

Town of Saugus
Sewer Rate Study

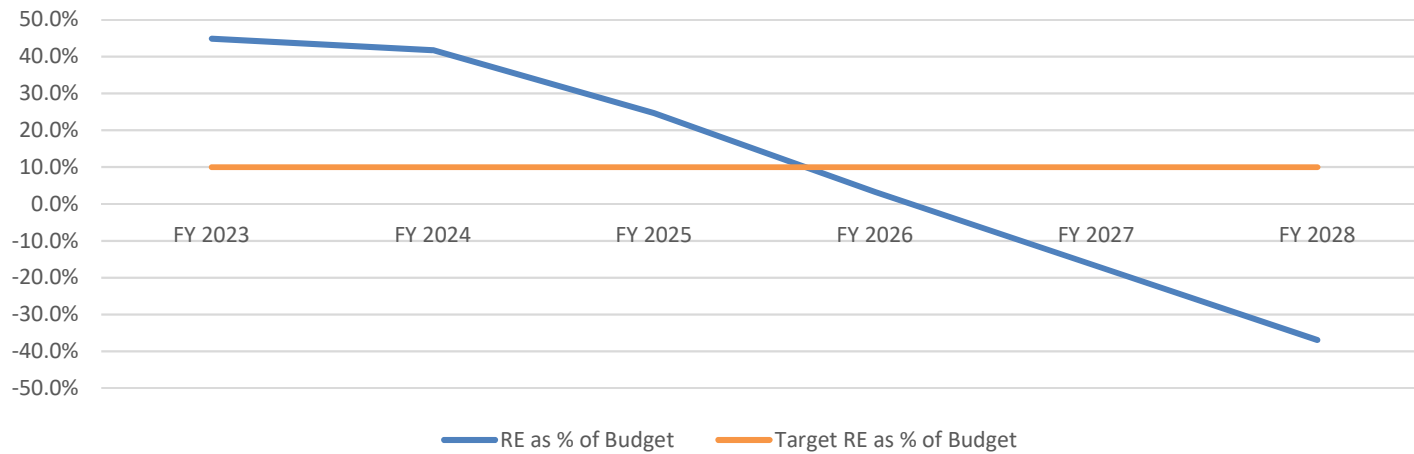
Five Year Summary - Baseline

Description	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Actual FY 2022	Budgeted FY 2023	Projected FY 2023	Budgeted FY 2024	Projected FY 2024	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028
Revenues														
Sewer User Charges	\$ 3,580,030	\$ 3,905,196	\$ 3,888,245	\$ 4,921,610	\$ 5,187,367	\$ 6,108,065	\$ 5,663,928	\$ 5,420,799	\$ 5,420,799	\$ 5,420,799	\$ 5,420,799	\$ 5,420,799	\$ 5,420,799	\$ 5,420,799
Sewer Liens on User Charges	177,006	170,933	163,376	194,310	267,960		311,322	271,040	271,040	271,040	271,040	271,040	271,040	271,040
Interest on User Charges	13,058	21,354	14,503	22,656	28,581		20,031	20,031	20,031	20,031	20,031	20,031	20,031	20,031
Penalty on User Charges	12,495	14,251	6,610	10,044	9,963		10,673	10,673	10,673	10,673	10,673	10,673	10,673	10,673
Miscellaneous Charges	-	-	2,100	8,951	16,932		5,597	5,597	5,597	5,597	5,597	5,597	5,597	5,597
Sewer Liens on Fees	85	4	7,942	8,002	8,699		4,946	4,946	4,946	4,946	4,946	4,946	4,946	4,946
Sewer Liens on Interest	20,817	19,390	18,694	18,499	22,153		19,911	19,911	19,911	19,911	19,911	19,911	19,911	19,911
Sewer Impact Fee					94,697		62,992	65,512	65,512	65,512	68,133	70,858	73,692	76,640
I&I Inspection					-		195,800	-	-	-	-	-	-	-
Sewer Rehabilitation					-		82,000	-	-	-	-	-	-	-
Premium on Bonds	2,954	895	-	206	-		-	-	-	-	-	-	-	-
Total Revenues	\$ 3,806,445	\$ 4,132,023	\$ 4,101,470	\$ 5,184,279	\$ 5,636,351	\$ 6,108,065	\$ 6,377,199	\$ 5,818,507	\$ 5,818,507	\$ 5,821,128	\$ 5,823,853	\$ 5,823,853	\$ 5,826,687	\$ 5,829,635
Available Funds														
Retained Earnings Appropriated														
Sewer Rehabilitation Funds			\$ 2,773,195											
Total Revenues and Available Funds	\$ 3,806,445	\$ 4,132,023	\$ 6,874,666	\$ 5,184,279	\$ 5,636,351	\$ 6,108,065	\$ 6,377,199	\$ 5,818,507	\$ 5,818,507	\$ 5,821,128	\$ 5,823,853	\$ 5,823,853	\$ 5,826,687	\$ 5,829,635
Expenditures														
Salaries	\$ 333,529	\$ 314,176	\$ 307,999	\$ 265,814	\$ 269,038	\$ 373,307	\$ 373,307	\$ 361,061	\$ 361,061	\$ 370,088	\$ 379,340	\$ 379,340	\$ 388,823	\$ 398,544
Lynn Water/Sewer Assessment	1,574,650	1,582,928	1,462,172	2,135,350	1,835,570	2,183,403	\$ 1,706,637	2,292,573	1,866,565	2,371,500	2,553,290	2,553,290	2,590,748	2,643,430
Other Expenses	593,747	613,077	547,835	720,174	617,762	846,418	\$ 846,418	933,157	933,157	951,820	970,857	970,857	990,274	1,010,079
Capital Outlay	-	28,675	61,005	46,731	56,762	62,000	\$ 62,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Existing Debt Service	1,687,160	1,709,508	1,817,889	1,991,045	2,018,819	1,994,216	\$ 1,993,809	1,972,893	1,972,893	1,932,750	1,916,965	1,916,965	1,899,089	1,823,415
New Debt Service	-	-	-	-	-	-	-	-	-	250,723	615,660	615,660	612,244	608,231
Short Term Debt	-	-	1,347	-	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Indirect Costs	542,398	568,401	592,671	653,033	599,095	584,708	584,708	610,157	610,157	625,411	641,046	641,046	657,072	673,499
Transfer to Special Revenue Fund					45,000									
Transfer to Cap Project Fund					4,055									
Funding of OPEB	29,000	8,909	9,176	27,180	27,180	49,013	49,013	48,169	48,169	49,373	50,608	50,608	51,873	53,170
Total Expenditures	\$ 4,760,483	\$ 4,825,674	\$ 4,800,094	\$ 5,839,328	\$ 5,473,283	\$ 6,108,065	\$ 5,630,892	\$ 6,313,010	\$ 5,887,002	\$ 6,646,665	\$ 7,222,765	\$ 7,222,765	\$ 7,285,123	\$ 7,305,368
Excess (Deficit) of Revenues and Available Funds > Expenditures	\$ (954,038)	\$ (693,651)	\$ 2,074,572	\$ (655,049)	\$ 163,069	\$ -	\$ 746,306	\$ (494,503)	\$ (68,495)	\$ (825,538)	\$ (1,398,912)	\$ (1,398,912)	\$ (1,458,436)	\$ (1,475,733)
Retained Earnings Projections														
Certified Retained Earnings July 1, 2022					\$ 1,736,632									
Available Retained Earnings Start of FY							\$ 1,736,632		\$ 2,529,032	\$ 2,460,537	\$ 1,634,999	\$ 1,634,999	\$ 236,087	\$ (1,222,349)
Appropriations since Certification							\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Close out Prior Year Reserves (Prior Year Encumbrances Not Spent)							\$ 46,094							
Surplus/(Deficit) Current FY							\$ 746,306		\$ (68,495)	\$ (825,538)	\$ (1,398,912)	\$ (1,398,912)	\$ (1,458,436)	\$ (1,475,733)
Projected Retained Earnings at End of FY							\$ 2,529,032		\$ 2,460,537	\$ 1,634,999	\$ 236,087	\$ 236,087	\$ (1,222,349)	\$ (2,698,082)
Retained Earnings as % of Oper. Budget					31.7%		44.9%		41.8%	24.6%	3.3%	3.3%	-16.8%	-36.9%

Target Retained Earnings as % of Budget:	10.0%
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Baseline	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED	FY 2027 PROJECTED	FY 2028 PROJECTED
Surplus/Deficit	\$ 746,306	\$ (68,495)	\$ (825,538)	\$ (1,398,912)	\$ (1,458,436)	\$ (1,475,733)
Projected Retained Earnings	\$ 2,529,032	\$ 2,460,537	\$ 1,634,999	\$ 236,087	\$ (1,222,349)	\$ (2,698,082)
RE as % of Budget	44.9%	41.8%	24.6%	3.3%	-16.8%	-36.9%
Target RE as % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%

Retained Earnings Projections - Baseline ("Do Nothing") Scenario



Town of Saugus
Sewer Rate Study

Five Year Summary - Option 1

Description	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Actual FY 2022	Budgeted FY 2023	Projected FY 2023	Budgeted FY 2024	Projected FY 2024	Projected FY 2025	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028
Revenues										4.00%	4.00%	4.00%	4.00%	4.00%
Sewer User Charges	\$ 3,580,030	\$ 3,905,196	\$ 3,888,245	\$ 4,921,610	\$ 5,187,367	\$ 6,108,065	\$ 5,663,928	\$ 5,420,799	\$ 5,637,631	\$ 5,863,136	\$ 6,097,661	\$ 6,341,568	\$ 6,595,230	
Sewer Liens on User Charges	177,006	170,933	163,376	194,310	267,960	-	311,322	271,040	281,882	293,157	304,883	317,078	329,762	
Interest on User Charges	13,058	21,354	14,503	22,656	28,581	-	20,031	20,031	20,031	20,031	20,031	20,031	20,031	
Penalty on User Charges	12,495	14,251	6,610	10,044	9,963	-	10,673	10,673	10,673	10,673	10,673	10,673	10,673	
Miscellaneous Charges	-	-	2,100	8,951	16,932	-	5,597	5,597	5,597	5,597	5,597	5,597	5,597	
Sewer Liens on Fees	85	4	7,942	8,002	8,699	-	4,946	4,946	4,946	4,946	4,946	4,946	4,946	
Sewer Liens on Interest	20,817	19,390	18,694	18,499	22,153	-	19,911	19,911	19,911	19,911	19,911	19,911	19,911	
Sewer Impact Fee	-	-	-	-	94,697	-	62,992	65,512	65,512	68,133	70,858	73,692	76,640	
I&I Inspection	-	-	-	-	-	-	195,800	-	-	-	-	-	-	
Sewer Rehabilitation	-	-	-	-	-	-	82,000	-	-	-	-	-	-	
Premium on Bonds	2,954	895	-	206	-	-	-	-	-	-	-	-	-	
Total Revenues	\$ 3,806,445	\$ 4,132,023	\$ 4,101,470	\$ 5,184,279	\$ 5,636,351	\$ 6,108,065	\$ 6,377,199	\$ 5,818,507	\$ 6,046,181	\$ 6,285,582	\$ 6,534,559	\$ 6,793,495	\$ 7,062,788	
Available Funds														
Retained Earnings Appropriated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Sewer Rehabilitation Funds	\$ -	\$ -	\$ 2,773,195	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenues and Available Funds	\$ 3,806,445	\$ 4,132,023	\$ 6,874,666	\$ 5,184,279	\$ 5,636,351	\$ 6,108,065	\$ 6,377,199	\$ 5,818,507	\$ 6,046,181	\$ 6,285,582	\$ 6,534,559	\$ 6,793,495	\$ 7,062,788	
Expenditures														
Salaries	\$ 333,529	\$ 314,176	\$ 307,999	\$ 265,814	\$ 269,038	\$ 373,307	\$ 373,307	\$ 361,061	\$ 361,061	\$ 370,088	\$ 379,340	\$ 388,823	\$ 398,544	
Lynn Water/Sewer Assessment	1,574,650	1,582,928	1,462,172	2,135,350	1,835,570	2,183,403	1,706,637	2,292,573	1,866,565	2,371,500	2,553,290	2,590,748	2,643,430	
Other Expenses	593,747	613,077	547,835	720,174	617,762	846,418	846,418	933,157	933,157	951,820	970,857	990,274	1,010,079	
Capital Outlay	-	28,675	61,005	46,731	56,762	62,000	62,000	80,000	80,000	80,000	80,000	80,000	80,000	
Existing Debt Service	1,687,160	1,709,508	1,817,889	1,991,045	2,018,819	1,994,216	1,993,809	1,972,893	1,972,893	1,932,750	1,916,965	1,899,089	1,823,415	
New Debt Service	-	-	-	-	-	-	-	-	-	250,723	615,660	612,244	608,231	
Short Term Debt	-	-	1,347	-	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	
Indirect Costs	542,398	568,401	592,671	653,033	599,095	584,708	584,708	610,157	610,157	625,411	641,046	657,072	673,499	
Transfer to Special Revenue Fund	-	-	-	-	45,000	-	-	-	-	-	-	-	-	
Transfer to Cap Project Fund	-	-	-	-	4,055	-	-	-	-	-	-	-	-	
Funding of OPEB	29,000	8,909	9,176	27,180	27,180	49,013	49,013	48,169	48,169	49,373	50,608	51,873	53,170	
Total Expenditures	\$ 4,760,483	\$ 4,825,674	\$ 4,800,094	\$ 5,839,328	\$ 5,473,283	\$ 6,108,065	\$ 5,630,892	\$ 6,313,010	\$ 5,887,002	\$ 6,646,665	\$ 7,222,765	\$ 7,285,123	\$ 7,305,368	
Excess (Deficit) of Revenues and Available Funds > Expenditures	\$ (954,038)	\$ (693,651)	\$ 2,074,572	\$ (655,049)	\$ 163,069	\$ -	\$ 746,306	\$ (494,503)	\$ 159,179	\$ (361,084)	\$ (688,207)	\$ (491,628)	\$ (242,579)	
Retained Earnings Projections														
Certified Retained Earnings July 1, 2022					\$ 1,736,632									
Available Retained Earnings Start of FY							\$ 1,736,632		\$ 2,529,032	\$ 2,688,211	\$ 2,327,127	\$ 1,638,920	\$ 1,147,292	
Appropriations since Certification							\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	
Close out Prior Year Reserves (Prior Year Encumbrances Not Spent)							\$ 46,094							
Surplus/(Deficit) Current FY							\$ 746,306		\$ 159,179	\$ (361,084)	\$ (688,207)	\$ (491,628)	\$ (242,579)	
Projected Retained Earnings at End of FY							\$ 2,529,032		\$ 2,688,211	\$ 2,327,127	\$ 1,638,920	\$ 1,147,292	\$ 904,713	
Retained Earnings as % of Oper. Budget							44.9%		45.7%	35.0%	22.7%	15.7%	12.4%	

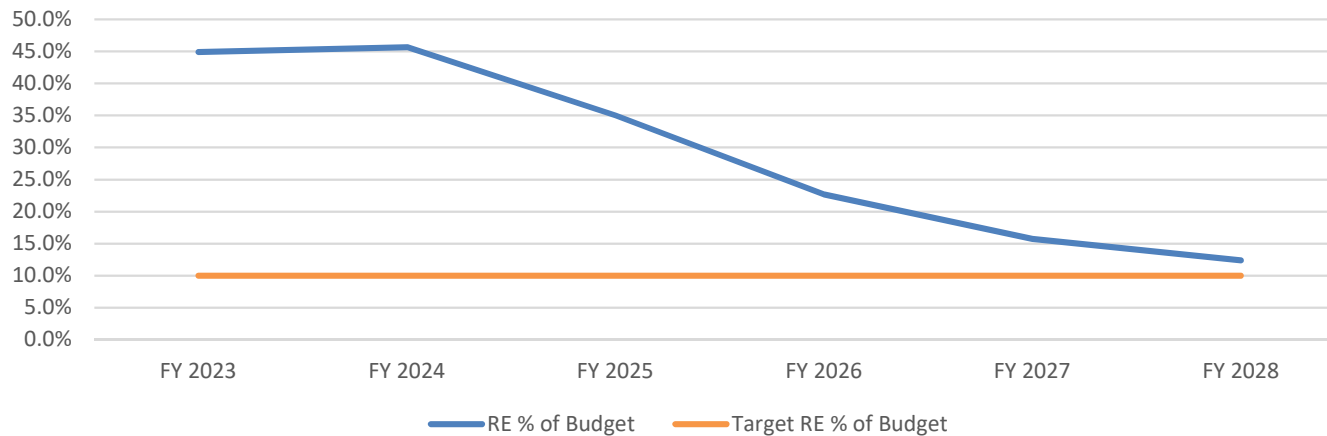
Town of Saugus
Sewer Rate Study

5-Year Rate Analysis - Option 1

Rate Increases:	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
	4.00%	4.00%	4.00%	4.00%	4.00%

Rate Impact	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED	FY 2027 PROJECTED	FY 2028 PROJECTED
Surplus/Deficit	\$ 746,306	\$ 159,179	\$ (361,084)	\$ (688,207)	\$ (491,628)	\$ (242,579)
Projected Retained Earnings	\$ 2,529,032	\$ 2,688,211	\$ 2,327,127	\$ 1,638,920	\$ 1,147,292	\$ 904,713
RE % of Budget	44.9%	45.7%	35.0%	22.7%	15.7%	12.4%
Target RE % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%

Retained Earnings Projections - with Rate Changes



	Start	End	Rates	
			Current	FY 2024
Tier 1 (Minimum)	-	2,000	\$ 97.07	\$ 100.95
Tier 2	2,001	3,000	\$ 3.56	\$ 3.71
Tier 3	3,001	6,000	\$ 4.85	\$ 5.04
Tier 4	6,001	10,000	\$ 6.80	\$ 7.08
Tier 5	10,001	20,000	\$ 8.41	\$ 8.75
Tier 6	20,001	50,000	\$ 10.03	\$ 10.43
Tier 7	50,001	100,000	\$ 11.16	\$ 11.61
Tier 8	100,001	+	\$ 11.64	\$ 12.11

Usage in cubic feet

Town of Saugus
Sewer Rate Study

5-Year Rate Analysis - Option 1

User Impact (per Bill) - Sewer Bills Only			New Bills				
User Type	Usage	Current Bill	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Tier 1 User	2,000	\$ 97.07	\$ 100.95	\$ 104.99	\$ 109.19	\$ 113.56	\$ 118.10
Tier 2 User	3,000	\$ 132.70	\$ 138.01	\$ 143.53	\$ 149.27	\$ 155.25	\$ 161.46
Average Residential User	4,234	\$ 192.54	\$ 200.24	\$ 208.25	\$ 216.58	\$ 225.24	\$ 234.25
Avg. Res. User (for pres.)	4,362	\$ 198.75	\$ 206.70	\$ 214.96	\$ 223.56	\$ 232.50	\$ 241.80
Tier 3 User	6,000	\$ 278.17	\$ 289.30	\$ 300.87	\$ 312.90	\$ 325.42	\$ 338.43
Tier 4 User	10,000	\$ 550.29	\$ 572.30	\$ 595.19	\$ 619.00	\$ 643.76	\$ 669.51
Tier 5 User	20,000	\$ 1,391.51	\$ 1,447.17	\$ 1,505.06	\$ 1,565.26	\$ 1,627.87	\$ 1,692.99
Avg. Com. User (for pres.)	24,527	\$ 1,845.66	\$ 1,919.49	\$ 1,996.27	\$ 2,076.12	\$ 2,159.16	\$ 2,245.53
Tier 6 User	50,000	\$ 4,401.11	\$ 4,577.16	\$ 4,760.24	\$ 4,950.65	\$ 5,148.68	\$ 5,354.63
Tier 7 User	100,000	\$ 9,981.41	\$ 10,380.67	\$ 10,795.89	\$ 11,227.73	\$ 11,676.84	\$ 12,143.91
Tier 8 User	200,000	\$ 21,622.71	\$ 22,487.62	\$ 23,387.12	\$ 24,322.61	\$ 25,295.51	\$ 26,307.33

Town of Saugus
Sewer Rate Study

Five Year Summary - Option 2

Description	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Actual FY 2022	Budgeted FY 2023	Projected FY 2023	Budgeted FY 2024	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028
Revenues										3.00%	4.50%	4.50%	4.50%
Sewer User Charges	\$ 3,580,030	\$ 3,905,196	\$ 3,888,245	\$ 4,921,610	\$ 5,187,367	\$ 6,108,065	\$ 5,663,928	\$ 5,420,799	\$ 5,583,423	\$ 5,834,677	\$ 6,097,237	\$ 6,371,613	\$ 6,658,335
Sewer Liens on User Charges	177,006	170,933	163,376	194,310	267,960	-	311,322	271,040	279,171	291,734	304,862	318,581	332,917
Interest on User Charges	13,058	21,354	14,503	22,656	28,581	-	20,031	20,031	20,031	20,031	20,031	20,031	20,031
Penalty on User Charges	12,495	14,251	6,610	10,044	9,963	-	10,673	10,673	10,673	10,673	10,673	10,673	10,673
Miscellaneous Charges	-	-	2,100	8,951	16,932	-	5,597	5,597	5,597	5,597	5,597	5,597	5,597
Sewer Liens on Fees	85	4	7,942	8,002	8,699	-	4,946	4,946	4,946	4,946	4,946	4,946	4,946
Sewer Liens on Interest	20,817	19,390	18,694	18,499	22,153	-	19,911	19,911	19,911	19,911	19,911	19,911	19,911
Sewer Impact Fee	-	-	-	-	94,697	-	62,992	65,512	65,512	68,133	70,858	73,692	76,640
I&I Inspection	-	-	-	-	-	-	195,800	-	-	-	-	-	-
Sewer Rehabilitation	-	-	-	-	-	-	82,000	-	-	-	-	-	-
Premium on Bonds	2,954	895	-	206	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 3,806,445	\$ 4,132,023	\$ 4,101,470	\$ 5,184,279	\$ 5,636,351	\$ 6,108,065	\$ 6,377,199	\$ 5,818,507	\$ 5,989,262	\$ 6,255,700	\$ 6,534,113	\$ 6,825,042	\$ 7,129,049
Available Funds													
Retained Earnings Appropriated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer Rehabilitation Funds	\$ -	\$ -	\$ 2,773,195	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues and Available Funds	\$ 3,806,445	\$ 4,132,023	\$ 6,874,666	\$ 5,184,279	\$ 5,636,351	\$ 6,108,065	\$ 6,377,199	\$ 5,818,507	\$ 5,989,262	\$ 6,255,700	\$ 6,534,113	\$ 6,825,042	\$ 7,129,049
Expenditures													
Salaries	\$ 333,529	\$ 314,176	\$ 307,999	\$ 265,814	\$ 269,038	\$ 373,307	\$ 373,307	\$ 361,061	\$ 361,061	\$ 370,088	\$ 379,340	\$ 388,823	\$ 398,544
Lynn Water/Sewer Assessment	1,574,650	1,582,928	1,462,172	2,135,350	1,835,570	2,183,403	1,706,637	2,292,573	1,866,565	2,371,500	2,553,290	2,590,748	2,643,430
Other Expenses	593,747	613,077	547,835	720,174	617,762	846,418	846,418	933,157	933,157	951,820	970,857	990,274	1,010,079
Capital Outlay	-	28,675	61,005	46,731	56,762	62,000	62,000	80,000	80,000	80,000	80,000	80,000	80,000
Existing Debt Service	1,687,160	1,709,508	1,817,889	1,991,045	2,018,819	1,994,216	1,993,809	1,972,893	1,972,893	1,932,750	1,916,965	1,899,089	1,823,415
New Debt Service	-	-	-	-	-	-	-	-	-	250,723	615,660	612,244	608,231
Short Term Debt	-	-	1,347	-	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Indirect Costs	542,398	568,401	592,671	653,033	599,095	584,708	584,708	610,157	610,157	625,411	641,046	657,072	673,499
Transfer to Special Revenue Fund	-	-	-	-	45,000	-	-	-	-	-	-	-	-
Transfer to Cap Project Fund	-	-	-	-	4,055	-	-	-	-	-	-	-	-
Funding of OPEB	29,000	8,909	9,176	27,180	27,180	49,013	49,013	48,169	48,169	49,373	50,608	51,873	53,170
Total Expenditures	\$ 4,760,483	\$ 4,825,674	\$ 4,800,094	\$ 5,839,328	\$ 5,473,283	\$ 6,108,065	\$ 5,630,892	\$ 6,313,010	\$ 5,887,002	\$ 6,646,665	\$ 7,222,765	\$ 7,285,123	\$ 7,305,368
Excess (Deficit) of Revenues and Available Funds > Expenditures	\$ (954,038)	\$ (693,651)	\$ 2,074,572	\$ (655,049)	\$ 163,069	\$ -	\$ 746,306	\$ (494,503)	\$ 102,260	\$ (390,966)	\$ (688,652)	\$ (460,081)	\$ (176,319)
Retained Earnings Projections													
Certified Retained Earnings July 1, 2022					\$ 1,736,632								
Available Retained Earnings Start of FY							\$ 1,736,632		\$ 2,529,032	\$ 2,631,292	\$ 2,240,326	\$ 1,551,674	\$ 1,091,593
Appropriations since Certification							\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
Close out Prior Year Reserves (Prior Year Encumbrances Not Spent)							\$ 46,094						
Surplus/(Deficit) Current FY							\$ 746,306		\$ 102,260	\$ (390,966)	\$ (688,652)	\$ (460,081)	\$ (176,319)
Projected Retained Earnings at End of FY							\$ 2,529,032		\$ 2,631,292	\$ 2,240,326	\$ 1,551,674	\$ 1,091,593	\$ 915,274
Retained Earnings as % of Oper. Budget							44.9%		44.7%	33.7%	21.5%	15.0%	12.5%

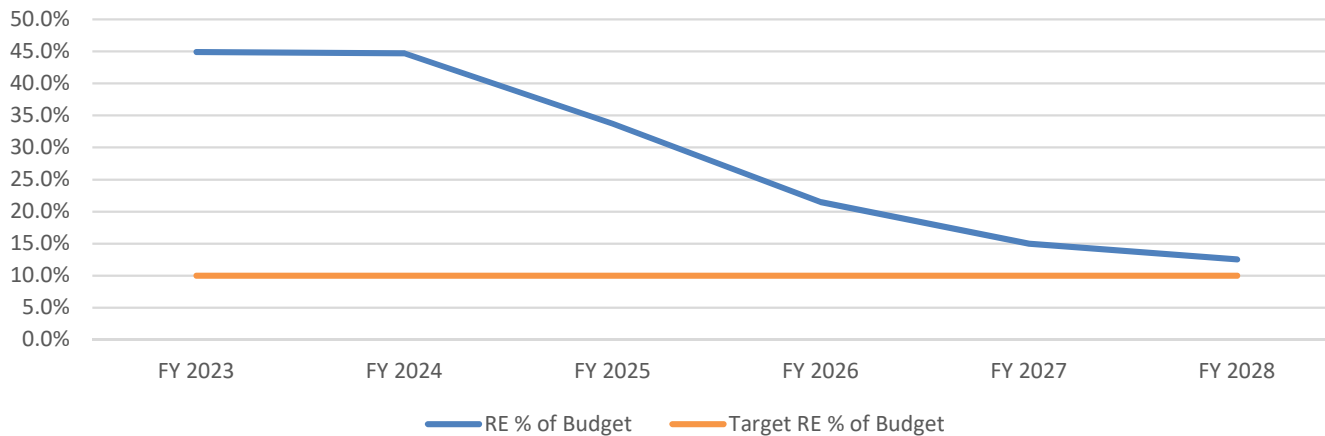
Town of Saugus
Sewer Rate Study

5-Year Rate Analysis - Option 2

Rate Increases:	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
	3.00%	4.50%	4.50%	4.50%	4.50%

Rate Impact	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED	FY 2027 PROJECTED	FY 2028 PROJECTED
Surplus/Deficit	\$ 746,306	\$ 102,260	\$ (390,966)	\$ (688,652)	\$ (460,081)	\$ (176,319)
Projected Retained Earnings	\$ 2,529,032	\$ 2,631,292	\$ 2,240,326	\$ 1,551,674	\$ 1,091,593	\$ 915,274
RE % of Budget	44.9%	44.7%	33.7%	21.5%	15.0%	12.5%
Target RE % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%

Retained Earnings Projections - with Rate Changes



	Rates		Current	FY 2024
	Start	End		
Tier 1 (Minimum)	-	2,000	\$ 97.07	\$ 99.98
Tier 2	2,001	3,000	\$ 3.56	\$ 3.67
Tier 3	3,001	6,000	\$ 4.85	\$ 4.99
Tier 4	6,001	10,000	\$ 6.80	\$ 7.01
Tier 5	10,001	20,000	\$ 8.41	\$ 8.66
Tier 6	20,001	50,000	\$ 10.03	\$ 10.33
Tier 7	50,001	100,000	\$ 11.16	\$ 11.50
Tier 8	100,001	+	\$ 11.64	\$ 11.99

Usage in cubic feet

Town of Saugus
Sewer Rate Study

5-Year Rate Analysis - Option 2

User Impact (per Bill) - Sewer Bills Only			New Bills				
User Type	Usage	Current Bill	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Tier 1 User	2,000	\$ 97.07	\$ 99.98	\$ 104.48	\$ 109.18	\$ 114.10	\$ 119.23
Tier 2 User	3,000	\$ 132.70	\$ 136.69	\$ 142.84	\$ 149.26	\$ 155.98	\$ 163.00
Average Residential User	4,234	\$ 192.54	\$ 198.31	\$ 207.24	\$ 216.56	\$ 226.31	\$ 236.49
Avg. Res. User (for pres.)	4,362	\$ 198.75	\$ 204.71	\$ 213.92	\$ 223.55	\$ 233.61	\$ 244.12
Tier 3 User	6,000	\$ 278.17	\$ 286.51	\$ 299.41	\$ 312.88	\$ 326.96	\$ 341.67
Tier 4 User	10,000	\$ 550.29	\$ 566.80	\$ 592.30	\$ 618.95	\$ 646.81	\$ 675.91
Tier 5 User	20,000	\$ 1,391.51	\$ 1,433.26	\$ 1,497.75	\$ 1,565.15	\$ 1,635.58	\$ 1,709.19
Avg. Com. User (for pres.)	24,527	\$ 1,845.66	\$ 1,901.03	\$ 1,986.58	\$ 2,075.97	\$ 2,169.39	\$ 2,267.01
Tier 6 User	50,000	\$ 4,401.11	\$ 4,533.14	\$ 4,737.14	\$ 4,950.31	\$ 5,173.07	\$ 5,405.86
Tier 7 User	100,000	\$ 9,981.41	\$ 10,280.85	\$ 10,743.49	\$ 11,226.95	\$ 11,732.16	\$ 12,260.11
Tier 8 User	200,000	\$ 21,622.71	\$ 22,271.39	\$ 23,273.61	\$ 24,320.92	\$ 25,415.36	\$ 26,559.05

Town of Saugus
Sewer Rate Study

Five Year Summary - Option 3

Description	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Actual FY 2022	Budgeted FY 2023	Projected FY 2023	Budgeted FY 2024	Projected FY 2024	Projected FY 2025	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028
Revenues										2.00%	5.00%	5.00%	5.00%	5.00%
Sewer User Charges	\$ 3,580,030	\$ 3,905,196	\$ 3,888,245	\$ 4,921,610	\$ 5,187,367	\$ 6,108,065	\$ 5,663,928	\$ 5,420,799	\$ 5,529,215	\$ 5,805,675	\$ 6,095,959	\$ 6,400,757	\$ 6,720,795	\$ 6,720,795
Sewer Liens on User Charges	177,006	170,933	163,376	194,310	267,960	-	311,322	271,040	276,461	290,284	304,798	320,038	336,040	336,040
Interest on User Charges	13,058	21,354	14,503	22,656	28,581	-	20,031	20,031	20,031	20,031	20,031	20,031	20,031	20,031
Penalty on User Charges	12,495	14,251	6,610	10,044	9,963	-	10,673	10,673	10,673	10,673	10,673	10,673	10,673	10,673
Miscellaneous Charges	-	-	2,100	8,951	16,932	-	5,597	5,597	5,597	5,597	5,597	5,597	5,597	5,597
Sewer Liens on Fees	85	4	7,942	8,002	8,699	-	4,946	4,946	4,946	4,946	4,946	4,946	4,946	4,946
Sewer Liens on Interest	20,817	19,390	18,694	18,499	22,153	-	19,911	19,911	19,911	19,911	19,911	19,911	19,911	19,911
Sewer Impact Fee	-	-	-	-	94,697	-	62,992	65,512	65,512	68,133	70,858	73,692	76,640	76,640
I&I Inspection	-	-	-	-	-	-	195,800	-	-	-	-	-	-	-
Sewer Rehabilitation	-	-	-	-	-	-	82,000	-	-	-	-	-	-	-
Premium on Bonds	2,954	895	-	206	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 3,806,445	\$ 4,132,023	\$ 4,101,470	\$ 5,184,279	\$ 5,636,351	\$ 6,108,065	\$ 6,377,199	\$ 5,818,507	\$ 5,932,344	\$ 6,225,248	\$ 6,532,772	\$ 6,855,644	\$ 7,194,631	\$ 7,194,631
Available Funds														
Retained Earnings Appropriated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer Rehabilitation Funds	\$ -	\$ -	\$ 2,773,195	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues and Available Funds	\$ 3,806,445	\$ 4,132,023	\$ 6,874,666	\$ 5,184,279	\$ 5,636,351	\$ 6,108,065	\$ 6,377,199	\$ 5,818,507	\$ 5,932,344	\$ 6,225,248	\$ 6,532,772	\$ 6,855,644	\$ 7,194,631	\$ 7,194,631
Expenditures														
Salaries	\$ 333,529	\$ 314,176	\$ 307,999	\$ 265,814	\$ 269,038	\$ 373,307	\$ 373,307	\$ 361,061	\$ 361,061	\$ 370,088	\$ 379,340	\$ 388,823	\$ 398,544	\$ 398,544
Lynn Water/Sewer Assessment	1,574,650	1,582,928	1,462,172	2,135,350	1,835,570	2,183,403	1,706,637	2,292,573	1,866,565	2,371,500	2,553,290	2,590,748	2,643,430	2,643,430
Other Expenses	593,747	613,077	547,835	720,174	617,762	846,418	846,418	933,157	933,157	951,820	970,857	990,274	1,010,079	1,010,079
Capital Outlay	-	28,675	61,005	46,731	56,762	62,000	62,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Existing Debt Service	1,687,160	1,709,508	1,817,889	1,991,045	2,018,819	1,994,216	1,993,809	1,972,893	1,972,893	1,932,750	1,916,965	1,899,089	1,823,415	1,823,415
New Debt Service	-	-	-	-	-	-	-	-	-	250,723	615,660	612,244	608,231	608,231
Short Term Debt	-	-	1,347	-	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Indirect Costs	542,398	568,401	592,671	653,033	599,095	584,708	584,708	610,157	610,157	625,411	641,046	657,072	673,499	673,499
Transfer to Special Revenue Fund	-	-	-	-	45,000	-	-	-	-	-	-	-	-	-
Transfer to Cap Project Fund	-	-	-	-	4,055	-	-	-	-	-	-	-	-	-
Funding of OPEB	29,000	8,909	9,176	27,180	27,180	49,013	49,013	48,169	48,169	49,373	50,608	51,873	53,170	53,170
Total Expenditures	\$ 4,760,483	\$ 4,825,674	\$ 4,800,094	\$ 5,839,328	\$ 5,473,283	\$ 6,108,065	\$ 5,630,892	\$ 6,313,010	\$ 5,887,002	\$ 6,646,665	\$ 7,222,765	\$ 7,285,123	\$ 7,305,368	\$ 7,305,368
Excess (Deficit) of Revenues and Available Funds > Expenditures	\$ (954,038)	\$ (693,651)	\$ 2,074,572	\$ (655,049)	\$ 163,069	\$ -	\$ 746,306	\$ (494,503)	\$ 45,342	\$ (421,417)	\$ (689,994)	\$ (429,479)	\$ (110,737)	\$ (110,737)
Retained Earnings Projections														
Certified Retained Earnings July 1, 2022					\$ 1,736,632									
Available Retained Earnings Start of FY							\$ 1,736,632		\$ 2,529,032	\$ 2,574,374	\$ 2,152,957	\$ 1,462,963	\$ 1,033,484	\$ 1,033,484
Appropriations since Certification							\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Close out Prior Year Reserves (Prior Year Encumbrances Not Spent)							\$ 46,094							
Surplus/(Deficit) Current FY							\$ 746,306		\$ 45,342	\$ (421,417)	\$ (689,994)	\$ (429,479)	\$ (110,737)	\$ (110,737)
Projected Retained Earnings at End of FY							\$ 2,529,032		\$ 2,574,374	\$ 2,152,957	\$ 1,462,963	\$ 1,033,484	\$ 922,747	\$ 922,747
Retained Earnings as % of Oper. Budget							44.9%		43.7%	32.4%	20.3%	14.2%	12.6%	12.6%

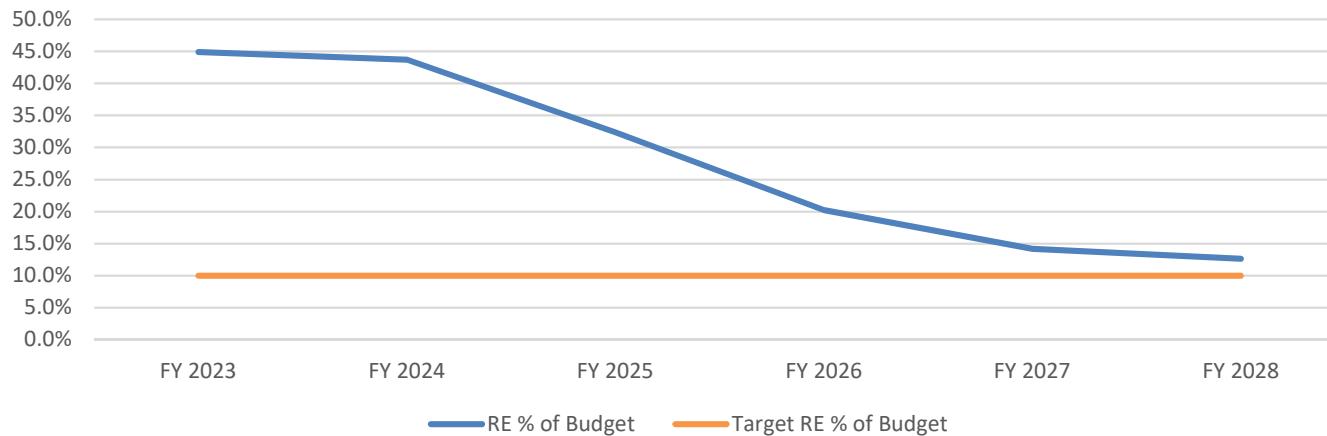
Town of Saugus
Sewer Rate Study

5-Year Rate Analysis - Option 3

Rate Increases:	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
	2.00%	5.00%	5.00%	5.00%	5.00%

Rate Impact	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED	FY 2027 PROJECTED	FY 2028 PROJECTED
Surplus/Deficit	\$ 746,306	\$ 45,342	\$ (421,417)	\$ (689,994)	\$ (429,479)	\$ (110,737)
Projected Retained Earnings	\$ 2,529,032	\$ 2,574,374	\$ 2,152,957	\$ 1,462,963	\$ 1,033,484	\$ 922,747
RE % of Budget	44.9%	43.7%	32.4%	20.3%	14.2%	12.6%
Target RE % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%

Retained Earnings Projections - with Rate Changes



	Start	End	Rates	
			Current	FY 2024
Tier 1 (Minimum)	-	2,000	\$ 97.07	\$ 99.01
Tier 2	2,001	3,000	\$ 3.56	\$ 3.63
Tier 3	3,001	6,000	\$ 4.85	\$ 4.95
Tier 4	6,001	10,000	\$ 6.80	\$ 6.94
Tier 5	10,001	20,000	\$ 8.41	\$ 8.58
Tier 6	20,001	50,000	\$ 10.03	\$ 10.23
Tier 7	50,001	100,000	\$ 11.16	\$ 11.38
Tier 8	100,001	+	\$ 11.64	\$ 11.87

Usage in cubic feet

Town of Saugus
Sewer Rate Study

5-Year Rate Analysis - Option 3

User Impact (per Bill) - Sewer Bills Only			New Bills				
User Type	Usage	Current Bill	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Tier 1 User	2,000	\$ 97.07	\$ 99.01	\$ 103.96	\$ 109.16	\$ 114.62	\$ 120.35
Tier 2 User	3,000	\$ 132.70	\$ 135.36	\$ 142.13	\$ 149.23	\$ 156.69	\$ 164.53
Average Residential User	4,234	\$ 192.54	\$ 196.39	\$ 206.21	\$ 216.52	\$ 227.35	\$ 238.71
Avg. Res. User (for pres.)	4,362	\$ 198.75	\$ 202.72	\$ 212.86	\$ 223.50	\$ 234.67	\$ 246.41
Tier 3 User	6,000	\$ 278.17	\$ 283.73	\$ 297.92	\$ 312.81	\$ 328.46	\$ 344.88
Tier 4 User	10,000	\$ 550.29	\$ 561.29	\$ 589.36	\$ 618.82	\$ 649.77	\$ 682.25
Tier 5 User	20,000	\$ 1,391.51	\$ 1,419.34	\$ 1,490.31	\$ 1,564.82	\$ 1,643.07	\$ 1,725.22
Avg. Com. User (for pres.)	24,527	\$ 1,845.66	\$ 1,882.57	\$ 1,976.70	\$ 2,075.54	\$ 2,179.31	\$ 2,288.28
Tier 6 User	50,000	\$ 4,401.11	\$ 4,489.13	\$ 4,713.59	\$ 4,949.27	\$ 5,196.73	\$ 5,456.57
Tier 7 User	100,000	\$ 9,981.41	\$ 10,181.04	\$ 10,690.09	\$ 11,224.60	\$ 11,785.83	\$ 12,375.12
Tier 8 User	200,000	\$ 21,622.71	\$ 22,055.17	\$ 23,157.92	\$ 24,315.82	\$ 25,531.61	\$ 26,808.19