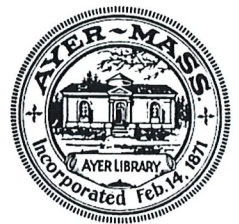


Office of the Select Board
Office of the Town Manager



Town of Ayer| Ayer Town Hall| 1 Main Street| Ayer, MA 01432|978-772-8220| www.ayer.ma.us

MEMORANDUM

DATE: February 6, 2024

TO: Rate Review Committee

FROM: Robert A. Pontbriand
Town Manager

SUBJECT: FY 2025 Water and Sewer Rate Scenarios

Dear Rate Review Committee,

As discussed at the January 23, 2024 Rate Review Meeting, attached (see attached) are three rate scenarios for the FY 2025 Water and Sewer Rates using the Town's Rate Model as follows:

FY 2025 Water Rate Increase: FY 2025 Sewer Rate Increase: Typical Annual Bill Cost:

Scenario #1:

0%	5%	\$510 (Water and Sewer)
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Scenario #2

1%	5%	\$511 (Water and Sewer)
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Scenario #3

2%	5%	\$512 (Water and Sewer)
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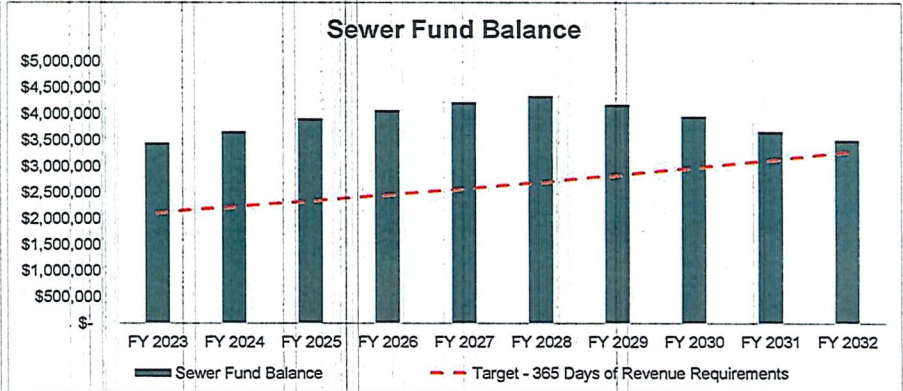
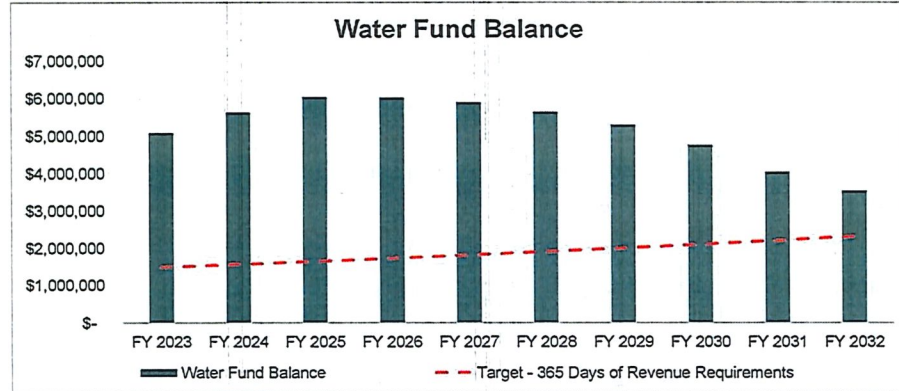
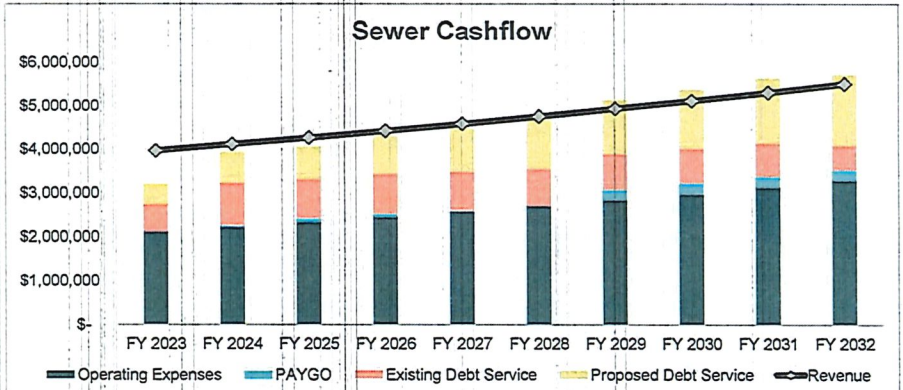
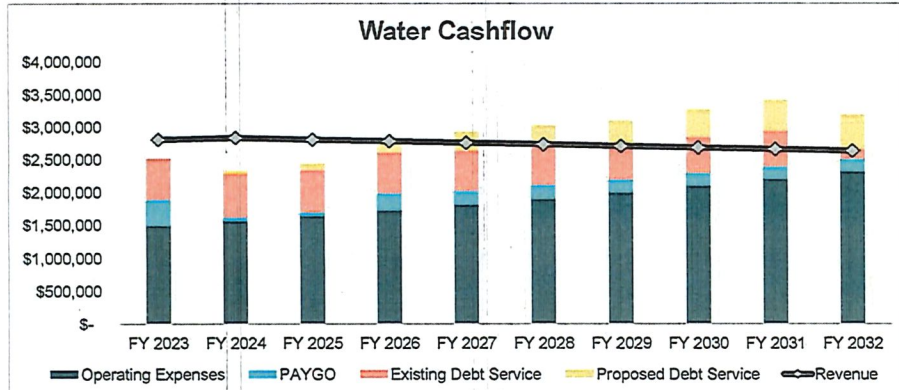
The Committee will review and discuss in detail at the February 6, 2024 Rate Review Meeting.

Thank you.

Attachments:	Scenario #1	(FY 2025 Water at 0% and Sewer at 5%)
	Scenario #2	(FY 2025 Water at 1% and Sewer at 5%)
	Scenario #3	(FY 2025 Water at 2% and Sewer at 5%)

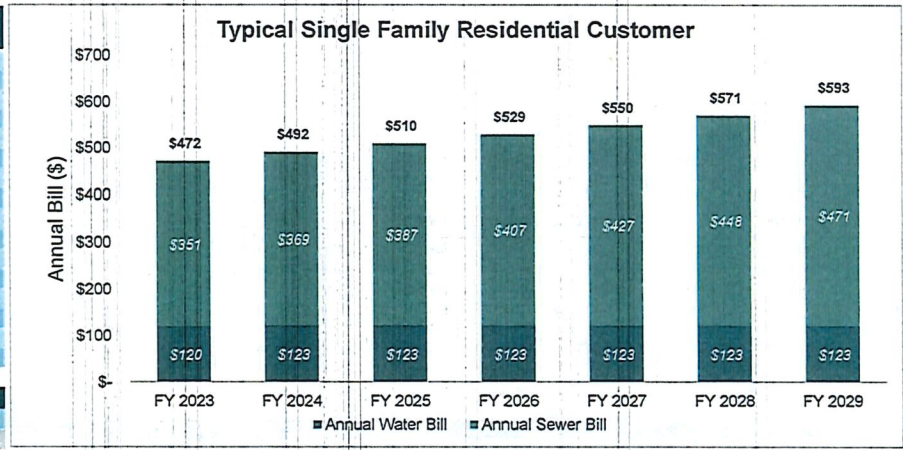
Start Year **FY 2023**
Display Years **10**
Target Rev. Req. Days **365**

Rate Increases	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040
Water	0.00%	2.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Sewer	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%



		Rates						
		FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Water Rates								
Volumetric Rates (CCF)								
Residential								
Tier 1	0 - 30	\$ 3.01	\$ 3.07	\$ 3.07	\$ 3.07	\$ 3.07	\$ 3.07	\$ 3.07
Tier 2	30 - 60	3.72	3.79	3.79	3.79	3.79	3.79	3.79
Tier 3	> 60	4.42	4.51	4.51	4.51	4.51	4.51	4.51
Minimum Charge								
Residential		\$ 10.00	\$ 10.20	\$ 10.20	\$ 10.20	\$ 10.20	\$ 10.20	\$ 10.20
Sewer Rates								
Volumetric Rates (CCF)								
Residential								
Tier 1	0 - 30	\$ 8.78	\$ 9.22	\$ 9.68	\$ 10.16	\$ 10.67	\$ 11.21	\$ 11.77
Tier 2	30 - 60	10.06	10.56	11.09	11.65	12.23	12.84	13.48
Tier 3	> 60	11.44	12.01	12.61	13.24	13.91	14.60	15.33
Minimum Charge								
Residential		\$ 10.00	\$ 10.50	\$ 11.03	\$ 11.58	\$ 12.16	\$ 12.76	\$ 13.40

Choose Customer Type for Chart				
Display Name	Consumption per Quarter	Class	Rate Structure	FY 2024 Annual Bill
Typical Single Family Residential Customer	10.0	Residential	Current	\$491.57

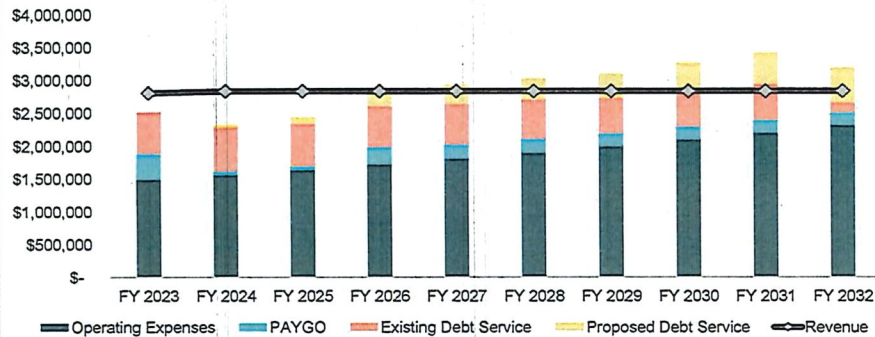


Town of Ayer, MA Financial Planning Dashboard

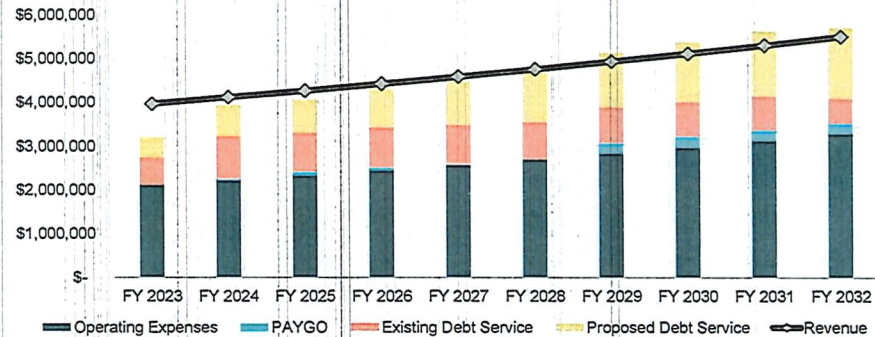
Start Year **FY 2023**
Display Years **10**
Target Rev. Req. Days **365**

Rate Increases	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040
Water	0.00%	2.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Sewer	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%

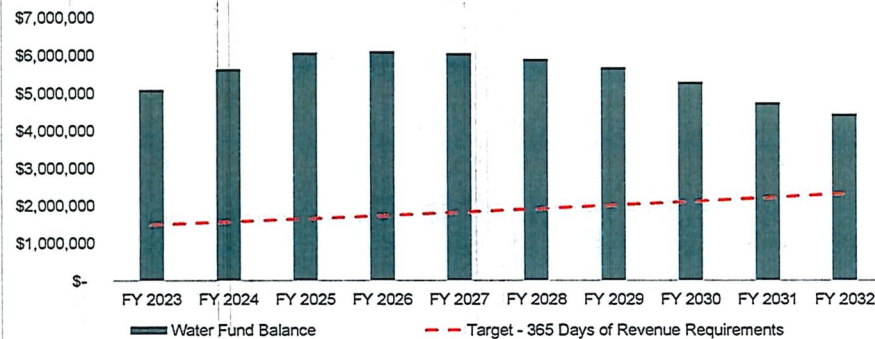
Water Cashflow



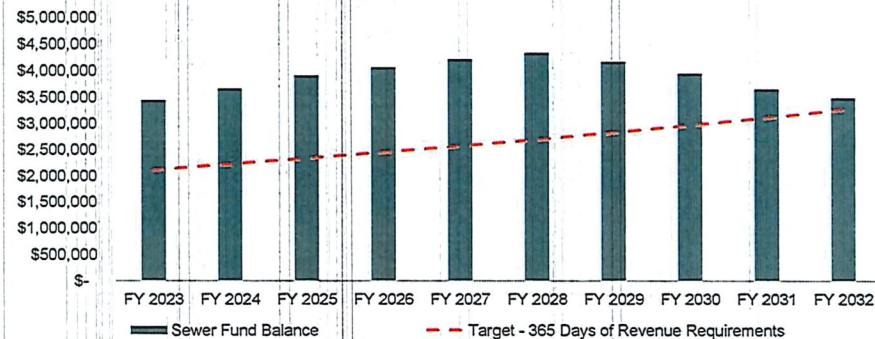
Sewer Cashflow



Water Fund Balance



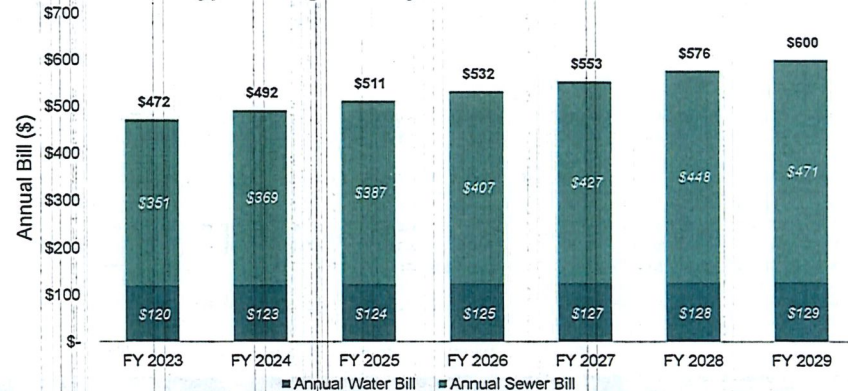
Sewer Fund Balance



		Rates							
		FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
Water Rates									
Volumetric Rates (CCF)									
Residential									
Tier 1	0 - 30	\$ 3.01	\$ 3.07	\$ 3.10	\$ 3.13	\$ 3.16	\$ 3.19	\$ 3.23	
Tier 2	30 - 60	3.72	3.79	3.83	3.87	3.91	3.95	3.99	
Tier 3	> 60	4.42	4.51	4.55	4.60	4.65	4.69	4.74	
Minimum Charge									
Residential		\$ 10.00	\$ 10.20	\$ 10.30	\$ 10.41	\$ 10.51	\$ 10.61	\$ 10.72	
Sewer Rates									
Volumetric Rates (CCF)									
Residential									
Tier 1	0 - 30	\$ 8.78	\$ 9.22	\$ 9.68	\$ 10.16	\$ 10.67	\$ 11.21	\$ 11.77	
Tier 2	30 - 60	10.06	10.56	11.09	11.65	12.23	12.84	13.48	
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Minimum Charge									
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Choose Customer Type for Chart				
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Typical Single Family Residential Customer	10.0	Residential	Current	\$491.57

Typical Single Family Residential Customer





Town of Ayer, MA Financial Planning Dashboard

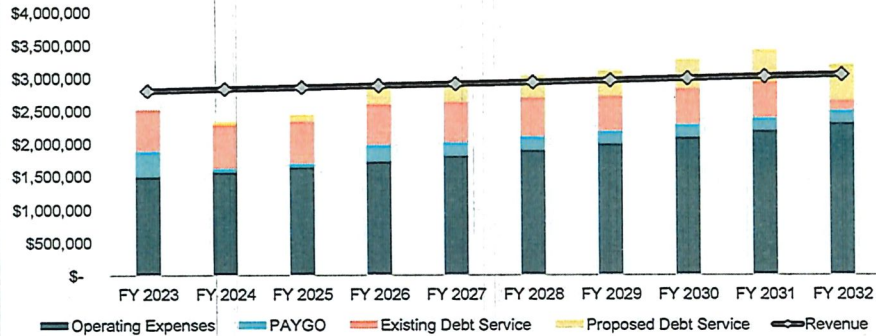
Start Year **FY 2023**

Display Years **10**

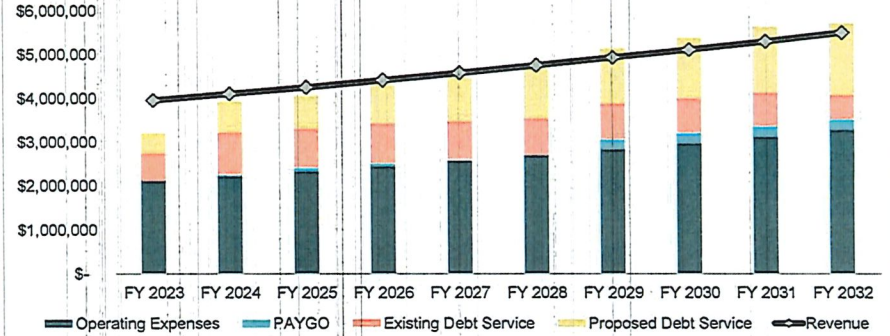
Target Rev. Req. Days **365**

Rate Increases	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040
Water	0.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Sewer	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%

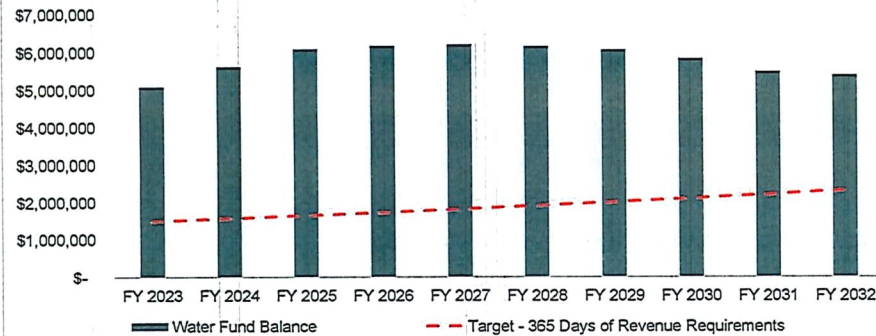
Water Cashflow



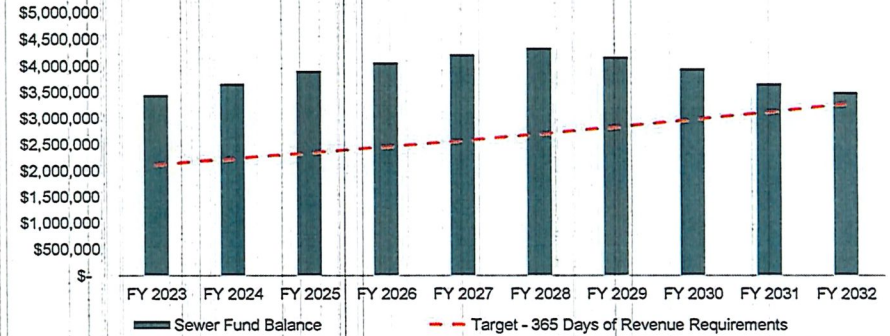
Sewer Cashflow



Water Fund Balance



Sewer Fund Balance



		Rates							
		FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
Water Rates									
Volumetric Rates (CCF)									
Residential									
Tier 1	0 - 30	\$ 3.01	\$ 3.07	\$ 3.13	\$ 3.19	\$ 3.26	\$ 3.32	\$ 3.39	
Tier 2	30 - 60	3.72	3.79	3.87	3.95	4.03	4.11	4.19	
Tier 3	> 60	4.42	4.51	4.60	4.69	4.78	4.88	4.98	
Minimum Charge									
Residential		\$ 10.00	\$ 10.20	\$ 10.40	\$ 10.61	\$ 10.82	\$ 11.04	\$ 11.26	
Sewer Rates									
Volumetric Rates (CCF)									
Residential									
Tier 1	0 - 30	\$ 8.78	\$ 9.22	\$ 9.68	\$ 10.16	\$ 10.67	\$ 11.21	\$ 11.77	
Tier 2	30 - 60	10.06	10.56	11.09	11.65	12.23	12.84	13.48	
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Typical Single Family Residential Customer

