

“How Much Am I Going To Have To Pay For Water & Sewer in 2023?”

And Other Frequently Asked Questions About the 2023 Water And Sewer Rates in Long Beach Township NJ (LBT)

December 5, 2022

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1. *What are the new rates for residential water and sewer usage in 2023?*

WATER Your quarterly water bill will include a base water charge plus a charge for the amount of water you use per quarter. The base water charge covers the Township’s cost of maintaining water service to your property. The schedule below shows the charges per quarter per unit in a residential property:

| | |
|---------------------------|-----------------------------------|
| Base water charge | \$150 per single family residence |
| 0 – 15,000 gallons | \$1 per 1,000 gallons |
| 15,001 – 25,000 gallons | \$2 per 1,000 gallons |
| 25,001 – 50,000 gallons | \$5 per 1,000 gallons |
| 50,001 – 100,000 gallons | \$10 per 1,000 gallons |
| 100,001 – 150,000 gallons | \$13.50 per 1,000 gallons |
| 150,001+ gallons | \$18 per 1,000 gallons |

SEWER \$600 per year, billed quarterly at \$150 per quarter, for a single-family residence and \$1,200 per year for a duplex (two-family residence), billed at \$300 per quarter. This fee is used to pay for the cost of maintenance and repairs in the sewer service.

In addition, an annual surcharge of \$100 will be collected during 2023 from all properties that used more than 150,000 gallons of water during 2022. A decision about subsequent surcharges will be determined around this time every year to be effective the following year.

In summary, it will cost you \$100 per month for the water & sewer basic charges *combined* plus the cost of the water for whatever you use.

2. How are those rates different from 2022?

WATER

- *Base rate:* In 2023, everyone is charged the same base rate—\$150 per quarter.

In 2022, the base rate varied by property based on the water-related items in your residence (e.g., sink, faucet, hose spigot, shower). A set charge per item was added to the base rate to determine your final charge. That per-item charge has been eliminated in 2023.

- *Quarterly billing schedule:* No change in 2023 from 2022.

The water year remains January – December divided into quarters: Q1 January – March; Q2 April – June; Q3 July – September; and Q4 October – December. See [#11 below](#) for the details.

- *When usage charges begin:* In 2023, there is a charge for all water used, beginning when you turn on the faucet. In 2022, you paid an extra charge for water usage in excess of 15,000 gallons of usage per quarter.

- *Levels of usage & cost per level:* The 2023 levels of usage are the same as the 2022 levels. What is different is the cost of 1,000 gallons per quarter at most levels.

| <u>Level of Usage Per Quarter</u> | <u>Cost per 1,000 gallons of water</u> | |
|-----------------------------------|--|-------------|
| | <u>2023</u> | <u>2022</u> |
| 0 – 15,000 gallons | \$1 | \$0 |
| 15,001 – 25,000 gallons | \$2 | \$2 |
| 25,001 – 50,000 gallons | \$5 | \$4 |
| 50,001 – 100,000 gallons | \$10 | \$8 |
| 100,001 – 150,000 gallons | \$13.50 | \$12 |
| 150,001+ gallons | \$18 | \$16 |

SEWER

- The annual charge structure remains the same in 2023 as in 2022, i.e., everyone pays the same base sewer rate and 25% of the annual charge is billed quarterly. The billing schedule is the same in 2023 as it was in 2022 (see [#11 below](#)).
- What is different is the amount of the annual base sewer rate, which will increase 2.7% from \$584 to \$600 in 2023.

3. *If I use exactly the same amount of water in 2023 as I did in 2022, how much more will it cost me in 2023?*

Unfortunately, there is no one-size-fits-all answer because everyone had a different base water rate in 2022. Also, it would be impossible to accurately answer that question until 2022 is actually over because a complete, 12-month picture of your water usage would not be available until then.

In the meantime, here are some examples that might be helpful, based on actual usage during the second and third quarters of 2022. Keep in mind that water usage per quarter falls between 15,000 – 50,000 gallons per quarter in 84% of LBT homes.

HOMEOWNER A: Per quarter in 2022, base water charge was \$183.25 and the sewer charge was \$146. Payment amounts have been rounded to the nearest whole dollar.

| Quarter | Gallons Used | Water/Sewer Cost 2022 | Water/Sewer Cost 2023 | Change % |
|---------------------|---------------|-----------------------|-----------------------|----------------------|
| Q2 April – June | 13,116 | \$329 | \$313 | Decrease 4.9% |
| Q3 July - September | 16,763 | \$333 | \$319 | Decrease 4.3% |
| TOTAL | 29,879 | \$662 | \$632 | Decrease 4.6% |

HOMEOWNER B: Per quarter in 2022, base water charge was \$283.50 and the sewer charge was \$146. Payment amounts have been rounded to the nearest whole dollar.

| Quarter | Gallons Used | Water/Sewer Cost 2022 | Water/Sewer Cost 2023 | Change % |
|---------------------|---------------|-----------------------|-----------------------|-----------------------|
| Q2 April – June | 48,194 | \$542 | \$451 | Decrease 16.8% |
| Q3 July - September | 38,229 | \$503 | \$401 | Decrease 20.2% |
| TOTAL | 86,423 | \$1,045 | \$852 | Decrease 18.4% |

HOMEOWNER C: Per quarter in 2022, base water charge was \$220.50 and the sewer charge was \$146. Payment amounts have been rounded to the nearest whole dollar.

| Quarter | Gallons Used | Water/Sewer Cost 2022 | Water/Sewer Cost 2023 | Change % |
|---------------------|----------------|-----------------------|-----------------------|----------------------|
| Q2 April – June | 42,616 | \$457 | \$423 | Decrease 7.4% |
| Q3 July - September | 78,692 | \$716 | \$747 | Increase 4.3% |
| TOTAL | 121,308 | \$1,173 | \$1,170 | Decrease 0.3% |

HOMEOWNER D: Per quarter in 2022, base water charge was \$220.50 and the sewer charge was \$146. Payment amounts have been rounded to the nearest whole dollar.

| Quarter | Gallons Used | Water/Sewer Cost 2022 | Water/Sewer Cost 2023* | Change % |
|---------------------|----------------|-----------------------|------------------------|-----------------------|
| Q2 April – June | 75,337 | \$617 | \$713 | Increase 15.6% |
| Q3 July - September | 86,683 | \$724 | \$847 | Increase 17.0% |
| TOTAL | 164,020 | \$1,341 | \$1,610* | Increase 20.1% |

**Note that the total includes the \$100 annual sewer surcharge because the homeowner used more than 150,000 gallons of water during the previous year.*

4. I only come to my LBI home once or twice January through March. Can I get a reduction in the first quarter base water charge? No, because the infrastructure behind that service runs 24/7 365 days a year, e.g., pump houses, water plants, pipe and hydrant maintenance. All of this physical equipment must be maintained so when you come for two days on a weekend in February, you won't have to wonder if the water is going to come out of the tap and what color it is going to be.

5. How were the 2023 rates determined?

New Jersey law requires that revenue projections for these services must be based only on what actually happened in the past, not anticipated revenues for the coming year.

Consequently, the mayor, commissioners and LBT Water/Sewer Department personnel reviewed the amount of 2022 water usage and revenue collected. They used that information to predict the anticipated demand in 2023 and its cost. From there, they crafted the rate schedule to ensure so that the annual water/sewer budget of \$13.5M is funded.

Also in their calculations they must factor in the price of water that LBT buys from five other towns: Harvey Cedars, Ship Bottom, Surf City, Barnegat Light and Beach Haven.

Further, they consider that we have water meters in order to support a state-wide effort to reduce water consumption and conserve this important and natural resource. Pricing structures are created to add incentive to meet this objective.

6. *What happens if revenue collected exceeds what is actually spent?*

In LBT, water/sewer charges are not a money maker; the idea is for revenue to only cover the expense and, thus, to break even. If there is money left over in the budget at the end of the year, it is applied to the following year and the pricing schedule is adjusted accordingly. If there is a shortfall, then that is also factored into the budgeting process.

State law in New Jersey dictates that the water/sewer budget must be kept separate from the general Township budget and the revenues cannot mix. Water and sewer revenues are never used to cover other capital expense budget items.

7. *Why did my annual sewer rate increase this year?*

The base rate increased by 2.7%, from \$584 per year to \$600.

Sewer usage has increased every year – and, thus, so do expenses – particularly during the last three years because many more people are staying on the island longer or moving here full-time. When there are more people, more goes into the sewer and that increases how much the Township pays the Ocean County Utility Authority (“OCUA”) because the Township is billed on volume.

The OCUA also raises its rates periodically and the LBT budget has to account for that increased cost.

In addition, it costs money to fund the Township’s on-going strategy to rebuild the entire infrastructure and to maintain a proactive maintenance schedule. Adhering to such a strategy significantly reduces the probability that Township residents would face disruptions in the future and the necessity for expensive emergency repairs for the Township and county.

8. *Why won’t I be getting 15,000 gallons of free water every quarter anymore?*

Actually, it was never free. Every gallon of water had to be paid for somehow, which is what the whole rate structure is all about.

The 2023 rate structure levels the playing field, however, because everyone pays for the amount of water they actually use. Whether you are here January through March and/or your water is shut off, everyone will pay the same base rate of \$150 per quarter for water plus the cost of their actual water usage in the previous quarter.

Note that the basic charge for sewer is \$150 per quarter, which is also used to keep that infrastructure functioning.

9. *Are all areas in Long Beach Township charged the same rates for water and sewer in 2023?* Yes, in all six areas of Brant Beach, High Bar Harbor, Holgate, LBT10, Loveladies and North Beach for a single-family residence.

10. *Do I have to pay the full annual charge up front?* No. You will be billed quarterly for water and sewer – two separate charges on one bill. The billing schedule is included in #11 below.

11. When can I expect to receive a bill? You can expect to receive four invoices during the calendar year. Remember that you are billed for water charges and sewer charges on the *same bill* (not two separate bills). In 2023, your bill will be sent to you on the same schedule as last year and your payment continues to be due by the first day of the following month:

WATER CHARGES

| Billing Date | Includes |
|---------------------|-----------------|
|---------------------|-----------------|

| | |
|------------|--|
| February 3 | Base rate + cost for water > 15,000 gallons in 4 th quarter of 2022 |
|------------|--|

| | |
|-------|---|
| May 1 | Base rate + cost of water first quarter |
|-------|---|

| | |
|----------|--|
| August 4 | Base rate + cost of water second quarter |
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|------------|---|
| November 3 | Base rate + cost of water third quarter |
|------------|---|

| | |
|------------|--|
| Feb 5 2024 | Base rate for 2024 + cost of water fourth quarter 2023 |
|------------|--|

SEWER CHARGES You are billed quarterly for 25% of the annual charge for sewer services. In 2023, the quarterly sewer charge is \$150 with a \$50 annual surcharge applied for all properties that used more than 150,000 gallons of water in 2022.

12. How can homeowners get access to their actual usage before the bill

arrives? Reading your own water meter as often as you wish is always an option. The Township is working with a provider to create an app that will make monitoring easier. The app is expected to be ready to launch very early in 2023. More information will follow.

13. Are businesses charged at different rates for water and sewer than residences? Yes.

The annual base rate for water for commercial properties continues to be determined by meter size – no change from 2022. In 2023, the rates charged for consumption of water per meter would be increased by 10% across the board and begin with the first gallon used.

Non-residential units are charged different rates for sewer service based on the type of business and other factors. In 2023, these rates would also be increased by 10% across the board.

The new ordinance proposed at first reading at the Long Beach Township public meeting December 5, 2022 includes the full details of both water and sewer rates for commercial and other types of non-residential properties.

14. Where can I see a copy of the proposed ordinance? View the ordinance on the LBT website at longbeachtownship.com/public-meeting-minutes/ in the December 5, 2022 section.

Or, from the home page of the LBT website <https://www.longbeachtownship.com/>, click on **Government**. On the next screen, click on **LBT Public Meeting Info** in the column on the left. On the next screen, find the December 5, 2022 section.