

At our regular monthly board meeting held on January 12, 2021, the board adopted its 2021 budget.

The basis for the increase was the Cost-of-Service Analysis and Rate Study report prepared in August 2020 by consultant, Resources Development & Management, Inc. The Cost-of-Service Analysis and Rate Study report recommended rate increases on all water and sewage services. The Board has considered the study and determined that along with anticipated increases in expenses that are attributable to a number of factors including but not limited to, DEP withdrawal and production limits leading to additional cost of purchasing water, payment of debt service etc. determined that rate increases are required to offset costs. The 2021 rates are as follows:

2021 Commercial Water Rate - All Commercial customers monthly water usage charge increase of \$2.00 per thousand gallons. Since 2016-2019, commercial customers had an increase of only .75 cents on usage.

2021 Commercial Sewage Rate - Flat rate charge of 0.50 cents per Equivalent Dwelling Unit based on commercial water usage.

2021 Residential Customers - The proposed 2021 budget will include that all residential customers will see a nominal increase of 0.50 cents for water usage and an 0.50 cent increase for flat rate sewage services. Any rate increases would take effect in January 2021.

We regret this increase but any changes in rates are to make certain we can maintain our systems and all costs associated ensuring that the authority properly maintain our infrastructure, meet environmental regulations and honor its commitment to our loans so we are able to provide reliable services to our customers.

Respectively,

Dr. Maher Shawer

Dr. Maher Shawer
ICMSA Chairman

cc : ICMSA Board of Directors
Marty Maschak - ICMSA Executive Director