CITY OF CLERMONT COUNCIL WORKSHOP AGENDA
6:00 PM, Monday, December 4, 2017

City Council Workshop meetings are for information gathering and discussion purposes. The City Council will not vote on any issues at Workshop meetings. The Council reserves the right to discuss additional items or delete items from the tentative agenda.

1 Employment Policies Manual
2 Comprehensive Fee Schedule
3 Other

Adjourn

In accordance with the Americans with Disabilities Act (ADA), if any person with a disability defined by the ADA needs special accommodation to participate in this proceeding, then not later than two business days prior to the proceeding he/she should contact Clermont, City Clerk, 352-241-7330.

CITY OF CLERMONT
RESOLUTION NO. 2017-61

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLERMONT, LAKE COUNTY, FLORIDA, ADOPTING THE EMPLOYMENT POLICIES MANUAL; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Clermont City Council has determined that it is in the best interest of the City of Clermont, that changes be made to the Personnel Policy.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Clermont, Florida, Lake County, Florida as follows:

Section 1

The City Council of the City of Clermont does hereby adopt the Employment Policies Manual as set forth in Attachment A, attached hereto and incorporated herein and attached to this Resolution; and

Section 2

All ordinances, resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

Section 3

This resolution shall take effect immediately upon adoption.

CITY OF CLERMONT
RESOLUTION NO. 2017-61

DONE AND RESOLVED by the City Council of the City of Clermont, Lake County, Florida, this 12th day of December, 2017.

CITY OF CLERMONT

____
Gail L. Ash, Mayor

ATTEST:

____
Tracy Ackroyd Howe, City Clerk

Approved as to form and legality:

____
Daniel F. Mantzaris, City Attorney

Table of Contents [Pages numbers may not be correct and are updated in the final/clean draft.]

Chapter 6
Personnel Management

Employee Acknowledgement of Receipt
Employment Policies Manual

This will acknowledge that I have received my copy of the City of Clermont (City) Employment Policies Manual.

I understand that the official version of the City's Employment Policies Manual (manual) will be maintained in electronic form in the Human Resources Collective Folder.

I understand that this manual represents City policies, does not create a contract of employment, and that the City may make changes in it from time to time.

I understand that I have the right to terminate my employment at any time with or without cause, and that the City has the same right.

I agree to comply with all policies, procedures, and practices now or hereafter adopted by the City.

I understand that this acknowledgment will become a part of my official employee file.

Chapter 1
General

1.1 Administration

A. Purpose

This manual was prepared to establish consistent equitable policies for City employment, and to acquaint new personnel with the policies and regulations of the City of Clermont (City). This Employment Policies Manual (manual) was adopted by the City Council by Resolution No. #2017-61 on December 12, 2017. This manual is not an expressed or implied contract, nor does it create any legally enforceable obligations on the part of the City of Clermont or its employees.

B. Scope

This manual shall apply to all employees of the City of Clermont with the exception of temporary employees, the Mayor and Council Members. Certain provisions may not be applicable to all employees, such as part-time and probationary employees, and such areas shall be noted. If any provisions of these policies conflict with an existing provision of an approved labor agreement between the City and a registered bargaining unit, the labor agreement will prevail in regard to employees in the bargaining unit covered by that agreement.

C. City Control, Responsibilities and Authority

The City is governed by the Council-Manager plan of government. Clermont residents elect the City Council. The City Council appoints, directs and evaluates the City Manager. The City Council establishes policies and procedures related to education, training, operations, services, and maintenance of the City. The City Council has the responsibility for requiring effective administrative action through the City Manager. The City Manager and his/her administration reserve the right to reprimand, suspend, discharge or otherwise discipline employees for cause; to hire, promote, transfer, layoff and recall employees to work; to determine the number of employees and the duties to be performed; to maintain the efficiency of employees; to establish, expand, reduce, alter, combine, consolidate, or abolish any job classification, department, operation or service; to determine staffing patterns and areas worked; to control and regulate the use of facilities, supplies, equipment and other property of the City; to determine the number, location and operation of departments, and all other units of the City, the assignment of work, the qualifications required and the size and composition of the work force; and to otherwise generally manage the City, attain and maintain full operating efficiency and optimum service, and direct the workforce in accordance with the needs and requirements of the City.

D. Employment at Will

Within the limits of any constitutional or statutory limitations applicable, employment with the City is considered "at will" and may be ended either by the employee or by the City at any time with or without cause. It is the City's policy to treat employees fairly and consistently, and the City has established guidelines for disciplinary action and performance improvement which provide the employee an opportunity to address and respond to issues of discipline or performance. However, publication or use of these guidelines should not be interpreted as to create a guarantee of employment or an expectation of continued employment.

E. Employment Policies Manual Revisions

Revisions to the Employment Policies Manual may from time to time be proposed and approved by the City Council. A copy of this policy will be made available to all City employees. Any deviation from this policy will be made only by the City Manager, in writing, to the department director of the employee or department affected.

F. Department Rules

Department directors are authorized to promulgate rules additional and supplemental to this manual provided they are not in conflict with the regulations herein. All such rules shall be approvable, amendable and revocable by the City Manager.

1.2 Employee Conduct

A. Employee Courtesy

All employees shall render courteous service to the public. The attitude of a City employee should at all times promote the good will and favorable attitude of the public toward the City, administration, and its programs.

B. Telephone Usage

City telephones are for City business. Long distance calls are to be made only by employees authorized by the responsible department director. Excessive personal telephone use will not be permitted and may be cause for a reprimand.

Employees shall not operate a vehicle while wearing a headset, headphones, or other listening device, other than a hearing aid or instrument for the improvement of defective hearing. The only exception to using a headset is when the employee is communicating as described below, and the sound is provided through one ear and allows surrounding sounds to be heard with the other ear.

Employees are prohibited from using any telephonic or communication device without a Bluetooth or other hands-free device unless specifically approved by the City Manager (or designee/department director), while operating any City-owned or leased vehicle, apparatus, machinery, or equipment. ~~Usage of these devices during these situations may be cause for disciplinary action.~~ In addition, employees are responsible for ensuring that use of any electronic device does not cause distraction (i.e., texting, fiddling with the device, taking eyes off the road, and participating in conversations that may interfere with the driver's ability to drive safely).

C. Lunch Period

Employee lunch periods will be determined by the department director as required for efficient departmental functions.

D. Conflict of Interest and Ethics

~~Conflicts of interest must be avoided by all employees pursuant to State Law.~~ All employees are subject to and required to act in full compliance with Chapter 112, Part III, Florida Statutes, Code of Ethics for Public Officers and Employees.

E. Solicitation

Solicitation during working hours on City property or in public areas by any City employee or by non-employees is prohibited. Bulletin boards are City property and materials posted thereon must be approved by the City Manager or a department director. There shall be no distribution of literature during working hours or on City property without permission of the City Manager. Examples of solicitations for purposes of this rule include, but are not limited to: solicitations for magazines or periodical subscriptions, memberships in organizations, and solicitations for political contributions. Examples of distributions for purposes of this rule include, but are not limited to: applications for memberships in organizations, political literature, subscription forms and informational bulletins. Exceptions to the solicitation policy must be approved by the City Manager.

F. Gifts and Gratuities

1. No employee shall accept gifts, gratuities, or loans from organizations, business concerns or individuals with whom he/she has official relationships on City business. These limitations are not intended to prohibit the acceptance of articles of negligible value which are distributed generally, or to prohibit employees from accepting social courtesies which promote good public relations, or to prohibit employees from obtaining loans from regular lending institutions.

2. No employee shall solicit contributions from another employee for a gift to an employee in a superior official position nor shall such superior accept a gift presented as a contribution from employees receiving less salary than himself/herself. The foregoing, does not, however, prohibit a voluntary gift of nominal value when made on a special occasion.

3. No person seeking appointment to, promotion or transfer with the City shall either directly or indirectly give, render or pay any money, service or other thing of value to any person in connection with an appointment, promotion, or transfer or a proposed appointment, promotion or transfer. This prohibition is not intended to prevent payment to a legitimate employment agency.

G. Outside Employment

1. Outside employment is any paid employment performed by an employee in addition to his/her employment with the City and is subject to approval as set forth herein. The following criteria will apply to outside employment:

    a. Such employment shall not cause the employee to be late to work, to leave early, to be unavailable for work beyond normal duty hours, or cause any reduction in the employee's efficiency when on duty with the City.

    b. Such employment shall not involve a conflict of interest or conflict with the employee's duties.

    c. Such employment shall not involve the performance of duties which the employee should perform as part of his/her job with the City.

    d. The nature of the outside employment shall not be such as to bring discredit or embarrassment on the City.

e. Outside employment shall not occur during assigned working hours unless the employee is on approved leave.

f. Outside duties, trade, business or profession shall not require regulation or inspection by the City.

2. Any employee wishing to engage in outside employment must submit a request in writing to his/her department director using the related approval request form. The request should outline in detail the duties to be performed and the amount of time, stating specific hours to be devoted to these duties. Department directors shall immediately notify the City Manager of outside employment requests, and are subsequently authorized to approve outside employment consistent with the guidelines above. Department directors are also authorized to direct an employee to discontinue outside employment, at any time, if it is later found to be inconsistent with the guidelines. Approval request forms are retained in the employee personnel file.

H. Payments of Financial Obligations

Every employee is expected to pay just debts and financial obligations, particularly those directed by court order. The City is neither a collection agency nor an arbiter when the validity of a debt is questioned. ~~It shall be the responsibility of supervisors and/or department directors to counsel employees about overdue debts and to take disciplinary action if warranted.~~

I. Drug Free Workplace

The City is committed to maintaining a workplace that is free from the presence and effects of drugs and/or alcohol, providing the highest level of service to its citizens, and minimizing the risk of incidents and injuries.

1. The City prohibits employees from using, selling, dispensing, distributing, possessing, or manufacturing illegal drugs and/or alcoholic beverages while on City premises, work sites, or in a City vehicle. In addition, employees are prohibited from off premise use of alcohol and possession, use, and/or sale of illegal/prescription drugs, when such activities adversely affect job performance, job safety, or interferes with the City's ability to carry out its mission.

2. As a term and condition of employment, employees must refrain from taking drugs/alcohol that impair performance or are illegal on or off the job.

3. Employees must notify their supervisor if they have been prescribed a drug for a medical or other condition which could impair their ability to perform their job. If it is determined that the employee is unable to perform his/her job due to impairment caused by the medication, the employee should apply for appropriate leave and discuss the situation with his/her supervisor.

4. Pursuant to the City's expectation of employee conduct and Drug Free Workplace regulations, the City conducts drug and/or alcohol tests for the following reasons: pre-employment, reasonable suspicion, post-incidents, routine fitness for duty, random, and follow-up.

5. Employees and/or supervisors shall report immediately (during that working shift) to their department director and/or Human Resources Director any action by any employee who demonstrates an unusual behavior pattern. An employee believed to be under the influence of drugs and/or alcohol will be required to submit to a drug and/or alcohol test.

6. An employee will be subject to corrective action, up to and including termination, for violation of this policy.

7. The City Manager shall establish procedures to implement this policy.

J. Political Activity

1. Every employee shall have the right to express freely his/her views as a citizen and to cast his/her vote.

2. Coercion for political purposes of and by employees and use of their positions for political purposes is prohibited.

    a. No employee or official of the City shall, directly or indirectly, coerce, attempt to coerce, or advise an employee to pay, lend, or contribute anything of value to a party, committee, organization, agency or person for political purposes.

    b. No employee or official of the City shall use City resources of any kind, including, but not limited to, the City logo or City equipment, or official authority or influence, for the purpose of interfering with or affecting the result of an election or a nomination for office.

3. Participation in partisan political activity by employees shall be permitted to the extent as provided under the Federal Hatch Political Activities Act, as amended, and any subsequent amendments which may be made thereto. However, at no time shall any such activities be permitted by an employee in a City uniform.

4. Any employee who is not subject to the Hatch Act shall be granted a leave of absence ~~without pay~~ not to exceed four (4) months for the purpose of seeking an elective public office in a partisan election. During the leave of absence, the employee shall use accrued annual leave, compensatory leave or personal days prior to going in an unpaid status. If a City employee becomes a candidate for an elective City of Clermont office, he/she shall at the time of formal qualification, resign in good standing from City service.

5. Partisan political discussions and partisan political activities by employees are prohibited during on-duty hours.

6. Any person violating the provision of this section may be subject to termination by the City Manager.

K. Use of City Property

1. The City attempts to provide each employee with adequate tools, equipment and vehicles for the job being performed and expects each employee to observe courteous and safe operation of vehicles and equipment in compliance with all municipal, county and state vehicular regulations.

2. Employees who are assigned tools, equipment or vehicles by their departments are responsible for them and their proper use and maintenance.

3. The use of City property, material, supplies, tools, equipment or vehicles for personal or private business use is prohibited, unless approved by employment agreement or by the City Manager. Violations may result in termination and possible prosecution.

L. E-Mail / Internet Usage

1. E-Mail and internet services are provided to employees for the purpose of conducting their job duties in the most efficient manner possible and are not intended for personal use. All electronic communications generated by employees with City equipment, or

stored on City equipment, are the property of the City and therefore not considered private and may be considered public records subject to disclosure in accordance with Florida Law.

2. Employees are prohibited from using the City's e-mail and internet system to transmit or receive any improper communication, including but not limited to inappropriate comments or jokes, cartoons, or any other communication which is political, derogatory, vulgar, obscene, offensive or sexually explicit.

3. The City will periodically access and monitor communications and files on the City's e-mail/internet system as deemed to be necessary or appropriate in the enforcement of the acceptable use of City equipment and systems.

4. Employees who use the City's e-mail/internet system inappropriately or illegally are subject to discipline up to and including termination and civil or criminal prosecution, if deemed appropriate.

M. Valid Driver's License

1. All operators of City vehicles and equipment are required to have a valid State of Florida operator's or commercial license, as applicable, and shall immediately notify their supervisor of any change in status to their license. Certain job classifications require a commercial license as a condition of employment.

2. Suspension or revocation of the driver's license of an employee who is assigned as a vehicle or equipment operator may result in a demotion or termination.

3. Motor vehicle reports will be requested annually for all employees who are authorized to drive a City vehicle or their own vehicle while conducting City business. If an employee's annual Motor Vehicle Report reveals a suspended or revoked driver's license or a driving record that demonstrates repeated offenses and flagrant disregard for traffic laws, the employee will not be allowed to drive a vehicle while conducting City business. If these restrictions create a hardship for the City, the employee will be transferred or demoted to a position which does not require driving and for which the employee is otherwise qualified. If no position is available, the employee will be terminated from employment.

N. Safety

It is the policy of the City to maintain a work environment for all employees that is both healthy and safe. A separate safety manual sets forth the safety procedures and practices expected of all City employees.

O. Harassment

It is the policy of the City to maintain a work environment for all employees which is free of conduct which can be considered harassing, coercive or disruptive. The City has adopted a separate policy that sets forth guidelines for dealing with harassment in the workplace.

P. Sexual Misconduct

It is the policy of the City to maintain a work environment for all employees which is free of any form of sexual misconduct, including actual, attempted or threatened sexual assault, sexual abuse, sexual exploitation, indecent or sexual solicitation, or public indecency, as defined by state and local laws. The City has adopted a separate policy that sets forth guidelines for dealing with sexual misconduct in the workplace.

Q. Dress/Appearance

The City expects all employees to dress in a manner which is appropriate for the type of work performed and have a neat and orderly appearance. A separate policy has been adopted that sets forth guidelines for dealing with appropriate dress and appearance.

R. Fraternization

The City strongly discourages, but does not prohibit, consensual romantic or espousal-like relationships between co-workers or between employees and contractors or others doing business with the City. However, the City recognizes its responsibility to caution employees of the potential problems posed by such relationships. These problems include conflicts of interest, interference with the productivity of co-workers, and potential charges of harassment.

It is the obligation of all affected employees to immediately advise their department director when such a relationship exists so that the effect, if any, of the relationship on City operations may be fully evaluated and appropriate action taken. Should a conflict of interest exist, or there is a strong likelihood that one will arise, the City shall consider action which protects the interests of the City. In no case, may one individual have any supervision over the other nor may one individual be subject to learning confidential information about the other. City action to prevent or address such possible work-related problems may include re-assignment of one member to another department, division or location (if a suitable vacancy exists). If no suitable arrangements can be made, one individual will need to resign their position.

S. Social Media

~~City employees shall not engage in visiting or contributing to social media sites during work hours, unless their position is designated to do so by their Department Director. Social media includes web-based and mobile technologies used to turn communication into interactive dialogue and includes but is not limited to such sites as Myspace, Facebook and Twitter.~~

~~During work time and non-work time, a public blog is not an approved venue to communicate internal City policies nor for employees to air opinions, disputes, or grievances that are City-related. Employees shall not post any material that is privileged and/or confidential, obscene, defamatory, profane, libelous, threatening, harassing, abusive, hateful, embarrassing to or about another City employee or non-employees or entities with whom the City has a business, service, or professional relationship.~~

~~City employees shall maintain a professional conduct and failure to adhere to these requirements may result in discipline, up to and including termination of employment.~~

The City understands that social media can be a fun and rewarding manner to share information and opinions with family and friends, however the use of social media also presents certain risks and carries with it certain responsibilities. To assist employees in making responsible decisions about the use of social media, the following guidelines for the appropriate use of social media have been established.

The City's policy is that employees are to be thoughtful in all their communications and dealings with others, including email and social media used both personally and through the course of City work. Only those employees specifically designated to do so, may post to and maintain the City's social media sites.

Social media includes all means of communications or posting information or content of any sort on the Internet, an employee's own or someone else's web log or blog, personal website, social networking (Facebook, Twitter and the like) or affinity web site, web bulletin board or chat room, whether or not associated or affiliated with the City, as well as any other form of electronic communication.

A public blog is not an approved venue to communicate internal City policies nor for employees to air opinions, disputes, or grievances that are City-related. Work-related complaints are more likely to be resolved by speaking directly with co-workers or by utilizing the city's open door policy/practice, than by posting complaints to a social media outlet.

When acting or appearing to act as a representative of the City or identifying oneself as an agent or employee of the City, either overtly or by inference, an employee shall never harass, threaten, libel, or defame fellow professionals, employees, citizens, customers or anyone else.

To assist in making responsible decisions about the use of social media, the following guidelines apply:

1. Know and follow the rules

    a. Carefully read the City's policies, particularly the Standards of Conduct where expectations and regulations regarding ethics, information, discrimination and harassment can be found. If any aspect of the policy is unclear, consult Human Resources for clarification.

    b. Ensure social media postings align with City policies.

2. Be respectful

    a. Always be fair and courteous to fellow employees, officials, volunteers, citizens, customers, vendors and others who work or serve on behalf of the City.

    b. Avoid offensive posts of statements, photographs, and video or audio that could reasonably be viewed as malicious, obscene, threatening, intimidating, that disparage others (including employees, customers, vendors or City partners) or discriminatory or might constitute harassment, bullying, or contribute to a hostile work environment. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or City policy.

3. Be honest and accurate

    a. Always be honest and accurate when posting information or news. If a posting mistake is made, correct it quickly. Never post any information or rumors known to be false about the City, employees, customers, vendors or City partners.

4. Employees shall not post any material that is privileged property of the City.

5. Employees shall comply with confidentiality, financial disclosure, and other similar laws.

6. Employees shall not create a link from a personal blog, website or other social networking site to a City website without advance approval of the City. Approval must be granted by either the City Manager, the Communications Director, or a department director.

7. Employees shall express only personal opinions; make clear that personal views do not in any way represent the views of the City, its officials, employees, volunteers and other affiliates. Unless specifically authorized by the City Manager, under no circumstances shall an employee post any information or news that suggests, portrays or states, in any manner, that the employee is an authorized representative or spokesperson for the City.

8. Employees shall not use in any manner in any picture, video or image any equipment or item containing or depicting any identifying mark or logo of the City without prior approval by the City Manager.

9. Using social media at work

   a. Refrain from using social media while on City work time and on City provided equipment, unless authorized by the department director as work-related.

   b. Do not use the City's email address to register on social networks, blogs, or other online tools utilized for personal use.

Employees are solely responsible for what they post online. Violation of this policy (including conduct that adversely affects job performance, the performance of employees, customers, vendors, City partners or legitimate City business interests) may be considered grounds for discipline, up to and including termination.

Retaliation or taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in a related investigation is prohibited and will be subject to disciplinary action up to and including termination.

Employees should not speak to the media on behalf of the City without contacting the Communications Director. All media inquiries should be directed to the City Manager, Communications Director or a department director.

Nothing in this policy prohibits or is intended to prohibit employees from discussing their terms and conditions of employment, which includes wages and working conditions. Additionally, this policy is not intended and will not be applied in any way that interferes with employees' exercise of their rights under local, state or federal laws.

T. Identification Badges

Employees are issued identification badges and shall wear them while at work and/or conducting City business.

1.3 Definitions

A. Administration – The City Manager, department directors and supervisory employees.

B. Appointment – Initial employment in the City service.

C. Break in Service – Any absence from work through voluntary or involuntary termination for any cause. Leaves granted for appropriate reasons will not count as a break in service.

D. Demotion – A voluntary or involuntary change from a higher to a lower pay grade or position with resulting decrease in salary.

E. Educational Leave – Authorized absence (without pay) for training purposes.

F. Leave without Pay – Authorized absence without pay.

G. May – The word "may" shall be interpreted as permissive.

H. Military Leave – Authorized absence of employee for active military duty.

I. Overtime Pay – The compensation made for the work done in excess of the normal work period.

J. Position and/or Employee Type –

1. Benefits Eligible – Employees/positions designated to work a minimum of thirty-two (32) hours per workweek.

2. Full-Time – Positions designated to work forty (40) hours per workweek or otherwise designated for firefighters and police officers.

3. General Employee – An employee that is not a police officer or firefighter.

4. Reduced Hour – Positions designated to work a minimum of thirty-two (32) hours and less than forty (40) hours per workweek.

5. Part-Time – Positions designated to work up to and including twenty-five (25) hours per workweek.

6. Seasonal – Positions designated to work on a seasonal basis. Employment terminates upon completion of the seasonal duties for which they were hired.

7. Limited Duration – Positions that are specifically approved by the City Manager for an indefinite period of time; usually not to exceed six (6) months.

8. Temporary – Individuals who are employees of temporary labor agencies.

9. Probationary Employee – Non-management employees who have not successfully completed the period of probation established for their position.

10. ~~Permanent~~ Regular Employee – Non-management full-time or reduced hour employees who have satisfactorily completed the period of probation established for their position.

11. Management Employees – Department directors and any other at-will employees designated in writing to serve at the will and discretion of the City Manager.

K. Promotion – Advancement from a lower to a higher grade or progression.

L. Reappointment/Rehire – Appointment of an individual who has had previous service with the City.

M. Reclassification - Revision of a job description resulting in significant changes to the essential job functions.

N. Reduction in Force – Involuntary separation resulting from curtailment of work.

O. Resignation – Voluntary separation from employment.

P. Shall – The word “shall” shall be interpreted as mandatory.

Q. Suspension – Discontinuance of duties with or without pay.

R. ~~Dismissal~~ Termination – Separation from employment.

S. Transfer – Change from one position to another within the same paygrade

T. Workweek – The minimum number of hours regularly scheduled to be worked during any seven (7) consecutive days.

~~CLASSIFICATION CHANGES: Revision of a job description resulting in significant changes to the essential job functions.~~
~~PART-TIME EMPLOYEE: An employee who serves in a position requiring less than 40 hours per week.~~
~~PERMANENT EMPLOYEE: A full-time employee who has satisfactorily completed his period of probation. The term “permanent” is not to imply a guarantee of continued employment.~~
~~TEMPORARY EMPLOYEE: An employee who is employed for a specific work assignment and for an indefinite period of time, but usually not to exceed six months.~~

Chapter 2
Employment Practices

2.1 Equal Employment Opportunity

~~In order to provide equal employment and advancement opportunities to all individuals, employment decisions with the City will be based on merit, qualifications, and abilities. The City does not discriminate in employment opportunities or practices on the basis of race or color; gender or sexual orientation; religion or creed; pregnancy; national origin or ancestry; age, disability; marital status; military service; or other characteristics protected by law.~~

~~The City will make reasonable accommodations for qualified individuals with disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment, including recruitment, selection, hiring, job assessment, promotion, transfer, training, compensation, discipline, termination, and benefits.~~

~~Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate Supervisor, the Department Director, the Human Resources Director, or the City Manager. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination from employment.~~

In accordance with federal, state, and local laws, the City of Clermont is committed to maintaining a workforce and work environment that is free of unlawful discrimination including harassment, on the basis of race, color, national origin, sex, religion, disability, age, sexual orientation, marital, veteran, pregnancy status, genetic information, or any other status protected by applicable law.

The prohibition against employment discrimination and harassment may extend to conduct that employees are subjected to from vendors, contractors, customers, or others who enter the workplace. The City of Clermont is committed to complying with all applicable federal, state, and local civil rights laws pertaining to employment practices.

The City makes reasonable accommodations for qualified individuals with disabilities unless doing so would result in an undue hardship to the City. This policy governs all aspects of employment, including recruitment, selection, hiring, job assessment, promotion, transfer, training, compensation, discipline, termination, and benefits.

Employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring such issues to the attention of the immediate supervisor, department director, Human Resources Director, or City Manager. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

2.2 Recruitment

The City of Clermont is committed to ensuring that the recruitment and selection process is fair, open, and transparent and shall comply with all relevant legislation. Employment shall be offered based on each candidate's knowledge, skills and abilities for the vacancy.

All vacant positions must be advertised to ensure the most qualified and suitable candidate is selected. At the department director's discretion, the advertising may be internal and/or external. External advertising may be placed in various media outlets depending on the nature of the position.

2.3 Application

Applicants seeking employment with the City must file a completed employment application provided by the City.

Fraudulent conduct or false or omitted statements of fact by an applicant shall be deemed cause for exclusion of the applicant from consideration for the position or termination from City employment. Applicants will be prohibited from applying for an employment opportunity with the City for a period of one calendar year from the time that the false statement is made.

2.4 Selection

A. Screening

As determined by the City Manager, the selection process may include one or more or all of the following: oral interviews, evaluation of experience and training, reference checks, written examinations, performance tests.

B. Pre-Employment Background Investigation

It is the policy of the City that as a condition of employment, all employees and volunteers must successfully complete a background investigation. ~~The City has adopted a separate policy regarding background investigation procedures.~~ A comprehensive background check is conducted on selected candidates as appropriate for the position, which may include but not be limited to criminal, driving, employment history, education, professional licenses/certifications, and references. Credit checks, when deemed appropriate, are conducted in accordance with the provisions of the Fair Credit Reporting Act.

Selected candidates shall not begin work until the candidate meets all background requirements, and for applicable positions this shall include pre-employment physical and testing. The City Manager shall establish procedures to implement this policy.

C. Pre-Employment Drug Testing

It is the policy of the City that all candidates for specific positions (as deemed applicable) must successfully pass a drug test that screens for the presence of illegal drugs/alcohol. The City has adopted a policy herein and a separate procedure regarding drug testing.

D. Pre-Employment Physical Examination

It is the policy of the City that all candidates identified for specific positions and volunteers (as deemed appropriate) must successfully pass a pre-employment physical examination. The City has adopted a separate procedure regarding the pre-employment physical examination process. The City will schedule and pay the full cost of the standard pre-employment physical examination.

Documentation of the successful completion of the pre-employment physical examination shall be maintained on file in Human Resources.

E. Qualified Applicants

The City Manager or his/her designee (Human Resources along with the hiring department) shall categorize those persons eligible for a position as being qualified. The City Manager or his/her designee (department director) shall make the selection from such persons.

F. Nepotism

No City official, department director, or supervisor may appoint, employ, promote, advance or be influential in any way in the employment of any individual who is a relative of the City official, department director, or supervisor. Further, no relative of an employee may be hired by the City to fill a position which would cause the current employee to either have jurisdiction over or be subject to the jurisdiction of the relative. For the purposes of this section only, relative means father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother or half sister.

G. Employment Laws

All applicable federal, state and local laws pertaining to employment practices will be complied within the City's employment procedures.

H. Age Requirements

Applicants for full-time employment must be 18 years of age or older. Persons who have reached their 16th birthday may be considered for seasonal part-time employment within the limits of state and federal laws.

I. Veterans' Preference

The City shall comply with the Florida Administrative Code which requires that Veteran's Preference and special consideration be given to all eligible veterans and eligible spouses of veterans at each step of the employment selection process, if the minimum qualifications are met. This includes preference and priority in appointment, retention, reinstatement, reemployment and promotion, except those that are exempt, including but not limited to heads of departments, policymakers and/or managers, or persons employed on a temporary basis without benefits. An applicant who meets the criteria for receiving Veteran's Preference must submit the appropriate documentation at the time of application to substantiate the claim.

J. Internship Opportunities

Current employees are prohibited from participating in City internship opportunities.

Chapter 3
Educational Leave & Tuition Assistance

The City encourages employees to attend educational conferences and to take self-improvement and job improvement courses which are related to their work and potential growth within their field/department. Additional educational training will be one measure used in making recommendations for advancement and promotion.

3.1 Educational ~~Assistance~~Leave

Educational leave is defined to be authorized leave ~~with or~~ without pay, to attend a college, university or other institution of higher education which offers academic curricula leading to a degree or degrees. The decision to grant educational leave shall be based on the City's need for an employee to have additional skills and knowledge in order to improve the employee's job performance or potential growth within the employee's field/department.

~~There shall be two types of educational assistance, leave with pay and leave without pay. Educational leave with pay is available to employees enrolled part-time in an institution of higher education and pursuing courses which directly relate to an employee's job.~~ Educational leave is available to employees enrolled full-time or part-time in an institution of higher education~~ and pursuing courses which directly relate to an employee's job~~.

All ~~full-time permanent~~ benefits eligible employees who have successfully completed probation may be entitled to educational leave. ~~Educational leave may be granted to equip the employee for the improved performance of his/her duties and responsibilities as a City employee.~~

Educational leave shall be limited to a period of twelve months, except that with the approval of the City Manager such leave may be extended six months. ~~Educational leave with pay shall normally be limited to three hours per week.~~

Employees requesting leave are obligated to return to work within or at the end of the time granted. An employee who chooses not to return to work shall notify the supervisor immediately. Failure to report back to work at the expiration of the educational leave shall constitute the employee's resignation except in the case of an extension of such leave.

~~Employees on educational leave without pay shall retain all accumulated leave and time earned toward the next salary increase. Employees cease to earn leave and time towards the next salary from the date of educational leave.~~

~~Employees on educational leave with pay shall retain and earn all accumulated~~

~~leave and time earned toward their next salary increase.~~

~~As part of applying for benefits provided herein, employees must agree in writing that if he/she ceases to be employed by the City for any reason within one (1) year of receiving payment as indicated herein, he/she will reimburse the City for the amount paid.~~

Employees attending educational courses required by their department director shall be granted leave with pay. Should a required course be scheduled at some time other than the employee's normal working hours, the employee shall be given time off to compensate for the hours required to complete the course or paid for the hours at the regular pay rate approved by the department director.

~~Section 2: Educational Conferences~~

~~An employee may be granted leave with pay to attend an educational conference up to five (5) working days upon approval by the Department Director and City Manager.~~

~~Educational conferences to qualify may be conducted by colleges, universities, technical schools, manufacturers as an operation or service clinic or state and national associations specifically related to a City department and its operations.~~

~~Leave of absence for educational conferences of more than five (5) working days must be recommended in writing by the Department Director to the City Manager for approval.~~

3.2 Tuition Assistance/Reimbursement

Tuition reimbursement is available to benefits eligible employees for courses ~~directly related to the job being performed by the employee, or required courses for a degree that is directly related to the job performed by the employee~~ applicable to the employee's field of work or of such nature and quality to directly contribute to the employee's value and potential growth within the City. The course must be approved by the department director and City Manager prior to enrolling in the course and is subject to budgetary constraints. Tuition assistance will not be paid prior to the successful completion of an approved course. No blanket approval of courses or programs will be granted. Only specific courses taken through a nationally or regionally accredited institution for a specific semester will be approved. The City will reimburse employees for the cost of tuition, books and fees based on state college/university rates up to a maximum of ~~seven hundred fifty ($750.00)~~ one thousand dollars ($1,000) per fiscal year in accordance with the following schedule:

100% for attaining a final grade of “A”
75% for attaining a final grade of “B”
50% for attaining a final grade of “C”

As a part of applying for tuition assistance, an employee must agree in writing that if he/she ceases to be employed by the City for whatever reason within one year of receiving tuition reimbursement, he/she will reimburse the City the total amount received toward any course(s) taken within the year prior to termination.

Reimbursement will be paid by check to the employee upon presentation of a final grade report and receipts for any tuition, books and fees paid.

Chapter 4
Compensation/Salary Administration

4.1 Compensation Approval Authority

The compensation/salary of each position within the City shall be determined by the position classification system. The salary of all employees at the time of employment, as well as increases or decreases shall be approved by the City Manager.

The City Manager, under the policy direction of the City Council, shall be primarily responsible for the overall administration of City employment policies and procedures. However, the department director shall be responsible for ensuring that the employment policies and procedures are carried out day-by-day in their department.

4.2 Merit Pay Increases

Regular, part-time (non-seasonal) and management employees are eligible to receive a merit pay increase based on the overall rating of their annual performance evaluation, and are awarded for overall performance which meets or exceeds position/job expectations. Merit increases will only be available if included in the current budget.

Merit pay increases shall be within the ranges of the established classification/pay grade and shall not be available to employees who have reached the maximum of their pay grade, unless specifically approved in the budget. If approved in the budget, employees at the maximum of the pay grade would be eligible for a lump-sum payment equal to their merit increase.

4.3 Incentive Pay

As an incentive for employees to advance their career, incentive pay is available for specific positions. Details of the incentive pay program have been adopted in a separate resolution.

4.4 Overtime Pay

Overtime work shall be kept at a minimum. However, the requirements of a specific department may make it necessary for an employee to sometimes work beyond his/her regularly scheduled working hours. All overtime work shall be approved by the employee's authorized supervisor. Employees shall be required to work overtime when assigned unless excused by their supervisor.

Employees considered non-exempt in accordance with the Fair Labor Standards Act (FLSA) shall be paid overtime pay for hours worked in excess of their regular work period as follows:

Employee Type	**Regular Work Period**
8 & 10 Hour	40 hours in a seven (7) day period
12 Hour	84 hours in a fourteen (14) day period
24 Hour	212 hours in a twenty-eight (28) day period

For the purpose of calculating overtime: compensatory leave, sick leave, bereavement leave, annual leave, holiday leave, military leave, jury duty, storm administrative pay and any other absence from work while on paid status will not be considered time worked.

Employees shall not begin work before the beginning of their schedule or continue to work after the end of their schedule without permission~~; however, if they do perform work before or after their schedule, they are to report it as hours worked on their timesheet or record~~.

Off Duty Work Time - Non-exempt employees should not conduct work-related responsibilities, duties or tasks outside of their normal work schedule, however occasionally it may be required that a non-exempt employee must perform certain authorized work duties during off duty hours. Duties may include emergency response activities, making or receiving phone calls, and/or responding to urgent emails. Non-exempt employees should not have City email access on personal cell phones and should keep monitoring/checking email on a City-issued cell phone to a minimum.

Overtime worked shall be compensated at one and one-half (1.5) times the employee's regular rate of pay as defined in the Fair Labor Standards Act.

Employees who are paid overtime have the choice of receiving payment in the form of cash or compensatory leave. Prior to the start of overtime work, the employee and supervisor shall mutually agree upon the manner in which the overtime work is to be compensated, either in overtime pay or accrual of compensatory leave. Compensatory leave must be provided at a rate of one-and-one-half (1.5) hours for each overtime hour worked and will be credited to the employee at the end of the work period in which the overtime was worked.

It is the responsibility of each immediate supervisor and section/division manager to ensure that accurate records of hours worked, including overtime hours, are maintained.

To the extent operationally feasible, flexible scheduling or other scheduling modification within the workweek will be used to avoid incurring overtime. Flexed time cannot be adjusted between multiple workweeks. Department directors are responsible for ensuring the fair and equitable administration of flexible scheduling.

A. Exempt Employees

The following provisions are established in accordance with the Fair Labor Standards Act:

1. Exempt employees are compensated based on the total job rather than the number of hours worked. As such, exempt employees are expected to allocate whatever amount of time is necessary to accomplish the tasks assigned to them and to successfully execute the duties and responsibilities of the position. Although forty (40) work hours is typically the standard, exempt employees are often required to work extended or irregular hours above the forty (40) hours to perform successfully. Exempt employees do not earn overtime pay for hours worked over and above the standard work schedule.

2. Exempt employees who are absent from the workplace due to personal reasons or sickness for less than a full day but more than half of their scheduled work day are required to use accrued leave (annual, sick, or personal as applicable) for the number of hours equal to half of the work day (e.g., 4 hours for an 8-hour day). Exempt employees who have exhausted all applicable leave will go into an unpaid status. Exempt employees are not required to use accrued leave for work day absences of less than half of their regularly scheduled hours.

3. Supervisors are responsible for setting work schedules, allowing or denying partial-day absences, optionally requiring that the absences be for the full scheduled day, and for monitoring the performance of exempt employees. Abuse of this privilege and/or substandard job performance by an exempt employee will lead to corrective action, up to and including termination.

4. When an exempt employee’s absence is protected under the Family/Medical Leave Act (FMLA), partial day accrual use and FMLA entitlement may be used in increments of fifteen (15) minutes in accordance with the City’s FMLA Policy.

5. Employees considered exempt in accordance with the Fair Labor Standards Act (FLSA) are not entitled to overtime pay for hours worked in excess of their regular work period. However, FLSA

exempt employees may receive payment for overtime worked under the following conditions:

a. A City-wide state of emergency has been declared by the Mayor or in his/her absence the Mayor Pro Tem.

b. Only hours worked in excess of fifty (50) hours in a workweek during the City-wide state of emergency period that pertain to the protection of life, property or the effective operation of the City will be paid. (The length of the City-wide emergency period shall be the duration defined in the resolution.)

c. All overtime paid pertaining to this emergency will be paid at an hourly rate calculated by dividing the employee's normal salary for a pay period by the number of regularly scheduled hours in the pay period.

d. This provision applies to all FLSA exempt employees with the exception of the City Manager.

e. Deductions from the pay of an exempt employee may be made for suspensions of one or more full days in accordance with the FLSA.

B. Safe Harbor under the FLSA

It is the policy of the City to accurately compensate employees and to do so in compliance with all applicable state and federal laws. To ensure that employees are paid properly for all time worked and that no improper deductions are made, employees are responsible for recording all work time in accordance with the provisions provided by the City and for reviewing paychecks promptly to identify and report all errors. Non-exempt employees are prohibited from engaging in off-the-clock or unrecorded work.

Non-exempt employees are responsible for recording actual time worked each day. Hours must be accurately recorded on a time sheet or time tracking system to which employees will have ready access. Each employee must sign his/her time sheet (whether paper or electronic) to verify that the reported hours worked are complete and accurate and that there is not unrecorded or "off-the-clock" work. The time sheet must accurately reflect all regular and overtime hours worked, any absences, early or late arrivals, early or late departures and meal breaks. Upon receipt of pay checks, employees should immediately verify that pay was provided appropriately.

Exempt employees will be paid a full salary for any workweek in which they perform work, regardless of the number of days or hours worked, subject only to pay deductions permitted by law, including the following:

1. Full day absences for personal reasons, since the City has a vacation/annual leave accrual program, and partial days in accordance with 4.4 Overtime Pay, Exempt Employees, B.

2. Full day absences for sickness, since the City has a sick leave accrual program, and partial days in accordance with 4.4 Overtime Pay, Exempt Employees, B.

3. FMLA absences (either full or partial day absences).

4. Unpaid disciplinary suspensions of one or more full days for significant infractions or major workplace conduct or safety rules (including those that could cause serious harm to others) set forth in City policies and procedures.

5. The first or last week of employment in the event that an employee works less than a full week.

Employees who have questions regarding deductions from their pay, believe that their wages have been subject to any improper deduction, or believe that pay does not accurately reflect all hours worked should contact their supervisor immediately. Each report will be appropriately addressed in a timely manner.

Violations will subject the offending employee to corrective action, up to and including termination.

4.5 On-Call Pay

On-call pay shall be paid to employees who are required to remain available to be called in to work on a short notice (as defined in departmental guidelines) if the need arises. Only employees who are specifically required by the department director to be on-call will be compensated.

The standard to which on-call pay is to be paid and the amount to be paid must be authorized by the City Manager in advance.

4.6 Call-Out Pay

Call-out pay applies to a situation where an employee is called to work on off-duty hours (excluding lunch periods) due to an emergency or an urgent situation. Call-out work performed during lunch periods shall be compensated based on actual time worked.

The hours to be paid where an employee is actually called into work shall be actual time with a minimum of two (2) hours. In the event of multiple call-outs, the two (2) hour requirement shall not apply to those call-outs incurred within two (2) hours of the first call-out clock-in time. If the call-out consists only of telephone calls, the actual time of the call will be paid, without regard to a minimum time.

During workweeks in which there is Holiday Leave or during a declared City-wide state of emergency, the call-out time will be compensated at one and one-half (1.5) times the employee's regular rate of pay.

Call-out hours paid will be considered time worked for purposes of overtime calculation in the work period in which the call outs occurred.

4.7 Working Out of Classification Pay

Working out of classification pay shall apply to employees who are required to work in a higher job classification ~~due to a supervisor's extended absence~~. (This policy does not apply to employees working in a director level capacity.) The employee must work in the higher job classification for more than the number of days noted in the following schedule in a thirty (30) calendar day period.

Employee Type	Number of Days/Shifts
8 & 10 hour	10
12 hour	7
24 hour	5

The employee's pay rate will be adjusted to the minimum of the ~~supervisor's salary~~ higher job classification pay range or by five percent (5%), whichever is greater, for each day/shift worked in the higher job classification, including the qualifying work days/shifts. The employee will remain in their current position and retain their original overtime status. Pay will revert to the previous rate of pay at the end of the temporary assignment.

4.8 Storm or Other Disaster Pay and Leave

These policies apply when a City-wide state of emergency has been declared by the Mayor or in his/her absence the Mayor Pro Tem.

A. Storm Leave

Employees <u>(except seasonal part-time)</u> directed not to work any regularly scheduled hours due to the storm shall be paid Storm Leave for those hours at their regular hourly pay rate.

Hours paid as Storm Leave shall not count toward overtime.

B. Storm Worked Pay

Employees (except police officers and firefighters) required to work during the storm period as designated by the City Manager or any rescheduled shift due to the storm or any hours worked in excess of their regularly scheduled shift related to the storm shall be paid Storm Worked Pay at 1.5 times their regular hourly pay rate.

Police officers and firefighters called in or held over shall be paid Storm Worked Pay at 1.5 times their regular hourly pay rate.

Storm Worked Pay hours paid shall be considered time worked for purposes of overtime calculation.

Chapter 5
Leave

5.1 Annual Leave

Annual leave may be used as accrued after the employee has completed six (6) consecutive calendar months of employment. Previous employment with the City will not count towards years of service. Exceptions to this rule include leave approved by the City Manager (or designee/department director) during the employee's recruitment or when an exempt probationary employee has exhausted sick leave and has a documented illness/injury for which the leave is taken.

A. Rate of Accrual

Annual leave shall be credited to benefits eligible employees on a bi-weekly basis in accordance with the following schedule:

		Employee Type	
Years of Service	8 & 10 Hour	12 Hour	24 Hour
0-4	3.08 hours	3.23 hours	4.61 hours
5-9	3.69 hours	3.85 hours	5.54 hours
10-14	4.61 hours	4.85 hours	6.93 hours
15-19	5.53 hours	5.81 hours	8.31 hours
20 and over	6.15 hours	6.46 hours	9.23 hours

Reduced hour employees working in positions regularly scheduled to work 1,664 hours or more annually (with the exception of police officers and firefighters who work an assigned shift), shall receive pro-rated accruals based upon the number of hours they are regularly scheduled to work.

B. Maximum Accumulation

The maximum amount of annual leave that employees not covered by a collective bargaining agreement may accumulate is as follows:

Employee Type	Maximum
8 & 10 hour	320 hours
12 hour	336 hours
24 hour	400 hours

C. Use of Annual Leave

Annual leave may be taken in quarter-hour increments.

Annual leave may be used for annual wellness related healthcare provider visits at any time.

Annual leave may be used during absences involving sickness, injury or death, with department director approval, only after those leave benefits are exhausted. All leave must be exhausted prior to going into an unpaid status.

If an employee with approved leave works additional hours during the workweek, it shall be the decision of the employee whether to reduce the amount of leave requested.

D. Procedure

An employee who is eligible for vacation may take it at any time agreeable to the employee and supervisor. The employee must complete a Leave Request Form.

Each department director, or designee, shall schedule annual leave with particular regard to the seniority of employees, in accordance with operating requirements and, insofar as possible, with the requests of the employees. The method of compiling and scheduling leave requests must be reasonable, fair, consistent, non-discriminatory and comply with departmental and City policies and procedures.

Annual leave shall not be scheduled in such a way that it hinders departmental operations or causes significant understaffing, so as to impact the operation of the department or office.

E. Periods When Annual Leave Shall Not Accrue

When an employee is on any authorized absence, exclusive of annual leave, for more than the time period noted in the following schedule, the employee shall be placed in a non-leave earning classification until such time that the employee returns to work:

Employee Type	Time Period Absent
8 & 10 hour	15 consecutive work days
12 hour	12 consecutive shifts
24 hour	7 consecutive shifts

F. Payment of Annual Leave Upon Separation

~~No employee shall be permitted to forego his/her vacation and receive pay in lieu thereof, except that an employee who is separated from the~~

~~City payroll, for any reason, before receiving all of the vacation for which he/she has become eligible prior to the time of his/her termination, shall receive pay for that portion of his/her vacation due but not received.~~

~~Upon termination of employment for any reason, employees who have been employed with the City for at least six (6) consecutive months shall be paid for all unused annual leave time.~~

No employee shall be permitted to forego his/her vacation and receive pay in lieu of annual leave. Accrued but not used annual leave shall only be paid out when an employee has completed six (6) consecutive months with the City and is separated from the City payroll for any reason.

Prior to any payout being made to an eligible employee, all City property and/or equipment in possession of the employee must be returned to the employee's supervisor or designee, if applicable.

5.2 Holiday Leave

A. The following days shall be observed as official City holidays.

First day of January (New Year's Day)
Third Monday of January (Martin Luther King Day)
Last Monday in May (Memorial Day)
Fourth day of July (Independence Day)
First Monday in September (Labor Day)
Eleventh day of November (Veterans Day)
Fourth Thursday in November (Thanksgiving Day)
Fourth Friday in November (Day after Thanksgiving Day)
Twenty-fourth day in December (Christmas Eve)
Twenty-fifth day in December (Christmas Day)

B. When a holiday observed by the City falls on Sunday, such holiday shall be observed on Monday after the holiday. When a holiday observed by the City falls on Saturday, such holiday shall be observed on Friday before the holiday.

C. Christmas Eve holiday may be observed on either the day before or after Christmas at the discretion of the City Manager, in an effort to provide for a long four (4) day weekend when possible.

D. All employees who meet the holiday pay eligibility requirements outlined in this section shall be paid holiday pay equivalent to eight

(8) hours at the employee's regular rate of pay.

In the event that the observed holiday falls on a day that the employee is regularly scheduled to work a shift of more than eight (8) hours and does not work due to the observance of the holiday, the employee shall receive the remainder of the hours as holiday pay.

In the event that the observed holiday falls on the employee's regularly scheduled day off, the employee may request and, with department director approval, be given off with pay the same number of hours worked on a regularly schedule shift for that position in the same pay week, instead of being paid the holiday pay.

All employees who are required to work on the observed holiday and do not qualify for the overtime pay as noted in Chapter 4 of this policy shall be paid for all hours worked on the holiday at the rate of one and one-half times (1.5) the employee's regular rate of pay. In addition, the employee must meet the holiday pay eligibility requirements outlined in 5.2 E. of this policy.

The observed holiday for Monday through Friday workers is the day in accordance with 5.2 B. of this policy. The observed holiday for all other employees is the actual holiday.

E. To be eligible for holiday pay, an employee must meet the following requirements:

1. Be a benefits eligible employee.

2. Must work on the scheduled days prior to and after the holiday; or

   Be in an approved pay status both the work day before and the work day after the holiday. Pay status includes employees on paid annual, sick, or compensatory time, as well as workers' compensation and personal days.

3. An employee who reports for work on the scheduled work date prior to the holiday will be considered to have worked that day, even though he/she is unable, due to emergency or illness, to complete the normal work day. The same will apply to the first scheduled work day after the holiday.

5.3 Personal Days

Employees are entitled to two (2) personal days per calendar year. They may be scheduled by an employee, but are subject to the department director's (or designee) approval and with the following restrictions:

A. The employee must have completed six (6) consecutive months of employment as a benefits-eligible employee with the City.

B. Personal days cannot be carried forward to the next calendar year.

C. Personal days must be taken in one day (no hourly increments).

D. Personal days are equivalent to the number of hours worked by the employee on a regularly scheduled shift for that position.

Reduced hour employees working in positions regularly scheduled to work 1,664 hours or more annually (with the exception of police officers and firefighters who work an assigned shift), shall receive pro-rated accruals based upon the number of hours they are regularly scheduled to work.

Personal days may be used during absences involving sickness, injury or death, only after those leave benefits are exhausted. All leave must be exhausted prior to going into an unpaid status.

5.4 Military Leave

A leave of absence without pay will be granted to any employee who is serving in the Uniformed Services even if such period of military service may be for more than 12 months. Health insurance coverage (for the employee and his/her dependents will end on the date the employee enters military service or on the last day of the month in which the leave commences, whichever occurs first, but may be continued at the employee's election in accordance with the terms of the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA"). Upon honorable discharge, the employee will be reinstated with the City in accordance with USERRA.

In accordance with Section 115.09, Florida Statutes, an employee who is a service member in the National Guard or a reserve component of the Armed Forces of the United States will be granted leave of absence to perform active military service. The first 30 days of any such leave of absence will be with full pay.

Additionally, in accordance with Section 250.48, Florida Statutes, an employee who is a member of the Florida National Guard will be granted a leave of absence with pay on all days during which the employee is engaged in active state duty for a named event, declared disaster, or operation pursuant to Florida Law. However, a leave of absence without loss of pay granted under this section may not exceed 30 days for each emergency or disaster, as established by executive order.

An employee who is a member of the National Guard or who is a reservist in any branch of the Uniformed Services shall be granted military leave not in excess of 240 working hours per calendar year in accordance with Florida Statute 115.07 when they are engaged in training ordered under the provisions of the United States military or naval training regulations for such personnel when assigned to active or inactive duty. The leave amount shall be at the employee's regular rate of pay. Administrative leaves of absence for additional or longer periods of time for assignment to duty functions of a military character will be granted without pay. It is the employee's responsibility to notify his/her supervisor as far in advance as possible so that arrangements can be made for the employee's absence. If an employee fails to provide notice to the City prior to the date he/she is to report for duty, the City may decline to reinstate the employee in accordance with USERRA.

Note: Also refer to the 5.6 Family and Medical Leave Section (FMLA).

5.5 Sick Leave

It is the policy of the City to provide reasonable time off with pay, up to the amount of unused sick leave earnings, to benefits eligible employees who are unable to work due to illness or injury. Sick leave with pay is not a right which an employee may demand, but a privilege granted by the City and shall only be used for the purposes outlined within. Previous employment with the City will not count towards years of service.

A. Rate of Accrual

Sick leave shall be credited to employees on a bi-weekly basis in accordance with the following schedule:

	Employee Type		
Years of Service	8 & 10 Hr.	12 Hour	24 Hour
Less than 1 year	1.84 hours	1.94 hours	2.31 hours
More than 1 year	3.69 hours	3.88 hours	4.62 hours

Reduced hour employees working in positions regularly scheduled to work 1,664 hours or more annually (with the exception of police officers and firefighters who work an assigned shift), shall receive pro-rated accruals based upon the number of hours they are regularly scheduled to work.

B. Maximum Accumulation

The maximum amount of sick leave that an employee may accumulate is as follows:

Employee Type	Maximum
8 & 10 hour	960 hours
12 hour	1,008 hours
24 hour	1,200 hours

C. Use of Sick Leave

Sick leave may be used as follows:

1. The City Manager, department director (or designee) can officially approve employee sick leave.

2. Employees may be paid for sick leave used immediately upon employment with the City.

3. Sick leave may be paid when an employee is unable to work due to a personal/family illness or injury, or when the employee's presence may endanger his own health or the health of fellow workers. A family member for this purpose is defined as spouse, children, step children, parents, parents-in-law, siblings, grandchildren or grandparents of the employee.

4. Sick leave may be taken for medical, optical, and dental appointments. Use of sick leave is intended for the duration of the appointment including travel time. Employees may request annual or compensatory leave when they are seeking the remainder of the day off for reasons not covered under sick leave.

5. Sick leave may be taken in quarter-hour increments.

6. A manager/supervisor, with concurrence of the department director, shall have the right to require documentation from a healthcare provider to verify an absence due to illness or to confirm return to work status.

7. Excessive Use of Sick Leave

Sick leave is extended to employees as a privilege. Abuse of sick leave is considered unwillingness to perform job functions and may constitute grounds for progressive disciplinary action, up to and including termination. Abuse is determined on a case-by-case basis; however, examples of abuse may include, but not be limited to, the following:

- Repeated occasions of unscheduled, unexcused absences (including tardiness and leaving work early)
- Repeated occasions of absences on the same day of the week, pay period, month, or at the same time interval
- Repeated occasions of absences the day before or after a scheduled holiday or scheduled day off
- Repeated occasions of taking sick leave as sick leave is earned
- More than three (3) first day/last day of the workweek absences in any twelve (12) month period
- Use of more than 50% of the employee's total sick leave accrual during a twelve (12) month period

Sick leave used under the provisions of the Family/Medical Leave Act (FMLA) is exempted from being defined as abuse.

A manager/supervisor who suspects that an employee is abusing sick leave should contact Human Resources to determine if corrective action or other measures are appropriate given the employee's absence history and FMLA status if applicable. With the concurrence of the department director and Human Resources, a manager/supervisor suspecting abuse may require an employee to submit written certification from a healthcare provider to substantiate absences.

8. Upon the exhaustion of sick leave, an employee may use annual, personal and compensatory leave with departmental approval.

D. Payment of Sick Leave

In order to be eligible for sick leave with pay, an employee must:

1. Report to the Department in accordance with departmental call-in procedures at least 30 minutes prior to his/her scheduled start time on the day of the absence, the reason for the absence, except in the case of public safety where the departmental schedule will be followed. An employee who fails to notify the Department in accordance with the Department's call-in procedures may not be paid for the time taken prior to notification.

2. If the absence extends beyond three days, keep the supervisor advised as to the employee's condition and anticipated date of return.

3. Submit a statement from the attending physician(s) as to the nature and duration of the illness, if requested. Please refer to Section E.4 pertaining to employees absent for Unscheduled/Emergency Personal Injury or Illness.

When a paid holiday occurs during the period an employee is on sick leave with pay, the employee shall receive only his/her regular holiday and that day shall not be charged against his/her sick leave earnings.

If an employee with approved leave works additional hours during the workweek, it shall be the decision of the employee whether to reduce the amount of leave requested.

Procedure:

1. Each employee shall notify (call) his/her immediate supervisor in accordance with the City/departmental attendance policy to report his/her sickness.

2. When an employee returns to work he/she shall complete the leave request form, which must be submitted to his/her department director for review.

3. If an employee wishes to use sick leave for a doctor, dentist or optical appointment, then the leave form must be submitted and approved before the sick leave is taken.

4. If a supervisor feels that an employee has abused this policy, he/she may with permission of the City Manager, authorize unpaid leave.

E. Unscheduled/Emergency Personal Injury or Illness

The following applies to employees who are absent for their own unscheduled or emergency personal injury or illness:

Employees who are absent due to an emergency personal injury or illness should call or have someone call his/her supervisor to report such an absence.

An employee who has been absent under any of the following conditions must, upon returning to work, have a doctor's statement that indicates his/her return to work status with or without restrictions, to be reviewed and approved by Human Resources:

1. Employee has been hospitalized.

2. Employee has been granted annual/personal leave which is in reality for medical reasons, i.e., employee is hospitalized or undergoing a surgical procedure which could be disabling~~, even though the employee, for personal reasons, does not file a claim for group insurance benefits~~.

3. Employee has a non-work related injury or illness, even if no time is lost from his/her regularly scheduled work shift, i.e., weekend or after-hours occurrence.

4. Employee is absent three (3) or more consecutive work days.

It is the employee's responsibility to ensure that proper notification is made when absent due to an emergency personal injury or illness. This must be done by phone or electronic notification, and if possible by the employee.

The requirement contained in this subsection pertains to emergency personal injury and illness even if sick leave is exhausted.

F. Periods When Sick Leave Shall Not Be Earned

When an employee is on authorized absence, exclusive of annual leave, for more than the time period noted in the following schedule, the employee shall be placed in a non-leave earning classification until such time that the employee returns to work.

Employee Type	Time Period Absent
8 & 10 hour	15 consecutive work days
12 hour	12 consecutive shifts
24 hour	7 consecutive shifts

G. Physician Examination

An employee may be required to submit to an examination by a physician of the City's choosing upon returning to active duty after an extended illness or injury.

H. Employee Under Suspension Not Eligible for Sick Leave

An employee under suspension forfeits all claim to sick leave for the duration of such suspension and must be returned to active duty before sick leave credit is restored.

I. Break In Service Cancels All Sick Leave

A break in service permanently cancels all sick leave accrued to an employee's record and in the event of subsequent reappointment such employee begins a new sick leave accumulation.

J. Illness During Annual Leave

When sickness occurs within a period of vacation leave, the period of illness may be charged as sick leave and the charge against vacation leave reduced accordingly. Application for such substitution should be made within two (2) working days after return to active duty and shall be supported by documentation from a health care provider.

K. Military Duty Effect on Sick Leave

When an employee enters active military duty, either by induction or for training purposes or for national or state emergencies, sick leave accumulated shall remain to that employee's account pending return from military leave. However, no further sick leave credits will be accumulated for the period of absence on military leave.

L. Resignation / Retirement

Employees who resign voluntarily or retire shall receive payment of their sick leave balance at the employee’s current rate of pay, in accordance with the following schedule:

Years of Service	Percentage
10 years	25%
20 years	50%
30 years	75%

Employees who are employed with the City as of November 24, 1998 and who are eligible to retire from the City in the future with less than twenty (20) years of service, shall be paid 50% of their sick leave balance at retirement. This exception shall only apply to employees who retire.

M. Payment of Uncredited Sick Leave

Employees who were not credited with sick leave during the fiscal year due to reaching the maximum accrual, shall be paid the value of fifty percent (50%) of the uncredited sick leave up to the maximum as indicated in the following schedule:

Employee Type	**Maximum Hours**
8 & 10 hour	48 hours
12 hour	50 hours
24 hour	60 hours

Employees eligible for the payment of uncredited sick leave on October 1, 2017, shall receive the October 2017 payment. The payment of uncredited sick leave policy provision will discontinue following the October 2017 payment.

N. Conversion of Sick Leave

In order to provide an incentive for employees to make conservative use of their sick leave privileges, the City provides additional benefits in the form of sick leave conversion to personal days for employees in a benefits eligible position.

Employees who have been employed from the first payroll period in each calendar year through the last day of the twenty-sixth payroll period in the calendar year shall be eligible for incentive personal days.

Following the end of the twenty-sixth payroll period of each year, the eligible number of sick leave hours will be converted to personal days (e.g. deleted from the sick leave balance and added to the personal day balance) based on sick leave hours used during the previous twenty-six (26) pay periods unless the employee specifically requests otherwise. Donated sick leave hours do not impact this incentive program.

Up to three (3) full work days of unused sick leave can be converted to personal days. The amount eligible to be converted is determined by the following formulas.

Scheduled Work Day	**Maximum Number of Converted Hours**
8 (40 hr. week)	24 minus hours used, rounded down to the nearest full work day
10 (40 hr. week)	30 minus hours used, rounded down to the nearest full work day
12 (Based on a 2184 hour work year, 84 hour pay period)	36 minus hours used, rounded down to the nearest full work shift
24 (Based on a 2604 hour work year, and 100.15 hour pay period)	72 minus hours used, round down to the nearest full work shift

Example: An eligible employee who works an 8-hour day/shift uses 12 hours of sick leave during the year. The employee is eligible to convert 8 hours/1 work day to personal days.

The number of sick leave hours to be converted will be based on the current work day/shift schedule at the time of the conversion.

A minimum sick leave to be converted is that which is equivalent to one (1) personal day based on the employee's current work day schedule.

Sick leave hours donated or converted from sick to personal days in the previous year will not be counted as sick leave hours used by the affected employee.

Following the end of the twenty-sixth payroll period of the year, eligibility will be determined for the leave conversion program. All eligible leave will be converted at that time unless the eligible employee specifically requests otherwise.

Employees who do not wish to convert eligible sick leave hours to personal day(s) in accordance with these provisions must provide written notification to Human Resources no later than the close of business on the last day of the twenty-sixth payroll period of the year.

Converted time will be deducted from the employee's sick leave balance and added to the employee's personal day balance, which will be credited to the employee during the month of January.

Converted sick leave will be treated as used leave in determining the uncredited sick leave distribution.

Personal day restrictions apply to newly converted personal days, including that personal days must be used within the calendar year and cannot be carried forward to the next calendar year.

5.6 Family and Medical Leave (FMLA)

The City provides leave pursuant to the provisions of the Family and Medical Leave Act of 1993 and as subsequently amended. An eligible employee would be entitled to unpaid Family and Medical Leave as set forth below:

A. Eligible Employees

Employees who have been employed for at least 12 months or 52 weeks which need not be continuous and have worked at least 1,250 hours during the preceding 12-month period are eligible for unpaid FMLA. FMLA runs concurrently with all forms of paid leave. The employee must use all of his/her accrued leave (e.g., sick, annual, compensatory), as well as personal days. The remainder of the leave period will then consist of unpaid leave.

B. Leave Period

An eligible employee is entitled to take up to 12 workweeks of FMLA (or up to 26 workweeks of military caregiver leave to care for a covered service member with a serious injury or illness) in any 12-month period. The 12-month period shall be a rolling 12-month period measured backward from the first date FMLA is used. Entitlement to FMLA for the birth or placement of a child for adoption or foster care will expire 12 months from the date of birth or placement.

C. Reason for Leave

An employee who meets the applicable eligibility requirements will be granted a total of up to 12 workweeks of FMLA for the following reasons:

1. The birth of the employee’s child and/or in order to care for that child;

2. The placement of a child with the employee for adoption or

foster care;

3. To care for a spouse, child, or parent who has a serious health condition, or a serious health condition that renders the employee incapable of performing the functions of his/her job.

4. A qualifying exigency arising out of the fact that the employee's spouse, child or parent is a covered military member in the Armed Forces on active duty (or has been notified of an impending call or order to active duty) in support of a contingency operation.

5. To care for a covered service member (or veteran who was a member) of the Armed Forces (including the National Guard or Reserves) who is a spouse, son, daughter, parent, or next of kin and has incurred a qualifying (as defined by the Secretary of Labor) injury or illness in the line of duty while on active duty in the Armed Forces (or a qualifying injury or illness that existed before the beginning of the member's active duty and was aggravated by service in line of duty on active duty in the Armed Forces). Employees may be entitled to 26 weeks of FMLA, pursuant to Federal Law.

Employees should contact Human Resources to apply for or learn more about this type of military leave.

If spouses who are eligible for FMLA both work for the City, the aggregate FMLA taken by both employees is limited to a total of 12 workweeks if the FMLA is taken for the birth of the employee's son or daughter or to care for the child after the birth, or for placement of a son or daughter with the employee for adoption or foster care or to care for the child after placement or to care for a parent with a serious health condition. However, if the FMLA is taken by either spouse to care for the other who is seriously ill and unable to work, to care for a child with a serious health condition, or for his/her own serious illness, then each employee is eligible for up to 12 weeks of FMLA. Where parents both use a portion of the total 12-week FMLA entitlement for either the birth of a child, for placement for adoption or foster care, or to care for his/her own parent, the parents would each be entitled to the difference between the amount he or she has taken individually and 12 weeks of FMLA for other purposes.

D. Application for Leave

An employee intending to take FMLA must complete an application for FMLA and return it to Human Resources for the FMLA to be approved. The completed application must be accompanied by the medical certification stating the reason for the leave, the anticipated duration of the leave, and the starting and ending dates of the leave.

E. Outside Employment

Outside or supplemental employment is generally prohibited during FMLA leave. Exceptions may be granted on a case-by-case basis ~~for unpaid leave, but~~ and must be approved by the City Manager prior to the commencement of the FMLA.

F. Notice of Leave

It is the employee's responsibility to notify Human Resources of the qualifying event or need for FMLA at least 30 days before the FMLA is to begin, or as soon as the reason requiring the FMLA is known. Failure to provide the required notice may result in a delay or denial of the leave.

G. Intermittent or Reduced Leave

Employees may not take intermittent or reduced leave in case of birth or placement of a child, unless the City agrees. In the case of serious health conditions, FMLA may be taken intermittently or on a reduced leave schedule when medically necessary. Employees are expected to make a reasonable effort to schedule intermittent leave so as not to disrupt the operations of the City.

H. Medical Certification of Leave

The application for FMLA based on the "serious health condition" of the employee or the employee's spouse, child, or parent must be accompanied by a "Medical Certification Statement" completed by the health care provider. The certification must be complete and include all requested information, including the date on which the serious health condition commenced, probable duration of the condition, and the appropriate medical facts regarding the condition. If an employee is requesting FMLA to care for a spouse, child, or parent with a serious health condition, the medical certification must provide an estimate of the amount of time the employee will need. In addition, the City may request re-certification of medical necessity under certain situations as allowed by FMLA regulations.

I. Notification of Leave Assignments

After receiving notice from the employee regarding the need to take FMLA, the City will discuss the leave requirements with the employee and will issue a designation notice outlining the basic information regarding the leave.

J. Benefits Coverage During Leave

An employee who takes FMLA will not lose any previously accrued seniority or leave benefits, but are subject to accrual limitations described in this policy. Leave extending beyond the 12-week FMLA allotment does not carry the return rights under FMLA.

While an employee is out on FMLA, payroll deductions for any group or voluntary benefits in which the employee is enrolled will continue until all accrued leave hours are exhausted. After exhausting all accrued leave or donated leave time, insurance premiums in the amount normally deducted from the employee's paycheck must be paid biweekly directly to Human Resources until the employee returns to work or FMLA entitlement ends. Failure of the employee to pay his/her share of these insurance premiums, if any, may result in loss of coverage. If an employee exhausts FMLA, is unable to return to work, and separates from service, he/she may elect to continue benefits coverage through COBRA.

If an employee fails to return to work after the expiration of their FMLA, the employee will be required to reimburse the City for its portion of the payment for group insurance premiums during the FMLA. Reimbursement will not be required if the employee does not return to work because of his/her serious health condition, the serious health condition of the employee's family member, or other circumstances beyond the employee's control.

K. Restoration to Employment

An employee who returns from FMLA will be returned to the same position held when the FMLA began or to a position equivalent in pay, benefits, and other terms and conditions of employment. However, the highest paid 10 percent of employees are not guaranteed reinstatement if reinstatement will cause the City economic injury. In such a case, the City will notify the employee as soon as it determines that reinstatement is not available. The City cannot guarantee that an employee will be returned to his/her former job.

L. Return from FMLA

The City will require an employee taking FMLA to report at least every two (2) weeks on his/her status and intent to return to work upon completion of the leave. Employees should notify their immediate supervisor at least one week prior to their scheduled return to work date to verify their return. Employees returning from a medical leave are required to provide certification from their health care provider indicating that the employee is able to resume work with no limitations. Once an employee returns to work from FMLA, the City reserves the right to require an employee to ~~receive a second medical opinion~~ undergo a physical or mental examination at the City's expense whenever there is reasonable belief that the employee's fitness for duty is in question.

Employees who do not return to work upon the expiration of FMLA leave will be treated as having voluntarily terminated their employment. An employee who requests an extension of their FMLA beyond that certified by their medical provider, must submit his/her request for an extension in writing that includes the reason for the requested extension and the anticipated date of return.

M. It is the City's right and obligation to determine whether an employee's leave is eligible for FMLA. If an employee is taking time off from work and the City has reason to believe that such time off falls under the FMLA provisions (e.g., the employee has a known serious health condition), the City can count the leave toward the employee's 12-week leave entitlement.

5.7 Jury and Witness Duty Leave

A. Jury Duty

All benefits eligible employees selected for jury duty shall be entitled to leave with pay for the period of absence required. Such leave shall not be charged to annual or sick leave earnings. Eligibility commences on the first day of active employment.

If an employee is called for jury duty and serves as a juror on a regular working day or days, he/she will receive pay for the time lost from work by reason of such service.

B. Official Court Attendance

All employees subpoenaed or ordered to attend court to appear as a witness or to testify in some official capacity on behalf of the City shall be entitled to leave with pay for such period as his/her court attendance may require. Any fees paid for such service may be retained by the employee.

C. Private Litigation

Absence of an employee to appear in private litigation in which he/she is a principal party shall be charged to annual leave, personal days or compensatory leave, or if no leave is available, to leave without pay.

Procedure**:**

1. When called for jury duty, the employee must show the summons to the supervisor prior to the date of service so that authorization and plans for the absence can be made. Failure to advise the supervisor in advance may be cause for the employee not to receive jury duty pay. In addition, the employee must complete the application for leave authorization form.

2. When released from jury duty for any day, the employee will be expected to return to work for that day. If released from jury duty two hours or more before the end of a regularly scheduled work day, an employee is required to return to work.

3. Upon return to work (after having been released by the court), the employee must submit to the supervisor a statement from the Clerk of the Court indicating the dates and amount paid for serving as a juror.

4. The supervisor will turn the statement over to the department director in order that the Finance Department (payroll) may be notified to pay the employee for jury duty.

5.8 Leave ~~without Pay~~ of Absence

A. Leave of Absence for Medical Reasons

Employees ineligible for FMLA or who have exhausted FMLA leave may request a leave of absence for an employee's own medical condition due to illness or injury. Up to ~~ten (10)~~ fifteen (15) calendar days may be approved by the department director. Leave in excess of fifteen (15) calendar days shall be subject to the approval of the City Manager and in collaboration with Human Resources.

A leave of absence shall run concurrent with all forms of leave including FMLA and shall not exceed a total of one hundred eighty (180) calendar days.

Annual, sick, personal days and compensatory leave may be used during a leave of absence. All leave must be exhausted prior to going into an unpaid status.

The application for a leave of absence shall be in writing and shall include a physician's certification of the condition and the period of time the employee will be incapacitated. Dates set forth by the physician shall be strictly adhered to, however may be amended by the physician. The City may at any time require additional documentation from the physician issuing the certification or may secure additional medical opinions from other physicians. The amount of leave authorized shall not exceed the end of the period for which leave was requested or certified by a physician.

An employee who requests an extension of their leave of absence must submit his/her request for an extension in writing that includes the reason for the requested extension, the anticipated date of return, and updated medical certification.

Employees who do not return to work upon the expiration of their leave of absence will be treated as having voluntarily terminated their employment.

B. Leave ~~without Pay~~ of Absence for Personal Reasons

~~Leave without pay~~ A leave of absence ~~for~~ up to ~~ten (10)~~ fifteen (15) calendar days may be approved by the department director. ~~Leave without pay~~ A leave of absence from fifteen (15) to ninety (90) calendar days may be approved by the department director with the approval of the City Manager and in collaboration with Human Resources. ~~Leave without pay~~ A leave of absence will only be approved if that period of absence does not require replacement of the employee's services. ~~Normally, such leave will not be granted until the employee has used all accumulated annual leave.~~

Leave without pay for more than thirty (30) calendar days will be deducted from length of the employee’s service record.

Annual, personal days, compensatory, or sick leave (if applicable) may be used during a leave of absence for personal reasons. All leave must be exhausted prior to going into an unpaid status.

5.9 Compensatory Leave

A. Compensatory leave is authorized overtime credited to a Fair Labor Standards Act non-exempt employee for which reimbursement is made by allowing the equivalent of time off with pay. Employees may receive compensatory leave for any work performed in excess of the employee's standard work period, in accordance with the overtime pay schedule included in this policy.

B. Compensatory leave shall be credited to the employee as quickly as possible and should not be permitted to accumulate in excess of 80 hours.

C. Compensatory leave may be taken in quarter-hour increments as long as it does not disrupt the operations of the employee's department.

D. Compensatory leave may be taken in conjunction with vacation leave, with the approval of the department director (or designee), but should not be allowed to accumulate for this purpose. When so taken, it is preferred that the aggregate not exceed the period of normal vacation.

E. Upon termination of employment for any reason, the employee shall be paid the remaining balance of compensatory leave available to the employee.

F. Non-union Firefighters and Police Officers shall receive the same maximum number of hours of compensatory leave hours as union members, as outlined in the respective Collective Bargaining Agreements, and relative to their effective dates.

G. If an employee with approved leave works additional hours during the workweek, it shall be the decision of the employee whether to reduce the amount of leave requested.

H. Compensatory leave may be used during absences involving sickness, injury or death, only after those leave benefits are exhausted. All leave must be exhausted prior to going into an unpaid status.

5.10 Injury Leave

An employee who is required to be absent from work at the direction of a workers' compensation authorized physician due to a work related injury or illness, shall be compensated in accordance with the following:

A. A probationary employee, who receives a job related injury, shall not be entitled to injury leave.

B. The maximum period that a benefits eligible employee shall be paid injury leave at full pay shall be forty (40) hours (or shall be prorated if the employee works less than a forty (40) hour workweek) per injury.

C. Workers' compensation payments issued during the period of Injury Leave shall be signed over to the City.

D. Upon the payment of the maximum injury leave available, employees shall be required to use accumulated sick or annual leave to make up the difference between the workers' compensation payments and the employee's regular wages.

E. Employees are required to use injury leave concurrently with any available Family and Medical Leave. Leave time taken will be applied towards the employee's Family and Medical Leave entitlement.

F. Non-union Firefighters and Police Officers shall receive the same maximum number of hours of paid injury leave as union members, as outlined in the respective Collective Bargaining Agreements, and relative to their effective dates.

5.11 Administrative Leave

When it is in the best interest of the City, the City Manager may place an employee on administrative leave for a period of time not to exceed thirty (30) calendar days. The employee shall not be allowed to be at his/her worksite during administrative leave, unless there is specific authority from the department director or City Manager. The employee ~~will~~ may be maintained in full-pay status with no loss of benefits during this period.

5.12 Leave Donations

Employees may donate unused leave hours to other benefits eligible employees in accordance with the following criteria:

A. Employees may donate vacation, sick or personal leave due to a personal/family medical condition, illness or injury or due to death of another employee.

B. For the purpose of leave donation, family is defined as spouse, children, step-children, parents, siblings or grandparents.

C. Employees donating/receiving leave must have been employed with the City for at least 12 months.

D. Employees wishing to receive donated leave due to a personal/family medical condition, illness or injury must submit a request in writing to Human Resources for the leave donation. Requests for leave donation on behalf of a beneficiary must be submitted to Human Resources by the deceased employee's department director. In accordance with Section 222.15, Florida Statutes, a beneficiary is an employee's spouse, child or children (provided the child/children are over 18 years of age), father or mother, or any other person specifically designated by the employee in the employee's personnel file as a beneficiary to whom wage payments may be made.

E. Employees receiving donated leave due to a personal/family medical condition, illness or injury must furnish a physician's certification of the existence of the illness or injury.

F. Employees receiving donated leave due to a personal/family medical condition, illness or injury must have exhausted all of his/her available sick leave, vacation leave, compensatory leave and personal days.

G. Employees receiving donated leave due to a personal/family medical condition, illness or injury must have been absent at least thirty (30) consecutive calendar days due to the specific situation in either paid or unpaid leave status.

H. Employees may donate leave in one (1) hour increments up to a maximum of forty (40) hours per receiving employee per year. Employees may not donate hours that would result in the donating employee having less than eighty (80) hours of available sick leave after the donation.

I. Donated sick leave will be treated as used leave in determining the uncredited sick leave distribution.

J. Unused donation hours will be returned to the donating employees in proportion to the donations.

K. The maximum amount of hours an employee may receive from other employees shall be 480 hours per qualifying event.

L. Payment of donated leave to the receiving employee may be made retroactively to the date the employee exhausted their available leave balances.

M. In the event of donated leave due to a death, the donated leave shall be paid in accordance with the applicable provisions in the Employment Policies Manual.

5.13 Domestic Violence Leave

In conjunction with Florida law, the City grants up to three (3) working days of leave from work in any 12-month period for employees who have worked for at least three (3) consecutive months and become victims of domestic violence or sexual violence. If applicable, employees may use accrued vacation, sick, or personal time to cover this time off.

Appropriate or advance notice must be given to the department director or Human Resources except in cases of imminent danger to the health or safety of the employee or a family member. A police report or other documentation must be filed with Human Resources and will be kept confidential. Employee questions relating to use of this leave should be directed to Human Resources. This leave may be used to cover such activities as:

A. Seeking an injunction for protection against domestic violence

B. Obtaining medical care or mental health counseling to address injuries resulting from domestic violence

C. Obtaining services from victims' services organizations such as a domestic violence shelter or rape crisis center

D. Making the employee's home secure from the perpetrator of domestic violence or finding a new home so as to escape the perpetrator

E. Seeking legal assistance or attending court for related proceedings

5.14 Bereavement Leave

Employees upon request and approval by their department director may be granted up to twenty-four (24) hours of bereavement leave in the event of the death of a family member. The employee shall submit proof of death and relationship before compensation is approved. Wages will be paid only for the actual scheduled hours on the day(s) of absence.

Family members are defined as the employee's children, parents, parents-in-law, brothers, sisters, grandparents, grandchildren, great grandparents, great grandchildren, aunts, uncles, and current spouse, step-children, step-parents, step parents-in-law, step-brother, step-sister, step-grandparents, step-grandchildren, sisters-in-law, brothers-in-law, sons-in-law, and daughters-in-law.

If additional time off is necessary, annual leave, personal days or compensatory leave may be used with the approval of the department director.

Chapter 6
Personnel Management

6.1 Attendance Records

An attendance record shall be maintained for each employee by ~~Human Resources~~ the respective department. This record shall reflect all absences and shall be made available to the employee for inspection upon request. Copies of all leave request forms must be forwarded by department directors to the Finance Department ~~Human Resources~~. An official/original leave request record file will be maintained in the ~~Human Resources~~ Finance Department and a copy in each respective department.

Time sheets shall contain signed department director approval upon submittal to ~~Human Resources~~ the Finance Department. All time worked shall be recorded on the employee's timesheet/record.

6.2 Travel and Subsistence Allowance

All persons traveling on official City business are expected to follow the City's travel policy and procedure, and exercise good judgment in incurring expenses. All travel is to be responsible, necessary and reasonable.

Pursuant to Section 112.061 (3) (a), Florida Statutes, the City Council hereby delegates to the City Manager the authority to approve travel for all authorized persons traveling on behalf of the City. The City Manager shall establish a procedure for the reimbursement of travel expenses and the closing out of all travel once complete.

~~When an employee of the City is required to travel on official business, the City will pay reasonable amounts for transportation, meals and lodging. Tips related to transportation, meals, lodging or any other costs are not reimbursable.~~

~~**2.010 TRANSPORTATION COSTS:**~~

~~**A**. The City may purchase tickets in advance for employees traveling by common carrier. All employees shall travel in tourist class whenever possible.~~

~~**B**. Employees who, with proper authorization, use their personal vehicles for official business may be reimbursed at a rate per mile, based on the standard federal mileage rate as set by the Internal Revenue Service.~~

~~**C**. Employees may be reimbursed for all ferry, bridge, road and parking tolls. Receipts for taxi fares are not required. However, taxi expenses must be itemized.~~

~~**2.020 MEAL ALLOWANCE**~~:

~~Employees on official travel status during any three consecutive meal periods as noted below may be reimbursed for actual meal expenses not to exceed thirty-six dollars ($36.00). If the employee is on official travel status for only part of the time noted earlier, the meal reimbursement schedule is as follows:~~

~~BREAKFAST: When travel begins before 6:00 am and extends beyond 8:00 am $6.00~~.

~~LUNCH: When travel begins before 12:00 noon and extends beyond 2:00 pm $11.00~~

~~DINNER: When travel begins before 6:00 pm and extends beyond 8:00pm $19.00~~

~~Receipts must be presented to substantiate all meal reimbursements requests.~~

~~**2.030 LODGING:**~~

~~When lodging is required, employees are expected to utilize standard, medium priced hotels and motels whenever possible. If an employee is to attend a formal, organized meeting or convention, he/she may stay at the hotel or motel where the meeting is held. In all cases, the City will pay no more than the regular single room rate. Receipts must be presented for all lodging.~~

~~**2.040 ADVANCES**~~:

~~Travel advances may be made to cover anticipated travel expenses with the approval of the City Manager~~.

~~All travel must be authorized in advance. All expenses must be supported by an expense report with all receipts attached~~.

6.3 Hours of Work

The established work schedule for all full-time hourly employees is forty (40) hours per week with the exception of police officers and firefighters who work assigned shifts. However, the department director, with the approval of the City Manager, may establish a different work schedule which would better meet the needs of the department and/or provide proper service to the community.

6.4 Probation

The probationary period shall be utilized for closely observing the employee's work, for securing the most effective adjustment of a new employee to his/her position, and for rejecting any employees whose performance does not meet the required work standards.

The probationary period for general employees is six (6) months, whereas the probationary period for police officers and firefighters is twelve (12) months.

During the probationary period, in such a manner as the City Manager may require, the department director shall report to the City Manager (or designee – Human Resources Director) his/her observation of the employee's work and his/her judgments to the employee's willingness and ability to perform his/her duties satisfactorily and as to his/her habits and dependability.

At any time during the probationary period, the department director, after advising the City Manager, may remove an employee if in his/her opinion the employee is unable to or unwilling to perform the duties of the position satisfactorily or that his/her habits and dependability do not merit his/her continued employment with the City.

Prior to the expiration of an employee's probationary period, the employee's department director shall notify the City Manager by submitting an employee action form, whether the service of the employee has been satisfactory and whether he/she desires to extend the probationary period for up to ninety (90) days or continue the employee in his/her position. Upon satisfactory completion of the probationary period, the employee will become a regular employee of the City.

The normal beginning pay rate for a probationary employee will be the initial pay rate within the pay range established for his/her job classification. The City Manager may make exceptions upon the recommendation of the department director.

6.5 Performance Evaluations

The purpose of the performance evaluation process is to provide a formal and consistent method to document job performance standards, facilitate communication between supervisors and employees, promote and maintain job efficiency, determine training needs, and serve as basis for merit increases.

Performance evaluations are to be prepared and administered for all full-time, part-time and management employees. Seasonal employees are evaluated upon the completion of the season or upon notice of separation if three (3) months of employment was completed. Employees in seasonal positions are not eligible for a merit increase.

A. Types of Performance Evaluations

1. Probationary:

New employees are on probation as outlined in section 6.4 Probation. At a minimum, performance evaluations, indicating their progress in their job will be completed as follows:

General Employees –

- Upon completion of the third (3rd) month of employment
- Upon completion of the sixth (6th) month of employment
- Upon completion of probation, if probation was extended

Police Officers and Firefighters –

- Upon completion of the sixth (6th) month of employment
- Upon completion of the ninth (9th) month of employment
- Upon completion of the twelfth (12th) month of employment

Each probationary evaluation will be signed by the employee indicating that he/she has seen the evaluation, not that he/she agrees or disagrees with its contents.

2. Annual:

Annual performance evaluations shall be based on the employee's employment anniversary date, with the exception of employee demotions and past incidences in which the policy in place at the time called for the evaluation date to be adjusted as a result of a promotion, transfer or reclassification.

B. Coaching Plan and Performance Improvement Plan

1. Coaching Plan:

An employee who receives a rating of less than "Meets Expectation" in any one category, however receives an overall performance evaluation rating of "Meets Expectation" or higher, shall be placed on a Coaching Plan. The duration of the Coaching Plan shall be a minimum of three (3) months, and may be extended an additional three (3) months if deemed necessary/appropriate.

At any time when an employee's performance has significantly and negatively changed in one area from that of the previous reporting period, the department director may require that the employee be placed on a Coaching Plan.

2. Performance Improvement Plan:

   An employee who receives an annual performance evaluation with an overall rating of less than “Meets Expectations” shall be placed on a Performance Improvement Plan. The duration of the Performance Improvement Plan shall be six (6) months, and may be extended an additional three (3) months if deemed necessary/appropriate.

   At any time when an employee's performance has changed radically from that of the previous reporting period, the department director may require that the employee be placed on a Performance Improvement Plan.

3. Failure to successfully complete a Coaching or Performance Improvement Plan shall result in appropriate disciplinary action.

C. Preparation and Administration of Performance Evaluations

Performance evaluations will normally be completed by an employee's immediate supervisor/rater. Employees being evaluated due to an internal movement (e.g., promotion, demotion, transfer) shall be evaluated by the immediate supervisor at the end of the assessment period.

Employees shall be evaluated using the established and applicable performance evaluation form. Evaluation forms may be updated periodically.

Supervisors and department directors are responsible for completing the forms on a timely basis. Signatures of the employee’s supervisory chain of command up to the department director shall be obtained on the original form, prior to presenting to performance evaluation to the employee.

The rater shall discuss the performance evaluation with the employee being evaluated. Performance evaluations must be signed by the employee. Employee signature is an acknowledgement of the presentation and discussion of the performance evaluation and does not signify agreement or disagreement with the evaluation on the part of the employee. The employee shall be furnished with an official copy of the performance evaluation form, including all signatures.

The employee may record any comments he/she may have, including statements of disagreement with the evaluation in the comments section of the evaluation or on a separate document if desired. Such statements will become a permanent part of the evaluation and shall be submitted within five (5) calendar days of the performance evaluation being issued to the employee. Late submittals will not be considered.

An employee may appeal a performance evaluation to their department director by submitting a written memo outlining the areas of disagreement within five (5) calendar days of the performance evaluation being issued to the employee. Late appeals will not be considered. The decision of the department director will be final. No further appeals will be considered. Provisions of the City's grievance policy do not apply to performance evaluations.

Employee comments/statements and all documentation concerning the employees appeal will be retained with the original evaluation in the employee's personnel file.

The department is responsible for returning completed performance evaluations, and additional documents if applicable, to Human Resources on a timely basis.

6.6 Promotions

It is the policy of the City to employ and promote the most qualified individual available for any given position. Promotion from within the City is a desirable practice in that positions can be filled with individuals who are knowledgeable about the operations of the City and the orientation period is significantly shortened.

Vacancies in positions above the lowest rank in any category within the City personnel system shall be filled by the promotion of employees in City service when possible and practical.

When a vacancy is to be filled by promotion the following factors will be considered:

A. Qualifications for the position (i.e., knowledge, skills, and abilities)

B. Service record with the City

C. Physical fitness (if appropriate to the position)

Drug Testing: The City must perform a Previous Drug and Alcohol Testing records search for any employee who is to be promoted to a Department of Transportation (DOT) Safety Sensitive Function position from a non-DOT position and has been with the City for less than two (2) years. If the employee's Previous Drug and Alcohol Testing records search reveals a positive drug/alcohol test result from a previous DOT regulated employer during the last two (2) years, the employee will not be allowed to be promoted to the DOT Safety Sensitive position.

Compensation: Upon promotion, the employee's pay rate shall be adjusted to either the minimum of the new pay grade or five (5%) percent higher, whichever is greater.

Performance Evaluations: Promoted employees shall continue to receive their annual performance evaluations based on the date that was in effect immediately prior to the promotion. In addition, promoted employees shall receive performance evaluations based on the same intervals as a new employee in the same job classification. Promoted employees are eligible to receive merit pay increases based on the overall rating of only their annual performance evaluation. In the event that an employee is promoted prior to their six (6) month employment performance evaluation, they will still receive that evaluation.

Unsatisfactory Performance: If for any reason an employee cannot or does not perform satisfactorily in the new position, he/she may be removed and either reassigned or terminated. If an employee who has been assigned to a different position has a previous record of good performance but is unable to perform the new position satisfactorily, the City will attempt to either return him/her to their previous job, or to reassign him/her to a position for which they are better qualified. The employee's rate of pay will be adjusted to that rate of pay prior to the promotion. If no appropriate position is available, however, the employee may be laid off or terminated.

6.7 Demotions

Demotion occurs when an employee is placed in a position with a lower pay grade. The employee must possess the necessary qualifications to perform the required duties of the position which he/she is demoted to. Demotions must be approved by the department director and City Manager. Demotions may occur in the following situations:

A. When a position has been abolished or reclassified to a lower pay grade and the employee cannot be transferred to a position with a similar pay grade.

B. When an employee requests being transferred to a position with a lower pay grade.

C. When an employee has been determined to be physically unqualified to perform the duties of the position, based on a medical examination by a physician selected by the City.

D. When an employee's supervisor has determined that he/she is not performing the duties of the job adequately. Regular employees shall be provided notice of the department director's intention to demote and the reasons for such action. The employee will be given the opportunity to respond to the department director's concerns within five (5) calendar days of receipt of the Intent to Demote letter in a meeting to be held with the employee and the department director. This meeting shall be scheduled by the employee's department. Upon consideration of the employee's responses, the department director shall make his/her decision regarding the demotion.

Drug Testing: The City will perform a Previous Drug and Alcohol Testing records search for any employee who is to be demoted to a Department of Transportation (DOT) Safety Sensitive Function position from a non-DOT position and has been with the City for less than two (2) years. If the employee's Previous Drug and Alcohol Testing records search reveals a positive drug/alcohol test result from a previous DOT regulated employer during the last two (2) years, the employee will not be eligible to be demoted to the DOT Safety Sensitive position.

Compensation: ~~A demoted employee's pay rate will be adjusted to the average pay rate of other employees in the same or similar positions with similar years of experience.~~ When an employee is demoted, his/her pay rate will be reduced five percent (5%) for each decrease in pay grade, up to a maximum reduction of fifteen percent (15%). If the employee was recently (within the previous 12 months) promoted, his/her pay rate shall be adjusted to the pay rate in effect immediately prior to the promotion. In no case shall an employee's salary fall below the minimum or above the maximum of the new pay grade.

Performance Evaluations: A demoted employee's annual evaluation performance date will be changed to the effective date of the demotion. The employee will receive performance evaluations at the same intervals as a new employee. ~~The employee will not be eligible for consideration for a merit increase after six (6) months in the new position.~~

Unsatisfactory Performance: If for any reason, a demoted employee cannot or does not perform satisfactorily, he/she may be removed and either reassigned or terminated, if an appropriate position is not available.

6.8 Transfers

It is the City's policy to place employees in a job which their interests and those of the City are best served. Every reasonable effort to place employees in a job of their preference is made if there is an opening and they have the necessary qualifications. Whenever possible, an employee's wishes shall be respected.

Drug Testing: The City must perform a Previous Drug and Alcohol Testing records search for any employee who is to be transferred to a Department of Transportation (DOT) Safety Sensitive Function position form a non-DOT position and has been with the City for less than two (2) years. If the employee's Previous Drug and Alcohol Testing records search reveals a positive drug/alcohol test result from a previous DOT regulated employer during the last two (2) years, the employee will not be eligible to be transferred to the DOT Safety Sensitive position.

Compensation: A transfer is when an employee moves from one position to another in the same pay grade. The employee's pay rate will not change.

Performance Evaluations: Transferred employees shall continue to receive their annual performance evaluations based on the date that was in effect immediately prior to the transfer. In addition, transferred employees shall receive performance evaluations based on the same intervals as a new employee in the same job classification. Transferred employees are eligible to receive merit pay increases based on the overall rating of only their annual performance evaluation. In the event that an employee is transferred prior to their six (6) month employment performance evaluation, they will still receive that evaluation.

Unsatisfactory Performance: If for any reason an employee cannot or does not perform satisfactorily in the new position, he/she may be removed and either reassigned or terminated. If an employee who has been assigned to a different position has a previous record of good performance but is unable to perform the new position satisfactorily, the City will attempt to return him/her to a position for which they are better qualified. If no appropriate position is available, the employee may be laid off or terminated.

6.9 Position Reclassifications

A position reclassification is a change in an employee's job description which results in a significant increase or decrease in assigned duties and responsibilities of the position. Position reclassifications ~~may~~ shall be approved by the City Manager.

Drug Testing: The City must perform a Previous Drug and Alcohol Testing records search for any employee who is to be transferred to a Department of Transportation (DOT) Safety Sensitive Function position from a non-DOT position and has been with the City for less than two (2) years. If the employee's Previous Drug and Alcohol Testing records search reveals a positive drug/alcohol test result from a previous DOT regulated employer during the last two (2) years, the employee will not be allowed to be promoted to the DOT Safety Sensitive position.

Compensation: If the reclassification is to a higher pay grade, the employee's rate of pay shall be adjusted to the minimum of the new pay grade or five (5%) percent higher, whichever is greater. If the reclassification is to a lower pay grade, the employee's rate of pay shall be adjusted to the average rate of pay of other employee's in the same or similar positions with similar years of experience.

Performance Evaluations: Employees who are in positions that have been reclassified shall continue to receive their annual performance evaluations based on the date that was in effect immediately prior to the reclassification. In addition, reclassified employees shall receive performance evaluations based on the same intervals as a new employee in the same job classification. Reclassified employees are eligible to receive merit pay increases based on the overall rating of only their annual performance evaluation. In the event that an employee is reclassified prior to their six (6) month employment performance evaluation, they will still receive that evaluation.

Unsatisfactory Performance: If for any reason an employee cannot or does not perform satisfactorily in the new position, he/she may be removed and either reassigned or terminated. If an employee who has been assigned to a different position has a previous record of good performance but is unable to perform the new position satisfactorily, the City will attempt to reassign him/her to a position for which they are better qualified.

If no appropriate position is available, the employee may be laid off or terminated.

6.10 Termination of Employment

Employment with the City may end due to the following reasons:

A. Voluntary Resignation

Employees are expected to provide at least two (2) weeks written notice of resignation to their department director or the City

Manager. Employees who do not give the required notice will not be eligible for re-hire except as approved by the City Manager. Once a resignation is submitted, the City has no obligation to allow rescission or change of effective date of the resignation, but may consider a request to rescind or change the resignation depending on the circumstances.

Employees reemployed with the City shall receive service credit upon reemployment for the period of prior service for purposes of years of service recognition as long as the employee is rehired within twelve (12) months of separation, but not for purposes of accruing future annual and sick leave. The previous annual and sick leave balances will not be reinstated.

B. Termination for Misconduct

"Misconduct" is considered to be a violation of a City policy, rule, or working instruction. It also includes acts of gross negligence or willful acts that are not in the best interest of the City. Typically, the City will attempt to provide a warning or reprimand in an attempt to avoid further misconduct, but does not guarantee a specific sequence of warnings and/or reprimands. Employees may be terminated for misconduct upon a first serious offense.

Regular employees shall be provided notice of the department director's intention to terminate and reasons for such action. The employee will be immediately placed on Administrative Leave and will be given the opportunity to respond to the department director's concerns within five (5) calendar days of receipt of the Intent to Terminate letter in a meeting to be held with the employee and the department director. This meeting shall be scheduled by the employee's department. Upon consideration of the employee's responses, the department director shall make his/her decision regarding the termination issue.

Probationary, seasonal, part-time, and limited duration employees and volunteers may be terminated without notice or cause by the department director.

C. Termination for Poor Performance

An employee who does not meet performance standards in his/her job or who is no longer able to perform the job for any reason including, for example, loss of license or failure to maintain minimal job qualifications, may be terminated from employment. Prior to termination for poor performance, the City will typically attempt to assist the employee in improvement of performance or attempt to place the employee in a position in which he/she can perform, but does not guarantee that the employee will be retained. The termination process shall follow the process previously outlined in item B of this section.

D. Reduction In Force

The City may, because of lack of funds, lack of work, or other causes, be required to reduce the workforce in a department or division. If a reduction in force is required, the City will select those employees affected in an equitable and non-discriminatory manner in accordance with the criteria detailed below.

Within the affected work group, seasonal, part-time, and limited duration ~~provisional~~ employees, followed by probationary employees will be terminated without recall rights prior to the layoff of regular employees. Management employees are at will and do not follow the reduction in force process.

~~Within the affected work group, regular employees will be laid off on the basis of employee performance. Where two or more employees are of similar ability, length of service with the City and in the affected position will be considered~~. Where two or more employees are of similar ability, length of service with the City and in the affected position, a lay off will be determined based on employee performance. The City may also retain certain employees without regard to length of service because of the employee's special knowledge, skill, training or experience.

If a regular employee is scheduled to be laid off, the employee may be offered another position for which he/she qualifies if a suitable vacancy exists, however, "bumping" is not allowed. The City Manager has the sole authority to approve or reject the request, and must further approve and confirm the names of all regular employees scheduled for layoff prior to the layoffs occurring.

Employees who are laid off shall have recall rights to their vacated positions for up to six (6) months, and will be recalled in the reverse order of layoff. An employee who is not recalled within six months of layoff will be considered terminated and will be eligible for re-hire should suitable position vacancies occur. An employee who declines recall will be considered to have voluntarily resigned as of the date he/she declined. Employees recalled will not be required to serve a new probationary period unless the position to which they are recalled is, in management's sole discretion, significantly different than the one they occupied at the time of lay-off.

Affected employees who are reemployed with the City within twelve (12) months shall receive service credit upon reemployment for the period of prior service for purposes of years of service recognition, and shall receive credit for years of service (longevity) for use in accruing future annual and sick leave. The previous annual and sick leave balances will not be reinstated.

E. Death

Separation shall be effective the date of an employee's death. All compensation due to the employee as of the effective date of separation shall be paid to the beneficiary, surviving spouse, or to the estate of the employee as determined by law or by executed forms in the employee's personnel file.

F. Disability

~~A Department Director with the approval of the City Manager, may direct any employee under his/her jurisdiction to be examined by a physician designated by the City.~~

~~When a disability of any kind is discovered which impairs the effectiveness of an employee or makes his/her continuance on the job a danger to himself/herself or others, the following action shall be taken:~~

~~1. If the disability is correctable, the employee shall be allowed a specified time as determined by the City Manager to have it corrected. Such time may be charged to sick or annual leave or, if no leave has been accrued, to leave without pay. If the employee fails to take steps to have the disability corrected within the specified time, he shall be subject to disciplinary action or layoff.~~

~~2. If, in the opinion of the examining physician, the disability cannot be corrected, the City shall provide reasonable accommodation, to the extent provided by the Americans With Disabilities Act, in order that the employee can perform the essential functions of the job.~~

The City of Clermont is committed to providing equal employment opportunities for individuals with disabilities in compliance with the Americans with Disabilities Act of 1990 (ADA) and all other applicable federal, state and local laws. All employment decisions are based on the employee's ability to perform essential job functions in accordance with the defined criteria, not the disability of the individual.

Upon request, employment procedures may be modified as appropriate to reasonably accommodate qualified individuals with disabilities in accordance with the ADA. Reasonable accommodation may include, but is not limited to, modified work schedules, job restructuring, facility and equipment modification, job reassignment, etc. If the City is unable to provide a reasonable accommodation ~~cannot be accomplished without undue hardship to the City~~, or if the employee refuses to accept an offered accommodation, the employee ~~will~~ may be separated from employment.

G. Retirement

Retirement is the voluntary separation of employment from the City upon the completion of a specific term of service and/or attainment of a certain age. Unless noted otherwise in the pension plan documents covering the employee, the normal retirement date for employees shall be the attainment of age sixty-two (62) and the completion of ten (10) years of service.

H. Eligibility for Re-Employment

An employee whose employment ends for any reason other than misconduct may re-apply for employment and be considered for vacancies for which he/she qualifies. Employees who are terminated, resign in lieu of termination for misconduct, or who fail to provide proper notice will not be considered for future employment with the City. While the past service for the City may be considered favorable experience, prior service does not grant any right of re-employment or preferential consideration.

6.11 Annual Physical Examinations

All police officers/firefighters are required to have an annual physical examination by December 31 of each year. The exam will include specific tests as approved by ~~the City Council~~ the Fire Chief and Police Chief respectively. The physical must be administered in accordance with the guidelines set forth in the City's Medical Examination Procedure.

All police officers/firefighters will be permitted leave with pay up to two (2) hours, upon approval of their department director to complete all components of the annual physical examination (when applicable). The specific results of the annual physical examination will not be made available to City management. However, in the case of firefighters, the physical examination provider must certify to the City that the firefighter is medically qualified to perform all functions of a firefighter, in accordance with the guidelines set forth by the ~~Florida State Fire Marshal Bureau of Fire Standards and Training and~~ National Fire Protection Association (NFPA) 1582. In the case of police officers, the physical examination provider must inform the City of medical conditions that could affect the individual performing as a police officer.

Refusal to complete all components of an annual physical examination shall be grounds for termination in accordance with the disciplinary action policy contained herein.

6.12 Employee Disciplinary Procedures

It shall be the duty of all employees to comply with and to assist in carrying into effect the ~~provisions of the personnel rules and regulations~~ City's rules and regulations, including employment and departmental policies and procedures. Employees should be made aware of the seriousness of violating regulations or actions that will necessitate disciplinary action.

A. Responsibilities

1. It is the duty of every employee to attempt to correct any faults in performance when called to the employee's attention and to make every effort to avoid conflict with the rules and regulations.

2. Supervisors are responsible for counseling employees when necessary in order to correct deficiencies and to avoid the need to exercise disciplinary action. Counseling is not considered discipline and is not subject to the grievance process. Counseling records are considered public records and shall be maintained in the employee's personnel file.

3. Discipline is an action initiated and administered when positive corrective measures designed to train or affect behavior changes are unsuccessful in attaining satisfactory employee performance; or action initiated and administered by supervisors when an employee commits a pronounced deviation regarding a rule, order, directive or procedure. Disciplinary actions become a permanent written record and are placed in the employee personnel file and may be considered during times when an increase in pay or advancement is to be determined. Discipline shall be, whenever needed, on an increasingly progressive nature in the form of reprimand, suspension, demotion, transfer or termination. Discipline shall correspond to the offense.

Probationary employees, seasonal, part-time, limited duration, volunteers and management employees do not have rights under the City's Grievances policy and procedures.

B. Grounds for Action and Types of Disciplinary Action

It shall be the duty of each employee to maintain high standards of conduct, cooperation, efficiency and economy in their work for the City. Whenever work habits, attitude, production or the personal conduct of any employee falls below a desirable standard, supervisors should point out the deficiencies at the time they are observed. Corrections and suggestions should be presented in a constructive and helpful manner in an effort to elicit the cooperation and goodwill of the employee. Supervisors shall assist employees in gaining capability through on-the-job training as required.

While it would be impossible to list all employee actions for which disciplinary action is warranted, the following list includes basic infractions and suggested disciplinary actions to be taken. In no way is the list meant to be all-inclusive, and appropriate disciplinary action may be taken for other unlisted employee actions. **The disciplinary actions noted in this section are intended to be used as a guide; therefore, more severe or less severe disciplinary action may be taken based on the circumstances.**

The severity of the violation determines whether Progressive or Non-Progressive Corrective Action is appropriate. Violations under the category of Misconduct usually result in Progressive Corrective Action, whereas those under the category of Serious Misconduct may result in Non-Progressive Corrective Action (suspension without pay, involuntary demotion, or termination of employment). Provided, however, depending on the severity of the violation, a violation classified as misconduct and/or serious misconduct may be grounds for immediate disciplinary action up to and including termination.

The levels of corrective action include the following, with disciplinary action starting at the level of a reprimand:

Reprimand
Suspension (without pay)
Demotion
Termination

~~Code: **R** Reprimand~~
~~**S** Suspension~~
~~**D** Demotion~~

~~T Termination~~

~~Offense~~	~~Suggested Disciplinary Action~~		
	~~First Offense~~	~~Second Offense~~	~~Third Offense~~
~~Physical or verbal mistreatment of the public~~	~~R or T~~	~~T~~	
~~Theft or dishonesty~~	~~T~~		
~~Fighting on City premises or on City time~~	~~R~~	~~T~~	

~~Offense~~	~~Suggested Disciplinary Action~~		
	~~First Offense~~	~~Second Offense~~	~~Third Offense~~
~~Insubordination~~	~~T~~		
~~Falsifying records~~	~~T~~		
~~Intoxication or possession of intoxicating agents on City premises or on City time~~	~~R~~	~~T~~	
~~Drug addiction or unauthorized use of drugs~~	~~R~~	~~T~~	
~~Failure to report or call in to work for three (3) consecutive scheduled work days/shifts for eight (8) hour and twelve (12) hour employees or two (2) consecutive scheduled work shifts for twenty-four (24) hour employees.~~	~~T~~		
~~Willful destruction of City buildings, equipment, records, signs or other property~~	~~T~~		

~~Failure to report City vehicle accident~~	~~**R**~~	~~**T**~~	
~~Indecency or immoral conduct~~	~~**T**~~		
~~Fraud regarding sickness, bereavement, or Workers' Compensation benefits~~	~~**T**~~		
~~Carrying concealed weapons unless authorized as part of employee's job duty~~	~~**T**~~		

~~**Offense**~~	~~**Suggested Disciplinary Action**~~ ~~**First Offense**~~	~~**Second Offense**~~	~~**Third Offense**~~
~~Trespassing~~	~~**R**~~	~~**T**~~	
~~Intimidation or coercion of other employees~~	~~**R or T**~~	~~**T**~~	
~~Leaving work area without permission~~	~~**T**~~		
~~Engaging in personal work on City time~~	~~**R**~~	~~**S or T**~~	~~**T**~~
~~Engaging in horseplay on City premises or time~~	~~**R**~~	~~**S or T**~~	~~**T**~~
~~Improper job performance lack of cooperation or~~	~~**R**~~	~~**S or D**~~	~~**D or T**~~
~~Habitual tardiness or absenteeism~~	~~**R**~~	~~**S or T**~~	~~**T**~~
~~Violation of the City's Smoking and Tobacco Policy~~	~~**R**~~	~~**S or T**~~	~~**T**~~
~~Abuse or misuse of City equipment or property~~	~~**R**~~	~~**S or T**~~	~~**T**~~

~~Violation of telephone or communication device usage policy~~	~~R~~	~~S~~	~~T~~
~~Violation of the Social Media Policy~~	~~R~~	~~S~~	~~T~~
~~Intentional waste of material~~	~~R~~	~~S or T~~	~~T~~
	~~**Suggested Disciplinary Action**~~		
~~**Offense**~~	~~**First Offense**~~	~~**Second Offense**~~	~~**Third Offense**~~
~~Taking more than specified time for meals or break period~~	~~R~~	~~S or T~~	~~T~~
~~Unauthorized sleeping on duty~~	~~R~~	~~S or T~~	~~T~~
~~Making or publishing false, vicious or malicious statements concerning the City or any employee~~	~~R~~	~~S or T~~	~~T~~
~~Failure to provide notice of absence from work~~	~~R~~	~~S or T~~	~~T~~
~~Violation of the City's Solicitation Policy~~	~~R~~	~~S or T~~	~~T~~
~~Violation of the City's Safety Policy~~	~~R~~	~~S or T~~	~~T~~
~~Unauthorized posting, defacing or removal of notices on bulletin boards on City property~~	~~R~~	~~S or T~~	~~T~~
~~Failure to report accident~~	~~R~~	~~S or T~~	~~T~~

~~(other than vehicular) to supervisor~~			
~~Failure to report for an overtime assignment without satisfactory reason~~	~~**R**~~	~~**S or T**~~	~~**T**~~
~~Violation of the City's Dress/Appearance Policy~~	~~**R**~~	~~**S or T**~~	~~**T**~~
~~**Offense**~~	~~**Suggested Disciplinary Action**~~		
	~~**First Offense**~~	~~**Second Offense**~~	~~**Third Offense**~~
~~Refusal to complete the annual physical exam if required~~	~~**T**~~		
~~Violation of the City's Substance Abuse Policy~~	~~**T**~~		
~~Violation of the City's Harassment Policy~~	~~**R or T**~~	~~**T**~~	
~~Suspended or revoked drivers license if employee is in a position that requires a valid driver's license~~	~~**D or T**~~		

~~It shall be the duty of each employee to maintain high standards of conduct, cooperation, efficiency and economy in their work for the City. Whenever work habits, attitude, production or the personal conduct of any employee falls below a desirable standard, Supervisors should point out the deficiencies at the time they are observed. Corrections and suggestions should be presented in a constructive and helpful manner in an effort to elicit the cooperation and goodwill of the employee.~~

~~Supervisors shall assist employees in gaining capability through on-the-job training as required.~~

1. Misconduct

The “misconduct” or “conduct” for which an employee may be subject to progressive corrective action is not limited to willful misconduct. Progressive Corrective Action may be imposed for any conduct which falls short of what an employer may reasonably expect and require of an employee.

Examples of misconduct for progressive corrective action which may begin at the <u>counseling</u> level includes, but is not limited to, the following:

a. Tardiness.

b. Discourtesy.

c. Substandard performance.

d. Creating or contributing to poor housekeeping.

e. Inadvertent or isolated violation of departmental rules or standards of conduct (other than “serious” misconduct which results from a lack of good judgment).

f. Violation of the City’s Dress and Appearance Policy or department related specific policy or procedure.

Examples of misconduct for progressive corrective action which may begin at the <u>reprimand</u> level includes, but not limited to, the following:

g. Physical or verbal mistreatment of the public, internal or external customers

h. Fighting on City premises or on City time

i. Failure to immediately report a City vehicle crash or other incident, or damage (including work-related injuries or illnesses) to a supervisor. (Immediately is defined as the same work shift or as feasibly possible or in the case of injury/illness as soon as one becomes aware).

j. Trespassing.

k. Intimidation or coercion.

l. Engaging in personal work on City time.

m. Engaging in horseplay on City premises or time.

n. Improper job performance, lack of cooperation or loafing. Productivity is not up to required standards.

o. Habitual tardiness or absenteeism.

p. Violation of City's Smoking and Tobacco Use Policy.

q. Abuse or misuse of City equipment or property, or intentional waste of material.

r. Violation of telephone or communication device usage policy.

s. Violation of Social Media Policy.

t. Taking more than specified time for meals or break period.

u. Unauthorized sleeping on duty.

v. Making or publishing false, vicious or malicious statements concerning the City or any employee.

w. Violation of the City's Solicitation Policy.

x. Violation of the City's Safety Policy.

y. Unauthorized posting, defacing or removal of notices on bulletin boards City property.

z. Being absent for one (1) schedule work day or shift without notification or approved leave, failing to notify of intended absence in a timely fashion, or failing to report after a leave of absence has expired.

aa. Failure to report for an overtime assignment without satisfactory reason.

bb. Violation of the City's Harassment Policy.

cc. Gambling on City time or at City work sites.

2. <u>Serious Misconduct</u>

Serious misconduct may result in non-progressive corrective action, including suspension without pay, involuntary demotion or termination. Examples of serious misconduct violations which may warrant non-progressive corrective action up to and including termination, includes but not limited to the following:

a. Theft or dishonesty.

b. Leaving the workplace without the specific permission of the supervisor, department director or City Manager.

c. Failing to acquire or maintain competence or legal capacity to perform the duties required of the position, including maintaining a valid driver's license, registration or certification, when such license, registration or certification is required in the classification or the position description.

d. Failure to complete the annual physical exam if required.

e. Failure to report or call in to work for three (3) consecutive scheduled work days/shifts for eight (8), ten (10) and twelve (12) hour employees or two (2) consecutive scheduled work shifts for twenty-four (24) hour employees is considered job abandonment and grounds for termination.

f. Exhibiting inefficiency, incompetence, irresponsibility, substandard job performance, or continued rendering of such after instruction and/or counseling.

g. Demonstrating gross neglect of duty or a specific serious failure to perform assigned duties, including those that result from carelessness or gross neglect.

h. Committing an act of insubordination, including the failure to obey any proper direction or an order given by a superior.

i. Engaging in offensive conduct including rudeness, profanity or other conduct which disrupts the workplace.

j. Committing harassment, including but not limited to sexual harassment, discriminatory in nature, or other prohibited harassment, towards another employee, customer, vendor, citizen, or any other person with whom the employee comes into contact as a result of employment.

k. Engaging in or threatening to engage in a physical fight or engaging in a verbally abusive and/or intimidating confrontation with a supervisor, co-worker, or member of the public.

l. Soliciting or taking for personal use a fee, gift, or other valuable object in the course of work, or in connection with it, when such fee, gift, or other valuable object so solicited or taken might be construed as receiving a favor or obtaining better treatment than that extended to other persons, either on a present or future basis.

m. Attempting to use one's City position, City property or resource in order to affect any term or condition of employment, or to receive any type of preferential treatment/benefit for themselves or others which would otherwise not be afforded.

n. Being dishonest, including but not limited to knowingly making false statements of misrepresentation in a matter of official City business, in the course of the employee's work, or dealing with customers.

o. Making false claims, misrepresentations or omissions on behalf of oneself or another (deliberate or otherwise) to obtain employment, City provided benefits, workers' compensation benefits, or other payments or credits. This would include falsification of a record or making claims on City records including employment applications, time sheets, doctor's notes or other documents.

p. Misappropriating City funds, property, services or personnel for his/her personal use, or illegally disposing of City property.

q. Severely violating safety policies, procedures or regulations, including but not limited to performing unsafe acts and/or failing to enforce safety practice, wear and/or use safety equipment, immediately report a work-related personal injury or damage to property or equipment, or comply with safety policies, procedures, or regulations.

r. Being at-fault in a significant traffic crash or other incident on the job that results in personal injury or injury to others.

s. Being found to have drugs and/or alcohol present in one's system or in violation of the City's Drug Free Workplace Policy.

t. Willful destruction, being careless or engaging in other behavior resulting in the loss or damage of City property, including but not limited to negligently operating a City owned or other vehicle used in the service of the City.

u. Having unauthorized possession or use of City property or the property of a co-worker.

v. Misusing the City purchasing or credit card.

w. Possessing unauthorized weapons or explosives on or in City owned or leased property, or during the course of performing one's job, including a concealed weapon unless authorized as part of the employee's job duty.

x. Being committed or convicted of, or plead guilty or no contest to an act which constitutes a felony or misdemeanor having specific relevance to the duties of the employee's classification, or any felony, first degree misdemeanor or other serious crime including but not limited to DUI and DWI.

y. Failing to immediately notify direct supervisor/ management if the employee's valid Florida driver's license, as required by their job description, is denied, expired, suspended or revoked, or if ticketed for a parking violation while operating a City vehicle, or a moving violation or red light camera ticket while operating a motor vehicle while conducting City business.

z. If the employee is required to maintain a commercial driver's license (CDL), failure to immediately notify direct supervisor/management of all moving violations and red light camera ticket, except parking, regardless of the violation or type of vehicle driven at the time, on or off the job; or violation of any other driving related procedures.

aa. Following an arrest of an unlawful act should there be credible knowledge that a City policy or standard of conduct was violated or admission made to the law violation, a conviction of a criminal offense, being indicted by a Grand Jury, and/or incarcerated.

bb. Failing to immediately notify supervisor and/or management of arrests or convictions of a criminal offense, having been indicted by a Grand Jury, or incarcerated and/or charged with any unlawful act.

cc. Knowingly and willfully modifying, using or accessing data, communications systems, program or supplies used or intended to be used in City computers, computer systems, communications systems, or network without the required approval, or any other violation of a City's telephone, email/internet, or communications device usage policies.

dd. Disrupting, disturbing, or in any way interfering with an investigation, including but not limited to knowingly making false allegations, statements or misrepresentations during the course of an investigation, spreading false information concerning an investigation, or having inappropriately influenced (or attempted to) witnesses, potential witnesses or investigator(s).

ee. Exhibiting actions or conduct, on or off the job, that could be detrimental to the City or City's operations, could affect performance of one's job, and/or could have a negative impact on the City, including the City's reputation (e.g., indecency or immoral conduct).

ff. Violating any City (this or other) or departmental policy, procedure, rule, standard of conduct. (Such policies shall be cited.)

gg. Violating any other properly substantiated cause that is in the best interest of the City.

C. Intent of Disciplinary Action

1. It is intended that effective supervision and employee relations will avoid most matters which necessitate disciplinary action. The purpose of these rules and regulations, and disciplinary action for violations of such rules and regulations is not intended to restrict the rights of anyone, but to ensure the rights of all and to secure cooperation and order throughout City employment.

2. The severity of disciplinary action should be related to the gravity of the offense(s), the employee's record of disciplinary action, his/her length of service, and City policy in similar cases. Any adverse action taken must be for good cause, be consistent with other such actions taken by the City and be fair and equitable.

3. The following provisions shall govern disciplinary actions affecting employees in the City service. A department director, subject to the appeal rights of the regular employee as stated herein, shall have the following alternatives for disciplinary action:

   Reprimand:

   Unless the incident, action or behavior of the employee is such as to initially warrant a more severe type of disciplinary action, a reprimand shall usually be issued for first offenses. Depending upon the circumstances or seriousness of the offense, one additional reprimand may be given for repetition of the same type of offense. Reprimands should state the necessary corrective action and a warning that repeated offenses may lead to sterner measures. A copy should be filed in the employee's personnel records.

   Suspension:

   A department director may for disciplinary purposes, suspend without pay any employee under the department director's supervision for such length of time as is considered appropriate, but not to exceed thirty (30) work days/shifts in any twelve (12) month period.

   a. A written statement (Intent to Suspend) specifically setting forth reasons for and the length of time of such suspension shall be furnished to the affected employee. Notice of the charge or charges against the employee shall be specific and include the date, time, place, and nature of the violation or misconduct charged in sufficient detail to provide the employee an opportunity to prepare a response. Such notice shall be signed by the department director.

b. ~~The written statement shall be submitted to the employee within five (5) days of the time the suspension becomes effective, including Saturdays, Sundays, or holidays.~~ An employee served with an intent to suspend notification will be given an opportunity to respond to the department director's notice upon receipt or within five (5) calendar days of receipt of the intent to suspend letter in a meeting to be held with the employee and the department director. This meeting shall be scheduled by the employee's department. Upon completion of the meeting, the department director will make his/her final decision. If the employee's suspension is upheld, the employee will begin to serve the suspension the following scheduled shift.

c. Upon proper hearing, the City Manager may require the department director to pay the employee who has been suspended for the number of days in excess of five (5) by which the effective date of the suspension preceded the notice. Otherwise, variance from this rule shall not affect the validity of the action.

d. Notice of disciplinary action, including intent to suspend, against an employee shall be made by delivering a copy of such notice to the employee in person~~, by legal service of process,~~ or by mailing a copy of such notice by certified mail to the last known address of the employee as reflected in the records of Human Resources.

e. When court action, an investigation, or a trial on any charge(s) is pending against an employee and he/she is suspended, such suspension without pay may be extended by the department director until final court action is taken or disposition of the charge(s) has been made.

<u>Demotion</u>:

See section 6.7 Demotions for the processing of involuntary demotion.

<u>Termination</u>:

See section 6.10 Termination of Employment, subsections B and C for the processing of involuntary termination of employment.

6.13 Employee Grievance Procedure

It is the policy of the City that all employees shall be treated fairly and consistently in all matters related to their employment. When a regular employee feels that he/she has not been so treated, he/she shall have the right to present a grievance or appeal free from interference, restraint, coercion, discrimination, or reprisal. The employee shall be entitled to time off from his/her regular duties for the presentation of a grievance or appeal without loss of pay, vacation or other credits. Probationary employees, seasonal, part-time, limited duration, volunteers, and management employees do not have rights under the City's Grievances policy and procedures.

A. ~~Grievances may include, but are not necessarily limited to, reprimand, dismissal, suspension, involuntary transfer, promotion, and demotion. Compensation shall not be deemed a proper subject for consideration under the grievance procedure.~~ The grievance process is to be used only to address actions affecting a term or condition of employment (i.e., formal disciplinary action is taken). A term or condition of employment is any adverse monetary action resulting from involuntary demotions, suspensions and termination, with the exception of layoffs or any changes in pay as a result of economic or budget conditions. Additionally, the grievance process does not apply to counseling, reprimand, coaching plan, performance improvement plan, performance evaluation/merit increase, transfer, leave of absences and modified duty requests.

B. Procedure

The employee may request a hearing to grieve the decision of the department director to the City Manager within five (5) calendar days from the date of written notification (or postmarked date for mailed correspondence). The request must be in writing. The employee may have the grievance hearing before the City Manager in the presence of the department director or any other person the City Manager may select.

1. If the employee does grieve to the City Manager, the City Manager will:

    a. Within a reasonable time, grant a hearing to the employee and render a decision.

    b. The decision of the City Manager may confirm, reverse, or modify the decision of the department director. The City Manager issues his/her decision in the form of a letter issued to the grievant.

2. The decision of the City Manager is final and shall not be

appealed to the City Council. An employee cannot grieve to the City Council any act or decision of the department director or City Manager.

6.14 Modified Duty Assignment

If an employee is temporarily unable to perform the essential functions of his/her job due to a non-work related injury/illness, a written request for a modified duty assignment may be submitted. There shall be no modified duty status allowed unless, at the department director's sole discretion and in collaboration with Human Resources and the City Manager, it is determined that a necessary modified duty work opportunity exists within the department. In the event there are no modified duty work opportunities available in the department, the City Manager may approve modified duty status for work in other departments of the City.

If such an opportunity is available, the department director shall inform the employee in writing of any modified duty assignment(s) and the physical capabilities required for their performance.

Upon the request of the department director, the employee shall present this modified assignment information to the treating physician and obtain, at his/her expense, a written evaluation of the employee's capacity to perform the essential functions of the assignment. The medical evaluation must be in sufficient detail to satisfy the department director. The department's director reserves the right to request a second opinion from a City-selected physician at the City's expense if any doubt exists concerning the employee's current ability to perform the modified duties.

Any modified duty assignment shall be administered by the City, in accordance with applicable law, including but not limited to, the Americans with Disabilities Act (ADA). Modified duty may be ended at the will of the City at any time, in accordance with applicable law, and shall not be subject to the grievance policy.

An employee performing a modified duty assignment will be paid only for time actually worked and at his/her regular straight time rate of pay. No additional or overtime hours may be worked when an employee is performing a modified duty assignment. Accumulated sick, vacation or compensatory leave may be used to make up for a loss of pay if the modified duty assignment is based on a schedule that is less than the hours worked by the employee in a regular pay period.

In the event an employee suffers an on-the-job illness or injury that is compensable under Workers' Compensation, he/she shall be given preference for a modified duty assignment over a member suffering a non-work related condition if there are insufficient necessary modified duty work opportunities available. The process for obtaining and granting such an assignment shall be the same as noted above.

6.15 Smoking and Tobacco Use

It is understood that smoking and other forms of tobacco use is a known hazard to the health of employees. In an effort to improve the health of employees and to decrease the costs associated with treating tobacco related illnesses, employees are required to adhere to the City's Smoking and Tobacco Use Policy in effect at the time unless otherwise stipulated in this policy.

6.16 Searches

There shall be no expectation of privacy related to City property including but not limited to City issued vehicles, phones, cell phones, desks, lockers, computers and e-mail. City supervisory and managerial employees have the right to enter or search City property with or without notice.

CITY OF CLERMONT
RESOLUTION NO. 2017-60

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLERMONT, LAKE COUNTY, FLORIDA, ADOPTING A FEE SCHEDULE FOR PLANNING AND ZONING, BUILDING SERVICES, FIRE REVIEW AND INSPECTION SERVICES, PARKS AND RECREATION, POLICE, CITY CLERK AND UTILITY BILLING USER FEES; REPEALING ALL PRIOR RESOLUTIONS IN CONFLICT HEREWITH AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Clermont pursuant to its authority as a municipal corporation under the laws of the State of Florida, has the authority to establish and collect fees for planning and zoning, building services, fire review and inspection services, parks and recreation use, police, city clerk and utility billing; and

WHEREAS, the adoption of fees as set forth herein, is consistent with Clermont City Code Section 86.112, is in the best interest of the citizens of the City of Clermont and the cost effective, efficient, and appropriate operation of the City.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Clermont, Lake County, Florida, as follows:

SECTION 1.

The City Council does hereby adopt the City of Clermont Fee Schedule for planning and zoning, building services, fire review and inspection services, parks and recreation use, police, city clerk and utility billing fees as set forth in Schedule A, attached hereto and incorporated herein. The schedule in its entirety shall be kept in the office of the City Clerk and shall be available for public review as reasonably appropriate.

SECTION 2.

All planning and zoning, building services, fire review and inspection services, parks and recreation use, police and city clerk fees as set forth in Schedule A are subject to Federal, State and local sales taxes as applicable.

SECTION 3.

Water (potable and irrigation) and Stormwater rates noted in Schedule A – Section 7 shall be adjusted every October 1, starting October 1, 2018, by the Florida Public Service Commission Annual Index Percentage.

Sewer rates noted in Schedule A – Section 7 shall be adjusted every October 1, from October 1, 2018 through October 1, 2021 by the greater of the Florida Public Service Commission Annual Index Percentage or two point one two (2.12%) percent. Effective October 1, 2022, the rates shall be adjusted by the Florida Public Service Commission Annual Index percentage.

Sanitation rates noted in Schedule A – Section 7 shall be adjusted every October 1, from October 1, 2018 through October 1, 2021 by the greater of the Florida Public Service Commission Annual Index Percentage or two point five zero (2.50%) percent. Effective October 1, 2022, the rates shall be adjusted by the Florida Public Service Commission Annual Index percentage.

SECTION 4.

Any resolution or ordinance previously adopted by the City Council and in conflict herewith is hereby repealed to the extent of the conflict.

SECTION 5.

A copy of this Resolution shall be kept on file in the City Clerk's office and made available to the public upon request.

SECTION 6.

This resolution shall take effect January 1, 2018.

DONE AND RESOLVED, by the City Council of the City of Clermont, Lake County, Florida this 28th day of November, 2017.

CITY OF CLERMONT

____
Gail L. Ash, Mayor

ATTEST:

____
Tracy Ackroyd Howe, City Clerk

Approved as to form and legality:

____
Daniel F. Mantzaris, City Attorney

Schedule A

Section 1 - Planning & Zoning Fees

Public Hearing Applications

1.	Conditional Use Permit	$845.00
2.	Rezoning	$542.00
3.	Variance (Multiple variances for one property charged at a single fee)	Existing SF residential $300.00 All others $600.00
4.	Right of Way Closing	$1,000.00
5.	Annexation	$155.00
6.	Comprehensive Plan Amendment - map amendment (small-scale)	$755.00
7.	Comprehensive Plan Amendment - text and/or map amendment for 10+ acres (large-scale)	$2,325.00

Site Plan Review

8.	Commercial	$1,300.00
9.	Multifamily	$1,300.00
10.	Subdivisions	$1,515.00
11.	Commercial - Resubmittal	50% of Commercial Rate
12.	Multifamily - Resubmittal	50% of Multifamily Rate
13.	Sudivisions - Resubmittal	50% of Subdivisions Rate
14.	Site grading, clearance, or stormwater management plan review in absence of commencement of formal approved development construction.	$620.00

Subdivision Plat Review

15.	Final Plat	$250 + $8/lot
16.	Re-plat	$300 + $8/lot
17.	Resubmission	$50 + $8/lot; max of $775.00
18.	Plat Coordination	$205.00

Development Permit (Zoning Clearance)		
19.	All Commercial (New Construction)	$100.00
20.	All Residential/Existing Commercial/Miscellaneous	$45.00
21.	Tree Removal Permit	$25.00; If After-the-Fact $155.00
Miscellaneous		
22.	Document Request (comprehensive plan, LDRS, etc.)	Actual reproduction costs rounded up to the nearest $1 figure. Single page item or series of pages = $.20/page
23.	Concurrency Verification Letter (Non-binding analysis)	$80.00
24.	Zoning Verification Letter	$55.00
25.	Unity of Title	$35.00
26.	Lot Split	$35.00
27.	Advertising	Actual Cost Billed Separately

Section 2 - Building Services Fees

Administrative Fees

1.	Change of Primary Contractor	$85.00
2.	Change of Sub Contractor	$50.00
3.	Modifying Construction Plans After Permit Issuance	$85.00
4.	Approve or Re-stamp Construction Plans (after permit issuance)	$85.00
5.	Pre-power Approval Forms for first 60 days	$100.00
6.	Temporary/Conditional Certificate of Occupancy	$180.00
7.	Replace Building Permit	$10.00
8.	Fax Permits (Local)	$5.00
9.	Fax Permits (Long Distance)	$5.00
10.	Extensions of Permits - only 90 day extensions may be granted	15% of original permit fee or $55 whichever is greater
11.	Permit Amendment Fee - other than contractor changes	$40.00
12.	Special Inspection Fee for after hours, weekend, and holiday	$150 per hour; time calculated as departure from home to return to home
13.	Customized Reports	$40 per hour; one hour minimum

Residential Permit Fees (under roof)

14.	Residential Building Permit (includes plan review, inspections, and admin)	$0.35 per sq foot; $75 minimum
15.	Other Permit Items (under roof or impervious surface)	$0.35 per sq foot; $75 minimum
16.	Other Permit Items - Residential (not covered elsewhere); includes demolitions	$75 minimum or 2% cost of construction whichever is greater
17.	Roofing/Re-roofing	$0.05 per square foot or minimums whichever is greater

Residential Permit Fees (under roof) Con't.

18.	All Alterations/Renovations and Shell Only Permits	One half of the square foot rate Residential; $75 minimum

Mobile Homes

19.	Pre Mobile Home Set Up - health, safety, and structural inspection prior to used mobile home setup. (Pertains to used mobile homes only)	$165.00
20.	Manufactured Homes Permit Fees - Manufactured Home Permit - includes set-up, electric, plumbing, and mechanical	$445.00
21.	Fees for additions to manufactured homes shall be calculated the same as building permit fee/aluminum permit fee	$0.35 per square foot residential; $0.25 per square foot aluminum; $75 minimum
22.	Modular Home Permit Fees	Same as Manufactured Homes
23.	Modular Buildings DEO Approved	Same as Manufactured Homes
24.	Commercial Building Permit (includes building plan review, inspections, administrative)	$0.50 per square foot; $150 minimum

Commercial Permit Fees (under roof)

25.	Warehouses: 0 to 400,000 square feet	$0.20 per square foot
26.	Warehouses: 400,001 + square feet	$0.15 per square foot
27.	Institutional	$0.50 per square foot
28.	Other permit items (under roof or impervious surface)	Commercial - $150 minimum
29.	Other Permit - Commercial (commercial hoods, walk in coolers, retaining walls, site lighting, demolition, and other miscellaneous permits not covered elsewhere)	$200 minimum or 2% cost of construction; whichever is greater
30.	Roofing/Re-Roofing	$0.05 per square foot or $75 minimum; whichever is greater

Commercial Permit Fees (under roof) Con't.

31. Marine	$0.25 per square foot - $75 Residential or $150 Commercial minimum
32. Foundations	$0.05 per square foot
33. All Alterations/Renovations and Shell Only Permits	One half of the square foot rate Commercial - $150 minimum

Sign Permit Fees

34. Permit Fees (for issuing each sign)	$125.00
35. Permit Fees (with electric)	$165.00
36. In addition: Wall hung signs	$0.40 per square foot per side
37. Free Standing Signs	$0.65 per square foot per side

Swimming Pool Permit Fees

38. Spa (includes electrical, plan review, plumbing and gas)	$125.00
39. Private Above-ground Swimming Pools (includes electrical, plan review, plumbing and gas)	$110.00
40. Private In-ground Swimming Pools (includes electrical, plan review, plumbing, and gas)	$370.00
41. Commercial Swimming Pools (includes electrical, plan review, plumbing, and gas)	$515.00

Other Fees

42. Aluminum Construction Permit Fees	$0.25 per square foot; $75 minimum
43. Pool Enclosures	1/2 Aluminum rate $75 minimum
44. Greenhouse Buildings	(including roofing) $75 minimum
45. Plumbing Permit Fees	$0.05 per square foot; $75 minimum

Other Fees Con't.

46.	Plumbing - Warehouse	1/2 plumbing rate $75 minimum
47.	Gas piping/fixtures	$0.05 per square foot; $75 minimum
48.	Electrical Permit Fees	$0.05 per square foot; $75 minimum
49.	Electrical - Warehouses	1/2 electrical rate $75 minimum
50.	Individual Basis - each service installation	$115.00
51.	Each distribution/sub panel/disconnect new or replacement	$115.00
52.	Mechanical Permit Fees	$0.05 per square foot $75 minimum
53.	Mechanical - Warehouse	1/2 mechanical rate $75 minimum
54.	L/P and Natural Gas (greater than 125 gallons)	$165.00
55.	Fuel Storage	$165.00
56.	Paint Booth	$165.00
57.	Shed (aluminum, wood, other)	$0.25 per square foot; $75 minimum
58.	Fence	$40 per 300 linear foot
59.	Life Safety Inspection	$75.00
60.	Change of Building Use/Occupancy (inspection required)	$125.00
61.	Reinspection Fees	$90.00

Other Fees Con't.

62.	If the first inspection was never made - renewal must be at full current value	$1.00
63.	Slab Inspection approved and slab poured	$0.80
64.	Lintel Inspection approved	$0.60
65.	Framing and Rough all inspections approved	$0.40
66.	Insulation Inspection approved	$0.20
67.	For Final Inspections only	$0.10
68.	Electrical, Plumbing and Mechanical Permit Renewal Fee	Renewal or sub permits shall be the minimum permit fee
69.	Work without a Permit	Double permit fee or $150; whichever is greater
70.	Contractor License Processing Fee	$35.00
71.	Mechanical (Rooftop Units) - Installation/Replacement	$150 per unit; if over 2,000 CFM(over 5 tons), additional fire fees may apply
72.	Expedited Plans Review	$900.00

Section 3 - Fire Review and Inspection Services Fees

Inspection Fees

1.	Reinspection	$105.00
2.	Fire Life Safety	$0.013 per square foot; $103 minimum
3.	Courtest/Pre-Final	$105.00
4.	Requested Fire Inspection/Consultation	$105.00
5.	Food Truck Vendor	$45 per 6 months
6.	Fire Hydrant Flow Test	1 to 5 hydrants: $128 Each additional group of 1 to 5 hydrants: $64 Reinspection per group of 1 to 5 hydrants: $64

Annual or Reoccuring Inspections

7.	Licensure Fire Inspection	$0.013 per square foot; $103 minimum
8.	Fire Alarm Monitoring (renewed annually)	$130.00
9.	Commercial Occupancy Fire Inspection	$0.013 per square foot; $103 minimum $1500.00 Maximum
10.	Hazardous Materials Storage (EPCRA)	$209.00

Administrative Fees

11.	Modifying Construction Plans after Permit Issuance	$52.00
12.	Contractor Initial Registration Fee	$52.00
13.	Change of Primary Contractor	$52.00
14.	Change of Sub Contractor	$52.00
15.	Approve or Re-stamp Constructions Plans (after Permit issuance)	$52.00

Administrative Fees Con't.

16.	Replace Fire Permit	$6.00
17.	Extensions of Permits - only 90 day extension may be granted	13% of original permit fee fee or $55, whichever is greater
18.	Permit Amendment Fee - other than contractor changes	$34.00
19.	Resubmittal of Construction Plans	$103 for the first 10 pages $13 for each additional page
20.	Special Inspection Fee for after hours, weekend, or holiday	$123 for first 2 hours plus $79 for each additional hour
21.	Customized Reports	$32 per hour; 1 hour minimum
22.	Work without a permit	Double permit fee or $128 whichever is greater

Fire Review Fees

23.	Commercial Building Permit	$0.013 per square foot; $164 minimum
24.	Warehouses: 0 to 400,000 square feet	$0.013 per square foot;
25.	Warehouses: 400,001 + square feet	$0.013 per square foot;
26.	Institutional	$0.013 per square foot;
27.	Marine	$0.013 per square foot; $75 Residential or $150 Commercial minimum
28.	Other Permit Items (under roof or impervious surface)	Commercial - $150 minimum
29.	Fire Review Alterations Renovations	One half of the square foot rate Commercial - $82 minimum
30.	Build out/Remodel	$314.00
31.	Fire Damage/Repair	$314.00

Fire Review Fees Con't.

32.	Firewall/Penetration/Damper	$314.00
33.	Fire Alarm Systems	$0.013 per square foot; $264 minimum
34.	Fire Alarm Modification (up to 10 devices)	$314.00
35.	Fire Alarm Modification (greater than 10 devices not to exceed 30)	$444.00
36.	Low Voltage/Egress	$96.00
37.	Hood Suppression/Duct (Hood Light/Smoke)	$184.00
38.	Fire Sprinkler System	$0.013 per square foot; $348 minimum
39.	Fire Sprinkler System Modification (up to 10 heads)	$314.00
40.	Fire Sprinkler System Modification (greater than 10 heads not to exceed 30)	$444.00 (Halon and other specialty systems)
41.	Fire Sprinkler System Residential	$0.013 per square foot; $82 minimum
42.	Fire Suppression (Wet/Dry)	$209.00
43.	Fire Protection System Plans (Halon and other specialty systems)	$314.00
44.	Standpipe	$628.00
45.	Underground Fire Line (includes line flush, underground hydro, and visual)	$233 for the first 200 linear feet plus $64 for each additional 200 linear feet
46.	Gated Entry Systems (residential and commercial) per gate	$130.00
47.	Monument Sign	$105.00
48.	Aluminum Construction Permit Fees	$0.20 per square foot; $75 minimum
49.	Pool Enclosures	1/2 Aluminum rate - $75 minimum
50.	Shed (Aluminum, wood, other)	$0.20 per square foot; $75 minimum

Fire Review Fees Con't.

51. Fence	$32 per 300 linear feet
52. Generator	$96.00
53. Tank	$209.00
54. Hazardous Operations	$209.00
55. L/P and Natural Gas (greater than 125 gallons)	$130.00
56. Fireworks and Pyrotechnics Displays	$314.00
57. Tent (greater than 900 square feet)	$130.00
58. Change of Building Use/Occupancy (inspection required)	$0.013 per square foot; $164 minimum
59. Other Permit Items not covered elsewhere	$200 minimum or 1.3% cost of construction; whichever is greater
60. Special Events	Handled on a case-by-case basis. Typically requires 3 personnel at $30 per hour; minimum of 3 hours
61. Crowd Management	Handled on a case-by-case basis. Typically requires 3 personnel at $30 per hour; minimum of 3 hours
62. Sparkler Sales Fee (per location)	$105.00

Schedule A
Section 4 - Parks and Recreation Fees

	City Resident/ Non-Profit	Non-City Resident
Youth and Senior League Fees		
1. Per Team Each Season per League Team	$175.00	$175.00
Field Use Rental Rates		
2. Per Hour - Without Lights	$15.00	$25.00
3. Per Hour - With Lights	$25.00	$35.00
4. Field Prep Fee per Baseball or Softball Field	$20.00	$30.00
5. Field Paint Fee per Multi-Purpose Field (First Time)	$100.00	$125.00
6. Field Paint Fee per Multi-Purpose Field (Re-paint)	$60.00	$75.00
7. City Staff Fee per Hour - if needed during tournament (Min. 2 hours)	$25.00	$25.00
8. Tournament Deposit Fee - Deposit returned based on condition left of rental facilities/fields	$400.00	$400.00
Court/Cage Rental Rates		
9. Tennis Court per Court Hourly Rental	$15.00	$25.00
10. Basketball Court per Court Hourly Rental	$15.00	$25.00
11. Baseball/Softball Batting Cage Rental - Per Hour	$5.00	$10.00
Concession Stand		
12. League Use Only per Month	$100.00	n/a
City Sports Programs		
13. City Adult Softball League (10 game season)	$395.00	$395.00
14. City Adult Softball League (8 game season)	$350.00	$350.00
15. City Adult Basketball League (8 game season)	$300.00	$300.00

	City Resident/ Non-Profit	Non-City Resident
Park Area Rental Rates		
16. Application Fee for all usage of Park Buildings, Events, Facilities, Play Areas	$10.00	$10.00
17. City Hall Park rental per hour	$25.00	$50.00
18. City Hall Park rental per day	$200.00	$300.00
19. City Hall Park rental refundable deposit	$150.00	$150.00
20. Park Area Event Deposit	$150.00	$150.00
21. Park Picnic pavilion or beach pavilion four (4) hour block (9 am - 1 pm or 2 pm - 6 pm)	$50.00	$100.00
22. Picnic or Beach pavilion - per day	$100.00	$200.00
23. Waterfront Park Area A - Deposit	$250.00	$250.00
24. Waterfront Park Area A - per hour (2 hour minimum)	$100.00	$200.00
25. Waterfront Park Area A - Daily Fee	$700.00	$1,100.00
26. Waterfront Park Area B - Deposit	$150.00	$150.00
27. Waterfront Park Area B - per hour (2 hour minimum)	$25.00	$50.00
28. Waterfront Park Area B - Daily Fee	$200.00	$300.00
29. Waterfront Park Area C - (entire park) Deposit	$350.00	$350.00
30. Waterfront Park Area C - (entire park) per hour (2 hour minimum)	$200.00	$300.00

	City Resident/ Non-Profit	Non-City Resident
Park Area Rental Rates Con't.		
31. Waterfront Park Area C - (entire park) Daily Fee	$1,500.00	$2,500.00
32. Waterfront Park Area C - (entire park) each additional consecutive day	$1,200.00	$2,000.00
33. Highlander Deposit	$150.00	$150.00
34. Highlander Rental Fee Full Building per hour	$60.00	$125.00
Clermont City Center		
35. Entire CCC Building Rental (per hour) (2 hour minimum)	$125.00	$150.00
36. Meeting Room A (per hour)	$60.00	$80.00
37. Meeting Room B (per hour)	$45.00	$65.00
38. Meeting Room C (per hour)	$35.00	$45.00
39. Meeting Room D (per hour)	$25.00	$35.00
40. Meeting Room E (per hour)	$20.00	$30.00
41. Board Room	$20.00	$30.00
42. Outside Patio Area (per hour)	$35.00	$45.00
43. Kitchen (per hour) (2 hour minimum) Cleaning Fee - If building is not cleaned properly by user then cleaning funds are taken out of deposit	$25.00	$35.00
44. Event Deposit (Under 500 Square Foot Usage)	$50.00	$50.00
45. Event Deposit (Over 501 Square Foot Usage) Deposit will adjust with attendees and type of event	$200 - $500	$200 - $500

	City Resident/ Non-Profit	Non-City Resident
Clermont City Center Con't.		
46. Daily Boat Launch Fee (per boat)	$5.00	$5.00
47. Annual Boat Launch Fee (per boat cost) (Residential)	$35.00	n/a
Waterfront Park		
48. If an approved event requires additional personnel, an hourly charge shall be paid to the City of Clermont and shall be agreed to by the applicant prior to approval of an event (per person, per hour)	$25.00	$25.00
49. Additional Park Staff - per person, per hour (2 hour minimum)	$25.00	$25.00
50. Late Payment fee per week	10% of Total Fees/week	10% of Total Fees/week
Champions Splash Park		
51. General Admission	$2.00	$2.00
52. Group Rental Rates: Includes Exclusive use of Splash park for 2 hours, space for 74 guests, and Splash Park Attendant	$150.00	$200.00
Arts and Recreation Center		
Pool Rates		
53. Daily, Individual	$2.00	$3.00
~~54. Week Pass (7 days)~~	~~$10.00~~	~~$15.00~~
~~55. Monthly~~	~~$30.00~~	~~$50.00~~
56. Individual Season Pass	~~$80.00~~ $40.00	~~$140.00~~ $80.00
57. Family Season Pass	~~$200.00~~ $80.00	~~$300.00~~ $160.00
58. Half pool rental per 1.5 hour block	$65.00	$80.00

	City Resident/ Non-Profit	Non-City Resident
Arts and Recreation Center Con't.		
Pool Rates Con't.		
59. Full pool rental per 1.5 hour block	$125.00	$140.00
60. Exclusive Lap Lane rentel per hour	$15.00	$20.00
61. Lifeguards - per hour	$15.00	$15.00
62. Pool refundable deposit	$50.00	$50.00
Gymnasium Admission Rates		
63. Daily	$2.00	$3.00
64. Monthly Pass	$30.00	$45.00
65. Annual Gymnasium Pass	$200.00	$300.00
Gymnasium Rental Rates (per hour)		
66. Full Court	$55.00	$75.00
67. Refundable Deposit	$200.00	$200.00
Outdoor Field Rental Rates (Per Hour)		
68. Bahia Grass Field	$15.00	$25.00
Main Stage Rental Rates		
69. Ticketed Performance Rental - one (1) day (in season)	$4,250.00	$4,250.00
70. Ticketed Performance Rental - one (1) day (off season)	$3,000.00	$3,000.00
71. Main Stage Second Show per day (in season)	$1,500.00	$1,500.00
72. Main Stage Second Show per day (off season)	$1,000.00	$1,000.00
73. Additional Day Main Stage Rental (in season)	$2,000.00	$2,000.00
74. Additional Day Main Stage Rental (off season)	$1,500.00	$1,500.00
75. Room/Floor Space Only per hour	$175.00	$200.00

	City Resident/ Non-Profit	Non-City Resident
Arts and Recreation Center Con't.		
Main Stage Rental Rates Con't.		
76. Room and Stage per hour	$225.00	$250.00
77. Banquet package with stage per hour (includes 40 tables and 350 chairs)	$275.00	$300.00
78. Banquet package without stage per hour (includes 40 tables and 350 chairs)	$245.00	$270.00
79. Theatre seating package per hour (includes seating for up to 800)	$275.00	$300.00
80. Refundable Deposit	~~$500 to~~ $1,000.00 ~~Dependant Upon Use~~	~~$500 to~~ $1,000.00 ~~Dependant Upon Use~~
81. Ticketed performance rental one (1) day (in season)	$1,500.00	$1,500.00
82. Ticketed performance rental one (1) day (off season)	$1,000.00	$1,500.00
83. Black Box Second Show per day (in season)	$500.00	$500.00
84. Black Box Second Show per day (off season)	$250.00	$250.00
85. Additional day Black Box Rental (in season)	$750.00	$750.00
86. Additional day Black Box Rental (off season)	$500.00	$500.00
87. Theatre with General Stage Light and 1 Microphone	$100.00	$125.00
88. Refundable Deposit	~~$50 to~~ ~~$100.00~~ $200.00 ~~Dependant Upon Use~~	~~$50 to~~ ~~$100.00~~ $200.00 ~~Dependant Upon Use~~

	City Resident/ Non-Profit	Non-City Resident
Arts and Recreation Center Con't.		
Other Rental Rates (Per Hour)		
89. Kitchen	$60.00	$75.00
90. Kitchen Refundable Deposit	$200.00	$200.00
91. Clermont Room (2200 sq ft room)	$60.00	$70.00
92. Clermont Room Refundable Deposit	$200.00	$200.00
93. Citrus Room (600 sq ft room)	$25.00	$30.00
94. Classrooms (300 sq ft room)	$15.00	$20.00
95. Citrus Room and Classroom Refundable Deposit	$100.00	$100.00
96. Rehearsal Room	$40.00	$50.00
97. Application Fee	$10.00	$10.00
98. Additional Staff (two hour minimum) per worker	$25.00	$25.00
99. Police, Fire, or Medical Staff (two hour minimum); Fee is based on the current rate and may have a minimum number of hours paid by the renter.	Varies	Varies
100. Entertainment Tech I (4 hour minimum) $25.00 per hour	$100.00	$100.00
101. Entertainment Tech II (5 hour minimum) $40.00 per hour	$200.00	$200.00
102. Tables	$2.00	$2.00
103. Chairs	$1.00	$1.00

	City Resident/ Non-Profit	Non-City Resident
Arts and Recreation Center Con't.		
Miscellaneous		
104. Microphone	$15.00	$15.00
105. Podium	$25.00	$25.00
106. Portable Projector	$40.00	$40.00
107. Portable Screen	$20.00	$20.00
108. Portable Speaker	$40.00	$40.00
109. 55" TV with DVD Player	$35.00	$35.00
110. Laptop	$40.00	$40.00
111. Rear Screen Projector (Main Stage Only)	$100.00	$100.00
112. Dance Floor (Main Stage Only)	$250.00	$250.00
113. Risers (Main Stage Only)	$200.00	$200.00
114. Projector and Screen (Black Box Only)	$75.00	$75.00
115. Spotlight	$20.00	$20.00
116. Video Camera	$50.00	$50.00
117. Large Portable Sound System	$80.00	$80.00
118. Small Band Set-up (1-7 inputs)	$150.00	$150.00
119. Medium Band Set-up (8-14 inputs)	$250.00	$250.00
120. Large Band Set-up (15 + inputs)	$350.00	$350.00
121. Floor Plan Review Fee	$25.00	$25.00
122. Late Payment Fee per week	10% of Total Fees/Week	10% of Total Fees/Week

	City Resident/ Non-Profit	Non-City Resident
Arts and Recreation Center Con't.		
Event Request and Application Fees		
123. All Events, Rentals and Tournaments	$10.00	$10.00

Note: For-Profit business may utilize the resident rate only if the business physical address is within the City Limits. Rentals for the intended use of a business function must utilize the business physical address.

Schedule A
Section 5 - Police Fees

1.	Equipment Violation	$4 per violation
2.	Finger Printing	$5 per card
3.	Report Copies	$0.15 per page
4.	Parking Tickets	$25 if paid within first 10 days, $50 afterwards
5	Off Duty Officer	Extra $2 per hour

Schedule A
Section 6 - City Clerk Fees

		City Resident	Non-City Resident
Cemetery			
1.	Cemetery Spaces (per space)	~~$600.00~~ $700.00	$1,400.00
2.	Cremorial Niche - Single Interment	$500.00	$1,200.00
3.	Cremorial Niche - Double Interment	$900.00	$2,100.00
4.	Columbarium (per niche)	~~$600.00~~ $700.00	~~$1,200.00~~ $1,400.00
Miscellaneous			
5.	Documents (letter size)	$.15 per page or $.20 double sided per page per F.S. Chapter 119	$.15 per page or $.20 double sided per page per F.S. Chapter 119
6.	Documents (legal size)	$.15 per page or $.20 double sided per page per F.S. Chapter 119	$.15 per page or $.20 double sided per page per F.S. Chapter 119
7.	Documents (ledger size)	$1.50 per page	$1.50 per page
8.	Documents (24 x 36)	$3.50 per page	$3.50 per page
9.	Documents (36 x 48)	$9.00 per page	$9.00 per page
10.	Certified Copies	$1.00 per page per F. S. Chapter 119	$1.00 per page per F. S. Chapter 119
11.	Compact Discs	$1.50 per CD	$1.50 per CD
12.	Cassette Tapes	$2.00 per tape	$2.00 per tape

Note - City resident rates are applicable only when (1) the primary residence of the individual whose name appears on the deed is within the municipal boundaries of the City of Clermont or (2) the primary residence of the individual to be interred is within the municipal boundaries of the City of Clermont.

		City Resident	Non-City Resident
Potable Water Service			
1.	**Residential - Single Unit**		
	Monthly Base Charge per meter	$5.48	$6.85
	Monthly Variable Charge per meter (per 1,000 gallons)		
	1,000 - 10,000 gallons	$1.10	$1.38
	11,000 - 20,000 gallons	$1.43	$1.79
	21,000 - 30,000 gallons	$2.20	$2.75
	Over 30,000 gallons	$3.00	$3.75
2.	**Residential - Multi Unit - Individually Metered**		
	Monthly Base Charge per meter	$5.48	$6.85
	Monthly Variable Charge per meter (per 1,000 gallons)		
	1,000 - 10,000 gallons	$1.10	$1.38
	11,000 - 20,000 gallons	$1.43	$1.79
	21,000 - 30,000 gallons	$1.43	$1.79
	Over 30,000 gallons	$1.43	$1.79
3.	**Residential - Multi Unit - Master Metered**		
	Monthly Base Charge per meter (Applies when three or more units are serviced by one meter and the meter is not connected to an irrigation system)	$5.48	$6.85
	Monthly Variable Charge per meter (per 1,000 gallons)		
	1,000 - 10,000 gallons	$1.10	$1.38
	11,000 - 20,000 gallons	$1.43	$1.79
	21,000 - 30,000 gallons	$1.43	$1.79
	Over 30,000 gallons	$1.43	$1.79
4.	**Non-Residential - Single Unit**		
	Monthly Base Charge per meter	$5.48	$6.85
	Monthly Variable Charge per meter (per 1,000 gallons)		
	1,000 - 10,000 gallons	$1.10	$1.38
	11,000 - 20,000 gallons	$1.43	$1.79
	21,000 - 30,000 gallons	$2.20	$2.75
	Over 30,000 gallons	$3.00	$3.75

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		City Resident	Non-City Resident
Potable Water Service Con't.			
5.	**Non-Residential - Multi Unit - Individually Metered**		
	Monthly Base Charge per meter	$5.48	$6.85
	Monthly Variable Charge per meter (per 1,000 gallons)		
	1,000 - 10,000 gallons	$1.10	$1.38
	11,000 - 20,000 gallons	$1.43	$1.79
	21,000 - 30,000 gallons	$2.20	$2.75
	Over 30,000 gallons	$3.00	$3.75
6.	**Non-Residential - Multi Unit - Master Metered**		
	Monthly Base Charge per meter	$5.48	$6.85
	Monthly Variable Charge per meter (per 1,000 gallons)		
	1,000 - 10,000 gallons	$1.10	$1.38
	11,000 - 20,000 gallons	$1.43	$1.79
	21,000 - 30,000 gallons	$2.20	$2.75
	Over 30,000 gallons	$3.00	$3.75
Irrigation Water Service			
7.	Monthly Base Charge per meter	$5.48	$6.85
	Monthly Variable Charge per meter (per 1,000 gallons)		
	1,000 - 10,000 gallons	$1.43	$1.79
	11,000 - 30,000 gallons	$2.20	$2.75
	Over 30,000 gallons	$3.00	$3.75
Re-Use Water Service			
8.	Monthly Base Charge per meter	$0.00	$0.00
	Monthly Variable Charge per meter (per 1,000 gallons)	$0.30	$0.30
Water Utility Tax			
9.	Based on billed charges for potable water, irrigation water and re-use water service.	5.00%	n/a

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	City Resident	Non-City Resident
Sewer Service		
10. **Residential - Single Unit**		
Monthly Base Charge per meter (5/8" x 3/4" meter)	$15.70	$19.62
Monthly Base Charge per meter (1" meter)	$39.28	$49.09
Monthly Base Charge per meter (1 1/2" meter)	$78.55	$98.20
Monthly Base Charge per meter (2" meter)	$125.70	$157.12
Monthly Base Charge per meter (3" meter)	$251.40	$314.26
Monthly Base Charge per meter (4" meter)	$392.81	$491.02
Monthly Base Charge per meter (6" meter)	$785.68	$982.10
Monthly Base Charge per meter (8" meter)	$1,257.03	$1,571.29
Monthly Variable Charge per meter (per 1,000 gallons)	$2.07	$2.59
Maximum gallons subject to variable charge	16,000	16,000
11. **Residential - Multi Unit - Individually Metered**		
Monthly Base Charge per meter (5/8" x 3/4" meter)	$12.59	$15.73
Monthly Variable Charge per meter (per 1,000 gallons)	$2.07	$2.59
Maximum gallons subject to variable charge	13,000	13,000
12. **Residential - Multi Unit - Master Metered**		
Monthly Base Charge per meter (5/8" x 3/4" meter)	$12.59	$15.73
Monthly Variable Charge (per 1,000 gallons)	$2.07	$2.59
Maximum gallons subject to variable charge per unit	13,000	13,000
13. **Non-Residential - Single Unit**		
Monthly Base Charge per meter (5/8" x 3/4" meter)	$15.70	$19.62
Monthly Base Charge per meter (1" meter)	$39.28	$49.09
Monthly Base Charge per meter (1 1/2" meter)	$78.55	$98.20
Monthly Base Charge per meter (2" meter)	$125.70	$157.12
Monthly Base Charge per meter (3" meter)	$251.40	$314.26
Monthly Base Charge per meter (4" meter)	$392.81	$491.02
Monthly Base Charge per meter (6" meter)	$785.68	$982.10
Monthly Base Charge per meter (8" meter)	$1,257.03	$1,571.29

	City Resident	Non-City Resident
Sewer Service Con't.		
Non-Residential - Single Unit Con't.		
Monthly Variable Charge (per 1,000 gallons)	$2.07	$2.59
Maximum gallons subject to variable charge	No Maximum	No Maximum
14. **Non-Residential - Multi Unit - Individually Metered**		
Monthly Base Charge per meter (5/8" x 3/4" meter)	$15.70	$19.62
Monthly Variable Charge (per 1,000 gallons)	$2.07	$2.59
Maximum gallons subject to variable charge	No Maximum	No Maximum
15. **Non-Residential - Multi Unit - Master Metered**		
Monthly Base Charge per unit (5/8" x 3/4" meter)	$15.70	$19.62
Monthly Variable Charge (per 1,000 gallons)	$2.07	$2.59
Maximum gallons subject to variable charge	No Maximum	No Maximum
Stormwater Service		
16. **Residential - Single Unit**		
Monthly charge with approved drainage retention on site	~~$3.00~~ $4.71	n/a
17. **Residential - Single Unit**		
Monthly charge without approved drainage retention on site	~~$5.00~~ $7.85	n/a
18. **Residential - Multi Unit - Individually Metered**		
Monthly charge with approved drainage retention on site	~~$3.00~~ $4.71	n/a
19. **Residential - Multi Unit - Individually Metered**		
Monthly charge without approved drainage retention on site	~~$5.00~~ $7.85	n/a
20. **Residential - Multi Unit - Master Metered**		
Monthly charge with approved drainage retention on site	~~$3.00 x # of units~~ $4.71 x # of units	n/a

	City Resident	Non-City Resident
Stormwater Service Con't.		
21. **Residential - Multi Unit - Master Metered**		
Monthly charge without approved drainage retention on site	~~$5.00 x # of units~~ $7.85 x # of units	n/a
22. **Non-Residential - Single Unit**		
Monthly charge with approved drainage retention on site	~~(Impervious Area of Property/3,154 x $3.00)~~	n/a
	(Impervious Area of Property/3,154 x $4.71)	n/a
23. **Non-Residential - Single Unit**		
Monthly charge without approved drainage retention on site	~~(Impervious Area of Property/3,154 x $5.00)~~	n/a
	(Impervious Area of Property/3,154 x $7.85)	n/a
24. **Non-Residential - Multi Unit - Individually Metered**		
Monthly charge with approved drainage retention on site	~~(Impervious Area of Total Property/3,154 x $3.00 x % of Customer Property to Total Property)~~	n/a
-	(Impervious Area of Total Property/3,154 x $4.71 x % of Customer Property to Total Property)	n/a
25. **Non-Residential - Multi Unit - Individually Metered**		
Monthly charge without approved drainage retention on site	~~(Impervious Area of Total Property/3,154 x $5.00 x % of Customer Property to Total Property)~~	n/a
	(Impervious Area of Total Property/3,154 x $7.85 x % of Customer Property to Total Property)	n/a

	City Resident	Non-City Resident
Stormwater Service Con't.		
26. **Non-Residential - Multi Unit - Master Metered**		
Monthly charge with approved drainage retention on site	~~(Impervious Area of Total Property/3,154 x $3.00 x # of units.~~	n/a
	(Impervious Area of Total Property/3,154 x $4.71 x # of units.	n/a
27. **Non-Residential - Multi Unit - Master Metered**		
Monthly charge without approved drainage retention on site	~~(Impervious Area of Total Property/3,154 x $5.00 x # of units.~~	n/a
	(Impervious Area of Total Property/3,154 x $7.85 x # of units.	n/a
Sanitation Service		
28. Monthly charge when water service **is** active	$20.00	n/a
29. Monthly charge when water service is **not** active	$10.00	n/a
30. Monthly charge for each additional garbage can	$10.75	n/a
31. Garbage can replacement cost due to customer negligence.	$45.00	n/a
Miscellaneous		
32. Water Meter Installation/Trade-In Allowance		
5/8"	$225/$25	$225/$25
1"	$325/$60	$325/$60
1.5"	$500/$125	$500/$125
2"	$650/$175	$650/$175
3" or Larger	Priced by Director	Priced by Director
33. New Account Fee	~~$10.00~~	~~$10.00~~
	$30.00	$30.00

Section 7 - Utility Billing Fees

	City Resident	Non-City Resident
Miscellaneous Con't.		
34. Utility Service Deposit	2.5 times the estimated monthly bill	2.5 times the estimated monthly bill
35. Dishonored Check	~~$20.00~~ $25.00	~~$20.00~~ $25.00
36. Meter Tampering Fee	~~$50.00~~ $350.00	~~$50.00~~ $350.00
37. Late Payment Penalty	~~$5.00~~ 1.5% of balance or $5.00 minimum	~~$5.00~~ 1.5% of balance or $5.00 minimum
38. Disconnect/Reconnect Fee	~~$10.00~~ $30.00	~~$10.00~~ $30.00

			cemetery spaces		columbarium		cremorial niche		
County	***City***	***population***	***residents***	***non***	**residents**	***non***	***residents***	***non***	****NOTES****
Lake	Eustis	19,432	450	675	400	600	150	225	
	Fruitland Park	4,214	450	900			400	800	
	Howey-in-Hills	956	650				1200		residents only/prices vary by location
	Minneola	10,470							No spaces available
	Monteverde	1,472							no charge
	Mount Dora	13,167	1200	1800	800	1200			
	Tavares	16,000	450	700			75	100	cremorials are an inground space area
Orange	Apopka	46,571	800	1200			450	600	Columbarium sold-out
	Ocoee	40,171	800	1200	1000	1500			
	Winter Garden	39,871	800	1200	600	900			
Osceola	Kissimmee	66,592	1,065.60	1,367.70	900	1200	700	900	
	St. Cloud	41,316	400	1200	400	1200			
Brevard	Melbourne	79,600	1200		1000		500		Only sold to residents
Hernando	Brooksville	7,780	700		1150		800		residents only
Polk	Haines City	22,660	600						residents only
	Winter Haven	38,085	688	938	1249	1431	402	652	2% increase per year
Seminole	Lake Mary	15,905	1000	1500			800	1100	
	Sanford	56,900	1200	1800			400	600	Veteran spaces no charge
Hillsborough	Plant City	36,710	889.84	1,582.30					includes opening and closing
AVERAGE			785	1236	833	1147	534	622	
CLERMONT			600	1,400	600	1,200	500	1,200	

City of Clermont
Utility Billing Miscellaneous Fees Comparison
November 2017

	New Account Fee		Returned Check	Late Payment	Reconnect Fee		Meter Tampering	Meter Installation
CITY	Inside	Outside	Fee	Fee	Bus Hrs	After Hrs	Fee	Fee
Eustis	$30.00	$37.50	$25 - $45	$5.00 OR 5 % OF BILL	$30.00	$85.00	$25.00 $45.00 CUT LOCK	$215.00
Tavares	$25.00	$25.00	$25 - $40 or 5% of check over $300	5 % OF BILL	$25.00	$75.00	$100.00	$270.00
Deland			$25 - $30	$10.00	$0.00	$145.00	$200.00 PLUS COST OF LOCK AND ANY OTHER EQUIPMENT DAMAGE	$485 - $875 Based on meter size
Next Day	$25.00	$25.00						
Same Day	$50.00	$50.00						
Mount Dora	$0.00	$0.00	$30 - $45	$0.00	$30.00	$60.00	$250.00	$250.00 - $450.00 Based on meter size
Oviedo	$0.00	$0.00	$30 - $40 or 5% of check over $400	10% OF BILL	$30.00	$30.00	$250.00	$385.00
Ocoee			$25.00	$10.00			$75.00	$0.00
Renters	$80.00	$80.00			$20.00	$20.00		
Owners	$60.00	$60.00			$20.00	$20.00		
Winter Haven	$62.44	$78.04	$25 - $40 or 5% of	INSIDE $6.71 OR 5%	$55.12	$68.91	INSIDE $48.20	3/4" INSIDE $429.81

			check over $800	OUTSIDE $8.38 OR 6.2%			OUTSIDE $60.24	3/4" OUTSIDE $537.26
St. Cloud	$25.00	$25.00	$30.00	$3.00	$35.00	$50.00	$250.00	$500.00
Winter Garden	$10.00	$10.00	$25.00	$5.00	$15.00	$15.00	$0.00	$250.00
Avg. W/O Clermont	$33.40	$35.50			$26.01	$56.89		
Clermont - Current	$10.00	$10.00	$20.00	$5.00	$10.00	$10.00	$50.00	$225 - $650 Based on meter size
Clermont - Proposed	$30.00	$30.00	FS	1.50% of balance or $5.00 minium	$30.00	$85.00	$350.00	$225 - $650 Based on meter size

CITY OF CLERMONT, FLORIDA

WATER, WASTEWATER, STORMWATER, AND SANITATION UTILITY RATE STUDY

September 15, 2017

Public Resources Management Group, Inc.

Utility, Rate, Financial, and Management Consultants

Public Resources Management Group, Inc.
Utility, Rate, Financial, and Management Consultants

September 15, 2017

Mr. Joseph E. Van Zile, CPA, CGFO
Finance Director
City of Clermont
685 W. Montrose St.
Clermont, FL 34711

Subject: **Water, Wastewater, Stormwater, and Sanitation Utility Rate Study**

Mr. Van Zile:

Public Resources Management Group, Inc. ("PRMG") has completed our review of the water, wastewater, stormwater, and sanitation rates for the City of Clermont, Florida (the "City") and has summarized the results of our analyses, assumptions, recommendations, and conclusions in this report which is submitted for your consideration. The period beginning on October 1 of each year continuing through September 30 represents the City's fiscal year ("Fiscal Year"). The analysis encompassed a financial evaluation for the six (6) Fiscal Years 2017 through 2022 (the "Forecast Period"). Based on the assumptions relied upon in the development of the projected utility system revenues, financial position, and expenditure needs, PRMG has identified the need for wastewater, stormwater, and sanitation rate adjustments for Fiscal Years 2018 through 2022, which are summarized in this report.

The proposed rates are designed to meet a number of goals and objectives. The primary objective of our analysis was to develop proposed rates that will produce revenues sufficient to meet the projected revenue requirements of each utility system. Other goals and objectives considered in the study include:

- The proposed rates should allow the utility to maintain a financial position that is both sustainable and consistent with performance criteria established by the City and based on utility industry standards.
- The proposed rates should comply with any anticipated rate covenant requirements associated with existing debt or future borrowings.
- The proposed rates should be based on full cost recovery principles.
- The proposed rates should recognize historical rate structures or forms and avoid potential rate shock.
- The proposed rates, to the extent practical, should be comparable with those of neighboring utility systems.

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The proposed monthly rates and charges for water, wastewater, stormwater, and sanitation services are designed to meet the goals and objectives outlined above and should be sufficient to provide for the recovery of the total revenue requirements anticipated for each system. Shown below is a summary of the proposed rate adjustments for the Forecast Period:

Proposed Rate Adjustments

	Fiscal Year Ending September 30,					
Description	Oct. 1, 2017	Jan. 1, 2018	Oct. 1, 2018	Oct. 1, 2019	Oct. 1, 2020	Oct. 1, 2021
Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Wastewater System [1]	1.51%	0.00%	2.12%	2.12%	2.12%	2.13%
Sanitation System	0.00%	0.00%	2.50%	2.50%	2.50%	2.50%
Stormwater System	0.00%	57.00%	0.00%	0.00%	0.00%	0.00%

[1] Amount effective October 1, 2017, based on a previously adopted automatic index.

As shown above, the City plans to implement a previously adopted wastewater index effective October 1, 2017 and a proposed 57% stormwater rate increase effective on or after January 1, 2018. The stormwater rate increase is necessary to provide adequate revenues to make the principal and interest payments due on the recently negotiated Master Plan loan that funds a portion of the Victory Pointe improvements. While the proposed increase appears significant when expressed on a percentage basis, the typical residential customer's stormwater bill will increase $1.71 per month or from $3.00 to $4.71. No additional stormwater rate increases are projected beyond Fiscal Year 2018 and no water rate increases are shown for the Forecast Period.

To ensure that utility rates keep pace with inflation, the City proposes to adopt an automatic index provision for the water, stormwater and sanitation systems, and to update the currently adopted wastewater indexing provision. The annual utility index provision for all systems is proposed to be equal to the greater of the Florida Public Service Commission's Annual Deflater Index (the "FPSC Index") or the adjustments proposed above from this study. The FPSC Index for the wastewater system as previously adopted for Fiscal Year 2018 is 1.51%, and the recent five (5) year average has been approximately 1.48% per year. Assuming the Fiscal Year 2019 FPSC Index is equal to the average of 1.48%, we would recommend the City implement the proposed wastewater and sanitation rate adjustments as proposed since the adjustments exceed the index amount. For the water and stormwater systems, we would recommend, at a minimum, implementing the FPSC Index of 1.48% in this example. If the index was implemented, it would provide approximately $90,000 and $24,000 in additional water and stormwater revenues, respectively, per year above the amount shown in this study. Such amounts could be used to offset increases in operating expenses or fund additional capital projects.

In addition to reviewing the monthly utility rates for service, we provided an update to the City's miscellaneous charges. The miscellaneous fees include customer-specific services, such as turn-on/turn-off fees, meter installation fees, and other ancillary services. Based on the estimated costs to provide such services, we are recommending modest adjustments to the fee schedule as shown in Appendix 3 at the end of this report.

Following this letter, we have provided a summary report which briefly summarizes the results of our study and outlines our recommendations and conclusions.

We appreciate the opportunity to be of service to the City and would like to thank the City staff for their valuable assistance and cooperation during the course of this study.

Respectfully submitted,

Public Resources Management Group, Inc.

Henry L. Thomas
Senior Vice-President and Principal

Murray M. Hamilton, Jr.
Associate

Shawn A. Ocasio
Rate Consultant

HLT/nts
Attachments

CITY OF CLERMONT, FLORIDA

WATER, WASTEWATER, STORMWATER, AND SANITATION UTILITY RATE STUDY

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CITY OF CLERMONT, FLORIDA

WATER, WASTEWATER, STORMWATER, AND SANITATION UTILITY RATE STUDY

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WATER, WASTEWATER, STORMWATER, AND SANITATION UTILITY RATE STUDY

LIST OF TABLES AND APPENDICES (cont'd.)

SECTION 1

WATER AND WASTEWATER SYSTEMS

CITY OF CLERMONT, FLORIDA

WATER, WASTEWATER, STORMWATER, AND SANITATION UTILITY RATE STUDY

SECTION 1 – WATER AND WASTEWATER SYSTEMS

INTRODUCTION

The purpose of this section is to summarize the development of proposed water and wastewater rates sufficient to recover the cost of operating, maintaining, repairing and financing the water and wastewater systems through Fiscal Year 2022. As outlined herein, wastewater rate adjustments are proposed in order to support the wastewater revenue requirements projected for the Forecast Period; however, no water rate adjustments are currently proposed. As discussed in more detail in this section of the report, the City proposes to implement an automatic water index and update its currently adopted wastewater rate index to ensure that all rates keep pace with inflation. The utility index provision for all systems is proposed to be equal to the greater of the FPSC Index or the adjustments proposed in this study. A more thorough discussion about the proposed rate adjustments and the annual indexing provision is provided in this section.

The recommendations of this study are based on a financial forecast developed for the water and wastewater systems and this section discusses the primary study assumptions, considerations, goals and recommendations. The study began with the identification of utility operating and capital needs, next considered the capital financing plan and, finally, established the timing of rate adjustments. The financial forecast serves as the basis for the rate recommendations for the Forecast Period.

CUSTOMER GROWTH AND REVENUES

Projected revenues from rates for the water and wastewater systems were based on a review of historical operating results, the proposed Fiscal Year 2018 budget, and other planning data provided by the City. Based on discussions with City staff, this analysis recognizes an annual average growth in customers of approximately 3.40% per year, or 819 water accounts and 577 wastewater accounts throughout the Forecast Period. Customer usage is also assumed to increase by 3.40% per year. Based on these assumptions, system revenues at existing rates are estimated to increase from approximately $13.1 million to $13.7 million per year over the Forecast Period. The projected customer and sales growth rate for the water and wastewater systems is greater than the growth rates for sanitation and stormwater services as discussed in Sections 2 and 3 of this report due to projected new development outside the City limits.

The water and wastewater systems also benefit from other operating and non-operating income. For the Forecast Period, other miscellaneous operating revenues such as meter charges, late fees, and service calls are projected, on average, to be approximately $417,000 per year and interest earnings on unrestricted fund balances are estimated to average approximately $79,000 per year.

OPERATING AND MAINTENANCE EXPENSES

The Fiscal Year 2017 operating budget, adjusted for year-to-date operating results, and the Fiscal Year 2018 proposed operating budget served as the basis for the operating and maintenance expense projections for the remainder of the Forecast Period. Adjustments were made to both the Fiscal Year 2017 and Fiscal Year 2018 operating budgets to exclude depreciation, principal and interest payments on debt, capital expenditures, and additions to reserves, which were accounted for separately in our analysis; or in the case of depreciation, excluded as a non-cash expense. The adjusted amounts were then allocated between the water and wastewater systems, as shown on Tables 1-1 and 1-2. These adjustments resulted in the Fiscal Year 2018 operating budget of \$15.9 million being adjusted down to approximately \$8.2 million in operating and maintenance expenses. A contingency allowance of one percent (1.0%) of operation and maintenance expenses was recognized for unanticipated expenditures in each Fiscal Year. Additionally, a bad debt allowance of 0.25% of rate revenues was recognized in each Fiscal Year. The aforementioned allowances represent averages of approximately \$89,000 and \$34,000 annually for the Forecast Period, respectively.

Operation and maintenance expenses are projected to increase over the Forecast Period by approximately 5.41% per year on average from Fiscal Year 2018 through 2022 as shown on Tables 1-3 through 1-5. The overall increase in projected operating expenses was based upon assumptions corresponding to several escalation factors and the nature of the expense as shown on Table 1-6. A few of the major factors are shown below:

a. Labor – 3.0% per year

b. Health insurance – 6.0% per year

c. Consumer Price Index (CPI) – Average of approximately 2.4% per year

d. Other (Repairs, Fuel, Professional Services, etc.) – Range of approximately 1.0% to 8.6% per year, depending on the type of expenses and variable increases from customer growth.

In addition to the above inflationary assumptions applied to existing operating and maintenance expenses, the City anticipates adding approximately eight (8) new employee positions to address the needs of new customer growth. The positions are phased in over the Forecast Period and are estimated to increase the annual budget by approximately \$372,000 per year by Fiscal Year 2022. No additional incremental operating expenses were assumed.

As shown on Table 1-5, the operating and maintenance expenses are projected to increase from \$8.2 million per year to \$10.2 million per year over the Forecast Period or 5.41% per year on average.

CAPITAL IMPROVEMENT PLAN

The Capital Improvement Program ("CIP") utilized in this analysis was based on the Fiscal Year 2018 - 2022 CIP, as provided by City. The City's project cost estimates were based on Fiscal Year 2018 dollars. Therefore, beyond Fiscal Year 2018, these amounts were increased by the Engineering News-Record (ENR) index, which has been approximately 3.0% per year to account for cost inflation over the Forecast Period. The CIP includes approximately \$40.9 million in improvements, renewals and replacements, and regulatory related investments. Major CIP projects include:

a. West Water System Improvements - $4.2 million

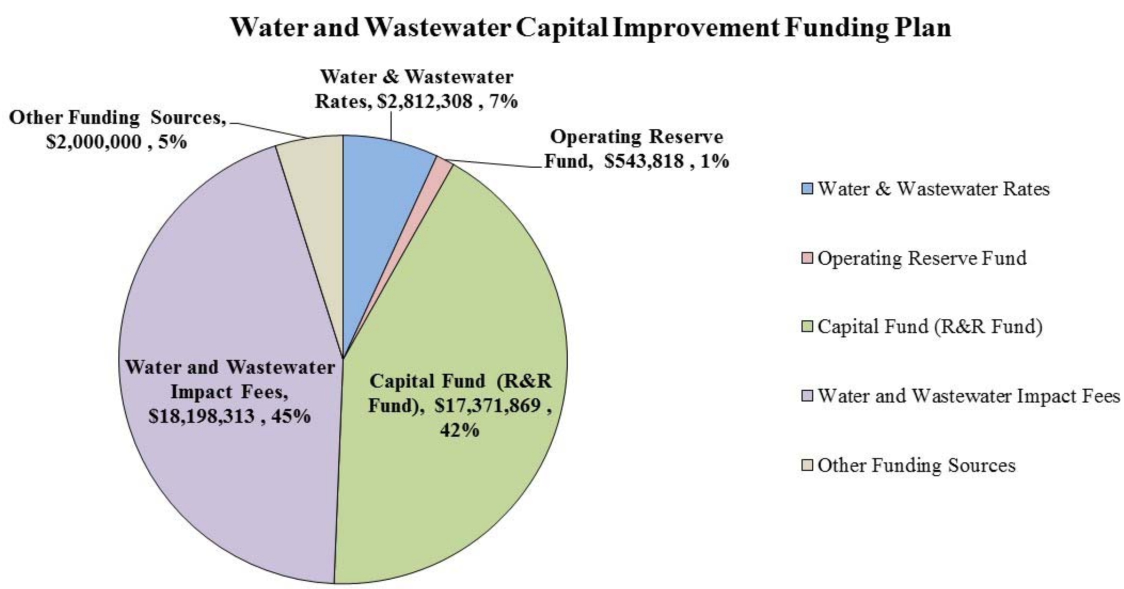
b. 1.0 MGD GST Greater Hills Water Treatment Plant – $1.5 million

c. East Water System Looping - $0.9 million

d. Wastewater Treatment Facility Expansion - $19.6 million

e. Lift Station Improvements - $2.1 million

The financial forecast assumes that the anticipated CIP will be fully funded through a combination of rate revenues, cash reserves, impact fees, and developer contributions as shown on Table 1-7 and depicted in the following chart:



As shown above, approximately $20.7 million of the CIP or 50% is funded from a combination of existing reserves from the Operating Reserve and the Capital (R&R) Funds, and from annual contributions from rate revenues. Based on these estimates, approximately $5.8 million in project costs are funded from existing reserves while $14.9 million is assumed funded from rate revenues, which includes annual contributions into the Capital Fund (R&R Fund) that averages approximately $1.6 million per year over the Forecast Period.

EXISTING DEBT SERVICE

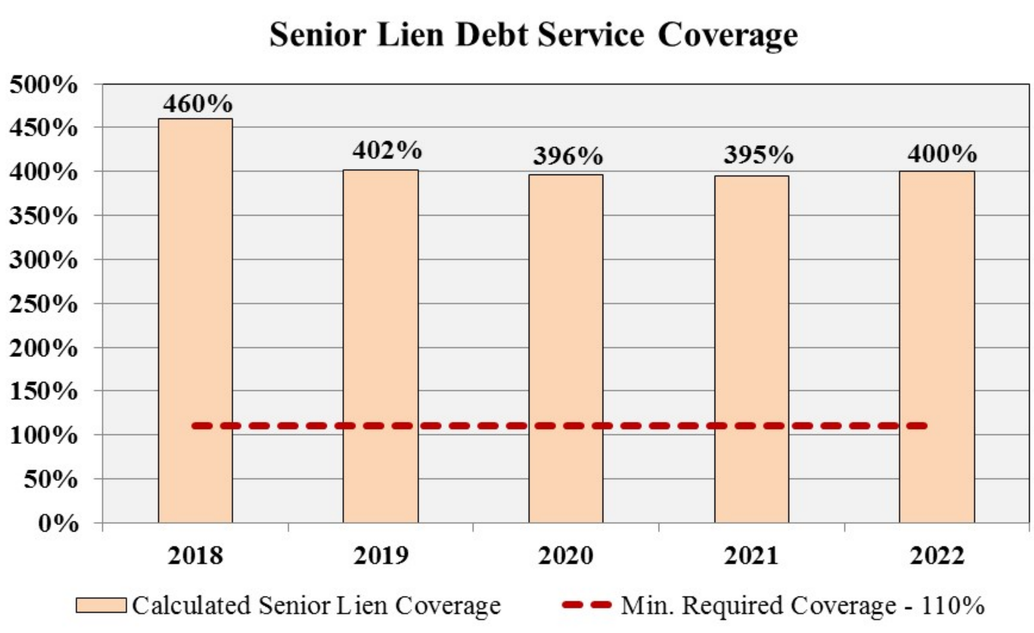
Based on the existing debt service schedules for the outstanding bonds, the annual debt service payments to be funded from rates is approximately $1.2 million per year over the Forecast Period. No additional senior lien or subordinate lien debt is proposed during the Forecast Period.

RENEWAL AND REPLACEMENT FUND DEPOSITS AND TRANSFERS

As discussed above regarding the funding of the CIP, annual transfers to the Capital Fund for renewal and replacement capital expenditures from rate revenues was assumed. The annual transfer amounts start at approximately 9.0% of the prior year's rate revenues and increase gradually to approximately 12.0% by the end of the Forecast Period in order to fund ongoing renewal and replacement capital projects anticipated by the City. The annual average amount funded is approximately $1.6 million per year over the Forecast Period. Additionally, the City is anticipated to transfer 15.0% of the prior year's water and wastewater rate revenues to the General Fund in the form of a Payment in-lieu-of Franchise Fee (PILOFF). This amount is funded each year of the Forecast Period and averages approximately $1.9 million annually.

DEBT SERVICE COMPLIANCE

In addition to funding the net revenue requirements as shown on Tables 1-9 through 1-11, the proposed water and wastewater rates must be sufficient to meet the debt service coverage requirements of the City's existing and proposed debt, if any. The City's Bond Resolution for the Water and Sewer Revenue Refunding Bonds, Series 2009 Bonds requires the City to maintain rates adequate to achieve a minimum 1.10 debt service coverage ratio on senior lien debt. The debt service coverage ratio is calculated as a ratio of gross system revenues, less the cost of operation and maintenance, when compared to the annual debt service payments. Based on the adoption of the proposed rate increases, the City is anticipated to be in compliance with the rate covenants as shown in Table 1-12 at the end of this section and in the chart below:



PROPOSED MISCELLANEOUS CHARGES, FEES, AND INCOME

The City maintains a schedule of miscellaneous fees and charges that account for direct customer services, including turn-on/turn-off fees, meter installation fees, meter tamper fees, late fees, disconnect and reconnect charges, and other ancillary fees. Revenues from these charges tend to reduce the level of expenditures funded from user fees. Generally, these fees are designed on a cost recovery basis predicated on the specific cost of the services requested.

To support this part of the study, a miscellaneous fee workbook was developed that itemizes the costs for each service or activity. Such costs consider the appropriate staffing levels, equipment needs, and materials and supplies for each type of service. Appendix 3 at the end of this report includes a summary of existing and proposed miscellaneous fees and the City's detailed miscellaneous fee worksheets.

As discussed previously, income derived from miscellaneous charges and from investment of reserve fund balances are projected to average approximately $417,000 per year over the Forecast Period. These amounts were used to reduce the overall amount of annual revenue requirements to be funded from user rates. In addition, the City expects to collect water and wastewater impact fees from new customers of the System. This analysis assumes that the City will use approximately $1.0 million per year in impact fee revenues to fund the expansion-related portion of existing debt service payments. Recognizing these additional resources further reduces the burden on existing rates.

CONCLUSIONS AND RECOMMENDATIONS

Based on the projected revenue requirements of the system, including the funding needs of the CIP, it is estimated that revenues under existing rates will not be sufficient to fund the projected needs for wastewater system as shown below:

Summary of Projected Rate Adjustments and Key Operating Results

	Fiscal Year Ending September 30,				
Description	2018	2019	2020	2021	2022
Proposed Water System Rate Increases	0.00%	0.00%	0.00%	0.00%	0.00%
Proposed Wastewater System Rate Increases	1.51%	2.12%	2.12%	2.12%	2.13%
Effective Date	Oct. 1, 2017	Oct. 1, 2018	Oct. 1, 2019	Oct. 1, 2020	Oct. 1, 2021
System Revenue Surplus / (Deficiency) [1]	$702,522	$406,868	($3,304)	$24,103	$217,623
System Operating Reserves (Ending Balance) [2][3]	$1,210,481	$1,504,587	$1,552,123	$1,314,679	$1,603,457
Target of 60 Days of Operating Expense Plus Debt [2][3]	1,908,975	1,980,149	2,079,589	2,168,742	2,254,638
System Emergency Reserves (Ending Balance) [2][3]	2,863,462	2,970,224	3,119,384	3,253,113	3,381,958
Emergency Reserves City Policy – 90 Days of Operating Expenditures[2][3]	$2,863,462	$2,970,224	$3,119,384	$3,253,113	$3,381,958
Capital Reserves (R&R) (Ending Balance) [2][3]	$14,289,855	$14,218,104	$8,630,506	$4,357,254	$5,386,955
Senior Lien Debt Service Coverage (Test 110%) [4]	460%	402%	396%	395%	400%

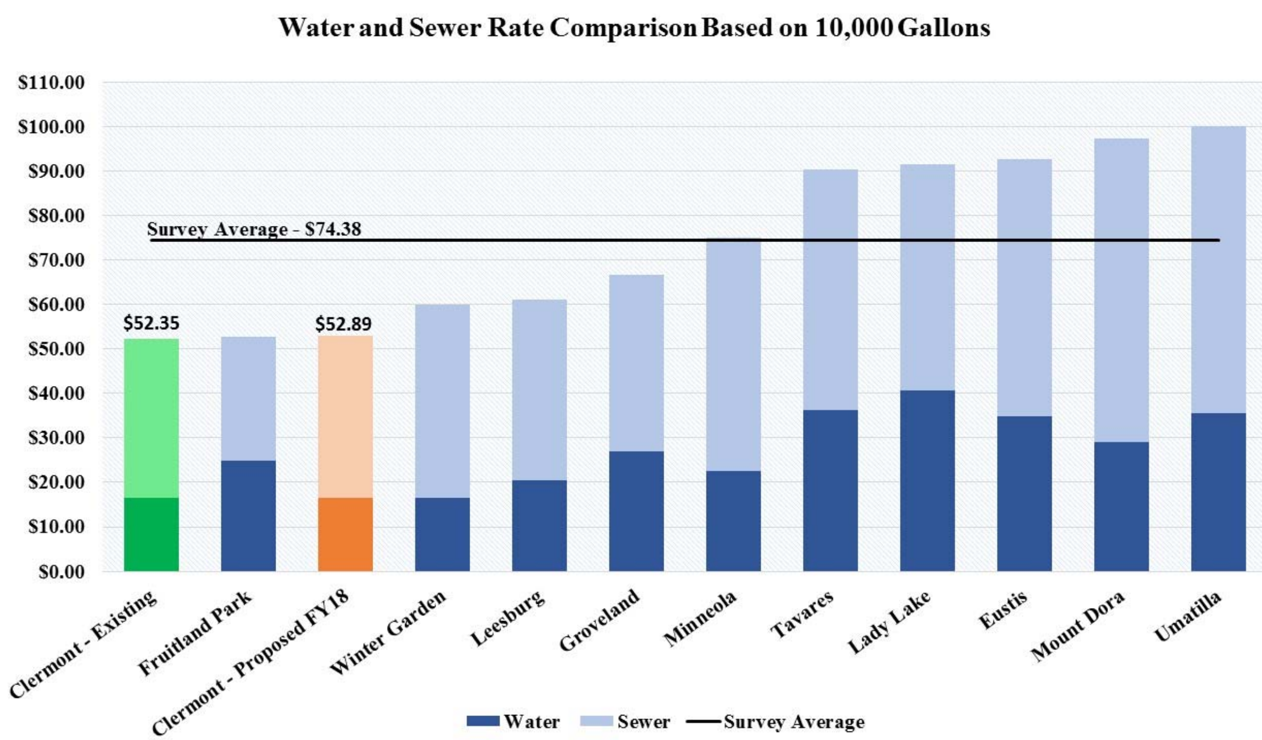
[1] As shown on Table 1-9.
[2] As shown on Table 1-13.
[3] As shown on Table 1-14.
[4] As shown on Table 1-12.

As shown above, the City plans to implement a previously adopted wastewater index effective October 1, 2017, but no water rate increases are shown for the Forecast Period.

To ensure that utility rates keep pace with inflation, the City proposes to adopt an automatic index provision for the water system and to update the currently adopted wastewater indexing provision. The annual utility index provision for all systems is proposed to be equal to the greater of the Florida Public Service Commission's Annual Deflater Index (the "FPSC Index") or the adjustments proposed above from this study. The FPSC Index for the wastewater system, as previously adopted for Fiscal Year 2018, is 1.51%, and the recent five (5) year average has been approximately 1.48% per year. Assuming the Fiscal Year 2019 FPSC Index is equal to the average of 1.48%, we would recommend the City implement the proposed wastewater rate adjustments as proposed, since the adjustments exceed the index amount. For the water system, we would recommend, at a minimum, implementing the FPSC Index of 1.48% in this example. If the index was implemented, it would provide approximately $90,000 in additional water revenues per year above the amounts shown in this study. Such amounts could be used to offset increases in operating expenses or fund additional capital projects.

RATE COMPARISON

As shown below, the average residential bill based on using 10,000 gallons of water per month is proposed to increase $0.54 per month or 1.0% with bills rendered on or after October 1, 2017. The proposed Fiscal Year 2018 water and wastewater bill is based on the implementation of an automatic wastewater index of 1.51% for the year. The proposed Fiscal Year 2018 residential bill for combined water and wastewater service is projected to be well below the average charged by the City's neighboring utilities as shown on the next page:



SECTION 1

CITY OF CLERMONT, FLORIDA

WATER, WASTEWATER, STORMWATER, AND SANITATION UTILITY RATE STUDY

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Table 1-1
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Allocation of Fiscal Year 2017 Operating Budget [1]

Line No.	Cost Center Code	Description	Budget 2017	Adjustments	Adjusted 2017	Allocation Factor	Allocation Percentages Water	Allocation Percentages Wastewater	Allocated Amounts Water	Allocated Amounts Wastewater
		Water Department								
		Personnel Expenses								
1	41533-12100	Regular Salaries	$1,137,255	$0	$1,137,255	Direct-W	100.00%	0.00%	$1,137,255	$0
2	AddPer	Additonal Personnel - Water	0	0	0	Input	100.00%	0.00%	0	0
3	41533-12110	Part-Time Salaries	0	0	0	Direct-W	100.00%	0.00%	0	0
4	41533-12120	Overtime Salaries	22,400	0	22,400	Direct-W	100.00%	0.00%	22,400	0
5	41533-12220	FICA	81,662	0	81,662	Direct-W	100.00%	0.00%	81,662	0
6	41533-12240	Defined Contribution Pension	115,965	0	115,965	Direct-W	100.00%	0.00%	115,965	0
7	41533-12300	Group Insurance	364,498	0	364,498	Direct-W	100.00%	0.00%	364,498	0
8	41533-12305	Life Insurance	3,582	0	3,582	Direct-W	100.00%	0.00%	3,582	0
9	41533-12315	Employee Assistance Plan	468	0	468	Direct-W	100.00%	0.00%	468	0
10	41533-12400	Workers Compensation	18,979	0	18,979	Direct-W	100.00%	0.00%	18,979	0
11	41533-12500	Unemployment Compensation	0	0	0	Direct-W	100.00%	0.00%	0	0
12	41533-12999	Sal/Ben-Personnel Changes	0	0	0	Direct-W	100.00%	0.00%	0	0
13		Subtotal Personnel Expenses	$1,744,809	$0	$1,744,809		100.00%	0.00%	$1,744,809	$0
		Operating Expenses								
14	41533-53100	Pro Svcs-General	$36,000	$0	$36,000	Direct-W	100.00%	0.00%	$36,000	$0
15	41533-53100	Pro Svcs-12" Wtr Main Loop	0	0	0	Direct-W	100.00%	0.00%	0	0
16	41533-53100	Pro Svcs-General - Admin Bldg	0	0	0	Direct-W	100.00%	0.00%	0	0
17	41533-53100	Pro Svcs-Lower Fl Aquifer	0	0	0	Direct-W	100.00%	0.00%	0	0
18	41533-53100	Pro Svcs-General-Grand Hwy Wel	0	0	0	Direct-W	100.00%	0.00%	0	0
19	41533-53100	Pro Svcs-General - Cdbg	4,550	(4,550)	0	Direct-W	100.00%	0.00%	0	0
20	41533-53128	Background Investigations	0	0	0	Direct-W	100.00%	0.00%	0	0
21	41533-53129	Drug Screens	0	0	0	Direct-W	100.00%	0.00%	0	0
22	41533-53130	Medical Services	0	0	0	Direct-W	100.00%	0.00%	0	0
23	41533-53141	Pro Svcs-Alternative Water	100,000	(100,000)	0	Direct-W	100.00%	0.00%	0	0
24	41533-53141-33103	Pro Svcs-Alternative Water	50,000	(50,000)	0	Direct-W	100.00%	0.00%	0	0
25	41533-53150	Pro Svcs-Laboratory	30,000	0	30,000	Direct-W	100.00%	0.00%	30,000	0
26	41533-53154	Pro Svcs-Investment Advisor	6,650	0	6,650	Direct-W	100.00%	0.00%	6,650	0
27	41533-53168	Pro Svcs-Safety Training	4,000	0	4,000	Direct-W	100.00%	0.00%	4,000	0
28	41533-53169	Pro Svcs-Utility Locates	2,000	0	2,000	Direct-W	100.00%	0.00%	2,000	0
29	41533-53183	Pro Svcs-Cup Requirements	50,000	0	50,000	Direct-W	100.00%	0.00%	50,000	0
30	41533-53401	Contract Svcs-General	0	0	0	Direct-W	100.00%	0.00%	0	0
31	41533-53403	Contract Svcs-Mowing	10,000	0	10,000	Direct-W	100.00%	0.00%	10,000	0
32	41533-53404	Contract Svcs-Pest Cont	300	0	300	Direct-W	100.00%	0.00%	300	0
33	41533-53413	Contract Svcs-Armored Car	2,500	0	2,500	Direct-W	100.00%	0.00%	2,500	0
34	41533-54001	Travel & Per Diem	0	0	0	Direct-W	100.00%	0.00%	0	0
35	41533-54001	Travel & Per Diem-Treatment	700	0	700	Direct-W	100.00%	0.00%	700	0
36	41533-54001	Travel & Per Diem-Distribution	2,000	0	2,000	Direct-W	100.00%	0.00%	2,000	0
37	41533-54001	Travel & Per Diem-Construction	300	0	300	Direct-W	100.00%	0.00%	300	0
38	41533-54101	Telephone	15,000	0	15,000	Direct-W	100.00%	0.00%	15,000	0
39	41533-54102	Internet Service	4,500	0	4,500	Direct-W	100.00%	0.00%	4,500	0
40	41533-54200	Postage & Freight	54,000	0	54,000	Direct-W	100.00%	0.00%	54,000	0
41	41533-54300	Electric & Gas Svc-West Trtmnt	100,000	0	100,000	Direct-W	100.00%	0.00%	100,000	0
42	41533-54301	Water & Sewer Service	5,000	0	5,000	Direct-W	100.00%	0.00%	5,000	0
43	41533-54306	Electric & Gas Svc-East Trmnt	350,000	0	350,000	Direct-W	100.00%	0.00%	350,000	0
44	41533-54400	Rentals-Equipment	500	0	500	Direct-W	100.00%	0.00%	500	0
45	41533-54500	Commercial Insurance	145,595	0	145,595	Direct-W	100.00%	0.00%	145,595	0
46	41533-54501	Self-Insur Liab Claims	0	0	0	Direct-W	100.00%	0.00%	0	0
47	41533-54600	Repair & Maint-Buildings	2,000	0	2,000	Direct-W	100.00%	0.00%	2,000	0
48	41533-54601	Repair & Maint-Vehicles	10,000	0	10,000	Direct-W	100.00%	0.00%	10,000	0
49	41533-54610	Repair & Maint-Meters	60,000	0	60,000	Direct-W	100.00%	0.00%	60,000	0
50	41533-54611	Repair & Maint-Tanks	5,000	0	5,000	Direct-W	100.00%	0.00%	5,000	0
51	41533-54612	Repair & Maint-Systems	100,000	0	100,000	Direct-W	100.00%	0.00%	100,000	0
52	41533-54614	Repair & Maint-Equip-Treatment	46,000	0	46,000	Direct-W	100.00%	0.00%	46,000	0
53	41533-54623	Repair & Maint-It Equip	1,000	0	1,000	Direct-W	100.00%	0.00%	1,000	0
54	41533-54624	Repair & Maint-Water Wells	20,000	0	20,000	Direct-W	100.00%	0.00%	20,000	0
55	41533-54640	Repair & Maint-Copiers	500	0	500	Direct-W	100.00%	0.00%	500	0
56	41533-54700	Printing	25,000	0	25,000	Direct-W	100.00%	0.00%	25,000	0
57	41533-54700	Printing - Re-Branding	0	0	0	Direct-W	100.00%	0.00%	0	0
58	41533-54800	Advertising	2,000	0	2,000	Direct-W	100.00%	0.00%	2,000	0
59	41533-54900	Other Current Charges	0	0	0	Direct-W	100.00%	0.00%	0	0
60	41533-54900	Other Current Charges-Re-Brand	0	0	0	Direct-W	100.00%	0.00%	0	0
61	41533-54906	Administrative Services [2]	344,938	0	344,938	Direct-W	100.00%	0.00%	344,938	0
62	41533-54907	Uncollectible Accounts	18,000	(18,000)	0	Direct-W	100.00%	0.00%	0	0
63	41533-54909	Bank Service Charges	23,821	0	23,821	Direct-W	100.00%	0.00%	23,821	0
64	41533-54912	Security/Monitoring Service	15,000	0	15,000	Direct-W	100.00%	0.00%	15,000	0
65	41533-54918	Permit Fees	10,000	0	10,000	Direct-W	100.00%	0.00%	10,000	0
66	41533-54919	Collection Agency Fees	1,500	0	1,500	Direct-W	100.00%	0.00%	1,500	0
67	41533-54920	Payments In Lieu Of Taxes [3]	70,161	0	70,161	Direct-W	100.00%	0.00%	70,161	0
68	41533-55100	Office Supplies	3,500	0	3,500	Direct-W	100.00%	0.00%	3,500	0
69	41533-55200	Operating Supplies	0	0	0	Direct-W	100.00%	0.00%	0	0
70	41533-55200	Operating Supplies-Treatment	12,000	0	12,000	Direct-W	100.00%	0.00%	12,000	0
71	41533-55200	Operating Supplies-Distributn	7,000	0	7,000	Direct-W	100.00%	0.00%	7,000	0
72	41533-55200	Operating Supplies-Constructn	1,000	0	1,000	Direct-W	100.00%	0.00%	1,000	0
73	41533-55201	Gas & Oil	60,000	0	60,000	Direct-W	100.00%	0.00%	60,000	0
74	41533-55202	Tires & Batteries	6,000	0	6,000	Direct-W	100.00%	0.00%	6,000	0
75	41533-55203	Uniforms	7,500	0	7,500	Direct-W	100.00%	0.00%	7,500	0
76	41533-55204	Minor Equipment	0	0	0	Direct-W	100.00%	0.00%	0	0
77	41533-55204	Minor Equipment-Treatment	4,000	0	4,000	Direct-W	100.00%	0.00%	4,000	0
78	41533-55204	Minor Equipment-Distribution	6,000	0	6,000	Direct-W	100.00%	0.00%	6,000	0
79	41533-55204	Minor Equipment-Construction	2,000	0	2,000	Direct-W	100.00%	0.00%	2,000	0

Table 1-1
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Allocation of Fiscal Year 2017 Operating Budget [1]

Line No.	Cost Center Code	Description	Budget 2017	Adjustments	Adjusted 2017	Allocation Factor	Allocation Percentages Water	Allocation Percentages Wastewater	Allocated Amounts Water	Allocated Amounts Wastewater
80	41533-55205	Safety Equipment	1,000	0	1,000	Direct-W	100.00%	0.00%	1,000	0
81	41533-55207	Chlorine	50,000	0	50,000	Direct-W	100.00%	0.00%	50,000	0
82	41533-55208	Corrosion Control	10,000	0	10,000	Direct-W	100.00%	0.00%	10,000	0
83	41533-55209	Safety Shoes	5,000	0	5,000	Direct-W	100.00%	0.00%	5,000	0
84	41533-55210	Laboratory Supplies	1,500	0	1,500	Direct-W	100.00%	0.00%	1,500	0
85	41533-55212	Community Relations	4,000	0	4,000	Direct-W	100.00%	0.00%	4,000	0
86	41533-55218	Water Conservation Supplies	5,000	0	5,000	Direct-W	100.00%	0.00%	5,000	0
87	41533-55219	Software Renewals/Support	23,000	0	23,000	Direct-W	100.00%	0.00%	23,000	0
88	41533-55299	Unbilled Fuel Usage	0	0	0	Direct-W	100.00%	0.00%	0	0
89	41533-55400	Subscriptions & Dues	3,000	0	3,000	Direct-W	100.00%	0.00%	3,000	0
90	41533-55401	Training & Education	0	0	0	Direct-W	100.00%	0.00%	0	0
91	41533-55401	Training & Education-Treatment	3,900	0	3,900	Direct-W	100.00%	0.00%	3,900	0
92	41533-55401	Training & Education-Distribtn	4,800	0	4,800	Direct-W	100.00%	0.00%	4,800	0
93	41533-55401	Training & Education-Constrctn	300	0	300	Direct-W	100.00%	0.00%	300	0
94	41533-55409	Licenses & Certifications	250	0	250	Direct-W	100.00%	0.00%	250	0
95	41533-55900	Depreciation	0	0	0	Direct-W	100.00%	0.00%	0	0
96		Subtotal Operating Expenses	$1,949,265	($172,550)	$1,776,715		100.00%	0.00%	$1,776,715	$0
		Water Capital Outlay [4]								
97	41533-66201	Cap Out-Admin Bldg Expansion	$0	$0	$0	Direct-W	100.00%	0.00%	$0	$0
98	41533-66300	Cap Out-Fiber Optic Network	0	0	0	Direct-W	100.00%	0.00%	0	0
99	41533-66300	Cap Out-Bloxam Elevated Tank	0	0	0	Direct-W	100.00%	0.00%	0	0
100	41533-66307	Cap Out-Water System - Other System Imp.	10,000	(10,000)	0	Direct-W	100.00%	0.00%	0	0
101	41533-66307	Cap Out-Water System	400,000	(400,000)	0	Direct-W	100.00%	0.00%	0	0
102	41533-66307	East & West Water Interconnect	0	0	0	Direct-W	100.00%	0.00%	0	0
103	41533-66307	Wtr Sys-12" Water Main Loop	500,000	(500,000)	0	Direct-W	100.00%	0.00%	0	0
104	41533-66307	Wtr Sys-Water Ext To Sector	0	0	0	Direct-W	100.00%	0.00%	0	0
105	41533-66307	Water System -Hampton & Almond	0	0	0	Direct-W	100.00%	0.00%	0	0
106	41533-66307	Water System -Cap Out Lower FL Aquifer	0	0	0	Direct-W	100.00%	0.00%	0	0
107	41533-66307	Water System - Prince Ed Ave	0	0	0	Direct-W	100.00%	0.00%	0	0
108	41533-66307	Cap Out-Grand Hwy Well	0	0	0	Direct-W	100.00%	0.00%	0	0
109	41533-66307	Cap Out-Water System - Cdbg	0	0	0	Direct-W	100.00%	0.00%	0	0
110	41533-66307	Cap Out-Water System	3,350	(3,350)	0	Direct-W	100.00%	0.00%	0	0
111	41533-66308	Cap Out-Water Inventory	258,552	(258,552)	0	Direct-W	100.00%	0.00%	0	0
112	41533-66400	Cap Out-Vehicles	100,000	(100,000)	0	Direct-W	100.00%	0.00%	0	0
113	41533-66401	Capital Equipment	145,200	(145,200)	0	Direct-W	100.00%	0.00%	0	0
114	41533-66403	Cap Out- It Equipment	0	0	0	Direct-W	100.00%	0.00%	0	0
115	41533-66403	Cap Out- Asset Management	0	0	0	Direct-W	100.00%	0.00%	0	0
116	41533-66404	Cap Out-Software	70,000	(70,000)	0	Direct-W	100.00%	0.00%	0	0
117		Subtotal Water Capital Outlay	$1,487,102	($1,487,102)	$0		100.00%	0.00%	$0	$0
		Water Debt Service [4]								
118	41533-77119	Debt Svc-2009 Bond Princpal	$241,200	($241,200)	$0	Direct-W	100.00%	0.00%	$0	$0
119	41533-77219	Debt Svc-2009 Bond Interest	181,484	(181,484)	0	Direct-W	100.00%	0.00%	0	0
120	41533-77300	Pay Agent Fees	0	0	0	Direct-W	100.00%	0.00%	0	0
121	41533-77305	Debt Svc- Bond Issue Costs	0	0	0	Direct-W	100.00%	0.00%	0	0
122		Subtotal Water Debt Service	$422,684	($422,684)	$0		100.00%	0.00%	$0	$0
		Water Transfers [4]								
123	41581-99100	Transfer to General Fund	$570,000	($570,000)	$0	Direct-W	100.00%	0.00%	$0	$0
124	41581-99101	Transfer to Stormwater Fund	125,000	(125,000)	0	Direct-W	100.00%	0.00%	0	0
125	41599-59900	Transfer to Fund Reserves	0	0	0	Direct-W	100.00%	0.00%	0	0
126		Subtotal Water Transfers	$695,000	($695,000)	$0		100.00%	0.00%	$0	$0
		Other Water Adjustments								
127	Contingency	Contingency - 1.00% of O&M [5]	$0	$34,950	$34,950	Input	100.00%	0.00%	$34,950	$0
128	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [6]	0	16,055	16,055	Input	100.00%	0.00%	16,055	0
129	Other	Other Adjustments	0	(42,589)	(42,589)	Direct-W	100.00%	0.00%	(42,589)	0
130		Subtotal Other Water Adjustments	$0	$8,416	$8,416		100.00%	0.00%	$8,416	$0
131		Subtotal Water Operating Budget	$6,298,860	($2,768,920)	$3,529,940		100.00%	0.00%	$3,529,940	$0
		Wastewater Department								
		Personnel Expenses								
132	42535-12100	Regular Salaries	$1,055,302	$0	$1,055,302	Direct-S	0.00%	100.00%	$0	$1,055,302
133	AddPer	Additonal Personnel - Wastewater	0	0	0	Input	0.00%	100.00%	0	0
134	42535-12110	Part-Time Salaries	0	0	0	Direct-S	0.00%	100.00%	0	0
135	42535-12120	Overtime Salaries	23,100	0	23,100	Direct-S	0.00%	100.00%	0	23,100
136	42535-12220	FICA	76,279	0	76,279	Direct-S	0.00%	100.00%	0	76,279
137	42535-12240	Defined Contribution Pension	107,840	0	107,840	Direct-S	0.00%	100.00%	0	107,840
138	42535-12300	Group Insurance	315,479	0	315,479	Direct-S	0.00%	100.00%	0	315,479
139	42535-12305	Life Insurance	3,324	0	3,324	Direct-S	0.00%	100.00%	0	3,324
140	42535-12315	Employee Assistance Plan	432	0	432	Direct-S	0.00%	100.00%	0	432
141	42535-12400	Workers Compensation	20,626	0	20,626	Direct-S	0.00%	100.00%	0	20,626
142	42535-12500	Unemployment Compensation	0	0	0	Direct-S	0.00%	100.00%	0	0
143	42535-12999	Sal/Ben-Personnel Changes	0	0	0	Direct-S	0.00%	100.00%	0	0
144		Subtotal Personnel Expenses	$1,602,382	$0	$1,602,382		0.00%	100.00%	$0	$1,602,382

Table 1-1
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Allocation of Fiscal Year 2017 Operating Budget [1]

Line No.	Cost Center Code	Description	Budget 2017	Adjustments	Adjusted 2017	Allocation Factor	Allocation Percentages Water	Allocation Percentages Wastewater	Allocated Amounts Water	Allocated Amounts Wastewater
		Operating Expenses								
145	42535-53100	Pro Svcs-General	$66,750	$0	$66,750	Direct-S	0.00%	100.00%	$0	$66,750
146	42535-53100	Pro Svcs-General - Sewer Impr	0	0	0	Direct-S	0.00%	100.00%	0	0
147	42535-53100	Pro Svcs-Johns Lake Rd Reuse	0	0	0	Direct-S	0.00%	100.00%	0	0
148	42535-53128	Background Investigations	0	0	0	Direct-S	0.00%	100.00%	0	0
149	42535-53129	Drug Screens	0	0	0	Direct-S	0.00%	100.00%	0	0
150	42535-53130	Medical Services	0	0	0	Direct-S	0.00%	100.00%	0	0
151	42535-53150	Pro Svces-Laboratory	25,000	0	25,000	Direct-S	0.00%	100.00%	0	25,000
152	42535-53154	Pro Svces-Investment Advisor	7,165	0	7,165	Direct-S	0.00%	100.00%	0	7,165
153	42535-53168	Pro Svces-Safety Training	4,000	0	4,000	Direct-S	0.00%	100.00%	0	4,000
154	42535-53169	Pro Svces-Utility Locates	2,500	0	2,500	Direct-S	0.00%	100.00%	0	2,500
155	42535-53401	Contract Svcs-General	0	0	0	Direct-S	0.00%	100.00%	0	0
156	42535-53403	Contract Svcs-Mowing	8,000	0	8,000	Direct-S	0.00%	100.00%	0	8,000
157	42535-53404	Contract Svces-Pest Cont	300	0	300	Direct-S	0.00%	100.00%	0	300
158	42535-53408	Contract Svces-Sewer Cleaning	0	0	0	Direct-S	0.00%	100.00%	0	0
159	42535-53410	Contract Svces-Odor Control Ea	60,000	0	60,000	Direct-S	0.00%	100.00%	0	60,000
160	42535-53413	Contract Svces-Armored Car	2,400	0	2,400	Direct-S	0.00%	100.00%	0	2,400
161	42535-54001	Travel & Per Diem	500	0	500	Direct-S	0.00%	100.00%	0	500
162	42535-54001	Travel & Per Diem - Treatment	400	0	400	Direct-S	0.00%	100.00%	0	400
163	42535-54001	Travel & Per Diem - Construct	500	0	500	Direct-S	0.00%	100.00%	0	500
164	42535-54001	Travel & Per Diem - Collection	1,500	0	1,500	Direct-S	0.00%	100.00%	0	1,500
165	42535-54101	Telephone	18,300	0	18,300	Direct-S	0.00%	100.00%	0	18,300
166	42535-54102	Internet Service	2,000	0	2,000	Direct-S	0.00%	100.00%	0	2,000
167	42535-54200	Postage & Freight	20,000	0	20,000	Direct-S	0.00%	100.00%	0	20,000
168	42535-54301	Water & Sewer Service	15,000	0	15,000	Direct-S	0.00%	100.00%	0	15,000
169	42535-54307	Electric & Gas Svc-East Plant	366,000	0	366,000	Direct-S	0.00%	100.00%	0	366,000
170	42535-54308	Electric & Gas Svc-W Lift Sta	67,000	0	67,000	Direct-S	0.00%	100.00%	0	67,000
171	42535-54309	Electric & Gas Svc-E Lift Sta	300,000	0	300,000	Direct-S	0.00%	100.00%	0	300,000
172	42535-54310	Sludge Disposal-East	200,000	0	200,000	Direct-S	0.00%	100.00%	0	200,000
173	42535-54400	Rentals-Equipment	500	0	500	Direct-S	0.00%	100.00%	0	500
174	42535-54500	Commercial Insurance	194,514	0	194,514	Direct-S	0.00%	100.00%	0	194,514
175	42535-54600	Repair & Maint-Buildings	3,000	0	3,000	Direct-S	0.00%	100.00%	0	3,000
176	42535-54601	Repair & Maint-Vehicles	15,000	0	15,000	Direct-S	0.00%	100.00%	0	15,000
177	42535-54612	Repair & Maint-Systems	50,000	0	50,000	Direct-S	0.00%	100.00%	0	50,000
178	42535-54614	Repair & Maint-Equip-Treatment	61,000	0	61,000	Direct-S	0.00%	100.00%	0	61,000
179	42535-54619	Repair & Maint-Equip-Collect	150,000	0	150,000	Direct-S	0.00%	100.00%	0	150,000
180	42535-54623	Repair & Maint-It Equip	0	0	0	Direct-S	0.00%	100.00%	0	0
181	42535-54640	Repair & Maint-Copiers	500	0	500	Direct-S	0.00%	100.00%	0	500
182	42535-54700	Printing	7,000	0	7,000	Direct-S	0.00%	100.00%	0	7,000
183	42535-54800	Advertising	1,500	0	1,500	Direct-S	0.00%	100.00%	0	1,500
184	42535-54900	Other Current Charges	0	0	0	Direct-S	0.00%	100.00%	0	0
185	42535-54906	Administrative Services [2]	362,772	0	362,772	Direct-S	0.00%	100.00%	0	362,772
186	42535-54907	Uncollectible Accounts	15,000	(15,000)	0	Direct-S	0.00%	100.00%	0	0
187	42535-54909	Bank Service Charges	16,179	0	16,179	Direct-S	0.00%	100.00%	0	16,179
188	42535-54912	Security/Monitoring Service	15,000	0	15,000	Direct-S	0.00%	100.00%	0	15,000
189	42535-54918	Permit Fees	1,000	0	1,000	Direct-S	0.00%	100.00%	0	1,000
190	42535-54920	Payments In Lieu Of Taxes [3]	134,621	0	134,621	Direct-S	0.00%	100.00%	0	134,621
191	42535-55100	Office Supplies	3,000	0	3,000	Direct-S	0.00%	100.00%	0	3,000
192	42535-55200	Operating Supplies-Treatment	5,500	0	5,500	Direct-S	0.00%	100.00%	0	5,500
193	42535-55200	Operating Supplies - Construct	1,000	0	1,000	Direct-S	0.00%	100.00%	0	1,000
194	42535-55200	Operating Supplies-Collection	6,500	0	6,500	Direct-S	0.00%	100.00%	0	6,500
195	42535-55201	Gas & Oil	60,000	0	60,000	Direct-S	0.00%	100.00%	0	60,000
196	42535-55202	Tires & Batteries	6,000	0	6,000	Direct-S	0.00%	100.00%	0	6,000
197	42535-55203	Uniforms	7,000	0	7,000	Direct-S	0.00%	100.00%	0	7,000
198	42535-55204	Minor Equipment-Treatment	5,000	0	5,000	Direct-S	0.00%	100.00%	0	5,000
199	42535-55204	Minor Equipment - Construct	1,000	0	1,000	Direct-S	0.00%	100.00%	0	1,000
200	42535-55204	Minor Equipment-Collection	7,500	0	7,500	Direct-S	0.00%	100.00%	0	7,500
201	42535-55205	Safety Equipment	1,500	0	1,500	Direct-S	0.00%	100.00%	0	1,500
202	42535-55207	Chlorine	70,000	0	70,000	Direct-S	0.00%	100.00%	0	70,000
203	42535-55209	Safety Shoes	5,000	0	5,000	Direct-S	0.00%	100.00%	0	5,000
204	42535-55210	Laboratory Supplies	4,500	0	4,500	Direct-S	0.00%	100.00%	0	4,500
205	42535-55214	Polymer	22,000	0	22,000	Direct-S	0.00%	100.00%	0	22,000
206	42535-55219	Software Renewals/Support	20,547	0	20,547	Direct-S	0.00%	100.00%	0	20,547
207	42535-55400	Subscriptions & Dues	750	0	750	Direct-S	0.00%	100.00%	0	750
208	42535-55401	Training & Education	0	0	0	Direct-S	0.00%	100.00%	0	0
209	42535-55401	Training & Education-Treatment	2,000	0	2,000	Direct-S	0.00%	100.00%	0	2,000
210	42535-55401	Training & Education - Constr	500	0	500	Direct-S	0.00%	100.00%	0	500
211	42535-55401	Training & Education-Collectn	4,000	0	4,000	Direct-S	0.00%	100.00%	0	4,000
212	42535-55409	Licenses & Certifications	250	0	250	Direct-S	0.00%	100.00%	0	250
213	42535-55900	Depreciation	0	0	0	Direct-S	0.00%	100.00%	0	0
214		Subtotal Operating Expenses	$2,428,448	($15,000)	$2,413,448		0.00%	100.00%	$0	$2,413,448
		Wastewater Capital Outlay [4]								
215	42535-66305	Cap Out-Sewer System	$180,000	($180,000)	$0	Direct-S	0.00%	100.00%	$0	$0
216	42535-66300	Sewer System - Const Improvmnt	300,000	(300,000)	0	Direct-S	0.00%	100.00%	0	0
217	42535-66305	Sewer System - Other Imp. - Phoneline Conv.	10,000	(10,000)	0	Direct-S	0.00%	100.00%	0	0
218	42535-66305	Sewer System - Manhole/Lat Reh	50,000	(50,000)	0	Direct-S	0.00%	100.00%	0	0
219	42535-66305	Sewer Sys- Lake Hiawatha Force	0	0	0	Direct-S	0.00%	100.00%	0	0
220	42535-66305	Cap Out-Sewer Ext To Sector	0	0	0	Direct-S	0.00%	100.00%	0	0
221	42535-66305	Cap Out-Johns Lake Rd Reuse	0	0	0	Direct-S	0.00%	100.00%	0	0
222	42535-66321	Lift Station Improvements	200,000	(200,000)	0	Direct-S	0.00%	100.00%	0	0
223	42535-66321	Lift Station Pump Replacements	120,000	(120,000)	0	Direct-S	0.00%	100.00%	0	0
224	42535-66400	Cap Out-Vehicles	228,000	(228,000)	0	Direct-S	0.00%	100.00%	0	0
225	42535-66401	Capital Equipment	84,900	(84,900)	0	Direct-S	0.00%	100.00%	0	0

Table 1-1
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Allocation of Fiscal Year 2017 Operating Budget [1]

Line No.	Cost Center Code	Description	Budget 2017	Adjustments	Adjusted 2017	Allocation Factor	Allocation Percentages Water	Allocation Percentages Wastewater	Allocated Amounts Water	Allocated Amounts Wastewater
226	42535-66403	Cap Out- It Equipment	0	0	0	Direct-S	0.00%	100.00%	0	0
227	42535-66404	Cap Out-Software	70,000	(70,000)	0	Direct-S	0.00%	100.00%	0	0
228		Subtotal Wastewater Capital Outlay	$1,242,900	($1,242,900)	$0		0.00%	100.00%	$0	$0
		Wastewater Debt Service [4]								
229	42535-77119	Debt Svc-2009 Bond Principal	$428,800	($428,800)	$0	Direct-S	0.00%	100.00%	$0	$0
230	42535-77219	Debt Svc-2009 Bond Interest	322,638	(322,638)	0	Direct-S	0.00%	100.00%	0	0
231	42535-77300	Pay Agent Fees	0	0	0	Direct-S	0.00%	100.00%	0	0
232	42535-77305	Debt Svc- Bond Issue Costs	0	0	0	Direct-S	0.00%	100.00%	0	0
233		Subtotal Wastewater Debt Service	$751,438	($751,438)	$0		0.00%	100.00%	$0	$0
		Wastewater Transfers [4]								
234	N/A	Transfer to General Fund	$630,000	($630,000)	$0	Direct-W	100.00%	0.00%	$0	$0
235	42599-59900	Transfer to Fund Reserves	0	0	0	Direct-W	100.00%	0.00%	0	0
236		Subtotal Wastewater Transfers	$630,000	($630,000)	$0		0.00%	100.00%	$0	$0
		Other Wastewater Adjustments								
237	Contingency	Contingency - 1.00% of O&M [5]	$0	$41,173	$41,173	Input	0.00%	100.00%	$0	$41,173
238	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [6]	0	16,574	16,574	Input	0.00%	100.00%	0	16,574
239	Other	Other Adjustments	0	84,920	84,920	Direct-S	0.00%	100.00%	0	84,920
240		Subtotal Other Wastewater Adjustments	$0	$142,667	$142,667		0.00%	100.00%	$0	$142,667
241		Subtotal Wastewater Operating Budget	$6,655,168	($2,496,671)	$4,158,497		0.00%	100.00%	$0	$4,158,497
242		**Grand Total Operating Budget**	$12,954,028	($5,265,591)	$7,688,437		45.91%	54.09%	$3,529,940	$4,158,497

Footnotes:
[1] Budgeted amounts shown are based on the Fiscal Year 2017 Adopted Operating Budget as provided by the City.
[2] Budgeted amounts for the "Administrative Services" line are to reimburse the General Fund for services that benefit the Utility.
[3] Budgeted amounts for the Payment in Lieu of Taxes (PILOT) are paid to the General Fund and are tincluded in the Cost of Operation and Maintenance for coverage purposes.
[4] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.
[5] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.
[6] An allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible revenues.

Table 1-2
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Allocation References

Line No.	Description	Allocation Basis	Allocation Percentages Water	Wastewater	Total
1	Equal Water and Wastewater	Equal	50.00%	50.00%	100.00%
2	Direct Water	Direct-W	100.00%	0.00%	100.00%
3	Direct Wastewater	Direct-S	0.00%	100.00%	100.00%
4	Eliminate	Eliminate	0.00%	0.00%	0.00%
5	Customer Accounts	Accounts	58.67%	41.33%	100.00%
6	Sales Revenues	Revenues	47.95%	52.05%	100.00%
7	Treated Flows	Flows	66.55%	33.45%	100.00%
8	Miles of Line	Lines	50.82%	49.18%	100.00%
9	Operating Expenses	Op Exp	45.75%	54.25%	100.00%
10	System Fixed Assets	Assets	35.27%	64.73%	100.00%
11	Debt	Debt	35.95%	64.05%	100.00%

Development of Allocation References

Line No.	Customer Accounts:	Allocation Percentages Water	Wastewater	Total
17	Number of Accounts - Fiscal Year 2015	21,383	15,064	36,447
18	Percentage Allocation	58.67%	41.33%	100.00%

Line No.	Sales Revenues	Allocation Percentages Water	Wastewater	Total
19	Rate Revenues - Fiscal Year 2015	$5,338,576	$5,795,770	$11,134,347
20	Percentage Allocation	47.95%	52.05%	100.00%

Line No.	Treated Flows	Allocation Percentages Water	Wastewater	Total
21	Treated Flows - Fiscal Year 2015	1,875,106	942,431	2,817,537
22	Percentage Allocation	66.55%	33.45%	100.00%

Table 1-2
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Allocation References

		Allocation Percentages		
	Linear Feet of Line	Water	Wastewater	Total
23	Linear Feet of Lines - Fiscal Year 2015	1,215,924	1,176,466	2,392,390
24	Percentage Allocation	50.82%	49.18%	100.00%

		Allocation Percentages		
	Operating Expenses	Water	Wastewater	Total
25	Operating Expenses - Fiscal Year 2016	$3,271,612	$3,880,174	$7,151,786
26	Percentage Allocation	45.75%	54.25%	100.00%

		Allocation Percentages		
	System Assets (Excluding Accumulated Depreciation)	Water	Wastewater	Total
27	Assets - Plant, Land, Equipment - Fiscal Year 2015	$34,201,086	$62,766,986	$96,968,072
28	Percentage Allocation	35.27%	64.73%	100.00%

		Allocation Percentages		
	Debt Payment	Water	Wastewater	Total
29	Budgeted Debt Payment - Fiscal Year 2016	$197,070	$351,165	$548,236
30	Percentage Allocation	35.95%	64.05%	100.00%

Table 1-3
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Water System Operating Expenses

Line No.	Cost Center Code	Description	Budgeted 2017	Escalation Factor	2018	2019	2020	2021	2022
					Fiscal Year Ending September 30th,				
		Water Department							
		Personnel Expenses							
1	41533-12100	Regular Salaries	$1,137,255	Labor	$1,171,373	$1,206,514	$1,242,709	$1,279,991	$1,318,390
2	AddPer	Additonal Personnel - Water	0	Input	0	41,297	130,338	179,383	184,765
3	41533-12110	Part-Time Salaries	0	Labor	0	0	0	0	0
4	41533-12120	Overtime Salaries	22,400	Labor	23,072	23,764	24,477	25,211	25,968
5	41533-12220	FICA	81,662	Labor	84,112	86,635	89,234	91,911	94,669
6	41533-12240	Defined Contribution Pension	115,965	Labor	119,444	123,027	126,718	130,520	134,435
7	41533-12300	Group Insurance	364,498	Health-Ins	386,368	409,550	434,123	460,170	487,781
8	41533-12305	Life Insurance	3,582	General-Ins	3,761	3,949	4,147	4,354	4,572
9	41533-12315	Employee Assistance Plan	468	Inflation	479	490	502	514	526
10	41533-12400	Workers Compensation	18,979	Labor	19,548	20,135	20,739	21,361	22,002
11	41533-12500	Unemployment Compensation	0	Labor	0	0	0	0	0
12	41533-12999	Sal/Ben-Personnel Changes	0	Labor	0	0	0	0	0
13		Subtotal Personnel Expenses	$1,744,809		$1,808,157	$1,915,361	$2,072,987	$2,193,415	$2,273,106
		Operating Expenses							
14	41533-53100	Pro Svcs-General	$36,000	Professional	$37,440	$38,938	$40,495	$42,115	$43,800
15	41533-53100	Pro Svcs-12" Wtr Main Loop	0	Professional	0	0	0	0	0
16	41533-53100	Pro Svcs-General - Admin Bldg	0	Professional	0	0	0	0	0
17	41533-53100	Pro Svcs-Lower Fl Aquifer	0	Professional	0	0	0	0	0
18	41533-53100	Pro Svcs-General-Grand Hwy Wel	0	Professional	0	0	0	0	0
19	41533-53100	Pro Svcs-General - Cdbg	0	Eliminate	0	0	0	0	0
20	41533-53128	Background Investigations	0	Professional	0	0	0	0	0
21	41533-53129	Drug Screens	0	Professional	0	0	0	0	0
22	41533-53130	Medical Services	0	Professional	0	0	0	0	0
23	41533-53141	Pro Svcs-Alternative Water	0	Eliminate	0	0	0	0	0
24	41533-53141	Pro Svcs-Alternative Water	0	Eliminate	0	0	0	0	0
25	41533-53150	Pro Svcs-Laboratory	30,000	Professional	31,200	32,448	33,746	35,096	36,500
26	41533-53154	Pro Svcs-Investment Advisor	6,650	Professional	6,916	7,193	7,480	7,780	8,091
27	41533-53168	Pro Svcs-Safety Training	4,000	Professional	4,160	4,326	4,499	4,679	4,867
28	41533-53169	Pro Svcs-Utility Locates	2,000	Professional	2,080	2,163	2,250	2,340	2,433
29	41533-53183	Pro Svcs-Cup Requirements	50,000	Professional	52,000	54,080	56,243	58,493	60,833
30	41533-53401	Contract Svcs-General	0	Contractual	0	0	0	0	0
31	41533-53403	Contract Svcs-Mowing	10,000	Contractual	10,400	10,816	11,249	11,699	12,167
32	41533-53404	Contract Svcs-Pest Cont	300	Contractual	312	324	337	351	365
33	41533-53413	Contract Svcs-Armored Car	2,500	Contractual	2,600	2,704	2,812	2,925	3,042
34	41533-54001	Travel & Per Diem	0	Inflation	0	0	0	0	0
35	41533-54001	Travel & Per Diem-Treatment	700	Inflation	716	733	750	768	787
36	41533-54001	Travel & Per Diem-Distribution	2,000	Inflation	2,046	2,093	2,143	2,195	2,247
37	41533-54001	Travel & Per Diem-Construction	300	Inflation	307	314	321	329	337
38	41533-54101	Telephone	15,000	Inflation	15,345	15,698	16,075	16,460	16,856
39	41533-54102	Internet Service	4,500	Inflation	4,604	4,709	4,822	4,938	5,057
40	41533-54200	Postage & Freight	54,000	Inflation	55,242	56,513	57,869	59,258	60,680
41	41533-54300	Electric & Gas Svc-West Trtmnt	100,000	W-Elec	108,570	117,874	127,976	138,944	150,851
42	41533-54301	Water & Sewer Service	5,000	Inflation	5,115	5,233	5,358	5,487	5,619
43	41533-54306	Electric & Gas Svc-East Trmnt	350,000	W-Elec	379,995	412,561	447,917	486,304	527,980
44	41533-54400	Rentals-Equipment	500	Inflation	512	523	536	549	562
45	41533-54500	Commercial Insurance	145,595	General-Ins	152,875	160,518	168,544	176,972	185,820
46	41533-54501	Self-Insur Liab Claims	0	General-Ins	0	0	0	0	0
47	41533-54600	Repair & Maint-Buildings	2,000	Repair	2,060	2,122	2,185	2,251	2,319
48	41533-54601	Repair & Maint-Vehicles	10,000	Repair	10,300	10,609	10,927	11,255	11,593
49	41533-54610	Repair & Maint-Meters	60,000	Repair	61,800	63,654	65,564	67,531	69,556
50	41533-54611	Repair & Maint-Tanks	5,000	Repair	5,150	5,305	5,464	5,628	5,796
51	41533-54612	Repair & Maint-Systems	100,000	Repair	103,000	106,090	109,273	112,551	115,927
52	41533-54614	Repair & Maint-Equip-Treatment	46,000	Repair	47,380	48,801	50,265	51,773	53,327
53	41533-54623	Repair & Maint-It Equip	1,000	Repair	1,030	1,061	1,093	1,126	1,159
54	41533-54624	Repair & Maint-Water Wells	20,000	Repair	20,600	21,218	21,855	22,510	23,185
55	41533-54640	Repair & Maint-Copiers	500	Repair	515	530	546	563	580
56	41533-54700	Printing	25,000	Inflation	25,575	26,163	26,791	27,434	28,093
57	41533-54700	Printing - Re-Branding	0	Inflation	0	0	0	0	0
58	41533-54800	Advertising	2,000	Inflation	2,046	2,093	2,143	2,195	2,247
59	41533-54900	Other Current Charges	0	Inflation	0	0	0	0	0
60	41533-54900	Other Current Charges-Re-Brand	0	Inflation	0	0	0	0	0
61	41533-54906	Administrative Services [1]	344,938	Labor	355,286	365,945	376,923	388,231	399,878
62	41533-54907	Uncollectible Accounts	0	Eliminate	0	0	0	0	0
63	41533-54909	Bank Service Charges	23,821	Inflation	24,369	24,929	25,528	26,140	26,768
64	41533-54912	Security/Monitoring Service	15,000	Inflation	15,345	15,698	16,075	16,460	16,856
65	41533-54918	Permit Fees	10,000	Inflation	10,230	10,465	10,716	10,974	11,237
66	41533-54919	Collection Agency Fees	1,500	W-Rev	1,500	1,530	1,564	1,598	1,634
67	41533-54920	Payments In Lieu Of Taxes [2]	70,161	PILOT	72,617	75,158	77,789	80,511	83,329
68	41533-55100	Office Supplies	3,500	Inflation	3,581	3,663	3,751	3,841	3,933
69	41533-55200	Operating Supplies	0	Inflation	0	0	0	0	0
70	41533-55200	Operating Supplies-Treatment	12,000	Inflation	12,276	12,558	12,860	13,168	13,484
71	41533-55200	Operating Supplies-Distributn	7,000	Inflation	7,161	7,326	7,502	7,682	7,866
72	41533-55200	Operating Supplies-Constructn	1,000	Inflation	1,023	1,047	1,072	1,097	1,124
73	41533-55201	Gas & Oil	60,000	Fuel	63,000	66,150	69,458	72,930	76,577

Table 1-3
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Water System Operating Expenses

Line No.	Cost Center Code	Description	Budgeted 2017	Escalation Factor	Fiscal Year Ending September 30th, 2018	2019	2020	2021	2022
74	41533-55202	Tires & Batteries	6,000	Inflation	6,138	6,279	6,430	6,584	6,742
75	41533-55203	Uniforms	7,500	Inflation	7,673	7,849	8,037	8,230	8,428
76	41533-55204	Minor Equipment-Treatment	4,000	Inflation	4,092	4,186	4,287	4,389	4,495
77	41533-55204	Minor Equipment-Distribution	6,000	Inflation	6,138	6,279	6,430	6,584	6,742
78	41533-55204	Minor Equipment-Construction	2,000	Inflation	2,046	2,093	2,143	2,195	2,247
79	41533-55205	Safety Equipment	1,000	Inflation	1,023	1,047	1,072	1,097	1,124
80	41533-55207	Chlorine	50,000	W-Chem	54,285	58,937	63,988	69,472	75,426
81	41533-55208	Corrosion Control	10,000	Labor	10,300	10,609	10,927	11,255	11,593
82	41533-55209	Safety Shoes	5,000	Labor	5,150	5,305	5,464	5,628	5,796
83	41533-55210	Laboratory Supplies	1,500	WFlowInf	1,587	1,678	1,777	1,882	1,992
84	41533-55212	Community Relations	4,000	Inflation	4,092	4,186	4,287	4,389	4,495
85	41533-55218	Water Conservation Supplies	5,000	Inflation	5,115	5,233	5,358	5,487	5,619
86	41533-55219	Software Renewals/Support	23,000	Inflation	23,529	24,070	24,648	25,239	25,845
87	41533-55299	Unbilled Fuel Usage	0	Fuel	0	0	0	0	0
88	41533-55400	Subscriptions & Dues	3,000	Inflation	3,069	3,140	3,215	3,292	3,371
89	41533-55401	Training & Education-Treatment	3,900	Inflation	3,990	4,081	4,179	4,280	4,382
90	41533-55401	Training & Education-Distribtn	4,800	Inflation	4,910	5,023	5,144	5,267	5,394
91	41533-55401	Training & Education-Constrctn	300	Inflation	307	314	321	329	337
92	41533-55409	Licenses & Certifications	250	Inflation	256	262	268	274	281
93	41533-55900	Depreciation	0	Eliminate	0	0	0	0	0
94		Subtotal Operating Expenses	$1,776,715		$1,861,976	$1,952,448	$2,048,742	$2,151,003	$2,259,667
		Water Capital Outlay [3]							
95	41533-66201	Cap Out-Admin Bldg Expansion	$0	Eliminate	$0	$0	$0	$0	$0
96	41533-66300	Cap Out-Fiber Optic Network	0	Eliminate	0	0	0	0	0
97	41533-66300	Cap Out-Bloxam Elevated Tank	0	Eliminate	0	0	0	0	0
98	41533-66307	Cap Out-Water System - Other System Imp.	0	Eliminate	0	0	0	0	0
99	41533-66307	Cap Out-Water System	0	Eliminate	0	0	0	0	0
100	41533-66307	East & West Water Interconnect	0	Eliminate	0	0	0	0	0
101	41533-66307	Wtr Sys-12" Water Main Loop	0	Eliminate	0	0	0	0	0
102	41533-66307	Wtr Sys-Water Ext To Sector	0	Eliminate	0	0	0	0	0
103	41533-66307	Water System -Hampton & Almond	0	Eliminate	0	0	0	0	0
104	41533-66307	Water System Cap Out - Lower FL Aquifer	0	Eliminate	0	0	0	0	0
105	41533-66307	Water System - Prince Ed Ave	0	Eliminate	0	0	0	0	0
106	41533-66307	Cap Out-Grand Hwy Well	0	Eliminate	0	0	0	0	0
107	41533-66307	Cap Out-Water System - Cdbg	0	Eliminate	0	0	0	0	0
108	41533-66308	Cap Out-Water Inventory	0	Eliminate	0	0	0	0	0
109	41533-66308	Cap Out-Water Inventory	0	Eliminate	0	0	0	0	0
110	41533-66400	Cap Out-Vehicles	0	Eliminate	0	0	0	0	0
111	41533-66401	Capital Equipment	0	Eliminate	0	0	0	0	0
112	41533-66403	Cap Out- It Equipment	0	Eliminate	0	0	0	0	0
113	41533-66403	Cap Out- Asset Management	0	Eliminate	0	0	0	0	0
114	41533-66404	Cap Out-Software	0	Eliminate	0	0	0	0	0
115		Subtotal Water Capital Outlay	$0		$0	$0	$0	$0	$0
		Water Debt Service [3]							
116	41533-77119	Debt Svc-2009 Bond Princpal	$0	Eliminate	$0	$0	$0	$0	$0
117	41533-77219	Debt Svc-2009 Bond Interest	0	Eliminate	0	0	0	0	0
118	41533-77300	Pay Agent Fees	0	Inflation	0	0	0	0	0
119	41533-77305	Debt Svc- Bond Issue Costs	0	Eliminate	0	0	0	0	0
120		Subtotal Water Debt Service	$0		$0	$0	$0	$0	$0
		Water Transfers [3]							
121	41581-99100	Transfer to General Fund	$0	Eliminate	$0	$0	$0	$0	$0
122	41581-99101	Transfer to Stormwater Fund	0	Eliminate	0	0	0	0	0
123	41599-59900	Transfer to Fund Reserves	0	Eliminate	0	0	0	0	0
124		Subtotal Water Transfers	$0		$0	$0	$0	$0	$0
		Other Water Adjustments							
125	Contingency	Contingency - 1.00% of O&M [4]	$34,950	Input	$38,847	$40,273	$42,910	$45,224	$47,181
126	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [5]	16,055	Input	16,055	15,458	15,795	16,144	16,504
127	Other	Other Adjustments	(42,589)	Input	198,559	144,059	153,516	161,810	168,826
128		Subtotal Other Water Adjustments	$8,416		$253,461	$199,790	$212,222	$223,178	$232,511
129		Total Water Operating Budget	$3,529,940		$3,923,594	$4,067,599	$4,333,950	$4,567,596	$4,765,284

Footnotes:
[1] Budgeted amounts for the "Administrative Services" line are to reimburse the General Fund for services that benefit the Utility.
[2] Budgeted amounts for the Payment in Lieu of Taxes (PILOT) are paid to the General Fund and are included in the Cost of Operation and Maintenance for coverage purposes.
[3] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.
[4] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.
[5] An allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible revenues.

Table 1-4
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Wastewater System Operating Expenses

Line No.	Cost Center Code	Description	Budgeted 2017	Escalation Factor	Fiscal Year Ending September 30th, 2018	2019	2020	2021	2022
		Wastewater Department							
		Personnel Expenses							
1	42535-12100	Regular Salaries	$1,055,302	Labor	$1,086,961	$1,119,570	$1,153,157	$1,187,752	$1,223,384
2	AddPer	Additional Personnel - Wastewater	0	Input	80,550	124,264	176,591	181,889	187,346
3	42535-12110	Part-Time Salaries	0	Labor	0	0	0	0	0
4	42535-12120	Overtime Salaries	23,100	Labor	23,793	24,507	25,242	25,999	26,779
5	42535-12220	FICA	76,279	Labor	78,567	80,924	83,352	85,853	88,428
6	42535-12240	Defined Contribution Pension	107,840	Labor	111,075	114,407	117,840	121,375	125,016
7	42535-12300	Group Insurance	315,479	Health-Ins	334,408	354,472	375,741	398,285	422,182
8	42535-12305	Life Insurance	3,324	General-Ins	3,490	3,665	3,848	4,040	4,242
9	42535-12315	Employee Assistance Plan	432	Inflation	442	452	463	474	485
10	42535-12400	Workers Compensation	20,626	Labor	21,245	21,882	22,539	23,215	23,911
11	42535-12500	Unemployment Compensation	0	Labor	0	0	0	0	0
12	42535-12999	Sal/Ben-Personnel Changes	0	Labor	0	0	0	0	0
13		Subtotal Personnel Expenses	$1,602,382		$1,740,531	$1,844,143	$1,958,772	$2,028,882	$2,101,775
		Operating Expenses							
14	42535-53100	Pro Svcs-General	$66,750	Professional	$69,420	$72,197	$75,085	$78,088	$81,212
15	42535-53100	Pro Svcs-General - Sewer Impr	0	Professional	0	0	0	0	0
16	42535-53100	Pro Svcs-Johns Lake Rd Reuse	0	Professional	0	0	0	0	0
17	42535-53128	Background Investigations	0	Professional	0	0	0	0	0
18	42535-53129	Drug Screens	0	Professional	0	0	0	0	0
19	42535-53130	Medical Services	0	Professional	0	0	0	0	0
20	42535-53150	Pro Svces-Laboratory	25,000	Professional	26,000	27,040	28,122	29,246	30,416
21	42535-53154	Pro Svces-Investment Advisor	7,165	Professional	7,452	7,750	8,060	8,382	8,717
22	42535-53168	Pro Svces-Safety Training	4,000	Professional	4,160	4,326	4,499	4,679	4,867
23	42535-53169	Pro Svces-Utility Locates	2,500	Professional	2,600	2,704	2,812	2,925	3,042
24	42535-53401	Contract Svcs-General	0	Contractual	0	0	0	0	0
25	42535-53403	Contract Svcs-Mowing	8,000	Contractual	8,320	8,653	8,999	9,359	9,733
26	42535-53404	Contract Svces-Pest Cont	300	Contractual	312	324	337	351	365
27	42535-53408	Contract Svces-Sewer Cleaning	0	Contractual	0	0	0	0	0
28	42535-53410	Contract Svces-Odor Control Ea	60,000	Contractual	62,400	64,896	67,492	70,192	72,999
29	42535-53413	Contract Svces-Armored Car	2,400	Contractual	2,496	2,596	2,700	2,808	2,920
30	42535-54001	Travel & Per Diem	500	Inflation	512	523	536	549	562
31	42535-54001	Travel & Per Diem - Treatment	400	Inflation	409	419	429	439	449
32	42535-54001	Travel & Per Diem - Construct	500	Inflation	512	523	536	549	562
33	42535-54001	Travel & Per Diem - Collection	1,500	Inflation	1,535	1,570	1,607	1,646	1,686
34	42535-54101	Telephone	18,300	Inflation	18,721	19,151	19,611	20,082	20,564
35	42535-54102	Internet Service	2,000	Inflation	2,046	2,093	2,143	2,195	2,247
36	42535-54200	Postage & Freight	20,000	Inflation	20,460	20,931	21,433	21,947	22,474
37	42535-54301	Water & Sewer Service	15,000	Inflation	15,345	15,698	16,075	16,460	16,856
38	42535-54307	Electric & Gas Svc-East Plant	366,000	WW-Elec	397,366	431,420	468,393	508,535	552,116
39	42535-54308	Electric & Gas Svc-W Lift Sta	67,000	WW-Elec	72,742	78,976	85,744	93,092	101,070
40	42535-54309	Electric & Gas Svc-E Lift Sta	300,000	WW-Elec	325,710	353,623	383,929	416,832	452,554
41	42535-54310	Sludge Disposal-East	200,000	WWFlowInf	211,556	223,781	236,942	250,878	265,634
42	42535-54400	Rentals-Equipment	500	Inflation	512	523	536	549	562
43	42535-54500	Commercial Insurance	194,514	General-Ins	204,240	214,452	225,174	236,433	248,255
44	42535-54600	Repair & Maint-Buildings	3,000	Repair	3,090	3,183	3,278	3,377	3,478
45	42535-54601	Repair & Maint-Vehicles	15,000	Repair	15,450	15,914	16,391	16,883	17,389
46	42535-54612	Repair & Maint-Systems	50,000	Repair	51,500	53,045	54,636	56,275	57,964
47	42535-54614	Repair & Maint-Equip-Treatment	61,000	Repair	62,830	64,715	66,656	68,656	70,716
48	42535-54619	Repair & Maint-Equip-Collect	150,000	Repair	154,500	159,135	163,909	168,826	173,891
49	42535-54623	Repair & Maint-It Equip	0	Repair	0	0	0	0	0
50	42535-54640	Repair & Maint-Copiers	500	Repair	515	530	546	563	580
51	42535-54700	Printing	7,000	Inflation	7,161	7,326	7,502	7,682	7,866
52	42535-54800	Advertising	1,500	Inflation	1,535	1,570	1,607	1,646	1,686
53	42535-54900	Other Current Charges	0	Inflation	0	0	0	0	0
54	42535-54906	Administrative Services [1]	362,772	Labor	373,655	384,865	396,411	408,303	420,552
55	42535-54907	Uncollectible Accounts	0	Eliminate	0	0	0	0	0
56	42535-54909	Bank Service Charges	16,179	WW-Rev	16,179	16,606	17,063	17,535	18,024
57	42535-54912	Security/Monitoring Service	15,000	Inflation	15,345	15,698	16,075	16,460	16,856
58	42535-54918	Permit Fees	1,000	Inflation	1,023	1,047	1,072	1,097	1,124
59	42535-54920	Payments In Lieu Of Taxes [2]	134,621	PILOT	139,333	144,209	149,257	154,481	159,888
60	42535-55100	Office Supplies	3,000	Inflation	3,069	3,140	3,215	3,292	3,371
61	42535-55200	Operating Supplies-Treatment	5,500	Inflation	5,627	5,756	5,894	6,036	6,180
62	42535-55200	Operating Supplies - Construct	1,000	Inflation	1,023	1,047	1,072	1,097	1,124
63	42535-55200	Operating Supplies-Collection	6,500	Inflation	6,650	6,802	6,966	7,133	7,304
64	42535-55201	Gas & Oil	60,000	Fuel	63,000	66,150	69,458	72,930	76,577
65	42535-55202	Tires & Batteries	6,000	Inflation	6,138	6,279	6,430	6,584	6,742
66	42535-55203	Uniforms	7,000	Inflation	7,161	7,326	7,502	7,682	7,866
67	42535-55204	Minor Equipment-Treatment	5,000	Inflation	5,115	5,233	5,358	5,487	5,619
68	42535-55204	Minor Equipment - Construct	1,000	Inflation	1,023	1,047	1,072	1,097	1,124
69	42535-55204	Minor Equipment-Collection	7,500	Inflation	7,673	7,849	8,037	8,230	8,428
70	42535-55205	Safety Equipment	1,500	Inflation	1,535	1,570	1,607	1,646	1,686
71	42535-55207	Chlorine	70,000	WW-Chem	75,999	82,512	89,583	97,261	105,596
72	42535-55209	Safety Shoes	5,000	Inflation	5,115	5,233	5,358	5,487	5,619
73	42535-55210	Laboratory Supplies	4,500	WWFlowInf	4,760	5,035	5,331	5,645	5,977

Table 1-4
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Wastewater System Operating Expenses

Line No.	Cost Center Code	Description	Budgeted 2017	Escalation Factor	2018	2019	2020	2021	2022
					Fiscal Year Ending September 30th,				
74	42535-55214	Polymer	22,000	Inflation	22,506	23,024	23,576	24,142	24,721
75	42535-55219	Software Renewals/Support	20,547	Inflation	21,020	21,503	22,019	22,548	23,089
76	42535-55400	Subscriptions & Dues	750	Inflation	767	785	804	823	843
77	42535-55401	Training & Education	0	Inflation	0	0	0	0	0
78	42535-55401	Training & Education-Treatment	2,000	Inflation	2,046	2,093	2,143	2,195	2,247
79	42535-55401	Training & Education - Constr	500	Inflation	512	523	536	549	562
80	42535-55401	Training & Education-Collectn	4,000	Inflation	4,092	4,186	4,287	4,389	4,495
81	42535-55409	Licenses & Certifications	250	Inflation	256	262	268	274	281
82	42535-55900	Depreciation	0	Eliminate	0	0	0	0	0
83		Subtotal Operating Expenses	$2,413,448		$2,542,023	$2,679,364	$2,826,112	$2,982,526	$3,149,321
		Wastewater Capital Outlay [3]							
84	42535-66305	Cap Out-Sewer System	$0	Eliminate	$0	$0	$0	$0	$0
85	42535-66305	Sewer System - Const Improvmnt	0	Eliminate	0	0	0	0	0
85	42535-66305	Sewer System - Other Imp. - Phoneline Conv.	0	Eliminate	0	0	0	0	0
86	42535-66305	Sewer System - Manhole/Lat Reh	0	Eliminate	0	0	0	0	0
87	42535-66305	Sewer Sys- Lake Hiawatha Force	0	Eliminate	0	0	0	0	0
88	42535-66305	Cap Out-Sewer Ext To Sector	0	Eliminate	0	0	0	0	0
89	42535-66305	Cap Out-Johns Lake Rd Reuse	0	Eliminate	0	0	0	0	0
90	42535-66321	Lift Station Improvements	0	Eliminate	0	0	0	0	0
91	42535-66321	Lift Station Pump Replacements	0	Eliminate	0	0	0	0	0
92	42535-66400	Cap Out-Vehicles	0	Eliminate	0	0	0	0	0
93	42535-66401	Capital Equipment	0	Eliminate	0	0	0	0	0
94	42535-66403	Cap Out- It Equipment	0	Eliminate	0	0	0	0	0
95	42535-66404	Cap Out-Software	0	Eliminate	0	0	0	0	0
96		Subtotal Wastewater Capital Outlay	$0		$0	$0	$0	$0	$0
		Wastewater Debt Service [3]							
97	42535-77119	Debt Svc-2009 Bond Principal	$0	Eliminate	$0	$0	$0	$0	$0
98	42535-77219	Debt Svc-2009 Bond Interest	0	Eliminate	0	0	0	0	0
99	42535-77300	Pay Agent Fees	0	Inflation	0	0	0	0	0
100	42535-77305	Debt Svc- Bond Issue Costs	0	Eliminate	0	0	0	0	0
101		Subtotal Wastewater Debt Service	$0		$0	$0	$0	$0	$0
		Wastewater Transfers [3]							
102	N/A	Transfer to General Fund	$0	Eliminate	$0	$0	$0	$0	$0
103	42599-59900	Transfer to Fund Reserves	0	Eliminate	0	0	0	0	0
104		Subtotal Wastewater Transfers	$0		$0	$0	$0	$0	$0
		Other Wastewater Adjustments							
105	Contingency	Contingency - 1.00% of O&M [4]	$41,173	Input	$42,696	$46,083	$48,745	$51,053	$53,495
106	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [5]	16,574	Input	16,824	16,951	17,787	18,667	19,595
107	Other	Other Adjustments	84,920	Input	(29,797)	67,874	71,796	75,195	78,791
108		Subtotal Other Wastewater Adjustments	$142,667		$29,723	$130,908	$138,327	$144,914	$151,881
109		Total Wastewater Operating Budget	$4,158,497		$4,312,278	$4,654,415	$4,923,212	$5,156,322	$5,402,977

Footnotes:
[1] Budgeted amounts for the "Administrative Services" line are to reimburse the General Fund for services that benefit the Utility.
[2] Budgeted amounts for the Payment in Lieu of Taxes (PILOT) are paid to the General Fund and are included in the Cost of Operation and Maintenance for coverage purposes.
[3] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.
[4] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.
[5] An allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible revenues.

Table 1-5
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Combined Water and Wastewater System Operating Expenses

Line No.	Cost Center Code	Description	Budgeted 2017	Escalation Factor	Fiscal Year Ending September 30th, 2018	2019	2020	2021	2022
		Water Department							
		Personnel Expenses							
1	41533-12100	Regular Salaries	$1,137,255	Labor	$1,171,373	$1,206,514	$1,242,709	$1,279,991	$1,318,390
2	AddPer	Additonal Personnel - Water	0	Input	0	41,297	130,338	179,383	184,765
3	41533-12110	Part-Time Salaries	0	Labor	0	0	0	0	0
4	41533-12120	Overtime Salaries	22,400	Labor	23,072	23,764	24,477	25,211	25,968
5	41533-12220	FICA	81,662	Labor	84,112	86,635	89,234	91,911	94,669
6	41533-12240	Defined Contribution Pension	115,965	Labor	119,444	123,027	126,718	130,520	134,435
7	41533-12300	Group Insurance	364,498	Health-Ins	386,368	409,550	434,123	460,170	487,781
8	41533-12305	Life Insurance	3,582	General-Ins	3,761	3,949	4,147	4,354	4,572
9	41533-12315	Employee Assistance Plan	468	Inflation	479	490	502	514	526
10	41533-12400	Workers Compensation	18,979	Labor	19,548	20,135	20,739	21,361	22,002
11	41533-12500	Unemployment Compensation	0	Labor	0	0	0	0	0
12	41533-12999	Sal/Ben-Personnel Changes	0	Labor	0	0	0	0	0
13		Subtotal Personnel Expenses	$1,744,809		$1,808,157	$1,915,361	$2,072,987	$2,193,415	$2,273,106
		Operating Expenses							
14	41533-53100	Pro Svcs-General	$36,000	Professional	$37,440	$38,938	$40,495	$42,115	$43,800
15	41533-53100	Pro Svcs-12" Wtr Main Loop	0	Professional	0	0	0	0	0
16	41533-53100	Pro Svcs-General - Admin Bldg	0	Professional	0	0	0	0	0
17	41533-53100	Pro Svcs-Lower Fl Aquifer	0	Professional	0	0	0	0	0
18	41533-53100	Pro Svcs-General-Grand Hwy Wel	0	Professional	0	0	0	0	0
19	41533-53100	Pro Svcs-General - Cdbg	0	Eliminate	0	0	0	0	0
20	41533-53128	Background Investigations	0	Professional	0	0	0	0	0
21	41533-53129	Drug Screens	0	Professional	0	0	0	0	0
22	41533-53130	Medical Services	0	Professional	0	0	0	0	0
23	41533-53141	Pro Svcs-Alternative Water	0	Eliminate	0	0	0	0	0
24	41533-53141	Pro Svcs-Alternative Water	0	Eliminate	0	0	0	0	0
25	41533-53150	Pro Svcs-Laboratory	30,000	Professional	31,200	32,448	33,746	35,096	36,500
26	41533-53154	Pro Svcs-Investment Advisor	6,650	Professional	6,916	7,193	7,480	7,780	8,091
27	41533-53168	Pro Svcs-Safety Training	4,000	Professional	4,160	4,326	4,499	4,679	4,867
28	41533-53169	Pro Svcs-Utility Locates	2,000	Professional	2,080	2,163	2,250	2,340	2,433
29	41533-53183	Pro Svcs-Cup Requirements	50,000	Professional	52,000	54,080	56,243	58,493	60,833
30	41533-53401	Contract Svcs-General	0	Contractual	0	0	0	0	0
31	41533-53403	Contract Svcs-Mowing	10,000	Contractual	10,400	10,816	11,249	11,699	12,167
32	41533-53404	Contract Svcs-Pest Cont	300	Contractual	312	324	337	351	365
33	41533-53413	Contract Svcs-Armored Car	2,500	Contractual	2,600	2,704	2,812	2,925	3,042
34	41533-54001	Travel & Per Diem	0	Inflation	0	0	0	0	0
35	41533-54001	Travel & Per Diem-Treatment	700	Inflation	716	733	750	768	787
36	41533-54001	Travel & Per Diem-Distribution	2,000	Inflation	2,046	2,093	2,143	2,195	2,247
37	41533-54001	Travel & Per Diem-Construction	300	Inflation	307	314	321	329	337
38	41533-54101	Telephone	15,000	Inflation	15,345	15,698	16,075	16,460	16,856
39	41533-54102	Internet Service	4,500	Inflation	4,604	4,709	4,822	4,938	5,057
40	41533-54200	Postage & Freight	54,000	Inflation	55,242	56,513	57,869	59,258	60,680
41	41533-54300	Electric & Gas Svc-West Trtmnt	100,000	W-Elec	108,570	117,874	127,976	138,944	150,851
42	41533-54301	Water & Sewer Service	5,000	Inflation	5,115	5,233	5,358	5,487	5,619
43	41533-54306	Electric & Gas Svc-East Trmnt	350,000	W-Elec	379,995	412,561	447,917	486,304	527,980
44	41533-54400	Rentals-Equipment	500	Inflation	512	523	536	549	562
45	41533-54500	Commercial Insurance	145,595	General-Ins	152,875	160,518	168,544	176,972	185,820
46	41533-54501	Self-Insur Liab Claims	0	General-Ins	0	0	0	0	0
47	41533-54600	Repair & Maint-Buildings	2,000	Repair	2,060	2,122	2,185	2,251	2,319
48	41533-54601	Repair & Maint-Vehicles	10,000	Repair	10,300	10,609	10,927	11,255	11,593
49	41533-54610	Repair & Maint-Meters	60,000	Repair	61,800	63,654	65,564	67,531	69,556
50	41533-54611	Repair & Maint-Tanks	5,000	Repair	5,150	5,305	5,464	5,628	5,796
51	41533-54612	Repair & Maint-Systems	100,000	Repair	103,000	106,090	109,273	112,551	115,927
52	41533-54614	Repair & Maint-Equip-Treatment	46,000	Repair	47,380	48,801	50,265	51,773	53,327
53	41533-54623	Repair & Maint-It Equip	1,000	Repair	1,030	1,061	1,093	1,126	1,159
54	41533-54624	Repair & Maint-Water Wells	20,000	Repair	20,600	21,218	21,855	22,510	23,185
55	41533-54640	Repair & Maint-Copiers	500	Repair	515	530	546	563	580
56	41533-54700	Printing	25,000	Inflation	25,575	26,163	26,791	27,434	28,093
57	41533-54700	Printing - Re-Branding	0	Inflation	0	0	0	0	0
58	41533-54800	Advertising	2,000	Inflation	2,046	2,093	2,143	2,195	2,247
59	41533-54900	Other Current Charges	0	Inflation	0	0	0	0	0
60	41533-54900	Other Current Charges-Re-Brand	0	Inflation	0	0	0	0	0
61	41533-54906	Administrative Services [1]	344,938	Labor	355,286	365,945	376,923	388,231	399,878
62	41533-54907	Uncollectible Accounts	0	Eliminate	0	0	0	0	0
63	41533-54909	Bank Service Charges	23,821	Inflation	24,369	24,929	25,528	26,140	26,768
64	41533-54912	Security/Monitoring Service	15,000	Inflation	15,345	15,698	16,075	16,460	16,856
65	41533-54918	Permit Fees	10,000	Inflation	10,230	10,465	10,716	10,974	11,237
66	41533-54919	Collection Agency Fees	1,500	W-Rev	1,500	1,530	1,564	1,598	1,634
67	41533-54920	Payments In Lieu Of Taxes [2]	70,161	PILOT	72,617	75,158	77,789	80,511	83,329
68	41533-55100	Office Supplies	3,500	Inflation	3,581	3,663	3,751	3,841	3,933
69	41533-55200	Operating Supplies	0	Inflation	0	0	0	0	0
70	41533-55200	Operating Supplies-Treatment	12,000	Inflation	12,276	12,558	12,860	13,168	13,484
71	41533-55200	Operating Supplies-Distributn	7,000	Inflation	7,161	7,326	7,502	7,682	7,866
72	41533-55200	Operating Supplies-Constructn	1,000	Inflation	1,023	1,047	1,072	1,097	1,124
73	41533-55201	Gas & Oil	60,000	Fuel	63,000	66,150	69,458	72,930	76,577

Table 1-5
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Combined Water and Wastewater System Operating Expenses

Line No.	Cost Center Code	Description	Budgeted 2017	Escalation Factor	Fiscal Year Ending September 30th, 2018	2019	2020	2021	2022
74	41533-55202	Tires & Batteries	6,000	Inflation	6,138	6,279	6,430	6,584	6,742
75	41533-55203	Uniforms	7,500	Inflation	7,673	7,849	8,037	8,230	8,428
76	41533-55204	Minor Equipment	0	Inflation	0	0	0	0	0
77	41533-55204	Minor Equipment-Treatment	4,000	Inflation	4,092	4,186	4,287	4,389	4,495
78	41533-55204	Minor Equipment-Distribution	6,000	Inflation	6,138	6,279	6,430	6,584	6,742
79	41533-55204	Minor Equipment-Construction	2,000	Inflation	2,046	2,093	2,143	2,195	2,247
80	41533-55205	Safety Equipment	1,000	Inflation	1,023	1,047	1,072	1,097	1,124
81	41533-55207	Chlorine	50,000	W-Chem	54,285	58,937	63,988	69,472	75,426
82	41533-55208	Corrosion Control	10,000	Labor	10,300	10,609	10,927	11,255	11,593
83	41533-55209	Safety Shoes	5,000	Labor	5,150	5,305	5,464	5,628	5,796
84	41533-55210	Laboratory Supplies	1,500	WFlowInf	1,587	1,678	1,777	1,882	1,992
85	41533-55212	Community Relations	4,000	Inflation	4,092	4,186	4,287	4,389	4,495
86	41533-55218	Water Conservation Supplies	5,000	Inflation	5,115	5,233	5,358	5,487	5,619
87	41533-55219	Software Renewals/Support	23,000	Inflation	23,529	24,070	24,648	25,239	25,845
88	41533-55299	Unbilled Fuel Usage	0	Fuel	0	0	0	0	0
89	41533-55400	Subscriptions & Dues	3,000	Inflation	3,069	3,140	3,215	3,292	3,371
90	41533-55401	Training & Education	0	Inflation	0	0	0	0	0
91	41533-55401	Training & Education-Treatment	3,900	Inflation	3,990	4,081	4,179	4,280	4,382
92	41533-55401	Training & Education-Distribtn	4,800	Inflation	4,910	5,023	5,144	5,267	5,394
93	41533-55401	Training & Education-Constrctn	300	Inflation	307	314	321	329	337
94	41533-55409	Licenses & Certifications	250	Inflation	256	262	268	274	281
95	41533-55900	Depreciation	0	Eliminate	0	0	0	0	0
96		Subtotal Operating Expenses	$1,776,715		$1,861,976	$1,952,448	$2,048,742	$2,151,003	$2,259,667
		Water Capital Outlay [3]							
97	41533-66201	Cap Out-Admin Bldg Expansion	$0	Eliminate	$0	$0	$0	$0	$0
98	41533-66300	Cap Out-Fiber Optic Network	0	Eliminate	0	0	0	0	0
99	41533-66300	Cap Out-Bloxam Elevated Tank	0	Eliminate	0	0	0	0	0
100	41533-66307	Cap Out-Water System - Other System Imp.	0	Eliminate	0	0	0	0	0
101	41533-66307	Cap Out-Water System	0	Eliminate	0	0	0	0	0
102	41533-66307	East & West Water Interconnect	0	Eliminate	0	0	0	0	0
103	41533-66307	Wtr Sys-12" Water Main Loop	0	Eliminate	0	0	0	0	0
104	41533-66307	Wtr Sys-Water Ext To Sector	0	Eliminate	0	0	0	0	0
105	41533-66307	Water System -Hampton & Almond	0	Eliminate	0	0	0	0	0
106	41533-66307	Water System Cap Out - Lower FL Aquifer	0	Eliminate	0	0	0	0	0
107	41533-66307	Water System - Prince Ed Ave	0	Eliminate	0	0	0	0	0
108	41533-66307	Cap Out-Grand Hwy Well	0	Eliminate	0	0	0	0	0
109	41533-66307	Cap Out-Water System - Cdbg	0	Eliminate	0	0	0	0	0
110	41533-66308	Cap Out-Water Inventory	0	Eliminate	0	0	0	0	0
111	41533-66308	Cap Out-Water Inventory	0	Eliminate	0	0	0	0	0
112	41533-66400	Cap Out-Vehicles	0	Eliminate	0	0	0	0	0
113	41533-66401	Capital Equipment	0	Eliminate	0	0	0	0	0
114	41533-66403	Cap Out- It Equipment	0	Eliminate	0	0	0	0	0
115	41533-66403	Cap Out- Asset Management	0	Eliminate	0	0	0	0	0
116	41533-66404	Cap Out-Software	0	Eliminate	0	0	0	0	0
117		Subtotal Water Capital Outlay	$0		$0	$0	$0	$0	$0
		Water Debt Service [3]							
118	41533-77119	Debt Svc-2009 Bond Princpal	$0	Eliminate	$0	$0	$0	$0	$0
119	41533-77219	Debt Svc-2009 Bond Interest	0	Eliminate	0	0	0	0	0
120	41533-77300	Pay Agent Fees	0	Inflation	0	0	0	0	0
121	41533-77305	Debt Svc- Bond Issue Costs	0	Eliminate	0	0	0	0	0
122		Subtotal Water Debt Service	$0		$0	$0	$0	$0	$0
		Water Transfers [3]							
123	41581-99100	Transfer to General Fund	$0	Eliminate	$0	$0	$0	$0	$0
124	41581-99101	Transfer to Stormwater Fund	0	Eliminate	0	0	0	0	0
125	41599-59900	Transfer to Fund Reserves	0	Eliminate	0	0	0	0	0
126		Subtotal Water Transfers	$0		$0	$0	$0	$0	$0
		Other Water Adjustments							
127	Contingency	Contingency - 1.00% of O&M [4]	$34,950	Input	$38,847	$40,273	$42,910	$45,224	$47,181
128	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [5]	16,055	Input	16,055	15,458	15,795	16,144	16,504
129	Other	Other Adjustments	(42,589)	Input	198,559	144,059	153,516	161,810	168,826
130		Subtotal Other Water Adjustments	$8,416		$253,461	$199,790	$212,222	$223,178	$232,511
131		Total Water Operating Budget	$3,529,940		$3,923,594	$4,067,599	$4,333,950	$4,567,596	$4,765,284
		Wastewater Department							
		Personnel Expenses							
132	42535-12100	Regular Salaries	$1,055,302	Labor	$1,086,961	$1,119,570	$1,153,157	$1,187,752	$1,223,384
133	AddPer	Additonal Personnel - Wastewater	0	Input	80,550	124,264	176,591	181,889	187,346
134	42535-12110	Part-Time Salaries	0	Labor	0	0	0	0	0
135	42535-12120	Overtime Salaries	23,100	Labor	23,793	24,507	25,242	25,999	26,779

Table 1-5
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Combined Water and Wastewater System Operating Expenses

Line No.	Cost Center Code	Description	Budgeted 2017	Escalation Factor	Fiscal Year Ending September 30th, 2018	2019	2020	2021	2022
136	42535-12220	FICA	76,279	Labor	78,567	80,924	83,352	85,853	88,428
137	42535-12240	Defined Contribution Pension	107,840	Labor	111,075	114,407	117,840	121,375	125,016
138	42535-12300	Group Insurance	315,479	Health-Ins	334,408	354,472	375,741	398,285	422,182
139	42535-12305	Life Insurance	3,324	General-Ins	3,490	3,665	3,848	4,040	4,242
140	42535-12315	Employee Assistance Plan	432	Inflation	442	452	463	474	485
141	42535-12400	Workers Compensation	20,626	Labor	21,245	21,882	22,539	23,215	23,911
142	42535-12500	Unemployment Compensation	0	Labor	0	0	0	0	0
143	42535-12999	Sal/Ben-Personnel Changes	0	Labor	0	0	0	0	0
144		Subtotal Personnel Expenses	$1,602,382		$1,740,531	$1,844,143	$1,958,772	$2,028,882	$2,101,775
		Operating Expenses							
145	42535-53100	Pro Svcs-General	$66,750	Professional	$69,420	$72,197	$75,085	$78,088	$81,212
146	42535-53100	Pro Svcs-General - Sewer Impr	0	Professional	0	0	0	0	0
147	42535-53100	Pro Svcs-Johns Lake Rd Reuse	0	Professional	0	0	0	0	0
148	42535-53128	Background Investigations	0	Professional	0	0	0	0	0
149	42535-53129	Drug Screens	0	Professional	0	0	0	0	0
150	42535-53130	Medical Services	0	Professional	0	0	0	0	0
151	42535-53150	Pro Svces-Laboratory	25,000	Professional	26,000	27,040	28,122	29,246	30,416
152	42535-53154	Pro Svces-Investment Advisor	7,165	Professional	7,452	7,750	8,060	8,382	8,717
153	42535-53168	Pro Svces-Safety Training	4,000	Professional	4,160	4,326	4,499	4,679	4,867
154	42535-53169	Pro Svces-Utility Locates	2,500	Professional	2,600	2,704	2,812	2,925	3,042
155	42535-53401	Contract Svcs-General	0	Contractual	0	0	0	0	0
156	42535-53403	Contract Svcs-Mowing	8,000	Contractual	8,320	8,653	8,999	9,359	9,733
157	42535-53404	Contract Svces-Pest Cont	300	Contractual	312	324	337	351	365
158	42535-53408	Contract Svces-Sewer Cleaning	0	Contractual	0	0	0	0	0
159	42535-53410	Contract Svces-Odor Control Ea	60,000	Contractual	62,400	64,896	67,492	70,192	72,999
160	42535-53413	Contract Svces-Armored Car	2,400	Contractual	2,496	2,596	2,700	2,808	2,920
161	42535-54001	Travel & Per Diem	500	Inflation	512	523	536	549	562
162	42535-54001	Travel & Per Diem - Treatment	400	Inflation	409	419	429	439	449
163	42535-54001	Travel & Per Diem - Construct	500	Inflation	512	523	536	549	562
164	42535-54001	Travel & Per Diem - Collection	1,500	Inflation	1,535	1,570	1,607	1,646	1,686
165	42535-54101	Telephone	18,300	Inflation	18,721	19,151	19,611	20,082	20,564
166	42535-54102	Internet Service	2,000	Inflation	2,046	2,093	2,143	2,195	2,247
167	42535-54200	Postage & Freight	20,000	Inflation	20,460	20,931	21,433	21,947	22,474
168	42535-54301	Water & Sewer Service	15,000	Inflation	15,345	15,698	16,075	16,460	16,856
169	42535-54307	Electric & Gas Svc-East Plant	366,000	WW-Elec	397,366	431,420	468,393	508,535	552,116
170	42535-54308	Electric & Gas Svc-W Lift Sta	67,000	WW-Elec	72,742	78,976	85,744	93,092	101,070
171	42535-54309	Electric & Gas Svc-E Lift Sta	300,000	WW-Elec	325,710	353,623	383,929	416,832	452,554
172	42535-54310	Sludge Disposal-East	200,000	WWFlowInf	211,556	223,781	236,942	250,878	265,634
173	42535-54400	Rentals-Equipment	500	Inflation	512	523	536	549	562
174	42535-54500	Commercial Insurance	194,514	General-Ins	204,240	214,452	225,174	236,433	248,255
175	42535-54600	Repair & Maint-Buildings	3,000	Repair	3,090	3,183	3,278	3,377	3,478
176	42535-54601	Repair & Maint-Vehicles	15,000	Repair	15,450	15,914	16,391	16,883	17,389
177	42535-54612	Repair & Maint-Systems	50,000	Repair	51,500	53,045	54,636	56,275	57,964
178	42535-54614	Repair & Maint-Equip-Treatment	61,000	Repair	62,830	64,715	66,656	68,656	70,716
179	42535-54619	Repair & Maint-Equip-Collect	150,000	Repair	154,500	159,135	163,909	168,826	173,891
180	42535-54623	Repair & Maint-It Equip	0	Repair	0	0	0	0	0
181	42535-54640	Repair & Maint-Copiers	500	Repair	515	530	546	563	580
182	42535-54700	Printing	7,000	Inflation	7,161	7,326	7,502	7,682	7,866
183	42535-54800	Advertising	1,500	Inflation	1,535	1,570	1,607	1,646	1,686
184	42535-54900	Other Current Charges	0	Inflation	0	0	0	0	0
185	42535-54906	Administrative Services [1]	362,772	Labor	373,655	384,865	396,411	408,303	420,552
186	42535-54907	Uncollectible Accounts	0	Eliminate	0	0	0	0	0
187	42535-54909	Bank Service Charges	16,179	WW-Rev	16,179	16,606	17,063	17,535	18,024
188	42535-54912	Security/Monitoring Service	15,000	Inflation	15,345	15,698	16,075	16,460	16,856
189	42535-54918	Permit Fees	1,000	Inflation	1,023	1,047	1,072	1,097	1,124
190	42535-54920	Payments In Lieu Of Taxes [2]	134,621	PILOT	139,333	144,209	149,257	154,481	159,888
191	42535-55100	Office Supplies	3,000	Inflation	3,069	3,140	3,215	3,292	3,371
192	42535-55200	Operating Supplies-Treatment	5,500	Inflation	5,627	5,756	5,894	6,036	6,180
193	42535-55200	Operating Supplies - Construct	1,000	Inflation	1,023	1,047	1,072	1,097	1,124
194	42535-55200	Operating Supplies-Collection	6,500	Inflation	6,650	6,802	6,966	7,133	7,304
195	42535-55201	Gas & Oil	60,000	Fuel	63,000	66,150	69,458	72,930	76,577
196	42535-55202	Tires & Batteries	6,000	Inflation	6,138	6,279	6,430	6,584	6,742
197	42535-55203	Uniforms	7,000	Inflation	7,161	7,326	7,502	7,682	7,866
198	42535-55204	Minor Equipment-Treatment	5,000	Inflation	5,115	5,233	5,358	5,487	5,619
199	42535-55204	Minor Equipment - Construct	1,000	Inflation	1,023	1,047	1,072	1,097	1,124
200	42535-55204	Minor Equipment-Collection	7,500	Inflation	7,673	7,849	8,037	8,230	8,428
201	42535-55205	Safety Equipment	1,500	Inflation	1,535	1,570	1,607	1,646	1,686
202	42535-55207	Chlorine	70,000	WW-Chem	75,999	82,512	89,583	97,261	105,596
203	42535-55209	Safety Shoes	5,000	Inflation	5,115	5,233	5,358	5,487	5,619
204	42535-55210	Laboratory Supplies	4,500	WWFlowInf	4,760	5,035	5,331	5,645	5,977
205	42535-55214	Polymer	22,000	Inflation	22,506	23,024	23,576	24,142	24,721
206	42535-55219	Software Renewals/Support	20,547	Inflation	21,020	21,503	22,019	22,548	23,089
207	42535-55400	Subscriptions & Dues	750	Inflation	767	785	804	823	843
208	42535-55401	Training & Education	0	Inflation	0	0	0	0	0
209	42535-55401	Training & Education-Treatment	2,000	Inflation	2,046	2,093	2,143	2,195	2,247
210	42535-55401	Training & Education - Constr	500	Inflation	512	523	536	549	562
211	42535-55401	Training & Education-Collectn	4,000	Inflation	4,092	4,186	4,287	4,389	4,495

Table 1-5
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Combined Water and Wastewater System Operating Expenses

Line No.	Cost Center Code	Description	Budgeted 2017	Escalation Factor	Fiscal Year Ending September 30th, 2018	2019	2020	2021	2022
212	42535-55409	Licenses & Certifications	250	Inflation	256	262	268	274	281
213	42535-55900	Depreciation	0	Eliminate	0	0	0	0	0
214		Subtotal Operating Expenses	$2,413,448		$2,542,023	$2,679,364	$2,826,112	$2,982,526	$3,149,321
		Wastewater Capital Outlay [4]							
215	42535-66305	Cap Out-Sewer System	$0	Eliminate	$0	$0	$0	$0	$0
216	42535-66305	Sewer System - Const Improvmnt	0	Eliminate	0	0	0	0	0
216	42535-66305	Sewer System - Other Imp. - Phoneline Conv.	0	Eliminate	0	0	0	0	0
217	42535-66305	Sewer System - Manhole/Lat Reh	0	Eliminate	0	0	0	0	0
218	42535-66305	Sewer Sys- Lake Hiawatha Force	0	Eliminate	0	0	0	0	0
219	42535-66305	Cap Out-Sewer Ext To Sector	0	Eliminate	0	0	0	0	0
220	42535-66305	Cap Out-Johns Lake Rd Reuse	0	Eliminate	0	0	0	0	0
221	42535-66321	Lift Station Improvements	0	Eliminate	0	0	0	0	0
222	42535-66321	Lift Station Pump Replacements	0	Eliminate	0	0	0	0	0
223	42535-66400	Cap Out-Vehicles	0	Eliminate	0	0	0	0	0
224	42535-66401	Capital Equipment	0	Eliminate	0	0	0	0	0
225	42535-66403	Cap Out- It Equipment	0	Eliminate	0	0	0	0	0
226	42535-66404	Cap Out-Software	0	Eliminate	0	0	0	0	0
227		Subtotal Wastewater Capital Outlay	$0		$0	$0	$0	$0	$0
		Wastewater Debt Service [4]							
228	42535-77119	Debt Svc-2009 Bond Principal	$0	Eliminate	$0	$0	$0	$0	$0
229	42535-77219	Debt Svc-2009 Bond Interest	0	Eliminate	0	0	0	0	0
230	42535-77300	Pay Agent Fees	0	Inflation	0	0	0	0	0
231	42535-77305	Debt Svc- Bond Issue Costs	0	Eliminate	0	0	0	0	0
232		Subtotal Wastewater Debt Service	$0		$0	$0	$0	$0	$0
		Wastewater Transfers [4]							
233	N/A	Transfer to General Fund	$0	Eliminate	$0	$0	$0	$0	$0
234	42599-59900	Transfer to Fund Reserves	0	Eliminate	0	0	0	0	0
235		Subtotal Wastewater Transfers	$0		$0	$0	$0	$0	$0
		Other Wastewater Adjustments							
236	Contingency	Contingency - 1.00% of O&M [4]	$41,173	Input	$42,696	$46,083	$48,745	$51,053	$53,495
237	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [5]	16,574	Input	16,824	16,951	17,787	18,667	19,595
238	Other	Other Adjustments	84,920	Inflation	(29,797)	67,874	71,796	75,195	78,791
239		Subtotal Other Wastewater Adjustments	$142,667		$29,723	$130,908	$138,327	$144,914	$151,881
240		Total Wastewater Operating Budget	$4,158,497		$4,312,278	$4,654,415	$4,923,212	$5,156,322	$5,402,977
241		**Grand Total Operating Budget**	$7,688,437		$8,235,872	$8,722,014	$9,257,161	$9,723,917	$10,168,261

Footnotes:

[1] Budgeted amounts for the "Administrative Services" line are to reimburse the General Fund for services that benefit the Utility.
[2] Budgeted amounts for the Payment in Lieu of Taxes (PILOT) are paid to the General Fund and are included in the Cost of Operation and Maintenance for coverage purposes.
[3] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.
[4] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.
[5] An allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible revenues.

Table 1-6
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Summary of Projected Escalation Factors

Line No.	Description	Escalation Factor	Fiscal Year Ending September 30th, 2018	2019	2020	2021	2022
1	Inflation (CPI) [1]	Inflation	1.023	1.023	1.024	1.024	1.024
2	Labor [2]	Labor	1.030	1.030	1.030	1.030	1.030
3	Health Insurance	Health-Ins	1.060	1.060	1.060	1.060	1.060
4	Contractual Services	Contractual	1.040	1.040	1.040	1.040	1.040
5	Professional Services	Professional	1.040	1.040	1.040	1.040	1.040
6	General Insurance	General-Ins	1.050	1.050	1.050	1.050	1.050
7	Repair and Maintenance	Repair	1.030	1.030	1.030	1.030	1.030
8	Chemicals	Chemicals	1.050	1.050	1.050	1.050	1.050
9	Electricity	Electricity	1.050	1.050	1.050	1.050	1.050
10	Fuel & Oil	Fuel	1.050	1.050	1.050	1.050	1.050
11	Constant	Constant	1.000	1.000	1.000	1.000	1.000
12	Eliminate	Eliminate	0.000	0.000	0.000	0.000	0.000
13	Marginal	Marginal	1.010	1.010	1.010	1.010	1.010
14	Water Customer Accounts	W-Accounts	1.034	1.034	1.034	1.034	1.034
15	Wastewater Customer Accounts	WW-Accounts	1.034	1.034	1.034	1.034	1.034
16	Treated Water Flows	W-Flows	1.034	1.034	1.034	1.034	1.034
17	Treated Wastewater Flows	WW-Flows	1.034	1.034	1.034	1.034	1.034
18	Water Flows + Inflation	WFlowInf	1.058	1.058	1.059	1.059	1.059
19	Wastewater Flows + Inflation	WWFlowInf	1.058	1.058	1.059	1.059	1.059
20	Water Flows + Chemicals	W-Chem	1.086	1.086	1.086	1.086	1.086
21	Water Flows + Electricity	W-Elec	1.086	1.086	1.086	1.086	1.086
22	Wastewater Flows + Chemicals	WW-Chem	1.086	1.086	1.086	1.086	1.086
23	Wastewater Flows + Electricity	WW-Elec	1.086	1.086	1.086	1.086	1.086
24	Change in Water Customers	W-Growth	1.034	1.034	1.034	1.034	1.034
25	Change in Wastewater Customers	WW-Growth	1.034	1.034	1.034	1.034	1.034
26	Water Rate Revenues	W-Rev	1.000	1.020	1.022	1.022	1.022
27	Wastewater Rate Revenues	WW-Rev	1.000	1.026	1.028	1.028	1.028
28	Payment In Lieu of Taxes (PILOT)	PILOT	1.035	1.035	1.035	1.035	1.035

Footnotes:

[1] Estimated based on projections from *Budget and Economic Outlook: 2017 to 2027,* published by the Congressional Budget Office in January 2017.

[2] Based on discussions with City Staff.

Table 1-7
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Capital Improvement Program Funding Plan

Line No.	Description	Escalation Reference	Funding Source	Fiscal Year Ending September 30, 2018	2019	2020	2021	2022	Total CIP
	CIP Escalation Factor Alternatives								
	General Project Escalators								
1	No Assumed Escalation (0.0% per Year)	None		1.000	1.000	1.000	1.000	1.000	
2	Capital Outlay (3.5% per Year)	Outlay		1.000	1.035	1.071	1.109	1.148	
3	ENR Index Average (3.0% per Year)	ENR		1.000	1.030	1.061	1.093	1.126	
4	Marginal Increase (1.0% per Year)	Marginal		1.000	1.010	1.020	1.030	1.041	
5	High Increase (5.0% per Year)	High		1.000	1.050	1.103	1.158	1.216	
	Water System:								
6	1.0 Mgd Gst Greater Hills WTP	ENR	W-R&R	$0	$0	$1,485,260	$0	$0	$1,485,260
7	Water Building Expansion / Crane System (I of II)	ENR	W-Impact	340,000	0	0	0	0	340,000
8	East Water System Looping (I of II)	ENR	W-Impact	300,000	0	318,270	0	337,653	955,923
9	Lower Floridian Wells At Sunburst WTP Phase 1 (I of II)	ENR	W-Rates	485,500	0	0	0	0	485,500
10	Lower Floridian Wells At Sunburst WTP Phase 1 (II of II)	ENR	Grant	0	0	0	0	0	0
11	Water Vehicles (Replace Large Vehichles)	ENR	W-Rates	110,680	55,178	57,686	60,309	0	283,853
12	West Water System Improvements	ENR	W-R&R	0	0	4,243,600	0	0	4,243,600
13	Asset Management System Implementation	ENR	W-Rates	20,000	0	0	0	0	20,000
14	Capital Outlay - Water Inventory	ENR	W-R&R	258,552	0	0	0	0	258,552
15	Water Software	ENR	W-Rates	2,764	0	0	0	0	2,764
16	Reclaim System Expansion of Transmission Lines	ENR	W-Impact	0	0	0	437,091	0	437,091
17	Reclaimed Water System Loop	ENR	W-R&R	0	515,000	0	0	0	515,000
18	Utility Master Plan Updates	ENR	W-R&R	0	103,000	0	0	0	103,000
19	Blacks West Tie In	ENR	W-R&R	0	0	0	546,364	0	546,364
20	Water/Irrigation Meters New Construction	ENR	W-R&R	0	257,500	265,225	196,691	202,592	922,007
21	Hartle Road Water Extension	ENR	W-Impact	0	309,000	0	0	0	309,000
22	Wall Between Water Plant and Subdivision	ENR	W-Impact	600,000	0	0	0	0	600,000
23	Other Miscellaneous Water Adjustments - FY 2017 & 2018 Budget Adj.	None	W-R&R	$525,000	$0	$0	$0	$0	$525,000
24	Ongoing Water Capital Outlay	Outlay	W-Rates	$34,000	$35,190	$36,422	$37,696	$39,016	$182,324
25	Subtotal Water System			$2,676,496	$1,274,868	$6,406,463	$1,278,150	$579,260	$12,215,237

Table 1-7
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Capital Improvement Program Funding Plan

Line No.	Description	Escalation Reference	Funding Source	Fiscal Year Ending September 30, 2018	2019	2020	2021	2022	Total CIP
	Wastewater System:								
26	Wastewater Treatment Facility Expansion	ENR	Junior1	$0	$0	$0	$0	$0	$0
27	Wastewater Treatment Facility Expansion II of IV	ENR	S-Impact	3,485,000	1,030,000	7,426,300	2,500,000	0	14,441,300
28	Wastewater Treatment Facility Expansion III of IV	ENR	S-Rates	0	0	0	0	0	0
29	Wastewater Treatment Facility Expansion IV of IV	ENR	S-R&R	0	0	0	5,149,089	0	5,149,089
30	Lift Station Pumps	ENR	S-Rates	300,000	103,000	106,090	109,273	112,551	730,914
31	Regional Lift Station And Forcemain	ENR	Developer	2,000,000	0	0	0	0	2,000,000
32	Sewer System Force Main Replacement (Split Funding I of II)	ENR	S-R&R	0	0	0	0	0	0
33	Sewer System Force Main Replacement (Split Funding II of II)	ENR	S-Op	0	0	0	327,818	0	327,818
34	Sewer System Lift Station Upgrades (Split Funding I of II)	ENR	S-R&R	480,000	515,000	530,450	273,182	281,377	2,080,009
35	Sewer System Main Lining (Split Funding I of II)	ENR	S-R&R	540,000	0	572,886	0	0	1,112,886
36	Sewer System Manhole/Lateral Rehab	ENR	S-R&R	0	206,000	0	0	225,102	431,102
37	Sewer Vehicles	ENR	S-Rates	101,990	224,658	492,263	0	0	818,911
38	Const. Improvement	ENR	S-Rates	1,516	0	0	0	0	1,516
39	Wastewater Software	ENR	S-Rates	2,853	0	0	0	0	2,853
40	Master Plan Updates	ENR	S-Op	0	206,000	0	0	0	206,000
41	Lift Station Auto Dialer System	ENR	S-Op	10,000	0	0	0	0	10,000
42	Capital Outlay - Software (Impact Fees)	ENR	S-Impact	120,000	0	0	0	0	120,000
43	Mobile Lift Stations Generator	ENR	S-Impact	275,000	0	0	0	0	275,000
44	Sewer Lines Cleaning Truck	ENR	S-Impact	420,000	0	0	0	0	420,000
45	Resuse Storage Tank Expansion Design	ENR	S-Impact	300,000	0	0	0	0	300,000
46	Other Miscellaneous Wastewater Adjustments	None	S-Impact	$0	$0	$0	$0	$0	$0
47	Ongoing Wastewater Capital Outlay	Outlay	S-Rates	$83,000	$47,610	$49,276	$51,001	$52,786	$283,673
48	Subtotal Wastewater System			$8,119,359	$2,332,268	$9,177,265	$8,410,363	$671,816	$28,711,071
49	**Total Combined System CIP**			$10,795,855	$3,607,137	$15,583,728	$9,688,513	$1,251,076	$40,926,309

Table 1-7
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Capital Improvement Program Funding Plan

Line No.	Description	Escalation Reference	Funding Source	2018	2019	2020	2021	2022	Total CIP
				Fiscal Year Ending September 30,					
	Project Funding Sources Summary								
	Water Funding Sources:								
50	Water Rates		W-Rates	$652,944	$90,368	$94,108	$98,005	$39,016	$974,441
51	Operating Fund		W-Op	0	0	0	0	0	0
52	Capital Fund		W-R&R	783,552	875,500	5,994,085	743,054	202,592	8,598,783
53	Water Impact Fees		W-Impact	1,240,000	309,000	318,270	437,091	337,653	2,642,013
54	Developer Funded		Developer	0	0	0	0	0	0
55	Subtotal Water Funding Sources			$2,676,496	$1,274,868	$6,406,463	$1,278,150	$579,260	$12,215,237
	Wastewater Funding Sources:								
56	Wastewater Rates		S-Rates	$489,359	$375,268	$647,629	$160,274	$165,337	$1,837,867
57	Operating Fund		S-Op	10,000	206,000	0	327,818	0	543,818
58	Capital Fund		S-R&R	1,020,000	721,000	1,103,336	5,422,271	506,479	8,773,086
59	Wastewater Impact Fees		S-Impact	4,600,000	1,030,000	7,426,300	2,500,000	0	15,556,300
60	Developer Funded		Developer	2,000,000	0	0	0	0	2,000,000
61	Subtotal Wastewater Funding Sources			$8,119,359	$2,332,268	$9,177,265	$8,410,363	$671,816	$28,711,071
	Total Funding Sources:								
62	Water & Wastewater Rates		Rates	$1,142,303	$465,637	$741,737	$258,279	$204,353	$2,812,308
63	Operating Fund		Op	10,000	206,000	0	327,818	0	543,818
64	Capital Fund		R&R	1,803,552	1,596,500	7,097,421	6,165,325	709,071	17,371,869
65	Water and Wastewater Impact Fees		Impact Fees	5,840,000	1,339,000	7,744,570	2,937,091	337,653	18,198,313
66	Developer Funded		Developer	2,000,000	0	0	0	0	2,000,000
67	**Total Funding Sources**			$10,795,855	$3,607,137	$15,583,728	$9,688,513	$1,251,076	$40,926,309

Footnotes:
[1] Original amounts as provided by staff and adjusted for inflation.

Table 1-8
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Summary of Existing and Proposed Annual Debt Service Payments - Accrual Basis

Line No.	Description	2017	2018	2019	2020	2021	2022
		Fiscal Year Ending September 30th,					
	Water System:						
	Existing Debt Service:						
1	Water and Sewer Revenue Refunding Bonds, Series 2009	$424,438	$424,222	$423,926	$423,718	$424,393	$424,709
2	Total Existing Debt Service Payments	$424,438	$424,222	$423,926	$423,718	$424,393	$424,709
	Proposed Debt Service:						
	Proposed Senior Lien Debt:						
3	Additional Senior Lien Debt 1	$0	$0	$0	$0	$0	$0
4	Additional Senior Lien Debt 2	0	0	0	0	0	0
5	Additional Senior Lien Debt 3	0	0	0	0	0	0
6	Additional Senior Lien Debt 4	0	0	0	0	0	0
7	Total Proposed Senior Lien Debt Service Payments	$0	$0	$0	$0	$0	$0
	Proposed Subordinate Lien Debt:						
8	Additional Subordinate Lien Debt 1	$0	$0	$0	$0	$0	$0
9	Additional Subordinate Lien Debt 2	0	0	0	0	0	0
10	Additional Subordinate Lien Debt 3	0	0	0	0	0	0
11	Additional Subordinate Lien Debt 4	0	0	0	0	0	0
12	Total Proposed Subordinate Lien Debt Service Payments	$0	$0	$0	$0	$0	$0
13	Total Proposed Debt Service Payments	$0	$0	$0	$0	$0	$0
14	**Total Existing and Proposed Debt Service Payments**	$424,438	$424,222	$423,926	$423,718	$424,393	$424,709
	Wastewater System						
	Existing Debt Service:						
15	Water and Sewer Revenue Refunding Bonds, Series 2009	$756,318	$755,933	$755,405	$755,034	$756,238	$756,801
16	Total Existing Debt Service Payments	$756,318	$755,933	$755,405	$755,034	$756,238	$756,801
	Proposed Debt Service:						
	Proposed Senior Lien Debt:						
17	Additional Senior Lien Debt 1	$0	$0	$0	$0	$0	$0
18	Additional Senior Lien Debt 2	0	0	0	0	0	0
19	Additional Senior Lien Debt 3	0	0	0	0	0	0
20	Additional Senior Lien Debt 4	0	0	0	0	0	0
21	Total Proposed Senior Lien Debt Service Payments	$0	$0	$0	$0	$0	$0
	Proposed Subordinate Lien Debt:						
22	Additional Subordinate Lien Debt 1	$0	$0	$0	$0	$0	$0
23	Additional Subordinate Lien Debt 2	0	0	0	0	0	0
24	Additional Subordinate Lien Debt 3	0	0	0	0	0	0
25	Additional Subordinate Lien Debt 4	0	0	0	0	0	0
26	Total Proposed Subordinate Lien Debt Service Payments	$0	$0	$0	$0	$0	$0
27	Total Proposed Debt Service Payments	$0	$0	$0	$0	$0	$0
28	**Total Existing and Proposed Debt Service Payments**	$756,318	$755,933	$755,405	$755,034	$756,238	$756,801
	Combined System						
	Existing Debt Service:						
29	Water and Sewer Revenue Refunding Bonds, Series 2009	$1,180,756	$1,180,156	$1,179,331	$1,178,752	$1,180,631	$1,181,510
30	Total Existing Debt Service Payments	$1,180,756	$1,180,156	$1,179,331	$1,178,752	$1,180,631	$1,181,510

Table 1-8
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Summary of Existing and Proposed Annual Debt Service Payments - Accrual Basis

Line No.	Description	2017	2018	2019	2020	2021	2022
		Fiscal Year Ending September 30th,					
	Proposed Debt Service:						
	Proposed Senior Lien Debt:						
31	Additional Senior Lien Debt 1	$0	$0	$0	$0	$0	$0
32	Additional Senior Lien Debt 2	0	0	0	0	0	0
33	Additional Senior Lien Debt 3	0	0	0	0	0	0
34	Additional Senior Lien Debt 4	0	0	0	0	0	0
35	Total Proposed Senior Lien Debt Service Payments	$0	$0	$0	$0	$0	$0
	Proposed Subordinate Lien Debt:						
36	Additional Subordinate Lien Debt 1	$0	$0	$0	$0	$0	$0
37	Additional Subordinate Lien Debt 2	0	0	0	0	0	0
38	Additional Subordinate Lien Debt 3	0	0	0	0	0	0
39	Additional Subordinate Lien Debt 4	0	0	0	0	0	0
40	Total Proposed Subordinate Lien Debt Service Payments	$0	$0	$0	$0	$0	$0
41	Total Proposed Debt Service Payments	$0	$0	$0	$0	$0	$0
42	**Total Existing and Proposed Debt Service Payments**	$1,180,756	$1,180,156	$1,179,331	$1,178,752	$1,180,631	$1,181,510

Table 1-9
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Combined Water and Wastewater System Revenue Requirements

Line No.	Description	Fiscal Year Ending September 30th, 2018	2019	2020	2021	2022
	Operating Expenses: [1]					
1	Operating Expenses	$7,952,687	$8,391,316	$8,906,612	$9,355,825	$9,783,869
2	Contingency - 1.00%	81,543	86,357	91,655	96,276	100,676
3	Bad Debt Expense - 0.25%	32,879	32,409	33,582	34,811	36,099
4	Other Adjustments	168,762	211,932	225,312	237,005	247,617
5	Total Operating Expenses	$8,235,872	$8,722,014	$9,257,161	$9,723,917	$10,168,261
	Debt Service Payments:					
	Existing Debt Service: [2]					
6	Water and Sewer Revenue Refunding Bonds, Series 2009	$1,180,156	$1,179,331	$1,178,752	$1,180,631	$1,181,510
7	Total Existing Debt Service Payments	$1,180,156	$1,179,331	$1,178,752	$1,180,631	$1,181,510
8	Total Annual Debt Service Payments	$1,180,156	$1,179,331	$1,178,752	$1,180,631	$1,181,510
	Other Revenue Requirements:					
9	Payment In Lieu of Franchise Fees [3]	$1,996,901	$1,944,563	$2,014,923	$2,088,633	$2,165,946
10	Capital Fund Transfer [4]	1,180,399	1,524,749	1,509,824	1,892,073	1,738,771
11	Capital Funded From Rates [5]	1,142,303	465,637	741,737	258,279	204,353
12	Transfer to Operating Reserves	200,000	200,000	200,000	200,000	200,000
13	Total Other Revenue Requirements	$4,519,603	$4,134,948	$4,466,484	$4,438,985	$4,309,070
14	**Gross Revenue Requirements**	$13,935,630	$14,036,293	$14,902,397	$15,343,533	$15,658,841
	Other Revenues and Financial Resources:					
15	Other Operating Revenues	$418,500	$406,000	$406,000	$406,000	$406,000
16	Unrestricted Interest Income [6]	93,071	94,566	81,911	57,493	50,170
17	Impact Fees Used for Debt Service Payments	974,836	978,845	978,364	979,924	980,653
18	Transfers from Operating Reserves	0	0	0	0	0
19	Total Other Revenues and Financial Resources	$1,486,407	$1,479,411	$1,466,275	$1,443,417	$1,436,824
20	**Net Revenue Requirements**	$12,449,224	$12,556,882	$13,436,122	$13,900,116	$14,222,017
	Revenue From Combined Rates:					
21	Existing Rate Revenue	$13,051,640	$12,758,348	$13,074,065	$13,400,516	$13,738,067
22	Revenue From Current Year Adjustments	100,105	106,122	111,353	116,862	123,243
23	Revenue From Prior Year Rate Adjustments	0	99,280	247,400	406,840	578,330
24	Total Revenue From Rates	$13,151,746	$12,963,750	$13,432,818	$13,924,219	$14,439,640
25	**Revenue Surplus / (Deficiency) [7]**	$702,522	$406,868	($3,304)	$24,103	$217,623
26	**Revenue Surplus / (Deficiency) Percentage of Revenue**	5.34%	3.14%	-0.02%	0.17%	1.51%

Footnotes located on following page.

Table 1-9
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Combined Water and Wastewater System Revenue Requirements

Footnotes:

[1] Amounts derived from the City's Fiscal Year 2017 and 2018 Budget and are escalated as shown on Table 1-5.
[2] Payment amounts shown were based on debt service schedules provided by City Staff.
[3] Amount shown is a transfer to the City's General Fund and is based on 15.0% of the previous Fiscal Year's water and wastewater revenues.
[4] Amounts are transfers to a Capital Replacement Fund and are to be used for Renewal & Replacement related capital projects.
[5] Amounts based on the proposed capital funding plan as shown in Table 1-7.
[6] Interest income is estimated on earnings on projected fund balances from unrestricted reserves allocated to the wastewater system.
[7] The forecast assumes that any deficiencies will be funded from available operating reserves.

Table 1-10
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Water System Revenue Requirements

Line No.	Description	2018	2019	2020	2021	2022
		Fiscal Year Ending September 30th,				
	Operating Expenses: [1]					
1	Operating Expenses	$3,670,132	$3,867,809	$4,121,728	$4,344,418	$4,532,773
2	Contingency - 1.00%	38,847	40,273	42,910	45,224	47,181
3	Bad Debt Expense - 0.25%	16,055	15,458	15,795	16,144	16,504
4	Other Adjustments	198,559	144,059	153,516	161,810	168,826
5	Total Operating Expenses	$3,923,594	$4,067,599	$4,333,950	$4,567,596	$4,765,284
	Debt Service Payments:					
	Existing Debt Service: [2]					
6	Water and Sewer Revenue Refunding Bonds, Series 2009	$424,222	$423,926	$423,718	$424,393	$424,709
7	Total Existing Debt Service Payments	$424,222	$423,926	$423,718	$424,393	$424,709
8	Total Annual Debt Service Payments	$424,222	$423,926	$423,718	$424,393	$424,709
	Other Revenue Requirements:					
9	Transfer to General Fund [3]	$975,109	$949,552	$983,909	$1,019,903	$1,057,656
10	Capital Fund Transfer [4]	805,409	1,010,586	1,001,693	1,229,453	1,057,277
11	Capital Funded From Rates [5]	652,944	90,368	94,108	98,005	39,016
12	Transfer to Operating Reserves	0	0	0	0	0
13	Total Other Revenue Requirements	$2,433,462	$2,050,506	$2,079,711	$2,347,361	$2,153,949
14	**Gross Revenue Requirements**	$6,781,278	$6,542,031	$6,837,378	$7,339,350	$7,343,942
	Other Revenues and Financial Resources:					
15	Other Operating Revenues	$408,500	$396,000	$396,000	$396,000	$396,000
16	Unrestricted Interest Income [6]	51,801	54,433	44,079	33,246	36,455
17	Impact Fees Used for Debt Service Payments	350,941	351,858	351,686	352,246	352,509
18	Total Other Revenues and Financial Resources	$811,242	$802,291	$791,765	$781,492	$784,963
19	**Net Revenue Requirements**	$5,970,036	$5,739,740	$6,045,613	$6,557,858	$6,558,979
	Revenue From Existing Water Rates:					
20	Existing Rate Revenue	$6,422,145	$6,183,305	$6,318,119	$6,457,517	$6,601,654
21	Prior Year Rate Adjustments	0	0	0	0	0
22	Total Rate Revenue Before Current Year Adjustment	$6,422,145	$6,183,305	$6,318,119	$6,457,517	$6,601,654
	Current Year Rate Adjustment - Water					
23	Current Year Water Rate Adjustment	0.00%	0.00%	0.00%	0.00%	0.00%
24	Effective Month	Jan.	Jan.	Jan.	Jan.	Jan.
25	Percent of Current Year Effective	75%	75%	75%	75%	75%
26	Total Revenue From Current Year Adjustments	$0	$0	$0	$0	$0
27	**Total Revenue From Rates**	$6,422,145	$6,183,305	$6,318,119	$6,457,517	$6,601,654
28	**Revenue Surplus / (Deficiency) [7]**	$452,109	$443,564	$272,506	($100,341)	$42,675
29	**Revenue Surplus / (Deficiency) Percentage of Revenue**	7.04%	7.17%	4.31%	-1.55%	0.65%

Footnotes located on following page.

Table 1-10
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Water System Revenue Requirements

Footnotes:
[1] Amounts derived from the City's Fiscal Year 2017 and 2018 Budgets and are escalated as shown on Table 1-3.
[2] Payment amounts shown were based on debt service schedules provided by City Staff.
[3] Amount shown is a transfer to the City's General Fund and is based on 15% of the previous Fiscal Year's water revenues.
[4] Amounts are transfers to a Capital Replacement Fund and are to be used for Renewal & Replacement related capital projects.
[5] Amounts based on the proposed capital funding plan as shown in Table 1-7.
[6] Interest income is estimated on earnings on projected fund balances from unrestricted reserves allocated to the water system.
[7] The forecast assumes that any deficiencies will be funded from available operating reserves.

Table 1-11
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Wastewater System Revenue Requirements

Line No.	Description	Fiscal Year Ending September 30th, 2018	2019	2020	2021	2022
	Operating Expenses: [1]					
1	Operating Expenses	$4,282,555	$4,523,507	$4,784,884	$5,011,407	$5,251,096
2	Contingency - 1.00%	42,696	46,083	48,745	51,053	53,495
3	Bad Debt Expense - 0.25%	16,824	16,951	17,787	18,667	19,595
4	Other Adjustments	(29,797)	67,874	71,796	75,195	78,791
5	Total Operating Expenses	$4,312,278	$4,654,415	$4,923,212	$5,156,322	$5,402,977
	Debt Service Payments:					
	Existing Debt Service: [2]					
6	Water and Sewer Revenue Refunding Bonds, Series 2009	$755,933	$755,405	$755,034	$756,238	$756,801
7	Total Existing Debt Service Payments	$755,933	$755,405	$755,034	$756,238	$756,801
8	Total Annual Debt Service Payments	$755,933	$755,405	$755,034	$756,238	$756,801
	Other Revenue Requirements:					
9	Transfer to General Fund [3]	$1,021,792	$995,011	$1,031,013	$1,068,730	$1,108,290
10	Capital Fund Transfer [4]	374,990	514,162	508,130	662,620	681,494
11	Capital Funded From Rates [5]	489,359	375,268	647,629	160,274	165,337
12	Transfer to Operating Reserves	200,000	200,000	200,000	200,000	200,000
13	Total Other Revenue Requirements	$2,086,141	$2,084,442	$2,386,773	$2,091,624	$2,155,121
14	**Gross Revenue Requirements**	$7,154,352	$7,494,262	$8,065,018	$8,004,183	$8,314,899
	Other Revenues and Financial Resources:					
15	Other Operating Revenues	$10,000	$10,000	$10,000	$10,000	$10,000
16	Unrestricted Interest Income [6]	41,269	40,133	37,831	24,248	13,716
17	Impact Fees Used for Debt Service Payments	623,895	626,986	626,678	627,677	628,145
18	Transfers from Operating Reserves	0	0	0	0	0
19	Total Other Revenues and Financial Resources	$675,164	$677,119	$674,510	$661,925	$651,861
20	**Net Revenue Requirements**	$6,479,188	$6,817,142	$7,390,509	$7,342,258	$7,663,038
	Revenue From Existing Wastewater Rates:					
21	Existing Wastewater Rate Revenue	$6,629,495	$6,575,044	$6,755,946	$6,943,000	$7,136,413
22	Prior Year Rate Adjustments	0	99,280	247,400	406,840	578,330
23	Total Rate Revenue Before Current Year Adjustment	$6,629,495	$6,674,324	$7,003,346	$7,349,840	$7,714,743
	Current Year Rate Adjustment					
24	Current Year Wastewater Rate Adjustment	1.51%	2.12%	2.12%	2.12%	2.13%
25	Effective Month	Oct.	Jan.	Jan.	Jan.	Jan.
26	Percent of Current Year Effective	100%	75%	75%	75%	75%
27	Total Revenue From Current Year Adjustments	$100,105	$106,122	$111,353	$116,862	$123,243
28	**Total Revenue From Rates**	$6,729,600	$6,780,445	$7,114,699	$7,466,702	$7,837,986
29	**Revenue Surplus / (Deficiency) [7]**	$250,413	($36,697)	($275,809)	$124,444	$174,947
30	**Revenue Surplus / (Deficiency) Percentage of Revenue**	3.72%	-0.54%	-3.88%	1.67%	2.23%

Footnotes:
[1] Amounts derived from the City's Fiscal Year 2017 and 2018 Budget and are escalated as shown on Table 1-4.
[2] Payment amounts shown were based on debt service schedules provided by City Staff.
[3] Amount shown is a transfer to the City's General Fund and is based on 15% of the previous Fiscal Year's wastewater revenues.
[4] Amounts are transfers to a Capital Replacement Fund and are to be used for Renewal & Replacement related capital projects.
[5] Amounts based on the proposed capital funding plan as shown in Table 1-7.
[6] Interest income is estimated on earnings on projected fund balances from unrestricted reserves allocated to the wastewater system.
[7] The forecast assumes that any deficiencies will be funded from available operating reserves.

Table 1-12
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Debt Service Coverage Compliance

Line No.	Description	2018	2019	2020	2021	2022
		Fiscal Year Ending September 30th,				
	Gross Revenues:					
	Rate Revenues					
1	Revenues at Existing Rates	$13,051,640	$12,758,348	$13,074,065	$13,400,516	$13,738,067
2	Revenues From Rate Adjustments	100,105	205,402	358,753	523,702	701,573
3	Subtotal Rate Revenues	$13,151,746	$12,963,750	$13,432,818	$13,924,219	$14,439,640
	Revenues From Other Sources:					
4	Other Operating Revenues	$418,500	$406,000	$406,000	$406,000	$406,000
5	Unrestricted Interest Income	93,071	94,566	81,911	57,493	50,170
6	Subtotal Revenues from Other Sources	$511,571	$500,566	$487,911	$463,493	$456,170
7	Total Gross Revenues	$13,663,316	$13,464,316	$13,920,729	$14,387,712	$14,895,810
	Cost of Operation and Maintenance:					
8	Water System Cost of Operation and Maintenance	$3,923,594	$4,067,599	$4,333,950	$4,567,596	$4,765,284
9	Wastewater System Cost of Operation and Maintenance	4,312,278	4,654,415	4,923,212	5,156,322	5,402,977
10	Total Costs of Operation and Maintenance	$8,235,872	$8,722,014	$9,257,161	$9,723,917	$10,168,261
11	**Net Revenues**	$5,427,445	$4,742,302	$4,663,568	$4,663,795	$4,727,549
12	**Balance in Rate Stabilization Fund**	$0	$0	$0	$0	$0
13	**Balance In Renewal and Replacemend Fund**	0	0	0	0	0
14	**Balance in Debt Service Reserve Fund**	0	0	0	0	0
15	**Reserve Fund Insurance Policy / Reserve Fund Letter of Credit**	0	0	0	0	0
16	**Impact Fee Current Account Balance**	0	0	0	0	0
	Annual Debt Service Requirements:					
	Senior Lien Bond Service Requirements					
17	Water and Sewer Revenue Refunding Bonds, Series 2009	1,180,156	1,179,331	1,178,752	1,180,631	1,181,510
18	Additional Senior Lien Debt 1	0	0	0	0	0
19	Additional Senior Lien Debt 2	0	0	0	0	0
20	Additional Senior Lien Debt 3	0	0	0	0	0
21	Additional Senior Lien Debt 4	0	0	0	0	0
22	Total Senior Lien Bond Service Requirements	$1,180,156	$1,179,331	$1,178,752	$1,180,631	$1,181,510
	Subordinate Lien Debt Service Requirements					
23	Additional Subordinate Lien Debt 1	$0	$0	$0	$0	$0
24	Additional Subordinate Lien Debt 2	0	0	0	0	0
25	Additional Subordinate Lien Debt 3	0	0	0	0	0
26	Additional Subordinate Lien Debt 4	0	0	0	0	0
27	Total Subordinate Lien Bond Service Requirements	$0	$0	$0	$0	$0
28	Total Annual Debt Service Requirements	$1,180,156	$1,179,331	$1,178,752	$1,180,631	$1,181,510
	All-In-Debt Service Coverage:					
29	Net Revenues	$5,427,445	$4,742,302	$4,663,568	$4,663,795	$4,727,549
30	Total Debt Service Payments	1,180,156	1,179,331	1,178,752	1,180,631	1,181,510
31	Calculated Ratio	459.89%	402.12%	395.64%	395.03%	400.13%
32	Target Coverage Ratio - 150.00%	150.00%	150.00%	150.00%	150.00%	150.00%
	Senior Lien Test:					
	Test A					
	Part I					
33	Net Revenues	$5,427,445	$4,742,302	$4,663,568	$4,663,795	$4,727,549
34	Rate Stabilization Fund Balance	0	0	0	0	0
35	Subtotal	$5,427,445	$4,742,302	$4,663,568	$4,663,795	$4,727,549
36	Total Senior Lien Debt Service Payments	$1,180,156	$1,179,331	$1,178,752	$1,180,631	$1,181,510
37	Calculated Ratio	459.89%	402.12%	395.64%	395.03%	400.13%
38	Minimum Required Coverage Ratio - 110.00%	110.00%	110.00%	110.00%	110.00%	110.00%

Table 1-12
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Debt Service Coverage Compliance

Line No.	Description	2018	2019	2020	2021	2022
		Fiscal Year Ending September 30th,				
	Part II					
39	Net Revenues	$5,427,445	$4,742,302	$4,663,568	$4,663,795	$4,727,549
40	Total Senior Lien Debt Service Payments	$1,180,156	$1,179,331	$1,178,752	$1,180,631	$1,181,510
41	Plus Required Renewal and Replacement Fund Balance	0	0	0	0	0
42	Plus Required Debt Service Reserve / Insurance Balance	0	0	0	0	0
43	Total	$1,180,156	$1,179,331	$1,178,752	$1,180,631	$1,181,510
44	Calculated Ratio	459.89%	402.12%	395.64%	395.03%	400.13%
45	Minimum Required Coverage Ratio - 100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	OR					
	Test B					
	Part I					
46	Net Revenues	$5,427,445	$4,742,302	$4,663,568	$4,663,795	$4,727,549
47	Impact Fee Current Account Balance	0	0	0	0	0
48	Rate Stabilization Fund Balance	0	0	0	0	0
49	Subtotal	$5,427,445	$4,742,302	$4,663,568	$4,663,795	$4,727,549
50	Total Senior Lien Debt Service Payments	$1,180,156	$1,179,331	$1,178,752	$1,180,631	$1,181,510
51	Calculated Ratio	459.89%	402.12%	395.64%	395.03%	400.13%
52	Minimum Required Coverage Ratio - 120.00%	120.00%	120.00%	120.00%	120.00%	120.00%
	Part II					
53	Net Revenues	$5,427,445	$4,742,302	$4,663,568	$4,663,795	$4,727,549
54	Total Senior Lien Debt Service Payments	$1,180,156	$1,179,331	$1,178,752	$1,180,631	$1,181,510
55	Plus Required Renewal and Replacement Fund Balance	0	0	0	0	0
56	Plus Required Debt Service Reserve / Insurance Balance	0	0	0	0	0
57	Total	$1,180,156	$1,179,331	$1,178,752	$1,180,631	$1,181,510
58	Calculated Ratio	459.89%	402.12%	395.64%	395.03%	400.13%
59	Minimum Required Coverage Ratio - 100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	Subordinate Lien Debt Service Coverage:					
60	Net Revenues After Senior Lien Debt Payment (W/Coverage)	$4,070,265	$3,386,071	$3,308,003	$3,306,069	$3,368,813
61	Subordinate Lien Debt Service Requirements	0	0	0	0	0
	Calculated Ratio	N/A	N/A	N/A	N/A	N/A
62	Minimum Required Coverage Ratio - 115.00%	115.00%	115.00%	115.00%	115.00%	115.00%
63	Net Revenues After Payment of Debt Service	$4,247,289	$3,562,971	$3,484,816	$3,483,164	$3,546,039
64	Use of Impact Fees for Debt Service Payments	974,836	978,845	978,364	979,924	980,653
65	Subtotal	$5,222,125	$4,541,815	$4,463,180	$4,463,088	$4,526,693
	Less Other Payments and Transfers from Rates:					
66	Transfer to General Fund	$1,996,901	$1,944,563	$2,014,923	$2,088,633	$2,165,946
67	Capital Fund Transfer	1,180,399	1,524,749	1,509,824	1,892,073	1,738,771
68	Capital Funded From Rates	1,142,303	465,637	741,737	258,279	204,353
69	Net Transfer to/ (from) Operating Reserves	200,000	200,000	200,000	200,000	200,000
70	Net Amount Available for Other Utility System Purposes	$702,522	$406,868	($3,304)	$24,103	$217,623

Table 1-13
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Ending Water System Cash Balances and Interest Income

Line No.	Description	Investment Reference Cash Balance	Investment Reference Interest Income	2018	2019	2020	2021	2022
				Projected Fiscal Year Ending September 30,				
	Year End Cash Balances Roll-Up:							
1	Water Operating Fund	(U)	(U)	$473,859	$888,290	$1,086,699	$919,705	$904,249
2	Water Customer Deposits	(R)	(R)	436,450	436,450	436,450	436,450	436,450
3	Water Impact Fee Fund	(R)	(R)	552,944	903,868	1,281,790	1,577,453	2,010,757
4	Emergency Reserve Fund	(U)	(U)	1,312,502	1,341,635	1,415,731	1,482,384	1,540,516
5	Capital Fund	(U)	(U)	8,614,865	8,749,951	3,757,560	4,243,958	5,098,644
6	Required Renewal and Replacement Fund	(R)	(U)	90,000	90,000	90,000	90,000	90,000
7	Total Ending Cash Balances			$11,480,619	$12,410,195	$8,068,230	$8,749,951	$10,080,616
8	Emergency Funds			$1,312,502	$1,341,635	$1,415,731	$1,482,384	$1,540,516
9	City Policy : 90 Days of Operating Net Operating Expenditures			$1,312,502	$1,341,635	$1,415,731	$1,482,384	$1,540,516
10	Calculated Days of Available Cash (Net Expenditures)			90	90	90	90	90
11	Unrestricted Cash Balances			$10,401,226	$10,979,876	$6,259,990	$6,646,048	$7,543,409
12	Target : 120 Days of Operating Net Operating Expenditures			$1,750,003	$1,788,847	$1,887,642	$1,976,512	$2,054,022
13	Calculated Days of Available Unrestricted Cash (Net Expenditures)			713	737	398	404	441
	Water Operating Fund							
14	Beginning Balance			$174,184	$473,859	$888,290	$1,086,699	$919,705
15	Transfers In - Revenues			6,422,145	6,183,305	6,318,119	6,457,517	6,601,654
16	Transfers In - Capital Replacement Fund			0	0	0	0	0
17	Transfers In - Impact Fee Fund			0	0	0	0	0
18	Transfers In - Operating Transfer			0	0	0	0	0
19	Transfers In - Required R&R Fund			0	0	0	0	0
20	Transfers In - Debt Service Reserve			0	0	0	0	0
21	Transfers Out - Revenue Requirements			5,970,036	5,739,740	6,045,613	6,557,858	6,558,979
22	Transfers Out - Capital Improvements			0	0	0	0	0
23	Transfers Out - R&R Fund			0	0	0	0	0
24	Transfers Out - Emergency Reserve			152,435	29,133	74,096	66,653	58,132
25	Transfers Out - Operating Transfer			0	0	0	0	0
26	Transfers Out - Stormwater Fund			0	0	0	0	0
27	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
28	Interest Income		(U)	$1,620	$3,405	$4,937	$5,016	$4,560
29	Recognition of Interest Income in Revenue Requirements			$1,620	$3,405	$4,937	$5,016	$4,560
30	Ending Balance Before Adjustments			$473,859	$888,290	$1,086,699	$919,705	$904,249
31	Adjustment to Actual (Increase in Net Liabilities)			0	0	0	0	0
32	Adjusted Ending Balance	(U)		$473,859	$888,290	$1,086,699	$919,705	$904,249
33	Target Days of Available Cash: 30 Days of Net Operating Expenditures			437,501	447,212	471,910	494,128	513,505
34	Calculated Days of Available Cash (Net Operating Expenditures)			32	60	69	56	53
35	Percent Allocable to Water System			100.00%	100.00%	100.00%	100.00%	100.00%
36	Percent Allocable to Wastewater System			0.00%	0.00%	0.00%	0.00%	0.00%
37	Amount Allocable to Water System			$1,620	$3,405	$4,937	$5,016	$4,560
38	Amount Allocable to Wastewater System			0	0	0	0	0
	Water Customer Deposits							
39	Beginning Balance			$436,450	$436,450	$436,450	$436,450	$436,450
40	Transfers In			0	0	0	0	0
41	Transfers Out			0	0	0	0	0
42	Interest Rate			0.00%	0.00%	0.00%	0.00%	0.00%
43	Interest Income		(R)	$0	$0	$0	$0	$0
44	Recognition of Interest Income in Revenue Requirements			$0	$0	$0	$0	$0
45	Ending Balance	(R)		$436,450	$436,450	$436,450	$436,450	$436,450

Table 1-13
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Ending Water System Cash Balances and Interest Income

Line No.	Description	Investment Reference Cash Balance	Investment Reference Interest Income	2018	2019	2020	2021	2022
				Projected Fiscal Year Ending September 30,				
46	Percent Allocable to Water System			100.00%	100.00%	100.00%	100.00%	100.00%
47	Percent Allocable to Wastewater System			0.00%	0.00%	0.00%	0.00%	0.00%
48	Amount Allocable to Water System			$0	$0	$0	$0	$0
49	Amount Allocable to Wastewater System			0	0	0	0	0
	Water Impact Fee Fund							
50	Beginning Balance			$1,164,602	$552,944	$903,868	$1,281,790	$1,577,453
51	Transfers In			975,000	1,008,150	1,042,427	1,077,870	1,114,517
52	Transfers Out - CIP			1,240,000	309,000	318,270	437,091	337,653
53	Transfers Out - Water Operating Fund			0	0	0	0	0
54	Transfers Out - Debt Payment			350,941	351,858	351,686	352,246	352,509
55	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
56	Interest Income		(R)	$4,283	$3,633	$5,451	$7,130	$8,948
57	Recognition of Interest Income in Revenue Requirements			$0	$0	$0	$0	$0
58	Ending Balance	(R)		$552,944	$903,868	$1,281,790	$1,577,453	$2,010,757
59	Percent Allocable to Water System			100.00%	100.00%	100.00%	100.00%	100.00%
60	Percent Allocable to Wastewater System			0.00%	0.00%	0.00%	0.00%	0.00%
61	Amount Allocable to Water System			$0	$0	$0	$0	$0
62	Amount Allocable to Wastewater System			0	0	0	0	0
	Emergency Reserve Fund							
63	Beginning Balance			$1,160,067	$1,312,502	$1,341,635	$1,415,731	$1,482,384
64	Transfers In - Operating Fund			152,435	29,133	74,096	66,653	58,132
65	Transfers Out - Other			0	0	0	0	0
66	Transfers Out - Other			0	0	0	0	0
67	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
68	Interest Income		(U)	$6,181	$6,635	$6,893	$7,245	$7,557
69	Recognition of Interest Income in Revenue Requirements			$6,181	$6,635	$6,893	$7,245	$7,557
70	Ending Balance	(U)		$1,312,502	$1,341,635	$1,415,731	$1,482,384	$1,540,516
71	Percent Allocable to Water System			100.00%	100.00%	100.00%	100.00%	100.00%
72	Percent Allocable to Wastewater System			0.00%	0.00%	0.00%	0.00%	0.00%
73	Amount Allocable to Water System			$6,181	$6,635	$6,893	$7,245	$7,557
74	Amount Allocable to Wastewater System			0	0	0	0	0
75	Gross Revenue Requirements			$6,781,278	$6,542,031	$6,837,378	$7,339,350	$7,343,942
76	Minus Capital Funded From Rates & Capital (R&R) Transfer			1,458,353	1,100,954	1,095,801	1,327,458	1,096,293
77	Net Operating Expenditures			$5,322,925	$5,441,077	$5,741,577	$6,011,892	$6,247,649
78	City Policy - Days of Available Cash: 90 Days of Expenditures			$1,312,502	$1,341,635	$1,415,731	$1,482,384	$1,540,516
79	Ending Balance From Above			$1,312,502	$1,341,635	$1,415,731	$1,482,384	$1,540,516
80	Calculated Days of Available Cash (Revenue)			90	90	90	90	90
	Capital Fund							
81	Beginning Balance			$8,593,008	$8,614,865	$8,749,951	$3,757,560	$4,243,958
82	Transfers In - Annual Operations			805,409	1,010,586	1,001,693	1,229,453	1,057,277
83	Transfers In - Other			0	0	0	0	0
84	Transfers In - Fund 401			0	0	0	0	0
85	Transfers Out - CIP			783,552	875,500	5,994,085	743,054	202,592
86	Transfers Out - Fund 401			0	0	0	0	0
87	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
88	Interest Income		(U)	$43,020	$43,412	$31,269	$20,004	$23,357
89	Recognition of Interest Income in Revenue Requirements			$43,020	$43,412	$31,269	$20,004	$23,357
90	Ending Balance	(U)		$8,614,865	$8,749,951	$3,757,560	$4,243,958	$5,098,644

Table 1-13
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Ending Water System Cash Balances and Interest Income

Line No.	Description	Investment Reference Cash Balance	Investment Reference Interest Income	2018	2019	2020	2021	2022
				Projected Fiscal Year Ending September 30,				
91	Percent Allocable to Water System			100.00%	100.00%	100.00%	100.00%	100.00%
92	Percent Allocable to Wastewater System			0.00%	0.00%	0.00%	0.00%	0.00%
93	Amount Allocable to Water System			$43,020	$43,412	$31,269	$20,004	$23,357
94	Amount Allocable to Wastewater System			0	0	0	0	0
	Required Renewal and Replacement Fund							
95	Beginning Balance			$90,000	$90,000	$90,000	$90,000	$90,000
96	Transfers In			0	0	0	0	0
97	Transfers Out - Operating Fund			0	0	0	0	0
98	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
99	Interest Income		(R)	$450	$450	$450	$450	$450
100	Recognition of Interest Income in Revenue Requirements			$450	$450	$450	$450	$450
101	Ending Balance	(R)		$90,000	$90,000	$90,000	$90,000	$90,000
102	Percent Allocable to Water System			100.00%	100.00%	100.00%	100.00%	100.00%
103	Percent Allocable to Wastewater System			0.00%	0.00%	0.00%	0.00%	0.00%
104	Amount Allocable to Water System			$450	$450	$450	$450	$450
105	Amount Allocable to Wastewater System			0	0	0	0	0
	Debt Service Sinking Fund							
106	Annual Debt Service Payment			$424,222	$423,926	$423,718	$424,393	$424,709
107	Average Balance	(R)		106,056	105,981	105,929	106,098	106,177
108	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
109	Interest Income		(U)	$530	$530	$530	$530	$531
110	Recognition of Interest Income in Revenue Requirements			$530	$530	$530	$530	$531
111	Percent Allocable to Water System			100.00%	100.00%	100.00%	100.00%	100.00%
112	Percent Allocable to Wastewater System			0.00%	0.00%	0.00%	0.00%	0.00%
113	Amount Allocable to Water System			$530	$530	$530	$530	$531
114	Amount Allocable to Wastewater System			0	0	0	0	0
	Interest Income:							
115	Unrestricted Interest Income - Water			$51,801	$54,433	$44,079	$33,246	$36,455
116	Unrestricted Interest Income - Wastewater			0	0	0	0	0
117	Total Unrestricted Interest Income			$51,801	$54,433	$44,079	$33,246	$36,455
118	Restricted Interest Income			$4,283	$3,633	$5,451	$7,130	$8,948
119	**Total Interest Income**			$56,085	$58,066	$49,530	$40,376	$45,403

Table 1-14
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Ending Wastewater System Cash Balances and Interest Income

Line No.	Description	Investment Reference Cash Balance	Investment Reference Interest Income	2018	2019	2020	2021	2022
				Projected Fiscal Year Ending September 30,				
	Year End Cash Balances Roll-Up:							
1	Wastewater Operating Fund	(U)	(U)	$736,623	$616,297	$465,423	$394,974	$699,208
2	Wastewater Customer Deposits	(R)	(R)	0	0	0	0	0
3	Wastewater Impact Fee Fund	(R)	(R)	7,608,848	7,860,461	1,769,723	656,844	2,117,283
4	Emergency Reserve Fund	(U)	(U)	1,550,960	1,628,588	1,703,653	1,770,729	1,841,441
5	Capital Fund	(U)	(U)	5,674,990	5,468,152	4,872,947	113,296	288,311
6	Required Renewal and Replacement Fund	(R)	(U)	160,000	160,000	160,000	160,000	160,000
7	Total Ending Cash Balances			$15,731,420	$15,733,499	$8,971,746	$3,095,842	$5,106,244
8	Emergency Funds			$1,550,960	$1,628,588	$1,703,653	$1,770,729	$1,841,441
9	City Policy : 90 Days of Operating Net Operating Expenditures			$1,550,960	$1,628,588	$1,703,653	$1,770,729	$1,841,441
10	Calculated Days of Available Cash (Net Expenditures)			90	90	90	90	90
11	Unrestricted Cash Balances			$7,962,572	$7,713,038	$7,042,023	$2,278,998	$2,828,961
12	Target : 120 Days of Operating Net Operating Expenditures			$2,067,946	$2,171,451	$2,271,537	$2,360,972	$2,455,255
13	Calculated Days of Available Unrestricted Cash (Net Expenditures)			462	426	372	116	138
	Wastewater Operating Fund							
14	Beginning Balance			$497,415	$736,623	$616,297	$465,423	$394,974
15	Transfers In - Revenues			6,729,600	6,780,445	7,114,699	7,466,702	7,837,986
16	Transfers In - Capital Replacement Fund			0	0	0	0	0
17	Transfers In - Impact Fee Fund			0	0	0	0	0
18	Transfers In - Operating Transfer			200,000	200,000	200,000	200,000	200,000
19	Transfers In - Required R&R Fund			0	0	0	0	0
20	Transfers In - Debt Service Reserve			0	0	0	0	0
21	Transfers Out - Revenue Requirements			6,479,188	6,817,142	7,390,509	7,342,258	7,663,038
22	Transfers Out - Capital Improvements			10,000	206,000	0	327,818	0
23	Transfers Out - R&R Fund			0	0	0	0	0
24	Transfers Out - Emergency Reserve			201,205	77,629	75,064	67,076	70,713
25	Transfers Out - Operating Transfer			0	0	0	0	0
26	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
27	Interest Income		(U)	$3,085	$3,382	$2,704	$2,151	$2,735
28	Recognition of Interest Income in Revenue Requirements			$3,085	$3,382	$2,704	$2,151	$2,735
29	Ending Balance Before Adjustments			$736,623	$616,297	$465,423	$394,974	$699,208
30	Adjustment to Actual			0	0	0	0	0
31	Ending Balance	(U)		$736,623	$616,297	$465,423	$394,974	$699,208
32	Target Days of Available Cash: 30 Days of Net Operating Expenditures			516,987	542,863	567,884	590,243	613,814
33	Calculated Days of Available Cash (Net Operating Expenditures)			43	34	25	20	34
34	Percent Allocable to Water System			0.00%	0.00%	0.00%	0.00%	0.00%
35	Percent Allocable to Wastewater System			100.00%	100.00%	100.00%	100.00%	100.00%
36	Amount Allocable to Water System			$0	$0	$0	$0	$0
37	Amount Allocable to Wastewater System			3,085	3,382	2,704	2,151	2,735
	Wastewater Customer Deposits							
38	Beginning Balance			$0	$0	$0	$0	$0
39	Transfers In			0	0	0	0	0
40	Transfers Out			0	0	0	0	0
41	Interest Rate			0.00%	0.00%	0.00%	0.00%	0.00%
42	Interest Income		(R)	$0	$0	$0	$0	$0
43	Recognition of Interest Income in Revenue Requirements			$0	$0	$0	$0	$0
44	Ending Balance	(R)		$0	$0	$0	$0	$0
45	Percent Allocable to Water System			0.00%	0.00%	0.00%	0.00%	0.00%
46	Percent Allocable to Wastewater System			100.00%	100.00%	100.00%	100.00%	100.00%
47	Amount Allocable to Water System			$0	$0	$0	$0	$0
48	Amount Allocable to Wastewater System			0	0	0	0	0

Table 1-14
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Ending Wastewater System Cash Balances and Interest Income

Line No.	Description	Investment Reference Cash Balance	Investment Reference Interest Income	Projected Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
	Wastewater Impact Fee Fund							
49	Beginning Balance			$10,982,318	$7,608,848	$7,860,461	$1,769,723	$656,844
50	Transfers In			1,804,063	1,870,023	1,938,225	2,008,747	2,081,666
51	Transfers Out - CIP			4,600,000	1,030,000	7,426,300	2,500,000	0
52	Transfers Out - Operating Reserve Fund			0	0	0	0	0
53	Transfers Out - Debt Payment			623,895	626,986	626,678	627,677	628,145
54	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
55	Interest Income		(R)	$46,362	$38,577	$24,015	$6,051	$6,918
56	Recognition of Interest Income in Revenue Requirements			$0	$0	$0	$0	$0
57	Ending Balance	(R)		$7,608,848	$7,860,461	$1,769,723	$656,844	$2,117,283
58	Percent Allocable to Water System			0.00%	0.00%	0.00%	0.00%	0.00%
59	Percent Allocable to Wastewater System			100.00%	100.00%	100.00%	100.00%	100.00%
60	Amount Allocable to Water System			$0	$0	$0	$0	$0
61	Amount Allocable to Wastewater System			0	0	0	0	0
	Emergency Reserve Fund							
62	Beginning Balance			$1,349,755	$1,550,960	$1,628,588	$1,703,653	$1,770,729
63	Transfers In - Operating Fund			201,205	77,629	75,064	67,076	70,713
64	Transfers Out - Other			0	0	0	0	0
65	Transfers Out - Other			0	0	0	0	0
66	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
67	Interest Income		(U)	$7,252	$7,949	$8,331	$8,686	$9,030
68	Recognition of Interest Income in Revenue Requirements			$7,252	$7,949	$8,331	$8,686	$9,030
69	Ending Balance	(U)		$1,550,960	$1,628,588	$1,703,653	$1,770,729	$1,841,441
70	Percent Allocable to Water System			0.00%	0.00%	0.00%	0.00%	0.00%
71	Percent Allocable to Wastewater System			100.00%	100.00%	100.00%	100.00%	100.00%
72	Amount Allocable to Water System			$0	$0	$0	$0	$0
73	Amount Allocable to Wastewater System			7,252	7,949	8,331	8,686	9,030
74	Gross Revenue Requirements			$7,154,352	$7,494,262	$8,065,018	$8,004,183	$8,314,899
75	Minus Capital Funded From Rates & Capital (R&R) Transfer			864,349	889,431	1,155,760	822,894	846,831
76	Net Operating Expenditures			$6,290,003	$6,604,831	$6,909,259	$7,181,289	$7,468,068
77	City Policy - Days of Available Cash: 90 Days of Expenditures			$1,550,960	$1,628,588	$1,703,653	$1,770,729	$1,841,441
78	Ending Balance From Above			$1,550,960	$1,628,588	$1,703,653	$1,770,729	$1,841,441
79	Calculated Days of Available Cash (Revenue)			90	90	90	90	90
	Capital Fund							
80	Beginning Balance			$6,320,000	$5,674,990	$5,468,152	$4,872,947	$113,296
81	Transfers In - Annual Operations			374,990	514,162	508,130	662,620	681,494
82	Transfers In - Other			0	0	0	0	0
83	Transfers In - Fund 401			0	0	0	0	0
84	Transfers Out - CIP			1,020,000	721,000	1,103,336	5,422,271	506,479
85	Transfers Out - Fund 401			0	0	0	0	0
86	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
87	Interest Income		(U)	$29,987	$27,858	$25,853	$12,466	$1,004
88	Recognition of Interest Income in Revenue Requirements			$29,987	$27,858	$25,853	$12,466	$1,004
89	Ending Balance	(U)		$5,674,990	$5,468,152	$4,872,947	$113,296	$288,311
90	Percent Allocable to Water System			0.00%	0.00%	0.00%	0.00%	0.00%
91	Percent Allocable to Wastewater System			100.00%	100.00%	100.00%	100.00%	100.00%
92	Amount Allocable to Water System			$0	$0	$0	$0	$0
93	Amount Allocable to Wastewater System			29,987	27,858	25,853	12,466	1,004
	Required Renewal and Replacement Fund							

Table 1-14
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Projection of Ending Wastewater System Cash Balances and Interest Income

Line No.	Description	Investment Reference: Cash Balance	Investment Reference: Interest Income	Projected Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
94	Beginning Balance			$160,000	$160,000	$160,000	$160,000	$160,000
95	Transfers In			0	0	0	0	0
96	Transfers Out - Operating Fund			0	0	0	0	0
97	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
98	Interest Income		(U)	$800	$800	$800	$800	$800
99	Recognition of Interest Income in Revenue Requirements			$800	$800	$800	$800	$800
100	Ending Balance	(R)		$160,000	$160,000	$160,000	$160,000	$160,000
101	Percent Allocable to Water System			0.00%	0.00%	0.00%	0.00%	0.00%
102	Percent Allocable to Wastewater System			100.00%	100.00%	100.00%	100.00%	100.00%
103	Amount Allocable to Water System			$0	$0	$0	$0	$0
104	Amount Allocable to Wastewater System			800	800	800	800	800
	Debt Service Sinking Fund							
105	Annual Debt Service Payment			$755,933	$755,405	$755,034	$756,238	$756,801
106	Average Balance	(R)		188,983	188,851	188,759	189,059	189,200
107	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
108	Interest Income		(U)	$945	$944	$944	$945	$946
109	Recognition of Interest Income in Revenue Requirements			$945	$944	$944	$945	$946
110	Percent Allocable to Water System			0.00%	0.00%	0.00%	0.00%	0.00%
111	Percent Allocable to Wastewater System			100.00%	100.00%	100.00%	100.00%	100.00%
112	Amount Allocable to Water System			$0	$0	$0	$0	$0
113	Amount Allocable to Wastewater System			945	944	944	945	946
	Interest Income:							
114	Unrestricted Interest Income - Water			$0	$0	$0	$0	$0
115	Unrestricted Interest Income - Wastewater			41,269	40,133	37,831	24,248	13,716
116	Total Unrestricted Interest Income			$41,269	$40,133	$37,831	$24,248	$13,716
117	Restricted Interest Income			$47,162	$39,377	$24,815	$6,851	$7,718
118	**Total Interest Income**			$88,431	$79,510	$62,647	$31,099	$21,434

SECTION 2

SANITATION SYSTEM

SECTION 2 – SANITATION SYSTEM

INTRODUCTION

The purpose of this section is to summarize the development of proposed sanitation rates sufficient to recover the cost of operating, maintaining, repairing and financing the sanitation system through Fiscal Year 2022. As outlined herein, sanitation rate adjustments are proposed in order to support the sanitation revenue requirements projected for the Forecast Period. As discussed in more detail in this section of the report, the City proposes to implement an automatic rate index to ensure that all rates keep pace with inflation. The utility index provision for all systems is proposed to be equal to the greater of the FPSC Index or the adjustments proposed in this study. A more thorough discussion about the proposed rate adjustments and the annual indexing provision is provided in this section.

The recommendations of this study are based on a financial forecast developed for the sanitation system and this section discusses the primary study assumptions, considerations, goals and recommendations. The study began with the identification of utility operating and capital needs, next considered the capital financing plan and, finally, established the timing of rate adjustments. The financial forecast serves as the basis for the rate recommendations for the Forecast Period.

CUSTOMER GROWTH AND REVENUES

Projected revenues from rates for the sanitation system were based on a review of historical operating results, the proposed Fiscal Year 2018 budget, and other planning data provided by the City. Based on discussions with City staff, this analysis recognizes an annual average growth in customers of approximately 1.00%, or 136 accounts per year throughout the Forecast Period Based on this assumption, system revenues at existing rates are estimated to increase from approximately $3.1 million to $3.2 million per year over the Forecast Period as shown on Table 2-1. When compared to the customer growth rates of the water and wastewater systems that are projected to exceed 3% per year, it should be noted that the primary development is expected to occur outside the City limits, which only benefits the water and wastewater systems. The sanitation system, like the stormwater system, is assumed to benefit from new customer growth that occurs only within the corporate limits of the City. In addition, the sanitation system only serves residential customers, while new commercial customers will be served by contract haulers.

The sanitation system also benefits from other operating and non-operating income. For the Forecast Period, other miscellaneous operating revenues are projected, on average, to be approximately $2,500 per year and interest earnings on unrestricted fund balances are estimated to average approximately $13,000 per year.

OPERATING AND MAINTENANCE EXPENSES

The Fiscal Year 2017 operating budget, adjusted for year-to-date operating results, as shown on Table 2-2, and the Fiscal Year 2018 proposed operating budget served as the basis for the operating and maintenance expense projections for the remainder of the Forecast Period. Adjustments were made to both the Fiscal Year 2017 and Fiscal Year 2018 operating budgets to exclude depreciation, principal and interest payments on debt, capital expenditures, and additions to reserves, which were accounted for separately in our analysis; or in the case of depreciation, excluded as a non-cash expense. These adjustments resulted in the Fiscal Year 2018 operating budget of $5.2 million being adjusted down to approximately $2.5 million in operating and maintenance expenses. A contingency allowance of one percent (1.0%) of operation and maintenance expenses was recognized for unanticipated expenditures in each Fiscal Year. Additionally, a bad debt allowance of 0.25% of rate revenues was recognized in each Fiscal Year. The aforementioned allowances represent averages of approximately $27,000 and $7,900 annually, respectively. Operation and maintenance expenses are projected to increase by an annual average of approximately 4.47% per year from Fiscal Year 2018 operating budget levels as shown in Table 2-3 or from $2.5 million per year to $3.0 million per year over the Forecast Period. The overall increase over the Forecast Period in projected operating expenses was based upon assumptions corresponding to several escalation factors and the nature of the expense as shown on Table 2-4. A few of the major factors are shown below:

a. Labor – 3.0% per year

b. Health Insurance – 6.0% per year

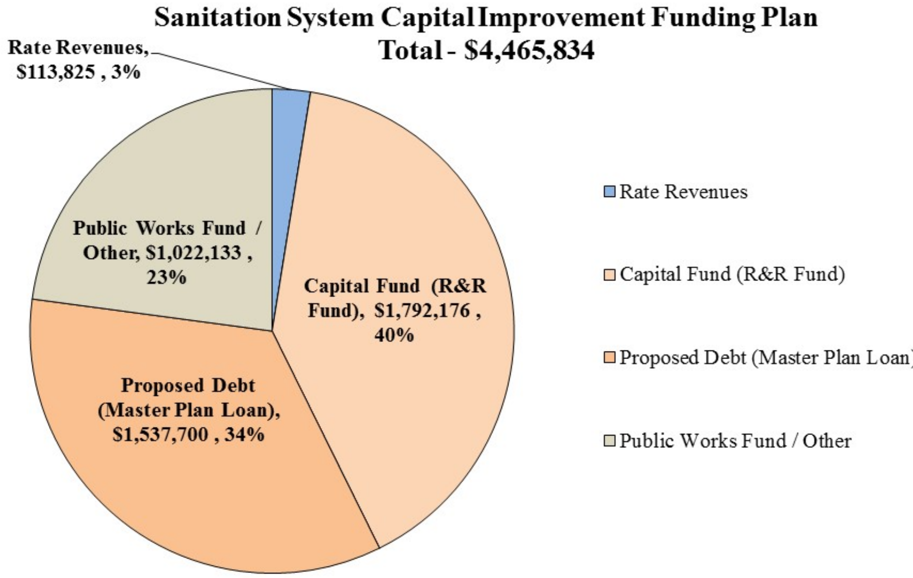
c. Consumer Price Index (CPI) – Average of 2.4% per year

d. Other (Fuel, Electricity, Professional Services etc.) – Ranging from 1.0% to 5.0% per year

In addition to the inflationary adjustments shown above that were applied to the Fiscal Year 2018 proposed expenses, City staff anticipates adding two (2) additional personnel in Fiscal Year 2021 that includes an additional driver and technician. The estimated costs are projected to increase the annual budgeted expenses by approximately $101,000 by Fiscal Year 2022.

CAPITAL IMPROVEMENT PLAN

The CIP utilized in this analysis was provided by City for Fiscal Years 2018 through 2022. The City's project cost estimates were based on Fiscal Year 2018 dollars. Therefore, these amounts were increased by the CPI to account for cost inflation during the Forecast Period. The CIP includes approximately $4.5 million to fund a public works complex, fleet improvements and collection vehicles. The financial forecast assumes that the anticipated CIP will be fully funded through a combination of rate revenues, capital reserves, the public works fund, and a recently negotiated Master Plan loan as shown on Table 2-5 and depicted in the following chart:



As shown above, approximately $1.9 million or 43% of the CIP is assumed to be funded directly from annual rate revenues and annual contributions from rates to the Capital Fund (R&R Fund). As discussed later in this section, the annual contribution to the Capital Fund is approximately $400,000 per year over the Forecast Period. The remaining costs to construct the public works' complex is estimated to be funded from existing reserves in the Public Works' Fund and from proceeds of the recently negotiated Master Plan loan.

PROPOSED DEBT SERVICE

The sanitation system recently negotiated a Master Plan loan to fund a portion of the public works complex. Based on the adopted loan agreement, the principal and interest payments of the Master Plan loan are projected to average approximately $124,000 per year over the Forecast Period. The Master Plan loan is based on an average interest rate of 2.63% per year over fifteen (15) years.

RENEWALS AND REPLACEMENT FUND DEPOSITS AND TRANSFERS

As discussed above, the CIP requires annual deposits of $400,000 per year into the Capital Fund for the planned capital maintenance and replacement of the sanitation fleet from rate revenues. Additionally, the sanitation system receives loan payments from the General Fund of $110,000 per year for a $1.1 million loan from the sanitation system to the General Fund for the purchase of a new fire truck. The repayments are scheduled to continue throughout the Forecast Period and the internal loan is anticipated to be fully repaid in Fiscal Year 2024.

CONCLUSIONS AND RECOMMENDATIONS

Based on the projected revenue requirements of the system, as shown on Table 2-6, and the projected funding plan for the CIP, it is estimated that revenues under existing rates will not be sufficient to fund the projected needs for the Forecast Period. It is recommended that the City consider adopting a minimum annual rate increase of 2.5% per year for Fiscal Years 2019 through 2022 for sanitation system. No rate adjustment is recommended for Fiscal Year 2018. The following table contains a summary of the proposed rate increases, along with certain projected financial operating results:

Summary of Projected Rate Adjustments and Key Operating Results

	Fiscal Year Ending September 30,				
Description	2018	2019	2020	2021	2022
Proposed Rate Increases	0.00%	2.50%	2.50%	2.50%	2.50%
Effective Date	Oct. 1, 2017	Oct. 1, 2018	Oct. 1, 2019	Oct. 1, 2020	Oct. 1, 2021
System Revenue Surplus / (Deficiency) [1]	$82,454	$91,390	$112,908	$39,933	$53,352
System Operating Reserves (Ending Balance) [2]	$160,029	$339,729	$539,958	$642,856	$779,644
Target of 60 Days of Operating Expense Plus Debt [2]	431,881	446,341	461,461	492,818	510,527
System Emergency Reserves (Ending Balance) [2]	$647,822	$669,512	$692,191	$739,227	$765,791
Emergency Reserves City Policy – 90 Days of Operating Expenditures[2]	647,822	669,512	692,191	739,227	765,791
Capital Reserves (R&R) (Ending Balance) [2]	$1,570,000	$1,612,045	$1,531,238	$1,783,164	$1,457,824
Debt Service Coverage (Target 130%) [3]	510%	513%	531%	473%	484%

[1] As shown in Table 2-6.
[2] As shown in Table 2-7.
[3] As shown in Table 2-8.

To ensure that utility rates keep pace with inflation, the City proposes to adopt an automatic index provision for the sanitation system. The annual index is proposed to be equal to the greater of the FPSC Index on the rate adjustments proposed in this study. Over the last five (5) years, the FPSC Index has averaged 1.48% per year. If this trend continues, we expect that the City should adopt the sanitation rate adjustments as proposed.

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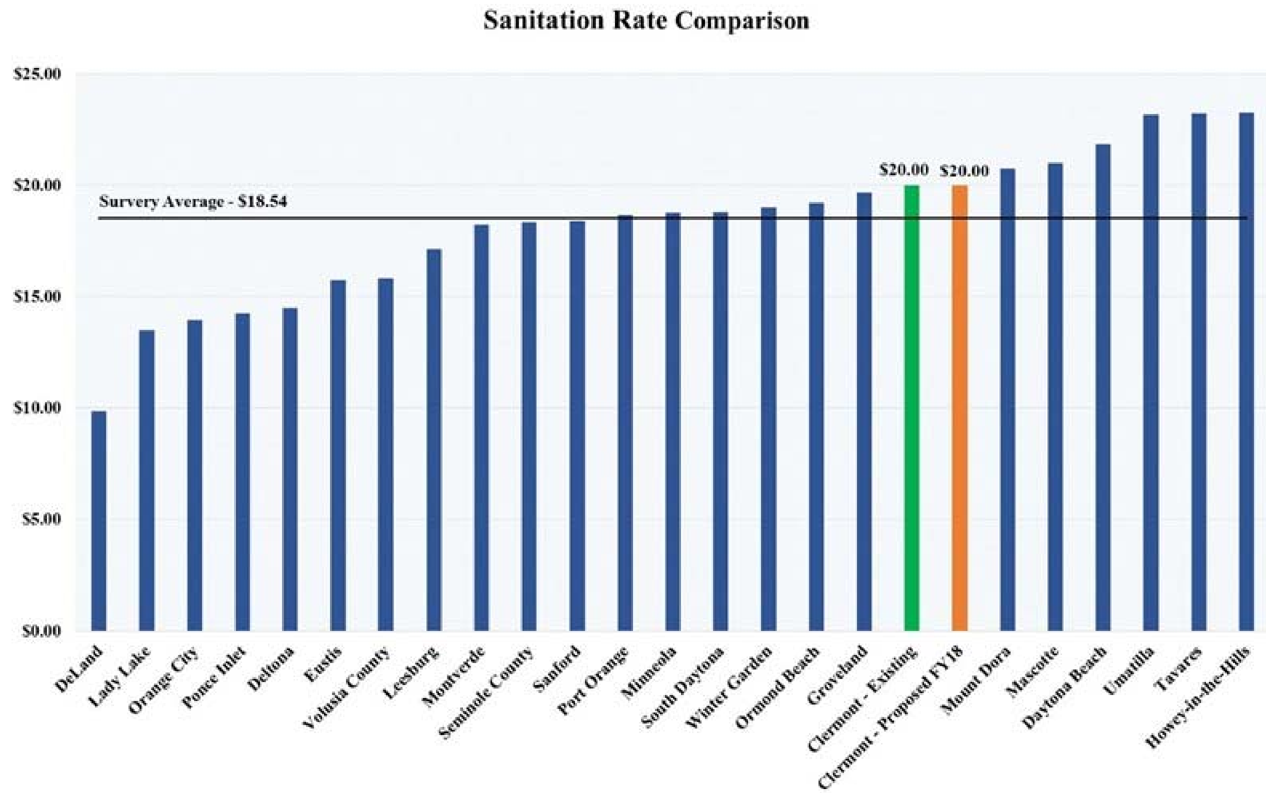
RATE COMPARISON

As shown below, there are no recommended changes to the typical residential sanitation bill for Fiscal Year 2018. The current sanitation rate is slightly above average when compared to the surveyed, neighboring utilities.



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SECTION 2

CITY OF CLERMONT, FLORIDA

WATER, WASTEWATER, STORMWATER, AND SANITATION UTILITY RATE STUDY

LIST OF TABLES

Table 2-1
City of Clermont, Florida
Sanitation Utility Rate Study

Projected Sanitation System Revenue Under Existing Rates [1]

Line No.	Cost Center ID Code	Description	Budget 2017	Adjustments	Adjusted 2017	Escalation Reference	Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
		SYSTEM REVENUES									
1	49343-34340	Sanitation Fees	$3,000,000	$121,842	$3,121,842	Marginal	$3,121,842	$3,153,061	$3,184,591	$3,216,437	$3,248,602
2	49343-34342	Recycling Revenue	0	0	0	Eliminate	0	0	0	0	0
3	49361-36100	Interest Earnings	10,290	(10,290)	0	Eliminate	0	0	0	0	0
4	49364-36400	Sale of Fixed Assets	2,000	0	2,000	Eliminate	2,000	0	0	0	0
5	49365-36500	Surplus Property Sales	1,000	0	1,000	Eliminate	1,000	0	0	0	0
6	49365-36501	Recycled Materials	0	0	0	Eliminate	0	0	0	0	0
7	49366-36650	Reimbursements	5,000	(4,000)	1,000	Constant	2,500	2,500	2,500	2,500	2,500
8	49381-38100	Transfer from General Fund	0	0	0	Constant	0	0	0	0	0
9	49381-38114	Transfer from Insurance Fund	0	0	0	Eliminate	0	0	0	0	0
10	49399-39900	Fund Balance	0	0	0	Eliminate	0	0	0	0	0
11		**TOTAL SYSTEM REVENUES**	$3,018,290	$107,552	$3,125,842		$3,127,342	$3,155,561	$3,187,091	$3,218,937	$3,251,102

Footnotes:
[1] Budgeted amounts shown are based on the Fiscal Years 2017 and 2018 Adopted Operating Budget as provided by the City.

Table 2-2
City of Clermont, Florida
Sanitation Utility Rate Study

Fiscal Year 2017 Operating Budget [1]

Line No.	Cost Center ID Code	Description	Budget 2017	Adjustments	Adjusted 2017
		Environmental Services Department - Sanitation - 49534			
		Personnel Services:			
1	49534-12100	Regular Salaries and Wages	$793,694	$0	$793,694
2	AddPer	Additional Personnel	0	0	0
3	49534-12110	Part-Time Salaries	0	0	0
4	49534-12120	Overtime	11,500	0	11,500
5	49534-12220	FICA	56,711	0	56,711
6	49534-12240	Defined Contribution Pension	80,519	0	80,519
7	49534-12300	Group Insurance	231,147	0	231,147
8	49534-12305	Life Insurance	2,500	0	2,500
9	49534-12315	Employee Assistance Plan	343	0	343
10	49534-12400	Workers' Compensation	34,423	0	34,423
11	49534-12500	Unemployment Compensation	0	0	0
12		Total Personnel Services	$1,210,837	$0	$1,210,837
		Operating Expenses:			
13	49534-53100	Professional Services - General	$21,500	$0	$21,500
14	49534-53128	Background Investigations	0	0	0
15	49534-53129	Drug Screens	0	0	0
16	49534-53130	Medical Services	0	0	0
17	49534-53154	Professional Services - Investment Advisor	930	0	930
18	49534-53168	Professional Services - Safety Training	1,000	0	1,000
19	49534-53401	Contract Services - General	25,000	0	25,000
20	49534-54001	Travel and Per Diem	500	0	500
21	49534-54101	Telephone	1,800	0	1,800
22	49534-54102	Internet Service	600	0	600
23	49534-54200	Postage & Freight	9,000	0	9,000
24	49534-54304	Solid Waste Disposal Fees	500,000	0	500,000
25	49534-54500	Commercial Insurance	18,639	0	18,639
26	49534-54501	Self-Insurance Liability Claims	0	0	0
27	49534-54600	Repair & Maintenance - Buildings	500	0	500
28	49534-54601	Repair & Maintenance - Vehicles	100,000	0	100,000
29	49534-54614	Repair & Maintenance - Equipment	500	0	500
30	49534-54640	Repair & Maintenance - Copiers	450	0	450
31	49534-54700	Printing	8,000	0	8,000
32	49534-54700-19102	Printing - Rebranding	0	0	0
33	49534-54800	Advertising	750	0	750
34	49534-54900	Other Current Charges	0	0	0
35	49534-54906	Administrative Services	297,336	0	297,336
36	49534-54907	Uncollectible Accounts	10,000	(10,000)	0
37	49534-54909	Bank Service Charges	605	0	605
38	49534-54920	Payment-in-Lieu of Taxes	778	0	778
39	49534-55100	Office Supplies	500	0	500
40	49534-55200	Operating Supplies	60,000	0	60,000
41	49534-55201	Gas & Oil	175,000	0	175,000
42	49534-55202	Tires & Batteries	30,000	0	30,000
43	49534-55203	Uniforms	5,800	0	5,800
44	49534-55204	Minor Equipment	3,500	0	3,500
45	49534-55205	Safety Equipment	500	0	500

Table 2-2
City of Clermont, Florida
Sanitation Utility Rate Study

Fiscal Year 2017 Operating Budget [1]

Line No.	Cost Center ID Code	Description	Budget 2017	Adjustments	Adjusted 2017
46	49534-55209	Safety Shoes	5,000	0	5,000
47	49534-55212	Community Relations	4,000	0	4,000
48	49534-55219	Software Renewals / Support	1,000	0	1,000
49	49534-55401	Training & Education	1,000	0	1,000
50	49599-59900	Fund Reserve	0	0	0
51		Total Operating Expenses	$1,284,188	($10,000)	$1,274,188
		Capital Outlay [2]:			
52	49534-664000	Capital Outlay - Vehicles	$443,000	($443,000)	$0
53	49534-66401	Capital Equipment	0	0	0
54	49534-66404	Capital Outlay - Software	20,000	(20,000)	0
55		Total Capital Outlay	$463,000	($463,000)	$0
56		**Subtotal Operating Expenses**	$2,958,025	($473,000)	$2,485,025
		Transfers Out			
57	49584-99200	Interfund Loan	0	0	0
58		Total Transfers Out	$0	$0	$0
		Miscellaneous Adjustments			
59	Contingency	Contingency - 1.00% of O&M [3]	$0	$24,850	$24,850
60	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [4]	0	7,805	7,805
61		**TOTAL OPERATING EXPENSES**	$2,958,025	($440,345)	$2,517,680

Footnotes:

[1] Budgeted amounts shown are based on the Fiscal Year 2017 Adopted Operating Budget as provided by the City.

[2] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.

[3] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.

[4] An allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible accounts.

Table 2-3
City of Clermont, Florida
Sanitation Utility Rate Study

Projection of Sanitation Operating Expenses [1]

Line No.	Cost Center ID Code	Description	Adjusted 2017	Escalation Reference	2018	2019	2020	2021	2022
					Fiscal Year Ending September 30,				
		Environmental Services Department - Sanitation - 49534							
		Personnel Services:							
1	49534-12100	Regular Salaries and Wages	$793,694	Labor	$817,505	$842,030	$867,291	$893,310	$920,109
2	AddPer	Additional Personnel	0	Input	0	0	0	97,985	100,925
3	49534-12110	Part-Time Salaries	0	Labor	0	0	0	0	0
4	49534-12120	Overtime	11,500	Labor	11,845	12,200	12,566	12,943	13,332
5	49534-12220	FICA	56,711	Labor	58,412	60,165	61,970	63,829	65,744
6	49534-12240	Defined Contribution Pension	80,519	Labor	82,935	85,423	87,985	90,625	93,344
7	49534-12300	Group Insurance	231,147	Health-Ins	245,016	259,717	275,300	291,818	309,327
8	49534-12305	Life Insurance	2,500	General-Ins	2,625	2,756	2,894	3,039	3,191
9	49534-12315	Employee Assistance Plan	343	Inflation	351	359	368	376	385
10	49534-12400	Workers' Compensation	34,423	General-Ins	36,144	37,951	39,849	41,841	43,933
11	49534-12500	Unemployment Compensation	0	Labor	0	0	0	0	0
12		Total Personnel Services	$1,210,837		$1,254,833	$1,300,601	$1,348,222	$1,495,766	$1,550,289
		Operating Expenses:							
13	49534-53100	Professional Services - General	$21,500	Professional	$22,360	$23,254	$24,185	$25,152	$26,158
14	49534-53128	Background Investigations	0	Professional	0	0	0	0	0
15	49534-53129	Drug Screens	0	Professional	0	0	0	0	0
16	49534-53130	Medical Services	0	Professional	0	0	0	0	0
17	49534-53154	Professional Services - Investment Advisor	930	Professional	967	1,006	1,046	1,088	1,131
18	49534-53168	Professional Services - Safety Training	1,000	Professional	1,040	1,082	1,125	1,170	1,217
19	49534-53401	Contract Services - General	25,000	Contractual	26,000	27,040	28,122	29,246	30,416
20	49534-54001	Travel and Per Diem	500	Inflation	512	523	536	549	562
21	49534-54101	Telephone	1,800	Inflation	1,841	1,884	1,929	1,975	2,023
22	49534-54102	Internet Service	600	Inflation	614	628	643	658	674
23	49534-54200	Postage & Freight	9,000	Inflation	9,207	9,419	9,645	9,876	10,113
24	49534-54304	Solid Waste Disposal Fees	500,000	Growth+Infl	511,500	528,497	546,593	565,308	590,511
25	49534-54500	Commercial Insurance	18,639	General-Ins	19,571	20,549	21,577	22,656	23,789
26	49534-54501	Self-Insurance Liability Claims	0	General-Ins	0	0	0	0	0
27	49534-54600	Repair & Maintenance - Buildings	500	Repair	515	530	546	563	580
28	49534-54601	Repair & Maintenance - Vehicles	100,000	Repair	103,000	106,090	109,273	112,551	115,927
29	49534-54614	Repair & Maintenance - Equipment	500	Repair	515	530	546	563	580
30	49534-54640	Repair & Maintenance - Copiers	450	Repair	464	477	492	506	522
31	49534-54700	Printing	8,000	Inflation	8,184	8,372	8,573	8,779	8,990
32	49534-54700-19102	Printing - Rebranding	0	Inflation	0	0	0	0	0
33	49534-54800	Advertising	750	Inflation	767	785	804	823	843
34	49534-54900	Other Current Charges	0	Inflation	0	0	0	0	0
35	49534-54906	Administrative Services	297,336	Labor	306,256	315,444	324,907	334,654	344,694
36	49534-54907	Uncollectible Accounts	0	Eliminate	0	0	0	0	0
37	49534-54909	Bank Service Charges	605	Inflation	619	633	648	664	680
38	49534-54920	Payment-in-Lieu of Taxes	778	PILOT	805	833	863	893	924
39	49534-55100	Office Supplies	500	Inflation	512	523	536	549	562
40	49534-55200	Operating Supplies	60,000	Inflation	61,380	62,792	64,299	65,842	67,422
41	49534-55201	Gas & Oil	175,000	Fuel	183,750	192,938	202,584	212,714	223,349
42	49534-55202	Tires & Batteries	30,000	Inflation	30,690	31,396	32,149	32,921	33,711
43	49534-55203	Uniforms	5,800	Inflation	5,933	6,070	6,216	6,365	6,517
44	49534-55204	Minor Equipment	3,500	Inflation	3,581	3,663	3,751	3,841	3,933
45	49534-55205	Safety Equipment	500	Inflation	512	523	536	549	562
46	49534-55209	Safety Shoes	5,000	Inflation	5,115	5,233	5,358	5,487	5,619
47	49534-55212	Community Relations	4,000	Inflation	4,092	4,186	4,287	4,389	4,495
48	49534-55219	Software Renewals / Support	1,000	Inflation	1,023	1,047	1,072	1,097	1,124
49	49534-55401	Training & Education	1,000	Inflation	1,023	1,047	1,072	1,097	1,124
50	49599-59900	Fund Reserve	0	Eliminate	0	0	0	0	0
51		Total Operating Expenses	$1,274,188		$1,312,347	$1,356,994	$1,403,910	$1,452,525	$1,508,750
		Capital Outlay [2]:							
52	49534-664000	Capital Outlay - Vehicles	$0	Eliminate	$0	$0	$0	$0	$0
53	49534-66401	Capital Equipment	0	Eliminate	0	0	0	0	0
54	49534-66404	Capital Outlay - Software	0	Eliminate	0	0	0	0	0
55		Total Capital Outlay	$0		$0	$0	$0	$0	$0
56		**Subtotal Operating Expenses**	$2,485,025		$2,567,179	$2,657,595	$2,752,133	$2,948,291	$3,059,039
		Transfers Out							
57	49584-99200	Interfund Loan	0	Eliminate	0	0	0	0	0
58		Total Transfers Out	$0		$0	$0	$0	$0	$0

Table 2-3
City of Clermont, Florida
Sanitation Utility Rate Study

Projection of Sanitation Operating Expenses [1]

Line No.	Cost Center ID Code	Description	Adjusted 2017	Escalation Reference	Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
		Miscellaneous Adjustments							
59	Contingency	Contingency - 1.00% of O&M [3]	$24,850	Input	$24,707	$25,577	$26,487	$28,375	$29,441
60	BadDebt	Bad Debt Expense - 0.25% of Rate Revs. [4]	7,805	Input	7,805	7,883	7,961	8,041	8,122
61		Adjustment	(95,663)	Input	(96,451)	(99,848)	(103,400)	(110,770)	(114,931)
62		**TOTAL OPERATING EXPENSES**	$2,422,017		$2,503,240	$2,591,207	$2,683,181	$2,873,937	$2,981,670
			4.24%		3.35%	3.51%	3.55%	7.11%	3.75%

Footnotes:
[1] Budgeted amounts shown are based on the Fiscal Year 2017 and 2018 Adopted Operating Budgets as provided by the City.
[2] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.
[3] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.
[4] An allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible accounts.

Table 2-4
City of Clermont, Florida
Sanitation Utility Rate Study

Summary of Projected Escalation Factors

Line		Escalation	Fiscal Year Ending September 30,				
No.	Description	Reference	2018	2019	2020	2021	2022
1	General Inflation (CPI) [1]	Inflation	1.023	1.023	1.024	1.024	1.024
2	Labor [2]	Labor	1.030	1.030	1.030	1.030	1.030
3	Health Insurance	Health-Ins	1.060	1.060	1.060	1.060	1.060
4	Contractual Services	Contractual	1.040	1.040	1.040	1.040	1.040
5	Professional Services	Professional	1.040	1.040	1.040	1.040	1.040
6	General Insurance	General-Ins	1.050	1.050	1.050	1.050	1.050
7	Repair and Maintenance	Repair	1.030	1.030	1.030	1.030	1.030
8	Electricity	Electricity	1.050	1.050	1.050	1.050	1.050
9	Fuel	Fuel	1.050	1.050	1.050	1.050	1.050
10	Constant	Constant	1.000	1.000	1.000	1.000	1.000
11	Eliminate	Eliminate	0.000	0.000	0.000	0.000	0.000
12	Marginal	Marginal	1.010	1.010	1.010	1.010	1.010
13	Decline	Decline	0.950	0.950	0.950	0.950	0.950
14	Personnel	Personnel	1.000	1.000	1.000	1.100	1.000
15	Customer Growth	Cust-Growth	1.000	1.010	1.010	1.010	1.020
16	Customer Growth + Inflation	Growth+Infl	1.023	1.033	1.034	1.034	1.045
17	PILOT	PILOT	1.035	1.035	1.035	1.035	1.035

Footnotes:

[1] Estimated based on projections from *Budget and Economic Outlook: 2017 to 2027,* published by the Congressional Budget Office in January 2017.

[2] Based on discussions with Staff.

Table 2-5
City of Clermont, Florida
Sanitation Utility Rate Study

Capital Improvement Program Funding Plan

Line No.	Description	Escalation Reference	Funding Source	Fiscal Year Ending September 30, 2018	2019	2020	2021	2022	Total CIP
	CIP Escalation Factor Alternatives								
	General Project Escalators								
1	Inflation (CPI)	Inflation		1.000	1.023	1.048	1.073	1.099	
2	No Assumed Escalation (0.0% per Year)	None		1.000	1.000	1.000	1.000	1.000	
3	Capital Outlay (3.5% per Year)	Outlay		1.000	1.035	1.070	1.110	1.150	
4	ENR Index Average (3.0% per Year)	ENR		1.000	1.030	1.060	1.090	1.120	
5	Marginal Increase (1.0% per Year)	Marginal		1.000	1.010	1.020	1.030	1.040	
6	High Increase (5.0% per Year)	High		1.000	1.050	1.100	1.160	1.220	
	CAPITAL IMPROVEMENT PLAN								
8	Sanitation Vehicles	Inflation	R&R	$80,000	$357,955	$480,807	$148,074	$725,340	$1,792,176
9	Public Works Complex - 1 of 2	None	PW	1,022,133	0	0	0	0	1,022,133
10	Public Works Complex - 2 of 2	None	Sub.1	1,537,700	0	0	0	0	1,537,700
11	Subtotal Capital Improvement Plan			$2,639,833	$357,955	$480,807	$148,074	$725,340	$4,352,009
12	Other Capital Outlay	Outlay	Rates	26,525	20,700	21,400	22,200	23,000	113,825
13	**TOTAL CAPITAL PLAN**			$2,666,358	$378,655	$502,207	$170,274	$748,340	$4,465,834
	FUNDING SOURCES								
14	Rate Revenue		Rates	$26,525	$20,700	$21,400	$22,200	$23,000	$113,825
15	Operating Fund		Operating	0	0	0	0	0	0
16	Capital Replacement Fund		R&R	80,000	357,955	480,807	148,074	725,340	1,792,176
17	Additional Subordinate Lien Debt 1		Sub.1	1,537,700	0	0	0	0	1,537,700
18	Public Works Reserve		PW	1,022,133	0	0	0	0	1,022,133
19	**TOTAL FUNDING SOURCES**			$2,666,358	$378,655	$502,207	$170,274	$748,340	$4,465,834

Footnotes:
[1] Original amounts as provided by staff and adjusted for inflation.

Table 2-6
City of Clermont, Florida
Sanitation Utility Rate Study

Projected Sanitation System Revenue Requirements

Line No.	Description	Projected Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
	Operating Expenses [1]					
1	Total Operating Expenses	$2,503,240	$2,591,207	$2,683,181	$2,873,937	$2,981,670
	Debt Service Payments: [2]					
	Proposed Debt Service: [3]					
4	Additional Junior Lien Debt 1	$124,037	$124,037	$124,037	$124,037	$124,037
5	Total Proposed Debt Service Payments	$124,037	$124,037	$124,037	$124,037	$124,037
6	Total Debt Service Payments	$124,037	$124,037	$124,037	$124,037	$124,037
	Other Revenue Requirements:					
7	Transfer to Renewal and Replacement Fund [4]	$400,000	$400,000	$400,000	$400,000	$400,000
8	Other Capital Funded from Rates [5]	26,525	20,700	21,400	22,200	23,000
9	Transfer to Operating Reserves	0	0	0	0	0
10	Total Other Revenue Requirements	$426,525	$420,700	$421,400	$422,200	$423,000
11	Gross Revenue Requirements	$3,053,802	$3,135,944	$3,228,618	$3,420,174	$3,528,707
	Less Income and Funds from Other Sources:					
12	Other Operating Revenue	$5,500	$2,500	$2,500	$2,500	$2,500
13	Interest Income [6]	8,913	12,653	13,617	14,977	15,576
14	Transfer from Operating Reserves	0	0	0	0	0
15	Total Other Revenues	$14,413	$15,153	$16,117	$17,477	$18,076
16	Net Revenue Requirements	$3,039,389	$3,120,791	$3,212,502	$3,402,698	$3,510,631
	Revenue from Sanitation Rates:					
17	Collection Revenue	$3,121,842	$3,153,061	$3,184,591	$3,216,437	$3,248,602
18	Prior Year Rate Adjustments	0	0	79,615	162,832	249,787
19	Collection Revenue Before Current Year Adjustments	$3,121,842	$3,153,061	$3,264,206	$3,379,269	$3,498,389
20	Total Rate Revenue Before Current Year Adjustment	$3,121,842	$3,153,061	$3,264,206	$3,379,269	$3,498,389
21	Revenue Surplus / (Deficiency)	82,454	32,270	51,705	(23,428)	(12,242)
22	Percent of Current Year Rate Revenue	2.64%	1.02%	1.58%	-0.69%	-0.35%

Table 2-6
City of Clermont, Florida
Sanitation Utility Rate Study

Projected Sanitation System Revenue Requirements

Line No.	Description	2018	2019	2020	2021	2022
		Projected Fiscal Year Ending September 30,				
	Current Year Rate Adjustments - Collection					
23	Current Year Rate Adjustment	0.00%	2.50%	2.50%	2.50%	2.50%
24	Effective Month	Jan.	Jan.	Jan.	Jan.	Jan.
25	% of Current Year Effective	75.00%	75.00%	75.00%	75.00%	75.00%
26	Total Revenue from Current Year Adjustments	$0	$59,120	$61,204	$63,361	$65,595
27	Collection Revenue After Rate Adjustments	$3,121,842	$3,212,181	$3,325,410	$3,442,631	$3,563,983
28	**Total Revenue After Rate Adjustments**	$3,121,842	$3,212,181	$3,325,410	$3,442,631	$3,563,983
29	**Revenue Surplus/(Deficiency) [7]**	$82,454	$91,390	$112,908	$39,933	$53,352
30	**Percent of Rate Revenues**	2.64%	2.85%	3.40%	1.16%	1.50%

Footnotes:

[1] Amounts derived from the City's Fiscal Year 2017 and 2018 Budgets and are escalated as shown on Table 2-3.

[2] Payment amounts shown were based on debt service schedules provided by City Staff.

[3] The proposed debt is based upon the funding of the capital improvement program. Initial payments shown may indicate a partial year's payment of debt service due to the timing of the instrument. The following indicated the estimated terms and conditions of the proposed debt.

Additional Subordinate Lien Debt 1	
Principal (Includes Project Costs and Costs of Issuance)	$1,570,000
Issue Date	6/1/2017
Interest Rate	2.00%
Term (Years)	20
Annual Average Debt Service	$124,037

[4] Amounts are transfers to a Renewal and Replacement (R&R) Fund and are to be used for R&R related capital projects.

[5] Amounts based on the proposed capital funding plan as shown in Table 2-5.

[6] Interest income is estimated on earnings on projected fund balances from unrestricted reserves.

[7] The forecast assumes that any deficiencies will be funded from available operating reserves.

Table 2-7
City of Clermont, Florida
Sanitation Utility Rate Study

Projection of Ending Cash Balances and Interest Income

Line No.	Description	Investment Reference Cash Balance	Investment Reference Interest Income	Projected Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
	Year End Cash Balances Roll-Up:							
1	Sanitation Operating Fund	(U)	(U)	$160,029	$339,729	$539,958	$642,856	$779,644
2	Emergency Reserve Fund	(U)	(U)	647,822	669,512	692,191	739,227	765,791
3	Reserve for Public Works Fund	(U)	(U)	0	0	0	0	0
4	Capital Replacement Fund	(U)	(U)	1,570,000	1,612,045	1,531,238	1,783,164	1,457,824
5	Total Ending Cash Balances			$2,377,851	$2,621,286	$2,763,388	$3,165,247	$3,003,259
6	Emergency Funds			$647,822	$669,512	$692,191	$739,227	$765,791
7	City Policy : 90 Days of Operating Net Operating Expenditures			$647,822	$669,512	$692,191	$739,227	$765,791
8	Calculated Days of Available Cash (Net Expenditures)			90	90	90	90	90
9	Unrestricted Cash Balances			$2,377,851	$2,621,286	$2,763,388	$3,165,247	$3,003,259
10	Target : 120 Days of Operating Net Operating Expenditures			$863,762	$892,683	$922,921	$985,635	$1,021,054
11	Calculated Days of Available Unrestricted Cash (Net Expenditures)			330	352	359	385	353
	Sanitation Operating Fund							
12	Beginning Balance			$442,022	$160,029	$339,729	$539,958	$642,856
13	Transfers In - Revenue Requirements			3,121,842	3,212,181	3,325,410	3,442,631	3,563,983
14	Transfers In - R&R Fund			0	0	0	0	0
15	Transfers In - Operating Transfer			0	0	0	0	0
16	Transfers In - Debt Service Reserve			0	0	0	0	0
17	Transfers In - General Fund Loan (Principal Payment)			110,000	110,000	110,000	110,000	110,000
18	Transfers Out - Revenue Requirements			3,039,389	3,120,791	3,212,502	3,402,698	3,510,631
19	Transfers Out - Capital Improvements			0	0	0	0	0
19	Transfers Out - Emergency Reserve			24,446	21,691	22,679	47,036	26,564
20	Transfers Out - Capital Replacement Fund			450,000	0	0	0	0
21	Transfers Out - Capital Replacement Fund - Public Works			0	0	0	0	0
22	Transfers Out - Operating Transfer			0	0	0	0	0
23	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
24	Interest Income		(U)	$1,505	$1,249	$2,199	$2,957	$3,556
25	Recognition of Interest Income in Revenue Requirements			$1,505	$1,249	$2,199	$2,957	$3,556
26	Ending Balance Before Adjustments			$160,029	$339,729	$539,958	$642,856	$779,644
27	Adjustments to Actual			0	0	0	0	0
28	Adjusted Ending Balance	(U)		$160,029	$339,729	$539,958	$642,856	$779,644
29	Target : 30 Days of Operating Net Operating Expenditures			215,941	223,171	230,730	246,409	255,264
30	Calculated Days of Available Cash (Net Operating Expenditures)			22	46	70	78	92
	Emergency Reserve Fund							
31	Beginning Balance			$623,376	$647,822	$669,512	$692,191	$739,227
32	Transfers In - Operating Reserve Transfer			24,446	21,691	22,679	47,036	26,564
33	Transfers Out			0	0	0	0	0
34	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
35	Interest Income		(U)	$3,178	$3,293	$3,404	$3,579	$3,763
36	Recognition of Interest Income in Revenue Requirements			$3,178	$3,293	$3,404	$3,579	$3,763
37	Ending Balance	(U)		$647,822	$669,512	$692,191	$739,227	$765,791
38	Gross Revenue Revenue Requirements			$3,053,802	$3,135,944	$3,228,618	$3,420,174	$3,528,707
39	Minus Capital Funded From Rates & Capital (R&R) Transfer			426,525	420,700	421,400	422,200	423,000
40	Net Operating Expenditures			$2,627,277	$2,715,244	$2,807,218	$2,997,974	$3,105,707
41	City Policy - Days of Available Cash: 90 Days of Expenditures			$647,822	$669,512	$692,191	$739,227	$765,791
42	Ending Balance From Above			$647,822	$669,512	$692,191	$739,227	$765,791
43	Calculated Days of Available Cash (Revenue)			90	90	90	90	90

Table 2-7
City of Clermont, Florida
Sanitation Utility Rate Study

Projection of Ending Cash Balances and Interest Income

Line No.	Description	Investment Reference: Cash Balance	Investment Reference: Interest Income	Projected Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
	Reserve for Public Works Fund							
44	Beginning Balance			$1,762,133	$0	$0	$0	$0
45	Transfers In - Operating Transfer			0	0	0	0	0
46	Transfers In - Other			0	0	0	0	0
47	Transfers Out - CIP			1,022,133	0	0	0	0
48	Transfers Out - to Capital Reserve			740,000	0	0	0	0
49	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
50	Interest Income		(U)	$0	$0	$0	$0	$0
51	Recognition of Interest Income in Revenue Requirements			$0	$0	$0	$0	$0
52	Ending Balance	(U)		$0	$0	$0	$0	$0
	Capital Replacement Fund							
53	Beginning Balance			$60,000	$1,570,000	$1,612,045	$1,531,238	$1,783,164
54	Transfers In - Annual Operations			400,000	400,000	400,000	400,000	400,000
55	Transfers In - Allocation of Operaring Reserve Fund / PW Fund			1,190,000	0	0	0	0
56	Transfers Out - CIP			80,000	357,955	480,807	148,074	725,340
57	Transfers Out			0	0	0	0	0
58	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
59	Interest Income		(U)	$4,075	$7,955	$7,858	$8,286	$8,102
60	Recognition of Interest Income in Revenue Requirements			$4,075	$7,955	$7,858	$8,286	$8,102
61	Ending Balance	(U)		$1,570,000	$1,612,045	$1,531,238	$1,783,164	$1,457,824
	Debt Service Sinking Fund							
62	Annual Debt Service Payment			$124,037	$124,037	$124,037	$124,037	$124,037
63	Average Balance	(R)		31,009	31,009	31,009	31,009	31,009
64	Interest Rate			0.50%	0.50%	0.50%	0.50%	0.50%
65	Interest Income		(U)	$155	$155	$155	$155	$155
66	Recognition of Interest Income in Revenue Requirements			$155	$155	$155	$155	$155
	Interest Income:							
67	Unrestricted Interest Income		(U)	$8,913	$12,653	$13,617	$14,977	$15,576
68	Restricted Interest Income		(R)	0	0	0	0	0
69	**Total Interest Income**			$8,913	$12,653	$13,617	$14,977	$15,576

Table 2-8
City of Clermont, Florida
Sanitation Utility Rate Study

Projection of Debt Service Coverage Compliance

Line No.	Description		Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
	Gross Revenues:						
	Rate Revenues:						
1	Revenues from Existing Rates	[1]	$3,121,842	$3,153,061	$3,184,591	$3,216,437	$3,248,602
2	Revenue from Rate Adjustments	[2]	0	59,120	140,819	226,193	315,382
3	Total Rate Revenue		$3,121,842	$3,212,181	$3,325,410	$3,442,631	$3,563,983
	Revenues from Other Sources						
4	Other Operating Revenue		$5,500	$2,500	$2,500	$2,500	$2,500
5	Interest Income	[3]	8,913	12,653	13,617	14,977	15,576
6	Total Revenues from Other Sources		$14,413	$15,153	$16,117	$17,477	$18,076
7	**Total Gross Revenues**		$3,136,255	$3,227,334	$3,341,527	$3,460,107	$3,582,060
	Operating Expenses:						
8	Total Operating Expenses		$2,503,240	$2,591,207	$2,683,181	$2,873,937	$2,981,670
9	**Net Revenues**		$633,016	$636,127	$658,345	$586,170	$600,389
	Annual Debt Service Requirements						
	Subordinate Lien Debt Service Requirement						
10	Additional Junior Lien Debt 1		$124,037	$124,037	$124,037	$124,037	$124,037
11	Total Subordinate Lien Debt Service Requirement		$124,037	$124,037	$124,037	$124,037	$124,037
	All-In Debt Service Coverage						
	Test:						
12	Net Revenues		$633,016	$636,127	$658,345	$586,170	$600,389
13	Total Debt Service Payments		$124,037	$124,037	$124,037	$124,037	$124,037
14	Calculated Coverage Ratio		510.34%	512.85%	530.77%	472.58%	484.04%
15	Target Coverage Ratio		150.00%	150.00%	150.00%	150.00%	150.00%
	Senior Lien Test						
16	Net Revenues		$633,016	$636,127	$658,345	$586,170	$600,389
17	Total Senior Lien Debt Service Payments		$0	$0	$0	$0	$0
18	Calculated Ratio		0.00%	0.00%	0.00%	0.00%	0.00%
19	Minimum Required Coverage Ratio		110.00%	110.00%	110.00%	110.00%	110.00%
	Subordinate Lien Test						
20	Net Revenues		$633,016	$636,127	$658,345	$586,170	$600,389
21	Total Subordinate Lien Debt Service Payments		$124,037	$124,037	$124,037	$124,037	$124,037
22	Calculated Ratio		510.34%	512.85%	530.77%	472.58%	484.04%
23	Minimum Required Coverage Ratio		115.00%	115.00%	115.00%	115.00%	115.00%
	Less Other Required and Recognized Transfers:						
24	Capital Funded from Rates		$26,525	$20,700	$21,400	$22,200	$23,000
25	Renewal and Replacement Transfer		400,000	400,000	400,000	400,000	400,000
26	Total Other Required and Recognized Transfers		$426,525	$420,700	$421,400	$422,200	$423,000
27	Net Amount Available for Other Utility System Purposes		$82,454	$91,390	$112,908	$39,933	$53,352

Footnotes begin on following page.

Table 2-8
City of Clermont, Florida
Sanitation Utility Rate Study

Projection of Debt Service Coverage Compliance

Footnotes:

[1] Projected revenue from rates reflects existing rates effective October 1, 2017.

[2] Revenue from Sanitation collection rate adjustments reflect the following projected rate increases effective January 1st of each year.

Fiscal Year	2018	2019	2020	2021	2022
Rate Adjustment	0.00%	2.50%	2.50%	2.50%	2.50%

[3] Amounts shown only reflect earnings from funds and accounts established by the City that are considered unrestricted (earnings not required to be retained in such funds and accounts and are available as a component of Net Revenues)

SECTION 3

STORMWATER SYSTEM

CITY OF CLERMONT, FLORIDA

WATER, WASTEWATER, STORMWATER, AND SANITATION UTILITY RATE STUDY

SECTION 3 – STORMWATER SYSTEM

INTRODUCTION

The purpose of this section is to summarize the development of proposed stormwater rates sufficient to recover the cost of operating, maintaining, repairing and financing the sanitation system through Fiscal Year 2022. As outlined herein, stormwater rate adjustments are proposed in order to support the stormwater revenue requirements projected for the Forecast Period. As discussed in more detail in this section of the report, the City proposes to implement an automatic rate index to ensure that all rates keep pace with inflation. The utility index provision for all systems is proposed to be equal to the greater of the FPSC Index or the adjustments proposed in this study. A more thorough discussion about the proposed rate adjustments and the annual indexing provision is provided in this section.

The recommendations of this study are based on a financial forecast developed for the stormwater system and this section discusses the primary study assumptions, considerations, goals and recommendations. The study began with the identification of utility operating and capital needs, next considered the capital financing plan and, finally, established the timing of rate adjustments. The financial forecast serves as the basis for the rate recommendations for the Forecast Period.

CUSTOMER GROWTH AND REVENUES

Projected revenues from rates for the stormwater system were based on a review of historical operating results, the proposed Fiscal Year 2018 budget, and other planning data provided by the City. Based on discussions with City staff, this analysis recognizes an average growth in drainage units or EDUs of approximately 1.00% per year throughout the Forecast Period. An EDU is an equivalent residential drainage unit that is based on the average impervious area of a typical residential property. Based on the City's adopted standard, an EDU is equal to 3,154 square feet of impervious area. For residential properties, the City offers a stormwater rate of $3.00 per month and $5.00 per month with and without on-site drainage facilities, respectively. For commercial accounts, the same rates apply per EDU; however, each commercial property's EDU count is unique based upon the impervious area as calculated by the City's engineers.

Based on the 1% per year growth assumption, system revenues at existing rates are estimated to increase from approximately $1.0 million to $1.1 million per year over the Forecast Period as shown in Table 3-1. When compared to the customer growth rates of the water and wastewater systems that are projected to exceed 3% per year, it should be noted that the primary development is expected to occur outside the City limits, which only benefits the water and wastewater systems. The stormwater system, like the sanitation system, is assumed to benefit from new customer growth that occurs only within the corporate limits of the City, and specifically within the City's drainage basins.

The stormwater system also benefits from other operating and non-operating income. For the Forecast Period, other miscellaneous operating revenues are projected, on average, to be approximately $2,000 per year and interest earnings on unrestricted fund balances are estimated to average approximately $3,100 per year.

OPERATING AND MAINTENANCE EXPENSES

The Fiscal Year 2017 operating budget, adjusted for year-to-date operating results as shown on Table 3-2, and the Fiscal Year 2018 proposed operating budget served as the basis for the operating and maintenance expense projections for the remainder of the Forecast Period. Adjustments were made to both the Fiscal Year 2017 and Fiscal Year 2018 operating budgets to exclude depreciation, principal and interest payments on debt, capital expenditures, and additions to reserves, which were accounted for separately in our analysis; or in the case of depreciation, excluded as a non-cash expense. These adjustments resulted in the Fiscal Year 2018 operating budget of $6.5 million being adjusted down to approximately $0.9 million in operating expenses. A contingency allowance of one percent (1.0%) of operation and maintenance expenses was recognized for unanticipated expenditures in each Fiscal year. Additionally, a bad debt allowance of 0.25% of rate revenues was recognized in each Fiscal Year. The aforementioned allowances represent averages of approximately $9,600 and $4,000 annually, respectively. Operation and maintenance expenses are projected to increase by an annual average of approximately 4.78% per year from Fiscal Year 2018 operating budget levels as shown in Table 3-3. The overall increase over the Forecast Period in projected operating expenses was based upon assumptions corresponding to several escalation factors and the nature of the expense as shown on Table 3-4. A few of the major factors are shown below:

1. Labor – 3.0% per year
2. Health Insurance – 6.0% per year
3. Consumer Price Index (CPI) – Average of 2.4% per year
4. Other (Repairs, Fuel, Professional Services, etc.) – Ranging from 1.0% to 5.0% per year

In addition to the inflationary adjustments shown above, which were applied to the Fiscal Year 2018 budgeted expenses, the City anticipates adding two (2) additional personnel in Fiscal Years 2018 and 2019. The additional maintenance workers, as assumed, are projected to increase the annual budget by approximately $91,000 per year by Fiscal Year 2022.

CAPITAL IMPROVEMENT PLAN

The CIP utilized in this analysis was provided by the City for Fiscal Years 2018 through 2022. The City's project cost estimates were based on Fiscal Year 2018 dollars. Therefore, these amounts were increased by the Engineering News-Record (ENR), which has been approximately 3.0% per year to account for cost inflation over the Forecast Period. The CIP includes approximately $8.6 million to fund stormwater improvements and vehicles. Major CIP projects include:

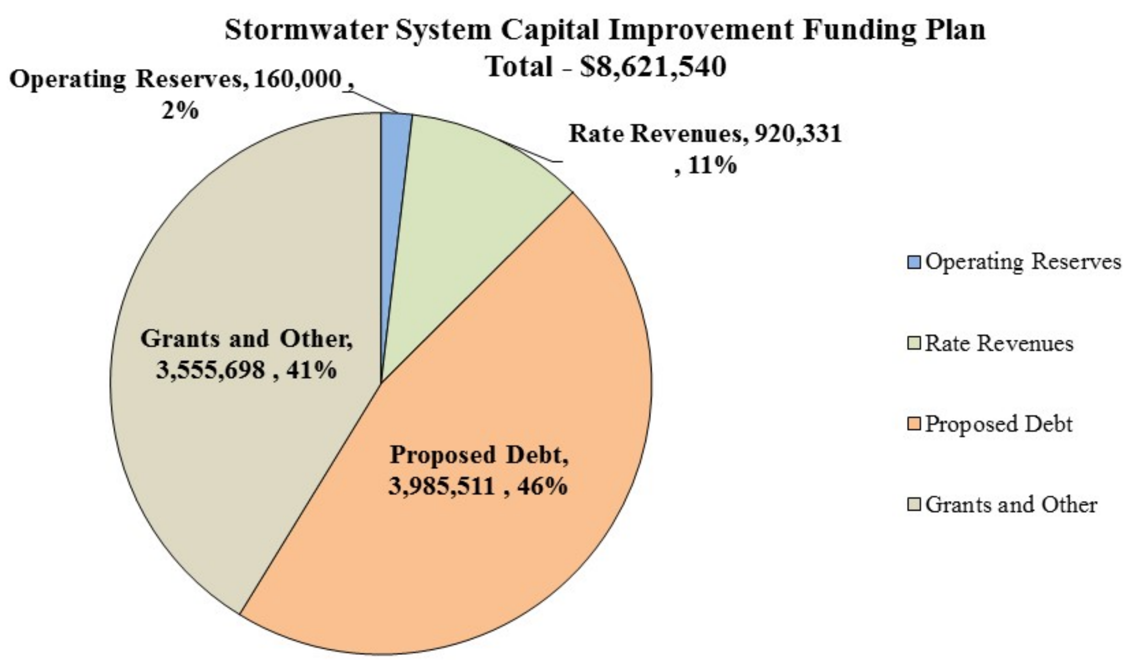
a. Victory Pointe Project - $5.3 million

b. Chain of Lakes Project - $2.6 million

c. System Maintenance - $0.2 million

d. Other Vehicles and Equipment - $0.2 million

The financial forecast assumes that the anticipated CIP will be fully funded through a combination of rate revenues, proposed debt, and grant funding as shown on Table 3-5 and depicted below:



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PROPOSED DEBT SERVICE

The stormwater system recently negotiated a Master Plan loan to fund a portion of the Victory Pointe stormwater project. Payments for the proposed debt are projected on average to be approximately $354,000 per year over the Forecast Period based on an average interest rate of 2.63% for 15-years. In order to fund the principal and interest payments on the Master Plan loan, a stormwater rate increase is proposed with bills rendered on or after January 1, 2018. Proposed rate adjustments are discussed in more detail later in this section. Additional loans are also projected over the Forecast Period to fund a portion of the Chain of Lakes improvements. The proposed projects may be contingent on the availability of grants. The proposed additional loans are assumed to increase annual debt service payments by approximately $81,000 per year over the Forecast Period. However, the borrowing assumptions are subject to change over time.

CONCLUSIONS AND RECOMMENDATIONS

Based on the projected revenue requirement needs of the system, as shown on Table 3-6, and the projected funding plan for the CIP, including the Victory Pointe financing, it is estimated that revenues under existing rates will not be sufficient to fund the projected needs for system. It is recommended that the City implement the proposed rate increase of $1.71 per EDU or from $3.00 per month to $4.71. The proposed rate adjustment is effective for bills rendered on or after January 1, 2018. No additional rate adjustments are proposed for Fiscal Years 2019 through 2022. The following table contains a summary of the proposed rate increases, along with certain projected financial operating results:

Summary of Projected Rate Adjustments and Key Operating Results

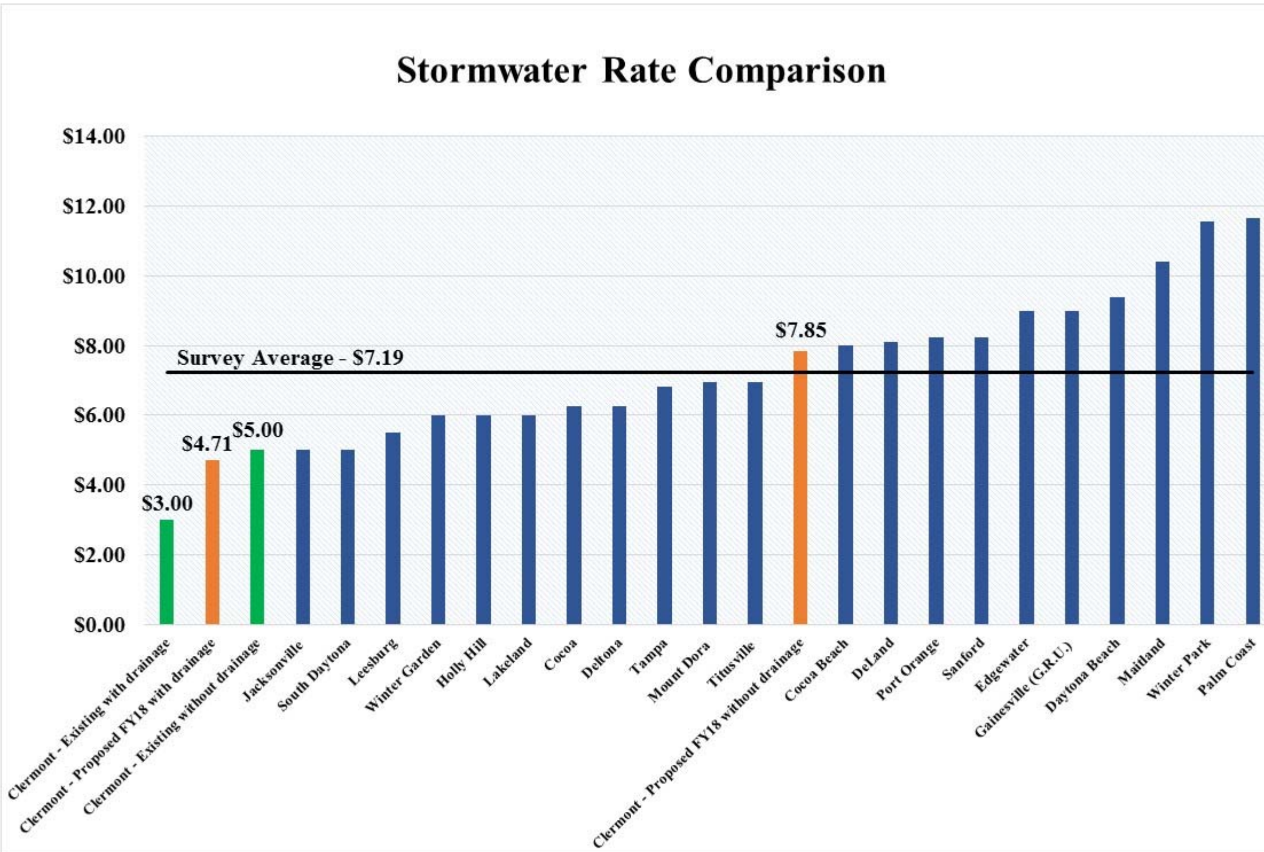
	Fiscal Year Ending September 30,				
Description	2018	2019	2020	2021	2022
Proposed Rate Increases ($ per EDU)	$1.71	$0	$0	$0	$0
Effective Date	Jan. 1, 2018	Oct. 1, 2018	Oct. 1, 2019	Oct. 1, 2020	Oct. 1, 2021
System Revenue Surplus / (Deficiency) [1]	$36,255	$9,229	$116,428	$56,818	($5,334)
System Operating Reserves (Ending Balance) [2]	26,933	130,218	262,995	301,213	276,686
Target of 60 Days of Operating Expense Plus Debt [2]	226,535	230,498	219,598	231,999	244,795
System Emergency Reserves (Ending Balance) [2]	339,803	345,747	329,398	347,998	367,192
Emergency Reserves City Policy – 90 Days of Operating Expenditures[2]	339,803	345,747	329,398	347,998	367,192
Debt Service Coverage (Target 130%) [3]	171%	196%	191%	167%	147%

[1] As shown in Table 3-6.
[2] As shown in Table 3-7.
[3] As shown in Table 3-8.

To ensure that utility rates keep pace with inflation, the City proposes to adopt an automatic index provision for the stormwater system. The annual utility index provision for all systems is proposed to be equal to the greater of the FPSC Index or the adjustments proposed above from this study. The FPSC Index for the recent five (5) years has averaged approximately 1.48% per year. Assuming the Fiscal Year 2019 FPSC Index is equal to the average of 1.48%, we would recommend at a minimum, the City implement the FPSC Index at 1.48% in this example. If the index was implemented, it would provide approximately $24,000 in additional stormwater revenues per year above the amounts shown in this study. Such amounts could be used to offset increases in operating expenses or fund additional capital projects.

RATE COMPARISON

As shown below, the average residential bill based on a typical property with onsite drainage facilities is proposed to increase $1.71 per month with bills rendered on or after January 1, 2018. The proposed Fiscal Year 2018 residential bill is projected to be well below the average charged by neighboring utilities as shown below:



SECTION 3

CITY OF CLERMONT, FLORIDA

WATER, WASTEWATER, STORMWATER, AND SANITATION UTILITY RATE STUDY

LIST OF TABLES

Table 3-1
City of Clermont Florida
Stormwater Utility Rate Study

Projection of Stormwater System Revenue Under Existing Rates

Line No.	Code	Description	Budgeted FY 2017	Adjustments	2017	Escalation Reference	Fiscal Year Ending September 30th, 2018	2019	2020	2021	2022
		Stormwater System									
1	45343-34370	Stormwater Fees	$975,000	$57,935	$1,032,935	Marginal	$1,032,935	$1,043,265	$1,053,697	$1,064,234	$1,074,877
2	45361-36100	Interest Earnings	2,520	(2,520)	0	Eliminate	0	0	0	0	0
3	45364-36400	Sale of Fixed Assets	0	0	0	Eliminate	0	0	0	0	0
4	45366-36650	Reimbursements	2,000	(500)	1,500	Constant	2,000	2,000	2,000	2,000	2,000
5	45399-39900	Fund Balance	0	0	0	Eliminate	0	0	0	0	0
6	45331-33139-38108	Federal Grant - CDBG Grant	566,186	(566,186)	0	Eliminate	0	0	0	0	0
7	45331-33735-38109	Water Authority Grant - LK W	0	0	0	Eliminate	0	0	0	0	0
8	45337-33735-38100	Water Authority Grant	0	0	0	Eliminate	0	0	0	0	0
9	45331-33139-38117	Federal Grant - LWCF Grant	200,000	(200,000)	0	Eliminate	0	0	0	0	0
10	45331-33139-38118	Federal Grant - FDEP / EPA	412,060	(412,060)	0	Eliminate	0	0	0	0	0
11	45334-33436-38114	State Grant - Victory Point	500,000	(500,000)	0	Eliminate	0	0	0	0	0
12	45337-33735-38112	Water Authority Grant Drew	169,656	(169,656)	0	Eliminate	0	0	0	0	0
13	45337-33735-38113	Water Authority Grant - Victory	643,030	(643,030)	0	Eliminate	0	0	0	0	0
14	45337-33738-38115	SJRWMD Grant - Victory Point	940,000	(940,000)	0	Eliminate	0	0	0	0	0
15	45381-38108-38110	Transfer In - Water Fund	125,000	(125,000)	0	Eliminate	0	0	0	0	0
16	TransferIns	Transfer from Insurance Fund	0	0	0	Constant	0	0	0	0	0
17	Misc1	Transfer In - Debt Proceeds	5,304,910	(5,304,910)	0	Eliminate	0	0	0	0	0
18		Total Other Operating Revenue	$9,840,362	($8,805,927)	$1,034,435		$1,034,935	$1,045,265	$1,055,697	$1,066,234	$1,076,877

Table 3-2
City of Clermont Florida
Stormwater Utility Rate Study

Fiscal Year 2017 Operating Budget [1]

Line No.	Cost ID Code	Description	Budget 2017	Adjustments	Adj. Budget 2017
		Operations			
		Personal Services			
1	45538-12100	Regular Salaries and Wages	$307,469	$0	$307,469
2	AddPer	Additional Personnel	0	0	0
3	45538-12110	Part-Time Salaries	0	0	0
4	45538-12120	Overtime-Salaries	5,250	0	5,250
5	45538-12220	FICA Taxes	21,928	0	21,928
6	45538-12240	Defined Contribution Pension	31,272	0	31,272
7	45538-12300	Group Insurance	123,466	0	123,466
8	45538-12305	Life Insurance	969	0	969
9	45538-12315	Employee Assistance Plan	151	0	151
10	45538-12400	Worker's Compensation	14,106	0	14,106
		Total Personal Services	$504,611	$0	$504,611
		Operating Expenses			
11	45538-53100	Professional Services - General	$500	$0	$500
12	45538-53100-38100	Professional Services - 12th and Lakes	0	0	0
13	45538-53100-38108	Professional Services - General CDB	4,550	(4,550)	0
14	45538-53100-38110	Professional Services - Victory Pointe	50,000	(50,000)	0
15	45538-53100-38111	Professional Services - Chain of Lakes	60,000	(60,000)	0
16	45538-53100-38112	Professional Services - Drew & East Stormwater	0	0	0
17	45538-53100-95101	Professional Services - General - Master Plan	0	0	0
18	45538-53128	Background Investigations	0	0	0
19	45538-53129	Drug Screens	0	0	0
20	45538-53130	Medical Services	0	0	0
21	45538-53168	Professional Services - Safety Training	2,000	0	2,000
22	45538-53401	Contract Services - General	5,000	0	5,000
23	45538-53403	Contract Services - Mowing	7,500	0	7,500
24	45538-53404	Contract Services - Pest Control	200	0	200
25	45538-53408	Contract Services - Sewer Cleaning	0	0	0
26	45538-54001	Travel & Per Diem	1,000	0	1,000
27	45538-54101	Telephone	1,000	0	1,000
28	45538-54102	Internet Service	700	0	700
29	45538-54200	Postage & Freight	8,000	0	8,000
30	45538-54304	Solid Waste Disposal Fees	25,000	0	25,000
31	45538-54400	Rentals - Equipment	500	0	500
32	45538-54500	Commercial Insurance	30,830	0	30,830
33	45538-54601	Repair & Maintenance - Vehicles	8,000	0	8,000
34	45538-54603	Repair & Maintenance - Streets	0	0	0
35	45538-54612	Repair & Maintenance - Systems	20,000	0	20,000
36	45538-54614	Repair & Maintenance - Equipment	3,000	0	3,000
37	45538-54622	Repair & Maintenance - Storm Drains	60,000	0	60,000
38	45538-54640	Repair & Maintenance - Copiers	200	0	200
39	45538-54700	Printing	3,500	0	3,500
40	45538-54800	Advertising	500	0	500
41	45538-54900	Other Current Charges	0	0	0
42	45538-54906	Administrative Services [2]	59,669	0	59,669
43	45538-54907	Uncollectible Accounts	4,000	(4,000)	0
44	45538-54909	Bank Service Charges	950	0	950
45	45538-54918	Permit Fees	0	0	0
46	45538-55100	Office Supplies	300	0	300
47	45538-55200	Operating Supplies	4,000	0	4,000
48	45538-55200-33003	Operating Supplies - Construct	1,000	0	1,000

Table 3-2
City of Clermont Florida
Stormwater Utility Rate Study

Fiscal Year 2017 Operating Budget [1]

Line No.	Cost ID Code	Description	Budget 2017	Adjustments	Adj. Budget 2017
49	45538-55201	Gas & Oil	14,000	0	14,000
50	45538-55202	Tires & Batteries	1,500	0	1,500
51	45538-55203	Uniforms	2,000	0	2,000
52	45538-55204	Minor Equipment	3,000	0	3,000
53	45538-55204-33003	Minor Equipment - Construct	1,000	0	1,000
54	45538-55205	Safety Equipment	1,000	0	1,000
55	45538-55209	Safety Shoes	1,400	0	1,400
56	45538-55212	Community Relations	0	0	0
57	45538-55219	Software Renewals / Support	2,500	0	2,500
58	45538-55400	Subscriptions & Dues	750	0	750
59	45538-55401	Training & Education	1,800	0	1,800
60	45538-55401-33003	Training & Education - Construct	300	0	300
61	45599-59900	Fund Reserves	0	0	0
62		Total Operation Expenses	$391,149	($118,550)	$272,599
		Capital Outlay [3]			
63	45538-66101	Capital Outlay - Land	$0	$0	$0
64	45538-66306	Capital Outlay - Stormwater System	0	0	0
65	45538-66306-38100	Stormwater System - 12th & Lakes	0	0	0
66	45538-66306-38101	Stormwater System - Bowman Street	0	0	0
67	45538-66306-38107	Capital Outlay - The Crescent S	0	0	0
68	45538-66306-38108	Capital Outlay - Stormwater CD	72,143	(72,143)	0
69	45538-66306-38109	Capital Outlay - Lake Winona St	0	0	0
70	45538-66306-38110	Capital Outlay - Downtown / WTR	8,000,000	(8,000,000)	0
71	45538-66306-38111	Capital Outlay - Chain of Lakes Street	0	0	0
72	45538-66306-38112	Capital Outlay - Drew & East Stormwater	200,000	(200,000)	0
73	45538-66400	Capital Outlay - Vehicles	0	0	0
74	45538-66401	Capital - Equipment	9,900	(9,900)	0
75	45538-66404	Capital Outlay - Software	40,000	(40,000)	0
76		Total Non-Departmental Services	$8,322,043	($8,322,043)	$0
		Debt Service			
77	45538-77120-38110	Debt Svc - 2017 Loan	$350,000	($350,000)	$0
		Other Adjustments			
78	BadDebt	Bad Debt Expense = 0.25% of Rate Revs. [4]	$0	$2,582	$2,582
79	Contingency	Operating Contingency = 1.00% of O&M [5]	0	7,772	7,772
80	Adjustments	Adjustments	0	0	14,455
81		Total Other Adjustments	$0	$10,354	$24,809
82		**Total Stormwater Expenses**	$9,567,803	($8,780,239)	$802,019

Footnotes:

[1] Budgeted amounts are based on Fiscal Year 2017 Adopted Operating Budget as provided by the City.

[2] Budgeted amounts are for indirect cost reimbursement associated with services provided by the City's General Fund and are considered a part of operating expenses by the City.

[3] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.

[4] An allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible revenues.

[5] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.

Table 3-3
City of Clermont Florida
Stormwater Utility Rate Study

Projected Stormwater System Operating Expenses [1]

Line No.	Cost ID Code	Description	Budget 2017	Escalation	Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
		Operations							
		Personal Services							
1	45538-12100	Regular Salaries and Wages	$307,469	Labor	$316,693	$326,194	$335,980	$346,059	$356,441
2	AddPer	Additional Personnel	0	Input	40,275	82,780	85,264	87,822	90,456
3	45538-12110	Part-Time Salaries	0	Labor	0	0	0	0	0
4	45538-12120	Overtime-Salaries	5,250	Labor	5,408	5,570	5,737	5,909	6,086
5	45538-12220	FICA Taxes	21,928	Labor	22,586	23,263	23,961	24,680	25,421
6	45538-12240	Defined Contribution Pension	31,272	Labor	32,210	33,176	34,172	35,197	36,253
7	45538-12300	Group Insurance	123,466	Ins-Health	130,874	138,726	147,050	155,873	165,225
8	45538-12305	Life Insurance	969	General-Ins	1,017	1,068	1,122	1,178	1,237
9	45538-12315	Employee Assistance Plan	151	Inflation	155	158	162	166	170
10	45538-12400	Worker's Compensation / Unemployment Compensation	14,106	General-Ins	14,811	15,552	16,329	17,146	18,003
11		Total Personal Services	$504,611		$564,029	$626,489	$649,776	$674,029	$699,292
		Operating Expenses							
12	45538-53100	Professional Services - General	500	Professional	520	541	562	585	608
13	45538-53100-38100	Professional Services - 12th and Lakes	0	Professional	0	0	0	0	0
14	45538-53100-38108	Professional Services - General CDB	0	Professional	0	0	0	0	0
15	45538-53100-38110	Professional Services - Victory Pointe	0	Professional	0	0	0	0	0
16	45538-53100-38111	Professional Services - Chain of Lakes	0	Professional	0	0	0	0	0
17	45538-53100-38112	Professional Services - Drew & East Stormwater	0	Professional	0	0	0	0	0
18	45538-53100-95101	Professional Services - General - Master Plan	0	Professional	0	0	0	0	0
19	45538-53128	Background Investigations	0	Professional	0	0	0	0	0
20	45538-53129	Drug Screens	0	Professional	0	0	0	0	0
21	45538-53130	Medical Services	0	Professional	0	0	0	0	0
22	45538-53168	Professional Services - Safety Training	2,000	Professional	2,080	2,163	2,250	2,340	2,433
23	45538-53401	Contract Services - General	5,000	Contractual	5,200	5,408	5,624	5,849	6,083
24	45538-53403	Contract Services - Mowing	7,500	Contractual	7,800	8,112	8,436	8,774	9,125
25	45538-53404	Contract Services - Pest Control	200	Contractual	208	216	225	234	243
26	45538-53408	Contract Services - Sewer Cleaning	0	Contractual	0	0	0	0	0
27	45538-54001	Travel & Per Diem	1,000	Inflation	1,024	1,049	1,073	1,098	1,125
28	45538-54101	Telephone	1,000	Inflation	1,024	1,049	1,073	1,098	1,125
29	45538-54102	Internet Service	700	Inflation	717	734	751	769	787
30	45538-54200	Postage & Freight	8,000	Inflation	8,192	8,389	8,582	8,788	8,998
31	45538-54304	Solid Waste Disposal Fees	25,000	Inflation	25,600	26,214	26,817	27,461	28,120
32	45538-54400	Rentals - Equipment	500	Inflation	512	524	536	549	562
33	45538-54500	Commercial Insurance	30,830	General-Ins	32,372	33,990	35,690	37,474	39,348
34	45538-54601	Repair & Maintenance - Vehicles	8,000	Repair	8,240	8,487	8,742	9,004	9,274
35	45538-54603	Repair & Maintenance - Streets	0	Repair	0	0	0	0	0
36	45538-54612	Repair & Maintenance - Systems	20,000	Repair	20,600	21,218	21,855	22,510	23,185
37	45538-54614	Repair & Maintenance - Equipment	3,000	Repair	3,090	3,183	3,278	3,377	3,478
38	45538-54622	Repair & Maintenance - Storm Drains	60,000	Repair	61,800	63,654	65,564	67,531	69,556
39	45538-54640	Repair & Maintenance - Copiers	200	Repair	206	212	219	225	232
40	45538-54700	Printing	3,500	Inflation	3,584	3,670	3,754	3,845	3,937
41	45538-54800	Advertising	500	Inflation	512	524	536	549	562
42	45538-54900	Other Current Charges	0	Inflation	0	0	0	0	0
43	45538-54906	Administrative Services [2]	59,669	Labor	61,459	63,303	65,202	67,158	69,173
44	45538-54907	Uncollectible Accounts	0	Eliminate	0	0	0	0	0
45	45538-54909	Bank Service Charges	950	Inflation	973	996	1,019	1,044	1,069
46	45538-54918	Permit Fees	0	Inflation	0	0	0	0	0
47	45538-55100	Office Supplies	300	Inflation	307	315	322	330	337
48	45538-55200	Operating Supplies	4,000	Inflation	4,096	4,194	4,291	4,394	4,499
49	45538-55200-33003	Operating Supplies - Construct	1,000	Inflation	1,024	1,049	1,073	1,098	1,125
50	45538-55201	Gas & Oil	14,000	Fuel	14,700	15,435	16,207	17,017	17,868
51	45538-55202	Tires & Batteries	1,500	Inflation	1,536	1,573	1,609	1,648	1,687
52	45538-55203	Uniforms	2,000	Inflation	2,048	2,097	2,145	2,197	2,250
53	45538-55204	Minor Equipment	3,000	Inflation	3,072	3,146	3,218	3,295	3,374
54	45538-55204-33003	Minor Equipment - Construct	1,000	Inflation	1,024	1,049	1,073	1,098	1,125
55	45538-55205	Safety Equipment	1,000	Inflation	1,024	1,049	1,073	1,098	1,125
56	45538-55209	Safety Shoes	1,400	Inflation	1,434	1,468	1,502	1,538	1,575
57	45538-55212	Community Relations	0	Inflation	0	0	0	0	0
58	45538-55219	Software Renewals / Support	2,500	Inflation	2,560	2,621	2,682	2,746	2,812
59	45538-55400	Subscriptions & Dues	750	Inflation	768	786	805	824	844
60	45538-55401	Training & Education	1,800	Inflation	1,843	1,887	1,931	1,977	2,025
61	45538-55401-33003	Training & Education - Construct	300	Inflation	307	315	322	330	337
62	45599-59900	Fund Reserves	0	Eliminate	0	0	0	0	0
63		Total Operation Expenses	$272,599		$281,455	$290,619	$300,038	$309,851	$320,008
		Capital Outlay [3]							
64	45538-66101-38110	Capital Outlay - Land / Victory Pointe	$0	Eliminate	$0	$0	$0	$0	$0
65	45538-66306	Capital Outlay - Stormwater System	0	Eliminate	0	0	0	0	0
66	45538-66306-38100	Stormwater System - 12th & Lakes	0	Eliminate	0	0	0	0	0
67	45538-66306-38101	Stormwater System - Bowman Street	0	Eliminate	0	0	0	0	0
68	45538-66306-38107	Capital Outlay - The Crescent S	0	Eliminate	0	0	0	0	0
69	45538-66306-38108	Capital Outlay - Stormwater CDBG	0	Eliminate	0	0	0	0	0
70	45538-66306-38109	Capital Outlay - Lake Winona St	0	Eliminate	0	0	0	0	0
71	45538-66306-38110	Capital Outlay - Victory PT/W LK	0	Eliminate	0	0	0	0	0
72	45538-66306-38111	Capital Outlay - Chain of Lakes Street	0	Eliminate	0	0	0	0	0
73	45538-66306-38112	Capital Outlay - Drew & East Stormwater	0	Eliminate	0	0	0	0	0
74	45538-66400	Capital Outlay - Vehicles	0	Eliminate	0	0	0	0	0
75	45538-66401	Capital - Equipment	0	Eliminate	0	0	0	0	0
76	45538-66404	Capital Outlay - Software	0	Eliminate	0	0	0	0	0

Table 3-3
City of Clermont Florida
Stormwater Utility Rate Study

Projected Stormwater System Operating Expenses [1]

Line No.	Cost ID Code	Description	Budget 2017	Escalation	Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
77		Total Non-Departmental Services	$0		$0	$0	$0	$0	$0
		Debt Service							
78	45538-77120-38110	Debt Svc - 2017 Loan	$0	Eliminate	$0	$0	$0	$0	$0
		Other Adjustments							
79	BadDebt	Bad Debt Expense = 0% of Rate Revs.	$2,582	Input	$3,686	$4,095	$4,136	$4,177	$4,219
80	Contingency	Operating Contingency = 0% of O&M	7,772	Input	8,614	9,343	9,676	10,023	10,384
81	Adjustments	Adjustments	14,455	Input	15,870	17,214	17,828	18,467	19,132
82		Total Other Adjustments	$24,809		$28,170	$30,652	$31,640	$32,668	$33,735
83		**Total Stormwater Expenses**	$802,019		$873,654	$947,760	$981,455	$1,016,548	$1,053,035
84		Annual Rate of Change	11.68%		8.93%	8.48%	3.56%	3.58%	3.59%

Footnotes
[1] Amounts shown based on Table 3-2 and the City's Fiscal Year 2018 Budget.
[2] Budgeted amounts are for indirect cost reimbursement associated with services provided by the City's General Fund and are considered a part of operating expenses by the City.
[3] Amounts are adjusted from budget as shown herein since such capital outlay expenses and debt service payments are reflected in the Capital Improvements Plan or the Revenue Requirements part of the rate model.
[4] A allowance for bad debt expense of 0.25% of rate was recognized to account for uncollectible revenues.
[5] A contingency of 1.00% of O&M was added to allow for unforeseen contingencies.

Table 3-4
City of Clermont Florida
Stormwater Utility Rate Study

Summary of Projected Escalation Factors

Line No.	Description	Escalation	Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
1	General Inflation (CPI) [1]	Inflation	1.024	1.024	1.023	1.024	1.024
2	Labor [2]	Labor	1.030	1.030	1.030	1.030	1.030
3	Health Insurance	Ins-Health	1.060	1.060	1.060	1.060	1.060
4	Contractual Services	Contractual	1.040	1.040	1.040	1.040	1.040
5	Professional Services	Professional	1.040	1.040	1.040	1.040	1.040
6	General Insurance	General-Ins	1.050	1.050	1.050	1.050	1.050
7	Repair & Maintenance	Repair	1.030	1.030	1.030	1.030	1.030
8	Electricity	Electricity	1.0500	1.050	1.050	1.050	1.050
9	Fuel	Fuel	1.050	1.050	1.050	1.050	1.050
10	Constant	Constant	1.000	1.000	1.000	1.000	1.000
11	Eliminate	Eliminate	0.000	0.000	0.000	0.000	0.000
12	Marginal	Marginal	1.010	1.010	1.010	1.010	1.010
13	Decline	Decline	0.950	0.950	0.950	0.950	0.950
14	Personnel	Personnel	1.138	1.121	1.000	1.000	1.000

Footnotes:

[1] Projected inflation figures are based on the "The Budget and Economic Outlook: An Update" published by the Congressional Budget Office in January 2017.

[2] Based on discussions with City Staff.

Table 3-5
City of Clermont Florida
Stormwater Utility Rate Study

Capital Improvement Program Funding Plan

Line No.	Description	Escalation Factor	Current Funding	Fiscal Year Ending September 30, 2018	2019	2020	2021	2022	Total
	CIP Escalation Factor Alternatives								
1	No Assumed Escalation (0.0% per Year)	None		1.0000	1.0000	1.0000	1.0000	1.0000	
2	Inflation	Inflation		1.0000	1.0240	1.0230	1.0240	1.0240	
3	Capital Outlay (3.5% per Year)	Outlay		1.0000	1.0350	1.0700	1.1100	1.1500	
4	ENR Index Average (3.0% per Year)	ENR		1.0000	1.0300	1.0600	1.0900	1.1200	
5	Marginal Increase (1.0% per Year)	Marginal		1.0000	1.0100	1.0200	1.0300	1.0400	
6	High Increase (5.0% per Year)	High		1.0000	1.0500	1.1000	1.1600	1.2200	
	Stormwater System Capital Expenditures:								
7	Stormwater Improvements - Victory Pointe	None	JD1	$2,615,511	$0	$0	$0	$0	$2,615,511
8	Stormwater Improvements - Victory Pointe (Split Funding)	None	G	2,695,698	0	0	0	0	2,695,698
9	Stormwater Improvements - Victory Pointe (Split Funding)	None	Rates	0	0	0	0	0	0
10	Stormwater Improvements - Chain of Lakes	ENR	Rates	0	50,000	100,000	100,000	100,000	350,000
11	Stormwater Improvements - Chain of Lakes (Split Funding)	ENR	JD2	0	362,000	324,000	0	0	686,000
12	Stormwater Improvements - Chain of Lakes (Split Funding)	ENR	JD3	0	0	0	336,000	348,000	684,000
13	Stormwater Improvements - Chain of Lakes (Split Funding)	ENR	G	0	206,000	212,000	218,000	224,000	860,000
14	Stormwater Vehicles	Inflation	Rates	10,610	0	0	0	0	10,610
15	Stormwater Vehicles (Split Funding)	Inflation	Rates	23,040	0	0	0	0	23,040
16	Software	Inflation	Rates	731	0	0	0	0	731
17	Reallocation of Professional Services Associated with CIP	None	Op Res	160,000	0	0	0	0	160,000
18	PRMG 5% Allowance System Maintenance	None	Rates	0	0	75,000	75,000	75,000	225,000
19	Master Plan Updates	None	Rates	0	150,000	0	0	0	150,000
20	Capital Outlay From Budget	Outlay	Rates	$30,000	$31,050	$32,100	$33,300	$34,500	$160,950
21	**Total Stormwater System Capital Expenditures**			$5,535,590	$799,050	$743,100	$762,300	$781,500	$8,621,540
	Funding Source Summary								
22	Operating Reserves		Op Res	$160,000	$0	$0	$0	$0	$160,000
23	Stormwater Rate Revenue		Rates	64,381	231,050	207,100	208,300	209,500	920,331
24	Grant Funding		G	2,695,698	206,000	212,000	218,000	224,000	3,555,698
25	New Subordinate Lien Debt 1		JD1	2,615,511	0	0	0	0	2,615,511
26	New Subordinate Lien Debt 2		JD2	0	362,000	324,000	0	0	686,000
27	New Subordinate Lien Debt 3		JD3	0	0	0	336,000	348,000	684,000
28	**Total Funding Sources**			$5,535,590	$799,050	$743,100	$762,300	$781,500	$8,621,540

Table 3-6
City of Clermont Florida
Stormwater Utility Rate Study

Projected Stormwater System Revenue Requirements

Line No.	Description	2018	2019	2020	2021	2022
		Fiscal Year Ending September 30,				
1	Operating Expenses [1]	$873,654	$947,760	$981,455	$1,016,548	$1,053,035
	Proposed Debt Service [2]					
2	New Subordinate Lien Debt 1	$354,436	$354,436	$354,436	$354,436	$354,436
3	New Subordinate Lien Debt 2	0	0	0	40,342	40,342
4	New Subordinate Lien Debt 3	0	0	0	0	41,354
5	Total Proposed Debt	$354,436	$354,436	$354,436	$394,778	$436,133
6	Total Debt Service	$354,436	$354,436	$354,436	$394,778	$436,133
	Other Revenue Requirements					
7	Transfer to Operating Reserves	$150,000	$100,000	$0	$0	$0
8	Capital Funded from Rates [3]	64,381	231,050	207,100	208,300	209,500
9	Total Other Revenue Requirements	$214,381	$331,050	$207,100	$208,300	$209,500
10	Gross Revenue Requirements	$1,442,471	$1,633,246	$1,542,991	$1,619,627	$1,698,668
	Less Income and Funds from Other Sources					
11	Other Operating Revenue [4]	$2,000	$2,000	$2,000	$2,000	$2,000
12	Unrestricted Interest Income [5]	2,211	2,550	3,114	3,598	3,778
13	**Net Revenue Requirements**	**$1,438,260**	**$1,628,696**	**$1,537,877**	**$1,614,029**	**$1,692,890**
	Revenue from Rates					
	Combined Revenue from Rates					
14	Stormwater Rate Revenue - Existing Rates	$1,032,935	$1,043,265	$1,053,697	$1,064,234	$1,074,877
15	Prior Year Rate Adjustments	0	594,661	600,607	606,613	612,680
16	Total Rate Revenue Before Current Year Adjustment	$1,032,935	$1,637,925	$1,654,305	$1,670,848	$1,687,556
	Current Year Rate Adjustments					
17	Current Year Rate Adjustments	57.00%	0.00%	0.00%	0.00%	0.00%
18	Effective Month	January	January	January	January	January
19	% of Current Year Effective	75.0%	75.0%	75.0%	75.0%	75.0%
20	Revenue From Current Year Rate Adjustments	$441,580	$0	$0	$0	$0
21	**Total Revenue from Rates**	**$1,474,515**	**$1,637,925**	**$1,654,305**	**$1,670,848**	**$1,687,556**
22	**Revenue Surplus/(Deficiency) [6]**	$36,255	$9,229	$116,428	$56,818	($5,334)
23	**Revenue Surplus/(Deficiency) Percentage**	2.46%	0.56%	7.04%	3.40%	-0.32%

Footnotes:
[1] Amounts shown based on Table 3-3.
[2] Amounts shown represent payments on proposed loans utilized in the funding of the CIP.
[3] Amounts based on the proposed capital funding plan.
[4] Amounts based on projection of other operating revenues as shown on Table 3-1.
[5] Interest income is estimated on earnings on projected fund balances from unrestricted reserves.
[6] The forecast assumes that any deficiencies will be funded from available operating reserves.

Table 3-7
City of Clermont Florida
Stormwater Utility Rate Study

Projection of Ending Cash Balances and Interest Income

Line No.	Description	Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
	ENDING CASH BALANCE:					
1	Operating Fund	$26,933	$130,218	$262,995	$301,213	$276,686
2	Emergency Reserve Fund	339,803	345,747	329,398	347,998	367,192
3	Capital Replacement Fund	0	0	0	0	0
4	Total Ending Cash Balance	$366,736	$475,965	$592,393	$649,212	$643,878
5	Emergency Funds	$339,803	$345,747	$329,398	$347,998	$367,192
6	City Policy of 25% of Net Operating Expenditures	$339,803	$345,747	$329,398	$347,998	$367,192
7	Calculated Days of Available Cash (Net Expenditures)	90	90	90	90	90
8	Calculated Percentage of Net Operating Expenditures	25%	25%	25%	25%	25%
9	Unrestricted Cash Balances	$366,736	$475,965	$592,393	$649,212	$643,878
10	Target : 120 Days of Operating Net Operating Expenditures	$453,071	$460,996	$439,197	$463,998	$489,589
11	Calculated Days of Available Unrestricted Cash (Net Expenditures)	97	124	162	168	158
	OPERATING/GENERAL REVENUE ACCOUNT					
12	Beginning Balance [1]	$113,591	$26,933	$130,218	$262,995	$301,213
13	Transfer In - Stormwater Revenue	1,474,515	1,637,925	1,654,305	1,670,848	1,687,556
14	Transfer In - Capital Replacement Fund	0	0	0	0	0
15	Transfer In - Stormwater Emergency Reserve Fund	0	0	0	0	0
16	Transfer In - Existing Construction Fund	0	0	0	0	0
17	Transfer In - Debt Service Reserve	0	0	0	0	0
18	Transfers In - Victory Pointe Design Reimbursements	0	0	0	0	0
19	Transfers In - Additional Grants & Sources Not Previously Accounted For	0	0	0	0	0
20	Transfers Out - Revenue Requirements	1,438,260	1,628,696	1,537,877	1,614,029	1,692,890
21	Transfers Out - Capital Improvements [2]	160,000	0	0	0	0
22	Transfers Out - Capital Replacement Fund	0	0	0	0	0
23	Transfers Out - Stormwater Emergency Reserve Fund	112,913	5,944	(16,349)	18,601	19,194
24	Transfers Out - Existing Construction Fund	0	0	0	0	0
25	Transfers In (Out)	150,000	100,000	0	0	0
26	Interest Rate	0.50%	0.50%	0.50%	0.50%	0.50%
27	Interest Income	351	393	983	1,411	1,445
	Recognition of Interest Earnings					
28	in Revenue Requirements	351	393	983	1,411	1,445
29	Ending Balance Before Adjustments	26,933	130,218	262,995	301,213	276,686
30	Adjustment to Actual (Increase in Net Liabilities)	0	0	0	0	0
31	Adjusted Ending Balance	26,933	130,218	262,995	301,213	276,686
	Target : 30 Days of Operating Net Operating Expenditures	113,268	115,249	109,799	115,999	122,397
	Calculated Days of Available Cash (Net Operating Expenditures)	7	34	72	78	68
	EMERGENCY RESERVE ACCOUNT					
32	Beginning Balance [1]	$226,890	$339,803	$345,747	$329,398	$347,998
33	Transfers In - Operating Reserves	112,913	5,944	(16,349)	18,601	19,194
34	Transfers In - Capital Replacement Fund	0	0	0	0	0
35	Transfers Out - Operating Reserves	0	0	0	0	0
36	Transfers Out - Capital Replacement Fund	0	0	0	0	0
37	Transfers In (Out)	0	0	0	0	0
38	Interest Rate	0.50%	0.50%	0.50%	0.50%	0.50%
39	Interest Income	1,417	1,714	1,688	1,693	1,788
	Recognition of Interest Earnings					
40	in Revenue Requirements	1,417	1,714	1,688	1,693	1,788
41	Ending Balance	339,803	345,747	329,398	347,998	367,192
42	Gross Revenue Requirements	$1,442,471	$1,633,246	$1,542,991	$1,619,627	$1,698,668
43	Minus Capital Funded From Rates & Capital (R&R) Transfer	64,381	231,050	207,100	208,300	209,500
44	Net Operating Expenditures	$1,378,090	$1,402,196	$1,335,891	$1,411,327	$1,489,168
45	City Policy - Days of Available Cash: 90 Days of Expenditures	339,803	345,747	329,398	347,998	367,192
46	Ending Balance From Above	339,803	345,747	329,398	347,998	367,192
47	Calculated Days of Available Cash (Net Operating Expenditures)	90	90	90	90	90
48	Calculated Percentage of Cash to Expenditures	25%	25%	25%	25%	25%

Table 3-7
City of Clermont Florida
Stormwater Utility Rate Study

Projection of Ending Cash Balances and Interest Income

Line No.	Description	Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
	CAPITAL REPLACEMENT FUND					
49	Beginning Balance [1]	$0	$0	$0	$0	$0
50	Transfers In - Operating Reserves	0	0	0	0	0
51	Transfers In - Capital Replacement Deposit	0	0	0	0	0
52	Transfers In - Stormwater Capital Fund	0	0	0	0	0
53	Transfers Out - Operating Reserves	0	0	0	0	0
54	Transfers Out - Stormwater Emergency Reserve Fund	0	0	0	0	0
55	Transfers Out - Capital Improvements [2]	0	0	0	0	0
56	Interest Rate	0.50%	0.50%	0.50%	0.50%	0.50%
57	Interest Income	0	0	0	0	0
	Recognition of Interest Earnings					
58	in Revenue Requirements	0	0	0	0	0
59	Ending Balance	0	0	0	0	0
	DEBT SERVICE SINKING FUND					
	Annual Sinking Fund Deposit					
60	Total Debt Service	$354,436	$354,436	$354,436	$394,778	$436,133
61	Average Balance (25% of annual debt service)	88,600	88,600	88,600	98,700	109,000
62	Interest Rate	0.50%	0.50%	0.50%	0.50%	0.50%
63	Interest Income	443	443	443	494	545
	Recognition of Interest Earnings					
64	in Revenue Requirements	443	443	443	494	545
65	Ending Balance	265,836	265,836	265,836	296,078	327,133
66	**Total Unrestricted Interest Income**	$2,211	$2,550	$3,114	$3,598	$3,778

Table 3-8
City of Clermont Florida
Stormwater Utility Rate Study

Projection of Debt Service Coverage Compliance

Line No.	Description		Fiscal Year Ending September 30 2018	2019	2020	2021	2022
	Gross Revenues						
	Stormwater Revenues						
1	Revenues from Existing Rates	[1]	$1,032,935	$1,043,265	$1,053,697	$1,064,234	$1,074,877
2	Revenues from Proposed Rate Adjustments	[2]	441,580	594,661	600,607	606,613	612,680
3	Total Rate Revenues		$1,474,515	$1,637,925	$1,654,305	$1,670,848	$1,687,556
4	Other Operating Revenue		2,000	2,000	2,000	2,000	2,000
5	Unrestricted Interest Income	[3]	2,211	2,550	3,114	3,598	3,778
6	Total System Gross Revenues		$1,478,726	$1,642,475	$1,659,419	$1,676,445	$1,693,334
7	Operation and Maintenance Expenses		$873,654	$947,760	$981,455	$1,016,548	$1,053,035
8	Net Revenues		$605,072	$694,715	$677,964	$659,897	$640,299
	Senior Lien Coverage						
9	Additional Bonds 1		$0	$0	$0	$0	$0
10	Additional Bonds 2		0	0	0	0	0
11	Additional Bonds 3		0	0	0	0	0
12	Additional Bonds 4		0	0	0	0	0
13	Annual Debt Service - Senior Lien Debt		$0	$0	$0	$0	$0
	Coverage Ratio - Calculated		N/A	N/A	N/A	N/A	N/A
14	Coverage Ratio - Required		1.15	1.15	1.15	1.15	1.15
	Subordinate Lien Coverage						
15	Net Revenues		$605,072	$694,715	$677,964	$659,897	$640,299
16	Less Senior Lien Debt Service (Inc. Coverage)		0	0	0	0	0
17	Net Revenues less Senior Lien Debt Service		$605,072	$694,715	$677,964	$659,897	$640,299
	Subordinate Debt Service:						
	Proposed Debt Service [4]						
18	Additional SRF 1		$354,436	$354,436	$354,436	$354,436	$354,436
19	Additional SRF 2		0	0	0	40,342	40,342
20	Additional SRF 3		0	0	0	0	41,354
21	Annual Debt Service - SRF Debt		$354,436	$354,436	$354,436	$394,778	$436,133
22	Coverage Ratio - Calculated		1.71	1.96	1.91	1.67	1.47
23	Coverage Ratio - Required		1.15	1.15	1.15	1.15	1.15
24	Net Revenues less Senior & Junior Lien Debt Service		$250,636	$340,279	$323,528	$265,118	$204,166
	All-In Debt Service Coverage						
25	Combined All-In Debt Service Payments		$354,436	$354,436	$354,436	$394,778	$436,133
26	Coverage Ratio - Calculated		1.71	1.96	1.91	1.67	1.47
27	Coverage Ratio - Target		1.30	1.30	1.30	1.30	1.30
	Other Uses / (Sources) of Funds						
28	Transfer to R&R Fund		$0	$0	$0	$0	$0
29	Capital Funded from Rates		64,381	231,050	207,100	208,300	209,500
30	Net transfer from / (to) Reserves		150,000	100,000	0	0	0
31	Net Transfer to (from) Reserves		$36,255	$9,229	$116,428	$56,818	($5,334)

Table 3-8
City of Clermont Florida
Stormwater Utility Rate Study

Projection of Debt Service Coverage Compliance

Footnotes:

[1] Projected revenue from rates reflects existing rates effective October 1, 2017.

[2] Revenue from rate adjustments reflect the following projected rate increases effective October 1st of each year.

Fiscal Year	2018	2019	2020	2021	2022
Rate Adjustment	57.00%	0.00%	0.00%	0.00%	0.00%

[3] Amounts shown only reflect earnings from funds and accounts established by the City that are considered unrestricted (earnings not required to be retained in such funds and accounts and are available as a component of Net Revenues)

[4] Amounts shown represent payments on proposed loans utilized in the funding of the CIP.

APPENDICES

APPENDICES

CITY OF CLERMONT, FLORIDA

WATER, WASTEWATER, STORMWATER, AND SANITATION UTILITY RATE STUDY

LIST OF APPENDICES

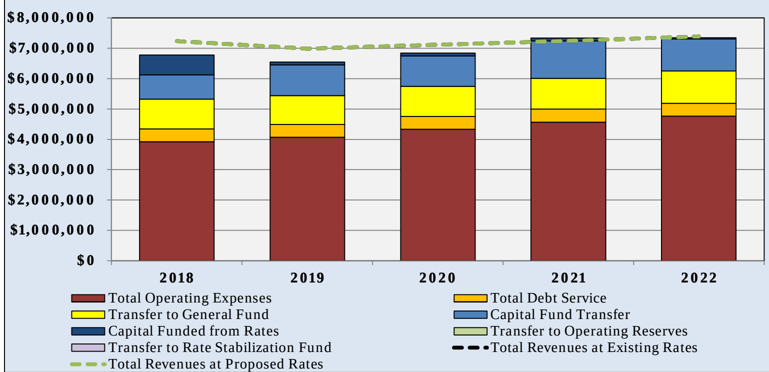
Appendix 1
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Water and Wastewater System Financial Dashboards and Performance Metrics

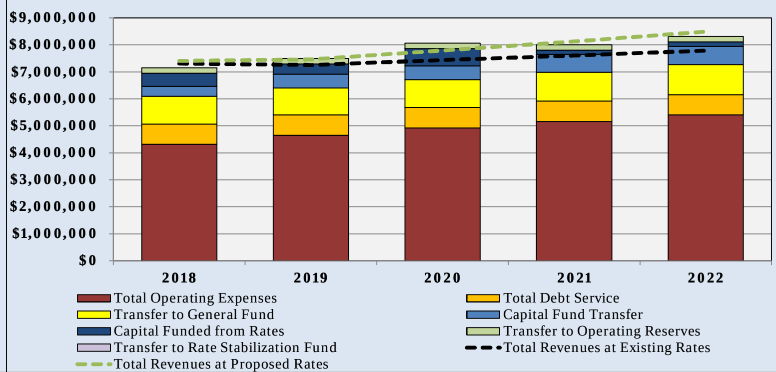
Description	2018	2019	2020	2021	2022
	Fiscal Year Ending September 30th,				
Recognized Revenue Adjustments:					
Water Revenue Adjustment	0.00%	0.00%	0.00%	0.00%	0.00%
Effective Month of Increase	Jan.	Jan.	Jan.	Jan.	Jan.
Wastewater Revenue Adj.	1.51%	2.12%	2.12%	2.12%	2.13%
Effective Month of Increase	Oct.	Jan.	Jan.	Jan.	Jan.
Average Residential Bill:					
Average Water Bill @ 10,000 gal	$16.48	$16.48	$16.48	$16.48	$16.48
Average Wastewater Bill @ 10,000 gal	35.90	36.67	37.44	38.24	39.05
Average Combined Bill @ 10,000 gal	$52.38	$53.15	$53.92	$54.72	$55.53

Description	2018	2019	2020	2021	2022
	Fiscal Year Ending September 30th,				
System Surplus / (Deficiency):					
Water Revenue Surplus / (Deficiency)	$452,109	$443,564	$272,506	($100,341)	$42,675
Wastewater Revenue Surplus / (Deficiency)	250,413	(36,697)	(275,809)	124,444	174,947
Combined Revenue Surplus / (Deficiency)	$702,522	$406,868	($3,304)	$24,103	$217,623
Percent of Rate Revenues	5.34%	3.14%	-0.02%	0.17%	1.51%
Monthly Increase - Total	$0.53	$0.76	$0.76	$0.78	$1.61
Monthly Increase - Cost Per Gallon	$0.0001	$0.0001	$0.0001	$0.0001	$0.0002
Combined Adjustment	0.77%	0.83%	0.83%	0.84%	0.86%
Cumulative Adjustment	0.77%	1.60%	1.60%	2.45%	4.20%

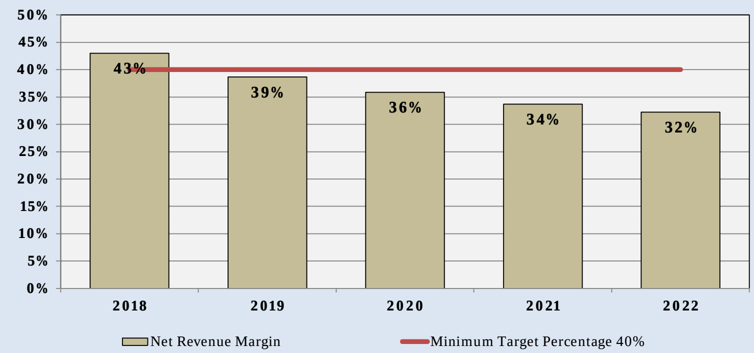
1) Projected Water Revenue Requirements



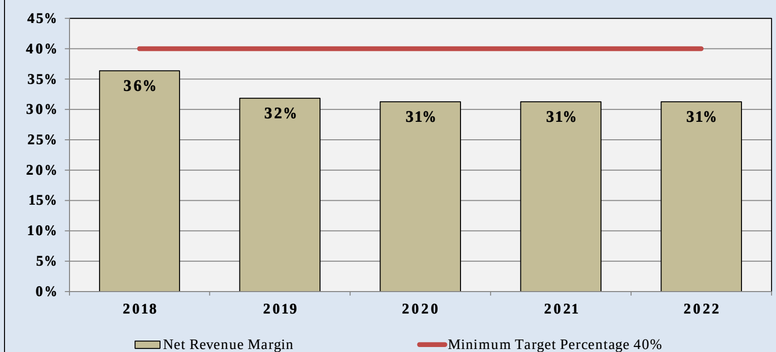
2) Projected Wastewater Revenue Requirements



3) Water System Net Revenue Margin



4) Wastewater System Net Revenue Margin



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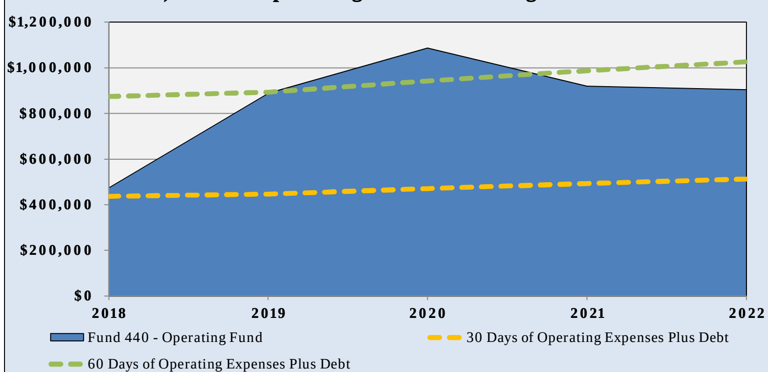
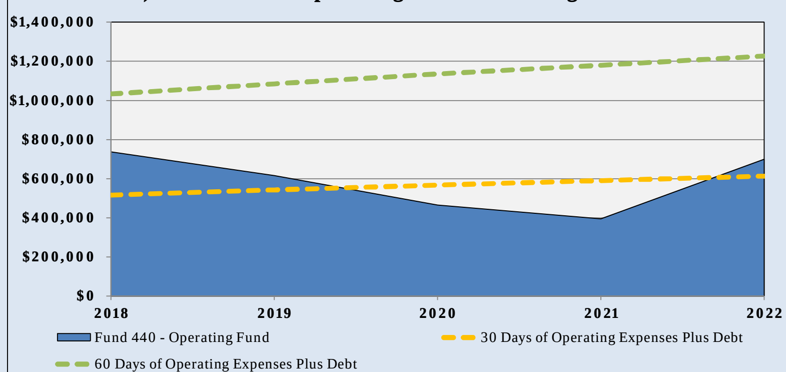
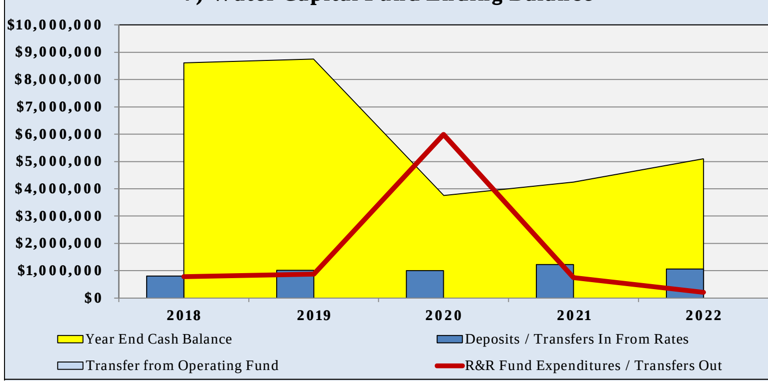
5) Water Operating Reserve Ending Balance



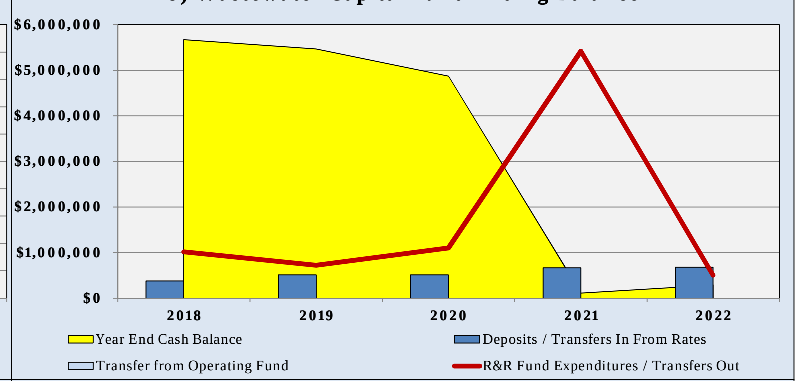
6) Wastewater Operating Reserve Ending Balance



7) Water Capital Fund Ending Balance



8) Wastewater Capital Fund Ending Balance



Appendix 1
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Water and Wastewater System Financial Dashboards and Performance Metrics

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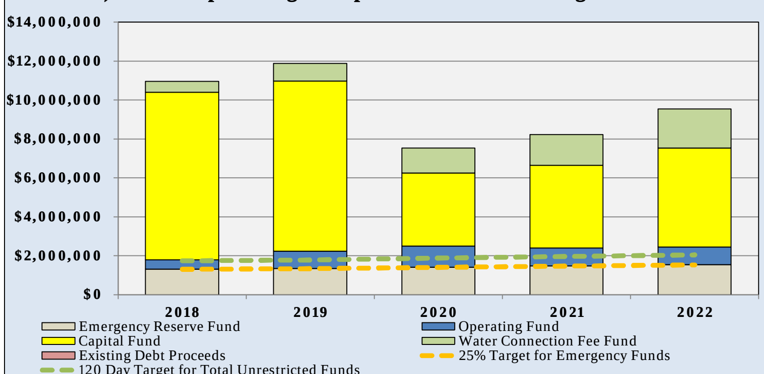
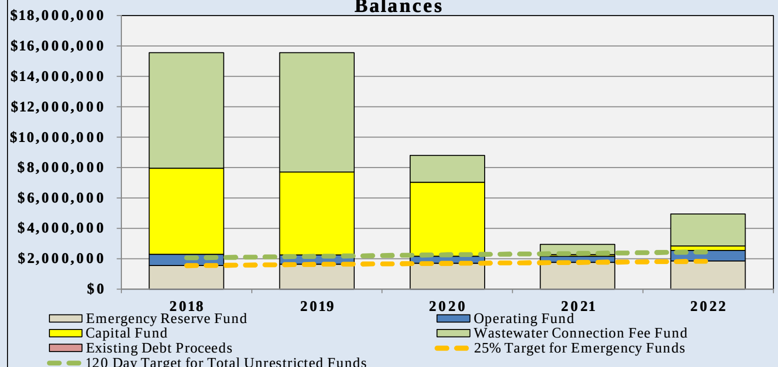
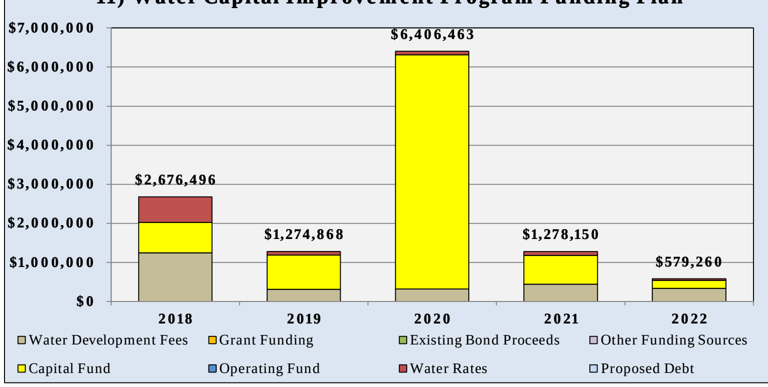
9) Water Operating & Capital Reserves Ending Balances



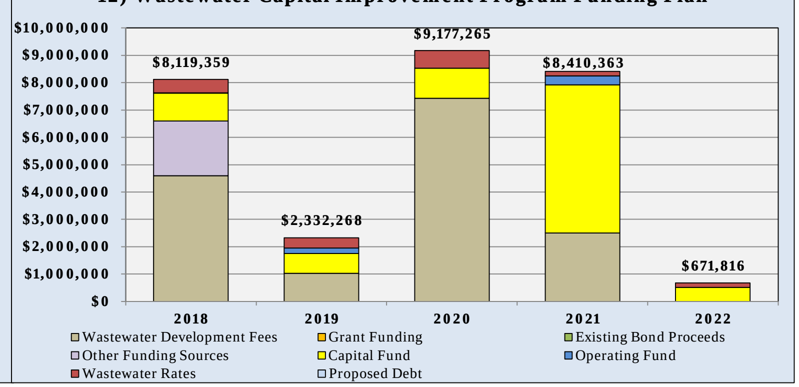
10) Wastewater Operating & Capital Reserves Ending Balances



11) Water Capital Improvement Program Funding Plan



12) Wastewater Capital Improvement Program Funding Plan



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City of Clermont, Florida
Water and Wastewater Utility Rate Study

Water and Wastewater System Financial Dashboards and Performance Metrics

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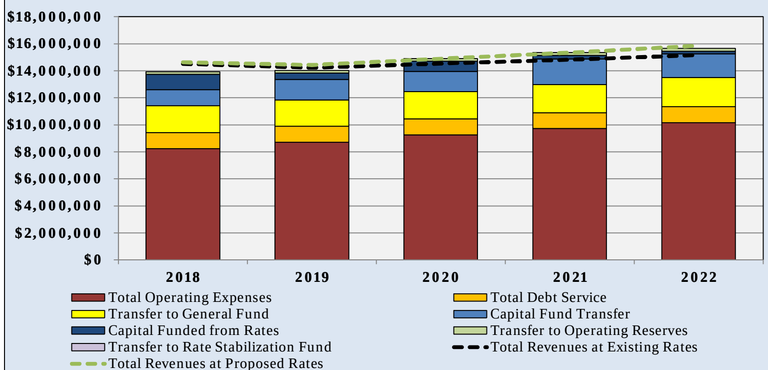
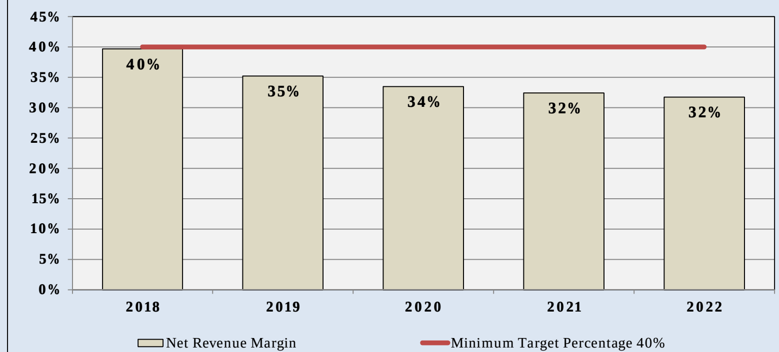
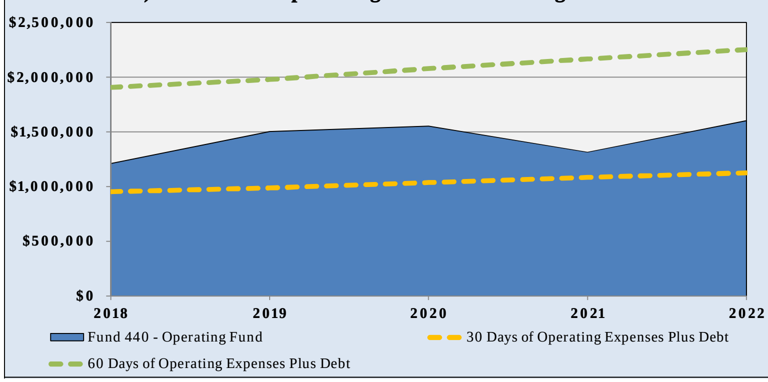
13) Projected Combined Revenue Requirements



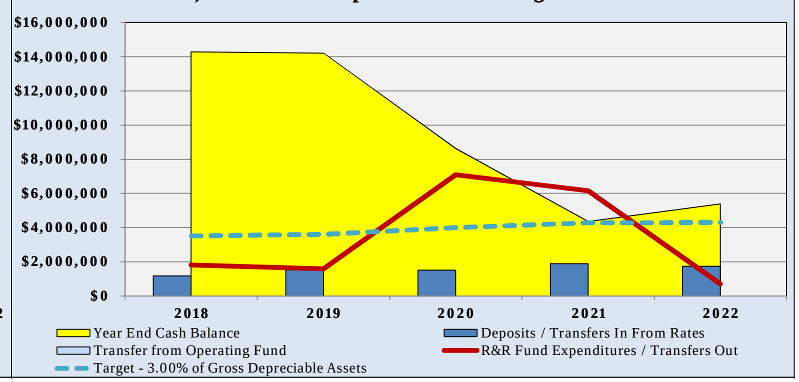
14) Net Revenue Margin



15) Combined Operating Reserves Ending Balance



16) Combined Capital Fund Ending Balance



Appendix 1
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Water and Wastewater System Financial Dashboards and Performance Metrics

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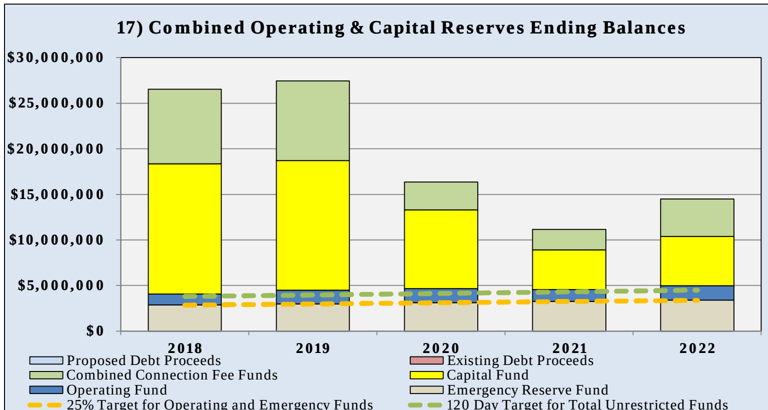

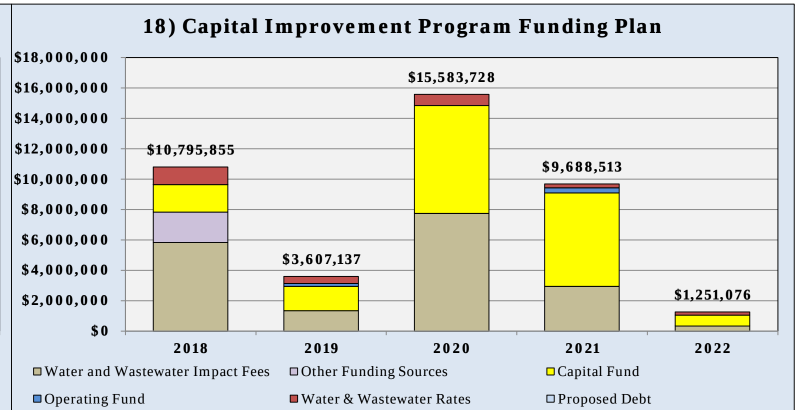

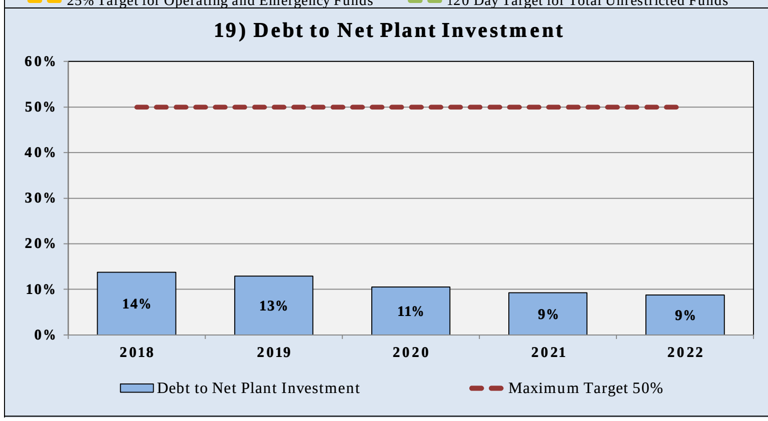

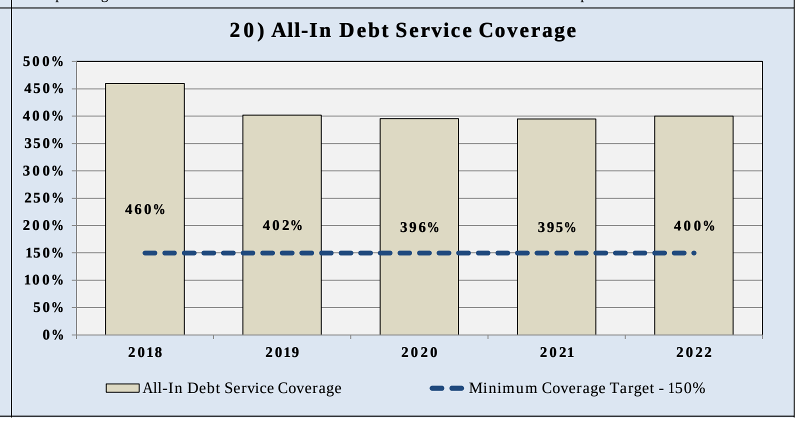

Appendix 1
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Water and Wastewater System Financial Dashboards and Performance Metrics

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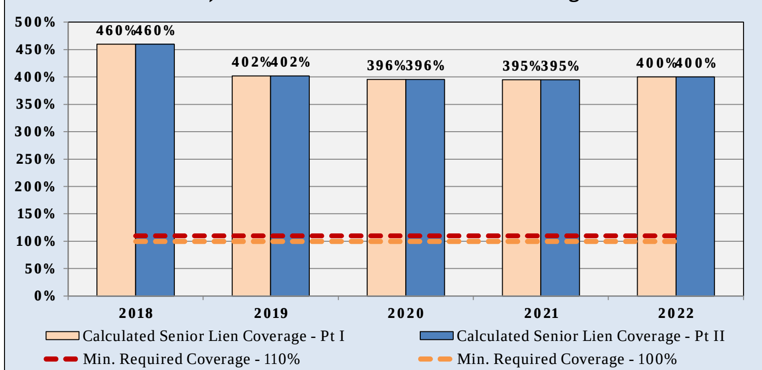
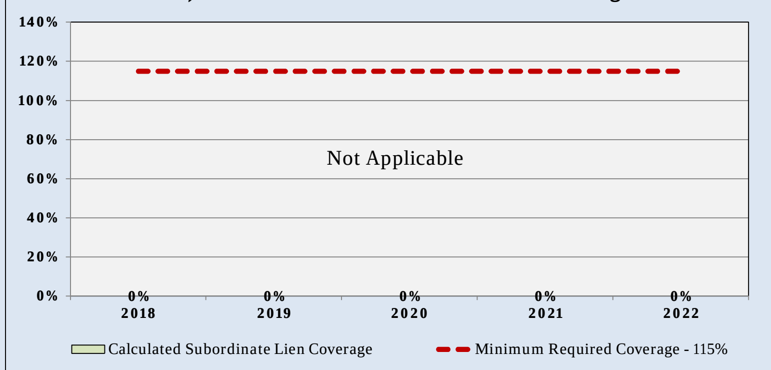
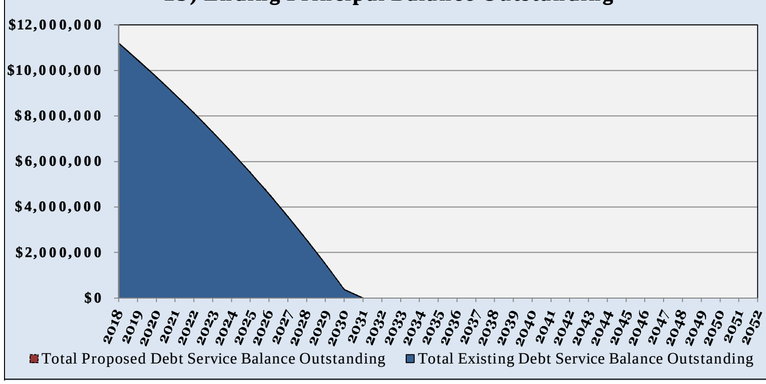
21) Senior Lien Debt Service Coverage



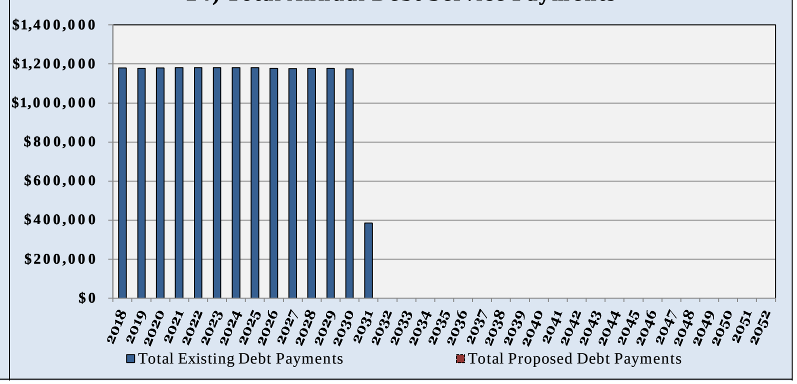
22) Subordinate Lien Debt Service Coverage



23) Ending Principal Balance Outstanding



24) Total Annual Debt Service Payments



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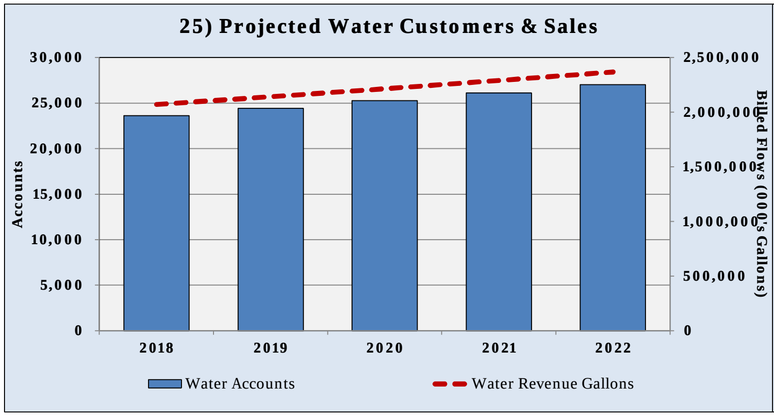

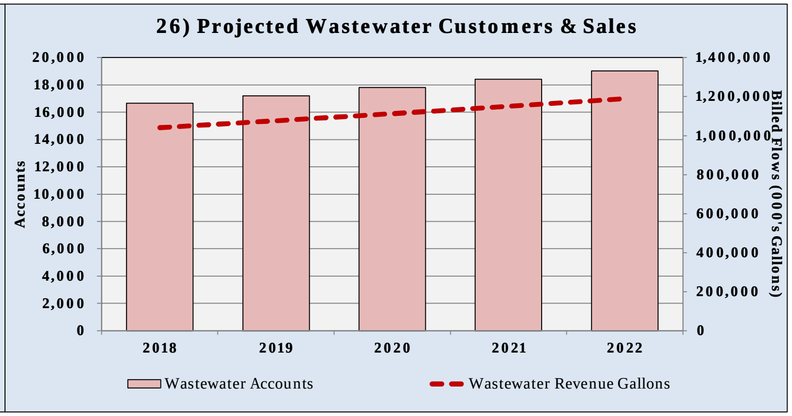

Appendix 2
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Summary of Existing and Proposed Rates for Water and Sewer Services

Line No.	Description	Existing 2017	Proposed Oct. 2017
	Potable Water Service		
1	Proposed Potable Water Rate Adjustment	N/A	0.00%
	Single-Family - Inside City		
2	Base Charge	$5.48	$5.48
	Variable Charge (per 1,000 Gallons)		
3	1,000 - 10,000 Gallons	$1.10	$1.10
4	11,000 - 20,000 Gallons	1.43	1.43
5	21,000 - 30,000 Gallons	2.20	2.20
6	Over 30,000 Gallons	3.00	3.00
	Multi-Family - Inside City		
7	Base Charge [1]	$5.48	$5.48
	Variable Charge (per 1,000 Gallons)		
8	1,000 - 10,000 Gallons	$1.10	$1.10
9	11,000 - 20,000 Gallons	1.43	1.43
10	21,000 - 30,000 Gallons	1.43	1.43
11	Over 30,000 Gallons	1.43	1.43
	Commercial - Inside City		
12	Base Charge	$5.48	$5.48
	Variable Charge (per 1,000 Gallons)		
13	1,000 - 10,000 Gallons	$1.10	$1.10
14	11,000 - 20,000 Gallons	1.43	1.43
15	21,000 - 30,000 Gallons	2.20	2.20
16	Over 30,000 Gallons	3.00	3.00
	Single-Family - Outside City		
17	Base Charge	$6.85	$6.85
	Variable Charge (per 1,000 Gallons)		
18	1,000 - 10,000 Gallons	$1.38	$1.38
19	11,000 - 20,000 Gallons	1.79	1.79
20	21,000 - 30,000 Gallons	2.75	2.75
21	Over 30,000 Gallons	3.75	3.75

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Water and Wastewater Utility Rate Study

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Line No.	Description	Existing 2017	Proposed Oct. 2017
	Multi-Family - Outside City		
22	Base Charge	$6.85	$6.85
	Variable Charge (per 1,000 Gallons)		
23	1,000 - 10,000 Gallons	$1.38	$1.38
24	11,000 - 20,000 Gallons	1.79	1.79
25	21,000 - 30,000 Gallons	1.79	1.79
26	Over 30,000 Gallons	1.79	1.79
	Commercial - Outside City		
27	Base Charge	$6.85	$6.85
	Variable Charge (per 1,000 Gallons)		
28	1,000 - 10,000 Gallons	$1.38	$1.38
29	11,000 - 20,000 Gallons	1.79	1.79
30	21,000 - 30,000 Gallons	2.75	2.75
31	Over 30,000 Gallons	3.75	3.75
	Irrigation Water Service		
32	Proposed Irrigation Water Rate Adjustment	N/A	0.00%
	Inside City		
33	Base Charge	$5.48	$5.48
	Variable Charge (per 1,000 Gallons)		
34	1,000 - 10,000 Gallons	$1.43	$1.43
35	11,000 - 30,000 Gallons	2.20	2.20
36	Over 30,000 Gallons	3.00	3.00
	Outside City		
37	Base Charge	$6.85	$6.85
	Variable Charge (per 1,000 Gallons)		
38	1,000 - 10,000 Gallons	$1.79	$1.79
39	11,000 - 30,000 Gallons	2.75	2.75
40	Over 30,000 Gallons	3.75	3.75

Appendix 2
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Summary of Existing and Proposed Rates for Water and Sewer Services

Line No.	Description	Existing 2017	Proposed Oct. 2017
	Sewer Service		
41	Proposed Sewer Rate Adjustment	N/A	1.51%
	Single-Family - Inside City		
	Base Charge (per Meter)		
42	5/8" x 3/4"	$15.47	$15.70
43	1"	38.69	39.27
44	1.5"	77.38	78.55
45	2"	123.83	125.70
46	3"	247.66	251.40
47	4"	386.97	392.81
48	6"	773.99	785.68
49	8"	1,238.33	1,257.03
50	Variable Charge (per 1,000 Gallons)	$2.04	$2.07
51	Maximum Gallons Subject to Variable Charge	16,000	16,000
	Multi-Family - Inside City		
52	Base Charge (per Unit)	$12.41	$12.60
53	Variable Charge (per 1,000 Gallons)	$2.04	$2.07
54	Maximum Gallons Subject to Variable Charge	13,000	13,000
	Commercial - Inside City		
	Base Charge (per Meter)		
55	5/8" x 3/4"	$15.47	$15.70
56	1"	38.69	39.27
57	1.5"	77.38	78.55
58	2"	123.83	125.70
59	3"	247.66	251.40
60	4"	386.97	392.81
61	6"	773.99	785.68
62	8"	1,238.33	1,257.03
63	Variable Charge (per 1,000 Gallons)	$2.04	$2.07
64	Maximum Gallons Subject to Variable Charge	No Maximum	No Maximum

Appendix 2
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Summary of Existing and Proposed Rates for Water and Sewer Services

Line No.	Description	Existing 2017	Proposed Oct. 2017
	Single-Family - Outside City		
	Base Charge (per Meter)		
65	5/8" x 3/4"	$19.33	$19.62
66	1"	48.36	49.09
67	1.5"	96.74	98.20
68	2"	154.78	157.12
69	3"	309.58	314.25
70	4"	483.71	491.01
71	6"	967.49	982.10
72	8"	1,547.91	1,571.28
73	Variable Charge (per 1,000 Gallons)	$2.55	$2.59
74	Maximum Gallons Subject to Variable Charge	16,000	16,000
	Multi-Family - Outside City		
75	Base Charge (per Unit)	$15.50	$15.73
76	Variable Charge (per 1,000 Gallons)	$2.55	$2.59
77	Maximum Gallons Subject to Variable Charge	13,000	13,000
	Commercial - Outside City		
	Base Charge (per Meter)		
78	5/8" x 3/4"	$19.33	$19.62
79	1"	48.36	49.09
80	1.5"	96.74	98.20
81	2"	154.78	157.12
82	3"	309.58	314.25
83	4"	483.71	491.01
84	6"	967.49	982.10
85	8"	1,547.91	1,571.28
86	Variable Charge (per 1,000 Gallons)	$2.55	$2.59
87	Maximum Gallons Subject to Variable Charge	No Maximum	No Maximum

Footnotes:

[1] Applies when three (3) or more units are serviced by one meter and the meter is not connected to an irrigation system.

Appendix 3
City of Clermont, Florida
Water and Wastewater Utility Rate Study

Existing and Proposed Miscellaneous Service Charges

Line No.	Description	Existing Fees	Proposed Fees Jan. 2018
	Miscellaneous Service Charges:		
	Miscellaneous Fees		
	Administrative & Customer Services		
	Service Initiation Fees		
	New Account Service Fee		
1	During Normal Hours:	$10.00	$30.00
	Other Administrative Fees		
2	Return Check Charge	$20.00	Florida Statute 166.251 [*]
3	Late Payment Fee	$5.00	1.5% of the Balance or $5.00 min.

[*] Florida Statute 166.251 provides for a $25 min. / $30 if $50<FV<=$300 / Greater of $40 or 5% if FV>$300

Line No.	Description	Existing Fees	Proposed Fees Jan. 2018
	Field Services		
	Disconnect and Reconnect Fees (Per Trip)		
4	During Normal Hours:	$10.00	$30.00
5	Utility Tamper Fee	$50.00	$350.00
	Meter Installation Charge (Excludes Meter Cost) [1]		
6	5/8 x 3/4" Meter [2]	$225.00	$225.00

Footnotes:
[1] Amount derived from Table 7 and excludes the cost of the meter which is paid upfront before installation.
[2] For larger meters greater than 5/8 x 3/4", additional charges may apply for materials & supplies used in the installation.

Appendix 3-A
City of Clermont
Water and Wastewater Rate Study

Development of New Account Fee (Turn-on) - Normal Business Hours

Line No.	Description	All Meter Sizes
	New Customer and Turn On Fee Per Trip - Normal Hours	
	Operating Personnel	
	Field Service Representative	
1	Cost Per Hour (Including Benefits)	$23.33
2	Total Number of Employees Required	1.00
3	Number of Hours Worked By Each Employee	0.50
4	Total Base Salaries - Operating Personnel	$11.67
	Billing Personnel	
	Customer Service Representative	
5	Cost Per Hour (Including Benefits)	$20.02
6	Total Number of Employees Required	1.00
7	Number of Hours Worked By Each Employee	0.25
8	Total Base Salaries - Billing Personnel	$5.01
9	Total Base Salaries	$16.67
	Vehicle Expense	
	Small Service Truck	
10	Number of Trucks	1.00
11	Cost Per Hour	$20.00
12	Number of Hours Worked By Each Employee	0.50
13	Total Truck Cost	$10.00
14	Subtotal	$26.67
15	Contingency (0%)	0.00
16	Total Calculated	$26.67
17	Recommended Fee	$27.00
18	Existing Fee	$10.00

Appendix 3-B
City of Clermont
Water and Wastewater Rate Study

Development of Disconnect / Reconnect Fee - Normal Business Hours

Line No.	Description	All Meter Sizes
	Disconnect / Reconnect Fee Per Trip - Normal Hours	
	Operating Personnel	
	Field Service Representative	
1	Cost Per Hour (Including Benefits)	$23.33
2	Total Number of Employees Required	1.00
3	Number of Hours Worked By Each Employee	0.50
4	Total Base Salaries - Operating Personnel	$11.67
	Billing Personnel	
	Customer Service Representative	
5	Cost Per Hour (Including Benefits)	$20.02
6	Total Number of Employees Required	1.00
7	Number of Hours Worked By Each Employee	0.25
8	Total Base Salaries - Billing Personnel	$5.01
9	Total Base Salaries	$16.67
	Vehicle Expense	
	Small Service Truck	
10	Number of Trucks	1.00
11	Cost Per Hour	$20.00
12	Number of Hours Worked By Each Employee	0.50
13	Total Truck Cost	$10.00
14	Subtotal	$26.67
15	Contingency (0%)	0.00
16	Total Calculated	$26.67
17	Recommended Fee	$27.00
18	Existing Fee	$10.00

Appendix 3-C
City of Clermont
Water and Wastewater Rate Study

Development of Meter Tamper Fee
(Pull Meter and Reinstall Meter)

Line No.	Description	All Meter Sizes
	Meter Removal (Pull)	
	Operating Personnel	
	Field Service Representative	
1	Cost Per Hour (Including Benefits)	$23.33
2	Total Number of Employees Required	1.00
3	Number of Hours Worked By Each Employee	1.00
4	Total Base Salaries - Operating Personnel	$23.33
	Meter Reinstallation	
	Operating Personnel	
	Field Service Representative	
5	Cost Per Hour (Including Benefits)	$23.33
6	Total Number of Employees Required	1.00
7	Number of Hours Worked By Each Employee	1.00
8	Total Base Salaries - Operating Personnel	$23.33
	Billing Personnel	
	Customer Service Representative	
9	Cost Per Hour (Including Benefits)	$20.02
10	Total Number of Employees Required	1.00
11	Number of Hours Worked By Each Employee	0.25
12	Total Base Salaries - Billing Personnel	$5.01
13	Total Base Salaries	$51.67
	Materials, Parts, and Supplies	
14	Meter Replacement Costs	$170.50
15	Materials & Supplies	95.00
16	Miscellaneous	0.00
17	Total Materials, Parts, and Supplies	$265.50
	Vehicle Expense	
	Small Service Truck	
18	Number of Trucks	1.00
19	Cost Per Hour	$20.00
20	Number of Hours Worked By Each Employee	2.00
21	Total Truck Cost	$40.00
22	Subtotal	$357.17
23	Overhead and Contingency (0%)	0.00
24	Total Calculated	$357.17
25	Recommended Fee	$357.00
26	Existing Fee	$50.00

Appendix 3-D
City of Clermont
Water and Wastewater Rate Study

Development of Water Meter Installation Charge (Excludes Meter Cost)

Line No.	Description	Meter Sizes 5/8" x 3/4"
	Meter Installation Costs	
	Operating Personnel	
	Field Service Representative	
1	Cost Per Hour (Including Benefits)	$23.33
2	Total Number of Employees Required (Crew)	1.00
3	Number of Hours Worked By Each Employee (Crew)	1.00
4	Total Base Salaries - Meter Installation Component	$23.33
	Billing Personnel	
	Customer Service Representative	
5	Cost Per Hour (Including Benefits)	$20.02
6	Total Number of Employees Required (Crew)	1.00
7	Number of Hours Worked By Each Employee (Crew)	0.25
8	Total Base Salaries - Meter Installation Component	$5.01
	Total Base Salaries	$28.34
	Materials, Parts, and Supplies	
9	Meter	$0.00
10	Miscellaneous Supplies	57.00
11	Total Materials, Parts, and Supplies	$57.00
	Vehicle Expense	
	Medium Service Truck (1 ton)	
12	Number of Trucks	1.00
13	Cost Per Hour	$20.00
14	Number of Hours Worked by Each Employee (Crew)	1.00
15	Total Vehicle Expense	$20.00
16	Subtotal	$100.33
17	Overhead and Contingency (0%)	0.00
18	Total Meter Installation Cost	$100.33
19	Recommended Meter Installation Charge	$100.00
20	Existing Meter Installation Charge	$225.00

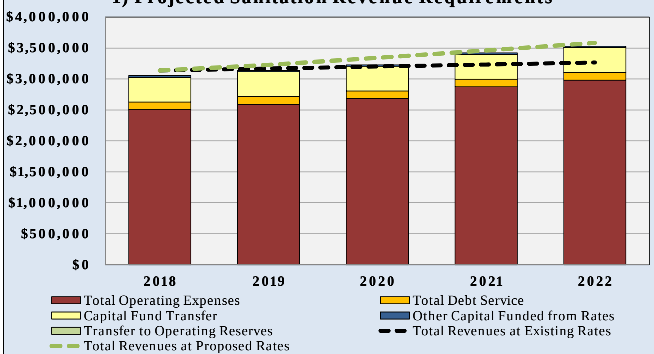
Appendix 4
City of Clermont, Florida
Sanitation Utility Rate Study

Sanitation System Financial Dashboards and Performance Metrics

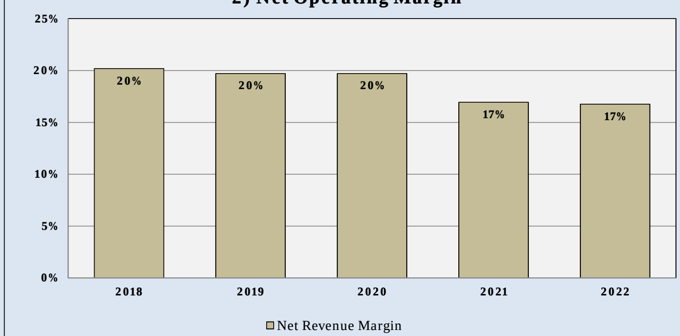
Description	2018	2019	2020	2021	2022
	Fiscal Year Ending September 30,				
Recognized Revenue Adjustments:					
Sanitation Collection Revenue Adjustment	0.00%	2.50%	2.50%	2.50%	2.50%
Effective Month of Increase	Jan.	Jan.	Jan.	Jan.	Jan.
Combined Adjustment	0.00%	1.88%	1.88%	1.88%	1.88%
Cumulative Adjustment	0.00%	1.88%	3.79%	5.73%	7.71%

Description	2018	2019	2020	2021	2022
	Fiscal Year Ending September 30,				
System Surplus / (Deficiency)	$82,454	$91,390	$112,908	$39,933	$53,352
Percent of Rate Revenues	2.64%	2.85%	3.40%	1.16%	1.50%
Garbage Service Rates:					
Collection w/ Active Water	$20.00	$20.50	$21.01	$21.54	$22.08
Collection w/o Active Water	$10.00	$10.25	$10.51	$10.77	$11.04
Additional Garbage Container	$10.75	$11.02	$11.30	$11.58	$11.87
Collection w/Active Increase	$0.00	$0.50	$0.51	$0.53	$0.54
Collection w/o Non-Active Increase	$0.00	$0.25	$0.26	$0.26	$0.27

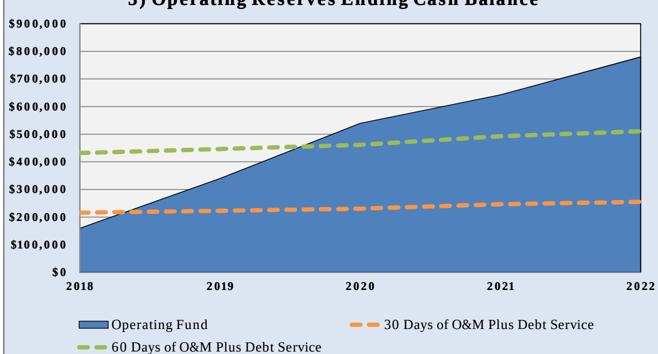
1) Projected Sanitation Revenue Requirements



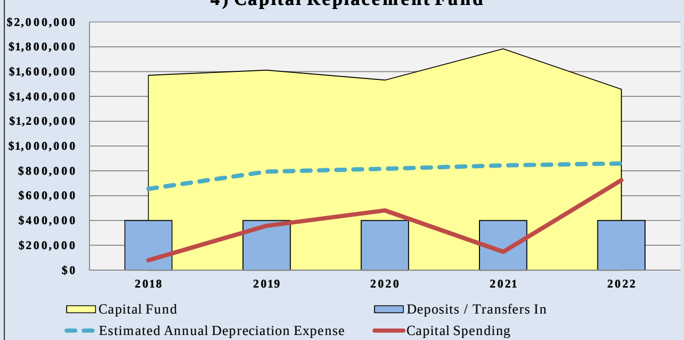
2) Net Operating Margin



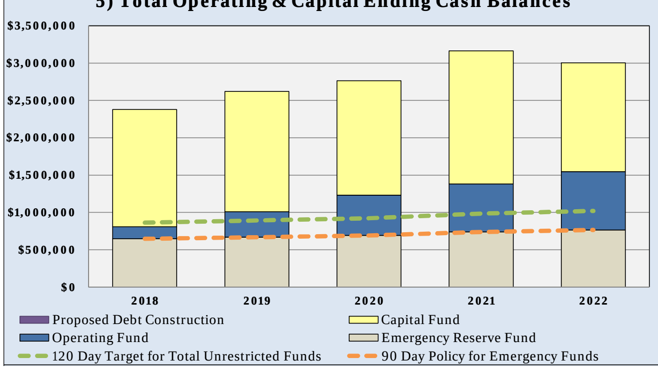
3) Operating Reserves Ending Cash Balance



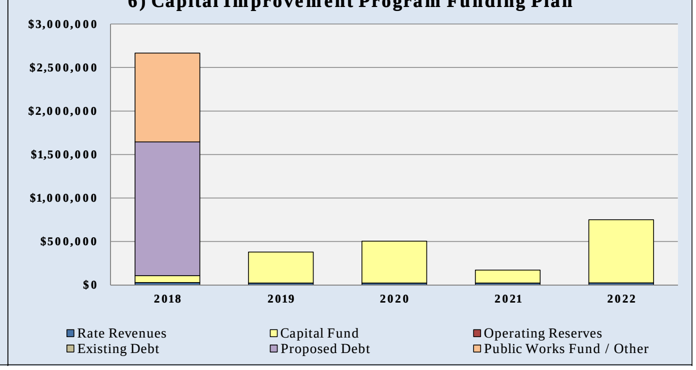
4) Capital Replacement Fund



5) Total Operating & Capital Ending Cash Balances



6) Capital Improvement Program Funding Plan

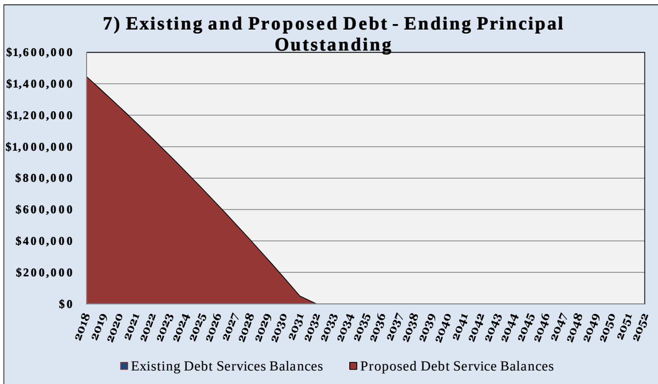


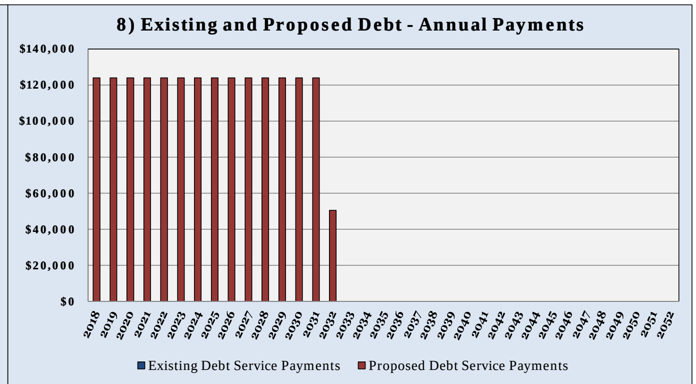
Appendix 4
City of Clermont, Florida
Sanitation Utility Rate Study

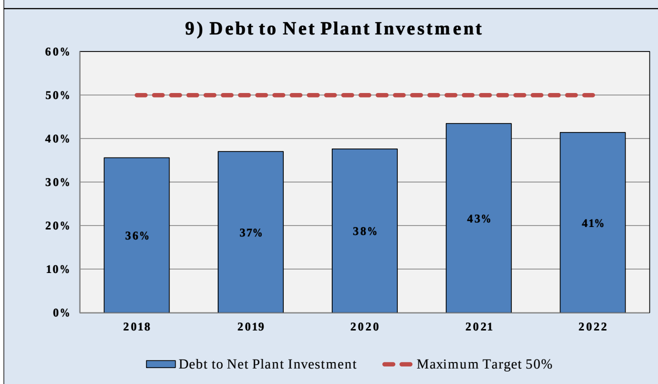
Sanitation System Financial Dashboards and Performance Metrics

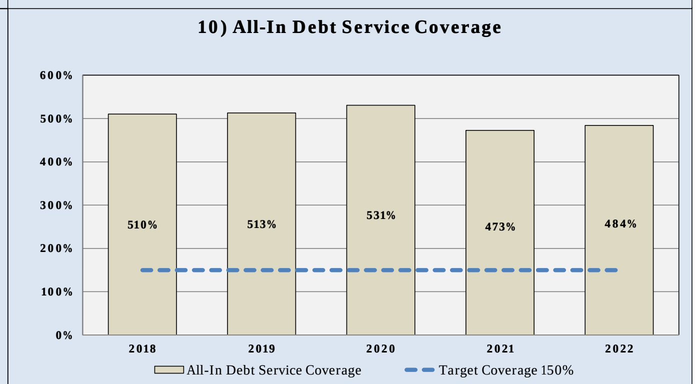
Description	Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
Recognized Revenue Adjustments:					
Sanitation Collection Revenue Adjustment	0.00%	2.50%	2.50%	2.50%	2.50%
Effective Month of Increase	Jan.	Jan.	Jan.	Jan.	Jan.
Combined Adjustment	0.00%	1.88%	1.88%	1.88%	1.88%
Cumulative Adjustment	0.00%	1.88%	3.79%	5.73%	7.71%

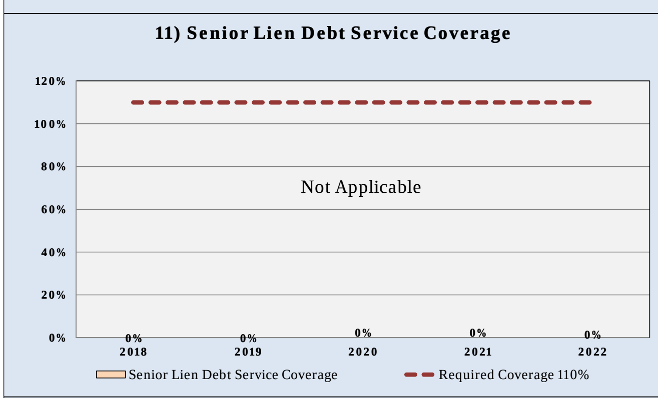
Description	Fiscal Year Ending September 30, 2018	2019	2020	2021	2022
System Surplus / (Deficiency)	$82,454	$91,390	$112,908	$39,933	$53,352
Percent of Rate Revenues	2.64%	2.85%	3.40%	1.16%	1.50%
Garbage Service Rates:					
Collection w/ Active Water	$20.00	$20.50	$21.01	$21.54	$22.08
Collection w/o Active Water	$10.00	$10.25	$10.51	$10.77	$11.04
Additional Garbage Container	$10.75	$11.02	$11.30	$11.58	$11.87
Collection w/Active Increase	$0.00	$0.50	$0.51	$0.53	$0.54
Collection w/o Non-Active Increase	$0.00	$0.25	$0.26	$0.26	$0.27

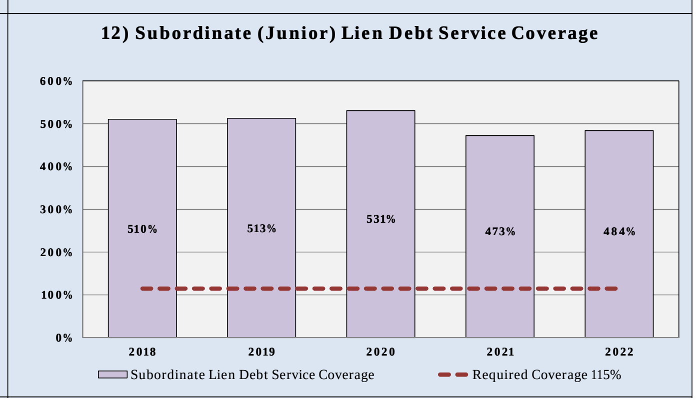












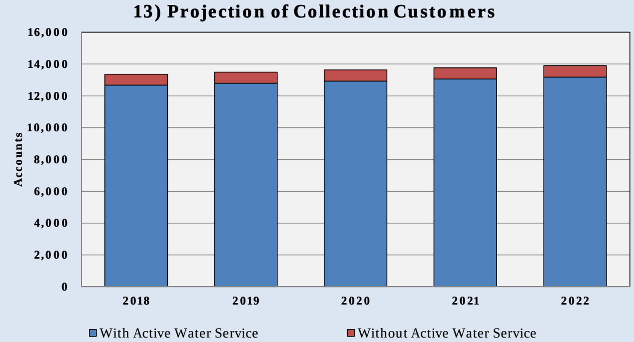
Appendix 4
City of Clermont, Florida
Sanitation Utility Rate Study

Sanitation System Financial Dashboards and Performance Metrics

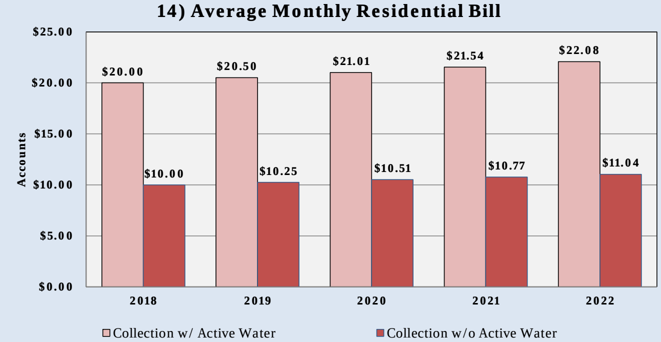
Description	2018	2019	2020	2021	2022
	Fiscal Year Ending September 30,				
Recognized Revenue Adjustments:					
Sanitation Collection Revenue Adjustment	0.00%	2.50%	2.50%	2.50%	2.50%
Effective Month of Increase	Jan.	Jan.	Jan.	Jan.	Jan.
Combined Adjustment	0.00%	1.88%	1.88%	1.88%	1.88%
Cumulative Adjustment	0.00%	1.88%	3.79%	5.73%	7.71%

Description	2018	2019	2020	2021	2022
	Fiscal Year Ending September 30,				
System Surplus / (Deficiency)	$82,454	$91,390	$112,908	$39,933	$53,352
Percent of Rate Revenues	2.64%	2.85%	3.40%	1.16%	1.50%
Garbage Service Rates:					
Collection w/ Active Water	$20.00	$20.50	$21.01	$21.54	$22.08
Collection w/o Active Water	$10.00	$10.25	$10.51	$10.77	$11.04
Additional Garbage Container	$10.75	$11.02	$11.30	$11.58	$11.87
Collection w/Active Increase	$0.00	$0.50	$0.51	$0.53	$0.54
Collection w/o Non-Active Increase	$0.00	$0.25	$0.26	$0.26	$0.27

13) Projection of Collection Customers



14) Average Monthly Residential Bill



Appendix 5
City of Clermont, Florida
Sanitation Utility Rate Study

Summary of Existing and Proposed Rates for Garbage Service

Line No.	Description	Existing 2017	Proposed Jan. 2018
	Garbage Service [1]		
1	Proposed Garbage Rate Adjustment	N/A	0.00%
2	Monthly Service Fee When Water Service is Active	$20.00	$20.00
3	Monthly Service Fee When Water Service is Not Active	10.00	10.00
4	Monthly Service Fee For Each Additional Container	10.75	10.75

Footnotes:
[1] Service includes once per week pickup of garbage and recycled items.

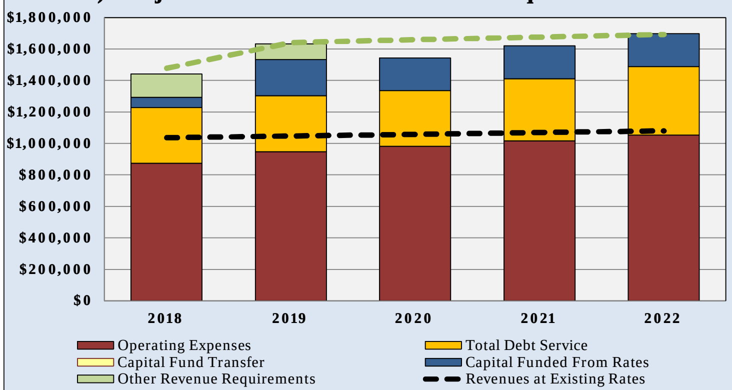
Appendix 6
City of Clermont Florida
Stormwater Utility Rate Study

Stormwater System Financial Dashboards and Performance Metrics

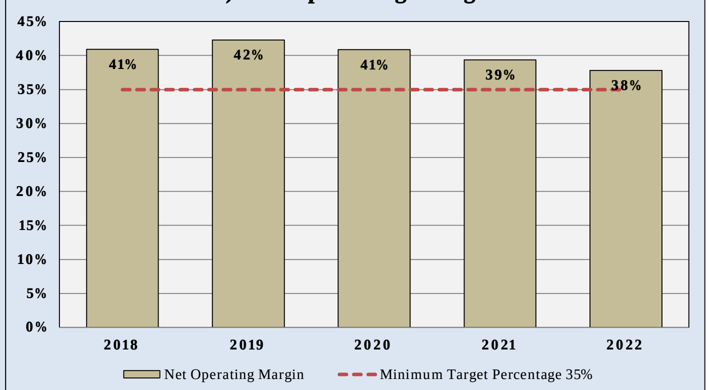
Description	2018	2019	2020	2021	2022
Recognized Revenue Adjustments:					
Stormwater - Approved Drainage	57.0%	0.00%	0.00%	0.00%	0.00%
Effective Month of Increase	January	January	January	January	January
Stormwater - Non-Approved Drainage	57.00%	0.00%	0.00%	0.00%	0.00%
Effective Month of Increase	January	January	January	January	January
Combined Adjustment	57.00%	0.00%	0.00%	0.00%	0.00%
Cumulative Adjustment	57.00%	57.00%	57.00%	57.00%	57.00%

Description	2018	2019	2020	2021	2022
System Surplus / (Deficiency)	$36,255	$9,229	$116,428	$56,818	($5,334)
Percent of Rate Revenues	2.46%	0.56%	7.04%	3.40%	-0.32%
Average Residential Bill:					
Fee w/ Approved Drainage	$4.71	$4.71	$4.71	$4.71	$4.71
Monthly Increase - Total	$1.71	$0.00	$0.00	$0.00	$0.00
Fee w/o Approved Drainage	$7.85	$7.85	$7.85	$7.85	$7.85
Monthly Increase - Total	$2.85	$0.00	$0.00	$0.00	$0.00

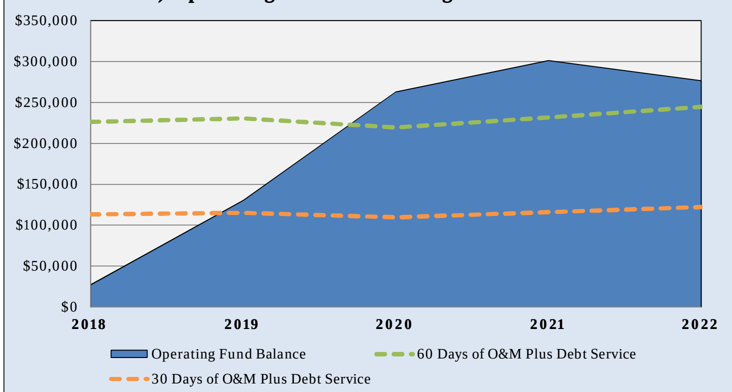
1) Projected Stormwater Revenue Requirements



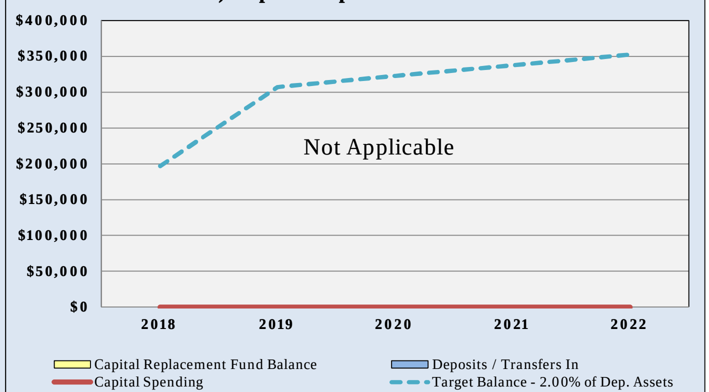
2) Net Operating Margin



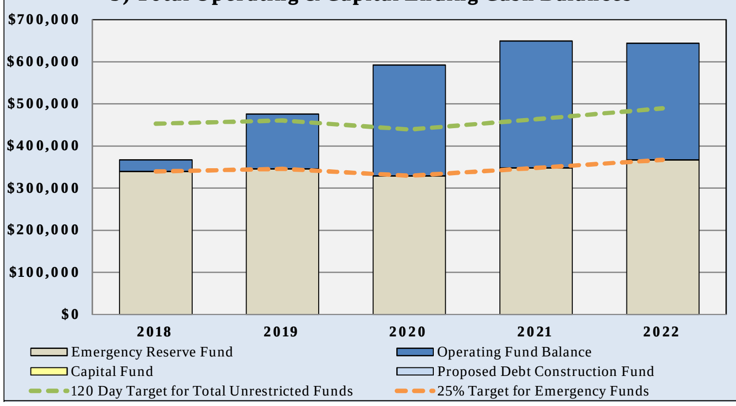
3) Operating Reserves Ending Cash Balance



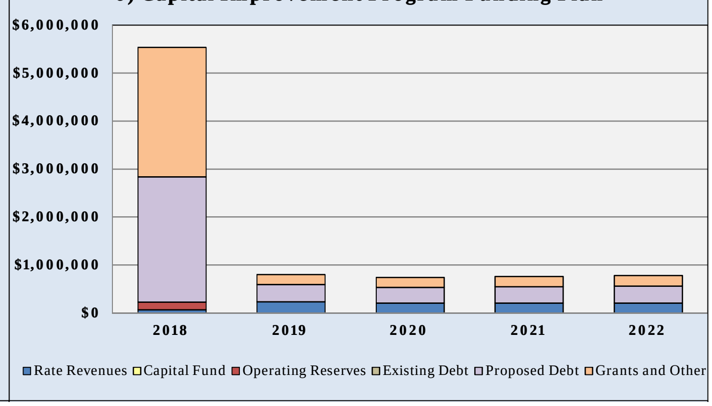
4) Capital Replacement Fund



5) Total Operating & Capital Ending Cash Balances



6) Capital Improvement Program Funding Plan



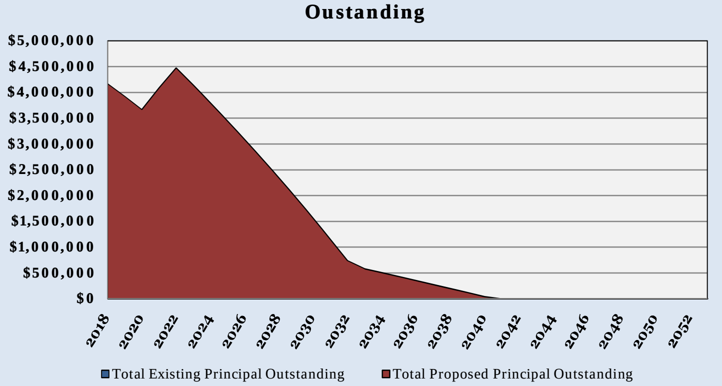
Appendix 6
City of Clermont Florida
Stormwater Utility Rate Study

Stormwater System Financial Dashboards and Performance Metrics

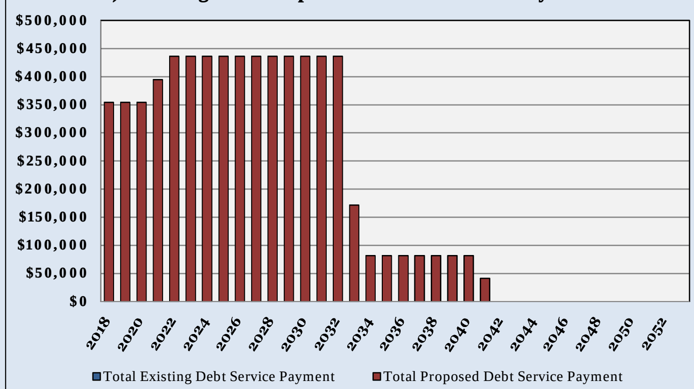
Description	2018	2019	2020	2021	2022
Recognized Revenue Adjustments:					
Stormwater - Approved Drainage	57.0%	0.00%	0.00%	0.00%	0.00%
Effective Month of Increase	January	January	January	January	January
Stormwater - Non-Approved Drainage	57.00%	0.00%	0.00%	0.00%	0.00%
Effective Month of Increase	January	January	January	January	January
Combined Adjustment	57.00%	0.00%	0.00%	0.00%	0.00%
Cumulative Adjustment	57.00%	57.00%	57.00%	57.00%	57.00%

Description	2018	2019	2020	2021	2022
System Surplus / (Deficiency)	$36,255	$9,229	$116,428	$56,818	($5,334)
Percent of Rate Revenues	2.46%	0.56%	7.04%	3.40%	-0.32%
Average Residential Bill:					
Fee w/ Approved Drainage	$4.71	$4.71	$4.71	$4.71	$4.71
Monthly Increase - Total	$1.71	$0.00	$0.00	$0.00	$0.00
Fee w/o Approved Drainage	$7.85	$7.85	$7.85	$7.85	$7.85
Monthly Increase - Total	$2.85	$0.00	$0.00	$0.00	$0.00

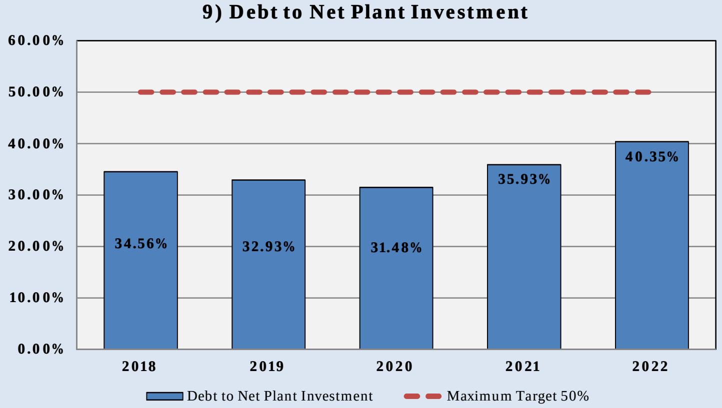
7) Existing and Proposed Debt - Ending Principal Oustanding



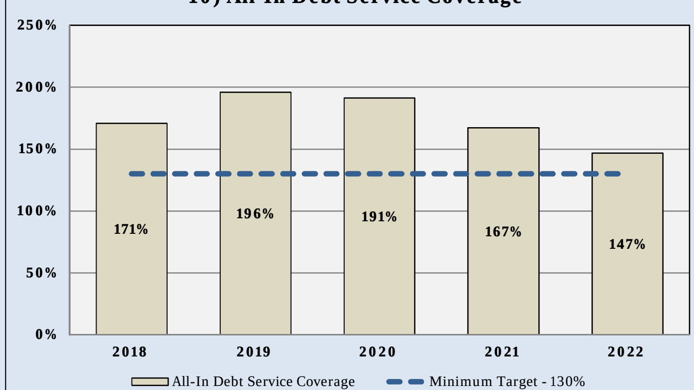
8) Existing and Proposed Debt - Annual Payments



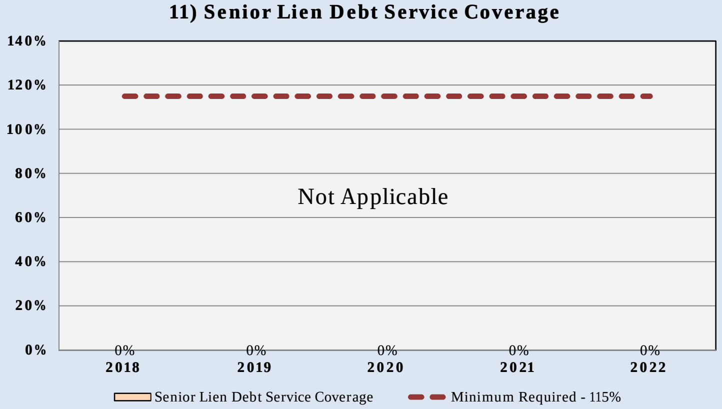
9) Debt to Net Plant Investment



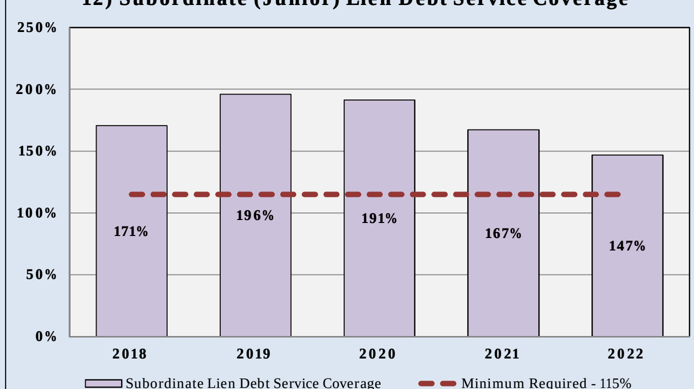
10) All-In Debt Service Coverage



11) Senior Lien Debt Service Coverage



12) Subordinate (Junior) Lien Debt Service Coverage

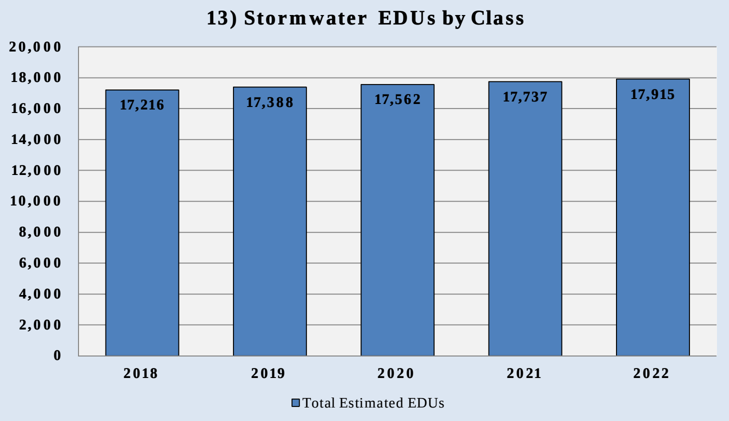


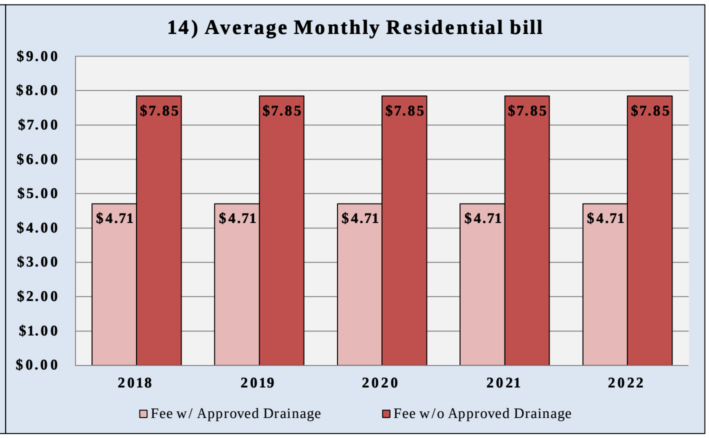
Appendix 6
City of Clermont Florida
Stormwater Utility Rate Study

Stormwater System Financial Dashboards and Performance Metrics

Description	2018	2019	2020	2021	2022
Recognized Revenue Adjustments:					
Stormwater - Approved Drainage	57.0%	0.00%	0.00%	0.00%	0.00%
Effective Month of Increase	January	January	January	January	January
Stormwater - Non-Approved Drainage	57.00%	0.00%	0.00%	0.00%	0.00%
Effective Month of Increase	January	January	January	January	January
Combined Adjustment	57.00%	0.00%	0.00%	0.00%	0.00%
Cumulative Adjustment	57.00%	57.00%	57.00%	57.00%	57.00%

Description	2018	2019	2020	2021	2022
System Surplus / (Deficiency)	$36,255	$9,229	$116,428	$56,818	($5,334)
Percent of Rate Revenues	2.46%	0.56%	7.04%	3.40%	-0.32%
Average Residential Bill:					
Fee w/ Approved Drainage	$4.71	$4.71	$4.71	$4.71	$4.71
Monthly Increase - Total	$1.71	$0.00	$0.00	$0.00	$0.00
Fee w/o Approved Drainage	$7.85	$7.85	$7.85	$7.85	$7.85
Monthly Increase - Total	$2.85	$0.00	$0.00	$0.00	$0.00





Appendix 7
City of Clermont, Florida
Stormwater Utility Rate Study

Summary of Existing and Proposed Rates for Stormwater Service

Line No.	Description	Existing 2017	Proposed Jan. 2018
	Stormwater Service		
1	Proposed Stormwater Rate Adjustment - With Approved Drainage	N/A	57.00%
2	Proposed Stormwater Rate Adjustment - Without Approved Drainage	N/A	57.00%
	Residential		
3	With Approved Drainage Retention on Site	$3.00	$4.71
4	Without Approved Drainage Retention on Site	5.00	7.85
	Commercial [1]		
5	With Approved Drainage Retention on Site	$3.00	$4.71
6	Without Approved Drainage Retention on Site	5.00	7.85

CITY OF CLERMONT

AGENDA ITEM

Meeting Date		
Monday, December 4, 2017		
Agenda Item Name		
Other		
Requested Action		
Staff Report		
Additional Analysis		
Fiscal Impact Summary		
Fiscal Impact	**Fund Number and Description**	**Available Budget Amount**
Exhibits Attached (copies of original agreements)		