Water Sewer Fund Overview

- **FY21 Budgeted Revenues/Expenses: $10,335,415**

- **Expenses:**
  - Department Costs (29%)
    - Personnel
  - Debt Service (16%)
  - MWRA Assessment (55%)

- **Revenues:**
  - Primarily User Charges
    - Usage -> Billing -> Collections

Revenues must be sufficient to support budgeted expenses for operation of the Water/Sewer Enterprise Fund, Debt Service for previously approved capital (infrastructure) projects, and MWRA assessment. Budget development for the Water/Sewer Enterprise Fund is part of the annual budgeting process for the Town.

MWRA Assessment

- **Assessments for Water and Sewer**:
  - FY21 Water Assessment: $1,958,437(4.8% increase over FY20)
  - FY21 Sewer Assessment: $3,714,891 (-.01% decrease from FY20)
  - FY21 Total Assessment: $5,673,328

- **FY21 MWRA Community Financial Relief Initiative / Rate Mitigation**
  - Relief from reduction in MWRA Assessments was passed along to the rate payer in Winthrop. The rate increase needed to support Winthrop's Water/Sewer Fund was reduced to a level that would support the lower MWRA Assessment amount.
  - Uncertain if similar rate relief will occur in FY22.

MWRA Assessment

MWRA Water and Sewer Rate Methodology

- How MWRA sets water and sewer assessments to for communities:

Water Rates

- In setting water rates, MWRA first identifies through its budgeting process the total amount of revenue that must be raised to run the water system. Charges are calculated using a flat rate per million gallons – $4,021.42 for FY2020 – times the metered water use by a community in the last full calendar year.

Sewer Rates

- Sewer charges are computed on a proportional allocation basis utilizing total flow, contributing population and census population for each community. The total amount of required revenue for the sewer system is allocated either to operating costs or capital costs. Operating costs are allocated to each community based on the average of the prior three calendar years' total flow, with adjustments for strength of flow.
- Capital costs, including debt service, are allocated to each community based on a combination of (1) average of the prior three years' peak month wastewater flow and average concentrations of total suspended solids and biochemical oxygen demand; (2) the proportion of the population of the community that is served by the local sewer system; and (3) the proportion of the community's U.S. census population to the total census population in the sewer system.

[Note – the above is not the methodology for the rate that Winthrop sets. This is the rate methodology for what we are charged by MWRA for their costs.]

https://mwraadvisoryboard.com/assessments/

Winthrop Water Use

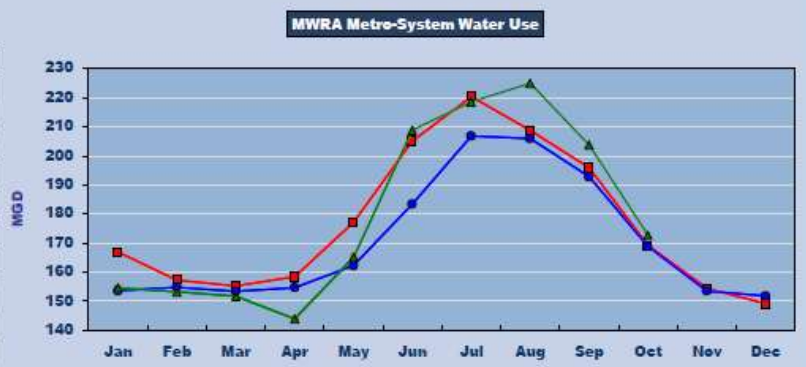
Massachusetts Water Resources Authority

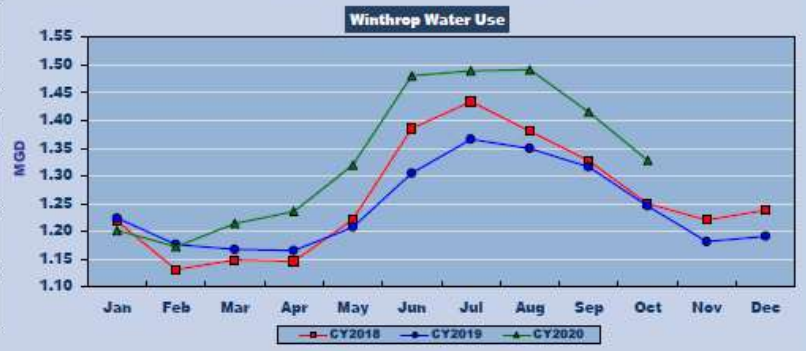
Town of Winthrop Water Use

Winthrop Water Use

	CY2018		CY2019		CY2020	
	MG	MGD	MG	MGD	MG	MGD
Jan	37.8	1.22	37.9	1.22	37.3	1.20
Feb	31.7	1.13	32.9	1.18	34.0	1.17
Mar	35.6	1.15	36.2	1.17	37.6	1.21
Apr	34.4	1.15	35.0	1.17	37.1	1.24
May	37.9	1.22	37.4	1.21	40.9	1.32
Jun	41.6	1.39	39.2	1.31	44.4	1.48
Jul	44.5	1.43	42.3	1.37	46.2	1.49
Aug	42.8	1.38	41.8	1.35	46.2	1.49
Sep	39.8	1.33	39.5	1.32	42.5	1.42
Oct	38.7	1.25	38.6	1.25	41.2	1.33
Nov	36.6	1.22	35.4	1.18	0.0	0.00
Dec	38.4	1.24	36.9	1.19	0.0	0.00
YTD Total*	384.7		380.9		407.3	
Annual Total	459.6		453.3		407.3	
YTD Average*		1.27		1.25		1.34
Annual Average		1.26		1.24		1.34

	CY2018		CY2019		CY2020	
	YTD*	Annual	YTD*	Annual	YTD*	Annual
Flow Change from Prior Year	7.8%	7.2%	-1.0%	-1.4%	6.9%	TBD
MWRA Metro System Water Use (MG)	55,219	64,479	52,853	62,169	54,869	TBD
* Winthrop's Share of System Water Use	0.70%	0.71%	0.72%	0.73%	0.74%	TBD





* Based on YTD water use through October. FY2022 water assessments will be based on share of water use through December 2020. All flows are preliminary and subject to change following MWRA and community review.

Study

- **Rate Structure Analysis**:
  - Tiered Water Rate
  - Quarterly Base Charges
  - Hardship Waiver

- **Other**:
  - Water Loss (Aged infrastructure)
  - Impact of Delayed Rate Increases
  - Meters
  - Municipal Accounts

Current Year Update

- Town Council Auditor Dick Hingston