

A blue geometric graphic on the left side of the slide, consisting of several overlapping trapezoidal shapes that create a 3D effect, resembling a folded piece of paper or a stylized arrow pointing right.

City of Mesa FY 2022/23 Utility Fund forecast and Rates Recommendations – Adjusted per Council Direction

City Council Study Session

September 19, 2022

Presented by Brian A. Ritschel – Management & Budget Assistant Director

Water - Typical Customer - Previous



	2022	2023	
Residential	\$39.19/mo.	Service Charge	2.75%
		Usage Charge	2.75%
		Drought Commodity Charge	\$0.08/kgal
		\$40.50/mo. (\$1.31/mo.) <i>Effective Increase</i>	3.3%
Commercial General	\$55.12/mo.	Service Charge	2.75%
		Usage Charge	5.50%
		Drought Commodity Charge	\$0.08/kgal
		\$57.76/mo. (\$2.64/mo.) <i>Effective increase</i>	4.8%
Commercial Landscape	\$138.08/mo.	Service Charge	2.75%
		Usage Charge	6.50%
		Drought Commodity Charge	\$0.08/kgal
		\$147.04/mo. (\$8.96/mo.) <i>Effective increase</i>	6.4%

Water - Typical Customer - Updated



	2022	2023	
Residential	\$39.19/mo.	Service Charge	2.75%
		Usage Charge	2.75%
		Drought Commodity Charge	\$0.08/kgal
		\$40.50/mo. (\$1.31/mo.) <i>Effective Increase</i>	3.3%
Commercial General	\$55.12/mo.	Service Charge	2.75%
		Usage Charge	5.50%
		Drought Commodity Charge	\$0.08/kgal
		\$57.76/mo. (\$2.64/mo.) <i>Effective increase</i>	4.8%
Commercial Landscape	\$138.08/mo.	Service Charge	2.75%
		Usage Charge	7.50%
		Drought Commodity Charge	\$0.08/kgal
		\$148.16/mo. (\$10.08/mo.) <i>Effective increase</i>	7.3%

Commercial Roll Off Recommendations - Previous

- Increase set fee by \$6.50
 - Increase from \$83.00 to \$89.50
- Increase haul fee by \$3
 - 30-yard box increase from \$140.00 to \$143.00
- Increase tonnage rate by 6.22% to follow landfill increase
 - Increase trash from \$35.25 to \$37.44
 - Increase green waste from \$41.75 to \$44.35

Commercial Roll Off Recommendations - Updated

- Increase set fee by \$56.50
 - Increase from \$83.00 to \$139.50
- Increase haul fee by \$3
 - 30-yard box increase from \$140.00 to \$143.00
- Increase tonnage rate by 6.22% to follow landfill increase
 - Increase trash from \$35.25 to \$37.44
 - Increase green waste from \$41.75 to \$44.35

Commercial Roll Off Recommendations - Previous

- \$16.07 increase for a one-time trash customer
 - 30-yard box increase from \$328.75 to \$344.82
- \$17.30 increase for a one-time green waste customer
 - 30-yard box increase from \$348.25 to \$365.55

Commercial Roll Off Recommendations – Updated

- \$66.07 increase for a one-time trash customer
 - 30-yard box increase from \$328.75 to \$394.82
- \$67.30 increase for a one-time green waste customer
 - 30-yard box increase from \$348.25 to \$415.55

Utility Fund Forecast:

Notice of Intent

As of 09/15/2022	FY 21/22 Actuals	FY 22/23 Projected	FY 23/24 Forecast	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast
WATER	\$4,184,539	(\$3,897,749)	(\$19,550)	(\$3,410,239)	(\$4,938,329)	(\$6,867,840)	(\$8,252,130)
WASTEWATER	(\$8,572,222)	(\$11,954,358)	(\$10,332,043)	(\$6,527,964)	(\$4,063,099)	(\$886,621)	\$3,955,150
SOLID WASTE	(\$4,693,206)	(\$2,842,362)	(\$2,608,646)	\$1,492,666	\$891,244	\$341,342	\$841,238
ELECTRIC	\$3,093,468	(\$2,530,032)	(\$2,106,261)	(\$1,277,723)	(\$1,602,042)	(\$1,484,154)	(\$1,742,617)
NATURAL GAS	(\$1,509,847)	(\$4,290,323)	(\$3,292,115)	(\$1,573,176)	(\$825,089)	(\$212,103)	(\$123,063)
DISTRICT COOLING	(\$687,915)	(\$341,371)	(\$1,514,786)	(\$292,314)	(\$168,419)	(\$138,238)	(\$142,945)
TOTAL NET SOURCES AND USES	(\$8,185,182)	(\$25,856,195)	(\$19,873,401)	(\$11,588,751)	(\$10,705,734)	(\$9,247,613)	(\$5,464,368)
Beginning Reserve Balance	\$151,261,238	\$143,076,056	\$117,219,861	\$97,346,460	\$85,757,709	\$75,051,974	\$65,804,362
Ending Reserve Balance	\$143,076,056	\$117,219,861	\$97,346,460	\$85,757,709	\$75,051,974	\$65,804,362	\$60,339,994
Ending Reserve Balance Percent*	30.1%	24.4%	20.0%	16.8%	13.6%	11.9%	10.6%
*As a % of Next Fiscal Year's Expenditures							
WATER Residential	2.50%	2.75%	3.50%	3.50%	3.50%	3.50%	3.50%
WATER Non-Residential (general usage)	5.00%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
WASTEWATER Residential	3.00%	4.25%	4.75%	4.75%	4.75%	4.75%	4.75%
WASTEWATER Non-Residential	4.00%	4.50%	5.00%	5.00%	5.00%	5.00%	5.00%
SOLID WASTE Residential	2.00%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%
SOLID WASTE Commercial	3.75%	4.50%	3.00%	3.00%	3.00%	3.00%	3.00%
SOLID WASTE Rolloff	3.50%	7.75%	3.00%	3.00%	3.00%	3.00%	3.00%
ELECTRIC Residential - svc charge	\$1.50	\$0.00	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
ELECTRIC Non-Residential - svc charge	\$2.50	\$0.00	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
GAS Residential - svc charge	\$0.50	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75
GAS Non-Residential - svc charge	\$0.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00



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