreatment O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Field Services O&M														
Personnel Expenses	\$ 85,970	\$ 70,739	\$ 98,700	\$ 100,032	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	32,017	30,097	36,111	36,630	-	-	-	-	-	-	-	-	-	-
Materials/ Chemicals/ Equipment/ Operations	136,882	7,306	14,548	16,650	11,422	11,806	12,204	12,617	13,044	13,486	13,945	14,419	14,911	15,420
Professional & Contract Services	18,535	21,278	18,500	18,500	10,712	11,033	11,364	11,705	12,056	12,418	12,791	13,174	13,570	13,977
Utilities (Elec., Gas, Tele.)	2,684	1,585	2,625	3,000	3,150	3,308	3,473	3,647	3,829	4,020	4,221	4,432	4,654	4,887
Total Field Services O&M Expenses	\$ 276,088	\$ 131,005	\$ 170,484	\$ 174,812	\$ 25,284	\$ 26,147	\$ 27,042	\$ 27,969	\$ 28,929	\$ 29,925	\$ 30,957	\$ 32,026	\$ 33,134	\$ 34,284
Total O&M Expenses	\$ 276,088	\$ 131,005	\$ 170,484	\$ 174,812	\$ 25,284	\$ 26,147	\$ 27,042	\$ 27,969	\$ 28,929	\$ 29,925	\$ 30,957	\$ 32,026	\$ 33,134	\$ 34,284
Non-Operating Expenses														
Capital Expenses	\$ 178,465	\$ 58,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Existing Debt Service	32,805	31,275	10,255	-	-	-	-	-	-	-	-	-	-	-
Proposed Incremental Debt Service	-	-	-	-	31,807	63,613	68,008	76,930	86,120	95,585	105,335	115,376	125,720	136,373
Contingency	-	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Coverage Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Expenses	\$ 211,270	\$ 89,275	\$ 75,255	\$ 65,000	\$ 46,807	\$ 78,613	\$ 83,008	\$ 91,930	\$ 101,120	\$ 110,585	\$ 120,335	\$ 130,376	\$ 140,720	\$ 151,373
Allocated Expenses & General Admin														
Other Dept. Expenses/ Interfund Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	30,772	32,359	34,000	35,000	-	-	-	-	-	-	-	-	-	-
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Councilmembers/ Board Members	16,855	14,405	19,259	19,523	-	-	-	-	-	-	-	-	-	-
Finance/ Comptroller	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supervisor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assessor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Auditor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Emergency Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Personnel/ Administrative	16,855	14,405	19,259	19,523	-	-	-	-	-	-	-	-	-	-
Town Attorney	16,855	14,405	19,259	19,523	-	-	-	-	-	-	-	-	-	-
Engineering & Grants	30,960	1,909	5,000	5,000	-	-	-	-	-	-	-	-	-	-
Central Phone	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Building Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Central Data Processing/ Computer Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Highway Office	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Town Clerk/ Tax Receiver	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Allocated Expenses	\$ 112,298	\$ 77,483	\$ 96,776	\$ 98,570	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Actual/Budgetary Expenses	\$ 599,656	\$ 297,763	\$ 342,515	\$ 338,382	\$ 72,090	\$ 104,760	\$ 110,050	\$ 119,899	\$ 130,049	\$ 140,510	\$ 151,291	\$ 162,402	\$ 173,854	\$ 185,657

Williamsville Budget - Expenses
SEWER FUND

Item Description	Actual				Budget		Projections of Expenses Contributed to Consolidated District									
	2007	2008	2009	2010	Base Year Projection	Inflation Factor	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Insurance	\$ 30,772	\$ 32,359	\$ 34,000	\$ 35,000	\$ 37,500	3%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Association Dues	168	168	173	200	200	3%	-	-	-	-	-	-	-	-	-	-
Refund of Village Taxes	-	-	500	500	250	3%	-	-	-	-	-	-	-	-	-	-
Contingent Account	-	-	15,000	15,000	15,000	0%	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Longevity	780	750	650	700	800	4%	-	-	-	-	-	-	-	-	-	-
Personnel Services	121,516	100,020	140,335	142,203	143,000	4%	-	-	-	-	-	-	-	-	-	-
Overtime	519	285	15	-	500	4%	-	-	-	-	-	-	-	-	-	-
Equipment	3,117	-	2,000	2,000	4,800	3%	4,944	5,092	5,245	5,402	5,565	5,731	5,903	6,080	6,263	6,451
Utilities	2,684	1,585	2,625	3,000	3,000	5%	3,150	3,308	3,473	3,647	3,829	4,020	4,221	4,432	4,654	4,887
Professional Fees	6,258	8,542	5,500	5,500	6,400	3%	6,592	6,790	6,993	7,203	7,419	7,642	7,871	8,107	8,351	8,601
Service Contracts	3,661	3,780	4,000	4,000	4,000	3%	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219	5,376
Grant Writer	3,500	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-
Engineer	27,460	1,909	5,000	5,000	35,000	3%	-	-	-	-	-	-	-	-	-	-
Engineer - SPDES (Mon & Annual)	5,267	5,128	5,000	5,000	5,000	3%	-	-	-	-	-	-	-	-	-	-
Engineer - Monitor Maintenance	974	3,828	1,500	1,500	1,500	3%	-	-	-	-	-	-	-	-	-	-
Engineer - Siphon Flushing	2,375	-	2,500	2,500	2,500	3%	-	-	-	-	-	-	-	-	-	-
Bond and Note Expense	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-
Repair- Lines	131,255	4,315	7,945	10,000	2,500	3%	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360
Repair- Equipment	-	305	293	750	750	3%	773	796	820	844	869	896	922	950	979	1,008
Sewer Cleaning/Televising	-	-	-	1,500	-	3%	-	-	-	-	-	-	-	-	-	-
Repairs-SPDES Permit	-	-	-	500	-	3%	-	-	-	-	-	-	-	-	-	-
Maintenance Supplies	1,967	944	1,207	1,200	2,000	5%	2,100	2,205	2,315	2,431	2,553	2,680	2,814	2,955	3,103	3,258
Misc.	375	1,574	2,430	-	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
Share of Town Costs (payment to Amherst)	520,780	545,789	600,000	600,000	600,000	3%	-	-	-	-	-	-	-	-	-	-
State Retirement	12,086	10,322	10,500	10,000	13,000	8%	-	-	-	-	-	-	-	-	-	-
Social Security	9,205	7,532	10,737	10,879	11,000	8%	-	-	-	-	-	-	-	-	-	-
Workers Compensation	7,719	6,089	8,250	8,250	8,500	8%	-	-	-	-	-	-	-	-	-	-
Disability Insurance	71	37	100	100	100	8%	-	-	-	-	-	-	-	-	-	-
Hospital & Medical Insurance	15,052	17,432	20,000	21,000	22,000	8%	-	-	-	-	-	-	-	-	-	-
Dental insurance	1,606	1,584	2,000	2,100	1,750	8%	-	-	-	-	-	-	-	-	-	-
Transfer to Debt Service Fund	32,805	31,275	10,255	-	-	0%	-	-	-	-	-	-	-	-	-	-
Transfer to Capital Fund	178,465	58,000	50,000	50,000	50,000	0%	-	-	-	-	-	-	-	-	-	-
Total Sewer Fund Actual/Budgetary Expenses	\$ 1,120,436	\$ 843,552	\$ 942,515	\$ 938,382			\$ 40,284	\$ 41,147	\$ 42,042	\$ 42,969	\$ 43,929	\$ 44,925	\$ 45,957	\$ 47,026	\$ 48,134	\$ 49,284

ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT

MERGER FEASIBILITY STUDY
AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5

Summary- Clarence

	<i>Actual</i>				<i>Budget</i>		<i>Projections of Expenses Contributed to Consolidated District</i>									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
Operations & Maintenance																
Plant O&M																
Personnel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Materials/ Chemicals/ Equipment/ Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Utilities (Elec., Gas, Tele.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total Plant O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -								
Pretreatment O&M																
Personnel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Materials/ Chemicals/ Equipment/ Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total Pretreatment O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -								
Field Services O&M																
Personnel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Materials/ Chemicals/ Equipment/ Operations	-	-	4,000	4,000	13,390	13,792	14,205	14,632	15,071	15,523	15,988	16,468	16,962	17,471		
Professional & Contract Services	19,971	20,835	22,676	22,900	115,360	118,821	122,385	126,057	129,839	133,734	137,746	141,878	146,135	150,519		
Utilities (Elec., Gas, Tele.)	2,809	3,885	4,300	3,700	5,250	5,513	5,788	6,078	6,381	6,700	7,036	7,387	7,757	8,144		
Total Field Services O&M Expenses	\$ 22,780	\$ 24,720	\$ 30,976	\$ 30,600	\$ 134,000	\$ 138,125	\$ 142,379	\$ 146,766	\$ 151,291	\$ 155,957	\$ 160,770	\$ 165,734	\$ 170,853	\$ 176,134		
Total O&M Expenses	\$ 22,780	\$ 24,720	\$ 30,976	\$ 30,600	\$ 134,000	\$ 138,125	\$ 142,379	\$ 146,766	\$ 151,291	\$ 155,957	\$ 160,770	\$ 165,734	\$ 170,853	\$ 176,134		
Non-Operating Expenses																
Capital Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Existing Debt Service	100,125	110,114	108,716	123,663	84,350	83,537	82,725	81,900	81,913	81,100	80,288	79,475	78,663	77,850		
Proposed Incremental Debt Service	-	-	-	-	3,194	9,677	16,354	23,232	30,317	37,614	45,129	52,871	60,844	69,057		
Coverage Reserve	6,177	137	19,682	-	-	-	-	-	-	-	-	-	-	-		
Total Non-Operating Expenses	\$ 106,302	\$ 110,251	\$ 128,398	\$ 123,663	\$ 87,544	\$ 93,214	\$ 99,079	\$ 105,132	\$ 112,230	\$ 118,714	\$ 125,417	\$ 132,346	\$ 139,507	\$ 146,907		
Total Actual/Budgetary Expenses	\$ 129,082	\$ 134,971	\$ 159,374	\$ 154,263	\$ 221,544	\$ 231,339	\$ 241,458	\$ 251,899	\$ 263,520	\$ 274,671	\$ 286,187	\$ 298,079	\$ 310,360	\$ 323,041		

Clarence Budget - Expenses
SEWER FUND

Item Description	Actual				Budget		Projections of Expenses Contributed to Consolidated District										
	2007	2008	2009	2010	Base Year Projection	Inflation Factor	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
District 2																	
Equipment	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	3%	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 1,159	\$ 1,194	\$ 1,230	\$ 1,267	\$ 1,305	\$ 1,344	
Inspection Fees	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Payment to County	105,817	120,955	149,626	163,091	155,000	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Payment to Amherst	270,228	207,572	147,440	148,436	112,000	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - other	-	-	-	-	50,000	3%	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196	
Utilities	2,809	3,885	4,300	3,700	5,000	5%	5,250	5,513	5,788	6,078	6,381	6,700	7,036	7,387	7,757	8,144	
Bonds- Principal	50,000	50,000	50,000	50,000	-	-	-	-	-	-	-	-	-	-	-	-	
Bonds- Interest	12,031	8,594	5,156	1,719	-	-	-	-	-	-	-	-	-	-	-	-	
Reserve Debt Service- Erie County Petitions	-	-	240	-	2,000	3%	-	-	-	-	-	-	-	-	-	-	
Total District 2	\$ 440,885	\$ 391,006	\$ 357,762	\$ 367,946			\$ 57,780	\$ 59,618	\$ 61,517	\$ 63,478	\$ 65,504	\$ 67,597	\$ 69,759	\$ 71,993	\$ 74,300	\$ 76,684	
District 6																	
Equipment	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	3%	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 1,159	\$ 1,194	\$ 1,230	\$ 1,267	\$ 1,305	\$ 1,344	
Inspection Fees	-	-	-	-	10,000	3%	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	
Professional Services - Payment to County	35,607	42,490	40,461	44,696	47,500	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Payment to Amherst	-	-	33,814	34,304	30,000	3%	-	-	-	-	-	-	-	-	-	-	
Utilities	-	-	-	-	-	5%	-	-	-	-	-	-	-	-	-	-	
Bonds- Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Bonds- Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Reserve Debt Service- Erie County Petitions	6,177	137	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Total District 6	\$ 41,784	\$ 42,627	\$ 75,275	\$ 80,000			\$ 11,330	\$ 11,670	\$ 12,020	\$ 12,381	\$ 12,752	\$ 13,135	\$ 13,529	\$ 13,934	\$ 14,353	\$ 14,783	
District 7																	
Equipment	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	3%	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 1,159	\$ 1,194	\$ 1,230	\$ 1,267	\$ 1,305	\$ 1,344	
Inspection Fees	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Payment to County	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Payment to Amherst	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Other	19,971	20,835	22,676	22,900	22,000	3%	22,660	23,340	24,040	24,761	25,504	26,269	27,057	27,869	28,705	29,566	
Utilities	-	-	-	-	-	5%	-	-	-	-	-	-	-	-	-	-	
Bonds- Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Bonds- Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Reserve Debt Service- Erie County Petitions	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Total District 7	\$ 19,971	\$ 20,835	\$ 23,676	\$ 23,900			\$ 23,690.00	\$ 24,400.70	\$ 25,132.72	\$ 25,886.70	\$ 26,663.30	\$ 27,463.20	\$ 28,287.10	\$ 29,135.71	\$ 30,009.78	\$ 30,910.08	
District 9																	
Equipment	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ -	3%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Inspection Fees	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Payment to County	-	-	68,248	72,819	-	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Payment to Amherst	2,906	148,135	63,643	63,381	45,000	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Other	-	-	-	-	40,000	3%	41,200	42,436	43,709	45,020	46,371	47,762	49,195	50,671	52,191	53,757	
Utilities	-	-	-	-	-	5%	-	-	-	-	-	-	-	-	-	-	
Bonds- Principal	-	-	25,000	52,000	-	-	-	-	-	-	-	-	-	-	-	-	
Bonds- Interest	38,094	51,520	28,560	19,944	-	-	-	-	-	-	-	-	-	-	-	-	
Reserve Debt Service- Erie County Petitions	-	-	19,442	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Total District 9	\$ 41,000	\$ 199,655	\$ 205,893	\$ 209,144			\$ 41,200	\$ 42,436	\$ 43,709	\$ 45,020	\$ 46,371	\$ 47,762	\$ 49,195	\$ 50,671	\$ 52,191	\$ 53,757	
Total Sewer Fund Actual/Budgetary Expenses	\$ 543,640	\$ 654,123	\$ 662,606	\$ 680,990			\$ 134,000	\$ 138,125	\$ 142,379	\$ 146,766	\$ 151,291	\$ 155,957	\$ 160,770	\$ 165,734	\$ 170,853	\$ 176,134	

**ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT**

**MERGER FEASIBILITY STUDY
AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5**

Summary- ECSD No.5

	<i>Actual</i>				<i>Projections of Expenses Contributed to Consolidated District</i>									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operations & Maintenance														
Plant O&M														
Personnel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials/ Chemicals/ Equipment/ Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities (Elec., Gas, Tele.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Plant O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pretreatment O&M														
Personnel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials/ Chemicals/ Equipment/ Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Pretreatment O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Field Services O&M														
Personnel Expenses	\$ 273,401	\$ 272,060	\$ 329,097	\$ 352,424	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials/ Chemicals/ Equipment/ Operations	70,065	70,176	132,141	119,345	112,579	115,956	119,435	123,018	126,709	130,510	134,425	138,458	142,612	146,890
Professional & Contract Services	2,898	4,174	15,780	6,204	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063
Utilities (Elec., Gas, Tele.)	44,616	50,911	69,960	72,653	59,850	62,843	65,985	69,284	72,748	76,385	80,205	84,215	88,426	92,847
Total Field Services O&M Expenses	\$ 390,980	\$ 397,320	\$ 546,978	\$ 550,626	\$ 178,609	\$ 185,164	\$ 191,976	\$ 199,055	\$ 206,412	\$ 214,060	\$ 222,009	\$ 230,274	\$ 238,866	\$ 247,801
Total O&M Expenses	\$ 390,980	\$ 397,320	\$ 546,978	\$ 550,626	\$ 178,609	\$ 185,164	\$ 191,976	\$ 199,055	\$ 206,412	\$ 214,060	\$ 222,009	\$ 230,274	\$ 238,866	\$ 247,801
Non-Operating Expenses														
Capital Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EFC Fees	2,821	2,714	2,639	2,550	-	-	-	-	-	-	-	-	-	-
Existing Debt Service	179,814	184,083	219,729	212,939	180,719	179,656	178,027	177,555	175,654	174,265	177,581	177,581	177,581	177,581
Proposed Incremental Debt Service	-	-	-	-	-	10,289	31,175	52,688	74,847	97,670	121,177	145,033	170,330	196,018
Coverage Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Expenses	\$ 182,636	\$ 186,797	\$ 222,368	\$ 215,489	\$ 180,719	\$ 189,945	\$ 209,202	\$ 230,243	\$ 250,501	\$ 271,935	\$ 298,758	\$ 322,614	\$ 347,911	\$ 373,599
Allocated Expenses & General Admin														
Other Dept. Expenses/ Interfund Transfer	\$ 1,800	\$ 81,684	\$ 45,537	\$ 60,642	\$ 52,000	\$ 54,080	\$ 56,243	\$ 58,493	\$ 60,833	\$ 63,266	\$ 65,797	\$ 68,428	\$ 71,166	\$ 74,012
Insurance	444	2,232	2,098	2,098	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219	5,376
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Councilmembers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance/ Comptroller	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supervisor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assessor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Auditor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Emergency Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Personnel/ Administrative	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attorney	2,785	2,785	3,288	3,288	38,480	40,019	41,620	43,285	45,016	46,817	48,689	50,637	52,663	54,769
Engineering	189,991	189,058	228,694	244,905	-	-	-	-	-	-	-	-	-	-
Central Phone	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Building Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Central Data Processing/ Computer Services	-	6,183	5,443	273	-	-	-	-	-	-	-	-	-	-
Highway Office	24	-	24	24	26	27	27	28	29	30	31	32	33	34
Clerk/ Tax Receiver	16,555	17,424	2,316	1,655	5,253	5,411	5,573	5,740	5,912	6,090	6,272	6,461	6,654	6,854
Total Allocated Expenses	\$ 211,598	\$ 299,366	\$ 287,400	\$ 312,884	\$ 99,879	\$ 103,780	\$ 107,834	\$ 112,048	\$ 116,427	\$ 120,978	\$ 125,709	\$ 130,625	\$ 135,734	\$ 141,044
Total Actual/Budgetary Expenses	\$ 785,214	\$ 883,483	\$ 1,056,746	\$ 1,079,000	\$ 459,207	\$ 478,889	\$ 509,013	\$ 541,346	\$ 573,340	\$ 606,973	\$ 646,476	\$ 683,512	\$ 722,511	\$ 762,444

ECSD No. 5 Budget - Expenses

Item Description	Actual				Budget		Projections of Expenses Contributed to Consolidated District									
	2007	2008	2009	2010	Base Year Projection	Inflation Factor	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Full-time Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	4%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Part-Time Wages	-	-	-	-	-	4%	-	-	-	-	-	-	-	-	-	-
Seasonal Emp. Wages	-	-	-	-	-	4%	-	-	-	-	-	-	-	-	-	-
Shift Differential	-	-	-	-	-	4%	-	-	-	-	-	-	-	-	-	-
Holiday Worked	-	-	-	-	-	4%	-	-	-	-	-	-	-	-	-	-
Other Employee Payments	-	-	-	-	-	4%	-	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	4%	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	-	-	-	-	-	4%	-	-	-	-	-	-	-	-	-	-
Office Supplies	651	973	2,718	1,398	\$ 1,300	3%	1,339	1,379	1,421	1,463	1,507	1,552	1,599	1,647	1,696	1,747
Clothing Supplies	572	505	1,689	1,329	\$ 1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
Auto Tr & Hvy Eq Sup	6,018	8,543	24,828	24,828	\$ 25,000	3%	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619	33,598
Medical & Health Supplies	117	95	510	510	\$ 750	3%	773	796	820	844	869	896	922	950	979	1,008
Maintenance & Repair	30,792	41,075	46,068	47,988	\$ 50,000	3%	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196
Highway Supplies	1,211	804	2,208	2,208	\$ 2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688
Local Mileage	-	-	-	-	\$ 50	3%	52	53	55	56	58	60	61	63	65	67
Out of Area Travel	278	22	480	480	\$ 300	3%	309	318	328	338	348	358	369	380	391	403
Training & Education	1,834	1,090	4,500	5,400	\$ 4,000	3%	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219	5,376
Utility Charges	1,420	1,338	2,640	2,640	\$ 2,000	5%	2,100	2,205	2,315	2,431	2,553	2,680	2,814	2,955	3,103	3,258
Cnt Pmts- Non-Pro Sub	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-
Professional Service Contracts and Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pro Service Contracts and Fees- Amherst Fees	664,692	590,634	722,951	841,027	\$ 800,000	4%	832,000	865,280	899,891	935,887	973,322	1,012,255	1,052,745	1,094,855	1,138,649	1,184,195
Pro Service Contracts and Fees- Clarence Fees	42,427	37,700	46,146	53,683	\$ 50,000	4%	52,000	54,080	56,243	58,493	60,833	63,266	65,797	68,428	71,166	74,012
Maintenance Contracts	2,898	4,174	15,780	6,204	\$ 6,000	3%	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063
Taxes & Assessment- Co Ownd Pr	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-
Other Expenses	24	59	480	504	\$ 400	3%	412	424	437	450	464	478	492	507	522	538
Rental Charges	644	678	3,000	4,200	\$ 3,500	3%	3,605	3,713	3,825	3,939	4,057	4,179	4,305	4,434	4,567	4,704
NYSEFC Bond Admin Fee	2,821	2,714	2,639	2,550	\$ -	-	-	-	-	-	-	-	-	-	-	-
Interest- Debt Service	-	-	135	-	\$ -	-	-	-	-	-	-	-	-	-	-	-
Insurance Premiums	444	2,232	2,098	2,098	\$ 4,000	3%	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219	5,376
Lab & Technical Equipment	9,318	10,483	19,980	21,336	\$ 11,000	3%	11,330	11,670	12,020	12,381	12,752	13,135	13,529	13,934	14,353	14,783
Office Furniture & Fixtures	308	-	-	-	\$ 500	3%	515	530	546	563	580	597	615	633	652	672
Bldg GRs & Hvy Eq	5,038	-	-	5,564	\$ 1,500	3%	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016
Motor Vehicles	13,260	5,847	25,680	3,600	\$ 8,000	3%	8,240	8,487	8,742	9,004	9,274	9,552	9,839	10,134	10,438	10,751
Interfund Transfers Subsidy	1,800	81,475	45,237	57,071	\$ 50,000	4%	52,000	54,080	56,243	58,493	60,833	63,266	65,797	68,428	71,166	74,012
I/F Subsidy Debt Srv	179,814	184,083	219,594	212,939	\$ -	-	-	-	-	-	-	-	-	-	-	-
Interfund Exp Non-Sub	-	-	-	-	\$ -	-	-	-	-	-	-	-	-	-	-	-
Interfund Exp Utility Fund	43,196	49,572	67,320	70,013	\$ 55,000	5%	57,750	60,638	63,669	66,853	70,195	73,705	77,391	81,260	85,323	89,589
ID Purchasing Services	-	-	-	2,030	\$ 2,030	3%	2,091	2,154	2,218	2,285	2,353	2,424	2,497	2,572	2,649	2,728
ID Fleet Services	-	-	-	930	\$ 1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
ID DPW Mail Service	-	-	-	612	\$ 700	3%	721	743	765	788	811	836	861	887	913	941
ID Highways Services	24	-	24	24	\$ 25	3%	26	27	27	28	29	30	31	32	33	34
ID Health Lab Services	-	209	300	-	\$ -	-	-	-	-	-	-	-	-	-	-	-
ID CW Accts Budget	16,555	17,424	2,316	1,655	\$ 5,100	3%	5,253	5,411	5,573	5,740	5,912	6,090	6,272	6,461	6,654	6,854
ID County Attorney Services	2,785	2,785	3,288	3,288	\$ 2,000	4%	38,480	40,019	41,620	43,285	45,016	46,817	48,689	50,637	52,663	54,769
ID Sewer Debt 1,4,5	-	-	-	-	\$ -	-	-	-	-	-	-	-	-	-	-	-
ID Sewer Management Services	463,392	461,118	557,791	597,330	\$ 597,000	4%	-	-	-	-	-	-	-	-	-	-
ID Capital Project Services	-	-	-	-	\$ -	-	-	-	-	-	-	-	-	-	-	-
ID DISS Services	-	6,183	5,443	273	\$ 5,000	3%	-	-	-	-	-	-	-	-	-	-
Total Actual/Budgetary Expenses	\$ 1,492,332	\$ 1,511,817	\$ 1,825,844	\$ 1,973,710			\$ 1,166,330	\$ 1,212,261	\$ 1,260,021	\$ 1,309,681	\$ 1,361,319	\$ 1,415,013	\$ 1,470,847	\$ 1,528,907	\$ 1,589,282	\$ 1,652,065

APPENDIX C

AMHERST PROJECTED STATUS QUO

The following spreadsheets show the projected expenses for the Status Quo scenario. They include summary sheets and the associated supporting detail. The summary sheets "roll up" all the expenses into similar categories to allow for easy comparison between the participants. Years 2007 and 2008 are actual expenses and Years 2009 and 2010 are budget expenses that were provided by the respective municipalities. The base year was determined based on these values. The base year value and the inflation factors used for projecting the Status Quo expenses are also shown in the supporting detail.

Inter-municipal revenue and expenses related to treatment of sewage from Clarence, ECSD No. 5, and Williamsville have not been included. The treatment charges for Clarence, ECSD No. 5, and Williamsville are offset by corresponding revenue in Amherst. The actual expenses incurred by Amherst are included in the individual line items of the Amherst budget projections. Any mismatching of detail-projected budgets and summary tables are due to the exclusion of revenue and expenses from treatment charges.

Debt service is shown as two separate line items on the attached summary spreadsheets: existing debt service and proposed incremental debt service. Existing debt service is that debt incurred prior to the start of the analysis, while proposed incremental debt service is that projected as part of the financial analysis. If all existing debt is retired during the analysis period, this line shows a zero value and the proposed incremental debt service line would account for new debt.

**ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT**

**MERGER FEASIBILITY STUDY
AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5**

Summary- Amherst

	<i>Actual</i>				<i>Status Quo Projections</i>											
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
Operations & Maintenance																
Plant O&M																
Personnel Expenses	\$ 2,965,360	\$ 2,992,747	\$ 2,870,840	\$ 3,192,032	\$ 3,292,601	\$ 3,391,379	\$ 3,493,120	\$ 3,597,914	\$ 3,705,851	\$ 3,817,027	\$ 3,931,538	\$ 4,049,484	\$ 4,170,968	\$ 4,296,097		
Benefits allocated to plant	1,312,329	1,110,993	1,124,521	1,735,850	2,000,695	2,159,161	2,330,256	2,514,989	2,714,451	2,929,818	3,162,360	3,413,450	3,684,570	3,977,322		
Total Plant O&M Expenses	\$ 8,665,040	\$ 8,423,620	\$ 8,676,103	\$ 9,414,862	\$ 9,974,077	\$ 10,429,385	\$ 10,909,109	\$ 11,414,757	\$ 11,947,938	\$ 12,510,372	\$ 13,103,897	\$ 13,730,477	\$ 14,392,215	\$ 15,091,357		
			3%	9%												
Pretreatment O&M																
Personnel Expenses	\$ 343,124	\$ 390,950	\$ 127,486	\$ 137,229	\$ 146,775	\$ 151,178	\$ 155,714	\$ 160,385	\$ 165,197	\$ 170,152	\$ 175,257	\$ 180,515	\$ 185,930	\$ 191,508		
Benefits	44,868	81,539	84,566	52,538	75,148	81,139	87,609	94,596	102,141	110,289	119,089	128,591	138,853	149,935		
Materials/ Chemicals/ Equipment/ Operations	36,795	57,612	11,979	13,215	22,964	23,653	24,362	25,093	25,846	26,621	27,420	28,243	29,090	29,963		
Professional & Contract Services	34,563	17,949	19,353	19,000	13,596	14,004	14,424	14,857	15,302	15,761	16,234	16,721	17,223	17,740		
Total Pretreatment O&M Expenses	\$ 459,350	\$ 548,050	\$ 243,383	\$ 221,983	\$ 258,483	\$ 269,974	\$ 282,109	\$ 294,931	\$ 308,486	\$ 322,825	\$ 338,000	\$ 354,070	\$ 371,096	\$ 389,146		
Field Services O&M																
Personnel Expenses	\$ 1,665,555	\$ 1,727,093	\$ 1,585,077	\$ 1,478,994	\$ 1,530,065	\$ 1,575,967	\$ 1,623,246	\$ 1,671,943	\$ 1,722,102	\$ 1,773,765	\$ 1,826,978	\$ 1,881,787	\$ 1,938,241	\$ 1,996,388		
Benefits allocated to field from plant	69,070	58,473	59,185	91,361	105,300	113,640	122,645	132,368	142,866	154,201	166,440	179,655	193,925	209,333		
Benefits	306,151	714,262	1,338,633	1,173,059	1,323,713	1,428,565	1,541,773	1,664,006	1,795,984	1,938,486	2,092,353	2,258,493	2,437,886	2,631,593		
Materials/ Chemicals/ Equipment/ Operations	342,149	352,333	390,254	344,782	343,158	354,429	366,087	378,146	390,621	403,527	416,879	430,694	444,989	459,781		
Total Field Services O&M Expenses	\$ 3,008,959	\$ 3,434,137	\$ 3,966,883	\$ 3,721,295	\$ 3,942,686	\$ 4,133,125	\$ 4,334,995	\$ 4,549,094	\$ 4,776,279	\$ 5,017,472	\$ 5,273,667	\$ 5,545,931	\$ 5,835,413	\$ 6,143,351		
Total O&M Expenses	\$ 12,133,349	\$ 12,405,808	\$ 12,886,369	\$ 13,358,140	\$ 14,175,245	\$ 14,832,484	\$ 15,526,214	\$ 16,258,783	\$ 17,032,704	\$ 17,850,669	\$ 18,715,564	\$ 19,630,478	\$ 20,598,724	\$ 21,623,854		
Non-Operating Expenses																
Capital Expenses	\$ 195,000	\$ 418,663	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Existing Debt Service	3,592,430	4,016,011	4,206,865	4,089,261	3,164,403	2,500,861	2,417,912	2,072,841	1,539,479	1,538,439	1,531,983	1,491,072	1,435,725	1,175,363		
Proposed Incremental Debt Service	-	-	-	-	217,409	658,749	1,113,330	1,581,547	2,063,812	2,560,544	3,072,178	3,599,161	4,141,954	4,701,031		
Contingency	-	-	543,000	717,500	728,210	735,492	742,847	750,275	757,778	765,356	773,010	780,740	788,547	796,433		
Coverage Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total Non-Operating Expenses	\$ 3,787,430	\$ 4,434,674	\$ 4,749,865	\$ 4,806,761	\$ 4,110,022	\$ 3,895,102	\$ 4,274,089	\$ 4,404,664	\$ 4,361,069	\$ 4,864,339	\$ 5,377,171	\$ 5,870,973	\$ 6,366,226	\$ 6,672,826		
Allocated Expenses & General Admin																
Other Allocated Expenses	\$ -	\$ 110,000	\$ 121,614	\$ 121,614	\$ 125,262	\$ 129,020	\$ 132,891	\$ 136,878	\$ 140,984	\$ 145,213	\$ 149,570	\$ 154,057	\$ 158,679	\$ 163,439		
Insurance	582,000	582,000	276,450	-	599,254	617,232	635,749	654,821	674,466	694,700	715,541	737,007	759,117	781,891		
Property Taxes	128,388	133,182	145,000	170,000	175,100	180,353	185,764	191,336	197,077	202,989	209,079	215,351	221,811	228,466		
CIP Taxes	-	-	189,600	-	-	-	-	-	-	-	-	-	-	-		
Councilmembers	64,446	66,575	71,806	72,321	75,980	79,825	83,864	88,108	92,566	97,250	102,171	107,340	112,772	118,478		
Finance/ Comptroller	215,822	201,036	237,962	239,667	251,794	264,535	277,920	291,983	306,758	322,279	338,587	355,719	373,719	392,629		
Supervisor	47,004	49,135	52,639	53,016	55,699	58,517	61,478	64,589	67,857	71,290	74,898	78,688	82,669	86,852		
Assessor	171,680	243,226	200,389	201,825	212,037	222,766	234,038	245,881	258,322	271,393	285,126	299,553	314,711	330,635		
Auditor	30,000	33,379	33,215	33,453	35,146	36,924	38,792	40,755	42,818	44,984	47,260	49,652	52,164	54,804		
Emergency Services	67,797	76,500	75,146	75,684	79,514	83,537	87,764	92,205	96,870	101,772	106,922	112,332	118,016	123,988		
Personnel/ Administrative	90,333	94,724	98,525	99,231	104,252	109,527	115,069	120,892	127,009	133,436	140,187	147,281	154,733	162,563		
Town Attorney	55,368	67,354	61,787	62,229	65,378	68,686	72,161	75,813	79,649	83,679	87,913	92,362	97,035	101,945		
Engineering	327,541	365,719	367,381	370,013	388,736	408,406	429,071	450,782	473,592	497,555	522,732	549,182	576,970	606,165		
Central Phone	86,929	69,441	96,855	97,549	102,485	107,671	113,119	118,843	124,856	131,174	137,811	144,784	152,111	159,807		
Building Maintenance	85,265	87,461	93,515	94,185	98,951	103,958	109,218	114,744	120,550	126,650	133,059	139,792	146,865	154,296		
Central Data Processing/ Computer Services	120,919	117,856	113,554	114,367	120,154	126,234	132,621	139,332	146,382	153,789	161,571	169,746	178,335	187,359		
Highway Office	72,615	73,115	83,638	84,237	88,499	92,977	97,682	102,625	107,818	113,273	119,005	125,026	131,353	137,999		
Town Clerk/ Tax Receiver	76,430	82,299	83,496	84,094	88,349	92,820	97,516	102,451	107,635	113,081	118,803	124,814	131,130	137,765		
Total Allocated Expenses	\$ 2,222,538	\$ 2,453,002	\$ 2,402,572	\$ 1,973,485	\$ 2,666,590	\$ 2,782,987	\$ 2,904,719	\$ 3,032,037	\$ 3,165,207	\$ 3,304,509	\$ 3,450,233	\$ 3,602,686	\$ 3,762,190	\$ 3,929,081		
Total Actual/Budgetary Expenses	\$ 18,143,317	\$ 19,293,484	\$ 20,038,807	\$ 20,138,386	\$ 20,951,857	\$ 21,510,574	\$ 22,705,021	\$ 23,695,483	\$ 24,558,980	\$ 26,019,517	\$ 27,542,968	\$ 29,104,138	\$ 30,727,141	\$ 32,225,761		

Amherst Budget - Expenses

SEWER FUND

Contingent Account

Item Code	Item Description	Actual		Budget		Base Year Projection	Inflation Factor	Status Quo Projections												
		2007	2008	2009	2010			2011	2012	2013	2014	2015	2016	2017	2018	2019	2020			
4040	Travel	\$ -	\$ -	\$ -	\$ -	\$ -	3%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9001	Contingent	-	-	87,000	109,000	110,000	1%	111,100	112,211	113,333	114,466	115,611	116,767	117,935	119,114	120,305	121,508	122,700	123,900	125,100
9016	Contingent	-	-	87,000	109,000	110,000	1%	111,100	112,211	113,333	114,466	115,611	116,767	117,935	119,114	120,305	121,508	122,700	123,900	125,100
9916	Contingent	-	-	355,000	479,000	480,000	1%	484,800	489,648	494,544	499,490	504,485	509,530	514,625	519,771	524,969	530,219	535,470	540,720	545,970
9999	Contingent	-	-	14,000	20,500	21,000	1%	21,210	21,422	21,636	21,853	22,071	22,292	22,515	22,740	22,967	23,197	23,427	23,657	23,887
	Contingent Expenses	\$ -	\$ -	\$ 543,000	\$ 717,500			\$ 728,210	\$ 735,492	\$ 742,847	\$ 750,275	\$ 757,778	\$ 765,356	\$ 773,010	\$ 780,740	\$ 788,547	\$ 796,433	\$ 804,320	\$ 812,207	\$ 820,094

Sanitary Sewer District 1 and Extension

Item Code	Item Description	Actual		Budget		Base Year Projection	Inflation Factor	Status Quo Projections												
		2007	2008	2009	2010			2011	2012	2013	2014	2015	2016	2017	2018	2019	2020			
1000	Personnel Services	\$ 781,186	\$ 758,840	\$ 749,570	\$ 695,522	\$ 695,000	3%	\$ 715,850	\$ 737,326	\$ 759,445	\$ 782,229	\$ 805,695	\$ 829,866	\$ 854,762	\$ 880,405	\$ 906,817	\$ 934,022	\$ 961,433	\$ 989,044	\$ 1,016,655
1200	Overtime	33,905	39,791	26,858	30,000	30,000	3%	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317	41,527	42,772	44,052
1300	Longevity	16,375	16,325	15,625	13,975	16,500	3%	16,995	17,505	18,030	18,571	19,128	19,702	20,293	20,902	21,529	22,175	22,840	23,525	24,230
1400	Vacation Buyback	1,588	1,078	485	-	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,383	1,423	1,463
1600	Retro-Pay	92	47,480	-	-	-	0%	-	-	-	-	-	-	-	-	-	-	-	-	-
170-02	OT Debris- Town Costs	-	-	-	-	-	0%	-	-	-	-	-	-	-	-	-	-	-	-	-
170-06	OT Lift Stations	-	-	-	-	-	0%	-	-	-	-	-	-	-	-	-	-	-	-	-
170-07	OT Basement Flooding	-	-	-	-	-	0%	-	-	-	-	-	-	-	-	-	-	-	-	-
170-09	OT EOC Emergency Oper. Cen.	-	-	-	-	-	0%	-	-	-	-	-	-	-	-	-	-	-	-	-
1800	Clothing	5,485	5,404	5,213	5,893	6,000	3%	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063	8,301	8,544	
1850	Lump Sum- Retirement	-	5,051	18,967	-	8,500	3%	8,755	9,018	9,288	9,567	9,854	10,149	10,454	10,768	11,091	11,423	11,765	12,117	
1853	Sick Leave Incentive	1,928	1,264	1,841	1,900	1,900	3%	1,957	2,016	2,076	2,138	2,203	2,269	2,337	2,407	2,479	2,553	2,628	2,704	
2130	Computer Equipment	1,302	1,212	-	1,000	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,383	1,423	
2150	Building Improve. & Equipment	499	1,806	950	5,000	5,000	3%	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720	6,921	7,126	
2250	Trucks, Tractors, Trailers	-	-	-	-	2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688	2,768	2,850	
2300	Other Motorized Equipment	1,920	476	6,700	3,200	2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688	2,768	2,850	
2550	Other Specialized Equipment	13,786	6,214	8,350	8,000	5,000	3%	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720	6,921	7,126	
2600	Other Equipment	2,803	1,552	-	3,500	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,383	1,423	
4010	Office Supplies (Dues & Sub)	1,164	2,039	1,725	1,300	2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688	2,768	2,850	
4020	Postage & Freight	10	91	400	100	200	3%	206	212	219	225	232	239	246	253	261	269	277	285	
4025	Print/ Adv/Lease	1,604	2,547	1,500	1,200	1,500	3%	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016	2,076	2,137	
4030	Printing	-	-	-	-	500	3%	515	530	546	563	580	597	615	633	652	672	692	713	
4040	Expenses/ Travel Reimbursement	157	-	200	200	200	3%	206	212	219	225	232	239	246	253	261	269	277	285	
4050	Mileage & Travel	9	63	150	150	150	3%	155	159	164	169	174	179	184	190	196	202	208	214	
4060	Telephone	6,614	6,142	7,500	3,900	5,000	5%	5,250	5,513	5,788	6,078	6,383	6,708	7,036	7,377	7,757	8,144	8,548	8,959	
4070	Utilities	16,167	19,196	17,000	15,650	16,000	5%	16,800	17,640	18,522	19,448	20,421	21,442	22,514	23,639	24,821	26,062	27,363	28,726	
4080	Dues and Subscriptions	-	184	75	85	100	3%	103	106	109	113	116	119	123	127	130	134	138	142	
4090	Professional Services	26,550	23,094	28,934	30,000	35,000	3%	36,050	37,132	38,245	39,393	40,575	41,792	43,046	44,337	45,667	47,037	48,447	49,897	
4110	Contractual Services	255,672	266,009	260,000	270,000	260,000	3%	267,800	275,834	284,109	292,632	301,411	310,454	319,767	329,360	339,241	349,418	359,891	370,664	
4120	Training & Education Expenses	1,372	1,488	1,500	900	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,383	1,423	
4160	Physical Exam & Blood Test	381	835	800	750	800	3%	824	849	874	900	927	955	984	1,013	1,044	1,075	1,107	1,139	
4190	Tax Refunds (Erie County)	3,726	559	1,841	15,986	4,000	3%	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219	5,376	5,537	5,702	
4220	Building & Grounds	11,819	11,672	12,000	12,000	10,000	3%	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	13,841	14,244	
4230	Passenger Vehicles	2,206	1,452	2,200	1,500	1,500	3%	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016	2,076	2,137	
4240	Trucks, Tractors, Equipment	23,424	21,132	17,000	25,000	23,000	3%	23,690	24,401	25,133	25,887	26,663	27,463	28,287	29,136	30,010	30,910	31,835	32,785	
4280	R&M Public Safety Equipment	1,747	2,152	2,400	1,900	1,500	3%	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016	2,076	2,137	
4300	Specialized Equipment	14,433	19,530	17,500	14,000	11,500	3%	11,845	12,200	12,566	12,943	13,332	13,732	14,144	14,568	15,005	15,455	15,917	16,394	
4310	Gas & Oil	26,032	35,484	30,000	16,500	30,000	5%	31,500	33,075	34,729	36,465	38,288	40,203	42,213	44,324	46,540	48,867	51,307	53,856	
4320	M&S Auto Parts & Accessories	9,584	8,652	10,000	9,700	10,000	3%	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	13,841	14,244	
4330	Resurfacing Materials	-	-	750	1,000	800	3%	824	849	874	900	927	955	984	1,013	1,044	1,075	1,107	1,139	
4340	Landscaping Materials	2,172	2,032	2,000	2,000	2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688	2,768	2,850	
4350	Chemicals	451	57	500	500	750	3%	773	796	820	844	869	896	922	950	979	1,008	1,038	1,068	
4410	Public Safety & Medical Equipment	2,279	3,110	2,500	2,400	3,000	3%	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	4,153	4,277	
4420	Uniforms & Shoes	-	8	350	-	100	3%	103	106	109	113	116	119	123	127	130	134	138	142	
4430	Rnge, Photo, Sewer Pipe Sup	42,488	31,050	36,750	37,000	42,000	3%	43,260	44,558	45,895	47,271	48,690	50,150	51,655	53,204	54,800	56,444	58,137	59,879	
4450	Small Tools	3,999	8,433	6,000	4,000	3,000	3%	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	4,153	4,277	
4520	Drug & A.	-	-	-	-	500	3%	515	530	546	563	580	597	615	633	652	672	692	713	
4930	Liability Insurance Costs	181,000	181,000	85,975	-	181,000	3%	186,430	192,023	197,784	203,717	209,829	216,123	222,607	229,285	236,164	243,249	250,540	258,040	

496-02	Debris- Town Costs	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-
496-06	Lift Stations	-	-	-	-	100	3%	103	106	109	113	116	119	123	127	130	134
496-07	Basement Flooding	-	-	-	-	200	3%	206	212	219	225	232	239	246	253	261	269
6010	Principal on Bonds	280,701	317,637	319,576	326,686	-	-	-	-	-	-	-	-	-	-	-	-
7010	Interest on Bonds	82,266	82,208	101,101	138,544	-	-	-	-	-	-	-	-	-	-	-	-
8010	St. Retirement- Town	80,000	75,891	65,500	101,000	100,000	8%	108,000	116,640	125,971	136,049	146,933	158,687	171,382	185,093	199,900	215,892
8030	Social Security	63,927	66,523	62,647	57,168	60,000	8%	64,800	69,984	75,583	81,629	88,160	95,212	102,829	111,056	119,940	129,535
8040	Workmen's Compensation	6,210	6,210	-	-	21,000	8%	22,680	24,494	26,454	28,570	30,856	33,324	35,990	38,870	41,979	45,337
8050	Hospital & Medical Insurance	-	67,891	179,232	163,039	165,000	8%	178,200	192,456	207,852	224,481	242,439	261,834	282,781	305,403	329,836	356,223
8051	Dental	-	10,441	12,720	21,500	22,000	8%	23,760	25,661	27,714	29,931	32,325	34,911	37,704	40,720	43,978	47,496
8052	Vision	-	764	1,835	1,600	1,600	8%	1,728	1,866	2,016	2,177	2,351	2,539	2,742	2,961	3,198	3,454
8053	Retiree Health Ins	-	123,106	326,449	240,318	245,000	8%	264,600	285,768	308,629	333,320	359,985	388,784	419,887	453,478	489,756	528,937
8054	MCR Reimbursement	-	-	-	-	-	8%	-	-	-	-	-	-	-	-	-	-
9000	Interfund Transfers	429,442	639,375	243,500	252,375	-	4%	307,656	389,943	474,984	562,876	653,720	747,620	844,686	945,028	1,048,765	1,156,018
9100	CIP-Taxes	-	-	189,600	-	-	0%	-	-	-	-	-	-	-	-	-	-
Sewer District 1 Expenses		\$ 2,438,475	\$ 2,924,546	\$ 2,884,268	\$ 2,537,941			2,437,413	2,617,852	2,806,698	3,004,433	3,211,572	3,428,662	3,656,290	3,895,082	4,145,707	4,408,880

Sanitary Sewer District 16

Item Code	Item Description	Actual				Budget		Status Quo Projections									
		2007	2008	2009	2010	Base Year Projection	Inflation Factor	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1000	Personnel Services	\$ 780,518	\$ 759,248	\$ 749,570	\$ 695,522	\$ 695,000	3%	\$ 715,850	\$ 737,326	\$ 759,445	\$ 782,229	\$ 805,695	\$ 829,866	\$ 854,762	\$ 880,405	\$ 906,817	\$ 934,022
1200	Overtime	33,836	40,167	26,858	30,000	33,000	3%	33,990	35,010	36,060	37,142	38,256	39,404	40,586	41,803	43,058	44,349
1300	Longevity	16,375	16,325	15,625	13,975	14,000	3%	14,420	14,853	15,298	15,757	16,230	16,717	17,218	17,735	18,267	18,815
1400	Vacation Buyback	1,588	-	485	-	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
1600	Retro-Pay	92	47,840	-	-	-	3%	-	-	-	-	-	-	-	-	-	-
170-02	OT Debris- Town Costs	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-
170-06	OT Lift Stations	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-
170-07	OT Basement Flooding	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-
170-09	OT EOC Emergency Oper. Cen.	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-
1800	Clothing	5,485	5,404	4,813	5,893	5,500	3%	5,665	5,835	6,010	6,190	6,376	6,567	6,764	6,967	7,176	7,392
1850	Lump Sum- Retirement	-	5,051	18,967	-	8,500	3%	8,755	9,018	9,288	9,567	9,854	10,149	10,454	10,768	11,091	11,423
1853	Sick Leave Incentive	1,928	1,357	1,841	1,900	1,400	3%	1,442	1,485	1,530	1,576	1,623	1,672	1,722	1,773	1,827	1,881
2130	Computer Equipment	1,302	1,212	-	1,000	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
2150	Building Improve. & Equipment	499	1,806	950	5,000	5,000	3%	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
2250	Trucks, Tractors, Trailers	-	-	-	-	2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688
2300	Other Motorized Equipment	1,920	476	6,800	3,200	2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688
2550	Other Specialized Equipment	2,886	6,214	8,350	8,000	5,000	3%	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
2600	Other Equipment	2,803	1,552	-	3,500	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
4010	Office Supplies (Dues & Sub)	1,823	2,054	1,725	1,300	1,500	3%	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016
4020	Postage & Freight	10	91	400	100	200	3%	206	212	219	225	232	239	246	253	261	269
4025	Print/ Adv/Lease	1,604	2,547	1,500	1,200	1,300	3%	1,339	1,379	1,421	1,463	1,507	1,552	1,599	1,647	1,696	1,747
4030	Printing	-	-	-	-	500	3%	515	530	546	563	580	597	615	633	652	672
4040	Expenses/ Travel Reimbursement	157	-	200	200	200	3%	206	212	219	225	232	239	246	253	261	269
4050	Mileage & Travel	10	134	150	150	150	3%	155	159	164	169	174	179	184	190	196	202
4060	Telephone	7,556	6,142	7,500	3,900	4,000	5%	4,200	4,410	4,631	4,862	5,105	5,360	5,628	5,910	6,205	6,516
4070	Utilities	16,167	19,195	17,000	15,650	16,000	5%	16,800	17,640	18,522	19,448	20,421	21,442	22,514	23,639	24,821	26,062
4080	Dues and Subscriptions	-	113	75	85	100	3%	103	106	109	113	116	119	123	127	130	134
4090	Professional Services	17,652	10,705	5,800	24,000	25,000	3%	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619	33,598
4110	Contractual Services	279,656	231,493	250,000	270,000	260,000	3%	267,800	275,834	284,109	292,632	301,411	310,454	319,767	329,360	339,241	349,418
4120	Training & Education Expenses	1,372	1,756	1,500	900	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
4160	Physical Exam & Blood Test	381	835	800	750	800	3%	824	849	874	900	927	955	984	1,013	1,044	1,075
4190	Tax Refunds (Erie County)	7,759	4,767	54,488	11,241	10,000	3%	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439
4220	Building & Grounds	13,649	11,026	12,000	12,000	12,000	3%	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127
4230	Passenger Vehicles	2,206	1,452	1,500	1,500	1,500	3%	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016
4240	Trucks, Tractors, Equipment	23,424	23,677	17,000	25,000	23,750	3%	24,463	25,196	25,952	26,731	27,533	28,359	29,210	30,086	30,988	31,918
4280	R&M Public Safety Equipment	1,747	2,152	2,400	1,900	1,400	3%	1,442	1,485	1,530	1,576	1,623	1,672	1,722	1,773	1,827	1,881
4300	Specialized Equipment	14,210	19,530	17,500	14,000	10,000	3%	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439
4310	Gas & Oil	26,032	35,484	30,000	16,500	16,500	5%	17,325	18,191	19,101	20,056	21,059	22,112	23,217	24,378	25,597	26,877
4320	M&S Auto Parts & Accessories	9,584	8,652	10,000	9,700	9,500	3%	9,785	10,079	10,381	10,692	11,013	11,343	11,684	12,034	12,395	12,767
4330	Resurfacing Materials	-	-	750	1,000	500	3%	515	530	546	563	580	597	615	633	652	672
4340	Landscaping Materials	3,102	2,032	1,410	2,000	2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688
4350	Chemicals	451	81	500	500	500	3%	515	530	546	563	580	597	615	633	652	672
4410	Public Safety & Medical Equipment	2,279	3,110	2,500	2,400	2,500	3%	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360
4420	Uniforms & Shoes	-	8	750	-	100	3%	103	106	109	113	116	119	123	127	130	134
4430	Rnge, Photo, Sewer Pipe Sup	38,603	38,507	36,840	37,000	37,000	3%	38,110	39,253	40,431	41,644	42,893	44,180	45,505	46,870	48,277	49,725
4450	Small Tools	3,999	8,433	6,000	4,000	4,500	3%	4,635	4,774	4,917	5,065	5,217	5,373	5,534	5,700	5,871	6,048

4520	Drug & A.	-	-	-	-	750	3%	773	796	820	844	869	896	922	950	979	1,008
4930	Liability Insurance Costs	181,000	181,000	85,975	-	181,000	3%	186,430	192,023	197,784	203,717	209,829	216,123	222,607	229,285	236,164	243,249
496-02	Debris- Town Costs	-	-	-	-	10	3%	10	11	11	11	12	12	12	13	13	13
496-06	Lift Stations	-	-	-	-	100	3%	103	106	109	113	116	119	123	127	130	134
496-07	Basement Flooding	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-
6010	Principal on Bonds	636,857	618,697	518,541	517,072	-	-	-	-	-	-	-	-	-	-	-	-
7010	Interest on Bonds	177,327	153,920	161,388	120,811	-	-	-	-	-	-	-	-	-	-	-	-
8010	St. Retirement- Town	80,000	75,875	65,500	101,000	100,000	8%	108,000	116,640	125,971	136,049	146,933	158,687	171,382	185,093	199,900	215,892
8030	Social Security	63,878	66,514	62,647	57,177	58,000	8%	62,640	67,651	73,063	78,908	85,221	92,039	99,402	107,354	115,942	125,218
8040	Workmen's Compensation	8,280	8,250	-	-	5,000	8%	5,400	5,832	6,299	6,802	7,347	7,934	8,569	9,255	9,995	10,795
8050	Hospital & Medical Insurance	-	66,257	179,232	163,039	165,000	8%	178,200	192,456	207,852	224,481	242,439	261,834	282,781	305,403	329,836	356,223
8051	Dental	-	8,717	12,720	21,500	22,000	8%	23,760	25,661	27,714	29,931	32,325	34,911	37,704	40,720	43,978	47,496
8052	Vision	-	764	1,835	1,600	1,700	8%	1,836	1,983	2,142	2,313	2,498	2,698	2,914	3,147	3,398	3,670
8053	Retiree Health Insurance	-	124,337	326,700	240,318	240,000	8%	259,200	279,936	302,331	326,517	352,639	380,850	411,318	444,223	479,761	518,142
8054	MCR Reimbursement	-	-	-	-	-	8%	-	-	-	-	-	-	-	-	-	-
9000	Interfund Transfers	398,551	454,038	413,500	454,000	-	4%	523,016	662,903	807,472	956,889	1,111,324	1,270,954	1,435,966	1,606,548	1,782,901	1,965,231
Sewer District 16 Expenses		\$ 2,868,558	\$ 3,078,993	\$ 3,142,585	\$ 2,901,482			\$ 2,603,504	\$ 2,838,525	\$ 3,083,676	\$ 3,339,492	\$ 3,606,542	\$ 3,885,431	\$ 4,176,802	\$ 4,481,341	\$ 4,799,776	\$ 5,132,885

Disposal Plant 16

Item Code	Item Description	Actual				Budget		Status Quo Projections										
		2007	2008	2009	2010	Base Year Projection	Inflation Factor	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
1000	Personnel Services	\$ 2,730,573	\$ 2,516,035	\$ 2,799,090	\$ 2,983,427	\$ 2,980,000	3%	\$ 3,069,400	\$ 3,161,482	\$ 3,256,326	\$ 3,354,016	\$ 3,454,637	\$ 3,558,276	\$ 3,665,024	\$ 3,774,975	\$ 3,888,224	\$ 4,004,871	
1200	Overtime	181,531	229,697	15,000	150,000	\$ 150,000	3%	154,500	159,135	163,909	168,826	173,891	179,108	184,481	190,016	195,716	201,587	
1300	Longevity	49,850	53,300	56,750	57,500	\$ 55,000	3%	56,650	58,350	60,100	61,903	63,760	65,673	67,643	69,672	71,763	73,915	
1400	Vacation Buyback	2,169	3,283	-	1,105	\$ 1,700	3%	1,751	1,804	1,858	1,913	1,971	2,030	2,091	2,154	2,218	2,285	
1600	Retro Pay	1,237	190,432	-	-	\$ 10,000	3%	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	
170-06	OT Lift Stations	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-	
1800	Clothing	18,948	18,767	19,220	23,490	\$ 20,000	3%	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095	26,878	
1850	Lump Sum- Retirement	37,829	29,448	1,031	-	\$ 25,000	3%	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619	33,598	
1853	Sick Leave Incentive	4,393	4,389	6,000	7,500	\$ 7,500	3%	7,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079	
2130	Computer Equipment	-	6,285	-	5,400	\$ -	3%	-	-	-	-	-	-	-	-	-	-	
2150	Building Improve. & Equipment	91,960	137,213	145,000	140,000	\$ 140,000	3%	144,200	148,526	152,982	157,571	162,298	167,167	172,182	177,348	182,668	188,148	
2250	Trucks, Tractors, Trailers	-	-	-	-	\$ 8,000	3%	8,240	8,487	8,742	9,004	9,274	9,552	9,839	10,134	10,438	10,751	
2600	Other Equipment	-	6,495	-	4,800	\$ 2,500	3%	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360	
4010	Office Supplies (Dues & Sub)	3,388	5,107	4,000	4,800	\$ 4,500	3%	4,635	4,774	4,917	5,065	5,217	5,373	5,534	5,700	5,871	6,048	
4020	Postage & Freight	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-	
4025	Print/ Adv/Lease	2,913	5,246	3,000	3,000	\$ 3,000	3%	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	
4030	Printing	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-	
4040	Expenses/ Travel Reimbursement	-	-	1,800	800	\$ 1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	
4050	Mileage & Travel	779	90	1,000	900	\$ 800	3%	824	849	874	900	927	955	984	1,013	1,044	1,075	
4060	Telephone	600	-	1,000	700	\$ 800	5%	840	882	926	972	1,021	1,072	1,126	1,182	1,241	1,303	
4070	Utilities	-	-	-	-	\$ -	5%	-	-	-	-	-	-	-	-	-	-	
4090	Professional Services	106,908	54,597	60,000	60,000	\$ 60,000	3%	61,800	63,654	65,564	67,531	69,556	71,643	73,792	76,006	78,286	80,635	
4110	Contractual	-	116,156	80,000	60,000	\$ 60,000	3%	61,800	63,654	65,564	67,531	69,556	71,643	73,792	76,006	78,286	80,635	
4420	Uniforms & Shoes	-	-	5,055	-	\$ 800	3%	824	849	874	900	927	955	984	1,013	1,044	1,075	
4650	Property Tax- Disposal Plant	128,388	133,182	145,000	170,000	\$ 170,000	3%	175,100	180,353	185,764	191,336	197,077	202,989	209,079	215,351	221,811	228,466	
4700	Utilities- Gas	542,227	552,243	600,000	585,250	\$ 575,000	5%	603,750	633,938	665,634	698,916	733,862	770,555	809,083	849,537	892,014	936,614	
4710	Utilities- Electric	2,308,618	2,032,971	2,300,000	2,021,000	\$ 2,050,000	5%	2,152,500	2,260,125	2,373,131	2,491,788	2,616,377	2,747,196	2,884,556	3,028,784	3,180,223	3,339,234	
4730	Utilities- Telephone	8,853	1,481	8,000	-	\$ 8,000	5%	8,400	8,820	9,261	9,724	10,210	10,721	11,257	11,820	12,411	13,031	
4740	Utilities- Water	104,457	56,888	65,000	70,800	\$ 70,000	5%	73,500	77,175	81,034	85,085	89,340	93,807	98,497	103,422	108,593	114,023	
4800	Chemicals- Conditioning	277,431	211,537	272,662	237,037	\$ 238,000	3%	245,140	252,494	260,069	267,871	275,907	284,184	292,710	301,491	310,536	319,852	
4810	Chemicals- Dewatering	64,948	69,854	86,718	96,121	\$ 95,000	3%	97,850	100,786	103,809	106,923	110,131	113,435	116,838	120,343	123,953	127,672	
4820	Chemicals- Processing	35,690	38,522	53,948	57,382	\$ 57,000	3%	58,710	60,471	62,285	64,154	66,079	68,061	70,103	72,206	74,372	76,603	
4830	Chemicals- Deodorizing	19,944	14,880	22,960	24,640	\$ 25,000	3%	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619	33,598	
4850	Operator Training & Education	10,724	16,267	18,000	15,000	\$ 14,750	3%	15,193	15,648	16,118	16,601	17,099	17,612	18,141	18,685	19,245	19,823	
4860	Lab Supplies & Equipment	6,965	-	50,000	58,000	\$ 58,000	3%	59,740	61,532	63,378	65,280	67,238	69,255	71,333	73,473	75,677	77,947	
4870	Plant Safety Equipment	15,152	17,091	15,000	20,000	\$ 14,000	3%	14,420	14,853	15,298	15,757	16,230	16,717	17,218	17,735	18,267	18,815	
4900	Plant Contracts	84,379	88,000	35,000	50,000	\$ 60,000	3%	61,800	63,654	65,564	67,531	69,556	71,643	73,792	76,006	78,286	80,635	
4910	Plant Vehicle Repair	34,475	18,845	34,000	34,000	\$ 30,000	3%	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317	
4920	Repair/ Replace Fac. & Eq.	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-	
4921	Repair/ Replace- Mechanical	117,490	150,422	129,932	150,000	\$ 150,000	3%	154,500	159,135	163,909	168,826	173,891	179,108	184,481	190,016	195,716	201,587	
4922	Repair/ Replace- Electrical	79,493	100,179	80,000	90,000	\$ 80,000	3%	82,400	84,872	87,418	90,041	92,742	95,524	98,390	101,342	104,382	107,513	
4923	Repair/ Replace- HVAC	60,247	62,618	50,000	50,000	\$ 45,000	3%	46,350	47,741	49,173	50,648	52,167	53,732	55,344	57,005	58,715	60,476	
4924	Repair/ Replace- Build & Grounds	14,529	22,226	18,000	20,000	\$ 16,000	3%	16,480	16,974	17,484	18,008	18,548	19,105	19,678	20,268	20,876	21,503	
4925	Repair/ Replace- Office	4,486	4,065	2,200	2,200	\$ 4,000	3%	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219	5,376	
4926	Repair/ Replace- Operations	6,347	8,988	8,000	8,000	\$ 14,000	3%	14,420	14,853	15,298	15,757	16,230	16,717	17,218	17,735	18,267	18,815	

4929	Repair/ Replace- Lift Station	44,015	47,692	83,647	75,000	\$ 75,000	3%	77,250	79,568	81,955	84,413	86,946	89,554	92,241	95,008	97,858	100,794
4930	Plant Insurance Costs	217,100	217,100	103,123	-	\$ 217,000	3%	223,510	230,215	237,122	244,235	251,562	259,109	266,883	274,889	283,136	291,630
4940	Gas & Oil Plant Vehicle	29,556	35,715	57,600	43,000	\$ 41,000	5%	43,050	45,203	47,463	49,836	52,328	54,944	57,691	60,576	63,604	66,785
4950	Plant Sludge Removal	177,549	246,109	220,000	275,661	\$ 270,000	3%	278,100	286,443	295,036	303,887	313,004	322,394	332,066	342,028	352,289	362,857
4960	Plant Service Agreement	114,280	173,332	150,000	200,000	\$ 200,000	3%	206,000	212,180	218,545	225,102	231,855	238,810	245,975	253,354	260,955	268,783
6000	Installment Debt Principal	313,558	329,276	344,869	361,200	\$ -		-	-	-	-	-	-	-	-	-	-
6010	Principal on Bonds	1,449,094	1,799,554	1,864,675	1,859,801	\$ -		-	-	-	-	-	-	-	-	-	-
7000	Installment Debt Interest	86,202	71,324	55,731	39,400	\$ -		-	-	-	-	-	-	-	-	-	-
7010	Interest on Bonds	566,425	643,395	840,985	725,747	\$ -		-	-	-	-	-	-	-	-	-	-
8010	St. Retirement- Town	380,000	246,232	267,000	445,000	\$ 420,000	8%	453,600	489,888	529,079	571,405	617,118	666,487	719,806	777,391	839,582	906,748
8030	Social Security	230,642	239,671	247,481	246,561	\$ 240,000	8%	259,200	279,936	302,331	326,517	352,639	380,850	411,318	444,223	479,761	518,142
8040	Workmen's Compensation	24,840	24,840	-	-	\$ 30,000	8%	32,400	34,992	37,791	40,815	44,080	47,606	51,415	55,528	59,970	64,768
8050	Hospital & Medical Insurance	624,199	422,540	240,896	584,302	\$ 675,000	8%	729,000	787,320	850,306	918,330	991,796	1,071,140	1,156,831	1,249,378	1,349,328	1,457,274
8051	Dental	66,696	56,977	53,606	52,000	\$ 50,000	8%	54,000	58,320	62,986	68,024	73,466	79,344	85,691	92,547	99,950	107,946
8052	Vision	12,800	10,031	6,168	6,500	\$ 14,000	8%	15,120	16,330	17,636	19,047	20,571	22,216	23,994	25,913	27,986	30,225
8053	Retiree Health Insurance	-	135,338	361,524	485,347	\$ 490,000	8%	529,200	571,536	617,259	666,640	719,971	777,568	839,774	906,956	979,512	1,057,873
8060	Unemployment Insurance	-	-	-	-	\$ -	8%	-	-	-	-	-	-	-	-	-	-
9000	Interfund Transfers	879,157	953,070	912,000	953,000	\$ 850,000	4%	1,153,711	1,462,286	1,781,189	2,110,784	2,451,449	2,803,576	3,167,571	3,543,856	3,932,870	4,335,068
	Disposal Plant 16 Expenses	\$ 12,374,034	\$ 12,628,995	\$ 13,001,670	\$ 13,615,370			\$ 11,631,697	\$ 12,415,879	\$ 13,235,829	\$ 14,093,481	\$ 14,990,893	\$ 15,930,247	\$ 16,913,869	\$ 17,944,229	\$ 19,023,957	\$ 20,155,854

Environmental Control

Item Code	Item Description	Actual				Base Year Projection	Inflation Factor	Status Quo Projections									
		2007	2008	2009	2010			2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1000	Personnel Services	326,875	346,003	124,141	132,235	\$ 133,000	3%	\$ 136,990	\$ 141,100	\$ 145,333	\$ 149,693	\$ 154,183	\$ 158,809	\$ 163,573	\$ 168,480	\$ 173,535	\$ 178,741
1200	Overtime	9,499	8,285	-	1,000	\$ 2,500	3%	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360
1300	Longevity	6,750	6,300	3,345	3,350	\$ 5,000	3%	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
1400	Vacation Buyback	-	635	-	644	\$ -	3%	-	-	-	-	-	-	-	-	-	-
1600	Retro Pay	-	29,726	-	-	\$ 2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688
1800	Clothing	2,751	2,947	1,200	1,115	\$ 3,000	3%	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032
1853	Sick Leave Incentive	1,322	1,365	1,855	2,000	\$ 400	3%	412	424	437	450	464	478	492	507	522	538
2130	Computer Equipment	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-
2250	Trucks, Tractors, Trailers	-	-	-	-	\$ 3,000	3%	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032
2450	Public Safety Equipment	-	-	-	-	\$ 100	3%	103	106	109	113	116	119	123	127	130	134
2550	Other Special Equipment	-	-	-	4,500	\$ 1,500	3%	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016
4010	Office Supplies (Dues & Sub)	1,078	1,793	1,500	1,300	\$ 800	3%	824	849	874	900	927	955	984	1,013	1,044	1,075
4020	Postage & Freight	29	224	268	300	\$ 20	3%	21	21	22	23	24	25	25	26	26	27
4025	Print/ Adv/Lease	900	702	860	500	\$ 775	3%	798	822	847	872	898	925	953	982	1,011	1,042
4030	Printing & Advertising	-	-	20	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-
4050	Mileage & Travel	1,261	1,184	1,500	800	\$ 400	3%	412	424	437	450	464	478	492	507	522	538
4060	Telephone	482	-	900	900	\$ 700	3%	721	743	765	788	811	836	861	887	913	941
4080	Dues & Subscriptions	565	490	600	500	\$ 400	3%	412	424	437	450	464	478	492	507	522	538
4090	Professional Services	-	-	-	-	\$ 200	3%	206	212	219	225	232	239	246	253	261	269
4110	Contractual Services	34,563	17,949	19,353	19,000	\$ 13,000	3%	13,390	13,792	14,205	14,632	15,071	15,523	15,988	16,468	16,962	17,471
4120	Training & Education Expenses	1,822	1,531	1,700	1,000	\$ 500	3%	515	530	546	563	580	597	615	633	652	672
4230	Passenger Vehicles	892	59	1,600	1,000	\$ 1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
4250	R&M Other Motor Vehicles	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-
4310	Gas & Oil	-	-	500	300	\$ 100	3%	103	106	109	113	116	119	123	127	130	134
4420	Uniforms & Shoes	-	-	420	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-
4860	Lab Supplies	27,015	48,683	911	1,000	\$ 10,000	3%	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439
4930	Plant Insurance Costs	2,900	2,900	1,378	-	\$ 2,800	3%	2,884	2,971	3,060	3,151	3,246	3,343	3,444	3,547	3,653	3,763
8010	St. Retirement- Town	15,000	24,515	10,500	19,000	\$ 15,000	8%	16,200	17,496	18,896	20,407	22,040	23,803	25,707	27,764	29,985	32,384
8030	Social Security	26,476	30,135	9,999	10,736	\$ 30,000	8%	32,400	34,992	37,791	40,815	44,080	47,606	51,415	55,528	59,970	64,768
8040	Workmen's Compensation	2,070	2,070	-	-	\$ 2,000	8%	2,160	2,333	2,519	2,721	2,939	3,174	3,428	3,702	3,998	4,318
8050	Hospital & Medical Insurance	-	21,496	56,749	14,608	\$ 15,000	8%	16,200	17,496	18,896	20,407	22,040	23,803	25,707	27,764	29,985	32,384

8051	Dental	-	1,653	4,668	5,500	\$ 6,000	8%	6,480	6,998	7,558	8,163	8,816	9,521	10,283	11,106	11,994	12,954
8052	Vision	-	284	747	600	\$ 1,000	8%	1,080	1,166	1,260	1,360	1,469	1,587	1,714	1,851	1,999	2,159
8053	Retiree Health Insurance	-	20	48	94	\$ 200	8%	216	233	252	272	294	317	343	370	400	432
9000	Interfund	-	-	-	22,500	\$ -	4%	-	-	-	-	-	-	-	-	-	-
Environmental Control Expenses		\$ 462,250	\$ 550,950	\$ 244,761	\$ 244,483			\$ 261,367	\$ 272,945	\$ 285,169	\$ 298,082	\$ 311,732	\$ 326,168	\$ 341,444	\$ 357,617	\$ 374,749	\$ 392,909
Total Expenses before allocation of interfund transfer		\$ 18,143,317	\$ 19,183,484	\$ 19,816,284	\$ 20,016,776			\$ 17,662,192	\$ 18,880,692	\$ 20,154,218	\$ 21,485,764	\$ 22,878,517	\$ 24,335,865	\$ 25,861,415	\$ 27,459,009	\$ 29,132,737	\$ 30,886,959

Interfund Transfer Allocation (Calculated below)	Actual		Budget		Base Year Projection	Inflation Factor	Status Quo Projections									
	Sewer Contribution 2007	Sewer Contribution 2008	Estimated Sewer Contribution 2009	Estimated Sewer Contribution 2010			2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Councilmembers	\$ 64,446	\$ 66,575	\$ 71,806	\$ 72,321	\$ 72,321	5.06%	\$ 75,980	\$ 79,825	\$ 83,864	\$ 88,108	\$ 92,566	\$ 97,250	\$ 102,171	\$ 107,340	\$ 112,772	\$ 118,478
Finance/ Comptroller	215,822	201,036	237,962	239,667	239,667	5.06%	251,794	264,535	277,920	291,983	306,758	322,279	338,587	355,719	373,719	392,629
Supervisor	47,004	49,135	52,639	53,016	53,016	5.06%	55,699	58,517	61,478	64,589	67,857	71,290	74,898	78,688	82,669	86,852
Assessor	171,680	243,226	200,389	201,825	201,825	5.06%	212,037	222,766	234,038	245,881	258,322	271,393	285,126	299,553	314,711	330,635
Auditor	30,000	33,379	33,215	33,453	33,453	5.06%	35,146	36,924	38,792	40,755	42,818	44,984	47,260	49,652	52,164	54,804
Emergency Services	67,797	76,500	75,146	75,684	75,684	5.06%	79,514	83,537	87,764	92,205	96,870	101,772	106,922	112,332	118,016	123,988
Personnel	90,333	94,724	98,525	99,231	99,231	5.06%	104,252	109,527	115,069	120,892	127,009	133,436	140,187	147,281	154,733	162,563
Town Attorney	55,368	67,354	61,787	62,229	62,229	5.06%	65,378	68,686	72,161	75,813	79,649	83,679	87,913	92,362	97,035	101,945
Engineering	327,541	365,719	367,381	370,013	370,013	5.06%	388,736	408,406	429,071	450,782	473,592	497,555	522,732	549,182	576,970	606,165
Central Phone	86,929	69,441	96,855	97,549	97,549	5.06%	102,485	107,671	113,119	118,843	124,856	131,174	137,811	144,784	152,111	159,807
Building Maintenance	85,265	87,461	93,515	94,185	94,185	5.06%	98,951	103,958	109,218	114,744	120,550	126,650	133,059	139,792	146,865	154,296
Central Data Processing	8,285	12,605	10,019	10,091	10,091	5.06%	10,602	11,138	11,702	12,294	12,916	13,569	14,256	14,977	15,735	16,531
Highway Office	72,615	73,115	83,638	84,237	84,237	5.06%	88,499	92,977	97,682	102,625	107,818	113,273	119,005	125,026	131,353	137,999
Town Clerk/ Tax Receiver	76,430	82,299	83,496	84,094	84,094	5.06%	88,349	92,820	97,516	102,451	107,635	113,081	118,803	124,814	131,130	137,765
Central Computer Services	112,634	105,252	103,535	104,276	104,276	5.06%	109,552	115,096	120,920	127,038	133,466	140,220	147,315	154,769	162,600	170,828
General Fund Expenses Allocated to Sewer	1,512,150	1,627,820	1,669,908	1,681,871			\$ 1,766,974	\$ 1,856,383	\$ 1,950,315	\$ 2,049,001	\$ 2,152,681	\$ 2,261,607	\$ 2,376,044	\$ 2,496,272	\$ 2,622,583	\$ 2,755,286
Other Allocated Items	<i>Actual</i>		<i>Budget</i>				<i>Status Quo Projections</i>									
Attorney costs to Disposal Plant Personnel		80,000	80,000	80,000	80,000	3.00%	82,400	84,872	87,418	90,041	92,742	95,524	98,390	101,342	104,382	107,513
Building and Maintenance to Disposal Plant Personnel		30,000	41,614	41,614	41,614	3.00%	42,862	44,148	45,473	46,837	48,242	49,689	51,180	52,715	54,297	55,926
Total Other Allocated Items	\$ -	\$ 110,000	\$ 121,614	\$ 121,614			\$ 125,262	\$ 129,020	\$ 132,891	\$ 136,878	\$ 140,984	\$ 145,213	\$ 149,570	\$ 154,057	\$ 158,679	\$ 163,439

APPENDIX D

WILLIAMSVILLE PROJECTED STATUS QUO

The following spreadsheets show the projected expenses for the Status Quo scenario. They include summary sheets and the associated supporting detail. The summary sheets "roll up" all the expenses into similar categories to allow for easy comparison between the participants. Years 2007 and 2008 are actual expenses and Years 2009 and 2010 are budget expenses that were provided by the respective municipalities. The base year was determined based on these values. The base year value and the inflation factors used for projecting the Status Quo expenses are also shown in the supporting detail.

Inter-municipal revenue and expenses related to treatment of sewage from Clarence, ECSD No. 5, and Williamsville have not been included. The treatment charges for Clarence, ECSD No. 5, and Williamsville are offset by corresponding revenue in Amherst. The actual expenses incurred by Amherst are included in the individual line items of the Amherst budget projections. Any mismatching of detail-projected budgets and summary tables are due to the exclusion of revenue and expenses from treatment charges.

Debt service is shown as two separate line items on the attached summary spreadsheets: existing debt service and proposed incremental debt service. Existing debt service is that debt incurred prior to the start of the analysis, while proposed incremental debt service is that projected as part of the financial analysis. If all existing debt is retired during the analysis period, this line shows a zero value and the proposed incremental debt service line would account for new debt.

**ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT**

**MERGER FEASIBILITY STUDY
AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5**

Summary- Williamsville

	<i>Actual</i>		<i>Budget</i>		<i>Status Quo Projections</i>									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operations & Maintenance														
Plant O&M														
Personnel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials/ Chemicals/ Equipment/ Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities (Elec., Gas, Tele.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Plant O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Pretreatment O&M														
Personnel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials/ Chemicals/ Equipment/ Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Pretreatment O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Field Services O&M														
Personnel Expenses	\$ 85,970	\$ 70,739	\$ 98,700	\$ 100,032	\$ 105,050	\$ 109,252	\$ 113,623	\$ 118,167	\$ 122,894	\$ 127,810	\$ 132,922	\$ 138,239	\$ 143,769	\$ 149,519
Benefits	32,017	30,097	36,111	36,630	42,601	46,009	49,689	53,664	57,958	62,594	67,602	73,010	78,851	85,159
Materials/ Chemicals/ Equipment/ Operations	136,882	7,306	14,548	16,650	11,885	12,284	12,696	13,123	13,566	14,024	14,498	14,989	15,498	16,025
Professional & Contract Services	18,535	21,278	18,500	18,500	19,982	20,581	21,199	21,835	22,490	23,165	23,860	24,575	25,313	26,072
Utilities (Elec., Gas, Tele.)	2,684	1,585	2,625	3,000	3,150	3,308	3,473	3,647	3,829	4,020	4,221	4,432	4,654	4,887
Total Field Services O&M Expenses	\$ 276,088	\$ 131,005	\$ 170,484	\$ 174,812	\$ 182,668	\$ 191,434	\$ 200,680	\$ 210,437	\$ 220,736	\$ 231,613	\$ 243,103	\$ 255,246	\$ 268,084	\$ 281,662
Total O&M Expenses	\$ 276,088	\$ 131,005	\$ 170,484	\$ 174,812	\$ 182,668	\$ 191,434	\$ 200,680	\$ 210,437	\$ 220,736	\$ 231,613	\$ 243,103	\$ 255,246	\$ 268,084	\$ 281,662
Non-Operating Expenses														
Capital Expenses	\$ 178,465	\$ 58,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Existing Debt Service	32,805	31,275	10,255	-	-	-	-	-	-	-	-	-	-	-
Proposed Incremental Debt Service	-	-	-	-	31,807	63,613	68,008	76,930	86,120	95,585	105,335	115,376	125,720	136,373
Contingency	-	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Coverage Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Expenses	\$ 211,270	\$ 89,275	\$ 75,255	\$ 65,000	\$ 46,807	\$ 78,613	\$ 83,008	\$ 91,930	\$ 101,120	\$ 110,585	\$ 120,335	\$ 130,376	\$ 140,720	\$ 151,373
Allocated Expenses & General Admin														
Other Dept. Expenses/ Interfund Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	30,772	32,359	34,000	35,000	38,625	39,784	40,977	42,207	43,473	44,777	46,120	47,504	48,929	50,397
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Councilmembers/ Board Members	16,855	14,405	19,259	19,523	21,093	22,180	23,330	24,547	25,836	27,201	28,646	30,178	31,803	33,525
Finance/ Comptroller	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supervisor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assessor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Auditor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Emergency Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Personnel/ Administrative	16,855	14,405	19,259	19,523	21,093	22,180	23,330	24,547	25,836	27,201	28,646	30,178	31,803	33,525
Town Attorney	16,855	14,405	19,259	19,523	21,093	22,180	23,330	24,547	25,836	27,201	28,646	30,178	31,803	33,525
Engineering & Grants	30,960	1,909	5,000	5,000	36,050	37,132	38,245	39,393	40,575	41,792	43,046	44,337	45,667	47,037
Central Phone	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Building Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Central Data Processing/ Computer Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Highway Office	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Town Clerk/ Tax Receiver	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Allocated Expenses	\$ 112,298	\$ 77,483	\$ 96,776	\$ 98,570	\$ 137,954	\$ 143,456	\$ 149,214	\$ 155,242	\$ 161,555	\$ 168,171	\$ 175,105	\$ 182,376	\$ 190,004	\$ 198,010
Total Actual/Budgetary Expenses	\$ 599,656	\$ 297,763	\$ 342,515	\$ 338,382	\$ 367,429	\$ 413,502	\$ 432,901	\$ 457,608	\$ 483,411	\$ 510,369	\$ 538,542	\$ 567,999	\$ 598,808	\$ 631,045

Williamsville Budget - Expenses
SEWER FUND

Item Description	Actual				Budget		Status Quo Projections									
	2007	2008	2009	2010	Base Year Projection	Inflation Factor	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Insurance	\$ 30,772	\$ 32,359	\$ 34,000	\$ 35,000	\$ 37,500	3%	\$ 38,625	\$ 39,784	\$ 40,977	\$ 42,207	\$ 43,473	\$ 44,777	\$ 46,120	\$ 47,504	\$ 48,929	\$ 50,397
Association Dues	168	168	173	200	200	3%	206	212	219	225	232	239	246	253	261	269
Refund of Village Taxes	-	-	500	500	250	3%	258	265	273	281	290	299	307	317	326	336
Contingent Account	-	-	15,000	15,000	15,000	0%	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Longevity	780	750	650	700	800	4%	832	865	900	936	973	1,012	1,053	1,095	1,139	1,184
Personnel Services	121,516	100,020	140,335	142,203	143,000	4%	148,720	154,669	160,856	167,290	173,981	180,941	188,178	195,705	203,534	211,675
Overtime	519	285	15	-	500	4%	520	541	562	585	608	633	658	684	712	740
Equipment	3,117	-	2,000	2,000	4,800	3%	4,944	5,092	5,245	5,402	5,565	5,731	5,903	6,080	6,263	6,451
Utilities	2,684	1,585	2,625	3,000	3,000	5%	3,150	3,308	3,473	3,647	3,829	4,020	4,221	4,432	4,654	4,887
Professional Fees	6,258	8,542	5,500	5,500	6,400	3%	6,592	6,790	6,993	7,203	7,419	7,642	7,871	8,107	8,351	8,601
Service Contracts	3,661	3,780	4,000	4,000	4,000	3%	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219	5,376
Grant Writer	3,500	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-
Engineer	27,460	1,909	5,000	5,000	35,000	3%	36,050	37,132	38,245	39,393	40,575	41,792	43,046	44,337	45,667	47,037
Engineer - SPDES (Mon & Annual)	5,267	5,128	5,000	5,000	5,000	3%	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
Engineer - Monitor Maintenance	974	3,828	1,500	1,500	1,500	3%	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016
Engineer - Siphon Flushing	2,375	-	2,500	2,500	2,500	3%	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360
Bond and Note Expense	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-
Repair- Lines	131,255	4,315	7,945	10,000	2,500	3%	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360
Repair- Equipment	-	305	293	750	750	3%	773	796	820	844	869	896	922	950	979	1,008
Sewer Cleaning/Televising	-	-	-	1,500	-	3%	-	-	-	-	-	-	-	-	-	-
Repairs-SPDES Permit	-	-	-	500	-	3%	-	-	-	-	-	-	-	-	-	-
Maintenance Supplies	1,967	944	1,207	1,200	2,000	5%	2,100	2,205	2,315	2,431	2,553	2,680	2,814	2,955	3,103	3,258
Misc.	375	1,574	2,430	-	1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
Share of Town Costs (payment to Amherst)	520,780	545,789	600,000	600,000	600,000	3%	618,000	636,540	655,636	675,305	695,564	716,431	737,924	760,062	782,864	806,350
State Retirement	12,086	10,322	10,500	10,000	13,000	8%	14,040	15,163	16,376	17,686	19,101	20,629	22,280	24,062	25,987	28,066
Social Security	9,205	7,532	10,737	10,879	11,000	8%	11,880	12,830	13,857	14,965	16,163	17,456	18,852	20,360	21,989	23,748
Workers Compensation	7,719	6,089	8,250	8,250	8,500	8%	9,180	9,914	10,708	11,564	12,489	13,488	14,568	15,733	16,992	18,351
Disability Insurance	71	37	100	100	100	8%	108	117	126	136	147	159	171	185	200	216
Hospital & Medical Insurance	15,052	17,432	20,000	21,000	22,000	8%	23,760	25,661	27,714	29,931	32,325	34,911	37,704	40,720	43,978	47,496
Dental insurance	1,606	1,584	2,000	2,100	1,750	8%	1,890	2,041	2,204	2,381	2,571	2,777	2,999	3,239	3,498	3,778
Transfer to Debt Service Fund	32,805	31,275	10,255	-	-	0%	-	-	-	-	-	-	-	-	-	-
Transfer to Capital Fund	178,465	58,000	50,000	50,000	50,000	0%	-	-	-	-	-	-	-	-	-	-
Total Sewer Fund Actual/Budgetary Expenses	\$ 1,120,436	\$ 843,552	\$ 942,515	\$ 938,382			\$ 953,622	\$ 986,429	\$ 1,020,529	\$ 1,055,984	\$ 1,092,856	\$ 1,131,215	\$ 1,171,132	\$ 1,212,684	\$ 1,255,952	\$ 1,301,022

APPENDIX E

CLARENCE PROJECTED STATUS QUO

The following spreadsheets show the projected expenses for the Status Quo scenario. They include summary sheets and the associated supporting detail. The summary sheets "roll up" all the expenses into similar categories to allow for easy comparison between the participants. Years 2007 and 2008 are actual expenses and Years 2009 and 2010 are budget expenses that were provided by the respective municipalities. The base year was determined based on these values. The base year value and the inflation factors used for projecting the Status Quo expenses are also shown in the supporting detail.

Inter-municipal revenue and expenses related to treatment of sewage from Clarence, ECSD No. 5, and Williamsville have not been included. The treatment charges for Clarence, ECSD No. 5, and Williamsville are offset by corresponding revenue in Amherst. The actual expenses incurred by Amherst are included in the individual line items of the Amherst budget projections. Any mismatching of detail-projected budgets and summary tables are due to the exclusion of revenue and expenses from treatment charges.

Debt service is shown as two separate line items on the attached summary spreadsheets: existing debt service and proposed incremental debt service. Existing debt service is that debt incurred prior to the start of the analysis, while proposed incremental debt service is that projected as part of the financial analysis. If all existing debt is retired during the analysis period, this line shows a zero value and the proposed incremental debt service line would account for new debt.

ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT

MERGER FEASIBILITY STUDY
AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5

Summary- Clarence

	<i>Actual</i>				<i>Status Quo Projections</i>									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operations & Maintenance														
Plant O&M														
Personnel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials/ Chemicals/ Equipment/ Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities (Elec., Gas, Tele.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Plant O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Pretreatment O&M														
Personnel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials/ Chemicals/ Equipment/ Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Pretreatment O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Field Services O&M														
Personnel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials/ Chemicals/ Equipment/ Operations	-	-	4,000	4,000	13,390	13,792	14,205	14,632	15,071	15,523	15,988	16,468	16,962	17,471
Professional & Contract Services	19,971	20,835	22,676	22,900	115,360	118,821	122,385	126,057	129,839	133,734	137,746	141,878	146,135	150,519
Utilities (Elec., Gas, Tele.)	2,809	3,885	4,300	3,700	5,250	5,513	5,788	6,078	6,381	6,700	7,036	7,387	7,757	8,144
Total Field Services O&M Expenses	\$ 22,780	\$ 24,720	\$ 30,976	\$ 30,600	\$ 134,000	\$ 138,125	\$ 142,379	\$ 146,766	\$ 151,291	\$ 155,957	\$ 160,770	\$ 165,734	\$ 170,853	\$ 176,134
Total O&M Expenses	\$ 22,780	\$ 24,720	\$ 30,976	\$ 30,600	\$ 134,000	\$ 138,125	\$ 142,379	\$ 146,766	\$ 151,291	\$ 155,957	\$ 160,770	\$ 165,734	\$ 170,853	\$ 176,134
Non-Operating Expenses														
Capital Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Existing Debt Service	100,125	110,114	108,716	123,663	84,350	83,537	82,725	81,900	81,913	81,100	80,288	79,475	78,663	77,850
Proposed Incremental Debt Service	-	-	-	-	3,194	9,677	16,354	23,232	30,317	37,614	45,129	52,871	60,844	69,057
Coverage Reserve	6,177	137	19,682	-	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688
Total Non-Operating Expenses	\$ 106,302	\$ 110,251	\$ 128,398	\$ 123,663	\$ 89,604	\$ 95,336	\$ 101,265	\$ 107,383	\$ 114,548	\$ 121,102	\$ 127,877	\$ 134,879	\$ 142,117	\$ 149,594
Total Actual/Budgetary Expenses	\$ 129,082	\$ 134,971	\$ 159,374	\$ 154,263	\$ 223,604	\$ 233,461	\$ 243,644	\$ 254,150	\$ 265,839	\$ 277,059	\$ 288,647	\$ 300,613	\$ 312,970	\$ 325,728

Clarence Budget - Expenses
SEWER FUND

Item Description	Actual				Budget		Status Quo Projections										
	2007	2008	2009	2010	Base Year Projection	Inflation Factor	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
District 2																	
Equipment	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	3%	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 1,159	\$ 1,194	\$ 1,230	\$ 1,267	\$ 1,305	\$ 1,344	
Inspection Fees	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Payment to County	105,817	120,955	149,626	163,091	155,000	3%	159,650	164,440	169,373	174,454	179,687	185,078	190,630	196,349	202,240	208,307	
Professional Services - Payment to Amherst	270,228	207,572	147,440	148,436	112,000	3%	115,360	118,821	122,385	126,057	129,839	133,734	137,746	141,878	146,135	150,519	
Professional Services - other	-	-	-	-	50,000	3%	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196	
Utilities	2,809	3,885	4,300	3,700	5,000	5%	5,250	5,513	5,788	6,078	6,381	6,700	7,036	7,387	7,757	8,144	
Bonds- Principal	50,000	50,000	50,000	50,000	-	-	-	-	-	-	-	-	-	-	-	-	
Bonds- Interest	12,031	8,594	5,156	1,719	-	-	-	-	-	-	-	-	-	-	-	-	
Reserve Debt Service- Erie County Petitions	-	-	240	-	2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688	
Total District 2	\$ 440,885	\$ 391,006	\$ 357,762	\$ 367,946			\$ 334,850	\$ 345,001	\$ 355,461	\$ 366,240	\$ 377,349	\$ 388,797	\$ 400,595	\$ 412,754	\$ 425,284	\$ 438,198	
District 6																	
Equipment	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	3%	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 1,159	\$ 1,194	\$ 1,230	\$ 1,267	\$ 1,305	\$ 1,344	
Inspection Fees	-	-	-	-	10,000	3%	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	
Professional Services - Payment to County	35,607	42,490	40,461	44,696	47,500	3%	48,925	50,393	51,905	53,462	55,066	56,717	58,419	60,172	61,977	63,836	
Professional Services - Payment to Amherst	-	-	33,814	34,304	30,000	3%	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317	
Utilities	-	-	-	-	-	5%	-	-	-	-	-	-	-	-	-	-	
Bonds- Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Bonds- Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Reserve Debt Service- Erie County Petitions	6,177	137	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Total District 6	\$ 41,784	\$ 42,627	\$ 75,275	\$ 80,000			\$ 91,155	\$ 93,890	\$ 96,706	\$ 99,608	\$ 102,596	\$ 105,674	\$ 108,844	\$ 112,109	\$ 115,472	\$ 118,937	
District 7																	
Equipment	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	3%	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 1,159	\$ 1,194	\$ 1,230	\$ 1,267	\$ 1,305	\$ 1,344	
Inspection Fees	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Payment to County	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Payment to Amherst	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Other	19,971	20,835	22,676	22,900	22,000	3%	22,660	23,340	24,040	24,761	25,504	26,269	27,057	27,869	28,705	29,566	
Utilities	-	-	-	-	-	5%	-	-	-	-	-	-	-	-	-	-	
Bonds- Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Bonds- Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Reserve Debt Service- Erie County Petitions	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Total District 7	\$ 19,971	\$ 20,835	\$ 23,676	\$ 23,900			\$ 23,690.00	\$ 24,400.70	\$ 25,132.72	\$ 25,886.70	\$ 26,663.30	\$ 27,463.20	\$ 28,287.10	\$ 29,135.71	\$ 30,009.78	\$ 30,910.08	
District 9																	
Equipment	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ -	3%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Inspection Fees	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Payment to County	-	-	68,248	72,819	-	3%	-	-	-	-	-	-	-	-	-	-	
Professional Services - Payment to Amherst	2,906	148,135	63,643	63,381	45,000	3%	46,350	47,741	49,173	50,648	52,167	53,732	55,344	57,005	58,715	60,476	
Professional Services - Other	-	-	-	-	40,000	3%	41,200	42,436	43,709	45,020	46,371	47,762	49,195	50,671	52,191	53,757	
Utilities	-	-	-	-	-	5%	-	-	-	-	-	-	-	-	-	-	
Bonds- Principal	-	-	25,000	52,000	-	-	-	-	-	-	-	-	-	-	-	-	
Bonds- Interest	38,094	51,520	28,560	19,944	-	-	-	-	-	-	-	-	-	-	-	-	
Reserve Debt Service- Erie County Petitions	-	-	19,442	-	-	3%	-	-	-	-	-	-	-	-	-	-	
Total District 9	\$ 41,000	\$ 199,655	\$ 205,893	\$ 209,144			\$ 87,550	\$ 90,177	\$ 92,882	\$ 95,668	\$ 98,538	\$ 101,494	\$ 104,539	\$ 107,675	\$ 110,906	\$ 114,233	
Total Sewer Fund Actual/Budgetary Expenses	\$ 543,640	\$ 654,123	\$ 662,606	\$ 680,990			\$ 537,245	\$ 553,467	\$ 570,182	\$ 587,403	\$ 605,146	\$ 623,428	\$ 642,265	\$ 661,674	\$ 681,672	\$ 702,277	

APPENDIX F

ECSD NO. 5 PROJECTED STATUS QUO

The following spreadsheets show the projected expenses for the Status Quo scenario. They include summary sheets and the associated supporting detail. The summary sheets "roll up" all the expenses into similar categories to allow for easy comparison between the participants. Years 2007 and 2008 are actual expenses and Years 2009 and 2010 are budget expenses that were provided by the respective municipalities. The base year was determined based on these values. The base year value and the inflation factors used for projecting the Status Quo expenses are also shown in the supporting detail.

Inter-municipal revenue and expenses related to treatment of sewage from Clarence, ECSD No. 5, and Williamsville have not been included. The treatment charges for Clarence, ECSD No. 5, and Williamsville are offset by corresponding revenue in Amherst. The actual expenses incurred by Amherst are included in the individual line items of the Amherst budget projections. Any mismatching of detail-projected budgets and summary tables are due to the exclusion of revenue and expenses from treatment charges.

Debt service is shown as two separate line items on the attached summary spreadsheets: existing debt service and proposed incremental debt service. Existing debt service is that debt incurred prior to the start of the analysis, while proposed incremental debt service is that projected as part of the financial analysis. If all existing debt is retired during the analysis period, this line shows a zero value and the proposed incremental debt service line would account for new debt.

**ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT**

**MERGER FEASIBILITY STUDY
AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5**

Summary- ECSD No.5

	<i>Actual</i>				<i>Status Quo Projections</i>									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operations & Maintenance														
Plant O&M														
Personnel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials/ Chemicals/ Equipment/ Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities (Elec., Gas, Tele.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Plant O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pretreatment O&M														
Personnel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials/ Chemicals/ Equipment/ Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Pretreatment O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Field Services O&M														
Personnel Expenses	\$ 273,401	\$ 272,060	\$ 329,097	\$ 352,424	\$ 366,319	\$ 380,972	\$ 396,211	\$ 412,059	\$ 428,542	\$ 445,683	\$ 463,511	\$ 482,051	\$ 501,333	\$ 521,386
Materials/ Chemicals/ Equipment/ Operations	70,065	70,176	132,141	119,345	112,579	115,956	119,435	123,018	126,709	130,510	134,425	138,458	142,612	146,890
Professional & Contract Services	2,898	4,174	15,780	6,204	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063
Utilities (Elec., Gas, Tele.)	44,616	50,911	69,960	72,653	59,850	62,843	65,985	69,284	72,748	76,385	80,205	84,215	88,426	92,847
Total Field Services O&M Expenses	\$ 390,980	\$ 397,320	\$ 546,978	\$ 550,626	\$ 544,928	\$ 566,136	\$ 588,187	\$ 611,114	\$ 634,954	\$ 659,743	\$ 685,520	\$ 712,325	\$ 740,199	\$ 769,187
Total O&M Expenses	\$ 390,980	\$ 397,320	\$ 546,978	\$ 550,626	\$ 544,928	\$ 566,136	\$ 588,187	\$ 611,114	\$ 634,954	\$ 659,743	\$ 685,520	\$ 712,325	\$ 740,199	\$ 769,187
Non-Operating Expenses														
Capital Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EFC Fees	2,821	2,714	2,639	2,550	-	-	-	-	-	-	-	-	-	-
Existing Debt Service	179,814	184,083	219,729	212,939	180,719	179,656	178,027	177,555	175,654	174,265	177,581	177,581	177,581	177,581
Proposed Incremental Debt Service	-	-	-	-	-	10,289	31,175	52,688	74,847	97,670	121,177	145,033	170,330	196,018
Coverage Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Expenses	\$ 182,636	\$ 186,797	\$ 222,368	\$ 215,489	\$ 180,719	\$ 189,945	\$ 209,202	\$ 230,243	\$ 250,501	\$ 271,935	\$ 298,758	\$ 322,614	\$ 347,911	\$ 373,599
Allocated Expenses & General Admin														
Other Dept. Expenses/ Interfund Transfer	\$ 1,800	\$ 81,684	\$ 45,537	\$ 60,642	\$ 52,000	\$ 54,080	\$ 56,243	\$ 58,493	\$ 60,833	\$ 63,266	\$ 65,797	\$ 68,428	\$ 71,166	\$ 74,012
Insurance	444	2,232	2,098	2,098	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219	5,376
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Councilmembers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance/ Comptroller	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supervisor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assessor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Auditor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Emergency Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Personnel/ Administrative	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attorney	2,785	2,785	3,288	3,288	2,080	2,163	2,250	2,340	2,433	2,531	2,632	2,737	2,847	2,960
Engineering	189,991	189,058	228,694	244,905	254,561	264,743	275,333	286,346	297,800	309,712	322,101	334,985	348,384	362,319
Central Phone	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Building Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Central Data Processing/ Computer Services	-	6,183	5,443	273	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
Highway Office	24	-	24	24	26	27	27	28	29	30	31	32	33	34
Clerk/ Tax Receiver	16,555	17,424	2,316	1,655	5,253	5,411	5,573	5,740	5,912	6,090	6,272	6,461	6,654	6,854
Total Allocated Expenses	\$ 211,598	\$ 299,366	\$ 287,400	\$ 312,884	\$ 323,190	\$ 335,972	\$ 349,261	\$ 363,077	\$ 377,441	\$ 392,375	\$ 407,901	\$ 424,043	\$ 440,826	\$ 458,275
Total Actual/Budgetary Expenses	\$ 785,214	\$ 883,483	\$ 1,056,746	\$ 1,079,000	\$ 1,048,837	\$ 1,092,053	\$ 1,146,650	\$ 1,204,434	\$ 1,262,895	\$ 1,324,052	\$ 1,392,179	\$ 1,458,982	\$ 1,528,936	\$ 1,601,060

ECSD No. 5 Budget - Expenses

Item Description	Actual				Budget		Status Quo Projections									
	2007	2008	2009	2010	Base Year Projection	Inflation Factor	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Full-time Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	4%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Part-Time Wages	-	-	-	-	-	4%	-	-	-	-	-	-	-	-	-	-
Seasonal Emp. Wages	-	-	-	-	-	4%	-	-	-	-	-	-	-	-	-	-
Shift Differential	-	-	-	-	-	4%	-	-	-	-	-	-	-	-	-	-
Holiday Worked	-	-	-	-	-	4%	-	-	-	-	-	-	-	-	-	-
Other Employee Payments	-	-	-	-	-	4%	-	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	4%	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	-	-	-	-	-	4%	-	-	-	-	-	-	-	-	-	-
Office Supplies	651	973	2,718	1,398	\$ 1,300	3%	1,339	1,379	1,421	1,463	1,507	1,552	1,599	1,647	1,696	1,747
Cothing Supplies	572	505	1,689	1,329	\$ 1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
Auto Tr & Hvy Eq Sup	6,018	8,543	24,828	24,828	\$ 25,000	3%	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619	33,598
Medical & Health Supplies	117	95	510	510	\$ 750	3%	773	796	820	844	869	896	922	950	979	1,008
Maintenance & Repair	30,792	41,075	46,068	47,988	\$ 50,000	3%	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196
Highway Supplies	1,211	804	2,208	2,208	\$ 2,000	3%	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688
Local Mileage	-	-	-	-	\$ 50	3%	52	53	55	56	58	60	61	63	65	67
Out of Area Travel	278	22	480	480	\$ 300	3%	309	318	328	338	348	358	369	380	391	403
Training & Education	1,834	1,090	4,500	5,400	\$ 4,000	3%	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219	5,376
Utility Charges	1,420	1,338	2,640	2,640	\$ 2,000	5%	2,100	2,205	2,315	2,431	2,553	2,680	2,814	2,955	3,103	3,258
Cnt Pmts- Non-Pro Sub	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-
Professional Service Contracts and Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pro Service Contracts and Fees- Amherst Fees	664,692	590,634	722,951	841,027	\$ 800,000	4%	832,000	865,280	899,891	935,887	973,322	1,012,255	1,052,745	1,094,855	1,138,649	1,184,195
Pro Service Contracts and Fees- Clarence Fees	42,427	37,700	46,146	53,683	\$ 50,000	4%	52,000	54,080	56,243	58,493	60,833	63,266	65,797	68,428	71,166	74,012
Maintenance Contracts	2,898	4,174	15,780	6,204	\$ 6,000	3%	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063
Taxes & Assessment- Co Ownd Pr	-	-	-	-	\$ -	3%	-	-	-	-	-	-	-	-	-	-
Other Expenses	24	59	480	504	\$ 400	3%	412	424	437	450	464	478	492	507	522	538
Rental Charges	644	678	3,000	4,200	\$ 3,500	3%	3,605	3,713	3,825	3,939	4,057	4,179	4,305	4,434	4,567	4,704
NYSEFC Bond Admin Fee	2,821	2,714	2,639	2,550	\$ -	-	-	-	-	-	-	-	-	-	-	-
Interest- Debt Service	-	-	135	-	\$ -	-	-	-	-	-	-	-	-	-	-	-
Insurance Premiums	444	2,232	2,098	2,098	\$ 4,000	3%	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219	5,376
Lab & Technical Equipment	9,318	10,483	19,980	21,336	\$ 11,000	3%	11,330	11,670	12,020	12,381	12,752	13,135	13,529	13,934	14,353	14,783
Office Furniture & Fixtures	308	-	-	-	\$ 500	3%	515	530	546	563	580	597	615	633	652	672
Bldg GRs & Hvy Eq	5,038	-	-	5,564	\$ 1,500	3%	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016
Motor Vehicles	13,260	5,847	25,680	3,600	\$ 8,000	3%	8,240	8,487	8,742	9,004	9,274	9,552	9,839	10,134	10,438	10,751
Interfund Transfers Subsidy	1,800	81,475	45,237	57,071	\$ 50,000	4%	52,000	54,080	56,243	58,493	60,833	63,266	65,797	68,428	71,166	74,012
I/F Subsidy Debt Srv	179,814	184,083	219,594	212,939	\$ -	-	-	-	-	-	-	-	-	-	-	-
Interfund Exp Non-Sub	-	-	-	-	\$ -	-	-	-	-	-	-	-	-	-	-	-
Interfund Exp Utility Fund	43,196	49,572	67,320	70,013	\$ 55,000	5%	57,750	60,638	63,669	66,853	70,195	73,705	77,391	81,260	85,323	89,589
ID Purchasing Services	-	-	-	2,030	\$ 2,030	3%	2,091	2,154	2,218	2,285	2,353	2,424	2,497	2,572	2,649	2,728
ID Fleet Services	-	-	-	930	\$ 1,000	3%	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
ID DPW Mail Service	-	-	-	612	\$ 700	3%	721	743	765	788	811	836	861	887	913	941
ID Highways Services	24	-	24	24	\$ 25	3%	26	27	27	28	29	30	31	32	33	34
ID Health Lab Services	-	209	300	-	\$ -	-	-	-	-	-	-	-	-	-	-	-
ID CW Accts Budget	16,555	17,424	2,316	1,655	\$ 5,100	3%	5,253	5,411	5,573	5,740	5,912	6,090	6,272	6,461	6,654	6,854
ID County Attorney Services	2,785	2,785	3,288	3,288	\$ 2,000	4%	2,080	2,163	2,250	2,340	2,433	2,531	2,632	2,737	2,847	2,960
ID Sewer Debt 1,4,5	-	-	-	-	\$ -	-	-	-	-	-	-	-	-	-	-	-
ID Sewer Management Services	463,392	461,118	557,791	597,330	\$ 597,000	4%	620,880	645,715	671,544	698,406	726,342	755,395	785,611	817,036	849,717	883,706
ID Capital Project Services	-	-	-	-	\$ -	-	-	-	-	-	-	-	-	-	-	-
ID DISS Services	-	6,183	5,443	273	\$ 5,000	3%	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
Total Actual/Budgetary Expenses	\$ 1,492,332	\$ 1,511,817	\$ 1,825,844	\$ 1,973,710			\$ 1,755,960	\$ 1,825,425	\$ 1,897,658	\$ 1,972,769	\$ 2,050,874	\$ 2,132,093	\$ 2,216,550	\$ 2,304,377	\$ 2,395,707	\$ 2,490,682

APPENDIX G

STATUS QUO AND CONSOLIDATED ORGANIZATIONAL CHARTS

As described in the report, the basis of the Consolidated District organization chart was the 2008 Treatment and Maintenance organization charts used by the Town of Amherst. The 2008 organization charts are presented in this appendix as the Status Quo scenario. It is presented to show the starting point used for development of the Consolidated District organization chart. Not included are the organization charts for maintenance personnel in ECSD No. 5 or the Village of Williamsville.

Utilizing the Amherst organization charts, Amherst and DSM personnel, in conjunction with CRA, developed the proposed organization chart for the Consolidated District. The following assumptions were used to create the framework for the new organization charts:

- At the creation of the Consolidated District, existing Amherst employees would retain their Amherst job title and continue receiving their step increases and pay raises under the contract in effect at the time of the consolidation. Step increases would continue in this manner until the top grade was achieved. However, determination of future pay raises would be determined based on the final agreements at the time of the consolidation.
- All necessary vacant positions existing in the 2008 organization structure would be filled for the Consolidated District using comparable County job titles. (Note that the structure used as a starting point was from 2008, and has changed over the past 2 years. Consequently, the number of vacant positions may have changed over the intervening years. Vacancy determinations would be made during negotiations of the final consolidation agreements.)
- After consolidation, any vacancies in positions held by employees under an Amherst job title resulting from either transfer or retirement would be filled by a new employee under a County job title.
- Amherst's sewer televising crew would become part of the DSM's central maintenance staff.
- A new crew for sewer cleaning and maintenance would be added due to the anticipated increase in coverage area for the new district. The crew would likely be transferred from DSM's Northern Region. It would consist of a Sewer Maintenance Worker (equivalent in job title only to an Amherst Labor Crew Chief) and two employees with the title of Maintenance Worker Sewerage (equivalent in job title only to an Amherst Motor Equipment Operator).

Once the framework of the new organization charts were developed, the following assumptions were used to calculate the projected personnel expenses under a consolidated scenario.

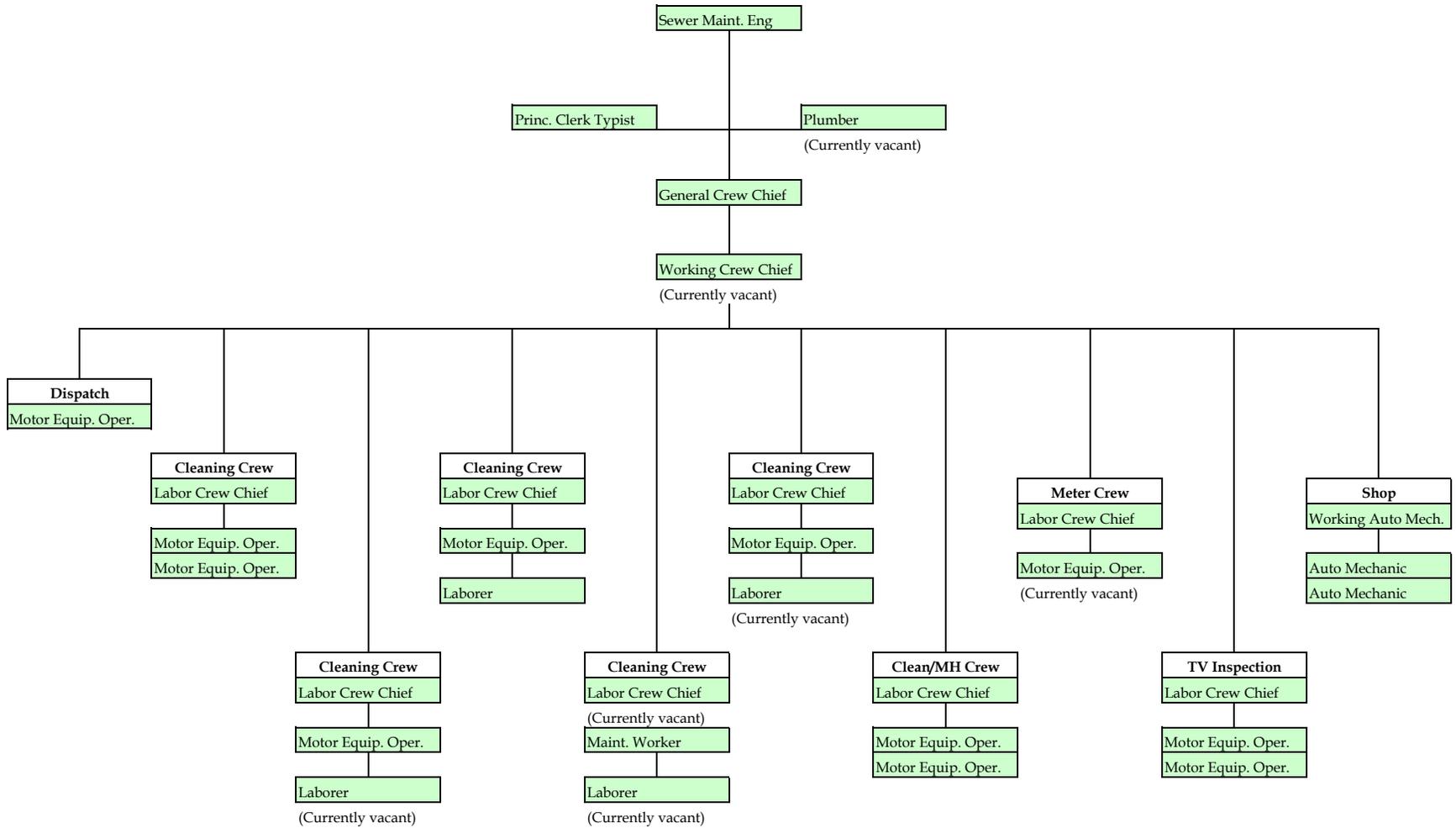
- Determined retirement eligibility for each Amherst employee and the 2008 salary for each employee in the respective job title.
- Determine the County job title salary for the corresponding Amherst job title.
- Using a 3-percent inflation rate projected the Amherst salary to the retirement eligible year.
- At the retirement eligible year assumed that the Amherst employee would retire and be replaced by a new employee under a County job title and at the current rate of pay for the equivalent County worker. The new employee would start at step 5 in the latest County wage tables (as of 2008).
- In the year the new County employee started and going forward, the County salary would increase annually by the 3 percent inflation factor and the appropriate step increase. The step increases continue until the top step in the job title was reached or the end of the 10-year analysis period was reached.
- In a similar manner, vacant positions and new crew positions were filled with employees under County job titles at step 5 in the County wage tables. Step increases and inflation were applied accordingly.
- One of the crews (sewer televising) was assumed to be used on a centralized basis and only 66 percent of their wages were charged to the new district.

The total projected personnel expenses (defined as personnel and overtime costs for the analysis) can be found in the summary sheet in Appendix A.

ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT

MERGER FEASIBILITY STUDY
AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5

Amherst Maintenance Division
Organization Chart
Pre Merger 2008

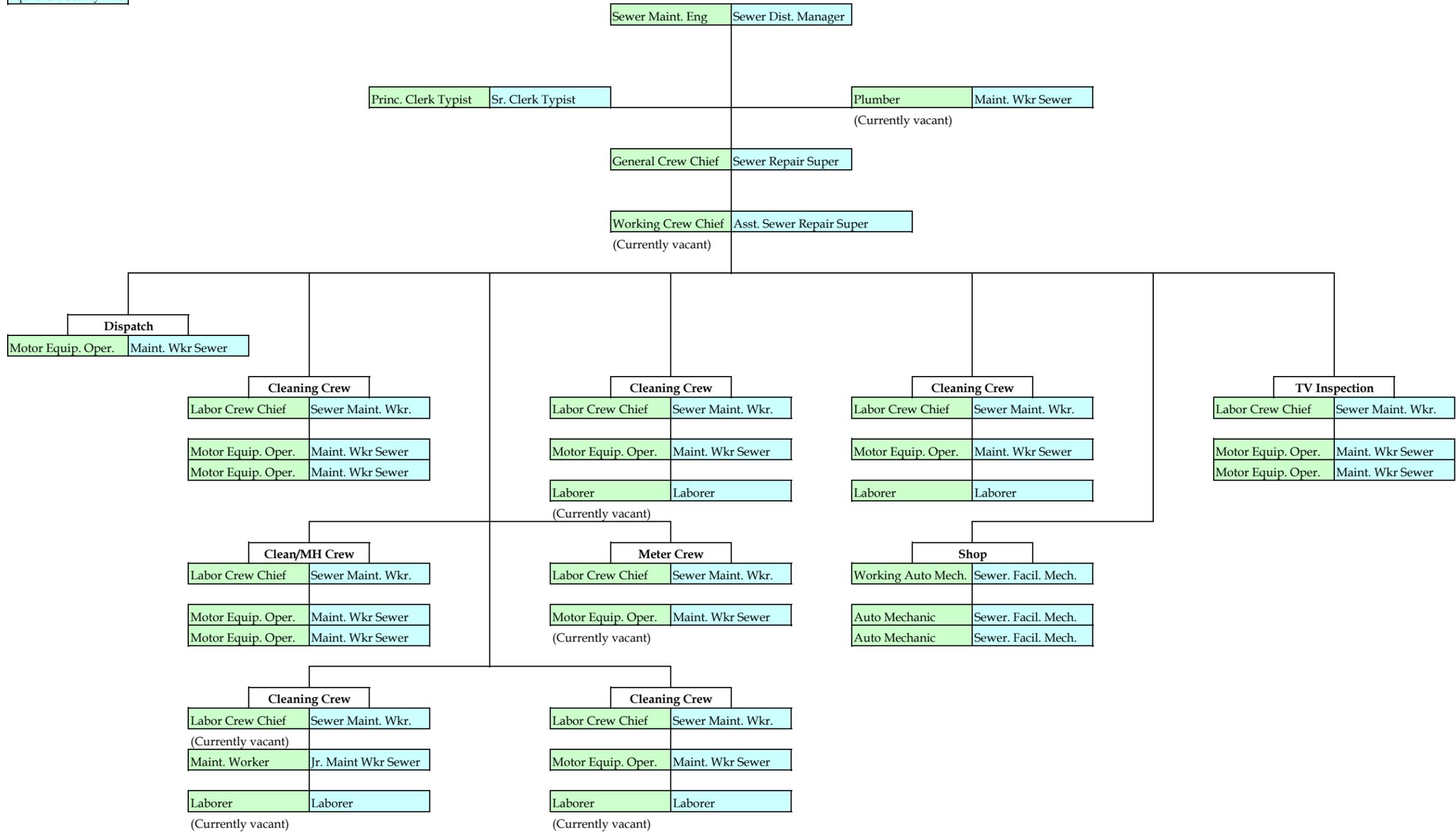


ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
 DIVISION OF SEWERAGE MANAGEMENT
 MERGER FEASIBILITY STUDY
 AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5

Maintenance Division
 Organization Chart
 Equivalent Job Title Comparison

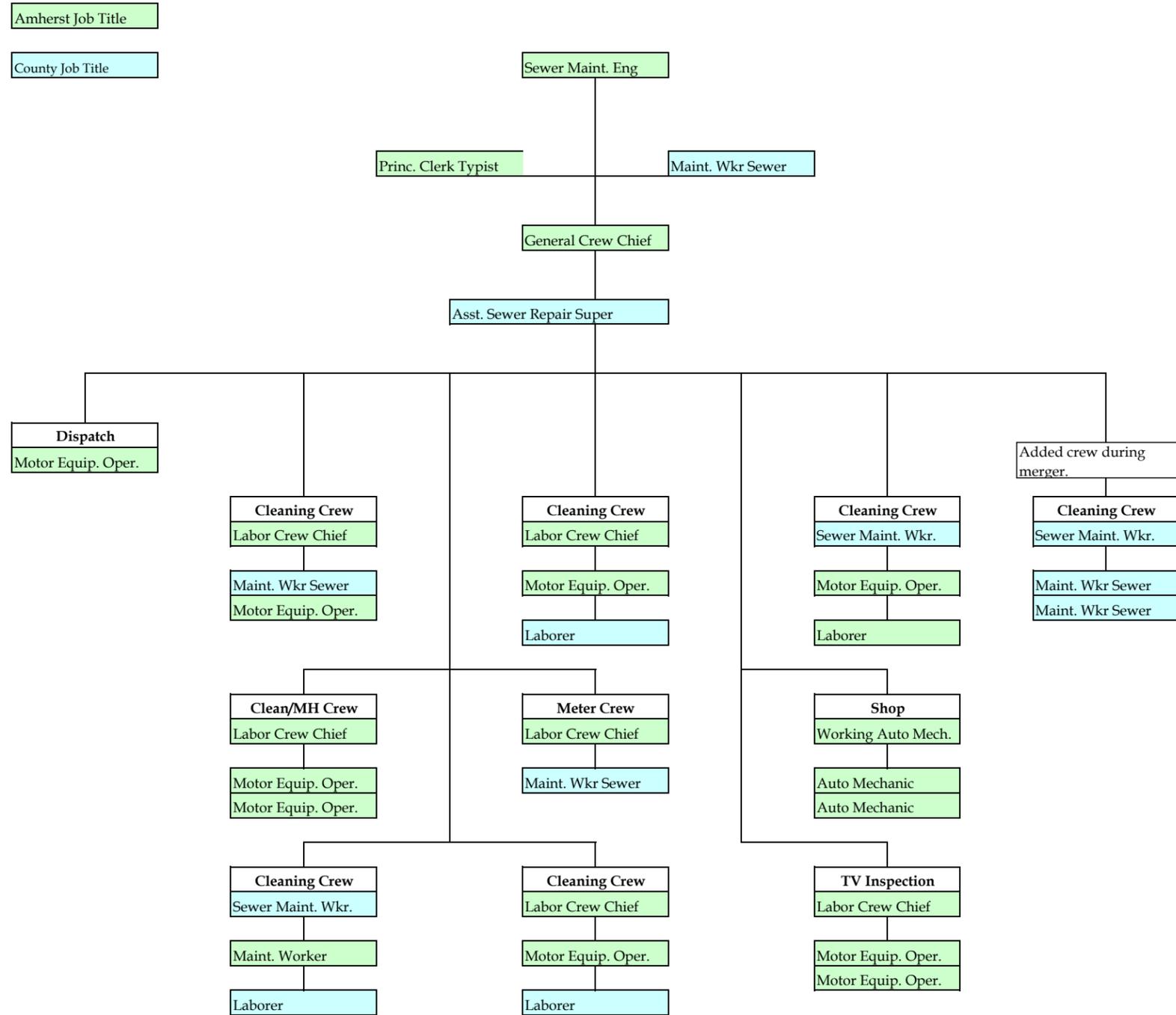
Amherst Title

Equivalent County Title



ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
 DIVISION OF SEWERAGE MANAGEMENT
 MERGER FEASIBILITY STUDY
 AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5

Maintenance Division
 Organization Chart
 Post Merger 2011



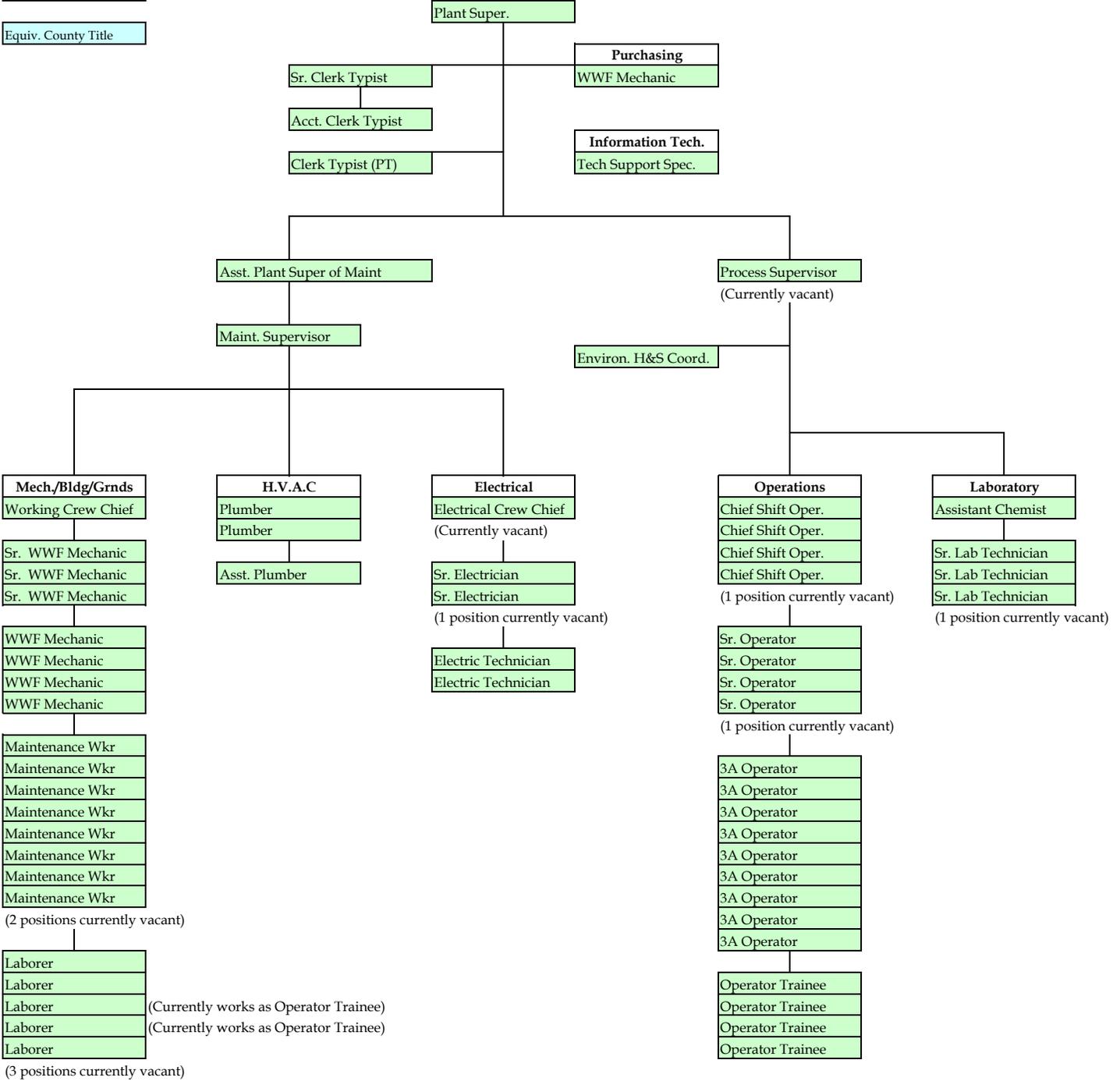
**ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT**

**MERGER FEASIBILITY STUDY
AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5**

**Wastewater Treatment Division
Organization Chart
Pre Merger 2008**

Amherst Title

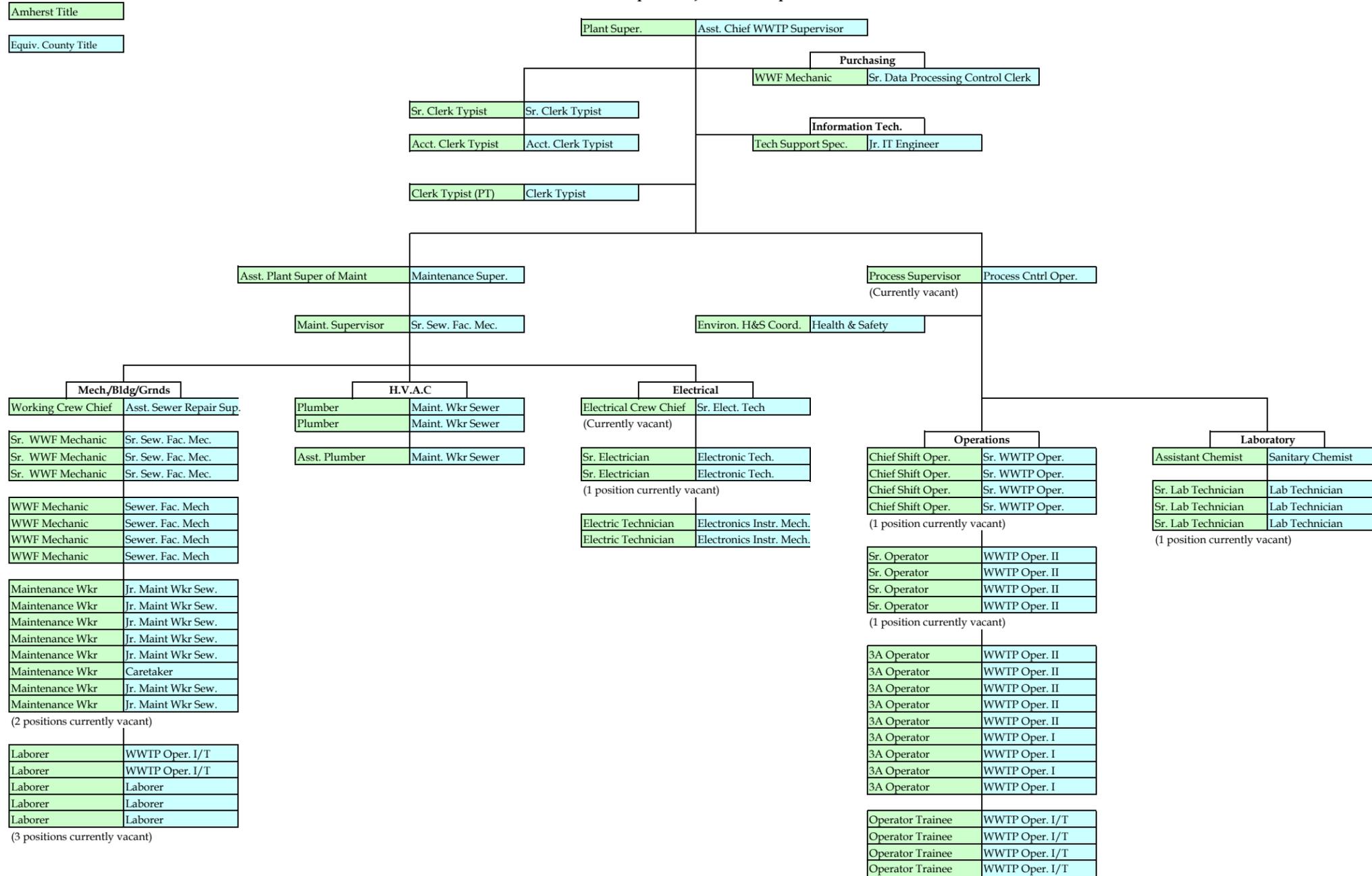
Equiv. County Title



ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT

MERGER FEASIBILITY STUDY
AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5

Wastewater Treatment Division
Organization Chart
Equivalent Job Title Comparison



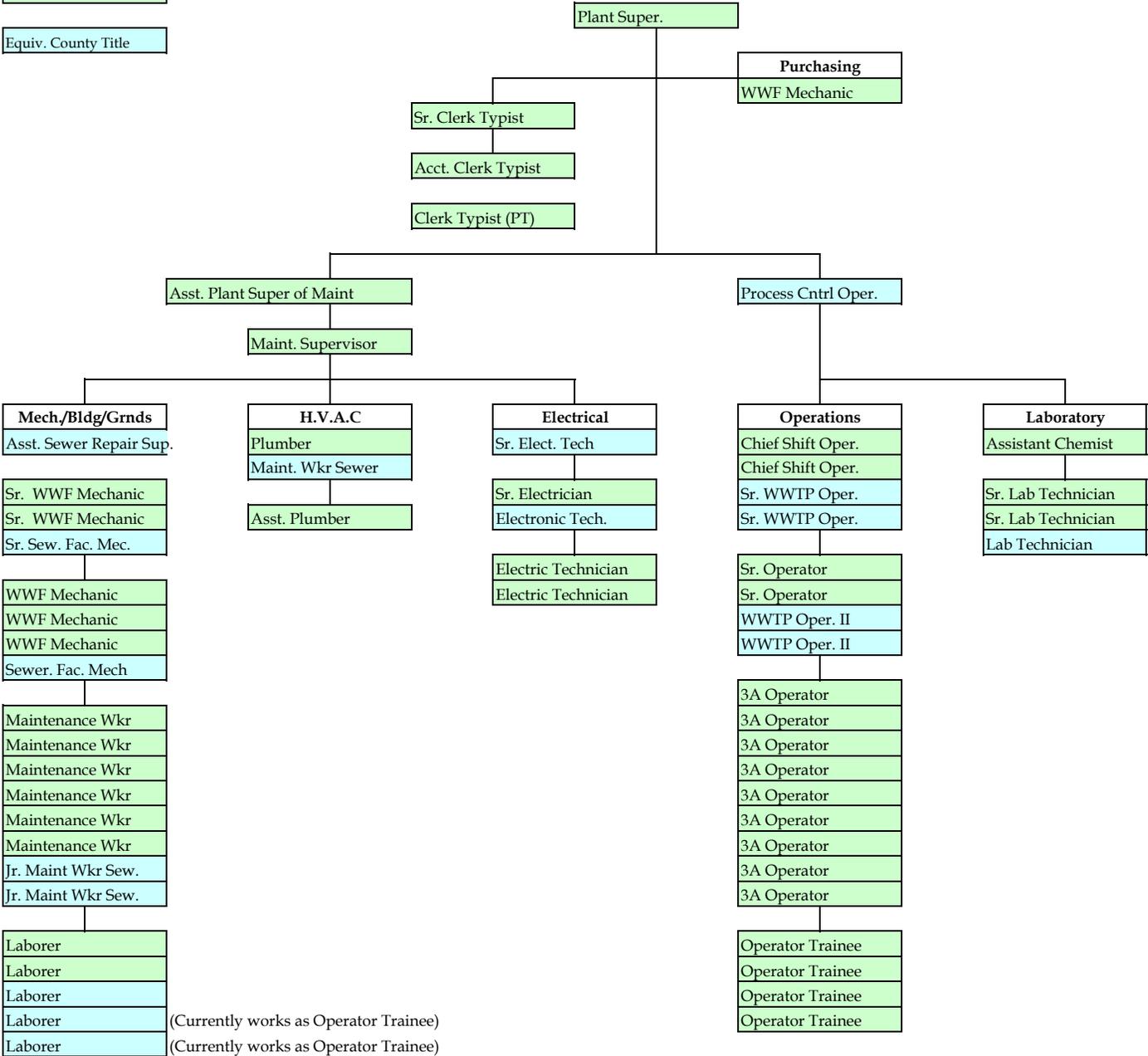
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**MERGER FEASIBILITY STUDY
AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5**

**Wastewater Treatment Division
Organization Chart
Post Merger 2011**

Amherst Title

Equiv. County Title



Moved to Erie County's Central Operations

Environ. H&S Coord. Health & Safety

APPENDIX H

RATE CALCULATION AND COMPARISON

The information provided in this appendix shows the annual projected rate increase on a percentage basis, and a typical bill for a theoretical typical single family home under both the Status Quo and Consolidated Scenarios. The annual percentage increase is shown for each participant and the typical bill is shown for the existing districts of each participant.

Current property data was used to develop the theoretical typical single-family home within each participant district. Utilizing current and projected tax rates and the property data associated with theoretical single family homes, a table of the projected sewer bills was developed for each participant district under the Status Quo and Consolidated scenarios.

**ERIE COUNTY DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT**

**MERGER FEASIBILITY STUDY
AMHERST, WILLIAMSVILLE, CLARENCE AND ECDEP SEWER DISTRICT NO. 5**

PROJECTED ANNUAL PERCENTAGE CHANGE TO A TYPICAL RESIDENTIAL BILL

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Amherst										
Status Quo	5.25%	7.83%	5.76%	4.45%	3.66%	6.19%	6.08%	5.87%	5.77%	5.00%
Consolidated District	0.00%	0.03%	4.72%	3.26%	2.59%	4.92%	4.83%	4.63%	4.38%	3.43%
Williamsville										
Status Quo	5.0%	6.6%	3.7%	4.1%	4.1%	4.1%	4.0%	4.0%	4.0%	4.0%
Consolidated District	0.00%	0.03%	4.72%	3.26%	2.59%	4.92%	4.83%	4.63%	4.38%	3.43%
Clarence										
Status Quo	0.00%	3.5%	3.5%	3.5%	3.6%	3.5%	3.4%	3.4%	3.4%	3.4%
Consolidated District	0.00%	0.03%	4.72%	3.26%	2.59%	4.92%	4.83%	4.63%	4.38%	3.43%
ECSD No. 5										
Status Quo	0.00%	4.1%	4.5%	4.6%	4.5%	4.5%	4.6%	4.4%	4.4%	4.4%
Consolidated District	0.00%	0.03%	4.72%	3.26%	2.59%	4.92%	4.83%	4.63%	4.38%	3.43%

APPENDIX I

DRAFT FEASIBILITY REPORT

REVIEW MEETING MINUTES

****MEETING MINUTES****

Town of Amherst, Town of Clarence, Village of Williamsville, and
Erie County Sewer District (ECSD) No. 5
Sanitary Sewer Services Steering Committee
Rath Building – Room 1004
September 2, 2010

INTRODUCTIONS

The meeting opened up at 1:40pm with an introduction of attendees:

Scott Bylewski – Clarence
Mark DiPasquale – CRA
Frank Fanara – Amherst
Joe Fiegl – Erie County
Lynda Juul – Williamsville

Joe Latona – Clarence
Basil Piazza – Williamsville
Mike Quinn – Erie County
Stephen Waldvogel – CRA
Barry Weinstein – Amherst

Joe Fiegl gave a brief synopsis of the Phase 1 study, the formation of the steering committee, and the steering committee's past actions. He noted that the steering committee collectively determined that the option of Erie County as the service provider for the Amherst/Clarence/Williamsville/ECSD No. 5 corridor was to be investigated further. He also noted that the steering committee drafted the scope for Phase 2 study services, which included developing a draft staffing plan for a merged utility, projecting the costs under a County run system, and evaluating the impacts on the existing ratepayers. The Phase 2 study was intended to be purely a financial analysis.

PRESENTATION BY CRA INFRASTRUCTURE AND ENGINEERING

Stephen Waldvogel and Mark DiPasquale from CRA provided a presentation (attached) highlighting key points from the Phase 2 study.

- CRA summarized the Phase 1 merger study.
- The Phase 2 study was based on actual expenses from 2007 – 2008 and budgets for 2009 – 2010.
- The financial analyses were conservative so that the savings were not overstated. The major assumptions were detailed in the presentation.
- The staffing plan was coordinated with Town of Amherst and County field operations. The Town of Amherst's current organizational chart was used as the starting point.
- To clarify where the savings for the sewer fund came from as a result of the merger, a new table was developed (see slide "Phase 2 – Sewer Savings Summary").
 - Amherst retiree health insurance costs represent a large potential savings for a new consolidated sewer district.
 - The Town of Amherst noted that although a new consolidated district may realize savings for sewer services, these costs would increase the Amherst General Fund burden.
 - This is an item to be discussed by the steering committee in subsequent meetings. Although these costs are associated with former Amherst employees, through existing agreements these retirees provided service to all of the municipalities participating in this study and hence this could be seen as an obligation of any new consolidated sewer district as opposed to the Amherst General Fund.
 - Allocated expenses (administrative/support functions) also present a potential savings.

- There was a lengthy discussion on this item. Some steering committee members stated that it would be a large burden on the individual municipalities to try and absorb these costs. Others stated that there would be a loss of workload due to the County providing these services and therefore, over time, positions may be eliminated within the individual communities due to attrition to decrease these costs in the future under the merger scenario.
- There is the potential that some positions could be transferred to the County to offset a portion of these impacts.
- With regard to the 16 full time equivalents (FTE's) added to the merged utility costs, it was reiterated that this was a conservative assumption for the purposes of the financial analyses.
 - There was a lengthy discussion on this item. The Town of Amherst noted that it has not been filling vacancies to decrease costs and cannot see how this would lead to long-term savings. Furthermore, it was noted that the Town of Amherst Personnel Director did not feel the equivalent job title analysis was valid (a separate meeting will be setup to discuss this point). A few steering committee members stated that it was prudent to include the additional FTE's in the analysis to not overstate the savings (other assumptions could be criticized for trying to make the results look favorable).
 - CRA did look at staffing levels for similar utilities in the northeastern United States (New England Interstate Water Pollution Control Commission studies) and concluded that the staffing level inclusive of filling current vacancies and positions to be transferred from the County's Northern Region operations is commensurate with other similar northeast utilities.
- In summary, the three overarching concerns relative to the conceptual consolidation of sewer systems include:
 - Town of Amherst Retiree Health Insurance costs
 - Costs allocated to the general funds
 - 16 FTE's added to the financial analyses
- The Town of Amherst indicated that if the 3 overarching concerns could not be addressed/mitigated by reducing the burden on their General Fund and/or reducing the projected staffing levels, then they could not agree to such a merger. It was agreed by the steering committee that additional dialogue was necessary to determine if there was a mutually agreeable approach to addressing these items.

JULY 29, 2010 COMMENT MEMORANDUM

CRA went through each comment made by the Steering Committee with an applicable reply. Most items were addressed in the presentation and the comments will be addressed in the final report.

QUESTIONS AND ANSWERS

Most questions were posed during the presentation. The following additional questions were asked:

- With the loss of employees for the Town of Amherst, would insurance costs go up?
 - It is unknown if health insurance costs for the remainder of the Town's employees would go up due to a smaller pool of employees.
- Is it valid to escalate the existing salaries of the Town of Amherst employees due to the agreements lapsing in 2006?

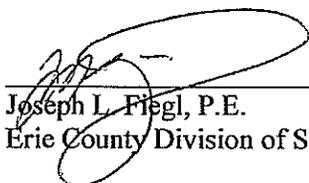
- It was assumed that all salaries would increase by 3% under either scenario. The County's CSEA union's agreement also lapsed in 2006, but its ASCME union does have an up-to-date contract
- Has the possibility of bringing in the staff from Amherst at a different wage scale been discussed with the County's unions?
 - No it has not. The purpose of this study was to determine if a merger made financial sense. It was previously identified by the steering committee that negotiations with the unions are a potential obstacle that would need to be addressed.
- Were the tables in Appendix H correct?
 - CRA noted that explanatory text will be added to the final report to explain further these financial figures.
 - Table 3 and Appendix F will also be revised for the final report.
- It was asked if the County was comfortable enough with the report to move forward with implementation?
 - Mike Quinn stated that he absolutely agreed with the financial analyses considering that assumptions were conservative and recognizing that there are several issues that would need to be addressed before the steering committee could move forward with implementation. Ultimately, if the steering committee wishes to pursue this merger further, the Division of Sewerage Management would need to discuss the various options with the County Executive's office.

DISCUSSIONS

The steering committee agreed that the next steps are for each municipality to issue a letter to the County identifying the major issues/concerns remaining with the study, with CRA to note these concerns in the conclusion section of the final report.

NEXT STEPS

After issuance of the final report, the steering committee will schedule its next meeting.

By:  _____
Joseph L. Fiegl, P.E.
Erie County Division of Sewerage Management

Date: 9/24/10

These minutes are an interpretation of the discussions during this meeting. Unless notified in writing within 7 days of issuance, it will be assumed that this record is complete and accurate.

Encl.

Cc: ECSD No. 5 Board of Managers
5.3.6.CRA 2/16/07 (C)
5.2.6.Steering Committee

Sanitary Sewer Merger Study

Steering Committee
Draft Feasibility Study Review
Meeting

September 2, 2010



Objectives

- ❖ Review the DRAFT Report
- ❖ Discuss question/comments submitted
- ❖ Improve clarity of results presentation
- ❖ Identify additional Report revisions as necessary
- ❖ Develop completion schedule



Phase 1 - Summary

- ❖ Performed a preliminary analysis to determine if there is savings potential resulting from the merger of the sewer systems of the participant communities
- ❖ Created a comparison utility to be evaluated against the status quo condition
- ❖ Comparison utility created from NACWA survey data. Selected systems from survey that had similar characteristics to systems in WNY.
- ❖ Compared costs of Status Quo vs. Comparison Utility for a 10-year period.
- ❖ Preliminary Conclusions and Recommendations:
 - Savings opportunities existed when matched against comparison utility
 - Form a steering committee to provide guidance for next phases of regionalization analysis
 - Performance of detailed analysis to validate savings potential
 - Agreed that Phase 2 would examine County management only



Phase 2 - Summary

- ❖ Detailed financial analysis to validate the potential savings found in the Phase 1 analysis
- ❖ Projected savings of a consolidated district for a 10-year period based on budgeted and actual expenses from 2007 through 2010 and input from participant communities



Phase 2 - Assumptions

- ❖ **General**
 - ✓ Assumptions were conservative in all cases to allow for the maximum expense under a consolidated scenario to make certain that savings were not overestimated
 - ✓ Carried through debt service and capital expenditure projections from Phase 1
 - ✓ The new district would be operated by and be part of the County Division of Sewerage Management
- **Allocated Expenses** (those non-direct expenses allocated from the general fund to sewer fund)
 - ✓ Allocated expenses related to the participant community would be paid for by the participant communities and not the consolidated district
 - ✓ Customers of the proposed district would pay for a prorated portion of expenses related to County Administrative and Support Services
- **Miscellaneous**
 - ✓ Expenses for existing retirees would be covered by the participant community and not the consolidated district
 - ✓ Existing debt service would be paid for by the individual communities; however, the municipalities would be reimbursed by the County for payment of this debt

Phase 2 - Assumptions (cont.)

- ❖ **Personnel** (System O&M and WWTP Operations)
 - ✓ Organization structure similar to Amherst current structure
 - ✓ Comparable County job titles were based on how the County would staff a comparable position and not necessarily an equivalent job title
 - ✓ Existing Amherst employees would retain their job title and salary increases would be in accordance with existing Amherst contracts
 - ✓ Although vacant positions are not budgeted, a conservative assumption was made that at all current vacant positions in Amherst would be filled under consolidation and a new maintenance crew would be transferred from the County's Northern Region Operations. These would be equivalent to 16 FTE's
 - ✓ Current and future vacant positions filled under a County job title at step 5 in the County pay structure
 - ✓ Assumed Amherst personnel retired when eligible
 - ✓ Overtime expenses were assumed to continue at the same rate under a consolidated district
 - ✓ 3% inflation factor was used for forecasting personnel costs

Phase 2 - Sewer Savings Summary

	Year 1	Year 10
Avoided Expenses:		
Amherst Retiree Health Insurance	\$ 1,053,000	\$ 2,105,000
Williamsville Personnel Services and Benefits	150,000	235,000
Outside Professional Services	43,000	56,000
Williamsville Allocated Expenses	137,000	198,000
Amherst Allocated Expenses	1,895,000	2,920,000
Amherst Insurance and Other Expenses	373,000	487,000
ECSD No. 5 Allocated Expenses	252,000	357,000
Wages	5,230,000	6,870,000
New Expenses:		
ECDEP Allocated Expenses for new district	(2,400,000)	(3,414,000)
Wages	(5,420,000)	(6,630,000)
Other Net Expenses	(159,000)	1,582,000
Total Savings	\$ 1,154,000	\$ 4,766,000



Phase 2 - Potential Transfers & Rate Impacts

❖ Costs from sewer funds that would potentially remain with the communities

- Amherst -
 - Allocated Expenses - \$1,895,000
 - Retiree Health Insurance - \$1,053,000
- Williamsville
 - Personnel Services and Benefits - \$150,000
 - Allocated Expenses - \$137,000

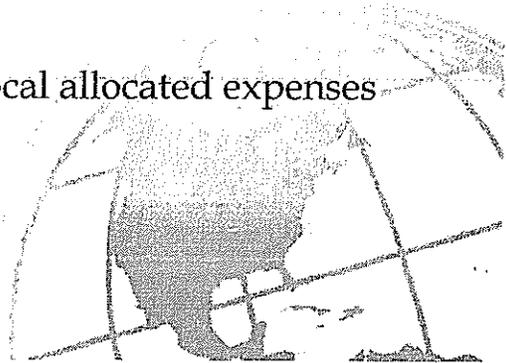
❖ Potential Rate Impacts (typical residential customer):

- Year 1 savings over Status Quo for a typical household:
 - Amherst - \$18
 - Williamsville - \$26
 - Clarence - \$0
 - ECSD No. 5 - \$0
- Year 10 savings over Status Quo for a typical household:
 - Amherst - \$130
 - Williamsville - \$75
 - Clarence - \$0
 - ECSD No. 5 - \$35



Phase 2 - Considerations

- ❖ Savings Potential for the New District as a result of consolidation.
- ❖ However, the transfer of retiree costs and allocated costs to general fund will initially offset any savings
- ❖ Several items could be discussed between the New District and the County that could offset some expenses
- ❖ Consolidation/reduction of local allocated expenses



APPENDIX J

DRAFT FEASIBILITY REPORT

REVIEW COMMENTS



MR/ S.2.G. STEERING COMM.
TOWN OF AMHERST
cc: S.3.G. CRA 2/16/07 (c)

BARRY A. WEINSTEIN, M.D.
SUPERVISOR

October 20, 2010

Mr. Joseph L. Fiegl, P.E.
Assistant Deputy Commissioner
Division of Sewerage Management
Erie County
Room 1034, 95 Franklin Street
Buffalo, NY 14202

Dear Mr. Fiegl:

In response to your request, below are the major issues and concerns for the Town of Amherst relative to the Sanitary Sewer Merger Feasibility Study:

- The consolidation adds 16 full-time employees. To project savings after adding them is unrealistic.
- Retiree health costs would remain the responsibility of the Town of Amherst, immediately increasing the tax burden in Amherst.
- Allocated expenses, such as Attorney, Comptroller, Auditor, Technology, Data Processing, Councilmembers, and Supervisor, are already built into the town's revenue structure. When the benefit is given to the county, Amherst's taxpayers will pay it twice.
- The personnel projections of savings are speculative. In addition, the assumption of 3 percent increases is erroneous. Amherst's collective bargaining contract expired 12/31/2006.

To summarize, retiree health costs and the allocation of expenses would immediately raise the tax burden in Amherst. The town would not be able to reduce its workforce to offset the loss of the allocation revenue and the increase in allocation expenses to Erie County.

Sincerely,

Barry A. Weinstein, M.D.
Supervisor

BAW/sv

Village of Williamsville

716-632-4120
FAX: 716-632-6009
www.village.williamsville.ny.us



5565 Main Street
Williamsville, New York 14221

November 12, 2010

Joseph Fiegl, PE
County of Erie
Division of Sewerage Management
95 Franklin St., Room 1034
Buffalo, NY 14202

Re: Sanitary Sewer Merger Feasibility Study

Dear Mr. Fiegl:

This letter is in response to your request for comments on the Sanitary Sewer Merger Feasibility Study. I have reviewed the draft report, and do not have any issues with it.

I know some discussion centered on the assumption of hiring 16 full-time employees. I believe this assumption is a conservative one, and feel comfortable including this in the report. If the merger was to occur, and the 16 FTEs were not required, this would allow for a savings potentially greater than that shown in the report.

Outside of the findings related directly to the sanitary sewer costs, each municipality needs to closely evaluate their administrative costs. These are the costs that would potentially stay with each individual governmental unit. By closely evaluating those costs, there could be room for additional savings to the respective taxpayers.

Respectfully,

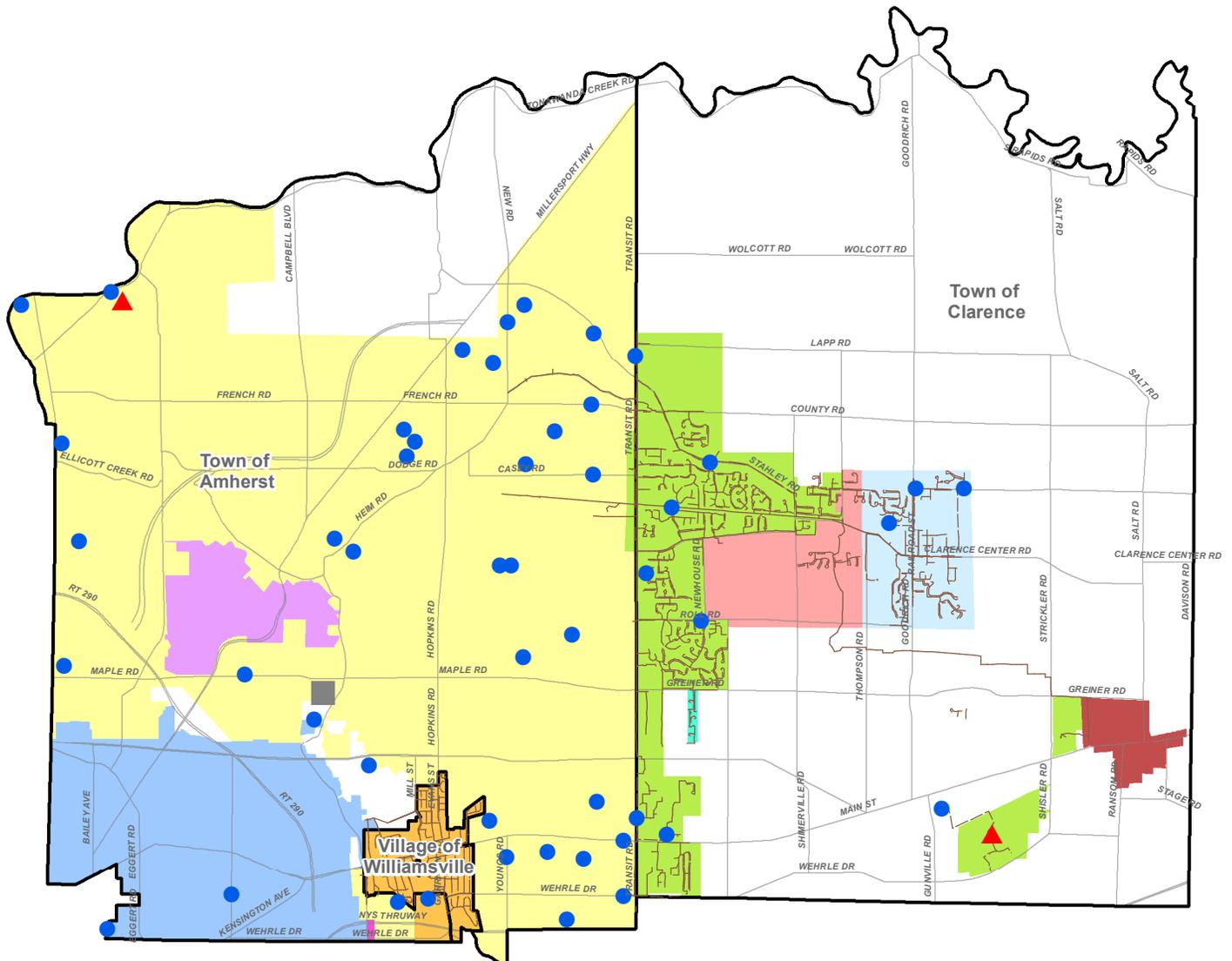
VILLAGE OF WILLIAMSVILLE

A handwritten signature in black ink that reads "Lynda L. Juul". The signature is written in a cursive style and is positioned above the printed name and title.

Lynda L. Juul
Administrator/Clerk-Treasurer

FIGURE NO. 1

EXISTING SEWER SERVICE AREAS



Legend

Sewer Districts

- Erie County Sewer District No. 5
- Amherst Sewer District No. 1
- Amherst Sewer District No. 16
- Village of Williamsville
- State University of New York at Buffalo
- Cheektowaga Sewer District No. 5
- Clarence Sewer District No. 2
- Clarence Sewer District No. 6
- Clarence Sewer District No. 7
- Clarence Sewer District No. 9

Sewer System Facilities & Infrastructure

- Engineering Department
- ▲ Waste Water Treatment Facilities
- Pump Stations
- Sewer Main
- - - Force Main

Project Number: 630392
File Number: 630392(000)GIS-BU005



CRA Infrastructure & Engineering, Inc.

Merger Feasibility Study

Towns of Amherst and Clarence, The Village of Williamsville and Erie County Sewer District No. 5

Figure No. 1 - Existing Sewer Service Areas