

**EDGERTON CITY COUNCIL  
WORK SESSION AGENDA  
CITY HALL  
404 EAST NELSON STREET  
July 25, 2019**

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

1. Call to Order
2. Roll Call \_\_\_ Roberts \_\_\_ Longanecker \_\_\_ Brown \_\_\_ Conus \_\_\_ Lewis \_\_\_ Smith
3. Presentation of Recommended 2020 Utility Funds Budget
4. Adjourn



# Edgerton, KS

## Comprehensive Water and Sewer Rate Study Update

Final Report / July 23, 2019



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July 23, 2019

Ms. Beth Linn  
City Administrator  
City of Edgerton  
404 East Nelson St.  
Edgerton, KS 66021

**Subject: Water and Wastewater Financial Plan Study Report**

Dear Ms. Linn,

Raftelis Financial Consultants, Inc. (Raftelis) is pleased to provide this Water and Sewer Financial Plan Study Report (Report) for the City of Edgerton (City) to establish retail water and wastewater rates that are equitable and adequate.

The major objectives of the study include the following:

- » Develop financial plans for the water and sewer enterprises to ensure financial sufficiency, meet operation and maintenance (O&M) expense, debt service, and improve the financial health of the utilities.
- » Develop sound and sufficient reserve fund targets.

The Report summarizes the key findings and recommendations related to the development of the financial plans for Water and Sewer utilities and the development of the updated rates.

It has been a pleasure working with you, and we thank you and the City staff for the support provided during the course of this study.

Sincerely,

***RAFTELIS FINANCIAL CONSULTANTS, INC.***

A handwritten signature in black ink that reads 'Thomas A. Beckley'.

**Thomas Beckley**  
Senior Manager

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# INTRODUCTION

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## BACKGROUND OF THE STUDY

The City of Edgerton retained RFC in 2019 to update a prior Utility Rate Study (Study). The purpose of the Study was to develop financial plans and rates to promote self-sustainability of the City’s separate water and sewer utilities and recommend retail rates for service consistent with the financial plans for the utilities.

## Objectives of the Study

The major objectives of the study include the following:

- » Develop financial plans for the water and sewer enterprises to ensure financial sufficiency, meet operation and maintenance (O&M) expense, debt service, and improve the financial health of the utilities
- » Develop sound and sufficient reserve fund targets

## CUSTOMER DATA

During the course of this project, the City provided RFC with a variety of financial information, including but not limited, audited and unaudited financial results, customer billing data, and cost and revenue data. RFC 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. Figure 1 shows customer account data for 2018. The Study assumes 0% account and usage growth among the City’s retail customers over the study period. Sewer usage for LPKC was estimated using the most current data available and based on the customers connected to the City as of May 31, 2019.

**Figure 1: 2018 Customer Account Data**

Utility	Annual Bills	Usage (1000 Gallons)
Water	8,148	31,369
Sewer	7,133	124,338

## REVENUE REQUIREMENTS

The revenue requirements for the City’s water and sewer utility include the O&M expense for each utility as well as debt service. The operating and maintenance expense is escalated to reflect expected inflationary increases in costs in future years. The debt service is based on the City’s current outstanding debt, including the most recently issued debt used to finance improvements to the City’s sewer utility. The financial plans do not currently include any capital improvements for the water utility and limited amounts for the sewer utility, though City Staff indicates such improvements may be necessary in the future.

## WATER RATE STUDY FINDINGS

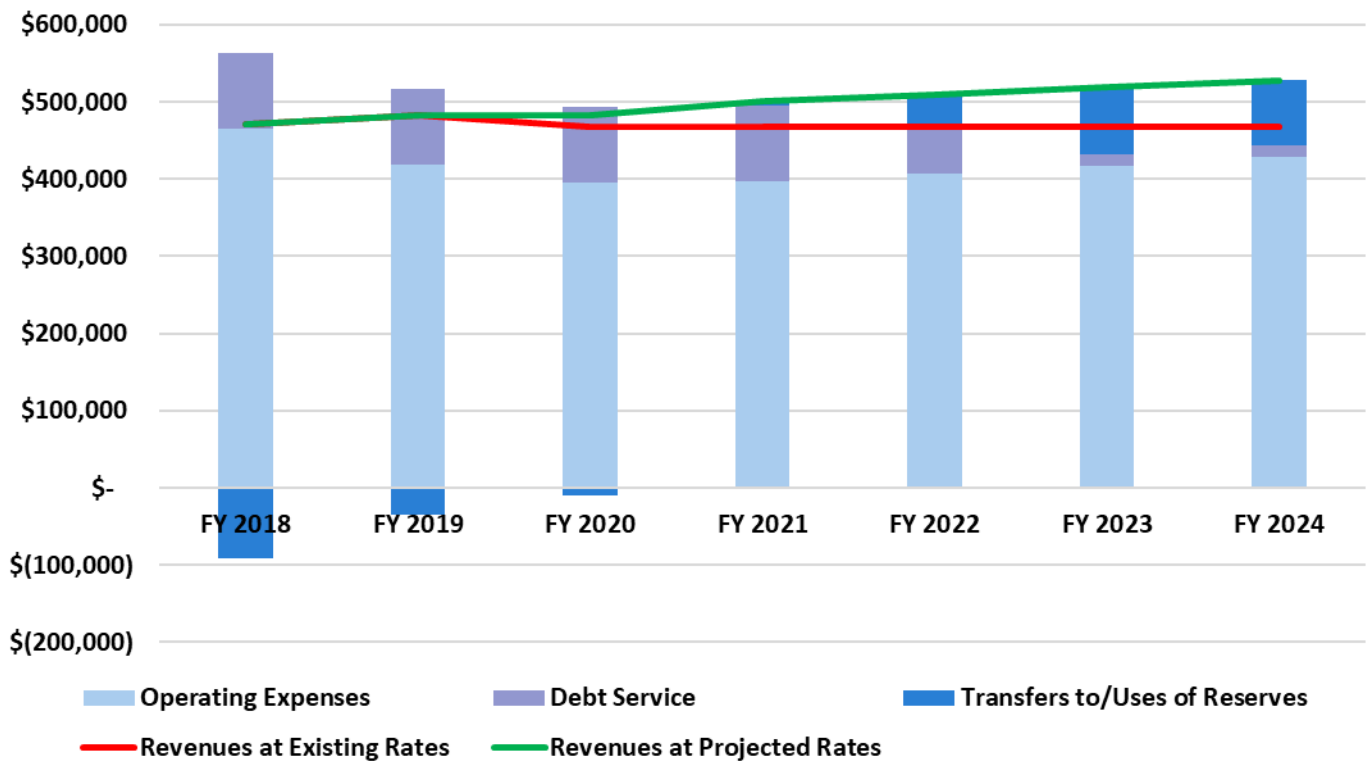
Raftelis updated a five-year water utility financial plan for the study period. This plan determines the financial status of the water utility under recommended rates. Tables in the Appendix show the development of the financial plan. Raftelis recommends annually updating the water financial plan to recognize changes in capital improvements, customer’s water usage characteristics, and system growth.

Based on the water utility’s current revenue requirements, we are proposing an increase in all water rates of 4% in 2020 and 2021, and 2% in 2022 through 2024. Edgerton maintains a reserve balance of at least 25% of annual expenditures in Fund 20. Approximately \$125,000 of this balance will have been spent in 2018 and 2019, primarily due to the addition of a new staff member and the unexpected use of a higher priced wholesale provider. This plan will maintain the reserve at 25% of annual operating expenses and debt service and reserves additional surpluses to fund major future capital and equipment spending. The City’s June 2019 reserve policy consolidates the operating fund and reserve fund; the financial plan assumes that all remaining balance in the reserve fund will be transferred to the operating fund at the end of FY 2019.

The City meets or exceeds this target for each year of the study period. These levels of rate increases will provide some additional funding for capital projects in future years based on the current projections of customers, usage, and O&M expense.

Figure 2 graphically depicts the water financial plan under the proposed rate increases.

**Figure 2: Proposed Water Financial Plan**



The water utility's existing and proposed water rates for inside city customers are shown below in Figure 3.

**Figure 3: Proposed Inside City Water Rates**

Description	FY18	FY19	FY20	FY21	FY22	FY23	FY24
<b>Volume Charge per 1000 Gallons</b>							
<b>0-2000</b>	\$ 4.03	\$ 4.12	\$ 4.29	\$ 4.47	\$ 4.56	\$ 4.66	\$ 4.76
<b>2001-10000</b>	9.07	9.26	9.64	10.03	10.24	10.45	10.66
<b>10001 and Above</b>	12.52	12.78	13.30	13.84	14.12	14.41	14.70
<b>Monthly Charge</b>							
<b>5/8"</b>	19.62	20.02	20.83	21.67	22.11	22.56	23.02
<b>3/4"</b>	20.85	21.27	22.13	23.02	23.49	23.96	24.44
<b>1"</b>	23.33	23.80	24.76	25.76	26.28	26.81	27.35
<b>1 1/2"</b>	29.50	30.09	31.30	32.56	33.22	33.89	34.57
<b>2"</b>	36.92	37.66	39.17	40.74	41.56	42.40	43.25
<b>3"</b>	54.21	55.30	57.52	59.83	61.03	62.26	63.51
<b>4"</b>	78.91	80.49	83.71	87.06	88.81	90.59	92.41
<b>6"</b>	140.66	143.48	149.22	155.19	158.30	161.47	164.70
<b>8"</b>	214.78	219.08	227.84	236.97	241.71	246.55	251.49

A typical residential customer water bill for 3,000 gallons per month of usage is shown below in Figure 4.

**Figure 4: Typical Customer Water Bill (3,000 gallons per month)**

FY18	FY19	FY20	FY21	FY22	FY23	FY24
\$ 36.75	\$ 37.52	\$ 39.05	\$ 40.64	\$ 41.47	\$ 42.33	\$ 43.20

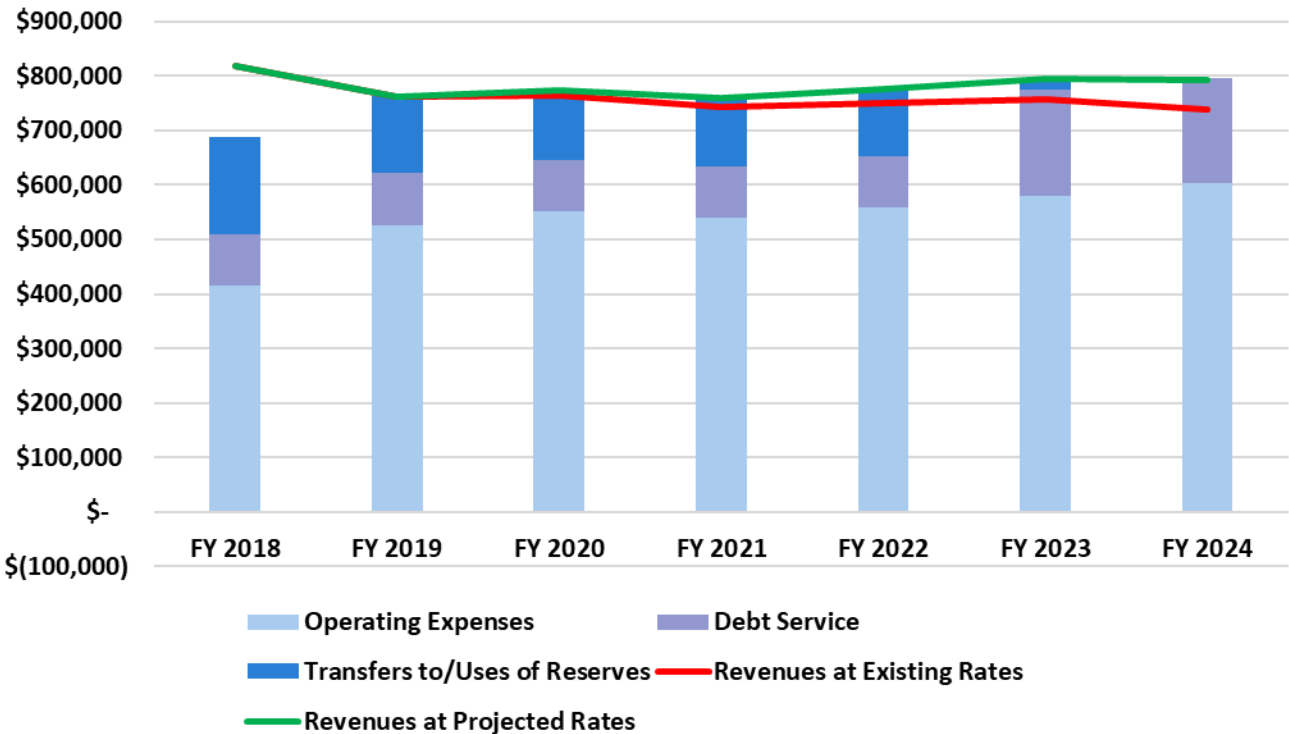
# SEWER RATE STUDY FINDINGS

Raftelis updated a five-year sewer utility financial plan for the study period. This plan determines the financial status of the sewer utility under recommended rates. Tables in the Appendix show the development of the financial plan. RFC recommends annually updating the sewer financial plan to recognize changes in capital improvements, customer’s usage characteristics and system growth, especially as usage from the LPKC continues to evolve.

Based on the revenue requirements for the sewer utility we are proposing 1.5% increases in the sewer rates for the City’s retail customers in FY 2020 through FY 2022, 2% in 2023 and 3% in 2024. While projections show that the sewer utility will generate some contributions to reserves in FY 2019 through FY 2022, these rate increases are necessary to provide the ability to pay principal on the utility’s most recent debt issuance which will begin in FY 2023. Edgerton maintains a balance of at least 25% of annual operating expenses and debt service in Fund 30 and reserves additional surpluses to fund major future capital and equipment spending. The financial plan assumes that all remaining balance in the reserve fund will be transferred to the operating fund at the end of FY 2019.

Figure 5 graphically depicts the sewer financial plan. Figure 6 shows a proposed sewer rate schedule for the next six years. Figure 7 shows a typical residential bill of 3,000 gallons per month.

**Figure 5: Proposed Sewer Financial Plan**





The sewer utility’s existing and proposed rates are shown below in Figure 7.

**Figure 6: Proposed Sewer Rates**

	FY18	FY19	FY20	FY21	FY22	FY23	FY24
<b>Volume Charge per 1000 Gallons</b>	\$ 7.10	\$ 7.46	\$ 7.58	\$ 7.70	\$ 7.82	\$ 7.98	\$ 8.22
<b>Monthly Charge</b>	6.14	6.45	6.55	6.65	6.75	6.89	7.10
<b>Wholesale Charge per 1000 Gallons</b>	3.29	3.36	3.41	3.46	3.51	3.56	3.62

A typical residential customer sewer bill for 3,000 gallons per month of usage is shown below in Figure 8.

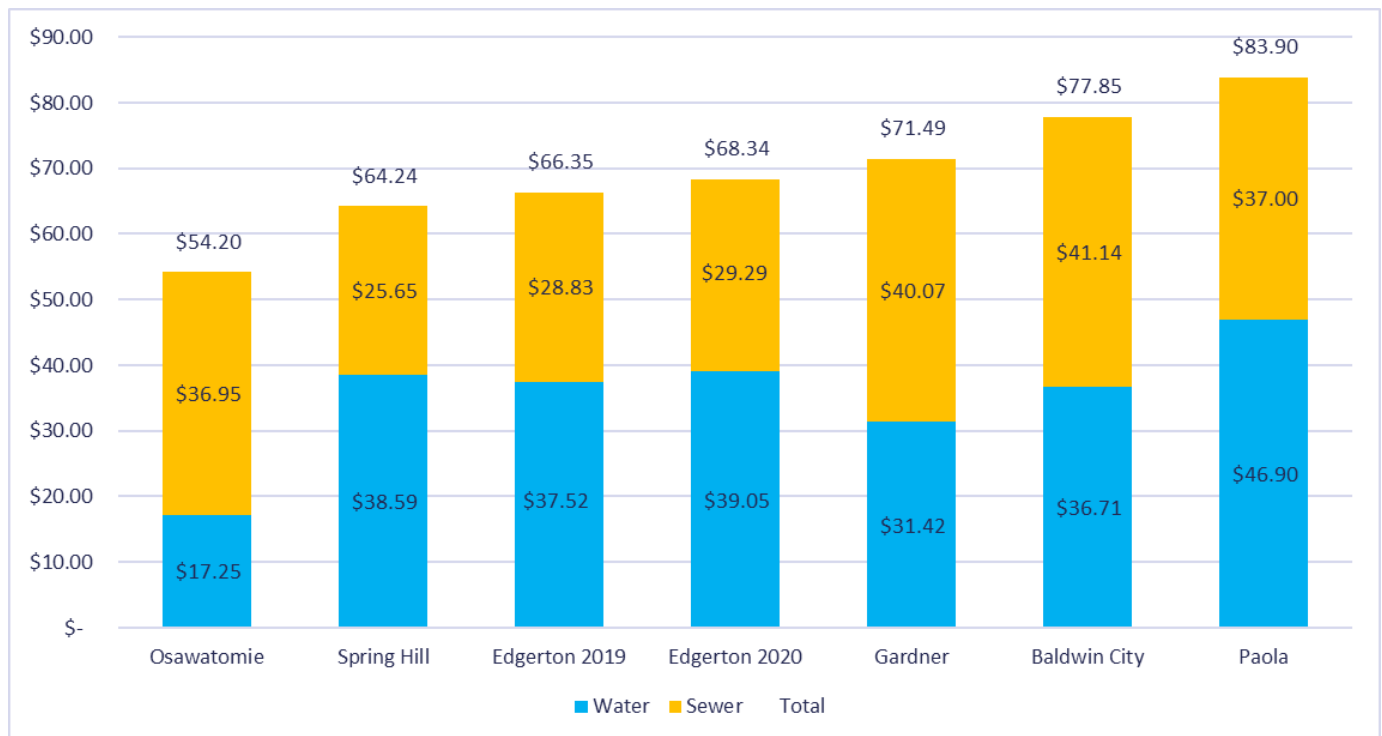
**Figure 7: Typical Customer Sewer Bill (3,000 gallons per month)**

FY18	FY19	FY20	FY21	FY22	FY23	FY24
\$ 27.44	\$ 28.83	\$ 29.29	\$ 29.75	\$ 30.21	\$ 30.83	\$ 31.76

## WATER AND SEWER BILL COMPARISON

Even after the proposed 2020 rate increase, Edgerton water and sewer rates will still be lower than many neighboring communities. Figure 8 compares a typical bill of 3,000 gallons per month under Edgerton rates in 2019 and 2020 and rates in Gardner, Paola, Spring Hill, Baldwin City, and Osawatomie in 2019.

**Figure 8: Bill Comparison**



# APPENDIX

**Figure 4: Water Financial Plan<sup>1</sup>**

<b><u>Water Summary</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>	<b><u>FY 2022</u></b>	<b><u>FY 2023</u></b>	<b><u>FY 2024</u></b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
<b>REVENUE</b>							
Retail Customer Revenue	\$ 405,394	\$ 406,399	\$ 422,951	\$ 440,110	\$ 449,124	\$ 458,379	\$ 467,734
Other Revenue	65,621	75,500	60,500	60,500	60,500	60,500	60,500
<b>Total Revenue</b>	<b>\$ 471,015</b>	<b>\$ 481,899</b>	<b>\$ 483,451</b>	<b>\$ 500,610</b>	<b>\$ 509,624</b>	<b>\$ 518,879</b>	<b>\$ 528,234</b>
							2.04%
<b>REVENUE REQUIREMENTS</b>							
Operating Expenses	\$ 465,565	\$ 419,307	\$ 395,538	\$ 397,295	\$ 407,212	\$ 417,444	\$ 428,006
Existing Debt Service	97,346	97,346	97,346	97,346	56,150	14,955	14,955
<b>Total Revenue Requirements</b>	<b>\$ 562,911</b>	<b>\$ 516,653</b>	<b>\$ 492,884</b>	<b>\$ 494,640</b>	<b>\$ 463,362</b>	<b>\$ 432,399</b>	<b>\$ 442,961</b>
<b>Surplus/(Deficit)</b>	<b><u>\$ (91,896)</u></b>	<b><u>\$ (34,754)</u></b>	<b><u>\$ (9,433)</u></b>	<b><u>\$ 5,970</u></b>	<b><u>\$ 46,262</u></b>	<b><u>\$ 86,479</u></b>	<b><u>\$ 85,273</u></b>
<b>Revenue Adjustment</b>							
			4.00%	4.00%	2.00%	2.00%	2.00%
<b>Fund Balances</b>							
Operating Fund (25% Annual Expenditures)	\$ 244,797	\$ 157,540	\$ 123,221	\$ 123,660	\$ 115,841	\$ 108,100	\$ 110,740
Water Reserve Fund	28,377						
Water System Development Fund	29,883	29,883	29,883	29,883	29,883	29,883	29,883
Available for Capital and Equipment	82,992	163,871	188,758	194,288	248,370	342,590	425,222
<b>Total</b>	<b>\$ 386,049</b>	<b>\$ 351,295</b>	<b>\$ 341,862</b>	<b>\$ 347,832</b>	<b>\$ 394,093</b>	<b>\$ 480,573</b>	<b>\$ 565,845</b>

**Figure 5: Sewer Financial Plan<sup>1</sup>**

<b><u>Sewer Summary</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>	<b><u>FY 2022</u></b>	<b><u>FY 2023</u></b>	<b><u>FY 2024</u></b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
<b>REVENUE</b>							
Retail Customer Revenue	\$ 509,418	\$ 528,781	\$ 537,260	\$ 545,739	\$ 554,218	\$ 565,571	\$ 582,601
Wholesale Revenue	195,006	200,229	203,233	180,564	187,715	196,058	204,401
Other Revenue	114,031	33,500	33,500	33,500	33,500	33,500	5,000
<b>Total Revenue</b>	<b>\$ 818,455</b>	<b>\$ 762,510</b>	<b>\$ 773,993</b>	<b>\$ 759,803</b>	<b>\$ 775,433</b>	<b>\$ 795,129</b>	<b>\$ 792,001</b>
<b>REVENUE REQUIREMENTS</b>							
Operating Expenses	\$ 415,348	\$ 526,717	\$ 551,189	\$ 539,315	\$ 559,433	\$ 580,606	\$ 602,903
Existing Debt Service	94,438	94,438	94,438	94,438	94,438	194,438	192,438
Budgeted Transfer	130,000	30,000	-	-	-	-	-
<b>Total Revenue Requirements</b>	<b>\$ 639,786</b>	<b>\$ 651,155</b>	<b>\$ 645,627</b>	<b>\$ 633,753</b>	<b>\$ 653,870</b>	<b>\$ 775,043</b>	<b>\$ 795,340</b>
<b>Surplus/(Deficit)</b>	<b><u>\$ 178,669</u></b>	<b><u>\$ 111,355</u></b>	<b><u>\$ 128,366</u></b>	<b><u>\$ 126,050</u></b>	<b><u>\$ 121,563</u></b>	<b><u>\$ 20,086</u></b>	<b><u>\$ (3,339)</u></b>
<b>Revenue Adjustment</b>							
			1.50%	1.50%	1.50%	2.00%	3.00%
<b>Fund Balances</b>							
Operating Fund (25% Annual Expenditures)	\$ 434,960	\$ 155,289	\$ 161,407	\$ 158,438	\$ 191,859	\$ 211,945	\$ 208,606
Sewer Reserve Fund	16,330						
Sewer System Development Fund	750,541	750,541	750,541	750,541	750,541	750,541	750,541
Available for Capital and Equipment	67,333	504,690	626,938	755,957	844,099	844,099	844,099
<b>Total</b>	<b>\$ 1,269,164</b>	<b>\$ 1,410,520</b>	<b>\$ 1,538,886</b>	<b>\$ 1,664,936</b>	<b>\$ 1,786,499</b>	<b>\$ 1,806,585</b>	<b>\$ 1,803,246</b>

<sup>1</sup> Totals may be off due to rounding.





July 23, 2019

To: Mayor and City Council Members

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

Re: 2020 Recommended Water Fund Budget

Attached please find the 2020 Recommended Budget for the Water Fund. This fund contains the water utility operation of the City, which is funded by user charges.

**Revenues**

**Charges for Services**

- The revenues are from the 2019 Rate Study Report from Raftelis, which includes a proposed 4% increase in rates for 2020. If there is consensus to adopt the rate recommendation in the 2019 Rate Study Report, staff would bring back the updated fee resolution for Council consideration at a meeting in September.

**Expenditures**

**Fleet Maintenance**

- This is a new department. Staff is recommending that maintenance of the fleet be centralized under this new department for easier management of the City's fleet. Budget authority was moved from the Distribution Department to this new department.
- The budget includes the cost for maintenance and repairs of vehicles and equipment as well as fuel costs.

**Information Technology**

- Includes a small increase in professional services for special projects outside of the routine monthly services.
- Contains an increase in the annual maintenance for the Neptune meter system.
- Includes the replacement of IT equipment according to the replacement schedule.

**Production**

- Includes the cost to purchase water that is sold to customers of the system.

**Distribution**

- Moved vehicle and some equipment maintenance costs and fuel costs to the new Fleet Maintenance Department.

**Administrative-Water**

- Salaries & Wages decreased due to a revision in the allocation of staff between water operations and sewer operations. The staff allocations have not been adjusted since the Big Bull Creek Wastewater Treatment Plant opened in 2013. Since that time, the City

has added sewer system infrastructure and customers, increasing staff time spent on sewer operations.

- Decreased professional services to be more in line with what has been spent in the last few years.

### **Employee Benefits**

- Includes a 20% increase in health insurance premiums and a 10% increase in dental and vision insurance premiums based on information provided by the City's provider, Midwest Public Risk.
- Includes a full year of the match for the newly adopted 457 contribution match benefit.
- Reflects the revision to the staff allocations.

### **Debt Service**

- Includes the State Revolving Loan payments for water system improvements that will be paid off in 2022.
- Includes the State Revolving Loan payments for the new meter system. The loan is scheduled to be paid off in 2037.

### **Transfers to Other Funds**

- The recommended budget does not include any transfers to equipment reserve or capital projects.

<b>Ending Balance and Reserves</b>
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The reserve calculations have been updated to reflect the new policy adopted at the June 13, 2019 Council Meeting. The projected balance at the end of 2020 meets the required reserves, leaving funding available for projects or other priorities.

## City of Edgerton Water Fund

	2017 Actual	2018 Actual	2019 Estimate	2020 Recommended
<b>Balance 1/1</b>	\$ 288,664	\$ 317,763	\$ 225,868	\$ 219,376
<b>Revenues:</b>				
Charges for Services	455,138	438,593	466,899	462,450
Fines & Forfeitures	24,395	29,472	23,000	23,000
Reimbursements	401	-	-	-
Investment Income	2,155	2,952	2,000	2,000
<b>Total Revenue</b>	<b>\$ 482,089</b>	<b>\$ 471,017</b>	<b>\$ 491,899</b>	<b>\$ 487,450</b>
Transfers from Other funds:				
Transfer from Water Reserve Fund	-	-	28,376	-
Transfer from Capital Projects Fund	41,667	-	-	-
<b>Total</b>	<b>\$ 41,667</b>	<b>\$ -</b>	<b>\$ 28,376</b>	<b>\$ -</b>
<b>Total Sources</b>	<b>\$ 523,756</b>	<b>\$ 471,017</b>	<b>\$ 520,275</b>	<b>\$ 487,450</b>
<b>Expenditures:</b>				
Fleet Maintenance	-	-	-	4,200
Information Technology	26,613	26,132	30,062	32,559
Production	200,556	213,892	172,200	175,000
Distribution	44,089	59,427	45,401	46,740
Administrative - Water	119,812	136,723	147,614	125,815
Employee Benefits	20,333	29,392	34,144	32,042
Debt Service	83,254	97,346	97,347	97,345
<b>Total Expenditures</b>	<b>\$ 494,657</b>	<b>\$ 562,912</b>	<b>\$ 526,767</b>	<b>\$ 513,701</b>
<b>Sources Over(Under) Expenditures</b>	<b>\$ 29,099</b>	<b>\$ (91,895)</b>	<b>\$ (6,492)</b>	<b>\$ (26,251)</b>
Transfers to Other Funds:				
Transfer to Capital Projects Fund	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Uses</b>	<b>\$ 494,657</b>	<b>\$ 562,912</b>	<b>\$ 526,767</b>	<b>\$ 513,701</b>
<b>Sources Over(Under) Uses</b>	<b>\$ 29,099</b>	<b>\$ (91,895)</b>	<b>\$ (6,492)</b>	<b>\$ (26,251)</b>
Prior Period Adjustment	-	-	-	-
<b>Balance 12/31</b>	<b>\$ 317,763</b>	<b>\$ 225,868</b>	<b>\$ 219,376</b>	<b>\$ 193,125</b>
<i>Reserve Per Policy - 17% of Budgeted Expenditures:</i>	\$ 91,583		\$ 87,329	
<i>Unencumbered Cash Over(Under) Requirement:</i>	\$ 127,793		\$ 105,796	
<i>Reserve Per Policy - 25% of Budgeted Expenditures:</i>	\$ 134,680		\$ 128,425	
<i>Unencumbered Cash Over(Under) Requirement:</i>	\$ 84,695		\$ 64,699	

**Funding Sources:** Charges to users of the City's water system

**Expenditures:** Water system operation and maintenance



July 23, 2019

To: Mayor and City Council Members

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

Re: 2020 Recommended Sewer Fund Budget

Attached please find the 2020 Recommended Budget for the Sewer Fund. The Sewer Fund contains the sewer utility operations of the City which are funded by user charges.

**Revenues**

**Charges for Services**

The revenues are from the 2019 Rate Study Report from Raftelis, which includes a proposed 1.5% increase in rates for 2020. If there is consensus to adopt the rate recommendation in the 2019 Rate Study Report, staff would bring back the updated fee resolution for Council consideration at a meeting in September.

**Expenditures**

**Fleet Maintenance**

- This is a new department. Staff is recommending that maintenance of the fleet be centralized under this new department for easier management of the City's fleet. Budget authority was moved from the Sewer Line Maintenance Department and the Administrative-Sewer Department to this new department.
- The budget includes the cost for maintenance and repairs of vehicles and equipment as well as fuel costs.

**Information Technology**

- Includes a small increase in professional services for special projects outside of the routine monthly services.
- Contains an increase in the annual maintenance for the Neptune meter system.
- Includes the replacement of IT equipment according to the replacement schedule.

**Treatment Plant**

- Property insurance premiums related to the plant were moved to this department from the Administrative-Sewer Department in order to more easily include this cost in the wholesale sewer rate calculation.
- Includes the addition of maintenance contracts for the centrifuge and the generator.
- Reflects a potential 10% increase in electric rates.

**Sewer Line Maintenance**

- Moved a portion of equipment maintenance to the new Fleet Maintenance Department.

### **Lift Stations/Vaults**

- Includes the addition of maintenance contracts for the generators located at the lift stations.
- Added fuel cost for the generators at the lift stations.
- Reduced the amount included for chemicals to be more in line with the actual amount spent the last few years.

### **Administrative-Sewer**

- Salaries & Wages increased due to a revision in the allocation of staff between Water Operations and Sewer Operations. The staff allocations have not been adjusted since the plant opened in 2013. Since that time, the City has added infrastructure and customers increasing staff time spent on sewer operations.

### **Employee Benefits**

- Includes a 20% increase in health insurance premiums and a 10% increase in dental and vision insurance premiums based on information provided by the City's provider, Midwest Public Risk.
- Includes a full year of the match for the newly adopted 457 contribution match benefit.
- Reflects the revision to the staff allocations.

### **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 of in 2046 and 2048, respectively.

### **Transfers to Other Funds**

- A \$50,000 Transfer to Equipment Reserve has been included to bring the Equipment Reserve Fund-Sewer out of a negative balance at the end of the five-year forecasting period reviewed at the work session on June 13, 2019.
- A \$100,000 Transfer to Capital Projects has been included to set aside funding for clay tile replacement projects. The Council has directed staff to utilize CDBG funds for those projects, which require City matching funds. This transfer would provide City matching funds for those projects, in addition to the funds transferred in 2018.

## **Ending Balance and Reserves**

The reserve calculations have been updated to reflect the new policy adopted at the June 13, 2019, Council Meeting. The projected balance at the end of 2020 exceeds the required reserves, leaving funding available for projects or other priorities.



## City of Edgerton Sewer Fund

	2017 Actual	2018 Actual	2019 Estimate	2020 Recommended
<b>Balance 1/1</b>	\$ 234,133	\$ 256,291	\$ 434,960	\$ 476,681
<b>Revenues:</b>				
Charges for Services	568,718	777,944	657,750	741,000
Reimbursements	18,598	-	-	-
Bond Proceeds	-	-	-	-
Investment Income	1,669	4,770	3,500	3,500
<b>Total Revenue</b>	<b>\$ 588,985</b>	<b>\$ 782,714</b>	<b>\$ 661,250</b>	<b>\$ 744,500</b>
Transfers from Other funds:				
Transfer from Sewer Reserve Fund	-	-	16,330	-
Transfer from Capital Projects Fund	-	35,741	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 35,741</b>	<b>\$ 16,330</b>	<b>\$ -</b>
<b>Total Sources</b>	<b>\$ 588,985</b>	<b>\$ 818,455</b>	<b>\$ 677,580</b>	<b>\$ 744,500</b>
<b>Expenditures:</b>				
Fleet Maintenance	-	-	-	4,700
Information Technology	15,429	19,289	25,042	33,326
Treatment Plant	168,772	150,972	164,027	204,945
Sewer Line Maintenance	484	2,141	6,790	7,100
Lift Stations/Vaults	9,232	10,247	22,601	21,114
Administrative - Sewer	256,344	195,193	250,004	223,811
Employee Benefits	22,301	37,506	42,957	56,193
Debt Service	94,265	94,438	94,438	94,438
<b>Total Expenditures</b>	<b>\$ 566,827</b>	<b>\$ 509,786</b>	<b>\$ 605,859</b>	<b>\$ 645,627</b>
<b>Sources Over(Under) Expenditures</b>	<b>\$ 22,158</b>	<b>\$ 308,669</b>	<b>\$ 71,721</b>	<b>\$ 98,873</b>
Transfers to Other Funds:				
Transfer to Equipment Reserve Fund-Sewer	-	30,000	30,000	50,000
Transfer to Capital Projects Fund	-	100,000	-	100,000
<b>Total</b>	<b>\$ -</b>	<b>\$ 130,000</b>	<b>\$ 30,000</b>	<b>\$ 150,000</b>
<b>Total Uses</b>	<b>\$ 566,827</b>	<b>\$ 639,786</b>	<b>\$ 635,859</b>	<b>\$ 795,627</b>
<b>Sources Over(Under) Uses</b>	<b>\$ 22,158</b>	<b>\$ 178,669</b>	<b>\$ 41,721</b>	<b>\$ (51,127)</b>
Prior Period Adjustment	-	-	-	-
<b>Balance 12/31</b>	<b>\$ 256,291</b>	<b>\$ 434,960</b>	<b>\$ 476,681</b>	<b>\$ 425,554</b>

<i>Reserve Per Policy - 17% of Budgeted Expenditures:</i>	\$ 105,596	\$ 109,757
<i>Unencumbered Cash Over(Under) Requirement:</i>	\$ 371,084	\$ 315,797
<i>Reserve Per Policy - 25% of Budgeted Expenditures:</i>	\$ 155,289	\$ 161,407
<i>Unencumbered Cash Over(Under) Requirement:</i>	\$ 321,392	\$ 264,147

**Funding Sources:** Charges to users of the City's sewer system

**Expenditures:** Sewer system operation and maintenance