

Village of Blissfield Water Rate Report

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MICHIGAN RURAL WATER ASSOCIATION RATE EVALUATION PROGRAM

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MICHIGAN RURAL WATER ASSOCIATION RATE EVALUATION PROGRAM

INTRODUCTION

Quality drinking water is an essential public service provided to residents. Without a water system the community would cease to exist. Over many years your community has invested in the essential infrastructure and services necessary to provide it's residents with safe and reliability drinking water.

The construction and maintenance of this infrastructure is one of the most costly investments the residents in your community will make. Community officials strive to ensure that the resident's investment in these facilities is based on sound judgment, cost effectiveness, and sustainable financing for the present and future. The purpose of analyzing utility rates is to ensure;

- a) Compliance with federal and state regulations governing utility rates, and
- b) That adequate revenue is collected through service charges to support the cost of providing the service and
- c) That the rates are equitable to all users of the service.

That is, each user's share of the cost is proportionate to their use of the system.

REVENUE REQUIREMENT = TOTAL SYSTEM COST

Ensuring that the revenue covers the total system cost means the service is "sustainable". That is, the system will serve the present needs and will continue to meet future needs.

Total system cost is comprised of the following cost components:

Operation & Maintenance (O&M) expenses. These are the daily costs of labor, materials, supplies, utilities, etc. necessary to operate and maintain the facilities.

Replacement expenses. These are costs to replace operating equipment with a useful life of 20 years or less. The sum of O&M expense and replacement expense is referred to as OM&R.

Capital improvements. These are costs to replace structural components with useful life greater than 20 years and or to expand and improve the current facilities.

Administrative expenses. These are the costs of general management, financial management, meter reading, and billing & collections.

Debt service expenses. These are the annual costs of loans or bond repayment used to finance construction and generally includes facilities and structures with a useful life of 20 years of more.

Current Rate Structure
VILLAGE OF BLISSFIELD

The current rate structure for the Village of Blissfield's **Water System** is reasonable but could use a few minor changes to recover the cost of operating the system in a more equitable manner.

Currently the Village charges a cost per 1,000 gallons of water used. The rate per 1,000 gallons is the same regardless of who the customer is or how much they use. Everyone pays the same rate starting from the first gallon used.

The debt is collected through the base rate with all customers paying the same rate on a monthly basis.

Currently the Village charges a base rate or Ready to Serve charge which is invoiced every monthly (which includes the debt). The base rate is charged to everyone based on the size of the meter serving the customer.

Larger water users take up capacity of the system. The system has a limited capacity (gallons) therefore if one large customer takes up the capacity of 10 residential homes they should pay a base rate equivalent to the 10 residential homes. Larger volume users also drive the size of certain components of the water system. For instance having several large buildings that house factories or schools will require larger water mains and a larger water tower to provide firefighting ability for these larger buildings. It is thus fair that they pay a larger portion of the debt and some fixed expenses compared to a homeowner who uses 3,000 gallons per month.

Ultimately our goal is to collect the money needed to maintain the water system in the most equitable manner possible. Insuring that everyone pays their fair share of the cost.

Overall Conclusion

VILLAGE OF Blissfield

After the June 1st 2020 increase in water rates, the Village is basically generating enough revenue to cover every day basic expenses, replacement of existing equipment, and a portion of capital improvement projects (CIP) necessary to providing safe drinking water for the community.

Based upon the current Ready to serve (base) rate of \$49.18 for a 3/4 inch meter, \$47.54 is applied to labor & benefits, operation & maintenance, and debt (both principal and interest) payments, and \$0.26 applies to equipment replacement. This leaves \$1.38 applied to CIP. CIP should be funded at \$4.46 as per figures provided by the Village. This leaves a deficit of \$3.08.

Additionally, at the current consumption charge of \$5.95, \$5.28 applies to labor & benefits, operation & maintenance, and debt (both principal and interest) payments, and \$0.05 applies to equipment replacement. This leaves \$0.62 for CIP projects which should be funded at \$0.83. This leaves a deficit of \$0.21 per 1000 gallons of water sold.

Since the Village has recently increased rates, the Village may wish to increase rates gradually over the next couple of years to reach the level of desired CIP funding. The Village should be mindful that the rates should be raised every year to kept pace with inflation. Therefore, spreading the CIP increase over a period of time should include a cost of living increase.

It is recommended that water systems maintain between 3 and 9 months of operational expenses (\$440,000 to \$1,000,000 for the Village) for emergency and unanticipated funding. Currently, the reserve funds in the water fund are insufficient to meet this level of reserve funding.

Furthermore, if the Greenplains Ethanol Plant returns to operation, a reanalysis of the rates should be performed.

The Village needs to know exactly how much money will be needed over the next 20 years for these major maintenance expenses / equipment replacement and insure they have money in the bank for these expenditures. Keeping in mind that to much money is almost as bad as not having enough

Blissfield Water

CONCLUSION OF ANALYSIS

COST PER	CURRENT RATES	CALCULATED RATES	DIFFERENCE
1,000 GAL.	\$5.95	\$6.00	\$0.05
CURRENT "BASE RATE" CHARGE PER MONTH			
METER SIZE - INCHES	CURRENT RATES	CALCULATED RATES	DIFFERENCE
3/4	\$49.18	\$55.11	\$5.93
1	\$68.86	\$92.03	\$23.17
1 1/4	\$0.00	\$128.96	\$128.96
1 1/2	\$123.35	\$183.51	\$60.16
2	\$201.60	\$293.73	\$92.13
3	\$418.01	\$588.02	\$170.01
4	\$732.72	\$918.67	\$185.95

The above rates are based on an input budget of	\$1,638,525
The above rates are based on invoicing the following gallons of water / sewer	85,034,967
The above rates are based on the following number of customers	1,512
The above rates are based on the following number of Residential Equivalent Units (REU's)	20,340

If all numbers listed above stay true the new calculated rates will generate the input budget "exactly". Not a penny more or a penny less.

This Rate Analysis uses "Full Cost Pricing" to determine the user fees.

The above table shows the Current Rate, the new Calculated Rate, and the difference between the current and new rate changes.

Full Cost Pricing Is:

Maintaining your system's financial stability by ensuring a sufficient revenue stream.

Collect and reserve the funds needed to cover the costs of future asset rehabilitation and compliance with future regulations, among other things.

Plan ahead for reasonable, gradual rate increases when necessary.

Deliver a fair priced, high-quality drinking water to your customers now and in the future.

NOTE:

The above CALCULATED RATES will generate only enough to meet the current budget input into the rate

BACKGROUND INFORMATION STARTING SHEET

Please be sure to review the results of this rate evaluation with an attorney

Name of Community :	Blissfield Water
Population Served :	3340
BUDGET USED FOR YEAR OF	2020
<u>Current Rate Structure</u>	
Are bills based on 1,000 gallons units or 100 cubic feet units?	1,000
Number of Residential Customer Invoices per Year	12
What are the dates of the Fiscal Year	October 1st
Year of Last Rate Increase	2020
<i>This rate evaluation was completed using the following information</i>	
Reliability Study / General Plan	No
Capital Improvement Plan	Yes
Water Tower Inspection Report	Yes
Well Inspection Report	N/A
System Evaluations (MDEQ etc)	No
Audits	No
List the names of the different Entities Served - Originating Entity	
2nd Entity	Blissfield Water
3rd Entity	Out of Village
	Greenplains

Blissfield Water CURRENT RATE CHARGES Customers Are Invoiced MONTHLY PER				
RATE CLASS 1				
Blissfield Water				
TYPE OF WATER UNITS	1,000 GALLONS	Notes		
COST PER WATER UNIT	\$5.95			
INVOICES PER YEAR	12			
METER SIZE - INCHES	CURRENT "BASE RATE" CHARGE	NUMBER OF METERS	INVOICE FREQUENCY	ANNUAL INCOME
3/4	\$49.18	1467	12	\$865,765
1	\$68.86	2	12	\$1,653
1 1/2	\$123.35	3	12	\$4,441
2	\$201.60	5	12	\$12,096
3	\$418.01	2	12	\$10,032
4	\$732.72	7	12	\$61,548
TOTALS		1486		\$955,535

RATE CLASS 2						RATE CLASS 3					
Out of Village						Greenplains					
TYPE OF WATER UNITS	1,000 GALLONS	Ratio Entity # 2 vs. 1	Notes			TYPE OF WATER UNITS	1,000 GALLONS	Ratio Entity # 3 vs 1	NOTES		
COST PER WATER UNIT	\$11.90	2.00				COST PER WATER UNIT	\$4.10	0.69			
INVOICES PER YEAR	12					INVOICES PER YEAR	12				
METER SIZE - INCHES	CURRENT "BASE RATE" CHARGE	Ratio Entity # 2 vs. 1	NUMBER OF METERS	INVOICE FREQUENCY	ANNUAL INCOME	METER SIZE - INCHES	CURRENT "BASE RATE" CHARGE	Ratio Entity # 3 vs 1	NUMBER OF METERS	INVOICE FREQUENCY	ANNUAL INCOME
3/4	\$98.36	2.00	25	12	\$29,508	3/4		0.00		12	\$0
1	\$137.72			12	\$0	1				12	\$0
1 1/2	\$246.70			12	\$0	1 1/2				12	\$0
2	\$403.20			12	\$0	2				12	\$0
3	\$836.02			12	\$0	3				12	\$0
4	\$1,465.44			12	\$0	4	\$20,224.22		1	12	\$242,691
			25		\$29,508				1		\$242,691

Current Rate Charges

Currently customers are charged based on two factors

Consumption Charge, Which is based on gallons of water that goes through the customer's water meter. Sewage usage is based on water usage. Customers are currently invoiced per unit of water at the listed price.

A "Base Rate" charge based of \$49.18 for a 3/4" meter, this fee increases based on the size of the customers water meter, which is listed in inches. Some customers are invoiced monthly, others monthly/ The number of meters listed above does NOT include irrigation meters which are not invoiced a "Base Rate" charge.

MICHIGAN RURAL WATER ASSOCIATION RATE EVALUATION PROGRAM

2020	RATE CLASS 1		RATE CLASS 2		RATE CLASS 3						
	Blissfield Water		Out of Village		Greenplains						
METER SIZE - INCHES	NUMBER OF METERS	INVOICE FREQUENCY	NUMBER OF METERS	INVOICE FREQUENCY	NUMBER OF METERS	INVOICE FREQUENCY	CUSTOMERS ACTUAL	SELECTED METER EQUIVALENT	CALCULATED METER EQUIVALENT	EQUIVALENT REU'S PER BILLING CYCLE	ANNUAL EQUIVALENT REU'S (UNITS)
3/4	1467	12	25	12	0	12	1492	1.00	1.00	1,517	18,204
1	2	12	0	12	0	12	2	1.67	1.67	3	40
1 1/2	3	12	0	12	0	12	3	3.33	3.33	10	120
2	5	12	0	12	0	12	5	5.33	5.33	27	320
3	2	12	0	12	0	12	2	10.67	10.67	21	256
4	7	12	0	12	1	12	8	16.67	16.67	117	1,400
TOTAL	1486		25		1		1512			1,695	
TOTAL EQUIVALENT ANNUAL REU'S											20,340
PERCENT REDUCTION											0.00%
REU REDUCTION PER BILLING CYCLE											0.0
ANNUAL EQUIVALENT REU'S USED FOR RATE EVALUATION											20,340

The table above list the number of water meters being invoiced for each size water meter for each entity being served.
BASED ON THE REQUEST OF THE WATER SYSTEM - THE REU RATIO USED FOR THIS EVALUATION IS THE AWWA METER FLOW RATIO BEING USED BY THE WATER SYSTEM.

NOTES

Blissfield Water		2020		UNITS OF WATER INVOICED TO CUSTOMERS										
USAGE REPORTED IN	GALLONS													THE PROGRAM USES THE
USAGE REPORTED IN	CALENDAR YEARS	PERCENT OF TOTAL	PERCENT OF TOTAL	PERCENT OF TOTAL	AVERAGE PERCENT	AVERAGE	MAX. YEAR	MIN. YEAR	PERCENT DIFFERENCE FROM MAX. TO MIN. YEAR	ANTICIPATED PERCENT REDUCTION NEXT YEAR	UNITS USED IN RATE EVALUATION		LOWEST YEAR	
	2018		2019		2020									
Blissfield Water	94,485,830	39.7%	94,707,101	36.4%	83,775,177	47.6%	41.3%	90,989,369	94,707,101	83,775,177	12%	0%	83,775,177	
Out of Village	1,259,790	0.5%	1,455,950	0.6%	1,316,650	0.7%	0.6%	1,344,130	1,455,950	1,259,790	13%	0%	1,259,790	
Greenplains	141,968,381	59.7%	163,851,164	63.0%	90,808,790	51.6%	58.1%	132,209,445	163,851,164	90,808,790	45%	100%	0	
TOTALS	237,714,001		260,014,215		175,900,617			224,542,944	260,014,215	175,843,757	23%		85,034,967	
												GALLONS OF REDUCTION	90,808,790	
												GALLONS USED FOR EVALUATION	85,034,967	

The Volumes listed above are only those gallons that are a revenue source.
The gallons listed above do not include any water NOT invoiced for winter "Let Runs"
The gallons listed above were generated by the Village. The Village takes full responsibility for the accuracy of these numbers.

This table shows the gallons of water invoiced to customers. The Village is showing a large decrease in usage over the last year. This is due to the Greenplains Ethanol plant ceasing operations. For purposes of this evaluation we used the lowest for each class. We also anticipated a reduction in usage of 0% for both Village and out of Village water and 100% reduction for Greenplains to follow the trend.
Rate evaluations must be based on a worst case scenario. Taking into account factors that could influence the amount of water sold invoiced, (which is based on water usage) These factors include;
A wet rainy summer will result in less outdoor activities and lawn sprinkling
Technology alone will account for a reduction in use per person, things like water efficient appliances, washing machines etc. and water efficient shower heads, toilets etc. will naturally reduce the water use per customer.
Loss of a major water user because of things like a fire or a business that chooses to relocate into another community, or just closes its doors can have an impact on gallons of water sold.
Note: Years are FY17/18 = 2018, FY18/19 = 2019 and FY2019/20 = 2020 with last two month estimated water usage

TOTAL COMBINED <u>CURRENT</u> INCOME					WATER UNITS = 1,000		Blissfield Water								
FISCAL YEAR 2020					INVOICES PER YEAR = 12										
CURRENT METER / BASE RATE INCOME															
		Blissfield Water			Out of Village	Greenplains									
METER SIZE - INCHES	CURRENT RATES	NUMBER OF METERS	INVOICE FREQUENCY	ANNUAL INCOME	ANNUAL INCOME	ANNUAL INCOME	INCOME	% INCOME	% TOTAL INCOME						
3/4	\$49.18	1,467	12	865,765	\$29,508	\$0	\$895,273	91%	48%						
1	\$68.86	2	12	1,653	\$0	\$0	\$1,653	0%	0%						
1 1/4	\$0.00	0	12	0	\$0	\$0	\$0	0%	0%						
1 1/2	\$123.35	3	12	4,441	\$0	\$0	\$4,441	0%	0%						
2	\$201.60	5	12	12,096	\$0	\$0	\$12,096	1%	1%						
3	\$418.01	2	12	10,032	\$0	\$0	\$10,032	1%	1%						
4	\$732.72	7	12	61,548	\$0	\$0	\$61,548	6%	3%						
6	\$0.00	0	12	0	\$0	\$0	\$0	0%	0%						
8	\$0.00	0	12	0	\$0	\$0	\$0	0%	0%						
10	\$0.00	0	12	0	\$0	\$0	\$0	0%	0%						
BASE RATE INCOME				\$955,535	\$29,508	\$0	\$985,043		53%						
CURRENT VOLUME SALES INCOME															
		Blissfield Water			Out of Village	Greenplains	TOTALS								
GALLONS / CUFT SOLD	83,775,177				1,316,650	90,808,790	175,900,617								
COST PER UNIT	\$5.95				\$11.90	\$4.10		% INCOME							
WATER SALES INCOME	\$498,462				\$15,668	\$372,316	\$886,446	47%							
TOTAL METER SALES INCOME				\$985,043			<div style="border: 1px solid black; padding: 5px; display: inline-block;"> This page calculates out what the actual income should be </div> <table border="1" style="margin-left: 20px; width: 100%;"> <thead> <tr> <th colspan="2">PERCENT OF INCOME</th> </tr> <tr> <th>BASE RATE</th> <th>VOLUME SALES</th> </tr> </thead> <tbody> <tr> <td>53%</td> <td>47%</td> </tr> </tbody> </table>			PERCENT OF INCOME		BASE RATE	VOLUME SALES	53%	47%
PERCENT OF INCOME															
BASE RATE	VOLUME SALES														
53%	47%														
TOTAL VOLUME SALES INCOME				\$886,446											
TOTAL INCOME CUSTOMER SALES				\$1,871,489											
NON SALES REVENUE ANTICIPATED				\$0											
TOTAL INCOME ALL SOURCES				\$1,871,489											
NEW INPUTTED RATE BUDGET				\$1,638,525											
SCHEDULED PROFIT / LOSS				\$232,964											

MICHIGAN RURAL WATER ASSOCIATION RATE EVALUATION PROGRAM

Blissfield Water			
NON-SALES INCOME			
NON-SALES INCOME	2018	2019	2020
Water Connection Charges			\$ 1,500
Water Samples			\$ 25,000
Tank Water			\$ 36,000
Water Late Charges			\$ 27,000
Water Misc			\$ 10,000
TOTAL INCOME (NON SALES)	\$ -	\$ -	\$ 99,500
Portion of (Non Sales) Revenue <u>Guaranteed</u> :			\$ -
Percent Applied Towards Fixed Rate RTS Charge - PERCENT applied per REU			50%
ANNUAL DOLLARS APPLIED TOWARDS <u>FIXED BUDGET</u> - BASE RATE - RTS			\$ -
ANNUAL DOLLARS APPLIED TOWARDS <u>VARIABLE BUDGET</u> - PER UNIT			\$ -

MICHIGAN RURAL WATER ASSOCIATION RATE EVALUATION PROGRAM

LABOR & BENEFITS	PROPOSED BUDGET FOR NEXT FISCAL YEAR
Blissfield Water	
	2020
2020	RATE BUDGET
LABOR & BENEFITS	ANNUAL BUDGETED
Water Distribution	
Wages	\$74,000
Benefits	\$35,520
Water Department	
Water Operator Wages	\$263,000
DPW Wages	\$4,800
Water Benefits	\$126,400
LABOR & BENEFITS	\$503,720
LABOR & BENEFITS - ADMINISTRATION- BILLING ETC	
Water Clerk/Treasurer	\$50,925
Admin Wages	\$25,240
Admin Benefits	\$32,950
LABOR & BENEFITS - ADMINISTRATION- BILLING ETC	\$109,115
LABOR & BENEFITS	\$503,720
SUB-TOTAL EXPENSES	\$612,835
Additional Cost of Inflation Increase:	0.00%
LABOR & BENEFITS	\$612,835
ARE EMPLOYEES MAKING A LIVABLE WAGE AND RECEIVING INCREASES ANNUALLY?	

MICHIGAN RURAL WATER ASSOCIATION RATE
EVALUATION PROGRAM

OPERATION & MAINTENANCE EXPENSES	PROPOSED BUDGET FOR NEXT FISCAL YEAR
2020	2020
Blissfield Water	RATE BUDGET
SYSTEM EXPENSES	ANNUAL BUDGETED
Water Distribution	
Water distribution Tools and Supplies	\$750
Water distribution Material used	\$0
Water Distribution Outside contractors	\$36,000
Water Tower Electric	\$3,000
Water Dist. Equipment Maintenance	\$3,000
Water Dist. Equipment Rental	\$12,000
Water Dist. Misc.	\$750
Water Dist. Education	\$3,000
Water Dist. New Equipment	\$20,000
Water Department	
WTP Tools and Supplies	\$3,200
WTP Chemicals	\$193,000
WTP Lab Supplies	\$18,000
WTP Clothing	\$2,500
WTP Outside Contractor	\$123,000
WTP Office Supplies	\$1,000
WTP Engineering	\$4,500
Dumpster Waste at WTP	\$30,000
Sludge System Chemicals	\$26,000
WTP Telephone	\$1,600
WTP Insurance	\$8,300
WTP Electric	\$90,000
WTP Gas	\$35,000
WTP Building Maint.	\$4,500
WTP Equipment Maintenance	\$20,800
Lab Water Testing	\$13,000
WTP Equipment Rental	\$3,850
WTP Education	\$3,500
WTP New Equipment	\$10,000
WTP New Lab Equipment	\$3,500
Water	\$5,000
Sewer	\$2,400
SYSTEM EXPENSES	\$681,150
OPERATIONAL & OTHER EXPENSES	
Water Admin Office Supplies	\$7,000
Water Admin Office Audit	\$2,768
Workshops and Conferences	\$1,200
Water Maint. Agreement	\$4,000
OPERATIONAL & OTHER EXPENSES	\$14,968
SYSTEM EXPENSES	\$681,150
SUBTOTAL OPERATIONAL EXPENSES	\$696,118
CONTINGENCY	\$0
SUBTOTAL	\$696,118
COST OF INFLATION INCREASE	0.00%
OPERATION & MAINTENANCE EXPENSES	\$696,118

Operating Expenses are those operation and maintenance (O&M) expenses that occur while providing water service. These expenses typically increase annually due to inflation, and increased maintenance costs as systems age.
The expenses listed above do not include Depreciation
These expenses do not include any interest paid on debt or one time CIP

Blissfield Water	Notes on loans	
2020		
BOND INSTALLMENT ANNUAL PAYMENT SCHEDULE		
NAME OF LOAN	DEQ 7023-02	WATER - CIP
PAID BY RATES OR OTHER ?		
IF OTHER - SOURCE		
IF OTHER - \$ CONTRIBUTION FROM OTHER		
DATE OF ISSUE	2002	2012
DATE OF MATURITY	2022	2032
IS THERE A RESERVE REQUIREMENT		No
WHAT IS THE REQUIRED ANNUAL RESERVE \$\$		
CURRENT BALANCE IN THE REQUIRED RESERVE		
DATE OF - PRINCIPAL & INTEREST PAYMENT	4/1/2020	11/1/2020
\$ AMOUNT OF THIS INTEREST PAYMENT		\$24,938
\$ AMOUNT OF PRINCIPAL THIS PAYMENT		\$80,000
DATE OF - INTEREST PAYMENT		5/1/2020
\$ AMOUNT OF THIS INTEREST PAYMENT		\$24,938
CURRENT CASH BALANCE IN THIS ACCOUNT		
ORIGINAL LOAN AMOUNT	\$5,500,000	\$1,650,000
LIST THE COMBINED ANNUAL PRINCIPAL & INTEREST PAYMENTS HERE	ANNUAL PAYMENTS NEEDED FROM RATE CHARGES	ANNUAL PAYMENTS NEEDED FROM RATE CHARGES
	DEQ 7023-02	WATER - CIP
2020	\$45,000	\$105,972
2021	\$45,000	\$128,279
2022	\$45,000	\$129,987
2023		\$131,496
2024		\$127,905
2025		\$129,214
2026		\$125,423
2027		\$121,633
2028		\$142,344
2029		\$142,456
2030		\$137,469
2031		\$132,481
2032		\$127,494
2033		
2034		
2035		
2036		
2037		
2038		
2039		
PAID OFF IN YEAR OF	2022	2032

Blissfield Water	
LOANS, BONDS, INTEREST, ANNUAL PAYMENT	
DEQ 7023-02	\$45,000
WATER - CIP	\$105,972
\$0	\$0
TOTAL ANNUAL PAYMENTS	\$ 150,972.25
No Tax revenue or special assessment revenue is applied to these payments	
PROPOSED NEW DEBT - TOTAL FUNDED	
INTEREST RATE	
LENGTH OF LOAN (YEARS)	
ANNUAL PAYMENT	0
TOTAL DEBT - NEW & CURRENT	<u>\$150,972</u>
WHAT YEAR IS LOAN PAID OFF	
IS DEBT LISTED SEPARATELY ON WATER BILL	
IF USDA RD LOAN ANNUAL RESERVE FUNDING	\$0

List any additional notes on the loans here.

MICHIGAN RURAL WATER ASSOCIATION RATE EVALUATION PROGRAM

Please be sure to review the results of this evaluation with your community's attorney						
CALCULATED RESULTS OF WATER RATE ANALYSIS						2020
Blissfield Water	ANNUAL BUDGET	PERCENT FIXED EXPENSES	BASE RATE FIXED EXPENSES	COST PER 3/4 METER	CONSUMPTION VARIABLE EXPENSES	VOLUME COST PER UNIT
LABOR & BENEFITS	\$612,835	70%	\$428,985	\$21.09	\$183,851	\$2.13
OPERATION & MAINTENANCE EXPENSES	\$696,118	70%	\$487,283	\$23.96	\$208,835	\$2.42
SUBTOTAL OPERATIONAL EXPENSES	\$1,308,953		\$916,267	\$45.05	\$392,686	\$4.55
DEQ 7023-02	\$45,000	70%	\$31,500	\$1.55	\$13,500	\$0.16
WATER - CIP	\$105,972	70%	\$74,181	\$3.65	\$31,792	\$0.37
SUBTOTAL LOANS	\$150,972		\$105,681	\$5.20	\$45,292	\$0.52
TOTAL REGULAR EXPENSES	\$1,459,925		\$1,021,948	\$50.24	\$437,978	\$5.08
NON OPERATING INCOME REDUCTION PER REU / UNIT				\$0.00		\$0.00
RATE CHARGE FOR O&M AND LOANS				\$50.24		\$5.08
CURRENT RATE				\$49.18		\$5.95
INCREASE				\$1.06		(\$0.87)
PERCENT INCREASE				2%		-15%
OVERALL PERCENT INCREASE FOR GALLONS OF	4,000		8%			
EQUIPMENT REPLACEMENT SHORT LIVED ASSETS	\$10,600	70%	\$7,420	\$0.36	\$3,180	\$0.04
CAPITAL IMPROVEMENT PROJECTS	\$168,000	54.5%	\$91,560	\$4.50	\$76,440	\$0.89
SUBTOTAL RESERVES	\$178,600		\$98,980	\$4.87	\$79,620	\$0.92
ADOPTED BUDGET	\$1,638,525		\$1,120,928	\$55.11	\$517,598	\$6.00
CURRENT REVENUE	\$1,871,489					
NON OPERATING INCOME REDUCTION CONTRIBUTION			68%		32%	
REVENUE COLLECTED THROUGH RATES		\$1,638,525		\$0		\$0
NON OPERATING INCOME REDUCTION PER REU / UNIT				\$1,120,928		\$517,598
NON OPERATING INCOME REDUCTION PER REU / UNIT				0.00		0.00
CALCULATED RATE PER 3/4 METER	PER	MONTH		\$55.11	1,000 GAL.	\$6.00
ANNUAL EQUIVALENT REU'S 20,340			CURRENT RATES	\$49.18		\$5.95
ANTICIPATED GALLONS INVOICED 85,034,967			INCREASE OF	\$5.93		\$0.05
INVOICES PER YEAR 12			PERCENT INCREASE	12.1%		0.8%
TOTAL NUMBER OF CUSTOMERS / METERS 1,512			Out of Village	\$110.22		\$12.00
ANTICIPATED EQUIVALENT GALLONS / UNITS 86,295						
GALLONS USED 4,000						
AMOUNT OF BILL \$79.10						
PERCENT INCREASE 8%					EVERY MILLION GALLONS GENERATES REVENUE OF	\$5,998
DOES THE COST PER 'UNIT' / 'WATER' INCLUDE INCLINING OR DECLINING RATES?	NO		ADDITIONAL REVENUE GENERATED	\$120,601		\$4,083
GALLONS INCLUDED WITH THIS CALCULATED BASE RATE ?	NO		COMBINED ADDITIONAL REVENUE GENERATED	\$124,684		
IS BASE RATE PER REU, - OR PER METER SIZE?	METER SIZE		\$1.00 INCREASE GENERATES	\$20,340		\$85,035
					NON METERED	\$55.11

Blissfield Water							Out of Village	Greenplains	o	o	o
PER 1,000 GAL.	\$6.00		\$5.95			\$0.05	\$12.00	\$4.13	\$6.00	\$6.00	\$6.00
	NEW		CURRENT			DIFFERENCE PER MONTH	NEW	NEW	NEW	NEW	NEW
METER SIZE	BASE RATE PER MONTH	METER RATIO FACTOR BEING USED	BASE RATE PER MONTH	CURRENT / OLD METER RATIO	PERCENT INCREASE		BASE RATE PER MONTH				
3/4	\$55.11	1.00	\$49.18	1.00	12.1%	\$5.93	\$110.22				
1	\$92.03	1.67	\$68.86	1.40	33.7%	\$23.17	\$184.06	\$0.00	\$0.00	\$0.00	\$0.00
1 1/4	\$128.96	2.34	\$0.00	0.00	#DIV/0!	\$128.96	\$257.91	\$0.00	\$0.00	\$0.00	\$0.00
1 1/2	\$183.51	3.33	\$123.35	2.51	48.8%	\$60.16	\$367.03	\$0.00	\$0.00	\$0.00	\$0.00
2	\$293.73	5.33	\$201.60	4.10	45.7%	\$92.13	\$587.46	\$0.00	\$0.00	\$0.00	\$0.00
3	\$588.02	10.67	\$418.01	8.50	40.7%	\$170.01	\$1,176.03	\$0.00	\$0.00	\$0.00	\$0.00
4	\$918.67	16.67	\$732.72	14.90	25.4%	\$185.95	\$1,837.34	\$0.00	\$0.00	\$0.00	\$0.00
6	\$0.00	0.00	\$0.00	0.00	#DIV/0!	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8	\$0.00	0.00	\$0.00	0.00	#DIV/0!	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
10	\$0.00	0.00	\$0.00	0.00	#DIV/0!	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

These are the rates calculated for each meter size for each entity served. Also for the cost per unit of water sold for each entity.

TYPICAL BILL USING NEW RATES							
Blissfield Water							
METER SIZE - INCHES	GALLONS USED	VOLUME CHARGE	BASE RATE CHARGE	NEW BILL	OLD BILL	CHANGE IN BILL	PERCENT INCREASE
3/4	3,000	\$17.99	\$55.11	\$73.10	\$67.03	\$6.07	9%
3/4	4,000	\$23.99	\$55.11	\$79.10	\$72.98	\$6.12	8%
3/4	12,000	\$71.98	\$55.11	\$127.09	\$120.58	\$6.51	5%
3/4	15,000	\$89.97	\$55.11	\$145.08	\$138.43	\$6.65	5%
3/4	20,000	\$119.96	\$55.11	\$175.07	\$168.18	\$6.89	4%
1	50,000	\$299.90	\$92.03	\$391.93	\$366.36	\$25.57	7%
1 1/4	20,000	\$119.96	\$128.96	\$248.92	\$119.00	\$129.92	109%
1 1/2	150,000	\$899.70	\$183.51	\$1,083.22	\$1,015.85	\$67.37	7%
2	50,000	\$299.90	\$293.73	\$593.63	\$499.10	\$94.53	19%
3	100,000	\$599.80	\$588.02	\$1,187.82	\$1,013.01	\$174.81	17%
4	150,000	\$899.70	\$918.67	\$1,818.37	\$1,625.22	\$193.15	12%
6	265,106	\$1,590.11	\$0.00	\$1,590.11	\$1,577.38	\$12.73	1%
8	229,492	\$1,376.50	\$0.00	\$1,376.50	\$1,365.48	\$11.02	1%
10	1,500,000	\$8,997.03	\$0.00	\$8,997.03	\$8,925.00	\$72.03	1%
GALLONS INCLUDED MIN BILL				0	0		

2020

Blissfield Water

	Blissfield Water	Blissfield Water	DIFFERENCE PER MONTH	DIFFERENCE PER MONTH		Out of Village		
PER 1,000 GAL.	\$6.00	\$5.95	\$0.05			\$12.00	\$11.90	
	NEW	CURRENT				NEW	CURRENT	DIFFERENCE
METER SIZE	BASE RATE PER MONTH	BASE RATE PER MONTH						
3/4	\$55.11	\$49.18	\$5.93	\$1.98		\$110.22	\$98.36	\$11.86
1	\$92.03	\$68.86	\$23.17	\$7.72		\$184.06	\$137.72	\$46.34
1 1/2	\$183.51	\$123.35	\$60.16	\$20.05		\$367.03	\$246.70	\$120.33
2	\$293.73	\$201.60	\$92.13	\$30.71		\$587.46	\$403.20	\$184.26
3	\$588.02	\$418.01	\$170.01	\$56.67		\$1,176.03	\$836.02	\$340.01
4	\$918.67	\$732.72	\$185.95	\$61.98		\$1,837.34	\$1,465.44	\$371.90

These are the rates calculated for each meter size for each entity served. Also for the cost per unit of water sold for each entity.

CONFIRMATION OF INCOME - BASED ON CALCULATED RATES

Blissfield Water				
	Blissfield Water	Out of Village	Greenplains	REVENUE
	New Cost per Unit of Water Sold			NEW RATES
\$ PER 1,000 GAL.	\$6.00	\$12.00	\$4.13	
UNITS Sold	83,775	1,260	0	85,035
Income	\$502,485	\$15,112	\$0	\$517,598
PERCENT OF USAGE	99%	1%	0%	
PERCENT REVENUE	97%	3%	0%	
NON SALES INCOME APPLIED TO VARIABLE BUDGET				\$0
TOTAL ANTICIPATED REVENUE PER UNIT SALES				\$517,598
METER SIZE	NEW BASE RATE PER MONTH			
3/4	\$55.11	\$110.22	\$0.00	
NO. CUSTOMERS	1,467	25	0	
INVOICES PER YEAR	12	12	12	
ANNUAL INVOICES	17,604	300	0	
INCOME	\$970,142.30	\$33,065.52	\$0.00	\$1,003,208
1	\$92.03	\$184.06	\$0.00	
NO. CUSTOMERS	2	0	0	
INVOICES PER YEAR	12	12	12	
ANNUAL INVOICES	24	0	0	
INCOME	\$2,208.78	\$0.00	\$0.00	\$2,209
1 1/4	\$128.96	\$257.91	\$0.00	
NO. CUSTOMERS	0	0	0	
INVOICES PER YEAR	12	12	12	
ANNUAL INVOICES	0	0	0	
INCOME	\$0.00	\$0.00	\$0.00	\$0
1 1/2	\$183.51	\$367.03	\$0.00	
NO. CUSTOMERS	3	0	0	
INVOICES PER YEAR	12	12	12	
ANNUAL INVOICES	36	0	0	
INCOME	\$6,606.49	\$0.00	\$0.00	\$6,606
2	\$293.73	\$587.46	\$0.00	
NO. CUSTOMERS	5	0	0	
INVOICES PER YEAR	12	12	12	
ANNUAL INVOICES	60	0	0	
INCOME	\$17,623.92	\$0.00	\$0.00	\$17,624
3	\$588.02	\$1,176.03	\$0.00	
NO. CUSTOMERS	2	0	0	
INVOICES PER YEAR	12	12	12	
ANNUAL INVOICES	24	0	0	
INCOME	\$14,112.36	\$0.00	\$0.00	\$14,112
4	\$918.67	\$1,837.34	\$0.00	
NO. CUSTOMERS	7	0	1	
INVOICES PER YEAR	12	12	12	
ANNUAL INVOICES	84	0	12	
INCOME	\$77,168.31	\$0.00	\$0.00	\$77,168
Fixed Income				\$1,120,928
ANTICIPATED LOSS OF FIXED INCOME FROM REU REDUCTION				\$0
INCOME GENERATED BASE RATE				\$1,120,928
NON SALES INCOME APPLIED TO FIXED BUDGET				\$0
TOTAL ANTICIPATED REVENUE BASE RATE / RTS + NONE SALES INCOME				\$1,120,928
TOTAL COMBINED CUSTOMER INCOME = BASE RATE + VOLUME INCOME				\$1,638,525
TOTAL COMBINED CUSTOMER INCOME				\$1,638,525
Budget Goal				\$1,638,525
Difference				\$0

Short Lived Assets - Equipment Replacement – Repair Replacement and Improvement

A replacement schedule should be developed that indicates those assets that will be replaced within the next 15 years (short lived assets) that will be **funded from system revenues**. The schedule will typically contain assets with a value of greater than \$1,000 dollars, or routinely recurring maintenance items. A couple of examples of these types of assets are: water tower paintings and chlorine pumps, well pumps and controls, raw sewage pumps, sanitary sewage pumps stations etc. Larger more long term items like water distribution piping, wells, water towers, standby generators. etc or items with a longer life expectancy of greater than 15 years, are typically included in a Capital Improvements program. See notes below in Capital Improvements

This schedule can also be expanded to include programmed maintenance or repair, making it a Repair & Replacement Schedule. The types of maintenance activities that can be included here are major, repairs, or items that occur on a non-yearly schedule or irregular schedule, such as a storage tank inspection done every five years and a tank overhaul (repaint, structural testing, cleaning) or leak detection every 3 years or a digester cleaning every ten years, or a well cleaning done every 5 years. If it occurs every year then it should be in the standard O & M budget. This Schedule does not replace the normal annual operation and maintenance budget. It merely reflects those elements that are major budget items that do NOT occur on an annual basis and thus are not in the typically O&M annual budget. These are generally items that constitute a major budget expenditure.

The schedule should include all of the recurring and non-recurring items for a 15 year period. The short lived asset Repair and Replacement Schedule should be updated annually..

It is absolutely critical that the items in the Repair and Replacement Schedule be entered into the rate setting process. These items must be funded out of system revenues, so they must be accounted for in the annual budget and in the rates. The Schedule will probably not be uniform from year to year in terms of amount of expenditure. To address this issue, the program will set an annual annuity payment to cover the Repair and Replacement Schedule expenses over the long term. Some years, the annual funding amount will be greater than that year's expenses, so money would go into the Repair and Replacement Reserve. Other years, the amount collected will be less than the expenses incurred, and the additional funding needed would come from the reserve account. The annual annuity set would have to be sufficient to cover all of the expenses over the 15 year period. This program becomes a living document and the annual funding amount should be adjusted as new equipment is purchased and the program is updated.

**Blissfield Water
EQUIPMENT REPLACEMENT SHORT LIVED ASSETS**

2020

SHORT LIVED ASSETS SOMEWHERE BETWEEN 0-15 OR 20 YEARS

FIXED ASSET INVENTORY		ASSET REPLACEMENT SCHEDULE								
EQUIPMENT LIST / MAINTENANCE ACTIVITY	DESCRIPTION / MAINTENANCE HISTORY	ORIGINAL INSTALLATION YEAR OR LAST REHAB YEAR	ESTIMATED NORMAL INTENDED USEFUL LIFE	CURRENT AGE	NEXT ANTICIPATED REPLACEMENT YEAR	REMAINING LIFE YEARS BEFORE REPLACEMENT	TOTAL REPLACEMENT COST	PERCENT OF ASSET LEFT	PERCENT CONSUMED	REPLACEMENT MONEY RESERVED ANNUALLY
Water Treatment Plant Filters	Will be done 2021	2021	10	-1	2031	11	\$100,000	110%	-10%	\$10,000
Clear Well cleaning and inspection	2020	2020	5	0	2025	5	\$3,000	100%	0%	\$600
\$103,000							105%			\$ 10,600

EQUIPMENT REPLACEMENT SHORT LIVED ASSETS				
COST OF LIVING INCREASE				2.50%
CURRENT RESERVE BALANCE APPLIED TO THIS ACCOUNT - INCLUDES RRI BALANCE				\$0
AVG. INTEREST RATE IN SAVINGS				0.10%
ASSET REPLACEMENT CALCULATED ANNUAL FUNDING		\$10,600		
ASSET REHAB ANNUAL FUNDING		\$0		
Annual Funding Applied to Budget / Rates		\$10,600		
USDA RURAL DEVELOPMENT "RRI" ANNUAL RESERVE		\$0		
USDA R.D. BOND RESERVE LOAN 1 BECOMES AVAILABLE FOR RRI IN YEAR OF		0		
USDA R.D. LOAN 1 ANNUAL BOND RESERVE(S)		\$0		
USDA R.D. BOND RESERVE LOAN 2 BECOMES AVAILABLE FOR RRI IN YEAR OF		0		
USDA R.D. LOAN 2 ANNUAL BOND RESERVE(S)		\$0		
YEAR	PURPOSE	ANNUAL REPLACEMENT EXPENDITURES WITH C.O.L.	ANNUAL FUNDING AMOUNT	RUNNING BALANCE
2020	SEE EQUIPMENT LIST	\$0	\$10,600	\$10,611
2021	FOR ANNUAL EXPENDITURES	\$0	\$10,600	\$21,221
2022		\$0	\$10,600	\$31,842
2023		\$0	\$10,600	\$42,474
2024		\$0	\$10,600	\$53,117
2025		\$3,375	\$10,600	\$60,395
2026		\$0	\$10,600	\$71,055
2027		\$0	\$10,600	\$81,726
2028		\$0	\$10,600	\$92,408
2029		\$0	\$10,600	\$103,100
2030		\$3,750	\$10,600	\$110,054
2031		\$127,500	\$10,600	(\$6,736)
2032		\$0	\$10,600	\$3,857
2033		\$0	\$10,600	\$14,461
2034		\$0	\$10,600	\$25,075
2035		\$4,125	\$10,600	\$31,575
2036		\$0	\$10,600	\$42,207
2037		\$0	\$10,600	\$52,849
2038		\$0	\$10,600	\$63,502
2039		\$0	\$10,600	\$74,165
2040		\$4,500	\$10,600	\$80,340
2041		\$152,500	\$10,600	(\$61,480)
2042		\$0	\$10,600	(\$50,942)
2043		\$0	\$10,600	(\$40,393)
2044		\$0	\$10,600	(\$29,833)
2045		\$4,875	\$10,600	(\$24,138)
2046		\$0	\$10,600	(\$13,562)
2047		\$0	\$10,600	(\$2,975)
				\$0

MICHIGAN RURAL WATER ASSOCIATION
RATE EVALUATION PROGRAM

Blissfield Water		YEAR OF 2020				
CAPITAL IMPROVEMENT PROJECTS						
CAPITAL IMPROVEMENT IDEAS WERE GENERATED FROM						
NOTES						
CAPITAL PROJECT	PRIORITY	ESTIMATED PROJECT COST	AMOUNT FUNDED IN WATER BUDGET	COMPLETE IN YEAR OF	IS THIS YEAR FLEXIBLE?	MONEY RESERVED ANNUALLY
WTP Improvements	A	\$725,640	\$181,410	2021	YES	\$181,410
N. Lane Street	B	\$332,000	\$83,000	2025	YES	\$16,600
Parkwood Street	C	\$168,700	\$42,175	2025	YES	\$8,435
Sherman Water Line	C	\$268,440	\$67,110	2025	YES	\$13,422
E. Adrian Water Line	C	\$106,920	\$5,346	2025	YES	\$1,069
Cherry Street Water Line	C	\$229,440	\$57,360	2025	YES	\$11,472
New Water Tower	C	\$1,250,000	\$312,500	2030	YES	\$31,250
Blissfield Hwy Water Line	C	\$156,000	\$39,000	2030	YES	\$3,900
S Monroe Street Water Line	C	\$186,000	\$46,500	2030	YES	\$4,650
Mt Vernon Dr. Loop	C	\$109,800	\$27,450	2030	YES	\$2,745
Driggs Rd / Wellsville Loop	C	\$450,000	\$112,500	2030	YES	\$11,250
Joy St / West Brooke Lane Loop	C	\$420,000	\$105,000	2030	YES	\$10,500
Quick St / Blissfield Hgts Loop	C	\$480,000	\$120,000	2030	YES	\$12,000
Automated Water Meter System	C	\$500,000	\$50,000	2035	YES	\$3,333
Replace Sand Cast Mains	C	\$3,800,000	\$950,000	2035	YES	\$63,333
0	C	\$0	\$0	0	YES	\$0
0	C	\$0	\$0	0	YES	\$0
0	C	\$0	\$0	0	YES	\$0
0	C	\$0	\$0	0	YES	\$0
0	C	\$0	\$0	0	YES	\$0
TOTALS		\$9,182,940.00	\$2,199,351.00			

CAPITAL IMPROVEMENT PROJECTS						ANNUAL COST OF LIVING INCREASE	2.00%
						CURRENT RESERVE BALANCE APPLIED TO CAPITAL IMPROVEMENTS	\$ -
						AVG. INTEREST RATE IN SAVINGS	0.00%
THIS COULD BE FROM A LOAN THAT GETS PAID OFF							
YEAR	PROJECT	CIP EXPENDITURES	EXTRA ANNUAL CIP FUNDING	ANNUAL AVERAGE BUDGET	TOTAL COMBINED ANNUAL FUNDING	RUNNING BALANCE	
2020	SEE LIST	\$0	\$0	\$168,000	\$168,000	\$168,000	
2021		\$185,038	\$0	\$168,000	\$168,000	\$150,962	
2022		\$0	\$0	\$168,000	\$168,000	\$318,962	
2023		\$0	\$0	\$168,000	\$168,000	\$486,962	
2024		\$0	\$0	\$168,000	\$168,000	\$654,962	
2025		\$280,490	\$0	\$168,000	\$168,000	\$542,472	
2026		\$0	\$0	\$168,000	\$168,000	\$710,472	
2027		\$0	\$0	\$168,000	\$168,000	\$878,472	
2028		\$0	\$0	\$168,000	\$168,000	\$1,046,472	
2029		\$0	\$0	\$168,000	\$168,000	\$1,214,472	
2030		\$915,540	\$0	\$168,000	\$168,000	\$466,932	
2031		\$0	\$0	\$168,000	\$168,000	\$634,932	
2032		\$0	\$0	\$168,000	\$168,000	\$802,932	
2033		\$0	\$0	\$168,000	\$168,000	\$970,932	
2034		\$0	\$0	\$168,000	\$168,000	\$1,138,932	
2035		\$1,300,000	\$0	\$168,000	\$168,000	\$6,932	
2036		\$0	\$0	\$168,000	\$168,000	\$174,932	
2037		\$0	\$0	\$168,000	\$168,000	\$342,932	
2038		\$0	\$0	\$168,000	\$168,000	\$510,932	
2039		\$0	\$0	\$168,000	\$168,000	\$678,932	
2040		\$0	\$0	\$168,000	\$168,000	\$846,932	

CAPITAL ITEM >		WTP Improvements			
Description of Project					
Chlorine Residual monitoring, Sand Filters, HS Pumps, Nitrate Reduction, Clearwell, Geotube system					
Justification					
EGLE 2015 Sanitary Survey					
		PERCENT FUNDED	25%		
Itemized Breakdown	Cost	ALLOCATION	Total		Funding Sources:
Total project	\$ 725,640	COST FUNDED BY BUDGET / RATES	\$ 181,410		COST FUNDED BY BUDGET / RATES
		COMPLETE IN YEAR OF ?	2021		Other funding sources or from existing savings?
		YEARS TO PREPARE	1		Loans
		COST PER YEAR	\$ 181,410		Grants
		REMAINING COST	\$ 544,230		Etc
Total Cost of Project	\$ 725,640				Total Cost of Project
					\$ 725,640
Complete in Year Of	2021	Priority Rating			
Is Year Flexible Yes/No?	YES	A - Immediate (Health & Safety, Structural)			
Priority Rating "A,B,C"	A	B - Needed Benefit, But not Critical to operation of system			
		C - Long Term Goal			

CAPITAL ITEM >	N. Lane Street		
Description of Project	Street/Water/Sewer Project		
Location	N. Lane Street		
Justification			
	PERCENT FUNDED	25.0%	
Itemized Breakdown	Cost	ALLOCATION	Total
Water portion - N Lane	\$ 154,300	COST FUNDED BY BUDGET / RATES	\$ 83,000
Water Portion - MacArthur	\$ 177,700	COMPLETE IN YEAR OF ?	2025
		YEARS TO PREPARE	5
		COST PER YEAR	\$ 16,600.00
		REMAINING COST	\$ 249,000
Total Cost of Project	\$ 332,000		
		Funding Sources:	Total
		COST FUNDED BY BUDGET / RATES	\$ 83,000
		Other funding sources or from existing savings	\$ 249,000
		Total Cost of Project	\$ 332,000
Complete in Year Of	2025 ?	Priority Rating	
Is Year Flexible Yes/No?	YES	A - Immediate (Health & Safety, Structural)	
Priority Rating "A,B,C"	B	B - Needed Benefit, But not Critical to operation of system	
		C - Long Term Goal	

CAPITAL ITEM > Parkwood Street					
<u>Description of Project</u>					
Street/Water/Sewer					
<u>Location</u>					
Parkwood street					
<u>Justification</u>					
PERCENT FUNDED 25.0%					
Itemized Breakdown	Cost	ALLOCATION	Total	Funding Sources:	Total
Water portion	\$ 168,700	COST FUNDED BY BUDGET / RATES	\$ 42,175	COST FUNDED BY RATES	\$ 42,175
		COMPLETE IN YEAR OF ?	2025	Other funding sources or from existing savings	\$ 126,525
		YEARS TO PREPARE	5		
		COST PER YEAR	\$ 8,435.00		
		REMAINING COST	\$ 126,525		
Total Cost of Project	\$ 168,700			Total Cost of Project	\$ 168,700
Complete in Year Of	2025 ?	Priority Rating			
Is Year Flexible?	YES	A - Immediate (Health & Safety, Structural)			
Priority Rating "A,B,C"	C	B - Needed Benefit, But not Critical to operation of system			
		C - Long Term Goal			

CAPITAL ITEM >	Sherman Water Line		
Description of Project	Water Line Replacement		
Location	Sherman Street		
Justification			
	PERCENT FUNDED	25%	
Itemized Breakdown	Cost	ALLOCATION	Total
Water Line	\$ 268,440	COST FUNDED BY BUDGET / RATES	\$ 67,110
		COMPLETE IN YEAR OF ?	2025
		YEARS TO PREPARE	5
		COST PER YEAR	\$ 13,422.00
		REMAINING COST	\$ 201,330
Total Cost of Project	\$ 268,440		
		Funding Sources:	Total
		COST FUNDED BY BUDGET / RATES	\$ 67,110
		Other funding sources	\$ 201,330
		Total Cost of Project	\$ 268,440
Complete in Year Of	2025	Priority Rating	
Is Year Flexible?	YES	A - Immediate (Health & Safety, Structural)	
Priority Rating "A,B,C"	C	B - Needed Benefit, But not Critical to operation of system	
		C - Long Term Goal	

CAPITAL ITEM >	E. Adrian Water Line		
Description of Project			
Water Line Replacement			
Justification			
Waiting for MDOT Project			
	PERCENT FUNDED	5.0%	
Itemized Breakdown	Cost	ALLOCATION	Total
Total Project	\$ 106,920	COST FUNDED BY BUDGET / RATES	\$ 5,346
		COMPLETE IN YEAR OF ?	2025
		YEARS TO PREPARE	5
		COST PER YEAR	\$ 1,069.20
		REMAINING COST	\$ 101,574
Total Cost of Project	\$ 106,920	Funding Sources:	Total
		COST FUNDED BY BUDGET / RATES	\$ 5,346
		Other funding sources	\$ 101,574
		Total Cost of Project	\$ 106,920
Complete in Year Of	2025 ?	Priority Rating	
Is Year Flexible?	YES	A - Immediate (Health & Safety, Structural)	
Priority Rating "A,B,C"	C	B - Needed Benefit, But not Critical to operation of system	
		C - Long Term Goal	

CAPITAL ITEM > Cherry Street Water Line	
Description of Project	
Water Line Replacement	
Justification	
PERCENT FUNDED 25%	
	ALLOCATION Total
Itemized Breakdown	Cost
Total Project	\$ 229,440
Total Cost of Project	\$ 229,440
COST FUNDED BY BUDGET / RATES \$ 57,360	
COMPLETE IN YEAR OF ?	2025
YEARS TO PREPARE	5
COST PER YEAR	\$ 11,472.00
REMAINING COST	\$ 172,080
Funding Sources: Total	
COST FUNDED BY BUDGET / RATES	\$ 57,360
Other funding sources	\$ 172,080
Total Cost of Project	\$ 229,440
Complete in Year Of	2025
Is Year Flexible?	YES
Priority Rating "A,B,C"	C
Priority Rating A - Immediate (Health & Safety, Structural) B - Needed Benefit, But not Critical to operation of system C - Long Term Goal	

CAPITAL ITEM >	New Water Tower		
<u>Description of Project</u>	New Tower		
<u>Location</u>	West Side of River Raisin		
<u>Justification</u>			
	PERCENT FUNDED	25%	
Itemized Breakdown	Cost	ALLOCATION	Total
Total Project	\$ 1,250,000	COST FUNDED BY BUDGET / RATES	\$ 312,500
		COMPLETE IN YEAR OF ?	2030
		YEARS TO PREPARE	10
		COST PER YEAR	\$ 31,250.00
		REMAINING COST	\$ 937,500
Total Cost of Project	\$ 1,250,000		
		Funding Sources:	Total
		COST FUNDED BY BUDGET / RATES	\$ 312,500
		Other funding sources	\$ 937,500
		Total Cost of Project	\$ 1,250,000
Complete in Year Of	2030	Priority Rating	
Is Year Flexible?	YES	A - Immediate (Health & Safety, Structural)	
Priority Rating "A,B,C"	C	B - Needed Benefit, But not Critical to operation of system	
		C - Long Term Goal	

CAPITAL ITEM > Blissfield Hwy Water Line

Description of Project

Water Line Replacement

Location

Blissfield Hwy

Justification

PERCENT FUNDED 25%

Itemized Breakdown	Cost
Total Project	\$ 156,000
Total Cost of Project	\$ 156,000

ALLOCATION	Total
COST FUNDED BY BUDGET / RATES	\$ 39,000
COMPLETE IN YEAR OF ?	2030
YEARS TO PREPARE	10
COST PER YEAR	\$ 3,900.00
REMAINING COST	\$ 117,000

Funding Sources:	Total
COST FUNDED BY BUDGET / RATES	\$ 39,000
Other funding sources	\$ 117,000
Total Cost of Project	\$ 156,000

Complete in Year Of	2030
Is Year Flexible?	YES
Priority Rating "A,B,C"	C

Priority Rating
 A - Immediate (Health & Safety, Structural)
 B - Needed Benefit, But not Critical to operation of system
 C - Long Term Goal

CAPITAL ITEM >	S Monroe Street Water Line		
Description of Project	Water Line Replacement		
Location	S. Monroe Street		
Justification			
	PERCENT FUNDED	25.0%	
Itemized Breakdown	Cost	ALLOCATION	Total
Total Project	\$ 186,000	COST FUNDED BY BUDGET / RATES	\$ 46,500
		COMPLETE IN YEAR OF ?	2030
		YEARS TO PREPARE	10
		COST PER YEAR	\$ 4,650.00
		REMAINING COST	\$ 139,500
Total Cost of Project	\$ 186,000		
		Funding Sources:	Total
		COST FUNDED BY BUDGET / RATES	\$ 46,500
		Other funding sources	\$ 139,500
		Total Cost of Project	\$ 186,000
Complete in Year Of	2030	Priority Rating	
Is Year Flexible?	YES	A - Immediate (Health & Safety, Structural)	
Priority Rating "A,B,C"	C	B - Needed Benefit, But not Critical to operation of system	
		C - Long Term Goal	

CAPITAL ITEM > Mt Vernon Dr. Loop

Description of Project

Add Water Line

Location

Mt Vernon Street

Justification

PERCENT FUNDED 25%

Itemized Breakdown	Cost
Total Project	\$ 109,800
Total Cost of Project	\$ 109,800

ALLOCATION	Total
COST FUNDED BY BUDGET / RATES	\$ 27,450
COMPLETE IN YEAR OF ?	2030
YEARS TO PREPARE	10
COST PER YEAR	\$ 2,745.00
REMAINING COST	\$ 82,350

Funding Sources:	Total
COST FUNDED BY BUDGET / RATES	\$ 27,450
Other funding sources	\$ 82,350
Grants	
Loan	
Bonds	
Total Cost of Project	\$ 109,800

Complete in Year Of 2030
Is Year Flexible? YES
Priority Rating "A,B,C" C

Priority Rating
 A - Immediate (Health & Safety, Structural)
 B - Needed Benefit, But not Critical to operation of system
 C - Long Term Goal

CAPITAL ITEM > Driggs Rd / Wellsville Loop

Description of Project

Add Water Line

Location

Driggs Road

Justification

PERCENT FUNDED **25.0%**

Itemized Breakdown	Cost
Total Project	\$ 450,000
Total Cost of Project	\$ 450,000

ALLOCATION	Total
COST FUNDED BY BUDGET / RATES	\$ 112,500
COMPLETE IN YEAR OF ?	2030
YEARS TO PREPARE	10
COST PER YEAR	\$ 11,250.00
REMAINING COST	\$ 337,500

Funding Sources:	Total
COST FUNDED BY BUDGET / RATES	\$ 112,500
Other funding sources	\$ 337,500
Total Cost of Project	\$ 450,000

Complete in Year Of **2030**
 Is Year Flexible? **YES**
 Priority Rating "A,B,C" **C**

Priority Rating
 A - Immediate (Health & Safety, Structural)
 B - Needed Benefit, But not Critical to operation of system
 C - Long Term Goal

CAPITAL ITEM > Joy St / West Brooke Lane Loop

Description of Project

Add Water Line

Location

Joy St and West Brooke Lane

Justification

PERCENT FUNDED **25%**

Itemized Breakdown	Cost
Total Project	\$ 420,000
Total Cost of Project	\$ 420,000

ALLOCATION	Total
COST FUNDED BY BUDGET / RATES	\$ 105,000
COMPLETE IN YEAR OF ?	2030
YEARS TO PREPARE	10
COST PER YEAR	\$ 10,500.00
REMAINING COST	\$ 315,000

Funding Sources:	Total
COST FUNDED BY BUDGET / RATES	\$ 105,000
OTHER FUNDING SOURCES	\$ 315,000
Total Cost of Project	\$ 420,000

Priority Rating
 A - Immediate (Health & Safety, Structural)
 B - Needed Benefit, But not Critical to operation of system
 C - Long Term Goal

Complete in Year Of **2030**
 Is Year Flexible? **YES**
 Priority Rating "A,B,C" **C**

CAPITAL ITEM >	Quick St / Blissfield Hgts Loop		
<u>Description of Project</u>	Loop Water Main		
<u>Location</u>	Quick St / Blissfield Hgts.		
<u>Justification</u>			
	PERCENT FUNDED	25%	
Itemized Breakdown	Cost	ALLOCATION	Total
Total Project	\$ 480,000	COST FUNDED BY BUDGET / RATES	\$ 120,000
		COMPLETE IN YEAR OF ?	2030
		YEARS TO PREPARE	10
		COST PER YEAR	\$ 12,000.00
		REMAINING COST	\$ 360,000
Total Cost of Project	\$ 480,000		
		Funding Sources:	Total
		COST FUNDED BY BUDGET / RATES	\$ 120,000
		OTHER FUNDING SOURCES	\$ 360,000
		Total Cost of Project	\$ 480,000
Complete in Year Of	2030	Priority Rating	
Is Year Flexible?	YES	A - Immediate (Health & Safety, Structural)	
Priority Rating "A,B,C"	C	B - Needed Benefit, But not Critical to operation of system	
		C - Long Term Goal	

CAPITAL ITEM >	Automated Water Meter System		
<u>Description of Project</u>	Automated water meters		
<u>Location</u>	Village wide		
<u>Justification</u>	Labor saving		
	PERCENT FUNDED	5%	
Itemized Breakdown	Cost	ALLOCATION	Total
Total Project	\$ 1,000,000	COST FUNDED BY BUDGET / RATES	\$ 50,000
		COMPLETE IN YEAR OF ?	2035
		YEARS TO PREPARE	15
		COST PER YEAR	\$ 3,333.33
		REMAINING COST	\$ 950,000
Total Cost of Project	\$ 1,000,000		
		Funding Sources:	Total
		COST FUNDED BY BUDGET / RATES	\$ 50,000
		Other funding sources	\$ 950,000
		Total Cost of Project	\$ 1,000,000
Complete in Year Of	2035	Priority Rating	
Is Year Flexible?	YES	A - Immediate (Health & Safety, Structural)	
Priority Rating "A,B,C"	C	B - Needed Benefit, But not Critical to operation of system	
		C - Long Term Goal	

CAPITAL ITEM > Replace Sand Cast Mains

Description of Project

Replace old water lines

Location

Village Wide

Justification

PERCENT FUNDED **25%**

Itemized Breakdown	Cost
Total Project	\$ 3,800,000
Total Cost of Project	\$ 3,800,000

ALLOCATION	Total
COST FUNDED BY BUDGET / RATES	\$ 950,000
COMPLETE IN YEAR OF ?	2035
YEARS TO PREPARE	15
COST PER YEAR	\$ 63,333.33
REMAINING COST	\$ 2,850,000

Funding Sources:	Total
COST FUNDED BY BUDGET / RATES	\$ 950,000
Other funding sources	\$ 2,850,000
Total Cost of Project	\$ 3,800,000

Complete in Year Of **2035**
 Is Year Flexible? **YES**
 Priority Rating "A,B,C" **C**

Priority Rating
 A - Immediate (Health & Safety, Structural)
 B - Needed Benefit, But not Critical to operation of system
 C - Long Term Goal

FIVE YEAR INCREASE															
Blissfield Water															
Blissfield Water															
LOANS, RESERVE FUNDING & OTHER EXPENSES				\$10.06				LOANS, RESERVE FUNDING & OTHER EXPENSES				\$1.45			
LABOR & OPERATIONS COST PER 3/4" METER				\$45.05				LABOR & OPERATIONS COST PER UNIT				\$4.55			
MINUS NON-OPERATING EXTRA INCOME				\$0.00								\$0.00			
TOTAL RATE				\$55.11				TOTAL RATE PER UNIT				\$6.00			
Suggested annual increase in percent				3.0%				Suggested annual increase in percent				3.0%			
BASE RATE COST								1,000 GAL.							
YEAR	LABOR & OPER. RATE	% INCREASE	\$ INCREASE	LABOR & OPER. RATE	TOTAL RATE	NON OPERATING INCOME	PROJECTED INCOME FIXED COST	% INCREASE	\$ INCREASE	LABOR & OPER. RATE	TOTAL RATE	NON OPERATING INCOME	PROJECTED INCOME CONSUMPTION	COMBINED INCOME	TOTAL COMBINED INCOME
2021	\$45.05	3.0%	\$1.351	\$46.399	\$56.46	\$0	\$1,148,416	3.0%	\$0.1365	\$4.687	\$6.13	\$0	\$529,378	\$1,677,794	\$1,677,794
2022	\$46.40	3.0%	\$1.392	\$47.791	\$57.853	\$0	\$1,176,728	3.0%	\$0.1406	\$4.828	\$6.28	\$0	\$541,512	\$1,718,240	\$1,718,240
2023	\$47.79	3.0%	\$1.434	\$49.224	\$59.286	\$0	\$1,205,890	3.0%	\$0.1448	\$4.972	\$6.42	\$0	\$554,010	\$1,759,901	\$1,759,901
2024	\$49.22	3.0%	\$1.477	\$50.701	\$60.763	\$0	\$1,235,927	3.0%	\$0.1492	\$5.122	\$6.57	\$0	\$566,883	\$1,802,810	\$1,802,810
2025	\$50.70	3.0%	\$1.521	\$52.222	\$62.284	\$0	\$1,266,865	3.0%	\$0.1536	\$5.275	\$6.72	\$0	\$580,142	\$1,847,008	\$1,847,008

INCREASE CALCULATION USES ONLY LABOR & OPERATIONS COST -

INCREASE RATES ANNUALLY

LOANS / BONDS / ARE NOT INCLUDED IN ANNUAL INCREASE. RESERVE FUNDING ALREADY HAS COST OF LIVING BUILT INTO REPLACEMENT SPREADSHEETS. Customers are more likely to pay for rate increases if their rates are generally stable. Most systems know that the worst thing they can do is maintain a stable rate for many years, then increase it by 10 percent or more. A single, large increase can lead to "rate shock" and opposition to the increase. It is far better to increase rates by 2 percent per year for 5 years than 10 percent once every 5 years.

STEP INCREASE - CONSUMPTION COST PER 1,000 GALLONS

Blissfield Water

Use this page to implement a rate increase over a multiple year period, rather than all at once.

NEW COST PER UNIT OF WATER	\$5.998
CURRENT COST PER UNIT OF WATER	\$5.95
CALCULATED INCREASE PER UNIT OF WATER	\$0.05
YEARS TO IMPLEMENT RATE INCREASE	2
CALCULATED STEP INCREASE PER UNIT OF WATER	\$0.02
NEW RATE FIRST YEAR WITHOUT COLA	\$5.974
ANNUAL COST OF LIVING INCREASE % ON ENTIRE RATE INCLUDING DEBT	3.0%
COST OF LIVING ADJUSTMENT ON ENTIRE RATE <i>INCLUDING DEBT</i>	\$0.179
NEW RATE FIRST YEAR WITH COLA	\$6.153

COLA IS ON ENTIRE RATE INCLUDING DEBT

3% PROJECTED BUDGET C.O.L INCREASE ONLY ON OPERATIONAL & LABOR

CONSUMPTION COST

YEAR	% INCREASE	COST OF LIVING \$ INCREASE	STEP INCREASE	TOTAL INCREASE	PERCENT INCREASE	NEW COST	PROJECTED INCOME WATER SALES	PROJECTED BUDGET	PERCENT INCREASE ON O&M	DIFFERENCE	RUNNING TOTAL
1	3.0%	\$0.1792	\$0.02	\$0.20	3.4%	\$6.15	\$530,991	\$517,598		\$13,394	\$13,394
2	3.0%	\$0.1846	\$0.02	\$0.21	3.4%	\$6.36	\$548,993	\$529,378	\$11,781	\$19,615	\$33,009
3	3.0%	\$0.1909		\$0.19	3.0%	\$6.55	\$565,463	\$541,512	\$12,134	\$23,951	\$56,960
4	3.0%	\$0.1966		\$0.20	3.0%	\$6.75	\$582,402	\$554,010	\$12,498	\$28,392	\$85,352
5	3.0%	\$0.2025		\$0.20	3.0%	\$6.95	\$599,846	\$566,883	\$12,873	\$32,963	\$118,314

BASE RATE STEP INCREASE

Blissfield Water

Use this page to implement a rate increase over a multiple year period, rather than all at once.

NEW COST PER 3/4 METER	\$55.11
CURRENT COST per REU or 3/4" METER - PER INVOICE	\$49.18
CALCULATED INCREASE PER INVOICE / 3/4" METER	\$5.93
YEARS TO IMPLEMENT RATE INCREASE	5
CALCULATED STEP INCREASE PER RTS	\$1.19
NEW RATE FIRST YEAR WITH OUT COLA	\$50.37
ANNUAL COST OF LIVING INCREASE %	3.0% COLA IS ON ENTIRE RATE INCLUDING DEBT
COST OF LIVING ADJUSTMENT ON ENTIRE RATE INCLUDING DEBT	\$1.511
NEW RATE FIRST YEAR	\$51.88
	3% PROJECTED BUDGET C.O.L INCREASE ONLY ON O&M & LABOR

FIXED COST										
YEAR	COST OF LIVING % INCREASE	COST OF LIVING \$ INCREASE	STEP INCREASE	TOTAL INCREASE	PERCENT INCREASE	NEW RATE	PROJECTED FIXED INCOME	PROJECTED FIXED BUDGET	DIFFERENCE	RUNNING TOTAL
1	3.0%	\$1.511	\$1.19	\$2.70	5.5%	\$51.88	\$1,055,181	\$1,120,928	(\$65,747)	(\$65,747)
2	3.0%	\$1.556	\$1.19	\$2.74	5.3%	\$54.62	\$1,110,956	\$1,148,416	(\$37,460)	(\$103,207)
3	3.0%	\$1.639	\$1.19	\$2.82	5.2%	\$57.44	\$1,168,405	\$1,176,728	(\$8,323)	(\$111,530)
4	3.0%	\$1.723	\$1.19	\$2.91	5.1%	\$60.35	\$1,227,577	\$1,205,890	\$21,687	(\$89,843)
5	3.0%	\$1.811	\$1.19	\$3.00	5.0%	\$63.35	\$1,288,525	\$1,235,927	\$52,597	(\$37,246)

Use this page to implement a rate increase over a multiple year period rather than a one time large increase. This table has the rate increase occurring over a XXXX year period, with an annual cost of living increase of xxxxx - **SEE TAB 34 FOR LARGER METER DETAILS**

YEAR OF 2020

ANNUAL STEP INCREASE - YEAR 1

	Entity # 1	Entity # 2	Entity # 3
	Blissfield Water	Out of Village	Greenplains
\$/GAL	\$6.15	\$12.31	\$4.24
METER SIZE	NEW BASE RATE CHARGES FOR EACH ENTITY PER METER SIZE		
3/4	\$51.88	\$103.75	\$0.00
1	\$86.63	\$173.27	\$0.00
1 1/4	\$121.39	\$242.78	\$0.00
1 1/2	\$172.75	\$345.50	\$0.00
2	\$276.50	\$553.01	\$0.00
3	\$553.53	\$1,107.05	\$0.00
4	\$864.79	\$1,729.57	\$0.00
6	\$0.00	\$0.00	\$0.00
8	\$0.00	\$0.00	\$0.00
10	\$0.00	\$0.00	\$0.00

Blissfield Water	
Year	CONSUMPTION
1	\$6.15
2	\$6.36
3	\$6.55
4	\$6.75
5	\$6.95

ANNUAL STEP INCREASE - YEAR 2

	Entity # 1	Entity # 2	Entity # 3
	Blissfield Water	Out of Village	Greenplains
\$/GAL	\$6.36	\$12.72	\$4.38
METER SIZE	NEW BASE RATE CHARGES FOR EACH ENTITY PER METER SIZE		
3/4	\$54.62	\$109.24	\$0.00
1	\$91.21	\$182.43	\$0.00
1 1/4	\$127.81	\$255.62	\$0.00
1 1/2	\$181.88	\$363.76	\$0.00
2	\$291.12	\$582.24	\$0.00
3	\$582.78	\$1,165.57	\$0.00
4	\$910.50	\$1,821.00	\$0.00

ANNUAL STEP INCREASE - YEAR 3

	Entity # 1	Entity # 2	Entity # 3
	Blissfield Water	Out of Village	Greenplains
\$/GAL	\$6.55	\$13.11	\$4.52
METER SIZE	NEW BASE RATE CHARGES FOR EACH ENTITY PER METER SIZE		
3/4	\$57.44	\$114.89	\$0.00
1	\$95.93	\$191.86	\$0.00
1 1/4	\$134.42	\$268.83	\$0.00
1 1/2	\$191.29	\$382.57	\$0.00
2	\$306.17	\$612.35	\$0.00
3	\$612.92	\$1,225.84	\$0.00
4	\$957.58	\$1,915.16	\$0.00

ANNUAL STEP INCREASE - YEAR 4

	Entity # 1	Entity # 2	Entity # 3
	Blissfield Water	Out of Village	Greenplains
\$/GAL	\$6.75	\$13.50	\$4.65
METER SIZE	NEW BASE RATE CHARGES FOR EACH ENTITY PER METER SIZE		
3/4	\$60.35	\$120.71	\$0.00
1	\$100.79	\$201.58	\$0.00
1 1/4	\$141.22	\$282.45	\$0.00
1 1/2	\$200.97	\$401.95	\$0.00
2	\$321.68	\$643.36	\$0.00
3	\$643.96	\$1,287.92	\$0.00
4	\$1,006.08	\$2,012.15	\$0.00

ANNUAL STEP INCREASE - YEAR 5

	Entity # 1	Entity # 2	Entity # 3
	Blissfield Water	Out of Village	Greenplains
\$/GAL	\$6.95	\$13.90	\$4.79
METER SIZE	NEW BASE RATE CHARGES FOR EACH ENTITY PER METER SIZE		
3/4	\$63.35	\$126.70	\$0.00
1	\$105.79	\$211.59	\$0.00
1 1/4	\$148.24	\$296.47	\$0.00
1 1/2	\$210.95	\$421.90	\$0.00
2	\$337.65	\$675.30	\$0.00
3	\$675.93	\$1,351.87	\$0.00
4	\$1,056.03	\$2,112.05	\$0.00

YEAR OF 2020
ANNUAL STEP INCREASE

Blissfield Water

ENTITY 1	YEAR - 1	YEAR - 2	YEAR - 3	YEAR - 4	YEAR - 5
	Blissfield Water				
\$/GAL	\$6.15	\$6.36	\$6.55	\$6.75	\$6.95
METER SIZE	NEW BASE RATE CHARGES PER METER SIZE				
3/4	\$51.88	\$54.62	\$57.44	\$60.35	\$63.35
1	\$86.63	\$91.21	\$95.93	\$100.79	\$105.79
1 1/4	\$121.39	\$127.81	\$134.42	\$141.22	\$148.24
1 1/2	\$172.75	\$181.88	\$191.29	\$200.97	\$210.95
2	\$276.50	\$291.12	\$306.17	\$321.68	\$337.65
3	\$553.53	\$582.78	\$612.92	\$643.96	\$675.93
4	\$864.79	\$910.50	\$957.58	\$1,006.08	\$1,056.03
6	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
10	\$0.00	\$0.00	STEP INCREASE	\$0.00	\$0.00

Year	Blissfield Water	
	BASE RATE	CONSUMPTION
1	\$51.88	\$6.15
2	\$54.62	\$6.36
3	\$57.44	\$6.55
4	\$60.35	\$6.75
5	\$63.35	\$6.95

ENTITY 2	YEAR - 1	YEAR - 2	YEAR - 3	YEAR - 4	YEAR - 5
	Out of Village				
\$/GAL	\$12.31	\$12.72	\$13.11	\$13.50	\$13.90
METER SIZE	NEW BASE RATE CHARGES PER METER SIZE				
3/4	\$103.75	\$109.24	\$114.89	\$120.71	\$126.70
1	\$173.27	\$182.43	\$191.86	\$201.58	\$211.59
1 1/4	\$242.78	\$255.62	\$268.83	\$282.45	\$296.47
1 1/2	\$345.50	\$363.76	\$382.57	\$401.95	\$421.90
2	\$553.01	\$582.24	\$612.35	\$643.36	\$675.30
3	\$1,107.05	\$1,165.57	\$1,225.84	\$1,287.92	\$1,351.87
4	\$1,729.57	\$1,821.00	\$1,915.16	\$2,012.15	\$2,112.05

ENTITY 3	YEAR - 1	YEAR - 2	YEAR - 3	YEAR - 4	YEAR - 5
	Greenplains				
\$/GAL	\$4.24	\$4.38	\$4.52	\$4.65	\$4.79
METER SIZE	NEW BASE RATE CHARGES PER METER SIZE				
3/4	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1 1/4	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1 1/2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

ENTITY 4	YEAR - 1	YEAR - 2	YEAR - 3	YEAR - 4	YEAR - 5
	0				
\$/GAL	\$6.15	\$6.36	\$6.55	\$6.75	\$6.95
METER SIZE	NEW BASE RATE CHARGES PER METER SIZE				
3/4	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1 1/4	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1 1/2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

ENTITY 5	YEAR - 1	YEAR - 2	YEAR - 3	YEAR - 4	YEAR - 5
	0				
\$/GAL	\$6.15	\$6.36	\$6.55	\$6.75	\$6.95
METER SIZE	NEW BASE RATE CHARGES PER METER SIZE				
3/4	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1 1/4	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1 1/2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

ENTITY 6	YEAR - 1	YEAR - 2	YEAR - 3	YEAR - 4	YEAR - 5
	0				
\$/GAL	\$6.15	\$6.36	\$6.55	\$6.75	\$6.95
METER SIZE	NEW BASE RATE CHARGES PER METER SIZE				
3/4	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1 1/4	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1 1/2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

TYPICAL BILL USING STEP INCREASE YEAR 1						\$ PER 1,000 GAL.
Blissfield Water						
METER SIZE	GALLONS USED	VOLUME CHARGE	NEW BILL	OLD BILL	CHANGE IN BILL	PERCENT INCREASE
3/4	3,000	\$18.46	\$70.34	\$67.03	\$3.31	5%
3/4	7,000	\$43.07	\$94.95	\$90.83	\$4.12	5%
3/4	12,000	\$73.84	\$125.72	\$120.58	\$5.14	4%
3/4	15,000	\$92.30	\$144.18	\$138.43	\$5.75	4%
3/4	20,000	\$123.06	\$174.94	\$168.18	\$6.76	4%
1	50,000	\$307.66	\$394.30	\$366.36	\$27.94	8%
1.25	20,000	\$123.06	\$244.46	\$119.00	\$125.46	105%
1.5	150,000	\$922.98	\$1,095.73	\$1,015.85	\$79.88	8%
2	50,000	\$307.66	\$584.16	\$499.10	\$85.06	17%
3	100,000	\$615.32	\$1,168.85	\$1,013.01	\$155.84	15%
4	150,000	\$922.98	\$1,787.77	\$1,625.22	\$162.55	10%
6	265,106	\$1,631.26	\$1,631.26	\$1,577.38	\$53.88	3%
8	229,492	\$1,412.12	\$1,412.12	\$1,365.48	\$46.64	3%
10	1,500,000	\$9,229.84	\$9,229.84	\$8,925.00	\$304.84	3%
GALLONS INCLUDED MIN BILL			0	0		

TYPICAL BILL NEW RATES OUT OF VILLAGE - STEP INCREASE YR				
<i>Out of Village</i>				
METER SIZE	GALLONS USED	NEW BILL	OLD BILL	CHANGE IN BILL
3/4	3,500	\$146.83	\$140.01	\$6.82
3/4"	6,000	\$177.59	\$169.76	\$7.83
3/4"	11,500	\$245.28	\$235.21	\$10.07
3/4"	15,000	\$288.35	\$276.86	\$11.49
3/4"	20,000	\$349.88	\$336.36	\$13.52
1	50,000	\$788.59	\$732.72	\$55.87
1.25	10,000	\$365.85	\$119.00	\$246.85
1.5	25,000	\$653.16	\$544.20	\$108.96
2	35,000	\$983.73	\$819.70	\$164.03
3	35,000	\$1,537.78	\$1,252.52	\$285.26
4	100,000	\$2,960.22	\$2,655.44	\$304.78