



CITY OF ORONO

2020

UTILITY RATE STUDY

2021 - 2026 Water Fund Forecast

Base Charge Increase	2% or Flat Base Rate	\$ 50.00	Active				
Rate Increase	35%	10%	3%	3%	3%	3%	3%
Estimated Expenditure Inflation		2.04%	2.07%	2.12%	2.07%	2.07%	2.07%
Tier 1 to 2 Rate Increase	26%	Inactive					
Tier 2 to 3 Rate Increase	50%	Inactive					
Based on 2013-2018 Avg Consumption	2020 Calculated Amount	2021 Calculated Amount	2022 Calculated Amount	2023 Calculated Amount	2024 Calculated Amount	2025 Calculated Amount	2026 Calculated Amount
Total Estimated Revenue	\$ 1,144,624.49	\$ 1,202,914.91	\$ 1,230,730.74	\$ 1,259,381.06	\$ 1,288,890.88	\$ 1,319,285.99	\$ 1,350,592.96
Estimated Cash Expenses	1,151,735.00	1,315,680.00	1,258,646.60	1,184,665.06	1,077,536.46	1,300,805.47	1,345,889.91
Gain / (Loss) - Non-cash basis	156,374.49	233,514.91	231,565.14	220,329.99	216,450.42	220,319.53	227,598.05
Gain / (Loss) - Cash basis	(7,110.51)	(112,765.09)	(27,915.86)	74,715.99	211,354.42	18,480.53	4,703.05
	Beg. Cash 219,475.12						
Cash Balance	212,364.61	99,599.52	71,683.66	146,399.65	357,754.07	376,234.60	380,937.66
average capital expenditure requirements with 3% inflation	\$ 242,014.98	\$ 249,275.43	\$ 256,753.69	\$ 264,456.30	\$ 272,389.99	\$ 280,561.69	\$ 288,978.54
Operation Reserve Goal 25% of Expenses	\$ 148,237.50	\$ 193,880.00	\$ 249,791.40	\$ 259,762.77	\$ 268,110.11	\$ 274,741.62	\$ 280,748.73
Capital Reserve 25% of expenses	\$ -	\$ -	\$ 25,675.37	\$ 39,668.45	\$ 54,478.00	\$ 70,140.42	\$ 72,244.64
Total Cash Reserve Required	148,237.50	193,880.00	275,466.77	299,431.21	322,588.11	344,882.04	352,993.36
Cash Balance after Cash Reserve	64,127.11	(94,280.48)	(203,783.11)	(153,031.56)	35,165.96	31,352.56	27,944.29
Flat Rate	\$16.67	\$16.67	\$16.67	\$16.67	\$16.67	\$16.67	\$16.67
Tier 1	\$7.07	\$7.78	\$8.01	\$8.26	\$8.50	\$8.76	\$9.02
Tier 2	\$9.90	\$10.89	\$11.21	\$11.55	\$11.89	\$12.25	\$12.62
Tier 3	\$14.85	\$16.34	\$16.83	\$17.33	\$17.85	\$18.39	\$18.94

2021 - 2026 Sewer Fund Forecast

	2020		2021		2022		2023		2024		2025		2026	
Rate Increase	20%		10%		3%		3%		3%		3%		3%	
Rate By Unit	\$62.72; Add'l \$55.44		\$68.99; Add'l \$60.98		\$71.06; Add'l \$62.81		\$73.19; Add'l \$64.7		\$75.39; Add'l \$66.64		\$77.65; Add'l \$68.64		\$79.98; Add'l \$70.7	
Rate By Flow (Base & per thousand)	6.96		7.66		7.89		8.12		8.37		8.62		8.88	
	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount
Estimated Sewer Usage Revenue		1,889,628.96		2,078,591.86		2,140,949.61		2,205,178.10		2,271,333.44		2,339,473.45		2,409,657.65
Assessments		35,349.00		30,368.00		26,934.00		24,902.00		17,569.00		17,569.00		17,569.00
Total Estimated Revenue		1,924,977.96		2,108,959.86		2,167,883.61		2,230,080.10		2,288,902.44		2,357,042.45		2,427,226.65
				Budgeted Amt										
Estimated Expenditure Inflation				2.04%		2.07%		2.12%		2.07%		2.07%		2.07%
Total Expenditure - Cash Basis		2,477,600.00		2,465,600.00		2,161,117.82		2,267,815.12		2,648,367.37		2,472,949.66		2,347,676.06
		Beg. Cash												
		2,192,747.24												
Gain / (Loss) - Cash basis		(552,622.04)		(356,640.14)		6,765.79		(37,735.02)		(359,464.92)		(115,907.21)		79,550.59
Estimated YE Cash Balance		1,640,125.20		1,283,485.06		1,290,250.85		1,252,515.83		893,050.91		777,143.70		856,694.29
average capital expenditure requirements with 3% inflation (2018-2034)		816,578.85		841,076.22		866,308.50		892,297.76		919,066.69		946,638.69		975,037.85
Operation Reserve Goal 25% of Expenses		447,800.00		474,925.00		487,806.21		499,300.28		510,127.34		521,063.66		532,312.77
Capital Reserve 25% of expenses		0.00		210,269.05		216,577.13		223,074.44		229,766.67		236,659.67		243,759.46
Total Cash Reserve Required		447,800.00		685,194.05		704,383.33		722,374.72		739,894.01		757,723.34		776,072.23
Cash Balance after Cash Reserve		1,192,325.20		598,291.00		585,867.52		530,141.11		153,156.89		19,420.36		80,622.06

2021 - 2026 Stormwater Fund Forecast

	2020	2021	2022	2023	2024	2025	2026
Rate Increase	90%	1%	1%	1%	1%	1%	1%
	Rate = \$15.42	Rate = \$15.57	Rate = \$15.73	Rate = \$15.88	Rate = \$16.04	Rate = \$16.2	Rate = \$16.36
	Total	Total	Total	Total	Total	Total	Total
Estimated Revenue	676,798.65	683,566.63	690,402.30	697,306.32	704,279.39	711,322.18	718,435.40
Estimated Expenditure Inflation		2.04%	2.07%	2.12%	2.07%	2.07%	2.07%
Total Cash Expenditure	815,140.00	916,350.00	710,011.19	774,378.79	894,080.69	665,525.73	918,161.99
Gain / (Loss) - Non-cash basis	303,798.65	280,366.63	273,701.11	265,155.53	258,708.70	250,112.45	247,244.41
Gain / (Loss) - Cash basis	(138,341.35)	(232,783.37)	(19,608.89)	(77,072.47)	(189,801.30)	45,796.45	(199,726.59)
Beg Cash	1,151,700.38	1,013,359.03	780,575.66	760,966.77	683,894.31	494,093.00	539,889.45
Year End Cash Balance	1,013,359.03	780,575.66	760,966.77	683,894.31	494,093.00	539,889.45	340,162.86
average capital expenditure requirements with 3% inflation (2018-2034)	668,102.29	688,145.36	708,789.72	730,053.41	751,955.01	774,513.66	797,749.07
Operation Reserve Goal 25% of Expenses	93,250.00	100,800.00	104,175.30	108,037.70	111,392.67	115,302.43	117,797.75
Capital Reserve 25% of expenses	0.00	172,036.34	177,197.43	182,513.35	187,988.75	193,628.42	199,437.27
Total Cash Reserve Required	93,250.00	272,836.34	281,372.73	290,551.05	299,381.43	308,930.85	317,235.02
Cash Balance after Cash Reserve	920,109.03	507,739.32	479,594.05	393,343.25	194,711.58	230,958.60	22,927.85

2021 - 2026 Recycling Fund Forecast

	2020	2021	2022	2023	2024	2025	2026
Rate Increase	60%	8%	4%	4%	2%	2%	2%
	Rate = \$5.33	Rate = \$5.76	Rate = \$5.99	Rate = \$6.23	Rate = \$6.35.00	Rate = \$6.48	Rate = \$6.61
Estimated Program Revenue	205,632.00	222,082.56	230,965.86	240,204.50	245,008.59	249,908.76	254,906.93
<i>Other Revenue</i>							
County Grant	5,000.00	5,000.00	-	-	-	-	-
Misc	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Total Revenue	220,632.00	237,082.56	240,965.86	250,204.50	255,008.59	259,908.76	264,906.93
	Contract %	4.0%	4.0%	0.0%	4.0%	4.0%	4.0%
Contracted Recycling Service	191,000.00	198,640.00	206,585.60	206,585.60	214,849.02	223,442.98	232,380.70
Other Expenditure	25,700.00	31,850.00	33,124.00	33,124.00	34,448.96	35,826.92	37,260.00
Total Cash Expenditure	216,700.00	230,490.00	239,709.60	239,709.60	249,297.98	259,269.90	269,640.70
Gain / (Loss) - Cash basis	3,932.00	6,592.56	1,256.26	10,494.90	5,710.60	638.86	(4,733.77)
Beg Cash	50,904.85	54,836.85	61,429.41	62,685.67	73,180.57	78,891.17	79,530.03
Year End Cash Balance	54,836.85	61,429.41	62,685.67	73,180.57	78,891.17	79,530.03	74,796.26
Operation Reserve Goal 25% of Expenses	54,175.00	57,622.50	59,927.40	59,927.40	62,324.50	64,817.48	67,410.17
Cash Balance after Cash Reserve	661.85	3,806.91	2,758.27	13,253.17	16,566.68	14,712.55	7,386.09

2021 - 2026 Sample Bills

Month Year	XYZ 2019	Month Year	XYZ 2020	Month Year	XYZ 2021	Month Year	XYZ 2022
BILL DETAIL		BILL DETAIL		BILL DETAIL		BILL DETAIL	
	Usage		Usage		Usage		Usage
WATER	5 \$46.36	WATER	5 \$56.75	WATER	5 \$60.85	WATER	5 \$62.18
SEWER FLAT	\$ 52.27	SEWER FLAT	\$ 62.72	SEWER FLAT	\$ 68.99	SEWER FLAT	\$ 71.06
WATER TEST FEE	\$ 0.53	WATER TEST FEE	\$ 0.81	WATER TEST FEE	\$ 0.81	WATER TEST FEE	\$ 0.81
STORM WATER	\$ 8.11	STORM WATER	\$ 15.42	STORM WATER	\$ 15.57	STORM WATER	\$ 15.73
RECYCLING	\$ 3.33	RECYCLING	\$ 5.33	RECYCLING	\$ 5.76	RECYCLING	\$ 5.99
Total Amount Due	\$ 110.60	Total Amount Due	\$ 141.03	Total Amount Due	\$ 151.98	Total Amount Due	\$ 155.76
		Increase from Prior Year	28%			Increase from Prior Year	2.5%
*Based on Monthly Equivalent Actual Rates		*Based on Actual Rates					
Month Year	XYZ 2023	Month Year	XYZ 2024	Month Year	XYZ 2025	Month Year	XYZ 2026
BILL DETAIL		BILL DETAIL		BILL DETAIL		BILL DETAIL	
	Usage		Usage		Usage		Usage
WATER	5 \$63.54	WATER	5 \$64.95	WATER	5 \$66.29	WATER	5 \$67.78
SEWER FLAT	\$ 73.19	SEWER FLAT	\$ 75.39	SEWER FLAT	\$ 77.65	SEWER FLAT	\$ 79.98
WATER TEST FEE	\$ 0.81	WATER TEST FEE	\$ 0.81	WATER TEST FEE	\$ 0.81	WATER TEST FEE	\$ 0.81
STORM WATER	\$ 15.88	STORM WATER	\$ 16.04	STORM WATER	\$ 16.20	STORM WATER	\$ 16.36
RECYCLING	\$ 6.23	RECYCLING	\$ 6.35	RECYCLING	\$ 6.48	RECYCLING	\$ 6.61
Total Amount Due	\$ 159.66	Total Amount Due	\$ 163.54	Total Amount Due	\$ 167.43	Total Amount Due	\$ 171.54
		Increase from Prior Year	2.5%			Increase from Prior Year	2.5%