

UTILITY SYSTEM RATE ANALYSIS
FOR
CITY OF GREEN COVE SPRINGS, FLORIDA



Prepared by:

CPH CONSULTING, LLC

Orange Park, Florida

Client No. 8905-64-1

January 2026

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EXECUTIVE SUMMARY

The enclosed Rate Analysis (“Rate Study”) reviews the implications of known capital requirements or improvements impacting the City through fiscal year 2030 (FY ‘30) along with other recommendations for funding the operation and maintenance of the utility systems. The most significant driver of the City’s capital needs are related to the following interrelated items:

- Wastewater treatment consolidation to the Harbor Road Water Reclamation Facility (WRF); and
- Elimination of non-beneficial surface water discharges as part of the Senate Bill 64 legislation, which will require expansion of the City’s reclaimed water delivery systems (storage and distribution system piping).

Additional capital needs have also been outlined and programmed for on-going rehabilitation and maintenance of the City’s existing infrastructure. Significant modifications to the City’s potable water, wastewater, and/or reclaimed water systems associated with the Reynolds property redevelopment have not been contemplated within the forthcoming 5-year capital improvement plan (CIP).

For purposes of this analysis, the reclaimed water irrigation rates are proposed to match the potable irrigation rates so gross revenue projections are not changed but are allocated into different enterprise funds. In 2025, the City converted potable water irrigation users in the Edgewater Landing and Black Creek Village developments to public-access reclaimed water users along with a handful of commercial users. This has allowed the City to begin a separate Reclaimed Water enterprise fund as outlined herein.

The City is currently working with the Clay County Utility Authority (CCUA) to develop a reclaimed water system connection between the two systems reclaimed water distribution systems. As the project’s concept is progressed and operational details confirmed, the City will be able to work with CCUA to develop a reclaimed water bulk delivery rate structure.

For contemplated system improvements that will require private and/or public (i.e., State Revolving Fund (SRF)) financing, the City will need to consider how to group projects into financial vehicles to limit non-construction costs associated with creation of each financial instrument and associated management of the financial and project delivery process.

The City's current 5-year projection of financed improvements include the following:

- **Water System Improvements:**

\$3,698,363 [North Service Territory Upgrades | \$5,346,000 less \$1,647,637 Grant]

The City's current CIP lists this project completion in FY '26 (\$2,000,000) and FY '27 (\$3,346,000). Those amounts were provided before the Florida Department of Environmental Protection (FDEP) State Revolving Fund (SRF) applications had been processed and the City was awarded the grant funds. For the current rate review, the financed amount is \$3,698,363 based on the SRF funding offer.

- **Sewer System Improvements:**

\$1,748,400 [Ph. III Construction & Reclaimed Water System Expansion | \$8,742,000 less \$6,993,600 Grant]

Similar to the Water System summary, the City's current CIP lists the Phase III Construction project completion in FY '26 (\$2,000,000) and FY '27 (\$2,537,000), which were estimated prior to the FDEP SRF applications. The City became aware of additional grant funding opportunities, and added reclaimed water system expansion components that led to the amounts listed above. For the current rate review, the financed amount is \$1,748,400 based on the SRF funding offer.

The \$8,500,000 Sewer Rehabilitation Improvements identified within the 5-year CIP, will be addressed through smaller, year-over-year capital projects to address the identified rehabilitation needs.

The City has the following capital projects that will be paid through retained earnings or trust fund fees:

- **Water System Improvements:**

\$500,000 [CR 315 Utility Relocations | Pending County Roadway Project]

\$200,000 [CR 209 Utility Relocations | Pending Development Activity]

TOTAL = \$700,000

- **Sewer System Improvements:**

\$520,000 [CR 315 Utility Relocations | Pending County Roadway Project]

\$200,000 [CR 209 Utility Relocations | Pending Development Activity]

TOTAL = \$720,000

The above capital projects are not funded through the revenue modeling, but via fund transfers. Both projects were budgeted for FY '26 completion and retained in the rate modeling for the denoted fiscal year. Actual construction requirements may delay the work until FY '27 or beyond.

A detailed analysis of the City's various budget items were completed, and the following general assumptions were built into future revenue requirements for the enterprise funds:

- Residential growth was not considered in the rate modeling and commercial growth was limited to 1% per year. The City is aware of near-term developments that will provide additional water and wastewater revenue through utility use. However, those additional revenues will be projected once a time frame is known when the developments will be online and requiring utility services.
- Non-financed capital improvements being funded from 'Revenue' sources were programmed into year-to-year expenses within the rate review. The City's current 5-year capital improvement plan was utilized to forecast 'Revenue' funding needs from year to year with necessary adjustments as outlined above. The primary adjustments occurred in the Wastewater Fund CIP where non-financed capital outlays were limited to \$200,000 per year. Those non-financed capital improvements being funded from 'Depreciation Reserve', 'Reimbursable', 'Private Developer', 'Capacity Connection Fund', or 'Retained Earnings' were not considered in year-to-year revenue needs since they are funded from sources outside of a particular year's general revenue stream derived specifically from the utility's operation.
- Financed capital improvements were considered as summarized above, which differs in some locations when compared to published capital improvement plans.
- Ongoing maintenance expenses for the Water, Sewer, and Reclaimed Water System are maintained at current budget percentages into the future.
- Inter-fund transfers and Customer Service costs are maintained at current percentages.
- Grant funding was limited to currently known opportunities. Acquisition of grant funding will continue, but was not considered to conservatively project financing needs. Trust funds can be utilized as needed to assist in capital expense reductions when appropriately allocated.

- A 2% gross inflationary factor is included in expenditure projections for Operation & Maintenance and Personnel (Personal) Services costs.
- Revenue targets were reviewed to ensure a 15% coverage for current SRF loans. Coverage is the net revenue (gross revenue less expenditures) for a specific enterprise fund. This target is 15% of a specific fiscal year's payment requirements. The FDEP SRF Program requires separate water and sewer reserve accounts with monthly allocations from revenue to build toward each debt instrument's semi-annual payment amount.
- Retained earnings target is 25%, or 3 months, of a fund's annual expenditures. The rate model was constructed to meet or exceed this requirement on or before FY '30 for each fund.
- Transfers from the reclaimed water fund into the wastewater fund are projected to assist payment of those project costs associated with SB 64 and St. Johns River BMAP compliance. Production and delivery of public-access reclaimed water is a critical method of meeting the City's on-going regulatory compliance requirements.

Aggregate average water use for all residential water meters was 6,600 gallons per month. The average calculation is skewed by larger water users. As summarized in the table below, 73% of the City's water users utilize less than 6,000 gallons per month. The average use of these metered users is approximately 3,100 gallons per month. **Table ES-1** provides a breakdown of the FY '24 water use.

TABLE ES-1 FY '24 AVERAGE NON-IRRIGATION RESIDENTIAL WATER USE BREAKDOWN		
Average Water Use (gal/month)	Percentage of Total Connections	Cumulative Percent Usage
< 2,000	23%	23%
2,001 - 4,000	31%	54%
4,001 - 6,000	19%	73%
6,001 - 10,000	15%	88%
10,001 - 12,000	3%	91%
12,001 - 14,000	2%	93%
> 14,000	7%	100%

Using an average consumption of 3,100 gallons per month, the average water utility bill per residential connection is summarized as follows:

TABLE ES-2 2026 WATER & SEWER AVERAGE MONTHLY RESIDENTIAL BILL						
Category	In-City			Out of City		
	Water	Sewer	Total	Water	Sewer	Total
3/4" Meter	\$21.00	\$43.65	\$64.65	\$26.25	\$54.56	\$80.81

The average monthly bills for various utilities within the region are summarized in **Table ES-3**.

TABLE ES-3 2026 REGIONAL UTILITY COMPARISON FOR AVERAGE MONTHLY WATER BILL^A			
Utility	Water	Sewer	Estimated Water & Sewer Monthly Bill
City of Green Cove Springs	\$21.00	\$43.65	\$64.65
CCUA ^B	\$20.66	\$38.65	\$59.31
St. Johns County	\$27.60	\$35.87	\$63.47
JEA ^B	\$23.05	\$42.89	\$65.94
Town of Orange Park	\$23.53	\$34.22	\$57.75

A: Estimated bills based on 3,100 gallons per month of use with 3/4" meter.

B: Estimated bill includes additional fees such as alternative water supply surcharge, taxes, etc.

The City's existing tiered rate system would remain and the percentage increases outlined below are based on increases from the Fiscal Year '26 approved rates. A summary of the rate considerations are summarized as follows, but require an annual review to confirm revenue and expenditure requirements in light of a previous year's actual expenditures and forthcoming year's projected revenue needs:

1. Water System: Expense and revenue projections are summarized in **Attachment A.** Projected rate increases and/or considerations:

- FY'27 = 2.5% increase
- FY'28 = 3.0% increase
- FY'29 = 3.0% increase
- FY'30 = 3.0% increase

2. Sewer System: Expense and revenue projections are summarized in **Attachment B.** Projected rate increases and/or considerations:

- FY'27 = 8.0% increase
- FY'28 = 4.0% increase
- FY'29 = 2.0% increase
- FY'30 = 2.0% increase

3. **Reuse System:** Expense and revenue projections are summarized in **Attachment C**. Rate modifications would mimic those for the potable water system.

The City should include an annual review of the rate analysis to capture year-to-year modifications in the budget, so projected rate modifications can be confirmed or modified as necessary to accommodate management of the utility system. This will include review of development growth and potential revenue implications.

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- A Water System Rate Projection Model
- B Sewer System Rate Projection Model
- C Reuse System Rate Projection Model

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I. INTRODUCTION

A. PURPOSE

The City of Green Cove Springs (“City”) owns and operates a water, wastewater (“sewer”), and reclaimed water (“reuse”) system. The water system provides City customers potable water that meets or exceeds the Florida Department of Environmental Protection (FDEP) requirements as well as provides fire protection capabilities through the pump and piping distribution system. The sewer system provides a mechanism for the customers to dispose of their wastewater through a central collection and disposal system. This benefits the City and customers by eliminating the need for numerous on-site sewage disposal systems, or septic tanks, which require regular maintenance and can also provide substandard treatment that impacts the environment. The central sewer system allows the City to collect and treat the wastewater at their treatment plants in accordance with the FDEP requirements. One result of a central sewer system is the opportunity to provide reclaimed water to the public for non-essential use such as irrigation. A reclaimed water system is interrelated to the sewer system as reclaimed water is “produced” from the sewer system. The reclaimed water system also has the benefit of offsetting non-essential potable water use for irrigation which conserves the amount of water taken from the aquifer.

For purposes of this analysis, the separate utility systems are defined as follows:

- The “Water System” is broadly comprised of: Two (2) water treatment plants (WTP) (Harbor Road WTP and Reynolds WTP), four ground storage tanks, three elevated storage tanks, high service pumps, Supervisory Control and Data Acquisition (SCADA) system (computers, control components, real-time records, remote operation capabilities, telemetry systems, etc.), and distribution system (household services, meters, piping, valves, fire hydrants, etc.).
- “Sewer System” is broadly comprised of: Two (2) water reclamation facilities (WRF) (Harbor Road WRF and South WRF), force mains, pump stations, SCADA system (computers, control components, real-time records, remote operation capabilities, telemetry systems, etc.), and gravity collection system (household services, gravity collection piping, manholes, etc.).

- “Reclaimed Water System” has components within the Wastewater System and is broadly comprised of: WRF filter, WRF high-level disinfection system (chemical feed pumps, chemicals, chlorine contact chamber, etc.), reclaimed water pumps, telemetry system (computers, control components, real-time records, remote operation capabilities, etc.), and reclaimed water main(s).

At this time, the City operates their Water, Wastewater, and Reclaimed Water Systems as separate enterprise funds. Currently, the City delivers low-pressure bulk reclaimed water to the Magnolia Point Golf Course who utilizes the reclaimed water to supplement their irrigation water supply. The City is currently in discussions with the Clay County Utility Authority (CCUA) to create a high-pressure bulk connection to allow transfers of reclaimed water from the City to CCUA. These bulk arrangements are addressed separately through individual agreements and rates for the bulk service delivery. For the enterprise funds, the City operates and maintains these systems and charges service and user fees, as defined further herein, to ensure the systems are functional as well as meet the required rules and laws for operation.

The City has requested a review of their utility rates to determine further rate modifications to address regulatory actions related to the surface water elimination requirements, current debt service, and other capital needs.

B. SCOPE

CPH Consulting, LLC was authorized to complete an updated analysis of the City’s current rate structure and provide input for the City’s use in determining how the enterprise funds may be modified to ensure revenues are sufficient and equitable to address future capital investment, ongoing maintenance, inflationary costs, and ongoing operation of the systems.

The analysis detailed further herein is provided based on the recommendations contained within the American Water Works Association (AWWA) Manual M1 (Principles of Water Rates, Fees, and Charges), Manual M54 (Developing Rates for Small Systems), and Water Basics for Decision Makers.

II. UTILITY SYSTEM OPERATIONS OVERVIEW

As defined within the AWWA Manual M1, a “cash-needs” utility rate system is the basis for review of the City’s existing rate structures and is the typical structure for government-operated utility systems. The overall revenue requirements for the utility as a whole, in effect the enterprise fund for the City, are defined as follows:

$$\begin{aligned} \text{Total Revenue} &= \text{Total Expenditures} \\ \text{where,} \\ \text{Total Expenditures} &= \text{Operation \& Maintenance (O\&M) Costs} + \text{Debt Service} \\ &\quad \text{Related to Capital Improvements} + \text{Reserve} + \text{Non-financed} \\ &\quad \text{Capital Improvements} + \text{Inter-fund Transfers} \end{aligned}$$

For purposes of defining the revenue side of the equation, the Total Revenue for the City’s Water System is calculated as follows:

$$\begin{aligned} \text{Total Revenue} &= \text{Water Sales [User Fees (Base Charge \& Use)]} + \text{Water} \\ &\quad \text{Taps} + \text{Water Department Services} + \text{Capacity Connection} \\ &\quad \text{Fees (“Water Improvement Trust Fund (WITF)”)} + \text{Fees} \\ &\quad \text{related to Developer’s Agreement} + \text{Interest (Florida State} \\ &\quad \text{Board of Administration (“FSBA”), WITF, etc.)} + \text{Fire} \\ &\quad \text{Protection Fees} + \text{Sale of Surplus} + \text{Bad Debts Collected} + \\ &\quad \text{Extension Reimbursement} + \text{Consultant Fees} \\ &\quad \text{Reimbursement} + \text{Late Fees} + \text{Miscellaneous Income} \end{aligned}$$

Grant funding is also a component of total revenue and is a revenue source that has benefitted the City over the years. Grant revenue is never a guarantee and as the City grows those dollars will be more difficult to obtain. However, the City should continue to explore avenues to obtain grant dollars and incorporate any grant revenue into a yearly rate review as discussed further herein. The categories for the Sewer and Reclaimed Water Systems are broadly the same and will be defined further herein.

The total revenue and expenditures defined above are related to continuing operations whereas revenue related to WITF and/or infrastructure improvements completed through a developer agreement and transferred to the City are not part of this analysis. In essence, the City attempts to operate the water and sewer enterprises to balance the items listed above. The revenues should equal, or exceed, the expenditures on a year-to-year basis.

III. EXISTING WATER SYSTEM FINANCES

In order to further define the Water System revenue and expenditure requirements for future years, a baseline study was completed of the City's more recent revenue and expenditure streams. Within **Section III.A.**, the City's historic revenues and costs for the various components shown in **Table II-1** will be defined. **Section III.B.** will review various items that require consideration related to any rate modifications, and **Section III.C.** will summarize the existing system review. **Sections VI** and **VII** will review future revenue requirements based on estimated expenditure projections.

A. EXISTING FINANCIAL REVIEW: WATER REVENUES

As shown in **Table II-1**, the Water System revenues are comprised of the following items:

1. Water Sales [User Fees (Base Charge & Use)]
2. Water Taps
3. Water Department Services
4. Capacity Connection Fees [a.k.a., Water Improvement Trust Fund (WITF Fees)]
5. Fees related to Developer's Agreement
6. Interest (FSBA, WITF, etc.)
7. Extension Reimbursement
8. Consultant Fees Reimbursement
9. Sale of Surplus
10. Fire Protection Fees
11. Bad Debts Collected
12. Miscellaneous Income
13. Late Fees

The historic revenue of each category is provided within **Table III-1**.

TABLE III-1				
FY '22 THROUGH FY '25 WATER SYSTEM REVENUE				
Item	FY '22	FY '23	FY '24	FY '25
Water Sales	\$1,904,535	\$2,054,175	\$2,132,557	\$2,551,473
Water Taps	\$32,700	\$21,750	\$27,050	\$33,850
Water Dept. Services	\$4,403	\$30	\$0	\$3,971
Developer Agreement Fees	\$13,701	\$0	\$0	\$0
Interest-FSBA	\$6,005	\$33,544	\$42,404	\$36,890
Interest	\$0	\$0	\$8,642	\$3,308
Extension Reimbursement	\$10,750	\$18,500	\$14,250	\$46,250
Consultant Reimbursement	\$0	\$0	\$0	\$0
Sale of Surplus or Asset	\$1,431	\$2,910	\$1,219	\$0
Fire Protection Fees	\$15,900	\$14,373	\$29,629	\$25,862
Late Fees	\$11,726	\$5,739	\$2,709	\$3,164
Bad Debts Collected	\$0	\$0	\$0	\$0
WITF (Connection Capacity Fees)	\$44,225	\$40,720	\$28,515	\$72,440
Misc. Revenue	\$2,494	\$8,497	\$15,719	\$23,677
TOTAL	\$2,047,870	\$2,200,238	\$2,302,694	\$2,800,885
TOTAL less WITF Fees	\$2,003,645	\$2,159,518	\$2,274,179	\$2,728,445

As shown in **Table III-1**, the City's largest source of revenue is derived from Water Sales. As a percentage of the total budget, Water Sales account for over 90% of the City's revenues for each of the preceding fiscal years.

The revenue categories are reviewed in more detail in the following sections.

1. **Water Sales:** If Capacity Connection Fee (WITF) revenue is excluded, the City's Water Sales percentage of the total water system revenue increases to 93%. This subsection will review this component in more detail. The FY '26 residential and commercial rate schedule for the Water System is summarized in **Table III-2**.

TABLE III-2									
FY '26 RESIDENTIAL AND COMMERCIAL WATER RATE SCHEDULE									
Category (Meter Size)	3/4"	1"	1-1/2"	2"	3"	4"	6"	8"	10"
Monthly Customer Base Charge ^A	\$18.59	\$27.61	\$39.30	\$54.38	\$74.35	\$297.37	\$548.35	\$780.72	\$1,032.37
A: Monthly Customer Base Charge does not include any usage.									
RESIDENTIAL POTABLE									
Block Size (gal)	0-3,000		3,001-10,000		10,001-15,000		15,001-20,000		20,001 and over
Rate (\$/1,000 gal)	\$0.96		\$3.16		\$3.24		\$3.35		\$3.44
RESIDENTIAL IRRIGATION									
Block Size (gal)	0-10,000		10,001-15,000		15,001-20,000		20,001 and over		
Rate (\$/1,000 gal)	\$3.24		\$3.35		\$4.26		\$5.58		
COMMERCIAL POTABLE									
Block Size (gal)	0-10,000		10,001-15,000		15,001-20,000		20,001 and over		
Rate (\$/1,000 gal)	\$3.16		\$3.24		\$3.35		\$3.44		
COMMERCIAL IRRIGATION									
Block Size (gal)	0-10,000		10,001-15,000		15,001-20,000		20,001 and over		
Rate (\$/1,000 gal)	\$3.24		\$3.35		\$4.26		\$5.58		

As discussed further herein, a review of the City's water use and associated revenue was prepared. As part of that effort, a review of the various connections was completed. A tabulation of the various residential connections beginning in FY '19 and ending in FY '24 is provided within **Table III-3.**

TABLE III-3 EXISTING RESIDENTIAL WATER CONNECTIONS FROM FY '19 TO FY '24										
Meter Size	FY '19					FY '24				
	Potable		Irrigation		Total	Potable		Irrigation		Total
	Inside City	Outside City	Inside City	Outside City		Inside City	Outside City	Inside City	Outside City	
3/4"	2,611	368	560	136	3,675	2,696	485	566	255	4,002
1"	251	2	30	1	284	258	10	28	0	296
1-1/2"	1	0	0	0	1	0	1	0	0	1
2"	0	0	0	0	0	0	1	0	0	1
3"	0	0	0	0	0	0	0	0	0	0
4"	0	0	0	0	0	0	0	0	0	0
6"	0	0	0	0	0	0	0	0	0	0
8"	0	0	0	0	0	0	0	0	0	0
10"	0	0	0	0	0	0	0	0	0	0
TOTAL	2,863	370	590	137	3,960	2,954	497	594	255	4,300

A tabulation of the various commercial connections beginning in January 2017 and ending in August 2022 is provided within **Table III-4**.

TABLE III-4 EXISTING COMMERCIAL WATER CONNECTIONS FROM FY '19 TO FY '24										
Meter Size	FY '19					FY '24				
	Potable		Irrigation		Total	Potable		Irrigation		Total
	Inside City	Outside City	Inside City	Outside City		Inside City	Outside City	Inside City	Outside City	
3/4"	229	42	28	7	306	250	75	11	10	346
1"	28	20	23	5	76	39	23	9	5	76
1-½"	34	7	6	0	47	33	12	4	1	50
2"	40	15	25	2	82	43	18	5	3	69
3"	6	2	2	0	10	20	3	2	0	25
4"	3	3	0	0	6	3	3	0	0	6
6"	1	0	0	0	1	1	1	0	0	2
8"	0	0	0	0	0	0	0	0	0	0
10"	0	0	0	0	0	0	0	0	0	0
TOTAL	341	89	84	14	528	389	135	31	19	574

The City's tiered rate structure has been in effect for approximately 15 years. Utilizing the above information, a spreadsheet model was created (see **Attachment A**) to prepare a baseline for utilization in future rate analysis simulations. Through assistance with the Public Works & Finance Department, water use for the various connections was provided and historically analyzed.

B. EXISTING FINANCIAL REVIEW: WATER EXPENDITURES

As shown in **Table II-1**, the Water System expenditures are comprised of the following items:

1. Operation & Maintenance (O&M) Costs [*Personnel (Personal) + Operating*]
2. Debt Service Related to Capital Improvements
3. Reserve
4. Non-financed Capital Improvements
5. Inter-fund Transfers

The historic expenditure of each category is provided within **Table III-5**.

TABLE III-5				
FY '22 THROUGH FY '25 ANNUAL WATER SYSTEM EXPENDITURES				
Item	FY '22	FY '23	FY '24	FY '25
Personnel (O&M Costs)	\$677,027	\$1,185,358	\$1,029,263	\$886,869
Operating Expenses (O&M Costs)	\$569,473	\$694,283	\$876,414	\$685,234
Capital Improvement Debt Service (Principal)		\$168,686	\$172,075	\$176,472
Capital Improvement Debt Service (Interest)	\$40,322	\$43,227	\$24,429	\$19,656
Bad Debt Expense	\$1,686	\$19,819	\$494	(\$2,176)
Customer Service Allocation	\$99,935	\$134,837	\$160,633	\$198,912
Cost-Recovery Transfer	\$140,176	\$140,176	\$157,448	\$157,448
Transfers - General Fund	\$100,000	\$100,000	\$120,000	\$120,000
Capital Expenditures ^B	\$0	\$0	\$0	\$261,789
TOTAL	\$1,628,619	\$2,486,386	\$2,540,756	\$2,504,204
Depreciation ^A	\$697,067	\$697,059	\$713,852	\$669,542

A: The City tracks Depreciation Expense, but this value is just an accounting line item and not a cash expense.

B: Capital expenditures are zeroed out each year for budget balancing, so the values were not readily available for a historical review.

As a percentage of the total budget, **Table III-6** displays each category's portion of the City's total Water System Expenditure based on the average annual expenses.

TABLE III-6
FY '22 THROUGH FY '25
ANNUAL WATER SYSTEM EXPENDITURES BREAKDOWN

Item	Expense FY '22	FY '22 (% Total Budget)	Expense FY '23	FY'23 (% Total Budget)	Expense FY '24	FY'24 (% Total Budget)	Expense FY '25	FY'25 (% Total Budget)
Personnel (O&M)	\$677,027	41.6%	\$1,185,358	47.8%	\$1,029,263	40.5%	\$886,869	35.4%
Operating (O&M)	\$569,473	35.0%	\$694,283	27.9%	\$876,414	34.5%	\$685,234	27.4%
Capital Improvement Debt Service (Principal)			\$168,686	6.8%	\$172,075	6.8%	\$176,472	7.0%
Capital Improvement Debt Service (Interest)	\$40,322	2.5%	\$43,227	1.7%	\$24,429	1.0%	\$19,656	0.8%
Bad Debt Expense	\$1,686	0.1%	\$19,819	0.8%	\$494	0.0%	(\$2,176)	-0.1%
Customer Service Allocation	\$99,935	6.1%	\$134,837	5.4%	\$160,633	6.3%	\$198,912	7.9%
Cost-Recovery Transfer	\$140,176	8.6%	\$140,176	5.6%	\$157,448	6.2%	\$157,448	6.3%
Transfers - Gen. Fund	\$100,000	6.1%	\$100,000	4.0%	\$120,000	4.7%	\$120,000	4.8%
Capital Expenditures	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$261,789	10.5%
TOTAL	\$1,628,619	100.0%	\$2,486,386	100.0%	\$2,540,756	100.0%	\$2,504,204	100.0%

The largest percentage increases between FY '22 and FY '25 are summarized as follows:

- O&M Costs: 26% increase
- Cust. Serv. Allocation: 99% increase
- Transfers: 15% increase

The denoted line items define the majority of the Water System expenditure cost categories.

1. **Water O&M Expenditures:** As shown within **Table III-6**, the costs associated with the O&M of the Water System reflect over 65% of the annual expenditures within the budget when depreciation expenses are not considered. Therefore, specific costs associated with this line item will be reviewed in further detail. A breakdown of the various line items and costs are summarized in **Table III-7**.

TABLE III-7				
FY '22 THROUGH FY '25 WATER SYSTEM ANNUAL O&M BUDGET				
Item	FY '22	FY '23	FY '24	FY '25
Labor, Taxes & Fringes ^A	\$677,027	\$1,185,358	\$1,029,263	\$886,869
Utilities-Electric	\$95,379	\$85,388	\$98,243	\$100,600
Utilities - Water (CCUA) & Water/Sewer	\$125,965	\$236,744	\$147,773	\$126,104
Professional Services	\$10,842	\$5,786	\$12,438	\$13,157
Office & Lab Expenses/Operating Supplies	\$27,367	\$71,796	\$68,748	\$53,367
Vehicle Fuel & Maintenance	\$21,595	\$21,436	\$32,841	\$21,320
Equipment Maintenance	\$2,964	\$3,548	\$1,178	\$6,774
Safety Equip./Uniforms	\$3,246	\$1,228	\$1,059	\$1,201
Laboratory Services	\$2,309	\$4,011	\$8,401	\$6,966
EST Maint.	\$52,588	\$42,588	\$45,457	\$51,585
Travel/Books/Prof. Develop.	\$2,624	\$5,520	\$2,825	\$4,652
Auditing	\$6,000	\$15,900	\$7,237	\$6,319
Temp. Labor	\$0	\$14,164	\$13,707	\$11,604
Communication, Freight & Postage	\$11,136	\$10,105	\$10,820	\$12,249
Insurance	\$24,360	\$22,010	\$36,695	\$40,094
Line/Hydrant Maintenance	\$101,586	\$63,782	\$254,829	\$126,940
Plant, Bldg. and Equip. Maintenance	\$28,167	\$27,184	\$56,821	\$21,658
Chemicals	\$32,986	\$49,233	\$61,753	\$75,021
Other Expenses	\$20,352	\$13,896	\$15,632	\$5,625
TOTAL (rounded)	\$1,246,500	\$1,879,600	\$1,905,700	\$1,572,100
Depreciation ^B	\$697,067	\$697,059	\$713,852	\$669,542

A: Beginning FY '23, labor costs increase due to additional hiring, increased benefits costs, and increased insurance costs. FY 25 labor costs decreased due to re-allocation of personnel expenses between water, sewer and reclaimed.

B: Depreciation is a 'book' expense reflecting lost value in the assets, but is not a cash expense.

On an annual basis, the City updates their 5-year capital improvement plan to budget expenditures associated with ongoing maintenance (rehabilitation or replacement) items and/or expansion of the City's utility system. The City's current five-year capital improvement budget for non-financed capital improvements is summarized in **Table III-8**. The funding for these improvements are currently designated through a combination of sources including depreciation reserve and general revenue. The totals per fiscal year are summarized at the bottom of the table.

TABLE III-8					
FY '26 THROUGH FY '30 WATER SYSTEM NON-FINANCED CAPITAL IMPROVEMENTS					
Item	FY '26	FY '27	FY '28	FY '29	FY '30
Building Improvement	\$30,000	\$25,000	\$25,000	\$25,000	\$25,000
Replace Valves	\$15,000	\$15,000	\$20,000	\$20,000	\$25,000
Water Line Replacement	\$40,000	\$40,000	\$40,000	\$45,000	\$45,000
Replace Vehicles	\$0	\$50,000	\$50,000	\$60,000	\$60,000
Equipment	\$40,000	\$40,000	\$50,000	\$50,000	\$60,000
Water System TCU Replacement	\$25,000	\$0	\$0	\$0	\$0
South Service Loop	\$0	\$125,000	\$0	\$0	\$0
TOTAL EXPENDITURES	\$125,000	\$170,000	\$185,000	\$200,000	\$215,000

2. Remaining Water System Expenditures: In addition to the annual O&M expenditures, as noted within **Table III-7**, the City has the following expenditure categories which will be discussed in further detail:

- Capital Improvement Debt Service;
- Water System - Customer Service Allocation;
- Inter-Fund Transfers;
- Depreciation; and
- Financed Capital Improvements.

Each of the above will be defined further within the following subsections.

a. Existing Capital Improvement Debt Service: The City currently has two loan agreements that are utilized to finance Reynolds Park Water Distribution System Improvements and FDEP SRF Design of Capital Improvements to the City's Water System. The debt services have the

following conditions:

Reynolds Park Water Dist. System Improvements (Series 2019)

- Principal: \$1,500,000 (original amount)
- Interest Rate: 2.63% (APR)
- Final Maturity Date: 2029
- Annual Payment: \$172,600

FDEP SRF Design of Capital Improvements (DW 100102)

- Principal: \$236,389 (original amount)
- Interest Rate: 1.71% (APR)
- Final Maturity Date: 2031
- Annual Payment: \$26,330

2024 SRF Water System (Reclaimed/Drinking Water | DW 100440)

- Principal: \$2,195,000 (estimated)
- Interest Rate: 2.00% (APR)
- Final Maturity Date: 2036
- Annual Payment: \$37,300 paid via Water Fund
[\$210,800 paid via Wastewater Fund]

Future loan agreements are expected to finance capital improvements discussed further herein.

- b. Water System - Customer Service Allocation:** These costs fund the customer service department. As shown in **Table III-6**, the annual costs increased from \$99,935 (FY '22) to \$198,912 (FY '25).
- c. Existing Inter-Fund Transfers:** As shown within **Table III-6**, the Cost Recovery and General Fund transfers increased from a total of \$240,176 (FY '22) to \$277,448 (FY '25).
- d. Depreciation:** In annual audits, accountants will include depreciation expense as it relates to 'lost value' within the aging infrastructure. In most cases, equipment, tanks, building, etc. will have a straight-line depreciation on 10 to 30-year durations pending specific characteristics and anticipated service life. In these documents, the 'depreciation expense' is not a 'cash' expense but does represent a loss in booked value.

For most utilities, the depreciation expense is not funded on a year-to-year basis. Instead, the depreciation expense is 'capitalized' once an improvement program is initiated which will include debt issuance to replace, rehabilitate, or improve the existing assets.

Depreciation expense is also captured in the City's annual audit.

- e. **Financed Improvements:** The City's current capital improvement budget also includes considerations related to debt instruments that may be required to fund future capital improvements. The City publishes the 5-year projections on a year-to-year basis. For purposes of this report, the most recent projection has been updated. Any "NIC" (not included) notation indicates a modification to published values. A summary of the anticipated financing needs are provided in **Table III-9**.

TABLE III-9					
FY '26 THROUGH FY '30 WATER SYSTEM FINANCED CAPITAL IMPROVEMENTS					
Item	FY '26	FY '27	FY '28	FY '29	FY '30
North Service Territory/HRWTP Upgrades	\$2,000,000	\$3,346,000	\$0	\$0	\$0
TOTAL EXPENDITURES	\$2,000,000	\$3,346,000	\$0	\$0	\$0
Funding Source: Loan (SRF)	\$2,000,000	\$3,346,000	\$0	\$0	\$0
TOTAL FUNDING	\$2,000,000	\$3,346,000	\$0	\$0	\$0

The above amounts were provided before the FDEP SRF applications had been processed and the City was awarded grant funds. For the current rate review, the financed amount is \$3,698,363 based on the 2025 SRF funding offer.

The City has the following capital projects that will be paid through retained earnings or trust fund fees:

- \$500,000 [CR 315 Utility Relocations | Pending County Roadway Project]
- \$200,000 [CR 209 Utility Relocations | Pending Development Activity]

Financing costs and options related to these improvements are discussed in **Section IV**. The funding method will modify the improvement schedule outlined in **Table III-9**. The CIP will be amended in the coming FY '27 budget to mimic the City's desired funding paths and priority selection.

C. EXISTING FINANCIAL REVIEW: WATER REVENUE VS. EXPENDITURES

As shown in **Table III-10**, the Water System revenue and expenditures over the past two years are summarized.

TABLE III-10 FY '24 & FY '25 WATER SYSTEM REVENUE & EXPENDITURES BREAKDOWN					
Item	Revenue (FY '24)	Revenue (FY '25)	Item	Expenditure (FY '24)	Expenditure (FY '25)
Water Sales	\$2,132,557	\$2,551,473	O&M Costs	\$1,905,677	\$1,572,103
Water Taps	\$27,050	\$33,850	Capital Improv. Debt Service (principal)	\$172,075	\$176,472
Water Depart. Services	\$0	\$3,971	Capital Improv. Debt Service (interest)	\$24,429	\$19,656
Interest	\$8,642	\$3,308	Reserve	\$0	\$0
Interest-FSBA	\$42,404	\$36,890	Bad Debt Expense	\$494	(\$2,176)
Extension Reimbursement	\$14,250	\$46,250	Customer Service Allocation	\$160,633	\$198,912
Sale of Surplus	\$1,219	\$0	Cost-Recovery Transfer	\$157,448	\$157,448
Fire Protection Fees	\$29,629	\$25,862	Transfers - Gen. Fund	\$120,000	\$120,000
Bad Debts Collected	\$0	\$0	Non-Financed Capital Improv.	\$0	\$261,789
Late Fees	\$2,709	\$3,164	Capital Improvement Debt Service (principal)	\$0	\$0
Misc. Revenue	\$15,719	\$23,677	Miscellaneous	\$0	\$0
TOTAL	\$2,274,179	\$2,728,445	TOTAL	\$2,540,756	\$2,504,204
WITF Fees	\$28,515	\$72,440			

The various items reviewed within this section will provide a foundation to review future expenditures related to needed capital improvements and the accompanying revenue requirements. The net deficit is reflective of the pressure on water system revenues.

The net revenue for the Water System between FY '22 through FY '25 is summarized in **Table III-11**.

TABLE III-11				
FY '22 THROUGH FY '25 WATER SYSTEM NET REVENUE TREND				
Item	FY '22	FY '23	FY '24	FY '25
Total Revenue ^A	\$2,003,645	\$2,200,238	\$2,302,694	\$2,800,885
Total Expenses	\$1,628,613	\$2,486,386	\$2,540,756	\$2,504,204
NET REVENUE	\$375,032	(\$286,148)	(\$238,062)	\$296,681
Depreciation	\$697,067	\$697,059	\$713,852	\$669,542

A: Total Revenue less loan proceeds and water improvement trust fund (WITF) revenue.

IV. EXISTING SEWER SYSTEM FINANCES

In order to further define the Sewer System revenue and expenditure requirements for future years, a baseline study was completed of the City's historic revenue and expenditure streams and a spreadsheet model was created to ensure future simulations accurately depicted current use and associated revenue. Within **Section IV.A.**, the City's historic revenues and costs for the various components shown in **Table IV-1** will be defined. **Section V** will review financed capital improvement needs, and **Section VI** will consider rate implications pending grant and impact fee revenues.

A. EXISTING FINANCIAL REVIEW: SEWER REVENUES

As shown in **Table II-2**, the Sewer System revenues are comprised of the following items:

1. Sewer Use [User Fees (Base Charge & Use)]
2. Inspection Fees
3. Fees related to Developer's Agreement
4. Interest Revenue
5. Late Fees
6. Capacity Connection Fees (Wastewater Improvement Trust)
7. Line Extension Reimbursement
8. Miscellaneous Income

The historic revenue of each category is provided within **Table IV-1**.

TABLE IV-1 FY '22 THROUGH FY '25 SEWER SYSTEM REVENUES				
Item	FY '22	FY '23	FY '24	FY '25
Wastewater Sales	\$3,206,300	\$3,294,541	\$3,670,208	\$3,890,021
Develop. Agree. Fees	\$6,151	\$0	\$0	\$0
Interest-FSBA	\$4,064	\$21,880	\$28,694	\$24,963
Interest-Misc.	\$0	\$0	\$20,862	\$10,133
Late Fees	\$20,188	\$18,073	\$24,307	\$24,726
Capacity Connection Fees	\$68,000	\$72,000	\$50,000	\$138,000
Line Ext. Reimb.	\$11,250	\$30,500	\$36,750	\$50,500
Misc. Income ^A	\$1,612	\$3,536	\$0	\$326,742
TOTAL	\$3,317,565	\$3,440,530	\$3,830,821	\$4,465,085
TOTAL less Capacity and Developer Fees	\$3,243,414	\$3,368,530	\$3,780,821	\$4,327,085
Loan/Grant	\$0	\$0	\$1,980,825	\$4,648,100

A: Misc. income includes bad debts collected, misc. income, and sale of surplus. FY'24 and FY'25 include interim funding revenues from the FDEP SRF Harbor Road WRF Expansion project and/or funds associated with the contractor's bankruptcy resolution process. The above table separates the interim construction funding into the 'Loan/Grant' line item. These are one time capital infusions that are not included for future revenue projections.

As shown in **Table IV-1**, Wastewater Sales have trended upward and account for over 95% of the City's Wastewater Enterprise Fund overall revenue. Fiscal Years '24 and '25 have one-time revenue streams associated with completion of the Harbor Road WRF Expansion project and associated resolution of fees and penalties associated the contractor's bankruptcy.

1. **Wastewater Sales:** This subsection will review this component in more detail. The existing residential and commercial rate schedule for the Sewer System is summarized in **Table IV-2**.

TABLE IV-2 FY '26 RESIDENTIAL AND COMMERCIAL SEWER RATE SCHEDULE									
Category (Meter Size)	3/4"	1"	1-1/2"	2"	3"	4"	6"	8"	10"
Monthly Customer Base Charge ^A	\$39.49	\$69.96	\$137.35	\$196.94	\$259.18	\$686.81	\$1,295.84	\$2,177.01	\$3,109.98
A: Monthly Customer Base Charge does not include any usage.									
RESIDENTIAL ^B									
Block Size (gal)	0-3,000		3,001-10,000		10,001-15,000		15,001-20,000		20,001 and over
Rate (\$/1,000 gal)	\$0.75		\$7.18		\$7.40		\$7.64		\$7.92
B: Residential sewer shall not exceed \$200.00 per month.									
COMMERCIAL									
Block Size (gal)	0-3,000	3,001-10,000	10,001-15,000	15,001-20,000	20,001-50,000	50,001 and over			
Rate (\$/1,000 gal)	\$0.75	\$7.18	\$7.40	\$7.64	\$7.92	\$8.16			

As discussed further herein, a review of the City's sewer use and associated revenue was prepared. As part of that effort, a review of the various connections was completed. A tabulation of the various residential connections in FY '19 and ending in FY '24 is provided within **Table IV-3**.

TABLE IV-3 RESIDENTIAL SEWER CONNECTIONS FROM FY '19 to FY '24						
Category	FY '19			FY '24		
	Inside City	Outside City	Total	Inside City	Outside City	Total
3/4" Meter	2,542	149	2,691	2,995	415	3,410
1" Meter	227	0	227	252	4	256
1-1/2" Meter	2	0	2	0	0	0
2" Meter	0	0	0	0	1	1
3" Meter	0	0	0	0	0	0
4" Meter	0	0	0	0	0	0
6" Meter	0	0	0	0	0	0
8" Meter	0	0	0	0	0	0
10" Meter	0	0	0	0	0	0
St. Johns Landing (Master Meter)	0	1	1	0	1	1
TOTAL	2,771	150	2,921	3,247	421	3,668

A tabulation of the various commercial connections between FY '19 and FY '24 is provided within **Table IV-4**.

TABLE IV-4 COMMERCIAL SEWER CONNECTIONS FROM FY '19 TO FY '24						
Category	FY '19			FY '24		
	Inside City	Outside City	Total	Inside City	Outside City	Total
3/4" Meter	224	40	264	224	40	264
1" Meter	30	18	48	33	20	53
1-1/2" Meter	32	7	39	29	12	41
2" Meter	44	14	58	39	17	56
3" Meter	9	2	11	7	3	10
4" Meter	3	3	6	3	3	6
6" Meter	1	0	1	1	0	1
8" Meter	0	0	0	0	0	0
10" Meter	0	0	0	0	0	0
3/4" Meter (City)	3	n/a	3	7	n/a	4
2" Meter (City)	4	n/a	4	5	n/a	5
2" Meter (CCUA)	n/s	2	2	n/a	n/a	n/a
TOTAL	350	86	436	348	95	440

On a percentage basis, the overall connection growth has been flat over the denoted period.

Utilizing the above information a spreadsheet model was created to prepare a baseline for utilization in determining future revenue requirements. Through assistance with the Public Works Department, water use for the various connections was provided and reviewed.

B. EXISTING FINANCIAL REVIEW: SEWER EXPENDITURES

As shown in **Table II-2**, the Sewer System expenditures are comprised of the following items:

1. Operation & Maintenance (O&M) Costs [*Personnel (Personal) + Operating*]
2. Debt Service Related to Capital Improvements
3. Reserve

4. Capital Expenditures
5. Inter-fund Transfers
6. Capital Expenditures
7. Customer Service
8. Bad Debt
9. Transfer

The historic expenditure of each category is provided within **Table IV-5**.

TABLE IV-5				
FY '22 THROUGH FY '25 ANNUAL SEWER SYSTEM EXPENDITURES				
Item	FY '22	FY '23	FY '24	FY '25
Personnel Expenses (O&M)	\$667,051	\$1,092,464	\$1,039,676	\$1,150,850
Operating Expenses (O&M)	\$743,606	\$761,657	\$885,483	\$882,365
Non-Financed Capital Improvements ^B	\$0	\$0	\$0	\$673,569
Capital Improvement Debt Service (Principal & Interest)	\$7,216	\$143,516	\$142,365	\$308,963
Cost-Recovery Transfers	\$160,645	\$160,645	\$239,521	\$239,521
Customer Service Allocation	\$113,563	\$153,224	\$181,856	\$226,037
Bad Debt	\$3,560	(\$123)	\$1,394	\$4,098
Transfers to Reclaimed Water	\$0	\$0	\$203,286	\$0
Transfer to Gen. Fund (PILOT)	\$135,000	\$135,000	\$200,000	\$200,000
TOTAL	\$1,830,641	\$2,446,383	\$2,893,581	\$3,685,403
Depreciation ^A	\$1,020,687	\$1,078,369	\$1,113,028	\$1,202,479

A: Depreciation expense is not a cash expense.

B: Capital expenditures are zeroed out each year for budget balancing, so the values were not readily available for a historical review.

As a percentage of the total budget, **Table IV-6** displays each category's portion of the City's total Sewer System Expenditure based on the averaged annual expenditures for the four years.

TABLE IV-6

**FY '22 THROUGH FY '25 ANNUAL
SEWER SYSTEM EXPENDITURES BREAKDOWN**

Item	Expense (FY '22)	FY '22 (% Total Budget)	Expense FY '23	FY '23 (% Total Budget)	Expense FY '24	FY '24 (%Total Budget)	Expense FY '25	FY '25 (%Total Budget)
Personnel (O&M)	\$667,051	36.4%	\$1,092,464	44.7%	\$1,039,676	35.9%	\$1,150,850	31.2%
Operating (O&M)	\$743,606	40.6%	\$761,657	31.1%	\$885,483	30.6%	\$882,365	23.9%
Capital Improvement Debt Service (Principal & Interest)	\$7,216	0.4%	\$143,516	5.9%	\$142,365	4.9%	\$308,963	8.5%
Cost-Recovery Transfers	\$160,645	8.9%	\$160,645	6.6%	\$239,521	8.3%	\$239,521	6.5%
Capital Expenditures ^B	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$673,569	18.3%
Customer Service Allocation	\$113,563	6.2%	\$153,224	6.3%	\$181,856	6.3%	\$226,037	6.1%
Bad Debt	\$3,560	0.1%	(\$123)	0.0%	\$1,394	0.1%	\$4,098	0.1%
Transfers to Reclaimed Water	\$0	0.0%	\$0	0.0%	\$203,286	7.0%	\$0	0.0%
Transfer (PILOT)	\$135,000	7.4%	\$135,000	5.4%	\$200,000	6.9%	\$200,000	5.4%
TOTAL	\$1,830,641	100.0%	\$2,446,383	100.0%	\$2,893,581	100.0%	\$3,685,403	100.0%

A: Percentage of Total Average Expenditures. Not a cash expense.

B: Estimated non-financed capital expenditures.

Similar to the Water System review, the O&M Costs represent a significant expense for on-going operations. In addition, the year-to-year, non-financed capital expenditures can also impact the over Sewer System expenditure budget.

- Sewer O&M Expenditures:** As shown within **Table IV-6**, the costs associated with the O&M of the Sewer System reflects around 76% of the annual budget when depreciation (i.e., retained earnings) and capital expenditures are not included. Costs associated with each of these items will be review in further detail. A breakdown of the various line items and costs are summarized in **Table IV-7**.

TABLE IV-7				
FY '22 THROUGH FY '25 SEWER SYSTEM ANNUAL OPERATING O&M BUDGET				
Item	FY '22	FY '23	FY '24	FY '25
Labor, Taxes & Fringes	\$667,051	\$1,092,464	\$1,039,676	\$1,150,851
Utilities - Electric	\$250,808	\$209,556	\$220,192	\$265,547
Utilities - Water, Sewer	\$5,565	\$21,684	\$3,912	\$4,239
Professional Services	\$11,132	\$8,268	\$48,735	\$18,123
Contract Lab Expenses	\$41,673	\$38,863	\$38,864	\$35,205
Vehicle Fuel & Maint.	\$32,747	\$33,869	\$27,065	\$22,860
Line Maintenance	\$42,550	\$24,076	\$43,046	\$26,394
Lift Station Maintenance	\$36,966	\$15,226	\$37,618	\$26,035
Sludge Maintenance	\$90,284	\$138,681	\$127,526	\$67,921
Equipment & Building Maintenance	\$3,318	\$4,974	\$11,354	\$10,475
Plant Repair	\$0	\$0	\$0	\$41,828
Chemicals	\$126,481	\$164,334	\$160,770	\$179,610
In-house Lab. Expenses	\$10,197	\$10,181	\$28,962	\$13,895
Travel/Books/Prof. Devel.	\$2,844	\$2,866	\$3,448	\$2,275
Insurance	\$28,575	\$30,162	\$43,221	\$46,042
Communication, Freight & Postage	\$10,007	\$9,744	\$9,101	\$10,423
Operating Expenses	\$18,564	\$28,716	\$34,751	\$31,350
Auditing	\$8,000	\$0	\$12,063	\$10,532
Temp Labor	\$10,743	\$7,741	\$14,473	\$14,350
Maintenance Support/Software				\$21,404
Stormwater Fees	\$0	\$0	\$0	\$33,856
Other Expenses	\$13,154	\$12,716	\$20,382	\$0
TOTAL	\$1,410,659	\$1,854,121	\$1,925,159	\$2,033,215
Depreciation ^A	\$1,020,687	\$1,078,369	\$1,113,028	\$1,202,479

A: Not a cash expense.

B: Beginning FY '23, labor costs increase due to additional hiring, increased benefits costs, and increased insurance costs. FY '25 labor costs decreased due to re-allocation of personnel expenses between water, sewer and reclaimed.

The City budgets Non-Financed Capital Improvements separately from the overall operation and maintenance budget. However, in this most recent capital review, line maintenance, pump station maintenance, and plant maintenance are separate line items within the O&M budget, which is

appropriate for their accounting and tracking.

On annual basis, the City updates their 5-year capital improvement plan to include projections for expenditures associated with on-going maintenance items and/or expansion costs. The City's current five-year capital improvement budget is summarized in **Table IV-8**. The funding for these improvements are currently designated through a combination of sources including depreciation reserve and general revenue. Any "NIC" (not included) notation indicates a modification to previously published values. The rate review modifies this schedule to address the most immediate repairs necessary. The non-financed capital improvement needs should be reviewed on an annual basis and adjusted to meet the expenditure targets.

TABLE IV-8					
FY '26 THROUGH FY '30 SEWER SYSTEM NON-FINANCED CAPITAL IMPROVEMENTS					
Item	FY '26	FY '27	FY '28	FY '29	FY '30
Structural R & R	\$40,000	\$60,000	\$60,000	\$70,000	\$70,000
Lift Station Rehab (Re-pipe 3 per year)	\$0	\$600,000	\$600,000	\$650,000	\$650,000
Manhole Rehab (120 Locations per SSES)	\$0	\$70,000	\$70,000	\$75,000	\$75,000
Rehab Sewer Lines (Routine)	\$0	\$300,000	\$300,000	\$350,000	\$350,000
Small Equipment	\$75,000	\$75,000	\$75,000	\$80,000	\$80,000
Point Repairs (Locations per SSES)	\$100,000	\$100,000	\$100,000	\$200,000	\$200,000
Vehicles	\$0	\$50,000	\$50,000	\$60,000	\$60,000
TOTAL EXPENDITURES	\$215,000	\$1,255,000	\$1,255,000	\$1,485,000	\$1,485,000
Funding Source: Trust	\$0	\$0	\$0	\$0	\$0
Fund/Reserves	\$0	\$0	\$0	\$0	\$0
Funding Source: Revenue	\$215,000	\$1,255,000	\$1,255,000	\$1,485,000	\$1,485,000
TOTAL FUNDING	\$215,000	\$1,255,000	\$1,255,000	\$1,485,000	\$1,485,000

The above schedule is modified in the rate modeling, and will be a year-to-year review with City officials to define targeted capital expenditures.

3. Remaining Sewer System Expenditures: To further breakdown the City's Sewer System expenditures, the following items will be reviewed in more detail:

- Capital Improvement Debt Service;
- Sewer System - Customer Service (Billing);
- Inter-Fund Transfers;
- Depreciation; and
- Financed Improvements.

Each of the above will be defined further within the following subsections.

a. Existing Capital Improvement Debt Service: The City currently has four loan agreements that are utilized to Wastewater Capital Projects. The debt services have the following conditions:

Capital Projects: Wastewater Consolidation (Planning | WW100400)

- Principal: \$45,605.96 (estimated)
- Interest Rate: 2.29% (APR)
- Final Maturity Date: 2036
- Annual Payment: \$2,855

Capital Projects: HR AWT WRF Exp.Ph. 2 (Design | WW100401)

- Principal: \$719,185 (estimated)
- Interest Rate: 0.66% (APR)
- Final Maturity Date: 2038
- Annual Payment: \$40,940

Capital Projects: HR AWT WRF Exp. Ph. 1 (Const. | WW100402)

- Principal: \$1,732,200.38 (estimated)
- Interest Rate: 0.59% (APR)
- Final Maturity Date: 2039
- Annual Payment: \$98,658

2024 SRF Water System (Reclaimed Water | DW 100440)

- Principal: \$2,195,000 (estimated)
- Interest Rate: 2.00% (APR)
- Final Maturity Date: 2036
- Annual Payment: \$210,800 paid via Wastewater Fund
[\$37,300 paid via Water Fund]

Capital Projects: HR AWT WRF Exp., Ph. 2 (Const. | WW 100420)

- Principal: \$10,441,081 (estimated)
- Interest Rate: 0.00% (APR)
- Final Maturity Date: 2045
- Annual Payment: \$522,054

Future loan agreements are expected to finance capital improvements discussed further herein.

- b. Sewer System-Customer Service Allocation:** As with the Water System, these costs pay for the customer service department averaging 5 to 9% of the total Sewer System costs.
- c. Existing Cost-Recovery and General Fund Transfers:** As shown within **Table IV-6**, the average transfers have continued to remain around 10 to 15% of the enterprise fund's expenses.
- d. Depreciation:** As noted for the Water System discussion, the Depreciation costs is an accounting 'expense' providing a loss of capital value over time.

Table IV-9 outlined the various non-financed capital improvements that are intended to be paid from depreciation funds. Financed improvements are reviewed and discussed within the next subsection.

- e. Financed Improvements:** The City's current capital improvement budget also includes considerations related to debt instruments that may be required to fund future capital improvements. A summary of these needs are provided in **Table IV-9**. The projected financed capital improvements have been modified from previously published expectations to accurately reflect near-term financing needs. Any "NIC" (not included) notation indicates a modification to published values.

TABLE IV-9 FY '26 THROUGH FY '30 SEWER SYSTEM FINANCED CAPITAL IMPROVEMENTS					
Item	FY '26	FY '27	FY '28	FY '29	FY '30
Rehab VC Sewer	\$0	\$0	\$400,000	\$3,350,000	\$4,750,000
Ph. III Consolidated AWWTP	\$2,000,000	\$2,537,000	\$0	\$0	\$0
TOTAL	\$2,000,000	\$2,537,000	\$400,000	\$3,350,000	\$4,750,000
Funding Source: Private Loan	\$0	\$0	\$400,000	\$3,350,000	\$4,750,000
Funding Source: SRF Loan	\$2,000,000	\$2,537,000	\$0	\$0	\$0
TOTAL FUNDING	\$2,000,000	\$2,537,000	\$400,000	\$3,350,000	\$4,750,000

Similar to the Water System summary, the Phase III Construction project funding for FY '26 (\$2,000,000) and FY '27 (\$2,537,000) were estimated prior to the FDEP SRF funding applications. The City became aware of additional grant funding opportunities, and added reclaimed water system expansion components that led to the amounts listed in the rate model. For the current rate review, the financed amount is \$1,748,400 based on the SRF funding offer.

Further discussion of these improvements are provided in **Section V**.

C. EXISTING FINANCIAL REVIEW: SEWER REVENUE VS. EXPENDITURES

In summary, the Sewer System revenue and expenditures over the past two years are summarized in **Table IV-10**.

TABLE IV-10 FY '24 & FY '25 SEWER SYSTEM REVENUE & EXPENDITURE BREAKDOWN					
Item	Revenue (FY '24)	Revenue (FY '25)	Item	Expenditure (FY '24)	Expenditure (FY '25)
Sewer Use	\$3,670,208	\$3,890,021	O&M Costs	\$1,925,159	\$2,033,216
Interest-FSBA	\$28,694	\$24,963	Capital Improvement Debt Service (Principal & Interest)	\$142,365	\$308,963
Interest-Misc.	\$20,862	\$10,133	Cost-Recovery Transfers	\$239,521	\$239,521
Late Fees	\$24,307	\$24,726	Capital Expenditures	\$0	\$673,569
Line Extension Reimbursement	\$36,750	\$50,500	Customer Service	\$181,856	\$226,037
Misc. Income	\$0	\$324,506	Bad Debt	\$1,394	\$4,098
Surplus Sales		\$2,236	Transfers to Reclaimed Water	\$203,286	\$0
			Transfer (PILOT)	\$200,000	\$200,000
TOTAL	\$3,780,821	\$4,327,085	TOTAL	\$2,893,581	\$3,685,404
Grants		\$195,265			
Other Income (Interim Construction Funds)	\$1,980,825	\$4,452,835			
Capacity Connection Fees	\$50,000	\$138,000			

The net revenue for the Sewer System between FY '22 through FY '24 is summarized in **Table IV-11**.

TABLE IV-11 FY' 22 THROUGH FY '25 SEWER SYSTEM NET REVENUE TREND				
Item	FY '22	FY '23	FY '24	FY '25
Total Revenue ^A	\$3,243,414	\$3,368,530	\$3,780,821	\$4,327,085
Total Expenses ^B	\$1,830,641	\$2,446,383	\$2,893,581	\$3,685,404
NET REVENUE^C	\$1,412,773	\$922,147	\$887,240	\$641,681
Loan/Grant (Construction Funding)	\$0	\$0	\$1,980,825	\$4,648,100
WITF	\$68,000	\$72,000	\$50,000	\$138,000
Depreciation	\$1,020,687	\$1,078,369	\$1,113,028	\$1,202,479

A: Total Revenue less loan proceeds and water improvement trust fund (WITF) revenue. FY '24 also had a \$1,980,825 Miscellaneous Income entry that is provided in the 'Loan/Grant (Construction Funding)' line item.

B: Total Expenses less depreciation and capital outlay.

V. RECLAIMED WATER FINANCES

The City has completed a 2016 Reclaimed Water System Master Plan, 2021 Technical Memorandum on Surface Water Discharge Elimination Plan, and 2023 Water Facilities Plan. The three referenced documents reviewed and provided recommendations related to the City's reclaimed water treatment infrastructure. The City initiated an enterprise fund for this utility. Until November 2025, the system was limited to one bulk customer (Magnolia Point Golf Course), but now has active reclaimed water service area (RWSA) customers in the following locations:

- Edgewater Landing: Existing residential subdivision with reclaimed water distribution system located within North RWSA.
- Black Creek Village: Existing residential subdivision with reclaimed water distribution system located within North RWSA.

The Edgewater Landing and Black Creek Village developments were constructed with reclaimed water infrastructure, so additional construction costs are not required.

The City established an enterprise fund, and it is now a functioning utility. The City has transferred Sewer Enterprise Funds to seed the utility. Further discussion on future revenue and expenditures is provided in **Section VI**.

The Reclaimed Water Fund Operating Budget is shown in **Table V-1**.

TABLE V-1 RECLAIMED WATER FUND ANNUAL OPERATING BUDGET FY '23 AND FY '24 & FY '25 AND FY '26 APPROVED BUDGET				
Item	FY '23	FY '24	FY '25 Approved Budget	FY '26 Approved Budget
Labor, Taxes & Fringes	\$0	\$0	\$51,047	\$59,915
Utilities - Electric	\$0	\$0	\$50	\$10,000
Utilities - Water	\$0	\$0	\$2,000	\$130
Professional Fees	\$0	\$0	\$750	\$2,050
Contract Lab Expenses	\$0	\$0	\$2,750	\$1,450
Vehicle Fuel & Maintenance	\$0	\$0	\$1,150	\$1,375
Stormwater Fees	\$0	\$0	\$75	\$163
Line Maintenance	\$0	\$0	\$3,500	\$3,500
Maintenance Support/SOF, Plant Repair & Building Maintenance	\$0	\$0	\$2,000	\$3,063
Equipment Maintenance	\$0	\$0	\$300	\$300
Chemicals	\$0	\$0	\$3,000	\$5,750
Office & Lab Expenses/Supplies	\$0	\$0	\$350	\$1,850
Uniforms	\$0	\$0	\$125	\$188
Travel/Books/Professional Development	\$0	\$0	\$800	\$726
Insurance	\$0	\$0	\$1,134	\$1,254
Communication, Freight & Postage	\$0	\$0	\$425	\$2,705
Operating Supplies	\$0	\$120	\$1,500	\$1,375
Auditing	\$0	\$0	\$300	\$500
Temp Labor	\$0	\$0	\$400	\$1,250
Other Expenses	\$0	\$0	\$281	\$295
TOTAL	\$0	\$120	\$71,937	\$97,839
Capital Expenditures	\$0	\$0	\$1,545,000	\$1,525,000
Depreciation ^A	\$60,609	\$60,610	\$0	\$0

VI. UTILITY SYSTEM FINANCE PROJECTIONS

Building from the City's current Water, Reclaimed Water, and Sewer System budgets, consideration of future capital improvements will be reviewed.

As noted within AWWA's Manual M1 and M54, the horizon of capital improvements should be contemplated in five-year increments. As will be discussed further herein, the recommendations and slated improvements reviewed within this study should be reviewed annually during the City's regular budget proceedings and re-evaluated/updated annually with five-year projection horizons.

The City's current 5-year capital improvement budget will be utilized as the basis for review.

As noted within **Section III** and **Section IV**, the City currently has debt service associated with water and wastewater projects. The capital costs for the City's improvements anticipated within the forthcoming five-year window were summarized in **Sections III, IV, and V**, and are summarized in **Table VI-1**. These values utilize the City's Fiscal Year 2026 Capital Improvement Plan (FY '26 CIP).

TABLE VI-1					
FY '26 THROUGH '30 FINANCED CIP PROJECTS ^{A,B}					
Item	FY '26	FY '27	FY '28	FY '29	FY '30
WATER SYSTEM IMPROVEMENTS					
North Service Territory ^A	\$2,000,000	\$3,346,000	\$0	\$0	\$0
Subtotal	\$2,000,000	\$3,346,000	\$0	\$0	\$0
SEWER SYSTEM IMPROVEMENTS					
Collection System Rehab ^B			\$400,000	\$3,350,000	\$4,750,000
Ph. III Consolidated AWWTP ^C	\$2,000,000	\$2,537,000			
TOTAL	\$2,000,000	\$2,537,000	\$400,000	\$3,350,000	\$4,750,000

A: For purposes of the enclosed analysis, the 2025 FDEP SRF funding offer of \$5,346,000 loan with \$1,647,637 grant is considered (\$3,698,363 net loan). The CR 315 and CR 209 projects are not financed within the enclosed analysis.

B: For purposes of the enclosed analysis, the collection system rehabilitation work will be completed on a year-to-year basis based on estimated revenue contributions. The listed amounts will be modified in forthcoming capital improvement plans.

C: For purposes of the enclosed analysis, the 2025 FDEP SRF funding offer of \$8,742,000 loan with \$6,993,600 grant is considered (\$1,748,400 net loan). This project will complete the Phase III work as well as expand the City's reclaimed water service capabilities via expansion of the City's ground storage capacity.

In order to provide guidance of potential financing costs, the current interest rates for the FDEP SRF Program will be utilized. The published FDEP SRF interest rates (October 1, through December 31, 2025) and payback periods are summarized as follows:

- FDEP Drinking Water Program 1.67% (20-year term)
- FDEP Clean Water (Wastewater Program) 1.12% (20-year term for construction)

In addition, it is assumed a loan coverage requirement will be part of the financing arrangement. For our purposes, the loan coverage will require a net revenue requirement of 15%.

The capital needs are grouped into the following projects since it is more efficient and cost-effective to limit the number of debt instruments to limit non-construction costs associated with loan-service fees, application documents, etc.:

- **Water System Improvements (see Tables III-10 & VI-1):**
\$3,698,363 [North Service Territory Upgrades] [\$5,346,000 less \$1,647,637 Grant]
TOTAL = \$3,698,363 financed improvements
- **Sewer System Improvements (see Tables IV-10 & VI-1):**
\$1,748,400 [Ph. III Construction] [\$8,742,000 less \$6,993,600 Grant]
TOTAL = \$1,748,400 financed improvements

A sample calculation of these finance costs is summarized as follows for the Water System Improvements (Distribution) cost:

<u>Water System Improvements (North Service Territory Upgrades)</u>	
Financing Annual Payment	= \$3,698,363 (P/A, 1.67%, 20)
	= \$219,100/Yr
Coverage Requirement	= 15% * Annual Payment
	= 15% * \$219,100
	= \$32,900/Yr [Net Revenue]

Section VII incorporates projected debt service into the utility revenue needs.

VII. UTILITY SYSTEM REVENUE REQUIREMENTS

Building from the City's current Water and Sewer System budgets along with the noted planned expenditures within **Section VI**, a review of the various revenue streams will be completed to determine any required adjustments.

The largest revenue streams are derived from the user fees with other portions being more modest or linked to specific facility improvements. Prior to reviewing the specific revenue projections, the user fee revenue will be considered. Typically, and as currently utilized within the City, user fees are comprised of the following items:

$$\text{User Fee} = \text{Base Charge} + \text{Use Charge}$$

The Base Charge should include all fixed costs related to the utility's financing, O&M, etc. A summary of costs typically included within the Base Charge include:

- Meter Reading;
- Billing;
- Accounting;
- Collection Expenses;
- Maintenance; and
- Capital Improvement Financing Costs.

In contrast, the costs related to the volume of water produced or collected are typically included within the Use Charge. Since 2020, the total annual water withdrawals and wastewater flows per year are summarized in **Table VII-1**.

TABLE VII-1 HISTORIC WATER AND SEWER USE PER YEAR		
Fiscal Year	Water System Use ^A (MGD)	Sewer System Use (MGD)
2022	1.20	0.75
2023	1.03	0.75
2024	1.17	0.77
2025	1.20	0.81
AVERAGE	1.15	0.77

A: Water System Use for 2025 is 12-month trailing average from June 2025.

As shown in **Table VII-1**, utility service is an inherently fixed cost enterprise since water and sewer demands do not drastically change year over year.

Each of the Utility Revenue categories will be reviewed further herein. The City should consider rate modifications on yearly basis as they consider capital needs in a five-year look ahead (i.e., capital improvement plan). As noted previously, the City has a number of large capital improvement needs which may or may not include impact fee revenue or other retained earning offsets. The enclosed analysis is a conservative approach to determine the “worst-case” revenue requirements.

A. EXISTING RATE STRUCTURE CONSIDERATIONS

The City currently has the following active water and sewer accounts/connections summarized in **Table VII-2** and **Table VII-3**.

TABLE VII-2 2025 ACTIVE WATER CUSTOMER COUNTS									
Category	Residential			Commercial			Irrigation		
	Inside City	Outside City	Total	Inside City	Outside City	Total	Inside City	Outside City ^A	Total
3/4" Meter	2,739	522	3,261	224	41	265	566	265	831
1" Meter	258	12	270	36	23	59	28	0	28
1-1/2" Meter	0	0	0	29	12	41	0	0	0
2" Meter	0	0	0	40	18	58	0	0	0
3" Meter	0	0	0	11	3	14	0	0	0
4" Meter	0	0	0	3	3	6	0	0	0
6" Meter	0	0	0	1	1	2	0	0	0
St. Johns Landing (Master Meter)	0	0	0	0	0	0	0	0	0
TOTAL	2,997	534	3,531	344	101	445	594	265	859

A: Starting in November 2025, the majority of these accounts are now served via reclaimed water, and are part of that enterprise fund.

TABLE VII-3						
2025 ACTIVE SEWER CUSTOMER COUNTS						
Category	Residential			Commercial		
	Inside City	Outside City	Total	Inside City	Outside City	Total
3/4" Meter	2,733	415	3,148	224	40	264
1" Meter	252	4	256	33	20	53
1-1/2" Meter	0	0	0	40	12	52
2" Meter	0	1	1	39	17	56
3" Meter	0	0	0	7	3	10
4" Meter	0	0	0	3	3	6
6" Meter	0	0	0	1	0	1
St. Johns Landing (Master Meter)	1	0	1	0	0	0
TOTAL	2,986	420	3,406	347	95	442

Based on these connections, the projected annual revenue from the City's FY '26 base rate was approximately:

	<u>Water</u>	<u>Sewer</u>
• Residential Base Rate Annual Revenue	= \$846,900	\$1,808,500
• Commercial Base Rate Annual Revenue	= \$196,700	\$531,700
Total	= \$1,043,600	\$2,340,200

	<u>Water</u>	<u>Reuse</u>
• Irrigation Base Rate Annual Revenue	= \$158,400	\$69,900
Total	= \$158,400	\$69,900

Using the FY '26 budgeted 'Water Sales' revenue of \$2,464,000, the base rate revenue is approximately 49% or half of the annual value.

Using the FY '26 budgeted 'Sewer Use' revenue of \$4,071,300, the base rate revenue is approximately 57% of the annual value.

A review of the total water use (also the basis for sewer use) within FY '24 was completed for all of the residential connections within the City. The average monthly use review resulted in the following findings:

Item	% of Total	Cumulative %
Connections Using Less than 2,000 gal/month	23%	23%
Connections Using 2,001 to 4,000 gal/month	31%	54%
Connections Using 4,001 to 6,000 gal/month	19%	73%
Connections Using 6,001 to 10,000 gal/month	15%	88%
Connections Using 10,001 to 12,000 gal/month	3%	91%
Connections Using 12,001 to 14,000 gal/month	2%	93%
Connections greater than 14,001 gal/month	7%	100.0%

As shown from above, 73% of the City's residential connections utilize less than 6,000 gallons per month and over 88% use less than 10,000 gallons per month. The average calculation is skewed by larger water users. For those users that consume 6,000 gallons per month or less, the average use is approximately 3,100 gallons per month.

Therefore, as rate modifications are considered, the current base rate and water usage within the note values should be considered since the majority of revenue is derived from these customers/connections.

Pending any modifications to the base rates, the City's remaining revenue streams would have to be addressed through user fees. In the end, revenues and expenditures will need to match whether base rates or user rates or a portion of both are modified. As increases to the user fees are contemplated, the City should consider historic use patterns which include water and sewer use that averages around 3,000 gallons per month with over 70% of users consuming less than 6,000 gallons per month.

B. UTILITY SYSTEMS REVENUE & EXPENDITURE REQUIREMENTS

The City should continue to annually consider inflationary growth factors on rates. An inflator such as the Municipal Cost Index (MCI) could be utilized to adjust the rates each fiscal year to address inflationary costs that impact the operation of the water and sewer systems.

1. Water System

Expense and revenue projections utilizing the information reviewed in the previous sections are summarized in **Attachment A**. Key factors included within the water rate model are summarized as follows:

- 2% inflationary factor was used for most expenditure categories per fiscal year.
- Non-Financed Capital Improvements were inserted based on the Capital Improvement Plan (CIP) schedule outlined in this report.
- Financed Capital Improvements were modeled per the summaries in this report.
- Residential connection increases were based on a 0% annual growth factor.
- Commercial connection increases were based on a 1% annual growth factor.
- Potable irrigation connections growth was projected at 0%.
- Revenue and expenditure projections were reviewed with recommended rate increases to provide the 15% (minimum) debt service coverage requirement.
- Retained earnings target is 25% of the fund's annual expenditures. The rate model was constructed to meet or exceed this requirement on or before FY '30.

2. Sewer System

Expense and revenue projections utilizing the information reviewed in the previous sections are summarized in **Attachment B**. Key factors included within the sewer rate model are summarized as follows:

- 2% inflationary factor was used for most expenditure categories per fiscal year.
- Non-Financed Capital Improvements were inserted based on the Capital Improvement Plan (CIP) schedule outlined in this report.
- Financed Capital Improvements were modeled per the summaries in this report.
- Residential connection increases were based on a 0% annual growth factor.
- Commercial connection increases were based on a 1% annual growth factor.
- Transfers from the Reclaimed Water Enterprise Fund are recommended to finance the City's on-going compliance with regulatory requirements associated with Senate Bill 64 mandate to remove effluent from the St. Johns River, St. Johns River Water Management District (SJRWMD) consumptive use permit requirements to maximize reclaimed water use, and the St. Johns River Basin Management Action Plan (BMAP) that is requiring advanced wastewater treatment (AWT).
- Revenue and expenditure projections were reviewed with recommended rate increases to provide the 15% (minimum) debt service coverage requirement.
- Retained earnings target is 25% of the fund's annual expenditures. The rate model was constructed to meet or exceed this requirement on or before FY '30.

3. Reuse System

Expense and revenue projections utilizing the information reviewed in the previous sections are summarized in **Attachment C**. Key factors included within the reuse rate model are summarized as follows:

- The water system's irrigation rate schedule was utilized as the basis to create the reuse system rate schedule.
- Projected reclaimed water use is based on the historical potable water irrigation records for Edgewater Landing and Black Creek Village.

DRAFT

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Attachment A

Utility System Rate Analysis

City of Green Cove Springs, FL

Mittauer & Associates, Inc. Project 8905-64-1

Water System Rate Model

RATE ANALYSIS FOR POTABLE WATER SYSTEM

UTILITY RATE ANALYSIS

CITY OF GREEN COVE SPRINGS

December 2025

Mittauer & Associates, Inc. Project No. 8905-64-1

ESTIMATED ANNUAL EXPENDITURES							
Rate Increase			12.0%	2.5%	3.0%	3.0%	3.0%
Population Increase			0.0%	0.0%	0.0%	0.0%	0.0%
Commercial Connection Increase			1.0%	1.0%	1.0%	1.0%	1.0%
O&M and Transfer Inflation or Annual Increase			2.0%	2.0%	2.0%	2.0%	2.0%
DESCRIPTION	FY '24 AMOUNT	FY '25 AMOUNT	FY '26 AMOUNT	FY '27 AMOUNT	FY '28 AMOUNT	FY '29 AMOUNT	FY '30 AMOUNT
Operation & Maintenance Costs - Personal Services	\$ 1,029,263	\$ 729,809	\$ 776,748	\$ 792,283	\$ 808,129	\$ 824,291	\$ 840,777
Operation & Maintenance Costs - Operating Expenses	\$ 876,415	\$ 801,951	\$ 790,412	\$ 806,220	\$ 822,345	\$ 838,792	\$ 855,567
Debt Service (including financing reserves)	\$ 24,429	\$ 189,766	\$ 217,113	\$ 217,113	\$ 450,000	\$ 277,764	\$ 277,764
Capital Outlay (Non-Financed Capital Improvements)	\$ 120,457	\$ 187,932	\$ 415,000	\$ 170,000	\$ 185,000	\$ 200,000	\$ 215,000
Cost Recovery & Alloc. (Intrafund Transfers)	\$ 157,448	\$ 157,448	\$ 241,342	\$ 246,200	\$ 251,100	\$ 256,100	\$ 261,200
Customer Serv. Alloc. (Intrafund Transfers)	\$ 160,633	\$ 198,912	\$ 198,912	\$ 202,900	\$ 207,000	\$ 211,100	\$ 215,300
General Fund Transfer (Intrafund Transfers)	\$ 120,000	\$ 120,000	\$ 120,000	\$ 122,400	\$ 124,800	\$ 127,300	\$ 129,800
Bad debt expense	\$ 494	\$ (2,176)	\$ -				
REQUIRED ANNUAL REVENUE	\$ 2,489,139	\$ 2,383,642	\$ 2,759,527	\$ 2,557,116	\$ 2,848,373	\$ 2,735,347	\$ 2,795,408
Depreciation Expense	\$ 713,852	\$ 503,835	\$ -				

SUMMARY							
DESCRIPTION	FY '24 AMOUNT	FY '25 AMOUNT	FY '26 AMOUNT	FY '27 AMOUNT	FY '28 AMOUNT	FY '29 AMOUNT	FY '30 AMOUNT
Estimated Expenditures	\$ 2,489,139	\$ 2,383,642	\$ 2,759,527	\$ 2,557,116	\$ 2,848,373	\$ 2,735,347	\$ 2,795,408
Estimated Revenue	\$ 2,394,636	\$ 2,506,444	\$ 2,783,040	\$ 2,661,887	\$ 2,737,949	\$ 2,816,292	\$ 2,896,986
Difference	\$ (94,503)	\$ 122,802	\$ 23,513	\$ 104,771	\$ (110,424)	\$ 80,946	\$ 101,578
Debt Service (Min Coverage Rqmt)	\$ 3,664	\$ 28,465	\$ 32,567	\$ 32,567	\$ 67,500	\$ 41,665	\$ 41,665
Beginning Year Balance			\$ 494,000.00	\$ 517,513.00	\$ 622,283.98	\$ 511,859.59	\$ 592,805.21
End of Year Balance			\$ 517,513.00	\$ 622,283.98	\$ 511,859.59	\$ 592,805.21	\$ 694,382.93
Residential Flow (gpd-AADF)	651,804	651,804	651,804	651,804	651,804	651,804	651,804
Commercial Flow (gpd-AADF)	238,891	238,891	238,891	238,891	238,891	238,891	238,891
Residential Irrigation Flow (gpd-AADF)	289,523	289,523	225,676	225,676	225,676	225,676	225,676
Commercial Irrigation Flow (gpd-AAD.	75,278	75,278	70,886	70,886	70,886	70,886	70,886
Total Flow (gpd-AADF)	1,255,497	1,255,497	1,187,257	1,187,257	1,187,257	1,187,257	1,187,257
CCUA Bulk Feed (gpd-AADF)			232,877	232,877	232,877	232,877	232,877
CUP Projections (gpd-AADF)			975,770	991,096	1,006,423	1,021,749	1,037,076
Total Water Use-CUP (gpd-AADF)			1,208,647	1,223,973	1,239,300	1,254,626	1,269,953
Total Residential Connections (rate)	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Total Residential Connections (CUP)			3,578	3,621	3,664	3,707	3,750
Black Creek Village and Edgewater Landing Transitioned to Reclaimed Water System							
Fund Balance as Percentage of Annual Expenses			19%	24%	18%	22%	25%

ESTIMATED ANNUAL REVENUES							
DESCRIPTION	FY '24 AMOUNT	FY '25 AMOUNT	FY '26 AMOUNT	FY '27 AMOUNT	FY '28 AMOUNT	FY '29 AMOUNT	FY '30 AMOUNT
Water Sales (Modeled)				\$ 2,535,387	\$ 2,611,449	\$ 2,689,792	\$ 2,770,486
Water Sales (Actual or Budgeted)	\$ 2,132,557	\$ 2,343,539	\$ 2,464,000	\$ -	\$ -	\$ -	\$ -
Water Taps	\$ 27,050	\$ 33,300	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Water Dept. Services	\$ -	\$ 3,971	\$ -	\$ -	\$ -	\$ -	\$ -
Interest - FSBA	\$ 42,404	\$ 33,918	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000
Interest	\$ 8,642	\$ 3,065	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Transfers In from RW and/or WW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers In from Capacity Connection Fees	\$ 120,457	\$ -	\$ 192,540	\$ -	\$ -	\$ -	\$ -
Fire Protection Fees	\$ 29,629	\$ 24,662	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Late Fees + Bad Debts Collected	\$ 2,709	\$ 3,122	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Misc Income	\$ 15,719	\$ 14,617	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Misc. Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 2,379,167	\$ 2,460,194	\$ 2,738,040	\$ 2,616,887	\$ 2,692,949	\$ 2,771,292	\$ 2,851,986
Extension Reimbursement	\$ 14,250	\$ 46,250	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Sale of Surplus	\$ 1,219	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Private Developer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 15,469	\$ 46,250	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
TOTAL	\$ 2,394,636	\$ 2,506,444	\$ 2,783,040	\$ 2,661,887	\$ 2,737,949	\$ 2,816,292	\$ 2,896,986
Developer Agreement Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest - WITF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Impact Fees	\$ 28,515	\$ 72,225	\$ 40,000	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 28,515	\$ 72,225	\$ 40,000	\$ -	\$ -	\$ -	\$ -
Residential Connections (In City)	2,997	2,997	2,997	2,997	2,997	2,997	2,997
Residential Connections (Out of City)	534	534	534	534	534	534	534
Commercial Connections (In City)	344	344	344	344	344	344	344
Commercial Connections (Out of City)	101	101	101	101	101	101	101
Residential Irrigation Connections (In City)	594	594	594	594	594	594	594
Residential Irrigation Connections (Out of City)	265	265	24	24	24	24	24
Commercial Irrigation Connections (In City)	31	31	31	31	31	31	31
Commercial Irrigation Connections (Out of City)	18	18	11	11	11	11	11

Financing Needs	
Reynolds Park Water Distribution System Improvements	
DESIGN-CONSTRUCTION LOAN (Water Series 2019)	
Principal =	\$ 1,500,000.00
Grant =	0
Net Loan =	\$ 1,500,000.00
Term =	10
Rate =	2.63%
PMT (Final Payment 4/1/29) =	(\$172,541.45)
Audit Payment Amt =	\$172,236.00
FDEP SRF Design of Capital Improvements	
DESIGN LOAN (DW 100102)	
Principal =	\$ 236,389.00
Grant =	\$ -
Net Loan =	\$ 236,389.00
Term =	10
Rate =	1.71%
PMT (Final Payment 7/15/31) =	(\$25,918.66)
Audit Payment Amt =	\$ 26,330.00
Harbor Road WTP & EST Improvements	
CONSTRUCTION LOAN	
Principal =	\$ 5,346,000.00
Grant =	\$ 1,647,637.00
Net Loan =	\$ 3,698,363.00
Term =	20
Rate =	1.44%
PMT Start FY '28=	(\$214,141.91)
FDEP SRF	
DESIGN LOAN (DW100440)	
Principal =	\$ 2,195,000.00
Grant =	\$ -
Net Loan =	\$ 2,195,000.00
Term =	10
Rate =	2.00%
Portion Paid by Water Fund =	(\$37,300)

Debt Service per Year	
FY '26 =	\$ 217,113.00
FY '27 =	\$ 235,577.00
FY '28 =	\$ 449,999.91
FY '29 =	\$ 277,763.91
FY '30 =	\$ 277,763.91

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Attachment B

Utility System Rate Analysis

City of Green Cove Springs, FL

Mittauer & Associates, Inc. Project 8905-64-1

Sewer System Rate Model

RATE ANALYSIS FOR SEWER SYSTEM
UTILITY RATE ANALYSIS
CITY OF GREEN COVE SPRINGS
December 2025
Mittauer & Associates, Inc. Project No. 8905-64-1

ESTIMATED ANNUAL EXPENDITURES							
Rate Increase			5.0%	8.0%	4.0%	2.0%	2.0%
Population Increase			0.0%	0.0%	0.0%	0.0%	0.0%
Commercial Connection Increase			1.0%	1.0%	1.0%	1.0%	1.0%
O&M and Transfer Inflation or Annual Increase				2.0%	2.0%	2.0%	2.0%
DESCRIPTION	FY '24 AMOUNT	FY '25 AMOUNT	FY '26 AMOUNT	FY '27 AMOUNT	FY '28 AMOUNT	FY '29 AMOUNT	FY '30 AMOUNT
Operation & Maintenance Costs - Personal Services	\$ 1,039,676	\$ 1,097,430	\$ 1,270,817	\$ 1,296,200	\$ 1,322,100	\$ 1,348,500	\$ 1,375,500
Operation & Maintenance Costs - Operating Expenses	\$ 888,271	\$ 798,621	\$ 1,101,503	\$ 1,123,533	\$ 1,146,004	\$ 1,168,924	\$ 1,192,302
Debt Service (including financing reserves)	\$ 13,821	\$ 503,776	\$ 874,741	\$ 874,741	\$ 972,804	\$ 972,804	\$ 969,936
Reserve (Short-lived Assets + Operating Reserve)							
Non-Financed Capital Improvements	\$ 205,068	\$ 673,467	\$ 965,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Cost Recovery & Alloc. (Intrafund Transfers)	\$ 181,856	\$ 239,521	\$ 303,303	\$ 309,400	\$ 315,600	\$ 321,900	\$ 328,300
Customer Serv. Alloc. (Intrafund Transfers)	\$ 239,521	\$ 226,037	\$ 226,037	\$ 230,600	\$ 235,200	\$ 239,900	\$ 244,700
General Fund Transfer (Intrafund Transfers)	\$ 200,000	\$ 200,000	\$ 200,000	\$ 204,000	\$ 208,100	\$ 212,300	\$ 216,500
RW or DW Transfer (Intrafund Transfer)	\$ 203,286	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REQUIRED ANNUAL REVENUE	\$ 2,971,499	\$ 3,738,852	\$ 4,941,401	\$ 4,238,474	\$ 4,399,808	\$ 4,464,328	\$ 4,527,238
Depreciation Expense	\$ 1,113,028	\$ 756,452	\$ -	\$ -	\$ -	\$ -	\$ -

SUMMARY							
DESCRIPTION	FY '24 AMOUNT	FY '25 AMOUNT	FY '26 AMOUNT	FY '27 AMOUNT	FY '28 AMOUNT	FY '29 AMOUNT	FY '30 AMOUNT
Estimated Expenditures	\$ 2,971,499	\$ 3,738,852	\$ 4,941,401	\$ 4,238,474	\$ 4,399,808	\$ 4,464,328	\$ 4,527,238
Estimated Revenue	\$ 3,780,821	\$ 3,997,967	\$ 5,008,268	\$ 4,384,185	\$ 4,545,246	\$ 4,629,774	\$ 4,714,991
Difference	\$ 809,322	\$ 259,115	\$ 66,867	\$ 145,711	\$ 145,438	\$ 165,447	\$ 187,753
Debt Service (Min Coverage Rqmt)	\$ 2,073	\$ 75,566	\$ 131,211	\$ 131,211	\$ 145,921	\$ 145,921	\$ 145,490
Beginning Year Balance			\$ 2,500,000.00	\$ 2,566,866.95	\$ 2,712,577.68	\$ 2,858,015.90	\$ 3,023,462.67
End of Year Balance			\$ 2,566,866.95	\$ 2,712,577.68	\$ 2,858,015.90	\$ 3,023,462.67	\$ 3,211,215.24
Residential Flow (gpd-AADF)	641,707	641,707	641,707	641,707	641,707	641,707	641,707
Commercial Flow (gpd-AADF)	224,630	224,630	224,653	224,676	224,699	224,723	224,746
St Johns Landing Flow (gpd-AADF)	44,500	44,500	44,500	44,500	44,500	44,500	44,500
Total Flow (gpd-AADF)	910,836	910,836	910,859	910,883	910,906	910,929	910,952
Fund Balance as Percentage of Annual Expenses			52%	64%	65%	68%	71%

ESTIMATED ANNUAL REVENUES							
DESCRIPTION	FY '24 AMOUNT	FY '25 AMOUNT	FY '26 AMOUNT	FY '27 AMOUNT	FY '28 AMOUNT	FY '29 AMOUNT	FY '30 AMOUNT
Residential Use	\$ 2,309,309	\$ 2,489,973	\$ 2,608,546	\$ 2,794,316	\$ 2,896,821	\$ 2,950,589	\$ 3,004,416
Commercial Use	\$ 1,032,756	\$ 1,116,410	\$ 1,173,652	\$ 1,248,072	\$ 1,298,595	\$ 1,325,180	\$ 1,352,309
St Johns Landing	\$ 142,855	\$ 177,070	\$ 185,924	\$ 200,797	\$ 208,829	\$ 213,006	\$ 217,266
Sewer Use (modeled)				\$ 4,243,184.84	\$ 4,404,245.87	\$ 4,488,774.49	\$ 4,573,991.00
Sewer Use (actual or budgeted)	\$ 3,670,208.00	\$ 3,565,112.00	\$ 4,071,265.00	\$ -	\$ -	\$ -	\$ -
Transfer In from Dep Reserve or Retained Earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer In from Trust Fund (Capacity Fees)	\$ -	\$ -	\$ 769,003.00	\$ -	\$ -	\$ -	\$ -
Transfer in from RW Fund	\$ -	\$ -	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00
Interest - FSBA	\$ 28,694.00	\$ 22,952.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
Interest	\$ 20,862.00	\$ 9,422.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Late Fees + Bad Debts Collected	\$ 24,307.00	\$ 22,986.00	\$ 24,000.00	\$ 24,000.00	\$ 24,000.00	\$ 24,000.00	\$ 24,000.00
Misc. Income	\$ -	\$ 324,759.00	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 3,744,071	\$ 3,945,231	\$ 4,974,268	\$ 4,377,185	\$ 4,538,246	\$ 4,622,774	\$ 4,707,991
Sale of Surplus	\$ -	\$ 2,236.00	\$ 4,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
Extension Reimbursement	\$ 36,750.00	\$ 50,500.00	\$ 30,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Private Developer (line extension reimburs)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 36,750	\$ 52,736	\$ 34,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
TOTAL	\$ 3,780,821	\$ 3,997,967	\$ 5,008,268	\$ 4,384,185	\$ 4,545,246	\$ 4,629,774	\$ 4,714,991
Developer Agreement Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest - TF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity Fees	\$ 50,000.00	\$ 138,000.00	\$ 110,000.00	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 50,000	\$ 138,000	\$ 110,000	\$ -	\$ -	\$ -	\$ -
Resiential Connections (In City)	2,984	2,984	2,984	2,984	2,984	2,984	2,984
Resiential Connections (Out of City)	420	420	420	420	420	420	420
Commercial Connections (In City)	347	347	348	349	350	351	352
Commercial Connections (Out of City)	95	95	95	95	95	95	95

Financing Needs	
Wastewater Consolidation (Planning)	
DESIGN-CONSTRUCTION LOAN (WW100400)	
Principal =	\$ 45,605.96
Grant =	0
Net Loan =	\$ 45,605.96
Term =	20
Rate =	2.29%
PMT (Final Payment 9/15/36) =	(\$2,867.77)
FDEP SRF Harbor Rd WRF Consolidation Design	
DESIGN LOAN (WW100401)	
Principal =	\$ 763,000.00
Grant =	\$ -
Net Loan =	\$ 763,000.00
Term =	20
Rate =	0.66%
PMT (Final Payment 5/15/39) =	(\$40,848.85)
FDEP SRF Consolidation Phase 1	
CONSTRUCTION LOAN (WW100402)	
Principal =	\$ 1,846,863.38
Grant =	\$ -
Net Loan =	\$ 1,846,863.38
Term =	20
Rate =	0.59%
PMT (FINAL Payment 3/15/40) =	(\$98,170.37)
FDEP SRF Consolidation Phase 2	
CONSTRUCTION LOAN (WW100420)	
Principal =	\$ 10,441,081.00
Grant =	\$ -
Net Loan =	\$ 10,441,081.00
Term =	20
Rate =	0.00%
PMT Start FY '25=	(\$522,054.05)
FDEP SRF DW100440	
DESIGN LOAN	
Principal =	\$ 2,195,000.00
Grant =	\$ -
Net Loan =	\$ 2,195,000.00
Term =	10
Rate =	2.00%
Paid by Wastewater Fund =	(\$210,800)
FDEP SRF Consolidation Phase 3	
CONSTRUCTION LOAN	
Principal =	\$ 8,742,000.00
Grant =	\$ 6,993,600.00
Net Loan =	\$ 1,748,400.00
Term =	20
Rate =	1.12%
PMT Start FY '28=	(\$98,062.88)
Debt Service per Year	
FY '26 =	\$ 874,741.05
FY '27 =	\$ 874,741.05
FY '28 =	\$ 972,803.93
FY '29 =	\$ 972,803.93
FY '30 =	\$ 969,936.16

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Attachment C

Utility System Rate Analysis

City of Green Cove Springs, FL

Mittauer & Associates, Inc. Project 8905-64-1

Reuse System Rate Model

RATE ANALYSIS FOR RECLAIMED WATER SYSTEM
UTILITY RATE ANALYSIS
CITY OF GREEN COVE SPRINGS
December 2025
Project No. 8905-64-1

ESTIMATED ANNUAL EXPENDITURES							
Rate Increase		12.0%	2.5%	3.0%	3.0%	3.0%	
Population Increase		0.0%	0.0%	0.0%	0.0%	0.0%	
Commercial Connection Increase		0.0%	0.0%	0.0%	0.0%	0.0%	
O&M and Transfer Inflation or Annual Increase		2.0%	2.0%	2.0%	2.0%	2.0%	
DESCRIPTION	FY '24 AMOUNT	FY '25 AMOUNT	FY '26 AMOUNT	FY '27 AMOUNT	FY '28 AMOUNT	FY '29 AMOUNT	FY '30 AMOUNT
Operation & Maintenance Costs - Personal Services		\$ 71,396	\$ 61,630	\$ 62,863	\$ 64,120	\$ 65,402	\$ 66,710
Operation & Maintenance Costs - Operating Expenses	\$ 120	\$ 8,736	\$ 37,924	\$ 38,682	\$ 39,456	\$ 40,245	\$ 41,050
Debt Service (including financing reserves)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve (Short-lived Assets + Operating Reserve)		\$ -	\$ -				
Capital Outlay (Non-Financed Capital Improvements)	\$ -	\$ 1,545,000	\$ -	\$ -	\$ -	\$ -	\$ -
Cost Recovery & Alloc. (Intrafund Transfers)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer Serv. Alloc. (Intrafund Transfers)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General Fund Transfer (Intrafund Transfers)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer to WW or DW Fund		\$ -	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000
REQUIRED ANNUAL REVENUE	\$ 120	\$ 1,625,132	\$ 189,554	\$ 191,545	\$ 193,576	\$ 195,648	\$ 197,760
Depreciation Expense	\$ 60,610	\$ 45,457	\$ -	\$ -	\$ -	\$ -	\$ -

SUMMARY							
DESCRIPTION	FY '24 AMOUNT	FY '25 AMOUNT	FY '26 AMOUNT	FY '27 AMOUNT	FY '28 AMOUNT	FY '29 AMOUNT	FY '30 AMOUNT
Estimated Expenditures	\$ 120	\$ 1,625,132	\$ 189,554	\$ 191,545	\$ 193,576	\$ 195,648	\$ 197,760
Estimated Revenue	\$ -	\$ 1,778,500	\$ 200,000	\$ 191,692	\$ 197,443	\$ 203,366	\$ 209,467
Difference	\$ (120)	\$ 153,368	\$ 10,446	\$ 147	\$ 3,867	\$ 7,719	\$ 11,707
Beginning Year Balance		\$ -	\$ -	\$ 10,446.00	\$ 10,592.92	\$ 14,459.70	\$ 22,178.25
End of Year Balance	\$ -	\$ -	\$ 10,446.00	\$ 10,592.92	\$ 14,459.70	\$ 22,178.25	\$ 33,884.82
Residential Flow (gpd-AADF)	-	-	-	-	-	-	-
Commercial Flow (gpd-AADF)	-	-	-	-	-	-	-
Residential Irrigation Flow (gpd-AAD	-	62,389	62,389	62,389	62,389	62,389	62,389
Commercial Irrigation Flow (gpd-AAL	-	4,423	4,423	4,423	4,423	4,423	4,423
Total Flow (gpd-AADF)	-	66,812	66,812	66,812	66,812	66,812	66,812
CCUA Bulk Feed (gpd-AADF)			232,877	232,877	232,877	232,877	232,877
CUP Projections (gpd-AADF)			975,770	991,096	1,006,423	1,021,749	1,037,076
Total Water Use-CUP (gpd-AADF)			1,208,647	1,223,973	1,239,300	1,254,626	1,269,953
Total Residential Connections (rate)	-	-	-	-	-	-	-
Total Residential Connections (CUP)			3,578	3,621	3,664	3,707	3,750
Fund Balance as Percentage of Annual Expenses			6%	6%	7%	11%	17%

ESTIMATED ANNUAL REVENUES							
DESCRIPTION	FY '24 AMOUNT	FY '25 AMOUNT	FY '26 AMOUNT	FY '27 AMOUNT	FY '28 AMOUNT	FY '29 AMOUNT	FY '30 AMOUNT
Residential Use	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial Use	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Residential & Commercial Irrigation Use	\$ -	\$ -	\$ 187,017	\$ 191,692	\$ 197,443	\$ 203,366	\$ 209,467
Reuse Sales (Modeled)	\$ -	\$ -	\$ 187,017	\$ 191,692	\$ 197,443	\$ 203,366	\$ 209,467
Reuse Sales (Actual or Budgeted)	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -
Reuse Taps	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reuse Dept. Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest - FSBA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers In (WW Fund)	\$ 203,286	\$ 1,778,500	\$ -	\$ -	\$ -	\$ -	\$ -
Late Fees + Bad Debts Collected	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Misc Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Misc. Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 203,286	\$ 1,778,500	\$ 200,000	\$ 191,692	\$ 197,443	\$ 203,366	\$ 209,467
Extension Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sale of Surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Private Developer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 203,286	\$ 1,778,500	\$ 200,000	\$ 191,692	\$ 197,443	\$ 203,366	\$ 209,467
Developer Agreement Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest - WITF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Impact Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Residential Connections (In City)			0	0	0	0	0
Residential Connections (Out of City)			0	0	0	0	0
Commercial Connections (In City)			0	0	0	0	0
Commercial Connections (Out of City)			0	0	0	0	0
Residential Irrigation Connections (In City)			0	0	0	0	0
Residential Irrigation Connections (Out of City)			239	239	239	239	239
Commercial Irrigation Connections (In City)			0	0	0	0	0
Commercial Irrigation Connections (Out of City)			7	7	7	7	7

Financing Needs	
Principal = \$	-
Grant =	0
Net Loan = \$	-
Term =	10
Rate =	0.00%
PMT =	\$0.00
Principal = \$	-
Grant = \$	-
Net Loan = \$	-
Term =	10
Rate =	0.00%
PMT =	\$0.00
Principal = \$	-
Grant = \$	-
Net Loan = \$	-
Term =	20
Rate =	0.00%
PMT =	\$0.00
FY '26 = \$	-
FY '27 = \$	-
FY '28 = \$	-
FY '29 = \$	-
FY '30 = \$	-