

SOUTH JORDAN CITY  
CITY COUNCIL STUDY MEETING

April 20, 2021

**Present:** Mayor Dawn R. Ramsey, Council Member Patrick Harris, Council Member Brad Marlor, Council Member Jason McGuire, Council Member Don Shelton, Council Member Tamara Zander, CM Gary Whatcott, ACM Dustin Lewis, City Attorney Ryan Loose, Director of Government Affairs Melinda Seager, Engineering Director Brad Klavano, Police Chief Jeff Carr, Associate Director of Parks, Colby Hill, Planning Director Steven Schaefermeyer, Public Works Director Jason Rasmussen, CFO Sunil Naidu, City Recorder Anna Crookston, Communications Manager Rachael VanCleave, City Commerce Director Brian Preece, Fire Chief Chris Dawson, IT Director Jon Day, Meeting Transcriptionist Diana Baun

**Others:** Attendance electronically via Zoom.

4:36 PM  
STUDY MEETING

**A. Welcome, Roll Call and Introduction:** *By Mayor Dawn R. Ramsey*

Mayor Ramsey welcomed everyone present. She introduced the meeting.

**B. Invocation:** *By Council Member, Jason McGuire*

Council Member Jason McGuire offered the invocation.

**C. Mayor and Council Coordination**

Mayor Ramsey said they have their conference down in St. George over the next few days. She is thrilled Arthur Brooks has agreed to come in person to speak Thursday morning. She noted there was an email asking everyone to download the app and create their schedule. She encouraged everyone to do that now as she was unable to get into the Women and Local Government luncheon that she is hosting. They will be able to see who the presenters are along with the different sessions. She also noted they needed to decide if they wanted to have a dinner on Wednesday night. There was one restaurant that can hold a group their size, however she also has a dinner for the league officers that night. She would like to go to both if possible, but wants to spend the majority of her time with the Council.

Council Member Tamara Zander said she thinks a dinner is a great way to kick off the training and have discussion together.

Mayor Ramsey received word that her other dinner begins at 6:00pm, so it was decided to set the city's dinner at 7:00pm. She continued that she received an email from a middle school teacher at Mountain Creek Middle School. They are reading a book this year and next year that talks about a family who is on a journey and it involves a time capsule. This teacher, as part of her curriculum, would like to have her students work on putting together a time capsule from the city and each

representative of everyone here. This time capsule would go into the Bingham Creek Regional Park to be opened some time in the future. Mayor Ramsey loves this idea and that the students can incorporate it as part of their curriculum. She asked if everyone was okay with that and the council was unanimous in favor.

Mayor Ramsey asked if Council Member Jason McGuire would share why he received the basket of goodies.

Council Member McGuire said he received the basket of goodies because he was the first one to finish the auditor training (that is not due until June 30<sup>th</sup>).

Mayor Ramsey reminded everyone about the state auditor training.

Council Member Zander asked City Manager Gary Whatcott to have the email resent to her.

#### **D. Discussion/Review of Regular Council Meeting**

Mayor Ramsey said the council meeting is a straightforward agenda which includes the tentative budget. There is a resident coming to do a reading for the invocation. This is opened to residents every year and they rarely have any takers so she is very excited.

Council Member Patrick Harris said he'd like to invite someone from the Hindu temple presidency for the invocation in the future.

CM Gary Whatcott said they've done it before.

Council Member Don Shelton said he has his normal list of questions but got busy and was unable to email them before the meeting, he apologized for that.

Mr. Whatcott said the tentative budget is not a public hearing. They have the public hearing when they adopt the budget, it is just an action item tonight. It is basically for the public to go out and review it if they want and have questions for the future public hearing.

Council Member Shelton said he had questions on the budget.

Manager Whatcott said he might want to wait and ask them at the public hearing.

Council Member Shelton agreed that was a good idea.

#### **E. Discussion Item:**

E.1. Storm Water Rate Study update. *(By Director of Public Works, Jason Rasmussen and Vice President with Lewis Young Robertson & Burningham, Fred Philpot)*

Director of Public Works Jason Rasmussen and Vice President with Lewis Young Robertson & Burningham Fred Philpot reviewed a prepared presentation (Attachment A).

Council Member Patrick Harris asked about the underground chambers.

Mr. Rasmussen said they are in areas of the city where there isn't a great connection to make with the existing storm water network. In some isolated areas they have a chamber where the water goes in and percolates down, rather than being connected to the pipes and going into a retention basin somewhere. It is all underground and the boxes are usually pretty small.

Council Member Zander asked if they were typically under streets.

Mr. Rasmussen said yes they are under streets, sometimes parking lots. They are very common nowadays in commercial developments where they put that retention under the parking lot, rather than having a big space for a retention pond on site. There are a lot of private ones in the city.

Mr. Rasmussen and Mr. Philpot continued to review presentation (Attachment A).

Council Member Zander asked for the circumference of the metal storm pipes.

Mr. Rasmussen said the one in the presentation that was caving in from the top was either 18 or 24 inches, it is a smaller one.

Mr. Rasmussen and Mr. Philpot continued to review presentation (Attachment A).

Council Member Brad Marlor asked if the pipe that was replaced under 2200 West was metal.

Mr. Rasmussen confirmed it was metal.

Council Member Marlor asked what it was replaced with.

Mr. Rasmussen said it was replaced with concrete.

Mr. Rasmussen and Mr. Philpot continued to review presentation (Attachment A).

Council Member Marlor asked how much is in the proposed budget.

Mr. Rasmussen was not sure and said he would have to find out.

CFO Sunil Naidu said they have currently \$120,000 capital project funds budgeted according to his records.

Mr. Rasmussen and Mr. Philpot continued to review presentation (Attachment A).

Council Member Zander said she is seeing lots of the sandbag types of covers on drains and she wonders what this is for.

City Engineer Brad Klavano said it is part of the requirements for erosion control during construction.

Mr. Rasmussen said it is to keep mud and sediment from going into the storm system.

Council Member Zander asked if we do anything like that ongoing as a city.

Mr. Rasmussen said they could, but it takes away from some of the capacity of the storm system and pipes taking water off the road. It is a temporary measure they use to keep sediment out and it is a state requirement during construction. They need to be uncovered when not part of construction to help disperse water during a rain event and get it off the road.

Mr. Rasmussen and Mr. Philpot continued to review the presentation (Attachment A).

Mr. Rasmussen said that \$0.43 cents is a per month increase in the first year, so multiplied by 12 months ends up being a little over \$5 per resident per household.

Council Member Shelton asked what ERU stands for.

Mr. Rasmussen said “equivalent residential unit.” Each residential home has the \$7.15 rate per month, but when they look at larger/commercial properties they calculate how many equivalents that is and they get charged anywhere from 1 to hundreds depending on what they contribute to the system.

Mr. Rasmussen and Mr. Philpot continued to review the presentation (Attachment A).

Council Member Zander asked if this was adopted, how they would communicate it to the public.

Mr. Rasmussen said they can do it however they’d like. In the past he believes they’ve mentioned things in the City Focus newsletter regarding changing rates. He thinks there is a big opportunity here to explain to residents what they get in their storm water fee and make it part of a public education process to say “what do you get for your \$7 and change a month” and then share in there that it’s being increased by 6% to pay for these outstanding projects and needs that we have.

Council Member Zander asked where they see this charge.

Mr. Rasmussen said it would be on the city fee schedule, also in their utility bill. There is a line item on the bill for the storm water utility fee.

Mr. Whatcott said what Mr. Rasmussen is doing here with these fees is something that has been discussed before regarding updating master plans and making sure fees were on target for maintenance. There was a big jump a few years ago in one area and the council wanted to make sure they were on top of the master planning and getting the fees right. It has been five years since this was last reviewed. He believes the Parks Master Plan was the one they looked at before and it had gone seven to eight years before they re-did it, and that was too long of a wait. They want to make sure they keep things at the right funding level, same with streets and anything that requires maintenance. The difference here that we are paying for is that there is a public works yard that needs to be built out west and these enterprise funds have to pay their share, whatever their share of that yard cost is. The general fund will pay for its share as well, but these enterprise funds have to pick up their portion. The storm water doesn’t have a large contingency of funds (surplus money) so part of this is building up a little bit of surplus so they can pay their share of that public works yard down the road. This is why it’s a little bit higher at 6% rather than maybe 4% or 5%, is to pick up that extra funding for that yard that needs to be built.

Mayor Ramsey said one thing that is important is that 6% sounds like a lot, but when you realize that 6% is \$0.43 it’s a little bit easier for her as a taxpayer to accept that, versus hearing 6%. If you don’t know what that’s compared to, 6% might really make you stop and wonder what’s going on. If this is something the city decides to do she wants it to be really clear what that 6% represents. She agrees with the public education regarding what we are getting for our money, and she loves knowing that the street sweeping really helps preserve the storm drains the way that it does. It is also an aesthetic thing, many residents think it makes the city look nice and they’re glad that we do that, but there is so

much more to it. She just wants to be clear that 6% can seem much more daunting than it actually is in this scenario, so being really specific about what that 6% represents is helpful in educating people.

Council Member Marlor said if we did these rate studies every three years we would probably see more rate increases each time, versus if it's done every five or six years. He asked to confirm the next study would be in 2024.

Mr. Rasmussen said yes.

Mr. Philpot suggested we look at it again to make sure everything is on track.

Council Member Marlor agreed with Mayor Ramsey that 6% can seem like a lot when general inflation was only 2%. However, when we haven't done any rate increase for five years it makes sense and needs to be communicated as well.

Council Member Shelton said he thinks it is probably significant that a lot of the inflation that's built into this is due to construction costs which are increasing significantly more than normal inflation, and are expected to continue to increase for a long time.

Mr. Rasmussen said 6% seems like a big number but it is incremental steps to funding the maintenance and replacement that needs to happen. He was talking to a public works director for another city here in the valley and their water system has never had any maintenance, it was "fix what breaks" and he is going to his council this week and saying they need to triple water rates so they can bond and pay for it. No one wants to be in that scenario. If they can make these small incremental increases to maintain the system it leaves us in a good spot going forward and not in that very atypical situation where nothing is done and suddenly it's a crisis and rates have to double or triple.

Council Member Zander said they don't want to be the council that kicks the can down the road; they haven't been and she is grateful that they don't.

Mr. Whatcott said the good thing is they don't have a ton of these metal pipes. Fortunately, their development has been in a more modern era. If you look at the city of Holliday they have had tremendous difficulty with all that corrugated metal pipe that was installed in the 50s and 60s. It's all still there and it's falling apart. That's what we're trying to prevent and he thinks it is just hard for people to understand sometimes the costs associated with it because you have to either dig it out or put another pipe inside of another pipe, and it's just more expensive if we don't get it right on the first shot. The good thing is that the newer pipe they are putting in has a much longer lifespan than these old corrugated pipes. Hopefully technology will keep improving and as we move along we keep putting in better products that last longer and don't require as much maintenance. He noted that we made a pretty significant investment in the camera trucks. The pictures are clear and you can clearly see where you have a problem. It saves so much time and energy in trying to track down issues and you can see your maintenance, whether you're doing good or bad, and where you're at. You get accurate information and a lot of cities don't have that technology.

Mayor Ramsey said she appreciates that we don't guess here, that we plan and are thorough. She knows in the long run it saves the residents money with the approach of really trying to maintain what we have.

Mr. Whatcott said that Mr. Philpot is a great professional and he knows his stuff. He is really good at helping narrow down the cost and getting it fairly accurate. It's not perfect science by any means, but we have the best helping us forecast what we think our costs really are.

*E.2. Sanitation Rate Study update. (By Director of Public Works, Jason Rasmussen and Vice President with Lewis Young Robertson & Burningham, Fred Philpot)*

Director of Public Works Jason Rasmussen and Vice President with Lewis Young Robertson & Burningham Fred Philpot reviewed a prepared presentation (Attachment B).

Mr. Whatcott said the garbage prices are the lowest we are going to see them because they are going to up with Trans Jordan being out of their last cell soon, and then it's the transfer station. After that, the hauling costs rise significantly. Over the next five to ten years we will see some adjustments in Trans Jordan's rates.

Mr. Rasmussen and Mr. Philpot reviewed the presentation (Attachment B).

Mr. Rasmussen said in one of the slides there was a 9% increase in tipping fees, that relates to the landfill raising their tipping fees in anticipation of building a transfer station in Sandy City and also the one in Trans Jordan where it's located now.

Mr. Philpot said he did the modeling for Trans Jordan as well, so he is very familiar with that model. The expenses are going up and Trans Jordan is increasing the tipping fees to member agencies, also to commercial haulers to be able to pay for the capital costs of building two transfer stations here over the next 10 years.

Mr. Whatcott said two or three years ago the city, as members of the Trans Jordan Landfill, purchased the Bayview Facility west of the Utah Lake. What that did for us is give us 100 years of landfilling still at a cheaper rate. We do have to haul it, it can't be dumped in South Jordan anymore. It will be put in a transfer station and hauled down there, but that is still cheaper by far than what other states are paying. The good thing we can tell residents, that they probably would never realize, is that by making that investment as a seven city body, we secured ourselves lower rates for 100 years. The rates will be lower than cities up north that don't have any way to get rid of their garbage except moving it a long way away.

Council Member Zander asked where the new transfer station will be.

Mr. Whatcott said there will be one at the landfill now, they will convert that old building and areas up there into a transfer station. There is another one on 700 West and 9000 South by the Sandy Public Works yard.

Council Member Shelton asked why sanitation doesn't have a contribution to the yard.

Mr. Rasmussen said they do, four million dollars. That's why our fund balance is so large. Back in 2018 when the last rate study was performed they started accounting the slow build up to pay for sanitation's portion of the building. Part of that fund balance has been accumulating for the last couple years as earmarked for that facility.

Mr. Whatcott said they didn't do a good job of anticipating the second yard when they did the storm water rates, so that rate was not really included in the fee structure, now we are adding it. This is why he was saying it would normally be around a 4% increase, but going to 6% is really collecting the money for that portion.

Mayor Ramsey said she got a call from a resident on Friday whose garbage can fell into the garbage truck and was hauled away. The resident was thankful for the prompt response in getting them a new can and Mayor Ramsey thanked those who made that happen.

Council Member Shelton asked how the recycling was going and if they have had anyone giving up their recycle cans.

Mr. Rasmussen said they've had a few, less than one hundred. Their staff has almost made it through the entire city with inspections. They know how many people are just throwing garbage in there or just recyclables that aren't recyclable. They are going through that education process now and once they get through the whole city they will have this first inspection as a base and compare it as far as progress. They have handed out a few red tags, people purposefully dumping garbage in there. Those residents go on a list and they go back and check them. They have not had to take anyone's recycle can away. There are three different kinds of tags. One for correct recycling, they put the correct recyclables in the can. The second for throwing out things like Styrofoam or plastics (like a muffin container that can't be recycled); the tag shares what can and can't be recycled. Lastly, the red tag where people dumped just pure garbage in there.

Council Member Zander asked if there was a fine associated with any of those tags.

Mr. Rasmussen said no, it's just for education. If they get three red tags then they pull their recycle can.

Mr. Rasmussen said the rates of 3% for sanitation and 6% for storm will be in the budget for the final approval when that comes up. At that time they can look at it and see if they are okay with it, or they can do their thing as a council and decide whether to adopt it into the fee schedule or not. This is what they are proposing.

Council Member Harris asked if they are still unable to recycle the plastics easily.

Mr. Rasmussen said the right plastics like milk jugs, soda bottles, water bottles and that kind of stuff is actually in high demand right now. This has happened over the last year. The mixed paper is the one that has only a 50% demand from what's generated; that means only about half of the mixed paper gets recycled.

Council Member Zander recapped storm was \$0.43 for the upcoming fiscal year and sanitation was \$0.40.

*RECESS STUDY MEETING TO MOVE TO EXECUTIVE CLOSED SESSION*

**Council Member Harris made a motion to go into executive closed session to discuss reasonably imminent litigation. Council Member Zander seconded the motion. The vote was unanimous in favor.**

**F. Executive Closed Session Item:** Discussion of reasonably imminent litigation.

*ADJOURN EXECUTIVE CLOSED SESSION AND RETURN TO STUDY MEETING*

**Council Member McGuire made a motion to come out of executive closed session. Council Member Shelton seconded the motion. The vote was unanimous in favor.**

The City Council reconvened in an open City Council study meeting.

ADJOURNMENT

**Council Member Zander made a motion to adjourn. Council Member McGuire seconded the motion. The vote was unanimous in favor.**

The April 20, 2021 City Council electronic study meeting adjourned at 6:17 p.m.

**This is a true and correct copy of the April 20, 2021 City Council Study Meeting Minutes, which were approved on May 4, 2021.**

*Anna Crookston*

**South Jordan City Recorder**

# STORM UTILITY FUND FINANCIAL PLAN PRELIMINARY REVIEW

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APRIL 2021



# Storm Water Rate Study Update

- ▣ Last Rate Study - 2017
- ▣ What's New?
  - ▣ Updated Master Plan
  - ▣ Long-term Maintenance Planning
  - ▣ Aging Infrastructure
  - ▣ New Facility
  - ▣ Existing Facility Maintenance



# Storm Water Rate Study Update

## ■ Storm Water Infrastructure

- 154 miles of storm pipe
- 9,193 inlets
- 8,626 combo boxes
- 172 detention/retention ponds
- 172 down wells
- 22 underground chambers



# Storm Water Rate Study Update

## Updated Storm Water Master Plan

- Storm System Capacity Upgrades - \$7,929,672
- Metal Storm Pipe Replacement - \$13,340,835
- Detention Basin Capacity Upgrades - \$3,613,900
- Storm rate study annual funding level - \$650,000



# Storm Water Rate Study Update

## ▣ Long-term Maintenance Planning

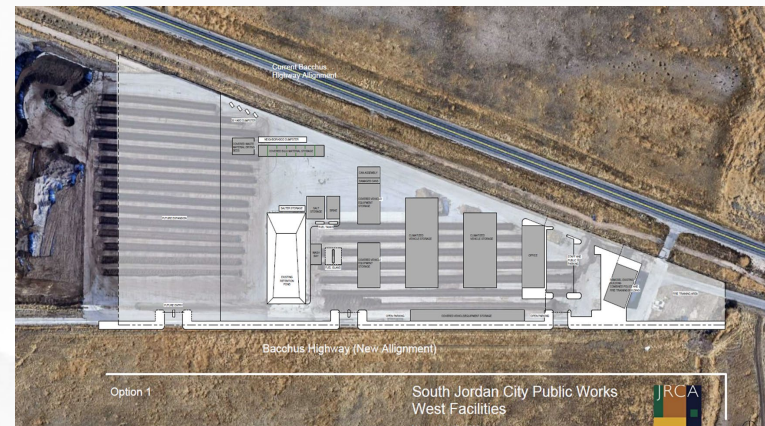
- ▣ Down well rehabilitation & replacement for City's 150 down well's - \$80,000 annually
- ▣ Underground storm water detention chamber maintenance - \$50,000 annually
- ▣ Storm Pipe Rehabilitation Project - \$250,000



# Storm Water Rate Study Update

## ■ Other Funding Impacts

- New Public Works Facility
- Existing Facility Upgrades
- 3<sup>rd</sup> Street Sweeper & Operator Scheduled for FY23-24



# AGENDA

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- **Financial Plan Objectives & Policies**
- **Review Current Utility Model Methodology**
- **Model Assumptions**
- **Preliminary Scenario Analysis**
- **Discussion of Next Steps**

# FINANCIAL PLAN OBJECTIVES

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## Key Policies

- ▣ **Financial Ratios**
  - ▣ Revenue Sufficiency – Each Utility Pays its Own Way
  - ▣ Cash Reserves – Goal to Maintain a Minimum of 150 Days of Cash on Hand
  - ▣ Maintain Debt Service Coverage Ratio if Necessary
- ▣ **Ensure Ease of Implementation and Equity**
- ▣ **Review Rates for Five-Year Period**

# FINANCIAL PLAN METHODOLOGY

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## Key Policies

- ▣ **Revenue Growth Analysis:**
  - ▣ LYRB studied existing revenue data and growth projections provided by the City. This information was then analyzed to determine the potential allocation of new accounts and the revenue potential within each utility.
  
- ▣ **Cost of Service Analysis:**
  - ▣ The cost-of-service analysis is structured to balance revenue sufficiency with future operating and maintenance costs, contracts, repair and replacement, capital expenditures, funding for current system deficiencies and bond service coverage ratios. Expenses were projected out to 2031 and revenues were analyzed under a variety of scenarios to meet the City's needs.
  
- ▣ **Rate Design Analysis:**
  - ▣ The final phase focuses on structuring rates that will collect the necessary revenues based on the City's budgetary needs and rate objectives.
  - ▣ **Entities should evaluate enterprise funds every 3-5 Years.**

# FINANCIAL PLAN ASSUMPTIONS

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## Key Assumptions

- **Model Based on 2020 Actuals, with 2021 Estimated Figures, with Projections through 2031**
- **3.0% Growth in ERUs**
- **3.0% Growth in Misc. Revenues and Other Revenues**
- **3.2% Growth in Salaries & Benefits Expense**
- **5.2% Growth in Materials and Supplies**
- **7.0% Growth in Other Expenses**
- **Model Assumes Future Debt May be Needed for Public Works Facility**

# FINANCIAL PLAN ASSUMPTIONS

## Key Assumptions

- Existing Fund Balance Starting Point: \$2.1M
- Proposed CIP:

	2022	2023	2024	2025	2026
Total	\$1,698,213	\$1,907,498	\$4,818,926	\$1,624,109	\$1,020,161

	2027	2028	2029	2030	2031
Total	\$931,361	\$959,302	\$988,081	\$1,017,723	\$1,048,255

# FINANCIAL PLAN ASSUMPTIONS

## Key Assumptions

### ■ New O&M:

New O&M	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Storm Drain FTE	-	-	79,399	-	-	-	-	-	-	-
Storm Drain FTE	-	-	79,399	-	-	-	-	-	-	-
Total	-	-	\$158,799	-	-	-	-	-	-	-
Cumulative	-	-	\$158,799	\$163,880	\$169,124	\$174,536	\$180,122	\$185,885	\$191,834	\$197,972

# SCENARIO ANALYSIS

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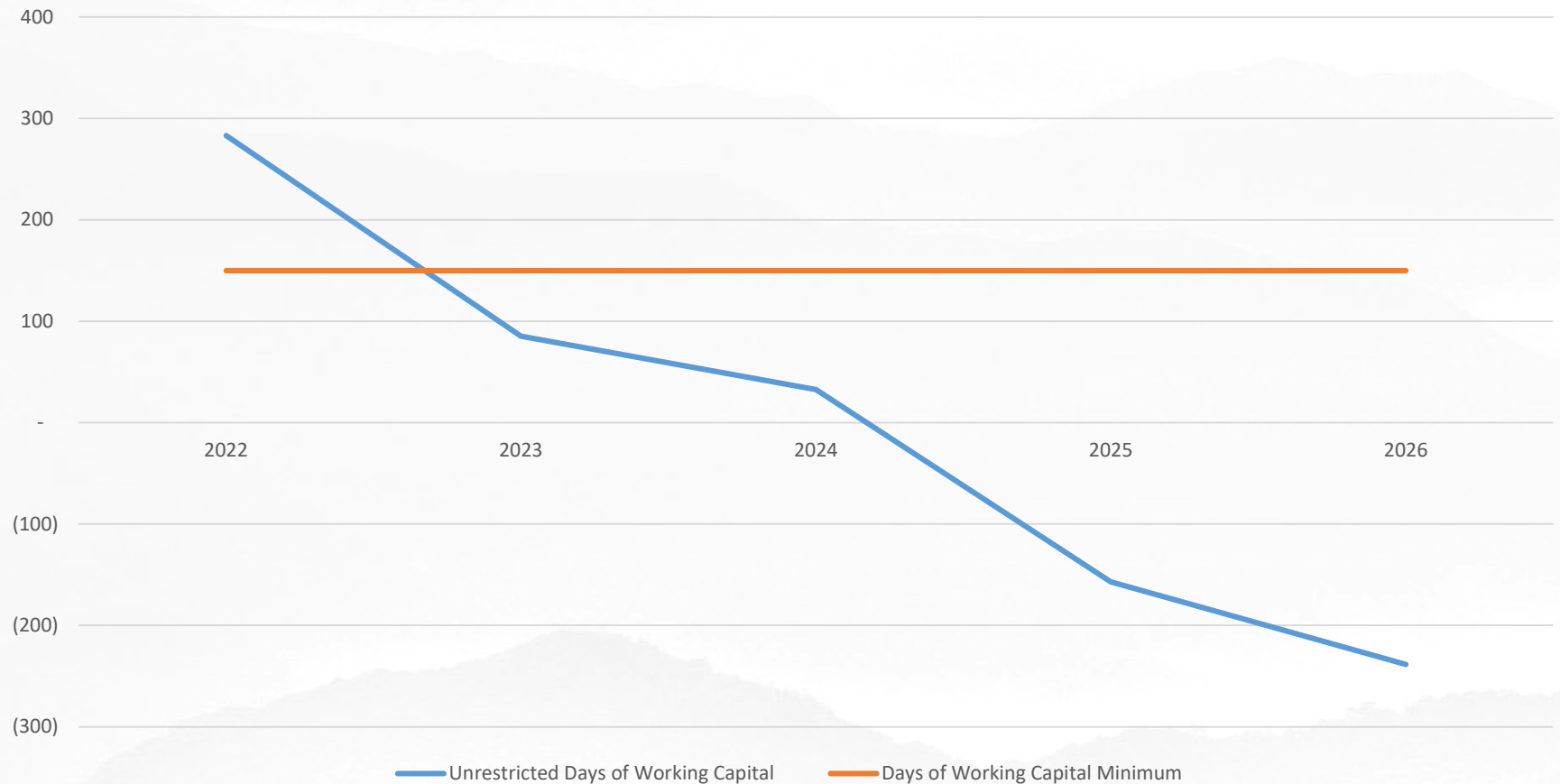
## Approach

- **Baseline: No Rate Increase**
- **Preliminary Scenario: Rate Increase to Meet Targets**
- **Evaluate Working Capital and Debt Coverage**

# SCENARIO ANALYSIS

## Baseline (No Rate Increase)

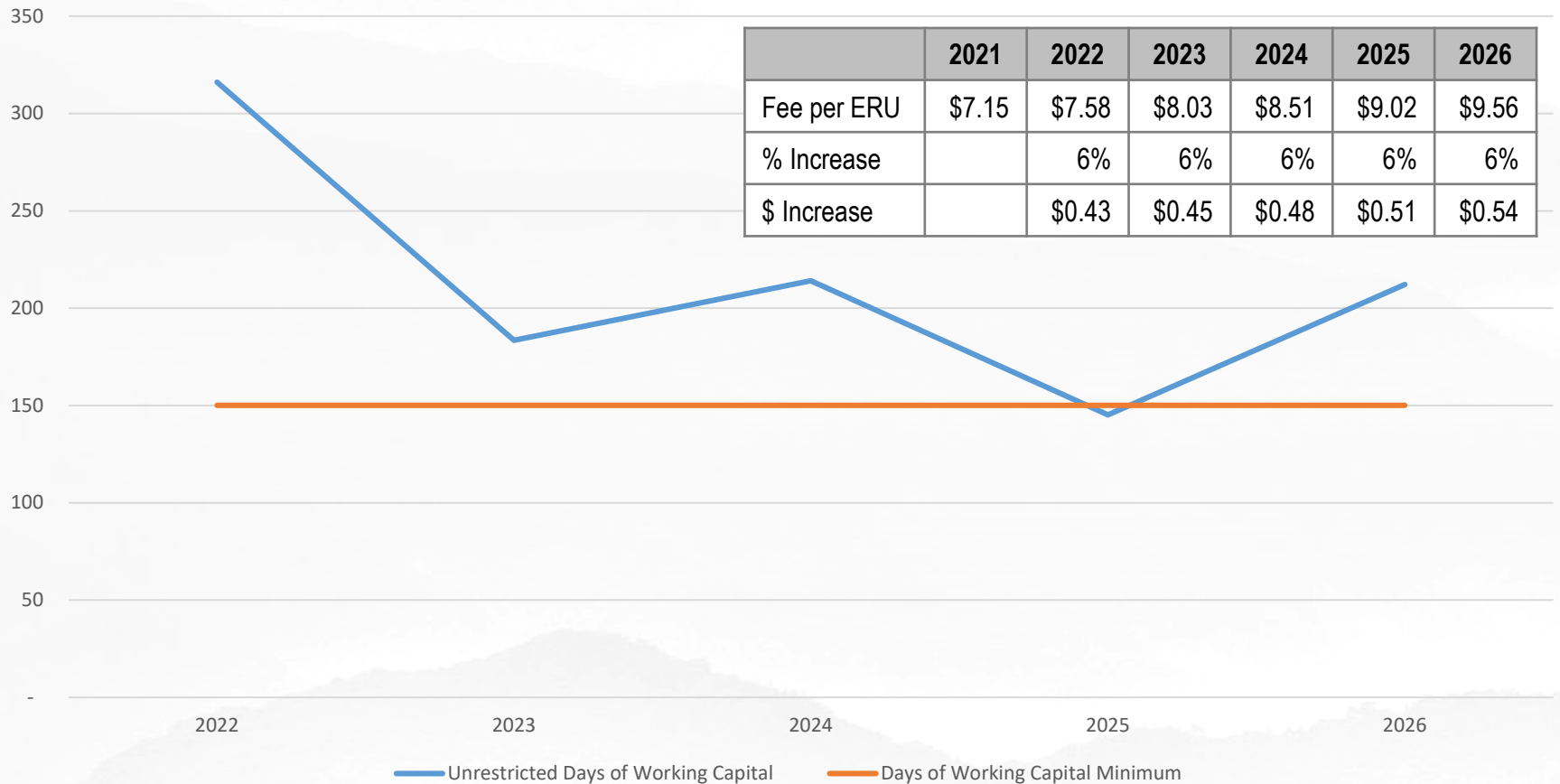
Fund Balance



# SCENARIO ANALYSIS

## 6% Rate Increase in Year 1-5

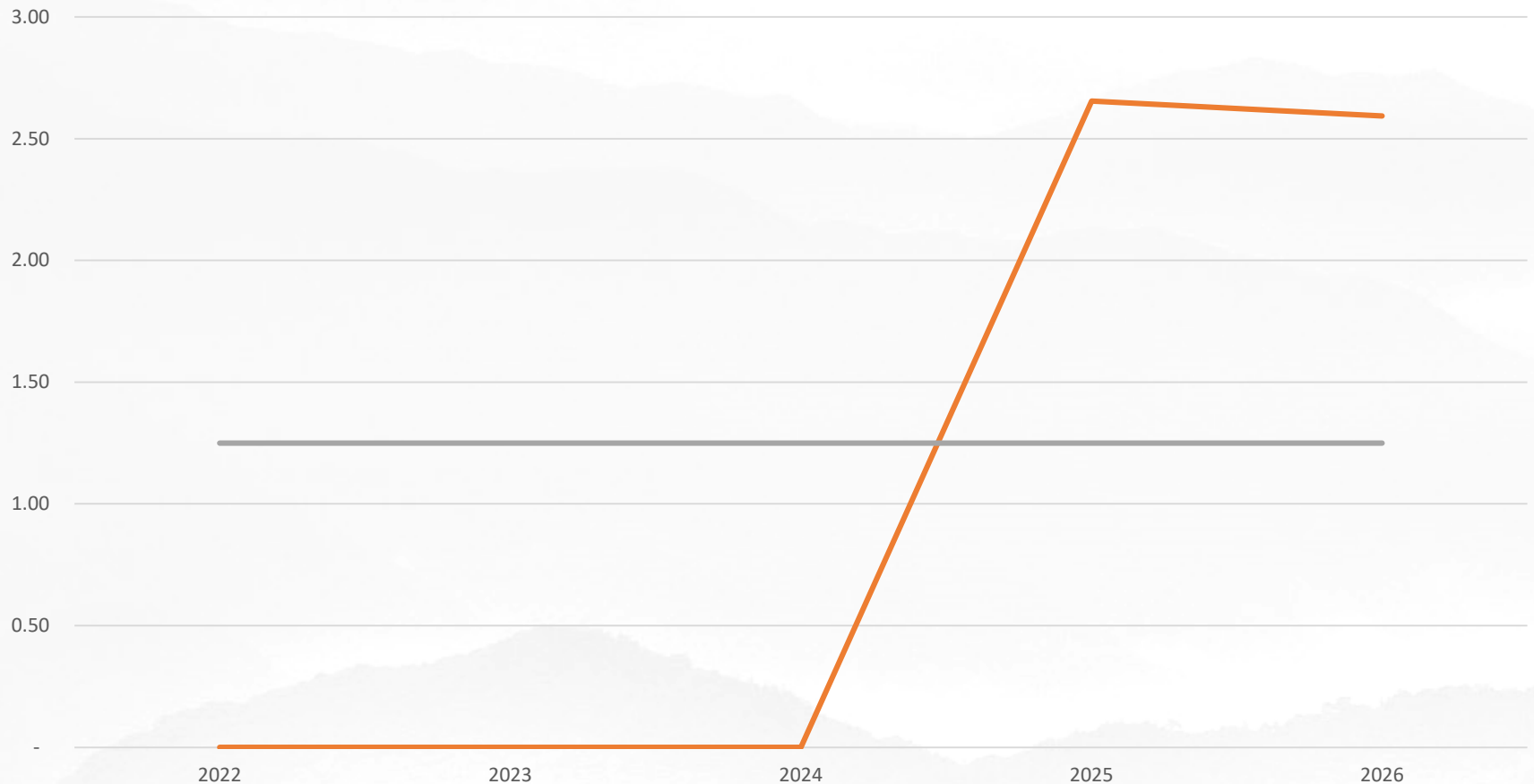
Fund Balance



# SCENARIO ANALYSIS

## 6% Rate Increase in Year 1-5

Debt Coverage



# NEXT STEPS

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- ▣ **Review and Revise Assumptions as Needed**
- ▣ **Update Scenario Analysis**
- ▣ **Prepare Final Rate Study**
- ▣ **Adopt Proposed Changes to Rates**

# SANITATION/RECYCLING FUND FINANCIAL PLAN PRELIMINARY REVIEW

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APRIL 2021



# Sanitation & Recycling Rate Analysis

- Last rate analysis performed in January 2019
- June 2020 – updated rate structure for garbage & recycle cans
  - Garbage - \$13.23
  - Recycle - \$2.00



# AGENDA

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- **Financial Plan Objectives & Policies**
- **Review Current Utility Model Methodology**
- **Model Assumptions**
- **Preliminary Scenario Analysis**
- **Discussion of Next Steps**

# FINANCIAL PLAN OBJECTIVES

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## Key Policies

- ▣ **Financial Ratios**
  - ▣ Revenue Sufficiency – Each Utility Pays its Own Way
  - ▣ Cash Reserves – Goal to Maintain a Minimum of 35% of Operating Revenues
- ▣ **Ensure Ease of Implementation and Equity**
- ▣ **Review Rates for Five-Year Period**

# FINANCIAL PLAN METHODOLOGY

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## Key Policies

- ▣ **Revenue Growth Analysis:**
  - ▣ LYRB studied existing revenue data and growth projections provided by the City. This information was then analyzed to determine the potential allocation of new accounts and the revenue potential within each utility.
  
- ▣ **Cost of Service Analysis:**
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- ▣ **Rate Design Analysis:**
  - ▣ The final phase focuses on structuring rates that will collect the necessary revenues based on the City's budgetary needs and rate objectives.
  - ▣ **Entities should evaluate enterprise funds every 3-5 Years.**

# FINANCIAL PLAN ASSUMPTIONS

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## Key Assumptions

- **Model Based on 2020 Actuals, with 2021 Estimated Figures, with Projections through 2031**
- **Combined Recycling and Sanitation Sustainability Plan**
- **2.5% Growth in New Cans**
- **2%-3% Growth in Most Expense Categories**
  - **6% Increase in Supplies – Cans**
  - **5% Increase in Administrative Charges**
  - **9% Increase in Tipping Fees**
  - **5% Increase in Collection Expense**
  - **5% Increase in Neighborhood Cleanup Program**
- **Model Assumes \$4M Transfer for Public Works Facility**
- **Existing Fund Balance of \$4.3M**

# SCENARIO ANALYSIS

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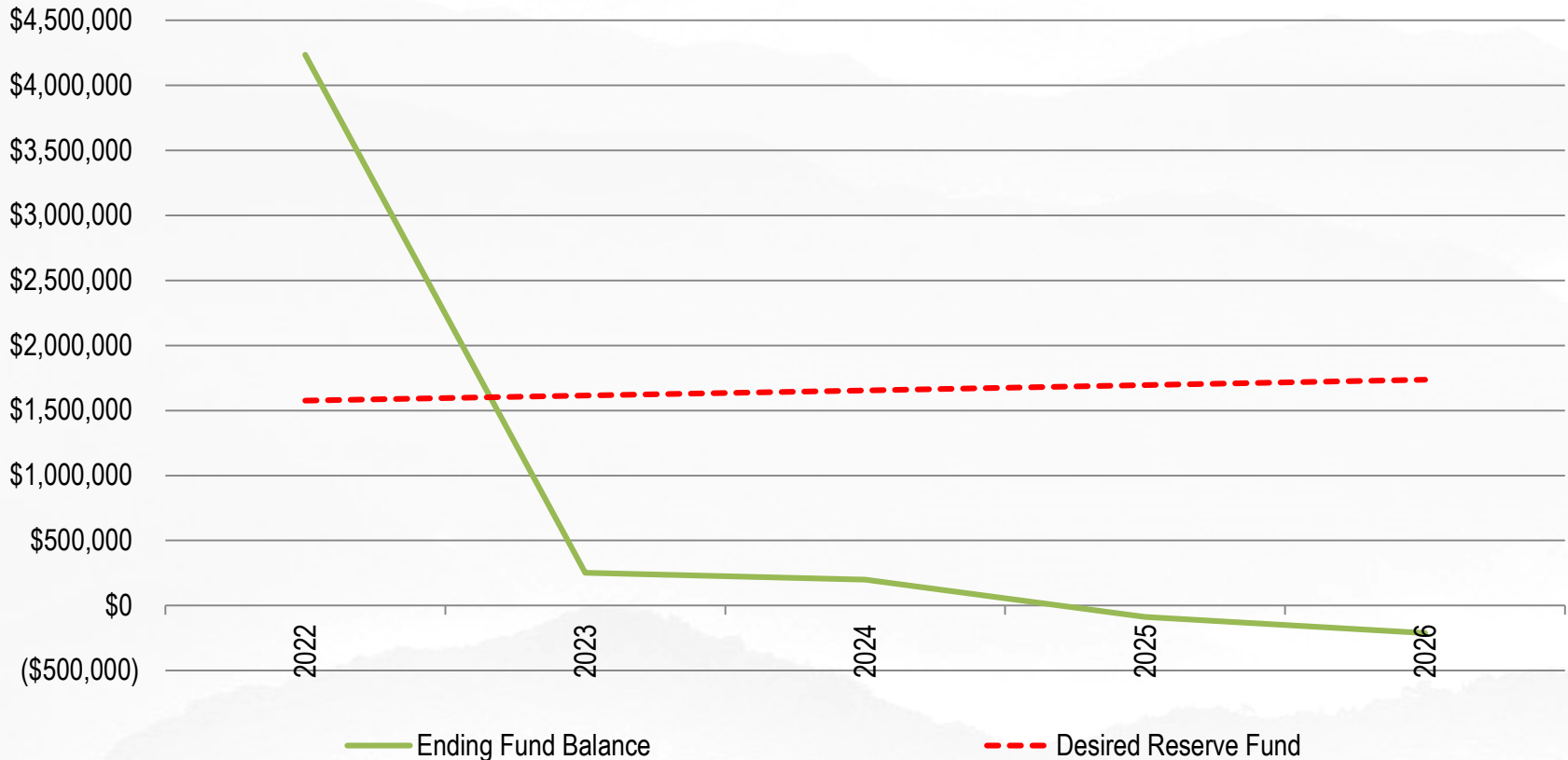
## Approach

- **Baseline: No Rate Increase**
- **Preliminary Scenario: Rate Increase to Sanitation to Meet Targets, No Increase to Recycling Fee**
- **Evaluate Working Capital and Debt Coverage**

# SCENARIO ANALYSIS

## Baseline (No Rate Increase)

FUND BALANCE

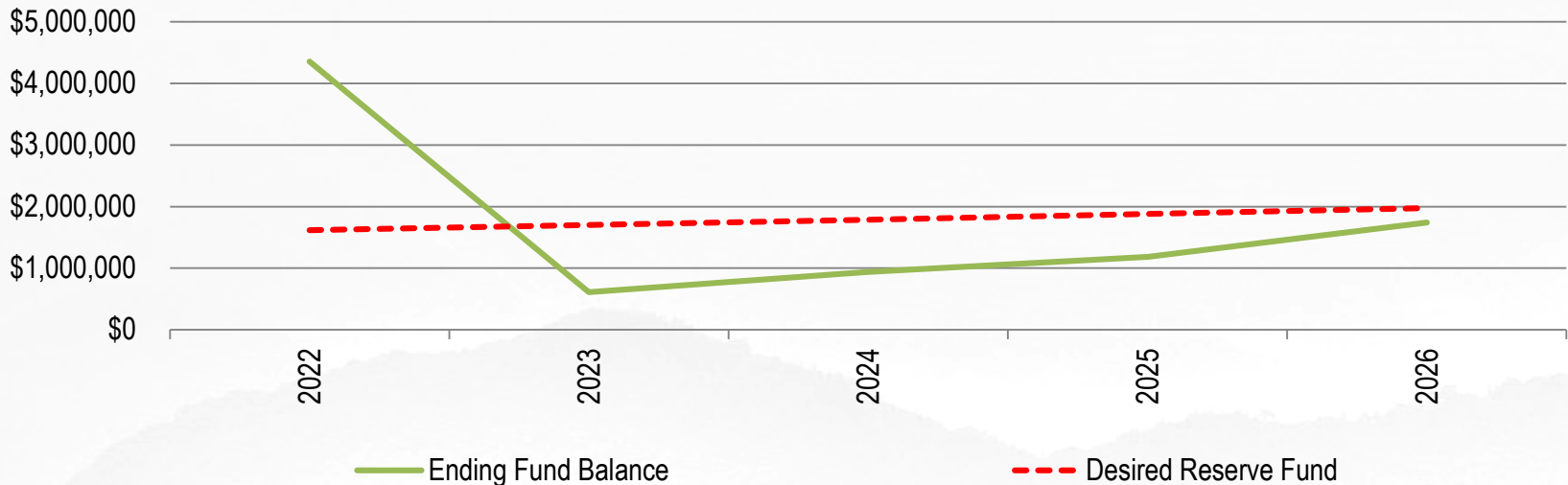


# SCENARIO ANALYSIS

## 3% Rate Increase in Year 1-5

	2021	2022	2023	2024	2025	2026		2021	2022	2023	2024	2025	2026
1 <sup>st</sup> Can	\$13.23	\$13.63	\$14.04	\$14.46	\$14.89	\$15.34	Add. Can	\$8.86	\$9.13	\$9.40	\$9.68	\$9.97	\$10.27
% Increase		3%	3%	3%	3%	3%	% Increase		3%	3%	3%	3%	3%
\$ Increase		\$0.40	\$0.41	\$0.42	\$0.43	\$0.45	\$ Increase		\$0.27	\$0.27	\$0.28	\$0.29	\$0.30

**Fund Balance**



# NEXT STEPS

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- ▣ **Review and Revise Assumptions as Needed**
- ▣ **Update Scenario Analysis**
- ▣ **Prepare Final Rate Study**
- ▣ **Adopt Proposed Changes to Rates**