

ORDINANCE NO. 2022-21

AN ORDINANCE TO AMEND SECTION 9-4-7(c) OF THE CODE OF ORDINANCES FOR THE VILLAGE OF CALEDONIA RELATING TO THE AMOUNT OF SEWER SERVICE CHARGES

That the Village Board of the Village of Caledonia, Racine County, do ordain as follows:

1. That Caledonia Utility District has a five-year Sanitary Sewer Capital Improvement Plan (CIP) of approximately \$56.9 million (2021 – 2025). In addition to the CIP, the Mount Pleasant TID #5 Conveyance for the Interstate 94 Corridor in Caledonia (TID #1 and TID #4) has a cost share of \$27.06 million, and the City of Racine wastewater treatment plant equipment upgrade has an estimated cost share of \$3.62 million. This is a total of approximately \$87.58 million of capital that will need to be funded through 2025.

2. That due to high intensity rain events in May, July, and August 2020, and the lack of additional Sanitary Sewer Capacity available, the Utility District will need to construct additional attenuation basins to mitigate and control peak sanitary sewer flows. These projects will hopefully avoid or limit the duration the Village of Caledonia is placed on a Sewer Moratorium at two of its three connection points with the Racine Wastewater Utility.

3. The Caledonia Utility District completed the Erie Street Sanitary Sewer Rehab in 2022 and it also began two major sewer projects, the Hoods Creek Attenuation Basin cells 2 and 3, and the Dominican Lift Station rehabilitation. The balance of the five-year CIP has Riverbend Lift Station safety site and forcemain replacement in 2024, sanitary sewer replacement along 4 ½ Mile Road (TID#5 developer driven) in 2023-2024, the Highway K Sanitary Sewer Extension (TID #1 developer driven), the Central Attenuation Basin in 2023-2025, the TID #4 Phase 4 sanitary sewer extension (TID #4 developer driven), and the Caddy Vista East Sewer Improvements. The total remaining project costs are estimated at \$46.1 million dollars.

4. That the first interest-only payment on the Village's share of the Mount Pleasant Clean Water Fund Loan was paid in November 2021, and the first principal and interest payment was paid in May 2022.

5. That the Village's share of the projected City of Racine wastewater treatment plant equipment Clean Water Fund Loan is expected to have its first principal and interest payment due in May 2024.

6. A Financial Plan was prepared by Brian Della of PMA (the Village's municipal advisor) and reviewed by Village staff. The Village already borrowed \$12.75 million in 2021 and the Financial Plan indicates that the Village will need to issue additional water and sewer revenue bonds of approximately \$12.5 million in 2023, \$11.3 million in 2024 and \$6.9 million in 2025 to finance scheduled sewer projects in years 2021-2025. Bonding amounts are higher than project costs in order to finance deposits to the Debt Service Reserve Account, which is equal to maximum annual revenue bond debt service over a given year, and to pay debt issuance expenses.

7. The Financial Plan also indicates that in order to complete the CIP, Bond for the projects, and pay Caledonia's share of the Mount Pleasant TID #5 Conveyance and Racine WWTP equipment upgrades, the Sewer Service Charge will need to increase. The projected overall increase needed in the Sewer Service Charge for the five-year CIP, and the Mount Pleasant TID #5 Conveyance and Racine WWTP equipment upgrade is 64.4%. The Financial Plan currently projects future increases effective in the fourth quarter as follows: 10.4% (\$154 to \$170) in 2022, 10.0% (\$170 to \$187) in 2023, 10.2% (\$187 to \$206) in 2024, 10.2% (\$206 to \$227) in 2025, and 10.1% (\$227 to \$250) in 2026.

8. That the Caledonia Utility District Commission and staff have discussed the CIP, sewer capacity issues, Caledonia's share of the Mount Pleasant TID #5 Conveyance and Racine WWTP equipment upgrades, the Financial Plan, and the necessity for a Sewer Service Charge increase at various noticed meetings during the year 2022.

9. That based on the above, Section 9-4-7(c) of the Code of Ordinances for the Village of Caledonia be, and hereby is, amended to read as follows:

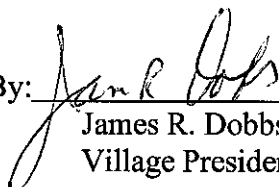
“(c) Amount of Sewer Service Charges.

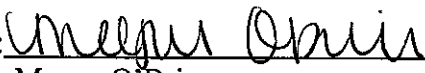
- (1) Category A. Customers as defined in s. 9-4-3(a)(3) shall pay a total service charge of **\$170.00/quarter**, effective September 15, 2022.
- (2) Category B. Customers as defined in s. 9-4-3(a)(4) shall pay a user charge, as determined by the District, based upon (without limitation) the costs of collection, treatment and disposal of wastewater, treatment and disposal of prohibited substances, and/or sampling, measurement and analysis performed by, or on behalf of, the District."

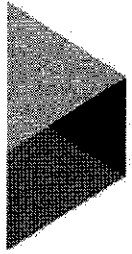
10. That this Ordinance shall take effect on September 15, 2022, after recommendation by the Caledonia Utility District Commission on August 3, 2022, approval by the Village Board on August 15, 2022 and publication as required by law.

15 Adopted by the Village Board of the Village of Caledonia, Racine County, Wisconsin, this day of August, 2022.

VILLAGE OF CALEDONIA

By: 
James R. Dobbs
Village President

Attest: 
Megan O'Brien
Deputy Village Clerk



PMA™

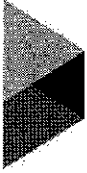
Village of Caledonia, WI

Sewer Utility

**Capital Improvement Plan (2021-2025) Overview
& Rate Setting Considerations**

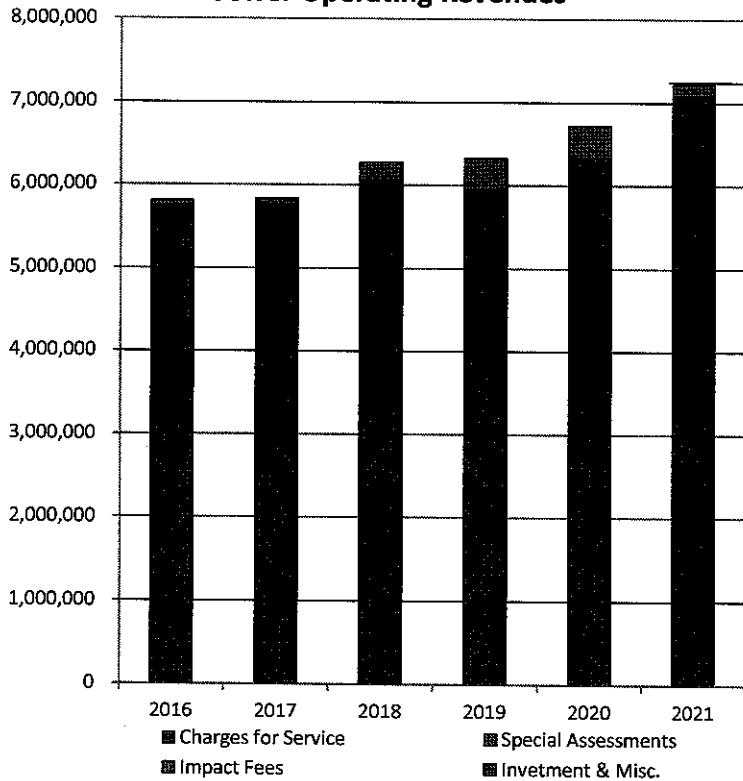
Brian Della, CFA
Director, Public Finance
PMA Securities, LLC

Utility Commission: August 3, 2022

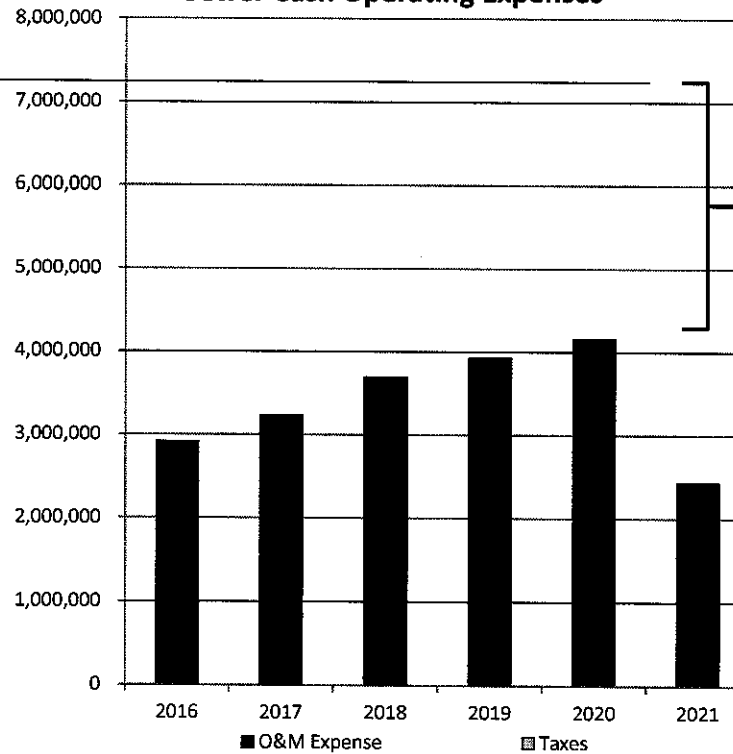


Sewer Revenues and Cash Operating Expenses

Sewer Operating Revenues



Sewer Cash Operating Expenses



2021 Results

Operating Revenues

\$7.2 million
(rate increase and Spec. Asmt.)

Cash Operating Expenses

\$2.4 million*
(True Up Provision)

Available for Sewer D.S.

\$4.8 million* - Net Revenues

	Racine WW Billings to Village		
	2019	2020	2021
Q1	826,649	739,475	533,815
Q2	829,743	758,654	389,283
Q3	529,050	580,035	299,924
Q4	802,329	475,465	300,704
	2,987,770	2,553,629	1,523,727
vs. 2019		(434,141)	(1,464,044)



Existing Sewer Debt Service

(through 2020 issues)

Year	Paid by Net Sewer Rev.			Paid by Net Sewer Rev.			Approx. 32.4% of Mt. P. CWFL	Total Rev. D.S.	Paid by Property Taxes		
	Principal	Senior Sewer Rev. Interest	D.S.	Principal	Junior Sewer Rev. Interest	D.S.			Principal	G.O. Sewer Debt Interest	D.S.
2018	688,104	383,586	1,071,690	923,401	128,019	1,051,420		2,123,110	419,144	137,013	556,157
2019	704,473	360,155	1,064,628	949,664	100,691	1,050,355		2,114,983	431,271	126,539	557,810
2020	841,140	429,053	1,270,193	976,673	72,591	1,049,264		2,319,457	443,593	115,765	559,358
2021	858,114	411,678	1,269,792	1,004,420	43,697	1,048,117		2,544,714	451,117	104,738	555,855
2022	875,402	387,129	1,262,531	994,192	14,524	1,008,716	1,200,000	3,471,247	463,192	93,516	556,708
2023	898,013	361,978	1,259,991	--	--	--	1,300,000	2,559,991	470,000	82,808	552,808
2024	925,954	336,092	1,262,046	--	--	--	1,300,000	2,562,046	285,000	74,478	359,478
2025	949,235	309,461	1,258,696	--	--	--	1,300,000	2,558,696	290,000	67,648	357,648
2026	977,865	282,077	1,259,942	--	--	--	1,300,000	2,559,942	295,000	60,334	355,334
2027	1,006,853	253,712	1,260,565	--	--	--	1,300,000	2,560,565	305,000	52,531	357,531
2028	1,036,208	224,331	1,260,539	--	--	--	1,300,000	2,560,539	315,000	44,159	359,159
2029	1,065,940	193,963	1,259,903	--	--	--	1,300,000	2,559,903	325,000	35,196	360,196
2030	1,091,058	164,321	1,255,379	--	--	--	1,300,000	2,555,379	335,000	25,708	360,708
2031	1,126,573	135,358	1,261,931	--	--	--	1,300,000	2,561,931	345,000	15,675	360,675
2032	1,152,496	105,333	1,257,829	--	--	--	1,300,000	2,557,829	350,000	5,250	355,250
2033	550,000	82,631	632,631	--	--	--	1,300,000	1,932,631	--	--	--
2034	565,000	67,406	632,406	--	--	--	1,300,000	1,932,406	--	--	--
2035	590,000	51,188	641,188	--	--	--	1,300,000	1,941,188	--	--	--
2036	605,000	33,953	638,953	--	--	--	1,300,000	1,938,953	--	--	--
2037	500,000	17,775	517,775	--	--	--	1,300,000	1,817,775	--	--	--
2038	200,000	7,881	--	--	--	--	1,300,000	1,300,000	--	--	--
2039	205,000	2,691	--	--	--	--	1,300,000	1,300,000	--	--	--
2040	--	--	--	--	--	--	1,300,000	1,300,000	--	--	--
	17,412,428	4,601,752	21,598,608	4,848,350	359,522	5,207,872	thru 2051	51,633,285	5,523,317	1,041,358	6,564,675

Sewer Revenue Debt Service is paid by Net Sewer Operating Revenues.

G.O. Debt issued to finance Sewer Projects is paid by property taxes.

Temporary spike to \$3.47 million in 2022.

Stabilized at \$2.6 million 2023-2032

2012 Clean Water Fund Loan
2013C W&S Revenue Bonds
2016D W&S Revenue Bonds
2017B W&S Revenue Bonds
2019 W&S Revenue Bonds
2020 W&S Revenue Bonds

2002A Racine CWFL
2002B Racine CWFL
2002C Racine CWFL
2003 Racine Advance

2001 G.O. CWFL
2003 G.O. CWFL
Portions of 2010A & 2012B G.O.
Portions of 2012A & 2016B G.O.



Village Water and Sewer Utility Capital Projects (2021-2025)

- ▶ Below is a list of Water and Sewer projects. Estimated timing for those projects highlighted in Yellow are reasonably known.
- ▶ The timing of the other projects will be determined if and when certain TID-related developments occur.

Project #	Village of Caledonia Project Description	Total Cost	Sewer Total	Water	TID Allocation		Project Schedule	Complete					
					%	\$		2021 Borrowing	2022 Borrowing	2023 Borrowing	2024 Borrowing	2025 Borrowing	
1	Hoods Creek Attenuation Basin (Cells 2 and 3)	10,600,000	10,600,000	--	--	--	2022-2023	10,600,000	--	--	--	--	--
2	Dominican Lift Station Rehab (TID #5)	2,150,000	1,010,500	--	53%	1,139,500	2022	2,150,000	--	--	--	--	--
3	North Kremer Watermain Relay	3,000,000	--	3,000,000	--	--	2022	3,000,000	--	--	--	--	--
4	Riverbend Lift Station Safety Site & Forcemain Relay	5,750,000	5,750,000	--	--	--	2024	--	--	5,750,000	--	--	--
5	Washington Meadows Watermain Relay	1,500,000	--	1,800,000	--	--	2022/2023	--	--	1,600,000	--	--	--
6	Central Attenuation Basin & Safety Site	22,600,000	21,470,000	--	5%	1,130,000	2023-2025	--	--	5,650,000	11,300,000	5,650,000	--
7	5 Mile Road East New Sanitary Sewer (TID #5)	500,000	--	--	100%	500,000	Dev. Driven	--	--	500,000	--	--	--
8	5 Mile Road East New Water Main (TID #5)	350,000	--	--	100%	350,000	Dev. Driven	--	--	350,000	--	--	--
9	4 ½ Mile Road Sanitary Sewer Rehab (TID #5)	210,000	210,000	--	--	--	2023-2024	--	--	210,000	--	--	--
10	4 ½ Mile Road New Water Main (TID #5)	220,000	--	--	100%	220,000	2023-2024	--	--	220,000	--	--	--
11	TID #1 (Water and Sanitary Sewer extension)	6,000,000	4,500,000	1,500,000	100%	6,000,000	Dev. Driven	--	--	--	--	--	--
12	TID #1 Phase 1 (West Franksville W&S extension)	10,920,000	7,435,000	3,485,000	100%	10,920,000	Dev. Driven	--	--	--	--	--	--
13	TID #4 (Golf Road Water Main extension)	750,000	--	750,000	100%	750,000	Dev. Driven	--	--	--	--	--	--
14	TID #4 Phase 4 (Sanitary Sewer to Hintz & South of Badgerland)	4,370,000	4,370,000	--	100%	4,370,000	Dev. Driven	--	--	--	--	--	--
15	TID #4 Water Main Extension	???	???	???	???	???	Dev. Driven	--	--	--	--	--	--
16	TID #4 Elevated Storage Tank (ARPA Funds?)	3,750,000	--	3,750,000	100%	3,750,000	2025	--	--	--	--	3,750,000	--
17	Caddy Vista Sewer Improvements East	1,250,000	1,250,000	--	--	--	2025	--	--	--	--	1,250,000	--
18	Erie Street Sanitary Sewer Rehab (TID #5)	313,600	313,600	--	0%	--	2022	313,600	--	--	--	--	--
19	Erie Street Watermain Improvements (TID #5)	1,895,700	--	1,895,700	0%	--	2025	--	--	--	--	1,895,700	--
20	North Main Street Utility Rehabilitation	???	--	--	--	--	2026	--	--	--	--	--	--
Direct Borrowing for W&S Projects		76,129,300	56,909,100	16,180,700		29,129,500	Total	15,750,000	--	14,480,000	11,300,000	12,545,700	--
Sewer Total								12,750,000	--	12,460,000	11,300,000	6,900,000	--
Water Total								3,000,000	--	2,020,000	--	5,645,700	--



Village Sewer Utility Projected Debt Service and Rev. Bond Sizing

Year	ACTUAL			Estimated			Estimated			Estimated			Estimated		
	Principal	Interest	D.S.	Principal	Interest	D.S.	Principal	Interest	D.S.	Principal	Interest	D.S.	Principal	Interest	D.S.
2018															
2019															
2020															
2021															
2022		360,887	360,887											360,887	360,887
2023		368,044	368,044		479,500	479,500								847,544	847,544
2024	430,000	359,444	789,444		479,500	479,500		434,875	434,875				430,000	1,273,819	1,703,819
2025	445,000	341,944	786,944	560,000	479,500	1,039,500		434,875	434,875				1,005,000	1,521,969	2,526,969
2026	465,000	323,744	788,744	580,000	459,900	1,039,900	505,000	434,875	939,875				1,550,000	1,484,169	3,034,169
2027	485,000	304,744	789,744	600,000	439,600	1,039,600	525,000	417,200	942,200				1,920,000	1,427,194	3,347,194
2028	505,000	284,944	789,944	620,000	418,600	1,038,600	545,000	398,825	943,825	310,000	265,650	265,650	1,990,000	1,357,169	3,347,169
2029	525,000	264,344	789,344	640,000	396,900	1,036,900	560,000	379,750	939,750	320,000	254,800	574,800	2,055,000	1,284,594	3,339,594
2030	545,000	242,944	787,944	665,000	374,500	1,039,500	580,000	360,150	940,150	330,000	243,600	573,600	2,135,000	1,209,644	3,344,644
2031	565,000	220,744	785,744	685,000	351,225	1,036,225	600,000	339,850	939,850	345,000	232,050	577,050	2,205,000	1,131,794	3,336,794
2032	585,000	200,669	785,669	710,000	327,250	1,037,250	625,000	318,850	943,850	355,000	219,975	574,975	2,290,000	1,054,319	3,344,319
2033	605,000	182,819	787,819	735,000	302,400	1,037,400	645,000	296,975	941,975	370,000	207,550	577,550	2,365,000	976,794	3,341,794
2034	815,000	165,594	980,594	760,000	276,675	1,036,675	670,000	274,400	944,400	380,000	194,600	574,600	2,640,000	897,969	3,537,969
2035	830,000	149,144	979,144	790,000	250,075	1,040,075	690,000	250,950	940,950	395,000	181,300	576,300	2,720,000	817,644	3,537,644
2036	850,000	132,344	982,344	815,000	222,425	1,037,425	715,000	226,800	941,800	410,000	167,475	577,475	2,800,000	734,694	3,534,694
2037	865,000	114,653	979,653	845,000	193,900	1,038,900	740,000	201,775	941,775	420,000	153,125	573,125	2,885,000	648,753	3,533,753
2038	885,000	96,059	981,059	875,000	164,325	1,039,325	765,000	175,875	940,875	435,000	138,425	573,425	2,975,000	559,459	3,534,459
2039	905,000	76,475	981,475	905,000	133,700	1,038,700	795,000	149,100	944,100	450,000	123,200	573,200	3,075,000	466,725	3,541,725
2040	925,000	55,888	980,888	935,000	102,025	1,037,025	820,000	121,275	941,275	470,000	107,450	577,450	3,165,000	370,188	3,535,188
2041	945,000	34,259	979,259	970,000	69,300	1,039,300	850,000	92,575	942,575	485,000	91,000	576,000	3,265,000	270,159	3,535,159
2042	970,000	11,519	981,519	1,010,000	35,350	1,045,350	880,000	62,825	942,825	500,000	74,025	574,025	3,380,000	166,219	3,546,219
2043							915,000	32,025	947,025	520,000	56,525	576,525	1,450,000	70,350	1,520,350
2044										535,000	38,325	573,325	560,000	19,600	579,600
2045															
	13,145,000	4,291,203	17,436,203	13,700,000	5,956,650	19,656,650	12,425,000	5,403,825	17,828,825	7,590,000	3,299,975	10,889,975	46,860,000	18,951,653	65,811,653
				12,460,000			11,300,000			6,900,000					
				DSRF	963,657			874,109			533,724				
				COI	276,343			250,891			156,276				
				Par	13,700,000			12,425,000			7,590,000				



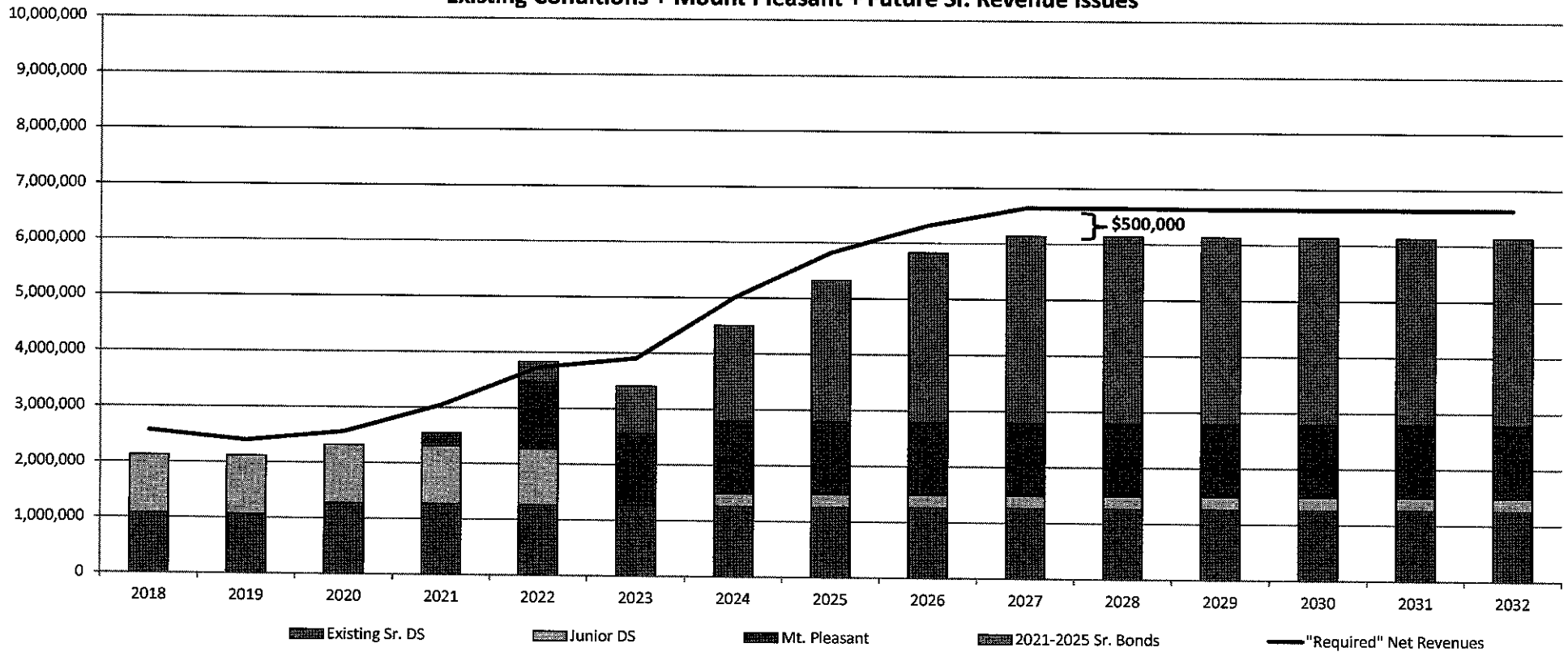
Estimated Sewer Debt Service and Example Rate Increases

Year	Paid by Net W&S Revenues Senior W&S Rev.			Paid by Net W&S Revenues Junior W&S Rev. (Raone)			Est. Mount Pleasant	Estimated 2021-2025 GP Bonds			TOTAL D.S.	\$500,000 Required Revenues	\$6,330,328 Base Charges for Service			
	Principal	Interest	D.S.	Principal	Interest	D.S.		Principal	Interest	D.S.			\$	Annual %	Agg. %	
2018	688,104	383,586	1,071,690	923,401	128,019	1,051,420					2,123,110	2,569,760*	--	--	--	
2019	704,473	360,155	1,064,628	949,664	100,691	1,050,355					2,114,983	2,397,026*	--	--	--	
2020	841,140	429,053	1,270,193	976,673	72,591	1,049,264					2,319,457	2,562,701	--	--	--	
2021	858,114	411,678	1,269,792	1,004,420	43,697	1,048,117	226,805				2,544,714	3,045,000	482,299	7.6%	7.6%	
2022	875,402	387,129	1,262,531	994,192	14,524	1,008,716	1,200,000	--	360,887	360,887	3,832,134	3,732,000	687,000	10.9%	18.5%	
2023	898,013	361,978	1,259,991	--	--	--	1,300,000	--	847,544	847,544	3,407,535	3,908,000	176,000	2.8%	21.3%	
2024	925,954	336,092	1,262,046	141,713	90,500	232,213	1,300,000	430,000	1,273,819	1,703,819	4,498,077	4,998,000	1,090,000	17.2%	38.5%	
2025	949,235	309,461	1,258,696	145,255	86,957	232,213	1,300,000	1,005,000	1,521,969	2,526,969	5,317,877	5,818,000	820,000	13.0%	51.4%	
2026	977,865	282,077	1,259,942	148,887	83,326	232,213	1,300,000	1,550,000	1,484,169	3,034,169	5,826,323	6,326,000	508,000	8.0%	59.4%	
2027	1,006,853	253,712	1,260,565	152,609	79,604	232,213	1,300,000	1,920,000	1,427,194	3,347,194	6,139,971	6,640,000	314,000	5.0%	64.4%	
2028	1,036,208	224,331	1,260,539	156,424	75,788	232,213	1,300,000	1,990,000	1,357,169	3,347,169	6,139,920	6,640,000	--	--	64.4%	
2029	1,065,940	193,963	1,259,903	160,335	71,878	232,213	1,300,000	2,055,000	1,284,594	3,339,594	6,131,709	6,632,000	--	--	64.4%	
2030	1,091,058	164,321	1,255,379	164,343	67,869	232,213	1,300,000	2,135,000	1,209,644	3,344,644	6,132,235	6,632,000	--	--	64.4%	
2031	1,126,573	135,358	1,261,931	168,452	63,761	232,213	1,300,000	2,205,000	1,131,794	3,336,794	6,130,937	6,631,000	--	--	64.4%	
2032	1,152,496	105,333	1,257,829	172,663	59,550	232,213	1,300,000	2,290,000	1,054,319	3,344,319	6,134,360	6,634,000	--	--	64.4%	
2033	550,000	82,631	632,631	176,980	55,233	232,213	1,300,000	2,365,000	976,794	3,341,794	5,506,637	6,007,000	--	--	64.4%	
2034	565,000	67,406	632,406	181,404	50,808	232,213	1,300,000	2,640,000	897,969	3,537,969	5,702,587	6,203,000	--	--	64.4%	
2035	590,000	51,188	641,188	185,939	46,273	232,213	1,300,000	2,720,000	817,644	3,537,644	5,711,044	6,211,000	--	--	64.4%	
2036	605,000	33,953	638,953	190,588	41,625	232,213	1,300,000	2,800,000	734,694	3,534,694	5,705,859	6,206,000	--	--	64.4%	
2037	500,000	17,775	517,775	195,352	36,860	232,213	1,300,000	2,885,000	648,753	3,533,753	5,583,741	6,084,000	--	--	64.4%	
2038	200,000	7,881	--	200,236	31,976	232,213	1,300,000	2,975,000	559,459	3,534,459	5,066,672	5,567,000	--	--	64.4%	
2039	205,000	2,691	--	205,242	26,970	232,213	1,300,000	3,075,000	466,725	3,541,725	5,073,938	5,574,000	--	--	64.4%	
2040	--	--	--	210,373	21,839	232,213	1,300,000	3,165,000	370,188	3,535,188	5,067,400	5,567,000	--	--	64.4%	
2041	--	--	--	215,632	16,580	232,213	1,300,000	3,265,000	270,159	3,535,159	5,067,372	5,567,000	--	--	64.4%	
2042	--	--	--	221,023	11,189	232,213	1,300,000	3,380,000	166,219	3,546,219	5,078,431	5,578,000	--	--	64.4%	
2043	--	--	--	226,549	5,664	232,213	1,300,000	1,450,000	70,350	1,520,350	3,052,563	3,553,000	--	--	64.4%	
2044	--	--	--	--	--	--	1,300,000	560,000	19,600	579,600	1,879,600	2,380,000	--	--	64.4%	
2045	--	--	--	--	--	--	1,300,000	--	--	--	1,300,000	1,800,000	--	--	64.4%	
2046	--	--	--	--	--	--	1,300,000	--	--	--	1,300,000	1,800,000	--	--	64.4%	
	17,412,428	4,601,752	21,598,608	8,468,350	1,383,774	9,852,124	thru 2051	46,860,000	18,951,653	65,811,653			4,077,299			
				3,620,000	WWTP Equipment							(600,000)	fund balance applied to cover spike			



Estimated Sewer Debt Service and Example Rate Increases

Existing Conditions + Mount Pleasant + Future Sr. Revenue Issues





Minimum Suggested Sewer Rate Schedule

	Year	Quarter	Sewer Service Charge	Quarter over Quarter Rate Increase	Calendar Year Rate Increase
Historical	2019	Q1	123	--	0.6%
	2019	Q2	123	--	
	2019	Q3	123	--	
	2019	Q4	126	2.4%	
	2020	Q1	126	2.4%	4.6%
	2020	Q2	126	2.4%	
	2020	Q3	126	2.4%	
	2020	Q4	140	11.1%	
	2021	Q1	140	11.1%	10.8%
	2021	Q2	140	11.1%	
	2021	Q3	140	11.1%	
	2021	Q4	154	10.0%	
2022	Q1	154	10.0%	10.1%	
2022	Q2	154	10.0%		
2022	Q3	154	10.0%		
2022	Q4	170	10.4%		
Suggested Minimum	2023	Q1	170	10.4%	10.3%
	2023	Q2	170	10.4%	
	2023	Q3	170	10.4%	
	2023	Q4	187	10.0%	
	2024	Q1	187	10.0%	10.0%
	2024	Q2	187	10.0%	
	2024	Q3	187	10.0%	
	2024	Q4	206	10.2%	
	2025	Q1	206	10.2%	10.2%
	2025	Q2	206	10.2%	
	2025	Q3	206	10.2%	
	2025	Q4	227	10.2%	
2026	Q1	227	10.2%	10.2%	
2026	Q2	227	10.2%		
2026	Q3	227	10.2%		
2026	Q4	250	10.1%		

- ▶ In August of 2020, PMA estimated that 10% annual sewer service charge rate increases would be the minimum needed to finance the estimated required capital projects.
- ▶ The adjacent table shows projected minimum 10% rate increases annually beginning in Quarter 4, 2021 (September 15, 2021), through Quarter 4, 2026.
- ▶ This is the same rate schedule as what was provided by PMA in the Fall of 2021 and was referenced in the sewer rate ordinance (No. 2021-07).
- ▶ The proposed rate increase to take effect on September 15, 2022 is 10.4% (from \$154 to \$170 per quarter)
- ▶ It's important to have consistent timing of the needed rate increases for revenue and credit rating (Moody's) reasons.



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