

City of Lake Alfred  
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Lake Alfred, FL 33850



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**UPDATED AGENDA**  
**CITY COMMISSION MEETING**  
**TUESDAY SEPTEMBER 13, 2016**  
**7:30 P.M.**  
**CITY HALL**

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**CALL TO ORDER: MAYOR CHARLES LAKE**

**INVOCATION AND PLEDGE OF ALLEGIANCE: PASTOR MIKE STRAWN**

**ROLL CALL: CITY CLERK AMEÉ BAILEY**

**CITY MANAGER & CITY ATTORNEY ANNOUNCEMENTS**

**RECOGNITION OF CITIZENS: ITEMS NOT ON AGENDA**

**PROCLAMATION – CANCER AWARENESS AND PREVENTION MONTH**

**CONSENT AGENDA**

- 1.) CITY COMMISSION MEETING MINUTES FOR AUGUST 22, 2016
- 2.) CITY COMMISSION ANNOUNCEMENTS

**AGENDA**

- 1.) PUBLIC HEARING: ORDINANCE 1366-16: PARKS AND RECREATION BOARD
- 2.) PUBLIC HEARING: ORDINANCE 1368-16: UTILITY RATE CHANGES
- 3.) PUBLIC HEARING: ORDINANCE 1367-16: CITY COMMISSION COMPENSATION (PHASE IN)
- 4.) ORDINANCE 1369-16: CITY COMMISSION COMPENSATION (MAY 2017)
- 5.) ORDINANCE 1370-16: POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT SYSTEM
- 6.) PUBLIC HEARING: ORDINANCE 1371-16: FY 2016/2017 ANNUAL BUDGET
- 7.) RESOLUTION 08-16: SUPPORT OF LAKE ALFRED ADDAIR

**RECOGNITION OF CITIZENS (PLEASE LIMIT YOUR COMMENTS TO 5 MINUTES.)**

**COMMISSIONER QUESTIONS AND COMMENTS:**

**COMMISSIONER MAULTSBY**  
**MAYOR LAKE**  
**VICE MAYOR DALEY**  
**COMMISSIONER DUNCAN**  
**COMMISSIONER DEARMIN**

**ADJOURN**



# *Proclamation*

To recognize September 2015 as Cancer Awareness and Prevention Month  
and as Ovarian Cancer Month

**WHEREAS**, each September American call attention to a disease that affects men, women and children across our City, state and country. We renew our commitment to curing cancer and offer our support to the people fighting this disease, and

**WHEREAS**, women with ovarian cancer, families, caregivers, foundations and research groups across the United States are also observing September as Ovarian Cancer Awareness Month to memorialize the lives of grandmothers, mothers, aunts, sisters, and daughters that were taken too soon, and honor the survivors who face chronic health challenges; and

**WHEREAS**, the American Cancer Society estimates that there are more than 1.15 million cancer survivors in Florida and that more than 115,000 Floridians will be diagnosed with cancer this year; and

**WHEREAS**, ovarian cancer is the leading cause of death among all gynecological cancers in women and the fifth related cause of cancer deaths in the United States; and

**WHEREAS**, cancer often goes undetected until advanced stages, therefor increasing awareness of risk factors and screening is critical to fighting this disease. Screening tests can often find some forms of cancer early, when treatments are more likely to be successful; and

**WHEREAS**, this month we pay tribute to the healthcare professionals, researchers, private philanthropies, advocacy, and support groups who collaborate to bring awareness and provide hope and support to patients and their families affected by cancer and make vital contributions to the ongoing search for early diagnosis and a cure; and

**WHEREAS**, this month is dedicated to cancer awareness and prevention, it is also to honor those lost to cancer, show our support for those who bravely carry on the fight, and take action to lessen the tragic toll cancer takes on families across our county.

**THEREFORE, BE IT RESOLVED** that the City of Lake Alfred formally recognize September 2016 as

**"Cancer Awareness and Prevention Month" and "Ovarian Cancer Month"**

in the City of Lake Alfred and urges all citizens to rededicate themselves to the urgent work of increasing awareness, prevention and care for those with cancer. Citizens can also wear the color teal to show their commitment to fight ovarian cancer by encouraging research.

**IN WITNESS WHEREOF**, I have hereunder set my hand this 13<sup>th</sup> day of September, 2016.

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Charles O. Lake, Mayor  
City of Lake Alfred, Florida

**LAKE ALFRED CITY COMMISSION MEETING  
SEPTEMBER 13, 2016**

**CONSENT AGENDA**

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**1.) AUGUST 8, 2016 CITY COMMISSION MEETING MINUTES**

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**ATTACHMENTS:**

- Draft Minutes

**ANALYSIS:** Please review the minutes at your earliest convenience and if there are any questions, comments or concerns please contact the City Clerk, Ameen Bailey at (863) 291-5747. The Community Redevelopment Agency (CRA) Draft Minutes are included as reference only.

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**2.) CITY COMMISSION ANNOUNCEMENTS**

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**ANALYSIS:** Each of the meetings/ events scheduled below may be constitute a public meeting at which two or more City Commissioners or Planning Board Members may attend and discuss issues that may come before the City Commissioners.

- Ridge League of Cities: October 13, 2016, Lake Eva Banquet Hall, Haines City

**DRAFT MINUTES**  
**CITY OF LAKE ALFRED**  
**CITY COMMISSION MEETING**  
**MONDAY, AUGUST 22, 2016**  
**7:30 P.M.**  
**CITY HALL**

**Call to Order:** Mayor Charles Lake

**Invocation and Pledge of Allegiance:** Pastor Thacker

**Roll Call:** Those in attendance were Mayor Charles Lake, Vice Mayor Nancy Daley, Commissioner John Duncan, Commissioner Jack Dearmin, and Commissioner Albertus Maultsby.

Staff attendance: City Manager Ryan Leavengood, Assistant City Attorney Seth Claytor, City Clerk Ameé Bailey-Speck, Finance Director Amber Deaton, Parks and Recreation Director Richard Weed, Fire Chief Chris Costine, Police Chief Art Bodenheimer, and Lieutenant Gerald Dempsey.

**CITY MANAGER ANNOUNCEMENTS**

**City Manager Leavengood** stated the Mackay Gardens and Lakeside Preserve will host a free gardening workshop on Thursday September 1<sup>st</sup> at 10 am. Contact the Parks and Recreation Department for more details.

City Offices will be closed on Monday, September 5<sup>th</sup> in observance of Labor Day.

The 15<sup>th</sup> Annual Lake Alfred Chamber of Commerce golf tournament has been scheduled for Saturday, September 10, 2016 at Cypresswood Golf and Country Club. Please contact the Chamber of Commerce for additional information.

The City Commission dates in September have been changed to the 2<sup>nd</sup> and 4<sup>th</sup> week in September (Tuesday, September 13<sup>th</sup> and Monday September 26<sup>th</sup>) to meet the Florida Statue requirement for the annual budget hearings. The final millage rate and 2016/2017 budget adoption is scheduled for the City Commission Meeting on Monday, September 26<sup>th</sup> at 7:30 pm.

The pedestrian bridge construction is scheduled to begin next month on Monday, September 19<sup>th</sup>, and be completed in February/March 2017.

**City Manager Leavengood** stated he and the City Commission recently attended the annual Florida League of Cities Conference which was very educational. One interesting item was how to reduce the tipping fee on the recyclables by educating people to put glass in the trash rather than the recycle bins. Education items could be notices in the utility, door tags, mailers, etc.

**CITY ATTORNEY ANNOUNCEMENTS**

No Announcements.

## RECOGNITION OF CITIZENS

No citizen comments.

### **PROCLAMATION – CIVILITY MONTH**

**Mayor Lake** read the proclamation and encouraged all citizens to exercise civility toward each other. He also discussed a conference session where civility was discussed.

## CONSENT AGENDA

**Commissioner Dearmin** moved to approve the consent agenda, seconded by **Commissioner Duncan**. The motion was approved by unanimous voice call vote.

<b>MAYOR LAKE</b>	<b>AYE</b>
<b>VICE MAYOR DALEY</b>	<b>AYE</b>
<b>COMMISSIONER DEARMIN</b>	<b>AYE</b>
<b>COMMISSIONER DUNCAN</b>	<b>AYE</b>
<b>COMMISSIONER MAULTSBY</b>	<b>AYE</b>

## AGENDA

### **1.) ORDINANCE 1368-16: UTILITY RATE STRUCTURE**

**Assistant City Attorney Seth Claytor** read the Ordinance title.

**City Manager Leavengood** stated the City's existing rate structure for water and sewer service provides a stable revenue source for the utility with very little variation in the amount billed per customer based on usage. The City's sewer rates and structure has not been changed since 1990; the water rates and structure has not been changed since 1999. The current system does not encourage conservation and the customers that use the least amount of water are essentially subsidizing the utility bill for higher water users by paying a flat rate.

In January of 2016 the City entered into a continuing service agreement with Raftelis Financial Consultants for the performance of a utility rate study. The goal was to restructure the system to be more equitable by lowering the base rate and charging based upon usage while still providing a stable revenue source for the City.

In June of 2016 the City Commission was presented with the results of the utility rate study that provided for a reduction in the base sewer charge from \$40.54 to \$29.50 and a reduction in the base water charge from \$12.95 to \$8.95. The proposed ordinance adopts the rate structure as well as cleans up other language within the code pertaining to utilities. The proposed rate structure will not result in an increase in revenue to the City (revenue neutral). Under the proposed rate structure just over half of the residences are expected to see a decrease in their utility bill with a breakeven point between 4,000-5,000 gallons of usage per month. Therefore user who use less than 4,000 gallons per month will see a decrease in their bill while user who use more than 5,000 gallons per month will see an increase in their bill.

Usage	Existing Rates	Proposed Rates	Difference	Cumulative % Single Family Bills
0	\$53.49	\$38.45	(\$15.04)	11.1%
1,000	\$53.49	\$41.82	(\$11.67)	17.1%
2,000	\$53.49	\$45.19	(\$8.30)	25.8%
3,000	\$53.49	\$48.56	(\$4.93)	37.3%
4,000	\$53.49	\$51.93	(\$1.56)	48.4%
5,000	\$53.49	\$55.30	\$1.81	58.0%
6,000	\$53.49	\$58.88	\$5.39	65.4%
10,000	\$57.49	\$73.20	\$15.71	82.7%
15,000	\$62.49	\$80.50	\$18.01	90.1%

Comments were made about the history of the rate structure and opportunities to educate users on conservation. The rates were high in the past but have not increased and are now lower than other cities in the County. Sewer rates have been the same since 1990 and were high at the time to cover the debt service. The proposed block rates are still low in comparison and can be adjusted if needed.

**Staff** recommended approval of Ordinance 1368-16 on first reading.

**Commissioner Dearmin** moved to approve Ordinance 1368-16 to update the utility rate structure on first reading, seconded by **Commissioner Duncan**. The motion was approved by unanimous voice call vote. There were no citizen comments.

<b>MAYOR LAKE</b>	<b>AYE</b>
<b>VICE MAYOR DALEY</b>	<b>AYE</b>
<b>COMMISSIONER DEARMIN</b>	<b>AYE</b>
<b>COMMISSIONER DUNCAN</b>	<b>AYE</b>
<b>COMMISSIONER MAULTSBY</b>	<b>AYE</b>

## 2.) PURCHASE: PUBLIC WORKS VEHICLE

**City Manager Leavengood** stated the upcoming FY 16/17 budget set to begin on October 1, 2016 includes \$25,000 for the purchase of a replacement vehicle for the Public Works Department. Staff is requesting to advance the purchase of a 2016 Ford F150 in order to accommodate anticipated operational needs that will start at the beginning of the fiscal year. The proposed purchase price of \$24,732 (MSRP \$33,740) from Bartow Ford was priced through the Polk County Sheriff's Office bid.

Funding is available to accommodate the purchase in the current fiscal year. The \$25,000 included in the FY 16/17 budget will remain programmed within the budget; effectively acting as a reimbursement so there is no additional cost incurred by advancing the purchase to the current fiscal year.

**Staff** recommended the purchase a 2016 F150 from Bartow Ford in the amount of \$24,732.

**Public Works Director John Deaton** stated that the vehicle will need a toolbox. The 1996 van will not hold the inmate crew, therefore the new F250 from last year will be used. The truck is a four door truck which will hold six people. This requested vehicle will then replace that truck.

The four door truck will become the department standard since it is multi-functional and can haul people, tools, and pull a trailer.

**Vice Mayor Daley** moved to approve the purchase of a 2016 F150 from Bartow Ford in the amount of \$24,732, seconded by **Commissioner Dearmin**. The motion was approved by unanimous voice call vote. There were no citizen comments.

<b>MAYOR LAKE</b>	<b>AYE</b>
<b>VICE MAYOR DALEY</b>	<b>AYE</b>
<b>COMMISSIONER DEARMIN</b>	<b>AYE</b>
<b>COMMISSIONER DUNCAN</b>	<b>AYE</b>
<b>COMMISSIONER MAULTSBY</b>	<b>AYE</b>

### 3.) APPOINT CHAIR/VICE CHAIR: CRA BOARD

**City Manager Leavengood** stated Florida Statutes requires the annual appointment of the CRA Chair and Vice Chair. Prior to convening the CRA the City Commission may appoint these offices. Once the CRA Board Bylaws are established the offices will be confirmed by the CRA Board each year.

**Staff** recommended that the Mayor serve as the Chair and the Vice Mayor serve as the Vice Chair.

**Commissioner Dearmin** moved to approve the Mayor as Chair of the CRA Board, seconded by **Commissioner Duncan**. The motion was approved by unanimous voice call vote.

<b>MAYOR LAKE</b>	<b>AYE</b>
<b>VICE MAYOR DALEY</b>	<b>AYE</b>
<b>COMMISSIONER DEARMIN</b>	<b>AYE</b>
<b>COMMISSIONER DUNCAN</b>	<b>AYE</b>
<b>COMMISSIONER MAULTSBY</b>	<b>AYE</b>

**Commissioner Maultsby** moved to approve the Vice Mayor as Vice Chair of the CRA Board, seconded by **Commissioner Duncan**. The motion was approved by unanimous voice call vote.

<b>MAYOR LAKE</b>	<b>AYE</b>
<b>VICE MAYOR DALEY</b>	<b>AYE</b>
<b>COMMISSIONER DEARMIN</b>	<b>AYE</b>
<b>COMMISSIONER DUNCAN</b>	<b>AYE</b>
<b>COMMISSIONER MAULTSBY</b>	<b>AYE</b>

**Commissioner Duncan** moved to recess the City Commission Meeting, seconded by **Commissioner Maultsby**. The motion was approved by unanimous voice call vote.

<b>MAYOR LAKE</b>	<b>AYE</b>
<b>VICE MAYOR DALEY</b>	<b>AYE</b>
<b>COMMISSIONER DEARMIN</b>	<b>AYE</b>
<b>COMMISSIONER DUNCAN</b>	<b>AYE</b>
<b>COMMISSIONER MAULTSBY</b>	<b>AYE</b>

**The City Commission Meeting was recessed at 7:58 p.m. for the Community Redevelopment Agency Board Meeting and reconvened at 8:10 p.m.**

**Roll Call:** Those in attendance were Mayor Charles Lake, Vice Mayor Nancy Daley, Commissioner John Duncan, Commissioner Jack Dearmin, and Commissioner Albertus Maulsby.

### **RECOGNITION OF CITIZENS**

No citizen Comments.

### **COMMISSIONER QUESTIONS AND COMMENTS**

**Mayor Lake** stated City Commission attended a four day training and he also attended his legislative committee on energy. The sessions were good with lots of information, networking, and good speakers.

**Vice Mayor Daley** stated it was a great conference and the Florida League of Cities provides good services to the cities. She appreciated that all the Commissioners and City Manager attends the conference. She also asked where the news reporter has been.

**Commissioner Duncan** stated the conference and networking was important. He thanked the City Manager for the update on the CRA and bridge.

**Commissioner Dearmin** also enjoyed the conference and networking. He is thankful for the opportunity to attend the conference.

**Commissioner Maulsby** congratulated the City Manager on his session on how to engage younger people in local government. He told people that Lake Alfred is a full service city with great people.

**Mayor Lake** was amazed that cities of all sizes attend the conference with the same goal to make their city better. He also read a citizen letter thanking John Deaton for his assistance on a weekend.

With there being no further business to discuss, Mayor Lake adjourned the meeting at 8:22 pm.

Respectfully Submitted,

Ameé Bailey  
City Clerk

**DRAFT MEETING MINUTES**  
**CITY OF LAKE ALFRED**  
**COMMUNITY REDEVELOPMENT AGENCY BOARD**  
**MONDAY AUGUST 22, 2016**  
**7:51 P.M.**  
**CITY HALL**

**Call to order at 7:59 p.m. – Charles O. Lake, Chair**

**Roll Call:** Those in attendance were Chair Charles Lake, Vice Chair Nancy Z. Daley, Board Member John Duncan, Board Member Jack Dearmin, and Board Member Albertus Maultsby.

Staff attendance: City Manager Ryan Leavengood, Assistant City Attorney Seth Claytor, City Clerk Ameé Bailey-Speck, Finance Director Amber Deaton, Parks and Recreation Director Richard Weed, Fire Chief Chris Costine, and Police Chief Art Bodenheimer.

**COMMUNITY REDEVELOPMENT BOARD (CRA) AGENDA**

**1.) SEPTEMBER 9, 2015 CRA MEETING MINUTES**

**Vice Chair Daley** moved to approve the CRA meeting minutes for September 9, 2015; seconded by **Board Member Dearmin** and the motion was approved by unanimous voice call vote.

<b>CHAIR DALEY</b>	<b>AYE</b>
<b>VICE CHAIR LAKE</b>	<b>AYE</b>
<b>BOARD MEMBER DEARMIN</b>	<b>AYE</b>
<b>BOARD MEMBER DUNCAN</b>	<b>AYE</b>
<b>BOARD MEMBER MAULTSBY</b>	<b>AYE</b>

**2.) CRA RESOLUTION 01-16: CRA BOARD BYLAWS**

**Vice Chair Daley** moved to table the Resolution 01-16 CRA meeting bylaws until the next scheduled CRA meeting; seconded by **Board Member Duncan** and the motion was approved by unanimous voice call vote.

<b>CHAIR DALEY</b>	<b>AYE</b>
<b>VICE CHAIR LAKE</b>	<b>AYE</b>
<b>BOARD MEMBER DEARMIN</b>	<b>AYE</b>
<b>BOARD MEMBER DUNCAN</b>	<b>AYE</b>
<b>BOARD MEMBER MAULTSBY</b>	<b>AYE</b>

**3.) CRA RESOLUTION 02-16: APPROPRIATION OF REMAINING FUNDS**

**Assistant City Attorney Seth Claytor** read the resolution title.

**City Manager Leavengood** stated the County and City have provided the CRA with information regarding the processing of the tax increment for the 2015 tax year. These funds have been transferred to the CRA Trust Fund.

Florida Statutes Chapter 163 Section III, requires CRAs to appropriate Tax Increment Revenue (TIR) funds on projects that will be completed within 3 years or reduce indebtedness incurred in carrying out the implementation of the CRA Plan. A current best practice is CRA Board approval of documentation showing the amount of Tax Increment Revenue funds that are “carried over” from one fiscal year to the next. Annually the Board approves a budget via resolution that appropriates all unencumbered TIR funds to projects that will be completed within three years or toward the reduction of indebtedness. The purpose of the CRA is to address blight, therefore money must be spent to address these issues. Next year the CRA will have a Capitol Improvement Plan and appropriate funds.

The proposed resolution carries the funds over to the next fiscal year for use in a future project. Staff is proposing to include a capital improvement program (CIP) within the preparation of next year’s budget. The CIP will satisfy the need of appropriating any remaining funds by identifying future projects. The amount of funding to be carried over to the next fiscal year is approximately \$25,350 which includes the County and City tax increment minus the 2015-2016 operating expenses.

Questions and comments were made regarding the method and timing of the CRA CIP. In the spring, the City Manager will present the proposed CIP projects for the City budget and the CRA. The Park Master Plan will provide some direction for future projects.

Staff recommended approval of CRA Resolution 02-16.

**Board Member Dearmin** moved to approve the CRA Resolution 02-16; seconded by **Board Member Maultsby** and the motion was approved by unanimous voice call vote. There were no citizen comments.

<b>CHAIR DALEY</b>	<b>AYE</b>
<b>VICE CHAIR LAKE</b>	<b>AYE</b>
<b>BOARD MEMBER DEARMIN</b>	<b>AYE</b>
<b>BOARD MEMBER DUNCAN</b>	<b>AYE</b>
<b>BOARD MEMBER MAULTSBY</b>	<b>AYE</b>

#### **4.) CRA RESOLUTION 03-16: CRA ANNUAL BUDGET**

**Assistant City Attorney Seth Claytor** read the resolution title.

**City Manager Leavengood** stated the proposed CRA budget is the second operating budget to be created following the creation of the CRA in the fall of 2015. Projected revenue for the CRA is \$57,207 with the majority of the funding (\$37,000) being placed in a capital project line item in order to build reserves. This funding will be included in budget preparation for FY 17/18 beginning in March of 2017 to pursue projects within the CRA area. The Parks & Recreation Master Plan slated to be completed in 2017 will likely aid the Board in identifying projects to be funded within the CRA area.



**LAKE ALFRED CITY COMMISSION MEETING  
SEPTEMBER 13, 2016**

**AGENDA**

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**1.) PUBLIC HEARING: ORDINANCE 1366-16: PARKS AND RECREATION BOARD**

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**ISSUE:** The City Commission will consider changes to the membership of the Parks and Recreation Board.

**ATTACHMENTS:**

- Ordinance 1366-16

**ANALYSIS:** In April of this year the City Commission adjusted the membership requirements for the Planning Board and Board of Adjustments. The proposed amendment makes similar changes to the Parks and Recreation Board adjusting the number of members from seven to five with up to two alternates.

The current board has five members with two vacant seats.

**STAFF RECOMMENDATION:** Approval of Ordinance 1366-16 on second and final reading.

## ORDINANCE 1366-16

### AN ORDINANCE OF THE CITY OF LAKE ALFRED, FLORIDA AMENDING SECTION 2-112 OF CHAPTER 2, ARTICLE III, OF THE CODE OF ORDINANCES OF THE CITY OF LAKE ALFRED RELATING TO BOARDS AND COMMITTEES; PROVIDING FOR CODIFICATION, CONFLICTS, SEVERABILITY, AND AN EFFECTIVE DATE.

**WHEREAS**, the City of Lake Alfred City Commission adopted Ordinance No. 1364-16, 1012-02 and 831-98 modifying the membership of the Parks and Recreation Board; and

**WHEREAS**, upon review, the City Commission desires to amend Section 2-112 of Chapter 2, Article III of the Code of Ordinances of the City of Lake Alfred to reduce the number of members of the Parks and Recreation Board and to provide for the appointment of alternate members and to specifically allow for a designee of the City Manager to serve as an ex-officio member of the Parks and Recreation Board; and

**NOW THEREFORE, BE IT ORDAINED** by the City Commission of the City of Lake Alfred, Florida that this Ordinance is hereby passed for the protection and welfare of the citizens of Lake Alfred, and that:

**SECTION 1. CODE OF ORDINANCES.** Sec. 2-112 of Chapter 2, Article III of the Code of Ordinances for the City of Lake Alfred is hereby amended as identified in Exhibit "A" attached hereto and made a part hereof (deletions are shown in ~~strike through~~ and additions are shown in underline format).

**SECTION 2. CONFLICTS.** All ordinances in conflict herewith are hereby repealed to the extent necessary to give this Ordinance full force and effect, provided however, that nothing herein shall be interpreted so as to repeal any existing ordinance or resolution relating to means of securing compliance with the City's Code of Ordinances, unless such repeal is explicitly set forth herein.

**SECTION 3. SEVERABILITY.** If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City of Lake Alfred, Florida, hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

**SECTION 4. CODIFICATION.** It is the intention of the City Commission that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Lake Alfred; and that sections of this Ordinance may be renumbered or re-lettered and the word "ordinance" may be changed to, "section", or such other appropriate word or phrase in order to accomplish such intentions; and regardless of whether such inclusion in the Code of Ordinances of the City of Lake Alfred is accomplished, sections of this Ordinance may be renumbered or re-lettered and the correction of typographical and/or scrivener's errors which do not affect the intent may be authorized by the City Manager or his or her designee, without need of public hearing, by filing corrected or re-codified copy of same with the City Clerk.

**SECTION 5. EFFECTIVE DATE.** This ordinance shall become effective immediately upon final adoption.

**INTRODUCED AND PASSED** on first reading at a regular meeting of the Lake Alfred City Commission held this 8<sup>th</sup> day of August, 2016.

**PASSED AND FINALLY ADOPTED** on second reading at the meeting of the Lake Alfred City Commission duly assembled on the 13<sup>th</sup> day September, 2016.

**CITY OF LAKE ALFRED  
CITY COMMISSION**

ATTEST:

By: \_\_\_\_\_  
Charles O. Lake, Mayor

By: \_\_\_\_\_  
Ameé Bailey-Speck, City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Frederick J. Murphy Jr., City Attorney

**Ordinance 1366-16**  
**Exhibit "A"**

*Language stricken is shown in ~~strikethrough~~ format; language added is shown in underlined format.*

**PART II - CODE OF ORDINANCES**  
**ARTICLE III. - BOARDS, COMMITTEES, COMMISSIONS**  
**Chapter 2 - ADMINISTRATION**  
**DIVISION 3. - PARKS AND RECREATION BOARD**

Sec. 2-112. - Composition; appointment, term of members.

Each member of the Parks and Recreation Board shall be an elector of the city who has resided within the city's municipal limits for not less than one full calendar year. For the purposes of this section, reside shall mean the elector maintains his or her primary residential home within the municipal city limits. The membership of the parks and recreation board shall consist of ~~seven~~five members and may have up to two (2) alternate members. The members shall be appointed by the city commission, and each member shall serve for a term of three years; except that of the seven members first appointed, two shall serve for a term of one year, two shall serve for a term of two years and three shall serve for a term of three years. The city manager or his designee shall be an ex officio member of the board. All members shall serve until their successors are appointed. Members may be removed without notice and without assignment of cause by a majority of the city commission.

**LAKE ALFRED CITY COMMISSION MEETING  
SEPTEMBER 13, 2016**

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**2.) PUBLIC HEARING: ORDINANCE 1368-16: UTILITY RATE STRUCTURE**

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**ISSUE:** The City Commission will consider an ordinance updating the City's water and sewer rate structure on second and final reading.

**ATTACHMENTS:**

- Ordinance 1368-16: Utility Rate Structure
- Schedule of Rate Changes
- 2016 Water and Sewer Rate Study (Raftelis)

**ANALYSIS:** The City's existing rate structure for water and sewer service provides a stable revenue source for the utility with very little variation in the amount billed per customer based on usage. The City's sewer rates and structure has not been changed since 1990; the water rates and structure has not been changed since 1999. The current system does not encourage conservation and the customers that use the least amount of water are essentially subsidizing the utility bill for higher water users by paying a flat rate.

In January of 2016 the City entered into a continuing service agreement with Raftelis Financial Consultants for the performance of a utility rate study. The goal was to restructure the system to be more equitable by lowering the base rate and charging based upon usage while still providing a stable revenue source for the City.

In June of 2016 the City Commission was presented with the results of the utility rate study that provided for a reduction in the base sewer charge from \$40.54 to \$29.50 and a reduction in the base water charge from \$12.95 to \$8.95. The proposed ordinance adopts the rate structure as well as cleans up other language within the code pertaining to utilities. The proposed rate structure will not result in an increase in revenue to the City (revenue neutral). Under the proposed rate structure just over half of the residences are expected to see a decrease in their utility bill with a breakeven point between 4,000-5,000 gallons of usage per month.

<b>Usage</b>	<b>Existing Rates</b>	<b>Proposed Rates</b>	<b>Difference</b>	<b>Cumulative % Single Family Bills</b>
0	\$53.49	\$38.45	(\$15.04)	11.1%
1,000	\$53.49	\$41.82	(\$11.67)	17.1%
2,000	\$53.49	\$45.19	(\$8.30)	25.8%
3,000	\$53.49	\$48.56	(\$4.93)	37.3%
4,000	\$53.49	\$51.93	(\$1.56)	48.4%
5,000	\$53.49	\$55.30	\$1.81	58.0%
6,000	\$53.49	\$58.88	\$5.39	65.4%
10,000	\$57.49	\$73.20	\$15.71	82.7%
15,000	\$62.49	\$80.50	\$18.01	90.1%

**STAFF RECOMMENDATION:** Approve Ordinance 1368-16 on second and final reading.

## ORDINANCE 1368-16

**AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF LAKE ALFRED, FLORIDA AMENDING SECTION 58 OF CHAPTER 2, ARTICLE II WATER SERVICES AND ARTICLE III SEWER SERVICES, OF THE CODE OF ORDINANCES OF THE CITY OF LAKE ALFRED, FLORIDA BY PROVIDING REVISED RATES, FEES AND CHARGES AND USAGE BLOCKS FOR WATER AND SEWER UTILITY SERVICES FOR WATER AND SEWER CUSTOMERS; PROVIDING FOR CODIFICATION, CONFLICTS, SEVERABILITY, THE ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Lake Alfred City Commission has determined it is in the best interest of the citizens to review and amend the water and sewer utility rates, fees, charges and related usage blocks; and

**WHEREAS**, the City of Lake Alfred last changed the sewer rates via the passage of Ordinance 714-90 on December 10, 1990; and

**WHEREAS**, the City of Lake Alfred last changed the water rates for customers within the city-limits of the City via the passage of Ordinance 856-98 on January 5, 1998 and outside the city-limits via the passage of Ordinance 861-99 on March 15, 1999; and

**WHEREAS**, on January 4, 2016 the City Commission approved entering into a Continuing Service Agreement and Task Order #1 with Raftelis Financial Consultants, Inc. to perform a water and sewer utility rate study, and

**WHEREAS**, on June 20, 2016 Raftelis Financial Consultants, Inc. presented the results of the water and sewer utility rate study to the City Commission, and

**WHEREAS**, upon review of the study and existing Code of Ordinances, the City Commission desires to amend Section 58 of Chapter 2, Articles II and III of the Code of Ordinances of the City of Lake Alfred to establish new water and sewer utility rates, and designate the City Manager as the administrator of the City's water and sewer utility system, and to revise classifications and definitions, and the connection schedule for the City's water and sewer system; and

**NOW THEREFORE, BE IT ORDAINED** by the City Commission of the City of Lake Alfred, Florida that this Ordinance is hereby passed for the protection and welfare of the citizens of Lake Alfred, and that:

**SECTION 1. CODE OF ORDINANCES.** Section 58 of Chapter 2, Article II and Article III of the Code of Ordinances for the City of Lake Alfred is hereby amended as identified in Exhibit "A" attached hereto and made a part hereof (deletions are shown in ~~strike through~~ and additions are shown in underline format).

**SECTION 2. CONFLICTS.** All ordinances in conflict herewith are hereby repealed to the extent necessary to give this Ordinance full force and effect, provided however, that nothing

herein shall be interpreted so as to repeal any existing ordinance or resolution relating to means of securing compliance with the City's Code of Ordinances, unless such repeal is explicitly set forth herein.

**SECTION 3. SEVERABILITY.** If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City of Lake Alfred, Florida, hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

**SECTION 4. CODIFICATION.** It is the intention of the City Commission that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Lake Alfred; and that sections of this Ordinance may be renumbered or re-lettered and the word "ordinance" may be changed to, "section", or such other appropriate word or phrase in order to accomplish such intentions; and regardless of whether such inclusion in the Code of Ordinances of the City of Lake Alfred is accomplished, sections of this Ordinance may be renumbered or re-lettered and the correction of typographical and/or scrivener's errors which do not affect the intent may be authorized by the City Manager or his or her designee, without need of public hearing, by filing a corrected or re-codified copy of same with the City Clerk.

**SECTION 5. EFFECTIVE DATE.** This ordinance shall take effect immediately upon adoption after a second and final reading provided however that the rates, fees, and charges established herein shall not take effect until October 1, 2016 and apply to bills in the first full billing cycle after October 1, 2016 it being the intent not to impose pro-rated rates, fees, and charges established herein and effective on October 1, 2016.

**INTRODUCED AND PASSED** on first reading at a regular meeting of the Lake Alfred City Commission held this 22<sup>nd</sup> day of August, 2016.

**PASSED AND FINALLY ADOPTED** on second reading at the meeting of the Lake Alfred City Commission duly assembled on the 13<sup>th</sup> day September, 2016.

**CITY OF LAKE ALFRED  
CITY COMMISSION**

By: \_\_\_\_\_  
Charles O. Lake, Mayor

ATTEST:

By: \_\_\_\_\_  
Ameé Bailey-Speck, City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Frederick J. Murphy Jr., City Attorney

**Ordinance 1368-16**  
**Exhibit "A"**

Language stricken is shown in ~~strike through~~ format; language added is shown in underlined format.

**PART II - CODE OF ORDINANCES**  
**ARTICLE II. – WATER SERVICE**  
**DIVISION 1. - GENERALLY**

**Sec. 58-31. - Water used for irrigation.**

- (a) From and after September 20, 1991, it shall be unlawful to use city water for irrigation purposes in distribution lines installed after September 20, 1991, unless such water has been first separately metered and measured through a water meter approved by the city, and a backflow preventer valve approved by the city.
- (b) Irrigation is defined as an underground watering system used exclusively to irrigate lawns, flora and fauna.

**Sec. 58-32. - Production of sale of water limited; analysis.**

- (a) No person shall produce for sale or sell or distribute water for domestic purposes for any of the inhabitants of the city where city water for such purposes is available. It is not intended by this section to prohibit the production and sale of water within the city for irrigation purposes.
- (b) In cases within the city where persons may already be engaged in the business of producing and selling or distributing water to the inhabitants of the city for domestic purposes, such distributor shall cause such water to be analyzed by the state department of health at least once every month; and the results of such analyses shall be filed with the city clerk. If any analysis shall show water to be unfit for human consumption, or to be below the requirements of the state department of health, the producer of such water shall, upon notification of such unfitness, immediately cease the distribution to inhabitants of the city.

**Sec. 58-33. - Commission's power to regulate; city manager as administrator of utility.**

Every consumer of water of the city shall be governed by and subject to the rules and regulations with reference to the use and consumption of water supplied by the city. The city commission reserves the right to require all water used to be metered and to make such rules and regulations relative to the installation of meters and charges as it may deem necessary and proper.

The city manager shall be the administrator of the city's water utility system and has the authority to make any adjustments pertaining to water and sewer bills deemed to be in the best interest of the city.

**Secs. 58-34—58-55. - Reserved.**

**DIVISION 2. - RATES AND CHARGES**

**Sec. 58-56. - Classification and definitions of water users.**

The users of water of the city shall be divided into the following ~~five~~ classes: Residential; Non-Residential; and Multi-Family

“Residential” means premises with a primary potential for use as living quarters by an individual or single family. Each residential unit constitutes a single unit of living quarters within the lot or other identifiable unit of space.

“Non-Residential” means premises with a primary potential for use as a commercial, industrial, governmental, or any other non-residential activity or use. The premises may contain multiple units of non-residential use or activity so long as the meter size is ready to serve the potential needs of said units as determined by the city manager or his designee.

“Multi-Family” means two or more residential units situated on one or more lots or other identifiable units of space that are connected to a single master meter which is responsible for the base charge and usage for each residential unit connected to the meter. This shall include but not be limited to duplexes, triplexes, apartments, etc. All parameters within a rate block shall be multiplied by the number of units connected to the master meter (e.g. 5 residential units connected to a master meter would have a Block 1 range of up to 25,000 gallons (5 x 5,000 gallons).

~~commercial; domestic; multiple-unit user; users of spray water; and users of water for irrigation:~~

~~Commercial users shall include packinghouses, canning plants and other manufacturing establishments or other similar businesses.~~

~~Domestic users shall include all household, mercantile and proprietors of small businesses. Each occupant occupying a separate apartment, business or dwelling unit shall be deemed a separate domestic water user and subject to the rates established for domestic users. Each user of water, regardless whether if such users' water is metered on a separate meter or not, shall be subject to a minimum charge.~~

~~Multiple unit user is a user occupying a building consisting of two or more apartments, businesses or dwellings, or a combination, which portion is served by a single meter.~~

~~Users of spray water are those who use water exclusively in mixing sprays for citrus groves.~~

~~Users of water for irrigation are those who use water in large quantities for the irrigation of groves or farms or for any other agricultural purposes.~~

**Sec. 58-57. - Rates; inside and outside city; automatic escalator.**

(1) The following rates are established for water supplied and metered by the city to the users designated in section 58-56 (block rates are charged per thousand gallons):

<b>Description</b>	<b>Water Rates</b>	
	<b>Gallons Included</b>	<b>Monthly Rate</b>
<b>Base Service Charge</b>		
<b>Residential (per unit)</b>	<u>0</u>	<u>\$8.95</u>
<b>Non-Residential</b>		
<b>5/8-inch</b>	<u>0</u>	<u>\$8.95</u>
<b>1-inch</b>	<u>0</u>	<u>\$22.38</u>
<b>1.5-inch</b>	<u>0</u>	<u>\$44.75</u>
<b>2-inch &amp; Above</b>	<u>0</u>	<u>\$71.60</u>
<b>Usage Charges*</b>		
<b>Residential</b>		
<b>Block 1</b>	<u>0 - 5,000</u>	<u>\$1.04</u>
<b>Block 2</b>	<u>5,001 - 10,000</u>	<u>\$1.25</u>
<b>Block 3</b>	<u>Above 10,000</u>	<u>\$1.46</u>
<b>Non-Residential</b>	<u>All Usage</u>	<u>\$1.30</u>

\*usage rates charged per thousand gallons

(2) Water users with separately metered irrigation systems shall pay a separate base service and usage charges for irrigation.

(3) Water users outside the city limits shall be charged an additional twenty-five percent (25%) surcharge for all rate components in subsection (1) above.

(4) All rate components set forth within subsection (1) above shall automatically increase on October 1<sup>st</sup> of every odd calendar year by three percent (3%) from each preceding biennial cycle's rates (e.g. 2017, 2019, etc.) A schedule of all rates effective October 1, 2016 and each October 1, 2017, 2018, 2019, and 2020 is attached hereto as Schedule 1-R and is incorporated in this Ordinance by reference. A current Schedule of all rates, fees and charges shall be on file in the City Clerk's office.

~~(1) Water users inside the city limits.~~

~~a. For one through 6,000 gallons of water metered to each user (whether domestic, commercial, multiple-unit, spray water or water for irrigation), the user shall pay \$12.95 per month, per connected unit.~~

~~b. For each additional 100 gallons of water used by each user over and above the first 6,000 gallons, each of such users shall pay \$0.10 per 100 gallons per connected unit up to 15,000 additional gallons; \$0.12 per 100 gallons per connected unit up to 30,000 additional gallons; \$0.14 per 100 gallons up to 60,000 gallons per connected unit; \$0.16 per 100 gallons above 100,000 gallons.~~

~~(2) Water users outside the city limits:~~

~~a. For one through 6,000 gallons of water metered to each user (whether domestic, commercial, multiple-unit, spray water or water for irrigation), said user shall pay \$17.50 per month, per connected unit.~~

~~b. For each additional 100 gallons of water used by each of said users over and above the first 6,000 gallons, each of such users shall pay \$0.15 per hundred gallons, per connected unit up to 15,000 additional gallons; \$0.17 per hundred gallons, per connected unit up to 30,000 additional gallons; \$0.19 per hundred gallons up to 60,000 gallons per connected unit; \$0.21 per hundred gallons above 100,000 gallons.~~

**Sec. 58-58-58-59. – Reserved.**

**Sec. 58-59. – Fire suppression system; payment.**

~~(a) The city shall make a separate charge of \$25.00 per year for each building using a fire suppression system which is attached to the city water system. This fee shall be charged in addition to any water used for domestic, commercial or industrial purposes. These yearly charges shall be payable in advance on or before October 1 each year.~~

~~(b) The city fire inspector shall make an annual inspection of the fire suppression systems prior to October 1 of each year and shall submit a list of connected fire suppression systems to the office of the city clerk.~~

**Sec. 58-60. - Meter installation; deposits, service charges; contractors, builders, renters; reactivation.**

~~(a) Meters shall be installed at each unit for the use of contractors and builders when the building operation is begun, and the base service and usage charges shall be paid monthly for each unit. ~~all water used shall be charged at the applicable rate at the end of a 90-day~~~~

period. If water service remains after the 90-day period, the building shall be transferred to regular monthly billing periods.

- (b) ~~Where meters are installed for residential purposes within the city~~ A unit connected to the city's water system shall ~~deposit a the sum equal to twothree times the anticipatedbase monthly fees for each unit shall be deposited with the city as a guarantee that water bills incurred byfor such usesaid unit will be paid;~~ Contractors or builders engaged in a building operation pursuant to subsection (a) above shall deposit \$150 for each unit with the city as a guarantee that water bills incurred for such use will be paid. Any remaining surplus of funds after all utility bills are paid by the respective unit shall be returned to the person making the deposit when such person deactivates their account. but if there be a surplus remaining in the deposit after all bills are paid by such users, such surplus shall be returned to the person making the deposit at such time as such person gives up possession and/or ownership of the residential property.
- (c) A service charge of \$35.00 shall be collected for each ~~customer~~ water user to activate or deactivate services from the city's water system. A transfer of service within the city's water system shall incur a single service charge. A service charge of \$10.00 shall be collected for each transfer within the city's water system.
- (d) A unit that activates services with the city's water system that was previously deactivated within the twelve (12) month period immediately preceding the activation shall constitute a "reactivation" of service and shall pay an amount equal to the cumulative monthly water Base Service Charges for the period of time the service was deactivated as provided for within Section 58-57(1). Notwithstanding the foregoing, units that have changed ownership or executed a lease or rental agreement within the preceding twelve (12) month period and have provided the City with proof satisfactory to the City Manager or his designee of such change of ownership and/or lease or rental agreement shall be exempt from this provision.

**Sec. 58-61. -- TappingMeter installation fees.**

The following charges shall be made for all water meter installation connections, which meters shall be furnished by the city; and such meters shall remain the property of the city:

Size of Meter (in inches)	<u>TappingMeter Installation Fee</u>
¾	\$ 500.00
1	575.00
1½	820.00
2	875.00
3	*
4	*
6	*

\* To be determined by the ~~utilities director~~ city manager or his designee.

**Sec. 58-62. - Temporary water connection charge.**

Temporary service fee: The city shall allow temporary water/wastewater service connections for the purpose of cleaning and maintenance.

Residential Service:	15 days	\$50.00
<del>Commercial</del> <u>Non-Residential</u> Service:	30 days	\$100.00

**Secs. 58-63 - 58-85. - Reserved.**

**ARTICLE III. - SEWER SERVICE**

**Sec. 58-121. - Commission's power to regulate; city manager as administrator of utility.**

Every consumer or user of sanitary sewer services of the city shall be governed by and subject to the following rules and regulations with reference to the use of sanitary sewer services supplied by the city, and the city commission reserves the right to require all properties for which there is sanitary sewer service available to be connected to the sanitary sewers immediately upon such service's becoming available to such property and to make such rules and regulations relative to use of such sanitary sewer service in connection with and charges for such service as it may deem necessary and proper.

The city manager shall be the administrator of the city's sewer utility system and has the authority to make any adjustments pertaining to water and sewer bills deemed to be in the best interest of the city.

**Sec. 58-122. - Classification and definitions of sanitary sewer users.**

The users of the sanitary sewer system of the city shall be divided into the following classes: Residential, Multi-Family, and Non-Residential

"Residential" means premises with a primary potential for use as living quarters by an individual or single family. Each residential unit constitutes a single unit of living quarters within the lot or other identifiable unit of space.

"Non-Residential" means premises with a primary potential for use as a commercial, industrial, governmental, or any other non-residential activity or use. The premises may contain multiple units of non-residential use or activity so long as the meter size is ready to serve the potential needs of said units as determined by the city manager or his designee.

"Multi-Family" means two or more residential units situated on one or more lots or other identifiable units of space that are connected to a single master meter which is responsible for the base charge and usage for each residential unit connected to the meter. This shall include but not be limited to duplexes, triplexes, apartments, etc. All parameters within a rate block shall be multiplied by the number of units connected to the master meter (e.g. 5 residential units connected to a master meter would have a sewer charge cap of 50,000 gallons (5 x 10k gallons).

~~Single-family residential, multifamily residential, commercial-residential, laundry user, public institutional user, and commercial-industrial user:~~

~~(1) Single-family residential user means premises used and occupied as living quarters by a single family where such premises are situated on one lot and has a separate connection to the city sanitary sewer system. The premises must constitute the only living quarters on the lot.~~

~~(2) Multifamily residential user means two or more single-family residential units situated on one or more lots, and shall include all duplexes, triplexes, apartments and apartment houses.~~

~~(3) Commercial-residential user means all motels, hotels, boardinghouses, tourist courts and mobile home and travel trailer parks.~~

~~(4) Public institutional user means all governmental buildings, such as schools, publicly owned hospitals and post offices, and shall also include rest homes and railroad, truck and bus terminals.~~

~~(5) Laundry user means any commercial laundromat or other location having one or more coin-operated laundry machine.~~

~~(6) Commercial industrial user means all types of manufacturing, processing and packing plants, and all other business and commercial users other than those described in subsections (3), (4) and (5) of this section.~~

**Sec. 58-123. -- Rates inside and outside city limits; automatic escalator.**

(1) The following rates are established for sewer service furnished by the city to all of the users of such service as defined in section 58-122:

Description	Sewer Rates	
	Gallons Included	Monthly Rate
<b>Base Service Charge</b>		
<b>Residential (per unit)</b>	0	\$29.50
<b>Non-Residential</b>		
<b>5/8-inch</b>	0	\$38.35
<b>1-inch</b>	0	\$73.75
<b>1.5-inch</b>	0	\$147.50
<b>2-inch &amp; Above</b>	0	\$236.00
<b>Usage Charges*</b>		
<b>Residential</b>	Up to 10,000	\$2.33
<b>Non-Residential</b>	All Usage	\$2.33

\*usage rates charged per thousand gallons

~~(1) A single family residential user connected to the city sanitary sewer system shall pay the sum of \$40.54 per month for such service.~~

~~(2) A multifamily residential user connected to its own individual water meter shall pay the sum of \$40.54 per month for such service. Each multifamily residential user which is connected to a master water meter with one or more multifamily residential users of the city sanitary sewer service shall pay the sum of \$40.54 per month for such service, per unit; in addition to such charge, the multifamily residential user connected to such master water meter shall each month pay a sum equal to 100 percent of the water bill for such meter.~~

~~(3) Each commercial residential user, public institutional user, laundry user and commercial industrial user shall pay the sum of \$40.54 per month per connected sewer unit, plus 100 percent of the water bill for the connected unit, per month.~~

(2) Sewer usage charges are calculated by using the metered water use for each user. Separately metered irrigation systems shall not incur sewer base service or usage charges.

-(3) Sewer users outside the city limits shall be charged an additional twenty-five percent (25%) surcharge for all rate components within subsection (1) above.

(4) All rate components set forth within subsection (1) above shall automatically increase on October 1<sup>st</sup> of every odd calendar year by three percent (3%) from each preceding biennial cycle's rates (e.g. 2017, 2019, etc.) A Schedule of all rates effective October 1, 2016, and each October 1, 2017, 2018, 2019, and 2020 is attached hereto as

Schedule 1-R and is incorporated in this Ordinance by reference. A current Schedule of all rates, fees and charges shall be on file in the City Clerk's office.

**Sec. 58-124. Reserved. - Rates outside city limits.**

~~There shall be added to the base rates in section 58-123 for users of the sanitary sewer system outside the city limits a surcharge of ten percent in all cases after the adoption of this section to be in effect until April 30, 2004. Starting May 1, 2004, there shall be added to the rates in section 58-123 for users of the sanitary sewer system outside the city limits an additional surcharge of 15 percent in all cases thus making the surcharge a total of 25 percent to be in effect thereafter until otherwise changed and/or amended by the city commission.~~

~~(Code 1959, § 18-23; Ord. No. 374, § 6, 6-20-1966; Ord. No. 434, §§ 1, 2, 1-11-1971; Ord. No. 1036-03, § 1, 4-21-2003)~~

**Sec. 58-125. - Connection, payment; definition of availability of service.**

- (a) It is declared to be necessary for the benefit of the general health and welfare of the city that all property shall be connected to the municipal sanitary sewer system as soon as such service is available to property. Where there is a sanitary sewer service available to real property that falls within any of the classifications in sections 58-122 and 58-123, the owner of any such real property on which is located a building occupied full- or part-time by human beings shall, ~~within 30 days~~ six (6) months after being notified by the ~~city clerk~~ city that sewer service is available, connect such building to the sewer in a manner approved by the building inspector; ~~and~~ In the event that such owner or occupants of the property have not connected to the City's sewer system within six (6) months following notification, said owner or occupants shall thereafter pay to the city the applicable monthly sewer base service charge as a service availability fee for the particular classification of the property in question if they are water users of the City or otherwise currently receive a utility bill for city services. By Resolution of the City Commission a program may be established to finance and/or subsidize the cost of units connecting to available sewer service up to the full amount so long as such program is in compliance with any applicable law and City bond covenants.
- (b) Sanitary sewer service is defined as being available when a sewer collector main is placed in any public right-of-way abutting the front, rear or side property line of any property within the city. Any real property located within the city which is subdivided after August 24, 1989, must be connected to either the city's sanitary sewer system or to another sanitary sewer system constructed to the city's specifications.

**Sec. 58-126. - Lien for sewer accounts; cutoff for delinquency; late fee; reconnecting charge; reactivation.**

- (a) All bills for sanitary sewer services shall be due and payable on or before the 30th of the month, or the last day of the month, whichever is earlier, following the month in which the service is used and shall not be subject to discount.
- (b) Sanitary sewer service provided any ~~premises~~ unit, whether used by the owner of the ~~premises~~ unit or by a tenant of the ~~premises~~ unit, shall be charged against the ~~premises~~ unit and the owner and shall constitute a lien against such ~~premises~~ unit until paid.
- (c) All water/sewer bills not paid by the 30th of the month or the last day of the month, whichever is earlier, following the month in which the water was used, shall be declared past due and shall render the user liable to have his supply of water cut off without notice. In addition, a \$10.00 per month late fee will be added to all bills not paid by the 30th of each month or the last day of the month, whichever is earlier. In all cases where the account has been placed on the disconnection list or disconnected for failure to pay, a nonpayment fee

of \$35.00 shall be made for reconnection of the service to the ~~unit~~premises of such user during the hours of 8:00 a.m. to 4:30 p.m., Monday through Friday. A \$60.00 nonpayment fee will be charged if the turn on or reconnection is done at any other time.

- (d) A unit that activates services with the city's sewer system that was previously deactivated within the twelve (12) month period immediately preceding the activation shall constitute a "reactivation" of service and shall pay an amount equal to the cumulative monthly sewer Base Service Charges for the period of time the service was deactivated as provided for within Section 58-123(1). Notwithstanding the foregoing, units that have changed ownership or executed a lease or rental agreement within the preceding twelve (12) month period and have provided the City with proof satisfactory to the City Manager or his designee of such change of ownership and/or lease or rental agreement shall be exempt from this provision.

**Sec. 58-127. - Deposits, contractors and builders.**

- (a) A unit connected to the city's sewer system shall deposit a sum equal to three times the base monthly sewer fees for each unit as a guarantee that sewer bills incurred by said unit will be paid. Any remaining surplus of funds after all utility bills are paid by the respective unit shall be returned to the person making the deposit when such person deactivates their account.

~~Where a user of the sewer is also a user of the city's water system, the deposit required for water use shall be applicable to the use of the sewerage system.~~

- (b) Where city water service is not used by the user of the sanitary sewer system, a deposit equal to ~~two~~three months' of base service charges shall be made with the city prior to connection to the sewer system; except, there where new structures are undertaken, if city water service is available to the property where sewer service is available, both the water and sewerage system shall be connected and the deposit for water service shall apply ratably to both water and sewer service. be required as provided for in Section 58-60(b) in addition to the sewer deposit in subsection (a) above.

**Sec. 58-128. - Charges for sewer service connections.**

- (a) Commencement of monthly service charge. The monthly service charge for sewage disposal shall begin within 30 days after formal dedication of the sewage plant, or within 30 days after formal acceptance of any expansion of the original phase of the sewer program.
- (b) Tap-in fees. The tap-in fee for a new connection shall be set at \$150.00.

**Sec. 58-129. - Combined billing.**

- (a) Bills for sanitary sewer service shall be rendered the same time and together with bills for water service as provided in this chapter.
- (b) Where users of the city's sanitary sewer service are not users of the city's water service or other service, bills for sanitary sewer service shall be rendered separately but at the same time and in the same manner as the bill for the city's water services.

**Sec. 58-130. - Reserved.Assessment of costs of installation of water and sanitary sewer mains.**

- ~~(a) — The owners of real property along or abutting where a water main or sanitary sewer system is installed shall be assessed for the total cost of either or both of such installations on the following basis: The total assessable front footage of the installation project will be measured and divided into the total cost of the project to determine a cost per front foot figure. This cost per front foot figure will be multiplied by the property front footage (according to the public records evidencing the subject property owner's title), and the result shall be the amount which shall be assessed against such~~

property. A corner lot shall be assessed a total sum equal to 100 percent of the assessment for the shorter of the sides of the corner lot, plus 20 percent of the assessment for the longer of such sides.

(b) — All assessments as provided in subsection (a) of this section for such improvements that may be made shall constitute a lien prior to all other liens, except taxes, upon the real estate assessed. The amount of such assessment shall bear interest at the rate of ten percent per annum from the date of the assessment of the cost of such improvement. Liens for such improvements, work done and materials furnished, or any of these, may be acquired and enforced in the manner provided for the acquisition and enforcement of liens upon real property as provided by F.S. ch. 85.

**Sec. 58-131. - Maintenance of building sewer lines.**

Each property owner shall maintain and be responsible for his building sewer line to its junction with the public sewer line. ~~The city shall maintain that portion of the building sewer line lying in any public right-of-way or utility easement.~~ The city reserves to itself the right to inspect the sewer line with the property owner and together determine if a clog, damage or obstruction was caused by the city or by the property owner. After determining the cause, the responsible party shall bear the expense for repairs. All new building sewer lines shall be constructed with a four-inch or six-inch cleanout at the property line, consisting of a "Y" in the sewer line, one branch terminating with a standard ferrule at finished grade. At such time as it may be necessary to open an existing sewer lateral, a cleanout shall be installed at the property line by the city, consisting of a "Y" in the sewer line, one branch terminating with a standard ferrule at finished grade. All sewer laterals shall be constructed of either extra-strength cast iron or type PSM PVC sewer pipe and fittings as described in the latest edition of the Standard Plumbing Code. All replacements of sewer laterals shall be with extra-strength cast iron or type PSM PVC sewer pipe and fittings as described in the Standard Plumbing Code, except where the old type of pipe will not be compatible with such cast iron or PSM PVC pipe, or unless otherwise determined by the city manager or his appointed representative.

**Secs. 58-132—58-165. - Reserved.**

**Schedule 1-R to Ordinance 1368-16  
Inside City Water and Sewer Rates**

	Effective Date:				
	October 1, 2016	October 1, 2017	October 1, 2018	October 1, 2019	October 1, 2020
<b>Residential Water Rates</b>					
Water Base Charge per Unit	\$8.95	\$9.21	\$9.21	\$9.48	\$9.48
Water Usage Charge/1,000 Gallons					
Block 1 (0 - 5,000 gallons)	\$1.04	\$1.07	\$1.07	\$1.10	\$1.10
Block 2 (5,001 - 10,000 gallons)	\$1.25	\$1.28	\$1.28	\$1.32	\$1.32
Block 3 (Above 10,000 gallons)	\$1.46	\$1.50	\$1.50	\$1.54	\$1.54
<b>Residential Sewer Rates</b>					
Sewer Base Charge per Unit	\$29.50	\$30.38	\$30.38	\$31.29	\$31.29
Sewer Usage Charge/1,000 Gallons					
Up to 10,000 gallons	\$2.33	\$2.39	\$2.39	\$2.46	\$2.46
<b>Non-Residential Water Rates</b>					
Water Base Charge					
5/8-inch Meter	\$8.95	\$9.21	\$9.21	\$9.48	\$9.48
1-inch Meter	\$22.38	\$23.04	\$23.04	\$23.73	\$23.73
1.5-inch Meter	\$44.75	\$46.09	\$46.09	\$47.47	\$47.47
2-inch Meter and Larger	\$71.60	\$73.74	\$73.74	\$75.95	\$75.95
Water Usage Charge/1,000 Gallons					
All Use	\$1.30	\$1.33	\$1.33	\$1.36	\$1.36
<b>Non-Residential Sewer Rates</b>					
Sewer Base Charge					
5/8-inch Meter	\$38.35	\$39.50	\$39.50	\$40.68	\$40.68
1-inch Meter	\$73.75	\$75.96	\$75.96	\$78.23	\$78.23
1.5-inch Meter	\$147.50	\$151.92	\$151.92	\$156.47	\$156.47
2-inch Meter and Larger	\$236.00	\$243.08	\$243.08	\$250.37	\$250.37
Sewer Usage Charge/1,000 Gallons					
All Use	\$2.33	\$2.39	\$2.39	\$2.46	\$2.46

**Schedule 1-R to Ordinance 1368-16  
Outside City Water and Sewer Rates**

	Effective Date:				
	October 1, 2016	October 1, 2017	October 1, 2018	October 1, 2019	October 1, 2020
<b>Residential Water Rates</b>					
Water Base Charge per Unit	\$11.18	\$11.51	\$11.51	\$11.85	\$11.85
Water Usage Charge/1,000 Gallons					
Block 1 (0 - 5,000 gallons)	\$1.30	\$1.33	\$1.33	\$1.37	\$1.37
Block 2 (5,001 - 10,000 gallons)	\$1.56	\$1.60	\$1.60	\$1.65	\$1.65
Block 3 (Above 10,000 gallons)	\$1.82	\$1.87	\$1.87	\$1.92	\$1.92
<b>Residential Sewer Rates</b>					
Sewer Base Charge per Unit	\$36.87	\$37.97	\$37.97	\$39.11	\$39.11
Sewer Usage Charge/1,000 Gallons					
Up to 10,000 gallons	\$2.91	\$2.98	\$2.98	\$3.07	\$3.07
<b>Non-Residential Water Rates</b>					
Water Base Charge					
5/8-inch Meter	\$11.18	\$11.51	\$11.51	\$11.85	\$11.85
1-inch Meter	\$27.96	\$28.80	\$28.80	\$29.66	\$29.66
1.5-inch Meter	\$55.93	\$57.61	\$57.61	\$59.33	\$59.33
2-inch Meter and Larger	\$89.50	\$92.17	\$92.17	\$94.93	\$94.93
Water Usage Charge/1,000 Gallons					
All Use	\$1.62	\$1.66	\$1.66	\$1.70	\$1.70
<b>Non-Residential Sewer Rates</b>					
Sewer Base Charge					
5/8-inch Meter	\$47.93	\$49.37	\$49.37	\$50.85	\$50.85
1-inch Meter	\$92.18	\$94.95	\$94.95	\$97.78	\$97.78
1.5-inch Meter	\$184.37	\$189.90	\$189.90	\$195.58	\$195.58
2-inch Meter and Larger	\$295.00	\$303.85	\$303.85	\$312.96	\$312.96
Sewer Usage Charge/1,000 Gallons					
All Use	\$2.91	\$2.98	\$2.98	\$3.07	\$3.07

# CITY OF LAKE ALFRED

## 2016 Water, Sewer and Stormwater Rate Study

July 11, 2016







950 S. Winter Park Drive  
Suite 240  
Casselberry, FL 32707

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July 11, 2016

Ryan Leavengood  
City Manager  
City of Lake Alfred  
120 E. Pomelo Street  
Lake Alfred, FL 33850

**Subject: 2016 Water, Sewer and Stormwater Rate Study**

Dear Mr. Leavengood,

Raftelis Financial Consultants, Inc. (RFC) is pleased to provide this 2016 Water, Sewer and Stormwater Rate study for the City of Lake Alfred (City). This report reviews the City's recent financial trends, establishes appropriate financial targets and provides recommendations to restructure the existing water and sewer user rate structure.

The major objectives of the study include the following:

1. Develop financial forecast for the water and sewer enterprise fund to ensure financial sufficiency, meet operation and maintenance (O&M) costs, and maintain adequate debt service coverage;
2. Target sound and sufficient reserve fund levels; and
3. Document proposed water and sewer rate structure, which focuses on equitable cost recovery between customer classes and provides bill impacts for typical customers.

This report summarizes the key findings and recommendations related to the development of the financial forecast and new rate structure for the water and sewer utilities.

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

Sincerely,

**RAFTELIS FINANCIAL CONSULTANTS, INC.**

A handwritten signature in blue ink that reads "Tony Hairston".

**Tony Hairston**  
Senior Manager

A handwritten signature in blue ink that reads "Joe Williams".

**Joe Williams**  
Consultant

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# EXECUTIVE SUMMARY

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## BACKGROUND OF THE STUDY

The City of Lake Alfred (City) provides water and sewer service to properties located within and outside of the City limits. The City accounts for the water and sewer funds and financial reporting as a combined enterprise fund (System). As an enterprise fund the costs of providing service are recovered primarily through user fees. Specifically, the City recovers its water and sewer utility costs through user rates and ancillary charges.

The City has engaged Raftelis Financial Consultants, Inc. (RFC) to conduct a rate study, including provisions for a revenue sufficiency projection and alternative rate design options. RFC has prepared this report to document our findings and conclusions. RFC created an Excel-based financial model with the primary purpose to provide the City with a management tool to anticipate future needs, enhance operation and capital planning, and diminish the probability of sudden rate adjustments or other adverse financial conditions. This model can be updated periodically to estimate impacts of certain events such as new customer growth, large capital projects, etc. and overall revenue sufficiency over a multi-year period.

This executive summary provides an overview of the study and includes findings and recommendations for water and sewer rate design options and financial policies.

## UTILITY RATE DESIGN

The water and sewer rate design is based on the cost of providing water and sewer service along with taking into consideration the pricing objectives identified by staff during the project kick-off meeting. The primary pricing objectives were identified as “Affordability”, “Simple to Understand and Update”, and “Revenue Stability.” More specifics relating to the pricing objectives identified are discussed in Section 4, but the overall approach used in this analysis provides lower bills at lower consumption levels to achieve affordability.

In addition to the pricing objectives, certain policy and other considerations were reviewed while developing the proposed rate structure. The following provides a summary of each of these issues and considerations.

### Revenue Neutral

The rates designed for implementation on October 1, 2016 have been calculated to provide the same amount of revenue as existing rates (i.e. “revenue neutral”). For example, the existing water rates are anticipated to produce approximately \$780,000 in revenue in FY 2017. The rate design rates will also produce approximately \$780,000 in rate revenue.

### **Minimum Gallons**

One of the most important equity considerations is the amount of usage included in the minimum bill. The existing rates allow for a uniform level of gallons included in the minimum water bill regardless of meter size and customer consumption characteristics. The residential sewer rates include a flat monthly fee regardless of water usage and non-residential sewer rates include a minimum charge higher than the residential charge and also a usage charge for all consumption compared to the residential rate with no consumption charge. To promote equitable cost recovery from rates, the minimum gallons have been removed from the proposed base charges and all water consumption will be billed usage rates for water and sewer, with the exception of residential customers who will be capped at 10,000 gallons per month on the sewer usage rates. A more detailed discussion of the proposed rate design is included in Section 4.

### **Meter Size Base Charges**

The existing rate ordinance establishes that a monthly water and sewer base charge is applied per “connected unit” for all customers (residential and non-residential). The City reports that identifying the number of connected units for certain customers is administratively challenging. Since there are only a relatively small amount of non-residential customers with multiple connected units to a single meter (i.e. “master metered” customers), the proposed rates rely on the water meter size instead of connected units. Under the proposed meter size approach, the base charges will increase with larger meter sizes in accordance with American Water Works Association (AWWA) meter equivalency ratios.

Provided on the following two tables are the existing and proposed rates. The proposed rates are designed to be implemented on the first billing cycle in October 2016:

**Table ES- 1: Proposed Water Rates October 2016**

Description	Existing Rates		Proposed Rates	
	Gallons Included	Rate	Gallons Included	Rate
<b>Base Charge</b>				
<b>Residential (per unit)</b>	0 - 6,000	\$12.95	0	\$8.95
<b>Commercial</b>				
<b>5/8-inch</b>	0 - 6,000	\$12.95	0	\$8.95
<b>1-inch</b>	0 - 6,000	\$12.95	0	\$22.38
<b>1.5-inch</b>	0 - 6,000	\$12.95	0	\$44.75
<b>2-inch &amp; Above</b>	0 - 6,000	\$12.95	0	\$71.60
<b>Usage Charges</b>				
<b>Residential</b>				
<b>Block 1</b>	6,001-15,000	\$1.00	0 - 5,000	\$1.04
<b>Block 2</b>	15,001-30,000	\$1.20	5,001 - 10,000	\$1.25
<b>Block 3</b>	30,001-60,000	\$1.40	Above 10,000	\$1.46
<b>Block 4</b>	60,001-99,999	\$1.60	N/A	N/A
<b>Commercial</b>				
<b>Block 1</b>	6,001-15,000	\$1.00	All Usage	\$1.30
<b>Block 2</b>	15,001-30,000	\$1.20	N/A	N/A
<b>Block 3</b>	30,001-60,000	\$1.40	N/A	N/A
<b>Block 4</b>	60,001-99,999	\$1.60	N/A	N/A

Note: Outside City surcharge is 25% for all rate components under Proposed Rates.

**Table ES- 2: Proposed Sewer Rates October 2016**

Description	Existing Rates		Proposed Rates	
	Gallons Included	Rate	Gallons Included	Rate
<b>Base Charge</b>				
<b>Residential (per unit)</b>	All Usage	\$40.54	0	\$29.50
<b>Commercial</b>				
<b>5/8-inch</b>	0 - 6,000	\$53.49	0	\$38.35
<b>1-inch</b>	0 - 6,000	\$53.49	0	\$73.75
<b>1.5-inch</b>	0 - 6,000	\$53.49	0	\$147.50
<b>2-inch &amp; Above</b>	0 - 6,000	\$53.49	0	\$236.00
<b>Usage Charges</b>				
<b>Residential</b>	N/A	N/A	Up to 10,000	\$2.33
<b>Commercial</b>				
<b>Block 1</b>	6,001-15,000	\$1.00	All Usage	\$2.33
<b>Block 2</b>	15,001-30,000	\$1.20	N/A	N/A
<b>Block 3</b>	30,001-60,000	\$1.40	N/A	N/A
<b>Block 4</b>	60,001-99,999	\$1.60	N/A	N/A

Note: Outside City surcharge is 25% for all rate components under Proposed Rates.

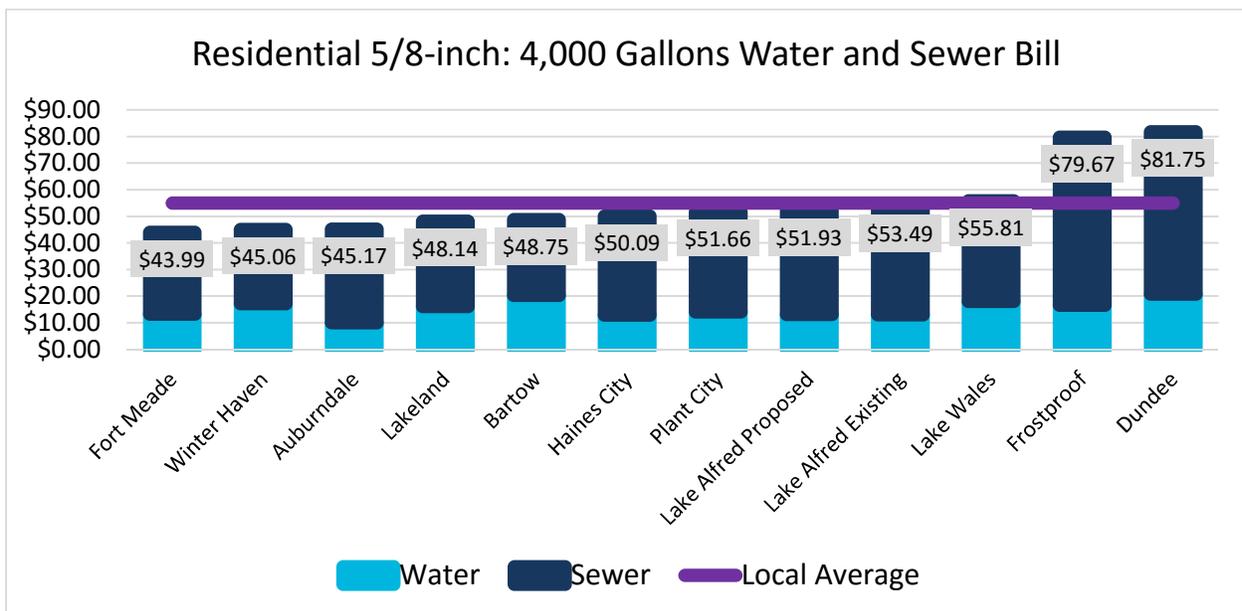
The following table illustrates residential water and sewer bill impacts at various usage levels:

**Table ES- 3: Single Family Sample Bill Impacts (Water and Sewer)**

Usage	Existing Rates	Proposed Rates	Difference	Cumulative % Single Family Bills
0	\$53.49	\$38.45	(\$15.04)	11.1%
1,000	\$53.49	\$41.82	(\$11.67)	17.1%
2,000	\$53.49	\$45.19	(\$8.30)	25.8%
3,000	\$53.49	\$48.56	(\$4.93)	37.3%
4,000	\$53.49	\$51.93	(\$1.56)	48.4%
5,000	\$53.49	\$55.30	\$1.81	58.0%
6,000	\$53.49	\$58.88	\$5.39	65.4%
10,000	\$57.49	\$73.20	\$15.71	82.7%
15,000	\$62.49	\$80.50	\$18.01	90.1%

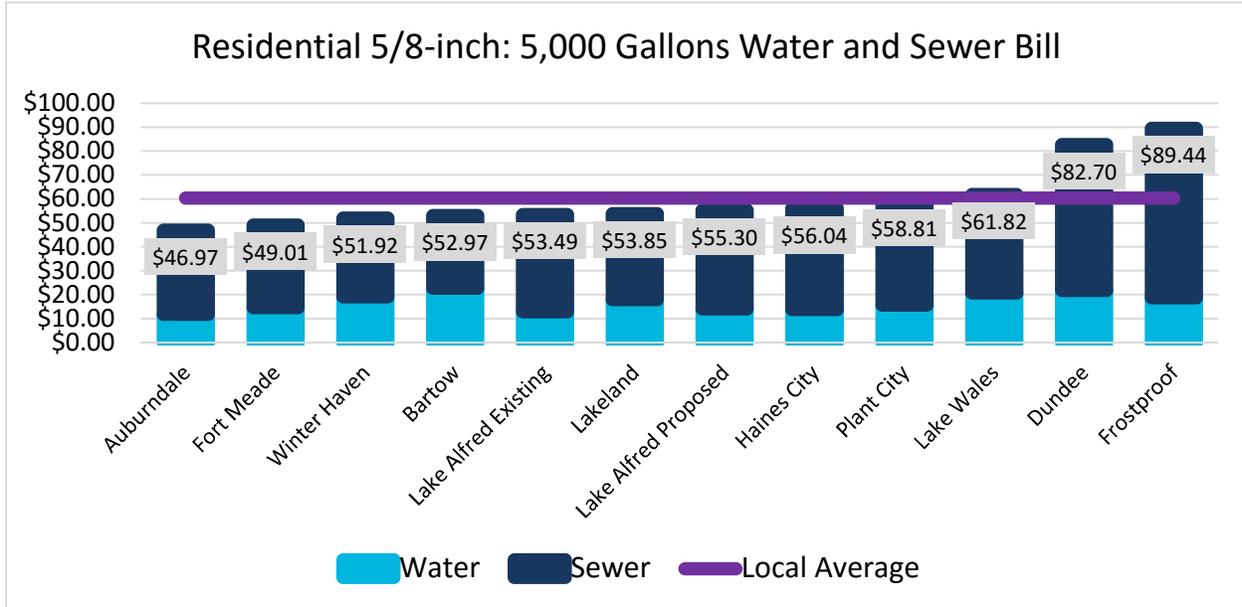
As shown below, the proposed residential bills at 4,000 gallons will be lower than existing bills and become more comparable to other nearby municipal water systems under the proposed rate structure:

**Figure ES- 1: Local Comparison - Single Family 4,000 Gallons**



At 5,000 gallons the proposed residential bills will be slightly higher than existing bills but remain below the average of other nearby communities:

**Figure ES- 2: Local Comparison - Single Family 5,000 Gallons**



Other residential and non-residential comparisons are included in Section 4 and Exhibit 8.

## FINANCIAL INDICATORS

Financial indicators are useful tools and metrics used to evaluate operational performance, financial health, and trends. Several cash flow and liquidity ratios are used by bond rating agencies when evaluating a utility for a bond rating. It should be stressed that financial indicators do not tell the whole story when it comes to utility operations and performance but provide specific data points to be used in conjunction with many other factors to assess the overall financial health of the utility. When reviewing utility statistics, it is prudent to also consider the age of a utility’s assets, the major capital needs of the system, the stability of rate revenues, and other factors.

## DEBT SERVICE COVERAGE

Debt service coverage is a key financial indicator and a minimum ratio is typically required as a covenant established with the issuance of utility debt. Most utilities have some form of borrowed money they are required to repay at an agreed upon interest rate. To ensure that a system can handle the repayment amount with interest and continue to operate normally, a loan issuer will establish a coverage ratio whereby net revenue divided by annual debt service requirements will yield a number higher than 1.00 (usually ranging from 1.15 to 1.25).

$$\frac{\text{Net Revenue}}{\text{Debt Service}} = \text{Coverage Ratio}$$

The utility has historically reported very strong “all-in” debt service coverage ratios for the utility system. The minimum annual debt service coverage requirement pursuant to the City’s Loan Agreement authorizing the Series 2012 Note is 1.20, while the minimum debt service coverage requirement set forth in the loan agreement for the outstanding SRF loan is 1.15. The forecast developed for this study anticipates that the City will exceed these minimum coverage ratios through the Forecast Period ending Fiscal Year 2021. During the course of the study a minimum target coverage was established which exceed the requirement minimum in order for the water and sewer system to maintain a strong operating position. The following summarizes the projected debt service coverage ratio throughout the Forecast Period:

**Table ES- 4: Projected Debt Service Coverage**

<b>Fiscal Year:</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Net Revenue [1]</b>	\$973,000	\$1,030,500	\$1,066,600	\$1,038,600	\$1,074,600	\$1,043,200
<b>Debt Service Requirements</b>	\$554,089	\$554,089	\$554,089	\$554,089	\$554,089	\$554,089
<b>Coverage Ratio Achieved</b>	1.76	1.86	1.92	1.87	1.94	1.88
<b>Coverage Ratio (Target Minimum) [2]</b>	1.75	1.75	1.75	1.75	1.75	1.75

[1] Net Revenue obtained from Exhibit 6. Amounts reflect 3.0% water and sewer rate adjustments in FY 2018 and FY 2020.

[2] All-in coverage target set at 1.75 to maintain a strong financial position. Actual required coverage ranges between 1.20x for the senior debt service and 1.15x for the outstanding SRF loan.

A more detailed illustration of the projected debt service coverage can be found on Exhibit 6 at the end of this report and is also discussed in further detail in Section 5.

**UTILITY CASH RESERVES**

Establishing a reserve policy provides a basis for the City to manage variances in revenue and expenses, and cope with potential fiscal emergencies such as revenue shortfalls, asset failure, natural disaster etc. While the utility does not anticipate any large capital projects during the Forecast Period, it is always prudent to establish strong unrestricted cash reserves and capital project reserves in order to avoid or mitigate future debt issuances.

RFC recommends that the City maintain two primary reserves: 1) Operating Fund - to provide working capital to support the operation, maintenance, and administration of the System; and 2) Renewal and Replacement/Capital reserve - used to fund future obligations that are necessary for maintaining reliable infrastructure.

Below on Table ES-5 are recommended reserve policies for the City’s utility enterprise fund:

**Table ES- 5: Recommended Reserve Policy**

Reserve	Recommended Policy	2021 Minimum Target Level
<b>Operating Funds</b>	1-year O&M Expenses	\$1.4M
<b>Renewal and Replacement</b>	1-year typical R&R program	\$160K

As can be seen on the table below, the target minimum reserve balances are met throughout the Forecast Period and reflect an adequate level of utility reserves. Amounts above the minimum reserve balances are available to fund future capital improvements or mitigate the timing of any future needed rate adjustments.

**Table ES- 6: Projected Reserve Balances**

Fiscal Year:	2016	2017	2018	2019	2020	2021
<b>Unrestricted Reserves [1]</b>	\$2,576,411	\$2,659,621	\$2,777,232	\$2,861,343	\$2,979,753	\$3,060,964
<b>Minimum Target</b>	\$1,267,000	\$1,239,500	\$1,283,900	\$1,330,200	\$1,378,500	\$1,428,900
<b>R&amp;R Fund Balance [1]</b>	\$0	\$13,700	\$33,400	\$57,900	\$138,400	\$164,000
<b>Minimum Target</b>	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000

[1] Obtained from Exhibit 7.

## RECOMMENDATIONS

As set forth herein, we recommend the following:

1. Implement proposed rates effective on October 1, 2016 which will provide rate equity among the various water and sewer customers, more affordable bills for lower use customers, and will promote water conservation. The proposed rates are designed on a revenue neutral basis.
2. Implement a provision for the automatic adjustment of water and sewer rates by 3.0% beginning October 1, 2017 (beginning of Fiscal Year 2018) and every other year in order to maintain adequate financial margins in anticipation of continued inflationary pressures. This averages to less than a 1.5% annual change in utility rates. The City currently adjusts its solid waste collection rates by 3.0% every even year (e.g. October 1, 2016), therefore the water and sewer rate adjustments would not occur on the same years as the solid waste rate adjustments.
3. Monitor the utility financial indicators annually to ensure that the utility system remains in a strong financial position and perform a review of the existing rate structure and forecast of revenue sufficiency every three to five years.

# SECTION 1. INTRODUCTION

---

## BACKGROUND

The City of Lake Alfred (the “City”) operates a combined water and sewer utility Enterprise Fund (“System”) to serve customers with quality utility services within the City limits and extending to certain contiguous areas outside the City limits. Included in the Enterprise Fund is the stormwater utility, providing services primarily within City limits. The purpose of establishing the utility as an Enterprise Fund is to ensure that it generates the necessary revenues to cover all costs related to providing service. To generate the appropriate revenues, it is prudent to review the fixed and consumption based user rates of the water and sewer utility and also the fixed monthly fee for the stormwater utility.

Since the water, sewer and stormwater utility is a proprietary or enterprise fund, the cost of providing service is primarily funded with user fees. The goal of this study is to assist the City in identifying future rate adjustments, if any, to recover the projected cost of operating, maintaining, repairing and financing the utility assets.

## SCOPE OF SERVICES

In an effort to ensure adequate funding for utility operations, regulatory requirements, and equitable revenue recovery among all users of the System, the City has engaged Raftelis Financial Consultants, Inc. (RFC) to perform a rate study. This report includes a five-year financial forecast of the System along with specific recommendations of rate structure adjustments to achieve the City’s rate objectives through FY 2021.

## SUMMARY OF REPORT

**Section 2. Revenue Requirements** – This section summarizes the City’s financial forecast which serves as the basis for the revenue sufficiency analysis. Also included is a discussion of the assumptions utilized in forecasting the adopted operating budget, debt service, and capital needs into the future.

**Section 3. Customer Statistics** – This section summarizes historical and projected customers and sales. Projections are primarily based off of recent historical trends and expected future sales with a conservative outlook.

**Section 4. Rate Design and Bill Comparisons** – This section provides the analysis and results for the proposed rate structure adjustments. As discussed further in this section, the rate design provides for more equitable cost recovery between customer classes and keeps the City’s rates competitive with other surrounding utilities.

**Section 5. Revenue Sufficiency Analysis** – This section summarizes projected future utility rates along with provisions for indexing rates every other year in the future to keep pace with constantly increasing operating costs. This section also includes a detailed discussion relating to various financial indicators that credit rating agencies have focused on when evaluating the utility industry. The primary financial indicators analyzed include debt service coverage and minimum utility reserve fund balances.

**Section 6. Stormwater Review and Discussion** – This section will provide a discussion on the current rate structure for the stormwater system as well as a review of the pros and cons of changing billing methods and the level of cost recovery being achieved by existing rates. Also included is a discussion on potential adjustments in billing methodology to follow certain industry standards that allow for more equitable cost recovery.

# SECTION 2. REVENUE REQUIREMENTS

---

## GENERAL

Utility cash revenue requirements is the term that generally defines the various components of cost associated with operating and maintaining a municipally-owned utility system, as well as the cost of financing the renewal and replacement of facilities and capital improvements for upgrades and expansion. The sum of these cost components, less any miscellaneous utility revenues, represents the net revenue requirements that must be funded from the utility rates. The revenue requirements for this study are predicated on analysis of projected water and sewer costs for the five-year period ending FY 2021. The projected revenue requirements include the various generalized cost components below:

- Operating Expenses: These expenses include the cost of labor, insurance, electricity, chemicals, materials, supplies, administration and other items necessary for the operation and maintenance of the System.
- Debt Service: Debt service includes the principal and interest on the System's current outstanding debt obligations payable from the net operating revenues of the System. The System currently has the Series 2012 Notes outstanding with payments due through FY 2024 and an SRF Loan with payments due through FY 2027.
- Other Revenue Requirements: This component of cost includes, in general, any ongoing capital improvements (capital outlay) to be financed from revenues, transfers to System reserves for future rehabilitation, and funding of certain capital projects on a pay-as-you-go basis.

## PRINCIPAL ASSUMPTIONS AND CONSIDERATIONS

The projected revenue requirements are summarized in this section and are provided in more detail in Exhibits 4 and 5 at the end of this report. The major assumptions, considerations and analyses that are included in the development of the projected revenue requirements are as follows:

1. The City's adopted budget for water and sewer services for FY 2016 (the "Budget") served as the basis for expenditure projections. Unless otherwise noted, the underlying assumptions and expenditure amounts included therein are assumed to be reasonable and reflect anticipated operations. Such budgetary amounts are incorporated into the revenue requirement component of the study, except for adjustments and assumptions as noted below.
2. The operating and maintenance expenditures of the System budgeted for FY 2016 are projected for the remaining five years of the Forecast Period (i.e., through FY 2021). Schedules providing budget line item detail of projected operating expenses are shown on Exhibit 3 at the end of this report. The primary assumptions associated with the projected operating expenses as developed for the Forecast Period are as follows:

- a. System salaries and wages were increased above FY 2016 budgeted amounts by 3.0% annually to reflect wage adjustments resulting from promotions and merit increases as well as cost of living adjustments due to inflationary pressures. Health care expenditures are projected to increase by 10.0% annually, much faster than salaries and taxes due to the recent trend in the industry.
  - b. Operating expenditures such as sludge hauling, utilities and chemicals have been increased at a slightly higher rate of 5.0% annually to account for the potentially rising costs of these external items.
  - c. The System currently makes two transfers to the City, the cost allocation transfer and the interfund transfer. The cost allocation transfer is based on a direct allocation of salaries from specific administrative staff including the City Manager, Finance Director, Attorney and PW Superintendent. The allocation reflects that these employees spend a portion of their time managing the System and ensuring the high quality of services are maintained. Since this cost allocation is tied to salaries and managing the System, it has been treated as an operating expense for the purposes of debt service coverage calculations. The other transfer the System makes is the interfund transfer, which is based on a small return on investment for the City. The City is not able to collect property taxes from facilities and land owned by the System, so instead this transfer is made annually. There is no formal policy for this transfer so it is therefore placed “below-the-line” for debt service coverage calculations.
  - d. Other operating costs such as operating supplies, travel and uniforms have been increased above the FY 2016 Budget by 2.3% annually to account for general inflation. General inflation is usually measured by the CPI-U, which is the Consumer Price Index – All Urban Consumers Report. The CPI-U has increased the past two years at the rate of 0.76% and 0.73% for 2014 and 2015, respectively. Balancing recent historical performance, a conservative approach and projected future performance from the Congressional Budget Office (CBO) Economic Projections report ranging from 2.3% up to 2.4% from 2017 through 2025, it is appropriate to use 2.3% throughout the Forecast Period.
  - e. Each year the budget also specifies amounts related to minor operating capital expenditures. Much of this amount has been included in the operating costs above but it should be mentioned that there is constant maintenance being performed on the System, which provides the ability to postpone and/or avoid major repairs and replacements.
3. The capital expenditures planned over the next five years for the System are based on the City’s capital improvement plan (CIP) provided by City staff. The CIP does not reflect any major capital projects that would require the use of additional revenue bonds or SRF loans, which indicates that the City’s continued maintenance is preventing any major replacements. As mentioned on Table 1 below, the CIP is fully funded from Renewal and Replacement (R&R) funds, which will be discussed further in Section 5:

**Table 1: Five-Year Capital Improvement Expenditures**

	2016	2017	2018	2019	2020	2021
<b>Capital Project Costs</b>						
<b>Replace Service Vehicles</b>	\$25,000	\$25,000	\$0	\$0	\$25,000	\$0
<b>Paint Water Tower</b>	0	60,000	0	0	0	0
<b>High Service Pumps</b>	40,000	0	0	0	0	0
<b>Drying Bed</b>	0	0	50,000	0	0	0
<b>Ramona L/S Improvements</b>	0	0	30,000	0	0	0
<b>Echo Terrace Lift Station</b>	0	0	0	80,000	0	0
<b>Sewer Line Replacements</b>	0	25,000	25,000	25,000	25,000	25,000
<b>Other Future Projects</b>	0	0	0	0	0	85,000
<b>Total Projects</b>	<b>\$65,000</b>	<b>\$110,000</b>	<b>\$105,000</b>	<b>\$105,000</b>	<b>\$50,000</b>	<b>\$110,000</b>

Note: Projects are fully funded by the R&R account

4. As of September 30, 2015, there are two outstanding debt obligations with pledges on the revenues generated by the System. The Series 2012 Note was issued in the amount of approximately \$2.36 million to refund the prior debt issue titled the 2008a Note. This bank note has a senior lien on the net revenues of the System and a required debt service coverage ratio of 120%. The Series 2012 Note was structured to provide for equal quarterly payments over the term of the note, resulting in total annual payments of \$238,443.41. The City also entered into an agreement with the Florida Department of Environmental Protection (FDEP) State Revolving Loan Fund (SRF) in 2005 to obtain funding for the wastewater treatment plant. The SRF loan, titled WW719090, was for just over \$5 million and has a repayment term of 20 years (equal semi-annual payments) for a total annual debt service requirement of \$315,645.90. The debt service of the SRF loan is a subordinated lien on net revenues and has a coverage requirement of 115%.
5. The System should strive to maintain adequate cash reserves in order to meet day-to-day funding needs as well as to be able to provide funds to meet any unexpected emergencies requiring immediate financial resources. Based on prudent utility business principles, which are discussed further in Section 5, the equivalent of one full year of operation and maintenance expenses is targeted as the minimum unrestricted operating reserves to be maintained during the Forecast Period. Other factors such as the actual amount of cash should also be taken into consideration for smaller systems since a measurement based on operating costs may not yield significant cash levels.
6. Interest income has been recognized as an available revenue source to fund utility expenditures. For the financial forecast, interest income is based on estimated annual balances projected to be available each Fiscal Year. Projected interest income on the operating fund is based upon an interest rate of 1.0% per annum, a reasonably low projection that provides income within range of recent historic levels. It should also be noted that the System is not reliant on interest income as a revenue source, which is an important attribute

considering events in the U.S. economy of less than 10 years ago that caused interest rates to plummet.

7. The System also collects other operating revenues from miscellaneous charges for specific customer services such as turn-on fees, tap fees, non-payment fees, late fees and meter fees. These miscellaneous revenues are available to reduce the amount of revenue requirements needed to be collected from monthly user rates.

## REVENUE REQUIREMENTS SUMMARY

The projected net revenue requirements for the water department, less miscellaneous income, are summarized below:

**Table 2: Projected Water Net Revenue Requirements**

	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Operating Expenses</b>	\$435,500	\$406,400	\$420,700	\$435,700	\$451,200	\$467,300
<b>Debt Service</b>	119,222	119,222	119,222	119,222	119,222	119,222
<b>Capital from Rates</b>	20,300	12,300	12,600	12,800	13,100	13,400
<b>Other Transfers [1]</b>	239,500	286,300	286,600	288,300	288,600	290,400
<b>Gross Revenue Requirements</b>	<b>\$814,522</b>	<b>\$824,222</b>	<b>\$839,122</b>	<b>\$856,022</b>	<b>\$872,122</b>	<b>\$890,322</b>
<b>Less Miscellaneous Revenues</b>	109,500	122,300	122,800	123,500	124,000	125,000
<b>Net Revenue Requirements</b>	<b>\$705,022</b>	<b>\$701,922</b>	<b>\$716,322</b>	<b>\$732,522</b>	<b>\$748,122</b>	<b>\$765,322</b>

[1] Other Transfers includes: transfer to R&R fund and the transfer to the General Fund.

As can be seen on the table above, Net Rate Requirements are increasing each year primarily due to estimated budget escalation from inflationary pressures. The Series 2012 Note has been allocated 50% to water and 50% to sewer revenue requirements. The SRF loan has been allocated 100% to the sewer system due to the funding of the wastewater treatment plan, as illustrated on the table below.

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**Table 3: Projected Sewer Net Revenue Requirements**

	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Operating Expenses</b>	\$831,500	\$833,100	\$863,200	\$894,500	\$927,300	\$961,600
<b>Debt Service</b>	434,868	434,868	434,868	434,868	434,868	434,868
<b>Capital from Rates</b>	17,700	17,700	18,100	18,600	19,000	19,400
<b>Other Transfers [1]</b>	0	76,900	77,600	80,700	81,400	84,700
<b>Gross Revenue Requirements</b>	<b>\$1,284,068</b>	<b>\$1,362,568</b>	<b>\$1,393,768</b>	<b>\$1,428,668</b>	<b>\$1,462,568</b>	<b>\$1,500,568</b>
<b>Less Miscellaneous Revenues</b>	69,500	69,500	69,500	69,500	69,500	69,500
<b>Net Revenue Requirements</b>	<b>\$1,214,568</b>	<b>\$1,293,068</b>	<b>\$1,324,268</b>	<b>\$1,359,168</b>	<b>\$1,393,068</b>	<b>\$1,431,068</b>

[1] Other Transfers includes: transfer to R&R fund and the transfer to the General Fund.

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## SECTION 3. CUSTOMER STATISTICS

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### GENERAL

A major component in the determination of sustained revenue sufficiency for water and sewer service is the development of a forecast of customers and sales, to which existing rates are applied to calculate revenues. The City provided two years of historical billing statistics including the number of customers, by class and meter size, and metered monthly usage, which provides the basis for the recent historical trends and the forecast of customers through FY 2021. In addition to accumulating the number of customers and sales, additional analysis was performed in order to modify the rate structure, which is discussed at length below.

The historical water and sewer customer statistics are provided on Tables 4 and 5, respectively.

**Table 4: Historical Water Customer Statistics**

Description	FY 2013	FY 2014	FY 2015
Accounts	3,266	3,301	3,422
Units	3,492	3,537	3,641
Consumption (1,000s)	257,123	259,484	278,056
Avg. Monthly Consumption per Unit	6.14	6.11	6.36
Annual Growth in Units (%)		1.3%	2.9%

**Table 5: Historical Sewer Customer Statistics**

Description	FY 2013	FY 2014	FY 2015
Accounts	2,186	2,202	2,200
Units	2,345	2,369	2,344
Consumption (1,000s)	162,013	160,725	168,303
Avg. Monthly Consumption per Unit	5.76	5.65	5.98
Annual Growth in Units (%)		1.0%	-1.1%

As exemplified on the tables above, the water system customer base has grown by over 150 accounts while the sewer system customer base has remained relatively constant. For the purposes of this study, the City provided monthly bills for every customer and included the customer classification, the number of units served for each account, and the amount of water used and total revenue billed for each month from October 2014 to September 2015 (i.e., FY 2015). The next couple sections provide summarized and detailed information aimed toward providing an in depth understanding of the customer base.

## WATER CUSTOMER STATISTICS

The City currently categorizes each customer into one of five primary classes for billing purposes consisting of Single Family, Mobile Home, Multi-family, Non-Residential and Industrial. These customers are then split between inside city or outside city service. The table below provides the number of customers, units, metered consumption and average monthly consumption per unit by customer classification for the FY 2015 billing data provided:

**Table 6: FY 2015 Water Customer Summary**

<b>Classification</b>	<b>Accounts</b>	<b>Units</b>	<b>Consumption (1,000s)</b>	<b>Avg. Monthly Consumption per Unit</b>
<b>Single Family - Inside</b>	1,908	1,913	163,259	7.11
<b>Single Family - Outside</b>	125	125	7,942	5.29
<b>Mobile Home - Inside</b>	476	476	21,738	3.81
<b>Mobile Home - Outside</b>	743	743	38,625	4.33
<b>Multi-family - Inside</b>	9	67	3,302	4.11
<b>Multi-family - Outside</b>	6	93	6,756	6.05
<b>Non-Residential - Inside</b>	141	210	30,870	12.25
<b>Non-Residential - Outside</b>	13	13	2,659	17.04
<b>Industrial - Inside</b>	1	1	2,906	242.16
<b>Total</b>	<b>3,422</b>	<b>3,641</b>	<b>278,056</b>	<b>6.36</b>

As shown above over 3,400 accounts and 3,600 units are served water by the City each month. Average monthly consumption for all units connected to the System is approximately 6,360 gallons, while the largest customer class, inside city single family accounts use approximately 7,110 gallons per month. Also, the single family inside city class consumes 59% of the water each year, while only accounting for 52.5% of the connected units. By comparison, the mobile home and multi-family customer classes combined consume 25% of the total water each year and account for almost 38% of the connected units. These differences in consumption habits by customer class will be discussed further below along with commentary on the existing rate structure and a more equitable proposed rate structure.

Of the combined 155 Non-Residential and Industrial accounts, only 39 have utilized a meter size greater than 5/8-inch. Larger meters connected to the water system place a potential for additional strain on the System due to the increased flow capabilities. Currently, these larger meters are treated the same as smaller meters in a billing sense, which may not be recovering the appropriate level of service availability costs. The distribution of the Non-Residential and Industrial accounts by meter size is provided on Table 7 below:

**Table 7: FY 2015 Non-Residential Water Customers by Meter Size**

Meter Size	Non-Residential (Inside)	Non-Residential (Outside)	Industrial
5/8-inch	108	8	0
1-inch	9	1	0
1.5-inch	4	0	0
2-inch	15	4	0
3-inch	1	0	0
4-inch	1	0	0
6-inch	3	0	1
<b>Total</b>	<b>141</b>	<b>13</b>	<b>1</b>

In addition to analyzing each customer class based on the average monthly accounts, units and consumption per unit it is necessary to accumulate the revenue gallons into the appropriate usage blocks. The usage blocks are utilized in the billing process and have been designed to promote conservation, as the rate applied to each block is inclining. The inclining usage block rates are extremely common in Florida and are viewed favorably by the water management districts. The rates applied to each block will be introduced later in this report, but the table below illustrates the gallons that will be billed for in each block. It should be noted that the City has a unique rate structure that currently includes a large number of gallons in the minimum charge, meaning the first 6,000 gallons for all customers are not billed.

**Table 8: Usage Block Allowances**

Description	Gallons Included
<b>Minimum*</b>	0 – 6,000
<b>Block 1</b>	6,001 – 15,000
<b>Block 2</b>	15,001 – 30,000
<b>Block 3</b>	30,001 – 60,000
<b>Block 4</b>	Above 60,000
*The minimum charge for all customer classes in the water system currently includes the first 6,000 gallons of consumption.	

The following table demonstrates, for each customer class, the amount of consumption billed in each usage block for FY 2015:

**Table 9: Water Usage by Rate Block**

<b>Classification</b>	<b>Minimum</b>	<b>Block 1</b>	<b>Block 2</b>	<b>Block 3</b>	<b>Block 4</b>	<b>Total</b>
<b>Single Fam. In</b>	87,542	38,344	19,963	10,823	6,588	163,259
<b>Single Fam. Out</b>	5,598	1,692	525	122	5	7,942
<b>Mobile H. In</b>	16,838	4,073	708	112	7	21,738
<b>Mobile H. Out</b>	27,895	7,598	1,788	854	490	38,625
<b>Multi-Fam. In</b>	2,754	543	4	0	0	3,302
<b>Multi-Fam. Out</b>	5,319	1,279	157	0	0	6,756
<b>Non-Res In</b>	7,818	4,694	4,888	6,148	7,322	30,870
<b>Non-Res Out</b>	797	690	484	349	339	2,659
<b>Industrial - Inside</b>	72	108	180	360	2,186	2,906
<b>Total</b>	<b>154,633</b>	<b>59,023</b>	<b>28,696</b>	<b>18,767</b>	<b>16,937</b>	<b>278,056</b>
<b>% Usage in Block</b>	<b>55.6%</b>	<b>21.2%</b>	<b>10.3%</b>	<b>6.8%</b>	<b>6.1%</b>	<b>100.0%</b>

The customer billing data described above provides the basis for a customer forecast. The forecast is used to estimate revenues from existing rates and to design alternative rate structures. The forecast includes the period from FY 2016 through FY 2021 and assumes growth of 25 single family accounts per year. This level of growth is considered conservative and any future growth above this level would increase the projected operating margins. Water sales have been projected based on the usage trends identified for each customer class during the past few years, as identified on the tables above. A summary of the customer forecast is provided below, with the full detail appearing on Exhibit 1.

**Table 10: Water Customer Forecast**

<b>Fiscal Year</b>	<b>Customers</b>	<b>Units</b>	<b>Consumption (Th. Gallons)</b>
<b>FY 2016</b>	3,447	3,666	280,200
<b>FY 2017</b>	3,472	3,691	282,300
<b>FY 2018</b>	3,497	3,716	284,500
<b>FY 2019</b>	3,522	3,741	286,600
<b>FY 2020</b>	3,547	3,766	288,700
<b>FY 2021</b>	3,572	3,791	290,900

## SEWER CUSTOMER STATISTICS

The table below provides the number of customers, units, metered consumption and average monthly consumption per unit by customer classification for the FY 2015 billing data provided:

**Table 11: FY 2015 Sewer Customer Summary**

<b>Classification</b>	<b>Accounts</b>	<b>Units</b>	<b>Consumption (1,000s)</b>	<b>Avg. Monthly Consumption per Unit</b>
Single Family - Inside	1,209	1,210	93,881	6.47
Single Family - Outside	9	9	473	4.38
Mobile Home - Inside	278	278	12,339	3.70
Mobile Home - Outside	594	594	31,429	4.41
Multi-family - Inside	2	33	2,354	5.95
Multi-family - Outside	1	56	3,978	5.92
Non-Residential - Inside	101	158	22,472	11.85
Non-Residential - Outside	6	6	1,376	19.11
<b>Total</b>	<b>2,200</b>	<b>2,344</b>	<b>168,303</b>	<b>5.98</b>

As shown above 2,200 accounts and over 2,300 units are served sewer by the City each month. Even though all residential sewer customers (single family, mobile home, and multi-family) are not currently billed for sewer consumption it is important to understand the usage characteristics. Sewer usage is always billed based on water meter readings, except in special situations. Average monthly sewer consumption for all units connected to the system is approximately 5,980 gallons, while the largest customer class, inside city single family accounts use approximately 6,470 gallons per month.

Of the combined 107 Non-Residential accounts, only 21 have a meter size greater than 5/8-inch. Larger meters connected to the sewer system place a potential for additional strain on the System due to the increased flow capabilities. Currently, these larger meters are treated the same as smaller meters in a billing sense, which may not be recovering the appropriate level of service availability costs. The distribution of the Non-Residential accounts by meter size is provided on Table 12 below:

**Table 12: FY 2015 Non-Residential Sewer Customers by Meter Size**

<b>Meter Size</b>	<b>Non-Residential (Inside)</b>	<b>Non-Residential (Outside)</b>
5/8-inch	82	4
1-inch	3	1
1.5-inch	2	0
2-inch	9	1
3-inch	1	0
4-inch	1	0
6-inch	3	0
<b>Total</b>	<b>101</b>	<b>6</b>

The sewer customers have also been forecast in the future in order to determine future revenue recovery and also to be utilized in designing alternative rate structures. A summary of the customer forecast is provided below, with additional detail on Exhibit 2.

**Table 13: Sewer Customer Forecast**

<b>Fiscal Year</b>	<b>Customers</b>	<b>Units</b>	<b>Consumption (Th. Gallons)</b>
<b>FY 2016</b>	2,225	2,369	170,300
<b>FY 2017</b>	2,250	2,394	172,300
<b>FY 2018</b>	2,275	2,419	174,200
<b>FY 2019</b>	2,300	2,444	176,100
<b>FY 2020</b>	2,325	2,469	178,100
<b>FY 2021</b>	2,350	2,494	180,000

# SECTION 4. RATE DESIGN AND BILL COMPARISONS

## GENERAL

This section provides the proposed water and sewer rate design. Also included are various customer bill impacts and comparisons with other local utilities.

The previous sections outlined the net revenue requirements and the forecasted customer statistics for the water and sewer systems. These forecasts provide the basis for a rate design analysis based on cost of service principles with the intention of equitably recovering costs between various customer classes and users. The existing water rates do not currently treat customer classes differently and do not provide for certain provisions to recover additional costs from users with higher levels of service characteristics (i.e., larger meter size). As illustrated in Section 3, over 55% of annual water consumption is not billed usage rates as it is included in the base charge. Also, only 6.5% of single family inside customer’s consumption reached into usage blocks 3 and 4 during FY 2015 due to the high usage allowances. The rate design analysis focused on reducing the existing base charges, while removing the minimum gallons included, and on establishing a more equitable pay-by-use rate structure for both water and sewer systems.

The existing rates for water and sewer service are provided on the tables below and will be used throughout the comparisons with other local utilities:

**Table 14: Existing Monthly Water Rates**

Description	Gallons Included	Rate
<b>Monthly Base Charge</b>	<b>(All Classes and Meter Sizes)</b>	
<b>Per Unit</b>	0-6,000	\$12.95
<b>Usage Rates</b>		
<b>Block 1</b>	6,001-15,000	\$1.00
<b>Block 2</b>	15,001-30,000	\$1.20
<b>Block 3</b>	30,001-60,000	\$1.40
<b>Block 4</b>	60,001-99,999	\$1.60

Note: Outside City surcharge ranges from 31% to 50%

**Table 15: Existing Monthly Sewer Rates**

<b>Description</b>	<b>Gallons Included</b>	<b>Rate</b>
<b>Monthly Base Charge</b>		
<b>Residential Per Unit</b>	All	\$40.54
<b>Commercial</b>	0-6,000	\$53.49
<b>Usage Rates</b>		
	(Non-Residential Only)	
<b>Block 1</b>	6,001-15,000	\$1.00
<b>Block 2</b>	15,001-30,000	\$1.20
<b>Block 3</b>	30,001-60,000	\$1.40
<b>Block 4</b>	60,001-99,999	\$1.60

Note: Outside City surcharge ranges from 25% to 50%.

## **PRICING OBJECTIVES AND RATE DESIGN PARAMETERS**

The water and sewer rate design, as mentioned previously, is based on the cost of service of providing water and sewer service along with taking into consideration the pricing objectives identified by staff during the project kick-off meeting. At the kick-off meeting, the existing rates were discussed and the primary pricing objectives were identified and included Affordability, should be Simple to Understand and Update, and should provide Revenue Stability. It should be noted that even though certain pricing objectives are not identified as being the “most important” or the focus items, they are still considered in the overall rate design scheme. The existing rate structures for water and sewer provide for two of the three pricing objectives identified, Simple to Understand and Update and provide Revenue Stability. Revenue Stability reflected through a rate structure in general indicates that fixed or base charges are recovering a high percentage of the monthly revenues and therefore do not fluctuate with water consumption. On the opposite end of the spectrum is affordability, which generally provides either special programs for lower income users or generally lower bills at lower consumption levels. The approach used in this analysis was to provide for lower bills at lower consumption levels to achieve affordability.

In addition to the pricing objectives, certain policy and other considerations were reviewed while developing the proposed rate structure. The following provides a summary of each of these issues and considerations.

### **Revenue Neutral**

The rates designed for implementation on October 1, 2016 have been calculated to provide the same amount of revenue as existing rates. For example, the existing water rates are anticipated to produce slightly greater than \$780,000 in revenue in FY 2017. The rate design rates will also produce approximately \$780,000 in rate revenue.

### Minimum Gallons

One of the most important equity considerations is the amount of usage included in the minimum bill. As shown above, the gallons included in the minimum water bill is uniform regardless of meter size and customer consumption characteristics. For the sewer system, the residential customers pay a flat monthly fee regardless of water usage and the non-residential customers pay a higher minimum charge and also pay for consumption. To promote equitable cost recovery from rates, the minimum gallons have been removed from the proposed base charges and all water consumption will be billed usage rates for water and sewer, with the exception of residential customers who will be capped at 10,000 gallons per month on the sewer usage rates.

### Meter Size Base Charges

The existing rate ordinance defines the term “connected units”, which is how the base charges are applied for residential and non-residential customers. The rate design for water and sewer adjusts the basis for which non-residential customer monthly base charges are applied, from connected units to meter size. Meter size ratios generally follow the flow capabilities of the larger meters as published by the American Water Works Association (AWWA). The following meter size ratios have been used for water and sewer base charges:

**Table 16: Rate Design Base Charge Meter Ratios**

<b>Meter Size</b>	<b>Water Ratio</b>	<b>Sewer Ratio [1]</b>
<b>5/8-inch</b>	1.00	1.30
<b>1-inch</b>	2.50	2.50
<b>1.5-inch</b>	5.00	5.00
<b>2-inch &amp; Above</b>	8.00	8.00

[1] The sewer ratio for a 5/8-inch meter has been adjusted to account for the higher average monthly consumption for non-residential meters and the lack of tiered sewer rates.

In establishing non-residential versus residential base charges it is important to provide clarification on certain types of establishments being served by the System. The residential category includes single family homes, master-metered and individually metered condominiums, apartment complexes, mobile home communities, etc. Certain properties that are treated as non-residential and may not be discernable from the residential category include assisted living facilities, etc.

## **WATER AND SEWER RATE DESIGN**

Relying on the costs identified in Section 2, the customer projections from Section 3 and the parameters and considerations discussed above, the following tables present the proposed water and sewer rates for implementation October 1, 2016.

**Table 17: Proposed Water Rates Oct. 1, 2016**

<b>Description</b>	<b>Gallons Included</b>	<b>Rate</b>
<b>Base Charge</b>		
<b>Residential (per unit)</b>	0	\$8.95
<b>Commercial</b>		
<b>5/8-inch</b>	0	\$8.95
<b>1-inch</b>	0	\$22.38
<b>1.5-inch</b>	0	\$44.75
<b>2-inch &amp; Above</b>	0	\$71.60
<b>Usage Charges</b>		
<b>Residential</b>		
<b>Block 1</b>	0 - 5,000	\$1.04
<b>Block 2</b>	5,001 - 10,000	\$1.25
<b>Block 3</b>	Above 10,000	\$1.46
<b>Commercial</b>		
<b>All Consumption</b>		\$1.30

Note: Outside City surcharge is 25% for all rate components.

As shown on the table above, the base charge is per unit for all residential customers and by meter size for non-residential customers. The tiered block allowances have also been adjusted and reduced to three blocks, which will send pricing conservation signals to higher use customers.

The proposed sewer base charges utilize the same structure as the water rates, with the exception of the adjustment to the small commercial 5/8-inch meter. Also, the tiered rate blocks have been removed from the sewer rate structure. The reduced base charge for residential customers from \$40.54 to \$29.50 will provide some rate relief to lower users of the system, but will be earned back from the usage rate of \$2.33.

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**Table 18: Proposed Sewer Rates Oct. 1, 2016**

Description	Gallons Included	Rate
<b>Base Charge</b>		
<b>Residential (per unit)</b>	0	\$29.50
<b>Commercial</b>		
<b>5/8-inch</b>	0	\$38.35
<b>1-inch</b>	0	\$73.75
<b>1.5-inch</b>	0	\$147.50
<b>2-inch &amp; Above</b>	0	\$236.00
<b>Usage Charges</b>		
<b>Residential</b>	Up to 10,000	\$2.33
<b>Commercial</b>	All Usage	\$2.33

Note: Outside City surcharge is 25% for all rate components.

## BILL IMPACTS AND COMPARISON WITH LOCAL UTILITIES

The tables and discussion below have been included for information purposes. Any change of rate structure has the potential for larger impacts to certain customers or customer classes.

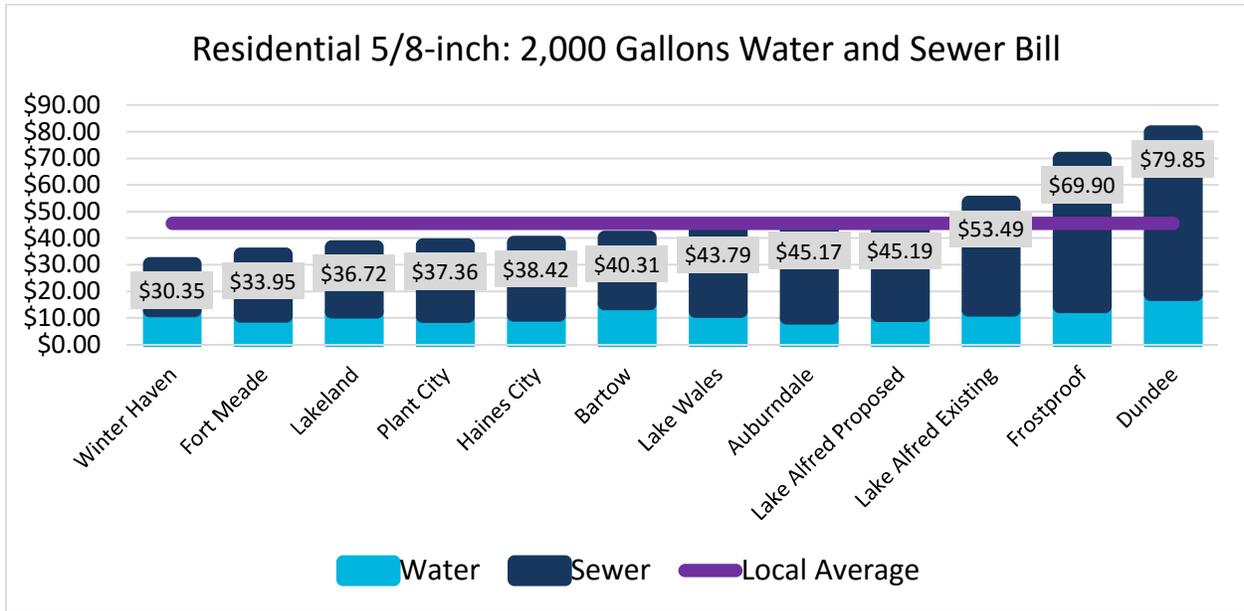
Below is a table illustrating impacts at various usage levels for a majority of the System’s customers, single family inside city using less than 15,000 gallons per month of combined water and sewer services. The cumulative percentage of single family water bills has been included to provide context for how these proposed rates will impact the customer base. For example, at the 4,000-gallon level 48.4% of the single family customers have been billed. Also, approximately 9.6% of annual bills are billed for 5,000 gallons of consumption.

**Table 19: Single Family Sample Bill Impacts (Water and Sewer)**

Usage	Existing Rates	Proposed Rates	Difference	Cumulative % Single Family Bills
0	\$53.49	\$38.45	(\$15.04)	11.1%
1,000	\$53.49	\$41.82	(\$11.67)	17.1%
2,000	\$53.49	\$45.19	(\$8.30)	25.8%
3,000	\$53.49	\$48.56	(\$4.93)	37.3%
4,000	\$53.49	\$51.93	(\$1.56)	48.4%
5,000	\$53.49	\$55.30	\$1.81	58.0%
6,000	\$53.49	\$58.88	\$5.39	65.4%
10,000	\$57.49	\$73.20	\$15.71	82.7%
15,000	\$62.49	\$80.50	\$18.01	90.1%

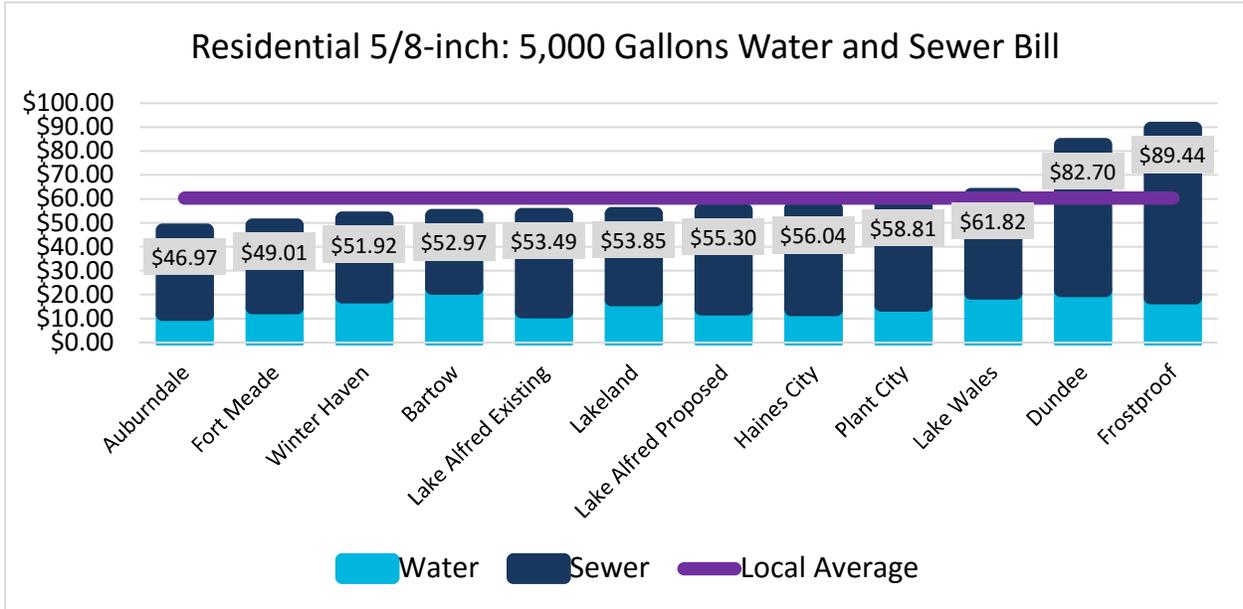
The figure below provides a comparison for a lower consumption single family user of 2,000 gallons with other local utilities:

**Figure 1: Local Comparison: Single Family 2,000 Gallons**

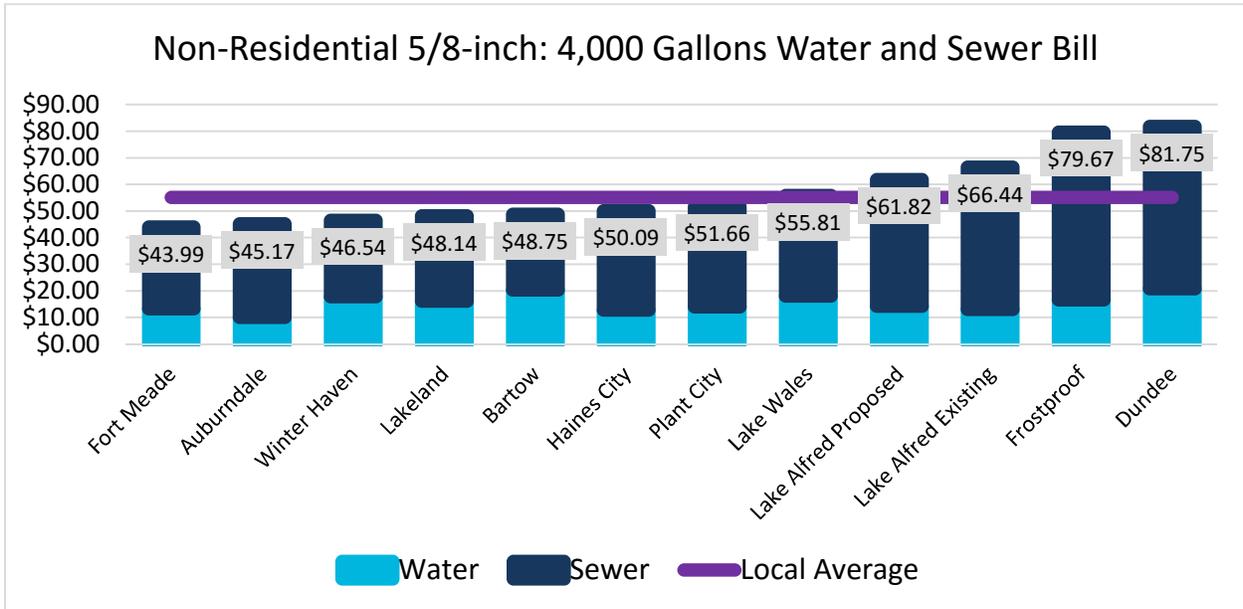


In addition to the 2,000 gallons comparison, where the proposed bill is being reduced by greater than \$8, the figure below provides a comparison at 5,000 gallons of consumption. At 5,000 gallons of consumption a single family customer would see an increased bill of \$2 per month. It is important when reviewing bill comparisons and impacts to point out that not all customers use the same amount of water each month.

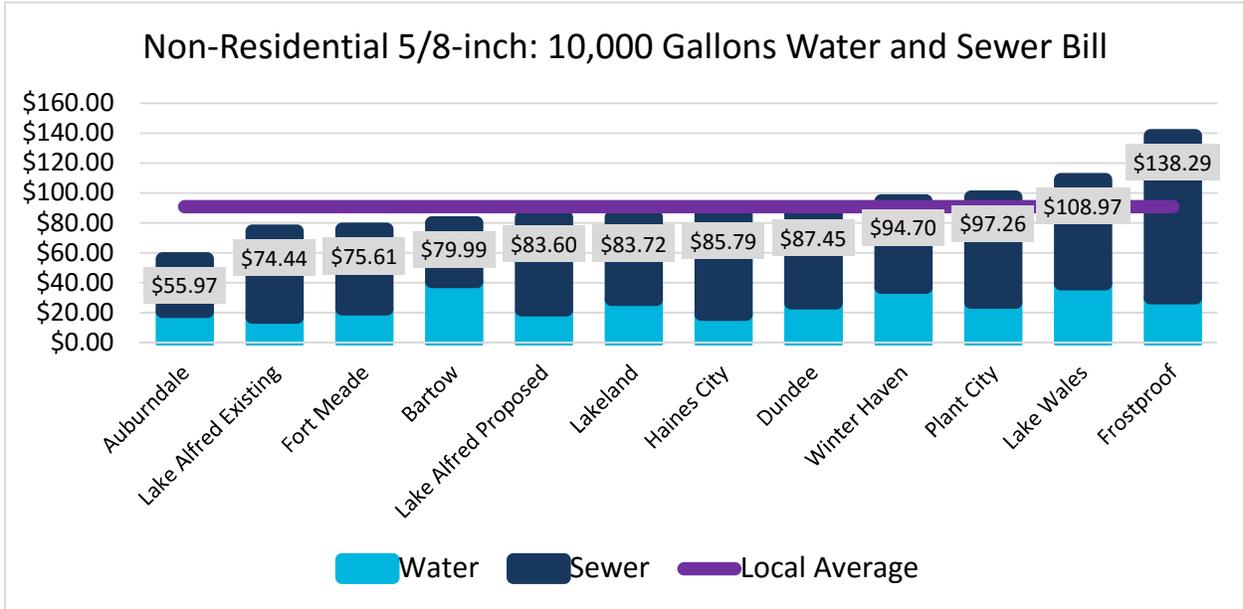
**Figure 2: Local Comparison: Single Family 5,000 Gallons**



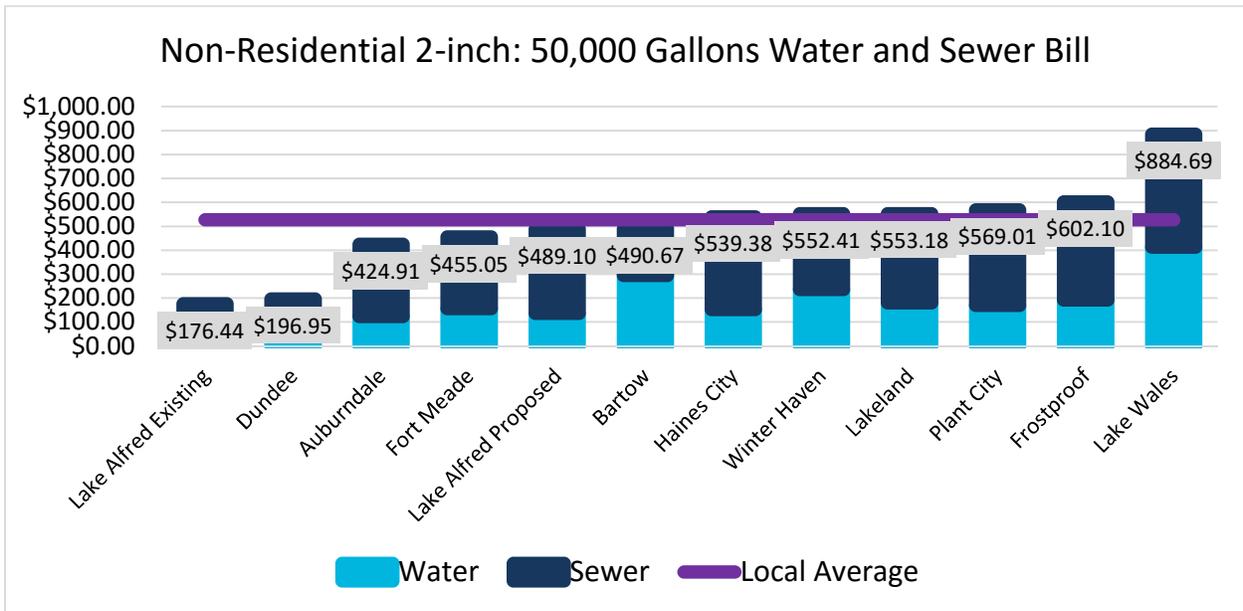
**Figure 3: Local Comparison: Non-Residential 4,000 Gallons**



**Figure 4: Local Comparison: Non-Residential 10,000 Gallons**



**Figure 5: Local Comparison: Non-Residential 50,000 Gallons**



# SECTION 5. REVENUE SUFFICIENCY ANALYSIS

## GENERAL

The primary mechanism for generating revenues in order to recover the costs of providing quality water and sewer services are the adopted user rates. As discussed in previous sections, the user rate structure has been re-designed and anticipated to be implemented in FY 2017. The revenues projected in this section are shown based on the existing rate structure and are anticipated to materially reflect future operating conditions since the updated rate design was computed on a revenue neutral basis. In addition to the user rates the System also collects miscellaneous or ancillary charges for specifically requested services.

## REVENUE SUFFICIENCY

The projection of customers, units and consumption discussed in Section 3 serves as the basis for the water and sewer revenue calculations. In discussions with City staff it has been determined that in order to maintain the high quality of services and sufficient operating margins it would be prudent to implement a policy allowing for three percent indexing every other year to utility rates beginning in October 2017. The forecast schedule of operating revenue from water and sewer rates below reflect this bi-annual indexing policy:

**Table 20: Revenue Forecast**

<b>Fiscal Year:</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Water Revenue</b>	\$779,600	\$784,600	\$813,300	\$818,400	\$848,500	\$853,700
<b>Sewer Revenue</b>	1,281,400	1,293,600	1,344,900	1,357,400	1,411,100	1,423,900
<b>Total Rate Revenue</b>	<b>\$2,061,000</b>	<b>\$2,078,200</b>	<b>\$2,158,200</b>	<b>\$2,175,800</b>	<b>\$2,259,600</b>	<b>\$2,277,600</b>

The first revenue test performed and shown on the table below is the projected revenue sufficiency from the revenues at forecasted rate levels.

**Table 21: Sufficiency Forecast**

<b>Fiscal Year:</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Net Revenue Requirements [1]</b>	\$1,919,589	\$1,994,989	\$2,040,589	\$2,091,689	\$2,141,189	\$2,196,389
<b>Rate Revenue</b>	2,061,000	2,078,200	2,158,200	2,175,800	2,259,600	2,277,600
<b>Surplus/(Deficiency)</b>	<b>\$141,411</b>	<b>\$83,211</b>	<b>\$117,611</b>	<b>\$84,111</b>	<b>\$118,411</b>	<b>\$81,211</b>

[1] Obtained from Table 2.

As shown above, revenues generated by user rates are expected to meet the projected Net Revenue Requirements throughout the forecast. Derived from the table above, it can be seen that in the even years (i.e., FY 2018 and 2020) the revenue surplus is slightly increased over the previous years, reflecting the three percent index rate adjustment. In the odd years when there are no anticipated rate adjustments, the surplus is reduced from the prior year due to the inflationary impacts on the Net Revenue Requirements. Through prudent management, planning and budgeting the City has been able to operate the System with no rate increases since water rates were updated in 2003. The bi-annual rate indexing policy will provide many benefits to a utility system such as: a) smaller and less controversial rate adjustments that prevent rate shock to customers; b) the ability to keep pace with inflationary cost pressures on an annual basis instead of one-time large “catch-up” rate increases; and c) improved ability to predict and budget revenues from year to year due to smaller annual rate adjustments.

## FINANCIAL INDICATORS

Financial indicators are useful tools and metrics used to evaluate operational performance, financial health, and trends. Several cash flow and liquidity ratios are used by bond rating agencies when evaluating a utility for a bond rating. It should be stressed that financial indicators do not tell the whole story when it comes to utility operations and performance but provide specific data points to be used in conjunction with many other factors to assess the overall financial health of the utility. When reviewing utility statistics, it is prudent to also consider the age of a utility’s assets, the major capital needs, the stability of rate revenues, and other factors.

## DEBT SERVICE COVERAGE

Debt service coverage is a key financial indicator and a minimum ratio that is typically required as a covenant established with the issuance of utility debt. Most utilities have some form of borrowed money they are required to repay at an agreed upon interest rate. To ensure that a system can handle the repayment amount with interest and continue to operate normally, a loan issuer will establish a coverage ratio whereby net revenue divided by annual debt service requirements will yield a number higher than 1.00 (usually ranging from 1.15 to 1.25).

$$\frac{\text{Net Revenue}}{\text{Debt Service}} = \text{Coverage Ratio}$$

The utility has historically reported very strong “all-in” debt service coverage ratios for the utility System. The minimum annual debt service coverage requirement pursuant to the City’s Loan Agreement authorizing the Series 2012 Notes is 1.20, while the minimum debt service coverage requirement set forth in the loan agreement for the outstanding SRF loan is 1.15. The forecast developed for this study anticipates that the City will exceed these minimum coverage ratios through the Forecast Period ending Fiscal Year 2021. During the course of the study a minimum target coverage was established which exceed the requirement minimum in order for the System to

maintain a strong operating position. The following summarizes the projected debt service coverage ratio throughout the Forecast Period:

**Table 22: Projected Debt Service Coverage**

<b>Fiscal Year:</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Net Revenue [1]</b>	\$973,000	\$1,030,500	\$1,066,600	\$1,038,600	\$1,074,600	\$1,043,200
<b>Debt Service Requirements</b>	\$554,089	\$554,089	\$554,089	\$554,089	\$554,089	\$554,089
<b>Coverage Ratio Achieved</b>	1.76	1.86	1.92	1.87	1.94	1.88
<b>Coverage Ratio (Target Minimum) [2]</b>	1.75	1.75	1.75	1.75	1.75	1.75

[1] Net Revenue obtained from Exhibit 6. Amounts reflect 3.0% water and sewer rate adjustments in FY 2018 and FY 2020.

[2] All-in coverage target set at 1.75 to maintain a strong financial position. Actual required coverage ranges between 1.20x for the senior debt service and 1.15x for the outstanding SRF loan.

A more detailed illustration of the projected debt service coverage can be found on Exhibit 6 at the end of this report.

## UTILITY CASH RESERVES

Days cash on hand or unrestricted reserves as a percentage of operating expenses is another widely used metric in the utility industry, especially by bond rating agencies. For example, Moody's published a document titled "Rating Methodology: US Municipal Utility Revenue Debt" on December 15, 2014 that explains the methodology used while evaluating the credit quality of municipal debt. Out of 100% weighting between ten different factors, days cash on hand accounts for 15% and is tied as the most heavily weighted factor. As mentioned in the coverage discussion, Standard & Poor's also published a document, in January 2016, that speaks to the current rating methodology used when evaluating municipal debt. Standard and Poor's utilizes a slightly different methodology and applies a 40% weighting factor (of the Financial Risk Profile) on Liquidity and reserves of a system.

Establishing a reserve policy provides a basis for the City to manage variances in revenue and expenses, and cope with potential fiscal emergencies such as revenue shortfalls, asset failure, natural disaster etc. It also provides guidelines for sound financial management with an overall long-range perspective to maintain financial solvency and mitigate financial risks associated with revenue instability, volatile capital costs and emergencies. While the utility does not anticipate any large capital projects during the Forecast Period, it is always prudent to establish strong unrestricted cash reserves and capital project reserves in order to avoid or mitigate future debt issuances.

RFC recommends that the City maintain two primary reserves: 1) Operating Fund - to provide working capital to support the operation, maintenance, and administration of the System; and 2) Renewal and Replacement/Capital reserve - used to fund future obligations that are necessary for maintaining reliable infrastructure. The recommended reserve policies are presented below on Table 23.

**Table 23: Recommended Reserve Policy**

Reserve	Recommended Policy	2021 Minimum Target Level
<b>Operating Funds</b>	1-year O&M Expenses	\$1.4M
<b>Renewal and Replacement</b>	1-year typical R&R program	\$160K

As shown on the table below, the target minimum reserve balances are met and reflect an adequate level of reserves for the utility. There will come a point in the future when these reserve balances can be leveraged to either completely fund certain large capital improvements or be used in conjunction with debt funding to manage the annual utility cash flows. This will be an important initiative for the utility in the future with over \$10.9 million of net depreciable utility assets underground and water and wastewater treatment plants.

**Table 24: Projected Reserve Balances**

Fiscal Year:	2016	2017	2018	2019	2020	2021
<b>Unrestricted Reserves [1]</b>	\$2,576,411	\$2,659,621	\$2,777,232	\$2,861,343	\$2,979,753	\$3,060,964
<b>Minimum Target</b>	\$1,267,000	\$1,239,500	\$1,283,900	\$1,330,200	\$1,378,500	\$1,428,900
<b>R&amp;R Fund Balance [1]</b>	\$0	\$13,700	\$33,400	\$57,900	\$138,400	\$164,000
<b>Minimum Target</b>	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000

[1] Obtained from Exhibit 7.

## SECTION 6. STORMWATER REVIEW AND DISCUSSION

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This section provides a discussion on the current stormwater rate structure and billing procedures along with potential alternatives. The existing budgeted activities will also be reviewed in terms of general cost recovery activities.

Stormwater fees are currently billed on a monthly basis on the utility bill along with water and sewer services. Stormwater is based on a simple and uniform billing structure dependent on customer classification. All residential customers pay \$2.00 per month, business customers pay \$5.00 per month and commercial customers pay \$8.00 per month. These rates generate approximately \$55,000 in revenue annually, adequately covering the current budget. As the City may need to generate higher revenues to meet its future stormwater expenditure levels, alternative rate structures should be considered. One alternative rate structure would be to establish an equivalent residential unit (ERU) amount and level of service for all non-residential customers based on the amount of impervious area associated with each account. Under this type of structure, the customers with larger amounts of impervious area would contribute more towards the system cost recovery. An additional alternative includes establishing multiple tier for residential customers based on the amount of impervious area. This structure also provides for the ability to collect greater amounts of revenue from customers with larger impervious area since this is a generally accepted measurement of how much demand each account is placing on the System.

As for billing procedures, placing the stormwater charges on the monthly bill is a simple process that utilizes the existing billing system and can be tracked based on customers having water and/or sewer services available. The potential risk or downside with this approach is having high monthly bills going out to owners and renters of properties that include a majority of the City's services. There also remains the difficulty in matching water meters to certain parcels. An alternative would be to establish the stormwater fees as an annual non-ad valorem assessment on the property tax bills. The advantage to this billing procedure is the ability to create a database containing all parcels in the City (to possibly include vacant) and assigning the appropriate stormwater qualities. The non-ad valorem method also provides the ability to generate revenue from vacant parcels that do not have utility services, but that are benefitting from the availability of the stormwater collection system. The downside of this method is developing a policy for certain tax-exempt parcels that have metered water service but generally do not pay property taxes.

The existing stormwater budget closely matches the anticipated level of annual revenue of \$55,000. Included in the budget is a street sweeping contract, small amount of repair and maintenance services, and provisions for a cost allocation. There are no direct salaries and benefits for employees in the budget. Instead, stormwater is being supported by other departments and in turn is providing a small reimbursement for employees' time. The City should review the current stormwater operations in the future and determine if the existing level of cost recovery and services provided are

adequate or need to be expanded in order to provide full service stormwater collection and maintenance activities. The funding of capital improvements should also be reviewed in the future.

The table below provides a comparison of the existing stormwater rates for residential and commercial customers to other local communities. In addition to the rate comparison, an example commercial account assuming 10,000 square feet of impervious area has been included.

**Table 25: Local Stormwater Rate Comparison**

Utility	Residential	Commercial 1 ERU/ESU	Example: Commercial Account [6]	
			10,000 ft <sup>2</sup>	25,000 ft <sup>2</sup>
Lake Alfred	\$2.00	\$5.00	\$5.00	\$5.00
<b>Other Local Communities:</b>				
Bartow [1]	\$3.75	\$3.75	\$11.25	\$33.75
Fort Meade [2]	\$6.19	\$6.19	\$18.57	\$55.71
Haines City [3]	\$4.52	\$4.52	\$4.52	\$4.52
Lakeland [4]	\$6.00	\$6.00	\$12.00	\$30.00
Plant City [5]	\$6.98	\$6.98	\$27.92	\$69.80
<b>Local Average</b>	<b>\$5.49</b>	<b>\$5.49</b>	<b>\$14.85</b>	<b>\$38.76</b>

[1] Per ERU (2,520 ft<sup>2</sup> impervious area basis).

[2] Per ESU (2,750 ft<sup>2</sup> impervious area basis).

[3] Values reflect parcels of 0.0-9.9 acres. Escalated fees in place for larger parcels.

[4] Per ERU (5,000 ft<sup>2</sup> impervious area basis).

[5] Per ERU (2,280 ft<sup>2</sup> impervious area basis).

[6] All ERU/ESU calculations rounded down to the nearest ERU/ESU.

As can be seen on the table above, the established rate for commercial customers is on par with other surrounding communities. The primary difference is the application of the fee where other communities are assessing the fee based on the impervious area, generally related to the amount of stormwater runoff generated, while the City is applying the fee uniformly across the board for customers of all different sizes.

# LIST OF EXHIBITS

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**Exhibit 1: Historical and Projected Water Customer Statistics**

**Exhibit 2: Historical and Projected Sewer Customer Statistics**

**Exhibit 3: Utility Operating Expense Projections**

**Exhibit 4: Projected Water Revenue Requirements**

**Exhibit 5: Projected Sewer Revenue Requirements**

**Exhibit 6: Combined System Projected Debt Service Coverage**

**Exhibit 7: Combined System Projected Fund Balances**

**Exhibit 8: Additional Bill Impacts and Comparisons**

**Schedule 1-R: Inside City Water and Sewer Rates**

**City of Lake Alfred**  
**2016 Water and Sewer Rate Design**  
**Historical and Projected Water Customer Statistics**

Description	Historical FY		From BF	Projected FY Ending September 30,					
	2013	2014	2015	2016	2017	2018	2019	2020	2021
Single Family - Inside City	1,762	1,790	1,908	1,933	1,958	1,983	2,008	2,033	2,058
Average Monthly Units	1,766	1,794	1,913	1,938	1,963	1,988	2,013	2,038	2,063
Annual Consumption (Th. gallons)	144,010	142,364	163,259	165,400	167,500	169,700	171,800	173,900	176,100
Average Monthly kGal/Unit	6.80	6.61	7.11	7.11	7.11	7.11	7.11	7.11	7.11
Single Family - Outside City	118	121	125	125	125	125	125	125	125
Average Monthly Units	118	121	125	125	125	125	125	125	125
Annual Consumption (Th. gallons)	7,555	7,931	7,942	7,900	7,900	7,900	7,900	7,900	7,900
Average Monthly kGal/Unit	5.34	5.46	5.29	5.29	5.29	5.29	5.29	5.29	5.29
Mobile Home - Inside City	481	480	476	476	476	476	476	476	476
Average Monthly Units	481	480	476	476	476	476	476	476	476
Annual Consumption (Th. gallons)	24,596	22,720	21,738	21,700	21,700	21,700	21,700	21,700	21,700
Average Monthly kGal/Unit	4.26	3.94	3.81	3.81	3.81	3.81	3.81	3.81	3.81
Mobile Home - Outside City	753	749	743	743	743	743	743	743	743
Average Monthly Units	753	749	743	743	743	743	743	743	743
Annual Consumption (Th. gallons)	38,170	37,840	38,625	38,600	38,600	38,600	38,600	38,600	38,600
Average Monthly kGal/Unit	4.22	4.21	4.33	4.33	4.33	4.33	4.33	4.33	4.33
Multi-Family - Inside City	13	13	9	9	9	9	9	9	9
Average Monthly Units	97	97	67	67	67	67	67	67	67
Annual Consumption (Th. gallons)	4,393	4,414	3,302	3,300	3,300	3,300	3,300	3,300	3,300
Average Monthly kGal/Unit	3.77	3.79	4.11	4.11	4.11	4.11	4.11	4.11	4.11
Multi-Family - Outside City	1	2	6	6	6	6	6	6	6
Average Monthly Units	56	60	93	93	93	93	93	93	93
Annual Consumption (Th. gallons)	4,254	4,782	6,756	6,800	6,800	6,800	6,800	6,800	6,800
Average Monthly kGal/Unit	6.33	6.64	6.05	6.05	6.05	6.05	6.05	6.05	6.05
Non-Residential - Inside City	126	134	141	141	141	141	141	141	141
Average Monthly Units	209	224	210	210	210	210	210	210	210
Annual Consumption (Th. gallons)	28,808	33,858	30,870	30,900	30,900	30,900	30,900	30,900	30,900
Average Monthly kGal/Unit	11.49	12.60	12.25	12.25	12.25	12.25	12.25	12.25	12.25
Non-Residential - Outside City	11	11	13	13	13	13	13	13	13
Average Monthly Units	11	11	13	13	13	13	13	13	13
Annual Consumption (Th. gallons)	2,120	1,837	2,659	2,700	2,700	2,700	2,700	2,700	2,700
Average Monthly kGal/Unit	16.06	13.92	17.04	17.04	17.04	17.04	17.04	17.04	17.04
Industrial	1	1	1	1	1	1	1	1	1
Average Monthly Units	1	1	1	1	1	1	1	1	1
Annual Consumption (Th. gallons)	3,217	3,738	2,906	2,900	2,900	2,900	2,900	2,900	2,900
Average Monthly kGal/Unit	268.08	311.50	242.16	242.16	242.16	242.16	242.16	242.16	242.16
<b>Total Monthly Accounts</b>	3,266	3,301	3,422	3,447	3,472	3,497	3,522	3,547	3,572
Average Monthly Units	3,492	3,537	3,641	3,666	3,691	3,716	3,741	3,766	3,791
Annual Consumption (Th. gallons)	257,123	259,484	278,056	280,200	282,300	284,500	286,600	288,700	290,900
Average Monthly kGal/Unit	6.14	6.11	6.36	6.37	6.37	6.38	6.38	6.39	6.39
Average Monthly kGal/Account	6.56	6.55	6.77	6.77	6.78	6.78	6.78	6.78	6.79
Unbilled Water Percentage	25.1%	24.9%	25.2%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Unbilled Water Amount	86,300	86,076	93,571	93,400	94,100	94,833	95,533	96,233	96,967
Total Water Produced	343,423	345,560	371,627	373,600	376,400	379,333	382,133	384,933	387,867
Avg MGD (Permit 1.3MGD)	0.941	0.947	1.018	1.024	1.031	1.039	1.047	1.055	1.063

**City of Lake Alfred**  
**2016 Water and Sewer Rate Design**  
**Historical and Projected Water Customer Statistics**

Description	Historical FY		From BF	Projected FY Ending September 30,					
	2013	2014	2015	2016	2017	2018	2019	2020	2021

**Annual Consumption by Usage Block**

## Consumption in Minimum

Single Family - Inside City			87,542	88,700	89,800	91,000	92,100	93,200	94,400
Single Family - Outside City			5,598	5,600	5,600	5,600	5,600	5,600	5,600
Mobile Home - Inside City			16,838	16,800	16,800	16,800	16,800	16,800	16,800
Mobile Home - Outside City			27,895	27,900	27,800	27,800	27,800	27,800	27,800
Multi-Family - Inside City			2,754	2,800	2,800	2,800	2,800	2,800	2,800
Multi-Family - Outside City			5,319	5,400	5,300	5,300	5,300	5,300	5,300
Non-Residential - Inside City			7,818	7,800	7,800	7,800	7,800	7,800	7,800
Non-Residential - Outside City			797	800	800	800	800	800	800
Industrial			72	100	100	100	100	100	100
<b>Total Consumption in Minimum</b>			<b>154,633</b>	<b>155,900</b>	<b>156,800</b>	<b>158,000</b>	<b>159,100</b>	<b>160,200</b>	<b>161,400</b>

## Block 1

Single Family - Inside City			38,344	38,800	39,300	39,800	40,300	40,800	41,300
Single Family - Outside City			1,692	1,700	1,700	1,700	1,700	1,700	1,700
Mobile Home - Inside City			4,073	4,100	4,100	4,100	4,100	4,100	4,100
Mobile Home - Outside City			7,598	7,600	7,600	7,600	7,600	7,600	7,600
Multi-Family - Inside City			543	500	500	500	500	500	500
Multi-Family - Outside City			1,279	1,300	1,300	1,300	1,300	1,300	1,300
Non-Residential - Inside City			4,694	4,700	4,700	4,700	4,700	4,700	4,700
Non-Residential - Outside City			690	700	700	700	700	700	700
Industrial			108	100	100	100	100	100	100
<b>Total Block 1</b>			<b>59,023</b>	<b>59,500</b>	<b>60,000</b>	<b>60,500</b>	<b>61,000</b>	<b>61,500</b>	<b>62,000</b>

## Block 2

Single Family - Inside City			19,963	20,200	20,500	20,800	21,100	21,400	21,700
Single Family - Outside City			525	500	500	500	500	500	500
Mobile Home - Inside City			708	700	700	700	700	700	700
Mobile Home - Outside City			1,788	1,800	1,800	1,800	1,800	1,800	1,800
Multi-Family - Inside City			4	0	0	0	0	0	0
Multi-Family - Outside City			157	200	200	200	200	200	200
Non-Residential - Inside City			4,888	4,900	4,900	4,900	4,900	4,900	4,900
Non-Residential - Outside City			484	500	500	500	500	500	500
Industrial			180	200	200	200	200	200	200
<b>Total Block 2</b>			<b>28,696</b>	<b>29,000</b>	<b>29,300</b>	<b>29,600</b>	<b>29,900</b>	<b>30,200</b>	<b>30,500</b>

## Block 3

Single Family - Inside City			10,823	11,000	11,100	11,200	11,300	11,400	11,500
Single Family - Outside City			122	100	100	100	100	100	100
Mobile Home - Inside City			112	100	100	100	100	100	100
Mobile Home - Outside City			854	900	900	900	900	900	900
Multi-Family - Inside City			0	0	0	0	0	0	0
Multi-Family - Outside City			0	0	0	0	0	0	0
Non-Residential - Inside City			6,148	6,200	6,200	6,200	6,200	6,200	6,200
Non-Residential - Outside City			349	400	400	400	400	400	400
Industrial			360	400	400	400	400	400	400
<b>Total Block 3</b>			<b>18,767</b>	<b>19,100</b>	<b>19,200</b>	<b>19,300</b>	<b>19,400</b>	<b>19,500</b>	<b>19,600</b>

**City of Lake Alfred  
2016 Water and Sewer Rate Design  
Historical and Projected Water Customer Statistics**

Description	Historical FY		From BF	Projected FY Ending September 30,					
	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Block 4</b>									
Single Family - Inside City			6,588	6,700	6,800	6,900	7,000	7,100	7,200
Single Family - Outside City			5	0	0	0	0	0	0
Mobile Home - Inside City			7	0	0	0	0	0	0
Mobile Home - Outside City			490	500	500	500	500	500	500
Multi-Family - Inside City			0	0	0	0	0	0	0
Multi-Family - Outside City			0	0	0	0	0	0	0
Non-Residential - Inside City			7,322	7,300	7,300	7,300	7,300	7,300	7,300
Non-Residential - Outside City			339	300	300	300	300	300	300
Industrial			2,186	2,200	2,100	2,100	2,100	2,100	2,100
<b>Total Block 4</b>			<b>16,937</b>	<b>17,000</b>	<b>17,000</b>	<b>17,100</b>	<b>17,200</b>	<b>17,300</b>	<b>17,400</b>
<b>Total Consumption by Class</b>									
Single Family - Inside City			163,259	165,400	167,500	169,700	171,800	173,900	176,100
Single Family - Outside City			7,942	7,900	7,900	7,900	7,900	7,900	7,900
Mobile Home - Inside City			21,738	21,700	21,700	21,700	21,700	21,700	21,700
Mobile Home - Outside City			38,625	38,700	38,600	38,600	38,600	38,600	38,600
Multi-Family - Inside City			3,302	3,300	3,300	3,300	3,300	3,300	3,300
Multi-Family - Outside City			6,756	6,900	6,800	6,800	6,800	6,800	6,800
Non-Residential - Inside City			30,870	30,900	30,900	30,900	30,900	30,900	30,900
Non-Residential - Outside City			2,659	2,700	2,700	2,700	2,700	2,700	2,700
Industrial			2,906	3,000	2,900	2,900	2,900	2,900	2,900
<b>Total Consumption</b>			<b>278,056</b>	<b>280,500</b>	<b>282,300</b>	<b>284,500</b>	<b>286,600</b>	<b>288,700</b>	<b>290,900</b>

**Customer Growth Assumptions**

Single Family - Inside City	25	25	25	25	25	25
Single Family - Outside City	0	0	0	0	0	0
Mobile Home - Inside City	0	0	0	0	0	0
Mobile Home - Outside City	0	0	0	0	0	0
Multi-Family - Inside City	0	0	0	0	0	0
Multi-Family - Outside City	0	0	0	0	0	0
Non-Residential - Inside City	0	0	0	0	0	0
Non-Residential - Outside City	0	0	0	0	0	0
Industrial	0	0	0	0	0	0
	0.7%	0.7%	0.7%	0.7%	1.4%	1.4%

Change in Monthly use per Unit

Single Family - Inside City	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Single Family - Outside City	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Mobile Home - Inside City	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Mobile Home - Outside City	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Multi-Family - Inside City	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Multi-Family - Outside City	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Non-Residential - Inside City	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Non-Residential - Outside City	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Industrial	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total annual consumption % change</b>	<b>0.8%</b>	<b>0.7%</b>	<b>0.8%</b>	<b>0.7%</b>	<b>0.7%</b>	<b>0.8%</b>







City of Lake Alfred  
 ENTERPRISE FUND  
 Utility Operating Expense Projection

ACCT. #	ACCOUNT DESCRIPTION	FY 2016 APPROVED	FY 2016 ADJUSTMENTS	FY 2016 ADJUSTED	FY 2017 PLANNED	FY 2017 ADJUSTMENTS	FY 2017 ADJUSTED	% ALLOCATED TO WATER	ESCALATION FACTOR	FY 2018 PROJECTED	FY 2019 PROJECTED	FY 2020 PROJECTED	FY 2021 PROJECTED
<b>401.533- WATER OPERATIONS</b>													
412.000	Salaries & Wages	\$10,225	\$0	\$10,200	\$10,225	\$0	\$10,200	100%	Labor	\$10,500	\$10,800	\$11,100	\$11,400
421.000	FICA Expense	775	0	800	775	0	800	100%	Labor	800	800	800	800
424.000	Workers Comp Insurance	2,360	0	2,400	2,360	0	2,400	100%	Ins-Health	2,600	2,900	3,200	3,500
431.300	Engineering	10,000	30,000	40,000	10,000	0	10,000	100%	Inflation	10,200	10,400	10,600	10,800
432.000	Accounting & Auditing	0	0	0	0	0	0	100%	Inflation	0	0	0	0
434.000	Contractual Services	5,000	0	5,000	5,000	0	5,000	100%	Inflation	5,100	5,200	5,300	5,400
434.100	Engineering- Water Monitor	14,000	0	14,000	14,000	0	14,000	100%	Inflation	14,300	14,600	14,900	15,200
440.100	Land Leases	1,500	0	1,500	1,500	0	1,500	100%	Inflation	1,500	1,500	1,500	1,500
440.300	Training & Travel	500	0	500	500	0	500	100%	Inflation	500	500	500	500
443.200	Electric	40,000	0	40,000	40,000	0	40,000	100%	Utilities	42,000	44,100	46,300	48,600
445.000	Property & Liability	10,100	0	10,100	10,100	0	10,100	100%	Inflation	10,300	10,500	10,700	10,900
446.000	R & M Services	25,000	0	25,000	25,000	0	25,000	100%	Inflation	25,600	26,200	26,800	27,400
446.100	R & M - Auto	500	0	500	500	0	500	100%	Inflation	500	500	500	500
446.200	R & M - Water Tower	500	0	500	500	0	500	100%	Inflation	500	500	500	500
452.000	Operating Supplies	1,500	0	1,500	1,500	0	1,500	100%	Inflation	1,500	1,500	1,500	1,500
452.600	Chemicals	42,000	0	42,000	42,000	0	42,000	100%	Utilities	44,100	46,300	48,600	51,000
452.700	Fuel	3,000	0	3,000	3,000	0	3,000	100%	Inflation	3,100	3,200	3,300	3,400
454.000	Subscriptions & Membership	600	0	600	600	0	600	100%	Inflation	600	600	600	600
463.800	Water Improvements - Impa	0	0	0	0	0	0	100%	Inflation	0	0	0	0
464.200	Capital - Machinery & Equip	68,000	(60,000)	8,000	60,000	(60,000)	0	100%	Input	0	0	0	0
<b>TOTAL WATER OPS</b>		<b>\$235,560</b>	<b>(\$30,000)</b>	<b>\$205,600</b>	<b>\$227,560</b>	<b>(\$60,000)</b>	<b>\$167,600</b>			<b>\$173,700</b>	<b>\$180,100</b>	<b>\$186,700</b>	<b>\$193,500</b>
<b>401.535- WASTE WATER OPERATIONS</b>													
412.000	Salaries & Wages	\$88,735	\$0	\$88,700	\$88,960	\$0	\$89,000	0%	Labor	\$91,700	\$94,500	\$97,300	\$100,200
414.000	Overtime Pay	4,000	0	4,000	4,000	0	4,000	0%	Labor	4,100	4,200	4,300	4,400
421.000	FICA Expense	7,095	0	7,100	7,115	0	7,100	0%	Labor	7,300	7,500	7,700	7,900
422.000	Retirement	13,460	0	13,500	13,460	0	13,500	0%	Labor	13,900	14,300	14,700	15,100
423.000	Life & Health Insurance	16,480	0	16,500	16,480	0	16,500	0%	Ins-Health	18,200	20,000	22,000	24,200
424.000	Workers Comp Insurance	3,050	0	3,100	3,050	0	3,100	0%	Ins-Health	3,400	3,700	4,100	4,500
431.300	Engineering	15,000	0	15,000	15,000	0	15,000	0%	Inflation	15,300	15,700	16,100	16,500
431.500	Employee Exams	300	0	300	300	0	300	0%	Inflation	300	300	300	300
432.000	Accounting & Auditing	0	0	0	0	0	0	0%	Inflation	0	0	0	0
434.100	Contractual Services	500	0	500	500	0	500	0%	Inflation	500	500	500	500
434.500	Sampling of Wells	12,000	0	12,000	12,000	0	12,000	0%	Inflation	12,300	12,600	12,900	13,200
434.510	Sludge Hauling	5,000	0	5,000	5,000	0	5,000	0%	Utilities	5,300	5,600	5,900	6,200
440.300	Training & Travel	500	0	500	500	0	500	0%	Inflation	500	500	500	500
441.000	Communications	8,000	0	8,000	8,000	0	8,000	0%	Inflation	8,200	8,400	8,600	8,800
441.100	Cell Phone	600	0	600	600	0	600	0%	Inflation	600	600	600	600
443.200	Electric	80,000	0	80,000	80,000	0	80,000	0%	Utilities	84,000	88,200	92,600	97,200
445.000	Property & Liability	35,585	0	35,600	35,585	0	35,600	0%	Inflation	36,400	37,200	38,100	39,000
446.000	R & M Services	35,000	0	35,000	35,000	0	35,000	0%	Inflation	35,800	36,600	37,400	38,300
446.100	R & M - Auto	2,000	0	2,000	2,000	0	2,000	0%	Inflation	2,000	2,000	2,000	2,000

City of Lake Alfred  
ENTERPRISE FUND  
Utility Operating Expense Projection

ACCT. #	ACCOUNT DESCRIPTION	FY 2016		FY 2016		FY 2017		FY 2017		% ALLOCATED	ESCALATION	FY 2018	FY 2019	FY 2020	FY 2021
		APPROVED	ADJUSTMENTS	ADJUSTED	PLANNED	ADJUSTMENTS	ADJUSTED	TO WATER		FACTOR	PROJECTED	PROJECTED	PROJECTED	PROJECTED	
452.000	Operating Supplies	2,000	0	2,000	2,000	0	2,000	0%		Inflation	2,000	2,000	2,000	2,000	
452.600	Chemicals	90,000	0	90,000	90,000	0	90,000	0%		Utilities	94,500	99,200	104,200	109,400	
452.700	Fuel	500	0	500	500	0	500	0%		Utilities	500	500	500	500	
452.800	Diesel Fuel	200	0	200	200	0	200	0%		Utilities	200	200	200	200	
452.940	Uniforms & Shoes	750	0	800	750	0	800	0%		Inflation	800	800	800	800	
464.100	Capital - Equip	0	0	0	0	0	0	0%		Input	0	0	0	0	
<b>TOTAL WASTEWATER</b>		<b>\$420,755</b>	<b>\$0</b>	<b>\$420,900</b>	<b>\$421,000</b>	<b>\$0</b>	<b>\$421,200</b>				<b>\$437,800</b>	<b>\$455,100</b>	<b>\$473,300</b>	<b>\$492,300</b>	
<b>401.535- SUMMIT GROVE</b>															
443.200	Electric	\$7,000	\$0	\$7,000	\$7,000	\$0	\$7,000	0%		Utilities	\$7,400	\$7,800	\$8,200	\$8,600	
445.000	Property & Liability	4,650	0	4,700	4,650	0	4,700	0%		Inflation	4,800	4,900	5,000	5,100	
446.000	R & M - Services	5,000	0	5,000	5,000	0	5,000	0%		Inflation	5,100	5,200	5,300	5,400	
452.000	Operating Supplies	500	0	500	500	0	500	0%		Inflation	500	500	500	500	
464.100	Capital - Improvements	0	0	0	0	0	0	0%		Input	0	0	0	0	
<b>TOTAL SUMMIT GROVE</b>		<b>\$17,150</b>	<b>\$0</b>	<b>\$17,200</b>	<b>\$17,150</b>	<b>\$0</b>	<b>\$17,200</b>				<b>\$17,800</b>	<b>\$18,400</b>	<b>\$19,000</b>	<b>\$19,600</b>	
<b>401.000- DEBT SERVICE</b>															
518	Loan F-EF Refinanced Bridge	\$238,445	(\$238,445)	\$0	\$238,445	(\$238,445)	\$0	50%		Input	\$0	\$0	\$0	\$0	
518	Wastewater Loan 719090	315,645	(315,645)	0	315,645	(315,645)	0	0%		Input	0	0	0	0	
<b>TOTAL DEBT SERVICE</b>		<b>\$554,090</b>	<b>(\$554,090)</b>	<b>\$0</b>	<b>\$554,090</b>	<b>(\$554,090)</b>	<b>\$0</b>				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>401.536- SERVICE</b>															
412.000	Salaries & Wages	\$245,695	\$0	\$245,700	\$247,868	\$0	\$247,900	41%		Labor	\$255,300	\$263,000	\$270,900	\$279,000	
414.000	Overtime Pay	6,000	0	6,000	6,000	0	6,000	41%		Labor	6,200	6,400	6,600	6,800	
421.000	FICA Expense	19,000	0	19,000	19,030	0	19,000	41%		Labor	19,600	20,200	20,800	21,400	
422.000	Retirement	35,900	0	35,900	35,900	0	35,900	41%		Labor	37,000	38,100	39,200	40,400	
423.000	Life & Health Insurance	43,950	0	44,000	43,950	0	44,000	41%		Ins-Health	48,400	53,200	58,500	64,400	
424.000	Workers Comp Insurance	5,975	0	6,000	5,975	0	6,000	41%		Ins-Health	6,600	7,300	8,000	8,800	
425.000	Unemployment Comp	0	0	0	0	0	0	41%		Labor	0	0	0	0	
431.300	Engineering	5,000	0	5,000	5,000	0	5,000	41%		Inflation	5,100	5,200	5,300	5,400	
431.500	Employee Exams	500	0	500	500	0	500	41%		Inflation	500	500	500	500	
440.300	Training & Travel	1,000	0	1,000	1,000	0	1,000	41%		Inflation	1,000	1,000	1,000	1,000	
441.000	Communications	22,000	0	22,000	22,000	0	22,000	41%		Inflation	22,500	23,000	23,500	24,000	
441.100	Cell Phone	1,800	0	1,800	1,800	0	1,800	41%		Inflation	1,800	1,800	1,800	1,800	
443.200	Electric	2,500	0	2,500	2,500	0	2,500	41%		Utilities	2,600	2,700	2,800	2,900	
441.100	Rental Equipment	500	0	500	500	0	500	41%		Inflation	500	500	500	500	
446.100	R & M - Auto	10,000	0	10,000	10,000	0	10,000	41%		Inflation	10,200	10,400	10,600	10,800	
446.120	R & M - Copier	1,400	0	1,400	1,400	0	1,400	41%		Inflation	1,400	1,400	1,400	1,400	
446.348	Annual Software Maint.	3,500	0	3,500	3,500	0	3,500	41%		Inflation	3,600	3,700	3,800	3,900	
446.350	R & M - Water Lines	20,000	0	20,000	20,000	0	20,000	100%		Inflation	20,500	21,000	21,500	22,000	
446.360	R & M - Fire Hydrants	1,000	0	1,000	1,000	0	1,000	100%		Inflation	1,000	1,000	1,000	1,000	
446.370	R & M - Lift Stations	70,000	0	70,000	70,000	0	70,000	0%		Inflation	71,600	73,200	74,900	76,600	

City of Lake Alfred  
 ENTERPRISE FUND  
 Utility Operating Expense Projection

ACCT. #	ACCOUNT DESCRIPTION	FY 2016		FY 2016		FY 2017		FY 2017		ESCALATION	FY 2018	FY 2019	FY 2020	FY 2021
		APPROVED	ADJUSTMENTS	ADJUSTED	PLANNED	ADJUSTMENTS	ADJUSTED	% ALLOCATED TO WATER	FACTOR	PROJECTED	PROJECTED	PROJECTED	PROJECTED	
446.380	R & M - Sewer Lines	10,000	0	10,000	10,000	0	10,000	0%	Inflation	10,200	10,400	10,600	10,800	
	Equipment	5,000	0	5,000	5,000	0	5,000	41%	Inflation	5,100	5,200	5,300	5,400	
452.000	Operating Supplies	5,000	0	5,000	5,000	0	5,000	41%	Inflation	5,100	5,200	5,300	5,400	
452.700	Fuel	20,000	0	20,000	20,000	0	20,000	41%	Inflation	20,500	21,000	21,500	22,000	
452.800	Diesel	1,500	0	1,500	1,500	0	1,500	41%	Inflation	1,500	1,500	1,500	1,500	
452.900	Meter & Fittings - New	30,000	0	30,000	30,000	0	30,000	41%	Inflation	30,700	31,400	32,100	32,800	
452.940	Uniforms & Shoes	3,000	0	3,000	3,000	0	3,000	41%	Inflation	3,100	3,200	3,300	3,400	
536.910	Interfund Transfer - General	239,515	0	239,500	239,515	0	239,500	100%	Input	239,500	239,500	239,500	239,500	
533.910	Cost Allocation - General	91,000	0	91,000	91,000	0	91,000	41%	Labor	93,700	96,500	99,400	102,400	
536.999	Contingency	0	0	0	0	0	0	41%	Input	0	0	0	0	
464.200	Capital - Machinery & Equip	25,000	(25,000)	0	25,000	(25,000)	0	41%	Input	0	0	0	0	
	<b>TOTAL SERVICE</b>	<b>\$925,735</b>	<b>(\$25,000)</b>	<b>\$900,800</b>	<b>\$927,938</b>	<b>(\$25,000)</b>	<b>\$903,000</b>			<b>\$924,800</b>	<b>\$947,500</b>	<b>\$971,100</b>	<b>\$995,800</b>	
	<b>TOTAL EXPENDITURES</b>	<b>\$2,208,290</b>	<b>(\$623,200)</b>	<b>\$1,585,400</b>	<b>\$2,202,738</b>	<b>(\$653,200)</b>	<b>\$1,549,900</b>			<b>\$1,595,800</b>	<b>\$1,643,600</b>	<b>\$1,693,400</b>	<b>\$1,745,300</b>	

**Exhibit 4**  
**City of Lake Alfred**  
**Projected Water Revenue Requirements**

Description	Budgeted	Projected Fiscal Year Ending September 30,				
	2016	2017	2018	2019	2020	2021
<b>Operating Expenses</b>	\$237,900	\$238,800	\$247,000	\$255,600	\$264,500	\$273,800
<b>Debt Service</b>						
Series 2012 Note	\$119,222	\$119,222	\$119,222	\$119,222	\$119,222	\$119,222
SRF Loan WW719090	0	0	0	0	0	0
New Loans	0	0	0	0	0	0
Total Debt Service	\$119,222	\$119,222	\$119,222	\$119,222	\$119,222	\$119,222
<b>Other Operating Expenses</b>						
Minor Operating Capital	\$12,300	\$12,300	\$12,600	\$12,800	\$13,100	\$13,400
CIP Funding	0	0	0	0	0	0
Transfers to General Fund	239,500	239,500	239,500	239,500	239,500	239,500
Renewal and Replacement Transfer (5%)	0	46,800	47,100	48,800	49,100	50,900
Total Other Revenue Requirements	\$251,800	\$298,600	\$299,200	\$301,100	\$301,700	\$303,800
Total Gross Revenue Requirements	\$608,922	\$656,622	\$665,422	\$675,922	\$685,422	\$696,822
<b>Less Revenues from Other Sources</b>						
Miscellaneous Revenues (Initiation of Service)	\$109,500	\$109,500	\$109,500	\$109,500	\$109,500	\$109,500
Interest Income	0	16,100	19,600	23,400	27,300	31,800
Infrastructure Funds Transfer	0	0	0	0	0	0
Transfers From Operating Account	0	0	0	0	0	0
Net Revenue Requirements	\$499,422	\$531,022	\$536,322	\$543,022	\$548,622	\$555,522
<b>Sales Revenues from Rates</b>						
Projected Revenue from Existing Rates	\$779,600	\$784,600	\$789,600	\$794,600	\$799,800	\$804,700
Total Revenue from Prior Increase	0	0	0	23,800	24,000	49,000
Total Revenue Before Current Year Adjustment	\$779,600	\$784,600	\$789,600	\$818,400	\$823,800	\$853,700
Current Year Rate Adjustments						
Current Year Rate Adjustment		0.00%	3.00%	0.00%	3.00%	0.00%
Effective Month		Oct.	Oct.	Oct.	Oct.	Oct.
% of Current Year Effective		100%	100%	100%	100%	100%
Total Revenue from Current Year Adjustments		\$0	\$23,700	\$0	\$24,700	\$0
Annual Water Rate Revenue	\$779,600	\$784,600	\$813,300	\$818,400	\$848,500	\$853,700
Net Revenue Surplus/Deficiency	\$280,178	\$253,578	\$276,978	\$275,378	\$299,878	\$298,178

**Exhibit 5**  
**City of Lake Alfred**  
**Projected Sewer Revenue Requirements**

Description	Budgeted	Projected Fiscal Year Ending September 30,				
	2016	2017	2018	2019	2020	2021
<b>Operating Expenses</b>	\$393,400	\$394,700	\$407,600	\$421,000	\$435,000	\$449,700
<b>Debt Service</b>						
Series 2012 Note	\$119,222	\$119,222	\$119,222	\$119,222	\$119,222	\$119,222
SRF Loan WW719090	315,646	315,646	315,646	315,646	315,646	315,646
New Loans	0	0	0	0	0	0
Total Debt Service	\$434,868	\$434,868	\$434,868	\$434,868	\$434,868	\$434,868
<b>Other Operating Expenses</b>						
Minor Operating Capital	\$17,700	\$17,700	\$18,100	\$18,600	\$19,000	\$19,400
CIP Funding	0	0	0	0	0	0
Transfers to General Fund	0	0	0	0	0	0
Renewal and Replacement Transfer	0	76,900	77,600	80,700	81,400	84,700
Total Other Revenue Requirements	\$17,700	\$94,600	\$95,700	\$99,300	\$100,400	\$104,100
Total Gross Revenue Requirements	\$845,968	\$924,168	\$938,168	\$955,168	\$970,268	\$988,668
<b>Less Revenues from Other Sources</b>						
Miscellaneous Revenues (Initiation of Service)	\$69,500	\$69,500	\$69,500	\$69,500	\$69,500	\$69,500
Interest Income	0	0	0	0	0	0
Infrastructure Funds Transfer	0	0	0	0	0	0
Transfers From Operating Account	0	0	0	0	0	0
Net Revenue Requirements	\$776,468	\$854,668	\$868,668	\$885,668	\$900,768	\$919,168
<b>Sales Revenues from Rates</b>						
Projected Revenue from Existing Rates	\$1,281,400	\$1,293,600	\$1,305,700	\$1,317,900	\$1,330,100	\$1,342,200
Total Revenue from Prior Increase	0	0	0	39,500	39,900	81,700
Total Revenue Before Current Year Adjustment	\$1,281,400	\$1,293,600	\$1,305,700	\$1,357,400	\$1,370,000	\$1,423,900
Current Year Rate Adjustments						
Current Year Rate Adjustment		0.00%	3.00%	0.00%	3.00%	0.00%
Effective Month		Oct.	Oct.	Oct.	Oct.	Oct.
% of Current Year Effective		100%	100%	100%	100%	100%
Total Revenue from Current Year Adjustments		\$0	\$39,200	\$0	\$41,100	\$0
Annual Sewer Rate Revenue	\$1,281,400	\$1,293,600	\$1,344,900	\$1,357,400	\$1,411,100	\$1,423,900
Net Revenue Surplus/Deficiency	\$504,932	\$438,932	\$476,232	\$471,732	\$510,332	\$504,732

**Exhibit 6**  
**City of Lake Alfred**  
**Combined System Projected Debt Service Coverage**

Description	Estimated FY	Projected Fiscal Year Ending September 30,				
	2016	2017	2018	2019	2020	2021
<b>System Revenues</b>						
Total Water Revenue [1]	\$779,600	\$784,600	\$813,300	\$818,400	\$848,500	\$853,700
Total Sewer Revenue [1]	1,281,400	1,293,600	1,344,900	1,357,400	1,411,100	1,423,900
Total Rate Revenues	\$2,061,000	\$2,078,200	\$2,158,200	\$2,175,800	\$2,259,600	\$2,277,600
Other Operating Revenues	179,000	179,000	179,000	179,000	179,000	179,000
Interest Income	0	16,100	19,600	23,400	27,300	31,800
Total System Revenues	\$2,240,000	\$2,273,300	\$2,356,800	\$2,378,200	\$2,465,900	\$2,488,400
<b>Operating Expenses</b>						
Water Operating Expenses	\$237,900	\$238,800	\$247,000	\$255,600	\$264,500	\$273,800
Sewer Operating Expenses	393,400	394,700	407,600	421,000	435,000	449,700
Total Operating Expenses	\$631,300	\$633,500	\$654,600	\$676,600	\$699,500	\$723,500
<b>Net Revenues</b>	\$1,608,700	\$1,639,800	\$1,702,200	\$1,701,600	\$1,766,400	\$1,764,900
<b>Debt Service</b>						
Series 2012 Note	\$238,443	\$238,443	\$238,443	\$238,443	\$238,443	\$238,443
SRF Loan WW719090	315,646	315,646	315,646	315,646	315,646	315,646
New Loan	0	0	0	0	0	0
Total Debt Service	\$554,089	\$554,089	\$554,089	\$554,089	\$554,089	\$554,089
<b>Debt Service Coverage</b>						
Senior Debt Coverage						
Coverage Ratio Calculated	6.75	6.88	7.14	7.14	7.41	7.40
Coverage Ratio Required	1.20	1.20	1.20	1.20	1.20	1.20
Subordinate Debt Coverage						
Coverage Ratio Calculated	4.19	4.29	4.49	4.48	4.69	4.68
Coverage Ratio Required	1.15	1.15	1.15	1.15	1.15	1.15
Net Revenues Less Debt Service	\$1,054,611	\$1,085,711	\$1,148,111	\$1,147,511	\$1,212,311	\$1,210,811
<b>Other Transfers:</b>						
Minor Operating Capital	\$30,000	\$30,000	\$30,700	\$31,400	\$32,100	\$32,800
CIP Funding	0	0	0	0	0	0
Transfers to General Fund	239,500	239,500	239,500	239,500	239,500	239,500
Renewal and Replacement Transfer	0	123,700	124,700	129,500	130,500	135,600
Total Other Transfers	\$269,500	\$393,200	\$394,900	\$400,400	\$402,100	\$407,900
<b>Net Operating Surplus/(Deficit)</b>	<b>\$785,111</b>	<b>\$692,511</b>	<b>\$753,211</b>	<b>\$747,111</b>	<b>\$810,211</b>	<b>\$802,911</b>

**Exhibit 6**  
**City of Lake Alfred**  
**Combined System Projected Debt Service Coverage**

Footnotes:

[1] System Revenues are based on the following future water and sewer rate adjustments:

Annual Rate Index Assumed	2017	2018	2019	2020	2021
Water	0.00%	3.00%	0.00%	3.00%	0.00%
Sewer	0.00%	3.00%	0.00%	3.00%	0.00%
Residential 5,000 Gallons (Rate Design)					
Water	\$14.15	\$14.58	\$14.58	\$15.02	\$15.02
Sewer	\$41.15	\$42.39	\$42.39	\$43.67	\$43.67
<b>Total</b>	<b>\$55.30</b>	<b>\$56.97</b>	<b>\$56.97</b>	<b>\$58.69</b>	<b>\$58.69</b>
<i>Increase</i>		<i>\$1.67</i>	<i>\$0.00</i>	<i>\$1.72</i>	<i>\$0.00</i>

**Exhibit 7**  
**City of Lake Alfred**  
**Combined Water and Sewer Fund Balance Projections**

Description	Estimated FY		Projected Fiscal Year Ending September 30,			
	2016	2017	2018	2019	2020	2021
<b>Unrestricted Operating Fund (Water and Sewer)</b>						
Beginning Balance	\$2,500,000	\$3,220,111	\$3,912,621	\$4,665,832	\$5,412,943	\$6,223,153
Operating Surplus/(Deficit)	785,111	692,511	753,211	747,111	810,211	802,911
CIP Expenditures	0	0	0	0	0	0
Transfer to R&R Fund	(65,000)	0	0	0	0	0
<b>Ending Balance</b>	<b>\$3,220,111</b>	<b>\$3,912,621</b>	<b>\$4,665,832</b>	<b>\$5,412,943</b>	<b>\$6,223,153</b>	<b>\$7,026,064</b>
Min Target Balance (365 days)	\$631,300	\$633,500	\$654,600	\$676,600	\$699,500	\$723,500
<b>Renewal and Replacement (R&amp;R) Fund</b>						
Beginning Balance	\$0	\$0	\$13,700	\$33,400	\$57,900	\$138,400
Operating Transfer	0	123,700	124,700	129,500	130,500	135,600
CIP Expenditures	(65,000)	(110,000)	(105,000)	(105,000)	(50,000)	(110,000)
Transfer in from Operations	65,000	0	0	0	0	0
<b>Ending Balance</b>	<b>\$0</b>	<b>\$13,700</b>	<b>\$33,400</b>	<b>\$57,900</b>	<b>\$138,400</b>	<b>\$164,000</b>
<b>Capital Recovery Charges</b>						
Beginning Balance	\$0	\$107,000	\$214,000	\$321,000	\$428,000	\$535,000
New Water Customers	32,100	32,100	32,100	32,100	32,100	32,100
New Sewer Customers	74,900	74,900	74,900	74,900	74,900	74,900
CIP Expenditures	0	0	0	0	0	0
<b>Ending Balance</b>	<b>\$107,000</b>	<b>\$214,000</b>	<b>\$321,000</b>	<b>\$428,000</b>	<b>\$535,000</b>	<b>\$642,000</b>
<b>Unrestricted Operating Fund (Stormwater)</b>						
Beginning Balance	\$0	\$18,900	\$37,800	\$55,900	\$73,200	\$89,700
Operating Surplus/(Deficit)	18,900	18,900	18,100	17,300	16,500	15,700
CIP Expenditures	0	0	0	0	0	0
Transfer to R&R Fund	0	0	0	0	0	0
<b>Ending Balance</b>	<b>\$18,900</b>	<b>\$37,800</b>	<b>\$55,900</b>	<b>\$73,200</b>	<b>\$89,700</b>	<b>\$105,400</b>
Min Target Balance (365 days)	\$40,900	\$40,900	\$41,700	\$42,500	\$43,300	\$44,100

**Exhibit 8**  
**City of Lake Alfred**  
**2016 Water and Sewer Rate Design**  
**Water Bill Impacts by Class and Meter Size**

**5/8" Meter - Residential (Inside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$12.95	\$8.95	(\$4.00)	-30.9%	\$12.95	\$9.99
1	\$12.95	\$9.99	(\$2.96)	-22.9%	\$6.48	\$5.52
2	\$12.95	\$11.03	(\$1.92)	-14.8%	\$4.32	\$4.02
3	\$12.95	\$12.07	(\$0.88)	-6.8%	\$3.24	\$3.28
4	\$12.95	\$13.11	\$0.16	1.2%	\$2.59	\$2.83
5	\$12.95	\$14.15	\$1.20	9.3%	\$2.16	\$2.57
6	\$12.95	\$15.40	\$2.45	18.9%	\$1.70	\$2.04
10	\$16.95	\$20.40	\$3.45	20.4%	\$1.46	\$1.85
15	\$21.95	\$27.70	\$5.75	26.2%	\$1.34	\$1.63
35	\$46.95	\$56.90	\$9.95	21.2%		

**5/8" Meter - Residential (Outside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$17.50	\$11.18	(\$6.32)	-36.1%	\$4.38	\$4.10
4	\$17.50	\$16.38	(\$1.12)	-6.4%	\$3.50	\$3.54
5	\$17.50	\$17.68	\$0.18	1.0%	\$2.92	\$3.21
6	\$17.50	\$19.24	\$1.74	9.9%	\$2.35	\$2.55
10	\$23.50	\$25.48	\$1.98	8.4%	\$2.07	\$2.31
15	\$31.00	\$34.58	\$3.58	11.5%	\$1.98	\$2.18
20	\$39.50	\$43.68	\$4.18	10.6%	\$1.92	\$2.11
25	\$48.00	\$52.78	\$4.78	10.0%	\$1.88	\$2.06
30	\$56.50	\$61.88	\$5.38	9.5%	\$1.89	\$2.03
35	\$66.00	\$70.98	\$4.98	7.5%		

**5/8" Meter - Non-Residential (Inside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$12.95	\$8.95	(\$4.00)	-30.9%	\$3.24	\$3.54
4	\$12.95	\$14.15	\$1.20	9.3%	\$2.59	\$3.09
5	\$12.95	\$15.45	\$2.50	19.3%	\$2.16	\$2.79
6	\$12.95	\$16.75	\$3.80	29.3%	\$1.70	\$2.20
10	\$16.95	\$21.95	\$5.00	29.5%	\$1.46	\$1.90
15	\$21.95	\$28.45	\$6.50	29.6%	\$1.40	\$1.75
20	\$27.95	\$34.95	\$7.00	25.0%	\$1.36	\$1.66
25	\$33.95	\$41.45	\$7.50	22.1%	\$1.33	\$1.60
30	\$39.95	\$47.95	\$8.00	20.0%	\$1.34	\$1.56
35	\$46.95	\$54.45	\$7.50	16.0%		

**Sewer Bill Impacts by Class and Meter Size**

**5/8" Meter - Residential (Inside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$40.54	\$29.50	(\$11.04)	-27.2%	\$40.54	\$31.83
1	\$40.54	\$31.83	(\$8.71)	-21.5%	\$20.27	\$17.08
2	\$40.54	\$34.16	(\$6.38)	-15.7%	\$13.51	\$12.16
3	\$40.54	\$36.49	(\$4.05)	-10.0%	\$10.14	\$9.71
4	\$40.54	\$38.82	(\$1.72)	-4.2%	\$8.11	\$8.23
5	\$40.54	\$41.15	\$0.61	1.5%	\$6.76	\$7.25
6	\$40.54	\$43.48	\$2.94	7.3%	\$4.05	\$5.28
10	\$40.54	\$52.80	\$12.26	30.2%	\$2.70	\$3.52
15	\$40.54	\$52.80	\$12.26	30.2%	\$1.16	\$1.51
35	\$40.54	\$52.80	\$12.26	30.2%		

**5/8" Meter - Residential (Outside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$50.68	\$36.87	(\$13.81)	-27.2%	\$12.67	\$12.13
4	\$50.68	\$48.51	(\$2.17)	-4.3%	\$10.14	\$10.28
5	\$50.68	\$51.42	\$0.74	1.5%	\$8.45	\$9.06
6	\$50.68	\$54.33	\$3.65	7.2%	\$5.07	\$6.60
10	\$50.68	\$65.97	\$15.29	30.2%	\$3.38	\$4.40
15	\$50.68	\$65.97	\$15.29	30.2%	\$2.53	\$3.30
20	\$50.68	\$65.97	\$15.29	30.2%	\$2.03	\$2.64
25	\$50.68	\$65.97	\$15.29	30.2%	\$1.69	\$2.20
30	\$50.68	\$65.97	\$15.29	30.2%	\$1.45	\$1.88
35	\$50.68	\$65.97	\$15.29	30.2%		

**5/8" Meter - Non-Residential (Inside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$53.49	\$38.35	(\$15.14)	-28.3%	\$13.37	\$11.92
4	\$53.49	\$47.67	(\$5.82)	-10.9%	\$10.70	\$10.00
5	\$53.49	\$50.00	(\$3.49)	-6.5%	\$8.92	\$8.72
6	\$53.49	\$52.33	(\$1.16)	-2.2%	\$5.75	\$6.17
10	\$57.49	\$61.65	\$4.16	7.2%	\$4.17	\$4.89
15	\$62.49	\$73.30	\$10.81	17.3%	\$3.42	\$4.25
20	\$68.49	\$84.95	\$16.46	24.0%	\$2.98	\$3.86
25	\$74.49	\$96.60	\$22.11	29.7%	\$2.68	\$3.61
30	\$80.49	\$108.25	\$27.76	34.5%	\$2.50	\$3.43
35	\$87.49	\$119.90	\$32.41	37.0%		

**Combined Bill Impacts by Class and Meter Size**

**5/8" Meter - Residential (Inside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$53.49	\$38.45	(\$15.04)	-28.1%	\$53.49	\$41.82
1	\$53.49	\$41.82	(\$11.67)	-21.8%	\$26.75	\$22.60
2	\$53.49	\$45.19	(\$8.30)	-15.5%	\$17.83	\$16.19
3	\$53.49	\$48.56	(\$4.93)	-9.2%	\$13.37	\$12.98
4	\$53.49	\$51.93	(\$1.56)	-2.9%	\$10.70	\$11.06
5	\$53.49	\$55.30	\$1.81	3.4%	\$8.92	\$9.81
6	\$53.49	\$58.88	\$5.39	10.1%	\$5.75	\$7.32
10	\$57.49	\$73.20	\$15.71	27.3%	\$4.17	\$5.37
15	\$62.49	\$80.50	\$18.01	28.8%	\$2.50	\$3.13
35	\$87.49	\$109.70	\$22.21	25.4%		

**5/8" Meter - Residential (Outside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$68.18	\$48.05	(\$20.13)	-29.5%	\$17.05	\$16.22
4	\$68.18	\$64.89	(\$3.29)	-4.8%	\$13.64	\$13.82
5	\$68.18	\$69.10	\$0.92	1.3%	\$11.36	\$12.26
6	\$68.18	\$73.57	\$5.39	7.9%	\$7.42	\$9.15
10	\$74.18	\$91.45	\$17.27	23.3%	\$5.45	\$6.70
15	\$81.68	\$100.55	\$18.87	23.1%	\$4.51	\$5.48
20	\$90.18	\$109.65	\$19.47	21.6%	\$3.95	\$4.75
25	\$98.68	\$118.75	\$20.07	20.3%	\$3.57	\$4.26
30	\$107.18	\$127.85	\$20.67	19.3%	\$3.33	\$3.91
35	\$116.68	\$136.95	\$20.27	17.4%		

**5/8" Meter - Non-Residential (Inside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$66.44	\$47.30	(\$19.14)	-28.8%	\$16.61	\$15.46
4	\$66.44	\$61.82	(\$4.62)	-7.0%	\$13.29	\$13.09
5	\$66.44	\$65.45	(\$0.99)	-1.5%	\$11.07	\$11.51
6	\$66.44	\$69.08	\$2.64	4.0%	\$7.44	\$8.36
10	\$74.44	\$83.60	\$9.16	12.3%	\$5.63	\$6.78
15	\$84.44	\$101.75	\$17.31	20.5%	\$4.82	\$6.00
20	\$96.44	\$119.90	\$23.46	24.3%	\$4.34	\$5.52
25	\$108.44	\$138.05	\$29.61	27.3%	\$4.01	\$5.21
30	\$120.44	\$156.20	\$35.76	29.7%	\$3.84	\$4.98
35	\$134.44	\$174.35	\$39.91	29.7%		

**Exhibit 8**  
**City of Lake Alfred**  
**2016 Water and Sewer Rate Design**  
**Water Bill Impacts by Class and Meter Size**

**5/8" Meter - Non-Residential (Outside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$17.50	\$11.18	(\$6.32)	-36.1%		
4	\$17.50	\$17.66	\$0.16	0.9%	\$4.38	\$4.42
5	\$17.50	\$19.28	\$1.78	10.2%	\$3.50	\$3.86
6	\$17.50	\$20.90	\$3.40	19.4%	\$2.92	\$3.48
10	\$23.50	\$27.38	\$3.88	16.5%	\$2.35	\$2.74
15	\$31.00	\$35.48	\$4.48	14.5%	\$2.07	\$2.37
20	\$39.50	\$43.58	\$4.08	10.3%	\$1.98	\$2.18
25	\$48.00	\$51.68	\$3.68	7.7%	\$1.92	\$2.07
30	\$56.50	\$59.78	\$3.28	5.8%	\$1.88	\$1.99
35	\$66.00	\$67.88	\$1.88	2.8%	\$1.89	\$1.94

**2" Meter - Non-Residential (Inside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$12.95	\$71.60	\$58.65	452.9%		
10	\$16.95	\$84.60	\$67.65	399.1%	\$1.70	\$8.46
15	\$21.95	\$91.10	\$69.15	315.0%	\$1.46	\$6.07
20	\$27.95	\$97.60	\$69.65	249.2%	\$1.40	\$4.88
25	\$33.95	\$104.10	\$70.15	206.6%	\$1.36	\$4.16
30	\$39.95	\$110.60	\$70.65	176.8%	\$1.33	\$3.69
40	\$53.95	\$123.60	\$69.65	129.1%	\$1.35	\$3.09
50	\$67.95	\$136.60	\$68.65	101.0%	\$1.36	\$2.73
60	\$81.95	\$149.60	\$67.65	82.6%	\$1.37	\$2.49
80	\$113.95	\$175.60	\$61.65	54.1%	\$1.42	\$2.20

**Sewer Bill Impacts by Class and Meter Size**

**5/8" Meter - Non-Residential (Outside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$53.49	\$47.93	(\$5.56)	-10.4%		
4	\$53.49	\$59.57	\$6.08	11.4%	\$13.37	\$14.89
5	\$53.49	\$62.48	\$8.99	16.8%	\$10.70	\$12.50
6	\$53.49	\$65.39	\$11.90	22.2%	\$8.92	\$10.90
10	\$59.49	\$77.03	\$17.54	29.5%	\$5.95	\$7.70
15	\$66.99	\$91.58	\$24.59	36.7%	\$4.47	\$6.11
20	\$75.49	\$106.13	\$30.64	40.6%	\$3.77	\$5.31
25	\$83.99	\$120.68	\$36.69	43.7%	\$3.36	\$4.83
30	\$92.49	\$135.23	\$42.74	46.2%	\$3.08	\$4.51
35	\$101.99	\$149.78	\$47.79	46.9%	\$2.91	\$4.28

**2" Meter - Non-Residential (Inside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$53.49	\$236.00	\$182.51	341.2%		
10	\$57.49	\$259.30	\$201.81	351.0%	\$5.75	\$25.93
15	\$62.49	\$270.95	\$208.46	333.6%	\$4.17	\$18.06
20	\$68.49	\$282.60	\$214.11	312.6%	\$3.42	\$14.13
25	\$74.49	\$294.25	\$219.76	295.0%	\$2.98	\$11.77
30	\$80.49	\$305.90	\$225.41	280.0%	\$2.68	\$10.20
40	\$94.49	\$329.20	\$234.71	248.4%	\$2.36	\$8.23
50	\$108.49	\$352.50	\$244.01	224.9%	\$2.17	\$7.05
60	\$122.49	\$375.80	\$253.31	206.8%	\$2.04	\$6.26
80	\$154.49	\$422.40	\$267.91	173.4%	\$1.93	\$5.28

**Combined Bill Impacts by Class and Meter Size**

**5/8" Meter - Non-Residential (Outside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$70.99	\$59.11	(\$11.88)	-16.7%		
4	\$70.99	\$77.23	\$6.24	8.8%	\$17.75	\$19.31
5	\$70.99	\$81.76	\$10.77	15.2%	\$14.20	\$16.35
6	\$70.99	\$86.29	\$15.30	21.6%	\$11.83	\$14.38
10	\$82.99	\$104.41	\$21.42	25.8%	\$8.30	\$10.44
15	\$97.99	\$127.06	\$29.07	29.7%	\$6.53	\$8.47
20	\$114.99	\$149.71	\$34.72	30.2%	\$5.75	\$7.49
25	\$131.99	\$172.36	\$40.37	30.6%	\$5.28	\$6.89
30	\$148.99	\$195.01	\$46.02	30.9%	\$4.97	\$6.50
35	\$167.99	\$217.66	\$49.67	29.6%	\$4.80	\$6.22

**2" Meter - Non-Residential (Inside City)**

Usage (1,000s)	Existing Rates	Rate Design			Avg Cost/1,000 gal	
		Bill	\$ Change	% Change	Existing	Rate Design
0	\$66.44	\$307.60	\$241.16	363.0%		
10	\$74.44	\$343.90	\$269.46	362.0%	\$7.44	\$34.39
15	\$84.44	\$362.05	\$277.61	328.8%	\$5.63	\$24.14
20	\$96.44	\$380.20	\$283.76	294.2%	\$4.82	\$19.01
25	\$108.44	\$398.35	\$289.91	267.3%	\$4.34	\$15.93
30	\$120.44	\$416.50	\$296.06	245.8%	\$4.01	\$13.88
40	\$148.44	\$452.80	\$304.36	205.0%	\$3.71	\$11.32
50	\$176.44	\$489.10	\$312.66	177.2%	\$3.53	\$9.78
60	\$204.44	\$525.40	\$320.96	157.0%	\$3.41	\$8.76
80	\$268.44	\$598.00	\$329.56	122.8%	\$3.36	\$7.48

**Schedule 1-R**  
**Inside City Water and Sewer Rates**

	Effective Date:				
	October 1, 2016	October 1, 2017	October 1, 2018	October 1, 2019	October 1, 2020
<b>Residential Water Rates</b>					
Water Base Charge per Unit	\$8.95	\$9.21	\$9.21	\$9.48	\$9.48
Water Usage Charge/1,000 Gallons					
Block 1 (0 - 5,000 gallons)	\$1.04	\$1.07	\$1.07	\$1.10	\$1.10
Block 2 (5,001 - 10,000 gallons)	\$1.25	\$1.28	\$1.28	\$1.32	\$1.32
Block 3 (Above 10,000 gallons)	\$1.46	\$1.50	\$1.50	\$1.54	\$1.54
<b>Residential Sewer Rates</b>					
Sewer Base Charge per Unit	\$29.50	\$30.38	\$30.38	\$31.29	\$31.29
Sewer Usage Charge/1,000 Gallons					
Up to 10,000 gallons	\$2.33	\$2.39	\$2.39	\$2.46	\$2.46
<b>Commercial Water Rates</b>					
Water Base Charge					
5/8-inch Meter	\$8.95	\$9.21	\$9.21	\$9.48	\$9.48
1-inch Meter	\$22.38	\$23.04	\$23.04	\$23.73	\$23.73
1.5-inch Meter	\$44.75	\$46.09	\$46.09	\$47.47	\$47.47
2-inch Meter and Larger	\$71.60	\$73.74	\$73.74	\$75.95	\$75.95
Water Usage Charge/1,000 Gallons					
All Use	\$1.30	\$1.33	\$1.33	\$1.36	\$1.36
<b>Commercial Sewer Rates</b>					
Sewer Base Charge					
5/8-inch Meter	\$38.35	\$39.50	\$39.50	\$40.68	\$40.68
1-inch Meter	\$73.75	\$75.96	\$75.96	\$78.23	\$78.23
1.5-inch Meter	\$147.50	\$151.92	\$151.92	\$156.47	\$156.47
2-inch Meter and Larger	\$236.00	\$243.08	\$243.08	\$250.37	\$250.37
Sewer Usage Charge/1,000 Gallons					
All Use	\$2.33	\$2.39	\$2.39	\$2.46	\$2.46

**Schedule 1-R**  
**Outside City Water and Sewer Rates**

	Effective Date:				
	October 1, 2016	October 1, 2017	October 1, 2018	October 1, 2019	October 1, 2020
<b>Residential Water Rates</b>					
Water Base Charge per Unit	\$11.18	\$11.51	\$11.51	\$11.85	\$11.85
Water Usage Charge/1,000 Gallons					
Block 1 (0 - 5,000 gallons)	\$1.30	\$1.33	\$1.33	\$1.37	\$1.37
Block 2 (5,001 - 10,000 gallons)	\$1.56	\$1.60	\$1.60	\$1.65	\$1.65
Block 3 (Above 10,000 gallons)	\$1.82	\$1.87	\$1.87	\$1.92	\$1.92
<b>Residential Sewer Rates</b>					
Sewer Base Charge per Unit	\$36.87	\$37.97	\$37.97	\$39.11	\$39.11
Sewer Usage Charge/1,000 Gallons					
Up to 10,000 gallons	\$2.91	\$2.98	\$2.98	\$3.07	\$3.07
<b>Commercial Water Rates</b>					
Water Base Charge					
5/8-inch Meter	\$11.18	\$11.51	\$11.51	\$11.85	\$11.85
1-inch Meter	\$27.96	\$28.80	\$28.80	\$29.66	\$29.66
1.5-inch Meter	\$55.93	\$57.61	\$57.61	\$59.33	\$59.33
2-inch Meter and Larger	\$89.50	\$92.17	\$92.17	\$94.93	\$94.93
Water Usage Charge/1,000 Gallons					
All Use	\$1.62	\$1.66	\$1.66	\$1.70	\$1.70
<b>Commercial Sewer Rates</b>					
Sewer Base Charge					
5/8-inch Meter	\$47.93	\$49.37	\$49.37	\$50.85	\$50.85
1-inch Meter	\$92.18	\$94.95	\$94.95	\$97.78	\$97.78
1.5-inch Meter	\$184.37	\$189.90	\$189.90	\$195.58	\$195.58
2-inch Meter and Larger	\$295.00	\$303.85	\$303.85	\$312.96	\$312.96
Sewer Usage Charge/1,000 Gallons					
All Use	\$2.91	\$2.98	\$2.98	\$3.07	\$3.07

**LAKE ALFRED CITY COMMISSION MEETING  
SEPTEMBER 13, 2016**

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**3.) PUBLIC HEARING: ORDINANCE 1367-16: CITY COMMISSION COMPENSATION  
(PHASE IN)**

**4.) ORDINANCE 1369-16: CITY COMMISSION COMPENSATION (MAY 2017)**

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**ISSUE:** The City Commission will consider an ordinance amending the Commissioners' compensation.

**ATTACHMENTS:**

- Ordinance 1367-16 Second Read "Phase In"
- Ordinance 1369-16 First Read "May 2017"
- **City Attorney Memorandum Opinion **ADDED****
- Commission Compensation: Survey & Summary

**ANALYSIS:** During last year's budget preparations staff proposed increasing the City Commission's compensation for the Mayor and Commission based upon a salary survey from similarly sized cities within the state of Florida. The survey showed that the current annual stipend given to the City Commission was less than half of the average from the surveyed cities.

The City Commission's compensation was last adjusted in 2005 to its current levels; \$3,600 for the Mayor & \$2,400 for Commissioners annually. The proposed increase to \$6,000 for the Mayor and \$5,000 for the City Commissioners would bring the stipend amount to approximately 80% of the surveyed average. As approved on first reading, any increases would not take effect until after each Commissioner's current term has expired.

Following the approval on first reading the City Attorney has further reviewed the question regarding the "phase in" option and determined that there is no conflict within state law regarding commissioners voting on their compensation. Additionally, the City Attorney has determined that the City of Lake Alfred Charter provision regarding commission compensation can be interpreted to allow for increases to be effective for all Commissioners following the election in 2017.

In order to convey both options to the City Commission, staff has prepared two ordinances with different options.

- The first option is the second reading of Ordinance 1367-16 with the "Phase In" option that was approved on first reading at the August 8<sup>th</sup> meeting where the proposed increases will go into effect over a three year period with the commencement of new terms for each seat.
- The second option is the first reading of Ordinance 1369-16 with the "May 2017" option where the proposed increases will go into effect for all Commissioners following the election in 2017.

**STAFF RECOMMENDATION:** Pleasure of the City Commission.

If the City Commission desires the "Phase In" option:

- "Motion to approved ordinance 1367-16 with the "Phase In" option on second and final reading."

If the City Commission desires the "May 2017" option:

- Take no action on Ordinance 1367-16
- "Motion to approve Ordinance 1369-16 with the "May 2017" option on first reading.

**ORDINANCE NO. 1367-16**

**AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF LAKE ALFRED, FLORIDA, REGARDING CHAPTER 2, ARTICLE II, SECTION 2-31 OF THE CODE OF ORDINANCES OF THE CITY OF LAKE ALFRED, FLORIDA, WHICH AMENDS THE COMPENSATION SCHEDULE FOR THE CITY COMMISSIONERS AND THE MAYOR; PROVIDING FOR SEVERABILITY, CODIFICATION, AND THE ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Section 2.04 of the City of Lake Alfred Charter provides that the City Commission may determine the annual salary of all commissioners and the mayor by ordinance but no ordinances increasing such salary shall become effective until the date of the commencement of the terms of commissioners elected at the next regular election provided that such election follows the adoption of such ordinances by at least six (6) months; and

**WHEREAS**, the annual salary of commissioners and mayor is \$2,400.00 and \$3,600.00, respectively; and

**WHEREAS**, the present salary of the commissioners and mayor has not been adjusted since May 1, 2006 as set by Ordinance 1114-05; and

**WHEREAS**, the present salary is inadequate to partially compensate members of the commission and the mayor for the time required to fulfill the duties of those offices;

**NOW, THEREFORE BE IT ENACTED** by the City Commission of the City of Lake Alfred, Florida, as follows:

**SECTION 1. CODE OF ORDINANCES.** Chapter 2, Article II, Section 2-31 of the Code of Ordinances is hereby amended to read as follows (deletions are shown in ~~striketrough~~ and additions are shown in underline format):

**Section 2-31. Compensation of City Commissioners.**

Each member of the City Commission shall receive an annual salary of ~~\$2,400.00~~5,000.00 payable at the rate of \$200.00 per month during the first pay period of each month (once a month) which provides for twelve (12) payment periods in a calendar year. The increase shall take effect for City Commission Seats 3 and 4 on the commencement of the terms of City Commission Seats 3 and 4 after the regular election in April, 2017; for City Commission Seat 5 upon commencement of the term of City Commission Seat 5 after the regular election in April, 2018; and for City Commission Seats 1 and 2 upon commencement of the terms of City Commission Seats 1 and 2 after the regular election in April, 2019. The mayor-commissioner shall receive an annual salary of ~~\$3,600.00 payable at the rate of \$300.00 per month.~~ \$6,000.00

during the first pay period of each month (once a month) which provides for twelve (12) payment periods in a calendar year. The increase shall take effect upon the commencement of the terms for City Commission Seats 3 and 4 after the regular election in April, 2017.

**SECTION 2. SEVERABILITY.** If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City of Lake Alfred, Florida hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

**SECTION 3. CONFLICTS.** All ordinances or parts of ordinances and resolutions in conflict or inconsistent with the provisions of this ordinance are hereby repealed to the extent necessary to give this ordinance full force and effect.

**SECTION 4. CODIFICATION.** It is the intention of the city commission that the provisions of this ordinance shall become and be made a part of the Code of Ordinances of the City of Lake Alfred; and that sections of this ordinance may be renumbered or relettered and the word "ordinance" may be changed to, "section", or such other appropriate word or phrase in order to accomplish such intentions; and regardless of whether such inclusion in the Code of Ordinances of the City of Lake Alfred is accomplished, sections of this ordinance may be renumbered or relettered and the correction of typographical and/or scrivener's errors which do not affect the intent may be authorized by the City Manager or his or her designee, without need of public hearing, by filing a corrected or recodified copy of same with the City Clerk.

**SECTION 5. EFFECTIVE DATE.** This ordinance shall become effective immediately after second reading/public hearing, however, the increases in salary and compensation for the city commissioners and mayor as provided in this ordinance shall not be effective immediately but shall be effective on the dates set forth in Section 1 of this ordinance.

**INTRODUCED AND PASSED** on first reading at the regular meeting of the City of Lake Alfred City Commission held this 8<sup>th</sup> day of August, 2016.

**PASSED AND ADOPTED** on second reading at the Regular meeting of the City of Lake Alfred City Commission held this 13<sup>th</sup> day of September, 2016.

**CITY OF LAKE ALFRED, FLORIDA**

By: \_\_\_\_\_  
Charles O. Lake, Mayor

**ATTEST:**

\_\_\_\_\_  
Ameé Bailey-Speck, City Clerk

**Approved as to form:**

\_\_\_\_\_  
Frederick J. Murphy, Jr., City Attorney

**ORDINANCE NO. 1369-16**

**AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF LAKE ALFRED, FLORIDA, REGARDING CHAPTER 2, ARTICLE II, SECTION 2-31 OF THE CODE OF ORDINANCES OF THE CITY OF LAKE ALFRED, FLORIDA, WHICH AMENDS THE COMPENSATION SCHEDULE FOR THE CITY COMMISSIONERS AND THE MAYOR; PROVIDING FOR SEVERABILITY, CODIFICATION, AND THE ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Section 2.04 of the City of Lake Alfred Charter provides that the City Commission may determine the annual salary of all commissioners and the mayor by ordinance but no ordinances increasing such salary shall become effective until the date of the commencement of the terms of commissioners elected at the next regular election provided that such election follows the adoption of such ordinances by at least six (6) months; and

**WHEREAS**, the annual salary of commissioners and mayor is \$2,400.00 and \$3,600.00, respectively; and

**WHEREAS**, the present salary of the commissioners and mayor has not been adjusted since May 1, 2006 as set by Ordinance 1114-05; and

**WHEREAS**, the present salary is inadequate to partially compensate members of the commission and the mayor for the time required to fulfill the duties of those offices;

**NOW, THEREFORE BE IT ENACTED** by the City Commission of the City of Lake Alfred, Florida, as follows:

**SECTION 1. CODE OF ORDINANCES.** Chapter 2, Article II, Section 2-31 of the Code of Ordinances is hereby amended to read as follows (deletions are shown in ~~strikethrough~~ and additions are shown in underline format):

**Section 2.31. Compensation of City Commission.**

Each member of the city commission shall receive an annual salary of ~~\$2,400.00 payable at the rate of \$200.00 per month.~~ \$5,000.00, except for the mayor, who shall receive an annual salary of \$3,600.00, payable at the rate of \$300.00 per month \$6,000. Each member of the city commission shall also receive holiday pay in the same amount and manner as other city employees. Annual salary shall be paid monthly in equal installments and tendered by the city during the first pay period of each month.

**SECTION 2. SEVERABILITY.** If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City of Lake Alfred, Florida hereby declares that it would have passed this Ordinance, and each section, subsection, clause or

phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

**SECTION 3. CONFLICTS.** All ordinances or parts of ordinances and resolutions in conflict or inconsistent with the provisions of this ordinance are hereby repealed to the extent necessary to give this ordinance full force and effect.

**SECTION 4. CODIFICATION.** It is the intention of the city commission that the provisions of this ordinance shall become and be made a part of the Code of Ordinances of the City of Lake Alfred; and that sections of this ordinance may be renumbered or relettered and the word "ordinance" may be changed to, "section", or such other appropriate word or phrase in order to accomplish such intentions; and regardless of whether such inclusion in the Code of Ordinances of the City of Lake Alfred is accomplished, sections of this ordinance may be renumbered or relettered and the correction of typographical and/or scrivener's errors which do not affect the intent may be authorized by the City Manager or his or her designee, without need of public hearing, by filing a corrected or recodified copy of same with the City Clerk.

**SECTION 5. EFFECTIVE DATE.** Pursuant to the requirements of § 2.04 of the *Charter of the City of Lake Alfred*, this ordinance shall be effective May 1, 2017, which is the date of commencement of the terms of commissioners to be elected at the next regular election.

**INTRODUCED AND PASSED** on first reading at the regular meeting of the City of Lake Alfred City Commission held this 13<sup>th</sup> day of September, 2016.

**PASSED AND ADOPTED** on second reading at the Regular meeting of the City of Lake Alfred City Commission held this 26<sup>th</sup> day of September, 2016.

**CITY OF LAKE ALFRED, FLORIDA**

By: \_\_\_\_\_  
Charles O. Lake, Mayor

**ATTEST:**

\_\_\_\_\_  
Ameé Bailey-Speck, City Clerk

**Approved as to form:**

\_\_\_\_\_  
Frederick J. Murphy, Jr., City Attorney



CITY ATTORNEY'S OFFICE  
MEMORANDUM OPINION

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To: **Honorable Mayor and Commissioners**  
City Commission, City of Lake Alfred, Florida

**Ryan Leavengood**  
City Manager, City of Lake Alfred, Florida

From: **W.A. "Drew" Crawford**  
Assistant City Attorney, City of Lake Alfred, Florida

Subject: **City Commission Compensation**

Date: September 8, 2016

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Honorable Mayor and Commissioners and Manager Leavengood:

At its August 8, 2016 regular meeting, the City Commission asked for a formal legal opinion on the following question:

May the City Commission of the City of Lake Alfred adopt an ordinance to simultaneously increase the public compensation provided to the Mayor and each City Commissioner, effective May 1, 2017?

After review of the relevant provisions of the *Charter of the City of Lake Alfred, Fla.* ("*City Charter*"), the Florida Statutes, the relevant reported decisions of the Florida Courts and the administrative advisory opinions issued by the Florida Attorney General and the administrative advisory opinions issued by the staff of the Florida Commission on Ethics, the City Attorney's Office answers the question presented as follows:

In sum, pursuant to § 2.04 of the *City Charter*, and subject to the timing requirements therein, the City Commission of the City of Lake Alfred may, in its discretion, adopt an ordinance that simultaneously increases the compensation paid to all City Commissioners, including the selected Mayor, on the effective date of May 1, 2017. While an elected official is normally prohibited from voting on a measure that inures to the official's special private gain or

loss – See Art. II, § 8(c), Fla. Const.; § 112.3143(3)(a), Fla. Stat. (2016) – Florida law specifically authorizes an elected official to vote on matters affecting his or her “salary, expenses, [and] other compensation as a public officer, as provided by law.” § 112.313(5), Fla. Stat. (2016); *Accord* § 286.012, Fla. Stat. (2016).

In order to provide a thorough answer to the City Commission’s question<sup>1</sup>, the history, language and interpretation of the provisions of the *Charter of the City of Lake Alfred, Fla.* (“*City Charter*”) relating to city commissioner compensation must be examined, in addition to the various Florida acts governing the ethical conduct of elected officials.

The *City Charter* was adopted in its current general form by Ordinance 516 and approved by voter referendum on October 10, 1975. The 1975 Charter, as amended, is the “paramount law” of the City of Lake Alfred. See *City of Miami Beach v. Fleetwood Hotel, Inc.*, 261 So. 2d 801 (Fla. 1972). Combined with Article VIII, § 2 of the Florida Constitution and Chapter 166 of the Florida Statutes (the “Municipal Home Rule Powers Act” or “MHRPA”), the *Charter* generally acts as a restriction on the broad municipal powers inherently possessed by the City of Lake Alfred. See, e.g., § 166.021(4), Fla. Stat. (1973)(repealing all provisions in pre-MHRPA special law charters that operate as restrictions on the exercise of municipal power). See also § 166.021(5), Fla. Stat. (2016); Fla. AGO 75-223; Fla. AGO 79-80; Fla. AGO 2001-43.

From 1975 to 2011, the relevant part of § 2.04 of the *City Charter*, relating to commission compensation, stated:

The commission may determine the annual salary of commissioners or the mayor by ordinance, but no ordinance increasing such salary shall become effective until the date of commencement of the terms of commissioners elected at the next regular election, provided that such election follows the adoption of such ordinance by at least six (6) months.

Between 1975 and 2011, § 2-31 of the *Code of Ordinances of the City of Lake Alfred* (“*City Code*”), articulating the actual compensation paid to City Commissioners and the Mayor, was amended five (5) times. See § 1, Ord. No. 738-93 (Mar. 8, 1993); § 1, Ord. No. 838-98 (Aug. 17, 1998); § 1, Ord. No. 980-00 (Jan. 8, 2001); §1, Ord. No. 1006-01 (Nov. 5, 2001); § 1, Ord. No. 1114-05 (Aug. 15, 2005). The most recent amendment, effective May 1, 2005, doubled the salary of sitting and newly elected City Commissioners from the 2004 rate of \$1,200.00 annually to \$2,400.00 annually. § 1, Ord. No. 1114-05 (Aug. 15, 2005). The amendment also doubled the salary for the Mayor position from the 2004 rate of \$1,800.00 annually to \$3,600.00 annually.

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<sup>1</sup> On August 8, 2016, the City Commission asked the City Attorney’s Office to obtain an interpretation of *City Charter*’s commissioner compensation provisions from the Florida Attorney General’s office. See *Minutes, City of Lake Alfred City Comm’n Meeting, Monday Aug. 8, 2016* at 5. Unfortunately, by law, the Florida Attorney General may only issue opinions and interpretations to local government officials about the meanings of state laws, not local laws or charters. See § 16.01(3), Fla. Stat. (2016); *Informal Op. to* (2016). Because the Florida Attorney General is unable to issue the requested opinion, the City Attorney’s office has interpreted the City Commission’s instruction as a request for a formal opinion memorandum.

*Id.* Notably, the amendment adjusted the salary for all five commission positions simultaneously.

In 2010, the City Commission appointed and empaneled a citizen Charter Review Committee to study the *City Charter* and make a report of its findings along with any suggested amendments, additions, deletions or changes. *See* Res. No. 01-10. During discussions, § 2.04 of the *City Charter* was singled out for debate by the Committee and ultimately slated for amendment. Per the committee’s report, “Some committee members felt the wording” of 2.04 “was unclear whether the raise would apply to all commissioners, or only those who were elected or reelected between the date the ordinance was passed and the effective date of the raise.” *City of Lake Alfred Charter Review Committee Report* at 7 (Oct. 21, 2010) (emphasis added). The committee concluded that “The basic provisions” of 2.04 “should remain as they are, but the word ‘all’ should be inserted to clarify that raises apply to all commissioners, not just those who have undergone an election between the passage of the ordinance and the effective date of the raise.” *Id.*

Consistent with the Charter Review Committee’s report, the City Commission adopted an ordinance to amend the *City Charter* that, in part, placed suggested modifications to § 2.04 before the Lake Alfred electorate. *See* § 14, Ord. No. 1284-10 (Jan. 3, 2011). After its referendum approval in April 2011, the newly modified § 2.04 of the *City Charter* now states, in relevant part:

The commission may determine the annual salary of all commissioners and the mayor by ordinance, but no ordinance increasing such salary shall become effective until the date of commencement of the terms of commissioners elected at the next regular election, provided that such election follows the adoption of such ordinance by at least six (6) months.

*Id.*

Currently, the City Commission is considering a measure to raise the salaries for the offices of City Commissioner and Mayor. In similar fashion to the 2005 salary increase, staff studies of pay rates in similarly-sized and -situated municipalities show that the average salary for municipal elected officials is about twice the amount that Lake Alfred’s elected officials currently pay themselves.

While the proposed measure was in development, City staff consulted with the City Attorney’s Office to determine the most appropriate “mechanism” for accomplishing a Commission pay raise. In an effort to avoid bias, and given the relatively recent amendment to § 2.04 of the *City Charter*, the City Attorney’s Office recommended that any proposed pay raise ordinance *phase in* or *stagger* the raise applicable to each individual City Commission seat, so as not to raise even the slightest doubt as to bias or the appearance of any impropriety during adoption. Under the plan, the proposed pay raise, which must be done by ordinance – *See* § 2-31, *City Code* – would take effect after the next election is convened for each individual seat. **This is sound legal advice.** *See, e.g.,* CEO 14-17 (Fla. Comm’n on Ethics Jun. 11, 2014); § 112.3143(3)(a), Fla. Stat. (2016). According to Florida law, absent any kind of exception or

exemption, “No county, municipal, or other local public officer shall vote in an official capacity upon any measure which would inure to his or her special private gain or loss.” § 112.3143(3)(a), Fla. Stat. (2016). Pursuant to a 2013 act of the Florida Legislature, the term “special private gain or loss” is defined to mean, and designed to specifically encompass, both economic *benefits* and harms. Ch. 2013-36, Laws of Fla., *codified at* § 112.3143(1)(d), Fla. Stat. (2016). Because a salary increase is unquestionably an economic benefit, the advised phase in plan removes any question of a “special gain or loss” from the analysis, since elected officials have no expectation of continuing to hold elected office beyond the current term.

As expressed in the question presented however, the City Commission appears desirous of a raise for all of its members’ salaries, given at the same time and enacted in the same official act. This was done in the past – *See* § 1, Ord. No. 1114-05 (Aug. 15, 2005) – and appears to be, at least as expressed publicly during the August 8, 2016 City Commission meeting, politically feasible. Would such a raise be possible under the current state of the law?

The answer lies in a statutory exemption found in the general ethics statute that applies to all public officers. According to the statute:

SALARY AND EXPENSES.—No public officer shall be prohibited from voting on a matter affecting his or her salary, expenses, or other compensation as a public officer, as provided by law.

§ 112.313(5), Fla. Stat. (2016). The key phrase in this statute is “*as provided by law.*” *Id.* Florida’s various administrative bodies have interpreted this law as offering an ethics exemption to the standard prohibition for elected officials, who, whether by the organic law of the government agency or under a prior official act, are required to determine their own salaries. *See* CEO 14-17 (Fla. Comm’n on Ethics Jun. 11, 2014).

According to its *Charter*, Lake Alfred’s government is organized into the “Commission-Manager” form with all legislative powers of the city vested in an elected five-member commission. § 2.01, *City Charter*. As earlier recited, “The commission **may** determine the annual salary of all commissioners and the mayor by ordinance” – *See* § 2.04, *City Charter* – and the current compensation for City Commissioners is set by the *City Code*. § 2-31, *City Code*. Even though the *Charter* phrases the Commission’s power to set its own salaries as *permissive* (using the term “may”), the *Charter* makes it unquestionably mandatory that salaries may only be set by ordinance. Because under Florida law, a local ordinance is considered to be a legislative action – *See* § 166.041(1)(a), Fla. Stat. (2016) – it is the opinion of the City Attorney’s Office that the law of the City of Lake Alfred requires a formal act of the City Commission to set the compensation of its members. *Ergo*, Lake Alfred’s City Commissioners are likely eligible to claim the statutory exemption from “special gain or loss” voting conflicts granted by the general ethics code.

The City Commission’s question is therefore answered in the positive. Based on the cumulative research performed by the City Attorney’s Office, it appears that the City Commission may, in an exercise of its political discretion, choose to adopt an ordinance affecting a change in current member compensation, pursuant to the ethics code exception to the voting

conflicts rule. The City Commission could also choose, in its political discretion, to proceed with the phase in plan as originally advised, which would not implicate the voting conflicts rule in any way.

Please advise if the City Attorney's Office can be of any further assistance on this, or any other matter.

Sincerely,

Frederick J. Murphy, Jr.  
City Attorney  
City of Lake Alfred, Florida

By:

W.A. "Drew" Crawford  
Assistant City Attorney

## Commission Salary and Benefit Survey

2013		Salary			Benefits				Notes
Municipality	Population	Mayor	Commission	COLA	Health	Dental	Vision	Retirement	
City of Lake Alfred	5,183	\$3,600	\$2,400	No	No	No	No	No	Last increase in 2005
DeFuniak Springs	5,584	\$10,470	\$7,380	No	Available for purchase			Yes	FRS
Fellsmere	5,338	\$6,000	\$4,800	No	Yes	Yes	Yes	457	includes HRA and Life
Flagler Beach	4,655	\$7,540	\$7,540	No	No	No	No	No	
Kenneth City	5,017	\$6,000	\$3,600	No	No	No	No	?	
Mascotte	5,251	\$6,331	\$4,437	No	No	No	No	No	
Newberry	5,263	\$11,861	\$8,922	No	No	No	No	Yes	FRS
Okeechobee	5,600	\$8,900	\$6,800						
South Pasadena	5,018	\$8,074	\$6,136	No	No	No	No	No	
Starke	5,397	\$12,547	\$12,547	Yes	Yes	Available for purchase		Yes	COLA - FRS Retirement 3% multiplier
Valparaiso	5,224	\$1	\$1	No	No	No	No	No	Life only
Wauchula	4,949	\$2,400	\$2,400	No	Yes	Available for purchase		No	1 receives \$100 mo since 25 years served (FS?)
Auburndale	14,261	\$6,164	\$5,281	No	Yes	Yes	Yes	No	
Bartow	17,996	\$6,365	\$6,365	No	Available for purchase			No	
Haines City	21,490	\$7,200	\$6,000	No	No	No	No	No	
Winter Haven	35,531	\$14,561	\$11,706	Yes	Yes	Yes	Yes	No	
Local Market		\$8,573	\$7,338						
State Comparators		\$7,284	\$5,869						
Overall		\$7,284	\$5,869						

Position	DOH	Salary	LLM Sample	LLM-C	+/- 10% Sample	+/- 10% C	Overall	Overall C
Mayor		\$ 3,600	\$ 8,573	42%	\$ 7,284	50%	\$ 7,628	48%
Commissioner		\$ 2,400	\$ 7,338	33%	\$ 5,869	41%	\$ 6,261	39%
<b><u>Staff Proposed FY 16/17</u></b>								
Mayor		\$ 6,000	\$ 8,573	70%	\$ 7,284	83%	\$ 7,628	79%
Commissioner		\$ 5,000	\$ 7,338	69%	\$ 5,869	86%	\$ 6,261	80%
<b><u>Secondary Option</u></b>								
Mayor		\$ 5,400	\$ 8,573	63%	\$ 7,284	75%	\$ 7,628	71%
Commissioner		\$ 3,600	\$ 7,338	50%	\$ 5,869	62%	\$ 6,261	58%

**LAKE ALFRED CITY COMMISSION MEETING  
SEPTEMBER 13, 2016**

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**5.) ORDINANCE 1370-16: POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT SYSTEM**

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**ISSUE:** The City Commission will consider an ordinance amending the Police Officers' and Firefighters' Retirement System on first reading.

**ATTACHMENTS:**

- Ordinance 1370-16: Police Officers' And Firefighters' Retirement System
- Actuarial Impact Statement (Foster & Foster)
- Survey: Benefit Multiplier, Funded Ratio, Sponsor Contribution

**ANALYSIS:** The City maintains a defined benefit retirement system for its public safety employees. Out of a survey of 159 plans the system ranked:

- 13<sup>th</sup> for Funding Ratio at 104% (meaning that the plan is 4% overfunded to meet its projected liabilities; 80% is considered a good funding level).
- 7<sup>th</sup> for required City Contributions at 7.3% of payroll (meaning that the plan is of lower cost to the City (e.g. Winter Haven Fire has a city contribution of 39.4%)
- Tied at 144<sup>th</sup> for benefit multiplier at 2.75%.
  - (3.00 multiplier would be tied for 66<sup>th</sup> place)

The proposed ordinance increases the multiplier for active participants in the Lake Alfred Police Officers' and Firefighters' Retirement System to 3.00%. This multiplier is consistent with the high risk category within the Florida Retirement System (FRS) and is the most common benefit level within the surveyed cities (77 out of 159; 48.4%). Haines City, Winter Haven, and Auburndale public safety systems all maintain benefit levels in excess of 3% ranging from 3.1% – 3.8%.

The benefit increase will result in an increase in the City's contribution from 7.9% to 11.1% of participating payroll or \$20,000 additional per year. The percentage amount is still well below other surveyed cities (13<sup>th</sup> at 11.1%). The increased contribution has been included in the preparation of the FY 16/17 budget.

**STAFF RECOMMENDATION:** Approve ordinance 1370-16 on first reading.

**ORDINANCE 1370-16**

**AN ORDINANCE OF THE CITY OF LAKE ALFRED, FLORIDA AMENDING APPENDIX B, POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT SYSTEM, OF THE CODE OF ORDINANCES OF THE CITY OF LAKE ALFRED; AMENDING SECTION 6, BENEFIT AMOUNTS AND ELIGIBILITY; AMENDING SECTION 8, DISABILITY, PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.**

**NOW THEREFORE, BE IT ORDAINED** by the City Commission of the City of Lake Alfred, Florida that this Ordinance is hereby passed for the protection and welfare of the citizens of Lake Alfred, and that:

**SECTION 1. CODE OF ORDINANCES: SECTION 6.** That Appendix B, Police Officers' and Firefighters' Retirement System, of the Code of Ordinances of the City of Lake Alfred, is hereby amended by amending Section 6, Benefit Amounts and Eligibility, subsection 2., Normal Retirement Benefit, to read as follows:

2. Normal retirement benefit. A member retiring hereunder on or after his normal retirement date shall receive a monthly benefit which shall commence on the first day of the month next following his retirement and be continued thereafter during member's lifetime, ceasing upon death, but with 120 monthly payments guaranteed in any event. The monthly retirement benefit shall equal ~~2.75~~ 3.0 percent of average final compensation, for each year of credited service.

**SECTION 2. CODE OF ORDINANCES: SECTION 6.** That Appendix B, Police Officers' and Firefighters' Retirement System, of the Code of Ordinances of the City of Lake Alfred, is hereby amended by amending Section 8, Disability, subsection 1., Disability Benefits In-Line of Duty, and subsection 3., Disability Benefits Not-in-Line of Duty, to read as follows:

1. Disability benefits in line of duty. Any member who shall become totally and permanently disabled to the extent that he is unable, by reason of a. medically determinable physical or mental impairment, to render useful and efficient service as a police officer or firefighter which disability was directly caused by the performance of his duty as a police officer or firefighter, shall, upon establishing the same to the satisfaction of the board, be entitled to a monthly pension equal to ~~2.75~~ 3.0 percent of his average final compensation multiplied by the total years of credited service, but in any event the minimum amount paid to the member shall be 42 percent of the average final compensation of the member. Terminated persons, either vested or non-vested, are not eligible for disability benefits. Notwithstanding the previous sentence, if a member is terminated by the city for medical reasons, the terminated person may apply for a disability benefit if the application is filed with the board within thirty (30) days from the date of termination. If a timely application is received, it shall be processed and the terminated person shall be eligible to receive a disability

benefit if the board otherwise determines that he is totally and permanently disabled as provided for above.

3. Disability benefits not-in line-[of] duty. Any member with ten years or more credited service who shall become totally and permanently disabled to the extent that he is unable, by reason of a medically determinable physical or mental impairment, to render useful and efficient service as a police officer or firefighter, which disability is not directly caused by the performance of his duties as a police officer or firefighter shall, upon establishing the same to the satisfaction of the board, be entitled to a monthly pension equal to ~~2.75~~-3.0 percent of his average final compensation multiplied by the total years of credited service. Terminated persons, either vested or nonvested, are not eligible for disability benefits. Notwithstanding the previous sentence, if a member is terminated by the city for medical reasons, the terminated person may apply for a disability benefit if the application is filed with the board within thirty (30) days from the date of termination. If a timely application is received, it shall be processed and the terminated person shall be eligible to receive a disability benefit if the board otherwise determines that he is totally and permanently disabled as provided for above.

**SECTION 3. CONFLICTS.** All ordinances in conflict herewith are hereby repealed to the extent necessary to give this Ordinance full force and effect, provided however, that nothing herein shall be interpreted so as to repeal any existing ordinance or resolution relating to means of securing compliance with the City's Code of Ordinances, unless such repeal is explicitly set forth herein.

**SECTION 4. SEVERABILITY.** If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City of Lake Alfred, Florida, hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

**SECTION 5. CODIFICATION.** Specific authority is hereby granted to codify and incorporate this Ordinance in the existing Code of Ordinances of the City of Lake Alfred. It is the intention of the City Commission that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Lake Alfred; and that sections of this Ordinance may be renumbered or re-lettered and the word "ordinance" may be changed to, "section", or such other appropriate word or phrase in order to accomplish such intentions; and regardless of whether such inclusion in the Code of Ordinances of the City of Lake Alfred is accomplished, sections of this Ordinance may be renumbered or re-lettered and the correction of typographical and/or scrivener's errors which do not affect the intent may be authorized by the City Manager or his or her designee, without need of public hearing, by filing corrected or re-codified copy of same with the City Clerk.

**SECTION 6. EFFECTIVE DATE.** This ordinance shall become effective October 1, 2016.

**INTRODUCED AND PASSED** on first reading at a regular meeting of the Lake Alfred City Commission held on the 13<sup>th</sup> day of September, 2016.

**PASSED AND FINALLY ADOPTED** on second reading at the meeting of the Lake Alfred City Commission duly assembled on the 26<sup>th</sup> day September, 2016.

**CITY OF LAKE ALFRED  
CITY COMMISSION**

ATTEST:

By: \_\_\_\_\_  
Charles O. Lake, Mayor

By: \_\_\_\_\_  
Ameé Bailey-Speck, City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Frederick J. Murphy Jr., City Attorney



August 22, 2016

Via Mail & Email

Mr. Art Bodenheimer  
City of Lake Alfred  
Police Officers' and Firefighters' Pension Board  
190 North Seminole Street  
Lake Alfred, FL 33850

Re: City of Lake Alfred Police Officers' and Firefighters' Retirement System

Dear Chief:

Enclosed is the following material, which has been prepared in support of the proposed benefit changes to the Fund:

1. Three (3) copies of the required Actuarial Impact Statement, which outlines the costs associated with implementing the change.
2. Draft of transmittal letters to the Bureau of Local Retirement Systems and the Bureau of Police Officers and Firefighters Retirement Trust Funds.

It will be necessary for the Chairman to sign each copy of the Actuarial Impact Statement as the Plan Administrator and forward the Impact Statement to the two Bureaus prior to adoption. Once the ordinance is adopted, please send us a signed copy.

If you have any questions concerning the enclosed material, please let us know.

Sincerely,

Patrick T. Donlan, EA, MAAA, ASA

PTD/lke

Enclosures

cc via email: Scott Christiansen, Board Attorney  
Ryan Leavengood, City Manager

Ms. Sarah Carr  
Police Officers' and Firefighters' Retirement Trust Funds  
Department of Management Services, Division of Retirement  
Post Office Box 3010  
Tallahassee, FL 32315-3010

Re: Actuarial Impact Statement

Dear Ms. Carr:

The City of Lake Alfred is considering amended retirement benefits for its Police Officers and Firefighters. The amendment is described in the enclosed material.

Pursuant to the provisions of Chapters 175 and 185, we are enclosing the required Actuarial Impact Statement, and a copy of the proposed ordinance, for your review.

If you have any questions or if additional information is needed, please contact us.

Sincerely,

Mr. Keith Brinkman  
Bureau of Local Retirement Systems  
Division of Retirement  
P. O. Box 9000  
Tallahassee, FL 32315-9000

Re: Actuarial Impact Statement

Dear Mr. Brinkman:

The City of Lake Alfred is considering amended retirement benefits for its Police Officers and Firefighters. The amendment is described in the enclosed material.

Pursuant to Section 22d-1.04 of the Agency Rules, we are enclosing the required Actuarial Impact Statement (AIS) and proposed ordinance for your review.

If you have any questions or if additional information is needed, please contact us.

Sincerely,

CITY OF LAKE ALFRED  
POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT SYSTEM

ACTUARIAL IMPACT STATEMENT

August 22, 2016

(Page 1)

Attached hereto is a comparison of the impact on the Total Required Contribution (per Chapter 112, Florida Statutes), and the Required City Contributions, resulting from the implementation of the following change:

- 1.) Increase the benefit accrual rate for all years of service from 2.75% to 3.00% of Average Final Compensation.

The cost impact, determined as of October 1, 2015, as applicable to the plan/fiscal year ending September 30, 2017, is as follows:

	<u>Current</u>	<u>Proposed</u>
Total Required Contribution	\$144,732	\$164,652
Less Member Contributions	33,771	33,771
Equals Required City and State	<b>110,961</b>	<b>130,881</b>
Estimated State Contribution <sup>1</sup>	62,347	62,347
Balance From City	48,614	68,534
% of Total Annual Payroll <sup>2</sup>	7.9% <sup>2</sup>	11.1% <sup>2</sup>

<sup>1</sup> Represents the amount received in fiscal 2016.

<sup>2</sup> The required City and State Contributions are the bolded amounts shown as a dollar amount. The percentage of payroll shown is only disclosed to give the City an idea of what the required dollar amounts reflect as a percentage of payroll and is not to be used to determine exact City requirement.

Please note that the Excess State Monies Reserve of \$5,581.53 was fully utilized to help fund the cost of this benefit improvement.

CITY OF LAKE ALFRED  
POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT SYSTEM

ACTUARIAL IMPACT STATEMENT

August 22, 2016

(Page 2)

The changes presented herein are in compliance with Part VII, Chapter 112, Florida Statutes and Section 14, Article X of the State Constitution. The liabilities were computed based on the data used for the October 1, 2015 actuarial valuation utilizing the assumptions and methods stated in the October 1, 2015 actuarial valuation report. This impact statement and the October 1, 2015 valuation report are considered an integral part of the actuarial opinions. The undersigned is familiar with the immediate and long-term aspects of pension valuations, and meets the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein.



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Patrick T. Donlan, EA, ASA, MAAA  
Enrolled Actuary #14-6595

STATEMENT OF PLAN ADMINISTRATOR

The prepared information presented herein reflects the estimated cost of the proposed improvement.

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Chairman, Board of Trustees

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	New Benefits <u>10/1/2015</u>	Old Benefits <u>10/1/2015</u>
A. Participant Data		
Number Included		
Actives	15	15
Service Retirees	2	2
DROP Retirees	1	1
Beneficiaries	1	1
Disability Retirees	0	0
Terminated Vested	<u>8</u>	<u>8</u>
Total	27	27
Total Annual Payroll	\$617,658	\$617,658
Payroll Under Assumed Ret. Age	617,658	617,658
Annual Rate of Payments to:		
Service Retirees	28,917	28,917
DROP Retirees	41,972	41,972
Beneficiaries	14,183	14,183
Disability Retirees	0	0
Terminated Vested	24,359	24,359
B. Assets		
Actuarial Value <sup>1</sup>	3,271,397	3,271,397
Market Value <sup>1</sup>	3,188,051	3,188,051
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	2,420,799	2,219,066
Disability Benefits	24,040	22,690
Death Benefits	18,361	16,870
Vested Benefits	134,806	123,572
Refund of Contributions	19,739	19,739
Service Retirees	339,638	339,638
DROP Retirees <sup>1</sup>	502,700	502,700
Beneficiaries	128,346	128,346
Disability Retirees	0	0
Terminated Vested	188,268	188,268
Excess State Monies Reserve	<u>0</u>	<u>5,582</u>
Total	3,776,697	3,566,471

C. Liabilities - (Continued)	New Benefits <u>10/1/2015</u>	Old Benefits <u>10/1/2015</u>
Present Value of Future Salaries	3,541,518	3,541,518
Present Value of Future Member Contributions	177,076	177,076
Normal Cost (Retirement)	94,253	86,399
Normal Cost (Disability)	2,409	2,346
Normal Cost (Death)	936	865
Normal Cost (Vesting)	10,305	9,446
Normal Cost (Refunds)	<u>3,265</u>	<u>3,265</u>
Total Normal Cost	111,168	102,321
Present Value of Future Normal Costs	605,231	556,788
Accrued Liability (Retirement)	1,912,793	1,753,394
Accrued Liability (Disability)	11,171	10,237
Accrued Liability (Death)	12,843	11,789
Accrued Liability (Vesting)	71,737	65,759
Accrued Liability (Refunds)	3,970	3,970
Accrued Liability (Inactives) <sup>1</sup>	1,158,952	1,158,952
Excess State Monies Reserve	<u>0</u>	<u>5,582</u>
Total Actuarial Accrued Liability	3,171,466	3,009,683
Unfunded Actuarial Accrued Liability (UAAL)	(99,931)	(261,714)
Funded Ratio (AVA / AL)	103.2%	108.7%
 D. Actuarial Present Value of Accrued Benefits		
Vested Accrued Benefits		
Inactives <sup>1</sup>	1,158,952	1,158,952
Actives	1,076,008	971,064
Member Contributions	<u>236,809</u>	<u>236,809</u>
Total	2,471,769	2,366,825
Non-vested Accrued Benefits	<u>245,243</u>	<u>221,816</u>
Total Present Value Accrued Benefits	2,717,012	2,588,641
Funded Ratio (MVA / PVAB)	117.3%	123.2%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	128,371	
Assumption Changes	0	
New Accrued Benefits	0	
Benefits Paid	0	
Interest	0	
Other	<u>0</u>	
Total	128,371	

	New Benefits	Old Benefits
Valuation Date	10/1/2015	10/1/2015
Applicable to Fiscal Year Ending	<u>9/30/2017</u>	<u>9/30/2017</u>
E. Pension Cost		
Normal Cost <sup>2</sup>	\$121,565	\$111,891
Administrative Expenses <sup>2</sup>	31,449	31,449
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 25 years (as of 10/1/2015) <sup>2</sup>	11,638	1,392
Total Required Contribution	164,652	144,732
Expected Member Contributions <sup>2</sup>	33,771	33,771
Expected City & State Contribution	130,881	110,961

<sup>1</sup> The asset values and liabilities for DROP Members include accumulated DROP Balances as of 9/30/2015.

<sup>2</sup> Contributions developed as of 10/1/2015 displayed above have been adjusted to account for assumed salary increase and interest components. Should the City elect to deposit the entire required contribution for Fiscal 2017 at the beginning of the fiscal year, they will be able to reduce the interest requirement utilized to determine the costs shown above.

## ACTUARIAL ASSUMPTIONS AND METHODS

<u>Mortality Rate</u>	RP-2000 Table with no projection – Disabled lives are set forward 5 years. We feel this assumption sufficiently accommodates expected mortality improvements.
<u>Interest Rate</u>	7.50% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.
<u>Retirement Age</u>	Earlier of Age 55 and 10 years of service or Age 52 and 25 years of service. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional year. We feel this assumption is appropriate based upon plan provisions.
<u>Early Retirement</u>	Commencing with the earliest Early Age (50), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year. We feel this assumption is appropriate based upon plan provisions.
<u>Disability Rate</u>	See table below (1201). It is assumed that 75% of disablements and active Member deaths are service related. This assumption was developed from those used by other plans containing Florida municipal safety employees.
<u>Termination Rate</u>	See table below. This assumption was adopted as a result of our September 16, 2013 actuarial experience study.
<u>Salary Increases</u>	6.0% per year until Age 30 and 5.25% per year on and after Age 30. Projected salary at retirement is increased individually to account for non-regular compensation. The assumed rates of salary increased were adopted as a result of our September 16, 2013 actuarial experience study.
<u>Administrative Expenses</u>	\$28,759 annually, based on prior year's actual expenses.
<u>Payroll Increase</u>	3.00% per year. This is in compliance with Part VII of Chapter 112, <u>Florida Statutes</u> .
<u>Funding Method</u>	Entry Age Normal Actuarial Cost Method
<u>Actuarial Asset Method</u>	Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value returns, net of fees. It is possible that over time this technique will produce an insignificant bias above or below Market Value.

<u>Age</u>	<u>% Becoming Disabled During the Year</u>	<u>% Terminating During the Year</u>
20	0.03%	13.8%
30	0.04%	11.5%
40	0.07%	6.0%
50	0.18%	1.8%

POLICE OFFICERS' AND FIREFIGHTERS'  
RETIREMENT SYSTEM  
(Through Ordinance 1324-13)

<u>Eligibility</u>	Full-time employees who are classified as full-time sworn police officers or firefighters shall participate in the System as a condition of employment.
<u>Credited Service</u>	Total years and fractional parts of years of employment with the City as a Police Officer or Firefighter.
<u>Salary</u>	Total W-2 compensation plus tax exempt, tax sheltered, and tax deferred items of income.
<u>Average Final Compensation</u>	Average Salary for the best 5 years during the 10 years immediately preceding retirement or termination.
<u>Member Contributions</u>	5.0% of Salary.
<u>City and State Contributions</u>	Remaining amount required in order to pay current costs and amortize any unfunded past service cost over 30 years.
<u>Normal Retirement</u>	
Date	Earlier of: 1) age 55 and 10 years of Credited Service, or 2) age 52 and 25 years of Credited Service.
Benefit	2.75% of Average Final Compensation <u>times</u> Credited Service.
Form of Benefit	Ten Year Certain and Life Annuity (options available).
<u>Early Retirement</u>	
Eligibility	Age 50 and 10 Years of Credited Service.
Benefit	Accrued benefit, reduced 3% for each year prior to Normal Retirement.

Vesting

Schedule	100% after 10 years of Credited Service.
Benefit Amount	Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Normal Retirement Date.

Disability

Eligibility	
Service Incurred	Covered from Date of Employment.
Non-Service Incurred	10 years of Credited Service.
Exclusions	Disability resulting from use of drugs, illegal participation in riots, service in military, etc.
Benefit	Benefit accrued to date of disability but not less than 42% of Average Final Compensation (if Service Incurred) or 25% of Average Final Compensation (if not in-line-of-duty).
Duration	Payable for life and ten years certain or until recovery (as determined by the Board). Options available.

Death Benefits

Pre-Retirement	
Vested	Monthly accrued benefit payable to designated beneficiary for 10 years.
Non-Vested	Refund of accumulated contributions without interest.
Post-Retirement	Benefits payable to beneficiary in accordance with option selected at retirement.

Deferred Retirement Option Plan

Eligibility

Satisfaction of Normal Retirement requirements (earlier of 1) Age 55 and 10 years of Credited Service, or 2) Age 52 and 25 years of Credited Service.)

Participation

Not to exceed 60 months

Rate of Return

Choice of: 1) 6.5% per year, or 2) actual net rate of investment return (total return net of brokerage commissions, management fees and transaction costs) credited each fiscal quarter. Member may change once during DROP period.

Form of Distribution

Cash lump sum (options available) at termination of employment.

## 2014 BENEFIT MULTIPLIER\*

### (Police and Fire Plans)

RANK	CLIENT NAME	MULTIPLIER
1	BROOKSVILLE POLICE	4.00%
2	EUSTIS FIRE	4.00%
3	MILTON FIRE	3.85%
4	WINTER HAVEN FIRE	3.80%
5	PLANT CITY SAFETY (P&F)	3.75%
6	ST CLOUD POLICE & FIRE	3.75%
7	ARCADIA POLICE & FIRE	3.65%
8	FROSTPROOF POLICE	3.55%
9	AUBURNDALE FIRE	3.50%
10	AUBURNDALE POLICE	3.50%
11	BAL HARBOUR POLICE	3.50%
12	BELLEAIR POLICE	3.50%
13	BOCA RATON POLICE & FIRE (POLICE)	3.50%
14	DADE CITY POLICE	3.50%
15	ENGLEWOOD FIRE	3.50%
16	LONGBOAT KEY FIRE	3.50%
17	LONGBOAT KEY POLICE	3.50%
18	LYNN HAVEN FIRE	3.50%
19	LYNN HAVEN POLICE	3.50%
20	NORTH BAY FIRE	3.50%
21	NORTH PORT FIRE	3.50%
22	NORTH PORT POLICE	3.50%
23	OCOOE POLICE & FIRE	3.50%
24	OKALOOSA ISLAND FIRE	3.50%
25	SANFORD POLICE	3.50%
26	TEMPLE TERRACE FIRE	3.50%
27	VENICE FIRE	3.50%
28	VENICE POLICE	3.50%
29	WEST MANATEE FIRE & RESCUE	3.50%
30	WINTER HAVEN POLICE	3.50%
31	BOCA RATON POLICE & FIRE (FIRE)	3.40%
32	ORMOND BEACH FIRE	3.40%
33	ST PETE BEACH FIRE	3.40%
34	FORT LAUDERDALE POLICE & FIRE	3.38%
35	OCALA POLICE	3.33%
36	HAINES CITY POLICE	3.30%
37	LADY LAKE POLICE	3.30%
38	PALATKA FIRE	3.29%
39	CAPE CORAL FIRE	3.25%
40	CAPE CORAL POLICE	3.25%
41	DADE CITY FIRE	3.25%
42	DEERFIELD BEACH POLICE	3.25%
43	FERNANDINA BEACH POLICE & FIRE	3.25%
44	HOLMES BEACH POLICE	3.25%
45	PERRY POLICE	3.25%
46	TARPON SPRINGS FIRE	3.25%
47	TEMPLE TERRACE POLICE	3.25%
48	FORT MYERS POLICE	3.24%
49	CRESTVIEW POLICE & FIRE	3.20%
50	LAKE MARY POLICE	3.20%
51	ORANGE PARK POLICE	3.20%
52	PALM BAY POLICE	3.20%
53	PALM BAY FIRE	3.20%
54	FLAGLER BEACH POLICE	3.19%
55	AVON PARK FIRE	3.16%
56	GULFPORT FIRE	3.16%
57	BARTOW FIRE	3.15%
58	BARTOW POLICE	3.15%
59	FORT MYERS FIRE	3.11%
60	HAINES CITY FIRE	3.11%
61	PALATKA POLICE	3.11%
62	BROOKSVILLE FIRE	3.10%
63	MILTON POLICE	3.10%
64	PORT ST. LUCIE POLICE	3.09%
65	SANFORD FIRE	3.08%
66	ATLANTIS POLICE	3.00%
67	AVON PARK POLICE	3.00%
68	BELLEVIEW POLICE	3.00%
69	BOCA GRANDE FIRE	3.00%
70	BONITA SPRINGS FIRE	3.00%
71	BRADENTON FIRE	3.00%
72	BUNNELL FIRE	3.00%
73	CASSELBERRY POLICE & FIRE	3.00%
74	COCOA BEACH FIRE	3.00%
75	COCOA BEACH POLICE	3.00%
76	COCOA FIRE	3.00%
77	COCOA POLICE	3.00%
78	DELAND FIRE	3.00%
79	DELRAY BEACH POLICE & FIRE	3.00%
80	DELTONA FIRE	3.00%

RANK	CLIENT NAME	MULTIPLIER
81	DUNEDIN FIRE	3.00%
82	EAST LAKE TARPON FIRE	3.00%
83	EDGEWATER FIRE	3.00%
84	EDGEWATER POLICE	3.00%
85	FLAGLER BEACH FIRE	3.00%
86	GREATER NAPLES FIRE RESCUE	3.00%
87	HALLANDALE BEACH POLICE & FIRE	3.00%
88	HIALEAH ERS	3.00%
89	HOLLY HILL FIRE	3.00%
90	HOLLY HILL POLICE	3.00%
91	HOLLYWOOD FIRE	3.00%
92	INDIALANTIC POLICE & FIRE	3.00%
93	INDIAN HARBOUR BEACH POLICE	3.00%
94	KISSIMMEE FIRE	3.00%
95	KISSIMMEE POLICE	3.00%
96	LAKE CITY POLICE	3.00%
97	LAKE WALES FIRE	3.00%
98	LAKE WALES POLICE	3.00%
99	LAKELAND FIRE	3.00%
100	LAKELAND POLICE	3.00%
101	LEESBURG FIRE	3.00%
102	LIVE OAK FIRE	3.00%
103	MADISON FIRE	3.00%
104	MADISON POLICE	3.00%
105	MAITLAND POLICE & FIRE	3.00%
106	MARCO ISLAND POLICE	3.00%
107	MEDLEY POLICE	3.00%
108	MELBOURNE BEACH POLICE	3.00%
109	MELBOURNE POLICE	3.00%
110	NAPLES FIRE	3.00%
111	NAPLES POLICE	3.00%
112	NEW PORT RICHEY FIRE	3.00%
113	NEW SMYRNA BEACH POLICE	3.00%
114	NORTH COLLIER FIRE	3.00%
115	NORTH RIVER FIRE DISTRICT	3.00%
116	OCEAN CITY-WRIGHT FIRE	3.00%
117	ORANGE PARK FIRE	3.00%
118	OVIEDO FIRE	3.00%
119	OVIEDO POLICE	3.00%
120	PALM BEACH GARDENS FIRE	3.00%
121	PALM HARBOR FIRE	3.00%
122	PALMETTO POLICE	3.00%
123	PENSACOLA FIRE	3.00%
124	PERRY FIRE	3.00%
125	PINELLAS PARK FIRE	3.00%
126	PUNTA GORDA FIRE	3.00%
127	PUNTA GORDA POLICE	3.00%
128	SANIBEL POLICE	3.00%
129	SEBRING FIRE	3.00%
130	SEMINOLE FIRE	3.00%
131	SOUTH PASADENA FIRE	3.00%
132	SOUTH WALTON FIRE	3.00%
133	ST AUGUSTINE FIRE	3.00%
134	ST LUCIE COUNTY FIRE	3.00%
135	TARPON SPRINGS POLICE	3.00%
136	TAVARES FIRE	3.00%
137	TAVARES POLICE	3.00%
138	TITUSVILLE POLICE & FIRE	3.00%
139	WEST MELBOURNE POLICE	3.00%
140	WINTER GARDEN POLICE AND FIRE	3.00%
141	PANAMA CITY POLICE	2.92%
142	PANAMA CITY FIRE	2.90%
143	GULFPORT POLICE	2.87%
144	FORT WALTON BEACH FIRE	2.75%
145	FORT WALTON BEACH POLICE	2.75%
146	INDIAN RIVER SHORES SAFETY	2.75%
147	<b>LAKE ALFRED POLICE &amp; FIRE</b>	<b>2.75%</b>
148	NEPTUNE BEACH POLICE	2.75%
149	ORMOND BEACH POLICE	2.75%
150	BELLE GLADE PUBLIC SAFETY	2.50%
151	DESTIN FIRE	2.50%
152	LEESBURG POLICE	2.50%
153	PORT ORANGE FIRE & RESCUE	2.50%
154	NORTH PALM BEACH POLICE & FIRE	2.40%
155	NEW SMYRNA BEACH FIRE	2.00%
156	PALM COAST FIRE	2.00%
157	QUINCY POLICE & FIRE	2.00%
158	SEBASTIAN POLICE	2.00%
159	ST PETE BEACH POLICE	1.25%
	<b>AVERAGE</b>	<b>3.09%</b>

\* Information shows Foster & Foster clients only  
 Multiplier based on 25 year average if hired 10/1/2014

## 2014 FUNDED RATIO\*

### (Police and Fire Plans)

RANK	CLIENT NAME	RATIO
1	BELLE GLADE PUBLIC SAFETY	184.4%
2	PALM COAST FIRE	126.1%
3	GREATER NAPLES FIRE RESCUE	120.5%
4	BROOKSVILLE POLICE	119.4%
5	CRESTVIEW POLICE & FIRE	113.9%
6	LYNN HAVEN FIRE	107.9%
7	LYNN HAVEN POLICE	107.9%
8	MADISON POLICE	106.7%
9	MILTON POLICE	105.2%
10	LADY LAKE POLICE	104.7%
11	NORTH COLLIER FIRE	104.4%
12	AVON PARK POLICE	104.1%
13	<b>LAKE ALFRED POLICE &amp; FIRE</b>	<b>104.0%</b>
14	LAKE MARY POLICE	101.3%
15	DADE CITY POLICE	100.0%
16	FLAGLER BEACH FIRE	100.0%
17	DUNEDIN FIRE	99.8%
18	FLAGLER BEACH POLICE	99.6%
19	LEESBURG POLICE	99.5%
20	LAKE CITY POLICE	99.0%
21	SOUTH WALTON FIRE	98.8%
22	LIVE OAK FIRE	98.3%
23	ST AUGUSTINE FIRE	98.1%
24	EDGEWATER FIRE	97.8%
25	HOLMES BEACH POLICE	97.8%
26	FORT LAUDERDALE POLICE & FIRE	96.8%
27	BUNNELL FIRE	95.7%
28	TARPON SPRINGS POLICE	95.7%
29	LAKELAND FIRE	95.2%
30	BOCA GRANDE FIRE	95.0%
31	CASSELBERRY POLICE & FIRE	94.7%
32	WEST MANATEE FIRE & RESCUE	94.6%
33	OVIDO POLICE	94.2%
34	PALATKA POLICE	94.0%
35	NORTH PORT FIRE	93.9%
36	WINTER GARDEN POLICE AND FIRE	93.8%
37	COCOA POLICE	92.9%
38	PERRY POLICE	92.6%
39	SEMINOLE FIRE	92.2%
40	NEW PORT RICHEY FIRE	92.1%
41	SEBRING FIRE	91.5%
42	PUNTA GORDA POLICE	91.4%
43	ORANGE PARK FIRE	91.2%
44	INDIALANTIC POLICE & FIRE	90.7%
45	SEBASTIAN POLICE	90.7%
46	GULFPORT POLICE	90.5%
47	PALM BAY POLICE	89.4%
48	LAKE WALES POLICE	88.8%
49	NORTH BAY FIRE	88.8%
50	LAKE PARK POLICE	88.6%
51	PALM HARBOR FIRE	88.5%
52	PENSACOLA FIRE	87.9%
53	ARCADIA POLICE & FIRE	87.0%
54	FROSTPROOF POLICE	87.0%
55	WEST MELBOURNE POLICE	86.6%
56	WINTER HAVEN POLICE	86.5%
57	KISSIMMEE POLICE	85.8%
58	TAVARES FIRE	85.7%
59	SANFORD POLICE	85.6%
60	ATLANTIS POLICE	85.5%
61	DADE CITY FIRE	85.3%
62	PALMETTO POLICE	85.1%
63	BELLEAIR POLICE	84.9%
64	ORANGE PARK POLICE	84.6%
65	INDIAN RIVER SHORES SAFETY	84.4%
66	INDIAN HARBOR BEACH POLICE	84.3%
67	AUBURNDALE POLICE	84.2%
68	PUNTA GORDA FIRE	84.0%
69	NORTH PORT POLICE	83.4%
70	VENICE POLICE	83.4%
71	BELLEVUE POLICE	83.3%
72	NEW SMYRNA BEACH POLICE	83.2%
73	TAVARES POLICE	83.2%
74	BROOKSVILLE FIRE	82.7%
75	DELAND FIRE	82.5%
76	PALM BAY FIRE	82.2%
77	TARPON SPRINGS FIRE	81.9%
78	LEESBURG FIRE	81.8%
79	SANFORD FIRE	81.7%
80	NEPTUNE BEACH POLICE	81.6%

RANK	CLIENT NAME	RATIO
81	BARTOW FIRE	81.5%
82	BARTOW POLICE	81.4%
83	FORT WALTON BEACH POLICE	81.4%
84	PANAMA CITY POLICE	80.9%
85	PALM BEACH GARDENS FIRE	80.5%
86	TITUSVILLE POLICE & FIRE	80.1%
87	BRADENTON FIRE	79.9%
88	CAPE CORAL POLICE	79.8%
89	MAITLAND POLICE & FIRE	79.8%
90	NORTH PALM BEACH POLICE & FIRE	79.8%
91	BOCA RATON POLICE & FIRE	78.8%
92	KISSIMMEE FIRE	78.5%
93	OCOE POLICE & FIRE	78.5%
94	ST CLOUD POLICE & FIRE	78.5%
95	PALATKA FIRE	78.1%
96	MEDLEY POLICE	77.5%
97	PERRY FIRE	77.3%
98	LAKELAND POLICE	77.0%
99	GULFPORT FIRE	76.7%
100	PORT ST. LUCIE POLICE	76.3%
101	HAINES CITY POLICE	76.0%
102	HOLLY HILL POLICE	76.0%
103	AUBURNDALE FIRE	74.7%
104	NAPLES FIRE	74.7%
105	MELBOURNE BEACH POLICE	74.3%
106	AVON PARK FIRE	74.2%
107	EAST LAKE TARPON FIRE	73.8%
108	EUSTIS FIRE	73.7%
109	PINELLAS PARK FIRE	73.4%
110	DELTONA FIRE	73.3%
111	WINTER HAVEN FIRE	73.0%
112	SOUTH PASADENA FIRE	72.8%
113	SANIBEL POLICE	72.4%
114	HOLLY HILL FIRE	72.2%
115	NORTH RIVER FIRE DISTRICT	71.9%
116	DEERFIELD BEACH POLICE	71.5%
117	ST LUCIE COUNTY FIRE	71.5%
118	NEW SMYRNA BEACH FIRE	71.4%
119	QUINCY POLICE & FIRE	71.4%
120	COCOA BEACH FIRE	71.2%
121	MELBOURNE POLICE	71.1%
122	ORMOND BEACH POLICE	71.0%
123	CAPE CORAL FIRE	70.9%
124	OCALA POLICE	70.8%
125	HIALEAH ERS	70.7%
126	PANAMA CITY FIRE	70.5%
127	OVIDO FIRE	69.5%
128	MARCO ISLAND POLICE	68.6%
129	FORT WALTON BEACH FIRE	68.5%
130	ST PETE BEACH POLICE	68.4%
131	BAL HARBOUR POLICE	68.0%
132	LAKE WALES FIRE	67.6%
133	ENGLEWOOD FIRE	66.9%
134	ORMOND BEACH FIRE	66.8%
135	TEMPLE TERRACE FIRE	65.9%
136	HAINES CITY FIRE	65.8%
137	FERNANDINA BEACH POLICE & FIRE	65.2%
138	NAPLES POLICE	64.7%
139	COCOA BEACH POLICE	64.5%
140	HALLANDALE BEACH POLICE & FIRE	64.2%
141	BONITA SPRINGS FIRE	63.8%
142	ST PETE BEACH FIRE	63.6%
143	COCOA FIRE	63.4%
144	PLANT CITY SAFETY (P&F)	63.3%
145	DELRAY BEACH POLICE & FIRE	62.9%
146	EDGEWATER POLICE	62.7%
147	MADISON FIRE	61.8%
148	DESTIN FIRE	61.3%
149	FORT MYERS FIRE	60.4%
150	FORT MYERS POLICE	58.7%
151	LONGBOAT KEY POLICE	57.6%
152	HOLLYWOOD FIRE	56.8%
153	PORT ORANGE FIRE & RESCUE	56.1%
154	LONGBOAT KEY FIRE	52.3%
155	MILTON FIRE	50.9%
156	VENICE FIRE	50.2%
157	TEMPLE TERRACE POLICE	49.9%
158	OCEAN CITY-WRIGHT FIRE	45.7%
159	OKALOOSA ISLAND FIRE	42.9%
	<b>AVERAGE</b>	<b>82.0%</b>

## 2016 SPONSOR CONTRIBUTIONS\*

### (Police and Fire Plans)

RANK	CLIENT NAME	CONTRIBUTION
1	BUNNELL FIRE	0.0%
2	FLAGLER BEACH FIRE	0.0%
3	PALM COAST FIRE	0.0%
4	CRESTVIEW POLICE & FIRE	2.8%
5	LEESBURG POLICE	4.9%
6	MADISON POLICE	6.2%
7	LAKE ALFRED POLICE & FIRE	7.3%
8	OVIDO FIRE	8.4%
9	FLAGLER BEACH POLICE	8.5%
10	MILTON POLICE	10.3%
11	SEMINOLE FIRE	10.3%
12	GULFPORT POLICE	10.7%
13	SEBASTIAN POLICE	11.6%
14	ST AUGUSTINE FIRE	11.9%
15	LYNN HAVEN POLICE	12.2%
16	NORTH BAY FIRE	12.2%
17	PALATKA POLICE	12.3%
18	INDIALANTIC POLICE & FIRE	12.4%
19	TARPON SPRINGS POLICE	12.4%
20	LADY LAKE POLICE	12.7%
21	DUNEDIN FIRE	12.8%
22	GREATER NAPLES FIRE RESCUE	12.9%
23	LAKELAND FIRE	12.9%
24	WEST MANATEE FIRE & RESCUE	13.1%
25	WINTER GARDEN POLICE AND FIRE	13.8%
26	PUNTA GORDA FIRE	15.3%
27	WINTER HAVEN POLICE	15.5%
28	AVON PARK POLICE	15.8%
29	GULFPORT FIRE	15.8%
30	OVIDO POLICE	16.2%
31	MAITLAND POLICE & FIRE	16.4%
32	HAINES CITY POLICE	17.1%
33	LYNN HAVEN FIRE	17.1%
34	SOUTH WALTON FIRE	17.1%
35	DADE CITY POLICE	17.9%
36	LAKELAND POLICE	17.9%
37	TAVARES POLICE	18.1%
38	EAST LAKE TARPON FIRE	18.5%
39	ORANGE PARK FIRE	18.7%
40	LAKE WALES POLICE	19.0%
41	PALM HARBOR FIRE	19.5%
42	WEST MELBOURNE POLICE	19.6%
43	EDGEWATER FIRE	19.7%
44	TAVARES FIRE	19.9%
45	BOCA GRANDE FIRE	20.0%
46	NORTH PORT FIRE	20.0%
47	PUNTA GORDA POLICE	20.2%
48	FORT LAUDERDALE POLICE & FIRE	20.3%
49	BELLEAIR POLICE	21.1%
50	DELTONA FIRE	21.3%
51	NORTH PALM BEACH POLICE & FIRE	21.6%
52	LAKE CITY POLICE	21.7%
53	LAKE MARY POLICE	21.9%
54	LEESBURG FIRE	22.0%
55	PORT ST. LUCIE POLICE	22.1%
56	CASSELBERRY POLICE & FIRE	22.2%
57	PALM BAY POLICE	22.2%
58	BROOKSVILLE POLICE	23.0%
59	OCOEE POLICE & FIRE	23.8%
60	BELLEVUE POLICE	24.5%
61	NORTH COLLIER FIRE	24.9%
62	HOLMES BEACH POLICE	25.1%
63	LAKE WALES FIRE	25.3%
64	HOLLY HILL FIRE	25.6%
65	FORT WALTON BEACH POLICE	25.9%
66	NEW SMYRNA BEACH POLICE	26.2%
67	NEW PORT RICHEY FIRE	26.4%
68	KISSIMMEE POLICE	26.6%
69	PALMETTO POLICE	27.0%
70	AUBURNDALE POLICE	27.7%
71	ST CLOUD POLICE & FIRE	28.2%
72	HAINES CITY FIRE	28.5%
73	DELAND FIRE	28.8%
74	TITUSVILLE POLICE & FIRE	28.9%
75	FORT WALTON BEACH FIRE	29.4%
76	NORTH PORT POLICE	29.8%

RANK	CLIENT NAME	CONTRIBUTION
77	AUBURNDALE FIRE	30.0%
78	QUINCY POLICE & FIRE	30.2%
79	COCOA POLICE	30.4%
80	SANFORD FIRE	31.1%
81	PERRY POLICE	31.2%
82	KISSIMMEE FIRE	31.6%
83	PALATKA FIRE	31.6%
84	SANFORD POLICE	31.8%
85	PANAMA CITY POLICE	31.9%
86	OCEAN CITY-WRIGHT FIRE	32.0%
87	PLANT CITY SAFETY (P&F)	32.1%
88	MARCO ISLAND POLICE	32.6%
89	NEPTUNE BEACH POLICE	33.0%
90	FERNANDINA BEACH POLICE & FIRE	33.2%
91	NORTH RIVER FIRE DISTRICT	33.2%
92	BOCA RATON POLICE & FIRE	34.2%
93	MEDLEY POLICE	34.3%
94	ST PETE BEACH FIRE	34.7%
95	ST LUCIE COUNTY FIRE	35.0%
96	PALM BAY FIRE	36.6%
97	MELBOURNE POLICE	36.7%
98	PALM BEACH GARDENS FIRE	37.2%
99	BROOKSVILLE FIRE	38.3%
100	TARPON SPRINGS FIRE	38.3%
101	ORMOND BEACH POLICE	38.5%
102	BARTOW FIRE	39.2%
103	WINTER HAVEN FIRE	39.4%
104	COCOA BEACH FIRE	39.6%
105	MELBOURNE BEACH POLICE	39.8%
106	INDIAN HARBOUR BEACH POLICE	39.9%
107	ORANGE PARK POLICE	39.9%
108	MILTON FIRE	40.2%
109	TEMPLE TERRACE FIRE	40.2%
110	NAPLES FIRE	40.5%
111	HOLLY HILL POLICE	40.6%
112	EUSTIS FIRE	41.0%
113	SOUTH PASADENA FIRE	41.1%
114	OCALA POLICE	41.3%
115	DADE CITY FIRE	41.4%
116	BARTOW POLICE	41.8%
117	ENGLEWOOD FIRE	41.8%
118	HIALEAH ERS	42.1%
119	COCOA BEACH POLICE	42.2%
120	INDIAN RIVER SHORES SAFETY	42.2%
121	PERRY FIRE	42.4%
122	BRADENTON FIRE	43.4%
123	EDGEWATER POLICE	43.5%
124	MADISON FIRE	43.7%
125	CAPE CORAL POLICE	45.0%
126	NAPLES POLICE	46.5%
127	ORMOND BEACH FIRE	47.0%
128	AVON PARK FIRE	47.8%
129	ARCADIA POLICE & FIRE	49.5%
130	DESTIN FIRE	49.5%
131	PANAMA CITY FIRE	50.8%
132	BONITA SPRINGS FIRE	52.8%
133	PINELLAS PARK FIRE	53.6%
134	CAPE CORAL FIRE	57.1%
135	VENICE POLICE	57.3%
136	COCOA FIRE	58.4%
137	VENICE FIRE	59.1%
138	DELRAY BEACH POLICE & FIRE	60.6%
139	HALLANDALE BEACH POLICE & FIRE	61.1%
140	NEW SMYRNA BEACH FIRE	64.8%
141	TEMPLE TERRACE POLICE	66.1%
142	OKALOOSA ISLAND FIRE	66.4%
143	FORT MYERS FIRE	68.5%
144	SANIBEL POLICE	74.1%
145	BAL HARBOUR POLICE	79.8%
146	PENSACOLA FIRE	84.3%
147	FORT MYERS POLICE	84.4%
148	HOLLYWOOD FIRE	86.2%
149	PORT ORANGE FIRE & RESCUE	86.9%
150	FROSTPROOF POLICE	105.7%
151	SEBRING FIRE	135.6%
152	ST PETE BEACH POLICE	750.5%
	<b>AVERAGE</b>	<b>37.4%</b>

\* Information shows Foster & Foster clients only  
 Contribution Rate determined with 10/1/2014 Actuarial Valuation

**LAKE ALFRED CITY COMMISSION MEETING  
SEPTEMBER 13, 2016**

**6.) PUBLIC HEARING: ORDINANCE 1371-16: FY 2016/2017 ANNUAL BUDGET**

**ISSUE:** The City Commission will consider an ordinance for the adoption of the 2016/2017 Annual Operating Budget on first reading.

**ATTACHMENTS:**

- Ordinance No. 1371-16 with 2016/2017 Budget attached as Exhibit A.

**ANALYSIS:** Over the past several months the City Commission has been presented with and has given approval to the different draft sections of the FY 2016/2017 annual operating budget including: Capital, Expenditures, Revenue, and Payroll.

The proposed FY 2016/2017 budget assembles the previously approved sections into the final budget with updates from July's experience and obtaining final revenue and expenditure information. The proposed budgets are consistent with the previous presentations, established goals, and are currently balanced with the proposed millage rate of 7.239 which is a quarter of a mil reduction from our current rate of 7.489.

**CITY OF LAKE ALFRED  
FY 2016/2017 BUDGET  
SUMMARY**

	2016/2017	2017/2018		2016/2017	2017/2018
<b>General Fund</b>			<b>Community Redevelopment Agency</b>		
Revenues	4,931,491	4,576,048	Revenues	57,207	57,207
Expenditures	4,931,491	4,576,049	Expenditures	57,207	57,207
Contingency	8,073	5,185	Contingency	-	-
<b>Enterprise Fund</b>			<b>Stormwater</b>		
Revenues	2,446,500	2,480,250	Revenues	58,000	58,000
Expenditures	2,446,500	2,480,250	Expenditures	58,000	58,000
Contingency	7,763	38,716	Contingency	-	-
			<b><u>FY 2016/2017</u></b>	<b><u>FY 2017/2018</u></b>	
			<b>TOTAL BUDGET: \$7,377,991</b>	<b>\$7,056,298</b>	

**STAFF RECOMMENDATION:** Approval of Ordinance 1371-16 on first reading.

**ORDINANCE NO. 1371-16**

**AN ORDINANCE OF THE CITY OF LAKE ALFRED, FLORIDA, ADOPTING A BUDGET FOR THE CITY OF LAKE ALFRED, FLORIDA FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING SEPTEMBER 30, 2017 AND APPROPRIATIONS AND ALLOCATIONS OF REVENUE FOR FISCAL YEAR 2016/2017; PROVIDING FOR CONFLICTS, SEVERABILITY, AND AN EFFECTIVE DATE.**

**WHEREAS**, pursuant to Section 2.11 of the City Charter of the City of Lake Alfred, Florida and laws of the State of Florida, a proposed budget of estimated revenues and expenditures and complete financial plan of all City funds and activities for Fiscal Year 2016/2017 has been prepared and reviewed; and

**WHEREAS**, the City Commission is of the opinion that all of the items of anticipated revenues and expenditures for the said fiscal year are reasonable and proper for the administration of the affairs of the proper conduct of the business of the City of Lake Alfred; and

**WHEREAS**, after further review, the City Commission desires to adopt said budget attached hereto as Exhibit "A".

**NOW THEREFORE BE IT ORDAINED** by the City Commission of the City of Lake Alfred, Florida, as follows:

**SECTION 1. BUDGET YEAR.** That there is hereby adopted a budget for Fiscal Year 2016/2017 for the City of Lake Alfred, Florida, for the period beginning October 1, 2016 and ending September 30, 2017.

**SECTION 2: REVENUES AND EXPENDITURES.** That the expenditures of more than \$20,000 must be approved by the City Commission and that a complete copy of the entire budget for Fiscal Year 2016/2017 consisting of estimated revenues and expenditures is attached as Exhibit "A" to this ordinance and specifically incorporated herein along with all amendments thereto made by this Commission on the date of adoption.

**SECTION 3: CONFLICTS.** All Ordinances or parts of Ordinances in conflict with any provisions of this Ordinance are hereby repealed.

**SECTION 4: SEVERABILITY.** If any section or portion of a section of this Ordinance proves not valid, unlawful or unconstitutional, it shall not be held to invalidate or impair the validity, force or effect of any other section or part of this Ordinance.

**SECTION 5: EFFECTIVE DATE.** This Ordinance shall become effective on October 1, 2016.

**INTRODUCED AND PASSED** on first reading at a Regular Meeting of the City Commission of Lake Alfred, Florida held this 13<sup>th</sup> day of September, 2016.

**PASSED AND ENACTED ON SECOND READING**, with a quorum present and voting, the City Commission of Lake Alfred, Florida, this 26<sup>th</sup> day of September, 2016.

**CITY OF LAKE ALFRED, FLORIDA  
CITY COMMISSION**

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Charles O. Lake, Mayor

ATTEST:

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Ameé Bailey-Speck, City Clerk

APPROVED AS TO FORM:

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Frederick J. Murphy, Jr., City Attorney

Exhibit "A" to Ordinance 1371-16

# *City of Lake Alfred*



**2016/2017 & 2017/2018**

**ANNUAL BUDGET**



*City Manager's Office*

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September 8, 2016

Honorable Mayor & City Commissioners,

I am pleased to present the City of Lake Alfred's biennial budget for fiscal year (FY) 16/17 & FY 17/18 for your consideration. The proposed budget includes the General Fund, Utility Fund, Stormwater Fund, the City's five-year Capital Improvements Program (CIP), and the City's Community Redevelopment Agency (CRA) Fund.

Within the budget process for each fiscal year I also generate a balanced second year budget for your review and consideration. The inclusion of a second year budget gives financial insight for both staff and the City Commission into the impact of changes to revenue and expenditures on operations. It also gauges the ability for the City to pursue capital goals in the CIP and allows for staff and the Commission to plan accordingly in order to meet those goals.

Capital

The two year budget includes a continued strong investment in capital projects in both budget years for City operations including:

- (2) Replacement Police Vehicle (\$30,000 each)
- Street Resurfacing (\$230,000)
- Dock Repair and Replacement (\$30,000 each year)
- Fire Engine Equipment Reserve (\$50,000 each year)
- (2) Replacement Service Vehicles (\$20 - 25k each)
- Mackay Preserve Capital (\$25k - \$30k each year)
- Bucket Truck Reserve for purchase in FY 18/19 (\$30,000)

Additionally we have funding set aside for the completion of a Parks & Recreation Master Plan which will guide the Commission and the community in outlining what we want our public spaces and recreation facilities to look like in the future. Funding in the amount of \$50,000 is being set aside each year beginning in FY 17/18 on a continuing basis for use in implementing the projects detailed master plan in addition to any funding allocated in the CRA CIP next year for capital projects..

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## Revenue

The City's proposed two-year budget is balanced utilizing a property millage rate of 7.239 which is one-quarter (.25) of a mil reduction from the current rate of 7.489. This is the second year in a row that we lowered the millage rate. The majority of our state distributed revenues (gas tax, half-cent sales tax, state revenue sharing, etc.) are projected to increase this year. Franchise fee revenue has also increased due to new customers from the new construction we have experienced over the past few years.

As of July's experience in FY 15/16 (83% of the fiscal year) our building permits are at 252% of projected revenue (\$214,186 experience with \$85,000 budgeted). This is a strong and positive indicator of growth for the City. Houses and businesses are being built which shall only serve to build our tax base and to achieve greater economies of scale in our service delivery.

Utility revenue has increased five percent (5%) over the previous year due to new construction and accounts. The implantation of a new "usage based" utility fee structure should also be implemented by the start of the fiscal year. The new fee structure is revenue neutral and significantly lowers the base service charge of water and sewer service (Sewer \$40.54 to \$29.50; Water \$12.95 to \$8.95). The new rates charge for each 1,000 gallons used by each customer in order to equitably distribute the cost of utilities to those that are using the service while also promoting conservation.

## Expenditures

The budget mostly maintains expenditure and current service levels with experience based adjustments. A notable addition includes \$65,000 annually for an inmate squad that will assist the City with long term maintenance of our right of way and facilities. This will allow current service staff to focus on more tailored projects and to increase the overall standard of facility maintenance which will be needed as we begin implementing the projects identified in the upcoming Parks & Recreation Master Plan.

A strong emphasis has been made in the budget process over the past several years in building up our operations and facility maintenance line items which altogether exceed \$100,000 annually. This has allowed us to aggressively pursue facility updates and renovations (roof/AC repairs, tennis court resurfacing, building renovations, etc.) on an as needed basis rather than deferring repairs or projects to wait for appropriation of funding in future budget cycles. This has allowed the City, from an operational standpoint, to be more agile and responsive to facility and operational needs as they arise.

Use of offset line items within the budget to act as placeholders and to buffer against future costs continues to be a successful practice from an operational and budgeting perspective. Payroll, pension, healthcare reimbursement accounts, and capital offsets

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(or build ups) have been funded for the past few years and will allow for smoother budget processes as these costs continue to fluctuate.

### Payroll

The salary plan is fully funded for both years and includes step increases, longevity increases, incentive pay, and holiday pay for all city employees. The proposed FY 16/17 budget includes funding for a 2% Cost of Living Adjustment (COLA) to all city employees. The funding for the City's tuition assistance plan has also been increased to \$2,000 per employee (up from \$1,000 the year before) for those that are seeking a college degree.

In accordance with City Personnel Policies city staff has performed a market analysis of employee compensation based upon a local labor market of larger nearby cities and comparator cities around the state of Florida that share one or more similar characteristics (i.e. population, number of employees, general fund budget). Following the establishment of a base starting salary goal of 80% of the market average, this budget includes targeted adjustments to positions whose base starting salary is below that standard.

The FY 16/17 budget also includes the remaining non-base salary component identified in previous budget's payroll objectives (e.g. step system, longevity, education, etc.) to fully implement the compensation system. The system is designed to move employees beyond the base starting salary (that is generally 20% below the market average) as they gain experience and add value to the organization (e.g. step system, education incentive pay, and holiday pay). The increases to these components are equivalent to a 1.5% increase in payroll.

### Summary

The proposed FY 16/17 budget maintains service levels and provides for a healthy investment in City operations by fully funding capital projects included in the CIP. Revenue projections and increased permit activity look favorable for the future. The budget continues to set aside reserves and offsets to fund future expenses and to mitigate future operational increases. The general fund is free of debt service and we have ample reserves in both the General Fund and Enterprise Fund. The Community Redevelopment Agency is starting to gain momentum with a budget of over \$57,000 after only its second year which will allow us to start pursuing projects and programs in the CRA area.

The marketing of the downtown City owned parcel (formerly the Buchanan Building) continues to represent an excellent opportunity to control the outcome of a key property

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within our downtown core. City staff has received several serious inquiries on the property and is in the process of vetting offers and site development plans for the parcel. The project has the potential to be a catalyst project for future economic development activity both from the private sector and by the City through surplus revenues generated by the project and increased funding to the CRA.

Overall, the City is in sound financial condition with stable operations, strong investments in capital, and positive indicators going forward.

Respectfully submitted,



Ryan Leavengood  
City Manager

**CITY OF LAKE ALFRED - MILLAGE RATE ILLUSTRATION**

Year	Millage Rate	Taxable Value	Ad Valorem	95%
2004	0.007058	108,625,887	766,682	728,347
2005	0.007058	117,475,684	829,143	787,686
2006	0.007058	143,722,086	1,014,390	963,671
2007	0.00658	245,600,044	1,616,048	1,535,246
2008	0.00658	227,246,243	1,495,280	1,420,516
2009	0.00658	180,145,512	1,185,357	1,126,090
2010	0.00658	155,418,258	1,022,652	971,520
2011	0.006999	138,114,958	966,667	918,333
2012	0.007589	127,186,643	965,219	916,958
2013	0.007589	129,946,439	986,164	936,855
2014	0.007589	134,275,162	1,019,014	968,063
2015	0.007489	144,244,884	1,080,250	1,026,237
2016	0.007239	158,867,445	1,150,041	1,092,539

FY 2016/2017

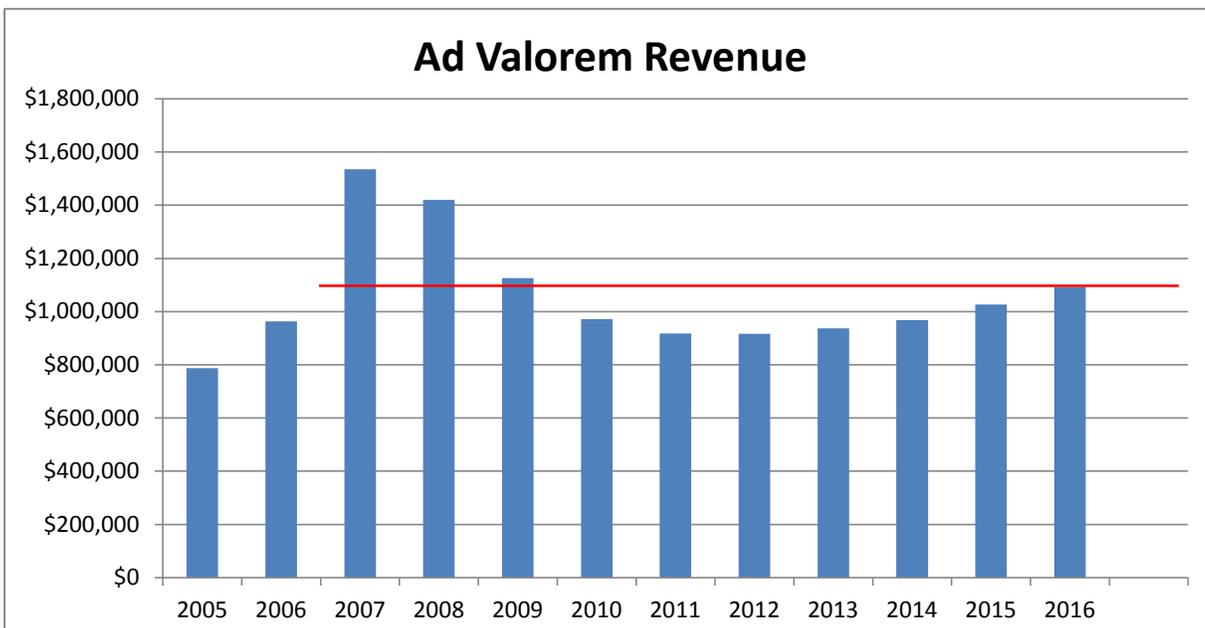
PROPOSED RATE	7.239
MILLAGE RATE * CUR YR GROSS	\$1,150,041
BUDGET AT 95% OF REVENUE	\$1,092,539

FY 2016/2017

ROLL BACK RATE	7.2472
ROLL BACK RATE * CUR YR GROSS	\$1,151,344
BUDGET AT 95% OF REVENUE	\$1,093,777

BUDGET DIFFERENCE: CURRENT VS ROLLBACK

1,238



**CITY OF LAKE ALFRED  
FY 2016/2017 BUDGET  
SUMMARY**

	2016/2017	2017/2018		2016/2017	2017/2018
<b>General Fund</b>			<b>Community Redevelopment Agency</b>		
Revenues	4,931,491	4,576,048	Revenues	57,207	57,207
Expenditures	4,931,491	4,576,049	Expenditures	57,207	57,207
Contingency	8,073	5,185	Contingency	-	-
<b>Enterprise Fund</b>			<b>Stormwater</b>		
Revenues	2,446,500	2,480,250	Revenues	58,000	58,000
Expenditures	2,446,500	2,480,250	Expenditures	58,000	58,000
Contingency	7,763	38,716	Contingency	-	-
		<b><u>FY 2016/2017</u></b>	<b><u>FY 2017/2018</u></b>		
<b>TOTAL BUDGET:</b>		<b>\$7,377,991</b>	<b>\$7,056,298</b>		

## Fund Balance

### General Fund

<b>Restricted:</b>		<b>Balance*</b>
001.000.0.101.003	Building Reserve	123,734.00
001.000.0.101.004	Historical Gardens	920.00
001.000.0.101.005	Police Forfeitures	33,831.00
001.000.0.101.006	Local Option Gas Tax	155,948.00
001.000.0.101.008	Police Education	18,205.00
001.000.0.101.009	Sanitation Vehicle Reserve	133,094.00
001.000.0.101.112	General Government	194,824.00
001.000.0.101.113	Public Safety	99,443.00
001.000.0.101.114	Recreation Impacts	57,684.00
001.000.0.101.010	Sanitation Equipment Reserve	27,327.00
	Community Redevelopment Agency	25,350.00
	<b>Total:</b>	870,360.00

### **Unrestricted:**

	Unassigned General Fund Reserve**	1,668,143.00
	Assigned Fire Engine Reserve	100,000.00
	Assigned Capital Project Reserve	-
	Assigned Mackay Capital Reserve	-
	Assigned Payroll Offset	5,000.00
	Assigned Pension Offset	41,900.00
	Assigned HRA	28,500.00
	<b>Total:</b>	1,843,543.00
	<b>% of FY 16/17 General Fund Budget:</b>	37.38%

### Enterprise Fund

<b>Restricted:</b>		
401.000.0.101.303	Water Impacts	325,044.00
401.000.0.101.304	Sewer Impacts	729,008.00
401.000.0.101.538	Storm Water	141,130.00
	<b>Total:</b>	1,195,182.00

### **Unrestricted:**

	Unassigned Enterprise Fund Reserve**	2,418,730.91
	<b>Total:</b>	2,418,730.91
	<b>% of FY 16/17 Enterprise Fund Budget:</b>	98.86%

<b>Total FY 16/17 Budget:</b>	7,377,991.09
<b>Unrestricted Fund Balance:</b>	4,262,273.91
<b>% of Total FY 16/17 Budget:</b>	57.77%

\* YTD as of July 31, 2016

\*\* YTD as of September 30, 2015

## FY 2016/2017 Monthly Utility Rates

### Water Rates

**Base Charge:**

Residential (per unit)	\$8.95
Nonresidential	
5/8-inch	\$8.95
1-inch	\$22.38
1.5-inch	\$44.75
2-inch & above	\$71.60

**Usage Charges:**

Residential		
Block 1	\$1.04	0 - 5,000
Block 2	\$1.25	5,001 - 10,000
Block 3	\$1.46	10,001 +
Nonresidential		
Block 1	\$1.30	All Usage

### Sewer Rates

**Base Charge:**

Residential (per unit)	\$29.50
Nonresidential	
5/8-inch	\$38.35
1-inch	\$73.75
1.5-inch	\$147.50
2-inch & above	\$236.00

**Usage Charges:**

Residential	\$2.33	Up to 10,000
Nonresidential	\$2.33	All Usage

### Sanitation

Sanitation	\$19.48
Recycling	\$2.45
Fuel Service Charge	\$1.98

**Fuel Service Charge Calculation:**

Est. # of Customers	2,084
Sanitation Fuel (+10%):	\$49,500
Monthly per Customer:	\$1.98

(Sanitation Fuel + 10% / # of Customers / 12)

### Stormwater

Residential	\$2.00
Commercial	\$5.00
Industrial	\$8.00

**CITY OF LAKE ALFRED**

CAPITAL IMPROVEMENTS PROGRAM (CIP)

FY 2016/2017 - FY 2020/2021

	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	Funding
	1st Year	2nd Year				
	Budget	Budget				

**General Government**

Electronic Message Board	\$20,000					
<b>Total:</b>	\$20,000	\$0	\$0	\$0	\$0	

**Police Department**

Replacement Patrol Vehicle	\$30,000	\$30,000	\$30,000	\$60,000	\$30,000	
Police K-9			\$10,000			
<b>Total:</b>	\$30,000	\$30,000	\$40,000	\$60,000	\$30,000	

**Fire Department**

Replacement Fire Engine	\$50,000	\$50,000	\$450,000	\$50,000	\$50,000	250k GF R.
Staff Vehicle Replacement		\$35,000				
Replace Extrication Equip.	\$45,000					GF R.
<b>Total:</b>	\$95,000	\$85,000	\$450,000	\$50,000	\$50,000	

**Community Dev.**

City Limit Legal Description		\$15,000				
<b>Total:</b>	\$0	\$15,000	\$0	\$0	\$0	

**Parks and Recreation**

P&R Master Plan	\$30,000	\$50,000	\$50,000	\$50,000	\$50,000	P&R Impact
Vehicle Replacement	\$25,000			\$25,000		
Tennis Court Relocation			\$100,000			FRDAP Grant
Capital at Mackay	\$25,000	\$30,000	\$30,000	\$30,000	\$30,000	
Baseball Scoreboard			\$20,000			
Dock Repair & Replacement	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	
Football Lighting				\$150,000		County MSTU
<b>Total:</b>	\$110,000	\$110,000	\$230,000	\$285,000	\$110,000	

**Public Works**

Replacement Service Vehicles	\$25,000			\$25,000		
Bucket Truck Replacement		\$30,000	\$60,000			30k GF R.
Lightning Loader Replacement				\$160,000		Sanitation R.
Street Resurfacing	\$230,000		\$170,000		\$170,000	Local Gas Tax
<b>Total:</b>	\$230,000	\$0	\$170,000	\$0	\$170,000	

**CITY OF LAKE ALFRED**

CAPITAL IMPROVEMENTS PROGRAM (CIP)

FY 2016/2017 - FY 2020/2021

	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	Funding
	1st Year	2nd Year				

**Public Utilities**

Replacement Service Vehicles	\$25,000			\$25,000		
Paint Water Tower	\$60,000					
Ramona Lift Station	\$30,000					EF R.
Line Replacement - Mariana		\$50,000		\$50,000		
Echo Terrace Lift Station		\$80,000				
<b>Total:</b>	\$115,000	\$130,000	\$0	\$75,000	\$0	

Funding Reserves
  External Funding
  Restricted Funding

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Total General Fund Capital	\$485,000	\$240,000	\$890,000	\$395,000	\$360,000
Total Enterprise Fund Capital	\$115,000	\$130,000	\$0	\$75,000	\$0
<b>Total Capital</b>	\$600,000	\$370,000	\$890,000	\$470,000	\$360,000
Total Operating GF Capital	\$225,000	\$240,000	\$370,000	\$85,000	\$360,000
Total Operating EF Capital	\$115,000	\$130,000	\$0	\$75,000	\$0
<b>Total Oper/Unres Capital</b>	\$340,000	\$370,000	\$370,000	\$160,000	\$360,000

City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED	
<b>REVENUES</b>									
					Increase Revenue				
					Decrease Revenue				
001.000-	TAXES								
311.110	Ad Valorem Taxes - (M)	956,105	986,370	1,026,238	1,037,317	101%	1,092,539	1,114,390	
311.120	CRA - Tax Increment County	-	-	9,580	12,438	130%	27,595	27,595	
311.121	CRA - Tax Increment City	-	-	10,585	13,670	129%	29,612	29,612	
312.300	9th Cent Gas Tax - (M)	20,584	25,785	20,000	18,699	93%	22,000	22,000	
312.410	Local Option Gas Tax - (M/S)	124,688	131,528	132,149	114,163	86%	142,041	144,882	
312.420	5th Cent Gas Tax - (M/S)	79,406	82,534	82,622	72,821	88%	86,495	86,495	
312.520	Casualty Insurance Tax - (A)	32,629	32,132	31,535	32,132	102%	31,535	31,535	
314.100	Electric Service Tax - (M)	296,385	335,426	295,000	283,965	96%	335,000	335,000	
314.300	Water Service Tax - (M)	47,253	52,764	48,000	47,210	98%	52,000	52,000	
312.510	Insurance Premium Tax - (A)	26,877	26,391	21,000	26,391	126%	28,000	28,000	
314.800	Propane Service Tax - (M)	12,148	12,128	13,000	8,439	65%	12,000	12,000	
315.000	Local Comm Tax - (M/S)	126,061	122,343	122,075	104,759	86%	122,355	122,355	
335.180	Half-Cent Sales Tax - (M/S)	275,804	290,031	301,101	256,245	85%	329,539	336,130	
TOTAL TAXES		1,997,940	2,097,432	2,112,885	2,028,249	96%	2,310,711	2,341,994	
001.000-	LICENSES AND PERMITS								
321.110	Business Tax	9,471	11,316	12,000	4,796	40%	12,000	12,000	
321.100	Code Enforcement Assessments	-	-	-	2,698	0%	2,000	2,000	
322.025	Remittance Fee	5,148	12,530	1,000	9,323	932%	10,000	10,000	
322.200	Education Fee	1,383	1,798	1,000	1,378	138%	1,500	1,000	
322.100	Alarm Permit	75	200	125	350	280%	125	125	
349.322	Building Inspections	525	768	600	245	41%	600	600	
322.300	Archive Fee	1,383	1,798	1,000	1,378	138%	1,500	1,500	
354.000	Liens - Violation of Ordinance	13,990	14,702	10,000	2,714	27%	5,000	5,000	
354.100	Lien Searches	2,135	3,154	2,000	4,215	211%	3,000	3,000	
322.000	Building Permits	87,738	181,988	85,000	214,186	252%	85,000	85,000	
TOTAL LICENSES AND PERMITS		121,848	228,254	112,725	241,283	214%	120,725	120,225	
001.000-	INTERGOVERNMENTAL								
335.120	State Revenue Sharing - (M/S)	119,826	132,004	130,347	108,275	83%	148,104	151,066	
335.122	8th Cent Motor Fuel Tax - (M/S)	48,990	53,969	58,927	44,268	75%	60,550	61,761	
335.140	Mobile Home Licenses - (M)	14,733	16,026	15,000	16,826	112%	20,000	20,000	
335.150	Alcohol Beverage Lic - (Q)	1,736	1,907	3,000	1,883	63%	3,000	3,000	
331.100	Grant - Florida Grants	36,584	-	-	-	0%	-	-	
334.220	Grant - Police Dept.	7,200	1,215	-	-	0%	11,410	-	
331.200	Grant - Police	10,819	10,193	-	-	0%	-	-	
334.260	Right of Way Maint - (Q)	30,315	27,263	30,000	18,158	61%	30,000	30,000	
334.710	Signal Maint -(A)	2,865	3,541	-	-	0%	-	-	
334.952	Street Lights Maint -(A)	20,642	21,262	21,000	-	0%	22,000	22,000	
331.540	Grant	1,961	-	-	-	0%	-	-	
337.210	SRO Supplement -(Q)	97,103	101,275	102,000	104,259	102%	102,000	105,000	
338.350	Library Cooperative -(B/A)	25,702	29,173	25,000	28,317	113%	29,000	29,000	
342.340	Fire Automatic Aid - (Q)	190,806	189,343	60,000	107,336	179%	40,000	20,000	
TOTAL INTERGOVERNMENTAL		609,282	587,171	445,274	429,322	96%	466,064	441,827	

City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
001.000- FRANCHISE FEES								
323.100	Electric FF - (M)	250,720	318,130	320,000	293,039	92%	345,000	345,000
323.400	Gas FF - (M)	35,915	19,097	25,000	29,083	116%	30,000	30,000
323.700	Solid Waste FF - (M)	20,322	20,205	20,000	18,407	92%	21,000	21,000
TOTAL FRANCHISE FEES		306,957	357,432	365,000	340,529	93%	396,000	396,000
001.000- CHARGES FOR SERVICES								
341.200	Zoning Fees	2,023	2,023	2,500	658	26%	2,000	2,000
341.041	Library Printing	2,811	3,938	3,000	5,622	187%	4,000	4,000
341.050	Misc Services	942	1,098	1,450	1,015	70%	1,450	1,450
343.800	Cemetery Sales	17,085	10,200	10,000	10,450	105%	10,000	10,000
347.208	Summer Rec Program	20,910	20,226	20,000	16,753	84%	20,000	20,000
TOTAL CHARGES FOR SERVICES		43,771	37,485	36,950	34,498	93%	37,450	37,450
001.000- SANITATION								
343.300	Sanitation	305,754	318,476	320,000	324,661	101%	400,000	400,000
343.400	Recycling	47,107	48,515	48,000	44,074	92%	53,000	53,000
343.301	Extra Trash Pickup	1,997	321	1,500	1,373	92%	1,500	1,500
343.307	Fuel Adjustment Fee	94,069	101,257	97,000	52,193	54%	49,500	49,500
343.306	Garbage Late Fees	14,014	14,810	14,000	12,063	86%	14,000	14,000
343.901	Sanitation Reserve Fund	48,597	50,769	50,000	42,017	84%	55,989	55,989
343.902	Equipment Reserve Fund	18,893	19,732	20,000	15,280	76%	18,875	18,875
TOTAL SANITATION		530,431	553,880	550,500	491,661	89%	592,864	592,864
001.000- FINES AND FORFEITURES								
351.000	Police Fines - (M)	11,903	8,566	12,000	5,420	45%	9,000	9,000
351.100	Police Education	759	816	1,000	694	69%	1,000	1,000
351.200	Forfeiture (Confiscated)	-	-	-	400	0%	-	-
351.300	Police Detail	2,863	3,685	3,000	3,701	123%	3,000	3,000
352.000	Library Fines	1,641	1,559	1,500	1,272	85%	1,500	1,500
349.400	Restitution	1,630	1,822	1,500	651	43%	1,500	1,500
TOTAL FINES AND FORFEITURES		18,796	16,448	19,000	12,138	64%	16,000	16,000

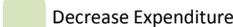
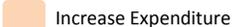
City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
001.000- RENTALS								
362.030	Rental - Highlands	3,075	3,575	3,000	3,623	121%	3,500	3,500
362.032	Rental - Mackay Preserve	26,747	27,626	25,000	30,503	122%	30,000	30,000
362.033	Rental - Cancellation Fee	1,950	4,100	3,000	1,350	45%	3,000	3,000
362.034	Rental - Lions Park	1,100	1,300	1,000	1,050	105%	1,000	1,000
362.038	Rental - Tower	138,111	112,486	100,000	60,114	60%	100,000	100,000
	<b>TOTAL RENTAL</b>	<b>170,983</b>	<b>149,087</b>	<b>132,000</b>	<b>96,640</b>	<b>73%</b>	<b>137,500</b>	<b>137,500</b>
001.000- INTEREST EARNED								
361.000	Interest Income	8,774	11,333	9,000	11,451	127%	11,000	11,000
361.100	Interest - Investments	446	92	-	-	0%	-	-
	<b>TOTAL INTEREST EARNED</b>	<b>9,220</b>	<b>11,425</b>	<b>9,000</b>	<b>11,451</b>	<b>127%</b>	<b>11,000</b>	<b>11,000</b>
001.000- MISCELLANEOUS								
365.000	Sale of Surplus Property	1,234	568	2,000	282	14%	1,000	1,000
319.100	Motor Fuel Tax Refund - (M)	5,527	5,046	5,000	3,768	75%	5,000	5,000
366.400	Recreation Donations	43	471	1,000	407	41%	1,000	1,000
369.000	Miscellaneous Income	1,673	15,800	7,000	3,448	49%	5,000	5,000
369.100	Storage	150	500	1,000	1,200	120%	1,000	1,000
369.200	Bluegrass Barbecue Bash	14,819	5,006	10,000	8,959	90%	10,000	10,000
369.300	Insurance Proceeds	20,828	12,057	12,000	45,879	382%	15,000	15,000
369.400	Event Reimbursement	-	1,475	1,200	-	0%	1,200	1,200
369.500	Ridge League Receipts	4,574	80	1,500	5,730	382%	5,000	5,000
369.600	Veteran's Memorial	2,200	600	-	409	0%	-	-
369.700	Centennial Merchandise	-	2,663	-	500	0%	-	-
	<b>TOTAL MISCELLANEOUS</b>	<b>51,048</b>	<b>44,266</b>	<b>40,700</b>	<b>70,582</b>	<b>173%</b>	<b>44,200</b>	<b>44,200</b>
001.000- TRANSFERS								
381.224	Reserve - Rec. Impact Fee	-	-	-	-	0%	30,000	-
381.233	Public Safety Impact Fees	264,563	30,200	-	-	0%	-	-
381.314	Local Option Gas Tax	-	73,600	-	-	0%	82,622	-
381.315	General Government Impact Fees	-	-	-	-	0%	100,000	-
381.320	Assigned Pension Offset	-	-	-	-	0%	41,900	-
381.375	Equipment Reserve	-	98,513	45,000	-	0%	-	-
381.401	General Fund Reserve	-	-	-	-	0%	105,000	-
381.402	EF Interfund Transfer	152,605	239,515	214,449	178,708	83%	250,000	250,000
381.403	EF Cost Allocation	176,660	91,000	117,921	98,268	83%	151,455	148,989
381.524	SW Cost Allocation	11,130	11,130	11,130	9,275	83%	25,000	25,000
381.850	CRA Cost Allocation	-	-	-	-	0%	13,000	13,000
381.473	Transfer from Sanitation	249,989	850	-	-	0%	-	-
	<b>TOTAL TRANSFERS</b>	<b>854,947</b>	<b>544,808</b>	<b>388,500</b>	<b>286,251</b>	<b>74%</b>	<b>798,977</b>	<b>436,989</b>
	<b>TOTAL ALL REVENUES</b>	<b>4,715,223</b>	<b>4,627,688</b>	<b>4,212,534</b>	<b>4,042,604</b>	<b>96%</b>	<b>4,931,491</b>	<b>4,576,048</b>

City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
<b>EXPENDITURES</b>								
					 Decrease Expenditure	 Increase Expenditure		
001.510-	GENERAL GOVERNMENT							
422.000	General Employees Retirement	198,995	177,969	170,500	173,325	102%	173,850	173,850
422.100	Public Safety Retirement	90,954	108,161	55,650	61,125	110%	68,534	68,534
422.200	Pension Offset (ASGD)	-	-	41,900	-	0%	71,900	40,000
423.000	Group Health Insurance	290,478	305,000	318,108	297	0%	302,212	317,323
423.100	HRA Deductible (ASGD)	1,000	2,000	30,000	1,500	5%	15,000	15,000
424.000	Workers Comp Insurance	60,791	65,000	63,485	-	0%	81,185	81,185
425.000	Unemployment Compensation	-	938	1,000	2,965	297%	1,000	1,000
432.000	Accounting & Auditing	43,403	55,440	46,300	33,769	73%	41,300	41,300
433.000	CRA Expenses	-	640	-	-	0%	-	-
434.100	Cell Tower Consultant	-	8,400	5,000	-	0%	1,000	1,000
440.200	Employee Holiday Dinner	3,592	3,599	4,000	5,789	145%	5,000	5,000
440.201	Ridge League Dinner	5,538	-	1,000	3,987	399%	5,000	5,000
440.400	Tuition/CDL Assistance	-	1,989	6,000	4,214	70%	10,000	10,000
445.000	Property & Liability	105,780	105,000	120,000	10,318	9%	118,000	118,000
440.200	Employee Meetings/Awards	1,872	2,631	1,500	1,791	119%	5,000	5,000
449.000	Insurance Claims	3,450	5,000	2,000	-	0%	2,000	2,000
452.300	IT - Software & Hardware	23,332	26,065	21,000	28,292	135%	25,000	25,000
531.000	W.H.A.T/Ridge Art	2,000	7,000	9,000	7,000	78%	7,000	7,000
480.100	Leave Buyback	-	-	15,000	20,139	134%	30,000	30,000
480.102	Payroll Offset (ASGD)	-	-	5,000	-	0%	5,000	25,000
510.999	Contingency	-	-	4,915	-	0%	8,073	5,185
510.979	Fire Engine Reserve (ASGD)	-	50,000	50,000	-	0%	50,000	50,000
510.978	General Fund Reserve	-	45,000	20,000	-	0%	-	-
510.996	Sanitation Vehicle Reserve	-	50,769	50,000	-	0%	55,989	55,989
510.997	Sanitation Equip. Reserve	-	14,903	20,000	-	0%	18,875	18,875
510.995	GF Retirement Cost Out	(198,995)	(177,969)	(170,500)	(173,325)	102%	(173,850)	(173,850)
510.994	Public Safety Retire Cost Out	(90,954)	(108,161)	(55,650)	(61,125)	110%	(68,534)	(68,534)
510.993	Health Insurance Cost Out	(286,683)	(305,000)	(318,108)	(297)	0%	(318,118)	(334,024)
510.992	Work Comp Insurance Cost Out	(60,791)	(65,000)	(63,485)	-	0%	(81,185)	(81,185)
510.991	Property & Liability Cost Out	(99,799)	(105,000)	(112,572)	-	0%	(109,970)	(109,970)
510.998	Local Option Gas Tax Reserve	-	4,322	82,622	-	0%	-	82,622
464.100	Capital - Project	-	31,867	-	8,729	0%	100,000	-
464.200	Capital - Purchase	21,401	-	-	21,750	0%	20,000	-
<b>TOTAL GEN GOVERNMENT</b>		<b>115,364</b>	<b>310,563</b>	<b>423,664</b>	<b>150,243</b>	<b>35%</b>	<b>469,261</b>	<b>416,300</b>

City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
<b>001.511- CITY COMMISSION</b>								
411.000	Salaries & Wages	13,200	13,200	13,200	11,000	83%	26,000	27,500
421.000	FICA Expense	1,010	1,010	1,010	842	83%	1,989	2,104
424.000	Workers Comp Insurance	376	125	226	93	41%	505	505
440.300	Training & Travel	8,670	7,850	13,000	1,969	15%	9,000	9,000
443.200	Electric	5,604	5,875	5,500	4,440	81%	5,500	5,500
445.000	Property & Liability	14,144	18,454	21,060	20,869	99%	21,000	21,000
451.000	Office Supplies	490	69	500	-	0%	500	500
452.000	Operating Supplies	1,110	915	1,000	957	96%	1,000	1,000
452.940	Uniforms & Shoes	707	-	800	-	0%	800	800
454.000	Subscriptions & Memberships	1,238	1,368	1,500	1,425	95%	1,500	1,500
<b>TOTAL CITY COMM</b>		<b>46,549</b>	<b>48,866</b>	<b>57,796</b>	<b>41,595</b>	<b>72%</b>	<b>67,794</b>	<b>69,409</b>
<b>001.512- CITY ADMINISTRATION</b>								
412.000	Salaries & Wages	135,976	160,666	159,067	152,293	96%	184,004	187,205
421.000	FICA & Tax Expense	13,983	11,370	18,394	14,110	77%	35,610	32,938
422.000	Retirement	18,749	25,695	35,251	36,581	104%	66,565	51,500
423.000	Life & Health Insurance	9,556	9,426	20,158	14,629	73%	28,450	29,018
424.000	Workers Comp Insurance	3,789	1,438	399	1,376	345%	1,400	1,400
431.200	Deed Recording Escrow	500	-	500	-	0%	500	500
431.500	Employee Exams	-	60	-	-	0%	-	-
434.000	Contractual Services	29,986	19,500	5,000	9,727	195%	12,000	12,000
434.600	Municipal Code Corp	2,207	3,316	3,000	2,857	95%	3,500	15,500
440.300	Training & Travel	4,832	1,893	4,000	2,994	75%	5,000	5,000
440.500	Expense Allowance	-	5,563	5,000	3,105	62%	6,000	6,000
441.000	Communications	2,111	2,625	2,000	1,351	68%	2,000	2,000
441.100	Cell Phone	516	150	600	450	75%	600	600
443.200	Electric	1,727	1,373	2,000	902	45%	1,500	1,500
445.000	Property & Liability	243	336	-	-	0%	-	-
446.100	R & M - Auto	-	138	500	521	104%	500	500
446.120	R & M - Copier	2,843	2,608	3,500	1,446	41%	3,500	3,500
446.200	R & M - Records	-	-	-	-	0%	-	-
446.348	R & M - Software	2,191	1,500	2,000	600	30%	2,000	2,000
449.000	Legal Advertisement	8,467	9,947	7,000	6,520	93%	8,000	8,000
451.000	Office Supplies	527	1,185	1,000	1,246	125%	2,000	2,000
452.000	Operating Supplies	2,321	1,412	3,000	455	15%	2,000	2,000
452.700	Fuel	318	230	500	169	34%	500	500
453.100	City Election	24	1,877	-	-	0%	2,000	2,000
454.000	Subscriptions & Memberships	1,547	1,674	1,900	1,512	80%	1,900	1,900
<b>CITY ADMIN. TOTAL</b>		<b>242,413</b>	<b>263,982</b>	<b>274,769</b>	<b>252,844</b>	<b>92%</b>	<b>369,529</b>	<b>367,562</b>
<b>001.514- CITY ATTORNEY</b>								
431.400	Legal	68,572	68,378	64,000	29,498	46%	64,000	64,000
<b>TOTAL CITY ATTORNEY</b>		<b>68,572</b>	<b>68,378</b>	<b>64,000</b>	<b>29,498</b>	<b>46%</b>	<b>64,000</b>	<b>64,000</b>

City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
001.513- FINANCE								
412.000	Salaries & Wages	84,753	87,462	92,097	60,933	66%	106,064	106,918
414.000	Overtime Pay	51	237	100	142	142%	100	100
421.000	FICA Expense	6,345	6,133	7,053	4,683	66%	8,122	8,187
422.000	Retirement	14,828	13,676	8,975	9,124	102%	9,150	9,150
423.000	Life & Health Insurance	9,556	10,971	11,258	5,640	50%	11,361	11,929
424.000	Workers Comp Insurance	2,459	619	91	580	637%	600	600
431.500	Employee Exams	42	-	50	-	0%	50	50
433.000	Bank Service Charges	228	25	500	232	46%	500	500
433.000	Bank Recon Adjustments	-	-	-	3,682	0%	-	-
440.300	Training & Travel	979	2,069	2,000	1,993	100%	2,000	2,000
441.000	Communications	2,189	2,753	2,000	2,406	120%	3,000	3,000
443.200	Electric	1,727	1,373	2,000	963	48%	1,500	1,500
446.000	R & M Services	1,109	600	500	-	0%	500	500
446.348	Software - ADG	6,700	8,500	8,500	7,980	94%	21,000	10,000
451.000	Office Supplies	944	1,349	1,000	999	100%	1,500	1,500
452.000	Operating Supplies	1,586	1,981	2,000	621	31%	2,000	2,000
452.940	Uniforms & Shoes	621	518	800	298	37%	800	800
454.000	Subscriptions & Memberships	230	230	195	-	0%	250	250
TOTAL FINANCE		134,347	138,496	139,119	100,276	72%	168,497	158,984

City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
001.521- POLICE DEPT								
412.000	Salaries & Wages	503,154	553,286	581,210	414,275	71%	620,886	629,645
412.221	Retirement - Police	32,629	32,132	31,535	-	0%	31,535	31,535
414.000	Overtime Pay	9,053	9,209	5,000	13,739	275%	5,000	5,000
421.000	FICA Expense	38,843	42,758	44,845	33,058	74%	47,880	48,550
422.000	Retirement	67,008	79,542	51,585	54,825	106%	64,757	64,757
423.000	Life & Health Insurance	76,449	81,280	90,061	54,428	60%	90,891	95,435
424.000	Workers Comp Insurance	15,792	14,139	14,355	16,010	112%	17,570	17,570
431.500	Employee Exams	1,459	1,700	1,000	2,736	274%	2,000	2,000
441.300	Training & Travel	2,880	5,752	4,000	3,571	89%	4,000	4,000
441.000	Communications	7,525	6,946	7,500	5,097	68%	7,500	7,500
441.100	Cell Phone	1,592	1,718	1,800	1,158	64%	1,800	1,800
443.200	Electric	10,819	11,618	10,000	7,367	74%	10,000	10,000
445.000	Property & Liability	5,166	4,940	5,640	5,515	98%	5,550	5,550
445.500	Special Risk Ins.	538	458	550	521	95%	550	550
446.000	R & M Services	1,454	8,690	6,000	3,807	63%	7,000	7,000
446.100	R & M - Auto	11,245	9,220	11,000	20,720	188%	12,000	12,000
446.120	R & M - Copier	2,436	2,164	2,700	1,819	67%	2,700	2,700
446.200	R & M - Radios	3,670	3,417	3,500	4,734	135%	3,500	3,500
446.700	R & M - IT Contract	2,550	2,550	3,000	2,550	85%	3,000	3,000
449.000	Contractual Services	5,157	1,684	2,500	5,977	239%	2,500	2,500
451.000	Office Supplies	1,144	1,449	1,000	554	55%	1,000	1,000
452.000	Operating Supplies	2,213	1,577	3,000	2,147	72%	3,000	3,000
452.012	K-9 Expenses	722	782	1,000	603	60%	1,000	1,000
452.100	Patrol Laptop Replacement	3,389	1,880	2,500	4,000	160%	5,000	5,000
452.700	Fuel	25,570	20,749	25,000	12,118	48%	25,000	25,000
452.940	Uniforms & Shoes	1,571	4,458	4,000	2,094	52%	4,000	4,000
454.000	Subscriptions & Memberships	370	350	300	260	87%	300	300
464.200	Capital - Purchase	29,617	30,927	30,000	30,796	103%	30,000	30,000
464.300	Capital - Grant Equipment	18,372	12,159	-	12,411	0%	11,410	-
TOTAL POLICE DEPT		882,387	947,534	944,581	716,890		1,021,329	1,023,893

City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
001.522- FIRE DEPT								
412.000	Salaries & Wages	347,558	340,611	316,520	240,655	76%	305,340	309,258
413.000	Part Time Wages	61,751	61,183	30,000	36,856	123%	30,000	30,000
414.000	Overtime Pay	5,396	6,409	2,000	3,158	158%	2,000	2,000
421.000	FICA Expense	31,540	31,056	26,662	21,300	80%	25,807	26,106
422.000	Retirement	44,608	76,326	26,500	29,107	110%	26,652	26,652
422.100	State Contribution	26,887		21,000	-	0%	21,000	21,000
423.000	Life & Health Insurance	47,781	48,552	39,402	33,787	86%	39,765	41,753
424.000	Workers Comp Insurance	11,029	12,731	16,150	15,297	95%	19,770	19,770
431.500	Employee Exams	5,519	980	3,000	2,070	69%	3,000	3,000
440.300	Training & Travel	2,477	2,973	3,000	1,916	64%	3,000	3,000
441.000	Communications	1,403	1,640	1,500	1,994	133%	2,500	2,500
441.100	Cell Phone	1,114	1,092	1,200	558	47%	1,200	1,200
443.200	Electric	8,553	9,121	8,000	5,962	75%	9,000	9,000
445.000	Property & Liability	5,651	5,685	6,480	6,412	99%	6,450	6,450
445.500	Special Risk Ins.	538	458	550	521	95%	550	550
446.000	R & M Services	2,607	2,929	3,000	3,330	111%	3,000	3,000
446.100	R & M - Auto	17,051	15,338	15,000	9,215	61%	15,000	15,000
446.110	R & M - SCBA	831	-	1,500	1,157	77%	1,500	1,500
446.200	R & M - Radio	3,000	3,000	3,000	3,000	100%	3,000	3,000
446.348	R & M - Software	720	765	1,500	765	51%	1,000	1,000
451.000	Office Supplies	426	601	500	458	92%	500	500
452.000	Operating Supplies	1,814	2,380	2,500	2,078	83%	2,500	2,500
452.140	Fire Prevention Program	982	972	1,000	866	87%	1,000	1,000
452.700	Fuel	6,707	5,154	6,000	3,961	66%	5,000	5,000
452.800	Diesel	4,557	3,468	4,000	3,067	77%	4,000	4,000
452.940	Uniforms & Shoes	4,258	3,001	4,000	2,521	63%	4,000	4,000
454.000	Subscriptions & Memberships	389	230	400	195	49%	400	400
452.941	Bunker Gear Replacements	3,488	-	-	1,879	0%	5,000	5,000
464.200	Capital - Purchase	40,084	6,424	-	-	0%	45,000	-
TOTAL FIRE DEPT		688,719	643,079	544,364	432,085	79%	586,934	548,139

City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
<b>001.524- COMMUNITY DEVELOPMENT</b>								
412.000	Salaries & Wages	115,503	120,668	124,076	105,261	85%	139,304	141,534
414.000	Overtime Pay	259	188	200	351	176%	200	200
421.000	FICA Expense	8,856	9,245	9,507	8,235	87%	10,672	10,843
422.000	Retirement	13,388	12,534	8,975	9,124	102%	9,150	9,150
423.000	Life & Health Insurance	9,556	10,972	11,258	9,367	83%	11,361	11,929
424.000	Workers Comp Insurance	4,166	2,762	607	2,637	434%	2,700	2,700
431.000	Professional Services	6,338	4,583	5,000	16,173	323%	5,000	5,000
431.100	CFRPC Contract	20,750	18,000	15,000	15,000	100%	15,000	15,000
431.500	Employee Exams	-	-	100	-	0%	100	100
434.600	Special Magistrate	3,278	3,035	4,000	1,127	28%	3,000	3,000
440.300	Training & Travel	1,578	2,458	2,000	1,014	51%	2,000	2,000
441.000	Communications	2,311	3,115	2,400	2,219	92%	2,400	2,400
441.100	Cell Phone	809	546	600	448	75%	600	600
443.200	Electric	11,209	11,750	12,000	8,966	75%	12,000	12,000
445.000	Property & Liability	1,146	1,030	1,176	1,243	106%	1,250	1,250
446.000	R & M Services	603	1,235	500	207	41%	500	500
446.100	R & M - Auto	448	215	500	130	26%	500	500
446.120	R & M - Copier	7,080	5,162	6,500	4,489	69%	6,500	6,500
446.220	Code Enforcement Abatement	-	455	-	4,620	0%	5,000	5,000
446.348	R & M - Software	900	900	1,400	945	68%	1,400	1,400
451.000	Office Supplies	478	292	500	348	70%	500	500
452.000	Operating Supplies	1,448	1,246	1,500	593	40%	1,500	1,500
452.700	Fuel	802	816	1,000	397	40%	1,000	1,000
454.000	Subscriptions & Memberships	265	322	200	199	100%	200	200
464.100	Capital - Project	35,930	80,918	-	9,359	0%	-	15,000
464.200	Capital - Purchase	12,283	-	-	-	0%	-	-
<b>TOTAL COMMUNITY DEVELOPMENT</b>		<b>259,384</b>	<b>292,447</b>	<b>208,999</b>	<b>202,452</b>	<b>97%</b>	<b>231,838</b>	<b>249,807</b>
<b>001.550- COMMUNITY REDEVELOPMENT AGENCY</b>								
432.000	Audit	-	-	600	-	0%	600	600
440.300	Training & Travel	-	-	565	761	135%	607	607
446.000	R & M Services	-	-	19,000	-	0%	6,000	6,000
<b>458.903 Cost Allocation</b>							<b>13,000</b>	<b>13,000</b>
464.100	Capital - Project	-	-	-	-	0%	37,000	37,000
464.200	Capital - Purchase	-	-	-	-	0%	-	-
<b>TOTAL CRA</b>		<b>-</b>	<b>-</b>	<b>20,165</b>	<b>761</b>	<b>4%</b>	<b>57,207</b>	<b>57,207</b>

City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
001.540- PUBLIC WORKS ADMIN								
412.000	Salaries & Wages	76,252	67,361	37,178	41,426	111%	42,955	43,922
421.000	FICA Expense	3,369	2,689	2,844	3,135	110%	3,286	3,360
422.000	Retirement	10,568	8,108	8,970	4,559	0%	4,575	4,575
423.000	Life & Health Insurance	9,556	10,947	5,629	4,726	84%	5,681	5,965
424.000	Workers Comp Insurance	-	6,678	2,024	4,616	228%	2,480	2,480
431.500	Employee Exams	42	42	300	-	0%	300	300
440.300	Training & Travel	450	170	1,000	388	39%	1,000	1,000
441.000	Communications	2,644	3,014	3,000	2,499	83%	3,000	3,000
441.100	Cell Phone	1,050	1,092	1,000	640	64%	1,000	1,000
443.200	Electric	1,335	1,442	1,500	1,097	73%	1,500	1,500
445.000	Property & Liability	938	956	1,092	1,057	97%	1,060	1,060
446.000	R & M Services	889	-	500	-	0%	500	500
446.120	R & M - Copier	697	786	1,000	901	90%	1,000	1,000
451.000	Office Supplies	284	487	500	522	104%	750	750
452.000	Operating Supplies	517	560	500	494	99%	500	500
452.940	Uniforms & Shoes	5,562	5,276	5,000	5,552	111%	6,000	6,000
454.000	Subscriptions & Memberships	125	110	200	63	32%	200	200
464.100	Capital - Project	-	-	-	-	0%	-	-
464.200	Capital - Purchase	-	-	-	-	0%	-	-
TOTAL PW ADMIN		114,278	109,718	72,237	71,675	99%	75,787	77,111
001.519- OPERATIONS & FACILITY MAINT								
431.300	Engineering	8,771	754	5,000	-	0%	5,000	5,000
441.000	Communications	1,632	1,680	1,400	1,270	91%	1,400	1,400
443.200	Electric	620	653	500	335	67%	500	500
445.000	Property & Liability	3,117	3,027	3,456	3,409	99%	3,500	3,500
446.000	R & M Services	36,112	19,451	15,000	26,848	179%	25,000	25,000
446.100	Projects	-	25,043	30,000	12,488	42%	50,000	50,000
452.000	Operating Supplies/Equipment	17,738	20,026	15,000	26,038	174%	35,000	20,000
464.100	Capital - Project	264,563	40,901	-	-	0%	-	-
446.300	Land Swap with IFAS	-	98,469	-	35,493	0%	-	-
TOTAL BLDG & FACILITY MAINT		332,553	210,004	70,356	105,881	150%	120,400	105,400

City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
001.534- SANITATION								
412.000	Salaries & Wages	82,304	71,417	79,149	66,009	83%	87,346	88,032
414.000	Overtime Pay	2,124	1,717	7,000	1,985	28%	7,000	7,000
421.000	FICA Expense	6,440	5,570	6,590	5,230	79%	7,217	7,270
422.000	Retirement	14,824	11,643	13,460	13,683	102%	13,725	13,725
423.000	Life & Health Insurance	14,334	15,961	16,887	12,657	75%	17,042	17,894
424.000	Workers Comp Insurance	2,102	7,172	5,400	7,725	143%	7,015	7,015
431.500	Employee Exams	378	211	500	210	42%	500	500
434.100	Contractual Services	5,393	289	-	-	0%	-	-
434.200	Disposal Fees - Recycling	47,406	49,221	-	6,379	0%	8,000	8,000
445.000	Property & Liability	5,849	5,937	6,768	6,641	98%	6,650	6,650
446.000	R & M Services	777	101	1,000	1,217	122%	1,000	1,000
446.100	R & M - Auto	23,161	21,005	35,000	47,520	136%	35,000	35,000
449.110	Disposal Fees - Land Fill	69,060	76,188	70,000	61,008	87%	72,000	72,000
449.150	Disposal Fees - Brush	24,731	24,340	23,000	19,297	84%	23,000	23,000
452.000	Operating Supplies	834	665	1,000	414	41%	1,000	1,000
452.800	Diesel	34,416	29,759	55,000	20,735	38%	45,000	45,000
464.200	Capital - Purchase	7,186	20,566	-	36,806	0%	-	-
464.300	Capital- Garbage Truck	249,989	-	-	69,975	0%	-	-
TOTAL SANITATION		591,308	341,762	320,754	377,491	118%	331,495	333,086

City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
001.541- ROADS AND STREETS								
412.000	Salaries & Wages	116,151	106,570	120,658	89,752	74%	97,629	99,572
414.000	Overtime Pay	4,267	4,694	5,000	3,489	70%	5,000	5,000
421.000	FICA Expense	9,100	8,391	9,613	7,085	74%	7,851	8,000
422.000	Retirement	21,138	18,590	22,435	22,806	102%	18,300	18,300
423.000	Life & Health Insurance	23,890	26,984	28,144	18,768	67%	22,723	23,859
424.000	Workers Comp Insurance	4,410	7,931	10,120	9,584	95%	12,385	12,385
431.300	Engineering	-	-	1,000	-	0%	1,000	1,000
431.500	Employee Exams	639	231	400	474	119%	400	400
434.000	Inmate Squad	-	-	12,000	13,834	115%	65,000	65,000
443.200	Electric	56,220	57,112	56,000	43,199	77%	57,000	57,000
445.000	Property & Liability	1,752	1,554	1,776	1,678	94%	1,680	1,680
446.000	R & M Services	14,126	16,641	10,000	1,775	18%	10,000	10,000
446.020	R & M - Traffic Signs	2,767	4,436	4,000	2,743	69%	4,000	4,000
446.080	R & M - Traffic Signals	7,344	5,203	-	3,837	0%	5,000	5,000
446.100	R & M - Auto	12,943	11,891	12,000	7,283	61%	12,000	12,000
446.200	R & M - Street Sweeper	6,920	3,715	8,000	2,307	29%	5,000	5,000
446.280	R & M - Street Lights	2,132	1,859	3,000	13,979	466%	3,000	3,000
446.290	R & M - Tree Maint	2,274	7,405	3,000	1,925	64%	3,000	3,000
446.500	R & M - Cemeteries	3,393	3,161	4,000	4,094	102%	4,000	4,000
446.600	R & M - Right of Way	-	34,812	10,000	5,902	59%	10,000	10,000
452.000	Operating Supplies	7,820	8,803	7,000	3,317	47%	7,000	7,000
452.700	Fuel	19,526	17,885	18,000	8,579	48%	15,000	15,000
452.800	Diesel	3,646	1,345	3,000	2,176	73%	3,000	3,000
452.940	Uniforms & Shoes	-	163	-	900	0%	-	-
453.000	Road & Sidewalk Repair	15,521	21,528	12,000	23,885	199%	20,000	20,000
464.100	Capital - Projects	-	59,862	5,000	3,317	66%	-	-
464.200	Capital - Purchases	-	13,343	90,000	75,501	84%	25,000	30,000
464.300	Road & Street Paving	-	151,812	-	-	0%	232,990	
TOTAL STREETS		335,979	595,921	456,146	372,189	82%	647,958	423,196

City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
001.589- CENTRAL GARAGE & MOTOR POOL								
412.000	Salaries & Wages	36,321	32,296	31,710	26,624	84%	32,462	33,111
414.000	Overtime Pay	190	293	300	613	204%	500	500
421.000	FICA Expense	2,793	2,480	2,449	2,071	85%	2,522	2,571
422.000	Retirement	6,442	5,391	4,485	4,559	102%	4,575	4,575
423.000	Life & Health Insurance	4,778	5,040	5,629	4,692	83%	5,681	5,965
424.000	Workers Comp Insurance	970	774	965	960	99%	990	990
431.000	Employee Exams	225	127	100	42	42%	100	100
441.000	Communications	258	240	500	175	35%	500	500
443.200	Electric	2,994	3,535	3,000	2,507	84%	3,500	3,500
445.000	Property & Liability	11,816	10,699	12,216	11,966	98%	11,970	11,970
446.000	R & M Services	3,371	55	500	328	66%	500	500
446.100	R & M - Auto	58	294	500	112	22%	500	500
452.000	Operating Supplies	12,102	7,949	6,000	9,596	160%	10,000	10,000
452.700	Fuel	133	78	100	51	51%	100	100
452.800	Supplies - Diesel	56,110	31,050	64,200	27,236	42%	54,000	54,000
452.900	Supplies - Gas & Oil	102,372	62,580	85,300	47,772	56%	73,100	73,100
454.000	Subscriptions & Memberships	1,500	1,500	1,500	-	0%	1,500	1,500
458.900	Reimbursement - Labor	(12,589)	(10,762)	(15,000)	(6,852)	46%	(15,000)	(15,000)
458.901	Reimbursement - Fuel	(83,958)	(73,321)	(85,300)	(42,200)	49%	(73,100)	(73,100)
458.902	Reimbursement - Diesel	(44,711)	(36,571)	(64,200)	(26,969)	42%	(54,000)	(54,000)
464.200	Capital - Purchase	9,399	-	6,000	3,389	56%	-	-
TOTAL CGMP		110,574	43,727	60,954	66,672	109%	60,399	61,382

City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
<b>001.572.- PARKS &amp; RECREATION</b>								
412.000	Salaries & Wages	118,152	128,587	149,518	122,374	82%	162,350	171,006
414.000	Overtime Pay	1,049	1,693	1,000	1,808	181%	1,000	1,000
421.000	FICA Expense	9,106	9,932	11,515	9,442	82%	12,496	13,158
422.000	Retirement	19,554	20,313	22,435	22,807	0%	22,875	22,875
423.000	Life & Health Insurance	23,933	21,900	28,144	22,027	78%	28,403	29,824
424.000	Workers Comp Insurance	3,829	3,231	4,000	3,927	98%	4,895	4,895
431.500	Employee Exams	-	-	-	635	0%	300	300
434.000	Contractual Services	429	1,076	1,000	3,080	308%	7,000	7,000
440.300	Training & Travel	429	1,076	1,000	129	13%	1,000	1,000
441.000	Communications	2,721	3,800	3,000	1,517	51%	3,000	3,000
441.100	Cell Phone	517	590	600	297	50%	600	600
443.200	Electric	7,275	8,577	7,000	5,954	85%	8,000	8,000
444.100	Rental Equipment	60	132	500	289	58%	500	500
445.000	Property & Liability	2,534	2,585	2,952	2,906	98%	2,910	2,910
446.000	R & M Services	15,953	8,436	12,000	6,457	54%	10,000	10,000
446.100	R & M - Auto	3,398	3,581	3,000	2,373	79%	2,000	2,000
446.120	R & M - Copier	2,203	4,009	3,000	1,874	62%	3,000	3,000
446.130	R & M - Dock	-	-	20,000	-	0%	30,000	30,000
448.000	Promotional Activities	16,125	14,651	15,000	19,523	130%	18,000	18,000
451.000	Office Supplies	223	201	500	186	37%	500	500
452.100	Summer Recreation Expense	8,013	10,043	7,000	9,771	140%	9,000	9,000
452.200	Operating Supplies	17,809	11,645	15,000	2,535	17%	12,000	12,000
452.700	Fuel	8,851	9,064	9,000	3,817	42%	8,000	8,000
452.800	Diesel	432	456	500	230	46%	500	500
452.940	Uniforms & Shoes	1,822	1,672	1,000	1,702	170%	1,000	1,000
454.000	Subscriptions & Memberships	-	-	-	-	0%	-	-
464.100	Capital - Project	31,133	18,873	8,000	8,100	101%	30,000	-
464.200	Capital - Purchases	20,448	-	30,000	31,007	103%	25,000	-
464.300	Capital - Master Plan (ASGD)	-	-	-	-	0%	50,000	50,000
<b>TOTAL PARKS</b>		<b>315,998</b>	<b>286,123</b>	<b>356,664</b>	<b>284,767</b>	<b>80%</b>	<b>454,330</b>	<b>410,068</b>
<b>001.572- MACKAY PRESERVE</b>								
441.000	Communications	600	456	600	450	75%	600	600
443.200	Electric	6,503	6,745	6,000	4,781	80%	6,500	6,500
445.000	Property & Liability	5,300	5,758	6,576	6,552	100%	6,550	6,550
446.000	R & M Services	6,107	5,976	6,000	2,241	37%	6,000	6,000
449.000	Contractual Maint Services	1,800	3,700	4,500	4,000	89%	6,000	6,000
452.000	Operating Supplies	3,683	6,318	4,000	2,986	75%	4,000	4,000
464.100	Capital - Improvements (ASGD)	-	-	30,000	62,642	209%	25,000	30,000
<b>TOTAL MACKAY PRESERVE</b>		<b>23,993</b>	<b>28,953</b>	<b>57,676</b>	<b>83,652</b>	<b>145%</b>	<b>54,650</b>	<b>59,650</b>

City of Lake Alfred  
GENERAL FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JULY - EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
001.571- LIBRARY								
413.000	Salaries & Wages	70,637	73,655	80,597	68,035	84%	90,723	91,176
421.000	FICA Expense	5,404	5,635	6,166	5,199	84%	6,940	6,975
422.000	Retirement	5,426	5,022	4,485	4,559	102%	4,575	4,575
423.000	Life & Health Insurance	4,778	5,492	5,629	4,692	83%	5,681	5,965
424.000	Workers Comp Insurance	2,145	449	180	414	230%	415	415
431.500	Employee Exams	126	204	200	-	0%	200	200
440.300	Training & Travel	-	10	500	99	20%	500	500
441.000	Communications	2,073	3,397	5,480	3,076	56%	3,500	3,500
443.200	Electric	6,782	7,500	7,000	7,234	103%	9,000	9,000
445.000	Property & Liability	1,851	1,253	1,428	1,531	107%	1,550	1,550
446.000	R & M Services	2,055	-	500	1,578	316%	2,000	2,000
446.120	R & M - Copier	3,042	2,039	3,000	2,064	69%	3,000	3,000
446.438	R & M - Software	944	917	1,500	788	53%	1,500	1,500
446.660	R & M - Books	15,726	12,063	15,000	12,372	82%	12,000	12,000
451.000	Office Supplies	503	1,067	1,000	1,485	149%	1,500	1,500
452.000	Operating Supplies	2,314	1,754	3,000	1,499	50%	2,000	2,000
452.160	Youth Programs	2,069	2,265	2,000	2,631	132%	3,000	3,000
454.000	Subscriptions & Memberships	1,304	1,883	1,000	1,411	141%	2,000	2,000
464.100	Capital - Projects	-	-	-	-	0%	-	-
464.200	Capital - Purchases	-	4,640	-	-	0%	-	-
TOTAL LIBRARY		127,179	129,245	138,665	118,667	86%	150,084	150,856
TOTAL GEN FUND EXP.		4,389,597	4,458,798	4,210,908	3,407,638	81%	4,931,491	4,576,049

City of Lake Alfred  
ENTERPRISE FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JUNE-EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
<b>REVENUES</b>								
401.000- UTILITY BILLING RECEIPTS								
343.302	Water Revenue	592,180	622,068	610,000	537,453	88%	640,000	659,200
343.303	Water Billing Adj.	(1,932)	(2,530)	-	(5,299)	0%	-	-
343.308	Temp Water Service	1,950	3,100	2,000	1,950	98%	2,500	2,500
343.305	Irrigation	121,969	149,210	130,000	143,656	111%	160,000	164,800
343.500	Sewer Revenue	1,213,240	1,263,105	1,250,000	1,112,693	89%	1,325,000	1,364,750
343.503	Sewer Adjustment	(749)	(575)	-	(967)	0%	-	-
343.550	Tap Fees	5,700	13,950	8,000	9,900	124%	8,000	8,000
343.304	Turn On Fee	20,955	26,795	22,000	18,475	84%	24,000	24,000
365.000	Scrap Metal	423	725	2,000	421	21%	1,000	1,000
369.000	Non Payment Fees	34,209	37,560	35,000	23,665	68%	30,000	30,000
369.200	Miscellaneous	1,632	-	-	-	0%	-	-
343.314	Water Meter Fee	38,625	100,500	40,000	67,500	169%	70,000	70,000
343.310	NSF Check Fee	1,620	840	1,500	900	60%	1,500	1,500
343.306	Late Fees	50,387	51,240	51,000	39,793	78%	50,000	50,000
343.312	Turn Off Fee	15,730	18,610	16,000	15,785	99%	18,000	18,000
343.317	Service Work Orders	932	645	500	2,035	407%	1,000	1,000
343.311	Write Off Accounts Collect	2,773	2,625	2,000	2,645	132%	2,500	2,500
361.000	Interest - Bank	9,217	20,098	15,000	22,413	149%	25,000	25,000
361.100	Interest on Investments	1,198	610	-	-	0%	-	-
384.100	Wastewater Reserve	-	-	-	-	0%	30,000	-
384.200	Water Impact Fees	-	98,470	-	-	0%	-	-
384.300	Wastewater Fees	-	91,913	-	-	0%	-	-
349.110	Cash Over/Short	-	205	-	75	0%	-	-
TOTAL UTILITY REVENUES		2,110,059	2,499,164	2,185,000	1,993,093	91%	2,388,500	2,422,250
401.000- STORMWATER								
343.900	Stormwater	54,964	56,910	55,000	49,692	90%	58,000	58,000
381.538	Storm Water Reserve	-	20,353	-	-	0%	-	-
TOTAL STORMWATER		54,964	77,263	55,000	49,692	90%	58,000	58,000
TOTAL OPERATING RECEIPTS		2,165,023	2,576,427	2,240,000	2,042,785	91%	2,446,500	2,480,250

City of Lake Alfred  
ENTERPRISE FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JUNE-EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
<b><u>EXPENDITURES</u></b>								
401.538- STORMWATER								
431.300	Engineering - Master Plan	10,458	51,748	10,000	2,375	24%	10,000	10,000
434.000	Contractual Services (NPD)	1,917	750	1,000	2,673	267%	1,500	1,500
440.300	Training & Travel	452	399	500	25	5%	500	500
443.200	Electric	-	-	160	-	0%	160	160
446.000	R & M Services	4,040	1,200	4,000	6,389	160%	4,000	4,000
446.200	Street Sweeping Contract	9,737	11,533	10,000	10,186	102%	10,000	10,000
452.000	Operating Supplies	237	503	500	372	74%	500	500
452.940	Subscriptions & Members	400	-	700	-	0%	700	700
458.903	Cost Allocation	11,130	11,130	11,130	9,275	83%	25,000	25,000
999.000	Contingency			14,110	-	0%	5,640	5,640
464.200	Capital - Vehicle & Equip	21,426		-	-	0%	-	-
TOTAL STORMWATER		59,797	77,263	52,100	31,295	60%	58,000	58,000
401.000- DEBT SERVICE								
517.716	Loan F-EF Refinanced Bridge	238,443	238,445	238,445	238,443	100%	238,445	238,445
517.719	Wastewater Loan 719090	315,646	315,645	315,645	315,646	100%	315,645	315,645
TOTAL DEBT SERVICE		554,089	554,090	554,090	554,089	100%	554,090	554,090

City of Lake Alfred  
ENTERPRISE FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JUNE-EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
401.536- SERVICE								
412.000	Salaries & Wages	238,428	237,627	255,147	227,631	89%	274,525	307,424
414.000	Overtime Pay	1,258	4,238	6,000	4,232	71%	6,000	6,000
421.000	FICA Expense	18,295	18,414	19,978	17,483	88%	21,460	23,977
422.000	Retirement	41,873	38,021	35,900	36,495	102%	41,175	41,175
423.000	Life & Health Insurance	38,254	42,206	47,716	37,557	79%	51,126	53,682
424.000	Workers Comp Insurance	7,195	3,581	5,295	4,478	85%	6,480	6,480
425.000	Unemployment Comp	-	1,917	-	29	0%	-	-
431.300	Engineering	2,494	400	5,000	2,738	55%	5,000	5,000
431.500	Employee Exams	416	161	500	246	49%	500	500
440.300	Training & Travel	719	460	1,000	310	31%	1,000	1,000
441.000	Communications	22,057	23,320	22,000	19,865	90%	23,000	23,000
441.100	Cell Phone	1,902	1,683	1,800	838	47%	1,800	1,800
443.200	Electric	2,302	1,830	2,500	1,214	49%	2,000	2,000
446.100	R & M - Auto	5,299	11,428	10,000	8,788	88%	10,000	10,000
446.120	R & M - Copier	1,352	1,030	1,400	1,831	131%	2,500	2,500
446.348	Annual Software Maint.	3,450	2,550	3,500	3,622	103%	3,500	3,500
446.350	R & M - Water Lines	28,187	24,340	22,000	16,425	75%	23,000	23,000
446.360	R & M - Fire Hydrants	-	918	1,000	2,984	298%	5,000	5,000
446.370	R & M - Lift Stations	50,122	39,792	70,000	41,625	59%	70,000	70,000
446.380	R & M - Sewer Lines	5,190	15,181	10,000	6,046	60%	10,000	10,000
446.390	Subcapital - Equipment	-	-	5,000	-	0%	5,000	5,000
452.000	Operating Supplies	7,405	4,874	5,000	3,367	67%	5,000	5,000
452.700	Fuel	20,362	18,819	20,000	12,911	65%	18,000	18,000
452.800	Diesel	1,304	936	1,500	709	47%	1,500	1,500
452.900	Meter & Fittings - New	39,598	96,270	30,000	64,231	214%	50,000	50,000
452.940	Uniforms & Shoes	4,026	4,785	3,000	4,587	153%	4,000	4,000
536.910	Interfund Transfer - General	-	330,515	222,969	276,975	124%	250,000	250,000
533.910	Cost Allocation - General	-	-	124,149	-	0%	151,455	148,989
536.999	Contingency	-	-	8,022	-	0%	7,763	38,716
464.100	Capital - Project	-	183,826	-	-	0%	-	-
464.200	Capital - Vehicle & Equip	4,999	86,118	25,000	33,510	134%	25,000	-
TOTAL SERVICE		546,487	1,195,240	965,376	861,152	89%	1,075,784	1,117,243

City of Lake Alfred  
ENTERPRISE FUND  
FY 2016-2017

83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JUNE-EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
401.533- WATER OPERATIONS								
412.000	Salaries & Wages	11,051	13,101	10,377	8,710	84%	5,000	5,000
421.000	FICA Expense	765	922	794	626	79%	383	383
424.000	Workers Comp Insurance	-	1,453	1,290	1,561	121%	1,580	1,580
431.300	Engineering	5,922	5,753	10,000	2,400	24%	10,000	10,000
434.000	Contractual Services	9,439	9,911	5,000	2,202	44%	5,000	5,000
434.100	Engineering- Water Monitor	15,500	7,000	14,000	11,210	80%	15,000	15,000
440.100	Land Leases	1,701	3,178	2,000	2,341	117%	3,000	3,000
440.300	Training & Travel	420	1,115	1,000	526	53%	1,000	1,000
443.200	Electric	40,074	41,988	40,000	31,807	80%	42,000	42,000
445.000	Property & Liability	8,207	7,378	8,424	8,474	101%	8,480	8,480
446.000	R & M Services	20,579	36,411	25,000	15,505	62%	25,000	25,000
446.200	R & M - Water Tower	-	-	500	-	0%	500	500
452.000	Operating Supplies	355	384	1,500	1,578	105%	1,500	1,500
452.600	Chemicals	45,585	48,937	45,000	38,066	85%	46,000	46,000
454.000	Subscriptions & Membership	560	560	600	560	93%	2,000	2,000
463.800	Water Imp. - Impact	6,402	6,557	-	5,250	0%	-	-
464.100	Capital - Project	-	-	-	-	0%	60,000	-
464.200	Capital - Vehicle & Equip	-	-	60,000	60,404	101%	-	-
TOTAL WATER OPS		166,560	184,648	225,485	191,220	85%	226,443	166,443

City of Lake Alfred  
ENTERPRISE FUND  
FY 2016-2017

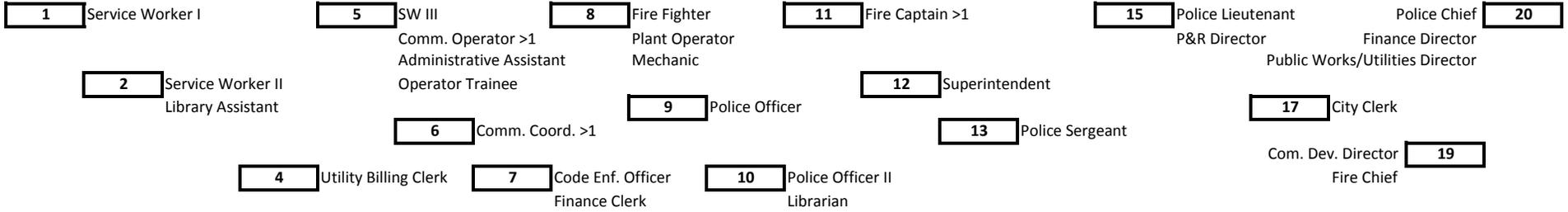
83.33% Complete

ACCT. #	ACCOUNT DESCRIPTION	FY 13/14 ACTUAL	FY 14/15 ACTUAL	FY 15/16 BUDGET	2016 JUNE-EXP	EXP %	FY 16/17 PROP.	FY 17/18 PLANNED
401.535- WASTE WATER OPERATIONS								
412.000	Salaries & Wages	86,972	88,349	91,159	81,355	89%	122,797	96,265
414.000	Overtime Pay	1,711	2,503	4,000	1,322	33%	4,000	4,000
421.000	FICA Expense	6,655	6,851	7,280	6,332	87%	9,700	7,670
422.000	Retirement	15,515	14,001	13,460	13,683	102%	13,725	13,725
423.000	Life & Health Insurance	14,467	16,466	17,894	14,059	79%	17,042	17,894
424.000	Workers Comp Insurance	2,528	1,858	2,379	2,283	96%	2,400	2,400
431.300	Engineering	14,758	30,621	15,000	2,999	20%	10,000	15,000
431.500	Employee Exams	56	42	300	-	0%	300	300
434.100	Contractual Services	-	-	500	-	0%	500	500
434.500	Sampling of Wells	10,983	15,513	12,000	8,520	71%	12,000	12,000
434.510	Sludge Hauling	5,480	20,757	8,000	31,471	393%	30,000	20,000
440.300	Training & Travel	110	1,051	1,000	14	1%	1,000	1,000
441.000	Communications	7,447	6,540	8,000	4,968	62%	8,000	8,000
441.100	Cell Phone	269	457	600	581	97%	600	600
443.200	Electric	92,148	86,996	87,000	66,794	77%	87,000	87,000
445.000	Property & Liability	32,698	29,374	33,528	33,365	100%	33,370	33,370
446.000	R & M Services	66,177	60,095	40,000	58,965	147%	70,000	70,000
446.100	R & M - Auto	500	405	1,000	360	36%	1,000	1,000
452.000	Operating Supplies	1,983	2,212	2,500	1,749	70%	2,500	2,500
452.600	Chemicals	90,563	105,472	90,000	75,091	83%	60,000	60,000
452.700	Fuel	694	579	500	453	91%	500	500
452.940	Uniforms & Shoes	385	60	750	300	40%	750	750
464.100	Capital - Project	-	-	-	85,151	0%	30,000	130,000
464.200	Capital - Vehicle & Equip	21,620	35,880	-	-	0%	15,000	-
TOTAL WASTE WATER		473,719	526,082	436,850	489,815	112%	532,184	584,474
TOTAL EXPENDITURES		1,800,652	2,537,323	2,233,900	2,127,571	95%	2,446,500	2,480,250

**City of Lake Alfred - Salary Schedule**  
**FY 2016 / 2017**

COLA: 2.00%

Step (2%)	Grade (6%)																			
	9.88	10.47	11.10	11.76	12.47	13.22	14.01	14.85	15.74	16.69	17.69	18.75	19.88	21.07	22.33	23.67	25.09	26.60	28.19	29.89
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Base	20,545	21,778	23,085	24,470	25,938	27,494	29,144	30,893	32,746	34,711	36,794	39,001	41,341	43,822	46,451	49,238	52,192	55,324	58,643	62,162
(1y)1	20,956	22,214	23,546	24,959	26,457	28,044	29,727	31,510	33,401	35,405	37,529	39,781	42,168	44,698	47,380	50,223	53,236	56,430	59,816	63,405
(2y)2	21,375	22,658	24,017	25,458	26,986	28,605	30,321	32,141	34,069	36,113	38,280	40,577	43,011	45,592	48,328	51,227	54,301	57,559	61,013	64,673
(4y)3	21,803	23,111	24,498	25,968	27,526	29,177	30,928	32,783	34,750	36,835	39,046	41,388	43,872	46,504	49,294	52,252	55,387	58,710	62,233	65,967
(6y)4	22,239	23,573	24,988	26,487	28,076	29,761	31,546	33,439	35,445	37,572	39,827	42,216	44,749	47,434	50,280	53,297	56,495	59,884	63,477	67,286
(8y)5	22,684	24,045	25,487	27,017	28,638	30,356	32,177	34,108	36,154	38,324	40,623	43,060	45,644	48,383	51,286	54,363	57,625	61,082	64,747	68,632
(10y)6	23,137	24,526	25,997	27,557	29,210	30,963	32,821	34,790	36,877	39,090	41,436	43,922	46,557	49,350	52,311	55,450	58,777	62,304	66,042	70,004
7	23,600	25,016	26,517	28,108	29,795	31,582	33,477	35,486	37,615	39,872	42,264	44,800	47,488	50,337	53,358	56,559	59,953	63,550	67,363	71,404
8	24,072	25,516	27,047	28,670	30,390	32,214	34,147	36,196	38,367	40,669	43,109	45,696	48,438	51,344	54,425	57,690	61,152	64,821	68,710	72,833



**City of Lake Alfred Payroll  
Fiscal Year 2016/2017**

COLA: 2.00%

Position	DOH	Yrs.	Gr.	St.	POSITION STARTING SALARY	STEP ADJ BASE SALARY	Adjustment	Holiday	Education	Longevity
<b>City Commission**</b>										
Mayor					6,000	6,000				
Vice Mayor					5,000	5,000				
Commissioner					5,000	5,000				
Commissioner					5,000	5,000				
Commissioner					5,000	5,000				

**City Administration**

City Manager	3/5/2012	5	-	3	94,677	102,482		1%	M	2.75%
City Clerk	2/9/2015	2	17	2	52,192	57,559	2 Yr + CMC	1%	M	0.75%

**Finance Department**

Finance Director	1/11/2005	12	20	6	62,162	70,004		1%	B	3.25%
Finance Clerk	5/3/2010	7	6	4	27,494	29,761		300		0.75%

93,243

**Police Department**

Police Chief	10/12/1987	29	20	6	62,162	70,004		1%		7.50%
Police Lieutenant	3/9/1988	29	15	6	46,451	52,311		1%		6.25%
Police Sergeant	7/24/1995	22	13	6	41,341	46,557		1%		4.50%
Police Officer II	9/1/2004	13	10	6	34,711	39,090		1%		2.25%
Police Officer II	2/8/2016	1	10	1	34,711	35,405	1 Yr Step	1%		
Police Officer II	8/30/2010	7	10	4	34,711	37,572		1%		0.75%
Police Officer	12/14/2015	1	9	1	32,746	33,401	1 Yr Step	1%		
Police Officer	4/25/2016	1	9	1	32,746	33,401	1 Yr Step	1%		
Police Officer	10/1/2016		9	B	32,746	32,746		1%		
Police Officer	10/1/2016		9	B	32,746	32,746		1%		
Police Officer (SRO)	10/1/2016		9	B	32,746	32,746		1%		
Comm. Coord.	5/30/2007	10	6	6 >1	28,044	31,582	10 Yr Step	1%		1.50%
Comm. Operator	8/9/2006	11	5	6 >1	26,457	29,795		300		1.75%
Comm. Operator	8/31/2009	8	5	5 >1	26,457	29,210	8 Year Step	300		1.00%
Comm. Operator	8/16/2010	7	5	4 >1	26,457	28,638		300		0.75%
Comm. Operator	10/17/2011	5	5	3 >1	26,457	28,076		300		0.25%

**Fire Department**

Fire Chief	1/2/2007	10	19	6	58,643	66,042	10 Yr Step	1%		3.50%
Fire Capt/EMT*	11/12/1997	19	11	6 >1	37,529	43,050		1%		3.75%
Fire Capt/EMT	9/4/2004	13	11	6 >1	37,529	42,264		1%		2.25%
Fire Capt/EMT	4/18/2005	12	11	6 >1	37,529	42,264		1%		3.25%
FF/EMT	1/24/2010	7	8	4	30,893	33,439		1%		0.75%
FF/EMT	4/28/2012	5	8	3	30,893	32,783		1%	A	0.25%
FF/EMT	12/1/2006	10	8	6	30,893	34,790	10 Yr Step	1%		1.50%
FF/EMT (PTR)			-		30,000	-				

**City of Lake Alfred Payroll  
Fiscal Year 2016/2017**

COLA: 2.00%

Position	DOH	Yrs.	Gr.	St.	POSITION STARTING SALARY	STEP ADJ BASE SALARY	Adjustment	Holiday	Education	Longevity
<b>Community Development</b>										
Director	10/1/2007	9	19	5	58,643	64,747		1%	A	4.00%
Building Official (P/T)	2/18/2008	9	-	5	24,600	27,160		1%		1.25%
Code Officer (P/T)	10/1/2016		7	B	14,572	14,572		300		
Admin Assistant	10/14/2013	3	5	2	25,938	26,986		300		0.25%
<b>PW Administration</b>										
Superintendent	11/4/2009	7	12	4	39,001	42,216		1%		0.75%
<b>Sanitation &amp; Refuse</b>										
Svc Wkr III*	7/8/2000	17	5	6	25,938	30,920		1%		3.25%
Svc Wkr III	3/11/2013	4	5	3	25,938	27,526	4 Yr Step	300		
Svc Wkr III	9/2/2014	3	5	2	25,938	26,986		300		
<b>Roads &amp; Streets Maintenance</b>										
Svc Wkr III	9/2/2014	3	5	2	25,938	26,986		300		
Svc Wkr II	4/26/2005	12	2	6	21,778	24,526		300		2.00%
Svc Wkr II	4/18/2016	1	2	1	21,778	22,214	1 Yr Step	300		
Svc Wkr II	1/11/2016	1	2	1	21,778	22,214	1 Yr Step	300		
<b>Central Garage &amp; Motor Pool</b>										
Mechanic	9/24/2014	3	8	2	30,893	32,141		1%		
<b>Parks &amp; Recreation</b>										
Director	9/16/2014	3	15	2	46,451	48,328		1%	B	1.00%
Svc Wkr III	5/13/2013	4	8	3	25,938	27,526	4 Yr Step	300		
Svc Wkr II	7/21/2014	3	2	2	21,778	22,658		300		
Svc Wkr II	9/6/2016	1	2	1	21,778	22,214	1 Yr Step	300		
Admin. Assistant	10/22/2012	4	5	3	25,938	27,526	4 Yr Step	300		
Extra Help (PTR)			n/a		10,000	10,000				
<b>Library</b>										
Librarian	10/1/2010	6	10	4	34,711	37,572	6 Yr Step	1%	M	1.50%
Asst Librarian (P/T)	11/12/2010	6	2	4 M	15,245	16,831	6 Yr Step	1%	A	1.00%
Asst Librarian (P/T)	7/13/2015	2	2	2	15,245	15,861	2 Yr Step	1%		
Asst Librarian (P/T)	1/6/2014	3	2	2	15,245	15,861		1%		

**City of Lake Alfred Payroll  
Fiscal Year 2016/2017**

COLA: 2.00%

Position	DOH	Yrs.	Gr.	St.	POSITION STARTING SALARY	STEP ADJ BASE SALARY	Adjustment	Holiday	Education	Longevity
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**Enterprise Operations**

**Service Operations**

Director	5/7/2001	16	20	6	62,162	70,004		1%		4.25%
Admin Assistant	10/30/2006	10	5 ^1	6	25,938	30,963	10 Yr Step	1%		1.50%
Superintendent	4/5/2010	7	12	4	39,001	42,216		1%		1.75%
UB Clerk	7/20/2011	6	4	4	24,470	26,487	6 Yr Step	300		0.50%
UB Clerk	1/6/2016	1	4	1	24,470	24,959	1 Yr Step	300		
Svc Wkr III	11/15/2010	6	5	4	25,938	28,076	6 Yr Step	300		0.50%
Svc Wkr II	2/9/2015	2	2	2	21,778	22,658	2 Yr Step	300		
Svc Wkr II	10/1/2016		2	B	21,778	21,778		300		

**Water Operations**

Plant Oper. (PTR)			n/a		5,000	5,000				
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**Wastewater Operations**

Plant Operator	8/3/2009	8	8	5 ^1	30,893	34,790	8 Year Step	1%		2.00%
Plant Operator	6/3/2013	4	8	3	30,893	32,783	4 Yr Step	1%		1.00%
Operator Trainee	2/17/2014	3	5	2	25,938	26,986		300		
Operator Trainee	10/1/2016		5	B	25,938	25,938		300		

P/T - Regular Part Time

PTR - Part Time, Temporary, Reserve

M - Master (6%)

B - Bachelor (4%)

A - Associate (2%)

\* Outside of Payscale

\*\* Changes will not take effect until new terms begin in 2017

^ Assignment Pay

> Phase in Grade Increase

	FY 16/17	FICA Exp.	Education	Holiday	Longevity
	\$ 2,151,599	\$ 175,022	\$ 18,222	23,089	\$ 37,701

2,287,874

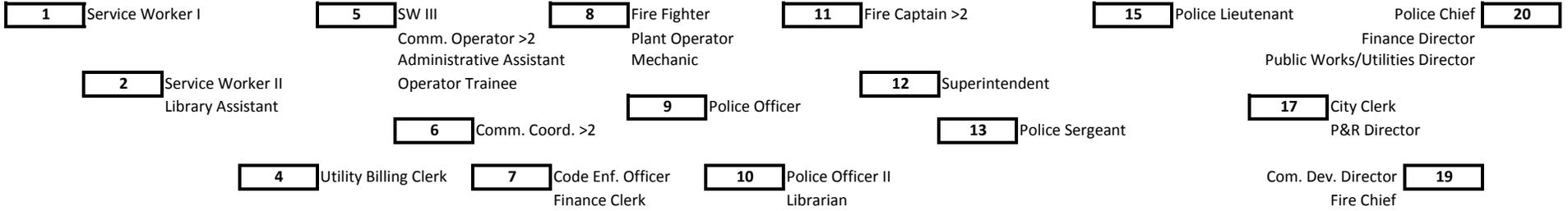
175,022

\$ 2,462,896

**City of Lake Alfred - Salary Schedule**  
FY 2017 / 2018

COLA: 0.00%

Step (2%)	Grade (6%)																			
	9.88	10.47	11.10	11.76	12.47	13.22	14.01	14.85	15.74	16.69	17.69	18.75	19.88	21.07	22.33	23.67	25.09	26.60	28.19	29.89
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Base	20,545	21,778	23,085	24,470	25,938	27,494	29,144	30,893	32,746	34,711	36,794	39,001	41,341	43,822	46,451	49,238	52,192	55,324	58,643	62,162
(1y)1	20,956	22,214	23,546	24,959	26,457	28,044	29,727	31,510	33,401	35,405	37,529	39,781	42,168	44,698	47,380	50,223	53,236	56,430	59,816	63,405
(2y)2	21,375	22,658	24,017	25,458	26,986	28,605	30,321	32,141	34,069	36,113	38,280	40,577	43,011	45,592	48,328	51,227	54,301	57,559	61,013	64,673
(4y)3	21,803	23,111	24,498	25,968	27,526	29,177	30,928	32,783	34,750	36,835	39,046	41,388	43,872	46,504	49,294	52,252	55,387	58,710	62,233	65,967
(6y)4	22,239	23,573	24,988	26,487	28,076	29,761	31,546	33,439	35,445	37,572	39,827	42,216	44,749	47,434	50,280	53,297	56,495	59,884	63,477	67,286
(8y)5	22,684	24,045	25,487	27,017	28,638	30,356	32,177	34,108	36,154	38,324	40,623	43,060	45,644	48,383	51,286	54,363	57,625	61,082	64,747	68,632
(10y)6	23,137	24,526	25,997	27,557	29,210	30,963	32,821	34,790	36,877	39,090	41,436	43,922	46,557	49,350	52,311	55,450	58,777	62,304	66,042	70,004
7	23,600	25,016	26,517	28,108	29,795	31,582	33,477	35,486	37,615	39,872	42,264	44,800	47,488	50,337	53,358	56,559	59,953	63,550	67,363	71,404
8	24,072	25,516	27,047	28,670	30,390	32,214	34,147	36,196	38,367	40,669	43,109	45,696	48,438	51,344	54,425	57,690	61,152	64,821	68,710	72,833



**City of Lake Alfred Payroll  
Fiscal Year 2017/2018**

COLA:

Position	DOH	Yrs.	Gr.	St.	POSITION STARTING SALARY	STEP ADJ BASE SALARY	Adjustment	Holiday	Education	Longevity
<b>City Commission**</b>										
Mayor					6,000	6,000		300		
Vice Mayor					5,000	5,000		300		
Commissioner					5,000	5,000		300		
Commissioner					2,400	5,000		300		
Commissioner					2,400	5,000		300		
<b>City Administration</b>										
City Manager	3/5/2012	6	-	4 ^1	94,677	104,532	6 Yr Step	1%	M	3.25%
City Clerk	2/9/2015	3	17 ^1	2	52,192	57,559	2 Yr + CMC	1%	M	1.00%
<b>Finance Department</b>										
Finance Director	1/11/2005	13	20	6	62,162	70,004		1%	B	3.50%
Finance Clerk	5/3/2010	8	6	5	27,494	30,356	8 Year Step	1%		1.00%
<b>Police Department</b>										
Police Chief	10/12/1987	30	20	6	62,162	70,004		1%		7.75%
Police Lieutenant	3/9/1988	30	15	6	46,451	52,311		1%		6.50%
Police Sergeant	7/24/1995	23	13	6	41,341	46,557		1%		4.75%
Police Officer II	9/1/2004	14	10	6	34,711	39,090		1%		2.50%
Police Officer II	2/8/2016	2	9	2	34,711	36,113	2 Yr Step	1%		
Police Officer II	8/30/2010	8	9	5	34,711	38,324	8 Year Step	1%		1.00%
Police Officer	12/14/2015	2	10	2	32,746	34,069	2 Yr Step	1%		
Police Officer	4/25/2016	2	9	2	32,746	34,069	2 Yr Step	1%		
Police Officer	4/25/2016	2	9	2	32,746	34,069	2 Yr Step	1%		
Police Officer	10/1/2016	1	9	1	32,746	33,401	1 Yr Step	1%		
Police Officer	10/1/2016	1	9	1	32,746	33,401	1 Yr Step	1%		
Comm. Coord.	5/30/2007	11	6	6 >2	26,986	30,390		1%		1.75%
Comm. Operator	8/9/2006	12	5	6 >2	26,986	30,390		1%		2.00%
Comm. Operator	8/31/2009	9	5	5 >2	26,986	29,795		300		1.25%
Comm. Operator	8/16/2010	8	5	5 >2	26,986	29,795	8 Year Step	300		1.00%
Comm. Operator	10/17/2011	6	5	4 >2	26,986	29,210	6 Yr Step	300		0.50%
<b>Fire Department</b>										
Fire Chief	1/2/2007	11	19	6	58,643	66,042		1%		3.75%
Fire Capt/EMT*	11/12/1997	20	11	6 >2	38,280	43,109		1%		4.00%
Fire Capt/EMT	9/4/2004	14	11	6 >2	38,280	43,109		1%		2.50%
Fire Capt/EMT	4/18/2005	13	11	6 >2	38,280	43,109		1%		3.50%
FF/EMT	1/24/2010	8	8	5	30,893	34,108	8 Year Step	1%		1.00%
FF/EMT	4/28/2012	6	8	4	30,893	33,439	6 Yr Step	1%	A	0.50%
FF/EMT	12/1/2006	11	8	6	30,893	34,790		1%		1.75%
FF/EMT (PTR)			-		30,000	-				

**City of Lake Alfred Payroll  
Fiscal Year 2017/2018**

COLA:

Position	DOH	Yrs.	Gr.	St.	POSITION STARTING SALARY	STEP ADJ BASE SALARY	Adjustment	Holiday	Education	Longevity
<b>Community Development</b>										
Director	10/1/2007	10	18	6	58,643	66,042	10 Yr Step	1%	A	4.25%
Building Official (P/T)	2/18/2008	10	-	6	24,600	27,704	10 Yr Step	1%		1.50%
Code Officer (P/T)	10/1/2016	1	6	1	13,747	14,022	1 Yr Step	300		
Admin Assistant	10/14/2013	4	5	3	25,938	27,526	4 Yr Step	300		0.50%
<b>PW Administration</b>										
Superintendent	11/4/2009	8	12	5	39,001	43,060	8 Year Step	1%		1.00%
<b>Sanitation &amp; Refuse</b>										
Svc Wkr III*	7/8/2000	18	5	6	25,938	30,920		1%		3.50%
Svc Wkr III	3/11/2013	5	5	3	25,938	27,526		300		0.25%
Svc Wkr III	9/2/2014	5	2	3	25,938	27,526		300		
<b>Roads &amp; Streets Maintenance</b>										
Svc Wkr III	9/2/2014	4	5	3	25,938	27,526	4 Yr Step	300		
Svc Wkr II	4/26/2005	13	2	6	21,778	24,526		300		2.25%
Svc Wkr II	9/2/2014	4	2	3	21,778	23,111	4 Yr Step	300		
Svc Wkr II	4/18/2016	2	2	2	21,778	22,658	2 Yr Step	300		
<b>Central Garage &amp; Motor Pool</b>										
Mechanic	9/24/2014	4	8	3	30,893	32,783	4 Yr Step	1%		
<b>Parks &amp; Recreation</b>										
Director	9/16/2014	4	17	3	52,192	55,387	4 Yr Step	1%	B	1.25%
Svc Wkr III	5/13/2013	5	8	3	25,938	27,526		300		0.25%
Svc Wkr II	7/21/2014	4	2	3	21,778	23,111	4 Yr Step	300		
Svc Wkr II	4/11/2016	2	2	2	21,778	22,658	2 Yr Step	300		
Admin. Assistant	10/22/2012	5	5	3	25,938	27,526		300		0.25%
Extra Help (PTR)			n/a		10,000	10,000				
<b>Library</b>										
Librarian	10/1/2010	7	10	4	34,711	37,572		1%	M	1.75%
Asst Librarian (P/T)	11/12/2010	7	2	4 M	15,245	16,831		1%	A	1.25%
Asst Librarian (P/T)	7/13/2015	3	2	2	15,245	15,861		1%		
Asst Librarian (P/T)	1/6/2014	4	2	3	15,245	16,178	4 Yr Step	1%		

**City of Lake Alfred Payroll  
Fiscal Year 2017/2018**

COLA:

Position	DOH	Yrs.	Gr.	St.	POSITION STARTING SALARY	STEP ADJ BASE SALARY	Adjustment	Holiday	Education	Longevity
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**Enterprise Operations**

**Service Operations**

Director	5/7/2001	17	20	6	62,162	70,004		1%		4.50%
Admin Assistant	10/30/2006	11	5	6 <sup>^1</sup>	25,938	30,963		1%		1.75%
Superintendent	4/5/2010	8	11	5	36,794	40,623	8 Year Step	1%		2.00%
UB Clerk	1/6/2016	2	4	2	24,470	25,458	2 Yr Step	300		
UB Clerk	7/20/2011	7	4	4	24,470	26,487		300		0.75%
Svc Wkr III	11/15/2010	7	5	4	25,938	28,076		300		0.75%
Svc Wkr II	2/9/2015	3	2	2	21,778	22,658		300		
Svc Wkr II	10/1/2016	1	2	1	21,778	22,214	1 Yr Step	300		

**Water Operations**

Plant Oper. (PTR)			n/a		5,000	5,000				
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**Wastewater Operations**

Plant Operator	8/3/2009	9	9	5	30,893	34,790		1%		2.25%
Plant Operator	6/3/2013	5	8	3	30,893	32,783		1%		1.25%
Operator Trainee	2/17/2014	4	5	3	25,938	32,783	4 Yr Step	1%		
Operator Trainee	10/1/2016	1	5	1	25,938	26,457	1 Yr Step	300		0.25%

P/T - Regular Part Time

PTR - Part Time, Temporary, Reserve

M - Master (6%)

B - Bachelor (4%)

A - Associate (2%)

\* Outside of Payscale

\*\* Changes will not take effect until new terms begin in 2017

^ Assignment Pay

> Phase in Grade Increase

	FY 17/18	FICA Exp.	Education	Holiday	Longevity
	\$ 2,177,635	\$ 178,075	\$ 19,990	24,801	\$ 42,349

2,327,773

178,075

\$ 2,505,847



2016 Pay Study Position	STARTING	LLM	LLM %	Comp.	Overall	Overall %
	SALARY			Sample		
	15/16	Sample		Sample	Comp %	
Mechanic	\$ 30,287	\$36,791	82%	\$36,705	83%	\$36,725 83%
Public Works Director	\$ 60,943	\$86,679	70%	\$68,389	89%	\$72,692 84%
FF/EMT	\$ 30,287	\$38,569	79%	\$34,329	88%	\$35,541 85%
FF/EMT	\$ 30,287	\$38,569	79%	\$34,329	88%	\$35,541 85%
FF/EMT	\$ 30,287	\$38,569	79%	\$34,329	88%	\$35,541 85%
Asst Librarian (P/T)	\$ 21,351	\$31,185	68%	\$20,800	103%	\$29,108 86%
Asst Librarian (P/T)	\$ 21,351	\$31,185	68%	\$20,800	103%	\$29,108 86%
Asst Librarian (P/T)	\$ 21,351	\$31,185	68%	\$20,800	103%	\$29,108 86%
City Clerk	\$ 51,169	\$67,739	76%	\$56,407	91%	\$59,429 86%
Police Officer	\$ 32,104	\$40,613	79%	\$36,119	89%	\$37,243 86%
Police Officer	\$ 32,104	\$40,613	79%	\$36,119	89%	\$37,243 86%
Police Officer	\$ 32,104	\$40,613	79%	\$36,119	89%	\$37,243 86%
Police Officer	\$ 32,104	\$40,613	79%	\$36,119	89%	\$37,243 86%
Police Officer (SRO)	\$ 32,104	\$40,613	79%	\$36,119	89%	\$37,243 86%
UB Clerk	\$ 23,990	\$30,169	80%	\$25,826	93%	\$27,563 87%
UB Clerk	\$ 23,990	\$30,169	80%	\$25,826	93%	\$27,563 87%
Police Lieutenant	\$ 45,540	\$60,488	75%	\$48,816	93%	\$51,734 88%
Police Officer II	\$ 34,030	\$40,613	84%	\$36,119	94%	\$37,243 91%
Police Officer II	\$ 34,030	\$40,613	84%	\$36,119	94%	\$37,243 91%
Police Officer II	\$ 34,030	\$40,613	84%	\$36,119	94%	\$37,243 91%

**Employee Market Gap Compensation Plan**

**80% Base Starting Salary Goal:**

	Original	Cost	Proposed	Annual Cost	Phase Cost
Holiday	100	\$6,400	\$200	\$12,800	\$6,400
Phase 2			\$300	\$19,200	\$6,400
Phase 3			\$300 or 1%	\$23,961	\$4,761
Longevity (5y+)	\$75/year		0.25%/year	\$37,701	\$37,701
Education	300/600/900	\$5,700	1%/2%/3%	\$9,111	\$3,411
Phase 2			2%/4%/6%	\$18,222	\$9,111
Step			8y Step	\$16,199	\$16,199

Total Current Cost: \$12,100

Total Remaining Cost: \$36,470.64

Reference:	COLA	1%	\$23,162
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COLA equivalent: 1.57%

	Starting Pay	12% Step*	5% Longevity**	Education	Total
Employee:	80%	90.09%	4.50%	0.00%	94.60%
of market avg			Associate	1.80%	96.40%
			Bachelor	3.60%	98.20%
			Master	5.41%	100.00%

\* After 10 years of service

\*\* After 15 years of service

Implemented

Proposed

**LAKE ALFRED CITY COMMISSION MEETING  
SEPTEMBER 13, 2016**

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**7.) RESOLUTION 08-16: SUPPORT OF LAKE ALFRED ADDAIR**

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**ISSUE:** The City Commission will consider a resolution supporting the efforts of Lake Alfred Addair in their School Improvement Plan.

**ATTACHMENTS:**

- Resolution 08-16 **UPDATED**

**ANALYSIS:** The City Commission requested information regarding the status of Lake Alfred-Addair Middle School and how to support the improvement efforts of the school. Staff has requested the Polk County School Board to present a status update to the Commission. In addition, staff has prepared a resolution in support of the development of a School Improvement Plan and the City's involvement in the planning process.

**STAFF RECOMMENDATION:** Pleasure of the City Commission.

**RESOLUTION NO. 08-16**

**A RESOLUTION OF THE CITY OF LAKE ALFRED, FLORIDA,  
SUPPORTING THE LAKE ALFRED-ADDAIR MIDDLE SCHOOL  
AND THEIR IMPROVEMENT PLAN; PROVIDING FOR  
CONFLICTS AND AN EFFECTIVE DATE.**

**WHEREAS**, a good educational system is the foundation of a prosperous society and a catalyst for strong economic development. People reference proximity to good schools as a top reason for selecting a place to live; and

**WHEREAS**, Lake Alfred has a great foundation of educational facilities for grades pre-K through high school. However, the Lake Alfred-Addair Middle School is in currently in crisis and needs support from parents and citizens in City of Lake Alfred and the surrounding areas; and

**WHEREAS**, the mission of Lake Alfred – Addair is to provide a safe and structured environment, foster motivation, and guide all students to reach their social, academic, college and career potential; and

**WHEREAS**, Lake Alfred-Addair serves 606 students from Davenport, Haines City, Lake Alfred, Polk City, Winter Haven and Auburndale, and

**WHEREAS**, Lake Alfred-Addair is a Title I school with 66 percent of its student population considered economically disadvantaged, according to Florida Department of Education information for the 2015-16 school year; and

**WHEREAS**, Parent Involvement Programs in Polk County strive to build RELATIONSHIPS to create real family engagement for every child, every family, every teacher, every day. Studies show that the more parents are involved in the education of their child, the more academically successful that child will be; and

**WHEREAS**, parents can help in developing the Parent Involvement Plan for 2016-2017 which is required by the state and will be part of the School Improvement Plan; and

**WHEREAS**, citizens can help by mentoring and volunteering with students or assisting with providing incentives or funding for incentive programs and academic awards, and

**NOW THEREFORE BE IT RESOLVED** by the City Commission of the City of Lake Alfred, Florida, that

**SECTION 1: SUPPORT.** The City Commission formally supports the efforts of Lake Alfred-Addair Middle School – School Improvement Plan and will participate in the process providing representation from the city and urging all citizens actively contribute their time and attention to the effort.

**SECTION 2: CONFLICT.** All Resolutions inconsistent with this Resolution are repealed to the extent necessary to give this Resolution full force and affect.

**SECTION 3: EFFECTIVE DATE.** This Resolution will take effect immediately upon its passage by the City Commission.

**INTRODUCED AND PASSED** by the City Commission of the City of Lake Alfred, Florida, in a regular session this 13<sup>th</sup> day of September, 2016.

**CITY OF LAKE ALFRED, FLORIDA  
CITY COMMISSION**

\_\_\_\_\_  
Charles O. Lake, Mayor

**ATTEST:**

\_\_\_\_\_  
Ameé Bailey-Speck, City Clerk

**Approved as to form:**

\_\_\_\_\_  
Frederick J. Murphy, Jr., City Attorney