

# City of Clearwater

## FY 2016 Water & Sewer Revenue Sufficiency Analysis



## Final Report

July 21, 2016

Prepared by:

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**BURTON & ASSOCIATES**

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**A Hawksley Consulting Company**



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CLEARWATER  
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July 21, 2016

Mr. Jay Ravins  
Finance Director  
City of Clearwater  
100 S. Myrtle Avenue  
Clearwater, FL 33756

Re: FY 2016 Water & Sewer Revenue Sufficiency Analysis – Final Report

Dear Mr. Ravins:

Burton & Associates is pleased to present this Final Report of the FY 2016 Revenue Sufficiency Analysis that we have performed for the City's Water and Sewer Enterprise Fund.

We appreciate the fine assistance provided by you, your staff, and all of the members of City staff who participated in the analysis.

If you have any questions, please do not hesitate to call me at (813) 443-5138.

Very truly yours,



Andrew J. Burnham  
Senior Vice President

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## **SECTION 1. INTRODUCTION**

Burton & Associates has conducted a Revenue Sufficiency Analysis (RSA) for the City of Clearwater's Water & Sewer Enterprise Fund (Utility). The following sections of this report describe in detail the procedures, assumptions, results, and recommendations of the RSA.

### **1.1 BACKGROUND**

In recent years, many challenges have affected the financial performance of the Utility. Pinellas County, the City's wholesale water provider, has continued to increase its wholesale rates. Aging infrastructure continues to drive the need for additional renewal and replacement projects within the Utility's capital improvement plan. Moreover, a combination of recent economic conditions and continued conservation awareness has caused many of the Utility's customers to reduce the quantity of water they are using.

With these challenges and many others ahead, the City retained Burton & Associates to evaluate the adequacy of the revenue provided by its current rates and the annual rate adjustments proposed in the FY 2015 RSA Study<sup>1</sup> to meet its financial requirements over a five-year planning period and ten-year projection period. Additionally, the Utility requested Burton & Associates update a detailed water demand and customer account analysis to continue to understand the trends and magnitude of these reductions and to develop updated customer and demand projections for use in this RSA.

### **1.2 OBJECTIVE**

The objective of this RSA was to evaluate the sufficiency of the Utility's current rates and proposed annual rate adjustments for water and wastewater and to identify a plan of future

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<sup>1</sup> The 2015 RSA proposed 4.5% rate increase for FY 2016 and 4.0% annual increases for FY 2017 through FY 2025 for water and wastewater.

increases that would provide adequate revenue to fund the Utility's cost requirements over a multi-year projection period while recognizing the effects of recent minor customer and demand growth<sup>2</sup>, increasing purchased water costs, and increasing renewal and replacement requirements.

### 1.3 STUDY PROCEDURES

During the conduct of this RSA, we evaluated the Utility's financial management plan by examining the impact of key parameters (such as a small increase in customers and demand, price elasticity, increasing reclaimed water usage, increasing purchased water costs, additional renewal and replacement and operating expenses, etc.) upon important financial indicators by use of graphical representations projected on a large viewing screen from our computer rate models. In this way, we evaluated the adequacy of the Utility's current plan of annual rate increases to provide sufficient revenues to fund the Utility's cost requirements for FY 2017 and identified a plan of equal annual future increases over the remainder of the projection period (FY 2017 thru FY 2026) that would meet the financial requirements, goals, and objectives of the Utility.

In order to initiate the RSA, we obtained the Utility's historical and budgeted financial information regarding the operation of the Water and Sewer Enterprise Fund. We obtained the Utility's multi-year capital improvement program (CIP) and the Utility's current debt obligations and the covenants, or promises made to bond holders or other lenders, relative to net income coverage requirements, reserves, etc. We also counseled with City staff regarding other assumptions and policies that would affect the Water and Sewer Enterprise Fund, such as required levels of reserves, interest earnings rates, escalation rates for operating costs, increases to wholesale water costs, etc.

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<sup>2</sup> Since the Great Recession the Utility experienced significant account and consumption declines and in recent years that downward trend has started to slowly reverse.

All of this information was entered into our Financial Analysis and Management System (FAMS) interactive model. The FAMS model produces a multi-year projection of the sufficiency of the Utility's revenues to meet all of its current and projected financial requirements and determines the level of rate revenue increases necessary in each year to provide sufficient revenues to fund all of the Utility's requirements.

FAMS also utilizes all available and unrestricted funds in each year of the projection period to pay for capital projects, in accordance with the cash application rules in the model as defined with City staff. This produces a detailed summary of the funding sources to be used for each project in the CIP.

To the extent that current revenues and unrestricted reserves are not adequate to fund all capital projects in any year of the projection period, the FAMS model identifies a borrowing requirement to fund those projects or portions thereof that are determined to be eligible for borrowing. In this way, the FAMS model is used to develop a borrowing program that includes the required borrowing amount by year and the resultant annual debt service obligations of the Utility for each year in the projection period.

## SECTION 2. ANALYSIS

This section presents the results of the analysis and the financial management plan developed during the conduct of this RSA. The first sub-section presents a description of the base data, assumptions, and policies of the RSA. The second sub-section provides the results of the RSA, while the Appendix includes detailed financial analysis schedules supporting the financial management plan identified herein.

### 2.1 ASSUMPTIONS

During the conduct of the RSA, we communicated with City staff regarding various data and assumptions used in the development of the financial management plan presented herein. The base data, assumptions, and policies included in the RSA are as follows:

Beginning Fund Balances – The Utility’s Comparative Balance Sheet and Restricted Asset Statement for September 30, 2015 provided the historical financial information used to establish the beginning FY 2016 balances for each of the various funds. It is important to note that funds reserved or encumbered for specific capital projects were included in the beginning fund balances available for capital projects in FY 2016 and the associated capital project costs were included in the CIP.

Base Revenues – The revenues utilized in the RSA reflect a combination of estimated and budgeted FY 2016 amounts. The estimated FY 2016 results are based on FY 2015 actual amounts, adjusted for assumed customer and usage changes as well as the adopted 4.5% rate increase for FY 2016. Revenues consist of water, wastewater, irrigation and reclaimed water rate revenues and all other categories of revenue.

Table 2 below presents a comparison of the projected rate revenues from the FY 2015 RSA and the actual and estimated information utilized in the current RSA. As can be seen, the FY 2016 revenue estimate from this RSA is approximately \$401,000, or 0.56%, higher than the projected amount from the FY 2015 RSA.



## FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

### ANALYSIS

**Table 2. Actual/Estimated Revenues vs. FY 2015 RSA Projections**

	<u>FY 2015</u>	<u>FY 2016</u>
Actual/Estimated Rate Revenue*	\$68,655,644	72,249,062
FY 2015 RSA Projected Revenue*	\$68,736,150	71,848,267
Difference	\$80,506	\$400,795

\*Rate Revenue includes Water, Irrigation, Reclaimed Water, and Sewer Revenue.

For each year after FY 2016, rate revenues in this RSA are adjusted based upon assumed rate increases, customer growth, and changes in demand. All other non-rate revenues were based upon the FY 2016 Approved Budget and FY 2017 Preliminary Budget.

Customer Growth – As stated previously, we performed an analysis of the Utility’s historical account and demand data. Relative to accounts or customers, we specifically reviewed changes in the number of active accounts by month during the past 10 years. Based upon this review, we developed annual forecasts of active accounts for each service type that recognize a gradual return to historical number of active accounts over the next ten years. Schedule 2 of the Appendix includes detailed projections of active accounts for water, irrigation, sewer, and reclaimed water service.

Forecast of Billed Demands – The analysis of historical billed demands was based upon a review of the Utility’s monthly billing consumption by service and customer class for the past 10 fiscal years. The results of this analysis concluded that in recent years a minor increase in accounts has caused a stabilization and/or minor increase in demand. Despite overall increase in demand, the trend of declining average usage per account continues (see Table 3).

The Utility has experienced a reduction of approximately 11.6% in total billed potable water demand since 2008; or approximately 1.40% per year. However, as economic conditions are slowly improving, we anticipate and estimate that average use per single-family residential account per month will increase slightly from the FY 2015 level of 3,931 gallons to 3,953 gallons in FY 2016. Across all customer classes, we anticipate a slight increase (0.26%) in total billed potable water demand in FY 2016 as compared to FY 2015.

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## ANALYSIS

**Table 3. Changes in Billed Potable Water Demand from FY 2010 to FY 2016**

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016 (est.)</u>
Total Annual Demand (In Thousand Gallons)*	3,370,436	3,402,819	3,359,115	3,379,731	3,342,953	3,362,701	3,371,372
Percentage Change	-3.51%	0.96%	-1.28%	0.61%	-1.09%	0.59%	0.26%
Average Monthly Single-Family Demand/Account	4,292	4,278	4,132	4,080	3,997	3,931	3,953
Percentage Change		-0.32%	-3.41%	-1.27%	-2.03%	-0.02%	0.01%

\*Includes Single-Family, Multi-Family, Commercial, Government, and Industrial Demands.

We incorporated the multi-year billed demand projections into the RSA for each service (which include both the effects of changes in use per account and the annual changes in accounts described previously). Schedule 2 of the Appendix includes detailed projections of billed demand by service.

Reclaimed Water Use Revenue Impacts – As reclaimed water is made available to more customers and reclaimed water usage increases, there will be a reduction in the Utility’s potable irrigation customers and demands as well as a corresponding reduction in the amount of wholesale water that has to be purchased. As such, there will also be a reduction in lawn irrigation revenues as they are replaced by lower revenues from reclaimed water customers. The net effect of these reclaimed water impacts causes projected rate increases to be larger. The customer and demand projections for lawn irrigation and reclaimed water service on Schedule 2 include the impact of the continued expansion of the reclaimed water system.

Price Elasticity – This adjustment is incorporated into the FAMS model to reflect that as rates increase, discretionary water usage will likely decline. Therefore, in order to generate sufficient revenue, projected rate increases will have to be adjusted to reflect a smaller usage base to which they will be applied, thus causing the projected rate increases to be larger. The price elasticity adjustment reduces all usage revenues by the product of the annual rate increase and the annual assumed elasticity coefficient. In each year of the projection period the price elasticity coefficient is 0.30, meaning for every 10% increase in rates, there is a resulting 3% reduction in consumption.

## FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

### ANALYSIS

Interest Earnings – The projection of interest earnings on invested funds (including funds dedicated for CIP projects) was calculated in each year based upon a computation of average fund balances in each year of the analysis and assumed annual interest rates of 1.50% in FY 2016, 1.75% in FY 2017, 2.00% in FY 2018, and 2.5% in FY 2019 and each year thereafter for the remainder of the projection period.

Base Operating Expenditures – To offset the impacts of the observed revenue reductions which resulted from decreases in customers and demands during the recent economic recession, City staff undertook several cost containment/cutting initiatives. As economic conditions revert to better levels, operating expenditures are anticipated to track growth. Table 4 presents a comparison of the projected operating expenditures (excluding purchased water costs) from the FY 2015 RSA and the estimated/projected information utilized in the current RSA. As can be seen, the Utility's estimated operating expenditures for FY 2016 and FY 2017 are slightly higher (2.98% and 1.40%, respectively) than the projections of the FY 2015 RSA.

**Table 4. Estimated/Budgeted Expenditures vs. FY 2015 RSA Projections**

	<u>FY 2016</u>	<u>FY 2017</u>
Currently Estimated/Budgeted Expenditures*	\$40,386,936	41,635,749
FY 2015 RSA Projected Expenditures*	\$39,218,359	41,063,393
Difference	\$1,168,577	\$572,356

\*Expenditures exclude purchased water costs, debt service, PILOT, lease-purchase expenses, and renewal & replacement transfer.

The FY 2016 revenue requirements in this RSA are based principally upon the FY 2016 Approved Budget, which reflect all operations and maintenance (O&M) expenses, other miscellaneous expenses, debt service requirements, and inter-fund transfers (including PILOT and Renewal & Replacement (R&R) Transfers). Future O&M expense adjustments, not included in the FY 2016 Approved Budget, were provided by City staff.

Renewal & Replacement Transfers – The R&R Transfers include annual contributions from the Wastewater Collection, WPC Plant Operations and Water Distribution departments and an Additional R&R Transfer. The FY 2016 transfer amounts were

## FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

### ANALYSIS

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provided in the FY 2016 Budget, and beginning in FY 2017, are calculated based upon 5% of prior year's total operating revenue, distributed to each department based upon the ratio of budgeted FY 2016 transfers by department to the total transfer amount.

Based upon discussions with City staff, the RSA includes an Additional R&R Transfer in order to comply with updated rating agency criteria for funding capital projects with cash rather than additional borrowing. The Additional R&R Transfer is assumed to begin in FY 2016 in the amount of \$1,000,000 and is assumed to increase by \$1,000,000 in each year of the projection period such that by FY 2025, the Additional R&R Transfer will be \$10,000,000 and will stay at \$10,000,000 in FY 2026.

O&M Cost Additions – In addition to the base budgeted amounts of O&M expenses, incremental operating costs have been included in the RSA, mainly relating to future additional water supply and treatment expenses associated with planned facility expansions. The complete list of all future additional/incremental O&M costs that were included in the RSA is presented on Schedule 7 of the Appendix.

Cost Escalation – Annual cost escalators for the various types of O&M expenses were provided by City staff and applied in each year of the projection period beginning in FY 2017. A summary of the specific cost escalation factors are presented on Schedule 1 of the Appendix.

Payment in Lieu of Taxes – The annual calculation of the payment in lieu of taxes transfer is based upon FY 2016 Approved budget and upon 5.5% of the prior year's total operating revenues in FY 2017 and each year thereafter of the projection period.

Total Demand and Purchased Water Expenses – The total forecasted demand that is purchased by the City is based upon the billed demand projections described previously and is assumed to be approximately 3.50 million gallons per day (MGD) in FY 2016. This volume takes into account several projects still included in the CIP that seek to reduce the City's reliance on Pinellas County's Water Supply. As such, purchased water demands throughout the projection period are reduced to approximately 1.5 MGD in FY 2019, per City plans to significantly reduce the amount of water purchased from Pinellas County.

## FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

### ANALYSIS

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It is the goal of the City to provide as much of the City's average daily flow demand locally, but maintain reliance upon the County and Regional System for maintenance, peaking demands, and emergency supply. The annual amount of water purchased is multiplied against the projected wholesale water rate of Pinellas County in order to determine the purchased water expense each year that is incorporated into the RSA.

Increases in Pinellas County Water Rates – Per the current plan of adjustments as adopted by the Pinellas County Board of County Commissioners, it is assumed that Pinellas County wholesale water rates charged to the City will increase by 1.75% in FY 2017 and each year thereafter, consistent with Pinellas County's most recent rate study<sup>3</sup> available at the time the RSA was being conducted.

Minimum Working Capital – The plan assumes that the Utility will maintain a minimum Working Capital Reserve fund balance in an amount equal to six months of O&M and purchased water expenses from FY 2017 thru FY 2026.

Utilities typically establish a target reserve balance for working capital, or unrestricted, reserves in order to provide the ability to withstand cash-flow fluctuations. There can be a significant length of time between when a system provides a service and when a customer may pay for that service. In addition to timing, the volume of cash flow for utilities can be substantially affected by weather and seasonal demand patterns. Absent a detailed multi-year historical study of monthly cash flows and an analysis of the aging of accounts receivable, there are various industry guidelines and practices available to determine an appropriate target reserve.

However, per a recent analysis conducted by the Rates and Charges Committee of the American Water Works Association (AWWA), a prudent level of minimum unrestricted reserves is an amount equal to at least 2 months of operating and maintenance expenses. This is also consistent with our industry experience, in which water and sewer utilities

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<sup>3</sup> FY 2015 Utility Rate Study, Final Report dated July 30, 2015.

## FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

### ANALYSIS

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generally target minimum reserves in the range of 2 to 6 months of operating and maintenance expenses.

Capital Projects Funding – The CIP was provided by City staff through FY 2022. Beginning in FY 2023, unspecified future capital projects were projected based upon the average annual CIP spending for the preceding five years. It is important to note that beginning in FY 2018, a 3.0% annual compounding cost escalation factor has been applied to each capital project to account for inflation in the future cost of construction.

In total, the cost of the CIP (including cost inflation) from FY 2016 – FY 2026 equals approximately \$349 million. A detailed list of the specific projects and costs by year are presented on Schedule 4 of the Appendix of this Report.

Borrowing Assumptions – To the extent new debt would be required in any year of the projection period to fund a portion of the CIP, the FAMS model calculates debt service with the following terms:

**Table 5. Borrowing Assumptions**

Senior-Lien Debt:		
Term		30 Years
Interest Rate		5.50 %
Interim Financing:		
Term		1 Year
Interest Rate		1.50% - 2.50%
Short-Term Debt:		
Term		5 Years
Interest Rate		1.50% - 2.50%

It is assumed that any interim borrowings would be refinanced the following year and included in a senior-lien revenue bond or bank loan.

Senior-Lien Debt Service Payment Schedule – All future revenue bond issues, as calculated by FAMS, are assumed to be issued in the middle of the fiscal year. As a result, only an interest payment is made in the year in which each bond is issued. All subsequent years reflect full annual principal and interest payments.

Interim Financing – The analysis assumes the use of interim financing in FY 2017, FY

2019, FY 2021, FY 2023 and FY 2025; while it assumes senior-lien borrowing, or revenue bonds, are issued in FY 2018 and every even year thereafter. All interim financing issues are assumed at the beginning of the fiscal year and are refinanced in the subsequent year as part of the senior-lien borrowing. Until refinanced as part of the subsequent bond issue, the only carrying costs for the interim financing are interest-only payments.

Short-Term Borrowing – The analysis assumes the use of short-term borrowing to calculate the debt service for lease/payments provided by staff as part of the Capital Improvement Plan.

Debt Service Coverage – There are two debt service coverage tests in the Utility's outstanding bond covenants as follows:

- Rate Covenant – Net income must be at least 1.15 times annual debt service
- Parity Test – Net income must be at least 1.20 times maximum annual debt service (only in years when revenue bonds are issued).

It is important to note that these coverage requirements are minimum requirements. To the extent that a utility is unable to meet these requirements, it could be found in technical default and would potentially have its credit rating downgraded, which would affect the interest rates and terms of future financing initiatives. As a policy decision, utilities often measure revenue sufficiency and set rates based upon a higher coverage level so as to ensure compliance with these covenants in the event future projections of revenue and expenses do not occur as predicted. As such, the RSA reflects a target debt service coverage ratio of 1.50, which is considered *Midrange* for utility systems per recently published guidance from the municipal ratings agency Fitch Ratings (July 2013).

## **2.2 RESULTS**

The steady reduction in billed water demand (despite the minor reversal in this trend in FY 2015) has had a measurable impact on the revenues of the Utility. However, the revenue impacts from demand reductions have largely been offset by 1) the avoidance of purchased

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## ANALYSIS

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water expenses due to demand reductions and increases of City production capacity, and 2) operating cost containment initiatives undertaken by City staff.

Using our financial forecasting model, we determined that an annual increase of 3.75% to water, wastewater, and reclaimed water rates through FY 2021 would provide adequate revenue to meet the Utility's operating and capital cost, debt service coverage, and reserve requirements during that time period. In fact, the RSA shows that 3.75% annual rate increases through FY 2026 should provide adequate revenue to meet the projected requirements of the Utility during each remaining year of the projection period.

**Table 6 Recommended Financial Management Plan**

	<u>FY 2017 - 26</u>
Water*	3.75%
Reclaimed Water	3.75%
Wastewater	3.75%

\*Rate increases applicable to Potable and Irrigation rates.

### 2.2.1 Financial Results of Operations and Sources and Uses of Funds

The Appendix presents Schedules 1 through 13 that support the financial management plan identified in this Report. The schedules presented in the Appendix reflect a projection period that extends through FY 2026. While the immediate five-year period is most important, our analysis extends beyond this time period so that any significant cost or revenue shortfalls just outside of the first five year planning period may be identified and potentially addressed in the current RSA to avoid future financial harm and adverse rate impacts to customers.



## **SECTION 3. RATE SURVEY**

As part of the RSA, we prepared two residential rate surveys that compare the current monthly bill for the Utility's typical residential user to that of neighboring communities. The rate surveys were performed in order to provide an understanding of the current market range of typical residential utility costs and how the Utility fits within that range.

### **3.1 METHODOLOGY**

The rate surveys were conducted during the spring of calendar year 2016 and the rates presented in the survey were in effect at the time the survey was created (i.e. FY 2016 rates). The monthly bill calculations reflect typical single-family residential usage of 3,000 gallons per month (50% of the City's residential bills are issued at or below this level and it represents the most commonly billed usage amount) and 4,000 gallons per month (the statistical average usage).

The rates used in the surveys were based upon information available on each utility's website, provided by its billing department, and/or published in rate ordinances as available on Municode.com. The utilities surveyed were: Clearwater, Dunedin, Gulfport, Hillsborough County, New Port Richey, Oldsmar, Pasco County, Pinellas County, Port Richey, Safety Harbor, St. Petersburg, Tampa, Tarpon Springs, and Zephyrhills.

### **3.2 RESULTS**

Assuming 3,000 gallons of water use, the Utility charges a monthly water and sewer bill that is slightly less than the median combined bill of the utilities surveyed. Table 7 demonstrates that the City's FY 2016 monthly water and sewer bill (\$46.20) is \$1.26 less than the median bill (\$47.46).

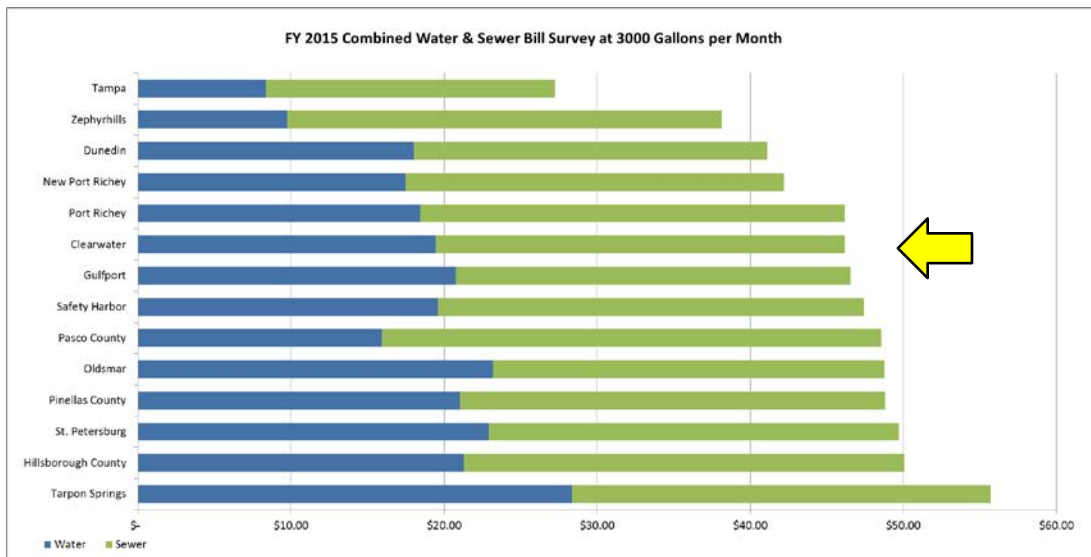
# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## RATE SURVEY

**Table 7. Monthly Residential Water & Sewer (Using 3,000 gallons)**

<u>Water &amp; Sewer System</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Tarpon Springs	\$28.36	\$27.36	\$55.72
Hillsborough County	\$21.31	\$28.78	\$50.08
St. Petersburg	\$22.95	\$26.76	\$49.71
Pinellas County	\$21.04	\$27.78	\$48.82
Oldsmar	\$23.19	\$25.59	\$48.78
Pasco County	\$15.93	\$32.64	\$48.57
Safety Harbor	\$19.62	\$27.84	\$47.46
Gulfport	\$20.76	\$25.81	\$46.57
Clearwater	\$19.44	\$26.76	\$46.20
Port Richey	\$18.45	\$27.74	\$46.18
New Port Richey	\$17.50	\$24.70	\$42.20
Dunedin	\$18.06	\$23.07	\$41.13
Zephyrhills	\$9.74	\$28.40	\$38.14
Tampa	\$8.37	\$18.90	\$27.27
<b>Median (excluding Clearwater)</b>			<b>\$47.46</b>
<b>Mean (excluding Clearwater)</b>			<b>\$45.43</b>

The information presented in the table above is shown graphically below.



Assuming 4,000 gallons per month of water use, the Utility charges a monthly water and sewer bill that is slightly higher than the median combined bill of the utilities surveyed. Table 8 demonstrates that the City's FY 2016 monthly water and sewer bill (\$62.99) is \$4.91 higher than the median bill (\$58.08).

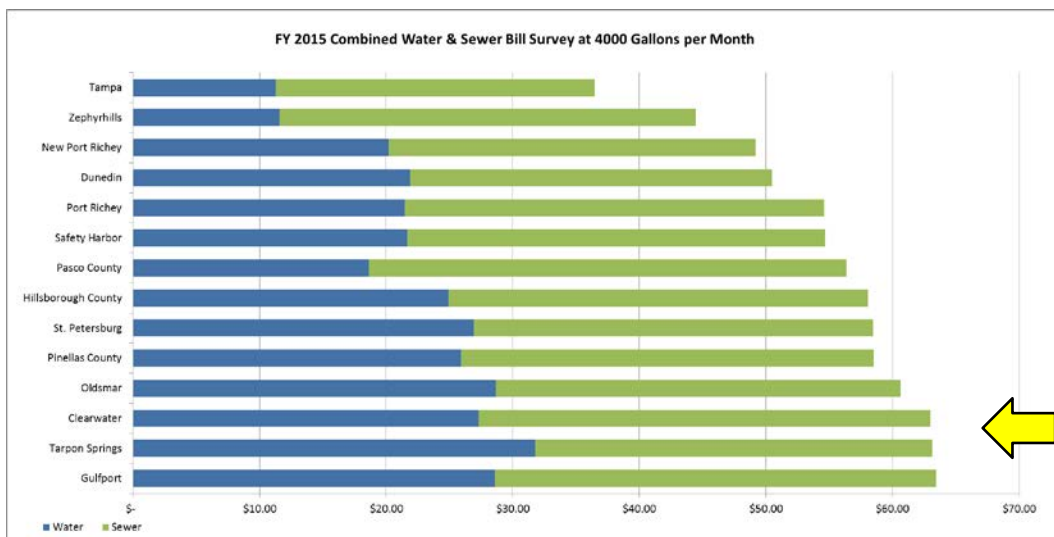
# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## RATE SURVEY

**Table 8. Monthly Residential Water & Sewer (Using 4,000 gallons)**

<u>Water &amp; Sewer System</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Gulfport	\$28.59	\$34.87	\$63.46
Tarpon Springs	\$31.78	\$31.37	\$63.15
Clearwater	\$27.31	\$35.68	\$62.99
Oldsmar	\$28.66	\$32.01	\$60.67
Pinellas County	\$25.90	\$32.62	\$58.52
St. Petersburg	\$26.93	\$31.53	\$58.46
Hillsborough County	\$24.93	\$33.16	\$58.08
Pasco County	\$18.63	\$37.74	\$56.37
Safety Harbor	\$21.65	\$33.01	\$54.66
Port Richey	\$21.48	\$33.12	\$54.59
Dunedin	\$21.90	\$28.58	\$50.48
New Port Richey	\$20.19	\$29.01	\$49.20
Zephyrhills	\$11.58	\$32.88	\$44.46
Tampa	\$11.28	\$25.20	\$36.48
<b>Median (excluding Clearwater)</b>			<b>\$56.37</b>
<b>Mean (excluding Clearwater)</b>			<b>\$54.51</b>

The information presented in the table above is shown graphically below.



### 3.2.1 Future Considerations

It is important to note that this survey is a “snapshot in time” for FY 2016. With the multitude of financial and water demand pressures each utility is currently facing, many of the monthly bills shown in this survey are certain to change in FY 2017 and beyond.

## FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

### RATE SURVEY

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Several cities currently have approved multi-year or automatic annual rate adjustment plans in place for FY 2017 and subsequent years, including Zephyr Hills, Hillsborough County, Tarpon Springs, Pinellas County, Port Richey, Dunedin, and New Port Richey to name a few. Similarly, other utilities are currently conducting or intend to conduct rate studies that will likely result in rate adjustments for FY 2017 and future years as well.

Therefore, while we will continue to perform such surveys as part of future revenue sufficiency analyses to reflect the most current and updated rate information for neighboring communities, we do not expect that the City will vary significantly from the median bill of the utilities surveyed in the future.

## **SECTION 4. CONCLUSIONS & RECOMMENDATIONS**

This section presents our conclusions and recommendations of the RSA.

### **4.1 CONCLUSIONS**

- Based upon the assumptions and supporting data described in Section 2.1, a plan of 3.75% water, wastewater, irrigation and reclaimed water rate increases in FY 2017 through FY 2021 should generate sufficient revenue to fund the Utility's system requirements in those years, including annual operating requirements and CIP expenditures, existing and new debt service, and adequate working capital reserves.
- Moreover, annual rate increases of 3.75% for the remainder of the projection period (i.e. FY 2022 – FY 2026) should generate sufficient revenue to meet the Utility's cost requirements during that time period, while meeting the financial performance goals and objectives of the Utility.

### **4.2 RECOMMENDATIONS**

Based upon the analysis presented herein and the conclusions presented in the prior subsection, we recommend the following:

- The City should approve a 5-year plan of annual 3.75% rate increases through FY 2021. In doing so, the City affirms to rating agencies financial stability and willingness to set rates that will ensure sufficient revenues to cover future costs.
- We strongly recommend that the City continue to review the financial performance of the Utility on an annual basis and evaluate the adequacy of its revenues and current plan of rate increases. Doing so will allow for the recognition of updated revenue and expense information and changes in economic conditions so that any necessary adjustments can be made to planned rate increases in order to allow the Utility to meet its requirements during the projection period and minimize rate impacts to customers from future events occurring differently than currently projected.

## **Appendix**

### *Supporting Schedules for the Revenue Sufficiency Analysis*

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 1 – Assumptions

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
<b><u>Cost Escalation Factors:</u></b>											
Inflationary Cost Escalator <sup>(1)</sup>	N/A	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Internal Service Charges	N/A	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Internal Service Charge Codes	540100	540200	540300	540400	540500	540600	540700	540800	540900	541000	541100
	541200	541400	541500	541600	541700	541800	542000	542700	542800	542900	547900
Salaries & Overtime	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Health Insurance	N/A	9.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
EMP Pension Plan (% of Salaries)	N/A	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%
Additional OPEB Accrual	N/A	0.48%	14.40%	5.33%	16.44%	3.46%	17.94%	3.17%	6.17%	9.44%	8.04%
PILOT (% of Current Year Operating Revenue)	N/A	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Elec-Util Charges	N/A	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Pinellas County Rate Increase	N/A	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Average Annual Cost Escalation	N/A	1.15%	2.86%	0.75%	5.41%	3.59%	2.25%	2.11%	2.04%	1.99%	1.99%
<b><u>Impact Fees:</u></b>											
Water	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480
Sewer	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900
<b><u>Average Annual Interest Earnings Rate:</u></b>											
Revenue Fund	1.50%	1.75%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Renewal & Replacement Fund	1.50%	1.75%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Bond Funds (New Issues)	1.50%	1.75%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
<b><u>Other Assumptions:</u></b>											
Price Elasticity	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Working Capital Reserve Target (Months of O&M):	3.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Projected Annual Budget Execution:											
O&M Spending <sup>(1)</sup>	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Capital Spending	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b><u>Debt Assumptions:</u></b>											
Debt Service Reserve Fund	1 Years of Debt Service										
Capitalized Interest to Bond Sinking Fund	0 times total Debt Service										
Total Costs of Issuance	2% of Par										
Term of Issuance	30 Years										
Annual Interest Rate	5.5%										
Rate Covenant:	1.5 x Debt Service										
Parity Test:	1.2 x Debt Service										
Debt Service Structure:	Level Debt Service										

(1) Applies to all O&M line-items, unless otherwise presented in this Schedule.

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 2 – Growth and Demand Projections

	FY 2015 (Actual)	FY 2016 (Estimated)	FY 2017 (Projected)	FY 2018 (Projected)	FY 2019 (Projected)	FY 2020 (Projected)	FY 2021 (Projected)	FY 2022 (Projected)	FY 2023 (Projected)	FY 2024 (Projected)	FY 2025 (Projected)	FY 2026 (Projected)
<b>1 Annual Water Growth:</b> <sup>(1)</sup>												
2 Accounts	33,109	33,209	33,259	33,309	33,359	33,409	33,459	33,509	33,559	33,609	33,659	33,709
3 Projected Growth in Accounts		100	50	50	50	50	50	50	50	50	50	50
4 Percentage Growth in Accounts		0.30%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%
5 Consumption (Tgal per Yr)	3,362,701	3,371,372	3,374,961	3,378,545	3,382,124	3,385,699	3,389,269	3,392,835	3,396,396	3,399,953	3,403,506	3,407,054
6 Projected Change in Consumption		8,671	3,588	3,584	3,579	3,575	3,570	3,566	3,561	3,557	3,552	3,548
7 Percentage Change in Consumption		0.26%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.10%	0.10%	0.10%	0.10%
<b>8 Annual Irrigation Growth:</b> <sup>(1)</sup>												
9 Accounts	2,054	2,036	2,014	1,992	1,971	1,949	1,928	1,906	1,884	1,863	1,841	1,820
10 Projected Growth in Accounts		(18)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)
11 Percentage Growth in Accounts		-0.89%	-1.06%	-1.07%	-1.08%	-1.10%	-1.11%	-1.12%	-1.13%	-1.15%	-1.16%	-1.17%
12 Consumption (Tgal per Yr)	194,585	194,809	194,714	194,622	194,534	194,449	194,368	194,290	194,216	194,146	194,080	190,800
13 Projected Change in Consumption		224	(95)	(92)	(88)	(85)	(81)	(78)	(74)	(70)	(66)	(3,280)
14 Percentage Change in Consumption		0.12%	-0.05%	-0.05%	-0.05%	-0.04%	-0.04%	-0.04%	-0.04%	-0.04%	-0.03%	-1.69%
<b>15 Annual Reclaimed Water Growth:</b> <sup>(1)</sup>												
16 Flat Rate Accounts	1,675	1,575	1,475	1,375	1,275	1,175	1,075	975	875	775	675	575
17 Projected Growth in Accounts		(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)
18 Percentage Growth in Accounts		-5.97%	-6.35%	-6.78%	-7.27%	-7.84%	-8.51%	-9.30%	-10.26%	-11.43%	-12.90%	-14.81%
19 Metered Accounts	5,475	5,625	5,775	5,925	6,075	6,225	6,375	6,525	6,675	6,825	6,975	7,125
20 Projected Growth in Accounts		150	150	150	150	150	150	150	150	150	150	150
21 Percentage Growth in Accounts		2.74%	2.67%	2.60%	2.53%	2.47%	2.41%	2.35%	2.30%	2.25%	2.20%	2.15%
22 Consumption (Tgal per Yr)	1,600,051	1,645,683	1,691,510	1,737,531	1,783,744	1,830,147	1,876,740	1,923,519	1,970,485	2,017,635	2,064,967	2,112,481
23 Projected Change in Consumption		45,632	45,827	46,021	46,213	46,403	46,592	46,780	46,965	47,150	47,333	47,514
24 Percentage Change in Consumption		2.85%	2.78%	2.72%	2.66%	2.60%	2.55%	2.49%	2.44%	2.39%	2.35%	2.30%
<b>25 Annual Sewer Growth:</b> <sup>(1)</sup>												
26 Accounts	33,585	33,613	33,627	33,640	33,654	33,668	33,682	33,696	33,710	33,724	33,737	33,751
27 Projected Growth in Accounts		28	14	14	14	14	14	14	14	14	14	14
28 Percentage Growth in Accounts		0.08%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%
29 Consumption (Tgal per Yr)	3,368,248	3,369,535	3,369,433	3,369,330	3,369,226	3,369,120	3,369,013	3,368,905	3,368,795	3,368,685	3,368,573	3,367,078
30 Projected Change in Consumption		1,288	(102)	(103)	(105)	(106)	(107)	(108)	(109)	(111)	(112)	(1,495)
31 Percentage Change in Consumption		0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.04%
<b>32 Purchased Water Projections:</b>												
33 Total Billed Demand (MGD)	9.75	9.77	9.78	9.79	9.80	9.81	9.82	9.83	9.84	9.85	9.86	9.86
34 Adj. for Lost & Unaccounted for Water <sup>(2)</sup>	11.58	11.43	11.44	11.45	11.46	11.48	11.49	11.50	11.51	11.52	11.53	11.53
35 City-Based Production	6.48	8.50	8.50	8.50	10.55	10.55	10.55	10.55	10.55	10.55	10.55	10.55
36 Pinellas County Purchased Water (MGD)	5.09	3.50	2.94	2.95	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
37 Pinellas County Rate (per Tgal)	\$3.86	\$3.92	\$3.99	\$4.06	\$4.13	\$4.21	\$4.28	\$4.35	\$4.43	\$4.51	\$4.59	\$4.67
38 Current Rate Adjustment Forecast	N/A	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
39 Forecast Purchased Water Expense	N/A \$	5,011,904	4,287,346	4,378,969	2,262,711	2,302,309	2,342,599	2,383,595	2,425,308	2,467,751	2,510,936	2,554,878

(1) Per Service Count & Demand Analysis.

(2) Adj. for Lost & Unaccounted is estimated to be 17% for the projection period based on a 5-year average of prior year actual calculated for adjustments.



# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 3 – Beginning Balances

Fund Number	421			376	327	243, 246, 247, 263, 270, 279, 280, 286
GROUPING OF FUNDS IN MODEL	Revenue Fund	Water Impact Fees	Sewer Impact Fees	Capital Projects Fund	Renewal & Replacement	Restricted Reserves
<b>CURRENT UNRESTRICTED ASSETS</b>						
Cash and Cash Equivalents	37,929,997	-	1,756,629	-	12,299,492	21,356,501
Interest Receivable	235,006	-	-	-	60,594	45,085
Accounts Receivable, net of allowance for uncollectibles	-	-	-	-	-	-
Billed	3,829,926	-	-	-	-	-
Unbilled Charges Estimated	2,686,600	-	-	-	-	-
Less: Allowances for Uncollectible Accounts	(110,759)	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due From Other Governmental Entities	-	-	-	-	-	-
Due From Developers	-	-	-	-	-	-
Inventories at Cost	784,060	-	-	-	-	-
Prepaid Expenses and Other Assets	4,404	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>45,359,234</b>	<b>-</b>	<b>1,756,629</b>	<b>-</b>	<b>12,360,086</b>	<b>21,401,586</b>
Less: Accounts and Contract Payable	(4,718,227)	-	-	-	(412,337)	-
Less: Accrued Payroll	(257,437)	-	-	-	-	-
Less: Accrued Interest Payable	(13,865)	-	-	-	-	(2,469,522)
Less: Due to Other Funds	-	-	-	-	-	-
Less: Due to Other Governmental Entities	-	-	-	-	-	-
Less: Due to Other Funds (Deficit and Pooled Cash)	-	-	-	-	-	-
Less: Deposits	(3,191,015)	-	-	-	-	-
Less: Deferred Revenues	-	-	-	-	-	-
Current Portion of Long-Term Liabilities	-	-	-	-	-	-
Less: Compensated Absences	(399,613)	-	-	-	-	-
Less: Revenue Bonds	(1,062,500)	-	-	-	-	(5,312,500)
Less: Capital Lease Purchase Payable	(57,484)	-	-	-	-	-
<b>CALCULATED FUND BALANCE (ASSETS - LIABILITIES)</b>	<b>35,659,093</b>	<b>-</b>	<b>1,756,629</b>	<b>-</b>	<b>11,947,749</b>	<b>13,619,564</b>
Plus/(Less): Inventories at Cost	(784,060)	-	-	-	-	-
Plus/(Less):	-	-	-	-	-	-
Plus/(Less):	-	-	-	-	-	-
<b>NET FUND BALANCE</b>	<b>34,875,033</b>	<b>-</b>	<b>1,756,629</b>	<b>-</b>	<b>11,947,749</b>	<b>13,619,564</b>
<b>FUND BALANCES</b>						
	<b>As of</b>	<b>9/30/2015</b>				
Water Impact Fees	\$	-				
Sewer Impact Fees	\$	1,756,629				
Capital Projects Fund	\$	-				
Renewal & Replacement	\$	11,947,749				
Revenue Fund	\$	34,875,033				
Restricted Reserves	\$	13,619,564				
<b>Total Consolidated Fund Balance</b>	<b>\$</b>	<b>62,198,975</b>				

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 4 – Capital Improvement Program

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
<b>1 WATER PROJECTS</b>											
2 Publ Util Admin Bldg R&R	-	231,000	200,000	70,000	-	25,000	-	-	-	-	-
3 Publ Util Admin Bldg R&R	167,396	-	-	-	-	-	-	-	-	-	-
4 System R&R-Maint	-	1,890,000	1,760,000	985,000	2,365,000	1,270,000	560,000	-	-	-	-
5 System R&R-Maint	440,086	-	-	-	-	-	-	-	-	-	-
6 Water Supp-Trtmnt	-	3,565,000	1,750,000	2,250,000	1,500,000	-	175,000	-	-	-	-
7 Water Supp-Trtmnt	320,490	-	-	-	-	-	-	-	-	-	-
8 Syst R&R-Capitlzd	-	2,220,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	-	-	-	-
9 Syst R&R-Capitlzd	342,845	-	-	-	-	-	-	-	-	-	-
10 Line Reloc-Capitlzd	-	1,440,000	485,000	1,275,000	400,000	2,350,000	400,000	-	-	-	-
11 Line Reloc-Capitlzd	1,411,302	-	-	-	-	-	-	-	-	-	-
12 Mtr/Back Flow Prev Dev Change	335,244	50,000	50,000	50,000	50,000	50,000	50,000	-	-	-	-
13 System Expsn	24,000	-	-	-	-	-	-	-	-	-	-
14 System Expsn	89,508	100,000	100,000	100,000	100,000	100,000	100,000	-	-	-	-
15 Water Svc Lines	40,853	-	-	-	-	-	-	-	-	-	-
16 RO Plant Expsn R1	868,799	135,000	750,000	-	-	-	-	-	-	-	-
17 Water Quality Monitoring Devices	-	-	-	-	600,000	-	-	-	-	-	-
18 Rvrs Osmosis @ Resv 2	166,380	-	-	-	-	-	-	-	-	-	-
19 Rebate- Well, Lake Pond, Irig Abatemnt	720	-	20,000	-	20,000	-	-	-	-	-	-
20 Groundwater Replenishment Facility	3,058,837	-	5,104,000	9,236,000	-	-	-	-	-	-	-
21 Automated Meter Reading	-	-	-	-	-	100,000	-	-	-	-	-
22 Arsenic Treatment RO 3	-	2,050,000	-	8,150,000	-	-	-	-	-	-	-
23 Arsenic Treatment RO 3	62,090	-	-	-	-	-	-	-	-	-	-
24 Future Water Expansion Projects	-	-	-	-	-	-	-	250,000	80,000	60,000	40,000
25 Future Water Non-Expansion Projects	-	-	-	-	-	-	-	10,480,000	8,206,200	3,273,000	1,956,000
26 TOTAL WATER PROJECTS	7,328,550	11,681,000	11,619,000	23,516,000	6,435,000	5,295,000	2,685,000	10,730,000	8,286,200	3,333,000	1,996,000
<b>27 SEWER PROJECTS</b>											
28 Public Works Complex	-	325,000	3,100,000	400,000	4,000,000	-	112,240	-	-	-	-
29 Citywide Connect	-	300,000	100,000	100,000	50,000	50,000	-	-	-	-	-
30 WWTP Screw Pump Replacement	-	100,000	750,000	-	-	-	-	-	-	-	-
31 WWTP Screw Pump Replacement	66	-	-	-	-	-	-	-	-	-	-
32 WWTP UV Disinfection Sys	-	700,000	3,000,000	-	-	-	-	-	-	-	-
33 Bio Solids Trtmnt	148,841	940,550	2,250,000	3,073,220	-	-	-	-	-	-	-
34 Odor Control	200,000	300,000	1,150,000	-	-	-	-	-	-	-	-
35 WWTP Generator Replacements	40,491	-	1,055,560	-	-	-	-	-	-	-	-
36 Sanitary Swr Extnsn	876,209	-	-	-	-	-	-	-	-	-	-
37 Sanitary Swr Extnsn	3,166,800	4,299,000	2,369,000	2,611,000	3,128,000	100,000	-	-	-	-	-
38 Sanitary Swr Extnsn	97,566	-	-	-	-	-	-	-	-	-	-
39 Sanitary Swr Extnsn	-	-	-	-	-	-	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
40 Sanitary Util Reloc	-	1,684,640	395,000	360,000	360,000	360,000	360,000	-	-	-	-
41 Sanitary Util Reloc	1,677,939	-	-	-	-	-	-	-	-	-	-
42 Laboratory Upgrd	-	230,000	150,000	20,000	-	-	-	-	-	-	-
43 Laboratory Upgrd	172,525	-	-	-	-	-	-	-	-	-	-
44 Facilities Upgrd & Impr	1,350,582	9,797,230	4,575,000	2,165,000	3,300,000	500,000	2,975,000	-	-	-	-

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 4 – Capital Improvement Program

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
45 Facilities Upgrd & Impr	415,628	-	-	-	-	-	-	-	-	-	-
46 WPC R&R	1,328,570	8,316,500	4,149,500	3,174,500	2,926,000	1,699,000	1,400,000	-	-	-	-
47 WPC R&R	1,264,153	-	-	-	-	-	-	-	-	-	-
48 Sanitary Swr R&R	3,772,653	13,968,500	9,825,000	6,189,500	4,014,000	3,385,000	3,385,000	-	-	-	-
49 Sanitary Swr R&R	924,260	-	-	-	-	-	-	-	-	-	-
50 Pump Stn Rplcmnt	770,799	1,357,000	1,240,500	2,062,500	1,430,000	2,442,500	4,470,000	-	-	-	-
51 Wet NNC Rule Compliance	-	-	1,407,410	-	-	-	-	-	-	-	-
52 Future Sewer Non-Expansion Projects	-	-	-	-	-	-	-	1,641,600	1,167,800	645,600	20,000
53 Future Sewer Expansion Projects	-	-	-	-	-	-	-	17,582,286	10,952,692	7,443,748	4,227,748
54 <b>TOTAL SEWER PROJECTS</b>	<b>16,207,082</b>	<b>42,318,420</b>	<b>35,516,970</b>	<b>20,155,720</b>	<b>19,208,000</b>	<b>8,536,500</b>	<b>16,702,240</b>	<b>23,223,886</b>	<b>16,120,492</b>	<b>12,089,348</b>	<b>8,247,748</b>
55 <b>RECLAIMED PROJECTS</b>											
56 Recl Wtr Dist Syst-Grants	1,322,286	1,250,000	600,000	1,250,000	250,000	1,250,000	750,000	-	-	-	-
57 <b>TOTAL RECLAIMED PROJECTS</b>	<b>1,322,286</b>	<b>1,250,000</b>	<b>600,000</b>	<b>1,250,000</b>	<b>250,000</b>	<b>1,250,000</b>	<b>750,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
58 <b>Total CIP Budget (in FY 2016 dollars)</b>	<b>24,857,918</b>	<b>55,249,420</b>	<b>47,735,970</b>	<b>44,921,720</b>	<b>25,893,000</b>	<b>15,081,500</b>	<b>20,137,240</b>	<b>33,953,886</b>	<b>24,406,692</b>	<b>15,422,348</b>	<b>10,243,748</b>
59 Cumulative Projected Cost Escalation	0.0%	0.0%	3.0%	6.1%	9.3%	12.6%	15.9%	19.4%	23.0%	26.7%	30.5%
60 <b>Total CIP Budget (in Future dollars)</b>	<b>24,857,918</b>	<b>55,249,420</b>	<b>49,168,049</b>	<b>47,657,453</b>	<b>28,293,980</b>	<b>16,974,361</b>	<b>23,344,580</b>	<b>40,542,716</b>	<b>30,017,153</b>	<b>19,536,569</b>	<b>13,365,768</b>
61 Annual CIP Execution Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
62 <b>Projected Annual CIP Spending (in Future dollars)</b>	<b>24,857,918</b>	<b>55,249,420</b>	<b>49,168,049</b>	<b>47,661,945</b>	<b>28,301,049</b>	<b>16,981,769</b>	<b>23,339,061</b>	<b>40,540,940</b>	<b>30,020,231</b>	<b>19,540,115</b>	<b>13,368,091</b>

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 5 – Projection of Cash Inflows

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
<b>1 Rate Revenue Growth Assumptions:</b>											
2 Growth in Water Accounts	0.30%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%
3 Growth in Water Usage	0.26%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.10%	0.10%	0.10%	0.10%
4 Growth in Lawn Irrigation Accounts	-0.89%	-1.06%	-1.07%	-1.08%	-1.10%	-1.11%	-1.12%	-1.13%	-1.15%	-1.16%	-1.17%
5 Growth in Lawn Irrigation Usage	0.12%	-0.05%	-0.05%	-0.05%	-0.04%	-0.04%	-0.04%	-0.04%	-0.04%	-0.03%	-1.69%
6 Growth in Reclaimed Water Accounts	2.74%	2.67%	2.60%	2.53%	2.47%	2.41%	2.35%	2.30%	2.25%	2.20%	2.15%
7 Growth in Reclaimed Water Usage	2.85%	2.78%	2.72%	2.66%	2.60%	2.55%	2.49%	2.44%	2.39%	2.35%	2.30%
8 Growth in Sewer Accounts	0.08%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%
9 Growth in Sewer Usage	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.04%
<b>10 Annual Rate Revenue Adjustments:</b>											
11 Water Rate Increase	N/A	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
12 Lawn Irrigation Rate Increase	N/A	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
13 Reclaimed Water Rate Increase	N/A	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
14 Sewer Rate Increase	N/A	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
<b>15 Water &amp; Sewer Rate Revenue:</b>											
<b>16 Water Rate Revenue</b>											
17 Service Availability Charges	\$ 17,697,856	18,389,172	19,107,448	19,853,735	20,629,123	21,434,747	22,271,783	23,141,453	24,045,030	24,983,832	25,959,230
18 Usage Charges	\$ 12,311,395	12,642,817	12,983,129	13,332,569	13,691,381	14,059,814	14,438,128	14,826,584	15,225,456	15,635,020	16,055,563
<b>19 Lawn Irrigation Rate Revenue</b>											
20 Service Availability Charges	\$ 449,450	466,305	483,791	501,933	520,756	540,284	560,545	581,565	603,374	626,000	649,475
21 Usage Charges	\$ 2,192,557	2,274,778	2,360,082	2,448,585	2,540,407	2,635,672	2,734,510	2,837,054	2,943,444	3,053,823	3,168,341
<b>22 Reclaimed Water Rate Revenue</b>											
23 Service Availability Charges	\$ 1,168,988	1,221,248	1,275,783	1,332,690	1,392,072	1,454,034	1,518,684	1,586,139	1,656,518	1,729,944	1,806,548
24 Usage Charges	\$ 1,826,708	1,926,071	2,029,573	2,137,368	2,249,611	2,366,465	2,488,096	2,614,678	2,746,391	2,883,418	3,025,951
<b>25 Sewer Rate Revenue</b>											
26 Service Availability Charges	\$ 23,966,291	24,875,270	25,818,719	26,797,945	27,814,307	28,869,211	29,964,118	31,100,547	32,280,070	33,504,323	34,775,001
27 Usage Charges	\$ 12,635,816	12,961,783	13,296,154	13,639,146	13,990,980	14,351,886	14,722,095	15,101,849	15,491,392	15,890,978	16,294,178
<b>28 Total Water &amp; Sewer Rate Revenue</b>	<b>\$ 72,249,062</b>	<b>74,757,442</b>	<b>77,354,679</b>	<b>80,043,972</b>	<b>82,828,637</b>	<b>85,712,112</b>	<b>88,697,959</b>	<b>91,789,870</b>	<b>94,991,674</b>	<b>98,307,338</b>	<b>101,734,287</b>
<b>29 Other Operating Revenue:</b>											
30 Water Taps	\$ 80,733	80,733	80,733	80,733	80,733	80,733	80,733	80,733	80,733	80,733	80,733
31 Sewer Taps	\$ 173,325	31,150	31,150	31,150	31,150	31,150	31,150	31,150	31,150	31,150	31,150
32 Water Service Charges	\$ 200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
33 Material & Water Service	\$ 45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
34 Fire Line Detect Installn	\$ 44,865	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
35 Other Water Revenue	\$ 80,490	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
36 Wpc Fee Safety Harbor	\$ 1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
37 Other Sewer Revenue	\$ 13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
38 Grease Ord Revenue	\$ 55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000
39 Industrial Pretreatment Rv	\$ 20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
40 Lab Testing Fees	\$ 27,567	-	-	-	-	-	-	-	-	-	-
41 Late Payment Fee	\$ 262,524	271,000	271,000	271,000	271,000	271,000	271,000	271,000	271,000	271,000	271,000
42 Pretreatment Permit Violat	\$ 4,750	-	-	-	-	-	-	-	-	-	-
43 Rents-Commercial Property	\$ 18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
44 Ins Proceeds-Other	\$ 10,604	-	-	-	-	-	-	-	-	-	-
45 Sale Of Scrap	\$ 11,183	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
46 Cap Labor-Water	\$ 81,963	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000
47 Workers Comp Reimburse	\$ 5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
48 Storm Water Utility Fund	\$ 4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300
<b>49 Total Other Operating Revenue</b>	<b>\$ 2,238,304</b>	<b>2,133,183</b>	<b>2,133,183</b>	<b>2,133,183</b>	<b>2,133,183</b>	<b>2,133,183</b>	<b>2,133,183</b>	<b>2,133,183</b>	<b>2,133,183</b>	<b>2,133,183</b>	<b>2,133,183</b>

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 5 – Projection of Cash Inflows

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
50 <b>Other Non-Operating Revenue:</b>											
51 Interest Earned on Unrestricted Funds	\$ 526,747	494,925	465,788	592,655	610,972	638,325	656,882	671,187	685,095	698,879	712,779
52 Interest Earned on Restricted Funds	\$ 204,293	238,342	323,500	468,260	518,354	568,448	582,708	596,969	635,946	674,923	688,314
53 Less: Interim Financing Payments	\$ -	(249,274)	-	(452,753)	-	(62,077)	-	(322,636)	-	(105,252)	-
54 <b>Total Non-Operating Revenue</b>	<b>\$ 731,040</b>	<b>483,994</b>	<b>789,288</b>	<b>608,162</b>	<b>1,129,326</b>	<b>1,144,696</b>	<b>1,239,590</b>	<b>945,520</b>	<b>1,321,041</b>	<b>1,268,549</b>	<b>1,401,093</b>
55 <b>Impact Fee Revenue:</b>											
56 Water Impact Fees	\$ 48,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
57 Sewer Impact Fees	\$ 24,922	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461
58 <b>Total Impact Fee Revenue</b>	<b>\$ 72,922</b>	<b>36,461</b>	<b>36,461</b>	<b>36,461</b>	<b>36,461</b>	<b>36,461</b>	<b>36,461</b>	<b>36,461</b>	<b>36,461</b>	<b>36,461</b>	<b>36,461</b>
59 <b>Total Revenue</b>	<b>\$ 75,291,329</b>	<b>77,411,080</b>	<b>80,313,611</b>	<b>82,821,778</b>	<b>86,127,607</b>	<b>89,026,452</b>	<b>92,107,193</b>	<b>94,905,034</b>	<b>98,482,359</b>	<b>101,745,531</b>	<b>105,305,024</b>

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 6 – Projection of Cash Outflows

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
1 <b>1345 Admin Department</b>											
2 <b>Personal Services</b>											
3 Full Time Salaries & Wages	\$ 477,250	486,795	496,531	506,462	516,591	526,923	537,461	548,210	559,174	570,358	581,765
4 Overtime	\$ 5,320	5,426	5,535	5,646	5,759	5,874	5,991	6,111	6,233	6,358	6,485
5 Life Ins \$2500 Empl & Pens	\$ 70	71	73	74	76	77	79	80	82	84	85
6 1% Life Insurance-Employee	\$ 450	459	468	478	487	497	507	517	527	538	549
7 Samp Life Insurance	\$ 1,790	1,826	1,862	1,900	1,938	1,976	2,016	2,056	2,097	2,139	2,182
8 Major Medical Ins-Emp	\$ 61,040	62,261	63,506	64,776	66,072	67,393	68,741	70,116	71,518	72,948	74,407
9 Social Security-Employee	\$ 19,090	19,472	19,861	20,258	20,664	21,077	21,498	21,928	22,367	22,814	23,271
10 Emp Pension Plan	\$ 45,310	87,623	89,376	91,163	92,986	94,846	96,743	98,678	100,651	102,664	104,718
11 Workers Compensation	\$ 5,460	5,569	5,681	5,794	5,910	6,028	6,149	6,272	6,397	6,525	6,656
12 Disability Insurance	\$ 950	969	988	1,008	1,028	1,049	1,070	1,091	1,113	1,135	1,158
13 <b>Total Personal Services</b>	<b>\$ 616,730</b>	<b>670,472</b>	<b>683,881</b>	<b>697,559</b>	<b>711,510</b>	<b>725,740</b>	<b>740,255</b>	<b>755,060</b>	<b>770,161</b>	<b>785,564</b>	<b>801,276</b>
14 <b>O&amp;M Expenses</b>											
15 Professional Services	\$ 86,000	87,720	89,474	91,264	93,089	94,951	96,850	98,787	100,763	102,778	104,834
16 Other Contractual Serv	\$ 410	418	427	435	444	453	462	471	480	490	500
17 Postage	\$ 70	71	73	74	76	77	79	80	82	84	85
18 Interfd Other Serv Chgs	\$ 62,050	63,291	64,557	65,848	67,165	68,508	69,878	71,276	72,701	74,155	75,639
19 Interfd Admin Service Chg	\$ 95,530	97,441	99,389	101,377	103,405	105,473	107,582	109,734	111,929	114,167	116,451
20 Advertising	\$ 400	408	416	424	433	442	450	459	469	478	488
21 Other Promotion Activity	\$ 1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219
22 Printing & Binding	\$ 200	204	208	212	216	221	225	230	234	239	244
23 Equipmt Rental	\$ 600	612	624	637	649	662	676	689	703	717	731
24 Other Equip Svc & Repair	\$ 6,870	7,007	7,148	7,290	7,436	7,585	7,737	7,891	8,049	8,210	8,374
25 Insurance	\$ 50	51	52	53	54	55	56	57	59	60	61
26 Ofc Equip Svc & Repair	\$ 1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219
27 R & R Structural Facil	\$ 1,120	1,142	1,165	1,189	1,212	1,237	1,261	1,287	1,312	1,339	1,365
28 Uniforms-Employee	\$ 7,400	7,548	7,699	7,853	8,010	8,170	8,334	8,500	8,670	8,844	9,021
29 Travel Expense-Emp	\$ 700	714	728	743	758	773	788	804	820	837	853
30 Mileage Reimbursement	\$ 200	204	208	212	216	221	225	230	234	239	244
31 Meals-Employee	\$ 150	153	156	159	162	166	169	172	176	179	183
32 Office Supplies	\$ 3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515	3,585	3,657
33 Operating Supplies & Matls	\$ 20,000	20,400	20,808	21,224	21,649	22,082	22,523	22,974	23,433	23,902	24,380
34 Medical Supplies	\$ 100	102	104	106	108	110	113	115	117	120	122
35 Memberships/Subs/Lic Emp	\$ 34,800	35,496	36,206	36,930	37,669	38,422	39,190	39,974	40,774	41,589	42,421
36 Officl Recognition-Emp	\$ 70	71	73	74	76	77	79	80	82	84	85
37 Training & Ref Employee	\$ 7,000	7,140	7,283	7,428	7,577	7,729	7,883	8,041	8,202	8,366	8,533
38 Telephone Service Variable	\$ 1,200	1,224	1,248	1,273	1,299	1,325	1,351	1,378	1,406	1,434	1,463
39 Radio Svc-Fixed	\$ 670	683	697	711	725	740	755	770	785	801	817
40 Telephone Svc Fixed	\$ 660	673	687	700	714	729	743	758	773	789	805
41 Postal Service	\$ 400	408	416	424	433	442	450	459	469	478	488
42 Risk Mgmt Service	\$ 1,840	1,877	1,914	1,953	1,992	2,032	2,072	2,114	2,156	2,199	2,243
43 Info Technology Charge	\$ 36,500	37,230	37,975	38,734	39,509	40,299	41,105	41,927	42,766	43,621	44,493
44 Employee Benefits-Fixed	\$ 1,480	1,510	1,540	1,571	1,602	1,634	1,667	1,700	1,734	1,769	1,804
45 <b>Total O&amp;M Expenses</b>	<b>\$ 371,470</b>	<b>378,899</b>	<b>386,477</b>	<b>394,207</b>	<b>402,091</b>	<b>410,133</b>	<b>418,336</b>	<b>426,702</b>	<b>435,236</b>	<b>443,941</b>	<b>452,820</b>
46 <b>TOTAL 1345 ADMIN DEPARTMENT</b>	<b>\$ 988,200</b>	<b>1,049,371</b>	<b>1,070,358</b>	<b>1,091,765</b>	<b>1,113,601</b>	<b>1,135,873</b>	<b>1,158,590</b>	<b>1,181,762</b>	<b>1,205,397</b>	<b>1,229,505</b>	<b>1,254,095</b>

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 6 –Projection of Cash Outflows

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
47 <b>1346 WW Collection</b>											
48 <b>Personal Services</b>											
49 Full Time Salaries & Wages	\$ 1,000,860	1,020,877	1,041,295	1,062,121	1,083,363	1,105,030	1,127,131	1,149,674	1,172,667	1,196,120	1,220,043
50 Overtime	\$ 40,420	41,228	42,053	42,894	43,752	44,627	45,519	46,430	47,358	48,306	49,272
51 Major Medical Ins-Emp	\$ 239,700	244,494	249,384	254,372	259,459	264,648	269,941	275,340	280,847	286,464	292,193
52 Social Security-Employee	\$ 14,380	14,668	14,961	15,260	15,565	15,877	16,194	16,518	16,848	17,185	17,529
53 Emp Pension Plan	\$ 174,820	183,758	187,433	191,182	195,005	198,905	202,884	206,941	211,080	215,302	219,608
54 Workers Compensation	\$ 38,770	39,545	40,336	41,143	41,966	42,805	43,661	44,535	45,425	46,334	47,260
55 CWA Life Insurance	\$ 4,570	4,661	4,755	4,850	4,947	5,046	5,147	5,249	5,354	5,462	5,571
56 <b>Total Personal Services</b>	<b>\$ 1,513,520</b>	<b>1,549,232</b>	<b>1,580,217</b>	<b>1,611,821</b>	<b>1,644,057</b>	<b>1,676,938</b>	<b>1,710,477</b>	<b>1,744,687</b>	<b>1,779,580</b>	<b>1,815,172</b>	<b>1,851,476</b>
57 <b>O&amp;M Expenses</b>											
58 Professional Services	\$ 40,000	40,800	41,616	42,448	43,297	44,163	45,046	45,947	46,866	47,804	48,760
59 Other Contractual Serv	\$ 14,500	14,790	15,086	15,388	15,695	16,009	16,329	16,656	16,989	17,329	17,675
60 Telephone-Util Chgs	\$ 6,500	6,630	6,763	6,898	7,036	7,177	7,320	7,466	7,616	7,768	7,923
61 Gas,Water & Sanitation Utl	\$ 10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951	12,190
62 Postage	\$ 200	204	208	212	216	221	225	230	234	239	244
63 Interfd Svc Chg-Other Fund	\$ 27,980	28,540	29,110	29,693	30,286	30,892	31,510	32,140	32,783	33,439	34,107
64 Interfd Other Serv Chgs	\$ 279,180	284,764	290,459	296,268	302,193	308,237	314,402	320,690	327,104	333,646	340,319
65 Interfd Admin Service Chg	\$ 327,530	334,081	340,762	347,577	354,529	361,620	368,852	376,229	383,754	391,429	399,257
66 Advertising	\$ 100	102	104	106	108	110	113	115	117	120	122
67 Other Promotion Activity	\$ 1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219
68 Printing & Binding	\$ 1,200	1,224	1,248	1,273	1,299	1,325	1,351	1,378	1,406	1,434	1,463
69 Dump Fee	\$ 1,600	1,632	1,665	1,698	1,732	1,767	1,802	1,838	1,875	1,912	1,950
70 Equipt Rental	\$ 4,000	4,080	4,162	4,245	4,330	4,416	4,505	4,595	4,687	4,780	4,876
71 Insurance	\$ 271,670	277,103	282,645	288,298	294,064	299,946	305,945	312,063	318,305	324,671	331,164
72 Other Equip Svc & Repair	\$ 10,500	10,710	10,924	11,143	11,366	11,593	11,825	12,061	12,302	12,548	12,799
73 Uniforms-Employee	\$ 8,160	8,323	8,490	8,659	8,833	9,009	9,189	9,373	9,561	9,752	9,947
74 Travel Expense-Emp	\$ 3,500	3,570	3,641	3,714	3,789	3,864	3,942	4,020	4,101	4,183	4,266
75 Mileage Reimbursement	\$ 250	255	260	265	271	276	282	287	293	299	305
76 Meals-Employee	\$ 150	153	156	159	162	166	169	172	176	179	183
77 Other Services Or Charges	\$ 400	408	416	424	433	442	450	459	469	478	488
78 Office Supplies	\$ 2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390	2,438
79 Operating Supplies & Matls	\$ 125,000	127,500	130,050	132,651	135,304	138,010	140,770	143,586	146,457	149,387	152,374
80 Medical Supplies	\$ 150	153	156	159	162	166	169	172	176	179	183
81 \$750-5000 Mach & Equip	\$ 5,200	5,304	5,410	5,518	5,629	5,741	5,856	5,973	6,093	6,214	6,339
82 Memberships/Subs/Lic Emp	\$ 1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793	1,828	1,865
83 Officl Recognition-Emp	\$ 240	245	250	255	260	265	270	276	281	287	293
84 Training & Ref Employee	\$ 16,930	17,269	17,614	17,966	18,326	18,692	19,066	19,447	19,836	20,233	20,638
85 Garage Services	\$ 573,060	584,521	596,212	608,136	620,299	632,705	645,359	658,266	671,431	684,860	698,557
86 Telephone Service Variable	\$ 2,900	2,958	3,017	3,078	3,139	3,202	3,266	3,331	3,398	3,466	3,535
87 Radio Svc-Fixed	\$ 11,820	12,056	12,298	12,543	12,794	13,050	13,311	13,577	13,849	14,126	14,409
88 Telephone Svc Fixed	\$ 2,220	2,264	2,310	2,356	2,403	2,451	2,500	2,550	2,601	2,653	2,706
89 Postal Service	\$ 50	51	52	53	54	55	56	57	59	60	61
90 Risk Mgmt Service	\$ 6,320	6,446	6,575	6,707	6,841	6,978	7,117	7,260	7,405	7,553	7,704
91 Info Technology Charge	\$ 84,960	86,659	88,392	90,160	91,963	93,803	95,679	97,592	99,544	101,535	103,566
92 Garage Variable	\$ 8,500	8,670	8,843	9,020	9,201	9,385	9,572	9,764	9,959	10,158	10,361
93 Administrative Charge	\$ 575,430	586,939	598,677	610,651	622,864	635,321	648,028	660,988	674,208	687,692	701,446
94 Employee Benefits-Fixed	\$ 5,070	5,171	5,275	5,380	5,488	5,598	5,710	5,824	5,940	6,059	6,180
95 <b>Total O&amp;M Expenses</b>	<b>\$ 2,429,800</b>	<b>2,478,396</b>	<b>2,527,964</b>	<b>2,578,523</b>	<b>2,630,094</b>	<b>2,682,696</b>	<b>2,736,349</b>	<b>2,791,076</b>	<b>2,846,898</b>	<b>2,903,836</b>	<b>2,961,913</b>
96 <b>Capital Outlay</b>											
97 >\$5,000 Machinery & Equip	\$ 17,800	18,156	18,519	18,890	19,267	19,653	20,046	20,447	20,856	21,273	21,698
98 <b>Total Capital Outlay</b>	<b>\$ 17,800</b>	<b>18,156</b>	<b>18,519</b>	<b>18,890</b>	<b>19,267</b>	<b>19,653</b>	<b>20,046</b>	<b>20,447</b>	<b>20,856</b>	<b>21,273</b>	<b>21,698</b>
99 <b>TOTAL 1346 WW COLLECTION</b>	<b>\$ 3,961,120</b>	<b>4,045,784</b>	<b>4,126,700</b>	<b>4,209,234</b>	<b>4,293,418</b>	<b>4,379,287</b>	<b>4,466,872</b>	<b>4,556,210</b>	<b>4,647,334</b>	<b>4,740,281</b>	<b>4,835,086</b>

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 6 – Projection of Cash Outflows

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
100 <b>1347 WW Main</b>											
101 <b>Personal Services</b>											
102 Full Time Salaries & Wages	\$ 1,266,080	1,291,402	1,317,230	1,343,574	1,370,446	1,397,855	1,425,812	1,454,328	1,483,415	1,513,083	1,543,344
103 Overtime	\$ 84,890	86,588	88,320	90,086	91,888	93,725	95,600	97,512	99,462	101,451	103,480
104 Life Ins \$2500 Empl & Pens	\$ 10	10	10	11	11	11	11	11	12	12	12
105 Samp Life Insurance	\$ 250	255	260	265	271	276	282	287	293	299	305
106 Major Medical Ins-Emp	\$ 288,650	294,423	300,311	306,318	312,444	318,693	325,067	331,568	338,199	344,963	351,863
107 Social Security-Employee	\$ 21,160	21,583	22,015	22,455	22,904	23,362	23,830	24,306	24,792	25,288	25,794
108 Emp Pension Plan	\$ 221,380	232,452	237,101	241,843	246,680	251,614	256,646	261,779	267,015	272,355	277,802
109 CWA Life Insurance	\$ 5,290	5,396	5,504	5,614	5,726	5,841	5,957	6,077	6,198	6,322	6,448
110 <b>Total Personal Services</b>	<b>\$ 1,887,710</b>	<b>1,932,109</b>	<b>1,970,751</b>	<b>2,010,166</b>	<b>2,050,369</b>	<b>2,091,377</b>	<b>2,133,204</b>	<b>2,175,868</b>	<b>2,219,386</b>	<b>2,263,774</b>	<b>2,309,049</b>
111 <b>O&amp;M Expenses</b>											
112 Professional Services	\$ 193,000	196,860	200,797	204,813	208,909	213,088	217,349	221,696	226,130	230,653	235,266
113 Other Contractual Serv	\$ 12,300	12,546	12,797	13,053	13,314	13,580	13,852	14,129	14,411	14,700	14,994
114 Elec-Util Charges	\$ 250,000	255,000	260,100	265,302	270,608	276,020	281,541	287,171	292,915	298,773	304,749
115 Gas,Water & Sanitation Util	\$ 12,700	12,954	13,213	13,477	13,747	14,022	14,302	14,588	14,880	15,178	15,481
116 Postage	\$ 600	612	624	637	649	662	676	689	703	717	731
117 Interfd Svc Chg-Other Fund	\$ 2,240	2,285	2,330	2,377	2,425	2,473	2,523	2,573	2,625	2,677	2,731
118 Interfd Other Serv Chgs	\$ 257,110	262,252	267,497	272,847	278,304	283,870	289,548	295,339	301,245	307,270	313,416
119 Interfd Admin Service Chg	\$ 395,760	403,675	411,749	419,984	428,383	436,951	445,690	454,604	463,696	472,970	482,429
120 Advertising	\$ 100	102	104	106	108	110	113	115	117	120	122
121 Printing & Binding	\$ 100	102	104	106	108	110	113	115	117	120	122
122 Taxes	\$ 30	31	31	32	32	33	34	34	35	36	37
123 Equipt Rental	\$ 5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975	6,095
124 Uniform Rental	\$ -	-	-	-	-	-	-	-	-	-	-
125 Insurance	\$ 47,560	48,511	49,481	50,471	51,480	52,510	53,560	54,631	55,724	56,839	57,975
126 Other Equip Svc & Repair	\$ 2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390	2,438
127 Uniforms-Employee	\$ 9,860	10,057	10,258	10,464	10,673	10,886	11,104	11,326	11,553	11,784	12,019
128 Travel Expense-Emp	\$ 5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975	6,095
129 Mileage Reimbursement	\$ 400	408	416	424	433	442	450	459	469	478	488
130 Meals-Employee	\$ 400	408	416	424	433	442	450	459	469	478	488
131 Other Services Or Charges	\$ 600	612	624	637	649	662	676	689	703	717	731
132 Office Supplies	\$ 2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390	2,438
133 Operating Supplies & Matls	\$ 170,000	173,400	176,868	180,405	184,013	187,694	191,448	195,277	199,182	203,166	207,229
134 Lab Chem Supplies	\$ 18,000	18,360	18,727	19,102	19,484	19,873	20,271	20,676	21,090	21,512	21,942
135 Medical Supplies	\$ 100	102	104	106	108	110	113	115	117	120	122
136 \$750-5000 Mach & Equip	\$ 9,100	9,282	9,468	9,657	9,850	10,047	10,248	10,453	10,662	10,875	11,093
137 Memberships/Subs/Lic Emp	\$ 2,100	2,142	2,185	2,229	2,273	2,319	2,365	2,412	2,460	2,510	2,560
138 Officl Recognition-Emp	\$ 290	296	302	308	314	320	327	333	340	347	354
139 Training & Ref Employee	\$ 25,160	25,663	26,176	26,700	27,234	27,779	28,334	28,901	29,479	30,069	30,670
140 Garage Services	\$ 197,490	201,440	205,469	209,578	213,770	218,045	222,406	226,854	231,391	236,019	240,739
141 Telephone Service Variable	\$ 4,950	5,049	5,150	5,253	5,358	5,465	5,575	5,686	5,800	5,916	6,034
142 Radio Svc-Fixed	\$ 17,060	17,401	17,749	18,104	18,466	18,836	19,212	19,597	19,989	20,388	20,796
143 Risk Mgmt Service	\$ 7,110	7,252	7,397	7,545	7,696	7,850	8,007	8,167	8,330	8,497	8,667
144 Info Technology Charge	\$ 89,750	91,545	93,376	95,243	97,148	99,091	101,073	103,095	105,156	107,260	109,405
145 Bldg & Maint Dept Svc Fx	\$ 6,770	6,905	7,044	7,184	7,328	7,475	7,624	7,777	7,932	8,091	8,253
146 Garage Variable	\$ 32,500	33,150	33,813	34,489	35,179	35,883	36,600	37,332	38,079	38,841	39,617
147 Bldg & Maint-Variable	\$ 500	510	520	531	541	552	563	574	586	598	609
148 Employee Benefits-Fixed	\$ 5,710	5,824	5,941	6,059	6,181	6,304	6,430	6,559	6,690	6,824	6,960
149 <b>Total O&amp;M Expenses</b>	<b>\$ 1,783,350</b>	<b>1,819,017</b>	<b>1,855,397</b>	<b>1,892,505</b>	<b>1,930,355</b>	<b>1,968,963</b>	<b>2,008,342</b>	<b>2,048,509</b>	<b>2,089,479</b>	<b>2,131,268</b>	<b>2,173,894</b>
150 <b>Capital Outlay</b>											
151 >\$5,000 Machinery & Equip	\$ 13,500	13,770	14,045	14,326	14,613	14,905	15,203	15,507	15,817	16,134	16,456
152 <b>Total Capital Outlay</b>	<b>\$ 13,500</b>	<b>13,770</b>	<b>14,045</b>	<b>14,326</b>	<b>14,613</b>	<b>14,905</b>	<b>15,203</b>	<b>15,507</b>	<b>15,817</b>	<b>16,134</b>	<b>16,456</b>
153 <b>TOTAL 1347 WW MAIN</b>	<b>\$ 3,684,560</b>	<b>3,764,896</b>	<b>3,840,194</b>	<b>3,916,998</b>	<b>3,995,338</b>	<b>4,075,244</b>	<b>4,156,749</b>	<b>4,239,884</b>	<b>4,324,682</b>	<b>4,411,176</b>	<b>4,499,399</b>



# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 6 –Projection of Cash Outflows

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
154 <b>1351 WPC Plant Ops</b>											
155 <b>Personal Services</b>											
156 Full Time Salaries & Wages	\$ 2,021,040	2,061,461	2,102,690	2,144,744	2,187,639	2,231,391	2,276,019	2,321,540	2,367,970	2,415,330	2,463,636
157 Overtime	\$ 277,690	283,244	288,909	294,687	300,581	306,592	312,724	318,979	325,358	331,865	338,503
158 Life Ins \$2500 Empl & Pens	\$ 20	20	21	21	22	22	23	23	23	24	24
159 Samp Life Insurance	\$ 580	592	603	616	628	640	653	666	680	693	707
160 Major Medical Ins-Emp	\$ 384,460	392,149	399,992	407,992	416,152	424,475	432,964	441,624	450,456	459,465	468,655
161 Social Security-Employee	\$ 38,220	38,984	39,764	40,559	41,371	42,198	43,042	43,903	44,781	45,676	46,590
162 Emp Pension Plan	\$ 353,960	371,063	378,484	386,054	393,775	401,650	409,683	417,877	426,235	434,759	443,455
163 Workers Compensation	\$ 25,580	26,092	26,613	27,146	27,689	28,242	28,807	29,383	29,971	30,570	31,182
164 Disability Insurance	\$ 420	428	437	446	455	464	473	482	492	502	512
165 CWA Life Insurance	\$ 7,920	8,078	8,240	8,405	8,573	8,744	8,919	9,098	9,280	9,465	9,654
166 <b>Total Personal Services</b>	<b>\$ 3,109,890</b>	<b>3,182,112</b>	<b>3,245,754</b>	<b>3,310,669</b>	<b>3,376,882</b>	<b>3,444,420</b>	<b>3,513,308</b>	<b>3,583,574</b>	<b>3,655,246</b>	<b>3,728,351</b>	<b>3,802,918</b>
167 <b>O&amp;M Expenses</b>											
168 Professional Services	\$ 507,000	517,140	527,483	538,032	548,793	559,769	570,964	582,384	594,031	605,912	618,030
169 Other Contractual Serv	\$ 978,900	998,478	1,018,448	1,038,817	1,059,593	1,080,785	1,102,400	1,124,448	1,146,937	1,169,876	1,193,274
170 Elec-Util Charges	\$ 2,650,000	2,703,000	2,757,060	2,812,201	2,868,445	2,925,814	2,984,330	3,044,017	3,104,897	3,166,995	3,230,335
171 Gas,Water & Sanitation Util	\$ 250,000	255,000	260,100	265,302	270,608	276,020	281,541	287,171	292,915	298,773	304,749
172 Postage	\$ 16,000	16,320	16,646	16,979	17,319	17,665	18,019	18,379	18,747	19,121	19,504
173 Interfd Other Serv Chgs	\$ 372,350	379,797	387,393	395,141	403,044	411,104	419,327	427,713	436,267	444,993	453,893
174 Interfd Admin Service Chg	\$ 573,180	584,644	596,336	608,263	620,428	632,837	645,494	658,404	671,572	685,003	698,703
175 Advertising	\$ 1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793	1,828
176 Other Promotion Activity	\$ 500	510	520	531	541	552	563	574	586	598	609
177 Freight	\$ 400	408	416	424	433	442	450	459	469	478	488
178 Printing & Binding	\$ 300	306	312	318	325	331	338	345	351	359	366
179 Dump Fee	\$ 500	510	520	531	541	552	563	574	586	598	609
180 Taxes	\$ 45,000	45,900	46,818	47,754	48,709	49,684	50,677	51,691	52,725	53,779	54,855
181 Equipmt Rental	\$ 40,000	40,800	41,616	42,448	43,297	44,163	45,046	45,947	46,866	47,804	48,760
182 Insurance	\$ 241,420	246,248	251,173	256,197	261,321	266,547	271,878	277,316	282,862	288,519	294,290
183 Ofc Equip Svc & Repair	\$ 250	255	260	265	271	276	282	287	293	299	305
184 Other Equip Svc & Repair	\$ 25,000	25,500	26,010	26,530	27,061	27,602	28,154	28,717	29,291	29,877	30,475
185 Bldg Repair Maint Svcs	\$ 3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515	3,585	3,657
186 Uniforms-Employee	\$ 14,280	14,566	14,857	15,154	15,457	15,766	16,082	16,403	16,731	17,066	17,407
187 Travel Expense-Emp	\$ 10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951	12,190
188 Mileage Reimbursement	\$ 2,600	2,652	2,705	2,759	2,814	2,871	2,928	2,987	3,046	3,107	3,169
189 Meals-Employee	\$ 6,000	6,120	6,242	6,367	6,495	6,624	6,757	6,892	7,030	7,171	7,314
190 Other Services Or Charges	\$ 1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793	1,828
191 Office Supplies	\$ 9,000	9,180	9,364	9,551	9,742	9,937	10,135	10,338	10,545	10,756	10,971
192 Operating Supplies & Matls	\$ 200,000	204,000	208,080	212,242	216,486	220,816	225,232	229,737	234,332	239,019	243,799
193 Lab Chem Supplies	\$ 2,250,000	2,295,000	2,340,900	2,387,718	2,435,472	2,484,182	2,533,865	2,584,543	2,636,234	2,688,958	2,742,737
194 Medical Supplies	\$ 1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219
195 \$750-5000 Mach & Equip	\$ 20,900	21,318	21,744	22,179	22,623	23,075	23,537	24,008	24,488	24,977	25,477
196 Memberships/Subs/Lic Emp	\$ 9,940	10,139	10,342	10,548	10,759	10,975	11,194	11,418	11,646	11,879	12,117
197 Officl Recognition-Emp	\$ 400	408	416	424	433	442	450	459	469	478	488
198 Training & Ref Employee	\$ 13,700	13,974	14,253	14,539	14,829	15,126	15,428	15,737	16,052	16,373	16,700
199 Garage Services	\$ 170,450	173,859	177,336	180,883	184,501	188,191	191,954	195,793	199,709	203,704	207,778
200 Telephone Service Variable	\$ 28,490	29,060	29,641	30,234	30,838	31,455	32,084	32,726	33,381	34,048	34,729
201 Messenger Service	\$ 780	796	812	828	844	861	878	896	914	932	951
202 Radio Svc-Fixed	\$ 11,150	11,373	11,600	11,832	12,069	12,311	12,557	12,808	13,064	13,325	13,592
203 Telephone Svc Fixed	\$ 4,300	4,386	4,474	4,563	4,654	4,748	4,842	4,939	5,038	5,139	5,242
204 Postal Service	\$ 600	612	624	637	649	662	676	689	703	717	731
205 Risk Mgmt Service	\$ 10,530	10,741	10,955	11,175	11,398	11,626	11,858	12,096	12,338	12,584	12,836
206 Info Technology Charge	\$ 133,750	136,425	139,154	141,937	144,775	147,671	150,624	153,637	156,709	159,844	163,041
207 Bldg & Maint Dept Svc Fx	\$ 306,620	312,752	319,007	325,388	331,895	338,533	345,304	352,210	359,254	366,439	373,768
208 Custodial Service	\$ 22,030	22,471	22,920	23,378	23,846	24,323	24,809	25,306	25,812	26,328	26,854
209 Garage Variable	\$ 1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219
210 Bldg & Maint-Variable	\$ 1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219
211 Employee Benefits-Fixed	\$ 8,460	8,629	8,802	8,978	9,157	9,341	9,527	9,718	9,912	10,110	10,313
212 <b>Total O&amp;M Expenses</b>	<b>\$ 8,943,780</b>	<b>9,122,656</b>	<b>9,305,109</b>	<b>9,491,211</b>	<b>9,681,035</b>	<b>9,874,656</b>	<b>10,072,149</b>	<b>10,273,592</b>	<b>10,479,064</b>	<b>10,688,645</b>	<b>10,902,418</b>
213 <b>TOTAL 1351 WPC PLANT OPS</b>	<b>\$ 12,053,670</b>	<b>12,304,767</b>	<b>12,550,862</b>	<b>12,801,880</b>	<b>13,057,917</b>	<b>13,319,076</b>	<b>13,585,457</b>	<b>13,857,166</b>	<b>14,134,310</b>	<b>14,416,996</b>	<b>14,705,336</b>

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 6 –Projection of Cash Outflows

		<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
214	<b>1352 WPC Lab</b>											
215	<b>Personal Services</b>											
216	Full Time Salaries & Wages	\$ 421,440	429,869	438,466	447,235	456,180	465,304	474,610	484,102	493,784	503,660	513,733
217	Life Ins \$2500 Empl & Pens	\$ 90	92	94	96	97	99	101	103	105	108	110
218	Samp Life Insurance	\$ 1,610	1,642	1,675	1,709	1,743	1,778	1,813	1,849	1,886	1,924	1,963
219	Major Medical Ins-Emp	\$ 88,420	90,188	91,992	93,832	95,709	97,623	99,575	101,567	103,598	105,670	107,783
220	Social Security-Employee	\$ 10,300	10,506	10,716	10,930	11,149	11,372	11,599	11,831	12,068	12,309	12,556
221	Emp Pension Plan	\$ 58,700	77,376	78,924	80,502	82,112	83,755	85,430	87,138	88,881	90,659	92,472
222	Workers Compensation	\$ 4,050	4,131	4,214	4,298	4,384	4,472	4,561	4,652	4,745	4,840	4,937
223	Disability Insurance	\$ 360	367	375	382	390	397	405	414	422	430	439
224	<b>Total Personal Services</b>	<b>\$ 584,970</b>	<b>614,172</b>	<b>626,455</b>	<b>638,984</b>	<b>651,764</b>	<b>664,799</b>	<b>678,095</b>	<b>691,657</b>	<b>705,490</b>	<b>719,600</b>	<b>733,992</b>
225	<b>O&amp;M Expenses</b>											
226	Professional Services	\$ 30,000	30,600	31,212	31,836	32,473	33,122	33,785	34,461	35,150	35,853	36,570
227	Other Contractual Serv	\$ 183,500	187,170	190,913	194,732	198,626	202,599	206,651	210,784	214,999	219,299	223,685
228	Gas,Water & Sanitation Utl	\$ 42,000	42,840	43,697	44,571	45,462	46,371	47,299	48,245	49,210	50,194	51,198
229	Postage	\$ 100	102	104	106	108	110	113	115	117	120	122
230	Interfd Other Serv Chgs	\$ 79,790	81,386	83,014	84,674	86,367	88,095	89,856	91,654	93,487	95,356	97,264
231	Interfd Admin Service Chg	\$ 122,820	125,276	127,782	130,338	132,944	135,603	138,315	141,082	143,903	146,781	149,717
232	Printing & Binding	\$ 100	102	104	106	108	110	113	115	117	120	122
233	Taxes	\$ 4,700	4,794	4,890	4,988	5,087	5,189	5,293	5,399	5,507	5,617	5,729
234	Equipmt Rental	\$ 4,620	4,712	4,807	4,903	5,001	5,101	5,203	5,307	5,413	5,521	5,632
235	Insurance	\$ 1,880	1,918	1,956	1,995	2,035	2,076	2,117	2,160	2,203	2,247	2,292
236	Other Equip Svc & Repair	\$ 6,000	6,120	6,242	6,367	6,495	6,624	6,757	6,892	7,030	7,171	7,314
237	Uniforms-Employee	\$ 3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515	3,585	3,657	3,730
238	Travel Expense-Emp	\$ 7,000	7,140	7,283	7,428	7,577	7,729	7,883	8,041	8,202	8,366	8,533
239	Mileage Reimbursement	\$ 700	714	728	743	758	773	788	804	820	837	853
240	Meals-Employee	\$ 300	306	312	318	325	331	338	345	351	359	366
241	Other Services Or Charges	\$ 200	204	208	212	216	221	225	230	234	239	244
242	Office Supplies	\$ 2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390	2,438
243	Operating Supplies & Matls	\$ 6,000	6,120	6,242	6,367	6,495	6,624	6,757	6,892	7,030	7,171	7,314
244	Lab Chem Supplies	\$ 125,000	127,500	130,050	132,651	135,304	138,010	140,770	143,586	146,457	149,387	152,374
245	Memberships/Subs/Lic Emp	\$ 400	408	416	424	433	442	450	459	469	478	488
246	Officl Recognition-Emp	\$ 90	92	94	96	97	99	101	103	105	108	110
247	Training & Ref Employee	\$ 17,700	18,054	18,415	18,783	19,159	19,542	19,933	20,332	20,738	21,153	21,576
248	Garage Services	\$ 6,490	6,620	6,752	6,887	7,025	7,165	7,309	7,455	7,604	7,756	7,911
249	Telephone Service Variable	\$ 650	663	676	690	704	718	732	747	762	777	792
250	Risk Mgmt Service	\$ 2,110	2,152	2,195	2,239	2,284	2,330	2,376	2,424	2,472	2,522	2,572
251	Info Technology Charge	\$ 44,290	45,176	46,079	47,001	47,941	48,900	49,878	50,875	51,893	52,931	53,989
252	Bldg & Maint Dept Svc Fx	\$ 41,720	42,554	43,405	44,274	45,159	46,062	46,983	47,923	48,882	49,859	50,856
253	Custodial Service	\$ 8,430	8,599	8,771	8,946	9,125	9,307	9,494	9,683	9,877	10,075	10,276
254	Garage Variable	\$ 500	510	520	531	541	552	563	574	586	598	609
255	Bldg & Maint-Variable	\$ 1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219
256	Employee Benefits-Fixed	\$ 1,690	1,724	1,758	1,793	1,829	1,866	1,903	1,941	1,980	2,020	2,060
257	<b>Total O&amp;M Expenses</b>	<b>\$ 744,840</b>	<b>759,737</b>	<b>774,932</b>	<b>790,430</b>	<b>806,239</b>	<b>822,364</b>	<b>838,811</b>	<b>855,587</b>	<b>872,699</b>	<b>890,153</b>	<b>907,956</b>
258	<b>TOTAL 1352 WPC LAB</b>	<b>\$ 1,329,810</b>	<b>1,373,909</b>	<b>1,401,387</b>	<b>1,429,414</b>	<b>1,458,003</b>	<b>1,487,163</b>	<b>1,516,906</b>	<b>1,547,244</b>	<b>1,578,189</b>	<b>1,609,753</b>	<b>1,641,948</b>

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 6 – Projection of Cash Outflows

		<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
259	<b>1353 Indust Pretreat</b>											
260	<b>Personal Services</b>											
261	Full Time Salaries & Wages	\$ 270,410	275,818	281,335	286,961	292,700	298,554	304,526	310,616	316,828	323,165	329,628
262	Overtime	\$ 15,490	15,800	16,116	16,438	16,767	17,102	17,444	17,793	18,149	18,512	18,882
263	Life Ins \$2500 Empl & Pens	\$ 10	10	10	11	11	11	11	11	12	12	12
264	1% Life Insurance-Employee	\$ 720	734	749	764	779	795	811	827	844	860	878
265	Samp Life Insurance	\$ 280	286	291	297	303	309	315	322	328	335	341
266	Major Medical Ins-Emp	\$ 73,190	74,654	76,147	77,670	79,223	80,808	82,424	84,072	85,754	87,469	89,218
267	Social Security-Employee	\$ 4,140	4,223	4,307	4,393	4,481	4,571	4,662	4,756	4,851	4,948	5,047
268	Emp Pension Plan	\$ 48,340	49,647	50,640	51,653	52,686	53,740	54,815	55,911	57,029	58,170	59,333
269	Workers Compensation	\$ 3,100	3,162	3,225	3,290	3,356	3,423	3,491	3,561	3,632	3,705	3,779
270	CWA Life Insurance	\$ 960	979	999	1,019	1,039	1,060	1,081	1,103	1,125	1,147	1,170
271	<b>Total Personal Services</b>	<b>\$ 416,640</b>	<b>425,313</b>	<b>433,820</b>	<b>442,496</b>	<b>451,346</b>	<b>460,373</b>	<b>469,580</b>	<b>478,972</b>	<b>488,551</b>	<b>498,322</b>	<b>508,289</b>
272	<b>O&amp;M Expenses</b>											
273	Professional Services	\$ 25,000	25,500	26,010	26,530	27,061	27,602	28,154	28,717	29,291	29,877	30,475
274	Other Contractual Serv	\$ 67,750	69,105	70,487	71,897	73,335	74,801	76,298	77,823	79,380	80,968	82,587
275	Postage	\$ 400	408	416	424	433	442	450	459	469	478	488
276	Interfd Other Serv Chgs	\$ 53,200	54,264	55,349	56,456	57,585	58,737	59,912	61,110	62,332	63,579	64,851
277	Interfd Admin Service Chg	\$ 81,880	83,518	85,188	86,892	88,630	90,402	92,210	94,054	95,935	97,854	99,811
278	Advertising	\$ 800	816	832	849	866	883	901	919	937	956	975
279	Other Promotion Activity	\$ 40,000	40,800	41,616	42,448	43,297	44,163	45,046	45,947	46,866	47,804	48,760
280	Printing & Binding	\$ 300	306	312	318	325	331	338	345	351	359	366
281	Equipmt Rental	\$ 1,200	1,224	1,248	1,273	1,299	1,325	1,351	1,378	1,406	1,434	1,463
282	Insurance	\$ 1,890	1,928	1,966	2,006	2,046	2,087	2,128	2,171	2,214	2,259	2,304
283	Other Equip Svc & Repair	\$ 1,600	1,632	1,665	1,698	1,732	1,767	1,802	1,838	1,875	1,912	1,950
284	Uniforms-Employee	\$ 2,150	2,193	2,237	2,282	2,327	2,374	2,421	2,470	2,519	2,569	2,621
285	Travel Expense-Emp	\$ 4,940	5,039	5,140	5,242	5,347	5,454	5,563	5,675	5,788	5,904	6,022
286	Mileage Reimbursement	\$ 520	530	541	552	563	574	586	597	609	621	634
287	Meals-Employee	\$ 120	122	125	127	130	132	135	138	141	143	146
288	Other Services Or Charges	\$ 200	204	208	212	216	221	225	230	234	239	244
289	Office Supplies	\$ 1,250	1,275	1,301	1,327	1,353	1,380	1,408	1,436	1,465	1,494	1,524
290	Operating Supplies & Matts	\$ 13,250	13,515	13,785	14,061	14,342	14,629	14,922	15,220	15,524	15,835	16,152
291	Lab Chem Supplies	\$ 1,300	1,326	1,353	1,380	1,407	1,435	1,464	1,493	1,523	1,554	1,585
292	Memberships/Subs/Lic Emp	\$ 960	979	999	1,019	1,039	1,060	1,081	1,103	1,125	1,147	1,170
293	Officl Recognition-Emp	\$ 60	61	62	64	65	66	68	69	70	72	73
294	Training & Ref Employee	\$ 6,350	6,477	6,607	6,739	6,873	7,011	7,151	7,294	7,440	7,589	7,741
295	Garage Services	\$ 16,190	16,514	16,844	17,181	17,525	17,875	18,233	18,597	18,969	19,349	19,736
296	Telephone Service Variable	\$ 1,300	1,326	1,353	1,380	1,407	1,435	1,464	1,493	1,523	1,554	1,585
297	Radio Svc-Fixed	\$ 2,620	2,672	2,726	2,780	2,836	2,893	2,951	3,010	3,070	3,131	3,194
298	Postal Service	\$ 900	918	936	955	974	994	1,014	1,034	1,054	1,076	1,097
299	Risk Mgmt Service	\$ 1,580	1,612	1,644	1,677	1,710	1,744	1,779	1,815	1,851	1,888	1,926
300	Info Technology Charge	\$ 46,970	47,909	48,868	49,845	50,842	51,859	52,896	53,954	55,033	56,133	57,256
301	Garage Variable	\$ 500	510	520	531	541	552	563	574	586	598	609
302	Bldg & Maint-Variable	\$ 1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219
303	Employee Benefits-Fixed	\$ 1,270	1,295	1,321	1,348	1,375	1,402	1,430	1,459	1,488	1,518	1,548
304	<b>Total O&amp;M Expenses</b>	<b>\$ 377,450</b>	<b>384,999</b>	<b>392,699</b>	<b>400,553</b>	<b>408,564</b>	<b>416,735</b>	<b>425,070</b>	<b>433,571</b>	<b>442,243</b>	<b>451,088</b>	<b>460,109</b>
305	<b>TOTAL 1353 INDUST PRETREAT</b>	<b>\$ 794,090</b>	<b>810,312</b>	<b>826,519</b>	<b>843,049</b>	<b>859,910</b>	<b>877,108</b>	<b>894,650</b>	<b>912,543</b>	<b>930,794</b>	<b>949,410</b>	<b>968,398</b>

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 6 – Projection of Cash Outflows

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
306 <b>2051 Water Distrib</b>											
307 <b>Personal Services</b>											
308 Full Time Salaries & Wages	\$ 1,577,890	1,609,448	1,641,637	1,674,469	1,707,959	1,742,118	1,776,960	1,812,500	1,848,750	1,885,725	1,923,439
309 Overtime	\$ 83,690	85,364	87,071	88,812	90,589	92,401	94,249	96,134	98,056	100,017	102,018
310 Life Ins \$2500 Empl & Pens	\$ 20	20	21	21	22	22	23	23	23	24	24
311 1% Life Insurance-Employee	\$ 700	714	728	743	758	773	788	804	820	837	853
312 Samp Life Insurance	\$ 580	592	603	616	628	640	653	666	680	693	707
313 Major Medical Ins-Emp	\$ 350,170	357,173	364,317	371,603	379,035	386,616	394,348	402,235	410,280	418,486	426,855
314 Social Security-Employee	\$ 24,610	25,102	25,604	26,116	26,639	27,171	27,715	28,269	28,835	29,411	29,999
315 Emp Pension Plan	\$ 264,890	289,701	295,495	301,405	307,433	313,581	319,853	326,250	332,775	339,430	346,219
316 Workers Compensation	\$ 24,720	25,214	25,719	26,233	26,758	27,293	27,839	28,396	28,963	29,543	30,134
317 Disability Insurance	\$ 260	265	271	276	281	287	293	299	305	311	317
318 CWA Life Insurance	\$ 6,750	6,885	7,023	7,163	7,306	7,453	7,602	7,754	7,909	8,067	8,228
319 <b>Total Personal Services</b>	<b>\$ 2,334,280</b>	<b>2,400,478</b>	<b>2,448,488</b>	<b>2,497,458</b>	<b>2,547,407</b>	<b>2,598,355</b>	<b>2,650,322</b>	<b>2,703,329</b>	<b>2,757,395</b>	<b>2,812,543</b>	<b>2,868,794</b>
320 <b>O&amp;M Expenses</b>											
321 Professional Services	\$ 81,000	82,620	84,272	85,958	87,677	89,431	91,219	93,044	94,904	96,802	98,739
322 Other Contractual Serv	\$ 4,750	4,845	4,942	5,041	5,142	5,244	5,349	5,456	5,565	5,677	5,790
323 Telephone-Util Chgs	\$ 4,500	4,590	4,682	4,775	4,871	4,968	5,068	5,169	5,272	5,378	5,485
324 Postage	\$ 300	306	312	318	325	331	338	345	351	359	366
325 Interfd Svc Chg-Other Fund	\$ 74,990	76,490	78,020	79,580	81,172	82,795	84,451	86,140	87,863	89,620	91,412
326 Interfd Other Serv Chgs	\$ 432,370	441,017	449,838	458,835	468,011	477,371	486,919	496,657	506,590	516,722	527,057
327 Interfd Admin Service Chg	\$ 504,940	515,039	525,340	535,846	546,563	557,495	568,644	580,017	591,618	603,450	615,519
328 Advertising	\$ 150	153	156	159	162	166	169	172	176	179	183
329 Other Promotion Activity	\$ 3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515	3,585	3,657
330 Printing & Binding	\$ 2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390	2,438
331 Taxes	\$ 500	510	520	531	541	552	563	574	586	598	609
332 Equipmt Rental	\$ 2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390	2,438
333 Insurance	\$ 171,770	175,205	178,710	182,284	185,929	189,648	193,441	197,310	201,256	205,281	209,387
334 Other Equip Svc & Repair	\$ 3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515	3,585	3,657
335 Uniforms-Employee	\$ 12,580	12,832	13,088	13,350	13,617	13,889	14,167	14,450	14,739	15,034	15,335
336 Travel Expense-Emp	\$ 13,550	13,821	14,097	14,379	14,667	14,960	15,260	15,565	15,876	16,194	16,517
337 Mileage Reimbursement	\$ 500	510	520	531	541	552	563	574	586	598	609
338 Meals-Employee	\$ 400	408	416	424	433	442	450	459	469	478	488
339 Other Services Or Charges	\$ 400	408	416	424	433	442	450	459	469	478	488
340 Office Supplies	\$ 2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390	2,438
341 Operating Supplies & Matls	\$ 350,000	357,000	364,140	371,423	378,851	386,428	394,157	402,040	410,081	418,282	426,648
342 Medical Supplies	\$ 800	816	832	849	866	883	901	919	937	956	975
343 \$750-5000 Mach & Equip	\$ 8,000	8,160	8,323	8,490	8,659	8,833	9,009	9,189	9,373	9,561	9,752
344 Memberships/Subs/Lic Emp	\$ 7,870	8,027	8,188	8,352	8,519	8,689	8,863	9,040	9,221	9,405	9,593
345 Officl Recognition-Emp	\$ 360	367	375	382	390	397	405	414	422	430	439
346 Training & Ref Employee	\$ 24,020	24,500	24,990	25,490	26,000	26,520	27,050	27,591	28,143	28,706	29,280
347 Garage Services	\$ 441,620	450,452	459,461	468,651	478,024	487,584	497,336	507,283	517,428	527,777	538,332
348 Telephone Service Variable	\$ 4,460	4,549	4,640	4,733	4,828	4,924	5,023	5,123	5,226	5,330	5,437
349 Messenger Service	\$ 780	796	812	828	844	861	878	896	914	932	951
350 Radio Svc-Fixed	\$ 8,910	9,088	9,270	9,455	9,644	9,837	10,034	10,235	10,439	10,648	10,861
351 Telephone Svc Fixed	\$ 3,490	3,560	3,631	3,704	3,778	3,853	3,930	4,009	4,089	4,171	4,254
352 Postal Service	\$ 200	204	208	212	216	221	225	230	234	239	244
353 Risk Mgmt Service	\$ 9,480	9,670	9,863	10,060	10,261	10,467	10,676	10,890	11,107	11,329	11,556
354 Info Technology Charge	\$ 145,460	148,369	151,337	154,363	157,451	160,600	163,812	167,088	170,430	173,838	177,315
355 Garage Variable	\$ 13,000	13,260	13,525	13,796	14,072	14,353	14,640	14,933	15,232	15,536	15,847
356 Bldg & Maint-Variable	\$ 1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219
357 Administrative Charge	\$ 896,990	914,930	933,228	951,893	970,931	990,349	1,010,156	1,030,360	1,050,967	1,071,986	1,093,426
358 Employee Benefits-Fixed	\$ 7,610	7,762	7,917	8,076	8,237	8,402	8,570	8,741	8,916	9,095	9,277
359 <b>Total O&amp;M Expenses</b>	<b>\$ 3,238,750</b>	<b>3,303,525</b>	<b>3,369,596</b>	<b>3,436,987</b>	<b>3,505,727</b>	<b>3,575,842</b>	<b>3,647,359</b>	<b>3,720,306</b>	<b>3,794,712</b>	<b>3,870,606</b>	<b>3,948,018</b>
360 <b>TOTAL 2051 WATER DISTRIB</b>	<b>\$ 5,573,030</b>	<b>5,704,003</b>	<b>5,818,083</b>	<b>5,934,445</b>	<b>6,053,134</b>	<b>6,174,197</b>	<b>6,297,681</b>	<b>6,423,634</b>	<b>6,552,107</b>	<b>6,683,149</b>	<b>6,816,812</b>

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 6 –Projection of Cash Outflows

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
361 <b>2053 Water Supply</b>											
362 <b>Personal Services</b>											
363 Full Time Salaries & Wages	\$ 875,660	893,173	911,037	929,257	947,843	966,799	986,135	1,005,858	1,025,975	1,046,495	1,067,425
364 Overtime	\$ 31,920	32,558	33,210	33,874	34,551	35,242	35,947	36,666	37,399	38,147	38,910
365 Life Ins \$2500 Empl & Pens	\$ 10	10	10	11	11	11	11	11	12	12	12
366 Samp Life Insurance	\$ 280	286	291	297	303	309	315	322	328	335	341
367 Major Medical Ins-Emp	\$ 184,050	187,731	191,486	195,315	199,222	203,206	207,270	211,416	215,644	219,957	224,356
368 Social Security-Employee	\$ 13,150	13,413	13,681	13,955	14,234	14,519	14,809	15,105	15,407	15,715	16,030
369 Emp Pension Plan	\$ 145,270	160,771	163,987	167,266	170,612	174,024	177,504	181,054	184,676	188,369	192,136
370 Workers Compensation	\$ 10,320	10,526	10,737	10,952	11,171	11,394	11,622	11,854	12,092	12,333	12,580
371 CWA Life Insurance	\$ 3,890	3,968	4,047	4,128	4,211	4,295	4,381	4,468	4,558	4,649	4,742
372 <b>Total Personal Services</b>	<b>\$ 1,264,550</b>	<b>1,302,437</b>	<b>1,328,486</b>	<b>1,355,055</b>	<b>1,382,156</b>	<b>1,409,799</b>	<b>1,437,995</b>	<b>1,466,755</b>	<b>1,496,090</b>	<b>1,526,012</b>	<b>1,556,533</b>
373 <b>O&amp;M Expenses</b>											
374 Professional Services	\$ 210,000	214,200	218,484	222,854	227,311	231,857	236,494	241,224	246,048	250,969	255,989
375 Other Contractual Serv	\$ 98,750	100,725	102,740	104,794	106,890	109,028	111,209	113,433	115,701	118,015	120,376
376 Elec-Util Charges	\$ 2,677,530	2,731,081	2,785,702	2,841,416	2,898,245	2,956,209	3,015,334	3,075,640	3,137,153	3,199,896	3,263,894
377 Gas,Water & Sanitation Utl	\$ 24,000	24,480	24,970	25,469	25,978	26,498	27,028	27,568	28,120	28,682	29,256
378 Postage	\$ 100	102	104	106	108	110	113	115	117	120	122
379 Interfd Svc Chg-Other Fund	\$ 6,720	6,854	6,991	7,131	7,274	7,419	7,568	7,719	7,874	8,031	8,192
380 Interfd Other Serv Chgs	\$ 186,180	189,904	193,702	197,576	201,527	205,558	209,669	213,862	218,140	222,502	226,952
381 Interfd Admin Service Chg	\$ 286,590	292,322	298,168	304,132	310,214	316,419	322,747	329,202	335,786	342,502	349,352
382 Advertising	\$ 200	204	208	212	216	221	225	230	234	239	244
383 Other Promotion Activity	\$ 2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390	2,438
384 Freight	\$ 500	510	520	531	541	552	563	574	586	598	609
385 Printing & Binding	\$ 1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793	1,828
386 Dump Fee	\$ 500	510	520	531	541	552	563	574	586	598	609
387 Taxes	\$ 7,000	7,140	7,283	7,428	7,577	7,729	7,883	8,041	8,202	8,366	8,533
388 Equipmt Rental	\$ 3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515	3,585	3,657
389 Insurance	\$ 46,920	47,858	48,816	49,792	50,788	51,803	52,840	53,896	54,974	56,074	57,195
390 Ofc Equip Svc & Repair	\$ 100	102	104	106	108	110	113	115	117	120	122
391 Other Equip Svc & Repair	\$ 104,200	106,284	108,410	110,578	112,789	115,045	117,346	119,693	122,087	124,529	127,019
392 Uniforms-Employee	\$ 7,140	7,283	7,428	7,577	7,729	7,883	8,041	8,202	8,366	8,533	8,704
393 Travel Expense-Emp	\$ 7,000	7,140	7,283	7,428	7,577	7,729	7,883	8,041	8,202	8,366	8,533
394 Mileage Reimbursement	\$ 100	102	104	106	108	110	113	115	117	120	122
395 Meals-Employee	\$ 100	102	104	106	108	110	113	115	117	120	122
396 Office Supplies	\$ 3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515	3,585	3,657
397 Operating Supplies & Matis	\$ 1,445,850	1,474,767	1,504,262	1,534,348	1,565,035	1,596,335	1,628,262	1,660,827	1,694,044	1,727,925	1,762,483
398 Lab Chem Supplies	\$ 2,601,110	2,653,132	2,706,195	2,760,319	2,815,525	2,871,836	2,929,272	2,987,858	3,047,615	3,108,567	3,170,739
399 Medical Supplies	\$ 200	204	208	212	216	221	225	230	234	239	244
400 Memberships/Subs/Lic Emp	\$ 770	785	801	817	833	850	867	884	902	920	939
401 Officl Recognition-Emp	\$ 190	194	198	202	206	210	214	218	223	227	232
402 Training & Ref Employee	\$ 6,790	6,926	7,064	7,206	7,350	7,497	7,647	7,800	7,956	8,115	8,277
403 Garage Services	\$ 105,060	107,161	109,304	111,491	113,720	115,995	118,315	120,681	123,095	125,556	128,068
404 Telephone Service Variable	\$ 2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390	2,438
405 Radio Svc-Fixed	\$ 1,310	1,336	1,363	1,390	1,418	1,446	1,475	1,505	1,535	1,566	1,597
406 Telephone Svc Fixed	\$ 320	326	333	340	346	353	360	368	375	382	390
407 Postal Service	\$ 1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219
408 Risk Mgmt Service	\$ 5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975	6,095
409 Info Technology Charge	\$ 97,670	99,623	101,616	103,648	105,721	107,836	109,992	112,192	114,436	116,725	119,059
410 Bldg & Maint Dept Svc Fx	\$ 123,350	125,817	128,333	130,900	133,518	136,188	138,912	141,690	144,524	147,415	150,363
411 Custodial Service	\$ 8,510	8,680	8,854	9,031	9,211	9,396	9,584	9,775	9,971	10,170	10,374
412 Garage Variable	\$ 2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390	2,438
413 Bldg & Maint-Variable	\$ 500	510	520	531	541	552	563	574	586	598	609
414 Employee Benefits-Fixed	\$ 4,020	4,100	4,182	4,266	4,351	4,438	4,527	4,618	4,710	4,804	4,900
415 <b>Total O&amp;M Expenses</b>	<b>\$ 8,078,780</b>	<b>8,240,356</b>	<b>8,405,163</b>	<b>8,573,266</b>	<b>8,744,731</b>	<b>8,919,626</b>	<b>9,098,018</b>	<b>9,279,979</b>	<b>9,465,578</b>	<b>9,654,890</b>	<b>9,847,988</b>
416 <b>Capital Outlay</b>											
417 Contribution to Garge Fund	\$ 25,000	25,500	26,010	26,530	27,061	27,602	28,154	28,717	29,291	29,877	30,475
418 <b>Total Capital Outlay</b>	<b>\$ 25,000</b>	<b>25,500</b>	<b>26,010</b>	<b>26,530</b>	<b>27,061</b>	<b>27,602</b>	<b>28,154</b>	<b>28,717</b>	<b>29,291</b>	<b>29,877</b>	<b>30,475</b>
419 <b>TOTAL 2053 WATER SUPPLY</b>	<b>\$ 9,368,330</b>	<b>9,568,292</b>	<b>9,759,658</b>	<b>9,954,851</b>	<b>10,153,948</b>	<b>10,357,027</b>	<b>10,564,168</b>	<b>10,775,451</b>	<b>10,990,960</b>	<b>11,210,780</b>	<b>11,434,995</b>

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 6 – Projection of Cash Outflows

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
420 <b>2054 Reclaimed</b>											
421 <b>Personal Services</b>											
422 Full Time Salaries & Wages	\$ 723,380	737,848	752,605	767,657	783,010	798,670	814,643	830,936	847,555	864,506	881,796
423 Overtime	\$ 54,190	55,274	56,379	57,507	58,657	59,830	61,027	62,247	63,492	64,762	66,057
424 Life Ins \$2500 Empl & Pens	\$ 10	10	10	11	11	11	11	11	12	12	12
425 Samp Life Insurance	\$ 270	275	281	287	292	298	304	310	316	323	329
426 Major Medical Ins-Emp	\$ 166,120	169,442	172,831	176,288	179,814	183,410	187,078	190,820	194,636	198,529	202,499
427 Social Security-Employee	\$ 10,260	10,465	10,675	10,888	11,106	11,328	11,554	11,786	12,021	12,262	12,507
428 Emp Pension Plan	\$ 127,480	132,813	135,469	138,178	140,942	143,761	146,636	149,569	152,560	155,611	158,723
429 Workers Compensation	\$ 16,110	16,432	16,761	17,096	17,438	17,787	18,142	18,505	18,875	19,253	19,638
430 CWA Life Insurance	\$ 3,210	3,274	3,340	3,406	3,475	3,544	3,615	3,687	3,761	3,836	3,913
431 <b>Total Personal Services</b>	<b>\$ 1,101,030</b>	<b>1,125,834</b>	<b>1,148,350</b>	<b>1,171,317</b>	<b>1,194,744</b>	<b>1,218,638</b>	<b>1,243,011</b>	<b>1,267,871</b>	<b>1,293,229</b>	<b>1,319,093</b>	<b>1,345,475</b>
432 <b>O&amp;M Expenses</b>											
433 Professional Services	\$ 38,000	38,760	39,535	40,326	41,132	41,955	42,794	43,650	44,523	45,414	46,322
434 Postage	\$ 100	102	104	106	108	110	113	115	117	120	122
435 Interfd Other Serv Chgs	\$ 150,720	153,734	156,809	159,945	163,144	166,407	169,735	173,130	176,593	180,124	183,727
436 Interfd Admin Service Chg	\$ 232,000	236,640	241,373	246,200	251,124	256,147	261,270	266,495	271,825	277,261	282,807
437 Other Promotion Activity	\$ 50,000	51,000	52,020	53,060	54,122	55,204	56,308	57,434	58,583	59,755	60,950
438 Printing & Binding	\$ 800	816	832	849	866	883	901	919	937	956	975
439 Insurance	\$ 17,850	18,207	18,571	18,943	19,321	19,708	20,102	20,504	20,914	21,332	21,759
440 Uniforms-Employee	\$ 5,780	5,896	6,014	6,134	6,256	6,382	6,509	6,639	6,772	6,908	7,046
441 Travel Expense-Emp	\$ 4,450	4,539	4,630	4,722	4,817	4,913	5,011	5,112	5,214	5,318	5,425
442 Mileage Reimbursement	\$ 300	306	312	318	325	331	338	345	351	359	366
443 Meals-Employee	\$ 200	204	208	212	216	221	225	230	234	239	244
444 Other Services Or Charges	\$ 500	510	520	531	541	552	563	574	586	598	609
445 Office Supplies	\$ 1,200	1,224	1,248	1,273	1,299	1,325	1,351	1,378	1,406	1,434	1,463
446 Operating Supplies & Matls	\$ 30,000	30,600	31,212	31,836	32,473	33,122	33,785	34,461	35,150	35,853	36,570
447 Medical Supplies	\$ 250	255	260	265	271	276	282	287	293	299	305
448 \$750-5000 Mach & Equip	\$ 9,200	9,384	9,572	9,763	9,958	10,158	10,361	10,568	10,779	10,995	11,215
449 Memberships/Subs/Lic Emp	\$ 1,450	1,479	1,509	1,539	1,570	1,601	1,633	1,666	1,699	1,733	1,768
450 Officl Recognition-Emp	\$ 170	173	177	180	184	188	191	195	199	203	207
451 Training & Ref Employee	\$ 19,550	19,941	20,340	20,747	21,162	21,585	22,016	22,457	22,906	23,364	23,831
452 Garage Services	\$ 130,220	132,824	135,481	138,191	140,954	143,773	146,649	149,582	152,573	155,625	158,737
453 Telephone Service Variable	\$ 3,300	3,366	3,433	3,502	3,572	3,643	3,716	3,791	3,866	3,944	4,023
454 Radio Svc-Fixed	\$ 8,530	8,701	8,875	9,052	9,233	9,418	9,606	9,798	9,994	10,194	10,398
455 Telephone Svc Fixed	\$ 440	449	458	467	476	486	496	505	516	526	536
456 Risk Mgmt Service	\$ 4,470	4,559	4,651	4,744	4,838	4,935	5,034	5,135	5,237	5,342	5,449
457 Info Technology Charge	\$ 77,450	78,999	80,579	82,191	83,834	85,511	87,221	88,966	90,745	92,560	94,411
458 Garage Variable	\$ 1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219
459 Administrative Charge	\$ 220,020	224,420	228,909	233,487	238,157	242,920	247,778	252,734	257,788	262,944	268,203
460 Employee Benefits-Fixed	\$ 3,590	3,662	3,735	3,810	3,886	3,964	4,043	4,124	4,206	4,290	4,376
461 <b>Total O&amp;M Expenses</b>	<b>\$ 1,011,540</b>	<b>1,031,771</b>	<b>1,052,406</b>	<b>1,073,454</b>	<b>1,094,923</b>	<b>1,116,822</b>	<b>1,139,158</b>	<b>1,161,942</b>	<b>1,185,180</b>	<b>1,208,884</b>	<b>1,233,062</b>
462 <b>Capital Outlay</b>											
463 >\$5,000 Machinery & Equip	\$ 42,500	43,350	44,217	45,101	46,003	46,923	47,862	48,819	49,796	50,791	51,807
464 <b>Total Capital Outlay</b>	<b>\$ 42,500</b>	<b>43,350</b>	<b>44,217</b>	<b>45,101</b>	<b>46,003</b>	<b>46,923</b>	<b>47,862</b>	<b>48,819</b>	<b>49,796</b>	<b>50,791</b>	<b>51,807</b>
465 <b>TOTAL 2054 RECLAIMED</b>	<b>\$ 2,155,070</b>	<b>2,200,954</b>	<b>2,244,973</b>	<b>2,289,873</b>	<b>2,335,670</b>	<b>2,382,384</b>	<b>2,430,031</b>	<b>2,478,632</b>	<b>2,528,205</b>	<b>2,578,769</b>	<b>2,630,344</b>

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 6 – Projection of Cash Outflows

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
466 <b>ADDITIONAL OPEB EXPENSES</b>											
467 1345 - Administration	\$ 16,195	16,273	18,616	19,608	22,832	23,622	27,860	28,743	30,516	31,126	31,749
468 1346 - Sanitary Sewer	\$ 40,089	40,281	46,081	48,537	56,516	58,471	68,961	71,147	75,537	77,048	78,589
469 1347 - Sanitary Sewer Maintenance	\$ 49,925	50,165	57,389	60,448	70,386	72,821	85,885	88,608	94,075	95,957	97,876
470 1351 - WPC Operations	\$ 84,440	84,845	97,063	102,236	119,044	123,163	145,258	149,863	159,110	162,292	165,538
471 1352 - WPC Lab	\$ 17,416	17,500	20,020	21,087	24,554	25,404	29,961	30,911	32,818	33,474	34,144
472 1353 - Industrial Pretreatment	\$ 10,252	10,301	11,784	12,412	14,453	14,953	17,636	18,195	19,318	19,704	20,098
473 2051 - Water Distribution	\$ 63,716	64,022	73,241	77,145	89,828	92,936	109,609	113,084	120,061	122,462	124,911
474 2053 - Water Supply	\$ 32,618	32,775	37,495	39,493	45,986	47,577	56,112	57,891	61,463	62,692	63,946
475 2054 - Reclaimed Water	\$ 28,443	28,580	32,696	34,439	40,101	41,488	48,931	50,482	53,597	54,669	55,762
476 <b>Total Additional OPEB Expenses</b>	<b>\$ 343,094</b>	<b>344,742</b>	<b>394,385</b>	<b>415,405</b>	<b>483,700</b>	<b>500,435</b>	<b>590,213</b>	<b>608,924</b>	<b>646,495</b>	<b>659,425</b>	<b>672,613</b>
477 <b>INCREMENTAL EXPENDITURES <sup>(1)</sup></b>											
478 Other Incremental O&M	\$ 234,762	409,494	761,978	2,379,029	3,995,511	4,872,132	5,024,194	5,181,907	5,285,545	5,391,256	5,499,081
479 Engineer (Addl)	\$ -	100,000	102,000	104,040	106,121	108,243	110,408	112,616	114,869	117,166	119,509
480 Uniform Costs	\$ -	60,000	61,200	62,424	63,672	64,946	66,245	67,570	68,921	70,300	71,706
481 <b>TOTAL INCREMENTAL O&amp;M</b>	<b>\$ 234,762</b>	<b>569,494</b>	<b>925,178</b>	<b>2,545,493</b>	<b>4,165,304</b>	<b>5,045,322</b>	<b>5,200,847</b>	<b>5,362,093</b>	<b>5,469,335</b>	<b>5,578,722</b>	<b>5,690,296</b>
482 <b>PURCHASED WATER COSTS <sup>(2)</sup></b>											
483 Inv Purchase-Resale	\$ 5,011,904	4,287,346	4,378,969	2,262,711	2,302,309	2,342,599	2,383,595	2,425,308	2,467,751	2,510,936	2,554,878
484 <b>TOTAL PURCHASED WATER COSTS</b>	<b>\$ 5,011,904</b>	<b>4,287,346</b>	<b>4,378,969</b>	<b>2,262,711</b>	<b>2,302,309</b>	<b>2,342,599</b>	<b>2,383,595</b>	<b>2,425,308</b>	<b>2,467,751</b>	<b>2,510,936</b>	<b>2,554,878</b>
485 <b>CAPITAL FINANCING COSTS <sup>(3)</sup></b>											
486 2003 - Water/Sewer System Revenue Bonds - Fund 279	\$ 263,540	264,900	265,400	265,200	-	-	-	-	-	-	-
487 2009A - Water/Sewer System Revenue Bonds - Fund 246	\$ 3,535,219	3,535,219	3,535,219	3,535,219	3,944,719	3,943,219	3,937,266	3,931,738	3,934,716	3,930,072	3,932,909
488 2009B - Water/Sewer System Revenue Refunding Bonds - Fund 247	\$ 5,275,750	5,273,625	5,274,875	5,278,750	-	-	-	-	-	-	-
489 2011 - Water/Sewer System Revenue Refunding Bonds - Fund 280	\$ 3,518,131	3,524,931	3,520,506	3,480,131	3,481,381	3,487,881	3,489,381	3,495,631	3,501,256	3,506,006	3,526,981
490 2014 - Water/Sewer System Revenue Refunding Bonds - Fund 286	\$ 1,032,709	1,017,345	1,017,496	1,017,487	2,404,901	2,389,259	2,392,187	2,393,365	2,387,874	2,385,714	2,381,804
491 New L/T Debt Projected by FAMS-XL	\$ -	-	4,085,384	5,110,845	8,314,262	9,118,342	10,030,280	10,259,183	12,751,699	13,377,338	14,233,673
492 <b>TOTAL CAPITAL FINANCING COSTS</b>	<b>\$ 13,625,349</b>	<b>13,616,020</b>	<b>17,698,880</b>	<b>18,687,632</b>	<b>18,145,262</b>	<b>18,938,701</b>	<b>19,849,114</b>	<b>20,079,917</b>	<b>22,575,544</b>	<b>23,199,129</b>	<b>24,075,368</b>
493 <b>LEASE PURCHASE EXPENSES</b>											
494 Short-Term Debt Service (L/P) <sup>(3)</sup>	\$ 27,985	4,203	-	-	-	-	-	-	-	-	-
495 New S/T Debt Projected by FAMS-XL <sup>(4)</sup>	\$ 35,693	64,201	299,933	299,933	299,933	264,240	235,732	-	-	-	-
496 <b>TOTAL LEASE PURCHASE EXPENSES</b>	<b>\$ 63,678</b>	<b>68,404</b>	<b>299,933</b>	<b>299,933</b>	<b>299,933</b>	<b>264,240</b>	<b>235,732</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 6 – Projection of Cash Outflows

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
497 <b>TRANSFERS OUT</b>											
498 <b>R&amp;R - Renewal &amp; Replacement</b>											
499 Wastewater Collection	\$ 4,121,000	1,827,968	1,889,714	1,953,648	2,019,850	2,088,401	2,159,385	2,232,891	2,309,009	2,387,835	2,469,306
500 WPC Plant Operations	\$ 1,836,170	814,477	841,989	870,476	899,973	930,517	962,145	994,896	1,028,812	1,063,934	1,100,234
501 Water Distribution	\$ 2,710,000	1,202,086	1,242,690	1,284,734	1,328,268	1,373,348	1,420,027	1,468,366	1,518,422	1,570,258	1,623,834
502 Additional R&R	\$ 1,000,000	2,000,000	3,000,000	4,000,000	5,000,000	6,000,000	7,000,000	8,000,000	9,000,000	10,000,000	10,000,000
503 <b>Payment in Lieu of Taxes</b>											
504 Interfund Transfer - 1345	\$ 134,390	154,185	159,393	164,786	170,370	176,152	182,140	188,340	194,760	201,409	208,281
505 Interfund Transfer - 1346	\$ 460,750	528,617	546,473	564,962	584,106	603,930	624,457	645,714	667,726	690,521	714,081
506 Interfund Transfer - 1347	\$ 556,750	638,758	660,334	682,675	705,808	729,762	754,567	780,252	806,851	834,395	862,864
507 Interfund Transfer - 1351	\$ 806,320	925,089	956,337	988,692	1,022,195	1,056,887	1,092,810	1,130,010	1,168,532	1,208,423	1,249,654
508 Interfund Transfer - 1352	\$ 172,780	198,230	204,926	211,859	219,038	226,472	234,170	242,141	250,395	258,944	267,778
509 Interfund Transfer - 1353	\$ 115,190	132,157	136,621	141,244	146,030	150,986	156,118	161,432	166,935	172,634	178,524
510 Interfund Transfer - 2051	\$ 710,330	814,960	842,488	870,991	900,506	931,068	962,715	995,486	1,029,421	1,064,564	1,100,886
511 Interfund Transfer - 2053	\$ 403,160	462,544	478,168	494,346	511,098	528,444	546,405	565,005	584,266	604,212	624,827
512 Interfund Transfer - 2054	\$ 326,370	374,443	387,092	400,188	413,749	427,791	442,331	457,388	472,981	489,127	505,816
513 <b>TOTAL TRANSFERS OUT</b>	<b>\$ 13,353,210</b>	<b>10,073,516</b>	<b>11,346,226</b>	<b>12,628,601</b>	<b>13,920,991</b>	<b>15,223,756</b>	<b>16,537,270</b>	<b>17,861,921</b>	<b>19,198,110</b>	<b>20,546,255</b>	<b>20,906,084</b>
514 <b>TOTAL CASH OUTFLOWS</b>	<b>\$ 72,539,877</b>	<b>69,781,810</b>	<b>76,682,305</b>	<b>79,311,285</b>	<b>82,638,439</b>	<b>86,502,411</b>	<b>89,867,875</b>	<b>92,310,690</b>	<b>97,249,213</b>	<b>100,324,284</b>	<b>102,685,653</b>

(1) Incremental Expenditures presented in detail on Schedule 7.

(2) Purchased water costs presented in detail on Schedule 2.

(3) Based upon schedules provided by City staff.

(3) Based upon amortization schedules provided by City staff.

(4) To pay for Lease/Payment projects provided by staff as part of CIP; calculated by FAMS based on 5-year term at interest rates of 1.50% in FY 2016, 1.75% in FY 2017, 2.00% in FY 2018 and 2.50% in FY 2019 and each year thereafter.



# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 7 – Additional Incremental O&M

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
1 <b>Water System CIP O&amp;M Impacts</b>											
2 Reverse Osmosis Plant Expansion - Reservoir #1 (1),(4),(8)	\$ -	-	-	-	-	-	-	-	-	-	-
3 Reverse Osmosis Plant @ Reservoir #2 (1),(3),(4),(8)	\$ -	-	-	842,450	1,761,370	1,834,971	1,912,149	1,993,070	2,032,931	2,073,590	2,115,062
5 Groundwater Replenishment Facility (1), (3), (4), (8)	\$ -	-	-	245,000	504,700	519,840	535,440	551,500	562,530	573,781	585,257
6 Additional Treatment WTP #3	\$ -	-	-								
7 <b>Sewer System CIP O&amp;M Impacts</b>											
8 WWTP UV Disinfection (1) (4)	\$ -	-	193,090	404,750	424,220	893,680	920,490	948,100	967,062	986,403	1,006,131
9 WET NNC Rule Compliance (1) (3)	\$ -	-	-	308,840	717,900	1,026,750	1,047,285	1,068,231	1,089,595	1,111,387	1,133,615
10 Trailer Mounted Biosolids Centrifuge	\$ -	-	150,520	150,520	150,520	150,520	153,530	156,601	159,733	162,928	166,186
11 Maintenance Vehicles (3)	\$ 234,762	209,494	214,368	219,388	224,559	229,885	234,483	239,173	243,956	248,835	253,812
12 Other Incremental O&M*	\$ -	200,000	204,000	208,080	212,242	216,486	220,816	225,232	229,737	234,332	239,019
13 Engineer (Addl)**	\$ -	100,000	102,000	104,040	106,121	108,243	110,408	112,616	114,869	117,166	119,509
14 Uniform costs***	\$ -	60,000	61,200	62,424	63,672	64,946	66,245	67,570	68,921	70,300	71,706
15 <b>TOTAL INCREMENTAL EXPENDITURES</b>	<b>\$ 234,762</b>	<b>569,494</b>	<b>925,178</b>	<b>2,545,493</b>	<b>4,165,304</b>	<b>5,045,322</b>	<b>5,200,847</b>	<b>5,362,093</b>	<b>5,469,335</b>	<b>5,578,722</b>	<b>5,690,296</b>

\* Reflects the addition of 2 new positions, a Safety Compliance and Training Coordinator and a Maintenance Manager.

\*\* Reflects the addition of 1 new Water & Sewer Engineer.

\*\*\* Reflects additional costs related to renegotiation of uniform contracts.

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

Schedule 8 – FAMS-XL © Control Panel



Note: Current Plan (blue bars) reflect results of FY 2016 Revenue Sufficiency Analysis (RSA) results and Last Plan (green bars) reflect results of FY 2015 RSA results.

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 9 – Pro Forma

		FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
1	<b>Total Rate Revenue</b>											
2	Base Rate Revenue	\$ 72,249,062	72,348,137	74,860,233	77,461,324	80,154,616	82,943,431	85,831,211	88,821,523	91,918,068	95,124,680	98,445,331
3	Additional Revenue From Growth	\$ -	108,226	111,741	115,369	119,116	122,983	126,976	131,097	135,353	139,746	137,763
4	Other Revenue Adjustments	\$ -	-	-	-	-	-	-	-	-	-	-
5	Subtotal: Base Revenue With Growth	\$ 72,249,062	72,456,363	74,971,973	77,576,694	80,273,732	83,066,414	85,958,186	88,952,621	92,053,421	95,264,425	98,583,094
6	Weighted Average Rate Increase	0.00%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
7	Additional Rate Revenue From Rate Increase	\$ -	2,614,323	2,704,804	2,798,482	2,895,471	2,995,892	3,099,867	3,207,525	3,318,998	3,434,423	3,553,698
8	Price Elasticity Adjustment	\$ -	(313,244)	(322,098)	(331,203)	(340,566)	(350,194)	(360,095)	(370,276)	(380,745)	(391,510)	(402,505)
9	<b>Total Rate Revenue</b>	<b>\$ 72,249,062</b>	<b>74,757,442</b>	<b>77,354,679</b>	<b>80,043,972</b>	<b>82,828,637</b>	<b>85,712,112</b>	<b>88,697,959</b>	<b>91,789,870</b>	<b>94,991,674</b>	<b>98,307,338</b>	<b>101,734,287</b>
10	Plus: Other Operating Revenue <sup>(1)</sup>	\$ 2,238,304	2,133,183	2,133,183	2,133,183	2,133,183	2,133,183	2,133,183	2,133,183	2,133,183	2,133,183	2,133,183
11	<b>EQUALS: TOTAL OPERATING REVENUE</b>	<b>\$ 74,487,366</b>	<b>76,890,625</b>	<b>79,487,862</b>	<b>82,177,155</b>	<b>84,961,820</b>	<b>87,845,295</b>	<b>90,831,142</b>	<b>93,923,053</b>	<b>97,124,857</b>	<b>100,440,521</b>	<b>103,867,470</b>
12	<b>Less: Operating Expenses</b>											
13	Purchased Water Expenses	\$ (5,011,904)	(4,287,346)	(4,378,969)	(2,262,711)	(2,302,309)	(2,342,599)	(2,383,595)	(2,425,308)	(2,467,751)	(2,510,936)	(2,554,878)
14	O&M	\$ (40,386,936)	(41,635,749)	(42,855,506)	(45,327,560)	(47,862,999)	(49,624,032)	(50,750,900)	(51,830,054)	(52,892,048)	(53,949,889)	(55,028,887)
15	<b>EQUALS: NET OPERATING INCOME</b>	<b>\$ 29,088,527</b>	<b>\$ 30,967,531</b>	<b>\$ 32,253,387</b>	<b>\$ 34,586,884</b>	<b>\$ 34,796,512</b>	<b>\$ 35,878,664</b>	<b>\$ 37,696,647</b>	<b>\$ 39,667,691</b>	<b>\$ 41,765,058</b>	<b>\$ 43,979,695</b>	<b>\$ 46,283,706</b>
16	<b>Plus: Non-Operating Income/(Expense)</b>											
17	Non-Operating Revenue	\$ -	-	-	-	-	-	-	-	-	-	-
18	Interest of Fund Balances Less Interest on Interim Financing	\$ 731,040	483,994	789,288	608,162	1,129,326	1,144,696	1,239,590	945,520	1,321,041	1,268,549	1,401,093
19	Impact Fees	\$ 72,922	36,461	36,461	36,461	36,461	36,461	36,461	36,461	36,461	36,461	36,461
20	Transfers In	\$ -	-	-	-	-	-	-	-	-	-	-
21	<b>Equals: Net Income</b>	<b>\$ 29,892,489</b>	<b>31,487,986</b>	<b>33,079,136</b>	<b>35,231,507</b>	<b>35,962,299</b>	<b>37,059,821</b>	<b>38,972,698</b>	<b>40,649,672</b>	<b>43,122,560</b>	<b>45,284,706</b>	<b>47,721,259</b>
22	<b>Less: Revenues Excluded From Coverage Test</b>											
23	Impact Fees	\$ (72,922)	(36,461)	(36,461)	(36,461)	(36,461)	(36,461)	(36,461)	(36,461)	(36,461)	(36,461)	(36,461)
24	Transfers In	\$ -	-	-	-	-	-	-	-	-	-	-
25	<b>Equals: Net Income Available For Debt Service</b>	<b>\$ 29,819,567</b>	<b>31,451,525</b>	<b>33,042,675</b>	<b>35,195,046</b>	<b>35,925,838</b>	<b>37,023,360</b>	<b>38,936,237</b>	<b>40,613,211</b>	<b>43,086,099</b>	<b>45,248,245</b>	<b>47,684,798</b>
26	<b>Existing And New Debt Service For Coverage Test</b>											
27	Existing Debt Service	\$ 13,625,349	13,616,020	13,613,496	13,576,787	9,831,001	9,820,359	9,818,833	9,820,734	9,823,846	9,821,792	9,841,695
28	Cumulative New Debt Service As Calculated by Model	\$ -	-	4,085,384	5,110,845	8,314,262	9,118,342	10,030,280	10,259,183	12,751,699	13,377,338	14,233,673
29	<b>Total Conventional Debt Service</b>	<b>\$ 13,625,349</b>	<b>13,616,020</b>	<b>17,698,880</b>	<b>18,687,632</b>	<b>18,145,262</b>	<b>18,938,701</b>	<b>19,849,114</b>	<b>20,079,917</b>	<b>22,575,544</b>	<b>23,199,129</b>	<b>24,075,368</b>
30	Calculated Debt Service Coverage	Target 1.50	2.19	2.31	1.87	1.88	1.98	1.95	1.96	2.02	1.91	1.95
31	<b>Cash Flow Test</b>											
32	Net Income Available For Debt Service	\$ 29,819,567	31,451,525	33,042,675	35,195,046	35,925,838	37,023,360	38,936,237	40,613,211	43,086,099	45,248,245	47,684,798
33	Net Interfund Transfers (In - Out)	\$ (3,686,040)	(4,228,984)	(4,371,832)	(4,519,744)	(4,672,900)	(4,831,491)	(4,995,713)	(5,165,768)	(5,341,867)	(5,524,229)	(5,712,711)
34	Net Debt Service Payment	\$ (13,625,349)	(13,616,020)	(17,698,880)	(18,687,632)	(18,145,262)	(18,938,701)	(19,849,114)	(20,079,917)	(22,575,544)	(23,199,129)	(24,075,368)
35	Short-Term Debt Service (L/P)	\$ (63,678)	(68,404)	(299,933)	(299,933)	(299,933)	(264,240)	(235,732)	-	-	-	-
36	Capital Outlay	\$ (98,800)	(100,776)	(102,792)	(104,847)	(106,944)	(109,083)	(111,265)	(113,490)	(115,760)	(118,075)	(120,437)
37	Renewal & Replacement	\$ (9,667,170)	(5,844,531)	(6,974,393)	(8,108,858)	(9,248,091)	(10,392,265)	(11,541,557)	(12,696,153)	(13,856,243)	(15,022,026)	(15,193,374)
38	<b>Net Cash Flow</b>	<b>\$ 2,678,530</b>	<b>7,592,809</b>	<b>3,594,845</b>	<b>3,474,032</b>	<b>3,452,708</b>	<b>2,487,580</b>	<b>2,202,857</b>	<b>2,557,883</b>	<b>1,196,685</b>	<b>1,384,786</b>	<b>2,582,910</b>
39	<b>Unrestricted Reserve Fund Test</b>											
40	Balance At Beginning Of Fiscal Year	\$ 34,875,033	33,601,300	22,961,547	23,617,237	23,795,136	25,082,654	25,983,316	26,567,247	27,127,681	27,679,899	28,230,413
41	Cash Flow Surplus/(Deficit)	\$ 2,678,530	7,592,809	3,594,845	3,474,032	3,452,708	2,487,580	2,202,857	2,557,883	1,196,685	1,384,786	2,582,910
42	Projects Paid With Reserve Funds (Non Specified Funds)	\$ (3,952,263)	(18,232,562)	(2,939,155)	(3,296,134)	(2,165,189)	(1,586,919)	(1,618,925)	(1,997,450)	(644,466)	(834,272)	(2,021,440)
43	Balance At End Of Fiscal Year	\$ 33,601,300	22,961,547	23,617,237	23,795,136	25,082,654	25,983,316	26,567,247	27,127,681	27,679,899	28,230,413	28,791,882
44	Minimum Working Capital Reserve Target	6 Mos *	\$ 11,349,710	22,961,547	23,617,237	23,795,136	25,082,654	25,983,316	26,567,247	27,127,681	27,679,899	28,230,413
45	<b>Excess/(Deficiency) Of Working Capital To Target</b>	<b>\$ 22,251,590</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(1) Other Operating Revenues includes specific service charge revenues, Safety Harbor payments, collection fee charges, rents/leases, and other miscellaneous operating revenues.

\* Operating Reserve Target is adjusted from 3 Months of O&M to 6 Months of O&M starting in FY 2017 per City Staff.

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 10 – Projected CIP Funding Sources

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
WATER IMPACT FEES	\$ 48,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
SEWER IMPACT FEES	\$ 1,781,551	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461
RECLAIMED IMPACT FEES	\$ -	-	-	-	-	-	-	-	-	-	-
FUTURE BOND PROCEEDS	\$ -	-	-	-	-	-	-	-	-	-	-
CAPITAL PROJECTS FUND	\$ -	-	-	-	-	-	-	-	-	-	-
RENEWAL & REPLACEMENT	\$ 19,076,104	8,491,995	6,997,558	8,109,089	9,248,094	10,392,265	11,541,557	12,696,153	13,856,243	10,249,204	5,543,311
ASSESSMENT FUND	\$ -	-	-	-	-	-	-	-	-	-	-
REVENUE FUND	\$ 3,952,263	18,232,562	2,939,155	3,296,134	2,165,189	1,586,919	1,618,925	1,997,450	644,466	834,272	2,021,440
SRF PROCEEDS	\$ -	-	-	-	-	-	-	-	-	-	-
INTERIM FINANCING	\$ -	28,488,402	-	36,220,260	-	4,966,124	-	25,810,877	-	8,420,177	-
DEBT PROCEEDS	\$ -	-	39,194,875	-	16,851,305	-	10,142,118	-	15,483,061	-	5,766,879
<b>TOTAL PROJECTED CAPITAL SPENDING</b>	<b>\$ 24,857,918</b>	<b>55,249,420</b>	<b>49,168,049</b>	<b>47,661,945</b>	<b>28,301,049</b>	<b>16,981,769</b>	<b>23,339,061</b>	<b>40,540,940</b>	<b>30,020,231</b>	<b>19,540,115</b>	<b>13,368,091</b>

(1) Schedules 11 & 12 present the detail for each projected Long-Term and Short-Term debt issuance.

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 11 – Senior-Lien Borrowing Projections

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Term (Years)	30	30	30	30	30	30	30	30	30	30	30
Interest Rate	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
<b>Sources of Funds</b>											
Par Amount	\$ -	-	74,279,716	-	58,243,941	-	16,580,698	-	45,318,461	-	15,569,732
<b>Uses of Funds</b>											
Proceeds	\$ -	-	67,683,277	-	53,071,565	-	15,108,243	-	41,293,937	-	14,187,056
Cost of Issuance 2.00% of Par	\$ -	-	1,485,594	-	1,164,879	-	331,614	-	906,369	-	311,395
Underwriter's Discount \$0.00 per \$1,000	\$ -	-	-	-	-	-	-	-	-	-	-
Bond Insurance 0 times total Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
Capitalized Interest 0 Years Interest	\$ -	-	-	-	-	-	-	-	-	-	-
Debt Service Surety 0.00% of Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
Debt Service Reserve 1 Year(s) of Debt Service	\$ -	-	5,110,845	-	4,007,497	-	1,140,841	-	3,118,154	-	1,071,281
<b>Other Costs</b>											
Total Uses	\$ -	-	74,279,716	-	58,243,941	-	16,580,698	-	45,318,461	-	15,569,732
1 Year Interest	\$ -	-	4,085,384	-	3,203,417	-	911,938	-	2,492,515	-	856,335
<b>Annual Debt Service</b>	<b>\$ -</b>	<b>-</b>	<b>5,110,845</b>	<b>-</b>	<b>4,007,497</b>	<b>-</b>	<b>1,140,841</b>	<b>-</b>	<b>3,118,154</b>	<b>-</b>	<b>1,071,281</b>
Total Debt Service	\$ -	-	153,325,344	-	120,224,912	-	34,225,242	-	93,544,631	-	32,138,444
<b>Required Proceeds for Capital Funding</b>	<b>\$ -</b>	<b>28,488,402</b>	<b>39,194,875</b>	<b>36,220,260</b>	<b>16,851,305</b>	<b>4,966,124</b>	<b>10,142,118</b>	<b>25,810,877</b>	<b>15,483,061</b>	<b>8,420,177</b>	<b>5,766,879</b>

<b>Interim Financing</b>											
Interest Rate	1.50%	1.75%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Utilize Interim Financing?	Y	Y	N	Y	N	Y	N	Y	N	Y	N
Proceeds	\$ -	28,488,402	-	36,220,260	-	4,966,124	-	25,810,877	-	8,420,177	-
Interest Payments	\$ -	249,274	-	452,753	-	62,077	-	322,636	-	105,252	-
End of Year Balance	\$ -	28,488,402	-	36,220,260	-	4,966,124	-	25,810,877	-	8,420,177	-
<b>Proceeds to be Bond-Funded</b>	<b>\$ -</b>	<b>-</b>	<b>67,683,277</b>	<b>-</b>	<b>53,071,565</b>	<b>-</b>	<b>15,108,243</b>	<b>-</b>	<b>41,293,937</b>	<b>-</b>	<b>14,187,056</b>
<b>Cumulative New Annual Debt Service <sup>(1)</sup></b>	<b>\$ -</b>	<b>-</b>	<b>4,085,384</b>	<b>5,110,845</b>	<b>8,314,262</b>	<b>9,118,342</b>	<b>10,030,280</b>	<b>10,259,183</b>	<b>12,751,699</b>	<b>13,377,338</b>	<b>14,233,673</b>

(1) It is assumed that all debt is issued mid-fiscal year, resulting in interest-only payments in the year of issuance.

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 12 – Short-Term Borrowing Projections

		FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Term (Years)		5	5	5	5	5	5	5	5	5	5	5
Interest Rate		1.50%	1.75%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
<b>Sources of Funds</b>												
Par Amount		\$ 170,707	135,354	1,111,111	-	-	-	-	-	-	-	-
<b>Uses of Funds</b>												
Proceeds		\$ 169,000	134,000	1,100,000	-	-	-	-	-	-	-	-
Cost of Issuance	1.00% of Par	\$ 1,707	1,354	11,111	-	-	-	-	-	-	-	-
Underwriter's Discount	\$0.00 per \$1,000	\$ -	-	-	-	-	-	-	-	-	-	-
Bond Insurance	0 times total Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
Capitalized Interest	0 Years Interest	\$ -	-	-	-	-	-	-	-	-	-	-
Debt Service Reserve	0 Year(s) of Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
Other Costs		\$ -	-	-	-	-	-	-	-	-	-	-
Total Uses		\$ 170,707	135,354	1,111,111	-	-	-	-	-	-	-	-
1 Year Interest		\$ 2,561	2,369	22,222	-	-	-	-	-	-	-	-
<b>Annual Debt Service</b>		<b>\$ 35,693</b>	<b>28,508</b>	<b>235,732</b>	-	-	-	-	-	-	-	-
Total Debt Service		\$ 178,465	142,540	1,178,660	-	-	-	-	-	-	-	-
<b>Cumulative New Annual Short Term Debt Service</b>		<b>\$ 35,693</b>	<b>64,201</b>	<b>299,933</b>	<b>299,933</b>	<b>299,933</b>	<b>264,240</b>	<b>235,732</b>	-	-	-	-

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 13 – Funding Summary by Fund

		<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
1	<b><u>WATER IMPACT FEES</u></b>											
2	Balance At Beginning Of Fiscal Year	\$ -	-	-	-	-	-	-	-	-	-	-
3	Additional Annual Revenues	\$ 48,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
4	Less: Payment Of Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
5	Subtotal	\$ 48,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
6	Less: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
7	Total Amount Available For Projects	\$ 48,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
8	Amount Paid For Projects	\$ (48,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)
9	Subtotal	\$ -	-	-	-	-	-	-	-	-	-	-
10	Add Back: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
11	Plus: Interest Earnings	\$ -	-	-	-	-	-	-	-	-	-	-
12	Less: Interest Allocated To Cash Flow	\$ -	-	-	-	-	-	-	-	-	-	-
13	Balance At End Of Fiscal Year	\$ -	-	-	-	-	-	-	-	-	-	-
14	<b><u>SEWER IMPACT FEES</u></b>											
15	Balance At Beginning Of Fiscal Year	\$ 1,756,629	-	-	-	-	-	-	-	-	-	-
16	Additional Annual Revenues	\$ 24,922	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461
17	Less: Payment Of Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
18	Subtotal	\$ 1,781,551	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461
19	Less: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
20	Total Amount Available For Projects	\$ 1,781,551	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461	12,461
21	Amount Paid For Projects	\$ (1,781,551)	(12,461)	(12,461)	(12,461)	(12,461)	(12,461)	(12,461)	(12,461)	(12,461)	(12,461)	(12,461)
22	Subtotal	\$ -	-	-	-	-	-	-	-	-	-	-
23	Add Back: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
24	Plus: Interest Earnings	\$ 13,175	-	-	-	-	-	-	-	-	-	-
25	Less: Interest Allocated To Cash Flow	\$ (13,175)	-	-	-	-	-	-	-	-	-	-
26	Balance At End Of Fiscal Year	\$ -	-	-	-	-	-	-	-	-	-	-
40	<b><u>RENEWAL &amp; REPLACEMENT</u></b>											
41	Balance At Beginning Of Fiscal Year	\$ 11,947,749	2,647,464	23,165	232	3	0	0	0	0	0	4,832,482
42	Additional Annual Revenues	\$ 9,667,170	5,844,531	6,974,393	8,108,858	9,248,091	10,392,265	11,541,557	12,696,153	13,856,243	15,022,026	15,193,374
43	Less: Payment Of Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
44	Subtotal	\$ 21,614,919	8,491,995	6,997,558	8,109,089	9,248,094	10,392,265	11,541,557	12,696,153	13,856,243	15,022,026	20,025,856
45	Less: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
46	Total Amount Available For Projects	\$ 21,614,919	8,491,995	6,997,558	8,109,089	9,248,094	10,392,265	11,541,557	12,696,153	13,856,243	15,022,026	20,025,856
47	Amount Paid For Projects	\$ (19,076,104)	(8,491,995)	(6,997,558)	(8,109,089)	(9,248,094)	(10,392,265)	(11,541,557)	(12,696,153)	(13,856,243)	(10,249,204)	(5,543,311)
48	Subtotal	\$ 2,538,815	-	-	-	-	-	-	-	-	4,772,822	14,482,545
49	Add Back: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
50	Plus: Interest Earnings	\$ 108,649	23,165	232	3	0	0	0	0	0	59,660	241,438
51	Less: Interest Allocated To Cash Flow	\$ -	-	-	-	-	-	-	-	-	-	-
52	Balance At End Of Fiscal Year	\$ 2,647,464	23,165	232	3	0	0	0	0	0	4,832,482	14,723,983

# FY 2016 WATER & SEWER REVENUE SUFFICIENCY ANALYSIS

## APPENDIX

### Schedule 13 – Funding Summary by Fund

		<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
53	<b><u>REVENUE FUND</u></b>											
54	Balance At Beginning Of Fiscal Year	\$ 34,875,033	33,601,300	22,961,547	23,617,237	23,795,136	25,082,654	25,983,316	26,567,247	27,127,681	27,679,899	28,230,413
55	Additional Annual Revenues	\$ 2,678,530	7,592,809	3,594,845	3,474,032	3,452,708	2,487,580	2,202,857	2,557,883	1,196,685	1,384,786	2,582,910
56	Less: Cash-Funded Capital Projects	\$ -	-	-	-	-	-	-	-	-	-	-
57	Less: Payment Of Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
58	Subtotal	\$ 37,553,563	41,194,109	26,556,392	27,091,270	27,247,843	27,570,234	28,186,172	29,125,131	28,324,366	29,064,685	30,813,322
59	Less: Restricted Funds	\$ (11,349,710)	(22,961,547)	(23,617,237)	(23,795,136)	(25,082,654)	(25,983,316)	(26,567,247)	(27,127,681)	(27,679,899)	(28,230,413)	(28,791,882)
60	Total Amount Available For Projects	\$ 26,203,853	18,232,562	2,939,155	3,296,134	2,165,189	1,586,919	1,618,925	1,997,450	644,466	834,272	2,021,440
61	Amount Paid For Projects	\$ (3,952,263)	(18,232,562)	(2,939,155)	(3,296,134)	(2,165,189)	(1,586,919)	(1,618,925)	(1,997,450)	(644,466)	(834,272)	(2,021,440)
62	Subtotal	\$ 22,251,590	-	-	-	-	-	-	-	-	-	-
63	Add Back: Restricted Funds	\$ 11,349,710	22,961,547	23,617,237	23,795,136	25,082,654	25,983,316	26,567,247	27,127,681	27,679,899	28,230,413	28,791,882
64	Plus: Interest Earnings	\$ 513,572	494,925	465,788	592,655	610,972	638,325	656,882	671,187	685,095	698,879	712,779
65	Less: Interest Allocated To Cash Flow	\$ (513,572)	(494,925)	(465,788)	(592,655)	(610,972)	(638,325)	(656,882)	(671,187)	(685,095)	(698,879)	(712,779)
66	Balance At End Of Fiscal Year	\$ 33,601,300	22,961,547	23,617,237	23,795,136	25,082,654	25,983,316	26,567,247	27,127,681	27,679,899	28,230,413	28,791,882
67	<b><u>RESTRICTED RESERVES</u></b>											
68	Balance At Beginning Of Fiscal Year	\$ 13,619,564	13,619,564	13,619,564	18,730,409	18,730,409	22,737,906	22,737,906	23,878,747	23,878,747	26,996,902	26,996,902
69	Additional Funds:	\$ -	-	-	-	-	-	-	-	-	-	-
70	Debt Service Reserve On New Debt	\$ -	-	5,110,845	-	4,007,497	-	1,140,841	-	3,118,154	-	1,071,281
71	Other Additional Funds	\$ -	-	-	-	-	-	-	-	-	-	-
72	Subtotal	\$ 13,619,564	13,619,564	18,730,409	18,730,409	22,737,906	22,737,906	23,878,747	23,878,747	26,996,902	26,996,902	28,068,183
73	Plus: Interest Earnings	\$ 204,293	238,342	323,500	468,260	518,354	568,448	582,708	596,969	635,946	674,923	688,314
74	Less: Interest Allocated To Cash Flow	\$ (204,293)	(238,342)	(323,500)	(468,260)	(518,354)	(568,448)	(582,708)	(596,969)	(635,946)	(674,923)	(688,314)
75	Balance At End Of Fiscal Year	\$ 13,619,564	13,619,564	18,730,409	18,730,409	22,737,906	22,737,906	23,878,747	23,878,747	26,996,902	26,996,902	28,068,183