

**CITY OF EDGEWATER,
FLORIDA**



**WATER, WASTEWATER,
SOLID WASTE, AND
STORMWATER
UTILITY RATE STUDY –
FISCAL YEAR 2017 UPDATE**

August 24, 2017



Public Resources Management Group, Inc.
Utility, Rate, Financial, and Management Consultants



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Utility, Rate, Financial, and Management Consultants

August 24, 2017

Honorable Mayor and
Members of the City Council
City of Edgewater
104 N. Riverside Drive
Edgewater, FL 32132

**Subject: Water, Wastewater, Solid Waste, and Stormwater Utility Rate Study –
Fiscal Year 2017 Update**

Ladies and Gentlemen:

Public Resources Management Group, Inc. ("PRMG") has completed our update of the Fiscal Year 2017 Rate Study of the water, wastewater, solid waste, and stormwater rates for the City of Edgewater, Florida (the "City") and has summarized the results of our analyses, assumptions, recommendations, and conclusions in this report which is submitted for your consideration. The analysis encompassed a financial evaluation for the six (6) fiscal year period of October 1, 2016 through September 30, 2022 (the "Forecast Period"). Based on the assumptions relied upon in the development of the projected utility system revenues and expenditure needs, PRMG has identified the need for additional water, wastewater, solid waste, and stormwater rate adjustments above their previously adopted levels for Fiscal Years 2017 through 2021, which are summarized in this report and shown below:

Summary of Previously Adopted and Proposed Rate Adjustments

Description	Fiscal Year Ending September 30,					
	2017	2018	2019	2020	2021	2022
Adopted Rate Adjustments (Resolution No. 2016-R-30):						
Water and Wastewater Systems	6.0%	6.0%	6.0%	6.0%	2.4%	N/A
Solid Waste System	9.0%	9.0%	9.0%	9.0%	6.0%	N/A
Stormwater System	0.0%	11.1%	0.0%	0.0%	2.4%	N/A
Proposed Rate Adjustments:						
Water and Wastewater Systems	N/A	9.0%	9.0%	9.0%	9.0%	9.0%
Solid Waste System	N/A	9.0%	9.0%	9.0%	9.0%	9.0%
Stormwater System	N/A	11.1%	0.0%	0.0%	2.4%	2.4%

The proposed rates are designed to meet a number of goals and objectives. The main objective of our analysis was to develop proposed rates that will produce revenues sufficient to meet the projected expenditure requirements of each utility system. Other goals and objectives considered in the study include:

- The proposed rates should allow the utility to maintain a financial position that is both sustainable and consistent with performance criteria established by the City and based on utility industry standards.
- The proposed rates should comply with any and all rate covenant requirements associated with existing debt or future borrowings.
- The proposed rates should be based on full cost recovery principles.
- The proposed rates should recognize historical rate structures or forms and avoid potential rate shock.
- The proposed rates, to the extent practical, should be comparable with those of neighboring utility systems.

The proposed rates and charges for water, wastewater, solid waste, and stormwater service are designed to meet the goals and objectives outlined above and should be sufficient to provide for the recovery of the total costs anticipated for each respective utility system.

Following this letter, we have provided a summary report which briefly summarizes the results of our study and outlines our recommendations and conclusions.

We appreciate the opportunity to be of service to the City and would like to thank the City staff for their valuable assistance and cooperation during this study.

Respectfully submitted,

Public Resources Management Group, Inc.



Henry L. Thomas
Senior Vice-President and Principal



Shawn A. Ocasio
Rate Consultant

HLT/nts
Attachments

CITY OF EDGEWATER, FLORIDA

**WATER, WASTEWATER, SOLID WASTE, AND STORMWATER
UTILITY RATE STUDY – FISCAL YEAR 2017 UPDATE**

TABLE OF CONTENTS

Title	Page No.
Letter of Transmittal	
Table of Contents	i
List of Tables	iii
SECTION 1 – WATER AND WASTEWATER SYSTEMS.....	1-1
Customer Growth and Revenues.....	1-1
Operating and Maintenance	1-1
Capital Improvement Plan.....	1-2
Existing and Proposed Debt.....	1-2
Transfers.....	1-2
Cash Balances	1-2
Conclusions and Recommendations	1-3
Rate Comparison.....	1-4
SECTION 2 – SOLID WASTE SYSTEM	2-1
Customer Growth and Revenues.....	2-1
Operating and Maintenance	2-1
Capital Improvement Plan.....	2-2
Existing and Proposed Debt.....	2-2
Transfers.....	2-2
Cash Balances	2-3
Conclusions and Recommendations	2-3
Rate Comparison.....	2-4

CITY OF EDGEWATER, FLORIDA

**WATER, WASTEWATER, SOLID WASTE, AND STORMWATER
UTILITY RATE STUDY – FISCAL YEAR 2017 UPDATE**

TABLE OF CONTENTS (cont'd.)

Title	Page No.
SECTION 3 – STORMWATER SYSTEM.....	3-1
Customer Growth and Revenues.....	3-1
Operating and Maintenance	3-1
Capital Improvement Plan.....	3-2
Existing and Proposed Debt.....	3-2
Transfers.....	3-2
Cash Balances	3-3
Conclusions and Recommendations	3-3
Rate Comparison.....	3-4

CITY OF EDGEWATER, FLORIDA

**WATER, WASTEWATER, SOLID WASTE, AND STORMWATER
UTILITY RATE STUDY – FISCAL YEAR 2017 UPDATE**

LIST OF TABLES AND APPENDICES

Table No.	Description
1-1	Summary of Historical and Projected Water Accounts and Sales
1-2	Summary of Historical and Projected Wastewater Accounts and Billable Flows
1-3	Summary of Projected Water Rate Revenues Under Existing Rates
1-4	Summary of Projected Wastewater Rate Revenues Under Existing Rates
1-5	Allocation of Fiscal Year 2017 Operating Budget
1-6	Allocation References
1-7	Projection of Water System Operating Expenses
1-8	Projection of Wastewater System Operating Expenses
1-9	Projection of Combined Water and Wastewater System Operating Expenses
1-10	Summary of Projected Escalation Factors
1-11	Capital Improvement Program Funding Plan
1-12	Summary of Existing and Proposed Annual Debt Service Payments
1-13	Projection of Renewal and Replacement Fund Transfers
1-14	Projection of Operating and Other Transfers
1-15	Projection of Ending Cash Balances and Interest Income
1-16	Projection of Water System Revenue Requirements
1-17	Projection of Wastewater System Revenue Requirements
1-18	Projection of Combined Water and Wastewater System Revenue Requirements
1-19	Projection of Debt Service Coverage Compliance
1-20	Comparison of Typical Monthly Residential Bills for Water Service
1-21	Comparison of Typical Monthly Residential Bills for Wastewater Service
1-22	Comparison of Typical Monthly Residential Bills for Combined Water and Wastewater Service
2-1	Projected Collection Revenues Under Existing Rates
2-2	Projected Solid Waste System Revenue Under Existing Rates
2-3	Fiscal Year 2017 Operating Budget
2-4	Projection of Solid Waste Operating Expenses
2-5	Summary of Projected Escalation Factors

CITY OF EDGEWATER, FLORIDA

**WATER, WASTEWATER, SOLID WASTE, AND STORMWATER
UTILITY RATE STUDY – FISCAL YEAR 2017 UPDATE**

LIST OF TABLES AND APPENDICES (cont'd.)

<u>Table No.</u>	<u>Description</u>
2-6	Capital Improvement Program Funding Plan
2-7	Summary of Debt Service Payments – Sinking Fund Basis
2-8	Projection of Interfund Transfers
2-9	Projection of Ending Cash Balances and Interest Income
2-10	Projected Solid Waste System Revenue Requirements
2-11	Projection of Debt Service Coverage Compliance
2-12	Comparison of Monthly Residential Collection and Disposal Bills
3-1	Summary of Historical and Projected Stormwater Accounts
3-2	Summary of Projected Stormwater Rate Revenues Under Existing Rates
3-3	Projection of Other Operating Revenues
3-4	Fiscal Year 2017 Operating Budget
3-5	Projected Stormwater System Operating Expenses
3-6	Summary of Projected Escalation Factors
3-7	Capital Improvement Program Funding Plan
3-8	Summary of Debt Service Payments - Sinking Fund Basis
3-9	Projection of Operating and Other Transfers
3-10	Projection of Ending Cash Balances and Interest Income
3-11	Projected Stormwater System Revenue Requirements
3-12	Projection of Debt Service Coverage Compliance
3-13	Comparison of Monthly Residential Stormwater Rates
<u>Appendix No.</u>	<u>Description</u>
1	Water and Wastewater System Financial Dashboards and Performance Metrics
2	Summary of Existing and Proposed Water Rates
3	Summary of Existing and Proposed Wastewater and Reclaimed Water Rates
4	Solid Waste System Financial Dashboards and Performance Metrics
5	Summary of Existing and Proposed Solid Waste Rates
6	Stormwater System Financial Dashboards and Performance Metrics
7	Summary of Existing and Proposed Stormwater Rates

SECTION 1

WATER AND WASTEWATER SYSTEMS



CITY OF EDGEWATER, FLORIDA

WATER, WASTEWATER, SOLID WASTE, AND STORMWATER UTILITY RATE STUDY – FISCAL YEAR 2017 UPDATE

SECTION 1 – WATER AND WASTEWATER SYSTEMS

CUSTOMER GROWTH AND REVENUES

Projected revenues from rates for the water and wastewater system were based on the schedule of water, wastewater, and reclaimed water rates and charges reflected in Resolution No. 2016-R-30, which contains adopted rates for Fiscal Years 2017 through 2021. In order to calculate projected revenues from rates for the Forecast Period, the existing rates were applied to projected billing statistics. Based on revised growth projections discussions with City staff, this analysis recognizes an average growth in customers of approximately 0.27%, or 30 accounts, per year throughout the Forecast Period and that customer usage will remain at current levels, as shown in Tables 1-1 through 1-4. Based on these assumptions, system revenues at proposed rates are estimated to increase from approximately \$9.3 million to \$14.3 million per year over the Forecast Period. Other operating revenues such as tap-on fees, services charges, and penalties are projected, on average, to be approximately \$644,000 per year and interest earnings on unrestricted fund balances are estimated to average approximately \$3,600 per year.

OPERATING AND MAINTENANCE EXPENSES

The Fiscal Year 2017 amended operating budget served as the basis for the operating expense projections for the remainder of the Forecast Period. Adjustments were made to the Fiscal Year 2017 operating budget to exclude depreciation, principal and interest payments on debt, capital expenditures, and additions to reserves, which were accounted for separately in our analysis; or in the case of depreciation, excluded as a non-cash expense. The adjusted amounts were then allocated between the water and wastewater systems, as shown in Tables 1-5 and 1-6. These adjustments resulted in the Fiscal Year 2017 operating budget of \$10.4 million being adjusted down to approximately \$6.7 million in cash operating expenses, as shown in Table 1-9. A contingency allowance of one percent (1.0%) of operation and maintenance expenses was recognized for unanticipated expenditures in each fiscal year. Additionally, a bad debt allowance of 0.25% of rate revenues was recognized in each fiscal year. The allowances represent averages of approximately \$72,000 and \$29,000 annually, respectively. Operation and maintenance expenses are projected to increase over the Forecast Period by an annual average of approximately 4.27% per year from Fiscal Year 2017 operating budget levels. The overall increase in projected operating expenses was based upon assumptions corresponding to several escalation factors and the nature of the expense as shown on Table 1-10. A few of the major factors are shown below:

1. Labor – 3.0% per year
2. Health Insurance – 29.0% in Fiscal Year 2018, 10.0% per year thereafter
 - a. Prior study assumed 6.0% per year based on discussions with staff.

3. Consumer Price Index (CPI) – Average of 2.2% per year
4. Chemicals, Electricity, and Fuel – 5.0% per year

Additionally, the City recently reviewed their internal cost allocation for services provided by the General Fund. As a result, the water and wastewater systems' internal cost allocations are anticipated to increase by approximately 12.6% in Fiscal Year 2018.

CAPITAL IMPROVEMENT PLAN

The Capital Improvement Program ("CIP") utilized in this analysis was based on the Fiscal Year 2017 - 2022 CIP, as provided by City. The City's project cost estimates were based on current year dollars and therefore these projected amounts were escalated by the Engineering News-Record (ENR) index, which is approximately 3.0% per year, to account for cost inflation over the Forecast Period. The CIP includes approximately \$30.9 million in improvements, renewals and replacements, and regulatory related investments. The financial forecast assumes that the anticipated CIP will be fully funded through a combination of rate revenues, cash reserves, impact fees, assessments, and proposed debt as shown on Table 1-11.

EXISTING AND PROPOSED DEBT

Based on the debt service schedules for the outstanding bonds, SRF Loans, revenue notes, and proposed senior and subordinate lien debt, the annual debt service payments to be funded from rates is approximately \$2.4 million per year over the Forecast Period. Payments for the proposed senior lien debt, which is a 40% allocation of the debt proposed for the public works building project, are projected to begin in Fiscal Year 2021 and will be approximately \$334,279 annually. It should be noted that this project was not a part of the prior studies' rate plan and represents a material increase in annual debt service payments for the water and wastewater systems. Payments for the proposed subordinate lien debts are projected to begin in Fiscal Year 2020 and will be approximately \$459,583 annually until Fiscal Year 2022, at which point they will increase to approximately \$831,987. Existing and proposed debt service payments are summarized on Table 1-12.

TRANSFERS

In order to fund ongoing renewal and replacement capital projects anticipated by the City, an annual transfer to the renewal and replacement fund from rate revenues was assumed. The transfer starts at 8.2% of the prior year's revenues and increases gradually to 19.0%, effectively, by the end of the Forecast Period and is shown in Table 1-13. Additionally, the City transfers 5.9% of the prior year's water and wastewater gross revenues to the General Fund in the form of a Payment in-lieu-of Franchise Fee (PILOFF). This amount is funded each year of the Forecast Period and averages approximately \$671,000 annually, as shown in Table 1-14.

CASH BALANCES

In Fiscal Year 2011 the City adopted Resolution No. 2011-R-20, which established a fund balance policy applying to all General Fund balances. Subsequently in Fiscal Year 2016 the City adopted Resolution 2016-R-40 which extended the fund balance policy to all operating funds including the water, wastewater, stormwater and sanitation enterprise funds. The adopted fund balance policy

establishes a reserve balance target equal to 15% of the current fiscal year operating expenditures and transfers out, with a maximum of 25%. If the reserve balance amount falls below targeted levels the City must begin a plan to achieve the minimum balance of 15% within five (5) years. Additionally, the City targets unrestricted cash balances between 45 to 90 days of rate revenue. By the end of the Forecast Period the City is projected to have \$5.2 million in unrestricted reserves, as shown in Table 1-15, which meets all internal City policy requirements and targets.

CONCLUSIONS AND RECOMMENDATIONS

Based on the projected operating expenditure needs of the water and wastewater system and the projected funding plan for the CIP, it is estimated that the rate increases adopted by Resolution No. 2016-R-30 will not be sufficient and additional rate adjustments are recommended to meet the needs of the system, as shown on Tables 1-15 through 1-19. The projected operating results set forth herein assume the adoption of the newly proposed rate adjustments. Below is a summary of the proposed rate adjustments, along with certain projected financial operating results.

Summary of Projected Rate Adjustments and Key Operating Results

Description	Fiscal Year Ending September 30,					
	2017	2018	2019	2020	2021	2022
Proposed Rate Adjustments	N/A [1]	9.0%	9.0%	9.0%	9.0%	9.0%
System Revenue Surplus / (Deficiency) [2]	(\$695,240)	(\$123,303)	\$298,617	\$505,149	\$330,551	\$519,572
Operating and R&R Reserves (Ending Balance) [3]	\$3,487,031	\$2,137,285	\$1,955,863	\$2,618,817	\$3,647,294	\$5,201,493
Unrestricted Days of Cash (Target of 90 Days of Rate Revenue) [3]	136	77	64	79	101	132
Charter Reserve Balance Target	\$1,639,986	\$1,658,209	\$1,731,729	\$1,850,148	\$2,039,641	\$2,189,771
Capital Reserves (Ending Balance) [4]	\$2,778,199	\$1,539,518	\$1,054,909	\$1,208,142	\$1,901,489	\$2,931,533
Senior Lien Debt Service Coverage (Test 1.00)	1.20	1.20	1.26	1.26	1.25	1.35
Subordinate Lien Debt Service Coverage (Test 1.15)	5.42	6.97	8.63	4.77	5.04	4.20
All-In Debt Service Coverage (Target 1.50)	1.42	1.79	2.08	2.14	2.48	2.53

[1] Rates were adjusted at the beginning of Fiscal Year 2017 by 6.0% for the water and wastewater systems.

[2] As shown in Table 1-18.

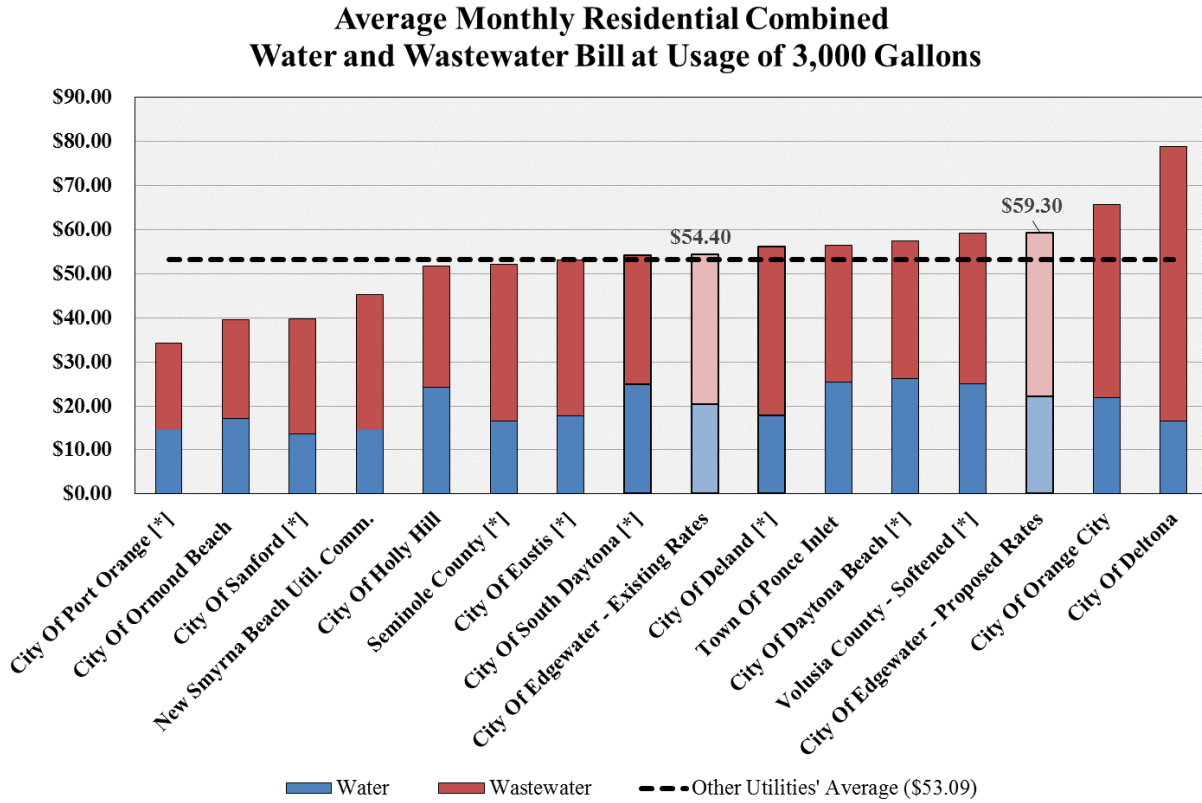
[3] As shown in Table 1-15.

[4] Amounts shown include the: i) Water Development Fee Fund (442); ii) Wastewater Development Fee Fund (443); iii) Renewal and Replacement Fund (444); and iv) Existing Construction Fund.

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RATE COMPARISON

As shown below for an average bill based on 3,000 gallons of water use and on Tables 1-20 through 1-22 for a range of usage levels, bills under the proposed Fiscal Year 2018 water and wastewater rates are above average when compared to the surveyed, neighboring utilities' average.



[*] Utilities shown: i) are involved in rate study; ii) are planning to conduct rate study; or iii) will implement rate revision or price index / pass-through adjustment within twelve months following the comparison preparation date.

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Table 1-3
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Summary of Projected Water Rate Revenues Under Existing Rates

Line No.	Description	Historical			Projected Fiscal Year Ending September 30,					
		2014	2015	2016	2017	2018	2019	2020	2021	2022
INSIDE THE CITY										
<u>Residential Single Family</u>										
1	Base Charge Revenue	\$1,050,769	\$1,110,273	\$1,183,425	\$1,257,842	\$1,261,067	\$1,264,292	\$1,267,517	\$1,270,742	\$1,273,967
2	Usage Charge Revenue	1,419,631	1,474,426	1,581,633	1,680,511	1,684,817	1,689,124	1,693,430	1,697,736	1,702,042
3	Total Residential Single Family	\$2,470,400	\$2,584,700	\$2,765,058	\$2,938,353	\$2,945,884	\$2,953,416	\$2,960,947	\$2,968,478	\$2,976,009
<u>Residential Multi Family</u>										
4	Base Charge Revenue	\$50,136	\$55,047	\$58,026	\$58,026	\$58,026	\$58,026	\$58,026	\$58,026	\$58,026
5	Usage Charge Revenue	60,476	64,857	64,312	67,068	67,068	67,068	67,068	67,068	67,068
6	Total Residential Multi Family	\$110,611	\$119,903	\$122,339	\$125,094	\$125,094	\$125,094	\$125,094	\$125,094	\$125,094
<u>Commercial</u>										
7	Base Charge Revenue	\$110,642	\$112,645	\$122,608	\$130,354	\$130,741	\$131,386	\$132,031	\$132,676	\$133,321
8	Usage Charge Revenue	195,824	208,782	223,126	237,435	238,369	239,925	241,482	243,039	244,596
9	Total Commercial	\$306,466	\$321,427	\$345,734	\$367,789	\$369,110	\$371,312	\$373,514	\$375,715	\$377,917
Total Inside the City Water Revenues										
10	Base Charge Revenue	\$1,211,546	\$1,277,965	\$1,364,059	\$1,446,223	\$1,449,835	\$1,453,705	\$1,457,575	\$1,461,445	\$1,465,315
11	Usage Charge Revenue	1,675,931	1,748,065	1,869,072	1,985,014	1,990,254	1,996,117	2,001,980	2,007,843	2,013,706
12	Total Inside the City Water Revenues	\$2,887,477	\$3,026,030	\$3,233,131	\$3,431,236	\$3,440,089	\$3,449,822	\$3,459,555	\$3,469,288	\$3,479,021
OUTSIDE THE CITY										
<u>Residential Single Family</u>										
13	Base Charge Revenue	\$105,878	\$109,789	\$115,105	\$121,998	\$121,998	\$121,998	\$121,998	\$121,998	\$121,998
14	Usage Charge Revenue	126,871	135,561	142,695	151,319	151,319	151,319	151,319	151,319	151,319
15	Total Residential Single Family	\$232,749	\$245,349	\$257,800	\$273,317	\$273,317	\$273,317	\$273,317	\$273,317	\$273,317
<u>Commercial</u>										
16	Base Charge Revenue	\$2,102	\$2,370	\$2,227	\$2,360	\$2,360	\$2,360	\$2,360	\$2,360	\$2,360
17	Usage Charge Revenue	5,814	1,518	2,233	2,369	2,369	2,369	2,369	2,369	2,369
18	Total Commercial	\$7,916	\$3,888	\$4,460	\$4,729	\$4,729	\$4,729	\$4,729	\$4,729	\$4,729
<u>Volusia County</u>										
19	Base Charge Revenue	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333
20	Usage Charge Revenue	370,042	410,575	612,875	644,190	644,190	644,190	644,190	644,190	644,190
21	Total Volusia County	\$370,375	\$410,907	\$613,208	\$644,523	\$644,523	\$644,523	\$644,523	\$644,523	\$644,523
Total Outside the City Water Revenues										
22	Base Charge Revenue	\$108,313	\$112,491	\$117,664	\$124,691	\$124,691	\$124,691	\$124,691	\$124,691	\$124,691
23	Usage Charge Revenue	502,727	547,654	757,804	797,877	797,877	797,877	797,877	797,877	797,877
24	Total Outside the City Water Revenues	\$611,040	\$660,145	\$875,468	\$922,569	\$922,569	\$922,569	\$922,569	\$922,569	\$922,569
Total Retail Water Revenues										
25	Base Charge Revenue	\$1,319,859	\$1,390,456	\$1,481,723	\$1,570,914	\$1,574,526	\$1,578,396	\$1,582,266	\$1,586,136	\$1,590,006
26	Usage Charge Revenue	2,178,658	2,295,718	2,626,876	2,782,891	2,788,131	2,793,994	2,799,857	2,805,720	2,811,583
27	Revenue Adjustment = -4.00%	(26,239)	(101,370)	(164,344)	(174,152)	(174,506)	(174,896)	(175,285)	(175,674)	(176,064)
28	Total Retail Water Revenues	\$3,472,278	\$3,584,805	\$3,944,255	\$4,179,653	\$4,188,151	\$4,197,495	\$4,206,838	\$4,216,182	\$4,225,526
29	Total Rate Revenues	\$3,472,278	\$3,584,805	\$3,944,255	\$4,179,653	\$4,188,151	\$4,197,495	\$4,206,838	\$4,216,182	\$4,225,526

Table 1-4
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Summary of Projected Wastewater Rate Revenues Under Existing Rates

Line No.	Description	Historical			Projected Fiscal Year Ending September 30,					
		2014	2015	2016	2017	2018	2019	2020	2021	2022
INSIDE THE CITY										
<u>Residential Single Family</u>										
1	Base Charge Revenue	\$1,439,616	\$1,540,790	\$1,642,664	\$1,745,546	\$1,750,226	\$1,754,906	\$1,759,586	\$1,764,266	\$1,768,946
2	Usage Charge Revenue	2,009,398	2,063,901	2,222,641	2,363,334	2,369,671	2,376,007	2,382,343	2,388,680	2,395,016
3	Total Residential Single Family	\$3,449,014	\$3,604,691	\$3,865,305	\$4,108,881	\$4,119,897	\$4,130,913	\$4,141,930	\$4,152,946	\$4,163,962
<u>Residential Multi Family</u>										
4	Base Charge Revenue	\$69,947	\$78,400	\$83,184	\$88,153	\$88,153	\$88,153	\$88,153	\$88,153	\$88,153
5	Usage Charge Revenue	105,209	109,354	105,021	111,369	111,369	111,369	111,369	111,369	111,369
6	Total Residential Multi Family	\$175,155	\$187,754	\$188,205	\$199,522	\$199,522	\$199,522	\$199,522	\$199,522	\$199,522
<u>Commercial</u>										
7	Base Charge Revenue	\$130,217	\$137,108	\$147,840	\$157,264	\$157,825	\$158,761	\$159,697	\$160,633	\$161,569
8	Usage Charge Revenue	177,838	198,881	206,122	219,556	220,529	222,152	223,775	225,398	227,020
9	Total Commercial	\$308,055	\$335,988	\$353,962	\$376,820	\$378,355	\$380,913	\$383,472	\$386,031	\$388,590
Total Inside the City Wastewater Revenues										
10	Base Charge Revenue	\$1,639,780	\$1,756,298	\$1,873,688	\$1,990,963	\$1,996,205	\$2,001,821	\$2,007,437	\$2,013,053	\$2,018,669
11	Usage Charge Revenue	2,292,445	2,372,135	2,533,784	2,694,259	2,701,569	2,709,528	2,717,487	2,725,446	2,733,406
12	Total Inside the City Wastewater Revenues	\$3,932,225	\$4,128,433	\$4,407,472	\$4,685,222	\$4,697,774	\$4,711,349	\$4,724,924	\$4,738,499	\$4,752,074
OUTSIDE THE CITY										
<u>Residential Single Family</u>										
13	Base Charge Revenue	\$60,701	\$63,329	\$67,123	\$71,136	\$71,136	\$71,136	\$71,136	\$71,136	\$71,136
14	Usage Charge Revenue	49,944	57,161	58,703	62,189	62,189	62,189	62,189	62,189	62,189
15	Total Residential Single Family	\$110,645	\$120,490	\$125,826	\$133,325	\$133,325	\$133,325	\$133,325	\$133,325	\$133,325
<u>Commercial</u>										
16	Base Charge Revenue	\$685	\$1,042	\$920	\$975	\$975	\$975	\$975	\$975	\$975
17	Usage Charge Revenue	381	360	225	238	238	238	238	238	238
18	Total Commercial	\$1,065	\$1,402	\$1,145	\$1,213	\$1,213	\$1,213	\$1,213	\$1,213	\$1,213
Total Outside the City Water Revenues										
19	Base Charge Revenue	\$61,386	\$64,371	\$68,043	\$72,111	\$72,111	\$72,111	\$72,111	\$72,111	\$72,111
20	Usage Charge Revenue	50,324	57,521	58,928	62,427	62,427	62,427	62,427	62,427	62,427
21	Total Total Outside the City Water Revenues	\$111,710	\$121,892	\$126,971	\$134,538	\$134,538	\$134,538	\$134,538	\$134,538	\$134,538
Total Wastewater Revenues										
22	Base Charge Revenue	1,701,166	1,820,668	1,941,731	2,063,074	2,068,316	2,073,932	2,079,548	2,085,164	2,090,780
23	Usage Charge Revenue	2,342,769	2,429,656	2,592,712	2,756,686	2,763,996	2,771,955	2,779,914	2,787,874	2,795,833
24	Revenue Adjustment - 0.00%	0	(10,626)	0	0	0	0	0	0	0
25	Total Wastewater Revenues	\$4,043,935	\$4,239,699	\$4,534,443	\$4,819,760	\$4,832,312	\$4,845,887	\$4,859,462	\$4,873,037	\$4,886,612
26	Total Rate Revenues	\$4,043,935	\$4,239,699	\$4,534,443	\$4,819,760	\$4,832,312	\$4,845,887	\$4,859,462	\$4,873,037	\$4,886,612

Table 1-5
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Allocation of Fiscal Year 2017 Operating Budget [1]

Line No.	Cost Center Code	Description	Budget 2017	Adjustments	Adjusted 2017	Allocation Factor	Allocation Percentages		Allocated Amounts	
							Water	Wastewater	Water	Wastewater
	440-4010-539	<u>Administration Department</u>								
1	440-4010-539.12-10	Regular Salaries	\$255,917	\$0	\$255,917	Adm Salary	44.05%	55.95%	\$112,731	\$143,186
2	440-4010-539.14-10	Overtime	0	0	0	Adm Salary	44.05%	55.95%	0	0
3	440-4010-539.15-30	Cell Phone	1,982	0	1,982	Adm Salary	44.05%	55.95%	873	1,109
4	440-4010-539.15-60	Boot Allowance	125	0	125	Adm Salary	44.05%	55.95%	55	70
5	440-4010-539.21-10	FICA Taxes	15,910	0	15,910	Adm Salary	44.05%	55.95%	7,008	8,902
6	440-4010-539.21-20	Medicare	3,721	0	3,721	Adm Salary	44.05%	55.95%	1,639	2,082
7	440-4010-539.22-10	Retirement Contributions	14,007	0	14,007	Adm Salary	44.05%	55.95%	6,170	7,837
8	440-4010-539.22-20	DCSE	24,858	0	24,858	Adm Salary	44.05%	55.95%	10,950	13,908
9	440-4010-539.23-10	Life Insurance	1,152	0	1,152	Adm Salary	44.05%	55.95%	507	645
10	440-4010-539.23-20	Group Medical Insurance	44,340	0	44,340	Adm Salary	44.05%	55.95%	19,532	24,808
11	440-4010-539.23-30	Dental Insurance	2,016	0	2,016	Adm Salary	44.05%	55.95%	888	1,128
12	440-4010-539.23-40	Long Term Disability	2,079	0	2,079	Adm Salary	44.05%	55.95%	916	1,163
13	440-4010-539.23-90	OPEB Expense	0	2,166	2,166	Adm Salary	44.05%	55.95%	954	1,212
14	440-4010-539.24-10	Worker's Compensation	600	0	600	Adm Salary	44.05%	55.95%	264	336
15		Subtotal Personnel Expenses	\$366,707	\$2,166	\$368,873		44.05%	55.95%	\$162,488	\$206,386
		<u>Operating Expenses</u>								
16	440-4010-539.34-10	Other Contractual Service	\$2,553	\$0	\$2,553	Adm Salary	44.05%	55.95%	\$1,125	\$1,428
17	440-4010-539.40-10	Travel & Per Diem	3,900	0	3,900	Adm Salary	44.05%	55.95%	1,718	2,182
18	440-4010-539.41-10	Telephone	0	0	0	Adm Salary	44.05%	55.95%	0	0
19	440-4010-539.41-20	Internet	3,696	0	3,696	Adm Salary	44.05%	55.95%	1,628	2,068
20	440-4010-539.41-40	Postage	20	0	20	Adm Salary	44.05%	55.95%	9	11
21	440-4010-539.43-10	Electric	3,914	0	3,914	Adm Salary	44.05%	55.95%	1,724	2,190
22	440-4010-539.46-10	Repair & Maintenance	2,100	0	2,100	Adm Salary	44.05%	55.95%	925	1,175
23	440-4010-539.46-20	Fleet Charges	1,810	0	1,810	Adm Salary	44.05%	55.95%	797	1,013
24	440-4010-539.47-20	Copier	6,800	0	6,800	Adm Salary	44.05%	55.95%	2,995	3,805
25	440-4010-539.49-01	Cost Allocation [2]	391,068	0	391,068	Adm Salary	44.05%	55.95%	172,264	218,804
26	440-4010-539.49-10	Other Charges/Obligations	472	0	472	Adm Salary	44.05%	55.95%	208	264
27	440-4010-539.49-40	PILOFF Water & Sewer [3]	260,004	(260,004)	0	Adm Salary	44.05%	55.95%	0	0
28	440-4010-539.51-10	Office Supplies	1,500	0	1,500	Adm Salary	44.05%	55.95%	661	839
29	440-4010-539.52-10	Operating Supplies	2,650	0	2,650	Adm Salary	44.05%	55.95%	1,167	1,483
30	440-4010-539.52-20	Unleaded & Diesel	1,008	0	1,008	Adm Salary	44.05%	55.95%	444	564
31	440-4010-539.52-30	Uniforms	650	0	650	Adm Salary	44.05%	55.95%	286	364
32	440-4010-539.54-10	Books, Pubs, Subs, & Mem	8,127	0	8,127	Adm Salary	44.05%	55.95%	3,580	4,547
33	440-4010-539.54-20	Educational Development	3,450	0	3,450	Adm Salary	44.05%	55.95%	1,520	1,930
34		Subtotal Operating Expenses	\$693,722	(\$260,004)	\$433,718		44.05%	55.95%	\$191,051	\$242,667
35		Total Administration Department	\$1,060,429	(\$257,838)	\$802,591		44.05%	55.95%	\$353,539	\$449,052
	440-4030-533	<u>Water Department</u>								
36	440-4030-533.12-10	Regular Salaries	\$501,116	\$0	\$501,116	Direct-W	100.00%	0.00%	\$501,116	\$0
37		AddPerWater	20,902	(20,902)	0	Input	0.00%	0.00%	0	0
38	440-4030-533.12-20	DC ICMA	0	0	0	Direct-W	100.00%	0.00%	0	0
39	440-4030-533.14-10	Overtime	0	0	0	Direct-W	100.00%	0.00%	0	0
40	440-4030-533.15-30	Cell Phone	905	0	905	Direct-W	100.00%	0.00%	905	0
41	440-4030-533.15-60	Boot Allowance	1,250	0	1,250	Direct-W	100.00%	0.00%	1,250	0
42	440-4030-533.21-10	FICA Taxes	27,996	0	27,996	Direct-W	100.00%	0.00%	27,996	0
43	440-4030-533.21-20	Medicare	6,547	0	6,547	Direct-W	100.00%	0.00%	6,547	0
44	440-4030-533.22-10	Retirement Contributions	0	0	0	Direct-W	100.00%	0.00%	0	0
45	440-4030-533.22-20	DCSE	36,284	0	36,284	Direct-W	100.00%	0.00%	36,284	0
46	440-4030-533.23-10	Life Insurance	2,103	0	2,103	Direct-W	100.00%	0.00%	2,103	0
47	440-4030-533.23-20	Group Medical Insurance	103,205	0	103,205	Direct-W	100.00%	0.00%	103,205	0
48	440-4030-533.23-30	Dental Insurance	2,998	0	2,998	Direct-W	100.00%	0.00%	2,998	0
49	440-4030-533.23-40	Long Term Disability	3,806	0	3,806	Direct-W	100.00%	0.00%	3,806	0
50	440-4030-533.23-90	OPEB Expense	0	5,900	5,900	Direct-W	100.00%	0.00%	5,900	0
51	440-4030-533.24-10	Worker's Compensation	18,373	0	18,373	Direct-W	100.00%	0.00%	18,373	0
52		Subtotal Personnel Expenses	\$725,485	(\$15,002)	\$710,483		100.00%	0.00%	\$710,483	\$0
		<u>Operating Expenses</u>								
53	440-4030-533.31-10	Professional Services	\$5,810	\$0	\$5,810	Direct-W	100.00%	0.00%	\$5,810	\$0
54	440-4030-533.34-10	Other Contractual Service	96,318	0	96,318	Direct-W	100.00%	0.00%	96,318	0
55	440-4030-533.40-10	Travel & Per Diem	1,300	0	1,300	Direct-W	100.00%	0.00%	1,300	0
56	440-4030-533.41-10	Telephone	0	0	0	Direct-W	100.00%	0.00%	0	0
57	440-4030-533.41-11	Cell Phone	0	0	0	Direct-W	100.00%	0.00%	0	0
58	440-4030-533.41-15	Cellular	750	0	750	Direct-W	100.00%	0.00%	750	0
59	440-4030-533.41-20	Internet	1,416	0	1,416	Direct-W	100.00%	0.00%	1,416	0
60	440-4030-533.41-30	Legal Ads	0	0	0	Direct-W	100.00%	0.00%	0	0
61	440-4030-533.41-40	Postage	12,000	0	12,000	Direct-W	100.00%	0.00%	12,000	0
62	440-4030-533.43-10	Electric	152,131	0	152,131	Direct-W	100.00%	0.00%	152,131	0
63	440-4030-533.44-10	Rent	1,500	0	1,500	Direct-W	100.00%	0.00%	1,500	0
64	440-4030-533.46-10	Repair & Maintenance	89,805	0	89,805	Direct-W	100.00%	0.00%	89,805	0
65	440-4030-533.46-20	Fleet Charges	2,215	0	2,215	Direct-W	100.00%	0.00%	2,215	0
66	440-4030-533.47-10	Printing & Binding	5,200	0	5,200	Direct-W	100.00%	0.00%	5,200	0
67	440-4030-533.47-20	Copier	500	0	500	Direct-W	100.00%	0.00%	500	0
68	440-4030-533.48-10	Promotional Activities	500	0	500	Direct-W	100.00%	0.00%	500	0
69	440-4030-533.49-01	Cost Allocation [2]	131,863	0	131,863	Direct-W	100.00%	0.00%	131,863	0
70	440-4030-533.49-10	Other Charges/Obligations	16,600	0	16,600	Direct-W	100.00%	0.00%	16,600	0
71	440-4030-533.49-40	PILOFF Water & Sewer [3]	91,324	(91,324)	0	Direct-W	100.00%	0.00%	0	0
72	440-4030-533.51-10	Office Supplies	650	0	650	Direct-W	100.00%	0.00%	650	0
73	440-4030-533.52-10	Operating Supplies	34,500	0	34,500	Direct-W	100.00%	0.00%	34,500	0
74	440-4030-533.52-20	Unleaded & Diesel	2,000	0	2,000	Direct-W	100.00%	0.00%	2,000	0

Table 1-5
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Allocation of Fiscal Year 2017 Operating Budget [1]

Line No.	Cost Center Code	Description	Budget 2017	Adjustments	Adjusted 2017	Allocation Factor	Allocation Percentages		Allocated Amounts	
							Water	Wastewater	Water	Wastewater
75	440-4030-533.52-25	Bulk Fuel	6,000	0	6,000	Direct-W	100.00%	0.00%	6,000	0
76	440-4030-533.52-30	Uniforms	1,575	0	1,575	Direct-W	100.00%	0.00%	1,575	0
77	440-4030-533.52-50	Chemical	341,250	0	341,250	Direct-W	100.00%	0.00%	341,250	0
78	440-4030-533.54-10	Books, Pubs, Subs, & Mem	1,980	0	1,980	Direct-W	100.00%	0.00%	1,980	0
79	440-4030-533.54-20	Educational Development	1,075	0	1,075	Direct-W	100.00%	0.00%	1,075	0
80		Subtotal Operating Expenses	\$998,262	(\$91,324)	\$906,938		100.00%	0.00%	\$906,938	\$0
81		Total Water Department	\$1,723,747	(\$106,326)	\$1,617,421		100.00%	0.00%	\$1,617,421	\$0
	440-4040-535	<u>Wastewater Department</u>								
82	440-4040-535.12-10	Regular Salaries	\$612,391	\$0	\$612,391	Direct-S	0.00%	100.00%	\$0	\$612,391
83	AddPerWastewater	Additional Personnel	0	0	0	Input	0.00%	0.00%	0	0
84	440-4040-535.13-10	Other Salaries	0	0	0	Direct-S	0.00%	100.00%	0	0
85	440-4040-535.14-10	Overtime	0	0	0	Direct-S	0.00%	100.00%	0	0
86	440-4040-535.15-30	Cell Phone	1,750	0	1,750	Direct-S	0.00%	100.00%	0	1,750
87	440-4040-535.15-40	Insurance Payback	4,829	0	4,829	Direct-S	0.00%	100.00%	0	4,829
88	440-4040-535.15-60	Boot Allowance	1,500	0	1,500	Direct-S	0.00%	100.00%	0	1,500
89	440-4040-535.21-10	FICA Taxes	34,145	0	34,145	Direct-S	0.00%	100.00%	0	34,145
90	440-4040-535.21-20	Medicare	7,986	0	7,986	Direct-S	0.00%	100.00%	0	7,986
91	440-4040-535.22-10	Retirement Contributions	17,021	0	17,021	Direct-S	0.00%	100.00%	0	17,021
92	440-4040-535.22-20	DCSE	56,709	0	56,709	Direct-S	0.00%	100.00%	0	56,709
93	440-4040-535.23-10	Life Insurance	2,339	0	2,339	Direct-S	0.00%	100.00%	0	2,339
94	440-4040-535.23-20	Group Medical Insurance	113,689	0	113,689	Direct-S	0.00%	100.00%	0	113,689
95	440-4040-535.23-30	Dental Insurance	3,180	0	3,180	Direct-S	0.00%	100.00%	0	3,180
96	440-4040-535.23-40	Long Term Disability	4,223	0	4,223	Direct-S	0.00%	100.00%	0	4,223
97	440-4040-535.23-90	OPEB	0	6,716	6,716	Direct-S	0.00%	100.00%	0	6,716
98	440-4040-535.24-10	Worker's Compensation	19,901	0	19,901	Direct-S	0.00%	100.00%	0	19,901
99		Subtotal Personnel Expenses	\$879,663	\$6,716	\$886,379		0.00%	100.00%	\$0	\$886,379
		<u>Operating Expenses</u>								
100	440-4040-535.31-10	Professional Services	\$44,443	\$0	\$44,443	Direct-S	0.00%	100.00%	\$0	\$44,443
101	440-4040-535.34-10	Other Contractual Service	236,227	0	236,227	Direct-S	0.00%	100.00%	0	236,227
102	440-4040-535.40-10	Travel & Per Diem	3,950	0	3,950	Direct-S	0.00%	100.00%	0	3,950
103	440-4040-535.41-10	Telephone	0	0	0	Direct-S	0.00%	100.00%	0	0
104	440-4040-535.41-15	Cellular	375	0	375	Direct-S	0.00%	100.00%	0	375
105	440-4040-535.41-20	Internet	1,075	0	1,075	Direct-S	0.00%	100.00%	0	1,075
106	440-4040-535.41-30	Legal Ads	0	0	0	Direct-S	0.00%	100.00%	0	0
107	440-4040-535.41-40	Postage	12,000	0	12,000	Direct-S	0.00%	100.00%	0	12,000
108	440-4040-535.43-10	Electric	180,250	0	180,250	Direct-S	0.00%	100.00%	0	180,250
109	440-4040-535.43-30	Water / Sewer / Trash	14,533	0	14,533	Direct-S	0.00%	100.00%	0	14,533
110	440-4040-535.44-10	Rent	5,640	0	5,640	Direct-S	0.00%	100.00%	0	5,640
111	440-4040-535.46-10	Repair & Maintenance	98,780	0	98,780	Direct-S	0.00%	100.00%	0	98,780
112	440-4040-535.46-20	Fleet Charges	1,810	0	1,810	Direct-S	0.00%	100.00%	0	1,810
113	440-4040-535.47-10	Printing & Binding	250	0	250	Direct-S	0.00%	100.00%	0	250
114	440-4040-535.47-20	Copier	2,100	0	2,100	Direct-S	0.00%	100.00%	0	2,100
115	440-4040-535.48-10	Promotional Activities	1,550	0	1,550	Direct-S	0.00%	100.00%	0	1,550
116	440-4040-535.49-01	Cost Allocation [2]	142,175	0	142,175	Direct-S	0.00%	100.00%	0	142,175
117	440-4040-535.49-10	Other Charges/Obligations	4,250	0	4,250	Direct-S	0.00%	100.00%	0	4,250
118	440-4040-535.49-40	PILOFF Water & Sewer [3]	94,680	(94,680)	0	Direct-S	0.00%	100.00%	0	0
119	440-4040-535.51-10	Office Supplies	1,000	0	1,000	Direct-S	0.00%	100.00%	0	1,000
120	440-4040-535.52-10	Operating Supplies	97,367	0	97,367	Direct-S	0.00%	100.00%	0	97,367
121	440-4040-535.52-20	Unloaded & Diesel	2,500	0	2,500	Direct-S	0.00%	100.00%	0	2,500
122	440-4040-535.52-25	Bulk Fuel	3,000	0	3,000	Direct-S	0.00%	100.00%	0	3,000
123	440-4040-535.52-30	Uniforms	1,400	0	1,400	Direct-S	0.00%	100.00%	0	1,400
124	440-4040-535.52-50	Chemical	183,000	0	183,000	Direct-S	0.00%	100.00%	0	183,000
125	440-4040-535.54-10	Books, Pubs, Subs, & Mem	440	0	440	Direct-S	0.00%	100.00%	0	440
126	440-4040-535.54-20	Educational Development	8,000	0	8,000	Direct-S	0.00%	100.00%	0	8,000
127		Subtotal Operating Expenses	\$1,140,795	(\$94,680)	\$1,046,115		0.00%	100.00%	\$0	\$1,046,115
128		Total Wastewater Department	\$2,020,458	(\$87,964)	\$1,932,494		0.00%	100.00%	\$0	\$1,932,494
	440-4050-539	<u>Wastewater Collections</u>								
129	440-4050-539.12-10	Regular Salaries	\$173,865	\$0	\$173,865	Direct-S	0.00%	100.00%	\$0	\$173,865
130	AddPerCollections	Additional Personnel	0	0	0	Input	0.00%	0.00%	0	0
131	440-4050-539.14-10	Overtime	0	0	0	Direct-S	0.00%	100.00%	0	0
132	440-4050-539.15-30	Cell Phone	905	0	905	Direct-S	0.00%	100.00%	0	905
133	440-4050-539.15-60	Boot Allowance	500	0	500	Direct-S	0.00%	100.00%	0	500
134	440-4050-539.21-10	FICA Taxes	8,919	0	8,919	Direct-S	0.00%	100.00%	0	8,919
135	440-4050-539.21-20	Medicare	2,086	0	2,086	Direct-S	0.00%	100.00%	0	2,086
136	440-4050-539.22-10	Retirement Contributions	16,825	0	16,825	Direct-S	0.00%	100.00%	0	16,825
137	440-4050-539.22-20	DCSE	11,981	0	11,981	Direct-S	0.00%	100.00%	0	11,981
138	440-4050-539.23-10	Life Insurance	709	0	709	Direct-S	0.00%	100.00%	0	709
139	440-4050-539.23-20	Group Medical Insurance	47,781	0	47,781	Direct-S	0.00%	100.00%	0	47,781
140	440-4050-539.23-30	Dental Insurance	1,567	0	1,567	Direct-S	0.00%	100.00%	0	1,567
141	440-4050-539.23-40	Long Term Disability	1,277	0	1,277	Direct-S	0.00%	100.00%	0	1,277
142	440-4050-539.23-90	OPEB Expense	0	1,947	1,947	Direct-S	0.00%	100.00%	0	1,947
143	440-4050-539.24-10	Worker's Compensation	5,109	0	5,109	Direct-S	0.00%	100.00%	0	5,109
144		Subtotal Personnel Expenses	\$271,524	\$1,947	\$273,471		0.00%	100.00%	\$0	\$273,471

Table 1-5
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Allocation of Fiscal Year 2017 Operating Budget [1]

Line No.	Cost Center Code	Description	Budget 2017	Adjustments	Adjusted 2017	Allocation Factor	Allocation Percentages		Allocated Amounts	
							Water	Wastewater	Water	Wastewater
<u>Operating Expenses</u>										
145	440-4050-539.34-10	Other Contractual Service	\$212	\$0	\$212	Direct-S	0.00%	100.00%	\$0	\$212
146	440-4050-539.40-10	Travel & Per Diem	750	0	750	Direct-S	0.00%	100.00%	0	750
147	440-4050-539.41-10	Telephone	0	0	0	Direct-S	0.00%	100.00%	0	0
148	440-4050-539.41-15	Cellular	375	0	375	Direct-S	0.00%	100.00%	0	375
149	440-4050-539.41-20	Internet	359	0	359	Direct-S	0.00%	100.00%	0	359
150	440-4050-539.43-10	Electric	79,310	0	79,310	Direct-S	0.00%	100.00%	0	79,310
151	440-4050-539.43-30	Water / Sewer / Trash	329	0	329	Direct-S	0.00%	100.00%	0	329
152	440-4050-539.44-10	Rent	500	0	500	Direct-S	0.00%	100.00%	0	500
153	440-4050-539.46-10	Repair & Maintenance	70,000	0	70,000	Direct-S	0.00%	100.00%	0	70,000
154	440-4050-539.46-20	Fleet Charges	20,128	0	20,128	Direct-S	0.00%	100.00%	0	20,128
155	440-4050-539.47-10	Printing & Binding	0	0	0	Direct-S	0.00%	100.00%	0	0
156	440-4050-539.47-20	Copier	500	0	500	Direct-S	0.00%	100.00%	0	500
157	440-4050-539.49-01	Cost Allocation [2]	47,199	0	47,199	Direct-S	0.00%	100.00%	0	47,199
158	440-4050-539.49-10	Other Charges/Obligations	1,060	0	1,060	Direct-S	0.00%	100.00%	0	1,060
159	440-4050-539.49-40	PILOFF Water & Sewer [3]	25,443	(25,443)	0	Direct-S	0.00%	100.00%	0	0
160	440-4050-539.51-10	Office Supplies	250	0	250	Direct-S	0.00%	100.00%	0	250
161	440-4050-539.52-10	Operating Supplies	22,700	0	22,700	Direct-S	0.00%	100.00%	0	22,700
162	440-4050-539.52-20	Unleaded & Diesel	12,201	0	12,201	Direct-S	0.00%	100.00%	0	12,201
163	440-4050-539.52-30	Uniforms	700	0	700	Direct-S	0.00%	100.00%	0	700
164	440-4050-539.52-50	Chemical	20,000	0	20,000	Direct-S	0.00%	100.00%	0	20,000
165	440-4050-539.54-10	Books, Pubs, Subs, & Mem	120	0	120	Direct-S	0.00%	100.00%	0	120
166	440-4050-539.54-20	Educational Development	900	0	900	Direct-S	0.00%	100.00%	0	900
167		Subtotal Operating Expenses	\$303,036	(\$25,443)	\$277,593		0.00%	100.00%	\$0	\$277,593
168		Total Wastewater Collections	\$574,560	(\$23,496)	\$551,064		0.00%	100.00%	\$0	\$551,064
<u>Field Operations</u>										
169	440-4080-539.12-10	Regular Salaries	\$433,495	\$0	\$433,495	Lines	59.27%	40.73%	\$256,921	\$176,574
170		AddPerFieldOps	0	0	0	Input	0.00%	0.00%	0	0
171	440-4080-539.12-20	DC ICMA	18,884	0	18,884	Lines	59.27%	40.73%	11,192	7,692
172	440-4080-539.14-10	Overtime	0	0	0	Lines	59.27%	40.73%	0	0
173	440-4080-539.15-30	Cell Phone	1,328	0	1,328	Lines	59.27%	40.73%	787	541
174	440-4080-539.15-60	Boot Allowance	1,375	0	1,375	Lines	59.27%	40.73%	815	560
175	440-4080-539.21-10	FICA Taxes	25,310	0	25,310	Lines	59.27%	40.73%	15,001	10,309
176	440-4080-539.21-20	Medicare	5,919	0	5,919	Lines	59.27%	40.73%	3,508	2,411
177	440-4080-539.22-20	DCSE	33,135	0	33,135	Lines	59.27%	40.73%	19,638	13,497
178	440-4080-539.23-10	Life Insurance	1,819	0	1,819	Lines	59.27%	40.73%	1,078	741
179	440-4080-539.23-20	Group Medical Insurance	130,594	0	130,594	Lines	59.27%	40.73%	77,399	53,195
180	440-4080-539.23-30	Dental Insurance	3,895	0	3,895	Lines	59.27%	40.73%	2,308	1,587
181	440-4080-539.23-40	Long Term Disability	3,568	0	3,568	Lines	59.27%	40.73%	2,115	1,453
182	440-4080-539.23-90	OPEB Expense	0	5,212	5,212	Lines	59.27%	40.73%	3,089	2,123
183	440-4080-539.24-10	Worker's Compensation	19,472	0	19,472	Lines	59.27%	40.73%	11,541	7,931
184		Subtotal Personnel Costs	\$678,794	\$5,212	\$684,006		59.27%	40.73%	\$405,392	\$278,615
<u>Operating Expenses</u>										
185	440-4080-539.34-10	Other Contractual Service	\$547	\$0	\$547	Lines	59.27%	40.73%	\$324	\$223
186	440-4080-539.40-10	Travel & Per Diem	2,652	0	2,652	Lines	59.27%	40.73%	1,572	1,080
187	440-4080-539.41-10	Telephone	0	0	0	Lines	59.27%	40.73%	0	0
188	440-4080-539.41-15	Cellular	800	0	800	Lines	59.27%	40.73%	474	326
189	440-4080-539.41-20	Internet	397	0	397	Lines	59.27%	40.73%	235	162
190	440-4080-539.41-40	Postage	10	0	10	Lines	59.27%	40.73%	6	4
191	440-4080-539.44-10	Rent	500	0	500	Lines	59.27%	40.73%	296	204
192	440-4080-539.46-10	Repair & Maintenance	135,500	0	135,500	Lines	59.27%	40.73%	80,307	55,193
193	440-4080-539.46-20	Fleet Charges	28,502	0	28,502	Lines	59.27%	40.73%	16,892	11,610
194	440-4080-539.49-01	Cost Allocation [2]	103,892	0	103,892	Lines	59.27%	40.73%	61,574	42,318
195	440-4080-539.49-10	Other Charges/Obligations	5,000	0	5,000	Lines	59.27%	40.73%	2,963	2,037
196	440-4080-539.49-40	PILOFF Water & Sewer [3]	69,887	(69,887)	0	Lines	59.27%	40.73%	0	0
197	440-4080-539.51-10	Office Supplies	400	0	400	Lines	59.27%	40.73%	237	163
198	440-4080-539.52-10	Operating Supplies	37,235	0	37,235	Lines	59.27%	40.73%	22,068	15,167
199	440-4080-539.52-20	Unleaded & Diesel	25,000	0	25,000	Lines	59.27%	40.73%	14,817	10,183
200	440-4080-539.52-30	Uniforms	1,720	0	1,720	Lines	59.27%	40.73%	1,019	701
201	440-4080-539.54-10	Books, Pubs, Subs, & Mem	150	0	150	Lines	59.27%	40.73%	89	61
202	440-4080-539.54-20	Educational Development	2,500	0	2,500	Lines	59.27%	40.73%	1,482	1,018
203		Subtotal Operating Expenses	\$414,692	(\$69,887)	\$344,805		59.27%	40.73%	\$204,356	\$140,449
204		Total Field Operations	\$1,093,486	(\$64,675)	\$1,028,811		59.27%	40.73%	\$609,748	\$419,063

Table 1-5
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Allocation of Fiscal Year 2017 Operating Budget [1]

Line No.	Cost Center Code	Description	Budget 2017	Adjustments	Adjusted 2017	Allocation Factor	Allocation Percentages		Allocated Amounts	
							Water	Wastewater	Water	Wastewater
440-5555-580, 581, 589 Non-Departmental [4]										
205	440-5555-580.22-10	Retirement Contributions	\$223,547	\$0	\$223,547	Equal	50.00%	50.00%	\$111,774	\$111,774
206	440-5555-580.23-80	PTO Expense	0	0	0	Eliminate	0.00%	0.00%	0	0
207	440-5555-580.31-10	Professional Services	0	0	0	Eliminate	0.00%	0.00%	0	0
208	440-5555-580.32-10	Accounting & Auditing	0	0	0	Eliminate	0.00%	0.00%	0	0
209	440-5555-580.45-10	General Liability	15,204	0	15,204	Assets	42.00%	58.00%	6,386	8,818
210	440-5555-580.45-15	Property	67,446	(67,446)	0	Assets	42.00%	58.00%	0	0
211	440-5555-580.45-20	Public Officials	12,320	0	12,320	Revenues	44.61%	55.39%	5,497	6,823
212	440-5555-580.45-25	Automobile	15,783	(15,783)	0	Assets	42.00%	58.00%	0	0
213	440-5555-580.45-35	Environmental Liability	3,327	0	3,327	Equal	50.00%	50.00%	1,664	1,664
214	440-5555-580.49-10	Other Charges/Obligations	0	0	0	Equal	50.00%	50.00%	0	0
215	440-5555-580.49-20	Bank Charges	0	0	0	Eliminate	0.00%	0.00%	0	0
216	440-5555-580.49-50	Write Off	0	0	0	Eliminate	0.00%	0.00%	0	0
217	440-5555-580.49-60	Hurricane Charges	353,188	0	353,188	Equal	50.00%	50.00%	176,594	176,594
218	440-5555-580.52-10	Operating Supplies	0	0	0	Eliminate	0.00%	0.00%	0	0
219	440-5555-580.59-10	Depreciation	0	0	0	Eliminate	0.00%	0.00%	0	0
220	440-5555-580.64-10	Machinery & Equipment	40,000	(40,000)	0	Assets	42.00%	58.00%	0	0
221	440-5555-580.64-20	Motor Vehicles	26,000	(26,000)	0	Assets	42.00%	58.00%	0	0
222	440-5555-580.71-15	JCI Meters	622,000	(622,000)	0	Direct-W	100.00%	0.00%	0	0
223	440-5555-580.71-24	Refunding Bond Series 09	0	0	0	Assets	42.00%	58.00%	0	0
224	440-5555-580.71-26	BBT SRF Refinance 2012	0	0	0	Assets	42.00%	58.00%	0	0
225	440-5555-580.71-28	BBT Cap Imp Rev Note 2014	30,750	(30,750)	0	Direct-S	0.00%	100.00%	0	0
226	440-5555-580.71-29	St Rev Fund-WWTP R&R 2013	277,921	(277,921)	0	Direct-S	0.00%	100.00%	0	0
227	440-5555-580.71-38	BBT W&S Ref Rev Bnd 2016	497,000	(497,000)	0	Direct-S	0.00%	100.00%	0	0
228	440-5555-580.72-13	BOA Obligation #265	0	0	0	Eliminate	0.00%	0.00%	0	0
229	440-5555-580.72-15	JCI Meters	42,265	(42,265)	0	Direct-W	100.00%	0.00%	0	0
230	440-5555-580.72-20	State Revolving Fund	0	0	0	Eliminate	0.00%	0.00%	0	0
231	440-5555-580.72-24	Refunding Bond Series 09	0	0	0	Assets	42.00%	58.00%	0	0
232	440-5555-580.72-26	BBT SRF Refinance 2012	0	0	0	Assets	42.00%	58.00%	0	0
233	440-5555-580.72-28	BBT Cap Imp Rev Note 2014	6,046	(6,046)	0	Direct-S	0.00%	100.00%	0	0
234	440-5555-580.72-29	St Rev Fund-WWTP R&R 2013	106,048	(106,048)	0	Direct-S	0.00%	100.00%	0	0
235	440-5555-580.72-38	BBT W&S Ref Rev Bnd 2016	224,285	(224,285)	0	Direct-S	0.00%	100.00%	0	0
236	440-5555-580.73-11	2013 SunTrust JCI	0	0	0	Eliminate	0.00%	0.00%	0	0
237	440-5555-580.73-21	Bond Issuance Cost - SRF	0	0	0	Eliminate	0.00%	0.00%	0	0
238	440-5555-580.73-41	BBT SRF Refinance 2012	0	0	0	Eliminate	0.00%	0.00%	0	0
239	440-5555-580.73-42	Cap Imp Rev Note Srs 2014	0	0	0	Eliminate	0.00%	0.00%	0	0
240	440-5555-581.03-31	Capital Fund	100,000	(100,000)	0	Eliminate	0.00%	0.00%	0	0
241	440-5555-581.04-44	Renewal And Replacement	793,437	(793,437)	0	Eliminate	0.00%	0.00%	0	0
242	440-5555-581.04-45	Wtr/Swr Rate Stabilization	400,000	(400,000)	0	Revenues	44.61%	55.39%	0	0
243	440-5555-581.04-50	Public Works Complex - Debt Service	50,473	(50,473)	0	Assets	42.00%	58.00%	0	0
244	440-5555-581.05-01	MIS	18,200	(18,200)	0	Assets	42.00%	58.00%	0	0
245	440-5555-589.50-50	Stabilization - Estimated Savings	0	0	0	Eliminate	0.00%	0.00%	0	0
246	440-5555-581.10-01	General Fund	0	0	0	Eliminate	0.00%	0.00%	0	0
247	440-5555-589.10-01	Current Year Unreserved	0	0	0	Revenues	44.61%	55.39%	0	0
248		Total Non-Departmental	\$3,925,240	(\$3,317,654)	\$607,586		49.69%	50.31%	\$301,913	\$305,673
<u>Other Adjustments</u>										
249	Contingency	Contingency - 1.00% of O&M [5]	\$0	\$65,400	\$65,400	Calculation	44.08%	55.92%	\$28,826	\$36,573
250	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [6]	0	23,405	23,405	Calculation	44.64%	55.36%	10,449	12,956
251	Other	Other Adjustments - Retirement Benefits	0	74,871	74,871	Adm Salary	44.05%	55.95%	32,981	41,891
252		Total Other Adjustments	\$0	\$163,676	\$163,676		44.15%	55.85%	\$72,256	\$91,420
253		Grand Total Operating Budget	\$10,397,920	(\$3,694,276)	\$6,703,644		44.08%	55.92%	\$2,954,877	\$3,748,766

Footnotes:

- [1] Budgeted amounts shown are based on the Fiscal Year 2017 Adopted Operating Budget as provided by the City.
- [2] Budgeted amounts for the "Cost Allocation" line are to reimburse the General Fund for services that benefit the Utility.
- [3] Budgeted amounts for the PILOFF are transferred to the General Fund and are therefore excluded from the Cost of Operation and Maintenance for coverage purposes. These items have been adjusted from the budget and are accounted for in the summary of Revenue Requirements later in the rate model.
- [4] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.
- [5] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.
- [6] An allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible revenues.

Table 1-6
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Allocation References

Line No.	Description	Allocation Basis	Allocation Percentages		Total
			Water	Wastewater	
1	Equal Water and Wastewater	Equal	50.00%	50.00%	100.00%
2	Direct Water	Direct-W	100.00%	0.00%	100.00%
3	Direct Wastewater	Direct-S	0.00%	100.00%	100.00%
4	Eliminate	Eliminate	0.00%	0.00%	0.00%
5	Customer Accounts	Accounts	52.27%	47.73%	100.00%
6	Sales Revenues	Revenues	44.61%	55.39%	100.00%
7	Treated Flows	Flows	53.38%	46.62%	100.00%
8	Miles of Line	Lines	59.27%	40.73%	100.00%
9	Operating Expenses	Op Exp	44.08%	55.92%	100.00%
10	Administration Operations Salaries	Adm Salary	44.05%	55.95%	100.00%
11	System Fixed Assets	Assets	42.00%	58.00%	100.00%

Table 1-7
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Water System Operating Expenses

Line No.	Cost Center Code	Description	Adjusted [1] 2017	Escalation Factor	Projected 2018	Fiscal Year Ending September 30th,			
						2019	2020	2021	2022
440-4010-539 Administration Department									
1	440-4010-539.12-10	Regular Salaries	\$112,731	Labor	\$116,113	\$119,596	\$123,184	\$126,879	\$130,686
2	440-4010-539.14-10	Overtime	0	Labor	0	0	0	0	0
3	440-4010-539.15-30	Cell Phone	873	Inflation	887	907	929	952	974
4	440-4010-539.15-60	Boot Allowance	55	Inflation	56	57	59	60	61
5	440-4010-539.21-10	FICA Taxes	7,008	Labor	7,219	7,435	7,658	7,888	8,125
6	440-4010-539.21-20	Medicare	1,639	Labor	1,688	1,739	1,791	1,845	1,900
7	440-4010-539.22-10	Retirement Contributions	6,170	Labor	6,355	6,546	6,742	6,944	7,153
8	440-4010-539.22-20	DCSE	10,950	Labor	11,278	11,617	11,965	12,324	12,694
9	440-4010-539.23-10	Life Insurance	507	General-Ins	507	507	507	507	507
10	440-4010-539.23-20	Group Medical Insurance	19,532	Health-Ins	25,196	27,715	30,487	33,536	36,889
11	440-4010-539.23-30	Dental Insurance	888	Health-Ins	1,146	1,260	1,386	1,525	1,677
12	440-4010-539.23-40	Long Term Disability	916	Health-Ins	1,181	1,300	1,429	1,572	1,730
13	440-4010-539.23-90	OPEB Expense	954	Marginal	964	973	983	993	1,003
14	440-4010-539.24-10	Worker's Compensation	264	Labor	272	280	289	297	306
15		Subtotal Personnel Expenses	\$162,488		\$172,862	\$179,933	\$187,410	\$195,323	\$203,706
<u>Operating Expenses</u>									
16	440-4010-539.34-10	Other Contractual Service	\$1,125	Contractual	\$1,170	\$1,216	\$1,265	\$1,316	\$1,368
17	440-4010-539.40-10	Travel & Per Diem	1,718	Inflation	1,745	1,786	1,828	1,872	1,917
18	440-4010-539.41-10	Telephone	0	Inflation	0	0	0	0	0
19	440-4010-539.41-20	Internet	1,628	Inflation	1,654	1,692	1,733	1,774	1,817
20	440-4010-539.41-40	Postage	9	Inflation	9	9	9	10	10
21	440-4010-539.43-10	Electric	1,724	Electricity	1,810	1,901	1,996	2,096	2,200
22	440-4010-539.46-10	Repair & Maintenance	925	Repair	953	981	1,011	1,041	1,072
23	440-4010-539.46-20	Fleet Charges	797	Repair	821	846	871	897	924
24	440-4010-539.47-20	Copier	2,995	Inflation	3,043	3,113	3,188	3,265	3,343
25	440-4010-539.49-01	Cost Allocation [2]	172,264	Labor	263,987	271,906	280,063	288,465	297,119
26	440-4010-539.49-10	Other Charges/Obligations	208	Inflation	211	216	221	227	232
27	440-4010-539.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
28	440-4010-539.51-10	Office Supplies	661	Inflation	671	687	703	720	737
29	440-4010-539.52-10	Operating Supplies	1,167	Inflation	1,186	1,213	1,242	1,272	1,303
30	440-4010-539.52-20	Unleaded & Diesel	444	Fuel	466	490	514	540	567
31	440-4010-539.52-30	Uniforms	286	Inflation	291	298	305	312	320
32	440-4010-539.54-10	Books, Pubs, Subs, & Mem	3,580	Inflation	3,637	3,721	3,810	3,902	3,995
33	440-4010-539.54-20	Educational Development	1,520	Inflation	1,544	1,580	1,617	1,656	1,696
34		Subtotal Operating Expenses	\$191,051		\$283,199	\$291,655	\$300,378	\$309,365	\$318,621
35		Total Administration Department	\$353,539		\$456,061	\$471,588	\$487,789	\$504,687	\$522,327
440-4030-533 Water Department									
36	440-4030-533.12-10	Regular Salaries	\$501,116	Labor	\$516,149	\$531,634	\$547,583	\$564,010	\$580,931
37	AddPerWater	Additional Personnel	0	Input	0	0	0	0	0
38	440-4030-533.12-20	DC ICMA	0	Labor	0	0	0	0	0
39	440-4030-533.14-10	Overtime	0	Labor	0	0	0	0	0
40	440-4030-533.15-30	Cell Phone	905	Inflation	919	941	963	986	1,010
41	440-4030-533.15-60	Boot Allowance	1,250	Inflation	1,270	1,299	1,330	1,362	1,395
42	440-4030-533.21-10	FICA Taxes	27,996	Labor	28,836	29,701	30,592	31,510	32,455
43	440-4030-533.21-20	Medicare	6,547	Labor	6,743	6,946	7,154	7,369	7,590
44	440-4030-533.22-10	Retirement Contributions	0	Labor	0	0	0	0	0
45	440-4030-533.22-20	DCSE	36,284	Labor	37,373	38,494	39,649	40,838	42,063
46	440-4030-533.23-10	Life Insurance	2,103	General-Ins	2,103	2,103	2,103	2,103	2,103
47	440-4030-533.23-20	Group Medical Insurance	103,205	Health-Ins	133,134	146,448	161,093	177,202	194,922
48	440-4030-533.23-30	Dental Insurance	2,998	Health-Ins	3,867	4,254	4,680	5,148	5,662
49	440-4030-533.23-40	Long Term Disability	3,806	Health-Ins	4,910	5,401	5,941	6,535	7,188
50	440-4030-533.23-90	OPEB Expense	5,900	Marginal	5,959	6,019	6,079	6,140	6,201
51	440-4030-533.24-10	Worker's Compensation	18,373	Labor	18,924	19,492	20,077	20,679	21,299
52		Subtotal Personnel Expenses	\$710,483		\$760,189	\$792,730	\$827,243	\$863,881	\$902,820
<u>Operating Expenses</u>									
53	440-4030-533.31-10	Professional Services	\$5,810	Contractual	\$6,042	\$6,284	\$6,535	\$6,797	\$7,069
54	440-4030-533.34-10	Other Contractual Service	96,318	Contractual	100,171	104,178	108,345	112,678	117,186
55	440-4030-533.40-10	Travel & Per Diem	1,300	Inflation	1,321	1,351	1,384	1,417	1,451
56	440-4030-533.41-10	Telephone	0	Inflation	0	0	0	0	0
57	440-4030-533.41-11	Cell Phone	0	Inflation	0	0	0	0	0
58	440-4030-533.41-15	Cellular	750	Inflation	762	780	798	817	837
59	440-4030-533.41-20	Internet	1,416	Inflation	1,439	1,472	1,507	1,543	1,580
60	440-4030-533.41-30	Legal Ads	0	Inflation	0	0	0	0	0
61	440-4030-533.41-40	Postage	12,000	Inflation	12,192	12,472	12,772	13,078	13,392
62	440-4030-533.43-10	Electric	152,131	W-Elec	160,034	168,376	177,151	186,383	196,096
63	440-4030-533.44-10	Rent	1,500	Inflation	1,524	1,559	1,596	1,635	1,674
64	440-4030-533.46-10	Repair & Maintenance	89,805	Repair	92,499	95,274	98,132	101,076	104,109
65	440-4030-533.46-20	Fleet Charges	2,215	Repair	2,281	2,350	2,420	2,493	2,568
66	440-4030-533.47-10	Printing & Binding	5,200	Inflation	5,283	5,405	5,534	5,667	5,803

**Table 1-7
City of Edgewater, Florida
Water and Wastewater Utility Rate Study**

Projection of Water System Operating Expenses

Line No.	Cost Center Code	Description	Adjusted [1] 2017	Escalation Factor	Projected 2018	Fiscal Year Ending September 30th,			
						2019	2020	2021	2022
67	440-4030-533.47-20	Copier	500	Inflation	508	520	532	545	558
68	440-4030-533.48-10	Promotional Activities	500	Inflation	508	520	532	545	558
69	440-4030-533.49-01	Cost Allocation [2]	131,863	Labor	127,414	131,236	135,174	139,229	143,406
70	440-4030-533.49-10	Other Charges/Obligations	16,600	Inflation	16,866	17,254	17,668	18,092	18,526
71	440-4030-533.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
72	440-4030-533.51-10	Office Supplies	650	Inflation	660	676	692	708	725
73	440-4030-533.52-10	Operating Supplies	34,500	Inflation	35,052	35,858	36,719	37,600	38,502
74	440-4030-533.52-20	Unleaded & Diesel	2,000	Fuel	2,100	2,205	2,315	2,431	2,553
75	440-4030-533.52-25	Bulk Fuel	6,000	Fuel	6,300	6,615	6,946	7,293	7,658
76	440-4030-533.52-30	Uniforms	1,575	Inflation	1,600	1,637	1,676	1,717	1,758
77	440-4030-533.52-50	Chemical	341,250	W-Chem	358,978	377,689	397,374	418,083	439,869
78	440-4030-533.54-10	Books, Pubs, Subs, & Mem	1,980	Inflation	2,012	2,058	2,107	2,158	2,210
79	440-4030-533.54-20	Educational Development	1,075	Inflation	1,092	1,117	1,144	1,172	1,200
80		Subtotal Operating Expenses	\$906,938		\$936,638	\$976,884	\$1,019,054	\$1,063,158	\$1,109,286
81		Total Water Department	\$1,617,421		\$1,696,827	\$1,769,615	\$1,846,297	\$1,927,039	\$2,012,106
440-4040-535 <u>Wastewater Department</u>									
82	440-4040-535.12-10	Regular Salaries	\$0	Labor	\$0	\$0	\$0	\$0	\$0
83	AddPerWastewater	Additional Personnel	0	Input	0	0	0	0	0
84	440-4040-535.13-10	Other Salaries	0	Labor	0	0	0	0	0
85	440-4040-535.14-10	Overtime	0	Labor	0	0	0	0	0
86	440-4040-535.15-30	Cell Phone	0	Inflation	0	0	0	0	0
87	440-4040-535.15-40	Insurance Payback	0	Health-Ins	0	0	0	0	0
88	440-4040-535.15-60	Boot Allowance	0	Inflation	0	0	0	0	0
89	440-4040-535.21-10	FICA Taxes	0	Labor	0	0	0	0	0
90	440-4040-535.21-20	Medicare	0	Labor	0	0	0	0	0
91	440-4040-535.22-10	Retirement Contributions	0	Labor	0	0	0	0	0
92	440-4040-535.22-20	DCSE	0	Inflation	0	0	0	0	0
93	440-4040-535.23-10	Life Insurance	0	General-Ins	0	0	0	0	0
94	440-4040-535.23-20	Group Medical Insurance	0	Health-Ins	0	0	0	0	0
95	440-4040-535.23-30	Dental Insurance	0	Health-Ins	0	0	0	0	0
96	440-4040-535.23-40	Long Term Disability	0	Health-Ins	0	0	0	0	0
97	440-4040-535.23-90	OPEB	0	Marginal	0	0	0	0	0
98	440-4040-535.24-10	Worker's Compensation	0	Labor	0	0	0	0	0
99		Subtotal Personnel Expenses	\$0		\$0	\$0	\$0	\$0	\$0
<u>Operating Expenses</u>									
100	440-4040-535.31-10	Professional Services	\$0	Contractual	\$0	\$0	\$0	\$0	\$0
101	440-4040-535.34-10	Other Contractual Service	0	Contractual	0	0	0	0	0
102	440-4040-535.40-10	Travel & Per Diem	0	Inflation	0	0	0	0	0
103	440-4040-535.41-10	Telephone	0	Inflation	0	0	0	0	0
104	440-4040-535.41-15	Cellular	0	Inflation	0	0	0	0	0
105	440-4040-535.41-20	Internet	0	Inflation	0	0	0	0	0
106	440-4040-535.41-30	Legal Ads	0	Inflation	0	0	0	0	0
107	440-4040-535.41-40	Postage	0	Inflation	0	0	0	0	0
108	440-4040-535.43-10	Electric	0	WW-Elec	0	0	0	0	0
109	440-4040-535.43-30	Water / Sewer / Trash	0	Inflation	0	0	0	0	0
110	440-4040-535.44-10	Rent	0	Inflation	0	0	0	0	0
111	440-4040-535.46-10	Repair & Maintenance	0	Repair	0	0	0	0	0
112	440-4040-535.46-20	Fleet Charges	0	Repair	0	0	0	0	0
113	440-4040-535.47-10	Printing & Binding	0	Inflation	0	0	0	0	0
114	440-4040-535.47-20	Copier	0	Inflation	0	0	0	0	0
115	440-4040-535.48-10	Promotional Activities	0	Inflation	0	0	0	0	0
116	440-4040-535.49-01	Cost Allocation [2]	0	Labor	0	0	0	0	0
117	440-4040-535.49-10	Other Charges/Obligations	0	Inflation	0	0	0	0	0
118	440-4040-535.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
119	440-4040-535.51-10	Office Supplies	0	Inflation	0	0	0	0	0
120	440-4040-535.52-10	Operating Supplies	0	Inflation	0	0	0	0	0
121	440-4040-535.52-20	Unleaded & Diesel	0	Fuel	0	0	0	0	0
122	440-4040-535.52-25	Bulk Fuel	0	Fuel	0	0	0	0	0
123	440-4040-535.52-30	Uniforms	0	Inflation	0	0	0	0	0
124	440-4040-535.52-50	Chemical	0	WW-Chem	0	0	0	0	0
125	440-4040-535.54-10	Books, Pubs, Subs, & Mem	0	Inflation	0	0	0	0	0
126	440-4040-535.54-20	Educational Development	0	Inflation	0	0	0	0	0
127		Subtotal Operating Expenses	\$0		\$0	\$0	\$0	\$0	\$0
128		Total Wastewater Department	\$0		\$0	\$0	\$0	\$0	\$0
440-4050-539 <u>Wastewater Collections</u>									
129	440-4050-539.12-10	Regular Salaries	\$0	Labor	\$0	\$0	\$0	\$0	\$0
130	AddPerCollections	Additional Personnel	0	Input	0	0	0	0	0
131	440-4050-539.14-10	Overtime	0	Labor	0	0	0	0	0
132	440-4050-539.15-30	Cell Phone	0	Inflation	0	0	0	0	0

Table 1-7
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Water System Operating Expenses

Line No.	Cost Center Code	Description	Adjusted [1] 2017	Escalation Factor	Projected 2018	Fiscal Year Ending September 30th,			
						2019	2020	2021	2022
133	440-4050-539.15-60	Boot Allowance	0	Inflation	0	0	0	0	0
134	440-4050-539.21-10	FICA Taxes	0	Labor	0	0	0	0	0
135	440-4050-539.21-20	Medicare	0	Labor	0	0	0	0	0
136	440-4050-539.22-10	Retirement Contributions	0	Labor	0	0	0	0	0
137	440-4050-539.22-20	DCSE	0	Labor	0	0	0	0	0
138	440-4050-539.23-10	Life Insurance	0	General-Ins	0	0	0	0	0
139	440-4050-539.23-20	Group Medical Insurance	0	Health-Ins	0	0	0	0	0
140	440-4050-539.23-30	Dental Insurance	0	Health-Ins	0	0	0	0	0
141	440-4050-539.23-40	Long Term Disability	0	Health-Ins	0	0	0	0	0
142	440-4050-539.23-90	OPEB Expense	0	Marginal	0	0	0	0	0
143	440-4050-539.24-10	Worker's Compensation	0	Labor	0	0	0	0	0
144		Subtotal Personnel Expenses	\$0		\$0	\$0	\$0	\$0	\$0
		<u>Operating Expenses</u>							
145	440-4050-539.34-10	Other Contractual Service	\$0	Contractual	\$0	\$0	\$0	\$0	\$0
146	440-4050-539.40-10	Travel & Per Diem	0	Inflation	0	0	0	0	0
147	440-4050-539.41-10	Telephone	0	Inflation	0	0	0	0	0
148	440-4050-539.41-15	Cellular	0	Inflation	0	0	0	0	0
149	440-4050-539.41-20	Internet	0	Inflation	0	0	0	0	0
150	440-4050-539.43-10	Electric	0	WW-Elec	0	0	0	0	0
151	440-4050-539.43-30	Water / Sewer / Trash	0	Inflation	0	0	0	0	0
152	440-4050-539.44-10	Rent	0	Inflation	0	0	0	0	0
153	440-4050-539.46-10	Repair & Maintenance	0	Repair	0	0	0	0	0
154	440-4050-539.46-20	Fleet Charges	0	Repair	0	0	0	0	0
155	440-4050-539.47-10	Printing & Binding	0	Inflation	0	0	0	0	0
156	440-4050-539.47-20	Copier	0	Inflation	0	0	0	0	0
157	440-4050-539.49-01	Cost Allocation [2]	0	Labor	0	0	0	0	0
158	440-4050-539.49-10	Other Charges/Obligations	0	Inflation	0	0	0	0	0
159	440-4050-539.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
160	440-4050-539.51-10	Office Supplies	0	Inflation	0	0	0	0	0
161	440-4050-539.52-10	Operating Supplies	0	Inflation	0	0	0	0	0
162	440-4050-539.52-20	Unleaded & Diesel	0	Fuel	0	0	0	0	0
163	440-4050-539.52-30	Uniforms	0	Inflation	0	0	0	0	0
164	440-4050-539.52-50	Chemical	0	WW-Chem	0	0	0	0	0
165	440-4050-539.54-10	Books, Pubs, Subs, & Mem	0	Inflation	0	0	0	0	0
166	440-4050-539.54-20	Educational Development	0	Inflation	0	0	0	0	0
167		Subtotal Operating Expenses	\$0		\$0	\$0	\$0	\$0	\$0
168		Total Wastewater Collections	\$0		\$0	\$0	\$0	\$0	\$0
	440-4080-539	<u>Field Operations</u>							
169	440-4080-539.12-10	Regular Salaries	\$256,921	Labor	\$264,628	\$272,567	\$280,744	\$289,166	\$297,841
170		AddPerFieldOps	0	Input	0	0	0	35,354	36,415
171	440-4080-539.12-20	DC ICMA	11,192	Labor	11,528	11,874	12,230	12,597	12,975
172	440-4080-539.14-10	Overtime	0	Labor	0	0	0	0	0
173	440-4080-539.15-30	Cell Phone	787	Inflation	800	818	838	858	878
174	440-4080-539.15-60	Boot Allowance	815	Inflation	828	847	867	888	909
175	440-4080-539.21-10	FICA Taxes	15,001	Labor	15,451	15,914	16,391	16,883	17,390
176	440-4080-539.21-20	Medicare	3,508	Labor	3,613	3,722	3,833	3,948	4,067
177	440-4080-539.22-20	DCSE	19,638	Labor	20,227	20,834	21,459	22,103	22,766
178	440-4080-539.23-10	Life Insurance	1,078	General-Ins	1,078	1,078	1,078	1,078	1,078
179	440-4080-539.23-20	Group Medical Insurance	77,399	Health-Ins	99,845	109,830	120,813	132,894	146,184
180	440-4080-539.23-30	Dental Insurance	2,308	Health-Ins	2,978	3,276	3,603	3,964	4,360
181	440-4080-539.23-40	Long Term Disability	2,115	Health-Ins	2,728	3,001	3,301	3,631	3,994
182	440-4080-539.23-90	OPEB Expense	3,089	Marginal	3,120	3,151	3,183	3,215	3,247
183	440-4080-539.24-10	Worker's Compensation	11,541	Labor	11,887	12,243	12,611	12,989	13,379
184		Subtotal Personnel Costs	\$405,392		\$438,711	\$459,155	\$480,951	\$539,568	\$565,482
		<u>Operating Expenses</u>							
185	440-4080-539.34-10	Other Contractual Service	\$324	Contractual	\$337	\$351	\$365	\$379	\$394
186	440-4080-539.40-10	Travel & Per Diem	1,572	Inflation	1,597	1,634	1,673	1,713	1,754
187	440-4080-539.41-10	Telephone	0	Inflation	0	0	0	0	0
188	440-4080-539.41-15	Cellular	474	Inflation	482	493	505	517	529
189	440-4080-539.41-20	Internet	235	Inflation	239	245	250	256	263
190	440-4080-539.41-40	Postage	6	Inflation	6	6	6	6	7
191	440-4080-539.44-10	Rent	296	Inflation	301	308	315	323	331
192	440-4080-539.46-10	Repair & Maintenance	80,307	Repair	82,716	85,198	87,754	90,386	93,098
193	440-4080-539.46-20	Fleet Charges	16,892	Repair	17,399	17,921	18,459	19,012	19,583
194	440-4080-539.49-01	Cost Allocation [2]	61,574	Labor	69,325	71,405	73,547	75,753	78,026
195	440-4080-539.49-10	Other Charges/Obligations	2,963	Inflation	3,011	3,080	3,154	3,230	3,307
196	440-4080-539.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
197	440-4080-539.51-10	Office Supplies	237	Inflation	241	246	252	258	265
198	440-4080-539.52-10	Operating Supplies	22,068	Inflation	22,421	22,937	23,487	24,051	24,628
199	440-4080-539.52-20	Unleaded & Diesel	14,817	Fuel	15,558	16,336	17,152	18,010	18,910
200	440-4080-539.52-30	Uniforms	1,019	Inflation	1,036	1,060	1,085	1,111	1,138

Table 1-7
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Water System Operating Expenses

Line No.	Cost Center Code	Description	Adjusted [1] 2017	Escalation Factor	Projected 2018	Fiscal Year Ending September 30th,			
						2019	2020	2021	2022
201	440-4080-539.54-10	Books, Pubs, Subs, & Mem	89	Inflation	90	92	95	97	99
202	440-4080-539.54-20	Educational Development	1,482	Inflation	1,505	1,540	1,577	1,615	1,654
203		Subtotal Operating Expenses	<u>\$204,356</u>		<u>\$216,264</u>	<u>\$222,850</u>	<u>\$229,676</u>	<u>\$236,719</u>	<u>\$243,985</u>
204		Total Field Operations	<u>\$609,748</u>		<u>\$654,975</u>	<u>\$682,005</u>	<u>\$710,627</u>	<u>\$776,286</u>	<u>\$809,467</u>
440-5555-580, 581, 589 Non-Departmental [4]									
205	440-5555-580.22-10	Retirement Contributions	\$111,774	Labor	\$115,127	\$118,581	\$122,138	\$125,802	\$129,576
206	440-5555-580.23-80	PTO Expense	0	Eliminate	0	0	0	0	0
207	440-5555-580.31-10	Professional Services	0	Eliminate	0	0	0	0	0
208	440-5555-580.32-10	Accounting & Auditing	0	Eliminate	0	0	0	0	0
209	440-5555-580.45-10	General Liability	6,386	General-Ins	6,386	6,386	6,386	6,386	6,386
210	440-5555-580.45-15	Property	0	Eliminate	0	0	0	0	0
211	440-5555-580.45-20	Public Officials	5,497	Labor	5,661	5,831	6,006	6,186	6,372
212	440-5555-580.45-25	Automobile	0	Eliminate	0	0	0	0	0
213	440-5555-580.45-35	Environmental Liability	1,664	Inflation	1,690	1,729	1,770	1,813	1,856
214	440-5555-580.49-10	Other Charges/Obligations	0	Inflation	0	0	0	0	0
215	440-5555-580.49-20	Bank Charges	0	Eliminate	0	0	0	0	0
216	440-5555-580.49-50	Write Off	0	Eliminate	0	0	0	0	0
217	440-5555-580.49-60	Hurricane Charges	176,594	Eliminate	0	0	0	0	0
218	440-5555-580.52-10	Operating Supplies	0	Eliminate	0	0	0	0	0
219	440-5555-580.59-10	Depreciation	0	Eliminate	0	0	0	0	0
220	440-5555-580.64-10	Machinery & Equipment	0	Eliminate	0	0	0	0	0
221	440-5555-580.64-20	Motor Vehicles	0	Eliminate	0	0	0	0	0
222	440-5555-580.71-15	JCI Meters	0	Eliminate	0	0	0	0	0
223	440-5555-580.71-24	Refunding Bond Series 09	0	Eliminate	0	0	0	0	0
224	440-5555-580.71-26	BBT SRF Refinance 2012	0	Eliminate	0	0	0	0	0
225	440-5555-580.71-28	BBT Cap Imp Rev Note 2014	0	Eliminate	0	0	0	0	0
226	440-5555-580.71-29	St Rev Fund-WWTP R&R 2013	0	Eliminate	0	0	0	0	0
227	440-5555-580.71-38	BBT W&S Ref Rev Bnd 2016	0	Eliminate	0	0	0	0	0
228	440-5555-580.72-13	BOA Obligation #265	0	Eliminate	0	0	0	0	0
229	440-5555-580.72-15	JCI Meters	0	Eliminate	0	0	0	0	0
230	440-5555-580.72-20	State Revolving Fund	0	Eliminate	0	0	0	0	0
231	440-5555-580.72-24	Refunding Bond Series 09	0	Eliminate	0	0	0	0	0
232	440-5555-580.72-26	BBT SRF Refinance 2012	0	Eliminate	0	0	0	0	0
233	440-5555-580.72-28	BBT Cap Imp Rev Note 2014	0	Eliminate	0	0	0	0	0
234	440-5555-580.72-29	St Rev Fund-WWTP R&R 2013	0	Eliminate	0	0	0	0	0
235	440-5555-580.72-38	BBT W&S Ref Rev Bnd 2016	0	Eliminate	0	0	0	0	0
236	440-5555-580.73-11	2013 SunTrust JCI	0	Eliminate	0	0	0	0	0
237	440-5555-580.73-21	Bond Issuance Cost - SRF	0	Eliminate	0	0	0	0	0
238	440-5555-580.73-41	BBT SRF Refinance 2012	0	Eliminate	0	0	0	0	0
239	440-5555-580.73-42	Cap Imp Rev Note Srs 2014	0	Eliminate	0	0	0	0	0
240	440-5555-581.03-31	Capital Fund	0	Eliminate	0	0	0	0	0
241	440-5555-581.04-44	Renewal And Replacement	0	Eliminate	0	0	0	0	0
242	440-5555-581.04-45	Wtr/Swr Rate Stabilization	0	Eliminate	0	0	0	0	0
243	440-5555-581.04-50	Public Works Complex - Debt Service	0	Eliminate	0	0	0	0	0
244	440-5555-581.05-01	MIS	0	Eliminate	0	0	0	0	0
245	440-5555-589.50-50	Stabilization - Estimated Savings	0	Eliminate	0	0	0	0	0
246	440-5555-581.10-01	General Fund	0	Eliminate	0	0	0	0	0
247	440-5555-589.10-01	Current Year Unreserved	0	Eliminate	0	0	0	0	0
248		Total Non-Departmental	<u>\$301,913</u>		<u>\$128,864</u>	<u>\$132,526</u>	<u>\$136,300</u>	<u>\$140,187</u>	<u>\$144,190</u>
Other Adjustments									
249	Contingency	Contingency - 1.00% of O&M [5]	\$28,826	Input	\$29,367	\$30,557	\$31,810	\$33,482	\$34,881
250	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [6]	10,449	Input	11,348	12,397	13,543	14,795	16,163
251	Other	Other Adjustments - Retirement Benefits	32,981	W-Op	33,607	34,976	36,417	38,337	39,948
252		Total Other Adjustments	<u>\$72,256</u>		<u>\$74,323</u>	<u>\$77,931</u>	<u>\$81,771</u>	<u>\$86,615</u>	<u>\$90,991</u>
253		Grand Total Operating Budget	<u><u>\$2,954,877</u></u>		<u><u>\$3,011,050</u></u>	<u><u>\$3,133,665</u></u>	<u><u>\$3,262,784</u></u>	<u><u>\$3,434,815</u></u>	<u><u>\$3,579,082</u></u>

Footnotes:

- [1] Fiscal Year 2017 amounts shown based on Table 1-5.
[2] Budgeted amounts for the "Cost Allocation" line are to reimburse the General Fund for services that benefit the Utility.
[3] Budgeted amounts for the PILOFF are transferred to the General Fund and are therefore excluded from the Cost of Operation and Maintenance for coverage purposes. These items have been adjusted from the budget and are accounted for in the summary of Revenue Requirements later in the rate model.
[4] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.
[5] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.
[6] An allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible revenues.

Table 1-8
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Wastewater System Operating Expenses

Line No.	Cost Center Code	Description	Adjusted [1] 2017	Escalation Factor	Projected 2018	Fiscal Year Ending September 30th,			
						2019	2020	2021	2022
440-4010-539 Administration Department									
1	440-4010-539.12-10	Regular Salaries	\$143,186	Labor	\$147,482	\$151,906	\$156,464	\$161,158	\$165,992
2	440-4010-539.14-10	Overtime	0	Labor	0	0	0	0	0
3	440-4010-539.15-30	Cell Phone	1,109	Inflation	1,127	1,153	1,180	1,209	1,238
4	440-4010-539.15-60	Boot Allowance	70	Inflation	71	73	74	76	78
5	440-4010-539.21-10	FICA Taxes	8,902	Labor	9,169	9,444	9,727	10,019	10,320
6	440-4010-539.21-20	Medicare	2,082	Labor	2,144	2,209	2,275	2,343	2,414
7	440-4010-539.22-10	Retirement Contributions	7,837	Labor	8,072	8,314	8,564	8,821	9,085
8	440-4010-539.22-20	DCSE	13,908	Labor	14,325	14,755	15,198	15,654	16,123
9	440-4010-539.23-10	Life Insurance	645	General-Ins	645	645	645	645	645
10	440-4010-539.23-20	Group Medical Insurance	24,808	Health-Ins	32,003	35,203	38,723	42,596	46,855
11	440-4010-539.23-30	Dental Insurance	1,128	Health-Ins	1,455	1,601	1,761	1,937	2,130
12	440-4010-539.23-40	Long Term Disability	1,163	Health-Ins	1,501	1,651	1,816	1,997	2,197
13	440-4010-539.23-90	OPEB Expense	1,212	Marginal	1,224	1,236	1,249	1,261	1,274
14	440-4010-539.24-10	Worker's Compensation	336	Labor	346	356	367	378	389
15		Subtotal Personnel Expenses	\$206,386		\$219,563	\$228,545	\$238,042	\$248,092	\$258,740
<u>Operating Expenses</u>									
16	440-4010-539.34-10	Other Contractual Service	1,428	Contractual	\$1,486	1,545	1,607	1,671	1,738
17	440-4010-539.40-10	Travel & Per Diem	2,182	Inflation	2,217	2,268	2,322	2,378	2,435
18	440-4010-539.41-10	Telephone	0	Inflation	0	0	0	0	0
19	440-4010-539.41-20	Internet	2,068	Inflation	2,101	2,149	2,201	2,254	2,308
20	440-4010-539.41-40	Postage	11	Inflation	11	12	12	12	12
21	440-4010-539.43-10	Electric	2,190	Electricity	2,299	2,414	2,535	2,662	2,795
22	440-4010-539.46-10	Repair & Maintenance	1,175	Repair	1,210	1,247	1,284	1,322	1,362
23	440-4010-539.46-20	Fleet Charges	1,013	Repair	1,043	1,074	1,107	1,140	1,174
24	440-4010-539.47-20	Copier	3,805	Inflation	3,865	3,954	4,049	4,146	4,246
25	440-4010-539.49-01	Cost Allocation [2]	218,804	Labor	335,306	345,365	355,726	366,398	377,390
26	440-4010-539.49-10	Other Charges/Obligations	264	Inflation	268	274	281	288	295
27	440-4010-539.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
28	440-4010-539.51-10	Office Supplies	839	Inflation	853	872	893	915	937
29	440-4010-539.52-10	Operating Supplies	1,483	Inflation	1,506	1,541	1,578	1,616	1,655
30	440-4010-539.52-20	Unleaded & Diesel	564	Fuel	592	622	653	686	720
31	440-4010-539.52-30	Uniforms	364	Inflation	369	378	387	396	406
32	440-4010-539.54-10	Books, Pubs, Subs, & Mem	4,547	Inflation	4,620	4,726	4,840	4,956	5,075
33	440-4010-539.54-20	Educational Development	1,930	Inflation	1,961	2,006	2,054	2,104	2,154
34		Subtotal Operating Expenses	\$242,667		\$359,709	\$370,449	\$381,530	\$392,944	\$404,701
35		Total Administration Department	\$449,052		\$579,273	\$598,994	\$619,571	\$641,036	\$663,441
440-4030-533 Water Department									
36	440-4030-533.12-10	Regular Salaries	\$0	Labor	\$0	\$0	\$0	\$0	\$0
37	440-4030-533.12-20	AddPerWater	0	Input	0	0	0	0	0
38	440-4030-533.12-30	DC ICMA	0	Labor	0	0	0	0	0
39	440-4030-533.14-10	Overtime	0	Labor	0	0	0	0	0
40	440-4030-533.15-30	Cell Phone	0	Inflation	0	0	0	0	0
41	440-4030-533.15-60	Boot Allowance	0	Inflation	0	0	0	0	0
42	440-4030-533.21-10	FICA Taxes	0	Labor	0	0	0	0	0
43	440-4030-533.21-20	Medicare	0	Labor	0	0	0	0	0
44	440-4030-533.22-10	Retirement Contributions	0	Labor	0	0	0	0	0
45	440-4030-533.22-20	DCSE	0	Labor	0	0	0	0	0
46	440-4030-533.23-10	Life Insurance	0	General-Ins	0	0	0	0	0
47	440-4030-533.23-20	Group Medical Insurance	0	Health-Ins	0	0	0	0	0
48	440-4030-533.23-30	Dental Insurance	0	Health-Ins	0	0	0	0	0
49	440-4030-533.23-40	Long Term Disability	0	Health-Ins	0	0	0	0	0
50	440-4030-533.23-90	OPEB Expense	0	Marginal	0	0	0	0	0
51	440-4030-533.24-10	Worker's Compensation	0	Labor	0	0	0	0	0
52		Subtotal Personnel Expenses	\$0		\$0	\$0	\$0	\$0	\$0
<u>Operating Expenses</u>									
53	440-4030-533.31-10	Professional Services	\$0	Contractual	\$0	\$0	\$0	\$0	\$0
54	440-4030-533.34-10	Other Contractual Service	0	Contractual	0	0	0	0	0
55	440-4030-533.40-10	Travel & Per Diem	0	Inflation	0	0	0	0	0
56	440-4030-533.41-10	Telephone	0	Inflation	0	0	0	0	0
57	440-4030-533.41-11	Cell Phone	0	Inflation	0	0	0	0	0
58	440-4030-533.41-15	Cellular	0	Inflation	0	0	0	0	0
59	440-4030-533.41-20	Internet	0	Inflation	0	0	0	0	0
60	440-4030-533.41-30	Legal Ads	0	Inflation	0	0	0	0	0
61	440-4030-533.41-40	Postage	0	Inflation	0	0	0	0	0
62	440-4030-533.43-10	Electric	0	W-Elec	0	0	0	0	0
63	440-4030-533.44-10	Rent	0	Inflation	0	0	0	0	0
64	440-4030-533.46-10	Repair & Maintenance	0	Repair	0	0	0	0	0
65	440-4030-533.46-20	Fleet Charges	0	Repair	0	0	0	0	0
66	440-4030-533.47-10	Printing & Binding	0	Inflation	0	0	0	0	0

Table 1-8
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Wastewater System Operating Expenses

Line No.	Cost Center Code	Description	Adjusted [1] 2017	Escalation Factor	Projected 2018	Fiscal Year Ending September 30th,			
						2019	2020	2021	2022
67	440-4030-533.47-20	Copier	0	Inflation	0	0	0	0	0
68	440-4030-533.48-10	Promotional Activities	0	Inflation	0	0	0	0	0
69	440-4030-533.49-01	Cost Allocation [2]	0	Labor	0	0	0	0	0
70	440-4030-533.49-10	Other Charges/Obligations	0	Inflation	0	0	0	0	0
71	440-4030-533.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
72	440-4030-533.51-10	Office Supplies	0	Inflation	0	0	0	0	0
73	440-4030-533.52-10	Operating Supplies	0	Inflation	0	0	0	0	0
74	440-4030-533.52-20	Unleaded & Diesel	0	Fuel	0	0	0	0	0
75	440-4030-533.52-25	Bulk Fuel	0	Fuel	0	0	0	0	0
76	440-4030-533.52-30	Uniforms	0	Inflation	0	0	0	0	0
77	440-4030-533.52-50	Chemical	0	W-Chem	0	0	0	0	0
78	440-4030-533.54-10	Books, Pubs, Subs, & Mem	0	Inflation	0	0	0	0	0
79	440-4030-533.54-20	Educational Development	0	Inflation	0	0	0	0	0
80		Subtotal Operating Expenses	\$0		\$0	\$0	\$0	\$0	\$0
81		Total Water Department	\$0		\$0	\$0	\$0	\$0	\$0
<u>440-4040-535 Wastewater Department</u>									
82	440-4040-535.12-10	Regular Salaries	\$612,391	Labor	\$630,763	\$649,686	\$669,176	\$689,251	\$709,929
83	AddPerWastewater	Additional Personnel	0	Input	0	0	0	103,547	106,653
84	440-4040-535.13-10	Other Salaries	0	Labor	0	0	0	0	0
85	440-4040-535.14-10	Overtime	0	Labor	0	0	0	0	0
86	440-4040-535.15-30	Cell Phone	1,750	Inflation	1,778	1,819	1,863	1,907	1,953
87	440-4040-535.15-40	Insurance Payback	4,829	Health-Ins	6,229	6,852	7,538	8,291	9,120
88	440-4040-535.15-60	Boot Allowance	1,500	Inflation	1,524	1,559	1,596	1,635	1,674
89	440-4040-535.21-10	FICA Taxes	34,145	Labor	35,169	36,224	37,311	38,430	39,583
90	440-4040-535.21-20	Medicare	7,986	Labor	8,226	8,472	8,727	8,988	9,258
91	440-4040-535.22-10	Retirement Contributions	17,021	Labor	17,532	18,058	18,599	19,157	19,732
92	440-4040-535.22-20	DCSE	56,709	Inflation	57,616	58,942	60,356	61,805	63,288
93	440-4040-535.23-10	Life Insurance	2,339	General-Ins	2,339	2,339	2,339	2,339	2,339
94	440-4040-535.23-20	Group Medical Insurance	113,689	Health-Ins	146,659	161,325	177,457	195,203	214,723
95	440-4040-535.23-30	Dental Insurance	3,180	Health-Ins	4,102	4,512	4,964	5,460	6,006
96	440-4040-535.23-40	Long Term Disability	4,223	Health-Ins	5,448	5,992	6,592	7,251	7,976
97	440-4040-535.23-90	OPEB	6,716	Marginal	6,784	6,851	6,920	6,989	7,059
98	440-4040-535.24-10	Worker's Compensation	19,901	Labor	20,498	21,113	21,746	22,399	23,071
99		Subtotal Personnel Expenses	\$886,379		\$944,666	\$983,745	\$1,025,184	\$1,172,653	\$1,222,365
<u>Operating Expenses</u>									
100	440-4040-535.31-10	Professional Services	44,443	Contractual	\$46,221	48,070	49,992	51,992	54,072
101	440-4040-535.34-10	Other Contractual Service	236,227	Contractual	245,676	255,503	265,723	276,352	287,406
102	440-4040-535.40-10	Travel & Per Diem	3,950	Inflation	4,013	4,106	4,204	4,305	4,408
103	440-4040-535.41-10	Telephone	0	Inflation	0	0	0	0	0
104	440-4040-535.41-15	Cellular	375	Inflation	381	390	399	409	419
105	440-4040-535.41-20	Internet	1,075	Inflation	1,092	1,117	1,144	1,172	1,200
106	440-4040-535.41-30	Legal Ads	0	Inflation	0	0	0	0	0
107	440-4040-535.41-40	Postage	12,000	Inflation	12,192	12,472	12,772	13,078	13,392
108	440-4040-535.43-10	Electric	180,250	WW-Elec	189,762	199,813	210,394	221,533	233,261
109	440-4040-535.43-30	Water / Sewer / Trash	14,533	Inflation	14,766	15,105	15,468	15,839	16,219
110	440-4040-535.44-10	Rent	5,640	Inflation	5,730	5,862	6,003	6,147	6,294
111	440-4040-535.46-10	Repair & Maintenance	98,780	Repair	101,743	104,796	107,940	111,178	114,513
112	440-4040-535.46-20	Fleet Charges	1,810	Repair	1,864	1,920	1,978	2,037	2,098
113	440-4040-535.47-10	Printing & Binding	250	Inflation	254	260	266	272	279
114	440-4040-535.47-20	Copier	2,100	Inflation	2,134	2,183	2,235	2,289	2,344
115	440-4040-535.48-10	Promotional Activities	1,550	Inflation	1,575	1,611	1,650	1,689	1,730
116	440-4040-535.49-01	Cost Allocation [2]	142,175	Labor	153,049	157,640	162,370	167,241	172,258
117	440-4040-535.49-10	Other Charges/Obligations	4,250	Inflation	4,318	4,417	4,523	4,632	4,743
118	440-4040-535.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
119	440-4040-535.51-10	Office Supplies	1,000	Inflation	1,016	1,039	1,064	1,090	1,116
120	440-4040-535.52-10	Operating Supplies	97,367	Inflation	98,925	101,200	103,629	106,116	108,663
121	440-4040-535.52-20	Unleaded & Diesel	2,500	Fuel	2,625	2,756	2,894	3,039	3,191
122	440-4040-535.52-25	Bulk Fuel	3,000	Fuel	3,150	3,308	3,473	3,647	3,829
123	440-4040-535.52-30	Uniforms	1,400	Inflation	1,422	1,455	1,490	1,526	1,562
124	440-4040-535.52-50	Chemical	183,000	WW-Chem	192,657	202,861	213,604	224,913	236,820
125	440-4040-535.54-10	Books, Pubs, Subs, & Mem	440	Inflation	447	457	468	480	491
126	440-4040-535.54-20	Educational Development	8,000	Inflation	8,128	8,315	8,515	8,719	8,928
127		Subtotal Operating Expenses	\$1,046,115		\$1,093,141	\$1,136,657	\$1,182,197	\$1,229,693	\$1,279,235
128		Total Wastewater Department	\$1,932,494		\$2,037,807	\$2,120,401	\$2,207,380	\$2,402,346	\$2,501,600
<u>440-4050-539 Wastewater Collections</u>									
129	440-4050-539.12-10	Regular Salaries	\$173,865	Labor	\$179,081	\$184,453	\$189,987	\$195,687	\$201,557
130	AddPerCollections	Additional Personnel	0	Input	0	0	0	0	0
131	440-4050-539.14-10	Overtime	0	Labor	0	0	0	0	0
132	440-4050-539.15-30	Cell Phone	905	Inflation	919	941	963	986	1,010

Table 1-8
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Wastewater System Operating Expenses

Line No.	Cost Center Code	Description	Adjusted [1] 2017	Escalation Factor	Projected 2018	Fiscal Year Ending September 30th,			
						2019	2020	2021	2022
133	440-4050-539.15-60	Boot Allowance	500	Inflation	508	520	532	545	558
134	440-4050-539.21-10	FICA Taxes	8,919	Labor	9,187	9,462	9,746	10,038	10,340
135	440-4050-539.21-20	Medicare	2,086	Labor	2,149	2,213	2,279	2,348	2,418
136	440-4050-539.22-10	Retirement Contributions	16,825	Labor	17,330	17,850	18,385	18,937	19,505
137	440-4050-539.22-20	DCSE	11,981	Labor	12,340	12,711	13,092	13,485	13,889
138	440-4050-539.23-10	Life Insurance	709	General-Ins	709	709	709	709	709
139	440-4050-539.23-20	Group Medical Insurance	47,781	Health-Ins	61,637	67,801	74,581	82,039	90,243
140	440-4050-539.23-30	Dental Insurance	1,567	Health-Ins	2,021	2,224	2,446	2,691	2,960
141	440-4050-539.23-40	Long Term Disability	1,277	Health-Ins	1,647	1,812	1,993	2,193	2,412
142	440-4050-539.23-90	OPEB Expense	1,947	Marginal	1,966	1,986	2,006	2,026	2,046
143	440-4050-539.24-10	Worker's Compensation	5,109	Labor	5,262	5,420	5,583	5,750	5,923
144		Subtotal Personnel Expenses	\$273,471		\$294,757	\$308,101	\$322,303	\$337,433	\$353,570
		<u>Operating Expenses</u>							
145	440-4050-539.34-10	Other Contractual Service	212	Contractual	\$220	229	238	248	258
146	440-4050-539.40-10	Travel & Per Diem	750	Inflation	762	780	798	817	837
147	440-4050-539.41-10	Telephone	0	Inflation	0	0	0	0	0
148	440-4050-539.41-15	Cellular	375	Inflation	381	390	399	409	419
149	440-4050-539.41-20	Internet	359	Inflation	365	373	382	391	401
150	440-4050-539.43-10	Electric	79,310	WW-Elec	83,495	87,918	92,573	97,475	102,635
151	440-4050-539.43-30	Water / Sewer / Trash	329	Inflation	334	342	350	359	367
152	440-4050-539.44-10	Rent	500	Inflation	508	520	532	545	558
153	440-4050-539.46-10	Repair & Maintenance	70,000	Repair	72,100	74,263	76,491	78,786	81,149
154	440-4050-539.46-20	Fleet Charges	20,128	Repair	20,732	21,354	21,994	22,654	23,334
155	440-4050-539.47-10	Printing & Binding	0	Inflation	0	0	0	0	0
156	440-4050-539.47-20	Copier	500	Inflation	508	520	532	545	558
157	440-4050-539.49-01	Cost Allocation [2]	47,199	Labor	55,422	57,085	58,797	60,561	62,378
158	440-4050-539.49-10	Other Charges/Obligations	1,060	Inflation	1,077	1,102	1,128	1,155	1,183
159	440-4050-539.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
160	440-4050-539.51-10	Office Supplies	250	Inflation	254	260	266	272	279
161	440-4050-539.52-10	Operating Supplies	22,700	Inflation	23,063	23,594	24,160	24,740	25,333
162	440-4050-539.52-20	Unleaded & Diesel	12,201	Fuel	12,811	13,452	14,124	14,830	15,572
163	440-4050-539.52-30	Uniforms	700	Inflation	711	728	745	763	781
164	440-4050-539.52-50	Chemical	20,000	WW-Chem	21,055	22,171	23,345	24,581	25,882
165	440-4050-539.54-10	Books, Pubs, Subs, & Mem	120	Inflation	122	125	128	131	134
166	440-4050-539.54-20	Educational Development	900	Inflation	914	935	958	981	1,004
167		Subtotal Operating Expenses	\$277,593		\$294,836	\$306,137	\$317,942	\$330,242	\$343,062
168		Total Wastewater Collections	\$551,064		\$589,593	\$614,238	\$640,245	\$667,675	\$696,631
	440-4080-539	<u>Field Operations</u>							
169	440-4080-539.12-10	Regular Salaries	\$176,574	Labor	\$181,872	\$187,328	\$192,948	\$198,736	\$204,698
170	AddPerFieldOps	Additional Personnel	0	Input	0	0	0	24,298	25,027
171	440-4080-539.12-20	DC ICMA	7,692	Labor	7,923	8,160	8,405	8,657	8,917
172	440-4080-539.14-10	Overtime	0	Labor	0	0	0	0	0
173	440-4080-539.15-30	Cell Phone	541	Inflation	550	562	576	590	604
174	440-4080-539.15-60	Boot Allowance	560	Inflation	569	582	596	610	625
175	440-4080-539.21-10	FICA Taxes	10,309	Labor	10,619	10,937	11,265	11,603	11,951
176	440-4080-539.21-20	Medicare	2,411	Labor	2,483	2,558	2,635	2,714	2,795
177	440-4080-539.22-20	DCSE	13,497	Labor	13,902	14,319	14,748	15,191	15,646
178	440-4080-539.23-10	Life Insurance	741	General-Ins	741	741	741	741	741
179	440-4080-539.23-20	Group Medical Insurance	53,195	Health-Ins	68,621	75,483	83,031	91,334	100,468
180	440-4080-539.23-30	Dental Insurance	1,587	Health-Ins	2,047	2,251	2,476	2,724	2,996
181	440-4080-539.23-40	Long Term Disability	1,453	Health-Ins	1,875	2,062	2,269	2,495	2,745
182	440-4080-539.23-90	OPEB Expense	2,123	Marginal	2,144	2,166	2,187	2,209	2,231
183	440-4080-539.24-10	Worker's Compensation	7,931	Labor	8,169	8,415	8,667	8,927	9,195
184		Subtotal Personnel Costs	\$278,615		\$301,514	\$315,564	\$330,545	\$370,830	\$388,640
		<u>Operating Expenses</u>							
185	440-4080-539.34-10	Other Contractual Service	223	Contractual	\$232	241	251	261	271
186	440-4080-539.40-10	Travel & Per Diem	1,080	Inflation	1,098	1,123	1,150	1,177	1,206
187	440-4080-539.41-10	Telephone	0	Inflation	0	0	0	0	0
188	440-4080-539.41-15	Cellular	326	Inflation	331	339	347	355	364
189	440-4080-539.41-20	Internet	162	Inflation	164	168	172	176	180
190	440-4080-539.41-40	Postage	4	Inflation	4	4	4	4	5
191	440-4080-539.46-10	Rent	204	Inflation	207	212	217	222	227
192	440-4080-539.46-10	Repair & Maintenance	55,193	Repair	56,849	58,554	60,311	62,120	63,984
193	440-4080-539.46-20	Fleet Charges	11,610	Repair	11,958	12,317	12,686	13,067	13,459
194	440-4080-539.49-01	Cost Allocation [2]	42,318	Labor	47,645	49,074	50,547	52,063	53,625
195	440-4080-539.49-10	Other Charges/Obligations	2,037	Inflation	2,069	2,117	2,168	2,220	2,273
196	440-4080-539.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
197	440-4080-539.51-10	Office Supplies	163	Inflation	166	169	173	178	182
198	440-4080-539.52-10	Operating Supplies	15,167	Inflation	15,410	15,764	16,142	16,530	16,926
199	440-4080-539.52-20	Unleaded & Diesel	10,183	Fuel	10,692	11,227	11,788	12,378	12,997
200	440-4080-539.52-30	Uniforms	701	Inflation	712	728	746	764	782

Table 1-8
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Wastewater System Operating Expenses

Line No.	Cost Center Code	Description	Adjusted [1] 2017	Escalation Factor	Projected 2018	Fiscal Year Ending September 30th,			
						2019	2020	2021	2022
201	440-4080-539.54-10	Books, Pubs, Subs, & Mem	61	Inflation	62	64	65	67	68
202	440-4080-539.54-20	Educational Development	1,018	Inflation	1,035	1,058	1,084	1,110	1,136
203		Subtotal Operating Expenses	<u>\$140,449</u>		<u>\$148,633</u>	<u>\$153,159</u>	<u>\$157,850</u>	<u>\$162,690</u>	<u>\$167,684</u>
204		Total Field Operations	<u>\$419,063</u>		<u>\$450,146</u>	<u>\$468,723</u>	<u>\$488,395</u>	<u>\$533,521</u>	<u>\$556,325</u>
440-5555-580, 581, 589 Non-Departmental [4]									
205	440-5555-580.22-10	Retirement Contributions	\$111,774	Labor	\$115,127	\$118,581	\$122,138	\$125,802	\$129,576
206	440-5555-580.23-80	PTO Expense	0	Eliminate	0	0	0	0	0
207	440-5555-580.31-10	Professional Services	0	Eliminate	0	0	0	0	0
208	440-5555-580.32-10	Accounting & Auditing	0	Eliminate	0	0	0	0	0
209	440-5555-580.45-10	General Liability	8,818	General-Ins	8,818	8,818	8,818	8,818	8,818
210	440-5555-580.45-15	Property	0	Eliminate	0	0	0	0	0
211	440-5555-580.45-20	Public Officials	6,823	Labor	7,028	7,239	7,456	7,680	7,910
212	440-5555-580.45-25	Automobile	0	Eliminate	0	0	0	0	0
213	440-5555-580.45-35	Environmental Liability	1,664	Inflation	1,690	1,729	1,770	1,813	1,856
214	440-5555-580.49-10	Other Charges/Obligations	0	Inflation	0	0	0	0	0
215	440-5555-580.49-20	Bank Charges	0	Eliminate	0	0	0	0	0
216	440-5555-580.49-50	Write Off	0	Eliminate	0	0	0	0	0
217	440-5555-580.49-60	Hurricane Charges	176,594	Eliminate	0	0	0	0	0
218	440-5555-580.52-10	Operating Supplies	0	Eliminate	0	0	0	0	0
219	440-5555-580.59-10	Depreciation	0	Eliminate	0	0	0	0	0
220	440-5555-580.64-10	Machinery & Equipment	0	Eliminate	0	0	0	0	0
221	440-5555-580.64-20	Motor Vehicles	0	Eliminate	0	0	0	0	0
222	440-5555-580.71-15	JCI Meters	0	Eliminate	0	0	0	0	0
223	440-5555-580.71-24	Refunding Bond Series 09	0	Eliminate	0	0	0	0	0
224	440-5555-580.71-26	BBT SRF Refinance 2012	0	Eliminate	0	0	0	0	0
225	440-5555-580.71-28	BBT Cap Imp Rev Note 2014	0	Eliminate	0	0	0	0	0
226	440-5555-580.71-29	St Rev Fund-WWTP R&R 2013	0	Eliminate	0	0	0	0	0
227	440-5555-580.71-38	BBT W&S Ref Rev Bnd 2016	0	Eliminate	0	0	0	0	0
228	440-5555-580.72-13	BOA Obligation #265	0	Eliminate	0	0	0	0	0
229	440-5555-580.72-15	JCI Meters	0	Eliminate	0	0	0	0	0
230	440-5555-580.72-20	State Revolving Fund	0	Eliminate	0	0	0	0	0
231	440-5555-580.72-24	Refunding Bond Series 09	0	Eliminate	0	0	0	0	0
232	440-5555-580.72-26	BBT SRF Refinance 2012	0	Eliminate	0	0	0	0	0
233	440-5555-580.72-28	BBT Cap Imp Rev Note 2014	0	Eliminate	0	0	0	0	0
234	440-5555-580.72-29	St Rev Fund-WWTP R&R 2013	0	Eliminate	0	0	0	0	0
235	440-5555-580.72-38	BBT W&S Ref Rev Bnd 2016	0	Eliminate	0	0	0	0	0
236	440-5555-580.73-11	2013 SunTrust JCI	0	Eliminate	0	0	0	0	0
237	440-5555-580.73-21	Bond Issuance Cost - SRF	0	Eliminate	0	0	0	0	0
238	440-5555-580.73-41	BBT SRF Refinance 2012	0	Eliminate	0	0	0	0	0
239	440-5555-580.73-42	Cap Imp Rev Note Srs 2014	0	Eliminate	0	0	0	0	0
240	440-5555-581.03-31	Capital Fund	0	Eliminate	0	0	0	0	0
241	440-5555-581.04-44	Renewal And Replacement	0	Eliminate	0	0	0	0	0
242	440-5555-581.04-45	Wtr/Swr Rate Stabilization	0	Eliminate	0	0	0	0	0
243	440-5555-581.04-50	Public Works Complex - Debt Service	0	Eliminate	0	0	0	0	0
244	440-5555-581.05-01	MIS	0	Eliminate	0	0	0	0	0
245	440-5555-589.50-50	Stabilization - Estimated Savings	0	Eliminate	0	0	0	0	0
246	440-5555-581.10-01	General Fund	0	Eliminate	0	0	0	0	0
247	440-5555-589.10-01	Current Year Unreserved	0	Eliminate	0	0	0	0	0
248		Total Non-Departmental	<u>\$305,673</u>		<u>\$132,663</u>	<u>\$136,367</u>	<u>\$140,183</u>	<u>\$144,113</u>	<u>\$148,161</u>
<u>Other Adjustments</u>									
249	Contingency	Contingency - 1.00% of O&M [5]	\$36,573	Input	\$37,895	\$39,387	\$40,958	\$43,887	\$45,662
250	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [6]	12,956	Input	14,076	15,303	16,644	18,109	19,710
251	Other	Other Adjustments - Retirement Benefits	41,891	WW-Op	43,412	45,129	46,936	50,296	52,340
252		Total Other Adjustments	<u>\$91,420</u>		<u>\$95,382</u>	<u>\$99,819</u>	<u>\$104,538</u>	<u>\$112,292</u>	<u>\$117,712</u>
253		Grand Total Operating Budget	<u><u>\$3,748,766</u></u>		<u><u>\$3,884,865</u></u>	<u><u>\$4,038,542</u></u>	<u><u>\$4,200,312</u></u>	<u><u>\$4,500,983</u></u>	<u><u>\$4,683,871</u></u>

Footnotes:

- [1] Fiscal Year 2017 amounts shown based on Table 1-5.
- [2] Budgeted amounts for the "Cost Allocation" line are to reimburse the General Fund for services that benefit the Utility.
- [3] Budgeted amounts for the PILOFF are transferred to the General Fund and are therefore excluded from the Cost of Operation and Maintenance for coverage purposes. These items have been adjusted from the budget and are accounted for in the summary of Revenue Requirements later in the rate model.
- [4] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.
- [5] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.
- [6] An allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible revenues.

Table 1-9
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Combined Water and Wastewater System Operating Expenses

Line No.	Cost Center Code	Description	Adjusted [1] 2017	Escalation Factor	Projected 2018	Fiscal Year Ending September 30th,			
						2019	2020	2021	2022
	440-4010-539	<u>Administration Department</u>							
1	440-4010-539.12-10	Regular Salaries	\$255,917	Labor	\$263,595	\$271,502	\$279,647	\$288,037	\$296,678
2	440-4010-539.14-10	Overtime	0	Labor	0	0	0	0	0
3	440-4010-539.15-30	Cell Phone	1,982	Inflation	2,014	2,060	2,109	2,160	2,212
4	440-4010-539.15-60	Boot Allowance	125	Inflation	127	130	133	136	140
5	440-4010-539.21-10	FICA Taxes	15,910	Labor	16,387	16,879	17,385	17,907	18,444
6	440-4010-539.21-20	Medicare	3,721	Labor	3,833	3,948	4,066	4,188	4,314
7	440-4010-539.22-10	Retirement Contributions	14,007	Labor	14,427	14,860	15,306	15,765	16,238
8	440-4010-539.22-20	DCSE	24,858	Labor	25,604	26,372	27,163	27,978	28,817
9	440-4010-539.23-10	Life Insurance	1,152	General-Ins	1,152	1,152	1,152	1,152	1,152
10	440-4010-539.23-20	Group Medical Insurance	44,340	Health-Ins	57,199	62,918	69,210	76,131	83,744
11	440-4010-539.23-30	Dental Insurance	2,016	Health-Ins	2,601	2,861	3,147	3,461	3,808
12	440-4010-539.23-40	Long Term Disability	2,079	Health-Ins	2,682	2,950	3,245	3,570	3,927
13	440-4010-539.23-90	OPEB Expense	2,166	Marginal	2,188	2,210	2,232	2,254	2,277
14	440-4010-539.24-10	Worker's Compensation	600	Labor	618	637	656	675	696
15		Subtotal Personnel Expenses	\$368,873		\$392,425	\$408,478	\$425,452	\$443,415	\$462,445
		<u>Operating Expenses</u>							
16	440-4010-539.34-10	Other Contractual Service	\$2,553	Contractual	\$2,655	\$2,761	\$2,872	\$2,987	\$3,106
17	440-4010-539.40-10	Travel & Per Diem	3,900	Inflation	3,962	4,054	4,151	4,250	4,352
18	440-4010-539.41-10	Telephone	0	Inflation	0	0	0	0	0
19	440-4010-539.41-20	Internet	3,696	Inflation	3,755	3,842	3,934	4,028	4,125
20	440-4010-539.41-40	Postage	20	Inflation	20	21	21	22	22
21	440-4010-539.43-10	Electric	3,914	Electricity	4,110	4,315	4,531	4,757	4,995
22	440-4010-539.46-10	Repair & Maintenance	2,100	Repair	2,163	2,228	2,295	2,364	2,434
23	440-4010-539.46-20	Fleet Charges	1,810	Repair	1,864	1,920	1,978	2,037	2,098
24	440-4010-539.47-20	Copier	6,800	Inflation	6,909	7,068	7,237	7,411	7,589
25	440-4010-539.49-01	Cost Allocation [2]	391,068	Labor	599,293	617,272	635,790	654,864	674,510
26	440-4010-539.49-10	Other Charges/Obligations	472	Inflation	480	491	502	514	527
27	440-4010-539.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
28	440-4010-539.51-10	Office Supplies	1,500	Inflation	1,524	1,559	1,596	1,635	1,674
29	440-4010-539.52-10	Operating Supplies	2,650	Inflation	2,692	2,754	2,820	2,888	2,957
30	440-4010-539.52-20	Unleaded & Diesel	1,008	Fuel	1,058	1,111	1,167	1,225	1,286
31	440-4010-539.52-30	Uniforms	650	Inflation	660	676	692	708	725
32	440-4010-539.54-10	Books, Pubs, Subs, & Mem	8,127	Inflation	8,257	8,447	8,650	8,857	9,070
33	440-4010-539.54-20	Educational Development	3,450	Inflation	3,505	3,586	3,672	3,760	3,850
34		Subtotal Operating Expenses	\$433,718		\$642,909	\$662,104	\$681,908	\$702,308	\$723,322
35		Total Administration Department	\$802,591		\$1,035,334	\$1,070,582	\$1,107,360	\$1,145,723	\$1,185,768
	440-4030-533	<u>Water Department</u>							
36	440-4030-533.12-10	Regular Salaries	\$501,116	Labor	\$516,149	\$531,634	\$547,583	\$564,010	\$580,931
37	440-4030-533.12-20	AddPerWater	0	Input	0	0	0	0	0
38	440-4030-533.12-20	DC ICMA	0	Labor	0	0	0	0	0
39	440-4030-533.14-10	Overtime	0	Labor	0	0	0	0	0
40	440-4030-533.15-30	Cell Phone	905	Inflation	919	941	963	986	1,010
41	440-4030-533.15-60	Boot Allowance	1,250	Inflation	1,270	1,299	1,330	1,362	1,395
42	440-4030-533.21-10	FICA Taxes	27,996	Labor	28,836	29,701	30,592	31,510	32,455
43	440-4030-533.21-20	Medicare	6,547	Labor	6,743	6,946	7,154	7,369	7,590
44	440-4030-533.22-10	Retirement Contributions	0	Labor	0	0	0	0	0
45	440-4030-533.22-20	DCSE	36,284	Labor	37,373	38,494	39,649	40,838	42,063
46	440-4030-533.23-10	Life Insurance	2,103	General-Ins	2,103	2,103	2,103	2,103	2,103
47	440-4030-533.23-20	Group Medical Insurance	103,205	Health-Ins	133,134	146,448	161,093	177,202	194,922
48	440-4030-533.23-30	Dental Insurance	2,998	Health-Ins	3,867	4,254	4,680	5,148	5,662
49	440-4030-533.23-40	Long Term Disability	3,806	Health-Ins	4,910	5,401	5,941	6,535	7,188
50	440-4030-533.23-90	OPEB Expense	5,900	Marginal	5,959	6,019	6,079	6,140	6,201
51	440-4030-533.24-10	Worker's Compensation	18,373	Labor	18,924	19,492	20,077	20,679	21,299
52		Subtotal Personnel Expenses	\$710,483		\$760,189	\$792,730	\$827,243	\$863,881	\$902,820
		<u>Operating Expenses</u>							
53	440-4030-533.31-10	Professional Services	\$5,810	Contractual	\$6,042	\$6,284	\$6,535	\$6,797	\$7,069
54	440-4030-533.34-10	Other Contractual Service	96,318	Contractual	100,171	104,178	108,345	112,678	117,186
55	440-4030-533.40-10	Travel & Per Diem	1,300	Inflation	1,321	1,351	1,384	1,417	1,451
56	440-4030-533.41-10	Telephone	0	Inflation	0	0	0	0	0
57	440-4030-533.41-11	Cell Phone	0	Inflation	0	0	0	0	0
58	440-4030-533.41-15	Cellular	750	Inflation	762	780	798	817	837
59	440-4030-533.41-20	Internet	1,416	Inflation	1,439	1,472	1,507	1,543	1,580
60	440-4030-533.41-30	Legal Ads	0	Inflation	0	0	0	0	0
61	440-4030-533.41-40	Postage	12,000	Inflation	12,192	12,472	12,772	13,078	13,392
62	440-4030-533.43-10	Electric	152,131	W-Elec	160,034	168,376	177,151	186,383	196,096
63	440-4030-533.44-10	Rent	1,500	Inflation	1,524	1,559	1,596	1,635	1,674
64	440-4030-533.46-10	Repair & Maintenance	89,805	Repair	92,499	95,274	98,132	101,076	104,109
65	440-4030-533.46-20	Fleet Charges	2,215	Repair	2,281	2,350	2,420	2,493	2,568
66	440-4030-533.47-10	Printing & Binding	5,200	Inflation	5,283	5,405	5,534	5,667	5,803

Table 1-9
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Combined Water and Wastewater System Operating Expenses

Line No.	Cost Center Code	Description	Adjusted [1] 2017	Escalation Factor	Projected 2018	Fiscal Year Ending September 30th.			
						2019	2020	2021	2022
67	440-4030-533.47-20	Copier	500	Inflation	508	520	532	545	558
68	440-4030-533.48-10	Promotional Activities	500	Inflation	508	520	532	545	558
69	440-4030-533.49-01	Cost Allocation [2]	131,863	Labor	127,414	131,236	135,174	139,229	143,406
70	440-4030-533.49-10	Other Charges/Obligations	16,600	Inflation	16,866	17,254	17,668	18,092	18,526
71	440-4030-533.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
72	440-4030-533.51-10	Office Supplies	650	Inflation	660	676	692	708	725
73	440-4030-533.52-10	Operating Supplies	34,500	Inflation	35,052	35,858	36,719	37,600	38,502
74	440-4030-533.52-20	Unleaded & Diesel	2,000	Fuel	2,100	2,205	2,315	2,431	2,553
75	440-4030-533.52-25	Bulk Fuel	6,000	Fuel	6,300	6,615	6,946	7,293	7,658
76	440-4030-533.52-30	Uniforms	1,575	Inflation	1,600	1,637	1,676	1,717	1,758
77	440-4030-533.52-50	Chemical	341,250	W-Chem	358,978	377,689	397,374	418,083	439,869
78	440-4030-533.54-10	Books, Pubs, Subs, & Mem	1,980	Inflation	2,012	2,058	2,107	2,158	2,210
79	440-4030-533.54-20	Educational Development	1,075	Inflation	1,092	1,117	1,144	1,172	1,200
80		Subtotal Operating Expenses	\$906,938		\$936,638	\$976,884	\$1,019,054	\$1,063,158	\$1,109,286
81		Total Water Department	\$1,617,421		\$1,696,827	\$1,769,615	\$1,846,297	\$1,927,039	\$2,012,106
	440-4040-535	Wastewater Department							
82	440-4040-535.12-10	Regular Salaries	\$612,391	Labor	\$630,763	\$649,686	\$669,176	\$689,251	\$709,929
83	AddPerWastewater	Additional Personnel	0	Input	0	0	0	103,547	106,653
84	440-4040-535.13-10	Other Salaries	0	Labor	0	0	0	0	0
85	440-4040-535.14-10	Overtime	0	Labor	0	0	0	0	0
86	440-4040-535.15-30	Cell Phone	1,750	Inflation	1,778	1,819	1,863	1,907	1,953
87	440-4040-535.15-40	Insurance Payback	4,829	Health-Ins	6,229	6,852	7,538	8,291	9,120
88	440-4040-535.15-60	Boot Allowance	1,500	Inflation	1,524	1,559	1,596	1,635	1,674
89	440-4040-535.21-10	FICA Taxes	34,145	Labor	35,169	36,224	37,311	38,430	39,583
90	440-4040-535.21-20	Medicare	7,986	Labor	8,226	8,472	8,727	8,988	9,258
91	440-4040-535.22-10	Retirement Contributions	17,021	Labor	17,532	18,058	18,599	19,157	19,732
92	440-4040-535.22-20	DCSE	56,709	Inflation	57,616	58,942	60,356	61,805	63,288
93	440-4040-535.23-10	Life Insurance	2,339	General-Ins	2,339	2,339	2,339	2,339	2,339
94	440-4040-535.23-20	Group Medical Insurance	113,689	Health-Ins	146,659	161,325	177,457	195,203	214,723
95	440-4040-535.23-30	Dental Insurance	3,180	Health-Ins	4,102	4,512	4,964	5,460	6,006
96	440-4040-535.23-40	Long Term Disability	4,223	Health-Ins	5,448	5,992	6,592	7,251	7,976
97	440-4040-535.23-90	OPEB	6,716	Marginal	6,784	6,851	6,920	6,989	7,059
98	440-4040-535.24-10	Worker's Compensation	19,901	Labor	20,498	21,113	21,746	22,399	23,071
99		Subtotal Personnel Expenses	\$886,379		\$944,666	\$983,745	\$1,025,184	\$1,172,653	\$1,222,365
		Operating Expenses							
100	440-4040-535.31-10	Professional Services	\$44,443	Contractual	\$46,221	\$48,070	\$49,992	\$51,992	\$54,072
101	440-4040-535.34-10	Other Contractual Service	236,227	Contractual	245,676	255,503	265,723	276,352	287,406
102	440-4040-535.40-10	Travel & Per Diem	3,950	Inflation	4,013	4,106	4,204	4,305	4,408
103	440-4040-535.41-10	Telephone	0	Inflation	0	0	0	0	0
104	440-4040-535.41-15	Cellular	375	Inflation	381	390	399	409	419
105	440-4040-535.41-20	Internet	1,075	Inflation	1,092	1,117	1,144	1,172	1,200
106	440-4040-535.41-30	Legal Ads	0	Inflation	0	0	0	0	0
107	440-4040-535.41-40	Postage	12,000	Inflation	12,192	12,472	12,772	13,078	13,392
108	440-4040-535.43-10	Electric	180,250	WW-Elec	189,762	199,813	210,394	221,533	233,261
109	440-4040-535.43-30	Water / Sewer / Trash	14,533	Inflation	14,766	15,105	15,468	15,839	16,219
110	440-4040-535.44-10	Rent	5,640	Inflation	5,730	5,862	6,003	6,147	6,294
111	440-4040-535.46-10	Repair & Maintenance	98,780	Repair	101,743	104,796	107,940	111,178	114,513
112	440-4040-535.46-20	Fleet Charges	1,810	Repair	1,864	1,920	1,978	2,037	2,098
113	440-4040-535.47-10	Printing & Binding	250	Inflation	254	260	266	272	279
114	440-4040-535.47-20	Copier	2,100	Inflation	2,134	2,183	2,235	2,289	2,344
115	440-4040-535.48-10	Promotional Activities	1,550	Inflation	1,575	1,611	1,650	1,689	1,730
116	440-4040-535.49-01	Cost Allocation [2]	142,175	Labor	153,049	157,640	162,370	167,241	172,258
117	440-4040-535.49-10	Other Charges/Obligations	4,250	Inflation	4,318	4,417	4,523	4,632	4,743
118	440-4040-535.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
119	440-4040-535.51-10	Office Supplies	1,000	Inflation	1,016	1,039	1,064	1,090	1,116
120	440-4040-535.52-10	Operating Supplies	97,367	Inflation	98,925	101,200	103,629	106,116	108,663
121	440-4040-535.52-20	Unleaded & Diesel	2,500	Fuel	2,625	2,756	2,894	3,039	3,191
122	440-4040-535.52-25	Bulk Fuel	3,000	Fuel	3,150	3,308	3,473	3,647	3,829
123	440-4040-535.52-30	Uniforms	1,400	Inflation	1,422	1,455	1,490	1,526	1,562
124	440-4040-535.52-50	Chemical	183,000	WW-Chem	192,657	202,861	213,604	224,913	236,820
125	440-4040-535.54-10	Books, Pubs, Subs, & Mem	440	Inflation	447	457	468	480	491
126	440-4040-535.54-20	Educational Development	8,000	Inflation	8,128	8,315	8,515	8,719	8,928
127		Subtotal Operating Expenses	\$1,046,115		\$1,093,141	\$1,136,657	\$1,182,197	\$1,229,693	\$1,279,235
128		Total Wastewater Department	\$1,932,494		\$2,037,807	\$2,120,401	\$2,207,380	\$2,402,346	\$2,501,600
	440-4050-539	Wastewater Collections							
129	440-4050-539.12-10	Regular Salaries	\$173,865	Labor	\$179,081	\$184,453	\$189,987	\$195,687	\$201,557
130	AddPerCollections	Additional Personnel	0	Input	0	0	0	0	0
131	440-4050-539.14-10	Overtime	0	Labor	0	0	0	0	0
132	440-4050-539.15-30	Cell Phone	905	Inflation	919	941	963	986	1,010

Table 1-9
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Combined Water and Wastewater System Operating Expenses

Line No.	Cost Center Code	Description	Adjusted [1] 2017	Escalation Factor	Projected 2018	Fiscal Year Ending September 30th,			
						2019	2020	2021	2022
133	440-4050-539.15-60	Boot Allowance	500	Inflation	508	520	532	545	558
134	440-4050-539.21-10	FICA Taxes	8,919	Labor	9,187	9,462	9,746	10,038	10,340
135	440-4050-539.21-20	Medicare	2,086	Labor	2,149	2,213	2,279	2,348	2,418
136	440-4050-539.22-10	Retirement Contributions	16,825	Labor	17,330	17,850	18,385	18,937	19,505
137	440-4050-539.22-20	DCSE	11,981	Labor	12,340	12,711	13,092	13,485	13,889
138	440-4050-539.23-10	Life Insurance	709	General-Ins	709	709	709	709	709
139	440-4050-539.23-20	Group Medical Insurance	47,781	Health-Ins	61,637	67,801	74,581	82,039	90,243
140	440-4050-539.23-30	Dental Insurance	1,567	Health-Ins	2,021	2,224	2,446	2,691	2,960
141	440-4050-539.23-40	Long Term Disability	1,277	Health-Ins	1,647	1,812	1,993	2,193	2,412
142	440-4050-539.23-90	OPEB Expense	1,947	Marginal	1,966	1,986	2,006	2,026	2,046
143	440-4050-539.24-10	Worker's Compensation	5,109	Labor	5,262	5,420	5,583	5,750	5,923
144		Subtotal Personnel Expenses	\$273,471		\$294,757	\$308,101	\$322,303	\$337,433	\$353,570
		<u>Operating Expenses</u>							
145	440-4050-539.34-10	Other Contractual Service	\$212	Contractual	\$220	\$229	\$238	\$248	\$258
146	440-4050-539.40-10	Travel & Per Diem	750	Inflation	762	780	798	817	837
147	440-4050-539.41-10	Telephone	0	Inflation	0	0	0	0	0
148	440-4050-539.41-15	Cellular	375	Inflation	381	390	399	409	419
149	440-4050-539.41-20	Internet	359	Inflation	365	373	382	391	401
150	440-4050-539.43-10	Electric	79,310	WW-Elec	83,495	87,918	92,573	97,475	102,635
151	440-4050-539.43-30	Water / Sewer / Trash	329	Inflation	334	342	350	359	367
152	440-4050-539.44-10	Rent	500	Inflation	508	520	532	545	558
153	440-4050-539.46-10	Repair & Maintenance	70,000	Repair	72,100	74,263	76,491	78,786	81,149
154	440-4050-539.46-20	Fleet Charges	20,128	Repair	20,732	21,354	21,994	22,654	23,334
155	440-4050-539.47-10	Printing & Binding	0	Inflation	0	0	0	0	0
156	440-4050-539.47-20	Copier	500	Inflation	508	520	532	545	558
157	440-4050-539.49-01	Cost Allocation [2]	47,199	Labor	55,422	57,085	58,797	60,561	62,378
158	440-4050-539.49-10	Other Charges/Obligations	1,060	Inflation	1,077	1,102	1,128	1,155	1,183
159	440-4050-539.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
160	440-4050-539.51-10	Office Supplies	250	Inflation	254	260	266	272	279
161	440-4050-539.52-10	Operating Supplies	22,700	Inflation	23,063	23,594	24,160	24,740	25,333
162	440-4050-539.52-20	Unleaded & Diesel	12,201	Fuel	12,811	13,452	14,124	14,830	15,572
163	440-4050-539.52-30	Uniforms	700	Inflation	711	728	745	763	781
164	440-4050-539.52-50	Chemical	20,000	WW-Chem	21,055	22,171	23,345	24,581	25,882
165	440-4050-539.54-10	Books, Pubs, Subs, & Mem	120	Inflation	122	125	128	131	134
166	440-4050-539.54-20	Educational Development	900	Inflation	914	935	958	981	1,004
167		Subtotal Operating Expenses	\$277,593		\$294,836	\$306,137	\$317,942	\$330,242	\$343,062
168		Total Wastewater Collections	\$551,064		\$589,593	\$614,238	\$640,245	\$667,675	\$696,631
	440-4080-539	<u>Field Operations</u>							
169	440-4080-539.12-10	Regular Salaries	\$433,495	Labor	\$446,500	\$459,895	\$473,692	\$487,902	\$502,540
170		AddPerFieldOps	0	Input	0	0	0	59,652	61,442
171	440-4080-539.12-20	DC ICMA	18,884	Labor	19,451	20,034	20,635	21,254	21,892
172	440-4080-539.14-10	Overtime	0	Labor	0	0	0	0	0
173	440-4080-539.15-30	Cell Phone	1,328	Inflation	1,349	1,380	1,413	1,447	1,482
174	440-4080-539.15-60	Boot Allowance	1,375	Inflation	1,397	1,429	1,463	1,499	1,535
175	440-4080-539.21-10	FICA Taxes	25,310	Labor	26,069	26,851	27,657	28,487	29,341
176	440-4080-539.21-20	Medicare	5,919	Labor	6,097	6,279	6,468	6,662	6,862
177	440-4080-539.22-20	DCSE	33,135	Labor	34,129	35,153	36,208	37,294	38,413
178	440-4080-539.23-10	Life Insurance	1,819	General-Ins	1,819	1,819	1,819	1,819	1,819
179	440-4080-539.23-20	Group Medical Insurance	130,594	Health-Ins	168,466	185,313	203,844	224,229	246,651
180	440-4080-539.23-30	Dental Insurance	3,895	Health-Ins	5,025	5,527	6,080	6,688	7,356
181	440-4080-539.23-40	Long Term Disability	3,568	Health-Ins	4,603	5,063	5,569	6,126	6,739
182	440-4080-539.23-90	OPEB Expense	5,212	Marginal	5,265	5,317	5,370	5,424	5,478
183	440-4080-539.24-10	Worker's Compensation	19,472	Labor	20,056	20,658	21,278	21,916	22,573
184		Subtotal Personnel Costs	\$684,006		\$740,225	\$774,719	\$811,496	\$910,398	\$954,122
		<u>Operating Expenses</u>							
185	440-4080-539.34-10	Other Contractual Service	\$547	Contractual	\$569	\$592	\$615	\$640	\$666
186	440-4080-539.40-10	Travel & Per Diem	2,652	Inflation	2,694	2,756	2,823	2,890	2,960
187	440-4080-539.41-10	Telephone	0	Inflation	0	0	0	0	0
188	440-4080-539.41-15	Cellular	800	Inflation	813	831	851	872	893
189	440-4080-539.41-20	Internet	397	Inflation	403	413	423	433	443
190	440-4080-539.41-40	Postage	10	Inflation	10	10	11	11	11
191	440-4080-539.44-10	Rent	500	Inflation	508	520	532	545	558
192	440-4080-539.46-10	Repair & Maintenance	135,500	Repair	139,565	143,752	148,065	152,506	157,082
193	440-4080-539.46-20	Fleet Charges	28,502	Repair	29,357	30,238	31,145	32,079	33,042
194	440-4080-539.49-01	Cost Allocation [2]	103,892	Labor	116,970	120,479	124,093	127,816	131,651
195	440-4080-539.49-10	Other Charges/Obligations	5,000	Inflation	5,080	5,197	5,322	5,449	5,580
196	440-4080-539.49-40	PILOFF Water & Sewer [3]	0	Eliminate	0	0	0	0	0
197	440-4080-539.51-10	Office Supplies	400	Inflation	406	416	426	436	446
198	440-4080-539.52-10	Operating Supplies	37,235	Inflation	37,831	38,701	39,630	40,581	41,555
199	440-4080-539.52-20	Unleaded & Diesel	25,000	Fuel	26,250	27,563	28,941	30,388	31,907
200	440-4080-539.52-30	Uniforms	1,720	Inflation	1,748	1,788	1,831	1,875	1,920

Table 1-9
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Combined Water and Wastewater System Operating Expenses

Line No.	Cost Center Code	Description	Adjusted [1] 2017	Escalation Factor	Projected 2018	Fiscal Year Ending September 30th,				
						2019	2020	2021	2022	
201	440-4080-539.54-10	Books, Pubs, Subs, & Mem	150	Inflation	152	156	160	163	167	
202	440-4080-539.54-20	Educational Development	2,500	Inflation	2,540	2,598	2,661	2,725	2,790	
203		Subtotal Operating Expenses	\$344,805		\$364,897	\$376,009	\$387,526	\$399,409	\$411,669	
204		Total Field Operations	\$1,028,811		\$1,105,122	\$1,150,728	\$1,199,022	\$1,309,807	\$1,365,792	
	440-5555-580, 581, 589	Non-Departmental [4]								
205	440-5555-580.22-10	Retirement Contributions	\$223,547	Labor	\$230,253	\$237,161	\$244,276	\$251,604	\$259,152	
206	440-5555-580.23-80	PTO Expense	0	Eliminate	0	0	0	0	0	
207	440-5555-580.31-10	Professional Services	0	Eliminate	0	0	0	0	0	
208	440-5555-580.32-10	Accounting & Auditing	0	Eliminate	0	0	0	0	0	
209	440-5555-580.45-10	General Liability	15,204	General-Ins	15,204	15,204	15,204	15,204	15,204	
210	440-5555-580.45-15	Property	0	Eliminate	0	0	0	0	0	
211	440-5555-580.45-20	Public Officials	12,320	Labor	12,690	13,070	13,462	13,866	14,282	
212	440-5555-580.45-25	Automobile	0	Eliminate	0	0	0	0	0	
213	440-5555-580.45-35	Environmental Liability	3,327	Inflation	3,380	3,458	3,541	3,626	3,713	
214	440-5555-580.49-10	Other Charges/Obligations	0	Inflation	0	0	0	0	0	
215	440-5555-580.49-20	Bank Charges	0	Eliminate	0	0	0	0	0	
216	440-5555-580.49-50	Write Off	0	Eliminate	0	0	0	0	0	
217	440-5555-580.49-60	Hurricane Charges	353,188	Eliminate	0	0	0	0	0	
218	440-5555-580.52-10	Operating Supplies	0	Eliminate	0	0	0	0	0	
219	440-5555-580.59-10	Depreciation	0	Eliminate	0	0	0	0	0	
220	440-5555-580.64-10	Machinery & Equipment	0	Eliminate	0	0	0	0	0	
221	440-5555-580.64-20	Motor Vehicles	0	Eliminate	0	0	0	0	0	
222	440-5555-580.71-15	JCI Meters	0	Eliminate	0	0	0	0	0	
223	440-5555-580.71-24	Refunding Bond Series 09	0	Eliminate	0	0	0	0	0	
224	440-5555-580.71-26	BBT SRF Refinance 2012	0	Eliminate	0	0	0	0	0	
225	440-5555-580.71-28	BBT Cap Imp Rev Note 2014	0	Eliminate	0	0	0	0	0	
226	440-5555-580.71-29	St Rev Fund-WWTP R&R 2013	0	Eliminate	0	0	0	0	0	
227	440-5555-580.71-38	BBT W&S Ref Rev Bnd 2016	0	Eliminate	0	0	0	0	0	
228	440-5555-580.72-13	BOA Obligation #265	0	Eliminate	0	0	0	0	0	
229	440-5555-580.72-15	JCI Meters	0	Eliminate	0	0	0	0	0	
230	440-5555-580.72-20	State Revolving Fund	0	Eliminate	0	0	0	0	0	
231	440-5555-580.72-24	Refunding Bond Series 09	0	Eliminate	0	0	0	0	0	
232	440-5555-580.72-26	BBT SRF Refinance 2012	0	Eliminate	0	0	0	0	0	
233	440-5555-580.72-28	BBT Cap Imp Rev Note 2014	0	Eliminate	0	0	0	0	0	
234	440-5555-580.72-29	St Rev Fund-WWTP R&R 2013	0	Eliminate	0	0	0	0	0	
235	440-5555-580.72-38	BBT W&S Ref Rev Bnd 2016	0	Eliminate	0	0	0	0	0	
236	440-5555-580.73-11	2013 SunTrust JCI	0	Eliminate	0	0	0	0	0	
237	440-5555-580.73-21	Bond Issuance Cost - SRF	0	Eliminate	0	0	0	0	0	
238	440-5555-580.73-41	BBT SRF Refinance 2012	0	Eliminate	0	0	0	0	0	
239	440-5555-580.73-42	Cap Imp Rev Note Srs 2014	0	Eliminate	0	0	0	0	0	
240	440-5555-581.03-31	Capital Fund	0	Eliminate	0	0	0	0	0	
241	440-5555-581.04-44	Renewal And Replacement	0	Eliminate	0	0	0	0	0	
242	440-5555-581.04-45	Wtr/Swr Rate Stabilization	0	Eliminate	0	0	0	0	0	
243	440-5555-581.04-50	Public Works Complex - Debt Service	0	Eliminate	0	0	0	0	0	
244	440-5555-581.05-01	MIS	0	Eliminate	0	0	0	0	0	
245	440-5555-589.50-50	Stabilization - Estimated Savings	0	Eliminate	0	0	0	0	0	
246	440-5555-581.10-01	General Fund	0	Eliminate	0	0	0	0	0	
247	440-5555-589.10-01	Current Year Unreserved	0	Eliminate	0	0	0	0	0	
248		Total Non-Departmental	\$607,586		\$261,527	\$268,893	\$276,483	\$284,300	\$292,351	
		Other Adjustments								
249	Contingency	Contingency - 1.00% of O&M [5]	\$65,400	Input	\$67,262	\$69,945	\$72,768	\$77,369	\$80,542	
250	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [6]	23,405	Input	25,424	27,700	30,187	32,904	35,873	
251	Other	Other Adjustments - Retirement Benefits	74,871	Op Expense	77,019	80,105	83,354	88,634	92,288	
252		Total Other Adjustments	\$163,676		\$169,705	\$177,750	\$186,309	\$198,907	\$208,703	
253		Grand Total Operating Budget	\$6,703,644		\$6,895,916	\$7,172,207	\$7,463,095	\$7,935,798	\$8,262,952	

Footnotes:

- [1] Fiscal Year 2017 amounts shown based on Table 1-5.
[2] Budgeted amounts for the "Cost Allocation" line are to reimburse the General Fund for services that benefit the Utility.
[3] Budgeted amounts for the PILOFF are transferred to the General Fund and are therefore excluded from the Cost of Operation and Maintenance for coverage purposes. These items have been adjusted from the budget and are accounted for in the summary of Revenue Requirements later in the rate model.
[4] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.
[5] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.
[6] An allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible revenues.

Table 1-10
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Summary of Projected Escalation Factors

Line No.	Description	Escalation Factor	Fiscal Year Ending September 30th,				
			2018	2019	2020	2021	2022
1	Constant	Constant	1.0000	1.0000	1.0000	1.0000	1.0000
2	Eliminate	Eliminate	0.0000	0.0000	0.0000	0.0000	0.0000
3	Marginal	Marginal	1.0100	1.0100	1.0100	1.0100	1.0100
4	Inflation (CPI) [1]	Inflation	1.0160	1.0230	1.0240	1.0240	1.0240
5	Labor	Labor	1.0300	1.0300	1.0300	1.0300	1.0300
6	Benefits	Benefits	1.0500	1.0500	1.0500	1.0500	1.0500
7	Health Insurance	Health-Ins	1.2900	1.1000	1.1000	1.1000	1.1000
8	General Insurance	General-Ins	1.0000	1.0000	1.0000	1.0000	1.0000
9	Contractual	Contractual	1.0400	1.0400	1.0400	1.0400	1.0400
10	Repair (ENR Average)	Repair	1.0300	1.0300	1.0300	1.0300	1.0300
11	Chemicals	Chemicals	1.0500	1.0500	1.0500	1.0500	1.0500
12	Electricity	Electricity	1.0500	1.0500	1.0500	1.0500	1.0500
13	Fuel & Oil	Fuel	1.0500	1.0500	1.0500	1.0500	1.0500
14	Water Customer Accounts	W-Accounts	1.0025	1.0027	1.0027	1.0027	1.0027
15	Wastewater Customer Accounts	WW-Accounts	1.0028	1.0030	1.0030	1.0029	1.0029
16	Treated Water Flows	W-Flows	1.0019	1.0020	1.0020	1.0020	1.0020
17	Treated Wastewater Flows	WW-Flows	1.0026	1.0028	1.0028	1.0028	1.0028
18	Water Flows + Chemicals	W-Chem	1.0519	1.0521	1.0521	1.0521	1.0521
19	Water Flows + Electricity	W-Elec	1.0519	1.0521	1.0521	1.0521	1.0521
20	Wastewater Flows + Chemicals	WW-Chem	1.0528	1.0530	1.0530	1.0529	1.0529
21	Wastewater Flows + Electricity	WW-Elec	1.0528	1.0530	1.0530	1.0529	1.0529
22	Change in Water Customers	W-Growth	1.0000	1.0714	1.0000	1.0000	1.0000
23	Change in Wastewater Customers	WW-Growth	1.0000	1.0714	1.0000	1.0000	1.0000
24	Change in Reclaimed Customers	RC-Growth	1.0000	1.0000	1.0000	1.0000	1.0000
25	Water Rate Revenues	W-Rev	1.0024	1.0026	1.0026	1.0026	1.0026
26	Wastewater Rate Revenues	WW-Rev	1.0025	1.0027	1.0027	1.0027	1.0027
27	Water Operational Expenses	W-Op	1.0190	1.0407	1.0412	1.0527	1.0420
28	Wastewater Operational Expenses	WW-Op	1.0363	1.0396	1.0401	1.0716	1.0406

Footnotes:

- [1] Inflation figures based on discussions with City staff and obtained from the "The Budget and Economic Outlook: An Update" published by the Congressional Budget Office in January 2017.

Table 1-11
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Capital Improvement Program Funding Plan

Line No.	Description	Escalation Reference	Funding Source	Fiscal Year Ending September 30,					Total CIP	
				2017	2018	2019	2020	2021		2022
<u>CIP Escalation Factor Alternatives</u>										
<u>General Project Escalators</u>										
1	No Assumed Escalation (0.0% per Year)	None		1.000	1.000	1.000	1.000	1.000	1.000	
2	Capital Outlay (3.5% per Year)	Outlay		1.000	1.030	1.061	1.093	1.126	1.159	
3	ENR Index Average (3.0% per Year)	ENR		1.000	1.030	1.061	1.093	1.126	1.159	
4	Marginal Increase (1.0% per Year)	Marginal		1.000	1.010	1.020	1.030	1.041	1.051	
5	High Increase (5.0% per Year)	High		1.000	1.050	1.103	1.158	1.216	1.276	
<u>Water System:</u>										
6	Submersible Pumps (current operations)	ENR	W-Rates	\$20,000	\$0	\$0	\$0	\$0	\$0	\$20,000
7	Ford Explorer (current operations)	ENR	W-Rates	13,000	0	0	0	0	0	13,000
8	Transfer from Water & Sewer	ENR	W-Rates	50,000	0	0	0	0	0	50,000
9	Airpark Rd Water Main Connection	ENR	W-R&R	0	0	185,658	0	0	0	185,658
10	Carbon Dioxide Tank	ENR	W-R&R	0	254,101	0	0	0	0	254,101
11	East Pine Bluff Water Improvements	ENR	W-R&R	0	0	0	0	218,261	0	218,261
12	Lamont & Hubbell SW & Wtr	ENR	W-R&R	65,000	0	0	0	0	0	65,000
13	New York Street Water Improvements	ENR	W-R&R	0	0	0	27,318	0	0	27,318
14	North Pinedale Road Water Improvements	ENR	Assessments	0	0	90,177	0	0	0	90,177
15	Perdita, Palmetto, Live Oak Water Improvements	ENR	W-R&R	0	0	212,180	0	0	0	212,180
16	Plaza & Hubbell Water Improvement	ENR	W-R&R	0	0	106,090	0	0	0	106,090
17	Raw Water and Backwash Actuators	ENR	W-R&R	0	13,390	0	0	0	0	13,390
18	Safe Room @ ARWTP & Hardening of Ops Bldg.	ENR	Grant	0	0	159,135	0	0	0	159,135
19	SR-442 Connector WM I-95 to Waterplant Rd	ENR	W-R&R	0	180,250	0	0	0	0	180,250
20	THM Precursor Removal Process at ARTWTP	ENR	Junior1	0	27,038	3,713,150	0	0	0	3,740,188
21	Unspecified Water	ENR	W-R&R	0	257,500	265,225	273,182	337,653	347,782	1,481,342
21	VGB Base Station W/ Laptops	ENR	W-R&R	0	18,540	0	0	0	0	18,540
22	W Park Ave Water Main: Old Mission to PABS	ENR	W-R&R	0	309,000	0	0	0	0	309,000
23	Wildwood Dr. & Highland Ave. Water Main Replacement	ENR	W-R&R	0	214,240	0	0	0	0	214,240
24	VFD Upgrades WTP - QLH	ENR	W-Op	11,827	0	0	0	0	0	11,827
25	Chinchor Electric VFD Project	ENR	W-Op	350,691	0	0	0	0	0	350,691
26	Public Works Building (Allocation)	None	Senior1	0	0	255,000	1,445,000	0	0	1,700,000
27	Budgetary Capital Outlay	None	W-Rates	\$70,320	\$105,000	\$105,000	\$84,000	\$57,540	\$84,372	\$506,232
28	Subtotal Water System			\$580,838	\$1,379,058	\$5,091,614	\$1,829,500	\$613,454	\$432,154	\$9,926,618

Table 1-11
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Capital Improvement Program Funding Plan

Line No.	Description	Escalation Reference	Funding Source	Fiscal Year Ending September 30,						Total CIP
				2017	2018	2019	2020	2021	2022	
<u>Wastewater System:</u>										
29	Submersible Pumps (current operations)	ENR	S-Rates	\$20,000	\$0	\$0	\$0	\$0	\$0	\$20,000
30	Ford Explorer (current operations)	ENR	S-Rates	13,000	0	0	0	0	0	13,000
31	Transfer from Water & Sewer	ENR	S-Rates	50,000	0	0	0	0	0	50,000
32	Roof Replacements, Chemical, Operations & Sludge Bldgs.	ENR	S-Rates	50,000	0	0	0	0	0	50,000
32	Influent Pump	ENR	S-Rates	0	30,900	0	0	0	0	30,900
33	Safe Room @ WWTP & Hardening of Ops Bldg.	ENR	Grant	0	103,000	0	0	0	0	103,000
34	Unspecified Sewer	ENR	S-R&R	0	154,500	265,225	273,182	337,653	347,782	1,378,342
35	WW-Septic Conversion: 15th & 16th Street Duplexes	ENR	Assessments	0	0	0	327,818	0	0	327,818
36	WW-Septic Conversion: Beulah Dr	ENR	Assessments	0	0	0	327,818	0	0	327,818
37	WW-Septic Conversion: E. of US-1: Cory Est. to Arbor Ln	ENR	Assessments	0	0	530,450	0	0	0	530,450
38	WW-Septic Conversion: E. of US-1: Omni & Godfrey to Poinciana	ENR	Assessments	0	0	0	0	2,251,018	0	2,251,018
39	WW-Septic Conversion: Massey Rd. to 10th Street	ENR	Assessments	0	0	0	1,420,545	0	0	1,420,545
40	WW-Septic Conversion: North Pinedale Road	ENR	Assessments	0	0	185,658	0	0	0	185,658
41	WWTP Sludge Dewatering	ENR	Junior4	0	0	0	1,639,091	0	0	1,639,091
42	Air Release Program	ENR	S-R&R	0	20,600	0	0	0	0	20,600
43	Bypass Pump	ENR	S-R&R	0	36,050	0	0	0	0	36,050
44	Camera Upgrade - Mainline	ENR	S-R&R	0	20,600	0	0	0	0	20,600
45	Lift Station Refurbishments	ENR	S-R&R	0	0	265,225	273,182	281,377	289,819	1,109,602
46	LS # 3 Refurbishment	ENR	S-R&R	0	283,250	0	0	0	0	283,250
47	Lift Station #6	ENR	S-R&R	9,289	257,500	0	0	0	0	266,789
48	Riverside Dr Sewer Lateral Slip-Lining	ENR	S-R&R	0	103,000	265,225	273,182	281,377	289,819	1,212,602
49	Sewer Sliplining	ENR	S-R&R	100,000	103,000	106,090	109,273	112,551	115,927	646,841
50	Submersible Pump Replacements (LS)	ENR	S-R&R	0	51,500	53,045	81,955	84,413	86,946	357,858
51	Telemetry at Lift Stations	ENR	S-R&R	0	51,500	53,045	54,636	56,275	57,964	273,420
52	WW Lift Station Rehab: FL Shores (Phase 1) I of II	ENR	Junior4	0	0	0	273,182	562,754	579,637	1,415,573
53	WW Lift Station Rehab: FL Shores (Phase 1) II of II	ENR	Junior3	0	0	265,225	0	0	0	265,225
54	Reclaimed Water Improvements/Extension I of II	ENR	Junior4	0	0	0	546,364	1,125,509	0	1,671,872
55	Reclaimed Water Improvements/Extension II of II	ENR	Junior3	905,000	927,000	530,450	0	0	0	2,362,450
56	Rhode Island St & Hardin Pl Reclaimed Water Ext	ENR	S-Rates	0	0	0	0	0	88,105	88,105
57	Mixing Zone Study	ENR	S-Rates	172,910	0	0	0	0	0	172,910
58	Public Works Building (Allocation)	None	Senior1	0	0	255,000	1,445,000	0	0	1,700,000
59	Budgetary Capital Outlay	None	S-Rates	\$97,109	\$145,000	\$145,000	\$116,000	\$79,460	\$116,514	\$699,083
60	Subtotal Wastewater System			\$1,417,308	\$2,287,400	\$2,919,638	\$7,161,226	\$5,172,387	\$1,972,512	\$20,930,470
61	Total Combined System CIP			\$1,998,146	\$3,666,459	\$8,011,252	\$8,990,726	\$5,785,841	\$2,404,666	\$30,857,088

Table 1-11
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Capital Improvement Program Funding Plan

Line No.	Description	Escalation Reference	Funding Source	Fiscal Year Ending September 30,					Total CIP	
				2017	2018	2019	2020	2021		2022
<u>Project Funding Sources Summary</u>										
Water Funding Sources:										
62	Water Rates		W-Rates	\$153,320	\$105,000	\$105,000	\$84,000	\$57,540	\$84,372	\$589,232
63	Operating Fund		W-Op	362,518	0	0	0	0	0	362,518
64	Renewal and Replacement Fund		W-R&R	65,000	1,247,021	769,153	300,500	555,914	347,782	3,285,369
65	Water Development Fees		W-Impact	0	0	0	0	0	0	0
66	Grants		Grant	0	0	159,135	0	0	0	159,135
67	Existing Bond Proceeds		ExistingBond	0	0	0	0	0	0	0
68	Additional Senior Lien Debt 1		Senior1	0	0	255,000	1,445,000	0	0	1,700,000
69	Additional Senior Lien Debt 2		Senior2	0	0	0	0	0	0	0
70	Additional Senior Lien Debt 3		Senior3	0	0	0	0	0	0	0
71	Additional Senior Lien Debt 4		Senior4	0	0	0	0	0	0	0
72	Additional Subordinate Lien Debt 1		Junior1	0	27,038	3,713,150	0	0	0	3,740,188
73	Additional Subordinate Lien Debt 2		Junior2	0	0	0	0	0	0	0
74	Additional Subordinate Lien Debt 3		Junior3	0	0	0	0	0	0	0
75	Additional Subordinate Lien Debt 4		Junior4	0	0	0	0	0	0	0
76	Assessments		Assessments	0	0	90,177	0	0	0	90,177
77	Subtotal Water Funding Sources			\$580,838	\$1,379,058	\$5,091,614	\$1,829,500	\$613,454	\$432,154	\$9,926,618
Wastewater Funding Sources:										
78	Wastewater Rates		S-Rates	\$403,019	\$175,900	\$145,000	\$116,000	\$79,460	\$204,619	\$1,123,998
79	Operating Fund		S-Op	0	0	0	0	0	0	0
80	Renewal and Replacement Fund		S-R&R	109,289	1,081,500	1,007,855	1,065,409	1,153,647	1,188,256	5,605,955
81	Wastewater Development Fees		S-Impact	0	0	0	0	0	0	0
82	Grants		Grant	0	103,000	0	0	0	0	103,000
83	Existing Bond Proceeds		ExistingBond	0	0	0	0	0	0	0
84	Additional Senior Lien Debt 1		Senior1	0	0	255,000	1,445,000	0	0	1,700,000
85	Additional Senior Lien Debt 2		Senior2	0	0	0	0	0	0	0
86	Additional Senior Lien Debt 3		Senior3	0	0	0	0	0	0	0
87	Additional Senior Lien Debt 4		Senior4	0	0	0	0	0	0	0
88	Additional Subordinate Lien Debt 1		Junior1	0	0	0	0	0	0	0
89	Additional Subordinate Lien Debt 2		Junior2	0	0	0	0	0	0	0
90	Additional Subordinate Lien Debt 3		Junior3	905,000	927,000	795,675	0	0	0	2,627,675
91	Additional Subordinate Lien Debt 4		Junior4	0	0	0	2,458,636	1,688,263	579,637	4,726,536
92	Assessments		Assessments	0	0	716,108	2,076,181	2,251,018	0	5,043,306
93	Subtotal Wastewater Funding Sources			\$1,417,308	\$2,287,400	\$2,919,638	\$7,161,226	\$5,172,387	\$1,972,512	\$20,930,470

Table 1-11
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Capital Improvement Program Funding Plan

Line No.	Description	Escalation Reference	Funding Source	Fiscal Year Ending September 30,					Total CIP	
				2017	2018	2019	2020	2021		2022
Total Funding Sources:										
94	Water & Wastewater Rates		Rates	\$556,339	\$280,900	\$250,000	\$200,000	\$137,000	\$288,991	\$1,713,230
95	Operating Fund		Op	362,518	0	0	0	0	0	362,518
96	Renewal and Replacement Fund		R&R	174,289	2,328,521	1,777,008	1,365,909	1,709,560	1,536,038	8,891,324
97	Water and Wastewater Development Fees		Impact Fees	0	0	0	0	0	0	0
98	Grants		Grant	0	103,000	159,135	0	0	0	262,135
99	Existing Bond Proceeds		ExistingBond	0	0	0	0	0	0	0
100	Additional Senior Lien Debt 1		Senior1	0	0	510,000	2,890,000	0	0	3,400,000
101	Additional Senior Lien Debt 2		Senior2	0	0	0	0	0	0	0
102	Additional Senior Lien Debt 3		Senior3	0	0	0	0	0	0	0
103	Additional Senior Lien Debt 4		Senior4	0	0	0	0	0	0	0
104	Additional Subordinate Lien Debt 1		Junior1	0	27,038	3,713,150	0	0	0	3,740,188
105	Additional Subordinate Lien Debt 2		Junior2	0	0	0	0	0	0	0
106	Additional Subordinate Lien Debt 3		Junior3	905,000	927,000	795,675	0	0	0	2,627,675
107	Additional Subordinate Lien Debt 4		Junior4	0	0	0	2,458,636	1,688,263	579,637	4,726,536
108	Assessments		Assessments	0	0	806,284	2,076,181	2,251,018	0	5,133,483
109	Total Funding Sources			\$1,998,146	\$3,666,459	\$8,011,252	\$8,990,726	\$5,785,841	\$2,404,666	\$30,857,088

Table 1-12
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Summary of Existing and Proposed Annual Debt Service Payments - Sinking Fund Basis

Line No.	Description	Fiscal Year Ending September 30th,					
		2017	2018	2019	2020	2021	2022
Water System:							
<u>Existing Debt Service:</u>							
1	Utility System Refunding Revenue Note, Series 2016	\$451,319	\$451,450	\$451,388	\$451,132	\$451,524	\$451,283
2	SRF Loan - #WW640520	0	0	0	0	0	0
3	Lease Refunding Note, Series 2013	666,649	689,503	692,864	501,438	77,183	0
4	Capital Improvement Revenue Note, Series 2014	0	0	0	0	0	0
5	Capital Improvement Revenue Note, Series 2015	88,260	0	0	0	0	0
6	Total Existing Debt Service Payments	\$1,206,228	\$1,140,953	\$1,144,251	\$952,571	\$528,707	\$451,283
<u>Proposed Debt Service:</u>							
<u>Proposed Senior Lien Debt:</u>							
7	Additional Senior Lien Debt 1	\$0	\$0	\$0	\$0	\$167,139	\$167,139
8	Total Proposed Senior Lien Debt Service Payments	\$0	\$0	\$0	\$0	\$167,139	\$167,139
<u>Proposed Subordinate Lien Debt:</u>							
9	Additional Subordinate Lien Debt 1	\$0	\$0	\$0	\$260,461	\$260,461	\$260,461
10	Total Proposed Subordinate Lien Debt Service Payments	\$0	\$0	\$0	\$260,461	\$260,461	\$260,461
11	Total Proposed Debt Service Payments	\$0	\$0	\$0	\$260,461	\$427,600	\$427,600
12	Total Existing and Proposed Debt Service Payments	\$1,206,228	\$1,140,953	\$1,144,251	\$1,213,032	\$956,307	\$878,883
Wastewater System							
<u>Existing Debt Service:</u>							
13	Utility System Refunding Revenue Note, Series 2016	\$623,250	\$623,431	\$623,345	\$622,993	\$623,533	\$623,200
14	SRF Loan - #WW640520	383,969	383,969	383,969	383,969	383,969	383,969
15	Lease Refunding Note, Series 2013	0	0	0	0	0	0
16	Capital Improvement Revenue Note, Series 2014	36,776	36,365	36,440	36,866	36,973	36,689
17	Capital Improvement Revenue Note, Series 2015	88,260	0	0	0	0	0
18	Total Existing Debt Service Payments	\$1,132,255	\$1,043,765	\$1,043,755	\$1,043,828	\$1,044,476	\$1,043,858
<u>Proposed Debt Service:</u>							
<u>Proposed Senior Lien Debt:</u>							
19	Additional Senior Lien Debt 1	\$0	\$0	\$0	\$0	\$167,139	\$167,139
20	Total Proposed Senior Lien Debt Service Payments	\$0	\$0	\$0	\$0	\$167,139	\$167,139
<u>Proposed Subordinate Lien Debt:</u>							
21	Additional Subordinate Lien Debt 3	\$0	\$0	\$0	\$199,122	\$199,122	\$199,122
22	Additional Subordinate Lien Debt 4	0	0	0	0	0	372,404
23	Total Proposed Subordinate Lien Debt Service Payments	\$0	\$0	\$0	\$199,122	\$199,122	\$571,526
24	Total Proposed Debt Service Payments	\$0	\$0	\$0	\$199,122	\$366,261	\$738,665
25	Total Existing and Proposed Debt Service Payments	\$1,132,255	\$1,043,765	\$1,043,755	\$1,242,950	\$1,410,737	\$1,782,523
Combined System							
<u>Existing Debt Service:</u>							
26	Utility System Refunding Revenue Note, Series 2016	1,074,569	1,074,881	1,074,733	1,074,125	1,075,057	1,074,483
27	SRF Loan - #WW640520	383,969	383,969	383,969	383,969	383,969	383,969
28	Lease Refunding Note, Series 2013	666,649	689,503	692,864	501,438	77,183	0
29	Capital Improvement Revenue Note, Series 2014	36,776	36,365	36,440	36,866	36,973	36,689
30	Capital Improvement Revenue Note, Series 2015	176,520	0	0	0	0	0
31	Total Existing Debt Service Payments	\$2,338,483	\$2,184,718	\$2,188,006	\$1,996,398	\$1,573,183	\$1,495,141

Table 1-12
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Summary of Existing and Proposed Annual Debt Service Payments - Sinking Fund Basis

Line No.	Description	Fiscal Year Ending September 30th,					
		2017	2018	2019	2020	2021	2022
<u>Proposed Debt Service:</u>							
<u>Proposed Senior Lien Debt:</u>							
32	Additional Senior Lien Debt 1	\$0	\$0	\$0	\$0	\$334,279	\$334,279
33	Total Proposed Senior Lien Debt Service Payments	\$0	\$0	\$0	\$0	\$334,279	\$334,279
<u>Proposed Subordinate Lien Debt:</u>							
34	Additional Subordinate Lien Debt 1	\$0	\$0	\$0	\$260,461	\$260,461	\$260,461
35	Additional Subordinate Lien Debt 3	0	0	0	199,122	199,122	199,122
36	Additional Subordinate Lien Debt 4	0	0	0	0	0	372,404
37	Total Proposed Subordinate Lien Debt Service Payments	\$0	\$0	\$0	\$459,583	\$459,583	\$831,987
38	Total Proposed Debt Service Payments	\$0	\$0	\$0	\$459,583	\$793,861	\$1,166,265
39	Total Existing and Proposed Debt Service Payments	\$2,338,483	\$2,184,718	\$2,188,006	\$2,455,981	\$2,367,044	\$2,661,406

Table 1-13
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Renewal and Replacement Fund Transfers

Line No.	Description	Budget	Fiscal Year Ending September 30th,				
		2017	2018	2019	2020	2021	2022
Renewal and Replacement Fund Transfer							
1	Prior Fiscal Year	2016	2017	2018	2019	2020	2021
2	Prior Fiscal Year Rate Revenues	\$9,686,863	\$10,018,895	\$10,808,065	\$11,720,880	\$12,716,570	\$13,804,432
3	Renewal and Replacement Minimum Fund Balance [1]	\$1,997,040	\$2,038,850	\$2,290,007	\$2,577,551	\$2,694,921	\$2,638,035
4	Renewal and Replacement Fund Balance Ending Balance	\$2,506,056	\$1,279,614	\$799,574	\$957,380	\$1,655,305	\$2,689,932
5	Minimum Required Transfer	\$0	\$500,945	\$540,403	\$586,044	\$635,829	\$0
6	Renewal and Replacement Transfer Factor (% of Revenue)	8.2%	11.0%	12.0%	13.0%	15.0%	15.0%
7	Renewal and Replacement Fund Transfer Amount	\$793,437	\$1,102,078	\$1,296,968	\$1,523,714	\$1,907,486	\$2,070,665
8	Additional Deposit to Meet Minimum Required Transfer	0	0	0	0	0	0
9	Renewal and Replacement Fund Transfer Amount	\$793,437	\$1,102,078	\$1,296,968	\$1,523,714	\$1,907,486	\$2,070,665
10	Water Percentage	43.85%	43.85%	43.85%	43.85%	43.85%	43.85%
11	Wastewater Percentage	56.15%	56.15%	56.15%	56.15%	56.15%	56.15%
12	Water Allocation of Transfer - Subtotal	\$347,957	\$483,310	\$568,778	\$668,216	\$836,517	\$908,078
13	Wastewater Allocation of Transfer - Subtotal	445,480	618,768	728,190	855,498	1,070,969	1,162,587
14	Annual Renewal and Replacement Transfer - Subtotal	\$793,437	\$1,102,078	\$1,296,968	\$1,523,714	\$1,907,486	\$2,070,665
Additional Deposits:							
15	Water	\$0	\$0	\$0	\$0	\$250,000	\$250,000
16	Wastewater	0	0	0	0	250,000	250,000
17	Total Additional Deposits	\$0	\$0	\$0	\$0	\$500,000	\$500,000
18	Water Allocation of Transfer	\$347,957	\$483,310	\$568,778	\$668,216	\$1,086,517	\$1,158,078
19	Wastewater Allocation of Transfer	445,480	618,768	728,190	855,498	1,320,969	1,412,587
20	Annual Renewal and Replacement Transfer	\$793,437	\$1,102,078	\$1,296,968	\$1,523,714	\$2,407,486	\$2,570,665

Footnotes:

[1] Per the Bond Resolution, this amount is based on 5% of the value of the fixed assets of the System.

Table 1-14
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Operating and Other Transfers

Line No.	Description	Budget	Fiscal Year Ending September 30th,				
		2017	2018	2019	2020	2021	2022
Payment In Lieu of Franchise Fees							
1	Prior Year	2016	2017	2018	2019	2020	2021
2	Prior Year Revenues	\$9,686,863	\$10,018,895	\$10,808,065	\$11,720,880	\$12,716,570	\$13,804,432
3	Payment In Lieu of Franchise Fees Factor (% of Revenue)	5.6%	5.9%	5.9%	5.9%	5.9%	5.9%
4	Payment In Lieu of Franchise Fees Amount	\$541,338	\$591,115	\$637,676	\$691,532	\$750,278	\$814,461
5	Water Percentage	43.9%	43.9%	43.9%	43.9%	43.9%	43.9%
6	Wastewater Percentage	56.1%	56.1%	56.1%	56.1%	56.1%	56.1%
7	Water Allocation of Transfer	\$237,401	\$259,230	\$279,649	\$303,267	\$329,030	\$357,177
8	Wastewater Allocation of Transfer	303,937	331,885	358,027	388,265	421,248	457,284
9	Annual Payment In Lieu of Franchise Fees	<u>\$541,338</u>	<u>\$591,115</u>	<u>\$637,676</u>	<u>\$691,532</u>	<u>\$750,278</u>	<u>\$814,461</u>

Table 1-15
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Ending Cash Balances and Interest Income

Line No.	Description	Investment Reference		Projected Fiscal Year Ending September 30,					
		Cash Balance	Interest Income	2017	2018	2019	2020	2021	2022
<u>Year End Cash Balances Roll-Up:</u>									
1	Water and Wastewater Operating Fund (440)	(U)	(U)	\$980,975	\$857,672	\$1,156,289	\$1,661,438	\$1,991,989	\$2,511,561
2	Customer Deposits (Sub 440A)	(R)	(R)	860,576	861,437	862,298	863,161	864,024	864,888
3	Water Development Fee Fund (442)	(R)	(R)	52,988	53,190	56,617	60,048	63,483	66,921
4	Wastewater Development Fee Fund (443)	(R)	(R)	219,155	206,715	198,718	190,713	182,701	174,680
5	Renewal and Replacement Fund (444)	(U)	(U)	2,506,056	1,279,614	799,574	957,380	1,655,305	2,689,932
6	Rate Stabilization Fund (445)	(R)	(R)	416,733	417,150	417,567	417,985	418,403	418,821
7	Total Ending Cash Balances			\$5,036,484	\$3,675,776	\$3,491,063	\$4,150,724	\$5,175,904	\$6,726,803
8	Unrestricted Reserves (Operating & R&R)			\$3,487,031	\$2,137,285	\$1,955,863	\$2,618,817	\$3,647,294	\$5,201,493
9	Days of Revenues			136	77	64	79	101	132
<u>Water and Wastewater Operating Fund (440)</u>									
10	Beginning Balance			\$1,099,032	\$980,975	\$857,672	\$1,156,289	\$1,661,438	\$1,991,989
11	Transfers In - Revenue Requirements			9,361,973	10,169,675	11,080,089	12,074,814	13,161,709	14,349,269
12	Transfers In - R&R Fund			1,000,000	0	0	0	0	0
13	Transfers In - Operating Transfer			0	0	0	0	0	0
14	Transfers In - Other			39,701	0	0	0	0	0
15	Transfers In - Debt Service Reserve			0	0	0	0	0	0
16	Transfers Out - Revenue Requirements			10,057,213	10,292,978	10,781,472	11,569,665	12,831,158	13,829,697
17	Transfers Out - Capital Improvements			362,518	0	0	0	0	0
18	Transfers Out - R&R Fund			100,000	0	0	0	0	0
19	Transfers Out - Operating Transfer			0	0	0	0	0	0
20	Interest Rate			0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
21	Interest Income		(U)	\$1,040	\$919	\$1,007	\$1,409	\$1,827	\$2,252
22	Recognition of Interest Income in Revenue Requirements			\$1,040	\$919	\$1,007	\$1,409	\$1,827	\$2,252
23	Ending Balance	(U)		\$980,975	\$857,672	\$1,156,289	\$1,661,438	\$1,991,989	\$2,511,561
24	Target Days of Available Cash: 45 Days of Revenue			1,154,216	1,253,796	1,366,038	1,488,676	1,622,677	1,769,088
25	Calculated Days of Available Cash (Revenue)			38	31	38	50	55	64
26	Percent Allocable to Water System			44.64%	44.64%	44.76%	44.86%	44.96%	45.06%
27	Percent Allocable to Wastewater System			55.36%	55.36%	55.24%	55.14%	55.04%	54.94%
28	Amount Allocable to Water System			\$464	\$410	\$451	\$632	\$821	\$1,015
29	Amount Allocable to Wastewater System			576	509	556	777	1,005	1,237
<u>Customer Deposits (Sub 440A)</u>									
30	Beginning Balance			\$859,717	\$860,576	\$861,437	\$862,298	\$863,161	\$864,024
31	Transfers In			0	0	0	0	0	0
32	Transfers Out			0	0	0	0	0	0
33	Interest Rate			0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
34	Interest Income		(R)	\$860	\$861	\$861	\$862	\$863	\$864
35	Recognition of Interest Income in Revenue Requirements			\$0	\$0	\$0	\$0	\$0	\$0
36	Ending Balance	(R)		\$860,576	\$861,437	\$862,298	\$863,161	\$864,024	\$864,888
37	Percent Allocable to Water System			52.27%	52.27%	52.27%	52.27%	52.27%	52.27%
38	Percent Allocable to Wastewater System			47.73%	47.73%	47.73%	47.73%	47.73%	47.73%
39	Amount Allocable to Water System			\$0	\$0	\$0	\$0	\$0	\$0
40	Amount Allocable to Wastewater System			0	0	0	0	0	0
<u>Water Development Fee Fund (442)</u>									
41	Beginning Balance			\$297,665	\$52,988	\$53,190	\$56,617	\$60,048	\$63,483
42	Transfers In			45,148	45,148	48,373	48,373	48,373	48,373
43	Transfers Out - CIP			0	0	0	0	0	0
44	Transfers Out - R&R Fund			150,000	0	0	0	0	0
45	Transfers Out - Debt Payment			140,000	45,000	45,000	45,000	45,000	45,000
46	Interest Rate			0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
47	Interest Income		(R)	\$175	\$53	\$55	\$58	\$62	\$65
48	Recognition of Interest Income in Revenue Requirements			\$0	\$0	\$0	\$0	\$0	\$0
49	Ending Balance	(R)		\$52,988	\$53,190	\$56,617	\$60,048	\$63,483	\$66,921

Table 1-15
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Ending Cash Balances and Interest Income

Line No.	Description	Investment Reference		Projected Fiscal Year Ending September 30,					
		Cash Balance	Interest Income	2017	2018	2019	2020	2021	2022
50	Percent Allocable to Water System			100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
51	Percent Allocable to Wastewater System			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
52	Amount Allocable to Water System			\$0	\$0	\$0	\$0	\$0	\$0
53	Amount Allocable to Wastewater System			0	0	0	0	0	0
Wastewater Development Fee Fund (443)									
54	Beginning Balance			\$411,742	\$219,155	\$206,715	\$198,718	\$190,713	\$182,701
55	Transfers In			62,347	62,347	66,801	66,801	66,801	66,801
56	Transfers Out - CIP			0	0	0	0	0	0
57	Transfers Out - R&R Fund			180,250	0	0	0	0	0
58	Transfers Out - Debt Payment			75,000	75,000	75,000	75,000	75,000	75,000
59	Interest Rate			0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
60	Interest Income		(R)	\$315	\$213	\$203	\$195	\$187	\$179
	Recognition of Interest Income								
61	in Revenue Requirements			\$0	\$0	\$0	\$0	\$0	\$0
62	Ending Balance	(R)		\$219,155	\$206,715	\$198,718	\$190,713	\$182,701	\$174,680
63	Percent Allocable to Water System			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
64	Percent Allocable to Wastewater System			100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
65	Amount Allocable to Water System			\$0	\$0	\$0	\$0	\$0	\$0
66	Amount Allocable to Wastewater System			0	0	0	0	0	0
Renewal and Replacement Fund (444)									
67	Beginning Balance			\$2,456,658	\$2,506,056	\$1,279,614	\$799,574	\$957,380	\$1,655,305
68	Transfers In - Annual Operations			793,437	1,102,078	1,296,968	1,523,714	2,407,486	2,570,665
69	Transfers In - Impact Fee Funds			330,250	0	0	0	0	0
70	Transfers In - Fund 401			100,000	0	0	0	0	0
71	Transfers Out - CIP			174,289	2,328,521	1,777,008	1,365,909	1,709,560	1,536,038
72	Transfers Out - Fund 401			1,000,000	0	0	0	0	0
73	Interest Rate			0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
74	Interest Income		(U)	\$2,481	\$1,893	\$1,040	\$878	\$1,306	\$2,173
	Recognition of Interest Income								
75	in Revenue Requirements			\$2,481	\$1,893	\$1,040	\$878	\$1,306	\$2,173
76	Ending Balance	(U)		\$2,506,056	\$1,279,614	\$799,574	\$957,380	\$1,655,305	\$2,689,932
77	Percent Allocable to Water System			43.85%	43.85%	43.85%	43.85%	43.85%	43.85%
78	Percent Allocable to Wastewater System			56.15%	56.15%	56.15%	56.15%	56.15%	56.15%
79	Amount Allocable to Water System			\$1,088	\$830	\$456	\$385	\$573	\$953
80	Amount Allocable to Wastewater System			1,393	1,063	584	493	733	1,220
Rate Stabilization Fund (445)									
81	Beginning Balance			\$416,317	\$416,733	\$417,150	\$417,567	\$417,985	\$418,403
82	Transfers In			0	0	0	0	0	0
83	Transfers Out			0	0	0	0	0	0
84	Interest Rate			0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
85	Interest Income		(R)	\$416	\$417	\$417	\$418	\$418	\$418
	Recognition of Interest Income								
86	in Revenue Requirements			\$0	\$0	\$0	\$0	\$0	\$0
87	Ending Balance	(R)		\$416,733	\$417,150	\$417,567	\$417,985	\$418,403	\$418,821
88	Percent Allocable to Water System			44.61%	44.61%	44.61%	44.61%	44.61%	44.61%
89	Percent Allocable to Wastewater System			55.39%	55.39%	55.39%	55.39%	55.39%	55.39%
90	Amount Allocable to Water System			\$0	\$0	\$0	\$0	\$0	\$0
91	Amount Allocable to Wastewater System			0	0	0	0	0	0

Table 1-15
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Ending Cash Balances and Interest Income

Line No.	Description	Investment Reference		Projected Fiscal Year Ending September 30,					
		Cash Balance	Interest Income	2017	2018	2019	2020	2021	2022
Debt Service Sinking Fund									
92	Annual Debt Service Payment			\$2,338,483	\$2,184,718	\$2,188,006	\$2,455,981	\$2,367,044	\$2,661,406
93	Average Balance	(R)		584,621	546,179	547,002	613,995	591,761	665,351
94	Interest Rate			0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
95	Interest Income		(U)	\$585	\$546	\$547	\$614	\$592	\$665
96	Recognition of Interest Income in Revenue Requirements			\$585	\$546	\$547	\$614	\$592	\$665
97	Percent Allocable to Water System			51.58%	52.22%	52.30%	49.39%	40.40%	33.02%
98	Percent Allocable to Wastewater System			48.42%	47.78%	47.70%	50.61%	59.60%	66.98%
99	Amount Allocable to Water System			\$302	\$285	\$286	\$303	\$239	\$220
100	Amount Allocable to Wastewater System			283	261	261	311	353	446
Interest Income:									
101	Unrestricted Interest Income - Water			\$1,854	\$1,526	\$1,193	\$1,321	\$1,633	\$2,187
102	Unrestricted Interest Income - Wastewater			2,252	1,833	1,401	1,581	2,091	2,903
103	Total Unrestricted Interest Income			\$4,106	\$3,358	\$2,594	\$2,901	\$3,725	\$5,090
104	Restricted Interest Income			\$1,350	\$1,126	\$1,119	\$1,115	\$1,112	\$1,108
105	Total Interest Income			\$5,456	\$4,485	\$3,713	\$4,017	\$4,836	\$6,198

Table 1-16
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Water System Revenue Requirements

Line No.	Description	Fiscal Year Ending September 30th,					
		2017	2018	2019	2020	2021	2022
<u>Operating Expenses: [1]</u>							
1	Administration Department	\$353,539	\$456,061	\$471,588	\$487,789	\$504,687	\$522,327
2	Water Department	1,617,421	1,696,827	1,769,615	1,846,297	1,927,039	2,012,106
3	Field Operations Department	609,748	654,975	682,005	710,627	776,286	809,467
4	Non-Departmental	301,913	128,864	132,526	136,300	140,187	144,190
5	Contingency - 1.00% of O&M	28,826	29,367	30,557	31,810	33,482	34,881
6	Bad Debt Expense - 0.25% of Rate Revenues	10,449	11,348	12,397	13,543	14,795	16,163
7	Other Adjustments - Retirement Benefits	32,981	33,607	34,976	36,417	38,337	39,948
8	Total Operating Expenses	\$2,954,877	\$3,011,050	\$3,133,665	\$3,262,784	\$3,434,815	\$3,579,082
<u>Debt Service Payments:</u>							
<u>Existing Debt Service: [2]</u>							
9	Utility System Refunding Revenue Note, Series 2016	\$451,319	\$451,450	\$451,388	\$451,132	\$451,524	\$451,283
10	Lease Refunding Note, Series 2013	666,649	689,503	692,864	501,438	77,183	0
11	Capital Improvement Revenue Note, Series 2015	88,260	0	0	0	0	0
12	Total Existing Debt Service Payments	\$1,206,228	\$1,140,953	\$1,144,251	\$952,571	\$528,707	\$451,283
<u>Proposed Debt Service: [3]</u>							
13	Additional Senior Lien Debt 1	\$0	\$0	\$0	\$0	\$167,139	\$167,139
14	Additional Subordinate Lien Debt 1	\$0	\$0	\$0	\$260,461	\$260,461	\$260,461
15	Total Proposed Debt Service Payments	\$0	\$0	\$0	\$260,461	\$427,600	\$427,600
16	Total Annual Debt Service Payments	\$1,206,228	\$1,140,953	\$1,144,251	\$1,213,032	\$956,307	\$878,883
<u>Other Revenue Requirements:</u>							
17	Payment In Lieu of Franchise Fees [4]	\$237,401	\$259,230	\$279,649	\$303,267	\$329,030	\$357,177
18	Renewal and Replacement Fund Transfer [5]	347,957	483,310	568,778	668,216	1,086,517	1,158,078
19	Capital Funded From Rates [6]	153,320	105,000	105,000	84,000	57,540	84,372
20	Total Other Revenue Requirements	\$738,678	\$847,540	\$953,427	\$1,055,484	\$1,473,087	\$1,599,628
21	Gross Revenue Requirements	\$4,899,784	\$4,999,543	\$5,231,343	\$5,531,299	\$5,864,209	\$6,057,592
<u>Other Revenues and Financial Resources:</u>							
22	Other Operating Revenues	\$324,276	\$313,702	\$315,299	\$315,782	\$316,265	\$316,747
23	Unrestricted Interest Income [7]	1,854	1,526	1,193	1,321	1,633	2,187
24	Development Fees Used for Debt Service Payments	140,000	45,000	45,000	45,000	45,000	45,000
25	Total Other Revenues and Financial Resources	\$466,130	\$360,228	\$361,491	\$362,102	\$362,898	\$363,934
26	Net Revenue Requirements	\$4,433,653	\$4,639,316	\$4,869,852	\$5,169,197	\$5,501,311	\$5,693,658
<u>Revenue From Existing Water Rates:</u>							
27	Existing Rate Revenue	\$3,535,130	\$3,543,628	\$3,552,972	\$3,562,316	\$3,571,659	\$3,581,003
28	Prior Year Rate Adjustments	0	0	319,770	670,070	1,053,740	1,473,870
29	Total Rate Revenue Before Current Year Adjustment	\$3,535,130	\$3,543,628	\$3,872,742	\$4,232,386	\$4,625,399	\$5,054,873
<u>Revenue From Existing Wholesale Water Rates:</u>							
30	Existing Rate Revenue	\$644,523	\$644,523	\$644,523	\$644,523	\$644,523	\$644,523
31	Prior Year Rate Adjustments	0	0	58,010	121,230	190,150	265,270
32	Total Rate Revenue Before Current Year Adjustment	\$644,523	\$644,523	\$702,533	\$765,753	\$834,673	\$909,793
<u>Current Year Rate Adjustment - Water</u>							
33	Current Year Water Rate Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%
	Effective Month	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.
34	Percent of Current Year Effective	17%	100%	100%	100%	100%	100%
35	Total Revenue From Current Year Adjustments	\$0	\$318,927	\$348,547	\$380,915	\$416,286	\$454,939
<u>Current Year Rate Adjustment - Wholesale Water</u>							
36	Current Year Water Rate Adjustment	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%
	Effective Month	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.
37	Percent of Current Year Effective	17%	100%	100%	100%	100%	100%
38	Total Revenue From Current Year Adjustments	\$0	\$32,226	\$35,127	\$38,288	\$41,734	\$45,490
39	Total Revenue From Rates	\$4,179,653	\$4,539,303	\$4,958,948	\$5,417,341	\$5,918,091	\$6,465,094
40	Revenue Surplus / (Deficiency) [8]	(\$254,001)	(\$100,012)	\$89,096	\$248,144	\$416,781	\$771,436

Footnotes located on following page.

Table 1-16
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Water System Revenue Requirements

Footnotes:

- [1] Amounts derived from the City's Fiscal Year 2017 Budget and are escalated as shown on Table 1-7.
 [2] Payment amounts shown were based on debt service schedules provided by City Staff.
 [3] The proposed debt is based upon the funding of the capital improvement program. Initial payments shown may indicate a partial year's payment of debt service due to the timing of the instrument. The following indicated the estimated terms and conditions of the proposed debt.

Additional Senior Lien Debt 1		
Principal (Includes Project Costs and Costs of Issuance)	\$3,590,000	(50.00% Allocated to the Water System)
Issue Date	10/1/2020	
Interest Rate	4.50%	
Term (Years)	15	
Annual Average Debt Service	\$334,279	
Additional Subordinate Lien Debt 1		
Principal (Includes Project Costs and Costs of Issuance)	\$3,875,000	(100.00% Allocated to the Water System)
Issue Date	10/1/2019	
Interest Rate	3.00%	
Term (Years)	20	
Annual Average Debt Service	\$260,461	
Additional Subordinate Lien Debt 3		
Principal (Includes Project Costs and Costs of Issuance)	\$2,830,000	(0.00% Allocated to the Water System)
Issue Date	10/1/2019	
Interest Rate	3.50%	
Term (Years)	20	
Annual Average Debt Service	\$199,122	
Additional Subordinate Lien Debt 4		
Principal (Includes Project Costs and Costs of Issuance)	\$5,175,000	(0.00% Allocated to the Water System)
Issue Date	10/1/2021	
Interest Rate	3.75%	
Term (Years)	20	
Annual Average Debt Service	\$372,404	

- [4] Amount shown is a transfer to the City's General Fund and is based on 5.9% of the previous Fiscal Year's revenues.
 [5] Amounts are transfers to a Renewal and Replacement (R&R) Fund and are to be used for R&R related capital projects.
 [6] Amounts based on the proposed capital funding plan as shown in Table 1-11.
 [7] Interest income is estimated on earnings on projected fund balances from unrestricted reserves allocated to the water system.
 [8] The forecast assumes that any deficiencies will be funded from available operating reserves.

Table 1-17
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Wastewater System Revenue Requirements

Line No.	Description	Fiscal Year Ending September 30th,					
		2017	2018	2019	2020	2021	2022
<u>Operating Expenses: [1]</u>							
1	Administration Department	\$449,052	\$579,273	\$598,994	\$619,571	\$641,036	\$663,441
2	Wastewater Department	1,932,494	2,037,807	2,120,401	2,207,380	2,402,346	2,501,600
3	Wastewater Collection Department	551,064	589,593	614,238	640,245	667,675	696,631
4	Field Operations Department	419,063	450,146	468,723	488,395	533,521	556,325
5	Non-Departmental	305,673	132,663	136,367	140,183	144,113	148,161
6	Contingency - 1.00% of O&M	36,573	37,895	39,387	40,958	43,887	45,662
7	Bad Debt Expense - 0.25% of Rate Revenues	12,956	14,076	15,303	16,644	18,109	19,710
8	Other Adjustments - Retirement Benefits	41,891	43,412	45,129	46,936	50,296	52,340
9	Total Operating Expenses	\$3,748,766	\$3,884,865	\$4,038,542	\$4,200,312	\$4,500,983	\$4,683,871
<u>Debt Service Payments:</u>							
<u>Existing Debt Service: [2]</u>							
10	Utility System Refunding Revenue Note, Series 2016	\$623,250	\$623,431	\$623,345	\$622,993	\$623,533	\$623,200
11	SRF Loan - #WW640520	383,969	383,969	383,969	383,969	383,969	383,969
12	Capital Improvement Revenue Note, Series 2014	36,776	36,365	36,440	36,866	36,973	36,689
13	Capital Improvement Revenue Note, Series 2015	88,260	0	0	0	0	0
14	Total Existing Debt Service Payments	\$1,132,255	\$1,043,765	\$1,043,755	\$1,043,828	\$1,044,476	\$1,043,858
<u>Proposed Debt Service: [3]</u>							
15	Additional Senior Lien Debt 1	\$0	\$0	\$0	\$0	\$167,139	\$167,139
16	Additional Subordinate Lien Debt 3	\$0	\$0	\$0	\$199,122	\$199,122	\$199,122
17	Additional Subordinate Lien Debt 4	0	0	0	0	0	372,404
18	Total Proposed Debt Service Payments	\$0	\$0	\$0	\$199,122	\$366,261	\$738,665
19	Total Annual Debt Service Payments	\$1,132,255	\$1,043,765	\$1,043,755	\$1,242,950	\$1,410,737	\$1,782,523
<u>Other Revenue Requirements:</u>							
20	Payment In Lieu of Franchise Fees [4]	\$303,937	\$331,885	\$358,027	\$388,265	\$421,248	\$457,284
21	Renewal and Replacement Fund Transfer [5]	445,480	618,768	728,190	855,498	1,320,969	1,412,587
22	Capital Funded From Rates [6]	403,019	175,900	145,000	116,000	79,460	204,619
23	Total Other Revenue Requirements	\$1,152,436	\$1,126,553	\$1,231,217	\$1,359,763	\$1,821,676	\$2,074,489
24	Gross Revenue Requirements	\$6,033,457	\$6,055,183	\$6,313,514	\$6,803,024	\$7,733,396	\$8,540,883
<u>Other Revenues and Financial Resources:</u>							
25	Other Operating Revenues	\$332,646	\$324,688	\$325,492	\$325,975	\$326,458	\$326,941
26	Unrestricted Interest Income [7]	2,252	1,833	1,401	1,581	2,091	2,903
27	Development Fees Used for Debt Service Payments	75,000	75,000	75,000	75,000	75,000	75,000
28	Total Other Revenues and Financial Resources	\$409,898	\$401,521	\$401,893	\$402,556	\$403,549	\$404,843
29	Net Revenue Requirements	\$5,623,560	\$5,653,663	\$5,911,621	\$6,400,468	\$7,329,847	\$8,136,039
<u>Revenue From Existing Wastewater Rates:</u>							
30	Existing Wastewater Rate Revenue	\$4,819,760	\$4,832,312	\$4,845,887	\$4,859,462	\$4,873,037	\$4,886,612
31	Prior Year Rate Adjustments	0	0	436,130	914,060	1,437,690	2,011,240
32	Total Rate Revenue Before Current Year Adjustment	\$4,819,760	\$4,832,312	\$5,282,017	\$5,773,522	\$6,310,727	\$6,897,852
<u>Current Year Rate Adjustment</u>							
33	Current Year Wastewater Rate Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%
	Effective Month	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.
34	Percent of Current Year Effective	17%	100%	100%	100%	100%	100%
35	Total Revenue From Current Year Adjustments	\$0	\$434,908	\$475,382	\$519,617	\$567,965	\$620,807
<u>Revenue From Existing Reclaimed Rates:</u>							
36	Existing Reclaimed Rate Revenue	\$362,560	\$363,151	\$363,743	\$364,334	\$364,925	\$365,517
37	Prior Year Rate Adjustments	0	0	0	0	0	0
38	Total Rate Revenue Before Current Year Adjustment	\$362,560	\$363,151	\$363,743	\$364,334	\$364,925	\$365,517
<u>Current Year Rate Adjustment</u>							
39	Current Year Reclaimed Rate Adjustment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Effective Month	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.
40	Percent of Current Year Effective	17%	100%	100%	100%	100%	100%
41	Total Revenue From Current Year Adjustments	\$0	\$0	\$0	\$0	\$0	\$0
42	Total Revenue From Rates	\$5,182,321	\$5,630,371	\$6,121,141	\$6,657,473	\$7,243,618	\$7,884,176
43	Revenue Surplus / (Deficiency) [8]	(\$441,239)	(\$23,291)	\$209,521	\$257,005	(\$86,229)	(\$251,864)

Footnotes located on following page.

Table 1-17
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Wastewater System Revenue Requirements

Footnotes:

- [1] Amounts derived from the City's Fiscal Year 2017 Budget and are escalated as shown on Table 1-8.
 [2] Payment amounts shown were based on debt service schedules provided by City Staff.
 [3] The proposed debt is based upon the funding of the capital improvement program. Initial payments shown may indicate a partial year's payment of debt service due to the timing of the instrument. The following indicated the estimated terms and conditions of the proposed debt.

Additional Senior Lien Debt 1

Principal (Includes Project Costs and Costs of Issuance)	\$3,590,000	(50.00% Allocated to the Wastewater System)
Issue Date	10/1/2020	
Interest Rate	4.50%	
Term (Years)	15	
Annual Average Debt Service	\$334,279	

Additional Subordinate Lien Debt 1

Principal (Includes Project Costs and Costs of Issuance)	\$3,875,000	(0.00% Allocated to the Wastewater System)
Issue Date	10/1/2019	
Interest Rate	3.00%	
Term (Years)	20	
Annual Average Debt Service	\$260,461	

Additional Subordinate Lien Debt 3

Principal (Includes Project Costs and Costs of Issuance)	\$2,830,000	(100.00% Allocated to the Wastewater System)
Issue Date	10/1/2019	
Interest Rate	3.50%	
Term (Years)	20	
Annual Average Debt Service	\$199,122	

Additional Subordinate Lien Debt 4

Principal (Includes Project Costs and Costs of Issuance)	\$5,175,000	(100.00% Allocated to the Wastewater System)
Issue Date	10/1/2021	
Interest Rate	3.75%	
Term (Years)	20	
Annual Average Debt Service	\$372,404	

- [4] Amount shown is a transfer to the City's General Fund and is based on 5.9% of the previous Fiscal Year's revenues.
 [5] Amounts are transfers to a Renewal and Replacement (R&R) Fund and are to be used for R&R related capital projects.
 [6] Amounts based on the proposed capital funding plan as shown in Table 1-11.
 [7] Interest income is estimated on earnings on projected fund balances from unrestricted reserves allocated to the wastewater system.
 [8] The forecast assumes that any deficiencies will be funded from available operating reserves.

Table 1-18
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Combined Water and Wastewater System Revenue Requirements

Line No.	Description	Fiscal Year Ending September 30th.					
		2017	2018	2019	2020	2021	2022
<u>Operating Expenses: [1]</u>							
1	Administration Department	\$802,591	\$1,035,334	\$1,070,582	\$1,107,360	\$1,145,723	\$1,185,768
2	Water Department	1,617,421	1,696,827	1,769,615	1,846,297	1,927,039	2,012,106
3	Wastewater Department	1,932,494	2,037,807	2,120,401	2,207,380	2,402,346	2,501,600
4	Wastewater Collection Department	551,064	589,593	614,238	640,245	667,675	696,631
5	Field Operations Department	1,028,811	1,105,122	1,150,728	1,199,022	1,309,807	1,365,792
6	Non-Departmental	607,586	261,527	268,893	276,483	284,300	292,351
7	Contingency - 1.00% of O&M	65,400	67,262	69,945	72,768	77,369	80,542
8	Bad Debt Expense - 0.25% of Rate Revenues	23,405	25,424	27,700	30,187	32,904	35,873
9	Other Adjustments - Retirement Benefits	74,871	77,019	80,105	83,354	88,634	92,288
10	Total Operating Expenses	\$6,703,644	\$6,895,916	\$7,172,207	\$7,463,095	\$7,935,798	\$8,262,952
<u>Debt Service Payments:</u>							
<u>Existing Debt Service: [2]</u>							
11	Utility System Refunding Revenue Note, Series 2016	\$1,074,569	\$1,074,881	\$1,074,733	\$1,074,125	\$1,075,057	\$1,074,483
12	SRF Loan - #WW640520	383,969	383,969	383,969	383,969	383,969	383,969
13	Lease Refunding Note, Series 2013	666,649	689,503	692,864	501,438	77,183	0
14	Capital Improvement Revenue Note, Series 2014	36,776	36,365	36,440	36,866	36,973	36,689
15	Capital Improvement Revenue Note, Series 2015	176,520	0	0	0	0	0
16	Total Existing Debt Service Payments	\$2,338,483	\$2,184,718	\$2,188,006	\$1,996,398	\$1,573,183	\$1,495,141
<u>Proposed Debt Service: [3]</u>							
17	Additional Senior Lien Debt 1	\$0	\$0	\$0	\$0	\$334,279	\$334,279
21	Additional Subordinate Lien Debt 1	0	0	0	260,461	260,461	260,461
22	Additional Subordinate Lien Debt 3	0	0	0	199,122	199,122	199,122
23	Additional Subordinate Lien Debt 4	0	0	0	0	0	372,404
24	Total Proposed Debt Service Payments	\$0	\$0	\$0	\$459,583	\$793,861	\$1,166,265
25	Total Annual Debt Service Payments	\$2,338,483	\$2,184,718	\$2,188,006	\$2,455,981	\$2,367,044	\$2,661,406
<u>Other Revenue Requirements:</u>							
26	General Fund Cost Allocation Transfer	\$0	\$0	\$0	\$0	\$0	\$0
27	Payment In Lieu of Franchise Fees [4]	\$541,338	\$591,115	\$637,676	\$691,532	\$750,278	\$814,461
27	Renewal and Replacement Fund Transfer [5]	793,437	1,102,078	1,296,968	1,523,714	2,407,486	2,570,665
28	Capital Funded From Rates [6]	556,339	280,900	250,000	200,000	137,000	288,991
29	Total Other Revenue Requirements	\$1,891,114	\$1,974,093	\$2,184,644	\$2,415,246	\$3,294,763	\$3,674,117
30	Gross Revenue Requirements	\$10,933,241	\$11,054,727	\$11,544,857	\$12,334,323	\$13,597,605	\$14,598,475
<u>Other Revenues and Financial Resources:</u>							
31	Other Operating Revenues	\$656,922	\$638,390	\$640,791	\$641,757	\$642,722	\$643,688
32	Unrestricted Interest Income [7]	4,106	3,358	2,594	2,901	3,725	5,090
33	Development Fees Used for Debt Service Payments	215,000	120,000	120,000	120,000	120,000	120,000
34	Total Other Revenues and Financial Resources	\$876,028	\$761,748	\$763,385	\$764,658	\$766,447	\$768,778
35	Net Revenue Requirements	\$10,057,213	\$10,292,978	\$10,781,472	\$11,569,665	\$12,831,158	\$13,829,697
<u>Revenue From Combined Rates:</u>							
36	Existing Rate Revenue	\$9,361,973	\$9,383,614	\$9,407,124	\$9,430,634	\$9,454,144	\$9,477,655
37	Revenue From Current Year Adjustments	0	786,061	859,055	938,819	1,025,985	1,121,235
38	Revenue From Prior Year Rate Adjustments	0	0	813,910	1,705,360	2,681,580	3,750,380
39	Total Revenue From Rates	\$9,361,973	\$10,169,675	\$11,080,089	\$12,074,814	\$13,161,709	\$14,349,269
40	Revenue Surplus / (Deficiency) [8]	(\$695,240)	(\$123,303)	\$298,617	\$505,149	\$330,551	\$519,572
41	Percentage Surplus / (Deficiency)	-7.43%	-1.21%	2.70%	4.18%	2.51%	3.62%

Footnotes located on following page.

Table 1-18
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Combined Water and Wastewater System Revenue Requirements

Footnotes:

- [1] Amounts derived from the City's Fiscal Year 2017 Budget and are escalated as shown on Table 1-9.
 [2] Payment amounts shown were based on debt service schedules provided by City Staff.
 [3] The proposed debt is based upon the funding of the capital improvement program. Initial payments shown may indicate a partial year's payment of debt service due to the timing of the instrument. The following indicated the estimated terms and conditions of the proposed debt.

Additional Senior Lien Debt 1

Principal (Includes Project Costs and Costs of Issuance)	\$3,590,000
Issue Date	10/1/2020
Interest Rate	4.50%
Term (Years)	15
Annual Average Debt Service	\$334,279

Additional Subordinate Lien Debt 1

Principal (Includes Project Costs and Costs of Issuance)	\$3,875,000
Issue Date	10/1/2019
Interest Rate	3.00%
Term (Years)	20
Annual Average Debt Service	\$260,461

Additional Subordinate Lien Debt 3

Principal (Includes Project Costs and Costs of Issuance)	\$2,830,000
Issue Date	10/1/2019
Interest Rate	3.50%
Term (Years)	20
Annual Average Debt Service	\$199,122

Additional Subordinate Lien Debt 4

Principal (Includes Project Costs and Costs of Issuance)	\$5,175,000
Issue Date	10/1/2021
Interest Rate	3.75%
Term (Years)	20
Annual Average Debt Service	\$372,404

- [4] Amount shown is a transfer to the City's General Fund and is based on 5.9% of the previous Fiscal Year's revenues.
 [5] Amounts are transfers to a Renewal and Replacement (R&R) Fund and are to be used for R&R related capital projects.
 [6] Amounts based on the proposed capital funding plan as shown in Table 1-11.
 [7] Interest income is estimated on earnings on projected fund balances from unrestricted reserves allocated to the wastewater system.
 [8] The forecast assumes that any deficiencies will be funded from available operating reserves.

Table 1-19
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Debt Service Coverage Compliance

Line No.	Description	Fiscal Year Ending September 30th.					
		2017	2018	2019	2020	2021	2022
<u>Senior Lien Test: (CAFR Presentation Method)</u>							
44	Net Revenues	\$3,316,876	\$3,913,615	\$4,550,227	\$5,255,498	\$5,871,052	\$6,732,922
45	Total Senior Lien Bond Service Requirements	\$1,074,569	\$1,074,881	\$1,074,733	\$1,074,125	\$1,409,336	\$1,408,762
46	Calculated Ratio	308.67%	364.10%	423.38%	489.28%	416.58%	477.93%
47	Minimum Target Coverage Ratio - 115.00%	115.00%	115.00%	115.00%	115.00%	115.00%	115.00%
48	Net Revenues After Payment of Debt Service	\$978,393	\$1,728,897	\$2,362,221	\$2,799,517	\$3,504,008	\$4,071,517
49	Use of Impact Fees for Debt Service Payments	215,000	120,000	120,000	120,000	120,000	120,000
50	Subtotal	\$1,193,393	\$1,848,897	\$2,482,221	\$2,919,517	\$3,624,008	\$4,191,517
<u>Less Other Payments and Transfers from Rates:</u>							
51	Payment In Lieu of Franchise Fees	[6] \$541,338	\$591,115	\$637,676	\$691,532	\$750,278	\$814,461
52	Renewal and Replacement Fund Transfer	793,437	1,102,078	1,296,968	1,523,714	2,407,486	2,570,665
53	Capital Funded From Rates	556,339	280,900	250,000	200,000	137,000	288,991
54	Transfer to Capital Fund (General)	0	0	0	0	0	0
55	Net Transfer to/ (from) Operating Reserves	0	0	0	0	0	0
56	Plus Restricted Interest Income (Not Includable Above)	2,481	1,893	1,040	878	1,306	2,173
57	Net Amount Available for Other Utility System Purposes	<u>(\$695,240)</u>	<u>(\$123,303)</u>	<u>\$298,617</u>	<u>\$505,149</u>	<u>\$330,551</u>	<u>\$519,572</u>

Footnotes located on following page.

Table 1-19
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Projection of Debt Service Coverage Compliance

Footnotes:

- [1] Projected revenue from rates reflects existing rates effective October 1, 2016.
- [2] Revenue from water and wastewater rate adjustments reflect the following projected rate increases effective October 1st of each year.

Fiscal Year	2017	2018	2019	2020	2021	2022
Rate Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%

- [3] Amounts shown only reflect earnings from funds and accounts established by the City that are considered unrestricted (earnings not required to be retained in such funds and accounts and are available as a component of Net Revenues)
- [4] Amounts shown represent a transfer to the City's General fund for the Utility System's allocation (25.00%) of the Capital Improvement Revenue Note, Series 2014.
- [5] Amounts shown represent a transfer to the City's General fund for the Utility System's allocation (40.00%) of the Capital Improvement Revenue Note, Series 2015.
- [6] Amounts shown represent a transfer to the City's General fund for Payment in Lieu of Franchise Fees (PILOFF), which is a transfer made based on 5.90% of the previous year's rate revenue.

Table 1-20
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Comparison of Typical Monthly Residential Bills for Water Service [1]

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter							
		0 Gallons	2,000 Gallons	3,000 Gallons [2]	4,000 Gallons	6,000 Gallons	8,000 Gallons	10,000 Gallons	15,000 Gallons
City of Edgewater, Florida									
1	Existing Rates	\$10.75	\$14.37	\$20.38	\$26.39	\$39.92	\$54.96	\$70.00	\$116.95
2	Proposed Rates - Fiscal Year 2018	11.72	15.66	22.21	28.77	43.51	59.91	76.30	127.48
Other Florida Utilities:									
3	City of Daytona Beach [3]	\$15.85	\$21.07	\$26.29	\$31.51	\$41.95	\$52.39	\$62.83	\$88.93
4	City of DeLand [4]	11.97	15.85	17.79	19.73	23.61	27.49	35.61	62.03
5	City of Deltona	11.72	15.00	16.64	18.28	23.21	29.79	36.37	65.12
6	City of Port Orange [3]	9.90	11.70	14.45	17.20	23.10	29.60	37.10	58.65
7	City of Eustis [3]	10.91	15.47	17.75	20.03	24.59	29.15	34.83	49.03
8	City of Holly Hill [5]	17.43	17.43	24.25	31.07	44.71	58.35	71.99	106.09
9	New Smyrna Beach Utilities Commission	11.65	13.51	14.44	15.68	18.16	22.08	26.00	35.80
10	City of Orange City	10.79	18.17	21.86	25.55	32.93	42.16	53.24	86.46
11	City of Ormond Beach	14.08	14.08	17.26	20.44	26.80	34.34	41.88	60.73
12	Town of Ponce Inlet	18.30	18.30	25.40	32.50	46.70	60.90	75.10	110.60
13	City of Sanford [3]	11.21	11.21	13.39	15.57	19.93	25.65	31.37	48.22
14	Seminole County [3]	13.28	15.52	16.64	17.76	20.00	22.24	24.48	33.73
15	City of South Daytona [3]	14.04	19.50	24.96	30.42	41.34	52.74	64.62	94.32
16	Volusia County - Softened [3]	13.56	21.24	25.08	28.92	37.48	46.92	56.36	80.76
17	Other Utilities' Average	\$13.19	\$16.29	\$19.73	\$23.19	\$30.32	\$38.13	\$46.56	\$70.03
18	Minimum	9.90	11.21	13.39	15.57	18.16	22.08	24.48	33.73
19	Maximum	18.30	21.24	26.29	32.50	46.70	60.90	75.10	110.60

Footnotes:

- [1] Unless otherwise noted, amounts shown reflect residential rates in effect June 2017 and are exclusive of taxes or franchise fees, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.
- [2] Reflects average usage of a typical single family residential customer with both water and wastewater service within the service area of the City of Edgewater utility system.
- [3] Utility is currently involved in a rate study, is planning to conduct a rate study, or plans to implement a rate revision or price index / pass-through adjustment within the next twelve months following the comparison preparation date.
- [4] Utility bills a separate charge, applied on a "per bill basis," regardless of type of service. Such charge has been included in the rates for water service since this is the predominant service received by utility customers.
- [5] Includes a \$3.00 renewal and replacement fee.

Table 1-21
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Comparison of Typical Monthly Residential Bills for Wastewater Service [1]

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter							
		0 Gallons	2,000 Gallons	3,000 Gallons [2]	4,000 Gallons	6,000 Gallons	8,000 Gallons	10,000 Gallons	15,000 Gallons
City of Edgewater, Florida									
1	Existing Rates	\$15.60	\$27.88	\$34.02	\$40.16	\$52.44	\$64.72	\$77.00	\$107.70
2	Proposed Rates - Fiscal Year 2018	17.00	30.39	37.08	43.77	57.16	70.54	83.93	117.39
Other Florida Utilities:									
3	City of Daytona Beach [3]	\$13.16	\$22.14	\$31.12	\$40.10	\$58.06	\$76.02	\$93.98	\$138.88
4	City of DeLand [4]	24.41	33.75	38.42	43.09	52.43	61.77	71.11	94.46
5	City of Deltona	17.69	47.31	62.12	76.93	110.99	149.49	187.99	187.99
6	City of Port Orange [3]	11.70	15.75	19.80	23.85	33.95	44.05	54.15	79.40
7	City of Eustis [3]	25.66	32.08	35.29	38.50	44.92	51.34	57.76	57.76
8	City of Holly Hill [5]	19.59	19.59	27.43	35.27	50.95	66.63	82.31	121.51
9	New Smyrna Beach Utilities Commission	18.61	26.75	30.82	34.89	43.03	51.17	59.31	79.66
10	City of Orange City	21.51	36.33	43.74	51.15	65.97	80.79	88.20	88.20
11	City of Ormond Beach	17.79	17.79	22.22	26.65	35.51	44.37	53.23	75.38
12	Town of Ponce Inlet	14.63	25.51	30.95	36.39	47.27	58.15	69.03	79.91
13	City of Sanford [3]	20.65	20.65	26.28	31.91	43.17	54.43	65.69	76.95
14	Seminole County [3]	21.10	30.70	35.50	40.30	49.90	59.50	69.10	93.10
15	City of South Daytona [3]	15.23	22.26	29.29	36.32	50.38	65.12	80.54	119.09
16	Volusia County - Softened [3]	2.84	11.66	16.07	20.48	29.30	38.12	46.94	64.58
17	Other Utilities' Average	\$17.47	\$25.88	\$32.08	\$38.27	\$51.13	\$64.35	\$77.10	\$96.92
18	Minimum	2.84	11.66	16.07	20.48	29.30	38.12	46.94	57.76
19	Maximum	25.66	47.31	62.12	76.93	110.99	149.49	187.99	187.99

Footnotes:

- [1] Unless otherwise noted, amounts shown reflect residential rates in effect June 2017 and are exclusive of taxes or franchise fees, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charge for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.
- [2] Reflects average usage of a typical single family residential customer with both water and wastewater service within the service area of the City of Edgewater utility system.
- [3] Utility is currently involved in a rate study, is planning to conduct a rate study, or plans to implement a rate revision or price index / pass-through adjustment within the next twelve months following the comparison preparation date.
- [4] Utility bills a separate charge, applied on a "per bill basis," regardless of type of service. Such charge has been included in the rates for water service since this is the predominant service received by utility customers.
- [5] Includes a \$3.00 renewal and replacement fee.

Table 1-22
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Comparison of Typical Monthly Residential Bills for Combined Water and Wastewater Service [1]

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter							
		0 Gallons	2,000 Gallons	3,000 Gallons [2]	4,000 Gallons	6,000 Gallons	8,000 Gallons	10,000 Gallons	15,000 Gallons
City of Edgewater, Florida									
1	Existing Rates	\$26.35	\$42.25	\$54.40	\$66.55	\$92.36	\$119.68	\$147.00	\$224.65
2	Proposed Rates - Fiscal Year 2018	28.72	46.05	59.30	72.54	100.67	130.45	160.23	244.87
Other Florida Utilities:									
3	City of Daytona Beach [3]	\$29.01	\$43.21	\$57.41	\$71.61	\$100.01	\$128.41	\$156.81	\$227.81
4	City of DeLand [4]	36.38	49.60	56.21	62.82	76.04	89.26	106.72	156.49
5	City of Deltona	29.41	62.31	78.76	95.21	134.20	179.28	224.36	253.11
6	City of Port Orange [3]	21.60	27.45	34.25	41.05	57.05	73.65	91.25	138.05
7	City of Eustis [3]	36.57	47.55	53.04	58.53	69.51	80.49	92.59	106.79
8	City of Holly Hill [5]	37.02	37.02	51.68	66.34	95.66	124.98	154.30	227.60
9	New Smyrna Beach Utilities Commission	30.26	40.26	45.26	50.57	61.19	73.25	85.31	115.46
10	City of Orange City	32.30	54.50	65.60	76.70	98.90	122.95	141.44	174.66
11	City of Ormond Beach	31.87	31.87	39.48	47.09	62.31	78.71	95.11	136.11
12	Town of Ponce Inlet	32.93	43.81	56.35	68.89	93.97	119.05	144.13	190.51
13	City of Sanford [3]	31.86	31.86	39.67	47.48	63.10	80.08	97.06	125.17
14	Seminole County [3]	34.38	46.22	52.14	58.06	69.90	81.74	93.58	126.83
15	City of South Daytona [3]	29.27	41.76	54.25	66.74	91.72	117.86	145.16	213.41
16	Volusia County - Softened [3]	16.40	32.90	41.15	49.40	66.78	85.04	103.30	145.34
17	Other Utilities' Average	\$30.66	\$42.17	\$51.80	\$61.46	\$81.45	\$102.48	\$123.65	\$166.95
18	Minimum	16.40	27.45	34.25	41.05	57.05	73.25	85.31	106.79
19	Maximum	37.02	62.31	78.76	95.21	134.20	179.28	224.36	253.11

Footnotes:

- [1] Unless otherwise noted, amounts shown reflect residential rates in effect June 2017 and are exclusive of taxes or franchise fees, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charge for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.
- [2] Reflects average usage of a typical single family residential customer with both water and wastewater service within the service area of the City of Edgewater utility system.
- [3] Utility is currently involved in a rate study, is planning to conduct a rate study, or plans to implement a rate revision or price index / pass-through adjustment within the next twelve months following the comparison preparation date.
- [4] Utility bills a separate charge, applied on a "per bill basis," regardless of type of service. Such charge has been included in the rates for water service since this is the predominant service received by utility customers.
- [5] Includes a \$3.00 renewal and replacement fee.

SECTION 2

SOLID WASTE SYSTEM



CITY OF EDGEWATER, FLORIDA

**WATER, WASTEWATER, SOLID WASTE, AND STORMWATER
UTILITY RATE STUDY – FISCAL YEAR 2017 UPDATE**

SECTION 2 – SOLID WASTE SYSTEM

CUSTOMER GROWTH AND REVENUES

Projected revenues from rates for the solid waste system were based on the schedule of solid waste and recycling rates and charges reflected in Resolution No. 2016-R-30, which contains adopted rates for Fiscal Years 2017 through 2021. In order to calculate projected revenues from rates for the Forecast Period, the existing rates were applied to the projected billing statistics. Based on revised growth projections and discussions with City staff, this analysis recognizes an average growth in customers of approximately 0.31%, or 30 accounts, per year throughout the Forecast Period, as shown in Table 2-1. Beginning in Fiscal Year 2018 residential customers will no longer be charged monthly and will be charged an annual non-ad valorem assessment. Commercial customers will continue being charged on a monthly basis. Based on these assumptions, system revenues at existing and proposed rates are estimated to increase from approximately \$3.2 million to \$4.9 million per year over the Forecast Period. Other miscellaneous operating revenues are projected, on average, to be approximately \$3,500 per year and interest earnings on unrestricted fund balances are estimated to average approximately \$500 per year.

OPERATING AND MAINTENANCE EXPENSES

The Fiscal Year 2017 operating budget served as the basis for the operating expense projections for the remainder of the Forecast Period. Adjustments were made to the Fiscal Year 2017 operating budget to exclude depreciation, principal and interest payments on debt, capital expenditures, and additions to reserves, which were accounted for separately in our analysis; or in the case of depreciation, excluded as a non-cash expense. These adjustments resulted in the Fiscal Year 2017 operating budget of \$3.6 million being adjusted down to approximately \$3.2 million in cash operating expenses, as shown in Table 2-4. A contingency allowance of one percent (1.0%) of operation and maintenance expenses was recognized for unanticipated expenditures in each fiscal year. Additionally, a bad debt allowance of 0.25% of rate revenues was recognized in each fiscal year. The aforementioned allowances represent averages of approximately \$32,000 and \$7,900 annually, respectively. Operation and maintenance expenses are projected to increase by an annual average of approximately 1.59% per year from Fiscal Year 2017 operating budget levels. The overall increase over the Forecast Period in projected operating expenses was based upon assumptions corresponding to several escalation factors and the nature of the expense as shown on Table 2-5. A few of the major factors are shown below:

1. Labor – 3.0% per year
2. Health Insurance – 29.0% in Fiscal Year 2018, 10.0% per year thereafter
 - a. Prior study assumed 6.0% per year based on discussions with staff.

3. Consumer Price Index (CPI) – Average of 2.2% per year
4. Electricity and Fuel – 5.0% per Year

Additionally, the City recently reviewed their internal cost allocation for services provided by the General Fund. As a result, the solid waste system's internal cost allocation is anticipated to increase by approximately 29.0% in Fiscal Year 2018.

CAPITAL IMPROVEMENT PLAN

The CIP utilized in this analysis was based on the Fiscal Year 2017 – 2022 CIP, as provided by City. The City's project cost estimates were based on current year dollars and therefore these amounts were escalated by the Engineering News-Record (ENR) or CPI, which are approximately 3.0% and 2.2% per year, respectively, to account for cost inflation over the Forecast Period. The CIP includes approximately \$7.1 million to fund a transfer station, collection vehicles, and an allocation of the debt service associated with the new public works building. The financial forecast assumes that the anticipated CIP will be fully funded through a combination of rate revenues, proposed debt, and capital leases as shown on Table 2-6.

EXISTING AND PROPOSED DEBT

Based on the debt service schedules for the proposed capital leases, outstanding revenue notes, and proposed senior and subordinate lien debt, the annual debt service payments to be funded from rates average approximately \$245,000 (ranging from \$66,000 to \$592,000) per year over the Forecast Period. Payments for the proposed senior lien debt, which includes amounts for the solid waste transfer station and a 15% allocation of the public works building, are projected to begin in Fiscal Year 2021 and will be approximately \$484,192 annually (approximately \$125,000 of this amount is associated with the public works building project). It should be noted that the public works building project was not a part of the prior studies' rate plan and represents a material increase in annual debt service payments for the solid waste system. Payments for the proposed subordinate lien debt are projected to be approximately \$84,000 annually. Existing and proposed debt service payments are summarized on Table 2-7 found at the end of this report.

TRANSFERS

Historically, the City transferred 5.9% of the prior year's solid waste gross revenues to the General Fund in the form of a Payment in-lieu-of Franchise Fee (PILOFF). However, due to residential solid waste services being charged as a non-ad valorem assessment, beginning in Fiscal Year 2018, the City must now meet the requirements established by Florida case law. The requirements to be met are:

1. The property assessed must derive a special benefit from the service provided. *Atlantic Coast Line R.R. v. City of Gainesville*, 83 Fla. 275, 91 So. 118 (1922); and
2. The assessment must be fairly and reasonably apportioned among properties that receive the special benefit. *South Trail Fire Control Dist. V. State*, 273 So. 2d 380 (Fla. 1973).

The City's current PILOFF transfer may not meet the requirements above, so it will no longer be charged to the solid waste system beginning in Fiscal Year 2018.

CASH BALANCES

As previously mentioned in Section 1 of this report, in Fiscal Year 2011 the City adopted Resolution No. 2011-R-20, which established a fund balance policy applying to all General Fund balances. Subsequently in Fiscal Year 2016 the City adopted Resolution 2016-R-40 which extended the fund balance policy to all operating funds including the water, wastewater, stormwater and sanitation enterprise funds. Part of the adopted fund balance policy establishes a reserve balance target equal to 15% of the current fiscal year operating expenditures, with a maximum of 25%. If the reserve balance amount falls below targeted levels the City must begin a plan to achieve the minimum balance of 15% within five (5) years. The solid waste system falls below the targeted levels and is anticipated to transfer approximately \$145,609 per year for Fiscal Years 2018 through 2022 to achieve this target. Additionally, the City targets unrestricted cash balances between 30 to 60 days of rate revenue for the solid waste system. By the end of the Forecast Period the City is projected to have \$1.3 million in unrestricted reserves, as shown in table 2-9, which meets all internal City policy requirements and targets.

CONCLUSIONS AND RECOMMENDATIONS

Based on the projected operating expenditure needs of the solid waste system and the projected funding plan for the CIP, it is estimated that the rate increases adopted by Resolution No. 2016-R-30 will not be sufficient and additional rate adjustments are recommended to meet the needs of the system, as shown in Tables 2-9 through 2-11. The projected operating results set forth herein assume the adoption of the newly proposed rate adjustments. Below is a summary of the proposed rate adjustments, along with certain projected financial operating results.

Summary of Projected Rate Adjustments and Key Operating Results

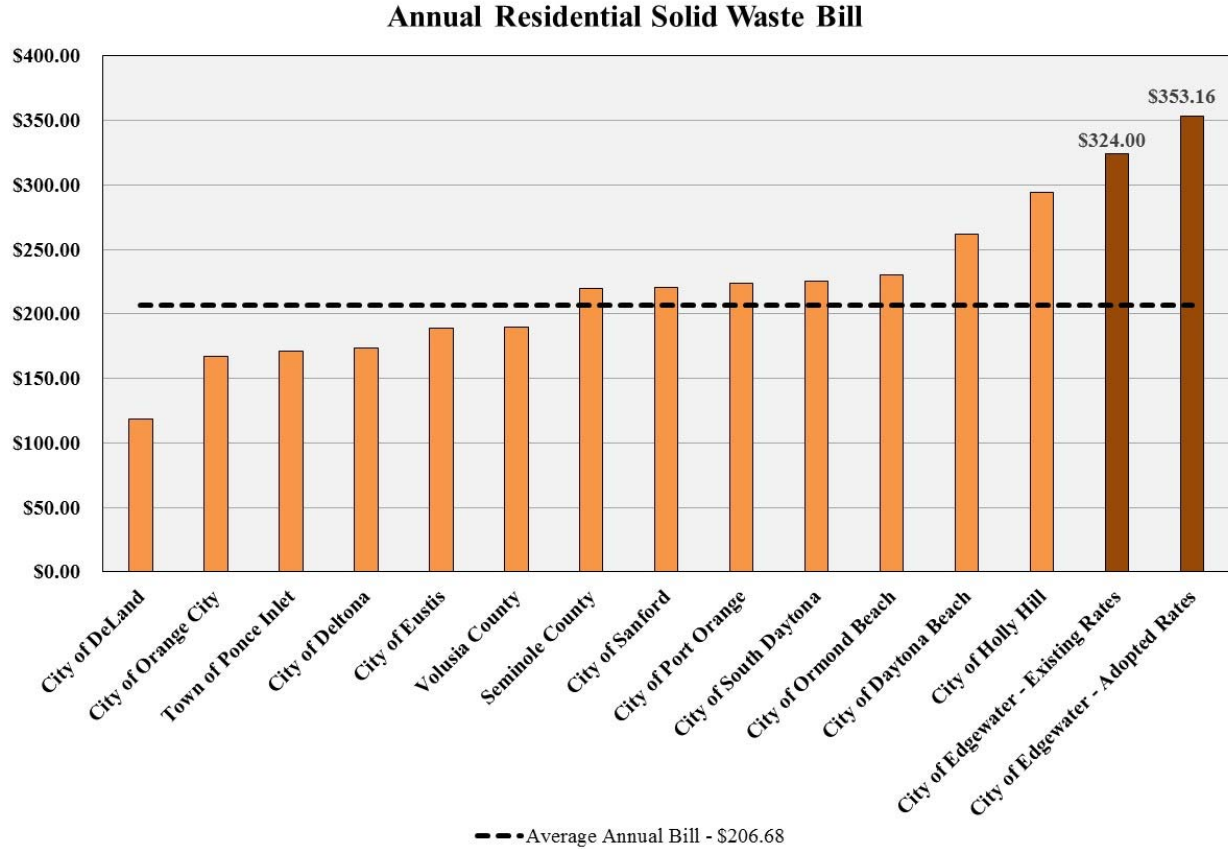
Description	Fiscal Year Ending September 30,					
	2017	2018	2019	2020	2021	2022
Proposed Rate Adjustments	N/A [1]	9.0%	9.0%	9.0%	9.0%	9.0%
System Revenue Surplus / (Deficiency)	(\$268,752)	\$83,279	\$341,483	\$236,098	(\$264,773)	\$11,245
Operating Reserves (Ending Balance)	\$176,532	\$259,811	\$601,294	\$837,391	\$572,619	\$583,864
Operating Days of Cash (Target of 30 Days of Rate Revenue)	20	28	59	75	47	44
Charter Reserve (Ending Balance)	\$0	\$145,681	\$291,508	\$437,481	\$583,600	\$729,865
Charter Reserve Target	0	494,554	507,041	575,019	707,156	728,043
Senior Lien Debt Service Coverage (Test 1.15)	N/A	N/A	N/A	N/A	2.25	2.86
Subordinate Lien Debt Service Coverage (Test 1.15)	N/A	8.92	8.01	7.67	5.62	8.32
All-In Debt Service Coverage (Target 1.50)	0.40	8.92	8.01	7.67	1.84	2.34

[1] Rates were adjusted at the beginning of Fiscal Year 2017 by 9.0%.

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RATE COMPARISON

As shown below and on Table 2-12, bills under the proposed Fiscal Year 2018 solid waste rates are above average when compared to the surveyed, neighboring utilities' average.



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Table 2-1
City of Edgewater, Florida
Solid Waste Utility Rate Study

Projected Collection Revenues Under Existing Rates

Line No.	Description	Historical			Fiscal Year Ending September 30,					
		2014	2015	2016	2017	2018	2019	2020	2021	2022
COLLECTION										
<u>Residential:</u>										
1	Customer Growth	N/A	40	1	25	25	25	25	25	25
2	Number of Bills	110,284	110,759	110,768	111,068	111,368	111,668	111,968	112,268	112,568
3	Average Number of Customers	9,190	9,230	9,231	9,256	9,281	9,306	9,331	9,356	9,381
4	Monthly Collection Fee	\$20.15	\$20.15	\$21.96	\$23.94	\$23.94	\$23.94	\$23.94	\$23.94	\$23.94
5	Total Residential Collection Revenue	\$2,222,223	\$2,231,794	\$2,432,465	\$2,658,968	\$2,666,150	\$2,673,332	\$2,680,514	\$2,687,696	\$2,694,878
<u>Multi-Family:</u>										
6	Customer Growth	N/A	10	(0)	0	0	0	0	0	0
7	Number of Bills	320	436	433	433	433	433	433	433	433
8	Average Number of Customers	27	36	36	36	36	36	36	36	36
9	Number of Units	2,002	4,640	4,534	4,534	4,534	4,534	4,534	4,534	4,534
10	Monthly Collection Fee	\$20.15	\$20.15	\$21.96	\$23.94	\$23.94	\$23.94	\$23.94	\$23.94	\$23.94
11	Total Multi-Family Collection Revenue	\$40,340	\$93,496	\$99,567	\$108,544	\$108,544	\$108,544	\$108,544	\$108,544	\$108,544
<u>Commercial:</u>										
12	Customer Growth	N/A	1	3	3	3	5	5	5	5
13	Number of Bills	3,025	3,041	3,075	3,111	3,147	3,207	3,267	3,327	3,387
14	Average Number of Customers	252	253	256	259	262	267	272	277	282
15	Number of Units	5,587	4,052	4,079	4,127	4,175	4,254	4,334	4,413	4,493
16	Monthly Collection Fee	\$22.65	\$22.65	\$24.92	\$27.16	\$27.16	\$27.16	\$27.16	\$27.16	\$27.16
17	Total Commercial Collection Revenue	\$126,546	\$91,778	\$101,649	\$112,083	\$113,380	\$115,541	\$117,703	\$119,865	\$122,026
18	Early Prepayment Discount Factor (%)	N/A	N/A	N/A	N/A	4.00%	4.00%	4.00%	4.00%	4.00%
19	Early Prepayment Discount (\$)	N/A	N/A	N/A	N/A	(110,988)	(111,275)	(111,562)	(111,850)	(112,137)
20	Total Collection Revenue	\$2,389,108	\$2,417,068	\$2,633,681	\$2,879,595	\$2,777,086	\$2,786,142	\$2,795,199	\$2,804,255	\$2,813,311

Table 2-1
City of Edgewater, Florida
Solid Waste Utility Rate Study

Projected Collection Revenues Under Existing Rates

Line No.	Description	Historical		Fiscal Year Ending September 30,						
		2014	2015	2016	2017	2018	2019	2020	2021	2022
RECYCLING										
<u>Residential:</u>										
21	Customer Growth	N/A	56	117	25	25	25	25	25	25
22	Number of Bills	110,387	111,059	112,464	112,764	113,064	113,364	113,664	113,964	114,264
23	Number of Units	N/A	N/A	9,664	9,689	9,714	9,739	9,764	9,789	9,814
24	Average Number of Customers	9,199	9,255	9,372	9,397	9,422	9,447	9,472	9,497	9,522
25	Monthly Recycling Fee	\$2.60	\$2.60	\$2.65	\$3.06	\$3.06	\$3.06	\$3.06	\$3.06	\$3.06
26	Subtotal Recycling Revenue	\$287,006	\$288,753	\$307,315	\$355,780	\$356,698	\$357,616	\$358,534	\$359,452	\$360,370
27	Early Prepayment Discount Factor (%)	N/A	N/A	N/A	N/A	4.00%	4.00%	4.00%	4.00%	4.00%
28	Early Prepayment Discount (\$)	N/A	N/A	N/A	N/A	(14,268)	(14,305)	(14,341)	(14,378)	(14,415)
29	Total Recycling Revenue	\$287,006	\$288,753	\$307,315	\$355,780	\$342,430	\$343,311	\$344,193	\$345,074	\$345,955
EXTRA CANS (>3 CANS)										
30	Extra Can Growth	N/A	0	7	5	0	0	0	0	0
31	Number of Bills	12	12	19	19	19	19	19	19	19
32	Average Monthly Number of Extra Cans	2	2	9	14	14	14	14	14	14
33	Monthly Extra Can Fee	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
34	Total Extra Cans Revenue	\$72	\$72	\$324	\$504	\$504	\$504	\$504	\$504	\$504
35	Total Rate Revenues	\$2,676,187	\$2,705,893	\$2,941,320	\$3,235,879	\$3,120,020	\$3,129,958	\$3,139,895	\$3,149,833	\$3,159,771

Table 2-2
City of Edgewater, Florida
Solid Waste Utility Rate Study

Projected Solid Waste System Revenue Under Existing Rates [1]

Line No.	Cost Center ID Code	Description	Budgeted 2017	Adjustments	Adjusted 2017	Escalation Reference	Fiscal Year Ending September 30,				
							2018	2019	2020	2021	2022
SYSTEM REVENUES											
1	447-0000-343.41-10	Refuse Collection	\$2,894,126	(\$14,027)	\$2,880,099	Input	\$2,777,590	\$2,786,646	\$2,795,703	\$2,804,759	\$2,813,815
2	447-0000-343.42-10	Recycling	354,702	1,078	355,780	Input	342,430	343,311	344,193	345,074	345,955
3	447-0000-361.10-10	Interest	497	(497)	0	Eliminate	0	0	0	0	0
4	447-0000-365.10-00	Sale of Surplus	6,000	0	6,000	Eliminate	0	0	0	0	0
5	447-0000-369.90-00	Other Miscellaneous Revenue	0	0	0	Inflation	0	0	0	0	0
6	447-0000-369.90-10	Miscellaneous Revenue	2,500	0	2,500	Constant	2,500	2,500	2,500	2,500	2,500
7	447-0000-369.90-20	Retirement Forfeitures	0	0	0	Eliminate	0	0	0	0	0
8	447-0000-384.01-00	Proceeds from Long-Term Debt	0	0	0	Eliminate	0	0	0	0	0
	447-0000-384.17-01	Capital Improvement Note 2017	309,771	(309,771)	0	Eliminate	0	0	0	0	0
9	447-0000-389.90-12	Unreserved Proprietary	0	0	0	Eliminate	0	0	0	0	0
10		TOTAL SYSTEM REVENUES	<u>\$3,567,596</u>	<u>(\$323,217)</u>	<u>\$3,244,379</u>		<u>\$3,122,520</u>	<u>\$3,132,458</u>	<u>\$3,142,395</u>	<u>\$3,152,333</u>	<u>\$3,162,271</u>

Footnotes:

[1] Budgeted amounts shown are based on the Fiscal Year 2017 Adopted Operating Budget.

Table 2-3
City of Edgewater, Florida
Solid Waste Utility Rate Study

Fiscal Year 2017 Adopted Budget

Line No.	Cost Center ID Code	Description	Budget 2017	Adjustments	Adjusted 2017
Solid Waste Utility Operating Expenses					
Environmental Services					
Refuse Department - 4060					
<u>Personnel Services:</u>					
1	447-4060-534.12-10	Regular Salaries and Wages	\$708,580	(\$60,279)	\$648,301
2	AddPer	Additional Personnel	0	0	0
3	447-4060-534.12-20	DC ICMA	0	0	0
4	447-4060-534.14-10	Overtime	0	30,000	30,000
5	447-4060-534.15-30	Cell Phone	0	1,000	1,000
6	447-4060-534.15-60	Boot Allowance	3,375	0	3,375
7	447-4060-534.21-10	FICA	40,447	0	40,447
8	447-4060-534.21-20	Medicare	9,459	0	9,459
9	447-4060-534.22-10	Retirement Contributions	0	0	0
10	447-4060-534.22-20	DCSE	68,984	0	68,984
11	447-4060-534.23-10	Life Insurance	2,790	279	3,069
12	447-4060-534.23-20	Group Medical Insurance	226,409	22,641	249,050
13	447-4060-534.2330	Dental Insurance	4,538	454	4,992
14	447-4060-534.23-40	Long-Term Disability	5,074	507	5,581
15	447-4060-534.23-90	Other Post Employment Benefits (OPEB)	0	9,036	9,036
16	447-4060-534.24-10	Worker's Compensation	56,469	5,647	62,116
17		Total Personnel Services	\$1,126,125	\$9,285	\$1,135,410
<u>Operating Expenses:</u>					
18	447-4060-534.31-10	Professional Services	\$20,000	\$0	\$20,000
19	447-4060-534.34-10	Other Contractual Services	5,153	0	5,153
20	447-4060-534.34-10	Volusia County Landfill	350,000	0	350,000
21	447-4060-534.34-10	Cloer & Sons / Green Waste Disposal	300,000	0	300,000
22	447-4060-534.40-10	Travel and Per Diem	462	0	462
23	447-4060-534.41-10	Telephone	0	0	0
24	447-4060-534.41-30	Legal Ads	0	0	0
25	447-4060-534.41-40	Postage	12,000	0	12,000
26	447-4060-534.43-10	Electric	2,266	0	2,266
27	447-4060-534.43.30	Water / Sewer / Trash	4,314	0	4,314
28	447-4060-534.44-10	Rent	104	0	104
29	447-4060-534.46-10	Repair & Maintenance	2,800	0	2,800
30	447-4060-534.46-20	Fleet Charges	140,223	0	140,223
31	447-4060-534.47-10	Printing & Binding	2,750	0	2,750
32	447-4060-534.48-10	Promotional Activities	500	0	500
33	447-4060-534.49-01	Cost Allocation	236,807	0	236,807
34	447-4060-534.49-10	Other Charges / Obligations	2,850	0	2,850
35	447-4060-534.49-20	Bank Charges	0	0	0
36	447-4060-534.49-47	Payment-in-Lieu of Franchise Fees (PILOFF) [2]	183,803	(183,803)	0
37	447-4060-534.52-10	Operating Supplies	23,000	0	23,000
38	447-4060-534.52-20	Fuel (Unleaded & Diesel)	75,000	15,000	90,000
39	447-4060-534.52-30	Uniforms	5,400	0	5,400
40	447-4060-534.54-10	Books, Publications, Subscriptions, & Memberships	0	0	0
41	447-4060-534.54-20	Educational Development	4,600	0	4,600
42		Total Operating Expenses	\$1,372,032	(\$168,803)	\$1,203,229
43		Total Refuse Department - 4060	\$2,498,157	(\$159,518)	\$2,338,639

Table 2-3
City of Edgewater, Florida
Solid Waste Utility Rate Study

Fiscal Year 2017 Adopted Budget

Line No.	Cost Center ID Code	Description	Budget 2017	Adjustments	Adjusted 2017
Recycling Department - 4065					
<u>Operating Expenses:</u>					
44	447-4065-534.34-10	Other Contractual Services	\$326,808	\$28,972	\$355,780
45	447-4065-534.47-10	Printing & Binding	0	0	0
46	447-4065-534.48-10	Promotional Activities	0	0	0
47	447-4065-534.49-01	Cost Allocation	6,599	0	6,599
48	447-4065-534.49-47	Payment-in-Lieu of Franchise Fees (PILOFF) [2]	7,878	(7,878)	0
49		Total Operating Expenses	\$341,285	\$21,094	\$362,379
50		Total Recycling Department - 4065	\$341,285	\$21,094	\$362,379
51		Total Environmental Services	\$2,839,442	(\$138,424)	\$2,701,018
Non-Departmental - 5555					
<u>Operating Expenses:</u>					
52	447-5555-580.22-10	Retirement Contributions	\$71,910	\$0	\$71,910
53	447-5555-580.23-80	PTO Expense	0	0	0
54	447-5555-580.31-10	Professional Services	50,000	0	50,000
55	447-5555-580.45-10	General Liability	4,926	0	4,926
56	447-5555-580.45-15	Property [3]	15,499	(15,499)	0
57	447-5555-580.45-20	Public Officials	3,992	0	3,992
58	447-5555-580.45-25	Automobile [3]	5,114	(5,114)	0
59	447-5555-580.49-50	Write Off	0	0	0
60	447-5555-580.49-60	Hurricane Charges	346,137	0	346,137
61	447-5555-580.59-10	Depreciation	0	0	0
62	447-5555-580.61-10	Land [3]	0	0	0
63	447-5555-580.64-10	Machinery & Equipment [3]	0	0	0
64	447-5555-580.64-20	Motor Vehicles [3]	158,950	(158,950)	0
65	447-5555-581.04-40	Water Sewer	0	0	0
66	447-5555-581.04-50	Public Works Complex - Series 2015 Bond [3]	18,926	(18,926)	0
67	447-5555-581.10-01	MIS [3]	17,000	(17,000)	0
68	447-5555-581.10-01	General Fund	0	0	0
69	447-5555-589.10-01	Current Year Unreserved	35,700	(35,700)	0
70		Total Operating Expenses	\$728,154	(\$251,189)	\$476,965
71		Total Non-Departmental - 5555	\$728,154	(\$251,189)	\$476,965

Table 2-3
City of Edgewater, Florida
Solid Waste Utility Rate Study

Fiscal Year 2017 Adopted Budget

Line No.	Cost Center ID Code	Description	Budget 2017	Adjustments	Adjusted 2017
Miscellaneous Adjustments					
72	Contingency	Contingency - 1.00% of O&M [4]	\$0	\$31,780	\$31,780
73	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [5]	0	8,090	8,090
74		TOTAL OPERATING EXPENSES	<u>\$3,567,596</u>	<u>(\$349,743)</u>	<u>\$3,217,853</u>

Footnotes:

- [1] Budgeted amounts shown are based on the Fiscal Year 2017 Adopted Operating Budget as provided by the City.
- [2] Budgeted amounts for the PILOFF are transferred to the General Fund and are therefore excluded from the Cost of Operation and Maintenance for coverage purposes. These items have been adjusted from the budget and are accounted for in the summary of Revenue Requirements later in the rate model. This item will no longer be charged to the solid waste system beginning in Fiscal Year 2018.
- [3] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.
- [4] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.
- [5] An allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible accounts.

Table 2-4
City of Edgewater, Florida
Solid Waste Utility Rate Study

Projection of Solid Waste Operating Expenses

Line No.	Cost Center ID Code	Description	Adjusted 2017	Escalation Reference	Fiscal Year Ending September 30,				
					2018	2019	2020	2021	2022
Solid Waste Utility Operating Expenses									
Environmental Services									
Refuse Department - 4060									
<u>Personnel Services:</u>									
1	447-4060-534.12-10	Regular Salaries and Wages	\$648,301	AdjSalary	\$729,837	\$751,733	\$774,284	\$797,513	\$821,438
2	AddPer	Additional Personnel	0	Input	0	0	0	0	0
3	447-4060-534.12-20	DC ICMA	0	Labor	0	0	0	0	0
4	447-4060-534.14-10	Overtime	30,000	Labor	3,500	3,605	3,713	3,825	3,939
5	447-4060-534.15-30	Cell Phone	1,000	Inflation	1,016	1,039	1,064	1,090	1,116
6	447-4060-534.15-60	Boot Allowance	3,375	Inflation	3,429	3,508	3,592	3,678	3,767
7	447-4060-534.21-10	FICA	40,447	Labor	41,660	42,910	44,198	45,523	46,889
8	447-4060-534.21-20	Medicare	9,459	Health-Ins	12,202	13,422	14,765	16,241	17,865
9	447-4060-534.22-10	Retirement Contributions	0	Labor	0	0	0	0	0
10	447-4060-534.22-20	DCSE	68,984	Labor	71,054	73,185	75,381	77,642	79,971
11	447-4060-534.23-10	Life Insurance	3,069	General-Ins	3,069	3,069	3,069	3,069	3,069
12	447-4060-534.23-20	Group Medical Insurance	249,050	Health-Ins	321,274	353,402	388,742	427,616	470,378
13	447-4060-534.2330	Dental Insurance	4,992	Health-Ins	6,439	7,083	7,792	8,571	9,428
14	447-4060-534.23-40	Long-Term Disability	5,581	Marginal	5,637	5,694	5,751	5,808	5,866
15	447-4060-534.23-90	Other Post Employment Benefits (OPEB)	9,036	Labor	9,307	9,587	9,874	10,170	10,475
16	447-4060-534.24-10	Worker's Compensation	62,116	Labor	63,979	65,899	67,876	69,912	72,009
17		Total Personnel Services	\$1,135,410		\$1,272,405	\$1,334,135	\$1,400,100	\$1,470,659	\$1,546,212
<u>Operating Expenses:</u>									
18	447-4060-534.31-10	Professional Services	\$20,000	Contractual	\$20,800	\$21,632	\$22,497	\$23,397	\$24,333
19	447-4060-534.34-10	Other Contractual Services	5,153	Contractual	5,359	5,573	5,796	6,028	6,269
20	447-4060-534.34-10	Volusia County Landfill	350,000	Growth+Infl	390,000	400,045	410,746	421,731	433,007
21	447-4060-534.34-10	Cloer & Sons / Green Waste Disposal	300,000	Growth+Infl	220,000	225,666	231,703	237,900	244,260
22	447-4060-534.40-10	Travel and Per Diem	462	Inflation	469	480	492	504	516
23	447-4060-534.41-10	Telephone	0	Inflation	0	0	0	0	0
24	447-4060-534.41-30	Legal Ads	0	Inflation	0	0	0	0	0
25	447-4060-534.41-40	Postage	12,000	Inflation	12,192	12,472	12,772	13,078	13,392
26	447-4060-534.43-10	Electric	2,266	Electricity	2,379	2,498	2,623	2,754	2,892
27	447-4060-534.43-30	Water / Sewer / Trash	4,314	Inflation	4,383	4,484	4,591	4,702	4,814
28	447-4060-534.44-10	Rent	104	Inflation	106	108	111	113	116
29	447-4060-534.46-10	Repair & Maintenance	2,800	Repair	2,884	2,971	3,060	3,151	3,246
30	447-4060-534.46-20	Fleet Charges	140,223	Repair	144,430	148,763	153,225	157,822	162,557
31	447-4060-534.47-10	Printing & Binding	2,750	Inflation	2,794	2,858	2,927	2,997	3,069
32	447-4060-534.48-10	Promotional Activities	500	Inflation	508	520	532	545	558
33	447-4060-534.49-01	Cost Allocation	236,807	Labor	305,481	314,645	324,085	333,807	343,822
34	447-4060-534.49-10	Other Charges / Obligations	2,850	Inflation	2,896	2,962	3,033	3,106	3,181
35	447-4060-534.49-20	Bank Charges	0	Inflation	0	0	0	0	0
36	447-4060-534.49-47	Payment-in-Lieu of Franchise Fees (PILOFF) [2]	0	Eliminate	0	0	0	0	0
37	447-4060-534.52-10	Operating Supplies	23,000	Inflation	23,368	23,905	24,479	25,067	25,668
38	447-4060-534.52-20	Fuel (Unleaded & Diesel)	90,000	Fuel	94,500	99,225	104,186	109,396	114,865
39	447-4060-534.52-30	Uniforms	5,400	Inflation	5,486	5,613	5,747	5,885	6,026
40	447-4060-534.54-10	Books, Publications, Subscriptions, & Memberships	0	Inflation	0	0	0	0	0
41	447-4060-534.54-20	Educational Development	4,600	Inflation	4,674	4,781	4,896	5,013	5,134
42		Total Operating Expenses	\$1,203,229		\$1,242,709	\$1,279,202	\$1,317,503	\$1,356,997	\$1,397,726
43		Total Refuse Department - 4060	\$2,338,639		\$2,515,114	\$2,613,338	\$2,717,602	\$2,827,656	\$2,943,937
Recycling Department - 4065									
<u>Operating Expenses:</u>									
44	447-4065-534.34-10	Other Contractual Services	\$355,780	Input	\$356,698	\$357,616	\$358,534	\$359,452	\$360,370
45	447-4065-534.47-10	Printing & Binding	0	Inflation	0	0	0	0	0
46	447-4065-534.48-10	Promotional Activities	0	Inflation	0	0	0	0	0
47	447-4065-534.49-01	Cost Allocation	6,599	Labor	8,513	8,768	9,031	9,302	9,581
48	447-4065-534.49-47	Payment-in-Lieu of Franchise Fees (PILOFF) [2]	0	Eliminate	0	0	0	0	0
49		Total Operating Expenses	\$362,379		\$365,211	\$366,384	\$367,566	\$368,754	\$369,952
50		Total Recycling Department - 4065	\$362,379		\$365,211	\$366,384	\$367,566	\$368,754	\$369,952
51		Total Environmental Services	\$2,701,018		\$2,880,325	\$2,979,722	\$3,085,168	\$3,196,410	\$3,313,889
Non-Departmental - 5555									
<u>Operating Expenses:</u>									
52	447-5555-580.22-10	Retirement Contributions	\$71,910	Benefits	\$75,506	\$79,281	\$83,245	\$87,407	\$91,777
53	447-5555-580.23-80	PTO Expense	0	Labor	0	0	0	0	0
54	447-5555-580.31-10	Professional Services	50,000	Labor	15,000	15,450	15,914	16,391	16,883
55	447-5555-580.45-10	General Liability	4,926	General-Ins	4,926	4,926	4,926	4,926	4,926
56	447-5555-580.45-15	Property	0	Eliminate	0	0	0	0	0
57	447-5555-580.45-20	Public Officials	3,992	Labor	4,112	4,235	4,362	4,493	4,628
58	447-5555-580.45-25	Automobile	0	Eliminate	0	0	0	0	0

**Table 2-4
City of Edgewater, Florida
Solid Waste Utility Rate Study**

Projection of Solid Waste Operating Expenses

Line No.	Cost Center ID Code	Description	Adjusted 2017	Escalation Reference	Fiscal Year Ending September 30,				
					2018	2019	2020	2021	2022
59	447-5555-580.49-50	Write Off	0	Eliminate	0	0	0	0	0
60	447-5555-580.49-50	Hurricane Charges	346,137	Eliminate	0	0	0	0	0
61	447-5555-580.59-10	Depreciation	0	Eliminate	0	0	0	0	0
62	447-5555-580.61-10	Land	0	Eliminate	0	0	0	0	0
63	447-5555-580.64-20	Motor Vehicles	0	Eliminate	0	0	0	0	0
64	447-5555-581.04-40	Water Sewer	0	Eliminate	0	0	0	0	0
65	447-5555-581.04-50	Public Works Complex	0	Eliminate	0	0	0	0	0
66	447-5555-581.05-01	MIS	0	Eliminate	0	0	0	0	0
67	447-5555-581.10-01	General Fund	0	Eliminate	0	0	0	0	0
68	447-5555-589.10-01	Current Year Unreserved	0	Eliminate	0	0	0	0	0
69		Total Operating Expenses	\$476,965		\$99,543	\$103,892	\$108,446	\$113,217	\$118,214
70		Total Non-Departmental - 5555	\$476,965		\$99,543	\$103,892	\$108,446	\$113,217	\$118,214
		Miscellaneous Adjustments							
71	Contingency	Contingency - 1.00% of O&M [4]	\$31,780	Input	\$29,799	\$30,836	\$31,936	\$33,096	\$34,321
72	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [5]	8,090	Input	7,800	7,825	7,850	7,875	7,899
73	Assessment	Tax Collector Expense (Assessment Billing)	0	Input	7,174	7,193	7,212	7,232	7,251
74		TOTAL OPERATING EXPENSES	\$3,217,853		\$3,024,641	\$3,129,468	\$3,240,613	\$3,357,830	\$3,481,574

Footnotes:

- [1] Budgeted amounts shown are based on the Fiscal Year 2017 Adopted Operating Budget as provided by the City.
- [2] Budgeted amounts for the PILOFF are transferred to the General Fund and are therefore excluded from the Cost of Operation and Maintenance for coverage purposes. This items has been adjusted from the budget and are accounted for in the summary of Revenue Requirements later in the rate model. It will no longer be charged to the solid waste system beginning in Fiscal Year 2018.
- [3] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.
- [4] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.
- [5] An allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible accounts.

Table 2-5
City of Edgewater, Florida
Solid Waste Utility Rate Study

Summary of Projected Escalation Factors

Line No.	Description	Escalation Reference	Fiscal Year Ending September 30,				
			2018	2019	2020	2021	2022
1	General Inflation (CPI) [1][2]	Inflation	1.0160	1.0230	1.0240	1.0240	1.0240
2	Labor [2]	Labor	1.0300	1.0300	1.0300	1.0300	1.0300
3	Benefits [2]	Benefits	1.0500	1.0500	1.0500	1.0500	1.0500
4	Health Insurance	Health-Ins	1.2900	1.1000	1.1000	1.1000	1.1000
5	Contractual Services	Contractual	1.0400	1.0400	1.0400	1.0400	1.0400
6	Professional Services	Professional	1.0400	1.0400	1.0400	1.0400	1.0400
7	Electricity	Electricity	1.0500	1.0500	1.0500	1.0500	1.0500
8	General Insurance	General-Ins	1.0000	1.0000	1.0000	1.0000	1.0000
9	Repair and Maintenance	Repair	1.0300	1.0300	1.0300	1.0300	1.0300
10	Fuel	Fuel	1.0500	1.0500	1.0500	1.0500	1.0500
11	Constant	Constant	1.0000	1.0000	1.0000	1.0000	1.0000
12	Eliminate	Eliminate	0.0000	0.0000	0.0000	0.0000	0.0000
13	Marginal	Marginal	1.0100	1.0100	1.0100	1.0100	1.0100
14	Decline	Decline	0.9500	0.9500	0.9500	0.9500	0.9500
15	Customer Growth	Cust-Growth	1.0027	1.0027	1.0027	1.0027	1.0027
16	Customer Growth + Inflation	Growth+Infl	1.0187	1.0258	1.0268	1.0267	1.0267
17	Workers' Compensation	WorkComp	1.1000	1.0300	1.0300	1.0300	1.0300
18	Recycling Rate	Recycling	1.0160	1.0230	1.0240	1.0240	1.0240
19	Recycling Rate + Growth	Rec-Growth	1.0187	1.0258	1.0268	1.0267	1.0267
20	Salary (Frozen Positions)	AdjSalary	1.1258	1.0300	1.0300	1.0300	1.0300

Footnotes:

- [1] Estimated based on projections from "Budget and Economic Outlook: 2017 to 2027", published by the Congressional Budget Office in January 2017.
- [2] Based on discussions with City staff.

**Table 2-6
City of Edgewater, Florida
Solid Waste Utility Rate Study**

Capital Improvement Program Funding Plan

Line No.	Description	Escalation Reference	Funding Source	Adjusted 2017	Fiscal Year Ending September 30,					6-Year Total
					2018	2019	2020	2021	2022	
<u>CIP Escalation Factor Alternatives</u>										
<u>General Project Escalators</u>										
1	Inflation (CPI)	Inflation		1.000	1.016	1.039	1.064	1.090	1.116	
2	No Assumed Escalation (0.0% per Year)	None		1.000	1.000	1.000	1.000	1.000	1.000	
3	Capital Outlay (3.5% per Year)	Outlay		1.000	1.035	1.070	1.110	1.150	1.190	
4	ENR Index Average (3.0% per Year)	ENR		1.000	1.030	1.060	1.090	1.120	1.150	
5	Marginal Increase (1.0% per Year)	Marginal		1.000	1.010	1.020	1.030	1.040	1.050	
6	High Increase (5.0% per Year)	High		1.000	1.050	1.100	1.160	1.220	1.280	
CAPITAL IMPROVEMENT PLAN										
7	Solid Waste Transfer Station	ENR	Senior1	\$0	\$0	\$0	\$530,000	\$3,058,540	\$0	\$3,588,540
8	Vehicles	Inflation	Sub.1	0	172,822	0	0	0	0	\$172,822
9	Vehicles (Split Funding)	Inflation	Sub.2	0	0	299,750	0	0	0	299,750
10	Vehicles (Split Funding)	Inflation	Rates	0	0	0	306,900	585,200	599,500	1,491,600
11	Public Work Building (Allocation to Solid Waste)	None	Senior1	0	0	191,250	1,083,750	0	0	1,275,000
12	Subtotal Capital Improvement Plan			\$0	\$172,822	\$491,000	\$1,920,650	\$3,643,740	\$599,500	\$6,827,712
13	Capital Outlay	Outlay	Rates	\$37,613	\$86,720	\$31,050	\$32,100	\$33,300	\$34,500	\$255,283
14	TOTAL CAPITAL IMPROVEMENT PLAN			\$37,613	\$259,541	\$522,050	\$1,952,750	\$3,677,040	\$634,000	\$7,082,994
FUNDING SOURCES										
15	Rate Revenue		Rates	\$37,613	\$86,720	\$31,050	\$339,000	\$618,500	\$634,000	\$1,746,883
16	Additional Senior Lien Debt 1		Senior1	0	0	191,250	1,613,750	3,058,540	0	4,863,540
17	Additional Subordinate Lien Debt 1		Sub.1	0	172,822	0	0	0	0	172,822
18	Additional Subordinate Lien Debt 2		Sub.2	0	0	299,750	0	0	0	299,750
19	TOTAL FUNDING SOURCES			\$37,613	\$259,541	\$522,050	\$1,952,750	\$3,677,040	\$634,000	\$7,082,994

Footnotes:

[1] Original amounts as provided by staff and adjusted for inflation.

Table 2-7
City of Edgewater, Florida
Solid Waste Utility Rate Study

Summary of Debt Service Payments - Sinking Fund Basis

Line No.	Description	Fiscal Year Ending September 30th,					
		2017	2018	2019	2020	2021	2022
Solid Waste System							
<u>Existing Debt:</u>							
1	Capital Improvement Revenue Note, Series 2015	\$66,311	\$0	\$0	\$0	\$0	\$0
2	Total Existing Debt Payments	<u>\$66,311</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Proposed Senior Lien Debt:</u>							
3	Additional Senior Lien Debt 1	\$0	\$0	\$0	\$0	\$484,192	\$484,192
4	Total Proposed Senior Lien Debt Service Payments	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$484,192</u>	<u>\$484,192</u>
<u>Proposed Junior Lien Debt:</u>							
5	Additional Subordinate Lien Debt 1	\$0	\$39,867	\$39,867	\$39,867	\$39,867	\$39,867
6	Additional Subordinate Lien Debt 2	0	0	34,087	68,174	68,174	68,174
7	Total Proposed Junior Lien Debt Service Payments	<u>\$0</u>	<u>\$39,867</u>	<u>\$73,954</u>	<u>\$108,040</u>	<u>\$108,040</u>	<u>\$108,040</u>
8	Total Solid Waste Debt Service Payments	<u><u>\$66,311</u></u>	<u><u>\$39,867</u></u>	<u><u>\$73,954</u></u>	<u><u>\$108,040</u></u>	<u><u>\$592,232</u></u>	<u><u>\$592,232</u></u>

Table 2-8
City of Edgewater, Florida
Solid Waste Utility Rate Study

Projection of Interfund Transfers

Line No.	Description	Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022
Payment in Lieu of Franchise Fees (PILOFF) [1]							
1	Current Year Collection Revenue	\$2,879,595	\$3,006,195	\$3,310,216	\$3,619,863	\$3,958,435	\$4,328,628
2	Current Year Recycling Revenue	355,780	370,681	407,888	445,740	487,100	532,295
3	Total Rate Revenue	<u>\$3,235,375</u>	<u>\$3,376,876</u>	<u>\$3,718,104</u>	<u>\$4,065,603</u>	<u>\$4,445,535</u>	<u>\$4,860,923</u>
4	Payment In Lieu of Franchise Fees Factor (% of Revenue)	5.90%	0.00%	0.00%	0.00%	0.00%	0.00%
5	Payment in Lieu of Franchise Fee Amount	\$190,887	\$0	\$0	\$0	\$0	\$0
6	Collection Allocation	96.29%	95.89%	95.89%	95.89%	95.89%	95.89%
7	Recycling Allocation	3.71%	4.11%	4.11%	4.11%	4.11%	4.11%
8	Solid Waste Payment in Lieu of Franchise Fees (PILOFF) Transfer	\$183,803	\$0	\$0	\$0	\$0	\$0
9	Recycling Payment in Lieu of Franchise Fees (PILOFF) Transfer	7,878	0	0	0	0	0
10	Annual Payment in Lieu of Franchise Fees (PILOFF) Transfers	<u>\$191,681</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Charter Reserve Transfer							
11	Total Charter Reserve Transfer	\$0	\$145,602	\$145,602	\$145,602	\$145,602	\$145,602
12	Total Interfund Transfers	<u>\$191,681</u>	<u>\$145,602</u>	<u>\$145,602</u>	<u>\$145,602</u>	<u>\$145,602</u>	<u>\$145,602</u>

Footnotes:

[1] Amounts reflect Fund Transfers budgeted in the Fiscal Year 2017 Operating Budget.

Table 2-9
City of Edgewater, Florida
Solid Waste Utility Rate Study

Projection of Ending Cash Balances and Interest Income

Line No.	Description	Investment Reference		Projected Fiscal Year Ending September 30,					
		Cash Balance	Interest Income	2017	2018	2019	2020	2021	2022
<u>Year End Cash Balances Roll-Up:</u>									
1	Solid Waste Operating Fund (447)	(U)	(U)	\$176,532	\$259,811	\$601,294	\$837,391	\$572,619	\$583,864
	Charter Reserve Fund	(U)	(U)	0	145,675	291,496	437,462	583,575	729,833
2	Proposed Bonds Construction Fund	(R)	(R)	0	0	4,672,290	3,058,540	0	0
3	Total Ending Cash Balances			\$176,532	\$405,486	\$5,565,080	\$4,333,394	\$1,156,194	\$1,313,697
<u>Solid Waste Operating Fund (447)</u>									
4	Beginning Balance			\$445,284	\$176,532	\$259,811	\$601,294	\$837,391	\$572,619
5	Transfers In - Revenue Requirements			3,235,375	3,376,876	3,718,104	4,065,603	4,445,535	4,860,923
6	Transfers In - Debt Proceeds			0	0	0	0	0	0
7	Transfers In - Public Works and Transfer Stations			0	0	0	0	0	0
8	Transfers In - Operating Transfer			0	0	0	0	0	0
9	Transfers In - Debt Service Reserve			0	0	0	0	0	0
10	Transfers Out - Revenue Requirements			3,504,126	3,293,597	3,376,621	3,829,505	4,710,307	4,849,678
11	Transfers Out - Capital Improvements			0	0	0	0	0	0
12	Transfers Out - R&R Fund			0	0	0	0	0	0
13	Transfers Out - Public Works and Transfer Stations			0	0	0	0	0	0
14	Transfers Out - Operating Transfer			0	0	0	0	0	0
15	Interest Rate			0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
16	Interest Income		(U)	\$311	\$218	\$431	\$719	\$705	\$578
	Recognition of Interest Income								
17	in Revenue Requirements			\$311	\$218	\$431	\$719	\$705	\$578
18	Ending Balance	(U)		\$176,532	\$259,811	\$601,294	\$837,391	\$572,619	\$583,864
19	Target Days of Available Cash: 30 Days of Rate Revenue			265,921	277,551	305,598	334,159	365,386	399,528
20	Calculated Days of Available Cash (Revenue)			20	28	59	75	47	44
<u>Charter Reserve Fund</u>									
21	Beginning Balance			\$0	\$0	\$145,675	\$291,496	\$437,462	\$583,575
22	Transfers In - Annual Operations			0	145,602	145,602	145,602	145,602	145,602
23	Transfers Out - CIP			0	0	0	0	0	0
24	Transfers Out			0	0	0	0	0	0
25	Interest Rate			0.00%	0.10%	0.10%	0.10%	0.10%	0.10%
26	Interest Income		(R)	\$0	\$73	\$218	\$364	\$510	\$656
	Recognition of Interest Income								
27	in Revenue Requirements			\$0	\$0	\$0	\$0	\$0	\$0
28	Ending Balance	(R)		\$0	\$145,675	\$291,496	\$437,462	\$583,575	\$729,833
<u>Proposed Bonds Construction Fund</u>									
29	Beginning Balance			\$0	\$0	\$0	\$4,672,290	\$3,058,540	\$0
30	Transfers In			0	0	4,863,540	0	0	0
31	Transfers Out - CIP			0	0	191,250	1,613,750	3,058,540	0
32	Interest Rate			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
33	Interest Income		(R)	\$0	\$0	\$0	\$0	\$0	\$0
	Recognition of Interest Income								
34	in Revenue Requirements			\$0	\$0	\$0	\$0	\$0	\$0
35	Ending Balance	(R)		\$0	\$0	\$4,672,290	\$3,058,540	\$0	\$0
<u>Debt Service Sinking Fund</u>									
36	Annual Debt Service Payment			66,311	39,867	73,954	108,040	592,232	592,232
37	Average Balance	(R)		16,578	9,967	18,488	27,010	148,058	148,058
38	Interest Rate			0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
39	Interest Income		(U)	\$17	\$10	\$18	\$27	\$148	\$148
	Recognition of Interest Income								
40	in Revenue Requirements			\$17	\$10	\$18	\$27	\$148	\$148
<u>Interest Income:</u>									
41	Unrestricted Interest Income		(U)	\$327	\$228	\$449	\$746	\$853	\$726
42	Restricted Interest Income		(R)	0	73	218	364	510	656
43	Total Interest Income			\$327	\$301	\$668	\$1,111	\$1,363	\$1,383

Table 2-10
City of Edgewater, Florida
Solid Waste Utility Rate Study

Projected Solid Waste System Revenue Requirements

Line No.	Description	Projected Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022
<u>Operating Expenses [1]</u>							
1	Total Operating Expenses	\$3,217,853	\$3,024,641	\$3,129,468	\$3,240,613	\$3,357,830	\$3,481,574
<u>Debt Service Payments: [2]</u>							
<u>Existing Debt</u>							
2	Capital Improvement Revenue Note, Series 2015	\$66,311	\$0	\$0	\$0	\$0	\$0
3	Total Existing Debt Service Payments	\$66,311	\$0	\$0	\$0	\$0	\$0
<u>Proposed Debt Service: [3]</u>							
4	Additional Senior Lien Debt 1	\$0	\$0	\$0	\$0	\$484,192	\$484,192
5	Additional Junior Lien Debt 1	\$0	\$39,867	\$39,867	\$39,867	\$39,867	\$39,867
6	Additional Junior Lien Debt 2	0	0	34,087	68,174	68,174	68,174
7	Total Proposed Debt Service Payments	\$0	\$39,867	\$73,954	\$108,040	\$592,232	\$592,232
8	Total Debt Service Payments	\$66,311	\$39,867	\$73,954	\$108,040	\$592,232	\$592,232
<u>Other Revenue Requirements:</u>							
9	Transfers to General Fund - PILOFF [4]	\$191,681	\$0	\$0	\$0	\$0	\$0
10	Transfer to Charter Reserve Fund [5]	0	145,602	145,602	145,602	145,602	145,602
11	Other Capital Funded from Rates [6]	37,613	86,720	31,050	339,000	618,500	634,000
12	Total Other Revenue Requirements	\$229,294	\$232,322	\$176,652	\$484,602	\$764,102	\$779,602
13	Gross Revenue Requirements	\$3,513,458	\$3,296,829	\$3,380,074	\$3,833,255	\$4,714,164	\$4,853,408
<u>Less Income and Funds from Other Sources:</u>							
14	Other Operating Revenue	\$8,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
15	Extra Can Revenue	504	504	504	504	504	504
16	Interest Income [7]	327	228	449	746	853	726
17	Total Other Revenues	\$9,331	\$3,232	\$3,453	\$3,750	\$3,857	\$3,730
18	Net Revenue Requirements	\$3,504,126	\$3,293,597	\$3,376,621	\$3,829,505	\$4,710,307	\$4,849,678
<u>Revenue from Solid Waste Rates:</u>							
19	Collection Revenue	\$2,879,595	\$2,777,086	\$2,786,142	\$2,795,199	\$2,804,255	\$2,813,311
20	Prior Year Rate Adjustments	0	0	250,753	525,777	827,337	1,157,907
21	Collection Revenue Before Current Year Adjustments	\$2,879,595	\$2,777,086	\$3,036,895	\$3,320,975	\$3,631,591	\$3,971,219
22	Recycling Revenue	\$355,780	\$342,430	\$343,311	\$344,193	\$345,074	\$345,955
23	Prior Year Rate Adjustments	0	0	30,898	64,743	101,807	142,389
24	Recycling Revenue Before Current Year Adjustments	\$355,780	\$342,430	\$374,209	\$408,935	\$446,881	\$488,344
25	Total Rate Revenue Before Current Year Adjustment	\$3,235,375	\$3,119,516	\$3,411,104	\$3,729,911	\$4,078,472	\$4,459,563
26	Revenue Surplus / (Deficiency)	(268,752)	(174,081)	34,484	(99,594)	(631,835)	(390,115)
27	Percent of Current Year Rate Revenue	-8.31%	-5.58%	1.01%	-2.67%	-15.49%	-8.75%

Table 2-10
City of Edgewater, Florida
Solid Waste Utility Rate Study

Projected Solid Waste System Revenue Requirements

Line No.	Description	Projected Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022
<u>Current Year Rate Adjustments - Collection</u>							
28	Current Year Rate Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%
29	Effective Month	Aug.	Nov.	Oct.	Oct.	Oct.	Oct.
30	% of Current Year Effective	16.67%	91.67%	100.00%	100.00%	100.00%	100.00%
31	Total Revenue from Current Year Adjustments	\$0	\$229,110	\$273,321	\$298,888	\$326,843	\$357,410
<u>Current Year Rate Adjustments - Recycling</u>							
32	Current Year Rate Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%
33	Effective Month	Aug.	Nov.	Oct.	Oct.	Oct.	Oct.
34	% of Current Year Effective	16.67%	91.67%	100.00%	100.00%	100.00%	100.00%
35	Total Revenue from Current Year Adjustments	\$0	\$28,250	\$33,679	\$36,804	\$40,219	\$43,951
36	Collection Revenue After Rate Adjustments	\$2,879,595	\$3,006,195	\$3,310,216	\$3,619,863	\$3,958,435	\$4,328,628
37	Recycling Revenue After Rate Adjustments	355,780	370,681	407,888	445,740	487,100	532,295
38	Total Revenue After Rate Adjustments	\$3,235,375	\$3,376,876	\$3,718,104	\$4,065,603	\$4,445,535	\$4,860,923
39	Revenue Surplus/(Deficiency) [8]	(\$268,752)	\$83,279	\$341,483	\$236,098	(\$264,773)	\$11,245
40	Percent of Rate Revenues	-8.31%	2.49%	9.27%	5.86%	-6.01%	0.23%

Footnotes:

- [1] Amounts derived from the City's Fiscal Year 2017 Budget and are escalated as shown on Table 2-4.
[2] Payment amounts shown were based on debt service schedules provided by City Staff.
[3] The proposed debt is based upon the funding of the capital improvement program. Initial payments shown may indicate a partial year's payment of debt service due to the timing of the instrument. The following indicated the estimated terms and conditions of the proposed debt.

Additional Senior Lien Debt 1

Principal (Includes Project Costs and Costs of Issuance)	\$5,200,000
Issue Date	10/1/2020
Interest Rate	4.50%
Term (Years)	15
Annual Average Debt Service	\$484,192

Additional Subordinate Lien Debt 1

Principal (Includes Project Costs and Costs of Issuance)	\$180,000
Issue Date	10/1/2017
Interest Rate	3.50%
Term (Years)	5
Annual Average Debt Service	\$39,867

Additional Subordinate Lien Debt 2

Principal (Includes Project Costs and Costs of Issuance)	\$310,000
Issue Date	\$43,556
Interest Rate	3.25%
Term (Years)	5
Annual Average Debt Service	\$68,174

- [4] Amount shown is a transfer to the City's General Fund and is based on 5.9% of the previous Fiscal Year's revenues and will not be charged after Fiscal Year 2017.
[5] Amounts are transfers to a Charter Reserve Fund and are targeted to be 15% of gross revenue requirements after a 5-year build up period.
[6] Amounts based on the proposed capital funding plan as shown in Table 2-6.
[7] Interest income is estimated on earnings on projected fund balances from unrestricted reserves.
[8] The forecast assumes that any deficiencies will be funded from available operating reserves.

Table 2-11
City of Edgewater, Florida
Solid Waste Utility Rate Study

Projection of Debt Service Coverage Compliance

Line No.	Description	Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022
<u>Subordinate Lien Test</u>							
26	Net Revenues	\$26,853	\$355,467	\$592,089	\$828,740	\$607,370	\$898,888
27	Total Subordinate Lien Debt Service Payments	\$0	\$39,867	\$73,954	\$108,040	\$108,040	\$108,040
28	Calculated Ratio	0.00%	891.64%	800.62%	767.06%	562.17%	831.99%
29	Minimum Required Coverage Ratio	115.00%	115.00%	115.00%	115.00%	115.00%	115.00%
<u>Less Other Required and Recognized Transfers:</u>							
30	Capital Funded from Rates	\$37,613	\$86,720	\$31,050	\$339,000	\$618,500	\$634,000
31	Charter Reserve Fund Transfer	0	145,602	145,602	145,602	145,602	145,602
32	Transfers to General Fund - PILOFF	[5] 191,681	0	0	0	0	0
33	Total Other Required and Recognized Transfers	\$229,294	\$232,322	\$176,652	\$484,602	\$764,102	\$779,602
34	Net Amount Available for Other Utility System Purposes	<u>(\$268,752)</u>	<u>\$83,279</u>	<u>\$341,483</u>	<u>\$236,098</u>	<u>(\$264,773)</u>	<u>\$11,245</u>

Footnotes begin on following page.

**Table 2-11
City of Edgewater, Florida
Solid Waste Utility Rate Study**

Projection of Debt Service Coverage Compliance

Footnotes:

- [1] Projected revenue from rates reflects existing rates effective October 1, 2016.
- [2] Revenue from solid waster rate adjustments reflect the following projected rate increases effective October 1st of each year.

Fiscal Year	2017	2018	2019	2020	2021	2022
Rate Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%

- [3] Amounts shown only reflect earnings from funds and accounts established by the City that are considered unrestricted (earnings not required to be retained in such funds and accounts and are available as a component of Net Revenues)
- [4] Amounts shown represent a transfer to the City's General fund for the Utility System's allocation (15.00%) of the Capital Improvement Revenue Note, Series 2015.
- [5] Amounts shown represent a transfer to the City's General fund for Payment in Lieu of Franchise Fees (PILOFF), which is a transfer made based on 5.90% of the previous year's rate revenue. The PILOFF transfer is allocated to the Collection department and the Recycling departments with allocation percentages of 95.89% and 4.11 % respectively. Amount will not be charged to the system after 2017.

Table 2-12
City of Edgewater, Florida
Refuse Utility Rate Study

Comparison of Monthly Residential Solid Waste Bills [1]

Line No.	Description	Residential Collection & Disposal					Non-Ad Valorem Assessment
		Annual Charges	Monthly Charges	Garbage Collection	Recycling Collection	Yard Waste Collection	
City of Edgewater:							
1	Current Rates	\$324.00	\$27.00	2 x week	1 x week	1 x week	No
2	Proposed Rates	353.16	29.43	2 x week	1 x week	1 x week	No
<u>Other Solid Waste Systems:</u>							
3	City of Daytona Beach	\$262.08	\$21.84	2 x week	1 x week	1 x week	No
4	City of DeLand	118.32	9.86	1 x week	1 x week	1 x week	No
5	City of Deltona	173.96	14.50	1 x week	1 x week	1 x week	Yes
6	City of Eustis	188.76	15.73	1 x week	1 x week	1 x week	No
7	City of Holly Hill	294.12	24.51	2 x week	1 x week	1 x week	No
8	City of Orange City	167.52	13.96	2 x week	1 x week	1 x week	Yes
9	City of Ormond Beach	230.52	19.21	2 x week	1 x week	1 x week	No
10	Town of Ponce Inlet	171.00	14.25	2 x week	1 x week	1 x week	No
11	City of Port Orange	224.04	18.67	2 x week	1 x week	1 x week	No
12	City of Sanford	220.80	18.40	2 x week	1 x week	1 x week	No
13	Seminole County [2]	220.00	18.33	2 x week	1 x week	1 x week	Yes
14	City of South Daytona	225.72	18.81	2 x week	1 x week	1 x week	No
15	Volusia County	190.00	15.83	2 x week	1 x week	1 x week	Yes
16	Other Utilities' Average	<u>\$206.68</u>	<u>\$17.22</u>				

Footnotes:

- [1] Unless otherwise noted, amounts shown reflect rates in effect June 2017 and are exclusive of taxes or franchise fees, if any. All rates are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.
- [2] Residential property owners are offered a choice of collection options with different frequencies of collection and rates. The rate shown is based on a collection frequency of two times per week for garbage and one time per week for recycling and yard waste.

SECTION 3

STORMWATER SYSTEM



CITY OF EDGEWATER, FLORIDA

WATER, WASTEWATER, SOLID WASTE, AND STORMWATER UTILITY RATE STUDY – FISCAL YEAR 2017 UPDATE

SECTION 3 – STORMWATER SYSTEM

CUSTOMER GROWTH AND REVENUES

Projected revenues from rates for the stormwater system were based on the schedule of stormwater rates and charges reflected in Resolution No. 2016-R-30, which contains adopted rates for Fiscal Years 2017 through 2021. In order to calculate projected revenues from rates for the Forecast Period, the existing rates were applied to the projected billing statistics. Based on revised growth projections and discussions with City staff, this analysis recognizes an average growth in customers of approximately 0.29%, or 30 accounts, per year throughout the Forecast Period as shown in Table 3-1. Beginning in Fiscal Year 2018 residential customers will no longer be charged monthly and will be charged an annual non-ad valorem assessment. Commercial customers will continue being charged on a monthly basis. Based on these assumptions, system revenues at adopted and proposed rates are estimated to increase from approximately \$1.5 million to \$1.7 million per year over the Forecast Period. Other miscellaneous operating revenues are projected, on average, to be approximately \$87,000 per year and interest earnings on unrestricted fund balances are estimated to average approximately \$700 per year.

OPERATING AND MAINTENANCE EXPENSES

The Fiscal Year 2017 operating budget served as the basis for the operating expense projections for the remainder of the Forecast Period. Adjustments were made to the Fiscal Year 2017 operating budgets to exclude depreciation, principal and interest payments on debt, capital expenditures, and additions to reserves, which were accounted for separately in our analysis; or in the case of depreciation, excluded as a non-cash expense. These adjustments resulted in the Fiscal Year 2017 operating budget of \$1.6 million being adjusted down to approximately \$1.1 million in operating expenses, as shown in Table 3-5. A contingency allowance of one percent (1.0%) of operation and maintenance expenses was recognized for unanticipated expenditures in each fiscal year. Additionally, a bad debt allowance of 0.25% of rate revenues was recognized in each fiscal year. The aforementioned allowances represent averages of approximately \$12,300 and \$3,600 annually, respectively. Operation and maintenance expenses are projected to increase by an annual average of approximately 4.02% per year from Fiscal Year 2017 operating budget levels. The overall increase over the Forecast Period in projected operating expenses was based upon assumptions corresponding to several escalation factors and the nature of the expense as shown on Table 3-6. A few of the major factors are shown below:

1. Labor – 3.0% per Year
2. Health Insurance – 29.0% in Fiscal Year 2018, 10.0% per year thereafter
 - a. Prior study assumed 6.0% per year based on discussions with staff.

3. Consumer Price Index (CPI) – Average of 2.2% per year
4. Electricity, and Fuel – 5.0% per year

Additionally, the City recently reviewed their internal cost allocation for services provided by the General Fund. As a result, the stormwater system's cost allocation is anticipated to increase by approximately 29.0% in Fiscal Year 2018.

CAPITAL IMPROVEMENT PLAN

The CIP utilized in this analysis was based on the Fiscal Year 2017 – 2022 CIP, as provided by City. The City's project cost estimates were based on current year dollars and therefore these amounts were escalated by the Engineering News-Record (ENR), which is approximately 3.0% per year to account for cost inflation over the Forecast Period. The CIP includes approximately \$4.4 million to fund improvements and a portion of the debt service associated with the public works building. The financial forecast assumes that the anticipated CIP will be fully funded through a combination of rate revenues, proposed debt, and grant funding as shown on Table 3-7.

EXISTING AND PROPOSED DEBT

Based on the debt service schedules for the outstanding revenue notes, proposed senior lien debt, and proposed capital leases the annual debt service payments to be funded from rates is approximately \$132,000 per year over the Forecast Period. The proposed senior lien debt is the stormwater system's 15% funding allocation of the public works building and is estimated to be approximately \$125,704 per year. It should be noted that this project was not a part of the prior studies' rate plan and represents a material increase in annual debt service payments for the stormwater system. Capital lease payments are projected to begin in Fiscal Year 2021 and will be approximately \$88,046 per year. Existing and proposed debt service payments are summarized on Table 3-8 found at the end of this report.

TRANSFERS

Historically, the City transferred 5.9% of the prior year's stormwater gross revenues to the General Fund in the form of a Payment in-lieu-of Franchise Fee (PILOFF). However, due to residential stormwater services being charged as a non-ad valorem assessment, beginning in Fiscal Year 2018, the City must meet requirements established by Florida case law. The requirements to be met are:

3. The property assessed must derive a special benefit from the service provided. *Atlantic Coast Line R.R. v. City of Gainesville*, 83 Fla. 275, 91 So. 118 (1922); and
4. The assessment must be fairly and reasonably apportioned among properties that receive the special benefit. *South Trail Fire Control Dist. V. State*, 273 So. 2d 380 (Fla. 1973).

The City's current PILOFF transfer may not meet the requirements above, so it will no longer be charged to the solid waste system beginning in Fiscal Year 2018.

CASH BALANCES

As previously mentioned in Section 1 of this report, in Fiscal Year 2011 the City adopted Resolution No. 2011-R-20, which established a fund balance policy applying to all General Fund balances. Subsequently in Fiscal Year 2016 the City adopted Resolution 2016-R-40 which extended the fund balance policy to all operating funds including the water, wastewater, stormwater and sanitation enterprise funds. Part of the adopted fund balance policy establishes a reserve balance target equal to 15% of the current fiscal year operating expenditures, with a maximum of 25%. If the reserve balance amount falls below targeted levels the City must begin a plan to achieve the minimum balance of 15% within five (5) years. The stormwater system falls below the targeted levels and is anticipated to transfer approximately \$56,182 per year for Fiscal Years 2018 through 2022 to reach this target. Additionally, the City targets unrestricted cash balances between 30 to 60 days of rate revenue for the stormwater system. By the end of the Forecast Period the City is projected to have \$0.7 million in unrestricted reserves, as shown in Table 3-10, which meets all internal City policy requirements and targets.

CONCLUSIONS AND RECOMMENDATIONS

Based on the projected operating expenditure needs of the stormwater system and the projected funding plan for the CIP, it is estimated that the rate increases adopted by Resolution No. 2016-R-30 will be sufficient and additional rate adjustments are recommended to meet the needs of the system, as shown in Tables 3-10 through 3-12. The projected operating results set forth herein assume the adoption of the newly proposed rate adjustments. Below is a summary of the proposed rate adjustments, along with certain projected financial operating results.

Summary of Projected Rate Adjustments and Key Operating Results

Description	Fiscal Year Ending September 30,					
	2017	2018	2019	2020	2021	2022
Proposed Rate Adjustments	N/A [1]	11.1%	0.0%	0.0%	2.4%	2.4%
System Revenue Surplus / (Deficiency)	(\$249,972)	(\$96,121)	\$25,661	(\$69,443)	(\$54,098)	(\$63,825)
Operating Reserves (Ending Balance)	\$670,945	\$574,824	\$600,486	\$531,042	\$476,944	\$413,119
Operating Days of Cash (Target of 60 Days of Rate Revenue)	220	178	179	153	132	110
Charter Reserve (Ending Balance)	\$0	\$56,210	\$112,476	\$168,799	\$225,178	\$281,613
Charter Reserve Target	\$0	\$265,306	\$252,050	\$267,513	\$272,236	\$280,910
Senior Lien Debt Service Coverage (Test 1.15)	N/A	N/A	N/A	N/A	3.48	3.43
Subordinate Lien Debt Service Coverage (Test 1.15)	3.23	10.07	9.79	8.86	2.12	2.08
All-In Debt Service Coverage (Target 1.50)	3.23	10.07	9.79	8.86	1.66	1.64

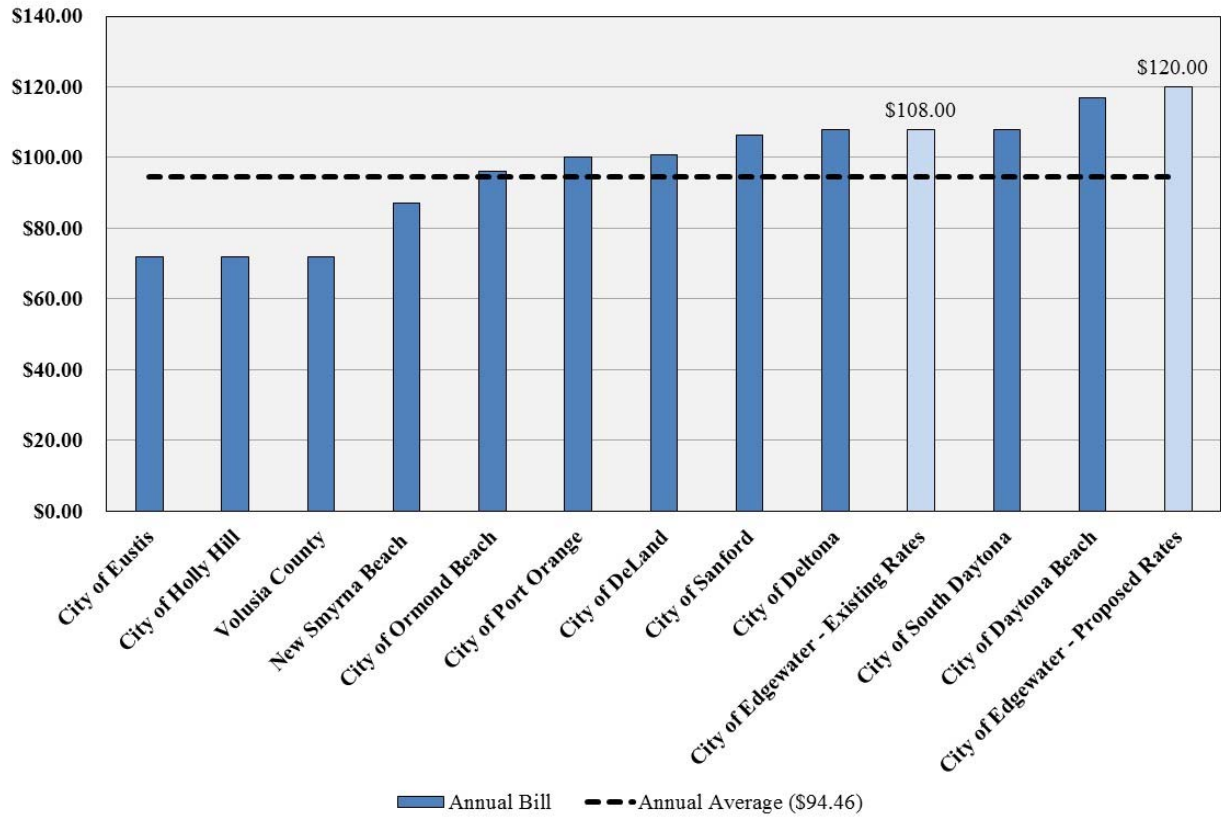
[1] Rates were not adjusted at the beginning of Fiscal Year 2017.

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RATE COMPARISON

As shown below and on Table 3-13, bills under the proposed Fiscal Year 2018 stormwater rates are above average when compared to the surveyed, neighboring utilities' average.

Annual Residential Stormwater Bill



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**Table 3-1
City of Edgewater, Florida
Stormwater Utility Rate Study**

Summary of Historical and Projected Stormwater Accounts

Line No	Description	Historical [1]			Fiscal Year Ending September 30					
		2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>Residential Class</u>										
1	Account Growth	N/A	0	64	25	25	25	25	25	25
2	Average Monthly Accounts	9,426	9,426	9,490	9,515	9,540	9,565	9,590	9,615	9,640
3	Average Equivalent Dwelling Units	9,426	9,426	9,490	9,515	9,540	9,565	9,590	9,615	9,640
4	Equivalent Dwelling Units (EDUs) Per Account	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<u>Commercial and Non-Residential</u>										
<u>Residential Multi-Family</u>										
5	Account Growth	N/A	0	0	0	0	0	0	0	0
6	Average Monthly Accounts	50	50	50	50	50	50	50	50	50
7	Average Equivalent Dwelling Units	627	627	627	627	627	627	627	627	627
8	Equivalent Dwelling Units (EDUs) Per Account	12.54	12.54	12.54	12.54	12.54	12.54	12.54	12.54	12.54
<u>Commercial</u>										
9	Account Growth	N/A	0	2	3	3	5	5	5	5
10	Average Monthly Accounts	434	434	436	439	442	447	452	457	462
11	Average Equivalent Dwelling Units	6,507	6,507	6,568	6,613	6,659	6,734	6,809	6,885	6,960
12	Equivalent Dwelling Units (EDUs) Per Account	14.99	14.99	15.07	15.07	15.07	15.07	15.07	15.07	15.07
13	Total Multi Family and Commercial EDUs	7,134	7,134	7,195	7,240	7,286	7,361	7,436	7,512	7,587
<u>Summary:</u>										
14	Account Growth	N/A	0	65	28	28	30	30	30	30
15	Total Accounts	9,910	9,910	9,975	10,003	10,031	10,061	10,091	10,121	10,151
16	Total Equivalent Dwelling Units	16,560	16,560	16,685	16,755	16,825	16,926	17,026	17,126	17,227
17	Equivalent Dwelling Units (EDUs) Per Account	1.67	1.67	1.67	1.67	1.68	1.68	1.69	1.69	1.70

Footnotes

[1] Based on customer statistics provided by staff.

**Table 3-2
City of Edgewater, Florida
Stormwater Utility Rate Study**

Summary of Projected Stormwater Rate Revenues Under Existing Rates

Line No.	Description	Fiscal Year Ending September 30																				
		Historical 2016			2017			2018			2019			2020			2021			2022		
		Rate	Total Annual Determinants	Calculated Revenue	Rate	Total Annual Determinants	Calculated Revenue	Rate	Total Annual Determinants	Calculated Revenue	Rate	Total Annual Determinants	Calculated Revenue	Rate	Total Annual Determinants	Calculated Revenue	Rate	Total Annual Determinants	Calculated Revenue	Rate	Total Annual Determinants	Calculated Revenue
<u>Residential Stormwater Service</u>																						
1	Base Fee	\$4.90	113,876	\$557,992	\$4.90	114,176	\$559,462	\$4.90	114,476	\$560,932	\$4.90	114,776	\$562,402	\$4.90	115,076	\$563,872	\$4.90	115,376	\$565,342	\$4.90	115,676	\$566,812
2	Total Base Fee Revenue			\$557,992			\$559,462			\$560,932			\$562,402			\$563,872			\$565,342			\$566,812
3	Assessment Fee	\$4.10	113,876	\$466,892	\$4.10	114,176	\$468,122	\$4.10	114,476	\$469,352	\$4.10	114,776	\$470,582	\$4.10	115,076	\$471,812	\$4.10	115,376	\$473,042	\$4.10	115,676	\$474,272
4	Total Assessment Fee Revenue			\$466,892			\$468,122			\$469,352			\$470,582			\$471,812			\$473,042			\$474,272
5	Total Residential Revenue			\$1,024,884			\$1,027,584			\$1,030,284			\$1,032,984			\$1,035,684			\$1,038,384			\$1,041,084
<u>Residential Multi-Family Stormwater Service</u>																						
6	Base Fee	\$4.90	7,524	\$36,868	\$4.90	7,524	\$36,868	\$4.90	7,524	\$36,868	\$4.90	7,524	\$36,868	\$4.90	7,524	\$36,868	\$4.90	7,524	\$36,868	\$4.90	7,524	\$36,868
7	Total Base Fee Revenue			\$36,868			\$36,868			\$36,868			\$36,868			\$36,868			\$36,868			\$36,868
<u>Commercial Stormwater Service</u>																						
8	Base Fee	\$4.90	78,817	\$386,203	\$4.90	79,360	\$388,862	\$4.90	79,902	\$391,521	\$4.90	80,807	\$395,953	\$4.90	81,711	\$400,384	\$4.90	82,615	\$404,816	\$4.90	83,520	\$409,247
9	Total Base Fee Revenue			\$386,203			\$388,862			\$391,521			\$395,953			\$400,384			\$404,816			\$409,247
<u>Non-Residential Stormwater Service</u>																						
10	Base Fee	\$4.90	0	\$0	\$4.90	0	\$0	\$4.90	0	\$0	\$4.90	0	\$0	\$4.90	0	\$0	\$4.90	0	\$0	\$4.90	0	\$0
11	Total Base Fee Revenue			\$0			\$0			\$0			\$0			\$0			\$0			\$0
12	Total Commercial / Non-Residential Service			\$423,071			\$425,730			\$428,389			\$432,820			\$437,252			\$441,683			\$446,115
13	Subtotal Stormwater Rate Revenue			\$1,447,955			\$1,453,314			\$1,458,673			\$1,465,804			\$1,472,936			\$1,480,067			\$1,487,199
14	Revenue Adjustments = 1.38%			\$20,000			\$20,074			\$20,148			\$20,247			\$20,345			\$20,444			\$20,542
15	Pre-Payment Adjustment (4.00%)			\$0			\$0			(\$43,492)			(\$43,604)			(\$43,716)			(\$43,828)			(\$43,940)
16	Total Stormwater Rate Revenue			\$1,467,955			\$1,473,388			\$1,435,329			\$1,442,447			\$1,449,565			\$1,456,683			\$1,463,801
17	Stormwater Base Fee			\$994,614			\$998,800			\$978,528			\$984,448			\$990,369			\$996,290			\$1,002,211
18	Stormwater Assessment Fee			473,341			474,588			456,801			457,998			459,195			460,393			461,590
19	Total			\$1,467,955			\$1,473,388			\$1,435,329			\$1,442,447			\$1,449,565			\$1,456,683			\$1,463,801

Table 3-3
City of Edgewater, Florida
Stormwater Utility Rate Study

Projection of Other Operating Revenues

Line No.	Code	Description	Budgeted FY 2017	Adjustments	Adjusted 2017	Escalation Reference	Projected 2018	Fiscal Year Ending September 30th,			
								2019	2020	2021	2022
Stormwater System											
1	448-0000-322.50-10	Culvert - Driveway	\$13,000	\$0	\$13,000	Constant	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000
2	448-0000-331.50-00	FEMA Reimbursement	0	0	0	Eliminate	0	0	0	0	0
3	448-0000-343.66-10	Stormwater	1,448,562	(1,448,562)	0	Eliminate	0	0	0	0	0
4	448-0000-361.10-10	Interest	2,849	(2,849)	0	Eliminate	0	0	0	0	0
5	448-0000-365.10-00	Sales / Surplus	4,000	(4,000)	0	Eliminate	0	0	0	0	0
6	448-0000-369.90-10	Miscellaneous Revenue	1,980	0	1,980	Constant	88,596	88,596	88,596	88,596	88,596
7	448-0000-369.90-20	Retirement Forfeitures	0	0	0	Constant	0	0	0	0	0
8	448-0000-381.04-49	Stormwater Capital	0	0	0	Eliminate	0	0	0	0	0
9	448-0000-369.10-01	General Fund	0	0	0	Eliminate	0	0	0	0	0
10	448-0000-384.06-01	Capital Improvement Note 2017	100,450	(100,450)	0	Eliminate	0	0	0	0	0
11	448-0000-389.04-1	Proceeds from L/T Debt	0	0	0	Eliminate	0	0	0	0	0
12	448-0000-389.90-12	Unreserved Proprietary	66,430	(66,430)	0	Eliminate	0	0	0	0	0
13		Total Other Operating Revenue	<u>\$1,637,271</u>	<u>(\$1,622,291)</u>	<u>\$14,980</u>		<u>\$101,596</u>	<u>\$101,596</u>	<u>\$101,596</u>	<u>\$101,596</u>	<u>\$101,596</u>

Table 3-4
City of Edgewater, Florida
Stormwater Utility Rate Study

Fiscal Year 2017 Operating Budget [1]

Line No.	Cost ID Code	Description	Budget 2017	Adjustments	Adjusted 2017
Operations					
Environmental Services					
1	448-4070-538.12-10	Regular Salaries and Wages	\$459,109	(\$60,469)	\$398,640
2	AddPer	Additional Personnel	0	0	0
3	448-4070-538.14-10	Overtime	0	10,661	10,661
4	448-4070-538.15-30	Cell Phone	1,044	0	1,044
5	448-4070-538.15-60	Boot Allowance	1,375	0	1,375
6	448-4070-538.21-10	FICA Taxes	23,273	0	23,273
7	448-4070-538.21-20	Medicare	5,443	0	5,443
8	448-4070-538.22-10	Retirement Contributions	13,703	11,500	25,203
9	448-4070-538.22-20	DCSE	41,097	0	41,097
10	448-4070-538.23-10	Life Insurance	1,768	0	1,768
11	448-4070-538.23-20	Group Medical Insurance	107,235	9,000	116,235
12	448-4070-538.23-30	Dental Insurance	2,664	0	2,664
13	448-4070-538.23-40	Long Term Disability	3,194	0	3,194
14	448-4070-538.23-90	OPEB	0	4,297	4,297
15	448-4070-538.24-10	Worker's Compensation	15,942	0	15,942
16	448-4070-538.34-10	Other Contractual Services	10,900	(8,000)	2,900
17	448-4070-538.40-10	Travel & Per Diem	605	0	605
18	448-4070-538.41-10	Legal Ads	0	0	0
19	448-4070-538.41-40	Postage	12,000	0	12,000
20	448-4070-538.43-10	Electric	2,369	0	2,369
21	448-4070-538.44-10	Rent	504	0	504
22	448-4070-538.46-10	Repair and Maintenance	33,000	0	33,000
23	448-4070-538.46-20	Fleet Charges	107,170	0	107,170
24	448-4070-538.47-10	Printing and Binding	100	0	100
25	448-4070-538.48-10	Promotional Activities	10,700	(9,500)	1,200
26	448-4070-538.49-01	Cost Allocation	97,396	0	97,396
27	448-4070-538.49-10	Other Charges/Obligations	5,375	2,200	7,575
28	448-4070-538.49-20	Bank Charges	0	0	0
29	448-4070-538.49-48	PILOFF - Stormwater [2]	85,465	(85,465)	0
30	448-4070-538.51-10	Office Supplies	500	0	500
31	448-4070-538.52-10	Operating Supplies	15,250	(7,800)	7,450
32	448-4070-538.52-20	Unleaded & Diesel	25,000	3,100	28,100
33	448-4070-538.52-30	Uniforms	2,150	0	2,150
34	448-4070-538.54-10	Books, Pubs, Subs, and Mem	0	0	0
35	448-4070-538.54-20	Educational Development	1,425	(1,000)	425
36		Total Environmental Services	\$1,085,756	(\$131,476)	\$954,280
Non-Departmental Services					
37	448-5555-580.22-10	Retirement Contributions	\$17,111	(\$1,900)	\$15,211
38	448-5555-580.23-80	PTO Expense	0	0	0
39	448-5555-580.31-10	Professional Services	0	7,000	7,000
40	448-5555-580.45-10	General Liability	2,314	0	2,314
41	448-5555-580.45-15	Property [3]	7,278	(7,278)	0
42	448-5555-580.45-20	Public Officials	1,874	0	1,874
43	448-5555-580.45-25	Automobile [3]	2,401	(2,401)	0
44	448-5555-580.49-50	Write Off	0	0	0
45	448-5555-580.49-60	Hurricane Expense	119,119	0	119,119
46	448-5555-580.59-10	Depreciation	0	0	0
47	448-5555-580.61-10	Land [3]	0	0	0
48	448-5555-580.64-10	Machinery and Equipment [3]	100,450	(100,450)	0
49	448-5555-580.64-20	Motor Vehicles [3]	37,362	(37,362)	0

Table 3-4
City of Edgewater, Florida
Stormwater Utility Rate Study

Fiscal Year 2017 Operating Budget [1]

Line No.	Cost ID Code	Description	Budget 2017	Adjustments	Adjusted 2017
50	448-5555-580.71-28	BBT Cap Imp Rev Note 2014 [3]	41,631	(41,631)	0
51	448-5555-580.71-36	Menzi Lease 2015 [3]	65,207	(65,207)	0
52	448-5555-580.72-28	BBT Cap Imp Rev Note 2014 [3]	8,185	(8,185)	0
53	448-5555-580.72-36	Menzi Lease 2015 [3]	4,867	(4,867)	0
54	448-5555-580.73-42	BBT Cap Imp Rev Note SRS 2014 [3]	0	0	0
55		Total Non-Departmental Services	<u>\$407,799</u>	<u>(\$262,281)</u>	<u>\$145,518</u>
		Other Adjustments			
56	448-5555-581.04-44	Renewal & Replacement [3]	\$137,724	(\$137,724)	\$0
57	448-5555-581.04-49	Stormwater Capital [3]	0	0	0
58	448-5555-581.05-01	Public Works Complex - Debt Service Payment [3]	18,926	(18,926)	0
59	448-5555-581.04-50	MIS	0	0	0
60	448-5555-581.10-01	General Fund	0	0	0
61	448-5555-589.10-01	Current Year Unreserved [3]	(12,934)	12,934	0
62	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [4]	0	3,683	3,683
63	Contingency	Operating Contingency - 1.00% of O&M [5]	0	10,998	10,998
64		Total Other Adjustments	<u>\$143,716</u>	<u>(\$129,035)</u>	<u>\$14,681</u>
65		Total Stormwater Expenses	<u><u>\$1,637,271</u></u>	<u><u>(\$522,791)</u></u>	<u><u>\$1,114,480</u></u>

Footnotes:

- [1] Budgeted amounts are based on Fiscal Year 2017 Adopted Operating Budget as provided by the City.
- [2] Budgeted amounts for the PILOFF are transferred to the General Fund and are therefore excluded from the Cost of Operation and Maintenance for coverage purposes. These items have been adjusted from budget and are accounted for in the summary of Revenue Requirements. This item will not be charged to the stormwater system beginning in Fiscal Year 2018.
- [3] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.
- [4] An allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible revenues.
- [5] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.

**Table 3-5
City of Edgewater, Florida
Stormwater Utility Rate Study**

Projected Stormwater System Operating Expenses [1]

Line No.	Cost ID Code	Description	Adjusted		Fiscal Year Ending September 30,				
			2017	Escalation	2018	2019	2020	2021	2022
Operations									
Environmental Services									
Personnel Expenses									
1	448-4070-538.12-10	Regular Salaries and Wages	\$398,640	Labor	\$410,599	\$422,917	\$435,605	\$448,673	\$462,133
2		AddPer Additional Personnel	0	Input	86,615	89,213	91,890	94,647	97,486
3	448-4070-538.14-10	Overtime	10,661	Labor	10,981	11,310	11,650	11,999	12,359
4	448-4070-538.15-30	Cell Phone	1,044	Inflation	1,061	1,085	1,111	1,138	1,165
5	448-4070-538.15-60	Boot Allowance	1,375	Inflation	1,397	1,429	1,463	1,499	1,535
6	448-4070-538.21-10	FICA Taxes	23,273	Labor	23,971	24,690	25,431	26,194	26,980
7	448-4070-538.21-20	Medicare	5,443	Labor	5,606	5,774	5,948	6,126	6,310
8	448-4070-538.22-10	Retirement Contributions	25,203	Labor	25,959	26,738	27,540	28,366	29,217
9	448-4070-538.22-20	DCSE	41,097	Labor	42,330	43,600	44,908	46,255	47,643
10	448-4070-538.23-10	Life Insurance	1,768	General-Ins	1,768	1,768	1,768	1,768	1,768
11	448-4070-538.23-20	Group Medical Insurance	116,235	Ins-Health	149,943	164,937	181,431	199,574	219,532
12	448-4070-538.23-30	Dental Insurance	2,664	Ins-Health	3,437	3,780	4,158	4,574	5,031
13	448-4070-538.23-40	Long Term Disability	3,194	Labor	3,290	3,389	3,490	3,595	3,703
14	448-4070-538.23-90	OPEB	4,297	Labor	4,426	4,559	4,696	4,837	4,982
15	448-4070-538.24-10	Worker's Compensation	15,942	Labor	16,420	16,913	17,420	17,943	18,481
16	448-4070-538.34-10	Other Contractual Services	2,900	Contractual	3,016	3,137	3,262	3,393	3,528
17	448-4070-538.40-10	Travel & Per Diem	605	Inflation	615	629	644	659	675
18	448-4070-538.41-10	Legal Ads	0	Inflation	0	0	0	0	0
19	448-4070-538.41-40	Postage	12,000	Inflation	12,192	12,472	12,772	13,078	13,392
20	448-4070-538.43-10	Electric	2,369	Electricity	2,487	2,612	2,742	2,880	3,024
21	448-4070-538.44-10	Rent	504	Inflation	512	524	536	549	562
22	448-4070-538.46-10	Repair and Maintenance	33,000	Repair	33,990	35,010	36,060	37,142	38,256
23	448-4070-538.46-20	Fleet Charges	107,170	Repair	110,385	113,697	117,108	120,621	124,239
24	448-4070-538.47-10	Printing and Binding	100	Inflation	102	104	106	109	112
25	448-4070-538.48-10	Promotional Activities	1,200	Inflation	1,219	1,247	1,277	1,308	1,339
26	448-4070-538.49-01	Cost Allocation	97,396	Labor	125,641	129,410	133,293	137,291	141,410
27	448-4070-538.49-10	Other Charges/Obligations	7,575	Inflation	7,696	7,873	8,062	8,256	8,454
28	448-4070-538.49-20	Bank Charges	0	Inflation	0	0	0	0	0
29	448-4070-538.49-48	PILOFF - Stormwater [2]	0	Eliminate	0	0	0	0	0
30	448-4070-538.51-10	Office Supplies	500	Inflation	508	520	532	545	558
31	448-4070-538.52-10	Operating Supplies	7,450	Inflation	7,569	7,743	7,929	8,119	8,314
32	448-4070-538.52-20	Unleaded & Diesel	28,100	Fuel	29,505	30,980	32,529	34,156	35,864
33	448-4070-538.52-30	Uniforms	2,150	Inflation	2,184	2,235	2,288	2,343	2,399
34	448-4070-538.54-10	Books, Pubs, Subs, and Mem	0	Inflation	0	0	0	0	0
35	448-4070-538.54-20	Educational Development	425	Inflation	432	442	452	463	474
36		Total Environmental Services	\$954,280		\$1,125,857	\$1,170,738	\$1,218,102	\$1,268,099	\$1,320,925
Non-Departmental Services									
37	448-5555-580.22-10	Retirement Contributions	\$15,211	Labor	\$15,667	\$16,137	\$16,621	\$17,120	\$17,634
38	448-5555-580.23-80	PTO Expense	0	Labor	0	0	0	0	0
39	448-5555-580.31-10	Professional Services	7,000	Contractual	7,280	7,571	7,874	8,189	8,517
40	448-5555-580.45-10	General Liability	2,314	General-Ins	2,314	2,314	2,314	2,314	2,314
41	448-5555-580.45-15	Property [3]	0	Eliminate	0	0	0	0	0
42	448-5555-580.45-20	Public Officials	1,874	Inflation	1,904	1,948	1,995	2,042	2,091
43	448-5555-580.45-25	Automobile [3]	0	Eliminate	0	0	0	0	0
44	448-5555-580.49-50	Write Off	0	Inflation	0	0	0	0	0
45	448-5555-580.49-60	Hurricane Expense	119,119	Eliminate	0	0	0	0	0
46	448-5555-580.59-10	Depreciation	0	Eliminate	0	0	0	0	0
47	448-5555-580.61-10	Land [3]	0	Eliminate	0	0	0	0	0
48	448-5555-580.64-10	Machinery and Equipment [3]	0	Eliminate	0	0	0	0	0
49	448-5555-580.64-20	Motor Vehicles [3]	0	Eliminate	0	0	0	0	0
50	448-5555-580.71-28	BBT Cap Imp Rev Note 2014 [3]	0	Eliminate	0	0	0	0	0
51	448-5555-580.72-28	BBT Cap Imp Rev Note 2014 [3]	0	Eliminate	0	0	0	0	0
52	448-5555-580.73-42	BBT Cap Imp Rev Note SRS 2014 [3]	0	Eliminate	0	0	0	0	0
53		Total Non-Departmental Services	\$145,518		\$27,165	\$27,970	\$28,804	\$29,666	\$30,556
Other Adjustments									
54	448-5555-581.04-44	Renewal & Replacement [3]	\$0	Eliminate	\$0	\$0	\$0	\$0	\$0
55	448-5555-581.04-49	Stormwater Capital [3]	0	Eliminate	0	0	0	0	0
56	448-5555-581.05-01	Public Works Complex - Debt Service Payment [3]	0	Eliminate	0	0	0	0	0
57	448-5555-581.04-50	MIS	0	Inflation	0	0	0	0	0
58	448-5555-581.10-01	General Fund	0	Eliminate	0	0	0	0	0
59	448-5555-589.10-01	Current Year Unreserved [3]	0	Eliminate	0	0	0	0	0
60	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [4]	3,683	Input	3,588	3,606	3,624	3,642	3,660
61	Contingency	Operating Contingency - 1.00% of O&M [5]	10,998	Input	11,530	11,987	12,469	12,978	13,515
62	Tax	Tax Collection Charge	0	Input	7,724	7,747	7,770	7,793	7,817
63		Total Other Adjustments	\$14,681		\$22,843	\$23,340	\$23,863	\$24,413	\$24,991
64		Total Stormwater Expenses	\$1,114,480		\$1,175,865	\$1,222,049	\$1,270,770	\$1,322,177	\$1,376,472

Footnotes

- [1] Amounts shown based on Table 3-4.
- [2] Budgeted amounts for the PILOFF are transferred to the General Fund and are therefore excluded from the Cost of Operation and Maintenance for coverage purposes. This item has been adjusted from budget and is accounted for in the summary of Revenue Requirements. It will no longer be charged to the stormwater system beginning in Fiscal Year 2018.
- [3] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.
- [4] A allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible revenues.
- [5] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.

Table 3-6
City of Edgewater, Florida
Stormwater Utility Rate Study

Summary of Projected Escalation Factors

Line No.	Description	Escalation	Fiscal Year Ending September 30,				
			2018	2019	2020	2021	2022
1	General Inflation (CPI) [1][2]	Inflation	1.0160	1.0230	1.0240	1.0240	1.0240
2	Labor [2]	Labor	1.0300	1.0300	1.0300	1.0300	1.0300
3	Benefits [2]	Benefits	1.0500	1.0500	1.0500	1.0500	1.0500
4	Health Insurance	Ins-Health	1.2900	1.1000	1.1000	1.1000	1.1000
5	Contractual Services	Contractual	1.0400	1.0400	1.0400	1.0400	1.0400
6	Professional Services	Professional	1.0400	1.0400	1.0400	1.0400	1.0400
7	Utility	Utility	1.0500	1.0500	1.0500	1.0500	1.0500
8	General Insurance	General-Ins	1.0000	1.0000	1.0000	1.0000	1.0000
9	Repair & Maintenance	Repair	1.0300	1.0300	1.0300	1.0300	1.0300
10	Electricity	Electricity	1.0500	1.0500	1.0500	1.0500	1.0500
11	Fuel	Fuel	1.0500	1.0500	1.0500	1.0500	1.0500
12	Constant	Constant	1.0000	1.0000	1.0000	1.0000	1.0000
13	Eliminate	Eliminate	0.0000	0.0000	0.0000	0.0000	0.0000
14	Marginal	Marginal	1.0100	1.0100	1.0100	1.0100	1.0100
15	Decline	Decline	0.9500	0.9500	0.9500	0.9500	0.9500
16	Workers' Compensation	WorkComp	1.1000	1.0300	1.0300	1.0300	1.0300

Footnotes:

- [1] Projected inflation figures are based on the "The Budget and Economic Outlook: An Update" published by the Congressional Budget Office in January 2017.
- [2] Based on discussions with City Staff.

**Table 3-7
City of Edgewater, Florida
Stormwater Utility Rate Study**

Capital Improvement Program Funding Plan

Line No.	Description	Escalation Factor	Funding	Fiscal Year Ending September 30,					6-Year Total
				2017	2018	2019	2020	2021	
<u>CIP Escalation Factor Alternatives</u>									
1	No Assumed Escalation (0.0% per Year)	None		1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2	Capital Outlay (3.5% per Year)	Outlay		1.0000	1.0350	1.0700	1.1100	1.1500	1.1900
3	ENR Index Average (3.0% per Year)	ENR		1.0000	1.0300	1.0600	1.0900	1.1200	1.1500
4	Marginal Increase (1.0% per Year)	Marginal		1.0000	1.0100	1.0200	1.0300	1.0400	1.0500
5	High Increase (5.0% per Year)	High		1.0000	1.0500	1.1000	1.1600	1.2200	1.2800
Stormwater System Capital Expenditures:									
6	Lamont & Hubbell Street Storm Improvements	ENR	Rates	16,077	0	0	0	0	\$16,077
7	Lamont & Hubbell Street Storm Improvements II	ENR	G	8,039	0	0	0	0	8,039
8	Boston Road Storm Improvements	ENR	Rates	136,667	0	0	0	0	136,667
9	Boston Road Storm Improvements II	ENR	G	68,333	0	0	0	0	68,333
10	Lamont & Hubbel Street Storm Improvements	ENR	Rates	223,333	0	0	0	0	223,333
11	Lamont & Hubbel Street Storm Improvements II	ENR	G	111,667	0	0	0	0	111,667
12	New Hampshire/Fernald Stormwater Improvements	ENR	Rates	0	377,667	0	0	0	377,667
13	New Hampshire/Fernald Stormwater Improvements II	ENR	G	0	188,833	0	0	0	188,833
14	Public Works Building	None	ND1	0	0	191,250	1,083,750	0	1,275,000
15	Funding Allowance	None	Rates	0	0	250,000	250,000	60,000	60,000
16	Grant Funding Allowance	None	G	0	0	125,000	125,000	30,000	30,000
17	Capital Outlay From Budget	Outlay	Rates	\$47,041	\$108,675	\$101,650	\$155,400	\$111,550	\$115,430
18	Menzi Tractor	Outlay	JD2	0	0	0	0	402,500	0
19	Total Stormwater System Capital Expenditures			\$611,157	\$675,175	\$667,900	\$1,614,150	\$604,050	\$205,430
<u>Funding Source Summary</u>									
20	Operating Reserves	Op Res		\$0	\$0	\$0	\$0	\$0	\$0
21	Stormwater Rate Revenue	Rates		423,118	486,342	351,650	405,400	171,550	175,430
22	Grant Funding	G		188,039	188,833	125,000	125,000	30,000	30,000
23	New Senior Lien Debt 1	ND1		0	0	191,250	1,083,750	0	0
24	New Subordinate Lien Debt 2	JD2		0	0	0	0	402,500	0
25	Total Funding Sources			\$611,157	\$675,175	\$667,900	\$1,614,150	\$604,050	\$205,430

Footnotes:

[1] Amounts as provided by City Staff.

Table 3-8
City of Edgewater, Florida
Stormwater Utility Rate Study

Summary of Debt Service Payments - Sinking Fund Basis

Line No.	Description	Fiscal Year Ending September 30th,					
		2017	2018	2019	2020	2021	2022
<u>STORMWATER SYSTEM</u>							
<u>Existing Debt:</u>							
1	Capital Improvement Revenue Note, Series 2014	\$49,789	\$49,232	\$49,335	\$49,911	\$50,056	\$49,671
2	Capital Improvement Revenue Note, Series 2015	66,311	0	0	0	0	0
3	Total Existing Debt Payments	\$116,100	\$49,232	\$49,335	\$49,911	\$50,056	\$49,671
<u>Proposed Senior Lien Debt:</u>							
	New Senior Lien Debt 1	\$0	\$0	\$0	\$0	\$125,704	\$125,704
	Total Proposed Senior Lien Debt Service Payments	\$0	\$0	\$0	\$0	\$125,704	\$125,704
<u>Proposed Junior Lien Debt:</u>							
4	New Subordinate Lien Debt 2	\$0	\$0	\$0	\$0	\$88,046	\$88,046
5	Total Proposed Junior Lien Debt Service Payments	\$0	\$0	\$0	\$0	\$88,046	\$88,046
6	Total Stormwater Debt Service Payments	\$116,100	\$49,232	\$49,335	\$49,911	\$263,806	\$263,420

Table 3-9
City of Edgewater, Florida
Stormwater Utility Rate Study

Projection of Operating and Other Transfers

Line No.	Description	Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022
PILOFF - Stormwater							
1	Current Year Rate Revenues	\$1,473,388	\$1,569,203	\$1,602,558	\$1,610,467	\$1,657,216	\$1,705,281
2	PILOFF Percentage	5.80%	0.00%	0.00%	0.00%	0.00%	0.00%
3	PILOFF - Stormwater [1]	\$85,465	\$0	\$0	\$0	\$0	\$0
4	Total PILOFF	<u>\$85,465</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Charter Reserve Transfer							
5	Charter Reserve Transfer	\$0	\$56,144	\$56,144	\$56,144	\$56,144	\$56,144
6	Total Transfers	<u>\$85,465</u>	<u>\$56,144</u>	<u>\$56,144</u>	<u>\$56,144</u>	<u>\$56,144</u>	<u>\$56,144</u>

Footnotes:

[1] Amounts reflect fund transfers budgeted in the Fiscal Year 2017 Operating Budget. This will not be charged to the stormwater system beginning in Fiscal Year 2018.

Table 3-10
City of Edgewater, Florida
Stormwater Utility Rate Study

Projection of Ending Cash Balances and Interest Income

Line No.	Description	Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022
<u>Year End Cash Balances Roll-Up</u>							
1	Operating Fund (448)	\$670,945	\$574,824	\$600,486	\$531,042	\$476,944	\$413,119
2	Charter Reserve Fund	0	56,172	112,400	168,685	225,025	281,423
3	Proposed Debt Construction Fund	0	0	1,083,750	0	0	0
4	Total Ending Cash Balance	\$670,945	\$630,996	\$1,796,636	\$699,727	\$701,969	\$694,542
<u>Operating/General Revenue Account</u>							
5	Beginning Balance	\$916,917	\$670,945	\$574,824	\$600,486	\$531,042	\$476,944
6	Transfer In - Stormwater Revenue	1,473,388	1,569,203	1,602,558	1,610,467	1,657,216	1,705,281
7	Transfer In - R&R Fund	0	0	0	0	0	0
8	Transfers In - Grant Reimbursements / Sale of Surplus	4,000	0	0	0	0	0
9	Transfers Out - Revenue Requirements	1,723,360	1,665,324	1,576,897	1,679,910	1,711,314	1,769,106
10	Transfers Out - Capital Improvements	0	0	0	0	0	0
11	Transfers Out - R&R Fund	0	0	0	0	0	0
12	Interest Rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
13	Interest Income	794	623	588	566	504	445
	Recognition of Interest Earnings						
14	in Revenue Requirements	794	623	588	566	504	445
15	Ending Balance	670,945	574,824	600,486	531,042	476,944	413,119
16	Target Days of Available Cash: 30 Days of Revenue	121,100	128,976	131,717	132,367	136,210	140,160
17	Calculated Days of Available Cash (Revenue)	166	134	137	120	105	88
<u>Charter Reserve Fund</u>							
18	Beginning Balance [1]	\$0	\$0	\$56,172	\$112,400	\$168,685	\$225,025
19	Transfers In - Operating Reserves	0	0	0	0	0	0
20	Transfers In - Charter Reserve Deposit	0	56,144	56,144	56,144	56,144	56,144
21	Transfers Out - Operating Reserves	0	0	0	0	0	0
22	Transfers Out - Stormwater Capital Fund	0	0	0	0	0	0
23	Transfers Out - Capital Improvements	0	0	0	0	0	0
24	Interest Rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
25	Interest Income	0	28	84	140	197	253
	Recognition of Interest Earnings						
26	in Revenue Requirements	0	0	0	0	0	0
27	Ending Balance	0	56,172	112,400	168,685	225,025	281,423
<u>Proposed Debt Construction Fund</u>							
28	Beginning Balance	\$0	\$0	\$0	\$1,083,750	\$0	\$0
29	Transfers In	0	0	1,275,000	0	0	0
30	Transfers Out	0	0	191,250	1,083,750	0	0
31	Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
32	Interest Income	0	0	0	0	0	0
	Recognition of Interest Earnings						
33	in Revenue Requirements	0	0	0	0	0	0
34	Ending Balance	0	0	1,083,750	0	0	0
<u>Debt Service Sinking Fund</u>							
Annual Sinking Fund Deposit							
35	Total Debt Service	\$116,100	\$49,232	\$49,335	\$49,911	\$263,806	\$263,420
36	Average Balance (25% of annual debt service)	29,000	12,300	12,300	12,500	66,000	65,900
37	Interest Rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
38	Interest Income	29	12	12	13	66	66
	Recognition of Interest Earnings						
39	in Revenue Requirements	29	12	12	13	66	66
40	Ending Balance	87,100	36,932	37,035	37,411	197,806	197,520
41	Total Unrestricted Interest Income	\$823	\$663	\$684	\$719	\$767	\$764

Table 3-11
City of Edgewater, Florida
Stormwater Utility Rate Study

Projected Stormwater System Revenue Requirements

Line No.	Description	Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022
1	Operating Expenses [1]	\$1,114,480	\$1,175,865	\$1,222,049	\$1,270,770	\$1,322,177	\$1,376,472
	<u>Existing Debt Service [2]</u>						
2	Capital Improvement Revenue Note, Series 2014	\$49,789	\$49,232	\$49,335	\$49,911	\$50,056	\$49,671
3	Capital Improvement Revenue Note, Series 2015	66,311	0	0	0	0	0
4	Total Existing Debt	\$116,100	\$49,232	\$49,335	\$49,911	\$50,056	\$49,671
	<u>Proposed Debt Service [3]</u>						
5	New Senior Lien Debt 1	\$0	\$0	\$0	\$0	\$125,704	\$125,704
6	New Subordinate Lien Debt 2	0	0	0	0	88,046	88,046
7	Total Proposed Debt	\$0	\$0	\$0	\$0	\$213,749	\$213,749
8	Total Debt Service	\$116,100	\$49,232	\$49,335	\$49,911	\$263,806	\$263,420
	<u>Other Revenue Requirements</u>						
9	Transfer to Operating Reserves	\$0	\$0	\$0	\$0	\$0	\$0
10	Payment In Lieu of Franchise Fee [4]	85,465	0	0	0	0	0
11	Transfer to Charter Reserve Fund	0	56,144	56,144	56,144	56,144	56,144
12	Capital Funded from Rates [5]	423,118	486,342	351,650	405,400	171,550	175,430
13	Total Other Revenue Requirements	\$508,583	\$542,486	\$407,794	\$461,544	\$227,694	\$231,574
14	Gross Revenue Requirements	\$1,739,163	\$1,767,583	\$1,679,177	\$1,782,225	\$1,813,677	\$1,871,466
	<u>Less Income and Funds from Other Sources</u>						
15	Other Operating Revenue [6]	\$14,980	\$101,596	\$101,596	\$101,596	\$101,596	\$101,596
16	Uses of Reserves	0	0	0	0	0	0
17	Unrestricted Interest Income [7]	823	663	684	719	767	764
18	Transfer from General Fund	0	0	0	0	0	0
19	Net Revenue Requirements	\$1,723,360	\$1,665,324	\$1,576,897	\$1,679,910	\$1,711,314	\$1,769,106
	<u>Revenue from Rates</u>						
	<u>Stormwater Base Fee</u>						
20	Stormwater Rate Revenue - Existing Rates	\$998,800	\$978,528	\$984,448	\$990,369	\$996,290	\$1,002,211
21	Prior Year Rate Adjustments	0	0	109,274	109,931	110,588	137,968
22	Total Rate Revenue Before Current Year Adjustment	\$998,800	\$978,528	\$1,093,722	\$1,100,300	\$1,106,879	\$1,140,180
	<u>Current Year Rate Adjustments - Base Fee</u>						
23	Current Year Rate Adjustments	0.0%	11.1%	0.0%	0.0%	2.4%	2.4%
24	Effective Month	November	November	October	October	October	October
25	% of Current Year Effective	91.7%	91.7%	100.0%	100.0%	100.0%	100.0%
26	Revenue From Current Year Rate Adjustments	\$0	\$99,565	\$0	\$0	\$26,565	\$27,364
27	Total Revenue from Rates - Base Fee	\$998,800	\$1,078,093	\$1,093,722	\$1,100,300	\$1,133,444	\$1,167,544
	<u>Stormwater Assessment Fee</u>						
28	Stormwater Rate Revenue - Existing Rates	\$474,588	\$456,801	\$457,998	\$459,195	\$460,393	\$461,590
29	Prior Year Rate Adjustments	0	0	50,838	50,971	51,104	63,544
30	Total Rate Revenue Before Current Year Adjustment	\$474,588	\$456,801	\$508,836	\$510,166	\$511,496	\$525,134

Table 3-11
City of Edgewater, Florida
Stormwater Utility Rate Study

Projected Stormwater System Revenue Requirements

Line No.	Description	Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022
<u>Current Year Rate Adjustments - Assessment Fee</u>							
31	Current Year Rate Adjustments	0.0%	11.1%	0.0%	0.0%	2.4%	2.4%
32	Effective Month	November	November	October	October	October	October
33	% of Current Year Effective	91.7%	91.7%	100.0%	100.0%	100.0%	100.0%
34	Revenue From Current Year Rate Adjustments	\$0	\$46,480	\$0	\$0	\$12,276	\$12,603
35	Total Revenue from Rates - Assessment Fee	\$474,588	\$503,281	\$508,836	\$510,166	\$523,772	\$537,737
<u>Combined Revenue from Rates</u>							
36	Stormwater Rate Revenue - Existing Rates	\$1,473,388	\$1,435,329	\$1,442,447	\$1,449,565	\$1,456,683	\$1,463,801
37	Prior Year Rate Adjustments	0	0	160,112	160,902	161,692	201,513
38	Total Rate Revenue Before Current Year Adjustment	\$1,473,388	\$1,435,329	\$1,602,558	\$1,610,467	\$1,618,375	\$1,665,314
<u>Current Year Rate Adjustments</u>							
39	Current Year Rate Adjustments	0.0%	10.2%	0.0%	0.0%	2.4%	2.4%
40	Effective Month	November	November	October	October	October	October
41	% of Current Year Effective	91.7%	91.7%	100.0%	100.0%	100.0%	100.0%
42	Revenue From Current Year Rate Adjustments	\$0	\$133,874	\$0	\$0	\$38,841	\$39,968
43	Total Revenue from Rates	\$1,473,388	\$1,569,203	\$1,602,558	\$1,610,467	\$1,657,216	\$1,705,281
44	Revenue Surplus/(Deficiency) [8]	(\$249,972)	(\$96,121)	\$25,661	(\$69,443)	(\$54,098)	(\$63,825)
45	Percentage Revenue Surplus/(Deficiency)	-17.0%	-6.1%	1.6%	-4.3%	-3.3%	-3.7%

Footnotes:

- [1] Amounts shown based on Table 3-5.
- [2] Payment amounts shown were based on debt service schedules provided by City Staff.
- [3] Amounts shown represent payments on proposed capital leases utilized in the funding of the CIP.
- [4] Amount shown is a transfer to the City's General Fund and is based on 5.9% of the previous Fiscal Year's revenues. The PILOFF will no longer be charged after 2017.
- [5] Amounts based on the proposed capital funding plan.
- [6] Amounts based on projection of other operating revenues as shown on Table 3-2.
- [7] Interest income is estimated on earnings on projected fund balances from unrestricted reserves.
- [8] The forecast assumes that any deficiencies will be funded from available operating reserves.

Table 3-12
City of Edgewater, Florida
Stormwater Utility Rate Study

Projection of Debt Service Coverage Compliance

Line No.	Description	Fiscal Year Ending September 30					
		2017	2018	2019	2020	2021	2022
Gross Revenues							
<u>Stormwater Revenues</u>							
1	Revenues from Existing Rates	[1] \$1,473,388	\$1,435,329	\$1,442,447	\$1,449,565	\$1,456,683	\$1,463,801
2	Revenues from Proposed Rate Adjustments	[2] 0	133,874	160,112	160,902	200,533	241,480
3	Total Rate Revenues	\$1,473,388	\$1,569,203	\$1,602,558	\$1,610,467	\$1,657,216	\$1,705,281
4	Other Operating Revenue	14,980	101,596	101,596	101,596	101,596	101,596
5	Unrestricted Interest Income	[3] 823	663	684	719	767	764
6	Total System Gross Revenues	\$1,489,191	\$1,671,462	\$1,704,839	\$1,712,781	\$1,759,578	\$1,807,641
7	Operation and Maintenance Expenses	\$1,114,480	\$1,175,865	\$1,222,049	\$1,270,770	\$1,322,177	\$1,376,472
8	Net Revenues	\$374,711	\$495,597	\$482,790	\$442,011	\$437,401	\$431,169
Senior Lien Coverage							
9	Additional Senior Lien Debt 1	\$0	\$0	\$0	\$0	\$125,704	\$125,704
10	Annual Debt Service - Senior Lien Debt	\$0	\$0	\$0	\$0	\$125,704	\$125,704
11	Coverage Ratio - Calculated	N/A	N/A	N/A	N/A	3.48	3.43
11	Coverage Ratio - Required	1.15	1.15	1.15	1.15	1.15	1.15
Subordinate Lien Coverage							
12	Net Revenues	\$374,711	\$495,597	\$482,790	\$442,011	\$437,401	\$431,169
13	Less Senior Lien Debt Service (Inc. Coverage)	0	0	0	0	(144,559)	(144,559)
14	Net Revenues less Senior Lien Debt Service	\$374,711	\$495,597	\$482,790	\$442,011	\$292,842	\$286,610
<u>Subordinate Debt Service:</u>							
Existing Debt Service							
15	Capital Improvement Revenue Note, Series 2014	[4] \$49,789	\$49,232	\$49,335	\$49,911	\$50,056	\$49,671
16	Capital Improvement Revenue Note, Series 2015	[5] 66,311	0	0	0	0	0
Proposed Debt Service							
17	Additional Subordinate Lien Debt 2	0	0	0	0	88,046	88,046
18	Annual Debt Service - Subordinate Lien Debt	\$116,100	\$49,232	\$49,335	\$49,911	\$138,102	\$137,716
19	Coverage Ratio - Calculated	3.23	10.07	9.79	8.86	2.12	2.08
20	Coverage Ratio - Required	1.15	1.15	1.15	1.15	1.15	1.15
21	Net Revenues less Senior & Junior Lien Debt Service	\$258,611	\$446,365	\$433,455	\$392,100	\$173,596	\$167,749
All-In Debt Service Coverage							
22	Combined All-In Debt Service Payments	\$116,100	\$49,232	\$49,335	\$49,911	\$263,806	\$263,420
23	Coverage Ratio - Calculated	3.23	10.07	9.79	8.86	1.66	1.64
24	Coverage Ratio - Target	1.50	1.50	1.50	1.50	1.50	1.50
<u>Other Uses / (Sources) of Funds</u>							
25	Payment In Lieu of Franchise Fee	[7] \$85,465	\$0	\$0	\$0	\$0	\$0
26	Transfer to Charter Reserve Fund	0	56,144	56,144	56,144	56,144	56,144
27	Capital Funded from Rates	423,118	486,342	351,650	405,400	171,550	175,430
28	Transfer From General Fund	0	0	0	0	0	0
29	Net transfer from / (to) Reserves	0	0	0	0	0	0
30	Net Transfer to (from) Reserves	(\$249,972)	(\$96,121)	\$25,661	(\$69,443)	(\$54,098)	(\$63,825)

Table 3-12
City of Edgewater, Florida
Stormwater Utility Rate Study

Projection of Debt Service Coverage Compliance

Footnotes:

- [1] Projected revenue from rates reflects existing rates effective October 1, 2016.
 [2] Revenue from rate adjustments reflect the following projected rate increases effective October 1st of each year.

Fiscal Year	2017	2018	2019	2020	2021	2022
Rate Adjustment	0.00%	10.18%	0.00%	0.00%	2.40%	2.40%

- [3] Amounts shown only reflect earnings from funds and accounts established by the City that are considered unrestricted (earnings not required to be retained in such funds and accounts and are available as a component of Net Revenues)
- [4] Amounts shown represent a transfer to the City's General fund for the Utility System's allocation (33.85%) of the Capital Improvement Revenue Note, Series 2014.
- [5] Amounts shown represent a transfer to the City's General fund for the Utility System's allocation (9.00%) of the Capital Improvement Revenue Note, Series 2015.
- [6] Amounts shown represent payments on capital lease for Menzi Tractor. The loan was paid off early in 2016.
- [7] Amounts shown represent a transfer to the City's General fund for Payment in Lieu of Franchise Fees (PILOFF), which is a transfer made based on 5.90% of the previous year's rate revenue. This will no longer be charged starting in Fiscal Year 2018.

Table 3-13
City of Edgewater, Florida
Stormwater Utility Rate Study

Comparison of Monthly Residential Stormwater Rates [1]

Line No.	Description	Monthly Stormwater Rate per ERU	Impervious Surface per ERU
City of Edgewater			
1	Existing Rates	\$9.00	2,027
2	Proposed Rates - Fiscal Year 2018	10.00	2,027
<u>Other Florida Utilities</u>			
3	City of Daytona Beach	\$9.75	1,661
4	City of DeLand	8.39	3,100
5	City of Deltona	9.00	3,484
6	City of Eustis	6.00	2,187
7	City of Holly Hill	6.00	2,050
8	New Smyrna Beach Utilities Commission	7.25	1,818
9	City of Ormond Beach	8.00	3,000
10	City of Port Orange	8.33	3,050
11	City of Sanford	8.86	2,126
12	City of South Daytona	9.00	2,000
13	Volusia County	6.00	2,775
14	Other Utilities' Average	\$7.87	2,477
15	Minimum	6.00	1,661
16	Maximum	9.75	3,484

Footnotes:

- [1] Unless otherwise noted, amounts shown reflect rates in effect June 2017 and are exclusive of taxes or franchise fees, if any. All rates are as reported by the respective local government.

APPENDICES



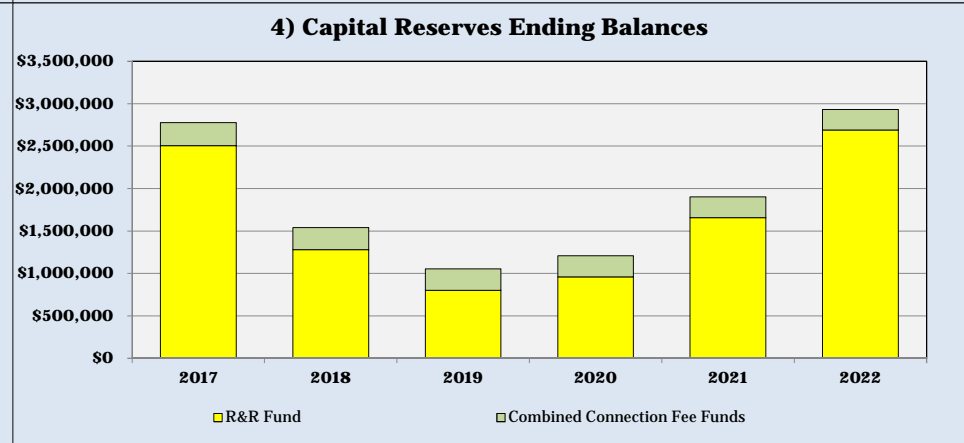
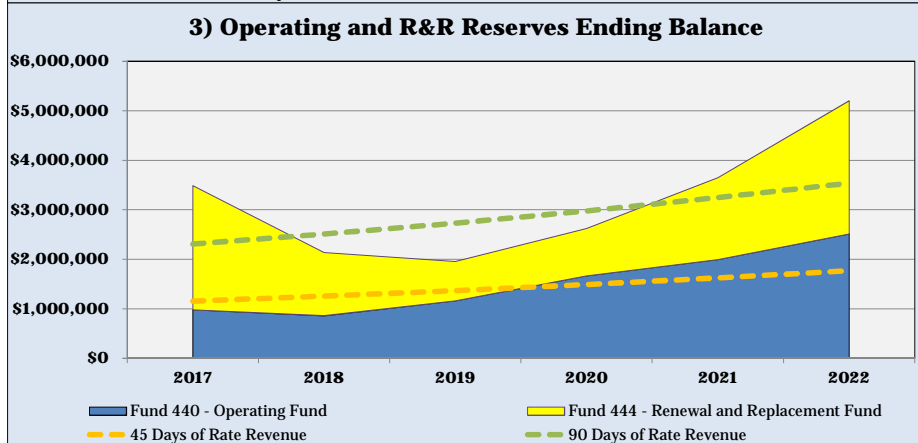
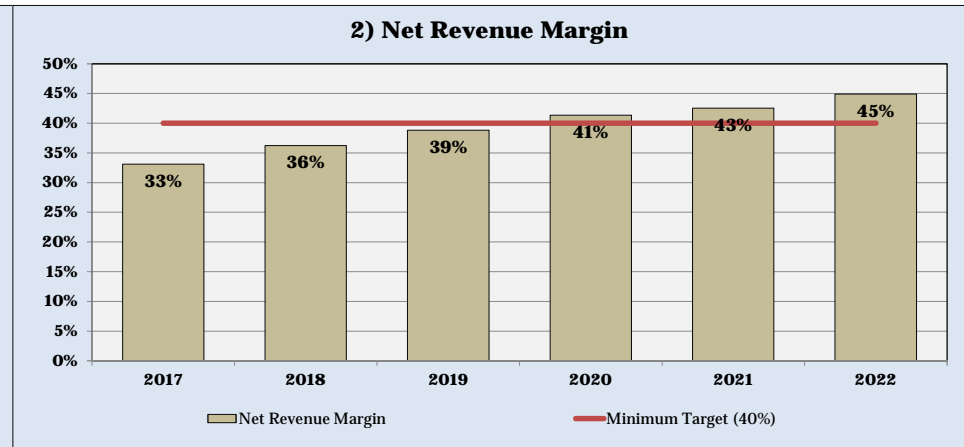
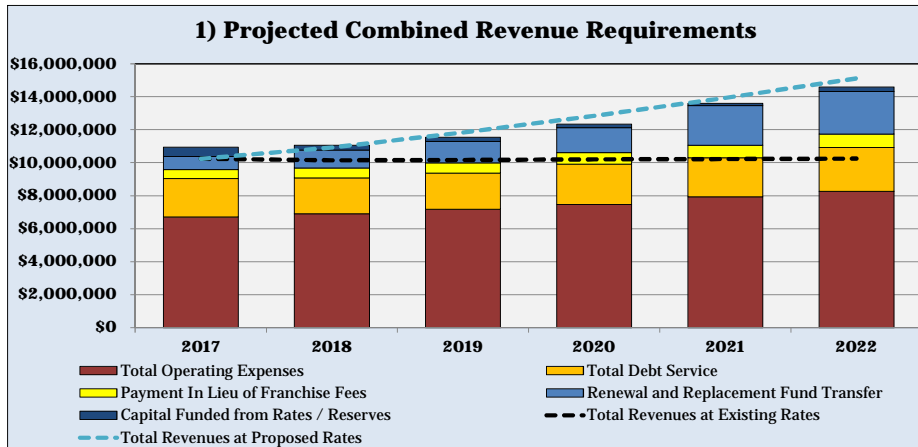


**Appendix I
City of Edgewater, Florida
Water and Wastewater Utility Rate Study**



Water and Wastewater System Financial Dashboards and Performance Metrics

Description	Fiscal Year Ending September 30th,						Description	Fiscal Year Ending September 30th,					
	2017	2018	2019	2020	2021	2022		2017	2018	2019	2020	2021	2022
Recognized Revenue Adjustments:							System Surplus / (Deficiency):						
Water Revenue Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%	Water Revenue Surplus / (Deficiency)	(\$254,001)	(\$100,012)	\$89,096	\$248,144	\$416,781	\$771,436
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Wastewater Revenue Surplus / (Deficiency)	(441,239)	(23,291)	209,521	257,005	(86,229)	(251,864)
Wholesale Water Revenue Adjustment	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	Combined Revenue Surplus / (Deficiency)	(\$695,240)	(\$123,303)	\$298,617	\$505,149	\$330,551	\$519,572
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Percent of Rate Revenues	-7.43%	-1.21%	2.70%	4.18%	2.51%	3.62%
Wastewater Revenue Adj.	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%	Average Residential Bill:						
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Average Water Bill @ 3,000 gal	\$20.38	\$22.21	\$24.21	\$26.39	\$28.77	\$31.36
Reclaimed Revenue Adj.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Average Wastewater Bill @ 3,000 gal	34.02	37.08	40.42	44.06	48.02	52.34
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Average Combined Bill @ 3,000 gal	\$54.40	\$59.30	\$64.63	\$70.45	\$76.79	\$83.70
Combined Adjustment	N/A	8.38%	8.40%	8.43%	8.45%	8.48%	Monthly Increase - Total	N/A	\$4.90	\$5.34	\$5.82	\$6.34	\$6.91
Cumulative Adjustment	N/A	8.38%	17.49%	27.39%	38.16%	49.87%	Monthly Increase - Cost Per Gallon	N/A	\$0.0012	\$0.0013	\$0.0015	\$0.0016	\$0.0017



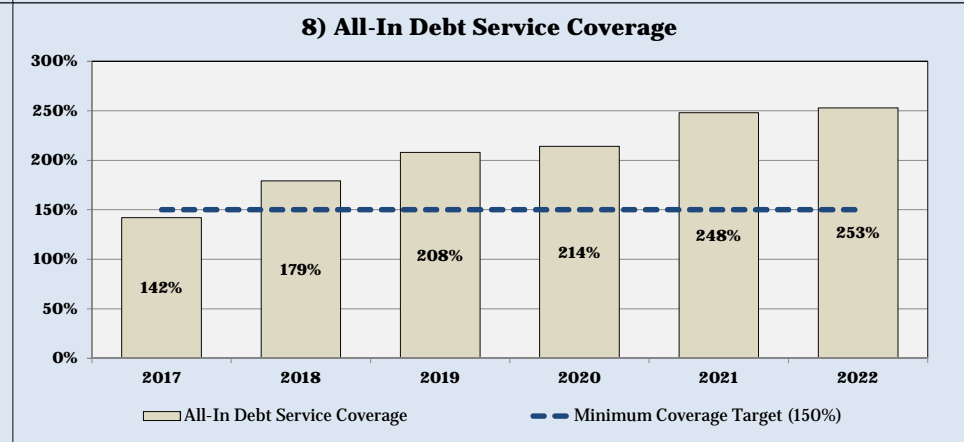
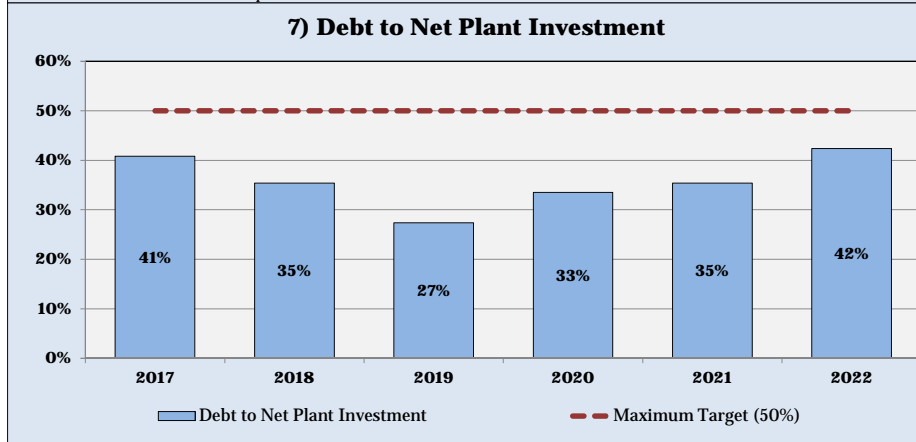
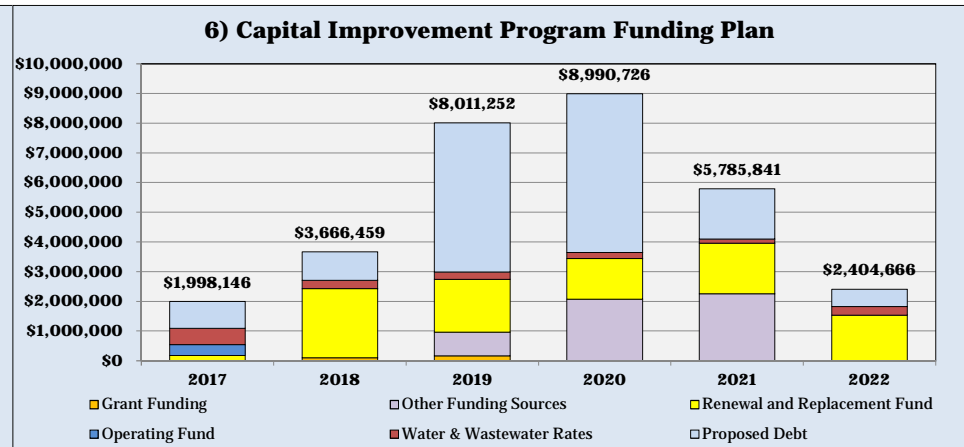
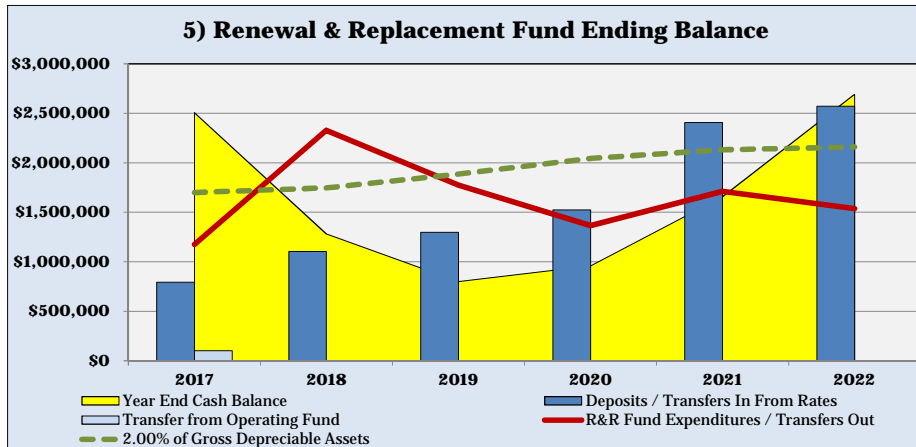


Appendix I
City of Edgewater, Florida
Water and Wastewater Utility Rate Study



Water and Wastewater System Financial Dashboards and Performance Metrics

Description	Fiscal Year Ending September 30th,						Description	Fiscal Year Ending September 30th,					
	2017	2018	2019	2020	2021	2022		2017	2018	2019	2020	2021	2022
Recognized Revenue Adjustments:							System Surplus / (Deficiency):						
Water Revenue Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%	Water Revenue Surplus / (Deficiency)	(\$254,001)	(\$100,012)	\$89,096	\$248,144	\$416,781	\$771,436
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Wastewater Revenue Surplus / (Deficiency)	(441,239)	(23,291)	209,521	257,005	(86,229)	(251,864)
Wholesale Water Revenue Adjustment	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	Combined Revenue Surplus / (Deficiency)	(\$695,240)	(\$123,303)	\$298,617	\$505,149	\$330,551	\$519,572
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Percent of Rate Revenues	-7.43%	-1.21%	2.70%	4.18%	2.51%	3.62%
Wastewater Revenue Adj.	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%	Average Residential Bill:						
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Average Water Bill @ 3,000 gal	\$20.38	\$22.21	\$24.21	\$26.39	\$28.77	\$31.36
Reclaimed Revenue Adj.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Average Wastewater Bill @ 3,000 gal	34.02	37.08	40.42	44.06	48.02	52.34
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Average Combined Bill @ 3,000 gal	\$54.40	\$59.30	\$64.63	\$70.45	\$76.79	\$83.70
Combined Adjustment	N/A	8.38%	8.40%	8.43%	8.45%	8.48%	Monthly Increase - Total	N/A	\$4.90	\$5.34	\$5.82	\$6.34	\$6.91
Cumulative Adjustment	N/A	8.38%	17.49%	27.39%	38.16%	49.87%	Monthly Increase - Cost Per Gallon	N/A	\$0.0012	\$0.0013	\$0.0015	\$0.0016	\$0.0017



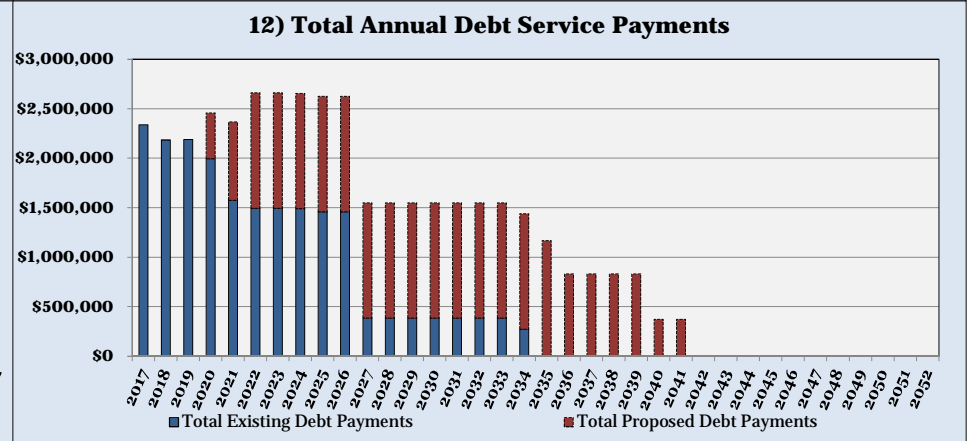
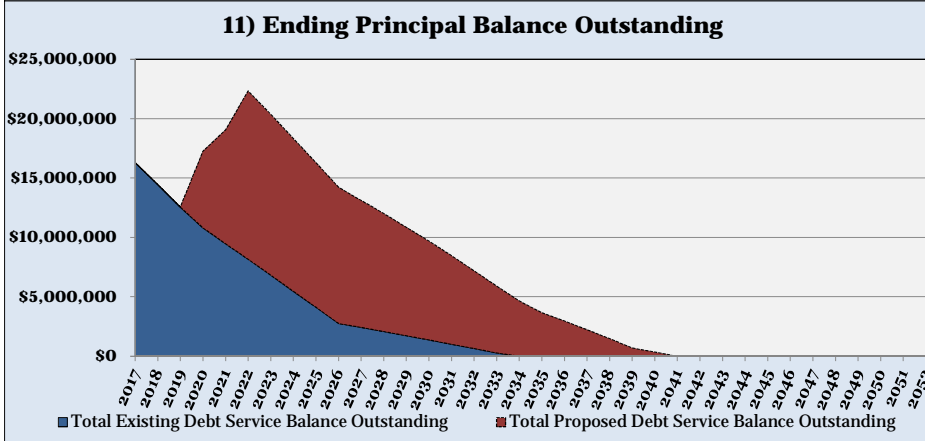
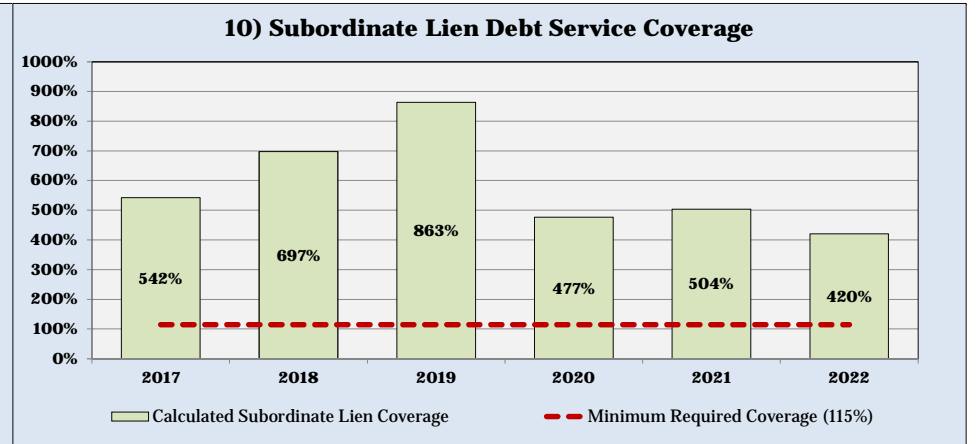
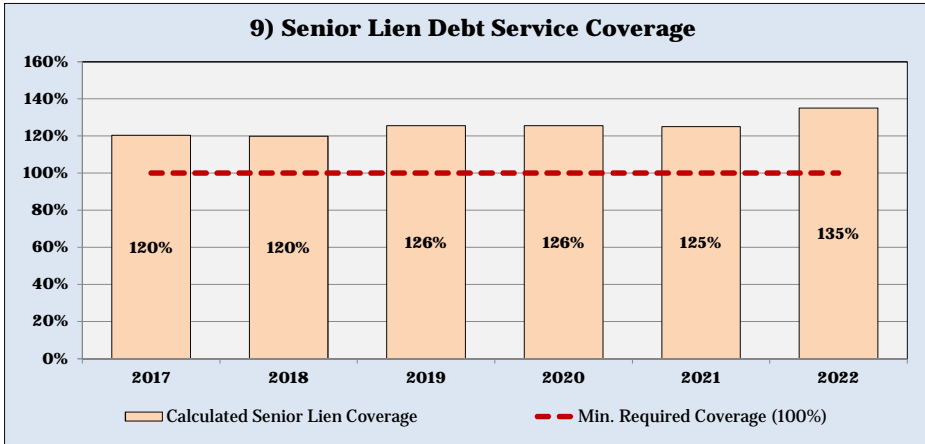


**Appendix I
City of Edgewater, Florida
Water and Wastewater Utility Rate Study**



Water and Wastewater System Financial Dashboards and Performance Metrics

Description	Fiscal Year Ending September 30th,						Description	Fiscal Year Ending September 30th,					
	2017	2018	2019	2020	2021	2022		2017	2018	2019	2020	2021	2022
Recognized Revenue Adjustments:							System Surplus / (Deficiency):						
Water Revenue Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%	Water Revenue Surplus / (Deficiency)	(\$254,001)	(\$100,012)	\$89,096	\$248,144	\$416,781	\$771,436
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Wastewater Revenue Surplus / (Deficiency)	(441,239)	(23,291)	209,521	257,005	(86,229)	(251,864)
Wholesale Water Revenue Adjustment	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	Combined Revenue Surplus / (Deficiency)	(\$695,240)	(\$123,303)	\$298,617	\$505,149	\$330,551	\$519,572
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Percent of Rate Revenues	-7.43%	-1.21%	2.70%	4.18%	2.51%	3.62%
Wastewater Revenue Adj.	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%	Average Residential Bill:						
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Average Water Bill @ 3,000 gal	\$20.38	\$22.21	\$24.21	\$26.39	\$28.77	\$31.36
Reclaimed Revenue Adj.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Average Wastewater Bill @ 3,000 gal	34.02	37.08	40.42	44.06	48.02	52.34
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Average Combined Bill @ 3,000 gal	\$54.40	\$59.30	\$64.63	\$70.45	\$76.79	\$83.70
Combined Adjustment	N/A	8.38%	8.40%	8.43%	8.45%	8.48%	Monthly Increase - Total	N/A	\$4.90	\$5.34	\$5.82	\$6.34	\$6.91
Cumulative Adjustment	N/A	8.38%	17.49%	27.39%	38.16%	49.87%	Monthly Increase - Cost Per Gallon	N/A	\$0.0012	\$0.0013	\$0.0015	\$0.0016	\$0.0017



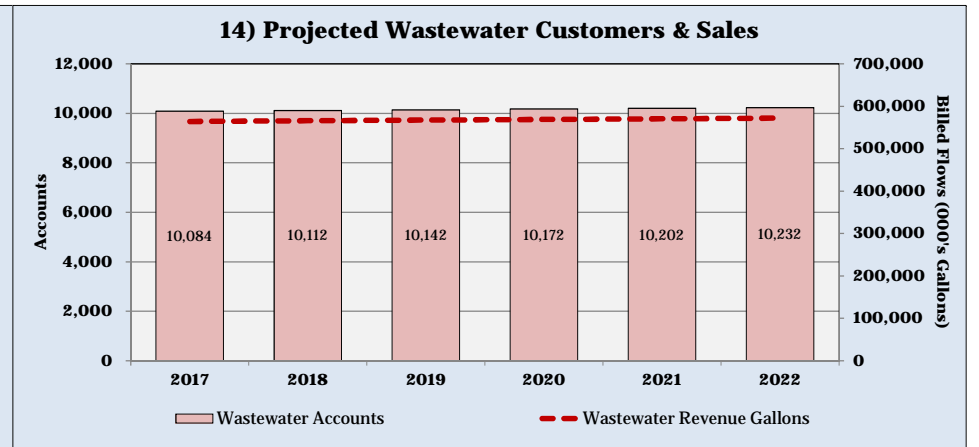
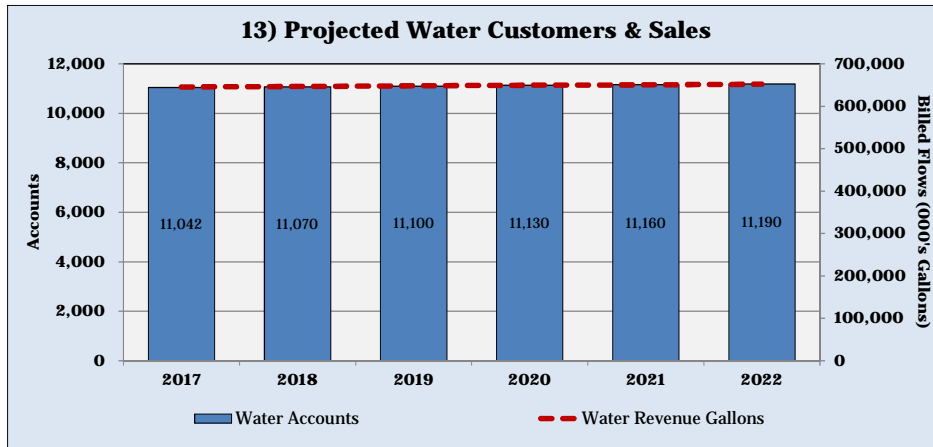


Appendix I
City of Edgewater, Florida
Water and Wastewater Utility Rate Study



Water and Wastewater System Financial Dashboards and Performance Metrics

Description	Fiscal Year Ending September 30th,						Description	Fiscal Year Ending September 30th,					
	2017	2018	2019	2020	2021	2022		2017	2018	2019	2020	2021	2022
Recognized Revenue Adjustments:							System Surplus / (Deficiency):						
Water Revenue Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%	Water Revenue Surplus / (Deficiency)	(\$254,001)	(\$100,012)	\$89,096	\$248,144	\$416,781	\$771,436
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Wastewater Revenue Surplus / (Deficiency)	(441,239)	(23,291)	209,521	257,005	(86,229)	(251,864)
Wholesale Water Revenue Adjustment	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	Combined Revenue Surplus / (Deficiency)	(\$695,240)	(\$123,303)	\$298,617	\$505,149	\$330,551	\$519,572
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Percent of Rate Revenues	-7.43%	-1.21%	2.70%	4.18%	2.51%	3.62%
Wastewater Revenue Adj.	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%	Average Residential Bill:						
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Average Water Bill @ 3,000 gal	\$20.38	\$22.21	\$24.21	\$26.39	\$28.77	\$31.36
Reclaimed Revenue Adj.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Average Wastewater Bill @ 3,000 gal	34.02	37.08	40.42	44.06	48.02	52.34
Effective Month of Increase	Aug.	Oct.	Oct.	Oct.	Oct.	Oct.	Average Combined Bill @ 3,000 gal	\$54.40	\$59.30	\$64.63	\$70.45	\$76.79	\$83.70
Combined Adjustment	N/A	8.38%	8.40%	8.43%	8.45%	8.48%	Monthly Increase - Total	N/A	\$4.90	\$5.34	\$5.82	\$6.34	\$6.91
Cumulative Adjustment	N/A	8.38%	17.49%	27.39%	38.16%	49.87%	Monthly Increase - Cost Per Gallon	N/A	\$0.0012	\$0.0013	\$0.0015	\$0.0016	\$0.0017



Appendix 2
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Summary of Existing and Proposed Water Rates

Line No.	Description	Existing Rates	Proposed Fiscal Year Ending September 30,				
		2017	2018	2019	2020	2021	2022
	Proposed Retail Rate Adjustments	N/A	9.00%	9.00%	9.00%	9.00%	9.00%
	RESIDENTIAL						
	Residential - Inside Water						
	Monthly Meter Charge						
1	3/4" Meter	\$10.75	\$11.72	\$12.77	\$13.92	\$15.17	\$16.54
2	1" Meter	26.89	29.31	31.95	34.83	37.96	41.38
3	1.25" Meter	37.65	41.04	44.73	48.76	53.15	57.93
4	1.5" Meter	53.78	58.62	63.90	69.65	75.92	82.75
5	2" Meter	86.06	93.81	102.25	111.45	121.48	132.41
6	3" Meter	172.11	187.60	204.48	222.88	242.94	264.80
7	4" Meter	268.92	293.12	319.50	348.26	379.60	413.76
8	6" Meter	538.09	586.52	639.31	696.85	759.57	827.93
9	8" Meter	860.54	937.99	1,022.41	1,114.43	1,214.73	1,324.06
	Usage Charge						
10	Block 1 (0 - 2,000)	\$1.81	\$1.97	\$2.15	\$2.34	\$2.55	\$2.78
11	Block 2 (2,001 - 5,000)	6.01	6.55	7.14	7.78	8.48	9.24
12	Block 3 (5,001 - 10,000)	7.52	8.20	8.94	9.74	10.62	11.58
13	Block 4 (10,001+)	9.39	10.24	11.16	12.16	13.25	14.44
	Residential - Outside Water						
	Monthly Meter Charge						
14	3/4" Meter	\$13.45	\$14.66	\$15.98	\$17.42	\$18.99	\$20.70
15	1" Meter	33.62	36.65	39.95	43.55	47.47	51.74
16	1.25" Meter	47.05	51.28	55.90	60.93	66.41	72.39
17	1.5" Meter	67.24	73.29	79.89	87.08	94.92	103.46
18	2" Meter	107.57	117.25	127.80	139.30	151.84	165.51
19	3" Meter	215.14	234.50	255.61	278.61	303.68	331.01
20	4" Meter	336.46	366.74	399.75	435.73	474.95	517.70
21	6" Meter	672.29	732.80	798.75	870.64	949.00	1,034.41
22	8" Meter	1,075.68	1,172.49	1,278.01	1,393.03	1,518.40	1,655.06
	Usage Charge						
23	Block 1 (0 - 2,000)	\$2.26	\$2.46	\$2.68	\$2.92	\$3.18	\$3.47
24	Block 2 (2,001 - 5,000)	7.52	8.20	8.94	9.74	10.62	11.58
25	Block 3 (5,001 - 10,000)	9.39	10.24	11.16	12.16	13.25	14.44
26	Block 4 (10,001+)	11.74	12.80	13.95	15.21	16.58	18.07
	MASTER-METERED						
	Master-Metered - Inside Water						
	Monthly Meter Charge						
27	All Master-Metered - Per Unit	\$8.08	\$8.81	\$9.60	\$10.46	\$11.40	\$12.43
	Usage Charge						
28	Block 1 (0 - 2,000)	\$1.81	\$1.97	\$2.15	\$2.34	\$2.55	\$2.78
29	Block 2 (2,001 - 5,000)	6.01	6.55	7.14	7.78	8.48	9.24
30	Block 3 (5,001 - 10,000)	7.52	8.20	8.94	9.74	10.62	11.58
31	Block 4 (10,001+)	9.39	10.24	11.16	12.16	13.25	14.44

Appendix 2
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Summary of Existing and Proposed Water Rates

Line No.	Description	Existing Rates	Proposed Fiscal Year Ending September 30,				
		2017	2018	2019	2020	2021	2022
	Proposed Retail Rate Adjustments	N/A	9.00%	9.00%	9.00%	9.00%	9.00%
	Master-Metered - Outside Water Monthly Meter Charge						
32	All Master-Metered - Per Unit	\$10.09	\$11.00	\$11.99	\$13.07	\$14.25	\$15.53
	Usage Charge						
33	Block 1 (0 - 2,000)	\$2.26	\$2.46	\$2.68	\$2.92	\$3.18	\$3.47
34	Block 2 (2,001 - 5,000)	7.52	8.20	8.94	9.74	10.62	11.58
35	Block 3 (5,001 - 10,000)	9.39	10.24	11.16	12.16	13.25	14.44
36	Block 4 (10,001+)	11.74	12.80	13.95	15.21	16.58	18.07
	COMMERCIAL						
	Commercial - Inside Water Monthly Meter Charge						
37	3/4" Meter	\$10.75	\$11.72	\$12.77	\$13.92	\$15.17	\$16.54
38	1" Meter	26.89	29.31	31.95	34.83	37.96	41.38
39	1.25" Meter	37.65	41.04	44.73	48.76	53.15	57.93
40	1.5" Meter	53.78	58.62	63.90	69.65	75.92	82.75
41	2" Meter	86.06	93.81	102.25	111.45	121.48	132.41
42	3" Meter	172.11	187.60	204.48	222.88	242.94	264.80
43	4" Meter	268.92	293.12	319.50	348.26	379.60	413.76
44	6" Meter	538.09	586.52	639.31	696.85	759.57	827.93
45	8" Meter	860.54	937.99	1,022.41	1,114.43	1,214.73	1,324.06
	Usage Charge						
	3/4" Meter						
46	Block 1 (0 - 2,000)	\$1.81	\$1.97	\$2.15	\$2.34	\$2.55	\$2.78
47	Block 2 (2,001 - 5,000)	6.01	6.55	7.14	7.78	8.48	9.24
48	Block 3 (5,001 - 10,000)	7.52	8.20	8.94	9.74	10.62	11.58
49	Block 4 (10,001+)	9.39	10.24	11.16	12.16	13.25	14.44
	1" Meter						
50	Block 1 (0 - 5,000)	\$1.81	\$1.97	\$2.15	\$2.34	\$2.55	\$2.78
51	Block 2 (5,001 - 13,000)	6.01	6.55	7.14	7.78	8.48	9.24
52	Block 3 (13,001 - 25,000)	7.52	8.20	8.94	9.74	10.62	11.58
53	Block 4 (25,001+)	9.39	10.24	11.16	12.16	13.25	14.44
	1.25" Meter						
54	Block 1 (0 - 7,000)	\$1.81	\$1.97	\$2.15	\$2.34	\$2.55	\$2.78
55	Block 2 (7,001 - 18,000)	6.01	6.55	7.14	7.78	8.48	9.24
56	Block 3 (18,001 - 35,000)	7.52	8.20	8.94	9.74	10.62	11.58
57	Block 4 (35,001+)	9.39	10.24	11.16	12.16	13.25	14.44
	1.5" Meter						
58	Block 1 (0 - 10,000)	\$1.81	\$1.97	\$2.15	\$2.34	\$2.55	\$2.78
59	Block 2 (10,001 - 25,000)	6.01	6.55	7.14	7.78	8.48	9.24
60	Block 3 (25,001 - 50,000)	7.52	8.20	8.94	9.74	10.62	11.58
61	Block 4 (50,001+)	9.39	10.24	11.16	12.16	13.25	14.44

Appendix 2
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Summary of Existing and Proposed Water Rates

Line No.	Description	Existing Rates	Proposed Fiscal Year Ending September 30,				
		2017	2018	2019	2020	2021	2022
	Proposed Retail Rate Adjustments	N/A	9.00%	9.00%	9.00%	9.00%	9.00%
	2" Meter						
62	Block 1 (0 - 16,000)	\$1.81	\$1.97	\$2.15	\$2.34	\$2.55	\$2.78
63	Block 2 (16,001 - 40,000)	6.01	6.55	7.14	7.78	8.48	9.24
64	Block 3 (40,001 - 80,000)	7.52	8.20	8.94	9.74	10.62	11.58
65	Block 4 (80,001+)	9.39	10.24	11.16	12.16	13.25	14.44
	3" Meter						
66	Block 1 (0 - 32,000)	\$1.81	\$1.97	\$2.15	\$2.34	\$2.55	\$2.78
67	Block 2 (32,001 - 80,000)	6.01	6.55	7.14	7.78	8.48	9.24
68	Block 3 (80,001 - 160,000)	7.52	8.20	8.94	9.74	10.62	11.58
69	Block 4 (160,001+)	9.39	10.24	11.16	12.16	13.25	14.44
	4" Meter						
70	Block 1 (0 - 50,000)	\$1.81	\$1.97	\$2.15	\$2.34	\$2.55	\$2.78
71	Block 2 (50,001 - 125,000)	6.01	6.55	7.14	7.78	8.48	9.24
72	Block 3 (125,001 - 250,000)	7.52	8.20	8.94	9.74	10.62	11.58
73	Block 4 (250,001+)	9.39	10.24	11.16	12.16	13.25	14.44
	6" Meter						
74	Block 1 (0 - 100,000)	\$1.81	\$1.97	\$2.15	\$2.34	\$2.55	\$2.78
75	Block 2 (100,001 - 250,000)	6.01	6.55	7.14	7.78	8.48	9.24
76	Block 3 (250,001 - 500,000)	7.52	8.20	8.94	9.74	10.62	11.58
77	Block 4 (500,001+)	9.39	10.24	11.16	12.16	13.25	14.44
	8" Meter						
78	Block 1 (0 - 160,000)	\$1.81	\$1.97	\$2.15	\$2.34	\$2.55	\$2.78
79	Block 2 (160,001 - 400,000)	6.01	6.55	7.14	7.78	8.48	9.24
80	Block 3 (400,001 - 800,000)	7.52	8.20	8.94	9.74	10.62	11.58
81	Block 4 (800,001+)	9.39	10.24	11.16	12.16	13.25	14.44
	Commercial - Outside Water						
	Monthly Meter Charge						
82	3/4" Meter	\$13.45	\$14.66	\$15.98	\$17.42	\$18.99	\$20.70
83	1" Meter	33.62	36.65	39.95	43.55	47.47	51.74
84	1.25" Meter	47.05	51.28	55.90	60.93	66.41	72.39
85	1.5" Meter	67.24	73.29	79.89	87.08	94.92	103.46
86	2" Meter	107.57	117.25	127.80	139.30	151.84	165.51
87	3" Meter	215.14	234.50	255.61	278.61	303.68	331.01
88	4" Meter	336.46	366.74	399.75	435.73	474.95	517.70
89	6" Meter	672.29	732.80	798.75	870.64	949.00	1,034.41
90	8" Meter	1,075.68	1,172.49	1,278.01	1,393.03	1,518.40	1,655.06
	Usage Charge						
	3/4" Meter						
91	Block 1 (0 - 2,000)	\$2.26	\$2.46	\$2.68	\$2.92	\$3.18	\$3.47
92	Block 2 (2,001 - 5,000)	7.52	8.20	8.94	9.74	10.62	11.58
93	Block 3 (5,001 - 10,000)	9.39	10.24	11.16	12.16	13.25	14.44
94	Block 4 (10,001+)	11.74	12.80	13.95	15.21	16.58	18.07

Appendix 2
City of Edgewater, Florida
Water and Wastewater Utility Rate Study

Summary of Existing and Proposed Water Rates

Line No.	Description	Existing Rates	Proposed Fiscal Year Ending September 30,				
		2017	2018	2019	2020	2021	2022
	Proposed Retail Rate Adjustments	N/A	9.00%	9.00%	9.00%	9.00%	9.00%
	1" Meter						
95	Block 1 (0 - 5,000)	\$2.26	\$2.46	\$2.68	\$2.92	\$3.18	\$3.47
96	Block 2 (5,001 - 13,000)	7.52	8.20	8.94	9.74	10.62	11.58
97	Block 3 (13,001 - 25,000)	9.39	10.24	11.16	12.16	13.25	14.44
98	Block 4 (25,001+)	11.74	12.80	13.95	15.21	16.58	18.07
	1.25" Meter						
99	Block 1 (0 - 7,000)	\$2.26	\$2.46	\$2.68	\$2.92	\$3.18	\$3.47
100	Block 2 (7,001 - 18,000)	7.52	8.20	8.94	9.74	10.62	11.58
101	Block 3 (18,001 - 35,000)	9.39	10.24	11.16	12.16	13.25	14.44
102	Block 4 (35,001+)	11.74	12.80	13.95	15.21	16.58	18.07
	1.5" Meter						
103	Block 1 (0 - 10,000)	\$2.26	\$2.46	\$2.68	\$2.92	\$3.18	\$3.47
104	Block 2 (10,001 - 25,000)	7.52	8.20	8.94	9.74	10.62	11.58
105	Block 3 (25,001 - 50,000)	9.39	10.24	11.16	12.16	13.25	14.44
106	Block 4 (50,001+)	11.74	12.80	13.95	15.21	16.58	18.07
	2" Meter						
107	Block 1 (0 - 16,000)	\$2.26	\$2.46	\$2.68	\$2.92	\$3.18	\$3.47
108	Block 2 (16,001 - 40,000)	7.52	8.20	8.94	9.74	10.62	11.58
109	Block 3 (40,001 - 80,000)	9.39	10.24	11.16	12.16	13.25	14.44
110	Block 4 (80,001+)	11.74	12.80	13.95	15.21	16.58	18.07
	3" Meter						
111	Block 1 (0 - 32,000)	\$2.26	\$2.46	\$2.68	\$2.92	\$3.18	\$3.47
112	Block 2 (32,001 - 80,000)	7.52	8.20	8.94	9.74	10.62	11.58
113	Block 3 (80,001 - 160,000)	9.39	10.24	11.16	12.16	13.25	14.44
114	Block 4 (160,001+)	11.74	12.80	13.95	15.21	16.58	18.07
	4" Meter						
115	Block 1 (0 - 50,000)	\$2.26	\$2.46	\$2.68	\$2.92	\$3.18	\$3.47
116	Block 2 (50,001 - 125,000)	7.52	8.20	8.94	9.74	10.62	11.58
117	Block 3 (125,001 - 250,000)	9.39	10.24	11.16	12.16	13.25	14.44
118	Block 4 (250,001+)	11.74	12.80	13.95	15.21	16.58	18.07
	6" Meter						
119	Block 1 (0 - 100,000)	\$2.26	\$2.46	\$2.68	\$2.92	\$3.18	\$3.47
120	Block 2 (100,001 - 250,000)	7.52	8.20	8.94	9.74	10.62	11.58
121	Block 3 (250,001 - 500,000)	9.39	10.24	11.16	12.16	13.25	14.44
122	Block 4 (500,001+)	11.74	12.80	13.95	15.21	16.58	18.07
	8" Meter						
123	Block 1 (0 - 160,000)	\$2.26	\$2.46	\$2.68	\$2.92	\$3.18	\$3.47
124	Block 2 (160,001 - 400,000)	7.52	8.20	8.94	9.74	10.62	11.58
125	Block 3 (400,001 - 800,000)	9.39	10.24	11.16	12.16	13.25	14.44
126	Block 4 (800,001+)	11.74	12.80	13.95	15.21	16.58	18.07

Appendix 3
City of Edgewater, Florida
Water and Wastewater Rate Study

Summary of Existing and Proposed Wastewater and Reclaimed Water Rates

Line No.	Description	Existing Rates		Proposed Fiscal Year Ending September 30,			
		2017	2018	2019	2020	2021	2022
	Proposed Wastewater Rate Adjustments	N/A	9.00%	9.00%	9.00%	9.00%	9.00%
	Proposed Reclaimed Rate Adjustments	N/A	0.00%	0.00%	0.00%	0.00%	0.00%
RESIDENTIAL							
Residential - Inside Wastewater							
Monthly Meter Charge							
1	3/4" Meter	\$15.60	\$17.00	\$18.53	\$20.20	\$22.02	\$24.00
2	1" Meter	39.01	42.52	46.35	50.52	55.07	60.03
3	1.25" Meter	54.69	59.61	64.97	70.82	77.19	84.14
4	1.5" Meter	78.03	85.05	92.70	101.04	110.13	120.04
5	2" Meter	124.84	136.08	148.33	161.68	176.23	192.09
6	3" Meter	249.66	272.13	296.62	323.32	352.42	384.14
7	4" Meter	390.10	425.21	463.48	505.19	550.66	600.22
8	6" Meter	780.20	850.42	926.96	1,010.39	1,101.33	1,200.45
9	8" Meter	1,248.33	1,360.68	1,483.14	1,616.62	1,762.12	1,920.71
Usage Charge							
10	Block 1 (All Usage)	\$6.14	\$6.69	\$7.29	\$7.95	\$8.67	\$9.45
Residential - Outside Wastewater							
Monthly Meter Charge							
11	3/4" Meter	\$19.50	\$21.26	\$23.17	\$25.26	\$27.53	\$30.01
12	1" Meter	48.76	53.15	57.93	63.14	68.82	75.01
13	1.25" Meter	68.32	74.47	81.17	88.48	96.44	105.12
14	1.5" Meter	97.53	106.31	115.88	126.31	137.68	150.07
15	2" Meter	156.04	170.08	185.39	202.08	220.27	240.09
16	3" Meter	312.09	340.18	370.80	404.17	440.55	480.20
17	4" Meter	487.63	531.52	579.36	631.50	688.34	750.29
18	6" Meter	975.26	1,063.03	1,158.70	1,262.98	1,376.65	1,500.55
19	8" Meter	1,560.42	1,700.86	1,853.94	2,020.79	2,202.66	2,400.90
Usage Charge							
20	Block 1 (All Usage)	\$7.67	\$8.36	\$9.11	\$9.93	\$10.82	\$11.79
MASTER-METERED							
Master-Metered - Inside Wastewater							
Monthly Meter Charge							
21	All Master Meter - Per Unit	\$11.71	\$12.76	\$13.91	\$15.16	\$16.52	\$18.01
Usage Charge							
22	Block 1 (All Usage)	\$6.14	\$6.69	\$7.29	\$7.95	\$8.67	\$9.45
Master-Metered - Outside Wastewater							
Monthly Meter Charge							
23	All Master Meter - Per Unit	\$14.64	\$15.96	\$17.40	\$18.97	\$20.68	\$22.54
Usage Charge							
24	Block 1 (All Usage)	\$7.67	\$8.36	\$9.11	\$9.93	\$10.82	\$11.79

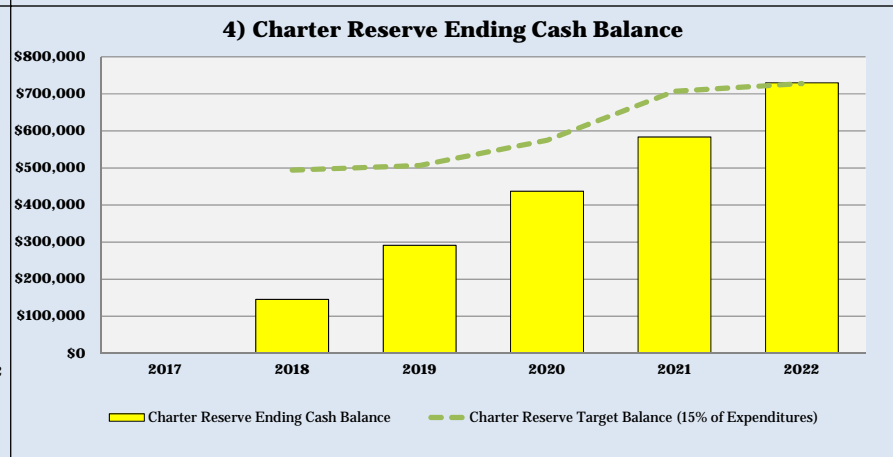
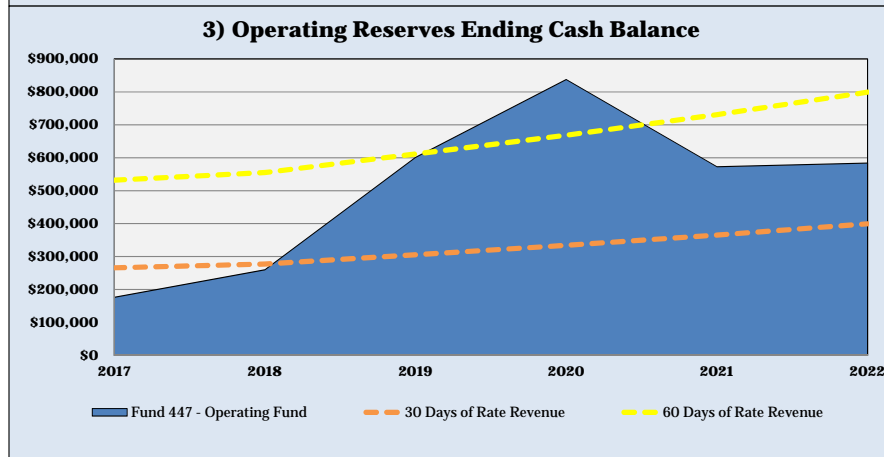
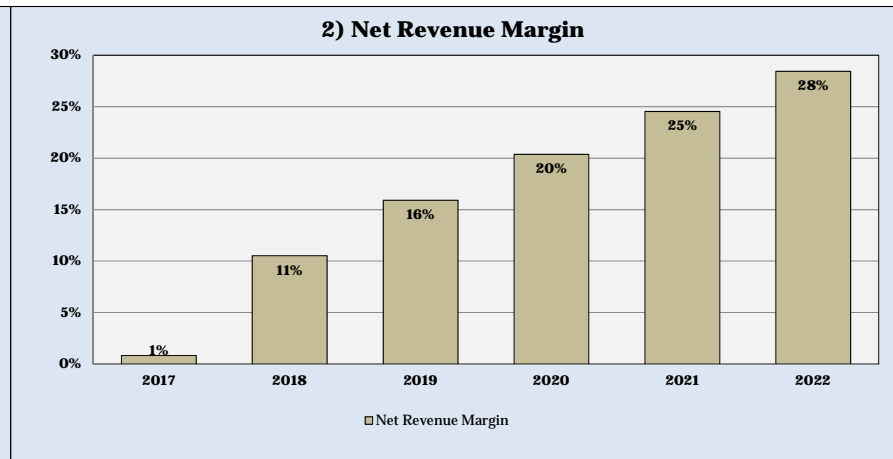
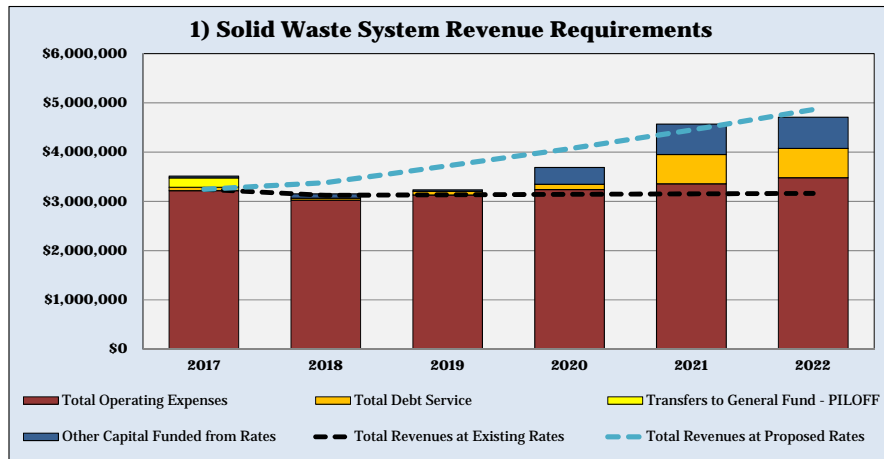


Appendix 4
City of Edgewater, Florida
Solid Waste Utility Rate Study



Solid Waste System Financial Dashboards and Performance Metrics

Description	Fiscal Year Ending September 30,						Description	Fiscal Year Ending September 30,						
	2017	2018	2019	2020	2021	2022		2017 Base	2017	2018	2019	2020	2021	2022
Recognized Revenue Adjustments:							System Surplus / (Deficiency)							
Solid Waste Collection Revenue Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%	Percent of Rate Revenues		(\$268,752)	\$83,279	\$341,483	\$236,098	(\$264,773)	\$11,245
Effective Month of Increase	Aug.	Nov.	Oct.	Oct.	Oct.	Oct.	Average Residential Bill:							
Recycling Revenue Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%	Solid Waste Collection	\$23.94	\$23.94	\$26.09	\$28.44	\$31.00	\$33.79	\$36.83
Effective Month of Increase	Aug.	Nov.	Oct.	Oct.	Oct.	Oct.	Recycling	3.06	3.06	3.34	3.64	3.97	4.33	4.72
Combined Adjustment	N/A	8.25%	9.00%	9.00%	9.00%	9.00%	Total Solid Waste Bill	\$27.00	\$27.00	\$29.43	\$32.08	\$34.97	\$38.12	\$41.55
Cumulative Adjustment	N/A	8.25%	17.99%	28.61%	40.19%	52.80%	Monthly Increase - Total	N/A	\$0.00	\$2.43	\$2.65	\$2.89	\$3.15	\$3.43



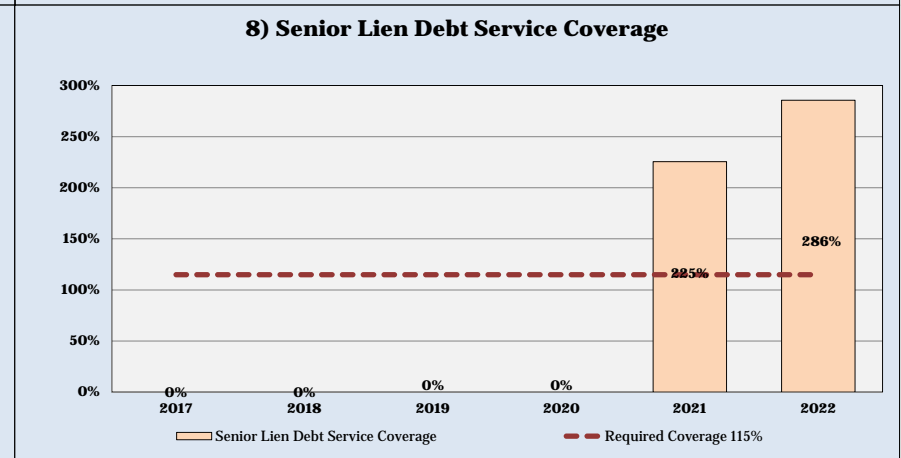
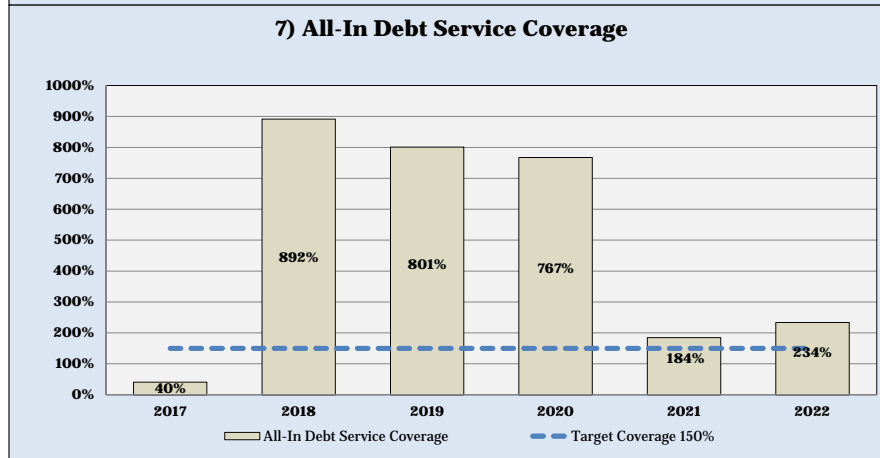
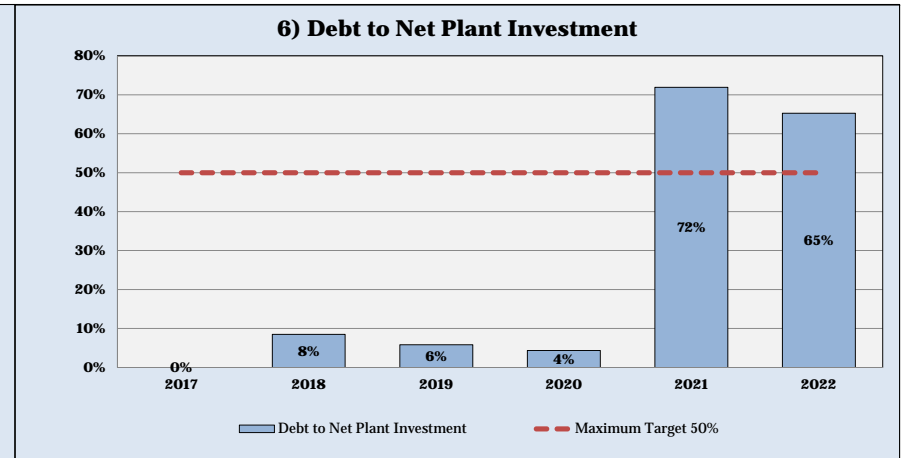
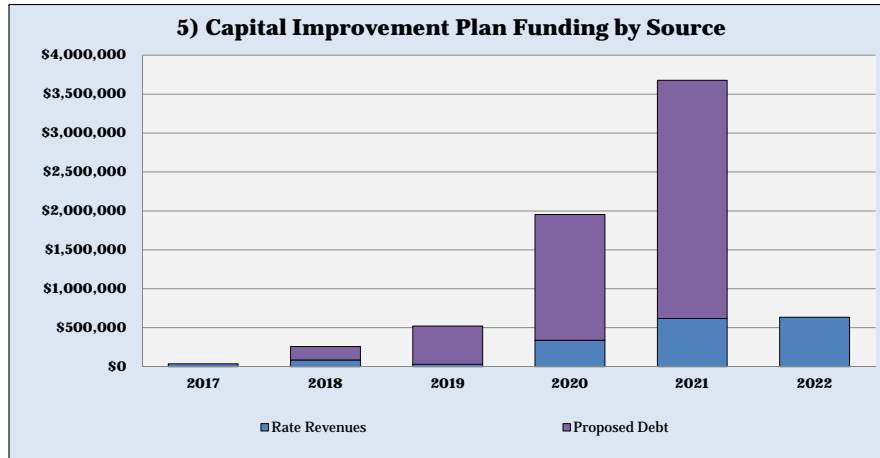


**Appendix 4
City of Edgewater, Florida
Solid Waste Utility Rate Study**



Solid Waste System Financial Dashboards and Performance Metrics

Description	Fiscal Year Ending September 30,						Description	Fiscal Year Ending September 30,						
	2017	2018	2019	2020	2021	2022		2017 Base	2017	2018	2019	2020	2021	2022
Recognized Revenue Adjustments:							System Surplus / (Deficiency)							
Solid Waste Collection Revenue Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%	Percent of Rate Revenues	(\$268,752)	\$83,279	\$341,483	\$236,098	(\$264,773)	\$11,245	
Effective Month of Increase	Aug.	Nov.	Oct.	Oct.	Oct.	Oct.		-8.31%	2.47%	9.18%	5.81%	-5.96%	0.23%	
Recycling Revenue Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%	Average Residential Bill:							
Effective Month of Increase	Aug.	Nov.	Oct.	Oct.	Oct.	Oct.	Solid Waste Collection	\$23.94	\$23.94	\$26.09	\$28.44	\$31.00	\$33.79	\$36.83
Combined Adjustment	N/A	8.25%	9.00%	9.00%	9.00%	9.00%	Recycling	3.06	3.06	3.34	3.64	3.97	4.33	4.72
Cumulative Adjustment	N/A	8.25%	17.99%	28.61%	40.19%	52.80%	Total Solid Waste Bill	\$27.00	\$27.00	\$29.43	\$32.08	\$34.97	\$38.12	\$41.55
							Monthly Increase - Total	N/A	\$0.00	\$2.43	\$2.65	\$2.89	\$3.15	\$3.43



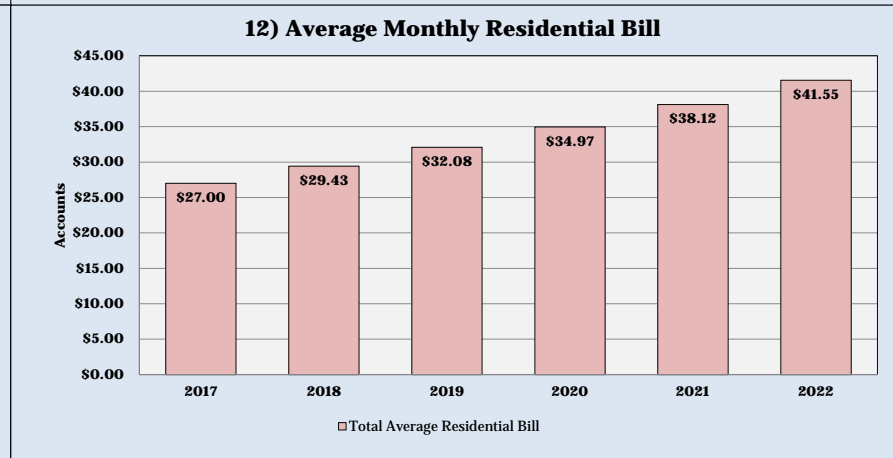
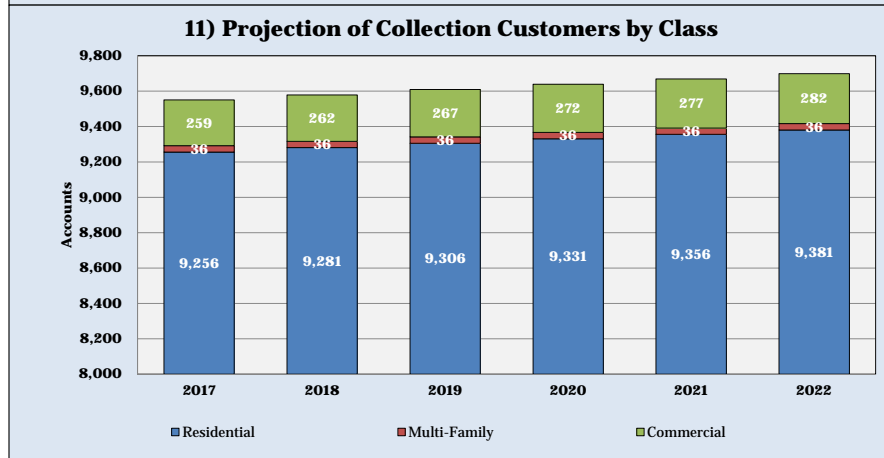
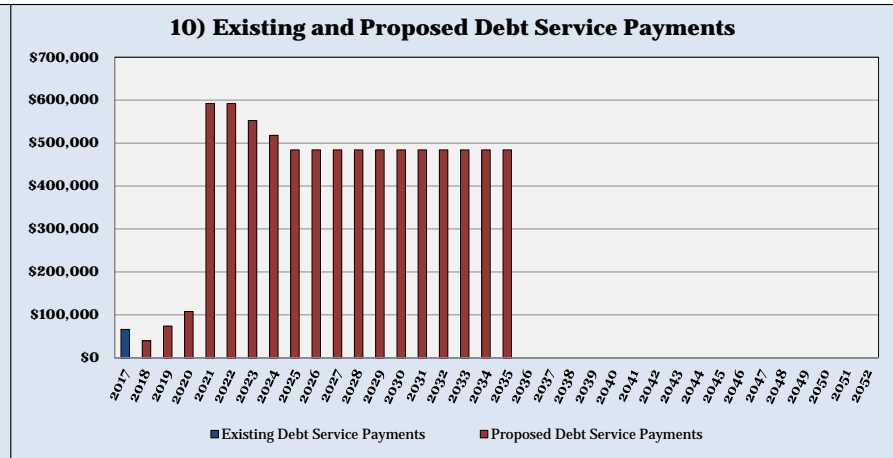
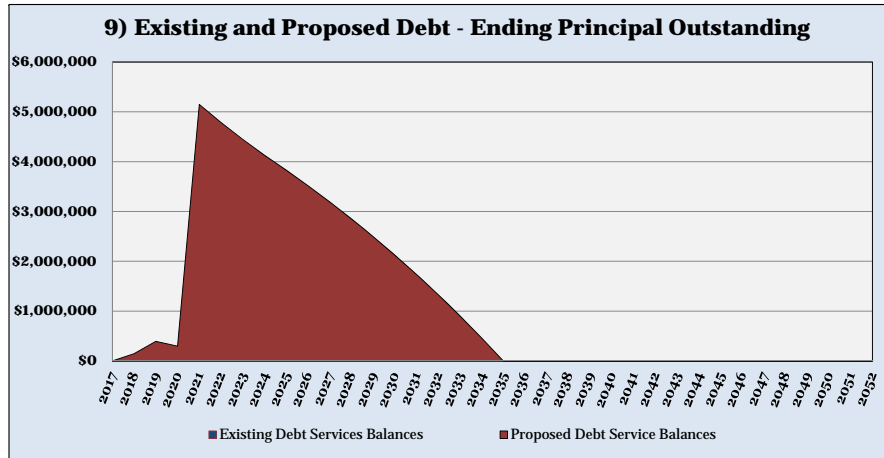


**Appendix 4
City of Edgewater, Florida
Solid Waste Utility Rate Study**



Solid Waste System Financial Dashboards and Performance Metrics

Description	Fiscal Year Ending September 30,						Description	Fiscal Year Ending September 30,						
	2017	2018	2019	2020	2021	2022		2017 Base	2017	2018	2019	2020	2021	2022
Recognized Revenue Adjustments:							System Surplus / (Deficiency)		(\$268,752)	\$83,279	\$341,483	\$236,098	(\$264,773)	\$11,245
Solid Waste Collection Revenue Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%	Percent of Rate Revenues		-8.31%	2.47%	9.18%	5.81%	-5.96%	0.23%
Effective Month of Increase	Aug.	Nov.	Oct.	Oct.	Oct.	Oct.	Average Residential Bill:							
Recycling Revenue Adjustment	0.00%	9.00%	9.00%	9.00%	9.00%	9.00%	Solid Waste Collection	\$23.94	\$23.94	\$26.09	\$28.44	\$31.00	\$33.79	\$36.83
Effective Month of Increase	Aug.	Nov.	Oct.	Oct.	Oct.	Oct.	Recycling	3.06	3.06	3.34	3.64	3.97	4.33	4.72
Combined Adjustment	N/A	8.25%	9.00%	9.00%	9.00%	9.00%	Total Solid Waste Bill	\$27.00	\$27.00	\$29.43	\$32.08	\$34.97	\$38.12	\$41.55
Cumulative Adjustment	N/A	8.25%	17.99%	28.61%	40.19%	52.80%	Monthly Increase - Total	N/A	\$0.00	\$2.43	\$2.65	\$2.89	\$3.15	\$3.43



Appendix 5
City of Edgewater, Florida
Solid Waste Utility Rate Study

Summary of Existing and Proposed Solid Waste Rates

Line No.	Description	Existing Rates	Proposed Fiscal Year Ending September 30,				
		2017	2018	2019	2020	2021	2022
	Proposed Collection Rate Adjustments	N/A	9.00%	9.00%	9.00%	9.00%	9.00%
	Proposed Recycling Rate Adjustments	N/A	9.00%	9.00%	9.00%	9.00%	9.00%
RESIDENTIAL							
Monthly							
1	Solid Waste Collection and Disposal [1]:	\$23.94	N/A	N/A	N/A	N/A	N/A
2	Recycling Collection [1]	3.06	N/A	N/A	N/A	N/A	N/A
3	Extra Can Charge (Greater Than 3 Cans, Each Can)	3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Annual							
4	Solid Waste Collection and Disposal [1]:	N/A	\$313.08	\$341.26	\$371.97	\$405.45	\$441.94
5	Recycling Collection [1]	N/A	40.08	43.69	47.62	51.91	56.58
COMMERCIAL / NON-RESIDENTIAL							
6	Solid Waste Collection and Disposal	\$27.16	\$29.60	\$32.26	\$35.16	\$38.32	\$41.77
7	Recycling Collection	3.06	3.34	3.64	3.97	4.33	4.72
8	Extra Can Charge (Greater Than 3 Cans, Each Can)	3.00	3.00	3.00	3.00	3.00	3.00
SPECIAL PICKUPS							
9	Non Bundled Yard Waste (Up to 4 Cubic Yards)	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
10	Per Cubic Yard (Greater Than 4 Cubic Yards)	11.50	11.50	11.50	11.50	11.50	11.50

Footnotes:

- [1] Residential solid waste and recycling services are charged on a monthly basis under the existing rate structure. However, beginning in Fiscal Year 2018 residential solid waste and recycling services will be charged as an annual non-ad valorem assessment. Commercial customers will continue to be charged on a monthly basis.

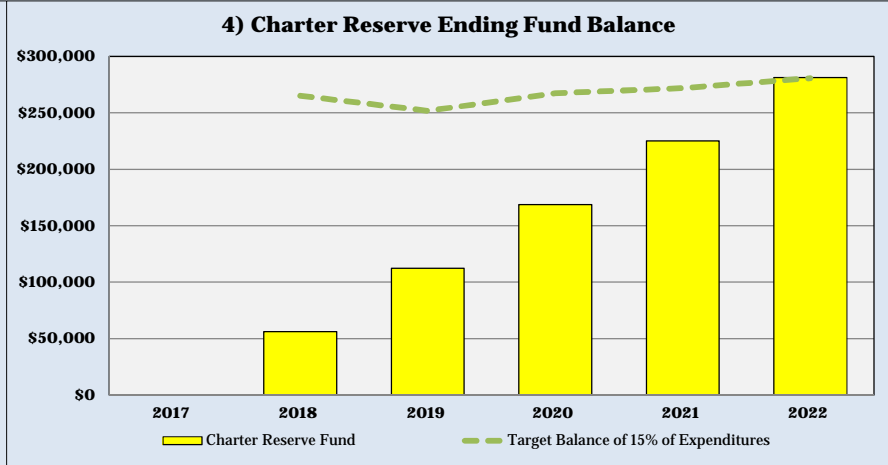
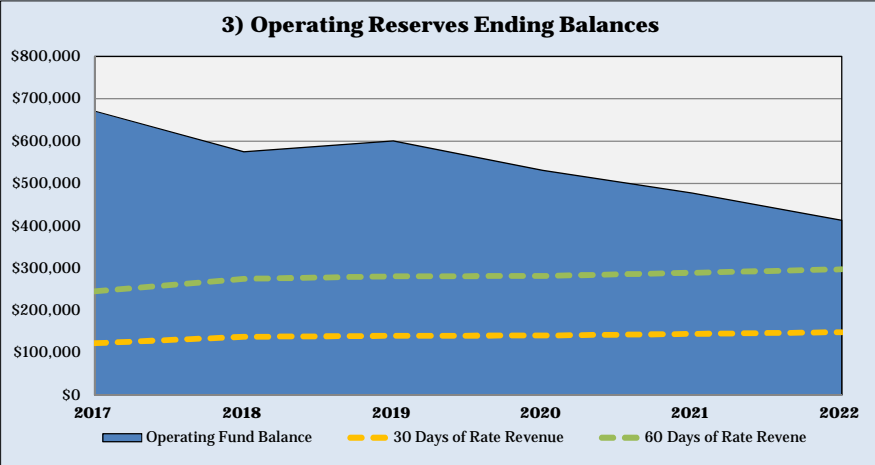
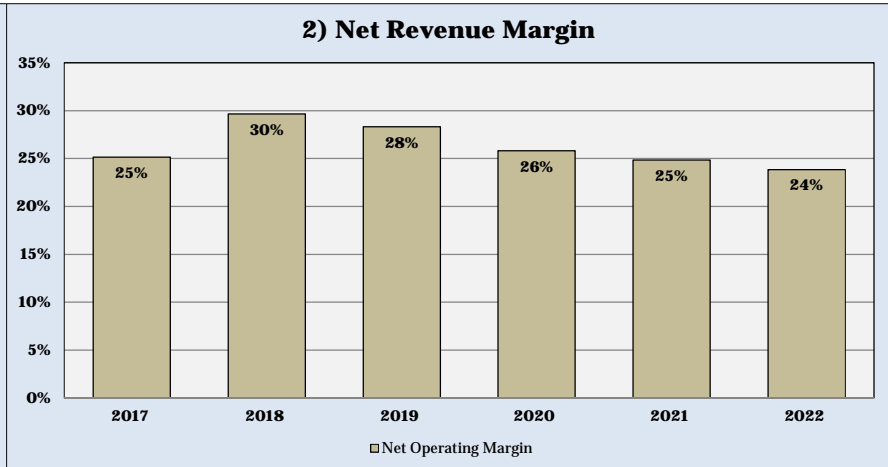
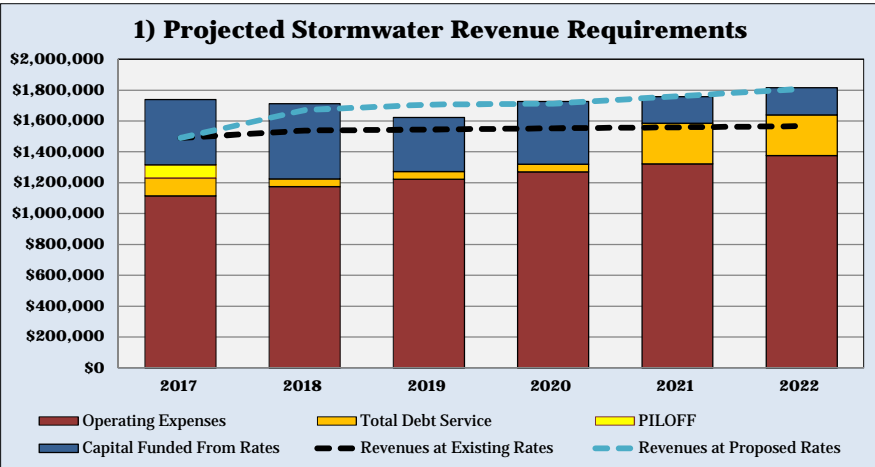


**Appendix 6
City of Edgewater, Florida
Stormwater Utility Rate Study**



Stormwater System Financial Dashboards and Performance Metrics

Description	2017	2018	2019	2020	2021	2022	Description	2017 Base	2017	2018	2019	2020	2021	2022
Recognized Revenue Adjustments:							System Surplus / (Deficiency)							
Stormwater Base Fee	0.00%	11.10%	0.00%	0.00%	2.40%	2.40%	System Surplus / (Deficiency)		(\$249,972)	(\$96,121)	\$25,661	(\$69,443)	(\$54,098)	(\$63,825)
Effective Month of Increase	November	November	October	October	October	October	Percent of Rate Revenues		-16.97%	-6.13%	1.60%	-4.31%	-3.26%	-3.74%
Stormwater Assessment Fee	0.00%	11.10%	0.00%	0.00%	2.40%	2.40%	Average Residential Bill:							
Effective Month of Increase	November	November	October	October	October	October	Stormwater Base Fee	\$4.90	\$4.90	\$5.44	\$5.44	\$5.44	\$5.57	\$5.70
Combined Adjustment	N/A	10.18%	0.00%	0.00%	2.40%	2.40%	Stormwater Assessment Fee	4.10	4.10	4.56	4.56	4.56	4.67	4.78
Cumulative Adjustment	N/A	10.18%	10.18%	10.18%	12.82%	15.53%	Total Stormwater Bill	\$9.00	\$9.00	\$10.00	\$10.00	\$10.00	\$10.24	\$10.48
							Monthly Increase - Total	N/A	\$0.00	\$1.00	\$0.00	\$0.00	\$0.24	\$0.24



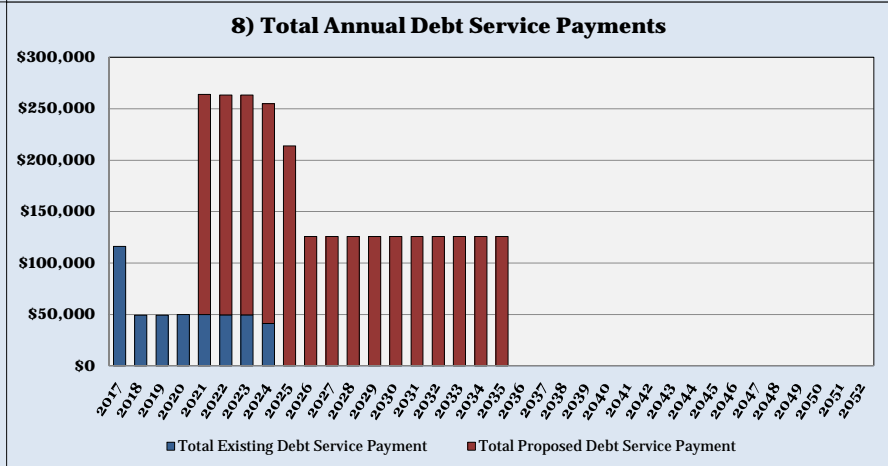
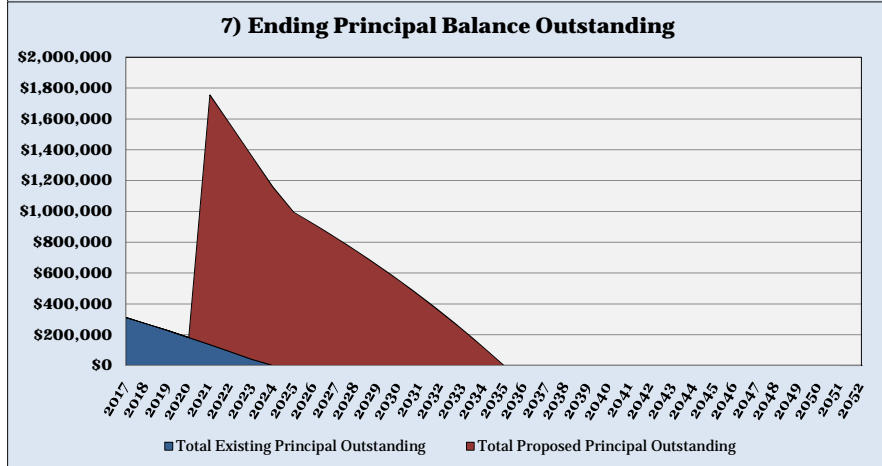
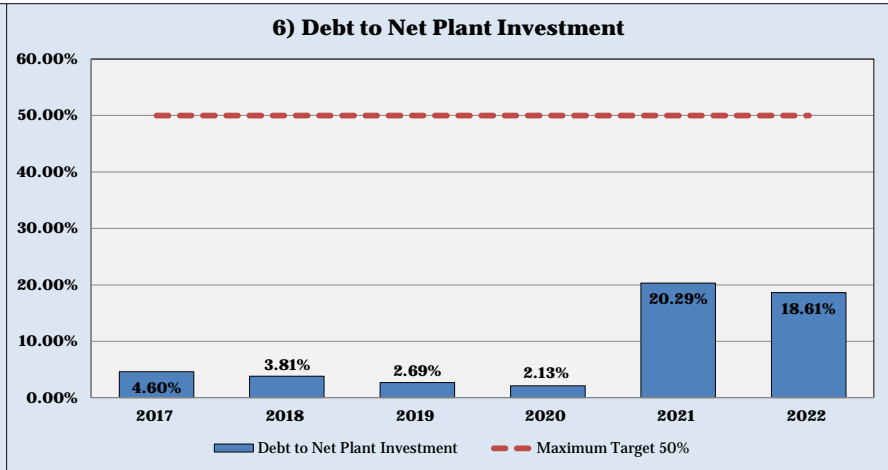
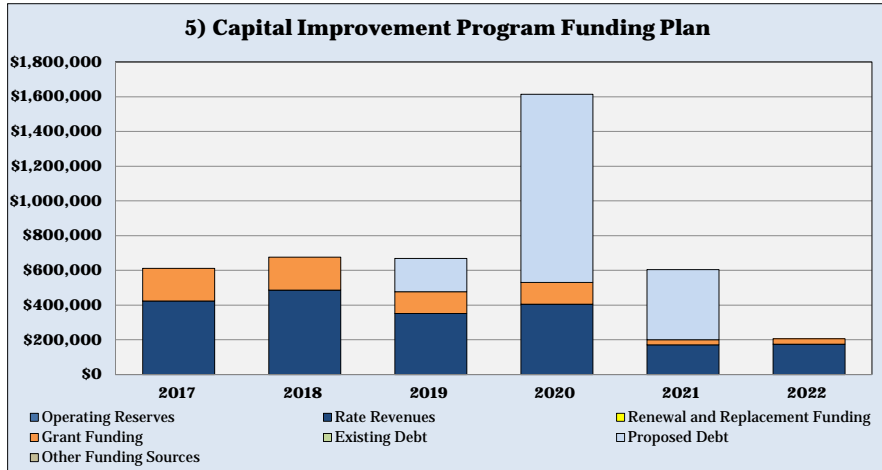


**Appendix 6
City of Edgewater, Florida
Stormwater Utility Rate Study**



Stormwater System Financial Dashboards and Performance Metrics

Description	2017	2018	2019	2020	2021	2022	Description	2017 Base	2017	2018	2019	2020	2021	2022
Recognized Revenue Adjustments:							System Surplus / (Deficiency)							
Stormwater Base Fee	0.00%	11.10%	0.00%	0.00%	2.40%	2.40%		(\$249,972)	(\$96,121)	\$25,661	(\$69,443)	(\$54,098)	(\$63,825)	
Effective Month of Increase	November	November	October	October	October	October	Percent of Rate Revenues	-16.97%	-6.13%	1.60%	-4.31%	-3.26%	-3.74%	
Stormwater Assessment Fee	0.00%	11.10%	0.00%	0.00%	2.40%	2.40%	Average Residential Bill:							
Effective Month of Increase	November	November	October	October	October	October	Stormwater Base Fee	\$4.90	\$4.90	\$5.44	\$5.44	\$5.44	\$5.57	\$5.70
Combined Adjustment	N/A	10.18%	0.00%	0.00%	2.40%	2.40%	Stormwater Assessment Fee	4.10	4.10	4.56	4.56	4.56	4.67	4.78
Cumulative Adjustment	N/A	10.18%	10.18%	10.18%	12.82%	15.53%	Total Stormwater Bill	\$9.00	\$9.00	\$10.00	\$10.00	\$10.00	\$10.24	\$10.48
							Monthly Increase - Total	N/A	\$0.00	\$1.00	\$0.00	\$0.00	\$0.24	\$0.24



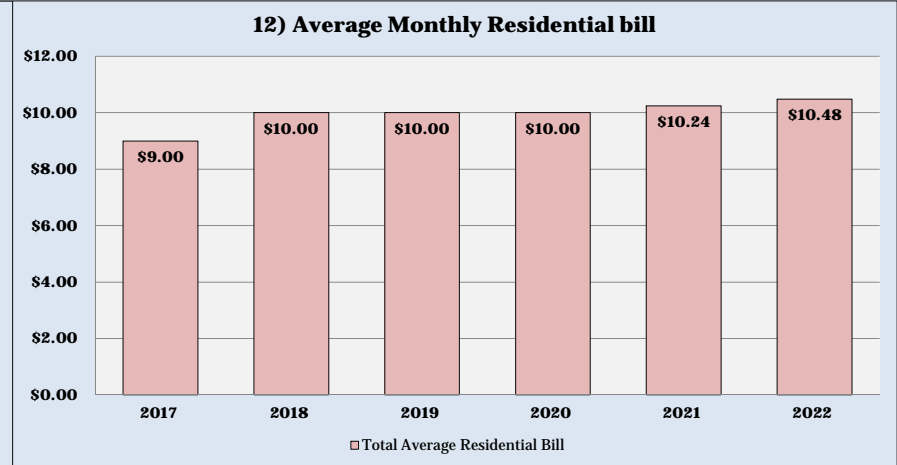
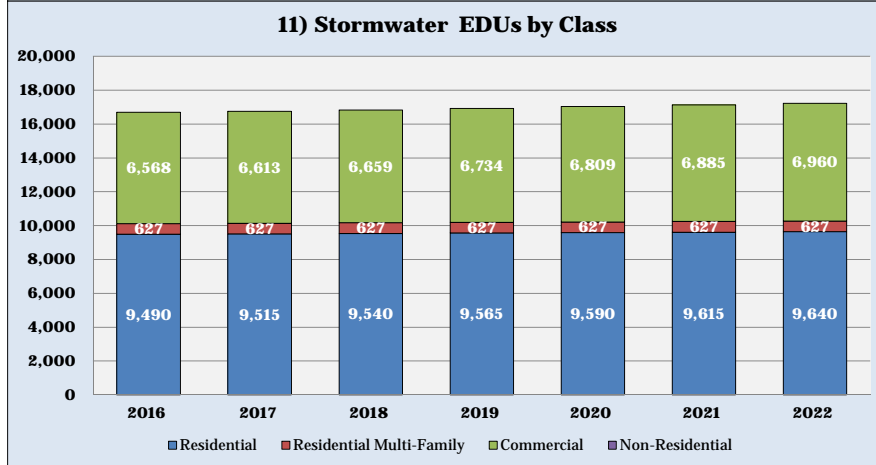
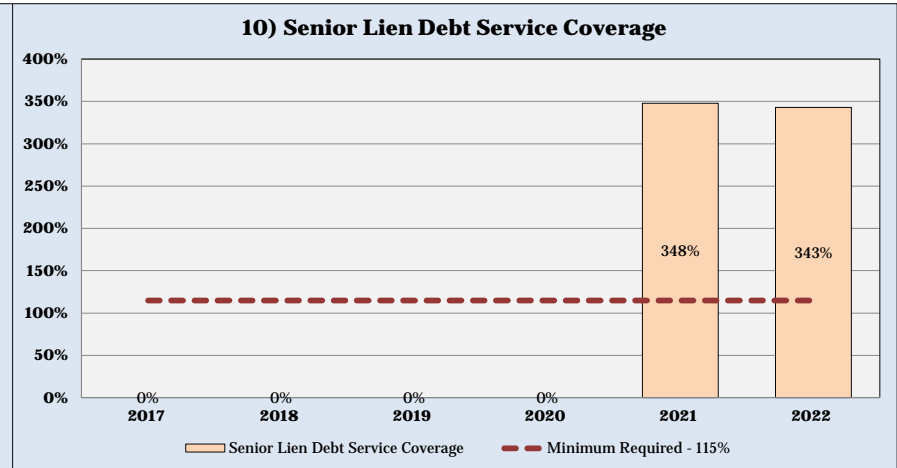
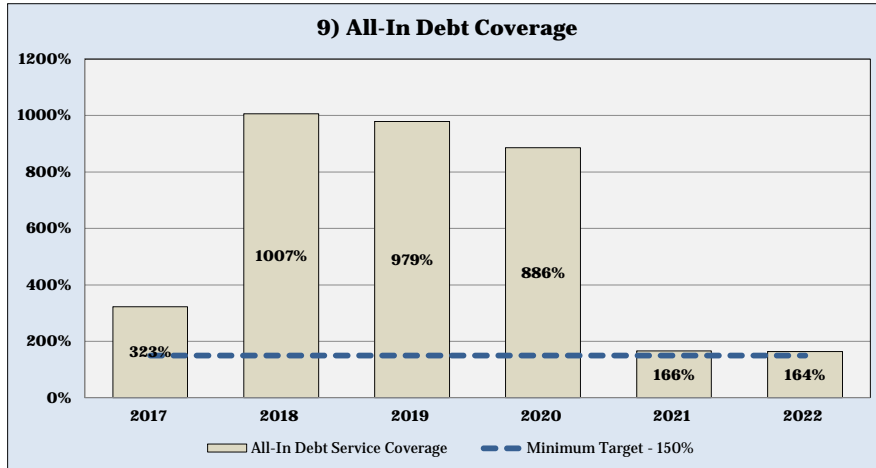


**Appendix 6
City of Edgewater, Florida
Stormwater Utility Rate Study**



Stormwater System Financial Dashboards and Performance Metrics

Description	2017	2018	2019	2020	2021	2022	Description	2017 Base	2017	2018	2019	2020	2021	2022
Recognized Revenue Adjustments:							System Surplus / (Deficiency)							
Stormwater Base Fee	0.00%	11.10%	0.00%	0.00%	2.40%	2.40%	System Surplus / (Deficiency)		(\$249,972)	(\$96,121)	\$25,661	(\$69,443)	(\$54,098)	(\$63,825)
Effective Month of Increase	November	November	October	October	October	October	Percent of Rate Revenues		-16.97%	-6.13%	1.60%	-4.31%	-3.26%	-3.74%
Stormwater Assessment Fee	0.00%	11.10%	0.00%	0.00%	2.40%	2.40%	Average Residential Bill:							
Effective Month of Increase	November	November	October	October	October	October	Stormwater Base Fee	\$4.90	\$4.90	\$5.44	\$5.44	\$5.44	\$5.57	\$5.70
Combined Adjustment	N/A	10.18%	0.00%	0.00%	2.40%	2.40%	Stormwater Assessment Fee	4.10	4.10	4.56	4.56	4.56	4.67	4.78
Cumulative Adjustment	N/A	10.18%	10.18%	10.18%	12.82%	15.53%	Total Stormwater Bill	\$9.00	\$9.00	\$10.00	\$10.00	\$10.00	\$10.24	\$10.48
							Monthly Increase - Total	N/A	\$0.00	\$1.00	\$0.00	\$0.00	\$0.24	\$0.24



Appendix 7
City of Edgewater, Florida
Stormwater Utility Rate Study

Summary of Existing and Proposed Stormwater Rates

Line No.	Description	Existing Rates	Proposed Fiscal Year Ending September 30,				
		2017	2018	2019	2020	2021	2022
	Proposed Revenue Adjustments	N/A	11.10%	0.00%	0.00%	2.40%	2.40%
	RESIDENTIAL						
	Monthly						
1	Stormwater Base Fee [1]	\$4.90	N/A	N/A	N/A	N/A	N/A
2	Stormwater Assessment Fee [1][2]	4.10	N/A	N/A	N/A	N/A	N/A
	Annual						
3	Stormwater Base Fee [1]	N/A	\$65.28	\$65.28	\$65.28	\$66.85	\$68.45
4	Stormwater Assessment Fee [1][2]	N/A	54.72	54.72	54.72	56.03	57.37
	COMMERCIAL / NON-RESIDENTIAL						
5	Stormwater Base Fee [1]	\$4.90	\$5.44	\$5.44	\$5.44	\$5.57	\$5.70
6	Stormwater Assessment Fee [1][2]	4.10	4.56	4.56	4.56	4.67	4.78
7	Contributing Area of a Residential EDU (sq ft)	2,027	2,027	2,027	2,027	2,027	2,027

Footnotes:

- [1] Residential stormwater services are charged on a monthly basis under the existing rate structure. However, beginning in Fiscal Year 2018 residential stormwater services will be charged as an annual non-ad valorem assessment. Commercial customers will continue to be charged on a monthly basis.
- [2] Commercial and non-residential services with site mitigation facilities are not charged the assessment fee.

