TOWN OF SAUGUS FISCAL YEAR 2019 WATER RATE ANALYSIS BASELINE - NO INCREASE

Description	Budgeted FY 2018	Projected FY 2018	Budgeted FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023	Comments
Revenues								
Water User Charges	\$ 6,504,844	\$ 6,144,836	\$ 6,144,836	\$ 6,144,836	\$ 6,144,836	\$ 6,144,836	\$ 6,144,836	FY 18 actuals + carryovers from past years; assume level for baseline
Water Liens on User Charges	-	298,280	298,280	298,280	298,280	298,280	298,280	Five-year average from FY13-FY17; assume level
Interest on User Charges	-	28,117	28,117	28,117	28,117	28,117	28,117	Five-year average from FY13-FY17; assume level
Penalty on User Charges	-	14,351	14,351	14,351	14,351	14,351	14,351	Five-year average from FY13-FY17; assume level
Non-User Charges Fees	-	28,317	28,317	28,317	28,317	28,317	28,317	Five-year average from FY13-FY17; assume level
Miscellaneous Charges	-	13,631	13,631	13,631	13,631	13,631	13,631	Five-year average from FY13-FY17; assume level
Water Liens on Fees	-	5,367	5,367	5,367	5,367	5,367	5,367	Five-year average from FY13-FY17; assume level
Water Liens on Interest	-	32,662	32,662	32,662	32,662	32,662	32,662	Five-year average from FY13-FY17; assume level
Total Revenues	\$ 6,504,844	\$ 6,565,561	\$ 6,565,561	\$ 6,565,561	\$ 6,565,561	\$ 6,565,561	\$ 6,565,561	
Available Funds								
Retained Earnings Planned	· · · · · ·							Retained Earnings used to balance the budget
Total Revenues / Available Funds	\$ 6,504,844	\$ 6,565,561	\$ 6,565,561	\$ 6,565,561	\$ 6,565,561	\$ 6,565,561	\$ 6,565,561	
Fun en ditune e								
Expenditures Salaries	ć <u>222</u> 000	ć <u>222</u> 000	¢ 226 705	ć 245 245	ć 252.045	¢ 262.601	ć <u>271 750</u>	EV10 number is from Dudget, 2 EV increase user lu
	\$ 322,886		. ,	. ,	, ,		' '	FY19 number is from Budget; 2.5% increase yearly
Other Expenses	4,578,139 85,000	4,578,139 85,000	4,639,650	4,813,943 85,000	4,994,982 85,000	5,183,032 85,000	5,378,369	FY19 number budgeted; 4% incr. yearly MWRA assmnt; 2% other exp. FY19 number is from Budget; budget number carried forward
Capital Outlay	,		85,000	,	701,837	,	85,000	
Existing Debt Service New Debt Service	972,310	972,310	975,065	796,312	,	692,862	601,012	FY19 from Budget; rest from "Existing Debt Service" tab
Short Term Debt	- 10,000	10,000	- 10,000	308,395 50,000	543,345 50,000	745,446 50,000	743,090 50,000	See "New Debt Service" tab; Debt projections based on capital plan FY19 from Budget; FY20 on a higher amount due to likely increases in int. rates
Indirect Costs	472,509	472,509	533,052	546,378	560,038	574,039	588,390	FY19 from Budget; FY20 on a higher amount due to likely increases in int. rates
Funding of OPEB	64,000	64,000	41,856	42,902	43,975	45,074	46,201	FY19 from Budget; increase 2.5% yearly FY19 from Budget; increase 2.5% yearly
Total Expenditures	\$ 6,504,844	\$ 6,504,844	6,621,418	\$ 6,988,145	\$ 7,333,021	\$ 7,738,144	\$ 7,863,820	Fills from Budget, increase 2.5% yearly
Total Experiatures	Ş 0,504,644	Ş 0,504,644	\$ 0,021,410	\$ 0,566,145	\$ 7,555,021	\$ 7,750,144	\$ 7,803,820	
Excess (Deficit) of Revenues and								
Available Funds > Expenditures	\$ 0	Ś 60.717	\$ (55,857)	\$ (422.584)	Ś (767.460)	\$ (1,172,583)	\$ (1.298.259)	
•		. ,						
Retained Earnings Projections								
Certified Retained Earnings June 30	, 2017	\$ 1,618,086						
Retained Earnings at Start of the FY	Listed		\$ 1,678,803	\$ 1,622,946				
Surplus/(Deficit) Current FY		\$ 60,717	\$ (55,857)	\$ (422,584)	\$ (767,460)	\$ (1,172,583)	\$ (1,298,259)	
Projected Retained Earnings at End	of FY	Ş 1,678,803	Ş 1,622,946	\$ 1,200,362	Ş 432,902	\$ (739,681)	\$ (2,037,940)	
Retained Earnings as % of Oper. Bu		25.81%	24.51%	17.18%	5.90%	-9.56%	-25.92%	
Numbers may be off due to roundir	Ig							

TOWN OF SAUGUS FISCAL YEAR 2019 WATER RATE ANALYSIS 3.5% RATE INCREASE

Description Revenues	Budgeted FY 2018	Projected FY 2018	Budgeted FY 2019 3.50%	Projected FY 2020 3.50%	Projected FY 2021 3.50%	Projected FY 2022 3.50%	Projected FY 2023 3.50%	Comments Rate increases
								FY 18 actuals + carryovers from past years;
Water User Charges	\$ 6,504,844		1 - / /			\$ 7,051,340		rate increases mean higher user charges;
Water Liens on User Charges	-	298,280	298,280	298,280	298,280	298,280	298,280	Five-year average from FY13-FY17; assume level
Interest on User Charges	-	28,117	28,117	28,117	28,117	28,117	28,117	Five-year average from FY13-FY17; assume level
Penalty on User Charges	-	14,351	14,351	14,351	14,351	14,351	14,351	Five-year average from FY13-FY17; assume level
Non-User Charges Fees	-	28,317	28,317	28,317	28,317	28,317	28,317	Five-year average from FY13-FY17; assume level
Miscellaneous Charges	-	13,631	13,631	13,631	13,631	13,631	13,631	Five-year average from FY13-FY17; assume level
Water Liens on Fees	-	5,367	5,367	5,367	5,367	5,367	5,367	Five-year average from FY13-FY17; assume level
Water Liens on Interest	-	32,662	32,662	32,662	32,662	32,662	32,662	Five-year average from FY13-FY17; assume level
Total Revenues	\$ 6,504,844	\$ 6,565,561	\$ 6,780,630	\$ 7,003,227	\$ 7,233,614	\$ 7,472,066	\$ 7,718,862	
Available Funds								
Retained Earnings Planned								Retained Earnings used to balance the budget
Total Revenues / Available Funds	\$ 6,504,844	\$ 6 565 561	\$ 6,780,630	\$ 7 002 227	\$ 7,233,614	\$ 7,472,066	\$ 7,718,862	Netailled Latinings used to balance the budget
Total Nevenues / Available Funus	\$ 0,504,844	\$ 0,505,501	\$ 0,780,030	\$ 7,003,227	\$ 7,233,014	\$ 7,472,000	\$ 7,710,002	
Expenditures								
Salaries	\$ 322,886	\$ 322,886	\$ 336,795	\$ 345,215	\$ 353,845	\$ 362,691	\$ 371,759	FY19 number is from Budget; 2.5% increase yearly
Other Expenses	4,578,139	4,578,139	4,639,650	4,813,943	4,994,982	5,183,032	5,378,369	FY19 number budgeted; 4% incr. yearly MWRA assmnt; 2% other exp.
Capital Outlay	85,000	85,000	85,000	85,000	85,000	85,000	85,000	FY19 number is from Budget; budget number carried forward
Existing Debt Service	972,310	972,310	975,065	796,312	701,837	692,862	601,012	FY19 from Budget; rest from "Existing Debt Service" tab
New Debt Service	-	-	-	308,395	543,345	745,446	743,090	See "New Debt Service" tab; Debt projections based on capital plan
Short Term Debt	10,000	10,000	10,000	50,000	50,000	50,000	50,000	FY19 from Budget; FY20 on a higher amount due to likely increases in int. rates
Indirect Costs	472,509	472,509	533,052	546,378	560,038	574,039	588,390	FY19 from Budget; increase 2.5% yearly
Funding of OPEB	64,000	64,000	41,856	42,902	43,975	45,074	46,201	FY19 from Budget; increase 2.5% yearly
Total Expenditures	\$ 6,504,844	\$ 6,504,844	\$ 6,621,418	\$ 6,988,145	\$ 7,333,021	\$ 7,738,144	\$ 7,863,820	
Excess (Deficit) of Revenues and	\$ 0	Ś 60.717	¢ 150 212	¢ 15.092	¢ (00.407)	¢ (266.079)	¢ (144.059)	
Available Funds > Expenditures	\$0	\$ 60,717	\$ 159,212	\$ 15,082	\$ (99,407)	\$ (266,078)	\$ (144,958)	
Retained Earnings Projections								
Certified Retained Earnings June 30,	2017	\$ 1,618,086						
Retained Earnings at Start of the FY		. ,,>	\$ 1,678,803	\$ 1,838,015	\$ 1,853,097	\$ 1,753,691	\$ 1,487,612	
Surplus/(Deficit) Current FY		\$ 60,717		\$ 15,082	\$ (99,407)			
Projected Retained Earnings at End	of FY	\$ 1,678,803		\$ 1,853,097	· · · · · · · · · · · · · · · · · · ·	\$ 1,487,612	\$ 1,342,654	
Retained Earnings as % of Oper. Bud		25.81%	27.76%	26.52%	23.91%	19.22%	17.07%	
Numbers may be off due to roundin						/	,*	

TOWN OF SAUGUS FISCAL YEAR 2019 WATER RATE ANALYSIS 3.0% RATE INCREASE

Description Revenues	Budgeted FY 2018	Projected FY 2018	Budgeted FY 2019 3.00%	Projected FY 2020 3.00%	Projected FY 2021 3.00%	F	Projected FY 2022 3.00%	Projected FY 2023 3.00%	Comments Rate increases
Revenues			5.00%	5.00%	5.00%		5.00%	5.00%	FY 18 actuals + carryovers from past years;
Water User Charges	\$ 6,504,844	\$ 6 144 836	\$ 6329181	\$ 6,519,056	\$ 6,714,628	¢	6,916,067	\$ 7,123,549	rate increases mean higher user charges
Water Liens on User Charges	0,30	298,280	298,280	298,280	298,280	Ŷ	298,280	298,280	Five-year average from FY13-FY17; assume level
Interest on User Charges	-	28,117	28,117	28,117	28,117		28,117	28,117	Five-year average from FY13-FY17; assume level
Penalty on User Charges	-	14,351	14,351	14,351	14,351		14,351	14,351	Five-year average from FY13-FY17; assume level
Non-User Charges Fees	-	28,317	28,317	28,317	28,317		28,317	28,317	Five-year average from FY13-FY17; assume level
Miscellaneous Charges	-	13,631	13,631	13,631	13,631		13,631	13,631	Five-year average from FY13-FY17; assume level
Water Liens on Fees	-	5,367	5,367	5,367	5,367		5,367	5,367	Five-year average from FY13-FY17; assume level
Water Liens on Interest	-	32,662	32,662	32,662	32,662		32,662	32,662	Five-year average from FY13-FY17; assume level
Total Revenues	\$ 6,504,844	\$ 6,565,561	\$ 6,749,906	\$ 6,939,781	\$ 7,135,353	\$	7,336,792	\$ 7,544,274	
Available Funds									
Retained Earnings Planned									Retained Earnings used to balance the budget
Total Revenues / Available Funds	\$ 6,504,844	\$ 6,565,561	\$ 6,749,906	\$ 6,939,781	\$ 7,135,353	\$	7,336,792	\$ 7,544,274	
Expenditures	ć 222.00C	¢ 222.000	¢ 226 705	¢ 245 245	ć 252.045	ć	262 601	¢ 274 750	
Salaries Other Expenses	\$ 322,886 4,578,139	\$ 322,886 4,578,139	\$ 336,795 4,639,650	\$ 345,215 4,813,943	\$ 353,845 4,994,982		362,691 5,183,032	\$	FY19 number is from Budget; 2.5% increase yearly FY19 number budgeted; 4% incr. yearly MWRA assmnt; 2% other exp.
Capital Outlay	4,578,139 85,000	4,578,139 85,000	4,639,650 85,000	4,813,943 85,000	4,994,982 85,000		5,185,052 85,000	85,000	FY19 number budgeted, 4% incl. yearly wink assimit, 2% other exp. FY19 number is from Budget; budget number carried forward
Existing Debt Service	972,310	972,310	975,065	796,312	701,837		692,862	601,012	FY19 from Budget; rest from "Existing Debt Service" tab
New Debt Service	-	-	-	308,395	543,345		745,446	743,090	See "New Debt Service" tab; Debt projections based on capital plan
Short Term Debt	10,000	10,000	10,000	50,000	50,000		50,000	50,000	FY19 from Budget; FY20 on a higher amount due to likely increases in int. rates
Indirect Costs	472,509	472,509	533,052	546,378	560,038		574,039	588,390	FY19 from Budget; increase 2.5% yearly
Funding of OPEB	64,000	64,000	41,856	42,902	43,975		45,074	46,201	FY19 from Budget; increase 2.5% yearly
Total Expenditures	\$ 6,504,844	\$ 6,504,844	\$ 6,621,418	\$ 6,988,145	\$ 7,333,021	\$	7,738,144	\$ 7,863,820	
Excess (Deficit) of Revenues and									
Available Funds > Expenditures	\$ O	\$ 60,717	\$ 128,488	\$ (48,363)	\$ (197,668)	¢	(401,352)	\$ (319,546)	
	Ϋ́Ο	Ş 00,717	Ş 120,400	Ş (40,505)	\$ (157,000)	Ŷ	(401,332)	Ş (313,340)	
Retained Earnings Projections									
Certified Retained Earnings June 30,		\$ 1,618,086							
Retained Earnings at Start of the FY	Listed			\$ 1,807,291			1,561,260		
Surplus/(Deficit) Current FY	6	\$ 60,717		, , ,			(401,352)		
Projected Retained Earnings at End		\$ 1,678,803	1 1 1	. , ,	\$ 1,561,260		1,159,908	\$ 840,361	
Retained Earnings as % of Oper. Buc	0	25.81%	27.29%	25.17%	21.29%		14.99%	10.69%	

Numbers may be off due to rounding

TOWN OF SAUGUS PROPOSED WATER CAPITAL IMPROVEMENTS - FISCAL YEAR 2019

PROPOSED WATER ENTERPRISE FUND PROJECTS

CC#	Description		Priority	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>Total</u>
DPW-23	Replace Truck 604 (compressor truck)	Borrowed	1	\$ 120,000.00					\$ 120,000.00
DPW-22	Replace Truck 603 - w/ Utility Truck	Borrowed	1	\$ 90,000.00					\$ 90,000.00
DPW-27	Water Main Replacements	Borrowed \$250k	1	\$ 250,000.00		\$ 3,000,000.00	\$ 2,000,000.00	\$ 1,100,000.00	\$ 6,350,000.00
DPW-18	Replace 3 Trench dewatering pumps		3				\$ 8,000.00		\$ 8,000.00
DPW-26	New Mini Excavator		3				\$ 20,000.00	\$ 20,000.00	\$ 40,000.00
DPW-20	Replace Truck No 634		4				\$ 60,000.00		\$ 60,000.00
DPW-25	Replace Truck 620 (5 ton dump truck)		5					\$ 190,000.00	\$ 190,000.00
NEW	Water meter replacement program						\$ 1,500,000.00		\$ 1,500,000.00
	Sub-Total			\$ 460,000.00	\$-	\$ 3,000,000.00	\$ 3,588,000.00	\$ 1,310,000.00	\$ 8,238,000.00

A portion of this to be funded through the MWRA or Mass Drinking Water Trust

DPW-27 Debt service issued to date is on the most recent long-term debt service schedule.

\$1,324,200 to be authorized at Town Meeting in May 2018 from MWRA

\$1,284,746 previously authorized from MWRA

\$500,000 previously authorized from Non-MWRA totals \$3m to be issued in FY19 debt service in FY20

All MWRA debt is 0% interest payable over 10 years Assume 4.5% interest payable over 20 years

Changed from \$3m to the total presented below, per Wendy's notes

 FY19 MWRA Amt
 \$ 2,608,946.00

 FY19 Non-MWRA Amt
 \$ 500,000.00

This program is \$3m total, but is split 50%, 50% with sewer.