

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>	<b>3.3%</b>
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>	<b>4.8%</b>
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>	<b>6.4%</b>

# 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>			
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>			
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>			

## 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)
<b>TOTAL NET SOURCES AND USES</b>	<b>(\$8,185,182)</b>	<b>(\$25,856,195)</b>	<b>(\$19,873,401)</b>	<b>(\$11,588,751)</b>	<b>(\$10,705,734)</b>	<b>(\$9,247,613)</b>	<b>(\$5,464,368)</b>
Beginning Reserve Balance	\$151,261,238	\$143,076,056	\$117,219,861	\$97,346,460	\$85,757,709	\$75,051,974	\$65,804,362
<b>Ending Reserve Balance</b>	<b>\$143,076,056</b>	<b>\$117,219,861</b>	<b>\$97,346,460</b>	<b>\$85,757,709</b>	<b>\$75,051,974</b>	<b>\$65,804,362</b>	<b>\$60,339,994</b>
Ending Reserve Balance Percent*	<b>30.1%</b>	<b>24.4%</b>	<b>20.0%</b>	<b>16.8%</b>	<b>13.6%</b>	<b>11.9%</b>	<b>10.6%</b>
<small>*As a % of Next Fiscal Year's Expenditures</small>							
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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