

**EDGERTON CITY COUNCIL
WORK SESSION AGENDA
CITY HALL
404 EAST NELSON STREET
July 10, 2025**

**Work Session will begin following adjournment
of the regularly scheduled city council meeting.**

1. Call to Order

2. Roll Call

_____ Roberts _____ Longanecker _____ Lewis _____ Conus _____ Lebakken _____ Malloy

3. 2026 Budget Work Session

4. Adjourn

City of Edgerton 2026 Budget Work Session July 10, 2025



Packet Items

General Fund Budget

Utility Funds Budget

Other Funds Budget

IT Equipment

Vehicles & Equipment



**City of Edgerton
2026 Budget Work Session
July 10, 2025**

General Fund Budget



July 1, 2025

To: Mayor and City Council Members

From: Beth Linn, City Administrator
 Karen Kindle, Finance Director

Re: 2026 Recommended General Fund Budget

Please find enclosed with this memo the 2026 Recommended General Fund Budget. The General Fund contains the general operations of the City which are funded by a mixture of general-purpose revenues including property taxes, sales and use taxes, user fees and charges and payment in lieu of taxes for abated properties. Also included with this memo are Appendix B containing the calculation of the recommended mill rate for the 2026 Budget per Council policy and Appendix C containing the General Fund Summary of Audits.

Throughout the annual budget process, the City Council approved the use of the Consumer Price Index for All Urban Consumers (CPI-U) as reported by the US Bureau of Labor Statistics (BLS). In January 2025 BLS released the CPI-U for the twelve months ending December 2024 which was 2.9%. The table below shows the history of the CIP-U for the last five years.

December 31 st	CPI-U
2020	1.4%
2021	7.0%
2022	6.5%
2023	3.4%
2024	2.9%

2025 Estimate

The 2025 estimated revenues and expenditures reflect staff's evaluation of the activity so far in 2025 compared to the budget approved for 2025. A line item with an estimate of more than 100% means that staff expects the 2025 activity to exceed the budget. A line item with an estimate that is less than 100% means that staff anticipates the 2025 activity to be less than the budget.

In December 2025, Edgerton City Council approved Ordinance No. 2175 establishing new salary ranges for city employees based on the results of the 2025 Compensation and Benefits Study.

The new salary ranges approved in Ordinance No. 2175 were not known at time of preparation of the 2025 Annual Budget; and therefore, not included. As part of approval of the Ordinance, City Council allocated funds from Unencumbered Fund Balance to allow the City Administrator to implement the salary ranges and address discrepancies in pay equity across positions and departments to alleviate compression and inequalities in pay for similar work. For the General Fund, that allocation for 2025 was \$200,000.

The 2025 Estimate includes the impacts of the implementation of the 2025 Compensation and Benefits Study.

Revenues

Property Tax Revenue

Property tax revenue is the largest source of revenue for the General Fund. Property tax has two components: assessed valuation and tax rate. The sections below provide further details regarding these two parts of the property tax equation.

Assessed Value

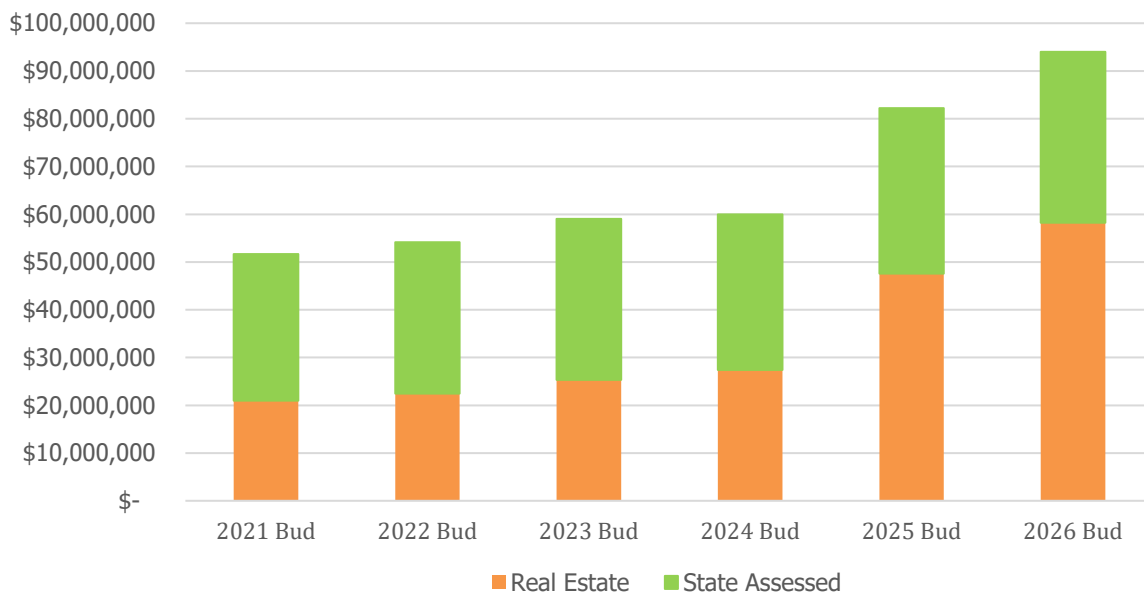
The City's Assessed Value is made up of three major components:

- Real Estate
- Personal Property
- State Assessed Utilities/Railroads

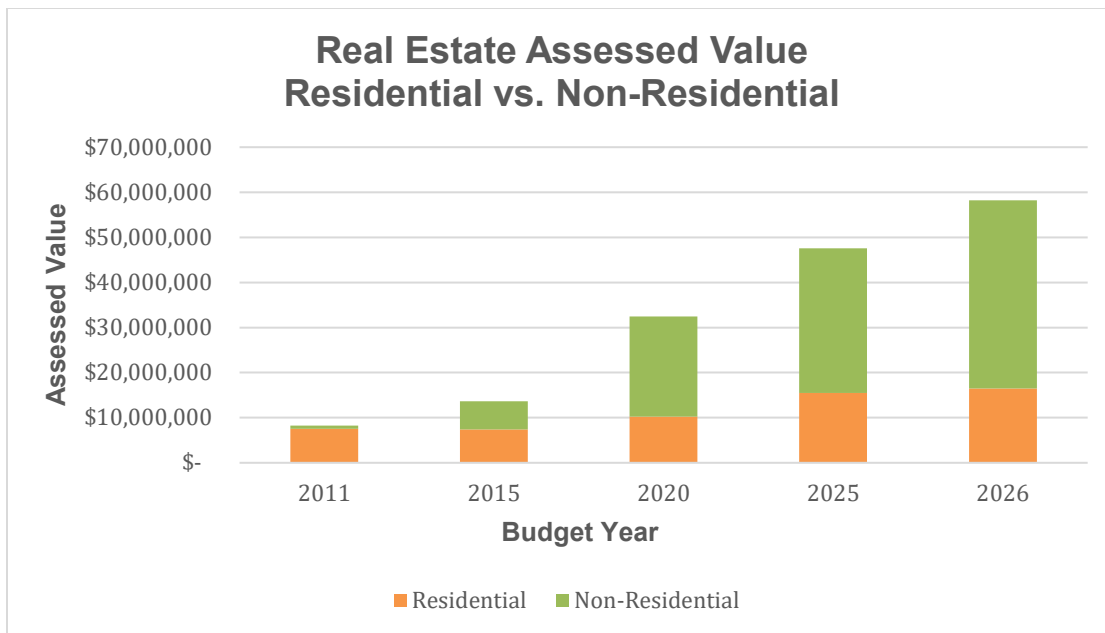
The Real Estate and State Assessed portions make up most of the City's assessed value. The Personal Property amount is small and continues to decrease each year due to legislation passed in 2006.

The diagram below shows the composition of the City's assessed value from the 2021 Budget through the 2026 Budget. Not only has the City's assessed value increased, but in the last couple of years, the Real Estate portion has become larger than the State Assessed portion. This is an important shift as the State Assessed portion can be inconsistent from year to year.

Assessed Valuation 2021 Budget - 2026 Budget



The composition of the Real Estate portion of the City's assessed value has also changed significantly in the last fifteen years. The figure below shows the growth in Real Estate assessed value as well as the breakdown between residential and non-residential property types. In earlier years, the City's value consisted mostly of residential property. However, in 2026, non-residential properties make up the majority of the real estate value.



Expiration of Abatements

Another element that has a significant impact on the City's real estate assessed value is the expiration of abatements. The 2025 Budget was the first year that properties in LPKC returned to the tax roll after the ten-year abatement period. The assessed value for the 2026 Budget includes one LPKC property that is returning to the tax rolls. See the table below for valuation information.

Building	City Portion Of PILOT (2025 Budget)	Assessed Value	Est. City Property Tax (est. Mill Rate 29.602)
Smart Warehousing (ELHC 4)	\$ 24,112	\$ 8,898,001	\$ 263,399

For 2027 through 2035, except for 2034, there is at least one property returning to the tax rolls.

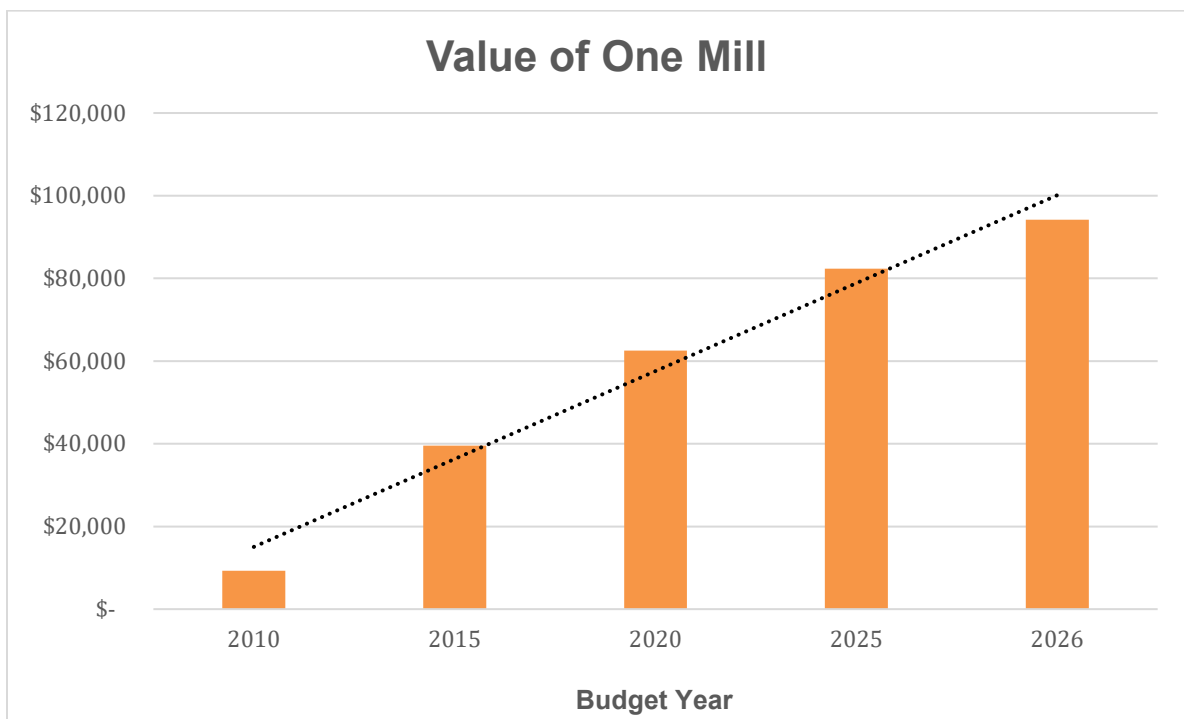
Mill Rate

The mill rate is the amount of tax per \$1,000 of assessed value. Since 2009, the City of Edgerton has lowered the mill rate by over 14 mills. The ability to lower the mill rate while maintaining or increasing property tax revenue collection is driven by the growth in the value of one mill. As noted in the Assessed Value Section above, the City's assessed value has grown considerably since 2009.

Value of One Mill

Growth in the value of one mill results from a citywide increase in assessed valuation. Since 2009, the value of one mill has grown by \$84,752. The most significant factor in increasing the city's assessed valuation is the new construction at Logistics Park Kansas City and surrounding area. The value of one mill can fluctuate due to the timing of construction and the appraisal process, abatements expiring, market conditions, etc. Improvements under construction on January 1st will receive a partial value for that assessment year based on the percentage of completion. If an abatement is processed for the next assessment year, the City's assessed

value will decrease, sometimes causing an overall decrease from the prior year. The chart below shows the change in the value of one mill.



Revenue Neutral Rate

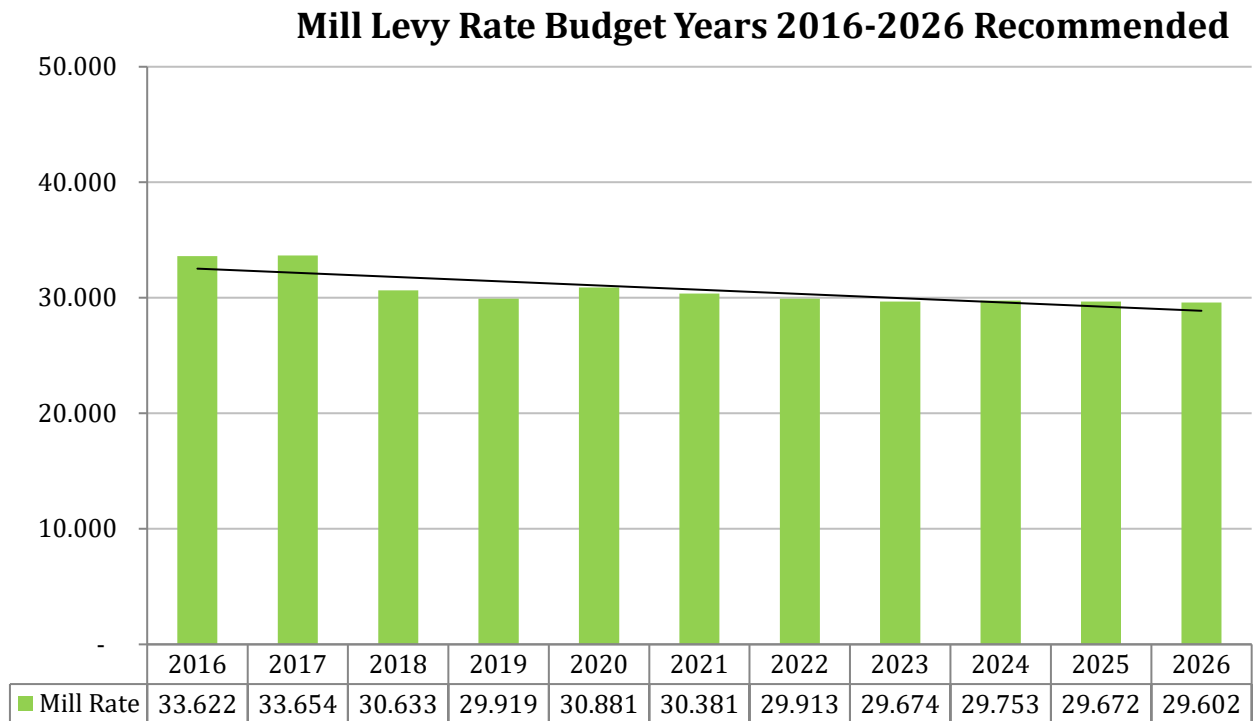
In 2021, the legislature made significant changes to the tax lid law effective for the 2022 Budget. The tax lid law now focuses on the Revenue Neutral Rate (RNR). The RNR is the mill rate that would generate the same amount of property tax revenue in the current year as the previous year based on the current year's assessed valuation. K.S.A. 79-2988 establishes the process for Kansas taxing subdivisions to notify the public and hold a hearing if they plan to exceed their RNR for property taxes. K.S.A. 79-2988 does not provide for any adjustments to the RNR to capture economic growth, issuance of debt or County errors in the assessed valuation numbers. At the Council Meeting on June 10, 2021, the City's Financial Advisor and City staff presented information about K.S.A. 79-2988 and asked for direction from the Council regarding suggested adjustments to the RNR. The property tax revenue amount included in the 2026 General Fund Budget was calculated based on the Council direction provided.

The chart below shows the information regarding the RNR, adjustments for categories approved at the June 10, 2021, Council Meeting and the recommended mill rate for the 2026 Budget. To levy the recommended mill rate, the City Council will have to hold a public hearing and pass a resolution. The public hearing is scheduled to occur during the August 28, 2025, Council Meeting. The City must also provide a notice of intent to hold the public hearing to the County Clerk no later than July 20, 2025.

	Revenue Neutral Rate (RNR)	Recommended Adjustments To the RNR	Recommended Mill Rate for the 2026 Budget
Property Tax Revenue	\$2,444,546	\$342,874	\$2,787,420
Estimated Mill Rate	25.965	3.637	29.602

The 2024 mill rate for the 2025 Budget was 29.672. **The recommended 2025 mill rate for the 2026 Budget represents a 0.070 mills or 0.2% DECREASE in the mill rate.**

The graph below shows the history of the City's mill rate since the 2016 Budget.



Other Revenue

The chart below provides information about changes from the 2025 Budget to the 2026 Recommended Budget in the other sources of revenue for the General Fund.

Revenue Item	Change from 2025 Budget to 2026 Recommended
LPKC Pilot	The revenue from payments in lieu of taxes for abated properties at LPKC has increased to reflect that the City's mill rate is 21.18% of the total mill rate. The 2025 Budget estimated the portion to be 20%. The change in percentage offsets the decrease from removing the property coming off abatement.
City TIF Increment	This number is the amount of City property tax that is deposited into the TIF Funds. It is subtracted from the amount of total property tax to be received since it will be deposited directly into the TIF funds when distributions are received from the County Treasurer. This number is estimated pending receipt of the TIF budget information from the County Clerk on July 1st.
City RHID Increment	This number is the amount of City property tax that is deposited into the RHID Fund. It is subtracted from the amount of total property tax to be received since it will be deposited directly into the RHID fund

	when distributions are received from the County Treasurer. This number is estimated pending receipt of the RHID budget information from the County Clerk on July 1st.
Motor Vehicle Tax Recreational Vehicle Tax 16/20M Vehicle Tax	These estimates are provided by the County Treasurer.
Local Alcoholic Liquor Tax Use Tax	The estimate is provided by the County Treasurer. Increase in Local Use Tax based on amount received in 2024 and collection trend in 2025. The decrease in the County Use Tax reflects the collection trend in 2023-2025 year-to-date.
Sales Tax	Increases in Local Sales Tax and County Sales Tax are based on amount received in 2022-2024 and the collection trend in 2025. The amount also includes estimated revenue from the new Maverik travel center which is currently under construction and estimated to open in 2026.
Franchise Tax	No change.
Licenses & Permits	The bulk of the revenue in this category comes from Building Permits and Plan Review Fees. The 2026 Budget was calculated using the following building permit volumes: <ul style="list-style-type: none"> • 1 quick service restaurant • 96 single family homes (Dwyer Farms) • A few non-residential alterations/additions at LPKC (i.e. security, racking, tenant finish, etc.)
Fines & Forfeitures	For 2026, the estimate for this revenue has been decreased based on the trend from 2024 and 2025 year-to-date. The number and type of tickets issued can have a significant impact on this revenue source.
Charges for Services	The 2026 Budget includes an increase in cost of trash service for existing homes based on the new contracted amount with Gardner Disposal and an increase for new homes at Dwyer Farms receiving trash service. The City charges customers for half of the trash service cost. Staff kept revenue for The Greenspace (memberships, event rental, etc.) flat from 2025 to 2026 due to limited months of operations at time of preparation of the budget.
Reimbursements/Miscellaneous	This category is used to account for reimbursements for things like insurance claims, purchasing card rebate, sale of trash stickers and other small receipts not categorized elsewhere. The City has not budgeted funds in this category in the past due to the uncertain nature of this source. However, reviewing trends for the last few years, it appears that there is a consistent trend in this revenue item. The amount included in the 2026 Budget reflects the trend in amounts from 2023-2025 year-to-date.
Investment Income	The 2026 Budget was increased to reflect the continued higher interest rate environment and to align with actuals.

Expenditures

The budget amount is an estimate of resources needed to carry out the level of services the Governing Body offers its citizens. The approved budget sets the legal level of budget authority at the fund level, which the City cannot exceed without going through the statutory budget amendment process.

Changes in expenditures between budget years can occur for several reasons: (1) County/State/Federal mandates/change in charges/fees; (2) inflation; (3) change in level of service, including corresponding changes in personnel; (4) more refined budgeting for a program(s) based on actual experience, etc.

Appendix A includes information about the change in each department's budget from year to year.

Other Sources & Uses

Transfers to/from other funds are listed in this section of the fund schedule. These transactions are more of a one-time occurrence vs being routine.

Transfers from the TIF Funds consist of the annual TIF administrative fee the City is allowed to collect from TIF revenues related to the Homestead Lane Retail TIF District project plans. There are currently two project plans: (1) A1 – On the Go Travel Plaza and (2) B1 – Edgerton Crossing. As of publication of the work session packet, the TIF budget information had not yet been received from the County Clerk. The amount is an estimate and could change once the TIF fund budgets are calculated. The TIF fund budgets will be provided to Council at a later date.

The 2026 Budget also includes a transfer of \$302,152 in LPKC Maintenance Fees from the LPKC Phase 1 PIF to cover the costs of operating The Greenspace building per direction provided by Council at the June 13, 2024, Greenspace Work Session.

Transfers to the Equipment Reserve are typically done each year to systematically save for replacement of the City's vehicles and equipment. Staff have included a \$125,000 transfer to equipment reserve in the 2026 Budget, which is the same as the transfer in the 2025 Budget.

A transfer of \$40,000 to the IT Equipment Reserve Fund-General is included for 2026. It is the same amount as 2025. This is the first budget process to include a multi-year IT equipment replacement plan. The plan is included in the budget packet and will be reviewed later in the work session.

Transfers to capital projects will vary from year to year depending on the projects approved and the funding sources for those projects. The Governing Body reviews projects and discusses priorities and staff available capacity at the CIP work session in October each year. At a meeting following that work session, the Governing Body approves the CIP, setting the budget and timing for projects. After the CIP is approved, the budget for transfers to capital projects is updated to reflect the approved plan. The CIP adopted in October 2024 did not include any funding for projects from the General Fund in 2026. On June 12, 2025, Council approved the use of \$30,560 of unencumbered fund balance for the 191st Street Culvert Repair project, which is reflected in the 2025 Estimate.

The 2026 Budget includes a one-time expenditure of \$15,000 for America's semiquincentennial celebration (America250) at the City's July 3rd event. On July 4, 2026, our nation will commemorate and celebrate the 250th anniversary of the signing of the Declaration of Independence. Staff's recommendation is the City's July 3rd event is a fantastic opportunity for Edgerton to come together as a community and celebrate this historic milestone. The recommended additional one-time funding would be used to elevate the event for this important anniversary.

Ending Balance and Reserves

The carryforward balance from 2024 to 2025 was greater than estimated during the 2025 Budget process due to lower expenditures for 2024 than originally forecast as well as some revenue sources exceeding projections. The projected balance at the end of 2025 and 2026 exceeds the required reserves, leaving funding available for projects or other priorities.

Appendix A – Expenditures Approved Budgets Year-to-Year Detail

General Government

2024 Budget – 2025 Budget	2025 Budget -2026 Recommended
<ul style="list-style-type: none">• Removed biennial Citizen Survey which is done in the even years.• Moved insurance premiums to the Facilities and Fleet Departments.• Reduced printing costs to reflect actual costs from the past few years.• Increased contractual residential solid waste contract due to contract expiring.• Increased audit costs due to contract expiring.• Increase in support for Project Grad.• Increase support for UCS.• Increase for positions/career progression approved in January 2025• Increase for career progression for Finance Director and Accountant	<ul style="list-style-type: none">• Increase in wages for implementation of 2024 Compensation and Benefits Study as previously explained in the 2025 Estimate Section.• Increase in contractual residential trash service for existing homes based on new contracted amount with Gardner Disposal and for new homes at Dwyer Farms receiving trash service. The City charges customers for half of the trash service cost.• Increase in support for Johnson County Utility Assistance Program• Increase audit costs based on new contract

Law Enforcement

2024 Budget – 2025 Budget	2025 Budget -2026 Recommended
<ul style="list-style-type: none">• Includes 7.9% increase in policing contract with Johnson County Sheriff's Office• Increase in cost for the prosecutor based on two courts per month and actual hours outside court• Increase in cost for interpreter services as the Court encounters more clients that do not speak English.	<ul style="list-style-type: none">• Increase in wages for implementation of the 2024 Compensation and Benefits Study as previously explained in the 2025 Estimate Section.• Includes 8.2% increase in policing contract with Johnson County Sheriff's Office.• Increase in prisoner board fees from \$85/day to \$100/day.• Reduced outside court hours for the prosecutor based on review of actual hours spent on tasks outside of court.

Public Works

2024 Budget – 2025 Budget	2025 Budget -2026 Recommended
<ul style="list-style-type: none">• Added biennial bridge inspection (odd years)• Increase in cost of salt for ice control• Increase for career progression for Public Works Superintendent	<ul style="list-style-type: none">• Increase in wages for implementation of the 2024 Compensation and Benefits Study as previously explained in the 2025 Estimate Section.• Increase in streetlight costs for the addition of electric service for lights in Dwyer Farms phases 1 and 2.• Reduction of traffic signal electric costs to reflect the trend in actual amount spent the last few years.

	<ul style="list-style-type: none"> • Reduction in cost for Homestead Ln mowing due to trend in bids for this work. • Increase in engineering services to align with actual spent the last few years for City Engineer services. • Increase in equipment to cover the cost of replacing one portable radio since the cost is less than the threshold for the Vehicles & Equipment Replacement Plan.
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Parks

2024 Budget – 2025 Budget	2025 Budget -2026 Recommended
<ul style="list-style-type: none"> • Increase for positions/career progression approved in January 2025 • Added new Maintenance Technician I split position (Parks Maintenance/Facilities/The Greenspace) • Increase in support for Frontier Days • Increase in costs for 3rd of July event 	<ul style="list-style-type: none"> • Increase in wages for implementation of the 2024 Compensation and Benefits Study as previously explained in the 2025 Estimate Section and addition of an amount for career progression • Increase in funding for new programs based on results of the Citizen Survey and the Greenspace Grand Opening Survey • Increase in costs for July 3rd event • Decrease in professional services for tree trimming

Facilities

2024 Budget – 2025 Budget	2025 Budget -2026 Recommended
<ul style="list-style-type: none"> • Moved property insurance premiums from General Government • Added The Greenspace operating costs, including staff at \$301,211. This amount includes operation and staffing plan as directed by City Council at June 13th work session plus portion of new position below. • Added new Maintenance Tech I split position (Parks Maintenance/Facilities/The Greenspace) 	<ul style="list-style-type: none"> • Increase in wages for implementation of the 2024 Compensation and Benefits Study as previously explained in the 2025 Estimate Section and addition of an amount for career progression. • Decrease in insurance as the 2025 Budget included an estimated premium amount for The Greenspace which was higher than the actual amount from the 2025 renewal. • Decrease in professional services based on current contracts. • Increase in maintenance contracts for The Greenspace as the one-year warranty period for the various building components expires in 2026.

Fleet Maintenance

2024 Budget – 2025 Budget	2025 Budget -2026 Recommended
<ul style="list-style-type: none"> Moved the cost of vehicle insurance from General Government Increased fuel and vehicle maintenance for the new Facilities vehicle 	<ul style="list-style-type: none"> Increase in insurance and fuel due to the addition of vehicles. Increase in vehicle maintenance to reflect actuals the last couple of years. Decrease in equipment based on the amount spent in recent years.

Community Development

2024 Budget – 2025 Budget	2025 Budget -2026 Recommended
<ul style="list-style-type: none"> Decreased contracted building inspection/plan review services due to in-house building inspector Reduced legal fees 	<ul style="list-style-type: none"> Increase in wages for implementation of the 2024 Compensation and Benefits Study as previously explained in the 2025 Estimate Section. Decrease in postage, printing and legal services based on the trend in actual amounts spent. Decrease in professional services due to refining the estimated cost for third party inspections while the in-house inspector is on vacation, sick, etc.

Economic Development

2024 Budget – 2025 Budget	2025 Budget -2026 Recommended
<ul style="list-style-type: none"> Increase in the BNSF increment. Increased contribution to ElevateEdgerton! 	<ul style="list-style-type: none"> Increase in the BNSF increment.

Information Technology

2024 Budget – 2025 Budget	2025 Budget -2026 Recommended
<ul style="list-style-type: none"> Moved cell phones from Facilities into IT Reallocated contracted IT support services between general/water/sewer Increase costs for contracted IT support services due to contract expiring Moved equipment to IT Equipment Reserve 	<ul style="list-style-type: none"> Decrease in costs for contracted IT support services based on the current contract. Significant decrease in the cost of cyber insurance.

Employee Benefits

2024 Budget – 2025 Budget	2025 Budget -2026 Recommended
<ul style="list-style-type: none">• Estimating a 6% increase in health insurance premiums and a 3% increase in premiums for dental and vision• Increase in KPERS Rate from 10.26% to 10.71%• Increase in number of employees• Increase due to career progression and added positions	<ul style="list-style-type: none">• Increase benefit costs related to the implementation of the 2024 Compensation and Benefits Study such as FICA, KPERS, Medicare, etc.• Estimating a 6% increase in health insurance premiums and a 3% increase in premiums for dental and vision.• Decrease in KPERS Rate from 10.71% to 10.59%• Addition of career progression amounts in Parks and Facilities.

City of Edgerton
General Fund

Mill Rate:	29.753	29.672		29.602 calculated	No Change 29.672
Revenue from 1 Mill:	\$60,311	\$82,385		\$94,168 est.	\$94,168 est.
	2024 Budget	2025 Budget	2025 Estimate	2026 Recommended	2026 Recommended
Balance 1/1	\$ 2,058,293	\$ 2,288,368	\$ 2,669,938	\$ 2,425,618	\$ 2,425,618
Revenues:					
Ad Valorem Tax	1,789,515	2,444,546	100%	2,787,420	2,794,184
City TIF Increment	(50,698)	(69,531)	100%	(59,875)	(59,875)
City RHID Increment	-	-	0%	(18,600)	(18,600)
LPKC PILOT	610,619	604,876	108%	615,029	615,029
Delinquent Tax	-	-	-	-	-
Motor Vehicle Tax	46,871	50,377	100%	51,689	51,689
Recreational Vehicle Tax	1,000	729	100%	730	730
16/20M Vehicle Tax	323	141	100%	141	141
Local Alcoholic Liquor Tax	8,500	8,500	100%	8,500	8,500
City 1% Use Tax	305,000	308,000	109%	340,000	340,000
County Use Tax	155,000	157,000	96%	150,000	150,000
City 1% Sales Tax	610,000	616,100	100%	625,000	625,000
County Sales Tax	408,000	412,150	100%	415,000	415,000
Franchise Tax	235,000	235,000	100%	235,000	235,000
Licenses & Permits	414,850	383,976	42%	182,528	182,528
Charges for Services	85,470	143,830	100%	172,876	172,876
Fines & Forfeitures	80,000	120,000	83%	100,000	100,000
Reimbursements/Miscellaneous	-	-	-	15,000	15,000
Investment Income	15,000	20,000	500%	100,000	100,000
Total Revenue	\$ 4,714,450	\$ 5,435,694	99%	\$ 5,720,438	\$ 5,727,202
Expenditures:					
General Government	1,223,435	1,125,955	102%	1,225,182	1,225,182
Law Enforcement	621,067	698,244	97%	738,652	738,652
Public Works	754,458	779,614	109%	847,592	847,592
Parks	372,387	544,653	106%	609,828	609,828
Facilities	137,914	506,786	96%	506,088	506,088
Fleet Maintenance	67,050	80,027	97%	82,272	82,272
Community Development	495,394	437,770	106%	453,126	453,126
Economic Development	580,900	593,147	99%	610,291	610,291
Information Technology	98,029	143,305	97%	118,237	118,237
Employee Benefits	630,402	703,668	103%	757,378	757,378
Total Expenditures	\$ 4,981,036	\$ 5,613,169	102%	\$ 5,948,646	\$ 5,948,646
Revenues Over(Under) Expenditures	\$ (266,586)	\$ (177,475)		\$ (228,208)	\$ (221,444)
Other Financing Sources & Uses					
Transfers from Other funds:					
Transfer from Capital Projects Fund	\$ -	\$ -	-	\$ -	\$ -
Transfer from LPKC Ph 1 PIF	\$ -	\$ 301,211	-	\$ 302,152	\$ 302,152
Transfer from TIF Funds-City TIF Fee	\$ 1,107	\$ 1,459	154%	\$ 1,607	\$ 1,607
Transfers to Other Funds:					
Transfer to Equipment Reserve Fund-General	(132,525)	(125,000)	106%	(125,000)	(125,000)
Transfer to IT Equipment Reserve Fund-General	-	(40,000)	0%	(40,000)	(40,000)
Transfer to Capital Projects Fund	-	-	0%	-	(6,764)
America's Semi Quincentennial (one-time expd)	-	-	0%	(15,000)	(15,000)
Total Other Financing Sources & Uses	\$ (131,418)	\$ 137,670		\$ 123,759	\$ 116,996
Balance 12/31	\$ 1,660,289	\$ 2,248,563	\$ 2,425,618	\$ 2,321,169	\$ 2,321,169

Undesignated Reserve:	\$ 904,239	\$ 961,270	\$ 961,270
Portion Designated for Self-Insured Losses:	\$ 50,000	\$ 50,000	\$ 50,000
Reserve Per Policy - 17% of Budgeted Expenditures:	\$ 954,239	\$ 1,011,270	\$ 1,011,270
Unencumbered Cash Over(Under) Requirement:	\$ 1,471,379	\$ 1,309,900	\$ 1,309,900
Undesignated Reserve:	\$ 1,353,292	\$ 1,437,162	\$ 1,437,162
Portion Designated for Self-Insured Losses:	\$ 50,000	\$ 50,000	\$ 50,000
Reserve Per Policy - 25% of Budgeted Expenditures:	\$ 1,403,292	\$ 1,487,162	\$ 1,487,162
Unencumbered Cash Over(Under) Requirement:	\$ 1,022,326	\$ 834,008	\$ 834,008

City of Edgerton
Calculation of the Adjustment to the RNR
for the 2026 Budget

Real Property									
		6/15/2025 Assessed Value				Change			
Class	Description	Nov 2024	#'s Co Clerk	Corrections	Adj #'s	Nov 2024-6/15/2025 Adj	Council Policy		
R	Residential Including Apartments	\$ 15,526,812	\$ 16,451,445	\$ -	\$ 16,451,445	\$ 924,633	capture revenue incr up to CIP-U		
A	Agricultural Land Use & Improvements	\$ 178,913	\$ 173,338	\$ (6,051)	\$ 167,287	\$ (11,626)	capture all revenue		
C	Commercial & Industrial	\$ 27,218,326	\$ 36,512,017	\$ -	\$ 36,512,017	\$ 9,293,691	capture all revenue		
V	Vacant Lots	\$ 4,680,781	\$ 5,071,639	\$ -	\$ 5,071,639	\$ 390,858	capture all revenue		
N	Not for Profit	\$ -	\$ -	\$ -	\$ -	\$ -	capture all revenue		
O	All Other Real Property	\$ 1,875	\$ 1,872	\$ -	\$ 1,872	\$ (3)	capture all revenue		
U	Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	capture all revenue		
ED	Exempt Dam	\$ -	\$ -	\$ -	\$ -	\$ -	capture all revenue		
EI	Exempt IRB	\$ -	\$ -	\$ -	\$ -	\$ -	capture all revenue		
EIC	Exempt IRB for Com	\$ -	\$ -	\$ -	\$ -	\$ -	capture all revenue		
EIR	Exempt IRB for Res	\$ -	\$ -	\$ -	\$ -	\$ -	capture all revenue		
EIV	Exempt IRB for Vac	\$ -	\$ -	\$ -	\$ -	\$ -	capture all revenue		
EX	Exempt Ec Dev	\$ -	\$ -	\$ -	\$ -	\$ -	capture all revenue		
EXC	Exempt Ec Dev for Com	\$ -	\$ -	\$ -	\$ -	\$ -	capture all revenue		
EXR	Exempt Ec Dev for Res	\$ -	\$ -	\$ -	\$ -	\$ -	capture all revenue		
EXV	Exempt Ec Dev for Vac	\$ -	\$ -	\$ -	\$ -	\$ -	capture all revenue		
E	All Other Tax Exempt Property	\$ -	\$ -	\$ -	\$ -	\$ -	capture all revenue		
Total Real Property		\$ 47,606,707	\$ 58,210,311	\$ (6,051)	\$ 58,204,260	\$ 10,597,553			

City of Edgerton
Policy Regarding Adjustments to the RNR
Adopted by Council on 6/10/2021

Categories of Adjustments to the RNR:

1

Roll off of incentives, including abatements

2

New territory/annexations

3

Growth in assessed value for non-residential properties

4

Growth in assessed value of residential property due to inflation based on the CPI-U

5

Issuance of GO debt

6

County errors

Personal Property									
		6/15/2025 Assessed Value				Change			
Class	Description	Nov 2024	#'s Co Clerk	Adj	Adj #'s	Nov 2024-6/15/2025 Adj	Council Policy		
	Personal Property	\$ 144,603	\$ 132,113	\$ -	\$ 132,113	\$ (12,490)	capture all revenue		

State Assessed									
		6/15/2025 Assessed Value				Change			
Class	Description	Nov 2024	#'s Co Clerk	Adj	Adj #'s	Nov 2024-6/15/2025 Adj	Council Policy		
	State Assessed	\$ 34,634,116	\$ 35,826,620	\$ -	\$ 35,826,620	\$ 1,192,504	capture all revenue		
Grand Totals		\$ 82,385,426	\$ 94,169,044	\$ (6,051)	\$ 94,162,993	\$ 11,777,567			

Calculation of Adjustment to RNR

Total Allowable Change in Assessed Value Per Council Policy	\$ 11,555,476
Nov 2024 Mill Rate for the 2025 Budget	29.672
Allowable increase in Property Tax Revenue per Council Policy	\$ 342,874
Property Tax Levied 2024 for 2025 Budget	\$ 2,444,546
Total Property Tax Revenue for the 2026 Budget	\$ 2,787,420
Base Mill Rate Needed	29.602
Mill Rate Needed for GO Debt Service	\$ -
Total Mill Rate Needed	29.602
RNR	25.965
Estimated Adjustment to the RNR	3.637
Decrease in Mill Rate from 2025 Budget to 2026 Budget	(0.070)

* Due to Council Policy of only allowing an increase in Residential Assessed Value equal to the rate of inflation, the City is removing \$222,091 of assessed value out of the property tax calculation, resulting in forgone revenue of \$6,590.

City of Edgerton General Fund Summary of Audits

	2022 Actual	2023 Actual	2024 Actual
Balance 1/1	\$ 2,098,781	\$ 2,368,806	\$ 2,812,785
Revenues:			
Ad Valorem Tax	2,194,690	2,356,031	1,773,269
City TIF Increment	(38,133)	(50,434)	(51,025)
LPKC PILOT	-	-	646,693
Delinquent Tax	9,016	3,787	16,929
Motor Vehicle Tax	46,960	47,821	48,548
Recreational Vehicle Tax	1,192	1,011	973
16/20M Vehicle Tax	434	311	209
Local Alcoholic Liquor Tax	7,728	6,048	7,864
City 1% Use Tax	294,254	425,015	334,632
County Use Tax	154,981	140,915	137,052
City 1% Sales Tax	560,160	674,555	609,230
County Sales Tax	373,853	408,065	393,706
Franchise Tax	226,162	238,816	240,995
Licenses & Permits	160,187	311,111	90,723
Charges for Services	124,824	121,730	113,011
Fines & Forfeitures	92,585	87,003	112,482
Reimbursements/Miscellaneous	36,144	17,952	17,173
Investment Income	12,751	57,757	161,824
Total Revenue	\$ 4,257,788	\$ 4,847,494	\$ 4,654,288
Expenditures:			
General Government	892,585	1,089,842	1,093,090
Law Enforcement	535,611	561,313	628,843
Public Works	577,800	618,697	700,840
Parks	311,378	323,154	442,475
Facilities	103,091	109,860	121,276
Fleet Maintenance	49,857	60,568	62,749
Community Development	366,082	401,186	368,103
Economic Development	460,944	428,159	500,883
Information Technology	45,501	89,074	91,325
Employee Benefits	445,056	524,399	566,648
Total Expenditures	\$ 3,787,905	\$ 4,206,252	\$ 4,576,232
Revenues Over(Under) Expenditures	\$ 469,883	\$ 641,242	\$ 78,056
Other Financing Sources & Uses			
Transfers from Other funds:			
Transfer from Capital Projects Fund	\$ 84,069	\$ 86,907	\$ 17,882
Transfer from TIF Funds-City TIF Fee	\$ 50,916	\$ 5,321	\$ 1,901
Transfers to Other Funds:			
Transfer to Equipment Reserve Fund-General	(127,000)	(176,000)	(125,000)
Transfer to Capital Projects Fund	(207,843)	(113,491)	(115,686)
Total Other Financing Sources & Uses	\$ (199,858)	\$ (197,263)	\$ (220,903)
Balance 12/31	\$ 2,368,806	\$ 2,812,785	\$ 2,669,938

**City of Edgerton
2026 Budget Work Session
July 10, 2025**

Utility Funds Budget





July 1, 2025

To: Mayor and City Council Members

From: Beth Linn, City Administrator
 Karen Kindle, Finance Director
 Dan Merkh, Public Works Director

Re: 2026 Recommended Water Fund Budget

Attached please find the 2026 Recommended Budget for the Water Fund. This fund contains the water utility operation of the City.

Throughout the annual budget process, the City Council approved the use of the Consumer Price Index for All Urban Consumers (CPI-U) as reported by the US Bureau of Labor Statistics (BLS). In January 2025 BLS released the CPI-U for the twelve months ending December 2024 which was 2.9%. The table below shows the history of the CIP-U for the last five years.

December 31 st	CPI-U
2020	1.4%
2021	7.0%
2022	6.5%
2023	3.4%
2024	2.9%

2025 Estimate

The 2025 estimated revenues and expenditures reflect staff's evaluation of the activity so far in 2025 compared to the budget approved for 2025. A line item with an estimate of more than 100% means that staff expect 2025 activity to exceed the budget. A line item with an estimate that is less than 100% means that staff anticipate the 2025 activity to be less than the budget.

In December 2024, Edgerton City Council approved Ordinance No. 2175 establishing new salary ranges for city employees based on the results of the 2024 Compensation and Benefits Study.

The new salary ranges approved in Ordinance No. 2175 were not known at time of preparation of the 2025 Annual Budget; and therefore, not included in the 2025 Budget. As part of that approval of the Ordinance, City Council allocated funds from Unencumbered Fund Balance to allow the City Administrator to implement the salary ranges and address discrepancies in pay equity across positions and departments to alleviate compression and inequalities in pay for similar work. For the Water Fund, that allocation for 2025 was \$12,000.

The 2025 Estimate includes the impacts of the implementation of the 2024 Compensation and Benefits Study.

Revenues

The water utility operations are considered an enterprise, and as such, the funding for operations comes from user charges. The user charges needed to fund the utility operations are calculated based on the operation and maintenance costs required to run the utility, the debt service payments required on outstanding debt and any costs for capital outlay, such as equipment or capital improvements to the system.

Charges for Services

- The majority of increase in charges for services revenue is driven by new home construction in the Dwyer Farms subdivision. In preparation of the 2026 Budget, Staff worked with Lennar on their projected build out of homes for both 2025 and 2026. Staff then verified that projection based on speed of construction seen to date. For all items directly impacted by new home construction from Dwyer Farms (across entire 2026 Budget), staff is using the following home construction estimates:
 - 2025: 100 homes constructed by end of 2025
 - 2026: 96 homes (average 8 per month) constructed throughout 2026
- New homes in Dwyer Farms directly impacts two categories of charges for services – Sale of Water and New Installations.
- Sale of Water (Dwyer): Raftelis included an incremental increase in revenue from water sold based on projections for new homes anticipated to be constructed at Dwyer Farms. Staff updated that estimate based on construction numbers listed above.
- New Installations (Dwyer): This category also includes an increase in revenue for one-time new installation fees charged for new homes connecting to the city's water system. These one-time fees cover the cost of purchasing new meters. The revenue is based on 96 new installations in 2026 as referenced above.
- Water Rate Increase: The revenues are from the 2024 Rate Study Report prepared by Raftelis, which is included in this packet for reference. The 2024 Rate Study Report recommends a small increase of \$2.14 per month for the average customer for 2026.
 - If there is consensus to adopt the recommendation in the 2024 Rate Study Report, staff would bring back the updated fee resolution for Council consideration at a meeting in September.
- This category also includes the tower rent received from AT&T. There is a small increase for this source based on annual increases built into the lease agreement.

Fines & Forfeitures

- The 2026 Budget remains the same as the 2024 and 2025 Budgets.

Investment Income

- The 2026 Budget was increased to reflect the continued higher interest rate environment.

Expenditures

Fleet Maintenance

- The 2026 Budget decreased slightly due to purchase of additional vehicles to support General Fund activities, lowering the allocation of cost of insurance to Water Fund.

Information Technology

- Significant decrease in the cost of cyber insurance.
- Decreased cost of contracted IT services based on actual proposals received in 2025. Includes a small increase in software maintenance contracts.
- Equipment replacement costs now handled in IT Equipment Replacement Budget.

Production

- Includes significant increase in water purchase based on new homes constructed at Dwyer Farms (based on numbers previously noted). This increase is offset by estimated Charges for Services revenue. If build out is slower than expected or consumption less than projected, City will purchase less water and collect less user charges for services.
- Also includes estimated increases in the cost of water purchased from Miami RWD #2; increase in transportation fee from Water 7; as well as an increase in the cost of the HAWC contract. The Miami RWD #2 contract provides for annual review of their rates and changes related to increases in their costs of operation. The transportation fee from Water 7 has not increased since the contract was signed in 2006. The HAWC cost increases annually when the state increases the cost of raw water.

Distribution

- Includes significant increase in purchase of water meters for new homes constructed at Dwyer Farms (based on numbers previously noted). This increase is offset by estimated New Installations revenue. If build out is slower than expected, City will collect fewer one-time connection fees and purchase less water meters.
- Small increase in annual maintenance contracts for City's water towers.

Administrative-Water

- Increase in wages for implementation of 2024 Compensation and Benefits Study as previously explained in the 2025 Estimate Section.
- Increased postage to account for additional utility bills mailed due to Dwyer Farms.
- Increased credit card fees to reflect the trend in the actual expenditures and addition of new customers at Dwyer Farms. The City absorbs the credit card fees for utility payments to encourage customers to utilize the online portal and to save staff time posting payments.
- Included rate study to be completed by Raftelis in 2026
- Removed Community Assistance due to no request received from Miami County Conservation District.
- Increase in PPE due to cost increases in these items.

Employee Benefits

- Increase in benefits tied to wages due to implementation of 2024 Compensation and Benefits Study. See 2025 Estimate section for more information.
- Includes a 6% increase in health insurance premiums and a 3% increase in dental and vision insurance premiums based on information from the City's provider, Midwest Public Risk. The City has been fortunate that actual increases the last few years have been less than 6%.
- Includes an decrease in the KPERS employer rate. The rate will go from 10.71% to 10.59%.

Debt Service

- Includes the State Revolving Loan payments for the AMI meter system. The loan is scheduled to be paid off in 2037.

Transfers to Other Funds

- Includes a \$30,000 transfer to the Equipment Reserve Fund-Water based on 2024 Raftelis Rate Study to continue funding replacement of vehicles/equipment used in the water operations.
- Includes a \$10,000 transfer to the IT Equipment Reserve Fund-Water to fund IT Equipment related to water operations. Increased from \$5,000 in 2025 to reflect replacements in 2026 and beyond.
- Includes \$15,000 transfer to the Infrastructure Fund-Water based on 2024 Raftelis Rate Study to fund major repairs/replacements of water infrastructure components.

Ending Balance and Reserves

The projected balance at the end of 2026 meets the level required by Council policy.

Future Considerations

The financial plan presented in the 2024 Rate Study Report is a forecast that relies on assumptions made about expenditures, customer base, debt service requirements, etc. These factors can change, and as more information is obtained, the assumptions will be updated.

Staff continues to work on the inventory of the water system components to analyze and develop a replacement plan. The establishment of the new Infrastructure Fund-Water in 2024 and planned transfers in each year of the financial plan will provide a funding mechanism for the needs identified and will be reviewed annually to determine if the amount is adequate.

The five-year Capital Improvement Plan includes a list of unfunded water projects. The five-year financial plan from the 2024 Rate Study does not provide any funding for capital projects.

A final future consideration that might affect the financial plan is the renewal of the City's wholesale water contract with Miami County Rural Water District No. 2; and the City's transportation contract with Johnson County Water District No. 7.

City of Edgerton Water Fund

	2024 Budget	2025 Budget	2025 Estimate	2026 Recommended
Balance 1/1	\$ 192,147	\$ 211,413	\$ 254,057	\$ 244,578
Revenues:				
Charges for Services	511,187	533,440	106%	785,369
Fines & Forfeitures	8,000	8,000	100%	8,000
Reimbursements	-	-	-	8,500
Bond Proceeds	-	-	-	-
Investment Income	2,500	2,500	340%	8,500
Total Revenue	\$ 521,687	\$ 543,940	107%	\$ 810,369
Expenditures:				
Fleet Maintenance	7,475	8,763	95%	8,277
Information Technology	52,309	39,711	95%	36,421
Production	175,000	204,766	95%	322,900
Distribution	67,030	70,460	95%	105,530
Administrative - Water	160,762	178,269	104%	201,119
Employee Benefits	40,184	46,885	104%	50,156
Debt Service	14,957	14,956	100%	14,959
Total Expenditures	\$ 517,717	\$ 563,810	99%	\$ 739,362
Revenues Over(Under) Expenditures	\$ 3,970	\$ (19,870)		\$ 71,007
Other Financing Sources & Uses:				
Transfers from Other funds:				
Transfer from Capital Projects Fund	-	-	0%	-
Transfers to Other Funds:				
Transfer to Equipment Reserve Fund-Water	(15,000)	(25,000)	100%	(30,000)
Transfer to Infrastructure Fund-Water	-	(7,500)	100%	(15,000)
Transfer to IT Equipment Reserve-Water	-	(5,000)	0%	(10,000)
Transfer to Capital Projects Fund	-	-	-	-
Total Other Financing Sources & Uses	\$ (15,000)	\$ (37,500)	100%	\$ (55,000)
Balance 12/31	\$ 181,117	\$ 154,043	\$ 244,578	\$ 260,585
<i>Reserve Per Policy - 17% of Budgeted Expenditures:</i>	\$	95,848	\$	125,692
<i>Unencumbered Cash Over(Under) Requirement:</i>	\$	148,730	\$	134,894
<i>Reserve Per Policy - 25% of Budgeted Expenditures:</i>	\$	140,953	\$	184,841
<i>Unencumbered Cash Over(Under) Requirement:</i>	\$	103,626	\$	75,745



July 1, 2025

To: Mayor and City Council Members

From: Beth Linn, City Administrator
 Karen Kindle, Finance Director
 Dan Merkh, Public Works Director

Re: 2026 Recommended Sewer Fund Budget

Attached please find the 2026 Recommended Budget for the Sewer Fund. This fund contains the sewer utility operation of the City.

Throughout the annual budget process, the City Council approved the use of the Consumer Price Index for All Urban Consumers (CPI-U) as reported by the US Bureau of Labor Statistics (BLS). In January 2025 BLS released the CPI-U for the twelve months ending December 2024 which was 2.9%. The table below shows the history of the CIP-U for the last five years.

December 31 st	CPI-U
2020	1.4%
2021	7.0%
2022	6.5%
2023	3.4%
2024	2.9%

2025 Estimate

The 2025 estimated revenues and expenditures reflect staff's evaluation of the activity so far in 2025 compared to the budget approved for 2025. A line item with an estimate of more than 100% means that staff expect 2025 activity to exceed the budget. A line item with an estimate that is less than 100% means that staff anticipate the 2025 activity to be less than the budget.

In December 2024, Edgerton City Council approved Ordinance No. 2175 establishing new salary ranges for city employees based on the results of the 2024 Compensation and Benefits Study.

The new salary ranges approved in Ordinance No. 2175 were not known at time of preparation of the 2025 Annual Budget; and therefore, not included in the 2025 Budget. As part of that approval of the Ordinance, City Council allocated funds from Unencumbered Fund Balance to allow the City Administrator to implement the salary ranges and address discrepancies in pay equity across positions and departments to alleviate compression and inequalities in pay for similar work. For the Sewer Fund, that allocation for 2025 was \$30,000.

The 2025 Estimate includes the impacts of the implementation of the 2024 Compensation and Benefits Study.

Revenues

The sewer utility operations are considered an enterprise, and as such, the funding for operations comes from user charges. The user charges needed to fund the utility operations are calculated based on the operation and maintenance costs required to run the utility, the debt service payments required on outstanding debt and any costs for capital outlay such as equipment or capital improvements to the system.

Licenses & Permits

- This revenue is generated from businesses that are using holding tanks because they are not yet connected to the City's wastewater system. This revenue has decreased as only one business remains on a holding tank.

Charges for Services

- The majority of increase in charges for services revenue is driven by new home construction in the Dwyer Farms subdivision. In preparation of the 2026 Budget, Staff worked with Lennar on their projected build out of homes for both 2025 and 2026. Staff then verified that projection based on speed of construction seen to date. For all items directly impacted by new home construction from Dwyer Farms (across entire 2026 Budget), staff is using the following home construction estimates:
 - 2025: 100 homes constructed by end of 2025
 - 2026: 96 homes (average 8 per month) constructed throughout 2026
- New homes in Dwyer Farms directly impacts two categories of charges for services – Charges for Sewer Treatment and New Installations.
- Charges for Sewer Treatment (Dwyer): Raftelis included an incremental increase in revenue from sewer treated based on projections for new homes anticipated to be constructed at Dwyer Farms. Staff updated that estimate based on construction numbers listed above.
- New Installations (Dwyer): This category also includes an increase in revenue for one-time new installation fees charged for new homes connecting to the city's sewer system. These one-time fees cover the cost of purchasing new water meters – which are used to collect water consumption data that is the basis for residential sewer charges. The revenue is based on 96 new installations in 2026 as referenced above.
- Sewer Rate Increase: The revenues are from the 2024 Rate Study Report prepared by Raftelis, which is included in this packet for reference. The 2024 Rate Study Report recommends a small increase of \$1.55 per month for the average customer for 2026.
 - If there is consensus to adopt the recommendation in the 2024 Rate Study Report, staff would bring back the updated fee resolution for Council consideration at a meeting in September.

Fines & Forfeitures

- The 2026 Budget increased based on 2023 and 2024 actuals.

Investment Income

- The 2026 Budget was increased to reflect the continued higher interest rate environment.

Expenditures

Fleet Maintenance

- The 2026 Budget decreased slightly due to purchase of additional vehicles to support General Fund activities, lowering the allocation of cost of insurance to Sewer Fund.

Information Technology

- Significant decrease in the cost of cyber insurance.
- Decreased cost of contracted IT services based on actual proposals received in 2025.
- Includes a small increase in software maintenance contracts.
- Equipment replacement costs now handled in IT Equipment Replacement Budget.

Treatment Plant

- Increased cost in electricity, trash (sludge removal) and chemicals at Big Bull Creek Wastewater Treatment Facility based on new homes constructed at Dwyer Farms (based on numbers previously noted). This increase is offset by estimated Charges for Services revenue. If build out is slower than expected or consumption less than projected, City will treat less sewer and collect less user charges for treatment.
- Increase in cost for pollution liability insurance for Big Bull Creek Wastewater treatment plant.
- Increased lab/testing fees for priority pollutant scan only conducted in even years. Other actuals lab/testing costs higher in 2024.
- Increase in maintenance contracts amount as centrifuge maintenance contract only done in the even years.

Sewer Line Maintenance

- No increase over the 2025 Budget.

Lift Stations/Vaults

- Increase in cost of electricity at EWWLS based on new homes constructed at Dwyer Farms (based on numbers previously noted). This increase is offset by estimated Charges for Services revenue. If build out is slower than expected or consumption less than projected, City will treat less sewer and collect less user charges for treatment.
- Decrease in generator maintenance contract cost due to actual bids received.

Administrative-Sewer

- Increase in wages for implementation of 2024 Compensation and Benefits Study as previously explained in the 2025 Estimate Section.
- Increased postage to account for additional utility bills mailed due to Dwyer Farms.
- Increased credit card fees to reflect the trend in the actual expenditures and addition of new customers at Dwyer Farms. The City absorbs the credit card fees for utility payments to encourage customers to utilize the online portal and to save staff time posting payments.
- Includes rate study to be completed by Raftelis in 2026
- Increase in financial services due to single-audit requirement for federal grant funding over \$750,000 For EPA STAG Grant for Dwyer Sanitary Sewer Project.

- Decrease in engineering services based on actuals for 2023 and 2024.

Employee Benefits

- Increase in benefits tied to wages due to implementation of 2024 Compensation and Benefits Study. See 2025 Estimate section for more information.
- Includes a 6% increase in health insurance premiums and a 3% increase in dental and vision insurance premiums based on information from the City's provider, Midwest Public Risk. The City has been fortunate that actual increases the last few years have been less than 6%.
- Includes a decrease in the KPERS employer rate. The rate will go from 10.71% to 10.59%.

Debt Service

- Includes the payment for the Series 2016A and 2016B General Obligation Bonds for the conversion of the old treatment plant to a lift station. The project was completed in 2017. The bonds are scheduled to be paid off in 2046 and 2048, respectively.

Transfers to Other Funds

- Includes a \$15,000 transfer to the Equipment Reserve Fund-Sewer to continue funding replacement of vehicles/equipment used in the sewer operations.
- Includes a \$10,000 transfer to the IT Equipment Reserve-Sewer to fund IT Equipment related to sewer operations. Increased from \$5,000 in 2025 to reflect replacements in 2026 and beyond.
- Includes a \$20,000 transfer to the Infrastructure Fund-Sewer based on 2024 Raftelis Rate Study to fund major repairs/replacements of sewer infrastructure components.
- Includes a transfer to capital projects of \$50,000 to fund the 2027 CDBG Project.

Ending Balance and Reserves

The projected balance at the end of 2026 meets the level required by Council policy.

Future Considerations

The financial plan presented in the 2024 Rate Study Report is a forecast that relies on assumptions made about expenditures, customer base, debt service requirements, etc. These factors can change, and as more information is obtained, the assumptions will be updated.

Staff continues to work on the inventory of the sewer system components to analyze and develop a replacement plan. The establishment of the new Infrastructure Fund-Sewer in 2024 and planned transfers in each year of the financial plan will provide a funding mechanism for the needs identified and will be reviewed annually to determine if the amount is adequate.

The five-year financial plan from the 2024 Rate Study reflects funding annually for the CDBG Projects. However, it does not reflect any additional funding for other unfunded sewer projects in the five-year Capital Improvement Program.

City of Edgerton Sewer Fund

	2024 Budget	2025 Budget	2025 Estimate	2026 Recommended
Balance 1/1	\$ 704,735	\$ 750,791	\$ 1,006,490	\$ 833,892
Revenues:				
Licenses & Permits	100	100	50%	50
Charges for Services	761,265	839,363	102%	1,033,692
Fines & Forfeitures	7,000	10,000	150%	15,000
Reimbursements	-	-	-	-
Bond Proceeds	-	-	-	-
Investment Income	3,500	3,500	714%	25,000
Total Revenue	\$ 771,865	\$ 852,963	105%	\$ 1,073,742
Expenditures:				
Fleet Maintenance	7,475	9,978	95%	8,929
Information Technology	53,351	50,423	95%	43,421
Treatment Plant	225,055	207,980	95%	227,296
Sewer Line Maintenance	13,200	13,200	95%	13,200
Lift Stations/Vaults	38,456	38,950	95%	34,764
Administrative - Sewer	251,897	310,661	107%	345,141
Employee Benefits	71,877	95,368	105%	102,988
Debt Service	192,438	195,438	100%	193,338
Total Expenditures	\$ 853,749	\$ 921,999	101%	\$ 969,077
Revenues Over(Under) Expenditures	\$ (81,884)	\$ (69,036)		\$ 104,665
Other Financing Sources & Uses:				
Transfers from Other funds:				
Transfer from LPKC Phase I Maintenance Fee	-	-	-	-
Transfer from Capital Projects Fund	-	-	-	-
Transfers to Other Funds:				
Transfer to Equipment Reserve Fund-Sewer	-	(15,000)	100%	(15,000)
Transfer to IT Equipment Reserve Fund-Sewer	-	(5,000)	100%	(10,000)
Transfer to Infrastructure Fund-Sewer	-	(20,000)	100%	(20,000)
Transfer to Capital Projects Fund	-	(50,000)	200%	(50,000)
Total Other Financing Sources & Uses	\$ -	\$ (90,000)	156%	\$ (95,000)
Balance 12/31	\$ 622,851	\$ 591,755	\$ 833,892	\$ 843,556

Reserve Per Policy - 17% of Budgeted Expenditures:	\$ 156,740	\$ 164,743
Unencumbered Cash Over(Under) Requirement:	\$ 677,152	\$ 678,813
Reserve Per Policy - 25% of Budgeted Expenditures:	\$ 230,500	\$ 242,269
Unencumbered Cash Over(Under) Requirement:	\$ 603,392	\$ 601,287



Utility Rates FY 2026



2026 Proposed Average
Monthly Water Charge



\$49.07

an increase of

Water \$2.14

2026 Proposed Average
Monthly Sewer Charge

\$40.08

an increase of

\$1.55 Sewer



2026 Proposed Trash
and Recycling Charge



\$11.00

an increase of

Trash \$0

This utility rate increase is less than a...

2026 Proposed Total
Average Monthly Increase

\$3.69

per month



6-pack of soda



Bottle of sunscreen

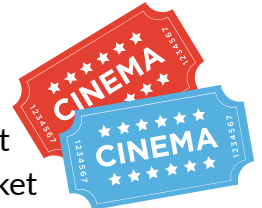


Phone charging cable



One frozen pizza

Discount
Movie Ticket



How are rates set?

Both water and sewer are considered enterprise funds, which means they operate like a business. The user charges are based on how much money is needed to run the utility, any debt service payments and capital costs.



CITY OF EDGERTON

Water and Sewer Rate Study

DRAFT REPORT / JULY 2024



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Executive Summary

The City of Edgerton retained Raftelis in 2024 to update the City’s Utility Financial Plan (Study). Raftelis reviewed the City’s operating budgets, historical water use data, forecasts of growth at the Dwyer Farms development, and planned transfers for capital expenditures. Based on this information, Raftelis **recommends increasing water rates by 4.75% and sewer rates by 4.0% in FY 2025**. The primary drivers of these increases are the need to meet debt service coverage requirements, the creation of new reserves for capital, the addition of a new employee in 2025, and increased water purchase costs.

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Proposed Increases							
Water Rates			4.75%	4.50%	4.50%	4.50%	4.50%
Sewer Rates			4.00%	4.00%	4.00%	4.00%	4.00%
Customer Bill - 3,000 Gal.							
Water	\$42.63	\$44.78	\$46.93	\$49.07	\$51.30	\$53.63	\$56.06
Sewer	34.27	37.02	38.53	40.08	41.70	43.40	45.14
Combined	\$76.90	\$81.80	\$85.46	\$89.15	\$93.00	\$97.03	\$101.20

Introduction

The City of Edgerton retained Raftelis in 2024 to update the City's Utility Financial Plan (Study). Raftelis has previously completed several updates to the original Study performed in 2016. The primary objective of financial planning involves determining the overall level of revenue that the water and sewer utilities need to operate, repair and replace critical infrastructure and maintain appropriate reserves for rate stabilization and emergencies. This is referred to as the revenue requirement. Determining the revenue requirement involves three steps:

1. Develop status quo (without rate increases) revenue forecast
2. Forecast operating and capital expenses
3. Develop cash flow projections to determine the level of revenues required to cover projected costs in a financially sustainable fashion

For the City, financial sustainability focuses on maintaining an appropriate level of cash reserves, after funding operating expenses, debt service and rate (cash) funded capital repair and replacement.

Raftelis updated the City's financial plan for a five-year study period from FY 2025 through FY 2029. This plan determines the financial status of the utility under the recommended rates. Raftelis recommends updating the financial plan on a regular basis to recognize changes in capital improvement plans, water use characteristics, and system growth.

Key changes from the 2022 study include updated budget forecasts to account for increased costs, the impact of the new residential development at Dwyer Farms, and the creation of a new Infrastructure Fund to pay for planned or emergency repairs.

During the course of this project, the City provided Raftelis with a variety of financial information, including but not limited to, audited and unaudited financial results, customer billing data, and cost and revenue data. Raftelis did not independently assess or test for the accuracy of such data – historic or projected. We have relied on this data in the formulation of our findings and subsequent recommendations, as well as in the preparation of this report.

Water Utility

Revenue Forecast

The forecast of revenues under existing rates forms the baseline for the level of revenues the City can expect to receive with no adjustments to rates. This revenue is compared to projected expenses to determine if adjustments to revenue levels are needed. The forecast of revenues requires first developing a forecast of water sold and bills issued. Historically, the City has experienced little growth in the number of accounts with water service or the amount of water sold. Forecasts have simply been based on actual water demand in the most recently completed year. However, the new Dwyer Farms residential development is nearing completion and the City expects 113 homes to be sold in 2025¹, and a total of 275 homes sold through 2029. Each of these homes is expected to use 4,000 gallons of water per month. Figure 1 presents a forecast of water use through the study period. Demand from Dwyer Farms is expected to increase the City's total water sold by approximately 40% by 2029.

Figure 1: Water Demand Forecast

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Baseline							
Water Bills Issued	8,491	8,491	8,491	8,491	8,491	8,491	8,491
Water Use (1,000 Gal.)	28,974	28,974	28,974	28,974	28,974	28,974	28,974
Dwyer Farms							
Bills Issued			-	1,356	1,842	2,328	2,814
Water Use (1,000 Gal.)			-	5,424	7,368	9,312	11,256
Total							
Bills Issued	8,491	8,491	8,491	9,847	10,333	10,819	11,305
Water Use (1,000 Gal.)	28,974	28,974	28,974	34,398	36,342	38,286	40,230

Figure 2 shows a forecast of revenue at current FY 2024 rates using the Demand Forecast presented above. Expenses will be compared to this revenue to determine the level of rate increases required.

Figure 2: Water Revenue at Current Rates

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Fixed Charge		\$214,848	\$214,848	\$247,202	\$258,798	\$270,394	\$281,990
Volume Charge		256,188	256,188	299,553	315,095	330,638	346,180
Subtotal	\$465,413	\$471,036	\$471,036	\$546,755	\$573,893	\$601,031	\$628,170
Misc. Revenue	\$61,892	\$49,412	\$49,412	\$49,412	\$49,412	\$49,412	\$49,412
Total	\$527,305	\$520,448	\$520,448	\$596,167	\$623,305	\$650,443	\$677,582

¹ In order to develop a conservative forecast, demand is forecasted to begin the year after the City believes the homes will be sold.

Expense Forecast

Operating Expenses

Operating expenses are those which the utility incurs on a day-to-day basis and do not involve the construction of a capital asset. The basis for the operating expense forecast is the FY 2025 utility budget provided by City staff. From this, Raftelis removed debt service and any transfers to other funds, which we evaluated separately. To develop expense projections beyond the budget year we applied escalation rates to account for inflationary increases in costs that will occur over the forecast period. The cost to purchase water was also increased to account for additional sales at Dwyer Farms and increased charges from Miami Co. RWD #2, Water District #7, Baldwin City, and the Hillsdale Area Water Cooperative. Finally, a 95% spend factor is applied to the total for FY 2024 and beyond.

Figure 3: Water Operating Expense Forecast

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Information Technology	\$49,411	\$52,309	\$39,711	\$41,697	\$43,782	\$45,971	\$48,269
Employee Benefits	36,604	40,184	46,885	49,230	51,691	54,276	56,989
Production	179,035	175,000	204,766	247,318	278,390	308,651	341,640
Distribution	57,414	67,030	70,460	74,244	78,238	82,454	86,906
Administrative	144,031	162,562	178,269	183,746	192,933	202,580	212,709
Fleet Maintenance	3,690	7,475	8,763	9,201	9,661	10,144	10,651
Total	\$470,185	\$504,560	\$548,854	\$605,435	\$654,695	\$704,076	\$757,165
Adjusted Total	\$470,185	\$479,332	\$521,412	\$575,164	\$621,960	\$668,872	\$719,307

Capital Expenses

Capital Expenses for the City's water utility include debt service payments for the Series 2016 PWSLF bonds of approximately \$15,000 per year and transfers to the Equipment Fund, Capital Fund, and newly created Infrastructure Fund and IT Equipment Fund. The Equipment Fund is primarily used for the purchase of new vehicles, while the Infrastructure Fund is intended for planned or emergency repairs to pump stations, valves, or other critical assets. Figure 4 summarizes transfers from the Operating Fund.

Figure 4: Water Transfers to Other Funds

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Capital Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Infrastructure Fund	0	10,000	10,000	15,000	15,000	15,000	15,000
IT Equipment Fund	0	0	5,000	5,000	5,000	5,000	5,000
Equipment Fund	15,000	15,000	25,000	30,000	50,000	50,000	90,000
Total	\$15,000	\$25,000	\$40,000	\$50,000	\$70,000	\$70,000	\$110,000

Operating Fund Balance

In addition to the three capital-related funds described above, the City maintains the Operating Fund in order to handle unanticipated declines in revenue or emergency expenditures without reducing service quality or dramatically increasing rates. An appropriate reserve begins with a utility's minimum cash expenditures which include the cost to operate the utility on a day-to-day basis (O&M), plus annual principal and interest

payments on any outstanding debt (debt service). The City's reserve policy requires a balance ranging from 17% to 25% of annual operating expenses and debt service; the proposed rates will continue to meet the 25% target.

Cash Flow Forecast

The last step in the financial planning process involves compiling a cash flow forecast, which identifies the revenue adjustments necessary to ensure financial sustainability. Figure 5 summarizes the water utility financial plan. In order to ensure that the City is able to maintain debt service coverage of at least 1.1 times annual debt service in 2025 and maintain fund balance targets in the future, **we recommend a rate increase of 4.75% in FY 2025 and 4.5% each year thereafter.**

Figure 5: Water Financial Plan

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Proposed Revenue Adjustment			4.75%	4.50%	4.50%	4.50%	4.50%
Revenue							
Retail Customer Revenue	\$465,413	\$471,036	\$493,410	\$598,498	\$656,474	\$718,456	\$784,686
Other Revenue	61,892	49,422	50,530	51,671	52,846	54,056	55,303
Total	\$527,305	\$520,458	\$543,940	\$650,169	\$709,320	\$772,512	\$839,989
Revenue Requirement							
Operating Expenses	\$470,185	\$479,332	\$521,412	\$575,164	\$621,960	\$668,872	\$719,307
Existing Debt Service	14,957	14,955	14,955	14,955	14,958	14,959	14,960
Transfers	15,000	25,000	40,000	50,000	70,000	70,000	110,000
Total	\$500,142	\$519,288	\$576,367	\$640,119	\$706,919	\$753,832	\$844,267
Surplus/(Deficit)	\$27,163	\$1,170	(\$32,427)	\$10,050	\$2,401	\$18,680	(\$4,278)
Debt Service Coverage	3.81	2.74	1.17	4.68	5.50	6.59	7.73
Fund Balances							
Operating (25% Budget)	\$121,285	\$123,572	\$134,092	\$147,530	\$159,230	\$170,958	\$183,567
Operating (Unencumbered)	88,959	87,842	44,895	41,507	32,209	39,161	22,274
System Development	25,772	25,772	25,772	25,772	25,772	25,772	25,772
Equipment	79,406	53,776	59,316	89,316	102,566	27,326	11,958
IT Equipment	0	0	5,000	10,000	15,000	20,000	25,000
Infrastructure	0	10,000	20,000	35,000	50,000	65,000	80,000
Total	\$315,422	\$300,963	\$289,075	\$349,125	\$384,777	\$348,217	\$348,571

Figure 6 presents the same information in graphic format. The columns represent the amount the City is forecasted to spend on O&M, debt service, and transfers. The yellow line shows revenue without any rate increases, which increases significantly with the addition of Dwyer Farms. The green line shows revenue with the recommended rate increases. The gap between the green line and the top of the column is the annual surplus or deficit.

Figure 6: Water Financial Plan Graph

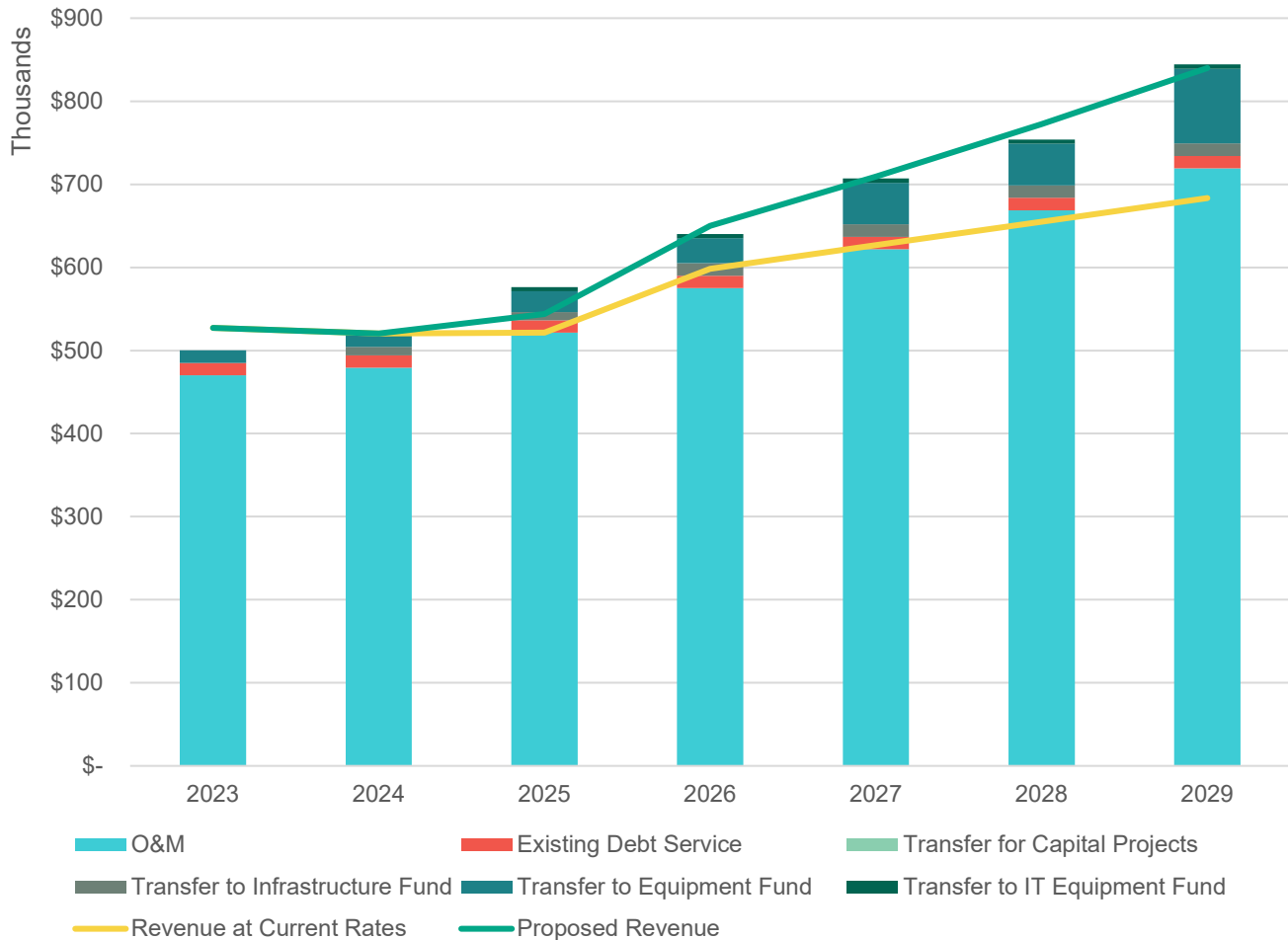
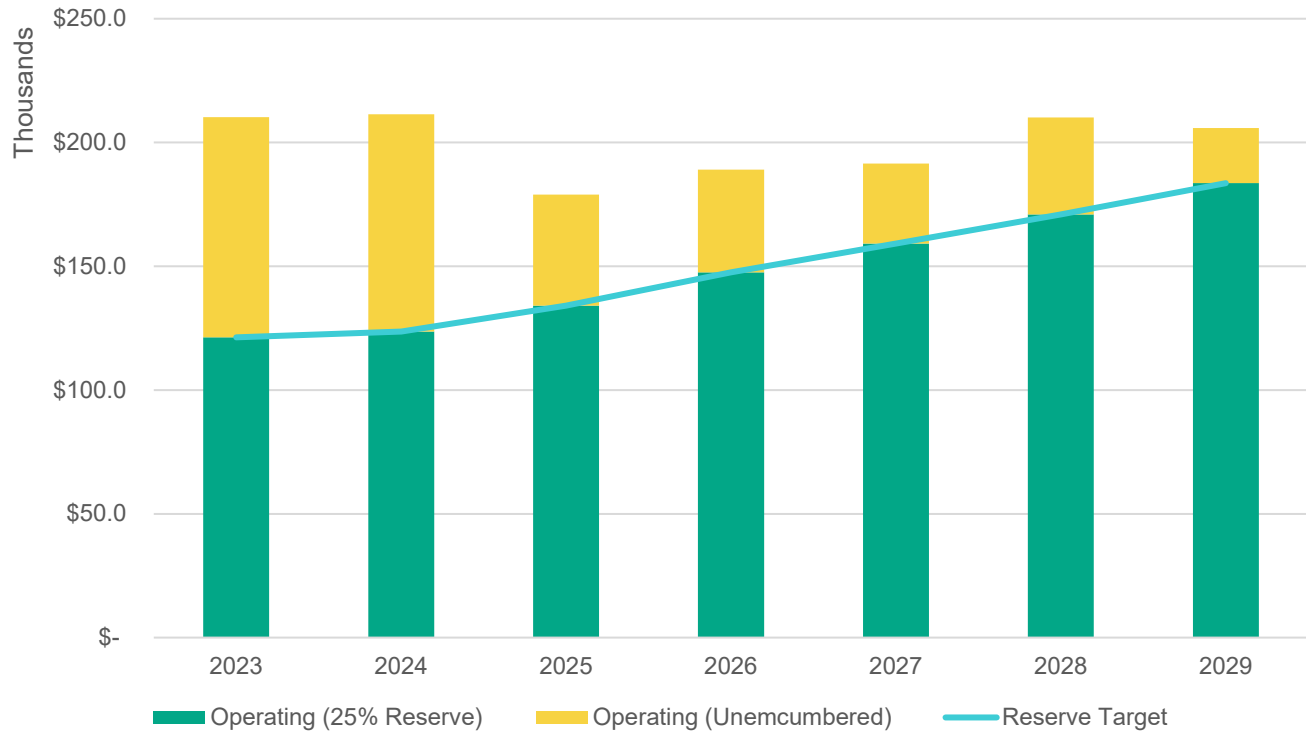


Figure 7 displays a forecast of the operating fund balance. The green bar represents the portion of the balance that is set aside to meet the 25% reserve target. The yellow bar shows the additional, unencumbered balance available for the utility to use as needed in the future. The proposed rates ensure that the utility is able to continue to maintain adequate reserves.

Figure 7: Water Operating Fund Balance



Proposed Water Rates

Figure 8 presents a forecast of the proposed inside city water rates.

Figure 8: Proposed Water Rate Schedule

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Fixed Monthly Charge							
5/8"	\$22.72	\$23.86	\$25.00	\$26.13	\$27.31	\$28.54	\$29.83
3/4"	24.13	25.34	26.55	27.75	29.00	30.31	31.68
1"	27.00	28.35	29.70	31.04	32.44	33.90	35.43
1 1/2"	34.12	35.83	37.54	39.23	41.00	42.85	44.78
2"	42.70	44.84	46.97	49.09	51.30	53.61	56.03
3"	62.70	65.84	68.97	72.08	75.33	78.72	82.27
4"	91.24	95.81	100.37	104.89	109.62	114.56	119.72
6"	162.62	170.76	178.88	186.93	195.35	204.15	213.34
8"	248.30	260.72	273.11	285.40	298.25	311.68	325.71
Volume Rate (1,000 Gal.)							
Below 2,000	\$4.69	\$4.93	\$5.17	\$5.41	\$5.66	\$5.92	\$6.19
2,001 – 10,000	10.53	11.06	11.59	12.12	12.67	13.25	13.85
Above 10,000	14.51	15.24	15.97	16.69	17.45	18.24	19.07

Sewer Utility

Revenue Forecast

The forecast of sewer revenue under existing rates is similar to the forecast of water revenue. The construction of new homes at Dwyer Farms will significantly increase sewer revenue in future years. Additionally, LPKC customers continue to grow, with sales of approximately 50,000 units of wastewater in 2023 compared to 38,000 in 2022. Figure 9 presents the forecast of sewer demand.

Figure 9: Sewer Demand Forecast

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Baseline							
Sewer Bills Issued	7,516	7,516	7,516	7,516	7,516	7,516	7,516
Sewer Use (1,000 Gal.)	77,675	77,675	77,675	77,675	77,675	77,675	77,675
Dwyer Farms							
Sewer Bills Issued				1,356	1,842	2,328	2,814
Sewer Use (1,000 Gal.)				5,424	7,368	9,312	11,256
Total							
Sewer Bills Issued	7,516	7,516	7,516	8,872	9,358	9,844	10,330
Sewer Use (1,000 Gal.)	77,675	77,675	77,675	83,099	85,043	86,987	88,931

Figure 10 shows a forecast of revenue at current FY 2024 rates using the Demand Forecast presented above. Expenses will be compared to this revenue to determine the level of rate increases required.

Figure 10: Sewer Revenue at Current Rates

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Fixed Charge		\$62,232	\$62,232	\$73,460	\$77,484	\$81,508	\$85,532
Volume Charge		744,126	744,126	796,088	814,711	833,335	851,958
Subtotal	\$774,779	\$806,358	\$806,358	\$869,548	\$892,195	\$914,843	\$937,491
Misc. Revenue	\$224,105	\$11,350	\$14,350	\$14,350	\$14,350	\$14,350	\$14,350
Total	\$998,884	\$817,708	\$820,708	\$883,898	\$906,545	\$929,193	\$951,841

Expense Forecast

Operating Expenses

The forecast of sewer operating expenses is conducted in a similar manner as the forecast of water expenses. The primary difference is that chemical and electricity usage at the wastewater treatment plant is expected to follow the same growth pattern as total billed sewer use in order to account for the increased wastewater contributions from Dwyer Farms. The total budgeted O&M is then reduced using a 95% spend factor. Figure 11 presents forecast of sewer operating expenses.

Figure 11: Sewer Operating Expense Forecast

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Information Technology	\$49,511	\$53,351	\$50,423	\$52,945	\$55,592	\$58,371	\$61,290
Employee Benefits	66,621	71,877	95,368	100,137	105,144	110,401	115,921
Treatment Plant	152,490	225,055	207,980	220,629	234,090	248,419	263,675
Sewer Line Maintenance	1,814	13,200	13,200	13,860	14,553	15,281	16,045
Lift Stations and Vaults	25,040	38,456	38,950	41,351	43,909	46,634	49,537
Administrative	217,429	251,897	310,662	326,196	342,505	359,631	377,612
Fleet Maintenance	4,037	7,475	9,978	10,477	11,001	11,551	12,128
Total	\$516,942	\$661,311	\$726,562	\$765,594	\$806,794	\$850,287	\$896,208
Adjusted Total	\$516,942	\$628,245	\$690,234	\$727,314	\$766,454	\$807,773	\$851,397

Capital Expenses

Capital Expenses for the City's sewer utility include debt service payments for the Series 2016 GO bonds of approximately \$195,000 per year and transfers to the Equipment Fund, Capital Fund, and newly created Infrastructure Fund. Figure 12 summarizes transfers from the Operating Fund.

Figure 12: Sewer Transfers to Other Funds

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Capital Projects	\$14,100	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Infrastructure Fund	0	25,000	20,000	20,000	20,000	20,000	20,000
IT Equipment Fund	0	0	5,000	5,000	5,000	5,000	5,000
Equipment Fund	0	15,000	15,000	15,000	25,000	25,000	25,000
Total	\$14,100	\$90,000	\$90,000	\$90,000	\$100,000	\$100,000	\$100,000

Cash Flow Forecast

Figure 13 summarizes the sewer utility financial plan. The City's capital and equipment transfers in FY 2024 will reduce the Operating Fund to approximately the required minimum balance. In order to ensure that the Fund Balance remains positive in FY 2025 and beyond, **we recommend a rate increase of 4.0% in FY 2025** and each year thereafter.

Figure 13: Sewer Financial Plan

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Proposed Revenue Adjustment			4.00%	4.00%	4.00%	4.00%	4.00%
Revenue							
Retail Customer Revenue	\$774,779	\$806,358	\$838,613	\$940,503	\$1,003,598	\$1,070,237	\$1,140,601
Other Revenue	29,667	11,350	14,350	14,350	14,350	14,350	14,350
Transfer from Fund 900	194,438	0	0	0	0	0	0
Total	\$998,884	\$817,708	\$852,963	\$954,853	\$1,017,948	\$1,084,587	\$1,154,951
Revenue Requirement							
Operating Expenses	\$516,942	\$628,245	\$690,234	\$727,314	\$766,454	\$807,773	\$851,397
Existing Debt Service	194,438	192,438	195,438	193,338	196,238	194,038	191,563
Transfers	14,100	90,000	90,000	90,000	100,000	100,000	100,000
Total	\$725,479	\$910,683	\$975,672	\$1,010,652	\$1,062,692	\$1,101,810	\$1,142,960
Surplus/(Deficit)	\$273,405	(\$92,974)	(\$122,709)	(\$55,799)	(\$44,743)	(\$17,223)	\$11,991
Debt Service Coverage	2.47	0.98	0.80	1.15	1.25	1.40	1.55
Fund Balances							
Operating (25% Reserve)	\$177,845	\$205,171	\$221,418	\$230,163	\$240,673	\$250,453	\$260,740
Operating (Unencumbered)	665,919	545,619	406,662	342,118	286,865	259,862	261,566
System Development	623,487	623,487	623,487	623,487	623,487	623,487	623,487
Equipment	97,406	97,406	92,946	107,946	132,946	69,456	25,838
IT Equipment	-	-	5,000	10,000	15,000	20,000	25,000
Infrastructure	0	25,000	45,000	65,000	85,000	105,000	125,000
Total	\$1,564,657	\$1,496,682	\$1,394,513	\$1,378,714	\$1,383,971	\$1,328,257	\$1,321,630

Figure 14 presents the same information in graphical format.

Figure 14: Sewer Financial Plan Graph

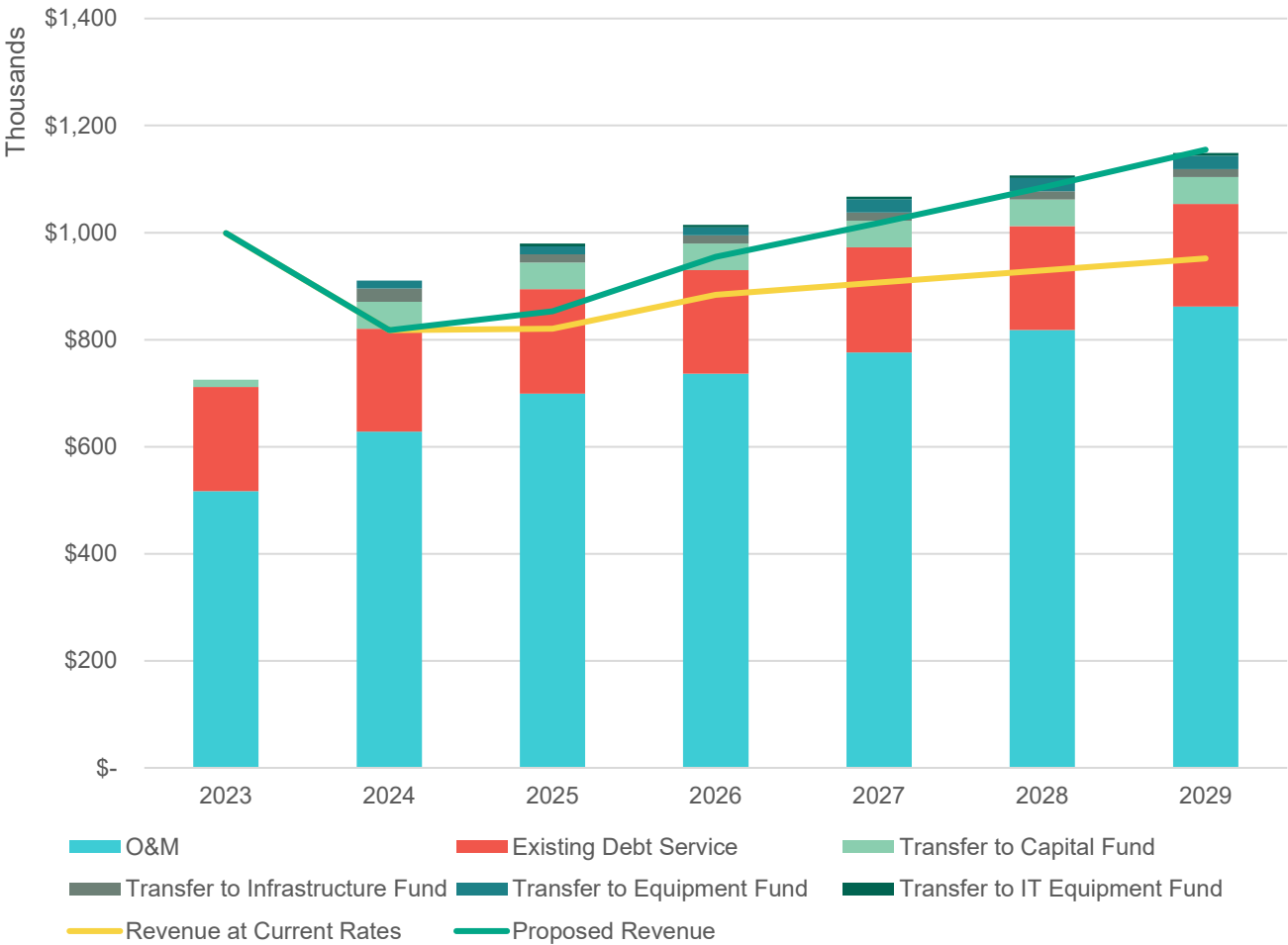
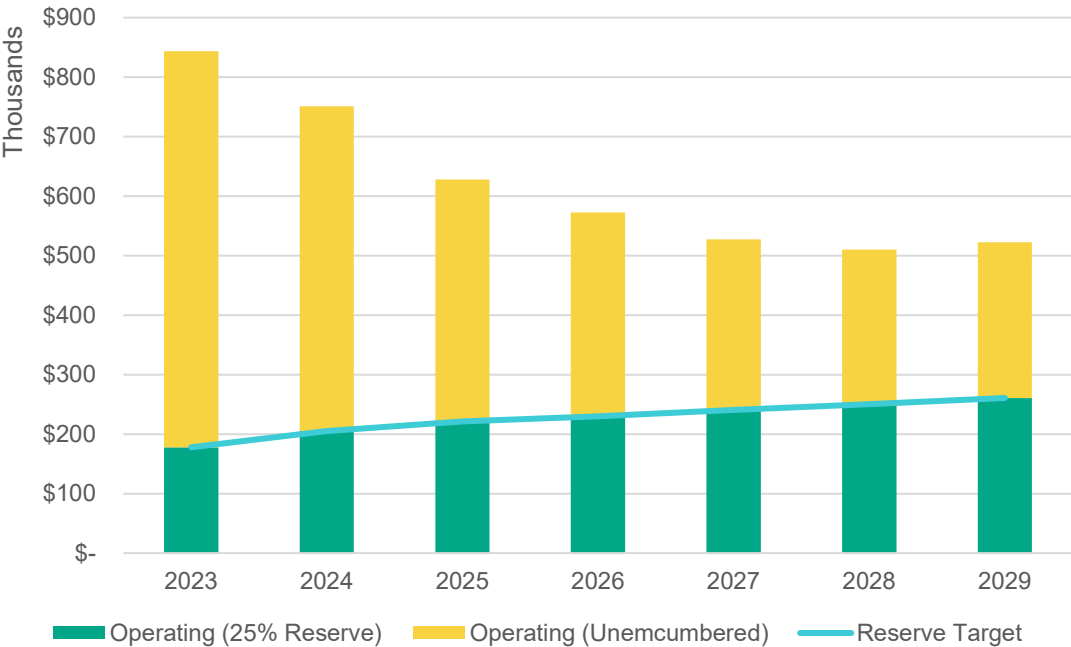


Figure 15: Sewer Operating Fund Balance



Proposed Sewer Rates

Figure 16 presents a forecast of the proposed sewer rates.

Figure 16: Proposed Sewer Rates

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Fixed Monthly Charge	\$7.66	\$8.28	\$8.62	\$8.97	\$9.33	\$9.71	\$10.10
Volume Rate (1,000 Gal.)	\$8.87	\$9.58	\$9.97	\$10.37	\$10.79	\$11.23	\$11.68

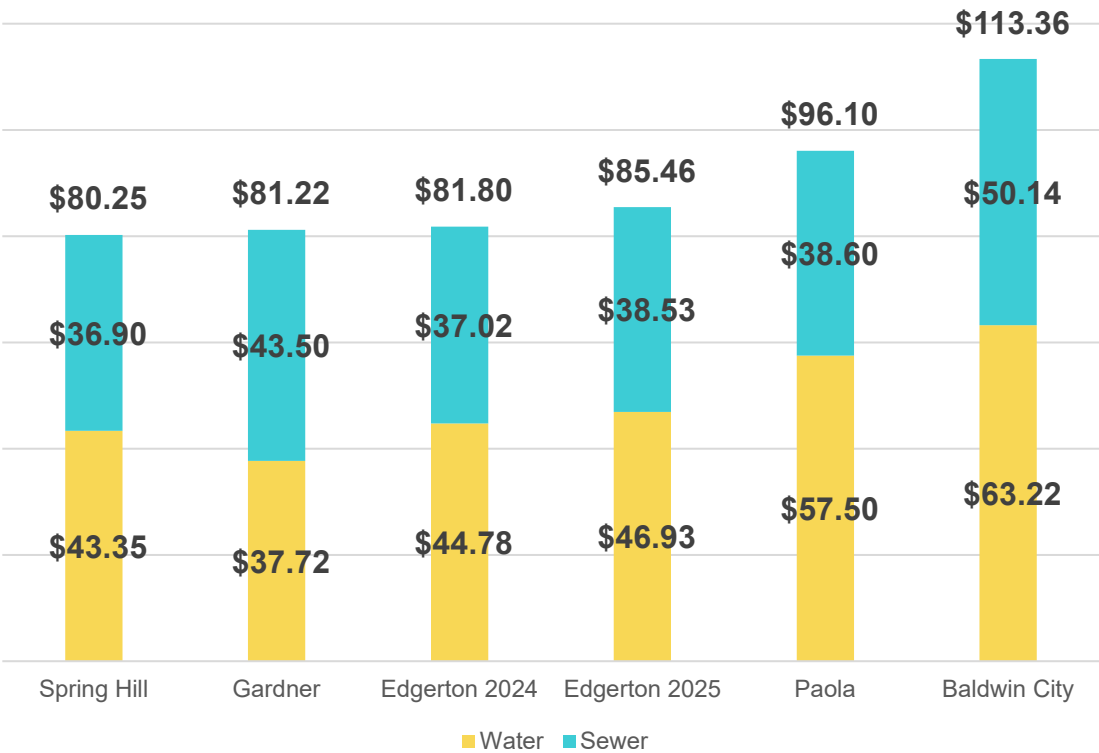
Customer Bill Impacts

Figure 17 presents a typical residential water, sewer, and combined bill for varying levels of water use. Figure 18 compares 2024 and proposed 2025 typical water and sewer bills in the City of Edgerton to bills in neighboring communities in 2024.

Figure 17: Customer Bills

	Use	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Water Bill								
Small	3	\$42.63	\$44.78	\$46.93	\$49.07	\$51.30	\$53.63	\$56.06
Medium	8	95.28	100.08	104.88	109.67	114.65	119.88	125.31
Large	15	188.89	198.40	207.91	217.36	227.24	237.58	248.36
Sewer Bill								
Small	3	\$34.27	\$37.02	\$38.53	\$40.08	\$41.70	\$43.40	\$45.14
Medium	8	78.62	84.92	88.38	91.93	95.65	99.55	103.54
Large	15	140.71	151.98	158.17	164.52	171.18	178.16	185.30
Combined Bill								
Small	3	\$76.90	\$81.80	\$85.46	\$89.15	\$93.00	\$97.03	\$101.20
Medium	8	173.90	185.00	193.26	201.60	210.30	219.43	228.85
Large	15	329.60	350.38	366.08	381.88	398.42	415.74	433.66

Figure 18: 3,000 Gallon Bill Comparison



**City of Edgerton
2026 Budget Work Session
July 10, 2025**

Other Funds Budget





July 1, 2025

To: Mayor and City Council Members

From: Beth Linn, City Administrator
Karen Kindle, Finance Director

Re: Other Funds 2026 Recommended Budgets

Attached are the budget schedules for the other funds for which the City adopts a budget. The sections below provide additional information about the 2026 Recommended Budget for these funds.

Special Highway Fund

The Special Highway Fund is the fund the City is required to establish by state statute to track the revenues and expenditures related to the state gasoline tax.

Revenues

The portion of the gas tax that is distributed to cities is distributed on a per capita basis. The League of Kansas Municipalities provides an estimate of the gas tax revenue for the current year and the budget year. The League shows no change in 2025 estimated revenue and a small decrease from that amount to the 2026 estimated revenue. The City's portion of the state gasoline tax revenue has stayed about the same over the last few years.

Expenditures

Expenditures of gas tax revenues are limited to street maintenance by state statute. The City uses the gas tax revenue to fund the Annual Street Preservation Program. The funds are transferred to the Capital Projects Fund and deposited into the Annual Street Preservation Project.

Special Parks and Recreation Fund

The Special Parks & Recreation Fund is the fund the City is required to establish by state statute to track the revenues and expenditures related to the tax on alcoholic beverages sold by any club, caterer or drinking establishment. A portion of the taxes paid within the City limits are returned to the City and must be allocated 50% to the General Fund and 50% to the Special Parks & Recreation Fund.

Revenues

The Johnson County Treasurer provides an estimate of the alcohol tax for the budget year. Staff reviewed that estimate as well as the trend in the actuals, including the two distributions received so far in 2025 to estimate the revenue to be received in 2026. This review resulted in leaving the revenue estimate unchanged for both the 2025 estimate and the 2026 budget year.

Expenditures

Expenditures of the portion of the alcohol tax revenue deposited in the Special Parks & Recreation Fund are limited to park and recreation programs and improvements. Council has not designated funds from this source for any other programs or capital projects since 2023, so the balance has begun to accumulate again. The 2026 Recommended Budget includes a transfer to the Capital Projects fund should the Council decide later to utilize the balance in this fund.

Bond & Interest Fund

The Bond & Interest Fund contains the transactions related to some of the debt obligations of the City. Prior to 2026, this fund contained only the transactions related to the Series 2020A GO Bonds, which refunded the 2012A GO Bonds related to the Sunflower Benefit District. Beginning in 2026, the debt service for the Series 2023A GO Bonds is included in this fund.

The Series 2023A GO Bonds were issued for the construction of The Greenspace. The debt service for these bonds will be paid first with any unspent proceeds remaining when the project is closed. Once the unspent proceeds are depleted, payments will be covered with the LPKC Phase 1 Maintenance & Admin Fee through 2028. Then, beginning in 2029, the debt service payments will be covered by transfer of property tax from the General Fund. Staff estimate that the unspent proceeds will cover all debt service payments in 2025 and approximately 90% of the payments in 2026. The chart below shows the debt service and funding sources for the 2023A bonds through 2029. The bonds are scheduled to be paid off on August 1, 2045.

Year	Debt Service	Funding Source
2025	\$452,213	100% Unspent Proceeds
2026	\$622,213	90% Unspent Proceeds 10% Maintenance & Admin Fee
2027	\$622,013	100% Maintenance & Admin Fee
2028	\$626,213	100% Maintenance & Admin Fee
2029	\$624,513	100% Property Tax

Debt obligations related to water operations are paid from the Water Fund. Debt obligations related to the sewer operations are paid from the Sewer Fund. Debt obligations related to LPKC Phases 1 and 2 are paid from their respective Public Infrastructure Funds in accordance with the development agreements and master trust indentures.

2025 Budget Amendment

The development agreement for Dwyer Farms contained the requirement that the developer buy into the Sunflower Benefit District. The City will use the funds from the buy-in payment to redeem some of the outstanding bonds with the August 1, 2025, bond payment. The 2025 Budget did not include the buy-in payment revenue nor the related bond payment expenditure due to the uncertainty of the timing of the payment. Therefore, the City will need to amend the 2025 Budget to accommodate the debt service expenditure for the buy-in payment.

A column has been added to the fund schedule to show the amended budget amounts. The budget amendment process is similar to the regular budget process in that it requires

publication of the notice for a public hearing, holding a public hearing and Council approval. Staff will administer the amendment procedure concurrent with the 2026 Budget process.

Revenues

The Recommended Budget includes the special assessments payable to the City from the properties within the Sunflower Benefit District for 2026. Collection history for the special assessments is shown in the table below. There are still two property tax distributions left in 2025.

Year	Collection %
2021	62%
2022	130%
2023	95%
2024	105%
2025 YTD	78%

There is adequate fund balance on hand to cover debt payments in addition to a reserve that is maintained in the Series 2020A Bond Reserve Fund. In the final years of the debt schedule, the payments will be paid with the funds on hand in the Series 2020A Bond Reserve Fund. After redemption of outstanding bonds with the buy-in payment, the bonds are scheduled to be paid off one year earlier on August 1, 2029.

Expenditures

The expenditures in the Recommended Budget reflect the debt service due both the Series 2020A and Series 2023A bonds. Bond payments have been made according to the debt schedules. The Series 2020A bonds are scheduled to be paid off in 2029 and the 2023A bonds are scheduled to be paid off in 2045.

Other Sources & Uses

Transfers to/from other funds are listed in this section of the fund schedule. The transfer from LPKC Phase 1 PIF/Unspent Proceeds contains the estimated amount of unspent proceeds available for 2026 debt payments on the 2023A bonds plus any LPKC Phase 1 Maintenance & Admin Fee needed for the remainder of the 2023A debt service.

TIF Funds

At the time of publication of the packet, the City had not yet received the 2026 TIF Budget Information from the County Clerk. Budget information for the TIF Funds will be provided at a future Council meeting.

RHID Funds

At the time of publication of the packet, the City had not yet received the 2026 RHID Budget Information from the County Clerk. Budget information for the Dwyer Farms RHID Fund will be provided at a future Council meeting.

City of Edgerton Special Highway Fund

	2024 Budget	2025 Budget	2025 Estimate	2026 Recommended
Balance 1/1	\$ -	\$ -	\$ -	\$ -
Revenues:				
Gasoline Tax	48,270	48,310	97%	47,000
Total Revenue	\$ 48,270	\$ 48,310	97%	\$ 47,000
Expenditures:				
Public Works	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Revenues Over(Under) Expenditures	\$ 48,270	\$ 48,310		\$ 47,000
Other Financing Sources & Uses:				
Transfers to Other Funds:				
Transfer to Capital Projects Fund	48,270	48,310	97%	47,000
Total Other Financing Sources & Uses	\$ (48,270)	\$ (48,310)		\$ (47,000)
Balance 12/31	\$ -	\$ -	\$ -	\$ -
Expenditure Detail:				
Annual Street Preservation Program	\$ 48,270	\$ 48,310	97%	\$ 47,000
	<u>\$ 48,270</u>	<u>\$ 48,310</u>	<u>97%</u>	<u>\$ 47,000</u>

City of Edgerton

Special Parks & Recreation Fund

	2024 Budget	2025 Budget	2025 Estimate	2026 Recommended
Balance 1/1	\$ 54,915	\$ 20,963	\$ 20,328	\$ 28,828
Revenues:				
Local Alcoholic Liquor Tax	8,500	8,500	100%	8,500
Investment Income	-	-		-
Total Revenue	\$ 8,500	\$ 8,500	100%	\$ 8,500
Expenditures:				
Parks	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Revenues Over(Under) Expenditures	\$ 8,500	\$ 8,500		\$ 8,500
Other Financing Sources & Uses:				
Transfers to Other Funds:				
Transfer to Capital Projects Fund	63,415	29,463	0%	37,328
Total Other Financing Sources & Uses	\$ (63,415)	\$ (29,463)		\$ (37,328)
Balance 12/31	\$ -	\$ -	\$ 28,828	\$ -

Expenditure Detail:

Transfer to CIP	\$ 37,328
	<u>\$ 37,328</u>

City of Edgerton Bond & Interest Fund

	2024 Budget	2025 Budget	Amended 2025 Budget	2025 Estimate	2026 Recommended
Balance 1/1	\$ 389,228	\$ 312,857	\$ 325,346	\$ 325,346	\$ 264,537
Revenues:					
Special Assessments	238,954	238,954	600,873	100%	238,954
Investment Income	-	-	1,698	100%	-
Total Revenue	\$ 238,954	\$ 238,954	\$ 602,571	100%	\$ 238,954
Expenditures:					
Debt Service	302,836	303,380	663,380	100%	920,117
Total Expenditures	\$ 302,836	\$ 303,380	\$ 663,380	100%	\$ 920,117
Revenues Over(Under) Expenditures	\$ (63,882)	\$ (64,426)	\$ (60,809)		\$ (681,163)
Other Financing Sources & Uses:					
Transfers from Other funds:					
Transfer from LPKC Ph 1 PIF/Unspent Proceeds	-	-	-	-	622,213
Transfer from General Fund	-	-	-	-	-
Transfer from Bond Reserve Fund	-	-	-	-	-
Transfers to Other Funds:	-	-	-	-	-
Total Other Financing Sources & Uses	\$ -	\$ -	\$ -	\$ -	\$ 622,213
Balance 12/31	\$ 325,346	\$ 248,431	\$ 264,537	\$ 264,537	\$ 205,587

Funding Sources: Special assessments, LPKC Phase 1 Maintenance Fee and property tax

Expenditures: Debt service payments on the City's Series 2020A and 2023A outstanding GO bonds

Notes: The 2020A bonds pay off in 2029 and the 2023A bonds pay off in 2045.

**City of Edgerton
2026 Budget Work Session
July 10, 2025**

IT Equipment





July 1, 2025

To: Mayor and City Council Members

From: Beth Linn, City Administrator
Karen Kindle, Finance Director
Kara Banks, Assistant to the City Administrator

Re: IT Equipment 2026-2028

During development of the 2025 Budget, the Governing Body directed staff to plan for the replacement of IT equipment in the same manner that staff plan for the replacement of vehicles and equipment. The 2025 Budget includes transfers from the General Fund, Water Fund and Sewer Fund to new IT Equipment Reserve Funds to facilitate systematic funding for replacement of the City's IT infrastructure.

IT Equipment Useful Life Table (Exhibit A)

The life cycle of IT Equipment is short, with most items being in the 4-5 year range. As a result, the years covered by the plan include 2025 – 2028. The table in Exhibit A contains information regarding useful lives for the various types of IT equipment. This table has been developed in consultation with the City's IT provider or other vendors for items not handled by the IT provider (metering system, audio equipment, etc.) and will be reviewed each year to ensure it is in line with industry standards. The expenditures in the plan are estimated amounts based on research with vendors and the timing of replacement is based on the useful life schedule.

Unlike vehicles and equipment, where usage and maintenance history can allow staff to delay replacement, keeping up with scheduled IT equipment replacements is crucial to maintain security and productivity. **Timely replacement of IT equipment will help the City manage exposure to security vulnerabilities, avoid compatibility issues and minimize downtime.** Therefore, it is not recommended by staff to deviate from the replacement schedule.

The IT equipment process includes the following steps:

- Review the plan at the Budget Work Session and obtain consensus on funding new requests, if any.
- Staff update the plan documents to reflect Governing Body direction given at the work session and bring back the plan for formal approval with the other 2026 Budget items. This approval sets the budget for the purchase of IT equipment items.
- After approval of the plan, purchase of the individual items will be made in 2025/2026 in accordance with the City's Purchasing Policy, including obtaining Governing Body approval if required by the Purchasing Policy.

Fund Summary (Exhibit B)

This schedule shows the estimated revenues and expenditures for 2025-2028 for IT Equipment based on the useful life standards contained in Exhibit A.

Revenues During 5-Year Plan

- The Equipment Reserve Fund – General
 - Shows an annual transfer of \$40,000 from the General Fund occurring in each year of the plan
- The Equipment Reserve Fund – Water
 - Shows a transfer from the Water Fund occurring in each year of the plan. The amount for 2025 was set during the 2025 Budget.
 - Staff recommend increasing the transfer to \$10,000 for 2026. Staff will work with Raftelis during the next rate study update to incorporate an increase in the transfer for later years of the plan.
- The Equipment Reserve Fund – Sewer
 - Shows a transfer from the Sewer Fund occurring in each year of the plan. The amount for 2025 was set during the 2025 Budget.
 - Staff recommend increasing the transfer to \$10,000 for 2026. Staff will work with Raftelis during the next rate study update to incorporate an increase in the transfer for later years of the plan.

Ending Fund Balances During the 5-Year Plan

- Equipment Reserve Fund – General
 - The balance at the end of the plan is positive and will be used towards equipment replacement in years beyond the current 3-year plan.
- Equipment Reserve Fund – Water
 - The projected balance in 2027 is shown as negative due to budgeted replacements of the information technology to support the Automated Metering Infrastructure (AMI) for the water and sewer utilities. This replacement is based on timing originally provided by the local sales representatives. Staff will attend a User Conference for the AMI Manufacturer (Neptune) this fall where the Manufacturer is expected to confirm the recommended replacement timing and scope of the that replacement (including estimated costs). Staff will incorporate that confirmed timing/scope/cost during the next rate study in 2026.
- Equipment Reserve Fund – Sewer
 - The projected balance in 2027 is shown as negative due to budgeted replacements of the information technology to support the Automated Metering Infrastructure (AMI) for the water and sewer utilities. This replacement is based on timing originally provided by the local sales representatives. Staff will attend a User Conference for the AMI Manufacturer (Neptune) this fall where the Manufacturer is expected to confirm the recommended replacement timing and scope of the that replacement (including estimated costs). Staff will incorporate that confirmed timing/scope/cost during the next rate study in 2026.

Exhibit A

IT Equipment Useful Life Table

Equipment Type	Useful Life in Years
Audio Equipment	10
Barcode Scanner	5
Credit Card Machine	7
Desktop Computer	4
Docking Station	4
Firewall	5
IT Equipment Not Otherwise Classified	7
Laptop Computer	4
Metering System Component	10
Monitor	4
Phone	5
Printer	5
Projector	5
Receipt Printer	5
Server	5
Signature Pad	7
Switch - 24 Port	7
Switch - 48 Port	7
Tablet	5
TV	10
UPS	7
Wireless Access Point	7

City of Edgerton
IT Equipment Replacement
Fund Summary 2024-2028

Fund 131 - IT Equipment Reserve Fund-General

	2024	2025	2026	2027	2028
Beginning Balance, Jan 1	\$ -	\$ -	\$ 18,082	\$ 44,977	\$ 61,177
Transfers in or Other Revenues	-	40,000	40,000	40,000	40,000
IT Equipment Purchases	-	(21,918)	(13,105)	(23,800)	(24,650)
Ending Balance, 12/31	\$ -	\$ 18,082	\$ 44,977	\$ 61,177	\$ 76,527

Fund 271 - IT Equipment Reserve Fund-Water

	2024	2025	2026	2027	2028
Beginning Balance, Jan 1	\$ -	\$ -	\$ 1,528	\$ 153	\$ (19,847)
Transfers in or Other Revenues	-	5,000	10,000	5,000	5,000
IT Equipment Purchases	-	(3,472)	(11,375)	(25,000)	(8,450)
Ending Balance, 12/31	\$ -	\$ 1,528	\$ 153	\$ (19,847)	\$ (23,297)

Fund 371 - IT Equipment Reserve Fund-Sewer

	2024	2025	2026	2027	2028
Beginning Balance, Jan 1	\$ -	\$ -	\$ 1,528	\$ 153	\$ (19,847)
Transfers in or Other Revenues	-	5,000	10,000	5,000	5,000
IT Equipment Purchases	-	(3,472)	(11,375)	(25,000)	(8,450)
Ending Balance, 12/31	\$ -	\$ 1,528	\$ 153	\$ (19,847)	\$ (23,297)

**City of Edgerton
2026 Budget Work Session
July 10, 2025**

Vehicles & Equipment





July 1, 2025

To: Mayor and City Council Members

From: Beth Linn, City Administrator
 Karen Kindle, Finance Director
 Dan Merkh, Public Works Director

Re: Vehicles & Equipment 2025-2030

Staff has reviewed and updated the Vehicles & Equipment Plan for 2026-2030. The document is divided into the following sections:

- Recommended Budget – items scheduled for replacement in 2025 and 2026.
- Current Program – items scheduled for replacement in 2027-2030.
- Unfunded Equipment – items for which staff has a need but the items have not been approved for funding by Council.

The Vehicle & Equipment Process includes the following steps:

- Review the plan and obtain consensus on funding new requests, if any, at the budget work session.
- Staff update the plan documents to reflect Governing Body direction given at the work session and brings back the plan for formal approval with the other 2026 Budget documents. This approval sets the budget for the purchase of the equipment items.
- After approval of the plan, purchase of the individual items will be made in 2025/2026 in accordance with the City's Purchasing Policy, including obtaining Governing Body approval if required by the Purchasing Policy.

Equipment Condition Rating Scale

Staff use a rating scale to note the condition of each equipment item. The scale considers the age of the unit, number and extent of repairs and quarterly inspections of the item and historical data related to the unit.

Condition Rating	Rating Title	Rating Description
1	Failed	Unit outside the useful life - catastrophic emergency maintenance & repair needed to safely operate
2	Poor	Unit has traditionally received some urgent maintenance and/or minor emergency maintenance - Typically in the 7 - 9 yrs. of service
3	Fair	Unit has traditionally received only minor maintenance outside the traditional PM's - Typically in the 4 - 6 yrs. of service
4	Good	Unit has only received Standard PM's - Typically in the 1 - 3 yrs. of service.
5	Excellent	Brand New Unit - No PM's to-date

Recommended Budget 2025-2026 (Exhibit A1)

Items on this list are recommended for replacement within the current year and the next budget year. There are columns that indicate the budget that was approved last year, the year a piece of equipment will be ordered and the year the payment will be made for the equipment item. For large equipment, it sometimes takes 9-12 months for the equipment to arrive after the order is placed, so having the two columns showing order year and payment year clarifies when the funding is needed for cash flow and forecasting purposes.

Items listed for replacement in the Recommended Budget were initially scheduled in compliance with the adopted Vehicle & Equipment Policy. In addition, since the item has now reached its scheduled replacement date, staff have evaluated the item based on actual condition and recommend it for replacement.

The document is broken down into three sections: (1) purchases that will need to come back through Council for approval per the Purchasing Policy; (2) purchases that can be approved by the City Administrator per the Purchasing Policy; and (3) payments required per lease agreements or other similar contracts. A column has been added to indicate which items already have an approved budget amount.

Changes since Last Year

To better summarize the changes from the 2025-2029 Plan Recommended Budget, Staff has included a new **Exhibit A2**. This exhibit details the changes Staff made to the recommended budget by Line # since the approval of the plan last year. The types of changes include:

- Change in the allocation percentages among General/Water/Sewer Equipment Replacement Funds
- Increase/Decrease to the estimated replacement cost
- Moving an item from the Current Program to the Recommended Budget due to the new plan period
- Change in the estimated replacement year
- Change in the payment year
- Change in scope of the replacement item (upsizing a truck, increasing the size of a piece of equipment, etc.)
- Removing the item from the Vehicle & Equipment Replacement Schedule.

Results of Truck Purchases in Spring 2025

Council approved the purchase of three trucks at the March 13, 2025, meeting and requested staff to provide an update regarding the results of the purchases during the budget process. The chart below shows the purchase information for the three trucks. It should be noted that the amounts for these three trucks were updated on the Recommended Budget to reflect the amounts actually paid.

Truck	Cost	Rebates	Trade-in	Amount Paid	Council Approved Amount
Truck 530 Replacement	\$71,345	\$6,500	\$14,183	\$50,662	\$73,513
Facilities	\$71,835	\$9,500	n/a	\$62,335	\$73,513
Construction Inspector	\$52,005	\$6,500	n/a	\$45,505	\$50,543

Current Program 2027-2030 (Exhibit B1)

This list contains the items to be replaced in the balance of the five-year program. Items listed for replacement during the Current Program are based on the adopted Vehicle & Equipment Policy for budget and financial planning. However, as an item gets closer to its scheduled replacement date, staff evaluate the item based on actual condition to consider opportunities for recommended changes. For example, an increase in significant maintenance may move an item forward for recommended replacement, or lower usage or less repairs may lengthen the recommended life of an item.

Changes since Last Year

To better summarize the changes from the 2025-2029 Plan Recommended Budget, Staff has included a new **Exhibit B2**. This exhibit details the changes made to the current program by Line # since the approval of the plan last year. The same types of changes can be made for the current program as previously listed for the recommended budget.

Fund Summary (Exhibit C)

This schedule shows the estimated revenues and expenditures for 2025-2030 based on the Recommended Budget and the Current Program.

Revenues During 5-Year Plan

- The Equipment Reserve Fund – General
 - Shows an annual funding of \$125,000 from the General Fund occurring in each year of the plan.
 - The transfer from the 2nd Street Reconstruction project construction inspection budget for the purchase of the Construction Inspector truck was delayed until 2025 to coincide with the filling of the position.
 - The transfer from the LPKC Phase 1 PIF to cover 30% of the cost of the truck for the Facilities Maintenance Tech I was moved to 2025 to coincide with the filling of that position.
- The Equipment Reserve Fund – Water
 - Shows transfers from the Water Fund occurring in each year of the plan. They begin at \$25,000 in 2025 then increase again to \$30,000 in 2026. Years 2027 and 2028 are \$50,000 and years 2029 and 2030 increase to \$90,000 each to provide for the replacement of equipment in the later years of the plan. These amounts were included in the rate study that was completed in 2024.

- In 2025, a transfer to the Water Infrastructure Fund will be made for the items that are being removed from the Vehicle & Equipment Plan and will be funded from the Water Infrastructure Fund.
- The Equipment Reserve Fund – Sewer
 - Shows a \$15,000 transfer in 2025 – 2026 and then increases to \$25,000 in years 2027-2030. These amounts were included in the rate study completed in 2024.
 - In 2025, a transfer to the Sewer Infrastructure Fund will be made for the items that are being removed from the Vehicle & Equipment Plan and will be funded from the Sewer Infrastructure Fund.

Ending Fund Balances During the 5-Year Plan

- Equipment Reserve Fund – General
 - There is a lower balance at the end of the last year of the 5-year plan. Staff will review future replacement needs and determine if an increase in the annual transfer amount should be considered during the future budget processes.
- Equipment Reserve Fund – Water
 - The balance at the end of the 5-year plan is positive, which will be used towards equipment replacement in years beyond the current 5-year plan.
- Equipment Reserve Fund – Sewer
 - The balance at the end of the 5-year plan is positive, which will be used towards equipment replacement in years beyond the current 5-year plan.

Unfunded Equipment (Exhibit D)

The items on the Unfunded Equipment List are new items that have been requested by staff or the item requested is a significant change from the item being replaced and is, therefore, being treated as a new request.

There are two parts to this list. The first part is the list of requests that staff recommend be funded. The second part of the list contains the equipment requests for which staff have identified a need, but are not being recommended for funding at this time.

Staff are not recommending funding any items on the Unfunded Equipment List.

Attachment: Vehicle & Equipment Policy Adopted on June 9, 2022

City of Edgerton
Vehicle and Equipment Replacement Policy

1. Policy Objective

The objective of the Vehicle and Equipment Replacement Policy is to provide effective guidelines for administering and accounting for the City's vehicle and equipment replacement so that the City's fleet is ready to serve daily operations as well as emergency operations at any time; to act as a framework for decisions related to long-range vehicle and equipment replacement; and to act as a budgeting guide for the Governing Body and staff.

2. Vehicle and Equipment Replacement Schedule

Annually, as part of the budget process, the City Administrator and the Department Heads shall update the inventory schedule of all City vehicles and equipment. The schedule should include detailed information about the equipment, its condition, estimated replacement year, estimated replacement cost and how the vehicle or equipment should be allocated among general City operations, water operations and sewer operations. The schedule shall be the basis of budget discussions and decisions regarding vehicle and equipment replacement. The schedule shall be presented to the Governing Body along with other budget information and approved when the budget is adopted each year.

3. Replacement Considerations

The Schedule of Estimated Useful Lives in Appendix A should be used as a guide for replacing vehicles and equipment. In addition to the estimated useful life, the items listed below should also be considered when determining if a vehicle or piece of equipment should be replaced.

- Maintenance and repair costs
- Performance
- Resale value
- Dependability
- Major mechanical failures
- Technological changes
- Fuel consumption
- Physical appearance
- Safety issues
- Obsolescence
- Type of usage

4. Purchasing and Acquisition

Purchases of vehicles and equipment shall be made in accordance with the City's Purchasing Policy, City Code and other applicable ordinances, resolutions and state law.

5. Financing

As part of the annual budget process, the City Administrator shall submit to the Governing Body a recommendation for the financing of all proposed vehicles and equipment that are planned for that budget year.

The following financing methods may be considered by the City Administrator for all vehicles and equipment.

- A. Pay as You Go Financing (PAYG): Utilizes current year revenues or reserves. This is the preferred method of financing vehicles and equipment.

City of Edgerton
Vehicle and Equipment Replacement Policy

- B. General Obligation Bonds: General obligation bonds will not be issued for vehicles or equipment where the acquisition cost is less than \$250,000. The City will structure the general obligation bond debt for vehicles and equipment to mature over 10 – 15 years or the useful life of the vehicle or equipment, whichever is less with at least 60% of the debt service amortization in the first 10 years of the issue.
- C. Lease and Lease Purchase: Lease obligations and other long-term agreements may be used as a flexible, financial alternative for acquiring vehicles and equipment. The City will plan issuance of lease obligations and other long-term financing agreements according to the following guidelines.
 - a. The City Administrator, or designee, will determine and document the justification for each proposed lease transaction. The justification should include an explanation for not recommending PAYG financing or general obligation debt financing. An analysis of various financing strategies should be performed to allow for the lowest possible cost to the City.
 - b. Each transaction will include lease payments and a cash flow statement over the life of the transaction.
 - c. The scheduled maturity shall not exceed the anticipated useful life of the item, and in no case shall exceed 20 years.

6. Maintenance and Repair

The City staff will be responsible for all maintenance necessary for the continued operation for the City's vehicles and equipment. The City staff shall be responsible for determining what specific types of maintenance will be done in-house and what types will be sent to a mechanic. In making this determination, the following factors should be considered:

- A. Cost of in-house maintenance
- B. Time needed to completed maintenance task
- C. Knowledge of Department with specific maintenance task
- D. Experience of Department with specific maintenance task
- E. Ability to attain necessary parts in a timely manner.

If maintenance is determined to be sent to a mechanic, staff shall be responsible for complying with the City's Purchasing Policy. City staff shall maintain documentation of all maintenance and repairs for vehicles and equipment.

7. Disposition of Vehicles and Equipment

When it is determined that a vehicle or equipment should be replaced, the City should dispose of the replaced item using the method that will produce the greatest amount of value for the City. The acceptable disposal methods are listed below. The City Council will approve assets for disposal and the disposal method at the time of purchase of the replacement item. Vehicles and equipment will not be sold to employees of the City.

- A. Trade-in – the vehicle or equipment is traded in on the new vehicle or equipment and the price of the new vehicle or equipment is reduced.
- B. Sold at Auction - The City should use a reputable auction service, including on-line auction services. The City should receive a detailed accounting of the sale price for each item sold.
- C. Scrap – The vehicle or equipment is sold for scrap metal or it is kept on hand for parts.
- D. Destroyed – The vehicle or equipment was destroyed.

Money received from the sale of vehicles and equipment shall be deposited into the Equipment Reserve Funds for general City operations, water operations and sewer operations. The sale proceeds should be allocated among the three funds according to the allocation percentages for each item as listed on the Vehicle and Equipment Replacement Schedule

City of Edgerton
Vehicle and Equipment Replacement Policy

8. Insurance

The City shall maintain at least the minimum state required insurance coverage on all vehicles and equipment. When new vehicles or equipment are purchased, the City Clerk shall notify the City's insurance agent to add the vehicle or equipment to the City's policy. When vehicles or equipment are sold/traded in/scrapped/destroyed, City staff shall notify the City Clerk who will notify the City's insurance agent that the items should be removed from the City's policy.

9. Responsibility for Enforcement

The City Administrator has overall responsibility for enforcement of this policy.

10. Effective Date

This policy shall take effect and be in force from and after its passage and approval.

City of Edgerton
Vehicle and Equipment Replacement Policy

Appendix A
Estimated Useful Life of Vehicles and Equipment

Vehicle Classification	Useful Life -Years	Units of Usage
Class 2 - Light Duty Truck	10	100,000 Miles
Class 3 - 1/2 Ton Truck	10	100,000 Miles
Class 4 - 3/4 Ton Truck	10	100,000 Miles
Class 5 - 1 Ton Truck	10	75,000 Miles
Class 6 - 1 1/2 - 1 3/4 Ton Truck	10	75,000 Miles
Class 7 - Single Axle	10	75,000 Miles
Class 8 - Tandem Axle	10	75,000 Miles
Aerial Lift/Bucket Truck	10	50,000 Miles
Class 6 - Street Sweeper	7	50000 / 2000 hrs.
Utility Trailer / Equipment Trailer	15	N/A

Equipment Classification	Useful Life -Years	Units of Usage
Mower	n/a	1000 hrs.
Excavator/Backhoe	10	1500 hrs.
Compact Loader	7	1500 - 2000 hrs.
Wheel Loader	10	2500 hrs.
Tractor	10	2500 hrs.
Sewer Jetter	15	2500 hrs.
Road Grader	15	1500 - 2000 hrs.
Roller	10	1000 hrs.
Crack Seal Machine	10	1000 hrs.
UTV	10	2000 hrs.
Storm Siren	25	N/A
Radio	10	N/A
Water Meter	10	N/A

Note: This schedule is a guide for replacing vehicles and equipment. In addition to the estimated useful life noted in the charts above, staff will consider other factors listed in Section 3 above including maintenance and repair costs; performance; resale value; dependability; major mechanical failures; technological changes; fuel consumption; physical appearance; safety issues; obsolescence; type of usage; etc.

City of Edgerton

VehicleEquipment Replacement Plan 2026-2030

Recommended Budget 2025-2026

Line #	Budgeted in 2025-2029 Plan	Complete?	Asset #	Equipment Description	Department	Category	Purchase Date	Replace With	General Condition	Usage Frequency	Approved Budget	Projected Replace Cost	Order Year	Payment Year	Fund 130 %	Fund 270 %	Fund 370 %
Purchase Approval - Council																	
1	Yes		1001	8' - 10' COMMERCIAL SNOW PLOW	UTILITIES	PLOW	10/26/2017	SAME TYPE	3	SEASONALLY	\$ 9,500	\$ 9,500	2024	2025	100		
2	Yes		1279	SPREADER TO GO WITH REPLACEMENT TRUCK FOR TRUCK 528	PUBLIC WORKS	APPROVED NEW REQUEST			APPRVD NEW REQ	SEASONALLY	\$ 8,400	\$ 8,400	2024	2025	100		
3	Yes	Yes	1006	CLASS 3 TRUCK (3/4 TON) CCSB	PUBLIC WORKS	1/2 TON TRUCK	6/9/2014	CLASS 5 (1 TON)	2	DAILY	\$ 65,750	\$ 41,162	2025	2025	100		
4	Yes		1007	8' - 10' COMMERCIAL SNOW PLOW	PUBLIC WORKS	PLOW	10/24/2017	SAME TYPE	2	SEASONALLY	\$ 9,500	\$ 9,500	2025	2025	100		
5	Yes		1010	61" ZERO TURN MOWER	PARKS	MOWER	4/26/2018	72 INCH	3	SEASONALLY	\$ 16,500	\$ 14,719	2025	2025	34	33	33
6	Yes		1092	CLASS 6 TRUCK W/ STREET SWEEPER EQUIPMENT (1 1/2 TO 1 3/4 TON) RC (CAB & CHASSIS)	PUBLIC WORKS	1 1/2 - 1 3/4 TON TRUCK	8/4/2016	SAME TYPE	1	MONTHLY	\$ 350,000	\$ 350,000	2025	2025	100		
7	Yes		1141	OUTDOOR WARNING SIREN - BRAUN ST. - 1100 W BRAUN ST	PUBLIC WORKS	STORM SIREN	1/1/1999	SAME TYPE	3	OCCASIONALLY	\$ 29,500	\$ 29,500	2025	2025	100		
8	Yes		1272	TRAILER MOUNTED GENERATOR	PUBLIC WORKS	APPROVED NEW REQUEST			APPRVD NEW REQ	DAILY	\$ 37,000	\$ 40,000	2025	2025	34	33	33
9	Yes	Yes	1280	CLASS 2 TRUCK - CONSTRUCTION INSPECTOR TRUCK	PUBLIC WORKS	APPROVED NEW REQUEST			APPRVD NEW REQ	DAILY	\$ 55,000	\$ 45,405	2025	2025	100		
10	Yes	Yes	1286	CLASS 3 TRUCK (1 TON) - FACILITIES	FACILITIES	APPROVED NEW REQUEST			APPRVD NEW REQ	DAILY	\$ 65,750	\$ 52,835	2025	2025	100		
11	Yes		1287	PLOW (FACILITIES TECH TRUCK)	FACILITIES	APPROVED NEW REQUEST			APPRVD NEW REQ	SEASONALLY	\$ 9,500	\$ 9,500	2025	2025	100		
12			1271	CONCRETE SAW	PUBLIC WORKS	APPROVED NEW REQUEST			APPRVD NEW REQ	DAILY	\$ 30,000	\$ 17,500	2026	2026	100		
Purchase Approval - City Administrator																	
13	Yes		1008	60" ZERO TURN MOWER	PARKS	MOWER	5/29/2015	48 INCH	2	SEASONALLY	\$ 14,500	\$ 8,559	2025	2025	100		
14			1009	83" X 16' UTILITY TRAILER	PARKS	TRAILER	1/1/1987	DUMP TRAILER	2	DAILY	\$ 7,500	\$ 10,000	2026	2026	70	15	15

Contract Payments

None.

Other

None.

Items in red have changed since the 2025-2029 Plan.

City of Edgerton
Vehicle Equipment Replacement Plan Recommended Budget
Summary of Changes from the 2025-2029 Plan

Item #	Asset #	Asset Description	Change Type	From	To	Comments
Recommended Budget						
1	1001	8'-10' Commercial Plow to go with Truck 528	Payment Year	2024	2025	The upfit of the replacement for Truck 528 will be completed in 2025 due to a delay from the vendor.
2	1279	Spreader to go with Truck 528	Payment Year	2024	2025	The upfit of the replacement for Truck 528 will be completed in 2025 due to a delay from the vendor.
5	1010	61" Zero Turn Mower	Dollar Amount	\$ 16,500	\$ 14,719	Cost decreased to reflect bids received.
8	1272	Trailer Mounted Generator	Dollar Amount	\$ 37,000	\$ 40,000	Cost increased to reflect current pricing for 32-40kW generators.
9	1280	Class 2 Truck - Construction Inspector	Replacement Year	2024	2025	Payment year changed to coincide with filling the position.
9			Dollar Amount	\$ 55,000	\$ 45,505	Cost decreased to reflect actual cost paid for the truck/upfit/aftermarket items.
12	1271	Concrete Saw	Curr Prog to Rec Budget			Item was moved from the Current Program to the Recommended Budget.
12			Scope			Staff reviewed the various aspects of concrete maintenance and determined to change the scope of the concrete saw needed. Due to the size of other equipment already owned by the City, staff determined that the right size of saw should provide a 9.5" saw cut.
12			Dollar Amount	\$ 30,000	\$ 17,500	Cost decreased due to changing the size of the saw.
13	1008	60" Zero Turn Mower	Dollar Amount	\$ 14,500	\$ 8,559	Cost decreased to reflect bids received.
14	1009	83" x 16' Utility Trailer	Curr Prog to Rec Budget			Item was moved from the Current Program to the Recommended Budget.
14			Scope			Scope changed to replacing the flat bed utility trailer to a dump trailer to provide more flexibility in hauling materials as well as being able to haul equipment.
14			Dollar Amount	\$ 7,500	\$ 10,000	Cost increased due to changing the type of trailer.
n/a	1016	Butterfly Valves - Edgerton Rd Tank	Removed from Schedule	2025	n/a	Will be replaced from the Water Infrastructure Fund. The planned replacement cost will be transferred to the Water Infrastructure Fund to cover the replacement of this item as scheduled in 2025.

City of Edgerton
Vehicle Equipment Replacement Plan 2026-2030
Current Program 2027-2030

Line #	Asset #	Equipment Description	Department	Category	Purchase Date	Replace With	General Condition	Mileage	Hours	Usage Frequency	Proj Repl Cost	Est Repl Year	Fund 130 %	Fund 270 %	Fund 370 %
1	1003	CLASS 2 TRUCK (1/2 TON) ECSB	UTILITIES	LIGHT DUTY VEHICLE	5/4/2015	SAME TYPE	3	53,433	-	DAILY	\$ 55,000	2027		50	50
2	1011	CLASS 3 TRUCK (1 TON) CCSB	PARKS	1/2 TON TRUCK	5/30/2017	SAME TYPE	3	57,816	-	DAILY	\$ 65,750	2027	100		
3	1012	8" COMMERCIAL PLOW	PARKS	PLOW	5/30/2017	SAME TYPE	3	-	-	SEASONALLY	\$ 9,500	2027	100		
4	1241	CLASS 2 TRUCK (1/2 TON) ECSB	COMMUNITY DEVELOPMENT	LIGHT DUTY VEHICLE	9/9/2015	SAME TYPE	4	57,102	-	DAILY	\$ 55,000	2027	100		
5	1013	WATER METERS GROUP A (1/4 OF ALL METERS)	WATER	WATER METER	10/1/2016	SAME TYPE	4	-	-	DAILY	\$ 36,750	2028		100	
6	1023	CLASS 4 TRUCK (1 TON) CC CAB & CHASSIS 60"	PUBLIC WORKS	3/4 TON TRUCK	2/28/2019	SAME TYPE	4	25,593	-	DAILY	\$ 69,500	2028	100		
7	1002	8' SALT SPREADER (ELECT.)	PUBLIC WORKS	SPREADER	1/1/2017	SAME TYPE	3	-	-	SEASONALLY	\$ 9,000	2028	100		
8	1024	FLAT BED	PUBLIC WORKS	3/4 TON TRUCK	2/28/2019	SAME TYPE	4		-	DAILY	\$ 9,000	2028	100		
9	1025	9' COMMERCIAL PLOW	PUBLIC WORKS	PLOW	2/28/2019	SAME TYPE	5	-	-	SEASONALLY	\$ 9,500	2028	100		
10	1026	CLASS 4 TRUCK (1 TON) CC CAB & CHASSIS 60"	UTILITIES	3/4 TON TRUCK	3/28/2018	CLASS 6 (1 1/2 TON)	3	47,537	-	DAILY	\$ 75,000	2028		50	50
11	1027	UTILITY BED	UTILITIES	3/4 TON TRUCK	3/28/2019	FIT FOR CLASS 6	3	-	-	DAILY	\$ 40,780	2028		50	50
12	1028	SERVICE CRANE	UTILITIES	3/4 TON TRUCK	3/28/2019	FIT FOR F-550	3	-	-	DAILY	\$ 61,200	2028		50	50
13	1020	60 INCH COMMERCIAL MOWER	PARKS	MOWER	4/14/2023	SAME TYPE	5	-	482	SEASONALLY	\$ 17,000	2029	100		
14	1021	72 INCH COMMERCIAL MOWER	PARKS	MOWER	4/14/2023	SAME TYPE	5	-	367	SEASONALLY	\$ 17,500	2029	100		
15	1022	WATER METERS GROUP B (1/4 OF ALL METERS)	WATER	WATER METER	10/1/2016	SAME TYPE	4	-	-	DAILY	\$ 36,750	2029		100	
16	1030	COMPACT EXCAVATOR	PUBLIC WORKS	HEAVY DUTY EQUIPMENT	12/21/2017	SAME TYPE	4	-	705	DAILY	\$ 80,000	2029	34	33	33
17	1265	12" TOOTH BUCKET (CE)	PUBLIC WORKS	HEAVY DUTY EQUIPMENT	8/19/2016	INCL W/EXCAVATOR	4			DAILY	\$ -	2029	34	33	33
18	1266	18" TOOTH BUCKET (CE)	PUBLIC WORKS	HEAVY DUTY EQUIPMENT	8/19/2016	INCL W/EXCAVATOR	4			DAILY	\$ -	2029	34	33	33
19	1282	BRINE MANUFACTURING SYSTEM	PUBLIC WORKS	APPROVED NEW REQUEST	1/1/2029		APPRVD NEW REQ			SEASONALLY	\$ 65,000	2029	100		
20	1283	BRINE STORAGE TANK (FIBERGLASS) 10,000 GALLON	PUBLIC WORKS	APPROVED NEW REQUEST	1/1/2029		APPRVD NEW REQ			SEASONALLY	\$ 18,000	2029	100		
21	1289	BRINE STORAGE TANK (FIBERGLASS) 10,000 GALLON	PUBLIC WORKS	APPROVED NEW REQUEST	1/1/2029		APPRVD NEW REQ			SEASONALLY	\$ 18,000	2029	100		
22	1029	WATER METERS GROUP C (1/4 OF ALL METERS)	WATER	WATER METER	10/1/2016	SAME TYPE	4	-	-	DAILY	\$ 36,750	2030		100	
23	1032	UTILITY TASK VEHICLE	PARKS	LIGHT DUTY EQUIPMENT	10/2/2017	SAME TYPE	3	-	1,490	DAILY	\$ 34,000	2030	100		
24	1033	6' PLOW MEDIUM DUTY	PARKS	PLOW	10/2/2017	SAME TYPE	3	-	-	DAILY	\$ 8,000	2030	100		
25	1034	CLASS 7 DUMP TRUCK (SINGLE AXLE)	PUBLIC WORKS	SINGLE AXLE	9/24/2017	SAME TYPE	3	19,374	-	WEEKLY	\$ 213,500	2030	100		
26	1035	10' HIGHWAY PLOW	PUBLIC WORKS	PLOW	9/24/2017	SAME TYPE	3	-	-	SEASONALLY	\$ 14,250	2030	100		
27	1036	TAIL GATE SPREADER	PUBLIC WORKS	SPREADER	9/24/2017	SAME TYPE	3	-	-	SEASONALLY	\$ 17,500	2030	100		

Changed since the 2025-2029 Plan.

City of Edgerton
Vehicle Equipment Replacement Plan Current Program
Summary of Changes from the 2025-2029 Plan

Exhibit B2

Item #	Asset #	Asset Description	Change Type	From	To	Comments
Current Program						
1	1003	Class 2 Truck (1/2 Ton) ECSB	Replacement Year	2029	2027	Replacement year accelerated to account for the increase in annual miles driven since being transferred to the Utilities Department. Staff will continue monitor mileage and repairs to determine if replacement can be delayed.
1			Dollar Amount	\$ 51,000	\$ 55,000	Cost increased to reflect current market pricing for this type of truck.
2	1011	Class 3 Truck (1 Ton) CCSB	Dollar Amount	\$ 57,000	\$ 65,750	Cost increased to reflect current market pricing for this type of truck.
5	1013	Water Meters (1/4)	Replacement Year	2027	2028	Replacement year was pushed out one year for each of these items. Staff is having a sample of meters tested for accuracy. Once the results are received, staff will review/update the replacement plan for water meters.
15	1022			2028	2029	
22	1029			2029	2030	
16	1030	Compact Excavator	Dollar Amount	\$ 70,000	\$ 80,000	Cost increased to reflect an increase in the cost of similar excavators.
23	1032	Utility Task Vehicle	Dollar Amount	\$ 20,000	\$ 34,000	Cost increased to take into account increases in pricing for similar UTVs and includes the cost of the upfitting for a plow similar to the current unit.
24	1033	6' Plow Medium Duty	Dollar Amount	\$ 5,000	\$ 8,000	Cost increased due to current market pricing for this type of plow.
n/a	1274 1275 1276 1277 1278	Traffic Counter - Armadillo Tracker	Replacement Year	2029	2032	The useful life of these traffic counters was researched and staff determined that the life should be updated to be 10 years instead of 7 years. The replacement year was updated from 2029 to 2032 so these items no longer appear in the Current Program.
n/a	1040 1041 1042 1043 1242 1243	Portable Radios	Removed from Schedule	2030 2030 2030 2030 2033 2033	n/a	Removed due dollar value being below the \$5,000 Vehicle & Equipment Policy threshold. Will be replaced via the operating budget when needed.
n/a	1037	TraffiCad Software	Removed from Schedule	2030	n/a	Item has been moved to the IT Equipment Replacement Schedule.
n/a	1038	Graptac Sign Plotter	Removed from Schedule	2030	n/a	Item has been moved to the IT Equipment Replacement Schedule.
n/a	1044	BBCWWTP Aeration Basin Diffuser	Removed from Schedule	2031	n/a	Will be replaced from the Sewer Infrastructure Fund. The planned replacement cost will be transferred to the Sewer Infrastructure Fund in 2025.
n/a	1048 1049 1050 1051 1052 1053 1054	SCADA System PLCs (Water)	Removed from Schedule	2031	n/a	Will be replaced from the Water Infrastructure Fund. The planned replacement cost will be transferred to the Water Infrastructure Fund in 2025.

City of Edgerton
Vehicle Equipment Replacement Plan Current Program
Summary of Changes from the 2025-2029 Plan

Exhibit B2

Item #	Asset #	Asset Description	Change Type	From	To	Comments
n/a	1055 1056 1057 1058 1059 1060 1061	SCADA System MDS iNet Radios (Water)	Removed from Schedule	2031	n/a	Will be replaced from the Water Infrastructure Fund. The planned replacement cost will be transferred to the Water Infrastructure Fund in 2025.
n/a	1273	Baldwin Booster Pump	Removed from Schedule	2025	n/a	Will be replaced from the Water Infrastructure Fund. The planned replacement cost will be transferred to the Water Infrastructure Fund to cover the replacement of this item as scheduled in 2025.

City of Edgerton
 Vehicle & Equipment Replacement
 Fund Summary 2024-2030

Fund 130 - General Equipment Reserve Fund

	2024	2025	2026	2027	2028	2029	2030
Beginning Balance, Jan 1	\$ 470,258	\$ 487,448	\$ 102,403	\$ 202,903	\$ 197,653	\$ 225,653	\$ 188,485
Transfers in or Other Revenues	155,000	197,655	125,000	125,000	125,000	125,000	125,000
Vehicle/Equipment Purchases	(137,810)	(582,700)	(24,500)	(130,250)	(97,000)	(162,168)	(287,250)
Ending Balance, 12/31	\$ 487,448	\$ 102,403	\$ 202,903	\$ 197,653	\$ 225,653	\$ 188,485	\$ 26,235

Fund 270 - Water Equipment Reserve Fund

	2024	2025	2026	2027	2028	2029	2030
Beginning Balance, Jan 1	\$ 79,406	\$ 79,406	\$ 22,086	\$ 50,586	\$ 73,086	\$ (2,154)	\$ 24,430
Transfers in or Other Revenues	15,000	25,000	30,000	50,000	50,000	90,000	90,000
Transfer to Water Infrastructure Fund	-	(64,130)	-	-	-	-	-
Vehicle/Equipment Purchases	(15,000)	(18,190)	(1,500)	(27,500)	(125,240)	(63,416)	(36,750)
Ending Balance, 12/31	\$ 79,406	\$ 22,086	\$ 50,586	\$ 73,086	\$ (2,154)	\$ 24,430	\$ 77,680

Fund 370 - Sewer Equipment Reserve Fund

	2024	2025	2026	2027	2028	2029	2030
Beginning Balance, Jan 1	\$ 97,405	\$ 97,405	\$ 68,715	\$ 82,215	\$ 79,715	\$ 16,225	\$ 14,559
Transfers in or Other Revenues	15,000	15,000	15,000	25,000	25,000	25,000	25,000
Transfer to Sewer Infrastructure Fund	-	(25,500)	-	-	-	-	-
Vehicle/Equipment Purchases	(15,000)	(18,190)	(1,500)	(27,500)	(88,490)	(26,666)	-
Ending Balance, 12/31	\$ 97,405	\$ 68,715	\$ 82,215	\$ 79,715	\$ 16,225	\$ 14,559	\$ 39,559

City of Edgerton
Vehicle Equipment Replacement Plan 2026-2030
Unfunded Equipment

Exhibit D

Unfunded New Vehicle and Equipment Request - Recommended								
Item #	Equipment Description	Dept.	Equip Type	Estimated Cost	Recommended Year	Alloc % Fund 13 General	Alloc % Fund 27 Water	Alloc % Fund 37 Sewer

Unfunded New Vehicle and Equipment Request - Not Recommended								
Item #	Equipment Description	Dept.	Equip Type	Estimated Cost	Recommended Year	Alloc % Fund 13 General	Alloc % Fund 27 Water	Alloc % Fund 37 Sewer
1	PTO Overseeder (tractor attachment) (ballfields)	PK	Equipment	\$ 13,750	n/a	100%	0%	0%
2	Top Dresser - Material Handling Parks Maintenance	PK	Equipment	\$ 10,000	n/a	100%	0%	0%
3	Concrete Crack Seal Machine (trailer mounted)	PW	Equipment	\$ 90,000	n/a	100%	0%	0%
4	Diagnostic Scan Tool	PW	Equipment	\$ 21,500	n/a	100%	0%	0%
5	CLASS 6 DUMP TRUCK W/HYDRAULIC HOIST	PW	Heavy Truck	\$ 133,455	n/a	70%	15%	15%
5a	BRINE APPLICATION SYSTEM FOR DUMP TRUCK	PW	Equipment	\$ 16,647	n/a	100%		
6	GPS Data Collection System	PW	Equipment	\$ 15,000	n/a	100%	0%	0%
7	Snow Blower attachment for UTV (trail size)	PW	Equipment	\$ 22,000	n/a	100%	0%	0%
8	Storm Siren	PW	Storm Siren	\$ 29,500	n/a	100%	0%	0%
9	Generator for 8th Street Lift Station	UT	Equipment	\$ 35,000	n/a	0%	0%	100%
10	Sewer Inspection Camera	UT	Equipment	\$ 60,000	n/a	40%	0%	60%
11	Sewer Push Camera	UT	Equipment	\$ 12,500	n/a	40%	0%	60%
12	Trench Box	UT	Equipment	\$ 22,000	n/a	50%	25%	25%
13	Tractor - New Unit & Surplus Old	PW/PK	Equipment	\$ 150,000	n/a	100%	0%	0%
14a	Boom Mower	PW/PK	Equipment	\$ 120,000	n/a	100%	0%	0%
14b	Rotary Mower (Batwing)	PW/PK	Equipment	\$ 35,500	n/a	100%	0%	0%
15	Combination Bucket Attachment for Skid Steer	PW/PK	Equipment	\$ 5,500	n/a	100%	0%	0%
16	Wheel Loader Snow Plow - DDI Interchange	PW	Equipment	\$ 50,000	n/a	100%	0%	0%
17	Combination Sewer Truck	UT	Heavy Truck	\$ 450,000	n/a	33%	33%	33%