

# Watertown Water & Sewer Authority (WSA)

## Understanding Sewer Revenue and Billing

*(Plain Language Summary of Sewer Revenue Planning)*

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### Why This Document Matters

The Water & Sewer Authority (WSA) must estimate how much revenue will be collected to support the sewer system.

This document explains—in simple terms:

- How sewer revenue is generated
- How different users contribute to the system
- Why revenue can vary from year to year

The goal is to make technical budget information easier to understand.

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### How Sewer Revenue Is Generated

Sewer system revenue comes from two primary sources:

#### 1. Usage-Based Charges

- Based on estimated wastewater flow
  - Derived from water usage for most customers
  - Measured in **1,000-gallon units**
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#### 2. Flat Fees (Fixed Charges)

- Charged regularly regardless of usage
- Provide stable, predictable revenue

Flat fees help support:

- Billing and administration

- System readiness and maintenance
  - Regulatory compliance
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## Why This Structure Is Used

This approach ensures:

- Fairness in billing based on system use
- Stability in funding for fixed costs

### **In simple terms:**

Usage charges vary, but flat fees help keep the system financially stable.

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## How Sewer Revenue Is Estimated

To plan responsibly, the WSA:

1. Reviews multiple years of past system flow
2. Calculates a long-term average
3. Applies established rates
4. Estimates revenue under typical conditions

This approach helps avoid relying on unusually high or low years.

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## Who Pays Into the System

Sewer revenue comes from two main groups:

### **WSA Retail Customers**

- Homes and businesses within the system
  - Represent the **primary source of revenue**
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### **Watertown Fire District (WFD)**

- Treated as a **separately metered customer**

- Billed at a different, established rate

This ensures accurate and fair allocation of costs.

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## What the Revenue Estimate Shows

For planning purposes:

- **WSA Retail Customers:** approximately **\$3.06 million**
- **Watertown Fire District:** approximately **\$1.39 million**
- **Total System Revenue:** approximately **\$4.44 million**

In addition:

- Flat-fee revenue contributes approximately **\$1.5 million annually**
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## Why Revenue Can Vary

Sewer revenue depends on total system flow, which can change due to:

- Weather conditions
- Groundwater levels
- Inflow & Infiltration (I&I)
- Changes in water usage

Because of this, actual revenue may differ from projections.

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## The Role of I&I

Inflow & Infiltration (I&I):

- Adds additional water to the sewer system
- Increases total measured flow
- Affects both costs and revenue

However:

- I&I is not tied to individual users

- It impacts the system as a whole
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## **What These Estimates Do Not Include**

These projections:

- Are **planning estimates only**
  - Do not include:
    - Adjustments or corrections
    - Penalties or late fees
    - One-time or unusual events
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## **What This Means for Residents**

- Sewer bills are based on **water usage as a proxy**
  - System-wide conditions affect overall financial performance
  - Long-term planning helps maintain stability and reliability
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## **Key Takeaway**

- Sewer revenue comes from both **usage-based charges and fixed fees**
  - Retail customers provide the majority of system revenue
  - The Fire District is separately metered and billed
  - Multi-year averages support stable and responsible planning
  - System-wide factors, including I&I, affect overall results
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## **Learn More**

Residents who would like to review the full technical details can refer to:

### **Exhibit D – Projected Sewer Revenue**

Additional materials are available at:

[www.watertownct.org](http://www.watertownct.org)

Departments → Water & Sewer

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## **Final Note**

This summary is part of an ongoing effort to provide clear, accessible explanations of WSA operations and financial planning. The information presented is forward-looking and intended to support transparency, understanding, and informed community engagement.