

Loxahatchee

River District

Fiscal Year 2022 Rate and Connection Fee Study

Final Report | May 2, 2022



May 2, 2022

Mr. Albrey Arrington, Ph.D.
Executive Director
Loxahatchee River District
2500 Jupiter Park Drive
Jupiter, FL 33458-8962

Subject: **Fiscal Year 2022 Rate and Connection Fee Study**

Dear Mr. Arrington:

Raftelis Financial Consultants, Inc. (Raftelis) has completed the Fiscal Year 2022 Rate and Connection Fee Study (Study) on behalf of the Loxahatchee River District (District). We have presented the results of our analyses, assumptions, and recommendations in this report for your consideration. The purpose of the Study was to: i) develop an independent evaluation of wastewater operations and the corresponding anticipated expenditure and funding needs (revenue requirements) to evaluate the sufficiency of the wastewater system (System) revenues; ii) review the current wastewater rate structure; and iii) evaluate the wastewater connection fees charged to new development connecting to the System. The accounting period beginning October 1 and ending September 30 (Fiscal Year) for Fiscal Years 2022 through 2026 represents the *Study Period*.

Based on the findings of this evaluation, which should be read in its entirety, it is recommended that the District Governing Board consider the previously adopted and recommended System rate adjustments and connection fees as follows:

Wastewater and I.Q. Water User Rates [1]					
Description	Adopted Rates				Proposed
	2022	2023	2024	2025	2026
Wastewater	2.00%	2.00%	3.00%	3.00%	3.00%
Retail I.Q.	3.00%	3.00%	3.00%	3.00%	3.00%
Wholesale I.Q.	0.00%	3.00%	3.00%	3.00%	3.00%
Nano I.Q.	3.00%	5.00%	5.00%	5.00%	3.00%

[1] Rate adjustments assumed to be effective April 1 of each year.

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Connection Fees		
	Existing	Proposed [1]
Plant Connection Charge	\$2,087.00	\$1,799.00
Regional Transmission System Charge	691.00	1,168.00
Administrative Charge	145.24	169.00
Total Connection Fees	<u>\$2,923.24</u>	<u>\$3,136.00</u>

[1] We recommend the proposed connection fees be adjusted annually based on the Engineering News Record Construction Cost Index.

The following is a summary of the key Study findings:

- The principal drivers of the identified rate adjustments are related to increased capital funding requirements from rate revenues (referred to as *pay-go* capital funding) and the inflationary effects on operating expenses.
- While approximately \$38.7 million in staff-identified projects are assumed to be funded during the study period, the District has the benefit of strong cash reserves which allows rate increases to be phased in and kept closer to an inflationary index. Additionally, the District has no outstanding debt, and none was assumed in this analysis, which may provide significant flexibility when considering future capital needs.
- Based on our analysis and the assumptions relied upon as delineated in this Study, the identified rate adjustments are expected to: i) ensure adequate funding for the projected revenue requirements of the System, including capital reinvestment; ii) meet and/or exceed the District's recommended financial targets; and iii) maintain user rates that are below average compared to other surveyed utilities.
- The connection fees should be adjusted to reflect the existing and planned investment in capital assets available to serve new development and to recover administrative costs associated with each new connection.
- The system's existing rate structure methodology is reasonable and cost effective to administer
- The District should continue to prepare annual rate reviews to monitor actual financial operating performance and adjust rates as necessary to ensure safe and reliable service and fund the system's operating and capital needs.

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Mr. Albrey Arrington, Ph.D.
Loxahatchee River District
May 2, 2022
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Following this letter is a summary report documenting the System's current financial position, recent trends, principal assumptions, and findings for your consideration. We appreciate the opportunity to be of service to the District and the fine cooperation and valuable assistance given to us by District staff in the completion of the Study.

Sincerely,

RAFTELIS FINANCIAL CONSULTANTS, INC.

A handwritten signature in black ink, reading "Henry L. Thomas". The signature is fluid and cursive, with the first name "Henry" and last name "Thomas" clearly legible.

Henry L. Thomas
Vice President

A handwritten signature in black ink, reading "Trevor McCarthy". The signature is cursive and somewhat stylized, with the first name "Trevor" and last name "McCarthy" clearly legible.

Trevor McCarthy, CGFM
Consultant

HLT/dlc
Attachments

LOXAHATCHEE RIVER DISTRICT

FISCAL YEAR 2022 RATE AND CONNECTION FEE STUDY

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LOXAHATCHEE RIVER DISTRICT

FISCAL YEAR 2022 RATE AND CONNECTION FEE STUDY

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SECTION 1 – REVENUE REQUIREMENTS

General

Loxahatchee River District operates an 11 MGD, regional wastewater treatment facility located in Jupiter, Florida providing wastewater treatment to approximately 33,000 homes and businesses within the communities of Jupiter, Tequesta, Juno Beach, Jupiter Inlet Colony, and areas of unincorporated Palm Beach and Martin County. The District also provides irrigation quality (reuse) water to various residential communities, golf courses, and parks.

Raftelis Financial Consultants, Inc. (Raftelis) has completed the Fiscal Year 2022 Rate and Connection Fee Study (Study) on behalf of the Loxahatchee River District (District). We have presented the results of our analyses, assumptions, and recommendations in this report for your consideration. The purpose of the Study was to: i) develop an independent evaluation of wastewater operations and the corresponding anticipated expenditures and funding needs (revenue requirements) to evaluate the sufficiency of the wastewater system (System) revenues; ii) review the current wastewater rate structure; and iii) evaluate the wastewater connection fees charged to new development connecting to the System. The accounting period beginning October 1 and ending September 30 (Fiscal Year) for Fiscal Years 2022 through 2026 represents the *Study Period*.

The basis of the study is a financial forecast that was developed based on information provided by District staff including, but not limited to: i) detailed customer billing statistics, treated flows, and reclaimed water production; ii) the Fiscal Year 2022 capital improvement plan; iii) the adopted Fiscal Year 2022 operating budget; iv) financial and operational results for Fiscal Years 2019 through 2021; and v) other financial or statistical information.

Forecast of Revenues

The revenues for the System are primarily generated from user rates for wastewater treatment and irrigation quality water. Such rate revenues currently account for approximately 85% of total System revenues, 90% of which are related to wastewater. The remaining 15% is generated from connection fees, assessment revenues, miscellaneous service charges, and interest income on cash / investments. Since most of the System revenues are generated from wastewater user rates, the forecast of revenues is primarily determined by projections of the estimated number of customers receiving service and, in the case of non-residential customers, metered water use. Residential customers are currently charged a flat fee per equivalent connection (EC), while commercial customers are charged based on metered water consumption. Irrigation quality (IQ) water customers are charged per thousand gallons based on their individual, fixed capacity allocation. The District has currently allocated the majority of its IQ water capacity, so no additional customer growth was assumed in this analysis.

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CUSTOMER AND USAGE FORECAST

The forecast of system revenues relied upon a review of recent historical trends in customer account growth and usage statistics. The following table provides a summary of projected wastewater billing statistics:

Projected Customers and Sales [1]			
Fiscal Year	Average Annual Accounts	Average Annual Equivalent Connections	Non-residential Wastewater Sales (kgal) [2]
2021 (Actual)	32,979	71,446	544,153
2022	33,285	72,913	600,112
2023	33,506	73,713	624,088
2024	33,585	73,863	624,088
2025	33,664	74,013	624,088
2026	33,743	74,163	624,088
Annual Growth	0.46%	0.75%	2.78%

[1] Based on historical data and discussions with District staff. Derived from Table 1-1.

[2] Represents non-residential, billed wastewater sales.

The District's service area consists mostly of residential development, which makes up 95% of the wastewater accounts served. New customer growth is projected at approximately 210 equivalent connections per year. This estimate assumes the District is not actively expanding sewer to areas west of I-95, where much of the existing development is currently on septic. Additionally, the District saw a significant decline in non-residential ECs during Fiscal Years 2020 and 2021, likely the result of economic effects from COVID-19. It was assumed that a recovery would occur back to prior levels during the Fiscal Years 2022 and 2023. Projected non-residential wastewater sales, as shown in the figure above, was based on a historical monthly average of 4,000 gallons per EC.

PROJECTED REVENUES

The revenue forecast was based the customer growth and subsequent increase in non-residential wastewater sales summarized in the prior section. In addition to the quarterly user rates, the District charges connection fees for new development connecting to the System, as well as assessments for past neighborhood septic-to-sewer projects. A summary of revenue projections is presented below.

Projected System Revenues (\$000s) [1]						
Fiscal Year	Wastewater Revenues	IQ Water Revenues	Assessment Revenues [2]	Connection Fee Revenues	Miscellaneous Revenues [3]	Total Revenues
2022	\$17,270	\$2,204	\$1,742	\$842	\$707	\$22,764
2023	17,840	2,258	1,334	870	1,087	23,389
2024	18,322	2,332	1,304	445	962	23,365
2025	18,908	2,408	1,169	445	851	23,781
2026	19,512	2,488	1,114	445	744	24,302
Growth Rate	3.1%	3.1%	-10.6%	-14.7%	1.3%	1.6%

[1] Wastewater and IQ water revenues shown at adopted and proposed rates. Connection fee revenues assume proposed fees effective April 1, 2023. The decline in connection fee revenues in 2024 is due to a projected decline in the rate of new customer connections.

[2] Represents projected annual installment payments for prior septic-to-sewer assessment programs.

[3] Amounts shown include revenues derived from miscellaneous and administrative fees, as well as interest income from cash and investments.

As shown above, wastewater and IQ water revenues are projected to increase by approximately 3.1% per year, largely due to the projected rate increases as customer growth assumptions are minimal over the study period. There are currently 2,067 properties from 97 neighborhoods paying annual septic-to-sewer assessment payments at varying stages of a 20-year repayment schedule. Assuming no prepayments are made, and no additional assessment programs occur, this revenue will gradually decline and cease by 2040. Connection fee revenue projections are based on the forecast of new customer connections. Total revenues are projected to increase an average of 1.6% per year; however, will be dependent upon several factors such as new customer growth, assessment pre-payments, and interest earnings on cash / investments, among other factors.

Forecast of Expenditures

The Study Period expenditures consist of operation and maintenance (operating) expenses and capital funding requirements. The District has no currently outstanding debt and all expenditures during the forecast period are assumed to be funded by internal resources (i.e., rate and fee revenues, existing cash reserves). Operating expenses account for the majority, or 80%, of gross revenue requirements (the expenditures required to be funded from rates and all other available revenues), while capital funded from rates makes up the remaining 20%.

OPERATING EXPENSES

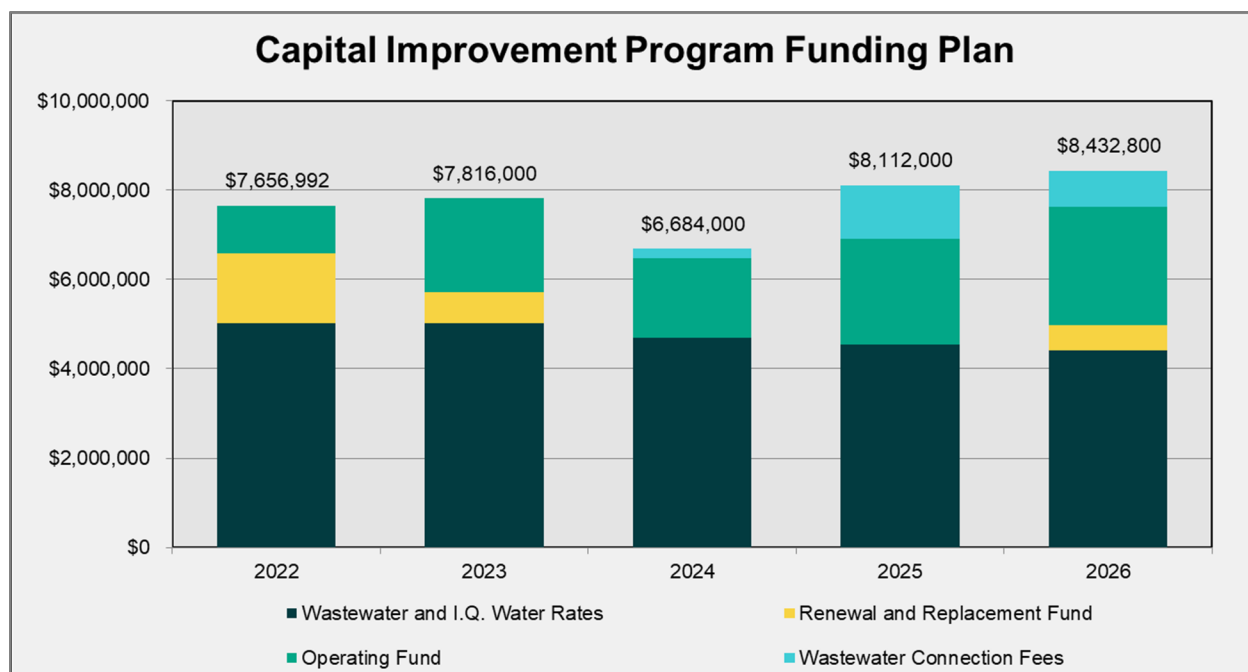
The forecast of operating expenses was developed based upon: i) a review of the recent trends in historical expenses; ii) the adopted Fiscal Year 2022 budget; iii) assumed inflation factors of costs based on industry trends, projections of inflation by the Congressional Budget Office, and other resources; and iv) discussions with District staff.

The adjusted, Fiscal Year 2022 budget serves as the foundation of operating expense projections. To determine the rate revenue requirements for wastewater and IQ water rates independently, the budget is allocated between the two functions based on various allocation factors such as number of accounts, value of assets, employee salaries, and other factors based on discussions with District staff. This approach resulted in 86.5% of operating expenses being allocated to wastewater and 13.5% being allocated to IQ water. After allocation of the budget, the operating expenses are projected on a line-item basis by various escalation factors ranging from two percent (2%) to seven percent (7%) based on CPI, inflation estimates for chemicals, electricity, insurance, and personnel costs, as well as considering the growth in customers and treated wastewater flows. In total, operating expenses are assumed to increase an average of 3.5% per year. Despite higher levels of inflation currently being witnessed, we have not significantly increased projections of inflation due to recent budget-to-actual variances experienced by the District. This positive budget variance should provide a means to absorb continued inflationary pressures on operating expenses in the short term.

CAPITAL EXPENDITURES

District staff has identified \$48.4 million in capital projects over the Study Period. However, because executing 100% of budgeted capital projects is unlikely over the next five (5) years based on discussion with staff, this analysis assumes an 80% execution rate or capital spending of approximately \$38.7 million. The chart below provides a summary of the capital expenditures by funding source for the Study Period:

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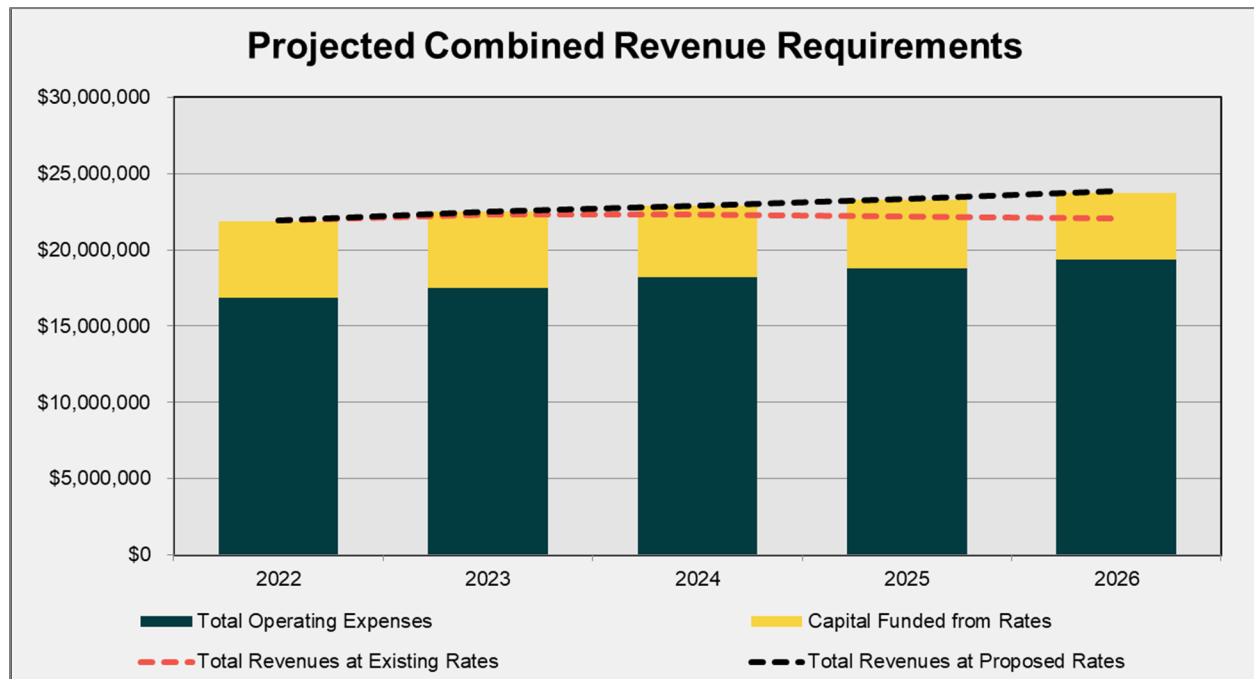


The majority of capital is assumed to be funded by wastewater and IQ water rate revenues, which is often referred to as *pay-as-you-go* capital funding. Additional funding is assumed to be funded by unrestricted (operating and R&R fund) cash reserves. These available cash reserves allow the District to fund a higher level of capital investment, without the need for immediate rate increases. Projects identified to serve and/or benefit new customer growth were assumed to be funded with wastewater connection fees. As shown in chart above, all identified funding requirements are anticipated to be financed from internal sources derived from existing cash reserves, connection fees, and user rates. The District currently has no outstanding debt and is in a strong financial position to utilize debt strategically in the future, which may minimize rate impacts of potential future capital investment requirements.

Principal Findings

Based on the key assumptions as identified in this report, we have determined that the existing wastewater and IQ water rates are not projected to generate sufficient revenues to fund the projected operating and capital needs of the System. The primary drivers of the projected increases in revenue requirements are due to inflation on operating and maintenance expenses and the pay-go funding required to fund the capital improvement program.

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The District had identified and adopted rate adjustments for each year through 2025 prior to the commencement of this study through their own internal rate study process. These previously adopted rates, along with an additional, uniform 3% increase to all user rates for 2026 are recommended in order to adequately fund operations over the Study Period, while maintaining strong operating and capital reserves.

Recommended Rate Adjustments [1]					
Description	2022	2023	2024	2025	2026
Wastewater	2.0%	2.0%	3.0%	3.0%	3.0%
Retail IQ	3.0%	3.0%	3.0%	3.0%	3.0%
Wholesale IQ	0.0%	3.0%	3.0%	3.0%	3.0%
Nano IQ	5.0%	5.0%	5.0%	5.0%	3.0%

[1] All rate increases assumed to be effective April 1 of each year.

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CASH BALANCES

The following table provides a summary of the projected cash balances by fund:

Summary of Projected Ending Balances by Fund (\$000s) [1]					
Description	Fiscal Year Ending September 30,				
	2022	2023	2024	2025	2026
Operating Fund	\$20,958	\$18,880	\$17,127	\$14,795	\$12,241
Days of Revenue	393	343	303	253	203
Renewal & Replacement Fund	\$5,261	\$4,565	\$4,565	\$4,565	\$4,000
Customer Deposits	87	89	90	91	92
Wastewater Connection Fees	844	1,737	2,010	1,275	931
Capital Reserve Fund [2]	11,570	11,570	11,570	11,570	11,570
Total Cash Balances	\$38,720	\$36,841	\$35,362	\$32,296	\$28,834

[1] Represents the projected ending cash balances in each respective year of the forecast and derived from Table 1-11.

[2] Designated for a future deep injection well project.

To fund the capital needs of the System, it is anticipated that the use of existing cash reserves will be required as shown in the chart above. The District's strong cash reserves will permit the funding of significant capital projects which may have otherwise needed to be funded through rates and/or the use of debt. Two cash reserve targets were established for the rate setting process that aim to allow the District to overcome unforeseen expenditures as well as maintain adequate working capital. A renewal and replacement (R&R) reserve balance of 1.5% of gross depreciable assets (or approximately \$3.8 million on average), which represents the existing capital investment, not including land, was established as a R&R reserve fund target. Additionally, a minimum operating reserve of 120 days of revenues was established to provide adequate working capital and reserves for unforeseen operating expenditures.

According to information from Moody's Investor Services, out of U.S. utilities surveyed, AA-rated sewer utilities had a median of 622 days cash on hand in 2019. Fitch Ratings found similar information across utilities surveyed in 2020, with surveyed United States utilities median days cash on hand of 556. It should be noted that these amounts include all cash reserves, including restricted or earmarked funds. Water and wastewater utilities tend to maintain significant cash reserves and higher levels of cash reserves are common among utilities with more favorable credit ratings. These high levels of reserves are largely due to the capital-intensive nature of wastewater treatment and collection, and the cost of maintaining, upgrading, and expanding those assets to maintain the level of service citizens expect, satisfy regulatory requirements, and meet the demands of new customer growth. As of September 30, 2021, the District is tasked with maintaining over \$232 million worth of wastewater infrastructure. Because of the critical importance in maintaining the integrity of System in the interest of public health and the capital-intensive nature of wastewater treatment, Raftelis regularly recommends minimum cash reserves policies like those delineated above. Some local governments and utilities have even formally adopted cash reserve policies (and/or other financial metrics) by resolution or annually through the budgetary process.

RATE STRUCTURE

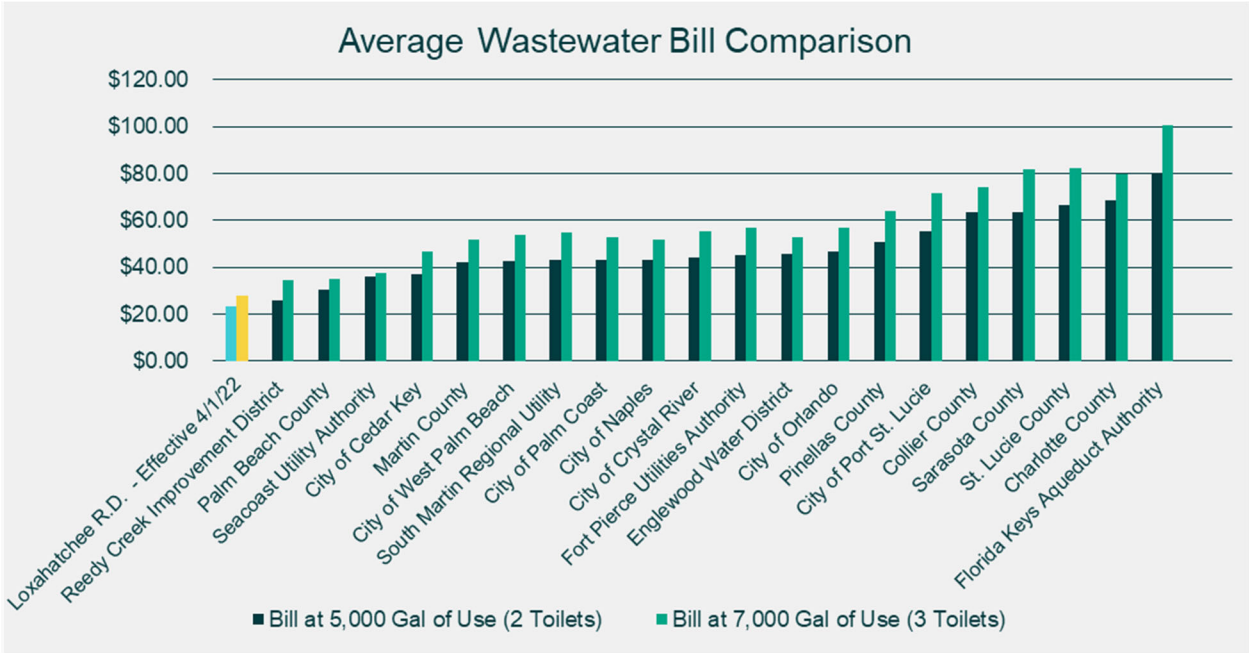
Most utilities in Florida use a combination of fixed and variable rates (base charge plus a variable rate per kgal) to recover the costs of wastewater treatment, with variable charges based upon metered water usage and a base charge per equivalent connection (also known as an equivalent residential connection). Typically, residential rate structures

include a cap on the usage charge recognizing that not all residential water use returns the system for treatment (e.g., irrigation). This cap is typically between 6-10 kgal per month. For non-residential customers, typically, almost all water returns to the sewer system and therefore, no cap is applied.

In contrast, the District charges residential customers a flat charge based on equivalent connections as determined by the number of toilets per single family unit. Non-residential customers are charged a volumetric rate per thousand gallons based upon metered water usage or, where no meter is present, a flat fee per equivalent connection. Though less common, we believe this approach is effective and reasonable methodology. Based on our analysis, 85% of the Districts revenue requirements are fixed costs that do not vary by wastewater treatment flow. Furthermore, there is a high correlation between the number of toilets and wastewater flows in residential customers. Using the number of toilets as proxy for a household’s wastewater flow is reasonable methodology. Metered water usage may or may not reflect the actual wastewater flow returned to the system in a residential home due to irrigation and other outdoor uses. Non-residential customers tend to have very little irrigation or separately meter their irrigation systems. Therefore, using metered water usage for non-residential customers makes sense and is an equitable and defensible billing method.

RATE COMPARISON

Below is a comparison of monthly wastewater bills to neighboring utilities.



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SECTION 2 – CONNECTION FEES

General

A connection fee, also referred to as an impact fee, is a charge imposed on new users of real property to help finance the capital cost of constructing public facilities necessary to serve new residents. The purpose of a connection fee is to assign, to the extent practical, growth-related capital costs to those new residents or users responsible for such additional costs. The connection fee can be considered to be a new user's contribution to those facilities or capital costs that are required in order to provide a comparable level of service to that which is being provided to existing customers.

Development of Connection Fees

There are two significant components to be addressed in designing connection fees: i) the level of service to be apportioned to the applicants that request System capacity; and ii) the level or amount of capital costs to be recovered from a new applicant requesting service. Both are related to the level of the connection fee expressed on an equivalent connection (EC) basis.

LEVEL OF SERVICE

Level of service indicates the capacity per unit of demand for a given public facility. In the case of wastewater systems, this is commonly the capacity allocable to an equivalent connection, or per capita, expressed as the amount of usage allocated on an average daily basis. The District's level of service is 100 gallons per day per capita based on 2.5 persons per equivalent connection or simply, 250 gallons per EC. A residential equivalent connection, as defined by the district, equals one (1) toilet (water closet). Other customer classes, as defined in *Rules of the Loxahatchee River Environmental Control District Chapter 31-10*, use what is known as an attributes approach in defining equivalent connections. This approach recognizes there are differences in wastewater treatment demand among specific business or occupation types and assigns equivalent connections according to defined occupational use categories.

EXISTING PLANT-IN-SERVICE

In the determination of the connection fees associated with serving future customers, excess capacity, if any, of the existing utility System available to serve such growth should be considered. Since such capacity is available to serve the near-term incremental growth of the System, it is appropriate to quantify the capacity availability of such facilities. To evaluate the availability of the utility assets to meet future capacity needs, it is necessary to functionalize the assets by specific utility function. The functionalization of the existing assets is necessary to identify those assets which should be included in the determination of the connection fees. The following is a summary of the functional cost categories for the utility plant-in-service identified in this report.

Functional Wastewater Asset Categories
Treatment / Disposal
Transmission / Lift Station
Collection
Vehicles / Equipment
Developer / Government Contributed

Generally, only the cost associated with treatment, disposal, and primary transmission facilities are included in a wastewater connection fee, while collection lines are excluded. A line allocator was developed to apportion the existing System costs between transmission and collection. The line allocator was created using a detailed listing of the amount of linear feet by line size, which is then weighted by the circumference of each pipe. Gravity mains less than 10 inches in diameter and force mains less than 6 inches were considered local collection rather than primary transmission. Therefore, only approximately 28% of the line costs were included in the development of the proposed connection fees. The existing wastewater system assets are functionalized below:

Functionalized Existing Wastewater System Assets [1]	
Existing Assets Included in the Connection Fees:	
Treatment Component	\$76,435,876
Transmission Component	28,325,738
Total Embedded Costs Included in the Connection Fees	\$104,761,614
Existing Assets Excluded from the Connection Fees:	
Distribution and Collection	\$9,130,282
Vehicles / Equipment	62,821,851
Developer / Government Contributed Assets	56,316,439
Total Embedded Costs Excluded from the Connection Fees	\$128,268,573
Total Existing Fixed Assets	<u>\$233,030,187</u>

[1] Amounts reflected as of September 30, 2021, including construction-work-in-progress, as provided by City staff and summarized in Table 2-1.

As shown above, the District has benefitted from approximately \$56.3 million in capital grants and contributions used to construct the existing facilities available to serve new growth. This amount was used to reduce the proposed connection fee recovery amounts.

ADDITIONAL CAPITAL INVESTMENTS

In addition to the existing plant-in-service, the cost of the District's capital improvements that are anticipated to benefit or meet the demand requirements of future customer growth are reflected in the proposed connection fees. Most of the capital improvement plan is related to renewal and replacement, which is not included in the development of the fees. As shown below, a total of \$25.85 million in capital projects related to new system improvements have been included in the calculation of the connection fees.

Functionalized Wastewater Capital Improvement Plan [1]					
	Total	Existing Assets [2]		Future Assets [3]	
		Treatment	Transmission	Treatment	Transmission
Wastewater Capital Projects	\$25,850,000	\$2,750,000	\$23,100,000	\$0	\$0

[1] Amounts derived from Table 2-2.

[2] Amounts reflect improvement to existing assets that will provide future benefit to existing and future customers.

[3] Amounts reflect expansion-related improvements to new assets to serve new growth.

ADMINISTRATIVE CHARGE

The administrative charge seeks to recover the operating expenses (non-capital) related to administrative, engineering, and legal requirements associated with new development's connection to the system. The District estimated that, on average, each new connection takes approximately 3.5 hours of staff time and an average hourly rate of \$33.66. A 25% overhead costs factor was added to this hourly rate for a total hourly rate of \$42.08. In addition to direct staff costs of \$147.28, the cost of the wastewater connection fee study was amortized over a period of three (3) years, representing the study frequency, and then divided by the average number of new connections assumed over the study period for a cost of \$22.22 per equivalent connection. The resulting (rounded) fee is \$169.00 per equivalent connection.

Design of Wastewater Connection Fees

Table 2-3 at the end of this report presents a calculation of the proposed wastewater connection fees per equivalent connection. In the development of the proposed fee, several assumptions were utilized in the analysis and are summarized below:

1. The existing wastewater treatment facilities have approximately 36% of existing capacity available to serve new growth based on: i) the current permitted plant capacity; and ii) the historical average daily flow experienced by the wastewater system. The proposed connection fees reflect the proportionate share of the existing plant capacity available to serve new development.
2. The capital costs associated with improvements or expansions allocable to growth are included in the fee determination at full cost, as identified in the District's CIP. Capital expenditures related to the renewal or replacement of existing assets are not reflected in the calculation of the fees. A summary of capital improvement costs considered in the calculation of the wastewater connection fees are reflected on Table 2-2.
3. The District's level of service is 100 gallons per day per capita, based on a one toilet residence and 2.5 persons per residence. This can otherwise be expressed as 250 gallons per day per equivalent connection.
4. The total amount to be recovered by the connection fees were reduced by historical developer and government capital contributions as reported in the District's fixed asset data.

As shown on Table 2-3 at the end of this report, the analysis utilizes estimated capital costs for the wastewater treatment / transmission system, EC service requirements, and existing and future fixed asset and plant capacity data regarding the wastewater system. By calculating the wastewater connection fees to recover costs on a prospective basis, an attempt is made to design a charge that will provide funds on a reasonable basis in order to reflect the cost of capacity needed to meet the future needs of the system. In the event a need for additional capacity, capacity requirements, construction costs, or the utility service area materially changes from what is reflected on Table 2-4, the connection fees may need to be adjusted accordingly. A summary tabulation of the proposed wastewater connection fees is on the following page:

(Remainder of page intentionally left blank)

Connection Fees [1]		
	Existing	Proposed [2]
Plant Connection Charge	\$2,087.00	\$1,799.00
Regional Transmission System Charge	691.00	1,168.00
Administrative Charge	145.24	169.00
Total Connection Fees	<u>\$2,923.24</u>	<u>\$3,136.00</u>

[1] Amounts derived from Table 2-3 at the end of this report.

[2] We recommend the proposed connection fees be adjusted annually based on the Engineering News Record Construction Cost Index.

Conclusions and Recommendations

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

1. The principal causes of the identified rate adjustments are related to increased capital funding requirements from rate revenues (referred to as *pay-go* capital funding) and the inflationary effects on operating expenses.
2. While approximately \$38.7 million in staff-identified projects are assumed to be funded during the study period, the District has the benefit of strong cash reserves which allows rate increases to be phased in and kept closer to an inflationary index. Additionally, the District has no outstanding debt, and none was assumed in this analysis, which may provide significant flexibility when considering the funding of future capital needs.
3. Based on our analysis and the assumptions relied upon as set forth in this study, we recommend the board consider adopting the identified rate adjustments which are projected to: i) ensure adequate funding for the projected revenue requirements of the System, including capital reinvestment; ii) meet and/or exceed the District's recommended financial targets; and iii) maintain user rates that are below average compared to other surveyed utilities.
4. The connection fees should be adjusted to reflect the existing and planned investment in capital assets available to serve new development and to recover administrative costs associated with each new connection and should be indexed annually by the Engineering News Record Construction Cost Index.
5. Based on the System's fixed versus variable cost structure the existing rate structure methodology is reasonable and cost effective to administer.
6. District management should continue the practice of performing an internal rate study annually as it reflects best utility management practices. We also recommend periodically reviewing the connection fee calculations.

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LOXAHATCHEE RIVER DISTRICT

FISCAL YEAR 2022 RATE AND CONNECTION FEE STUDY

LIST OF TABLES

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1-1	Wastewater System Projected Customer Statistics
1-2	Irrigation Quality Water System Projected Customer Statistics
1-3	Summary of Projected Wastewater and IQ Water Rate Revenues Under Existing Rates
1-4	Allocation of Fiscal Year 2022 Operating Budget
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**Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study**

Wastewater System Projected Customer Statistics

Line No.	Description	EC Factor	Fiscal Year Ending September 30,				
			2022	2023	2024	2025	2026
WASTEWATER SYSTEM							
Residential							
Equivalent Connections							
1	Normal Growth		300	300	150	150	150
2	Incremental Growth		0	0	0	0	0
3	Total Residential EC Growth		300	300	150	150	150
4	Total Residential Average Annual Accounts		31,567	31,725	31,804	31,883	31,962
5	Total Residential Annual Average ECs	1.90	60,398	60,698	60,848	60,998	61,148
Non-Residential							
Equivalent Connections							
6	Normal Growth		0	0	0	0	0
7	Recovery in Commercial ECs		1,167	500	0	0	0
8	Total Non-Residential EC Growth		1,167	500	0	0	0
9	Total Non-Residential Annual Average Accounts		1,718	1,781	1,781	1,781	1,781
10	Total Non-Residential Annual Average ECs	7.90	12,515	13,015	13,015	13,015	13,015
Sales							
11	Commercial Wastewater Revenue-Gallons (kgal)		600,112	624,088	624,088	624,088	624,088
12	Total Commercial Wastewater Sales (kgal)		600,112	624,088	624,088	624,088	624,088
13	Annual Average Commercial Use per EC		47.951	47.951	47.951	47.951	47.951
14	TOTAL WASTEWATER ACCOUNTS		33,285	33,506	33,585	33,664	33,743
15	TOTAL WASTEWATER ECs		72,913	73,713	73,863	74,013	74,163
16	TOTAL COMMERCIAL WASTEWATER SYSTEM SALES (kgal)		600,112	624,088	624,088	624,088	624,088
17	TOTAL WASTEWATER TREATED FLOWS (kgal)		2,629,485	2,663,541	2,668,581	2,673,621	2,678,661

**Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study**

Irrigation Quality Water System Projected Customer Statistics

Line No.	Description	EC Factor	Fiscal Year Ending September 30,				
			2022	2023	2024	2025	2026
	IQ WATER SYSTEM						
	Retail						
	Accounts						
1	Normal Growth		0	0	0	0	0
2	Incremental Growth		0	0	0	0	0
3	Total Account Growth		0	0	0	0	0
4	Total Annual Avg. Accounts	1.00	29	29	29	29	29
5	Total Annual Avg. ECs		29	29	29	29	29
	Sales						
6	Normal Monthly Avg. Use (gallons)		3,533,872	3,533,872	3,533,872	3,533,872	3,533,872
7	Total IQ Water Sales (kgal)		1,229,788	1,229,788	1,229,788	1,229,788	1,229,788
	Wholesale						
	Accounts						
8	Normal Growth		0	0	0	0	0
9	Incremental Growth		0	0	0	0	0
10	Total Account Growth		0	0	0	0	0
11	Total Annual Average Accounts	1.00	12	12	12	12	12
12	Total Annual Avg. ECs		12	12	12	12	12
	Sales						
13	Normal Monthly Avg. Use (gallons)		17,667,014	17,667,014	17,667,014	17,667,014	17,667,014
14	Total IQ Water Sales (kgal)		2,544,050	2,544,050	2,544,050	2,544,050	2,544,050

**Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study**

Irrigation Quality Water System Projected Customer Statistics

Line No.	Description	EC Factor	Fiscal Year Ending September 30,				
			2022	2023	2024	2025	2026
	Nano						
	Accounts						
15	Normal Growth		0	0	0	0	0
16	Incremental Growth		0	0	0	0	0
17	Total Account Growth		0	0	0	0	0
18	Total Annual Average Accounts	1.00	3	3	3	3	3
19	Total Annual Average ECs		3	3	3	3	3
	Sales						
20	Normal Monthly Avg. Use		10,341,667	10,341,667	10,341,667	10,341,667	10,341,667
21	Total IQ Water Revenue-Gallons (kgal)		372,300	372,300	372,300	372,300	372,300
22	TOTAL IQ WATER SYSTEM ACCOUNTS		44	44	44	44	44
23	TOTAL IQ WATER SYSTEM ECs		44	44	44	44	44
24	TOTAL IQ WATER SYSTEM SALES (kgal)		4,146,138	4,146,138	4,146,138	4,146,138	4,146,138

Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Summary of Projected Wastewater and IQ Water Rate Revenues Under Existing Rates

Line No.	Description	Fiscal Year Ending September 30,				
		2022	2023	2024	2025	2026
WASTEWATER SYSTEM						
1	Residential	\$13,456,674	\$13,657,050	\$13,690,800	\$13,724,550	\$13,758,300
2	Non-residential	3,813,714	4,006,645	4,006,645	4,006,645	4,006,645
3	Total	\$17,270,388	\$17,663,695	\$17,697,445	\$17,731,195	\$17,764,945
IQ WATER SYSTEM						
4	Retail	\$750,416	\$772,921	\$796,103	\$819,961	\$836,256
5	Wholesale	1,164,666	1,182,093	1,217,455	1,253,962	1,272,025
6	Nano	288,961	303,425	318,596	334,512	342,516
7	Total	\$2,204,043	\$2,258,439	\$2,332,154	\$2,408,435	\$2,450,797
TOTAL UTILITY SYSTEM REVENUE						
8	Residential Wastewater	\$13,456,674	\$13,657,050	\$13,690,800	\$13,724,550	\$13,758,300
9	Non-residential Wastewater	3,813,714	4,006,645	4,006,645	4,006,645	4,006,645
10	IQ Water	2,204,043	2,258,439	2,332,154	2,408,435	2,450,797
11	Total	\$19,474,431	\$19,922,134	\$20,029,599	\$20,139,630	\$20,215,742

Table 1-4
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Allocation of Fiscal Year 2022 Operating Budget [1]

Line No.	Description	Budget 2022	Adjustments	Adjusted 2022	Allocation Factor	Allocation Percentages		Allocated Amounts	
						Wastewater	IQ Water	Wastewater	IQ Water
<u>Executive Department</u>									
<u>Personal Services</u>									
1	Special Pay - Governing Board	\$6,500	\$0	\$6,500	Adm Salary	91.03%	8.97%	\$5,917	\$583
2	Salaries and Wages	596,700	0	596,700	Adm Salary	91.03%	8.97%	543,158	53,542
3	Overtime	4,000	0	4,000	Adm Salary	91.03%	8.97%	3,641	359
4	Payroll Taxes	36,300	0	36,300	Adm Salary	91.03%	8.97%	33,043	3,257
5	Retirement Contributions	86,000	0	86,000	Adm Salary	91.03%	8.97%	78,283	7,717
6	Life, Health, and Dental Insurance	119,800	0	119,800	Adm Salary	91.03%	8.97%	109,050	10,750
7	Workers Compensation Insurance	4,700	0	4,700	Adm Salary	91.03%	8.97%	4,278	422
8	Subtotal Personal Services	\$854,000	\$0	\$854,000		91.03%	8.97%	\$777,370	\$76,630
<u>Operating Expenses</u>									
9	Other Contractual Services	34,500	0	34,500	Adm Salary	91.03%	8.97%	31,404	3,096
10	Travel and Per Diem	16,200	0	16,200	Adm Salary	91.03%	8.97%	14,746	1,454
11	Communications	45,800	0	45,800	Adm Salary	91.03%	8.97%	41,690	4,110
12	Freight and Postage	10,000	0	10,000	Adm Salary	91.03%	8.97%	9,103	897
13	Utilities	1,000	0	1,000	Adm Salary	91.03%	8.97%	910	90
14	Insurance	24,500	0	24,500	Adm Salary	91.03%	8.97%	22,302	2,198
15	Repair and Maintenance - General	58,975	0	58,975	Adm Salary	91.03%	8.97%	53,683	5,292
16	Repair and Maintenance - Vehicles	1,000	0	1,000	Adm Salary	91.03%	8.97%	910	90
17	Office Supplies	2,500	0	2,500	Adm Salary	91.03%	8.97%	2,276	224
18	Operating Supplies	39,020	0	39,020	Adm Salary	91.03%	8.97%	35,519	3,501
19	Fuel, Diesel, Oil	3,250	0	3,250	Adm Salary	91.03%	8.97%	2,958	292
20	Books, Publications, Memberships, Subs.	31,105	0	31,105	Adm Salary	91.03%	8.97%	28,314	2,791
21	Training and Education	13,275	0	13,275	Adm Salary	91.03%	8.97%	12,084	1,191
22	Subtotal Operating Expenses	\$281,125	\$0	\$281,125		91.03%	8.97%	\$255,899	\$25,226
23	Total Executive Department	\$1,135,125	\$0	\$1,135,125		91.03%	8.97%	\$1,033,269	\$101,856
<u>Professional Services Department</u>									
<u>Operating Expenses</u>									
24	Engineering	\$20,000	\$0	\$20,000	Direct-S	100.00%	0.00%	\$20,000	\$0
25	Engineering Support Services	50,000	0	50,000	Direct-S	100.00%	0.00%	50,000	0
26	Legal Expense - Non-litigation	75,000	0	75,000	Direct-S	100.00%	0.00%	75,000	0
27	Legal Expense - Litigation	60,000	0	60,000	Direct-S	100.00%	0.00%	60,000	0
28	Legal Expense - Collections	5,000	0	5,000	Direct-S	100.00%	0.00%	5,000	0
29	Pension Adviser	30,000	0	30,000	Direct-S	100.00%	0.00%	30,000	0
30	Human Resources Law	9,000	0	9,000	Direct-S	100.00%	0.00%	9,000	0
31	Investment Advisor	10,000	0	10,000	Direct-S	100.00%	0.00%	10,000	0
32	Audit Services	35,800	0	35,800	Direct-S	100.00%	0.00%	35,800	0
33	Subtotal Operating Expenses	\$294,800	\$0	\$294,800		100.00%	0.00%	\$294,800	\$0
34	Total Professional Services Department	\$294,800	\$0	\$294,800		100.00%	0.00%	\$294,800	\$0
<u>Finance Department</u>									
<u>Personal Services</u>									
35	Salaries and Wages	\$516,400	\$0	\$516,400	Revenues	88.10%	11.90%	\$454,928	\$61,472
36	Overtime	5,000	0	5,000	Revenues	88.10%	11.90%	4,405	595
37	Payroll Taxes	38,400	0	38,400	Revenues	88.10%	11.90%	33,829	4,571
38	Retirement Contributions	75,400	0	75,400	Revenues	88.10%	11.90%	66,424	8,976
39	Life, Health, and Dental Insurance	141,800	0	141,800	Revenues	88.10%	11.90%	124,920	16,880
40	Workers Compensation Insurance	600	0	600	Revenues	88.10%	11.90%	529	71
41	Subtotal Personal Services	\$777,600	\$0	\$777,600		88.10%	11.90%	\$685,035	\$92,565
<u>Operating Expenses</u>									
42	Other Contractual Service	\$50,830	\$0	\$50,830	Revenues	88.10%	11.90%	\$44,779	\$6,051
43	Repair and Maintenance - General	5,000	0	5,000	Revenues	88.10%	11.90%	4,405	595
44	Tax Collector Fees and Discounts	82,500	0	82,500	Direct-S	100.00%	0.00%	82,500	0
45	Office Supplies	1,000	0	1,000	Revenues	88.10%	11.90%	881	119
46	Operating Supplies	10,280	0	10,280	Revenues	88.10%	11.90%	9,056	1,224
47	Books, Publications, Memberships, Subs.	8,670	0	8,670	Revenues	88.10%	11.90%	7,638	1,032
48	Training and Education	3,090	0	3,090	Revenues	88.10%	11.90%	2,722	368
49	Subtotal Operating Expenses	\$161,370	\$0	\$161,370		94.18%	5.82%	\$151,981	\$9,389
50	Total Finance Department	\$938,970	\$0	\$938,970		89.14%	10.86%	\$837,017	\$101,953
<u>Public Education Department</u>									
<u>Personal Services</u>									
51	Salaries and Wages	\$181,800	\$0	\$181,800	Accounts	99.86%	0.14%	\$181,546	\$254
52	Other Salaries and Wages	69,300	0	69,300	Accounts	99.86%	0.14%	69,203	97
53	Overtime	10,000	0	10,000	Accounts	99.86%	0.14%	9,986	14
54	Payroll Taxes	19,500	0	19,500	Accounts	99.86%	0.14%	19,473	27
55	Retirement Contributions	31,600	0	31,600	Accounts	99.86%	0.14%	31,556	44
56	Life, Health, and Dental Insurance	50,100	0	50,100	Accounts	99.86%	0.14%	50,030	70
57	Workers Compensation Insurance	300	0	300	Accounts	99.86%	0.14%	300	0
58	Subtotal Personal Services	\$362,600	\$0	\$362,600		99.86%	0.14%	\$362,093	\$507

Table 1-4
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Allocation of Fiscal Year 2022 Operating Budget [1]

Line No.	Description	Budget 2022	Adjustments	Adjusted 2022	Allocation Factor	Allocation Percentages		Allocated Amounts	
						Wastewater	IQ Water	Wastewater	IQ Water
<u>Operating Expenses</u>									
59	Professional Services	\$2,500	\$0	\$2,500	Accounts	99.86%	0.14%	\$2,497	\$3
60	Other Contractual Service	8,000	0	8,000	Accounts	99.86%	0.14%	7,989	11
61	Utility Services	27,308	0	27,308	Accounts	99.86%	0.14%	27,270	38
62	Insurance	7,495	0	7,495	Accounts	99.86%	0.14%	7,485	10
63	Repair and Maintenance - General	50,807	0	50,807	Accounts	99.86%	0.14%	50,736	71
64	Repair and Maintenance - Vehicles	5,000	0	5,000	Accounts	99.86%	0.14%	4,993	7
65	Repair and Maintenance - Structures/Grounds	5,500	0	5,500	Accounts	99.86%	0.14%	5,492	8
66	Printing and Publications	2,500	0	2,500	Accounts	99.86%	0.14%	2,497	3
67	Operating Supplies	77,850	0	77,850	Accounts	99.86%	0.14%	77,741	109
68	Fuel, Diesel, Oil	750	0	750	Accounts	99.86%	0.14%	749	1
69	Training and Education	4,200	0	4,200	Accounts	99.86%	0.14%	4,194	6
70	Subtotal Operating Expenses	\$191,910	\$0	\$191,910		99.86%	0.14%	\$191,642	\$268
71	Total Public Education Department	\$554,510	\$0	\$554,510		99.86%	0.14%	\$553,734	\$776
<u>WildPine Lab Department</u>									
<u>Personal Services</u>									
72	Salaries and Wages	\$587,100	\$0	\$587,100	Accounts	99.86%	0.14%	\$586,279	\$821
73	Other Salaries and Wages	24,000	0	24,000	Accounts	99.86%	0.14%	23,966	34
74	Overtime	10,000	0	10,000	Accounts	99.86%	0.14%	9,986	14
75	Payroll Taxes	45,300	0	45,300	Accounts	99.86%	0.14%	45,237	63
76	Retirement Contributions	97,700	0	97,700	Accounts	99.86%	0.14%	97,563	137
77	Life, Health, and Dental Insurance	108,700	0	108,700	Accounts	99.86%	0.14%	108,548	152
78	Workers Compensation Insurance	7,700	0	7,700	Accounts	99.86%	0.14%	7,689	11
79	Subtotal Personal Services	\$880,500	\$0	\$880,500		99.86%	0.14%	\$879,268	\$1,232
<u>Operating Expenses</u>									
80	Professional Services	\$51,000	\$0	\$51,000	Accounts	99.86%	0.14%	\$50,929	\$71
81	Other Contractual Services	3,900	0	3,900	Accounts	99.86%	0.14%	3,895	5
82	Insurance	3,500	0	3,500	Accounts	99.86%	0.14%	3,495	5
83	Repair and Maintenance - General	2,200	0	2,200	Accounts	99.86%	0.14%	2,197	3
84	Repair and Maintenance - Vehicles	9,800	0	9,800	Accounts	99.86%	0.14%	9,786	14
85	Repair and Maintenance - Equipment	21,950	0	21,950	Accounts	99.86%	0.14%	21,919	31
86	Operating Supplies	70,000	0	70,000	Accounts	99.86%	0.14%	69,902	98
87	Fuel, Diesel, Oil	3,000	0	3,000	Accounts	99.86%	0.14%	2,996	4
88	Training and Education	1,000	0	1,000	Accounts	99.86%	0.14%	999	1
89	Subtotal Operating Expenses	\$166,350	\$0	\$166,350		99.86%	0.14%	\$166,117	\$233
90	Total WildPine Lab Department	\$1,046,850	\$0	\$1,046,850		99.86%	0.14%	\$1,045,386	\$1,464
<u>Customer Service Department</u>									
<u>Personal Services</u>									
91	Salaries and Wages	\$207,100	\$0	\$207,100	Accounts	99.86%	0.14%	\$206,810	\$290
92	Overtime	2,500	0	2,500	Accounts	99.86%	0.14%	2,497	3
93	Payroll Taxes	15,400	0	15,400	Accounts	99.86%	0.14%	15,378	22
94	Retirement Contributions	28,100	0	28,100	Accounts	99.86%	0.14%	28,061	39
95	Life, Health, and Dental Insurance	61,000	0	61,000	Accounts	99.86%	0.14%	60,915	85
96	Workers Compensation Insurance	300	0	300	Accounts	99.86%	0.14%	300	0
97	Subtotal Personal Services	\$314,400	\$0	\$314,400		99.86%	0.14%	\$313,960	\$440
<u>Operating Expenses</u>									
98	Other Contractual Services	\$139,500	\$0	\$139,500	Accounts	99.86%	0.14%	\$139,305	\$195
99	Freight and Postage	65,000	0	65,000	Accounts	99.86%	0.14%	64,909	91
100	Repairs and Maintenance - General	47,000	0	47,000	Accounts	99.86%	0.14%	46,934	66
101	Operating Supplies	11,500	0	11,500	Accounts	99.86%	0.14%	11,484	16
102	Subtotal Operating Expenses	\$263,000	\$0	\$263,000		99.86%	0.14%	\$262,632	\$368
103	Total Customer Service Department	\$577,400	\$0	\$577,400		99.86%	0.14%	\$576,592	\$808
<u>Information Technology Department</u>									
<u>Personal Services</u>									
104	Salaries and Wages	\$232,300	\$0	\$232,300	Adm Salary	91.03%	8.97%	\$211,456	\$20,844
105	Overtime	500	0	500	Adm Salary	91.03%	8.97%	455	45
106	Payroll Taxes	16,900	0	16,900	Adm Salary	91.03%	8.97%	15,384	1,516
107	Retirement Contributions	35,400	0	35,400	Adm Salary	91.03%	8.97%	32,224	3,176
108	Life, Health, and Dental Insurance	86,400	0	86,400	Adm Salary	91.03%	8.97%	78,647	7,753
109	Workers Compensation Insurance	300	0	300	Adm Salary	91.03%	8.97%	273	27
110	Subtotal Personal Services	\$371,800	\$0	\$371,800		91.03%	8.97%	\$338,438	\$33,362
<u>Operating Expenses</u>									
111	Professional Services	\$110,000	\$0	\$110,000	Adm Salary	91.03%	8.97%	\$100,130	\$9,870
112	Other Contractual Services	1,000	0	1,000	Adm Salary	91.03%	8.97%	910	90
113	Repair and Maintenance - General	1,500	0	1,500	Adm Salary	91.03%	8.97%	1,365	135
114	Operating Supplies	16,500	0	16,500	Adm Salary	91.03%	8.97%	15,019	1,481
115	Books, Publications, Memberships, Subs.	3,000	0	3,000	Adm Salary	91.03%	8.97%	2,731	269
116	Training and Education	5,000	0	5,000	Adm Salary	91.03%	8.97%	4,551	449

Table 1-4
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Allocation of Fiscal Year 2022 Operating Budget [1]

Line No.	Description	Budget 2022	Adjustments	Adjusted 2022	Allocation Factor	Allocation Percentages		Allocated Amounts	
						Wastewater	IQ Water	Wastewater	IQ Water
<u>Personal Services</u>									
172	Salaries and Wages	\$868,500	\$0	\$868,500	Assets	95.22%	4.78%	\$826,998	\$41,502
173	Overtime	135,000	0	135,000	Assets	95.22%	4.78%	128,549	6,451
174	Payroll Taxes	74,500	0	74,500	Assets	95.22%	4.78%	70,940	3,560
175	Retirement Contributions	145,900	0	145,900	Assets	95.22%	4.78%	138,928	6,972
176	Life, Health, and Dental Insurance	220,200	0	220,200	Assets	95.22%	4.78%	209,677	10,523
177	Workers Compensation Insurance	16,100	0	16,100	Assets	95.22%	4.78%	15,331	769
178	Subtotal Personal Services	\$1,460,200	\$0	\$1,460,200		95.22%	4.78%	\$1,390,423	\$69,777
<u>Operating Expenses</u>									
179	Utility Services	\$317,250	\$0	\$317,250	Assets	95.22%	4.78%	\$302,090	\$15,160
180	Rentals and Leases	40,000	0	40,000	Assets	95.22%	4.78%	38,089	1,911
181	Repair and Maintenance - General	200,000	0	200,000	Assets	95.22%	4.78%	190,443	9,557
182	Repair and Maintenance - Vehicles	110,000	0	110,000	Assets	95.22%	4.78%	104,744	5,256
183	Repair and Maintenance - Equipment	350,000	0	350,000	Assets	95.22%	4.78%	333,275	16,725
184	Repair and Maintenance - Structures/Grounds	75,000	0	75,000	Assets	95.22%	4.78%	71,416	3,584
185	Operating Supplies	80,000	0	80,000	Assets	95.22%	4.78%	76,177	3,823
186	Operating Supplies - Chemicals	140,000	0	140,000	Assets	95.22%	4.78%	133,310	6,690
187	Fuel, Diesel, Oil	31,000	0	31,000	Assets	95.22%	4.78%	29,519	1,481
188	Fuel, Diesel, Oil - Generators	5,000	0	5,000	Assets	95.22%	4.78%	4,761	239
189	Training and Education	15,000	0	15,000	Assets	95.22%	4.78%	14,283	717
190	Subtotal Operating Expenses	\$1,363,250	\$0	\$1,363,250		95.22%	4.78%	\$1,298,105	\$65,145
191	Total Collection and Transmission Department	\$2,823,450	\$0	\$2,823,450		95.22%	4.78%	\$2,688,528	\$134,922
<u>Treatment and Disposal Department</u>									
<u>Personal Services</u>									
192	Salaries and Wages	\$1,126,800	\$0	\$1,126,800	Assets	95.22%	4.78%	\$1,072,954	\$53,846
193	Overtime	167,500	0	167,500	Assets	95.22%	4.78%	159,496	8,004
194	Payroll Taxes	95,900	0	95,900	Assets	95.22%	4.78%	91,317	4,583
195	Retirement Contributions	203,600	0	203,600	Assets	95.22%	4.78%	193,871	9,729
196	Life, Health, and Dental Insurance	293,400	0	293,400	Assets	95.22%	4.78%	279,380	14,020
197	Workers Compensation Insurance	20,700	0	20,700	Assets	95.22%	4.78%	19,711	989
198	Subtotal Personal Services	\$1,907,900	\$0	\$1,907,900		95.22%	4.78%	\$1,816,729	\$91,171
<u>Operating Expenses</u>									
199	Other Contractual Services	\$14,050	\$0	\$14,050	Assets	95.22%	4.78%	\$13,379	\$671
200	Utility Services	565,750	0	565,750	Assets	95.22%	4.78%	538,715	27,035
201	Rentals and Leases	51,000	0	51,000	Assets	95.22%	4.78%	48,563	2,437
202	Repair and Maintenance - General	10,000	0	10,000	Assets	95.22%	4.78%	9,522	478
203	Repair and Maintenance - Vehicles	17,000	0	17,000	Assets	95.22%	4.78%	16,188	812
204	Repair and Maintenance - Equipment	258,000	0	258,000	Assets	95.22%	4.78%	245,671	12,329
205	Repair and Maintenance - Structures/Grounds	180,510	0	180,510	Assets	95.22%	4.78%	171,884	8,626
206	Repair and Maintenance - Outside Services	73,100	0	73,100	Assets	95.22%	4.78%	69,607	3,493
207	Operating Supplies	220,000	0	220,000	Assets	95.22%	4.78%	209,487	10,513
208	Operating Supplies - Chemicals	4,000	0	4,000	Assets	95.22%	4.78%	3,809	191
209	Fuel, Diesel, Oil	25,000	0	25,000	Assets	95.22%	4.78%	23,805	1,195
210	Fuel, Diesel, Oil - Generators	45,000	0	45,000	Assets	95.22%	4.78%	42,850	2,150
211	Training and Education	23,970	0	23,970	Assets	95.22%	4.78%	22,825	1,145
212	Subtotal Operating Expenses	\$1,487,380	\$0	\$1,487,380		95.22%	4.78%	\$1,416,304	\$71,076
213	Total Treatment and Disposal Department	\$3,395,280	\$0	\$3,395,280		95.22%	4.78%	\$3,233,032	\$162,248
<u>Reuse Department</u>									
<u>Personal Services</u>									
214	Salaries and Wages	\$144,800	\$0	\$144,800	Direct-R	0.00%	100.00%	\$0	\$144,800
215	Overtime	7,500	0	7,500	Direct-R	0.00%	100.00%	0	7,500
216	Payroll Taxes	11,300	0	11,300	Direct-R	0.00%	100.00%	0	11,300
217	Retirement Contributions	25,000	0	25,000	Direct-R	0.00%	100.00%	0	25,000
218	Life, Health, and Dental Insurance	40,400	0	40,400	Direct-R	0.00%	100.00%	0	40,400
219	Workers Compensation Insurance	2,600	0	2,600	Direct-R	0.00%	100.00%	0	2,600
220	Subtotal Personal Services	\$231,600	\$0	\$231,600		0.00%	100.00%	\$0	\$231,600
<u>Operating Expenses</u>									
221	Communications	\$8,500	\$0	\$8,500	Direct-R	0.00%	100.00%	\$0	\$8,500
222	Utility Services	305,000	0	305,000	Direct-R	0.00%	100.00%	0	305,000
223	Repair and Maintenance - General	5,000	0	5,000	Direct-R	0.00%	100.00%	0	5,000
224	Repair and Maintenance - Vehicles	5,000	0	5,000	Direct-R	0.00%	100.00%	0	5,000
225	Repair and Maintenance - Equipment	85,000	0	85,000	Direct-R	0.00%	100.00%	0	85,000
226	Repair and Maintenance - Structures/Grounds	25,000	0	25,000	Direct-R	0.00%	100.00%	0	25,000
227	Other Current Charges and Obligations	206,000	0	206,000	Direct-R	0.00%	100.00%	0	206,000
228	Operating Supplies	12,500	0	12,500	Direct-R	0.00%	100.00%	0	12,500
229	Operating Supplies - Chemicals	175,000	0	175,000	Direct-R	0.00%	100.00%	0	175,000
230	Fuel, Diesel, Oil	5,100	0	5,100	Direct-R	0.00%	100.00%	0	5,100
231	Training and Education	2,000	0	2,000	Direct-R	0.00%	100.00%	0	2,000
232	Subtotal Operating Expenses	\$834,100	\$0	\$834,100		0.00%	100.00%	\$0	\$834,100
233	Total Reuse Department	\$1,065,700	\$0	\$1,065,700		0.00%	100.00%	\$0	\$1,065,700

Table 1-4
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Allocation of Fiscal Year 2022 Operating Budget [1]

Line No.	Description	Budget 2022	Adjustments	Adjusted 2022	Allocation Factor	Allocation Percentages		Allocated Amounts	
						Wastewater	IQ Water	Wastewater	IQ Water
<u>Bio-Solids Department</u>									
<u>Personal Services</u>									
234	Salaries and Wages	\$133,200	\$0	\$133,200	Direct-S	100.00%	0.00%	\$133,200	\$0
235	Overtime	12,500	0	12,500	Direct-S	100.00%	0.00%	12,500	0
236	Payroll Taxes	11,000	0	11,000	Direct-S	100.00%	0.00%	11,000	0
237	Retirement Contributions	24,000	0	24,000	Direct-S	100.00%	0.00%	24,000	0
238	Life, Health, and Dental Insurance	16,800	0	16,800	Direct-S	100.00%	0.00%	16,800	0
239	Workers Compensation Insurance	2,400	0	2,400	Direct-S	100.00%	0.00%	2,400	0
240	Subtotal Personal Services	\$199,900	\$0	\$199,900		100.00%	0.00%	\$199,900	\$0
<u>Operating Expenses</u>									
241	Repair and Maintenance - General	\$2,000	\$0	\$2,000	Direct-S	100.00%	0.00%	\$2,000	\$0
242	Repair and Maintenance - Vehicles	4,500	0	4,500	Direct-S	100.00%	0.00%	4,500	0
243	Repair and Maintenance - Equipment	65,000	0	65,000	Direct-S	100.00%	0.00%	65,000	0
244	Repair and Maintenance - Structures/Grounds	13,000	0	13,000	Direct-S	100.00%	0.00%	13,000	0
245	Other Current Charges and Obligations	923,850	0	923,850	Direct-S	100.00%	0.00%	923,850	0
246	Operating Supplies	5,000	0	5,000	Direct-S	100.00%	0.00%	5,000	0
247	Operating Supplies - Chemicals	184,000	0	184,000	Direct-S	100.00%	0.00%	184,000	0
248	Fuel, Diesel, Oil	1,500	0	1,500	Direct-S	100.00%	0.00%	1,500	0
249	Training and Education	3,550	0	3,550	Direct-S	100.00%	0.00%	3,550	0
250	Subtotal Operating Expenses	\$1,202,400	\$0	\$1,202,400		100.00%	0.00%	\$1,202,400	\$0
251	Total Bio-Solids Department	\$1,402,300	\$0	\$1,402,300		100.00%	0.00%	\$1,402,300	\$0
<u>Contingency</u>									
<u>Contingency</u>									
252	Contingency (0%)	\$225,000	(\$225,000)	\$0	Op Exp	88.35%	11.65%	\$0	\$0
253	Total Contingency	\$225,000	(\$225,000)	\$0		N/A	N/A	\$0	\$0
<u>Other</u>									
<u>Other</u>									
254	Bad Debt Expense (0.25%)	\$0	\$48,686	\$48,686	Direct-S	100.00%	0.00%	\$48,686	\$0
255	Total Other	\$0	\$48,686	\$48,686		100.00%	0.00%	\$48,686	\$0
256	Total Operating Budget	\$17,017,580	(\$176,314)	\$16,841,266		88.35%	11.65%	\$14,879,019	\$1,962,247

Footnotes:

[1] Budgeted amounts shown are based on the Fiscal Year 2022 Adopted Operating Budget as provided by the District.

Table 1-5
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Allocation References

Line No.	Description	Allocation Basis	Allocation Percentages		Total
			Wastewater	IQ Water	
1	Equal Water and Wastewater	Equal	50.00%	50.00%	100.00%
2	Direct Wastewater	Direct-S	100.00%	0.00%	100.00%
3	Direct IQ Water	Direct-R	0.00%	100.00%	100.00%
4	Eliminate	Eliminate	0.00%	0.00%	0.00%
5	Customer Accounts	Accounts	99.86%	0.14%	100.00%
6	Sales Revenues	Revenues	88.10%	11.90%	100.00%
7	Miles of Line	Lines	92.53%	7.47%	100.00%
8	Operating Expenses	Op Exp	88.35%	11.65%	100.00%
9	Administration Operations Salaries	Adm Salary	91.03%	8.97%	100.00%
10	System Fixed Assets	Assets	95.22%	4.78%	100.00%
11	Construction	Construction	75.00%	25.00%	100.00%
12	Capital Improvement Plan	CIP	96.14%	3.86%	100.00%
13	Operations Administrative Salaries	Ops Salary	89.44%	10.56%	100.00%

Table 1-6
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Summary of Projected Escalation Factors [1]

Line No.	Description	Escalation Factor	Fiscal Year Ending September 30th,			
			2023	2024	2025	2026
1	Constant	Constant	1.0000	1.0000	1.0000	1.0000
2	Eliminate	Eliminate	0.0000	0.0000	0.0000	0.0000
3	Marginal	Marginal	1.0100	1.0100	1.0100	1.0100
4	Inflation (CPI)	Inflation	1.0230	1.0240	1.0240	1.0240
5	Labor	Labor	1.0500	1.0500	1.0300	1.0300
6	Health Insurance	Health-Ins	1.0200	1.0500	1.0500	1.0500
7	General Insurance	General-Ins	1.0325	1.0325	1.0325	1.0325
8	Contractual	Contractual	1.0300	1.0300	1.0300	1.0300
9	Repair	Repair	1.0300	1.0300	1.0300	1.0300
10	Chemicals	Chemicals	1.0500	1.0500	1.0500	1.0500
11	Electricity	Electricity	1.0700	1.0700	1.0500	1.0500
12	Fuel & Oil	Fuel	1.0500	1.0500	1.0500	1.0500
13	Account Growth + Inflation	Account-Inf	1.0281	1.0265	1.0265	1.0265
14	Wastewater Customer Accounts	WW-Accounts	1.0050	1.0025	1.0025	1.0025
15	IQ Water Customer Accounts	R-Accounts	1.0000	1.0000	1.0000	1.0000
16	Treated Wastewater Flows	WW-Flows	1.0050	1.0025	1.0025	1.0025
17	IQ Water Flows	R-Flows	1.0000	1.0000	1.0000	1.0000
18	Wastewater Flows + Chemicals	WW-Chem	1.0553	1.0526	1.0526	1.0526
19	Wastewater Flows + Electricity	WW-Elec	1.0754	1.0727	1.0526	1.0526
20	IQ Water Flows + Chemicals	R-Chem	1.0500	1.0500	1.0500	1.0500
21	IQ Water Flows + Electricity	R-Elec	1.0700	1.0700	1.0500	1.0500
22	Change in Wastewater Customers	WW-Growth	1.0000	0.5000	1.0000	1.0000
23	Change in IQ Water Customers	R-Growth	0.0000	0.0000	0.0000	0.0000
24	Wastewater Rate Revenues	WW-Rev	1.0228	1.0019	1.0019	1.0019
25	Wastewater Rate Revenues	R-Rev	1.0247	1.0326	1.0327	1.0176
26	Wastewater Operational Expenses	WW-Op	1.0381	1.0412	1.0313	1.0314
27	IQ Water Operational Expenses	R-Op	1.0348	1.0374	1.0303	1.0304

Footnotes:

- [1] Inflation figures based on information and obtained from the "The Budget and Economic Outlook 2021 - 2031" published by the Congressional Budget Office in July 2021, discussions with District staff, and other available resources.

Table 1-7
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of Wastewater System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th,			
				2023	2024	2025	2026
<u>Executive Department</u>							
<u>Personal Services</u>							
1	Special Pay - Governing Board	\$5,917	Labor	\$6,213	\$6,523	\$6,719	\$6,920
2	Salaries and Wages	543,158	Labor	570,316	598,831	616,796	635,300
3	Overtime	3,641	Labor	3,823	4,014	4,135	4,259
4	Payroll Taxes	33,043	Labor	34,695	36,430	37,523	38,648
5	Retirement Contributions	78,283	Labor	82,197	86,307	88,896	91,563
6	Life, Health, and Dental Insurance	109,050	Health-Ins	111,231	116,793	122,632	128,764
7	Workers Compensation Insurance	4,278	Labor	4,492	4,717	4,858	5,004
8	Subtotal Personal Services	<u>\$777,370</u>		<u>\$812,967</u>	<u>\$853,615</u>	<u>\$881,560</u>	<u>\$910,459</u>
<u>Operating Expenses</u>							
9	Other Contractual Services	31,404	Contractual	32,346	33,317	34,316	35,346
10	Travel and Per Diem	14,746	Inflation	15,086	15,448	15,818	16,198
11	Communications	41,690	Inflation	42,649	43,673	44,721	45,794
12	Freight and Postage	9,103	Inflation	9,312	9,536	9,764	9,999
13	Utilities	910	Inflation	931	954	976	1,000
14	Insurance	22,302	General-Ins	23,026	23,775	24,547	25,345
15	Repair and Maintenance - General	53,683	Repair	55,294	56,952	58,661	60,421
16	Repair and Maintenance - Vehicles	910	Repair	938	966	995	1,025
17	Office Supplies	2,276	Inflation	2,328	2,384	2,441	2,500
18	Operating Supplies	35,519	Inflation	36,336	37,208	38,101	39,015
19	Fuel, Diesel, Oil	2,958	Fuel	3,106	3,262	3,425	3,596
20	Books, Publications, Memberships, Subs.	28,314	Inflation	28,965	29,660	30,372	31,101
21	Training and Education	12,084	Inflation	12,362	12,658	12,962	13,273
22	Subtotal Operating Expenses	<u>\$255,899</u>		<u>\$262,679</u>	<u>\$269,791</u>	<u>\$277,100</u>	<u>\$284,612</u>
23	Total Executive Department	<u>\$1,033,269</u>		<u>\$1,075,646</u>	<u>\$1,123,406</u>	<u>\$1,158,660</u>	<u>\$1,195,071</u>
<u>Professional Services Department</u>							
<u>Operating Expenses</u>							
24	Engineering	20,000	Inflation	20,460	20,951	21,454	21,969
25	Engineering Support Services	50,000	Inflation	51,150	52,378	53,635	54,922
26	Legal Expense - Non-litigation	75,000	Inflation	76,725	78,566	80,452	82,383
27	Legal Expense - Litigation	60,000	Inflation	61,380	62,853	64,362	65,906
28	Legal Expense - Collections	5,000	Inflation	5,115	5,238	5,363	5,492
29	Pension Adviser	30,000	Inflation	30,690	31,427	32,181	32,953
30	Human Resources Law	9,000	Inflation	9,207	9,428	9,654	9,886
31	Investment Advisor	10,000	Inflation	10,230	10,476	10,727	10,984
32	Audit Services	35,800	Inflation	36,623	37,502	38,402	39,324
33	Subtotal Operating Expenses	<u>\$294,800</u>		<u>\$301,580</u>	<u>\$308,818</u>	<u>\$316,230</u>	<u>\$323,819</u>
34	Total Professional Services Department	<u>\$294,800</u>		<u>\$301,580</u>	<u>\$308,818</u>	<u>\$316,230</u>	<u>\$323,819</u>
<u>Finance Department</u>							
<u>Personal Services</u>							
35	Salaries and Wages	454,928	Labor	477,675	501,558	516,605	532,103
36	Overtime	4,405	Labor	4,625	4,856	5,002	5,152
37	Payroll Taxes	33,829	Labor	35,520	37,296	38,415	39,568
38	Retirement Contributions	66,424	Labor	69,746	73,233	75,430	77,693
39	Life, Health, and Dental Insurance	124,920	Health-Ins	127,419	133,790	140,479	147,503
40	Workers Compensation Insurance	529	Labor	555	583	600	618
41	Subtotal Personal Services	<u>\$685,035</u>		<u>\$715,539</u>	<u>\$751,316</u>	<u>\$776,532</u>	<u>\$802,637</u>

Table 1-7
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of Wastewater System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th.			
				2023	2024	2025	2026
	<u>Operating Expenses</u>						
42	Other Contractual Service	44,779	Contractual	46,123	47,506	48,931	50,399
43	Repair and Maintenance - General	4,405	Repair	4,537	4,673	4,813	4,958
44	Tax Collector Fees and Discounts	82,500	Inflation	84,398	86,423	88,497	90,621
45	Office Supplies	881	Inflation	901	923	945	968
46	Operating Supplies	9,056	Inflation	9,265	9,487	9,715	9,948
47	Books, Publications, Memberships, Subs.	7,638	Inflation	7,814	8,001	8,193	8,390
48	Training and Education	2,722	Inflation	2,785	2,852	2,920	2,990
49	Subtotal Operating Expenses	<u>\$151,981</u>		<u>\$155,821</u>	<u>\$159,865</u>	<u>\$164,015</u>	<u>\$168,274</u>
50	Total Finance Department	<u>\$837,017</u>		<u>\$871,361</u>	<u>\$911,181</u>	<u>\$940,546</u>	<u>\$970,911</u>
	<u>Public Education Department</u>						
	<u>Personal Services</u>						
51	Salaries and Wages	181,546	Labor	190,623	200,154	206,159	212,343
52	Other Salaries and Wages	69,203	Labor	72,663	76,296	78,585	80,943
53	Overtime	9,986	Labor	10,485	11,010	11,340	11,680
54	Payroll Taxes	19,473	Labor	20,446	21,469	22,113	22,776
55	Retirement Contributions	31,556	Labor	33,134	34,790	35,834	36,909
56	Life, Health, and Dental Insurance	50,030	Health-Ins	51,031	53,582	56,261	59,074
57	Workers Compensation Insurance	300	Labor	315	330	340	350
58	Subtotal Personal Services	<u>\$362,093</u>		<u>\$378,696</u>	<u>\$397,631</u>	<u>\$410,632</u>	<u>\$424,076</u>
	<u>Operating Expenses</u>						
59	Professional Services	2,497	Contractual	2,571	2,649	2,728	2,810
60	Other Contractual Service	7,989	Contractual	8,228	8,475	8,730	8,991
61	Utility Services	27,270	Inflation	27,897	28,567	29,252	29,954
62	Insurance	7,485	General-Ins	7,728	7,979	8,238	8,506
63	Repair and Maintenance - General	50,736	Repair	52,258	53,826	55,441	57,104
64	Repair and Maintenance - Vehicles	4,993	Repair	5,143	5,297	5,456	5,620
65	Repair and Maintenance - Structures/Grounds	5,492	Repair	5,657	5,827	6,002	6,182
66	Printing and Publications	2,497	Inflation	2,554	2,615	2,678	2,742
67	Operating Supplies	77,741	Inflation	79,529	81,438	83,392	85,394
68	Fuel, Diesel, Oil	749	Fuel	786	826	867	910
69	Training and Education	4,194	Inflation	4,291	4,394	4,499	4,607
70	Subtotal Operating Expenses	<u>\$191,642</u>		<u>\$196,643</u>	<u>\$201,891</u>	<u>\$207,282</u>	<u>\$212,820</u>
71	Total Public Education Department	<u>\$553,734</u>		<u>\$575,339</u>	<u>\$599,523</u>	<u>\$617,914</u>	<u>\$636,896</u>
	<u>WildPine Lab Department</u>						
	<u>Personal Services</u>						
72	Salaries and Wages	586,279	Labor	615,593	646,372	665,763	685,736
73	Other Salaries and Wages	23,966	Labor	25,165	26,423	27,216	28,032
74	Overtime	9,986	Labor	10,485	11,010	11,340	11,680
75	Payroll Taxes	45,237	Labor	47,498	49,873	51,370	52,911
76	Retirement Contributions	97,563	Labor	102,441	107,564	110,790	114,114
77	Life, Health, and Dental Insurance	108,548	Health-Ins	110,719	116,255	122,068	128,171
78	Workers Compensation Insurance	7,689	Labor	8,074	8,477	8,732	8,994
79	Subtotal Personal Services	<u>\$879,268</u>		<u>\$919,975</u>	<u>\$965,974</u>	<u>\$997,278</u>	<u>\$1,029,638</u>

Table 1-7
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study
Projection of Wastewater System Operating Expenses

Line No.	Description	Adjusted [1]	Escalation	Fiscal Year Ending September 30th,			
		2022	Factor	2023	2024	2025	2026
	<u>Operating Expenses</u>						
80	Professional Services	50,929	Contractual	52,457	54,030	55,651	57,321
81	Other Contractual Services	3,895	Contractual	4,011	4,132	4,256	4,383
82	Insurance	3,495	General-Ins	3,609	3,726	3,847	3,972
83	Repair and Maintenance - General	2,197	Repair	2,263	2,331	2,401	2,473
84	Repair and Maintenance - Vehicles	9,786	Repair	10,080	10,382	10,694	11,015
85	Repair and Maintenance - Equipment	21,919	Repair	22,577	23,254	23,952	24,670
86	Operating Supplies	69,902	Inflation	71,510	73,226	74,983	76,783
87	Fuel, Diesel, Oil	2,996	Fuel	3,146	3,303	3,468	3,641
88	Training and Education	999	Inflation	1,022	1,046	1,071	1,097
89	Subtotal Operating Expenses	\$166,117		\$170,673	\$175,430	\$180,323	\$185,355
90	Total WildPine Lab Department	\$1,045,386		\$1,090,648	\$1,141,404	\$1,177,601	\$1,214,993
	<u>Customer Service Department</u>						
	<u>Personal Services</u>						
91	Salaries and Wages	206,810	Labor	217,151	228,008	234,849	241,894
92	Overtime	2,497	Labor	2,621	2,752	2,835	2,920
93	Payroll Taxes	15,378	Labor	16,147	16,955	17,463	17,987
94	Retirement Contributions	28,061	Labor	29,464	30,937	31,865	32,821
95	Life, Health, and Dental Insurance	60,915	Health-Ins	62,133	65,240	68,502	71,927
96	Workers Compensation Insurance	300	Labor	315	330	340	350
97	Subtotal Personal Services	\$313,960		\$327,831	\$344,222	\$355,854	\$367,899
	<u>Operating Expenses</u>						
98	Other Contractual Services	139,305	Contractual	143,484	147,789	152,222	156,789
99	Freight and Postage	64,909	Account-Inf	66,734	68,506	70,324	72,190
100	Repairs and Maintenance - General	46,934	Repair	48,342	49,793	51,286	52,825
101	Operating Supplies	11,484	Inflation	11,748	12,030	12,319	12,614
102	Subtotal Operating Expenses	\$262,632		\$270,308	\$278,117	\$286,151	\$294,418
103	Total Customer Service Department	\$576,592		\$598,139	\$622,339	\$642,005	\$662,318
	<u>Information Technology Department</u>						
	<u>Personal Services</u>						
104	Salaries and Wages	211,456	Labor	222,028	233,130	240,124	247,327
105	Overtime	455	Labor	478	502	517	532
106	Payroll Taxes	15,384	Labor	16,153	16,960	17,469	17,993
107	Retirement Contributions	32,224	Labor	33,835	35,526	36,592	37,690
108	Life, Health, and Dental Insurance	78,647	Health-Ins	80,220	84,231	88,443	92,865
109	Workers Compensation Insurance	273	Labor	287	301	310	319
110	Subtotal Personal Services	\$338,438		\$353,001	\$370,651	\$383,455	\$396,727
	<u>Operating Expenses</u>						
111	Professional Services	100,130	Contractual	103,134	106,228	109,414	112,697
112	Other Contractual Services	910	Contractual	938	966	995	1,025
113	Repair and Maintenance - General	1,365	Repair	1,406	1,449	1,492	1,537
114	Operating Supplies	15,019	Inflation	15,365	15,734	16,111	16,498
115	Books, Publications, Memberships, Subs.	2,731	Inflation	2,794	2,861	2,929	3,000
116	Training and Education	4,551	Inflation	4,656	4,768	4,882	4,999
117	Subtotal Operating Expenses	\$124,707		\$128,292	\$132,004	\$135,824	\$139,755
118	Total Information Technology Department	\$463,145		\$481,293	\$502,654	\$519,279	\$536,482
	<u>Engineering and Inspection Department</u>						
	<u>Personal Services</u>						
119	Salaries and Wages	705,305	Labor	740,570	777,598	800,926	824,954
120	Other Salaries and Wages	14,283	Labor	14,997	15,747	16,220	16,706
121	Overtime	9,522	Labor	9,998	10,498	10,813	11,137
122	Payroll Taxes	53,324	Labor	55,990	58,790	60,553	62,370
123	Retirement Contributions	102,649	Labor	107,781	113,170	116,565	120,062
124	Life, Health, and Dental Insurance	222,723	Health-Ins	227,177	238,536	250,463	262,986

Table 1-7
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of Wastewater System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th,			
				2023	2024	2025	2026
125	Workers Compensation Insurance	7,903	Labor	8,299	8,713	8,975	9,244
126	Subtotal Personal Services	<u>\$1,115,709</u>		<u>\$1,164,813</u>	<u>\$1,223,053</u>	<u>\$1,264,516</u>	<u>\$1,307,460</u>
	<u>Operating Expenses</u>						
127	Travel and Per Diem	2,857	Inflation	2,922	2,992	3,064	3,138
128	Repair and Maintenance - General	5,713	Repair	5,885	6,061	6,243	6,430
129	Repair and Maintenance - Vehicles	9,522	Repair	9,808	10,102	10,405	10,717
130	Repair and Maintenance - Equipment	4,761	Repair	4,904	5,051	5,203	5,359
131	Operating Supplies	42,850	Inflation	43,835	44,887	45,964	47,068
132	Fuel, Diesel, Oil	15,378	Fuel	16,147	16,955	17,802	18,692
133	Training and Education	5,713	Inflation	5,845	5,985	6,129	6,276
134	Subtotal Operating Expenses	<u>\$86,794</u>		<u>\$89,346</u>	<u>\$92,033</u>	<u>\$94,810</u>	<u>\$97,680</u>
135	Total Engineering and Inspection Department	<u>\$1,202,503</u>		<u>\$1,254,158</u>	<u>\$1,315,087</u>	<u>\$1,359,326</u>	<u>\$1,405,140</u>
	<u>Construction Department</u>						
	<u>Personal Services</u>						
136	Salaries and Wages	285,375	Labor	299,644	314,626	324,065	333,787
137	Overtime	8,625	Labor	9,056	9,509	9,794	10,088
138	Payroll Taxes	21,525	Labor	22,601	23,731	24,443	25,177
139	Retirement Contributions	26,925	Labor	28,271	29,685	30,575	31,493
140	Life, Health, and Dental Insurance	92,025	Health-Ins	93,866	98,559	103,487	108,661
141	Workers Compensation Insurance	4,950	Labor	5,198	5,457	5,621	5,790
142	Subtotal Personal Services	<u>\$439,425</u>		<u>\$458,636</u>	<u>\$481,567</u>	<u>\$497,985</u>	<u>\$514,995</u>
	<u>Operating Expenses</u>						
143	Repair and Maintenance - General	3,750	Repair	3,863	3,978	4,098	4,221
144	Repair and Maintenance - Vehicles	30,000	Repair	30,900	31,827	32,782	33,765
145	Repair and Maintenance - Equipment	3,750	Repair	3,863	3,978	4,098	4,221
146	Operating Supplies	15,000	Inflation	15,345	15,713	16,090	16,477
147	Fuel, Diesel, Oil	12,375	Fuel	12,994	13,643	14,326	15,042
148	Training and Education	3,750	Inflation	3,836	3,928	4,023	4,119
149	Subtotal Operating Expenses	<u>\$68,625</u>		<u>\$70,800</u>	<u>\$73,069</u>	<u>\$75,416</u>	<u>\$77,844</u>
150	Total Construction Department	<u>\$508,050</u>		<u>\$529,436</u>	<u>\$554,636</u>	<u>\$573,401</u>	<u>\$592,839</u>
	<u>Operations Administrative Department</u>						
	<u>Personal Services</u>						
151	Salaries and Wages	281,098	Labor	295,153	309,910	319,208	328,784
152	Overtime	894	Labor	939	986	1,016	1,046
153	Payroll Taxes	18,782	Labor	19,721	20,707	21,328	21,968
154	Retirement Contributions	45,076	Labor	47,330	49,696	51,187	52,723
155	Life, Health, and Dental Insurance	56,524	Health-Ins	57,654	60,537	63,564	66,742
156	Workers Compensation Insurance	2,773	Labor	2,911	3,057	3,148	3,243
157	Subtotal Personal Services	<u>\$405,146</u>		<u>\$423,707</u>	<u>\$444,893</u>	<u>\$459,450</u>	<u>\$474,505</u>
	<u>Operating Expenses</u>						
158	Professional Services	17,887	Contractual	18,424	18,977	19,546	20,132
159	Other Contractual Services	6,708	Contractual	6,909	7,116	7,330	7,550
160	Travel and Per Diem	2,236	Inflation	2,287	2,342	2,398	2,456
161	Communications	51,247	Inflation	52,426	53,684	54,972	56,292
162	Freight and Postage	4,472	Inflation	4,575	4,684	4,797	4,912
163	Insurance	303,636	General-Ins	313,504	323,693	334,213	345,075
164	Repair and Maintenance - General	89,901	Repair	92,598	95,376	98,237	101,185
165	Office Supplies	5,366	Inflation	5,490	5,621	5,756	5,894
166	Operating Supplies	28,485	Inflation	29,141	29,840	30,556	31,289
167	Operating Supplies - Safety	29,872	Inflation	30,559	31,292	32,043	32,812
168	Books, Publications, Memberships, Subs.	41,521	Inflation	42,476	43,495	44,539	45,608
169	Training and Education	5,500	Inflation	5,627	5,762	5,900	6,042
170	Subtotal Operating Expenses	<u>\$586,831</u>		<u>\$604,014</u>	<u>\$621,883</u>	<u>\$640,288</u>	<u>\$659,246</u>
171	Total Operations Administrative Department	<u>\$991,977</u>		<u>\$1,027,721</u>	<u>\$1,066,775</u>	<u>\$1,099,738</u>	<u>\$1,133,752</u>

Table 1-7
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study
Projection of Wastewater System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th,			
				2023	2024	2025	2026
<u>Collection and Transmission Department</u>							
<u>Personal Services</u>							
172	Salaries and Wages	826,998	Labor	868,348	911,765	939,118	967,291
173	Overtime	128,549	Labor	134,976	141,725	145,977	150,356
174	Payroll Taxes	70,940	Labor	74,487	78,211	80,558	82,974
175	Retirement Contributions	138,928	Labor	145,874	153,168	157,763	162,496
176	Life, Health, and Dental Insurance	209,677	Health-Ins	213,871	224,565	235,793	247,582
177	Workers Compensation Insurance	15,331	Labor	16,097	16,902	17,409	17,931
178	Subtotal Personal Services	\$1,390,423		\$1,453,653	\$1,526,336	\$1,576,617	\$1,628,632
<u>Operating Expenses</u>							
179	Utility Services	302,090	Inflation	309,038	316,455	324,050	331,827
180	Rentals and Leases	38,089	Inflation	38,965	39,900	40,857	41,838
181	Repair and Maintenance - General	190,443	Repair	196,156	202,041	208,102	214,345
182	Repair and Maintenance - Vehicles	104,744	Repair	107,886	111,122	114,456	117,890
183	Repair and Maintenance - Equipment	333,275	Repair	343,273	353,571	364,178	375,104
184	Repair and Maintenance - Structures/Grounds	71,416	Repair	73,559	75,765	78,038	80,379
185	Operating Supplies	76,177	Inflation	77,929	79,799	81,715	83,676
186	Operating Supplies - Chemicals	133,310	Chemicals	139,975	146,974	154,323	162,039
187	Fuel, Diesel, Oil	29,519	Fuel	30,995	32,544	34,172	35,880
188	Fuel, Diesel, Oil - Generators	4,761	Fuel	4,999	5,249	5,512	5,787
189	Training and Education	14,283	Inflation	14,612	14,962	15,321	15,689
190	Subtotal Operating Expenses	\$1,298,105		\$1,337,386	\$1,378,384	\$1,420,724	\$1,464,454
191	Total Collection and Transmission Department	\$2,688,528		\$2,791,039	\$2,904,720	\$2,997,341	\$3,093,086
<u>Treatment and Disposal Department</u>							
<u>Personal Services</u>							
192	Salaries and Wages	1,072,954	Labor	1,126,602	1,182,932	1,218,420	1,254,973
193	Overtime	159,496	Labor	167,471	175,844	181,119	186,553
194	Payroll Taxes	91,317	Labor	95,883	100,677	103,698	106,809
195	Retirement Contributions	193,871	Labor	203,564	213,742	220,155	226,759
196	Life, Health, and Dental Insurance	279,380	Health-Ins	284,967	299,215	314,176	329,885
197	Workers Compensation Insurance	19,711	Labor	20,696	21,731	22,383	23,055
198	Subtotal Personal Services	\$1,816,729		\$1,899,184	\$1,994,143	\$2,059,952	\$2,128,034
<u>Operating Expenses</u>							
199	Other Contractual Services	13,379	Contractual	13,780	14,193	14,619	15,058
200	Utility Services	538,715	Inflation	551,105	564,332	577,876	591,745
201	Rentals and Leases	48,563	Inflation	49,680	50,872	52,093	53,343
202	Repair and Maintenance - General	9,522	Repair	9,808	10,102	10,405	10,717
203	Repair and Maintenance - Vehicles	16,188	Repair	16,673	17,173	17,689	18,219
204	Repair and Maintenance - Equipment	245,671	Repair	253,041	260,633	268,452	276,505
205	Repair and Maintenance - Structures/Grounds	171,884	Repair	177,041	182,352	187,822	193,457
206	Repair and Maintenance - Outside Services	69,607	Repair	71,695	73,846	76,061	78,343
207	Operating Supplies	209,487	Inflation	214,305	219,449	224,715	230,108
208	Operating Supplies - Chemicals	3,809	WW-Chem	4,019	4,231	4,454	4,688
209	Fuel, Diesel, Oil	23,805	Fuel	24,996	26,245	27,558	28,936
210	Fuel, Diesel, Oil - Generators	42,850	Fuel	44,992	47,242	49,604	52,084
211	Training and Education	22,825	Inflation	23,350	23,910	24,484	25,071
212	Subtotal Operating Expenses	\$1,416,304		\$1,454,485	\$1,494,580	\$1,535,831	\$1,578,275
213	Total Treatment and Disposal Department	\$3,233,032		\$3,353,669	\$3,488,723	\$3,595,783	\$3,706,309
<u>Reuse Department</u>							
<u>Personal Services</u>							
214	Salaries and Wages	0	Labor	0	0	0	0
215	Overtime	0	Labor	0	0	0	0
216	Payroll Taxes	0	Labor	0	0	0	0
217	Retirement Contributions	0	Labor	0	0	0	0
218	Life, Health, and Dental Insurance	0	Health-Ins	0	0	0	0
219	Workers Compensation Insurance	0	Labor	0	0	0	0

Table 1-7
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study
Projection of Wastewater System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th.			
				2023	2024	2025	2026
220	Subtotal Personal Services	\$0		\$0	\$0	\$0	\$0
	<u>Operating Expenses</u>						
221	Communications	0	Inflation	0	0	0	0
222	Utility Services	0	Inflation	0	0	0	0
223	Repair and Maintenance - General	0	Repair	0	0	0	0
224	Repair and Maintenance - Vehicles	0	Repair	0	0	0	0
225	Repair and Maintenance - Equipment	0	Repair	0	0	0	0
226	Repair and Maintenance - Structures/Grounds	0	Repair	0	0	0	0
227	Other Current Charges and Obligations	0	Marginal	0	0	0	0
228	Operating Supplies	0	Inflation	0	0	0	0
229	Operating Supplies - Chemicals	0	R-Chem	0	0	0	0
230	Fuel, Diesel, Oil	0	Fuel	0	0	0	0
231	Training and Education	0	Inflation	0	0	0	0
232	Subtotal Operating Expenses	\$0		\$0	\$0	\$0	\$0
233	Total Reuse Department	\$0		\$0	\$0	\$0	\$0
	<u>Bio-Solids Department</u>						
	<u>Personal Services</u>						
234	Salaries and Wages	133,200	Labor	139,860	146,853	151,259	155,796
235	Overtime	12,500	Labor	13,125	13,781	14,195	14,621
236	Payroll Taxes	11,000	Labor	11,550	12,128	12,491	12,866
237	Retirement Contributions	24,000	Labor	25,200	26,460	27,254	28,071
238	Life, Health, and Dental Insurance	16,800	Health-Ins	17,136	17,993	18,892	19,837
239	Workers Compensation Insurance	2,400	Labor	2,520	2,646	2,725	2,807
240	Subtotal Personal Services	\$199,900		\$209,391	\$219,861	\$226,816	\$233,999
	<u>Operating Expenses</u>						
241	Repair and Maintenance - General	2,000	Repair	2,060	2,122	2,185	2,251
242	Repair and Maintenance - Vehicles	4,500	Repair	4,635	4,774	4,917	5,065
243	Repair and Maintenance - Equipment	65,000	Repair	66,950	68,959	71,027	73,158
244	Repair and Maintenance - Structures/Grounds	13,000	Repair	13,390	13,792	14,205	14,632
245	Other Current Charges and Obligations	923,850	Inflation	945,099	967,781	991,008	1,014,792
246	Operating Supplies	5,000	Inflation	5,115	5,238	5,363	5,492
247	Operating Supplies - Chemicals	184,000	WW-Chem	194,171	204,389	215,143	226,462
248	Fuel, Diesel, Oil	1,500	Fuel	1,575	1,654	1,736	1,823
249	Training and Education	3,550	Inflation	3,632	3,719	3,808	3,899
250	Subtotal Operating Expenses	\$1,202,400		\$1,236,626	\$1,272,426	\$1,309,394	\$1,347,575
251	Total Bio-Solids Department	\$1,402,300		\$1,446,017	\$1,492,287	\$1,536,211	\$1,581,573
	<u>Contingency</u>						
	<u>Contingency</u>						
252	Contingency	0	Inflation	0	0	0	0
253	Total Contingency	\$0		\$0	\$0	\$0	\$0
	<u>Other</u>						
	<u>Other</u>						
254	Miscellaneous Adjustment	48,686	Inflation	49,806	51,001	52,225	53,479
255	Total Other	\$48,686		\$49,806	\$51,001	\$52,225	\$53,479
256	Total Operating Budget	<u>\$14,879,019</u>		<u>\$15,445,852</u>	<u>\$16,082,555</u>	<u>\$16,586,261</u>	<u>\$17,106,667</u>

Footnotes:

[1] Based on information derived from Table 1-4.

Table 1-8
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

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Projection of IQ Water System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th,			
				2023	2024	2025	2026
<u>Executive Department</u>							
<u>Personal Services</u>							
1	Special Pay - Governing Board	\$583	Labor	\$612	\$643	\$662	\$682
2	Salaries and Wages	53,542	Labor	56,219	59,030	60,801	62,625
3	Overtime	359	Labor	377	396	408	420
4	Payroll Taxes	3,257	Labor	3,420	3,591	3,699	3,810
5	Retirement Contributions	7,717	Labor	8,103	8,508	8,763	9,026
6	Life, Health, and Dental Insurance	10,750	Health-Ins	10,965	11,513	12,089	12,693
7	Workers Compensation Insurance	422	Labor	443	465	479	493
8	Subtotal Personal Services	\$76,630		\$80,139	\$84,146	\$86,901	\$89,749
<u>Operating Expenses</u>							
9	Other Contractual Services	3,096	Contractual	3,189	3,284	3,383	3,484
10	Travel and Per Diem	1,454	Inflation	1,487	1,523	1,559	1,597
11	Communications	4,110	Inflation	4,204	4,305	4,408	4,514
12	Freight and Postage	897	Inflation	918	940	963	986
13	Utilities	90	Inflation	92	94	96	99
14	Insurance	2,198	General-Ins	2,270	2,344	2,420	2,498
15	Repair and Maintenance - General	5,292	Repair	5,451	5,614	5,783	5,956
16	Repair and Maintenance - Vehicles	90	Repair	92	95	98	101
17	Office Supplies	224	Inflation	229	235	241	246
18	Operating Supplies	3,501	Inflation	3,582	3,668	3,756	3,846
19	Fuel, Diesel, Oil	292	Fuel	306	322	338	354
20	Books, Publications, Memberships, Subs.	2,791	Inflation	2,855	2,924	2,994	3,066
21	Training and Education	1,191	Inflation	1,219	1,248	1,278	1,308
22	Subtotal Operating Expenses	\$25,226		\$25,894	\$26,595	\$27,315	\$28,056
23	Total Executive Department	\$101,856		\$106,033	\$110,741	\$114,216	\$117,805
<u>Professional Services Department</u>							
<u>Operating Expenses</u>							
24	Engineering	0	Inflation	0	0	0	0
25	Engineering Support Services	0	Inflation	0	0	0	0
26	Legal Expense - Non-litigation	0	Inflation	0	0	0	0
27	Legal Expense - Litigation	0	Inflation	0	0	0	0
28	Legal Expense - Collections	0	Inflation	0	0	0	0
29	Pension Adviser	0	Inflation	0	0	0	0
30	Human Resources Law	0	Inflation	0	0	0	0
31	Investment Advisor	0	Inflation	0	0	0	0
32	Audit Services	0	Inflation	0	0	0	0
33	Subtotal Operating Expenses	\$0		\$0	\$0	\$0	\$0
34	Total Professional Services Department	\$0		\$0	\$0	\$0	\$0
<u>Finance Department</u>							
<u>Personal Services</u>							
35	Salaries and Wages	61,472	Labor	64,545	67,773	69,806	71,900
36	Overtime	595	Labor	625	656	676	696
37	Payroll Taxes	4,571	Labor	4,800	5,040	5,191	5,347
38	Retirement Contributions	8,976	Labor	9,424	9,896	10,192	10,498
39	Life, Health, and Dental Insurance	16,880	Health-Ins	17,217	18,078	18,982	19,931
40	Workers Compensation Insurance	71	Labor	75	79	81	84
41	Subtotal Personal Services	\$92,565		\$96,687	\$101,521	\$104,928	\$108,456
<u>Operating Expenses</u>							
42	Other Contractual Service	6,051	Contractual	6,232	6,419	6,612	6,810
43	Repair and Maintenance - General	595	Repair	613	631	650	670
44	Tax Collector Fees and Discounts	0	Inflation	0	0	0	0
45	Office Supplies	119	Inflation	122	125	128	131
46	Operating Supplies	1,224	Inflation	1,252	1,282	1,313	1,344

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th,			
				2023	2024	2025	2026
47	Books, Publications, Memberships, Subs.	1,032	Inflation	1,056	1,081	1,107	1,134
48	Training and Education	368	Inflation	376	385	395	404
49	Subtotal Operating Expenses	\$9,389		\$9,651	\$9,924	\$10,204	\$10,493
50	Total Finance Department	\$101,953		\$106,338	\$111,445	\$115,132	\$118,948

Personal Services

Operating Expenses

WildPine Lab Department

Personal Services

Operating Expenses

Customer Service Department

Table 1-8
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of IQ Water System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th,			
				2023	2024	2025	2026
<u>Personal Services</u>							
91	Salaries and Wages	290	Labor	304	319	329	339
92	Overtime	3	Labor	4	4	4	4
93	Payroll Taxes	22	Labor	23	24	24	25
94	Retirement Contributions	39	Labor	41	43	45	46
95	Life, Health, and Dental Insurance	85	Health-Ins	87	91	96	101
96	Workers Compensation Insurance	0	Labor	0	0	0	0
97	Subtotal Personal Services	\$440		\$459	\$482	\$499	\$515
<u>Operating Expenses</u>							
98	Other Contractual Services	195	Contractual	201	207	213	220
99	Freight and Postage	91	Account-Inf	93	96	99	101
100	Repairs and Maintenance - General	66	Repair	68	70	72	74
101	Operating Supplies	16	Inflation	16	17	17	18
102	Subtotal Operating Expenses	\$368		\$379	\$390	\$401	\$412
103	Total Customer Service Department	\$808		\$838	\$872	\$899	\$928
<u>Information Technology Department</u>							
<u>Personal Services</u>							
104	Salaries and Wages	20,844	Labor	21,887	22,981	23,670	24,381
105	Overtime	45	Labor	47	49	51	52
106	Payroll Taxes	1,516	Labor	1,592	1,672	1,722	1,774
107	Retirement Contributions	3,176	Labor	3,335	3,502	3,607	3,715
108	Life, Health, and Dental Insurance	7,753	Health-Ins	7,908	8,303	8,718	9,154
109	Workers Compensation Insurance	27	Labor	28	30	31	31
110	Subtotal Personal Services	\$33,362		\$34,797	\$36,537	\$37,799	\$39,108
<u>Operating Expenses</u>							
111	Professional Services	9,870	Contractual	10,166	10,471	10,786	11,109
112	Other Contractual Services	90	Contractual	92	95	98	101
113	Repair and Maintenance - General	135	Repair	139	143	147	151
114	Operating Supplies	1,481	Inflation	1,515	1,551	1,588	1,626
115	Books, Publications, Memberships, Subs.	269	Inflation	275	282	289	296
116	Training and Education	449	Inflation	459	470	481	493
117	Subtotal Operating Expenses	\$12,293		\$12,647	\$13,012	\$13,389	\$13,776
118	Total Information Technology Department	\$45,655		\$47,444	\$49,550	\$51,188	\$52,884
<u>Engineering and Inspection Department</u>							
<u>Personal Services</u>							
119	Salaries and Wages	35,395	Labor	37,165	39,023	40,194	41,400
120	Other Salaries and Wages	717	Labor	753	790	814	838
121	Overtime	478	Labor	502	527	543	559
122	Payroll Taxes	2,676	Labor	2,810	2,950	3,039	3,130
123	Retirement Contributions	5,151	Labor	5,409	5,679	5,850	6,025
124	Life, Health, and Dental Insurance	11,177	Health-Ins	11,401	11,971	12,569	13,198
125	Workers Compensation Insurance	397	Labor	416	437	450	464
126	Subtotal Personal Services	\$55,991		\$58,455	\$61,378	\$63,459	\$65,614
<u>Operating Expenses</u>							
127	Travel and Per Diem	143	Inflation	147	150	154	157
128	Repair and Maintenance - General	287	Repair	295	304	313	323
129	Repair and Maintenance - Vehicles	478	Repair	492	507	522	538
130	Repair and Maintenance - Equipment	239	Repair	246	253	261	269
131	Operating Supplies	2,150	Inflation	2,200	2,253	2,307	2,362
132	Fuel, Diesel, Oil	772	Fuel	810	851	893	938
133	Training and Education	287	Inflation	293	300	308	315
134	Subtotal Operating Expenses	\$4,356		\$4,484	\$4,619	\$4,758	\$4,902

Table 1-8
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of IQ Water System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th,			
				2023	2024	2025	2026
135	Total Engineering and Inspection Department	\$60,347		\$62,939	\$65,997	\$68,217	\$70,516
	<u>Construction Department</u>						
	<u>Personal Services</u>						
136	Salaries and Wages	95,125	Labor	99,881	104,875	108,022	111,262
137	Overtime	2,875	Labor	3,019	3,170	3,265	3,363
138	Payroll Taxes	7,175	Labor	7,534	7,910	8,148	8,392
139	Retirement Contributions	8,975	Labor	9,424	9,895	10,192	10,498
140	Life, Health, and Dental Insurance	30,675	Health-Ins	31,289	32,853	34,496	36,220
141	Workers Compensation Insurance	1,650	Labor	1,733	1,819	1,874	1,930
142	Subtotal Personal Services	\$146,475		\$152,879	\$160,522	\$165,995	\$171,665
	<u>Operating Expenses</u>						
143	Repair and Maintenance - General	1,250	Repair	1,288	1,326	1,366	1,407
144	Repair and Maintenance - Vehicles	10,000	Repair	10,300	10,609	10,927	11,255
145	Repair and Maintenance - Equipment	1,250	Repair	1,288	1,326	1,366	1,407
146	Operating Supplies	5,000	Inflation	5,115	5,238	5,363	5,492
147	Fuel, Diesel, Oil	4,125	Fuel	4,331	4,548	4,775	5,014
148	Training and Education	1,250	Inflation	1,279	1,309	1,341	1,373
149	Subtotal Operating Expenses	\$22,875		\$23,600	\$24,356	\$25,139	\$25,948
150	Total Construction Department	\$169,350		\$176,479	\$184,879	\$191,134	\$197,613
	<u>Operations Administrative Department</u>						
	<u>Personal Services</u>						
151	Salaries and Wages	33,202	Labor	34,862	36,605	37,704	38,835
152	Overtime	106	Labor	111	116	120	124
153	Payroll Taxes	2,218	Labor	2,329	2,446	2,519	2,595
154	Retirement Contributions	5,324	Labor	5,590	5,870	6,046	6,227
155	Life, Health, and Dental Insurance	6,676	Health-Ins	6,810	7,150	7,508	7,883
156	Workers Compensation Insurance	327	Labor	344	361	372	383
157	Subtotal Personal Services	\$47,854		\$50,047	\$52,549	\$54,268	\$56,047
	<u>Operating Expenses</u>						
158	Professional Services	2,113	Contractual	2,176	2,241	2,309	2,378
159	Other Contractual Services	792	Contractual	816	841	866	892
160	Travel and Per Diem	264	Inflation	270	277	283	290
161	Communications	6,053	Inflation	6,192	6,341	6,493	6,649
162	Freight and Postage	528	Inflation	540	553	567	580
163	Insurance	35,864	General-Ins	37,030	38,233	39,476	40,759
164	Repair and Maintenance - General	10,619	Repair	10,937	11,265	11,603	11,952
165	Office Supplies	634	Inflation	648	664	680	696
166	Operating Supplies	3,365	Inflation	3,442	3,525	3,609	3,696
167	Operating Supplies - Safety	3,528	Inflation	3,609	3,696	3,785	3,876
168	Books, Publications, Memberships, Subs.	4,904	Inflation	5,017	5,137	5,261	5,387
169	Training and Education	650	Inflation	665	681	697	714
170	Subtotal Operating Expenses	\$69,314		\$71,344	\$73,454	\$75,628	\$77,868
171	Total Operations Administrative Department	\$117,168		\$121,390	\$126,003	\$129,897	\$133,914
	<u>Collection and Transmission Department</u>						
	<u>Personal Services</u>						
172	Salaries and Wages	41,502	Labor	43,577	45,756	47,129	48,543
173	Overtime	6,451	Labor	6,774	7,112	7,326	7,546
174	Payroll Taxes	3,560	Labor	3,738	3,925	4,043	4,164
175	Retirement Contributions	6,972	Labor	7,321	7,687	7,917	8,155
176	Life, Health, and Dental Insurance	10,523	Health-Ins	10,733	11,270	11,833	12,425
177	Workers Compensation Insurance	769	Labor	808	848	874	900

Table 1-8
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of IQ Water System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th,			
				2023	2024	2025	2026
178	Subtotal Personal Services	\$69,777		\$72,951	\$76,598	\$79,121	\$81,732
	<u>Operating Expenses</u>						
179	Utility Services	15,160	Inflation	15,509	15,881	16,262	16,653
180	Rentals and Leases	1,911	Inflation	1,955	2,002	2,050	2,100
181	Repair and Maintenance - General	9,557	Repair	9,844	10,139	10,443	10,757
182	Repair and Maintenance - Vehicles	5,256	Repair	5,414	5,577	5,744	5,916
183	Repair and Maintenance - Equipment	16,725	Repair	17,227	17,744	18,276	18,824
184	Repair and Maintenance - Structures/Grounds	3,584	Repair	3,691	3,802	3,916	4,034
185	Operating Supplies	3,823	Inflation	3,911	4,005	4,101	4,199
186	Operating Supplies - Chemicals	6,690	Chemicals	7,025	7,376	7,745	8,132
187	Fuel, Diesel, Oil	1,481	Fuel	1,555	1,633	1,715	1,801
188	Fuel, Diesel, Oil - Generators	239	Fuel	251	263	277	290
189	Training and Education	717	Inflation	733	751	769	787
190	Subtotal Operating Expenses	\$65,145		\$67,116	\$69,173	\$71,298	\$73,493
191	Total Collection and Transmission Department	\$134,922		\$140,066	\$145,771	\$150,420	\$155,224
	<u>Treatment and Disposal Department</u>						
	<u>Personal Services</u>						
192	Salaries and Wages	53,846	Labor	56,538	59,365	61,146	62,980
193	Overtime	8,004	Labor	8,404	8,825	9,089	9,362
194	Payroll Taxes	4,583	Labor	4,812	5,052	5,204	5,360
195	Retirement Contributions	9,729	Labor	10,216	10,727	11,048	11,380
196	Life, Health, and Dental Insurance	14,020	Health-Ins	14,301	15,016	15,767	16,555
197	Workers Compensation Insurance	989	Labor	1,039	1,091	1,123	1,157
198	Subtotal Personal Services	\$91,171		\$95,309	\$100,075	\$103,377	\$106,794
	<u>Operating Expenses</u>						
199	Other Contractual Services	671	Contractual	692	712	734	756
200	Utility Services	27,035	Inflation	27,657	28,321	29,000	29,696
201	Rentals and Leases	2,437	Inflation	2,493	2,553	2,614	2,677
202	Repair and Maintenance - General	478	Repair	492	507	522	538
203	Repair and Maintenance - Vehicles	812	Repair	837	862	888	914
204	Repair and Maintenance - Equipment	12,329	Repair	12,699	13,080	13,472	13,876
205	Repair and Maintenance - Structures/Grounds	8,626	Repair	8,885	9,151	9,426	9,709
206	Repair and Maintenance - Outside Services	3,493	Repair	3,598	3,706	3,817	3,932
207	Operating Supplies	10,513	Inflation	10,755	11,013	11,277	11,548
208	Operating Supplies - Chemicals	191	WW-Chem	202	212	223	235
209	Fuel, Diesel, Oil	1,195	Fuel	1,254	1,317	1,383	1,452
210	Fuel, Diesel, Oil - Generators	2,150	Fuel	2,258	2,371	2,489	2,614
211	Training and Education	1,145	Inflation	1,172	1,200	1,229	1,258
212	Subtotal Operating Expenses	\$71,076		\$72,992	\$75,004	\$77,075	\$79,205
213	Total Treatment and Disposal Department	\$162,248		\$168,302	\$175,079	\$180,452	\$185,999
	<u>Reuse Department</u>						
	<u>Personal Services</u>						
214	Salaries and Wages	144,800	Labor	152,040	159,642	164,431	169,364
215	Overtime	7,500	Labor	7,875	8,269	8,517	8,772
216	Payroll Taxes	11,300	Labor	11,865	12,458	12,832	13,217
217	Retirement Contributions	25,000	Labor	26,250	27,563	28,389	29,241
218	Life, Health, and Dental Insurance	40,400	Health-Ins	41,208	43,268	45,432	47,703
219	Workers Compensation Insurance	2,600	Labor	2,730	2,867	2,952	3,041
220	Subtotal Personal Services	\$231,600		\$241,968	\$254,066	\$262,554	\$271,339
	<u>Operating Expenses</u>						
221	Communications	8,500	Inflation	8,696	8,904	9,118	9,337
222	Utility Services	305,000	Inflation	312,015	319,503	327,171	335,024
223	Repair and Maintenance - General	5,000	Repair	5,150	5,305	5,464	5,628
224	Repair and Maintenance - Vehicles	5,000	Repair	5,150	5,305	5,464	5,628

Table 1-8
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of IQ Water System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th,			
				2023	2024	2025	2026
225	Repair and Maintenance - Equipment	85,000	Repair	87,550	90,177	92,882	95,668
226	Repair and Maintenance - Structures/Grounds	25,000	Repair	25,750	26,523	27,318	28,138
227	Other Current Charges and Obligations	206,000	Marginal	208,060	210,141	212,242	214,364
228	Operating Supplies	12,500	Inflation	12,788	13,094	13,409	13,730
229	Operating Supplies - Chemicals	175,000	R-Chem	183,750	192,938	202,584	212,714
230	Fuel, Diesel, Oil	5,100	Fuel	5,355	5,623	5,904	6,199
231	Training and Education	2,000	Inflation	2,046	2,095	2,145	2,197
232	Subtotal Operating Expenses	\$834,100		\$856,309	\$879,606	\$903,701	\$928,626
233	Total Reuse Department	\$1,065,700		\$1,098,277	\$1,133,672	\$1,166,255	\$1,199,965
<u>Bio-Solids Department</u>							
<u>Personal Services</u>							
234	Salaries and Wages	0	Labor	0	0	0	0
235	Overtime	0	Labor	0	0	0	0
236	Payroll Taxes	0	Labor	0	0	0	0
237	Retirement Contributions	0	Labor	0	0	0	0
238	Life, Health, and Dental Insurance	0	Health-Ins	0	0	0	0
239	Workers Compensation Insurance	0	Labor	0	0	0	0
240	Subtotal Personal Services	\$0		\$0	\$0	\$0	\$0
<u>Operating Expenses</u>							
241	Repair and Maintenance - General	0	Repair	0	0	0	0
242	Repair and Maintenance - Vehicles	0	Repair	0	0	0	0
243	Repair and Maintenance - Equipment	0	Repair	0	0	0	0
244	Repair and Maintenance - Structures/Grounds	0	Repair	0	0	0	0
245	Other Current Charges and Obligations	0	Inflation	0	0	0	0
246	Operating Supplies	0	Inflation	0	0	0	0
247	Operating Supplies - Chemicals	0	WW-Chem	0	0	0	0
248	Fuel, Diesel, Oil	0	Fuel	0	0	0	0
249	Training and Education	0	Inflation	0	0	0	0
250	Subtotal Operating Expenses	\$0		\$0	\$0	\$0	\$0
251	Total Bio-Solids Department	\$0		\$0	\$0	\$0	\$0
<u>Contingency</u>							
<u>Contingency</u>							
252	Contingency	0	Inflation	0	0	0	0
253	Total Contingency	\$0		\$0	\$0	\$0	\$0
<u>Other</u>							
<u>Other</u>							
254	Miscellaneous Adjustment	0	Inflation	0	0	0	0
255	Total Other	\$0		\$0	\$0	\$0	\$0
256	Total Operating Budget	\$1,962,247		\$2,030,439	\$2,106,448	\$2,170,325	\$2,236,391

Footnotes:

[1] Based on information derived from Table 1-4.

Table 1-9
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

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Projection of Combined System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th,			
				2023	2024	2025	2026
<u>Executive Department</u>							
<u>Personal Services</u>							
1	Special Pay - Governing Board	\$6,500	Labor	\$6,825	\$7,166	\$7,381	\$7,603
2	Salaries and Wages	596,700	Labor	626,535	657,862	677,598	697,926
3	Overtime	4,000	Labor	4,200	4,410	4,542	4,679
4	Payroll Taxes	36,300	Labor	38,115	40,021	41,221	42,458
5	Retirement Contributions	86,000	Labor	90,300	94,815	97,659	100,589
6	Life, Health, and Dental Insurance	119,800	Health-Ins	122,196	128,306	134,721	141,457
7	Workers Compensation Insurance	4,700	Labor	4,935	5,182	5,337	5,497
8	Subtotal Personal Services	\$854,000		\$893,106	\$937,761	\$968,460	\$1,000,208
<u>Operating Expenses</u>							
9	Other Contractual Services	34,500	Contractual	35,535	36,601	37,699	38,830
10	Travel and Per Diem	16,200	Inflation	16,573	16,970	17,378	17,795
11	Communications	45,800	Inflation	46,853	47,978	49,129	50,308
12	Freight and Postage	10,000	Inflation	10,230	10,476	10,727	10,984
13	Utilities	1,000	Inflation	1,023	1,048	1,073	1,098
14	Insurance	24,500	General-Ins	25,296	26,118	26,967	27,844
15	Repair and Maintenance - General	58,975	Repair	60,744	62,567	64,444	66,377
16	Repair and Maintenance - Vehicles	1,000	Repair	1,030	1,061	1,093	1,126
17	Office Supplies	2,500	Inflation	2,558	2,619	2,682	2,746
18	Operating Supplies	39,020	Inflation	39,917	40,875	41,856	42,861
19	Fuel, Diesel, Oil	3,250	Fuel	3,413	3,583	3,762	3,950
20	Books, Publications, Memberships, Subs.	31,105	Inflation	31,820	32,584	33,366	34,167
21	Training and Education	13,275	Inflation	13,580	13,906	14,240	14,582
22	Subtotal Operating Expenses	\$281,125		\$288,573	\$296,386	\$304,416	\$312,668
23	Total Executive Department	\$1,135,125		\$1,181,679	\$1,234,147	\$1,272,876	\$1,312,877
<u>Professional Services Department</u>							
<u>Operating Expenses</u>							
24	Engineering	\$20,000	Inflation	\$20,460	\$20,951	\$21,454	\$21,969
25	Engineering Support Services	50,000	Inflation	51,150	52,378	53,635	54,922
26	Legal Expense - Non-litigation	75,000	Inflation	76,725	78,566	80,452	82,383
27	Legal Expense - Litigation	60,000	Inflation	61,380	62,853	64,362	65,906
28	Legal Expense - Collections	5,000	Inflation	5,115	5,238	5,363	5,492
29	Pension Adviser	30,000	Inflation	30,690	31,427	32,181	32,953
30	Human Resources Law	9,000	Inflation	9,207	9,428	9,654	9,886
31	Investment Advisor	10,000	Inflation	10,230	10,476	10,727	10,984
32	Audit Services	35,800	Inflation	36,623	37,502	38,402	39,324
33	Subtotal Operating Expenses	\$294,800		\$301,580	\$308,818	\$316,230	\$323,819
34	Total Professional Services Department	\$294,800		\$301,580	\$308,818	\$316,230	\$323,819
<u>Finance Department</u>							
<u>Personal Services</u>							
35	Salaries and Wages	\$516,400	Labor	\$542,220	\$569,331	\$586,411	\$604,003
36	Overtime	5,000	Labor	5,250	5,513	5,678	5,848
37	Payroll Taxes	38,400	Labor	40,320	42,336	43,606	44,914
38	Retirement Contributions	75,400	Labor	79,170	83,129	85,622	88,191
39	Life, Health, and Dental Insurance	141,800	Health-Ins	144,636	151,868	159,461	167,434
40	Workers Compensation Insurance	600	Labor	630	662	681	702
41	Subtotal Personal Services	\$777,600		\$812,226	\$852,837	\$881,460	\$911,093
<u>Operating Expenses</u>							
42	Other Contractual Service	50,830	Contractual	52,355	53,926	55,543	57,210
43	Repair and Maintenance - General	5,000	Repair	5,150	5,305	5,464	5,628
44	Tax Collector Fees and Discounts	82,500	Inflation	84,398	86,423	88,497	90,621
45	Office Supplies	1,000	Inflation	1,023	1,048	1,073	1,098
46	Operating Supplies	10,280	Inflation	10,516	10,769	11,027	11,292

Table 1-9
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of Combined System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th,			
				2023	2024	2025	2026
<u>Personal Services</u>							
91	Salaries and Wages	\$207,100	Labor	\$217,455	\$228,328	\$235,178	\$242,233
92	Overtime	2,500	Labor	2,625	2,756	2,839	2,924
93	Payroll Taxes	15,400	Labor	16,170	16,979	17,488	18,012
94	Retirement Contributions	28,100	Labor	29,505	30,980	31,910	32,867
95	Life, Health, and Dental Insurance	61,000	Health-Ins	62,220	65,331	68,598	72,027
96	Workers Compensation Insurance	300	Labor	315	331	341	351
97	Subtotal Personal Services	\$314,400		\$328,290	\$344,705	\$356,352	\$368,415
<u>Operating Expenses</u>							
98	Other Contractual Services	139,500	Contractual	143,685	147,996	152,435	157,008
99	Freight and Postage	65,000	Account-Inf	66,828	68,602	70,423	72,291
100	Repairs and Maintenance - General	47,000	Repair	48,410	49,862	51,358	52,899
101	Operating Supplies	11,500	Inflation	11,765	12,047	12,336	12,632
102	Subtotal Operating Expenses	\$263,000		\$270,687	\$278,506	\$286,552	\$294,831
103	Total Customer Service Department	\$577,400		\$598,977	\$623,211	\$642,904	\$663,245
<u>Information Technology Department</u>							
<u>Personal Services</u>							
104	Salaries and Wages	\$232,300	Labor	\$243,915	\$256,111	\$263,794	\$271,708
105	Overtime	500	Labor	525	551	568	585
106	Payroll Taxes	16,900	Labor	17,745	18,632	19,191	19,767
107	Retirement Contributions	35,400	Labor	37,170	39,029	40,199	41,405
108	Life, Health, and Dental Insurance	86,400	Health-Ins	88,128	92,534	97,161	102,019
109	Workers Compensation Insurance	300	Labor	315	331	341	351
110	Subtotal Personal Services	\$371,800		\$387,798	\$407,188	\$421,254	\$435,835
<u>Operating Expenses</u>							
111	Professional Services	110,000	Contractual	113,300	116,699	120,200	123,806
112	Other Contractual Services	1,000	Contractual	1,030	1,061	1,093	1,126
113	Repair and Maintenance - General	1,500	Repair	1,545	1,591	1,639	1,688
114	Operating Supplies	16,500	Inflation	16,880	17,285	17,699	18,124
115	Books, Publications, Memberships, Subs.	3,000	Inflation	3,069	3,143	3,218	3,295
116	Training and Education	5,000	Inflation	5,115	5,238	5,363	5,492
117	Subtotal Operating Expenses	\$137,000		\$140,939	\$145,016	\$149,213	\$153,531
118	Total Information Technology Department	\$508,800		\$528,737	\$552,204	\$570,467	\$589,367
<u>Engineering and Inspection Department</u>							
<u>Personal Services</u>							
119	Salaries and Wages	\$740,700	Labor	\$777,735	\$816,622	\$841,120	\$866,354
120	Other Salaries and Wages	15,000	Labor	15,750	16,538	17,034	17,545
121	Overtime	10,000	Labor	10,500	11,025	11,356	11,696
122	Payroll Taxes	56,000	Labor	58,800	61,740	63,592	65,500
123	Retirement Contributions	107,800	Labor	113,190	118,850	122,415	126,087
124	Life, Health, and Dental Insurance	233,900	Health-Ins	238,578	250,507	263,032	276,184
125	Workers Compensation Insurance	8,300	Labor	8,715	9,151	9,425	9,708
126	Subtotal Personal Services	\$1,171,700		\$1,223,268	\$1,284,431	\$1,327,974	\$1,373,074
<u>Operating Expenses</u>							
127	Travel and Per Diem	3,000	Inflation	3,069	3,143	3,218	3,295
128	Repair and Maintenance - General	6,000	Repair	6,180	6,365	6,556	6,753
129	Repair and Maintenance - Vehicles	10,000	Repair	10,300	10,609	10,927	11,255
130	Repair and Maintenance - Equipment	5,000	Repair	5,150	5,305	5,464	5,628
131	Operating Supplies	45,000	Inflation	46,035	47,140	48,271	49,430
132	Fuel, Diesel, Oil	16,150	Fuel	16,958	17,805	18,696	19,630
133	Training and Education	6,000	Inflation	6,138	6,285	6,436	6,591
134	Subtotal Operating Expenses	\$91,150		\$93,830	\$96,652	\$99,568	\$102,582

Table 1-9
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of Combined System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th,			
				2023	2024	2025	2026
135	Total Engineering and Inspection Department	\$1,262,850		\$1,317,098	\$1,381,083	\$1,427,543	\$1,475,656
	<u>Construction Department</u>						
	<u>Personal Services</u>						
136	Salaries and Wages	\$380,500	Labor	\$399,525	\$419,501	\$432,086	\$445,049
137	Overtime	11,500	Labor	12,075	12,679	13,059	13,451
138	Payroll Taxes	28,700	Labor	30,135	31,642	32,591	33,569
139	Retirement Contributions	35,900	Labor	37,695	39,580	40,767	41,990
140	Life, Health, and Dental Insurance	122,700	Health-Ins	125,154	131,412	137,982	144,881
141	Workers Compensation Insurance	6,600	Labor	6,930	7,277	7,495	7,720
142	Subtotal Personal Services	\$585,900		\$611,514	\$642,090	\$663,981	\$686,660
	<u>Operating Expenses</u>						
143	Repair and Maintenance - General	5,000	Repair	5,150	5,305	5,464	5,628
144	Repair and Maintenance - Vehicles	40,000	Repair	41,200	42,436	43,709	45,020
145	Repair and Maintenance - Equipment	5,000	Repair	5,150	5,305	5,464	5,628
146	Operating Supplies	20,000	Inflation	20,460	20,951	21,454	21,969
147	Fuel, Diesel, Oil	16,500	Fuel	17,325	18,191	19,101	20,056
148	Training and Education	5,000	Inflation	5,115	5,238	5,363	5,492
149	Subtotal Operating Expenses	\$91,500		\$94,400	\$97,425	\$100,554	\$103,792
150	Total Construction Department	\$677,400		\$705,914	\$739,515	\$764,535	\$790,452
	<u>Operations Administrative Department</u>						
	<u>Personal Services</u>						
151	Salaries and Wages	\$314,300	Labor	\$330,015	\$346,516	\$356,911	\$367,619
152	Overtime	1,000	Labor	1,050	1,103	1,136	1,170
153	Payroll Taxes	21,000	Labor	22,050	23,153	23,847	24,562
154	Retirement Contributions	50,400	Labor	52,920	55,566	57,233	58,950
155	Life, Health, and Dental Insurance	63,200	Health-Ins	64,464	67,687	71,072	74,625
156	Workers Compensation Insurance	3,100	Labor	3,255	3,418	3,520	3,626
157	Subtotal Personal Services	\$453,000		\$473,754	\$497,442	\$513,719	\$530,552
	<u>Operating Expenses</u>						
158	Professional Services	20,000	Contractual	20,600	21,218	21,855	22,510
159	Other Contractual Services	7,500	Contractual	7,725	7,957	8,195	8,441
160	Travel and Per Diem	2,500	Inflation	2,558	2,619	2,682	2,746
161	Communications	57,300	Inflation	58,618	60,025	61,465	62,940
162	Freight and Postage	5,000	Inflation	5,115	5,238	5,363	5,492
163	Insurance	339,500	General-Ins	350,534	361,926	373,689	385,834
164	Repair and Maintenance - General	100,520	Repair	103,536	106,642	109,841	113,136
165	Office Supplies	6,000	Inflation	6,138	6,285	6,436	6,591
166	Operating Supplies	31,850	Inflation	32,583	33,365	34,165	34,985
167	Operating Supplies - Safety	33,400	Inflation	34,168	34,988	35,828	36,688
168	Books, Publications, Memberships, Subs.	46,425	Inflation	47,493	48,633	49,800	50,995
169	Training and Education	6,150	Inflation	6,291	6,442	6,597	6,755
170	Subtotal Operating Expenses	\$656,145		\$675,358	\$695,337	\$715,916	\$737,114
171	Total Operations Administrative Department	\$1,109,145		\$1,149,112	\$1,192,779	\$1,229,635	\$1,267,666
	<u>Collection and Transmission Department</u>						
	<u>Personal Services</u>						
172	Salaries and Wages	\$868,500	Labor	\$911,925	\$957,521	\$986,247	\$1,015,834
173	Overtime	135,000	Labor	141,750	148,838	153,303	157,902
174	Payroll Taxes	74,500	Labor	78,225	82,136	84,600	87,138
175	Retirement Contributions	145,900	Labor	153,195	160,855	165,680	170,651
176	Life, Health, and Dental Insurance	220,200	Health-Ins	224,604	235,834	247,626	260,007
177	Workers Compensation Insurance	16,100	Labor	16,905	17,750	18,283	18,831

Table 1-9
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of Combined System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th,			
				2023	2024	2025	2026
178	Subtotal Personal Services	\$1,460,200		\$1,526,604	\$1,602,934	\$1,655,739	\$1,710,364
	<u>Operating Expenses</u>						
179	Utility Services	317,250	Inflation	324,547	332,336	340,312	348,479
180	Rentals and Leases	40,000	Inflation	40,920	41,902	42,908	43,938
181	Repair and Maintenance - General	200,000	Repair	206,000	212,180	218,545	225,102
182	Repair and Maintenance - Vehicles	110,000	Repair	113,300	116,699	120,200	123,806
183	Repair and Maintenance - Equipment	350,000	Repair	360,500	371,315	382,454	393,928
184	Repair and Maintenance - Structures/Grounds	75,000	Repair	77,250	79,568	81,955	84,413
185	Operating Supplies	80,000	Inflation	81,840	83,804	85,815	87,875
186	Operating Supplies - Chemicals	140,000	Chemicals	147,000	154,350	162,068	170,171
187	Fuel, Diesel, Oil	31,000	Fuel	32,550	34,178	35,886	37,681
188	Fuel, Diesel, Oil - Generators	5,000	Fuel	5,250	5,513	5,788	6,078
189	Training and Education	15,000	Inflation	15,345	15,713	16,090	16,477
190	Subtotal Operating Expenses	\$1,363,250		\$1,404,502	\$1,447,557	\$1,492,022	\$1,537,947
191	Total Collection and Transmission Department	\$2,823,450		\$2,931,106	\$3,050,491	\$3,147,761	\$3,248,310
	<u>Treatment and Disposal Department</u>						
	<u>Personal Services</u>						
192	Salaries and Wages	\$1,126,800	Labor	\$1,183,140	\$1,242,297	\$1,279,566	\$1,317,953
193	Overtime	167,500	Labor	175,875	184,669	190,209	195,915
194	Payroll Taxes	95,900	Labor	100,695	105,730	108,902	112,169
195	Retirement Contributions	203,600	Labor	213,780	224,469	231,203	238,139
196	Life, Health, and Dental Insurance	293,400	Health-Ins	299,268	314,231	329,943	346,440
197	Workers Compensation Insurance	20,700	Labor	21,735	22,822	23,506	24,212
198	Subtotal Personal Services	\$1,907,900		\$1,994,493	\$2,094,218	\$2,163,329	\$2,234,828
	<u>Operating Expenses</u>						
199	Other Contractual Services	14,050	Contractual	14,472	14,906	15,353	15,813
200	Utility Services	565,750	Inflation	578,762	592,653	606,876	621,441
201	Rentals and Leases	51,000	Inflation	52,173	53,425	54,707	56,020
202	Repair and Maintenance - General	10,000	Repair	10,300	10,609	10,927	11,255
203	Repair and Maintenance - Vehicles	17,000	Repair	17,510	18,035	18,576	19,134
204	Repair and Maintenance - Equipment	258,000	Repair	265,740	273,712	281,924	290,381
205	Repair and Maintenance - Structures/Grounds	180,510	Repair	185,925	191,503	197,248	203,166
206	Repair and Maintenance - Outside Services	73,100	Repair	75,293	77,552	79,878	82,275
207	Operating Supplies	220,000	Inflation	225,060	230,461	235,993	241,656
208	Operating Supplies - Chemicals	4,000	WW-Chem	4,221	4,443	4,677	4,923
209	Fuel, Diesel, Oil	25,000	Fuel	26,250	27,563	28,941	30,388
210	Fuel, Diesel, Oil - Generators	45,000	Fuel	47,250	49,613	52,093	54,698
211	Training and Education	23,970	Inflation	24,521	25,110	25,712	26,330
212	Subtotal Operating Expenses	\$1,487,380		\$1,527,477	\$1,569,584	\$1,612,906	\$1,657,480
213	Total Treatment and Disposal Department	\$3,395,280		\$3,521,970	\$3,663,802	\$3,776,235	\$3,892,307
	<u>Reuse Department</u>						
	<u>Personal Services</u>						
214	Salaries and Wages	\$144,800	Labor	\$152,040	\$159,642	\$164,431	\$169,364
215	Overtime	7,500	Labor	7,875	8,269	8,517	8,772
216	Payroll Taxes	11,300	Labor	11,865	12,458	12,832	13,217
217	Retirement Contributions	25,000	Labor	26,250	27,563	28,389	29,241
218	Life, Health, and Dental Insurance	40,400	Health-Ins	41,208	43,268	45,432	47,703
219	Workers Compensation Insurance	2,600	Labor	2,730	2,867	2,952	3,041
220	Subtotal Personal Services	\$231,600		\$241,968	\$254,066	\$262,554	\$271,339
	<u>Operating Expenses</u>						
221	Communications	8,500	Inflation	8,696	8,904	9,118	9,337
222	Utility Services	305,000	Inflation	312,015	319,503	327,171	335,024
223	Repair and Maintenance - General	5,000	Repair	5,150	5,305	5,464	5,628
224	Repair and Maintenance - Vehicles	5,000	Repair	5,150	5,305	5,464	5,628

Table 1-9
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of Combined System Operating Expenses

Line No.	Description	Adjusted [1] 2022	Escalation Factor	Fiscal Year Ending September 30th,			
				2023	2024	2025	2026
225	Repair and Maintenance - Equipment	85,000	Repair	87,550	90,177	92,882	95,668
226	Repair and Maintenance - Structures/Grounds	25,000	Repair	25,750	26,523	27,318	28,138
227	Other Current Charges and Obligations	206,000	Marginal	208,060	210,141	212,242	214,364
228	Operating Supplies	12,500	Inflation	12,788	13,094	13,409	13,730
229	Operating Supplies - Chemicals	175,000	R-Chem	183,750	192,938	202,584	212,714
230	Fuel, Diesel, Oil	5,100	Fuel	5,355	5,623	5,904	6,199
231	Training and Education	2,000	Inflation	2,046	2,095	2,145	2,197
232	Subtotal Operating Expenses	\$834,100		\$856,309	\$879,606	\$903,701	\$928,626
233	Total Reuse Department	\$1,065,700		\$1,098,277	\$1,133,672	\$1,166,255	\$1,199,965
<u>Bio-Solids Department</u>							
<u>Personal Services</u>							
234	Salaries and Wages	\$133,200	Labor	\$139,860	\$146,853	\$151,259	\$155,796
235	Overtime	12,500	Labor	13,125	13,781	14,195	14,621
236	Payroll Taxes	11,000	Labor	11,550	12,128	12,491	12,866
237	Retirement Contributions	24,000	Labor	25,200	26,460	27,254	28,071
238	Life, Health, and Dental Insurance	16,800	Health-Ins	17,136	17,993	18,892	19,837
239	Workers Compensation Insurance	2,400	Labor	2,520	2,646	2,725	2,807
240	Subtotal Personal Services	\$199,900		\$209,391	\$219,861	\$226,816	\$233,999
<u>Operating Expenses</u>							
241	Repair and Maintenance - General	2,000	Repair	2,060	2,122	2,185	2,251
242	Repair and Maintenance - Vehicles	4,500	Repair	4,635	4,774	4,917	5,065
243	Repair and Maintenance - Equipment	65,000	Repair	66,950	68,959	71,027	73,158
244	Repair and Maintenance - Structures/Grounds	13,000	Repair	13,390	13,792	14,205	14,632
245	Other Current Charges and Obligations	923,850	Inflation	945,099	967,781	991,008	1,014,792
246	Operating Supplies	5,000	Inflation	5,115	5,238	5,363	5,492
247	Operating Supplies - Chemicals	184,000	WW-Chem	194,171	204,389	215,143	226,462
248	Fuel, Diesel, Oil	1,500	Fuel	1,575	1,654	1,736	1,823
249	Training and Education	3,550	Inflation	3,632	3,719	3,808	3,899
250	Subtotal Operating Expenses	\$1,202,400		\$1,236,626	\$1,272,426	\$1,309,394	\$1,347,575
251	Total Bio-Solids Department	\$1,402,300		\$1,446,017	\$1,492,287	\$1,536,211	\$1,581,573
<u>Contingency</u>							
<u>Contingency</u>							
252	Contingency	\$0	Inflation	\$0	\$0	\$0	\$0
253	Total Contingency	\$0		\$0	\$0	\$0	\$0
<u>Other</u>							
<u>Other</u>							
254	Miscellaneous Adjustment	\$48,686	Inflation	\$49,806	\$51,001	\$52,225	\$53,479
255	Total Other	\$48,686		\$49,806	\$51,001	\$52,225	\$53,479
256	Total Operating Budget	\$16,841,266		\$17,476,291	\$18,189,002	\$18,756,586	\$19,343,058

Footnotes:

[1] Based on information derived from Table 1-7 and 1-8.

Table 1-10
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Capital Improvement Program Funding Plan

Line No.	Description	Funding Source	Fiscal Year Ending September 30,					Total CIP
			2022	2023	2024	2025	2026	
	<u>Wastewater Capital Improvement Plan</u>							
1	Contingency	S-Rates	\$244,731	\$0	\$0	\$0	\$0	\$244,731
1	Land	S-Rates	10,000	10,000	10,000	10,000	10,000	50,000
2	Buildings	S-Rates	0	166,637	0	0	95,221	261,859
3	Infrastructure Improvements (not buildings)	S-Rates	347,558	780,815	180,921	85,699	85,699	1,480,692
4	Machinery and Equipment	S-Rates	898,385	1,080,763	909,364	119,027	0	3,007,539
5	Machinery and Equipment - Split Funding	S-R&R	213,801	0	0	0	672,389	886,190
6	Machinery and Equipment - Split Funding	S-Op	352,319	23,805	0	1,713,985	555,967	2,646,076
7	Vehicles	S-Rates	670,000	80,000	205,000	90,000	471,000	1,516,000
8	CIP - Exec/Finance/Lab/Cust Svc/IT/Construction	S-Rates	0	0	0	0	0	0
9	CIP - Public Education	S-Op	465,000	1,250,000	0	0	0	1,715,000
10	CIP - Engineering Planning Studies	S-Rates	100,000	0	0	0	0	100,000
11	CIP - General Collection & Transmission	S-Rates	0	0	0	0	0	0
12	CIP - Neighborhood Sewering	S-R&R	1,730,000	870,000	0	0	0	2,600,000
13	Ongoing Neighborhood Sewering	S-Rates	25,000	25,000	25,000	25,000	25,000	125,000
14	CIP - Lift Station	S-Rates	1,223,727	775,000	875,000	1,275,000	0	4,148,727
15	CIP - Lift Station Split Funding	S-Op	500,000	0	0	0	525,000	1,025,000
16	CIP - Gravity System	S-Rates	720,000	1,800,000	1,400,000	2,250,000	1,300,000	7,470,000
17	CIP - Force Main	S-Rates	596,500	575,000	1,470,000	375,000	3,000,000	6,016,500
18	CIP - Force Main - Split Funding	S-Op	0	0	130,000	1,150,000	2,205,000	3,485,000
19	Master Lift Station Bypass	S-Rates	0	0	0	1,000,000	0	1,000,000
20	Island Way FM Upgrade for Teq. Western Peninsula Flow	S-Impact	0	0	0	0	0	0
21	LS070 to LS165 Transmission System	S-Rates	0	0	0	0	0	0
22	CIP - LPSS	S-Rates	20,000	20,000	20,000	20,000	20,000	100,000
23	CIP - Permanent Generator	S-Rates	250,000	250,000	250,000	250,000	125,000	1,125,000
24	CIP - Telemetry	S-Rates	80,000	30,000	30,000	35,000	35,000	210,000
25	Lift Station Cellular Telemetry	S-Op	0	1,100,000	1,100,000	0	0	2,200,000
26	CIP - Operations Planning Studies	S-Rates	176,000	0	0	0	0	176,000
27	CIP - Operations General Site Improvements	S-Rates	0	245,000	150,000	0	0	395,000
28	CIP - Treatment & Disposal	S-Rates	205,000	75,000	225,000	25,000	25,000	555,000
29	CCNA - Maintenance Shop Design/Permit/ESDC	S-Op	0	250,000	1,000,000	0	0	1,250,000
30	CIP - Biosolids	S-Rates	0	150,000	0	0	0	150,000
31	Biosolids Storage and Treatment Facilities Improvements	S-Impact	0	0	250,000	1,500,000	1,000,000	2,750,000
32	Total Capital Improvement Plan - Wastewater System		\$8,828,021	\$9,557,021	\$8,230,285	\$9,923,711	\$10,150,276	\$46,689,314
33	Total - Wastewater System		\$8,828,021	\$9,557,021	\$8,230,285	\$9,923,711	\$10,150,276	\$46,689,314

Table 1-10
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Capital Improvement Program Funding Plan

Line No.	Description	Funding Source	Fiscal Year Ending September 30,					Total CIP
			2022	2023	2024	2025	2026	
	<u>IQ Water Capital Improvement Plan</u>							
34	Contingency	R-Rates	\$12,282	\$0	\$0	\$0	\$0	\$12,282
35	Land	R-Rates	0	0	0	0	0	0
36	Buildings	R-Op	0	8,363	0	0	4,779	13,141
37	Infrastructure Improvements (not buildings)	R-Rates	17,442	39,185	9,079	4,301	4,301	74,308
38	Machinery and Equipment	R-Rates	45,085	54,237	45,636	5,973	0	150,931
39	Machinery and Equipment - Split Funding	R-R&R	10,729	0	0	0	33,743	44,473
40	Machinery and Equipment - Split Funding	R-Op	17,681	1,195	0	86,015	27,901	132,792
41	CIP - Reuse General	R-Rates	600,000	50,000	50,000	50,000	50,000	800,000
42	CIP - Reuse Pumping Stations	R-Rates	0	20,000	0	0	0	20,000
43	CIP - Reuse Mains	R-Rates	20,000	20,000	20,000	20,000	20,000	100,000
44	CIP - Reuse Telemetry/Metering/Controls	R-Rates	20,000	20,000	0	50,000	250,000	340,000
45	Total Capital Improvement Plan - IQ System		\$743,219	\$212,979	\$124,715	\$216,289	\$390,724	\$1,687,926
46	Total - IQ System		\$743,219	\$212,979	\$124,715	\$216,289	\$390,724	\$1,687,926
47	Total Combined System CIP		\$9,571,240	\$9,770,000	\$8,355,000	\$10,140,000	\$10,541,000	\$48,377,240
48	CIP Execution Rate [1]		80%	80%	80%	80%	80%	80%
49	Adjusted Combined Capital Improvement Plan		\$7,656,992	\$7,816,000	\$6,684,000	\$8,112,000	\$8,432,800	\$38,701,792

Project Funding Sources Summary

Wastewater Funding Sources:

50	Wastewater Rates	S-Rates	\$4,453,521	\$4,850,572	\$4,600,228	\$4,447,781	\$4,153,536	\$22,505,639
51	Operating Fund	S-Op	1,053,855	2,099,044	1,784,000	2,291,188	2,628,773	9,856,861
52	Renewal and Replacement Fund	S-R&R	1,555,040	696,000	0	0	537,911	2,788,952
53	Wastewater Connection Fees	S-Impact	0	0	200,000	1,200,000	800,000	2,200,000
54	Grants	Grant	0	0	0	0	0	0
55	Subtotal Wastewater Funding Sources		\$7,062,417	\$7,645,617	\$6,584,228	\$7,938,969	\$8,120,221	\$37,351,451

Table 1-10
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Capital Improvement Program Funding Plan

Line No.	Description	Funding Source	Fiscal Year Ending September 30,					Total CIP
			2022	2023	2024	2025	2026	
IQ Water Funding Sources:								
56	IQ Water Rates	R-Rates	\$571,847	\$162,738	\$99,772	\$104,219	\$259,441	\$1,198,016
57	Operating Fund	R-Op	14,145	7,646	0	68,812	26,144	116,746
58	Renewal and Replacement Fund	R-R&R	8,584	0	0	0	26,995	35,578
59	Wastewater Connection Fees	R-Impact	0	0	0	0	0	0
60	Grants	Grant	0	0	0	0	0	0
61	Subtotal IQ Water Funding Sources		\$594,575	\$170,383	\$99,772	\$173,031	\$312,579	\$1,350,341
Total Funding Sources:								
62	Wastewater and IQ Water Rates	Rates	\$5,025,368	\$5,013,310	\$4,700,000	\$4,552,000	\$4,412,977	\$23,703,655
63	Operating Fund	Op	1,068,000	2,106,690	1,784,000	2,360,000	2,654,917	9,973,607
64	Renewal and Replacement Fund	R&R	1,563,624	696,000	0	0	564,906	2,824,530
65	Wastewater Connection Fees	Impact Fees	0	0	200,000	1,200,000	800,000	2,200,000
66	Grants	Grant	0	0	0	0	0	0
67	Total Funding Sources		\$7,656,992	\$7,816,000	\$6,684,000	\$8,112,000	\$8,432,800	\$38,701,792

Footnotes:

[1] Original CIP adjusted in order to recognize an 80% project execution rate.

Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of Ending Cash Balances and Interest Income

Line No.	Description	Projected Fiscal Year Ending September 30,				
		2022	2023	2024	2025	2026
	<u>Year End Cash Balances Summary:</u>					
1	Operating Fund	\$20,957,547	\$18,880,422	\$17,127,229	\$14,794,822	\$12,240,916
2	Capital Reserve Fund	11,570,000	11,570,000	11,570,000	11,570,000	11,570,000
3	Customer Deposits	86,982	88,504	89,832	90,954	91,864
4	Wastewater Development Fee Fund	844,325	1,736,865	2,009,806	1,275,260	931,288
5	Renewal and Replacement Fund	5,260,906	4,564,906	4,564,906	4,564,906	4,000,000
6	Total Ending Cash Balances	\$38,719,760	\$36,840,697	\$35,361,773	\$32,295,942	\$28,834,068
7	Unrestricted Reserves (Operating & R&R)	\$26,218,453	\$23,445,328	\$21,692,135	\$19,359,728	\$16,240,916
8	Days of Revenues	491	426	383	331	269
9	Days of Revenues (Operating Only)	393	343	303	253	203
	Operating Fund					
10	Beginning Balance	\$21,969,486	\$20,957,547	\$18,880,422	\$17,127,229	\$14,794,822
11	Transfers In - Revenue Requirements	19,474,431	20,098,771	20,654,320	21,316,256	21,999,680
12	Transfers Out - Revenue Requirements	19,418,370	20,069,206	20,623,513	21,288,664	21,898,669
13	Transfers Out - Capital Improvements	1,068,000	2,106,690	1,784,000	2,360,000	2,654,917
14	Transfers Out - R&R Fund	0	0	0	0	0
15	Transfers Out - Operating Transfer	0	0	0	0	0
16	Interest Rate	0.60%	1.75%	1.50%	1.25%	1.00%
17	Interest Income	\$128,781	\$348,582	\$270,057	\$199,513	\$135,179
18	Recognition of Interest Income in Revenue Requirements	\$128,781	\$348,582	\$270,057	\$199,513	\$135,179
19	Ending Balance	\$20,957,547	\$18,880,422	\$17,127,229	\$14,794,822	\$12,240,916
20	Target Days of Available Cash: 90 Days of Revenue	4,801,915	4,955,861	5,092,846	5,256,063	5,424,579
21	Calculated Days of Available Cash (Revenue)	393	343	303	253	203
22	Percent Allocable to Wastewater System	88.68%	88.76%	88.71%	88.70%	88.69%
23	Percent Allocable to IQ Water System	11.32%	11.24%	11.29%	11.30%	11.31%
24	Amount Allocable to Wastewater System	\$114,206	\$309,413	\$239,564	\$176,971	\$119,894
25	Percent Allocable to IQ Water System	14,575	39,169	30,493	22,542	15,285
	Customer Deposits					
26	Beginning Balance	\$86,463	\$86,982	\$88,504	\$89,832	\$90,954
27	Transfers In	0	0	0	0	0
28	Transfers Out	0	0	0	0	0
29	Interest Rate	0.60%	1.75%	1.50%	1.25%	1.00%
30	Interest Income	\$519	\$1,522	\$1,328	\$1,123	\$910
31	Recognition of Interest Income in Revenue Requirements	\$0	\$0	\$0	\$0	\$0
32	Ending Balance	\$86,982	\$88,504	\$89,832	\$90,954	\$91,864
33	Percent Allocable to Wastewater System	99.86%	99.86%	99.86%	99.86%	99.86%
34	Percent Allocable to IQ Water System	0.14%	0.14%	0.14%	0.14%	0.14%
35	Amount Allocable to Wastewater System	\$0	\$0	\$0	\$0	\$0
36	Percent Allocable to IQ Water System	0	0	0	0	0

Table 1-11
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of Ending Cash Balances and Interest Income

Line No.	Description	Projected Fiscal Year Ending September 30,				
		2022	2023	2024	2025	2026
Wastewater Development Fee Fund						
37	Beginning Balance	\$0	\$844,325	\$1,736,865	\$2,009,806	\$1,275,260
38	Transfers In	841,800	870,150	445,050	445,050	445,050
39	Transfers Out - CIP	0	0	200,000	1,200,000	800,000
40	Transfers Out - R&R Fund	0	0	0	0	0
41	Transfers Out - Operating Fund	0	0	0	0	0
42	Transfers Out - Debt Payment	0	0	0	0	0
43	Interest Rate	0.60%	1.75%	1.50%	1.25%	1.00%
44	Interest Income	\$2,525	\$22,390	\$27,891	\$20,404	\$10,978
45	Recognition of Interest Income in Revenue Requirements	\$0	\$0	\$0	\$0	\$0
46	Ending Balance	\$844,325	\$1,736,865	\$2,009,806	\$1,275,260	\$931,288
47	Percent Allocable to Wastewater System	100.00%	100.00%	100.00%	100.00%	100.00%
48	Percent Allocable to IQ Water System	0.00%	0.00%	0.00%	0.00%	0.00%
49	Amount Allocable to Wastewater System	\$0	\$0	\$0	\$0	\$0
50	Percent Allocable to IQ Water System	0	0	0	0	0
Renewal and Replacement Fund						
51	Beginning Balance	\$6,824,530	\$5,260,906	\$4,564,906	\$4,564,906	\$4,564,906
52	Transfers In - Annual Operations	0	0	0	0	0
53	Transfers In - Impact Fee Funds	0	0	0	0	0
54	Transfers In - Fund 401	0	0	0	0	0
55	Transfers Out - CIP	1,563,624	696,000	0	0	564,906
56	Transfers Out - Fund 401	0	0	0	0	0
57	Interest Rate	0.60%	1.75%	1.50%	1.25%	1.00%
58	Interest Income	\$36,256	\$85,976	\$68,474	\$57,061	\$42,825
59	Recognition of Interest Income in Revenue Requirements	\$36,256	\$85,976	\$68,474	\$57,061	\$42,825
60	Ending Balance	\$5,260,906	\$4,564,906	\$4,564,906	\$4,564,906	\$4,000,000
61	Percent Allocable to Wastewater System	88.10%	88.10%	88.10%	88.10%	88.10%
62	Percent Allocable to IQ Water System	11.90%	11.90%	11.90%	11.90%	11.90%
63	Amount Allocable to Wastewater System	\$31,940	\$75,741	\$60,323	\$50,269	\$37,727
64	Percent Allocable to IQ Water System	4,316	10,234	8,151	6,793	5,098
Capital Reserve Fund						
65	Beginning Balance	\$11,570,000	\$11,570,000	\$11,570,000	\$11,570,000	\$11,570,000
66	Transfers In	\$0	\$0	\$0	\$0	\$0
67	Transfers Out	0	0	0	0	0
68	Interest Rate	0.60%	1.75%	1.50%	1.25%	1.00%
69	Interest Income	\$69,420	\$202,475	\$173,550	\$144,625	\$115,700
70	Recognition of Interest Income in Revenue Requirements	\$69,420	\$202,475	\$173,550	\$144,625	\$115,700
71	Ending Balance	\$11,570,000	\$11,570,000	\$11,570,000	\$11,570,000	\$11,570,000
72	Percent Allocable to Wastewater System	88.10%	88.10%	88.10%	88.10%	88.10%
73	Percent Allocable to IQ Water System	11.90%	11.90%	11.90%	11.90%	11.90%
74	Amount Allocable to Wastewater System	\$61,156	\$178,373	\$152,891	\$127,409	\$101,927
75	Percent Allocable to IQ Water System	8,264	24,102	20,659	17,216	13,773

Table 1-11
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of Ending Cash Balances and Interest Income

Line No.	Description	Projected Fiscal Year Ending September 30,				
		2022	2023	2024	2025	2026
	<u>Interest Income:</u>					
76	Unrestricted Interest Income - Wastewater	\$207,303	\$563,527	\$452,778	\$354,648	\$259,548
77	Unrestricted Interest Income - IQ Water	27,155	73,506	59,303	46,551	34,156
78	Total Unrestricted Interest Income	\$234,457	\$637,033	\$512,081	\$401,199	\$293,703
79	Restricted Interest Income	\$3,044	\$23,912	\$29,218	\$21,527	\$11,887
80	Total Interest Income	<u>\$237,502</u>	<u>\$660,945</u>	<u>\$541,299</u>	<u>\$422,726</u>	<u>\$305,591</u>

Table 1-12
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of Wastewater System Revenue Requirements

Line No.	Description	Fiscal Year Ending September 30th,				
		2022	2023	2024	2025	2026
1	<u>Operating Expenses:</u>	\$14,879,019	\$15,445,852	\$16,082,555	\$16,586,261	\$17,106,667
	<u>Debt Service Payments:</u>					
2	Total Annual Debt Service Payments	\$0	\$0	\$0	\$0	\$0
	<u>Other Revenue Requirements:</u>					
3	Renewal and Replacement Fund Transfer	\$0	\$0	\$0	\$0	\$0
4	Capital Funded From Rates	4,453,521	4,850,572	4,600,228	4,447,781	4,153,536
5	Total Other Revenue Requirements	\$4,453,521	\$4,850,572	\$4,600,228	\$4,447,781	\$4,153,536
6	Gross Revenue Requirements	\$19,332,541	\$20,296,424	\$20,682,782	\$21,034,041	\$21,260,204
	<u>Other Revenues and Financial Resources:</u>					
7	Other Operating Revenues	\$471,467	\$449,246	\$449,246	\$449,246	\$449,246
8	Unrestricted Interest Income	207,303	563,527	452,778	354,648	259,548
9	Sewer Assessment Revenues	1,741,746	1,333,522	1,303,569	1,168,883	1,113,823
10	Total Other Revenues and Financial Resources	\$2,420,516	\$2,346,295	\$2,205,592	\$1,972,778	\$1,822,617
11	Net Revenue Requirements	\$16,912,025	\$17,950,129	\$18,477,190	\$19,061,264	\$19,437,587
	<u>Revenue From Existing Wastewater Rates:</u>					
12	Existing Rate Revenue	\$17,270,388	\$17,663,695	\$17,697,445	\$17,731,195	\$17,764,945
13	Prior Year Rate Adjustments	0	0	353,950	897,200	1,458,820
14	Total Rate Revenue Before Current Year Adjustment	\$17,270,388	\$17,663,695	\$18,051,395	\$18,628,395	\$19,223,765
	<u>Current Year Rate Adjustment - Wastewater</u>					
15	Current Year Wastewater Rate Adjustment	0.00%	2.00%	3.00%	3.00%	3.00%
	Effective Month	Apr.	Apr.	Apr.	Apr.	Apr.
16	Percent of Current Year Effective	50%	50%	50%	50%	50%
17	Total Revenue From Current Year Adjustments	\$0	\$176,637	\$270,771	\$279,426	\$288,356
18	Total Revenue From Rates	\$17,270,388	\$17,840,332	\$18,322,166	\$18,907,821	\$19,512,122
19	Revenue Surplus / (Deficiency)	\$358,363	(\$109,797)	(\$155,024)	(\$153,443)	\$74,535
20	Revenue Surplus / (Deficiency) Percentage	2.08%	-0.62%	-0.85%	-0.81%	0.38%

Table 1-13
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of IQ Water System Revenue Requirements

Line No.	Description	Fiscal Year Ending September 30th,				
		2022	2023	2024	2025	2026
1	<u>Operating Expenses:</u>	\$1,962,247	\$2,030,439	\$2,106,448	\$2,170,325	\$2,236,391
	<u>Debt Service Payments:</u>					
2	Total Annual Debt Service Payments	\$0	\$0	\$0	\$0	\$0
	<u>Other Revenue Requirements:</u>					
3	Renewal and Replacement Fund Transfer	\$0	\$0	\$0	\$0	\$0
4	Capital Funded From Rates	571,847	162,738	99,772	104,219	259,441
5	Total Other Revenue Requirements	\$571,847	\$162,738	\$99,772	\$104,219	\$259,441
6	Gross Revenue Requirements	\$2,534,093	\$2,193,177	\$2,206,220	\$2,274,544	\$2,495,832
	<u>Other Revenues and Financial Resources:</u>					
7	Other Operating Revenues	\$594	\$594	\$594	\$594	\$594
8	Unrestricted Interest Income	27,155	73,506	59,303	46,551	34,156
9	Total Other Revenues and Financial Resources	\$27,748	\$74,100	\$59,897	\$47,145	\$34,749
10	Net Revenue Requirements	\$2,506,345	\$2,119,077	\$2,146,323	\$2,227,400	\$2,461,082
	<u>Revenue From Existing IQ Water Rates:</u>					
11	Existing IQ Water Rate Revenue	\$2,204,043	\$2,258,439	\$2,332,154	\$2,408,435	\$2,450,797
12	Prior Year Rate Adjustments	0	0	0	0	0
13	Total Rate Revenue Before Current Year Adjustment	\$2,204,043	\$2,258,439	\$2,332,154	\$2,408,435	\$2,450,797
	<u>Current Year Rate Adjustment</u>					
14	Current Year IQ Water Rate Adjustment	0.00%	0.00%	0.00%	0.00%	3.00%
	Effective Month	Apr.	Apr.	Apr.	Apr.	Apr.
15	Percent of Current Year Effective	50%	50%	50%	50%	50%
16	Total Revenue From Current Year Adjustments	\$0	\$0	\$0	\$0	\$36,762
17	Total Revenue From Rates	\$2,204,043	\$2,258,439	\$2,332,154	\$2,408,435	\$2,487,558
18	Revenue Surplus / (Deficiency) [9]	(\$302,302)	\$139,362	\$185,831	\$181,035	\$26,476
19	Revenue Surplus / (Deficiency) Percentage	-13.72%	6.17%	7.97%	7.52%	1.06%

Table 1-14
Loxahatchee River District
Wastewater and Irrigation Quality Water Rate Study

Projection of Combined Wastewater and IQ Water System Revenue Requirements

Line No.	Description	Fiscal Year Ending September 30th,				
		2022	2023	2024	2025	2026
1	<u>Operating Expenses: [1]</u>	\$16,841,266	\$17,476,291	\$18,189,002	\$18,756,586	\$19,343,058
	<u>Debt Service Payments:</u>					
2	Total Annual Debt Service Payments	\$0	\$0	\$0	\$0	\$0
	<u>Other Revenue Requirements:</u>					
3	Renewal and Replacement Fund Transfer	\$0	\$0	\$0	\$0	\$0
4	Capital Funded From Rates	5,025,368	5,013,310	4,700,000	4,552,000	4,412,977
5	Total Other Revenue Requirements	\$5,025,368	\$5,013,310	\$4,700,000	\$4,552,000	\$4,412,977
6	Gross Revenue Requirements	\$21,866,634	\$22,489,601	\$22,889,002	\$23,308,586	\$23,756,036
	<u>Other Revenues and Financial Resources:</u>					
7	Other Operating Revenues	\$472,061	\$449,840	\$449,840	\$449,840	\$449,840
8	Unrestricted Interest Income	234,457	637,033	512,081	401,199	293,703
9	Sewer Assessment Revenues	1,741,746	1,333,522	1,303,569	1,168,883	1,113,823
10	Total Other Revenues and Financial Resources	\$2,448,264	\$2,420,395	\$2,265,490	\$2,019,922	\$1,857,367
11	Net Revenue Requirements	\$19,418,370	\$20,069,206	\$20,623,513	\$21,288,664	\$21,898,669
	<u>Revenue From Combined Rates:</u>					
12	Existing Rate Revenue	\$19,474,431	\$19,922,134	\$20,029,599	\$20,139,630	\$20,215,742
13	Revenue From Current Year Adjustments	0	176,637	270,771	279,426	325,118
14	Revenue From Prior Year Rate Adjustments	0	0	353,950	897,200	1,458,820
15	Total Revenue From Rates	\$19,474,431	\$20,098,771	\$20,654,320	\$21,316,256	\$21,999,680
16	Revenue Surplus / (Deficiency)	\$56,061	\$29,565	\$30,807	\$27,592	\$101,011
17	Revenue Surplus / (Deficiency) Percentage	0.29%	0.15%	0.15%	0.13%	0.46%

Table 2-1
Loxahatchee River District
2022 Wastewater and Reclaimed Water Rate Study

Summary of Existing Wastewater Fixed Assets

Line No.	Function	Wastewater System	
		Cost [1]	% of Total
	<u>Existing Assets Included in Connection Fees</u>		
1	Treatment Plant / Disposal	\$76,435,876	32.8%
2	Transmission	28,325,738	12.2%
3	Total Assets Included in Connection Fees	<u>\$104,761,614</u>	<u>45.0%</u>
	<u>Existing Assets Excluded from Connection Fees</u>		
4	Vehicles / Equipment	9,130,282	3.9%
5	Collection	62,821,851	27.0%
6	Developer / Government Contributed Assets	56,316,439	24.2%
7	Total Assets Excluded from Connection Fees	<u>\$128,268,573</u>	<u>55.0%</u>
8	Total Existing Fixed Assets	<u><u>\$233,030,187</u></u>	<u><u>100.0%</u></u>

Footnotes:

[1] Based on detailed fixed asset records as of 9/30/2021 as provided by District staff.

Table 2-2
Loxahatchee River District
2022 Wastewater and Reclaimed Water Rate Study

Summary of Wastewater Capital Improvement Program By Plant Function Through Fiscal Year 2032 [1]

Line No.	Project Description	Type	Purpose			Estimated Capital Cost	Adjustments	Net Amount For Future Expenditures	Functional Category					
			Expansion	Existing					Wastewater Treatment		Transmission		Collection/ Other	Total
				New	Replace				Existing	Expansion	Existing	Expansion		
Wastewater Projects - Growth Related														
Capital Improvement Budget:														
1	Master Lift Station Bypass	Trans	0.00%	100.00%	0.00%	\$13,000,000	\$0	\$13,000,000	\$0	\$0	\$13,000,000	\$0	\$0	\$13,000,000
2	Island Way FM Upgrade for Teq. Western Peninsula Flow	Trans	0.00%	100.00%	0.00%	4,250,000	0	4,250,000	0	0	4,250,000	0	0	4,250,000
3	LS70 to LS165 Transmission System	Trans	0.00%	100.00%	0.00%	3,600,000	0	3,600,000	0	0	3,600,000	0	0	3,600,000
4	Lift Station Cellular Telemetry	Trans	0.00%	100.00%	0.00%	2,250,000	0	2,250,000	0	0	2,250,000	0	0	2,250,000
5	Biosolids Storage and Treatment Facilities Improvements	Treatment	0.00%	100.00%	0.00%	2,750,000	0	2,750,000	2,750,000	0	0	0	0	2,750,000
6	TOTAL WASTEWATER PROJECTS					\$25,850,000	\$0	\$25,850,000	\$2,750,000	\$0	\$23,100,000	\$0	\$0	\$25,850,000
7	PERCENT OF TOTAL							100.00%	10.64%	0.00%	89.36%	0.00%	0.00%	100.00%

Footnotes:

[1] Amounts shown reflect new or expansion-related capital identified within the District's fiscal year 2022 10-year capital improvement plan.

Table 2-3
Loxahatchee River District
2022 Wastewater and Reclaimed Water Rate Study

Page 1 of 3

Development of Wastewater System Development Charges

Line No.	Description	Amount
Wastewater Treatment Facilities:		
1	Cost of Existing Facilities [1]	\$76,435,876
2	Additional Costs Capitalized - CIP [2]	<u>2,750,000</u>
3	Subtotal Wastewater Treatment Facilities	\$79,185,876
4	Existing Permitted Capacity of Plant Facilities (MGD) (ADF) [3]	11.000
5	Existing Average Daily Flow (ADF) (MGD) [4]	7.071
6	Equivalent Connection Factor - (GPD) [5]	250.0
7	Estimated Equivalent Connections Permitted to be Served by Existing Facilities	44,000
8	Percent Remaining Capacity of Existing Facilities	35.72%
9	Allocation of Existing Facilities to Incremental Growth	\$28,284,955
10	Rate per Equivalent Connection Allocable to Wastewater Treatment Facilities	\$1,799.68
11	Rounded Rate per Equivalent Connection Allocable to Wastewater Treatment Facilities	\$1,799.00
12	Existing Rate per Equivalent Connection	\$2,087.00
13	Proposed Increase / (Decrease)	<u><u>(\$288.00)</u></u>
Primary Transmission System:		
14	Existing Facilities [1]	\$28,325,738
15	Additional Costs Capitalized - CIP [2]	<u>23,100,000</u>
16	Total Primary Transmission Facility Costs	\$51,425,738
17	Total Estimated Equivalent Connections served by Transmission Facilities [6]	<u>44,000</u>
18	Rate per Equivalent Connection of Primary Transmission Facilities	<u>\$1,168.77</u>
19	Rounded Rate per Equivalent Connection of Primary Transmission Facilities	\$1,168.00
20	Existing Rate per Equivalent Connection	\$691.00
21	Proposed Increase / (Decrease)	<u><u>\$477.00</u></u>

Table 2-3
Loxahatchee River District
2022 Wastewater and Reclaimed Water Rate Study

Development of Wastewater System Development Charges

Line No.	Description	Amount
Administrative Costs:		
22	Direct Staff Hours Associated with New Connection	3.5
23	Direct Staff Average Hourly Rate	\$42.08
24	Total Direct Employee Costs	<u>\$147.28</u>
25	Wastewater Connection Fee Study Costs	\$12,000.00
26	Wastewater Connection Fee Study Frequency	3.0
27	Annualized Cost of Wastewater Impact Fee Study	<u>\$4,000.00</u>
28	Average Annal ECs Assumed to Connect Over Forecast Period	180
29	Total Amortized Cost of Connection Fee Study per EC	<u>\$22.22</u>
30	Total Administrative Rate per Equivalent Connection	\$169.50
31	Total Rounded Administrative Rate per Equivalent Connection	\$169.00
32	Existing Rate per Equivalent Connection	\$145.24
33	Proposed Increase / (Decrease)	<u>\$24.26</u>
34	Total Combined Rate per Equivalent Connection	\$3,137.95
35	Rounded Rate per Equivalent Connection	<u>\$3,136.00</u>
36	Cost Per Gallon	\$12.54
37	Existing Rate per Gallon	\$11.69
32	Existing Rate per Equivalent Connection	\$2,923.24
38	Proposed Increase / (Decrease)	<u>\$212.76</u>

ADF = Average Daily Flow

GPD = Gallons per Day

Footnotes continued on the following page.

Table 2-3
Loxahatchee River District
2022 Wastewater and Reclaimed Water Rate Study

Development of Wastewater System Development Charges

Footnotes:

- [1] Amount based on Table 2-1 and reflects wastewater treatment assets currently in service.
- [2] Amount derived from Table 2-2 and reflects the planned upgrades to the existing wastewater treatment facilities.
- [3] Amount reflects the permitted capacity of the existing facilities and is shown in detail as follows:

<u>Description</u>	<u>Plant Capacity</u>
Wastewater Plant Capacity (MDG) (ADF)	11.000
Total Capacity (MDG)	11.000

- [4] Amount reflects the average daily flow for Fiscal Years 2020 through 2021.
- [5] Amount reflects the District's level of service provided for per equivalent connection.
- [6] Amount assumes transmission capacity is consistent with the existing and estimated future wastewater treatment capacity.