City of Nelsonville Water & Sewer Rate Analysis



November 9, 2026

**Analysis derived from information provided by the City

RCAP Great Lakes COMMUNITY ACTION PARTNERSHIP

ABOUT GREAT LAKES RCAP



Great Lakes
COMMUNITY ACTION
PARTNERSHIP





RURAL COMMUNITY ASSISTANCE PROGRAM

- Part of a nation-wide network of non-profit organizations that operate RCAP
- Coordinated through the national **Rural Community Assistance Partnership**
- Serving our region since 1980

OPERATED BY GLCAP

- Great Lakes community Action Partnership based in Fremont, Ohio
- One of the largest Community Action Agencies in the country
- GLCAP operates RCAP in 7 states across the Great Lakes region

HELPING SYSTEMS UNDER 10,000 PEOPLE

- RCAP provides free and low-cost technical assistance and training
- We work with larger entities that serve or regionalize smaller and rural communities
- We also help larger entities on a fee-for-service basis

WE SERVE SEVEN STATES

- We serve over 600 communities each year
- In many of them, we are working on more than one project or providing multiple services



Our Mission

- Improve public health, surface water protection, environmental compliance, economic readiness and quality of life in small communities and rural areas.
- Help small and rural communities access funding for water and sewer projects.
- Improve the technical, managerial and financial capabilities of water and sewer systems through technical assistance and training.
- Promote shared services and regionalization projects to increase economies of scale and efficiency, reduce end-user costs, and ensure long-term sustainability.

How We Achieve This

Rural Community Assistance Partnership



RCAP works to improve the quality of life in rural America starting at the tap!

Rate Analysis Process



Water Bill Breakdown

- Collection of data
- Analysis of revenues & expenditures
- Analysis of Current Appropriation amounts and Trends
- Current & Future Debt Payment Obligations
- Short-Lived Asset and Future Equipment Replacement
- Recognize the impact of inflation
- Develop a five-year budget and rate recommendations

RCAP Great Lakes COMMUNITY ACTION PARTNERSHIP

The Council's Mission

Select a ***fair*** and ***reasonable*** rate structure that provides a reliable, safe, and efficient utility for all ratepayers while producing the revenues to successfully operate and maintain that utility.



RCAP

Great Lakes COMMUNITY ACTION PARTNERSHIP

Recommended Rate Structure - Water

Rate Type	2025	2026	2027	2028	2029	2030	2031
In Town Base (0-1,500 Gallons)	$26.23	$27.28	$28.37	$29.51	$30.69	$31.91	$33.19
In Town over Base per 1,000 Gallons	$17.45	$18.15	$18.88	$19.63	$20.42	$21.23	$22.08
Out of Town Base (0-1,500 Gallons)	$38.65	$40.20	$41.81	$43.48	$45.22	$47.03	$48.91
Out of Town over Base per 1,000 Gallons	$26.15	$27.20	$28.29	$29.42	$30.60	$31.82	$33.09
Rate Increase	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

RCAP Great Lakes COMMUNITY ACTION PARTNERSHIP

Projected Outlook - Water

	2026	2027	2028	2029	2030	2031
Beginning Balance	$1,676,209	$1,518,661	$1,513,781	$1,505,515	$1,495,294	$1,516,686
Revenues	4,868,131	2,271,487	2,361,591	2,455,277	2,552,688	2,653,970
Expenses	(4,504,259)	(1,754,947)	(1,816,369)	(1,879,942)	(1,945,740)	(2,013,841)
Debt	(521,420)	(521,420)	(553,488)	(585,556)	(585,556)	(585,556)
Net Change	(157,548)	(4,880)	(8,266)	(10,221)	21,392	54,573
Ending Balance	$1,518,661	$1,513,781	$1,505,515	$1,495,294	$1,516,686	$1,571,259

DEBT PAYMENTS - Water

2026	2027	2028	2029	2030	2031
$521,420	$521,420	$553,488	$585,556	$585,556	$585,556

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Escrow / Reserve Account Recommendations

	2026	2027	2028	2029	2030	2031	Totals
Distribution Annual Set Aside (1%)	21,115	21,960	22,838	23,752	24,702	25,690	140,057
Source & Plant Annual Set Aside (1%)	21,115	21,960	22,838	23,752	24,702	25,690	140,057
Emerg. Escrow Set Aside (2%, Capped at 12.5%)	42,230	43,920	45,676	47,504	49,404	51,380	280,114
							560,228

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Affordable Rates

ODOD / CDBG	Single	$30.00
	Combined	$60.00
OWDA	Water	1.1% of MHI
	Sewer	1.5% of MHI
	Combined	2.6% of MHI
USDA / RD	Single	1.5% of MHI
	Combined	3.0% of MHI



MHI data has been compiled by US Census Bureau. Demographic information on your community can be found at https://factfinder.census.gov/

RCAP Great Lakes COMMUNITY ACTION PARTNERSHIP

Affordability - Water

Affordability - Avg. 2,500 Gallon/Mo	2026	2027	2028	2029	2030	2031
Average Metered Residential Bill	$45.43	$47.25	$49.14	$51.10	$53.15	$55.27
% of Median Household Income	1.10%	1.14%	1.19%	1.23%	1.28%	1.33%
MHI - ACS 2025 5yr	$49,750	$49,750	$49,750	$49,750	$49,750	$49,750

Recommended Rate Structure - Sewer

Rate Type	2025	2026	2027	2028	2029	2030	2031
In Town Base (0-1,500 Gallons)	$ 21.31	$ 21.95	$22.83	$23.74	$24.69	$25.68	$26.70
In Town over Base per 1,000 Gallons	$ 12.88	$ 13.27	$13.80	$14.35	$14.92	$15.52	$16.14
Out of Town Base (0-1,500 Gallons)	$31.96	$32.92	$34.24	$35.60	$37.03	$38.51	$40.05
Out of Town over Base per 1,000 Gallons	$19.31	$19.89	$20.68	$21.51	$22.37	$23.27	$24.20
Hocking County	$5.50	$5.67	$5.89	$6.13	$6.37	$6.63	$6.89
Rate Increase	4.0%	3.0%	4.0%	4.0%	4.0%	4.0%	4.0%

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Projected Outlook - Sewer

	2026	2027	2028	2029	2030	2031
Beginning Balance	$1,302,633	$1,103,843	$1,081,164	$1,081,258	$1,105,262	$1,154,368
Revenues	1,637,085	1,702,568	1,770,671	1,841,498	1,915,158	1,991,764
Expenses	(1,226,420)	(1,395,135)	(1,440,465)	(1,487,382)	(1,535,940)	(1,586,198)
Debt	(609,455)	(330,112)	(330,112)	(330,112)	(330,112)	(330,112)
Net Change	(198,790)	(22,679)	94	24,004	49,106	75,454
Ending Balance	$1,103,843	$1,081,164	$1,081,258	$1,105,262	$1,154,368	$1,229,822

RCAP Great Lakes COMMUNITY ACTION PARTNERSHIP

DEBT PAYMENTS - Sewer

2026	2027	2028	2029	2030	2031
$609,455	$330,112	$330,112	$330,112	$330,112	$330,112

Escrow / Reserve Account Recommendations

	2026	2027	2028	2029	2030	2031	Totals
Collection Annual Set Aside (1%)	15,674	16,301	16,953	17,631	18,336	19,070	103,964
Plant Annual Set Aside (1%)	15,674	16,301	16,953	17,631	18,336	19,070	103,964
Emerg. Escrow Set Aside (2%, Capped at 12.5%)	31,347	32,601	33,905	35,262	36,672	38,139	207,927
							415,854

Affordable Rates

ODOD / CDBG	Single	$30.00
	Combined	$60.00
OWDA	Water	1.1% of MHI
	Sewer	1.5% of MHI
	Combined	2.6% of MHI
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Affordability - Sewer

Affordability - Avg. 2,500 Gallon/Mo	2026	2027	2028	2029	2030	2031
Average Metered Residential Bill	$35.22	$36.62	$38.09	$39.61	$41.20	$42.85
% of Median Household Income	0.85%	0.88%	0.92%	0.96%	0.99%	1.03%
MHI - ACS 2025 5yr	$49,750	$49,750	$49,750	$49,750	$49,750	$49,750

Recommendations

- Annually increase rates as projected.
- Begin Reserve / Escrow Accounts. This may be done internally.
- Continue to grow the above accounts to assist in covering unforeseen circumstances.
- Review rates annually and adjust accordingly due to unforeseen circumstances.

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QUESTIONS



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