Town of Saugus Water Rate Study

Five Year Summary - Baseline

WATER ENTERPRISE FUND									
BASELINE WORKBOOK									
	Budgeted	Actual	Projected	Projected	Projected	Pro	ojected	Projected	
Description	FY 2020	FY 2020	FY 2021	FY 2022	FY 2023	F١	Y 2024	FY 2025	Comments
Revenues									
Water User Charges	\$ 6,725,229								Based on FY20 billing; assume level for baseline, FY20-FY23 adj. for pandemic
Water Liens on User Charges	-	277,965	\$ 207,383	\$ 416,807	\$ 351,565	\$	316,408	\$ 316,408	Five-year average from FY16-FY20; assume level; FY21-23 adj. for pandemic
Interest on User Charges	-	23,107	26,784	26,784	26,784		26,784		Five-year average from FY16-FY20; assume level
Penalty on User Charges	-	7,436	13,465	13,465	13,465		13,465	13,465	Five-year average from FY16-FY20; assume level
Non-User Charges Fees	-	84,043	31,183	31,183	31,183		31,183	31,183	Five-year average from FY15-FY19, in case \$50k connection here; assume level
Miscellaneous Charges	-	14,412	13,145	13,145	13,145		13,145	13,145	Five-year average from FY16-FY20; assume level
Water Liens on Fees	-	90	3,420	3,420	3,420		3,420	3,420	Five-year average from FY16-FY20; assume level
Water Liens on Interest	-	31,431	32,191	32,191	32,191		32,191	32,191	Five-year average from FY16-FY20; assume level
Total Revenues	\$ 6,725,229	\$ 6,288,157	\$ 6,526,994	\$ 6,853,899	\$ 6,833,729	\$ 6	6,798,573	\$ 6,798,573	
Available Funds									
Prior Year Carryover	\$ 47,441		\$ 67,275						Funding source, reserved at end of prior year, for encumbrances
Retained Earnings Appropriated	J 47,441		7 07,273						Retained Earnings used to balance the budget
Total Revenues / Available Funds	¢ 6 772 670	\$ 6,288,157	¢ 6 E04 260	¢ 6 9E2 900	¢ 6 922 720	¢ 6	6 700 E72		netained Earnings used to balance the budget
Total Revenues / Available Fullus	\$ 6,772,670	\$ 0,288,137	\$ 0,334,203	\$ 0,055,055	\$ 0,055,729	, O	0,730,373	\$ 0,750,575	
Expenditures									
Salaries	\$ 338,518						388,700		FY21 number is from Budget; 2.5% increase yearly
MWRA Assessment	4,221,837	4,220,394	4,465,635	4,975,454	4,848,626	5	5,052,268		FY21 number budgeted; FY22 projected; FY23 on typical 4.2% increase
Other Expenses	645,595	462,480	730,575	676,566	690,097		703,899	717,977	FY21 number is from Budget, incl. FY20 encumbrances; 2% increase yearly
Capital Outlay	116,496	26,496	90,000	90,000	90,000		90,000		FY21 number is from Budget; budget number carried forward
Existing Debt Service	796,313	796,312	1,202,949	1,160,200	1,059,475		951,975	867,760	FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab
New Debt Service	-	-	-	-	211,000		330,775		See "New Debt Service" tab; Debt projections based on capital plan
Short Term Debt	30,000	1,347	15,000	15,000	15,000		15,000		FY21 number is from Budget; budget number carried forward
Indirect Costs	580,799	580,799	654,440	670,801	687,571		704,760		FY21 from Budget; increase 2.5% yearly
Funding of OPEB	43,112	43,112	40,770	41,789	42,834		43,905		FY21 number is from Budget; 2.5% increase yearly
Total Expenditures	\$ 6,772,670	\$ 6,468,216	\$ 7,560,316	\$ 7,999,781	\$ 8,023,823	\$ 8	8,281,282	\$ 8,488,300	
Excess (Deficit) of Revenues and									
Available Funds > Expenditures	\$ -	\$ (180,059)	\$ (966,047)	\$ (1,145,882)	\$ (1,190,093)	\$ (1	1,482,710)	\$ (1,689,727)	
			,		•	Į į			
Retained Earnings Projections									
Certified Retained Earnings July 1, 20		\$ 1,755,213							
Retained Earnings at Start of the FY I	Listed		\$ 1,755,213					\$ (3,029,519)	
Surplus/(Deficit) Current FY							\$ (1,689,727)		
Projected Retained Earnings at End of		\$ 789,166	. , , ,	,			\$ (4,719,246)		
Retained Earnings as % of Oper. Bud	get	27.1%	10.4%	-4.5%	-19.3%		-36.6%	-55.6%	

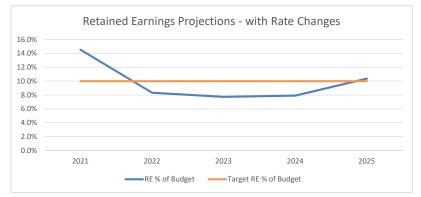
WATER ENTERPRISE FUND OPTION 1 - 5% INCREASE FISCAL YEAR 2021

Target Retained Earnings as % of Budget: 10.0%

Baseline		2021	2022 PROJECTED			2023		2024	2025 PROJECTED		
		ROJECTED				ROJECTED	P	ROJECTED			
Surplus/Deficit	\$	(966,047)	\$	(1,145,882)	\$	(1,190,093)	\$	(1,482,710)	\$	(1,689,727)	
Projected Retained Earnings	\$	789,166	\$	(356,715)	\$	(1,546,809)	\$	(3,029,519)	\$	(4,719,246)	
RE as % of Budget		10.4%		-4.5%		-19.3%		-36.6%		-55.6%	
Target RE as % of Budget		10.0%		10.0%		10.0%		10.0%		10.0%	



Rate Impact	2021 PROJECTED	PF	2022 ROJECTED	PF	2023 OJECTED	PR	2024 OJECTED	2025 PROJECTED		
Surplus/Deficit	\$ (656,076)	\$	(432,071)	\$	(46,337)	\$	36,333	\$	223,367	
Projected Retained Earnings	\$ 1,099,137	\$	667,066	\$	620,729	\$	657,062	\$	880,429	
RE % of Budget	14.5%		8.3%		7.7%		7.9%		10.4%	
Target RE % of Budget	10.0%		10.0%		10.0%		10.0%		10.0%	



User Impact (per Bill)	- Water Bills	Only						N	lew Bills				
User Type	Usage	Curren	t Bill		FY21		FY22		FY23		FY24		FY25
Tier 1 User	2,000	\$ 9	92.70	\$	97.34	\$	103.18	\$	109.37	\$	114.83	\$	120.58
Tier 2 User	3,000	\$ 14	12.10	\$	149.21	\$	158.16	\$	167.65	\$	176.03	\$	184.83
Average Residential User	4,234	\$ 22	23.67	\$	234.85	\$	248.94	\$	263.88	\$	277.07	\$	290.93
Avg. Res. User (for pres.)	4,362	\$ 23	32.13	\$	243.73	\$	258.36	\$	273.86	\$	287.55	\$	301.93
Tier 3 User	6,000	\$ 34	10.40	\$	357.42	\$	378.87	\$	401.60	\$	421.68	\$	442.76
Tier 4 User	10,000	\$ 67	70.80	\$	704.34	\$	746.60	\$	791.40	\$	830.97	\$	872.51
Tier 5 User	20,000	\$ 1,59	91.80	\$	1,671.39	\$	1,771.67	\$	1,877.97	\$	1,971.87	\$	2,070.47
Avg. Com. User (for pres.)	24,527	\$ 2,05	9.44	\$	2,162.41	\$	2,292.16	\$	2,429.69	\$	2,551.17	\$	2,678.73
Tier 6 User	50,000	\$ 4,69	08.0	\$	4,925.34	\$	5,220.86	\$	5,534.11	\$	5,810.82	\$	6,101.36
Tier 7 User	100,000	\$ 10,25	0.80	\$ 1	10,763.34	\$:	11,409.14	\$:	12,093.69	\$:	12,698.37	\$:	13,333.29
Tier 8 User	200,000	\$ 21,69	90.80	\$2	22,775.34	\$2	24,141.86	\$	25,590.37	\$2	26,869.89	\$2	28,213.39

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

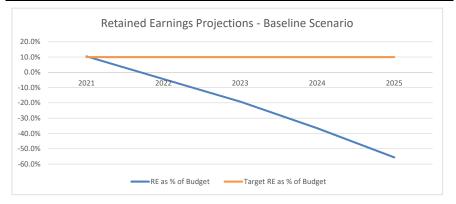
31,672.875 gallons = 4,234.0475 cubic feet per half year

Water User Charges \$ 6,725,729 \$ 5,849,674 \$ 6,509,395 \$ 7,030,715 \$ 7,505,734 \$ 7,881,020 \$ 8,275,071 \$ 8,2	WATER ENTERPRISE FUND								
Budgeted Actual Projected Projecte	OPTION 1 - 5% INCREASE FIS	CAL YEAR 2	021						
Description Pr. 2020 Pr. 2021 Pr. 2021 Pr. 2021 Pr. 2023 Pr. 2023 Pr. 2024 Pr. 2025 Pr. 2025 Pr. 2025 Pr. 2026 Pr. 2025 Pr. 20	0.110112 0/01110112/102110								
Nater User Charges \$ 6,725,279 \$ 5,889,674 \$ 6,509,395 \$ 7,7505,734 \$ 7,881,020 \$ 8,275,020 \$ 8,27		Budgeted	Actual	Projected	Projected	Projected	Projected	Projected	
Water User Charges \$ 6,725,729 \$ 5,849,674 \$ 6,509,395 \$ 7,030,715 \$ 7,505,734 \$ 7,881,020 \$ 8,275,071 \$ 8,2	Description	FY 2020	FY 2020	-			-		
Water Liens on User Charges	Revenues								
Interest on User Charges	Water User Charges	\$ 6,725,229							
Penalty on User Charges -		-							
Non-User Charges Fees - 84,043 31,183 31		-							
Miscellaneous Charges - 14,412 13,145	Penalty on User Charges	-							
Water Liens on Fees 90 3,420 3		-		31,183				31,183	Five-year average from FY15-FY19, in case \$50k connection here; assume level
Water Liens on Interest - 31,431 32,191		-							
Total Revenues \$ 6,725,229 \$ 6,288,157 \$ 6,836,965 \$ 7,567,709 \$ 7,977,486 \$ 8,317,616 \$ 8,711,667 \$ Available Funds Prior Year Carryover Retained Earnings Appropriated Retained Earnings used to balance the budget Total Revenues / Available Funds \$ 6,772,670 \$ 6,288,157 \$ 6,904,240 \$ 7,567,709 \$ 7,977,486 \$ 8,317,616 \$ 8,711,667 \$ Expenditures Salaries	Water Liens on Fees	-	90	-, -	3,420		-, -		
Available Funds Prior Year Carryover \$ 47,441 \$ - \$ 67,275 \$ - \$ - \$ - \$ Funding source, reserved at end of prior year, for encumbrances Retained Earnings Appropriated Total Revenues/ Available Funds \$ 6,772,670 \$ 6,288,157 \$ 6,904,240 \$ 7,567,709 \$ 7,977,486 \$ 8,317,616 \$ 8,711,667 Expenditures Salaries \$ 338,518 \$ 337,775 \$ 360,947 \$ 369,971 \$ 379,220 \$ 388,700 \$ 398,418 FY21 number is from Budget; 2.5% increase yearly MWRA Assessment 4,221,837 4,220,394 4,465,635 4,975,454 4,848,626 5,052,268 5,264,463 FY21 number is from Budget; 2.5% increase yearly Capital Outlay 116,496 26,496 90,000 90,000 90,000 90,000 FY21 number is from Budget; incl. FY22 encumbrances; 2% increase yearly Capital Outlay 116,496 26,496 90,000 90,000 90,000 90,000 FY21 number is from Budget; budget number carried forward from Fixisting Debt Service 796,313 796,312 1,202,949 1,160,200 1,5000 15,000 15,000 15,000 16,00	Water Liens on Interest	-	31,431	32,191	32,191	32,191	32,191	32,191	Five-year average from FY16-FY20; assume level
Prior Year Carryover \$ 47,441 \$. \$. \$ 67,275 \$. \$. \$. \$. \$. \$. \$. \$. \$. \$	Total Revenues	\$ 6,725,229	\$ 6,288,157	\$ 6,836,965	\$ 7,567,709	\$ 7,977,486	\$ 8,317,616	\$ 8,711,667	
Prior Year Carryover \$ 47,441 \$. \$. \$ 67,275 \$. \$. \$. \$. \$. \$. \$. \$. \$. \$	Available Funds								
Retained Earnings Appropriated		\$ 47.441	\$ -	\$ 67.275	\$ -	\$ -	\$ -	\$ -	Funding source, reserved at end of prior year, for encumbrances
Total Revenues / Available Funds \$ 6,772,670 \$ 6,288,157 \$ 6,904,240 \$ 7,567,709 \$ 7,977,486 \$ 8,317,616 \$ 8,711,667 Expenditures Salaries \$ 338,518 \$ 337,275 \$ 360,947 \$ 369,971 \$ 379,220 \$ 388,700 \$ 398,418 FY21 number is from Budget; 2.5% increase yearly MWRA Assessment 4,221,837 4,220,394 4,465,635 4,975,456 6 690,097 703,899 717,977 FY21 number budgeted; FY22 projected; FY23 on typical 4.2% increase Other Expenses 645,595 462,480 730,575 676,566 690,097 703,899 717,977 FY21 number is from Budget; 2.5% increase yearly Capital Outlay 116,496 26,496 90,000 90,000 90,000 90,000 90,000 90,000 FY21 number is from Budget; budget number carried forward FY21 projections are from Eviding Debt Service 796,313 796,312 1,202,99 1,160,200 1,059,475 951,975 867,706 FY20 and FY21 number is from Budget; budget number carried forward Evidence Type 1,000 330,775 367,300 See "New Debt Service" tab Short Term Debt 30,000 1,347 15,000 15,000 15,000 15,000 15,000 15,000 FY21 number is from Budget; budget number carried forward Indirect Costs 580,799 580,799 654,440 670,801 687,571 704,760 722,379 FY21 number is from Budget; budget number carried forward Indirect Costs 580,799 580,799 654,440 670,801 687,571 704,760 722,379 FY21 number is from Budget; 2.5% increase yearly Funding of OPEB 43,112 43,112 40,770 41,789 42,834 43,905 45,002 FY21 number is from Budget; 2.5% increase yearly Total Expenditures \$ 6,772,670 \$ 6,468,216 \$ 7,560,316 \$ 7,999,781 \$ 8,023,823 \$ 8,281,282 \$ 8,488,300 FY21 number is from Budget; 2.5% increase yearly Total Expenditures \$ - \$ (180,059) \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 FY21 number is from Budget; 2.5% increase yearly Excess (Deficit) of Revenues and Available Funds > Expenditures \$ - \$ (180,059) \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 FY21 number is from Budget; 2.5% increase yearly Excess (Deficit) of Revenues and Available Funds > Expenditures \$ - \$ (180,059) \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 FY21 number is from Budget; 2.5% increase year		-	-	-	-	-	-	-	
Salaries \$ 338,518 \$ 337,275 \$ 360,947 \$ 369,971 \$ 379,220 \$ 388,700 \$ 398,418 FY21 number is from Budget; 2.5% increase yearly MWRA Assessment 4,221,837 4,220,394 4,465,635 4,975,454 4,848,626 5,052,268 5,264,463 FY21 number budgete; FY22 projected; FY22 on typical 4.2% increase yearly Cher Expenses 645,595 462,480 730,575 676,566 690,097 703,899 717,977 FY21 number is from Budget; projected; FY22 projected; FY22 on typical 4.2% increase yearly Capital Outlay 116,496 26,496 90,000 90,000 90,000 90,000 90,000 90,000 FY21 number is from Budget; budget number carried forward Existing Debt Service 796,313 796,312 1,202,949 1,160,200 1,059,475 951,975 867,760 FY20 and FY21 numbers are from budgets; from Existing Debt Service "tab New Debt Service" 130,000 1,347 15,000 15,000 15,000 15,000 15,000 15,000 15,000 FY21 number is from Budget; budget number carried forward Indirect Costs 580,799 580,799 654,440 670,801 687,571 704,760 722,379 FY21 number is from Budget; budget number carried forward Indirect Costs 580,799 580,799 654,440 670,801 687,571 704,760 722,379 FY21 number is from Budget; budget number carried forward Indirect Costs 580,799 654,440 670,801 687,571 704,760 722,379 FY21 number is from Budget; projections based on capital plan Indirect Costs 580,799 654,440 670,801 687,571 704,760 722,379 FY21 number is from Budget; projections based on capital plan Indirect Costs 580,799 654,440 670,801 687,571 704,760 722,379 FY21 number is from Budget; projections based on capital plan Indirect Costs 580,799 654,440 670,801 687,571 704,760 722,379 FY21 number is from Budget; projections based on capital plan Indirect Costs 66,772,670 \$ 6,468,216 \$ 7,560,316 \$ 7,999,781 \$ 8,023,823 \$ 8,281,282 \$ 8,488,300 \$ FY21 number is from Budget; projection Budget; projecti	Total Revenues / Available Funds	\$ 6,772,670	\$ 6,288,157	\$ 6,904,240	\$ 7,567,709	\$ 7,977,486	\$ 8,317,616	\$ 8,711,667	
Salaries \$ 338,518 \$ 337,275 \$ 360,947 \$ 369,971 \$ 379,220 \$ 388,700 \$ 398,418 FY21 number is from Budget; 2.5% increase yearly MWRA Assessment 4,221,837 4,220,394 4,465,635 4,975,454 4,848,626 5,052,268 5,264,463 FY21 number budgete; FY22 projected; FY22 on typical 4.2% increase yearly Cher Expenses 645,595 462,480 730,575 676,566 690,097 703,899 717,977 FY21 number is from Budget; projected; FY22 projected; FY22 on typical 4.2% increase yearly Capital Outlay 116,496 26,496 90,000 90,000 90,000 90,000 90,000 90,000 FY21 number is from Budget; budget number carried forward Existing Debt Service 796,313 796,312 1,202,949 1,160,200 1,059,475 951,975 867,760 FY20 and FY21 numbers are from budgets; from Existing Debt Service "tab New Debt Service" 130,000 1,347 15,000 15,000 15,000 15,000 15,000 15,000 15,000 FY21 number is from Budget; budget number carried forward Indirect Costs 580,799 580,799 654,440 670,801 687,571 704,760 722,379 FY21 number is from Budget; budget number carried forward Indirect Costs 580,799 580,799 654,440 670,801 687,571 704,760 722,379 FY21 number is from Budget; budget number carried forward Indirect Costs 580,799 654,440 670,801 687,571 704,760 722,379 FY21 number is from Budget; projections based on capital plan Indirect Costs 580,799 654,440 670,801 687,571 704,760 722,379 FY21 number is from Budget; projections based on capital plan Indirect Costs 580,799 654,440 670,801 687,571 704,760 722,379 FY21 number is from Budget; projections based on capital plan Indirect Costs 580,799 654,440 670,801 687,571 704,760 722,379 FY21 number is from Budget; projections based on capital plan Indirect Costs 66,772,670 \$ 6,468,216 \$ 7,560,316 \$ 7,999,781 \$ 8,023,823 \$ 8,281,282 \$ 8,488,300 \$ FY21 number is from Budget; projection Budget; projecti									
MWRA Assessment	Expenditures								
Other Expenses 645,595 462,480 730,575 676,566 690,097 703,899 717,977 FY21 number is from Budget, incl. FY20 encumbrances; 2% increase yearly Capital Outlay 116,496 26,496 90,000 90,000 90,000 90,000 90,000 FY21 number is from Budget; budget number carried forward Existing Debt Service 796,313 796,312 1,202,949 1,160,200 1,059,475 951,975 867,760 FY21 numbers are from budgets; Rest from "Existing Debt Service" tab Poly 1,000,000 1,059,475 951,975 867,760 FY21 numbers are from budgets; Rest from "Existing Debt Service" tab Poly 1,000,000 1,059,475 951,975 867,760 FY21 numbers are from budgets; Rest from "Existing Debt Service" tab Poly 1,000,000 1,059,475 951,975 867,760 FY21 numbers are from budget; budget number carried forward Indirect Costs 580,799 580,799 654,440 670,801 687,571 704,760 722,379 FY21 from Budget; budget number carried forward Indirect Costs 580,799 580,799 654,440 670,801 687,571 704,760 722,379 FY21 from Budget; budget number carried forward Indirect Costs 43,112 43,112 40,770 41,789 42,834 43,905 45,002 FY21 number is from Budget; 2.5% increase yearly FV21 from Budget; 2.5% increase yearly FV21 number is from Budget; 2.5% i	Salaries	\$ 338,518	\$ 337,275	\$ 360,947	\$ 369,971	\$ 379,220	\$ 388,700	\$ 398,418	FY21 number is from Budget; 2.5% increase yearly
Capital Outlay 116,496 26,496 90,000 90,000 90,000 90,000 90,000 FY21 number is from Budget; budget number carried forward Existing Debt Service 796,313 796,312 1,202,949 1,160,200 1,059,475 951,975 867,760 FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab. New Debt Service 1 1,000 15,000	MWRA Assessment	4,221,837	4,220,394	4,465,635	4,975,454	4,848,626	5,052,268	5,264,463	FY21 number budgeted; FY22 projected; FY23 on typical 4.2% increase
Existing Debt Service 796,313 796,312 1,202,949 1,160,200 1,059,475 951,975 867,760 FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab New Debt Service 211,000 330,775 367,300 See "New Debt Service" tab; Debt projections based on capital plan 15,000 15,000 15,000 15,000 FY21 number is from Budget; budget number carried forward Indirect Costs 580,799 654,440 670,801 687,571 704,760 722,379 FY21 from Budget; increase 2.5% yearly Funding of OPEB 43,112 43,112 40,770 41,789 42,834 43,905 45,002 FY21 number is from Budget; increase yearly FY21 number is from Budget; 2.5% increase yearly FY2	Other Expenses	645,595	462,480	730,575	676,566	690,097	703,899	717,977	FY21 number is from Budget, incl. FY20 encumbrances; 2% increase yearly
New Debt Service	Capital Outlay	116,496	26,496	90,000	90,000	90,000	90,000	90,000	FY21 number is from Budget; budget number carried forward
Short Term Debt 30,000 1,347 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 722,379 FY21 number is from Budget; budget number carried forward Funding of OPEB 43,112 43,112 40,770 41,789 42,834 43,905 45,002 FY21 number is from Budget; budget number carried forward Total Expenditures \$ 6,772,670 \$ 6,468,216 \$ 7,560,316 \$ 7,999,781 \$ 8,023,823 \$ 8,281,282 \$ 8,488,300 Excess (Deficit) of Revenues and Available Funds > Expenditures \$ (180,059) \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Retained Earnings Projections Certified Retained Earnings July 1, 2020 \$ 1,755,213 \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 Surplus/(Deficit) Current FY \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Projected Retained Earnings at End of FY \$ (056,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367	Existing Debt Service	796,313	796,312	1,202,949	1,160,200	1,059,475	951,975	867,760	FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab
Indirect Costs 580,799 580,799 654,440 670,801 687,571 704,760 722,379 FY21 from Budget; increase 2.5% yearly Funding of OPEB 43,112 43,112 40,770 41,789 42,834 43,905 45,002 FY21 number is from Budget; 2.5% increase yearly Total Expenditures \$ 6,772,670 \$ 6,468,216 \$ 7,560,316 \$ 7,999,781 \$ 8,023,823 \$ 8,281,282 \$ 8,488,300 Excess (Deficit) of Revenues and Available Funds > Expenditures \$ - \$ (180,059) \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Retained Earnings Projections Certified Retained Earnings at Start of the FY Listed \$ 1,755,213 \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 Surplus/(Deficit) Current FY \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Projected Retained Earnings at End of FY \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 \$ 880,429	New Debt Service	•	-	-	-	211,000	330,775	367,300	See "New Debt Service" tab; Debt projections based on capital plan
Funding of OPEB 43,112 43,112 40,770 41,789 42,834 43,905 45,002 FY21 number is from Budget; 2.5% increase yearly Total Expenditures \$ 6,772,670 \$ 6,468,216 \$ 7,560,316 \$ 7,999,781 \$ 8,023,823 \$ 8,281,282 \$ 8,488,300 Excess (Deficit) of Revenues and Available Funds > Expenditures \$ - \$ (180,059) \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Retained Earnings Projections Certified Retained Earnings at Start of the FY Listed \$ 1,755,213 \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 Surplus/(Deficit) Current FY \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Projected Retained Earnings at End of FY \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 \$ 880,429	Short Term Debt	30,000	1,347	15,000	15,000	15,000	15,000	15,000	FY21 number is from Budget; budget number carried forward
Total Expenditures \$ 6,772,670 \$ 6,468,216 \$ 7,560,316 \$ 7,999,781 \$ 8,023,823 \$ 8,281,282 \$ 8,488,300 Excess (Deficit) of Revenues and Available Funds > Expenditures \$ - \$ (180,059) \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Retained Earnings Projections Certified Retained Earnings at Start of the FY Listed \$ 1,755,213 \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 Surplus/(Deficit) Current FY \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Projected Retained Earnings at End of FY \$ 5,099,137 \$ 667,066 \$ 620,729 \$ 657,062 \$ 880,429	Indirect Costs	580,799	580,799	654,440	670,801	687,571	704,760	722,379	FY21 from Budget; increase 2.5% yearly
Excess (Deficit) of Revenues and Available Funds > Expenditures \$ - \$ (180,059) \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Retained Earnings Projections Certified Retained Earnings July 1, 2020 \$ 1,755,213 \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 Surplus/(Deficit) Current FY \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Projected Retained Earnings at End of FY \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 \$ 880,429	Funding of OPEB	43,112	43,112	40,770	41,789	42,834	43,905	45,002	FY21 number is from Budget; 2.5% increase yearly
Available Funds > Expenditures \$ - \$ (180,059) \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Retained Earnings Projections Certified Retained Earnings July 1, 2020 \$ 1,755,213 \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 Surplus/(Deficit) Current FY \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Projected Retained Earnings at End of FY \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 \$ 880,429	Total Expenditures	\$ 6,772,670	\$ 6,468,216	\$ 7,560,316	\$ 7,999,781	\$ 8,023,823	\$ 8,281,282	\$ 8,488,300	
Available Funds > Expenditures \$ - \$ (180,059) \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Retained Earnings Projections Certified Retained Earnings July 1, 2020 \$ 1,755,213 \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 Surplus/(Deficit) Current FY \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Projected Retained Earnings at End of FY \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 \$ 880,429									
Retained Earnings Projections Image: Certified Retained Earnings July 1, 2020 \$ 1,755,213 \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 Retained Earnings at Start of the FY Listed \$ 1,755,213 \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 Surplus/(Deficit) Current FY \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Projected Retained Earnings at End of FY \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 \$ 880,429		1	4 (100 000)	4 (4 (1 (12 22 2	1	1	
Certified Retained Earnings July 1, 2020 \$ 1,755,213 \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 Retained Earnings at Start of the FY Listed \$ 1,755,213 \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 Surplus/(Deficit) Current FY \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Projected Retained Earnings at End of FY \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 \$ 880,429	Available Funds > Expenditures	\$ -	\$ (180,059)	\$ (656,076)	\$ (432,071)	\$ (46,337)	\$ 36,333	\$ 223,367	
Retained Earnings at Start of the FY Listed \$ 1,755,213 \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 Surplus/(Deficit) Current FY \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Projected Retained Earnings at End of FY \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 \$ 880,429	Retained Earnings Projections								
Surplus/(Deficit) Current FY \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Projected Retained Earnings at End of FY \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 \$ 880,429	Certified Retained Earnings July 1, 20)20	\$ 1,755,213						
Surplus/(Deficit) Current FY \$ (656,076) \$ (432,071) \$ (46,337) \$ 36,333 \$ 223,367 Projected Retained Earnings at End of FY \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 \$ 880,429	Retained Earnings at Start of the FY I	isted		\$ 1,755,213	\$ 1,099,137	\$ 667,066	\$ 620,729	\$ 657,062	
Projected Retained Earnings at End of FY \$ 1,099,137 \$ 667,066 \$ 620,729 \$ 657,062 \$ 880,429	Surplus/(Deficit) Current FY						\$ 36,333	\$ 223,367	
			27.1%	14.5%	8.3%	7.7%	7.9%	10.4%	

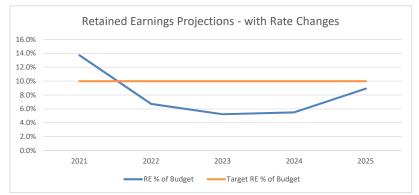
WATER ENTERPRISE FUND **OPTION 2 - 4% INCREASE FISCAL YEAR 2021**

Target Retained Earnings as % of Budget: 10.0%

Baseline		2021		2022		2023		2024	2025 PROJECTED		
baselille	PI	ROJECTED	PR	OJECTED	P	ROJECTED	P	ROJECTED			
Surplus/Deficit	\$	(966,047)	\$ (1	1,145,882)	\$	(1,190,093)	\$	(1,482,710)	\$	(1,689,727)	
Projected Retained Earnings	\$	789,166	\$	(356,715)	\$	(1,546,809)	\$	(3,029,519)	\$	(4,719,246)	
RE as % of Budget		10.4%		-4.5%		-19.3%		-36.6%		-55.6%	
Target RE as % of Budget		10.0%		10.0%		10.0%		10.0%		10.0%	



Rate Impact	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED		
Surplus/Deficit	\$ (718,070)	\$ (499,030)	\$ (117,820)	\$ 35,618	\$ 301,419		
Projected Retained Earnings	\$ 1,037,143	\$ 538,113	\$ 420,292	\$ 455,911	\$ 757,330		
RE % of Budget	13.7%	6.7%	5.2%	5.5%	8.9%		
Target RE % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%		



User Impact (per Bill)	- Water Bills	Only	y			ľ	New Bills				
User Type	Usage	Cu	rrent Bill	FY21	FY22	FY22 FY23 FY24		FY24	24 FY		
Tier 1 User	2,000	\$	92.70	\$ 96.41	\$ 102.19	\$	108.32	\$	114.82	\$	121.71
Tier 2 User	3,000	\$	142.10	\$ 147.78	\$ 156.65	\$	166.05	\$	176.01	\$	186.57
Average Residential User	4,234	\$	223.67	\$ 232.61	\$ 246.57	\$	261.37	\$	277.05	\$	293.67
Avg. Res. User (for pres.)	4,362	\$	232.13	\$ 241.41	\$ 255.90	\$	271.25	\$	287.53	\$	304.78
Tier 3 User	6,000	\$	340.40	\$ 354.02	\$ 375.26	\$	397.77	\$	421.64	\$	446.94
Tier 4 User	10,000	\$	670.80	\$ 697.63	\$ 739.49	\$	783.86	\$	830.89	\$	880.74
Tier 5 User	20,000	\$	1,591.80	\$ 1,655.47	\$ 1,754.80	\$	1,860.09	\$	1,971.69	\$	2,090.00
Avg. Com. User (for pres.)	24,527	\$	2,059.44	\$ 2,141.82	\$ 2,270.33	\$	2,406.55	\$	2,550.94	\$	2,703.99
Tier 6 User	50,000	\$	4,690.80	\$ 4,878.43	\$ 5,171.14	\$	5,481.41	\$	5,810.29	\$	6,158.91
Tier 7 User	100,000	\$1	10,250.80	\$ 10,660.83	\$ 11,300.48	\$	11,978.51	\$	12,697.22	\$	13,459.05
Tier 8 User	200,000	\$ 2	21,690.80	\$ 22,558.43	\$ 23,911.94	\$	25,346.65	\$	26,867.45	\$	28,479.50

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.

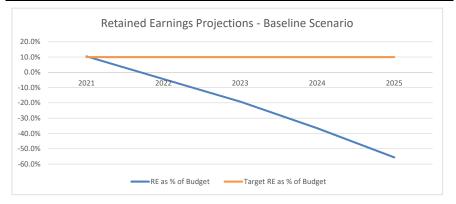
2015 was a dry year and outdoor water usage may have been high.

Description Projected Pr	WATER ENTERPRISE FUND								
Budgeted Actual Projected Projecte	OPTION 2 - 4% INCREASE FIS	CAL VEAR 2	N21						
Description FY 2020 FY 2021 FY 2021 FY 2021 FY 2022 FY 2023 FY 2024 FY 2025 Comments	OT TION 2 470 INCINE ASE TIS	CAL TEAM E	<u></u>						
Name		Budgeted	Actual	Projected	Projected	Projected	Projected	Projected	
Water Lies on User Charges	Description	FY 2020	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Comments
Water Liens on User Charges 277,955 207,383 416,807 331,565 316,408 16				4.00%		6.00%	6.00%		
Interest on User Charges 23,107 26,784 2		\$ 6,725,229	\$ 5,849,674	\$ 6,447,401	\$ 6,963,756	\$ 7,434,250	\$ 7,880,305		
Penalty on User Charges - 7,436 13,465 1	Water Liens on User Charges	-	277,965	207,383	416,807	351,565	316,408		
Non-User Charges Fees - 84,043 31,183 31	Interest on User Charges	-	23,107	26,784	26,784	26,784	26,784	26,784	Five-year average from FY16-FY20; assume level
Miscellaneous Charges - 14,412 13,145 13		-	7,436	13,465	13,465	13,465	13,465	13,465	Five-year average from FY16-FY20; assume level
Water Liens on Fees 90 3,420 3	Non-User Charges Fees	-	84,043	31,183	31,183	31,183	31,183	31,183	Five-year average from FY15-FY19, in case \$50k connection here; assume level
Water Liens on Interest - 31,431 32,191	Miscellaneous Charges	-	14,412	13,145	13,145	13,145	13,145	13,145	Five-year average from FY16-FY20; assume level
Total Revenues \$ 6,725,229 \$ 6,288,157 \$ 6,774,971 \$ 7,500,750 \$ 7,906,002 \$ 8,316,901 \$ 8,789,719	Water Liens on Fees	-	90	3,420	3,420	3,420	3,420	3,420	Five-year average from FY16-FY20; assume level
Available Funds Prior Year Carryover Retained Earnings Appropriated Total Revenues / Available Funds Salaries S	Water Liens on Interest	-	31,431	32,191	32,191	32,191	32,191	32,191	Five-year average from FY16-FY20; assume level
Prior Year Carryover \$ 47,441 \$ - \$ 67,275 \$ - \$ - \$ - \$ \$ - \$ \$ - \$ \$ - \$ \$ \$	Total Revenues	\$ 6,725,229	\$ 6,288,157	\$ 6,774,971	\$ 7,500,750	\$ 7,906,002	\$ 8,316,901	\$ 8,789,719	
Prior Year Carryover \$ 47,441 \$ - \$ 67,275 \$ - \$ - \$ - \$ Funding source, reserved at end of prior year, for encumbrances	Available Funds								
Retained Earnings Appropriated		¢ /7 //1	ċ -	¢ 67.275	ċ -	ċ _	ė -	ė -	Funding source, received at end of prior year, for encumbrances
Total Revenues / Available Funds \$ 6,772,670 \$ 6,848,157 \$ 6,842,246 \$ 7,500,750 \$ 7,906,002 \$ 8,316,901 \$ 8,789,719 Expenditures Salaries Salaries		٠ 47,441 -	- -	۶ 07,273 -	, -	٠ -	- ب	٠ -	
Expenditures Salaries \$ 338,518 \$ 337,275 \$ 360,947 \$ 369,971 \$ 379,220 \$ 388,700 \$ 398,418 FY21 number is from Budget; 2.5% increase yearly		¢ 6 772 670	¢ 6 200 157	¢ 6 9/2 2/6	¢ 7 500 750	¢ 7,006,002	¢ 9 216 001	¢ 0 700 710	netained Larnings used to balance the budget
Salaries \$ 338,518 \$ 337,275 \$ 360,947 \$ 369,971 \$ 379,220 \$ 388,700 \$ 398,418 FY21 number is from Budget; 2.5% increase yearly	Total Revenues / Available Fullus	3 0,772,070	\$ 0,288,137	3 0,842,240	\$ 7,300,730	\$ 7,300,002	\$ 8,310,901	\$ 6,765,715	
MWRA Assessment	Expenditures								
Other Expenses	Salaries	\$ 338,518	\$ 337,275	\$ 360,947	\$ 369,971	\$ 379,220	\$ 388,700	\$ 398,418	FY21 number is from Budget; 2.5% increase yearly
Capital Outlay 116,496 26,496 90,000 90,000 90,000 90,000 90,000 90,000 90,000 FY21 number is from Budget; budget number carried forward Existing Debt Service 796,313 796,312 1,202,949 1,160,200 1,059,475 951,975 867,760 FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab New Debt Service - - 211,000 330,775 367,300 See "New Debt Service" tab; Debt projections based on capital plan Short Term Debt 30,000 1,347 15,000 15,000 15,000 15,000 15,000 FY21 number is from Budget; budget number carried forward Indirect Costs 580,799 580,799 654,440 670,801 687,571 704,760 722,379 FY21 from Budget; increase 2.5% yearly Funding of OPEB 43,112 43,112 40,770 41,789 42,834 43,905 45,002 FY21 number is from Budget; 2.5% increase yearly Total Expenditures \$ 6,772,670 \$ (180,059) \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419	MWRA Assessment	4,221,837	4,220,394	4,465,635	4,975,454	4,848,626	5,052,268	5,264,463	FY21 number budgeted; FY22 projected; FY23 on typical 4.2% increase
Existing Debt Service 796,313 796,312 1,202,949 1,160,200 1,059,475 951,975 867,760 FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab New Debt Service 211,000 330,775 367,300 See "New Debt Service" tab; Debt projections based on capital plan Short Term Debt 30,000 1,347 15,000 15,000 15,000 15,000 15,000 FY21 number is from Budget; budget number carried forward Funding of OPEB 580,799 654,440 670,801 687,571 704,760 722,379 FY21 from Budget; budget number carried forward FY21 from Budget; budget number carried forwar	Other Expenses	645,595	462,480	730,575	676,566	690,097	703,899	717,977	FY21 number is from Budget, incl. FY20 encumbrances; 2% increase yearly
New Debt Service	Capital Outlay	116,496	26,496	90,000	90,000	90,000	90,000	90,000	FY21 number is from Budget; budget number carried forward
New Debt Service	Existing Debt Service	796,313	796,312	1,202,949	1,160,200	1,059,475	951,975	867,760	FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab
Indirect Costs 580,799 580,799 654,440 670,801 687,571 704,760 722,379 FY21 from Budget; increase 2.5% yearly Funding of OPEB 43,112 43,112 40,770 41,789 42,834 43,905 45,002 FY21 number is from Budget; 2.5% increase yearly Total Expenditures \$ 6,772,670 \$ 6,468,216 \$ 7,560,316 \$ 7,999,781 \$ 8,023,823 \$ 8,281,282 \$ 8,488,300 Excess (Deficit) of Revenues and Available Funds > Expenditures \$ - \$ (180,059) \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Retained Earnings Projections Certified Retained Earnings July 1, 2020 \$ 1,755,213 \$ 1,755,213 \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 \$ 757,330 Projected Retained Earnings at End of FY \$ (1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 \$ 757,330	New Debt Service	-	-	-	-	211,000	330,775		
Funding of OPEB 43,112 43,112 40,770 41,789 42,834 43,905 45,002 FY21 number is from Budget; 2.5% increase yearly Total Expenditures \$ 6,772,670 \$ 6,468,216 \$ 7,560,316 \$ 7,999,781 \$ 8,023,823 \$ 8,281,282 \$ 8,488,300 Excess (Deficit) of Revenues and Available Funds > Expenditures \$ - \$ (180,059) \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Retained Earnings Projections Certified Retained Earnings at Start of the FY Listed Surplus/(Deficit) Current FY \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Projected Retained Earnings at End of FY \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 \$ 757,330	Short Term Debt	30,000	1,347	15,000	15,000	15,000	15,000		
Total Expenditures \$ 6,772,670 \$ 6,468,216 \$ 7,560,316 \$ 7,999,781 \$ 8,023,823 \$ 8,281,282 \$ 8,488,300 Excess (Deficit) of Revenues and Available Funds > Expenditures \$ - \$ (180,059) \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Retained Earnings Projections Certified Retained Earnings July 1, 2020 \$ 1,755,213 Retained Earnings at Start of the FY Listed \$ 1,755,213 \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 Surplus/(Deficit) Current FY \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Projected Retained Earnings at End of FY \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 \$ 757,330	Indirect Costs	580,799	580,799	654,440	670,801	687,571	704,760	722,379	FY21 from Budget; increase 2.5% yearly
Excess (Deficit) of Revenues and Available Funds > Expenditures \$ - \$ (180,059) \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Retained Earnings Projections Certified Retained Earnings at Start of the FY Listed \$ 1,755,213 \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 \$ 301,419 Projected Retained Earnings at End of FY \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 \$ 757,330	Funding of OPEB	43,112	43,112	40,770	41,789	42,834	43,905	45,002	FY21 number is from Budget; 2.5% increase yearly
Available Funds > Expenditures \$ - \$ (180,059) \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Retained Earnings Projections Certified Retained Earnings July 1, 2020 \$ 1,755,213 \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 Surplus/(Deficit) Current FY \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Projected Retained Earnings at End of FY \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 \$ 757,330	Total Expenditures	\$ 6,772,670	\$ 6,468,216	\$ 7,560,316	\$ 7,999,781	\$ 8,023,823	\$ 8,281,282	\$ 8,488,300	
Available Funds > Expenditures \$ - \$ (180,059) \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Retained Earnings Projections Certified Retained Earnings July 1, 2020 \$ 1,755,213 \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 Surplus/(Deficit) Current FY \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Projected Retained Earnings at End of FY \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 \$ 757,330	Excess (Deficit) of Revenues and								
Retained Earnings Projections Certified Retained Earnings July 1, 2020 \$ 1,755,213 \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 Retained Earnings at Start of the FY Listed \$ 1,755,213 \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 Surplus/(Deficit) Current FY \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Projected Retained Earnings at End of FY \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 \$ 757,330		¢ -	\$ (180.050)	\$ (718 070)	\$ (499.030)	\$ (117.920)	\$ 35,610	\$ 301 //10	
Certified Retained Earnings July 1, 2020 \$ 1,755,213 \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 Retained Earnings at Start of the FY Listed \$ 1,755,213 \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 Surplus/(Deficit) Current FY \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Projected Retained Earnings at End of FY \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 \$ 757,330	Available Fullus > Expelluitures	· -	\$ (180,033)	\$ (718,070)	\$ (455,030)	\$ (117,820)	3 33,018	3 301,413	
Retained Earnings at Start of the FY Listed \$ 1,755,213 \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 Surplus/(Deficit) Current FY \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Projected Retained Earnings at End of FY \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 \$ 757,330									
Surplus/(Deficit) Current FY \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Projected Retained Earnings at End of FY \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 \$ 757,330			\$ 1,755,213						
Surplus/(Deficit) Current FY \$ (718,070) \$ (499,030) \$ (117,820) \$ 35,618 \$ 301,419 Projected Retained Earnings at End of FY \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 \$ 757,330			\$ 1,755,213	\$ 1,037,143	\$ 538,113	\$ 420,292	\$ 455,911		
Projected Retained Earnings at End of FY \$ 1,037,143 \$ 538,113 \$ 420,292 \$ 455,911 \$ 757,330									
Potagod Earnings as % of Oper Budget 27.1% 12.7% 6.7% 5.2% 5.2% 9.0%	Projected Retained Earnings at End o		\$ 1,037,143	\$ 538,113	\$ 420,292	\$ 455,911	\$ 757,330		
Incianicu Lannings as 70 01 Opti. Duuget 27.170 15.170 0.170 5.270 5.270 6.370	Retained Earnings as % of Oper. Budg	get	27.1%	13.7%	6.7%	5.2%	5.5%	8.9%	

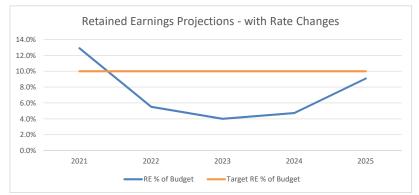
WATER ENTERPRISE FUND OPTION 3 - 3% INCREASE FISCAL YEAR 2021

Target Retained Earnings as % of Budget: 10.0%

Baseline		2021		2022		2023		2024	2025 PROJECTED		
		ROJECTED	Р	ROJECTED	P	ROJECTED	P	ROJECTED			
Surplus/Deficit	\$	(966,047)	\$	(1,145,882)	\$	(1,190,093)	\$	(1,482,710)	\$	(1,689,727)	
Projected Retained Earnings	\$	789,166	\$	(356,715)	\$	(1,546,809)	\$	(3,029,519)	\$	(4,719,246)	
RE as % of Budget		10.4%		-4.5%		-19.3%		-36.6%		-55.6%	
Target RE as % of Budget		10.0%		10.0%		10.0%		10.0%		10.0%	



Rate Impact	PF	2021 ROJECTED	2022 PROJECTED			2023 ROJECTED	PR	2024 OJECTED	PR	2025 OJECTED
Surplus/Deficit	\$	(780,065)	\$	(533,458)	\$	(119,680)	\$	70,810	\$	378,299
Projected Retained Earnings	\$	975,149	\$	441,691	\$	322,012	\$	392,821	\$	771,121
RE % of Budget		12.9%		5.5%		4.0%		4.7%		9.1%
Target RE % of Budget		10.0%		10.0%		10.0%		10.0%		10.0%



User Impact (per Bill)	- Water Bills	Onl	у			1	New Bills			
User Type	Usage	Cı	urrent Bill	FY21	FY22		FY23	FY24		FY25
Tier 1 User	2,000	\$	92.70	\$ 95.48	\$ 101.69	\$	108.30	\$ 115.34	\$	122.83
Tier 2 User	3,000	\$	142.10	\$ 146.36	\$ 155.88	\$	166.01	\$ 176.80	\$	188.29
Average Residential User	4,234	\$	223.67	\$ 230.38	\$ 245.35	\$	261.30	\$ 278.28	\$	296.37
Avg. Res. User (for pres.)	4,362	\$	232.13	\$ 239.09	\$ 254.63	\$	271.18	\$ 288.81	\$	307.58
Tier 3 User	6,000	\$	340.40	\$ 350.61	\$ 373.40	\$	397.67	\$ 423.52	\$	451.05
Tier 4 User	10,000	\$	670.80	\$ 690.92	\$ 735.83	\$	783.66	\$ 834.60	\$	888.85
Tier 5 User	20,000	\$	1,591.80	\$ 1,639.55	\$ 1,746.13	\$	1,859.62	\$ 1,980.50	\$	2,109.23
Avg. Com. User (for pres.)	24,527	\$	2,059.44	\$ 2,121.22	\$ 2,259.10	\$	2,405.94	\$ 2,562.33	\$	2,728.88
Tier 6 User	50,000	\$	4,690.80	\$ 4,831.52	\$ 5,145.57	\$	5,480.04	\$ 5,836.24	\$	6,215.59
Tier 7 User	100,000	\$:	10,250.80	\$ 10,558.32	\$ 11,244.62	\$	11,975.52	\$ 12,753.92	\$:	13,582.93
Tier 8 User	200,000	\$	21,690.80	\$ 22,341.52	\$ 23,793.72	\$	25,340.32	\$ 26,987.44	\$2	28,741.62

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

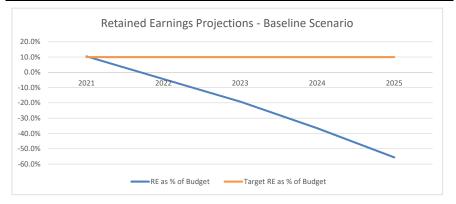
31,672.875 gallons = 4,234.0475 cubic feet per half year

WATER ENTERPRISE FUND								
	CAL VEAD 2	021						
OPTION 3 - 3% INCREASE FIS	CAL YEAR 2	U21						
	Budgeted	Actual	Projected	Projected	Projected	Projected	Projected	
Description	FY 2020	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Comments
Revenues			3.00%	6.50%	6.50%	6.50	% 6.509	%
Water User Charges	\$ 6,725,229	\$ 5,849,674	\$ 6,385,407	\$ 6,929,329	\$ 7,432,391	\$ 7,915,49	7 \$ 8,430,004	Based on FY20 billing; FY20-23 adj. for pandemic, + rate increases here
Water Liens on User Charges	-	277,965	207,383	416,807	351,565	316,40	316,408	Five-year average from FY16-FY20; assume level; FY21-23 adj. for pandemic
Interest on User Charges	-	23,107	26,784	26,784	26,784	26,78		Five-year average from FY16-FY20; assume level
Penalty on User Charges	-	7,436	13,465	13,465	13,465	13,46	13,465	Five-year average from FY16-FY20; assume level
Non-User Charges Fees	-	84,043	31,183	31,183	31,183	31,18		Five-year average from FY15-FY19, in case \$50k connection here; assume level
Miscellaneous Charges	-	14,412	13,145	13,145	13,145	13,14	13,145	Five-year average from FY16-FY20; assume level
Water Liens on Fees	-	90	3,420	3,420	3,420	3,42	3,420	Five-year average from FY16-FY20; assume level
Water Liens on Interest	-	31,431	32,191	32,191	32,191	32,19	32,191	Five-year average from FY16-FY20; assume level
Total Revenues	\$ 6,725,229	\$ 6,288,157	\$ 6,712,976	\$ 7,466,323	\$ 7,904,143	\$ 8,352,09	2 \$ 8,866,599	
Available Funds								
Prior Year Carryover	\$ 47,441	\$ -	\$ 67,275	\$ -	\$ -	\$ -	\$ -	Funding source, reserved at end of prior year, for encumbrances
Retained Earnings Appropriated	-	-	-	-	-	-	-	Retained Earnings used to balance the budget
Total Revenues / Available Funds	\$ 6,772,670	\$ 6,288,157	\$ 6,780,251	\$ 7,466,323	\$ 7,904,143	\$ 8,352,09	2 \$ 8,866,599	
Francisco d'Arrivo								
Expenditures	ć 220 F40	ć 227.27F	¢ 260.047	ć 260.074	ć 270.220	¢ 200.70	200 446) FV24 and begin from Dudget 2 F0/ increased
Salaries	\$ 338,518							FY21 number is from Budget; 2.5% increase yearly
MWRA Assessment	4,221,837	4,220,394	4,465,635	4,975,454	4,848,626	5,052,26		B FY21 number budgeted; FY22 projected; FY23 on typical 4.2% increase
Other Expenses	645,595	462,480	730,575	676,566	690,097	703,89		7 FY21 number is from Budget, incl. FY20 encumbrances; 2% increase yearly
Capital Outlay	116,496	26,496	90,000	90,000	90,000	90,00		FY21 number is from Budget; budget number carried forward
Existing Debt Service New Debt Service	796,313	796,312	1,202,949	1,160,200	1,059,475			FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab
Short Term Debt	-	1.347	15 000	15 000	211,000 15.000	330,77 15.00		See "New Debt Service" tab; Debt projections based on capital plan
Indirect Costs	30,000 580,799	580,799	15,000 654,440	15,000 670,801	687,571	-,	-,	FY21 number is from Budget; budget number carried forward FY21 from Budget; increase 2.5% yearly
Funding of OPEB	43,112	43,112	40,770	41,789	42,834			PY21 from Budget; increase 2.5% yearly PY21 number is from Budget; 2.5% increase yearly
Total Expenditures		\$ 6,468,216						
Total Expenditures	\$ 6,772,670	\$ 0,408,210	\$ 7,560,516	\$ 7,333,761	\$ 8,023,823	\$ 0,201,20	2 3 8,488,300	
Excess (Deficit) of Revenues and								
Available Funds > Expenditures	\$ -	\$ (180,059)	\$ (780,065)	\$ (533,458)	\$ (119,680)	\$ 70,81	\$ 378,299	
p		, (,,	, (,,	, (,	, (-,,	,.	, , , , ,	
Retained Earnings Projections								
Certified Retained Earnings July 1, 2020 \$ 1,755,213								
Retained Earnings at Start of the FY L			\$ 1,755,213	\$ 975,149	\$ 441,691	\$ 322,01	2 \$ 392,821	
Surplus/(Deficit) Current FY			\$ (780,065)					
Projected Retained Earnings at End o	of FY		\$ 975,149				I \$ 771,121	
Retained Earnings as % of Oper. Budg	get	27.1%	12.9%	5.5%	4.0%	4.7	% 9.19	%

WATER ENTERPRISE FUND OPTION 4 - 2.5% INCREASE FISCAL YEAR 2021

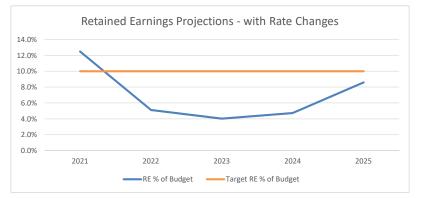
Target Retained Earnings as % of Budget: 10.0%

Baseline		2021	2022 PROJECTED			2023		2024	2025 PROJECTED		
		ROJECTED				ROJECTED	P	ROJECTED			
Surplus/Deficit	\$	(966,047)	\$ (:	1,145,882)	\$	(1,190,093)	\$	(1,482,710)	\$	(1,689,727)	
Projected Retained Earnings	\$	789,166	\$	(356,715)	\$	(1,546,809)	\$	(3,029,519)	\$	(4,719,246)	
RE as % of Budget		10.4%		-4.5%		-19.3%		-36.6%		-55.6%	
Target RE as % of Budget		10.0%		10.0%		10.0%		10.0%		10.0%	



Rate Increases:	2.50%	7.00%	7.00%	6.00%	6.00%

Rate Impact	2021 PROJECTED	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED
Surplus/Deficit	\$ (811,062)	\$ (534,721)	\$ (86,147)	\$ 69,192	\$ 337,007
Projected Retained Earnings	\$ 944,152	\$ 409,431	\$ 323,283	\$ 392,475	\$ 729,483
RE % of Budget	12.5%	5.1%	4.0%	4.7%	8.6%
Target RE % of Budget	10.0%	10.0%	10.0%	10.0%	10.0%



User Impact (per Bill)	- Water Bills	On	ly				1	New Bills				
User Type	Usage	Cı	ırrent Bill	FY21 FY22 FY23 FY2		FY24		FY25				
Tier 1 User	2,000	\$	92.70	\$ 95.02	\$	101.67	\$	108.79	\$	115.31	\$	122.23
Tier 2 User	3,000	\$	142.10	\$ 145.65	\$	155.85	\$	166.76	\$	176.76	\$	187.37
Average Residential User	4,234	\$	223.67	\$ 229.26	\$	245.31	\$	262.48	\$	278.23	\$	294.92
Avg. Res. User (for pres.)	4,362	\$	232.13	\$ 237.93	\$	254.59	\$	272.41	\$	288.75	\$	306.08
Tier 3 User	6,000	\$	340.40	\$ 348.91	\$	373.33	\$	399.47	\$	423.44	\$	448.84
Tier 4 User	10,000	\$	670.80	\$ 687.57	\$	735.70	\$	787.20	\$	834.43	\$	884.50
Tier 5 User	20,000	\$	1,591.80	\$ 1,631.60	\$	1,745.81	\$	1,868.01	\$	1,980.09	\$	2,098.90
Avg. Com. User (for pres.)	24,527	\$	2,059.44	\$ 2,110.93	\$	2,258.69	\$	2,416.80	\$	2,561.81	\$	2,715.51
Tier 6 User	50,000	\$	4,690.80	\$ 4,808.07	\$	5,144.63	\$	5,504.76	\$	5,835.04	\$	6,185.15
Tier 7 User	100,000	\$:	10,250.80	\$ 10,507.07	\$	11,242.56	\$	12,029.54	\$	12,751.32	\$:	13,516.40
Tier 8 User	200,000	\$2	21,690.80	\$ 22,233.07	\$	23,789.38	\$	25,454.64	\$	26,981.92	\$ 2	28,600.84

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

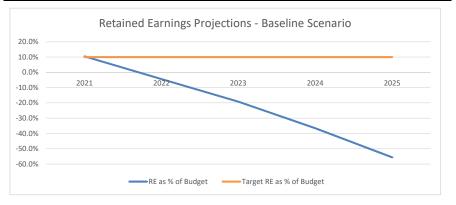
31,672.875 gallons = 4,234.0475 cubic feet per half year

WATER ENTERPRISE FUND								
	ICCAL VEAD	2024						
OPTION 4 - 2.5% INCREASE F	ISCAL YEAR	2021						
	Budgeted	Actual	Projected	Projected	Projected	Projected	Projected	
Description	FY 2020	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Comments
Revenues	11 2020	11 2020	2.50%	7.00%	7.00%			
Water User Charges	\$ 6,725,229	\$ 5,849,674	\$ 6,354,409	\$ 6,928,065	\$ 7,465,924			Based on FY20 billing; FY20-23 adj. for pandemic, + rate increases here
Water Liens on User Charges	y 0,723,223 -	277.965	207,383	416.807	351.565	316.408		Five-year average from FY16-FY20; assume level; FY21-23 adj. for pandemic
Interest on User Charges	_	23,107	26,784	26,784	26,784	26,784		Five-year average from FY16-FY20; assume level
Penalty on User Charges	_	7,436	13,465	13,465	13,465	13,465		Five-year average from FY16-FY20; assume level
Non-User Charges Fees		84,043	31,183	31,183	31,183	31,183		Five-year average from FY15-FY19, in case \$50k connection here; assume level
Miscellaneous Charges		14,412	13,145	13,145	13,145	13,145		Five-year average from FY16-FY20; assume level
Water Liens on Fees		90	3,420	3,420	3,420	3,420		Five-year average from FY16-FY20; assume level
Water Liens on Interest		31.431	32.191	32.191	32,191	32.191		Five-year average from FY16-FY20; assume level
Total Revenues	\$ 6 725 229	- , -	- / -	- , -		\$ 8,350,474		
Total Revenues	y 0,723,223	7 0,200,137	7 0,001,575	7 7,403,000	7 7,557,675	\$ 0,330,474	7 0,023,307	
Available Funds								
Prior Year Carryover	\$ 47,441	ς -	\$ 67,275	\$ -	\$ -	\$ -	\$ -	Funding source, reserved at end of prior year, for encumbrances
Retained Earnings Appropriated	γ - 77, - 1-1	-	φ 07,273 -	· -	-	-	-	Retained Earnings used to balance the budget
Total Revenues / Available Funds	\$ 6.772.670	\$ 6,288,157	\$ 6 749 254	\$ 7.465.060	\$ 7 937 675	\$ 8,350,474	\$ 8.825.307	neturned Earnings asea to balance the badget
rotal Revenues / Available Failas	ŷ 0,772,070	7 0,200,137	7 0,7 43,234	7 7,403,000	7 7,557,675	7 0,330,474	7 0,023,307	
Expenditures								
Salaries	\$ 338,518	\$ 337,275	\$ 360,947	\$ 369,971	\$ 379,220	\$ 388,700	\$ 398.418	FY21 number is from Budget; 2.5% increase yearly
MWRA Assessment	4,221,837	4,220,394	4,465,635	4,975,454	4,848,626	5,052,268		FY21 number budgeted; FY22 projected; FY23 on typical 4.2% increase
Other Expenses	645,595	462,480	730,575	676,566	690,097	703,899		FY21 number is from Budget, incl. FY20 encumbrances; 2% increase yearly
Capital Outlay	116,496	26,496	90,000	90,000	90,000	90,000		FY21 number is from Budget; budget number carried forward
Existing Debt Service	796,313	796,312	1,202,949	1,160,200	1,059,475	951,975	867,760	FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab
New Debt Service	-	-	-		211,000	330,775		See "New Debt Service" tab; Debt projections based on capital plan
Short Term Debt	30,000	1,347	15,000	15,000	15,000	15,000		FY21 number is from Budget; budget number carried forward
Indirect Costs	580,799	580,799	654,440	670,801	687,571	704,760		FY21 from Budget; increase 2.5% yearly
Funding of OPEB	43,112	43,112	40,770	41,789	42,834	43,905		FY21 number is from Budget; 2.5% increase yearly
Total Expenditures	\$ 6,772,670	\$ 6,468,216	\$ 7,560,316	\$ 7,999,781	\$ 8,023,823	\$ 8,281,282	\$ 8,488,300	
•								
Excess (Deficit) of Revenues and								
Available Funds > Expenditures	\$ -	\$ (180,059)	\$ (811,062)	\$ (534,721)	\$ (86,147)	\$ 69,192	\$ 337,007	
·			. , ,					
Retained Earnings Projections								
Certified Retained Earnings July 1, 20	\$ 1,755,213							
Retained Earnings at Start of the FY L	isted		\$ 1,755,213	\$ 944,152	\$ 409,431	\$ 323,283	\$ 392,475	
Surplus/(Deficit) Current FY			\$ (811,062)	\$ (534,721)	\$ (86,147)	\$ 69,192	\$ 337,007	
Projected Retained Earnings at End of	of FY		\$ 944,152	\$ 409,431	\$ 323,283	\$ 392,475	\$ 729,483	
Retained Earnings as % of Oper. Budg	get	27.1%	12.5%	5.1%	4.0%	4.7%	8.6%	

WATER ENTERPRISE FUND OPTION 5 - 2% INCREASE FISCAL YEAR 2021

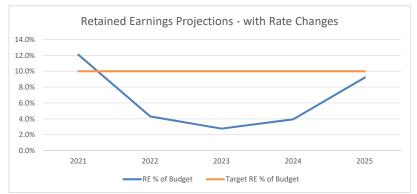
Target Retained Earnings as % of Budget: 10.0%

Baseline		2021		2022		2023		2024	2025		
		ROJECTED	PROJECTED			ROJECTED	P	ROJECTED	PROJECTED		
Surplus/Deficit	\$	(966,047)	\$	(1,145,882)	\$	(1,190,093)	\$	(1,482,710)	\$	(1,689,727)	
Projected Retained Earnings	\$	789,166	\$	(356,715)	\$	(1,546,809)	\$	(3,029,519)	\$	(4,719,246)	
RE as % of Budget		10.4%		-4.5%		-19.3%		-36.6%		-55.6%	
Target RE as % of Budget		10.0%		10.0%		10.0%		10.0%		10.0%	



Ī	Rate Increases:	2.00%	7.00%	7.00%	7.00%	7.00%

Rate Impact	PF	2021 ROJECTED	PI	2022 ROJECTED	PF	2023 ROJECTED	PR	2024 OJECTED	PR	2025 OJECTED
Surplus/Deficit	\$	(842,059)	\$	(568,516)	\$	(122,566)	\$	104,883	\$	454,335
Projected Retained Earnings	\$	913,155	\$	344,638	\$	222,072	\$	326,954	\$	781,290
RE % of Budget		12.1%		4.3%		2.8%		3.9%		9.2%
Target RE % of Budget		10.0%		10.0%		10.0%		10.0%		10.0%



User Impact (per Bill)	T	New Bills										
User Type	Usage	Current Bill		FY21		FY22		FY23	FY24		FY25	
Tier 1 User	2,000	\$ 92.70	,	\$ 94.55	\$	101.17	\$	108.25	\$	115.83	\$	123.94
Tier 2 User	3,000	\$ 142.10	,	\$ 144.94	\$	155.09	\$	165.94	\$	177.56	\$	189.99
Average Residential User	4,234	\$ 223.67	, ,	\$ 228.14	\$	244.11	\$	261.20	\$	279.48	\$	299.05
Avg. Res. User (for pres.)	4,362	\$ 232.13	,	\$ 236.77	\$	253.34	\$	271.08	\$	290.05	\$	310.36
Tier 3 User	6,000	\$ 340.40	,	\$ 347.21	\$	371.51	\$	397.52	\$	425.34	\$	455.12
Tier 4 User	10,000	\$ 670.80	,	\$ 684.22	\$	732.11	\$	783.36	\$	838.19	\$	896.87
Tier 5 User	20,000	\$ 1,591.80	9,	\$ 1,623.64	\$	1,737.29	\$	1,858.90	\$	1,989.02	\$	2,128.26
Avg. Com. User (for pres.)	24,527	\$ 2,059.44	,	\$ 2,100.63	\$	2,247.67	\$	2,405.01	\$	2,573.36	\$	2,753.49
Tier 6 User	50,000	\$ 4,690.80	9,	\$ 4,784.62	\$	5,119.54	\$	5,477.91	\$	5,861.36	\$	6,271.66
Tier 7 User	100,000	\$ 10,250.80	9,	\$ 10,455.82	\$	11,187.72	\$	11,970.86	\$	12,808.82	\$	13,705.44
Tier 8 User	200,000	\$ 21,690.80	,	\$ 22,124.62	\$	23,673.34	\$	25,330.47	\$	27,103.61	\$	29,000.86

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

WATER ENTERPRISE FUND								
OPTION 5 - 2% INCREASE FIS	CAL YEAR 2	021						
	Budgeted	Actual	Projected	Projected	Projected	Projected	Projected	
Description	FY 2020	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Comments
Revenues	F1 2020	F1 2020	2.00%	7.00%	7.00%	7.00%	7.00%	Comments
Water User Charges	\$ 6.725.220	\$ 5,849,674		\$ 6,894,270				Based on FY20 billing; FY20-23 adj. for pandemic, + rate increases here
Water User Charges	7 0,723,223	277,965	207,383	416,807	351,565	316,408		Five-year average from FY16-FY20; assume level; FY21-23 adj. for pandemic
Interest on User Charges	-	23,107	26,784	26,784	26,784	26,784		Five-year average from FY16-FY20; assume level
Penalty on User Charges		7,436	13,465	13,465	13,465	13,465		Five-year average from FY16-FY20; assume level
Non-User Charges Fees	-	84,043	31,183	31,183	31,183	31,183		Five-year average from FY15-FY19, in case \$50k connection here; assume level
Miscellaneous Charges		14,412	13,145	13,145	13,145	13,145		Five-year average from FY16-FY20; assume level
Water Liens on Fees		90	3,420	3,420	3,420	3,420		Five-year average from FY16-FY20; assume level
Water Liens on Interest		31,431	32,191	32,191	32,191	32,191		Five-year average from FY16-FY20; assume level
	\$ 6.725.229					\$ 8,386,165		Tive year average nontrilo 1120, assume level
Total Nevenues	ψ 0,723,223	ψ 0,200,237	ψ 0,030,30 <u>L</u>	ψ 7,131,201	Ų 7,501,250	ψ 0,500,105	ψ 0,542,033	
Available Funds								
Prior Year Carryover	\$ 47,441	\$ -	\$ 67,275	\$ -	\$ -	\$ -	\$ -	Funding source, reserved at end of prior year, for encumbrances
Retained Earnings Appropriated	· · · ·	-	-	· -	-	-	-	Retained Earnings used to balance the budget
Total Revenues / Available Funds	\$ 6,772,670	\$ 6,288,157	\$ 6,718,257	\$ 7,431,264	\$ 7,901,256	\$ 8,386,165	\$ 8,942,635	g
Expenditures								
Salaries	\$ 338,518	\$ 337,275		\$ 369,971				FY21 number is from Budget; 2.5% increase yearly
MWRA Assessment	4,221,837	4,220,394	4,465,635	4,975,454	4,848,626	5,052,268		FY21 number budgeted; FY22 projected; FY23 on typical 4.2% increase
Other Expenses	645,595	462,480	730,575	676,566	690,097	703,899		FY21 number is from Budget, incl. FY20 encumbrances; 2% increase yearly
Capital Outlay	116,496	26,496	90,000	90,000	90,000	90,000		FY21 number is from Budget; budget number carried forward
Existing Debt Service	796,313	796,312	1,202,949	1,160,200	1,059,475	951,975		FY20 and FY21 numbers are from budgets; Rest from "Existing Debt Service" tab
New Debt Service	-	-	-	-	211,000	330,775		See "New Debt Service" tab; Debt projections based on capital plan
Short Term Debt	30,000	1,347	15,000	15,000	15,000	15,000		FY21 number is from Budget; budget number carried forward
Indirect Costs	580,799	580,799	654,440	670,801	687,571	704,760		FY21 from Budget; increase 2.5% yearly
Funding of OPEB	43,112	43,112	40,770	41,789	42,834	43,905		FY21 number is from Budget; 2.5% increase yearly
Total Expenditures	\$ 6,772,670	\$ 6,468,216	\$ 7,560,316	\$ 7,999,781	\$ 8,023,823	\$ 8,281,282	\$ 8,488,300	
Excess (Deficit) of Revenues and								
Available Funds > Expenditures	\$ -	\$ (180,059)	\$ (842,059)	\$ (568,516)	\$ (122,566)	\$ 104,883	\$ 454,335	
Retained Earnings Projections								
Certified Retained Earnings July 1, 20	120	\$ 1,755,213						
Retained Earnings at Start of the FY L		1,/35,413 ب	\$ 1,755,213	\$ 913,155	\$ 344,638	\$ 222,072	\$ 326,954	
Surplus/(Deficit) Current FY	-isteu		\$ (842.059)					
Projected Retained Earnings at End of	of FV		\$ (842,039)	1 (//				
Retained Earnings as % of Oper. Budg		27.1%	3 913,133	3 344,038	2.8%	3.9%	9.2%	
netained carriings as % or Oper. Bud	gei	27.1%	12.1%	4.3%	2.8%	3.9%	9.2%	1

Town of Saugus FY2021 Water Rates Update

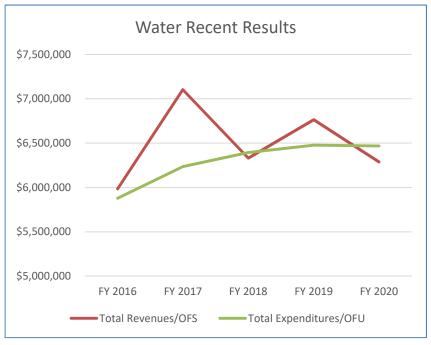
The Abrahams Group
November 2020

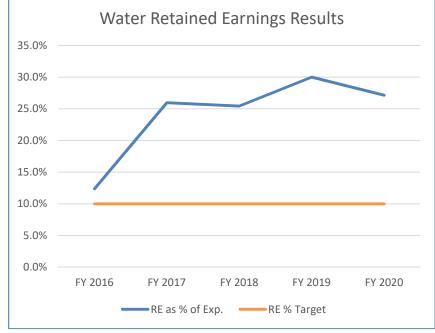
Five-Year Look Back

The following rate changes were implemented recently:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Recommended	N/A	9.5%	2.5%	3.0%	1.5%
Voted	3.0%	9.5%	2.5%	3.0%	1.5%

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 wetterthan-normal weather patterns
- People's ability to pay impacted by pandemic; 87.6% of second billing paid before demands
- No Retained Earnings used to balance the budget
- \$237k in expenditure turnbacks, \$67k in encumbrances
- Financial results:

	Budget	Actuals
Total Revenues/OFS	\$6,772,670	\$6,288,157
Total Expenditures/OFU	\$6,772,670	\$6,468,216
Surplus/(Deficit)	\$0	\$(180,059)

FY20 in Review (Cont.)

	Recommended 1.5% Proj. FY20	Voted 1.5% Proj. FY20	Voted 1.5% Actual 2020
Revenues	\$6,923,521	\$6,923,521	\$6,288,157
Retained Earnings Appropriated	\$0	\$0	\$0
Total Revenues and Available Funds	\$6,923,521	\$6,923,521	\$6,288,157
Total Expenditures	\$6,725,227	\$6,725,227	\$6,468,216
Surplus/(Deficit)	\$198,294	\$198,294	\$(180,059)
Retained Earnings Projections			
Retained Earnings at Start of FY20	\$1,844,082	\$1,844,082	\$1,943,926
Retained Earnings Appropriated	\$0	\$0	\$0
Surplus/(Deficit) for FY20	\$198,294	\$198,294	\$(180,059)
Retained Earnings at End of FY20	\$2,042,376	\$2,042,376	\$1,755,213
Retained Earnings as % of Budget	30.4%	30.4%	27.1%

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 fiveyear capital plan, to be funded through future bond authorization.

- \$50k for new mini-excavator 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
- \$1.2m for water main replacements in FY2023
 - To be financed through 10-year, 0% interest MWRA loan
- \$150k for replacement of dump 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	6.6%	2.5%	2.5%	2.5%	2.5%
Debt	47.4%	-3.5%	9.4%	1.0%	-3.7%
Other Expenses	5.5%	9.1%	-1.5%	3.7%	3.7%
Total Expenses	10.6%	6.8%	0.3%	3.2%	2.5%

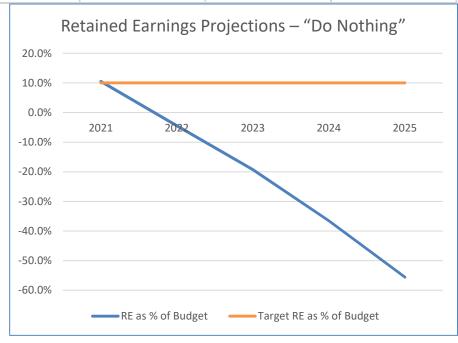
Notable Impacts:

- Salaries in FY21 impacted by new contractual obligations and one-time sick leave buyback obligation on new retiree
- Debt increases \$392k from FY20 to FY21, \$110k from FY22 to FY23 when new debt to fund capital plan starts
- MWRA assessment increases \$245k from FY20 to FY21 and a projected \$510k from FY21 to FY22

Where Are We Now?

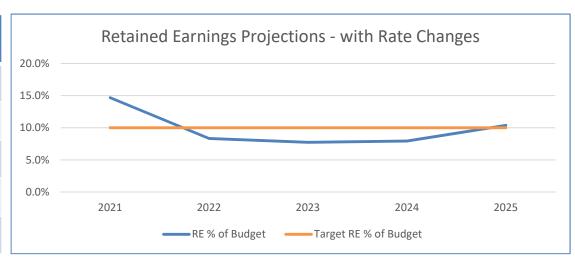
	Projected		Projected		Projected		Projected		Projected	
Description	FY 2021		FY 2022		FY 2023		FY 2024		FY 2025	
Total Revenues and OFS	\$	6,594,269	\$	6,853,899	\$	6,833,729	\$	6,798,573	\$	6,798,573
Total Expenditures and OFU	\$	7,560,316	\$	7,999,781	\$	8,023,823	\$	8,281,282	\$	8,488,300
Excess/(Deficiency)	\$	(966,047)	\$	(1,145,882)	\$	(1,190,093)	\$	(1,482,710)	\$	(1,689,727)
Retained Earnings Summary										
RE at start of FY	\$	1,755,213	\$	789,166	\$	(356,716)	\$	(1,546,809)	\$	(3,029,519)
Current Year Surplus (Deficit)	\$	(966,047)	\$	(1,145,882)	\$	(1,190,093)	\$	(1,482,710)	\$	(1,689,727)
Projected Retained Earnings Balance	\$	789,166	\$	(356,716)	\$	(1,546,809)	\$	(3,029,519)	\$	(4,719,246)
Retained Earnings % of Expenditures		10.4%		-4.5%		-19.3%		-36.6%		-55.6%

- 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 \$1.755 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 – 5% Increase FY21

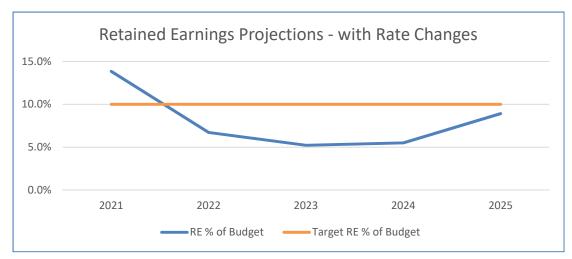
Five-Year Rate Plan							
FY 2021	5.0%						
FY 2022	6.0%						
FY 2023	6.0%						
FY 2024	5.0%						
FY 2025	5.0%						



User Impact	Usage /	FY20	FY	21	FY22	FY23		
User Example	Bill	Bill	Bill	Diff \$	Bill Diff\$	Bill Diff\$		
Tier 1 User	2,000	\$ 93	\$ 97	\$ 5	\$ 103 \$ 6	\$ 109 <mark>\$ 6</mark>		
Tier 2 User	3,000	\$ 142	\$ 149	\$ 7	\$ 158 <mark>\$ 9</mark>	\$ 168 <mark>\$ 9</mark>		
Avg. Residential User	4,362	\$ 232	\$ 244	\$ 12	\$ 258 <mark>\$ 15</mark>	\$ 274 <mark>\$ 16</mark>		
Avg. Commercial User	24,527	\$2,059	\$ 2,162	\$ 103	\$ 2,292 \$ 130	\$ 2,430 \$ 138		
User Impact	Usage /	FY20	FY24		FY25	FY25/FY20		
User Example	Bill	Bill	Bill	Diff \$	Bill Diff \$	Bill Diff\$		
Tier 1 User	2,000	\$ 93	\$ 115	\$ 5	\$ 121 <mark>\$ 6</mark>	\$ 121 <mark>\$ 28</mark>		
Tier 2 User	3,000	\$ 142	\$ 176	\$ 8	\$ 185 <mark>\$ 9</mark>	\$ 185 <mark>\$ 43</mark>		
Avg. Residential User	4,362	\$ 232	\$ 288	\$ 14	\$ 302 <mark>\$ 14</mark>	\$ 302 <mark>\$ 70</mark>		
Avg. Commercial User	24,527	\$2,059	\$ 2,551	\$ 121	\$ 2,679 \$ 128	\$ 2,679 \$ 619		

Rate Option 2 – 4% Increase FY21

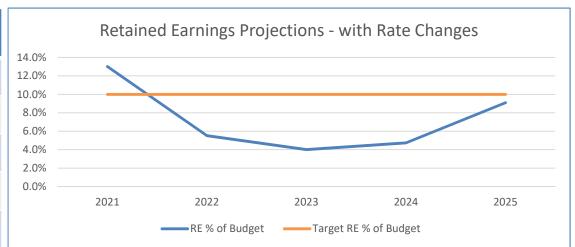
Five-Year Rate Plan							
FY 2021	4.0%						
FY 2022	6.0%						
FY 2023	6.0%						
FY 2024	6.0%						
FY 2025	6.0%						



User Impact	Usage /	FY20	FY	21	FY22	FY23		
User Example	Bill	Bill	Bill	Diff \$	Bill Diff\$	Bill Diff \$		
Tier 1 User	2,000	\$ 93	\$ 96	\$ 4	\$ 102 \$ 6	\$ 108 <mark>\$ 6</mark>		
Tier 2 User	3,000	\$ 142	\$ 148	\$ 6	\$ 157 <mark>\$ 9</mark>	\$ 166 <mark>\$ 9</mark>		
Avg. Residential User	4,362	\$ 232	\$ 241	\$ 9	\$ 256 <mark>\$ 14</mark>	\$ 271 <mark>\$ 15</mark>		
Avg. Commercial User	24,527	\$2,059	\$ 2,142	\$ 82	\$ 2,270 \$ 129	\$ 2,407 \$ 136		
User Impact	Usage /	FY20	FY	24	FY25	FY25/FY20		
User Example	Bill	Bill	Bill	Diff \$	Bill Diff\$	Bill Diff \$		
Tier 1 User	2,000	\$ 93	\$ 115	\$ 6	\$ 122 \$ 7	\$ 122 <mark>\$ 29</mark>		
Tier 2 User	3,000	\$ 142	\$ 176	\$ 10	\$ 187 <mark>\$ 11</mark>	\$ 187 <mark>\$ 44</mark>		
Avg. Residential User	4,362	\$ 232	\$ 288	\$ 16	\$ 305 <mark>\$ 17</mark>	\$ 305 <mark>\$ 73</mark>		
Avg. Commercial User	24,527	\$2,059	\$ 2,551	\$ 144	\$ 2,704 \$ 153	\$ 2,704 <mark>\$ 645</mark>		

Rate Option 3 – 3% Increase FY21

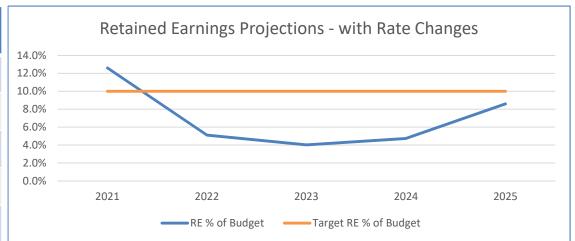
Five-Year Rate Plan							
FY 2021	3.0%						
FY 2022	6.5%						
FY 2023	6.5%						
FY 2024	6.5%						
FY 2025	6.5%						



User Impact	Usage /	FY20	FY	21	FY22		FY2	23
User Example	Bill	Bill	Bill	Diff \$	Bill C	Oiff\$	Bill	Diff \$
Tier 1 User	2,000	\$ 93	\$ 95	\$ 3	\$ 102 \$	6	\$ 108	\$ 7
Tier 2 User	3,000	\$ 142	\$ 146	\$ 4	\$ 156 <mark>\$</mark>	10	\$ 166	\$ 10
Avg. Residential User	4,362	\$ 232	\$ 239	\$ 7	\$ 255 <mark>\$</mark>	16	\$ 271	\$ 17
Avg. Commercial User	24,527	\$2,059	\$ 2,121	\$ 62	\$ 2,259 \$	138	\$ 2,406	\$ 147
User Impact	Usage /	FY20	FY	24	FY25		FY25/	FY20
User Example	Bill	Bill	Bill	Diff \$	Bill C	Diff\$	Bill	Diff \$
Tier 1 User	2,000	\$ 93	\$ 115	\$ 7	\$ 123 \$	7	\$ 123	\$ 30
Tier 2 User	3,000	\$ 142	\$ 177	\$ 11	\$ 188 <mark>\$</mark>	11	\$ 188	\$ 46
Avg. Residential User	4,362	\$ 232	\$ 289	\$ 18	\$ 308 \$	19	\$ 308	\$ 75
Avg. Residential Osei	7,302	Y 232	7				•	•

Rate Option 4 – 2.5% Increase FY21

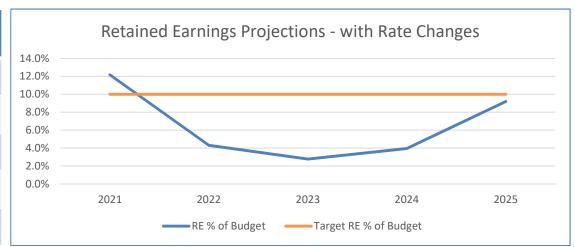
Five-Year Rate Plan						
FY 2021	2.5%					
FY 2022	7.0%					
FY 2023	7.0%					
FY 2024	6.0%					
FY 2025	6.0%					



User Impact	Usage /	FY20	FY	21	FY22		FY2	23
User Example	Bill	Bill	Bill	Diff \$	Bill	Diff\$	Bill	Diff \$
Tier 1 User	2,000	\$ 93	\$ 95	\$ 2	\$ 102	\$ 7	\$ 109	\$ 7
Tier 2 User	3,000	\$ 142	\$ 146	\$ 4	\$ 156	\$ 10	\$ 167	\$ 11
Avg. Residential User	4,362	\$ 232	\$ 238	\$ 6	\$ 255	\$ 17	\$ 272	\$ 18
Avg. Commercial User	24,527	\$2,059	\$ 2,111	\$ 51	\$ 2,259	\$ 148	\$ 2,417	\$ 158
User Impact	Usage /	FY20	FY	24	FY25		FY25/	FY20
User Example	Bill	Bill	Bill	Diff \$	Bill	Diff\$	Bill	Diff \$
Tier 1 User	2,000	\$ 93	\$ 115	\$ 7	\$ 122	\$ 7	\$ 122	\$ 30
Tier 2 User	3,000	\$ 142	\$ 177	\$ 10	\$ 187	\$ 11	\$ 187	\$ 45
Avg. Residential User	4,362	\$ 232	\$ 289	\$ 16	\$ 306	\$ 17	\$ 306	\$ 74
Avg. Commercial User	24,527	\$2,059	\$ 2,562	\$ 145	\$ 2,716	\$ 154	\$ 2,716	\$ 656

Rate Option 5 – 2% Increase FY21

Five-Year Rate Plan						
FY 2021	2.0%					
FY 2022	7.0%					
FY 2023	7.0%					
FY 2024	7.0%					
FY 2025	7.0%					



User Impact	Usage /	FY20	FY	21	FY22		FY2	23
User Example	Bill	Bill	Bill	Diff \$	Bill C	Diff\$	Bill	Diff \$
Tier 1 User	2,000	\$ 93	\$ 95	\$ 2	\$ 101 <mark>\$</mark>	7	\$ 108	\$ 7
Tier 2 User	3,000	\$ 142	\$ 145	\$ 3	\$ 155 \$	10	\$ 166	\$ 11
Avg. Residential User	4,362	\$ 232	\$ 237	\$ 5	\$ 253 <mark>\$</mark>	17	\$ 271	\$ 18
Avg. Commercial User	24,527	\$2,059	\$ 2,101	\$ 41	\$ 2,248 \$	147	\$ 2,405	\$ 157
User Impact	Usage /	FY20	FY	24	FY25		FY25/	FY20
User Example	Bill	Bill	Bill	Diff \$	Bill C	Diff\$	Bill	Diff \$
Tier 1 User	2,000	\$ 93	\$ 116	\$ 8	\$ 124 \$	8	\$ 124	\$ 31
Tier 2 User	3,000	\$ 142	\$ 178	\$ 12	\$ 190 \$	12	\$ 190	\$ 48
Avg. Residential User	4,362	\$ 232	\$ 290	\$ 19	\$ 310 \$	20	\$ 310	\$ 78
Avg. Commercial User	24,527	\$2,059	\$ 2,573	\$ 168	\$ 2,753 \$	180	\$ 2,753	\$ 694