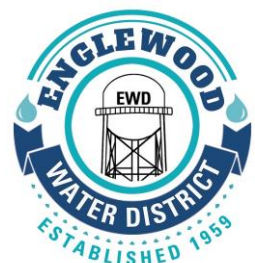


ENGLEWOOD WATER DISTRICT

2025 Utility Rate and Charge Study

FINAL REPORT / AUGUST 6, 2025



August 6, 2025

Board of Supervisors
Englewood Water District
201 Selma Avenue
Englewood, FL 34223

Subject: **2025 Utility Rate and Charge Study**

Ladies and Gentlemen:

Raftelis Financial Consultants, Inc. (“Raftelis”) has completed its review of the utility rates and fees for the Englewood Water District (the “District”) water and wastewater utility system (the “System”), and we have summarized the results of our analyses, assumptions, and conclusions in this report, which is submitted for your consideration. This report summarizes the basis for the proposed rates, fees, and charges for water and wastewater service that are necessary, along with other appropriate sources of funds, to meet the near-term expenditure requirements of the utility. The study involved preparing financial projections of the water and wastewater operations for the five- (5) fiscal year period ending September 30, 2030 (the “Study Period”).

The proposed rates and charges are intended to meet a number of goals and objectives. The most important objective of the study was to develop proposed utility rates that meet the projected expenditure requirements of the water and wastewater utility systems, to maintain sound financial operations, and fund the anticipated operating and capital needs of the utility systems. The other goals and objectives considered in the study include:

- Proposed rates should be based on cost recovery principles;
- Proposed rates should be fair and reasonable among customer classes;
- Proposed rates should promote the conservation of water resources;
- Proposed rates should comply with any rate covenant requirements associated with outstanding debt or future borrowings; and
- Proposed rates should promote financial sustainability and creditworthiness of the System.

With respect to developing the proposed water and wastewater capital capacity charges, the following goals and objectives were identified:

- Water capital capacity charges should be representative of the capital cost per equivalent residential connection (“ERC”) to provide water production, treatment, and primary transmission service to new development;

- Wastewater capital capacity charges should be representative of the capital cost per ERC to provide primary wastewater transmission, treatment, and disposal service to new development;
- Capital capacity charges should not be used to fund deficiencies in the capital needs of the water and wastewater utility systems (i.e., expenditures for renewal and replacement or upgrade of facilities allocable to existing customers); and
- Capital capacity charges should be based upon reasonable level of service standards that meet the needs of the District, should be indicative of the criteria used for long-term infrastructure planning, and should be consistent with industry standards.

Raftelis also reviewed the District's miscellaneous service charges. The District has adopted a schedule of fees and charges that are billed to customers to recover costs for specific services provided by the District at the request of a customer that benefit only that customer (e.g., service turn-on) or are a direct action of the customer that increases the cost of providing service (late payment fees, payment of bills by credit card, etc.). These charges are commonly referred to as "miscellaneous service charges." Miscellaneous service charges provide a mechanism for the District to recover direct costs associated with a service that benefits one (1) individual customer rather than the overall customer base. Such miscellaneous service charges thereby reduce the net revenue requirements (i.e., the expenditure and funding requirements) that must be recovered from all customers via monthly user rates.

Following this letter, we have provided an executive summary that briefly summarizes the results of our study and outlines our recommendations and conclusions. The accompanying sections of the report provide additional details regarding the rate and financial analyses conducted on behalf of the District.

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Board of Supervisors
Englewood Water District
August 8, 2025
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We appreciate the opportunity to be of service to the District and would like to thank the District staff for their assistance and cooperation during the preparation of this study.

Sincerely,

RAFTELIS FINANCIAL CONSULTANTS, INC.

A handwritten signature in blue ink that reads "Robert J. Ori". The signature is fluid and cursive, with the first name "Robert" and last name "Ori" clearly legible.

Robert J. Ori
Senior Principal

A handwritten signature in blue ink that reads "Mark Tuma". The signature is fluid and cursive, with the first name "Mark" and last name "Tuma" clearly legible.

Mark Tuma
Manager

A handwritten signature in blue ink that reads "Michelle Galvin". The signature is fluid and cursive, with the first name "Michelle" and last name "Galvin" clearly legible.

Michelle Galvin
Senior Consultant

RJO/dlc
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Executive Summary

Introduction

Englewood Water District (“EWD” or the “District”) was created in 1959 as a political subdivision of the State of Florida governed by the State Constitution and general laws of the State of Florida. The District owns and operates a public water and wastewater utility (the “System”) that provides water, wastewater, and reuse (also referred to as reclaimed) water services within unincorporated areas of Sarasota and Charlotte counties. The EWD service area currently occupies approximately 44.5 square miles and is located in the southwestern portion of the State. The most recent water master plan prepared by HDR Engineering, Inc. (“HDR”) in 2024 estimates the District’s service area had a population of 38,260 people in 2021.

During Fiscal Year 2023, the District provided service to approximately 18,784 retail water accounts (annual average) and 17,460 retail wastewater accounts (includes approximately 885 flat rate wastewater customers that do not receive water service and are referred to as “unmetered”). General accounting policies and prudent utility management require that the System must have revenues at least equal to the costs of providing water and wastewater service. As such, the District should establish rates sufficient to meet the cost of operating, maintaining, repairing, and financing the System.

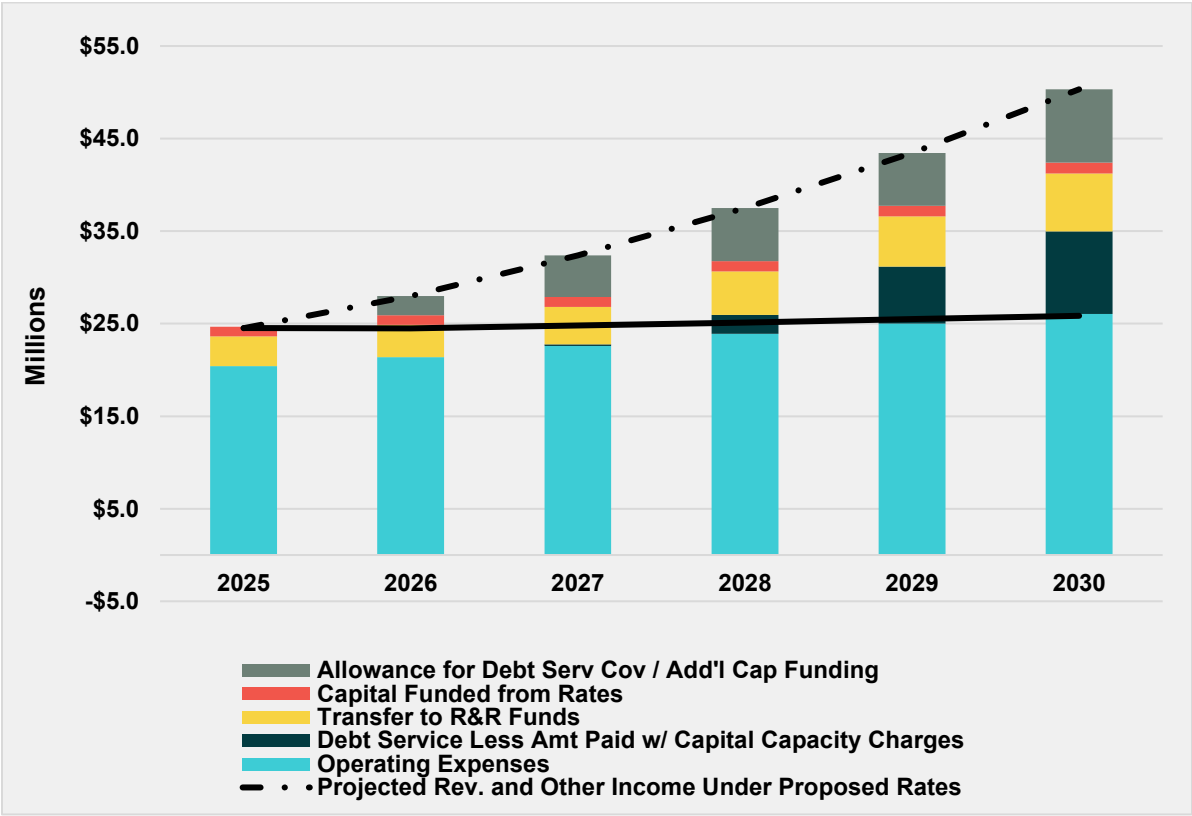
To assist the utility administration in the financial planning process, Raftelis was retained to perform a utility rate study and prepare a forecast of System financial requirements from Fiscal Year 2025 through Fiscal Year 2030 (the “Study Period”) in order to evaluate the sufficiency of rates and make recommendations as to any adjustment in rates necessary to meet the projected expenditure needs of the System. The study included a review of monthly rates for service, miscellaneous utility fees, and water and wastewater capital capacity charges.

Proposed Monthly Rates for Service

A goal of this study is to assist the District in establishing water, wastewater, and reuse rates sufficient to recover the cost of operating, maintaining, repairing, and financing the System. As outlined in this report, rate adjustments are proposed to support the funding of the estimated revenue requirements of the individual utility operations, consistent with the goals and objectives of the District. The projected rate increases are proposed to be phased in over the next several fiscal years to ensure that the rates are adequate to fund operating expenses, debt service obligations, departmental capital, ongoing renewals and replacements, and maintain operating reserves to reduce financial risk and to attract external capital. Based on the projected operating results, as discussed in detail in Section 3 of this report, it is projected that the District will need to increase both System water and wastewater rates by 15.0% per year for the fiscal years 2026 through 2029 to fund the projected revenue requirements and funding needs of the System. Table 3-3, at the end of Section 3, summarizes the combined operating (cash flow) results for the water and the wastewater systems based on the proposed System-wide rate increases outlined in this study. As shown below and assuming the full implementation of the proposed rate adjustments, the System net cash flow is anticipated to be sufficient through Fiscal Year 2030:

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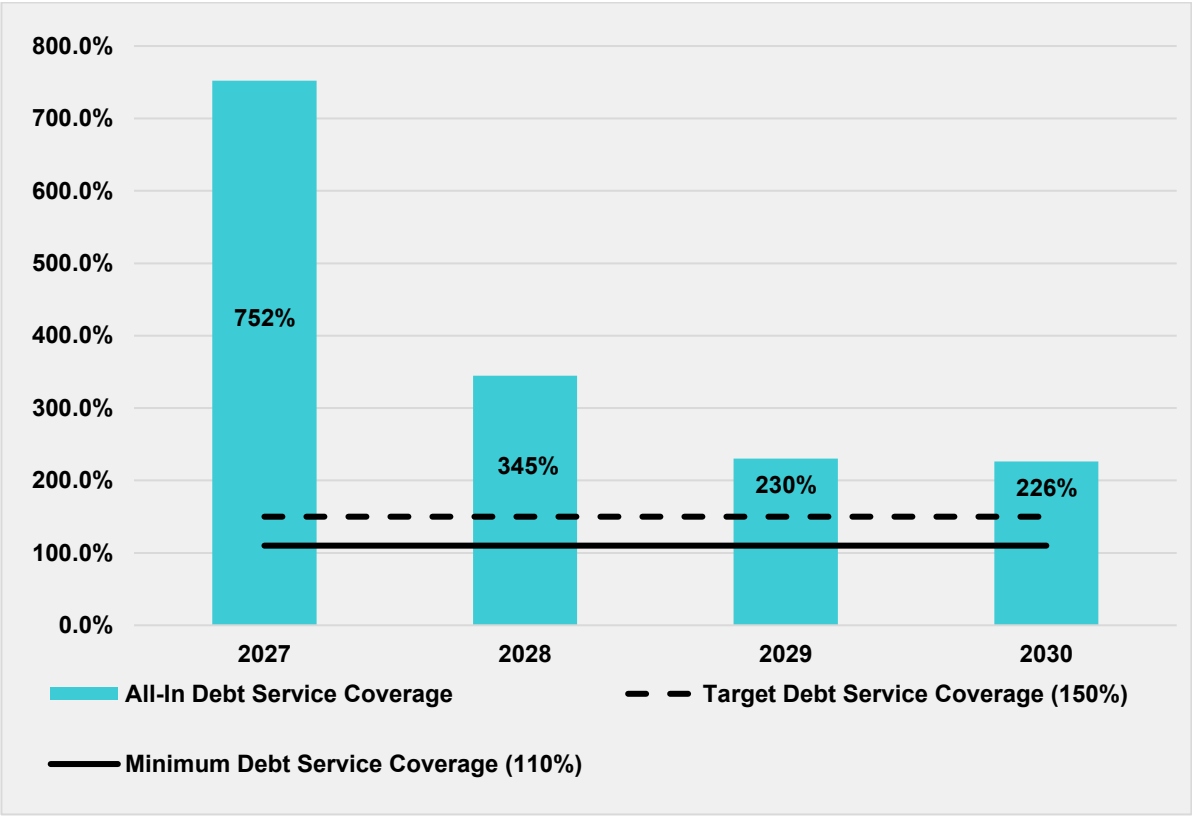
Projected Water and Wastewater Revenue Sufficiency at Proposed Rates



The above chart demonstrates the revenue sufficiency based on the adoption of the proposed rate increases through Fiscal Year 2030. In addition, the proposed rates are projected to be adequate to satisfy the minimum and targeted debt service coverage margins as shown below (Fiscal Year 2026 not shown due to limited amount of debt repayment projected for the fiscal year):

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Projected Debt Service Coverage - Net Revenues Only at Proposed Rates



It should be noted that the District has identified additional (future period) capital expenditures which are planned to be debt financed just outside the Study Period of this report and the proposed rate adjustments identified in this study are being made to place the District in a favorable position to issue such debt when needed.

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Based on the proposed System-wide increase for the water and wastewater systems, the following tables summarize the proposed water and wastewater rates:

Proposed Monthly Water System Rates

Description	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Base Facility Charge per ERC per Month:						
Residential, Multi-family, Commercial and Irrigation-only per ERC	\$22.21	\$25.54	\$29.37	\$33.78	\$38.85	\$44.68
Usage Charge per ERC per 1,000 Gallons:						
All Customers Except Dedicated Irrigation and Temporary Meters:						
0 to 6,000 Gallons	\$2.64	\$3.04	\$3.50	\$4.03	\$4.63	\$5.32
6,001 to 8,000 Gallons	3.53	4.06	4.67	5.37	6.18	7.11
8,001 to 12,000 Gallons	7.02	8.07	9.28	10.67	12.27	14.11
12,001 to 18,000 Gallons	11.72	13.48	15.50	17.83	20.50	23.58
Over 18,000 Gallons	18.30	21.05	24.21	27.84	32.02	36.82
Dedicated Irrigation and Temporary Meters:						
0 to 12,000 Gallons	\$7.02	\$8.07	\$9.28	\$10.67	\$12.27	\$14.11
12,000 to 18,000 Gallons	11.72	13.48	15.50	17.83	20.50	23.58
Over 18,000 Gallons	18.30	21.05	24.21	27.84	32.02	36.82
Wholesale Water Rates:						
Capital Capacity Charges ("CCC") Paid for Service – per 1,000 Gallons	\$5.26	\$6.05	\$6.96	\$8.00	\$9.20	\$10.58
No CCCs Paid for Service – per 1,000 Gallons	6.98	8.03	9.23	10.61	12.20	14.03

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Proposed Monthly Wastewater System Rates

Description	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Base Facility Charge per ERC per Month:						
Residential, Multi-family, and Commercial per ERC	\$32.32	\$37.17	\$42.75	\$49.16	\$56.53	\$65.01
Usage Charge per ERC per 1,000 Gallons:						
All Customers Except Unmetered Customers:	\$4.12	\$4.74	\$5.45	\$6.27	\$7.21	\$8.29
Wholesale Wastewater Rates:						
<u>Capital Capacity Charges Paid for Service:</u>						
Billing Off Water Meter Rate – per 1,000 Gallons	\$7.27	\$8.36	\$9.61	\$11.05	\$12.71	\$14.62
Billing Off Wastewater Meter Rate – per 1,000 Gallons	9.08	10.44	12.01	13.81	15.88	18.26
<u>No Capital Capacity Charges Paid for Service:</u>						
Billing Off Water Meter Rate – per 1,000 Gallons	\$9.77	\$11.24	\$12.93	\$14.87	\$17.10	\$19.67
Billing Off Wastewater Meter Rate – per 1,000 Gallons	12.83	14.75	16.96	19.50	22.43	25.79

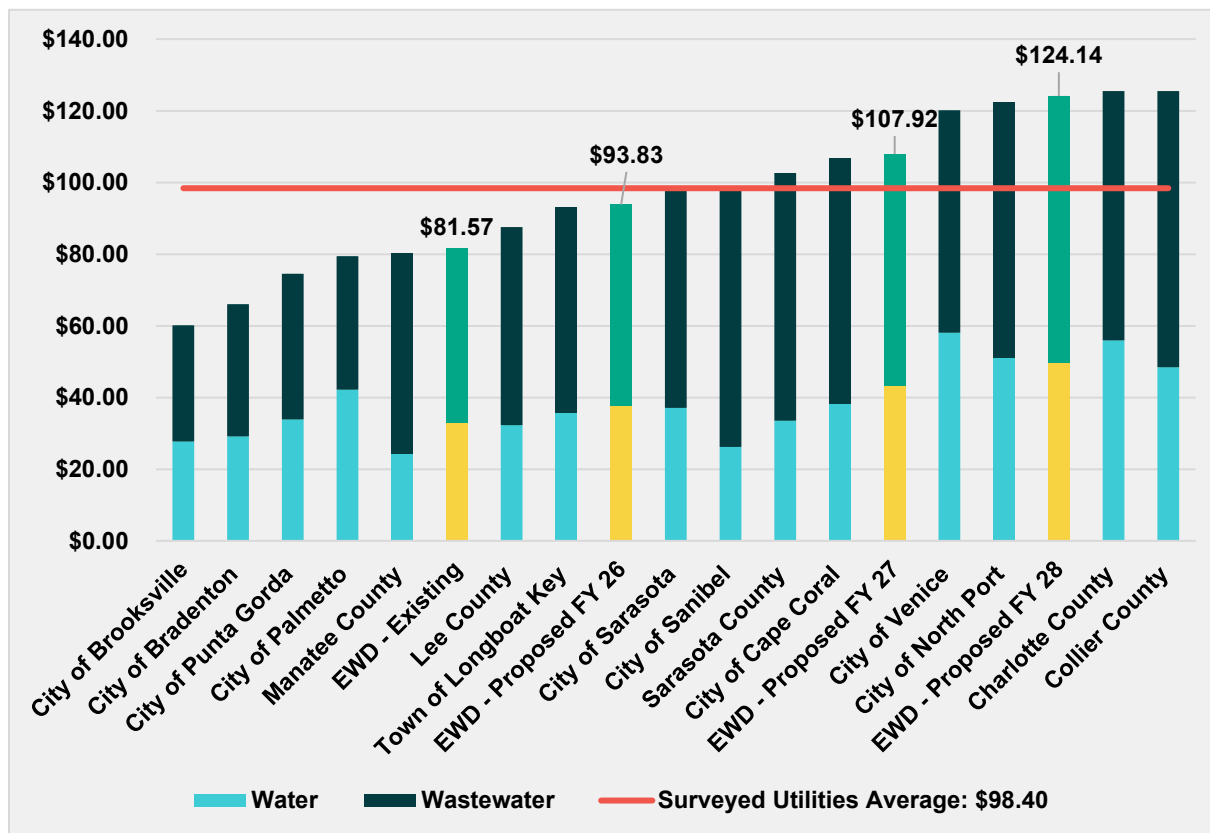
Proposed Monthly Reclaimed Water System Rates

Description	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Usage Charge per ERC per 1,000 Gallons:						
Usage to Isolated Pond	\$0.38	\$0.44	\$0.51	\$0.59	\$0.68	\$0.78
Pressurized Usage	0.50	0.58	0.67	0.77	0.89	1.02

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To provide the District with additional information regarding the proposed rates, a survey of residential rates for neighboring utilities was prepared as shown on the following chart:

Comparison of Typical Monthly Residential Bills for Water and Wastewater Service Using 4,000 Gallons



Proposed Miscellaneous Charges

The District provides certain specific services that are typically based on customer requests (e.g., turn on a service) or due to a specific customer action (e.g., delinquent payment of a bill). The District charges a service or cost recovery fee for these customer-specific activities which is customary in the industry and should be continued (referred to as “miscellaneous charges”). Examples of miscellaneous service fees include meter installation charges, late payment fees and tap charges. Based on the information provided by the District regarding estimates of the time involved by District staff to perform or address the services, the materials incurred or installed, and the equipment and vehicles required to support the services, an update to the miscellaneous charges is recommended to promote the full recovery of costs to provide the respective services. The proposed miscellaneous service fees are shown on Table 4-2 at the end of Section 4. The following is a brief discussion of the recommendations.

Late Payment Penalty

In order to encourage timely payment of monthly service bills and to compensate for additional costs associated with increased customer service costs, as a result of late payments, a late payment or penalty charge has been adopted by utilities. This fee is usually assessed to customers that are delinquent in the payment of utility bills for monthly service. Such fees are quite common in the utility industry as well as other industries that extend

credit to customers (e.g., credit card companies). In general, the fee is usually charged as a percentage of the outstanding bill and provides for: i) the lost opportunity cost of interest earnings on cash balances; ii) the administrative costs associated with notification to the delinquent customer, customer accounting, and data processing; iii) the additional costs associated with the need for utilities to have cash working capital balances in excess of needed levels because of non-payment of bills; and iv) a monetary incentive to compel prompt payment practices. In many instances, bond covenants will also require the utility to take all measures to assure collectability of revenues which is the primary pledge for repayment of the bonds issued by the utility and the imposition of a late payment penalty supports this covenant directive.

Currently, the District charges \$5.00 or 1.5% of the unpaid balance, whichever is greater. The implementation of a late payment penalty fee is a policy decision and, based on discussions with District staff and a review of other public utility rate policies, Raftelis is of the opinion that this fee is reasonable and recommends that the District maintain the existing late-payment charge.

Return Check Charge

When a check is received by the District from utility customers in payment of a bill that is subsequently refused by the bank because of lack of funds, lack of credit, or lack of an account, or where the customer stops payment on the instrument with intent to defraud, the District incurs costs for the checks being returned to the customer. The return check charge is a common fee charged by public utilities and represents a service fee intended to recover the costs incurred by the utility as a result of the nonpayment of utility service.

The current processing charge billed by the District is consistent with the approved charges as contained in Florida Statutes, Chapter 68.065 and are as follows and can be in addition to any bank fees actually incurred by the customer (payee) in the course of making the payment for utility service as provided by the statute: \$25.00 for checks with a face value up to \$50.00, \$30.00 for checks with a face value that exceeds \$50.00 and does not exceed \$300.00, and if the face value exceeds \$300, \$40.00 or 5.0% of the face value, whichever is greater. We recommend maintaining the return check charge fees consistent with Florida Statutes, Chapter 68.065 and therefore no changes are recommended for this fee.

Temporary Water Customer

A temporary water customer is any customer of the District that accepts water from a hydrant or similar source utilizing a temporary water meter and has not paid capital capacity charges. A temporary water customer pays a meter deposit, a rental charge, and usage. The deposit is charged for any temporary meter, whether static or traveling, to offset any damages, meter repair or replacement costs, or outstanding balances for base charges and consumption. The current deposit is \$750. Additionally, a monthly rental fee of \$30.00 is charged to the temporary account along with a trip charge of \$30 for each trip and a \$500 tap fee. It is recommended that the District maintain the existing fees.

Tampering

When an illegal connection has been made, or if there has been other tampering with water service, a penalty of \$500 plus cost of replacing damaged property is charged for the first offense; \$1,000 plus costs of replacing damaged property is charged for the second offense; and \$1,500 plus cost of replacing damaged property is charged for the third and subsequent offenses. No changes are recommended for the tampering charges.

Fire Line Fees

Based on discussions with District staff, Raftelis recommends that a monthly base charge be billed to all privately-owned fire protection systems and equipment connected to the District water system based on the size of the service line connecting the private fire system to the System. In addition, a one-time administration fee of \$500 is charged to establish the fire line. The current monthly base facility charges are based on the one-twelfth of 75% of the water monthly availability charge. It is recommended that the District update the fire line monthly base facility charges to be one-twelfth of the monthly water availability charge based on meter size consistent with the provisions of Florida Administrative Code, Section 25-30.465 regarding the policies and practices promulgated for the Florida Public Service Commission. The recommended monthly base facility charges are as follows:

Proposed Monthly Fire Line Fees by Service Line Size

Description	Proposed Fee [1]
Base Charge (per Service Line Size):	
2-inch	\$17.03
3-inch	31.93
4-inch	53.21
6-inch	106.42
8-inch	170.28
10-inch	244.77
12-inch and Greater	457.62
[1] Amounts are inclusive of the 15% increase as applied to the monthly utility rates discussed in Section 2.	

Service Turn-on or Turn-off at Owner's Request, Account Reactivation

This charge is applicable if a customer requests to have his or her water service turned on or turned off (e.g., one [1] trip). The District permits customers to one (1) turn-on and one (1) turn-off request annually without charge if 48-hour notice is provided. The following tabulation summarizes the direct costs of service provided by the District and the proposed fees:

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Development of Service Turn-on or Turn-off at Owner's Request and Account Reactivation [1]

Description	Additional Charge with 48-Hour Notice	Less Than 48-Hour Notice [2]	After Working Hours and Weekends	Holidays
Total Personnel	\$41.07	\$41.07	\$188.91	\$307.17
Vehicles and Equipment	8.34	8.34	33.36	33.36
Overhead (Indirect) Costs	<u>3.95</u>	<u>3.95</u>	<u>17.78</u>	<u>27.24</u>
Total Costs	<u>\$53.36</u>	<u>\$53.36</u>	<u>\$240.05</u>	<u>\$367.77</u>
Recommended Fee	\$50.00	\$100.00	\$200.00	\$300.00

[1] Amounts provided by the District.

[2] Recommended fee based on a policy decision from District staff.

Payment Deadline Extension Charge

At the sole discretion of the District, an additional time period for payment may be granted to a customer for a \$10.00 per occurrence fee. Based on discussions with District staff, Raftelis is recommending the District maintains this fee.

Meter Test

Customers may request bench testing of water meters to verify the accuracy of the meters. This fee is very common in the industry. For utilities that charge a meter bench-testing fee, the fee is generally retained by the utility only if the test shows that the meter is registering within the acceptable accuracy limits as established by the American Water Works Association guidelines. For the District, if the meter is accurate within the accepted guidelines, the customer must pay the fee. The current fee charged for a meter test within tolerance is \$185.00.

Based on the District's costs associated with this service, a review of similar charges for neighboring and other Florida utilities, consideration of the District's existing fees, and discussions with District staff, Raftelis recommends that the District consider adopting the following meter test charge:

Development of Meter Test Within Tolerance [1]

Description	Amounts
Total Personnel	\$223.42
Vehicles and Equipment	16.68
Overhead (Indirect) Costs	<u>19.21</u>
Total Costs	<u>\$259.31</u>
Recommended Fee	\$250.00

[1] Amounts provided by the District.

Initial Meter Installation Fee

An identifiable service that is provided to the District's water customers to connect to the water distribution system. The connection can include either of two (2) services:

1. Installation of the service line (including the tap into the water main) from the water main to the meter box, as well as the meter box and meter; or
2. Installation of the meter whereby a meter box is already installed by a third party (customer / contractor / developer) with an existing tap into the water main.

Essentially, the fee is designed to recover the cost of physically connecting to the District's water system (e.g., meter, meter box, connection for radio reads, service line, and associated labor). This fee should not be confused with a capital capacity charge, which is charged to new water system customers for their proportionate share of the capacity associated with water production, treatment, and transmission facilities allocable to such customer.

The District's charges for installation-related services are based on the size of the meter or service being installed, which recognizes differences in costs associated with the facility installations. Generally, larger service sizes have a higher installation cost (whether it be the cost of supplies and materials such as meters or the amount of time generally spent on the installation of the service). Any meter installations for meter sizes above two (2) inches are performed by contractors.

With Service Line Installation

The charge for the installation of a new service line and water meter is proposed to be paid prior to the meter. The development of the District's estimated cost to provide this service is summarized as follows:

Development of Meter Installation Charges District Installed with Short Tap [1]

Description	5/8" Meter	1" Meter	1-1/2" Meter	2" Meter
Personnel Costs	\$750.98	\$750.98	\$987.51	\$987.51
Materials and Supplies	692.58	855.39	1,911.06	2,555.55
Vehicles	486.52	486.52	581.58	581.58
Overhead (Indirect) Costs	154.41	167.43	278.41	329.97
Total Direct Costs with Contingency	<u>\$2,084.49</u>	<u>\$2,260.32</u>	<u>\$3,758.56</u>	<u>\$4,454.61</u>

[1] Amounts provided by the District.

Based on the District's costs associated with this service, a review of similar charges for neighboring and other Florida utilities, consideration of the District's existing fees, and discussions with District staff, Raftelis recommends that the District consider adopting the following meter installation charges with service line installation:

Summary of Proposed Meter Installation Charges District Installed with Short Tap [1]

Description	3/4" Meter	1" Meter	1-1/2" Meter	2" Meter
Recommended Fee	<u>\$2,000.00</u>	<u>\$2,250.00</u>	<u>\$3,500.00</u>	<u>\$4,200.00</u>

[1] Amounts provided by the District.

Development of Meter Installation Charges District Installed with Long Tap [1]

Description	5/8" Meter	1" Meter	1-1/2" Meter	2" Meter
Personnel Costs	\$1,460.57	\$1,460.57	\$1,460.57	\$1,460.57
Materials and Supplies	705.38	896.72	4,444.62	5,019.43
Vehicles	1,046.84	1,046.84	1,046.84	1,046.84
Overhead (Indirect) Costs	<u>257.02</u>	<u>272.33</u>	<u>556.16</u>	<u>602.15</u>
Total Direct Costs with Contingency	<u>\$3,469.81</u>	<u>\$3,676.46</u>	<u>\$7,508.19</u>	<u>\$8,128.99</u>

[1] Amounts provided by the District.

Based on the District's costs associated with this service, a review of similar charges for neighboring and other Florida utilities, consideration of the District's existing fees, and discussions with District staff, Raftelis recommends that the District consider adopting the following meter installation charges without service line installation:

Summary of Proposed Meter Installation Charges District Installed with Long Tap [1]

Description	3/4" Meter	1" Meter	1-1/2" Meter	2" Meter
Recommended Fee	<u>\$3,250.00</u>	<u>\$3,500.00</u>	<u>\$6,400.00</u>	<u>\$7,000.00</u>

[1] Amounts provided by the District.

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Meter Installation (Without Service Line Installation)

The charge for the installation of only the meter into the meter box provided by property owner is proposed to be paid prior to the meter installation. The development of the District's estimated cost to provide this service is summarized as follows:

Development of Meter Installation Charges Developer Installed Service Line [1]

Description	5/8" Meter	1" Meter	1-1/2" Meter	2" Meter
Personnel Costs	\$132.93	\$132.93	\$162.50	\$192.07
Materials and Supplies	246.50	415.00	801.85	1,095.00
Vehicles	16.68	16.68	16.68	16.68
Overhead (Indirect) Costs	31.69	45.17	78.48	104.30
Total Direct Costs with Contingency	<u>\$427.80</u>	<u>\$609.78</u>	<u>\$1,059.51</u>	<u>\$1,408.05</u>

[1] Amounts provided by the District.

Summary of Proposed Meter Installation Charges Developer Installed Service Line [1]

Description	3/4" Meter	1" Meter	1-1/2" Meter	2" Meter
Recommended Fee	<u>\$425.00</u>	<u>\$600.00</u>	<u>\$1,050.00</u>	<u>\$1,400.00</u>

[1] Amounts provided by the District.

New Service Application Fees

With the establishment of a new water and sewer service account for a customer, the District incurs administrative costs associated with setting up a new account. This charge helps to offset the District's expenses related to processing applications, setting up billing records, performing a final and initial meter read. The District currently charges a new service application fee of \$25.00.

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Based on the District's costs associated with this service, a review of similar charges for neighboring and other Florida utilities, consideration of the District's existing fees, and discussions with District staff, Raftelis recommends that the District consider adopting the following new service application fee:

Development of New Service Application Fees [1]

Description	Amounts
Total Personnel	\$42.54
Materials and Supplies	1.39
Overhead (Indirect) Costs	4.18
Total Costs	<u>\$56.45</u>
Recommended Fee	\$50.00

[1] Amounts provided by the District.

Additional Meter or Replacement

Utilities commonly charge for the installation or replacement of a water meter. These requests can be for dedicated irrigation meters or the replacement of damaged or malfunctioning meters. The District currently charges the actual cost for an additional meter or replacement that is requested by the customer and not due to meter malfunction. It is recommended that the District continue to charge the actual cost and add a minimum of \$500.00. The development of the \$500.00 minimum is summarized in the following table:

Development of Additional Meter or Replacement Minimum

Description	Amounts
Total Personnel	\$130.08
Materials and Supplies	304.74
Vehicles	25.02
Overhead (Indirect) Costs	36.79
Total Costs	<u>\$496.63</u>
Recommended Fee	\$500.00

[1] Amounts provided by the District.

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Sewer Cap / Uncap Charge

This charge is intended to recover the District's costs associated with inspecting the capping or uncapping of a sewer line. The fee covers the expense of a District employee visiting the site to verify that the work has been completed in accordance with the District's standards.

Development of Sewer Cap Uncap Charge

Description	Amounts
Total Personnel	\$52.11
Vehicles	12.51
Overhead (Indirect) Costs	5.17
Total Costs	<u>\$69.79</u>
Recommended Fee	\$60.00
[1] Amounts provided by the District.	

Special Bill Meter Read

Customers may request a meter read outside of the normal billing cycle for various reasons like tenant changes or for final billing. This fee includes time as it relates to a meter reader visiting the property for the meter read and a customer service representative talking with the customer and generating the special bill request and invoice. The District currently charges \$30.00 per trip for this fee. The following tabulation summarizes the direct costs of service provided by the District and the proposed fees:

Development of Special Bill Meter Read

Description	Amounts
Total Personnel	\$77.05
Vehicles	8.34
Overhead (Indirect) Costs	6.83
Total Costs	<u>\$92.22</u>
Recommended Fee	\$50.00
[1] Amounts provided by the District.	

Clearing Meter Box Obstructions

It is a customer's responsibility to maintain accessibility to the property's meter box. Therefore, when a meter reader encounters obstacles or obstructions that prevent them from accessing the meters to perform a meter read, the District charges for additional time and labor necessary to clear the area. The District currently charges \$30.00 for this fee and it is recommended that the District charges based on actual costs with a minimum of \$100.00.

Internet or Online Item Return

When an online payment is received by the District from utility customers in payment of a bill that is subsequently refused by the bank, the District incurs costs for the payment being returned to the customer. This charge is intended to recover such costs incurred by the District. This fee is quite common in the utility industry.

Research and Copies

The District currently charges fees for various research and copy requests including recording fees, research or monitoring, large maps, blueprints, auto cad disks, fax requests, mailing labels and computer time, and bid documents. Several of these fees are rarely charged and are recommended to be removed or combined with other research and copy fees. The table below summarizes the existing and proposed fees:

Development of Research and Copies

Description	Existing	Proposed
Recording Fee – First Page	Actual Cost	\$30.00
Recording Fee – Additional Pages	Actual Cost	\$15.00
Research or Monitoring (1 hour)	\$20.00 / hour	\$25.00 / hour
Large Maps	\$1.00 / page	Remove Fee
Blueprints	\$1.00 / page	Remove Fee
Auto Cad Disk	\$5.00 / page	Remove Fee
Fax Request	\$1.00 / page	Remove Fee
Mailing Labels and Computer Time	\$30.00 + \$15.00 / hour	Remove Fee
Bid Documents	As Advertised	Remove Fee

[1] Amounts provided by the District.

Plan Reviews

The District currently charges a one-time fee of \$300 for all plan reviews regardless of the size or complexity of the project. This fee includes the first and second review, and \$150.00 for each additional review as may be required for the project. Each plan review requires varying degrees of labor depending on the size of the project. Based on discussions with District staff responsible for these activities, it is recommended that the District implement a tiered fee based on the total number of ERCs of the project.

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Proposed Plan Reviews

Description	Existing	Proposed
Small Project (1 – 10 ERCs)		\$500.00 includes first and second review; \$250.00 for each additional review
Medium Project (11 – 100 ERCs)	\$300.00 includes first and second review; \$150.00 for each additional review	\$1,500.00 includes first and second review; \$500.00 for each additional review
Large project (100+ ERCs)		\$2,500.00 includes first and second review; \$750.00 for each additional review

[1] Amounts provided by the District.

Construction Review / Inspections

In addition to the plan review, a construction review and inspection is required for new water and wastewater utility construction. Currently, the District charges an inspection fee equal to 1.0% of construction costs with a minimum fee of \$500.00. Based on discussions with District staff responsible for these activities, it is recommended that the District charge 2.0% of construction costs with a minimum of \$2,500.00.

Account Reactivations

The District charges both a disconnection and reconnection fee to accounts that have their utility services turned off for failure to pay an outstanding utility bill. The charge is used to recover the costs associated with physically turning-off/on the service or placing / removing a lock on a meter. The following table summarizes the direct costs of service provided by the District and the proposed fees:

Development of Account Reactivations

Description	Disconnection	Reconnection
Total Personnel	\$40.74	\$40.74
Materials and Supplies	0.25	0.00
Vehicles	5.00	5.00
Overhead (Indirect) Costs	3.68	3.66
Total Costs	<u>\$49.67</u>	<u>\$49.40</u>
Recommended Fee	\$50.00	\$50.00

[1] Amounts provided by the District.

It is recommended that the District remove the fee for a meter re-installation and the cost of a new meter and charge a meter installation fee in its place.

Service Call Outs

This charge is intended to recover the costs incurred by the District for dispatching personnel in response to service call requests initiated by customers. Higher fees apply for service calls requested after regular business

hours, on weekends, or during holidays, due to the increased cost to the District for providing services during these times, as outlined below.

The following tabulation summarizes the direct costs of service provided by the District and the proposed fees:

Development of Service Call Outs

Description	During Regular Working Hours	After Working Hours & Weekends	Holidays	Sewer Repair
Total Personnel	\$41.07	\$188.91	\$307.17	\$105.15
Vehicles	8.34	8.34	8.34	8.34
Overhead (Indirect) Costs	3.95	15.78	25.24	8.41
Total Costs	<u>\$53.36</u>	<u>\$213.03</u>	<u>\$340.75</u>	<u>\$113.56</u>
Recommended Fee	\$50.00	\$200.00	\$300.00	Actual Cost

[1] Amounts provided by the District.

Testing / Inspections

At the request of the customer, the District provides various equipment testing and inspection services. The fees outlined below are intended to recover the costs associated with delivering these services.

Description	Un-certified Fire Flow Test	Service Tie-in (Initial)	Service Re-inspection	Service Locate
Total Personnel	\$169.07	\$86.63	\$86.63	\$86.76
Vehicles	16.68	16.68	16.68	16.68
Overhead (Indirect) Costs	14.86	8.26	8.26	8.28
Total Costs	<u>\$200.61</u>	<u>\$111.57</u>	<u>\$111.57</u>	<u>\$111.75</u>
Recommended Fee	\$200.00 / Each	No Charge	\$60.00	No Charge

[1] Amounts provided by the District.

Credit Card Processing

A portion of the District's customers use a credit card to pay their utility bills which results in the District having to pay credit card processing fees from the overall utility rate revenues. This cost for the convenience of using a credit card is currently recovered from all customers of the System. In order to recover these costs from those customers that benefit from the use of a credit card to pay the utility bill, it is recommended that the District impose a credit card processing fee of 2.5% of the bill (average processing fee paid by the District).

Table 4-2, at the end of Section 4, provides a summary of the existing to proposed miscellaneous fees and charges.

Proposed Capital Capacity Charges

Similar to water and wastewater utilities throughout Florida, the District imposes capital capacity charges to those customers requesting a new connection to the District's water and wastewater systems. A capital capacity charge is a charge imposed on new users of real property to help finance the capital cost of constructing public

facilities necessary to serve new connections. The purpose of a capital capacity charge is to assign, to the extent practical, growth-related capital costs to those new residents or users responsible for such additional costs. The capital capacity charge can be considered to be a new user's contribution to those facilities or capital costs required to provide a comparable level of service to that which is being provided to existing customers. Section 5 of this report provides the detailed calculations that support the methodology used in developing the proposed capital capacity charges provided herein.

The District's existing capital capacity charges per equivalent residential connection are \$1,751.00 and \$2,754.00 for water and wastewater, respectively. Based on a review of the District's investment to serve new customers, the following capital capacity charges are proposed:

Proposed Capital Capacity Charges

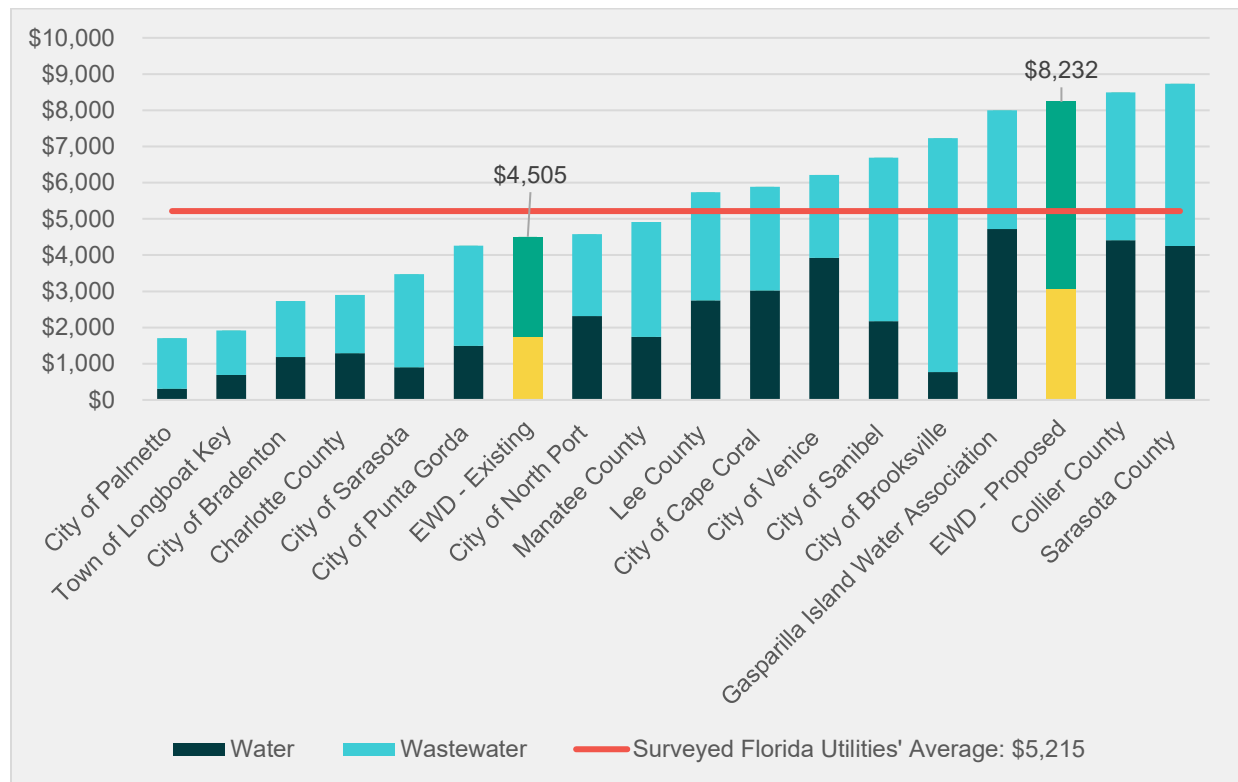
Description	Amount
Proposed Water Capital Capacity Charge per ERC	\$3,062.00
Proposed Wastewater Capital Capacity Charge per ERC	5,170.00
Total	<u>\$8,232.00</u>

As shown above, the water capital capacity charge is proposed to increase \$1,311 while the wastewater charge is proposed to increase \$2,416. As discussed in Section 5 of this report, the proposed fees are based on the actual costs of facilities in place and proposed capital improvements to serve future customers.

In order to provide additional information to the District regarding the proposed capital capacity charges, included in this report is a comparison of the District's existing and proposed fees with other neighboring jurisdictions. Table 5-6, at the end of Section 5, provides a comparison of the existing and proposed water and wastewater capital capacity charges for single-family residential connections (i.e., one [1] ERC) for the District with comparable fees currently imposed by other neighboring municipal / governmental water and wastewater systems. A number of factors can affect the level of charges collected by other utilities, including, but not limited to, level of treatment required for service, asset age, density of customer base, level of service adopted by local government, amount of grant (contributions) funds received, and other factors. No detailed- analysis has been performed to determine the effect these factors could have on the fees charged by other utilities or to determine the methods used in the development of the water and wastewater fees imposed by others, nor has any analysis been made to determine whether 100% of the cost of new facilities is recovered from the other utilities' charges, or some percentage less than 100% with the balance recovered through the user charges.

As shown on Table 5-6, at the end of Section 5, the average water and wastewater system capital capacity charges for the governmental entities surveyed are \$2,246 and \$2,969 (Combined = \$5,215), respectively, for a standard single-family residence (i.e., one [1] ERC). The proposed water charge of \$3,062 and the proposed wastewater charge of \$5,170 (Combined = \$8,232) for the District are higher than the average of the surveyed utilities due to the fact that the proposed fees are based on current construction costs and the majority of the surveyed utilities reflect lower embedded construction costs associated with the fees charged. The following is a summary of the survey results:

Comparison of Water and Wastewater System Capital Capacity Charges per ERC



Proposed Accrued Guaranteed Revenue Fees (AGRF)

Many utilities in Florida recover the financing cost that is incurred for holding (carrying) capacity prior to connection since such capacity must be developed in advance of growth and is generally financed by the use of long-term financing. Generally, once a developer / applicant / customer (the “applicant”) for such capacity has reserved the capacity by payment of capital capacity charges, the applicant should be responsible for the carrying costs or financing charges associated with the capacity financing. With respect to the District, the primary pledge for the repayment of long-term debt is from monthly utility or service rates which are derived from existing ratepayers. Although capital capacity charges are considered as pledged revenue, such fees may be collected years after the issuance of the debt to finance expansion-related projects. As a result, the District incurs costs that essentially benefit the applicant (e.g., the cost of financing the expansion-related capital additions). As a result, and in an effort to maintain the level of rates charged for monthly service, local governments have begun to institute various forms of a rate to recover the carrying costs of capacity. The rates are commonly referred to as an Accrued Guaranteed Revenue Fee (“AGRFs”) and relate to the recovery of the upfront cost of financing of capacity until such capacity is utilized.

The District’s existing AGRFs per equivalent residential connection are \$329.00 and \$580.00 for water and wastewater, respectively.

The AGRF are in addition to the payment of capital capacity charges by an applicant. The AGRF is not a capital capacity charge; rather, it provides a basis to recover (reimburse the System) the interest expense incurred by the District for financing the capital needed in advance of new development and is considered a component of the System rates and charges. Any AGRF received would be treated as another operating revenue of the System and is recommended to be used to pay debt service on the utility’s future outstanding bonds and loans.

The capital capacity charge relates to the recovery of the capital (fixed asset) cost of the expansion-related facilities; the AGRF relates to the interest expense incurred by the entity to finance the cost of constructing the expansion-related fixed assets. As with the capital capacity charge, the purpose of the AGRF is to shift the “financial risk” from the existing customers to the applicant that requires future capacity. The application of both fees promotes the ability to fully recover the total cost of constructed infrastructure in an equitable manner. It should be noted that if a private developer were to construct its own facilities to serve a particular development, such costs would be incurred in a similar manner. The developer would need to construct the infrastructure in advance, finance the capital improvements for that capacity that is not being used, and attempt to recover the carry costs with the application of an AGRFs, which is allowed by the Florida Public Service Commission that regulates private utilities throughout the State of Florida.

The AGRF was based on the proposed capital capacity charge for both water and wastewater service and the estimated cost of financing the expansion-related infrastructure associated with meeting the capacity needs of new development. For the purposes of developing the proposed AGRF, the following assumptions were recognized:

- It was assumed that the cost of financing (for funding from external sources) and the cost of equity (funding from internal sources) would be the same. Further, the average annual interest rate for the AGRF to be recognized in the determination of cost being incurred was assumed to be equal to the average weighted annual interest rate for the debt anticipated to be issued during the Study Period coincident with the financing of the utility plant upgrades, betterments, and expansion. Based on discussions with the District’s financial advisor the assumed annual interest rate was set at 5.00%. The capital costs to be incurred per ERC were assumed to equal the respective water and wastewater capital capacity charges, since such amounts represent the pro rata share of the future capital costs allocated to an ERC to be incurred to meet system demands.
- The accrual period for the AGRF was assumed to be five (5) years, which was assumed to be a prudent period to recognize the interest reimbursement on the financing of improvements. After 60 months, it is proposed that the AGRF rate would remain constant and charged to all new development. Since the new capital projects represent replacement / expansion capital, it is recommended that the existing AGRF be terminated under the premise that existing project financing is now been fully recovered in the rates for service and be replaced by the fees shown below. Based on these assumptions, the water and wastewater AGRF charges were calculated as follows:

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Summary of Water and Wastewater AGRF Calculations [1]

	Calculated Capital Capacity Charge (Unrounded)	Assumed Average Annual Interest Rate on Debt	Annual Carrying Cost per ERC	Monthly Carrying Cost (Rounded)	Five Years of Carrying Costs per ERC	Five Years of Carrying Costs per ERC – Rounded
Water System – Treatment Component	\$2,375.36	5.00%	\$118.77	\$9.90	\$594.00	\$594.00
Water System – Transmission Component	686.73	5.00%	34.34	2.86	171.60	171.00
Proposed Water System AGRF						\$765.00
Wastewater System – Treatment Component	\$4,313.15	5.00%	\$215.66	\$17.97	\$1,078.20	\$1,078.00
Wastewater System – Transmission Component	857.22	5.00%	42.86	3.57	214.20	214.00
Proposed Wastewater System AGRF						\$1,292.00

[1] Amounts shown derived from Table 5-7.

Below is the proposed fee schedule for the five- (5) year accrual of the AGRF fees. The amounts shown represent the midpoint of the calculated fee range for each fiscal year and are proposed to serve as the official fee for that respective year.

AGRF Schedule

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032
Water	\$76.50	\$229.50	\$382.50	\$535.50	\$688.50	\$765.00	\$765.00
Wastewater	129.00	387.00	645.00	903.00	1,161.00	1,290.00	1,290.00
Total	\$205.50	\$616.50	\$1,027.50	\$1,438.50	\$1,849.50	\$2,055.00	\$2,055.00

Conclusions and Recommendations

Based on our studies, assumptions, considerations, and analyses as summarized herein, we are of the opinion that:

1. The financial evaluation included in the study included a forecast of System needs for the six-(6) year period ending September 30, 2030 (“Study Period”). Based on the projection of the System expenditure and funding needs, which includes the payment of operating and maintenance expenses, funding of future debt service payments, and the payment or funding of other System-related expenditures and funding requirements, including the capital improvement plan which are referred to as the “net revenue requirements”, it is projected that the rates for water and wastewater utility service will need to be increased over such projection period. The recommended overall system rate adjustments are assumed to become effective on October 1 of each Fiscal Year during the Study Period beginning with the Fiscal Year 2026. The recommended rate adjustments by Fiscal Year are summarized on the following table:

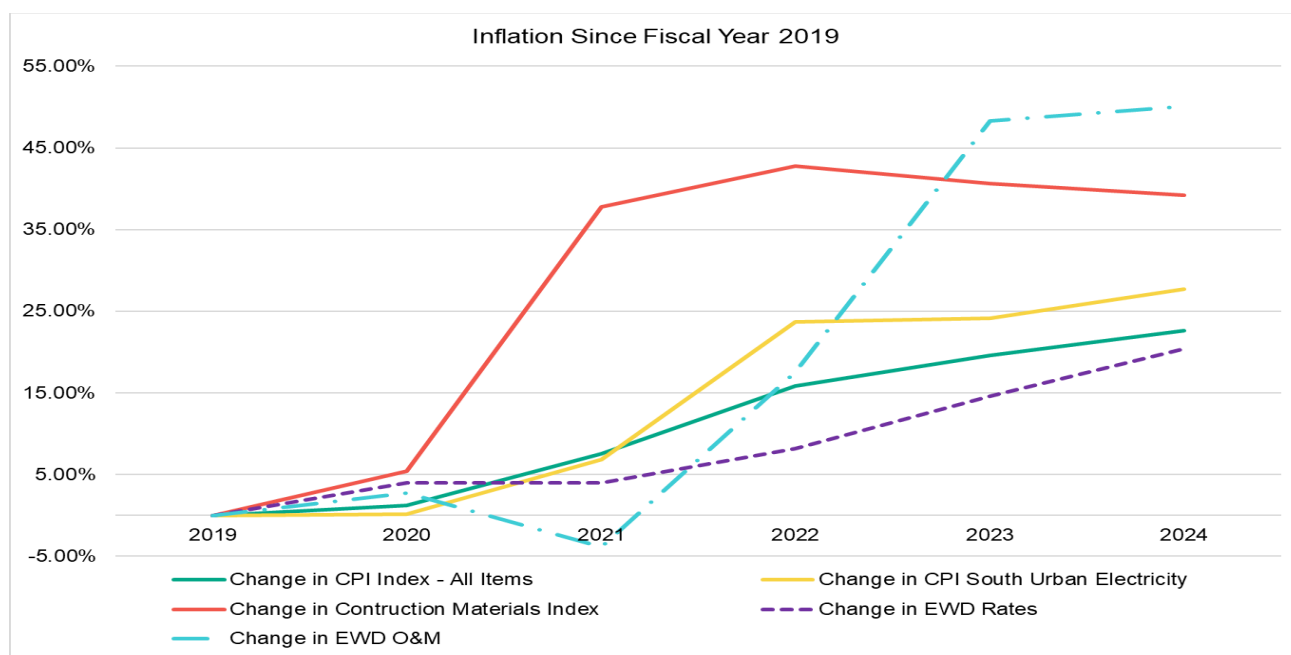
Estimated Utility Rate Revenue Increase Percent Adjustments [1]

Fiscal Year	Effective Date of Rate Change	Water Utility Service	Wastewater Utility Service	Combined Utility Service
2026	October 1, 2025	15.00%	15.00%	15.00%
2027	October 1, 2026	15.00%	15.00%	15.00%
2028	October 1, 2027	15.00%	15.00%	15.00%
2029	October 1, 2028	15.00%	15.00%	15.00%
2030	October 1, 2029	15.00%	15.00%	15.00%

[1] Rate Adjustments are projected to meet estimated net revenue requirements (total expenditure and funding needs) for each fiscal year of the Forecast Period.

- a. The primary reasons for the increase in rates are due to the following:
 - i. The need to recover the effects of higher inflation on the cost of operations (especially since the pandemic) when compared to what was recognized in the rate plan prepared during Fiscal Year 2017.
 1. The following is a graph that presents the annual change in the key utility and capital related indices, which further illustrates the volatility of inflation over the past several years since the adoption of the last rate plan.

Inflation Since Fiscal Year 2019



- ii. The cost of constructing new infrastructure has increased significantly (which is also evidenced by the change in the Construction Materials Index in the figure above). The capital plan for the Forecast Period is estimated to be approximately \$225 million, which is anticipated to be funded from rates through programmed deposits to the Renewal and Replacement Fund, the issuance of additional bonds, capital connection

charges received from new growth or development, and through grants and other contributed capital.

- iii. In addition to the capital plan referenced above, it is anticipated that a significant wastewater capital expenditure (as much as \$60.0 million) will be required that is projected to be online after the end of the Forecast Period. The rate plan has considered this investment with the rates being phased to initiate the accumulation of funds in advance of construction to limit additional bonds and to avoid rate shock when the facility is placed into service.
 - iv. The capital plan recognizes the need to issue additional debt during the Forecast Period. To secure external financing at the lowest interest rates, the District's strategic plan is to target a high credit rating and achieve the policies that support this. These policies would include a strong recurring capital reinvestment plan (referred to as "pay-as-you-go") and maintaining a reasonable debt to net plant ratio. The rate plan recognizes these best business practices by i) funding the Renewal and Replacement Fund at a rate of 15% of current period revenues (this fund is also used to fund major repairs and maintenance projects); and ii) maintaining a debt (principal outstanding) to net plant ratio of less than 25% (i.e., of the total net book value of the Utility fixed assets, only 25% is debt financed with the remainder being equity funded through long-term operations).
 - v. Based on the rate phasing and capital funding plan, the debt service coverage ratio on the future bonds is projected to exceed 2× the annual debt service payment, which is considered favorable and will promote a strong credit rating.
- 2. The District's existing rates for water, wastewater, and reuse rates will not recover the projected revenue requirements for the fiscal years ending September 30, 2026 through 2030, and this study shows the need to increase rates System-wide by 15.0% per year.
 - 3. The proposed rates produce monthly water and wastewater bills that are comparable with those of neighboring utilities.
 - 4. The District should consider adopting the proposed miscellaneous service fee schedule reflected in this report.
 - 5. The District should consider adopting the proposed Capital Capacity Charges reflected in this report.
 - 6. The District should consider adopting the proposed AGRF Fee schedule reflected in this report.
 - 7. The District should plan to re-evaluate its rates within the next two (2) years to more accurately assess the potential need for future rate adjustments.

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Section 1 – Introduction

General

Englewood Water District (the “EWD” or the “District” was created in 1959 as a political subdivision of the State of Florida governed by the State Constitution and general laws of the State of Florida. The District owns and operates a public water and wastewater utility (the “System”) that provides water, wastewater, and reuse water services within the unincorporated areas of Sarasota and Charlotte counties. The EWD occupies approximately 44.5 square miles and is located in the southwestern portion of the State. The most recent master plan prepared by HDR estimates the District had a population of 38,260 people in 2021.

During Fiscal Year 2023, the District provided service to approximately 18,784 retail water accounts (annual average) and 17,460 retail wastewater accounts (includes approximately 885 unmetered wastewater customers). General accounting policies and prudent utility management require that the System must have revenues (financial resources) at least equal to the costs of providing water and wastewater service. As such, the District should establish rates sufficient to meet the cost of operating, maintaining, repairing, and financing the System.

To assist the utility administration in the financial planning process, Raftelis was retained to perform a utility rate study and prepare a forecast of System financial requirements from Fiscal Year 2025 through Fiscal Year 2030 (the “Study Period”) in order to evaluate the sufficiency of rates and make recommendations as to the change in rates necessary to meet the projected expenditure needs of the System.

Scope of Services

In an effort to ensure adequate funding for the cost of utility operations and capital improvements necessary to meet the requirements of System, regulatory requirements, and utility system replacements and upgrades, the District decided to review the adequacy of the current rates for service.

The scope of services included the following components:

1. Development of a projection of the customers and corresponding water sales and wastewater billed flow (revenue gallons) in order to estimate the future revenues of the System;
2. Development of a forecast of the operations of the water and wastewater systems, including a projection of the operation and maintenance expenses of the System, the funding of capital improvements that are identified on behalf of the System, and the ability of the System revenues to meet the rate covenants defined in: i) the Bond Resolution, which authorized the issuance of the outstanding utility system revenue bonds of the System; and ii) the District’s subordinate lien agreements;
3. Identification of rate adjustments (if applicable) and development of proposed rates, which fully recover the costs of providing service, promote the continued conservation of water resources, and reflect the general rate guidelines of the District;
4. Conduct a survey to provide the District with a comparison of the existing and proposed rates with the amounts charged by other neighboring utilities to illustrate rate competitiveness and general pricing considerations;

5. Show the impact of any rate changes to customer bills, if applicable;
6. Review the District's reuse water rate;
7. Review the District's wholesale water and wastewater rates;
8. Review the District's miscellaneous service charges;
9. Review and update of the capital capacity charges to ensure that the nexus between the fees charged and the costs incurred are maintained; and
10. Prepare a report documenting our analyses, assumptions, and conclusions for consideration by the Board of Supervisors (the "Board") and presenting such findings at a public hearing in order to fully disclose the findings and rate modifications, if any.

Summary of Report

In addition to Section 1, this report has been subdivided into four (4) other sections. The following is a brief discussion of the remaining sections included in this report.

Section 2 – Customer and Sales Forecast: This section summarizes the projections of customer growth, sales or usage requirements, the amount of water used per consumption (billing) block for rate revenue estimation purposes, and the estimate of revenues derived from existing rates for monthly water and wastewater service based on the customer and usage forecast.

Section 3 – Development of Revenue Requirements and Sufficiency of Rates: This section summarizes the basis for the determination of the revenue requirements from user fees or rates (i.e., expenditures paid or funded from rate revenues). Included in this section is a discussion of the assumptions utilized in the forecast of utility operating expenses, the funding of the capital program, and the payment of other funding requirements, including debt service payments, funds for asset renewals and replacements, and the maintenance of working capital reserves. A summary of the projected operating results of the utility systems was prepared through September 30, 2030.

Section 4 – Development of Monthly Rates and Fees: This section includes the development of proposed monthly water, wastewater, and reclaimed water rates necessary to meet the expenditures needs over the Study Period, including wholesale water and wastewater rates. Also included is a brief discussion about miscellaneous fees and charges and a proposed schedule of updated rates.

Section 5 – Development of Capital Capacity Charges: This section provides the basis for the calculation of the proposed water and wastewater capital capacity charges. This section includes a comparison of the proposed water and wastewater capacity charges charged by neighboring utility systems.

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Section 2 – Customer and Sales Forecast

General

A major component to evaluate the sufficiency of water and wastewater rates is the forecast of customers, sales (or usage characteristics), and revenues. The forecast is necessary to have a proper matching of the development of rate revenues and the design of rates based on the usage requirements or service demographics of the customers of each respective utility system. This section provides a discussion of the forecast of customers, sales (usage), and projected rate revenues for the Study Period.

Fiscal Year 2023 Water and Wastewater Customer Statistics

During the Fiscal Year ended September 30, 2023 (whereby the fiscal year is defined as the 12 months ended September 30), it is estimated that the System provided service to an average of 18,784 retail water customers and an estimated 23,068 retail water equivalent residential connections (“ERCs”) based on level-of-service (“LOS”). An ERC represents the average metered consumption of water in gallons per day for a typical single family residential unit in the District.

The District currently has two (2) active wholesale water customers, Bocilla Utilities, Inc. and Japanese Gardens Homeowners Association. For Fiscal Year 2023, the wholesale water rate was \$5.26 per 1,000 gallons for customers that have paid capital capacity charges and \$6.98 per 1,000 gallons for customers that have not paid capital capacity charges.

For the wastewater utility system, the System provided service to an estimated average of 17,460 retail accounts and 21,021 retail ERCs during Fiscal Year 2023. Approximately 885 of these accounts are considered non-metered wastewater only accounts. All of the non-metered accounts are charged the monthly base facility charge and certain accounts are charged an additional flat rate charge of either \$32.31 or \$24.53 per month based on an assumed usage of 5,962 gallons.

The District currently has two (2) active wholesale wastewater customers, Charlotte County, and Sunshine Water Utilities. For Fiscal Year 2023, the wholesale wastewater rate was \$8.22 per 1,000 gallons for Charlotte County and Sunshine Water Utilities, which have dedicated wastewater meters.

For reporting purposes and for the application of rates for monthly service, the District currently differentiates its water and wastewater customer base into several major classifications or customer types. This differentiation of customers allows the District to evaluate the service area characteristics and better plan for the effects of future growth since the various customer classes generally have differing water and wastewater demand or usage requirements. Residential customers represent the predominant class in terms of the number of water and wastewater customers billed. Over 90% of the District’s utility system retail customers are classified as single-family residential. This level in the number of customers, delineated by class served, is consistent with the account relationships of other Florida utilities.

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The ERCs for both the water system and the wastewater system for Fiscal Year 2023 are summarized as follows:

Average Monthly Water and Wastewater ERCs Served – Fiscal Year 2023 [*]

Customer Type	Water System		Wastewater System	
	Amount	Percent	Amount	Percent
Single-family Residential	17,107	74.16%	16,275	77.42%
Master Metered Residential	2,945	12.77%	2,865	13.63%
Commercial	2,681	11.62%	1,881	8.95%
Irrigation	335	1.45%	N/A	N/A
Total ERCs	23,068	100.00%	21,021	100.00%
Total Accounts	18,784		17,460	
Percent of Total ERCs	81.43%		83.06%	
Average ERCs per Account	1.2		1.2	
[*] Amounts were derived from Tables 2-1 and 2-2.				

As can be seen in the preceding table, the number of retail ERCs estimated to be served by the water system is higher than the number of accounts. Specifically, the number of water accounts is approximately 82% of the number of ERCs. For the wastewater system, the number of accounts served is approximately 83% of the number of ERCs served.

Current Water and Wastewater Customer Usage Profile

The District's current water rate structure includes several consumption blocks or tiers priced at different levels to encourage water conservation. Industry studies have found that the use of water is price sensitive (elastic) at certain usage levels and that generally the higher the "per unit" charges for water the lower the water consumption. The SWFWMD has recognized this pricing relationship and generally requires utilities to have a water conservation promoting rate structure as part of the water use permit process. The District has established a water pricing structure that generally recognizes water use blocks at the essential (indoor), discretionary and excessive use consumption ranges that are proper for the pricing of water use.

Because of the pricing of the water consumption at various usage blocks, it is necessary to identify the water use by particular consumption block. This is needed in order to accurately estimate rate revenues as well as to project future rates. Based on bill frequency information provided by the District for the Fiscal Year 2023 (the most recently available bill frequency data at the time of study initiation), the estimated amount of water used per consumption or rate block for each class for the Fiscal Year 2023 is shown in Table 2-1 at the end of this section and as follows:

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Block Rate Structure by Customer Class per ERC

Class	Consumption Block (Thousands of Gallons) per ERC				
	Block 1	Block 2	Block 3	Block 4	Block 5
Single-family, Multi-family and Commercial per ERC	0 to 6	6 to 8	8 to 12	12 to 18	Over 18
Irrigation per ERC	0 to 12	12 to 18	Over 18	N/A	N/A

Estimated Average Billed Monthly Retail Consumption – Fiscal Year 2023 [1]

Price Block	Single-family, Multi-family, and Commercial		Irrigation		Total System	
	Consumption (kgal)	Percent	Consumption (kgal)	Percent	Consumption (kgal)	Percent
Block 1	663,384	78.20%	19,394	65.81%	682,778	77.78%
Block 2	52,002	6.13%	2,569	8.72%	54,571	6.22%
Block 3	54,486	6.42%	7,505	25.47%	61,991	7.06%
Block 4	35,653	4.20%	-		35,653	4.06%
Block 5	42,836	5.05%	-		42,836	4.88%
Total	<u>848,361</u>	<u>100.00%</u>	<u>29,468</u>	<u>100.00%</u>	<u>877,829</u>	<u>100.00%</u>

With respect to the wastewater system, there is no billing threshold on residential water use to determine billed wastewater flow.

Water and Wastewater Customer and Sales Forecast

The development of a forecast of future finished water and treatment requirements, sales or usage, and customers is necessary in the evaluation of the adequacy of utility system rate levels and rate structures. The forecast is essential for the determination of revenues from rates, for the escalation of certain water production / treatment and wastewater treatment / disposal-related expenses, and for the design of rates. For the purpose of this study, a customer, sales, and revenue forecast through Fiscal Year 2030 was prepared. The forecast was based on an analysis of historical System growth, planning estimates as prepared by the District (e.g., Potable Water Master Plan Update prepared by HDR in January 2024) regarding the population and corresponding ERCs of the District service area and discussions with District staff. Projections of future growth assume new customers are provided both water and wastewater service.

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The forecast of water system customers and usage is shown in Table 2-1 at the end of this section and summarized in the following tabulation:

Water System Forecast of Retail Accounts, ERCs, and Usage

Fiscal Year	Monthly Accounts	Change in Accounts	Monthly ERCs	Change in ERCs	Annual Sales (kgal)	Monthly Usage per Account (kgal)	Monthly Usage Per ERC (kgal)
2023 (Historical)	18,784		23,068		877,829	3.89	3.17
2024	19,304	520	23,691	623	877,829	3.79	3.09
2025	19,720	416	24,189	498	901,079	3.81	3.10
2026	20,083	363	24,620	431	919,664	3.82	3.11
2027	20,340	257	24,911	291	935,748	3.83	3.13
2028	20,546	206	25,150	239	955,527	3.88	3.17
2029	20,752	206	25,389	239	964,447	3.87	3.17
2030	20,958	206	25,628	239	973,366	3.87	3.17
Compound Growth Rate 2023 to 2030	1.58%		1.51%		1.49%		

Kgal = 1,000 gallons

[1] Amounts shown reflect the sum of all customer classes and were derived from Table 2-1.

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For the wastewater system, the forecast of customers, ERCs, and usage is shown in Table 2-2 at the end of this section and as follows:

Wastewater System Forecast of Retail Accounts, ERCs, and Usage [1]

Fiscal Year	Monthly Accounts	Change in Accounts	Monthly Meter Equivalent ERCs	Change in ERCs	Annual Billed Flow (kgal)	Monthly Billed Flow per Account (kgal)	Monthly Billed Flow per ERC (kgal)
2023 (Historical)	17,460		21,021		712,637	3.40	2.83
2024	17,980	520	21,644	623	734,685	3.41	2.83
2025	18,396	416	22,142	498	752,310	3.41	2.83
2026	18,759	363	22,573	431	767,564	3.41	2.83
2027	19,016	257	22,864	291	777,863	3.41	2.84
2028	19,222	206	23,103	239	786,321	3.41	2.84
2029	19,428	206	23,342	239	794,780	3.41	2.84
2030	19,634	206	23,581	239	803,238	3.41	2.84
Compound Growth Rate 2023 to 2030	1.69%		1.66%		1.72%		

Kgal = 1,000 gallons

[1] Amounts shown reflect the sum of all customer types including flat rate / non-metered customers and were derived from Table 2-2.

Existing User Rates for Monthly Service

The current monthly water and wastewater user rates for the District have been in effect since October 1, 2024 (the “Rate Resolution”). The current water rates are uniform among the various customer classes, and consist of: i) a base facility charge, charged by ERC for all classes of customers and is designed to recover a portion of the water utility’s fixed costs; and ii) a consumption or usage charge per 1,000 gallons, which recovers the variable costs of the System and the remaining fixed costs. The consumption charge is calculated by applying a customer’s usage to five (5) inverted price blocks, which are designed to promote water conservation. The existing water rates as adopted by the Board are summarized as follows:

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Current Monthly Water System Rates – Effective October 1, 2024

Description	Amount
Base Facility Charge per ERC per Month:	
Residential, Multi-family, Commercial and Irrigation Only per ERC	\$22.21
Usage Charge per ERC per 1,000 Gallons:	
All Customers Except Dedicated Irrigation and Temporary Meters:	
0 to 6,000 Gallons	\$2.64
6,001 to 8,000 Gallons	3.53
8,001 to 12,000 Gallons	7.02
12,001 to 18,000 Gallons	11.72
Over 18,000 Gallons	18.30
Dedicated Irrigation and Temporary Meters:	
0 to 12,000 Gallons	\$7.02
12,001 to 18,000 Gallons	11.72
Over 18,000 Gallons	18.30

The existing monthly wastewater rates are also uniform among the various customer classes, and consist of: i) a base facility charge; ii) for metered customers, a volumetric charge per 1,000 gallons, which is billed based on metered water use; and iii) for unmetered customers, a flat usage charge based on a use of 196 gallons per day.

Current Monthly Wastewater System Rates – Effective October 1, 2024

Description	Amount
Base Facility Charge per ERC per Month:	
Residential, Multi-family, and Commercial per ERC	\$32.32
Usage Charge per ERC per 1,000 Gallons:	
All Customers Except Unmetered Customers	\$4.12
Flat Rate Charge [1]	24.56
[1] Unmetered accounts are charged a flat rate charge in addition to the base facility charge. The rate is based on a use of 196 gallons / day.	

Revenues Under Existing Rates

The forecast of the revenues under existing rates was based on: i) the forecast of System accounts and corresponding consumption / billed sales as shown on Tables 2-1 and 2 2 for the water and wastewater systems, respectively; and ii) the existing rates for monthly water and wastewater service as adopted by the Board pursuant to the Rate Resolution. A summary of the estimated water rate revenues is included on Table 2-3 at

the end of this section, while the estimated rate revenues for the wastewater system are included on Table 2-4 at the end of this section. Based on the assumptions for the customer forecast and recognizing the rates currently in effect, the following estimates for water and wastewater user rate revenue were assumed for the purposes of this report:

Projected Water and Wastewater User Rate Revenue Under Existing Rates

Fiscal Year	Water System			Wastewater System			Total System
	Retail [1]	Wholesale [1]	Total	Retail [1]	Wholesale [1][3]	Total	
2023 (Historical)	\$9,038,871	\$254,302	\$9,293,172	\$10,047,460	\$388,348	\$10,435,808	\$19,728,981
2024 [2]	\$9,742,524	\$267,658	\$10,010,182	\$10,870,038	\$406,767	\$11,276,805	\$21,286,987
2025 [2]	10,439,394	281,041	10,720,434	11,679,222	427,105	12,106,327	22,826,762
2026 [2]	10,620,918	281,041	10,901,959	11,909,160	427,105	12,336,265	23,238,224
2027 [2]	10,743,479	281,041	11,024,520	12,064,408	427,105	12,491,513	23,516,033
2028 [2]	10,844,139	281,041	11,125,180	12,191,914	427,105	12,619,019	23,744,199
2029 [2]	10,944,799	281,041	11,225,839	12,319,420	427,105	12,746,525	23,972,365
2030 [2]	11,045,459	281,041	11,326,499	12,446,926	427,105	12,874,031	24,200,530
Compound Growth Rate 2023 to 2030	2.91%	1.44%	2.87%	3.11%	1.37%	3.04%	2.96%
Compound Growth Rate 2025 to 2030	1.14%	0.00%	1.11%	1.28%	0.00%	1.24%	1.18%

[1] Amounts derived from Tables 2-3 and 2-4.

[2] Projected revenue is calculated under the adopted Fiscal Year 2023, 2024, and 2025 rates. The Fiscal Year 2025 rates became effective on October 1, 2025 (a five percent [5%] adjustment) and do not include any identified or recommended rate adjustments which may become effective in the future.

[3] Includes reuse wholesale customers.

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Section 3 – Development of Revenue Requirements and Sufficiency of Rates

The various components of cost associated with operating and maintaining a water and wastewater system (previously defined as the “System”), as well as the cost of financing the renewal and replacement of facilities and capital improvements for upgrades and expansion, are generally referred to as the utility cash revenue requirements. The sum of these cost components, after adjusting for other income and miscellaneous utility revenues, represent the net rate revenue requirements. The rate revenue requirements for this rate study are predicated on an analysis of water and wastewater system costs for Fiscal Years 2025 through 2030 (previously defined as the “Study Period”). The projected revenue requirements included the various generalized cost components described below:

- Operating Expenses: These expenses include the cost of utilities, chemicals, labor, employee benefits, materials, supplies, and other items necessary for the operation and maintenance of the water and wastewater systems.
- Debt Service: Debt service includes the principal and interest on the District’s current debt obligations payable from the net operating revenues of the water and wastewater systems and the debt service payments on any proposed debts over the Study Period.
- Other Revenue Requirements: This component of cost includes, in general, any ongoing capital improvements (capital outlay) to be financed from revenues, including ongoing system renewals and replacements.

Principal Assumptions and Considerations

The development of the projected revenue requirements is shown on Tables 3-1 and 3-2 at the end of this section for the water and wastewater systems, respectively, while Table 3-3 at the end of this section shows the projected revenue requirements on a combined System basis. The analyses included on these tables required certain assumptions, considerations, and analyses. Major assumptions and considerations recognized by Raftelis in the development of the projected revenue requirements for the Study Period are as follows:

1. Projected revenues from current rates and charges for the System were based on the schedule of rates and charges effective on October 1, 2024. Such rates were applied to the customer and sales usage forecast discussed in Section 2 of this report. The independent revenue projections recognize an overall increase in utility rate revenues due primarily to anticipated growth of the service area. Reference is made to Section 2 of this report for discussion of the customer sales forecast, including Tables 2-3 and 2-4, which summarize the projected rate revenues under the existing rates for the Study Period for the water and wastewater systems, respectively.
2. The District currently charges a capital capacity charge to all new development requesting water and/or wastewater capacity, the purpose being to recoup the upfront or identified investment in utility plant identified to serve growth. These fees are not an operating revenue of the System for rate determination purposes but are considered as a source of funds to defray the cost of capital that would need to be recovered from rates if such fees were not in effect. With respect to the water and wastewater capital capacity charges to be collected by the District during the Study Period reflected in this analysis,

it was assumed that the District would utilize such fees to pay growth-related debt service. The District is currently performing a water and wastewater capital capacity charge review. Based on the customer projections as outlined in Section 2 of this report and the proposed capital capacity charges discussed in Section 5 of this report, the following capital capacity charge revenues are projected.

Projected Water and Wastewater Capital Capacity Charge Revenues

Fiscal Year	Water System			Wastewater System			Combined
	Capital Capacity Charge per ERC	ERC Growth [1]	Annual Water Capital Capacity Charges	Capital Capacity Charge per ERC	ERC Growth [1]	Annual Wastewater Capital Capacity Charges	Annual Capital Capacity Charges
2025	\$2,074	498	\$1,032,832	\$2,850	498	\$1,419,270	\$2,452,102
2026	3,061	431	1,319,291	5,170	431	2,228,270	3,547,561
2027	3,061	291	890,751	5,170	291	1,504,470	2,395,221
2028	3,061	239	731,579	5,170	239	1,235,630	1,967,209
2029	3,061	239	731,579	5,170	239	1,235,630	1,967,209
2030	3,061	239	731,579	5,170	239	1,235,630	1,967,209

[1] Based on customer growth projections discussed in Section 2 of this report.

- The adopted Fiscal Year 2025 Operating Budget for the water and wastewater systems as provided by the District served as the basis for the expenditure projections and the underlying assumptions reflected in such budget were assumed to be reasonable and representative of anticipated operations. Such budgetary amounts represent the most recent utility system operating budget as approved by the Board, which was based on historical operating results and trends, and was incorporated into the revenue requirement component of the study, except for adjustments and assumptions as noted hereafter.
- Table 3-4, at the end of this section, summarizes: i) the projected operations and maintenance expenses for the System as budgeted for the Fiscal Year 2025; ii) any adjustments made to the forecast for ratemaking considerations; and iii) the allocation of such expenses among the water and wastewater systems. This allocation of cost between the two (2) utility systems served as the basis for the projection of respective utility system costs for the remainder of the Study Period. The allocation of the operation and maintenance costs between the two (2) utility systems was based on: i) the functional nature of each department (e.g., water distribution allocated to water); ii) the purpose of such department and the specific costs reflected in such department; and iii) discussions with District staff. The following is a summary of the operating expense allocation for the Fiscal Year 2025 as recognized in this study:

Fiscal Year 2025 – Operating Expense Allocation [*]

Description	Amount	Percent
Water System	\$9,891,180	48.43%
Wastewater System	10,532,343	51.57%
Total	\$20,423,522	100.00%

[*] Amounts derived from Table 3-4; amounts do not include departmental capital expenditures, which are included as a cost for the capital plan.

5. The operation and maintenance expenses for the water and wastewater systems budgeted for the Fiscal Year 2025 were projected for the remaining five (5) years of the Study Period (through Fiscal Year 2030). These projections are shown on Tables 3-5 and 3-6 at the end of this section for the water and wastewater systems, respectively, while the escalation references can be found on Table 3-7 at the end of this section. The combined System operating expenses are shown on Table 3-8.

The projected operating expenses were developed for the study as follows:

- a. Budgeted Fiscal Year 2025 operating expenses such as professional services, other contractual services, communications expense, materials and supplies expense, and certain other operating expenses have been projected to increase from current budgetary levels at annual inflation rates ranging from 4.1% to 5.9%. The forecast of inflation was based upon the CPI projection prepared by the Congressional Budget Office as contained in “*An Update to the Budget and Economic Outlook: 2025 to 2035*” published in January 2025. This inflation forecast was compared to other pricing indices used by many utilities for financial planning and rate review purposes. These indices included: i) the Gross National Product (“GNP”) implicit price inflator index that is used by the Florida Public Service Commission in the regulation of investor-owned utilities to establish price indices that automatically (pass-through) increases in operating costs without a full rate review; and ii) indices that were published in the Engineering News-Record that track historical trends in construction and material costs. Additionally, based on historical trends and discussions with the District, repair and maintenance expenses were escalated at approximately 3.8% annual rate, while property / general insurance was escalated at 10.0% in Fiscal Year 2026 and 5.0% annually thereafter.
 - b. Based on discussions with District staff, the cost of the utility system’s salaries and wages were increased above Fiscal Year 2025 budgeted amounts by 4.0% per year to reflect cost of living and merit adjustments. The costs of employee insurance were assumed to increase by 5.0% per year.
 - c. Per discussions with District staff, the costs of electricity were projected to escalate by 3.4% per year plus treated flow growth during the Study Period. The costs of chemicals were projected to escalate by 3.4% per year plus treated flow growth based on discussions with District staff.
6. An allowance for bad debt expenses has been made to recognize that a certain amount of revenues will be considered as uncollectible and written off throughout the year. This expenditure item reflects an incremental adjustment to each year’s operating expenses and was estimated at 0.25% of user rate revenue based on general utility trends.
 7. In the projection of the estimated expenditure requirements, a contingency allowance has been included in the financial forecast for the years beyond Fiscal Year 2025. The contingency allowance assumed for the development of the projected revenue requirements represents approximately 3.0% of the total combined operating expenses during the Forecast Period. The allowance has been included as an operating expense in order to provide funds to meet unknown or unplanned expenses throughout the fiscal year and to recognize potential changes in revenues that may result due to weather, conservation, and other factors. To the extent the contingency allowance is not required to meet annual operating expenses or provide funds for ongoing System operations, such monies would accrue to the

benefit of the System and could be used for other purposes such as funding a capital account to finance renewals, replacements, and upgrades to the utility system over time.

8. The financial projections of the utility operating expenses as reflected on Tables 3-5, 3-6, and 3-8 at the end of this section include the recognition of 19 additional employees beyond Fiscal Year 2025—one (1) Administration Project Manager, three (3) Finance/Tech Support, three (3) Water Distribution Maintenance Technicians, four (4) Wastewater Plant Operator Trainees, five (5) Wastewater Plant Operators, three (3) Wastewater Collections Maintenance Technicians—that are anticipated to be required to meet the increased service level needs / requirements of the utility system.
9. For the purposes of this study, amounts associated with depreciation and amortization expenses have not been recognized in this analysis. These expenditures are non-cash in nature and are also not considered as operating expenses for ratemaking purposes under a publicly owned utility system basis (and which incorporate revenue bond financing for capital improvements). Therefore, such amounts have not been recognized as a revenue requirement to be recovered from rates for the Study Period. It should be noted, and will be discussed later, that an allowance for the funding of capital projects, renewals and replacements, and/or reserves has been recognized, which essentially provides the cash funding of these expenses.
10. As of October 1, 2024, the District had no outstanding loans (collectively, the “Existing System Debt”) allocable to the System as shown on Table 3-9 at the end of this section.
11. The capital expenditures for the System were based on information contained in the multi-year CIP schedule provided by the District along with additional information regarding the status of current and anticipated projects and annual departmental capital needs. Table 3-10 at the end of this section provides a detailed listing of the capital projects for the System as well as anticipated funding sources for such projects within the Study Period.
 - a. In order to provide a funding mechanism to finance the costs of renewals, replacements, betterments, and upgrades to the System, Raftelis has recognized the funding of District-established water and wastewater renewal and replacement accounts (“R&R Accounts”). The R&R Accounts are internal funds designed to recognize the collection of funds to meet these ongoing capital expenditure requirements on a pay-as-you-go basis (which improves the overall equity position of the System). For the Study Period reflected in this report, the development of the revenue requirements includes continued funding or setting aside of monies in the R&R accounts to meet these ongoing capital expenditure requirements and to maintain reserves. Based on discussions with District staff and Raftelis’ recommendations regarding best management practices, R&R Account deposits were based on a minimum of 15% of the previous year’s Gross Revenues, which should fund ongoing R&R needs and should accumulate to a balance equal to the annual depreciation expense by Fiscal Year 2026.

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Summary of Projected Deposits to Water Renewal, Replacement, and Improvement Account

Fiscal Year	Total Deposit
2025	\$1,557,324
2026	1,691,292
2027	1,956,519
2028	2,246,037
2029	2,596,722
2030	2,999,330

Summary of Projected Deposits to Wastewater Renewal, Replacement, and Improvement Account

Fiscal Year	Total Deposit
2025	\$1,662,812
2026	1,804,775
2027	2,098,503
2028	2,438,813
2029	2,824,468
2030	3,276,186

The use of the R&R Account (which is a component of the operating reserve for the utility) represents a funding source on a “pay-as-you-go” basis funded annually from rates and serves to reduce the amount of projects necessary to be funded from the issuance of utility revenue bonds or other outside sources. Over the long-term, use of this fund is recognized by the District and Raftelis to be a method to maintain (or reduce) the overall rates of the System due to the fact that the cost of financing such projects including interest expense is not incurred by the utility system.

- b. Based on estimated costs developed during the master planning process and estimates for departmental capital needs, the District has identified approximately \$224.4 million in capital needs through the Fiscal Year 2030. The following is a summary of the capital expenditures anticipated for the System and the expected funding sources relative to such capital program recognized in the development of the estimated System revenue requirements:

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Summary of Capital Improvement Program and Estimated Funding Sources [*]

	Fiscal Year Ending September 30,						Total	
	2025	2026	2027	2028	2029	2030	Amount	Percent
Capital Projects:								
Water System	\$1,854,439	\$8,643,240	\$35,020,763	\$38,147,567	\$17,569,674	\$2,852,310	\$104,087,992	46.23%
Wastewater System	15,063,463	10,862,371	13,083,520	38,184,526	40,883,264	2,963,094	121,040,237	53.77%
Total System Capital Projects	\$16,917,901	\$19,505,611	\$48,104,282	\$76,332,093	\$58,452,938	\$5,815,404	\$225,128,228	100.00%
Funding Sources:								
Water System:								
Water System Capital Capacity Charge Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
Water Renewal and Replacement	1,394,011	1,851,500	53,045	2,677,181	17,051,458	2,318,548	25,345,744	24.35%
Rate Revenue	460,428	474,240	488,468	503,122	518,215	533,762	2,978,234	2.86%
Grants	0	0	0	0	0	0	0	0.00%
Additional Debt	0	6,317,500	34,479,250	34,967,264	0	0	75,764,014	72.79%
Total Water System Funding Sources	\$1,854,439	\$8,643,240	\$35,020,763	\$38,147,567	\$17,569,674	\$2,852,310	\$104,087,992	100.00%
Wastewater System:								
Wastewater System Capital Capacity Charge Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
Wastewater Renewal and Replacement Fund	6,007,472	10,135,200	583,495	54,636	1,609,478	2,318,548	20,708,829	17.11%
Rate Revenue	555,991	572,671	589,851	607,546	625,773	644,546	3,596,377	2.97%
Grants	8,500,000	154,500	0	0	0	0	8,654,500	7.15%
Additional Debt	0	0	11,910,174	37,522,343	38,648,014	0	88,080,531	72.77%
Total Wastewater System Funding Sources	\$15,063,463	\$10,862,371	\$13,083,520	\$38,184,526	\$40,883,264	\$2,963,094	\$121,040,237	100.00%
Combined System:								
System Capital Capacity Charge Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
Renewal and Replacement Funds	7,401,483	11,986,700	636,540	2,731,818	18,660,936	4,637,096	46,054,573	20.46%
Rate Revenue	1,016,418	1,046,911	1,078,318	1,110,668	1,143,988	1,178,307	6,574,611	2.92%
Grants	8,500,000	154,500	0	0	0	0	8,654,500	3.84%
Additional Debt	0	6,317,500	46,389,424	72,489,607	38,648,014	0	163,844,545	72.78%
Total System Funding Sources	\$16,917,901	\$19,505,611	\$48,104,282	\$76,332,093	\$58,452,938	\$5,815,404	\$225,128,228	100.00%

[*] Summary of capital projects and funding sources by project derived from Table 3-10.

- i. As of October 1, 2024, the District has no outstanding debt associated with the System. However, due to the significant capital investment needs identified above, Raftelis has assumed the issuance of two separate debt financings during the Study Period, totaling approximately \$164 million. To help minimize interest costs, it is assumed that the District will initially utilize two (2) lines of credit (LOCs), under which interest would only be paid on drawn amounts during the first three (3) years. At the end of the three- (3) year period, the outstanding balances on the LOCs would be converted into permanent 30-year financing. The table below presents the projected annual debt service payments for both the LOC interest-only period and the subsequent permanent financing.

2026 Line of Credit Assumptions

Description	2026	2027	2028
CIP Spend per Fiscal Year	\$6,317,500	\$34,479,250	\$34,967,264
Assumed Spend per Fiscal Year	6,317,500	40,796,750	75,764,014
Interest Rate	4.50%	4.50%	4.50%
Interest Only Payment	\$142,144	\$1,060,071	\$2,622,617

2027 Line of Credit Assumptions

Description	2027	2028	2029
CIP Spend per Fiscal Year	\$11,910,174	\$37,522,343	\$38,648,014
Assumed Spend per Fiscal Year	11,910,174	49,432,517	88,080,531
Interest Rate	4.50%	4.50%	4.50%
Interest Only Payment	\$267,979	\$1,380,211	\$3,094,044

Proposed Debt Issuances Assumptions

Proposed Additional Bonds / Loans	Total Principal of Bonds	Projected Issuance Date	Assumed Annual Interest Rate	Terms / Years	Estimated Annual Debt Service	Assumed Maturity Date
Utility Revenue Bonds, Series 2028	\$77,315,000	10/1/2028	5.00%	30	\$5,029,452	October 2058
Utility Revenue Bonds, Series 2029	88,080,531	10/1/2029	5.00%	30	5,846,823	October 2059

Summary of Proposed Annual Debt Service Payments

Description	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
2026 Line of Credit (Interest Only)	\$0	\$142,144	\$1,060,071	\$2,622,617	\$0	\$0
2027 Line of Credit (Interest Only)	0	0	267,979	1,380,211	3,094,044	0
Series 2028 Bonds	0	0	0	0	5,029,452	5,029,452
Series 2029 Bonds	0	0	0	0	0	5,846,823
Total Debt Service	\$0	\$142,144	\$1,328,050	\$4,002,828	\$8,123,495	\$10,876,275

12. In accordance with normal utility operations and the flow of funds as defined in the Bond Resolution that authorized the previously outstanding utility revenue bonds for the System, interest income has been recognized as an available revenue source to fund the annual expenditure needs of the System. For the Study Period, interest income was based on the estimated balances for all cash accounts or funds anticipated to be on deposit for the System. With respect to the evaluation of the utility rates, interest earned on those fund balances that are available to meet total utility expenditures were recognized. These fund balances included debt service funds, operating reserves, and the R&R Funds. Earnings on the water and wastewater capital capacity charge funds and construction funds established by the issuance of additional bonds, if any, are restricted or required to be maintained in such funds.

These restricted funds are not available to meet the ongoing utility operating expenditures of the System but are available to provide an additional source of funds for capital expenditures.

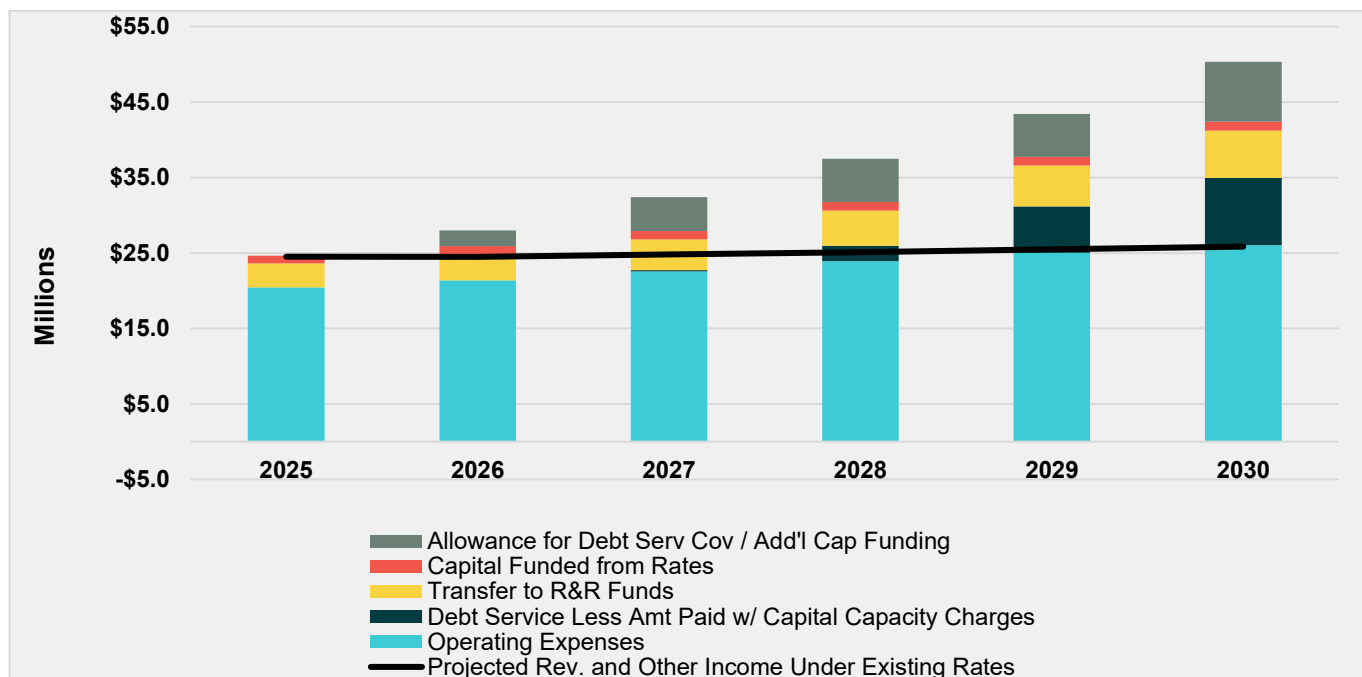
In development of the estimated interest earnings, an assumed interest rate of 1.0% to 2.0% annually was applied to the estimated average fund balances in each account maintained by the District during the Study Period. This interest rate assumption is based on recent earnings performance results of the System, discussions with District staff, and a review of the earnings performance of available investment vehicles related to the District. The assumed average interest rate was applied to the estimated average fund balances for each specific fund as maintained by the District for financial reporting and accounting purposes of the System. A summary of the interest earnings recognized in the financial forecast for each fiscal year as well as the estimated cash balances by individual fund or account are presented on Table 3-11 at the end of this section.

13. The District also receives other operating revenues from miscellaneous fees and charges for specific customer service requests or needs that serve to reduce the rate revenue requirements. Examples of such revenues include water and wastewater service initiation fees, turn-on and turn-off charges, late payment penalties, and meter installation charges. Such revenues were projected based on discussions with District staff, and the majority of such revenues were generally held constant during the Study Period.

Adequacy of Existing Rates and Proposed Cost Recovery Strategy

Based on the forecast of sales and revenues for the water and wastewater systems and the assumptions and considerations set forth herein with respect to the estimation of net revenue requirements, the existing rate revenue deficiency for the Study Period is shown below:

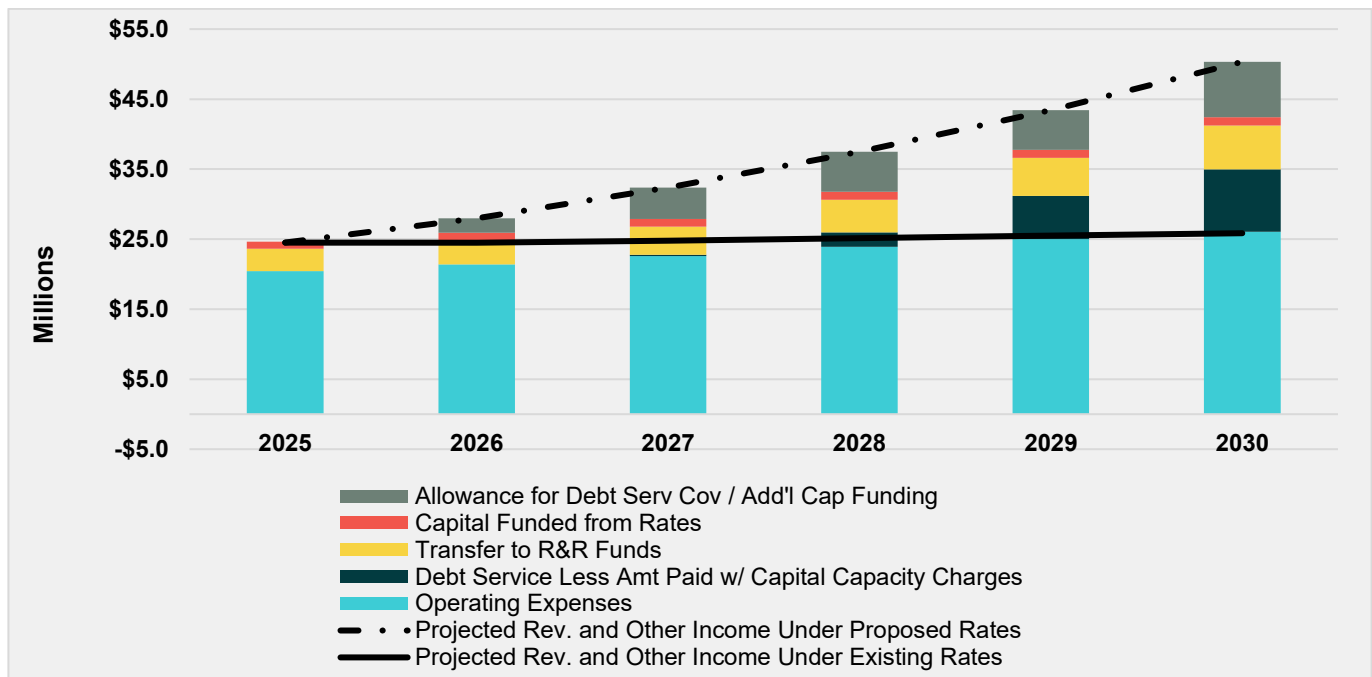
Projected Water and Wastewater Revenue Sufficiency at Existing Rates



As shown above and derived from Table 3-3 for the System, the existing water and wastewater rates are projected to be deficient by approximately \$24.5 million per year by Fiscal Year 2025. A 15% annual water and wastewater rate increase is proposed to be effective on October 1 of each fiscal year beginning with bills rendered on or after October 1, 2025 through Fiscal Year 2030.

Table 3-3 at the end of this section summarizes the combined results for the water and the wastewater systems. Based on the proposed System-wide rate increases outlined in this study, the utility system's net cash flow is anticipated to break even by Fiscal Year 2026. The following chart summarizes these results provided for in Table 3-3:

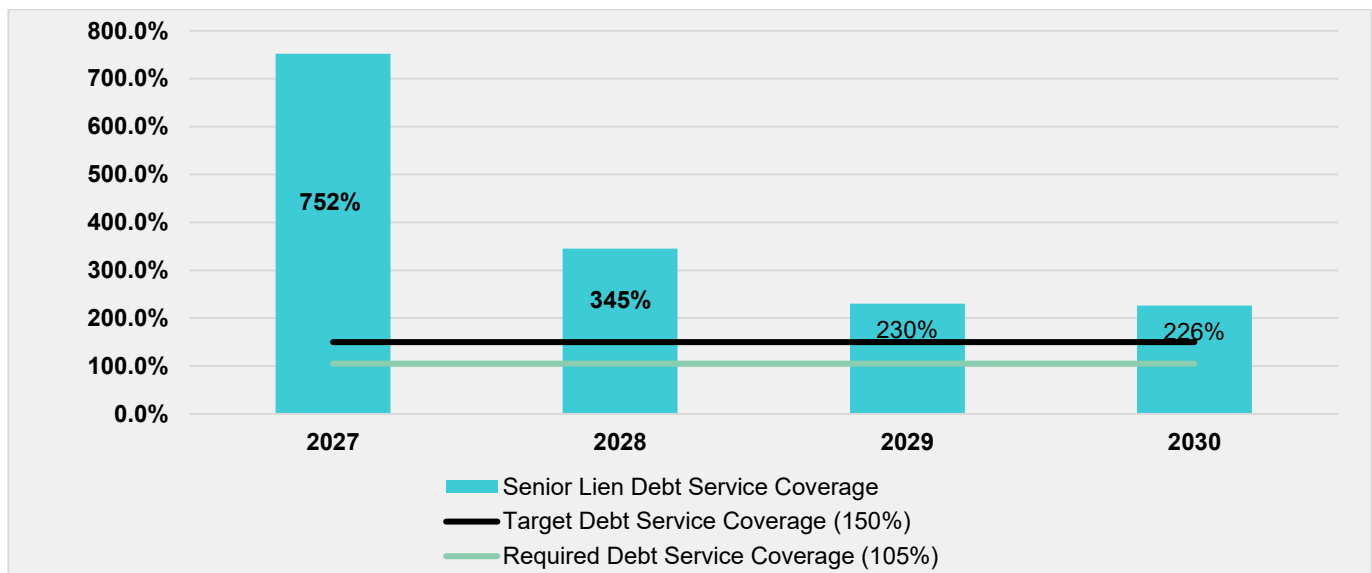
Projected Water and Wastewater Revenue Sufficiency at Proposed Rates



The above chart demonstrates the revenue sufficiency based on the adoption of the proposed rate increases through Fiscal Year 2030. By phasing-in the rate adjustments over time, this allows the District to fund on-going capital and proposed debt service. In addition, the proposed rates are projected to be adequate to satisfy the minimum and targeted debt service coverage margins as shown on the following page:

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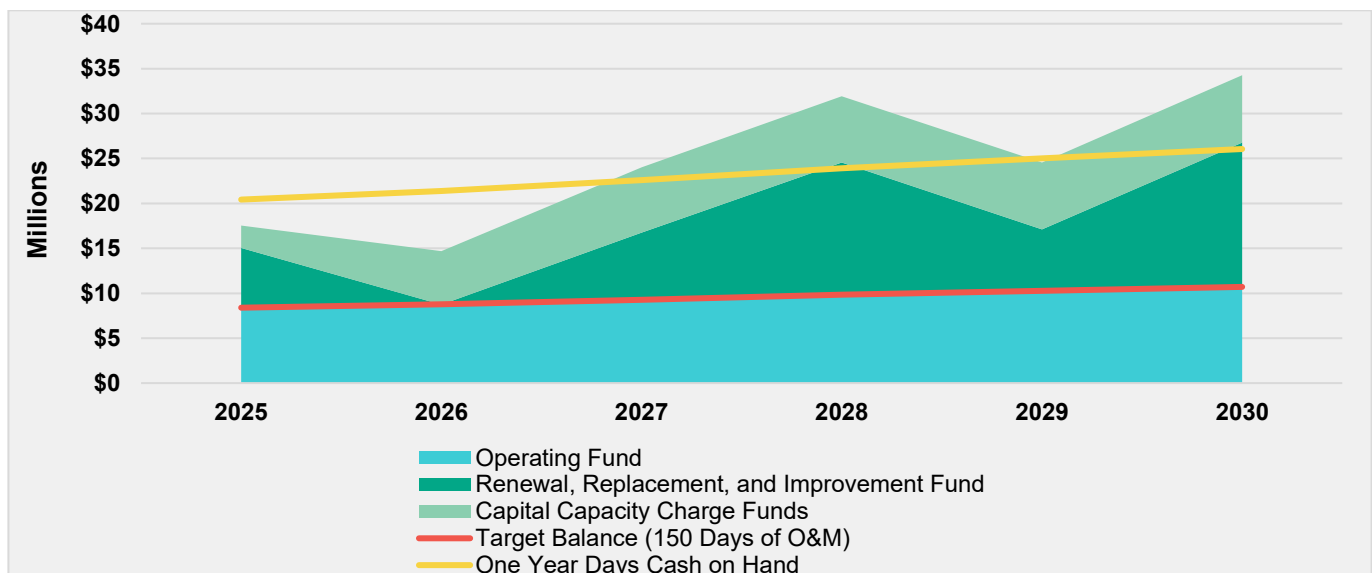
Projected Debt Service Coverage Net Revenues Only at Proposed Rates



Projected Fund Balances

The water and wastewater systems should have adequate cash reserves in order to meet day-to-day funding needs and unexpected emergencies that require immediate financial resources. The District's current working capital target is based on 150 days of operating expenses, which are between \$8.4 million and \$10.7 million during the Study Period. Based on the adoption of the proposed rate increases, a summary of the District's estimated available fund balances is shown on the following chart, which was derived from Table 3-11:

Ending Cash Balances – Combined Funds



Section 4 – Development of Monthly Service Rates and Miscellaneous Charges

Proposed Monthly Rates and Residential Comparisons

Based on the proposed 15.0% System-wide usage charge increases for the water and wastewater systems, the following tables summarize the proposed water and wastewater rates:

Proposed Monthly Water System Rates

Description	Oct. 1, 2025	Oct. 1, 2026	Oct. 1, 2027	Oct. 1, 2028	Oct. 1, 2029
Base Facility Charge per ERC per Month:					
Residential, Multi-family, Commercial and Irrigation Only per ERC	\$25.54	\$29.37	\$33.78	\$38.85	\$44.68
Usage Charge per ERC per 1,000 Gallons:					
All Customers Except Dedicated Irrigation and Temporary Meters:					
0 to 6,000 Gallons	\$3.04	\$3.50	\$4.03	\$4.63	\$5.32
6,001 to 8,000 Gallons	4.06	4.67	5.37	6.18	7.11
8,001 to 12,000 Gallons	8.07	9.28	10.67	12.27	14.11
12,001 to 18,000 Gallons	13.48	15.50	17.83	20.50	23.58
Over 18,000 Gallons	21.05	24.21	27.84	32.02	36.82
Dedicated Irrigation and Temporary Meters:					
0 to 12,000 gallons	\$8.07	\$9.28	\$10.67	\$12.27	\$14.11
12,001 to 18,000 Gallons	13.48	15.50	17.83	20.50	23.58
Over 18,000 Gallons	21.05	24.21	27.84	32.02	36.82
Wholesale Accounts					
Capital Capacity Charges Paid for Service	\$6.05	\$6.96	\$8.00	\$9.20	\$10.58
No Capital Capacity Charges Paid for Service	8.03	9.23	10.61	12.20	14.03

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Proposed Monthly Wastewater System Rates

Description	Oct. 1, 2025	Oct. 1, 2026	Oct. 1, 2027	Oct. 1, 2028	Oct. 1, 2029
Base Facility Charge per ERC per Month:					
Residential, Multi-family, and Commercial per ERC	\$37.17	\$42.75	\$49.16	\$56.53	\$65.01
Usage Charge per ERC per 1,000 Gallons:					
All Customers Except Unmetered Customers	\$4.74	\$5.45	\$6.27	\$7.21	\$8.29
Flat Rate Charge for Unmetered Customers [1]	28.24	32.48	37.35	42.95	49.39
Wholesale Accounts:					
<u>Capital Capacity Charges Paid for Service:</u>					
Billing Off Water Meter Rate	\$8.36	\$9.61	\$11.05	\$12.71	\$14.62
Billing Off Wastewater Meter Rate	10.44	12.01	13.81	15.88	18.26
<u>No Capital Capacity Charges Paid for Service:</u>					
Billing Off Water Meter Rate	\$11.24	\$12.93	\$14.87	\$17.10	\$19.67
Billing Off Wastewater Meter Rate	14.75	16.96	19.50	22.43	25.79

[1] Unmetered accounts are charged a flat rate charge in addition to the base facility charge. The rate is based on a use of 196 gallons / day.

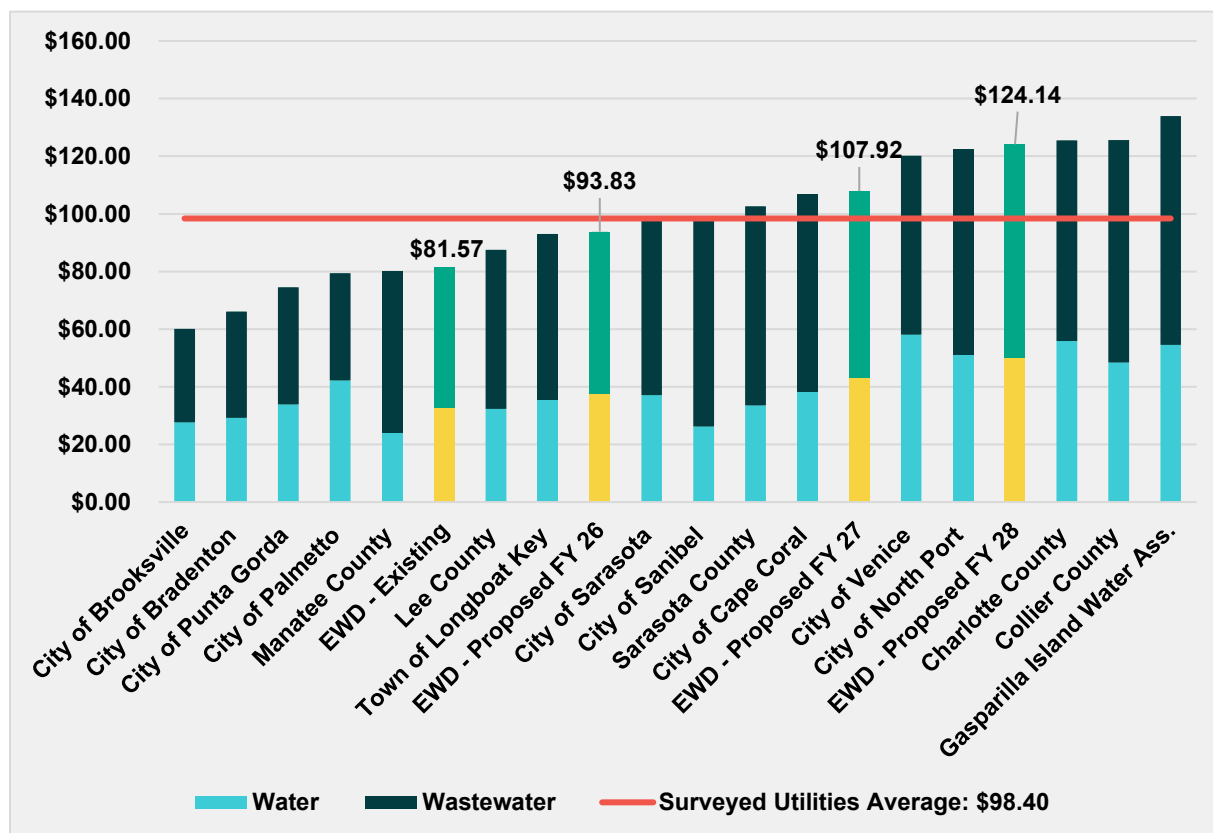
Proposed Monthly Reclaimed Water System Rates

Description	Oct. 1, 2025	Oct. 1, 2026	Oct. 1, 2027	Oct. 1, 2028	Oct. 1, 2029
<u>Usage Charge per ERC per 1,000 Gallons:</u>					
Usage to Isolated Pond	\$0.44	\$0.51	\$0.59	\$0.68	\$0.78
Pressurized Usage	0.58	0.67	0.77	0.89	1.02

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To provide the District with additional information regarding the proposed rates, a survey of residential rates for neighboring utilities was prepared as shown on the following chart:

Comparison of Typical Monthly Residential Bills for Water and Wastewater Service Using 4,000 Gallons



Miscellaneous Charges – General

The District provides certain specific services that are typically based on customer requests (e.g., turn on a service) or due to a specific customer action (e.g., delinquent payment of a bill). The District charges a service or cost recovery fee for these customer-specific activities which is customary in the industry and should be continued (referred to as “miscellaneous charges”). Examples of miscellaneous service fees include meter installation charges, late payment fees and tap charges. Based on the information provided by the District regarding estimates of the time involved by District staff to perform or address the services, the materials incurred or installed, and the equipment and vehicles required to support the services, an update to the miscellaneous charges is recommended to promote the full recovery of costs to provide the respective services. The proposed miscellaneous service fees are shown on Table 4-2 at the end of Section 4. The following is a brief discussion of the recommendations.

The District’s miscellaneous service charges were last reviewed during the last rate study in 2017. Since the utility’s overall costs of providing service have increased over time, the District retained Raftelis to perform a formal review of the District’s miscellaneous fees to assist the District staff in: i) determining the cost of providing the applicable services; and ii) recommending policies regarding fees that may not be entirely cost-based or are designed to meet a specific objective (e.g., promote timely payment through application of late payment fees). As part of our review, Raftelis performed the following tasks:

- We interviewed District staff regarding: i) the persons in the job classifications performing the miscellaneous services; ii) the estimated time involved to complete the services based on history and recent experience; iii) customer service involvement in processing a request for the services; iv) vehicles and equipment used; and v) materials and supplies required to perform the services. We included this information in our detailed calculations, and we validated that the assumptions are consistent with those used by other utilities in the State of Florida.
- We reviewed the methodology for the hourly rates for vehicles and equipment to determine that there is a reasonable basis for such rates. The hourly rates utilized in the calculations are based on the published “Schedule of Equipment Rates” of the Federal Emergency Management Agency (“FEMA”). These rates are used to reimburse state and local governments for the use of vehicles and equipment during disaster recovery activities. Many other utilities in the State of Florida utilize the FEMA reimbursement rates in their miscellaneous service charge calculations. Utilization of published FEMA rates is also consistent with costing work orders for equipment in the District’s enterprise asset management system currently under development.
- We developed applicable supervisory, administrative, and departmental overhead allowances to fully identify the potential cost of providing the miscellaneous services.

Table 4-2, at the end of this section, provides a detailed listing of the proposed miscellaneous charges. The following discussions provide support for the proposed fees.

Late Payment Penalty

In order to encourage timely payment of monthly service bills and to compensate for additional costs associated with increased customer service costs, as a result of late payments, a late payment or penalty charge has been adopted by utilities. This fee is usually assessed to customers that are delinquent in the payment of utility bills for monthly service. Such fees are quite common in the utility industry as well as other industries that extend credit to customers (e.g., credit card companies). In general, the fee is usually charged as a percentage of the outstanding bill and provides for: i) the lost opportunity cost of interest earnings on cash balances; ii) the administrative costs associated with notification to the delinquent customer, customer accounting, and data processing; iii) the additional costs associated with the need for utilities to have cash working capital balances in excess of needed levels because of non-payment of bills; and iv) a monetary incentive to compel prompt payment practices. In many instances, bond covenants will also require the utility to take all measures to assure collectability of revenues which is the primary pledge for repayment of the bonds issued by the utility and the imposition of a late payment penalty supports this covenant directive.

Currently, the District charges \$5.00 or 1.5% of the unpaid balance, whichever is greater. The implementation of a late payment penalty fee is a policy decision and, based on discussions with District staff and a review of other public utility rate policies, Raftelis is of the opinion that this fee is reasonable and recommends that the District maintain the existing late-payment charge.

Return Check Charge

When a check is received by the District from utility customers in payment of a bill that is subsequently refused by the bank because of lack of funds, lack of credit, or lack of an account, or where the customer stops payment on the instrument with intent to defraud, the District incurs costs for the checks being returned to the customer.

The return check charge is a common fee charged by public utilities and represents a service fee intended to recover the costs incurred by the utility as a result of the nonpayment of utility service.

The current processing charge billed by the District is consistent with the approved charges as contained in Florida Statutes, Chapter 68.065 and are as follows and can be in addition to any bank fees actually incurred by the customer (payee) in the course of making the payment for utility service as provided by the statute: \$25.00 for checks with a face value up to \$50.00, \$30.00 for checks with a face value that exceeds \$50.00 and does not exceed \$300.00, and if the face value exceeds \$300, \$40.00 or 5.0% of the face value, whichever is greater. We recommend maintaining the return check charge fees consistent with Florida Statutes, Chapter 68.065 and therefore no changes are recommended for this fee.

Temporary Water Customer

A temporary water customer is any customer of the District that accepts water from a hydrant or similar source utilizing a temporary water meter and has not paid capital capacity charges. A temporary water customer pays a meter deposit, a rental charge, and usage. The deposit is charged for any temporary meter, whether static or traveling, to offset any damages, meter repair or replacement costs, or outstanding balances for base charges and consumption. The current deposit is \$750. Additionally, a monthly rental fee of \$30.00 is charged to the temporary account along with a trip charge of \$30 for each trip and a \$500 tap fee. It is recommended that the District maintain the existing fees.

Tampering

When an illegal connection has been made, or if there has been other tampering with water service, a penalty of \$500 plus cost of replacing damaged property is charged for the first offense; \$1,000 plus costs of replacing damaged property is charged for the second offense; and \$1,500 plus cost of replacing damaged property is charged for the third and subsequent offenses. No changes are recommended for the tampering charges.

Fire Line Fees

Based on discussions with District staff, Raftelis recommends that a monthly base charge be billed to all privately-owned fire protection systems and equipment connected to the District water system based on the size of the service line connecting the private fire system to the System. In addition, a one-time administration fee of \$500 is charged to establish the fire line. The current monthly base facility charges are based on the on-twelfth of 75% of the water monthly availability charge. It is recommended that the District update the fire line monthly base facility charges to be one-twelfth of the monthly water availability charge based on meter size consistent with the provisions of Florida Administrative Code, Section 25-30.465 regarding the policies and practices promulgated for the Florida Public Service Commission. The recommended monthly base facility charges are as follows:

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Proposed Monthly Fire Line Fees by Service Line Size

Description	Proposed Fee [1]
Base Charge (per Service Line Size):	
2-inch	\$17.03
3-inch	31.93
4-inch	53.21
6-inch	106.42
8-inch	170.28
10-inch	244.77
12-inch and Greater	457.62
[1] Amounts are inclusive of the 15% increase as applied to the monthly utility rates discussed in Section 2.	

Service Turn-on or Turn-off at Owner's Request, Account Reactivation

This charge is applicable if a customer requests to have his or her water service turned on or turned off (e.g., one [1] trip). The District permits customers to one (1) turn-on and one (1) turn-off request annually without charge if 48-hour notice is provided. The following tabulation summarizes the direct costs of service provided by the District and the proposed fees:

Development of Service Turn-on or Turn-off at Owner's Request and Account Reactivation [1]

Description	Additional Charge with 48-Hour Notice	Less Than 48-Hour Notice [2]	After Working Hours and Weekends	Holidays
Total Personnel	\$41.07	\$41.07	\$188.91	\$307.17
Vehicles and Equipment	8.34	8.34	33.36	33.36
Overhead (Indirect) Costs	3.95	3.95	17.78	27.24
Total Costs	<u>\$53.36</u>	<u>\$53.36</u>	<u>\$240.05</u>	<u>\$367.77</u>
Recommended Fee	\$50.00	\$100.00	\$200.00	\$300.00

[1] Amounts provided by the District.

[2] Recommended fee based on a policy decision from District staff.

Payment Deadline Extension Charge

At the sole discretion of the District, an additional time period for payment may be granted to a customer for a \$10.00 per occurrence fee. Based on discussions with District staff, Raftelis is recommending the District maintains this fee.

Meter Test

Customers may request bench testing of water meters to verify the accuracy of the meters. This fee is very common in the industry. For utilities that charge a meter bench-testing fee, the fee is generally retained by the utility only if the test shows that the meter is registering within the acceptable accuracy limits as established by the American Water Works Association guidelines. For the District, if the meter is accurate within the accepted guidelines, the customer must pay the fee. The current fee for a meter test within tolerance is \$185.00.

Based on the District's costs associated with this service, a review of similar charges for neighboring and other Florida utilities, consideration of the District's existing fees, and discussions with District staff, Raftelis recommends that the District consider adopting the following meter test charge:

Development of Meter Test Within Tolerance [1]

Description	Amounts
Total Personnel	\$223.42
Vehicles and Equipment	16.68
Overhead (Indirect) Costs	19.21
Total Costs	<u>\$259.31</u>
Recommended Fee	<u>\$250.00</u>
[1] Amounts provided by the District.	

Initial Meter Installation Fee

An identifiable service that is provided to the District's water customers to connect to the water distribution system. The connection can include either of two (2) services:

1. Installation of the service line (including the tap into the water main) from the water main to the meter box, as well as the meter box and meter and cross connection control device; or
2. Installation of the meter whereby a meter box is already installed by a third party (customer / contractor / developer) with an existing tap into the water main.

Essentially, the fee is designed to recover the cost of physically connecting to the District's water system (e.g., meter, meter box, connection for radio reads, service line, and associated labor). This fee should not be confused with a capital capacity charge, which is charged to new water system customers for their proportionate share of the capacity associated with water production, treatment, and transmission facilities allocable to such customer.

The District's charges for installation-related services are based on the size of the meter or service being installed, which recognizes differences in costs associated with the facility installations. Generally, larger service sizes have a higher installation cost (whether it be the cost of supplies and materials such as meters or the amount of time generally spent on the installation of the service). Any meter installations for meter sizes above 2 inches are performed by contractors or at actual costs.

With Service Line Installation

The charge for the installation of a new service line and water meter is proposed to be paid prior to the meter installation. The development of the District's estimated cost to provide this service is summarized as follows:

Development of Meter Installation Charges District Installed with Short Tap [1]

Description	5/8" Meter	1" Meter	1-1/2" Meter	2" Meter
Personnel Costs	\$750.98	\$750.98	\$987.51	\$987.51
Materials and Supplies	692.58	855.39	1,911.06	2,555.55
Vehicles	486.52	486.52	581.58	581.58
Overhead (Indirect) Costs	154.41	167.43	278.41	329.97
Total Direct Costs with Contingency	<u>\$2,084.49</u>	<u>\$2,260.32</u>	<u>\$3,758.56</u>	<u>\$4,454.61</u>

[1] Amounts provided by the District.

Based on the District's costs associated with this service, a review of similar charges for neighboring and other Florida utilities, consideration of the District's existing fees, and discussions with District staff, Raftelis recommends that the District consider adopting the following meter installation charges with service line installation:

Summary of Proposed Meter Installation Charges District Installed with Short Tap [1]

Description	3/4" Meter	1" Meter	1-1/2" Meter	2" Meter
Recommended Fee	<u>\$2,000.00</u>	<u>\$2,250.00</u>	<u>\$3,500.00</u>	<u>\$4,200.00</u>

[1] Amounts provided by the District.

Development of Meter Installation Charges District Installed with Long Tap [1]

Description	5/8" Meter	1" Meter	1-1/2" Meter	2" Meter
Personnel Costs	\$1,460.57	\$1,460.57	\$1,460.57	\$1,460.57
Materials and Supplies	705.38	896.72	4,444.62	5,019.43
Vehicles	1,046.84	1,046.84	1,046.84	1,046.84
Overhead (Indirect) Costs	257.02	272.33	556.16	602.15
Total Direct Costs with Contingency	<u>\$3,469.81</u>	<u>\$3,676.46</u>	<u>\$7,508.19</u>	<u>\$8,128.99</u>

[1] Amounts provided by the District.

Based on the District's costs associated with this service, a review of similar charges for neighboring and other Florida utilities, consideration of the District's existing fees, and discussions with District staff, Raftelis

recommends that the District consider adopting the following meter installation charges without service line installation:

Summary of Proposed Meter Installation Charges District Installed with Long Tap [1]

Description	3/4" Meter	1" Meter	1-1/2" Meter	2" Meter
Recommended Fee	<u>\$3,250.00</u>	<u>\$3,500.00</u>	<u>\$6,400.00</u>	<u>\$7,000.00</u>

[1] Amounts provided by the District.

Meter Installation (Without Service Line Installation)

The charge for the installation of only the meter into the meter box provided by property owner is proposed to be paid prior to the meter installation. The development of the District's estimated cost to provide this service is summarized as follows:

Development of Meter Installation Charges Developer Installed Service Line [1]

Description	5/8" Meter	1" Meter	1-1/2" Meter	2" Meter
Personnel Costs	\$132.93	\$132.93	\$162.50	\$192.07
Materials and Supplies	246.50	415.00	801.85	1,095.00
Vehicles	16.68	16.68	16.68	16.68
Overhead (Indirect) Costs	<u>31.69</u>	<u>45.17</u>	<u>78.48</u>	<u>104.30</u>
Total Direct Costs with Contingency	<u>\$427.80</u>	<u>\$609.78</u>	<u>\$1,059.51</u>	<u>\$1,408.05</u>

[1] Amounts provided by the District.

Summary of Proposed Meter Installation Charges Developer Installed Service Line [1]

Description	3/4" Meter	1" Meter	1-1/2" Meter	2" Meter
Recommended Fee	<u>\$425.00</u>	<u>\$600.00</u>	<u>\$1,050.00</u>	<u>\$1,400.00</u>

[1] Amounts provided by the District.

New Service Application Fees

With the establishment of a new water and sewer service account for a customer, the District incurs administrative costs associated with setting up a new account. This charge helps to offset the District's expenses related to processing applications, setting up billing records, performing a final and initial meter read. The District currently charges a new service application fee of \$25.00.

Based on the District's costs associated with this service, a review of similar charges for neighboring and other Florida utilities, consideration of the District's existing fees, and discussions with District staff, Raftelis recommends that the District consider adopting the following new service application fee:

Development of New Service Application Fees [1]

Description	Amounts
Total Personnel	\$42.54
Materials and Supplies	1.39
Overhead (Indirect) Costs	4.18
Total Costs	\$56.45
Recommended Fee	\$50.00
[1] Amounts provided by the District.	

Additional Meter or Replacement

Utilities commonly charge for the installation or replacement of a water meter. These requests can be for dedicated irrigation meters or the replacement of damaged or malfunctioning meters. The District currently charges the actual cost for an additional meter or replacement that is requested by the customer and not due to meter malfunction. It is recommended that the District continue to charge the actual cost and add a minimum of \$500.00. The development of the \$500.00 minimum is summarized in the following table:

Development of Additional Meter or Replacement Minimum

Description	Amounts
Total Personnel	\$130.08
Materials and Supplies	304.74
Vehicles	25.02
Overhead (Indirect) Costs	36.79
Total Costs	\$496.63
Recommended Fee	\$500.00
[1] Amounts provided by the District.	

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Sewer Cap Uncap Charge

This charge is intended to recover the District's costs associated with inspecting the capping or uncapping of a sewer line. The fee covers the expense of a District employee visiting the site to verify that the work has been completed in accordance with the District's standards.

Development of Sewer Cap Uncap Charge

Description	Amounts
Total Personnel	\$52.11
Vehicles	12.51
Overhead (Indirect) Costs	5.17
Total Costs	<u>\$69.79</u>
Recommended Fee	<u>\$60.00</u>
[1] Amounts provided by the District.	

Special Bill Meter Read

Customers may request a meter read outside of the normal billing cycle for various reasons like tenant changes or for final billing. This fee includes time as it relates to a meter reader visiting the property for the meter read and a customer service representative talking with the customer and generating the special bill request and invoice. The District currently charges \$30.00 per trip for this fee. The following tabulation summarizes the direct costs of service provided by the District and the proposed fees:

Development of Special Bill Meter Read

Description	Amounts
Total Personnel	\$77.05
Vehicles	8.34
Overhead (Indirect) Costs	6.83
Total Costs	<u>\$92.22</u>
Recommended Fee	<u>\$50.00</u>
[1] Amounts provided by the District.	

Clearing Meter Box Obstructions

It is a customer's responsibility to maintain accessibility to the property's meter box. Therefore, when a meter reader encounters obstacles or obstructions that prevent them from accessing the meters to perform a meter read, the District charges for additional time and labor necessary to clear the area. The District currently charges \$30.00 for this fee and it is recommended that the District charges based on actual costs with a minimum of \$100.00.

Internet or Online Item Return

When an online payment is received by the District from utility customers in payment of a bill that is subsequently refused by the bank, the District incurs costs for the payment being returned to the customer. This charge is intended to recover such costs incurred by the District. This fee is quite common in the utility industry.

Research and Copies

The District currently charges fees for various research and copy requests including recording fees, research or monitoring, large maps, blueprints, auto cad disks, fax requests, mailing labels and computer time, and bid documents. Several of these fees are rarely charged and are recommended to be removed or combined with other research and copy fees. The table below summarizes the existing and proposed fees:

Development of Research and Copies

Description	Existing	Proposed
Recording Fee – First Page	Actual Cost	\$30.00
Recording Fee – Additional Pages	Actual Cost	\$15.00
Research or Monitoring (1 Hour)	\$20.00 / hour	\$25.00 / hour
Large Maps	\$1.00 / page	Remove Fee
Blueprints	\$1.00 / page	Remove Fee
Auto Cad Disk	\$5.00 / page	Remove Fee
Fax Request	\$1.00 / page	Remove Fee
Mailing Labels and Computer Time	\$30.00 + \$15.00 / hour	Remove Fee
Bid Documents	As Advertised	Remove Fee

[1] Amounts provided by the District.

Plan Reviews

The District currently charges a one-time fee of \$300 for all plan reviews regardless of the size or complexity of the project. This fee includes the first and second review, and \$150.00 for each additional review as may be required for the project. Each plan review requires varying degrees of labor depending on the size of the project. Based on discussions with District staff responsible for these activities, it is recommended that the District implement a tiered fee based on the total number of ERCs of the project.

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Proposed Plan Reviews

Description	Existing	Proposed
Small Project (1 – 10 ERCs)		\$500.00 includes first and second review; \$250.00 for each additional review
Medium Project (11 – 100 ERCs)	\$300.00 includes first and second review; \$150.00 for each additional review	\$1,500.00 includes first and second review; \$500.00 for each additional review
Large project (100+ ERCs)		\$2,500.00 includes first and second review; \$750.00 for each additional review

[1] Amounts provided by the District.

Construction Review / Inspections

In addition to the plan review, a construction review and inspection is required for new water and wastewater utility construction. Currently, the District charges an inspection fee equal to 1.0% of construction costs with a minimum fee of \$500.00. Based on discussions with District staff responsible for these activities, it is recommended that the District charge 2.0% of construction costs with a minimum of \$2,500.00.

Account Reactivations

The District charges both a disconnection and reconnection fee to accounts that have their utility services turned off for failure to pay an outstanding utility bill. The charge is used to recover the costs associated with physically turning off/on the service or placing / removing a lock on a meter. The following table summarizes the direct costs of service provided by the District and the proposed fees:

Development of Account Reactivations

Description	Disconnection	Reconnection
Total Personnel	\$40.74	\$40.74
Materials and Supplies	0.25	0.00
Vehicles	5.00	5.00
Overhead (Indirect) Costs	3.68	3.66
Total Costs	<u>\$49.67</u>	<u>\$49.40</u>
Recommended Fee	\$50.00	\$50.00

[1] Amounts provided by the District.

It is recommended that the District remove the fee for a meter re-installation and the cost of a new meter and charge a meter installation fee in its place.

Service Call Outs

This charge is intended to recover the costs incurred by the District for dispatching personnel in response to service call requests initiated by customers. Higher fees apply for service calls requested after regular business

hours, on weekends, or during holidays, due to the increased cost to the District for providing services during these times, as outlined below.

The following tabulation summarizes the direct costs of service provided by the District and the proposed fees:

Development of Service Call Outs

Description	During Regular Working Hours	After Working Hours & Weekends	Holidays	Sewer Repair
Total Personnel	\$41.07	\$188.91	\$307.17	\$105.15
Vehicles	8.34	8.34	8.34	8.34
Overhead (Indirect) Costs	3.95	15.78	25.24	8.41
Total Costs	<u>\$53.36</u>	<u>\$213.03</u>	<u>\$340.75</u>	<u>\$113.56</u>
Recommended Fee	\$50.00	\$200.00	\$300.00	Actual Cost

[1] Amounts provided by the District.

Testing / Inspections

At the request of the customer, the District provides various equipment testing and inspection services. The fees outlined below are intended to recover the costs associated with delivering these services.

Description	Un-certified Fire Flow Test	Service Tie-in (Initial)	Service Re-inspection	Service Locate
Total Personnel	\$169.07	\$86.63	\$86.63	\$86.76
Vehicles	16.68	16.68	16.68	16.68
Overhead (Indirect) Costs	14.86	8.26	8.26	8.28
Total Costs	<u>\$200.61</u>	<u>\$111.57</u>	<u>\$111.57</u>	<u>\$111.75</u>
Recommended Fee	\$200.00 / Each	No Charge	\$60.00	No Charge

[1] Amounts provided by the District.

Credit Card Processing

A portion of the District's customers use a credit card to pay their utility bills which results in the District having to pay credit card processing fees from the overall utility rate revenues. This cost for the convenience of using a credit card is currently recovered from all customers of the System. In order to recover these costs from those customers that benefit from the use of a credit card to pay the utility bill, it is recommended that the District impose a credit card processing fee of 2.5% of the bill (average processing fee paid by the District).

Table 4-2, at the end of this section, provides a summary of the existing to proposed miscellaneous fees and charges.

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Section 5 – Development of Capital Capacity Charges

General

This section of the report discusses the purpose of capital capacity charges (“CCC”) and the methodology used in calculating the proposed charges.

Purpose of Water and Wastewater Capital Capacity Charges

The purpose of capital capacity charges is to recover the pro-rata share of allocated capital costs that are considered as growth-related from new customers connecting to the System or from existing customers that are requesting an increase in the reserved water and/or wastewater capacity associated with increased development on their property. To the extent that new population growth and associated development impose identifiable added capital costs to utility services, capital funding practices to include the assignment of such costs to those residents or system users responsible for those costs rather than to the existing population base is reasonable and provides for the proper match of capital investment to serve new development. Generally, this practice has been labeled as “growth paying its own way” without existing user cost burdens. The application of capital capacity fees to finance capital infrastructure allocated to such new capacity requests is very common in Florida and the country and has been used as a source of contributed capital by the District for a number of years.

Existing Capital Capacity Charges

The current capital capacity charges for an equivalent single-family residential connection (“ERC”) served by the District are summarized as follows:

Level of Service Requirements

“Level of service” (“LOS”) is an indicator of the extent or degree of service provided by, or proposed to be provided by, a facility based on and related to the operational characteristics of the facility and shall indicate the capacity per unit of demand for each public facility or service. Essentially, the level of service standards are established in order to ensure that adequate capacity will be provided for future development. For water and wastewater service, the level of service that is commonly used in the industry is the amount of capacity (service) allocable to an ERC expressed as the amount of usage (gallons) allocated on an average daily basis. This allocation of capacity would generally represent the amount of daily dependable capacity allocable to an ERC, whether or not such capacity is actually used (commonly referred to as “readiness to serve”). As previously mentioned, an ERC is representative of the average capacity required to service a typical individually metered or single-family residential account. This class of users represents the largest number of customers served by a public utility such as the District and generally the lowest (and most common) level of usage requirements for a specifically metered account.

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The District's established level of service and the level of service standards recognized by certain references published by the State of Florida are summarized below:

Comparison of Water and Wastewater Level of Service (LOS)

Standards per Equivalent Residential Connection (ERC)		
Description	Water ERC (gpd)	Wastewater ERC (gpd)
Level of Service Utilized for Capital Capacity Charge Calculations	196	157
<u>Level of Service Standards Recognized by the State Government of Florida:</u>		
Florida Public Service Commission ("FPSC") Capacity Relationships for Private Utilities [1]	350	280
Florida Department of Health Design Standards for Sewer Systems [2]	N/A	300
[1] Rule 25-30.515(8), Florida Administrative Code. A wastewater ERC level of service is assumed to be 80% of the water ERC level of service (350 gpd x 80% = 280 gpd).		
[2] Amounts derived based on information as published in the Florida Administrative Code ("FAC"), Rule 64E-6.008.		

Existing Plant-in-service

In the determination of the capital capacity charge associated with the servicing of future customers, any constructed capacity in the existing treatment and transmission utility system that is available to serve such growth was considered. Since this capacity was constructed and is available to serve the near-term incremental growth of the utility system, it is appropriate to recognize the capacity availability of such facilities. In order to evaluate the availability of the existing utility plant-in-service to meet or provide for near-term future capacity needs, it was necessary to functionalize the existing utility plant by specific function or purpose (treatment, conveyance, etc.). The "functionalization" of the existing utility plant is necessary to: i) identify those assets that should be considered or included in the determination of the capital capacity charges; and ii) match existing plant type to the capital improvements to meet future service needs.

The functional cost categories are based on the purpose of the assets and the service that such assets served. The following is a summary of the functional cost categories for the utility plant-in-service identified in this report.

Functional Plant Categories

Water Service	Wastewater Service	Other Plant
Supply	Treatment	General Plant (Equipment, Vehicles, etc.)
Treatment	Effluent / Irrigation-quality Water	
Transmission	Transmission	
Distribution	Collection (Includes Local Lift Stations, Manholes, and Laterals)	
Fire Hydrants		
Meters and Services		

It was necessary to functionalize the utility plant into these cost categories so that system improvement costs can be identified, such that a proper fee could be developed. System improvement costs relate to those costs

incurred to provide capacity needed to serve new growth and development and do not include site improvements and facilities that are planned and designed to provide service for a particular development project and that are necessary for the use and convenience of the occupants or users of the project or routine and periodic maintenance expenditures, personnel training, and other operating costs. Therefore, the costs of on-site facilities which serve a specific development or customer are not considered as a “System” cost, which is proportionately allocable to all users and include onsite (fronting the premise) water distribution and wastewater collection lines, meters and services, local lift stations, and fire hydrants that are usually: i) donated by a developer as part of the District’s utility extension program (a contribution of the plant); ii) recovered from the individual properties through an assessment program based on those properties which receive special benefit from such facilities or from the application of a main line extension fee to recover the specific cost of such facilities; or iii) funded from the customer directly (e.g., by a “front-foot” charge where the on-site lines were initially financed by the utility and then paid by the customer or an installation charge to recover the cost of a new service line and/or the potable water meter). Such utility plant should not be a capital cost included in the capital capacity charge calculation. Additionally, assets or utility plant with short service lives that are replaced on a recurring basis should also not be included since these assets are considered attributable to the existing customers of the System. An example of this utility plant would be assets commonly referred to as “general plant” and would include vehicles, equipment, furniture, and other related assets.

The District provided Raftelis with reported utility plant asset information through September 30, 2024 (the most recently completed fiscal year at the time of this analysis) that served as the basis of the functionalization of the existing utility plant-in-service. The functionalized existing utility plant-in-service represents the original installed cost of such assets (gross book value) when placed into service and represents all assets in service as of September 30, 2024 that were provided by the District and detailed in the utility asset records. This information represents the most current information available relative to the plant-in-service to serve the existing and near-term future customer base of each utility system. The assets represent “installed costs” and have not been restated to account for any fair market value adjustments which would reflect current costs (would essentially assume that assets were replaced with identical materials). If an asset had been replaced by the District as of September 30, 2024 and is now in service, such assets were considered since they are physically in-service and represent the capital cost actually being incurred by the District to provide service to future development (this also recognized that the asset that was replaced is retired and no longer in service and was assumed to not be included in the fixed asset register provided to Raftelis).

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A summary of the functionalization of the existing utility plant-in-service is shown on Table 5-1 and as follows:

Summary of Water and Wastewater Utility System Existing Assets (Gross Utility Plant)

Function	Water System [1]		Wastewater System [1]		Totals	
	Amount	Percent	Amount	Percent	Amount	Percent
Supply	\$6,543,831	10.7%	\$0	0.0%	\$6,543,831	3.6%
Treatment	23,588,037	38.4%	29,709,581	25.0%	53,297,618	29.6%
Transmission / Storage / Master Pumping	11,652,658	19.0%	20,500,950	17.3%	32,153,608	17.8%
Distribution / Collection	16,909,199	27.5%	59,787,685	50.3%	76,696,884	42.6%
Effluent / Reclaimed	0	0.0%	3,841,942	3.2%	3,841,942	2.1%
Meters / Services / Hydrants	172,838	0.3%	0	0.0%	172,838	0.1%
General Plant [2]	2,562,131	4.2%	4,954,824	4.2%	7,516,955	4.2%
Total Gross Utility Plant-in-service [3]	\$61,428,694	100.0%	\$118,794,982	100.0%	\$180,223,676	100.0%

[1] Amounts shown derived from utility asset records as of September 30, 2024, that were provided by the District as shown on Table 5-1.

[2] General Plant represents equipment, vehicles, and assets with short service lives, and was allocated to the water and wastewater system in proportion to all other functionalized utility plant.

[3] Construction work-in-progress was not recognized since the projects have not yet been completed and placed into service by the District and the corresponding existing assets, if any that would be retired or improved were not removed from the fixed asset register.

In order to determine the amount of existing water supply / treatment and wastewater treatment / disposal plant assets available to meet future growth, it is necessary to identify the amount of unused capacity in such facilities. Table 5-2, at the end of this section, provides an estimate of the unused capacity and the allocated water supply and treatment plant costs available to meet future needs. A similar analysis is shown on Table 5-3, at the end of this section, for the wastewater system. This estimate for water and wastewater capacity and the allocation of existing plant to future growth was based on: i) the permitted design capacity of the respective utility plant facilities; and ii) actual use of such facilities as experienced by the System service area through the Fiscal Year 2024. Based on this analysis, it was estimated that the existing water supply and treatment, wastewater treatment, and effluent disposal plant facilities had the following remaining and available capacity to meet future needs:

Remaining Plant Capacity

	Plant Capacity (MGD)	
	Water Plant [1]	Wastewater Plant [2]
Total Permitted Design Capacity (AADF) (MGD)	6.00	3.40
Less Existing Plant Utilization (AADF)	3.02	2.44
Net Available to Meet Future Service Area Needs	2.98	0.96
Estimated Percent of Total System Capacity Remaining	49.6%	28.2%

MGD = Million Gallons per Day

AADF = Average Annual Daily Flow

[1] Amounts derived from Table 5-2.

[2] Amounts derived from Table 5-3.

As shown above, it has been estimated that approximately 49% of existing water production and treatment utility assets are allocable to serve future development. With respect to the wastewater system, it is estimated that approximately 28% of the combined treatment and disposal utility assets are allocable to serve new customer growth. Recognizing the amount of the availability of the existing installed capacity to serve new development or growth, no future capacity additions have been recognized in the analysis; the water production / treatment and wastewater treatment / disposal capacity costs in the capital capacity charge calculations represent the average installed costs of such capacity (“buy-in”).

Design of Water Capital Capacity Charge

As shown on Table 5-4, at the end of this section, the calculated capital capacity charge for the water system is \$3,062.00 per ERC. This represents an increase of \$1,311.00 or 74.9% when compared with the current fee of \$1,751.00 per ERC.

In the development of the proposed water capital capacity charge, several assumptions were utilized or incorporated. The major assumptions utilized in the design of the calculated capital capacity charges are:

1. The existing water supply and treatment facilities have an estimated available capacity margin to serve new growth of approximately 49.6% of the average daily capacity of the facilities based on: i) the firm design capacity of the existing water treatment plant facilities; and ii) actual peak daily demand to annual average daily demand relationships recently experienced by the water system, including a review of the actual demand requirements for the three- (3) fiscal year period ended 2024. The analysis is included on Table 5-2 at the end of this section.
2. With respect to the water utility system, the District has identified approximately \$88.6 million in expenditures included as a component of its capital improvement program to be constructed or initiated through Fiscal Year 2030 (the capital planning cycle recognized in the fee determination). This includes the replacement of the existing water plant and upgrade of the existing RO plant.
3. The level of service for a water ERC was assumed to be 196 gpd expressed on an average daily flow basis as provided by the District.
4. Since the transmission function capacity is difficult to ascertain, except at build-out conditions, the total existing (original cost and not on a replacement or current cost basis) costs to serve the total capacity of the water system was recognized, thus calculating a new users per ERC average “buy-in” cost for this functional utility plant component of the water system.
5. Because: i) the utility system is operated as an enterprise fund; ii) all financial resources received by the District stay within the fund for the benefit of such system; iii) the costs reflected in the fee are at original cost and not adjusted for any fair market value to reflect current cost conditions; iv) there are no interest costs in the capital capacity charge associated with the financing of the capital improvements to serve new development; and v) there are no other revenues received by the District from new development for the capital costs / utility plant reflected in the capital capacity charge (e.g., ad valorem taxes on the property), no credit for the future payment of debt service allocable to the properties has been recognized. All capital capacity charges remain in the enterprise system and the long-term capital financing costs for infrastructure constructed and available to serve new growth are mitigated by using the capital capacity charges for ongoing expansion-related capital project financing or for the direct payment of the annual expansion-related debt service payments.

6. The approach used to determine the estimated capital capacity charge was the “Hybrid” method which is based on both the identification and allocation of the installed cost of the gross plant investment (expressed on an original cost basis – that is when the asset was originally placed into service) and the allocation of capital expansion that is available to serve new growth. Under this approach, the applicant paying the capital capacity charge is essentially reimbursing the system for only the applicant’s proportionate share of the constructed facilities and capital expansion that are available to meet the requests for water system capacity from new development.

Design of Wastewater Capital Capacity Charge

As shown on Table 5-5, at the end of this section, the calculated capital capacity charge for the wastewater system is \$5,170.00 per ERC. This represents an increase of \$2,416.00 or 87.7% when compared with the current fee of \$2,754.00 per ERC.

In the development of the proposed wastewater capital capacity charge, several assumptions were utilized or incorporated in the analysis. The major assumptions utilized in the design of the proposed wastewater capital capacity charge are:

1. The existing wastewater treatment and effluent disposal facilities have an estimated available capacity margin to serve new growth of approximately 28% of the average daily capacity of the facilities based on: i) the firm design capacity of the existing wastewater treatment plant facilities; and ii) actual maximum month average daily flow to annual average daily flow relationships recently experienced by the wastewater system, including a review of the actual flow requirements for the 4-fiscal year period ended 2024. The analysis is included on Table 5-3, at the end of this section.
2. With respect to the wastewater system, the District has identified approximately \$104.1 million in expenditures included as a component of its capital improvement program to be constructed or initiated through Fiscal Year 2030 (the capital planning cycle recognized in the fee determination). This includes the replacement of the existing wastewater plant and a capacity increase of 0.6MGD to the existing 3.4MGD.
3. Based on discussions with the District, the cost of treatment and effluent disposal includes the direct system-related cost of expanding the reuse water system. The reuse water system is considered by the District to be a component of the wastewater system.
4. The level of service for a wastewater ERC was assumed to be 157 gpd expressed on an average daily flow basis as provided by the District.
5. The approach used to determine the estimated capital capacity charge was the “Hybrid” method which is based on both the identification and allocation of the installed cost of the gross plant investment (expressed on an original cost basis – that is when the asset was originally placed into service) and the allocation of capital expansion that is available to serve new growth. Under this approach, the applicant paying the capital capacity charge is essentially reimbursing the system for only the applicant’s proportionate share of the constructed facilities and capital expansion that are available to meet the requests for water system capacity from new development.
6. Because: i) the utility system is operated as an enterprise fund; ii) all financial resources received by the District stay within the fund for the benefit of such system; iii) the costs reflected in the fee are at

original cost and not adjusted for any fair market value to reflect current cost conditions; iv) there are no interest costs in the capital capacity charge associated with the financing of the capital improvements to serve new development; and v) there are no other revenues received by the District from new development for the capital costs / utility plant reflected in the capital capacity charge (e.g., ad valorem taxes on the property), no credit for the future payment of debt service allocable to the properties has been recognized. All capital capacity charge funds remain in the enterprise system and the long-term capital financing costs for infrastructure constructed and available to serve new growth are mitigated by using the capital capacity charges for ongoing expansion-related capital project financing or for the direct payment of the annual expansion-related debt service payments.

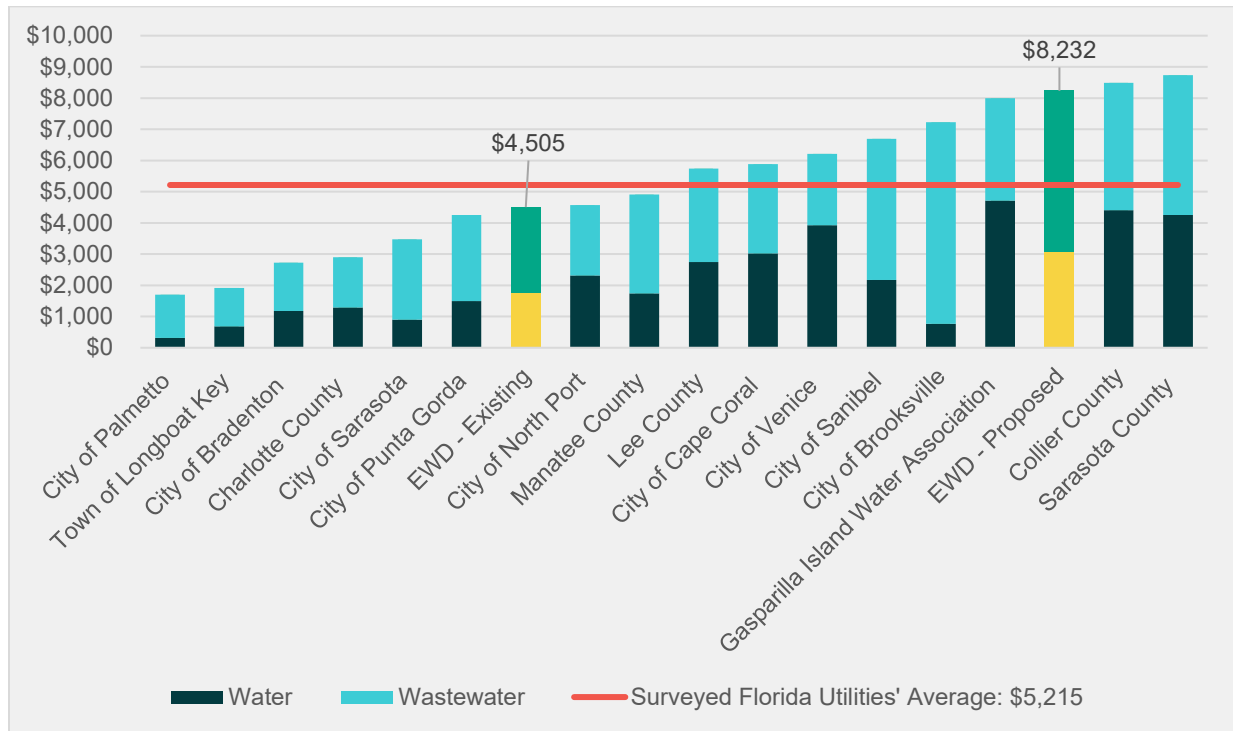
Capital Capacity Charge Comparisons

In order to provide additional information to the District regarding the existing and calculated capital capacity charges, a comparison of the existing and calculated fees for the District with other Florida jurisdictions was prepared. This comparison is summarized on Table 5-6, at the end of this report, and provides a comparison of the existing and proposed District capital capacity charges for single-family residential connections (i.e., one [1] ERC) relative to the capital capacity charges or comparable charges currently imposed by other municipal / governmental water and wastewater systems located primarily in the southwest Florida region. It is important to note that the reader must view the comparison with caution as no in-depth analysis has been performed to determine the methods used in the development of the water and wastewater capital capacity charges imposed by others, nor has any analysis been made to determine whether 100% of the cost of new facilities is recovered from system capacity charges, or some percentage less than 100% with the balance recovered through the user charges. Additionally, no analysis was conducted as to the rate of capital facilities currently in service or planned for the utility. For example, the costs of wastewater effluent disposal utilizing a deep injection well system generally has a higher capital cost per unit of capacity than percolation ponds.

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The following is a summary of the survey results regarding the capital capacity charge comparison of the District's fees with those of the surveyed utilities:

Comparison of Water and Wastewater System Capital Capacity Charges per ERC



Some reasons why capital capacity charges differ among utilities:

- Water quality and proximity to source of supply.
- Type of treatment process and disposal requirements (e.g., brine from reverse osmosis process, effluent from wastewater process).
- Availability of grant and other external sources (e.g., other General Fund revenues such as sales taxes) available to finance CIP.
- Age of system / level of renewals and replacements.
- Utility life cycle (e.g., growth-oriented vs. mature).
- Level of service standards.
- Administrative decision to maintain fees at a level below what could justifiably be charged.

As shown in Table 5-6 at the end of this section, the average water and wastewater capital capacity charges among the surveyed governmental entities are \$2,246 and \$2,969, respectively, for a standard single-family residence (equivalent to one ERC), resulting in a combined average of \$5,215.

In comparison, the District's proposed water capital capacity charge is \$3,062 and the proposed wastewater charge is \$5,170, for a combined total of \$8,232, which is higher than the average of the surveyed utilities.

This increase is primarily driven by the substantial capital investments required to replace aging infrastructure, as many of the District's water and wastewater system assets have reached the end of their useful life. Additionally, rising inflation and increased costs for construction materials are major contributors to the elevated capital project costs reflected in the proposed fees.

Accrued Guaranteed Revenue Fees (AGRF)

Many utilities in Florida utilize an Accrued Guaranteed Revenue Fee ("AGRF") to recover the carrying cost of reserve capacity, since such capacity must be developed in advance of growth and is generally financed by the use of long-term financing. Generally, once a developer / applicant / customer (the "applicant") for such capacity has reserved the capacity by payment of capital capacity charges, the applicant should also be responsible for the financing charges associated with the capacity financing. With respect to the District, the primary pledge for the repayment of long-term debt is from monthly utility or service rates which are derived from existing ratepayers. Although capital capacity charges are considered as a pledged revenue, such fees may be collected years after the issuance of the debt to finance the expansion-related projects. As a result, the District incurs costs that essentially benefit the applicant (e.g., the cost of financing the expansion-related capital additions). As a result, and in an effort to maintain the level of rates charged for monthly service, local governments have instituted various forms of an AGRF to recover the carrying costs of capacity. The AGRF relates to the recovery of the upfront cost of financing of capacity until such capacity is reserved.

The current capital capacity charges for an equivalent single family residential connection ("ERC") served by the District are summarized as follows:

Existing AGRF

System	Existing Rate per ERC [1]
Water System AGRF	\$329.00
Wastewater System AGRF	580.00
Combined System	<u>\$329.00</u>

The AGRF is in addition to the payment of capital capacity charges by an applicant. The AGRF is not capital capacity charge; rather, it is considered a component of the System rates and charges. Any AGRF received would be treated as another operating revenue of the System and is recommended to be used to pay debt service on the utility's existing debt. The capital capacity charge relates to the recovery of the capital (fixed asset) cost of the expansion-related facilities; the AGRF relates to the interest expense incurred by the entity to finance the cost of constructing the expansion-related fixed assets. As with the capital capacity charge, the purpose of the AGRF is to shift the "financial risk" from the District to the applicant that requires future capacity, which will benefit the existing customers over the long run by increasing System revenue and thereby foregoing potential adjustments in user rates. The application of both fees ensures the total cost recovery of expansion-related infrastructure to an entity such as the District. It should be noted that if a private developer were to construct its own facilities to serve a particular development, such costs would be incurred in a similar manner. The developer would need to construct the infrastructure in advance, finance the capital improvements for that capacity that is not being used, and attempt to recover the carry costs with the application of an AGRF which

is allowed by the Florida Public Service Commission which regulates private utilities throughout the State of Florida.

The AGRF was based on the proposed capital capacity charge for both water and wastewater service and the estimated cost of financing the expansion-related infrastructure associated with meeting the capacity needs of new development. For the purposes of developing the proposed AGRF, the following assumptions were recognized:

1. It was assumed that the cost of financing (for funding from external sources) and the cost of equity (funding from internal sources) would be the same. Further, the average annual interest rate for the individual water and wastewater system fee components was assumed to be equal to the assumed annual interest rate of proposed debt during the Study Period. It was assumed that the future financings will incur an interest rate of approximately 5% based on discussions with the District's Financial Advisor. Raftelis considers this interest rate to be reasonable for the purpose of determining the AGRF.
2. The capital costs to be incurred per ERC were assumed to equal the respective water and wastewater capital capacity charges since such amounts represent the pro rata share of the future capital costs to be incurred to meet system demands.
3. The FPSC allows an accrual period of up to five (5) years, or 60 months. Since the majority of the District's infrastructure will be replaced over the Study Period, Raftelis recommends that the AGRF be accrued and charged based on the AGRF schedule shown below.

Based on these assumptions, the water and wastewater AGRF charges were calculated as follows:

Summary of Water and Wastewater AGRFs Calculations [1]

	Calculated Capital Capacity Charge (Unrounded)	Assumed Average Annual Interest Rate on Debt	Annual Carrying Cost per ERC	Monthly Carrying Cost (Rounded)	60 Months (Five Years) of Carrying Costs per ERC	60 Months (Five Years) of Carrying Costs per ERC – Rounded
Water System – Treatment Component	\$2,375.36	5.00%	\$118.77	\$9.90	\$594.00	\$594.00
Water System – Transmission Component	686.73	5.00%	34.34	2.86	171.60	171.00
Proposed Water System AGRF						\$765.00
Wastewater System – Treatment Component	\$4,313.15	5.00%	\$215.66	\$17.97	\$1,078.20	\$1,078.00
Wastewater System – Transmission Component	857.22	5.00%	42.86	3.57	214.20	214.00
Proposed Wastewater System AGRF						\$1,292.00

[1] Amounts shown derived from Table 5-7.

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Below is the proposed fee schedule for the 5-year accrual of the AGRF fees. The amounts shown represent the midpoint of the calculated fee range for each fiscal year and are proposed to serve as the official fee for that respective year.

AGRF Schedule

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032
Water	\$76.50	\$229.50	\$382.50	\$535.50	\$688.50	\$765.00	\$765.00
Wastewater	129.00	387.00	645.00	903.00	1,161.00	1,290.00	1,290.00
Total	\$205.50	\$616.50	\$1,027.50	\$1,438.50	\$1,849.50	\$2,055.00	\$2,055.00

Conclusions and Recommendations

Based on our studies, assumptions, considerations, and analyses as summarized herein, we are of the opinion that:

1. The financial evaluation included in the study included a forecast of System needs for the six-(6) year period ending September 30, 2030 (“Study Period”). Based on the projection of the System expenditure and funding needs, which includes the payment of operating and maintenance expenses, funding of future debt service payments, and the payment or funding of other System-related expenditures and funding requirements, including the capital improvement plan which are referred to as the “net revenue requirements,” it is projected that the rates for water and wastewater utility service will need to be increased over such projection period. The recommended overall system rate adjustments are assumed to become effective on October 1 of each Fiscal Year during the Study Period beginning with the Fiscal Year 2026. The recommended rate adjustments by Fiscal Year are summarized on the following table:

Estimated Utility Rate Revenue Increase Percent Adjustments [1]

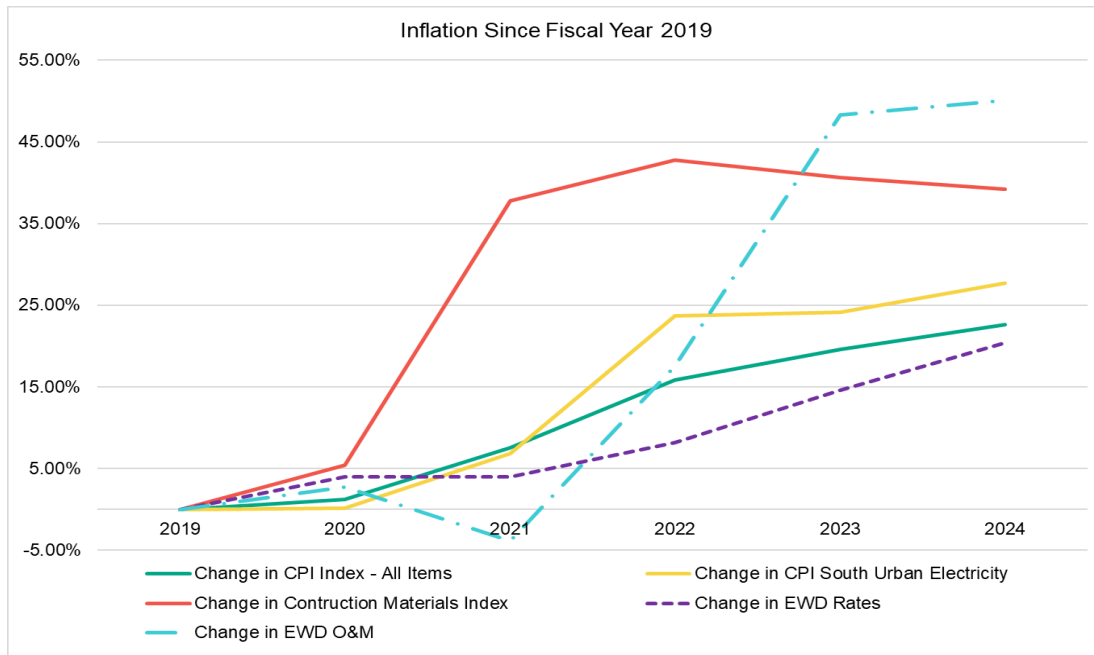
Fiscal Year	Effective Date of Rate Change	Water Utility Service	Wastewater Utility Service	Combined Utility Service
2026	October 1, 2025	15.00%	15.00%	15.00%
2027	October 1, 2026	15.00%	15.00%	15.00%
2028	October 1, 2027	15.00%	15.00%	15.00%
2029	October 1, 2028	15.00%	15.00%	15.00%
2030	October 1, 2029	15.00%	15.00%	15.00%

[1] Rate Adjustments are projected to meet estimated net revenue requirements (total expenditure and funding needs) for each fiscal year of the Forecast Period.

- a. The primary reasons for the increase in rates are due to the following:
 - i. The need to recover the effects of higher inflation on the cost of operations (especially since the pandemic) when compared to what was recognized in the rate plan prepared during Fiscal Year 2017.

1. The following is a graph that presents the annual change in the key utility and capital related indices, which further illustrates the volatility of inflation over the past several years since the adoption of the last rate plan.

Inflation Since Fiscal Year 2019



- ii. The cost of constructing new infrastructure has increased significantly (which is also evidenced by the change in the Construction Materials Index in the figure above). The capital plan for the Forecast Period is estimated to be approximately \$225 million, which is anticipated to be funded from rates through programmed deposits to the Renewal and Replacement Fund, the issuance of additional bonds, capital connection charges received from new growth or development, and through grants and other contributed capital.
- iii. In addition to the capital plan referenced above, it is anticipated that a significant wastewater capital expenditure (as much as \$60.0 million) will be required that is projected to be online after the end of the Forecast Period. The rate plan has considered this investment with the rates being phased to initiate the accumulation of funds in advance of construction to limit additional bonds and to avoid rate shock when the facility is placed into service.
- iv. The capital plan recognizes the need to issue additional debt during the Forecast Period. To secure external financing at the lowest interest rates, the District's strategic plan is to target a high credit rating and achieve the policies that support this. These policies would include a strong recurring capital reinvestment plan (referred to as "pay-as-you-go") and maintaining a reasonable debt to net plant ratio. The rate plan recognizes these best business practices by i) funding the Renewal and Replacement Fund at a rate of 15% of current period revenues (this fund is also used to fund major repairs and maintenance projects); and ii) maintaining a debt (principal outstanding)

to net plant ratio of less than 25% (i.e., of the total net book value of the Utility fixed assets, only 25% is debt financed with the remainder being equity funded through long-term operations).

- v. Based on the rate phasing and capital funding plan, the debt service coverage ratio on the future bonds is projected to exceed 2× the annual debt service payment, which is considered favorable and will promote a strong credit rating.
2. The District's existing rates for water, wastewater, and reuse rates will not recover the projected revenue requirements for the fiscal years ending September 30, 2026 through 2030, and this study shows the need to increase rates System-wide by 15.0% per year.
 3. The proposed rates produce monthly water and wastewater bills that are comparable with those of neighboring utilities.
 4. The District should consider adopting the proposed miscellaneous service fee schedule reflected in this report.
 5. The District should consider adopting the proposed Capital Capacity Charges reflected in this report.
 6. The District should consider adopting the proposed AGRF Fee schedule reflected in this report.
 7. The District should plan to re-evaluate its rates within the next two (2) years to more accurately assess the potential need for future rate adjustments.

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**Englewood Water District
Utility Rate Study
Water System**

Summary of Historical and Projected Water Customer Statistics

		Fiscal Year Ending September 30,							
Line No.	Description	2023	2024	2025	2026	Projected 2027	2028	2029	2030
RETAIL CUSTOMER ACCOUNTS AND ERCs									
SINGLE FAMILY RESIDENTIAL CUSTOMERS									
1	Account Growth	284	500	400	350	250	200	200	200
2	Total Average Monthly Accounts	17,092	17,592	17,992	18,342	18,592	18,792	18,992	19,192
3	ERC Growth	285	500	400	350	250	200	200	200
4	Total Average Monthly ERCs	17,107	17,607	18,007	18,357	18,607	18,807	19,007	19,207
5	ERCs Per Customer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
MULTIFAMILY RESIDENTIAL CUSTOMER CLASS									
6	Account Growth	43	15	12	10	5	5	5	5
7	Total Average Monthly Accounts	390	405	417	427	432	437	442	447
8	ERC Growth	120	113	90	75	37	37	37	37
9	Total Average Monthly ERCs	2,945	3,058	3,148	3,223	3,260	3,297	3,334	3,371
10	ERCs Per Customer	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.55
COMMERCIAL CUSTOMER CLASS									
11	Account Growth	(23)	5	4	3	2	1	1	1
12	Total Average Monthly Accounts	1,226	1,231	1,235	1,238	1,240	1,241	1,242	1,243
13	ERC Growth	(46)	10	8	6	4	2	2	2
14	Total Average Monthly ERCs	2,681	2,691	2,699	2,705	2,709	2,711	2,713	2,715
15	ERCs Per Customer	2.19	2.19	2.19	2.19	2.19	2.19	2.19	2.19
IRRIGATION CUSTOMER CLASS									
16	Account Growth [1]	3	0	0	0	0	0	0	0
17	Total Average Monthly Accounts	76	76	76	76	76	76	76	76
18	ERC Growth [1]	9	0	0	0	0	0	0	0
19	Total Average Monthly ERCs	335	335	335	335	335	335	335	335
20	ERCs Per Customer	4.41	4.41	4.41	4.41	4.41	4.41	4.41	4.41
TOTAL WATER SYSTEM - RETAIL									
21	Account Growth	307	520	416	363	257	206	206	206
22	Avg. Monthly Accounts	18,784	19,304	19,720	20,083	20,340	20,546	20,752	20,958
23	ERC Growth	368	623	498	431	291	239	239	239
24	Avg. Monthly ERCs	23,068	23,691	24,189	24,620	24,911	25,150	25,389	25,628
TOTAL CONSUMPTION BY BLOCK									
RESIDENTIAL, MULTI-FAMILY, & COMMERCIAL									
Sales By Block (kgal):									
25	Block 1	663,384	681,564	696,097	708,674	717,166	724,141	731,115	738,090
26	Block 2	52,002	53,427	54,567	55,553	56,218	56,765	57,312	57,858
27	Block 3	54,486	55,979	57,173	58,206	58,903	59,476	60,049	60,622
28	Block 4	35,653	36,630	37,411	38,087	38,543	38,918	39,293	39,668
29	Block 5	42,836	44,010	44,949	45,761	46,309	46,760	47,210	47,660
30	Total Annual Sales (kgal)	848,361	871,611	890,196	906,280	917,140	926,060	934,979	943,898
31	Avg. Monthly Use Per ERC (kgal)	3.11	3.11	3.11	3.11	3.11	3.11	3.11	3.11
IRRIGATION									
Sales By Block (kgal):									
32	Block 1	19,394	19,394	19,394	19,394	19,394	19,394	19,394	19,394
33	Block 2	2,569	2,569	2,569	2,569	2,569	2,569	2,569	2,569
34	Block 3	7,505	7,505	7,505	7,505	7,505	7,505	7,505	7,505
35	Total Annual Sales (kgal)	29,468	29,468	29,468	29,468	29,468	29,468	29,468	29,468
36	Avg. Monthly Use Per ERC (kgal)	7.33	7.33	7.33	7.33	7.33	7.33	7.33	7.33
TOTAL WATER SYSTEM - RETAIL									
37	Total Annual Sales (kgal)	877,829	901,079	919,664	935,748	946,608	955,527	964,447	973,366
38	Avg. Monthly Use Per ERC (kgal)	3.17	3.17	3.17	3.17	3.17	3.17	3.17	3.17
WHOLESALE CUSTOMER CLASS									
39	Account Growth	0	0	0	0	0	0	0	0
40	Total Average Monthly ERCs	2	2	2	2	2	2	2	2
41	ERC Growth	0	0	0	0	0	0	0	0
42	Total Average Monthly ERCs	2	2	2	2	2	2	2	2
43	Total Annual Sales (kgal)	53,425	53,425	53,425	53,425	53,425	53,425	53,425	53,425

Table 2-1

**Englewood Water District
Utility Rate Study
Water System**

Summary of Historical and Projected Water Customer Statistics

Line No.	Description	Fiscal Year Ending September 30,							
		2023	2024	2025	2026	Projected 2027	2028	2029	2030
44	Avg. Monthly Use Per ERC (kgal)	2,226	2,226	2,226	2,226	2,226	2,226	2,226	2,226
	<u>Total Wholesale Customer Class</u>								
45	Account Growth	0	0	0	0	0	0	0	0
46	Total Average Monthly Accounts	2	2	2	2	2	2	2	2
47	ERC Growth	0	0	0	0	0	0	0	0
48	Total Average Monthly ERCs	2	2	2	2	2	2	2	2
49	Total Annual Sales (kgal)	53,425	53,425	53,425	53,425	53,425	53,425	53,425	53,425
50	Avg. Monthly Use Per ERC (kgal)	2,226.03	2,226.03	2,226.03	2,226.03	2,226.03	2,226.03	2,226.03	2,226.03
	<u>RETAIL AND WHOLESALE</u>								
51	Customer Growth	307	520	416	363	257	206	206	206
52	Total Accounts	18,786	19,306	19,722	20,085	20,342	20,548	20,754	20,960
53	Total Sales (kgal)	931,254	954,503	973,088	989,173	1,000,033	1,008,952	1,017,871	1,026,791
54	Total Finished Water Pumped (kgal)	1,103,963	1,131,525	1,153,556	1,172,624	1,185,498	1,196,071	1,206,645	1,217,218
55	Unbilled Water (kgal)	172,709	177,021	180,468	183,451	185,465	187,119	188,773	190,428
56	Unbilled Water as Percent of Production	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%
57	Total Finished Water Pumped (MGD)	3.025	3.100	3.160	3.213	3.248	3.277	3.306	3.335
58	Maximum Day Peaking Factor	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
59	Maximum Day Flow Capacity Required (MGD)	4.234	4.340	4.425	4.498	4.547	4.588	4.628	4.669

**Englewood Water District
Utility Rate Study
Wastewater System**

		Fiscal Year Ending September 30,								
Line No.	Description	2022	2023	2024	2025	2026	Projected 2027	2028	2029	2030
<u>METERED CUSTOMERS</u>										
SINGLE FAMILY RESIDENTIAL CUSTOMER TYPE										
1	Account Growth		1,130	500	400	350	250	200	200	200
2	Total Average Monthly Accounts	14,299	15,429	15,929	16,329	16,679	16,929	17,129	17,329	17,529
3	ERC Growth		1,131	500	400	350	250	200	200	200
4	Total Average Monthly ERCs	14,308	15,439	15,939	16,339	16,689	16,939	17,139	17,339	17,539
5	ERCs Per Customer		1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
MULTIFAMILY RESIDENTIAL CUSTOMER TYPE										
6	Account Growth		43	15	12	10	5	5	5	5
7	Total Average Monthly Accounts	308	351	366	378	388	393	398	403	408
8	ERC Growth		120	113	90	75	37	37	37	37
9	Total Average Monthly ERCs	2,743	2,863	2,976	3,066	3,141	3,178	3,215	3,252	3,289
10	ERCs Per Customer	0.11	8.16	8.13	8.11	8.10	8.09	8.08	8.07	8.06
COMMERCIAL CUSTOMER TYPE										
11	Account Growth		12	5	4	3	2	1	1	1
12	Total Average Monthly Accounts	783	795	800	804	807	809	810	811	812
13	ERC Growth		(57)	10	8	6	4	2	2	2
14	Total Average Monthly ERCs	1,891	1,834	1,844	1,852	1,858	1,862	1,864	1,866	1,868
15	ERCs Per Customer	0.41	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31
<u>TOTAL WASTEWATER SYSTEM - RETAIL (METERED)</u>										
16	Account Growth		1,185	520	416	363	257	206	206	206
17	Total Average Monthly Accounts	15,390	16,575	17,095	17,511	17,874	18,131	18,337	18,543	18,749
18	ERC Growth		1,194	623	498	431	291	239	239	239
19	Total Average Monthly ERCs	18,942	20,136	20,759	21,257	21,688	21,979	22,218	22,457	22,696
20	Total Annual Flow (kgal)	670,380	712,637	734,685	752,310	767,564	777,863	786,321	794,780	803,238
21	Avg. Monthly Flow Per ERC (kgal)	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95
<u>FLAT RATE CUSTOMERS</u>										
SINGLE FAMILY RESIDENTIAL CUSTOMER TYPE										
22	Account Growth - No Usage		0	0	0	0	0	0	0	0
23	No Usage ERCs	836	836	836	836	836	836	836	836	836
24	Account Growth - With Usage		0	0	0	0	0	0	0	0
25	Usage ERCs	0	0	0	0	0	0	0	0	0
26	Account Growth		0	0	0	0	0	0	0	0
27	Total Average Monthly Accounts	836	836	836	836	836	836	836	836	836
28	ERC Growth		0	0	0	0	0	0	0	0
29	Total Average Monthly ERCs	836	836	836	836	836	836	836	836	836
<u>Total Single Family Residential Customer Type</u>										
30	Account Growth		0	0	0	0	0	0	0	0
31	Total Average Monthly Accounts	836	836	836	836	836	836	836	836	836
32	Customer Growth		0	0	0	0	0	0	0	0
33	Total Average Monthly ERCs	836	836	836	836	836	836	836	836	836
MULTIFAMILY RESIDENTIAL CUSTOMER TYPE										
34	Account Growth		0	0	0	0	0	0	0	0
35	Total Average Monthly Accounts	2	2	2	2	2	2	2	2	2
36	Customer Growth		0	0						

**Englewood Water District
Utility Rate Study
Wastewater System**

		Fiscal Year Ending September 30,								
Line No.	Description	2022	2023	2024	2025	2026	Projected 2027	2028	2029	2030
<u>TOTAL WASTEWATER SYSTEM - RETAIL (FLAT)</u>										
50	Account Growth		0	0	0	0	0	0	0	0
51	Total Average Monthly Accounts	885	885	885	885	885	885	885	885	885
52	ERC Growth		0	0	0	0	0	0	0	0
53	Total Average Monthly ERCs	885	885	885	885	885	885	885	885	885
WHOLESALE RATE CUSTOMER CLASS										
Wholesale Rate Customer - From Water Meter										
Holiday Travel Park										
54	Customer Growth		0	0	0	0	0	0	0	0
55	Total Average Monthly ERCs	0	0	0	0	0	0	0	0	0
56	Total Annual Flow (kgal)	0	0	0	0	0	0	0	0	0
57	Avg. Monthly Flow Per ERC (kgal)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<u>Total Wholesale Rate Customer - From Water Meter</u>										
58	Customer Growth		885	885	885	885	885	885	885	885
59	Total Average Monthly ERCs	0	0	0	0	0	0	0	0	0
60	Total Annual Flow (kgal)	0	0	0	0	0	0	0	0	0
61	Avg. Monthly Flow Per ERC (kgal)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Wholesale Rate Customer - From Sewer Meter										
Charlotte County										
62	Customer Growth		0	0	0	0	0	0	0	0
63	Total Average Monthly ERCs	1	1	1	1	1	1	1	1	1
64	Total Annual Flow (kgal)	4,737	4,698	4,680	4,680	4,680	4,680	4,680	4,680	4,680
65	Avg. Monthly Flow Per ERC (kgal)	394.71	391.49	390.00	390.00	390.00	390.00	390.00	390.00	390.00
Sunshine Water Service										
66	Customer Growth		0	0	0	0	0	0	0	0
67	Total Average Monthly ERCs	1	1	1	1	1	1	1	1	1
68	Total Annual Flow (kgal)	28,406	23,650	23,700	23,700	23,700	23,700	23,700	23,700	23,700
69	Avg. Monthly Flow Per ERC (kgal)	2,367.20	1,970.84	1,975.00	1,975.00	1,975.00	1,975.00	1,975.00	1,975.00	1,975.00
<u>Total Wholesale Rate Customer - From Sewer Meter</u>										
70	Customer Growth		0	0	0	0	0	0	0	0
71	Total Average Monthly ERCs	2	2	2	2	2	2	2	2	2
72	Total Annual Flow (kgal)	33,143	28,348	28,380	28,380	28,380	28,380	28,380	28,380	28,380
73	Avg. Monthly Flow Per ERC (kgal)	1,380.96	1,181.17	1,182.50	1,182.50	1,182.50	1,182.50	1,182.50	1,182.50	1,182.50
<u>Total Retail and Wholesale</u>										
74	Customer Growth		2,070	1,405	1,301	1,248	1,142	1,091	1,091	1,091
75	Total Average Monthly Customers	16,277	17,462	17,982	18,398	18,761	19,018	19,224	19,430	19,636
76	Total Annual Billed Flow (kgal)	703,523	740,985	763,065	780,690	795,944	806,243	814,701	823,160	831,618
77	Total Wastewater Flow Treated at Plants (kgal)		601,136	619,049	633,348	645,723	654,078	660,940	667,802	674,664
78	Total Wastewater Flow Treated at Plants (MGD)	0.000	1.647	1.696	1.735	1.769	1.792	1.811	1.830	1.848
REUSE WATER										
Isolated Ponds										
79	Customer Growth - Accounts		0	0	0	0	0	0	0	0
80	Customer Growth - ERCs		0	0	0	0	0	0	0	0
81	Total Average Monthly Accounts	4	4	4	4	4	4	4	4	4
82	Total Average Monthly ERCs	4	4	4	4	4	4	4	4	4
83	Total Annual Flow (kgal)	311,890	240,361	240,000	240,000	240,000	240,000	240,000	240,000	240,000
84	Avg. Monthly Flow Per Account (kgal)	6,497.70	5,007.53	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
85	Avg. Monthly Flow Per ERC (kgal)	6,497.70	5,007.53	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Pressurized Usage										
86	Customer Growth - Accounts		(1)	0	0	0	0	0	0	0
87	Customer Growth - ERCs		(1)	0	0	0	0	0	0	0
88	Total Average Monthly Accounts	11	10							

**Englewood Water District
Utility Rate Study
Wastewater System**

Line No.	Description	Fiscal Year Ending September 30,							
		2022	2023	Projected					
		2024	2025	2026	2027	2028	2029	2030	
	<u>Total Reuse Water</u>								
93	Customer Growth - Accounts		0	0	0	0	0	0	
94	Customer Growth - ERCs		0	0	0	0	0	0	
95	Total Average Monthly Accounts	15	14	14	14	14	14	14	
96	Total Average Monthly ERCs	15	14	14	14	14	14	14	
97	Total Annual Flow (kgal)	472,174	400,372	396,000	396,000	396,000	396,000	396,000	
98	Avg. Monthly Flow Per Account (kgal)	2,623.19	2,383.17	2,357.14	2,357.14	2,357.14	2,357.14	2,357.14	
99	Avg. Monthly Flow Per ERC (kgal)	2,623.19	2,383.17	2,357.14	2,357.14	2,357.14	2,357.14	2,357.14	

Table 2-3

**Englewood Water District
Utility Rate Study
Water System**

Projection of Water System User Rate Revenue Under Existing Rates

Line No.		Bill Frequency	Fiscal Year Ending September 30,							
		Percentages	Historical			Projected				
		Historical 2023	2023	2024	2025	2026	2027	2028	2029	2030
					5.00%					
	Base Charge Revenue									
	SINGLE FAMILY RESIDENTIAL CUSTOMERS									
1	Base Charge Per ERC		\$ 20.14	\$ 21.15	\$ 22.21	\$ 22.21	\$ 22.21	\$ 22.21	\$ 22.21	\$ 22.21
2	Total Average Monthly ERCs		17,107	17,607	18,007	18,357	18,607	18,807	19,007	19,207
3	Total Yearly Base Charge		\$ 4,134,319	\$ 4,468,551	\$ 4,798,574	\$ 4,891,846	\$ 4,958,468	\$ 5,011,766	\$ 5,065,064	\$ 5,118,362
	MULTIFAMILY RESIDENTIAL CUSTOMER CLASS									
4	Base Charge Per ERC		\$ 20.14	\$ 21.15	\$ 22.21	\$ 22.21	\$ 22.21	\$ 22.21	\$ 22.21	\$ 22.21
5	Total Average Monthly ERCs		2,945	3,058	3,148	3,223	3,260	3,297	3,334	3,371
6	Total Yearly Base Charge		\$ 711,748	\$ 776,120	\$ 838,911	\$ 858,897	\$ 868,757	\$ 878,618	\$ 888,478	\$ 898,338
	COMMERCIAL CUSTOMER CLASS									
7	Base Charge Per ERC		\$ 20.14	\$ 21.15	\$ 22.21	\$ 22.21	\$ 22.21	\$ 22.21	\$ 22.21	\$ 22.21
8	Total Average Monthly ERCs		2,681	2,691	2,699	2,705	2,709	2,711	2,713	2,715
9	Total Yearly Base Charge		\$ 647,944	\$ 682,976	\$ 719,257	\$ 720,855	\$ 721,921	\$ 722,454	\$ 722,987	\$ 723,520
	IRRIGATION CUSTOMER CLASS									
10	Base Charge Per ERC		\$ 20.14	\$ 21.15	\$ 22.21	\$ 22.21	\$ 22.21	\$ 22.21	\$ 22.21	\$ 22.21
11	Total Average Monthly ERCs		335	335	335	335	335	335	335	335
12	Total Yearly Base Charge		\$ 80,963	\$ 85,023	\$ 89,274	\$ 89,274	\$ 89,274	\$ 89,274	\$ 89,274	\$ 89,274
13	<u>TOTAL BASE CHARGES - RETAIL</u>		\$ 5,574,974	\$ 6,012,670	\$ 6,446,016	\$ 6,560,873	\$ 6,638,421	\$ 6,702,112	\$ 6,765,804	\$ 6,829,495
	VOLUMETRIC CHARGES REVENUE									
	RESIDENTIAL, MULTI-FAMILY, & COMMERCIAL									
	Volumetric Rates (Per kgal):									
14	Block 1		\$ 2.39	\$ 2.51	\$ 2.64	\$ 2.64	\$ 2.64	\$ 2.64	\$ 2.64	\$ 2.64
15	Block 2		3.20	3.36	3.53	3.53	3.53	3.53	3.53	3.53
16	Block 3		6.37	6.69	7.02	7.02	7.02	7.02	7.02	7.02
17	Block 4		10.63	11.16	11.72	11.72	11.72	11.72	11.72	11.72
18	Block 5		16.60	17.43	18.30	18.30	18.30	18.30	18.30	18.30
	TOTAL CONSUMPTION BY BLOCK									
	Sales By Block (kgal):									
19	Block 1	78.20%	663,384	681,564	696,097	708,674	717,166	724,141	731,115	738,090
20	Block 2	6.13%	52,002	53,427	54,567	55,553	56,218	56,765	57,312	57,858
21	Block 3	6.42%	54,486	55,979	57,173	58,206	58,903	59,476	60,049	60,622
22	Block 4	4.20%	35,653	36,630	37,411	38,087	38,543	38,918	39,293	39,668
23	Block 5	5.05%	42,836	44,010	44,949	45,761	46,309	46,760	47,210	47,660
24	Total Annual Sales (kgal)	100.00%	848,361	871,611	890,196	906,280	917,140	926,060	934,979	943,898
	Volumetric Revenue:									
25	Block 1		\$ 1,585,487	\$ 1,710,726	\$ 1,834,564	\$ 1,867,712	\$ 1,890,092	\$ 1,908,473	\$ 1,926,855	\$ 1,945,236
26	Block 2		166,407	179,516	192,511	195,990	198,338	200,267	202,196	204,125
27	Block 3		347,075	374,500	401,610	408,866	413,766	417,790	421,813	425,837
28	Block 4		378,987	408,787	438,379	446,300	451,648	456,040	460,432	464,825
29	Block 5		711,085	767,102	822,631	837,495	847,531	855,773	864,015	872,257
30	Total Volumetric Revenue		\$ 3,189,042	\$ 3,440,632	\$ 3,689,695	\$ 3,756,362	\$ 3,801,374	\$ 3,838,343	\$ 3,875,312	\$ 3,912,280
	IRRIGATION									
	Volumetric Rates (Per kgal):									
31	Block 1		\$ 6.36	\$ 6.69	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02
32	Block 2		10.60	11.16	11.72	11.72	11.72	11.72	11.72	11.72
33	Block 3		16.56	17.43	18.30	18.30	18.30	18.30	18.30	18.30
	TOTAL CONSUMPTION BY BLOCK									
	Sales By Block (kgal):									
34	Block 1	65.81%	19,394	19,394	19,394	19,394	19,394	19,394	19,394	19,394
35	Block 2	8.72%	2,569	2,569	2,569	2,569	2,569	2,569	2,569	2,569
36	Block 3	25.47%	7,505	7,505	7,505	7,505	7,505	7,505	7,505	7,505
37	Total Annual Sales (kgal)		29,468	29,468	29,468	29,468	29,468	29,468	29,468	29,468
	Volumetric Revenue:									
38	Block 1		\$ 123,347	\$ 129,747	\$ 136,235	\$ 136,235	\$ 136,235	\$ 136,235	\$ 136,235	\$ 136,235
39	Block 2		27,230	28,669	30,102	30,102	30,102	30,102	30,102	30,102
40	Block 3		124,277	130,806	137,347	137,347	137,347	137,347	137,347	137,347
41	Total Volumetric Revenue		\$ 274,855	\$ 289,223	\$ 303,684	\$ 303,684	\$ 303,684	\$ 303,684	\$ 303,684	\$ 303,684
42	<u>TOTAL VOLUMETRIC CHARGES - RETAIL</u>		\$ 3,463,897	\$ 3,729,854	\$ 3,993,378	\$ 4,060,046	\$ 4,105,058	\$ 4,142,027	\$ 4,178,995	\$ 4,215,964
43	<u>TOTAL WATER SYSTEM - RETAIL</u>		\$ 9,038,871	\$ 9,742,524	\$ 10,439,394	\$ 10,620,918	\$ 10,743,479	\$ 10,844,139	\$ 10,944,799	\$ 11,045,459
44	Adjustment - Retail		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
45	Adjusted Water System Revenue - Retail		\$ 9,038,871	\$ 9,742,524	\$ 10,439,394	\$ 10,620,918	\$ 10,743,479	\$ 10,844,139	\$ 10,944,799	\$ 11,045,459
	WHOLESALE CUSTOMER CLASS									
	Base Charge Revenue:									
46	Base Charge (Per Customer)		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
47	Total Average Monthly Customers		2	2	2	2	2	2	2	2

Table 2-3

**Englewood Water District
Utility Rate Study
Water System**

Projection of Water System User Rate Revenue Under Existing Rates

Line No.		Bill Frequency Percentages Historical 2023	Fiscal Year Ending September 30,							
			Historical	Projected						
			2023	2024	2025	2026	2027	2028	2029	2030
48	Total Yearly Base Charge		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
					5.00%					
49	Volumetric Rates (Per kgal): Block 1		\$ 4.76	\$ 5.01	\$ 5.26	\$ 5.26	\$ 5.26	\$ 5.26	\$ 5.26	\$ 5.26
50	Sales By Block (kgal): Block 1	100.00%	53,425	53,425	53,425	53,425	53,425	53,425	53,425	53,425
51	Total Annual Sales (kgal)	100.00%	53,425	53,425	53,425	53,425	53,425	53,425	53,425	53,425
52	Volumetric Revenue: Block 1		\$ 254,302	\$ 267,658	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041
53	Total Volumetric Revenue		\$ 254,302	\$ 267,658	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041
54	Total Base Charge and Volumetric Revenue		\$ 254,302	\$ 267,658	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041
	<u>Total Wholesale Customer Class</u>									
55	Base Charges		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
56	Total Volumetric Revenue		\$ 254,302	\$ 267,658	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041
57	Total Base Charges and Volumetric Revenue		\$ 254,302	\$ 267,658	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041
	<u>Volumetric Sales By Block</u>									
58	Block 1		53,425	53,425	53,425	53,425	53,425	53,425	53,425	53,425
59	Total		53,425	53,425	53,425	53,425	53,425	53,425	53,425	53,425
	<u>Volumetric Revenue By Block</u>									
60	Block 1		\$ 254,302	\$ 267,658	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041
61	Total		\$ 254,302	\$ 267,658	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041	\$ 281,041
62	TOTAL WATER REVENUE - RETAIL AND WHOLESALE		\$ 9,293,172	\$ 10,010,182	\$ 10,720,434	\$ 10,901,959	\$ 11,024,520	\$ 11,125,180	\$ 11,225,839	\$ 11,326,499

Projection of Wastewater System User Rate Revenue Under Existing Rates

Total Average Monthly

Table 2-4
Englewood Water District
Utility Rate Study
Wastewater System

Projection of Wastewater System User Rate Revenue Under Existing Rates

		Bill Frequency	Fiscal Year Ending September 30,							
		Percentages								
		Historical	Projected							
Line No.		2023	2023	2024	2025	2026	2027	2028	2029	2030
					5.00%					
43	Volumetric Rates (Per kgal): All Usage		\$ 8.22	\$ 8.65	\$ 9.08	\$ 9.08	\$ 9.08	\$ 9.08	\$ 9.08	\$ 9.08
44	Flow By Block (kgal): All Usage	100.00%	28,348	28,380	28,380	28,380	28,380	28,380	28,380	28,380
45	Total Annual Flow (kgal)	100.00%	28,348	28,380	28,380	28,380	28,380	28,380	28,380	28,380
46	Volumetric Revenue: All Usage		\$ 233,020	\$ 245,487	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761
47	Total Volumetric Revenue		\$ 233,020	\$ 245,487	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761
48	Total Base Charge and Volumetric Revenue		\$ 233,020	\$ 245,487	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761
49	<u>Total Wholesale Rate Customer Class</u> Base Charges		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
50	Total Volumetric Revenue		233,020	245,487	257,761	257,761	257,761	257,761	257,761	257,761
51	Total Base Charges and Volumetric Revenue		\$ 233,020	\$ 245,487	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761
52	<u>Volumetric Flow By Block</u> All Usage		28,348	28,380	28,380	28,380	28,380	28,380	28,380	28,380
53	Total		28,348	28,380	28,380	28,380	28,380	28,380	28,380	28,380
54	<u>Volumetric Revenue By Block</u> All Usage		\$ 233,020	\$ 245,487	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761
55	Total		\$ 233,020	\$ 245,487	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761	\$ 257,761
REUSE WATER										
56	Volumetric Rates (Per kgal): Isolated Ponds		\$ 0.34	\$ 0.36	\$ 0.38	\$ 0.38	\$ 0.38	\$ 0.38	\$ 0.38	\$ 0.38
57	Pressurized Usage		0.46	0.48	0.50	0.50	0.50	0.50	0.50	0.50
58	Flow By Block (kgal): Isolated Ponds Usage		240,361	240,000	240,000	240,000	240,000	240,000	240,000	240,000
59	Pressurized Usage		160,011	156,000	156,000	156,000	156,000	156,000	156,000	156,000
60	Total Annual Flow (kgal)		400,372	396,000	396,000	396,000	396,000	396,000	396,000	396,000
61	Volumetric Revenue: Isolated Ponds		\$ 81,723	\$ 86,400	\$ 90,720	\$ 90,720	\$ 90,720	\$ 90,720	\$ 90,720	\$ 90,720
62	Pressurized Usage		73,605	74,880	78,624	78,624	78,624	78,624	78,624	78,624
63	Total Volumetric Revenue		\$ 155,328	\$ 161,280	\$ 169,344	\$ 169,344	\$ 169,344	\$ 169,344	\$ 169,344	\$ 169,344
64	Retail, Wholesale, and Reuse Water Rate Revenue		\$ 10,435,808	\$ 11,276,805	\$ 12,106,327	\$ 12,336,265	\$ 12,491,513	\$ 12,619,019	\$ 12,746,525	\$ 12,874,031

Table 3-1
Englewood Water District
Utility Rate Study
Water System

Development of Net Revenue Requirements for the Water System

Line No.	Description	2025	2026	2027	2028	2029	2030
	Operating Expenses						
1	Administrative	\$2,498,347	\$2,648,338	\$2,785,085	\$2,886,926	\$3,037,816	\$3,149,502
2	Laboratory	183,691	190,256	197,012	203,982	211,228	218,762
3	Production	4,382,766	4,558,644	4,734,914	4,917,427	5,108,497	5,308,571
4	Distribution	2,512,263	2,669,619	2,824,754	2,987,037	3,093,215	3,209,112
5	Other Operating Expenses	314,113	478,561	457,119	680,312	400,477	624,537
6	Total Operating Expenses	\$9,891,180	\$10,545,418	\$10,998,884	\$11,675,684	\$11,851,232	\$12,510,485
	Other Revenue Requirements						
	Debt Service						
7	Series 2028 Bonds - Future	\$0	\$142,144	\$1,060,071	\$2,622,617	\$5,029,452	\$5,029,452
8	Series 2029 Bonds - Future	0	0	0	0	0	0
9	Total Debt Service	\$0	\$142,144	\$1,060,071	\$2,622,617	\$5,029,452	\$5,029,452
10	Less Growth-Related Debt Service Funded from Capital Capacity Charges	\$0	\$142,144	\$890,751	\$731,579	\$731,579	\$731,579
12	Net Debt Service Funded From Rates	\$0	\$0	\$169,320	\$1,891,038	\$4,297,873	\$4,297,873
13	Capital Funded from Rates	\$460,428	\$474,240	\$488,468	\$503,122	\$518,215	\$533,762
14	Transfer to Water RR&I Fund	1,557,324	1,691,292	1,956,519	2,246,037	2,596,722	2,999,330
15	Additional Deposit to Water RR&I Fund	0	419,837	1,612,548	1,236,378	1,278,976	3,199,642
16	Transfer to Operating Reserves	0	268,865	186,356	278,137	72,143	270,926
17	Total Other Revenue Requirements	\$2,017,751	\$2,854,234	\$4,413,210	\$6,154,712	\$8,763,929	\$11,301,532
18	Gross Revenue Requirements	\$11,908,931	\$13,399,652	\$15,412,094	\$17,830,396	\$20,615,161	\$23,812,017
	Less Income and Funds from Other Sources						
19	Other Operating Revenue	\$655,799	\$671,165	\$687,553	\$701,974	\$715,379	\$729,172
20	Accrued Guaranteed Revenue Fees (AGRF)	163,842	32,997	66,837	91,489	128,085	164,681
21	Unrestricted Interest Income	180,086	158,236	77,776	116,925	137,634	136,528
22	Net Revenue Requirements	\$10,909,204	\$12,537,253	\$14,579,927	\$16,920,008	\$19,634,063	\$22,781,637
	Revenue Under Existing Rates						
	Retail						
23	Water System Rate Revenue	\$10,439,394	\$10,620,918	\$10,743,479	\$10,844,139	\$10,944,799	\$11,045,459
24	Prior Year Rate Adjustments	0	0	1,611,522	3,497,235	5,700,872	8,273,118
25	Total Applicable Rate Revenue	\$10,439,394	\$10,620,918	\$12,355,001	\$14,341,374	\$16,645,671	\$19,318,577
26	Rate Adjustments	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%
27	Effective Months	12	12	12	12	12	12
28	Percent of Current Year Effective	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
29	Revenue From Current Rate Adjustment	\$0	\$1,593,138	\$1,853,250	\$2,151,206	\$2,496,851	\$2,897,787
30	Total Retail Rate Revenue	\$10,439,394	\$12,214,056	\$14,208,251	\$16,492,580	\$19,142,522	\$22,216,364
	Wholesale						
31	Water System Rate Revenue - Wholesale	\$281,041	\$281,041	\$281,041	\$281,041	\$281,041	\$281,041
32	Prior Year Rate Adjustments	0	0	42,156	90,636	146,387	210,501
33	Total Applicable Rate Revenue	\$281,041	\$281,041	\$323,197	\$371,677	\$427,428	\$491,542
34	Rate Adjustments	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%
35	Effective Months	12	12	12	12	12	12
36	Percent of Current Year Effective	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
37	Revenue From Current Rate Adjustment	\$0	\$42,156	\$48,479	\$55,751	\$64,114	\$73,731
38	Total Wholesale Rate Revenue	\$281,041	\$323,197	\$371,676	\$427,428	\$491,542	\$565,273
39	Total Rate Revenue	\$10,720,434	\$12,537,253	\$14,579,927	\$16,920,008	\$19,634,063	\$22,781,636
	Revenue Surplus/(Deficiency) Under Proposed Rates						
40	Amount	(\$188,769)	\$0	\$0	\$0	\$0	\$0
41	Percent of Rate Revenue	(1.76%)	0.00%	0.00%	0.00%	0.00%	0.00%

Table 3-2
Englewood Water District
Utility Rate Study
Wastewater System

Development of Net Revenue Requirements for the Wastewater System

Line No.	Description	2025	2026	2027	2028	2029	2030
	Operating Expenses						
1	Administrative	\$2,535,529	\$2,686,694	\$2,824,560	\$2,927,396	\$3,079,449	\$3,192,191
2	Laboratory	183,691	190,256	197,012	203,982	211,228	218,762
3	Water Reclamation Facility	3,422,019	3,624,972	3,891,352	4,235,928	4,597,267	4,761,078
4	Wastewater Collections	3,777,761	3,981,246	4,138,409	4,364,810	4,533,664	4,716,018
5	Other Operating Expenses	613,343	345,838	532,242	509,083	749,628	654,600
6	Total Operating Expenses	\$10,532,343	\$10,829,006	\$11,583,575	\$12,241,199	\$13,171,236	\$13,542,650
	Other Revenue Requirements						
	Debt Service						
7	Series 2028 Bonds - Future	\$0	\$0	\$0	\$0	\$0	\$0
8	Series 2029 Bonds - Future	0	0	267,979	1,380,211	3,094,044	5,846,823
9	Total Debt Service	\$0	\$0	\$267,979	\$1,380,211	\$3,094,044	\$5,846,823
10	Less Growth-Related Debt Service Funded from Capital Capacity Charges	\$0	\$0	\$267,979	\$1,235,630	\$1,235,630	\$1,235,630
11	Net Debt Service Funded From Rates	\$0	\$0	\$0	\$144,581	\$1,858,414	\$4,611,193
12	Capital Funded from Rates	\$555,991	\$572,671	\$589,851	\$607,546	\$625,773	\$644,546
13	Transfer to Wastewater RR&I Fund	1,662,812	1,804,775	2,098,503	2,438,813	2,824,468	3,276,186
14	Additional Deposit to Wastewater RR&I Fund	40,316	1,247,220	2,387,860	3,959,361	3,964,555	4,281,818
15	Transfer to Operating Reserves	0	121,916	310,097	270,257	382,207	152,636
16	Total Other Revenue Requirements	\$2,259,119	\$3,746,582	\$5,386,310	\$7,420,558	\$9,655,416	\$12,966,379
17	Gross Revenue Requirements	\$12,791,462	\$14,575,587	\$16,969,885	\$19,661,757	\$22,826,653	\$26,509,029
	Less Income and Funds from Other Sources						
18	Other Operating Revenue	\$220,861	\$226,067	\$231,622	\$236,488	\$241,001	\$245,646
19	Assessment Income	43,685	38,695	33,456	27,955	22,181	17,274
20	Accrued Guaranteed Revenue Fees (AGRF)	288,840	55,702	112,827	154,442	216,219	277,995
21	Unrestricted Interest Income	131,748	68,418	71,955	50,923	53,500	73,838
22	Net Revenue Requirements	\$12,106,328	\$14,186,705	\$16,520,026	\$19,191,950	\$22,293,752	\$25,894,276
	Revenue Under Existing Rates						
	Reuse Revenue						
23	Reuse System Rate Revenue	\$169,344	\$169,344	\$169,344	\$169,344	\$169,344	\$169,344
24	Prior Year Rate Adjustment	0	0	25,402	54,613	88,207	126,840
25	Total Applicable Rate Revenue	\$169,344	\$169,344	\$194,746	\$223,957	\$257,551	\$296,184
26	Rate Adjustments	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%
27	Effective Months	12	12	12	12	12	12
28	Percent of Current Year Effective	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
29	Revenue From Current Rate Adjustment	\$0	\$25,402	\$29,212	\$33,594	\$38,633	\$44,428
30	Total Reuse Revenue	\$169,344	\$194,746	\$223,958	\$257,551	\$296,184	\$340,612
	Wastewater Revenue						
31	Wastewater System Rate Revenue	\$11,679,222	\$11,909,160	\$12,064,408	\$12,191,914	\$12,319,420	\$12,446,926
32	Prior Year Rate Adjustment	0	0	1,809,661	3,931,892	6,416,878	9,322,825
33	Total Applicable Rate Revenue	\$11,679,222	\$11,909,160	\$13,874,069	\$16,123,806	\$18,736,298	\$21,769,751
34	Rate Adjustments	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%
35	Effective Months	12	12	12	12	12	12
36	Percent of Current Year Effective	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
37	Revenue From Current Rate Adjustment	\$0	\$1,786,374	\$2,081,110	\$2,418,571	\$2,810,445	\$3,265,463
38	Total Wastewater Revenue	\$11,679,222	\$13,695,534	\$15,955,179	\$18,542,377	\$21,546,743	\$25,035,214
	Wholesale Revenue						
39	Wastewater System Rate Revenue - Wholesale	\$257,761	\$257,761	\$257,761	\$257,761	\$257,761	\$257,761
40	Prior Year Rate Adjustment	\$0	\$0	\$38,664	\$83,128	\$134,261	\$193,065
41	Total Applicable Rate Revenue	\$257,761	\$257,761	\$296,425	\$340,889	\$392,022	\$450,826
42	Rate Adjustments	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%
43	Effective Months	12	12	12	12	12	12
44	Percent of Current Year Effective	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
45	Revenue From Current Rate Adjustment	\$0	\$38,664	\$44,464	\$51,133	\$58,803	\$67,624
46	Total Wholesale Wastewater Revenue	\$257,761	\$296,425	\$340,889	\$392,022	\$450,825	\$518,450
47	Total Rate Revenue	\$12,106,327	\$14,186,705	\$16,520,026	\$19,191,950	\$22,293,752	\$25,894,276
	Revenue Surplus/(Deficiency) Under Proposed Rates						
48	Amount	\$0	\$0	\$0	\$0	\$0	\$0
49	Percent of Rate Revenue	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Table 3-3
Englewood Water District
Utility Rate Study
Water and Wastewater Systems

Development of Net Revenue Requirements for the Combined Water and Wastewater Systems

Line No.	Description	Fiscal Year Ending September 30,					
		2025	2026	2027	2028	2029	2030
	Operating Expenses						
1	Administrative	\$5,033,875	\$5,335,032	\$5,609,646	\$5,814,323	\$6,117,266	\$6,341,693
2	Laboratory	367,382	380,512	394,024	407,963	422,455	437,524
3	Production	4,382,766	4,558,644	4,734,914	4,917,427	5,108,497	5,308,571
4	Distribution	2,512,263	2,669,619	2,824,754	2,987,037	3,093,215	3,209,112
5	Water Reclamation Facility	3,422,019	3,624,972	3,891,352	4,235,928	4,597,267	4,761,078
6	Wastewater Collections	3,777,761	3,981,246	4,138,409	4,364,810	4,533,664	4,716,018
7	Other Operating Expenses	927,456	824,399	989,360	1,189,395	1,150,105	1,279,137
8	Total Operating Expenses	\$20,423,522	\$21,374,423	\$22,582,459	\$23,916,883	\$25,022,469	\$26,053,134
	Other Revenue Requirements						
	Debt Service						
9	Series 2028 Bonds - Future	0	142,144	1,060,071	2,622,617	5,029,452	5,029,452
10	Series 2029 Bonds - Future	0	0	267,979	1,380,211	3,094,044	5,846,823
11	Total Debt Service	\$0	\$142,144	\$1,328,050	\$4,002,828	\$8,123,495	\$10,876,275
12	Less Growth-Related Debt Service Funded from Capital Capacity Charges	\$0	\$142,144	\$1,158,730	\$1,967,209	\$1,967,209	\$1,967,209
13	Net Debt Service Funded From Rates	\$0	\$0	\$169,320	\$2,035,619	\$6,156,286	\$8,909,066
14	Capital Funded from Rates	\$1,016,418	\$1,046,911	\$1,078,318	\$1,110,668	\$1,143,988	\$1,178,307
15	Transfer to Water RR&I Fund	1,557,324	1,691,292	1,956,519	2,246,037	2,596,722	2,999,330
16	Additional Deposit to Water RR&I Fund	0	419,837	1,612,548	1,236,378	1,278,976	3,199,642
17	Transfer to Wastewater RR&I Fund	1,662,812	1,804,775	2,098,503	2,438,813	2,824,468	3,276,186
18	Additional Deposit to Wastewater RR&I Fund	40,316	1,247,220	2,387,860	3,959,361	3,964,555	4,281,818
19	Deposit to / (Use of) Working Capital	0	390,781	496,453	548,394	454,350	423,561
20	Total Other Revenue Requirements	\$4,276,870	\$6,600,816	\$9,799,520	\$13,575,270	\$18,419,345	\$24,267,911
21	Gross Revenue Requirements	\$24,700,392	\$27,975,239	\$32,381,979	\$37,492,153	\$43,441,814	\$50,321,045
	Less Income and Funds from Other Sources			\$31,053,929	\$33,489,325	\$35,318,319	\$39,444,771
22	Other Operating Revenue	\$876,660	\$897,232	\$919,176	\$938,462	\$956,381	\$974,818
23	Assessment Revenue	43,685	38,695	33,456	27,955	22,181	17,274
24	Accrued Guaranteed Revenue Fees (AGRF)	452,682	88,700	179,663	245,931	344,303	442,676
25	Unrestricted Interest Income	311,833	226,654	149,731	167,847	191,134	210,365
26	Net Revenue Requirements	\$23,015,532	\$26,723,958	\$31,099,953	\$36,111,958	\$41,927,815	\$48,675,913
	Revenue Under Existing Rates						
27	Water, Wastewater, and Reclaimed Water Rate Revenue	\$22,826,762	\$23,238,224	\$23,516,033	\$23,744,199	\$23,972,365	\$24,200,530
28	Revenue From Prior Year Rate Adjustment	0	0	3,527,405	7,657,504	12,486,605	18,126,349
29	Revenue From Current Year Rate Adjustment	0	3,485,734	4,056,515	4,710,255	5,468,846	6,349,033
30	Total Applicable Rate Revenue	\$22,826,762	\$26,723,958	\$31,099,953	\$36,111,958	\$41,927,816	\$48,675,912
31	Total Rate Revenue Under Proposed Rates	\$22,826,762	\$26,723,958	\$31,099,953	\$36,111,958	\$41,927,816	\$48,675,912
32	Rate Adjustments - Water	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%
33	Rate Adjustments - Wastewater	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%
34	Rate Adjustments - Reuse Water	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%
35	Combined Rate Adjustment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Revenue Surplus/(Deficiency) Under Proposed Rates						
36	Amount	(\$188,770)	\$0	\$0	\$0	\$0	\$0
37	Percent of Rate Revenue	(0.83%)	0.00%	0.00%	0.00%	0.00%	0.00%

Table 3-4

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Allocation of Utility Operating Expenses to Individual Systems

Line No.	Expenditure Code	Description	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Adopted 2025	Adjustments	Adjusted 2025	Basis	Allocated Percentage		Fiscal Year 2025	
											Water	Wastewater	Water	Wastewater
500 ADMINISTRATIVE														
1	500110	Board Salaries	\$25,200	\$24,488	\$24,400	\$18,500	\$24,400	\$0	\$24,400	Salaries	49.92%	50.08%	\$12,181	\$12,219
2	500120	Personnel Expense - Existing	1,956,834	2,619,283	3,228,105	2,797,441	3,462,121	0	3,462,121	Salaries	49.92%	50.08%	1,728,361	1,733,760
3	500225	OPEB	142,595	347,690	(361,771)	0	25,000	0	25,000	Salaries	49.92%	50.08%	12,481	12,519
4	500255	Health/Dental/Vision	21,469	1,336	1,367	961	1,416	0	1,416	Salaries	49.92%	50.08%	707	709
5	500256	30+ Yr Employee Health Ben	57,989	34,033	29,983	37,660	34,800	0	34,800	Salaries	49.92%	50.08%	17,373	17,427
6	500309	Hiring Expenditures	3,322	3,590	4,407	7,521	8,840	0	8,840	Salaries	49.92%	50.08%	4,413	4,427
7	500215	Prof Exp	20,994	46,943	0	0	305,600	0	305,600	Salaries	49.92%	50.08%	152,562	153,038
8	500310	Prof Exp	0	0	75,756	53,662	0	0	0	Salaries	49.92%	50.08%	0	0
9	500311	Legal Prof Exp	16,788	18,737	19,132	21,925	39,000	0	39,000	Salaries	49.92%	50.08%	19,470	19,530
10	500313	Computer Hardware/phones/	3,961	15,836	16,511	18,657	25,300	0	25,300	Salaries	49.92%	50.08%	12,630	12,670
11	500315	Computer Software/Consultar	181,919	162,907	211,885	193,464	311,068	0	311,068	Salaries	49.92%	50.08%	155,777	155,777
12	500319	Licenses, Dues and Fees	17,114	18,843	20,835	23,340	30,630	0	30,630	Salaries	49.92%	50.08%	15,291	15,339
13	500320	Accounting and Auditing	30,500	31,100	34,000	34,800	41,700	0	41,700	Salaries	49.92%	50.08%	20,817	20,883
14	500322	Service Appr	3,143	3,478	3,122	1,840	4,300	0	4,300	Salaries	49.92%	50.08%	2,147	2,153
15	500323	Benevolent	0	0	0	0	0	0	0	Salaries	49.92%	50.08%	0	0
16	500324	Special Events	116	1,762	3,380	4,534	4,900	0	4,900	Salaries	49.92%	50.08%	2,446	2,454
17	500360	Pension	70,000	62,000	80,400	85,000	82,000	0	82,000	Salaries	49.92%	50.08%	40,936	41,064
18	500400	Travel/Per Diem	3,963	8,204	10,215	3,527	16,500	0	16,500	Salaries	49.92%	50.08%	8,237	8,263
19	500410	Telephone	57,269	57,224	60,344	55,245	63,126	0	63,126	Salaries	49.92%	50.08%	31,514	31,612
20	500411	Public Notices	1,668	1,824	2,614	2,000	5,600	0	5,600	Salaries	49.92%	50.08%	2,796	2,804
21	500412	Postage	94,617	103,551	111,609	98,035	115,809	0	115,809	Salaries	49.92%	50.08%	57,814	57,995
22	500430	Utilities	15,216	17,640	19,560	15,184	22,070	0	22,070	Salaries	49.92%	50.08%	11,018	11,052
23	500440	Rentals and Leases	2,162	0	1,221	1,263	2,520	0	2,520	Salaries	49.92%	50.08%	1,258	1,262
24	500450	General Insurance	27,306	15,567	16,619	9,411	18,228	0	18,228	Salaries	49.92%	50.08%	9,100	9,128
25	500460	Ground Repairs/Maint	6,164	20,021	4,631	4,896	1,000	0	1,000	Salaries	49.92%	50.08%	499	501
26	500461	Maint Agreements	7,265	10,893	11,075	7,136	12,240	0	12,240	Salaries	49.92%	50.08%	6,110	6,130
27	500462	Vehicle Repair/Maint	5,334	7,389	12,123	6,468	11,200	0	11,200	Salaries	49.92%	50.08%	5,591	5,609
28	500463	Equip Repair/Maint	2,173	1,424	2,338	3,536	3,700	0	3,700	Salaries	49.92%	50.08%	1,847	1,853
29	500464	Repair/Maint Bldgs	6,345	15,747	6,955	12,725	22,229	0	22,229	Salaries	49.92%	50.08%	11,102	11,137
30	500465	Trash Removal	1,710	1,454	2,093	4,560	2,100	0	2,100	Salaries	49.92%	50.08%	1,048	1,052
31	500480	Promotional Activities	600	792	0	0	1,200	0	1,200	Salaries	49.92%	50.08%	599	601
32	500490	Bank Fees	89,530	97,933	94,417	94,182	109,190	0	109,190	Salaries	49.92%	50.08%	54,510	54,680
33	500491	Non-Ad Valorem Taxes	22,291	25,245	25,766	29,000	30,450	0	30,450	Direct-S	0.00%	100.00%	0	30,450
34	500492	Recording Fees	11,934	2,875	2,247	2,044	3,600	0	3,600	Salaries	49.92%	50.08%	1,797	1,803
35	500493	Misc Expenses	(7,590)	4,690	3,049	5,023	25,000	0	25,000	Salaries	49.92%	50.08%	12,481	12,519
36	500494	Misc Expenses - Admin	0	0	0	31	0	0	0	Salaries	49.92%	50.08%	0	0
37	500495	Tax Collector - Admin	0	0	0	7,744	0	0	0	Salaries	49.92%	50.08%	0	0
38	500496	Cash Over/Short	0	0	0	58	0	0	0	Salaries	49.92%	50.08%	0	0
39	500510	Office Supplies	20,042	23,526	19,491	13,450	22,000	0	22,000	Salaries	49.92%	50.08%	10,983	11,017
40	500511	Billing Agreements	24,533	23,621	25,674	26,823	28,922	0	28,922	Accounts	51.78%	48.22%	14,974	13,948
41	500520	Operating Supplies	4,784	5,904	5,430	4,228	5,700	0	5,700	Salaries	49.92%	50.08%	2,846	2,854
42	500521	Safety	1,270	3,552	2,034	2,306	2,401	0	2,401	Salaries	49.92%	50.08%	1,199	1,202
43	500522	Gasoline	7,390	11,265	9,947	8,967	13,200	0	13,200	Salaries	49.92%	50.08%	6,590	6,610
44	500523	Uniforms	3,305	4,121	3,614	4,043	4,600	0	4,600	Salaries	49.92%	50.08%	2,296	2,304
45	500525	Small Tools & Equipment	2,419	1,462	2,549	1,517	22,700	0	22,700	Salaries	49.92%	50.08%	11,332	11,368
46	500530	Education/Training	13,941	12,658	11,773	4,425	17,964	0	17,964	Salaries	49.92%	50.08%	8,968	8,996
47	500540	Books/Subscriptions	816	192	1,495	191	200	0	200	Salaries	49.92%	50.08%	100	100
48	500548	Damage Reimbursement	7,500	0	0	0	500	0	500	Salaries	49.92%	50.08%	250	250
49	500550	Disaster Recovery	0	659	51,414	874,945	0	0	0	Salaries	49.92%	50.08%	0	0
50	500551	Backflow Tokay Charge	4,452	4,120	5,105	4,469	7,200	0	7,200	Salaries	49.92%	50.08%	3,594	3,606
51	500641	Computer Hard/Software - Admin	0	0	0	1,039	0	0	0	Salaries	49.92%	50.08%	0	0
52	500643	Transportation Equip - Admin	0	0	0	57,086	0	0	0	Salaries	49.92%	50.08%	0	0
53	500644	Additional Personnel	0	0	0	0	0	36,641	36,641	Calculated			18,292	18,349
54	500645	Add. Personal Debt. Capital	0	0	0	0	0	5,000	5,000	Calculated			2,496	2,504
55	Total Admin Expenses		\$2,990,347	\$3,875,579	\$3,916,922	\$4,664,862	\$4,992,234	\$41,641	\$5,033,875				\$2,498,347	\$2,535,529
520 LABORATORY														
56	520120	Personnel - Existing	\$143,116	\$175,479	\$211,258	\$155,306	\$238,877	\$0	\$238,877	Equal	50.00%	50.00%	\$119,439	\$119,439
57	520313	Outside Lab Testing	350	355	1,677	2,347	880	0	880	Equal	50.00%	50.00%	440	440
58	520317	Lab Certification	2,976	3,058	3,157	0	0	0	0	Equal	50.00%	50.00%	0	0
59	520400	Travel/Per Diem	11,308	4,555	9,967	6,162	12,716	0	12,716	Equal	50.00%	50.00%	6,358	6,358
60	520410	Telephone	0	0	0	0	944	0	944	Equal	50.00%	50.00%	472	472
61	520465	Trash Removal	(10)	0	0	0	0	0	0	Equal	50.00%	50.00%	0	0
62	520465	Trash Removal	1,710	1,453	1,887	4,560	2,100	0	2,100	Equal	50.00%	50.00%	1,050	1,050
63	520450	General Insurance	39	207	151	230	435	0	435	Equal	50.00%	50.00%	218	218
64	520461	Maint Agreements	7,021	8,127	16,629	22,979	19,195	0	19,195	Equal	50.00%	50.00%	9,598	9,598
65	520463	Equip Repair/Maint	1,209	4,737	3,011	1,889	10,225	0	10,225	Equal	50.00%	50.00%	5,113	5,113
66	520464	Repair/Maint Bldgs	230	1,309	264	2,869	3,814	0	3,814	Equal	50.00%	50.00%	1,907	1,907
67	520523	Uniforms	332	688	736	721	900	0	900	Equal	50.00%	50.00%	450	450
68	520524	Chemicals	15,090	16,986	0	0	0	0	0	Equal	50.00%	50.00%	0	0
69	520315	Computer Software/Consultar	2,976	3,058	3,157	0	680	0	680	Equal	50.00%	50.00%	340	340
70	520313	Computer Hardware/phones/	350	355	1,677	2,347	450	0	450	Equal	50.00%	50.00%	225	225
71	520319	Licenses, Dues and Fees	250	250	75	0	350	0	350	Equal	50.00%	50.00%	175	175
72	520412	Postage	2,709	2,873	1,746	1,655	3,000	0	3,000	Equal	50.00%	50.00%	1,500	1,500
73	520440	Rentals and Leases	0	576	444	480	600	0	600	Equal	50.00%	50.00%	300	300
74	520510	Office Supplies	520	903	544	476	1,400	0	1,400	Equal	50.00%	50.00%	700	700
75	520520	Operating Supplies	19,011	1										

Table 3-4

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Allocation of Utility Operating Expenses to Individual Systems

Line No.	Expenditure Code	Description	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Adopted 2025	Adjustments	Adjusted 2025	Basis	Allocated Percentage		Fiscal Year 2025	
											Water	Wastewater	Water	Wastewater
115		Total Operating Water Production Budget	\$2,147,302	\$2,955,888	\$3,563,672	\$2,413,865	\$4,382,766	\$0	\$4,382,766				\$4,382,766	\$0
	531	DISTRIBUTION												
116	531120	Personnel - Existing	\$890,399	\$1,113,711	\$1,424,880	\$633,333	\$1,376,991	\$0	\$1,376,991	Direct-W	100.00%	0.00%	\$1,376,991	\$0
117	531318	Permits Dist	0	0	0	0	3,500	0	3,500	Direct-W	100.00%	0.00%	3,500	0
118	531400	Travel/Per Diem	3,372	44	4,365	382	3,720	0	3,720	Direct-W	100.00%	0.00%	3,720	0
119	531410	Telephone	6,035	6,655	7,460	6,415	7,800	0	7,800	Direct-W	100.00%	0.00%	7,800	0
120	531430	Utilities	3,304	4,236	4,282	3,691	5,072	0	5,072	Direct-W	100.00%	0.00%	5,072	0
121	531465	Trash Removal	8,213	8,549	11,247	6,437	12,000	0	12,000	Direct-W	100.00%	0.00%	12,000	0
122	531450	General Insurance	23,318	33,187	36,405	34,956	65,916	0	65,916	Direct-W	100.00%	0.00%	65,916	0
123	531460	Ground Repairs/Maint	4,137	4,089	3,891	0	0	0	0	Direct-W	100.00%	0.00%	0	0
124	531462	Vehicle Repair/Maint	9,855	17,115	14,391	14,650	39,200	0	39,200	Direct-W	100.00%	0.00%	39,200	0
125	531463	Equip Repair/Maint	23,940	15,396	48,471	45,130	56,000	0	56,000	Direct-W	100.00%	0.00%	56,000	0
126	531464	Repair/Maint Bldgs	1,479	1,543	857	1,621	4,714	0	4,714	Direct-W	100.00%	0.00%	4,714	0
127	531560	Service Extension	3,580	2,280	5,000	0	25,000	0	25,000	Direct-W	100.00%	0.00%	25,000	0
128	531467	System Repair & Maint	212,632	104,601	141,556	119,406	172,038	0	172,038	Direct-W	100.00%	0.00%	172,038	0
129	531522	Gasoline	28,087	41,707	42,049	38,661	43,200	0	43,200	Direct-W	100.00%	0.00%	43,200	0
130	531516	Meter Reading Equipment	2,614	1,234	1,353	1,965	0	0	\$0	Direct-W	100.00%	0.00%	0	0
131	531518	Replacement - DCMA	3,588	5,717	7,967	18,879	123,011	0	123,011	Direct-W	100.00%	0.00%	123,011	0
132	531519	Replacement - Meters	60,922	827	1,578	1,924	30,000	0	30,000	Direct-W	100.00%	0.00%	30,000	0
133	531517	Radio Read Register	89,005	67,815	126,516	126,763	133,410	0	133,410	Direct-W	100.00%	0.00%	133,410	0
134	531526	Large Meter Replacement	20,276	13,148	11,507	10,905	12,000	0	12,000	Direct-W	100.00%	0.00%	12,000	0
135	531527	New Meter Accounts	49,770	91,649	105,930	215,342	324,617	0	324,617	Direct-W	100.00%	0.00%	324,617	0
136	531523	Uniforms	5,552	5,115	6,158	3,904	6,000	0	6,000	Direct-W	100.00%	0.00%	6,000	0
137	531524	Chemicals	0	0	0	0	0	0	0	Direct-W	100.00%	0.00%	0	0
138	531315	Computer Software/Consultan	2,976	3,058	3,157	869	330	0	330	Direct-W	100.00%	0.00%	330	0
139	531313	Computer Hardware/phones/i	499	4,391	2,188	917	4,650	0	4,650	Direct-W	100.00%	0.00%	4,650	0
140	531319	Licenses, Dues and Fees	1,670	1,005	1,182	694	1,834	0	1,834	Direct-W	100.00%	0.00%	1,834	0
141	531324	Special Events	0	0	0	0	0	0	0	Direct-W	100.00%	0.00%	0	0
142	531411	Public Notices	0	0	0	0	2,200	0	2,200	Direct-W	100.00%	0.00%	2,200	0
143	531412	Postage	167	141	818	77	360	0	360	Direct-W	100.00%	0.00%	360	0
144	531440	Rentals and Leases	0	0	0	698	2,200	0	2,200	Direct-W	100.00%	0.00%	2,200	0
145	531493	Misc Expenses	0	0	0	0	0	0	0	Direct-W	100.00%	0.00%	0	0
146	531510	Office Supplies	1,124	1,609	2,313	1,420	2,300	0	2,300	Direct-W	100.00%	0.00%	2,300	0
147	531530	Operating Supplies	6,972	4,750	15,706	35,629	12,000	0	12,000	Direct-W	100.00%	0.00%	12,000	0
148	531521	Salaries	605	629	2,012	2,221	1,550	0	1,550	Direct-W	100.00%	0.00%	1,550	0
149	531525	Small Tools & Equipment	8,841	10,822	6,784	9,878	25,600	0	25,600	Direct-W	100.00%	0.00%	25,600	0
150	531530	Education	2,005	3,880	1,841	6,916	10,050	0	10,050	Direct-W	100.00%	0.00%	10,050	0
151	531548	Damage Reimbursement	6,080	4,229	0	70	5,000	0	5,000	Direct-W	100.00%	0.00%	5,000	0
152	531540	Books/Subscriptions	0	0	0	0	0	0	0	Direct-W	100.00%	0.00%	0	0
153	531550	Disaster Recovery	0	0	17,731	0	0	0	0	Direct-W	100.00%	0.00%	0	0
154		Additional Personnel	0	0	0	0	0	0	0	Calculated			0	0
155		Add. Personal Debt, Capital	0	0	0	0	0	0	0	Calculated			0	0
156		Subtotal Water Distribution Expense	\$1,481,017	\$1,573,132	\$2,059,597	\$1,343,752	\$2,512,263	\$0	\$2,512,263				\$2,512,263	\$0
		Capital Needs												
157	531642	Principal	\$1,282,792	\$1,103,820	\$0	\$31,286	\$0	\$0	\$0	Direct-W	100.00%	0.00%	\$0	\$0
158	531644	Interest	165,803	102,707	117,445	0	0	0	0	Direct-W	100.00%	0.00%	0	0
159	531643	Capital Outlay	197,833	565,260	113,184	62,244	66,600	(66,600)	0	Direct-W	100.00%	0.00%	0	0
160	531620	Capital Improvement	758,942	632,848	0	0	2,394,011	(2,394,011)	0	Direct-W	100.00%	0.00%	0	0
161		Total Capital Needs	\$2,405,370	\$2,404,635	\$230,630	\$93,530	\$2,460,611	(\$2,460,611)	\$0				\$0	\$0
162		Total Distribution Expenses	\$3,886,387	\$3,977,767	\$2,290,226	\$1,437,283	\$4,972,874	-\$2,460,611	\$2,512,263				\$2,512,263	\$0
	540	WATER RECLAMATION FACILITY												
163	540120	Personnel - Existing	\$1,022,777	\$1,296,857	\$1,493,853	\$660,447	\$1,393,415	\$0	\$1,393,415	Direct-S	0.00%	100.00%	\$0	\$1,393,415
164	540316	Lab Testing	11,421	8,519	14,078	11,815	17,388	0	17,388	Direct-S	0.00%	100.00%	0	17,388
165	540318	Permits	16,750	19,250	158,631	45,200	36,000	0	36,000	Direct-S	0.00%	100.00%	0	36,000
166	540400	Travel	0	0	0	0	8,280	0	8,280	Direct-S	0.00%	100.00%	0	8,280
167	540410	Telephone	12,640	12,726	13,393	13,072	14,760	0	14,760	Direct-S	0.00%	100.00%	0	14,760
168	540430	Utilities	326,943	455,076	470,405	362,226	557,398	0	557,398	Direct-S	0.00%	100.00%	0	557,398
169	540465	Trash Removal	26,062	19,457	25,244	24,400	36,409	0	36,409	Direct-S	0.00%	100.00%	0	36,409
170	540450	General Insurance	42,392	61,722	62,270	48,287	90,510	0	90,510	Direct-S	0.00%	100.00%	0	90,510
171	540460	Ground Repairs/Maint	1,748	5,848	3,295	2,289	55,000	0	55,000	Direct-S	0.00%	100.00%	0	55,000
172	540462	Vehicle Repair/Maint	8,399	13,466	7,444	12,650	9,950	0	9,950	Direct-S	0.00%	100.00%	0	9,950
173	540463	Equip Repair/Maint	15,567	14,243	14,957	21,095	28,300	0	28,300	Direct-S	0.00%	100.00%	0	28,300
174	540464	Repair/Maint Bldgs	6,970	3,428	9,664	2,982	7,777	0	7,777	Direct-S	0.00%	100.00%	0	7,777
175	540467	System Repair & Maint	345,324	283,037	308,203	146,631	494,700	0	494,700	Direct-S	0.00%	100.00%	0	494,700
176	540471	Reuse R&M	3,198	12,170	15,683	62,839	75,000	0	75,000	Direct-S	0.00%	100.00%	0	75,000
177	540522	Gasoline	12,586	20,202	19,678	18,039	21,600	0	21,600	Direct-S	0.00%	100.00%	\$0	\$21,600
178	540340	Sludge hauling	110,280	119,868	117,132	116,245	141,134	0	141,134	Direct-S	0.00%	100.00%	0	141,134
179	540523	Uniforms	10,199	9,036	10,098	8,900	11,700	0	11,700	Direct-S	0.00%	100.00%	0	11,700
180	540524	Chemicals	116,101	127,337	183,209	189,000	245,000	0	245,000	Direct-S	0.00%	100.00%	0	245,000
181	540535	Security	0	0	18,976	73,259	79,751	0	79,751	Direct-S	0.00%	100.00%	0	79,751
182	540315	Computer Software/Consultan	2,976	3,058	3,157	0	180	0	180	Direct-S	0.00%	100.00%	0	180
183	540313	Computer Hardware/phones/i	982	389	4,045	1,138	2,700	0	2,700	Direct-S	0.00%	100.00%	0	2,700
184	540319	Licenses, Dues and Fees	1,836	839	1,597	1,244	2,904	0	2,904	Direct-S	0.00%	100.00%	0	2,904
185	540411	Public Notices	0	0	0	154	500	0	500	Direct-S	0.00%	100.00%	0	500

Table 3-4
Englewood Water District
Utility Rate Study
Water and Wastewater System

Allocation of Utility Operating Expenses to Individual Systems

Line No.	Expenditure Code	Description	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Adopted 2025	Adjustments	Adjusted 2025	Basis	Allocated Percentage		Fiscal Year 2025 Allocated Amount	
											Water	Wastewater	Water	Wastewater
225	541510	Office Supplies	2,381	2,700	4,901	3,863	4,000	0	4,000	Direct-S	0.00%	100.00%	0	4,000
226	541520	Operating Supplies	14,330	13,667	19,712	20,039	25,000	0	25,000	Direct-S	0.00%	100.00%	0	25,000
227	541521	Safety/Educ/Training	1,212	5,105	2,627	3,948	4,250	0	4,250	Direct-S	0.00%	100.00%	0	4,250
228	541525	Small Tools & Equipment	18,050	15,931	13,721	22,879	47,500	0	47,500	Direct-S	0.00%	100.00%	0	47,500
229	541530	Education	0	2,934	8,065	7,036	9,100	0	9,100	Direct-S	0.00%	100.00%	0	9,100
230	541540	Books/Subscriptions	0	0	0	0	0	0	0	Direct-S	0.00%	100.00%	0	0
231	541548	Damaue Reimbursement	0	0	717	6,493	5,000	0	5,000	Direct-S	0.00%	100.00%	0	5,000
232	541550	Disaster Recovery	0	384	1,686,890	45,988	0	0	0	Direct-S	0.00%	100.00%	0	0
233		Additional Personnel	0	0	0	0	0	51,417	51,417	Calculated			0	51,417
234		Add. Personal Debt, Capital	0	0	0	0	0	10,000	10,000	Calculated			0	10,000
235		Subtotal Wastewater Collections Expenses	\$2,390,642	\$2,709,295	\$4,652,748	\$2,106,669	\$3,716,344	\$61,417	\$3,777,761				\$0	\$3,777,761
		Capital Needs												
236	541642	Principal	\$1,389,692	\$1,195,805	\$0	\$0	\$0	\$0	\$0	Direct-S	0.00%	100.00%	\$0	\$0
237	541644	Interest	179,620	111,266	0	0	0	0	0	Direct-S	0.00%	100.00%	0	0
238	541643	Capital Outlav	412,529	467,947	147,057	264,728	365,900	(365,900)	0	Direct-S	0.00%	100.00%	0	0
239	541620	Capital Improvement	1,448,644	1,053,317	0	0	19,919,461	(19,919,461)	0	Direct-S	0.00%	100.00%	0	0
240		Total Capital Needs	\$3,430,485	\$2,828,335	\$147,057	\$264,728	\$20,285,361	(\$20,285,361)	\$0				\$0	\$0
241		Total Wastewater Collections Expenses	\$5,821,127	\$5,537,630	\$4,799,805	\$2,371,397	\$24,001,705	(\$20,223,944)	\$3,777,761				\$0	\$3,777,761
		OTHER OPERATING EXPENSES												
242		Contingency Allowance	\$0	\$0	\$0	\$0	\$0	\$584,882	\$584,882	Calculated			\$287,312	\$297,570
243		Bad Debt Allowance (0.250% of Operating	0	0	0	0	0	\$7,067	\$7,067	Calculated			26,801	30,266
244		Allowance for Proj Exp Recognized as OpEx	0	0	0	0	0	285,507	285,507	Calculated	0.00%	100.00%	0	285,507
245		Line of Credit Cost	0	0	0	0	0	0	0	Calculated	0.00%	100.00%	0	0
246		Total Other Operating Expenses	\$0	\$0	\$0	\$0	\$0	\$927,456	\$927,456				\$314,113	\$613,343
247		TOTAL ENGLEWOOD WATER DISTRICT	\$17,366,345	\$19,248,038	\$18,063,143	\$12,992,701	\$42,138,980	(\$21,715,458)	\$20,423,522				\$9,891,180	\$10,532,343

Table 3-5

**Englewood Water District
Utility Rate Study
Water System**

Projection of Water Operating Expenses

Expenditure		Escalation	Adjusted	Projected Fiscal Year Ending September 30,					
No.	Code	Description	Reference	2025	2026	2027	2028	2029	2030
500 ADMINISTRATIVE									
1	500110	Board Salaries	Constant	\$12,181	\$12,181	\$12,181	\$12,181	\$12,181	\$12,181
2	500120	Personnel Expense - Existing	Labor	1,728,361	1,797,495	1,869,395	1,944,171	2,021,937	2,102,815
3	500225	OPEB	Labor	12,481	12,980	13,499	14,039	14,600	15,184
4	500255	Health/Dental/Vision	Ins-Health	707	742	779	818	859	902
5	500256	30+ Yr Employee Health Ben	Ins-Health	17,373	18,242	19,154	20,111	21,117	22,173
6	500309	Hiring Expenditures	Labor	4,413	4,590	4,773	4,964	5,163	5,369
7	500215	Prof Exp	Labor	152,562	158,664	165,011	171,611	178,476	185,615
8	500310	Prof Exp	Labor	0	0	0	0	0	0
9	500311	Legal Prof Exp	Labor	19,470	20,248	21,058	21,901	22,777	23,688
10	500313	Computer Hardware/phones/	Inflation	12,630	12,933	13,231	13,522	13,819	14,123
11	500315	Computer Software/Consultar	Inflation	155,291	159,018	162,676	166,255	169,912	173,650
12	500319	Licenses, Dues and Fees	Inflation	15,291	15,658	16,018	16,371	16,731	17,099
13	500320	Accounting and Auditing	Labor	20,817	21,650	22,516	23,417	24,354	25,328
14	500322	Service Appr	Labor	2,147	2,233	2,322	2,415	2,511	2,612
15	500323	Benevolent	Inflation	0	0	0	0	0	0
16	500324	Special Events	Inflation	2,446	2,505	2,562	2,619	2,676	2,735
17	500360	Pension	Labor	40,936	42,573	44,276	46,047	47,889	49,805
18	500400	Travel/Per Diem	Inflation	8,237	8,435	8,629	8,819	9,013	9,211
19	500410	Telephone	Inflation	31,514	32,270	33,012	33,739	34,481	35,239
20	500411	Public Notices	Inflation	2,796	2,863	2,929	2,993	3,059	3,126
21	500412	Postage	Customer	57,814	60,329	62,534	64,578	66,683	68,849
22	500430	Utilities	Electric	11,018	11,396	11,787	12,191	12,609	13,041
23	500440	Rentals and Leases	Inflation	1,258	1,288	1,318	1,347	1,376	1,407
24	500450	General Insurance	Gen-Ins	9,100	10,010	10,510	11,036	11,588	12,167
25	500460	Ground Repairs/Maint	Repair	499	517	536	557	578	602
26	500461	Maint Agreements	Repair	6,110	6,330	6,565	6,814	7,080	7,363
27	500462	Vehicle Repair/Maint	Repair	5,591	5,793	6,007	6,235	6,478	6,737
28	500463	Equip Repair/Maint	Repair	1,847	1,914	1,984	2,060	2,140	2,226
29	500464	Repair/Maint Bldgs	Repair	11,102	11,502	11,927	12,381	12,863	13,378
30	500465	Trash Removal	Inflation	1,048	1,074	1,098	1,122	1,147	1,172
31	500480	Promotional Activities	Inflation	599	613	628	641	655	670
32	500490	Bank Fees	Customer	54,510	56,881	58,960	60,887	62,872	64,914
33	500491	Non-Ad Valorem Taxes	Inflation	0	0	0	0	0	0
34	500492	Recording Fees	Inflation	1,797	1,840	1,883	1,924	1,966	2,010
35	500493	Misc Expenses	Inflation	12,481	12,780	13,074	13,362	13,656	13,956
36	500510	Office Supplies	Inflation	10,983	11,246	11,505	11,758	12,017	12,281
37	500511	Billing Agreements	Inflation	14,974	15,334	15,686	16,032	16,384	16,745
38	500520	Operating Supplies	Inflation	2,846	2,914	2,981	3,046	3,113	3,182
39	500521	Safety	Inflation	1,199	1,227	1,256	1,283	1,311	1,340
40	500522	Gasoline	Fuel	6,590	6,776	6,967	7,163	7,365	7,573
41	500523	Uniforms	Inflation	2,296	2,352	2,406	2,459	2,513	2,568
42	500525	Small Tools & Equipment	Inflation	11,332	11,604	11,871	12,132	12,399	12,672
43	500530	Education/Training	Inflation	8,968	9,183	9,394	9,601	9,812	10,028
44	500540	Books/Subscriptions	Inflation	100	102	105	107	109	112
45	500548	Damage Reimbursement	Inflation	250	256	261	267	273	279
46	500550	Disaster Recovery	Inflation	0	0	0	0	0	0
47	500551	Backflow Tokay Charge	Inflation	3,594	3,681	3,765	3,848	3,933	4,019
48		Additional Personal	Input	18,292	73,620	113,561	118,103	162,842	169,356
49		Add. Personal Dept. Capital	Input	2,496	2,496	2,496	0	2,496	0
50		Total Admin Expenses		\$2,498,347	\$2,648,338	\$2,785,085	\$2,886,926	\$3,037,816	\$3,149,502
520 LABORATORY									
51	520120	Personnel - Existing	Labor	\$119,439	\$124,216	\$129,185	\$134,352	\$139,726	\$145,315
52	520316	Outside Lab Testing	Inflation	440	451	461	471	481	492
53	520317	Lab Certification	Inflation	6,358	6,511	6,660	6,807	6,957	7,110
54	520400	Travel/Per Diem	Inflation	472	483	494	505	516	528
55	520410	Telephone	Inflation	0	0	0	0	0	0
56	520465	Trash Removal	Inflation	1,050	1,075	1,100	1,124	1,149	1,174
57	520450	General Insurance	Gen-Ins	218	239	251	264	277	291
58	520461	Maint Agreements	Repair	9,598	9,943	10,311	10,703	11,120	11,565
59	520463	Equip Repair/Maint	Repair	5,113	5,297	5,493	5,701	5,924	6,161
60	520464	Repair/Maint Bldgs	Repair	1,907	1,976	2,049	2,127	2,210	2,298
61	520523	Uniforms	Inflation	450	461	471	482	492	503
62	520524	Chemicals	Chemical	0	0	0	0	0	0
63	520315	Computer Software/Consultar	Inflation	340	348	356	364	372	380
64	520313	Computer Hardware/phones/	Inflation	225	230	236	241	246	252
65	520319	Licenses, Dues and Fees	Inflation	175	179	183	187	191	196
66	520412	Postage	Customer	1,500	1,565	1,622	1,675	1,730	1,786
67	520440	Rentals and Leases	Inflation	300	307	314	321	328	335
68	520510	Office Supplies	Inflation	700	717	733	749	766	783
69	520520	Operating Supplies	Inflation	26,153	26,781	27,397	27,999	28,615	29,245
70	520521	Safety	Inflation	250	256	262	268	274	280
71	520525	Small Tools & Equipment	Inflation	8,500	8,704	8,904	9,100	9,300	9,505
72	520530	Education	Inflation	505	517	529	541	553	565
73	520540	Books/Subscriptions	Inflation	0	0	0	0	0	0
74	520550	Disaster Recovery	Inflation	0	0	0	0	0	0
75		Additional Personal	Input	0	0	0	0	0	0
76		Add. Personal Dept. Capital	Input	0	0	0	0	0	0
77		Total Lab Expenses		\$183,691	\$190,256	\$197,012	\$203,982	\$211,228	\$218,762
530 PRODUCTION									
78	530120	Personnel - Existing	Labor	\$1,515,342	\$1,575,956	\$1,638,994	\$1,704,554	\$1,772,736	\$1,843,645
79	530316	Outside Lab Testing	Inflation	28,100	28,774	29,436	30,084	30,746	31,422
80	530318	Permits Professional	Inflation	172,247	176,381	180,438	184,407	188,464	192,610
81	530400	Travel/Per Diem	Inflation	2,390	2,447	2,504	2,559	2,615	2,673
82	530410	Telephone	Inflation	4,200	4,301	4,400	4,497	4,595	4,697
83	530430	Utilities	WElectric	780,542	820,659	858,126	895,476	934,379	974,897
84	530465	Trash Removal	Inflation	3,600	3,686	3,771	3,854	3,939	4,026
85	530450	General Insurance	Gen-Ins	62,744	69,018	72,469	76,093	79,897	83,892
86	530460	Ground Repairs/Maint	Repair	71,500	74,074	76,815	79,734	82,843	86,157
87	530462	Vehicle Repair/Maint	Repair	14,500	15,022	15,578	16,170	16,800	17,472
88	530463	Equip Repair/Maint	Repair	55,000	56,980	59,088	61,334	63,726	66,275
89	530464	Repair/Maint Bldgs	Repair	12,264	12,706	13,176	13,676	14,210	14,778
90	530467	System Repair & Maint	Repair	1,168,500	1,210,566	1,255,357	1,303,061	1,353,880	1,408,035

Table 3-5

**Englewood Water District
Utility Rate Study
Water System**

Projection of Water Operating Expenses

Line No.	Expenditure Code	Description	Escalation Reference	Adjusted 2025	Projected Fiscal Year Ending September 30,				
					2026	2027	2028	2029	2030
91	530522	Gasoline	Fuel	24,400	25,088	25,796	26,523	27,271	28,040
92	530523	Uniforms	Inflation	6,510	6,666	6,820	6,970	7,123	7,280
93	530524	Chemicals	Chemical	407,800	421,828	436,339	451,349	466,876	482,936
94	530315	Computer Software/Consultan	Inflation	100	102	105	107	109	112
95	530313	Computer Hardware/phones/i	Inflation	3,450	3,533	3,614	3,694	3,775	3,858
96	530319	Licenses, Dues and Fees	Inflation	4,989	5,109	5,226	5,341	5,459	5,579
97	530411	Public Notices	Inflation	1,500	1,536	1,571	1,606	1,641	1,677
98	530412	Postage	Cust-Water	4,800	5,004	5,183	5,349	5,520	5,697
99	530440	Rentals and Leases	Inflation	5,963	6,106	6,247	6,384	6,524	6,668
100	530493	Misc Expenses	Inflation	0	0	0	0	0	0
101	530510	Office Supplies	Inflation	5,200	5,325	5,447	5,567	5,690	5,815
102	530520	Operating Supplies	Inflation	5,400	5,530	5,657	5,781	5,908	6,038
103	530521	Safety/Educ/Training	Inflation	4,035	4,132	4,227	4,320	4,415	4,512
104	530525	Small Tools & Equipment	Inflation	16,600	16,998	17,389	17,772	18,163	18,562
105	530530	Education	Inflation	1,090	1,116	1,142	1,167	1,193	1,219
106	530540	Books/Subscriptions	Inflation	0	0	0	0	0	0
107	530550	Disaster Recovery	Inflation	0	0	0	0	0	0
108		Additional Personal	Input	0	0	0	0	0	0
109		Add. Personal Dept. Capital	Input	0	0	0	0	0	0
110		Total Operating Water Production Budget		\$4,382,766	\$4,558,644	\$4,734,914	\$4,917,427	\$5,108,497	\$5,308,571
	531	DISTRIBUTION							
111	531120	Personnel - Existing	Labor	\$1,376,991	\$1,432,071	\$1,489,353	\$1,548,928	\$1,610,885	\$1,675,320
112	531318	Permits Dist	Inflation	3,500	3,584	3,666	3,747	3,830	3,914
113	531400	Travel/Per Diem	Inflation	3,720	3,809	3,897	3,983	4,070	4,160
114	531410	Telephone	Inflation	7,800	7,987	8,171	8,351	8,534	8,722
115	531430	Utilities	WElectric	5,072	5,333	5,576	5,819	6,072	6,335
116	531465	Trash Removal	Inflation	12,000	12,288	12,571	12,847	13,130	13,419
117	531450	General Insurance	Gen-Ins	65,916	72,508	76,133	79,940	83,937	88,133
118	531460	Ground Repairs/Maint	Repair	0	0	0	0	0	0
119	531462	Vehicle Repair/Maint	Repair	39,200	40,611	42,114	43,714	45,419	47,236
120	531463	Equip Repair/Maint	Repair	56,000	58,016	60,163	62,449	64,884	67,480
121	531464	Repair/Maint Bldgs	Repair	4,714	4,884	5,064	5,257	5,462	5,680
122	531560	Service Extension	Inflation	25,000	25,600	26,189	26,765	27,354	27,956
123	531467	System Repair & Maint	Repair	172,038	178,231	184,826	191,849	199,331	207,305
124	531522	Gasoline	Fuel	43,200	44,418	45,671	46,959	48,283	49,645
125	531516	Meter Reading Equipment	Inflation	0	0	0	0	0	0
126	531518	Replacement - DCM	Repair	123,011	127,439	132,155	137,177	142,526	148,227
127	531519	Replacement - Meters	Repair	30,000	31,080	32,230	33,455	34,759	36,150
128	531517	Radio Read Register	Inflation	133,410	136,612	139,754	142,828	145,971	149,182
129	531526	Large Meter Replacement	Repair	12,000	12,432	12,892	13,382	13,904	14,460
130	531527	New Meter Accounts	Cust-Water	324,617	338,383	350,497	361,757	373,343	385,263
131	531523	Uniforms	Inflation	6,000	6,144	6,285	6,424	6,565	6,709
132	531524	Chemicals	Chemical	0	0	0	0	0	0
133	531315	Computer Software/Consultan	Inflation	330	338	346	353	361	369
134	531313	Computer Hardware/phones/i	Inflation	4,650	4,762	4,871	4,978	5,088	5,200
135	531319	Licenses, Dues and Fees	Inflation	1,834	1,878	1,921	1,963	2,007	2,051
136	531324	Special Events	Inflation	0	0	0	0	0	0
137	531411	Public Notices	Inflation	2,200	2,253	2,305	2,355	2,407	2,460
138	531412	Postage	Cust-Water	360	375	389	401	414	427
139	531440	Rentals and Leases	Inflation	2,200	2,253	2,305	2,355	2,407	2,460
140	531493	Misc Expenses	Inflation	0	0	0	0	0	0
141	531510	Office Supplies	Inflation	2,300	2,355	2,409	2,462	2,517	2,572
142	531520	Operating Supplies	Inflation	12,000	12,288	12,571	12,847	13,130	13,419
143	531521	Safety	Inflation	1,550	1,587	1,624	1,659	1,696	1,733
144	531525	Small Tools & Equipment	Inflation	25,600	26,214	26,817	27,407	28,010	28,626
145	531530	Education	Inflation	10,050	10,291	10,528	10,760	10,996	11,238
146	531548	Damage Reimbursement	Inflation	5,000	5,120	5,238	5,353	5,471	5,591
147	531540	Books/Subscriptions	Inflation	0	0	0	0	0	0
148	531550	Disaster Recovery	Inflation	0	0	0	0	0	0
149		Additional Personal	Input	0	53,474	111,226	173,512	180,453	187,671
150		Add. Personal Dept. Capital	Input	0	5,000	5,000	5,000	0	0
151		Subtotal Water Distribution Expense		\$2,512,263	\$2,669,619	\$2,824,754	\$2,987,037	\$3,093,215	\$3,209,112
152		Total Distribution Expenses		\$2,512,263	\$2,669,619	\$2,824,754	\$2,987,037	\$3,093,215	\$3,209,112
		OTHER OPERATING EXPENSES							
153		Contingency Allowance	Calculated	\$287,312	\$302,006	\$316,253	\$329,861	\$343,523	\$356,578
154		Bad Debt Allowance (0.250% of Operating Expenses)	Calculated	26,801	31,343	36,450	42,300	56,954	267,959
155		Allowance for Proj Exp Recognized as OpEx	Calculated	0	0	0	273,182	0	0
156		Line of Credit Cost	Calculated	0	145,213	104,416	34,969	0	0
157		Total Other Operating Expenses		\$314,113	\$478,561	\$457,119	\$680,312	\$400,477	\$624,537
158		TOTAL ENGLEWOOD WATER DISTRICT		\$9,891,180	\$10,545,418	\$10,998,884	\$11,675,684	\$11,851,232	\$12,510,485

Table 3-6

**Englewood Water District
Utility Rate Study
Wastewater System**

Projection of Wastewater Operating Expenses

Expenditure		Escalation	Adjusted	Projected Fiscal Year Ending September 30,					
No.	Code	Description	Reference	2025	2026	2027	2028	2029	2030
500 ADMINISTRATIVE									
1	500110	Board Salaries	Constant	\$12,219	\$12,219	\$12,219	\$12,219	\$12,219	\$12,219
2	500120	Personnel Expense - Existing	Labor	1,733,760	1,803,111	1,875,235	1,950,245	2,028,255	2,109,385
3	500225	OPEB	Labor	12,519	13,020	13,541	14,083	14,646	15,232
4	500255	Health/Dental/Vision	Ins-Health	709	745	782	821	862	905
5	500256	30+ Yr Employee Health Ben	Ins-Health	17,427	18,298	19,213	20,174	21,183	22,242
6	500309	Hiring Expenditures	Labor	4,427	4,604	4,788	4,980	5,179	5,386
7	500215	Prof Exp	Labor	153,038	159,160	165,526	172,147	179,033	186,195
8	500310	Prof Exp	Labor	0	0	0	0	0	0
9	500311	Legal Prof Exp	Labor	19,530	20,312	21,124	21,969	22,848	23,762
10	500313	Computer Hardware/phones/	Inflation	12,670	12,974	13,272	13,564	13,863	14,168
11	500315	Computer Software/Consultar	Inflation	155,777	159,515	163,184	166,774	170,443	174,193
12	500319	Licenses, Dues and Fees	Inflation	15,339	15,707	16,068	16,422	16,783	17,152
13	500320	Accounting and Auditing	Labor	20,883	21,718	22,587	23,490	24,430	25,407
14	500322	Service Appr	Labor	2,153	2,239	2,329	2,422	2,519	2,620
15	500323	Benevolent	Inflation	0	0	0	0	0	0
16	500324	Special Events	Inflation	2,454	2,513	2,571	2,627	2,685	2,744
17	500360	Pension	Labor	41,064	42,707	44,415	46,191	48,039	49,961
18	500400	Travel/Per Diem	Inflation	8,263	8,461	8,656	8,846	9,041	9,240
19	500410	Telephone	Inflation	31,612	32,371	33,115	33,844	34,589	35,350
20	500411	Public Notices	Inflation	2,804	2,872	2,938	3,002	3,068	3,136
21	500412	Postage	Customer	57,995	60,518	62,729	64,780	66,891	69,064
22	500430	Utilities	Electric	11,052	11,431	11,823	12,229	12,648	13,082
23	500440	Rentals and Leases	Inflation	1,262	1,292	1,322	1,351	1,381	1,411
24	500450	General Insurance	Gen-Ins	9,128	10,041	10,543	11,070	11,624	12,205
25	500460	Ground Repairs/Maint	Repair	501	519	538	558	580	603
26	500461	Maint Agreements	Repair	6,130	6,350	6,585	6,835	7,102	7,386
27	500462	Vehicle Repair/Maint	Repair	5,609	5,811	6,026	6,255	6,499	6,758
28	500463	Equip Repair/Maint	Repair	1,853	1,920	1,991	2,066	2,147	2,233
29	500464	Repair/Maint Bldgs	Repair	11,137	11,538	11,965	12,419	12,904	13,420
30	500465	Trash Removal	Inflation	1,052	1,077	1,102	1,126	1,151	1,176
31	500480	Promotional Activities	Inflation	601	615	630	643	658	672
32	500490	Bank Fees	Customer	54,680	57,059	59,144	61,078	63,068	65,117
33	500491	Non-Ad Valorem Taxes	Inflation	30,450	31,181	31,898	32,600	33,317	34,050
34	500492	Recording Fees	Inflation	1,803	1,846	1,889	1,930	1,973	2,016
35	500493	Misc Expenses	Inflation	12,519	12,820	13,115	13,403	13,698	14,000
36	500510	Office Supplies	Inflation	11,017	11,282	11,541	11,795	12,054	12,320
37	500511	Billing Agreements	Inflation	13,948	14,282	14,611	14,932	15,261	15,597
38	500520	Operating Supplies	Inflation	2,854	2,923	2,990	3,056	3,123	3,192
39	500521	Safety	Inflation	1,202	1,231	1,260	1,287	1,316	1,345
40	500522	Gasoline	Fuel	6,610	6,797	6,988	7,185	7,388	7,596
41	500523	Uniforms	Inflation	2,304	2,359	2,413	2,466	2,520	2,576
42	500525	Small Tools & Equipment	Inflation	11,368	11,641	11,908	12,170	12,438	12,712
43	500530	Education/Training	Inflation	8,996	9,212	9,424	9,631	9,843	10,060
44	500540	Books/Subscriptions	Inflation	100	103	105	107	110	112
45	500548	Damage Reimbursement	Inflation	250	256	262	268	274	280
46	500550	Disaster Recovery	Inflation	0	0	0	0	0	0
47	500551	Backflow Tokay Charge	Inflation	3,606	3,692	3,777	3,860	3,945	4,032
48		Additional Personal	Input	18,349	73,850	113,915	118,472	163,351	169,885
49		Add. Personal Debt. Capital	Input	2,504	2,504	2,504	0	2,504	0
50		Total Admin Expenses		\$2,535,529	\$2,686,694	\$2,824,560	\$2,927,396	\$3,079,449	\$3,192,191
520 LABORATORY									
51	520120	Personnel - Existing	Labor	\$119,439	\$124,216	\$129,185	\$134,352	\$139,726	\$145,315
52	520316	Outside Lab Testing	Inflation	440	451	461	471	481	492
53	520317	Lab Certification	Inflation	6,358	6,511	6,660	6,807	6,957	7,110
54	520400	Travel/Per Diem	Inflation	472	483	494	505	516	528
55	520410	Telephone	Inflation	0	0	0	0	0	0
56	520465	Trash Removal	Inflation	1,050	1,075	1,100	1,124	1,149	1,174
57	520450	General Insurance	Gen-Ins	218	239	251	264	277	291
58	520461	Maint Agreements	Repair	9,598	9,943	10,311	10,703	11,120	11,565
59	520463	Equip Repair/Maint	Repair	5,113	5,297	5,493	5,701	5,924	6,161
60	520464	Repair/Maint Bldgs	Repair	1,907	1,976	2,049	2,127	2,210	2,298
61	520523	Uniforms	Inflation	450	461	471	482	492	503
62	520524	Chemicals	Chemical	0	0	0	0	0	0
63	520315	Computer Software/Consultar	Inflation	340	348	356	364	372	380
64	520313	Computer Hardware/phones/	Inflation	225	230	236	241	246	252
65	520319	Licenses, Dues and Fees	Inflation	175	179	183	187	191	196
66	520412	Postage	Customer	1,500	1,565	1,622	1,675	1,730	1,786
67	520440	Rentals and Leases	Inflation	300	307	314	321	328	335
68	520510	Office Supplies	Inflation	700	717	733	749	766	783
69	520520	Operating Supplies	Inflation	26,153	26,781	27,397	27,999	28,615	29,245
70	520521	Safety	Inflation	250	256	262	268	274	280
71	520525	Small Tools & Equipment	Inflation	8,500	8,704	8,904	9,100	9,300	9,505
72	520530	Education	Inflation	505	517	529	541	553	565
73	520540	Books/Subscriptions	Inflation	0	0	0	0	0	0
74	520550	Disaster Recovery	Inflation	0	0	0	0	0	0
75		Additional Personal	Input	0	0	0	0	0	0
76		Add. Personal Debt. Capital	Input	0	0	0	0	0	0
77		Total Lab Expenses		\$183,691	\$190,256	\$197,012	\$203,982	\$211,228	\$218,762
540 WATER RECLAMATION FACILITY									
78	540120	Personnel - Existing	Labor	\$1,393,415	\$1,449,152	\$1,507,118	\$1,567,402	\$1,630,098	\$1,695,302
79	540316	Lab Testing	Inflation	17,388	17,805	18,215	18,616	19,025	19,444
80	540318	Permits	Inflation	36,000	36,864	37,712	38,542	39,389	40,256
81	540400	Travel	Inflation	8,280	8,479	8,674	8,865	9,060	9,259
82	540410	Telephone	Inflation	14,760	15,114	15,462	15,802	16,150	16,505
83	540430	Utilities	SElectric	557,398	587,781	615,808	643,613	672,600	702,819
84	540465	Trash Removal	Inflation	36,409	37,283	38,140	38,979	39,837	40,713
85	540450	General Insurance	Gen-Ins	90,510	99,561	104,539	109,766	115,254	121,017
86	540460	Ground Repairs/Maint	Repair	55,000	56,980	59,088	61,334	63,726	66,275
87	540462	Vehicle Repair/Maint	Repair	9,950	10,308	10,690	11,096	11,529	11,990
88	540463	Equip Repair/Maint	Repair	28,300	29,319	30,404	31,559	32,790	34,101
89	540464	Repair/Maint Bldgs	Repair	7,777	8,057	8,355	8,673	9,011	9,371
90	540467	System Repair & Maint	Repair	494,700	512,509	531,472	551,668	573,183	596,110

Table 3-6

**Englewood Water District
Utility Rate Study
Wastewater System**

Projection of Wastewater Operating Expenses

Line No.	Expenditure Code	Description	Escalation Reference	Adjusted 2025	Projected Fiscal Year Ending September 30,				
					2026	2027	2028	2029	2030
91	540471	Reuse R&M	Repair	75,000	77,700	80,575	83,637	86,899	90,375
92	540522	Gasoline	Fuel	21,600	22,209	22,835	23,479	24,141	24,822
93	540340	Sludge hauling	Cust-Sewer	141,134	147,306	152,712	157,726	162,887	168,197
94	540523	Uniforms	Inflation	11,700	11,981	12,256	12,526	12,802	13,083
95	540524	Chemicals	Chemical	245,000	253,428	262,146	271,164	280,492	290,141
96	540535	Security	Inflation	79,751	81,665	83,543	85,381	87,260	89,179
97	540315	Computer Software/Consultar	Inflation	180	184	189	193	197	201
98	540313	Computer Hardware/phones/	Inflation	2,700	2,765	2,828	2,891	2,954	3,019
99	540319	Licenses, Dues and Fees	Inflation	2,904	2,974	3,042	3,109	3,177	3,247
100	540411	Public Notices	Inflation	500	512	524	535	547	559
101	540412	Postage	Cust-Sewer	6,000	6,262	6,492	6,705	6,925	7,151
102	540440	Rentals and Leases	Inflation	10,000	10,240	10,476	10,706	10,942	11,182
103	540493	Misc Exp	Inflation	0	0	0	0	0	0
104	540510	Office Supplies	Inflation	5,400	5,530	5,657	5,781	5,908	6,038
105	540520	Operating Supplies	Inflation	33,433	34,235	35,023	35,793	36,581	37,386
106	540521	Safety	Inflation	4,800	4,915	5,028	5,139	5,252	5,367
107	540525	Small Tools & Equipment	Inflation	16,200	16,589	16,970	17,344	17,725	18,115
108	540530	Education	Inflation	10,830	11,090	11,345	11,595	11,850	12,110
109	540540	Books/Subscriptions	Inflation	0	0	0	0	0	0
110	540548	Damage Reimbursement	Inflation	5,000	5,120	5,238	5,353	5,471	5,591
111	540550	Disaster Recovery	Inflation	0	0	0	0	0	0
112		Additional Personal	Input	0	56,054	178,796	375,958	588,607	612,151
113		Add. Personal Debt. Capital	Input	0	5,000	10,000	15,000	15,000	0
114		Total Water Reclamation Facility Expenses		\$3,422,019	\$3,624,972	\$3,891,352	\$4,235,928	\$4,597,267	\$4,761,078
541 WASTEWATER COLLECTIONS									
115	541120	Personnel - Existing	Labor	\$1,571,465	\$1,634,324	\$1,699,697	\$1,767,684	\$1,838,392	\$1,911,927
116	541318	Permits	Inflation	3,000	3,072	3,143	3,212	3,282	3,355
117	541400	Travel	Inflation	6,000	6,144	6,285	6,424	6,565	6,709
118	541410	Telephone	Inflation	12,462	12,761	13,055	13,342	13,635	13,935
119	541430	Utilities	SElectric	409,128	431,429	452,001	472,409	493,686	515,866
120	541465	Trash Removal	Inflation	10,680	10,936	11,188	11,434	11,686	11,943
121	541450	General Insurance	Gen-Ins	197,184	216,902	227,748	239,135	251,092	263,646
122	541460	Ground Repairs/Maint	Repair	56,000	58,016	60,163	62,449	64,884	67,480
123	541462	Vehicle Repair/Maint	Repair	53,800	55,737	57,799	59,995	62,335	64,829
124	541463	Equip Repair/Maint	Repair	129,499	134,161	139,125	144,412	150,044	156,045
125	541464	Repair/Maint Bldgs	Repair	6,285	6,511	6,752	7,009	7,282	7,573
126	541560	Service Extension	Repair	50,000	51,800	53,717	55,758	57,932	60,250
127	541467	System Repair & Maint	Repair	302,957	313,863	325,476	337,845	351,020	365,061
128	541469	Lift Station Repair & Maint	Repair	324,400	336,078	348,513	361,757	375,865	390,900
129	541470	Vacuum Repair & Maint	Repair	390,200	404,247	419,204	435,134	452,104	470,189
130	541522	Gasoline	Fuel	67,000	68,889	70,832	72,830	74,883	76,995
131	541523	Uniforms	Inflation	19,100	19,558	20,008	20,448	20,898	21,358
132	541524	Chemicals	Chemical	500	517	535	553	572	592
133	541315	Computer Software/Consultar	Inflation	1,040	1,065	1,089	1,113	1,138	1,163
134	541313	Computer Hardware/phones/	Inflation	2,550	2,611	2,671	2,730	2,790	2,851
135	541319	Licenses, Dues and Fees	Inflation	1,144	1,171	1,198	1,225	1,252	1,279
136	541412	Postage	Cust-Sewer	5,400	5,636	5,843	6,035	6,232	6,435
137	541440	Rentals and Leases	Inflation	1,700	1,741	1,781	1,820	1,860	1,901
138	541461	Maint Agreements	Repair	0	0	0	0	0	0
139	541493	Misc Expenses	Inflation	0	0	0	0	0	0
140	541510	Office Supplies	Inflation	4,000	4,096	4,190	4,282	4,377	4,473
141	541520	Operating Supplies	Inflation	25,000	25,600	26,189	26,765	27,354	27,956
142	541521	Safety/Educ/Training	Inflation	4,250	4,352	4,452	4,550	4,650	4,752
143	541525	Small Tools & Equipment	Inflation	47,500	48,640	49,759	50,853	51,972	53,116
144	541530	Education	Inflation	9,100	9,318	9,533	9,742	9,957	10,176
145	541540	Books/Subscriptions	Inflation	0	0	0	0	0	0
146	541548	Damage Reimbursement	Inflation	5,000	5,120	5,238	5,353	5,471	5,591
147	541550	Disaster Recovery	Inflation	0	0	0	0	0	0
148		Additional Personal	Input	51,417	106,948	111,226	173,512	180,453	187,671
149		Add. Personal Debt. Capital	Input	10,000	0	0	5,000	0	0
150		Subtotal Wastewater Collections Expenses		\$3,777,761	\$3,981,246	\$4,138,409	\$4,364,810	\$4,533,664	\$4,716,018
<u>Capital Needs</u>									
151	541642	Principal	Eliminate	\$0	\$0	\$0	\$0	\$0	\$0
152	541644	Interest	Eliminate	0	0	0	0	0	0
153	541643	Capital Outlay	Eliminate	0	0	0	0	0	0
154	541620	Capital Improvement	Eliminate	0	0	0	0	0	0
155		Total Capital Needs		\$0	\$0	\$0	\$0	\$0	\$0
156		Total Wastewater Collections Expenses		\$3,777,761	\$3,981,246	\$4,138,409	\$4,364,810	\$4,533,664	\$4,716,018
OTHER OPERATING EXPENSES									
157		Contingency Allowance	Calculated	\$297,570	\$314,495	\$331,540	\$351,963	\$372,648	\$386,641
158		Bad Debt Allowance (0.250% of Operating Expenses)	Calculated	30,266	31,343	36,450	42,300	56,954	267,959
159		Allowance for Proj Exp Recognized as OpEx	Calculated	285,507	0	0	0	281,377	0
160		Line of Credit Cost	Calculated	0	0	164,252	114,819	38,649	0
161		Total Other Operating Expenses		\$613,343	\$345,838	\$532,242	\$509,083	\$749,628	\$654,600
162		TOTAL ENGLEWOOD WATER DISTRICT		\$10,532,343	\$10,829,006	\$11,583,575	\$12,241,199	\$13,171,236	\$13,542,650

Table 3-7

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Escalation References

Line No.	Description	Escalation Reference	Projected Fiscal Year Ending September 30,				
			2026	2027	2028	2029	2030
1	General Inflation (CPI Index) [1]	Inflation	1.0240	1.0230	1.0220	1.0220	1.0220
2	Labor Escalator [2]	Labor	1.0400	1.0400	1.0400	1.0400	1.0400
3	Repair and Maintenance	Repair	1.0360	1.0370	1.0380	1.0390	1.0400
4	General Insurance [2]	Gen-Ins	1.1000	1.0500	1.0500	1.0500	1.0500
5	Health Insurance [2]	Ins-Health	1.0500	1.0500	1.0500	1.0500	1.0500
6	Fuel and Oil [3]	Fuel	1.0282	1.0282	1.0282	1.0282	1.0282
7	Electricity - Commodity [4]	Electric	1.0343	1.0343	1.0343	1.0343	1.0343
8	Electricity + Flow Growth - Water	WElectric	1.0514	1.0457	1.0435	1.0434	1.0434
9	Electricity + Flow Growth - Wastewater	SElectric	1.0545	1.0477	1.0452	1.0450	1.0449
10	Chemicals - Commodity [5]	Chemical	1.0344	1.0344	1.0344	1.0344	1.0344
11	Constant	Constant	1.0000	1.0000	1.0000	1.0000	1.0000
12	Elimination Factor	Eliminate	0.0000	0.0000	0.0000	0.0000	0.0000
13	Customer Account Growth	Customer	1.0435	1.0365	1.0327	1.0326	1.0325
14	Customer Acct. Growth + Inflation (Water) [6]	Cust-Water	1.0424	1.0358	1.0321	1.0320	1.0319
15	Customer Acct. Growth + Inflation (Sewer) [6]	Cust-Sewer	1.0437	1.0367	1.0328	1.0327	1.0326
16	Marginal	Marginal	1.0100	1.0100	1.0100	1.0100	1.0100

Footnotes:

- [1] Estimates based on projections contained in "An Update to the Budget and Economic Outlook: 2025 to 2035" published by the Congressional Budget Office in January 2025.
- [2] Based on information provided by District staff.
- [3] Based on 20-year change in U.S. City average for Fuel Oil as reported by the Bureau of Labor Statistics (Series ID: CUSR0000SEHE01).
- [4] Based on 20-year change in U.S. City average for Electricity as reported by the Bureau of Labor Statistics (Series ID: CUSR0000SEHF01).
- [5] Based on historical increases in chemical costs.
- [6] Amounts shown based on customer growth and flow projections for the Forecast Period.

Table 3-8

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Projection of Water and Wastewater Operating Expenses

Line No.	Expenditure Code	Description	Escalation Reference	Adjusted	Projected Fiscal Year Ending September 30,				
				2025	2026	2027	2028	2029	2030
	500	ADMINISTRATIVE							
1	500110	Board Salaries	Labor	\$24,400	\$24,400	\$24,400	\$24,400	\$24,400	\$24,400
2	500120	Personnel Expense - Existing	Labor	3,462,121	3,600,606	3,744,630	3,894,415	4,050,192	4,212,200
3	500225	OPEB	Labor	25,000	26,000	27,040	28,122	29,246	30,416
4	500255	Health/Dental/Vision	Ins-Health	1,416	1,487	1,561	1,639	1,721	1,807
5	500256	30+ Yr Employee Health Ben	Ins-Health	34,800	36,540	38,367	40,285	42,300	44,415
6	500309	Hiring Expenditures	Labor	8,840	9,194	9,561	9,944	10,342	10,755
7	500215	Prof Exp	Labor	305,600	317,824	330,537	343,758	357,509	371,809
8	500310	Prof Exp	Labor	0	0	0	0	0	0
9	500311	Legal Prof Exp	Labor	39,000	40,560	42,182	43,870	45,624	47,449
10	500313	Computer Hardware/phones/	Inflation	25,300	25,907	26,503	27,086	27,682	28,291
11	500315	Computer Software/Consultar	Inflation	311,068	318,534	325,860	333,029	340,355	347,843
12	500319	Licenses, Dues and Fees	Inflation	30,630	31,365	32,087	32,792	33,514	34,251
13	500320	Accounting and Auditing	Labor	41,700	43,368	45,103	46,907	48,783	50,734
14	500322	Service Appr	Labor	4,300	4,472	4,651	4,837	5,030	5,232
15	500323	Benevolent	Inflation	0	0	0	0	0	0
16	500324	Special Events	Inflation	4,900	5,018	5,133	5,246	5,361	5,479
17	500360	Pension	Labor	82,000	85,280	88,691	92,239	95,928	99,766
18	500400	Travel/Per Diem	Inflation	16,500	16,896	17,285	17,665	18,053	18,451
19	500410	Telephone	Inflation	63,126	64,641	66,128	67,583	69,069	70,589
20	500411	Public Notices	Inflation	5,600	5,734	5,866	5,995	6,127	6,262
21	500412	Postage	Customer	115,809	120,847	125,263	129,359	133,574	137,913
22	500430	Utilities	Electric	22,070	22,827	23,610	24,420	25,257	26,124
23	500440	Rentals and Leases	Inflation	2,520	2,580	2,640	2,698	2,757	2,818
24	500450	General Insurance	Gen-Ins	18,228	20,051	21,053	22,106	23,211	24,372
25	500460	Ground Repairs/Maint	Repair	1,000	1,036	1,074	1,115	1,159	1,205
26	500461	Maint Agreements	Repair	12,240	12,681	13,150	13,650	14,182	14,749
27	500462	Vehicle Repair/Maint	Repair	11,200	11,603	12,033	12,490	12,977	13,496
28	500463	Equip Repair/Maint	Repair	3,700	3,833	3,975	4,126	4,287	4,458
29	500464	Repair/Maint Bldgs	Repair	22,239	23,040	23,892	24,800	25,767	26,798
30	500465	Trash Removal	Inflation	2,100	2,150	2,200	2,248	2,298	2,348
31	500480	Promotional Activities	Inflation	1,200	1,229	1,257	1,285	1,313	1,342
32	500490	Bank Fees	Customer	109,190	113,940	118,103	121,965	125,940	130,030
33	500491	Non-Ad Valorem Taxes	Inflation	30,450	31,181	31,898	32,600	33,317	34,050
34	500492	Recording Fees	Inflation	3,600	3,686	3,771	3,854	3,939	4,026
35	500493	Misc Expenses	Inflation	25,000	25,600	26,189	26,765	27,354	27,956
36	500510	Office Supplies	Inflation	22,000	22,528	23,046	23,553	24,071	24,601
37	500511	Billing Agreements	Inflation	28,922	29,616	30,297	30,964	31,645	32,341
38	500520	Operating Supplies	Inflation	5,700	5,837	5,971	6,102	6,237	6,374
39	500521	Safety	Inflation	2,401	2,459	2,515	2,571	2,627	2,685
40	500522	Gasoline	Fuel	13,200	13,572	13,955	14,349	14,753	15,169
41	500523	Uniforms	Inflation	4,600	4,710	4,819	4,925	5,033	5,144
42	500525	Small Tools & Equipment	Inflation	22,700	23,245	23,779	24,303	24,837	25,384
43	500530	Education/Training	Inflation	17,964	18,395	18,818	19,232	19,655	20,088
44	500540	Books/Subscriptions	Inflation	200	205	210	214	219	224
45	500548	Damage Reimbursement	Inflation	500	512	524	535	547	559
46	500550	Disaster Recovery	Inflation	0	0	0	0	0	0
47	500551	Backflow Tokay Charge	Inflation	7,200	7,373	7,542	7,708	7,878	8,051
48	AddPer	Additional Personnel	Input	36,641	147,470	227,476	236,575	326,192	339,240
49	AddPer	Add. Personal Debt. Capital	Input	5,000	5,000	5,000	0	5,000	0
50		Total Admin Expenses		\$5,033,875	\$5,335,032	\$5,609,646	\$5,814,323	\$6,117,266	\$6,341,693
	520	LABORATORY							
51	520120	Personnel - Existing	Labor	\$238,877	\$248,432	\$258,369	\$268,704	\$279,452	\$290,630
52	520316	Outside Lab Testing	Inflation	880	901	922	942	963	984
53	520317	Lab Certification	Inflation	12,716	13,021	13,321	13,614	13,913	14,219
54	520400	Travel/Per Diem	Inflation	944	967	989	1,011	1,033	1,056
55	520410	Telephone	Inflation	0	0	0	0	0	0
56	520465	Trash Removal	Inflation	2,100	2,150	2,200	2,248	2,298	2,348
57	520450	General Insurance	Gen-Ins	435	479	502	528	554	582
58	520461	Maint Agreements	Repair	19,195	19,886	20,622	21,405	22,240	23,130
59	520463	Equip Repair/Maint	Repair	10,225	10,593	10,985	11,402	11,847	12,321
60	520464	Repair/Maint Bldgs	Repair	3,814	3,951	4,098	4,253	4,419	4,596
61	520523	Uniforms	Inflation	900	922	943	964	985	1,006
62	520524	Chemicals	Chemical	0	0	0	0	0	0
63	520315	Computer Software/Consultar	Inflation	680	696	712	728	744	760
64	520313	Computer Hardware/phones/	Inflation	450	461	471	482	492	503
65	520319	Licenses, Dues and Fees	Inflation	\$350	\$358	\$367	\$375	\$383	\$391
66	520412	Postage	Customer	3,000	3,131	3,245	3,351	3,460	3,573
67	520440	Rentals and Leases	Inflation	600	614	629	642	656	671
68	520510	Office Supplies	Inflation	1,400	1,434	1,467	1,499	1,532	1,566
69	520520	Operating Supplies	Inflation	52,306	53,561	54,793	55,999	57,231	58,490
70	520521	Safety	Inflation	500	512	524	535	547	559
71	520525	Small Tools & Equipment	Inflation	17,000	17,408	17,808	18,200	18,601	19,010
72	520530	Education	Inflation	1,010	1,034	1,058	1,081	1,105	1,129
73	520540	Books/Subscriptions	Inflation	0	0	0	0	0	0
74	520550	Disaster Recovery	Inflation	0	0	0	0	0	0
75	AddPer	Additional Personnel	Input	0	0	0	0	0	0
76	AddPer	Add. Personal Debt. Capital	Input	0	0	0	0	0	0
77		Total Lab Expenses		\$367,382	\$380,512	\$394,024	\$407,963	\$422,455	\$437,524
	530	PRODUCTION							
78	530120	Personnel - Existing	Labor	\$1,515,342	\$1,575,956	\$1,638,994	\$1,704,554	\$1,772,736	\$1,843,645
79	530316	Outside Lab Testing	Inflation	28,100	28,774	29,436	30,084	30,746	31,422
80	530318	Permits Professional	Inflation	172,247	176,381	180,438	184,440	188,464	192,610
81	530400	Travel/Per Diem	Inflation	2,390	2,447	2,504	2,559	2,615	2,673
82	530410	Telephone	Inflation	4,200	4,301	4,400	4,497	4,595	4,697
83	530430	Utilities	Electric	780,542	820,659	858,126	895,476	934,379	974,897
84	530465	Trash Removal	Inflation	3,600	3,686	3,771	3,854	3,939	4,026
85	530450	General Insurance	Gen-Ins	62,744	69,018	72,469	76,093	79,897	83,892
86	530460	Ground Repairs/Maint	Repair	71,500	74,074	76,815	79,734	82,843	86,157
87	530462	Vehicle Repair/Maint	Repair	14,500	15,022	15,578	16,170	16,800	17,472
88	530463	Equip Repair/Maint	Repair	55,000	56,980	59,088	61,334	63,726	66,275

Table 3-8

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Projection of Water and Wastewater Operating Expenses

Line No.	Expenditure Code	Description	Escalation Reference	Adjusted 2025	Projected Fiscal Year Ending September 30,				
					2026	2027	2028	2029	2030
89	530464	Repair/Maint Bldgs	Repair	12,264	12,706	13,176	13,676	14,210	14,778
90	530467	System Repair & Maint	Repair	1,168,500	1,210,566	1,255,357	1,303,061	1,353,880	1,408,035
91	530522	Gasoline	Fuel	24,400	25,088	25,796	26,523	27,271	28,040
92	530523	Uniforms	Inflation	6,510	6,666	6,820	6,970	7,123	7,280
93	530524	Chemicals	Chemical	407,800	421,828	436,339	451,349	466,876	482,936
94	530315	Computer Software/Consultan	Inflation	100	102	105	107	109	112
95	530313	Computer Hardware/phones/i	Inflation	3,450	3,533	3,614	3,694	3,775	3,858
96	530319	Licenses, Dues and Fees	Inflation	4,989	5,109	5,226	5,341	5,459	5,579
97	530411	Public Notices	Inflation	1,500	1,536	1,571	1,606	1,641	1,677
98	530412	Postage	Cust-Water	4,800	5,004	5,183	5,349	5,520	5,697
99	530440	Rentals and Leases	Inflation	5,963	6,106	6,247	6,384	6,524	6,668
100	530493	Misc Expenses	Inflation	0	0	0	0	0	0
101	530510	Office Supplies	Inflation	5,200	5,325	5,447	5,567	5,690	5,815
102	530520	Operating Supplies	Inflation	5,400	5,530	5,657	5,781	5,908	6,038
103	530521	Safety/Educa/Training	Inflation	4,035	4,132	4,227	4,320	4,415	4,512
104	530525	Small Tools & Equipment	Inflation	16,600	16,998	17,389	17,772	18,163	18,562
105	530530	Education	Inflation	1,090	1,116	1,142	1,167	1,193	1,219
106	530540	Books/Subscriptions	Inflation	0	0	0	0	0	0
107	530550	Disaster Recovery	Inflation	0	0	0	0	0	0
108	AddPer	Additional Personnel	Input	0	0	0	0	0	0
109	AddPer	Add. Personal Debt. Capital	Input	0	0	0	0	0	0
110		Total Operating Water Production Budget		\$4,382,766	\$4,558,644	\$4,734,914	\$4,917,427	\$5,108,497	\$5,308,571
531 DISTRIBUTION									
111	531120	Personnel - Existing	Labor	\$1,376,991	\$1,432,071	\$1,489,353	\$1,548,928	\$1,610,885	\$1,675,320
112	531318	Permits Dist	Inflation	3,500	3,584	3,666	3,747	3,830	3,914
113	531400	Travel/Per Diem	Inflation	3,720	3,809	3,897	3,983	4,070	4,160
114	531410	Telephone	Inflation	7,800	7,987	8,171	8,351	8,534	8,722
115	531430	Utilities	Electric	5,072	5,333	5,576	5,819	6,072	6,335
116	531465	Trash Removal	Inflation	12,000	12,288	12,571	12,847	13,130	13,419
117	531450	General Insurance	Gen-Ins	65,916	72,508	76,133	79,940	83,937	88,133
118	531460	Ground Repairs/Maint	Repair	0	0	0	0	0	0
119	531462	Vehicle Repair/Maint	Repair	39,200	40,611	42,114	43,714	45,419	47,236
120	531463	Equip Repair/Maint	Repair	56,000	58,016	60,163	62,449	64,884	67,480
121	531464	Repair/Maint Bldgs	Repair	4,714	4,884	5,064	5,257	5,462	5,680
122	531560	Service Extension	Inflation	25,000	25,600	26,189	26,765	27,354	27,956
123	531467	System Repair & Maint	Repair	172,038	178,231	184,826	191,849	199,331	207,305
124	531522	Gasoline	Fuel	43,200	44,418	45,671	46,959	48,283	49,645
125	531516	Meter Reading Equipment	Inflation	0	0	0	0	0	0
126	531518	Replacement - DCMA	Repair	123,011	127,439	132,155	137,177	142,526	148,227
127	531519	Replacement - Meters	Repair	30,000	31,080	32,230	33,455	34,759	36,150
128	531517	Radio Read Register	Inflation	133,410	136,612	139,754	142,828	145,971	149,182
129	531526	Large Meter Replacement	Repair	12,000	12,432	12,892	13,382	13,904	14,460
130	531527	New Meter Accounts	Cust-Water	324,617	338,383	350,497	361,757	373,343	385,263
131	531523	Uniforms	Inflation	6,000	6,144	6,285	6,424	6,565	6,709
132	531524	Chemicals	Chemical	0	0	0	0	0	0
133	531315	Computer Software/Consultan	Inflation	330	338	346	353	361	369
134	531313	Computer Hardware/phones/i	Inflation	4,650	4,762	4,871	4,978	5,088	5,200
135	531319	Licenses, Dues and Fees	Inflation	1,834	1,878	1,921	1,963	2,007	2,051
136	531324	Special Events	Inflation	0	0	0	0	0	0
137	531411	Public Notices	Inflation	2,200	2,253	2,305	2,355	2,407	2,460
138	531412	Postage	Cust-Water	360	375	389	401	414	427
139	531440	Rentals and Leases	Inflation	2,200	2,253	2,305	2,355	2,407	2,460
140	531493	Misc Expenses	Inflation	0	0	0	0	0	0
141	531510	Office Supplies	Inflation	2,300	2,355	2,409	2,462	2,517	2,572
142	531520	Operating Supplies	Inflation	12,000	12,288	12,571	12,847	13,130	13,419
143	531521	Safety	Inflation	1,550	1,587	1,624	1,659	1,696	1,733
144	531525	Small Tools & Equipment	Inflation	25,600	26,214	26,817	27,407	28,010	28,626
145	531530	Education	Inflation	10,050	10,291	10,528	10,760	10,996	11,238
146	531548	Damage Reimbursement	Inflation	5,000	5,120	5,238	5,353	5,471	5,591
147	531540	Books/Subscriptions	Inflation	0	0	0	0	0	0
148	531550	Disaster Recovery	Inflation	0	0	0	0	0	0
149	AddPer	Additional Personnel	Input	0	53,474	111,226	173,512	180,453	187,671
150	AddPer	Add. Personal Debt. Capital	Input	0	5,000	5,000	5,000	0	0
151		Subtotal Water Distribution Expense		\$2,512,263	\$2,669,619	\$2,824,754	\$2,987,037	\$3,093,215	\$3,209,112
152		Total Distribution Expenses		\$2,512,263	\$2,669,619	\$2,824,754	\$2,987,037	\$3,093,215	\$3,209,112
540 WATER RECLAMATION FACILITY									
153	540120	Personnel - Existing	Labor	\$1,393,415	\$1,449,152	\$1,507,118	\$1,567,402	\$1,630,098	\$1,695,302
154	540316	Lab Testing	Inflation	17,388	17,805	18,215	18,616	19,025	19,444
155	540318	Permits	Inflation	36,000	36,864	37,712	38,542	39,389	40,256
156	540400	Travel	Inflation	8,280	8,479	8,674	8,865	9,060	9,259
157	540410	Telephone	Inflation	14,760	15,114	15,462	15,802	16,150	16,505
158	540430	Utilities	Electric	557,398	587,781	615,808	643,613	672,600	702,819
159	540465	Trash Removal	Inflation	36,409	37,283	38,140	38,979	39,837	40,713
160	540450	General Insurance	Gen-Ins	90,510	99,561	104,539	109,766	115,254	121,017
161	540460	Ground Repairs/Maint	Repair	55,000	56,980	59,088	61,334	63,726	66,275
162	540462	Vehicle Repair/Maint	Repair	9,950	10,308	10,690	11,096	11,529	11,990
163	540463	Equip Repair/Maint	Repair	28,300	29,319	30,404	31,559	32,790	34,101
164	540464	Repair/Maint Bldgs	Repair	7,777	8,057	8,355	8,673	9,011	9,371
165	540467	System Repair & Maint	Repair	494,700	512,509	531,472	551,668	573,183	596,110
166	540471	Reuse R&M	Repair	75,000	77,700	80,575	83,637	86,899	90,375
167	540522	Gasoline	Fuel	\$21,600	\$22,209	\$22,835	\$23,479	\$24,141	\$24,822
168	540340	Sludge hauling	Cust-Sewer	141,134	147,306	152,712	157,726	162,887	168,197
169	540523	Uniforms	Inflation	11,700	11,981	12,256	12,526	12,802	13,083
170	540524	Chemicals	Chemical	245,000	253,428	262,146	271,164	280,492	290,141
171	540535	Security	Inflation	79,751	81,665	83,543	85,381	87,260	89,179
172	540315	Computer Software/Consultar	Inflation	180	184	189	193	197	201
173	540313	Computer Hardware/phones/	Inflation	2,700	2,765	2,828	2,891	2,954	3,019
174	540319	Licenses, Dues and Fees	Inflation	2,904	2,974	3,042	3,109	3,177	3,247
175	540411	Public Notices	Inflation	500	512	524	535	547	559
176	540412	Postage	Cust-Sewer	6,000	6,262	6,492	6,705	6,925	7,151
177	540440	Rentals and Leases	Inflation	10,000	10,240	10,476	10,706	10,942	11,182

Table 3-8

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Projection of Water and Wastewater Operating Expenses

Line No.	Expenditure Code	Description	Escalation Reference	Adjusted 2025	Projected Fiscal Year Ending September 30,				
					2026	2027	2028	2029	2030
178	540493	Misc Exp	Inflation	0	0	0	0	0	0
179	540510	Office Supplies	Inflation	5,400	5,530	5,657	5,781	5,908	6,038
180	540520	Operating Supplies	Inflation	33,433	34,235	35,023	35,793	36,581	37,386
181	540521	Safety	Inflation	4,800	4,915	5,028	5,139	5,252	5,367
182	540525	Small Tools & Equipment	Inflation	16,200	16,589	16,970	17,344	17,725	18,115
183	540530	Education	Inflation	10,830	11,090	11,345	11,595	11,850	12,110
184	540540	Books/Subscriptions	Inflation	0	0	0	0	0	0
185	540548	Damage Reimbursement	Inflation	5,000	5,120	5,238	5,353	5,471	5,591
186	540550	Disaster Recovery	Inflation	0	0	0	0	0	0
187	AddPer	Additional Personal	Input	0	56,054	178,796	375,958	588,607	612,151
188	AddPer	Add. Personal Dept. Capital	Input	0	5,000	10,000	15,000	15,000	0
189		Total Water Reclamation Facility Expenses		\$3,422,019	\$3,624,972	\$3,891,352	\$4,235,928	\$4,597,267	\$4,761,078
541 WASTEWATER COLLECTIONS									
190	541120	Personnel - Existing	Labor	\$1,571,465	\$1,634,324	\$1,699,697	\$1,767,684	\$1,838,392	\$1,911,927
191	541318	Permits	Inflation	3,000	3,072	3,143	3,212	3,282	3,355
192	541400	Travel	Inflation	6,000	6,144	6,285	6,424	6,565	6,709
193	541410	Telephone	Inflation	12,462	12,761	13,055	13,342	13,635	13,935
194	541430	Utilities	Electric	409,128	431,429	452,001	472,409	493,686	515,866
195	541465	Trash Removal	Inflation	10,680	10,936	11,188	11,434	11,686	11,943
196	541450	General Insurance	Gen-Ins	197,184	216,902	227,748	239,135	251,092	263,646
197	541460	Ground Repairs/Maint	Repair	56,000	58,016	60,163	62,449	64,884	67,480
198	541462	Vehicle Repair/Maint	Repair	53,800	55,737	57,799	59,995	62,335	64,829
199	541463	Equip Repair/Maint	Repair	129,499	134,161	139,125	144,412	150,044	156,045
200	541464	Repair/Maint Bldgs	Repair	6,285	6,511	6,752	7,009	7,282	7,573
201	541560	Service Extension	Repair	50,000	51,800	53,717	55,758	57,932	60,250
202	541467	System Repair & Maint	Repair	302,957	313,863	325,476	337,845	351,020	365,061
203	541469	Lift Station Repair & Maint	Repair	324,400	336,078	348,513	361,757	375,865	390,900
204	541470	Vacuum Repair & Maint	Repair	390,200	404,247	419,204	435,134	452,104	470,189
205	541522	Gasoline	Fuel	67,000	68,889	70,832	72,830	74,883	76,995
206	541523	Uniforms	Inflation	19,100	19,558	20,008	20,448	20,898	21,358
207	541524	Chemicals	Chemical	500	517	535	553	572	592
208	541315	Computer Software/Consultar	Inflation	1,040	1,065	1,089	1,113	1,138	1,163
209	541313	Computer Hardware/phones/	Inflation	2,550	2,611	2,671	2,730	2,790	2,851
210	541319	Licenses, Dues and Fees	Inflation	1,144	1,171	1,198	1,225	1,252	1,279
211	541412	Postage	Cust-Sewer	5,400	5,636	5,843	6,035	6,232	6,435
212	541440	Rentals and Leases	Inflation	1,700	1,741	1,781	1,820	1,860	1,901
213	541461	Maint Agreements	Repair	0	0	0	0	0	0
214	541493	Misc Expenses	Inflation	0	0	0	0	0	0
215	541510	Office Supplies	Inflation	4,000	4,096	4,190	4,282	4,377	4,473
216	541520	Operating Supplies	Inflation	25,000	25,600	26,189	26,765	27,354	27,956
217	541521	Safety/Educa/Training	Inflation	4,250	4,352	4,452	4,550	4,650	4,752
218	541525	Small Tools & Equipment	Inflation	47,500	48,640	49,759	50,853	51,972	53,116
219	541530	Education	Inflation	9,100	9,318	9,533	9,742	9,957	10,176
220	541540	Books/Subscriptions	Inflation	0	0	0	0	0	0
221	541548	Damage Reimbursement	Inflation	5,000	5,120	5,238	5,353	5,471	5,591
222	541550	Disaster Recovery	Inflation	0	0	0	0	0	0
223	AddPer	Additional Personnel	Input	51,417	106,948	111,226	173,512	180,453	187,671
224	AddPer	Add. Personal Debt. Capital	Input	10,000	0	0	5,000	0	0
225		Subtotal Wastewater Collections Expenses		\$3,777,761	\$3,981,246	\$4,138,409	\$4,364,810	\$4,533,664	\$4,716,018
226		Total Wastewater Collections Expenses		\$3,777,761	\$3,981,246	\$4,138,409	\$4,364,810	\$4,533,664	\$4,716,018
OTHER OPERATING EXPENSES									
227		Contingency Allowance	Calculated	\$584,882	\$616,501	\$647,793	\$681,825	\$716,171	\$743,220
228		Bad Debt Allowance (0.250% of Operating Expenses)	Calculated	57,067	62,686	72,900	84,600	113,908	535,918
229		Allowance for Proj Exp Recognized as OpEx	Calculated	285,507	0	0	273,182	281,377	0
230		Line of Credit Cost	Calculated	0	145,213	268,668	149,789	38,649	0
231		Total Other Operating Expenses		\$927,456	\$824,399	\$989,360	\$1,189,395	\$1,150,105	\$1,279,137
232		TOTAL ENGLEWOOD WATER DISTRICT		\$20,423,522	\$21,374,423	\$22,582,459	\$23,916,883	\$25,022,469	\$26,053,134

Table 3-9

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Projection of Debt Service Payments

Line No.	Description	2025	2026	2027	2028	2029	2030
Water System							
1	Total Existing Senior Lien Debt Service Payments	\$0	\$0	\$0	\$0	\$0	\$0
2	Total Existing Subordinate Lien Debt Service Payments	\$0	\$0	\$0	\$0	\$0	\$0
<u>Proposed Senior Lien Debt</u>							
3	Series 2028 Bonds - Future	\$0	\$142,144	\$1,060,071	\$2,622,617	\$5,029,452	\$5,029,452
4	Series 2029 Bonds - Future	0	0	0	0	0	0
5	Total Proposed Senior Lien Debt	\$0	\$142,144	\$1,060,071	\$2,622,617	\$5,029,452	\$5,029,452
6	Total Proposed Subordinate Lien Debt	\$0	\$0	\$0	\$0	\$0	\$0
7	Total Water System Debt Service Payments	\$0	\$142,144	\$1,060,071	\$2,622,617	\$5,029,452	\$5,029,452
Wastewater System							
8	Total Existing Senior Lien Debt Service Payments	\$0	\$0	\$0	\$0	\$0	\$0
9	Total Existing Subordinate Lien Debt Service Payments	\$0	\$0	\$0	\$0	\$0	\$0
<u>Proposed Senior Lien Debt</u>							
10	Series 2028 Bonds - Future	\$0	\$0	\$0	\$0	\$0	\$0
11	Series 2029 Bonds - Future	0	0	267,979	1,380,211	3,094,044	5,846,823
12	Total Proposed Senior Lien Debt	\$0	\$0	\$267,979	\$1,380,211	\$3,094,044	\$5,846,823
13	Total Proposed Subordinate Lien Debt	\$0	\$0	\$0	\$0	\$0	\$0
14	Total Wastewater System Debt Service Payments	\$0	\$0	\$267,979	\$1,380,211	\$3,094,044	\$5,846,823
COMBINED SYSTEM							
15	Total Existing Senior Lien Debt Service Payments	\$0	\$0	\$0	\$0	\$0	\$0
16	Total Existing Subordinate Lien Debt Service Payments	\$0	\$0	\$0	\$0	\$0	\$0
<u>Proposed Senior Lien Debt</u>							
17	Series 2028 Bonds - Future	\$0	\$142,144	\$1,060,071	\$2,622,617	\$5,029,452	\$5,029,452
18	Series 2029 Bonds - Future	0	0	267,979	1,380,211	3,094,044	5,846,823
19	Total Proposed Senior Lien Debt	\$0	\$142,144	\$1,328,050	\$4,002,828	\$8,123,495	\$10,876,275
20	Total Proposed Subordinate Lien Debt	\$0	\$0	\$0	\$0	\$0	\$0
21	COMBINED DEBT SERVICE PAYMENTS	\$0	\$142,144	\$1,328,050	\$4,002,828	\$8,123,495	\$10,876,275
22	Total Debt Service Payments	\$0	\$142,144	\$1,328,050	\$4,002,828	\$8,123,495	\$10,876,275
OVERALL DEBT SERVICE ALLOCATION							
23	Water System (%)	0.00%	100.00%	79.82%	65.52%	61.91%	46.24%
24	Wastewater System (%)	0.00%	0.00%	20.18%	34.48%	38.09%	53.76%

Table 3-10

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Projected Capital Improvement Program and Funding Sources

Line No.	Description	Funding Source	Escalation Factor	Adjusted 2025	2026	2027	2028	2029	2030	Total	
WATER SYSTEM											
Water Projects:											
1	Clean Lime Beds	Wopex	ENR	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
2	Elevated Tank Riser Pipe Replacement	WRRRI	ENR	509,800	0	0	0	0	0	509,800	
3	Lime Plant Treater No 1 Rehab	WRRRI	ENR	200,000	0	0	0	0	0	200,000	
4	Wellfield #3 Telemetry Upgrade	WRRRI	ENR	0	0	0	0	0	0	0	
5	Water Master Plan Update	Wopex	ENR	0	0	0	273,182	0	0	273,182	
6	Utility Rate Study Update	Wopex	ENR	0	0	0	0	0	0	0	
7	RO Electrical Switchgear Repair	WRRRI	ENR	119,211	0	0	0	0	0	119,211	
8	Lime Optimization Study	WRRRI	ENR	250,000	0	0	0	0	0	250,000	
9	Post Treatment/CL2 Gas Conversion	WRRRI	None	165,000	1,800,000	0	0	0	0	1,965,000	
10	RO Expansion/Upgrade Design	B1	None	0	4,000,000	0	0	0	0	4,000,000	
11	RO Expansion/Upgrade Design	B1	ENR	0	0	0	0	0	0	0	
12	RO Expansion/Upgrade Construction	B1	ENR	0	0	12,730,800	27,318,175	0	0	40,048,975	
13	RO Expansion/Upgrade Construction	B1	ENR	0	0	0	0	0	0	0	
14	Additional RO Source Wells	B1	ENR	0	1,287,500	13,261,250	0	0	0	14,548,750	
15	RO Deep Injection Well	B1	ENR	0	1,030,000	8,487,200	0	0	0	9,517,200	
16	NF System Construction	B1	ENR	0	0	0	7,649,089	0	0	7,649,089	
17	Lime Plant Decommissioning	WRRRI	ENR	0	0	0	2,185,454	0	0	2,185,454	
18	Watermain Extension	WRRRI	ENR	50,000	51,500	53,045	54,636	56,275	0	265,457	
19	10th St Main Extension	WRRRI	ENR	100,000	0	0	0	0	0	100,000	
20	Englewood Isles Bridge Crossing	WRRRI	ENR	0	0	0	0	0	0	0	
21	Recovery of Flushing Water	WRRRI	ENR	0	0	0	0	0	0	0	
22	Hydraulic Model Update	WRRRI	ENR	0	0	0	437,091	0	0	437,091	
23	Englewood Road Pipeline Upgrade	WRRRI	ENR	0	0	0	0	16,995,183	0	16,995,183	
24	Capital Outlay From Budget	RATE	ENR	460,428	474,240	488,468	503,122	518,215	533,762	2,978,234	
25	Capital Improvements From Budget	RATE	ENR	0	0	0	0	0	0	0	
26	Future CIP Funding Allowance	WRRRI	ENR	0	0	0	0	0	2,318,548	2,318,548	
27	TOTAL WATER SYSTEM CAPITAL IMPROVEMENT PROJECTS				\$1,854,439	\$8,643,240	\$35,020,763	\$38,420,748	\$17,569,674	\$2,852,310	\$104,361,173
WASTEWATER SYSTEM											
Wastewater Projects:											
28	W South WRF - Drying Bed	SRRI	ENR	\$178,902	\$0	\$0	\$0	\$0	\$0	\$178,902	
29	W Centrifuge Building Repairs	SRRI	ENR	0	257,500	0	0	0	0	257,500	
30	W South WRF - New Headworks	SRRI	ENR	1,300,341	0	0	0	0	0	1,300,341	
31	W South WRF - New Headworks	SRRI	ENR	0	0	0	0	0	0	0	
32	W South WRF - New Headworks	SRRI	ENR	0	0	0	0	0	0	0	
33	W North WRF - Phase 1 (Loan)	SRRI	ENR	0	0	0	0	0	0	0	
34	W North WRF - Phase 1 (Grant)	GRANTS	ENR	0	0	0	0	0	0	0	
35	W South WRF - Centrifuge Replacement	SRRI	ENR	0	0	0	0	0	0	0	
36	W South WRF Plant 1 & 2 Rehab	SRRI	ENR	0	0	0	0	0	0	0	
37	W South WRF - Electrical Upgrades	GRANTS	ENR	8,500,000	0	0	0	0	0	8,500,000	
38	W South WRF - Replace CL2 Gas System	SRRI	ENR	80,000	226,600	0	0	0	0	306,600	
39	W South WRF Upgrade to AWT	SRRI	ENR	0	0	0	0	0	0	0	
40	South WRF Phase 1 Upgrades	B2	ENR	0	0	6,471,490	29,995,356	30,895,217	0	67,362,063	
41	South WRF Phase 2 Upgrades	SRRI	ENR	0	0	0	0	0	0	0	
42	Sewer Masterplan Update	SRRI	ENR	0	257,500	0	0	0	0	257,500	
43	North Booster Pump Station	B2	ENR	0	0	5,438,684	7,526,987	7,752,797	0	20,718,468	
44	Sewer Extension	SRRI	ENR	50,000	51,500	53,045	54,636	56,275	0	265,457	
45	Wireless Monitor System Phase I	SRRI	ENR	0	0	0	0	0	0	0	
46	Lift Station #121 Rehab	SRRI	ENR	0	0	0	0	0	0	0	
47	V-1 Station Rehabilitation	SRRI	ENR	2,239,666	0	0	0	0	0	2,239,666	
48	LS 114 Improvements - Brook to Bay	SRRI	ENR	88,563	0	0	0	0	0	88,563	
49	V-1 Generator Replacement	SRRI	ENR	0	0	0	0	0	0	0	
50	Quails Run I & I Rehabilitation	SRRI	ENR	0	0	0	0	0	0	0	
51	Collections Mobile Generators - Grant	GRANTS	ENR	0	0	0	0	0	0	0	
52	Collections Mobile Generators - Rev	SRRI	ENR	0	0	0	0	0	0	0	
53	C I & I Rehabilitation TBD	SRRI	ENR	0	0	318,270	0	337,653	0	655,923	
54	C V-7 Generator Replacement	SRRI	ENR	120,000	0	0	0	0	0	120,000	
55	R Reuse Improvement Design	SRRI	ENR	1,500,000	0	0	0	0	0	1,500,000	
56	R Reuse Improvement Construction	SRRI	ENR	0	9,115,500	0	0	0	0	9,115,500	
57	R Reuse Improvement Construction	SRRI	ENR	0	0	0	0	0	0	0	
58	R Reuse Main from North WRF	SRRI	ENR	0	0	0	0	0	0	0	
59	R Reuse Automatic Valves	SRRI	ENR	0	0	0	0	1,215,550	0	1,215,550	
60	A Allocated Rate Study Update	Sopex	ENR	170,507	0	0	0	281,377	0	451,884	
61	Holiday Ventures Generator Replacement	Sopex	ENR	115,000	0	0	0	0	0	115,000	
62	Englewood Isles FM Replacement	SRRI	ENR	150,000	0	0	0	0	0	150,000	
63	LS 124 - Deer Creek I&I	SRRI	ENR	300,000	0	0	0	0	0	300,000	
64	LS 113 Rehabilitation	GRANTS	ENR	0	154,500	0	0	0	0	154,500	
65	Update Sewer Masterplan	SRRI	ENR	0	0	0	0	0	0	0	
66	Admin Generator Replacement	SRRI	ENR	0	226,600	0	0	0	0	226,600	
67	Reuse Master Plan Update	SRRI	ENR	0	0	212,180	0	0	0	212,180	
68	Capital Outlay From Budget	RATE	ENR	555,991	572,671	589,851	607,546	625,773	644,546	3,596,377	
69	Capital Improvements From Budget	RATE	ENR	0	0	0	0	0	0	0	
70	Future CIP Funding Allowance	SRRI	ENR	0	0	0	0	0	2,318,548	2,318,548	
71	TOTAL WASTEWATER SYSTEM CAPITAL IMPROVEMENT PROJECTS				\$15,348,970	\$10,862,371	\$13,083,520	\$38,184,526	\$41,164,641	\$2,963,094	\$121,607,121
72	SUBTOTAL CAPITAL PROJECTS - WATER AND WASTEWATER				\$17,203,408	\$19,505,611	\$48,104,282	\$76,605,274	\$58,734,315	\$5,815,404	\$225,968,294
LESS CAPITAL PROJECTS IDENTIFIED AS OPERATING EXPENSES											
73	Renewal, Replacement, and Improvement Water System Capital Pr	WRRRI		\$0	\$0	\$0	\$0	\$0	\$0	\$0	
74	Renewal, Replacement, and Improvement Wastewater System Capi	SRRI		0	0	0	0	0	0	0	
75	Reclassification of Water CIP Projects to Operating Expenses	Wopex		0	0	0	273,182	0	0	273,182	
76	Reclassification of Wastewater CIP Projects to Operating Expenses	Sopex		285,507	0	0	0	281,377	0	566,884	
77	TOTAL CAPITAL PROJECTS RECOGNIZED - WATER AND WASTEWATER				\$16,917,901	\$19,505,611	\$48,104,282	\$76,332,093	\$58,452,938	\$5,815,404	\$225,128,228

Table 3-10

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Projected Capital Improvement Program and Funding Sources

Line No.	Description	Funding Source	Escalation Factor	Adjusted 2025	Fiscal Year Ending September 30,					Total
					2026	2027	2028	2029	2030	
FUNDING SOURCES										
WATER SYSTEM										
78	Water Renewal, Replacement, and Improvement Fund	WRR1		\$1,394,011	\$1,851,500	\$53,045	\$2,677,181	\$17,051,458	\$2,318,548	\$25,345,744
79	Rate Revenue	RATE		460,428	474,240	488,468	503,122	518,215	533,762	2,978,234
80	Series 2028 Bonds - Future	B1		0	6,317,500	34,479,250	34,967,264	0	0	75,764,014
81	TOTAL WATER SYSTEM FUNDING SOURCES			\$1,854,439	\$8,643,240	\$35,020,763	\$38,147,567	\$17,569,674	\$2,852,310	\$104,087,992
WASTEWATER SYSTEM										
82	Wastewater Renewal, Replacement, and Improvement Fund	SRRI		\$6,007,472	\$10,135,200	\$583,495	\$54,636	\$1,609,478	\$2,318,548	\$20,708,829
83	Rate Revenue	RATE		555,991	572,671	589,851	607,546	625,773	644,546	3,596,377
84	Outside Agency Grants	GRANTS		8,500,000	154,500	0	0	0	0	8,654,500
85	Series 2029 Bonds - Future	B2		0	0	11,910,174	37,522,343	38,648,014	0	88,080,531
86	TOTAL WASTEWATER SYSTEM FUNDING SOURCES			\$15,063,463	\$10,862,371	\$13,083,520	\$38,184,526	\$40,883,264	\$2,963,094	\$121,040,237
87	TOTAL WATER SYSTEM AND WASTEWATER SYSTEM FUNDING SOURCES			\$16,917,901	\$19,505,611	\$48,104,282	\$76,332,093	\$58,452,938	\$5,815,404	\$225,128,228
COMBINED SYSTEMS										
88	Water Renewal, Replacement, and Improvement Fund	WRR1		\$1,394,011	\$1,851,500	\$53,045	\$2,677,181	\$17,051,458	\$2,318,548	\$25,345,744
89	Wastewater Renewal, Replacement, and Improvement Fund	SRRI		6,007,472	10,135,200	583,495	54,636	1,609,478	2,318,548	20,708,829
90	Rate Revenue	RATE		1,016,418	1,046,911	1,078,318	1,110,668	1,143,988	1,178,307	6,574,611
91	Outside Agency Grants	GRANTS		8,500,000	154,500	0	0	0	0	8,654,500
92	Series 2028 Bonds - Future	B1		0	6,317,500	34,479,250	34,967,264	0	0	75,764,014
93	Series 2029 Bonds - Future	B2		0	0	11,910,174	37,522,343	38,648,014	0	88,080,531
94	TOTAL COMBINED SYSTEMS FUNDING SOURCES			\$16,917,901	\$19,505,611	\$48,104,282	\$76,332,093	\$58,452,938	\$5,815,404	\$225,128,228

Table 3-11

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Summary of Projected Cash Balances and Interest Income

Line No.	Description	Investment Reference		Fiscal Year Ending September 30,					
		Cash Balance	Interest Income	2025	2026	2027	2028	2029	2030
ENDING FUND BALANCE SUMMARY									
1	REVENUE / OPERATION AND MAINTENANCE FUND	(U)	(U)	\$8,456,805	\$8,727,361	\$9,333,827	\$9,829,535	\$10,284,253	\$10,708,266
2	RENEWAL, REPLACEMENT, AND IMPROVEMENT FUND	(U)	(U)	6,598,301	(275)	7,418,614	14,735,586	6,837,122	16,059,576
3	RATE STABILIZATION FUND	(R)	(U)	0	0	0	0	0	0
4	DEBT SERVICE RESERVE	(R)	(U)	0	0	0	0	0	0
5	DEBT SERVICE SINKING FUND	(R)	(U)	0	0	0	0	0	0
6	CONSTRUCTION FUND	(R)	(R)	0	0	0	0	0	0
7	CONSTRUCTION FUND (FUTURE BONDS)	(R)	(R)	0	0	0	0	0	0
8	WATER SYSTEM CAPITAL CAPACITY CHARGE FUND	(R)	(R)	1,043,160	2,244,784	2,278,455	2,301,240	2,324,252	2,347,495
9	WASTEWATER SYSTEM CAPITAL CAPACITY CHARGE FUND	(R)	(R)	1,433,463	3,699,947	5,001,211	5,051,223	5,101,735	5,152,752
10	TOTAL PROJECTED YEAR-END BALANCE			\$17,531,730	\$14,671,816	\$24,032,107	\$31,917,584	\$24,547,362	\$34,268,090
REVENUE / OPERATION AND MAINTENANCE FUND			(U)						
11	Beginning Balance			\$16,195,790	\$8,456,805	\$8,727,361	\$9,333,827	\$9,829,535	\$10,284,253
	Transfers In - Operations								
12	Water			0	268,865	186,356	278,137	72,143	270,926
13	Wastewater			0	121,916	310,097	270,257	382,207	152,636
14	Transfers In - Debt Service Reserves			0	0	0	0	0	0
15	Transfers In - Assessment Principal Payments			99,784	104,774	110,013	115,514	98,119	103,026
16	Total Funds Available			\$16,295,574	\$8,952,361	\$9,333,827	\$9,997,735	\$10,382,004	\$10,810,840
17	Transfers Out - CIP			0	0	0	0	0	0
	Transfers Out - Operations								
18	Water			0	0	0	0	0	0
19	Wastewater			0	0	0	0	0	0
20	Transfers Out - Water System Capital Capacity Charge Fund			0	0	0	0	0	0
21	Transfers Out - Water Renewal, Replacement, and Improvement Fund			0	0	0	0	0	0
22	Transfers Out - Wastewater System Capital Capacity Charge Fund			0	0	0	0	0	0
23	Transfers Out - Wastewater Renewal, Replacement, and Improvement Fund			7,650,000	225,000	0	168,200	97,752	102,574
24	Transfers Out - Payment of Developer Note			0	0	0	0	0	0
25	Total Transfers Out of Funds			7,650,000	225,000	0	168,200	97,752	102,574
	Transfer In / (Out) - Surplus / (Deficiency)						679	1,046	1,499
26	Water			(\$188,769)	\$0	\$0	\$0	\$0	\$0
27	Wastewater			-	-	-	-	-	-
28	Interest Rate			2.00%	1.50%	1.50%	1.00%	1.00%	1.00%
29	Interest Income			248,414	128,881	135,459	95,817	100,569	104,963
	Recognition of Interest Earnings								
30	in Revenue Requirements	Y		248,414	128,881	135,459	95,817	100,569	104,963
31	Ending Balance			8,456,805	8,727,361	9,333,827	9,829,535	10,284,253	10,708,266
32	Percent Allocable to Water System			46.96%	46.91%	46.88%	46.85%	46.80%	46.88%
33	Percent Allocable to Wastewater System			53.04%	53.09%	53.12%	53.15%	53.20%	53.12%
34	Days of Operating Expenses			150	150	150	150	150	150
35	Target Cash			8,393,228	8,784,010	9,280,462	9,828,856	10,283,206	10,706,767
	Target Cash Balance Met - Yes or No			Yes	No	Yes	Yes	Yes	Yes
36	Calculated Days of Operating Expenses			151	149	151	150	150	150
37	Days of Operating Expenses - Minimum			90	90	90	90	90	90
38	Target Cash			5,035,937	5,270,406	5,568,277	5,897,314	6,169,924	6,424,060
	Target Cash Balance Met - Yes or No			Yes	Yes	Yes	Yes	Yes	Yes
39	Calculated Days of Operating Expenses			151	149	151	150	150	150
40	Revenue Reserve Requirement - Florida Statutes	5.00%		1,150,777	1,336,198	1,554,998	1,805,598	2,096,391	2,433,796
	Minimum Revenue Reserve Balance Target Met			Y	Y	Y	Y	Y	Y
41	Amount Allocable to Water System			116,666	60,463	63,504	44,894	47,069	49,202
42	Amount Allocable to Wastewater System			131,748	68,418	71,955	50,923	53,500	55,760
RENEWAL, REPLACEMENT, AND IMPROVEMENT FUND			(U)						
43	Beginning Balance			\$3,089,333	\$6,598,301	(\$275)	\$7,418,614	\$14,735,586	\$6,837,122
44	Transfer In From Water Operating Reserve Fund			0	0	0	0	0	0
45	Transfer In From Wastewater Operating Reserve Fund			7,650,000	225,000	0	168,200	97,752	102,574
46	Transfer In From Water Operations			1,557,324	1,691,292	1,956,519	2,246,037	2,596,722	2,999,330
47	Transfer In From Wastewater Operations			1,662,812	1,804,775	2,098,503	2,438,813	2,824,468	3,276,186
48	Transfer In Additional Water Transfer			0	419,837	1,612,548	1,236,378	1,278,976	3,199,642
49	Transfer In Additional Wastewater Transfer			40,316	1,247,220	2,387,860	3,959,361	3,964,555	4,281,818
50	Transfers Out - Water Capital Projects			1,394,011	1,851,500	53,045	2,677,181	17,051,458	2,318,548
51	Transfers Out - Wastewater Capital Projects			6,007,472	10,135,200	583,495	54,636	1,609,478	2,318,548
52	Interest Rate			2.00%	1.50%	1.50%	1.00%	1.00%	1.00%
53	Interest Income			63,420	97,773	14,272	72,030	75,082	71,775
	Recognition of Interest Earnings								
54	in Revenue Requirements	Y		63,420	97,773	14,272	72,030	75,082	71,775
55	Ending Balance			6,598,301	(275)	7,418,614	14,735,586	6,837,122	16,059,576
56	Percent Allocable to Water System			100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
57	Percent Allocable to Wastewater System			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
58	Amount Allocable to Water System			63,420	97,773	14,272	72,030	75,082	71,775

Table 3-11

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Summary of Projected Cash Balances and Interest Income

Line No.	Description	Investment Reference		Fiscal Year Ending September 30,					
		Cash Balance	Interest Income	2025	2026	2027	2028	2029	2030
59	Amount Allocable to Wastewater System			0	0	0	0	0	0
	DEBT SERVICE SINKING FUND		(U)						
60	Sinking Fund Deposit	\$		-	\$	-	\$	-	\$
61	Average Balance			0	0	0	0	1,548,288	3,362,746
62	Interest Rate			2.00%	1.50%	1.50%	1.00%	1.00%	1.00%
63	Interest Income			0	0	0	0	15,483	33,627
	Recognition of Interest Earnings in Revenue Requirements		Y	0	0	0	0	15,483	33,627
64	Percent Allocable to Water System			0.00%	0.00%	0.00%	0.00%	100.00%	46.24%
66	Percent Allocable to Wastewater System			0.00%	0.00%	0.00%	0.00%	0.00%	53.76%
67	Amount Allocable to Water System			0	0	0	0	15,483	15,550
68	Amount Allocable to Wastewater System			0	0	0	0	0	18,077
	CONSTRUCTION FUND (FUTURE BONDS)		(R)						
69	Beginning Balance	\$0		\$0	\$0	\$0	\$0	\$0	\$0
70	Transfers In - New Indebtedness	0		6,317,500	46,389,424	72,489,607	38,648,014	0	0
71	Transfers Out - Capital Projects	0		6,317,500	46,389,424	72,489,607	38,648,014	0	0
72	Interest Rate	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
73	Interest Income	0		0	0	0	0	0	0
	Recognition of Interest Earnings in Revenue Requirements		N	0	0	0	0	0	0
74	Ending Balance	0		0	0	0	0	0	0
76	Percent Allocable to Water System	0.00%		100.00%	77.40%	60.52%	46.24%	46.24%	46.24%
77	Percent Allocable to Wastewater System	0.00%		0.00%	22.60%	39.48%	53.76%	53.76%	53.76%
78	Amount Allocable to Water System	0		0	0	0	0	0	0
79	Amount Allocable to Wastewater System	0		0	0	0	0	0	0
	WATER SYSTEM CAPITAL CAPACITY CHARGE FUND		(R)						
80	Beginning Balance	\$0		\$1,043,160	\$2,244,784	\$2,278,455	\$2,301,240	\$2,324,252	\$2,324,252
81	Transfers In - Capital Capacity Charges Collections	1,032,832		1,319,291	890,751	731,579	731,579	731,579	731,579
82	Transfers In - Revenue Fund	0		0	0	0	0	0	0
83	Transfers Out - Capital Projects	0		0	0	0	0	0	0
84	Transfers Out - Developer Reimbursement	0		0	0	0	0	0	0
85	Transfer Out - Payment of Debt Service	0		142,144	890,751	731,579	731,579	731,579	731,579
86	Transfer Out - Add. Payment of Debt Service	0		0	0	0	0	0	0
87	Interest Rate	2.00%		1.50%	1.50%	1.00%	1.00%	1.00%	1.00%
88	Interest Income	10,328		24,476	33,672	22,785	23,012	23,243	23,243
	Recognition of Interest Earnings in Revenue Requirements		N	0	0	0	0	0	0
90	Ending Balance	1,043,160		2,244,784	2,278,455	2,301,240	2,324,252	2,347,495	2,347,495
91	Percent Allocable to Water System	100.00%		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
92	Percent Allocable to Wastewater System	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
93	Amount Allocable to Water System	10,328		24,476	33,672	22,785	23,012	23,243	23,243
94	Amount Allocable to Wastewater System	0		0	0	0	0	0	0
	WASTEWATER SYSTEM CAPITAL CAPACITY CHARGE FUND		(R)						
95	Beginning Balance	\$0		\$1,433,463	\$3,699,947	\$5,001,211	\$5,051,223	\$5,101,735	\$5,101,735
96	Transfers In - Capital Capacity Charges Collections	1,419,270		2,228,270	1,504,470	1,235,630	1,235,630	1,235,630	1,235,630
97	Transfers In - Revenue Fund	0		0	0	0	0	0	0
98	Transfers Out - Capital Projects	0		0	0	0	0	0	0
99	Transfers Out - Developer Reimbursement	0		0	0	0	0	0	0
100	Transfers Out - Payment of Debt Service	0		0	267,979	1,235,630	1,235,630	1,235,630	1,235,630
101	Transfers Out - Add. Payment of Debt Service	0		0	0	0	0	0	0
102	Interest Rate	2.00%		1.50%	1.50%	1.00%	1.00%	1.00%	1.00%
103	Interest Income	14,193		38,214	64,773	50,012	50,512	51,017	51,017
	Recognition of Interest Earnings in Revenue Requirements		N	0	0	0	0	0	0
104	Ending Balance	1,433,463		3,699,947	5,001,211	5,051,223	5,101,735	5,152,752	5,152,752
106	Percent Allocable to Water System	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
107	Percent Allocable to Wastewater System	100.00%		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
108	Amount Allocable to Water System	0		0	0	0	0	0	0
109	Amount Allocable to Wastewater System	14,193		38,214	64,773	50,012	50,512	51,017	51,017
	INTEREST INCOME								
	Unrestricted								
110	Water System	\$180,086		\$158,236	\$77,776	\$116,925	\$137,634	\$136,528	\$136,528
111	Wastewater System	131,748		68,418	71,955	50,923	53,500	73,838	73,838
112	Total	\$311,833		\$226,654	\$149,731	\$167,847	\$191,134	\$210,365	\$210,365
	Rate Stabilization Fund								
113	Water System	\$0		\$0	\$0	\$0	\$0	\$0	\$0
114	Wastewater System	0		0	0	0	0	0	0
115	Total	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	Capital Capacity Charge Funds								
116	Water System	\$10,328		\$24,476	\$33,672	\$22,785	\$23,012	\$23,243	\$23,243
117	Wastewater System	14,193		38,214	64,773	50,012	50,512	51,017	51,017

Table 3-11

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Summary of Projected Cash Balances and Interest Income

Line No.	Description	Investment Reference		Fiscal Year Ending September 30,					
		Cash Balance	Interest Income	2025	2026	2027	2028	2029	2030
118	Total			\$24,521	\$62,690	\$98,445	\$72,797	\$73,525	\$74,260
	Construction Fund								
119	Water System			\$0	\$0	\$0	\$0	\$0	\$0
120	Wastewater System			0	0	0	0	0	0
121	Total			\$0	\$0	\$0	\$0	\$0	\$0
	TOTAL INTEREST INCOME								
122	Water System			\$190,414	\$182,712	\$111,448	\$139,709	\$160,646	\$159,770
123	Wastewater System			145,941	106,632	136,727	100,935	104,012	124,855
124	Total			<u>\$336,354</u>	<u>\$289,344</u>	<u>\$248,175</u>	<u>\$240,644</u>	<u>\$264,659</u>	<u>\$284,625</u>

Footnotes:

- [1] (U) = Interest earnings unrestricted and assumed to be available to meet System expenditure requirements.
 (R) = Interest earnings restricted and assumed to not be available to meet System expenditure requirements.
 Y = Yes
 N = No

Table 4-1

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Summary of Existing and Proposed Monthly User Rates

Line No.	Description	Existing	Proposed				
		Effective 10/1/2024	Effective 10/1/2025	Effective 10/1/2026	Effective 10/1/2027	Effective 10/1/2028	Effective 10/1/2029
WATER SYSTEM RATES							
Retail Water Rates - Water Customers Per ERC per Month							
1	Base Facility Charge Per ERC	\$22.21	\$25.54	\$29.37	\$33.78	\$38.85	\$44.68
2			14.99%	15.00%	15.02%	15.01%	15.01%
	Usage Charges Per ERC Per 1,000 Gallons						
	All Customers Except Dedicated Irrigation and Temporary Meters						
3	0 to 6,000 Gallons	\$2.64	\$3.04	\$3.50	\$4.03	\$4.63	\$5.32
4	6,001 to 8,000 Gallons	3.53	4.06	4.67	5.37	6.18	7.11
5	8,001 to 12,000 Gallons	7.02	8.07	9.28	10.67	12.27	14.11
6	12,001 to 18,000 Gallons	11.72	13.48	15.50	17.83	20.50	23.58
7	Over 18,000 Gallons	18.30	21.05	24.21	27.84	32.02	36.82
	Dedicated Irrigation and Temporary Meters						
8	0 to 12,000 gallons	\$7.02	\$8.07	\$9.28	\$10.67	\$12.27	\$14.11
9	12,001 to 18,000 Gallons	11.72	13.48	15.50	17.83	20.50	23.58
10	Over 18,000 Gallons	18.30	21.05	24.21	27.84	32.02	36.82
Wholesale Water Rates							
	<u>Capital Capacity Charges Paid for Service:</u>						
11	Wholesale Monthly Billing Charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12	Rate Per 1,000 Gallons	5.26	6.05	6.96	8.00	9.20	10.58
	<u>No Capital Capacity Charges Paid for Service:</u>						
13	Wholesale Monthly Billing Charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
14	Rate Per 1,000 Gallons	6.98	8.03	9.23	10.61	12.20	14.03
WASTEWATER SYSTEM RATES							
Retail Wastewater Rates - Wastewater Customers Per ERC per Month							
15	Base Facility Charge Per ERC	\$32.32	\$37.17	\$42.75	\$49.16	\$56.53	\$65.01
	Usage Charges						
16	Usage Charges Per ERC Per 1,000 Gallons	\$4.12	\$4.74	\$5.45	\$6.27	\$7.21	\$8.29
17	Wastewater Only (No Water Meter) [*]	24.56	28.24	32.48	37.35	42.95	49.39
Wholesale Wastewater Rates							
	(Master Meters and Non-District Collection Systems)						
	<u>Capital Capacity Charges Paid for Service:</u>						
18	Billing Off Water Meter Rate per 1,000 Gallons	\$7.27	\$8.36	\$9.61	\$11.05	\$12.71	\$14.62
19	Billing Off Wastewater Meter Rate per 1,000 Gall	9.08	10.44	12.01	13.81	15.88	18.26
	<u>No Capital Capacity Charges Paid for Service:</u>						
20	Billing Off Water Meter Rate per 1,000 Gallons	\$9.77	\$11.24	\$12.93	\$14.87	\$17.10	\$19.67
21	Billing Off Wastewater Meter Rate per 1,000 Gall	12.83	14.75	16.96	19.50	22.43	25.79
REUSE WATER SYSTEM RATES							
Reuse Water Rate Per 1,000 Gallons							
22	Usage to Isolated Pond	\$0.38	\$0.44	\$0.51	\$0.59	\$0.68	\$0.78
23	Pressurized Usage	0.50	0.58	0.67	0.77	0.89	1.02

Footnotes:

[*] Per Customers Rules and Regulations: 196 gal x 365 days/12 = 5,962 gal/month/ERC to calculate Usage, plus Base Facility Charge.

Table 4-2

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Summary of Existing and Proposed Miscellaneous Service Charges

Line No.	Description	Existing Fee	Calculated Fee	Proposed Fee
1	Misc. Fees			
2	New Service Application Fee	\$25.00	\$56.00	\$50.00
3	Late Payment	\$5.00	\$12.00	Min of \$5.00 or 1.5% of Total Bill
4	Additional Meter Or Replacement	Actual Cost	\$496.00	Actual Cost; Min of \$500
5	Payment Deadline Extension	\$10.00/each occurrence		
6	Meter Test Within Tolerance	\$185.00	\$259.00	\$250.00
7	Sewer Cap Uncap Charge	\$ 30.00/each occurrence	\$69.00	\$60.00
8	Special Bill Meter Read	\$ 30.00/each	\$92.00	\$50.00
9	Clearing meter box obstructions	\$30.00	\$131.00	Actual Cost; Min of \$100
10	Return Check Charge:			
11	Standard Check or Bank Draft returned, canceled, or stopped payment:			
12	\$0 to \$50.00	\$25.00		\$25.00
13	\$50.01 to \$300.00	\$30.00		\$30.00
14	Over \$300.00	\$40.00 or 5% Whichever is Greater		\$40.00 or 5% Whichever is Greater
15	Internet or Online Item Return:			
16	\$0 to \$50.00	\$25.00		\$25.00
17	\$50.01 to \$300.00	\$30.00		\$30.00
18	Over \$300.00	\$40.00 or 5% Whichever is Greater		\$40.00 or 5% Whichever is Greater
19	Temporary Water Customer:			
20	Meter Deposit	\$750.00		\$750.00
21	Rental (monthly)	\$30.00		\$30.00
22	Usage	Irrigation and Temporary Meter Rates		Irrigation and Temporary Meter Rates
23	Trip Charge (each)	\$30.00		\$30.00
24	Tap (Administration Fee)	\$500.00		\$500.00
25	Fire Line:			
26	Administration Fee	\$500.00	\$500.00	\$500.00
27	2" (meter equivalent factor of 8)	\$11.11	\$0.00	\$17.03
28	3" (meter equivalent factor of 15)	\$20.82	\$0.00	31.93
29	4" (meter equivalent factor of 25)	\$34.70	\$0.00	53.21
30	6" (meter equivalent factor of 50)	\$69.41	\$0.00	106.42
31	8" (meter equivalent factor of 80)	\$111.05	\$0.00	170.28
32	10" (meter equivalent factor of 115)	\$159.63	\$0.00	244.77
33	12" (meter equivalent factor of 215)	\$298.45	\$0.00	457.62
34	Tampering:			
35	First Offense	\$ 500.00 plus cost of replacing		
36	Second Offense	\$1000.00 plus cost of		
37	Third and Subsequent Offenses	\$1500.00 plus cost of		

Table 4-2

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Summary of Existing and Proposed Miscellaneous Service Charges

Line No.	Description	Existing Fee	Calculated Fee	Proposed Fee
38	Research & Copies:			
39	Recording Fee-First Page	Actual Cost	\$50.00	\$30.00
40	Recording Fee-Additional Pages	Actual Cost	\$24.00	\$15.00
41	Research or Monitoring (1 hour)	\$ 20.00/hour	\$48.00	\$25.00/hour
42	Large Maps	\$ 1.00/page	\$0.00	Remove Fee
43	Blue Prints	\$ 1.00/page	\$0.00	Remove Fee
44	Auto Cad Disk	\$ 5.00/each	\$0.00	Remove Fee
45	FAX Request	\$ 1.00/page	\$0.00	Remove Fee
46	Mailing Labels & Computer Time	\$30.00 + \$15.00/hour	\$0.00	Remove Fee
47	Bid Documents	As Advertised	\$0.00	Remove Fee
48	Plan Review/Inspection			
		\$300.00 includes first and second review, \$150.00 for each additional review		\$500.00 includes first and second review, \$250.00 for each additional review
49	Small Project (0-10 ERC)	\$300.00 includes first and second review, \$150.00 for each additional review		\$1,500.00 includes first and second review, \$500.00 for each additional review
50	Medium Project (11-100 ERC)	\$300.00 includes first and second review, \$150.00 for each additional review		\$2,500.00 includes first and second review, \$750.00 for each additional review
51	Large Project (100+ ERC)	\$300.00 includes first and second review, \$150.00 for each additional review		\$2,500.00 includes first and second review, \$750.00 for each additional review
52	Construction Review	1% of construction cost: Minimum \$500.00		2% of construction costs: minimum of \$2,500.00
53	Service Turn On Or Off:			
54	48-hour notice (1 on/1 off annually)	No Charge	\$53.00	No Charge
55	Additional with 48-hour notice	\$30.00	\$53.00	\$50.00
56	Less than 48-hour notice	\$100.00	\$53.00	\$100.00
57	After working hours and weekends	\$100.00	\$240.00	\$200.00
58	Holidays	\$145.00	\$367.00	\$300.00
59	Account Re-Activation:			
60	Lock removal:			
61	Disconnection/turn off non-payment	\$30.00/trip	\$49.00	\$50.00
62	Re-connection/turn on non-payment	\$30.00/trip	\$49.00	\$50.00
	Meter re-installation plus cost of new meter if applicable during regular working hours	\$90.00		
63			\$174.00	Remove Fee
64	Service Call Outs:			
65	During regular working hours	\$30.00/trip	\$53.00	\$50.00
66	After working hours and weekends	\$100.00/trip	\$213.00	\$200.00
67	Holidays	\$145.00	\$340.00	\$300.00
68	Sewer Repair	Actual Cost	\$113.00	Actual Cost
69	Testing/Inspections:			
70	Un-certified Fire Flow Test	\$175.00/each	\$200.00	\$200.00/each
71	Service Tie-in (initial)	No Charge	\$111.00	No Charge
72	Service Re-inspection	\$30.00/each	\$111.00	\$60.00
73	Service Locate	No Charge	\$111.00	No Charge

Table 4-2

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Summary of Existing and Proposed Miscellaneous Service Charges

Line No.	Description	Existing Fee	Calculated Fee	Proposed Fee
74	Initial Meter Installation Fee:			
75	District Installed with Short Tap:			
76	Size			
77	5/8" meter	\$1,255.00	\$2,084.00	\$2,000.00
78	1" meter	\$1,585.00	\$2,260.00	\$2,250.00
79	1 1/2" meter	\$2,080.00	\$3,758.00	\$3,500.00
80	2" meter	\$2,335.00	\$4,454.00	\$4,200.00
81	District Installed with Long Tap:			
82	Size			
83	5/8" meter	\$1,970.00	\$3,469.00	\$3,250.00
84	1" meter	\$2,015.00	\$3,676.00	\$3,500.00
85	1 1/2" meter	\$2,910.00	\$7,508.00	\$6,400.00
86	2" meter	\$3,160.00	\$8,128.00	\$7,000.00
87	Developer installed service & box (using District provided meter):			
88	Size			
89	5/8" meter	\$340.00	\$427.00	\$425.00
90	1" meter	\$400.00	\$609.00	\$600.00
91	1 1/2" meter	\$520.00	\$1,059.00	\$1,050.00
92	2" meter	\$615.00	\$1,408.00	\$1,400.00
93	Credit Card Processing Fee	N/A		3.5% of bill

Table 5-1
Englewood Water District
Utility Rate Study
Water and Wastewater System

Wastewater Capital Capacity Charge Calculation

Line No.	Function	Fixed Assets at Original Costs [1]			Percentage of Total	
		Water	Wastewater	Total	Water	Wastewater
	<u>Existing Assets Included From Capital Capacity Charges</u>					
1	Supply and Treatment	\$30,131,868	\$29,709,581	\$59,841,449	51.2%	26.1%
2	Transmission	11,652,658	20,500,950	32,153,608	19.8%	18.0%
3	Reclaimed Transmission	N/A	3,841,942	3,841,942	N/A	3.4%
4	Total Assets Included From Capital Capacity Charges	\$41,784,526	\$54,052,473	\$95,836,999	71.0%	47.5%
	<u>Existing Assets Excluded From Capital Capacity Charges</u>					
5	Hydrants / Meter Services	\$172,838	N/A	\$172,838	0.3%	N/A
6	Distribution / Collection Lines	16,909,199	59,787,685	76,696,884	28.7%	52.5%
7	Total Assets Excluded From Capital Capacity Charges	\$17,082,037	\$59,787,685	\$76,869,722	29.0%	52.5%
8	Total Existing Fixed Assets	\$58,866,562	\$113,840,158	\$172,706,720	100.0%	100.0%

Footnotes:

[1] Amounts as provided by the District as of September 30, 2024.

Table 5-2

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Evaluation of Water Capacity Available to Serve System Growth

Line No.	Description	Water System
1	Existing Design Plant Capacity of System (AADF-MGD) [1]	6.000
2	Adjustment to Reflect Dependable Capacity of Water Treatment System (MGD) [2]	(1.000)
3	Dependable Treatment Plant Capacity (ADD)	5.000
4	Southwest Florida Water Management District Consumptive Use Permit (Average Daily Flow)	5.360
5	Average Daily Demand - Existing System [3]	3.025
6	Remaining Capacity (ADD) at Existing Plant	1.975
7	Percent of Total Capacity	39.51%
8	Capacity Available to Service New Growth (ADD)	1.975
9	Capacity Available to Service New Growth (gallons)	1,975,445
10	Level of Service Standard Per ERC (gallons per day) [4]	196
11	Number of ERCs That Could Be Served By Existing Capacity (Line 9 / Line 10)	10,079

MGD = Million Gallons Per Day

MMDD = Maximum Month Daily Demand

ADD = Average Daily Demand

Footnotes:

- [1] Amounts reflect peak day treatment capacity of facilities as provided by the District. The permitted capacities of the two individual facilities are 3.0 MGD for the Lime Softening Plant and 3.0 MGD for the Reverse Osmosis Water Treatment Plant.
- [2] The District's Lime Softening Water Treatment Plant has a total capacity of 3.0 MGD, but can only reliably treat 2.0 MGD per the 2024 Potable Water Master Plan Update.
- [3] Reflects the highest reported average daily demand experienced by the District's water treatment facilities for the three Fiscal Year period ended 2024 as shown below:

	Annual Average Daily Demand (MGD)	Peak Month Demand (MGD)	Peaking Factor
Fiscal Year 2021	2.93	3.44	1.18
Fiscal Year 2022	2.90	3.35	1.16
Fiscal Year 2023	3.02	3.66	1.21
Fiscal Year 2024	2.91	3.31	1.14
Four-Year Maximum			1.21
Four-Year Average			1.17
Factor Utilized in 2017 Utility Master Plan			1.30
Max Month to Average Month Factor SWFWMD Water Use Permit			1.23
Factor Utilized By Raftelis For Capital Capacity Charge Determination Purposes			1.23
Maximum Period Reported ADD (*)	3.02		

(*) Reference is made to Footnote 2 for applicable average daily demand data.

- [4] The level of service factor for an ERC reflects capacity requirements expressed on an average daily water demand basis.

Table 5-3

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Evaluation of Wastewater Capacity Available to Serve System Growth

Line No.	Description	Wastewater System
1	Existing Plant Capacity of System (ADF) [1]	3.400
2	Adjustment to Reflect Dependable Capacity of Wastewater Treatment System (MGD)	0.000
3	Dependable Treatment Plant Capacity (ADD)	<u>3.400</u>
4	Max Month Average Daily Flow - Existing System [2]	<u>2.440</u>
5	Remaining Capacity (ADF) at Existing Plant	0.960
6	Percent of Total Capacity	28.24%
7	Capacity Available to Service New Growth (ADF)	0.960
8	Capacity Available to Service New Growth (gallons)	960,226
9	Level of Service Standard Per ERC (gallons per day) [3]	157
10	Number of ERCs That Could Be Served By Existing Capacity (Line 6 / Line 8)	<u><u>6,116</u></u>

MGD = Million Gallons Per Day

ADF = Annual Average Daily Flow

Footnotes:

- [1] Amounts reflect ADF wastewater treatment plant capacity of facility.
- [2] A summary of the twelve fiscal year actual wastewater flows is summarized below:

	Annual Average Daily Flow (MGD)
Fiscal Year 2021	1.595
Fiscal Year 2022	1.605
Fiscal Year 2023	1.630
Fiscal Year 2024	1.768
Maximum Period Reported AADF	<u>Wastewater</u> <u>2.440</u>

- [3] The level of service factor for an ERC reflects capacity requirements expressed on an average daily wastewater flow basis; the factor was based on the EWD's capacity planning assumptions and other sources available to Raftelis.

Table 5-4

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Development of Water System Capital Capacity Charge

Line No.	Description	Amount
	Total Estimated Cost of Existing Water	
	Treatment/Disposal Facilities:	
1	Cost of Existing Facilities	\$30,131,868
2	Additional Costs Capitalized to Plant in Service	0
3	Less Anticipated Retirements of Treatment and Disposal Facilities	(30,131,868)
4	Less Receipt of Grant Funds	0
5	Subtotal Water Treatment/Disposal Facilities	\$0
6	Existing Nominal Plant Capacity [MGD] [ADD]	6.000
7	Less Retirement of Existing Plant Capacity	(6.000)
8	Net Plant Capacity	-
9	Cost per Gallon of Existing Facilities	\$0.00
	Total Estimated Cost of Additional Water	
	Treatment/Disposal Facilities:	
10	Cost of Additional Water Treatment/Disposal Facilities	\$72,715,000
11	Less Receipt of Grant Funds	0
12	Adjusted Cost of Additional Water Treatment/Disposal Facilities	\$72,715,000
13	New Plant Capacity [MGD] [ADD]	6.000
14	Cost per Gallon of Additional Water	\$12.12
15	Total Weighted Cost per Gallon of Water Treatment	\$12.12
16	Level of Service [GPD]	196
17	Total Treatment Charge per ERC	\$2,375.36
	Primary Transmission System:	
18	Existing Facilities	\$11,652,658
19	Additional Costs Capitalized to Plant in Service	15,959,800
20	Less Anticipated Retirements	(6,590,050)
21	Less Receipt of Grant Funds	0
22	Total Primary Transmission Facility Costs	\$21,022,407
23	Total Adjusted Nominal Plant Capacity (MGD) (ADF)	6.000
24	Total Cost per Gallon of Water Transmission	\$3.50
25	Level of Service [GPD]	196
26	Total Transmission Charge per ERC	\$686.73
27	Total Combined Charge per ERC	\$3,062.09
28	Rounded Charge per ERC	\$3,062.00
29	Cost Per Gallon Based on LOS	\$15.62
30	Existing Charge	\$1,751
31	Dollar Difference	\$1,311
32	Percent Difference	74.9%

ADF = Average Daily Flow

ERC = Equivalent Residential Connection

GPD = Gallons Per Day

Table 5-5

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Development of Wastewater System Capital Capacity Charge

Line No.	Description	Amount
	Total Estimated Cost of Existing Wastewater Treatment/Disposal Facilities:	
1	Cost of Existing Facilities	\$33,551,523
2	Additional Costs Capitalized to Plant in Service	86,370,407
3	Less Anticipated Retirements	(25,274,701)
4	Less Receipt of Grant Funds	0
5	Subtotal Wastewater Treatment/Disposal Facilities	\$94,647,229
6	Projected Nominal Plant Capacity [MGD] [ADF]	3.400
7	Less Retired Capacity	-
8	Net Plant Capacity	3.400
9	Cost per Gallon of Existing Facilities	\$27.84
	Total Estimated Cost of Additional Wastewater Treatment/Disposal Facilities:	
10	Cost of Additional Wastewater Treatment/Disposal Facilities	\$15,241,836
11	Less Receipt of Grant Funds	0
12	Adjusted Cost of Additional Wastewater Treatment/Disposal Facilities	\$15,241,836
13	New Plant Capacity [MGD] [ADF]	0.600
14	Cost per Gallon of Additional Wastewater	\$25.40
15	Total Cost per Gallon of Wastewater Treatment	\$27.47
16	Level of Service [GPD]	157
17	Total Treatment Charge per ERC	\$4,313.15
	Primary Transmission System:	
18	Existing Facilities	\$20,500,950
19	Additional Costs Capitalized to Plant in Service	2,478,229
20	Less Anticipated Retirements	(1,139,087)
21	Less Receipt of Grant Funds	0
22	Total Primary Transmission Facility Costs	\$21,840,092
23	Total Adjusted Nominal Plant Capacity (MGD) (ADF)	4.000
24	Total Cost per Gallon of Wastewater Transmission	\$5.46
25	Level of Service [GPD]	157
26	Total Transmission Charge per ERC	\$857.22
27	Total Combined Charge	\$5,170.37
28	Rounded Charge per ERC	\$5,170.00
29	Cost Per Gallon Based on LOS	\$32.93
30	Existing Charge	\$2,754
31	Dollar Difference	\$2,416
32	Percent Difference	87.7%

ADF = Average Daily Flow

ERC = Equivalent Residential Connection

GPD = Gallons Per Day

Table 5-6

**Englewood Water District
Utility Rate Study
Water and Wastewater System**

Comparison of Water and Wastewater System Capital Capacity Charges per ERC [1]

Line No.	Description	Residential 5/8" x 3/4" Meter		
		Water	Wastewater	Combined
Englewood Water District				
1	Existing Capital Capacity Charges [2]	\$1,751	\$2,754	\$4,505
2	Proposed Capital Capacity Charges [2]	3,062	5,170	8,232
<u>Surveyed Florida Utilities:</u>				
3	City of Bradenton	\$1,183	\$1,545	\$2,728
4	City of Cape Coral	3,027	2,862	5,889
5	Charlotte County	1,290	1,610	2,900
6	Collier County	4,411	4,081	8,492
7	Gasparilla Island Water Association, Inc.	4,716	3,278	7,994
8	Lee County	2,745	2,993	5,738
9	Town of Longboat Key	690	1,224	1,914
10	Manatee County	1,738	3,175	4,913
11	City of North Port	2,319	2,255	4,574
12	City of Palmetto	313	1,389	1,702
13	City of Punta Gorda	1,497	2,760	4,257
14	City of Sanibel	2,175	4,518	6,693
15	City of Sarasota	900	2,577	3,477
16	Sarasota County	4,250	4,480	8,730
17	City of Venice	3,925	2,290	6,215
18	City of Brooksville	765	6,467	7,232
19	Other Florida Utilities' Average	\$2,246	\$2,969	\$5,215

Footnotes:

- [1] Unless otherwise noted, amounts shown reflect fees charged to a standard residential connection (one ERC) in effect July 2025 and are exclusive of taxes or franchise fees, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.
- [2] Amounts only reflect plant and transmission fees. The District also charges a distribution fee of \$1,200 per ERC and a collection fee of \$5,817 per ERC.

Table 5-7
Englewood Water District
Utility Rate Study
Water and Wastewater System

Summary of Accrued Gauranteed Revenue Fees per ERC

Line No.	Description	Monthly Accrual	Maximum Accrual After 60 Months	Maximum Accrual After 60 Months (Rounded)
	Water System			
1	Treatment Component	\$9.90	\$594.00	\$594.00
2	Transmission Component	2.86	171.60	171.00
3	Total Water System	<u>\$12.76</u>		<u>\$765.00</u>
	Wastewater System			
4	Treatment Component	\$17.97	\$1,078.20	\$1,078.00
5	Transmission Component	3.57	214.20	214.00
6	Total Wastewater System	<u>\$21.54</u>		<u>\$1,292.00</u>
7	Combined System	<u><u>\$34.30</u></u>		<u><u>\$2,057.00</u></u>