



City of Dodgeville, WI

2025 Utilities Financial Management Plan

July 1, 2025 Council Meeting

Why are we here?

- Analyze the impact of planned capital projects on the water (8.28M) & sewer (5.11M) utilities
- Ehlers to identify fiscal sustainability
- Our Process
 - ✓ Historical Rate and Financial Performance; PSC Education
 - ✓ Future Projections
 - O&M, Depreciation, and PILOT
 - Funding Project(s): Debt vs. Cash
 - ✓ Rate Impact

PSC Windows of Opportunity to Adjust Rates

Simplified Rate Case ("SRC")

- Once a year and only if eligible
- Eligibility based on time and finances
 - The cumulative rate increase of all SRCs since the last conventional rate case must not exceed 40 percent.
- Finances: if PSC report indicates that year's SRC rate would not take utility over benchmark ROR

Conventional Rate Case ("CRC")

- Eligible whenever
- PSC will generally want their math

Water Rates Historical Implementation

- Last Conventional Rate Case (CRC) completed June 22, 2023 with second step implemented January 16, 2025 to recover:
 - ✓ O&M and Taxes: 754,357
 - ✓ Deprecation: 314,980
 - ✓ ROR: 600,432
- Simplified Rate Case (SRC) window of opportunity: until 40% cumulative adjustments, then PSC would force CRC

PSC Math Review

How much revenue should we generate from user rates?



Cash Basis

- + Op. and Maint. Expenses
- + Taxes/Transfer Payments
- + Debt Service (P&I)
- + Capital funded from rates
- Less Non-rate Revenue
- = Total Revenue Requirements

Utility Basis - PSC

- + Op. and Maint. Expenses
- + Taxes/Transfer Payments
- + Depreciation
- + Rate of Return on Rate Base
- Less Non-Rate Revenue
- = Total Revenue Requirements

Water: Historical Rate Performance

Revenue Requirement		Shown with no increase				Est	Budget
Component	Description	2020	2021	2022	2023	2024	2025
Cash Basis							
1	O&M and PILOT	\$674,633	\$776,449	\$762,256	\$718,963	\$800,588	\$823,500
2	Debt	\$218,357	\$146,349	\$22,816	\$36,790	\$121,985	\$191,791
3	Cash Funded Capital	\$600,315	\$422,528	\$937,529	\$18,068	\$48,794	\$76,717
Less:							
	Other Revenue	\$24,385	\$29,885	\$31,663	\$31,780	\$34,337	\$34,000
	Interest Income	\$1,031	\$128	\$2,403	\$65	\$3,500	\$5,000
	Revenue Requirement (Costs less Other Income)	\$1,467,889	\$1,315,313	\$1,688,535	\$741,976	\$933,530	\$1,053,008
	User Rates Revenue	\$1,029,000	\$1,061,929	\$1,068,550	\$1,217,496	\$1,424,867	\$1,610,000
	Rate Adequacy	(\$438,889)	(\$253,384)	(\$619,985)	\$475,520	\$491,337	\$556,992
	Rate Adjustment Needed	42.65%	23.86%	58.02%	0.00%	0.00%	0.00%
Utility Basis (PSC)							
1	O&M and PILOT	\$674,633	\$776,449	\$762,256	\$718,963	\$800,588	\$823,500
2	Depreciation	\$193,178	\$202,028	\$216,765	\$229,513	\$263,211	\$327,596
	NIRB	\$6,148,956	\$6,518,835	\$7,070,589	\$7,585,857	\$8,705,105	\$10,292,685
	PSC Benchmark ROI %	4.90%	4.90%	4.90%	6.50%	6.50%	6.20%
3	PSC Calculated ROI	\$301,299	\$319,423	\$346,459	\$493,081	\$565,832	\$638,146
Less:							
	Other Revenue	\$24,385	\$29,885	\$31,663	\$31,780	\$34,337	\$34,000
	Revenue Requirement (Costs less Other Income)	\$1,144,725	\$1,268,015	\$1,293,817	\$1,409,777	\$1,595,294	\$1,755,242
	User Rates Revenue	\$1,029,000	\$1,061,929	\$1,068,550	\$1,217,496	\$1,424,867	\$1,610,000
	Rate Adequacy	(\$115,725)	(\$206,086)	(\$225,267)	(\$192,281)	(\$170,427)	(\$145,242)
	Rate Adjustment Needed	11.25%	19.41%	21.08%	15.79%	11.96%	9.02%

Rates performing on a cash basis

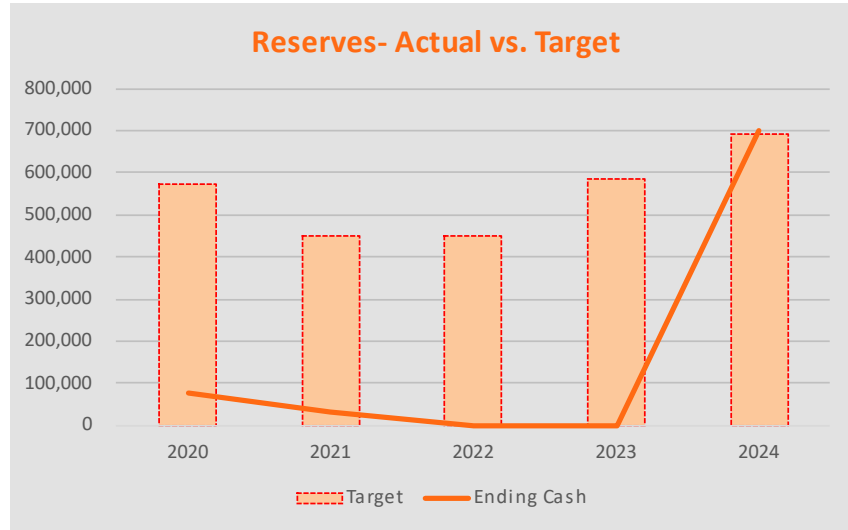
and not on utility basis (PSC uses)

Let's investigate the history further....

Notes:

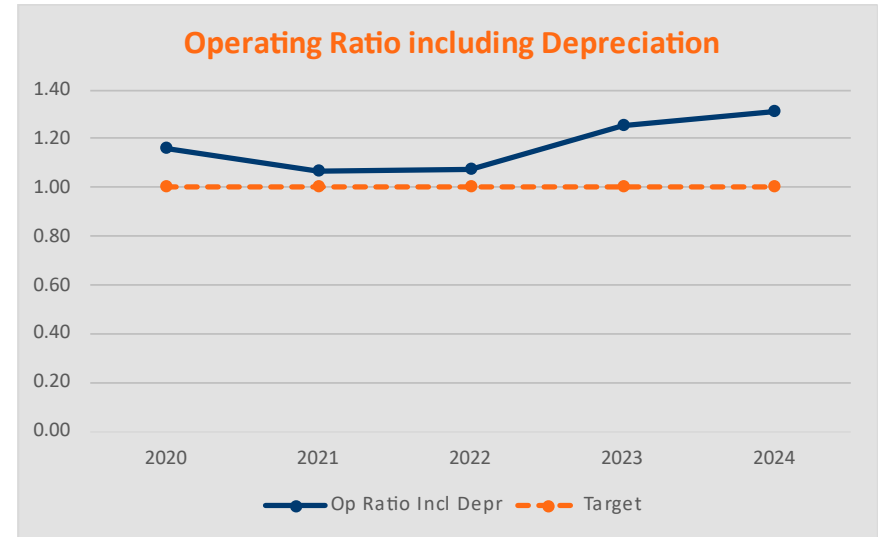
^aIncludes recommended debt coverage at 1.4x annual debt payment

Water: Historical Financial Indicators



- Reserves to fund deficits and capital (5 mo. Target)

- Concerns of aging system



Water Rate Option 1 – Do Nothing



- Do nothing approach would eliminate any rate adjustments, but it would also increase amount needed to adjust rates to meet PSC Benchmark in the future compounding approx. 5.9% annually 2026-2034. The longer you wait the more impactful the PSC would cause the magnitude of a one-time adjustment.
- (Depicted on next slide) The Utility drain reserves by 2034

	Budget 2025	Projected								
		2026	2027	2028	2029	2030	2031	2032	2033	2034
Rate of Return										
Average Utility Plant in Service	13,831,075	14,488,575	15,133,575	15,801,075	17,456,075	19,118,575	19,697,950	20,339,825	20,924,825	21,434,825
Plus: Materials and Supplies	25,323	25,323	25,323	25,323	25,323	25,323	25,323	25,323	25,323	25,323
Less: Avg. Utility Plant Accum. Depreciation	3,563,713	3,843,300	4,047,142	4,269,583	4,282,150	4,354,378	4,745,702	5,143,685	5,579,012	6,053,880
Less: Regulatory Liability	0	0	0	0	0	0	0	0	0	0
Average Net Investment Rate Base (NIRB)	10,292,685	10,670,598	11,111,756	11,556,814	13,199,247	14,789,520	14,977,570	15,221,462	15,371,135	15,406,268
Net Operating Income	492,904	442,222	395,265	343,163	269,127	166,388	117,169	64,831	12,209	(37,226)
ROR	4.79%	4.14%	3.56%	2.97%	2.04%	1.13%	0.78%	0.43%	0.08%	-0.24%
PSC Projected Benchmark	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%
Rate Adj. to Benchmark	9.02%	13.62%	18.24%	23.19%	34.11%	46.62%	50.40%	54.59%	58.43%	61.64%

Water: Future Projection – Do Nothing

	Budget	Projected								
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Revenues										
Total Revenues from User Rates ¹	\$1,610,000	\$1,610,000	\$1,610,000	\$1,610,000	\$1,610,000	\$1,610,000	\$1,610,000	\$1,610,000	\$1,610,000	\$1,610,000
Percent Increase to User Rates	22.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Cumulative Percent Rate Increase	22.10%	22.10%	22.10%	22.10%	22.10%	22.10%	22.10%	22.10%	22.10%	22.10%
Dollar Amount Increase to Revenues		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Revenues	\$39,000	\$37,849	\$41,828	\$44,398	\$44,198	\$46,552	\$45,143	\$43,307	\$51,932	\$48,076
Total Revenues	\$1,649,000	\$1,647,849	\$1,651,828	\$1,654,398	\$1,654,198	\$1,656,552	\$1,655,143	\$1,653,307	\$1,661,932	\$1,658,076
Less: Expenses										
Operating and Maintenance ²	\$634,009	\$652,864	\$672,282	\$692,278	\$712,872	\$734,079	\$755,919	\$778,411	\$801,573	\$825,427
PILOT Payment	\$189,491	\$195,176	\$201,031	\$207,062	\$213,274	\$219,672	\$226,262	\$233,050	\$240,042	\$247,243
Net Before Debt Service and Capital Expenditures	\$825,500	\$799,809	\$778,516	\$755,058	\$728,052	\$702,801	\$672,962	\$641,846	\$620,317	\$585,406
Debt Service										
Existing Debt P&I	\$191,791	\$191,770	\$191,747	\$191,724	\$191,701	\$191,677	\$191,653	\$191,628	\$191,602	\$141,524
New (2025-2034) Debt Service P&I	\$0	\$92,575	\$92,119	\$138,551	\$136,188	\$314,366	\$312,004	\$309,641	\$356,063	\$353,438
Total Debt Service	\$191,791	\$284,345	\$283,866	\$330,275	\$327,889	\$506,043	\$503,656	\$501,269	\$547,665	\$494,962
Transfer In (Out)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less: Capital Improvements	\$883,288	\$490,000	\$800,000	\$535,000	\$2,775,000	\$550,000	\$608,750	\$675,000	\$495,000	\$525,000
Debt Proceeds	\$955,000	\$0	\$750,000	\$0	\$2,775,000	\$0	\$0	\$675,000	\$0	\$0
Net Annual Cash Flow	\$705,421	\$25,464	\$444,650	(\$110,217)	\$400,163	(\$353,242)	(\$439,444)	\$140,577	(\$422,348)	(\$434,555)
Restricted and Unrestricted Cash Balance:										
Balance at first of year	\$698,094	\$1,403,515	\$1,428,979	\$1,873,629	\$1,763,412	\$2,163,575	\$1,810,333	\$1,370,889	\$1,511,466	\$1,089,118
Net Annual Cash Flow Addition/(subtraction)	\$705,421	\$25,464	\$444,650	-\$110,217	\$400,163	-\$353,242	-\$439,444	\$140,577	-\$422,348	-\$434,555
Balance at end of year	\$1,403,515	\$1,428,979	\$1,873,629	\$1,763,412	\$2,163,575	\$1,810,333	\$1,370,889	\$1,511,466	\$1,089,118	\$654,563
"All-in" Debt Coverage	4.30	2.81	2.74	2.29	2.22	1.39	1.34	1.28	1.13	1.18
PSC Days Cash on Hand	648	590	795	680	839	542	381	422	259	117

Notes:
1) Assumes no changes in customer count or usage beyond Test Year.
2) Assumes 3.00% annual inflation beyond budget year.

Legend:
 Simplified Rate Case (projected eligibility)
 Conventional (Full) Rate Case

Water Rate Option 2 – SRCs

- This approach would mitigate exposure to the amount needed to adjust rates to meet PSC Benchmark in the future by approx. 20% during the planning period, under the same assumptions for both scenarios.
- (Depicted on next slide) Healthier financial sustainability than Option 1

	Budget 2025	Projected								
		2026	2027	2028	2029	2030	2031	2032	2033	2034
Rate of Return										
Average Utility Plant in Service	13,831,075	14,488,575	15,133,575	15,801,075	17,456,075	19,118,575	19,697,950	20,339,825	20,924,825	21,434,825
Plus: Materials and Supplies	25,323	25,323	25,323	25,323	25,323	25,323	25,323	25,323	25,323	25,323
Less: Avg. Utility Plant Accum. Depreciation	3,563,713	3,843,300	4,047,142	4,269,583	4,282,150	4,354,378	4,745,702	5,143,685	5,579,012	6,053,880
Less: Regulatory Liability	0	0	0	0	0	0	0	0	0	0
Average Net Investment Rate Base (NIRB)	10,292,685	10,670,598	11,111,756	11,556,814	13,199,247	14,789,520	14,977,570	15,221,462	15,371,135	15,406,268
Net Operating Income	492,904	442,222	443,565	391,463	367,176	264,437	266,459	214,121	214,278	164,843
ROR	4.79%	4.14%	3.99%	3.39%	2.78%	1.79%	1.78%	1.41%	1.39%	1.07%
PSC Projected Benchmark	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%
Rate Adj. to Benchmark	9.02%	13.62%	14.80%	19.60%	26.41%	38.20%	37.64%	41.47%	40.77%	43.62%

Water: Future Projection – SRCs

	Budget 2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Revenues										
Total Revenues from User Rates ¹	\$1,610,000	\$1,610,000	\$1,658,300	\$1,658,300	\$1,708,049	\$1,708,049	\$1,759,290	\$1,759,290	\$1,812,069	\$1,812,069
Percent Increase to User Rates	22.10%	0.00%	3.00%	0.00%	3.00%	0.00%	3.00%	0.00%	3.00%	0.00%
Cumulative Percent Rate Increase	22.10%	22.10%	25.76%	25.76%	29.54%	29.54%	33.42%	33.42%	37.42%	37.42%
Dollar Amount Increase to Revenues		\$0	\$48,300	\$0	\$49,749	\$0	\$51,241	\$0	\$52,779	\$0
Total Other Revenues	\$39,000	\$37,849	\$41,828	\$44,640	\$44,682	\$47,529	\$46,615	\$45,533	\$57,899	\$56,124
Total Revenues	\$1,649,000	\$1,647,849	\$1,700,128	\$1,702,940	\$1,752,731	\$1,755,578	\$1,805,906	\$1,804,823	\$1,869,968	\$1,868,193
Less: Expenses										
Operating and Maintenance ²	\$634,009	\$652,864	\$672,282	\$692,278	\$712,872	\$734,079	\$755,919	\$778,411	\$801,573	\$825,427
PILOT Payment	\$189,491	\$195,176	\$201,031	\$207,062	\$213,274	\$219,672	\$226,262	\$233,050	\$240,042	\$247,243
Net Before Debt Service and Capital Expenditures	\$825,500	\$799,809	\$826,816	\$803,600	\$826,585	\$801,827	\$823,725	\$793,363	\$828,353	\$795,523
Debt Service										
Existing Debt P&I	\$191,791	\$191,770	\$191,747	\$191,724	\$191,701	\$191,677	\$191,653	\$191,628	\$191,602	\$141,524
New (2025-2034) Debt Service P&I	\$0	\$92,575	\$92,119	\$138,551	\$136,188	\$314,366	\$312,004	\$309,641	\$356,063	\$353,438
Total Debt Service	\$191,791	\$284,345	\$283,866	\$330,275	\$327,889	\$506,043	\$503,656	\$501,269	\$547,665	\$494,962
Transfer In (Out)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less: Capital Improvements	\$883,288	\$490,000	\$800,000	\$535,000	\$2,775,000	\$550,000	\$608,750	\$675,000	\$495,000	\$525,000
Debt Proceeds	\$955,000	\$0	\$750,000	\$0	\$2,775,000	\$0	\$0	\$675,000	\$0	\$0
Net Annual Cash Flow	\$705,421	\$25,464	\$492,950	(\$61,676)	\$498,696	(\$254,216)	(\$288,682)	\$292,094	(\$214,312)	(\$224,439)
Restricted and Unrestricted Cash Balance:										
Balance at first of year	\$698,094	\$1,403,515	\$1,428,979	\$1,921,929	\$1,860,253	\$2,358,949	\$2,104,733	\$1,816,052	\$2,108,145	\$1,893,833
Net Annual Cash Flow Addition/(subtraction)	\$705,421	\$25,464	\$492,950	-\$61,676	\$498,696	-\$254,216	-\$288,682	\$292,094	-\$214,312	-\$224,439
Balance at end of year	\$1,403,515	\$1,428,979	\$1,921,929	\$1,860,253	\$2,358,949	\$2,104,733	\$1,816,052	\$2,108,145	\$1,893,833	\$1,669,395
"All-in" Debt Coverage	4.30	2.81	2.91	2.43	2.52	1.58	1.64	1.58	1.51	1.61
PSC Days Cash on Hand	648	590	818	722	923	645	535	624	517	438

Notes:
1) Assumes no changes in customer count or usage beyond Test Year.
2) Assumes 3.00% annual inflation beyond budget year.

Legend:
Simplified Rate Case (projected eligibility)
Conventional (Full) Rate Case

Water: Impact on Avg. Res. Bill

Year	Water				
	Increase	Water Vol. Charge ¹	Water User Charge ²	Utility Bill (Monthly)	Change Over Prior Year
		<u>Tiered</u>	<u>Serv. + PFP</u>		
2024		5.76	21.25	\$ 39.97	
2025	22.10%	7.03	24.05	\$ 46.90	\$ 6.93
2026	0.00%	7.03	24.05	\$ 46.90	\$ -
2027	3.00%	7.24	24.77	\$ 48.30	\$ 1.41
2028	0.00%	7.24	24.77	\$ 48.30	\$ -
2029	3.00%	7.46	25.51	\$ 49.75	\$ 1.45
2030	0.00%	7.46	25.51	\$ 49.75	\$ -
2031	3.00%	7.68	26.28	\$ 51.25	\$ 1.49
2032	0.00%	7.68	26.28	\$ 51.25	\$ -
2033	3.00%	7.91	27.07	\$ 52.78	\$ 1.54
2034	0.00%	7.91	27.07	\$ 52.78	\$ -
Total Change over planning period					\$ 12.81

Notes:

1. Current water volumetric rate is \$7.03 per 1,000 gallons for the first 16,700 gallons used each month.
2. The water user charges include a monthly service charge of \$11.00 plus a public fire protection charge of \$13.05 for a 5/8 inch meter.
4. The usage is assumed to be 3,250 Gallons per month.

Water: Recommendations

- Complete biennial SRCs
- This plan identifies
 - ✓ Min. rate adjustment with max use of cash above benchmark
 - ✓ Keep Debt Coverage above 1.4 (minimum recommendation)
- Plan risk exposure
 - ✓ Other CIP not identified by staff (upcoming unknown legal mandates, etc.)
- Identify other ratemaking goals (if any)

Sewer: Historical Rate Performance

		Shown with no increase				Est	Budget
Component	Revenue Requirement Description	2020	2021	2022	2023	2024	2025
Cash Basis							
1	Operating and Maintenance	\$450,082	\$523,666	\$567,297	\$594,057	\$644,000	\$697,000
2	Debt	\$264,105	\$256,661	\$205,004	\$212,825	\$255,215	\$253,120
3	Cash Funded Capital	\$793,083	\$389,208	\$624,886	\$167,750	\$102,086	\$761,248
Less:							
	Other Revenue	\$22,066	\$59,790	\$39,766	\$20,052	\$20,000	\$40,000
	Interest Income	\$4,851	\$1,107	\$7,840	\$81,167	\$60,000	\$80,000
	Revenue Requirement (Costs less Other Income)	\$1,480,353	\$1,108,638	\$1,349,581	\$873,413	\$921,301	\$1,591,368
	User Rates Revenue	\$1,201,493	\$1,235,709	\$1,255,896	\$1,278,077	\$1,257,000	\$1,282,000
	Rate Adequacy	(\$278,860)	\$127,071	(\$93,685)	\$404,664	\$335,699	(\$309,368)
	Rate Adjustment Needed	23.21%	0.00%	7.46%	0.00%	0.00%	24.13%
Utility Basis (PSC)							
1	Operating and Maintenance	\$450,082	\$523,666	\$567,297	\$594,057	\$644,000	\$697,000
2	Depreciation	\$294,957	\$302,245	\$309,895	\$328,523	\$328,523	\$336,691
3	NIRB	\$14,250,436	\$14,585,167	\$14,915,875	\$15,060,728	\$14,958,819	\$14,952,129
	Typical ROI (2.5%)	\$356,261	\$364,629	\$372,897	\$376,518	\$373,970	\$373,803
Less:							
	Other Revenue	\$22,066	\$59,790	\$39,766	\$20,052	\$20,000	\$40,000
	Interest Income	\$4,851	\$1,107	\$7,840	\$81,167	\$60,000	\$80,000
	Revenue Requirement (Costs less Other Income)	\$1,074,383	\$1,129,643	\$1,202,483	\$1,197,879	\$1,266,493	\$1,287,494
	User Rates Revenue	\$1,201,493	\$1,235,709	\$1,255,896	\$1,278,077	\$1,257,000	\$1,282,000
	Rate Adequacy	\$127,110	\$106,066	\$53,413	\$80,198	(\$9,493)	(\$5,494)
	Rate Adjustment Needed	0.00%	0.00%	0.00%	0.00%	0.76%	0.43%

Rates performing on a cash basis

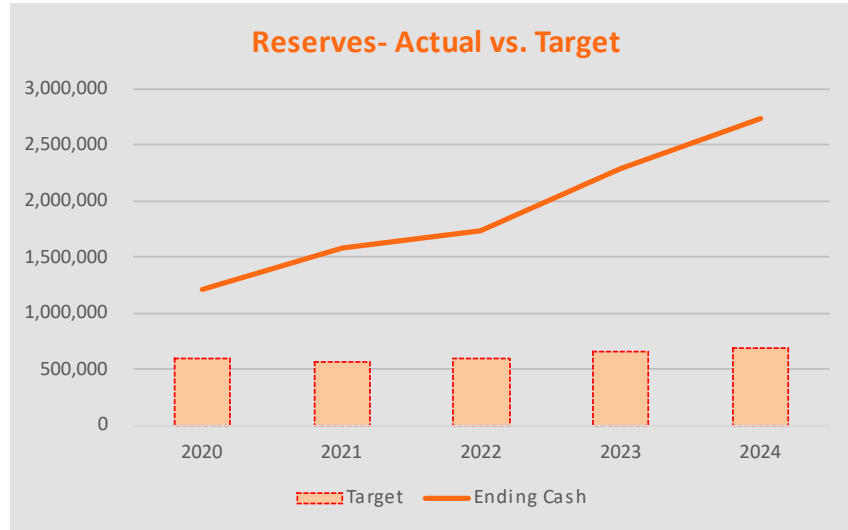
and on utility basis (PSC not involved)

Let's investigate the history further....

Notes:

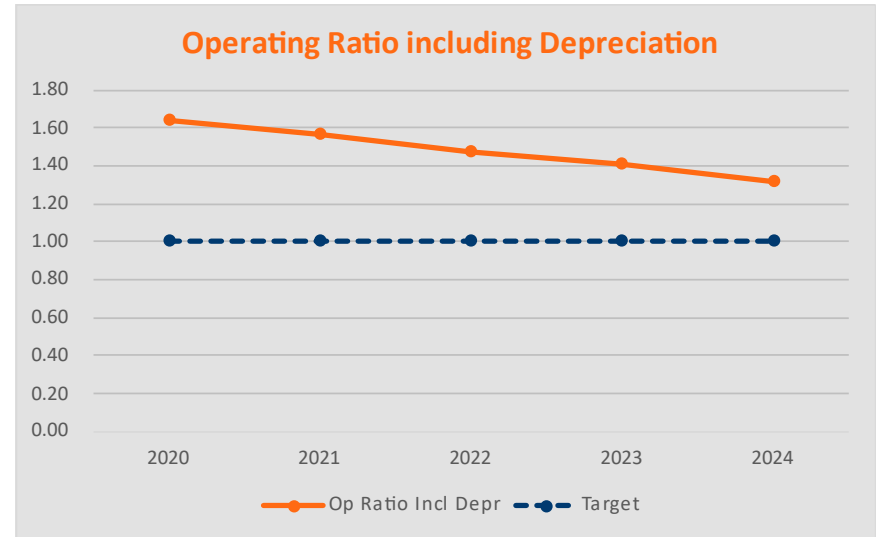
^aIncludes recommended debt coverage at 1.4x annual debt payment

Sewer: Historical Financial Indicators



- Reserves to fund deficits and capital (5 mo. Target)

- Concerns of aging system



Sewer: Future Projection

	Budget	Projected								
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Revenues										
Total Revenues from User Rates ¹	\$1,282,000	\$1,282,000	\$1,282,000	\$1,314,050	\$1,314,050	\$1,346,901	\$1,346,901	\$1,380,574	\$1,380,574	\$1,380,574
Percent Increase to User Rates	0.00%	0.00%	0.00%	2.50%	0.00%	2.50%	0.00%	2.50%	0.00%	0.00%
Cumulative Percent Rate Increase	0.00%	0.00%	0.00%	2.50%	2.50%	5.06%	5.06%	7.69%	7.69%	7.69%
Dollar Amount Increase to Revenues		\$0	\$0	\$32,050	\$0	\$32,851	\$0	\$33,673	\$0	\$0
Total Other Revenues	\$124,500	\$46,712	\$47,191	\$48,441	\$48,687	\$49,012	\$48,774	\$48,792	\$48,024	\$47,929
Total Revenues	\$1,406,500	\$1,328,712	\$1,329,191	\$1,362,491	\$1,362,737	\$1,395,914	\$1,395,675	\$1,429,366	\$1,428,597	\$1,428,503
Less: Expenses										
Operating and Maintenance	\$697,000	\$717,770	\$739,160	\$761,189	\$783,877	\$807,241	\$831,304	\$856,085	\$881,607	\$907,891
Net Before Debt Service and Capital Expenditures	\$709,500	\$610,942	\$590,031	\$601,302	\$578,860	\$588,672	\$564,371	\$573,280	\$546,990	\$520,612
Debt Service										
Existing Debt P&I	\$253,120	\$253,089	\$253,057	\$253,025	\$252,992	\$252,958	\$252,924	\$252,889	\$252,853	\$202,765
New (2025-2034) Debt Service P&I	\$0	\$0	\$0	\$39,036	\$39,036	\$59,204	\$59,204	\$59,204	\$59,204	\$59,204
Total Debt Service	\$253,120	\$253,089	\$253,057	\$292,060	\$292,027	\$312,162	\$312,128	\$312,093	\$312,057	\$261,969
Transfer In (Out)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less: Capital Improvements	\$660,000	\$328,000	\$600,000	\$376,000	\$633,000	\$540,000	\$415,000	\$740,000	\$446,000	\$376,000
Debt Issued/Grants/Aid	\$0	\$0	\$600,000	\$0	\$310,000	\$0	\$0	\$0	\$0	\$0
Net Annual Cash Flow	(\$203,620)	\$29,854	\$336,974	(\$66,758)	(\$36,167)	(\$263,490)	(\$162,756)	(\$478,813)	(\$211,067)	(\$117,357)
Restricted and Unrestricted Cash Balance:										
Balance at first of year	\$2,728,535	\$2,524,915	\$2,554,769	\$2,891,742	\$2,824,984	\$2,788,817	\$2,525,327	\$2,362,570	\$1,883,758	\$1,672,691
Net Annual Cash Flow Addition/(subtraction)	(\$203,620)	\$29,854	\$336,974	(\$66,758)	(\$36,167)	(\$263,490)	(\$162,756)	(\$478,813)	(\$211,067)	(\$117,357)
Balance at end of year	\$2,524,915	\$2,554,769	\$2,891,742	\$2,824,984	\$2,788,817	\$2,525,327	\$2,362,570	\$1,883,758	\$1,672,691	\$1,555,334
"All-in"Debt Coverage	2.80	2.41	2.33	2.06	1.98	1.89	1.81	1.84	1.75	1.99

Notes:
1) Assumes no changes in customer count or usage beyond Test Year.
2) Assumes 3.00% annual inflation beyond budget year.

Legend:
Increase depicted to maintain with assumed O&M inflation
Increase needed above inflationary adjustment

W&S: Impact on Avg. Res. Bill

Year	Water					Sewer					Utility Bill (Annual)	Change Over Prior Year	% of MHI (72,768)	Year
	Increase	Water Vol. Charge ¹	Water User Charge ²	Utility Bill (Monthly)	Change Over Prior Year	Increase	Sewer Vol. Charge ³	Sewer User Charge ³	Utility Bill (Monthly)	Change Over Prior Year				
		<u>Tiered</u>	<u>Serv. + PFP</u>				<u>1,000 Gal</u>	<u>Gen Service</u>						
2024		5.76	21.25	\$ 39.97			6.75	16.98	\$ 38.92		\$ 946.65		1.30%	2024
2025	22.10%	7.03	24.05	\$ 46.90	\$ 6.93	0.00%	6.75	16.98	\$ 38.92	\$ -	\$ 1,029.78	\$ 83.13	1.42%	2025
2026	0.00%	7.03	24.05	\$ 46.90	\$ -	0.00%	6.75	16.98	\$ 38.92	\$ -	\$ 1,029.78	\$ -	1.42%	2026
2027	3.00%	7.24	24.77	\$ 48.30	\$ 1.41	0.00%	6.75	16.98	\$ 38.92	\$ -	\$ 1,046.66	\$ 16.88	1.44%	2027
2028	0.00%	7.24	24.77	\$ 48.30	\$ -	2.50%	6.92	17.40	\$ 39.89	\$ 0.97	\$ 1,058.34	\$ 11.68	1.45%	2028
2029	3.00%	7.46	25.51	\$ 49.75	\$ 1.45	0.00%	6.92	17.40	\$ 39.89	\$ -	\$ 1,075.73	\$ 17.39	1.48%	2029
2030	0.00%	7.46	25.51	\$ 49.75	\$ -	2.50%	7.09	17.84	\$ 40.89	\$ 1.00	\$ 1,087.70	\$ 11.97	1.49%	2030
2031	3.00%	7.68	26.28	\$ 51.25	\$ 1.49	0.00%	7.09	17.84	\$ 40.89	\$ -	\$ 1,105.61	\$ 17.91	1.52%	2031
2032	0.00%	7.68	26.28	\$ 51.25	\$ -	2.50%	7.27	18.29	\$ 41.91	\$ 1.02	\$ 1,117.87	\$ 12.27	1.54%	2032
2033	3.00%	7.91	27.07	\$ 52.78	\$ 1.54	0.00%	7.27	18.29	\$ 41.91	\$ -	\$ 1,136.32	\$ 18.45	1.56%	2033
2034	0.00%	7.91	27.07	\$ 52.78	\$ -	0.00%	7.27	18.29	\$ 41.91	\$ -	\$ 1,136.32	\$ -	1.56%	2034
Total Change over planning period					\$ 12.81						\$ 2.99	\$ 189.67		

Notes:

1. Current water volumetric rate is \$7.03 per 1,000 gallons for the first 16,700 gallons used each month.
2. The water user charges include a monthly service charge of \$11.00 plus a public fire protection charge of \$13.05 for a 5/8 inch meter.
4. The usage is assumed to be 3,250 Gallons per month.

Sewer: Recommendations

- Complete biennial inflationary adjustments
- This plan identifies
 - ✓ Min. rate adjustment with max use of cash above benchmark
 - ✓ Keep Debt Coverage above 1.4 (minimum recommendation)
- Plan risk exposure
 - ✓ Other CIP not identified by staff (upcoming unknown legal mandates, etc.)
- Identify other ratemaking goals (if any)

Questions?
