

SEWER RATE ANALYSIS

City Of Bloomfield

Project Cost: \$8,004,000
Proposed Funding: Iowa Finance Authority's SRF Loan Program. This program offers a 2% loan with a 20 year amortization.
Project Description: Sewer Project

Proposed Rate Increases

	Current	Rate increase 50% on Base 50% on Flow
Min. Bill Gal.	3,000	3,000
Usage Rate (/1000)	\$8.25	\$11.50
Base Rate	\$36.00	\$50.00
User Impacts		
3,000	36.00	50.00
5,000	52.50	73.00
10,000	93.75	130.50
20,000	176.25	245.50

Key Assumptions

1. 1259 total meters billed monthly
2. 20,991,000 gallons billed annually
3. \$37,900 operating cost increase after completion of improvements
4. Assumes utility rates will increase to match inflation in operation and maintenance costs
5. Minimum coverage ratio for SRF loan of 110% with no required debt service reserve fund
6. Assumes \$45,000 annual future capital expenditure