



- **Somerville, MA**
- **FY 2025 Water & Sewer Updated Rate Increase Scenarios**



- **Scenario #1**
- **9.5% Water increase**
- **5% Sewer increase**



# Water – 9.5% 2025 Rate Increase



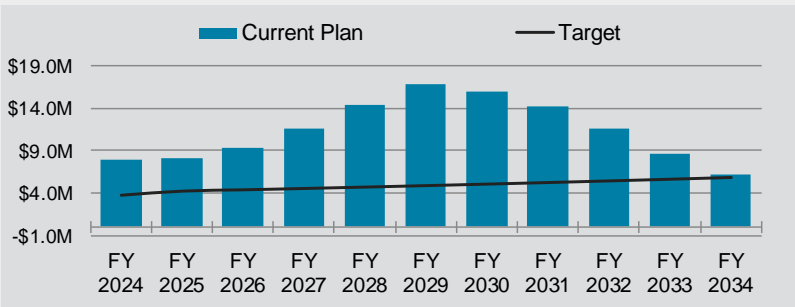
## WATER ENTERPRISE FUND



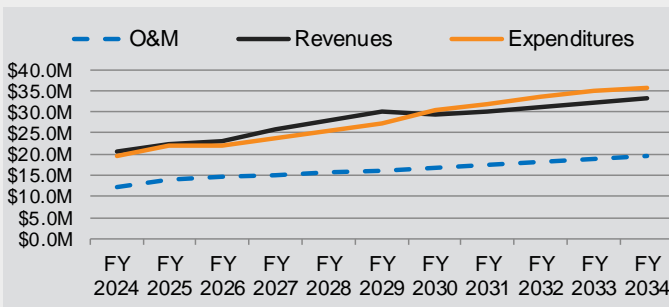
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	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2026	FY 2031
Water Rate Increases	0.00%	9.50%	10.00%	10.00%	8.00%	7.00%	3.00%	3.00%	3.00%	3.00%	3.00%	53.53%	77.94%
Debt Service Coverage (1.25 Target)	2.63	1.57	3.45	3.55	3.31	2.69	1.52	1.43	1.33	1.32	1.43	Growth	Normal
Debt Service / Revenue	12.4%	19.5%	9.9%	10.6%	12.2%	15.8%	27.7%	29.2%	31.0%	31.0%	28.3%		
Tri-Annual Single-Family Bill @ 18 CCF	\$139.49	\$150.88	\$164.01	\$178.42	\$191.09	\$203.12	\$208.57	\$214.20	\$220.01	\$226.05	\$232.27	Check	-
Net Cash Flow (\$ M)	\$1.15	-\$1.85	\$0.79	\$1.78	\$2.32	\$2.13	-\$1.40	-\$2.12	-\$3.01	-\$3.37	-\$2.90		

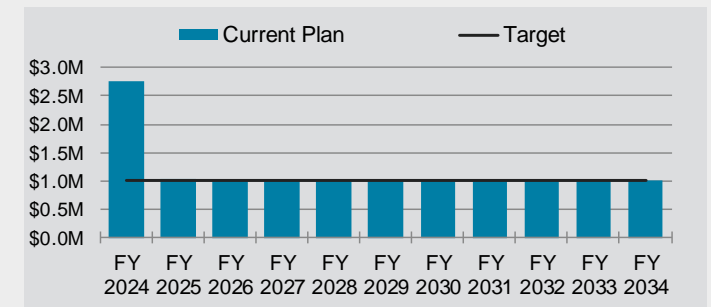
### Operating Fund



### Revenues vs. Expenses



### Stabilization Fund



	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Revenues	\$20,083,876	\$21,935,292	\$24,107,401	\$26,072,405	\$27,952,641	\$28,890,078	\$29,796,676	\$30,718,450	\$31,660,009	\$32,636,008
Operating Expenses	\$18,038,569	\$18,789,118	\$19,572,096	\$20,388,957	\$21,241,221	\$22,130,480	\$23,058,397	\$24,026,717	\$25,037,263	\$26,091,943
Debt Service	\$3,893,630	\$2,149,049	\$2,544,718	\$3,149,128	\$4,356,511	\$7,925,496	\$8,614,764	\$9,452,999	\$9,737,454	\$9,184,977
Cash Funded Projects	-	206,000	212,180	218,545	225,102	231,855	238,810	245,975	253,354	260,955
Total Expenses	\$21,932,199	\$21,144,167	\$22,328,994	\$23,756,630	\$25,822,834	\$30,287,831	\$31,911,972	\$33,725,691	\$35,028,071	\$35,537,875
<b>Net Cash Flow</b>	<b>(\$1,848,323)</b>	<b>\$791,125</b>	<b>\$1,778,407</b>	<b>\$2,315,775</b>	<b>\$2,129,807</b>	<b>(\$1,397,752)</b>	<b>(\$2,115,296)</b>	<b>(\$3,007,241)</b>	<b>(\$3,368,062)</b>	<b>(\$2,901,867)</b>
Stabilization Fund Balance	\$1,037,618	\$1,020,376	\$1,020,204	\$1,020,202	\$1,020,202	\$1,020,202	\$1,020,202	\$1,020,202	\$1,020,202	\$1,020,202
Operating Fund Balance	\$8,151,631	\$9,380,374	\$11,579,157	\$14,315,136	\$16,865,144	\$15,887,594	\$14,192,499	\$11,605,461	\$8,657,601	\$6,175,936
<b>Total Fund Balance</b>	<b>9,189,249</b>	<b>10,400,750</b>	<b>12,599,361</b>	<b>15,335,338</b>	<b>17,885,346</b>	<b>16,907,796</b>	<b>15,212,701</b>	<b>12,625,663</b>	<b>9,677,803</b>	<b>7,196,138</b>



# Sewer – 5% 2025 Rate Increase



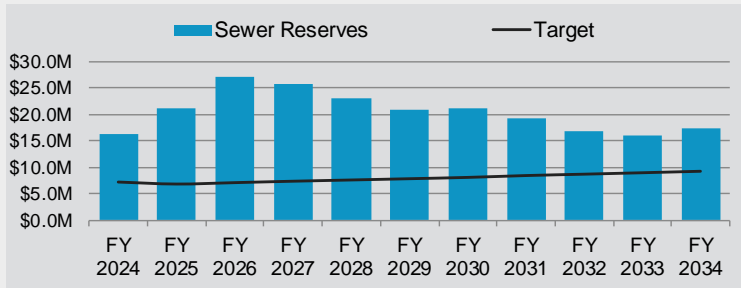
## SEWER ENTERPRISE FUND



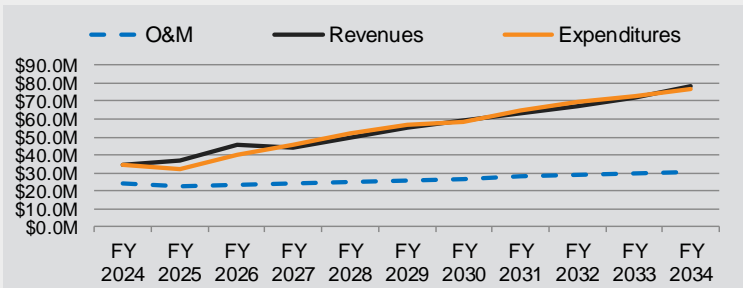
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	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2027	FY 2032
Sewer Usage Rate Plan	0.00%	5.00%	15.00%	15.00%	13.00%	12.00%	7.00%	7.00%	7.00%	7.00%	7.00%	75.67%	146.27%
Debt Service Coverage (1.25 Target)	1.73	1.90	1.38	1.27	1.12	1.14	1.25	1.16	1.12	1.18	1.25	Scenario Manager	
Debt Service / Revenue	12.4%	15.3%	26.1%	33.3%	42.1%	45.2%	42.5%	47.2%	50.1%	49.2%	47.6%	Growth	Normal
Tri-Annual Single-Family Bill @ 18 CCF	\$272.53	\$284.16	\$320.77	\$362.89	\$404.83	\$448.64	\$477.18	\$507.77	\$540.46	\$575.56	\$613.04	Check	-
Combined Tri-Annual W&S Single-Family Bill	\$412.02	\$438.75	\$492.30	\$545.04	\$598.37	\$654.31	\$688.43	\$724.83	\$763.43	\$804.62	\$848.37	Stormwater Fee	No
Net Cash Flow (\$ M)	-\$0.48	\$0.16	-\$2.71	-\$2.93	-\$4.38	-\$3.86	-\$1.37	-\$3.05	-\$3.87	-\$2.24	\$0.25		

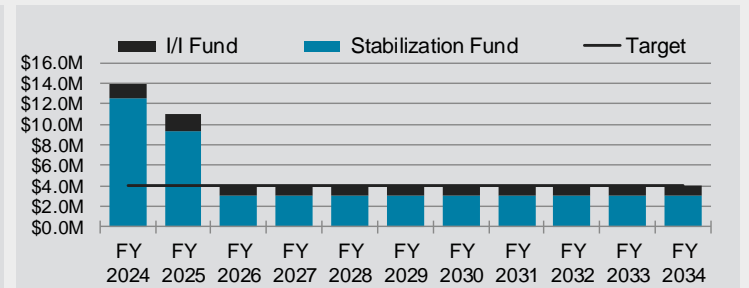
Operating Fund



Revenues vs. Expenses



Stabilization Fund & I/I Fund



	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Revenues	\$32,055,265	\$36,738,623	\$42,111,157	\$47,478,906	\$53,104,647	\$56,928,102	\$60,992,634	\$65,343,996	\$70,022,429	\$75,068,256
Operating Expenses	27,004,365	28,082,671	29,195,295	30,202,622	31,247,365	32,331,042	33,455,235	34,621,599	35,831,860	37,087,824
Debt Service	\$4,886,779	\$9,510,819	\$13,931,535	\$19,909,839	\$23,913,119	\$24,112,842	\$28,679,121	\$32,619,855	\$34,401,900	\$35,645,290
Cash Funded Projects	-	1,854,000	1,909,620	1,748,363	1,800,814	1,854,839	1,910,484	1,967,798	2,026,832	2,087,637
Total Expenses	\$31,891,144	\$39,447,490	\$45,036,450	\$51,860,824	\$56,961,298	\$58,298,722	\$64,044,840	\$69,209,252	\$72,260,592	\$74,820,751
<b>Net Cash Flow</b>	<b>\$164,122</b>	<b>(\$2,708,866)</b>	<b>(\$2,925,293)</b>	<b>(\$4,381,918)</b>	<b>(\$3,856,651)</b>	<b>(\$1,370,620)</b>	<b>(\$3,052,206)</b>	<b>(\$3,865,256)</b>	<b>(\$2,238,163)</b>	<b>\$247,505</b>
Stabilization Fund Balance	\$9,283,365	\$3,061,417	\$3,030,307	\$3,030,152	\$3,030,151	\$3,030,151	\$3,030,151	\$3,030,151	\$3,030,151	\$3,030,151
I&I Fund Balance	\$1,657,548	\$1,013,288	\$1,010,066	\$1,010,050	\$1,010,050	\$1,010,050	\$1,010,050	\$1,010,050	\$1,010,050	\$1,010,050
Operating Fund Balance	\$21,092,324	\$26,924,371	\$25,673,782	\$22,932,238	\$20,715,789	\$20,985,370	\$19,273,365	\$16,748,310	\$15,850,348	\$17,438,054
<b>Total Fund Balance</b>	<b>\$32,033,238</b>	<b>\$30,999,076</b>	<b>\$29,714,156</b>	<b>\$26,972,440</b>	<b>\$24,755,990</b>	<b>\$25,025,571</b>	<b>\$23,313,566</b>	<b>\$20,788,511</b>	<b>\$19,890,549</b>	<b>\$21,478,255</b>



- **Scenario #2**
- **9.5% Water increase**
- **0% Sewer increase**



# Water – 9.5% 2025 Rate Increase



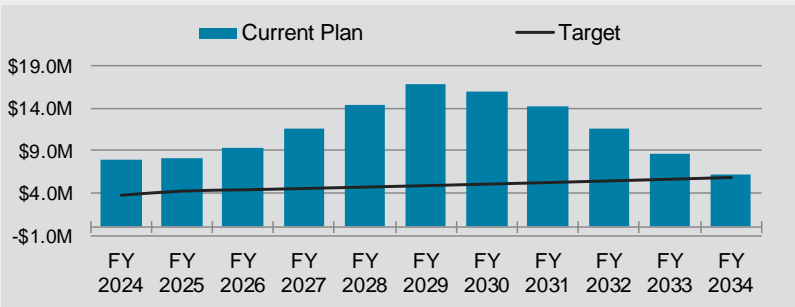
## WATER ENTERPRISE FUND



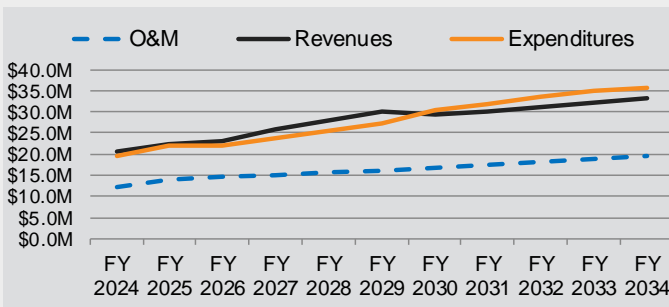
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	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2026	FY 2031
Water Rate Increases	0.00%	9.50%	10.00%	10.00%	8.00%	7.00%	3.00%	3.00%	3.00%	3.00%	3.00%	53.53%	77.94%
Debt Service Coverage (1.25 Target)	2.63	1.57	3.45	3.55	3.31	2.69	1.52	1.43	1.33	1.32	1.43	Growth	Normal
Debt Service / Revenue	12.4%	19.5%	9.9%	10.6%	12.2%	15.8%	27.7%	29.2%	31.0%	31.0%	28.3%		
Tri-Annual Single-Family Bill @ 18 CCF	\$139.49	\$150.88	\$164.01	\$178.42	\$191.09	\$203.12	\$208.57	\$214.20	\$220.01	\$226.05	\$232.27	Check	-
Net Cash Flow (\$ M)	\$1.15	-\$1.85	\$0.79	\$1.78	\$2.32	\$2.13	-\$1.40	-\$2.12	-\$3.01	-\$3.37	-\$2.90		

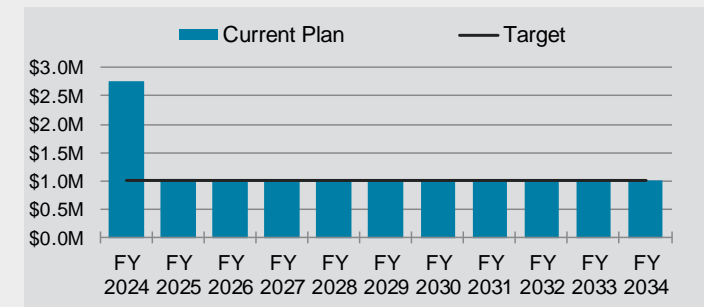
### Operating Fund



### Revenues vs. Expenses



### Stabilization Fund



	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Revenues	\$20,083,876	\$21,935,292	\$24,107,401	\$26,072,405	\$27,952,641	\$28,890,078	\$29,796,676	\$30,718,450	\$31,660,009	\$32,636,008
Operating Expenses	\$18,038,569	\$18,789,118	\$19,572,096	\$20,388,957	\$21,241,221	\$22,130,480	\$23,058,397	\$24,026,717	\$25,037,263	\$26,091,943
Debt Service	\$3,893,630	\$2,149,049	\$2,544,718	\$3,149,128	\$4,356,511	\$7,925,496	\$8,614,764	\$9,452,999	\$9,737,454	\$9,184,977
Cash Funded Projects	-	206,000	212,180	218,545	225,102	231,855	238,810	245,975	253,354	260,955
Total Expenses	\$21,932,199	\$21,144,167	\$22,328,994	\$23,756,630	\$25,822,834	\$30,287,831	\$31,911,972	\$33,725,691	\$35,028,071	\$35,537,875
<b>Net Cash Flow</b>	<b>(\$1,848,323)</b>	<b>\$791,125</b>	<b>\$1,778,407</b>	<b>\$2,315,775</b>	<b>\$2,129,807</b>	<b>(\$1,397,752)</b>	<b>(\$2,115,296)</b>	<b>(\$3,007,241)</b>	<b>(\$3,368,062)</b>	<b>(\$2,901,867)</b>
Stabilization Fund Balance	\$1,037,618	\$1,020,376	\$1,020,204	\$1,020,202	\$1,020,202	\$1,020,202	\$1,020,202	\$1,020,202	\$1,020,202	\$1,020,202
Operating Fund Balance	\$8,151,631	\$9,380,374	\$11,579,157	\$14,315,136	\$16,865,144	\$15,887,594	\$14,192,499	\$11,605,461	\$8,657,601	\$6,175,936
<b>Total Fund Balance</b>	<b>9,189,249</b>	<b>10,400,750</b>	<b>12,599,361</b>	<b>15,335,338</b>	<b>17,885,346</b>	<b>16,907,796</b>	<b>15,212,701</b>	<b>12,625,663</b>	<b>9,677,803</b>	<b>7,196,138</b>



# Sewer – No 2025 Rate Increase



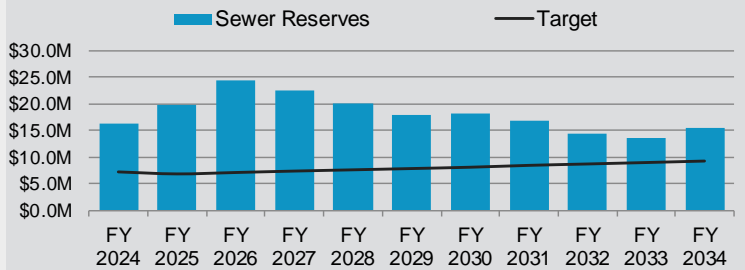
## SEWER ENTERPRISE FUND



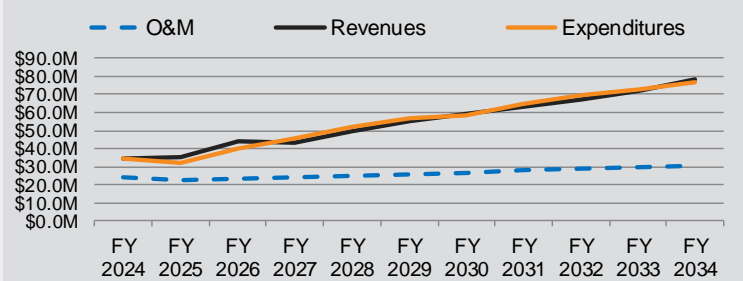
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	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2027	FY 2032
Sewer Usage Rate Plan	0.00%	0.00%	17.00%	17.00%	15.00%	12.00%	7.00%	7.00%	7.00%	7.00%	7.00%	76.29%	147.25%
Debt Service Coverage (1.25 Target)	1.73	1.61	1.26	1.22	1.12	1.14	1.26	1.16	1.13	1.18	1.26	Scenario Manager	
Debt Service / Revenue	12.4%	16.0%	26.9%	33.8%	42.0%	45.1%	42.4%	47.0%	49.9%	49.1%	47.4%	Growth	Normal
Tri-Annual Single-Family Bill @ 18 CCF	\$272.53	\$272.53	\$312.01	\$358.28	\$406.01	\$450.00	\$478.72	\$509.44	\$542.31	\$577.46	\$615.07	Check	-
Combined Tri-Annual W&S Single-Family Bill	\$412.02	\$427.12	\$483.54	\$540.43	\$599.55	\$655.67	\$689.97	\$726.50	\$765.28	\$806.52	\$850.40	Stormwater Fee	No
Net Cash Flow (\$ M)	-\$0.48	-\$1.24	-\$3.81	-\$3.53	-\$4.28	-\$3.72	-\$1.22	-\$2.89	-\$3.69	-\$2.04	\$0.46		

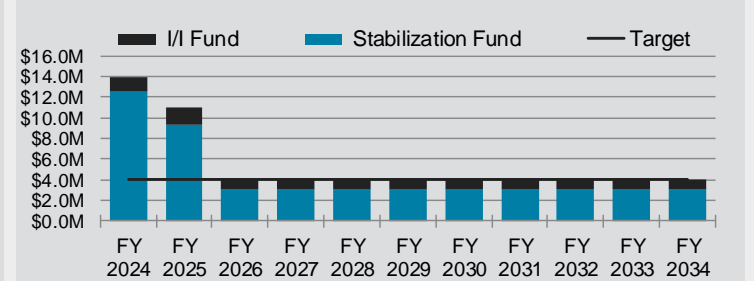
Operating Fund



Revenues vs. Expenses



Stabilization Fund & I/I Fund



	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Revenues	\$30,647,807	\$35,636,455	\$41,504,992	\$47,581,384	\$53,240,298	\$57,077,586	\$61,156,867	\$65,524,107	\$70,219,630	\$75,283,851
Operating Expenses	27,004,365	28,082,671	29,195,295	30,202,622	31,247,365	32,331,042	33,455,235	34,621,599	35,831,860	37,087,824
Debt Service	\$4,886,779	\$9,510,819	\$13,931,535	\$19,909,839	\$23,913,119	\$24,112,842	\$28,679,121	\$32,619,855	\$34,401,900	\$35,645,290
Cash Funded Projects	-	1,854,000	1,909,620	1,748,363	1,800,814	1,854,839	1,910,484	1,967,798	2,026,832	2,087,637
Total Expenses	\$31,891,144	\$39,447,490	\$45,036,450	\$51,860,824	\$56,961,298	\$58,298,722	\$64,044,840	\$69,209,252	\$72,260,592	\$74,820,751
<b>Net Cash Flow</b>	<b>(\$1,243,337)</b>	<b>(\$3,811,035)</b>	<b>(\$3,531,458)</b>	<b>(\$4,279,440)</b>	<b>(\$3,721,000)</b>	<b>(\$1,221,136)</b>	<b>(\$2,887,973)</b>	<b>(\$3,685,145)</b>	<b>(\$2,040,962)</b>	<b>\$463,100</b>
Stabilization Fund Balance	\$9,283,365	\$3,061,417	\$3,030,307	\$3,030,152	\$3,030,151	\$3,030,151	\$3,030,151	\$3,030,151	\$3,030,151	\$3,030,151
I&I Fund Balance	\$1,657,548	\$1,013,288	\$1,010,066	\$1,010,050	\$1,010,050	\$1,010,050	\$1,010,050	\$1,010,050	\$1,010,050	\$1,010,050
Operating Fund Balance	\$19,684,865	\$24,414,744	\$22,557,990	\$19,918,923	\$17,838,125	\$18,257,190	\$16,709,418	\$14,364,474	\$13,663,713	\$15,467,014
<b>Total Fund Balance</b>	<b>\$30,625,779</b>	<b>\$28,489,449</b>	<b>\$26,598,364</b>	<b>\$23,959,125</b>	<b>\$21,878,326</b>	<b>\$22,297,391</b>	<b>\$20,749,619</b>	<b>\$18,404,675</b>	<b>\$17,703,914</b>	<b>\$19,507,215</b>



- **Scenario #3**
- **0% Water increase**
- **0% Sewer increase**





# Water – No 2025 Rate Increase



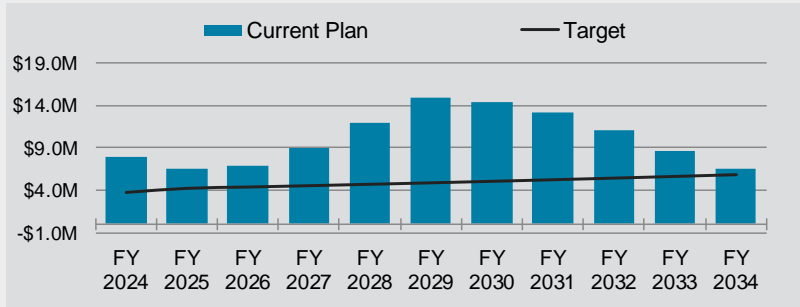
## WATER ENTERPRISE FUND



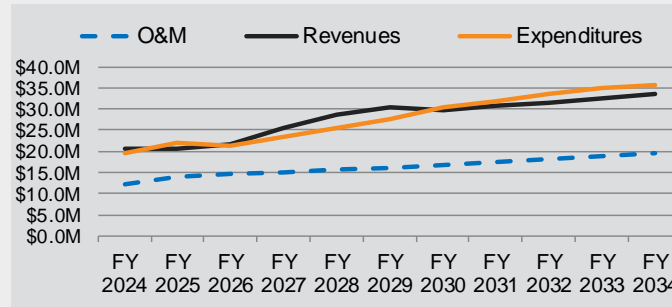
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	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2026	FY 2031
Water Rate Increases	0.00%	0.00%	15.00%	15.00%	10.00%	7.00%	3.00%	3.00%	3.00%	3.00%	3.00%	55.52%	80.29%
Debt Service Coverage (1.25 Target)	2.63	1.16	3.00	3.51	3.43	2.78	1.57	1.48	1.38	1.37	1.48	Growth	Normal
Debt Service / Revenue	12.4%	21.2%	10.3%	10.7%	12.0%	15.5%	27.3%	28.8%	30.5%	30.5%	27.8%		
Tri-Annual Single-Family Bill @ 18 CCF	\$139.49	\$139.49	\$157.43	\$178.03	\$193.82	\$205.95	\$211.53	\$217.34	\$223.25	\$229.34	\$235.66	Check	-
Net Cash Flow (\$ M)	\$1.15	-\$3.44	-\$0.19	\$1.67	\$2.66	\$2.52	-\$0.98	-\$1.67	-\$2.54	-\$2.87	-\$2.38		

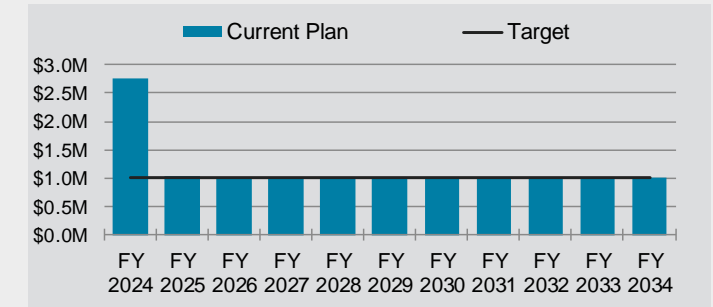
### Operating Fund



### Revenues vs. Expenses



### Stabilization Fund



	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Revenues	\$18,492,927	\$20,954,868	\$23,995,756	\$26,420,947	\$28,347,131	\$29,307,957	\$30,238,610	\$31,185,452	\$32,153,127	\$33,156,331
Operating Expenses	\$18,038,569	\$18,789,118	\$19,572,096	\$20,388,957	\$21,241,221	\$22,130,480	\$23,058,397	\$24,026,717	\$25,037,263	\$26,091,943
Debt Service	\$3,893,630	\$2,149,049	\$2,544,718	\$3,149,128	\$4,356,511	\$7,925,496	\$8,614,764	\$9,452,999	\$9,737,454	\$9,184,977
Cash Funded Projects	-	206,000	212,180	218,545	225,102	231,855	238,810	245,975	253,354	260,955
Total Expenses	\$21,932,199	\$21,144,167	\$22,328,994	\$23,756,630	\$25,822,834	\$30,287,831	\$31,911,972	\$33,725,691	\$35,028,071	\$35,537,875
<b>Net Cash Flow</b>	<b>(\$3,439,272)</b>	<b>(\$189,299)</b>	<b>\$1,666,762</b>	<b>\$2,664,317</b>	<b>\$2,524,297</b>	<b>(\$979,874)</b>	<b>(\$1,673,362)</b>	<b>(\$2,540,239)</b>	<b>(\$2,874,944)</b>	<b>(\$2,381,543)</b>
Stabilization Fund Balance	\$1,037,618	\$1,020,376	\$1,020,204	\$1,020,202	\$1,020,202	\$1,020,202	\$1,020,202	\$1,020,202	\$1,020,202	\$1,020,202
Operating Fund Balance	\$6,560,682	\$6,809,002	\$8,896,140	\$11,980,661	\$14,925,160	\$14,365,488	\$13,112,328	\$10,992,291	\$8,537,549	\$6,576,208
<b>Total Fund Balance</b>	<b>7,598,300</b>	<b>7,829,378</b>	<b>9,916,344</b>	<b>13,000,863</b>	<b>15,945,362</b>	<b>15,385,690</b>	<b>14,132,530</b>	<b>12,012,493</b>	<b>9,557,751</b>	<b>7,596,410</b>



# Sewer – No 2025 Rate Increase



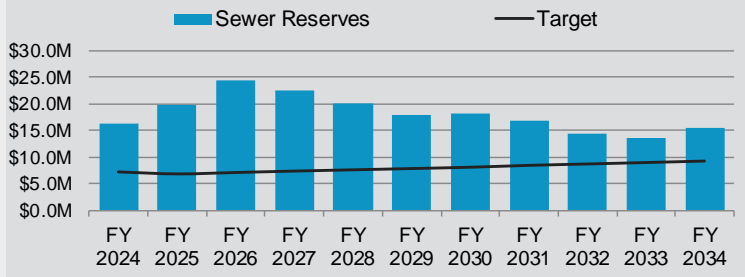
## SEWER ENTERPRISE FUND



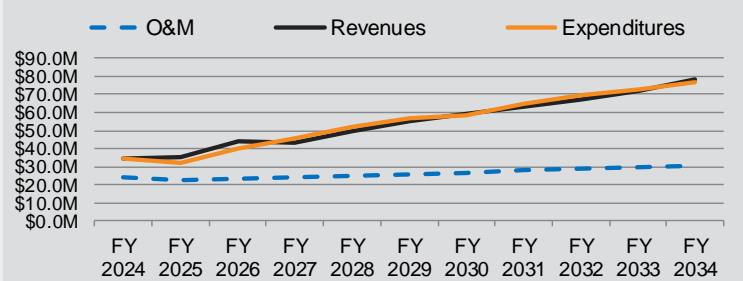
CALC SAVE CTRL LAST OVR

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2027	FY 2032
Sewer Usage Rate Plan	0.00%	0.00%	17.00%	17.00%	15.00%	12.00%	7.00%	7.00%	7.00%	7.00%	7.00%	76.29%	147.25%
Debt Service Coverage (1.25 Target)	1.73	1.61	1.26	1.22	1.12	1.14	1.26	1.16	1.13	1.18	1.26	Scenario Manager	
Debt Service / Revenue	12.4%	16.0%	26.9%	33.8%	42.0%	45.1%	42.4%	47.0%	49.9%	49.1%	47.4%	Growth	Normal
Tri-Annual Single-Family Bill @ 18 CCF	\$272.53	\$272.53	\$312.01	\$358.28	\$406.01	\$450.00	\$478.72	\$509.44	\$542.31	\$577.46	\$615.07	Check	-
Combined Tri-Annual W&S Single-Family Bill	\$412.02	\$427.12	\$483.54	\$540.43	\$599.55	\$655.67	\$689.97	\$726.50	\$765.28	\$806.52	\$850.40	Stormwater Fee	No
Net Cash Flow (\$ M)	-\$0.48	-\$1.24	-\$3.81	-\$3.53	-\$4.28	-\$3.72	-\$1.22	-\$2.89	-\$3.69	-\$2.04	\$0.46		

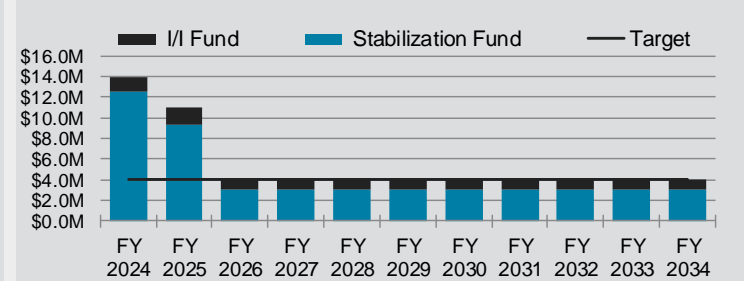
Operating Fund



Revenues vs. Expenses



Stabilization Fund & I/I Fund



	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Revenues	\$30,647,807	\$35,636,455	\$41,504,992	\$47,581,384	\$53,240,298	\$57,077,586	\$61,156,867	\$65,524,107	\$70,219,630	\$75,283,851
Operating Expenses	27,004,365	28,082,671	29,195,295	30,202,622	31,247,365	32,331,042	33,455,235	34,621,599	35,831,860	37,087,824
Debt Service	\$4,886,779	\$9,510,819	\$13,931,535	\$19,909,839	\$23,913,119	\$24,112,842	\$28,679,121	\$32,619,855	\$34,401,900	\$35,645,290
Cash Funded Projects	-	1,854,000	1,909,620	1,748,363	1,800,814	1,854,839	1,910,484	1,967,798	2,026,832	2,087,637
Total Expenses	\$31,891,144	\$39,447,490	\$45,036,450	\$51,860,824	\$56,961,298	\$58,298,722	\$64,044,840	\$69,209,252	\$72,260,592	\$74,820,751
<b>Net Cash Flow</b>	<b>(\$1,243,337)</b>	<b>(\$3,811,035)</b>	<b>(\$3,531,458)</b>	<b>(\$4,279,440)</b>	<b>(\$3,721,000)</b>	<b>(\$1,221,136)</b>	<b>(\$2,887,973)</b>	<b>(\$3,685,145)</b>	<b>(\$2,040,962)</b>	<b>\$463,100</b>
Stabilization Fund Balance	\$9,283,365	\$3,061,417	\$3,030,307	\$3,030,152	\$3,030,151	\$3,030,151	\$3,030,151	\$3,030,151	\$3,030,151	\$3,030,151
I&I Fund Balance	\$1,657,548	\$1,013,288	\$1,010,066	\$1,010,050	\$1,010,050	\$1,010,050	\$1,010,050	\$1,010,050	\$1,010,050	\$1,010,050
Operating Fund Balance	\$19,684,865	\$24,414,744	\$22,557,990	\$19,918,923	\$17,838,125	\$18,257,190	\$16,709,418	\$14,364,474	\$13,663,713	\$15,467,014
<b>Total Fund Balance</b>	<b>\$30,625,779</b>	<b>\$28,489,449</b>	<b>\$26,598,364</b>	<b>\$23,959,125</b>	<b>\$21,878,326</b>	<b>\$22,297,391</b>	<b>\$20,749,619</b>	<b>\$18,404,675</b>	<b>\$17,703,914</b>	<b>\$19,507,215</b>



- **All Scenario Slides**
- **9.5% Water Increase**
- **5% Water Increase**
- **0% Water increase**
- **5% Sewer Increase**
- **0% Sewer increase**