

1. Discussion Objective:

Work Session Date: March 4, 2013

Review and discuss the Water Utility Rate and Charge Study prepared by GAI Consultants, Inc.

2. Submitter of Information:

☐ Council
☒ Town Staff
☐ Town Attorney

3. Estimated Time for this item:

90 minutes

5. Background:

In September, 2012 the Town Council retained GAI Consultants, Inc. of Orlando to review and evaluate the historical and existing data regarding the customers of the water system and the financial and accounting information. With this data, GAI is to prepare schedules identifying the total fiscal requirements, operating income, and net revenue requirements of the utility fund on a 5 year pro-forma and recommend adjustments to user rates based on these projected needs. Operations efficiency detail will be provided under separate cover.

Attachments:

GAI Consultants, Inc. – “Briefing Document”
GAI Consultants, Inc. – “Water Utility Rate Study Workshop” presentation

Town Manager	Town Attorney	Finance Director	Public Works Director	Community Development Director	Parks & Recreation Director	Town Clerk
		EW				



gai consultants



Town of Fort Myers Beach

Briefing Document:

Water Rate and Charge Study

GAI #A120244.00

March 2013

... transforming ideas into reality

GAI Consultants, Inc.

Briefing Document

March 4, 2013

GENERAL

The Town of Fort Myers Beach, Florida (the "Town") retained GAI Consultants, Inc. (GAI) to prepare a water rate and charge study (the "Study") to provide a review and update of the existing water monthly user rates.

GOALS AND OBJECTIVES

Prior to commencement, GAI met with the Town's staff to discuss and identify the goals and objectives of the Study and to review a preliminary data request. The primary goals and objectives of the Study are to review the existing basis for cost recovery and provide the necessary rate structure modifications and user rate adjustments that result in: (i) water conservation; (ii) just and equitable rates; (iii) operating revenues sufficient to meet the fiscal requirements of the water system; (iv) minimal rate shock; and (v) are administratively compatible and publicly understandable.

The Study, to the extent practical, utilizes a cost of service approach to establish user rates and charges based on the needs of the community and the Utility. The Study, pursuant to available data: (i) identifies the number of customers and associated service characteristics; (ii) delineates fiscal requirements by rate and functional activity; and (iii) identifies the appropriate levels of rates and charges based on the assumed Test Year ending September 30, 2014.

EXISTING RATES AND CHARGES

The Town currently provides water service to approximately 3,172 metered accounts throughout the Town. The water utility is structured as an enterprise activity and, therefore, is expected to generate revenues sufficient to meet fiscal requirements approved by the Town. The revenue generation system is comprised of: (i) User Fees consisting of base charges and usage charges per 1,000 gallons of metered service; (ii)

Capital Charges (Impact Fees); (iii) Ancillary/Miscellaneous Charges; (iv) Contributions; and (v) transfers from other sources.

The Town's existing rate structure, which was last updated per Resolution No. 09-32 and Ordinance 12-08, consists of an Administrative Fee, Capital Recovery Charge, Base Charge, and Volume Charges. Typically, the Base Charge, a fixed fee, provides for revenue stability while the Volume Charges allow for equitable cost recovery at various service levels and should encourage the conservation of natural resources. The existing series of Base Charges are dependent upon the level of service as represented by the size of each account's water meter and/or the number of dwelling units.

The customers are currently categorized into five (5) classes consisting of Single-Family Residential, Multi-Family Residential, Commercial, Irrigation, and Non-Residential. The Town's water usage rates utilize an inclining block or conservation rate structure with four (4) usage blocks; wherein, the cost per 1,000 gallons within each inclining block increases as usage progresses into the next usage block level. **Table 1** presents the Town's existing water rates as well as the associated gallonage allowances per block for each customer class and meter size.

Table 1
Existing Monthly Rates and Charges
And Usage Blocks

<u>Administrative Fee</u> – (per account)	\$ 2.77
<u>Base Charge</u>	
Single Family (per unit)	\$ 6.82
Multi-Family (per unit)	\$ 6.82
<u>Commercial/Irrigation/Non-Residential</u> <u>(per meter)</u>	
5/8" Meter	\$ 9.30
1.0" Meter	\$ 19.53
1.5" Meter	\$ 36.85
2.0" Meter	\$ 57.04
3.0" Meter	\$ 111.50
4.0" Meter	\$ 172.98
6.0" Meter	\$ 343.51
8.0" Meter	\$ 548.08

Table 1
Existing Monthly Rates and Charges
And Usage Blocks

Capital Recovery Charge

Single Family (per unit)	\$ 2.72
Multi-Family (per unit)	\$ 2.72
<u>Commercial/Irrigation/Non-Residential</u> (per meter)	
5/8" Meter	\$ 2.72
1.0" Meter	\$ 6.80
1.5" Meter	\$ 13.60
2.0" Meter	\$ 21.86
3.0" Meter	\$ 44.12
4.0" Meter	\$ 68.10
6.0" Meter	\$ 136.00
8.0" Meter	\$ 217.60

Usage Blocks (gallons)

Charge per 1,000 gallons

Block 1	\$ 5.27
Block 2	\$ 6.27
Block 3	\$ 7.27
Block 4	\$ 8.27

<u>Meter Size</u>	<u>Block 1</u>	<u>Block 2</u>	<u>Block 3</u>	<u>Block 4</u>
Single-Family	0 - 6,000	6,001 - 30,000	30,001 - 50,000	Over 50,000
Residential, Multi-Family				
per Unit				
Commercial, Irrigation,				
Non-Residential				
5/8"	0 - 8,000	8,001 - 30,000	30,001 - 60,000	Over 60,001
1.0"	0 - 9,000	9,001 - 40,000	40,001 - 60,000	Over 60,001
1.5"	0 - 12,000	12,001 - 45,000	45,001 - 65,000	Over 65,001
2.0"	0 - 15,000	15,001 - 50,000	50,001 - 70,000	Over 70,001
3.0"	0 - 50,000	50,001 - 100,000	100,001 - 400,000	Over 400,001
4.0"	0 - 60,000	60,001 - 300,000	300,001 - 500,000	Over 500,001

CUSTOMERS

Billing Frequency Analysis

The study approach used herein to identify the equivalencies and flows for each customer class relied upon a Billing Frequency Analysis. The Billing Frequency Analysis utilizes the customer billing data for 12 consecutive months and accumulates by customer class the number of accounts, units and/or meter size, and flows at incremental usage levels, in this case 1,000 gallon increments.

The Town provided detailed customer and monthly billing information for the fiscal year 2011. The data was sorted by user type (residential, multi-family, commercial, irrigation, non-residential), and then by meter size. To verify the results of the billing frequency, the FY 2011 rates were applied to the calculated equivalencies and flow data and the resulting revenues reconciled to the audited revenues during the same time period. The total number of customer accounts, equivalent residential connections (ERCs) and total flows per block by customer class are shown on **Exhibit 1**.

Customer Growth

For purposes of this Rate Study and the Five-Year Proforma Operating Analysis, GAI assumes no customer growth during the projection period.

NET FISCAL REQUIREMENTS

General

Fiscal requirements can generally be separated into three primary categories consisting of: (i) operating and maintenance expenses (O&M); (ii) debt service; and (iii) other needs and transfers. O&M expenses consist of those reoccurring expenses associated with labor, materials, supplies, services, etc. that are required to manage and operate the system while maintaining a dependable and desirable level of service. O&M expenses consisting primarily of labor, materials, supplies, utilities and contract services are directly related to the level of service provided to customers and therefore, are appropriately recovered through the user rates and charges. Debt service is the principal and interest on bonds, loans, or other debt instruments and pledged security of the debt instruments and is allocated to the net rate requirement together with other sources of payments based on the pledged security of the debt instrument. Other needs and transfers, also referred to as below-the-line-items, include expenses and

costs not associated with O&M expenses or debt service and can include such items as capital needs from rates, transfers in lieu of taxes, Renewal and Replacement requirements and/or other funding per covenants in resolutions adopted pursuant to outstanding bond issues.

The fiscal requirements of the Utility system to be recovered through monthly water rates consist of the net amount of O&M expenses, debt services, and other requirements after deduction of other budgeted non-user rate revenue sources. The net fiscal requirements, which are the fiscal requirements less non-user rate revenue sources such as interest income, transfers from other accounts, and miscellaneous charges, associated with the Test Year were identified using the proposed budget for Fiscal Year 2013. For purposes of this Study, the Test Year is assumed to be FY 2014.

The Test Year net fiscal requirements were developed with consideration of: (1) findings on existing and projected customers and usage; (2) analysis of past and current O&M expenses, (3) existing and proposed interest and principal debt service payments, (4) necessary transfers; and (5) conversations with the Town staff.

Capital Improvement Plan (CIP)

As previously mentioned, one of the goals of the Rate Study is to minimize rate shock. In preparing our analysis and developing rates, revenue sufficiency was reviewed. As such, GAI reviewed the Town's current 5-Year scheduled CIP, which is approximately \$20 million through FY 2017 and is recommending the projects be undertaken over a 7-year period instead, through FY 2019. This will help minimize rate shock on customers to help pay for these projects as well as allow the Town time to pursue other funding mechanisms including the State Revolving Fund Loans and Grants.

RATE STRUCTURE DESIGN, ADJUSTMENTS, MODIFICATIONS

Rate Structure Design

Rate structure design represents that portion of the study whereby the rate and charge components for each customer class are established to provide for equitable recovery of the net fiscal requirements consistent with the previously discussed criteria together with the regulatory guidelines/policies of the Town and the State of Florida.

Cost of service principles suggest that the fixed costs associated with the net fiscal requirements be recovered through the fixed rate component (Base Charge and Billing Charge), whereas, variable costs be recovered through the Usage rates. However, with fixed costs far exceeding 50 percent of the total costs and community standards suggesting that the costs for basic services be maintained at minimum levels, it is not always practical to set the Base Facility Charge on the relation of fixed and variable costs. Prudent practice suggests that certain levels of the fixed costs can be equitably recovered through the variable component (Usage Rates).

Additionally, local government policies suggest that the rate structure components to the extent possible and practical should be:

- Administratively simple, understandable, and easily implemented;
- Equitable among customer classes, taking into consideration the cost of service for each individual customer class;
- Designed to encourage the most efficient use of the Utility's assets and other resources and discourage unnecessary or wasteful use of service and commodity;
- In compliance with applicable requirements of local, state and federal regulatory authorities that have jurisdiction; and
- In compliance with all applicable statutory requirements.

Several other considerations that have an effect on the design of the rate structure components are: (i) revenue stability; (ii) revenue sufficiency; (iii) satisfaction of applicable debt covenants; (iv) historical rate structures; and (v) the policies of those responsible for the management and operation of the Town and its capital facilities.

RATE STRUCTURE ADJUSTMENTS AND MODIFICATIONS

Significant Forecast Assumptions

- Based on discussions with Town staff, there is a possibility that the Capital Recovery Charge could be eliminated. For the purposes of our analysis, we have prepared scenarios with and without the charge being part of the Town's

monthly rates and charges. **Exhibit 2** and **Exhibit 3** show the projected Revenue Sufficiency/(Deficiency) in each year of the projection period utilizing the current rates and keeping or eliminating the Capital Recovery Charge. Note: these Schedules are before any proposed rate increases.

- All projected expenses were based upon the adopted Fiscal Year 2013 Annual Budget for the Town of Fort Myers Beach and adjusted based on discussions with Town staff.
- Most Operations and Maintenance expenses were escalated for general inflation.
- General inflation is projected at 2.5 percent and personnel expenses are assumed to increase at a rate of 3.0 percent per year.
- Capital costs, revenues other than rates, and debt service and transfers are projected based on line-item values of the Fiscal Year 2013 budget as adjusted for inflation and labor escalations, where appropriate.
- Annual debt service payments are based on the accounts contained in the applicable official debt service schedules as well as projected funding sources.
- The Town's \$20 million CIP has been extended through Fiscal Year 2019. For purposes of these projections, it is assumed that this CIP will be funded through a combination of bank loans, State Revolving Fund Loans, and pay-as-you-go from user rates. For conservative purposes, debt service associated with the CIP has been assumed to be financed over a 20-year period at 3.0% interest.

As previously discussed, the Town's existing rate structure includes an administrative charge per account, a monthly base charge, and a gallonage (volume) charge for all water consumption. With regard to water consumption, the Town has implemented an inclining block rate structure to help promote water resources conservation. GAI's analysis will propose modifications and adjustments to the Town's current rate structure including:

- Adjustments to the dwelling unit equivalencies for Multi-Family customers (Rate Equity).

- Adjustments to the meter equivalency factors for Commercial customers (Rate Equity).
- Adjustments to the gallonage allowances per block as well as the differential in the rate per block (Rate Equity and Water Conservation).
- Adjustments to the amount of net fiscal requirements to be recovered through the base charge, administrative charge, and gallonage charges (Rate Stability).

Nine (9) Scenarios have been prepared for the Town as follows:

- **Scenario 1A** – This is based on the current rate structure. The capital charges are held constant throughout the projection period. All other rates are increased across-the-board as necessary for revenue sufficiency.
- **Scenario 1B** – This is based on the current rate structure. All charges including capital charges are increased across-the-board as necessary for revenue sufficiency.
- **Scenario 1C** – This is based on the current rate structure. The capital charges are eliminated. All other charges are increased across-the-board as necessary for revenue sufficiency.
- **Scenario 2A** – This is based on a modified rate structure. Commercial and Irrigation customers are billed based on AWWA meter equivalencies. Multi-family customers are billed based on 0.9 of a dwelling unit. The water usage blocks have been updated to increase according to AWWA meter equivalencies with lower usage allowances per block to promote water conservation. The rate factors between the blocks have been increased. The capital charges are held constant throughout the projection period. All other rates are increased across-the-board as necessary for revenue sufficiency.
- **Scenario 2B** – This is based on a modified rate structure. Commercial and Irrigation customers are billed based on AWWA meter equivalencies. Multi-family customers are billed based on 0.9 of a dwelling unit. The water usage blocks have been updated to increase according to AWWA meter equivalencies with lower usage allowances per block to promote water conservation. The rate

factors between the blocks have been increased. All charges including capital charges are increased across-the-board as necessary for revenue sufficiency.

- **Scenario 2C** – This is based on a modified rate structure. Commercial and Irrigation customers are billed based on AWWA meter equivalencies. Multi-family customers are billed based on 0.9 of a dwelling unit. The water usage blocks have been updated to increase according to AWWA meter equivalencies with lower usage allowances per block to promote water conservation. The rate factors between the blocks have been increased. The capital charges are eliminated. All other charges are increased across-the-board as necessary for revenue sufficiency.
- **Scenario 3A** – This is based on a modified rate structure. Commercial and Irrigation customers are billed based on AWWA meter equivalencies. Multi-family customers are billed based on 0.9 of a dwelling unit. The water usage blocks have been updated to increase according to AWWA meter equivalencies with lower usage allowances per block to promote water conservation. The rate factors between the blocks have been increased. The rates have been set to recover 65% of the revenue requirements from the gallonage charge. The capital charges are held constant throughout the projection period. All other rates are increased across-the-board as necessary for revenue sufficiency.
- **Scenario 3B** – This is based on a modified rate structure. Commercial and Irrigation customers are billed based on AWWA meter equivalencies. Multi-family customers are billed based on 0.9 of a dwelling unit. The water usage blocks have been updated to increase according to AWWA meter equivalencies with lower usage allowances per block to promote water conservation. The rate factors between the blocks have been increased. The rates have been set to recover 65% of the revenue requirements from the gallonage charge. All charges including capital charges are increased across-the-board as necessary for revenue sufficiency.
- **Scenario 3C** – This is based on a modified rate structure. Commercial and Irrigation customers are billed based on AWWA meter equivalencies. Multi-family customers are billed based on 0.9 of a dwelling unit. The water usage blocks have been updated to increase according to AWWA meter equivalencies

with lower usage allowances per block to promote water conservation. The rate factors between the blocks have been increased. The rates have been set to recover 65% of the revenue requirements from the gallonage charge. The capital charges are eliminated. All other charges are increased across-the-board as necessary for revenue sufficiency.

Each of the scenarios includes the following five (5) schedules:

- **Schedule 1** is the proforma operating statement for the projection period of FY 2014 through FY 2018. This schedule includes any rate adjustments necessary for revenue sufficiency and/or debt service coverage.
- **Schedule 2** presents the existing and proposed rates for FY 2014 and includes the differences in those rates.
- **Schedule 3** presents the projected rates for each scenario throughout the projection period of FY 2014 through FY 2018.
- **Schedule 4** is the rate comparison for FY 2014 between the existing and proposed user rates by customer class and meter size at varying usage levels.
- **Schedule 5** demonstrates the current and proposed revenue distribution by user class and rate component for FY 2014.

CONCLUSIONS

The rate structure scenarios to be presented by GAI were based on reviews, analysis and input from Town staff together with cost of service ratemaking principles and guidelines taking the community's standards into consideration. Other factors that contributed to the adjustments and modifications include continued promotion of water conservation; increased operating costs; state, federal, and water management regulatory requirements; and anticipated cost of capital considerations.

EXHIBITS

Exhibit 1
Town of Fort Myers Beach, FL
Water Enterprise Fund
Existing Customers & Flows

	<u>Accounts</u>	<u>ERCs</u>	<u>Flows (x 1,000s)</u>				<u>Total</u>
			<u>Block 1</u>	<u>Block 2</u>	<u>Block 3</u>	<u>Block 4</u>	
Residential							
5/8"	2,384	2,384					
Subtotal Residential	<u>2,384</u>	<u>2,384</u>	92,141	45,603	4,481	3,576	145,801
Commercial							
5/8"	118	161					
1"	38	109					
1.5"	34	184					
2"	16	134					
3"	8	131					
4"	4	101					
Subtotal Commercial	<u>218</u>	<u>820</u>	17,322	29,103	7,190	66,599	120,214
Irrigation							
5/8"	36	49					
1"	19	54					
1.5"	15	81					
2"	7	59					
Subtotal Irrigation	<u>77</u>	<u>243</u>	5,684	9,845	1,672	13,867	31,068
Multi-Family							
5/8"	325	858					
1"	26	150					
1.5"	32	476					
2"	41	1,303					
3"	39	2,058					
4"	13	1,676					
Subtotal Multi-Family	<u>476</u>	<u>6,521</u>	170,204	7,251	166	-	177,621
Lift Stations							
Stations	17	17					
Subtotal Lift Stations	<u>17</u>	<u>17</u>	29	-	-	-	29
Total	<u>3,172</u>	<u>9,985</u>	<u>285,380</u>	<u>91,802</u>	<u>13,509</u>	<u>84,042</u>	<u>474,733</u>

Exhibit 2
Town of Fort Myers Beach, FL
Water Enterprise Fund
Projected Proforma Operating Results

Account Name	Test Year	Projected Fiscal Year			
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Operating Revenues					
User Fee Revenue					
Administrative Charge	\$ 103,700	\$ 103,700	\$ 103,700	\$ 103,700	\$ 103,700
Base Charges	803,800	803,800	803,800	803,800	803,800
Usage (Gallorage) Charges	2,815,400	2,815,400	2,815,400	2,815,400	2,815,400
Subtotal User Fee Revenue	\$ 3,722,900	\$ 3,722,900	\$ 3,722,900	\$ 3,722,900	\$ 3,722,900
Other Operating Revenues					
Miscellaneous Charge Revenues	53,400	81,700	81,700	81,700	81,700
Subtotal Other Operating Revenues	\$ 53,400	\$ 81,700	\$ 81,700	\$ 81,700	\$ 81,700
Total Operating Revenues	\$ 3,776,300	\$ 3,804,600	\$ 3,804,600	\$ 3,804,600	\$ 3,804,600
O & M Expenses	2,718,600	2,798,100	2,869,700	2,943,000	3,018,300
Net Revenues Avail. For Debt Service	\$ 1,057,700	\$ 1,006,500	\$ 934,900	\$ 861,600	\$ 786,300
Debt Service	328,700	515,500	691,300	874,000	1,073,700
Operating Balance after Debt Service	\$ 729,000	\$ 491,000	\$ 243,600	\$ (12,400)	\$ (287,400)
Other Revenue/(Expenses)					
Capital (Restricted) Revenue	\$ 316,900	\$ 316,900	\$ 316,900	\$ 316,900	\$ 316,900
Interest Income	400	600	700	600	500
Other Non-Operating Expenditures	-	-	-	-	-
R&R and Other Transfers Out	(729,900)	(112,900)	(112,900)	(112,900)	(112,900)
Capital Expenditures Paid by Rates	(305,400)	(313,100)	(320,900)	(328,900)	(337,200)
Total Other Revenue/(Expenses)	\$ (718,000)	\$ (108,500)	\$ (116,200)	\$ (124,300)	\$ (132,700)
Total Available for Other Uses	\$ 11,000	\$ 382,500	\$ 127,400	\$ (136,700)	\$ (420,100)
Rate Increase for Revenue Sufficiency	0.000%	0.000%	0.000%	0.000%	0.000%
Coverage Test on Debt Service					
Achieved	4.1831	2.5684	1.8118	1.3491	1.0279
Target Minimum	1.3000	1.3000	1.3000	1.3000	1.3000
Projected Fund Balances					
Unrestricted	\$ 1,039,323	\$ 1,372,223	\$ 1,400,023	\$ 1,163,723	\$ 744,123
Restricted	750,400	800,400	900,400	1,000,500	1,000,500
Total	\$ 1,789,723	\$ 2,172,623	\$ 2,300,423	\$ 2,164,223	\$ 1,744,623

Note: Current rate structure with STEADY Capital Reserve Charge - before any rate increases.

Exhibit 3
Town of Fort Myers Beach, FL
Water Enterprise Fund
Projected Proforma Operating Results

Account Name	Test Year	Projected Fiscal Year			
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Operating Revenues					
User Fee Revenue					
Administrative Charge	\$ 103,700	\$ 103,700	\$ 103,700	\$ 103,700	\$ 103,700
Base Charges	803,800	803,800	803,800	803,800	803,800
Usage (Gallorage) Charges	2,815,400	2,815,400	2,815,400	2,815,400	2,815,400
Subtotal User Fee Revenue	\$ 3,722,900	\$ 3,722,900	\$ 3,722,900	\$ 3,722,900	\$ 3,722,900
Other Operating Revenues					
Miscellaneous Charge Revenues	53,400	81,700	81,700	81,700	81,700
Subtotal Other Operating Revenues	\$ 53,400	\$ 81,700	\$ 81,700	\$ 81,700	\$ 81,700
Total Operating Revenues	\$ 3,776,300	\$ 3,804,600	\$ 3,804,600	\$ 3,804,600	\$ 3,804,600
O & M Expenses	2,718,600	2,798,100	2,869,700	2,943,000	3,018,300
Net Revenues Avail. For Debt Service	\$ 1,057,700	\$ 1,006,500	\$ 934,900	\$ 861,600	\$ 786,300
Debt Service	328,700	515,500	691,300	874,000	1,073,700
Operating Balance after Debt Service	\$ 729,000	\$ 491,000	\$ 243,600	\$ (12,400)	\$ (287,400)
Other Revenue/(Expenses)					
Capital (Restricted) Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	300	400	300	100	-
Other Non-Operating Expenditures	-	-	-	-	-
R&R and Other Transfers Out	(729,900)	(112,900)	(112,900)	(112,900)	(112,900)
Capital Expenditures Paid by Rates	(305,400)	(313,100)	(320,900)	(328,900)	(337,200)
Total Other Revenue/(Expenses)	\$ (1,035,000)	\$ (425,600)	\$ (433,500)	\$ (441,700)	\$ (450,100)
Total Available for Other Uses	\$ (306,000)	\$ 65,400	\$ (189,900)	\$ (454,100)	\$ (737,500)
Rate Increase for Revenue Sufficiency	0.000%	0.000%	0.000%	0.000%	0.000%
Coverage Test on Debt Service					
Achieved	3.2187	1.9532	1.3528	0.9859	0.7323
Target Minimum	1.3000	1.3000	1.3000	1.3000	1.3000
Projected Fund Balances					
Unrestricted	\$ 722,323	\$ 738,123	\$ 448,623	\$ (105,077)	\$ (842,077)
Restricted	750,400	800,400	900,400	1,000,500	1,000,500
Total	\$ 1,472,723	\$ 1,538,523	\$ 1,349,023	\$ 895,423	\$ 158,423

Note: Current rate structure with NO Capital Reserve Charge - before any rate increases.

SCENARIO 1A

Scenario 1A
Schedule 1
Town of Fort Myers Beach, FL
Water Enterprise Fund
Projected Proforma Operating Results

Account Name	Test Year	Projected Fiscal Year			
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Operating Revenues					
User Fee Revenue					
Administrative Charge	\$ 103,700	\$ 103,700	\$ 103,700	\$ 107,400	\$ 115,200
Base Charges	803,800	803,800	803,800	833,300	894,600
Usage (Gallorage) Charges	2,815,400	2,815,400	2,815,400	2,918,300	3,132,600
Subtotal User Fee Revenue	\$ 3,722,900	\$ 3,722,900	\$ 3,722,900	\$ 3,859,000	\$ 4,142,400
Other Operating Revenues					
Miscellaneous Charge Revenues	53,400	81,700	81,700	84,600	90,700
Subtotal Other Operating Revenues	\$ 53,400	\$ 81,700	\$ 81,700	\$ 84,600	\$ 90,700
Total Operating Revenues	\$ 3,776,300	\$ 3,804,600	\$ 3,804,600	\$ 3,943,600	\$ 4,233,100
O & M Expenses	2,718,600	2,798,100	2,869,700	2,943,000	3,018,300
Net Revenues Avail. For Debt Service	\$ 1,057,700	\$ 1,006,500	\$ 934,900	\$ 1,000,600	\$ 1,214,800
Debt Service	328,700	515,500	691,300	874,000	1,073,700
Operating Balance after Debt Service	\$ 729,000	\$ 491,000	\$ 243,600	\$ 126,600	\$ 141,100
Other Revenue/(Expenses)					
Capital (Restricted) Revenue	\$ 316,900	\$ 316,900	\$ 316,900	\$ 316,900	\$ 316,900
Interest Income	400	600	700	700	700
Other Non-Operating Expenditures	-	-	-	-	-
R&R and Other Transfers Out	(729,900)	(112,900)	(112,900)	(112,900)	(117,100)
Capital Expenditures Paid by Rates	(305,400)	(313,100)	(320,900)	(328,900)	(337,200)
Total Other Revenue/(Expenses)	\$ (718,000)	\$ (108,500)	\$ (116,200)	\$ (124,200)	\$ (136,700)
Total Available for Other Uses	\$ 11,000	\$ 382,500	\$ 127,400	\$ 2,400	\$ 4,400
Rate Increase for Revenue Sufficiency	0.000%	0.000%	0.000%	3.700%	7.400%
Coverage Test on Debt Service					
Achieved	4.1831	2.5684	1.8118	1.5082	1.4272
Target Minimum	1.3000	1.3000	1.3000	1.3000	1.3000
Projected Fund Balances					
Unrestricted	\$ 1,039,323	\$ 1,372,223	\$ 1,400,023	\$ 1,302,823	\$ 1,307,723
Restricted	750,400	800,400	900,400	1,000,500	1,000,500
Total	\$ 1,789,723	\$ 2,172,623	\$ 2,300,423	\$ 2,303,323	\$ 2,308,223

Note: Current rate structure with STEADY Capital Reserve Charge including rate increases as needed for sufficiency.

Scenario 1A

Schedule 2

Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Rates - FY 2014

Account	Current Rates				Proposed Rates				Differences						
	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS
Administrative Fee															
Per Account	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ -	\$ -	\$ -	\$ -	\$ -
Base Charge															
5/8" Meter	\$ 6.82	\$ 9.30	\$ 9.30	\$ 6.82	\$ 9.30	\$ 6.82	\$ 9.30	\$ 9.30	\$ 6.82	\$ 9.30	\$ -	\$ -	\$ -	\$ -	\$ -
1" Meter	\$ 6.82	\$ 19.53	\$ 19.53	\$ 6.82	\$ 9.30	\$ 6.82	\$ 19.53	\$ 19.53	\$ 6.82	\$ 9.30	\$ -	\$ -	\$ -	\$ -	\$ -
1.5" Meter	\$ 6.82	\$ 36.85	\$ 36.85	\$ 6.82	\$ 9.30	\$ 6.82	\$ 36.85	\$ 36.85	\$ 6.82	\$ 9.30	\$ -	\$ -	\$ -	\$ -	\$ -
2" Meter	\$ 6.82	\$ 57.04	\$ 57.04	\$ 6.82	\$ 9.30	\$ 6.82	\$ 57.04	\$ 57.04	\$ 6.82	\$ 9.30	\$ -	\$ -	\$ -	\$ -	\$ -
3" Meter	\$ 6.82	\$ 111.50	\$ 111.50	\$ 6.82	\$ 9.30	\$ 6.82	\$ 111.50	\$ 111.50	\$ 6.82	\$ 9.30	\$ -	\$ -	\$ -	\$ -	\$ -
4" Meter	\$ 6.82	\$ 172.98	\$ 172.98	\$ 6.82	\$ 9.30	\$ 6.82	\$ 172.98	\$ 172.98	\$ 6.82	\$ 9.30	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Reserve Charge															
5/8" Meter	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
1" Meter	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
1.5" Meter	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
2" Meter	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
3" Meter	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
4" Meter	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
Gallonge Charge															
Block 1	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ -	\$ -	\$ -	\$ -	\$ -
Block 2	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ -	\$ -	\$ -	\$ -	\$ -
Block 3	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ -	\$ -	\$ -	\$ -	\$ -
Block 4	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ -	\$ -	\$ -	\$ -	\$ -

Note: Current rate structure with STEADY Capital Reserve Charge including rate increases as needed for sufficiency.

Scenario 1A

Schedule 3 Town of Fort Myers Beach, FL Water Enterprise Fund Projected Rates FY 2014 through FY 2018

	Test Year FY 2014	FY 2015	Projected Fiscal Year		
			FY 2016	FY 2017	FY 2018
<u>Administrative Charge:</u>					
Per Billed Account per Month	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.87	\$ 3.08
<u>Base Facility Charge:</u>					
<u>Residential</u>					
Per Unit	\$ 6.82	\$ 6.82	\$ 6.82	\$ 7.07	\$ 7.59
<u>Commercial</u>					
5/8"	\$ 9.30	\$ 9.30	\$ 9.30	\$ 9.64	\$ 10.35
1"	\$ 19.53	\$ 19.53	\$ 19.53	\$ 20.25	\$ 21.75
1.5"	\$ 36.85	\$ 36.85	\$ 36.85	\$ 38.21	\$ 41.04
2"	\$ 57.04	\$ 57.04	\$ 57.04	\$ 59.15	\$ 63.53
3"	\$ 111.50	\$ 111.50	\$ 111.50	\$ 115.63	\$ 124.19
4"	\$ 172.98	\$ 172.98	\$ 172.98	\$ 179.38	\$ 192.65
<u>Irrigation</u>					
5/8"	\$ 9.30	\$ 9.30	\$ 9.30	\$ 9.64	\$ 10.35
1"	\$ 19.53	\$ 19.53	\$ 19.53	\$ 20.25	\$ 21.75
1.5"	\$ 36.85	\$ 36.85	\$ 36.85	\$ 38.21	\$ 41.04
2"	\$ 57.04	\$ 57.04	\$ 57.04	\$ 59.15	\$ 63.53
<u>Multi-Family</u>					
Per Unit	\$ 6.82	\$ 6.82	\$ 6.82	\$ 7.07	\$ 7.59
<u>Lift Stations</u>					
Per Station	\$ 9.30	\$ 9.30	\$ 9.30	\$ 9.64	\$ 10.35
<u>Capital Reserve Charge:</u>					
<u>Residential</u>					
Per Unit	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
<u>Commercial</u>					
5/8"	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
1"	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80
1.5"	\$ 13.60	\$ 13.60	\$ 13.60	\$ 13.60	\$ 13.60
2"	\$ 21.86	\$ 21.86	\$ 21.86	\$ 21.86	\$ 21.86
3"	\$ 44.12	\$ 44.12	\$ 44.12	\$ 44.12	\$ 44.12
4"	\$ 68.10	\$ 68.10	\$ 68.10	\$ 68.10	\$ 68.10
<u>Irrigation</u>					
5/8"	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
1"	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80
1.5"	\$ 13.60	\$ 13.60	\$ 13.60	\$ 13.60	\$ 13.60
2"	\$ 21.86	\$ 21.86	\$ 21.86	\$ 21.86	\$ 21.86
<u>Multi-Family (per Unit)</u>					
Per Unit	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
<u>Lift Stations</u>					
Per Station	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
<u>Gallage Charges:</u>					
<u>Volume Charges (per 1,000 gallons)</u>					
<u>All Customers</u>					
Block 1	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.46	\$ 5.86
Block 2	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.50	\$ 6.98
Block 3	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.54	\$ 8.10
Block 4	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.58	\$ 9.21
Additional Rate Increases	0.00%	0.00%	0.00%	3.70%	7.40%

Note: Current rate structure with STEADY Capital Reserve Charge including rate increases as needed for sufficiency.

Scenario 1A
Schedule 4
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Monthly Bills

Customer Class	Usage	Monthly Bill		Difference			
		Current	Proposed	Amount	Percent		
Residential							
5/8"	3	\$	28.12	\$	28.12	\$ -	0.00%
5/8"	5	\$	38.66	\$	38.66	\$ -	0.00%
5/8"	14	\$	94.09	\$	94.09	\$ -	0.00%
Commercial							
5/8"	9	\$	63.22	\$	63.22	\$ -	0.00%
5/8"	18	\$	119.65	\$	119.65	\$ -	0.00%
5/8"	36	\$	238.51	\$	238.51	\$ -	0.00%
1"	18	\$	132.96	\$	132.96	\$ -	0.00%
1"	30	\$	208.20	\$	208.20	\$ -	0.00%
1"	80	\$	581.70	\$	581.70	\$ -	0.00%
1.5"	35	\$	260.67	\$	260.67	\$ -	0.00%
1.5"	60	\$	432.42	\$	432.42	\$ -	0.00%
1.5"	100	\$	758.22	\$	758.22	\$ -	0.00%
2"	50	\$	380.17	\$	380.17	\$ -	0.00%
2"	125	\$	980.42	\$	980.42	\$ -	0.00%
2"	250	\$	2,014.17	\$	2,014.17	\$ -	0.00%
3"	90	\$	672.69	\$	672.69	\$ -	0.00%
3"	200	\$	1,462.39	\$	1,462.39	\$ -	0.00%
3"	500	\$	3,743.39	\$	3,743.39	\$ -	0.00%
4"	350	\$	2,428.35	\$	2,428.35	\$ -	0.00%
4"	500	\$	3,518.85	\$	3,518.85	\$ -	0.00%
4"	700	\$	5,172.85	\$	5,172.85	\$ -	0.00%
Irrigation							
5/8"	5	\$	41.14	\$	41.14	\$ -	0.00%
5/8"	25	\$	163.54	\$	163.54	\$ -	0.00%
5/8"	50	\$	340.29	\$	340.29	\$ -	0.00%
1"	15	\$	114.15	\$	114.15	\$ -	0.00%
1"	25	\$	176.85	\$	176.85	\$ -	0.00%
1"	100	\$	747.10	\$	747.10	\$ -	0.00%
1.5"	30	\$	229.32	\$	229.32	\$ -	0.00%
1.5"	80	\$	592.82	\$	592.82	\$ -	0.00%
1.5"	250	\$	1,998.72	\$	1,998.72	\$ -	0.00%
2"	20	\$	192.07	\$	192.07	\$ -	0.00%
2"	50	\$	380.17	\$	380.17	\$ -	0.00%
2"	150	\$	1,187.17	\$	1,187.17	\$ -	0.00%
Multi-Family							
Per Unit	2	\$	22.85	\$	22.85	\$ -	0.00%
Per Unit	4	\$	33.39	\$	33.39	\$ -	0.00%
Per Unit	10	\$	69.01	\$	69.01	\$ -	0.00%
Lift Stations							
Per Station	0	\$	14.79	\$	14.79	\$ -	0.00%
Per Station	1	\$	20.06	\$	20.06	\$ -	0.00%
Per Station	2	\$	25.33	\$	25.33	\$ -	0.00%

Note: Current rate structure with STEADY Capital Reserve Charge including rate increases as needed for sufficiency.

Scenario 1A
Schedule 5
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Revenue Distribution by Class and Rate Component
Test Year FY 2014

Revenue	Current		Proposed		Difference	
	Revenue	% of Total	Revenue	% of Total	Amount	Percent
Residential						
Admin	\$ 77,900	1.93%	\$ 77,900	1.93%	\$ -	0.00%
Base	191,800	4.75%	191,800	4.75%	-	0.00%
Capital	76,500	1.89%	76,500	1.89%	-	0.00%
Usage	817,000	20.22%	817,000	20.22%	-	0.00%
Subtotal	\$ 1,163,200		\$ 1,163,200		\$ -	0.00%
Commercial						
Admin	\$ 7,100	0.18%	\$ 7,100	0.18%	\$ -	0.00%
Base	66,000	1.63%	66,000	1.63%	-	0.00%
Capital	23,800	0.59%	23,800	0.59%	-	0.00%
Usage	859,300	21.27%	859,300	21.27%	-	0.00%
Subtotal	\$ 956,200		\$ 956,200		\$ -	0.00%
Irrigation						
Admin	\$ 2,500	0.06%	\$ 2,500	0.06%	\$ -	0.00%
Base	19,500	0.48%	19,500	0.48%	-	0.00%
Capital	6,900	0.17%	6,900	0.17%	-	0.00%
Usage	214,200	5.30%	214,200	5.30%	-	0.00%
Subtotal	\$ 243,100		\$ 243,100		\$ -	0.00%
Multi-Family						
Admin	\$ 15,600	0.39%	\$ 15,600	0.39%	\$ -	0.00%
Base	524,600	12.99%	524,600	12.99%	-	0.00%
Capital	209,200	5.18%	209,200	5.18%	-	0.00%
Usage	924,800	22.89%	924,800	22.89%	-	0.00%
Subtotal	\$ 1,674,200		\$ 1,674,200		\$ -	0.00%
Lift Station						
Admin	\$ 600	0.01%	\$ 600	0.01%	\$ -	0.00%
Base	1,900	0.05%	1,900	0.05%	-	0.00%
Capital	500	0.01%	500	0.01%	-	0.00%
Usage	100	0.00%	100	0.00%	-	0.00%
Subtotal	\$ 3,100		\$ 3,100		\$ -	0.00%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,039,800	100.00%	\$ -	0.00%
Total Revenue Summary - By Class						
Residential	\$ 1,163,200	28.79%	\$ 1,163,200	28.79%	\$ -	0.00%
Commercial	956,200	23.67%	956,200	23.67%	-	0.00%
Irrigation	243,100	6.02%	243,100	6.02%	-	0.00%
Multi-Family	1,674,200	41.44%	1,674,200	41.44%	-	0.00%
Lift Station	3,100	0.08%	3,100	0.08%	-	0.00%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,039,800	100.00%	\$ -	0.00%
Total Revenue Summary - By Component						
Admin	\$ 103,700	2.57%	\$ 103,700	2.57%	\$ -	0.00%
Base	803,800	19.90%	803,800	19.90%	-	0.00%
Capital	316,900	7.84%	316,900	7.84%	-	0.00%
Usage	2,815,400	69.69%	2,815,400	69.69%	-	0.00%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,039,800	100.00%	\$ -	0.00%

Note: Current rate structure with STEADY Capital Reserve Charge including rate increases as needed for sufficiency.

SCENARIO 1B

Scenario 1B
Schedule 1
Town of Fort Myers Beach, FL
Water Enterprise Fund
Projected Proforma Operating Results

Account Name	Test Year	Projected Fiscal Year			
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Operating Revenues					
User Fee Revenue					
Administrative Charge	\$ 103,700	\$ 103,700	\$ 103,700	\$ 107,100	\$ 114,100
Base Charges	803,800	803,800	803,800	831,000	887,500
Usage (Gallorage) Charges	2,815,400	2,815,400	2,815,400	2,910,900	3,108,800
Subtotal User Fee Revenue	\$ 3,722,900	\$ 3,722,900	\$ 3,722,900	\$ 3,849,000	\$ 4,110,400
Other Operating Revenues					
Miscellaneous Charge Revenues	53,400	81,700	81,700	84,400	90,200
Subtotal Other Operating Revenues	\$ 53,400	\$ 81,700	\$ 81,700	\$ 84,400	\$ 90,200
Total Operating Revenues	\$ 3,776,300	\$ 3,804,600	\$ 3,804,600	\$ 3,933,400	\$ 4,200,600
O & M Expenses	2,718,600	2,798,100	2,869,700	2,943,000	3,018,300
Net Revenues Avail. For Debt Service	\$ 1,057,700	\$ 1,006,500	\$ 934,900	\$ 990,400	\$ 1,182,300
Debt Service	328,700	515,500	691,300	874,000	1,073,700
Operating Balance after Debt Service	\$ 729,000	\$ 491,000	\$ 243,600	\$ 116,400	\$ 108,600
Other Revenue/(Expenses)					
Capital (Restricted) Revenue	\$ 316,900	\$ 316,900	\$ 316,900	\$ 328,600	\$ 351,800
Interest Income	400	600	700	700	700
Other Non-Operating Expenditures	-	-	-	-	-
R&R and Other Transfers Out	(729,900)	(112,900)	(112,900)	(112,900)	(116,800)
Capital Expenditures Paid by Rates	(305,400)	(313,100)	(320,900)	(328,900)	(337,200)
Total Other Revenue/(Expenses)	\$ (718,000)	\$ (108,500)	\$ (116,200)	\$ (112,500)	\$ (101,500)
Total Available for Other Uses	\$ 11,000	\$ 382,500	\$ 127,400	\$ 3,900	\$ 7,100
Rate Increase for Revenue Sufficiency	0.000%	0.000%	0.000%	3.400%	6.800%
Coverage Test on Debt Service					
Achieved	4.1831	2.5684	1.8118	1.5100	1.4294
Target Minimum	1.3000	1.3000	1.3000	1.3000	1.3000
Projected Fund Balances					
Unrestricted	\$ 1,039,323	\$ 1,372,223	\$ 1,400,023	\$ 1,304,323	\$ 1,311,923
Restricted	750,400	800,400	900,400	1,000,500	1,000,500
Total	\$ 1,789,723	\$ 2,172,623	\$ 2,300,423	\$ 2,304,823	\$ 2,312,423

Note: Current rate structure with INCREASED Capital Reserve Charge and rate increases for revenue sufficiency.

Scenario 1B

Schedule 2

Town of Fort Myers Beach, FL

Water Enterprise Fund

Current and Proposed Rates - FY 2014

Account	Current Rates				Proposed Rates				Differences						
	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS
Administrative Fee															
Per Account	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ -	\$ -	\$ -	\$ -	\$ -
Base Charge															
5/8" Meter	\$ 6.82	\$ 9.30	\$ 9.30	\$ 6.82	\$ 9.30	\$ 6.82	\$ 9.30	\$ 9.30	\$ 6.82	\$ 9.30	\$ -	\$ -	\$ -	\$ -	\$ -
1" Meter	\$ 6.82	\$ 19.53	\$ 19.53	\$ 6.82	\$ 9.30	\$ 6.82	\$ 19.53	\$ 19.53	\$ 6.82	\$ 9.30	\$ -	\$ -	\$ -	\$ -	\$ -
1.5" Meter	\$ 6.82	\$ 36.85	\$ 36.85	\$ 6.82	\$ 9.30	\$ 6.82	\$ 36.85	\$ 36.85	\$ 6.82	\$ 9.30	\$ -	\$ -	\$ -	\$ -	\$ -
2" Meter	\$ 6.82	\$ 57.04	\$ 57.04	\$ 6.82	\$ 9.30	\$ 6.82	\$ 57.04	\$ 57.04	\$ 6.82	\$ 9.30	\$ -	\$ -	\$ -	\$ -	\$ -
3" Meter	\$ 6.82	\$ 111.50	\$ 111.50	\$ 6.82	\$ 9.30	\$ 6.82	\$ 111.50	\$ 111.50	\$ 6.82	\$ 9.30	\$ -	\$ -	\$ -	\$ -	\$ -
4" Meter	\$ 6.82	\$ 172.98	\$ 172.98	\$ 6.82	\$ 9.30	\$ 6.82	\$ 172.98	\$ 172.98	\$ 6.82	\$ 9.30	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Reserve Charge															
5/8" Meter	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
1" Meter	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
1.5" Meter	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
2" Meter	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
3" Meter	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
4" Meter	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
Gallonge Charge															
Block 1	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ -	\$ -	\$ -	\$ -	\$ -
Block 2	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ -	\$ -	\$ -	\$ -	\$ -
Block 3	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ -	\$ -	\$ -	\$ -	\$ -
Block 4	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ -	\$ -	\$ -	\$ -	\$ -

Note: Current rate structure with INCREASED Capital Reserve Charge and rate increases for revenue sufficiency.

Scenario 1B

Schedule 3 Town of Fort Myers Beach, FL Water Enterprise Fund Projected Rates FY 2014 through FY 2018

	Test Year FY 2014	Projected Fiscal Year			
		FY 2015	FY 2016	FY 2017	FY 2018
Administrative Charge:					
Per Billed Account per Month	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.86	\$ 3.05
Base Facility Charge:					
<u>Residential</u>					
Per Unit	\$ 6.82	\$ 6.82	\$ 6.82	\$ 7.05	\$ 7.53
<u>Commercial</u>					
5/8"	\$ 9.30	\$ 9.30	\$ 9.30	\$ 9.62	\$ 10.27
1"	\$ 19.53	\$ 19.53	\$ 19.53	\$ 20.19	\$ 21.56
1.5"	\$ 36.85	\$ 36.85	\$ 36.85	\$ 38.10	\$ 40.69
2"	\$ 57.04	\$ 57.04	\$ 57.04	\$ 58.98	\$ 62.99
3"	\$ 111.50	\$ 111.50	\$ 111.50	\$ 115.29	\$ 123.13
4"	\$ 172.98	\$ 172.98	\$ 172.98	\$ 178.86	\$ 191.02
<u>Irrigation</u>					
5/8"	\$ 9.30	\$ 9.30	\$ 9.30	\$ 9.62	\$ 10.27
1"	\$ 19.53	\$ 19.53	\$ 19.53	\$ 20.19	\$ 21.56
1.5"	\$ 36.85	\$ 36.85	\$ 36.85	\$ 38.10	\$ 40.69
2"	\$ 57.04	\$ 57.04	\$ 57.04	\$ 58.98	\$ 62.99
<u>Multi-Family</u>					
Per Unit	\$ 6.82	\$ 6.82	\$ 6.82	\$ 7.05	\$ 7.53
<u>Lift Stations</u>					
Per Station	\$ 9.30	\$ 9.30	\$ 9.30	\$ 9.62	\$ 10.27
Capital Reserve Charge:					
<u>Residential</u>					
Per Unit	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.82	\$ 3.02
<u>Commercial</u>					
5/8"	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.82	\$ 3.02
1"	\$ 6.80	\$ 6.80	\$ 6.80	\$ 7.04	\$ 7.52
1.5"	\$ 13.60	\$ 13.60	\$ 13.60	\$ 14.07	\$ 15.03
2"	\$ 21.86	\$ 21.86	\$ 21.86	\$ 22.61	\$ 24.15
3"	\$ 44.12	\$ 44.12	\$ 44.12	\$ 45.63	\$ 48.74
4"	\$ 68.10	\$ 68.10	\$ 68.10	\$ 70.42	\$ 75.21
<u>Irrigation</u>					
5/8"	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.82	\$ 3.02
1"	\$ 6.80	\$ 6.80	\$ 6.80	\$ 7.04	\$ 7.52
1.5"	\$ 13.60	\$ 13.60	\$ 13.60	\$ 14.07	\$ 15.03
2"	\$ 21.86	\$ 21.86	\$ 21.86	\$ 22.61	\$ 24.15
<u>Multi-Family (per Unit)</u>					
Per Unit	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.82	\$ 3.02
<u>Lift Stations</u>					
Per Station	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.82	\$ 3.02
Gallage Charges:					
<u>Volume Charges (per 1,000 gallons)</u>					
All Customers					
Block 1	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.45	\$ 5.82
Block 2	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.48	\$ 6.92
Block 3	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.52	\$ 8.03
Block 4	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.55	\$ 9.13
Additional Rate Increases	0.00%	0.00%	0.00%	3.40%	6.80%

Note: Current rate structure with INCREASED Capital Reserve Charge and rate increases for revenue sufficiency.

Scenario 1B
Schedule 4
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Monthly Bills

Customer Class	Usage	Monthly Bill		Difference		
		Current	Proposed	Amount	Percent	
Residential						
5/8"	3	\$ 28.12	\$ 28.12	\$ -	0.00%	
5/8"	5	\$ 38.66	\$ 38.66	\$ -	0.00%	
5/8"	14	\$ 94.09	\$ 94.09	\$ -	0.00%	
Commercial						
5/8"	9	\$ 63.22	\$ 63.22	\$ -	0.00%	
5/8"	18	\$ 119.65	\$ 119.65	\$ -	0.00%	
5/8"	36	\$ 238.51	\$ 238.51	\$ -	0.00%	
1"	18	\$ 132.96	\$ 132.96	\$ -	0.00%	
1"	30	\$ 208.20	\$ 208.20	\$ -	0.00%	
1"	80	\$ 581.70	\$ 581.70	\$ -	0.00%	
1.5"	35	\$ 260.67	\$ 260.67	\$ -	0.00%	
1.5"	60	\$ 432.42	\$ 432.42	\$ -	0.00%	
1.5"	100	\$ 758.22	\$ 758.22	\$ -	0.00%	
2"	50	\$ 380.17	\$ 380.17	\$ -	0.00%	
2"	125	\$ 980.42	\$ 980.42	\$ -	0.00%	
2"	250	\$ 2,014.17	\$ 2,014.17	\$ -	0.00%	
3"	90	\$ 672.69	\$ 672.69	\$ -	0.00%	
3"	200	\$ 1,462.39	\$ 1,462.39	\$ -	0.00%	
3"	500	\$ 3,743.39	\$ 3,743.39	\$ -	0.00%	
4"	350	\$ 2,428.35	\$ 2,428.35	\$ -	0.00%	
4"	500	\$ 3,518.85	\$ 3,518.85	\$ -	0.00%	
4"	700	\$ 5,172.85	\$ 5,172.85	\$ -	0.00%	
Irrigation						
5/8"	5	\$ 41.14	\$ 41.14	\$ -	0.00%	
5/8"	25	\$ 163.54	\$ 163.54	\$ -	0.00%	
5/8"	50	\$ 340.29	\$ 340.29	\$ -	0.00%	
1"	15	\$ 114.15	\$ 114.15	\$ -	0.00%	
1"	25	\$ 176.85	\$ 176.85	\$ -	0.00%	
1"	100	\$ 747.10	\$ 747.10	\$ -	0.00%	
1.5"	30	\$ 229.32	\$ 229.32	\$ -	0.00%	
1.5"	80	\$ 592.82	\$ 592.82	\$ -	0.00%	
1.5"	250	\$ 1,998.72	\$ 1,998.72	\$ -	0.00%	
2"	20	\$ 192.07	\$ 192.07	\$ -	0.00%	
2"	50	\$ 380.17	\$ 380.17	\$ -	0.00%	
2"	150	\$ 1,187.17	\$ 1,187.17	\$ -	0.00%	
Multi-Family						
Per Unit	2	\$ 22.85	\$ 22.85	\$ -	0.00%	
Per Unit	4	\$ 33.39	\$ 33.39	\$ -	0.00%	
Per Unit	10	\$ 69.01	\$ 69.01	\$ -	0.00%	
Lift Stations						
Per Station	0	\$ 14.79	\$ 14.79	\$ -	0.00%	
Per Station	1	\$ 20.06	\$ 20.06	\$ -	0.00%	
Per Station	2	\$ 25.33	\$ 25.33	\$ -	0.00%	

Note: Current rate structure with INCREASED Capital Reserve Charge and rate increases for revenue sufficiency.

Scenario 1B
Schedule 5
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Revenue Distribution by Class and Rate Component
Test Year FY 2014

Revenue	Current		Proposed		Difference	
	Revenue	% of Total	Revenue	% of Total	Amount	Percent
Residential						
Admin	\$ 77,900	1.93%	\$ 77,900	1.93%	\$ -	0.00%
Base	191,800	4.75%	191,800	4.75%	-	0.00%
Capital	76,500	1.89%	76,500	1.89%	-	0.00%
Usage	817,000	20.22%	817,000	20.22%	-	0.00%
Subtotal	\$ 1,163,200		\$ 1,163,200		\$ -	0.00%
Commercial						
Admin	\$ 7,100	0.18%	\$ 7,100	0.18%	\$ -	0.00%
Base	66,000	1.63%	66,000	1.63%	-	0.00%
Capital	23,800	0.59%	23,800	0.59%	-	0.00%
Usage	859,300	21.27%	859,300	21.27%	-	0.00%
Subtotal	\$ 956,200		\$ 956,200		\$ -	0.00%
Irrigation						
Admin	\$ 2,500	0.06%	\$ 2,500	0.06%	\$ -	0.00%
Base	19,500	0.48%	19,500	0.48%	-	0.00%
Capital	6,900	0.17%	6,900	0.17%	-	0.00%
Usage	214,200	5.30%	214,200	5.30%	-	0.00%
Subtotal	\$ 243,100		\$ 243,100		\$ -	0.00%
Multi-Family						
Admin	\$ 15,600	0.39%	\$ 15,600	0.39%	\$ -	0.00%
Base	524,600	12.99%	524,600	12.99%	-	0.00%
Capital	209,200	5.18%	209,200	5.18%	-	0.00%
Usage	924,800	22.89%	924,800	22.89%	-	0.00%
Subtotal	\$ 1,674,200		\$ 1,674,200		\$ -	0.00%
Lift Station						
Admin	\$ 600	0.01%	\$ 600	0.01%	\$ -	0.00%
Base	1,900	0.05%	1,900	0.05%	-	0.00%
Capital	500	0.01%	500	0.01%	-	0.00%
Usage	100	0.00%	100	0.00%	-	0.00%
Subtotal	\$ 3,100		\$ 3,100		\$ -	0.00%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,039,800	100.00%	\$ -	0.00%
Total Revenue Summary - By Class						
Residential	\$ 1,163,200	28.79%	\$ 1,163,200	28.79%	\$ -	0.00%
Commercial	956,200	23.67%	956,200	23.67%	-	0.00%
Irrigation	243,100	6.02%	243,100	6.02%	-	0.00%
Multi-Family	1,674,200	41.44%	1,674,200	41.44%	-	0.00%
Lift Station	3,100	0.08%	3,100	0.08%	-	0.00%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,039,800	100.00%	\$ -	0.00%
Total Revenue Summary - By Component						
Admin	\$ 103,700	2.57%	\$ 103,700	2.57%	\$ -	0.00%
Base	803,800	19.90%	803,800	19.90%	-	0.00%
Capital	316,900	7.84%	316,900	7.84%	-	0.00%
Usage	2,815,400	69.69%	2,815,400	69.69%	-	0.00%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,039,800	100.00%	\$ -	0.00%

Note: Current rate structure with INCREASED Capital Reserve Charge and rate increases for revenue sufficiency.

SCENARIO 1C

Scenario 1C
Schedule 1
Town of Fort Myers Beach, FL
Water Enterprise Fund
Projected Proforma Operating Results

Account Name	Test Year	Projected Fiscal Year			
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Operating Revenues					
User Fee Revenue					
Administrative Charge	\$ 112,200	\$ 112,200	\$ 112,200	\$ 116,000	\$ 123,900
Base Charges	869,800	869,800	869,800	898,100	959,100
Usage (Gallorage) Charges	3,067,400	3,067,400	3,067,400	3,164,900	3,379,800
Subtotal User Fee Revenue	\$ 4,049,400	\$ 4,049,400	\$ 4,049,400	\$ 4,179,000	\$ 4,462,800
Other Operating Revenues					
Miscellaneous Charge Revenues	57,800	88,500	88,500	91,300	97,400
Subtotal Other Operating Revenues	\$ 57,800	\$ 88,500	\$ 88,500	\$ 91,300	\$ 97,400
Total Operating Revenues	\$ 4,107,200	\$ 4,137,900	\$ 4,137,900	\$ 4,270,300	\$ 4,560,200
O & M Expenses	2,718,600	2,798,100	2,869,700	2,943,000	3,018,300
Net Revenues Avail. For Debt Service	\$ 1,388,600	\$ 1,339,800	\$ 1,268,200	\$ 1,327,300	\$ 1,541,900
Debt Service	328,700	515,500	691,300	874,000	1,073,700
Operating Balance after Debt Service	\$ 1,059,900	\$ 824,300	\$ 576,900	\$ 453,300	\$ 468,200
Other Revenue/(Expenses)					
Capital (Restricted) Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	400	600	700	700	700
Other Non-Operating Expenditures	-	-	-	-	-
R&R and Other Transfers Out	(729,900)	(122,800)	(122,800)	(122,800)	(126,800)
Capital Expenditures Paid by Rates	(305,400)	(313,100)	(320,900)	(328,900)	(337,200)
Total Other Revenue/(Expenses)	\$ (1,034,900)	\$ (435,300)	\$ (443,000)	\$ (451,000)	\$ (463,300)
Total Available for Other Uses	\$ 25,000	\$ 389,000	\$ 133,900	\$ 2,300	\$ 4,900
Rate Increase for Revenue Sufficiency	8.200%	0.000%	0.000%	3.200%	6.800%
Coverage Test on Debt Service					
Achieved	4.2257	2.6002	1.8355	1.5195	1.4367
Target Minimum	1.3000	1.3000	1.3000	1.3000	1.3000
Projected Fund Balances					
Unrestricted	\$ 1,053,323	\$ 1,392,723	\$ 1,427,023	\$ 1,329,723	\$ 1,335,123
Restricted	750,400	800,400	900,400	1,000,500	1,000,500
Total	\$ 1,803,723	\$ 2,193,123	\$ 2,327,423	\$ 2,330,223	\$ 2,335,623

Note: Current rate structure with NO Capital Reserve Charge and rate increases for revenue sufficiency.

Scenario 1C

Schedule 2

Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Rates - FY 2014

Account	Current Rates				Proposed Rates				Differences						
	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS
Administrative Fee															
Per Account	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 0.23	\$ 0.23	\$ 0.23	\$ 0.23	\$ 0.23
Base Charge															
5/8" Meter	\$ 6.82	\$ 9.30	\$ 9.30	\$ 6.82	\$ 9.30	\$ 7.38	\$ 10.07	\$ 10.07	\$ 7.38	\$ 10.07	\$ 0.56	\$ 0.77	\$ 0.77	\$ 0.56	\$ 0.77
1" Meter	\$ 6.82	\$ 19.53	\$ 19.53	\$ 6.82	\$ 9.30	\$ 7.38	\$ 21.14	\$ 21.14	\$ 7.38	\$ 10.07	\$ 0.56	\$ 1.61	\$ 1.61	\$ 0.56	\$ 0.77
1.5" Meter	\$ 6.82	\$ 36.85	\$ 36.85	\$ 6.82	\$ 9.30	\$ 7.38	\$ 39.88	\$ 39.88	\$ 7.38	\$ 10.07	\$ 0.56	\$ 3.03	\$ 3.03	\$ 0.56	\$ 0.77
2" Meter	\$ 6.82	\$ 57.04	\$ 57.04	\$ 6.82	\$ 9.30	\$ 7.38	\$ 61.73	\$ 61.73	\$ 7.38	\$ 10.07	\$ 0.56	\$ 4.69	\$ 4.69	\$ 0.56	\$ 0.77
3" Meter	\$ 6.82	\$ 111.50	\$ 111.50	\$ 6.82	\$ 9.30	\$ 7.38	\$ 120.66	\$ 120.66	\$ 7.38	\$ 10.07	\$ 0.56	\$ 9.16	\$ 9.16	\$ 0.56	\$ 0.77
4" Meter	\$ 6.82	\$ 172.98	\$ 172.98	\$ 6.82	\$ 9.30	\$ 7.38	\$ 187.19	\$ 187.19	\$ 7.38	\$ 10.07	\$ 0.56	\$ 14.21	\$ 14.21	\$ 0.56	\$ 0.77
Capital Reserve Charge															
5/8" Meter	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (2.72)	\$ (2.72)	\$ (2.72)	\$ (2.72)
1" Meter	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (6.80)	\$ (6.80)	\$ (2.72)	\$ (2.72)
1.5" Meter	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (13.60)	\$ (13.60)	\$ (2.72)	\$ (2.72)
2" Meter	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (21.86)	\$ (21.86)	\$ (2.72)	\$ (2.72)
3" Meter	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (44.12)	\$ (44.12)	\$ (2.72)	\$ (2.72)
4" Meter	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (68.10)	\$ (68.10)	\$ (2.72)	\$ (2.72)
Gallonge Charge															
Block 1	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.71	\$ 5.71	\$ 5.71	\$ 5.71	\$ 5.71	\$ 0.44	\$ 0.44	\$ 0.44	\$ 0.44	\$ 0.44
Block 2	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.84	\$ 6.84	\$ 6.84	\$ 6.84	\$ 6.84	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57
Block 3	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.97	\$ 7.97	\$ 7.97	\$ 7.97	\$ 7.97	\$ 0.70	\$ 0.70	\$ 0.70	\$ 0.70	\$ 0.70
Block 4	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 9.10	\$ 9.10	\$ 9.10	\$ 9.10	\$ 9.10	\$ 0.83	\$ 0.83	\$ 0.83	\$ 0.83	\$ 0.83

Note: Current rate structure with NO Capital Reserve Charge and rate increases for revenue sufficiency.

Scenario 1C

Schedule 3 Town of Fort Myers Beach, FL Water Enterprise Fund Projected Rates FY 2014 through FY 2018

	Test Year FY 2014	FY 2015	Projected Fiscal Year		
			FY 2016	FY 2017	FY 2018
<u>Administrative Charge:</u>					
Per Billed Account per Month	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.10	\$ 3.31
<u>Base Facility Charge:</u>					
<u>Residential</u>					
Per Unit	\$ 7.38	\$ 7.38	\$ 7.38	\$ 7.62	\$ 8.14
<u>Commercial</u>					
5/8"	\$ 10.07	\$ 10.07	\$ 10.07	\$ 10.39	\$ 11.10
1"	\$ 21.14	\$ 21.14	\$ 21.14	\$ 21.82	\$ 23.30
1.5"	\$ 39.88	\$ 39.88	\$ 39.88	\$ 41.16	\$ 43.96
2"	\$ 61.73	\$ 61.73	\$ 61.73	\$ 63.71	\$ 68.04
3"	\$ 120.66	\$ 120.66	\$ 120.66	\$ 124.52	\$ 132.99
4"	\$ 187.19	\$ 187.19	\$ 187.19	\$ 193.18	\$ 206.32
<u>Irrigation</u>					
5/8"	\$ 10.07	\$ 10.07	\$ 10.07	\$ 10.39	\$ 11.10
1"	\$ 21.14	\$ 21.14	\$ 21.14	\$ 21.82	\$ 23.30
1.5"	\$ 39.88	\$ 39.88	\$ 39.88	\$ 41.16	\$ 43.96
2"	\$ 61.73	\$ 61.73	\$ 61.73	\$ 63.71	\$ 68.04
<u>Multi-Family</u>					
Per Unit	\$ 7.38	\$ 7.38	\$ 7.38	\$ 7.62	\$ 8.14
<u>Lift Stations</u>					
Per Station	\$ 10.07	\$ 10.07	\$ 10.07	\$ 10.39	\$ 11.10
<u>Capital Reserve Charge:</u>					
<u>Residential</u>					
Per Unit	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Commercial</u>					
5/8"	\$ -	\$ -	\$ -	\$ -	\$ -
1"	\$ -	\$ -	\$ -	\$ -	\$ -
1.5"	\$ -	\$ -	\$ -	\$ -	\$ -
2"	\$ -	\$ -	\$ -	\$ -	\$ -
3"	\$ -	\$ -	\$ -	\$ -	\$ -
4"	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Irrigation</u>					
5/8"	\$ -	\$ -	\$ -	\$ -	\$ -
1"	\$ -	\$ -	\$ -	\$ -	\$ -
1.5"	\$ -	\$ -	\$ -	\$ -	\$ -
2"	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Multi-Family (per Unit)</u>					
Per Unit	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Lift Stations</u>					
Per Station	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Gallage Charges:</u>					
<u>Volume Charges (per 1,000 gallons)</u>					
<u>All Customers</u>					
Block 1	\$ 5.71	\$ 5.71	\$ 5.71	\$ 5.89	\$ 6.29
Block 2	\$ 6.84	\$ 6.84	\$ 6.84	\$ 7.06	\$ 7.54
Block 3	\$ 7.97	\$ 7.97	\$ 7.97	\$ 8.23	\$ 8.79
Block 4	\$ 9.10	\$ 9.10	\$ 9.10	\$ 9.39	\$ 10.03
Additional Rate Increases	8.20%	0.00%	0.00%	3.20%	6.80%

Note: Current rate structure with NO Capital Reserve Charge and rate increases for revenue sufficiency.

Scenario 1C
Schedule 4
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Monthly Bills

Customer Class	Usage	Monthly Bill		Difference		
		Current	Proposed	Amount	Percent	
Residential						
5/8"	3	\$ 28.12	\$ 27.51	\$ (0.61)	-2.17%	
5/8"	5	\$ 38.66	\$ 38.93	\$ 0.27	0.70%	
5/8"	14	\$ 94.09	\$ 99.36	\$ 5.27	5.60%	
Commercial						
5/8"	9	\$ 63.22	\$ 65.59	\$ 2.37	3.75%	
5/8"	18	\$ 119.65	\$ 127.15	\$ 7.50	6.27%	
5/8"	36	\$ 238.51	\$ 257.05	\$ 18.54	7.77%	
1"	18	\$ 132.96	\$ 137.09	\$ 4.13	3.11%	
1"	30	\$ 208.20	\$ 219.17	\$ 10.97	5.27%	
1"	80	\$ 581.70	\$ 628.97	\$ 47.27	8.13%	
1.5"	35	\$ 260.67	\$ 268.72	\$ 8.05	3.09%	
1.5"	60	\$ 432.42	\$ 456.67	\$ 24.25	5.61%	
1.5"	100	\$ 758.22	\$ 815.02	\$ 56.80	7.49%	
2"	50	\$ 380.17	\$ 389.78	\$ 9.61	2.53%	
2"	125	\$ 980.42	\$ 1,049.68	\$ 69.26	7.06%	
2"	250	\$ 2,014.17	\$ 2,187.18	\$ 173.01	8.59%	
3"	90	\$ 672.69	\$ 682.76	\$ 10.07	1.50%	
3"	200	\$ 1,462.39	\$ 1,548.16	\$ 85.77	5.87%	
3"	500	\$ 3,743.39	\$ 4,052.16	\$ 308.77	8.25%	
4"	350	\$ 2,428.35	\$ 2,572.89	\$ 144.54	5.95%	
4"	500	\$ 3,518.85	\$ 3,768.39	\$ 249.54	7.09%	
4"	700	\$ 5,172.85	\$ 5,588.39	\$ 415.54	8.03%	
Irrigation						
5/8"	5	\$ 41.14	\$ 41.62	\$ 0.48	1.17%	
5/8"	25	\$ 163.54	\$ 175.03	\$ 11.49	7.03%	
5/8"	50	\$ 340.29	\$ 368.63	\$ 28.34	8.33%	
1"	15	\$ 114.15	\$ 116.57	\$ 2.42	2.12%	
1"	25	\$ 176.85	\$ 184.97	\$ 8.12	4.59%	
1"	100	\$ 747.10	\$ 810.97	\$ 63.87	8.55%	
1.5"	30	\$ 229.32	\$ 234.52	\$ 5.20	2.27%	
1.5"	80	\$ 592.82	\$ 633.02	\$ 40.20	6.78%	
1.5"	250	\$ 1,998.72	\$ 2,180.02	\$ 181.30	9.07%	
2"	20	\$ 192.07	\$ 184.58	\$ (7.49)	-3.90%	
2"	50	\$ 380.17	\$ 389.78	\$ 9.61	2.53%	
2"	150	\$ 1,187.17	\$ 1,277.18	\$ 90.01	7.58%	
Multi-Family						
Per Unit	2	\$ 22.85	\$ 21.80	\$ (1.05)	-4.60%	
Per Unit	4	\$ 33.39	\$ 33.22	\$ (0.17)	-0.51%	
Per Unit	10	\$ 69.01	\$ 72.00	\$ 2.99	4.33%	
Lift Stations						
Per Station	0	\$ 14.79	\$ 13.07	\$ (1.72)	-11.63%	
Per Station	1	\$ 20.06	\$ 18.78	\$ (1.28)	-6.38%	
Per Station	2	\$ 25.33	\$ 24.49	\$ (0.84)	-3.32%	

Note: Current rate structure with NO Capital Reserve Charge and rate increases for revenue sufficiency.

Scenario 1C
Schedule 5
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Revenue Distribution by Class and Rate Component
Test Year FY 2014

Revenue	Current		Proposed		Difference	
	Revenue	% of Total	Revenue	% of Total	Amount	Percent
Residential						
Admin	\$ 77,900	1.93%	\$ 84,400	2.08%	\$ 6,500	8.34%
Base	191,800	4.75%	207,500	5.12%	15,700	8.19%
Capital	76,500	1.89%	-	0.00%	(76,500)	-100.00%
Usage	817,000	20.22%	888,200	21.93%	71,200	8.71%
Subtotal	\$ 1,163,200		\$ 1,180,100		\$ 16,900	1.45%
Commercial						
Admin	\$ 7,100	0.18%	\$ 7,700	0.19%	\$ 600	8.45%
Base	66,000	1.63%	71,400	1.76%	5,400	8.18%
Capital	23,800	0.59%	-	0.00%	(23,800)	-100.00%
Usage	859,300	21.27%	942,100	23.27%	82,800	9.64%
Subtotal	\$ 956,200		\$ 1,021,200		\$ 65,000	6.80%
Irrigation						
Admin	\$ 2,500	0.06%	\$ 2,700	0.07%	\$ 200	8.00%
Base	19,500	0.48%	21,200	0.52%	1,700	8.72%
Capital	6,900	0.17%	-	0.00%	(6,900)	-100.00%
Usage	214,200	5.30%	234,600	5.79%	20,400	9.52%
Subtotal	\$ 243,100		\$ 258,500		\$ 15,400	6.33%
Multi-Family						
Admin	\$ 15,600	0.39%	\$ 16,800	0.41%	\$ 1,200	7.69%
Base	524,600	12.99%	567,700	14.02%	43,100	8.22%
Capital	209,200	5.18%	-	0.00%	(209,200)	-100.00%
Usage	924,800	22.89%	1,002,300	24.75%	77,500	8.38%
Subtotal	\$ 1,674,200		\$ 1,586,800		\$ (87,400)	-5.22%
Lift Station						
Admin	\$ 600	0.01%	\$ 600	0.01%	\$ -	0.00%
Base	1,900	0.05%	2,000	0.05%	100	5.26%
Capital	500	0.01%	-	0.00%	(500)	-100.00%
Usage	100	0.00%	200	0.00%	100	100.00%
Subtotal	\$ 3,100		\$ 2,800		\$ (300)	-9.68%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,049,400	100.00%	\$ 9,600	0.24%

Total Revenue Summary - By Class

Residential	\$ 1,163,200	28.79%	\$ 1,180,100	29.14%	\$ 16,900	1.45%
Commercial	956,200	23.67%	1,021,200	25.22%	65,000	6.80%
Irrigation	243,100	6.02%	258,500	6.38%	15,400	6.33%
Multi-Family	1,674,200	41.44%	1,586,800	39.19%	(87,400)	-5.22%
Lift Station	3,100	0.08%	2,800	0.07%	(300)	-9.68%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,049,400	100.00%	\$ 9,600	0.24%

Total Revenue Summary - By Component

Admin	\$ 103,700	2.57%	\$ 112,200	2.77%	\$ 8,500	8.20%
Base	803,800	19.90%	869,800	21.48%	66,000	8.21%
Capital	316,900	7.84%	-	0.00%	(316,900)	-100.00%
Usage	2,815,400	69.69%	3,067,400	75.75%	252,000	8.95%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,049,400	100.00%	\$ 9,600	0.24%

Note: Current rate structure with NO Capital Reserve Charge and rate increases for revenue sufficiency.

SCENARIO 2A

Scenario 2A
Schedule 1
Town of Fort Myers Beach, FL
Water Enterprise Fund
Projected Proforma Operating Results

Account Name	Test Year	Projected Fiscal Year			
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Operating Revenues					
User Fee Revenue					
Administrative Charge	\$ 109,300	\$ 109,300	\$ 109,300	\$ 113,400	\$ 121,700
Base Charges	863,000	863,000	863,000	894,400	960,800
Usage (Gallorage) Charges	2,742,400	2,742,400	2,742,400	2,844,100	3,053,300
Subtotal User Fee Revenue	\$ 3,714,700	\$ 3,714,700	\$ 3,714,700	\$ 3,851,900	\$ 4,135,800
Other Operating Revenues					
Miscellaneous Charge Revenues	53,400	87,900	87,900	91,000	97,600
Subtotal Other Operating Revenues	\$ 53,400	\$ 87,900	\$ 87,900	\$ 91,000	\$ 97,600
Total Operating Revenues	\$ 3,768,100	\$ 3,802,600	\$ 3,802,600	\$ 3,942,900	\$ 4,233,400
O & M Expenses	2,718,600	2,798,100	2,869,700	2,943,000	3,018,300
Net Revenues Avail. For Debt Service	\$ 1,049,500	\$ 1,004,500	\$ 932,900	\$ 999,900	\$ 1,215,100
Debt Service	328,700	515,500	691,300	874,000	1,073,700
Operating Balance after Debt Service	\$ 720,800	\$ 489,000	\$ 241,600	\$ 125,900	\$ 141,400
Other Revenue/(Expenses)					
Capital (Restricted) Revenue	\$ 316,900	\$ 316,900	\$ 316,900	\$ 316,900	\$ 316,900
Interest Income	400	600	700	700	600
Other Non-Operating Expenditures	-	-	-	-	-
R&R and Other Transfers Out	(729,900)	(112,700)	(112,700)	(112,700)	(116,800)
Capital Expenditures Paid by Rates	(305,400)	(313,100)	(320,900)	(328,900)	(337,200)
Total Other Revenue/(Expenses)	\$ (718,000)	\$ (108,300)	\$ (116,000)	\$ (124,000)	\$ (136,500)
Total Available for Other Uses	\$ 2,800	\$ 380,700	\$ 125,600	\$ 1,900	\$ 4,900
Rate Increase for Revenue Sufficiency	0.000%	0.000%	0.000%	3.700%	7.400%
Coverage Test on Debt Service					
Achieved	4.1582	2.5645	1.8089	1.5074	1.4274
Target Minimum	1.3000	1.3000	1.3000	1.3000	1.3000
Projected Fund Balances					
Unrestricted	\$ 1,031,123	\$ 1,362,223	\$ 1,388,223	\$ 1,290,523	\$ 1,295,923
Restricted	750,400	800,400	900,400	1,000,500	1,000,500
Total	\$ 1,781,523	\$ 2,162,623	\$ 2,288,623	\$ 2,291,023	\$ 2,296,423

Note: Modified rate structure with STEADY Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

Scenario 2A

Schedule 2

Town of Fort Myers Beach, FL

Water Enterprise Fund

Current and Proposed Rates - FY 2014

Account	Current Rates				Proposed Rates				Differences						
	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS
Administrative Fee															
Per Account	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.92	\$ 2.92	\$ 2.92	\$ 2.92	\$ 2.92	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15
Base Charge															
5/8" Meter	\$ 6.82	\$ 9.30	\$ 9.30	\$ 6.82	\$ 9.30	\$ 7.93	\$ 7.93	\$ 7.93	\$ 7.14	\$ 7.93	\$ 1.11	\$ (1.37)	\$ (1.37)	\$ 0.32	\$ (1.37)
1" Meter	\$ 6.82	\$ 19.53	\$ 19.53	\$ 6.82	\$ 9.30	\$ 7.93	\$ 19.83	\$ 19.83	\$ 7.14	\$ 7.93	\$ 1.11	\$ 0.30	\$ 0.30	\$ 0.32	\$ (1.37)
1.5" Meter	\$ 6.82	\$ 36.85	\$ 36.85	\$ 6.82	\$ 9.30	\$ 7.93	\$ 39.65	\$ 39.65	\$ 7.14	\$ 7.93	\$ 1.11	\$ 2.80	\$ 2.80	\$ 0.32	\$ (1.37)
2" Meter	\$ 6.82	\$ 57.04	\$ 57.04	\$ 6.82	\$ 9.30	\$ 7.93	\$ 63.44	\$ 63.44	\$ 7.14	\$ 7.93	\$ 1.11	\$ 6.40	\$ 6.40	\$ 0.32	\$ (1.37)
3" Meter	\$ 6.82	\$ 111.50	\$ 111.50	\$ 6.82	\$ 9.30	\$ 7.93	\$ 126.88	\$ 126.88	\$ 7.14	\$ 7.93	\$ 1.11	\$ 15.38	\$ 15.38	\$ 0.32	\$ (1.37)
4" Meter	\$ 6.82	\$ 172.98	\$ 172.98	\$ 6.82	\$ 9.30	\$ 7.93	\$ 198.25	\$ 198.25	\$ 7.14	\$ 7.93	\$ 1.11	\$ 25.27	\$ 25.27	\$ 0.32	\$ (1.37)
Capital Reserve Charge															
5/8" Meter	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
1" Meter	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
1.5" Meter	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
2" Meter	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
3" Meter	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
4" Meter	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
Galloneage Charge															
Block 1	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 4.88	\$ 4.88	\$ 4.88	\$ 4.88	\$ 4.88	\$ (0.39)	\$ (0.39)	\$ (0.39)	\$ (0.39)	\$ (0.39)
Block 2	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 5.86	\$ 5.86	\$ 5.86	\$ 5.86	\$ 5.86	\$ (0.41)	\$ (0.41)	\$ (0.41)	\$ (0.41)	\$ (0.41)
Block 3	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.32	\$ 7.32	\$ 7.32	\$ 7.32	\$ 7.32	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
Block 4	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 10.98	\$ 10.98	\$ 10.98	\$ 10.98	\$ 10.98	\$ 2.71	\$ 2.71	\$ 2.71	\$ 2.71	\$ 2.71

Note: Modified rate structure with STEADY Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

Scenario 2A

Schedule 3 Town of Fort Myers Beach, FL Water Enterprise Fund Projected Rates FY 2014 through FY 2018

	Test Year FY 2014	FY 2015	Projected Fiscal Year		
			FY 2016	FY 2017	FY 2018
Administrative Charge:					
Per Billed Account per Month	\$ 2.92	\$ 2.92	\$ 2.92	\$ 3.03	\$ 3.25
Base Facility Charge:					
<u>Residential</u>					
Per Unit	\$ 7.93	\$ 7.93	\$ 7.93	\$ 8.22	\$ 8.83
<u>Commercial</u>					
5/8"	\$ 7.93	\$ 7.93	\$ 7.93	\$ 8.22	\$ 8.83
1"	\$ 19.83	\$ 19.83	\$ 19.83	\$ 20.56	\$ 22.08
1.5"	\$ 39.65	\$ 39.65	\$ 39.65	\$ 41.12	\$ 44.16
2"	\$ 63.44	\$ 63.44	\$ 63.44	\$ 65.79	\$ 70.66
3"	\$ 126.88	\$ 126.88	\$ 126.88	\$ 131.57	\$ 141.31
4"	\$ 198.25	\$ 198.25	\$ 198.25	\$ 205.59	\$ 220.80
<u>Irrigation</u>					
5/8"	\$ 7.93	\$ 7.93	\$ 7.93	\$ 8.22	\$ 8.83
1"	\$ 19.83	\$ 19.83	\$ 19.83	\$ 20.56	\$ 22.08
1.5"	\$ 39.65	\$ 39.65	\$ 39.65	\$ 41.12	\$ 44.16
2"	\$ 63.44	\$ 63.44	\$ 63.44	\$ 65.79	\$ 70.66
<u>Multi-Family</u>					
Per Unit	\$ 7.14	\$ 7.14	\$ 7.14	\$ 7.40	\$ 7.95
<u>Lift Stations</u>					
Per Station	\$ 7.93	\$ 7.93	\$ 7.93	\$ 8.22	\$ 8.83
Capital Reserve Charge:					
<u>Residential</u>					
Per Unit	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
<u>Commercial</u>					
5/8"	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
1"	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80
1.5"	\$ 13.60	\$ 13.60	\$ 13.60	\$ 13.60	\$ 13.60
2"	\$ 21.86	\$ 21.86	\$ 21.86	\$ 21.86	\$ 21.86
3"	\$ 44.12	\$ 44.12	\$ 44.12	\$ 44.12	\$ 44.12
4"	\$ 68.10	\$ 68.10	\$ 68.10	\$ 68.10	\$ 68.10
<u>Irrigation</u>					
5/8"	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
1"	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80
1.5"	\$ 13.60	\$ 13.60	\$ 13.60	\$ 13.60	\$ 13.60
2"	\$ 21.86	\$ 21.86	\$ 21.86	\$ 21.86	\$ 21.86
<u>Multi-Family (per Unit)</u>					
Per Unit	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
<u>Lift Stations</u>					
Per Station	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
Gallage Charges:					
<u>Volume Charges (per 1,000 gallons)</u>					
<u>All Customers</u>					
Block 1	\$ 4.88	\$ 4.88	\$ 4.88	\$ 5.06	\$ 5.43
Block 2	\$ 5.86	\$ 5.86	\$ 5.86	\$ 6.08	\$ 6.53
Block 3	\$ 7.32	\$ 7.32	\$ 7.32	\$ 7.59	\$ 8.15
Block 4	\$ 10.98	\$ 10.98	\$ 10.98	\$ 11.39	\$ 12.23
Additional Rate Increases	0.00%	0.00%	0.00%	3.70%	7.40%

Note: Modified rate structure with STEADY Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

Scenario 2A
Schedule 4
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Monthly Bills

Customer Class	Usage	Monthly Bill		Difference		
		Current	Proposed	Amount	Percent	
Residential						
5/8"	3	\$ 28.12	\$ 28.21	\$ 0.09	0.32%	
5/8"	5	\$ 38.66	\$ 37.97	\$ (0.69)	-1.78%	
5/8"	14	\$ 94.09	\$ 89.73	\$ (4.36)	-4.63%	
Commercial						
5/8"	9	\$ 63.22	\$ 60.43	\$ (2.79)	-4.41%	
5/8"	18	\$ 119.65	\$ 117.55	\$ (2.10)	-1.76%	
5/8"	36	\$ 238.51	\$ 271.27	\$ 32.76	13.74%	
1"	18	\$ 132.96	\$ 120.33	\$ (12.63)	-9.50%	
1"	30	\$ 208.20	\$ 190.65	\$ (17.55)	-8.43%	
1"	80	\$ 581.70	\$ 563.27	\$ (18.43)	-3.17%	
1.5"	35	\$ 260.67	\$ 231.87	\$ (28.80)	-11.05%	
1.5"	60	\$ 432.42	\$ 378.37	\$ (54.05)	-12.50%	
1.5"	100	\$ 758.22	\$ 649.27	\$ (108.95)	-14.37%	
2"	50	\$ 380.17	\$ 334.18	\$ (45.99)	-12.10%	
2"	125	\$ 980.42	\$ 780.98	\$ (199.44)	-20.34%	
2"	250	\$ 2,014.17	\$ 1,732.58	\$ (281.59)	-13.98%	
3"	90	\$ 672.69	\$ 613.12	\$ (59.57)	-8.86%	
3"	200	\$ 1,462.39	\$ 1,251.84	\$ (210.55)	-14.40%	
3"	500	\$ 3,743.39	\$ 3,462.64	\$ (280.75)	-7.50%	
4"	350	\$ 2,428.35	\$ 2,173.27	\$ (255.08)	-10.50%	
4"	500	\$ 3,518.85	\$ 3,234.77	\$ (284.08)	-8.07%	
4"	700	\$ 5,172.85	\$ 4,698.77	\$ (474.08)	-9.16%	
Irrigation						
5/8"	5	\$ 41.14	\$ 37.97	\$ (3.17)	-7.71%	
5/8"	25	\$ 163.54	\$ 168.79	\$ 5.25	3.21%	
5/8"	50	\$ 340.29	\$ 424.99	\$ 84.70	24.89%	
1"	15	\$ 114.15	\$ 102.75	\$ (11.40)	-9.99%	
1"	25	\$ 176.85	\$ 161.35	\$ (15.50)	-8.76%	
1"	100	\$ 747.10	\$ 782.87	\$ 35.77	4.79%	
1.5"	30	\$ 229.32	\$ 202.57	\$ (26.75)	-11.66%	
1.5"	80	\$ 592.82	\$ 502.87	\$ (89.95)	-15.17%	
1.5"	250	\$ 1,998.72	\$ 2,113.27	\$ 114.55	5.73%	
2"	20	\$ 192.07	\$ 185.82	\$ (6.25)	-3.25%	
2"	50	\$ 380.17	\$ 334.18	\$ (45.99)	-12.10%	
2"	150	\$ 1,187.17	\$ 963.98	\$ (223.19)	-18.80%	
Multi-Family						
Per Unit	2	\$ 22.85	\$ 22.54	\$ (0.31)	-1.36%	
Per Unit	4	\$ 33.39	\$ 32.30	\$ (1.09)	-3.26%	
Per Unit	10	\$ 69.01	\$ 65.50	\$ (3.51)	-5.09%	
Lift Stations						
Per Station	0	\$ 14.79	\$ 13.57	\$ (1.22)	-8.25%	
Per Station	1	\$ 20.06	\$ 18.45	\$ (1.61)	-8.03%	
Per Station	2	\$ 25.33	\$ 23.33	\$ (2.00)	-7.90%	

Note: Modified rate structure with STEADY Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

Scenario 2A
Schedule 5
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Revenue Distribution by Class and Rate Component
Test Year FY 2014

Revenue	Current		Proposed		Difference	
	Revenue	% of Total	Revenue	% of Total	Amount	Percent
Residential						
Admin	\$ 77,900	1.93%	\$ 82,100	2.04%	\$ 4,200	5.39%
Base	191,800	4.75%	223,000	5.53%	31,200	16.27%
Capital	76,500	1.89%	76,500	1.90%	-	0.00%
Usage	817,000	20.22%	794,500	19.71%	(22,500)	-2.75%
Subtotal	\$ 1,163,200		\$ 1,176,100		\$ 12,900	1.11%
Commercial						
Admin	\$ 7,100	0.18%	\$ 7,500	0.19%	\$ 400	5.63%
Base	66,000	1.63%	69,200	1.72%	3,200	4.85%
Capital	23,800	0.59%	23,800	0.59%	-	0.00%
Usage	859,300	21.27%	882,300	21.88%	23,000	2.68%
Subtotal	\$ 956,200		\$ 982,800		\$ 26,600	2.78%
Irrigation						
Admin	\$ 2,500	0.06%	\$ 2,700	0.07%	\$ 200	8.00%
Base	19,500	0.48%	20,000	0.50%	500	2.56%
Capital	6,900	0.17%	6,900	0.17%	-	0.00%
Usage	214,200	5.30%	207,200	5.14%	(7,000)	-3.27%
Subtotal	\$ 243,100		\$ 236,800		\$ (6,300)	-2.59%
Multi-Family						
Admin	\$ 15,600	0.39%	\$ 16,400	0.41%	\$ 800	5.13%
Base	524,600	12.99%	549,200	13.62%	24,600	4.69%
Capital	209,200	5.18%	209,200	5.19%	-	0.00%
Usage	924,800	22.89%	858,300	21.29%	(66,500)	-7.19%
Subtotal	\$ 1,674,200		\$ 1,633,100		\$ (41,100)	-2.45%
Lift Station						
Admin	\$ 600	0.01%	\$ 600	0.01%	\$ -	0.00%
Base	1,900	0.05%	1,600	0.04%	(300)	-15.79%
Capital	500	0.01%	500	0.01%	-	0.00%
Usage	100	0.00%	100	0.00%	-	0.00%
Subtotal	\$ 3,100		\$ 2,800		\$ (300)	-9.68%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,031,600	100.00%	\$ (8,200)	-0.20%
Total Revenue Summary - By Class						
Residential	\$ 1,163,200	28.79%	\$ 1,176,100	29.17%	\$ 12,900	1.11%
Commercial	956,200	23.67%	982,800	24.38%	26,600	2.78%
Irrigation	243,100	6.02%	236,800	5.87%	(6,300)	-2.59%
Multi-Family	1,674,200	41.44%	1,633,100	40.51%	(41,100)	-2.45%
Lift Station	3,100	0.08%	2,800	0.07%	(300)	-9.68%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,031,600	100.00%	\$ (8,200)	-0.20%
Total Revenue Summary - By Component						
Admin	\$ 103,700	2.57%	\$ 109,300	2.71%	\$ 5,600	5.40%
Base	803,800	19.90%	863,000	21.41%	59,200	7.37%
Capital	316,900	7.84%	316,900	7.86%	-	0.00%
Usage	2,815,400	69.69%	2,742,400	68.02%	(73,000)	-2.59%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,031,600	100.00%	\$ (8,200)	-0.20%

Note: Modified rate structure with STEADY Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

SCENARIO 2B

Scenario 2B
Schedule 1
Town of Fort Myers Beach, FL
Water Enterprise Fund
Projected Proforma Operating Results

Account Name	Test Year	Projected Fiscal Year			
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Operating Revenues					
User Fee Revenue					
Administrative Charge	\$ 109,300	\$ 109,300	\$ 109,300	\$ 113,000	\$ 120,700
Base Charges	863,000	863,000	863,000	892,200	952,600
Usage (Gallage) Charges	2,742,400	2,742,400	2,742,400	2,836,800	3,028,500
Subtotal User Fee Revenue	\$ 3,714,700	\$ 3,714,700	\$ 3,714,700	\$ 3,842,000	\$ 4,101,800
Other Operating Revenues					
Miscellaneous Charge Revenues	53,400	87,900	87,900	90,800	97,000
Subtotal Other Operating Revenues	\$ 53,400	\$ 87,900	\$ 87,900	\$ 90,800	\$ 97,000
Total Operating Revenues	\$ 3,768,100	\$ 3,802,600	\$ 3,802,600	\$ 3,932,800	\$ 4,198,800
O & M Expenses	2,718,600	2,798,100	2,869,700	2,943,000	3,018,300
Net Revenues Avail. For Debt Service	\$ 1,049,500	\$ 1,004,500	\$ 932,900	\$ 989,800	\$ 1,180,500
Debt Service	328,700	515,500	691,300	874,000	1,073,700
Operating Balance after Debt Service	\$ 720,800	\$ 489,000	\$ 241,600	\$ 115,800	\$ 106,800
Other Revenue/(Expenses)					
Capital (Restricted) Revenue	\$ 316,900	\$ 316,900	\$ 316,900	\$ 328,600	\$ 351,800
Interest Income	400	600	700	700	600
Other Non-Operating Expenditures	-	-	-	-	-
R&R and Other Transfers Out	(729,900)	(112,700)	(112,700)	(112,700)	(116,500)
Capital Expenditures Paid by Rates	(305,400)	(313,100)	(320,900)	(328,900)	(337,200)
Total Other Revenue/(Expenses)	\$ (718,000)	\$ (108,300)	\$ (116,000)	\$ (112,300)	\$ (101,300)
Total Available for Other Uses	\$ 2,800	\$ 380,700	\$ 125,600	\$ 3,500	\$ 5,500
Rate Increase for Revenue Sufficiency	0.000%	0.000%	0.000%	3.400%	6.800%
Coverage Test on Debt Service					
Achieved	4.1582	2.5645	1.8089	1.5093	1.4277
Target Minimum	1.3000	1.3000	1.3000	1.3000	1.3000
Projected Fund Balances					
Unrestricted	\$ 1,031,123	\$ 1,362,223	\$ 1,388,223	\$ 1,292,123	\$ 1,298,123
Restricted	750,400	800,400	900,400	1,000,500	1,000,500
Total	\$ 1,781,523	\$ 2,162,623	\$ 2,288,623	\$ 2,292,623	\$ 2,298,623

Note: Modified rate structure with INCREASED Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

Scenario 2B

Schedule 2

Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Rates - FY 2014

Account	Current Rates				Proposed Rates				Differences						
	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS
Administrative Fee															
Per Account	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.92	\$ 2.92	\$ 2.92	\$ 2.92	\$ 2.92	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15
Base Charge															
5/8" Meter	\$ 6.82	\$ 9.30	\$ 9.30	\$ 6.82	\$ 9.30	\$ 7.93	\$ 7.93	\$ 7.93	\$ 7.14	\$ 7.93	\$ 1.11	\$ (1.37)	\$ (1.37)	\$ 0.32	\$ (1.37)
1" Meter	\$ 6.82	\$ 19.53	\$ 19.53	\$ 6.82	\$ 9.30	\$ 7.93	\$ 19.83	\$ 19.83	\$ 7.14	\$ 7.93	\$ 1.11	\$ 0.30	\$ 0.30	\$ 0.32	\$ (1.37)
1.5" Meter	\$ 6.82	\$ 36.85	\$ 36.85	\$ 6.82	\$ 9.30	\$ 7.93	\$ 39.65	\$ 39.65	\$ 7.14	\$ 7.93	\$ 1.11	\$ 2.80	\$ 2.80	\$ 0.32	\$ (1.37)
2" Meter	\$ 6.82	\$ 57.04	\$ 57.04	\$ 6.82	\$ 9.30	\$ 7.93	\$ 63.44	\$ 63.44	\$ 7.14	\$ 7.93	\$ 1.11	\$ 6.40	\$ 6.40	\$ 0.32	\$ (1.37)
3" Meter	\$ 6.82	\$ 111.50	\$ 111.50	\$ 6.82	\$ 9.30	\$ 7.93	\$ 126.88	\$ 126.88	\$ 7.14	\$ 7.93	\$ 1.11	\$ 15.38	\$ 15.38	\$ 0.32	\$ (1.37)
4" Meter	\$ 6.82	\$ 172.98	\$ 172.98	\$ 6.82	\$ 9.30	\$ 7.93	\$ 198.25	\$ 198.25	\$ 7.14	\$ 7.93	\$ 1.11	\$ 25.27	\$ 25.27	\$ 0.32	\$ (1.37)
Capital Reserve Charge															
5/8" Meter	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
1" Meter	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
1.5" Meter	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
2" Meter	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
3" Meter	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
4" Meter	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
Galloneage Charge															
Block 1	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 4.88	\$ 4.88	\$ 4.88	\$ 4.88	\$ 4.88	\$ (0.39)	\$ (0.39)	\$ (0.39)	\$ (0.39)	\$ (0.39)
Block 2	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 5.86	\$ 5.86	\$ 5.86	\$ 5.86	\$ 5.86	\$ (0.41)	\$ (0.41)	\$ (0.41)	\$ (0.41)	\$ (0.41)
Block 3	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.32	\$ 7.32	\$ 7.32	\$ 7.32	\$ 7.32	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
Block 4	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 10.98	\$ 10.98	\$ 10.98	\$ 10.98	\$ 10.98	\$ 2.71	\$ 2.71	\$ 2.71	\$ 2.71	\$ 2.71

Note: Modified rate structure with INCREASED Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

Scenario 2B

Schedule 3 Town of Fort Myers Beach, FL Water Enterprise Fund Projected Rates FY 2014 through FY 2018

	Test Year FY 2014	FY 2015	Projected Fiscal Year		
			FY 2016	FY 2017	FY 2018
<u>Administrative Charge:</u>					
Per Billed Account per Month	\$ 2.92	\$ 2.92	\$ 2.92	\$ 3.02	\$ 3.23
<u>Base Facility Charge:</u>					
<u>Residential</u>					
Per Unit	\$ 7.93	\$ 7.93	\$ 7.93	\$ 8.20	\$ 8.76
<u>Commercial</u>					
5/8"	\$ 7.93	\$ 7.93	\$ 7.93	\$ 8.20	\$ 8.76
1"	\$ 19.83	\$ 19.83	\$ 19.83	\$ 20.50	\$ 21.89
1.5"	\$ 39.65	\$ 39.65	\$ 39.65	\$ 41.00	\$ 43.79
2"	\$ 63.44	\$ 63.44	\$ 63.44	\$ 65.60	\$ 70.06
3"	\$ 126.88	\$ 126.88	\$ 126.88	\$ 131.19	\$ 140.11
4"	\$ 198.25	\$ 198.25	\$ 198.25	\$ 204.99	\$ 218.93
<u>Irrigation</u>					
5/8"	\$ 7.93	\$ 7.93	\$ 7.93	\$ 8.20	\$ 8.76
1"	\$ 19.83	\$ 19.83	\$ 19.83	\$ 20.50	\$ 21.89
1.5"	\$ 39.65	\$ 39.65	\$ 39.65	\$ 41.00	\$ 43.79
2"	\$ 63.44	\$ 63.44	\$ 63.44	\$ 65.60	\$ 70.06
<u>Multi-Family</u>					
Per Unit	\$ 7.14	\$ 7.14	\$ 7.14	\$ 7.38	\$ 7.88
<u>Lift Stations</u>					
Per Station	\$ 7.93	\$ 7.93	\$ 7.93	\$ 8.20	\$ 8.76
<u>Capital Reserve Charge:</u>					
<u>Residential</u>					
Per Unit	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.82	\$ 3.02
<u>Commercial</u>					
5/8"	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.82	\$ 3.02
1"	\$ 6.80	\$ 6.80	\$ 6.80	\$ 7.04	\$ 7.52
1.5"	\$ 13.60	\$ 13.60	\$ 13.60	\$ 14.07	\$ 15.03
2"	\$ 21.86	\$ 21.86	\$ 21.86	\$ 22.61	\$ 24.15
3"	\$ 44.12	\$ 44.12	\$ 44.12	\$ 45.63	\$ 48.74
4"	\$ 68.10	\$ 68.10	\$ 68.10	\$ 70.42	\$ 75.21
<u>Irrigation</u>					
5/8"	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.82	\$ 3.02
1"	\$ 6.80	\$ 6.80	\$ 6.80	\$ 7.04	\$ 7.52
1.5"	\$ 13.60	\$ 13.60	\$ 13.60	\$ 14.07	\$ 15.03
2"	\$ 21.86	\$ 21.86	\$ 21.86	\$ 22.61	\$ 24.15
<u>Multi-Family (per Unit)</u>					
Per Unit	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.82	\$ 3.02
<u>Lift Stations</u>					
Per Station	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.82	\$ 3.02
<u>Gallage Charges:</u>					
<u>Volume Charges (per 1,000 gallons)</u>					
<u>All Customers</u>					
Block 1	\$ 4.88	\$ 4.88	\$ 4.88	\$ 5.05	\$ 5.39
Block 2	\$ 5.86	\$ 5.86	\$ 5.86	\$ 6.06	\$ 6.47
Block 3	\$ 7.32	\$ 7.32	\$ 7.32	\$ 7.57	\$ 8.08
Block 4	\$ 10.98	\$ 10.98	\$ 10.98	\$ 11.35	\$ 12.12
Additional Rate Increases	0.00%	0.00%	0.00%	3.40%	6.80%

Note: Modified rate structure with INCREASED Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

Scenario 2B
Schedule 4
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Monthly Bills

Customer Class	Usage	Monthly Bill		Difference		
		Current	Proposed	Amount	Percent	
Residential						
5/8"	3	\$	28.12	\$	28.21	\$ 0.09 0.32%
5/8"	5	\$	38.66	\$	37.97	\$ (0.69) -1.78%
5/8"	14	\$	94.09	\$	89.73	\$ (4.36) -4.63%
Commercial						
5/8"	9	\$	63.22	\$	60.43	\$ (2.79) -4.41%
5/8"	18	\$	119.65	\$	117.55	\$ (2.10) -1.76%
5/8"	36	\$	238.51	\$	271.27	\$ 32.76 13.74%
1"	18	\$	132.96	\$	120.33	\$ (12.63) -9.50%
1"	30	\$	208.20	\$	190.65	\$ (17.55) -8.43%
1"	80	\$	581.70	\$	563.27	\$ (18.43) -3.17%
1.5"	35	\$	260.67	\$	231.87	\$ (28.80) -11.05%
1.5"	60	\$	432.42	\$	378.37	\$ (54.05) -12.50%
1.5"	100	\$	758.22	\$	649.27	\$ (108.95) -14.37%
2"	50	\$	380.17	\$	334.18	\$ (45.99) -12.10%
2"	125	\$	980.42	\$	780.98	\$ (199.44) -20.34%
2"	250	\$	2,014.17	\$	1,732.58	\$ (281.59) -13.98%
3"	90	\$	672.69	\$	613.12	\$ (59.57) -8.86%
3"	200	\$	1,462.39	\$	1,251.84	\$ (210.55) -14.40%
3"	500	\$	3,743.39	\$	3,462.64	\$ (280.75) -7.50%
4"	350	\$	2,428.35	\$	2,173.27	\$ (255.08) -10.50%
4"	500	\$	3,518.85	\$	3,234.77	\$ (284.08) -8.07%
4"	700	\$	5,172.85	\$	4,698.77	\$ (474.08) -9.16%
Irrigation						
5/8"	5	\$	41.14	\$	37.97	\$ (3.17) -7.71%
5/8"	25	\$	163.54	\$	168.79	\$ 5.25 3.21%
5/8"	50	\$	340.29	\$	424.99	\$ 84.70 24.89%
1"	15	\$	114.15	\$	102.75	\$ (11.40) -9.99%
1"	25	\$	176.85	\$	161.35	\$ (15.50) -8.76%
1"	100	\$	747.10	\$	782.87	\$ 35.77 4.79%
1.5"	30	\$	229.32	\$	202.57	\$ (26.75) -11.66%
1.5"	80	\$	592.82	\$	502.87	\$ (89.95) -15.17%
1.5"	250	\$	1,998.72	\$	2,113.27	\$ 114.55 5.73%
2"	20	\$	192.07	\$	185.82	\$ (6.25) -3.25%
2"	50	\$	380.17	\$	334.18	\$ (45.99) -12.10%
2"	150	\$	1,187.17	\$	963.98	\$ (223.19) -18.80%
Multi-Family						
Per Unit	2	\$	22.85	\$	22.54	\$ (0.31) -1.36%
Per Unit	4	\$	33.39	\$	32.30	\$ (1.09) -3.26%
Per Unit	10	\$	69.01	\$	65.50	\$ (3.51) -5.09%
Lift Stations						
Per Station	0	\$	14.79	\$	13.57	\$ (1.22) -8.25%
Per Station	1	\$	20.06	\$	18.45	\$ (1.61) -8.03%
Per Station	2	\$	25.33	\$	23.33	\$ (2.00) -7.90%

Note: Modified rate structure with INCREASED Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

Scenario 2B
Schedule 5
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Revenue Distribution by Class and Rate Component
Test Year FY 2014

Revenue	Current		Proposed		Difference	
	Revenue	% of Total	Revenue	% of Total	Amount	Percent
Residential						
Admin	\$ 77,900	1.93%	\$ 82,100	2.04%	\$ 4,200	5.39%
Base	191,800	4.75%	223,000	5.53%	31,200	16.27%
Capital	76,500	1.89%	76,500	1.90%	-	0.00%
Usage	817,000	20.22%	794,500	19.71%	(22,500)	-2.75%
Subtotal	\$ 1,163,200		\$ 1,176,100		\$ 12,900	1.11%
Commercial						
Admin	\$ 7,100	0.18%	\$ 7,500	0.19%	\$ 400	5.63%
Base	66,000	1.63%	69,200	1.72%	3,200	4.85%
Capital	23,800	0.59%	23,800	0.59%	-	0.00%
Usage	859,300	21.27%	882,300	21.88%	23,000	2.68%
Subtotal	\$ 956,200		\$ 982,800		\$ 26,600	2.78%
Irrigation						
Admin	\$ 2,500	0.06%	\$ 2,700	0.07%	\$ 200	8.00%
Base	19,500	0.48%	20,000	0.50%	500	2.56%
Capital	6,900	0.17%	6,900	0.17%	-	0.00%
Usage	214,200	5.30%	207,200	5.14%	(7,000)	-3.27%
Subtotal	\$ 243,100		\$ 236,800		\$ (6,300)	-2.59%
Multi-Family						
Admin	\$ 15,600	0.39%	\$ 16,400	0.41%	\$ 800	5.13%
Base	524,600	12.99%	549,200	13.62%	24,600	4.69%
Capital	209,200	5.18%	209,200	5.19%	-	0.00%
Usage	924,800	22.89%	858,300	21.29%	(66,500)	-7.19%
Subtotal	\$ 1,674,200		\$ 1,633,100		\$ (41,100)	-2.45%
Lift Station						
Admin	\$ 600	0.01%	\$ 600	0.01%	\$ -	0.00%
Base	1,900	0.05%	1,600	0.04%	(300)	-15.79%
Capital	500	0.01%	500	0.01%	-	0.00%
Usage	100	0.00%	100	0.00%	-	0.00%
Subtotal	\$ 3,100		\$ 2,800		\$ (300)	-9.68%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,031,600	100.00%	\$ (8,200)	-0.20%
Total Revenue Summary - By Class						
Residential	\$ 1,163,200	28.79%	\$ 1,176,100	29.17%	\$ 12,900	1.11%
Commercial	956,200	23.67%	982,800	24.38%	26,600	2.78%
Irrigation	243,100	6.02%	236,800	5.87%	(6,300)	-2.59%
Multi-Family	1,674,200	41.44%	1,633,100	40.51%	(41,100)	-2.45%
Lift Station	3,100	0.08%	2,800	0.07%	(300)	-9.68%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,031,600	100.00%	\$ (8,200)	-0.20%
Total Revenue Summary - By Component						
Admin	\$ 103,700	2.57%	\$ 109,300	2.71%	\$ 5,600	5.40%
Base	803,800	19.90%	863,000	21.41%	59,200	7.37%
Capital	316,900	7.84%	316,900	7.86%	-	0.00%
Usage	2,815,400	69.69%	2,742,400	68.02%	(73,000)	-2.59%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,031,600	100.00%	\$ (8,200)	-0.20%

Note: Modified rate structure with INCREASED Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

SCENARIO 2C

Scenario 2C
Schedule 1
Town of Fort Myers Beach, FL
Water Enterprise Fund
Projected Proforma Operating Results

Account Name	Test Year	Projected Fiscal Year			
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Operating Revenues					
User Fee Revenue					
Administrative Charge	\$ 109,300	\$ 109,300	\$ 109,300	\$ 112,500	\$ 120,100
Base Charges	1,181,200	1,181,200	1,181,200	1,218,600	1,301,800
Usage (Gallorage) Charges	2,742,400	2,742,400	2,742,400	2,831,200	3,022,900
Subtotal User Fee Revenue	\$ 4,032,900	\$ 4,032,900	\$ 4,032,900	\$ 4,162,300	\$ 4,444,800
Other Operating Revenues					
Miscellaneous Charge Revenues	53,400	104,300	104,300	107,600	115,000
Subtotal Other Operating Revenues	\$ 53,400	\$ 104,300	\$ 104,300	\$ 107,600	\$ 115,000
Total Operating Revenues	\$ 4,086,300	\$ 4,137,200	\$ 4,137,200	\$ 4,269,900	\$ 4,559,800
O & M Expenses	2,718,600	2,798,100	2,869,700	2,943,000	3,018,300
Net Revenues Avail. For Debt Service	\$ 1,367,700	\$ 1,339,100	\$ 1,267,500	\$ 1,326,900	\$ 1,541,500
Debt Service	328,700	515,500	691,300	874,000	1,073,700
Operating Balance after Debt Service	\$ 1,039,000	\$ 823,600	\$ 576,200	\$ 452,900	\$ 467,800
Other Revenue/(Expenses)					
Capital (Restricted) Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	400	600	700	700	700
Other Non-Operating Expenditures	-	-	-	-	-
R&R and Other Transfers Out	(729,900)	(122,300)	(122,300)	(122,300)	(126,300)
Capital Expenditures Paid by Rates	(305,400)	(313,100)	(320,900)	(328,900)	(337,200)
Total Other Revenue/(Expenses)	\$ (1,034,900)	\$ (434,800)	\$ (442,500)	\$ (450,500)	\$ (462,800)
Total Available for Other Uses	\$ 4,100	\$ 388,800	\$ 133,700	\$ 2,400	\$ 5,000
Rate Increase for Revenue Sufficiency	0.000%	0.000%	0.000%	3.200%	6.800%
Coverage Test on Debt Service					
Achieved	4.1622	2.5988	1.8345	1.5190	1.4363
Target Minimum	1.3000	1.3000	1.3000	1.3000	1.3000
Projected Fund Balances					
Unrestricted	\$ 1,032,423	\$ 1,371,623	\$ 1,405,723	\$ 1,308,523	\$ 1,314,023
Restricted	750,400	800,400	900,400	1,000,500	1,000,500
Total	\$ 1,782,823	\$ 2,172,023	\$ 2,306,123	\$ 2,309,023	\$ 2,314,523

Note: Modified rate structure with NO Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

Scenario 2C

Schedule 2

Town of Fort Myers Beach, FL

Water Enterprise Fund

Current and Proposed Rates - FY 2014

Account	Current Rates				Proposed Rates				Differences						
	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS
Administrative Fee															
Per Account	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.92	\$ 2.92	\$ 2.92	\$ 2.92	\$ 2.92	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15
Base Charge															
5/8" Meter	\$ 6.82	\$ 9.30	\$ 9.30	\$ 6.82	\$ 9.30	\$ 10.85	\$ 10.85	\$ 10.85	\$ 9.77	\$ 10.85	\$ 4.03	\$ 1.55	\$ 1.55	\$ 2.95	\$ 1.55
1" Meter	\$ 6.82	\$ 19.53	\$ 19.53	\$ 6.82	\$ 9.30	\$ 10.85	\$ 27.13	\$ 27.13	\$ 9.77	\$ 10.85	\$ 4.03	\$ 7.60	\$ 7.60	\$ 2.95	\$ 1.55
1.5" Meter	\$ 6.82	\$ 36.85	\$ 36.85	\$ 6.82	\$ 9.30	\$ 10.85	\$ 54.25	\$ 54.25	\$ 9.77	\$ 10.85	\$ 4.03	\$ 17.40	\$ 17.40	\$ 2.95	\$ 1.55
2" Meter	\$ 6.82	\$ 57.04	\$ 57.04	\$ 6.82	\$ 9.30	\$ 10.85	\$ 86.80	\$ 86.80	\$ 9.77	\$ 10.85	\$ 4.03	\$ 29.76	\$ 29.76	\$ 2.95	\$ 1.55
3" Meter	\$ 6.82	\$ 111.50	\$ 111.50	\$ 6.82	\$ 9.30	\$ 10.85	\$ 173.60	\$ 173.60	\$ 9.77	\$ 10.85	\$ 4.03	\$ 62.10	\$ 62.10	\$ 2.95	\$ 1.55
4" Meter	\$ 6.82	\$ 172.98	\$ 172.98	\$ 6.82	\$ 9.30	\$ 10.85	\$ 271.25	\$ 271.25	\$ 9.77	\$ 10.85	\$ 4.03	\$ 98.27	\$ 98.27	\$ 2.95	\$ 1.55
Capital Reserve Charge															
5/8" Meter	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (2.72)	\$ (2.72)	\$ (2.72)	\$ (2.72)
1" Meter	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (6.80)	\$ (6.80)	\$ (2.72)	\$ (2.72)
1.5" Meter	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (13.60)	\$ (13.60)	\$ (2.72)	\$ (2.72)
2" Meter	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (21.86)	\$ (21.86)	\$ (2.72)	\$ (2.72)
3" Meter	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (44.12)	\$ (44.12)	\$ (2.72)	\$ (2.72)
4" Meter	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (68.10)	\$ (68.10)	\$ (2.72)	\$ (2.72)
Gallonaage Charge															
Block 1	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 4.88	\$ 4.88	\$ 4.88	\$ 4.88	\$ 4.88	\$ (0.39)	\$ (0.39)	\$ (0.39)	\$ (0.39)	\$ (0.39)
Block 2	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 5.86	\$ 5.86	\$ 5.86	\$ 5.86	\$ 5.86	\$ (0.41)	\$ (0.41)	\$ (0.41)	\$ (0.41)	\$ (0.41)
Block 3	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.32	\$ 7.32	\$ 7.32	\$ 7.32	\$ 7.32	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
Block 4	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 10.98	\$ 10.98	\$ 10.98	\$ 10.98	\$ 10.98	\$ 2.71	\$ 2.71	\$ 2.71	\$ 2.71	\$ 2.71

Note: Modified rate structure with NO Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

Scenario 2C

Schedule 3 Town of Fort Myers Beach, FL Water Enterprise Fund Projected Rates FY 2014 through FY 2018

	Test Year FY 2014	FY 2015	Projected Fiscal Year		
			FY 2016	FY 2017	FY 2018
<u>Administrative Charge:</u>					
Per Billed Account per Month	\$ 2.92	\$ 2.92	\$ 2.92	\$ 3.01	\$ 3.21
<u>Base Facility Charge:</u>					
<u>Residential</u>					
Per Unit	\$ 10.85	\$ 10.85	\$ 10.85	\$ 11.20	\$ 11.96
<u>Commercial</u>					
5/8"	\$ 10.85	\$ 10.85	\$ 10.85	\$ 11.20	\$ 11.96
1"	\$ 27.13	\$ 27.13	\$ 27.13	\$ 28.00	\$ 29.90
1.5"	\$ 54.25	\$ 54.25	\$ 54.25	\$ 55.99	\$ 59.80
2"	\$ 86.80	\$ 86.80	\$ 86.80	\$ 89.58	\$ 95.67
3"	\$ 173.60	\$ 173.60	\$ 173.60	\$ 179.16	\$ 191.34
4"	\$ 271.25	\$ 271.25	\$ 271.25	\$ 279.93	\$ 298.97
<u>Irrigation</u>					
5/8"	\$ 10.85	\$ 10.85	\$ 10.85	\$ 11.20	\$ 11.96
1"	\$ 27.13	\$ 27.13	\$ 27.13	\$ 28.00	\$ 29.90
1.5"	\$ 54.25	\$ 54.25	\$ 54.25	\$ 55.99	\$ 59.80
2"	\$ 86.80	\$ 86.80	\$ 86.80	\$ 89.58	\$ 95.67
<u>Multi-Family</u>					
Per Unit	\$ 9.77	\$ 9.77	\$ 9.77	\$ 10.08	\$ 10.77
<u>Lift Stations</u>					
Per Station	\$ 10.85	\$ 10.85	\$ 10.85	\$ 11.20	\$ 11.96
<u>Capital Reserve Charge:</u>					
<u>Residential</u>					
Per Unit	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Commercial</u>					
5/8"	\$ -	\$ -	\$ -	\$ -	\$ -
1"	\$ -	\$ -	\$ -	\$ -	\$ -
1.5"	\$ -	\$ -	\$ -	\$ -	\$ -
2"	\$ -	\$ -	\$ -	\$ -	\$ -
3"	\$ -	\$ -	\$ -	\$ -	\$ -
4"	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Irrigation</u>					
5/8"	\$ -	\$ -	\$ -	\$ -	\$ -
1"	\$ -	\$ -	\$ -	\$ -	\$ -
1.5"	\$ -	\$ -	\$ -	\$ -	\$ -
2"	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Multi-Family (per Unit)</u>					
Per Unit	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Lift Stations</u>					
Per Station	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Gallonge Charges:</u>					
<u>Volume Charges (per 1,000 gallons)</u>					
<u>All Customers</u>					
Block 1	\$ 4.88	\$ 4.88	\$ 4.88	\$ 5.04	\$ 5.38
Block 2	\$ 5.86	\$ 5.86	\$ 5.86	\$ 6.05	\$ 6.46
Block 3	\$ 7.32	\$ 7.32	\$ 7.32	\$ 7.55	\$ 8.06
Block 4	\$ 10.98	\$ 10.98	\$ 10.98	\$ 11.33	\$ 12.10
Additional Rate Increases	0.00%	0.00%	0.00%	3.20%	6.80%

Note: Modified rate structure with NO Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

Scenario 2C
Schedule 4
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Monthly Bills

Customer Class	Usage	Monthly Bill		Difference		
		Current	Proposed	Amount	Percent	
Residential						
5/8"	3	\$ 28.12	\$ 28.41	\$ 0.29	1.03%	
5/8"	5	\$ 38.66	\$ 38.17	\$ (0.49)	-1.27%	
5/8"	14	\$ 94.09	\$ 89.93	\$ (4.16)	-4.42%	
Commercial						
5/8"	9	\$ 63.22	\$ 60.63	\$ (2.59)	-4.10%	
5/8"	18	\$ 119.65	\$ 117.75	\$ (1.90)	-1.59%	
5/8"	36	\$ 238.51	\$ 271.47	\$ 32.96	13.82%	
1"	18	\$ 132.96	\$ 120.83	\$ (12.13)	-9.12%	
1"	30	\$ 208.20	\$ 191.15	\$ (17.05)	-8.19%	
1"	80	\$ 581.70	\$ 563.77	\$ (17.93)	-3.08%	
1.5"	35	\$ 260.67	\$ 232.87	\$ (27.80)	-10.66%	
1.5"	60	\$ 432.42	\$ 379.37	\$ (53.05)	-12.27%	
1.5"	100	\$ 758.22	\$ 650.27	\$ (107.95)	-14.24%	
2"	50	\$ 380.17	\$ 335.68	\$ (44.49)	-11.70%	
2"	125	\$ 980.42	\$ 782.48	\$ (197.94)	-20.19%	
2"	250	\$ 2,014.17	\$ 1,734.08	\$ (280.09)	-13.91%	
3"	90	\$ 672.69	\$ 615.72	\$ (56.97)	-8.47%	
3"	200	\$ 1,462.39	\$ 1,254.44	\$ (207.95)	-14.22%	
3"	500	\$ 3,743.39	\$ 3,465.24	\$ (278.15)	-7.43%	
4"	350	\$ 2,428.35	\$ 2,178.17	\$ (250.18)	-10.30%	
4"	500	\$ 3,518.85	\$ 3,239.67	\$ (279.18)	-7.93%	
4"	700	\$ 5,172.85	\$ 4,703.67	\$ (469.18)	-9.07%	
Irrigation						
5/8"	5	\$ 41.14	\$ 38.17	\$ (2.97)	-7.22%	
5/8"	25	\$ 163.54	\$ 168.99	\$ 5.45	3.33%	
5/8"	50	\$ 340.29	\$ 425.19	\$ 84.90	24.95%	
1"	15	\$ 114.15	\$ 103.25	\$ (10.90)	-9.55%	
1"	25	\$ 176.85	\$ 161.85	\$ (15.00)	-8.48%	
1"	100	\$ 747.10	\$ 783.37	\$ 36.27	4.85%	
1.5"	30	\$ 229.32	\$ 203.57	\$ (25.75)	-11.23%	
1.5"	80	\$ 592.82	\$ 503.87	\$ (88.95)	-15.00%	
1.5"	250	\$ 1,998.72	\$ 2,114.27	\$ 115.55	5.78%	
2"	20	\$ 192.07	\$ 187.32	\$ (4.75)	-2.47%	
2"	50	\$ 380.17	\$ 335.68	\$ (44.49)	-11.70%	
2"	150	\$ 1,187.17	\$ 965.48	\$ (221.69)	-18.67%	
Multi-Family						
Per Unit	2	\$ 22.85	\$ 22.45	\$ (0.40)	-1.75%	
Per Unit	4	\$ 33.39	\$ 32.21	\$ (1.18)	-3.53%	
Per Unit	10	\$ 69.01	\$ 65.41	\$ (3.60)	-5.22%	
Lift Stations						
Per Station	0	\$ 14.79	\$ 13.77	\$ (1.02)	-6.90%	
Per Station	1	\$ 20.06	\$ 18.65	\$ (1.41)	-7.03%	
Per Station	2	\$ 25.33	\$ 23.53	\$ (1.80)	-7.11%	

Note: Modified rate structure with NO Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

Scenario 2C
Schedule 5
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Revenue Distribution by Class and Rate Component
Test Year FY 2014

Revenue	Current		Proposed		Difference	
	Revenue	% of Total	Revenue	% of Total	Amount	Percent
Residential						
Admin	\$ 77,900	1.93%	\$ 82,100	2.04%	\$ 4,200	5.39%
Base	191,800	4.75%	305,100	7.57%	113,300	59.07%
Capital	76,500	1.89%	-	0.00%	(76,500)	-100.00%
Usage	817,000	20.22%	794,500	19.70%	(22,500)	-2.75%
Subtotal	\$ 1,163,200		\$ 1,181,700		\$ 18,500	1.59%
Commercial						
Admin	\$ 7,100	0.18%	\$ 7,500	0.19%	\$ 400	5.63%
Base	66,000	1.63%	94,700	2.35%	28,700	43.48%
Capital	23,800	0.59%	-	0.00%	(23,800)	-100.00%
Usage	859,300	21.27%	882,300	21.88%	23,000	2.68%
Subtotal	\$ 956,200		\$ 984,500		\$ 28,300	2.96%
Irrigation						
Admin	\$ 2,500	0.06%	\$ 2,700	0.07%	\$ 200	8.00%
Base	19,500	0.48%	27,500	0.68%	8,000	41.03%
Capital	6,900	0.17%	-	0.00%	(6,900)	-100.00%
Usage	214,200	5.30%	207,200	5.14%	(7,000)	-3.27%
Subtotal	\$ 243,100		\$ 237,400		\$ (5,700)	-2.34%
Multi-Family						
Admin	\$ 15,600	0.39%	\$ 16,400	0.41%	\$ 800	5.13%
Base	524,600	12.99%	751,700	18.64%	227,100	43.29%
Capital	209,200	5.18%	-	0.00%	(209,200)	-100.00%
Usage	924,800	22.89%	858,300	21.28%	(66,500)	-7.19%
Subtotal	\$ 1,674,200		\$ 1,626,400		\$ (47,800)	-2.86%
Lift Station						
Admin	\$ 600	0.01%	\$ 600	0.01%	\$ -	0.00%
Base	1,900	0.05%	2,200	0.05%	300	15.79%
Capital	500	0.01%	-	0.00%	(500)	-100.00%
Usage	100	0.00%	100	0.00%	-	0.00%
Subtotal	\$ 3,100		\$ 2,900		\$ (200)	-6.45%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,032,900	100.00%	\$ (6,900)	-0.17%

Total Revenue Summary - By Class

Residential	\$ 1,163,200	28.79%	\$ 1,181,700	29.30%	\$ 18,500	1.59%
Commercial	956,200	23.67%	984,500	24.41%	28,300	2.96%
Irrigation	243,100	6.02%	237,400	5.89%	(5,700)	-2.34%
Multi-Family	1,674,200	41.44%	1,626,400	40.33%	(47,800)	-2.86%
Lift Station	3,100	0.08%	2,900	0.07%	(200)	-6.45%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,032,900	100.00%	\$ (6,900)	-0.17%

Total Revenue Summary - By Component

Admin	\$ 103,700	2.57%	\$ 109,300	2.71%	\$ 5,600	5.40%
Base	803,800	19.90%	1,181,200	29.29%	377,400	46.95%
Capital	316,900	7.84%	-	0.00%	(316,900)	-100.00%
Usage	2,815,400	69.69%	2,742,400	68.00%	(73,000)	-2.59%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,032,900	100.00%	\$ (6,900)	-0.17%

Note: Modified rate structure with NO Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks and rate increases for revenue sufficiency.

SCENARIO 3A

Scenario 3A
Schedule 1
Town of Fort Myers Beach, FL
Water Enterprise Fund
Projected Proforma Operating Results

Account Name	Test Year	Projected Fiscal Year			
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Operating Revenues					
User Fee Revenue					
Administrative Charge	\$ 121,100	\$ 121,100	\$ 121,100	\$ 125,300	\$ 134,700
Base Charges	972,700	972,700	972,700	1,006,900	1,081,400
Usage (Gallorage) Charges	2,625,100	2,625,100	2,625,100	2,716,400	2,918,700
Subtotal User Fee Revenue	\$ 3,718,900	\$ 3,718,900	\$ 3,718,900	\$ 3,848,600	\$ 4,134,800
Other Operating Revenues					
Miscellaneous Charge Revenues	53,400	93,600	93,600	96,900	103,900
Subtotal Other Operating Revenues	\$ 53,400	\$ 93,600	\$ 93,600	\$ 96,900	\$ 103,900
Total Operating Revenues	\$ 3,772,300	\$ 3,812,500	\$ 3,812,500	\$ 3,945,500	\$ 4,238,700
O & M Expenses	2,718,600	2,798,100	2,869,700	2,943,000	3,018,300
Net Revenues Avail. For Debt Service	\$ 1,053,700	\$ 1,014,400	\$ 942,800	\$ 1,002,500	\$ 1,220,400
Debt Service	328,700	515,500	691,300	874,000	1,073,700
Operating Balance after Debt Service	\$ 725,000	\$ 498,900	\$ 251,500	\$ 128,500	\$ 146,700
Other Revenue/(Expenses)					
Capital (Restricted) Revenue	\$ 316,900	\$ 316,900	\$ 316,900	\$ 316,900	\$ 316,900
Interest Income	400	600	700	700	700
Other Non-Operating Expenditures	-	-	-	-	-
R&R and Other Transfers Out	(729,900)	(112,800)	(112,800)	(112,800)	(116,700)
Capital Expenditures Paid by Rates	(305,400)	(313,100)	(320,900)	(328,900)	(337,200)
Total Other Revenue/(Expenses)	\$ (718,000)	\$ (108,400)	\$ (116,100)	\$ (124,100)	\$ (136,300)
Total Available for Other Uses	\$ 7,000	\$ 390,500	\$ 135,400	\$ 4,400	\$ 10,400
Rate Increase for Revenue Sufficiency	0.000%	0.000%	0.000%	3.500%	7.400%
Coverage Test on Debt Service					
Achieved	4.1710	2.5837	1.8232	1.5104	1.4324
Target Minimum	1.3000	1.3000	1.3000	1.3000	1.3000
Projected Fund Balances					
Unrestricted	\$ 1,035,323	\$ 1,376,223	\$ 1,412,023	\$ 1,316,823	\$ 1,327,723
Restricted	750,400	800,400	900,400	1,000,500	1,000,500
Total	\$ 1,785,723	\$ 2,176,623	\$ 2,312,423	\$ 2,317,323	\$ 2,328,223

Note: Modified rate structure with STEADY Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

Scenario 3A

Schedule 2

Town of Fort Myers Beach, FL

Water Enterprise Fund

Current and Proposed Rates - FY 2014

Account	Current Rates				Proposed Rates				Differences						
	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS
Administrative Fee															
Per Account	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 0.47	\$ 0.47	\$ 0.47	\$ 0.47	\$ 0.47
Base Charge															
5/8" Meter	\$ 6.82	\$ 9.30	\$ 9.30	\$ 6.82	\$ 9.30	\$ 8.94	\$ 8.94	\$ 8.94	\$ 8.05	\$ 8.94	\$ 2.12	\$ (0.36)	\$ (0.36)	\$ 1.23	\$ (0.36)
1" Meter	\$ 6.82	\$ 19.53	\$ 19.53	\$ 6.82	\$ 9.30	\$ 8.94	\$ 22.35	\$ 22.35	\$ 8.05	\$ 8.94	\$ 2.12	\$ 2.82	\$ 2.82	\$ 1.23	\$ (0.36)
1.5" Meter	\$ 6.82	\$ 36.85	\$ 36.85	\$ 6.82	\$ 9.30	\$ 8.94	\$ 44.70	\$ 44.70	\$ 8.05	\$ 8.94	\$ 2.12	\$ 7.85	\$ 7.85	\$ 1.23	\$ (0.36)
2" Meter	\$ 6.82	\$ 57.04	\$ 57.04	\$ 6.82	\$ 9.30	\$ 8.94	\$ 71.52	\$ 71.52	\$ 8.05	\$ 8.94	\$ 2.12	\$ 14.48	\$ 14.48	\$ 1.23	\$ (0.36)
3" Meter	\$ 6.82	\$ 111.50	\$ 111.50	\$ 6.82	\$ 9.30	\$ 8.94	\$ 143.04	\$ 143.04	\$ 8.05	\$ 8.94	\$ 2.12	\$ 31.54	\$ 31.54	\$ 1.23	\$ (0.36)
4" Meter	\$ 6.82	\$ 172.98	\$ 172.98	\$ 6.82	\$ 9.30	\$ 8.94	\$ 223.50	\$ 223.50	\$ 8.05	\$ 8.94	\$ 2.12	\$ 50.52	\$ 50.52	\$ 1.23	\$ (0.36)
Capital Reserve Charge															
5/8" Meter	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
1" Meter	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
1.5" Meter	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
2" Meter	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
3" Meter	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
4" Meter	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
Gallonge Charge															
Block 1	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 4.67	\$ 4.67	\$ 4.67	\$ 4.67	\$ 4.67	\$ (0.60)	\$ (0.60)	\$ (0.60)	\$ (0.60)	\$ (0.60)
Block 2	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 5.61	\$ 5.61	\$ 5.61	\$ 5.61	\$ 5.61	\$ (0.66)	\$ (0.66)	\$ (0.66)	\$ (0.66)	\$ (0.66)
Block 3	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.01	\$ 7.01	\$ 7.01	\$ 7.01	\$ 7.01	\$ (0.26)	\$ (0.26)	\$ (0.26)	\$ (0.26)	\$ (0.26)
Block 4	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 10.51	\$ 10.51	\$ 10.51	\$ 10.51	\$ 10.51	\$ 2.24	\$ 2.24	\$ 2.24	\$ 2.24	\$ 2.24

Note: Modified rate structure with STEADY Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

Scenario 3A

Schedule 3 Town of Fort Myers Beach, FL Water Enterprise Fund Projected Rates FY 2014 through FY 2018

	Test Year FY 2014	Projected Fiscal Year			
		FY 2015	FY 2016	FY 2017	FY 2018
<u>Administrative Charge:</u>					
Per Billed Account per Month	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.35	\$ 3.60
<u>Base Facility Charge:</u>					
<u>Residential</u>					
Per Unit	\$ 8.94	\$ 8.94	\$ 8.94	\$ 9.25	\$ 9.93
<u>Commercial</u>					
5/8"	\$ 8.94	\$ 8.94	\$ 8.94	\$ 9.25	\$ 9.93
1"	\$ 22.35	\$ 22.35	\$ 22.35	\$ 23.13	\$ 24.84
1.5"	\$ 44.70	\$ 44.70	\$ 44.70	\$ 46.26	\$ 49.68
2"	\$ 71.52	\$ 71.52	\$ 71.52	\$ 74.02	\$ 79.50
3"	\$ 143.04	\$ 143.04	\$ 143.04	\$ 148.05	\$ 159.01
4"	\$ 223.50	\$ 223.50	\$ 223.50	\$ 231.32	\$ 248.44
<u>Irrigation</u>					
5/8"	\$ 8.94	\$ 8.94	\$ 8.94	\$ 9.25	\$ 9.93
1"	\$ 22.35	\$ 22.35	\$ 22.35	\$ 23.13	\$ 24.84
1.5"	\$ 44.70	\$ 44.70	\$ 44.70	\$ 46.26	\$ 49.68
2"	\$ 71.52	\$ 71.52	\$ 71.52	\$ 74.02	\$ 79.50
<u>Multi-Family</u>					
Per Unit	\$ 8.05	\$ 8.05	\$ 8.05	\$ 8.33	\$ 8.95
<u>Lift Stations</u>					
Per Station	\$ 8.94	\$ 8.94	\$ 8.94	\$ 9.25	\$ 9.93
<u>Capital Reserve Charge:</u>					
<u>Residential</u>					
Per Unit	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
<u>Commercial</u>					
5/8"	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
1"	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80
1.5"	\$ 13.60	\$ 13.60	\$ 13.60	\$ 13.60	\$ 13.60
2"	\$ 21.86	\$ 21.86	\$ 21.86	\$ 21.86	\$ 21.86
3"	\$ 44.12	\$ 44.12	\$ 44.12	\$ 44.12	\$ 44.12
4"	\$ 68.10	\$ 68.10	\$ 68.10	\$ 68.10	\$ 68.10
<u>Irrigation</u>					
5/8"	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
1"	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80
1.5"	\$ 13.60	\$ 13.60	\$ 13.60	\$ 13.60	\$ 13.60
2"	\$ 21.86	\$ 21.86	\$ 21.86	\$ 21.86	\$ 21.86
<u>Multi-Family (per Unit)</u>					
Per Unit	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
<u>Lift Stations</u>					
Per Station	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72
<u>Gallage Charges:</u>					
<u>Volume Charges (per 1,000 gallons)</u>					
<u>All Customers</u>					
Block 1	\$ 4.67	\$ 4.67	\$ 4.67	\$ 4.83	\$ 5.19
Block 2	\$ 5.61	\$ 5.61	\$ 5.61	\$ 5.81	\$ 6.24
Block 3	\$ 7.01	\$ 7.01	\$ 7.01	\$ 7.26	\$ 7.80
Block 4	\$ 10.51	\$ 10.51	\$ 10.51	\$ 10.88	\$ 11.69
Additional Rate Increases	0.00%	0.00%	0.00%	3.50%	7.40%

Note: Modified rate structure with STEADY Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

Scenario 3A
Schedule 4
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Monthly Bills

Customer Class	Usage	Monthly Bill		Difference		
		Current	Proposed	Amount	Percent	
Residential						
5/8"	3	\$ 28.12	\$ 28.91	\$ 0.79	2.81%	
5/8"	5	\$ 38.66	\$ 38.25	\$ (0.41)	-1.06%	
5/8"	14	\$ 94.09	\$ 87.80	\$ (6.29)	-6.69%	
Commercial						
5/8"	9	\$ 63.22	\$ 59.75	\$ (3.47)	-5.49%	
5/8"	18	\$ 119.65	\$ 114.44	\$ (5.21)	-4.35%	
5/8"	36	\$ 238.51	\$ 261.62	\$ 23.11	9.69%	
1"	18	\$ 132.96	\$ 119.27	\$ (13.69)	-10.30%	
1"	30	\$ 208.20	\$ 186.59	\$ (21.61)	-10.38%	
1"	80	\$ 581.70	\$ 543.39	\$ (38.31)	-6.59%	
1.5"	35	\$ 260.67	\$ 229.69	\$ (30.98)	-11.88%	
1.5"	60	\$ 432.42	\$ 369.94	\$ (62.48)	-14.45%	
1.5"	100	\$ 758.22	\$ 629.34	\$ (128.88)	-17.00%	
2"	50	\$ 380.17	\$ 332.00	\$ (48.17)	-12.67%	
2"	125	\$ 980.42	\$ 759.75	\$ (220.67)	-22.51%	
2"	250	\$ 2,014.17	\$ 1,671.00	\$ (343.17)	-17.04%	
3"	90	\$ 672.69	\$ 610.70	\$ (61.99)	-9.22%	
3"	200	\$ 1,462.39	\$ 1,222.16	\$ (240.23)	-16.43%	
3"	500	\$ 3,743.39	\$ 3,339.16	\$ (404.23)	-10.80%	
4"	350	\$ 2,428.35	\$ 2,117.34	\$ (311.01)	-12.81%	
4"	500	\$ 3,518.85	\$ 3,133.84	\$ (385.01)	-10.94%	
4"	700	\$ 5,172.85	\$ 4,535.84	\$ (637.01)	-12.31%	
Irrigation						
5/8"	5	\$ 41.14	\$ 38.25	\$ (2.89)	-7.02%	
5/8"	25	\$ 163.54	\$ 163.51	\$ (0.03)	-0.02%	
5/8"	50	\$ 340.29	\$ 408.76	\$ 68.47	20.12%	
1"	15	\$ 114.15	\$ 102.44	\$ (11.71)	-10.26%	
1"	25	\$ 176.85	\$ 158.54	\$ (18.31)	-10.35%	
1"	100	\$ 747.10	\$ 753.59	\$ 6.49	0.87%	
1.5"	30	\$ 229.32	\$ 201.64	\$ (27.68)	-12.07%	
1.5"	80	\$ 592.82	\$ 489.14	\$ (103.68)	-17.49%	
1.5"	250	\$ 1,998.72	\$ 2,030.84	\$ 32.12	1.61%	
2"	20	\$ 192.07	\$ 190.02	\$ (2.05)	-1.07%	
2"	50	\$ 380.17	\$ 332.00	\$ (48.17)	-12.67%	
2"	150	\$ 1,187.17	\$ 935.00	\$ (252.17)	-21.24%	
Multi-Family						
Per Unit	2	\$ 22.85	\$ 23.35	\$ 0.50	2.19%	
Per Unit	4	\$ 33.39	\$ 32.69	\$ (0.70)	-2.10%	
Per Unit	10	\$ 69.01	\$ 64.47	\$ (4.54)	-6.58%	
Lift Stations						
Per Station	0	\$ 14.79	\$ 14.90	\$ 0.11	0.74%	
Per Station	1	\$ 20.06	\$ 19.57	\$ (0.49)	-2.44%	
Per Station	2	\$ 25.33	\$ 24.24	\$ (1.09)	-4.30%	

Note: Modified rate structure with STEADY Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

Scenario 3A
Schedule 5
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Revenue Distribution by Class and Rate Component
Test Year FY 2014

Revenue	Current		Proposed		Difference	
	Revenue	% of Total	Revenue	% of Total	Amount	Percent
Residential						
Admin	\$ 77,900	1.93%	\$ 91,100	2.26%	\$ 13,200	16.94%
Base	191,800	4.75%	251,400	6.23%	59,600	31.07%
Capital	76,500	1.89%	76,500	1.90%	-	0.00%
Usage	817,000	20.22%	760,400	18.84%	(56,600)	-6.93%
Subtotal	\$ 1,163,200		\$ 1,179,400		\$ 16,200	1.39%
Commercial						
Admin	\$ 7,100	0.18%	\$ 8,300	0.21%	\$ 1,200	16.90%
Base	66,000	1.63%	77,800	1.93%	11,800	17.88%
Capital	23,800	0.59%	23,800	0.59%	-	0.00%
Usage	859,300	21.27%	844,700	20.93%	(14,600)	-1.70%
Subtotal	\$ 956,200		\$ 954,600		\$ (1,600)	-0.17%
Irrigation						
Admin	\$ 2,500	0.06%	\$ 2,900	0.07%	\$ 400	16.00%
Base	19,500	0.48%	22,600	0.56%	3,100	15.90%
Capital	6,900	0.17%	6,900	0.17%	-	0.00%
Usage	214,200	5.30%	198,400	4.92%	(15,800)	-7.38%
Subtotal	\$ 243,100		\$ 230,800		\$ (12,300)	-5.06%
Multi-Family						
Admin	\$ 15,600	0.39%	\$ 18,200	0.45%	\$ 2,600	16.67%
Base	524,600	12.99%	619,100	15.34%	94,500	18.01%
Capital	209,200	5.18%	209,200	5.18%	-	0.00%
Usage	924,800	22.89%	821,500	20.36%	(103,300)	-11.17%
Subtotal	\$ 1,674,200		\$ 1,668,000		\$ (6,200)	-0.37%
Lift Station						
Admin	\$ 600	0.01%	\$ 600	0.01%	\$ -	0.00%
Base	1,900	0.05%	1,800	0.04%	(100)	-5.26%
Capital	500	0.01%	500	0.01%	-	0.00%
Usage	100	0.00%	100	0.00%	-	0.00%
Subtotal	\$ 3,100		\$ 3,000		\$ (100)	-3.23%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,035,800	100.00%	\$ (4,000)	-0.10%
Total Revenue Summary - By Class						
Residential	\$ 1,163,200	28.79%	\$ 1,179,400	29.22%	\$ 16,200	1.39%
Commercial	956,200	23.67%	954,600	23.65%	(1,600)	-0.17%
Irrigation	243,100	6.02%	230,800	5.72%	(12,300)	-5.06%
Multi-Family	1,674,200	41.44%	1,668,000	41.33%	(6,200)	-0.37%
Lift Station	3,100	0.08%	3,000	0.07%	(100)	-3.23%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,035,800	100.00%	\$ (4,000)	-0.10%
Total Revenue Summary - By Component						
Admin	\$ 103,700	2.57%	\$ 121,100	3.00%	\$ 17,400	16.78%
Base	803,800	19.90%	972,700	24.10%	168,900	21.01%
Capital	316,900	7.84%	316,900	7.85%	-	0.00%
Usage	2,815,400	69.69%	2,625,100	65.05%	(190,300)	-6.76%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,035,800	100.00%	\$ (4,000)	-0.10%

Note: Modified rate structure with STEADY Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

SCENARIO 3B

Scenario 3B
Schedule 1
Town of Fort Myers Beach, FL
Water Enterprise Fund
Projected Proforma Operating Results

Account Name	Test Year	Projected Fiscal Year			
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Operating Revenues					
User Fee Revenue					
Administrative Charge	\$ 121,100	\$ 121,100	\$ 121,100	\$ 125,000	\$ 133,500
Base Charges	972,700	972,700	972,700	1,004,400	1,073,300
Usage (Gallorage) Charges	2,625,100	2,625,100	2,625,100	2,709,200	2,894,000
Subtotal User Fee Revenue	\$ 3,718,900	\$ 3,718,900	\$ 3,718,900	\$ 3,838,600	\$ 4,100,800
Other Operating Revenues					
Miscellaneous Charge Revenues	53,400	93,600	93,600	96,600	103,200
Subtotal Other Operating Revenues	\$ 53,400	\$ 93,600	\$ 93,600	\$ 96,600	\$ 103,200
Total Operating Revenues	\$ 3,772,300	\$ 3,812,500	\$ 3,812,500	\$ 3,935,200	\$ 4,204,000
O & M Expenses	2,718,600	2,798,100	2,869,700	2,943,000	3,018,300
Net Revenues Avail. For Debt Service	\$ 1,053,700	\$ 1,014,400	\$ 942,800	\$ 992,200	\$ 1,185,700
Debt Service	328,700	515,500	691,300	874,000	1,073,700
Operating Balance after Debt Service	\$ 725,000	\$ 498,900	\$ 251,500	\$ 118,200	\$ 112,000
Other Revenue/(Expenses)					
Capital (Restricted) Revenue	\$ 316,900	\$ 316,900	\$ 316,900	\$ 327,500	\$ 350,700
Interest Income	400	600	700	700	700
Other Non-Operating Expenditures	-	-	-	-	-
R&R and Other Transfers Out	(729,900)	(112,800)	(112,800)	(112,800)	(116,400)
Capital Expenditures Paid by Rates	(305,400)	(313,100)	(320,900)	(328,900)	(337,200)
Total Other Revenue/(Expenses)	\$ (718,000)	\$ (108,400)	\$ (116,100)	\$ (113,500)	\$ (102,200)
Total Available for Other Uses	\$ 7,000	\$ 390,500	\$ 135,400	\$ 4,700	\$ 9,800
Rate Increase for Revenue Sufficiency	0.000%	0.000%	0.000%	3.200%	6.800%
Coverage Test on Debt Service					
Achieved	4.1710	2.5837	1.8232	1.5108	1.4316
Target Minimum	1.3000	1.3000	1.3000	1.3000	1.3000
Projected Fund Balances					
Unrestricted	\$ 1,035,323	\$ 1,376,223	\$ 1,412,023	\$ 1,317,123	\$ 1,327,423
Restricted	750,400	800,400	900,400	1,000,500	1,000,500
Total	\$ 1,785,723	\$ 2,176,623	\$ 2,312,423	\$ 2,317,623	\$ 2,327,923

Note: Modified rate structure with INCREASED Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

Scenario 3B

Schedule 2

Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Rates - FY 2014

Account	Current Rates				Proposed Rates				Differences						
	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS
Administrative Fee															
Per Account	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 0.47	\$ 0.47	\$ 0.47	\$ 0.47	\$ 0.47
Base Charge															
5/8" Meter	\$ 6.82	\$ 9.30	\$ 9.30	\$ 6.82	\$ 9.30	\$ 8.94	\$ 8.94	\$ 8.94	\$ 8.05	\$ 8.94	\$ 2.12	\$ (0.36)	\$ (0.36)	\$ 1.23	\$ (0.36)
1" Meter	\$ 6.82	\$ 19.53	\$ 19.53	\$ 6.82	\$ 9.30	\$ 8.94	\$ 22.35	\$ 22.35	\$ 8.05	\$ 8.94	\$ 2.12	\$ 2.82	\$ 2.82	\$ 1.23	\$ (0.36)
1.5" Meter	\$ 6.82	\$ 36.85	\$ 36.85	\$ 6.82	\$ 9.30	\$ 8.94	\$ 44.70	\$ 44.70	\$ 8.05	\$ 8.94	\$ 2.12	\$ 7.85	\$ 7.85	\$ 1.23	\$ (0.36)
2" Meter	\$ 6.82	\$ 57.04	\$ 57.04	\$ 6.82	\$ 9.30	\$ 8.94	\$ 71.52	\$ 71.52	\$ 8.05	\$ 8.94	\$ 2.12	\$ 14.48	\$ 14.48	\$ 1.23	\$ (0.36)
3" Meter	\$ 6.82	\$ 111.50	\$ 111.50	\$ 6.82	\$ 9.30	\$ 8.94	\$ 143.04	\$ 143.04	\$ 8.05	\$ 8.94	\$ 2.12	\$ 31.54	\$ 31.54	\$ 1.23	\$ (0.36)
4" Meter	\$ 6.82	\$ 172.98	\$ 172.98	\$ 6.82	\$ 9.30	\$ 8.94	\$ 223.50	\$ 223.50	\$ 8.05	\$ 8.94	\$ 2.12	\$ 50.52	\$ 50.52	\$ 1.23	\$ (0.36)
Capital Reserve Charge															
5/8" Meter	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
1" Meter	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
1.5" Meter	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
2" Meter	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
3" Meter	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
4" Meter	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -
Gallionage Charge															
Block 1	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 4.67	\$ 4.67	\$ 4.67	\$ 4.67	\$ 4.67	\$ (0.60)	\$ (0.60)	\$ (0.60)	\$ (0.60)	\$ (0.60)
Block 2	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 5.61	\$ 5.61	\$ 5.61	\$ 5.61	\$ 5.61	\$ (0.66)	\$ (0.66)	\$ (0.66)	\$ (0.66)	\$ (0.66)
Block 3	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.01	\$ 7.01	\$ 7.01	\$ 7.01	\$ 7.01	\$ (0.26)	\$ (0.26)	\$ (0.26)	\$ (0.26)	\$ (0.26)
Block 4	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 10.51	\$ 10.51	\$ 10.51	\$ 10.51	\$ 10.51	\$ 2.24	\$ 2.24	\$ 2.24	\$ 2.24	\$ 2.24

Note: Modified rate structure with INCREASED Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

Scenario 3B

Schedule 3 Town of Fort Myers Beach, FL Water Enterprise Fund Projected Rates FY 2014 through FY 2018

	Test Year FY 2014	Projected Fiscal Year			
		FY 2015	FY 2016	FY 2017	FY 2018
<u>Administrative Charge:</u>					
Per Billed Account per Month	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.34	\$ 3.57
<u>Base Facility Charge:</u>					
<u>Residential</u>					
Per Unit	\$ 8.94	\$ 8.94	\$ 8.94	\$ 9.23	\$ 9.86
<u>Commercial</u>					
5/8"	\$ 8.94	\$ 8.94	\$ 8.94	\$ 9.23	\$ 9.86
1"	\$ 22.35	\$ 22.35	\$ 22.35	\$ 23.07	\$ 24.64
1.5"	\$ 44.70	\$ 44.70	\$ 44.70	\$ 46.13	\$ 49.27
2"	\$ 71.52	\$ 71.52	\$ 71.52	\$ 73.81	\$ 78.83
3"	\$ 143.04	\$ 143.04	\$ 143.04	\$ 147.62	\$ 157.66
4"	\$ 223.50	\$ 223.50	\$ 223.50	\$ 230.65	\$ 246.33
<u>Irrigation</u>					
5/8"	\$ 8.94	\$ 8.94	\$ 8.94	\$ 9.23	\$ 9.86
1"	\$ 22.35	\$ 22.35	\$ 22.35	\$ 23.07	\$ 24.64
1.5"	\$ 44.70	\$ 44.70	\$ 44.70	\$ 46.13	\$ 49.27
2"	\$ 71.52	\$ 71.52	\$ 71.52	\$ 73.81	\$ 78.83
<u>Multi-Family</u>					
Per Unit	\$ 8.05	\$ 8.05	\$ 8.05	\$ 8.31	\$ 8.88
<u>Lift Stations</u>					
Per Station	\$ 8.94	\$ 8.94	\$ 8.94	\$ 9.23	\$ 9.86
<u>Capital Reserve Charge:</u>					
<u>Residential</u>					
Per Unit	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.81	\$ 3.01
<u>Commercial</u>					
5/8"	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.81	\$ 3.01
1"	\$ 6.80	\$ 6.80	\$ 6.80	\$ 7.02	\$ 7.50
1.5"	\$ 13.60	\$ 13.60	\$ 13.60	\$ 14.04	\$ 15.00
2"	\$ 21.86	\$ 21.86	\$ 21.86	\$ 22.56	\$ 24.10
3"	\$ 44.12	\$ 44.12	\$ 44.12	\$ 45.54	\$ 48.64
4"	\$ 68.10	\$ 68.10	\$ 68.10	\$ 70.28	\$ 75.06
<u>Irrigation</u>					
5/8"	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.81	\$ 3.01
1"	\$ 6.80	\$ 6.80	\$ 6.80	\$ 7.02	\$ 7.50
1.5"	\$ 13.60	\$ 13.60	\$ 13.60	\$ 14.04	\$ 15.00
2"	\$ 21.86	\$ 21.86	\$ 21.86	\$ 22.56	\$ 24.10
<u>Multi-Family (per Unit)</u>					
Per Unit	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.81	\$ 3.01
<u>Lift Stations</u>					
Per Station	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.81	\$ 3.01
<u>Gallonage Charges:</u>					
<u>Volume Charges (per 1,000 gallons)</u>					
All Customers					
Block 1	\$ 4.67	\$ 4.67	\$ 4.67	\$ 4.82	\$ 5.15
Block 2	\$ 5.61	\$ 5.61	\$ 5.61	\$ 5.79	\$ 6.18
Block 3	\$ 7.01	\$ 7.01	\$ 7.01	\$ 7.23	\$ 7.72
Block 4	\$ 10.51	\$ 10.51	\$ 10.51	\$ 10.85	\$ 11.59
Additional Rate Increases	0.00%	0.00%	0.00%	3.20%	6.80%

Note: Modified rate structure with INCREASED Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

Scenario 3B
Schedule 4
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Monthly Bills

Customer Class	Usage	Monthly Bill		Difference		
		Current	Proposed	Amount	Percent	
Residential						
5/8"	3	\$ 28.12	\$ 28.91	\$ 0.79	2.81%	
5/8"	5	\$ 38.66	\$ 38.25	\$ (0.41)	-1.06%	
5/8"	14	\$ 94.09	\$ 87.80	\$ (6.29)	-6.69%	
Commercial						
5/8"	9	\$ 63.22	\$ 59.75	\$ (3.47)	-5.49%	
5/8"	18	\$ 119.65	\$ 114.44	\$ (5.21)	-4.35%	
5/8"	36	\$ 238.51	\$ 261.62	\$ 23.11	9.69%	
1"	18	\$ 132.96	\$ 119.27	\$ (13.69)	-10.30%	
1"	30	\$ 208.20	\$ 186.59	\$ (21.61)	-10.38%	
1"	80	\$ 581.70	\$ 543.39	\$ (38.31)	-6.59%	
1.5"	35	\$ 260.67	\$ 229.69	\$ (30.98)	-11.88%	
1.5"	60	\$ 432.42	\$ 369.94	\$ (62.48)	-14.45%	
1.5"	100	\$ 758.22	\$ 629.34	\$ (128.88)	-17.00%	
2"	50	\$ 380.17	\$ 332.00	\$ (48.17)	-12.67%	
2"	125	\$ 980.42	\$ 759.75	\$ (220.67)	-22.51%	
2"	250	\$ 2,014.17	\$ 1,671.00	\$ (343.17)	-17.04%	
3"	90	\$ 672.69	\$ 610.70	\$ (61.99)	-9.22%	
3"	200	\$ 1,462.39	\$ 1,222.16	\$ (240.23)	-16.43%	
3"	500	\$ 3,743.39	\$ 3,339.16	\$ (404.23)	-10.80%	
4"	350	\$ 2,428.35	\$ 2,117.34	\$ (311.01)	-12.81%	
4"	500	\$ 3,518.85	\$ 3,133.84	\$ (385.01)	-10.94%	
4"	700	\$ 5,172.85	\$ 4,535.84	\$ (637.01)	-12.31%	
Irrigation						
5/8"	5	\$ 41.14	\$ 38.25	\$ (2.89)	-7.02%	
5/8"	25	\$ 163.54	\$ 163.51	\$ (0.03)	-0.02%	
5/8"	50	\$ 340.29	\$ 408.76	\$ 68.47	20.12%	
1"	15	\$ 114.15	\$ 102.44	\$ (11.71)	-10.26%	
1"	25	\$ 176.85	\$ 158.54	\$ (18.31)	-10.35%	
1"	100	\$ 747.10	\$ 753.59	\$ 6.49	0.87%	
1.5"	30	\$ 229.32	\$ 201.64	\$ (27.68)	-12.07%	
1.5"	80	\$ 592.82	\$ 489.14	\$ (103.68)	-17.49%	
1.5"	250	\$ 1,998.72	\$ 2,030.84	\$ 32.12	1.61%	
2"	20	\$ 192.07	\$ 190.02	\$ (2.05)	-1.07%	
2"	50	\$ 380.17	\$ 332.00	\$ (48.17)	-12.67%	
2"	150	\$ 1,187.17	\$ 935.00	\$ (252.17)	-21.24%	
Multi-Family						
Per Unit	2	\$ 22.85	\$ 23.35	\$ 0.50	2.19%	
Per Unit	4	\$ 33.39	\$ 32.69	\$ (0.70)	-2.10%	
Per Unit	10	\$ 69.01	\$ 64.47	\$ (4.54)	-6.58%	
Lift Stations						
Per Station	0	\$ 14.79	\$ 14.90	\$ 0.11	0.74%	
Per Station	1	\$ 20.06	\$ 19.57	\$ (0.49)	-2.44%	
Per Station	2	\$ 25.33	\$ 24.24	\$ (1.09)	-4.30%	

Note: Modified rate structure with INCREASED Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

Scenario 3B
Schedule 5
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Revenue Distribution by Class and Rate Component
Test Year FY 2014

Revenue	Current		Proposed		Difference	
	Revenue	% of Total	Revenue	% of Total	Amount	Percent
Residential						
Admin	\$ 77,900	1.93%	\$ 91,100	2.26%	\$ 13,200	16.94%
Base	191,800	4.75%	251,400	6.23%	59,600	31.07%
Capital	76,500	1.89%	76,500	1.90%	-	0.00%
Usage	817,000	20.22%	760,400	18.84%	(56,600)	-6.93%
Subtotal	\$ 1,163,200		\$ 1,179,400		\$ 16,200	1.39%
Commercial						
Admin	\$ 7,100	0.18%	\$ 8,300	0.21%	\$ 1,200	16.90%
Base	66,000	1.63%	77,800	1.93%	11,800	17.88%
Capital	23,800	0.59%	23,800	0.59%	-	0.00%
Usage	859,300	21.27%	844,700	20.93%	(14,600)	-1.70%
Subtotal	\$ 956,200		\$ 954,600		\$ (1,600)	-0.17%
Irrigation						
Admin	\$ 2,500	0.06%	\$ 2,900	0.07%	\$ 400	16.00%
Base	19,500	0.48%	22,600	0.56%	3,100	15.90%
Capital	6,900	0.17%	6,900	0.17%	-	0.00%
Usage	214,200	5.30%	198,400	4.92%	(15,800)	-7.38%
Subtotal	\$ 243,100		\$ 230,800		\$ (12,300)	-5.06%
Multi-Family						
Admin	\$ 15,600	0.39%	\$ 18,200	0.45%	\$ 2,600	16.67%
Base	524,600	12.99%	619,100	15.34%	94,500	18.01%
Capital	209,200	5.18%	209,200	5.18%	-	0.00%
Usage	924,800	22.89%	821,500	20.36%	(103,300)	-11.17%
Subtotal	\$ 1,674,200		\$ 1,668,000		\$ (6,200)	-0.37%
Lift Station						
Admin	\$ 600	0.01%	\$ 600	0.01%	\$ -	0.00%
Base	1,900	0.05%	1,800	0.04%	(100)	-5.26%
Capital	500	0.01%	500	0.01%	-	0.00%
Usage	100	0.00%	100	0.00%	-	0.00%
Subtotal	\$ 3,100		\$ 3,000		\$ (100)	-3.23%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,035,800	100.00%	\$ (4,000)	-0.10%
Total Revenue Summary - By Class						
Residential	\$ 1,163,200	28.79%	\$ 1,179,400	29.22%	\$ 16,200	1.39%
Commercial	956,200	23.67%	954,600	23.65%	(1,600)	-0.17%
Irrigation	243,100	6.02%	230,800	5.72%	(12,300)	-5.06%
Multi-Family	1,674,200	41.44%	1,668,000	41.33%	(6,200)	-0.37%
Lift Station	3,100	0.08%	3,000	0.07%	(100)	-3.23%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,035,800	100.00%	\$ (4,000)	-0.10%
Total Revenue Summary - By Component						
Admin	\$ 103,700	2.57%	\$ 121,100	3.00%	\$ 17,400	16.78%
Base	803,800	19.90%	972,700	24.10%	168,900	21.01%
Capital	316,900	7.84%	316,900	7.85%	-	0.00%
Usage	2,815,400	69.69%	2,625,100	65.05%	(190,300)	-6.76%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,035,800	100.00%	\$ (4,000)	-0.10%

Note: Modified rate structure with INCREASED Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

SCENARIO 3C

Scenario 3C
Schedule 1
Town of Fort Myers Beach, FL
Water Enterprise Fund
Projected Proforma Operating Results

Account Name	Test Year	Projected Fiscal Year			
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Operating Revenues					
User Fee Revenue					
Administrative Charge	\$ 121,100	\$ 121,100	\$ 121,100	\$ 125,000	\$ 133,500
Base Charges	1,290,800	1,290,800	1,290,800	1,329,600	1,420,100
Usage (Gallons) Charges	2,625,100	2,625,100	2,625,100	2,704,100	2,888,900
Subtotal User Fee Revenue	\$ 4,037,000	\$ 4,037,000	\$ 4,037,000	\$ 4,158,700	\$ 4,442,500
Other Operating Revenues					
Miscellaneous Charge Revenues	53,400	110,000	110,000	113,200	121,000
Subtotal Other Operating Revenues	\$ 53,400	\$ 110,000	\$ 110,000	\$ 113,200	\$ 121,000
Total Operating Revenues	\$ 4,090,400	\$ 4,147,000	\$ 4,147,000	\$ 4,271,900	\$ 4,563,500
O & M Expenses	2,718,600	2,798,100	2,869,700	2,943,000	3,018,300
Net Revenues Avail. For Debt Service	\$ 1,371,800	\$ 1,348,900	\$ 1,277,300	\$ 1,328,900	\$ 1,545,200
Debt Service	328,700	515,500	691,300	874,000	1,073,700
Operating Balance after Debt Service	\$ 1,043,100	\$ 833,400	\$ 586,000	\$ 454,900	\$ 471,500
Other Revenue/(Expenses)					
Capital (Restricted) Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	400	600	700	700	700
Other Non-Operating Expenditures	-	-	-	-	-
R&R and Other Transfers Out	(729,900)	(122,500)	(122,500)	(122,500)	(126,200)
Capital Expenditures Paid by Rates	(305,400)	(313,100)	(320,900)	(328,900)	(337,200)
Total Other Revenue/(Expenses)	\$ (1,034,900)	\$ (435,000)	\$ (442,700)	\$ (450,700)	\$ (462,700)
Total Available for Other Uses	\$ 8,200	\$ 398,400	\$ 143,300	\$ 4,200	\$ 8,800
Rate Increase for Revenue Sufficiency	0.000%	0.000%	0.000%	3.000%	6.800%
Coverage Test on Debt Service					
Achieved	4.1746	2.6178	1.8487	1.5213	1.4398
Target Minimum	1.3000	1.3000	1.3000	1.3000	1.3000
Projected Fund Balances					
Unrestricted	\$ 1,036,523	\$ 1,385,323	\$ 1,429,023	\$ 1,333,623	\$ 1,342,923
Restricted	750,400	800,400	900,400	1,000,500	1,000,500
Total	\$ 1,786,923	\$ 2,185,723	\$ 2,329,423	\$ 2,334,123	\$ 2,343,423

Note: Modified rate structure with NO Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

Scenario 3C

Schedule 2

Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Rates - FY 2014

Account	Current Rates				Proposed Rates				Differences						
	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS	Res	Comm	Irr	MF	LS
Administrative Fee															
Per Account	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 0.47	\$ 0.47	\$ 0.47	\$ 0.47	\$ 0.47
Base Charge															
5/8" Meter	\$ 6.82	\$ 9.30	\$ 9.30	\$ 6.82	\$ 9.30	\$ 11.86	\$ 11.86	\$ 11.86	\$ 10.68	\$ 11.86	\$ 5.04	\$ 2.56	\$ 2.56	\$ 3.86	\$ 2.56
1" Meter	\$ 6.82	\$ 19.53	\$ 19.53	\$ 6.82	\$ 9.30	\$ 11.86	\$ 29.65	\$ 29.65	\$ 10.68	\$ 11.86	\$ 5.04	\$ 10.12	\$ 10.12	\$ 3.86	\$ 2.56
1.5" Meter	\$ 6.82	\$ 36.85	\$ 36.85	\$ 6.82	\$ 9.30	\$ 11.86	\$ 59.30	\$ 59.30	\$ 10.68	\$ 11.86	\$ 5.04	\$ 22.45	\$ 22.45	\$ 3.86	\$ 2.56
2" Meter	\$ 6.82	\$ 57.04	\$ 57.04	\$ 6.82	\$ 9.30	\$ 11.86	\$ 94.88	\$ 94.88	\$ 10.68	\$ 11.86	\$ 5.04	\$ 37.84	\$ 37.84	\$ 3.86	\$ 2.56
3" Meter	\$ 6.82	\$ 111.50	\$ 111.50	\$ 6.82	\$ 9.30	\$ 11.86	\$ 189.76	\$ 189.76	\$ 10.68	\$ 11.86	\$ 5.04	\$ 78.26	\$ 78.26	\$ 3.86	\$ 2.56
4" Meter	\$ 6.82	\$ 172.98	\$ 172.98	\$ 6.82	\$ 9.30	\$ 11.86	\$ 296.50	\$ 296.50	\$ 10.68	\$ 11.86	\$ 5.04	\$ 123.52	\$ 123.52	\$ 3.86	\$ 2.56
Capital Reserve Charge															
5/8" Meter	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (2.72)	\$ (2.72)	\$ (2.72)	\$ (2.72)
1" Meter	\$ 2.72	\$ 6.80	\$ 6.80	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (6.80)	\$ (6.80)	\$ (2.72)	\$ (2.72)
1.5" Meter	\$ 2.72	\$ 13.60	\$ 13.60	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (13.60)	\$ (13.60)	\$ (2.72)	\$ (2.72)
2" Meter	\$ 2.72	\$ 21.86	\$ 21.86	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (21.86)	\$ (21.86)	\$ (2.72)	\$ (2.72)
3" Meter	\$ 2.72	\$ 44.12	\$ 44.12	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (44.12)	\$ (44.12)	\$ (2.72)	\$ (2.72)
4" Meter	\$ 2.72	\$ 68.10	\$ 68.10	\$ 2.72	\$ 2.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.72)	\$ (68.10)	\$ (68.10)	\$ (2.72)	\$ (2.72)
Gallage Charge															
Block 1	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27	\$ 4.67	\$ 4.67	\$ 4.67	\$ 4.67	\$ 4.67	\$ (0.60)	\$ (0.60)	\$ (0.60)	\$ (0.60)	\$ (0.60)
Block 2	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 6.27	\$ 5.61	\$ 5.61	\$ 5.61	\$ 5.61	\$ 5.61	\$ (0.66)	\$ (0.66)	\$ (0.66)	\$ (0.66)	\$ (0.66)
Block 3	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.27	\$ 7.01	\$ 7.01	\$ 7.01	\$ 7.01	\$ 7.01	\$ (0.26)	\$ (0.26)	\$ (0.26)	\$ (0.26)	\$ (0.26)
Block 4	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 8.27	\$ 10.51	\$ 10.51	\$ 10.51	\$ 10.51	\$ 10.51	\$ 2.24	\$ 2.24	\$ 2.24	\$ 2.24	\$ 2.24

Note: Modified rate structure with NO Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

Scenario 3C

Schedule 3 Town of Fort Myers Beach, FL Water Enterprise Fund Projected Rates FY 2014 through FY 2018

	Test Year FY 2014	FY 2015	Projected Fiscal Year		
			FY 2016	FY 2017	FY 2018
<u>Administrative Charge:</u>					
Per Billed Account per Month	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.34	\$ 3.57
<u>Base Facility Charge:</u>					
<u>Residential</u>					
Per Unit	\$ 11.86	\$ 11.86	\$ 11.86	\$ 12.22	\$ 13.05
<u>Commercial</u>					
5/8"	\$ 11.86	\$ 11.86	\$ 11.86	\$ 12.22	\$ 13.05
1"	\$ 29.65	\$ 29.65	\$ 29.65	\$ 30.54	\$ 32.62
1.5"	\$ 59.30	\$ 59.30	\$ 59.30	\$ 61.08	\$ 65.23
2"	\$ 94.88	\$ 94.88	\$ 94.88	\$ 97.73	\$ 104.38
3"	\$ 189.76	\$ 189.76	\$ 189.76	\$ 195.45	\$ 208.74
4"	\$ 296.50	\$ 296.50	\$ 296.50	\$ 305.40	\$ 326.17
<u>Irrigation</u>					
5/8"	\$ 11.86	\$ 11.86	\$ 11.86	\$ 12.22	\$ 13.05
1"	\$ 29.65	\$ 29.65	\$ 29.65	\$ 30.54	\$ 32.62
1.5"	\$ 59.30	\$ 59.30	\$ 59.30	\$ 61.08	\$ 65.23
2"	\$ 94.88	\$ 94.88	\$ 94.88	\$ 97.73	\$ 104.38
<u>Multi-Family</u>					
Per Unit	\$ 10.68	\$ 10.68	\$ 10.68	\$ 11.00	\$ 11.75
<u>Lift Stations</u>					
Per Station	\$ 11.86	\$ 11.86	\$ 11.86	\$ 12.22	\$ 13.05
<u>Capital Reserve Charge:</u>					
<u>Residential</u>					
Per Unit	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Commercial</u>					
5/8"	\$ -	\$ -	\$ -	\$ -	\$ -
1"	\$ -	\$ -	\$ -	\$ -	\$ -
1.5"	\$ -	\$ -	\$ -	\$ -	\$ -
2"	\$ -	\$ -	\$ -	\$ -	\$ -
3"	\$ -	\$ -	\$ -	\$ -	\$ -
4"	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Irrigation</u>					
5/8"	\$ -	\$ -	\$ -	\$ -	\$ -
1"	\$ -	\$ -	\$ -	\$ -	\$ -
1.5"	\$ -	\$ -	\$ -	\$ -	\$ -
2"	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Multi-Family (per Unit)</u>					
Per Unit	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Lift Stations</u>					
Per Station	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Gallionage Charges:</u>					
<u>Volume Charges (per 1,000 gallons)</u>					
All Customers					
Block 1	\$ 4.67	\$ 4.67	\$ 4.67	\$ 4.81	\$ 5.14
Block 2	\$ 5.61	\$ 5.61	\$ 5.61	\$ 5.78	\$ 6.17
Block 3	\$ 7.01	\$ 7.01	\$ 7.01	\$ 7.22	\$ 7.71
Block 4	\$ 10.51	\$ 10.51	\$ 10.51	\$ 10.83	\$ 11.57
Additional Rate Increases	0.00%	0.00%	0.00%	3.00%	6.80%

Note: Modified rate structure with NO Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

Scenario 3C
Schedule 4
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Monthly Bills

Customer Class	Usage	Monthly Bill		Difference		
		Current	Proposed	Amount	Percent	
Residential						
5/8"	3	\$ 28.12	\$ 29.11	\$ 0.99	3.52%	
5/8"	5	\$ 38.66	\$ 38.45	\$ (0.21)	-0.54%	
5/8"	14	\$ 94.09	\$ 88.00	\$ (6.09)	-6.47%	
Commercial						
5/8"	9	\$ 63.22	\$ 59.95	\$ (3.27)	-5.17%	
5/8"	18	\$ 119.65	\$ 114.64	\$ (5.01)	-4.19%	
5/8"	36	\$ 238.51	\$ 261.82	\$ 23.31	9.77%	
1"	18	\$ 132.96	\$ 119.77	\$ (13.19)	-9.92%	
1"	30	\$ 208.20	\$ 187.09	\$ (21.11)	-10.14%	
1"	80	\$ 581.70	\$ 543.89	\$ (37.81)	-6.50%	
1.5"	35	\$ 260.67	\$ 230.69	\$ (29.98)	-11.50%	
1.5"	60	\$ 432.42	\$ 370.94	\$ (61.48)	-14.22%	
1.5"	100	\$ 758.22	\$ 630.34	\$ (127.88)	-16.87%	
2"	50	\$ 380.17	\$ 333.50	\$ (46.67)	-12.28%	
2"	125	\$ 980.42	\$ 761.25	\$ (219.17)	-22.35%	
2"	250	\$ 2,014.17	\$ 1,672.50	\$ (341.67)	-16.96%	
3"	90	\$ 672.69	\$ 613.30	\$ (59.39)	-8.83%	
3"	200	\$ 1,462.39	\$ 1,224.76	\$ (237.63)	-16.25%	
3"	500	\$ 3,743.39	\$ 3,341.76	\$ (401.63)	-10.73%	
4"	350	\$ 2,428.35	\$ 2,122.24	\$ (306.11)	-12.61%	
4"	500	\$ 3,518.85	\$ 3,138.74	\$ (380.11)	-10.80%	
4"	700	\$ 5,172.85	\$ 4,540.74	\$ (632.11)	-12.22%	
Irrigation						
5/8"	5	\$ 41.14	\$ 38.45	\$ (2.69)	-6.54%	
5/8"	25	\$ 163.54	\$ 163.71	\$ 0.17	0.10%	
5/8"	50	\$ 340.29	\$ 408.96	\$ 68.67	20.18%	
1"	15	\$ 114.15	\$ 102.94	\$ (11.21)	-9.82%	
1"	25	\$ 176.85	\$ 159.04	\$ (17.81)	-10.07%	
1"	100	\$ 747.10	\$ 754.09	\$ 6.99	0.94%	
1.5"	30	\$ 229.32	\$ 202.64	\$ (26.68)	-11.63%	
1.5"	80	\$ 592.82	\$ 490.14	\$ (102.68)	-17.32%	
1.5"	250	\$ 1,998.72	\$ 2,031.84	\$ 33.12	1.66%	
2"	20	\$ 192.07	\$ 191.52	\$ (0.55)	-0.29%	
2"	50	\$ 380.17	\$ 333.50	\$ (46.67)	-12.28%	
2"	150	\$ 1,187.17	\$ 936.50	\$ (250.67)	-21.11%	
Multi-Family						
Per Unit	2	\$ 22.85	\$ 23.26	\$ 0.41	1.79%	
Per Unit	4	\$ 33.39	\$ 32.60	\$ (0.79)	-2.37%	
Per Unit	10	\$ 69.01	\$ 64.38	\$ (4.63)	-6.71%	
Lift Stations						
Per Station	0	\$ 14.79	\$ 15.10	\$ 0.31	2.10%	
Per Station	1	\$ 20.06	\$ 19.77	\$ (0.29)	-1.45%	
Per Station	2	\$ 25.33	\$ 24.44	\$ (0.89)	-3.51%	

Note: Modified rate structure with NO Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

Scenario 3C
Schedule 5
Town of Fort Myers Beach, FL
Water Enterprise Fund
Current and Proposed Revenue Distribution by Class and Rate Component
Test Year FY 2014

Revenue	Current		Proposed		Difference	
	Revenue	% of Total	Revenue	% of Total	Amount	Percent
Residential						
Admin	\$ 77,900	1.93%	\$ 91,100	2.26%	\$ 13,200	16.94%
Base	191,800	4.75%	333,500	8.26%	141,700	73.88%
Capital	76,500	1.89%	-	0.00%	(76,500)	-100.00%
Usage	817,000	20.22%	760,400	18.84%	(56,600)	-6.93%
Subtotal	\$ 1,163,200		\$ 1,185,000		\$ 21,800	1.87%
Commercial						
Admin	\$ 7,100	0.18%	\$ 8,300	0.21%	\$ 1,200	16.90%
Base	66,000	1.63%	103,400	2.56%	37,400	56.67%
Capital	23,800	0.59%	-	0.00%	(23,800)	-100.00%
Usage	859,300	21.27%	844,700	20.92%	(14,600)	-1.70%
Subtotal	\$ 956,200		\$ 956,400		\$ 200	0.02%
Irrigation						
Admin	\$ 2,500	0.06%	\$ 2,900	0.07%	\$ 400	16.00%
Base	19,500	0.48%	29,900	0.74%	10,400	53.33%
Capital	6,900	0.17%	-	0.00%	(6,900)	-100.00%
Usage	214,200	5.30%	198,400	4.91%	(15,800)	-7.38%
Subtotal	\$ 243,100		\$ 231,200		\$ (11,900)	-4.90%
Multi-Family						
Admin	\$ 15,600	0.39%	\$ 18,200	0.45%	\$ 2,600	16.67%
Base	524,600	12.99%	821,600	20.35%	297,000	56.61%
Capital	209,200	5.18%	-	0.00%	(209,200)	-100.00%
Usage	924,800	22.89%	821,500	20.35%	(103,300)	-11.17%
Subtotal	\$ 1,674,200		\$ 1,661,300		\$ (12,900)	-0.77%
Lift Station						
Admin	\$ 600	0.01%	\$ 600	0.01%	\$ -	0.00%
Base	1,900	0.05%	2,400	0.06%	500	26.32%
Capital	500	0.01%	-	0.00%	(500)	-100.00%
Usage	100	0.00%	100	0.00%	-	0.00%
Subtotal	\$ 3,100		\$ 3,100		\$ -	0.00%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,037,000	100.00%	\$ (2,800)	-0.07%

Total Revenue Summary - By Class

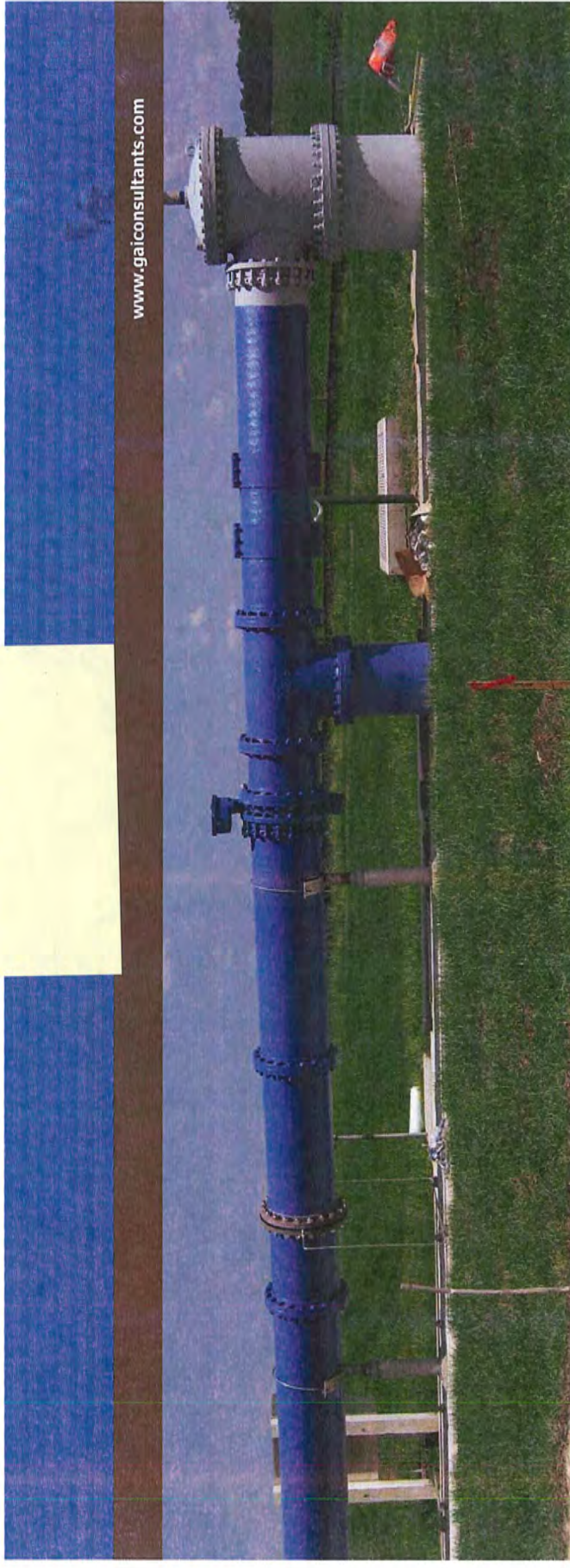
Residential	\$ 1,163,200	28.79%	\$ 1,185,000	29.35%	\$ 21,800	1.87%
Commercial	956,200	23.67%	956,400	23.69%	200	0.02%
Irrigation	243,100	6.02%	231,200	5.73%	(11,900)	-4.90%
Multi-Family	1,674,200	41.44%	1,661,300	41.15%	(12,900)	-0.77%
Lift Station	3,100	0.08%	3,100	0.08%	-	0.00%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,037,000	100.00%	\$ (2,800)	-0.07%

Total Revenue Summary - By Component

Admin	\$ 103,700	2.57%	\$ 121,100	3.00%	\$ 17,400	16.78%
Base	803,800	19.90%	1,290,800	31.97%	487,000	60.59%
Capital	316,900	7.84%	-	0.00%	(316,900)	-100.00%
Usage	2,815,400	69.69%	2,625,100	65.03%	(190,300)	-6.76%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,037,000	100.00%	\$ (2,800)	-0.07%

Note: Modified rate structure with NO Capital Reserve Charge, AWWA Meter Equivalencies, Multifamily at 0.9 ERC, standardized blocks, 65% of requirements in usage charge and rate increases for revenue sufficiency.

Attachment
A.



Water Utility Rate Study Workshop

Town of Fort Myers Beach
March 4, 2013

Presented by:
GAI Consultants, Inc.



Purpose of Rate Study

- + Provide For Revenue Sufficiency
- + Continue to Promote Resource Conservation
- + Provide for Just and Equitable Rates
- + Provide for the Proposed Capital Improvement Plan
- + Minimize Rate Shock
- + Retain Administrative Compatibility
- + Public Understandability

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Purpose of Presentation

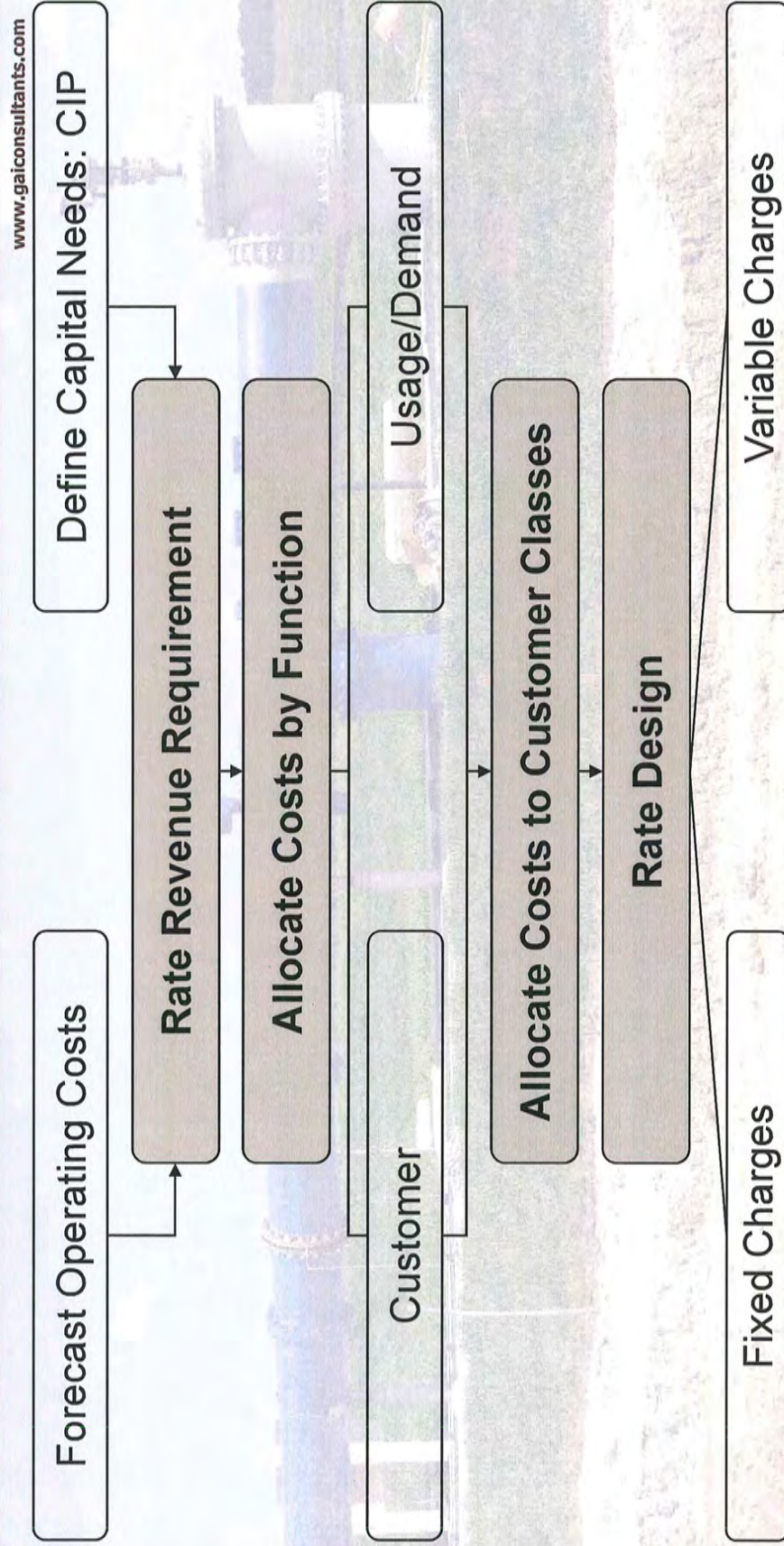
- + Demonstrate alternative water user rate structures with corresponding rates.
- + **Assist** the Town in the selection of a **fiscally prudent** rate structure which is **equitable** to all classes of existing and future customers.

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Overview of the Rate Study Process



Elements of Rate Making

- + Fiscal Requirements
- + Rate Revenues
- + Other Sources of Income
- + Customer Characteristics
- + Future Needs (CIP)
- + Community Standards
- + Compliance with Florida Statutes

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What was Done?

- + Fiscal Requirements/Operating Analysis
 - Operating and Maintenance (O&M) Expenses
 - Debt Service
 - Renewal & Replacement, Reserve Funds, and Transfers
 - Pay-as-you-go Capital
- + Capital Improvement Plan Analysis and Timing
- + Other Fiscal Needs and Revenue Analysis
- + Used an Interactive Computer Model

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Rate Revenue Requirements

Total Fiscal Requirements

Less

Other Income & Sources

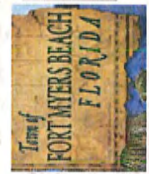
Less

Adjustments

Equals

Net Rate Revenue Requirements

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Rate Revenue Requirements

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ADJUSTED TEST YEAR 2014

Description	Requirement
Operations and Maintenance Expense	
Personal Services	\$ 280,700
Operating Expense	2,437,900
Total Operations and Maintenance Expense	\$ 2,718,600
Debt Service	328,700
Capital From Rates/Renewals & Replacements/Capital Reserves	1,035,300
Other Operating Revenue	(53,400)
Net Rate Revenue Requirements	\$ 4,029,200



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Capital Improvement Plan Analysis

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- + Town's Current 5-Year Capital Improvement Plan is approximately \$20 million for FY 2013 through FY 2017.
- + GAI with Town staff reviewed the current CIP and is proposing that it be implemented over a 7-Year Period.
 - Help Minimize Rate Shock
 - Provide Opportunity to Identify and Pursue Alternative Sources of Funding including State Revolving Fund Loans, Grants, etc.
 - Help Minimize the Impact of the Construction on the Island Residents.
- + GAI's Proposed Implementation:
 - FY 2013 – \$2.9 million (Unchanged)
 - FY 2014 – \$2.82 million
 - FY 2015 – \$2.8 million
 - FY 2016 – \$2.5 million
 - FY 2017 – \$3.0 million
 - FY 2018 – \$3.0 million
 - FY 2019 – \$3.0 million



Revenue Sufficiency Analysis: Current Rates

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Fiscal Year	Surplus/(Shortfall)	
	With Capital Recovery Charge	Without Capital Recovery Charge
2014	\$ 11,000	\$ (306,000)
2015	\$ 382,500	\$ 65,400
2016	\$ 127,400	\$ (189,900)
2017	\$ (136,700)	\$ (454,100)
2018	\$ (420,100)	\$ (737,500)



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Rate Structure Modifications

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- + Adjustments to the dwelling unit equivalencies for Multi-Family customers (**Rate Equity**).
- + Adjustments to the meter equivalency factors for Commercial/Irrigation/Non-residential customers (**Rate Equity**).
- + Adjustments to the gallonage allowances per block as well as the differential in the rate per block (**Rate Equity and Water Conservation**).
- + Adjustments to the amount of net fiscal requirements to be recovered through the base charge, administrative charge, and gallonage charges (**Rate Stability**).



Scenarios Considered

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1. Maintain the Town's existing rate structure with across-the-board rate increases as needed for revenue sufficiency.
2. Modify the existing rate structure to include:
 - Multi-Family Customers based on 0.9 ERCs per dwelling unit.
 - Commercial, Irrigation, and Non-residential customers billed based on AWWA meter equivalencies.
 - AWWA meter equivalencies applied to all customer usage blocks.
 - Allowances per block lowered to continue to promote water conservation.
 - Rate factor between each block rate increased to continue to promote water conservation.
3. In addition to the modifications in Scenario 2, rate structure modified to include:
 - Allocation adjusted to recover 65% of the revenue requirements through the gallonage charge (from 75% currently).



Scenarios Considered (continued)

+ Three alternatives for each Scenario prepared:

- A. Capital Recovery Charge held constant throughout the projection period.
All other charges increased across-the-board for revenue sufficiency.
- B. All charges, including the Capital Recovery Charge are increased across-the-board for revenue sufficiency.
- C. Capital Recovery Charge eliminated. All other charges are increased across-the-board as needed for revenue sufficiency.

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Base Charge Equivalencies

Single Family
Multi-Family

Commercial,
Irrigation,

Non-residential

5/8"

1"

1.5"

2"

3"

4"

Existing	Proposed
Per Unit	Per Unit
Per Unit	0.9 Per Unit
1.36	1.00
2.86	2.50
5.40	5.00
8.36	8.00
16.35	16.00
25.36	25.00



Gallonage Blocks

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Single Family

Block 1 Per Unit
Block 2 Per Unit
Block 3 Per Unit
Block 4 Per Unit

Multi-Family

Block 1 Per Unit
Block 2 Per Unit
Block 3 Per Unit
Block 4 Per Unit

Commercial, Irrigation,

Non-residential

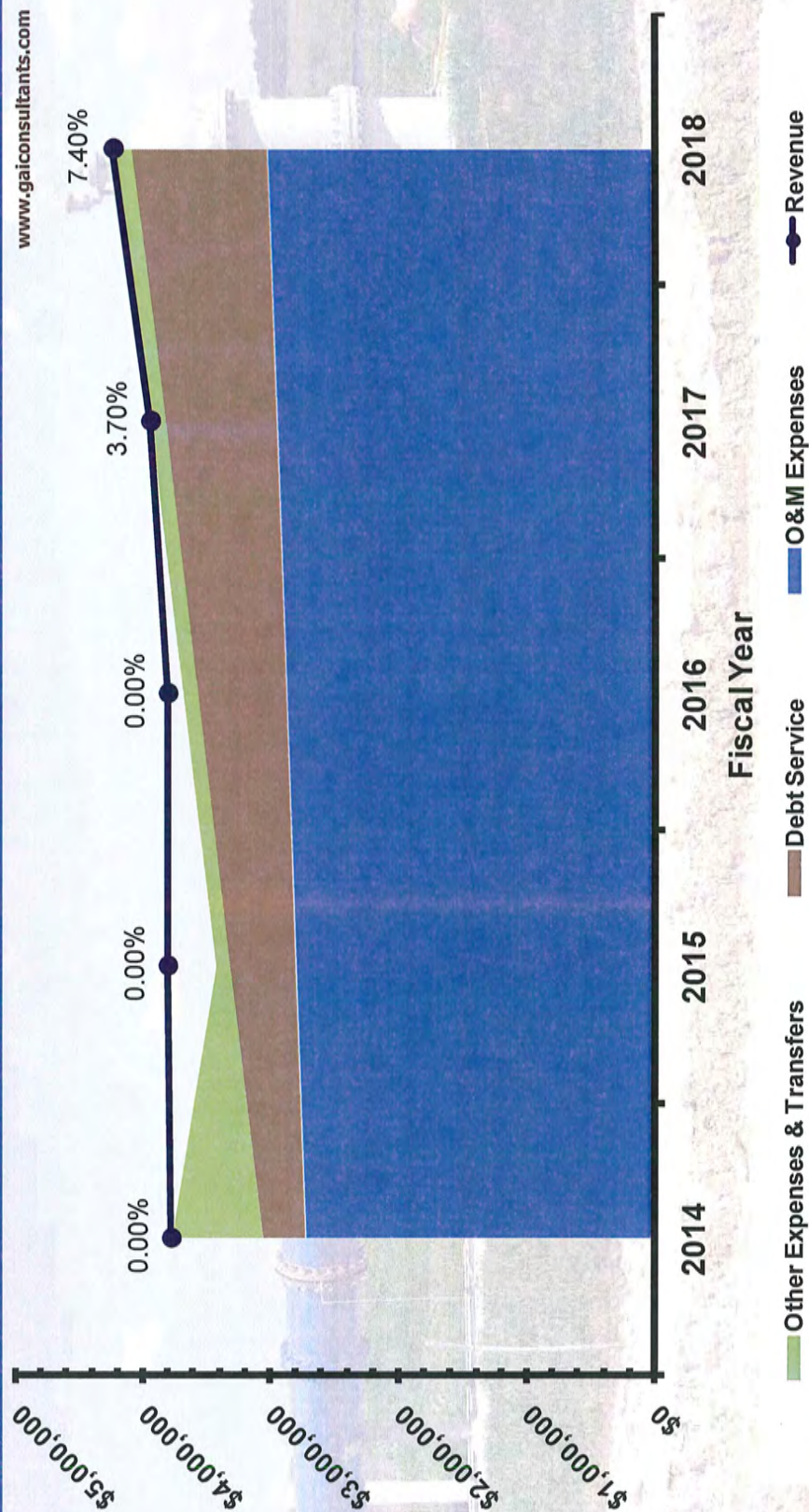
Block 1 5/8" Meter
Block 2 5/8" Meter
Block 3 5/8" Meter
Block 4 5/8" Meter



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Existing		Proposed	
Gallons (000s)	Incremental	Gallons (000s)	Incremental
0 - 6	1.00	0 - 6	1.00
6 - 30	1.19	6 - 15	1.20
30 - 50	1.38	15 - 30	1.50
Above 50	1.57	Above 30	2.25
0 - 6	1.00	0 - 6	1.00
6 - 30	1.19	6 - 14	1.20
30 - 50	1.38	14 - 27	1.50
Above 50	1.57	Above 27	2.25
0 - 8	1.00	0 - 6	1.00
8 - 30	1.19	6 - 15	1.20
30 - 60	1.38	15 - 30	1.50
Above 60	1.57	Above 30	2.25

Projected Operating Results



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Customer Class		Usage	Monthly Bill		Difference	
			Current	Proposed	Amount	Percent
Residential						
5/8"		3	\$ 28.12	\$ 28.12	\$ -	0.00%
5/8"		5	\$ 38.66	\$ 38.66	\$ -	0.00%
5/8"		14	\$ 94.09	\$ 94.09	\$ -	0.00%
Commercial						
5/8"		9	\$ 63.22	\$ 63.22	\$ -	0.00%
5/8"		18	\$ 119.65	\$ 119.65	\$ -	0.00%
5/8"		36	\$ 238.51	\$ 238.51	\$ -	0.00%
1"		18	\$ 132.96	\$ 132.96	\$ -	0.00%
1"		30	\$ 208.20	\$ 208.20	\$ -	0.00%
1"		80	\$ 581.70	\$ 581.70	\$ -	0.00%
1.5"		35	\$ 260.67	\$ 260.67	\$ -	0.00%
1.5"		60	\$ 432.42	\$ 432.42	\$ -	0.00%
1.5"		100	\$ 758.22	\$ 758.22	\$ -	0.00%
2"		50	\$ 380.17	\$ 380.17	\$ -	0.00%
2"		125	\$ 980.42	\$ 980.42	\$ -	0.00%
2"		250	\$ 2,014.17	\$ 2,014.17	\$ -	0.00%
3"		90	\$ 672.69	\$ 672.69	\$ -	0.00%
3"		200	\$ 1,462.39	\$ 1,462.39	\$ -	0.00%
3"		500	\$ 3,743.39	\$ 3,743.39	\$ -	0.00%
4"		350	\$ 2,428.35	\$ 2,428.35	\$ -	0.00%
4"		500	\$ 3,518.85	\$ 3,518.85	\$ -	0.00%
4"		700	\$ 5,172.85	\$ 5,172.85	\$ -	0.00%
Multi-Family						
Per Unit		2	\$ 22.85	\$ 22.85	\$ -	0.00%
Per Unit		4	\$ 33.39	\$ 33.39	\$ -	0.00%
Per Unit		10	\$ 69.01	\$ 69.01	\$ -	0.00%



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Scenarios 1A and 1B – FY 2014

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Total Revenue Summary - By Class									
Residential	\$	1,163,200	28.79%	\$	1,163,200	28.79%	\$	-	0.00%
Commercial		956,200	23.67%		956,200	23.67%		-	0.00%
Irrigation		243,100	6.02%		243,100	6.02%		-	0.00%
Multi-Family		1,674,200	41.44%		1,674,200	41.44%		-	0.00%
Lift Station		3,100	0.08%		3,100	0.08%		-	0.00%
Total Revenue	\$	4,039,800	100.00%	\$	4,039,800	100.00%	\$	-	0.00%

Total Revenue Summary - By Component									
Admin	\$	103,700	2.57%	\$	103,700	2.57%	\$	-	0.00%
Base		803,800	19.90%		803,800	19.90%		-	0.00%
Capital		316,900	7.84%		316,900	7.84%		-	0.00%
Usage		2,815,400	69.69%		2,815,400	69.69%		-	0.00%
Total Revenue	\$	4,039,800	100.00%	\$	4,039,800	100.00%	\$	-	0.00%



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Scenario 1C – FY 2014

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Customer Class		Usage	Monthly Bill		Difference	
			Current	Proposed	Amount	Percent
Residential						
5/8"		3	\$	28.12	\$ 27.51	\$ (0.61)
5/8"		5	\$	38.66	\$ 38.93	\$ 0.27
5/8"		14	\$	94.09	\$ 99.36	\$ 5.27
Commercial						
5/8"		9	\$	63.22	\$ 65.59	\$ 2.37
5/8"		18	\$	119.65	\$ 127.15	\$ 7.50
5/8"		36	\$	238.51	\$ 257.05	\$ 18.54
1"		18	\$	132.96	\$ 137.09	\$ 4.13
1"		30	\$	208.20	\$ 219.17	\$ 10.97
1"		80	\$	581.70	\$ 628.97	\$ 47.27
1.5"		35	\$	260.67	\$ 268.72	\$ 8.05
1.5"		60	\$	432.42	\$ 456.67	\$ 24.25
1.5"		100	\$	758.22	\$ 815.02	\$ 56.80
2"		50	\$	380.17	\$ 389.78	\$ 9.61
2"		125	\$	980.42	\$ 1,049.68	\$ 69.26
2"		250	\$	2,014.17	\$ 2,187.18	\$ 173.01
3"		90	\$	672.69	\$ 682.76	\$ 10.07
3"		200	\$	1,462.39	\$ 1,548.16	\$ 85.77
3"		500	\$	3,743.39	\$ 4,052.16	\$ 308.77
4"		350	\$	2,428.35	\$ 2,572.89	\$ 144.54
4"		500	\$	3,518.85	\$ 3,768.39	\$ 249.54
4"		700	\$	5,172.85	\$ 5,588.39	\$ 415.54
Multi-Family						
Per Unit		2	\$	22.85	\$ 21.80	\$ (1.05)
Per Unit		4	\$	33.39	\$ 33.22	\$ (0.17)
Per Unit		10	\$	69.01	\$ 72.00	\$ 2.99



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Scenario 1C – FY 2014

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Total Revenue Summary - By Class

Residential	\$ 1,163,200	28.79%	\$ 1,180,100	29.14%	\$ 16,900	1.45%
Commercial	956,200	23.67%	1,021,200	25.22%	65,000	6.80%
Irrigation	243,100	6.02%	258,500	6.38%	15,400	6.33%
Multi-Family	1,674,200	41.44%	1,586,800	39.19%	(87,400)	-5.22%
Lift Station	3,100	0.08%	2,800	0.07%	(300)	-9.68%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,049,400	100.00%	\$ 9,600	0.24%

Total Revenue Summary - By Component

Admin	\$ 103,700	2.57%	\$ 112,200	2.77%	\$ 8,500	8.20%
Base	803,800	19.90%	869,800	21.48%	66,000	8.21%
Capital	316,900	7.84%	-	0.00%	(316,900)	-100.00%
Usage	2,815,400	69.69%	3,067,400	75.75%	252,000	8.95%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,049,400	100.00%	\$ 9,600	0.24%



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Scenarios 2A and 2B – FY 2014

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Customer Class		Usage	Monthly Bill		Difference	
			Current	Proposed	Amount	Percent
Residential						
5/8"		3	\$ 28.12	\$ 28.21	\$ 0.09	0.32%
5/8"		5	\$ 38.66	\$ 37.97	\$ (0.69)	-1.78%
5/8"		14	\$ 94.09	\$ 89.73	\$ (4.36)	-4.63%
Commercial						
5/8"		9	\$ 63.22	\$ 60.43	\$ (2.79)	-4.41%
5/8"		18	\$ 119.65	\$ 117.55	\$ (2.10)	-1.76%
5/8"		36	\$ 238.51	\$ 271.27	\$ 32.76	13.74%
1"		18	\$ 132.96	\$ 120.33	\$ (12.63)	-9.50%
1"		30	\$ 208.20	\$ 190.65	\$ (17.55)	-8.43%
1"		80	\$ 581.70	\$ 563.27	\$ (18.43)	-3.17%
1.5"		35	\$ 260.67	\$ 231.87	\$ (28.80)	-11.05%
1.5"		60	\$ 432.42	\$ 378.37	\$ (54.05)	-12.50%
1.5"		100	\$ 758.22	\$ 649.27	\$ (108.95)	-14.37%
2"		50	\$ 380.17	\$ 334.18	\$ (45.99)	-12.10%
2"		125	\$ 980.42	\$ 780.98	\$ (199.44)	-20.34%
2"		250	\$ 2,014.17	\$ 1,732.58	\$ (281.59)	-13.98%
3"		90	\$ 672.69	\$ 613.12	\$ (59.57)	-8.86%
3"		200	\$ 1,462.39	\$ 1,251.84	\$ (210.55)	-14.40%
3"		500	\$ 3,743.39	\$ 3,462.64	\$ (280.75)	-7.50%
4"		350	\$ 2,428.35	\$ 2,173.27	\$ (255.08)	-10.50%
4"		500	\$ 3,518.85	\$ 3,234.77	\$ (284.08)	-8.07%
4"		700	\$ 5,172.85	\$ 4,698.77	\$ (474.08)	-9.16%
Multi-Family						
Per Unit		2	\$ 22.85	\$ 22.54	\$ (0.31)	-1.36%
Per Unit		4	\$ 33.39	\$ 32.30	\$ (1.09)	-3.26%
Per Unit		10	\$ 69.01	\$ 65.50	\$ (3.51)	-5.09%



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Scenarios 2A and 2B – FY 2014

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Total Revenue Summary - By Class

Residential	\$ 1,163,200	28.79%	\$ 1,176,100	29.17%	\$ 12,900	1.11%
Commercial	956,200	23.67%	982,800	24.38%	26,600	2.78%
Irrigation	243,100	6.02%	236,800	5.87%	(6,300)	-2.59%
Multi-Family	1,674,200	41.44%	1,633,100	40.51%	(41,100)	-2.45%
Lift Station	3,100	0.08%	2,800	0.07%	(300)	-9.68%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,031,600	100.00%	\$ (8,200)	-0.20%

Total Revenue Summary - By Component

Admin	\$ 103,700	2.57%	\$ 109,300	2.71%	\$ 5,600	5.40%
Base	803,800	19.90%	863,000	21.41%	59,200	7.37%
Capital	316,900	7.84%	316,900	7.86%	-	0.00%
Usage	2,815,400	69.69%	2,742,400	68.02%	(73,000)	-2.59%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,031,600	100.00%	\$ (8,200)	-0.20%



Scenario 2C – FY 2014

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Customer Class		Usage	Monthly Bill		Difference	
			Current	Proposed	Amount	Percent
Residential						
5/8"		3	\$ 28.12	\$ 28.41	\$ 0.29	1.03%
5/8"		5	\$ 38.66	\$ 38.17	\$ (0.49)	-1.27%
5/8"		14	\$ 94.09	\$ 89.93	\$ (4.16)	-4.42%
Commercial						
5/8"		9	\$ 63.22	\$ 60.63	\$ (2.59)	-4.10%
5/8"		18	\$ 119.65	\$ 117.75	\$ (1.90)	-1.59%
5/8"		36	\$ 238.51	\$ 271.47	\$ 32.96	13.82%
1"		18	\$ 132.96	\$ 120.83	\$ (12.13)	-9.12%
1"		30	\$ 208.20	\$ 191.15	\$ (17.05)	-8.19%
1"		80	\$ 581.70	\$ 563.77	\$ (17.93)	-3.08%
1.5"		35	\$ 260.67	\$ 232.87	\$ (27.80)	-10.66%
1.5"		60	\$ 432.42	\$ 379.37	\$ (53.05)	-12.27%
1.5"		100	\$ 758.22	\$ 650.27	\$ (107.95)	-14.24%
2"		50	\$ 380.17	\$ 335.68	\$ (44.49)	-11.70%
2"		125	\$ 980.42	\$ 782.48	\$ (197.94)	-20.19%
2"		250	\$ 2,014.17	\$ 1,734.08	\$ (280.09)	-13.91%
3"		90	\$ 672.69	\$ 615.72	\$ (56.97)	-8.47%
3"		200	\$ 1,462.39	\$ 1,254.44	\$ (207.95)	-14.22%
3"		500	\$ 3,743.39	\$ 3,465.24	\$ (278.15)	-7.43%
4"		350	\$ 2,428.35	\$ 2,178.17	\$ (250.18)	-10.30%
4"		500	\$ 3,518.85	\$ 3,239.67	\$ (279.18)	-7.93%
4"		700	\$ 5,172.85	\$ 4,703.67	\$ (469.18)	-9.07%
Multi-Family						
Per Unit		2	\$ 22.85	\$ 22.45	\$ (0.40)	-1.75%
Per Unit		4	\$ 33.39	\$ 32.21	\$ (1.18)	-3.53%
Per Unit		10	\$ 69.01	\$ 65.41	\$ (3.60)	-5.22%



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Scenario 2C – FY 2014

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Total Revenue Summary - By Class

Residential	\$ 1,163,200	28.79%	\$ 1,181,700	29.30%	\$ 18,500	1.59%
Commercial	956,200	23.67%	984,500	24.41%	28,300	2.96%
Irrigation	243,100	6.02%	237,400	5.89%	(5,700)	-2.34%
Multi-Family	1,674,200	41.44%	1,626,400	40.33%	(47,800)	-2.86%
Lift Station	3,100	0.08%	2,900	0.07%	(200)	-6.45%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,032,900	100.00%	\$ (6,900)	-0.17%

Total Revenue Summary - By Component

Admin	\$ 103,700	2.57%	\$ 109,300	2.71%	\$ 5,600	5.40%
Base	803,800	19.90%	1,181,200	29.29%	377,400	46.95%
Capital	316,900	7.84%	-	0.00%	(316,900)	-100.00%
Usage	2,815,400	69.69%	2,742,400	68.00%	(73,000)	-2.59%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,032,900	100.00%	\$ (6,900)	-0.17%



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Scenarios 3A and 3B – FY 2014

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Customer Class		Usage	Monthly Bill		Difference	
			Current	Proposed	Amount	Percent
Residential						
5/8"		3	\$ 28.12	\$ 28.91	\$ 0.79	2.81%
5/8"		5	\$ 38.66	\$ 38.25	\$ (0.41)	-1.06%
5/8"		14	\$ 94.09	\$ 87.80	\$ (6.29)	-6.69%
Commercial						
5/8"		9	\$ 63.22	\$ 59.75	\$ (3.47)	-5.49%
5/8"		18	\$ 119.65	\$ 114.44	\$ (5.21)	-4.35%
5/8"		36	\$ 238.51	\$ 261.62	\$ 23.11	9.69%
1"		18	\$ 132.96	\$ 119.27	\$ (13.69)	-10.30%
1"		30	\$ 208.20	\$ 186.59	\$ (21.61)	-10.38%
1"		80	\$ 581.70	\$ 543.39	\$ (38.31)	-6.59%
1.5"		35	\$ 260.67	\$ 229.69	\$ (30.98)	-11.88%
1.5"		60	\$ 432.42	\$ 369.94	\$ (62.48)	-14.45%
1.5"		100	\$ 758.22	\$ 629.34	\$ (128.88)	-17.00%
2"		50	\$ 380.17	\$ 332.00	\$ (48.17)	-12.67%
2"		125	\$ 980.42	\$ 759.75	\$ (220.67)	-22.51%
2"		250	\$ 2,014.17	\$ 1,671.00	\$ (343.17)	-17.04%
3"		90	\$ 672.69	\$ 610.70	\$ (61.99)	-9.22%
3"		200	\$ 1,462.39	\$ 1,222.16	\$ (240.23)	-16.43%
3"		500	\$ 3,743.39	\$ 3,339.16	\$ (404.23)	-10.80%
4"		350	\$ 2,428.35	\$ 2,117.34	\$ (311.01)	-12.81%
4"		500	\$ 3,518.85	\$ 3,133.84	\$ (385.01)	-10.94%
4"		700	\$ 5,172.85	\$ 4,535.84	\$ (637.01)	-12.31%
Multi-Family						
Per Unit		2	\$ 22.85	\$ 23.35	\$ 0.50	2.19%
Per Unit		4	\$ 33.39	\$ 32.69	\$ (0.70)	-2.10%
Per Unit		10	\$ 69.01	\$ 64.47	\$ (4.54)	-6.58%



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Scenarios 3A and 3B – FY 2014

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Total Revenue Summary - By Class

Residential	\$ 1,163,200	28.79%	\$ 1,179,400	29.22%	\$ 16,200	1.39%
Commercial	956,200	23.67%	954,600	23.65%	(1,600)	-0.17%
Irrigation	243,100	6.02%	230,800	5.72%	(12,300)	-5.06%
Multi-Family	1,674,200	41.44%	1,668,000	41.33%	(6,200)	-0.37%
Lift Station	3,100	0.08%	3,000	0.07%	(100)	-3.23%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,035,800	100.00%	\$ (4,000)	-0.10%

Total Revenue Summary - By Component

Admin	\$ 103,700	2.57%	\$ 121,100	3.00%	\$ 17,400	16.78%
Base	803,800	19.90%	972,700	24.10%	168,900	21.01%
Capital	316,900	7.84%	316,900	7.85%	-	0.00%
Usage	2,815,400	69.69%	2,625,100	65.05%	(190,300)	-6.76%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,035,800	100.00%	\$ (4,000)	-0.10%



Scenario 3C – FY 2014

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Customer Class		Usage	Monthly Bill		Difference	
			Current	Proposed	Amount	Percent
Residential						
5/8"		3	\$ 28.12	\$ 29.11	\$ 0.99	3.52%
5/8"		5	\$ 38.66	\$ 38.45	\$ (0.21)	-0.54%
5/8"		14	\$ 94.09	\$ 88.00	\$ (6.09)	-6.47%
Commercial						
5/8"		9	\$ 63.22	\$ 59.95	\$ (3.27)	-5.17%
5/8"		18	\$ 119.65	\$ 114.64	\$ (5.01)	-4.19%
5/8"		36	\$ 238.51	\$ 261.82	\$ 23.31	9.77%
1"		18	\$ 132.96	\$ 119.77	\$ (13.19)	-9.92%
1"		30	\$ 208.20	\$ 187.09	\$ (21.11)	-10.14%
1"		80	\$ 581.70	\$ 543.89	\$ (37.81)	-6.50%
1.5"		35	\$ 260.67	\$ 230.69	\$ (29.98)	-11.50%
1.5"		60	\$ 432.42	\$ 370.94	\$ (61.48)	-14.22%
1.5"		100	\$ 758.22	\$ 630.34	\$ (127.88)	-16.87%
2"		50	\$ 380.17	\$ 333.50	\$ (46.67)	-12.28%
2"		125	\$ 980.42	\$ 761.25	\$ (219.17)	-22.35%
2"		250	\$ 2,014.17	\$ 1,672.50	\$ (341.67)	-16.96%
3"		90	\$ 672.69	\$ 613.30	\$ (59.39)	-8.83%
3"		200	\$ 1,462.39	\$ 1,224.76	\$ (237.63)	-16.25%
3"		500	\$ 3,743.39	\$ 3,341.76	\$ (401.63)	-10.73%
4"		350	\$ 2,428.35	\$ 2,122.24	\$ (306.11)	-12.61%
4"		500	\$ 3,518.85	\$ 3,138.74	\$ (380.11)	-10.80%
4"		700	\$ 5,172.85	\$ 4,540.74	\$ (632.11)	-12.22%
Multi-Family						
Per Unit		2	\$ 22.85	\$ 23.26	\$ 0.41	1.79%
Per Unit		4	\$ 33.39	\$ 32.60	\$ (0.79)	-2.37%
Per Unit		10	\$ 69.01	\$ 64.38	\$ (4.63)	-6.71%



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Total Revenue Summary - By Class

Residential	\$ 1,163,200	28.79%	\$ 1,185,000	29.35%	\$ 21,800	1.87%
Commercial	956,200	23.67%	956,400	23.69%	200	0.02%
Irrigation	243,100	6.02%	231,200	5.73%	(11,900)	-4.90%
Multi-Family	1,674,200	41.44%	1,661,300	41.15%	(12,900)	-0.77%
Lift Station	3,100	0.08%	3,100	0.08%	-	0.00%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,037,000	100.00%	\$ (2,800)	-0.07%

Total Revenue Summary - By Component

Admin	\$ 103,700	2.57%	\$ 121,100	3.00%	\$ 17,400	16.78%
Base	803,800	19.90%	1,290,800	31.97%	487,000	60.59%
Capital	316,900	7.84%	-	0.00%	(316,900)	-100.00%
Usage	2,815,400	69.69%	2,625,100	65.03%	(190,300)	-6.76%
Total Revenue	\$ 4,039,800	100.00%	\$ 4,037,000	100.00%	\$ (2,800)	-0.07%



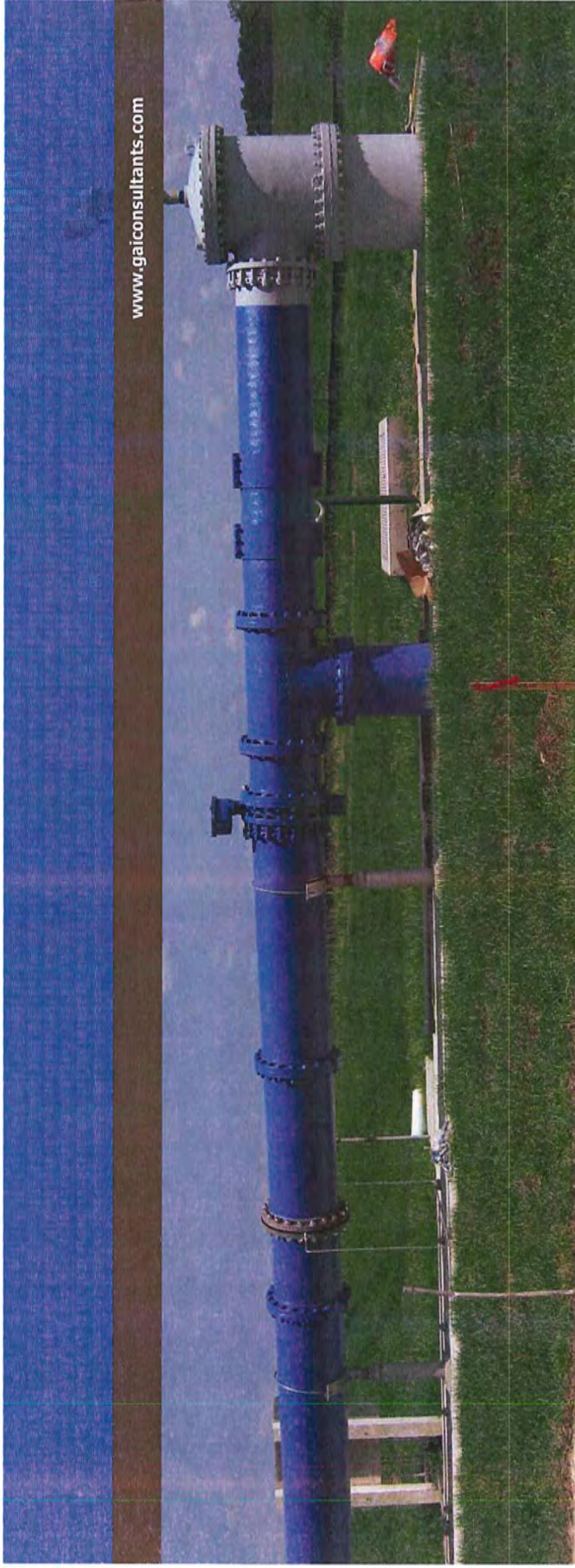
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Next Steps

- + Town to Select Rate Structure Scenario
- + Draft Ordinance/Resolution
- + Customers Notified per Section 180.136, Florida Statutes
- + Public Hearing

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Questions?



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