

RESOLUTION SETTING FY20 WATER AND SEWER RATES

FY2020 Water and Sewer Rate Sheet approved by Water and Sewer Commission on May 21, 2019
Billed 4/1/19 - 3/31/20

Budget

	Water	Sewer	Combined
FY19	\$345,137	\$562,000	\$907,137
FY20	\$357,985	\$600,152	\$958,137
Total Change FY19/FY20	\$12,848	\$38,152	\$51,000
Percent Change FY19/FY20	3.72%	6.79%	5.62%

Revenue from Non-Core User Groups

Non-Core User Groups

Industry and Allocated Accounts Fixed Rate Calculator

Industry fixed rate for Sewer is the Commercial and Government plus 15%	\$646.95
Allocated Accounts fixed rate for Water is half the Commercial and Government	\$297.36
Allocated Accounts fixed rate for Sewer is half the Commercial and Government	\$281.28

	Water						Sewer					
	FY20		FY19		Change FY19 to FY20		FY20		FY19		Change FY19 to FY20	
	Fixed Rate	Revenue	Fixed Rate	Revenue	Dollar Difference	Percentage Difference	Fixed Rate	Revenue	Fixed Rate	FY19 Revenue	Dollar Difference	Percentage Difference
Industry												
Fixed Rate							\$646.95	\$647	\$235.00	\$235	\$411.95	175.30%
Metered/Industry Usage								\$1,853		\$2,500		
Total Rev.								\$2,500		\$2,735		
Allocated Accounts												
Fixed Rate	\$297.36	\$1,487	\$238.00	\$1,190	\$59.36	24.94%	\$281.28	\$1,125	\$276.00	\$1,104	\$5.28	1.91%
Total Rev.		\$1,487		\$1,190				\$1,125		\$1,104		

Non-User Group Revenue

	Water				Sewer			
	FY20 Revenue		FY19 Revenue		FY20 Revenue		FY19 Revenue	
Sale of Water		\$1,500		\$1,500				
Fire Protection/Tank Fee		\$50,300		\$45,637				
Septage Revenue					\$190,000		\$170,000	
Gateway Revenue		\$0		\$0	\$0		\$0	
Hook-on Fees		\$500		\$500	\$1,000		\$1,000	
Miscellaneous Fees		\$0		\$0	\$0		\$0	
Interest on Investments		\$1,500		\$0	\$3,500		\$0	
Total Other Revenue		\$53,800		\$47,637	\$194,500		\$171,000	

Total Revenue from Non-Core Users	\$55,287	\$48,827	\$198,125	\$174,839
Total Revenue remaining to be raised by core users	\$302,698	\$296,310	\$402,027	\$387,161

Data Used to Build Rates for Core User Groups

Percentage of use in past 4 quarters

	Water				Sewer			
	Future Use Adjustment as Percentage of Gallons				Future Use Adjustment as Percentage of Gallons			
	Gallons	Percentage	98%	Users	Gallons	Percentage	98%	Users
Residential	9,292,000	56.52%	9,106,160	417	9,222,400	66.81%	9,037,952	414
Commercial & Government	6,141,700	37.35%	6,018,866	72	3,573,400	25.89%	3,501,932	74
School	1,007,900	6.13%	987,742	3	1,007,900	7.30%	987,742	3
Industry				0				1
Allocated Accounts				5				4
total	16,441,600	100.00%	16,112,768		13,803,700	100.00%	13,527,626	

Percentage of use Adjustments for Water Rates to offset for fire protection allocation to school

	Water			
	Adjustment	Adjusted FY20	Adjusted FY19	
Residential	-3.01%	53.50%	57.70%	
Commercial & Government	-1.99%	35.36%	30.55%	
School (approx. \$15K)	5.00%	11.13%	11.75%	
Total		100.00%	100.00%	

Formula for determining split of 5 percentage points between Residential and Commercial & Government Based on percent of water used by each

	Gallons Used	Percentage of Use
Residential	9,292,000	60.21%
Commercial & Government	6,141,700	39.79%
Total	15,433,700	

Budget Allocations Per Core User Group

	FY20		FY19	
	Water	Sewer	Water	Sewer
Revenue to be raised from Core Users	\$302,698	\$402,027	\$296,310	\$387,161.00
Residential	\$161,958.32	\$268,598.50	\$172,347.02	\$257,191.11
Commercial & Government	\$107,049.01	\$104,073.77	\$89,069.45	\$100,646.76
School	\$33,690.86	\$29,354.66	\$34,823.82	\$29,323.13

Rates for Core User Groups

	Percent of Rev.	Water						Sewer					
		FY20		FY19		Change FY19 to FY20		FY20		FY19		Change FY19 to FY20	
		Fixed per unit. Metered per 1000 gal.	Revenue	Fixed per unit. Metered per 1000 gal.	FY19 Revenue	Dollar Difference	Percentage Difference	Fixed per unit. Metered per 1000 gal.	Revenue	Fixed per unit. Metered per 1000 gal.	FY19 Revenue	Dollar Difference	Percentage Difference
Residential													
Fixed Rate	30%	\$116.52	\$48,587	\$141.20	\$58,598	-\$24.68	-17.5%	\$194.64	\$80,580	\$187.28	\$77,157	\$7.36	3.9%
Metered	70%	\$12.45	\$113,371	\$12.24	\$113,749	\$0.21	1.7%	\$20.80	\$188,019	\$19.53	\$180,034	\$1.26	6.5%
Total Rev.			\$161,958		\$172,347			\$268,599		\$257,191			
Commercial & Government													
Fixed Rate	40%	\$594.72	\$42,820	\$475.04	\$35,628	\$119.68	25.2%	\$562.56	\$41,630	\$551.49	\$40,259	\$11.07	2.0%
Metered	60%	\$10.67	\$64,229	\$10.23	\$53,442	\$0.44	4.3%	\$17.83	\$62,444	\$16.57	\$60,388	\$1.26	7.6%
Total Rev.			\$107,049		\$89,069			\$104,074		\$100,647			
School													
Fixed Rate	50%	\$5,615.14	\$16,845	\$5,803.97	\$17,412	-\$188.83	-3.3%	\$4,892.44	\$14,677	\$4,887.19	\$14,662	\$5.26	0.1%
Metered	50%	\$17.05	\$16,845	\$16.56	\$17,412	\$0.49	3.0%	\$14.86	\$14,677	\$13.95	\$14,662	\$0.91	6.5%
Total Rev.			\$33,691		\$34,824			\$29,355		\$29,323			

Revenue Analysis

	Water	Sewer
Revenue Through Fixed Fees (Water: rates, fire, hook-on, int. Sewer: rates, 50% septage, hook-on, int.)	\$162,039	\$238,158
Revenue Through Variable Fees (Water: rates, sale of water Sewer: rates, 50% septage)	\$195,946	\$361,994
Total	\$357,985	\$600,152
Capital Budget	\$193,866	\$171,010
Percent Fixed Fees above or below capital budget	-16.42%	39.27%

Sample Rate Changes

	FY20		FY19	
	Water	Sewer	Water	Sewer
Residential				
Metered	\$271.87	\$454.15	\$274.09	\$436.98
Fixed	\$116.52	\$194.64	\$141.20	\$187.28
Total	\$388.39	\$648.79	\$415.29	\$624.25
Total Combined	\$1,037.18		\$1,039.54	
Total Combined Dollar Change	-\$2.37			
Total Combined Percentage Change	-0.23%			
Commercial & Government				
Metered	\$892.08	\$843.84	\$712.56	\$827.23
Fixed	\$594.72	\$562.56	\$475.04	\$551.49
Total	\$1,486.79	\$1,406.40	\$1,187.59	\$1,378.72
Total Combined	\$2,893.19		\$2,566.32	
Total Combined Dollar Change	\$326.88			
Total Combined Percentage Change	12.74%			
School				
Metered	\$5,615.14	\$4,892.44	\$5,803.97	\$4,887.19
Fixed	\$5,615.14	\$4,892.44	\$5,803.97	\$4,887.19
Total	\$11,230.29	\$9,784.89	\$11,607.94	\$9,774.38
Total Combined	\$21,015.17		\$21,382.31	
Total Combined Dollar Change	-\$367.14			
Total Combined Percentage Change	-1.72%			

Signed by Richmond Water and Sewer Commission on this 3rd day of June, 2019.

Bard Hill, Chair

Robert Reap

Christy Witters, Vice Chair

Fran Huntoon

David Sander