



TOWN OF RICHMOND
RICHMOND TOWN CENTER
 203 Bridge Street, P.O. Box 285
 Richmond, Vermont 05477



MEMORANDUM

Date: May 7, 2015

To: Water Commission

From: Geoffrey Urbanik, Town Manager

RE: Proposed Rate Changes for Water & Sewer FY2016

Per our discussions at the last meeting, we propose a 2% increase to the base charge for both water and sewer rates for the upcoming fiscal year. I'll summarize the changes in the table below and also attach examples of the formal rate sheet both current and proposed.

	Current Base Rate	Proposed Base Rate	Aggregate Difference
Water	Res.: \$130.64 Comm.: \$381 School: \$4,527.32	Res.: \$133.25 Comm.: \$388.62 School: \$4617.87	Res.: \$1,027.48 Comm.: \$586.73 School.: \$271.66
Sewer	Res.: \$174.55 Comm.: \$519.98 School.: \$6,018.27	Res.: \$178.04 Comm.: \$530.38 School.: \$6,138.64	Res.: \$1,366.50 Comm.: \$780.13 School.: \$361.12

These changes will yield the approximate revenues shown in the revised FY2016 budget you will consider on the 11th.

Richmond Water Dept.								
Rate Structure Study								
Adoptedd 2015 Budget Water Revenue								
Billable by Class								
2015 Adoptedd Budget	% of usage	Water			% of usage	Wastewater		
		\$271,639.00				\$361,096.00		
Residential	63.0%	393	units	Adopted	63.0%	391	units	Adopted
Base Rate per account/year		\$130.64		\$130.64		\$174.55		\$174.55
Annual Fixed Revenue Generated				\$51,339.77				\$68,247.14
Total residential metered water sold		11,482,200	gallons	Adopted		11,268,600	gallons	Adopted
user rate per 1000 gallons		\$10.43		\$10.43		\$14.13		\$14.13
Annual Residential Variable Revenue Generated				\$119,792.80				\$159,243.34
Commercial & Government	27.0%	77	units	Adopted	27.0%	75	units	Adopted
Base Rate per account/year		\$381.00		\$381.00		\$519.98		\$519.98
Annual Fixed Revenue Generated				\$29,337.01				\$38,998.37
Total commercial metered water sold		4,502,900	gallons	Adopted		4,501,200	gallons	Adopted
user rate per 1000 gallons		\$9.77		\$9.77		\$13.00		\$13.00
Annual Commercial Variable Revenue Generated				\$44,005.52				\$58,497.55
Schools	10.0%	3	units	Adopted	10.0%	3	units	Adopted
Base Rate per account/year		\$4,527.32		\$4,527.32		\$6,018.27		\$6,018.27
Annual Fixed Revenue Generated				\$13,581.95				\$18,054.80
Total school metered water sold		1,128,600	gallons	Adopted		1,128,600	gallons	Adopted
user rate per 1000 gallons		\$12.03		\$12.03		\$16.00		\$16.00
Annual Schools Variable Revenue Generated				\$13,581.95				\$18,054.80
annual revenue generated		17,113,700		\$271,639.00		16,898,400		\$361,096.00
Water-only accounts								
based on amount of water actually sold								
Total metered water sold		17,113,700	gallons	Adopted				
user rate per 1000 gallons		\$15.87		\$15.00				

Richmond Water Dept.							
Rate Structure Study							
Proposed 2016 Budget Water & Sewer Revenue							
Billable by Class							
2016 Budget	% of usage	Water			Wastewater		
		\$277,072.00			\$363,179.00		
Residential	63.0%	393	units	Adopted	391	units	Adopted
Base Rate per account/year		\$133.25		\$133.25	\$178.04		\$178.04
Annual Fixed Revenue Generated				\$52,367.25			\$69,613.64
Total residential metered water sold		11,482,200	gallons	Adopted	11,268,600	gallons	Adopted
user rate per 1000 gallons		\$10.43		\$10.43	\$14.13		\$14.13
Annual Residential Variable Revenue Generated				\$119,792.80			\$159,243.34
Commercial & Government	27.0%	77	units	Adopted	75	units	Adopted
Base Rate per account/year		\$388.62		\$388.62	\$530.38		\$530.38
Annual Fixed Revenue Generated				\$29,923.74			\$39,778.50
Total commercial metered water sold		4,502,900	gallons	Adopted	4,501,200	gallons	Adopted
user rate per 1000 gallons		\$9.77		\$9.77	\$13.00		\$13.00
Annual Commercial Variable Revenue Generated				\$44,005.52			\$58,497.55
Schools	10.0%	3	units	Adopted	3	units	Adopted
Base Rate per account/year		\$4,617.87		\$4,617.87	\$6,138.64		\$6,138.64
Annual Fixed Revenue Generated				\$13,853.61			\$18,415.92
Total school metered water sold		1,128,600	gallons	Adopted	1,128,600	gallons	Adopted
user rate per 1000 gallons		\$12.03		\$12.03	\$16.00		\$16.00
Annual Schools Variable Revenue Generated				\$13,581.95			\$18,054.80
Annual revenue generated		17,113,700		\$273,524.87	16,898,400		\$363,603.75
Water-only accounts							
based on amount of water actually sold							
Total metered water sold		17,113,700	gallons	Adopted			
user rate per 1000 gallons		\$15.87		\$15.00			