



**TOWN OF AYDEN
GOVERNING BOARD MEETING
AGENDA**

April 23, 2025 - 6:30 PM
District Courtroom – 2nd Floor of Town Hall – 4144 West Avenue

- I. CALL TO ORDER
 - A. Call to order
 - B. Roll Call
 - C. Welcome Visitors/Protocol for Public Comment
 - D. Invocation
 - E. Pledge of Allegiance
 - F. Approval of the Agenda
- II. PRESENTATIONS
 - A. Time of Use Pilot Program Rick Vander Maas, Page 2
 - B. Budget Workshop - FY26 Board Priorities Marsha Hall, Page 12
- III. ITEMS FOR DISCUSSION
 - A. UNC EFC Ayden Financial Health and Rate Considerations Marsha Hall, Page 13
- IV. BOARD MEMBER COMMENTS
- V. ADJOURNMENT



Town of Ayden North Carolina

Governing Board of Ayden
Meeting Date: April 23, 2025
Meeting Time: 6:30 PM

Agenda Item

Time of Use Pilot Program

Item Explanation

Staff Comments

Action Requested



Town of Ayden Time of Use Rate Development

April 23, 2025



Ayden Time of Use Rate Development

- I. Coincident Peaks
 - a) Season
 - b) Month
- II. Resulting Time of Use Periods
- III. Residential Rate Phase In Path
- IV. Small General Service Rate Phase In Path
- V. Residential High / Low Impacts
- VI. Small General Service High / Low Impacts

Res-TOU Rate

- Reflect Power Supply Costs:
 - Capacity (Duke CP)
 - Transmission (Tariff)
 - Energy (Tariff)
 - Balance with Distribution Costs
- Define TOU Hours based On-Probability

Resource Adequacy/Capacity Coincident Peak Hour Ending (CP ^{RA} HE)																
CP ^{RA}	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
S	0	0	0	0	0	0	0	2	0	2	5	5	5	0	0	0
S Probability	0%	0%	0%	0%	0%	0%	0%	11%	0%	11%	26%	26%	26%	0%	0%	0%
W	0	4	16	0	0	0	0	0	0	0	1	1	1	1	1	0
W Probability	0%	16%	64%	0%	0%	0%	0%	0%	0%	0%	4%	4%	4%	4%	4%	0%
All	0	4	16	0	0	0	0	2	0	2	6	6	6	1	1	0
All Probability	0%	9%	36%	0%	0%	0%	0%	5%	0%	5%	14%	14%	14%	2%	2%	0%

Res-TOU Periods

Summer	May - Sept.	On-Peak	1P - 7P
		Off-Peak	7P - 1P
Winter	Oct - Apr.	On-Peak	6A - 10A
		Off Peak	10A - 6A

Federal Holidays are Off-Peak

Res-TOU Phase In

Pilot

Rates	TOU Phase Current	TOU Phase 1	TOU Phase 2	TOU Phase 3
Monthly Facilities Charge:				
Single Phase	\$ 16.00	\$ 16.00	\$ 16.00	\$ 16.00
Three Phase	\$ 19.00	\$ 19.00	\$ 19.00	\$ 19.00
Energy:				
Off-Peak	\$ 0.1242	\$ 0.1029	\$ 0.0817	\$ 0.0604
Summer On-Peak	\$ 0.1242	\$ 0.1650	\$ 0.2058	\$ 0.2466
Winter On-Peak	\$ 0.1242	\$ 0.2139	\$ 0.3036	\$ 0.3932

SGS TOU Phase In

Pilot

Rates	TOU Phase Current	TOU Phase 1	TOU Phase 2	TOU Phase 3
Monthly Facilities Charge:				
Single Phase	\$ 20.50	\$ 20.50	\$ 20.50	\$ 20.50
Three Phase	\$ 28.00	\$ 28.00	\$ 28.00	\$ 28.00
Energy Charge:				
Winter On-Peak	\$ 0.13630	\$ 0.23291	\$ 0.32951	\$ 0.42612
Winter Off-Peak	\$ 0.13630	\$ 0.12195	\$ 0.10761	\$ 0.09326
Summer On-Peak	\$ 0.13630	\$ 0.18404	\$ 0.23178	\$ 0.27951
Summer Off-Peak	\$ 0.13630	\$ 0.12195	\$ 0.10761	\$ 0.09326

Customer Effects – %

Residential Impacts

Largest Increase %		Largest Saving %	
%	\$	%	\$
23.1%	\$ 16.02	-14.2%	\$ (46.27)
16.6%	\$ 19.54	-12.5%	\$ (10.93)
16.1%	\$ 24.43	-12.4%	\$ (9.87)
16.1%	\$ 24.49	-11.6%	\$ (13.44)
15.5%	\$ 18.89	-10.9%	\$ (9.41)
13.2%	\$ 22.68	-10.7%	\$ (5.86)
13.0%	\$ 56.39	-9.5%	\$ (16.29)
11.2%	\$ 11.43	-9.0%	\$ (12.04)
11.0%	\$ 16.03	-9.0%	\$ (9.21)
10.9%	\$ 15.15	-8.9%	\$ (18.82)

Small General Service Impacts

Largest Increase (%)			Largest Savings (%)		
% Change		Monthly \$	% Change		Monthly \$
1	21%	\$ 8.82	1	-23%	\$ (101.52)
2	20%	\$ 38.27	2	-22%	\$ (37.35)
3	17%	\$ 65.93	3	-16%	\$ (10.58)
4	15%	\$ 16.67	4	-10%	\$ (3.31)
5	14%	\$ 44.34	5	-8%	\$ (2.92)
6	13%	\$ 39.59	6	-7%	\$ (1.97)
7	12%	\$ 15.01	7	-7%	\$ (1.70)
8	12%	\$ 5.98	8	-6%	\$ (1.86)
9	11%	\$ 7.92	9	-6%	\$ (1.90)
10	10%	\$ 8.40	10	-5%	\$ (21.00)

Assumes No Change in usage pattern

Questions ???



The energy behind public power

www.electricities.com

STAY CONNECTED

 [@ElectriCitiesNC](https://www.instagram.com/ElectriCitiesNC)

 [@ElectriCitiesNC](https://www.facebook.com/ElectriCitiesNC)

 [@ElectriCitiesNC](https://twitter.com/ElectriCitiesNC)

 [company/electricitiesnc](https://www.linkedin.com/company/electricitiesnc)

 [NC Public Power Channel](https://www.youtube.com/NCPublicPowerChannel)





Town of Ayden North Carolina

Governing Board of Ayden
Meeting Date: April 23, 2025
Meeting Time: 6:30 PM

Agenda Item

Budget Workshop - FY26 Board Priorities

Item Explanation

Staff Comments

Action Requested



Town of Ayden North Carolina

Governing Board of Ayden
Meeting Date: April 23, 2025
Meeting Time: 6:30 PM

Agenda Item

UNC EFC Ayden Financial Health and Rate Considerations

Item Explanation

Alicia Easthope-Frazer, Sr. Project Director of the UNC SoG, presented during the Governing Board's March 10th, 2025, meeting, and she will revisit the Town in May. The included information is provided so that the Board will be able to review the information once more in advance of Mrs. Easthope-Frazer's return visit.

Staff Comments

There are no additional staff comments at this time.

Action Requested

Please review the contents shown below. If you have any questions, Mrs. Easthope-Frazer will be available to respond during the May 12, 2025, Governing Board meeting.



SCHOOL OF GOVERNMENT
Environmental Finance Center

Ayden, NC

A look at financial health and rates

Alicea Easthope-Frazer

March 2025

Financial Benchmarks



FINANCIAL BENCHMARKS

Overview of Benchmarks

Description	Benchmark	Target
Is your system self-sufficient?	Operating Ratio	1.0
Are you able to cover your debt service after paying for your day-to-day operations?	Debt Service Coverage Ratio	1.2
Can your system meet its short-term obligations?	Quick / Current Ratio	2
If your customers stop paying their bills, how long can you maintain operations?	Days Cash on Hand	180
How much of your utility's expected life has already run out (and how much is left)?	Asset Depreciation	35%

FINANCIAL BENCHMARKS

Operating Ratio

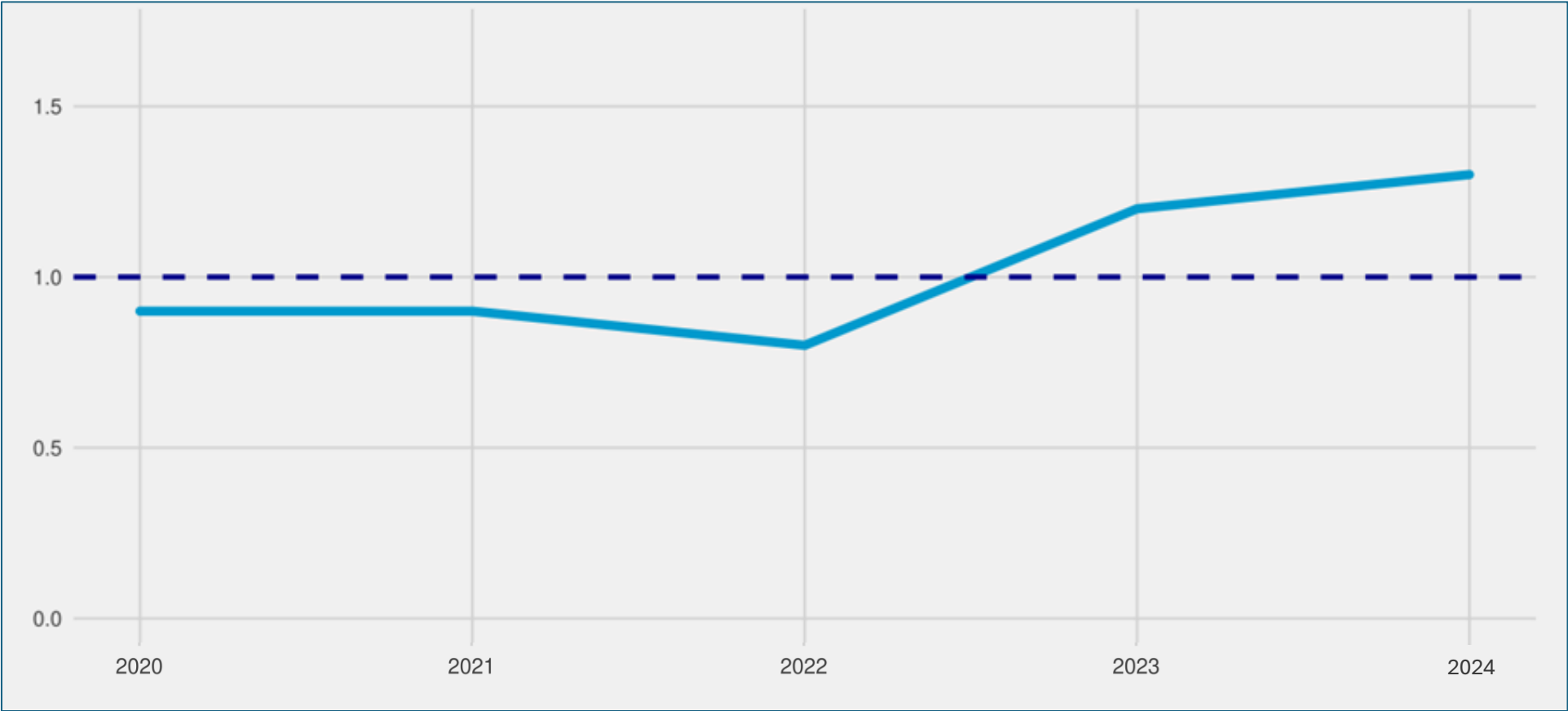
Did you generate the revenues needed to pay for O&M and a little for capital? (including depreciation)

1.3

Target of 1.0, met

0.1

Trend, progressed



FINANCIAL BENCHMARKS

Debt Service Coverage Ratio

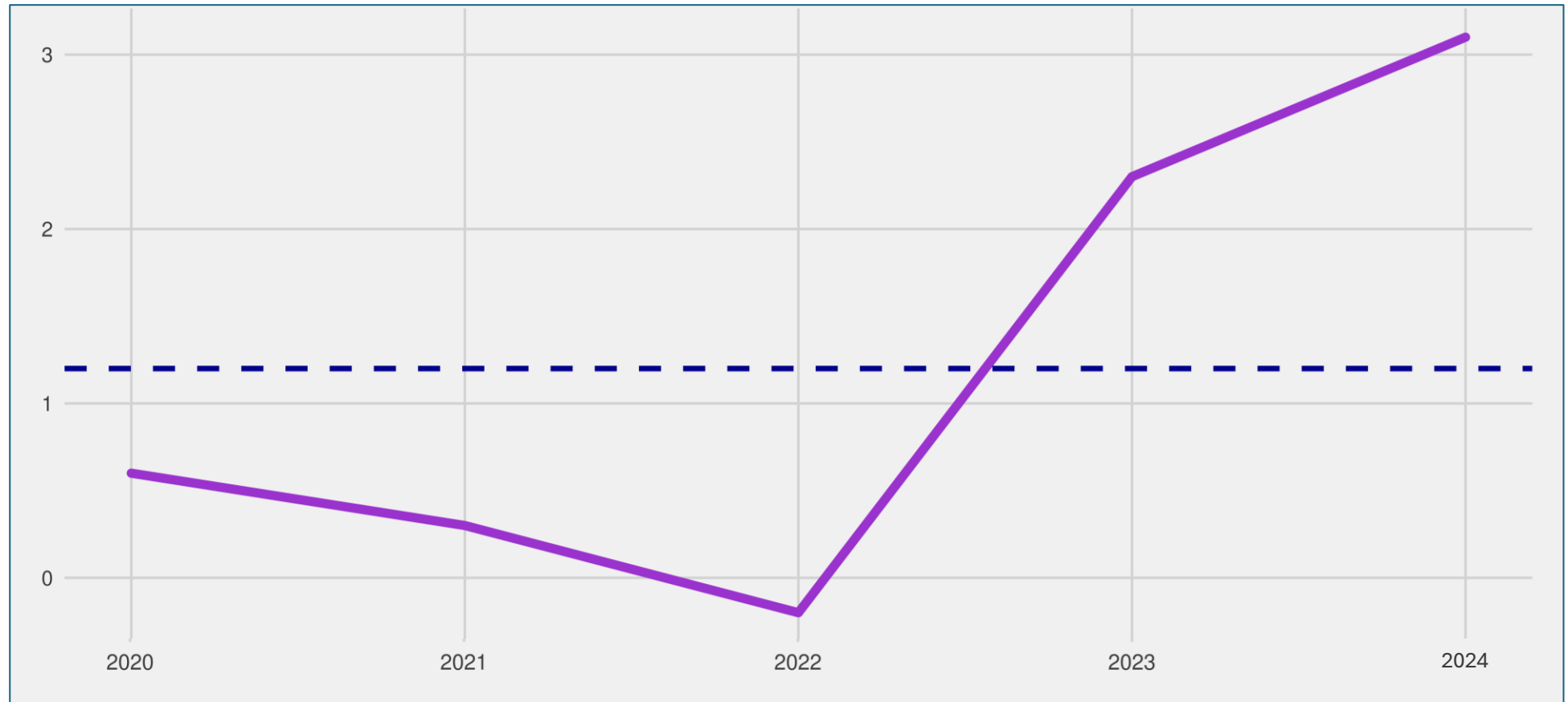
Did you generate the revenues needed to pay for O&M and existing debt service?

3.1

Target of >1.2, met

0.8

Trend, progressed



FINANCIAL BENCHMARKS

Quick Ratio

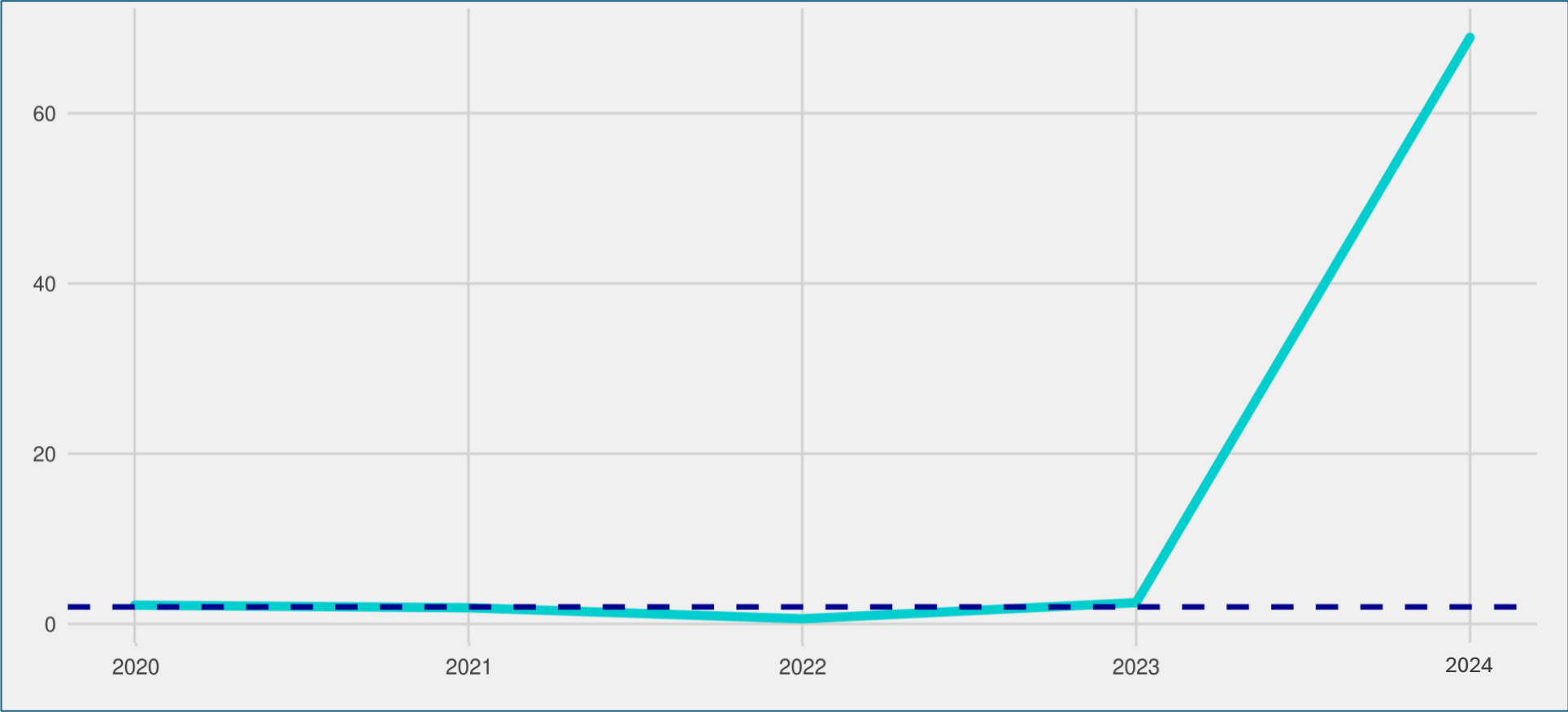
Did you have enough liquidity to pay your current liabilities at the end of the year?

68.9

Target of >2, met

66.4

Trend, progressed



FINANCIAL BENCHMARKS

Days Cash on Hand

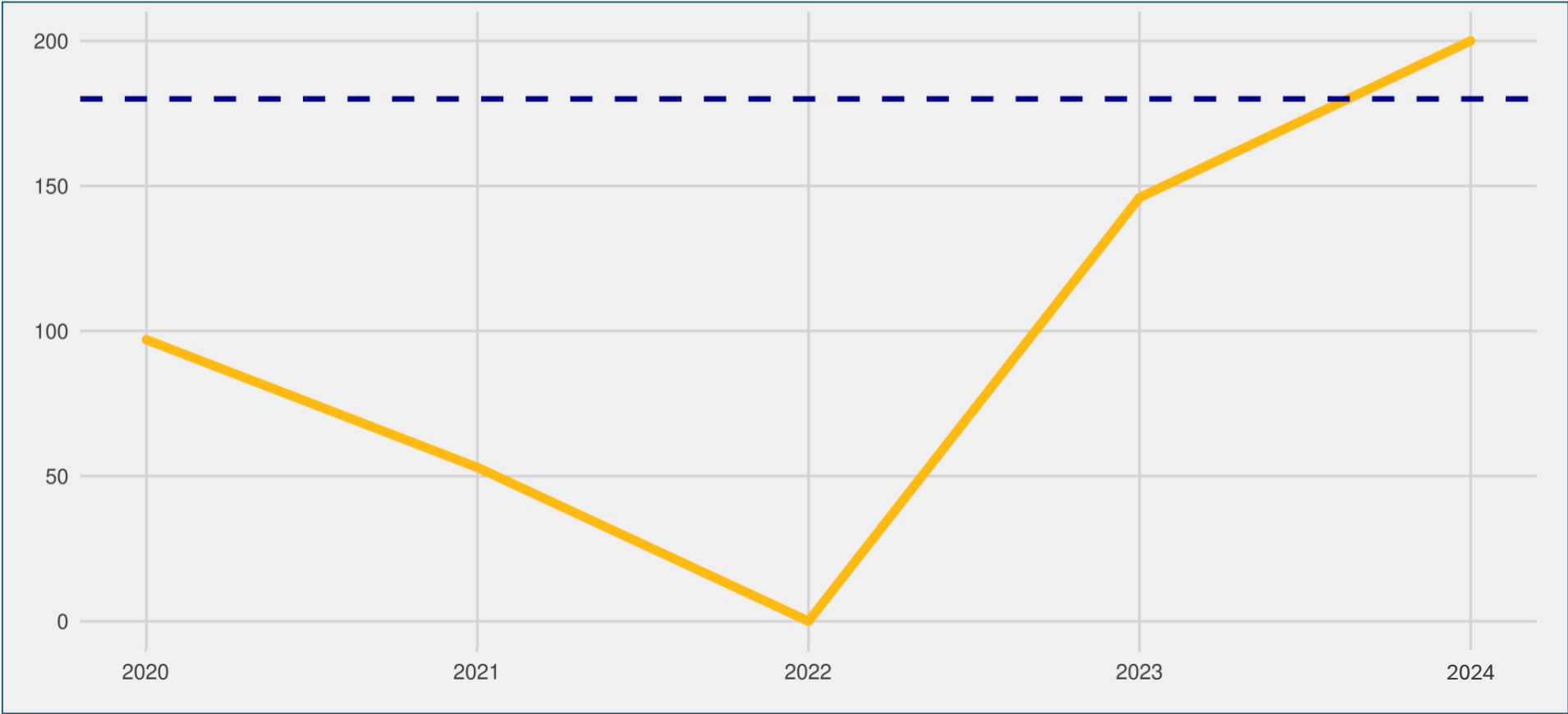
How many days could you continue to operate the utility with the cash levels available?

200

Target of >180, met

54

Trend, progressed



FINANCIAL BENCHMARKS

Percent of Capital Assets Depreciated

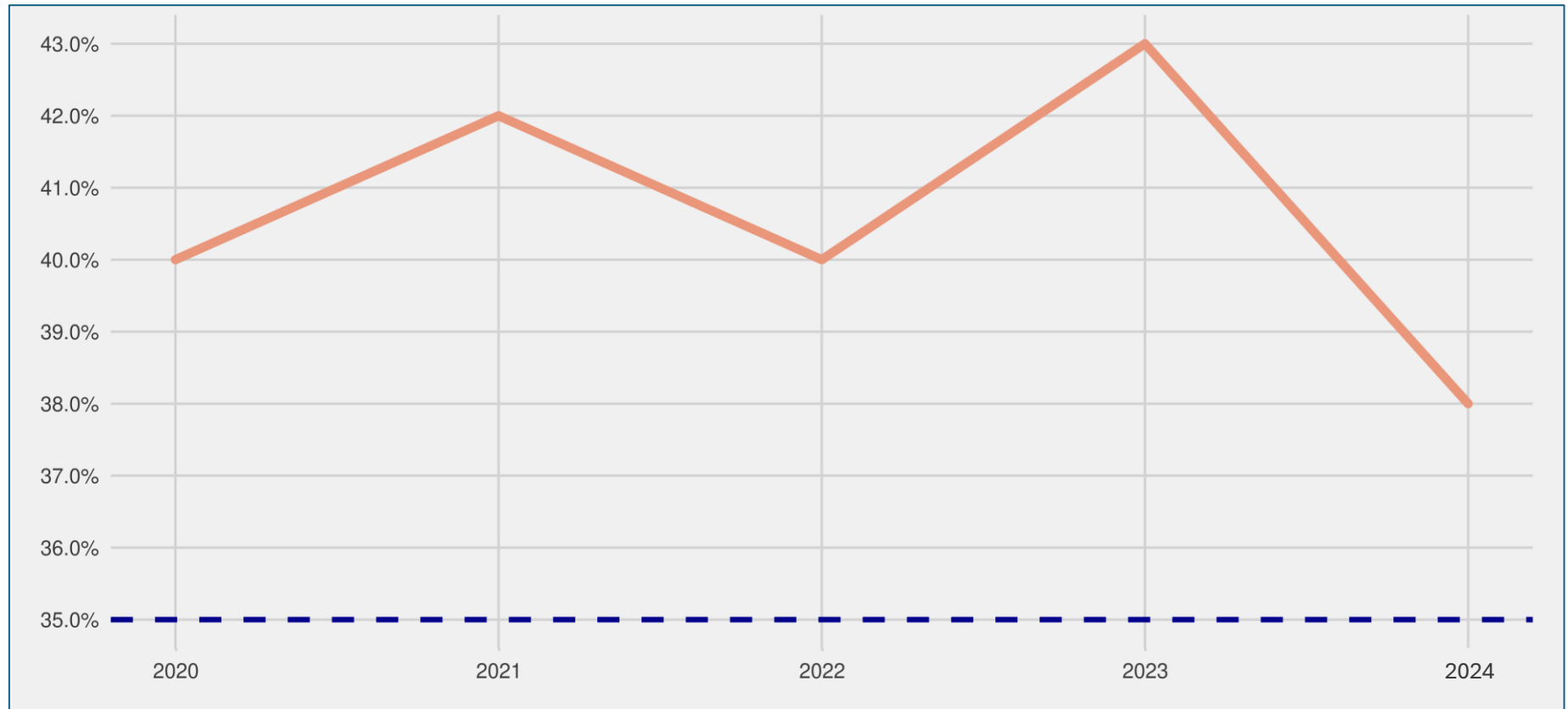
How much have your utility's assets depreciated (nearing the end of their lives)?

38%

Target of <35%, missed

-5%

Trend, progressed



Key Takeaways

Had a tough year in 2022, but
seem to have bounced



Stabilize Operating Ratio
(slightly increase revenue)



High depreciation – that's what
needs attention, but made gains
last year

SETTING THE RIGHT RATES

Rate Setting Objectives

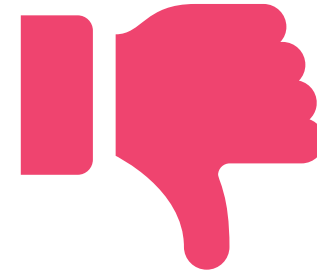


THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL
ENVIRONMENTAL FINANCE CENTER

Key Rate Setting Considerations



- Simple
- Based on expenses
- Cover full costs
- Fair, affordable & equitable



- Super-complicated
- Frozen in time
- Based on political desires
- Based upon neighbors

RATE SETTING OBJECTIVES

Rates that are right can:

- Provide adequate funds to support:
 - public health
 - environmental protection
- Support local and state policies and priorities
- Communicate in a certain way with customers
- Allocate costs in an intentional and fair way

Path towards financial sustainability

- Get to know your assets and **financial condition**
- Establish your **priorities and goals**
- Identify your “**true**”, “full”, or “fuller” costs
- Get to know your **customers** (usage, characteristics)
- Consider **future** scenarios and changes
- **Establish** rates (rate structure and prices)
- **Repeat** as often as necessary.....

Utility Objectives



Bring in enough revenue to cover the full cost of running the utility:

- O&M
- Capital needs
- Debt service

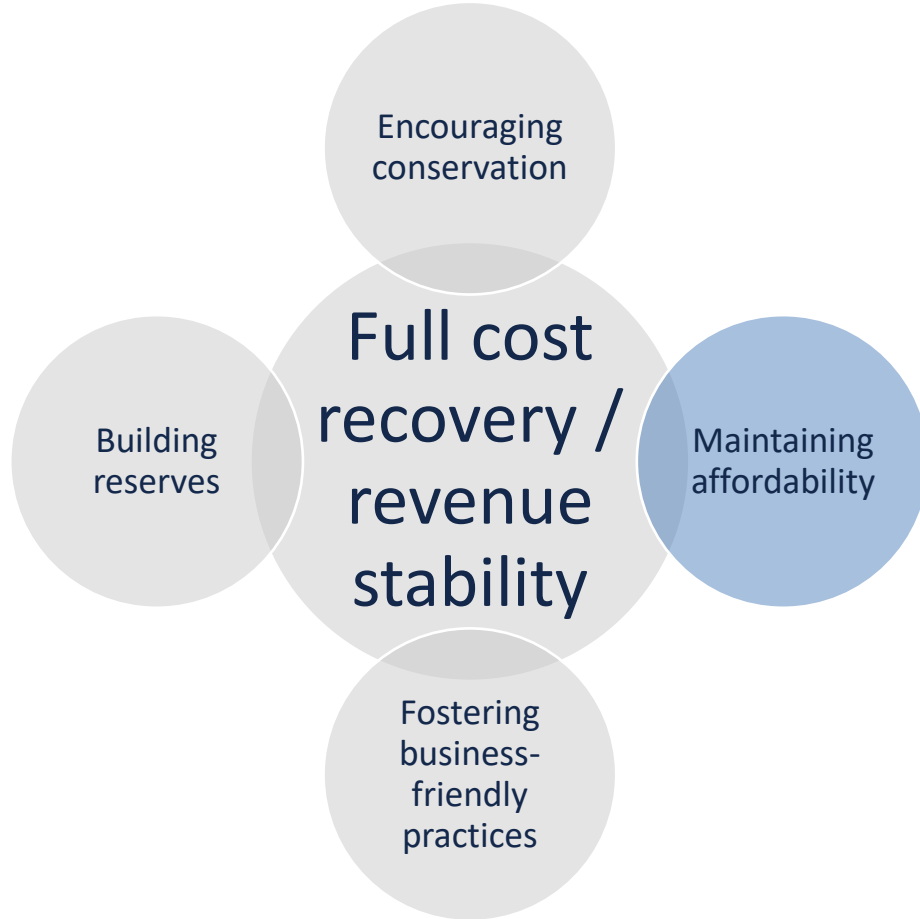
Utility Objectives



Use pricing to encourage customers to reduce their water consumption

Why do this? What challenges does this create?

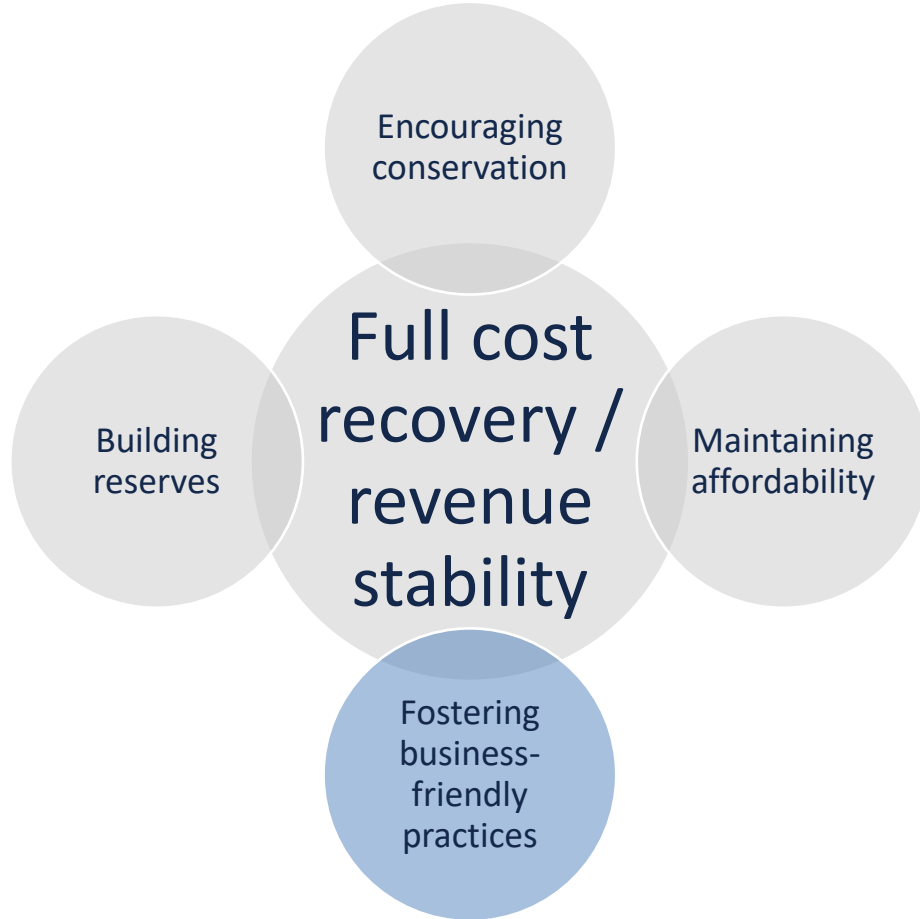
Utility Objectives



Ensure that all customers in your water system can afford enough water to live on

Why do this? What challenges does this create?

Utility Objectives



Use pricing to encourage businesses and agriculture to locate to your community or stay in your community

Why do this? What challenges does this create?

Utility Objectives



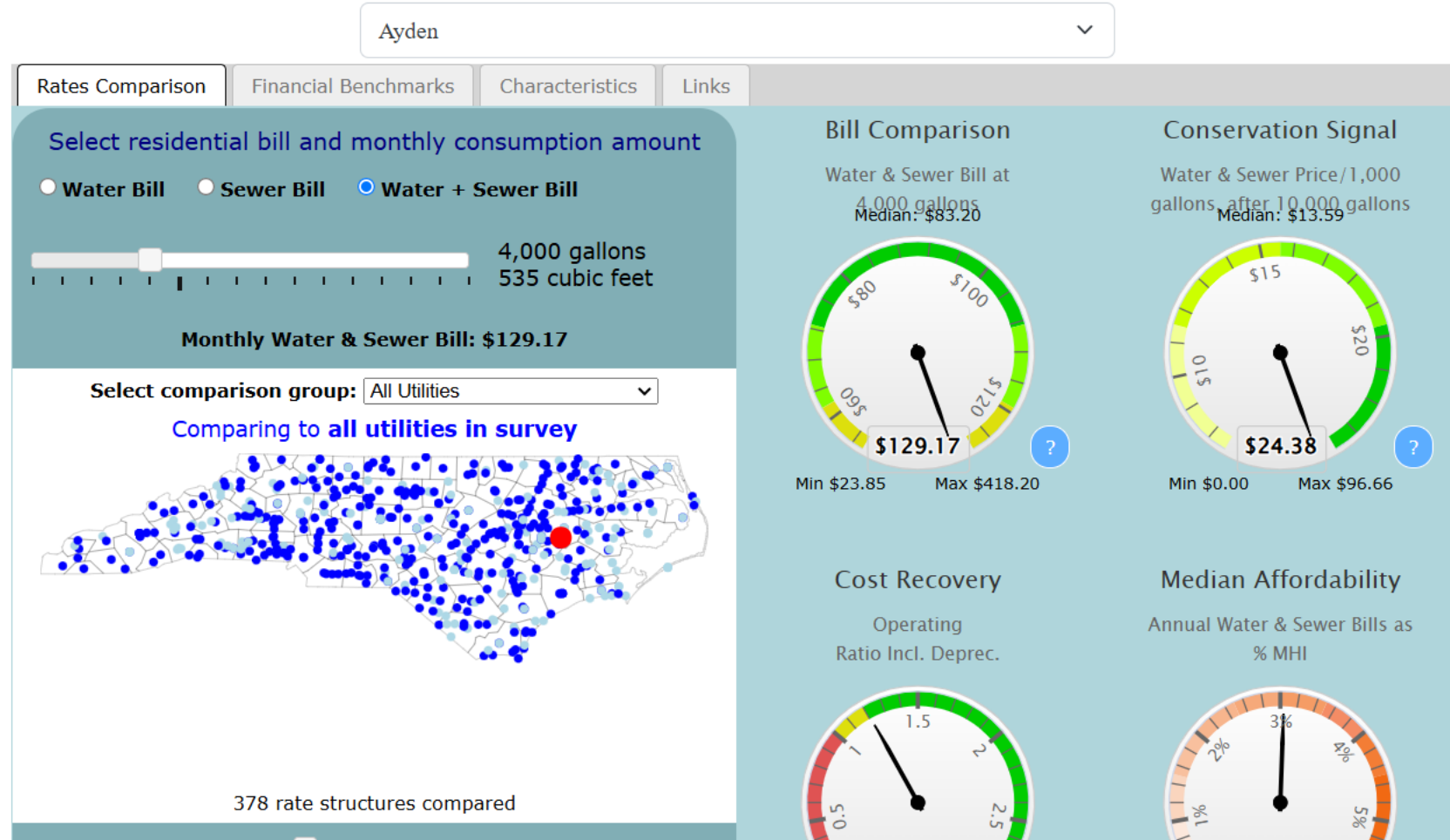
Use pricing to build up capital reserves and pay for future capital needs or emergencies

Why do this? What challenges does this create?

RATE SETTING OBJECTIVES

Dashboard

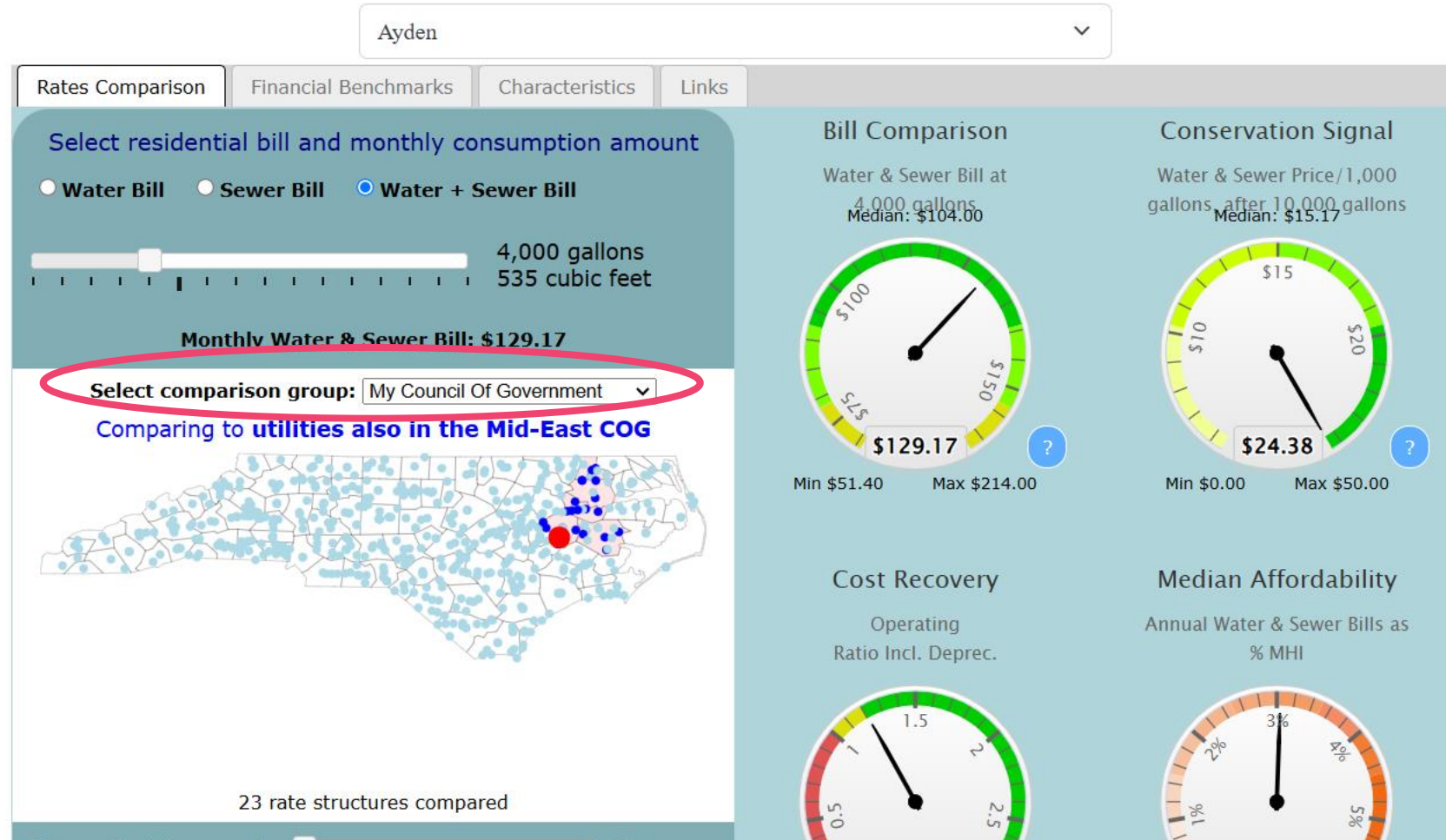
- You can compare to others, but every system is *unique*!



RATE SETTING OBJECTIVES

Dashboard

- Compare against various metrics, like only utilities in same COG



SETTING THE RIGHT RATES

Causes of Revenue Variation



THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL
ENVIRONMENTAL FINANCE CENTER

Rate Changes



- As rates go up, usage goes down
- As a rule of thumb, typically usage goes down 3-4% for every 10% increase in rates

CAUSES OF REVENUE VARIATION

Population Changes



- Customers could be coming into your system or leaving your system

CAUSES OF REVENUE VARIATION

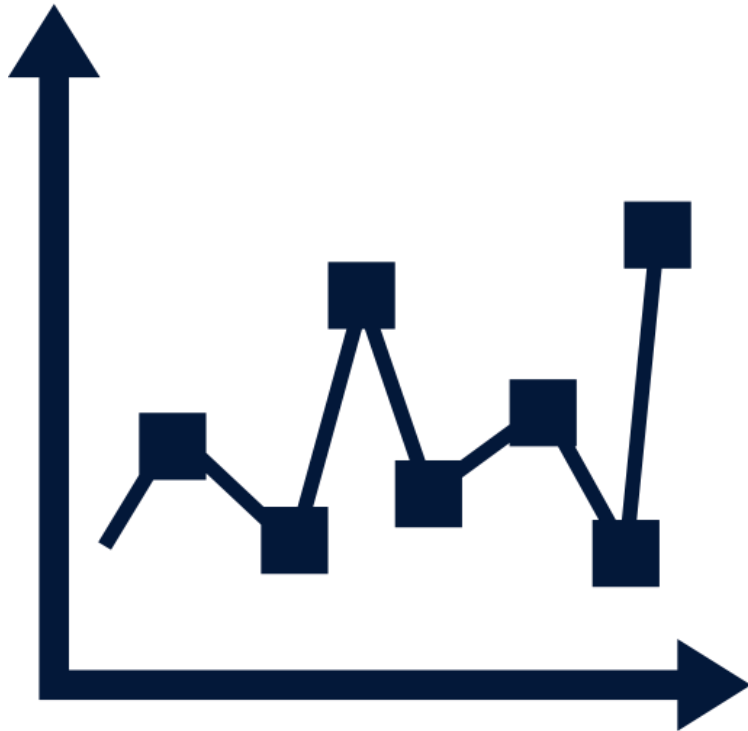
Loss of a Big Customer



- Some customers use significantly more water than others.
- Losing or gaining a single big user can have a disproportionate impact on your budget

CAUSES OF REVENUE VARIATION

Economic Conditions



- Economic downturns can cause customers to cut back on water use.
- Conversely, periods of economic growth can lead to higher water consumption

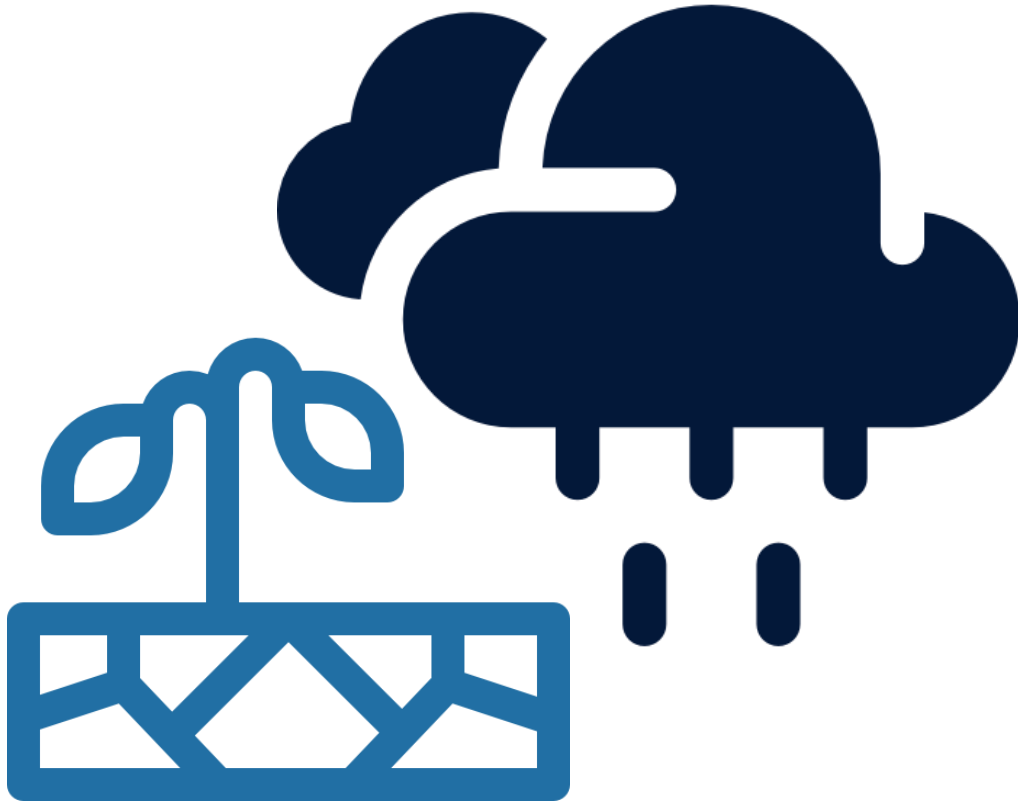
Changes in Collection Rates



- Even if the number of customers doesn't change, how often they are paying you may be changing

CAUSES OF REVENUE VARIATION

Weather/Climate



- Rainy conditions or dry/drought conditions can impact how much water customers use for outside irrigation
- Rainy conditions can impact how much additional water is entering your wastewater system

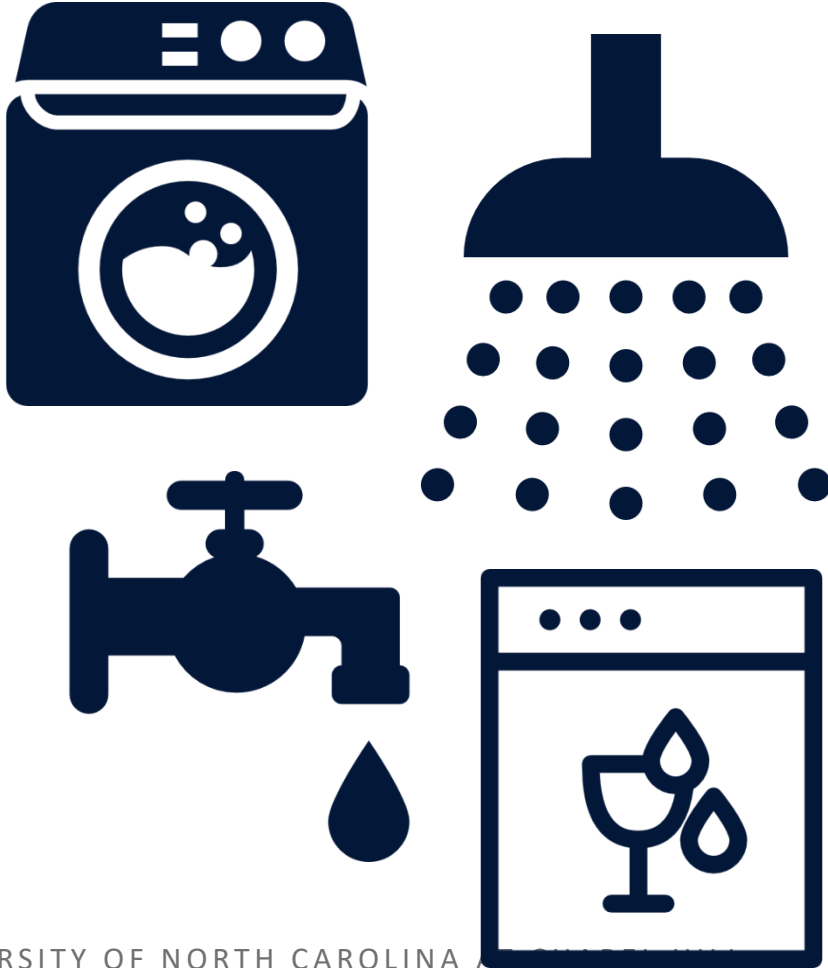
Water Use Restrictions



- Whether due to water supply shortages or drought conditions, restricting water use will obviously impact revenues

CAUSES OF REVENUE VARIATION

Technology



- Fixtures use less water today than in the past, and overall per capita water demand is decreasing across the country

THE STATUS OF UTILITY RATES

Rates Analysis

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL
ENVIRONMENTAL FINANCE CENTER

RATES REVIEW

Number of Customers

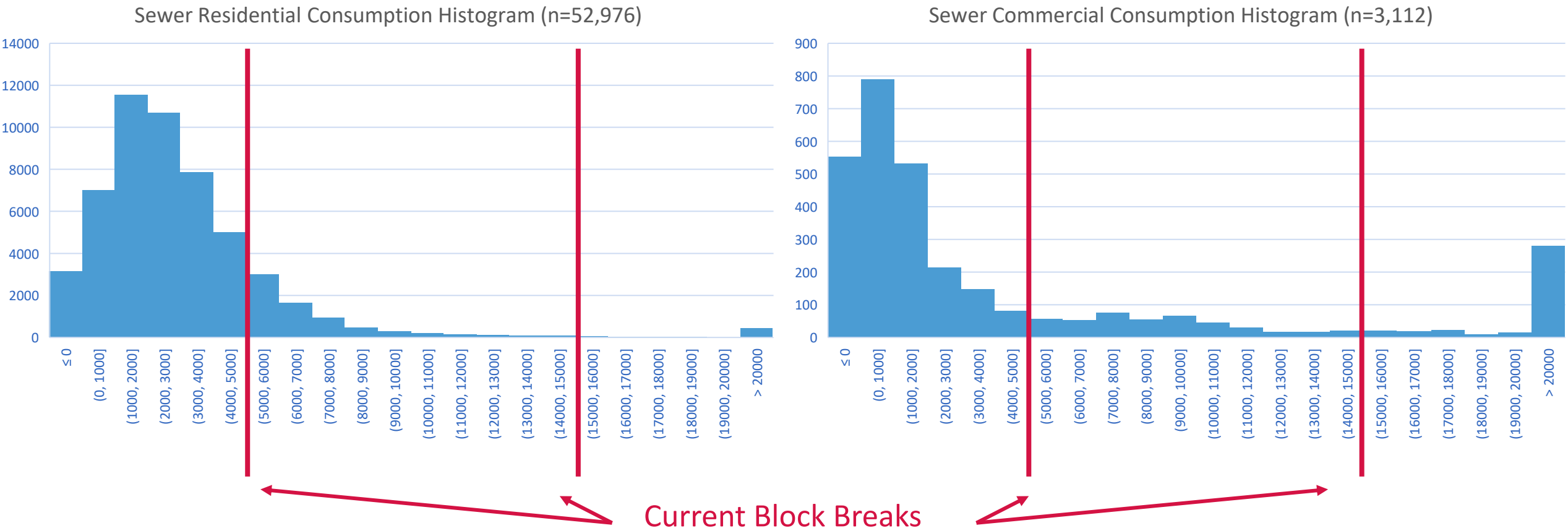
- Track residential and commercial but don't charge by it
- Averaged across 2 years

Class	Count
WA1: Water In-Town	2,177
WA1-C: Water In-Town (Commercial)	156
WA2: Water Out-of-Town	317
WA2-C: Water Out-of-Town (Commercial)	25
SP1: Sprinkler In-Town	43
SP1-C: Sprinkler In-Town (Commercial)	4
SW1: Sewer In-Town	2,163
SW1-C: Sewer In-Town (Commercial)	146
SW2: Sewer Out-of-Town	37
SW2-C: Sewer Out-of-Town (Commercial)	11
SWUC – Sewer User Charge/ Availability Fee	38
SU2 – Multi-Unit User Charges	24

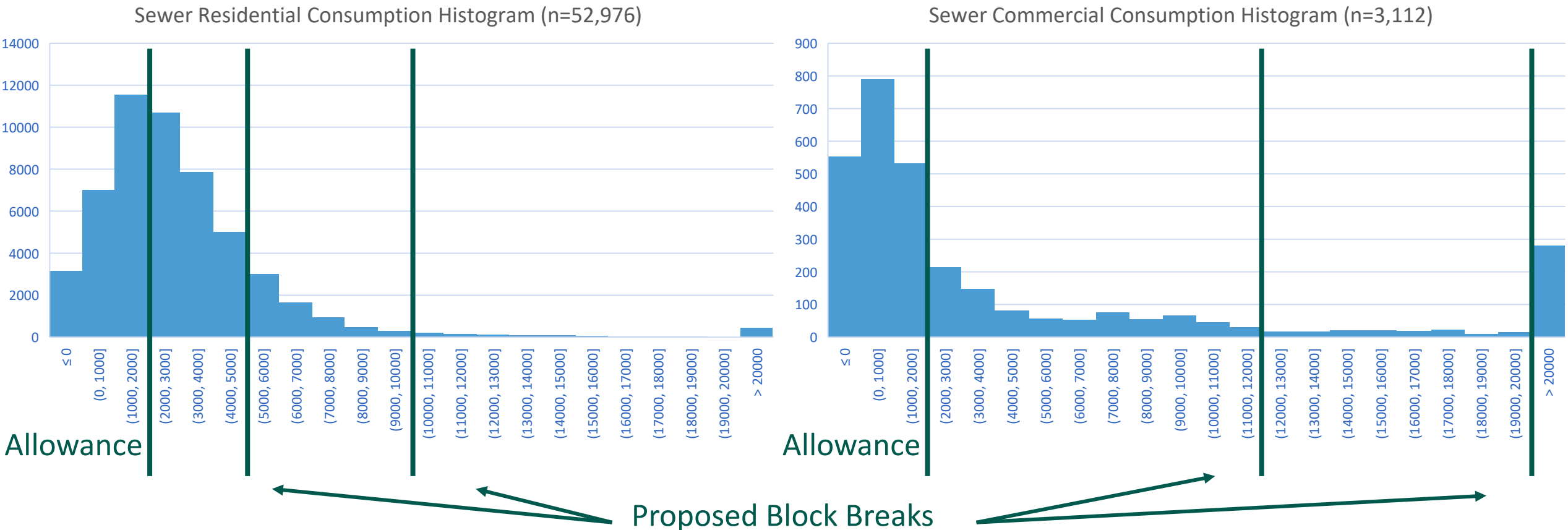
FY2025 Rate Structure

- 4.5% increases both base and volumetric (water and sewer)
- Current blocks
 - 0 – 5,000 gallons
 - 5,001 – 15,000 gallons
 - 15,000+ gallons
- Sprinkler – no base charge, just volumetric
- SWUC – Sewer User Charge/Availability Fee = flat charge
- SU2 – Multi-Unit User Charges = flat charge based on number of units
- Track commercial, but do not bill differently

Consumption Histograms – Current Blocks



Consumption Histograms – Blocks Possible Option



Our Rates Analysis

- Using 24 months of billing data (July 2022 – June 2024)
- Likely *overestimating revenue* given current projected revenue for FY25 and actual revenues from FY23 audit
- Built in 3% increase year-over-year
- Assumptions
 - 2% uncollected bills per year
 - -1% average consumption per year
 - 3% reduction with 10% increase in rates
 - 4% inflation

RATES REVIEW

Customer Class Growth Rate

- Averaged monthly growth rate across 24 months of data
- Included FY25 budgeted connection fees (\$25k for both water and sewer)

Class	Count	Growth
WA1: Water In-Town	2,177	0.8%
WA1-C: Water In-Town (Commercial)	156	1.9%
WA2: Water Out-of-Town	317	-0.2%
WA2-C: Water Out-of-Town (Commercial)	25	-1.2%
SP1: Sprinkler In-Town	43	-0.2%
SP1-C: Sprinkler In-Town (Commercial)	4	0.0%
SW1: Sewer In-Town	2,163	0.0%
SW1-C: Sewer In-Town (Commercial)	146	2.1%
SW2: Sewer Out-of-Town	37	-1.4%
SW2-C: Sewer Out-of-Town (Commercial)	11	0.7%
SWUC – Sewer User Charge/ Availability Fee	38	0.0%
SU2 – Multi-Unit User Charges	24	0.2%

RATES REVIEW

Expenses

Debt Service and
Other Known Annual
Expenses for Next 20
Years

Year	Debt
FY2024	\$ 600,142
FY2025	\$ 625,917
FY2026	\$ 588,111
FY2027	\$ 582,504
FY2028	\$ 576,623
FY2029	\$ 441,474
FY2030	\$ 439,374
FY2031	\$ 436,125
FY2032	\$ 432,745
FY2033	\$ 431,233
FY2034	\$ 427,528
FY2035	\$ 425,691
FY2036	\$ 422,661
FY2037	\$ 419,455
FY2038	\$ 283,742
FY2039	\$ 209,905
FY2040	\$ 210,942
FY2041	\$ 209,742
FY2042	\$ 191,794
FY2043	\$ 193,200
FY2044	\$ 192,325
FY2045	\$ 193,231

Additional Utility Expenses that Grow Every Year	In FY2024
TOTAL-SALARY AND BENEFITS	\$ 442,410
PROFESSIONAL SERVICES	\$ 20,000
UNIFORMS, SAFETY, TRAVEL-TRAINING, MISCELLANEOUS, PERMITS & FEES & DUES & SUBSCRIPTIONS	\$ 18,850
SUPPLIES	\$ 46,294
SPECIAL APPROPRIATION	\$ 693,514
UTILITIES	\$ 41,000
EQUIPMENT REP & MAINT & MAINT & REPAIR SYSTEM	\$ 110,000
INSURANCE - PROPERTY/LIABILITY & WORKERS COMP	\$ 23,000
CAPITAL OUTLAY	\$ 90,000
CONTRACTS	\$ 1,640,000
REIMBURSEMENT OF SERVICES	\$ 326,061
Total:	\$ 3,451,129

- All expenses in this box are assumed to grow linearly every year at a constant rate
- 4% inflation

Rates Scenarios

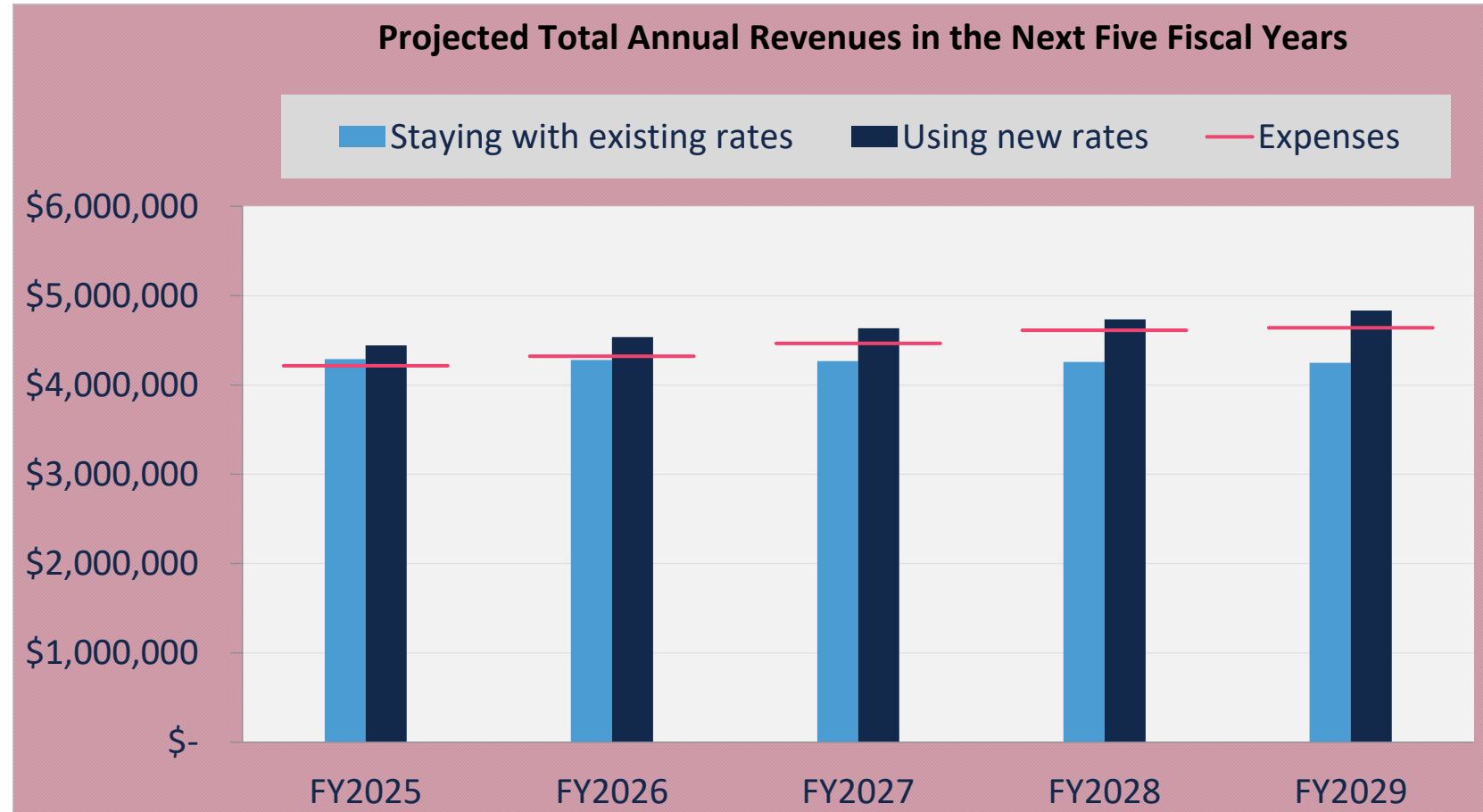


THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL
ENVIRONMENTAL FINANCE CENTER

RATES SCENARIOS

V1 – 3% Increases

- 3% increase across the board (base and volumetric)
- No change in structure



RATES SCENARIOS

V1 – Revenues / Losses

	FY2025	FY2026	FY2027	FY2028	FY2029
Net revenues without changing rates (<i>existing rates</i>)	\$74,830	-\$41,429	-\$195,593	-\$355,418	-\$392,147
Net revenues after changing rates (<i>new rates</i>)	\$226,585	\$216,499	\$170,809	\$121,824	\$193,207
Net Revenues Gained (Lost) Using the New Rates	\$151,755	\$257,929	\$366,403	\$477,242	\$585,354

RATES SCENARIOS

V1 – FY26 Rates

RESIDENTIAL

Block	Water In-Town	Sewer In-Town	Water Out-of-Town	Sewer Out-of-Town
Base	\$18.89	\$31.34	\$37.78	\$58.51
0-5k	\$7.63	\$13.07	\$9.08	\$15.14
5k-15k	\$9.46	\$15.66	\$10.91	\$17.23
15k+	\$11.63	\$18.81	\$13.08	\$20.88

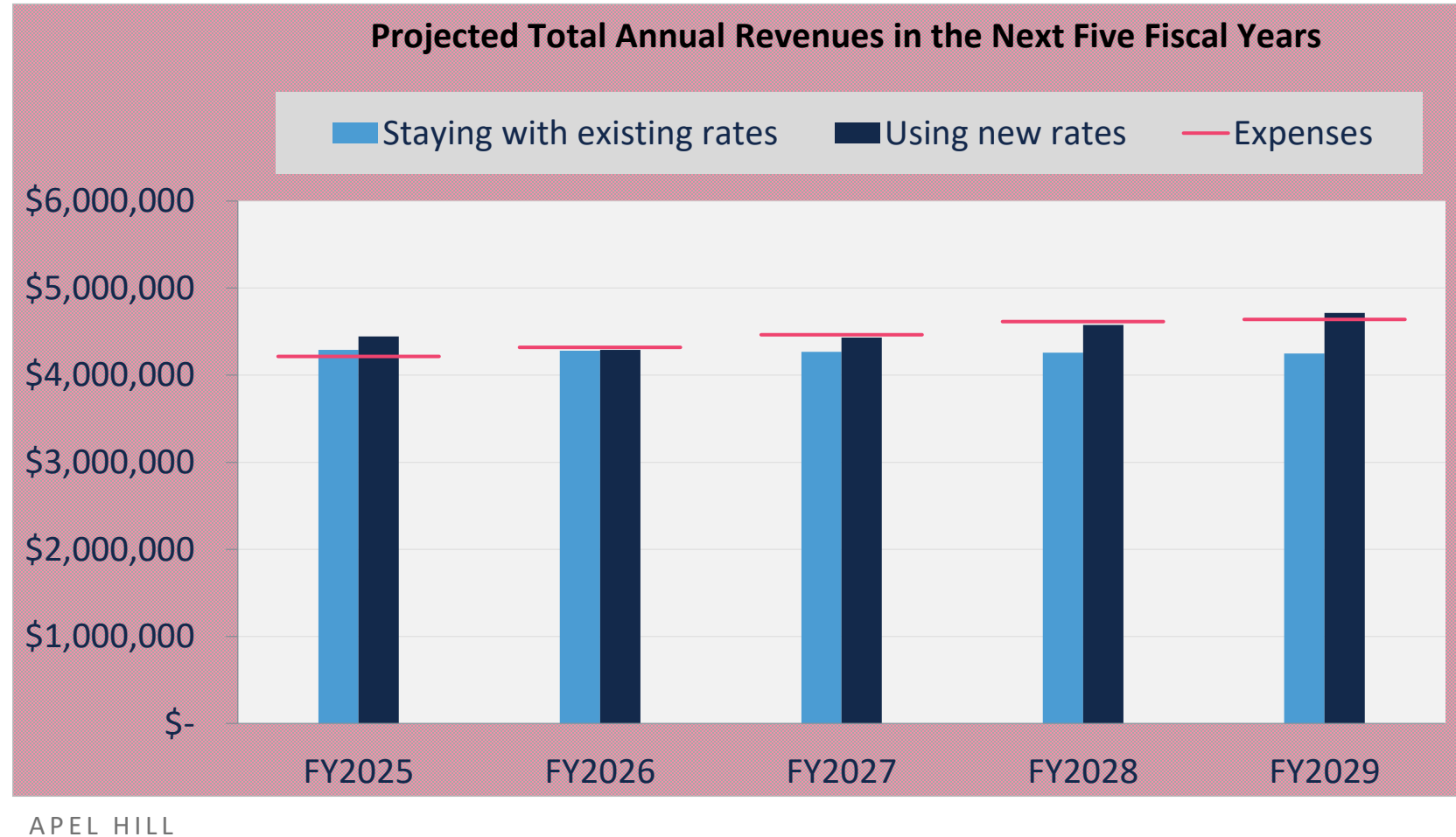
COMMERCIAL

Block	Water In-Town	Sewer In-Town	Water Out-of-Town	Sewer Out-of-Town
Base	\$18.89	\$31.34	\$37.78	\$58.51
0-5k	\$7.63	\$13.07	\$9.08	\$15.14
5k-15k	\$9.46	\$15.66	\$10.91	\$17.23
15k+	\$11.63	\$18.81	\$13.08	\$20.88

RATES SCENARIOS

V2 – Allowance, break even

- 2k allowance across the board
- 4% increase FY27-FY29
- New blocks, residential
 - 2k-5k
 - 5k-10k
 - 10k+
- New blocks, commercial
 - 2k-12k
 - 12k-20k
 - 20k+



RATES SCENARIOS

V2 – Revenues / Losses

	FY2025	FY2026	FY2027	FY2028	FY2029
Net revenues without changing rates (<i>existing rates</i>)	\$74,830	-\$41,429	-\$195,593	-\$355,418	-\$392,147
Net revenues after changing rates (<i>new rates</i>)	\$230,635	-\$30,755	-\$33,687	-\$37,284	\$75,174
Net Revenues Gained (Lost) Using the New Rates	\$155,805	\$10,674	\$161,906	\$318,134	\$467,321

RATES SCENARIOS

V2 – FY26 Rates

RESIDENTIAL

Block	Water In-Town	Sewer In-Town	Water Out-of-Town	Sewer Out-of-Town
Base	\$25.00	\$40.00	\$45.00	\$60.00
0-2k	\$0.00	\$0.00	\$0.00	\$0.00
2k-5k	\$9.00	\$14.00	\$10.00	\$16.00
5k-10k	\$11.00	\$16.00	\$12.00	\$18.00
10k+	\$13.00	\$18.00	\$14.00	\$20.00

COMMERCIAL

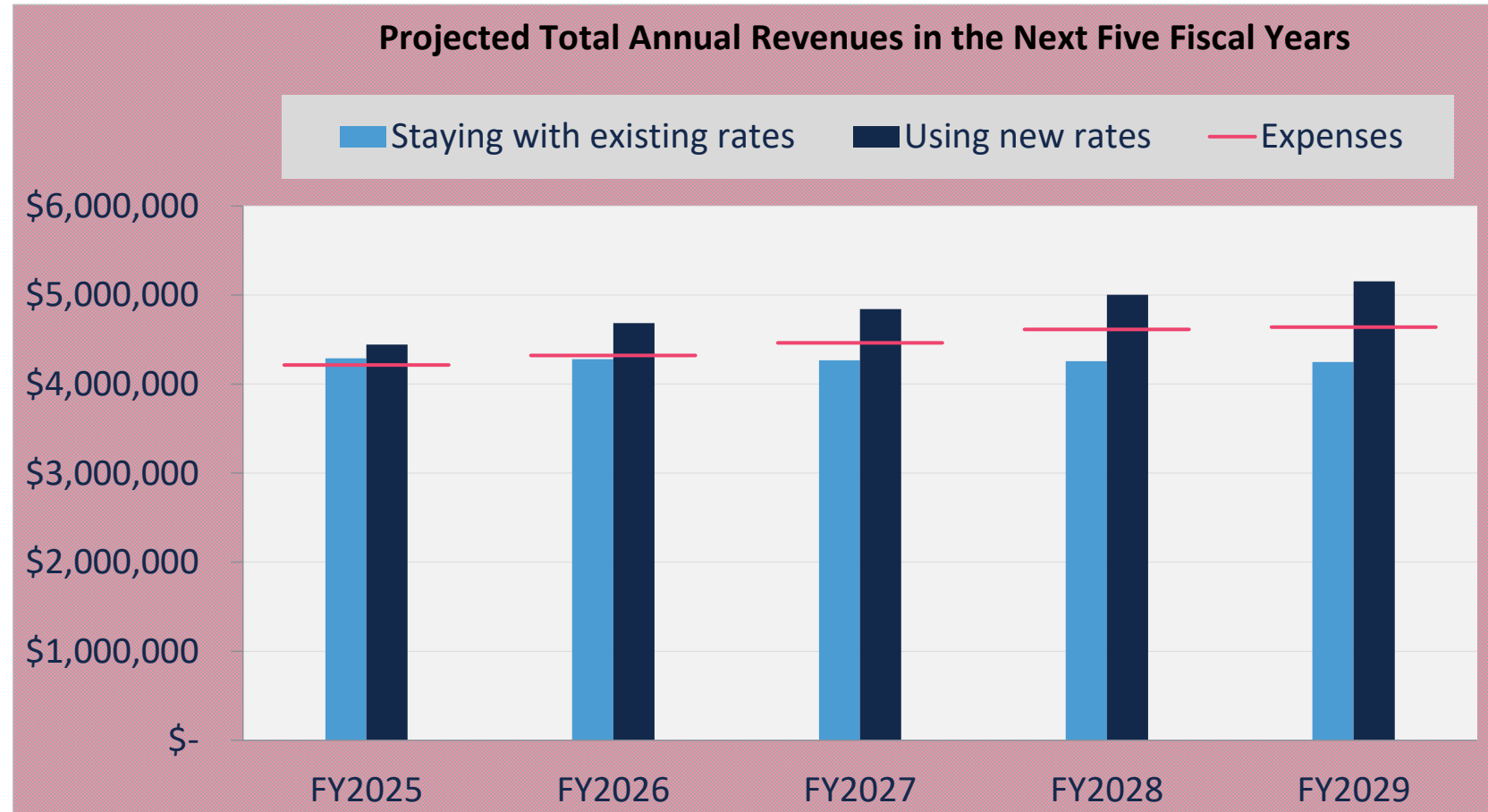
Block	Water In-Town	Sewer In-Town	Water Out-of-Town	Sewer Out-of-Town
Base	\$30.00	\$45.00	\$50.00	\$65.00
0-2k	\$0.00	\$0.00	\$0.00	\$0.00
2k-12k	\$11.00	\$17.00	\$13.00	\$19.00
12k-20k	\$13.00	\$19.00	\$15.00	\$21.00
20k+	\$15.00	\$21.00	\$17.00	\$23.00

Note different block breaks than Residential

RATES SCENARIOS

V3 – Allowance, some buffer

- 2k allowance across the board
- 4% increase FY27-FY29
- New blocks, residential
 - 2k-5k
 - 5k-10k
 - 10k+
- New blocks, commercial
 - 2k-12k
 - 12k-20k
 - 20k+



APEL HILL

RATES SCENARIOS

V3 – Revenues / Losses

	FY2025	FY2026	FY2027	FY2028	FY2029
Net revenues without changing rates (<i>existing rates</i>)	\$74,830	-\$41,429	-\$195,593	-\$355,418	-\$392,147
Net revenues after changing rates (<i>new rates</i>)	\$230,635	\$364,552	\$377,267	\$389,964	\$515,580
Net Revenues Gained (Lost) Using the New Rates	\$155,805	\$405,981	\$572,861	\$745,382	\$907,726

RATES SCENARIOS

V3 – FY26 Rates

RESIDENTIAL

Block	Water In-Town	Sewer In-Town	Water Out-of-Town	Sewer Out-of-Town
Base	\$30.00	\$45.00	\$50.00	\$65.00
0-2k	\$0.00	\$0.00	\$0.00	\$0.00
2k-5k	\$10.00	\$15.00	\$11.00	\$17.00
5k-10k	\$12.00	\$17.00	\$13.00	\$19.00
10k+	\$14.00	\$19.00	\$15.00	\$21.00

COMMERCIAL

Block	Water In-Town	Sewer In-Town	Water Out-of-Town	Sewer Out-of-Town
Base	\$35.00	\$50.00	\$55.00	\$70.00
0-2k	\$0.00	\$0.00	\$0.00	\$0.00
2k-12k	\$12.00	\$18.00	\$14.00	\$20.00
12k-20k	\$14.00	\$20.00	\$16.00	\$22.00
20k+	\$16.00	\$22.00	\$18.00	\$24.00

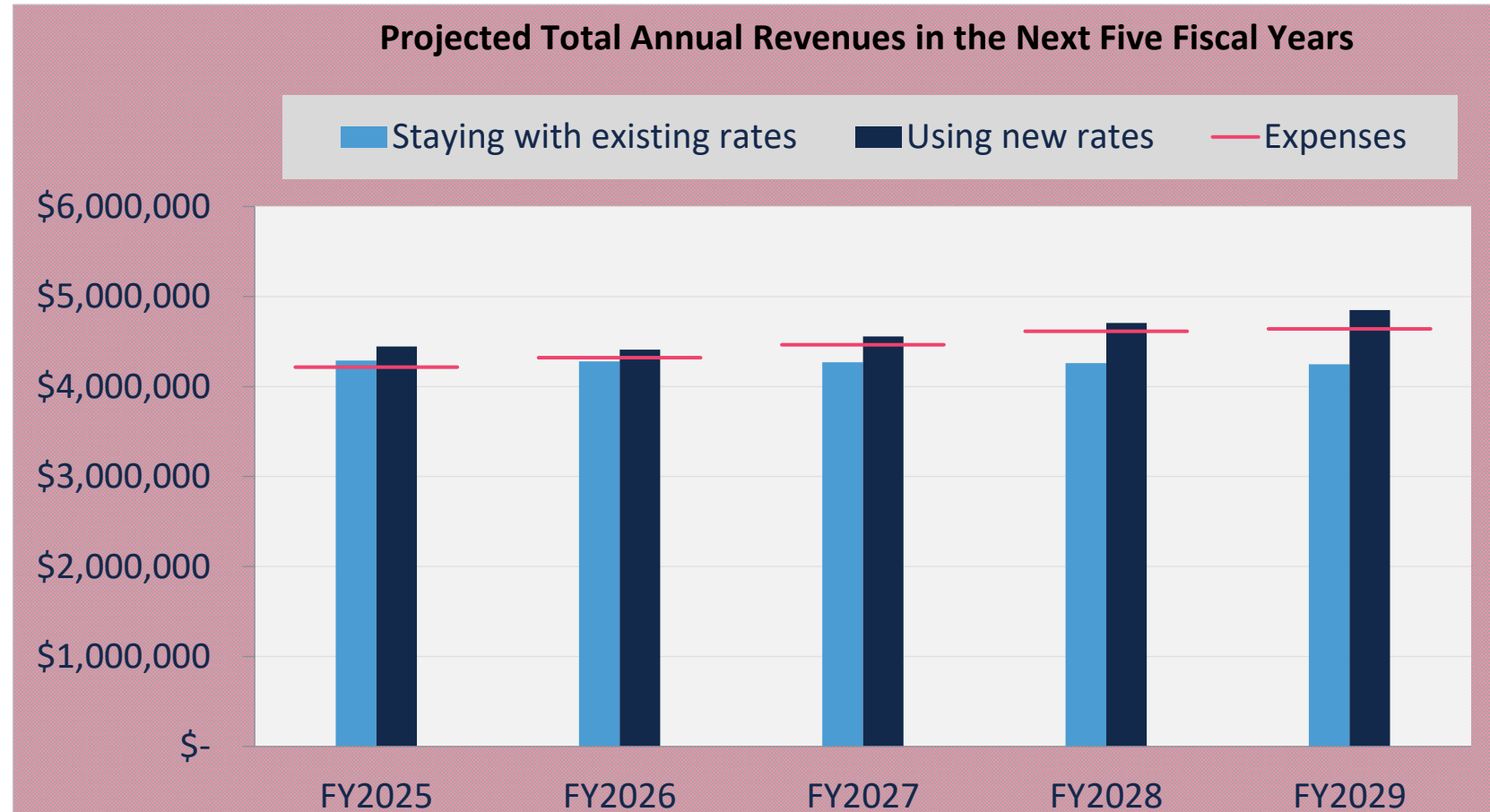


Note different block breaks than Residential

RATES SCENARIOS

V4 – Allowance, same class

- 2k allowance across the board
- 4% increase FY27-FY29
- New blocks, but residential and commercial are combined
 - 2k-5k
 - 5k-10k
 - 10k+



RATES SCENARIOS

V4 – Revenues / Losses

	FY2025	FY2026	FY2027	FY2028	FY2029
Net revenues without changing rates (<i>existing rates</i>)	\$74,830	-\$41,429	-\$195,593	-\$355,418	-\$392,147
Net revenues after changing rates (<i>new rates</i>)	\$230,635	\$88,954	\$90,430	\$91,411	\$208,626
Net Revenues Gained (Lost) Using the New Rates	\$155,805	\$130,383	\$286,023	\$446,829	\$600,772

RATES SCENARIOS

V4 – FY26 Rates

RESIDENTIAL

Block	Water In-Town	Sewer In-Town	Water Out-of-Town	Sewer Out-of-Town
Base	\$25.00	\$45.00	\$45.00	\$60.00
0-2k	\$0.00	\$0.00	\$0.00	\$0.00
2k-5k	\$10.00	\$14.00	\$12.00	\$16.00
5k-10k	\$12.00	\$16.00	\$14.00	\$18.00
10k+	\$14.00	\$18.00	\$16.00	\$20.00

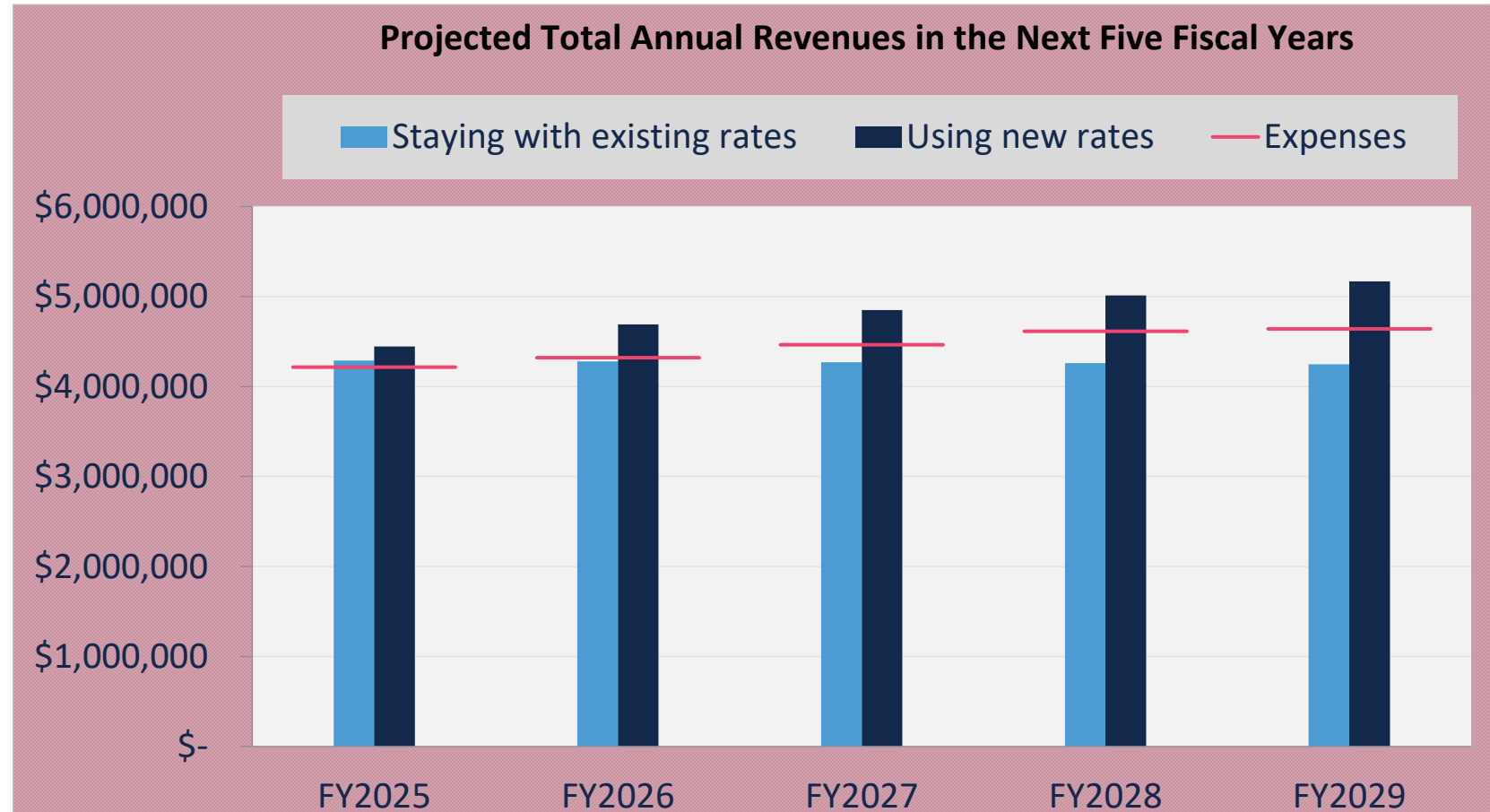
COMMERCIAL

Block	Water In-Town	Sewer In-Town	Water Out-of-Town	Sewer Out-of-Town
Base	\$25.00	\$45.00	\$45.00	\$60.00
0-2k	\$0.00	\$0.00	\$0.00	\$0.00
2k-5k	\$10.00	\$14.00	\$12.00	\$16.00
5k-10k	\$12.00	\$16.00	\$14.00	\$18.00
10k+	\$14.00	\$18.00	\$16.00	\$20.00

RATES SCENARIOS

V5 – Allowance, same class, surplus

- 2k allowance across the board
- 4% increase FY27-FY29
- New blocks, but residential and commercial are combined
 - 2k-5k
 - 5k-10k
 - 10k+



RATES SCENARIOS

V5 – Revenues / Losses

	FY2025	FY2026	FY2027	FY2028	FY2029
Net revenues without changing rates (<i>existing rates</i>)	\$74,830	-\$41,429	-\$195,593	-\$355,418	-\$392,147
Net revenues after changing rates (<i>new rates</i>)	\$230,635	\$370,151	\$384,713	\$399,373	\$528,660
Net Revenues Gained (Lost) Using the New Rates	\$155,805	\$411,580	\$580,307	\$754,791	\$920,807

RATES SCENARIOS

V5 – FY26 Rates

RESIDENTIAL

Block	Water In-Town	Sewer In-Town	Water Out-of-Town	Sewer Out-of-Town
Base	\$30.00	\$50.00	\$50.00	\$65.00
0-2k	\$0.00	\$0.00	\$0.00	\$0.00
2k-5k	\$10.00	\$14.00	\$12.00	\$16.00
5k-10k	\$12.00	\$16.00	\$14.00	\$18.00
10k+	\$14.00	\$18.00	\$16.00	\$20.00

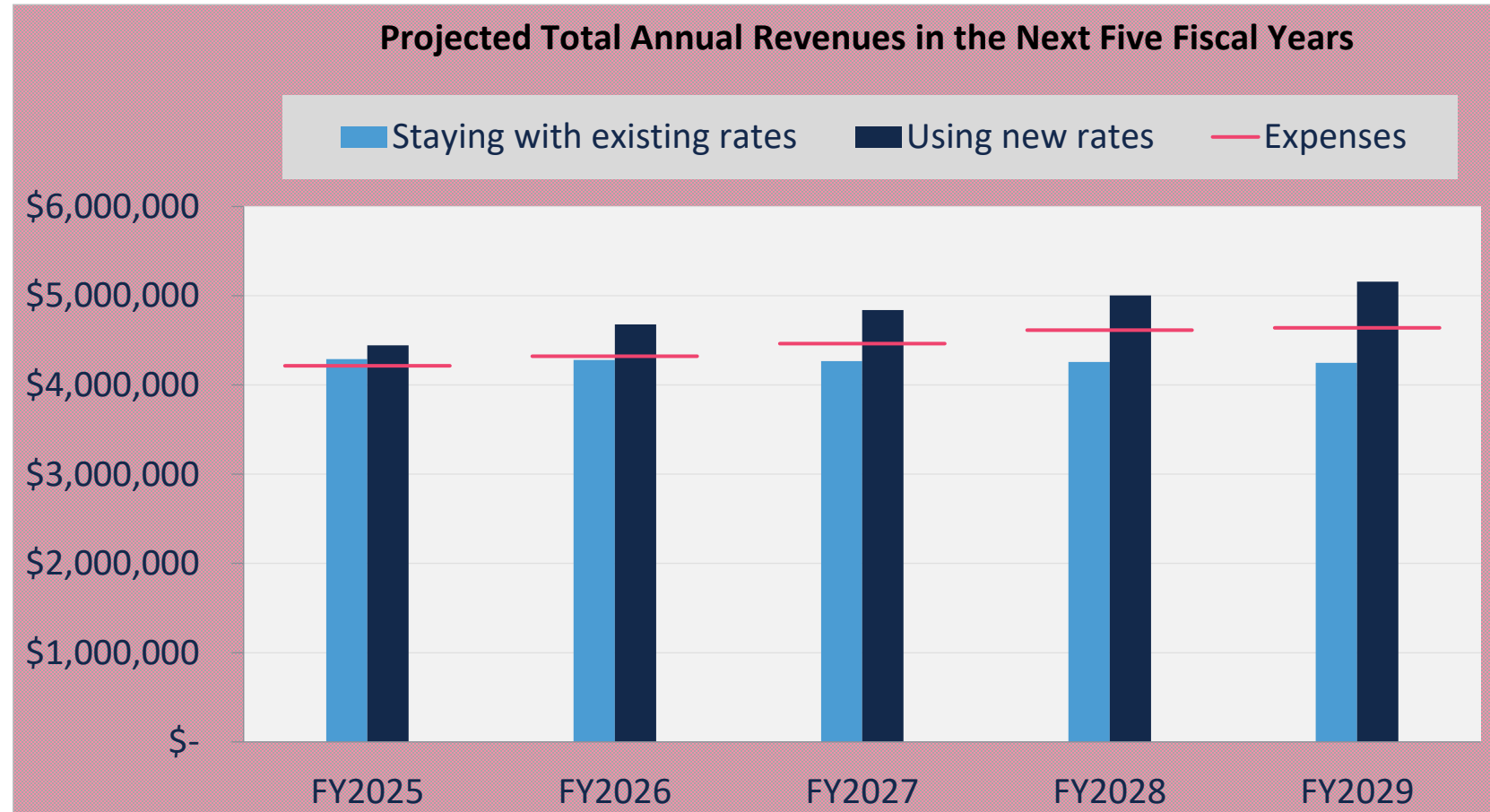
COMMERCIAL

Block	Water In-Town	Sewer In-Town	Water Out-of-Town	Sewer Out-of-Town
Base	\$30.00	\$50.00	\$50.00	\$65.00
0-2k	\$0.00	\$0.00	\$0.00	\$0.00
2k-5k	\$10.00	\$14.00	\$12.00	\$16.00
5k-10k	\$12.00	\$16.00	\$14.00	\$18.00
10k+	\$14.00	\$18.00	\$16.00	\$20.00

RATES SCENARIOS

V6 – Allowance, same class, same blocks, surplus

- 2k allowance across the board
- 4% increase FY27-FY29
- Original blocks, residential and commercial are combined
 - 2k-5k
 - 5k-15k
 - 15k+



RATES SCENARIOS

V6 – Revenues / Losses

	FY2025	FY2026	FY2027	FY2028	FY2029
Net revenues without changing rates (<i>existing rates</i>)	\$74,830	-\$41,429	-\$195,593	-\$355,418	-\$392,147
Net revenues after changing rates (<i>new rates</i>)	\$230,635	\$359,346	\$373,635	\$388,015	\$517,016
Net Revenues Gained (Lost) Using the New Rates	\$155,805	\$400,775	\$569,229	\$743,433	\$909,163

RATES SCENARIOS

V6 – FY26 Rates

RESIDENTIAL

Block	Water In-Town	Sewer In-Town	Water Out-of-Town	Sewer Out-of-Town
Base	\$30.00	\$50.00	\$50.00	\$65.00
0-2k	\$0.00	\$0.00	\$0.00	\$0.00
2k-5k	\$10.00	\$14.00	\$12.00	\$16.00
5k-15k	\$12.00	\$16.00	\$14.00	\$18.00
15k+	\$14.00	\$18.00	\$16.00	\$20.00

COMMERCIAL

Block	Water In-Town	Sewer In-Town	Water Out-of-Town	Sewer Out-of-Town
Base	\$30.00	\$50.00	\$50.00	\$65.00
0-2k	\$0.00	\$0.00	\$0.00	\$0.00
2k-5k	\$10.00	\$14.00	\$12.00	\$16.00
5k-15k	\$12.00	\$16.00	\$14.00	\$18.00
15k+	\$14.00	\$18.00	\$16.00	\$20.00

RATES SCENARIOS

Monthly Bill Comparison Across Versions – FY26

	FY25	V1	V2	V3	V4	V5	V6
Allowance?	No	No	Yes	Yes	Yes	Yes	Yes
New blocks?	No	No	Yes	Yes	Yes	Yes	No
Residential/ commercial split?	No	No	Yes	Yes	No	No	No
Residential inside - low user (2k/mo.)	\$88.97	\$91.63	\$65.00	\$75.00	\$70.00	\$80.00	\$80.00
Residential inside - average user (4k/mo.)	\$129.17	\$133.03	\$111.00	\$125.00	\$118.00	\$128.00	\$128.00
Commercial inside - low user (3k/mo.)	\$109.07	\$112.33	\$103.00	\$115.00	\$94.00	\$104.00	\$104.00
Commercial inside - average user (8k/mo.)	\$222.41	\$229.09	\$243.00	\$265.00	\$226.00	\$236.00	\$236.00
Commercial inside - high user (16k/mo.)	\$422.62	\$435.37	\$483.00	\$521.00	\$474.00	\$484.00	\$464.00
Residential outside - low user (2k/mo.)	\$140.53	\$144.73	\$105.00	\$115.00	\$105.00	\$115.00	\$115.00
Residential outside - average user (4k/mo.)	\$187.57	\$193.17	\$157.00	\$171.00	\$161.00	\$171.00	\$171.00
Commercial outside - low user (3k/mo.)	\$164.05	\$168.95	\$147.00	\$159.00	\$133.00	\$143.00	\$143.00
Commercial outside - average user (8k/mo.)	\$293.05	\$301.81	\$307.00	\$329.00	\$285.00	\$295.00	\$295.00
Commercial outside - high user (16k/mo.)	\$517.26	\$532.75	\$579.00	\$617.00	\$565.00	\$575.00	\$555.00

All bills are assuming both water and sewer consumption. For each row, lighter red indicates a lower bill and darker red indicates a higher bill.

Contact Us!

Alicea Easthope-Frazer

Project Director

aliceaef@sog.unc.edu

415.419.9421



