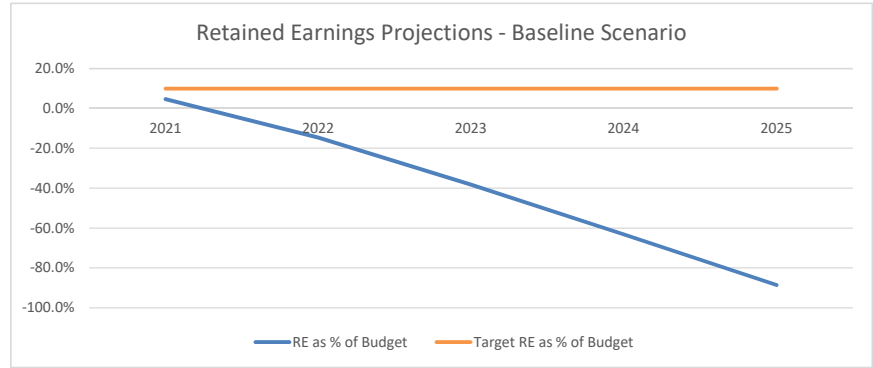


<b>SEWER ENTERPRISE FUND</b>								
<b>BASELINE WORKBOOK</b>								
<b>Description</b>	<b>Budgeted FY 2020</b>	<b>Actual FY 2020</b>	<b>Projected FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Comments</b>
<b>Revenues</b>								
Sewer User Charges	\$ 4,588,200	\$ 3,888,245	\$ 4,370,905	\$ 4,500,559	\$ 4,532,671	\$ 4,532,671	\$ 4,532,671	Based on FY20 billing; assume level for baseline, FY20-FY23 adj. for pandemic
Sewer Liens on User Charges	-	163,376	181,710	292,872	\$ 250,477	\$ 225,429	\$ 225,429	Five-year average from FY16-FY20; assume level; FY21-23 adj. for pandemic
Interest on User Charges	-	14,503	15,849	15,849	15,849	15,849	15,849	Five-year average from FY16-FY20; assume level
Penalty on User Charges	-	6,610	12,023	12,023	12,023	12,023	12,023	Five-year average from FY16-FY20; assume level
Miscellaneous Charges	-	2,100	103,165	214,405	222,974	231,887	241,156	Five-year average from FY16-FY20; assume level; plus expected impact, user fees
Sewer Liens on Fees	-	7,942	3,468	3,468	3,468	3,468	3,468	Five-year average from FY16-FY20; assume level
Sewer Liens on Interest	-	18,694	19,652	19,652	19,652	19,652	19,652	Five-year average from FY16-FY20; assume level
<b>Total Revenues</b>	<b>\$ 4,588,200</b>	<b>\$ 4,101,470</b>	<b>\$ 4,706,772</b>	<b>\$ 5,058,828</b>	<b>\$ 5,057,114</b>	<b>\$ 5,040,979</b>	<b>\$ 5,050,248</b>	
<b>Available Funds</b>								
Prior Year Carryover	\$ 108,240		\$ 629,497					Funding source, reserved at end of prior year, for encumbrances
Retained Earnings Appropriated	886,532							Retained Earnings used to balance the budget
Sewer Rehabilitation Funds		2,773,195						Used as funding source for FY21 budget as funds are used for sewer rehabilitation
<b>Total Revenues and Available Funds</b>	<b>\$ 5,582,972</b>	<b>\$ 6,874,666</b>	<b>\$ 5,336,270</b>	<b>\$ 5,058,828</b>	<b>\$ 5,057,114</b>	<b>\$ 5,040,979</b>	<b>\$ 5,050,248</b>	
<b>Expenditures</b>								
Salaries	\$ 328,028	\$ 307,999	\$ 361,526	\$ 370,564	\$ 379,828	\$ 389,324	\$ 399,057	FY21 number is from Budget; 2.5% increase yearly
Other Expenses	2,655,816	2,010,006	3,708,088	3,155,463	3,218,572	3,282,944	3,348,602	FY21 number is from Budget, incl. FY20 encumbrances; 2% increase yearly
Capital Outlay	88,000	61,005	107,000	92,000	92,000	92,000	92,000	FY21 number is from Budget, incl. FY20 encumbrances; budget number held flat
Existing Debt Service	1,868,781	1,817,889	2,012,638	1,960,754	1,896,340	1,877,821	1,834,697	FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab
New Debt Service	-	-	-	20,382	365,953	364,378	387,303	See "New Debt Service" tab; Debt projections based on capital plan
Short Term Debt	40,500	1,347	15,000	15,000	15,000	15,000	15,000	FY21 number is from Budget; budget number carried forward
Indirect Costs	592,671	592,671	653,033	669,359	686,093	703,245	720,827	FY21 from Budget; increase 2.5% yearly
Funding of OPEB	9,176	9,176	27,180	27,860	28,556	29,270	30,002	FY21 number is from Budget; 2.5% increase yearly
<b>Total Expenditures</b>	<b>\$ 5,582,972</b>	<b>\$ 4,800,094</b>	<b>\$ 6,884,466</b>	<b>\$ 6,311,382</b>	<b>\$ 6,682,343</b>	<b>\$ 6,753,982</b>	<b>\$ 6,827,487</b>	
<b>Excess (Deficit) of Revenues and Available Funds &gt; Expenditures</b>								
	\$ -	\$ 2,074,572	\$ (1,548,196)	\$ (1,252,554)	\$ (1,625,229)	\$ (1,713,003)	\$ (1,777,239)	
<b>Retained Earnings Projections</b>								
Certified Retained Earnings July 1, 2020		\$ 1,873,952						
Retained Earnings at Start of the FY Listed			\$ 1,873,952	\$ 325,756	\$ (926,799)	\$ (2,552,027)	\$ (4,265,030)	
Surplus/(Deficit) Current FY			\$ (1,548,196)	\$ (1,252,554)	\$ (1,625,229)	\$ (1,713,003)	\$ (1,777,239)	
Projected Retained Earnings at End of FY			\$ 325,756	\$ (926,799)	\$ (2,552,027)	\$ (4,265,030)	\$ (6,042,269)	
Retained Earnings as % of Oper. Budget		39.0%	4.7%	-14.7%	-38.2%	-63.1%	-88.5%	

SEWER ENTERPRISE FUND  
OPTION 1 - 10% INCREASE FISCAL YEAR 2021

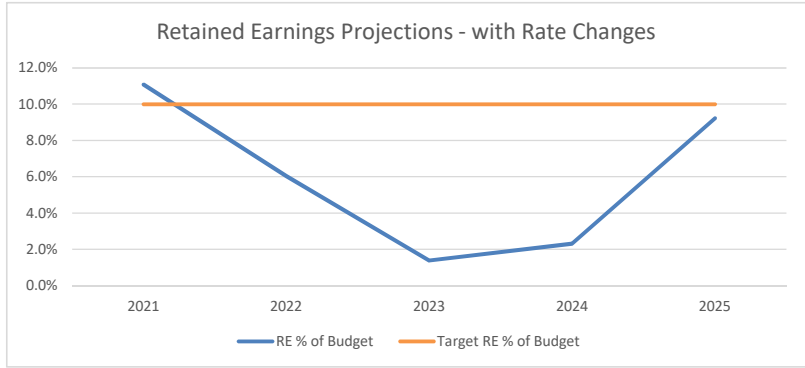
Target Retained Earnings as % of Budget:	10.0%
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Baseline	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED
Surplus/Deficit	\$ (1,548,196)	\$ (1,252,554)	\$ (1,625,229)	\$ (1,713,003)	\$ (1,777,239)
Projected Retained Earnings	\$ 325,756	\$ (926,799)	\$ (2,552,027)	\$ (4,265,030)	\$ (6,042,269)
RE as % of Budget	4.7%	-14.7%	-38.2%	-63.1%	-88.5%
Target RE as % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%



Rate Increases:	10.0%	8.5%	8.5%	7.5%	7.5%
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Rate Impact	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED
Surplus/Deficit	\$ (1,111,106)	\$ (381,696)	\$ (288,329)	\$ 64,115	\$ 473,113
Projected Retained Earnings	\$ 762,846	\$ 381,150	\$ 92,822	\$ 156,937	\$ 630,050
RE % of Budget	11.1%	6.0%	1.4%	2.3%	9.2%
Target RE % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%



User Impact (per Bill) - Sewer Bills Only			New Bills				
User Type	Usage	Current Bill	FY21	FY22	FY23	FY24	FY25
Tier 1 User	2,000	\$ 80.15	\$ 88.17	\$ 95.66	\$ 103.79	\$ 111.57	\$ 119.94
Tier 2 User	3,000	\$ 109.55	\$ 120.51	\$ 130.75	\$ 141.86	\$ 152.50	\$ 163.94
Average Residential User	4,234	\$ 159.03	\$ 174.94	\$ 189.81	\$ 205.94	\$ 221.39	\$ 237.99
Avg. Res. User (for pres.)	4,362	\$ 164.17	\$ 180.58	\$ 195.93	\$ 212.59	\$ 228.53	\$ 245.67
Tier 3 User	6,000	\$ 229.85	\$ 252.84	\$ 274.33	\$ 297.64	\$ 319.97	\$ 343.96
Tier 4 User	10,000	\$ 454.65	\$ 500.12	\$ 542.62	\$ 588.75	\$ 632.90	\$ 680.37
Tier 5 User	20,000	\$ 1,149.65	\$ 1,264.62	\$ 1,372.11	\$ 1,488.74	\$ 1,600.39	\$ 1,720.42
Avg. Com. User (for pres.)	24,527	\$ 1,524.94	\$ 1,677.43	\$ 1,820.01	\$ 1,974.72	\$ 2,122.82	\$ 2,282.03
Tier 6 User	50,000	\$ 3,636.65	\$ 4,000.32	\$ 4,340.34	\$ 4,709.27	\$ 5,062.47	\$ 5,442.15
Tier 7 User	100,000	\$ 8,246.65	\$ 9,071.32	\$ 9,842.38	\$ 10,678.98	\$ 11,479.90	\$ 12,340.89
Tier 8 User	200,000	\$ 17,866.65	\$ 19,653.32	\$ 21,323.85	\$ 23,136.37	\$ 24,871.60	\$ 26,736.97

Usage in cubic feet

The average residential user was determined using this formula:  
2.67 people per household x 65 gallons per day per person = 173.55 gallons per household per day  
One half of the year: 365 days / 2 = 182.5  
173.55 x 182.5 = 31,672.875 gallons per household per half year  
31,672.875 gallons = 4,234.0475 cubic feet per half year

Note that median residential usage in 2015 billing data was 3,424.  
2015 was a dry year and outdoor water usage may have been high.

<b>SEWER ENTERPRISE FUND</b>								
<b>OPTION 1 - 10% INCREASE FISCAL YEAR 2021</b>								
<b>Description</b>	<b>Budgeted FY 2020</b>	<b>Actual FY 2020</b>	<b>Projected FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Comments</b>
<b>Revenues</b>			10.00%	8.50%	8.50%	7.50%	7.50%	
Sewer User Charges	\$ 4,588,200	\$ 3,888,245	\$ 4,807,996	\$ 5,371,417	\$ 5,869,571	\$ 6,309,789	\$ 6,783,023	Based on FY20 billing; FY20-23 adj. for pandemic, + rate increases here
Sewer Liens on User Charges	-	163,376	181,710	292,872	250,477	225,429	225,429	Five-year average from FY15-FY19; assume level; FY21-23 adj. for pandemic
Interest on User Charges	-	14,503	15,849	15,849	15,849	15,849	15,849	Five-year average from FY16-FY20; assume level
Penalty on User Charges	-	6,610	12,023	12,023	12,023	12,023	12,023	Five-year average from FY16-FY20; assume level
Miscellaneous Charges	-	2,100	103,165	214,405	222,974	231,887	241,156	Five-year average from FY16-FY20; assume level; plus expected impact, user fees
Sewer Liens on Fees	-	7,942	3,468	3,468	3,468	3,468	3,468	Five-year average from FY16-FY20; assume level
Sewer Liens on Interest	-	18,694	19,652	19,652	19,652	19,652	19,652	Five-year average from FY16-FY20; assume level
<b>Total Revenues</b>	<b>\$ 4,588,200</b>	<b>\$ 4,101,470</b>	<b>\$ 5,143,863</b>	<b>\$ 5,929,686</b>	<b>\$ 6,394,015</b>	<b>\$ 6,818,097</b>	<b>\$ 7,300,600</b>	
<b>Available Funds</b>								
Prior Year Carryover	\$ 108,240	\$ -	\$ 629,497	\$ -	\$ -	\$ -	\$ -	Funding source, reserved at end of prior year, for encumbrances
Retained Earnings Appropriated	886,532	-	-	-	-	-	-	Retained Earnings used to balance the budget
Sewer Rehabilitation Funds	-	2,773,195	-	-	-	-	-	Used as funding source for FY21 budget as funds are used for sewer rehabilitation
<b>Total Revenues and Available Funds</b>	<b>\$ 5,582,972</b>	<b>\$ 6,874,666</b>	<b>\$ 5,773,360</b>	<b>\$ 5,929,686</b>	<b>\$ 6,394,015</b>	<b>\$ 6,818,097</b>	<b>\$ 7,300,600</b>	
<b>Expenditures</b>								
Salaries	\$ 328,028	\$ 307,999	\$ 361,526	\$ 370,564	\$ 379,828	\$ 389,324	\$ 399,057	FY21 number is from Budget; 2.5% increase yearly
Other Expenses	2,655,816	2,010,006	3,708,088	3,155,463	3,218,572	3,282,944	3,348,602	FY21 number is from Budget, incl. FY20 encumbrances; 2% increase yearly
Capital Outlay	88,000	61,005	107,000	92,000	92,000	92,000	92,000	FY21 number is from Budget, incl. FY20 encumbrances; budget number held flat
Existing Debt Service	1,868,781	1,817,889	2,012,638	1,960,754	1,896,340	1,877,821	1,834,697	FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab
New Debt Service	-	-	-	20,382	365,953	364,378	387,303	See "New Debt Service" tab; Debt projections based on capital plan
Short Term Debt	40,500	1,347	15,000	15,000	15,000	15,000	15,000	FY21 number is from Budget; budget number carried forward
Indirect Costs	592,671	592,671	653,033	669,359	686,093	703,245	720,827	FY21 from Budget; increase 2.5% yearly
Funding of OPEB	9,176	9,176	27,180	27,860	28,556	29,270	30,002	FY21 number is from Budget; 2.5% increase yearly
<b>Total Expenditures</b>	<b>\$ 5,582,972</b>	<b>\$ 4,800,094</b>	<b>\$ 6,884,466</b>	<b>\$ 6,311,382</b>	<b>\$ 6,682,343</b>	<b>\$ 6,753,982</b>	<b>\$ 6,827,487</b>	
<b>Excess (Deficit) of Revenues and Available Funds &gt; Expenditures</b>	<b>\$ -</b>	<b>\$ 2,074,572</b>	<b>\$ (1,111,106)</b>	<b>\$ (381,696)</b>	<b>\$ (288,329)</b>	<b>\$ 64,115</b>	<b>\$ 473,113</b>	
<b>Retained Earnings Projections</b>								
Certified Retained Earnings July 1, 2020		\$ 1,873,952						
Retained Earnings at Start of the FY Listed			\$ 1,873,952	\$ 762,846	\$ 381,150	\$ 92,822	\$ 156,937	
Surplus/(Deficit) Current FY			\$ (1,111,106)	\$ (381,696)	\$ (288,329)	\$ 64,115	\$ 473,113	
Projected Retained Earnings at End of FY			\$ 762,846	\$ 381,150	\$ 92,822	\$ 156,937	\$ 630,050	
Retained Earnings as % of Oper. Budget		39.0%	11.1%	6.0%	1.4%	2.3%	9.2%	

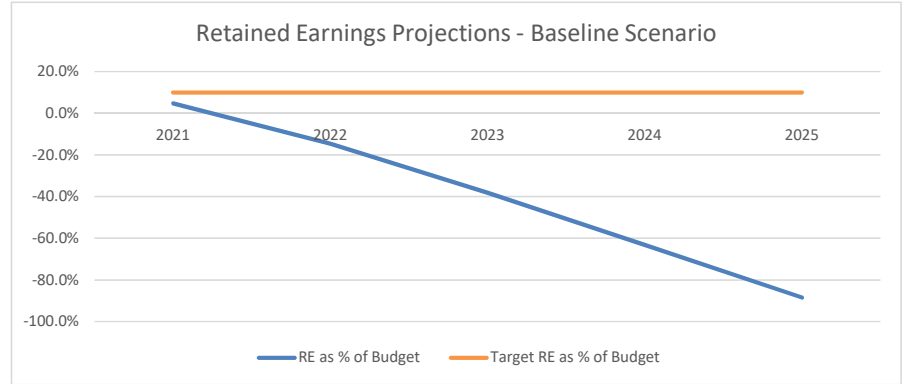
SEWER ENTERPRISE FUND  
OPTION 2 - 9% INCREASE FISCAL YEAR 2021

Town of Saugus Sewer Rate Study

5-Year Rate Analysis - Opt 2

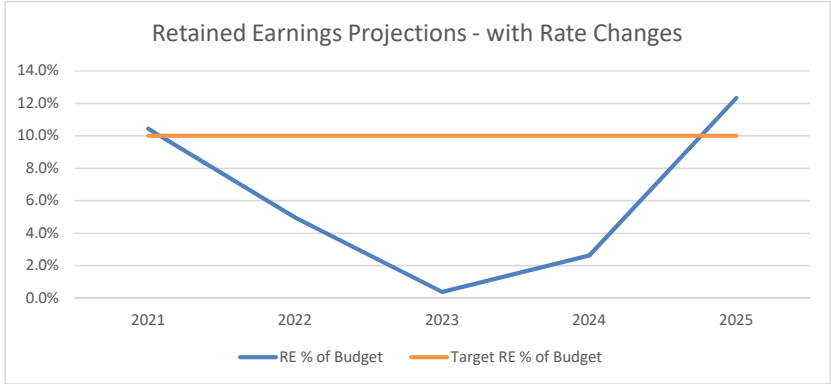
Target Retained Earnings as % of Budget:	10.0%
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Baseline	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED
Surplus/Deficit	\$ (1,548,196)	\$ (1,252,554)	\$ (1,625,229)	\$ (1,713,003)	\$ (1,777,239)
Projected Retained Earnings	\$ 325,756	\$ (926,799)	\$ (2,552,027)	\$ (4,265,030)	\$ (6,042,269)
RE as % of Budget	4.7%	-14.7%	-38.2%	-63.1%	-88.5%
Target RE as % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%



Rate Increases:	9.0%	9.0%	9.0%	9.0%	9.0%
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Rate Impact	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED
Surplus/Deficit	\$ (1,154,815)	\$ (405,999)	\$ (287,959)	\$ 152,561	\$ 664,166
Projected Retained Earnings	\$ 719,137	\$ 313,138	\$ 25,179	\$ 177,740	\$ 841,906
RE % of Budget	10.4%	5.0%	0.4%	2.6%	12.3%
Target RE % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%



User Impact (per Bill) - Sewer Bills Only			New Bills				
User Type	Usage	Current Bill	FY21	FY22	FY23	FY24	FY25
Tier 1 User	2,000	\$ 80.15	\$ 87.36	\$ 95.23	\$ 103.80	\$ 113.14	\$ 123.32
Tier 2 User	3,000	\$ 109.55	\$ 119.41	\$ 130.16	\$ 141.87	\$ 154.64	\$ 168.56
Average Residential User	4,234	\$ 159.03	\$ 173.35	\$ 188.95	\$ 205.95	\$ 224.49	\$ 244.69
Avg. Res. User (for pres.)	4,362	\$ 164.17	\$ 178.94	\$ 195.05	\$ 212.60	\$ 231.73	\$ 252.59
Tier 3 User	6,000	\$ 229.85	\$ 250.54	\$ 273.08	\$ 297.66	\$ 324.45	\$ 353.65
Tier 4 User	10,000	\$ 454.65	\$ 495.57	\$ 540.17	\$ 588.78	\$ 641.78	\$ 699.54
Tier 5 User	20,000	\$ 1,149.65	\$ 1,253.12	\$ 1,365.90	\$ 1,488.83	\$ 1,622.82	\$ 1,768.88
Avg. Com. User (for pres.)	24,527	\$ 1,524.94	\$ 1,662.18	\$ 1,811.78	\$ 1,974.84	\$ 2,152.57	\$ 2,346.31
Tier 6 User	50,000	\$ 3,636.65	\$ 3,963.95	\$ 4,320.70	\$ 4,709.57	\$ 5,133.43	\$ 5,595.44
Tier 7 User	100,000	\$ 8,246.65	\$ 8,988.85	\$ 9,797.84	\$ 10,679.65	\$ 11,640.82	\$ 12,688.49
Tier 8 User	200,000	\$ 17,866.65	\$ 19,474.65	\$ 21,227.37	\$ 23,137.83	\$ 25,220.23	\$ 27,490.06

Usage in cubic feet

The average residential user was determined using this formula:  
2.67 people per household x 65 gallons per day per person = 173.55 gallons per household per day  
One half of the year: 365 days / 2 = 182.5  
173.55 x 182.5 = 31,672.875 gallons per household per half year  
31,672.875 gallons = 4,234.0475 cubic feet per half year

Note that median residential usage in 2015 billing data was 3,424.  
2015 was a dry year and outdoor water usage may have been high.

<b>SEWER ENTERPRISE FUND</b>								
<b>OPTION 2 - 9% INCREASE FISCAL YEAR 2021</b>								
<b>Description</b>	<b>Budgeted FY 2020</b>	<b>Actual FY 2020</b>	<b>Projected FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Comments</b>
<b>Revenues</b>			9.00%	9.00%	9.00%	9.00%	9.00%	
Sewer User Charges	\$ 4,588,200	\$ 3,888,245	\$ 4,764,287	\$ 5,347,114	\$ 5,869,941	\$ 6,398,235	\$ 6,974,077	Based on FY20 billing; FY20-23 adj. for pandemic, + rate increases here
Sewer Liens on User Charges	-	163,376	181,710	292,872	250,477	225,429	225,429	Five-year average from FY15-FY19; assume level; FY21-23 adj. for pandemic
Interest on User Charges	-	14,503	15,849	15,849	15,849	15,849	15,849	Five-year average from FY16-FY20; assume level
Penalty on User Charges	-	6,610	12,023	12,023	12,023	12,023	12,023	Five-year average from FY16-FY20; assume level
Miscellaneous Charges	-	2,100	103,165	214,405	222,974	231,887	241,156	Five-year average from FY16-FY20; assume level; plus expected impact, user fees
Sewer Liens on Fees	-	7,942	3,468	3,468	3,468	3,468	3,468	Five-year average from FY16-FY20; assume level
Sewer Liens on Interest	-	18,694	19,652	19,652	19,652	19,652	19,652	Five-year average from FY16-FY20; assume level
<b>Total Revenues</b>	<b>\$ 4,588,200</b>	<b>\$ 4,101,470</b>	<b>\$ 5,100,154</b>	<b>\$ 5,905,383</b>	<b>\$ 6,394,384</b>	<b>\$ 6,906,543</b>	<b>\$ 7,491,653</b>	
<b>Available Funds</b>								
Prior Year Carryover	\$ 108,240	\$ -	\$ 629,497	\$ -	\$ -	\$ -	\$ -	Funding source, reserved at end of prior year, for encumbrances
Retained Earnings Appropriated	886,532	-	-	-	-	-	-	Retained Earnings used to balance the budget
Sewer Rehabilitation Funds	-	2,773,195	-	-	-	-	-	Used as funding source for FY21 budget as funds are used for sewer rehabilitation
<b>Total Revenues and Available Funds</b>	<b>\$ 5,582,972</b>	<b>\$ 6,874,666</b>	<b>\$ 5,729,651</b>	<b>\$ 5,905,383</b>	<b>\$ 6,394,384</b>	<b>\$ 6,906,543</b>	<b>\$ 7,491,653</b>	
<b>Expenditures</b>								
Salaries	\$ 328,028	\$ 307,999	\$ 361,526	\$ 370,564	\$ 379,828	\$ 389,324	\$ 399,057	FY21 number is from Budget; 2.5% increase yearly
Other Expenses	2,655,816	2,010,006	3,708,088	3,155,463	3,218,572	3,282,944	3,348,602	FY21 number is from Budget, incl. FY20 encumbrances; 2% increase yearly
Capital Outlay	88,000	61,005	107,000	92,000	92,000	92,000	92,000	FY21 number is from Budget, incl. FY20 encumbrances; budget number held flat
Existing Debt Service	1,868,781	1,817,889	2,012,638	1,960,754	1,896,340	1,877,821	1,834,697	FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab
New Debt Service	-	-	-	20,382	365,953	364,378	387,303	See "New Debt Service" tab; Debt projections based on capital plan
Short Term Debt	40,500	1,347	15,000	15,000	15,000	15,000	15,000	FY21 number is from Budget; budget number carried forward
Indirect Costs	592,671	592,671	653,033	669,359	686,093	703,245	720,827	FY21 from Budget; increase 2.5% yearly
Funding of OPEB	9,176	9,176	27,180	27,860	28,556	29,270	30,002	FY21 number is from Budget; 2.5% increase yearly
<b>Total Expenditures</b>	<b>\$ 5,582,972</b>	<b>\$ 4,800,094</b>	<b>\$ 6,884,466</b>	<b>\$ 6,311,382</b>	<b>\$ 6,682,343</b>	<b>\$ 6,753,982</b>	<b>\$ 6,827,487</b>	
<b>Excess (Deficit) of Revenues and Available Funds &gt; Expenditures</b>	<b>\$ -</b>	<b>\$ 2,074,572</b>	<b>\$ (1,154,815)</b>	<b>\$ (405,999)</b>	<b>\$ (287,959)</b>	<b>\$ 152,561</b>	<b>\$ 664,166</b>	
<b>Retained Earnings Projections</b>								
Certified Retained Earnings July 1, 2020		\$ 1,873,952						
Retained Earnings at Start of the FY Listed			\$ 1,873,952	\$ 719,137	\$ 313,138	\$ 25,179	\$ 177,740	
Surplus/(Deficit) Current FY			\$ (1,154,815)	\$ (405,999)	\$ (287,959)	\$ 152,561	\$ 664,166	
Projected Retained Earnings at End of FY			\$ 719,137	\$ 313,138	\$ 25,179	\$ 177,740	\$ 841,906	
Retained Earnings as % of Oper. Budget		39.0%	10.4%	5.0%	0.4%	2.6%	12.3%	

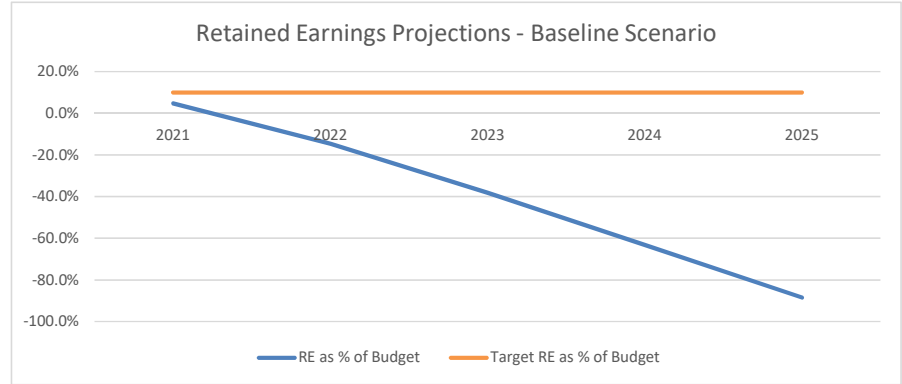
SEWER ENTERPRISE FUND  
OPTION 3 - 8% INCREASE FISCAL YEAR 2021

Town of Saugus Sewer Rate Study

5-Year Rate Analysis - Opt 3

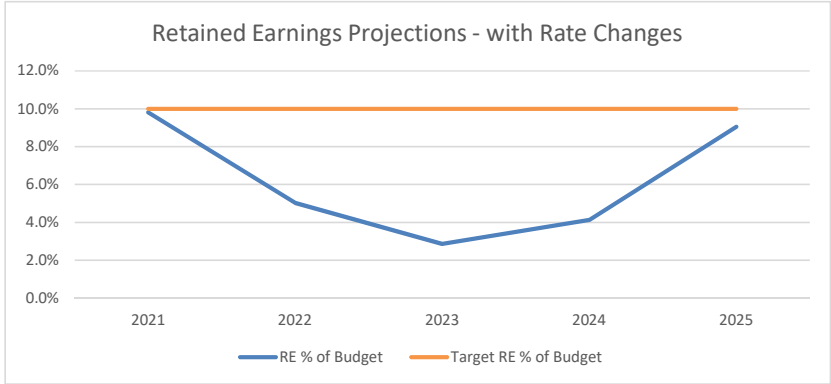
Target Retained Earnings as % of Budget:	10.0%
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Baseline	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED
Surplus/Deficit	\$ (1,548,196)	\$ (1,252,554)	\$ (1,625,229)	\$ (1,713,003)	\$ (1,777,239)
Projected Retained Earnings	\$ 325,756	\$ (926,799)	\$ (2,552,027)	\$ (4,265,030)	\$ (6,042,269)
RE as % of Budget	4.7%	-14.7%	-38.2%	-63.1%	-88.5%
Target RE as % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%



Rate Increases:	8.0%	11.0%	11.0%	5.0%	5.0%
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Rate Impact	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED
Surplus/Deficit	\$ (1,198,524)	\$ (357,843)	\$ (126,419)	\$ 87,380	\$ 339,797
Projected Retained Earnings	\$ 675,428	\$ 317,585	\$ 191,166	\$ 278,546	\$ 618,343
RE % of Budget	9.8%	5.0%	2.9%	4.1%	9.1%
Target RE % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%



User Impact (per Bill) - Sewer Bills Only			New Bills				
User Type	Usage	Current Bill	FY21	FY22	FY23	FY24	FY25
Tier 1 User	2,000	\$ 80.15	\$ 86.56	\$ 96.08	\$ 106.65	\$ 111.99	\$ 117.58
Tier 2 User	3,000	\$ 109.55	\$ 118.31	\$ 131.33	\$ 145.77	\$ 153.06	\$ 160.72
Average Residential User	4,234	\$ 159.03	\$ 171.76	\$ 190.65	\$ 211.62	\$ 222.20	\$ 233.31
Avg. Res. User (for pres.)	4,362	\$ 164.17	\$ 177.30	\$ 196.80	\$ 218.45	\$ 229.37	\$ 240.84
Tier 3 User	6,000	\$ 229.85	\$ 248.24	\$ 275.54	\$ 305.85	\$ 321.15	\$ 337.20
Tier 4 User	10,000	\$ 454.65	\$ 491.02	\$ 545.03	\$ 604.99	\$ 635.24	\$ 667.00
Tier 5 User	20,000	\$ 1,149.65	\$ 1,241.62	\$ 1,378.20	\$ 1,529.80	\$ 1,606.29	\$ 1,686.61
Avg. Com. User (for pres.)	24,527	\$ 1,524.94	\$ 1,646.93	\$ 1,828.10	\$ 2,029.19	\$ 2,130.65	\$ 2,237.18
Tier 6 User	50,000	\$ 3,636.65	\$ 3,927.58	\$ 4,359.62	\$ 4,839.17	\$ 5,081.13	\$ 5,335.19
Tier 7 User	100,000	\$ 8,246.65	\$ 8,906.38	\$ 9,886.08	\$ 10,973.55	\$ 11,522.23	\$ 12,098.34
Tier 8 User	200,000	\$ 17,866.65	\$ 19,295.98	\$ 21,418.54	\$ 23,774.58	\$ 24,963.31	\$ 26,211.47

Usage in cubic feet

The average residential user was determined using this formula:  
2.67 people per household x 65 gallons per day per person = 173.55 gallons per household per day  
One half of the year: 365 days / 2 = 182.5  
173.55 x 182.5 = 31,672.875 gallons per household per half year  
31,672.875 gallons = 4,234.0475 cubic feet per half year

Note that median residential usage in 2015 billing data was 3,424.  
2015 was a dry year and outdoor water usage may have been high.

<b>SEWER ENTERPRISE FUND</b>								
<b>OPTION 3 - 8% INCREASE FISCAL YEAR 2021</b>								
<b>Description</b>	<b>Budgeted FY 2020</b>	<b>Actual FY 2020</b>	<b>Projected FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Comments</b>
<b>Revenues</b>			8.00%	11.00%	11.00%	5.00%	5.00%	
Sewer User Charges	\$ 4,588,200	\$ 3,888,245	\$ 4,720,578	\$ 5,395,270	\$ 6,031,481	\$ 6,333,055	\$ 6,649,707	Based on FY20 billing; FY20-23 adj. for pandemic, + rate increases here
Sewer Liens on User Charges	-	163,376	181,710	292,872	250,477	225,429	225,429	Five-year average from FY15-FY19; assume level; FY21-23 adj. for pandemic
Interest on User Charges	-	14,503	15,849	15,849	15,849	15,849	15,849	Five-year average from FY16-FY20; assume level
Penalty on User Charges	-	6,610	12,023	12,023	12,023	12,023	12,023	Five-year average from FY16-FY20; assume level
Miscellaneous Charges	-	2,100	103,165	214,405	222,974	231,887	241,156	Five-year average from FY16-FY20; assume level; plus expected impact, user fees
Sewer Liens on Fees	-	7,942	3,468	3,468	3,468	3,468	3,468	Five-year average from FY16-FY20; assume level
Sewer Liens on Interest	-	18,694	19,652	19,652	19,652	19,652	19,652	Five-year average from FY16-FY20; assume level
<b>Total Revenues</b>	<b>\$ 4,588,200</b>	<b>\$ 4,101,470</b>	<b>\$ 5,056,445</b>	<b>\$ 5,953,539</b>	<b>\$ 6,555,924</b>	<b>\$ 6,841,363</b>	<b>\$ 7,167,284</b>	
<b>Available Funds</b>								
Prior Year Carryover	\$ 108,240	\$ -	\$ 629,497	\$ -	\$ -	\$ -	\$ -	Funding source, reserved at end of prior year, for encumbrances
Retained Earnings Appropriated	886,532	-	-	-	-	-	-	Retained Earnings used to balance the budget
Sewer Rehabilitation Funds	-	2,773,195	-	-	-	-	-	Used as funding source for FY21 budget as funds are used for sewer rehabilitation
<b>Total Revenues and Available Funds</b>	<b>\$ 5,582,972</b>	<b>\$ 6,874,666</b>	<b>\$ 5,685,942</b>	<b>\$ 5,953,539</b>	<b>\$ 6,555,924</b>	<b>\$ 6,841,363</b>	<b>\$ 7,167,284</b>	
<b>Expenditures</b>								
Salaries	\$ 328,028	\$ 307,999	\$ 361,526	\$ 370,564	\$ 379,828	\$ 389,324	\$ 399,057	FY21 number is from Budget; 2.5% increase yearly
Other Expenses	2,655,816	2,010,006	3,708,088	3,155,463	3,218,572	3,282,944	3,348,602	FY21 number is from Budget, incl. FY20 encumbrances; 2% increase yearly
Capital Outlay	88,000	61,005	107,000	92,000	92,000	92,000	92,000	FY21 number is from Budget, incl. FY20 encumbrances; budget number held flat
Existing Debt Service	1,868,781	1,817,889	2,012,638	1,960,754	1,896,340	1,877,821	1,834,697	FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab
New Debt Service	-	-	-	20,382	365,953	364,378	387,303	See "New Debt Service" tab; Debt projections based on capital plan
Short Term Debt	40,500	1,347	15,000	15,000	15,000	15,000	15,000	FY21 number is from Budget; budget number carried forward
Indirect Costs	592,671	592,671	653,033	669,359	686,093	703,245	720,827	FY21 from Budget; increase 2.5% yearly
Funding of OPEB	9,176	9,176	27,180	27,860	28,556	29,270	30,002	FY21 number is from Budget; 2.5% increase yearly
<b>Total Expenditures</b>	<b>\$ 5,582,972</b>	<b>\$ 4,800,094</b>	<b>\$ 6,884,466</b>	<b>\$ 6,311,382</b>	<b>\$ 6,682,343</b>	<b>\$ 6,753,982</b>	<b>\$ 6,827,487</b>	
<b>Excess (Deficit) of Revenues and Available Funds &gt; Expenditures</b>	<b>\$ -</b>	<b>\$ 2,074,572</b>	<b>\$ (1,198,524)</b>	<b>\$ (357,843)</b>	<b>\$ (126,419)</b>	<b>\$ 87,380</b>	<b>\$ 339,797</b>	
<b>Retained Earnings Projections</b>								
Certified Retained Earnings July 1, 2020		\$ 1,873,952						
Retained Earnings at Start of the FY Listed			\$ 1,873,952	\$ 675,428	\$ 317,585	\$ 191,166	\$ 278,546	
Surplus/(Deficit) Current FY			\$ (1,198,524)	\$ (357,843)	\$ (126,419)	\$ 87,380	\$ 339,797	
Projected Retained Earnings at End of FY			\$ 675,428	\$ 317,585	\$ 191,166	\$ 278,546	\$ 618,343	
Retained Earnings as % of Oper. Budget		39.0%	9.8%	5.0%	2.9%	4.1%	9.1%	

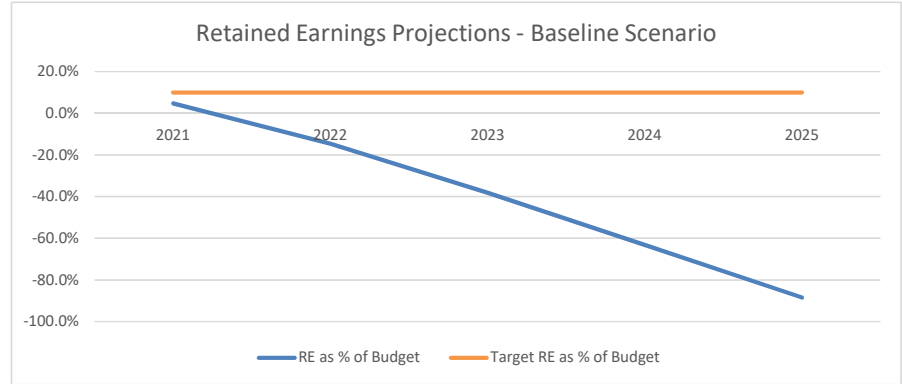
SEWER ENTERPRISE FUND  
OPTION 4 - 7% INCREASE FISCAL YEAR 2021

Town of Saugus Sewer Rate Study

5-Year Rate Analysis - Opt 4

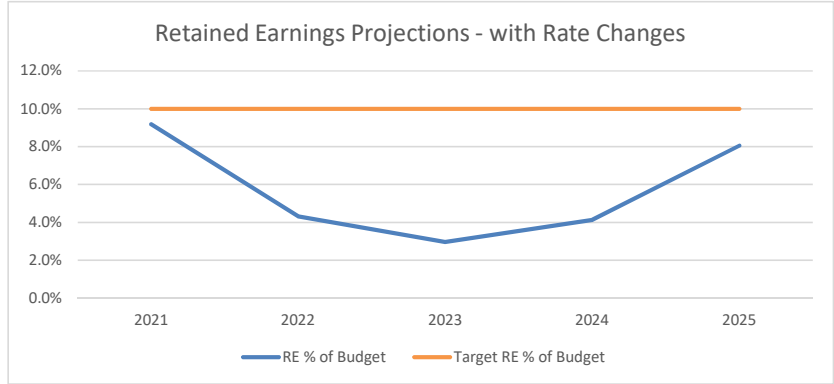
Target Retained Earnings as % of Budget:	10.0%
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Baseline	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED
Surplus/Deficit	\$ (1,548,196)	\$ (1,252,554)	\$ (1,625,229)	\$ (1,713,003)	\$ (1,777,239)
Projected Retained Earnings	\$ 325,756	\$ (926,799)	\$ (2,552,027)	\$ (4,265,030)	\$ (6,042,269)
RE as % of Budget	4.7%	-14.7%	-38.2%	-63.1%	-88.5%
Target RE as % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%



Rate Increases:	7.0%	12.0%	12.0%	4.0%	4.0%
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Rate Impact	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED
Surplus/Deficit	\$ (1,242,233)	\$ (359,643)	\$ (74,112)	\$ 81,465	\$ 270,314
Projected Retained Earnings	\$ 631,719	\$ 272,076	\$ 197,964	\$ 279,429	\$ 549,743
RE % of Budget	9.2%	4.3%	3.0%	4.1%	8.1%
Target RE % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%



User Impact (per Bill) - Sewer Bills Only			New Bills				
User Type	Usage	Current Bill	FY21	FY22	FY23	FY24	FY25
Tier 1 User	2,000	\$ 80.15	\$ 85.76	\$ 96.05	\$ 107.58	\$ 111.88	\$ 116.36
Tier 2 User	3,000	\$ 109.55	\$ 117.22	\$ 131.28	\$ 147.04	\$ 152.92	\$ 159.04
Average Residential User	4,234	\$ 159.03	\$ 170.17	\$ 190.59	\$ 213.46	\$ 221.99	\$ 230.87
Avg. Res. User (for pres.)	4,362	\$ 164.17	\$ 175.66	\$ 196.74	\$ 220.35	\$ 229.16	\$ 238.33
Tier 3 User	6,000	\$ 229.85	\$ 245.94	\$ 275.45	\$ 308.51	\$ 320.85	\$ 333.68
Tier 4 User	10,000	\$ 454.65	\$ 486.48	\$ 544.85	\$ 610.23	\$ 634.64	\$ 660.03
Tier 5 User	20,000	\$ 1,149.65	\$ 1,230.13	\$ 1,377.74	\$ 1,543.07	\$ 1,604.79	\$ 1,668.98
Avg. Com. User (for pres.)	24,527	\$ 1,524.94	\$ 1,631.68	\$ 1,827.49	\$ 2,046.78	\$ 2,128.66	\$ 2,213.80
Tier 6 User	50,000	\$ 3,636.65	\$ 3,891.22	\$ 4,358.16	\$ 4,881.14	\$ 5,076.39	\$ 5,279.44
Tier 7 User	100,000	\$ 8,246.65	\$ 8,823.92	\$ 9,882.79	\$ 11,068.72	\$ 11,511.47	\$ 11,971.93
Tier 8 User	200,000	\$ 17,866.65	\$ 19,117.32	\$ 21,411.39	\$ 23,980.76	\$ 24,939.99	\$ 25,937.59

Usage in cubic feet

The average residential user was determined using this formula:  
2.67 people per household x 65 gallons per day per person = 173.55 gallons per household per day  
One half of the year: 365 days / 2 = 182.5  
173.55 x 182.5 = 31,672.875 gallons per household per half year  
31,672.875 gallons = 4,234.0475 cubic feet per half year

Note that median residential usage in 2015 billing data was 3,424.  
2015 was a dry year and outdoor water usage may have been high.

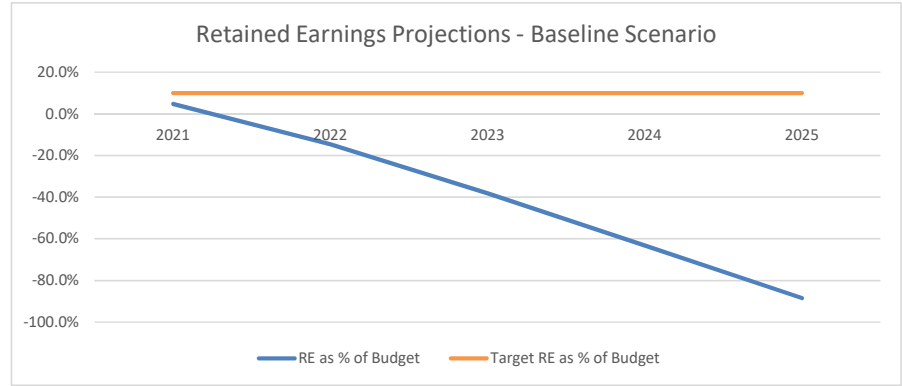


<b>SEWER ENTERPRISE FUND</b>								
<b>OPTION 4 - 7% INCREASE FISCAL YEAR 2021</b>								
<b>Description</b>	<b>Budgeted FY 2020</b>	<b>Actual FY 2020</b>	<b>Projected FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Comments</b>
<b>Revenues</b>			7.00%	12.00%	12.00%	4.00%	4.00%	
Sewer User Charges	\$ 4,588,200	\$ 3,888,245	\$ 4,676,868	\$ 5,393,470	\$ 6,083,788	\$ 6,327,139	\$ 6,580,225	Based on FY20 billing; FY20-23 adj. for pandemic, + rate increases here
Sewer Liens on User Charges	-	163,376	181,710	292,872	250,477	225,429	225,429	Five-year average from FY15-FY19; assume level; FY21-23 adj. for pandemic
Interest on User Charges	-	14,503	15,849	15,849	15,849	15,849	15,849	Five-year average from FY16-FY20; assume level
Penalty on User Charges	-	6,610	12,023	12,023	12,023	12,023	12,023	Five-year average from FY16-FY20; assume level
Miscellaneous Charges	-	2,100	103,165	214,405	222,974	231,887	241,156	Five-year average from FY16-FY20; assume level; plus expected impact, user fees
Sewer Liens on Fees	-	7,942	3,468	3,468	3,468	3,468	3,468	Five-year average from FY16-FY20; assume level
Sewer Liens on Interest	-	18,694	19,652	19,652	19,652	19,652	19,652	Five-year average from FY16-FY20; assume level
<b>Total Revenues</b>	<b>\$ 4,588,200</b>	<b>\$ 4,101,470</b>	<b>\$ 5,012,736</b>	<b>\$ 5,951,738</b>	<b>\$ 6,608,231</b>	<b>\$ 6,835,447</b>	<b>\$ 7,097,801</b>	
<b>Available Funds</b>								
Prior Year Carryover	\$ 108,240	\$ -	\$ 629,497	\$ -	\$ -	\$ -	\$ -	Funding source, reserved at end of prior year, for encumbrances
Retained Earnings Appropriated	886,532	-	-	-	-	-	-	Retained Earnings used to balance the budget
Sewer Rehabilitation Funds	-	2,773,195	-	-	-	-	-	Used as funding source for FY21 budget as funds are used for sewer rehabilitation
<b>Total Revenues and Available Funds</b>	<b>\$ 5,582,972</b>	<b>\$ 6,874,666</b>	<b>\$ 5,642,233</b>	<b>\$ 5,951,738</b>	<b>\$ 6,608,231</b>	<b>\$ 6,835,447</b>	<b>\$ 7,097,801</b>	
<b>Expenditures</b>								
Salaries	\$ 328,028	\$ 307,999	\$ 361,526	\$ 370,564	\$ 379,828	\$ 389,324	\$ 399,057	FY21 number is from Budget; 2.5% increase yearly
Other Expenses	2,655,816	2,010,006	3,708,088	3,155,463	3,218,572	3,282,944	3,348,602	FY21 number is from Budget, incl. FY20 encumbrances; 2% increase yearly
Capital Outlay	88,000	61,005	107,000	92,000	92,000	92,000	92,000	FY21 number is from Budget, incl. FY20 encumbrances; budget number held flat
Existing Debt Service	1,868,781	1,817,889	2,012,638	1,960,754	1,896,340	1,877,821	1,834,697	FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab
New Debt Service	-	-	-	20,382	365,953	364,378	387,303	See "New Debt Service" tab; Debt projections based on capital plan
Short Term Debt	40,500	1,347	15,000	15,000	15,000	15,000	15,000	FY21 number is from Budget; budget number carried forward
Indirect Costs	592,671	592,671	653,033	669,359	686,093	703,245	720,827	FY21 from Budget; increase 2.5% yearly
Funding of OPEB	9,176	9,176	27,180	27,860	28,556	29,270	30,002	FY21 number is from Budget; 2.5% increase yearly
<b>Total Expenditures</b>	<b>\$ 5,582,972</b>	<b>\$ 4,800,094</b>	<b>\$ 6,884,466</b>	<b>\$ 6,311,382</b>	<b>\$ 6,682,343</b>	<b>\$ 6,753,982</b>	<b>\$ 6,827,487</b>	
<b>Excess (Deficit) of Revenues and Available Funds &gt; Expenditures</b>	<b>\$ -</b>	<b>\$ 2,074,572</b>	<b>\$ (1,242,233)</b>	<b>\$ (359,643)</b>	<b>\$ (74,112)</b>	<b>\$ 81,465</b>	<b>\$ 270,314</b>	
<b>Retained Earnings Projections</b>								
Certified Retained Earnings July 1, 2020		\$ 1,873,952						
Retained Earnings at Start of the FY Listed			\$ 1,873,952	\$ 631,719	\$ 272,076	\$ 197,964	\$ 279,429	
Surplus/(Deficit) Current FY			\$ (1,242,233)	\$ (359,643)	\$ (74,112)	\$ 81,465	\$ 270,314	
Projected Retained Earnings at End of FY			\$ 631,719	\$ 272,076	\$ 197,964	\$ 279,429	\$ 549,743	
Retained Earnings as % of Oper. Budget		39.0%	9.2%	4.3%	3.0%	4.1%	8.1%	

SEWER ENTERPRISE FUND  
OPTION 5 - 6% INCREASE FISCAL YEAR 2021

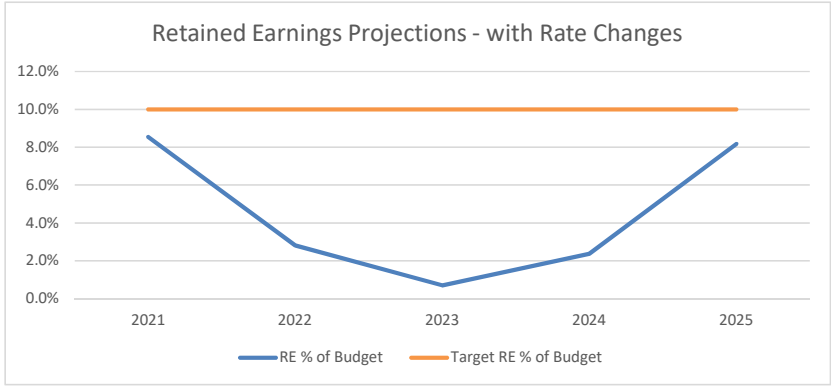
Target Retained Earnings as % of Budget:	10.0%
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Baseline	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED
Surplus/Deficit	\$ (1,548,196)	\$ (1,252,554)	\$ (1,625,229)	\$ (1,713,003)	\$ (1,777,239)
Projected Retained Earnings	\$ 325,756	\$ (926,799)	\$ (2,552,027)	\$ (4,265,030)	\$ (6,042,269)
RE as % of Budget	4.7%	-14.7%	-38.2%	-63.1%	-88.5%
Target RE as % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%



Rate Increases:	6.0%	12.0%	12.0%	5.5%	5.5%
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Rate Impact	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED
Surplus/Deficit	\$ (1,285,942)	\$ (410,050)	\$ (130,970)	\$ 112,737	\$ 398,213
Projected Retained Earnings	\$ 588,010	\$ 177,960	\$ 46,990	\$ 159,727	\$ 557,940
RE % of Budget	8.5%	2.8%	0.7%	2.4%	8.2%
Target RE % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%



User Impact (per Bill) - Sewer Bills Only			New Bills				
User Type	Usage	Current Bill	FY21	FY22	FY23	FY24	FY25
Tier 1 User	2,000	\$ 80.15	\$ 84.96	\$ 95.15	\$ 106.57	\$ 112.43	\$ 118.62
Tier 2 User	3,000	\$ 109.55	\$ 116.12	\$ 130.06	\$ 145.66	\$ 153.68	\$ 162.13
Average Residential User	4,234	\$ 159.03	\$ 168.58	\$ 188.80	\$ 211.46	\$ 223.09	\$ 235.36
Avg. Res. User (for pres.)	4,362	\$ 164.17	\$ 174.02	\$ 194.90	\$ 218.29	\$ 230.29	\$ 242.96
Tier 3 User	6,000	\$ 229.85	\$ 243.64	\$ 272.88	\$ 305.62	\$ 322.43	\$ 340.17
Tier 4 User	10,000	\$ 454.65	\$ 481.93	\$ 539.76	\$ 604.53	\$ 637.78	\$ 672.86
Tier 5 User	20,000	\$ 1,149.65	\$ 1,218.63	\$ 1,364.86	\$ 1,528.65	\$ 1,612.72	\$ 1,701.42
Avg. Com. User (for pres.)	24,527	\$ 1,524.94	\$ 1,616.43	\$ 1,810.41	\$ 2,027.66	\$ 2,139.18	\$ 2,256.83
Tier 6 User	50,000	\$ 3,636.65	\$ 3,854.85	\$ 4,317.43	\$ 4,835.52	\$ 5,101.48	\$ 5,382.06
Tier 7 User	100,000	\$ 8,246.65	\$ 8,741.45	\$ 9,790.42	\$ 10,965.27	\$ 11,568.36	\$ 12,204.62
Tier 8 User	200,000	\$ 17,866.65	\$ 18,938.65	\$ 21,211.29	\$ 23,756.64	\$ 25,063.26	\$ 26,441.74

Usage in cubic feet

The average residential user was determined using this formula:  
2.67 people per household x 65 gallons per day per person = 173.55 gallons per household per day  
One half of the year: 365 days / 2 = 182.5  
173.55 x 182.5 = 31,672.875 gallons per household per half year  
31,672.875 gallons = 4,234.0475 cubic feet per half year

Note that median residential usage in 2015 billing data was 3,424.  
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<b>SEWER ENTERPRISE FUND</b>								
<b>OPTION 5 - 6% INCREASE FISCAL YEAR 2021</b>								
<b>Description</b>	<b>Budgeted FY 2020</b>	<b>Actual FY 2020</b>	<b>Projected FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Comments</b>
<b>Revenues</b>			6.00%	12.00%	12.00%	5.50%	5.50%	
Sewer User Charges	\$ 4,588,200	\$ 3,888,245	\$ 4,633,159	\$ 5,343,064	\$ 6,026,930	\$ 6,358,411	\$ 6,708,124	Based on FY20 billing; FY20-23 adj. for pandemic, + rate increases here
Sewer Liens on User Charges	-	163,376	181,710	292,872	250,477	225,429	225,429	Five-year average from FY15-FY19; assume level; FY21-23 adj. for pandemic
Interest on User Charges	-	14,503	15,849	15,849	15,849	15,849	15,849	Five-year average from FY16-FY20; assume level
Penalty on User Charges	-	6,610	12,023	12,023	12,023	12,023	12,023	Five-year average from FY16-FY20; assume level
Miscellaneous Charges	-	2,100	103,165	214,405	222,974	231,887	241,156	Five-year average from FY16-FY20; assume level; plus expected impact, user fees
Sewer Liens on Fees	-	7,942	3,468	3,468	3,468	3,468	3,468	Five-year average from FY16-FY20; assume level
Sewer Liens on Interest	-	18,694	19,652	19,652	19,652	19,652	19,652	Five-year average from FY16-FY20; assume level
<b>Total Revenues</b>	<b>\$ 4,588,200</b>	<b>\$ 4,101,470</b>	<b>\$ 4,969,027</b>	<b>\$ 5,901,332</b>	<b>\$ 6,551,373</b>	<b>\$ 6,866,719</b>	<b>\$ 7,225,700</b>	
<b>Available Funds</b>								
Prior Year Carryover	\$ 108,240	\$ -	\$ 629,497	\$ -	\$ -	\$ -	\$ -	Funding source, reserved at end of prior year, for encumbrances
Retained Earnings Appropriated	886,532	-	-	-	-	-	-	Retained Earnings used to balance the budget
Sewer Rehabilitation Funds	-	2,773,195	-	-	-	-	-	Used as funding source for FY21 budget as funds are used for sewer rehabilitation
<b>Total Revenues and Available Funds</b>	<b>\$ 5,582,972</b>	<b>\$ 6,874,666</b>	<b>\$ 5,598,524</b>	<b>\$ 5,901,332</b>	<b>\$ 6,551,373</b>	<b>\$ 6,866,719</b>	<b>\$ 7,225,700</b>	
<b>Expenditures</b>								
Salaries	\$ 328,028	\$ 307,999	\$ 361,526	\$ 370,564	\$ 379,828	\$ 389,324	\$ 399,057	FY21 number is from Budget; 2.5% increase yearly
Other Expenses	2,655,816	2,010,006	3,708,088	3,155,463	3,218,572	3,282,944	3,348,602	FY21 number is from Budget, incl. FY20 encumbrances; 2% increase yearly
Capital Outlay	88,000	61,005	107,000	92,000	92,000	92,000	92,000	FY21 number is from Budget, incl. FY20 encumbrances; budget number held flat
Existing Debt Service	1,868,781	1,817,889	2,012,638	1,960,754	1,896,340	1,877,821	1,834,697	FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab
New Debt Service	-	-	-	20,382	365,953	364,378	387,303	See "New Debt Service" tab; Debt projections based on capital plan
Short Term Debt	40,500	1,347	15,000	15,000	15,000	15,000	15,000	FY21 number is from Budget; budget number carried forward
Indirect Costs	592,671	592,671	653,033	669,359	686,093	703,245	720,827	FY21 from Budget; increase 2.5% yearly
Funding of OPEB	9,176	9,176	27,180	27,860	28,556	29,270	30,002	FY21 number is from Budget; 2.5% increase yearly
<b>Total Expenditures</b>	<b>\$ 5,582,972</b>	<b>\$ 4,800,094</b>	<b>\$ 6,884,466</b>	<b>\$ 6,311,382</b>	<b>\$ 6,682,343</b>	<b>\$ 6,753,982</b>	<b>\$ 6,827,487</b>	
<b>Excess (Deficit) of Revenues and Available Funds &gt; Expenditures</b>	<b>\$ -</b>	<b>\$ 2,074,572</b>	<b>\$ (1,285,942)</b>	<b>\$ (410,050)</b>	<b>\$ (130,970)</b>	<b>\$ 112,737</b>	<b>\$ 398,213</b>	
<b>Retained Earnings Projections</b>								
Certified Retained Earnings July 1, 2020	\$ 1,873,952							
Retained Earnings at Start of the FY Listed		\$ 1,873,952	\$ 1,873,952	\$ 588,010	\$ 177,960	\$ 46,990	\$ 159,727	
Surplus/(Deficit) Current FY			\$ (1,285,942)	\$ (410,050)	\$ (130,970)	\$ 112,737	\$ 398,213	
Projected Retained Earnings at End of FY			\$ 588,010	\$ 177,960	\$ 46,990	\$ 159,727	\$ 557,940	
Retained Earnings as % of Oper. Budget		39.0%	8.5%	2.8%	0.7%	2.4%	8.2%	

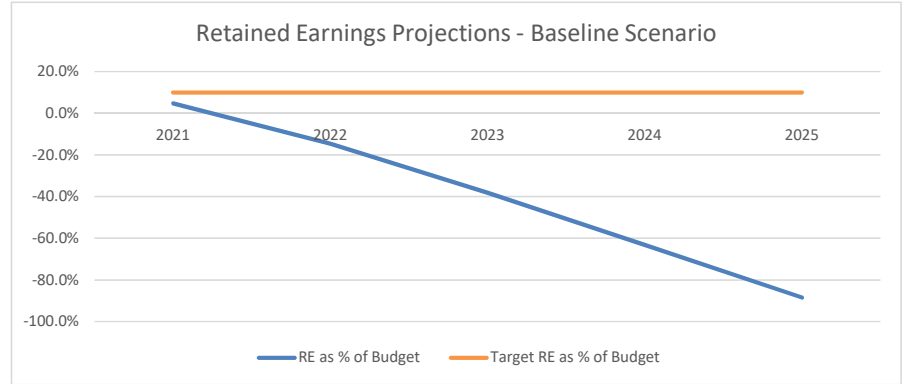
SEWER ENTERPRISE FUND  
OPTION 6 - 5% INCREASE FISCAL YEAR 2021

Town of Saugus Sewer Rate Study

5-Year Rate Analysis - Opt 6

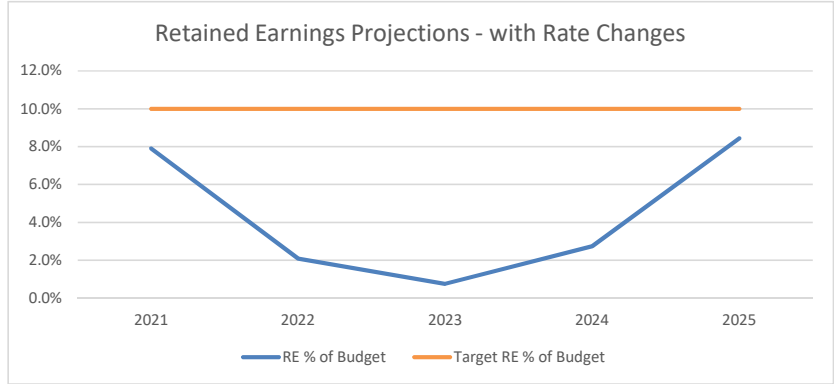
Target Retained Earnings as % of Budget:	10.0%
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Baseline	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED
Surplus/Deficit	\$ (1,548,196)	\$ (1,252,554)	\$ (1,625,229)	\$ (1,713,003)	\$ (1,777,239)
Projected Retained Earnings	\$ 325,756	\$ (926,799)	\$ (2,552,027)	\$ (4,265,030)	\$ (6,042,269)
RE as % of Budget	4.7%	-14.7%	-38.2%	-63.1%	-88.5%
Target RE as % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%



Rate Increases:	5.0%	13.0%	13.0%	5.0%	5.0%
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Rate Impact	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED
Surplus/Deficit	\$ (1,329,651)	\$ (413,200)	\$ (80,743)	\$ 135,340	\$ 390,155
Projected Retained Earnings	\$ 544,301	\$ 131,101	\$ 50,358	\$ 185,697	\$ 575,852
RE % of Budget	7.9%	2.1%	0.8%	2.7%	8.4%
Target RE % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%



User Impact (per Bill) - Sewer Bills Only			New Bills				
User Type	Usage	Current Bill	FY21	FY22	FY23	FY24	FY25
Tier 1 User	2,000	\$ 80.15	\$ 84.16	\$ 95.10	\$ 107.46	\$ 112.83	\$ 118.48
Tier 2 User	3,000	\$ 109.55	\$ 115.03	\$ 129.98	\$ 146.88	\$ 154.22	\$ 161.93
Average Residential User	4,234	\$ 159.03	\$ 166.99	\$ 188.69	\$ 213.22	\$ 223.88	\$ 235.08
Avg. Res. User (for pres.)	4,362	\$ 164.17	\$ 172.37	\$ 194.78	\$ 220.11	\$ 231.11	\$ 242.67
Tier 3 User	6,000	\$ 229.85	\$ 241.34	\$ 272.72	\$ 308.17	\$ 323.58	\$ 339.76
Tier 4 User	10,000	\$ 454.65	\$ 477.38	\$ 539.44	\$ 609.57	\$ 640.05	\$ 672.05
Tier 5 User	20,000	\$ 1,149.65	\$ 1,207.13	\$ 1,364.06	\$ 1,541.39	\$ 1,618.46	\$ 1,699.38
Avg. Com. User (for pres.)	24,527	\$ 1,524.94	\$ 1,601.19	\$ 1,809.34	\$ 2,044.55	\$ 2,146.78	\$ 2,254.12
Tier 6 User	50,000	\$ 3,636.65	\$ 3,818.48	\$ 4,314.89	\$ 4,875.82	\$ 5,119.61	\$ 5,375.59
Tier 7 User	100,000	\$ 8,246.65	\$ 8,658.98	\$ 9,784.65	\$ 11,056.65	\$ 11,609.49	\$ 12,189.96
Tier 8 User	200,000	\$ 17,866.65	\$ 18,759.98	\$ 21,198.78	\$ 23,954.62	\$ 25,152.35	\$ 26,409.97

Usage in cubic feet

The average residential user was determined using this formula:  
2.67 people per household x 65 gallons per day per person = 173.55 gallons per household per day  
One half of the year: 365 days / 2 = 182.5  
173.55 x 182.5 = 31,672.875 gallons per household per half year  
31,672.875 gallons = 4,234.0475 cubic feet per half year

Note that median residential usage in 2015 billing data was 3,424.  
2015 was a dry year and outdoor water usage may have been high.

<b>SEWER ENTERPRISE FUND</b>								
<b>OPTION 6 - 5% INCREASE FISCAL YEAR 2021</b>								
Description	Budgeted FY 2020	Actual FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023	Projected FY 2024	Projected FY 2025	Comments
<b>Revenues</b>			5.00%	13.00%	13.00%	5.00%	5.00%	
Sewer User Charges	\$ 4,588,200	\$ 3,888,245	\$ 4,589,450	\$ 5,339,913	\$ 6,077,156	\$ 6,381,014	\$ 6,700,065	Based on FY20 billing; FY20-23 adj. for pandemic, + rate increases here
Sewer Liens on User Charges	-	163,376	181,710	292,872	250,477	225,429	225,429	Five-year average from FY15-FY19; assume level; FY21-23 adj. for pandemic
Interest on User Charges	-	14,503	15,849	15,849	15,849	15,849	15,849	Five-year average from FY16-FY20; assume level
Penalty on User Charges	-	6,610	12,023	12,023	12,023	12,023	12,023	Five-year average from FY16-FY20; assume level
Miscellaneous Charges	-	2,100	103,165	214,405	222,974	231,887	241,156	Five-year average from FY16-FY20; assume level; plus expected impact, user fees
Sewer Liens on Fees	-	7,942	3,468	3,468	3,468	3,468	3,468	Five-year average from FY16-FY20; assume level
Sewer Liens on Interest	-	18,694	19,652	19,652	19,652	19,652	19,652	Five-year average from FY16-FY20; assume level
<b>Total Revenues</b>	<b>\$ 4,588,200</b>	<b>\$ 4,101,470</b>	<b>\$ 4,925,318</b>	<b>\$ 5,898,182</b>	<b>\$ 6,601,600</b>	<b>\$ 6,889,322</b>	<b>\$ 7,217,642</b>	
<b>Available Funds</b>								
Prior Year Carryover	\$ 108,240	\$ -	\$ 629,497	\$ -	\$ -	\$ -	\$ -	Funding source, reserved at end of prior year, for encumbrances
Retained Earnings Appropriated	886,532	-	-	-	-	-	-	Retained Earnings used to balance the budget
Sewer Rehabilitation Funds	-	2,773,195	-	-	-	-	-	Used as funding source for FY21 budget as funds are used for sewer rehabilitation
<b>Total Revenues and Available Funds</b>	<b>\$ 5,582,972</b>	<b>\$ 6,874,666</b>	<b>\$ 5,554,815</b>	<b>\$ 5,898,182</b>	<b>\$ 6,601,600</b>	<b>\$ 6,889,322</b>	<b>\$ 7,217,642</b>	
<b>Expenditures</b>								
Salaries	\$ 328,028	\$ 307,999	\$ 361,526	\$ 370,564	\$ 379,828	\$ 389,324	\$ 399,057	FY21 number is from Budget; 2.5% increase yearly
Other Expenses	2,655,816	2,010,006	3,708,088	3,155,463	3,218,572	3,282,944	3,348,602	FY21 number is from Budget, incl. FY20 encumbrances; 2% increase yearly
Capital Outlay	88,000	61,005	107,000	92,000	92,000	92,000	92,000	FY21 number is from Budget, incl. FY20 encumbrances; budget number held flat
Existing Debt Service	1,868,781	1,817,889	2,012,638	1,960,754	1,896,340	1,877,821	1,834,697	FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab
New Debt Service	-	-	-	20,382	365,953	364,378	387,303	See "New Debt Service" tab; Debt projections based on capital plan
Short Term Debt	40,500	1,347	15,000	15,000	15,000	15,000	15,000	FY21 number is from Budget; budget number carried forward
Indirect Costs	592,671	592,671	653,033	669,359	686,093	703,245	720,827	FY21 from Budget; increase 2.5% yearly
Funding of OPEB	9,176	9,176	27,180	27,860	28,556	29,270	30,002	FY21 number is from Budget; 2.5% increase yearly
<b>Total Expenditures</b>	<b>\$ 5,582,972</b>	<b>\$ 4,800,094</b>	<b>\$ 6,884,466</b>	<b>\$ 6,311,382</b>	<b>\$ 6,682,343</b>	<b>\$ 6,753,982</b>	<b>\$ 6,827,487</b>	
<b>Excess (Deficit) of Revenues and Available Funds &gt; Expenditures</b>	<b>\$ -</b>	<b>\$ 2,074,572</b>	<b>\$ (1,329,651)</b>	<b>\$ (413,200)</b>	<b>\$ (80,743)</b>	<b>\$ 135,340</b>	<b>\$ 390,155</b>	
<b>Retained Earnings Projections</b>								
Certified Retained Earnings July 1, 2020		\$ 1,873,952						
Retained Earnings at Start of the FY Listed			\$ 1,873,952	\$ 544,301	\$ 131,101	\$ 50,358	\$ 185,697	
Surplus/(Deficit) Current FY			\$ (1,329,651)	\$ (413,200)	\$ (80,743)	\$ 135,340	\$ 390,155	
Projected Retained Earnings at End of FY			\$ 544,301	\$ 131,101	\$ 50,358	\$ 185,697	\$ 575,852	
Retained Earnings as % of Oper. Budget		39.0%	7.9%	2.1%	0.8%	2.7%	8.4%	

# Town of Saugus FY2021 Sewer Rates Update

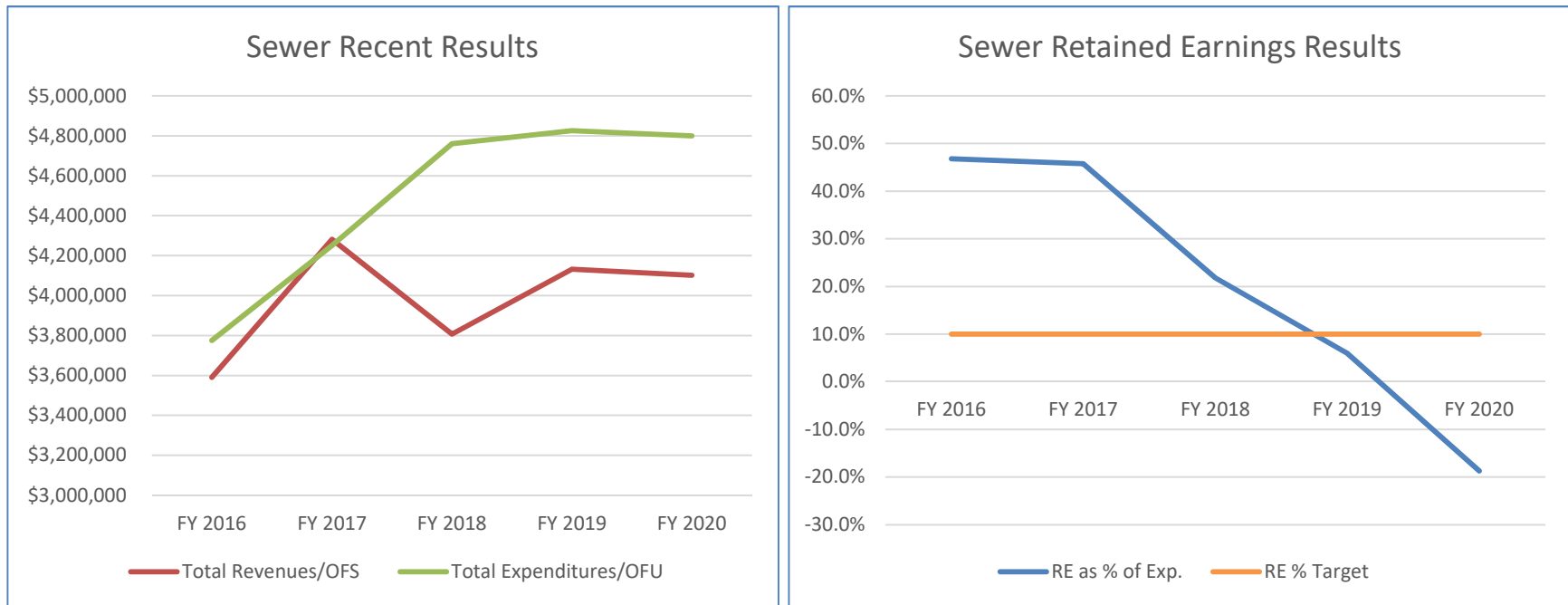
The Abrahams Group  
November 2020

# Five-Year Look Back

The following rate changes were implemented recently:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Recommended	N/A	10.8%	9.5%	12.5%	17.5%
Voted	3.0%	7.5%	2.5%	10.0%	7.0%

The following graphs show recent financial results:



# FY20 in Review

FY20 was impacted in the following ways:

- Billings lower due to lower consumption due to wetter-than-normal weather patterns
- People's ability to pay impacted by pandemic; 86.1% of second billing paid before demands
- \$887k in Retained Earnings used to balance the budget
- \$153k in expenditure turnbacks, \$629k in encumbrances
- Financial results:

	Budget	Actuals
Total Revenues/OFS	\$5,582,972	\$4,101,470
Total Expenditures/OFU	\$5,582,972	\$4,800,094
Surplus/(Deficit)	\$0	\$(698,623)



# FY20 in Review (Cont.)

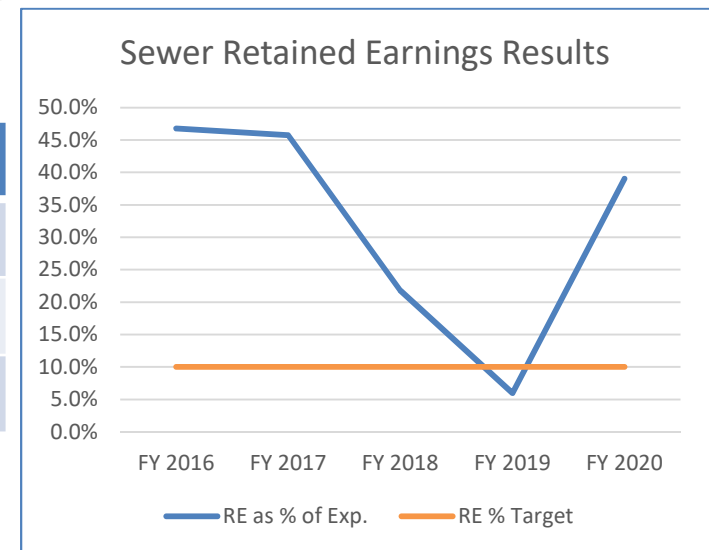
	Recommended 10.0% Proj. FY20	Voted 7.0% Proj. FY20	Voted 7.0% Actual 2020
Revenues	\$4,670,115	\$4,549,110	\$4,101,470
Retained Earnings Appropriated	\$765,528	\$886,532	\$886,532
<b>Total Revenues and Available Funds</b>	<b>\$5,435,643</b>	<b>\$5,435,643</b>	<b>\$4,988,002</b>
<b>Total Expenditures</b>	<b>\$5,435,643</b>	<b>\$5,435,643</b>	<b>\$4,800,094</b>
<b>Surplus/(Deficit)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$187,909</b>
<b>Retained Earnings Projections</b>			
Retained Earnings at Start of FY20	\$1,156,390	\$1,156,390	\$288,135
Retained Earnings Appropriated	\$(765,528)	\$(886,532)	\$(886,532)
Surplus/(Deficit) for FY20	\$0	\$0	\$187,909
<b>Retained Earnings at End of FY20</b>	<b>\$390,862</b>	<b>\$269,857</b>	<b>\$(899,243)</b>
<b>Retained Earnings as % of Budget</b>	<b>7.2%</b>	<b>5.0%</b>	<b>-18.7%</b>

# FY20 in Review (Cont.)

At year-end for FY20, the following occurred:

- \$2.773 million in Sewer Rehabilitation Funds was transferred into the Sewer Enterprise Fund to fund debt service for inflow and infiltration projects.
- Retained Earnings were certified at \$1.873 million.
- Updated financial results including these funds:

	Budget	Actuals
Total Revenues/OFS	\$5,582,972	\$6,874,666
Total Expenditures/OFU	\$5,582,972	\$4,800,094
Surplus/(Deficit)	\$0	\$2,074,572



# Rate Study Objectives

The Town would like to develop a five-year rate plan that would:

- Target projected retained earnings balance of 10% to 15% of operating budget.
- Eliminate shortfalls, which require retained earnings to balance the operating budget.
- Fund capital plan for infrastructure and equipment.

# Capital Plan

The following projects and items are part of Town's five-year capital plan, to be funded through future bond authorization.

- \$537k for Lincoln Avenue Lift Station Design & Improv in FY2021
  - SRF borrowing at 2.0% interest, with \$35k principal forgiveness
- \$1.4m for Sewer Rehabilitation - Subsystem 1C in FY2021
  - SRF borrowing at 2.0% interest, with \$93k principal forgiveness
- \$50k for new mini-excavator in FY2022
  - Conventionally borrowed at 4.5% interest
- \$300k for force main project in FY2022
  - Conventionally borrowed at 4.5% interest
- \$2.375m for water meter replacement program and engineering in FY2022/FY2023
  - To be financed through 10-year, 0% interest MWRA loan
- \$100k for replacement of service truck in FY2024
  - Conventionally borrowed at 4.5% interest

# Rate-Setting Drivers

- Projected expenses % changes are shown here:

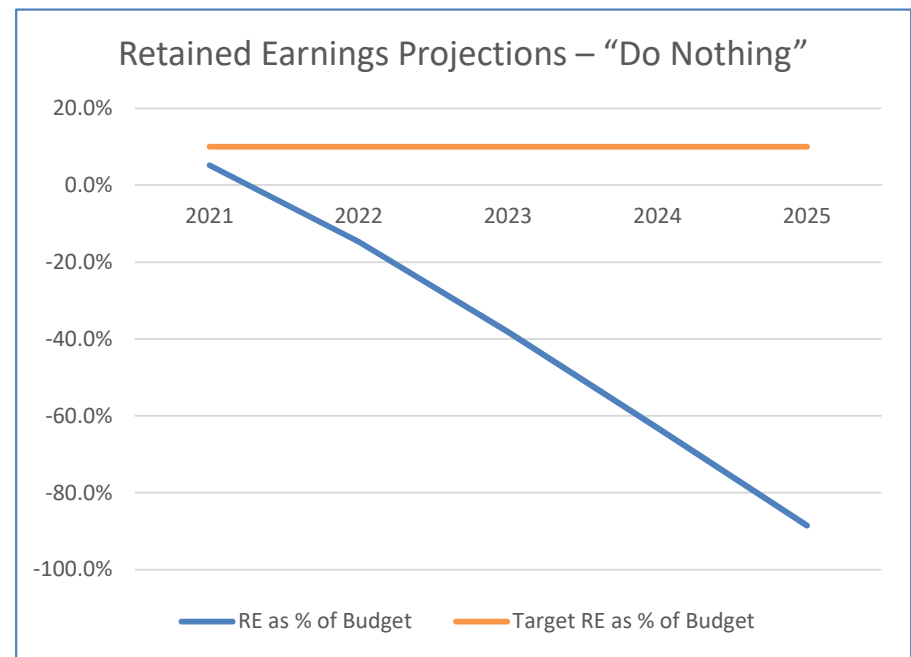
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Salaries	10.2%	2.5%	2.5%	2.5%	2.5%
Debt	6.2%	-1.6%	14.1%	-0.9%	-0.9%
Other Expenses	15.5%	2.0%	2.0%	2.0%	2.0%
<b>Total Expenses</b>	<b>12.0%</b>	<b>0.9%</b>	<b>5.9%</b>	<b>1.1%</b>	<b>1.1%</b>

- Notable Impacts:
  - Salaries in FY21 impacted by one-time sick leave buyback obligation on new retiree
  - Debt increases \$118k from FY20 to FY21, \$281k from FY22 to FY23 when new debt to fund capital plan starts
  - O&M Expense increases \$475k from FY20 to FY21 due to increase in assessment for Lynn Treatment Plant

# Where Are We Now?

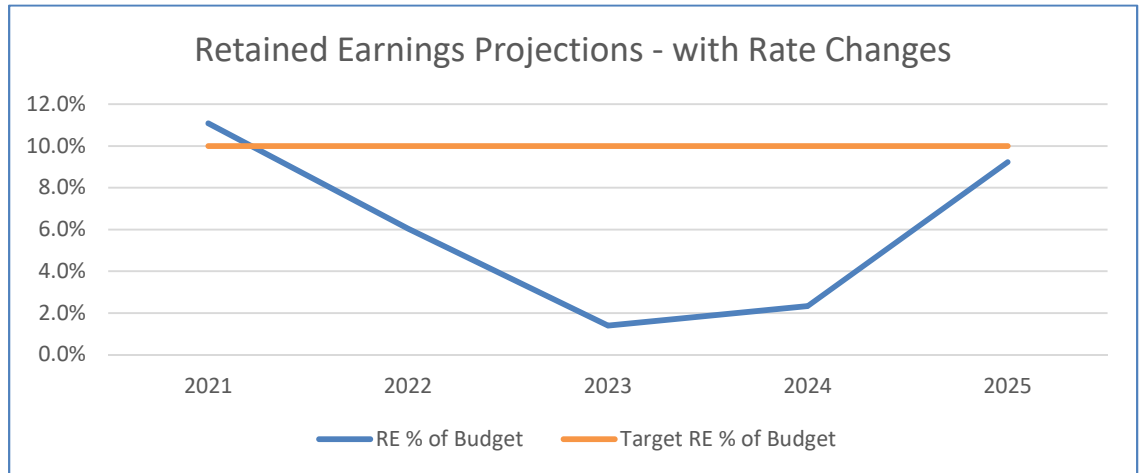
	Projected	Projected	Projected	Projected	Projected
Description	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Revenues and OFS	\$ 5,336,270	\$ 5,058,828	\$ 5,057,114	\$ 5,040,979	\$ 5,050,248
Total Expenditures and OFU	\$ 6,884,466	\$ 6,311,382	\$ 6,682,343	\$ 6,753,982	\$ 6,827,487
<b>Excess (Deficiency)</b>	<b>\$ (1,548,196)</b>	<b>\$ (1,252,554)</b>	<b>\$ (1,625,229)</b>	<b>\$ (1,713,003)</b>	<b>\$ (1,777,239)</b>
<b>Retained Earnings Summary FY21-FY25</b>					
RE at start of FY	\$ 1,873,952	\$ 325,756	\$ (926,798)	\$ (2,552,027)	\$ (4,265,030)
Current Year Surplus (Deficit)	\$ (1,548,196)	\$ (1,252,554)	\$ (1,625,229)	\$ (1,713,003)	\$ (1,777,239)
Projected Retained Earnings Balance	\$ 325,756	\$ (926,798)	\$ (2,552,027)	\$ (4,265,030)	\$ (6,042,269)
Retained Earnings % of Expenditures	4.7%	-14.7%	-38.2%	-63.1%	-88.5%

- Revenues shown with no rate change
- Consumption and collections impacted by pandemic through FY23, when recovery expected
- Funds to supplement FY21 budget, if no significant rate action for FY21
- Retained Earnings certified recently at \$1.873 million and can cover FY21's shortfall, but not FY22's, if no rate action
- Rate action necessary to avoid depleting retained earnings and to avoid shortfalls



# Rate Option 1 – 10% Increase FY21

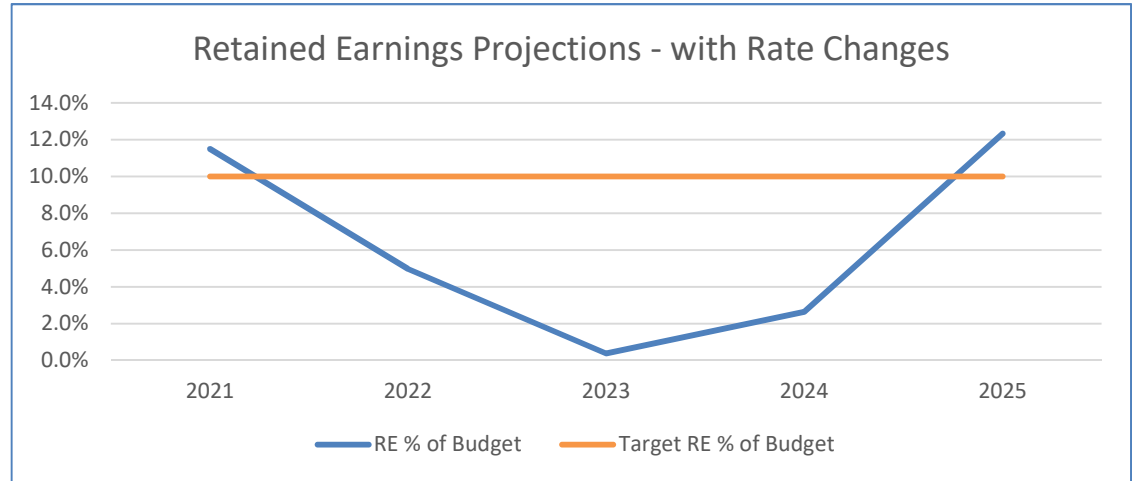
Five-Year Rate Plan	
FY 2021	10.0%
FY 2022	8.5%
FY 2023	8.5%
FY 2024	7.5%
FY 2025	7.5%



User Impact	Usage / Bill	FY20 Bill	FY21		FY22		FY23	
User Example			Bill	Diff \$	Bill	Diff \$	Bill	Diff \$
Tier 1 User	2,000	\$ 80	\$ 88	\$ 8	\$ 96	\$ 7	\$ 104	\$ 8
Tier 2 User	3,000	\$ 110	\$ 121	\$ 11	\$ 131	\$ 10	\$ 142	\$ 11
Avg. Residential User	4,362	\$ 164	\$ 181	\$ 16	\$ 196	\$ 15	\$ 213	\$ 17
Avg. Commercial User	24,527	\$1,525	\$ 1,677	\$ 152	\$ 1,820	\$ 143	\$ 1,975	\$ 155
User Impact	Usage / Bill	FY20 Bill	FY24		FY25		FY25/FY20	
User Example			Bill	Diff \$	Bill	Diff \$	Bill	Diff \$
Tier 1 User	2,000	\$ 80	\$ 112	\$ 8	\$ 120	\$ 8	\$ 120	\$ 40
Tier 2 User	3,000	\$ 110	\$ 153	\$ 11	\$ 164	\$ 11	\$ 164	\$ 54
Avg. Residential User	4,362	\$ 164	\$ 229	\$ 16	\$ 246	\$ 17	\$ 246	\$ 82
Avg. Commercial User	24,527	\$1,525	\$ 2,123	\$ 148	\$ 2,282	\$ 159	\$ 2,282	\$ 757

# Rate Option 2 – 9% Increase FY21

Five-Year Rate Plan	
FY 2021	9.0%
FY 2022	9.0%
FY 2023	9.0%
FY 2024	9.0%
FY 2025	9.0%



User Impact	Usage / Bill	FY20 Bill	FY21		FY22		FY23	
User Example			Bill	Diff \$	Bill	Diff \$	Bill	Diff \$
Tier 1 User	2,000	\$ 80	\$ 87	\$ 7	\$ 95	\$ 8	\$ 104	\$ 9
Tier 2 User	3,000	\$ 110	\$ 119	\$ 10	\$ 130	\$ 11	\$ 142	\$ 12
Avg. Residential User	4,362	\$ 164	\$ 179	\$ 15	\$ 195	\$ 16	\$ 213	\$ 18
Avg. Commercial User	24,527	\$1,525	\$ 1,662	\$ 137	\$ 1,812	\$ 150	\$ 1,975	\$ 163

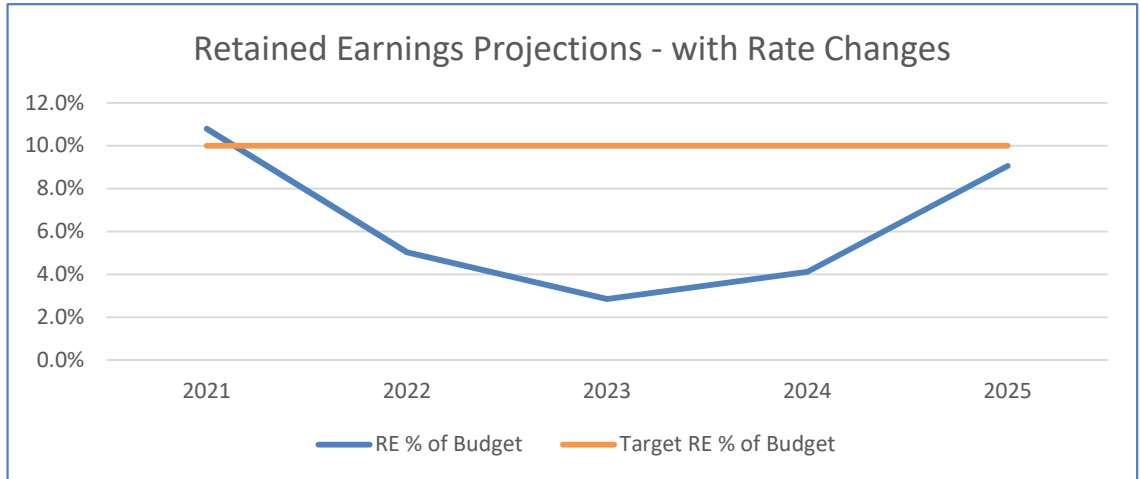
  

User Impact	Usage / Bill	FY20 Bill	FY24		FY25		FY25/FY20	
User Example			Bill	Diff \$	Bill	Diff \$	Bill	Diff \$
Tier 1 User	2,000	\$ 80	\$ 113	\$ 9	\$ 123	\$ 10	\$ 123	\$ 43
Tier 2 User	3,000	\$ 110	\$ 155	\$ 13	\$ 169	\$ 14	\$ 169	\$ 59
Avg. Residential User	4,362	\$ 164	\$ 232	\$ 19	\$ 253	\$ 21	\$ 253	\$ 88
Avg. Commercial User	24,527	\$1,525	\$ 2,153	\$ 178	\$ 2,346	\$ 194	\$ 2,346	\$ 821



# Rate Option 3 – 8% Increase FY21

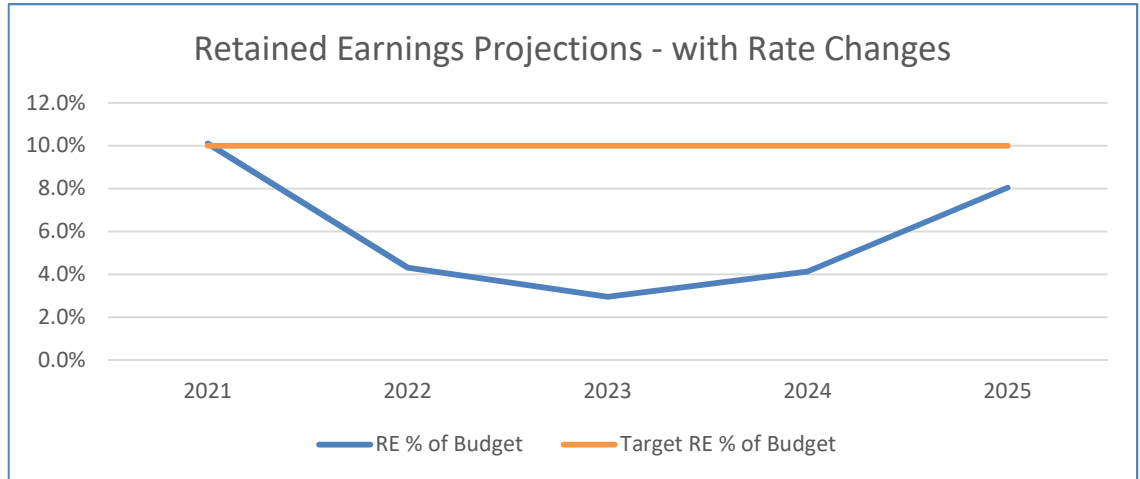
Five-Year Rate Plan	
FY 2021	8.0%
FY 2022	11.0%
FY 2023	11.0%
FY 2024	5.0%
FY 2025	5.0%



User Impact	Usage / Bill	FY20 Bill	FY21		FY22		FY23	
User Example			Bill	Diff \$	Bill	Diff \$	Bill	Diff \$
Tier 1 User	2,000	\$ 80	\$ 86	\$ 6	\$ 96	\$ 10	\$ 106	\$ 11
Tier 2 User	3,000	\$ 110	\$ 119	\$ 9	\$ 132	\$ 13	\$ 146	\$ 15
Avg. Residential User	4,362	\$ 164	\$ 177	\$ 13	\$ 197	\$ 19	\$ 218	\$ 22
Avg. Commercial User	24,527	\$1,525	\$ 1,647	\$ 122	\$ 1,828	\$ 181	\$ 2,029	\$ 201
User Impact	Usage / Bill	FY20 Bill	FY24		FY25		FY25/FY20	
User Example			Bill	Diff \$	Bill	Diff \$	Bill	Diff \$
Tier 1 User	2,000	\$ 80	\$ 112	\$ 5	\$ 117	\$ 6	\$ 117	\$ 37
Tier 2 User	3,000	\$ 110	\$ 154	\$ 7	\$ 161	\$ 8	\$ 161	\$ 51
Avg. Residential User	4,362	\$ 164	\$ 229	\$ 11	\$ 241	\$ 11	\$ 241	\$ 77
Avg. Commercial User	24,527	\$1,525	\$ 2,131	\$ 101	\$ 2,237	\$ 107	\$ 2,237	\$ 712

# Rate Option 4 – 7% Increase FY21

Five-Year Rate Plan	
FY 2021	7.0%
FY 2022	12.0%
FY 2023	12.0%
FY 2024	4.0%
FY 2025	4.0%



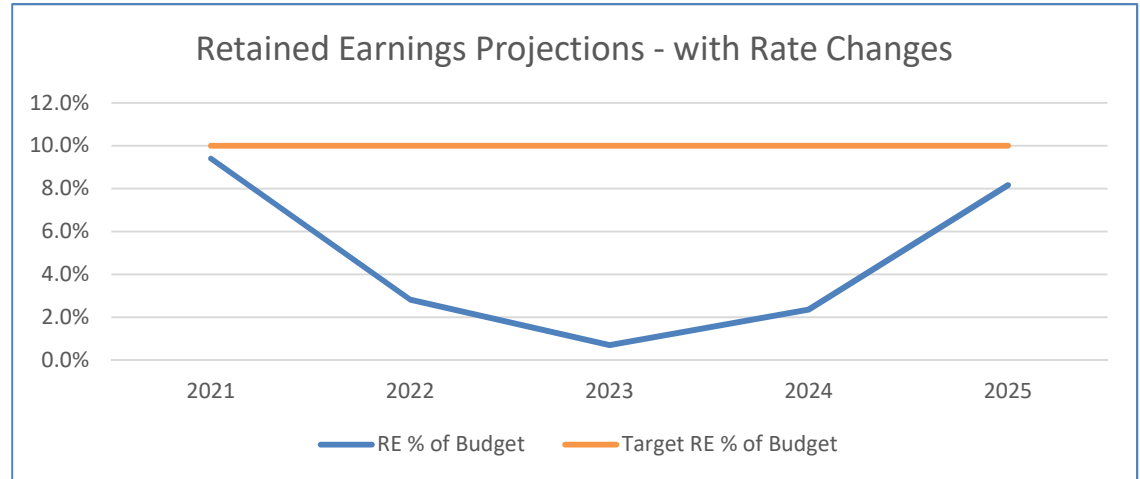
User Impact	Usage / Bill	FY20 Bill	FY21		FY22		FY23	
User Example			Bill	Diff \$	Bill	Diff \$	Bill	Diff \$
Tier 1 User	2,000	\$ 80	\$ 86	\$ 6	\$ 96	\$ 10	\$ 107	\$ 12
Tier 2 User	3,000	\$ 110	\$ 118	\$ 8	\$ 132	\$ 14	\$ 148	\$ 16
Avg. Residential User	4,362	\$ 164	\$ 175	\$ 11	\$ 197	\$ 21	\$ 220	\$ 24
Avg. Commercial User	24,527	\$1,525	\$ 1,632	\$ 107	\$ 1,828	\$ 196	\$ 2,047	\$ 219

User Impact	Usage / Bill	FY20 Bill	FY24		FY25		FY25/FY20	
User Example			Bill	Diff \$	Bill	Diff \$	Bill	Diff \$
Tier 1 User	2,000	\$ 80	\$ 112	\$ 4	\$ 116	\$ 4	\$ 116	\$ 36
Tier 2 User	3,000	\$ 110	\$ 154	\$ 6	\$ 160	\$ 6	\$ 160	\$ 50
Avg. Residential User	4,362	\$ 164	\$ 229	\$ 9	\$ 238	\$ 9	\$ 238	\$ 74
Avg. Commercial User	24,527	\$1,525	\$ 2,129	\$ 82	\$ 2,214	\$ 85	\$ 2,214	\$ 689

# Rate Option 5 – 6% Increase FY21

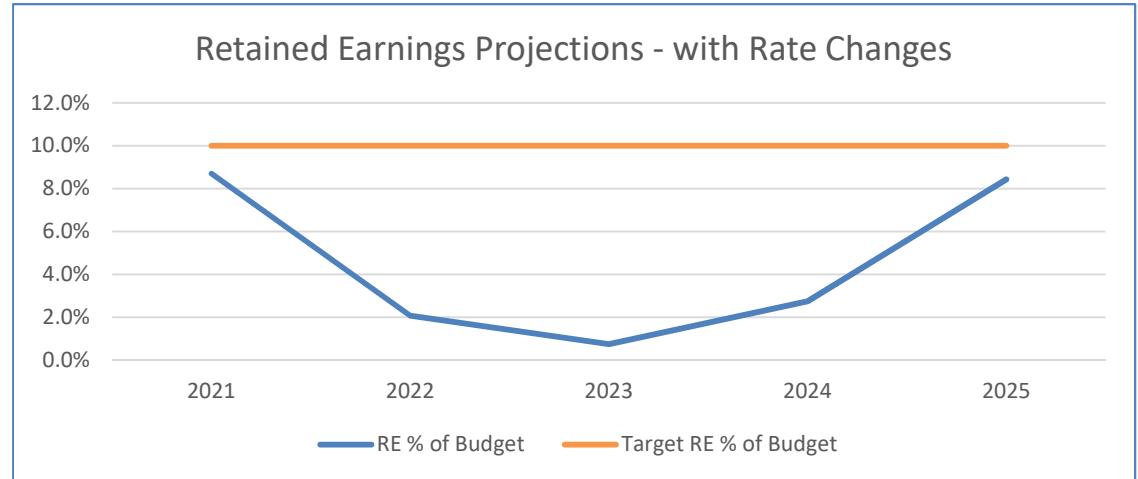
Five-Year Rate Plan	
FY 2021	6.0%
FY 2022	12.0%
FY 2023	12.0%
FY 2024	5.5%
FY 2025	5.5%



User Impact	Usage / Bill	FY20 Bill	FY21		FY22		FY23	
User Example			Bill	Diff \$	Bill	Diff \$	Bill	Diff \$
Tier 1 User	2,000	\$ 80	\$ 85	\$ 5	\$ 95	\$ 10	\$ 106	\$ 11
Tier 2 User	3,000	\$ 110	\$ 117	\$ 7	\$ 131	\$ 14	\$ 146	\$ 16
Avg. Residential User	4,362	\$ 164	\$ 174	\$ 10	\$ 195	\$ 21	\$ 218	\$ 23
Avg. Commercial User	24,527	\$1,525	\$ 1,617	\$ 92	\$ 1,810	\$ 194	\$ 2,028	\$ 217
User Impact	Usage / Bill	FY20 Bill	FY24		FY25		FY25/FY20	
User Example			Bill	Diff \$	Bill	Diff \$	Bill	Diff \$
Tier 1 User	2,000	\$ 80	\$ 112	\$ 6	\$ 118	\$ 6	\$ 118	\$ 38
Tier 2 User	3,000	\$ 110	\$ 154	\$ 8	\$ 163	\$ 8	\$ 163	\$ 53
Avg. Residential User	4,362	\$ 164	\$ 230	\$ 12	\$ 243	\$ 13	\$ 243	\$ 79
Avg. Commercial User	24,527	\$1,525	\$ 2,139	\$ 112	\$ 2,257	\$ 118	\$ 2,257	\$ 732

# Rate Option 6 – 5% Increase FY21

Five-Year Rate Plan	
FY 2021	5.0%
FY 2022	13.0%
FY 2023	13.0%
FY 2024	5.0%
FY 2025	5.0%



User Impact	Usage / Bill	FY20 Bill	FY21		FY22		FY23	
User Example			Bill	Diff \$	Bill	Diff \$	Bill	Diff \$
Tier 1 User	2,000	\$ 80	\$ 84	\$ 4	\$ 95	\$ 11	\$ 107	\$ 12
Tier 2 User	3,000	\$ 110	\$ 116	\$ 6	\$ 131	\$ 15	\$ 147	\$ 17
Avg. Residential User	4,362	\$ 164	\$ 172	\$ 8	\$ 195	\$ 22	\$ 220	\$ 25
Avg. Commercial User	24,527	\$1,525	\$ 1,601	\$ 76	\$ 1,809	\$ 208	\$ 2,045	\$ 235
User Impact	Usage / Bill	FY20 Bill	FY24		FY25		FY25/FY20	
User Example			Bill	Diff \$	Bill	Diff \$	Bill	Diff \$
Tier 1 User	2,000	\$ 80	\$ 113	\$ 5	\$ 118	\$ 6	\$ 118	\$ 38
Tier 2 User	3,000	\$ 110	\$ 155	\$ 7	\$ 163	\$ 8	\$ 163	\$ 53
Avg. Residential User	4,362	\$ 164	\$ 231	\$ 11	\$ 242	\$ 12	\$ 242	\$ 78
Avg. Commercial User	24,527	\$1,525	\$ 2,147	\$ 102	\$ 2,254	\$ 107	\$ 2,254	\$ 729