



# Town of Belleair

901 Ponce de Leon Blvd.  
Belleair, FL 33756

## Meeting Agenda

### Finance Board

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Thursday, January 21, 2021

4:00 PM

Town Hall

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Please enter the link below to join the webinar:

<https://us02web.zoom.us/j/84358308529>

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 646 558 8656 or +1 301 715 8592 or +1 312 626 6799 or +1 669 900 9128 or +1 253

215 8782 or +1 346 248 7799 Dial \*9 to "raise hand"

Webinar ID: 843 5830 8529

### ROLL CALL

### CITIZENS COMMENTS

*(Discussion of items not on the agenda. Each speaker will be allowed 3 minutes to speak.)*

### APPROVAL OF MINUTES

[21-0007](#)

Approval of October 15, 2020 Meeting Minutes

Attachments:

[FB - 10-15-2020](#)

### GENERAL AGENDA

[21-0013](#)

Discussion of Future Water Supply Options

Attachments:

[Town of Belleair WTP - RO PER EXEC SUMM](#)

[Town of Belleair Draft Executive Summary 10.14.2020](#)

[2019CAFR-Pinellas County](#)

[Rate Study Slides](#)

### STAFF REPORT

### OTHER BUSINESS

### ADJOURNMENT

ANY PERSON WITH A DISABILITY REQUIRING REASONABLE ACCOMMODATIONS IN ORDER TO PARTICIPATE IN THIS MEETING, SHOULD CALL (727) 588-3769 OR FAX A WRITTEN REQUEST TO (727) 588-3767.





## Legislation Text

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**File #:** 21-0007, **Version:** 1

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# Town of Belleair

901 Ponce de Leon Blvd.  
Belleair, FL 33756

## Meeting Minutes Finance Board

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Thursday, October 15, 2020

4:00 PM

Town Hall

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**Zoom Webinar ID: 844 5948 6166**

Meeting was called to order at 4:05 PM with Chairman Olson presiding.

Staff members: Stefan Massol  
Ashley Bernal  
JP Murphy

Commissioners: Deputy Mayor Rettstatt  
Commissioner Tom Shelly

### ROLL CALL

**Present** 6 - Chairman Tom Olson, Vice Chairman Dan Hartshorne, John Prevas, Mary Griffith, Kevin Piccarreto, and James Ingersoll  
**Excused** 1 - John Hail

### CITIZENS COMMENTS

No comments

### APPROVAL OF MINUTES

[20-0250](#) Approval of August 20, 2020 Meeting Minutes

**Mary Griffith moved to approve the minutes. Seconded by Dan Hartshorne.**

**Aye:** 6 - Chairman Olson, Vice Chairman Hartshorne, Prevas, Griffith, Piccarreto, and Ingersoll

**Absent:** 1 - Hail

### GENERAL AGENDA

[20-0249](#) Discussion of Draft Reverse Osmosis Preliminary Engineering Report and Water Rate Study

Mr. Murphy provided a brief overview and history; McKim and Creed had previously presented this information to other boards. The purpose of this presentation is to inform individuals on the cost and process of transitioning to a reverse osmosis system. The preliminary engineering report (PER) is a guide to what issues the town is currently experiencing, as well as how to fix them.

Phil Locke with McKim and Creed provided a very high level of the Preliminary Engineering Report (PER); Total dissolved solids (TDS) are high for the town, which also means that the town's water is hard, and many residents likely have water softeners. The Town's level of TDSs are above compliance levels. With new wells in place, the town will be able to decrease the levels of TDS in order to vastly improve the quality of water; recommends a pilot test for confirming design parameters, as well as to preliminarily identify any issues within such a smaller system; the Town would likely need three full time staff members to man the new plant. 30% contingency included in the cost of the plan; reviewed proposed RO plant Capital costs.

Mr. Locke discussed the phased implementation plan; First phase: Deep injection well, additional well, clearwell roof rehabilitation (2021); Second phase: Booster pump station, filtration system, chemical systems, yard piping (2023); Third phase: RO system, RO building, additional chemical systems, yard piping (2027); Fourth phase: RO system addition, RO building addition, new high service pump station, yard piping. (2034)

Mr. Locke stated performing tasks all at once would cost around \$11.8 million, while the separate phased approach is estimated to be \$13.4 million.

Mr. Locke provided summary; recommend pilot study to optimize design, Town should identify four additional well sites, the Town will need to make a decision on going RO or Pinellas County as soon as possible.

Mr. Hartshorne voiced concerns about something going wrong with the projects and questioned the well depth estimations. Mr. Locke responded that the Florida Department of Environmental Protection (FDEP) is responsible for identifying what depth the wells should be at. Mr. Hartshorne spoke on issues that occurred in a similar instance in Oklahoma. Mr. Locke stated that the TDS levels are high, but individuals would not be able to see them if they held up their water. He also spoke on how there are multiple deep injection wells in Florida, which means lessons have been learned. Mr. Locke also stated that Clearwater is having an issue with their water treatment as well, and while it is a different situation, the concerns Mr. Hartshorne spoke about should be quelled.

Mr. Murphy also stated that the depth of the well is beyond 1,000 feet which is far enough away from the required depth for the permeation level; discussed not disposing water through county systems. Mr. Locke also said there is some risk with the county as water quality might change.

Nick Smith, consultant with Raftelis, presented the rate study; spoke about the process of the rate study, what was found, and the recommendations.

Mr. Smith reviewed rate study assumptions; the study found minimal customer growth, operating expense growth of 5.7% year over year, and three low-interest state revolving funds (SRF); costs are escalated to account for inflation and such in the following years; two additional personnel are also included in this forecast, where one new employee accounts for around 3% of the total cost of the project; preliminary results include a rate increase of 7% (2022-2028) and 4.25% (2029-2035).

Mr. Piccarreto inquired about if the rate increase is year over year, to which Mr. Smith confirmed. He also stated in 2029 it decreases, but there should be an inflationary increase. Mr. Piccarreto also inquired about the additional personnel as well, which Mr. Smith clarified that the additional staff would be a new baseline for operations. Mr. Murphy stating some details about the class required; current staff and additional staff.

Mr. Smith stated that \$50,000-\$55,000 would be base salary with 35% benefit expectations.

Mr. Smith continued by discussing the reserve policy set forth by the Town; stated that the recommendation for reserves is similar to the present \$450,000 requirement; that the present monthly charge for residential water service is much lower than other municipalities; any others that fall lower than Belleair utilize Pinellas county utilities.

Mr. Locke stated that the City of Dunedin presently has a 20-year old plant that they are currently renovating, in response to a question posed by Mr. Olson.

Mr. Piccarreto asked about the population comparisons between Belleair and the other cities, to which Mr. Murphy stated that was a good point. Mr. Piccarreto stated that comparing apples and oranges would not benefit anyone.

Mr. Smith continued by discussing the projected rate comparisons with Pinellas County; stated that there may still be costs later down the road even if Belleair does move forward with Pinellas County water.

Mr. Hartshorne inquired if going to Pinellas County would maintain the current level of staffing. Mr. Murphy stated that the water staff would not remain with Belleair, as well as the Utility Billing Clerk and Assistant Finance Director positions would dissolve without the requirement of manning utility calls. Mr. Hartshorne also inquired about the fee that Pinellas County would require to absorb the water department. It was around \$750,000 in 2013. Mr. Murphy discussed water quality with RO VS going with County water.

Mr. Smith continued with rate structure comparisons with Pinellas County. Mr. Massol discussed residential meter reads with Belleair VS possible issues with the County.

Mr. Olson stated that he believes fresh water will become a commodity in the future, stating that it is a political issue. He questioned what the Town's responsibility to the residents is, and at what price that would be; stated that it is up to the Town Commission.

Mr. Piccarreto inquired about whether the galvanized pipes would have to be addressed should we keep our own system. Mr. Murphy stated it was their goal to eliminate galvanized pipes in the system; discussed replacing the pipes.

Mr. Olson inquired as to whether the current water treatment site large enough to house the present treatment plant while building the RO Plant in the same area. Mr. Locke stated that yes, the town should be able to generate water during the construction process and has back up with Pinellas County should they be needed.

Mr. Murphy stated he had recently been out to the Oldsmar RO plant; discussed plant operations and their biggest learning moments; no significant setbacks; possible to have a representative or two to go down for a tour.

Discussion ensued regarding the typical life span of a RO system. Mr. Locke state 30 years is a good time frame; there may need for some maintenance and repairs along the way; Mr. Murphy spoke about maintenance done by Oldsmar.

## **OTHER BUSINESS**

No other business

**STAFF REPORT**

None

**COMMISSION ADVISOR REPORT**

Commissioner Shelly - appreciates the opportunity to hear from the Infrastructure and Finance Boards; reminded everyone about the Poinsettia Road discussion; the second meeting regarding the Pelican Tournament in November.

Mr. Murphy asked that if you do not need to be in-person for the meeting, please do not be. You may participate in Zoom.

Mr. Piccarreto requested additional cameras to see the dias and such. Mr. Murphy emphatically responded that staff will complete it.

**ADJOURNMENT**

Meeting adjourned in due form at 5:37PM.

**APPROVED:**

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**CHAIRMAN**



## Legislation Text

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**File #:** 21-0013, **Version:** 1

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### Summary

To: Finance Board  
From: Stefan Massol, Director of Support Services  
Date: 1/21/2021

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**Subject:**

Discussion of Future Water Supply Options



**Summary:**

This is a continuation of last meeting's discussion on reverse osmosis, also examining the system transfer scenario.

**Background/Problem Discussion:** Previously the board received a presentation from McKim & Creed and Raftelis who provided an engineering and rate study analysis of reverse osmosis for the Town of Belleair. Enclosed in our packet is the executive summary of the engineering study, a copy of the rate study analysis performed by Raftelis, and the most recent audited financial statements for Pinellas County's Water Fund.

**Financial Implications:** This information is provided in the enclosed attachments. Additionally, Pinellas County is working on an updated system transfer scenario, including any amounts to be transferred between entities for infrastructure improvements. Also, staff is working to determine any impacts to the Town's General Fund that would result from a system transfer scenario, both to revenues and expenditures.

**Recommendation:** None, this item is for discussion purposes only.



# REVERSE OSMOSIS WTP PRELIMINARY ENGINEERING REPORT

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SUBMITTED TO:

**TOWN OF BELLEAIR DRAFT EXECUTIVE SUMMARY - UPDATED OCTOBER 30, 2020**

SUBMITTED BY:

**MCKIM & CREED** | CLEARWATER, FL



**MCKIM & CREED**  
ENGINEERS SURVEYORS PLANNERS

## Executive Summary

The Town of Belleair (Town) operates an existing water treatment plant (WTP) that was designed to produce 2.2 million gallons per day (MGD). The WTP treats groundwater from seven (7) existing wells and produces an average flow of approximately 800,000 gallons per day (gpd) of potable water to supply the Town's utility customers. The levels of chloride and total dissolved solids (TDS) in the wells have been increasing and are projected to continue increasing in the future. Because of these conditions, the potable water produced by the plant has chloride and TDS levels that periodically approach the Florida Department of Environmental Protection (FDEP) secondary drinking water limit of 250 mg/L and 500 mg/L, respectively.

Additionally, the WTP is nearing the end of its useful life and there are items that need to be addressed as soon as possible. This Preliminary Engineering Report (PER) included evaluations of the Town's existing water supply and treatment systems and considered the following:

1. Drinking water regulations
2. Condition of WTP existing systems and equipment
3. Condition of wells; above- and below-ground
4. Current and projected potable water demands
5. Groundwater supply and quality projections
6. Ability of existing systems to treat projected water quality

If the Town wishes to continue with potable water production, a new Reverse Osmosis (RO) treatment plant is recommended to reduce chloride and TDS concentrations and to address ongoing operational, maintenance and safety concerns at the WTP.

Besides developing preliminary engineering requirements for the proposed RO WTP systems, this PER was developed to provide the Town with capital and operations & maintenance (O&M) costs for the proposed WTP. Also, a potential phased implementation plan was developed that focuses on using the existing WTP infrastructure to the extent possible to reduce initial capital costs. In addition, the phased approach implements new treatment processes and modifications, only as needed, to address chloride and TDS levels projected to increase over time.

The use of a "conventional" RO process was compared with a relatively new high-recovery RO process called "Closed-Circuit RO (CCRO)." In general, the conventional RO process is able to utilize approximately 80% of the water supplied to the process to produce drinking water; whereas the CCRO process is able utilize approximately 90 to 95-percent. The evaluation and comparison of the two (2) processes are detailed in this PER.

Total capital costs for the proposed RO plant were developed and compared with a phased approach. These costs are shown in **Tables ES-1 and ES-2**.

**Table ES-1– Proposed Facility Cost Summary**

Item	Traditional RO System	High-Recovery CCRO System
Mobilization/Demobilization	\$175,000	\$175,000
Sitework & Demolition	\$325,000	\$325,000
Booster Pump Station	\$142,000	\$142,000
Pressurized Filters and Backwash Holding Tank	\$969,000	\$969,000
Chemical Building	\$84,000	\$84,000
Chemical Systems	\$362,000	\$362,000
RO System	\$1,044,000	\$1,488,000
RO Building	\$434,000	\$434,000
High Service Pump Station	\$338,000	\$338,000
Deep Injection Well	\$750,000	-----
Yard Piping	\$500,000	\$500,000
Electrical	\$738,000	\$677,000
Instrumentation	\$554,000	\$508,000
Upper Floridian Wells (4) and Well Rehabilitation	\$1,450,000	\$1,450,000
Total Construction Cost	\$7,865,000	\$7,452,000
Contingency (30%)	\$2,360,000	\$2,236,000
Sub Total	\$10,225,000	\$9,688,000
Engineering - Design and Legal (15%)	\$1,534,000	\$1,454,000
<b>TOTAL PROJECT COST</b>	<b>\$11,759,000</b>	<b>\$11,142,000</b>

**Table ES-2 – Phased Implementation Plan Summary**

<b>Phase / Description of Major Systems</b>	<b>Approximate Implementation Year</b>	<b>Project Cost</b>
<b>Phase 1</b>		
1) <b>Clearwell Roof Rehabilitation</b> 2) <b>Additional Well</b> 3) <b>Deep Injection Well</b> 4) <b>Booster Pump Station</b> 5) <b>Filtration System</b> 6) <b>Chemical Systems</b> 7) <b>Yard Piping</b> 8) <b>RO System</b> 9) <b>RO Building</b> 10) <b>Additional Chemical Systems</b>	2024	\$10,378,000
<b>Phase 2</b>		
1) <b>RO System Addition</b> 2) <b>RO Building Addition</b> 3) <b>New High Service Pump Station</b> 4) <b>Yard Piping</b>	2034	\$2,282,000
<b>TOTAL COST WITH PHASED IMPLEMENTATION</b>		<b>\$12,660,000</b>

Based on the evaluations performed in this PER, McKim & Creed recommends that the Town either begins constructing the proposed RO treatment (either in phases or overall plant) or decommissions the existing WTP and begin utilizing potable water from Pinellas County by the end of calendar year 2020. The recommended schedule would allow either the complete, or the phased approach, to be on-line by the first quarter of 2024.

# TOWN OF **Belleair**

## Water Rate Study

**Draft Executive Summary** / October 14, 2020

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October 14, 2020

Honorable Mayor and Members  
of the Town Commission  
Town of Belleair  
901 Ponce de Leon Boulevard  
Belleair, FL 33756

**Subject: Water Rate Study**

Ladies and Gentlemen:

Raftelis Financial Consultants, Inc. ("Raftelis") has completed our review of the sufficiency of the water user rates (the "Study") for the Town of Belleair, Florida (the "Town"), and has summarized the results in this report for your consideration. This report summarizes the development of identified rate adjustments for water service that are considered necessary, along with other appropriate sources of funds, to meet the projected revenue requirements (expenditure and funding needs for the utility enterprise and referred to as the "revenue requirements") for the accounting period beginning October 1 and ending September 30 (the "Fiscal Year") for Fiscal Years 2020 through 2025 (the "Forecast Period"), the initial rate evaluation period and for a long-term planning period ending Fiscal Year 2035 (the "Study Period").

The most important objective of the Study was to develop proposed utility rates that fully recover the projected water utility revenue requirements in order to maintain sound financial operations and finance the anticipated capital needs of the water system (the "System"). The Town is in the process of evaluating its long-term water supply options, which includes the construction of a new reverse osmosis ("RO") treatment plant. A primary goal of the study is to assure that the System has sufficient funds to not only fully fund the cost of providing service but also to repay the additional debt that will be issued associated with the financing of this project. Other goals and objectives considered in the Study include the following:

- The proposed rates should promote and maintain an acceptable financial position consistent with performance criteria used by credit rating agencies and the utility industry to minimize financial risk. This guideline entails the following in support of promoting a sustainable rate plan:
  - Compliance with the rate covenants in the proposed loan agreements with the Florida Department of Environmental Protection (i.e., State Revolving Fund loan program).
  - Maintenance of adequate operating and capital reserves.
  - Maintenance of ongoing capital reinvestment margins to balance equity and debt financing of capital improvements.
- The proposed rates should be based on fully recovering the identified revenue requirements of the System (i.e., full cost recovery principle).

- To the extent practical, any rate adjustments should be phased in to limit customer "rate shock" (large rate adjustments due to recapturing the effects of inflation and significant capital investment impacting the cost of providing service).
- The proposed rates should be consistent with historical rate structures as appropriate.
- The proposed rates, to the extent practical, should be comparable or competitive with those of neighboring utility systems.

Additionally, the Town is evaluating the option of decommissioning the existing water treatment plant and becoming a retail customer of Pinellas County. A preliminary evaluation of the overall estimated rate impacts of becoming Pinellas County retail water customers were analyzed and compared to the RO treatment plant option.

Following this letter, we have provided an executive summary that provides an overview of the Study results and outlines our recommendations and conclusions. The remainder of the report provides additional details regarding the rate and financial analysis conducted on behalf of the Town.

We appreciate the opportunity to be of service to the Town and would like to thank the Town staff for their valuable assistance and cooperation over the course of this Study.

We appreciate the opportunity to be of service to the Town.

Respectfully submitted,

**Raftelis Financial Consultants, Inc.**

**Robert J. Ori**

*Executive Vice President*

**Nick T. Smith, CGFM**

*Consultant*

RJO/nts

Attachments

## List of Tables

Table ES-1	Summary of Existing and Identified Water Rates
Table ES-2	Utility System Financial Overview
Table ES-3	Comparison of Monthly Charges for Residential Water Service to Pinellas County
Table 1	Projected System Net Revenue Requirements
Table 2	Projected Operating Expenses
Table 3	Escalation Factors
Table 4	Estimated Multi-Year Capital Improvement Program and Funding Sources
Table 5	Projected Cash Balances by Fund and Interesting Earnings
Table 6	Comparison of Typical Monthly Residential Bills for Water Service
Table 7	Projected Debt Service Coverage

# Executive Summary and Recommendations

## Executive Summary

The Town of Belleair's (the "Town") water utility system (the "System") provides an essential service on a continuous basis to over 1,500 water customers. Wastewater service is provided by Pinellas County (the "County"), and therefore is not discussed or evaluated in this report. The Town's utility operates in a highly regulated environment. Regulatory agencies for the utility include the Florida Department of Environmental Protection ("FDEP") and the Southwest Florida Water Management District ("SWFWMD") and permits issued through these regulatory agencies require satisfactory operating performance.

The Town's System is established as a utility enterprise fund. As such, the System should have revenues equal to the costs of the services provided, and the Town should attempt to establish rates that are always sufficient to cover the cost of operating, maintaining, repairing, and financing the System (referred to as the "revenue requirements"). According to the Governmental Accounting Standards Board:

Enterprise Funds should be used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that costs of providing services to the general public on a continuing basis should be financed or recovered primarily through user charges.

General accounting policies and prudent utility management recommend that the System have revenues (financial resources) at least equal to the costs of providing services by the System.

To help ensure that water rates on a prospective basis will be sufficient to recover the cost of operating, maintaining, and repairing, the System and meeting anticipated rate covenants associated with the financing of the System capital improvements, the Town retained Raftelis Financial Consultants, Inc. ("Raftelis") to perform a review of the sufficiency of the water user rates to meet such requirements (the "Study"). The current Study includes a multi-year projection of the System revenue requirements (i.e., the projected expenditures and funding needs of the System) and the determination of the ability of the rate revenues to fund such needs (referred to as the "revenue sufficiency evaluation"). Specifically, Raftelis was tasked to: i) provide a projection of the revenue requirements for the System for the accounting period beginning October 1 and ending September 30 (the "Fiscal Year") for Fiscal Years 2020 through 2025 (the "Forecast Period"), the initial rate evaluation period, and for a long-term planning period ending Fiscal Year 2035 (the "Study Period"); and ii) provide a projection of future annual rate adjustments considered necessary to fund the projected revenue requirements through the end of the Forecast Period and estimated for the Study Period for the Town's consideration.

Based on the assumptions and analyses reflected in this report, which should be read in its entirety, it is projected that the current water rates of the System will not be sufficient to meet projected revenue requirements identified for the Study Period. Based on our studies and evaluations, additional rate adjustments are projected to be required to fully fund the identified revenue requirements of the System.

The primary reasons for the identified rate adjustments include:

1. Providing sufficient revenues to fund the capital improvement program ("CIP") of the System. As identified by the Town's consulting engineer in the *Reverse Osmosis WTP Preliminary Engineering Report* ("PER"), there exists a need to replace the existing water treatment facilities. The proposed reverse

osmosis ("RO") water treatment plant is estimated to require funding of approximately \$11.8 million if the entire project is completed at once. However, a phased approach to the capital plan was developed by the Town's consulting engineers and which results in an estimated capital funding need of approximately \$16.1 million (engineering estimates adjusted for inflation). The phased approach has been recognized in the Study to allow rates to be adjusted over time and to avoid rate shock to the extent possible. The remainder of the CIP consists of allowances for other departmental capital such as meters and other water distribution improvements. The projected funding of the capital program during the Study Period is summarized as follows:

<b>Projected Funding Sources for Multi-Year CIP [*]</b>		
Description	Amount	Percent
<b>Identified Capital Improvements</b>	<b>\$17,623,887</b>	
<b>Assumed Funding Sources:</b>		
Rate Revenues (annual operations)	\$1,487,866	8.5%
Operating Reserves	4,024,584	22.8%
State Revolving Fund ("SRF")		
Loans (Three loans)	12,111,437	68.7%
<b>Total Funding Sources</b>	<b>\$17,632,887</b>	<b>100.0%</b>

[\*] Amounts derived from Table 4 at the end of this report.

2. Continuing to fund the costs of operations. Operating expenses are projected to continue to increase during the Study Period due to, among other things, the following:
  - a. Continued inflationary effects on the costs of electricity, chemicals, fuel, and other major expenditures for the utility as part of the normal cost of operations;
  - b. Increased labor costs, including additional personnel anticipated to be required to operate the proposed RO water treatment plant; and
  - c. Incremental increases to operating expenses, in addition to the cost of additional personnel, related to the implementation and bringing into service the capital improvements at the proposed RO treatment plant (e.g., increased electrical costs).

The Congressional Budget Office has projected the national consumer price index ("CPI") to increase by approximately 1.8% per year during the Study Period based on projections published as of July 2020.

3. The need to maintain appropriate debt service coverage ratios, adequate operating margins, and reserves to maintain the financial condition of the System reduce the overall financial risk to the utility and the ability to repay the allocated debt of the System. A minimum debt service coverage requirement of 115% was recognized to maintain compliance with terms of an loan agreement to be entered into associated with the financing of the RO water treatment plant through low-interest loans secured with the State Revolving Fund (SRF) loan program as administered by the FDEP. Additionally, in the development of the revenue requirements, certain financial targets or benchmarks were recognized which promotes the long-term sustainability of rates. Raftelis has recognized minimum cash reserve balances of \$450,000 within the water fund based on Town policy and a target cash or reserve balances equal to 120 days of rate revenue for working capital (operating reserves)

For the Town's water system, this Study recognizes the following annual rate revenue adjustments:

<b>Summary of Recognized Annual Rate Revenue Adjustments [1]</b>		
<b>Fiscal Year</b>	<b>Water Revenue Adjustments</b>	<b>Effective Monthly Increase for Typical Residential Customer [2]</b>
For the Forecast Period		
2021	0.00%	\$0.00
2022	7.00%	4.23
2023	7.00%	4.51
2024	7.00%	4.80
2025	7.00%	5.15
For the Remainder of the Study Period		
2026	7.00%	\$5.51
2027	7.00%	5.87
2028	7.00%	6.34
2029	4.25%	4.11
2030	4.25%	4.24
2031	4.25%	4.44
2032	4.25%	4.60
2033	4.25%	4.87
2034	4.25%	5.03
2035	4.25%	5.24

[1] The presentation of the revenue sufficiency analysis and results in the report assume that the rate adjustments shown above become effective on October 1 (beginning) of each Fiscal Year.

[2] Typical monthly residential bill assumed to require a billed water flow of 10,000 gallons.

We recommend that the Town perform annual rate reviews to ensure that the user rates are still sufficient given possible changes in economic conditions, customer usage trends, regulatory requirements, etc.

The Town's existing water rates are competitive with those of neighboring Florida utilities. A comparison of bills under the Town's existing water system rates with those of surveyed neighboring utilities is summarized as follows:

<b>Residential Water Service – Monthly Billed Flow (Gallons) [1]</b>							
<b>Description</b>	<b>0</b>	<b>2,000</b>	<b>5,000</b>	<b>10,000 [3]</b>	<b>15,000</b>	<b>20,000</b>	<b>50,000</b>
Town of Belleair: [2]							
Existing FY 2020	\$12.99	\$16.89	\$27.31	\$59.91	\$92.51	\$125.11	\$353.21
Utility Survey: [2]							
Survey Average	\$14.51	\$20.89	\$30.98	\$73.43	\$118.49	\$167.86	\$542.68
Minimum	6.80	16.29	25.11	58.10	83.75	109.40	391.55
Maximum	23.16	31.14	39.66	98.16	174.88	266.93	1,064.63

[1] The detailed survey can be found in Table 6 at the end of this report.

[2] Based on a survey of 11 neighboring utilities as discussed in this report and reflect rates that are currently in effect as of July 2020; with the majority of the utilities providing rates that have a base and volumetric or flow charge). The rates reflected in the development of the utility survey have not been adjusted for any possible or approved rate adjustments anticipated for the Fiscal Year 2021 or beyond; several utilities included in the survey are anticipating an increase in rates for 2021 through the application of a price index or as identified through a rate study process.

[3] 10,000 gallons represents the average monthly usage level for the typical residential customer.

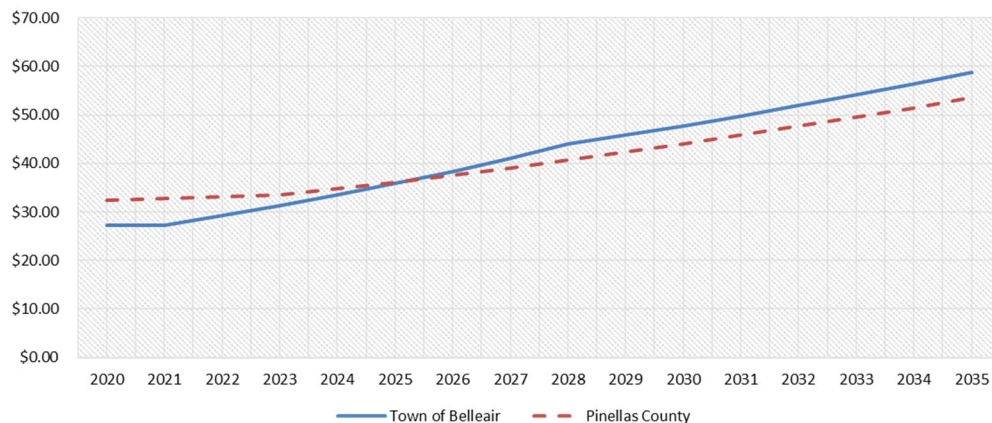
Table ES-2 at the end of this executive summary provides a graphical overview of the projected System financial results assuming the acceptance and implementation of the proposed rate adjustments by the Town (the "management dashboard"). This table indicates the following for all projected Fiscal Years, assuming the identified user rate adjustments for all Fiscal Years are implemented:

1. Maintenance of adequate debt service coverage.
2. Maintenance of adequate operating reserves (liquidity).
3. Maintenance of adequate net revenue margins necessary for debt repayment and capital reinvestment.

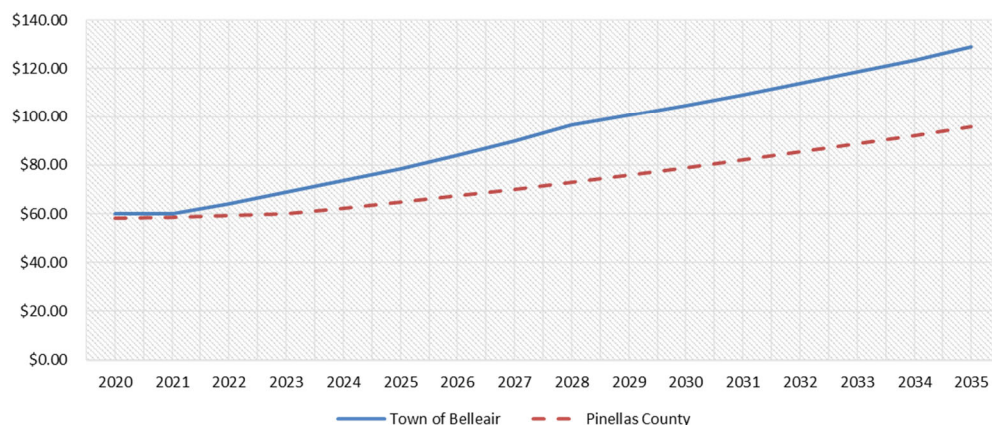
Based on the assumptions relied upon in the preparation of the financial forecast and assuming the implementation of the identified revenue adjustments and the projections as contained herein, the utility should remain in a positive financial position throughout the Study Period.

As previously mentioned, the Town is also evaluating the option of receiving retail water service from Pinellas County. Under this option the Town would no longer provide water service and existing Town water customers would become retail customers of and be charged the County's rates for service. Below are comparisons of the Town's rates, based on the identified rate adjustments, to the County's estimated rates. The comparisons represent residential water bills at 5,000 and 10,000 gallons of usage.

**Residential Bill Comparison at 5,000 Gallons**



**Residential Bill Comparison at 10,000 Gallons**



As can be seen on the charts above and based on our preliminary analysis, the Town's monthly water rates are estimated to produce bills that may be higher than the bills assumed to be incurred through the application of the County's water rates.

## Conclusions and Recommendations

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

1. The Town's revenues under existing rates are not anticipated to recover the projected System revenue requirements for the Forecast Period ending Fiscal Year 2025 and for the Study Period ending 2035.
2. The Town should consider implementing the water rate adjustments identified for the Forecast Period which are anticipated to meet the projected revenue requirements of the System. The revenue requirements are based on the Town's estimated cash expenditure and funding needs and reflect the cost of operations, the financing of capital improvements, the payment of debt service on the Town's existing and anticipated utility indebtedness, and the maintenance of adequate operating reserves for the System.
3. It is projected that the Town's rates may need to be increased beyond the Forecast Period to fully fund the construction of the new RO water treatment plant based on the estimates as contained in the PER.
4. The implementation of the identified rates as reflected in the Study are projected to be adequate to meet the rate covenant requirements (e.g., debt service coverage) of the Town's outstanding and anticipated utility indebtedness.
5. The Town should perform annual rate reviews to ensure that the user rates are still sufficient given possible changes in economic conditions, the capital plan, customer usage trends, regulatory requirements, etc.

# TABLES

Table ES-1

**Town of Belleair, Florida  
Water Rate Study**

**Summary of Existing and Identified Water Rates**

Line No.	Description	Existing	Projected Fiscal Year Ending September 30,														
		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
1	Identified Rate Adjustments		0.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%
Water System																	
Base Charges																	
2	Residential	\$12.99	\$12.99	\$13.90	\$14.87	\$15.91	\$17.02	\$18.21	\$19.48	\$20.84	\$21.73	\$22.65	\$23.61	\$24.61	\$25.66	\$26.75	\$27.89
3	Commercial	25.98	25.98	27.80	29.75	31.83	34.06	36.44	38.99	41.72	43.49	45.34	47.27	49.28	51.37	53.55	55.83
Usage Charges (per 1,000 Gallons)																	
Residential																	
4	Tier 1 (1,000 - 4,000)	\$1.95	\$1.95	\$2.09	\$2.24	\$2.40	\$2.57	\$2.75	\$2.94	\$3.15	\$3.28	\$3.42	\$3.57	\$3.72	\$3.88	\$4.04	\$4.21
5	Tier 2 (4,001 - 25,000)	6.52	6.52	6.98	7.47	7.99	8.55	9.15	9.79	10.48	10.93	11.39	11.87	12.37	12.90	13.45	14.02
6	Tier 3 (Above 25,000)	7.82	7.82	8.37	8.96	9.59	10.26	10.98	11.75	12.57	13.10	13.66	14.24	14.85	15.48	16.14	16.83
7	Multi-Meter (per additional meter)	3.48	3.48	3.72	3.98	4.26	4.56	4.88	5.22	5.59	5.83	6.08	6.34	6.61	6.89	7.18	7.49
Commercial																	
8	Tier 1 (1,000 - 25,000)	\$6.52	\$6.52	\$6.98	\$7.47	\$7.99	\$8.55	\$9.15	\$9.79	\$10.48	\$10.93	\$11.39	\$11.87	\$12.37	\$12.90	\$13.45	\$14.02
9	Tier 2 (Above 25,000)	7.82	7.82	8.37	8.96	9.59	10.26	10.98	11.75	12.57	13.10	13.66	14.24	14.85	15.48	16.14	16.83
10	Multi-Meter (per additional meter)	3.48	3.48	3.72	3.98	4.26	4.56	4.88	5.22	5.59	5.83	6.08	6.34	6.61	6.89	7.18	7.49



Table ES-2  
Town of Belleair, Florida  
Water Rate Study



Utility System Financial Overview

	Fiscal Year Ending September 30,															
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>CURRENT YEAR REVENUE ADJUSTMENTS</b>																
Water System Rate Revenue Adjustments	0.00%	0.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%
Effective Months	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
<b>Residential Rates</b>																
Base Charge	\$12.99	\$12.99	\$13.90	\$14.87	\$15.91	\$17.02	\$18.21	\$19.48	\$20.84	\$21.73	\$22.65	\$23.61	\$24.61	\$25.66	\$26.75	\$27.89
Tier 1 Usage Charge	\$1.95	\$1.95	\$2.09	\$2.24	\$2.40	\$2.57	\$2.75	\$2.94	\$3.15	\$3.28	\$3.42	\$3.57	\$3.72	\$3.88	\$4.04	\$4.21
Tier 2 Usage Charge	\$6.52	\$6.52	\$6.98	\$7.47	\$7.99	\$8.55	\$9.15	\$9.79	\$10.48	\$10.93	\$11.39	\$11.87	\$12.37	\$12.90	\$13.45	\$14.02
Tier 3 Usage Charge	\$7.82	\$7.82	\$8.37	\$8.96	\$9.59	\$10.26	\$10.98	\$11.75	\$12.57	\$13.10	\$13.66	\$14.24	\$14.85	\$15.48	\$16.14	\$16.83
Residential Bill (5,000 Gallons)	\$27.31	\$27.31	\$29.24	\$31.30	\$33.50	\$35.85	\$38.36	\$41.03	\$43.92	\$45.78	\$47.72	\$49.76	\$51.86	\$54.08	\$56.36	\$58.75
Residential Bill (10,000 Gallons)	\$59.91	\$59.91	\$64.14	\$68.65	\$73.45	\$78.60	\$84.11	\$89.98	\$96.32	\$100.43	\$104.67	\$109.11	\$113.71	\$118.58	\$123.61	\$128.85
Unrestricted Cash Position - End of Year -Working Capital	\$2,441,357	\$1,398,381	\$1,886,233	\$567,271	\$865,395	\$1,258,726	\$1,757,758	\$1,039,546	\$1,114,495	\$1,224,477	\$1,371,369	\$1,597,076	\$1,798,437	\$2,107,966	\$2,361,945	\$2,478,900
Debt Service Coverage- Junior	0%	0%	0%	0%	286%	332%	382%	232%	132%	139%	146%	154%	149%	170%	160%	125%
Debt Service Coverage- All-in	1292%	1149%	1448%	1218%	240%	279%	321%	195%	123%	129%	136%	154%	149%	170%	160%	125%

Figure ES-1. Revenue Requirements

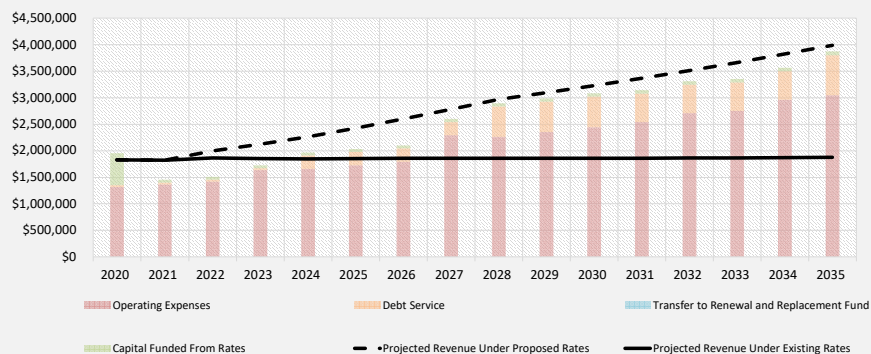


Figure ES-2. Ending Cash Balance - Operating Fund

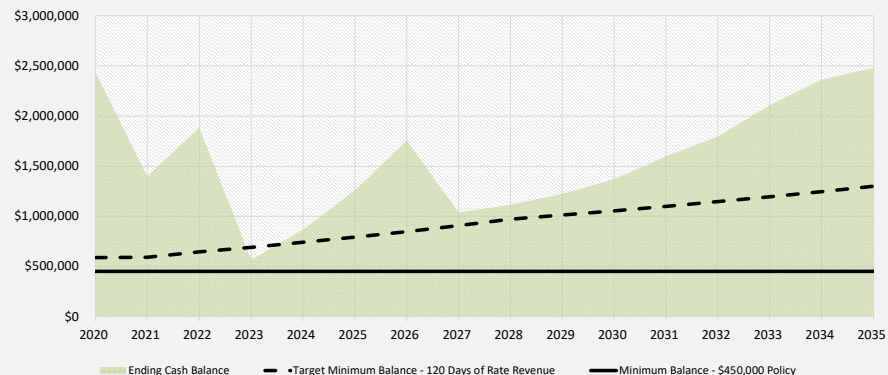


Figure ES-3. Capital Improvement Program Projected Funding Sources (Total CIP = \$17,623,887)

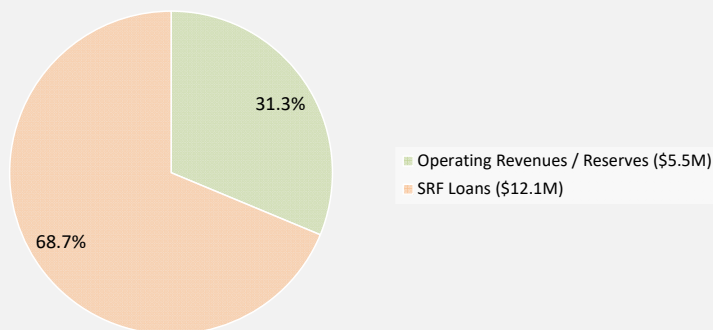
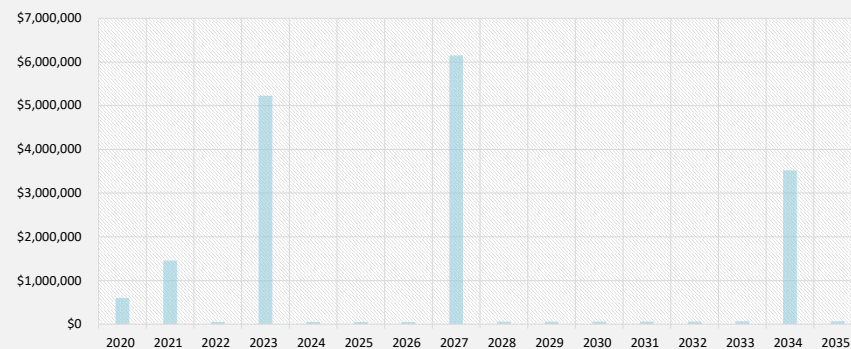


Figure ES-4. Capital Improvement Program Spending Curve



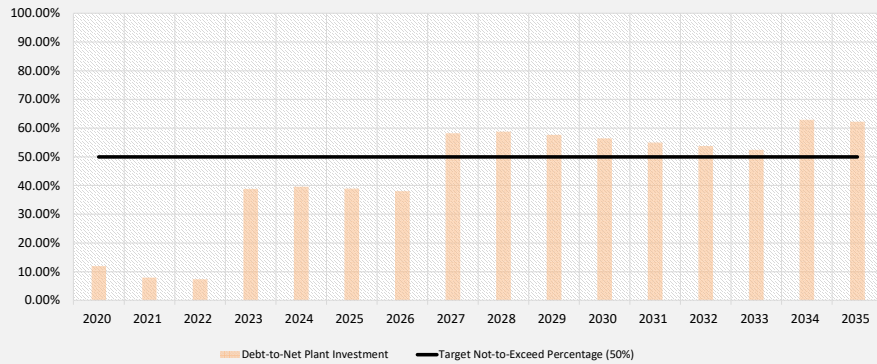


**Table ES-2**  
**Town of Belleair, Florida**  
**Water Rate Study**  
**Utility System Financial Overview**

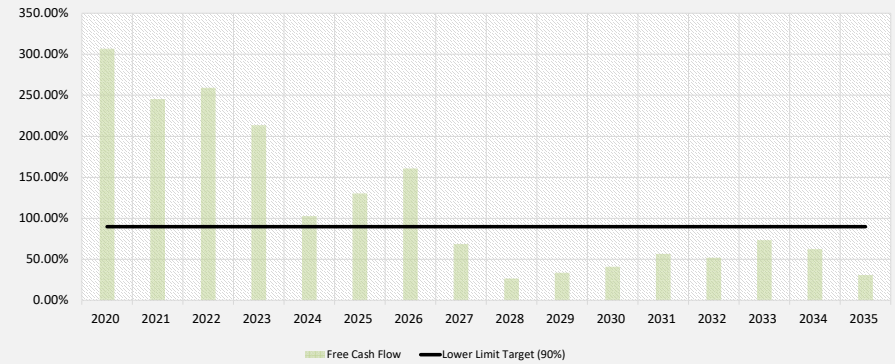


	Fiscal Year Ending September 30,															
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>CURRENT YEAR REVENUE ADJUSTMENTS</b>																
Water System Rate Revenue Adjustments	0.00%	0.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%
Effective Months	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
<b>Residential Rates</b>																
Base Charge	\$12.99	\$12.99	\$13.90	\$14.87	\$15.91	\$17.02	\$18.21	\$19.48	\$20.84	\$21.73	\$22.65	\$23.61	\$24.61	\$25.66	\$26.75	\$27.89
Tier 1 Usage Charge	\$1.95	\$1.95	\$2.09	\$2.24	\$2.40	\$2.57	\$2.75	\$2.94	\$3.15	\$3.28	\$3.42	\$3.57	\$3.72	\$3.88	\$4.04	\$4.21
Tier 2 Usage Charge	\$6.52	\$6.52	\$6.98	\$7.47	\$7.99	\$8.55	\$9.15	\$9.79	\$10.48	\$10.93	\$11.39	\$11.87	\$12.37	\$12.90	\$13.45	\$14.02
Tier 3 Usage Charge	\$7.82	\$7.82	\$8.37	\$8.96	\$9.59	\$10.26	\$10.98	\$11.75	\$12.57	\$13.10	\$13.66	\$14.24	\$14.85	\$15.48	\$16.14	\$16.83
Residential Bill (5,000 Gallons)	\$27.31	\$27.31	\$29.24	\$31.30	\$33.50	\$35.85	\$38.36	\$41.03	\$43.92	\$45.78	\$47.72	\$49.76	\$51.86	\$54.08	\$56.36	\$58.75
Residential Bill (10,000 Gallons)	\$59.91	\$59.91	\$64.14	\$68.65	\$73.45	\$78.60	\$84.11	\$89.98	\$96.32	\$100.43	\$104.67	\$109.11	\$113.71	\$118.58	\$123.61	\$128.85
<b>Unrestricted Cash Position - End of Year -Working Capital</b>	\$2,441,357	\$1,398,381	\$1,886,233	\$567,271	\$865,395	\$1,258,726	\$1,757,758	\$1,039,546	\$1,114,495	\$1,224,477	\$1,371,369	\$1,597,076	\$1,798,437	\$2,107,966	\$2,361,945	\$2,478,900
<b>Debt Service Coverage- Junior</b>	0%	0%	0%	0%	286%	332%	382%	232%	132%	139%	146%	154%	149%	170%	160%	125%
<b>Debt Service Coverage- All-in</b>	1292%	1149%	1448%	1218%	240%	279%	321%	195%	123%	129%	136%	154%	149%	170%	160%	125%

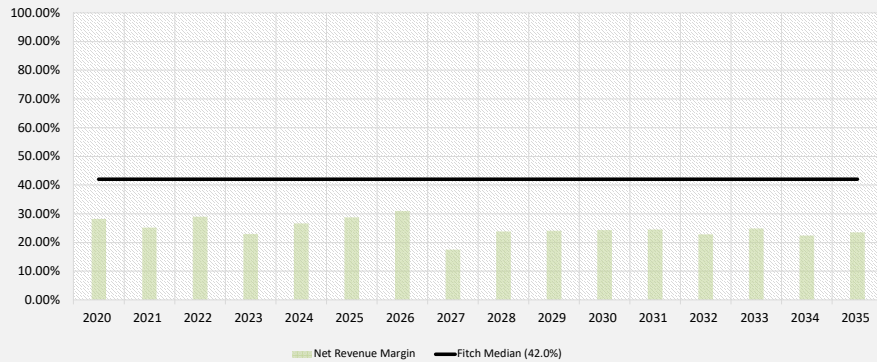
**Figure ES-5. Debt to Net Plant Investment**



**Figure ES-6. Free Cash Flow to Depreciation**



**Figure ES-7. Net Revenue Margin**



**Figure ES-8. Total Existing and Projected Debt Outstanding - Start of Year**

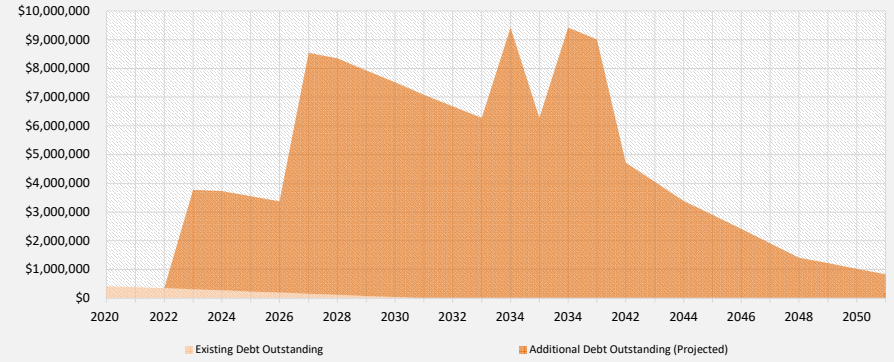




Table ES-2  
Town of Belleair, Florida  
Water Rate Study  
Utility System Financial Overview



	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>CURRENT YEAR REVENUE ADJUSTMENTS</b>																
Water System Rate Revenue Adjustments	0.00%	0.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%
Effective Months	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
<b>Residential Rates</b>																
Base Charge	\$12.99	\$12.99	\$13.90	\$14.87	\$15.91	\$17.02	\$18.21	\$19.48	\$20.84	\$21.73	\$22.65	\$23.61	\$24.61	\$25.66	\$26.75	\$27.89
Tier 1 Usage Charge	\$1.95	\$1.95	\$2.09	\$2.24	\$2.40	\$2.57	\$2.75	\$2.94	\$3.15	\$3.28	\$3.42	\$3.57	\$3.72	\$3.88	\$4.04	\$4.21
Tier 2 Usage Charge	\$6.52	\$6.52	\$6.98	\$7.47	\$7.99	\$8.55	\$9.15	\$9.79	\$10.48	\$10.93	\$11.39	\$11.87	\$12.37	\$12.90	\$13.45	\$14.02
Tier 3 Usage Charge	\$7.82	\$7.82	\$8.37	\$8.96	\$9.59	\$10.26	\$10.98	\$11.75	\$12.57	\$13.10	\$13.66	\$14.24	\$14.85	\$15.48	\$16.14	\$16.83
Residential Bill (5,000 Gallons)	\$27.31	\$27.31	\$29.24	\$31.30	\$33.50	\$35.85	\$38.36	\$41.03	\$43.92	\$45.78	\$47.72	\$49.76	\$51.86	\$54.08	\$56.36	\$58.75
Residential Bill (10,000 Gallons)	\$59.91	\$59.91	\$64.14	\$68.65	\$73.45	\$78.60	\$84.11	\$89.98	\$96.32	\$100.43	\$104.67	\$109.11	\$113.71	\$118.58	\$123.61	\$128.85
Unrestricted Cash Position - End of Year -Working Capital	\$2,441,357	\$1,398,381	\$1,886,233	\$567,271	\$865,395	\$1,258,726	\$1,757,758	\$1,039,546	\$1,114,495	\$1,224,477	\$1,371,369	\$1,597,076	\$1,798,437	\$2,107,966	\$2,361,945	\$2,478,900
Debt Service Coverage- Junior	0%	0%	0%	0%	286%	332%	382%	232%	132%	139%	146%	154%	149%	170%	160%	125%
Debt Service Coverage- All-in	1292%	1149%	1448%	1218%	240%	279%	321%	195%	123%	129%	136%	154%	149%	170%	160%	125%

Figure ES-9. Projected Subordinate Lien Debt Service Coverage

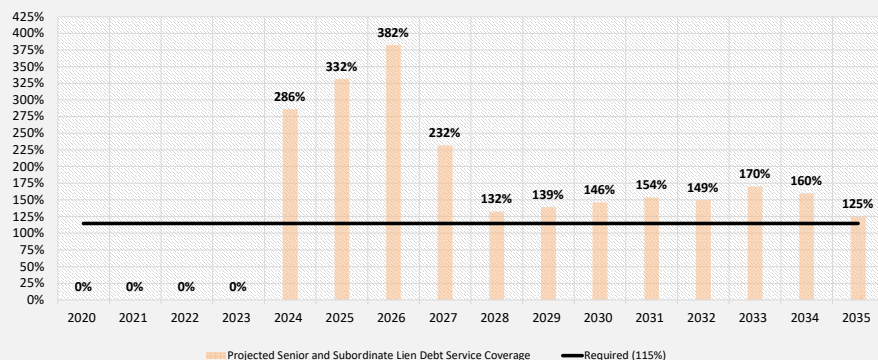


Figure ES-10. Projected All-In Debt Service Coverage

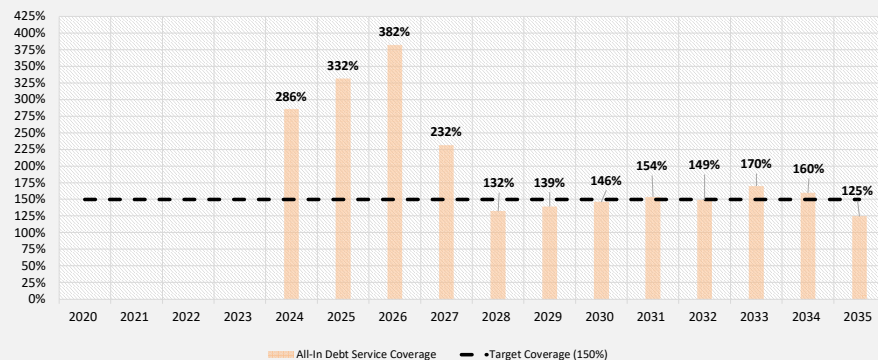


Figure ES-11. Comparison of Monthly Charges for Residential Water Service for Customers Using 5,000 Gallons per Month

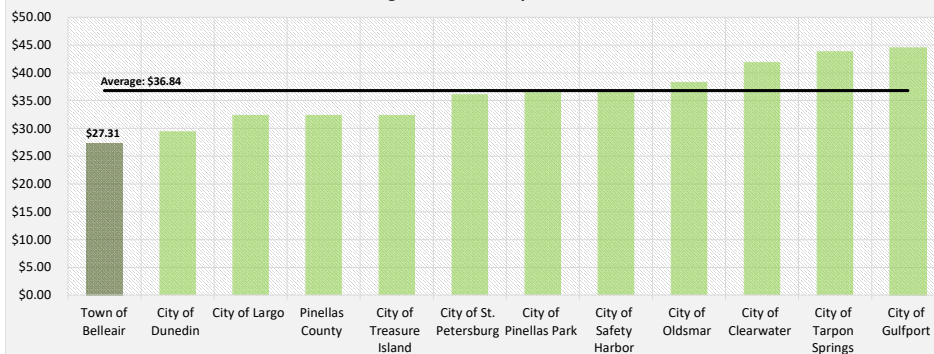


Figure ES-12. Comparison of Monthly Charges for Residential Water Service for Customers Using 10,000 Gallons per Month

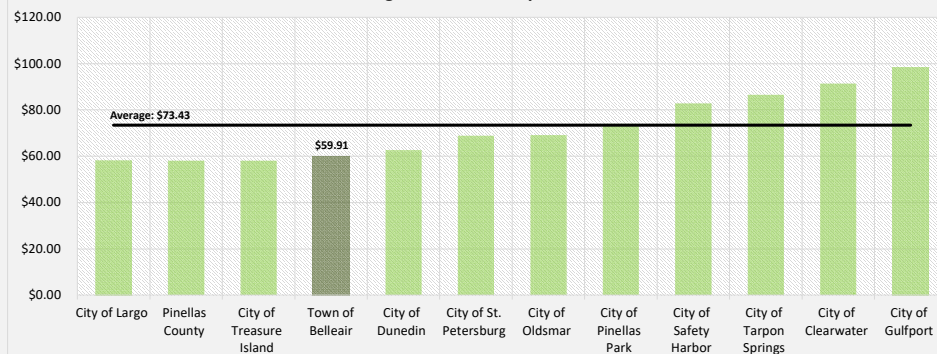


Table ES-3

**Town of Belleair, Florida  
Water Rate Study**

**Comparison of Typical Monthly Residential Bills for Water Service to Pinellas County**

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter										
		0 Gallons	2,000 Gallons	4,000 Gallons	5,000 Gallons	7,000 Gallons	10,000 Gallons	15,000 Gallons	20,000 Gallons	50,000 Gallons	75,000 Gallons	100,000 Gallons
Town of Belleair												
1	2020	\$12.99	\$16.89	\$20.79	\$27.31	\$40.35	\$59.91	\$92.51	\$125.11	\$353.21	\$548.71	\$744.21
2	2021	12.99	16.89	20.79	27.31	40.35	59.91	92.51	125.11	353.21	548.71	744.21
3	2022	13.90	18.08	22.26	29.24	43.20	64.14	99.04	133.94	378.09	587.34	796.59
4	2023	14.87	19.35	23.83	31.30	46.24	68.65	106.00	143.35	404.70	628.70	852.70
5	2024	15.91	20.71	25.51	33.50	49.48	73.45	113.40	153.35	433.05	672.80	912.55
6	2025	17.02	22.16	27.30	35.85	52.95	78.60	121.35	164.10	463.35	719.85	976.35
7	2026	18.21	23.71	29.21	38.36	56.66	84.11	129.86	175.61	495.86	770.36	1,044.86
8	2027	19.48	25.36	31.24	41.03	60.61	89.98	138.93	187.88	530.58	824.33	1,118.08
9	2028	20.84	27.14	33.44	43.92	64.88	96.32	148.72	201.12	567.77	882.02	1,196.27
10	2029	21.73	28.29	34.85	45.78	67.64	100.43	155.08	209.73	591.88	919.38	1,246.88
11	2030	22.65	29.49	36.33	47.72	70.50	104.67	161.62	218.57	617.02	958.52	1,300.02
12	2031	23.61	30.75	37.89	49.76	73.50	109.11	168.46	227.81	643.16	999.16	1,355.16
13	2032	24.61	32.05	39.49	51.86	76.60	113.71	175.56	237.41	670.51	1,041.76	1,413.01
14	2033	25.66	33.42	41.18	54.08	79.88	118.58	183.08	247.58	699.08	1,086.08	1,473.08
15	2034	26.75	34.83	42.91	56.36	83.26	123.61	190.86	258.11	728.86	1,132.36	1,535.86
16	2035	27.89	36.31	44.73	58.75	86.79	128.85	198.95	269.05	759.90	1,180.65	1,601.40
Pinellas County												
17	2020	6.80	17.06	27.32	32.45	42.71	58.10	83.75	109.40	263.30	391.55	519.80
18	2021	6.87	17.23	27.59	32.77	43.13	58.67	84.57	110.47	265.87	395.37	524.87
19	2022	6.94	17.40	27.86	33.09	43.55	59.24	85.39	111.54	268.44	399.19	529.94
20	2023	7.01	17.57	28.13	33.41	43.97	59.81	86.21	112.61	271.01	403.01	535.01
21	2024	7.29	18.27	29.25	34.74	45.72	62.19	89.64	117.09	281.79	419.04	556.29
22	2025	7.58	19.00	30.42	36.13	47.55	64.68	93.23	121.78	293.08	435.83	578.58
23	2026	7.88	19.76	31.64	37.58	49.46	67.28	96.98	126.68	304.88	453.38	601.88
24	2027	8.20	20.56	32.92	39.10	51.46	70.00	100.90	131.80	317.20	471.70	626.20
25	2028	8.53	21.39	34.25	40.68	53.54	72.83	104.98	137.13	330.03	490.78	651.53
26	2029	8.87	22.25	35.63	42.32	55.70	75.77	109.22	142.67	343.37	510.62	677.87
27	2030	9.22	23.14	37.06	44.02	57.94	78.82	113.62	148.42	357.22	531.22	705.22
28	2031	9.59	24.07	38.55	45.79	60.27	81.99	118.19	154.39	371.59	552.59	733.59
29	2032	9.97	25.03	40.09	47.62	62.68	85.27	122.92	160.57	386.47	574.72	762.97
30	2033	10.37	26.03	41.69	49.52	65.18	88.67	127.82	166.97	401.87	597.62	793.37
31	2034	10.78	27.06	43.34	51.48	67.76	92.18	132.88	173.58	417.78	621.28	824.78
32	2035	11.21	28.15	45.09	53.56	70.50	95.91	138.26	180.61	434.71	646.46	858.21

Table 1

Town of Belleair, Florida  
Water Rate Study

Projected System Net Revenue Requirements

Line No.	Description	Fiscal Year Ending September 30,															
		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Operating Expenses:																
1	Total Operating Expenses	\$1,314,948	\$1,363,157	\$1,416,042	\$1,634,537	\$1,661,799	\$1,726,924	\$1,794,807	\$2,292,579	\$2,261,573	\$2,351,739	\$2,445,818	\$2,543,958	\$2,712,114	\$2,753,355	\$2,965,922	\$3,049,701
	Other Revenue Requirements:																
	Debt Service																
	SRF Loans																
2	2023 SRF Loan Issue	\$0	\$0	\$0	\$0	\$210,779	\$210,779	\$210,779	\$210,779	\$210,779	\$210,779	\$210,779	\$210,779	\$210,779	\$210,779	\$210,779	\$210,779
3	2027 SRF Loan Issue	0	0	0	0	0	0	0	0	326,186	326,186	326,186	326,186	326,186	326,186	326,186	326,186
4	2034 SRF Loan Issue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	216,887
	Subordinate Lien																
5	Interfund Loan - General Fund	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	0	0	0	0	0
6	Total Debt Service	\$40,000	\$40,000	\$40,000	\$40,000	\$250,779	\$250,779	\$250,779	\$250,779	\$576,966	\$576,966	\$576,966	\$536,966	\$536,966	\$536,966	\$536,966	\$753,853
	Other Miscellaneous Revenue Requirements:																
7	Departmental Capital Funded from Rate Revenues	\$603,066	\$50,450	\$51,300	\$52,400	\$53,550	\$54,800	\$56,050	\$57,350	\$58,650	\$60,000	\$61,400	\$62,800	\$64,250	\$65,750	\$67,250	\$68,800
8	Total Other Miscellaneous Revenue Requirements	\$603,066	\$50,450	\$51,300	\$52,400	\$53,550	\$54,800	\$56,050	\$57,350	\$58,650	\$60,000	\$61,400	\$62,800	\$64,250	\$65,750	\$67,250	\$68,800
9	Gross Revenue Requirements	\$1,958,014	\$1,453,607	\$1,507,342	\$1,726,937	\$1,966,128	\$2,032,503	\$2,101,636	\$2,600,709	\$2,897,189	\$2,988,705	\$3,084,183	\$3,143,724	\$3,313,330	\$3,356,071	\$3,570,138	\$3,872,354
	Less Other Income and Funds from Other Sources:																
10	Unrestricted Interest Earnings	\$32,100	\$21,700	\$17,500	\$12,900	\$7,800	\$11,500	\$16,400	\$17,100	\$14,700	\$15,600	\$17,000	\$18,800	\$21,700	\$24,200	\$28,000	\$31,900
11	Other Revenues	6,600	2,511	7,694	1,000	1,000	1,000	2,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
12	Total Other Income	\$38,700	\$24,211	\$25,194	\$13,900	\$8,800	\$12,500	\$18,400	\$18,100	\$15,700	\$16,600	\$18,000	\$19,800	\$22,700	\$25,200	\$29,000	\$32,900
13	Total Net Revenue Requirements	\$1,919,314	\$1,429,396	\$1,482,148	\$1,713,037	\$1,957,328	\$2,020,003	\$2,083,236	\$2,582,609	\$2,881,489	\$2,972,105	\$3,066,183	\$3,123,924	\$3,290,630	\$3,330,871	\$3,541,138	\$3,839,454
14	Revenue Under Existing Rates	\$1,793,006	\$1,798,550	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121
15	Prior Year Rate Adjustments	0	0	0	128,878	266,778	414,331	572,213	741,146	921,905	1,115,317	1,240,966	1,371,954	1,508,510	1,650,869	1,799,279	1,953,996
16	Total Applicable Rate Revenue	\$1,793,006	\$1,798,550	\$1,841,121	\$1,969,999	\$2,107,899	\$2,255,452	\$2,413,334	\$2,582,267	\$2,763,026	\$2,956,438	\$3,082,087	\$3,213,075	\$3,349,631	\$3,491,990	\$3,640,400	\$3,795,117
17	Rate Adjustments	0.00%	0.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%
18	Effective Months	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
19	Percent of Current Year Effective	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
20	Revenue From Current Rate Adjustment	\$0	\$0	\$128,878	\$137,900	\$147,553	\$157,882	\$168,933	\$180,759	\$193,412	\$125,649	\$130,989	\$136,556	\$142,359	\$148,410	\$154,717	\$161,292
21	Total Rate Revenue	\$1,793,006	\$1,798,550	\$1,969,999	\$2,107,899	\$2,255,452	\$2,413,334	\$2,582,267	\$2,763,026	\$2,956,438	\$3,082,087	\$3,213,075	\$3,349,631	\$3,491,990	\$3,640,400	\$3,795,117	\$3,956,409
	Revenue Surplus/(Deficiency) Under Proposed Rates																
22	Amount	(\$126,308)	\$369,154	\$487,852	\$394,862	\$298,124	\$393,331	\$499,032	\$180,418	\$74,949	\$109,982	\$146,892	\$225,707	\$201,361	\$309,529	\$253,979	\$116,955
23	% Rate Increase	(7.04%)	20.53%	24.76%	18.73%	13.22%	16.30%	19.33%	6.53%	2.54%	3.57%	4.57%	6.74%	5.77%	8.50%	6.69%	2.96%

Table 2  
Town of Belleair, Florida  
Water Rate Study  
Projected Operating Expenses

No.	Code	Description	Adjusted	Escalation	Fiscal Year Ending September 30,														
			2020	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b><u>Generation - 610</u></b>																			
		Personnel																	
1	51200	Salaries	\$53,200	Labor	\$55,328	\$57,541	\$59,843	\$62,236	\$64,726	\$67,315	\$70,008	\$72,808	\$75,720	\$78,749	\$81,899	\$85,175	\$88,582	\$92,125	\$95,810
2	51201	Part-time Salaries	0	Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	51210	Unused Medical	0	Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	51400	Overtime	0	Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	51500	Sick Leave	800	Labor	832	865	900	936	973	1,012	1,053	1,095	1,139	1,184	1,232	1,281	1,332	1,385	1,441
6	52100	FICA	4,050	Labor	4,212	4,380	4,556	4,738	4,927	5,125	5,330	5,543	5,764	5,995	6,235	6,484	6,744	7,013	7,294
7	52200	Retirement - 401K General Pension	4,750	Labor	4,940	5,138	5,343	5,557	5,779	6,010	6,251	6,501	6,761	7,031	7,312	7,605	7,909	8,225	8,554
8	52300	Life/Hosp. Insurance	12,300	MedIns	13,161	14,082	15,068	16,123	17,251	18,459	19,751	21,134	22,613	24,196	25,890	27,702	29,641	31,716	33,936
9	52301	Medical Benefit	1,450	MedIns	1,552	1,660	1,776	1,901	2,034	2,176	2,328	2,491	2,666	2,852	3,052	3,266	3,494	3,739	4,001
10	53100	Physical Exams	0	Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	AddPer	Additional Personnel	0	Calculated	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12		Subtotal	\$76,550		\$80,025	\$83,667	\$87,486	\$91,491	\$95,691	\$100,097	\$104,720	\$109,571	\$114,663	\$120,008	\$125,619	\$131,512	\$137,702	\$144,204	\$151,036
		Operating																	
13	53151	Professional Services	\$11,500	Inflation	\$11,604	\$11,801	\$12,049	\$12,314	\$12,597	\$12,887	\$13,183	\$13,486	\$13,796	\$14,114	\$14,438	\$14,770	\$15,110	\$15,458	\$15,813
14	54000	Travel & Per Diem	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	54100	Telephone	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	54200	Postage	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	54300	Electricity	0	Electric	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	54301	Water	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	54302	Sanitation	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	54303	Sewer	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	54315	Energy-Street Light	0	Electric	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	54400	Equip. Rental	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	54614	Drainage	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	54620	Maintenance - Vehicle	0	Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	54630	Maintenance - Building	0	Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	54670	Maintment - Equipment	1,000	Repair	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513	1,558
27	54900	Ordinance Codes	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28	55100	Office Supplies	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	55210	Operating Supplies	2,000	Inflation	2,018	2,052	2,095	2,142	2,191	2,241	2,293	2,345	2,399	2,455	2,511	2,569	2,628	2,688	2,750
30	55213	Meter Replacement	10,000	Repair	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	13,842	14,258	14,685	15,126	15,580
31	55214	Meter Replacement	4,250	Repair	4,378	4,509	4,644	4,783	4,927	5,075	5,227	5,384	5,545	5,712	5,883	6,059	6,241	6,429	6,621
32	55220	Gasoline & Oil	0	Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	55221	Tools	800	Inflation	807	821	838	857	876	896	917	938	960	982	1,004	1,028	1,051	1,075	1,100
34	55230	Chemicals	0	Chemicals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	55240	Uniforms	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	55260	Protective Clothing	700	Inflation	706	718	733	750	767	784	802	821	840	859	879	899	920	941	963
37	55410	Memberships	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
38	55420	Training, Aids	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39	56405	Computer System	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40	57301	Miscellaneous	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
41	59200	Repay Loan to General Fund	0	Eliminate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42		Subtotal	\$30,250		\$30,843	\$31,571	\$32,380	\$33,225	\$34,110	\$35,018	\$35,951	\$36,909	\$37,893	\$38,904	\$39,942	\$41,009	\$42,104	\$43,229	\$44,385
		Capital																	
43	58101	Capital Purchase	\$0	Eliminate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
44	59900	Depreciation	0	Eliminate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45		Subtotal	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Fees																	
46	58001	Transfer of Reserves	\$0	Eliminate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
47	59904	Support Service Fees	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
48	59906	Admin Fees	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
49		Subtotal	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
50		Total Generation	\$106,800		\$110,867	\$115,238	\$119,865	\$124,716	\$129,801	\$135,115	\$140,671	\$146,480	\$152,556	\$158,912	\$165,562	\$172,521	\$179,806	\$187,433	\$195,421
<b><u>Treatment and Testing - 620</u></b>																			
		Personnel																	
51	51200	Salaries	\$16,800	Labor	\$17,472	\$18,171	\$18,898	\$19,654	\$20,440	\$21,257	\$22,108	\$22,992	\$23,912	\$24,868	\$25,863	\$26,897	\$27,973	\$29,092	\$30,256
52	51201	Part-time Salaries	0	Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
53	51210	Unused Medical	0	Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
54	51400	Overtime	0	Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
55	51500	Sick Leave	250	Labor	260	270	281	292	304	316	329	342	356	370	385	400	416	433	450
56	52100	FICA	1,300	Labor	1,352	1,406	1,462	1,521	1,582	1,645	1,711	1,779	1,850	1,924	2,001	2,081	2,165	2,251	2,341
57	52200	Retirement - 401K General Pension	1,500	Labor	1,560	1,622	1,687	1,755	1,825	1,898	1,974	2,053	2,135	2,220	2,309	2,402	2,498	2,598	2,701
58	52300	Life/Hosp. Insurance	4,100	MedIns	4,387	4,694	5,023	5,374	5,750	6,153	6,584	7,045	7,538	8,065	8,630	9,234	9,880	10,572	11,312
59	52301	Medical Benefit	500	MedIns	535	572	613	655	701	750	803	859	919	984	1,052	1,126	1,205	1,289	1,380
60	53100	Physical Exams	0	Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Table 2  
Town of Belleair, Florida  
Water Rate Study  
Projected Operating Expenses

No.	Code	Description	Adjusted	Escalation	Fiscal Year Ending September 30,														
			2020	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
61	AddPer	Additional Personnel	0	Calculated	0	0	0	0	0	0	177,650	184,756	192,146	199,832	207,825	216,138	224,784	233,775	243,126
62		Subtotal	\$24,450		\$25,566	\$26,736	\$27,964	\$29,251	\$30,602	\$32,020	\$211,158	\$219,826	\$228,856	\$238,264	\$248,065	\$258,279	\$268,921	\$280,010	\$291,566
Operating																			
63	53151	Professional Services	\$0	Inflation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
64	54000	Travel & Per Diem	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
65	54100	Telephone	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
66	54200	Postage	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
67	54300	Electricity	0	Electric	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
68	54301	Water	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
69	54302	Sanitation	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
70	54303	Sewer	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
71	54315	Energy-Street Light	0	Electric	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
72	54400	Equip. Rental	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
73	54614	Drainage	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
74	54620	Maintenance - Vehicle	0	Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
75	54630	Maintenance - Building	0	Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
76	54670	Maintment - Equipment	24,630	Repair	25,369	26,130	26,914	27,721	28,553	29,409	30,292	31,201	32,137	33,101	34,094	35,116	36,170	37,255	38,373
77	54900	Ordinance Codes	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
78	55100	Office Supplies	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
79	55210	Operating Supplies	2,000	Inflation	2,018	2,052	2,095	2,142	2,191	2,241	2,293	2,345	2,399	2,455	2,511	2,569	2,628	2,688	2,750
80	55213	Meter Replacement	10,000	Repair	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	13,842	14,258	14,685	15,126	15,580
81	55214	Meter Replacement	4,300	Repair	4,429	4,562	4,699	4,840	4,985	5,134	5,288	5,447	5,611	5,779	5,952	6,131	6,315	6,504	6,699
82	55220	Gasoline & Oil	0	Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
83	55221	Tools	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
84	55230	Chemicals	29,000	Chemicals	30,450	31,973	33,571	35,250	37,012	38,863	40,806	42,846	44,989	47,238	49,600	52,080	54,684	57,418	60,289
85	55240	Uniforms	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
86	55260	Protective Clothing	700	Inflation	706	718	733	750	767	784	802	821	840	859	879	899	920	941	963
87	55410	Memberships	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
88	55420	Training, Aids	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
89	56405	Computer System	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
90	57301	Miscellaneous	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
91	59200	Repay Loan to General Fund	0	Eliminate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
92		Subtotal	\$70,630		\$73,272	\$76,044	\$78,940	\$81,957	\$85,100	\$88,373	\$91,780	\$95,328	\$99,022	\$102,870	\$106,878	\$111,052	\$115,401	\$119,932	\$124,653
Capital																			
93	58101	Capital Purchase	\$0	Eliminate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
94	59900	Depreciation	0	Eliminate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
95		Subtotal	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fees																			
96	58001	Transfer of Reserves	\$0	Eliminate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
97	59904	Support Service Fees	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
98	59906	Admin Fees	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
99		Subtotal	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
100		Total Treatment and Testing	\$95,080		\$98,838	\$102,780	\$106,903	\$111,208	\$115,702	\$120,393	\$302,938	\$315,154	\$327,878	\$341,134	\$354,943	\$369,331	\$384,322	\$399,942	\$416,219
Meter Management - 630																			
Personnel																			
101	51200	Salaries	\$139,250	Labor	\$144,820	\$150,613	\$156,637	\$162,903	\$169,419	\$176,196	\$183,244	\$190,573	\$198,196	\$206,124	\$214,369	\$222,944	\$231,861	\$241,136	\$250,781
102	51201	Part-time Salaries	13,150	Labor	13,676	14,223	14,792	15,384	15,999	16,639	17,305	17,997	18,717	19,465	20,244	21,054	21,896	22,772	23,682
103	51210	Unused Medical	0	Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
104	51400	Overtime	0	Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
105	51500	Sick Leave	2,050	Labor	2,132	2,217	2,306	2,398	2,494	2,594	2,698	2,806	2,918	3,035	3,156	3,282	3,413	3,550	3,692
106	52100	FICA	11,450	Labor	11,908	12,384	12,880	13,395	13,931	14,488	15,067	15,670	16,297	16,949	17,627	18,332	19,065	19,828	20,621
107	52200	Retirement - 401K General Pension	14,550	Labor	15,132	15,737	16,367	17,021	17,702	18,410	19,147	19,913	20,709	21,538	22,399	23,295	24,227	25,196	26,204
108	52300	Life/Hosp. Insurance	37,250	MedIns	39,858	42,648	45,633	48,827	52,245	55,902	59,815	64,002	68,483	73,276	78,406	83,894	89,767	96,050	102,774
109	52301	Medical Benefit	4,550	MedIns	4,869	5,209	5,574	5,964	6,382	6,828	7,306	7,818	8,365	8,951	9,577	10,247	10,965	11,732	12,554
110	53100	Physical Exams	0	Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
111	AddPer	Additional Personnel	0	Calculated	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
112		Subtotal	\$222,250		\$232,394	\$243,032	\$254,189	\$265,892	\$278,172	\$291,057	\$304,582	\$318,778	\$333,684	\$349,337	\$365,777	\$383,048	\$401,194	\$420,264	\$440,308
Operating																			
113	53151	Professional Services	\$33,500	Inflation	\$33,802	\$34,376	\$35,098	\$35,870	\$36,695	\$37,539	\$38,403	\$39,286	\$40,189	\$41,114	\$42,059	\$43,027	\$44,016	\$45,029	\$46,064
114	54000	Travel & Per Diem	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
115	54100	Telephone	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
116	54200	Postage	6,000	Inflation	6,054	6,157	6,286	6,425	6,572	6,723	6,878	7,036	7,198	7,364	7,533	7,706	7,884	8,065	8,250
117	54300	Electricity	0	Electric	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
118	54301	Water	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
119	54302	Sanitation	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
120	54303	Sewer	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Table 2  
Town of Belleair, Florida  
Water Rate Study  
Projected Operating Expenses

No.	Code	Description	Adjusted	Escalation	Fiscal Year Ending September 30.														
			2020	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
121	54315	Energy-Street Light	0	Electric	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
122	54400	Equip. Rental	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
123	54614	Drainage	57,000	Inflation	57,513	58,491	59,719	61,033	62,437	63,873	65,342	66,845	68,382	69,955	71,564	73,210	74,894	76,616	
124	54620	Maintenance - Vehicle	1,000	Repair	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513	
125	54630	Maintenance - Building	0	Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
126	54670	Maintment - Equipment	0	Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
127	54900	Ordinance Codes	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
128	55100	Office Supplies	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
129	55210	Operating Supplies	2,000	Inflation	2,018	2,052	2,095	2,142	2,191	2,241	2,293	2,345	2,399	2,455	2,511	2,569	2,628	2,688	
130	55213	Meter Replacement	0	Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
131	55214	Meter Replacement	0	Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
132	55220	Gasoline & Oil	0	Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
133	55221	Tools	550	Inflation	555	564	576	589	602	616	630	645	660	675	691	706	723	739	
134	55230	Chemicals	0	Chemicals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
135	55240	Uniforms	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
136	55260	Protective Clothing	700	Inflation	706	718	733	750	767	784	802	821	840	859	879	899	920	941	
137	55410	Memberships	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
138	55420	Training, Aids	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
139	56405	Computer System	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
140	57301	Miscellaneous	8,000	Inflation	8,072	8,209	8,382	8,566	8,763	8,965	9,171	9,382	9,597	9,818	10,044	10,275	10,511	10,753	
141	59200	Repay Loan to General Fund	0	Eliminate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
142		Subtotal	\$108,750		\$109,750	\$111,629	\$113,983	\$116,499	\$119,186	\$121,936	\$124,749	\$127,626	\$130,571	\$133,583	\$136,665	\$139,818	\$143,044	\$146,344	
143	58101	Capital Purchase	\$0	Eliminate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
144	59900	Depreciation	0	Eliminate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
145		Subtotal	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
146	58001	Transfer of Reserves	\$0	Eliminate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
147	59904	Support Service Fees	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
148	59906	Admin Fees	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
149		Subtotal	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
150		Total Meter Management	\$331,000		\$342,144	\$354,660	\$368,171	\$382,391	\$397,358	\$412,993	\$429,330	\$446,405	\$464,255	\$482,920	\$502,442	\$522,866	\$544,238	\$566,608	
Distribution - 640																			
151	51200	Personnel Salaries	\$99,750	Labor	\$103,740	\$107,890	\$112,205	\$116,693	\$121,361	\$126,216	\$131,264	\$136,515	\$141,975	\$147,654	\$153,561	\$159,703	\$166,091	\$172,735	
152	51201	Part-time Salaries	4,500	Labor	4,680	4,867	5,062	5,264	5,475	5,694	5,922	6,159	6,405	6,661	6,928	7,205	7,493	7,793	
153	51210	Unused Medical	0	Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
154	51400	Overtime	0	Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
155	51500	Sick Leave	1,150	Labor	1,196	1,244	1,294	1,345	1,399	1,455	1,513	1,574	1,637	1,702	1,770	1,841	1,915	1,991	
156	52100	FICA	7,800	Labor	8,112	8,436	8,774	9,125	9,490	9,869	10,264	10,675	11,102	11,546	12,008	12,488	12,988	13,507	
157	52200	Retirement - 401K General Pension	8,950	Labor	9,308	9,680	10,068	10,470	10,889	11,325	11,778	12,249	12,739	13,248	13,778	14,329	14,902	15,499	
158	52300	Life/Hosp. Insurance	22,500	MedIns	24,075	25,760	27,563	29,493	31,557	33,766	36,130	38,659	41,365	44,261	47,359	50,674	54,222	58,017	
159	52301	Medical Benefit	2,650	MedIns	2,836	3,034	3,246	3,474	3,717	3,977	4,255	4,553	4,872	5,213	5,578	5,968	6,386	6,833	
160	53100	Physical Exams	0	Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
161	AddPer	Additional Personnel	0	Calculated	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
162		Subtotal	\$147,300		\$153,947	\$160,912	\$168,212	\$175,865	\$183,888	\$192,302	\$201,126	\$210,383	\$220,095	\$230,286	\$240,981	\$252,209	\$263,996	\$276,374	
163	53151	Operating Professional Services	\$0	Inflation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
164	54000	Travel & Per Diem	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
165	54100	Telephone	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
166	54200	Postage	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
167	54300	Electricity	0	Electric	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
168	54301	Water	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
169	54302	Sanitation	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
170	54303	Sewer	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
171	54315	Energy-Street Light	18,000	WatProdInfl	18,204	18,703	19,096	19,516	19,965	20,424	20,894	21,374	21,866	22,369	22,883	23,410	23,948	24,499	
172	54400	Equip. Rental	2,750	Inflation	2,775	2,822	2,881	2,945	3,012	3,082	3,152	3,225	3,299	3,375	3,453	3,532	3,613	3,696	
173	54614	Drainage	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
174	54620	Maintenance - Vehicle	1,000	Repair	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513	
175	54630	Maintenance - Building	0	Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
176	54670	Maintment - Equipment	10,000	Repair	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	13,842	14,258	14,685	15,126	
177	54900	Ordinance Codes	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
178	55100	Office Supplies	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
179	55210	Operating Supplies	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
180	55213	Meter Replacement	0	Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
181	55214	Meter Replacement	0	Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
182	55220	Gasoline & Oil	0	Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
183	55221	Tools	3,000	Inflation	3,027	3,078	3,143	3,212	3,286	3,362	3,439	3,518	3,599	3,682	3,767	3,853	3,942	4,032	

Table 2  
Town of Belleair, Florida  
Water Rate Study  
Projected Operating Expenses

No.	Code	Description	Adjusted	Escalation	Fiscal Year Ending September 30.														
			2020	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
184	55230	Chemicals	0	Chemicals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
185	55240	Uniforms	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
186	55260	Protective Clothing	700	Inflation	706	718	733	750	767	784	802	821	840	859	879	899	920	941	963
187	55410	Memberships	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
188	55420	Training, Aids	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
189	56405	Computer System	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
190	57301	Miscellaneous	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
191	59200	Repay Loan to General Fund	0	Eliminate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
192		Subtotal	\$35,450		\$36,042	\$36,992	\$37,873	\$38,803	\$39,782	\$40,786	\$41,816	\$42,873	\$43,956	\$45,068	\$46,208	\$47,377	\$48,577	\$49,807	\$51,069
193		Capital																	
193	58101	Capital Purchase	\$0	Eliminate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
194	59900	Depreciation	0	Eliminate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
195		Subtotal	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
196		Fees																	
196	58001	Transfer of Reserves	\$0	Eliminate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
197	59904	Support Service Fees	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
198	59906	Admin Fees	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
199		Subtotal	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
200		Total Distribution	\$182,750		\$189,988	\$197,903	\$206,085	\$214,668	\$223,670	\$233,088	\$242,943	\$253,256	\$264,051	\$275,353	\$287,189	\$299,586	\$312,573	\$326,181	\$340,444
<b><u>Employee Adminstration</u></b>																			
201		Personnel																	
201	51200	Salaries	\$56,050	Labor	\$58,292	\$60,624	\$63,049	\$65,571	\$68,193	\$70,921	\$73,758	\$76,708	\$79,777	\$82,968	\$86,286	\$89,738	\$93,327	\$97,060	\$100,943
202	51201	Part-time Salaries	2,500	Labor	2,600	2,704	2,812	2,925	3,042	3,163	3,290	3,421	3,558	3,701	3,849	4,003	4,163	4,329	4,502
203	51210	Unused Medical	1,361	Labor	1,415	1,472	1,531	1,592	1,656	1,722	1,791	1,863	1,937	2,015	2,095	2,179	2,266	2,357	2,451
204	51400	Overtime	8,000	Labor	8,320	8,653	8,999	9,359	9,733	10,123	10,527	10,949	11,386	11,842	12,316	12,808	13,321	13,853	14,408
205	51500	Sick Leave	750	Labor	780	811	844	877	912	949	987	1,026	1,067	1,110	1,155	1,201	1,249	1,299	1,351
206	52100	FICA	4,450	Labor	4,628	4,813	5,006	5,206	5,414	5,631	5,856	6,090	6,334	6,587	6,851	7,125	7,410	7,706	8,014
207	52200	Retirement - 401K General Pension	5,050	Labor	5,252	5,462	5,681	5,908	6,144	6,390	6,645	6,911	7,188	7,475	7,774	8,085	8,409	8,745	9,095
208	52300	Life/Hosp. Insurance	10,850	MedIns	11,610	12,422	13,292	14,222	15,218	16,283	17,423	18,642	19,947	21,344	22,838	24,436	26,147	27,977	29,935
209	52301	Medical Benefit	1,250	MedIns	1,338	1,431	1,531	1,638	1,753	1,876	2,007	2,148	2,298	2,459	2,631	2,815	3,012	3,223	3,449
210	53100	Physical Exams	300	MedIns	321	343	368	393	421	450	482	515	552	590	631	676	723	774	828
211	AddPer	Additional Personnel	0	Calculated	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
212		Subtotal	\$90,561		\$94,555	\$98,736	\$103,111	\$107,691	\$112,486	\$117,508	\$122,766	\$128,274	\$134,044	\$140,090	\$146,425	\$153,065	\$160,026	\$167,323	\$174,975
213		Operating																	
213	53151	Professional Services	\$0	Inflation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
214	54000	Travel & Per Diem	2,500	Inflation	2,523	2,565	2,619	2,677	2,738	2,801	2,866	2,932	2,999	3,068	3,139	3,211	3,285	3,360	3,438
215	54100	Telephone	4,000	Inflation	4,036	4,105	4,191	4,283	4,382	4,482	4,585	4,691	4,799	4,909	5,022	5,138	5,256	5,377	5,500
216	54200	Postage	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
217	54300	Electricity	60,000	ElecTreatW	61,642	63,830	65,426	67,062	68,738	70,457	72,218	74,023	75,874	77,771	79,715	81,708	83,751	85,844	87,991
218	54301	Water	300	Inflation	303	308	314	321	329	336	344	352	360	368	377	385	394	403	413
219	54302	Sanitation	2,300	Inflation	2,321	2,360	2,410	2,463	2,519	2,577	2,637	2,697	2,759	2,823	2,888	2,954	3,022	3,092	3,163
220	54303	Sewer	200	Inflation	202	205	210	214	219	224	229	235	240	245	251	257	263	269	275
221	54315	Energy-Street Light	0	Electric	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
222	54400	Equip. Rental	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
223	54614	Drainage	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
224	54620	Maintenance - Vehicle	1,000	Repair	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513	1,558
225	54630	Maintenance - Building	8,000	Repair	8,240	8,487	8,742	9,004	9,274	9,552	9,839	10,134	10,438	10,751	11,074	11,406	11,748	12,101	12,464
226	54670	Maintment - Equipment	10,000	Repair	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	13,842	14,258	14,685	15,126	15,580
227	54900	Ordinance Codes	0	Inflation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
228	55100	Office Supplies	2,500	Inflation	2,523	2,565	2,619	2,677	2,738	2,801	2,866	2,932	2,999	3,068	3,139	3,211	3,285	3,360	3,438
229	55210	Operating Supplies	2,000	Inflation	2,018	2,052	2,095	2,142	2,191	2,241	2,293	2,345	2,399	2,455	2,511	2,569	2,628	2,688	2,750
230	55213	Meter Replacement	0	Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
231	55214	Meter Replacement	0	Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
232	55220	Gasoline & Oil	7,500	Gas	7,875	8,269	8,682	9,116	9,572	10,051	10,553	11,081	11,635	12,217	12,828	13,469	14,142	14,849	15,592
233	55221	Tools	3,000	Inflation	3,027	3,078	3,143	3,212	3,286	3,362	3,439	3,518	3,599	3,682	3,767	3,853	3,942	4,032	4,125
234	55230	Chemicals	0	Chemicals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
235	55240	Uniforms	2,000	Inflation	2,018	2,052	2,095	2,142	2,191	2,241	2,293	2,345	2,399	2,455	2,511	2,569	2,628	2,688	2,750
236	55260	Protective Clothing	700	Inflation	706	718	733	750	767	784	802	821	840	859	879	899	920	941	963
237	55410	Memberships	3,000	Inflation	3,027	3,078	3,143	3,212	3,286	3,362	3,439	3,518	3,599	3,682	3,767	3,853	3,94		

Table 2  
Town of Belleair, Florida  
Water Rate Study  
Projected Operating Expenses

No.	Code	Description	Adjusted 2020	Escalation Reference	Fiscal Year Ending September 30,														
					2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
243	58101	Capital																	
244	59900	Capital Purchase Depreciation	\$0 0	Eliminate Eliminate	\$0 0	\$0 0	\$0 0	\$0 0	\$0 0	\$0 0	\$0 0	\$0 0	\$0 0	\$0 0	\$0 0	\$0 0	\$0 0	\$0 0	\$0 0
245		Subtotal	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
246	58001	Fees																	
247	59904	Transfer of Reserves	\$0	Eliminate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
248	59906	Support Service Fees	275,300	Labor	286,312	297,764	309,675	322,062	334,945	348,342	362,276	376,767	391,838	407,511	423,812	440,764	458,395	476,731	495,800
		Admin Fees	88,750	Labor	92,300	95,992	99,832	103,825	107,978	112,297	116,789	121,461	126,319	131,372	136,627	142,092	147,775	153,686	159,834
249		Subtotal	\$364,050		\$378,612	\$393,756	\$409,507	\$425,887	\$442,922	\$460,639	\$479,065	\$498,228	\$518,157	\$538,883	\$560,438	\$582,856	\$606,170	\$630,417	\$655,633
250		Total Employee Administration	\$581,861		\$603,371	\$626,564	\$650,182	\$674,774	\$700,382	\$727,005	\$754,684	\$783,463	\$813,388	\$844,506	\$876,869	\$910,526	\$945,533	\$981,947	\$1,019,826
251		<b>Other Adjustments</b>																	
251		Contingency	\$12,975	Calculated	\$13,452	\$13,971	\$15,785	\$16,398	\$17,039	\$17,706	\$22,116	\$22,319	\$23,208	\$24,136	\$25,105	\$26,766	\$27,171	\$28,925	\$30,097
252		Bad Debt	4,483	Calculated	4,496	4,925	5,270	5,639	6,033	6,456	6,908	7,391	7,705	8,033	8,374	8,730	9,101	9,488	9,891
253		Incremental Operating Expenses	0	Calculated	0	0	127,276	132,006	136,939	142,051	340,991	287,107	298,698	310,823	323,475	401,788	350,611	430,397	447,774
254		Other Debt Issuance Expenses	0	Calculated	0	0	35,000	0	0	0	52,000	0	0	0	0	0	0	35,000	0
255		Subtotal	\$17,457		\$17,948	\$18,896	\$183,330	\$154,042	\$160,010	\$166,213	\$422,014	\$316,816	\$329,611	\$342,992	\$356,953	\$437,284	\$386,883	\$503,810	\$487,762
256		TOTAL UTILITY SYSTEM	\$1,314,948		\$1,363,157	\$1,416,042	\$1,634,537	\$1,661,799	\$1,726,924	\$1,794,807	\$2,292,579	\$2,261,573	\$2,351,739	\$2,445,818	\$2,543,958	\$2,712,114	\$2,753,355	\$2,965,922	\$3,049,701

Table 3  
Town of Belleair, Florida  
Water Rate Study  
Escalation Factors

			Fiscal Year Ending September 30,														
No.	Description	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Operating Escalation Factors																	
1	Constant Factor	Constant	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2	Inflation (CPI Price Index) [*]	Inflation	1.0090	1.0170	1.0210	1.0220	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230
3	Labor	Labor	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
4	Repair and Maintenance	Repair	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300
5	Insurance - Medical	MedIns	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700
6	Insurance - General	GenIns	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
7	Electricity Commodity	Electric	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250
8	Electricity - Water Treatment	ElecTreatW	1.0274	1.0355	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250	1.0250
9	Gas and Fuel	Gas	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
10	Chemicals Commodity	Chemicals	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
11	Chemicals - Water Treatment	ChemTreatW	1.0524	1.0608	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
12	Elimination Factor	Eliminate	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
13	Customer Growth	WatCust	1.0052	1.0232	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
14	Change in Rate of Growth	WatUnit	0.2698	4.4313	0.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
15	Customer Growth + Inflation CPI	WatCustInfl	1.0143	1.0406	1.0210	1.0220	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230
16	Production Growth + Inflation CPI	WatProdInfl	1.0113	1.0274	1.0210	1.0220	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230	1.0230
17	Sales Revenues	WatRev	1.0031	1.0237	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
18	Engineering News Record Index	ENR	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300

Footnotes:  
[\*] Estimates based on projections contained in "The Budget and Economic Outlook: An Update" published by the Congressional Budget Office in July 2020.

Table 4  
Town of Belleair, Florida  
Water Rate Study  
  
Estimated Multi-Year Capital Improvement Program and Funding Source

No.	Description	Escalation Factor	Funding Source	Projected Fiscal Year Ending September 30,																Total
				2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
CAPITAL IMPROVEMENT PROGRAM																				
System Improvements																				
Phase 1 - Clearwell Roof Rehab and Additional Well																				
1	Mobilization/Demobilization	ENR	Operating	\$0	\$20,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,600
2	Instrumentation	ENR	Operating	0	128,750	0	0	0	0	0	0	0	0	0	0	0	0	0	0	128,750
3	Upper Floridian Well	ENR	Operating	0	257,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	257,500
4	6" Raw Water Main (200 ft)	ENR	Operating	0	20,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20,600
5	Phase 1 Contingency	ENR	Operating	0	128,750	0	0	0	0	0	0	0	0	0	0	0	0	0	0	128,750
6	Phase 1 Engineering	ENR	Operating	0	83,430	0	0	0	0	0	0	0	0	0	0	0	0	0	0	83,430
Phase 2 - Multimedia Pressure Filters																				
7	Mobilization/Demobilization	ENR	SD1	\$0	\$0	\$0	\$10,930	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,930
8	Sitework	ENR	SD1	0	0	0	81,975	0	0	0	0	0	0	0	0	0	0	0	0	81,975
9	Booster Pump Station	ENR	SD1	0	0	0	155,206	0	0	0	0	0	0	0	0	0	0	0	0	155,206
10	Pressurized Filters and Backwash Holding Tank	ENR	SD1	0	0	0	1,059,117	0	0	0	0	0	0	0	0	0	0	0	0	1,059,117
11	Chemical Building	ENR	SD1	0	0	0	91,812	0	0	0	0	0	0	0	0	0	0	0	0	91,812
12	Chemical Systems	ENR	SD1	0	0	0	219,693	0	0	0	0	0	0	0	0	0	0	0	0	219,693
13	High Service Pump Station Rehab	ENR	SD1	0	0	0	184,717	0	0	0	0	0	0	0	0	0	0	0	0	184,717
14	Yard Piping	ENR	SD1	0	0	0	292,924	0	0	0	0	0	0	0	0	0	0	0	0	292,924
15	Electrical	ENR	SD1	0	0	0	342,109	0	0	0	0	0	0	0	0	0	0	0	0	342,109
16	Instrumentation	ENR	SD1	0	0	0	256,855	0	0	0	0	0	0	0	0	0	0	0	0	256,855
17	Upper Floridian Well (includes transmission line)	ENR	SD1	0	0	0	273,250	0	0	0	0	0	0	0	0	0	0	0	0	273,250
18	Well Rehabilitation	ENR	SD1	0	0	0	491,850	0	0	0	0	0	0	0	0	0	0	0	0	491,850
19	Phase 2 Contingency	ENR	Operating	0	0	0	1,038,350	0	0	0	0	0	0	0	0	0	0	0	0	1,038,350
20	Phase 2 Engineering	ENR	Operating	0	0	0	675,474	0	0	0	0	0	0	0	0	0	0	0	0	675,474
Phase 3 - Reverse Osmosis (without new HSPS)																				
21	Mobilization/Demobilization	ENR	Operating	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$147,720	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$147,720
22	Sitework	ENR	Operating	0	0	0	0	0	0	0	307,750	0	0	0	0	0	0	0	0	307,750
23	RO System (2 skids)	ENR	SD2	0	0	0	0	0	0	0	812,460	0	0	0	0	0	0	0	0	812,460
24	RO Building	ENR	SD2	0	0	0	0	0	0	0	400,075	0	0	0	0	0	0	0	0	400,075
25	Chemical Systems	ENR	SD2	0	0	0	0	0	0	0	198,191	0	0	0	0	0	0	0	0	198,191
26	Deep Injection Well	ENR	Operating	0	772,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	772,500
27	Yard Piping	ENR	SD2	0	0	0	0	0	0	0	254,817	0	0	0	0	0	0	0	0	254,817
28	Electrical	ENR	SD2	0	0	0	0	0	0	0	590,880	0	0	0	0	0	0	0	0	590,880
29	Instrumentation	ENR	Operating	0	0	0	0	0	0	0	443,160	0	0	0	0	0	0	0	0	443,160
30	Upper Floridian Wells	ENR	SD2	0	0	0	0	0	0	0	615,500	0	0	0	0	0	0	0	0	615,500
31	Phase 3 Contingency	ENR	SD2	0	0	0	0	0	0	0	1,408,264	0	0	0	0	0	0	0	0	1,408,264
32	Phase 3 Engineering	ENR	SD2	0	0	0	0	0	0	0	915,864	0	0	0	0	0	0	0	0	915,864
Phase 4 - New HSPS																				
33	Mobilization/Demobilization	ENR	SD3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$113,550	\$0	\$113,550
34	Sitework	ENR	SD3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	302,800	0	302,800
35	RO System (1 skid)	ENR	SD3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	581,376	0	581,376
36	RO Building	ENR	SD3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	165,026	0	165,026
37	High Service Pump Station Rehab	ENR	SD3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	511,732	0	511,732
38	Yard Piping	ENR	SD3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	193,792	0	193,792
39	Electrical	ENR	SD3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	252,838	0	252,838
40	Instrumentation	ENR	SD3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	189,250	0	189,250
41	Phase 4 Contingency	ENR	SD3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	693,412	0	693,412
42	Phase 4 Engineering	ENR	SD3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	451,172	0	451,172
43	Capital Purchases / Capital Outlay	Inflation	Rates	603,066	50,450	51,300	52,400	53,550	54,800	56,050	57,350	58,650	60,000	61,400	62,800	64,250	65,750	67,250	68,800	\$1,487,866
44	TOTAL WATER CAPITAL IMPROVEMENT PROGRAM			\$603,066	\$1,462,580	\$51,300	\$5,226,662	\$53,550	\$54,800	\$56,050	\$6,152,031	\$58,650	\$60,000	\$61,400	\$62,800	\$64,250	\$65,750	\$3,522,198	\$68,800	\$17,623,887

Table 4  
Town of Belleair, Florida  
Water Rate Study  
  
Estimated Multi-Year Capital Improvement Program and Funding Source

No.	Description	Escalation Factor	Funding Source	Projected Fiscal Year Ending September 30,																Total
				2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
FUNDING SOURCES:																				
Water System Funding Sources																				
45	Operating Revenue		Rates	\$ 603,066	\$ 50,450	\$ 51,300	\$ 52,400	\$ 53,550	\$ 54,800	\$ 56,050	\$ 57,350	\$ 58,650	\$ 60,000	\$ 61,400	\$ 62,800	\$ 64,250	\$ 65,750	\$ 67,250	\$ 68,800	\$ 1,487,866
46	Operating Fund		Operating	-	1,412,130	-	1,713,824	-	-	-	898,630	-	-	-	-	-	-	-	-	4,024,584
47	Subordinate Lien Debt 1		SD1	-	-	-	3,460,438	-	-	-	-	-	-	-	-	-	-	-	-	3,460,438
48	Subordinate Lien Debt 2		SD2	-	-	-	-	-	-	-	5,196,051	-	-	-	-	-	-	-	-	5,196,051
49	Subordinate Lien Debt 3		SD3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,454,948	-
50	Subordinate Lien Debt 4		SD4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	TOTAL WATER CAPITAL IMPROVEMENT PROGRAM			\$603,066	\$1,462,580	\$51,300	\$5,226,662	\$53,550	\$54,800	\$56,050	\$6,152,031	\$58,650	\$60,000	\$61,400	\$62,800	\$64,250	\$65,750	\$3,522,198	\$68,800	\$17,623,887

Table 5  
Town of Belleair, Florida  
Water Rate Study  
Projected Cash Balances By Fund and Interest Earnings

Line No.	Description	Investment Reference [*]	Fiscal Year Ending September 30,															
			2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
ENDING CASH BALANCE BY FUND SUMMARY																		
1	OPERATING FUND	(U)	\$2,441,357	\$1,398,381	\$1,886,233	\$567,271	\$865,395	\$1,258,726	\$1,757,758	\$1,039,546	\$1,114,495	\$1,224,477	\$1,371,369	\$1,597,076	\$1,798,437	\$2,107,966	\$2,361,945	\$2,478,900
2	CUSTOMER DEPOSITS	(R)	23,504	23,804	24,104	24,404	24,704	25,004	25,304	25,604	25,904	26,204	26,504	26,804	27,104	27,404	27,704	28,004
3	TOTAL PROJECTED YEAR-END BALANCE		\$2,464,861	\$1,422,185	\$1,910,337	\$591,675	\$890,099	\$1,283,730	\$1,783,062	\$1,065,150	\$1,140,399	\$1,250,681	\$1,397,873	\$1,623,880	\$1,825,541	\$2,135,370	\$2,389,649	\$2,506,904
OPERATING FUND																		
4	Beginning Balance		\$2,567,665	\$2,441,357	\$1,398,381	\$1,886,233	\$567,271	\$865,395	\$1,258,726	\$1,757,758	\$1,039,546	\$1,114,495	\$1,224,477	\$1,371,369	\$1,597,076	\$1,798,437	\$2,107,966	\$2,361,945
5	Transfers In - Operations		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Transfers In - General Fund		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Total Funds Available		\$2,567,665	\$2,441,357	\$1,398,381	\$1,886,233	\$567,271	\$865,395	\$1,258,726	\$1,757,758	\$1,039,546	\$1,114,495	\$1,224,477	\$1,371,369	\$1,597,076	\$1,798,437	\$2,107,966	\$2,361,945
8	Transfers Out - CIP		\$0	\$1,412,130	\$0	\$1,713,824	\$0	\$0	\$0	\$898,630	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Transfers Out - Operations		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Total Transfers Out of Fund		\$0	\$1,412,130	\$0	\$1,713,824	\$0	\$0	\$0	\$898,630	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	Transfer In / (Out) - Surplus / (Deficiency)		(\$126,308)	\$369,154	\$487,852	\$394,862	\$298,124	\$393,331	\$499,032	\$180,418	\$74,949	\$109,982	\$146,892	\$225,707	\$201,361	\$309,529	\$253,979	\$116,955
12	Interest Rate		1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
13	Interest Income on Fund		32,100	21,700	17,500	12,900	7,100	10,800	15,700	16,400	13,000	13,900	15,300	17,100	20,000	22,500	26,300	29,500
14	Use of Interest Income to Fund Revenue Requirements	(U)	32,100	21,700	17,500	12,900	7,100	10,800	15,700	16,400	13,000	13,900	15,300	17,100	20,000	22,500	26,300	29,500
15	Ending Balance		\$2,441,357	\$1,398,381	\$1,886,233	\$567,271	\$865,395	\$1,258,726	\$1,757,758	\$1,039,546	\$1,114,495	\$1,224,477	\$1,371,369	\$1,597,076	\$1,798,437	\$2,107,966	\$2,361,945	\$2,478,900
16	Target - Days of Rate Revenue		120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120
17	Target Minimum Available Cash		\$589,481	\$591,304	\$647,671	\$693,008	\$741,519	\$793,425	\$848,965	\$908,392	\$971,980	\$1,013,289	\$1,056,354	\$1,101,249	\$1,148,052	\$1,196,844	\$1,247,710	\$1,300,737
18	Target Minimum Cash Balance Met - Yes or No		Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
19	Calculated Days of Rate Revenue		497	284	349	98	140	190	248	137	138	145	156	174	188	211	227	229
20	Target Minimum Available Cash - Budget Policy		\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000
21	Target Minimum Cash Balance Met - Yes or No		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
CUSTOMER DEPOSITS																		
22	Beginning Balance		\$23,204	\$23,504	\$23,804	\$24,104	\$24,404	\$24,704	\$25,004	\$25,304	\$25,604	\$25,904	\$26,204	\$26,504	\$26,804	\$27,104	\$27,404	\$27,704
23	Interest Rate		1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
24	Interest Income on Fund		300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
25	Use of Interest Income to Fund Revenue Requirements	(R)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	Ending Balance		\$23,504	\$23,804	\$24,104	\$24,404	\$24,704	\$25,004	\$25,304	\$25,604	\$25,904	\$26,204	\$26,504	\$26,804	\$27,104	\$27,404	\$27,704	\$28,004
SINKING FUND																		
27	Sinking Fund Deposit		\$0	\$0	\$0	\$0	\$210,779	\$210,779	\$210,779	\$210,779	\$536,966	\$536,966	\$536,966	\$536,966	\$536,966	\$536,966	\$536,966	\$753,853
28	Average Balance (25% of Annual Debt Service)		0	0	0	0	52,695	52,695	52,695	52,695	134,241	134,241	134,241	134,241	134,241	134,241	134,241	188,463
29	Interest Rate		1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
30	Interest Income on Fund		\$0	\$0	\$0	\$0	\$700	\$700	\$700	\$700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$2,400
31	Use of Interest Income to Fund Revenue Requirements	(U)	0	0	0	0	700	700	700	700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	2,400
DEBT SERVICE RESERVE ACCOUNTS																		
INTEREST INCOME SUMMARY																		
32	Unrestricted Interest Income		\$32,100	\$21,700	\$17,500	\$12,900	\$7,800	\$11,500	\$16,400	\$17,100	\$14,700	\$15,600	\$17,000	\$18,800	\$21,700	\$24,200	\$28,000	\$31,900
33	Restricted Interest Income		\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
34	Total Interest Income		\$32,400	\$22,000	\$17,800	\$13,200	\$8,100	\$11,800	\$16,700	\$17,400	\$15,000	\$15,900	\$17,300	\$19,100	\$22,000	\$24,500	\$28,300	\$32,200

Footnotes:  
[\*] (U) = Interest earnings unrestricted and assumed to be available to meet System expenditure requirements.  
(R) = Interest earnings restricted and assumed to not be available to meet System expenditure requirements.

Table 6

**Town of Belleair, Florida**  
**Water Revenue Sufficiency Study**

**Comparison of Typical Monthly Residential Bills for Water Service[\*]**

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter										
		0 Gallons	2,000 Gallons	4,000 Gallons	5,000 Gallons	7,000 Gallons	10,000 Gallons	15,000 Gallons	20,000 Gallons	50,000 Gallons	75,000 Gallons	100,000 Gallons
	<b>Town of Belleair</b>											
1	Existing Rates - Fiscal Year 2020	\$12.99	\$16.89	\$20.79	\$27.31	\$40.35	\$59.91	\$92.51	\$125.11	\$353.21	\$548.71	\$744.21
	<b><u>Surveyed Florida Utilities:</u></b>											
3	City of Clearwater	\$23.16	\$23.16	\$32.55	\$41.94	\$60.72	\$91.34	\$150.54	\$209.74	\$564.94	\$860.94	\$1,156.94
4	City of Dunedin	7.47	16.29	25.11	29.52	42.76	62.62	95.72	128.82	427.32	676.07	924.82
5	City of Gulfport	16.93	16.93	34.98	44.56	66.00	98.16	157.36	222.21	611.31	935.56	1,259.81
6	City of Largo	6.80	17.06	27.32	32.45	42.71	58.10	83.75	109.40	263.30	391.55	519.80
7	City of Oldsmar	13.79	19.94	32.24	38.39	50.69	69.14	110.39	163.89	484.89	752.39	1,019.89
8	Pinellas County	6.80	17.06	27.32	32.45	42.71	58.10	83.75	109.40	263.30	391.55	519.80
9	City of Pinellas Park	21.93	21.93	29.24	36.55	51.17	73.96	114.71	158.85	428.85	653.85	878.85
10	City of Safety Harbor	20.46	27.00	33.54	36.81	53.17	82.83	174.88	266.93	1,064.63	1,729.38	2,394.13
11	City of St. Petersburg	12.89	22.21	31.53	36.19	47.16	68.90	108.65	161.15	791.45	1,316.70	1,841.95
12	City of Tarpon Springs	22.62	31.14	39.66	43.92	60.96	86.52	139.87	206.67	806.17	1,325.67	1,845.17
13	City of Treasure Island	6.80	17.06	27.32	32.45	42.71	58.10	83.75	109.40	263.30	391.55	519.80
14	Surveyed Florida Utilities' Average	\$14.51	\$20.89	\$30.98	\$36.84	\$50.98	\$73.43	\$118.49	\$167.86	\$542.68	\$856.84	\$1,171.00
15	Minimum	6.80	16.29	25.11	29.52	42.71	58.10	83.75	109.40	263.30	391.55	519.80
16	Maximum	23.16	31.14	39.66	44.56	66.00	98.16	174.88	266.93	1,064.63	1,729.38	2,394.13

## Footnotes:

- [\*] Unless otherwise noted, amounts shown reflect residential rates in effect July 2020 and are exclusive of taxes, franchise fees or water restriction surcharges, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.

Table 7  
Town of Belleair, Florida  
Water Rate Study  
Projected Debt Service Coverage

Line No.	Description	Fiscal Year Ending September 30,															
		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	<b>Gross Revenues:</b>																
1	Water System Sales Revenue - Existing Rates	\$1,793,006	\$1,798,550	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121	\$1,841,121
2	Water Rate Increases	\$0	\$0	\$128,878	\$266,778	\$414,331	\$572,213	\$741,146	\$921,905	\$1,115,317	\$1,240,966	\$1,371,954	\$1,508,510	\$1,650,869	\$1,799,279	\$1,953,996	\$2,115,288
3	Total Sales Revenues	\$1,793,006	\$1,798,550	\$1,969,999	\$2,107,899	\$2,255,452	\$2,413,334	\$2,582,267	\$2,763,026	\$2,956,438	\$3,082,087	\$3,213,075	\$3,349,631	\$3,491,990	\$3,640,400	\$3,795,117	\$3,956,409
	Other Revenues																
4	Unrestricted Interest Earnings	\$32,100	\$21,700	\$17,500	\$12,900	\$7,800	\$11,500	\$16,400	\$17,100	\$14,700	\$15,600	\$17,000	\$18,800	\$21,700	\$24,200	\$28,000	\$31,900
5	Other Revenues	6,600	2,511	7,694	1,000	1,000	1,000	2,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
6	Total Other Revenues	38,700	24,211	25,194	13,900	8,800	12,500	18,400	18,100	15,700	16,600	18,000	19,800	22,700	25,200	29,000	32,900
7	Total Gross Revenues	\$1,831,706	\$1,822,761	\$1,995,194	\$2,121,799	\$2,264,252	\$2,425,834	\$2,600,667	\$2,781,126	\$2,972,138	\$3,098,687	\$3,231,075	\$3,369,431	\$3,514,690	\$3,665,600	\$3,824,117	\$3,989,309
8	<b>Cost of Operation and Maintenance</b>	\$1,314,948	\$1,363,157	\$1,416,042	\$1,634,537	\$1,661,799	\$1,726,924	\$1,794,807	\$2,292,579	\$2,261,573	\$2,351,739	\$2,445,818	\$2,543,958	\$2,712,114	\$2,753,355	\$2,965,922	\$3,049,701
9	Total System Net Revenues	516,758	459,604	579,152	487,262	602,453	698,910	805,861	488,547	710,565	746,948	785,258	825,473	802,576	912,245	858,195	939,608
	<b>COVERAGE TESTS:</b>																
	<b>Subordinated Debt Requirement</b>																
10	Net Revenues After Payment of Senior Lien Debt Service	\$516,758	\$459,604	\$579,152	\$487,262	\$602,453	\$698,910	\$805,861	\$488,547	\$710,565	\$746,948	\$785,258	\$825,473	\$802,576	\$912,245	\$858,195	\$939,608
11	Subordinated Debt Requirement	0	0	0	0	210,779	210,779	210,779	210,779	536,966	536,966	536,966	536,966	536,966	536,966	536,966	753,853
12	Required Coverage	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%
13	Calculated Coverage	N/A	N/A	N/A	N/A	286%	332%	382%	232%	132%	139%	146%	154%	149%	170%	160%	125%
	<b>SRF LOAN COVERAGE TESTS:</b>																
14	Net Revenues After Payment of Senior Lien Debt Service	\$516,758	\$459,604	\$579,152	\$487,262	\$602,453	\$698,910	\$805,861	\$488,547	\$710,565	\$746,948	\$785,258	\$825,473	\$802,576	\$912,245	\$858,195	\$939,608
15	Less Allowance for Senior Lien Debt Service Coverage (20%)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Net Revenues Available for SRF Loan Debt	516,758	459,604	579,152	487,262	602,453	698,910	805,861	488,547	710,565	746,948	785,258	825,473	802,576	912,245	858,195	939,608
	<b>SRF Loan Debt Service:</b>																
17	2023 SRF Loan Issue	0	0	0	0	210,779	210,779	210,779	210,779	210,779	210,779	210,779	210,779	210,779	210,779	210,779	210,779
18	2027 SRF Loan Issue	0	0	0	0	0	0	0	0	326,186	326,186	326,186	326,186	326,186	326,186	326,186	326,186
19	2034 SRF Loan Issue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	216,887
20	Total SRF Loan Debt Service	\$0	\$0	\$0	\$0	\$210,779	\$210,779	\$210,779	\$210,779	\$536,966	\$536,966	\$536,966	\$536,966	\$536,966	\$536,966	\$536,966	\$753,853
21	Required Coverage	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%	115%
22	Calculated Coverage (115% Required)	N/A	N/A	N/A	N/A	286%	332%	382%	232%	132%	139%	146%	154%	149%	170%	160%	125%
	<b>Other Revenue Requirements:</b>																
	<u>Subordinate Lien Debt</u>																
23	Interfund Loan - General Fund	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$0	\$0	\$0	\$0	\$0
24	Total Other Revenue Requirements	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	0	0	0	0	0
25	Amount Available for Capital Outlay and Other Purposes	\$476,758	\$419,604	\$539,152	\$447,262	\$351,674	\$448,131	\$555,082	\$237,768	\$133,599	\$169,982	\$208,292	\$288,507	\$265,611	\$375,279	\$321,229	\$185,755

**Pinellas County, Florida**  
**STATEMENT OF FUND NET POSITION**  
**PROPRIETARY FUNDS**  
September 30, 2019

	<u>Water System</u>	<u>Sewer System</u>
<b>ASSETS</b>		
Current assets		
Cash	\$ 14,475,155	\$ 8,447,422
Cash with fiscal agent	-	3,875,919
Investments	82,581,154	55,288,082
Accounts and notes receivable, net	12,884,512	8,364,178
Assessments receivable	-	660
Accrued interest receivable	392,054	261,542
Due from other funds	-	-
Due from other governments	9,121,524	5,615,740
Inventory	1,103,924	478,777
Prepaid items	359,113	402,505
Total current assets	<u>120,917,436</u>	<u>82,734,825</u>
Noncurrent assets		
Restricted Assets		
Cash	-	-
Investments	-	-
Total restricted assets	<u>-</u>	<u>-</u>
Capital assets		
Land	44,355,547	5,143,919
Buildings	30,621,121	19,979,035
Improvements other than buildings	478,524,187	924,020,123
Equipment	16,699,639	17,208,937
Intangible assets	3,124,876	2,406,586
Accumulated depreciation	(232,240,095)	(360,989,783)
Construction in progress	11,762,869	23,280,724
Total capital assets, net	<u>352,848,144</u>	<u>631,049,541</u>
Other assets		
Noncurrent notes receivable	28,264,217	-
Total noncurrent assets	<u>381,112,361</u>	<u>631,049,541</u>
Total assets	<u>502,029,797</u>	<u>713,784,366</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Losses on debt refunding	-	3,125,939
Pension-related deferred outflows	3,215,644	3,636,327
OPEB-related deferred outflows	735,133	813,353
Total assets and deferred outflows of resources	<u>505,980,574</u>	<u>721,359,985</u>

The accompanying notes are an integral part of this statement.

**Pinellas County, Florida**  
**STATEMENT OF FUND NET POSITION**  
**PROPRIETARY FUNDS**  
September 30, 2019

	<u>Water System</u>	<u>Sewer System</u>
<b>LIABILITIES</b>		
Current liabilities		
Vouchers payable	\$ 3,928,157	\$ 7,723,945
Contracts payable	85,941	461,111
Due to other funds	-	-
Due to other governments	1,899,094	165,658
Accrued liabilities	670,732	744,569
Claims payable	-	-
Compensated absences	951,423	1,097,749
Matured bonds payable	-	2,740,000
Matured interest payable	-	1,135,919
Unearned revenue	-	-
Deposits and other current liabilities	7,736,050	-
Total current liabilities	<u>15,271,397</u>	<u>14,068,951</u>
Noncurrent liabilities		
Revenue bonds payable plus unamortized premiums	-	123,360,418
Long-term compensated absences	190,742	220,077
Long-term claims payable	-	-
Other long-term liabilities	-	-
Other post employment benefit liability	22,684,557	25,098,276
Pension liability	<u>10,696,565</u>	<u>12,095,931</u>
Total noncurrent liabilities	<u>33,571,864</u>	<u>160,774,702</u>
Total liabilities	<u>48,843,261</u>	<u>174,843,653</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension-related deferred inflows	1,328,610	1,502,424
OPEB-related deferred inflows	<u>1,882,289</u>	<u>2,097,544</u>
Total liabilities and deferred inflows of resources	<u>52,054,160</u>	<u>178,443,621</u>
<b>NET POSITION (DEFICIT)</b>		
Net investment in capital assets	351,283,631	503,527,533
Restricted for renewal and replacement	-	-
Unrestricted net position (deficit)	<u>102,642,783</u>	<u>39,388,831</u>
Total net position (deficit)	<u>\$ 453,926,414</u>	<u>\$ 542,916,364</u>
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds		
Net position of business-type activities		

The accompanying notes are an integral part of this statement.

**Pinellas County, Florida**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
For the year ended September 30, 2019

	<u>Water System</u>	<u>Sewer System</u>
Operating revenues		
Charges for services	\$ 89,485,131	\$ 79,301,464
Operating expenses		
Personal services	15,788,059	19,304,298
Contractual services	2,750,252	7,844,239
Utility services	47,372,864	4,293,348
Supplies	2,622,036	5,459,043
Other operating expenses	10,387,933	10,623,946
Depreciation expense	10,858,415	20,792,915
Total operating expenses	<u>89,779,559</u>	<u>68,317,789</u>
Operating income (loss)	<u>(294,428)</u>	<u>10,983,675</u>
Nonoperating revenues (expenses)		
Interest revenues	4,750,678	2,129,369
Miscellaneous revenues	2,126,886	673,962
Interest expense	(86,973)	(5,420,878)
Miscellaneous expense	-	-
Total nonoperating revenues (expenses)	<u>6,790,591</u>	<u>(2,617,547)</u>
Income (loss) before capital contributions and transfers	6,496,163	8,366,128
Capital contributions	1,154,583	1,191,042
Transfers in	-	-
Transfers out	-	-
Change in net position	<u>7,650,746</u>	<u>9,557,170</u>
Net position (deficit) - beginning	<u>446,275,668</u>	<u>533,359,194</u>
Net position (deficit) - ending	<u>\$ 453,926,414</u>	<u>\$ 542,916,364</u>
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds		
Change in net position of business-type activities		

The accompanying notes are an integral part of this statement.

**Pinellas County, Florida**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the year ended September 30, 2019

	<u>Water System</u>	<u>Sewer System</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	\$ 82,558,458	\$ 76,284,980
Payments to suppliers	(61,185,864)	(27,870,268)
Payments to employees	(14,075,861)	(17,493,969)
Cash received from (paid to) other sources	<u>1,587,464</u>	<u>507,059</u>
Net cash provided (used) by operating activities	<u>8,884,197</u>	<u>31,427,802</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>		
Transfers in	-	-
Interest payments	(86,973)	-
Transfers out	<u>-</u>	<u>-</u>
Net cash provided (used) by noncapital financing activities	<u>(86,973)</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition and construction of capital assets	(11,075,081)	(21,277,970)
Principal paid on capital debt	-	(9,100,000)
Interest paid on capital debt	-	(5,483,616)
Proceeds from sale of capital assets	580,665	190,561
Capital contributions	732,787	795,802
Passenger Facility Charges	<u>-</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>(9,761,629)</u>	<u>(34,875,223)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Withdrawals from investment pool	20,991,045	20,006,446
Deposits to investment pool	(32,953,289)	(22,050,733)
Interest received on investments	2,891,809	2,063,465
Sale of investments	-	-
Purchase of investments	<u>-</u>	<u>-</u>
Net cash provided (used) by investing activities	<u>(9,070,435)</u>	<u>19,178</u>
Net change in cash and cash equivalents	(10,034,840)	(3,428,243)
Cash and cash equivalents at beginning of year	<u>24,509,995</u>	<u>15,751,584</u>
Cash and cash equivalents at end of year	<u><u>\$ 14,475,155</u></u>	<u><u>\$ 12,323,341</u></u>

The accompanying notes are an integral part of this statement.

# Reverse Osmosis Water Treatment Plant Preliminary Engineering Report & Rate Study

## Community Meeting

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Town of Belleair  
November 10, 2020



# RATE STUDY ASSUMPTIONS

- Minimal customer growth for the system
  - Units associated with Belleview Place
- Operating expense growth rate of approximately 6.0% per year from Fiscal Years 2020 Through 2035
  - Includes cost escalation for inflation, merit and cost of living adjustments, additional personnel, etc.
  - Includes increased net operating expenses associated with operation of the RO treatment plant
- Assumes issuance of two low-interest State Revolving Fund (SRF) loans to fund capital plan
  - 20-year loans at 2.0% interest rate
  - Debt service payments not made until after completion of the project
  - Requires minimum debt service coverage ratio of 115%

# RATE STUDY PRELIMINARY RESULTS – IDENTIFIED RATE ADJUSTMENTS

	2021	2022-2024	2025-2035
Two Phases	0.00%	13.25%	3.75%
All-At-Once	0.00%	16.00%	3.00%

- Rate Adjustments Identified to:
  - Fund increased cost of operations
  - Pay annual debt service payments associated with funding projects identified in the PER
  - Maintain debt service coverage ratios required for compliance with proposed SRF loans
  - Maintain adequate operating and capital reserves

# RATE STUDY PRELIMINARY RESULTS – IDENTIFIED RATE ADJUSTMENTS

	2021	2022-2024	2025-2035
Two Phases	0.00%	13.25%	3.75%
All-At-Once	0.00%	16.00%	3.00%

- Rate Adjustments Identified to:
  - Fund increased cost of operations
  - Pay annual debt service payments associated with funding projects identified in the PER
  - Maintain debt service coverage ratios required for compliance with proposed SRF loans
  - Maintain adequate operating and capital reserves

# CURRENT RATE COMPARISONS WITH OTHER UTILITIES

Comparison of Monthly Charges for Residential Water Service for Customers Using 10,000 Gallons per Month

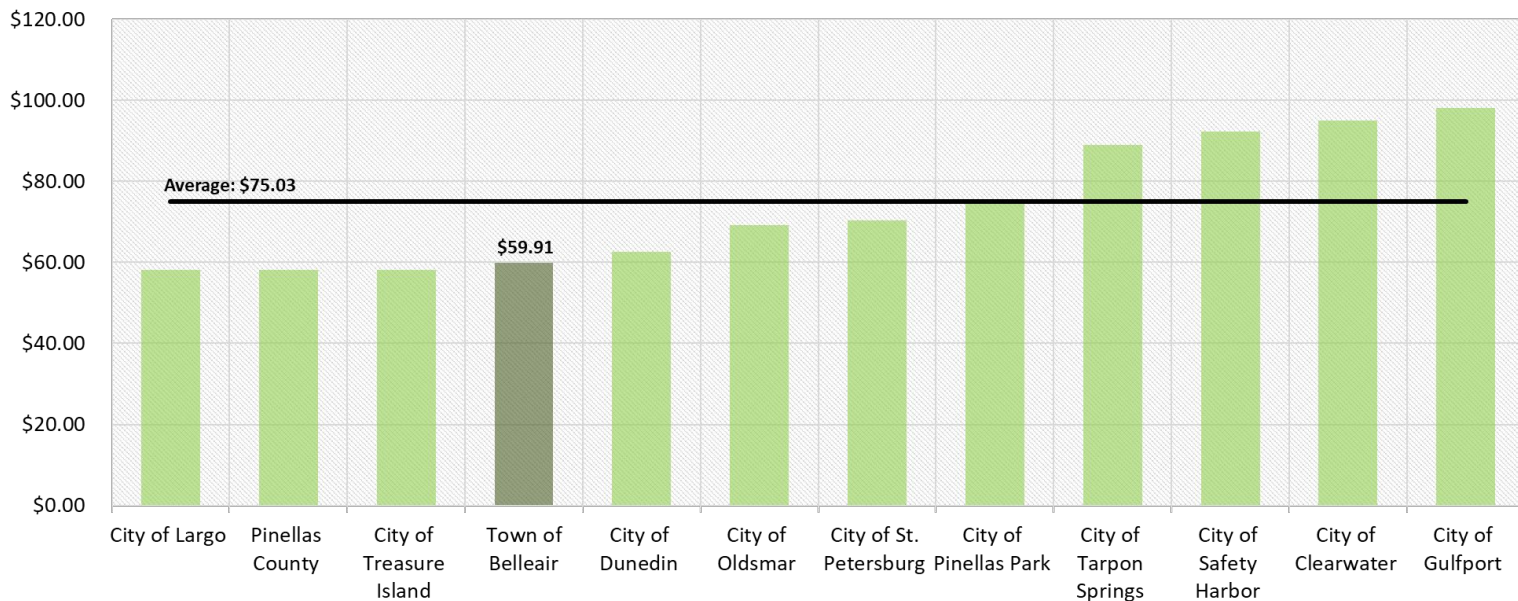


Table 6

**Town of Belleair, Florida**  
**Water Revenue Sufficiency Study**

**Comparison of Typical Monthly Residential Bills for Water Service[\*]**

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter										
		0 Gallons	2,000 Gallons	4,000 Gallons	5,000 Gallons	7,000 Gallons	10,000 Gallons	15,000 Gallons	20,000 Gallons	50,000 Gallons	75,000 Gallons	100,000 Gallons
1	Town of Belleair Existing Rates	\$12.99	\$16.89	\$20.79	\$27.31	\$40.35	\$59.91	\$92.51	\$125.11	\$353.21	\$548.71	\$744.21
2	Surveyed Florida Utilities:											
3	City of Clearwater	\$24.09	\$24.09	\$33.85	\$43.61	\$63.13	\$94.96	\$156.51	\$218.06	\$587.36	\$895.11	\$1,202.86
4	City of Dunedin	7.47	16.29	25.11	29.52	42.76	62.62	95.72	128.82	427.32	676.07	924.82
5	City of Gulfport	16.93	16.93	34.98	44.56	66.00	98.16	157.36	222.21	611.31	935.56	1,259.81
6	City of Largo	6.80	17.06	27.32	32.45	42.71	58.10	83.75	109.40	263.30	391.55	519.80
7	City of Oldsmar	13.79	19.94	32.24	38.39	50.69	69.14	110.39	163.89	484.89	752.39	1,019.89
8	Pinellas County	6.80	17.06	27.32	32.45	42.71	58.10	83.75	109.40	263.30	391.55	519.80
9	City of Pinellas Park	22.08	22.08	29.44	36.80	51.52	74.46	115.46	159.85	431.35	657.60	883.85
10	City of Safety Harbor	22.81	30.11	37.41	41.06	59.30	92.37	195.02	297.67	1,187.17	1,928.42	2,669.67
11	City of St. Petersburg	13.18	22.70	32.22	36.98	48.19	70.42	111.07	164.77	809.17	1,346.17	1,883.17
12	City of Tarpon Springs	23.24	32.00	40.75	45.13	62.64	88.90	143.72	212.35	828.34	1,362.13	1,895.91
13	City of Treasure Island	6.80	17.06	27.32	32.45	42.71	58.10	83.75	109.40	263.30	391.55	519.80
14	Surveyed Florida Utilities' Average	\$14.91	\$21.39	\$31.63	\$37.58	\$52.03	\$75.03	\$121.50	\$172.35	\$559.71	\$884.37	\$1,209.03
15	Minimum	6.80	16.29	25.11	29.52	42.71	58.10	83.75	109.40	263.30	391.55	519.80
16	Maximum	24.09	32.00	40.75	45.13	66.00	98.16	195.02	297.67	1,187.17	1,928.42	2,669.67

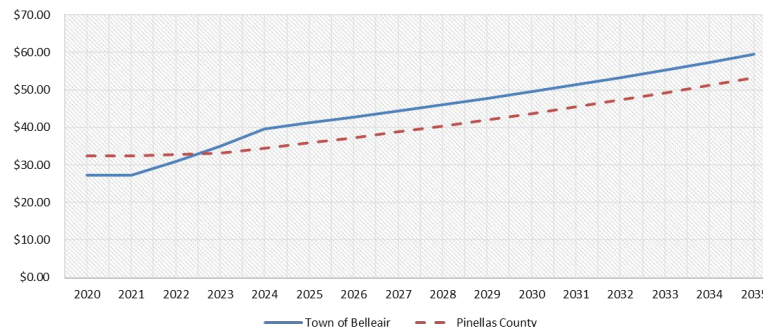
## Footnotes:

- [\*] Unless otherwise noted, amounts shown reflect residential rates in effect October 2020 and are exclusive of taxes, franchise fees or water restriction surcharges, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.

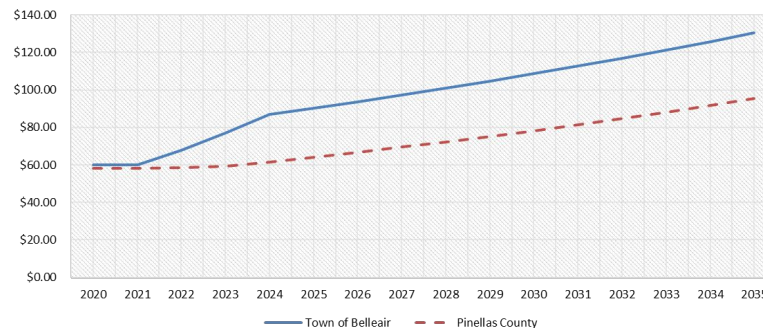
# RATE COMPARISONS WITH PINELLAS COUNTY

- Assumes Identified Rate Increases from Preliminary Results for Town
- Pinellas County Assumed Rate Adjustments:
  - County did not implement retail water rate adjustments for fiscal year 2021
  - 1.0% per year for fiscal years 2022 – 2023
  - 4.0% per year thereafter
- Assumes Town Would be Retail Customer of the County
- Does Not Consider Potential for:
  - Sale of Town water distribution line assets
  - Payment of impact fees to the County
  - Costs that may still be incurred by Town

Residential Bill Comparison at 5,000 Gallons



Residential Bill Comparison at 10,000 Gallons



**Comparison of Typical Monthly Residential Bills for Water Service to Pinellas County - All at Once Scenario**

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter										
		0 Gallons	2,000 Gallons	4,000 Gallons	5,000 Gallons	7,000 Gallons	10,000 Gallons	15,000 Gallons	20,000 Gallons	50,000 Gallons	75,000 Gallons	100,000 Gallons
Town of Belleair												
1	2020	\$12.99	\$16.89	\$20.79	\$27.31	\$40.35	\$59.91	\$92.51	\$125.11	\$353.21	\$548.71	\$744.21
2	2021	12.99	16.89	20.79	27.31	40.35	59.91	92.51	125.11	353.21	548.71	744.21
3	2022	15.07	19.59	24.11	31.67	46.79	69.47	107.27	145.07	409.62	636.37	863.12
4	2023	17.48	22.72	27.96	36.73	54.27	80.58	124.43	168.28	475.13	738.13	1,001.13
5	2024	20.28	26.36	32.44	42.61	62.95	93.46	144.31	195.16	551.01	856.01	1,161.01
6	2025	20.89	27.15	33.41	43.89	64.85	96.29	148.69	201.09	567.74	881.99	1,196.24
7	2026	21.52	27.96	34.40	45.19	66.77	99.14	153.09	207.04	584.74	908.49	1,232.24
8	2027	22.17	28.81	35.45	46.56	68.78	102.11	157.66	213.21	602.26	935.76	1,269.26
9	2028	22.84	29.68	36.52	47.96	70.84	105.16	162.36	219.56	620.26	963.76	1,307.26
10	2029	23.53	30.57	37.61	49.39	72.95	108.29	167.19	226.09	638.74	992.49	1,346.24
11	2030	24.24	31.50	38.76	50.89	75.15	111.54	172.19	232.84	657.74	1,021.99	1,386.24
12	2031	24.97	32.45	39.93	52.42	77.40	114.87	177.32	239.77	677.47	1,052.72	1,427.97
13	2032	25.72	33.42	41.12	53.98	79.70	118.28	182.58	246.88	697.68	1,084.18	1,470.68
14	2033	26.49	34.43	42.37	55.62	82.12	121.87	188.12	254.37	718.62	1,116.62	1,514.62
15	2034	27.28	35.46	43.64	57.29	84.59	125.54	193.79	262.04	740.29	1,150.29	1,560.29
16	2035	28.10	36.52	44.94	59.00	87.12	129.30	199.60	269.90	762.45	1,184.70	1,606.95
Pinellas County												
17	2020	\$6.80	\$17.06	\$27.32	\$32.45	\$42.71	\$58.10	\$83.75	\$109.40	\$263.30	\$391.55	\$519.80
18	2021	6.80	17.06	27.32	32.45	42.71	58.10	83.75	109.40	263.30	391.55	519.80
19	2022	6.87	17.23	27.59	32.77	43.13	58.67	84.57	110.47	265.87	395.37	524.87
20	2023	6.94	17.40	27.86	33.09	43.55	59.24	85.39	111.54	268.44	399.19	529.94
21	2024	7.22	18.10	28.98	34.42	45.30	61.62	88.82	116.02	279.22	415.22	551.22
22	2025	7.51	18.83	30.15	35.81	47.13	64.11	92.41	120.71	290.51	432.01	573.51
23	2026	7.81	19.59	31.37	37.26	49.04	66.71	96.16	125.61	302.31	449.56	596.81
24	2027	8.12	20.38	32.64	38.77	51.03	69.42	100.07	130.72	314.62	467.87	621.12
25	2028	8.44	21.20	33.96	40.34	53.10	72.24	104.14	136.04	327.44	486.94	646.44
26	2029	8.78	22.06	35.34	41.98	55.26	75.18	108.38	141.58	340.78	506.78	672.78
27	2030	9.13	22.95	36.77	43.68	57.50	78.23	112.78	147.33	354.63	527.38	700.13
28	2031	9.50	23.88	38.26	45.45	59.83	81.40	117.35	153.30	369.00	548.75	728.50
29	2032	9.88	24.84	39.80	47.28	62.24	84.68	122.08	159.48	383.88	570.88	757.88
30	2033	10.28	25.84	41.40	49.18	64.74	88.08	126.98	165.88	399.28	593.78	788.28
31	2034	10.69	26.87	43.05	51.14	67.32	91.59	132.04	172.49	415.19	617.44	819.69
32	2035	11.12	27.94	44.76	53.17	69.99	95.22	137.27	179.32	431.62	641.87	852.12

COMPARISON OF FUTURE BILLING - RO ALL AT ONCE VERSUS PC RETAIL						
		<u>2020</u>	<u>2023</u>	<u>2027</u>	<u>2030</u>	<u>2035</u>
BELLEAIR	5 TGAL	\$27.31	\$36.73	\$46.56	\$50.89	\$59.00
	10 TGAL	59.91	80.58	102.11	111.54	129.30
	20 TGAL	125.11	168.28	213.21	232.84	269.90
PINELLAS	5 TGAL	\$32.45	\$33.09	\$38.77	\$43.68	\$53.17
	10 TGAL	58.10	59.24	69.42	78.23	95.22
	20 TGAL	109.40	111.54	130.72	147.33	179.32