

The Somerset Water and Sewer Department recently completed a comprehensive financial review, which analyzed the past five years of financial data, current and future debt, operational and maintenance needs, and necessary capital improvements to address aging infrastructure. The details of this review were presented during the Board of Public Affairs (BPA) meeting on December 3, 2024.

As a result of this review, it has been determined that the Water Department is projected to operate in a deficit within the next couple of months. To address this financial shortfall, the BPA has approved a recommended \$15 minimum rate increase for all users. This increase will help the department stay in compliance and cover current operational, maintenance, and debt obligations.

Similarly, the Sewer Department was presented with a recommendation to implement a \$15 minimum rate increase, which was also approved by the BPA. These funds will be essential to cover current expenses, as well as the debt incurred for the planning and design of major infrastructure improvements. It's important to note that these rate increases do not include funding for the construction of capital improvement projects at this time.

A capital improvements plan will be developed and evaluated in 2025 to address long-term infrastructure needs.

Effective with the bills due January 15, 2025, the total combined rate increase on the minimum user charge for both water and sewer services will be \$30 per month.

We understand that rate increases can be challenging, but these adjustments are necessary to ensure the continued reliable operation of our water and sewer services. We remain committed to transparency and will continue to work toward developing a sustainable plan for Somerset's future infrastructure needs.

For more information or to discuss the rate changes, please contact the Somerset's Board of Public Affairs.

Thank you for your understanding and support.